

# San Carlos Golf Club

## Board of Director Minutes

### 08/22/2019

**Attendance:** Theresa Randall, Ron Tarantino, Seda Butler, Jim Menditto, Bob Deeley, Max House, Terry Weller, Gary Keating

**Absent:** Keith Taylor, Jackie Knight

**Open Meeting Member Attendees:** None.

President Theresa Randall, called the meeting to order at 1758 hours.

Motion to accept the minutes from the July Board Meeting made by Ron Tarantino, seconded by Bob Deeley, minutes approved.

**Presidents Report:** President Randall updated the Board with the current situation regarding the Snack Bar monies. She reported that we have refunded \$12,360 and have been allowed to keep \$8,432. Please note that the Snack Bar Fund/Refund has not been completed yet. The collected funds will be kept in a newly renamed account (Capital Replacement Fund) and will be used for Capital Projects only. This is in accordance with our By Laws. President Randall asked whether we can ensure some of the dues be allocated to this Capital Replacement Fund so we would have money set aside for future needs. Mr. Keating thinks this is a great idea and would like to see it implemented. Mr. Tarantino said that it is not possible this year as our budget will not allow it, but that 20% of the Tier 2 member dues for 2019/20 will be put in this account as per the recent By Law change. An upcoming suggestion for By Law change will ensure that 20% of Tier 1 dues will also go into this account if the change passes at the Annual Meeting in January 2020.

**Vice President:** Not present, no report

**Treasurer's Report:** Gross Profit for July was \$52,974.49, Expenses \$161,122.53, leaving a net loss of \$108,148.04. Total Checking and Savings accounts are \$408,328.79. Mr. Tarantino wanted to ensure that everyone knows that if this loss and other losses which are expected in August and September (history shows around \$87,000 per month) we will be in a loss situation year to date. This means that although we are not out of money, we will be out of operating funds. This situation cannot be allowed to continue. He stated that members should not be swayed by the dues monies which come into the club in September and tend to make our Balance Sheet look good. These dues are for our next fiscal year, not the current one.

**General Manager's Report:** Mr. Keating estimates that at our end of year we will show a loss of \$31,000. Mr. Keating would like to see the member monies (appx. \$7400) on file spent down and advocated for an end of year 'use it or lose it' rule. Our budget is extremely tight. He plans to go to each hotel within a 25 mile radius to give information about our club and tournaments etc. He did share that we had lost a 144 guest tournament because we could not do a sit-down dinner. Rain has been an issue for August we lost several days revenue. He has been working hard in the Pro Shop to get things ready for season. He has implemented a Drop Box program for the staff which means things can be shared between them seamlessly and more efficiently. Our GPS system has been reset to include a food option where guests can order from their carts and it will print up in the snack bar. He will be putting 2 cash registers in the Pro Shop to get our guests in and out more efficiently. He is working on getting the Ping fitting vehicle to our facility sometime in season. Revenue from fitting could significantly impact our bottom line. Demo days will be more frequent. Labor Day, we will be closed as the \$1000 revenue we had last year was not cost effective. There will be an employee golf day on September 30<sup>th</sup>. Mr. Keating thinks this is a good idea and boosts moral, but there must be a P & L for every event which shows whose budget is being impacted by the cost. We need to be aware of every outlay. Mr. Keating has initiated that 16 players is the minimum allowed to be called a group. He is currently getting contracts signed with our regular groups for the new season.

Motion to accept Presidents, VP, Treasurer and General Manager reports by Jim Menditto and seconded by Terry Weller. Motion passed unanimously.

**Committee Reports:**

**Building & House:** Terry Weller, wanted to thank Terri Randall and Jim Menditto for filling in for him during his recovery. We are still waiting for the hurricane tie-down specs. Mrs. Randall reported that the permit for the concrete pad, electrical and plumbing is applied for. Our General Contractor reported that Lee County has changed the requirements for Commercial Property to where we now need a Limited Development Order as well as the permit to continue. Mrs. Randall reported that she had signed the new paperwork and that LDO is applied for. She also reported that she had texted the owner of Aries Refrigeration to move forward with their contract but had had no response. Mr. Weller will keep pushing for answers. He reported that the outside painting had been completed. Inside clubhouse: painted, fabric was removed, area cleaned up and painted. Bar woodwork is now completed. Many thanks to Mike Allardyce, Claudio Lopez, Russ Butler, Seda Butler and Terri Randall. Mr. Butler will fix the sticking door in the Snack Bar.

**Greens and Beautification:** Seda Butler, no report.

**Golf Rules:** Jackie Knight, absent, no report.

**By-Laws:** Ron Tarantino handed out a report on the By Law reforms he is currently working on. 4.9 dues will change Tier 1 to the same type of charge as Tier 2 i.e. Capital Contribution will no longer be separate from Dues, they will combine into one fee. More information will follow for the membership to vote on at the Annual Meeting. Changing this By Law will flow down into other By Laws which will also need to be amended. Mrs. Randall asked that the Building House and Security and Safety Committees be combined as we are having trouble getting people to help. She also asked if the rules for when an Audit is done can be amended from one year to three years. This is purely a financial change, the last audit cost the club \$15,000 and in her opinion is unnecessary with that frequency. Our implementation of the Point of Sale system has alleviated most issues which the club did experience with a past Golf Professional.

**Insurance:** Theresa Randall, no report.

**Policies and Procedures:** Max House, no report

**Membership:** Seda Butler, no report.

**Safety:** Terry Weller, no report.

**Marketing:** Bob Deeley reported that the Ad for Spotlight Magazine needs to be in by September 1<sup>st</sup> so Mr. Keating will finalize this and get it sent in.

Motion made by Bob Deeley to accept committee reports, seconded by Jim Menditto, reports accepted unanimously.

**Suggestion Box:** None.

**Old Business:** None

**New Business:** A discussion was held on selling the certificates that we have revoked. It was suggested that we release 25 certificates which will be sold at fair market value. Mrs. Randall was concerned that we don't undercut our members when they are trying to sell their certificates and it was determined that we will give our members first option to sell at the current fair market rate. Motion to release 25 certificates for sale made by Ron Tarantino and seconded by Terry Weller. Motion passed unanimously.

Mr. Keating presented a budget for the Board Members to study and comment on. He also wanted guidelines for the new season rates for 2019/20 for public play. He will study the data from last season and would like to remain flexible on how much is charged based on how busy the tee sheet is. The Board approved Mr. Keating setting rates as he sees fit. He did inform the Board that only 2 tee times were sold at the premium \$92 last season. He will set parameters on what fees can be charged during given times. Golf Now's contract with us is up for renewal in January, Mr. Keating will get further information and negotiate the new deal.

Mrs. Butler asked if merchandise had been ordered for the new season yet, it has not.

Mr. Tarantino reported that the damage from Hurricane Irma was never looked at correctly by our Insurance Adjuster. The expert Mr. Tarantino contacted (Webb Roofing) checked our buildings and reported he estimated \$136,000 in damage for all our buildings, this does not include anything that might be found when we open the roof. He said that we should reopen the Hurricane Claim. Webb would get their lawyer to take over the issue for us and would take the issue from our hands. We have spent \$39,000 in the last 18 months (mold etc.). We have a deductible of \$45,000 so if this revised claim is approved, we would be able to get our buildings repaired for a very reasonable cost to us. The lawyer now has a copy of our policy.

**Next Board Meeting:** September 26<sup>th</sup>, 1800 hours, San Carlos Golf Club snack bar.

Terry Weller made a motion to adjourn at 1938 hours, seconded by Bob Deeley, Board Adjourned.