

Val Halla Board of Trustees

Wednesday, November 19, 2008 6:00 p.m. to 7:28 p.m.

Town Hall – East Conference Room

Meeting Minutes

Present: Bill Putnam, John Zappia, Roger Brooks, Judi Greene and Tim Moody

Absent: Frank Sola and Norene Ward

Others Present: Toby Young, Course Superintendent, Brian Bickford, Golf Pro, Bill Stiles, Town Council, Bill Shane, Town Manager, Alex Kimball, Finance Director, Mark Sundermann, Val Halla Golf Association and Cynthia Stennett.

I. Welcome & Introduction of Guests – Bill Putnam called the meeting to order at 6:00 and welcomed and thanked everyone for coming.

II. Public Comment – None

III. Approval of October 8, 2008 Minutes – Bill Putnam asked if everyone had an opportunity to review the October 8, 2008 minutes in their packets. Seeing that there were no corrections, additions or deletions, the minutes were accepted as written. A motion was made by Judi Greene to approve the minutes as written and seconded by Tim Moody.

VOTE: MOTION PASSED – UNANIMOUSLY

IV. Review of Revenue Reports – Alex reported that some ground had been made up in October and that it had not been a bad month financially speaking. He brought the Board's attention to the Clubhouse revenues which looked good, except for the "food" line item which had been expected. He credited Kevin Googins as having turned in a very good month insofar as liquor and beer sales, selling out his inventory. He also stated that the Clubhouse Expenses were way down, which is somewhat misleading, and reiterated that the prior year's numbers were indicative of severance packages for Ned Gribbon and Paul Deschaneau.

Alex informed the Board that when the Viking Grill was closed on November 7th, it was also Kevin's last day of employment with the Town of Cumberland. Tim asked why the Grill had been closed on the 2nd as he felt it should have remained open on weekends while the Course was open. He stated that he felt some bar revenues had been lost because of any early close. Alex stated that Personal Touch reported that business was down so much that they felt it wasn't worth staying open.

Bill Shane spoke to the Board regarding the decision to terminate Kevin and apologized about his not having been able to attend recent meetings to discuss it in more detail at

the Board level. He further stated that they really had no choice, particularly in light of the losses the Course had incurred this year, and that Kevin had been aware of the situation. Bill also stated that Kevin had been offered the opportunity to take over the Grill as a third party operator and had decided against it. Bill stated that Kevin's compensation ran through the end of the year with full pay and benefits, which also included five weeks vacation and two years of free golf membership for both Kevin and Christine. He reiterated that Kevin had left on very positive terms.

Alex stated that the net Clubhouse profit shows a huge swing and that the year to date is down about \$9,000 from the previous year overall. He then addressed the Course Income numbers and stated that the membership number is down about \$25,000 from the previous year, but that he felt it was directly related to allowing for the 50/50 payment option. He stated that the numbers are where he expected them to be at this point. Bill Putnam stated that about 80% of the members took advantage of the offer while 20% paid in full. Brian reported that they anticipate receiving \$53,000 additional revenue dollars in March and Alex stated that he had actually budgeted \$60,000 in membership revenues. Bill Shane stated that since we were almost in December his issue is that the budget target number is \$245,000 and these numbers indicate that they are \$90,000 - \$100,000 under the projected revenue number.

Alex stated that some ground had been gained for Outings and Carts and that there had been slight increases in the Course Expenses and Pro Shop. He did state, however, that those numbers had not really had much effect on the huge losses incurred during July, August and September. Both Alex and Bill Shane reminded the Board that 2007 was not a good year financially and that relying on those numbers for comparison was not a good indicator.

Alex brought the Board's attention to the graph he had prepared which shows the cumulative profit numbers giving a clearer picture of the situation and shows that there is still a lot of work to be done to get the financial situation where they should be. On a positive note, he stated that strides had been made to "right the ship" to show a profit instead of a loss.

Bill Putnam stated that he had some concerns about the downturn in revenues from Outings. Brian indicated that participation was down approximately 20%. He did state, however, that the number of events had held strong, but the number of individuals participating in those events had decreased. It was generally felt that some of those that were most significantly affected were the fundraising outings. Brian also stated that he was trying to move some of the larger events to days other than Fridays and to also increase the rate, which had been accepted favorably to date.

V. New Business:

a. **Business Reports:**

I. Department Reports:

1. Brian Bickford – Pro Shop

Brian brought the Board's attention to his report, which had been included in the packet. He first addressed the report having to do with Revenues and Statistics and reminded the Board that this report is based upon a golf season and not a fiscal year, but that it did show some interesting trends. This report indicates that rounds were down by 7.8% or 600 from 2007. In terms of Member Rounds, they were down by 10%. The data for Carts indicate that members were big users as compared to non-members, which came in at almost half of last year's figures. The numbers for the Driving Range were up significantly as compared to previous years. Tim questioned the 2006 numbers which he felt should have been a "spike year" rather than 2007. Brian stated that he felt that he had better data in 2007 and that could account for any discrepancies. Tim asked if there was any way to estimate the number of rounds lost in July and August and Brian stated that he will provide that information, which should give an accurate picture of how the weather affected course income.

Brian attached an article from PGA Magazine, "Trends: Fighting a Double Whammy", which he thought would be of interest to the Board as it addressed issues of other courses around the country. He stated that a major thing that may compensate for decreased revenues is to be sure that the course is kept in the best possible shape at all times given the struggling economy.

Bill Shane asked Brian whether or not he planned on having any Christmas vouchers available for the Wine & Nine program and Brian indicated that he would give it some consideration.

Brian also brought the Board's attention the memo he had included that indicated that 234 people had signed up for memberships which included 20 junior memberships, three college memberships, of which 28 are brand new members. He also stated that he would like to have a New Member Orientation next year with a small open house where he can provide information of interest to new members. Brian also stated that approximately 65% of those who joined were returning members. He also reported that in reviewing those who did not rejoin, he felt that an additional 10% probably would rejoin and the remainder who had not rejoined had good reason for not doing so.

Brian also had an analysis of the number of rounds played by members and non-members. He also presented a recommendation to the Board to offer a guarantee to the membership which uses

the figure of 20 rounds of golf as the “breakeven point” and, if any member is unable to play 20 rounds, their future membership rate will be adjusted by the amount they don’t play. He stated that he saw it as a huge member benefit, a great new way to recruit new members and an additional revenue source as well as establishing a procedure for dealing with folks who were unable to complete play for the year due to unforeseen circumstances. Bill Shane indicated that he thought it was a great idea to bring new folks to the course and recommended it be tried as a pilot project for a year.

Tim brought up the issue of Couple Memberships and Bill Putnam suggested that perhaps a base amount should be established and then the individual decide how many rounds they would like to purchase, but that the details would have to be worked out. Bill Shane stated that he felt the Couple Membership figures were too high and needed to be adjusted. Alex stated that he felt some type of cap should be set on how much would be refunded each year. Brian stated he will work on a proposal for the December meeting and Bill Putnam asked whether or not it could be offered as a Christmas gift for promotion at the Christmas Sales on Sundays and Brian indicated that he thought that would be a good idea. Brian stated that, with the Board’s approval, he would like to call folks that did not join before and offer them the membership rate of \$699 as an incentive to join. The Board agreed that it would be worth presenting it to them for consideration. After a great deal of discussion, Tim made a motion to accept Brian’s proposal to offer discounts to members who did not sign up and played less than 20 rounds with the details to be worked out by Brian and Alex and Brian will bring it back to the Board for further discussion and clarification at the December meeting. The motion was seconded by John Zappia.

VOTE - UNANIMOUS

Brian reported to the Board that he and Norene had been working on taking a different approach with regard to the newsletter and stated that they were using Golf Gopher sending out an e-mail with a link to click on to view the newsletter. He stated that to date he had received about 20 very positive responses.

Brian reported that the Pro Shop will be open on Sundays from Thanksgiving to Christmas and he will be running an early bird discount day on Saturday, December 6th.

He also reported that he will be working on his PGA Level II Module this winter and may be attending classes in the Spring or late Winter. Brian also stated that he placed 10th in the Player of the Year.

Brian reported that the MSGA is very excited to make the move to Val Halla and he will be meeting with them the next day to discuss how they will be utilizing the space.

2. Toby Young - Course

Toby gave an update of the irrigation system and reported that George Ley is done with the installation and is finishing up on the wiring and the removal of all of the old heads. He stated that he anticipates that they will be done at the end of the week. Toby also reported that Irrigation Systems of Maine has completed all work at the second hole and that the Pump House construction has been completed.

Toby stated that snow mold spray has been applied on all the greens and that they are staked off. The dormant feeding with fertilizer began today and top dressing will begin tomorrow and that once this is completed, they will be roped off. He also reported that all temporary pins and cups are off and that the supplies are off the course. Toby stated that the snowmobile course is staked and signed and the snow fences have also been installed. Toby also reported that Wade Wescott, the mechanic, will be out for the entire month of December, but has been winterizing the equipment before he leaves. He also reported that Frank Smith will be finishing up any projects Wade doesn't have time to complete and will be plowing for the Public Works Department this winter. Toby stated that he will be taking some time off and when he returns he will be working on setting up the computers in January for controlling the irrigation system.

Toby reported that there are some dead trees on the right side of #18 which will be removed as they are a hazard. He also reported that he will be aerating the course in the spring and any problem areas will be addressed at that time. Tim stated that he thought Toby had done a great job and how much he appreciated the work that he had done.

Toby stated that he wants to fire up the system the first week of April and be ready to aerate. He also stated that George Ley, Irrigation Systems of Maine, Rainbird and Jeff Brown from Bisco

will be back the first week of April to make sure everything is operating properly.

Tim asked Toby if he had any plans to do any continuing education over the winter and he stated that he may consider taking some Rainbird classes to educate himself on troubleshooting their systems.

2. Val Halla Golf Association – Mark Sundermann

Mark stated that he felt that the relationship with Brian was so good that he would like to continue with Brian as the point of contact and reiterated that the Association had representation of membership on the Board.

Bill Putnam stated that he felt there had been real or perceived communication problems in the past and that he felt it was important, especially during the golf season, to have a representative from the Golf Association be in attendance at the Board meetings to assure that everyone was “on the same page” regarding any issues. Judi stated that it doesn’t necessarily need to be him as long as someone from the Executive Board was in attendance.

3. Greens Committee Report – Rick Doane

There was no report from the Green’s Committee in Rick Doane’s absence. Mark did, however, state that he had been in communication with Rick and that he had expressed how satisfied Rick had been with how things were going during the past year insofar as the Greens Committee was concerned.

c. Other New Business –

Bill Shane reported to the Board that he was currently waiting on a proposal from Personal Touch in regard to operating the Viking Grill. He also informed the Board that they have received an excellent proposal from an individual who has worked at the Biddeford Golf Course who is interested in operating the Viking Grill. He stated that this individual has presented more of an “owner in the store” proposal, which he felt would enhance the operation of the Viking Grill. Bill stated that once the second proposal is received, they will have to carefully review them both in order to make the best possible selection. Bill also stated that Alex should be able to report on the decision of who was selected and how the operation would be run at the next meeting. Bill Shane further stated that he felt that the Board would be very pleased with some of the suggestions and ideas being presented. Roger asked if it would be possible to have these proposals forwarded to the Board for their review prior to the meeting and Bill Shane indicated that as soon as he received both of them he will forward them on to the Board with a recommendation.

Bill Shane informed the Board that he currently is in the process of separating the utilities out and he is still planning on signing over the Banquet Center to the MSGA in January. He stated that the MSGA is not planning on occupying the Banquet Room itself, but utilizing other spaces for about a year. He also reported that they are hiring a coordinator to handle any events. Bill did state, however, that they are interested in working with the Town for any town events and any golf events, but they are not as interested in focusing on weddings. He stated that he will be working closely with the town attorney to finalize the documents. Tim asked if the roof still will be done and Bill indicated that it had been recommended that the roof project be put on hold until March and that he anticipates putting the job out to bid in February.

Bill Putnam stated that he wanted to share his appreciation of the work done by Brian, Toby, Kevin and their crews for the season at Val Halla.

Bill Putnam brought up the subject of snowmobiles using Val Halla during the winter months and asked about whether or not a letter should be sent to those individuals using the property for snowmobile travel. Bill Putnam stated that he would look into it and would try to get something put together to send out like last year.

Brian stated that he had some information from the Greens Committee about the purchase of 12-15 trees from a greenhouse in North Yarmouth and after some discussion with Toby it was decided that they will be planted in the spring after the system is up and running.

Bill Putnam stated that Norene had asked if the organization chart for Val Halla could be updated and Alex indicated that it would be done.

Bill Putnam tabled for discussion at a future meeting the "Incentive Plans for Resident Members.

Bill Putnam addressed the issue of term expirations and stated that Tim Moody had agreed to extend his term to end in 2010 and that had been presented to the Town Council previously. Bill Stiles stated that it had been voted on and was approved until 2010. Bill Putnam stated that he wanted to realign the structure of the terms and that he would serve another two year term. John Zappia indicated that he will serve another three year term and Judi Greene indicated she was not interested in serving again. Bill Stiles stated that these Board appointments will be on the Town Council agenda at the end of December or the first of January.

VI. Old Business

None.

VII. Adjournment, next meeting, Wednesday, December 10, 2008, 6:00 p.m. at the Town Hall in Council Chambers.

There was a motion made by Tim Moody and seconded by Judi Greene to adjourn the meeting at 7:28 p.m.

VOTE: MOTION PASSED UNANIMOUSLY.

Respectfully submitted,

Cynthia A. Stennett
Recording Secretary