

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

Tuesday July 21, 2020

The meeting of the Board of Directors was held at Hillcrest Golf Club on Tuesday, July 21, 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, Karen Gallegos and Amy Moody.

MINUTES:

Bryce asked if there were any revisions to the June minutes as written. As there were none, Jeff T. motioned to approve them, 2nd by Michael A. 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.

Bryce read an email from a member containing suggestions for the driving range to reduce stray balls from hitting the lower practice area. The Board discussed possible actions and recommended more prominent signage and closer monitoring.

Bryce read a member email expressing their concern about the condition of some of the cart paths and the stress on bodies and carts. The Board has been aware and discussed solutions the past couple of years however capital is not available at this time to do any improvements. The project will continue to be in the capital plan.

GENERAL MANAGER'S REPORT: MICHAEL MCCLOSKEY

- The club is well into operating with the clubhouse and downstairs open and all is working well. People are adhering to the face mask policy. Outdoor seating has been added & we have seen an increase in F&B sales.
- Junior golf activities are back and doing well. 86 junior passes have been sold vs. 65 in 2019. Camps started last week and had 21 attendees. Two more camps are scheduled and both are sold out. Today the club hosted the 2nd round of the Junior Western tournament with 40 participants. First Tee announced they are now First Tee of the 4 Corners which means HGC will be included in the scope.
- Tournament participation has been excellent. Thanks to Bud and Brett for their excellent executions.
- The used golf simulator was investigated and deemed not a good fit for what we are looking for.
- Staff lunches have been well attended and appreciated. Morale remains high. We may have 1-2 new staff as we transition into fall and school starts back up.
- Michael reviewed the KPI report and tee time utilization remains high. Cart revenue was down vs. 2019 largely due the cancellation of the NTO.

FINANCE MANAGER'S REPORT: AMY MOODY

- End of month cash balance is \$274k. Long term debt is \$1.0MM.
- Total income is \$785k which is 7% higher than budget. Operating expenses are \$759k which is 5% higher than budget. \$25k of expenses are attributable directly to COVID which were not in the budget, otherwise expenses would be on target with budget. Net income is \$26k which is \$19k higher than budget.
- Capital Expenditures – There were no expenditures in June. All capital expenditures are on hold.
- The line of credit was paid off on June 18th for \$75k as agreed at the last meeting.
- PPP/SBA Loan Update – According to recent guidelines, the \$145k debt will be forgiven. The application process will begin as soon as TBK has the online application ready.

GOLF SUPERINTENDANT'S REPORT: KEN KIRBY

- Play on the course is more extensive than we have ever seen. The course remains in great shape despite the traffic however is showing some wear and tear with cart traffic being the main culprit.
- Hand watering was being done to keep strategic areas playable during the extended drought so the recent moisture was welcomed and the course has improved because of it.
- Trees are being pruned around cart paths and other areas to prevent lid damage as well as help sprinkler coverage near those trees.
- Sprinkler heads were trimmed again and all bunkers have been edged again to keep sand from overlapping.
- The crew is still dealing with some disease pressure on select greens and will continue to monitor and apply necessary fungicide to those effected areas.
- Greens continue to be the show piece as we are still receiving rave reviews about them.

COMMITTEE REPORTS:

- Finance – Brian D. had nothing further to report.
- Grounds – Bill W. had nothing further to report.
- House- Karen G. reported that Northpoint Furnishings will do a free consultation for the clubhouse furniture project with no commitment to purchase. Anyone who has ideas please contact Karen or Sue P. Karen got an estimate of around \$1,100 for an electronic drinking fountain for downstairs. Touchless would be the best option in today's environment. Touchless faucets were suggested for the bathrooms when and if a remodel is done.
- Tournaments – Jesse L. reported that tournament participation has been at maximum and we've had some great sponsors. Unfortunately, the Club Championship sponsor has withdrawn so we are looking for a replacement. Jesse is in contact with a couple of local companies and another option was mentioned.
- Golf Operations – Michael A. reported in addition to M. McCloskey's report that there is a pressing need to upgrade the Phone and Internet service. Operations are using the internet more with cloud-based storage, remote stations, and the POS system and is proving inadequate. Michael also reported that he, in conjunction with Michael M., Amy and Karen, are working to define the scope and direction of the future Office Manager position in light of Karen's pending retirement. Future orders for shop merchandise will be evaluated before placing as there is currently high inventory. The member surveys that were postponed earlier this year will be re-visited with intent to send out in the coming weeks. A couple comments have been received expressing the desire to keep the new ten minute tee time intervals as it makes play more enjoyable.

UNFINISHED BUSINESS:

- Bylaw Revisions: Bob T. reported there were many good comments from members on the proposed bylaw changes for which he wanted to review with the Board. After reviewing all of the suggestions, the Board agreed to make a couple revisions. Bill W. made a motion to approve the modified bylaws as presented by Bob, 2nd by Marcia B. and the motion passed unanimously. Bob T. will co-ordinate with Karen to send the new proposed bylaws to members for review and comments. Bryce thanked Bob for all his efforts on this project as it was a huge job to complete.
- Requests for refund of season pass as discussed in the June meeting: Karen reported that both cases were resolved.

CONSENT AGENDA: APPROVED WITHOUT DISCUSSION

- Amy Moody's vacation

NEW BUSINESS:

- A request was made for club business information from a member. The Board discussed the request and agreed that we will not honor specific requests for data. Some of the data requested is proprietary to the business operation which is not appropriate to share with the public.
- Bryce wants to establish an ad hoc committee to create an instrument to evaluate the performance of the General Manager and Finance Manager positions. Bryce will be on it and asked for volunteers. The evaluation is targeted to be done in September. Jeff, Sue, and Michael A. volunteered to be on the committee.

CALENDAR ITEMS:

Next regular Board Meeting Tuesday August 18 at 5:30PM.

ADJOURNMENT:

A motion to adjourn the meeting was made by Brian D. and seconded by Bill W. Meeting adjourned at 7:15 PM.

Respectfully submitted,

Marcia Baxter, Board Secretary