



JUNIPER GOLF COMMISSION MEETING MINUTES

Date and Time: 28 July 2011; 2:00 pm

Location: Juniper Golf Course; 1938 SW Elkhorn Avenue, Redmond

Commission Members Present: Paul Klotz; Pam Garney; John Brenton; Don Noldge; Bill Saling; Camden King, Council Liaison

City Staff Present: Chris Doty, Director of Public Works; Summer Sears, Controller; Susan Bailey, Public Works Administration

CourseCo/Juniper Staff Present: Bob Sommers, General Manager

Media/Others Present: Trish Pinkerton, Redmond Spokesman

CALL TO ORDER

Paul Klotz welcomed the Commission and called the meeting to order at 2:00 pm.

PUBLIC COMMENTS

There were no public comments.

APPROVAL OF MINUTES

Saling moved to approve the minutes of 23 June 2011, as written, seconded by Noldge, motion unanimously passed.

DISCUSSION/DECISION ITEMS

Monthly Update and Review of Current Budget

Sommers provided an overview of the revenues noting growth and cost of sales close to the targeted estimates. He explained that the new menu and new beverage pricing is a contributing factor. Sommers reviewed the cost of goods sold for merchandise and suggested that the 70% was due to a blending of the months. He reviewed expenses and stated that they were within estimates, with the exception of advertising. Sommers explained that previous contract agreements for advertising are still being expensed and will not be renewed in the future, so advertising costs will normalize.

Sears explained the timing of the personnel expenses and how they affect the financial statements. She stated that CourseCo uses the payment date of the payroll and that the City uses a full accrual accounting method so expenses appear in the month they were actually incurred, not paid. Sears will talk to CourseCo and determine the best accounting method going forward so the financials are consistent with the budget. Doty explained that the budgeting for the 2012-13 fiscal year will need to accommodate this as well. Klotz asked if this would be problematic for CourseCo. Sears explained that it would not be a problem to resolve. Sears noted that the budget is already approved by the City and Doty explained that we could revise the budget or reconcile with the budget at the end of the year. Sommers suggested that the pay period could be

changed so employees are paid twice a month instead of every two weeks. Noldge was not in favor of revising the budget.

Klotz asked about the greens fees being 30% ahead of budget and cart fees 17% below budget. Sommers explained that due to the Oregon Open event and the timing, the ratios were skewed. Brenton asked for more detail on the food and beverage expenses. Garney asked about instruction revenue and if the numbers will even out next year with increased revenue from Stuart Allison's instruction. Sommers explained that the budget was determined on last year's revenue so he is not certain what was accounted for. He anticipates growth in lesson revenue as the focus is to grow junior lessons.

Managers Report/ Operational Update

Sommers gave an update on sales and marketing efforts and noted that they are focusing on Juniper being Redmond's municipal course and not just giving away discounts. Sommers discussed the direct mail flyer and the radio ad on the local ESPN affiliate. Doty asked that the directions to the course be clarified in the advertising to state "Airport Way" and not "Yew Avenue." Saling noted that recent articles have been very positive and are reinforcing Juniper's reputation of a challenging course.

Sommers explained that the junior lesson program is doing well under the guidance of Stuart Allison and that when Allison is not giving lessons he is out cultivating opportunities. Sommers noted that they are connecting with organizations and optimistic about future growth.

Sommers reviewed course maintenance issues and noted that they are responding to comments that the course seemed dry. They have increased the water usage by 25% and have had success using wetting agents in specific dry spots. Sommers indicated that they have been receiving very positive comments about the quality of the course. Klotz asked about the cost of the increased water usage and Doty explained that there is a cap on water usage with the City.

The new golf carts are scheduled for delivery on August 9th, as reported by Sommers.

Sommers stated that comment cards were distributed that focused on the golf course and asked about the restaurant. Overall responses were that the food and the service in the restaurant were good; however, prices could be lowered. Sommers explained that they did a competitive market analysis and that Juniper is consistently the lowest price golf course for what is offered. He noted that the new menu, which gets us on the right pricing profile, has gotten very little feedback. Sommers explained that the new beverage pricing will take effect this month and that there hasn't been a beverage price increase in 4 years.

Sommers noted that comment cards are available on the golf carts and that they are tracking all comments from both members and non-members. Sommers said feedback on the golf course has been good. King asked about incentives for people completing comment cards and Sommers noted a drawing for a round of golf. Sommers also explained incentives for providing e-mail addresses and that they are using the information selectively. King suggested getting more demographic information and providing tips specific to Juniper in e-mail advertising.

King asked about utilization numbers, not just number of rounds and revenue. Sommers noted tee sheets are being filled each day until shortly after 11:00 am, depending on the weather. They have had days with 200+ golfers. The day of the week also affects the tee sheet utilization.

Sommers noted that they have been working on ways to make ordering food easier at the turn. They now have a dedicated number that goes to a portable headset worn by the bartender who takes food orders. They will have signage with the phone number in place soon.

Membership updates for the month included 5 new members and 2 resignations, for a total of 264 members, as reported by Sommers.

Policy Discussion

Doty explained that as operations progress, there will be cash that builds up and a policy should direct when to transfer this cash to the City to cover debt service. Doty spoke with Tom Bugbee about CourseCo drafting a policy. Klotz noted the need for capital and operating reserves. Noldge asked when the bond payment is due and Doty explained that they are due in December and June. Doty suggested reviewing a draft policy document in August or September then having the Commission adopt the policy and ideally having it in place by December to make the bond payment. Brenton asked if there were sufficient revenues at this point and Doty suggested that a conservative number could be determined.

COMMISSIONER/STAFF COMMENTS

Klotz noted publicity items in the Commission packet and Brenton commented on the article in the Bulletin. Sommers discussed the US Amateur qualifier at the course this past Monday.

PUBLIC COMMENTS

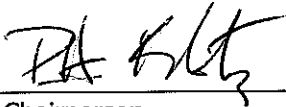
There were no public comments.

ADJOURN

There was no further business. The meeting was adjourned at 3:00 pm.

Next Meeting: The next meeting will be held on August 25, 2011, at 2:00 pm at the Juniper Golf Course.

APPROVED by the Juniper Golf Commission and SIGNED by the Chairperson this 25th day of August, 2011.



Chairperson