

**KMGA Meeting Minutes
August 16, 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:**
- The meeting was called to order at 7:00 p.m. by Board President Chuck Clinard
- **The Minutes** It was moved by Dave Vernier and seconded by Chuck Clinard, and passed by the Board, that the minutes of the July 19, 2011 meeting be approved.

1. Business Manager's Report-Tom Skrobola

1. The audited financial statements of the KMGA for the year ended December 31, 2010, as prepared by Abraham & Gaffney, were presented.
2. YTD Statement of Revenues, Expenses and Changes in Unrestricted Net Assets, Budget and Actual were presented. Highlights included:
 - i. Greens fees are \$60,000 below projections
 - ii. Total revenue is \$52,000 below projections
 - iii. It was the Business Manager's opinion that "we are not generating the level of play necessary to sustain long-term golf operations".
3. Curt Wiser asked about refinancing of the KMGA debt obligations and the Business Manager indicated that the debt was refinanced February, 2011
4. Curt Wiser and Dave Vernier impressed upon the board that a turnaround strategy is needed and that budget cuts alone will not provide a solution

2. Greens Committee Chairman's Report-Rick Laux

1. It was reported that labor costs had again been reduced in response to the revenue shortfall
2. The Greens Chairman's written report is summarized as follows:
 - i. Aeration of tees, collars and approaches has begun. Green aeration is scheduled for September 29
 - ii. Milham Park fairway issues are from knotweed infestation on #2,3,4,5, & 9
 - iii. Rough mowers are being lowered ½ inch
 - iv. Milham's driving range will be mats only starting September 13
 - v. Large ash tree on #9 at Milham is doing better

3. Director of Golf Report

1. Red Arrow
 - i. Ron Williams did not come to the meeting to make his presentation to manage the course

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- ii. 6 negative emails were received regarding the poor conditions
- 2. Carts
 - i. Cart vendors will be dropping off carts for future lease considerations. A savings of \$10-15,000 per year could be achieved if the current Club Car carts were replaced with Yamaha carts, without any perceived deficiency. The Club Car lease runs through 2014 and we should investigate a buyout of the current lease.
 - ii. Milham still occasionally runs out of carts
- 3. Upcoming events include: Club Championship; Big Hole tournament; Rick's Skins Game; Ball fitting w/ Bridgestone
- 4. The Master Gardeners will be working on #10 garden
- 5. Board elections are upcoming and potential candidates that were briefly discussed included: Mike Reisterer; Bill Hauk; Noelle Ocen; Bonnie Fry

4. Old Business

- 1. The Director of Golf Contract Committee presented a motion to allow the contract with Steve Tyler d/b/a Milham Park Enterprises, LLC, to expire without renewal on December 31, 2011, as stated in the contract. Also in the motion was that all property owned by Milham Park Enterprises, LLC, shall be removed from all golf courses by December 31, 2011, unless purchased by the KMGGA on acceptable terms. The motion passed as 5-3 with one abstention as follows:

In favor of the motion: Chuck Clinard, Tom Skrobola, Frances Jewell, Pete Farner and Jerome Kisscorni.

Against the motion: Jack Bullard and Dave Vernier

Abstaining: Curt Wiser

Discussion of the motion:

Curt Wiser, Dave Vernier and Jack Bullard asked if there was any estimation of the cost to purchase or replace the equipment owned by MPE and the contract committee indicated that a specific analysis had not been done. The 3 board members indicated that without an estimate of cost to replace the equipment, that they did not have enough information to support the motion. It was expressed that cutting costs should only be part of a comprehensive turnaround strategy.

Tom Skrobola encouraged that the KMGGA seek a competitive bid for the position.

Frances Jewell expressed an interest in keeping the current staff on for 1 year.

Pete Farner indicated that he thought the cost to replace the equipment owned by MPE was nominal. Pete Farner expressed that the Board needs to look at a different cost structure regarding the Professional staff at the courses, as well as other means of handling payroll.

5. New Business-None

6. Non-Agenda Items

- 1. Former KMGGA Board member, Dave Ballingal, attended the meeting to express his concerns for the conditions at Red Arrow, as well as the debris pile on the perimeter. Chuck Clinard expressed his gratitude for Dave taking the time to come to the meeting and explained the difficulty that the Board had had this year in particular in dealing with Red Arrow.

The meeting was adjourned at 9:00 p.m.

Respectfully submitted, Curt Wiser, Secretary

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