

EL PASO GOLF CLUB
2022 ANNUAL STOCKHOLDERS MEETING - Minutes
February 16, 2022

CALL TO ORDER:

The annual meeting of the Stockholders of the El Paso Golf Club, Inc. was held on the above date at the clubhouse. The meeting came to order at 6:00 pm. Present were directors: Arends, Berry, Fulop, Heitz, Kridner, Schulkins, Snider, Weldon, and Young. Directors Aaberg and Koth were absent. Also present were employees: Baker, Roberts, Schuerman, and L. Vance.

Randy Snider, 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.

Before we get started – you should have access to a copy of:

- Meeting Agenda
- 2022 Budget
- General Financial Update
- We would like to thank our membership for their tremendous support. You are going to hear our committee chairs report on the many new members we have added, and the number of rounds played. You will also hear reports regarding several capital improvements that we have budgeted.
- The Planning/Personnel committee will be reporting on several personnel changes. Therefore, I will not mention them at this time.
- On behalf of the Directors and myself, we would like to thank the staff and employees for all their hard work, loyalty and contributions – you did a great job! You are an integral part of what makes our club the success and a value that we as members enjoy.
- We would also like to thank those members who serve on the Golf Course, House, and Planning/Membership committees, as well as those that volunteer their time to help with our social functions, club events, and high school golf tournaments.
- I am sure you are aware of the increases in minimum wages, and overall costs. We also have plans for capital improvements that have been delayed for a couple of years. After consideration, the BOD felt it was necessary to raise dues and fees for 2022. We feel we still offer the best golf club value in the area.
- After the Treasurer's report we will open the floor for any questions you may have regarding the 2022 budget.
- A special acknowledgement to Lane, Greg, Mike and the grounds crew for their efforts in maintaining our golf course. I feel we have the most well-kept and beautiful venue in central Illinois!!
- We had a wonderful 4th of July celebration. A special thanks goes out to all of those businesses and individuals that donated towards our fireworks display. The fireworks would not be possible without their donations. Please thank our donors and frequent their businesses.
- A special thanks to Rob Hembra and Ron Johnson for performing the audit. Only minor issues were found.

- We were very proud to continue to host several IHSA events –
 - EPG Boys won the regional and finished 4th at the sectional
 - EPGC hosted the HOIC and the EPG boys finished first
 - Sara Bond advanced to the sectional
- Thanks to all the members who participated throughout the year in our club events, and congratulations to all the Club Champions and award winners.
- On a personal note – After serving 9 years on the BOD, including 4 years as your president, I have decided not to run for re-election. I am leaving on the best of terms, and it has been an honor to serve.
- ***Looking forward to a great 2022!!!!***

SECRETARY'S REPORT:

Jill Berry reviewed the minutes of the previous stockholder's meeting and they were approved, without changes, on a motion by Mike Adams and seconded by Kelly Gorman.

TREASURER'S REPORT:

Roxane Schulkins presented the treasurer's report summary.

- Do to the continued increased interest in golf; we had another great year in 2021.
- Once again the golf side of our business did exceptionally well. The golf course net income was up \$58,674 over last year and our total net income was up \$24,939.
- We were able to redo our bar counter tops and purchase two greens mowers. Because of the weather, we had to postpone our cart path repairs until spring. We have budgeted \$75,000 for those repairs in 2022. As promised, we will be getting our new carts this year!
- The pro shop's net income was down slightly from last year. Matt Schuerman, our head pro, has taken over the ownership of the pro shop, so please give him your support by purchasing your golf course clothing and supplies from him whenever possible.
- We did decide to raise dues, green fees, and cart fees to cover the increased expenses we will have this year. By doing so, we can continue to keep El Paso's course in the great shape that earned us the 11th spot in the Golfers' Choice, best course in Illinois, for 2021.
- The Queen of Hearts drawing continues to be a fun addition to our Sunday afternoons. As you know, Bev Patton was our winner on July 4th. Because she was on the course at the time her name was drawn, she received 80% of the pot. The club was able to keep \$13,470 from the winnings.
- We were back to hosting outings and banquets and they were very successful.
- I can finally say that we now have a waiting list for our membership, so if you know anyone that is considering joining a course, let them know that they need to get on our waiting list soon.
- See the "12-31-21 Balance Sheet" on page 7.

The treasurer's report was approved on a motion by Greg Rackauskas and seconded by Kelly Gorman.

GOLF COURSE (Grounds and Equipment) – *Doug Arends* reported the following:

- Sincere thanks to Lane and all of his team for their hard work and dedication in making El Paso Golf Club a very special place to play.
- A huge thank you goes out to our retiring greens superintendent, Greg Harris, who spent 36 years developing and improving our course. Enjoy a great retirement, Greg.
- 2021 was a very active year at EPGC with many improvements as follows:
- Bunker renovation:
 - Reshaped our green side bunkers on 9,12 and 16
 - We also removed the fairway bunker on 15 and sodded all of these improved areas.
- Tree Program:
 - Removed 30 plus trees from course and ground out all the stumps.
 - 2021 – Planted a variety of 22 trees.
 - We feel that our tree program is doing well and we will continue our tree replacement focus.
- Cart Paths:
 - We have contracted Elite Asphalt to improve our cart paths starting in Early Spring 2022.
 - They will also repair paths at both ends of all bridges and all potholes where we are not resurfacing.
 - We will be asphaltting the maintenance entrance, and also milling the path hills on holes 9, 10, and 16, to help reduce any sliding.
- Drainage Improvement:
 - Installed new tile lines in #5 fairway to eliminate wet areas.
 - Created rock drains leading to creek on holes 7, 18, and behind 14 tee.
- Miscellaneous:
 - New aluminum “No carts on Hill” signs will be put on holes 10 and 11.
 - New ladies’ tee on 15 was constructed and sodded.
 - A shelter was constructed by 14 tee for our refreshment cart and storms.
 - We have purchased 2 new Jacobson greens mowers and 1 new Jacobson tee mower to ensure that we can keep our course in top shape
 - All of our equipment seems to be working well, thanks to the great work of Mike the Mechanic.
 - Both Lane and Mike save us a lot of money by fixing many of our problems in house.
- New Carts:
 - We have purchased 68, 2022 Yamaha electric carts, to replace our 2002 model
 - New carts are blue bodies with light tops and all old carts were traded in.
- Special Thanks to our landscaping and flower team!
 - Kim, Sally and Gracie did a tremendous job
 - Also, thanks go out to all of our thoughtful members who assist in making our course such a beautiful property.
- 2022 – New Grounds Superintendent:
 - Starting January 1, 2022, Joe Roberts will be our new greens superintendent. Joe grew up locally with 6 years of experience at Ironwood Golf Course, Normal, IL.
 - We welcome Joe and his wife, Dana, and their 2 sons.

- I want to once again thank Lane, Greg, and the entire Grounds team for their hard work and pride that they demonstrate in keeping our course so Great!
- Thanks to Mike the Mechanic for keeping all of our equipment repaired and working well.
- Let's have a tremendous 2022!!!
- Member Questions:
 - Rick Weldon: Did we get new flags and cups? L. Vance: yes; we use the old ones for winter play.
 - Rick Weldon: Will we be keeping the cart path near #10 green? L. Vance: yes.
 - Greg Rackauskas: Are we following the "better bunker method" on our bunker upgrades? Arends: yes we are.

HOUSE – Restaurant/Clubhouse; Pro Shop; and Social – *Tim Strader, for Jeff Aaberg*, reported the following:

- Thank you to Lane, Brandi, Mike, and their staff for all their hard work this year in the restaurant and bar during a year full of challenges. 2021 was Another Roller Coaster of Challenges.
- I am dividing my report into 2 categories: Pro Shop and Restaurant.
- Pro-Shop
 - 2021 was a transitional year in our Pro-shop. It was a year of Steve backing out and Matt stepping up.
 - It was a year where your Board decided to allow Matt to take over the ownership of the merchandise inventory. I need to give a shout out to Jill, Rox, Lane and Matt. This team identified what it would take for Matt to be both an employee and an independent contractor. As a result, an agreement had to be developed and the proper changes to our Accounting/Payroll System (W2 vs 1099). Review at the end of the year.
 - We had 32,073 rounds of Golf played in 2021. Up 2,130 from prior year. 9,200 paid green fees.
 - Outings were good. We lost a couple of small ones but all the large ones came back.
 - Last month we had 32 people on a wait list to join our club.
- Restaurant
 - Mike Christensen along with AJ Henderson were promoted/hired at the beginning of the year in the Kitchen. AJ only lasted a month and unfortunately it would soon be a trend that the entire country experienced with a shortage of staff. Vicki, who many of you have met, will assume a full time position this year.
 - Brandi, along with Lane, picked out the new bar tops and we have received a lot of rave reviews. We also purchased a beer bottle cooler which is well received with the staff.
 - The 6 monthly Steak Fry's continue to be well attended.
 - Our crystal ball failed us on cost of goods regarding food and drink. If you remember there were some huge supply-chain problems causing prices to surge. In hindsight, we wish we would have increased prices mid-year but we thought food issues were temporary. As a result, we will be looking hard at our price of food so we can maintain our margins to make a profit. Stay Tuned.

- Thanks to all the teams in the Pro Shop and Restaurant for playing a part in creating a waiting list for new members. It's been awhile. Also, thanks to the club committee of Lane, Clay and Tim.
- Looking forward to a very successful season in 2022!!!

MEMBERSHIP – *Tom Fulop* reported the following:

- 510 adult memberships billed, including about 30 off the waiting list, which still leaves about 15 on the waiting.
- Initiation fee will remain at ½ price of \$150. Past members may rejoin without paying initiation.
- Overall, membership has been strong compared to similar clubs.
- 70 n the cart waiting list
- 270 stockholders to date
- General increase in fees across the board – cart shed, cart rental, etc.

PLANNING & PERSONNEL – *Tom Fulop* reported the following:

- Grounds Superintendent Greg Harris retired in July after 37 years of service. We thank him for his service and wish him well. He has continued on in a part time status to help us out.
- Golf Pro Steve Fulton retired 12/31/21 after 31 years of service. We thank him for his service and wish him well.
- Matt Schuerman has been hired as the new Golf Pro and will also now own/operate the Pro Shop.
- Mike Christensen has been hired as Kitchen Supervisor. He has managed well given staffing shortages throughout the year. Lane has also managed the staff and grounds crew well, given pandemic conditions.
- Joe Roberts started 01/01/2022 as the new Superintendent, replacing Greg.
- All have done a fantastic job in maintaining the course and providing great customer service.
- Member Questions:
 - Greg Rackauskas: How concerned are we with the increased members, and getting tee times, etc.? L. Vance: we have a cap at 475 members.

BOARD OF DIRECTORS:

There were 3 positions available, and 2 Stockholders submitted their intent to run, therefore no election was held this year. The 2 Stockholder's that will fill the 2 of 3 open positions, for 3 year terms are: Rick Weldon – new Board member and Don Young – current Board member. In addition, the Board invited Doug Kridner to fill the additional open position (which was from a resignation). Kridner will also have a 3 year term.

GENERAL MANAGER'S REPORT – *Lance Vance* reported the following:

- Minimum wage: we are very effected by the increases in minimum wage. In addition, all of our costs went up – and the wages are part of the increases.
- Please support Matt Schuerman in his new position and his ownership of the Pro Shop – he will do an excellent job!!!

- A big thank you to Brandi for all her hard work this year.
- Joe was an excellent selection for EPGC – he will do a great job!!!!
- Things looked tough for EPGC, but we actually thrived in the face of the pandemic once again!!!! Thanks to everyone who supported us throughout the season!!!
- A big thanks to all the staff and employees for their continued hard work!!!!

OLD BUSINESS:

- No old business at this time.

NEW BUSINESS:

- No new business at this time.

GENERAL COMMENTS:

- Nothing additional at this time.

ADJOURN:

The meeting adjourned at 6:32 pm on a motion by Chris Snider and seconded by Rick Reno.

Respectfully submitted,

Jill Berry

Jill Berry, Secretary
EPGC Board of Directors

El Paso Golf Club
Balance Sheet

Dec 31, 2021

ASSETS		
Current Assets		
Checking/Savings		
HEARTLAND BANK & TRUST	5,140.68	
HEARTLAND BANK MM	297,478.24	
Total Checking/Savings	302,618.92	
Other Current Assets		
Inventory Asset		
BAR/RESTAURANT	17,240.90	
PRO SHOP	8,447.20	
Total Other Current Assets	25,688.10	
Total Current Assets	328,307.02	
Fixed Assets		
CLUB CART SHEDS	152,142.73	
CLUBHOUSE		
EQUIPMENT	10,220.24	
CLUBHOUSE - Other	1,150,657.40	
Total Clubhouse	1,313,020.37	
GOLF COURSE	795,040.91	
LAND	599,800.00	
MEMBER CART SHED	132,580.00	
Total Fixed Assets	2,840,441.28	
Other Assets		
EQUIPMENT AND TOOLS	1,444,140.33	
Total Fixed & Other Assets	4,284,581.61	
Less: Accumulated Depreciation	-3,743,587.28	
Less: Accumulated Amortization	-4,101.00	
Net Fixed & Other Assets	536,893.33	
TOTAL ASSETS	865,200.35	
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Queen of Hearts	3,065.00	
Payroll Liabilities	1,355.61	
Total Current Liabilities	4,420.61	
Long Term Liabilities		
Heartland Bank - Mortgage	388,847.94	
Total Long Term Liabilities	388,847.94	
Total Liabilities	393,268.55	
Equity		
Capital Stock	4,800.00	
Retained Earnings	-247,916.98	
Stockholder Equity	659,698.60	
Net Income	55,350.18	
Total Equity	471,931.80	
TOTAL LIABILITIES & EQUITY	865,200.35	