

Val Halla Board of Trustees

Wednesday, November 9, 2011 at 6:00 p.m. to 7:27 p.m.

Council Chambers – Town Hall

Meeting Minutes

Present: John Zappia, Bill Putnam, Steve Sloan, Judy Ingraham, Paul Dugas, Rick Scott and Norene Ward

Absent: Tim Moody, Bill Stiles, Council Liaison, Michael Perfetti, Council Liaison and George Turner, Council Liaison

Others Present: Bill Shane, Town Manager, Alex Kimball, Finance Director, Brian Bickford, Director of Recreation/Golf, Toby Young, Golf Course Superintendent, Steve Quigley, Val Halla Golf Association and Cynthia Stennett

I. Welcome & Introduction of Guests –In Tim Moody's absence, Rick Scott called the meeting to order at 6:00 P.M. and thanked everyone for attending.

II. Approval of October 12, 2011 Minutes – Rick Scott asked if everyone had an opportunity to review the October 12, 2011 minutes in their packets. Seeing that there were no corrections, additions or deletions, a motion to accept the minutes as written was made by Steve Sloan and seconded by Paul Dugas.

VOTE: MOTION PASSED UNANIMOUSLY.

III. Val Halla Golf Association – Steve Sloan reported that the Association had held its annual banquet and had nothing else to report.

IV. Public Comment – None.

V. Review of Revenue Reports – Alex stated that October is an important month due to the fact that where the figures end up for the month of October is a direct indication of where things will end for the year as at this point in time, most of the expenses and revenues have come in for the year. He indicated that the figures show that revenues are up by approximately \$30,000 for the year, which includes the rental monies from Rachels's on the Green and also the monies for Golf Memberships, which is up by approximately \$13,000. Alex emphasized that due to the fact that these revenues are coming in as 50/50 splits, there should be an additional \$13,000 coming in during the Spring for the balance due on the Golf Memberships.

Alex stated that the Greens Fees, Golf Carts and Driving Range numbers have remained flat, which is very similar to the results of the last two years. Alex stated that there are two areas of concern which are helping to drive up the expenses with one being the Cart Payments line, which was expected to be higher due to the electric carts, and the Sports Program line, which is due to the expenses coming in after the programs end, in the amount of \$12,000. He reported that all of

these factors bring the course expenses in at about \$20,000 over the previous year. In closing, Alex stated that this brings the net profit/loss to a negative \$9,000 for this year as compared to a negative \$14,000 for last year, which is an improvement of about \$5,000 over last year.

Alex also stated that there will be some monies coming in from utilities and memberships, but nothing of any significance. He brought the Board's attention to the comparative figures for last year which showed a negative figure of \$121,497 and compared it to this year where the numbers are running about \$78,626 in the negative, which is an improvement. Alex further stated that we will not "break even", but the numbers should be anywhere from \$5,000 to \$20,000 better than last year, which will mean a loss of between \$50,000 to \$70,000 for this year.

Brian brought the Board's attention to his Statistics and Revenue Report, which provided detailed data for this golf season. According to the data in this report, Greens Fees were up by about 5%, Member Rounds were down by about 10% and Overall Rounds were down about 4%. He also indicated that there were about 400 rounds with the large majority of those being member rounds, which shows an overall decrease of rounds of approximately 2%. Based on those numbers, Brian reported that the overall revenues were down about 4% and went on to say that he felt that this data and that provided by Alex seem to indicate that this must have occurred in the prior fiscal year.

VI. New Business:

a. Business Reports:

I. Department Reports:

1. Brian Bickford – Pro Shop

Brian presented his Review of Membership Data Report for 2012 and stated that he felt that this report indicates that we did not lose members and Alex agreed with that assessment. Brian further explained that this particular report shows membership statistics, i.e., the revenue across those statistics and the revenue per statistic across those three major categories. Brian stated that he broke up the categories into singles, couples, junior/college, lifetime and league data. He also reported that there had been 28 new members during the Fall and that there are currently about 485 members, with 250 of those committed members, which is 52%.

Based on Brian's statistics, the data indicates that 57% of the singles are already committed for next year as are 68% of the couples. He also reported that the juniors, college and students typically don't re-join until the Spring. Brian directed the Board's attention to the "paid" column, which is fairly close to Alex's numbers. According to Brian's information, we have currently collected \$107,775 and have \$69,243 in accounts receivable due in the Spring, which is up by about \$20,000 from

the previous year. Brian indicated that depending upon whether or not all the uncommitted folks re-join, he feels that we should meet the budget or be fairly close to doing so.

Alex stated that one thing that has made it very difficult to predict the revenues and budget is the fact that not everyone takes advantage of signing up in the Fall, but waits until the Spring before making a final decision about whether or not to re-join. Brian also stated that the junior membership usually is around 80 – 90 and remains fairly stable.

Paul asked about what happens if Val Halla sustains a loss and whether the Town of Cumberland ends up covering that amount and Alex stated that when that occurs that it means that much less cash that the Town of Cumberland has on hand at the end of the year. Paul further asked if the IOU carries over and Alex indicated that it does. Paul also asked if at some point the Town of Cumberland would look to recoup that loss and Alex stated that the expectation was that at some point Val Halla would be able to pay back the Town of Cumberland. Bill Shane stated that the amount currently owed to the Town of Cumberland is \$1.7M and stated that at some point he would like to look at subsidizing Val Halla as a line item in the budget. Bill Shane reiterated that Val Halla is a valuable asset to the community and the people of Cumberland and that he felt they needed to look at ways to try to close the gap. He did state they had begun to try to close that gap by making some of the expenses part of the Town budget as well as a portion of Brian's salary.

Rick asked about revenues associated with golf carts and Alex stated that he will be doing a journal transfer next month, which should reflect a decrease in the Greens Fees and Golf Carts line. Rick asked if this would be an accounting shift in order to reconcile the data correctly, making these two lines even out. Rick also asked for clarification about the Food Expense line and what that was for and Alex indicated that it was the expenses for outings scheduled at Rachel's on the Green

Bill Putnam asked about regional information/averages per round and Brian stated that he will pull that regional information together using data provided by the PGA and have it available for the next meeting. Bill Putnam also asked about monies coming in during the Spring and Alex reiterated that it is very difficult to predict exactly what that amount might be. .

Brian brought the Board's attention to the handout in their packet having to do with "Golf 2.0", which is targeting and focusing on the large range plan for promoting golf. Some of the topics addressed in the pamphlet include the following: "Retain and strengthen the core golfers, know your customers, nurture current customers, recognizing women's influence in

golf, targeting 90M lapsed golfers, engaging the entire family, targeting lapsed seniors, engaging electronic users, reaching new players and engaging minorities”, which are all areas where staff at Val Halla have been working on growing/improving. Brian went on to say that he will be attending the PGA Show in January where there will be an entire one-day seminar on how to implement “Golf 2.0”, which he plans on attending.

Brian reviewed the remainder of the handout with the Board and commented on how he had noticed that one overwhelming piece of information presented when people were surveyed, and had become obvious to him, was the comment that there was “too much congestion on the golf course” and courses were “not welcoming to beginners”. Brian stated that the goal is to grow the game from about 25M golfers to 40M golfers.

Judy asked if the course would need to be re-rated and Brian indicated that he had already done so about two and a half years ago. Judy also stated that she is convinced that the course is really getting more difficult for ladies and stated that she would like to see golf be more affordable for families.

Brian explained to the Board a new program for elementary school kids where they are introduced to golf using tennis balls and Velcro. He stated that it is a lot of fun for the kids and it is played on a more simplified level and stated that the First Tee and the Maine Golf Foundation will pick up the cost of this program.

Brian reported that he has moved the Greely Middle School team from the Spring to the Fall because it conflicted with kids playing soccer when they got to High School. He stated that he did so in order to move the program so that it fits in with the High School schedule. He did state that although this has caused a conflict with Yarmouth High School, it has been decided that their team would seek out another course and it now looks as though they will be playing at Toddy Brook. Brian stated that he felt this would benefit Val Halla in that it would help with over-crowding in the afternoons.

Bill Putnam brought up the issue of crowding on the course and how should that issue be dealt with, particularly in light of the fact that the goal was to bring more people into the game. Rick asked if the fact that the course was too congested was interfering with the “pace of play” and Brian stated that he would like to work with the Val Halla Association on a “pace of play” policy for the weekends.

Judy brought up the issue of pairing up two-somes on weekends and stated she would like to see that encouraged right from the Pro Shop.

2. Toby Young – Course

Toby reported that the irrigation system was blown out today and that he and his crew had been working on closing up the Course.

He also reported that they would be doing their snow mold sprays beginning on Monday and that the snowmobile trail is staked and marked and he has been in touch with the President of the Snowmobile Association, who will be dropping off more signs and indicated that they will make their annual \$100 donation to help offset the costs. Toby stated that they still have to winterize the Pump House and pull out the suction line

Norene stated that she had heard some grumbling by the members about the fact that the golf course was closed and that it seemed to be the last one to open and the first one to close each season. There was discussion by the Board about the reasons why Val Halla was closed for the season with Brian indicating that he had sent out an e-mail explaining why it had been closed. Several members of the Board asked why it was closed when it was and why wasn't it reopened when the weather improved and there was further discussion by the Board around this issue. Bill Shane stated that it was a decision made by him, Brian, Toby and Chris Bolduc, the Public Services Director, based on their experience and the information at hand.

Old Business – None.

VII.Final Public Comment – None.

VIII.Adjournment, next meeting, Wednesday, January 11, 2012, 6:00 p.m. in the Council Chambers at Town Hall. A motion to adjourn was made by John Zappia and seconded by Judy Ingraham. Meeting adjourned at 7:27 p.m.

VOTE: MOTION PASSED UNANIMOUSLY.

Respectfully submitted,

Cynthia A. Stennett
Recording Secretary