

HOT SPRINGS VILLAGE GOLF COMMITTEE ANNUAL REPORT 2010/2011

MEMBERS

Volunteers:

Jim Arnold, *Chairman*; John McGrail, *Vice-Chairman*; Renee Steinpreis, *Secretary*;
John Dethardt, Paula Heney, Ike Harper, Abe Stroud, Jack Slattery and Cathy Walsh

Board Liaison:

Jerry Kosoglow

Golf Department:

John Paul, Director Golf/Recreation

Signed: _____

Date: _____

Jim Arnold, Golf Committee Chairman

SUMMARY:

This report covers the period from March 1, 2010 through February 28, 2011. This has been a most challenging year for golf with results as follows:

Golf revenue for 2010 was \$6,454,000. This is \$178,000 less than the budget and \$139,000 more than 2009.

The number of rounds for 2010 was 293,165. This is 6,835 less than the budget and 1,962 less than 2009.

Golf expenses for 2010 were \$7,790,000. This is \$504,000 less than the budget and \$279,000 less than 2009. In spite of the challenges the expenses were below budget thanks to a concerted effort by management and dedicated crews.

The difference in the revenue and the expenses is funded by assessment funds and is referred to as a “subsidy”. The “subsidy” for 2010 was \$1,336,000 which is 17.2% of the total expenses. Based on the 2011 budget the “subsidy” should be \$684,000 which is 8.9% of the total expenses.

These numbers are the best numbers that are available as of February 28, 2010. The formal yearly audit was not available as of this date.

Many of the problems in 2010 can be attributed in part to the economic problems that began in the fall of 2008 and continued through 2009 and into 2010. The golf industry throughout the United States has suffered as a result of the recession but shows signs of improvement in 2011. The Village management is acutely aware of the recession’s effects with the reduction of home sales/starts and the accompanying resident aging and the non-payment of assessments. A very slow start due to cold and wet weather conditions during the winter months followed by a very hot summer accompanied by untimely humidity added significantly to the golf operational problems in 2010. The summer was one of the hottest that we have experienced in several years. This caused an excessive amount of stress on the bent grass greens. Granada had to be closed in late August for approximately one month because of the condition of the greens. An exceptional zealous amount of work by our maintenance crews saved most of greens.

Major reconstruction of some of the golf courses continues to be delayed because of the POA financial situation. Several smaller projects such as restroom renovations, cleaning drainage ditches, installing drains, and eliminating sand bunkers have been accomplished at several of the courses.

Each month in 2010 a course superintendant attended the Golf Committee Meeting and gave a “state of the course” report and answered committee questions concerning all aspects of that particular course. This has been very informative and has given the committee considerable insight as to what and how problems need to be addressed.

2011 has started with an unusual amount of snow but even with all the golf course closings the January rounds are improved over 2010 and the revenue for January is only \$13,886 less than the budget. The golf experts across the country are predicting an upturn in the golf business in general due to a better economy and if the weather is “normal” the rest of the year then 2011 should be a good year for Village golf.

SUBCOMMITTEE ACTIONS:

FINANCE (Cathy Walsh -- Chair):

The budget parameters which came out of the May POA Board retreat were passed to the Golf Committee in June 2010. The Golf Finance Committee, in concert with the Research and Special Projects Committee (RASP) was tasked with producing a recommended set of revenue producing fees and policies that would meet the annual golf budget requirements for 2011 and beyond. These recommendations were submitted to the Golf Department and were passed on to the POA Board as a part of the annual golf budget exercise.

Participants in the numerous committee meetings and ad-hoc meetings included members of the Golf Committee, members of the RASP Committee, the POA Golf Department Director, POA Board Liaisons and the POA Board President. Many scenarios were considered for 1-year, 3-year and 5-year plans. The studies for the 2011 fees which formed the basis for the final recommendations were governed by several parameters and goals. These came from the POA Board, the Management Staff and the joint meeting of the Golf Committee and the RASP Committee and included:

- Expenses of \$8,106,660 and revenue of \$6,985,320. (Expected 2011 Golf Department budget)
- Continued implementation of the cost saving items initiated by Golf Department both past and future.
- 295,000 rounds of golf
- Rounds distribution based on the 2009 actual values.
- No increase in visitor rates

There were policy changes that were recommended that will increase our revenue with minimal implementation costs. Several of these have already been put into place and are producing good results. The list below is a brief overview of the recommendations:

- Expand the use of Coupon Books
- Creative Golf Packages marketed outside The Village
- Expanded the capability to accommodate packages for non-resident play.
- Expanded non-member tournament schedule

The formula for calculating the annual fees based on a percentage of the average rounds was not changed. It was recommended that the surcharge be eliminated and the \$2.00 added to the green fees. The recommended changes to the daily and miscellaneous fees were as follows:

- Member Green Fee – \$16.85 was \$15.10
- Family/Visitor Green Fee, POA Cart Fee – No Change
- Private Cart Fee – \$384 was \$314
- Daily Cart Fee Registration – \$40 was \$34
- Range Balls, \$1.75 was \$1.60
- GHIN Registration, \$22.00 was \$19.00
- Medical Flags, \$6.00 was \$4.00
- Coupon Books \$42.00 was \$40.00

All these fees were approved by the POA Board and implemented in January 2011.

A lot of confusion was associated with the GHIN Handicap registration form prior to 2011. Several “membership” errors were identified in an informal audit in 2009. It has now been replaced. This form was completely revised in 2010 and was mailed in the 2011 fee packet to all property owners. Since 2011 is the first year the new form has been used there has not been enough time to evaluate its effectiveness.

JUNIOR GOLF (John McGrail – Chair):

The Junior Golf program continues its success through the outstanding efforts of leaders Jack Berry and Bill Veal and the village volunteers. This program continues to grow year after year. The adult golf clinic will continue in 2011 supported by the Golf Committee and POA Golf Department. This clinic is an annual fund raiser for student scholarships. Seven (7) scholarships have been completed and seven (7) more are presently active. Each of the scholarships is generally worth \$2000. More will be added in 2011 when the scholarship committee meets in April. The volunteers spend more than 5,000 hours each summer to support the Junior Golf Program.

40TH ANNIVERSARY CELEBRATION (Cathy Walsh – Chair):

The subcommittee was formed in August 2009. The subcommittee worked in conjunction with the Golf Department, the MGA, the WGA and the Couples League to coordinate hosting duties and other logistical support for the several tournaments that were held April 21-24. Tournaments included a Women’s Member-Member, a Men’s Member-Member, Women’s Member-Guest, Men’s Member-Guest and a Couples event. All culminated with a dinner and award ceremony at the Balboa Pavilion. In addition to prizes and awards, Tom Clark was presented with a street sign to signify the street leading into Granada being named “Tom Clark Blvd”.

COURSE OPERATIONS (John Dethardt – Chair):

This subcommittee’s goal is to assess each public golf course in HSV, from the perspective of a golfer, then make suggestions or recommendations that will enhance play. In 2010 each course was reviewed twice by members of this subcommittee; namely, John Dethardt, Abe Stroud and Ike Harper. A summary of the suggestions and recommendations were given to the golf department for consideration and/or implementation. Beginning in January 2011 this committee is monitoring the “Golf Projects” list that has been initiated by the POA Golf Department and is a part of their monthly reporting activity.

This subcommittee, along with the Education Committee, also keeps a watchful eye on the Adopt-A-Hole program and looks forward to growth in the participation in this program in the future.

NEWCOMERS (Paula Heney – Chair):

The Newcomers subcommittee provides a representative from the Golf Committee at all of the Newcomer's Coffees which are held every other month at the Woodlands at 8:30 AM. Newcomers who are interested in golf are given the information on various golf leagues in the Village. They are encouraged to attend the Junior Golf Adult clinic which is held in March and is for every skill level from beginners to accomplished golfers.

PHYSICALLY CHALLENGED GOLF PROGRAM (Jack Slattery – Chair):

The Physically Challenged Golf Program was again a success for the year 2010. Some new members joined us during the year and all sessions were well attended. A number of new volunteers helped during the year as a result of the articles published in the Village Voice. The two (2) specially adapted carts for handicapped golfers were used on all sessions and sometimes we could have used a third handicap cart.

At the conclusion of the season, Dennis Faulk again invited golfers to his home for a golf session on Wii. Five golfers attended with great success. All are looking forward to a new year with good weather.

POLICIES (Jack Slattery – Chair):

Two areas were addressed during the 2010 season. The first covered the Medical Flag policy and the second was the use of Single Rider Golf Cars.

Medical Flags:

The Golf Committee approved a motion that future medical flags would be distributed at the golf shop on the day of play. This change would eliminate the purchase of new flags each year and eliminate some misuse of the flag program. A second motion was approved to note on the daily tee sheet, players who qualified for a medical flag. This allows the pro shop, Marshals and course superintendents visibility as whom and how many flags would be expected on the course which may affect how many holes could be open to medical flags.

Handicap Golf Cars:

To enhance compliance with the American disabilities Act, ADA, a “Reasonable Accommodation Policy” was approved that clarified the use of medical flags and the use of single rider golf cars used by handicapped golfers. In addition, a “Reasonable Accommodation Application” was approved providing a physician’s assessment that a golfer requires special needs and requires single rider golf car to enjoy golf.

These items were forwarded to the Golf Department to be incorporated in procedures as applicable.

EDUCATION (Renee Steinpreis – Chair):

The Education subcommittee has the challenging responsibility of getting interesting and informative articles written and published by the most effective means possible.

Our goal was to publish an article every month on golf related issues. Even though we were not successful in reaching that goal Mel Melcher of the Voice has written and published several articles in concert with the Golf Committee(s) that have been a good supplement. Some of the articles that were written in 2010 were:

- “Waste Water” presented in January and was addressed by J Paul.
- “Adopt-a-Hole”
- “Adopt-a-Hole Thank You” written to all the volunteers
- “Adopt-a-Hole” about two young boys adopting #15 at Cortez
- “Sand Bunkers”

Obviously, the Education Committee has shouldered a significant amount of the effort that has gone into organizing and implementing the Adopt-a-Hole program. The Adopt-a-Hole Program was developed to ask volunteers to adopt a golf course hole to assist the Golf Department in maintaining the beauty of our courses. The volunteers who had been working on this program for over a year were treated to a picnic at the Balboa Pavilion on Tuesday, May 18, 2010, hosted by the POA Golf Department and the Golf Committee, to demonstrate the POA's gratitude. These volunteers have been sanding divots in the fairways, fixing ball marks on the greens, as well as picking up broken tees and trash. The program has proven very successful in trying to keep our courses as immaculate as possible.

CLOSING:

Overall it has been a very busy yet rewarding year for the Golf Committee. It has been a hard year considering, among other things, the bad weather, the recession, and the lack of general funding from the non payment of assessments. In spite of all these obstacles every man and woman has acted in a very calm and professional manner. An inordinate amount of time was spent exercising the fee process in an attempt to fairly meet all the property owner's needs. Our members and guests have been focused and working very hard to meet common goals which are fair and equitable. Thank you for allowing us to serve.