

**KMGA Monthly Meeting
March 16, 2010
Minutes**

President	Vice President	Secretary	Greens Chair
Tom VanderBerg	David Vernier	Teresa Snook	Vic Callahan
Board Members			Rick Margelis
Bob Cavanaugh	Chuck Clinard	Steve Conner	
Greg Gagie	Quincy Franklin	Lee Stuart Jr.	
Director of Golf	Business Manager	Greens Superintendent	
Steve Tyler	Don Brinks	Ron Williams	
City Manager		Parks and Recreation	
Ken Collard	Thomas Skrobola	Frances Jewell	Jerome Kisscorni
City Commissioner	Clerk's Office – (Minutes only)		
Barbara Miller	Scott Borling		

- Andrew Falkenberg was a **guest** at the Board Meeting.
- **The Minutes** of the February 16, 2010 meeting were approved.
- **Steve Tyler presented the Business Manager's Report.**
 - **See attached financial sheets.**
 - **YTD Net Income** looks better than this time last year because Don Brinks has been able to push back certain bills until our revenue season begins.
 - **Memberships** are up by nearly \$10,000 over last year. Total memberships sold so far for 2010 is 236, up from 200 in 2009.
 - Overall, we are \$14,000 better than expected in regard to **expeditures**.
 - **Currently:**
 - Milham Park is open. MTD earnings = \$22,900; \$8,000 today only.
 - Eastern Hills will open Thursday, March 18 and carts will be available at both locations beginning Thursday.
 - A staff member will be dedicated to the grill at Eastern Hills for at least 2-3 months this summer.
 - One-day Memberships are being offered for \$350. This offer will appeal mostly to league players who likely will come early and play more golf on that one day.
 - Course capacity and ideas for increasing rounds were discussed.
 - Tom Skrobola is diligently monitoring cash flow to keep the KMGA accountable for eliminating our debt to the City by the end of the year. He gave the following report:
 - Auditor Jim Baker adjusted the KMGA requirements for debt elimination. These changes obligate us to come up with an additional \$55,000 by year-end. (See attached balance sheet.)
 - Milham Park Enterprises (MPE, a.k.a. Steve Tyler) is owed \$17,968.98 for overages made during the Eastern Hills renovation last summer. Steve Tyler, Don Brinks, Tom Skrobola, and Jim Baker have all agreed to pushing back payment to MPE until 2012 at 1% interest. This will reduce the additional \$55,000 noted above, down to \$38,000.

- The following motion was made and approved by The Board:
The City will reassign the amount payable to Milham Park Enterprises set by The KMG Board in October 2009, that being \$17,968.98, due and payable to MPE not earlier than January 1, 2012, with 1% interest.
 - The City has a Promissory Note for Steve in regard to the above.
 - The Executive Committee has come up with some ideas for cutting the remainder of the additional \$55,000. Any other ideas should be forwarded to the E.C. The following ideas were shared:
 - ❖ Electricity put on timers
 - ❖ Bank fees renegotiated
 - ❖ Incentives for play during slow times
 - ❖ Red Arrow run by volunteers
 - ❖ Board members pay for memberships

- **Rick Margelis presented the Greens Chairman's Report.**
 - Overall things are in good shape for this early in the Spring.
 - Many trees have been removed, which gives a different look to several holes.
 - There are lots of geese at Milham Park.
 - Rick met with Ron Williams about water on Eastern Hills West #4 & #5. The water level is still high, but Steve Tyler estimates that it's about 15% better than this time last year. The transformer and pumps were raised up higher inside the pump house so they should be dry.
 - The Kalamazoo River has flooded low-lying areas at Red Arrow.

- **Steve Tyler presented the Golf Director's Report.**
 - **Constitution** – an overview of the committee's initial meeting was distributed (attached). Another meeting will be held and an update will be given at the April Board meeting.
 - **Customer Service** is slower in the golf shop due to the elimination of three positions, two of them being full-time, salaried staff members. Steve anticipates this being a challenge over the summer months.
 - **USGA Grant for Junior Golf** – Quincy Franklin provided Steve with information regarding this opportunity. The grantors seem to be fairly liberal with distribution of funds, so Steve is hopeful that our JGA program will qualify.

- **Old Business**
 - **KMG Board Memberships** – An in-depth discussion regarding whether or not Board Members should pay for at least a portion of their membership took place. Some of the comments included:
 - Tom VanderBerg believes that by paying at least a portion of the membership this year and then following up with a higher contribution in years to come, Board Members would show the membership they are willing to contribute toward the current financial picture.
 - Teresa Snook believes that work as a Board member is significant and that we are contributing to the financial picture by the time and effort we put in, both inside and outside of meetings.
 - Vic Callahan was out-of-state but sent an e-mail with his comments (see attached). Essentially he believes that Board members are like employees receiving compensation for their work. Employees receive a paycheck; Board members enjoy golf privileges.

- Steve Conner, Dave Vernier, and Teresa Snook were hesitant to conduct a vote on this delicate issue with four Board members missing, most due to travel.
- Concern was also expressed that this issue is coming up at the beginning of at least two new Board members' terms. To some Board members it does not seem fair to require new Board members who expected a free membership upon election, to now come up with a significant amount of money that they were not anticipating spending.
- It was generally accepted that all Board members should be charged the same amount and that people who have been granted lifetime memberships should also be required to pay the same amount as Board members in the future.
- Guest Andy Falkenberg was asked if he had any comments. He stated that some compensation, i.e., half the cost of a membership, would be good. But he believes the privilege of this reduction should come with responsibilities of attendance. He suggested that Board members pay for their full membership up front and be reimbursed half that cost at year-end if they were in attendance for a given number of meetings.
- The following motions were made:
 - ❖ Membership fee waived for 2010, then pay \$200 in future years.
DEFEATED
 - ❖ Board members pay \$100 in 2010 and \$200 in future years.
DEFEATED
 - ❖ Membership fee waived for all KMGA Board members (status quo; pick up the issue again when other Board members return).
DEFEATED
 - ❖ Board members pay \$250 in 2010 and half of their membership fee in future years, lifetime members included.
CARRIED
- **New Business**
 - The status of other Michigan golf courses was shared: **Ann Arbor's** municipal course was forced into bankruptcy. **Island Hills** has a new owner.

Respectfully submitted,
Teresa L. Snook
KMGA Secretary