

Minutes of the CGLMC Ltd Full Meeting held in the Greenkeeping Sheds on Monday 9th November 2015.

Present: P Sawers (Chairman), W Thompson, A McColgan, A McArtney, J McLeish, I Frier, L Gordon, G Murray, W Bowles, A McKeown, C Yule, G Paton

In Attendance: G Duncan (General Manager), C McLeod (Golf Services Manager)

Meeting began at 1900 hours.

1. Apologies

R Gillespie, J Gilbert, H Oswald

2. Declarations of Interest

A number of declarations of interest were advised with regard to the charitable donations, as the Trustees involved are members of the local golf clubs who had submitted an application. G Duncan said there was an exception for items such as this where many of the Trustees were directly involved. He said an example of this was the setting of season ticket prices when all Trustees are season ticket holders. G Duncan said it was a matter for the Chairman to determine whether all the Trustees could be involved in the discussions. P Sawers said it was acceptable for all Trustees to take part.

3. Additional Agenda Items

P Sawers said that she would like to update the board on the 2 meetings that she had attended.

Tournament Meetings

P Sawers said that the first meeting was with the R&A on 29th October. She said this was an introduction to Carnoustie Golf Links of Martin Slumbers, the new Chief Executive of the R&A. She said in attendance from the R&A was Martin Slumbers, Johnnie Cole-Hamilton and Martin Ebert. From CGLMC Ltd was her, W Thompson, J Gilbert, G Duncan, A Reid and C Boath, with A McKeown representing Angus Council. P Sawers said that the purpose of the meeting was to discuss the proposed practice ground set up, the course set up, contractor's compound and TV compound for the Open in 2018. She said that the R&A will set out the proposals which will then be presented to the Trustees.

P Sawers said that the second meeting was a Championship Committee meeting for the Seniors Open in 2016 and was held on the 4th November. She said this was the first

Championship Committee meeting for this event and in attendance were Edward Kitson and Andy Stubbs and Simon Alliss from the European Tour, Johnnie Cole-Hamilton from the R&A and her as Chairman of the Championship committee, G Duncan as secretary of the Championship committee and A Reid, Links Superintendent. P Sawers said this meeting focused on the actual event and the following areas were discussed. Overview of the week, operational overview, roles and responsibilities, ticket policy, golf course closures, build schedule and Pro Shop. P Sawers explained that the Tournament Director would arrange individual meetings with the Championship Convenors in the New Year to finalise requirements in the various areas. She added that Nicola Cunningham will take on the role of administration support for the event as she did for the Amateur Championship.

4. Approval of Minutes of the CGLMC Ltd Meeting of Monday 12th October 2015

Amendment: Pg117 Present

I Frier was in attendance at the meeting.

Approved: G Murray

Seconded: L Gordon

a) Matters Arising Therefrom

Tea Hut

P Sawers said that the selling of multi pack chocolate bars singly was not illegal, but that the proprietors will not do this in the future.

Scorecards

C Yule explained the process that was to be used with the existing scorecards for the medical emergency number. New cards for the Championship course only would be ordered and all the other cards would have the number stamped in a more prominent place.

5. Greens Business

a) Approval of Minutes of Greens Meeting of Monday 19th October 2015

Approved: L Gordon

Seconded: C Yule

b) Matters Arising Therefrom

Burnside Maintenance Window

The Trustees approved that:-

i) the Burnside maintenance window would be retained for 2016 using the same system as 2015.

Christmas Day and New Year's Day

The Trustees approved that:-

i) the Championship Course would be closed on Christmas Day and New Year's Day but the Burnside and Buddon Links will remain open.

6. Finance Business

a) Approval of Minutes of Finance Meeting of Monday 26th October 2015

Amendment: Pg 130 Annual Salary Review

Insert the wording "in 2016." After the words "increase be awarded".

Approved: W Thompson Seconded: A McKeown

b) Matters Arising Therefrom

Annual Salary Reviews

G Murray explained that it was a recommendation of the Finance sub-committee that no cost of living increase be awarded in 2016. He further explained this was due to the decision of the Trustees that the CPI be used to determine the cost of living pay increase and this was now sitting at -0.1%. He said that the sub-committee has indicated that if the index brought no pay increase next year, they would review the policy.

W Thompson said that if a policy was decided upon it should be adhered to regardless of the outcome.

G Paton pointed out that, as the index had gone negative, then technically a decrease should take effect. He said the Trustees were not proposing this which meant they were supporting the staff.

A McArtney said he did not agree with a no cost of living pay increase. He said that the staff worked extremely hard and were constantly being praised by the Trustees. G Murray said this was correct but he referred A McArtney to the bonus recommendation that he would deal with next.

A McArtney proposed that a 3% cost of living pay increase be awarded to all staff. There was no seconder for A McArtney's proposal.

The Trustees approved that:-

i) no cost of living pay increase be awarded in 2016.

A McArtney asked that his disagreement with this decision be minuted.

Bonus

G Murray said, that as the accounts showed an excellent financial performance, the Finance sub-committee had agreed to recommend an annual bonus of 3%.

The Trustees approved that:-

i) an annual bonus of 3% be awarded to all staff who are employment on the payment date of 28th November 2015.

7. Pro Shop Business

a) Approval of Minutes of Pro Shop Meeting on Thursday 29th October 2015

Pg132 Head Professionals Report

Insert the wording "to 96 with the hope of reaching 100 by next spring" after the word increased.

Pg133 Customer Experience Review

Insert the wording "they frequently seem to be left to wander around" after the word centre.

Pg133 Customer Experience Review

Insert the wording "if and when he was available" after A Reid.

Pg133 Lost Property Register

Insert as first sentence "I Frier said that this had been referred from the Greens Sub-Committee".

Pg133 Custom Fitting Update

Insert after C Sinclair said that, "perhaps up to 20 to 25 drivers and perhaps up to a dozen sets of irons would be the likelihood".

Approved: C Yule

Seconded: P Sawers

b) Matters Arising Therefrom

Carnoustie Golf Shop

I Frier explained that a Minute of Agreement had been prepared between CGLMC Ltd and the Carnoustie Golf Shop. This agreement would be for a 1 year trial period. He explained that the intension was to give a service to members by providing a one stop shop for custom fit and delivery of clubs. He also anticipated that this would further improve our relationship with TaylorMade. He said the 1 year trial could be terminated at any time by any party. Regardless it would be reviewed at the end of year one with particular focus on the volume of sales and customer satisfaction. A McKeown said well done for overcoming a difficult situation.

The Trustees approved that:-

- i) a one year trial based on the Minute of Agreement.

8. Major Projects Business

P Sawers said that she had sent out an update of the proposed development to the Trustees. She said that planning permission had been granted and also that Maria Francké had held 2 workshops with the development sub-committee.

P Sawers explained that there were now 4 options to be assessed and asked if the board was happy to let Maria Francké set these out. The Trustees agreed.

Option 1 was that we do nothing.

Option 2 was to develop the Golf Centre as a visitors centre.

Option 3 was to take into account the feedback from the golf clubs and fit this into the Golf Centre extension.

Option 4 was to develop a multisite option using the Golf Centre and either 20 Links Parade or one of the golf clubs.

P Sawers said that G Murray would be meeting with Alan Creevy of CDLH on the 10th November with regards to the feasibility study and that she proposed holding a Major Projects sub-committee meeting on the 23rd November.

W Thompson said that he had received a copy of the financial projections from G Duncan. He said it was difficult to be accurate with the projections until it was clear how much money needed to be borrowed. He also thought that the repayment period for the loan shown in the projections was very aggressive and a longer repayment period could be

beneficial.

G Paton said he was concerned that the concept had become a reality. He said he had a particular concern that we had obtained planning permission but that the Trustees had not debated and decided on the internal layout of the extension. G Paton thought it was a planning condition that we could not change the internal design. G Duncan said he thought it was possible to change the internal design and A McKeown confirmed that this was the case.

W Thompson said that he felt that the media statement gave the impression that the Trustees had already decided that the extension was to go ahead. He said this was not the case and it was important that public statements reflected the accurate position of the Trustees. He said a newsletter should be issued indicating that the project was still at the discussion stage and that the Trustees still had to make a formal decision whether it was to go ahead or not. W Bowles agreed and said that the billboards stated that it was going ahead and that the position should be clarified. P Sawers said that this could be included in the newsletter which could clarify matters.

W Thompson said it was important that Christie's provide a properly costed report so that the Trustees have an accurate figure for the cost of the project. A McKeown agreed saying that the estimate that was being used at the moment was a very much finger in the air figure.

9. Tournament Business

A McCartney said there was a meeting on the 16th November.

10. PR Business

L Gordon said that a plaque from the Living Wage Foundation had been received and she would supply the Guide and Gazette with a photograph and article.

11. Season Ticket Business

There was none.

12. Environment Business

P Sawers confirmed that the R&A would pay for the printing costs for the new environmental booklet.

13. Charitable Applications Business

P Sawers referred the Trustees to the charitable grant applications spreadsheet and she went over each application and gave reasons for the funds being awarded or declined.

The Trustees approved that:-

i) charitable grants be awarded in line with the recommendations by the Charitable Applications Sub-Committee.

14. General Manager's Report

Golf Centre Extension

The Trustees agreed that Landlords consent and a request for permission to borrow should not go forward as formal applications to Angus Council at the moment. However it was agreed that a meeting could take place with the Director of Finance of Angus Council to go through the process of what he would require from CGLMC Ltd.

Delegated Powers

G Duncan explained that he had recruited professional help as agreed at the September full meeting. The formal scheme of delegation as required by the Angus Council Minute of Understanding would be brought before the Trustees in due course.

Car Damage

G Duncan explained to the Trustees about damage to a season ticket holder's car which had been parked in the Burnside car park. The Trustees agreed that the matter be referred to the CGLMC Ltd insurers.

Junior Coaching Report

G Duncan referred the Trustees to the report which had been attached.

W Thompson said that KPI's had been set out and a report referring to these should come back via the Pro Shop Sub-Committee.

15. Golf Services Manager's Report

C McLeod explained that online bookings had been down slightly.

C McLeod explained the benefits from the adjustments to the hotel agreement regarding tee times. W Thompson said it was important to see the cost versus benefit in financial terms. W Thompson said we had to be aware of the sales and impact on the Burnside and Buddon Links courses. P Sawers said we were preparing a report on the marketing of the 3 course combination ticket and we would engage with local hoteliers with regard to this.

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W Bowles said it would be very positive if we could assist local businesses. P Sawers asked C McLeod to have the report ready for the December meeting.

16. Companies House Matters

There were none.

17. Health & Safety Report

There were none.

There being no other business the meeting closed at 2025 hours.