

KINGSWOOD GOLF CLUB  
BOARD OF DIRECTORS MEETING  
November 28, 2022

The monthly meeting of the Kingswood Board of Directors met on November 28, 2022 via Zoom Teleconference . Present at the meeting were Dave Lynch, Tom Goodwin, Tom Cayon, Lorri Tappan, Laura Spellman, Jeremy Fuller, Woody Peirce, Bill Barton and Rick Ward.

**MOTION: A motion was brought forth by Dave Lynch to accept the minutes of the October 2022 BOD meeting that was sent out previously in the month. Motion was seconded by Tom Goodwin. All were in favor and motion passed unanimously.**

**TREASURERS REPORT- Dave Goodwin**

- Financials available through October 31, 2022
- Revenue exceeds budget by \$181,501, due primarily to member dues, greens fees, cart rentals, range income and course use fees
- Expenses were underbudget by \$21,208
  - o Admin expenses are Underbudget by \$15,614 due to real estate rebate
  - o Course expenses are Underbudget by \$15,741 mostly due to understaffing and overruns on fuel and fertilizer supplies
  - o Cart expenses are Underbudget \$5,177 due to lower depreciation and maintenance costs
  - o Pro Shop expenses are Overbudget by \$11,612 due to higher employee costs
  - o Lounge expenses are Overbudget by \$3,713 due to maintenance and equipment
- Overall net income from operations is \$282,323 YTD which is \$202,709 above budget forecasts

**MOTION: A motion was brought forth by Lorri Tappan to accept the Treasurers Report as presented by Tom Goodwin. Motion was seconded by Tom Goodwin. All were in favor and motion passed unanimously.**

**COMMITTEE REPORTS**

**Marketing-Woody Peirce**

No Report

**House-Tom Cayon**

No Report

**Membership-Laura Spellman**

No Report

**Golf- Jeremy Fuller**

No Report

**Grounds- Bill Barton**

As you all are aware, the golf course has been put to bed for the winter, however April is only four months away, hope it goes fast! The cold storage building and the renovation of the Pro shop are going well, thanks to Dave and also the workers and volunteers. You may recall at the last meeting I talked about taking down the dead trees, mostly Ash but also the dying Spruce around the 13TH hole and other places. I just met with Roy, our logger from last winter and now a Kingswood regular, I will present his offer for taking the dead trees down at our meeting Monday. I look forward to hearing from the finance committee as to our ability to start some projects we talked about before, expanding the 11 1/2 tee and raising the front of 7.

A discussion began on the designated trees which will be coming down this winter. Roy will be taking the hard wood that is cut in exchange for the actual downing of the trees. We will have to still deal with the stumps left behind.

#### **Finance- Rick Ward**

Rick sent a preliminary budget out previous to the meeting. Below is the summary of what Rick and the finance committee has recommended for the 2023 budget.

#### **Summary:**

Despite numerous economic challenges, our club is performing very well this fiscal year as against our budget that was adopted last year. The Finance Committee continues to take a very conservative approach to the budget as we enter the next fiscal year. The Finance Committee is proposing a budget for the next fiscal year of 2023-24 that projects a modest profit of approximately \$50,000.

While KGC has been fortunate to have generated unprecedented levels of revenue from increased day play and membership dues, we still face the same basic overarching concerns that we faced last year:

1. The impact of unusually high levels of inflation on prices of goods and services;
2. The shortage of labor and the related impact of the economic environment on rising wages; and
3. Concerns in a difficult economy as to the Club's ability to sustain and/or continue to grow its revenue streams.

The Finance Committee is proposing a budget with a conservative revenue projection of approximately \$1.1 million, based on an increase of between 3% to 4% to all of our price points across all revenue categories. This is a very modest increase when compared to our competition in the local golf economy. [I have provided you all a comparison on the Revenue Calculation Worksheet]. The goal is to be able to create the revenue we need to remain profitable, while also placing ourselves at a competitive price point that will help attract day players and new members. The Finance committee is recommending that we introduce a new non-equity membership category for younger individuals in the 18 to 30 year old age category, which provides a small discount from other levels of non-equity membership: "Young Professional/Intermediate". This is a category that other clubs are utilizing and is designed to attract potential members that might otherwise be dissuaded from joining due to economic pressures. Price point is only one factor to consider in reaching our goal of attracting new members and day players. However, the price point does provide a potential gateway to attracting golfers into the value of a truly superior KGC experience.

Another category of Revenue production that requires further fine tuning as we move forward in an effort to attract new members and day players, is our golf outings. We presently do not have any policy or program in place to market golf outings to organizations in our community. The Finance Committee is recommending that a plan for marketing and implementing golf outings be put in place. It is recommended that Kristy, who has traditionally taken the helm of the golf outings, be tasked with putting in place a proposal for Board consideration relative to pricing, marketing and implementing our golf outings. Careful consideration of the concerns of present members over the closing of the course for such outings must be balanced against the benefits of generating revenue from outings. That is, revenue from the outing itself, and the intangible value of attracting future revenue from potential new members and day players through the outings. Coordination with our Restaurant purveyor, Nora/marketing director, and Course Superintendent will obviously be necessary as this is an issue that cuts across all departments. Anyone who has participated in a tournament/golf outing at KGC will know that we provide a magnificent venue and the way our staff handles a golf outing is superior to our competition. This all presents a tremendous avenue to attracting potential new members and day players.

The impact of inflation and labor costs are well documented in the attached proposed budget. Expenses are budgeted at an overall increase over last year of 10.5%, most of which is driven by labor costs and the impact of inflation on goods and services utilized by the club. We have done our best to conservatively predict our expenses, but no one truly knows what the future brings. In this regard, the importance of consistent management and communication between the Board and our Departments is critical. The Finance Committee is recommending that there be regular monthly meetings with all departments as to fiscal performance as against the budget. Department heads need to be informed of their performance on an ongoing basis as compared to the budget so that proper management of our expenses can occur. If necessary, I can personally volunteer to be present and participate in any department meetings on a monthly basis to try and help provide some level of oversight in this regard and report the results of such meetings to the Board at our meetings.

Please review the attached proposed budget in advance of our meeting and come with all of your questions. There are a myriad of details in this budget, which are too many to detail here, or to even speak about at our meeting with any level of specificity.

In the years that I have been doing this, I have learned a lot about what goes on behind the curtains at KGC. One consistent positive theme I have encountered is the demonstrated fact that we are truly fortunate as a club to have a group of volunteers that have not only invested substantial amounts of their time, but also their leadership. Thank you to all.

Following Ricks presentation of the proposed budget, the list of proposed capital expenses was reviewed and will be entered into the budget process. We will discuss the budget further next month.

**MOTION: A motion was brought forth by Tom Goodwin and accept the committee reports as presented. The motion was seconded by Tom Cayon. All were in favor and the motion passed unanimously.**

## **OLD BUSINESS**

The cold storage building is complete and is waiting to have the electrical hooked up.

The Proshop is still on schedule with the roof walls and windows secured. Work on the interior is beginning.

Tom Goodwin would like the board to consider putting aside 3-5% of our revenue to help with the buy out process of the old members. More on this will be discussed at a later meeting.

## **NEW BUSINESS**

The golf calendar is complete and will be discussed after the budget process is complete.

The proshop and the golf committee have agreed to purchase the golf software program called Golf Genius. Our old software program has become obsolete.

**MOTION: A motion was brought forth by Jeremy Fuller to accept the expense of approximately \$4000 to purchase the Golf Genius software. Motion was seconded by Lorri Tappan. All were in favor and motion passed unanimously.**

**MOTION: A motion was brought forth by Tom Cayon to allow some members who are interested to purchase the golf simulators on a first come first serve basis. Motion was seconded by Lorri Tappan. All were in favor and motion passed unanimously.**

The next Board of Directors meeting will be held on December 19, 2022 via Zoom teleconference.

Meeting was adjourned at 6:50

Respectfully Submitted,

Lorri Tappan  
Secretary