

TOWN OF ST. GERMAIN
OFFICE OF THE CLERK
P.O. BOX 7
ST. GERMAIN, WISCONSIN 54558
www.townofstgermain.org

ELECTOR'S MEETING October 20, 2021

1. **Call to Order: Chairman Tom Christensen called the meeting to order at 7:00 pm. 157 community members were in attendance of which 135 were qualified electors**
2. **Pledge of Allegiance**
3. **The purpose of this meeting is to grant authority to the Town Board to purchase what is commonly known as the Whitetail Inn and the immediate land surrounding it to be used by the St. Germain Golf Club as a clubhouse. This authority is given to the electors of the Town by Wis Statute §60.10(2):**

(e) Purchase of Land: Authorize the town board to purchase any land within the town for present or anticipated town purposes.

(f) Town Buildings: Authorize the town board to purchase, lease or construct buildings for the use of the town, to combine for this purpose the town's funds with those of a society or corporation doing business or located in the town, and to accept contributions of money, labor, or space for this purpose.

Mr Christensen read the resolution. Discussion on why the town of St Germain wants to buy the Whitetail to coincide with the golf course having a club house, similar to other golf courses in the country. This will add to the whole property and increase golf sales. Golf course is doing very well financially, we have a talented general manager golf pro for the last 10 years. Golf course could be better and more lucrative having a club house, Margo brought this to the table to make the package complete. Town board does not micromanage the golf course.

Marion Janssen – How will you have a liquor license, municipality cannot issue a liquor license to self? What will be done with the living quarters? How will this be paid for? Brought up cart barn and increased cost from April 2021 to October 2021. She would like to see an operational plan; who will run the business, how will it be handled? Christensen responded - Talked financials of golf course. The plan is that the golf course and restaurant will generate revenue that will pay the expenses. Living quarters could be rented out in a golf package, be part of a hiring package, could be rented. Purchase price plus closing costs; do not know what the price will be. Primary purpose to be a club house for the golf course and to include lunches and dinners to the public. Can be utilized for other functions in town. Cart barn contract– expenses have increased in the last year, end result is an expansion is still needed, unsafe system for operation of golf carts for employees, not enough room, cannot maintain golf carts like they need to be. Alcohol license will be issued under the manager running the operation.

Phil Monday – In 2018 when Whitetail initially offered to the town at 1.2 million and hiring MSA to look the building over, what was the result? Heating, air conditioner, appliances look like a money pit. With purchase of Whitetail and cart barn looking at 2 million. Fire truck adds another 1 million. Losing \$10,000 in real estate taxes. Christensen responded - Town gets approximately \$1400 in taxes from Whitetail, rest goes to schools, libraries. Currently paying Jeff and Joy \$18,000 a year to rent the pro shop. Marion was a key factor due to real estate background to not have MSA come in back in 2018. To go about this in the correct order first you make an offer, offer gets accepted then work at getting due diligence items taken care of.

Kirby Giampa – Looks like it will only serve golfers by closing restaurant 7-8 months of the year. Need to open up for different events and serving dinner. Christensen responded - Current business plan is to include lunches and dinners and other events. Anticipate it open for the full year.

Tom Anderson – Staffing issues, who will work it? Everyone in town is short staffed. Christensen responded - It is a rough hiring time, not expecting this to last forever. Things are going to get back to normal and people will have to work again. Margo has been successful of finding people to work at the golf course, she is fully staffed. Some of those staff are interested in working in the restaurant. Will also talk to current employees.

Al Breck – Why would the restaurant operation be scaled back? What happens when the school district doesn't get the tax money? They will increase the levy and residents in the end pay for it. Christensen responded – Restaurant Going to be run differently, not scaled back. Ultimately, if school district cannot absorb the difference they will have to find the money, passing a referendum.

Paul Novorolsky – Would like to see a 'not to exceed an amount' in the resolution. Would like to see a business plan, expected revenue – only hearing speculations. Would like to see benefits and risks. Christensen responded – It is not within the powers of a town meeting to not exceed a dollar amount. The resolution authorizes to buy but doesn't say town has to do this. This is to authorize the town board. It is disappointing to think that residents think the town board would negotiate a price that would go higher. Would be willing to add not to exceed \$1.4 million.

Business plan - Golf course continues to do well and has ability to pay for Whitetail. Have not put a business plan together. Partially because of how statute is stated and procedure to follow. Break even is what is expected first year, increased golf course play and revenue generated by restaurant.

Marv Anderson – Town hired golf pro and superintendent, both have signed multiple multi year contracts to run the course for the town. What does the pro see to this endeavor? Margo Rogers responded – We have an amazing golf course and explained missing some tools to do the job, a club house. Need a place for golfers to go. Currently have scaled back on running events. This creates a situation where golfers don't want to be at. 89% of golfers are not from Northwoods region, have high expectations. They support golf course, pay green fees. Discussed financials, will do just under \$1.2 mil this year without a club house. End up turning people away because do not have a club house. If staff cannot be hired, have an alternative plan for golfers to place their own order and pick up their own food. It is being done elsewhere and is successful. Discussed member events and how we can gain from having a club house. If we had a club house would have a place for golfers to go if rain out, rather than leaving to come back and play when the rain stops.

Marion Janssen – Mulligans this year \$129,000 revenue. Rogers responded – In spite of COVID, we were largely profitable and hugely successful.

Joann DeWig – Our golf course is world class. Only golf course she has gone to where you cannot just get something to eat or drink after golfing. The wives shop in town and meet the husbands after they golf for food and drinks. It's a win win. Look at the big picture, making St Germain look better than what we are. Think of the possibilities, make our town a better Northwoods destination.

George Turnpaugh – Need a business plan, telling us what this is going to cost, to hold board accountable.

Phil Lambert – Need a pledge from town, that if this fails the levy will not be increased to pay for this. In the end it falls back on the taxpayers. Christensen responded - This is not levied. He explained levied money. The money will come from the golf course operations. This is not coming out of your wallet.

Chuck Bonson – We are lucky to have Margo. The opportunity is there now, decision carries into the future. Town board will negotiate for the best price. Golfers really do like to spend time talking to other golfers, need a club house for them to hang out in and have fun. Success of golf course benefits the whole area, specifically St Germain.

Steve LaRiviere – Has there been a consideration to leave the Whitetail to see how that goes, then have numbers to put forward to see if financially can buy. Once everything opens back up (referring to COVID), will the people continue to come here? If not, then what? Margo responded – This is being budgeted on 2019 financials, precovid.

Motion by Phil Monday to proceed to voting; second Phil Lampert. All in favor.

4. Consideration of Electors Resolution SGE21-10-01, as follows:

NOW, THEREFORE, BE IT RESOLVED, that the electors of the Town of St. Germain, by a vote at a duly noticed special electors meeting held October 20, 2021, authorize the Town Board to purchase what is commonly known as the Whitetail Inn and the immediate land surrounding it, identified by Vilas

County Land Records Computer Number 24-51-01, located at 9038 W STH 70, in the Town of St. Germain, pursuant to Wisconsin Statute §60.10(2)(e),(f).

BE IT FURTHER RESOLVED, that, if the combined golf course/clubhouse proves to be a financial failure, the Town Board will seek elector approval to sell the St. Germain Golf Club and clubhouse to prevent the financial burden from falling on the property taxpayers of the Town of St. Germain.

5. Voting of Electors Resolution SGE21-10-01

Result of resolution – 65 yes, 70 no; resolution fails

6. Adjourn Motion to adjourn meeting by Karen Grace at 8:57; second Jim Grace. All in favor.

Town Clerk