



Summary of the January 18th, 2019 Open Member Meeting

Opening remarks by Gordon Fogg, Pres. BSGAC

Thanks very much for coming today. As you know we promised to keep everyone informed and up to date on the operation of the club, the finances etc. thus the purpose of this meeting.

As it is Friday, we have dinner reservation beginning at 5:00 PM so it is important that we move this meeting along. Please hold your questions and comments until the end. I will make every effort to address any concerns at that time.

As you all know we hired Daniel Farley as Course Superintendent. He inspires us each and every day with his energy, enthusiasm and knowledge. Dan is truly a breath of fresh air for the Club and its Maintenance Department. His leadership and hands on approach is also proving to be a motivation for his staff. He is working very hard to deal with continuing issues, especially the water quality and our aging irrigation system. Both of these challenges are significant and impact course conditions and tee times.

Since making the repairs to the hydraulic control system on Heron 7 some time ago, we have lost more hydraulic control over the course. The repairs eliminated many hydraulic leaks as was intended. That has resulted in higher pressure in the system. This is resulting in more failures in the old and weaker remainder of the system again reducing pressure in the control system. With this reduced pressure we are not able to control the irrigation heads, they just come on when they shouldn't and stay on. This adversely impacts the other 18 holes because of reduced overall irrigation system pressure. (Dan has plugged a number of heads to prevent them from coming on uncontrolled. This has resulted in lack of water on many fairways.)

In order to properly irrigate the other 18, we must manually shut down Heron. They then must manually operate each of the heads on Heron. He can only run 4 at a time. As a result the Heron course is not getting watered sufficiently. Dan became very concerned that we are close to losing greens because of lack of water. He is working closely with Bill Connolly to schedule the closure of the Heron course to get some water on it and make the repairs. Bill is moving play to other courses as needed.

Dan recommended re-tubing the remainder of the Heron course hydraulic system. We have some tubing in stock but will need more. He has reassigned staff and can cover some of the labor costs involved. He estimates the cost will be \$10k at a minimum and it is unlikely he can remain within budget and make the repairs. This is an unplanned, unbudgeted expense. I am of the opinion this is not an optional repair and the board has approved funding the repairs. Please be patient with our pro shop staff as they reassign play to other courses and please be patient with our grounds crew as they do their work.

Most should be aware that Chef Kathy is retiring in the near future. We have interviewed some excellent candidates to replace her and are in the process of finalizing the selection. Restaurant operations have and will continue to be monitored to bring us to a profitable operation.

We continue to refine our club operations, looking at ways to reduce expenses where possible without adversely impacting the quality of offerings and member enjoyment and of course we continue to look for opportunities to increase revenues. Speaking of that I hope you will all come out for the Booze, Blues and BBQ a week from tomorrow. It promises to be a great event.

The big message today however is our finances and I have asked Gary Crandall to present that to you. For those who don't know, we asked Gary at this time last year to take a look at our financial operation. Gary's background is 30 years in the financial services industry with responsibilities ranging from negotiating loans with farmers, ranchers and commercial enterprises to ultimately becoming CFO and COO of a leading Midwest agricultural lending institution. Please give your attention to Gary.

Crandall Comments - January 18, 2019 Member Meeting

Gary Crandall was asked by the Board to review the preliminary financial results for 2018 and to update members on the status of 2019 Membership Renewals and the impact on projected 2019 results.

He began by reviewing the discussion with Members in June, highlighting the challenges of the past 5 years and BSGAC's cumulative loss of (\$350,000). This loss coupled with a budgeted loss of (\$77,000) for 2018 led the Board to request the Membership to consider making special contributions. Without these special contributions, BSGAC would not have had the funds to carry the Club to the 2019 Membership Renewal. This campaign resulted in \$138,000 of special contributions.

Crandall provided an overview of BSGAC financial performance for the year ending December 31, 2018. Revenue from the special contributions provided funding through the summer and early fall and allowed the Club to show Net Income for 2018 of \$50,000. (He made special note that these results were from "internal statements" subject to audit by the Club's independent auditor. The audited financial statements will be available in late March early April.)

Discussion then turned to the status of BSGAC Membership Renewals. The 2019 budget was based on a Membership of 732 consistent with the 2018 levels. At the time of this meeting, membership renewals totaled 622, which is 110 fewer than budgeted. The financial impact of this current level of membership is a shortfall of (\$132,000). Without revenue from additional members, BSGAC will again be operating at a loss for 2019.

Crandall then reviewed thoughts on short- and long-term actions to boost membership and increase revenues. He also discussed the need to retool the current BSGAC Business Model and provided thoughts on action items for consideration.

Further details are available on the BSGAC website.

OPEN DISCUSSION January 18, 2019

Q & A

Q: What is the Sales & Marketing Committee working on to gain more memberships?

A: A new Ambassador Program is being headed up by Lesley Rose. The focus will be contacting new residents in the area explaining programs offered at BSGAC and its importance to the community at large. An advertising program is being developed with local papers to encourage more residents to visit the facility.

In order to promote BSGAC, member Phil Rispoli offered to sponsor the Marketing Team to appear on his weekly radio program showcasing various businesses and events in the area.

Q: I am a new resident. Who do I contact to offer suggestions and new ideas to BSGAC?

A: Suggestion forms are located in the lobby and may be deposited in the suggestion box. All completed, signed forms are reviewed by the Board of Directors. Additionally, a member may contact a Board member or committee chairperson with questions or suggestions.

Current Board Members

Gordon Fogg, President

Dale Mars, V.P

Gary Knudsen, Treasurer

Marianne Gassner, Sec'y.

Jimmy Merz, Director

Committee Chairpersons

Golf – Bob Paul

Activity – Doris Havens/Cathy Crandall

Handicap – Ted Havens

Ladies League – Jeanine Pennington

Men's League – Bob Bretz

Q: Is there a member list with phone numbers published for member use?

A: Before a list can be published members must give permission to have their personal information made public. The club will look into this suggestion.

Q: What is happening with the irrigation system?

A: The current irrigation system is at least 30 years old and the lines are beginning to show their age. Dan Farley and his maintenance crew are constantly repairing breaks in the system. The Board and Section 22 are looking at solutions to this ongoing situation. Two of the major irrigation companies (Rain Bird and Toro) will be making presentations for irrigation upgrades in the near future.