

## BCCC Minutes January 2<sup>nd</sup> 2018 530pm Sturgis Vets Club

Meeting was called to order by Brad Limbo all board members were present (Cal Corey, Brad Limbo, Steve Ommen, Patti Weber, Jorin Eisenbraun, Mike Beck, Dana Limbo)

Brad Limbo stated the first order of business was elections. He called for nominations for President. Motion made by Mike Beck, seconded by Cal Corey for Dana Limbo. Motion made by Steve Ommen to cease nominations for President. Motion for Dana Limbo as President carried unanimously.

Dana Limbo called for nominations for Vice President. Mike Beck nominated Steve Ommen seconded by Patti Weber. Steve Ommen nominated Jorin Eisenbraun seconded by Brad Limbo. Steve Ommen said Jorin was more than capable and withdrew his name from consideration. Motion made by Cal Corey to cease nominations seconded by Patti Weber. Motion for Jorin Eisenbraun as Vice President carried unanimously.

Dana Limbo gave a brief explanation of Robert's Rules of Order on how meetings would be run motions, executive session etc. He then asked the board who owned BCCC? Answer: the membership, who is the board accountable to? Answer: The membership, How is the board accountable to the membership? Answer: Communicating decisions made via the minutes.

Dana Limbo opened the meeting up for any Open Forum Comments:

Collen Northrop commented that the previous minutes state an anonymous donor for cameras and the donor is her friend and didn't wish to remain anonymous and asked for their name to be put in minutes. The board responded they believed they wished to remain anonymous. President Limbo tasked Mike Beck who was working acquiring the cameras with the donor to find out their wishes and get the name put in minutes if they approve. Colleen Northrop commented you can call me a liar if you want but I talked to her. President Limbo explained no one is calling anyone a liar however people donate anonymously frequently and there are varying accounts and the board needs to complete their due diligence and make the correction if necessary.

John Northrop commented he wants Chad Anderson treated with respect this year, Chad won't tell him but he will know.

Colleen Northrop asked for the minutes to be published on a more regular basis. Brad Limbo explained that there were some complications with last year's board completing this task however it is an area that this year's board intends to improve upon.

Collen Northrop wanted to know why all members didn't receive the membership application this year. Steve Ommen attempted to explain and was continually interrupted by Colleen until the President asked her to let him finish and answer her question. Steve then explained that the club didn't have any money to send out membership forms to all members. However we did the best we could as volunteers by emailing everyone we could. Mike Beck explained that they were having problems with Golf Now emails. Brad Limbo explained there was a problem with email data entry last year, however we are trying to fix it. What we did was send an email to every address that received last year's communication as well as an old email list from 5 years ago with 280 addresses we used to have. A facebook ad BCCC paid money for was also run

reaching more than 7000 people. Many of the Golf Now email go into people's junk or spam mail and they may not see it. At the end of the year we needed to pay \$50,000 worth of bills and we tried to do the best we could with what we had.

John Northrop explained he didn't get off on the right foot with Dana but he appreciates what each of the board members does for the course. He is behind us and we are a team. He doesn't want to see what has gone on in the past with bickering and gossip. He went on to say what a hell of a job Chad has done and he doesn't want him messed with. Colleen Northrop went on to say that everyone she talks to at the course says what a great job Chad does. Mike Beck and Patti Weber praised Colleen and John Northrop's interest as members and wished we had more like them. Jorin said it comes back to accountability as a board and communication that Dana talked about.

Patti asked if the communication was an issue before or has it just been in the last year since we have had Golf Now? Steve said when you don't communicate with your members that's when you have rumors running around. I think we understand we need to communicate with our members but I would ask that if members have a question or hear a rumor that they call a board member. Colleen Northrop said John has been a member for many years and until this year I didn't know the club had a website or facebook page. Patti said in year's past the minutes have always been on the website and before I was a member I always read them. Brad said over the last couple years the website has diminished and Patti agreed it's lacking attention. Brad explained how in the last 5 weeks website is changing and being updated including points of contact and as a result of the changes there have been 52 emails inquiries to the club that have been responded to by volunteers. Stuff is happening, work is being put in and effort towards correcting many of the communications that have failed over the last year. If things are not better in 3-4 months please come back and let us know.

Dana said on the previous comment of gossip and rumors at our course killing this course, it is and there are people in this room that are big part of it. I have made it clear to the board in our unofficial meetings that if they are taking part in rumors/gossip what they are saying will come out in our meetings and be out in the open. There is a way to handle it and it's in the meeting, if you are a member and you have a question ask a board member. The board member is supposed to be more educated on what is going on at the course than anyone and they should be answering questions truthfully and honestly and not pushing them off to someone else, they need to step up and do it. And for the rest of you in here if you really want to be behind the board and support us I would ask you to do your part and stop spreading gossip and rumors and ask a board member.

Lyle Collins said the new course is going to open and I want it to be done right. We need to get it rated, new scorecards, are we going to have a pro this year, and the membership form tax was at 6% and it should be 4.5%. Dana explained that all membership forms that were sent via email, facebook or the website were correct. The board had an original rough draft version that had 6% and you may have got it that way from a board member before it was corrected and publicly published. Steve stated that we are going to have a clubhouse manager this year and there is committee comprised of board members and the membership who are working the new hire but we don't know if it will be a PGA Pro. Lyle said I don't care if it's a pro, there was a

lot of conflict last year and I want someone who can handle it. Jorin said it is going to be an open application process. Lyle had a question about Jon Graves and Brad explained that Jon stepped up and did a bunch more work after Tyler quit, he didn't get paid any more but he stepped up because we needed him last year and he did a great job. Lyle said I get a lot of questions about back 9, I want to make it perfect, lets make this good. I'm not here to criticize, if there is anything I can do to help let me know. Chad Anderson says he has the course rating forms to fill out and we will get the whole course rerated but have to wait until the spring.

John Northrop asked if financials are going to be posted in the clubhouse so we can see them. Dana responded that the treasurer's report of account balances should be in the minutes. To my knowledge last year was the only year they weren't in the minutes, that's where they should be.

Colleen Northrop discussed that last year there were many events at the club and the board members were not at the events. She explained that she doesn't feel the board supports the club. She then pointed out that Mike and Patti are at events and that a few years ago we had a pro that played with the members. Steve Ommen said he wasn't on the board but my wife and I spend a lot of time and money at this course. Jorin said I spend a lot of time and money at the course and Collen said yes you did but you weren't on the board. She said I think it would be good if the board got out there and did stuff with the members so when election time comes people know who you are. Brad said I have four kids, 2 companies I run besides this volunteer board and I do a ton of work for this course but I may not be in the clubhouse but if that becomes a requirement I will resign from this board. Colleen explained it isn't a requirement you guys get so touchy I was trying to say that it would be nice if the board members could do things with the members.

There were no other open forum comments.

Dana then asked each board member what is BCCC biggest problem?

Steve: Money, Patti: Lack of Communication Mike: Money/communication, Brad: Communication/money, Cal: Money/communication, Dana: Money, Jorin: Fiscal Responsibility

Dana then said Money and Communication were the top 2, I hear money more so I will stick with that for the next question then. What is the one best solution or thing to fixing the financial situation?

Jorin: Hire someone to promote course, Dana: best way to increase revenue is to get the back 9 open, Cal: assuming back 9 is open when we start get the membership numbers up, Brad: getting 18 holes open and second good clubhouse person to do golf right, Mike: Manager and tournaments instead of membership outings charge members more for tournaments, Patti: Marketing, tournaments and networking, Steve: run BCCC as a business, maximize revenues and control expenses.

Dana then asked the board to answer why is the board in the financial situation they are in?

Mike: exceeded budget building back 9 and unforeseen bills this last year

Brad: last year we started with a budget \$100,000 in the hole and didn't make any adjustments, started paying on an 18 hole golf course and had no revenue off the back 9 and we lost money on the new carts.

Cal: The carts were a bad decision we were talked into, mismanagement on the pro side that shot ourselves in the foot.

Steve: 18 holes worth of expenses and 9 holes worth of revenue. I felt the same way as Cal on carts but I think we needed new carts maybe we could have done it differently. Having the club pro separate from bar restaurant increasing labor costs.

Jorin: Little knowledge I have being new, I would say decisions by the board on management, moving forward on 18holes with no revenue.

Patti: Operating 18 hole course with a 9 hole budget, cart rental was a small piece of it, poor leadership, expenses outweighed the income.

Dana: Answer was in chronological order of what happened last year prior to doing a budget the board purchased new carts costing the course approximately \$36,000 in revenue, did we need more carts yes, could it have been done a different way yes, the point is the budget wasn't looked at yet to if we could afford it. Next the budget was done and it was approximately a \$100,000 in the hole, the board realized they were going to lose 100k if they didn't do anything and no adjustments or changes were made. Based off of that 100k deficit budget there was a tractor purchased without approval of the board by the grounds crew approximately \$16,000. Next there was a conversion of the loan from a construction loan to a regular loan and last year the board paid the principal not interest the principal through April of 2019 yes 19, costing approximately \$37,000 dollars more payment than needed last year than needed to be, after that there was a loss in the food and beverage of approximately \$15,000 last year compared to your 100k deficit that projected to make \$40,000 roughly a \$65,000 swing from the budget depending on how you look at it. When you add up those items it totals \$104,000. It's not like we lost the money we got carts, principal paid but what it was is a complete mismanagement of fiscal responsibility. The bank asked the new incoming board to put a budget together before the board was officially in effect, before they would look at loaning the club any more money and they didn't want any of the outgoing members to be a part of it. How much money did we have last November in bills with no plan to of how to pay for it, can someone from the board answer that? Brad said 50k after the 30k line of credit. Dana responded it was approximately 80,000. On top of that that the board took out 75,000 in loans for last year operating expenses. Every one of the board members knew that and our membership didn't, that's a problem and it goes back to communication to the membership you were talking about. I don't think you were very accountable to your membership. Board members have to know what is going on if you are going to be making decisions for the membership. Those were all decisions that were made by the board that totaled over 100k that could have been done differently. That is why I think BCCC is in the financial situation we are in. Does anyone want to comment on that from the board? Mike asked where did you get the 15k restaurant loss? Dana replied Mike we went over that at our November budget meeting Cal agreed and then Mike said the loss was only 4k, Dana explained the 4K loss didn't include supplies like soap, utensils etc and the loss when including all expenses ranges from 12-18k

depending on what you add so I picked 15k in the middle. Mike explained we didn't have those figures at the November budget meeting and Cal and Brad said yes we did and Dana told Mike we discussed this for over an hour previously.

Patti said at the budget meeting June handed out a letter of information did anyone read that and what are your thoughts? Steve said he did and he will take it into consideration moving forward. Dana said I think what June wrote in her letter at the end of the year could have made a difference in coming in closer to the budgeted income numbers. If someone would have been looking at the financials in July to see how we were doing. Patti said I thought we were doing better. Dana said the secretary hands out the financials every board meeting and the board needs to be looking at them. Patti described she didn't think the budget was grouped properly on the budget sheet. Dana said I don't think the loss in bar/restaurant was that big but the bigger problem is it was so far off from the budget and the board didn't even know it. I think we will make more money there and June's letter will help us do that. My point is there was a lack of oversight there. Patti explained she absolutely agreed with Dana, never one time did she know that they were off.

Lyle Collins explained that he didn't know what the numbers were from last year but he thinks that the increase in expenses is because of increased costs for a new 9 holes such as golf carts, increased wages for golf course maintenance which when he was on the board years ago he said we couldn't afford. He explained that the course was supposed to cost 750k but he has been asking and no one could tell him how much the back 9 cost to build. Steve Ommen explained that new carts were not budgeted for at that time because the assumption was that increased throughput revenue would pay for the additional costs which at this point hasn't happened. Steve explained that the increased revenue for additional carts in the past has always exceed the cost for paying for the carts. Lyle explained that it will again this year and the gains for carts this year will exceed and make up for the losses from last year. Dana Limbo handed Lyle a copy of the numbers for constructing the back 9 that was handed out to the board a year ago. The numbers depicted were 750k budget, 918k estimated final cost, the additional items that were not in the original budget were: lining pond new pond on 18 \$20,650 approved by board original budget called for using existing natural pond, blending peat moss/sand \$32,265 approved by board original budget called for BCCC grounds crew to mix sand/peat, build new #5 green \$15,000 approved by board original budget only called for building back 9 not front 9 improvements, paying to hydroseed fairways/rough \$61,090 approved by board original budget called for BCCC grounds to seed, BCCC labor \$16,453 approved by board original budget didn't call for paying a portion of Superintendent salary, replacing existing 3 holes sprinkler system recommended by Chad Anderson and approved by board 47,710 original budget called for using existing sprinkler heads, and trading purchased construction equipment for gators \$10,000 approved by Chad. These items totaling \$203,168 were not in the existing budget and the course could have been built without them however the board chose to add the additional items. If you subtract the additional items from the final cost 918k-203k= 715K which is below the original budget. Dana explained that he didn't know what the board did after he left but this is what was given to the board after he left. Lyle then asked what is this 250k from Apple Springs which was then explained that was the money BCCC would get from Apple Springs minus expenses per the approved contract when Lyle was on the board. Examples of the

expenses were given like gravel for cart paths, topsoil and the 75K for the pond on hole 12. Lyle then explained this is why he thinks the course is in the financial situation they are in because they went over budget on the back 9. Dana disagreed and explained that the aforementioned financial decisions made last year on operating costs and lack of making any adjustments and lack of oversight when the board knew they had a financial situation are directly attributable to the 80K in bills at the end of the year. The board didn't have to continue to purchase new equipment etc. The bottom line is if you can't afford something you need to know that and figure out a solution which wasn't done and there were more than a 100k worth of decisions last year that could have been done differently. Glenn Blumhardt asked as a member and retired businessman and banker how much does BCCC have borrowed? The secretary/treasurer answered that the course was approximately at 1 million at differing interest rates. Glenn Blumhardt stated that he has helped others in financial trouble before and volunteered to help with the BCCC finance committee headed up by Steve Ommen. Steve explained he wants to make clear that he may question decisions that were made but never the intent that board members were trying to do the right thing. Dana explained that he came to a few board meetings last year and people were asking questions and the board wouldn't answer them, but he will, Lyle asked for the course cost and he now has it. Brad explained he tried to answer questions and tried to fight against budget issues and that some people on the board don't like him because he tried to fight to change the budget. Steve then described that the new board made a conservative budget for this next year and we can manage the debt the course has but we cannot continue make mistakes. Dana closed this part of the discussion explaining you cannot fix or move forward from a problem until you understand what you have done and if it is wrong what you did wrong or you will continue to make mistakes, most of this wasn't a surprise to any of the board members but it was for the members. If a board member doesn't know or understand something they need to ask questions because they are voting for 40 to 50 members depending on how many members we have.

Steve Ommen asked what should be posted in the minutes for purchase and loss report? Dana explained that previously the checking and savings account figures from the treasurer's report were in the minutes. Moving forward account balances will be put in the minutes again, Patti agreed and said it may create more interest in the board meetings.

Next the treasurer's report was given. \$18,000 in checking with bills paid. Membership report numbers 110 memberships paid with 15 of those being new members there are 5 more that we still have to process via credit card.

Brad Limbo then explained that the clubhouse is closed therefore the credit card machine wouldn't work. When we received communication that someone wanted to pay via CC we notified those individuals they would be contacted at a later date via phone to process their card once we have the CC solution solved. We tried to take the credit card machine to a different internet connection and the service wouldn't work, then Maddy tried to work a solution through quickbooks that didn't work. Then Brad tried to work through the golfnow system to do it on the website. Brad had to set up a business paypal account which was done however you to put a help desk ticket in with GOLFNOW to get it to work in the website which has been done. Maddy was able to email a link to our members to pay through credit card which our first one processed yesterday, we haven't been able to get it on the website yet but

we are working on that. Every email to the golf course has been contacted back but this has been a process. Patti Weber asked if the link goes directly to our bank account and Brad responded yes the money is deposited in our account. Steve Ommen commented that he appreciated the work Brad put in but wanted to know what we could do moving forward. Brad explained that we are working to have this be a link on the BCCC website so a person can pay directly off of our website. Brad then explained that we need to transfer our GOLFNOW system off site during the winter while the clubhouse is closed so we can utilize it. Steve wanted to know if those that paid later via credit card received the incentives to which Brad explained that each of them were directly communicated with letting them know they would receive the incentives.

Next President Limbo gave handed out the committee assignments for this next year along with his ideas on expected improvements:

Jorin- Clubhouse restaurant bar and pro shop: improve check in process to ensure everyone pays, profitability of the area, what members want versus what they actually use are we providing to much or not enough services to our members, to much menu not enough and improving the email list.

Steve- Finance Committee and Membership chair: track and monitor both, work with maddy, compare actuals to budget numbers give a synopsis each meeting to the board, how to increase membership.

Each one of these areas only has one name because what has happened in the past when there is more than one name is each person looks at the other and nothing is done because it is joint responsibility. You can enlist help from others either board members or other club members but you have the responsibility.

Brad- Website/Marketing: increase member awareness, increasing customers to course, the new 9 marketing and update the website.

Patti- Member Events: we have had people ask what do I get for my membership....last year there were some events. Take charge of the events at the course and work with members and customers that want to host events.

Mike- Purchases and Cart Shed: develop an equipment replacement strategy, look at the payments we have develop a plan, you don't purchase anything you come to the board with your recommendations, also includes purchases for back 9...ball washers signage etc in a previous minutes there was a discussion of members donating or in memory items you will be the point man for that, cart shed organization can we make more shed space and a list of who's where etc.

Cal- Tournaments: increase participation, look into league play, rules and format and types of tournaments, get on couples tournament list. Mike Beck added he wants at least 6 ghin handicap card posts before they are allowed to participate in the tournament. Dana responded to work with Cal, he is working on increasing tournament play if he thinks that will help he can add it in his recommendation. Cal also work on what members want in this area.

Dana- Youth Activities and Course: increase youth participation, playability of course, getting back 9 open.

Next was the update on the Clubhouse Manager Hiring Committee. Brad Limbo explained that Jorin Eisenbraun, Steve Ommen and 3 members have developed a job description, they are posting it on PGA America, it will also be on Facebook and an online job search. Should be posted in early January with interviews in late January. Steve explained that we would like to have someone hired by mid February to 1MAR.

President then handed out the BCCC By-laws for each board member to look through prior to next meeting. Come back to the next meeting with any changes that you wish to make the By-laws so they can be discussed and eventually put to a membership vote with our next mailing. Patti Weber explained that if you set the date always the same like the 2<sup>nd</sup> Monday of the month it is always set and we don't have to keep contacting membership to let them know when the meeting is. Dana responded that we are going to work towards improving our email and website/facebook communication and that should help it. He is afraid that if you set it that way that with people's busy lives you won't have a quorum of the board and won't be able to conduct business just like you did last year. Patti then agreed and said yeah last year was a train wreck and we need to have people there.

Chad Anderson was called forward for his greens keeper report. Chad would like to see the budget so he knows if he can get reels sharpened. Latest on the water rights issue is it was published in paper twice for comments but haven't heard back if we got the rights or not. He drove through the course and saw tire tracks across 15 green. Patti saw ATV's going across the fairway. Chad said he doesn't think that it hurt the green. This item was tabled to be handled next year with better signage/ropes prior to closing for winter. Chad was told he could get the reels sharpened based off the budget. He then asked if we were going to purchase a fairway mower because there are 5 reels on the fairway mower on loan in our shop. Chad was told to work with Mike Beck on potential equipment purchases per the committee assignments. Do not sharpen reels on anything that we do not own. Steve Ommen then asked when Chad's contract ran through. Chad said he wasn't sure but he would look he thought either JAN or MAR. Mike and Cal were asked since they were on that committee last year and neither of them knew. Cal, Mike and Chad were going to look for last years signed contract and send it to Dana Limbo since that was his committee this year.

Patti had 3 items for the board:

1. Possibility for a wedding ceremony and they want to use BCCC but she doesn't have the date yet.
2. Family reunion for 60 people on July 3<sup>rd</sup>. By a show of hands everyone unanimously agreed that date was approved. Patti was told to communicate back to them that the date is reserved and the clubhouse manager would contact them to work out cost details etc.
3. Patti is working on putting together a BCCC 70<sup>th</sup> anniversary fundraiser tournament 2 person scramble with event games on some holes and possibly having a Disc Jockey at the clubhouse. Potentially looking at June 9<sup>th</sup>. The board would decide later on date after the opening is decided.

Meeting was then moved to executive session.

In executive session Dana motioned to renew Chad's contract for next year with an amended contract for 10 months from February 15<sup>th</sup> to November 15<sup>th</sup> at the same rate as last year. Seconded by Cal. Motion carried unanimously.

The board discussed a complaint from a concerned member regarding how leftover meat and beer was disposed of. The meat was sold to members. Anything in increments of a case or larger was returned to the vendor. The remaining beer was approximately 3-5 cases. Patti and Mike worked all day on a Saturday cleaning out the clubhouse. Afterwards Mike took the remaining beer and gave it to members that were heavy repeat customers and kept some himself.

The next meeting date will be determined after the hiring committee has more information regarding the interview process for the Director of Golf position.