

Board of Trustees Minutes

8/14/14

Keweenaw Road Commission

Present: Trustees- Joe Waananen (absent) Gordon Jaaskelainen, John Karvonen (incumbent) Richard Schaffer

KML- Dan Harri General Manager

Liaison to BOC- Ray Chase

Ongoing Special Guest "The" Don Piche

Finance Director- Ken Rowe

Meeting called to 3:07

- Approval of previous month's minutes. Motion to approve by Jaaskelainen, Second by J. Karvonen. All in favor
- Approval of previous months Bills to be paid. Motion to approve by Jaaskelainen, Second by J. Karvonen. All in favor
- Approval of financials for previous month. Motion to approve by Jaaskelainen, Second by J. Karvonen. All in favor
- Financial review by Ken Rowe
- Manager incentive presented by Ken Rowe. Motion to approve by John Karvonen Second by Jaaskelainen
  
- KML BUSINESS REPORT: By Dan Harri
  - Rooms booked for August nearing 900 70%
  - Weddings 8 completed 3 this weekend
  - Golf Tourneys picked up Wolverine/Slow Puck/Jack n Jill tourneys
  - Cabin Maintenance is down 2 employees
  - July was awesome month with good profit 23%
  - August progress report shown
  - August may be a record month of all time
  - August restaurant sales are great due to Copper Harbor closings due to labor shortage
  - Oktoberfest planning stages with music, staffing and logistics
  - Labor is running well below budget.
  - 2015 is growing strong
  - Event growth spread sheet shown with growth since Dan took over KML

<b>2010</b>	Weddings	Reh Dinners	Corp	Dinners	Bus Tours	All Nighters	Golf Outings	
May	0	0	2	1	0	1	2	
June	2	0	2	1	0	0	2	
July	1	0	1	2	0	0	1	
August	4	1	1	3	1	0	2	
Sept	4	1	2	2	2	0	1	
Oct	1	0	1	1	0	0	0	
	12	2	9	10	3	1	9	46

<b>2011</b>	Weddings	Reh Dinners	Corp	Dinners	Bus Tours	All Nighters	Golf Outings	
May	1	0	1	1	0	1	2	
June	1	0	2	0	1	0	3	
July	5	0	1	3	0	0	0	
August	4	0	0	2	0	0	2	
Sept	5	1	5	1	3	0	1	
Oct	3	0	0	2	0	0	0	
	19	1	9	9	4	1	8	51

<b>2012</b>	Weddings	Reh Dinners	Corp	Dinners	Bus Tours	All Nighters	Golf Outings	
May	2	0	0	2	0	1	2	
June	2	0	2	0	1	0	2	
July	3	1	2	3	0	0	2	
August	6	0	0	6	1	0	1	
Sept	4	1	1	4	1	0	2	
Oct	0	0	2	1	0	0	0	
	17	2	7	16	3	1	9	55

<b>2013</b>	Weddings	Reh Dinners	Corp	Dinners	Bus Tours	All Nighters	Golf Outings	
May	3	0	0	1	0	1	2	
June	1	0	2	1	2	0	3	
July	2	0	0	6	2	0	2	
August	3	4	1	8	1	0	2	
Sept	2	0	2	2	3	0	4	
Oct	2	0	1	4	0	0	0	
	13	4	6	22	8	1	13	67

<b>2014</b>	Weddings	Reh Dinners	Corp	Dinners	Bus Tours	All Nighters	Golf Outings	
May	1	0	0	1	0	1	2	
June	2	0	1	0	0	0	4	
July	4	1	2	3	1	0	2	
August	6	5	2	7	1	0	3	
Sept	3	4	3	5	2	0	6	
Oct	1	0	2	2	0	0	0	
	17	10	9	18	4	1	17	77

<b>2015</b>	Weddings	Reh Dinners	Corp	Dinners	Bus Tours	All Nighters	Golf Outings	
May	0	0	0	0	0	1	2	
June	4	0	2	0	0	0	4	
July	1	0	0	0	0	0	2	
August	1	0	2	0	0	0	3	
Sept	0	0	2	0	0	0	6	
Oct	0	0	2	0	0	0	0	
	6	0	8	0	0	1	17	
	6	0	8	0	0	1	15	32

Deficit Elimination ideas proposed

Idea #1 Appropriate the land value that was taken from KML in 2012 land transfer as recommended by Finance Director and Auditor. 2000.00 per acre would be 160,000.00. This would eliminate any deficit. This would not cost county any real money just a transfer of land value. Subject to research on value

Idea #2

Sell 300+ acres of KML Property to secure the Bike trails and keep this economic part of Keweenaw county growing. This would put 400-700k in KML Coffers and let the property do some necessary repairs and come current with current Expansion debt. Gina Nichols will have property surveyed and appraised to start process.

We ask that a motion be made to present ideas to BOC at next meeting.

Meeting adjourned 4:12