

**MINUTES OF THE MEETING of the
BOARD OF DIRECTORS HILLCREST GOLF CLUB**

Tuesday June 16, 2020

The meeting of the Board of Directors was held at Hillcrest Golf Club on Tuesday, June 16, 2020. President Bryce Fauble called the meeting to order at 5:30 PM. A roll call was taken and the following Board members were present: Bryce Fauble, Marcia Baxter, Jesse Larson, Bob Therrell, Michael Anziano, Brian Dommer, Bill Warren and Jeff Thompson. Present via Zoom was Sue Pierce.

The following Hillcrest staff members were present: Michael McCloskey, Ken Kirby, and Amy Moody.

MINUTES:

Bryce thanked Karen for doing the May minutes and asked if there were any corrections. As there were none, Bill W. motioned to approve them, 2nd by Bob T. Approved and to be filed.

PUBLIC PARTICIPATION:

This is the time set aside for members to ask questions, share concerns or give ideas to the Board and the Hillcrest staff. One member attended via Zoom. There were no comments to share this meeting.

GENERAL MANAGER'S REPORT: MICHAEL MCCLOSKEY

- The club is operating under Phase 2 COVID-19 Operations. The upper level opening went well and improvements in signage and procedure were made as needed. Shop and F&B sales were good considering the situation. F&B offerings will be expanding next week to include hot items. Staff this year consists largely of fulltime employees and morale is very good. Our one intern has arrived and has started.
- Instructional Programming is coming on board with San Juan Health Basin relaxing restrictions on group size. All 3 adult clinics are sold out, so additional clinics will be added. Schedules for the junior clinics will be set this week. The junior camps and league are in the planning phase. Maximum group sizes are 20 for adults and 30 for kids.
- July 4th activities will include an extended Golf Shop Sale June 27th – July 5th. Brainstorming on other activities occurred however this year may not work out to implement them (such as BBQ).
- Michael reviewed the KPI report as well as tee time utilization. Utilization is well above industry standard for public courses, and highlights the increased interest in golfing seen in the industry.

FINANCIAL MANAGER'S REPORT: AMY MOODY

- Cash balance as of 5/31/2020 is \$349k. Long term debt is \$1.1MM which includes \$221k of new debt.
- Total revenue is \$610k. Operating expenses are \$579k. Net income is \$31k. Amy reported that income and expenses are on target with the budget.
- Capital Expenditures – There were no expenditures in May. The Line of Credit is planned to be paid off by the end of the week. The club will still have access to it at TBK if needed.
- Budget Update: The COVID-19 2020 Budget was included in the BOD packet.

- PPP/SBA Loan Update – A bill was signed into law which had sweeping changes to the PPP program's terms. Amy has reviewed the changes to the terms and is hopeful that most of the loan HGC received will be forgiven. The application for debt forgiveness may begin as early as July and will be a priority.

GOLF SUPERINTENDANT'S REPORT: KEN KIRBY

- The course has been fertilized and remains in excellent shape which should continue through the summer. Big thank you goes to the maintenance staff for providing great playing conditions through their hard work.
- Greens have been needle tined to vent them, and were treated with preventative fungicide.
- Sprinkler heads are being trimmed again, and with over 1500 heads this is time consuming.
- Extensive cleanup of debris on the course has been done however is ongoing with all the wind. Pine cones are particularly abundant this year.
- Adequate water has been received for irrigation however will be watched closely the next few weeks.
- Thanks to the Board for providing lunch to the crew, it was greatly appreciated.

COMMITTEE REPORTS:

- Finance – Brian D. reported that he, Bryce F. and Bob T. had met and agreed upon the description of the Finance Committee for the revised bylaws. The engagement letter from Frederick Zink & Associates for 2019 was reviewed. The Committee agreed the same procedures should be performed and that Bryce F. should sign the letter for 2020. The check signing process was reviewed and due to the role of the Financial Accounting Manager in the treasury function, a modification of the process was made. Brian presented details on the new process along with a weekly schedule which names which of the officers will be the co-signer. Board approval was given.
- Grounds – Bill Warren reported on the needed repair at the lady's bathroom by hole #12. It was agreed to go ahead and do a quick repair at this time.
- House- Karen Gallegos prepared a written report which Bryce gave some details on a few items. A new storage area was created in the #17 building which will be utilized to store extra club furniture as well as HWGA and junior golf materials. A leak in the fire suppression system on the lower level was discovered in a timely fashion (thanks to Bud) before water damage could occur. Advanced Fire Systems repaired the system. Kangaroo storage has been increased and there is room for 8 more carts. In general, deferred maintenance is adding up as the building is old, this will need to be addressed for next year.
- Tournaments – Michael A. asked how the handicaps were calculated for tournaments for those players playing mixed tees or different tees. Jesse explained it and how to calculate your HC if you wanted to do that. Michael suggested we post a chart for easy access for players.
- Golf Operations – Michael A. reported there is improved morale within the staff as there are fewer complaints about tee times not being available. An impressive social media campaign which includes Facebook and Instagram postings is in place. This will aid in informing the public of Hillcrest events. During the Operations meetings, the clubhouse opening procedures, storage area modifications, and overall golf operations are being reviewed. There has also been discussion for plans to utilize the outside balcony space better to increase usage and enjoyment

UNFINISHED BUSINESS:

- Bylaw Revisions: Bob T. reported he had completed the bylaw revisions with the support of club staff and Board members. It does include modifications to the section on the Treasurer's duties which were obsolete considering the addition of the Finance Manager position. The complete revision with proposed changes were given to all Board members and comments requested. As there were no other changes, Marcia B. made a

motion to accept the revisions and fulfill the requirement to send to members for review, 2nd by Jesse L. Motion passed unanimously. The revised bylaws will be sent to members for comments.

- Golf Simulator: Michael explained that a lightly used two-year-old simulator is for sale in Durango at a reduced price. Pros and cons were discussed for this particular opportunity. It was deemed worthwhile for Michael and whomever else was interested to take a look at it.

CONSENT AGENDA: APPROVED WITHOUT DISCUSSION – NONE

NEW BUSINESS:

- Refund Requests: Two requests for refunds were discussed. It was decided that more information is needed from the requestors before a decision could be made. Bryce will ask Karen to follow-up.
- Opening Lower Level Clubhouse: Michael M. reported that he has met with the club management and they feel comfortable opening up the lower level of the clubhouse for access to lockers / restrooms with the appropriate procedure and signage implemented. All lockers have been cleaned and sanitized. The Board consensus was to go ahead with a target opening by Friday. Self-policing and social distancing will be key.

CALENDAR ITEMS:

Next regular Board Meeting Tuesday July 21 at 5:30PM.

ADJOURNMENT:

A motion to adjourn the meeting was made by Bill W. and seconded by Brian D. Meeting adjourned at 7:25 PM.

Respectfully submitted,

Marcia Baxter, Board Secretary