

**KINGSWOOD GOLF CLUB BOARD OF DIRECTORS MEETING**  
**October 21, 2024**

Meeting was called to order at 5:00 PM at the Kingswood Clubhouse.

In attendance were Board Members Dave Lynch, Tom Cayon, Bill Barton, Jeremy Fuller, Woody Peirce, Laura Spellman, Candace Tordonato, Jeff Lucht, and Tina Antonucci.

**MOTION: Motion was brought forth by Jeff Lucht to accept the September Board of Director minutes. Motion was seconded by Woody Peirce. All were in favor, motion passed unanimously.**

**TREASURERS REPORT:** Jeff Lucht

**SUMMARY**

September was a solid month for us with profits consistent with our expectations. Golf-related profits were strong again in September and have been more favorable on a year-to-date basis than both 2023 and our budget expectations for 2024. These favorable golf-related results have been driven by a 17% increase in year-to-date greens fees, range and cart revenue relative to 2023. Losses from restaurant operations so far this year have somewhat offset these favorable golf results, but the combination of the two has still been more profitable on a year-to-date basis than we expected.

**SEPTEMBER RESULTS VS. BUDGET**

September net income of \$86,000 was roughly in line with our budgeted net income of \$88,000. This \$2,000 shortfall relative to our budget for the month of September consisted of:

- Golf-related and administrative expense results that were about \$23,000 better than expected,
- Offset by restaurant results that were \$25,000 worse than expected in our budget.

While the restaurant still lost \$11,000 in September relative to a budgeted gain of \$14,000, this \$11,000 loss is an improvement from the \$30,000 loss in August due primarily to a reduction in staffing costs.

**SEPTEMBER YEAR-TO-DATE (YTD) RESULTS VS. BUDGET**

September YTD net income was \$335,000, exceeding our budgeted YTD net income of \$276,000 by \$59,000. This \$59,000 favorable variance consists of:

- Favorable golf-related and administrative expense variances totaling \$174,000,
- Partially offset by restaurant results that were \$115,000 worse than expected. On a YTD basis, the restaurant has lost \$121,000 vs. a budgeted loss of \$6,000.

**SEPTEMBER YEAR-TO-DATE (YTD) RESULTS VS. PRIOR YEAR**

September YTD net income of \$335,000, is approximately \$40,000 below last year's September YTD net income of \$375,000. This \$40,000 decrease consists of:

- An approximate increase in golf-related net income vs. last year of \$55,000,
- More than offset by a \$95,000 decrease in net income from restaurant operations

For context, we have historically incurred losses on restaurant operations, even with outside proprietors, as rent payments did not fully cover the cost of building maintenance, depreciation and property taxes. With us being forced into operating the restaurant ourselves in 2024, we expected and have seen increased losses relative to prior years.

**MOTION: Motion was brought forth by Tom Cayon to accept the Treasurers report as presented by Jeff Lucht. The motion was seconded by Bill Barton. All were in favor and the motion passed unanimously.**

## **COMMITTEE REPORTS:**

### **FINANCE:** Tom Cayon

Preliminary budget target date is October 31. Cart lease vs. purchase is being evaluated. Kristy Gleason advised the industry labor increase is 3%. We are looking at 2.5% increase (same as the US Government COLA), aside from merit increases or promotions, as we've had significant wage jumps the last couple of years.

### **GROUNDS:** Bill Barton

I had a meeting with Alex on Friday, seeding has started on the areas adjacent to the new cart paths on the side toward the fairway. I asked Alex to leave the "outside area" alone for now. Bill is worried this might undermine the cart path work 5 years down the road, so he'd rather take a wait & see approach. Price quote of \$ 29,355 for the internal pipe on 14 could be done this Fall with Board approval. Greens will be tined next Thursday and Friday, A delay in the tee sheet until 10 am on Thursday for the front nine, no delay on Friday as the back should be done before play arrives. Most of the summer help has left us, so down to 3-4 personnel. Work will start next week removing the tar path on the right of 4. The purchase of 9 new carts is about \$12,000 less than leasing an entire fleet per year. However, the lease price remains stable and the purchase price for 9 new carts each year may rise. Also, Karl spends a ½ day per week working on carts which won't be needed with an entire new fleet at least for a few years. Batteries are replaced about every 4 years at a significant cost, not with a lease program, plus other issues with older carts such as brakes, but of course if the national economy turns, we can suspend cart acquisition and cannot suspend the lease. There are dead spruce around 13 & the tees of 15 & 16. Woody mentioned the ash trees on 5 tee. Bill will discuss with Alex what he's comfortable doing in-house this fall/winter. We normally budget outside tree work at \$10,000 annually. Member Cam Lovering treats us well, as 603 Tree was low bidder of 4 bids for this year's work.

### **GOLF:** Laura Spellman & Dave Lynch

First meeting is 4pm this Wednesday. Laura will discuss with the committee tournament requirements. Sandy Schultz couldn't play in the Club Championship, as she had not posted the required number of rounds at Kingswood since she returned in July. Kristy has published her first pass of the golf calendar which is essentially the same as this year. Discussion followed re: an 18-hole spring tournament, instead of 9, and changing the Gauntlet/Cross Country tournament to a Superintendent's Revenge NET tournament with the goal of 100 participants in spring opening & fall closing tournaments with a Green Tee tournament vibe. Bill Barton tasked the Board with increasing revenue & not tie up the course three afternoons weekly (Tuesday-Thursday) & instead suggested a male & female night to free up Thursday afternoons for day play, working members, and tournament matches. Laura suggested Ladies Play Night in May & June only. Tina suggested moving LPN to Monday since it's historically quiet. Jeremy cautioned us to look at revenue figures/projections & our contractual obligations with Kristy. Tom Cayon would like the Club Championship moved to set days, especially on the NET side, due to the difficulty in setting matches between 4 people.

### **HOUSE:** Candace Tordonato

The restaurant will remain open with limited hours for the rest of the season. Hours will be Thursday 11-7, Friday & Saturday 11-8, Sunday 9-3. The Tee sheet will be used to justify opening on Tuesdays. The Gauntlet was to be held Sunday, October 20. Chili and cornbread will be served after play. The last day for the restaurant to be open will be November 2. Next season is now being discussed for days & hours. Currently plans are to be open for lunch 7 days a week, breakfast is possible for Wednesday – Sunday from 7 – 11. This could begin in April. Dinner will be available for Ladies (salad buffet) and Men's Twi (other buffet). Very important for the future will be to advertise a lot more. The restaurant will close for the season November 2<sup>nd</sup>.

**MEMBERSHIP:** Jeremy Fuller

We picked up one associate, one intermediate, and one full equity member from our fall membership drive.

**MARKETING:** Woody Peirce – No report.

**MOTION: Motion was brought forth by Woody Peirce to accept the committee reports as presented above. Motion was seconded by Jeremy Fuller. All were in favor, motion passed unanimously.**

**OLD BUSINESS/NEW BUSINESS:**

- **Restaurant Plan Going Forward**

Dave's expanded/revised version of Jeremy's draft restaurant plan was discussed. Manager/Lead Cook #1 is James, Asst. Manager/Lead Cook #2 is Kim, plus a cook/dishwasher. James volunteered to work a 14-hour day Wednesdays, 8 hours Fridays, & 11 hours Saturdays/Sundays, with Monday, Tuesdays & Thursdays off (need to tweak by 4 hours since 44 hours). James & Kim have extensive management experience from the Downtown Grille. No waitstaff, instead bartenders & cart persons providing counter service. This counter service model has been successful revenue-wise since September. Dave feels with marketing we can meet a conservative sales forecast of \$292,5000. The plan is to pull Nora out of the restaurant & back into marketing, especially marketing the restaurant & hosted events. Sales from a recently hosted event were \$3500. Jeremy is concerned about increasing business in less hours, but Dave pointed out our last purveyor did accomplish this already. The State Liquor Commission requires three entrees to be considered a restaurant, not a bar. A cheeseburger is considered an entrée. Tuesday & Wednesday nights the restaurant won't be open to the public but will serve a buffet for the Twi leagues. A food minimum has been looked at but it's unclear it would increase revenue since quite a few of our members are eating here enough. There are certainly 20-30% of members who could eat here more, but that's on us to reach out to convince them. For example, sending a separate group email or text focusing solely on our restaurant offerings. Dave will discuss this draft with James & Nora for feedback. An expanded draft plan with restaurant hours and staffing will be discussed in November.

- **#14 Culvert Replacement**

Dave presented R.E. Freeman & Sons LLC proposal for \$29,355. There is a 24" corrugated metal culvert under the 14<sup>th</sup> fairway from the pond on the right down into the woods to the right side of 16. The culvert has rusted out & could be a safety hazard in the future. There is a technology that can slip a new slightly smaller smooth liner pipe into the existing pipe. The air space in between is filled in. Dave & Jeff both researched this money-saving technology used by municipalities to avoid digging up roads, etc. From an engineering perspective, the lifespan is the same as replacing with a new corrugated plastic pipe like we have been doing. The alternative cost for a full replacement would be well over \$30,000, plus require a new precast concrete header, potentially damage the irrigation system, and include turf disruption. This would be a depreciated asset and paid out of current operations. **Motion was brought forth by Tom Cayon to expend \$29,355 for the re-lining of the culvert, motion was seconded by Bill Barton, all were in favor, motion passed unanimously.**

- **Kingswood Road Repairs Plan (for Intersection of Maintenance & Cart Barn Driveways)**

Dave presented Pollini Bros Inc. proposal for \$40,000 and Water Industries, LLC quote of \$5,849.20 for the culvert along with a confirming email from several members of the Kingswood Road Association (KRA) confirming in writing their commitment to cover 50% of the cost. The next lowest quote was \$60,000. This is phase 1 of a long-term project. Eventually, Kingswood Road will need to be rebuilt from Route 28 to this intersection. The drainage issues will be resolved, and the intersection will be widened so the edges will not break down. We may look at

paving it in the spring or fall when we next pave cart paths, but Dave pointed out we live with our cart barn and maintenance driveways as dirt. At the end of October, KRA is grinding up and repaving their road. **Motion was brought forth by Tom Cayon to expend up to a \$25,000 expenditure for the Kingswood Road intersection drainage project, motion was seconded by Woody Peirce, all were in favor, motion passed unanimously.**

- **Other New Business: GPS Golf Cart Fleet**

Dave reported the Finance committee received an informal quote of \$30,000 *annually* to retrofit our existing fleet of 63 carts with GPS. Alex is strongly in favor of GPS as it keeps the carts out of areas he wants to keep them out of. There are three additional features: hole by hole guide with yardages, pace of play, and advertising. Jeff reported the salesman mentioned \$1,000 in revenue per hole for still advertising, plus raising the cart fee \$1 to help offset the cost. The salesman mentioned setting aside the 9<sup>th</sup> & 18<sup>th</sup> holes for our restaurant. Tom reported we can remove the green & white pegs on the course which will cut down on mowing time. The carts can be pre-programmed with scenarios, such as cart path only, 90-degree rule, etc. Jeremy mentioned Kristy received a proposal last year and suggested Dave check with her. Dave reported one of the complaints we get often is when it is cart path only, but there are areas like the upper part of 18 that are completely dry. Dave feels GPS will add to the player experience. Further discussion tabled until the formal quote is received.

The next meeting will be held on November 18, 2024, in person & via Zoom at the Kingswood Club House at 5:00 PM.

**Motion was brought forth by Bill Barton to adjourn, motion was seconded by Jeremy Fuller, all were in favor, motion passed unanimously.** Meeting adjourned at 6:56 PM.

Respectfully Submitted,

Tina Antonucci  
Secretary