

Arlington Association, Inc.
Board of Directors Meeting
Minutes of January 22, 2008 meeting
Mule Barn 6 p.m.

Board Members Present: Allen Ault, Margaret Baxter, Don Calitri, Jackie Collier, Jim Conneely Keith Daniel, Ron Durham, Rich Middleton, Debbie Newsom, Rodney Piercey, Cindy Reed, Judy Ridings, Robbie Robertson, Sharon Shasby, Tim Stephens, President Doug Whitlock

Board Members Unable to attend: Mark Sandy, Donya Smith

Others present: Cheryl Harris, University Counsel; Joe Foster, Interim VP for Advancement and Foundation Board representative; Jim Marsh, Manager; Bob Geiger

Meeting called to order

Don Calitri called the meeting to order at 6:00 p.m. Calitri asked for approval of the October 2007 Board meeting as submitted. Allen Ault moved they be accepted. Jim Conneely seconded. Accepted.

Manager's Report – Jim Marsh

Jim Marsh reviewed the sales reports as included in Board packets for October, November and December 2007. October was down 4.9% from the previous year, November was up 5% from the previous November, and December was down 2.6% over last year. Jim did say the January sales were looking better than the previous year. He said this was due to some marketing tactics being used including a daily email going out to those members on the email list that includes menus for the day. Also, \$5.55 Friday Frenzy for lunch, Thursday BOGO free, Wednesday Prime Rib night and Tuesday Pasta Buffet. These are bringing people into the dining room.

Marsh said numbers were down in October due to the Golf Tournament not taking place as usual.

There was a question about staff issues and wondering if the issues from last quarter had been resolved. Marsh reported that he is presently waiting on four background checks but that things are improving on the hiring of staff.

Introduction of all board members present

Don Calitri welcomed President Doug Whitlock to his first Arlington Board meeting as President of EKV. Calitri asked each member to introduce themselves.

Treasurer's Report – Debbie Newsom

Debbie Newsom began her report by distributing Arlington's year-to-date income and expenditure summary through December 31, 2007. In terms of the highlights she pointed out the decrease in membership income as compared to the same period in the prior year, noting this was expected due to the overall decrease in membership resulting from the assessment in January 2007. She also highlighted several other items including the decrease in expenditures as compared to the previous year. In

general she indicated that, although the bottom line at December 31st was positive, it was approximately \$30,000 less than the prior year bottom line at the end of December. Logic would indicate that if the prior year end (June 30, 2007) ended with a deficit of approximately \$200,000, then expectations would be the deficit would be even greater for the year ended June 30, 2008. However, she further noted that Mr. Marsh was introducing new dining initiatives, so it would just be best to monitor the financial operations monthly to keep more currently abreast of the matter.

In addition Newsom gave a brief update of the assessment collections for the renovation/addition project as well as the expenditures to date. This resulted in discussion by the board as a whole regarding the timing of obtaining external financing of the project based on anticipated cash needs. Newsom indicated she would be providing more detailed information. It was suggested by Mr. Durham that such discussions take place at the weekly Friday morning meetings held to focus on this project.

Secretary's Report – Jackie Collier

Jackie Collier reviewed the report in the packet. At the end of December we had a total of 999 members. At the end of December 2006 we had a total of 1299 members. Membership has been on the decline for the past five years. We have had a decrease of 25% in the membership and 204 members moved to Dining Only.

Membership Report -

There was discussion about how to solicit new members and/or reinstate old members to Arlington. Ron Durham inquired as to whether or not EKU's HR actively solicited Faculty/Staff during orientation. Further discussion followed on the need to have an active Membership Committee. Don Calitri asked for volunteers for such a committee as well as marketing ideas to encourage membership. (Note: Bob Geiger has been asked to Chair this committee along with the following people to serve Sue Smith, John Burford, Tim Reynolds, Tim Stephens, Jim Marsh, Don Calitri, Rodney Piercey, John Roberts, Jason Gabbard, Terrill Cobb, Marc Robbins, David Johns, Pat Allen, Mark Sandy, Debbie Newsome and Jackie Collier) Membership is to start working on a membership drive immediately. In addition, Allen Ault asked about doing an overall business plan for Arlington.

House Committee – Judy Ridings

No report. Don Calitri thanked Judy and her Committee for the beautiful decorations at the house during the holiday season.

Pool Committee – Margaret Baxter and Donya Smith

No report

Golf Committee – Tim Stephens

The Committee met on December 13, 2007 and reviewed the following:

1. Ron Durham and Jim Marsh gave an update on the progress and time schedule planned for the pro shop. There were two site plans presented by 5253 to allow the building to miss any underground utilities. The committee by show of hands chose the best option for 5253 to proceed.
2. Bruce Mansfield notified everybody that Pat Stephens needs any 2008 tournament schedules for the golf course turned in as soon as possible.
3. The committee voted to put off the Hanger Cup until 2009 due to the construction.
4. Jim Cox updated everybody on his winter projects and informed everybody that he and Pat would have 2008 plans on more sand traps and bunkers improvements by the next meeting.
5. The golf committee made a suggestion that we put together a four person committee with one golf committee member to head up an interior design committee of the new building.
6. Our next meeting will be February 12th, 2008 @ 6:00 pm on the 3rd floor of the house.

Members Present: Ernie Moore, Ron Durham, Lyle Cook, Allen Ault, Peggy Williams, Bob Geiger, Bruce Mansfield, Jim Clark, David Johns, Jim Cox, Jim Marsh, Tim Stephens.

Tennis Committee

Rodney Piercey serves as chair of the tennis committee. In addition to Keith Daniel, other committee members will be solicited.

Old Business

Don Calitri and Jim Marsh reported on the renovations and deferred maintenance. House exterior work is almost completed, sunporch is completed. Twenty seven windows in the house have been replaced. House painting is almost completed. Marsh reported dollars have been saved by utilizing members.

Parking lot is cleared. We are waiting for warmer weather in order to put down blacktop. Robbie Robertson asked about looking into concrete. The parking lot will give us an additional 51 parking places.

Pool will be completed by Memorial Day weekend.

5253 Design Group has given us the Golf Club House/pro-shop design which has been shared with members in the last newsletter.

Tennis Courts will be resurfaced in March.

There was discussion on the cash flow of the operations. We are saving money with the renovations/maintenance but still losing money and there is no longer a cash reserve. This will be monitored.

There was further discussion on an aggressive membership drive and the need to recapture membership lost over the past five years.

Next Arlington Board Meeting

The next Arlington Board meeting is scheduled for Tuesday, April 8, 2008.

Allen Ault moved we adjourn and Rodney (Buz) Piercey seconded. Adjourned at 7:35 p.m.

Respectively submitted by Jackie Collier, Arlington Board Secretary
January 30, 2008.