

New Prague Golf Club Board Meeting Minutes

August 23, 2010

Members Present: Curt Guerrette, Dwayne Anderson, Kevin Berglund, Kevin Becker, Eric Kallal, Jeremy Stafne

Others Present: Bink Bender, Mike Johnson, Pat Scripture, Brooke Bezek, Sly Stocker, Jamie Stocker, Kristin Guerrette, Kathy Giesen

July Minutes-

Discussion – amend motion from the July meeting to read that the Golf Board would meet with the City Administrator to reorganize the employee structure at New Prague Golf Club. Motion made by Dwayne Anderson to approve the amendment, seconded by Curt Guerrette – Approved.

Mike Johnson spoke about the August 10th meeting with Patty Solheid, Anne Antonson from Springstead and board members. He said we need to take a look at our expectations of a manager in regards to education, experience, duties, etc. in order to come to pay equity. Should it be a year round position? Other city positions need reworking of duties and classification as well as golf club positions. The general manager position has been at the same pay rate for the last 10 years – Ken is the third person in this position. We no longer have a chef in the kitchen – Ken has fulfilled the need for a certified food manager so that we can still serve food. Other questions that need to be asked. Who would fill the food handler certification status? Do we want someone with a 2 year, 4 year degree? Experienced? What are our expectations for the superintendent and mechanic positions? We also need to look at the other seasonal positions (bartenders, cooks, golf shop positions, etc.) This is a problem city wide. City job descriptions have been left untouched. Mike explained that modernization of city financial reporting is happening, but slowly.

Kevin Becker said that the way to save the most money that makes the most sense is to start with the general manager position because the pay is way out of line. We need a \$30,000 to \$40,000 turnaround. The position could be based on performance dollars.

What do we want Anne Antonson to evaluate about the structure of a compensation plan?

All full-time city employees are offered full benefits including health insurance, life insurance, etc.

Jeremy Stafne said that as a group the board is responsible for a future vision addressing such questions as; what is full time, what do we want to see going forward?

Mike Johnson asked, “What are the major duties? Food, service, cart rental, golf services, golf shop? What are your goals? For instance, X amount of services for X amount of months,,,” Should the other two positions be year round? 9 months?

Kevin Becker stated that he felt that Mike Johnson is telling them that they can’t do what they want.

Dwayne Anderson asked how could he write a job description? He also cited a 2007 newspaper article that stated 75% of municipal golf courses are losing money.

Municipal golf courses will be around but not good for government. We won't find anyone to lease this golf course with a \$110,000 debt service. Is there a certain level at which the city says it won't support a golf course? What would be an acceptable figure to the city?

Kevin Becker said that he didn't think we've made all the cuts we can but there are livelihoods at stake making it difficult to make recommendations.

Current situation – Ken has reduced the operating budget 4% from last year and we are currently running below budget this year.

All in agreement to start conversation regarding their vision for the course...

Dwayne Anderson stated that Montgomery and Creeksbend have one full time year round employee which means we have to make painful, personnel recommendations.

Jeremy would like to say we could have 1 full-time employee... We need to have someone to manage the golf shop, and we obviously need a superintendent.

Curt said we could have a seasonal mechanic if we had newer equipment.

Bink Bender noted that three full time people generate expense in benefits. If we took the superintendent and mechanic positions and made them part time we could save \$60,000 in salary and \$22,000 in benefits, but would the job get done not working 5 months out of the year? You could reduce the general manager salary \$25 - \$30,000 but keep position full time. We need to address big numbers – right now three full time employees cost \$250,000.

Dwayne Anderson said that in the business world these numbers would have been slashed 20%.

Bender said that if the positions were made part time we would save the cost of benefits.

Jeremy Stafne stated that very few courses go through the winter without tearing down and repairing equipment. It's difficult to keep a course superintendent from year to year without job security and year round employment.

What do local course managers make? Becker stated that the Creeksbend manager works up to 80 hours in the summer and much fewer in the winter.

Bender said that the exempt job status rules whether or not the city has to pay overtime or not.

Curt Guerrette asked what would it take to rule these positions non-exempt?

Bender suggested that you don't want to cash flow for the debt service but for what your goals are and what you want to accomplish.

You could have performance pay for special events, new members, any number of things. The dollar amount couldn't be too much of salary – like 60% of gross pay.

What is the vision for the course? Suggestion – Golf shop manager; full time, grade 8 with incentive pay. Superintendent; full time, grade 7, change responsibilities. Mechanic; part-time, 9/10, same pay grade. It took 3 people to work on equipment from close date until open date (Nov. – Apr.)

Currently the golf pro averages 55-60 hours per week. Do we need a pro? NO can't afford one.

Norland – but you do need someone with golf trade experience and or banquet /food service experience.

Becker – Find out what comparative, competitive golf courses are doing regarding personnel, green fees, membership costs.

Round for round, why aren't we doing as well as other courses?

If you lower member ship price too far, will you recoup the numbers?

Becker thinks we should keep membership prices the same. The ideal member doesn't look at what it costs to play per round.

Stafne – would like to make recommendations...

Bender – It should come to the council pressed and pretty and ready to go in order to give Mike guidance to make changes.

Stafne –the longer we stall, unemployment benefits just go into next year.

What do you want? NOT a general manager – only a golf shop manager –incentive based. Put the superintendent and mechanic on salary. CAUTION – Don't change job descriptions to much or the pay scale changes.

Bender: We need to make a long range commitment on a vision for the course.

Anderson: We need to move 2 positions to non-exempt.

If conditions slide on the course – memberships slide.

Stafne-need to make changes on the general manager NOW!

Using the services of Anne Antonson additionally would most likely generate a fee.

Bender: It doesn't make sense to make a decision if you don't have a plan to implement. We need a manager full time. How are you going to change it? We are talking about making changes on how we do business...

We can come up with a job description pretty quickly... Do you want everything you have now at a lower price? OR less than you have for a lower price?

Stafne-We've been spinning our wheels all summer – wants to address what is costing us the most now.

Pat Scripture said you could take Ken's job description and make changes.

Becker tabled the discussion for the night. Called special meeting to discuss changes in job descriptions. Curt Guerrette will get word documents of descriptions to all the board members so that they can make changes and come to the meeting prepared.

Bender – Do we want to continue with food service as it is or make changes?

Becker – We should outsource – bring in an outside company.

Bender-It is important to get it right keeping vision in mind. What are other clubs doing?

Dwayne Anderson will have that information by Tuesday, the 31st.

Mary Jo Hruby will publish the date and time of the special meeting of Tuesday, the 31st in the council chambers, the purpose of which is to go over job descriptions and consolidate them.

JULY FINANCIALS

Forecast revenues for August by the special meeting. August is a big event month.

Revenues have no surprises – no new memberships, green fee going well

F&B revenues fall short reflecting dollars per round down including sale of clothing, alcohol, food, and sundries. The peripheral spending not where expected.

Expenses – maintenance out of line – machinery parts needed – no choice – intermediate mower went down

Aerification of greens went well with a borrowed tractor from Bracketts Crossing and an aerator arranged by Jeremy Stafne.

Fairways #2 & #5 affected by the heat and humidity – the polo grass died- reseeded with another variety.

Motion by Dwayne Anderson to approve July financials, seconded by Curt Guerrette, Approved.

JULY ACCOUNTS PAYABLE

Utilities – water & electric, bond payment due Nov. 1st.

Motion by Dwayne Anderson to approve accts. Payable, seconded by Kevin Becker, Approved.

CUSTOMER SERVICE UPDATE;

Shadowing of new bartenders has gone well.

Letters of thanks and praise for the golf staff from NP Football, St. John's Wrestling, and one other small event.

Can we get samples of lease agreements for the food service operation? Get to Kevin Becker.

Generate a list of people who spoke at the June meeting.

Kevin Becker made the observation that tradition is missing in the display of the club champions in the form of plaques, record, pictures... Recommended that the tradition continue. Also include mention, picture of the high school girls' state championship team.

Motion by Dwayne Anderson to adjourn, seconded by Jeremy Stafne. Meeting adjourned at 8:40p.m.