

**KINGSWOOD GOLF CLUB
BOARD OF DIRECTORS MEETING
May 15, 2023**

The monthly meeting of the Kingswood Board of Directors met on May 15, 2023 in the Kingswood clubhouse. Present at the meeting were Dave Lynch, Tom Cayon, Tom Goodwin, Lorri Tappan, Laura Spellman, Jeremy Fuller, Rick Ward and Woody Peirce. Bill Barton was absent. Also present was club member Dave Avery.

The meeting was called to order at 5:00 pm.

MOTION: A motion was brought forth by Tom Cayon to accept the minutes from the April, 2023 meeting. Tom Goodwin seconded the motion. All were in favor and the motion passed unanimously.

TREASURERS REPORT- Tom Goodwin

- Year-End Financials available through March 31, 2023
- Revenue exceeds budget by \$171,260, due primarily to member dues, greens fees, cart rentals, range income and course use fees
- Expenses were overbudget by \$35,722
 - o Admin expenses are Underbudget by \$32,544 due to real estate rebate
 - o Course expenses are Overbudget by \$45,397
 - o Cart expenses are Underbudget \$4,891 due to lower depreciation and maintenance costs
 - o Pro Shop expenses are Overbudget by \$17,033 due to higher employee costs
 - o Lounge expenses are Overbudget by \$10,757
- Overall net income is \$191,138 YTD which is \$150,301 above budget forecasts.

MOTION: Motion was brought forth by Dave Lynch to accept the treasures report as presented by Tom Goodwin. Woody Peirce seconded the motion. All were in favor and the motion passed unanimously.

COMMITTEE REPORTS

FINANCE- Rick Ward

The financial data for the fiscal year ending March 31, 2023, brings positive news. However, with the positive comes some cause for caution as we proceed into the fiscal year 2023-24.

The positive news to report is that our revenues for 2022-23 were \$171,260.00 over our budget. This was driven through increased member dues, day play and cart revenue. The actual revenue for the fiscal year 2022-23, was \$88,736.00 more than the revenue earned in the fiscal year 2021-22. This is a 7.9% increase in revenue, which is a very good positive trend for our club.

With this positive news comes reason for us to be vigilant. The financial data indicates that our operating expenses for the fiscal year 2022-23 were over our budget forecast by \$72,342.00. Most of this budget overage consists of increased labor costs, fuel, materials and supplies for course maintenance and special projects on the course. This budget variance is a 7.3% increase over the expense budget forecast. While this type of a “miss percentage” is a good statistic in our golf games, it is not very good when placed in the perspective of our budget. By way of example, the budget for the 2023-24 fiscal year is a \$50,509.00 positive cash flow forecast. If we miss our budgeted expenses by the same percentage as last fiscal year, and if we fail to make our budgeted revenue, we could potentially be in a negative cash flow scenario. As pointed out above, the trend in our revenue has been very positive over the last few years. However, as should be self-evident, our budgeting process consists of educated guesses based on past performance and is not a guarantee as to future performance. This is because there are too many factual variables in existence that are completely impossible to predict, or control. For example, the impact of a delayed opening this year due to weather and the delayed opening of hole 9 will certainly have some impact on our revenue, the full extent of which is completely unknown at this time.

One other point of consideration in the analysis that militates in favor of a conservative approach to our spending this fiscal year is our capital reserve situation. At the present time, the data indicates that we have a “cash reserve” of \$107,160.00 entering the 2023-24 fiscal year. That excludes capital reserve restricted funds of \$65,975.00. Our current “cash reserve” represents 10.2% of our budgeted operating expenses for the fiscal year 2034-24, and serves as a small buffer in the event of a fiscal “emergency” in our operations.

Based on the foregoing, while we did have a very positive fiscal year 2022-23 in terms of our net income from operations, there are significant factors present which we, as a Board, need to carefully consider before making unbudgeted spending decisions in the future.

MEMBERSHIP- Laura Spellman

15 new members

10 resignations

7 sabbatical's

MARKETING- Woody Peirce

No Report

GROUPS- Bill Barton

I met with Alex on Friday and overall things are good. Staffing: Down 2 FTE but good possibilities, Alex encouraged. Course: Came thru the winter well other than the significant rain a couple weeks ago. Too much time spent repairing cart paths. Remember we talked about paving 750-1500feet of path, will focus on that, Alex has a contact, will figure what best to pave and get prices. 8th hole, new drain and turf short of the green, should be more playable. Bridge on 9, weather and ruptured irrigation lines how slowed down the work, but the irrigation lines highest priority as greens need water with this lack of recent rain. Equipment: stable this year, other items for next year already planned, finance committee on it. Trees: The warmth of the winter did not allow the soil to freeze so restricted some work, but the most important dead trees are down. I spoke to Dave and our logger Roy, will hold off on any new cutting until the fall based on finances. Aeration: Done, Alex

would like to small bore monthly, will see when he feels the greens need it again, will discuss as it does affect play the two days it takes and a couple days to heal.

GOLF- Jeremy Fuller

The spring Member/Member golf tournament still has spots available. The proshop will soon have all of its staff here and should be ready to go in about one week.

HOUSE- Tom Cayon-

There is new outside lighting over the court yard area. Restaurant is ready for the summer season.

MOTION: A motion was brought forth by Woody Peirce to accept the committee reports as presented. Motion was seconded by Tom Goodwin. All members were in favor and motion passed unanimously.

OLD BUSINESS:

No old business.

NEW BUSINESS:

Dave Avery presented his concern for the lack of respect for the cart path designation that Alex puts forth depending on the weather conditions. A discussion about the actual rule and the ability for certain people with disabilities to use a golf cart during designated wet condition days. The BOD asked that they be able to look into these issues and table this discussion until all the information is at hand.

There are three current members of the Board of Directors who's terms will be up this summer. If anyone is interested in becoming a member of the Board of Directors, please contact the BOD in the month of July to be added to the annual package that is sent out to all the members before the annual meeting.

The BOD began a discussion on the possibility of hiring a general manager who could over see the running of the day to day operation of the golf course. We will continue this discussion over the next several months.

EXECUTIVE SESSION:

The next scheduled meeting will be on June 19, 2023 at 5:00pm at the Kingswood club house.

Meeting was adjourned at 6:35pm

Respectfully Submitted By:

Lorri Tappan
Secretary