

EL PASO GOLF CLUB
2016 ANNUAL STOCKHOLDERS MEETING - Minutes
February 17, 2016

CALL TO ORDER:

The annual meeting of the Stockholders of the El Paso Golf Club, Inc. was held on the above date in the clubhouse. The meeting came to order at 6:31 pm with 32 stockholders present. Present were directors: Berry, Schulkins, Sharkey, Snider, Steach, Weikel and B. Wilson. Directors Homan, Nickrent, Stuckel and Young were absent. Also present were employees: Harris, Unzicker, L. Vance, and Westfall.

Chris Sharkey, current board President, welcomed everyone to the annual stockholder's meeting and addressed the stockholder's in general about the past year's activities and the agenda for the evening.

- First, on behalf of the Directors and myself, a big thanks to the staff and committees for all their hard work and contributions – you did a great job all year, a major part of our success!
- The 2015 golf season was not without its challenges for us and golf courses nationwide. A very cold January, February and March, then we experienced the wettest May through July with over 19 inches of rain!! A special acknowledgement to Lane, Greg and the grounds crew for their efforts throughout the clean-up process and maintaining our golf course. Our course stayed in great shape all year despite the weather challenges. Once the rain stopped, we had a busy time through the end of the year.
- We as a board have strived to maintain a manageable balance between income and expenses while meeting the challenges head on. For 2016, the Board unanimously voted for a slight increase in our dues. Our club is no different than any other entity that is experiencing increases in their costs of doing business. We have openings for new members – so spread the word, a full membership is for good for everyone!
- Congrats to both the EPG Boys and the Girls Golf teams on great seasons!!
- Special thanks to all the sponsors and individuals who made our 4th of July fireworks display a huge, huge, success. We received nothing but rave reviews on the display!! Without a doubt, your support has been monumental in the success of this event.
- Although the year wasn't without its challenges, we as a club were still able to maintain and provide what we all should feel is the best deal and value in the area. As a board we will continue to work to maintain fiscal responsibility and with your help look at ways to continue to improve our club. We look forward to a great 2016!!

SECRETARY'S REPORT:

Jill Berry read the minutes of the previous stockholder's meeting and they were approved, without changes, on a motion by Barb Miller and seconded by Bob Werkman.

TREASURER'S REPORT:

Roxane Schulkins presented the treasurer's report. A huge thank you goes out to Paul Westfall for doing a great job on taking care of our bookkeeping for the golf course.

Schulkins reported the following:

- We had a rough start to our 2015 season with a very wet spring, but fortunately a mild fall helped to bring the income up to cover most of the expenses for the year.
- By raising trail and shed fees in 2015, we brought in an additional \$5,650.
- Green fees were up ~ \$23,683 over 2014 and the total Golf Course income was up ~ \$44,183.
- The tree program gained up an additional ~ \$10,190.

- Two major expenses for the year:
 - Replacement of the clubhouse roof for an approximate cost of \$43,505
 - Purchase of a rough mower – will be paid at \$11,000 each March for 5 years.
- Estimated major expense for 2016
 - New sprinkler heads for an approximate cost of \$15,000
- In the future, may need to replace the carpet in the clubhouse; for now, cleaning it ourselves to help prolong the life.
- Pro shop's income was down slightly from 2014
- Restaurant's income was ~ \$30,317
- In closing, although we raised dues slightly for 2016, we still remain one of the best deals in the area. We will continue to control costs and looks for options to increase revenue.

The treasurer's report was approved on a motion by John Sutton and seconded by Barb Miller.

BOARD OF DIRECTORS:

Three (3) candidates had properly notified the Secretary of the Board of Directors of their intentions to run for election to the Board for Directors for 2016 for three (3) openings – they were: Paul Homan, Randy Snider and Don Young (all seeking re-election). Since there were three (3) open positions and only three (3) candidates, an election was not held – all candidates will serve on three-year terms to the Board of Directors.

GOLF COURSE (Grounds and Equipment) – Chris Weikel on behalf of Don Young reported the following:

- Thanks to Lane Vance, Greg Harris, Jim Higgins, Chuck Smalley, Red Marcus, Jerry Duncan, Carter Tria, Tyler Ramsey, Nic Paternoga and Steven Duncan for a job well done throughout the year. It was another tough weather year, and our course still looked great!
- Thanks to committee for all their input and work this year. The committee members were: Don Young, Chris Weikel, Nancy Beckman, John Street, Greg Harris and Lane Vance.
- Grounds:
 - Probably the most rain ever early in the season – June was the wettest in history. Due to the wetness, we lost the big oak on 7, which uprooted while there were players on the course – very fortunate that no one was hurt. Amazingly the crew had it cleaned up in a few days.
 - 1,500 feet of tiling done on holes 7, 10, 15, 16 and 18.
 - Rebuilt and sodded several tee boxes: #2 white, #7 white, and #8 blue.
 - Two lake fountains, as well as the large irrigation pump had to be replaced.
 - Unfortunately we had to remove over 100 trees due to disease or already dead. The stumps were also removed quickly with a big thank you to Steve Kool for the use of the stump remover.
 - Tree fund was started to help defray the cost for tree replacements. Thanks to the generosity of our membership, we were able to plant over 30 trees now with more to come.
 - Start of the 2016 season there will be a massive clean-up needed due to the ice storm. Some trees will need to be removed and replaced.
 - 120 sprinkler heads have been purchased and will be installed when possible.
 - A big thanks to Julie Jarman, Mary Dart and Jan Sharkey for an awesome job in making our course look beautiful!!!
- Equipment:
 - The equipment overall is in decent shape.
 - The new rough mower was put to good use in 2015.
 - Thanks to Mike Schwartztruber for keeping everything in working order.

HOUSE – Restaurant/Clubhouse – *Ben Wilson* reported the following:

- Thank you to Lane Vance, Rhonda Duncan, Stacey Unzicker, and their staff for all their hard work this year in the restaurant and bar. Also, thank you to a great committee, Christine Street, along with the staff.
- New equipment purchased as replacements: dishwasher (thanks to the ladies league and the hole-in-one fund) ice machine and 2 prep tables.
- Menu: worked on the menu to create more consistency; had the Wednesday, Friday, and Saturday specials the same each week; will review the current pricing and menu items again for 2016.
- Loni Rowley is now a full-time employee in the kitchen
- Bar and wait staff are pretty well set for this season.
- Staff will be doing general cleaning over the winter.
- Will be adding new bar stools and updating the ceiling fans on the deck,

HOUSE – Pro Shop – *Ben Wilson* reported the following:

- Thanks to Steve Fulton, Kyle Tague and their staff for a good year.
- YTD Rounds for 2015: ~32,325, up approximately 9% over 2014.
 - Member/guest split on rounds: Members – 72%; Guests – 28%.
- Pro Shop sales were up this year approximately \$5,000 over 2014; gross profits were up approximately \$3,000 over 2014.
- Club fitting was well received in 2015 and we hope to continue that trend in 2016.
- Bev Patton was a great addition to the staff and she will return in 2016. Jane Breakville will be joining the staff for the 2016 season.

HOUSE – Social – *Ben Wilson* reported the following:

- Continued most of the same social events in 2015, with most being well attended.
- Fireworks were awesome again this year – Thanks to Chuck Feeney and all the donors.
- Due to low attendance, removed the Memorial Day Tournament and had just open tee times. The times were filled, but ended up with bad weather. Not planning to have the tournament in 2016 – might consider the format on a different time.
- Young and Young at Heart – half the events had a good turnout, the rest were plagued with bad weather, or not attended. Plan to continue this year, but with fewer events.
- Spring Scramble will be cancelled in 2016 due to decreasing participation.
- Ladies of the Evening League had a sizable increase in 2015.
- Facebook: doubled the views and likes!!
- Upcoming events: Happy Hours on Fridays through April 1st; March 13 – Open House
- Full menu will start April 6th.

MEMBERSHIP – *Randy Snider* reported the following:

- A big thank you to the membership for helping us to manage the permanent tee times.
- Membership has been running below cap of 475 – for 2016, invoiced 468 members.
- Waiting list is at 0.
- Lowered initiation rates by ½ until March 30.
- Will continue a variety of advertising.
- ~280 stockholders for 2015

PLANNING & PERSONNEL – *Randy Snider* reported the following:

- Renewed our commercial insurance.
- Continued the annual one on one with our salaried employees.

- Welcome to the newest salary staff member – Loni Rowley.

AUDIT COMMITTEE:

John Heitz presented the audit committee's report for 2015 on the review of the payroll records (both salary and hourly). The committee reported that all critical aspects of the examined operations are performed soundly – no known deficiencies – all records are in order and all payments made on time. Only requirement is to obtain new W-4s for all employees. Thanks to Lane Vance and Paul Westfall for their assistance. Committee members: John Heitz and Diane Heitz.

HOLE-IN-ONE REPORT:

Linda Messer presented the summary of the Hole-in-One fund and report.

- For 2015 – there were 8 holes-in-one: 1 on #3, 3 on #13 and 4 on #17.
- Total spent - \$2,116 (\$800 for gift cards (\$100/each); \$1,123 for bar costs; and \$193 for trophies).
- With the funds collected, a new dishwasher was purchased for the kitchen.

GENERAL MANAGER'S REPORT:

- *Lane Vance*: General discussion on the budget for 2016. We tried to be realistic on the projections which were based on actuals from the previous year.
- For 2015 – we were able to purchase 2 refrigeration units, 2 lake fountains and the large irrigation pump without having it planned and in the budget. The only item in the budget was the new clubhouse roof.
- County road will be closed for about 2 – 3 weeks over the summer or early fall.
- Will plan to pay a little extra each month on the mortgage when possible.
- We have a great membership – thanks for sticking with us!!!!

OLD BUSINESS:

- No old business at this time.

NEW BUSINESS:

- No new business at this time.

GENERAL COMMENTS:

- *Gene Lacher*: "Y" memberships – how did the new category work out? *Lane Vance*: Gained approximately 15 new members.
- *Tom Fulop*: About how many members will we lose this year? *Lane Vance*: we will lose approximately 20 – 25, but then we will turn around and gain approximately 20 – 25 new members, so nets out about the same. Won't know the exact number until about March 15, 2016.

ADJOURN:

The meeting adjourned at 7:03 pm on a motion by Carl Miller and seconded by Gene Lacher.

Respectfully submitted,

Jill Berry

Jill Berry, Secretary