

IRONHORSE

Golf Club



GOLF COURSE COMMITTEE

November 21, 2002 – 5:30 p.m.

Committee members in attendance were Dick Fuller (chairman), Jim Dickson, Bob Reid, Dave Ferris, Charles Lewis, III and John Campbell. Chris Claxton, Parks and Recreation Director, Laurie McCauley, as well as Matt Roberts, and Pete Spratlin, of IRONHORSE.

The meeting was called to order at 5:55 p.m.

A motion was made by Dave Ferris to approve the minutes from the October 24, 2002 meeting. Charles Lewis seconded the motion. The minutes were approved unanimously.

General Operations Report

Matt said that as of October we were in good shape. They went from trending about \$6,000 behind in revenue to \$43,5000 through November if they stay to budget. December is a lean budget month. They have between \$15,000 to 20,000 with parties alone. We will try to keep expenses down for the month of December. The best case scenario for finishing out the year will be \$5,000-\$10,000 behind budget, worst case scenario would be \$50,000 to \$60,000. Shane got a hold of an independent consulting group that was hired by Kansas City to do survey work on area golf courses. The information was for five other facilities. Ironhorse is holding the market in revenues based on this information. Revenue per round has gone down because of economy and competition. Included in the business plan are some possible enhancements to the revenue. Matt discussed the possibility of starting a junior triple crown club. Memberships will be available from 5/1 through 8/31 and they will get the same benefits as the triple crown for \$800, except they will be restricted to after 12:30 on Saturdays and Sundays. There are a lot of kids that are using the facilities and using the course in general and we are trying to target these kids. The Conductors Club has gone down and they are proposing to lower the membership to \$250, with a 7-day advance tee time and a \$10.00 discount anytime the member plays golf. They are trying to target working men. Charles asked what could you do for the guy who brings 3 guests. Members with the conductor's membership want the benefit. The goal is to sell 75 memberships this coming year. Jim Dickson was asking if there was some kind of little perk for the first time customer. Matt said they would be doing direct mail next year. Dick suggested asking the golfer if it was his first time playing and if it was, they would like to send him a postcard inviting him back with \$10 off. Matt said that they did a breakdown of the paid rounds this year less tournaments, Triple Crown, VIP, promotions, etc. Of those paid rounds 49% are Leawood

residents. The national average is 15-18%. Charles suggested having other events at the golf course for the residents.

Course and Project Update

Pete said everything is in good shape. They opened up 6 and 13 and they are doing well. We are down to 3 sets of tee markers at this time. Fairways will be mowed one more time. The rough needs spring seeding. The bunkers are being shelled out and the drainage is in perfect shape. They will have Holliday Sand test the sand in the bunkers and then test the new sand.

Project Update - All of these projects are not in the budget. They are going to be putting in pines on #6 around the bathroom, which will be relocated from other projects at no cost to the golf course. The screening of the maintenance facility (screening the parking lot from the residents across Mission and building a fence around the northeast corner-\$2800) is almost complete. Dick wants to know why the city is not paying for the screening and fencing, since they directed it to be done. The trees were moved and planted on the sewer project behind #14 and the job was done well. The access road project should start soon.

Pete wanted to state there are some issues that are in our business plan that did not get done because of budget and money. They did not get to expand the native grounds, complete several drainage projects between 10 and 17 green, or complete #6 fairway drainage. Some of the budget items that were cut were: downsizing the labor force, fertilizing twice instead of four times, not aerifying the zoysia, and landscaping only around the golf course club house.

Pete presented a list of things that need to be done and were not approved. Fairway unit did get approved but the rough unit did not get approved and so Pete switched them because rough unit is needed more. Golf carts desperately need to be replaced. There was some discussion on leasing the carts. The radios were not approved; the clubhouse needs to be painted; the necessity of a point of sales system; and perimeter irrigation.

Dick asked when we would sit down and discuss capital improvements. Charles suggested that Pete and Matt put in writing what they need. Chris discussed that Kathy has put together some information and statistics about what the market analysis showed initially, how the course was actually built, a report that came out from Mike Loehner that discussed some of these things. According to the analysis the revenues are tracking the way they were supposed to, but the expenses are not because we built a course that was not an average course. Chris said that this information is in support of these facts.

Dick suggests that they get together with Lou, Scott and Mike and discuss what the options might be for acquiring the capital replacement to continue the normal maintenance level on the course.

2003 Business Plan

Matt said to look over the business plan draft, make notes, evaluate. Chris said to pay close attention to the marketing section, and fee section. The committee will get together sometime in

December to discuss the business plan. Dick said that they need the information on leasing, carts, carpets, painting the building, etc.

Misc.

Charles Lewis made a motion to adjourn the meeting. John Campbell seconded the motion. The meeting adjourned at 8:15 p.m. The next meeting will be on Thursday, January 30, 2003.

Respectfully Submitted,

Chris Claxton, Director
Parks & Recreation