

**ALAMEDA GOLF COMMISSION
MINUTES OF REGULAR MEETING**

Tuesday, May 22, 2012

1 CALL TO ORDER

Chair Jane Sullwold called the regular meeting to order at approximately 6:31 p.m. at the Chuck Corica Golf Complex, Ladies Lounge, 1Clubhouse Memorial Road, Alameda, CA 94502

1-A ROLL CALL

Present: Chair Jane Sullwold, Commissioner Ray Gaul, Commissioner Betsy Gammell, and Secretary Jeff Wood

Absent: Vice Chair Bill Schmitz

Staff: General Manager John Vest, Superintendent Matt Wisely,

1-B APPROVAL OF MINUTES

The minutes of the regular meeting of April 10, 2012, were approved unanimously.

1-C ADOPTION OF AGENDA

The Commission unanimously adopted the agenda.

2 ORAL COMMUNICATIONS

None.

3 COMMISSION COMMUNICATIONS

None

4 WRITTEN/ORAL REPORTS

4-A Maintenance activities report by Matt Wisely

Tee blocks have been replaced on both courses. The new tee blocks were made in-house, saving a great deal of money. One eucalyptus tree fell on 17 North and is being removed and ground up. Approximately ten dead redwood trees were removed from other parts of the North course at the same time. Several trees on the North course are going to be pruned starting tomorrow.

4-B Golf Shop and Driving Range activities report by John Vest

April range revenue was up 3% from prior year, green fees were up 5% and cart fees were up 6%. The course is still dealing with customers taking carts straight out of the cart barn. Merchandise sales from January through April are up \$20,000 over the same period last year. Rounds for April were up 200 over prior year.

Current promotions include \$35.00 with cart after 12:00 p.m., \$25.00 after 3:00 p.m. and \$15.00 after 5:00 p.m. on weekdays. Lesson revenue is up 36% from prior year. Over \$85,000 in future tournament revenue was booked in April.

4C Beautification Program and Junior Golf Club by Mrs. Norma Arnerich

There are three upcoming tree dedications. Junior Golf conducted a successful junior/adult tournament last Saturday. Approximately ten of our juniors are being trained as volunteer workers at the upcoming U.S. Open. The USGA will pay for the clothing for its junior volunteers, whereas adults have to buy their own.

4-D Golf Complex Restaurant Report, Jim's on the Course

None

5 AGENDA ITEMS

5-A Status Report on long term lease negotiations, including Golf Commission recommendations, if any.

None

5-B Update on Golf Complex Finances

Bob Sullwold reported that net operating income for March was \$1,231. According to the City finance department report, the expense item for Kemper services and supplies in March was double the monthly average. Kemper's own report does not show a similar phenomenon, and John Vest stated there were no extraordinary expenses in March that would explain the City's number.

For the nine months ended March 31, 2012, total rounds were up 22.7% compared to the prior fiscal year, led by a 29.03% increase in Fry rounds. For the same period, revenue from greens fees was up 12.94%. The explanation for the discrepancy between round and revenue growth is that revenue per round declined by 7.95%.

Overall, for the nine months ended March 31, 2012, net operating income was \$751,156. Payments to the City totaled \$562,834, and debt service totaled \$171,286. (The charges for PILOT have continued this calendar year). As of March 31, 2012, the cash balance in the Golf Enterprise Fund was \$803,221, which is about the same as it was at the beginning of the fiscal year. Chair Sullwold asked if there was a possibility, based on historical data, that the Enterprise Fund would be back up to \$1,000,000 by

the end of June because these are higher revenue months. Bob said he was reluctant to make predictions because the finance department sometimes imposes surprising charges on the Golf Complex.

6. ORAL COMMUNICATIONS, NON-AGENDA (Public Comment)

Commissioner Gammell asked about a letter sent to the other Golf Commission members concerning their eligibility for reappointment. She did not receive the letter as she is termed out. The City Clerk advised Chair Sullwold that she and Vice Chair Schmitz are eligible for reappointment, but only for one more year. Commissioner Gaul may be reappointed for another full term of four years, as he was originally appointed to fill out the term of Tony Santare, who resigned. Commissioner Wood is eligible for reappointment for three more years. Commissioner Gaul said that he understands June will now be the anniversary date for Golf Commission terms rather than October.

Bob Wood asked about the Public Works project that is underway at the entrance to the Golf Complex. Chair Sullwold said that Public Works is replacing pumping equipment that services all of Bay Farm. Commissioner Gammell stated that the black fence along the Mif course will remain, and when the new pump is in place, Public Works will be planting a flowering vine that will grow along the fence.

7. OLD BUSINESS

None

8. WRITTEN COMMUNICATIONS

None

9. ITEMS FOR NEXT MEETING'S AGENDA

- Status Report on Long Term Lease negotiations, including Golf Commission recommendations, if any
- Update on Golf Complex Finances

10. ANNOUNCEMENTS/ADJOURNMENT

The meeting was adjourned at 7:10 p.m.

The agenda for the meeting was posted seven days in advance in compliance with the Alameda Sunshine Ordinance, which also complies with the 72-hour requirement of the Brown Act.

**Chuck Corica Golf Complex
Income Statement
As of April, 2012 - Unaudited**

		<u>Rain Days</u> 4		<u>Rain Days</u> 30
	<u>April, 2012</u>	<u>Rounds & Carts</u>	<u>YTD</u>	<u>Rounds & Carts</u>
<u>Revenues</u>				
<u>Golf Operations</u>				
37,290 Par 3 golf fees	\$ 6,990	1,075	\$ 69,010	10,749
37,301 Regular golf fee -- Fry	112,813	5,800	1,017,112	51,442
37,302 Regular golf fee -- Clark	80,557	3,882	730,413	36,979
37,310 Driving range fees	32,154		288,964	
37,311 Monthly passes	18,655		177,235	
37,410 Concessions -- restaurant	6,203		60,236	
37,411 Golfer meal package	-		3,765	
37,420 Golf shop sales	32,748		240,322	
37,530 Golf lessons	12,854		112,355	
37,540 Golf carts rental	48,845	4,862	475,119	45,749
37,561 Use of Gift Certificate	(5,445)		8,797	
Other	597		5,773	
Subtotal	<u>346,971</u>		<u>3,189,101</u>	
<u>Other</u>				
35,101 Interest allocation (net of bank serv chrg)	(163)		2,944	
35,300 Rental income	4,887		41,746	
36,990 Other contrib/donation	-		375	
Transfer from other funds	-		-	
Subtotal	<u>4,724</u>		<u>45,065</u>	
Total	<u>351,695</u>		<u>3,234,166</u>	
<u>Expenditures</u>				
<u>Golf Operations</u>				
Wages & benefits	2,188		38,581	
Supplies	32		3,074	
Services:				
Kemper -				
Golf Mgmt Fees	10,927		125,151	
Personnel	85,977		886,427	
Service & Supplies	102,752		1,097,617	
Capital Expenses	13,376		96,992	
North Loop Road Appraisals	-		21,500	
Other City Expenses	2,886		41,237	
Stormwater Fees	80,282		80,282	
Parks Repair Work	3,688		26,278	
Interest expense	1,571		17,855	
Fixed asset depreciation	-		-	
Subtotal	<u>303,679</u>		<u>2,434,994</u>	
Net Income (loss)				
after expenses of golf operations:	<u>48,016</u>		<u>799,172</u>	
<u>Payments to City of Alameda</u>				
Fixed charges	26,637		266,367	
Transfers to other funds	11,902		119,020	
Payment in lieu of taxes	16,852		168,517	
Payment for surcharge collect	-		54,321	
Subtotal	<u>55,391</u>		<u>618,225</u>	
Net Income (loss)				
after expenses & payment to City:	<u>\$ (7,375)</u>		<u>\$ 180,947</u>	
Principal repayment on Equipment Leases:	<u>\$ 5,929</u>		<u>\$ 177,216</u>	

Prepared by: Sophie Young - Finance Department

Reviewed by:

Paul Mann
Controller