

# MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS HILLCREST GOLF CLUB

**Tuesday May 14, 2019**

The regular meeting of the Board of Directors was held at Hillcrest Golf Club on May 14, 2019. President Michael Brennan called the meeting to order at 7:00. A roll call was taken and the following Board members were present: Michael Brennan, Jack Morrison, Marcia Baxter, Susan Atzman, Michael Anziano, Jim Morehart, Bill Warren and Bryce Fauble. Jessie Larson was excused.

The following Hillcrest staff members were present: Ken Kirby, Karen Gallegos, Michael McCloskey, Eric Dunn.

## **MINUTES:**

Michael asked for any revisions to the April meeting minutes. As there were none, the minutes were approved and filed.

## **PUBLIC PARTICIPATION:**

This is the time for members to ask questions, share concerns or give ideas to the Board and the Hillcrest staff.

Michael B. read an email which complimented that the Director of Golf was present on a Sunday in the shop.

Michael mentioned that the Aztec golf club has been in contact with Hillcrest as they are considering becoming a non-profit. We are providing information on our bylaws and organization as requested to support their efforts.

One speaker mentioned that two members said they had sent emails concerning the board's decisions to end unlimited range passes, but received no response. Michael said we respond to all emails so perhaps it was sent to the wrong address. Current email address for Hillcrest questions to the Board are: [BOD@golfhillcrest.com](mailto:BOD@golfhillcrest.com) and [info@golfhillcrest.com](mailto:info@golfhillcrest.com). Member then asked how to propose a change to the bylaws for which Michael responded to make a proposal for consideration.

It was reported that the Jr. Golf Foundation has agreed to help fund junior range pass cards this season.

## **GOLF PROFESSIONAL'S REPORT: MICHAEL MCCLOSKEY**

- The first HWGA event was held Monday evening May 7 with the opening kickoff meeting and buffet dinner. Michael spoke at the event and gave a short clinic on the new rules. Thanks to the Brennans for assisting with dinner as the kitchen was not yet fully staffed.
- Food & Beverage: Austin Schrage has been hired to lead the F&B operations. Soft opening is Sunday May 19 for the "Irons in the Fire Grill". Opening times and menu with prices was presented / discussed including the addition of happy hour specials. It was noted that the prices seemed very reasonable. Jim M. made a motion to approve the menu pricing, 2<sup>nd</sup> by Bill W, approved by show of hands unanimously.
- Sales & Marketing efforts to promote the club are continuing as Michael has attended several community events including Kiwanis lunch, Coffee at Carvers group, and did a radio Chamber Chat segment. He also contacted two area hotels to suggest "Stay & Play" promotion. A professional photo shoot has been scheduled week of May 20 to get some professional pictures of the course for marketing purposes. Focus is on landscape shots and people playing.

- Programming: There were 39 participants in the kickoff clinic. Scheduled weekly will be a clinic on a specific topic with Wednesday “Drop-In” at 10:30 for women only, 5:30 Co-Ed. Same clinic will be offered Saturdays at 1PM sign-up required. Cost is \$15/person and lasts one hour. Planned also will be free trial equipment days on Fridays / Saturdays 9-12 on the driving range. Three junior camps will be held throughout the summer.

## **GROUNDS SUPERINTENDENT’S REPORT: KEN KIRBY**

- Further aeration work has been postponed until fall due to inclement weather.
- Fully staffed at 10 with 7 seasonal employees.
- There are a couple of city water leaks that are being addressed with the city.
- Recent work has been the edging of all the greenside bunkers, planting of 6 trees, and ensuring are all restrooms open and operational. Next week’s planned work is edging of fairway bunkers and spring fertilization. Thanks to Will and Eric for all their hard work.
- Eric will attend the Rocky Mountain Superintendent meeting and seminar.
- Ken explained the situation with the pump station at end of #1 and options for addressing. The pump powers only the fountain in the pond. Paul Wilson reviewed the equipment and gave an estimate for modifications and/or removal of equipment. After discussion, it was agreed to keep power to the fountain but remove the unsightly equipment.

## **TREASURER’S REPORT: SUSAN ATZMAN**

It was explained earlier that the financials will be somewhat confusing in 2019 due to the change in business structure. This stems from an absence of cost information for the “shop” operations in 2018. Essentially, revenue from prior year for carts, range, merchandise sales and F&B will be reported but there is no associated cost data. This will not impact actual results for 2019 but will make comparisons to prior year in some cases non-sensical. As 2019 progresses, these anomalies will be called out. By 2020 all reporting will be standardized and variance analysis year over year will once again provide valuable information. If you have any questions throughout 2019, feel free to send questions to the BOD email or ask Susan directly.

- Overall income is below prior year by 12% / \$54k at April month end. The primary factor driving the shortfall is weather. We had a very late opening, April 12<sup>th</sup>, and since opening we have experienced more inclement conditions than normal. While it is difficult to make up lost days, it is encouraging that on the days we have been open with good weather our revenue is exceeding prior year on a daily basis.
- Course operating expenses are down ~23% / \$29K over PY driven primarily by labor cost. There is also a reclass of \$5k property tax payments which has been moved out of the maintenance budget and into the golf administrative operations budget.
- Golf operations expense exceeds PY by 100% / \$48K due to addition of GM salary and other items that are of a timing nature rather than spending exceptions for the most part. Insurance has increased due to more personal property to insure and operating supplies like range balls, carts, and new safe which are incremental to prior year spending.
- Capital spending in April was ~\$2K for a new server.
- Cash flow remains robust at the end of April at ~\$200K.
- Memberships are on par with prior year at 500. Additional full memberships will occur in May, followed by seasonal memberships beginning in August. Coupon book sales are lagging prior year sales at 4/30/2019, however, this also may be due to weather conditions.

## **UNFINISHED BUSINESS:**

- MASTER PLAN: Michael B. distributed a letter which was sent to Kevin Norby in April summarizing the wishes of the club after his presentation at the April meeting. Norby is putting together a proposal to

prepare construction drawings to complete renovations of the remaining tee boxes and reshaping of the fairways, as well as improvements to the practice area to allow more golfers on the tee line.

## **CONSENT AGENDA - none**

### **NEW BUSINESS:**

- Karen G. asked for Board members who wanted to play in the NTO Sponsors Tournament on a team to let her know. Sponsors tournament is June 8<sup>th</sup>.
- Food & Beverage Operations: Michael B. complimented McCloskey on all the work in this area on top of getting the golf operations open.
- Marketing Efforts: We are focusing on walk-in customers. The improved availability of tee times should help with the new tee schedule. Bryce mentioned we can get free advertising in The Herald under Business Briefs, announcing our new GM. Michael commented he has already sent requests to them for announcement.
- Marcia B. asked the Board members if they would consider moving the meeting start time from 7 to 6PM. There will continue to be a lot to discuss at future meetings and the finish time is quite late for those who work. After a short discussion, a show of hands resulted in agreement to change the meetings to a 6PM start.

### **COMMITTEE REPORTS:**

Budget/Finance: Susan had nothing further to report.

House: Bill Warren reported that those who have not paid their locker fee for 2019 have been notified. Those not responding within the deadline will have their lockers emptied. Karen is keeping track of available lockers and reported there are some available.

Bids are being received to repair a drainage problem at the Clubhouse entrance. This will involve removing asphalt and concrete, then pouring a new concrete slab that will drain water away from the kitchen door. Foot traffic will be rerouted to the north Dining Room door for about a week while work is performed.

Grounds: Bryce is having weekly meetings. Everyone is very pleased with the crew and their efforts have resulted in the course in great shape.

Tournament: The first scramble tournament had 52 players which is on par with last year. Next event is Sunday the Shootout event. The Pros have started signing up for the NTO now which is the usual time.

Golf Operations: Jack had nothing further to add to McCloskey's report.

Policy: Nothing.

Junior Golf: The Hillcrest Board was represented in the impromptu meeting held. They appreciated that McCloskey attended.

Calendar Items: Next Board Meeting is at 6PM Tuesday June 11.

### **ADJOURNMENT:**

A motion to adjourn the meeting was made by Jim M. and seconded by Bryce F. Meeting adjourned at 8:35 PM.

Respectfully submitted,

Marcia Baxter, Board Secretary