

**KMGA Meeting Minutes  
May 17, 2011**

**President** Chuck Clinard  
**Vice President** Dave Vernier  
**Secretary** Curt Wiser  
**Board Members** Jack Bullard Pete Farner  
**Director of Golf** Steve Tyler  
**Greens Superintendent** Rick Laux  
**City Manager** Ken Collard **Business Manager** Thomas Skrobola  
**Parks and Recreation** Frances Jewell  
**Economic Development** Jerome Kisscorni  
**Greens Chair** Quincy Franklin **Clerks Office** Scott Borling (Minutes)  
**City Commissioner** Barbara Miller

- **Absent from meeting:** Quincy Franklin; Barbara Miller; Chuck Clinard; Frances Jewell
- The meeting was called to order at 7:00 p.m. by Board Vice President Dave Vernier
- **The Minutes** It was moved by Curt Wiser and seconded by Pete Farner, and passed by the Board, that the minutes of the April 19, 2011, meeting be approved.

**1. Business Manager's Report-Tom Skrobola**

1. It was reported that greens fees were \$22,000 under budget year-to-date. Tom Skrobola noted that the budget is derived from the last 3 years and was skewed by the revenues of a very good April, 2010. Using the 3-year period 2007-2009, would have caused the 2011 Budget to only be \$12,000 under projection.
2. There was discussion that while in the past few years the cost of Membership has increased, open play greens fees and various promotions has reduced the value of a Membership. It was recommended by Pete Farner that we consider ways to enhance Membership value, as well as utilizing a "Loyalty" card.

**2. Greens Committee Chairman's Report-Rick Laux**

1. Rick Laux reported that because of the excessive rain, mowing grass was taking up a very large percentage of labor hours.
2. All of the new equipment has arrived and would be in service very soon.
3. Milham Park: 10 new trees have been planted on the following holes: #3; #5; #12; #14; #17; Sand has been added to 2 bunkers on #16; Parking lot repairs should commence shortly
4. Red Arrow: Much of the debris from the tree trimming has been moved off the course. 3 greens have been reseeded and the course should be in reasonable condition in 3 weeks
5. Eastern Hills: Aggressive chemical applications have been made in order to treat the moss problem on #10.

**3. Director of Golf Report-Steve Tyler**

1. Pete Farner, Chuck Clinard, Rick Laux and Steve Tyler toured Milham Park and Eastern Hills. It was indicated that the repairs to the restroom at Eastern Hills had begun.
2. Red Arrow: Steve Tyler concurred that the tree trimming debris has been moved off of the course area, but still needs to be removed from the property and that 3 greens had been reseeded. It was suggested that Board members should tour Red Arrow in the next few weeks.

3. Marketing report:
  - i. There was further discussion regarding the pricing of memberships in relation to the cost of open play greens fees and that this may partially be the cause of the decline in membership revenue. Steve Tyler provided rate sheets for competitor golf courses open play charges (Attachment 4).
  - ii. Production of the television commercial is to take place on May 20, 2011, for the advertisements that will run on WWMT during PGA tournaments and between 5:00pm-5:30pm weekdays. The WWMT commercials would be paid for by MPE. The portion of the advertising budget provided by the KMGGA would be used to purchase TV spots on ESPN and The Golf Channel.

#### 4. Old Business

1. Pete Farner again recommended different ideas for enhancing the value of membership in the KMGGA. Steve Tyler and Tom Skrobola concurred with Pete Farner that restaurant discounts could be advantageous.

#### 5. New Business

1. Curt Wiser prepared a summary of debt payments that the KMGGA is responsible to make in 2011 and 2012. Tom Skrobola noted that golf cart lease payments should also be included in the summary. A revised attachment (Number 1) is included with these Minutes. Pete Farner and Curt Wiser requested that the Business Manager provide the Board with a cash flow model (Pete Farner recommended a "Waterfall" model that would be a dynamic cash flow monitor) so that the Board could fully appreciate the cash requirements throughout the year. Tom Skrobola indicated that the cash flow budget is in the Financial Plan that has been distributed, but the board requested more of a summary approach.
2. Curt Wiser then initiated a discussion of what to do with Red Arrow Golf Course. Curt brought in the 2010 P&L for the 3 golf courses and noted that revenues are allocated to each course and are not actual (See attachment 2). Steve Tyler pointed out that while the P&L indicated that there was \$6548 generated from memberships at Red Arrow, in reality the figure was closer to \$700. Dave Vernier noted that greens fees were most likely also inflated from the actual amounts because of the allocation formula. Curt Wiser then indicated that Red Arrow is a financial problem that should not be ignored and suggested possibly closing Red Arrow as a golf course, and perhaps utilizing it in a different parks related manner. If there were operational savings, these dollars could then be used to fund, i.e., a youth program at Eastern Hills. Pete Farner and Jerome Kisscorni asserted that they would not be in favor of closing Red Arrow and a discussion was initiated on how to approach the problem of a lack of interest in play at the course. Pete Farner recommended that we should consider all potential options before even considering closing Red Arrow or a different usage. In order to increase play, with an emphasis on youth golf, some of the following strategies were recommended: Pete Farner suggested that we seek out an unpaid intern whose job it would be to work with community organizations such as The YMCA, Boys & Girls Club, etc., and establish programs that would allow them to play Red Arrow at minimal to no cost. Steve Tyler indicated that on several occasions he has attempted to enjoin The First Tee program in developing Red Arrow play. He described the difficulty of acquiring the assistance of the national association and again suggested that we integrate the virtues of the program with an approach to engage youth golfers. Matching grant funds was another option discussed. Jack Bullard and Steve Tyler both recommended that Red Arrow be mentioned in the upcoming television spots.

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3. Curt Wiser presented an Analysis of League Play at Competitor Golf Courses (Attachment 3) in order to initiate a discussion of the need to increase league play, and general revenues, at Milham Park. The Analysis demonstrated that Milham Park was last in number of league players and number of available carts, and that Milham Park was the only area golf course without a liquor license (The Analysis reported that while Angels Crossing does not currently have a liquor license, the course has applied for one and will begin alcohol service upon approval.). Curt Wiser then asked if any Board member had any other ideas besides the acquisition of a liquor license for Milham in order increase revenue. The Analysis showed that Eastern Hills golf professional, Paul Simonds, signed up 4 new golf leagues primarily because of the presence of a liquor license at Eastern Hills. Curt Wiser indicated that he knows of one current league at Milham Park that seriously considered changing courses because of the lack of a liquor license. Pete Farner recommended investigating the viability of seeking out a company to run the food and beverage service at the KMGGA golf courses. Various Board members concurred with Pete Farner's thought. Curt Wiser suggested: That the Board consider a scaled down version of improvements to Milham's clubhouse; Solicit funds for exclusivity rights from beverage providers. These funds could provide a small percentage of the funds necessary to make capital improvements to Milham; and, regardless of the prospective plan, that each option should be financially analyzed so that the Board could determine which option would maximize benefit to the KMGGA.

**6. Non-Agenda Items**

**None**

**At 10:00 p.m., it was moved by Dave Vernier and seconded by Curt Wiser that the meeting be.**

Respectfully submitted, Curt Wiser, Secretary