The Arlington Club
Arlington Association, Inc.
Board of Directors Meeting
Minutes of January 19, 2010
Arlington Board Room  6 p.m.

Board Members Present:  Scott Althauser, Allen Ault, Jackie Collier, Jim Conneely, Lyle Cook, Carrie Cooper, Keith Daniel, Malcolm Frisbie, Debbie Newsom, April Clark Pergrem, Janna Vice

Unable to Attend:  Jim Clark, Debbie Crafton, Jeff Hodges, Mark Sandy, Tim Stephens, Charlotte Tanara, and President Doug Whitlock

Others Present:  Peter Cizdziel, General Manager; Joe Foster; Judy Spain

Welcome and Call to Order

Chair Allen Ault called the meeting to order at 6:00 p.m.

General Manager’s Report – Peter Cizdziel

Cizdziel reviewed the following report.

Operations
- Holiday Break:
  - Flood renovations.
  - House cleaning – All floor of the Arlington House have been thoroughly cleaned.
  - Labor reduction will realize cost savings.
  - New dining menu
  - New drink menu

- Food & Beverage
  - House - new dinner menu in place.
  - House - Saturday evening full dining menu.  (Pizza and pasta night discontinued)
  - House:
    - Wednesday – Prime Rib Night
    - Thursday – International Buffet Night
    - Friday – All you can eat fried fish.
    - Saturday – “Member Night!”  Complimentary beer & wine with entrée – kids menu ½ price.
  - Paddock dining room closed through February.
  - New line of premium wine:  Italo Cescon
  - Currently have four members using a “standing reservation”.  This continues to create issues with other members as well as accommodating other guests on busy times.  Will suspend the practice of standing reservation February 1.
• Golf
  o 2009 rounds – 22,630 (see attachment)
    ▪ 2009 Golf Cart rentals – 13,108 (58% ridership)
  o Golf Pro compensation agreement – relooking.

• Swimming
  o 2010 contract needs to be approved by Board tonight.
  o Swim / diving coaches staffing plan to be reviewed in February/March.

• Tennis
  o Professional instruction agreements to be reviewed in February/March.

• Fitness Center
  o In house renovation nearing completion. Electrical work, flooring then equipment move – in next. Projected opening: April 1.

Finance
• Current cash balance - $104,537.34
• Current outstanding debt owed: $973,773.04
  o University: $905,022.14
  o Foundation: $ 68,751.00
• Revised 2010 Budget:
  o Actual - July thru December (-$296,990)
  o Revised - January – June projection (-$65,202)
  o Projected year end loss (without any capital improvements) = (-$362,192)

RECOVERY PLAN
Cost Cutting Measures Implemented
• Reduction of all full time staff from 40 to 25 hours from January 1 – March 15. (Savings of over $1,500 weekly).
• Elimination of all part time staff from January 1 – March 15. (Savings of over $600 weekly).
• Elimination of all overtime.
• Conversion of three (3) full time kitchen positions to seasonal without benefits.
• Reduction of lunch buffet by ½ hour.
• Elimination of Tuesday evening dining
• Closure of paddock dining through February.
• Closure of clubhouse for four (4) weeks over holidays
• Renegotiation of linen contract
• All purchases over $100 must be approved by General Manager prior.

Future Cost Cutting Measures
• Conversion of four (3) full time kitchen positions to seasonal with no benefits.
• Conversion of one (1) full time maintenance position to part time with no benefits.
• Further streamlining staff scheduling (pool snack bar)
• Newsletter to go electronic only.
• New House menu more cost efficient by reducing waste.
• New pool contractor - $9,396 annual savings
• No mow areas on golf course
Member Debt
Total debt members owe to Arlington: $288,899.11
- Current (December) - $165,621.92
- 30 days (November) - $34,863.40
- 60 days (October) - $22,184.51
- 90 days (September or longer) - $66,229.28

Planned (upon approval) 2010 Capital Projects
- Pond dam reconstruction – $25,000- $40,000
- Fitness center - $20,000
- Lighting of parking lots- $31,500
- House chair replacement - $25,000

Discussion occurred with this report as Board members reviewed.

General Manager Recommendation – Cizdziel
Amend bylaws:
1. Member debt recovery plan
   a. 30 days late – 5% finance charge
   b. 60 days late – 5% finance charge, letter from club, name on public list, and suspension of club privileges (cash only).
   c. 90 days late – suspension of all club privileges until paid in full.

Carrie Cooper 2nd the recommendation. Passed.

Chairman Ault asked Cizdziel, Althauser, and Spain to work on the wording of the amendment in order for it to be posted given to Jackie Collier and the posted.

Finance Committee – Jim Conneely

Conneely reviewed the Arlington Budget Development Calendar for 2010-2011:
January 18th, Finance Committee Meeting/December Report Review
January 19th, Full Board Meeting
February 19th, Finance Committee Meeting/January Report Review
April 15th Finance Committee Meeting/Committee Finalizes Budget Recommendation for 2010-2011
April 20th, Full Board Meeting Budget/Finance Committee Budget Recommendations

Conneely also reviewed outstanding amounts owed to EKU and Foundation as of January 14, 2010. The total amount to EKU is $905,022.04 and to the Foundation $68,751.

Treasurers Report – Debbie Newsom
Newsom reviewed a draft of the FY10 revenues and expenses summary. Yearly to date revenues are at $1,221,263 with expenses totaling $1,558,851 less depreciation. To date the loss from operations is $337,588.

There was discussion on the budget and what is being doing to work towards operating on the positive side.

Newsom also reported she would be sending the audit report electronically to the board.

Pool Committee – April Pergrem
After reviewing several contracts, Pergrem recommended a five year agreement with PPM. This company comes highly recommended and will use our members as life guards and workers. Five years will allow for continuity from year to year. Keith Daniel seconded. Passed.

Golf Committee – Lyle Cook
Cook gave updates on the course including fencing, foliage. Update on credit policy in Pro-Shop.

House Committee – Carrie Cooper
No report

Membership Committee – Keith Daniel
At this time, there will not be a membership drive such as was done last year.

Approval of the October 2009 Minutes
Ault moved we accept the minutes as distributed. Seconded by Pergrem. Passed.

Adjourned at 7:15 p.m.

Respectively submitted by Jackie Collier, Board Secretary