OSOYOOS GOLF CLUB

BOARD MEETING MINUTES – December 18, 2025, 10:00 am

Board Members in Person in Members Lounge
Brenda Hendrickson, David Peterson, Roger Pires Doug Booth, Tim Alder
Present Via Teams Alan Bajkov, Alan Gow
Absent: Gary Stead, Sherry Chamberlain

Staff:
Bryan Ewart, General Manager

1. **Call to Order 10:05 am**
   a. Agenda Changes or additions.
   b. Adoption of Agenda

Moved and Seconded:
THAT: The agenda be approved.
CARRIED

2. Consent Agenda

Consent Agenda Items

a) Board Meeting Minutes – November 27th,2024
b) Human Resources Meeting Minutes – December 6th, 2024
c) Job Interview and Hiring Process for Head Golf Professional Osoyoos Golf Club | 2025

Consent Agenda Approval

Moved and Seconded**:**
THAT the Consent Agenda be approved
CARRIED

3. Presidents Report

- A response was sent to a Member of OGC in a reply to a letter received before the Annual Information meeting.

5. GM Report

2025 Budget Synopsis

Budgeting is one of the most critical tasks for any business, serving as the foundation for guiding annual operations. The 2025 Osoyoos Golf Club budget is designed to be a reliable and pragmatic benchmark, balancing historical data, current industry trends, and strategic priorities for the club. While budgeting is

inherently influenced by external variables such as weather, course conditions, economic shifts, and market trends, this year's approach is both conservative and forward-looking.

Key highlights of the 2025 budget include:

Membership Dues and Green Fee Adjustments

- The budget reflects a 10% increase in membership dues and related services (e.g., cart rentals), ensuring alignment with industry standards and supporting the club's financial stability.
- Green fee pricing has been adjusted with a consistent percentage increase, coupled with a modest projected rise in rounds played. To achieve this, we have allocated additional resources for marketing, enhancing Osoyoos Golf Club's presence in the South Okanagan market.

Food and Beverage Operations

- A fiscally responsible food and beverage plan aims to reduce costs of goods sold by approximately 10%. This will be achieved through strategic pricing adjustments that remain competitive and fair to members, as well as improved procurement practices to secure the best possible pricing from suppliers.

Labor Costs and Accountability

- Department managers were actively involved in the budgeting process, particularly regarding labor, the club's largest operating expense. Managers will be accountable for maintaining labor and operating costs in proportion to revenues, reinforcing financial discipline across all departments.

Rounds of Golf Played Reporting

- The 2025 budget utilizes historical rounds played reporting as a benchmarking tool.
- These historical rounds are utilized in various areas of the budget for forecasting both income and costs where applicable. An example of this we have utilized the rounds of golf to forecast our food and beverage sales; the calculated sales are then used to formulate costs, based on expected targets.

Capital Budget Priorities

- The capital budget focuses on essential needs rather than discretionary projects. The primary expenditure will be replacing golf cart batteries to ensure a premium member and guest experience. Operational disruptions due to cart battery issues, such as delayed tee times or mid-round failures, are unacceptable for a facility of the Osoyoos Golf Club's caliber.
- Minor upgrades to the Greenside Grill will maintain its clean, fresh, and welcoming appearance.
- Funds are also allocated for a comprehensive security camera system. This investment will support effective operational management, reduce incidents of vandalism or theft, and provide valuable insights in the event of security concerns.

The budgeting process has provided valuable insights into the club's operations. While I am still familiarizing myself with certain aspects, I now have a solid understanding of areas where we have historically succeeded and where there are opportunities for improvement. By adhering to this budget, the club can confidently move forward in 2025, balancing financial responsibility with exceptional service and experience for our members and guests.

Sincerely,

Bryan Ewart | General Manager Osoyoos Golf Club

DEPARTMENTAL VARIANCES:

Administration:

1. Advertising & Marketing ○ Public and Semi-Private Courses typically allocate 3–5% of annual revenue to marketing. For example, a course generating $1 million in revenue might spend $30,000–$50,000 annually. OGC has a three-year average of $4.2 million in revenue which would equate to approximately $125,000 per annum spend on advertising and marketing. In reality OGC has spent an average of $14,691 over the past three years, which equals less than a half of one percent of revenues. ○ If this budget is approved, I intend on engaging the services of Par 6 Media, a golf specific marketing company, to create a rebranded website and to manage our "in-bound" marketing needs, focused on attracting green fee players to our golf club.
    - Internally we will continue to promote the club's membership sales, member newsletters and marketing to the local Osoyoos community.
2. Credit Card Charges ○ We are expecting to see continued increases to credit card processing fees of approximately 18%. Although we don't expect rates to increase, the trend is for people to use their cards more going forward.
3. Property Taxes ○ We expect to see continued upward pressure on the club's property taxes in 2025. We have budgeted an 8% increase, which may not be sufficient.
4. Labor Costs ○ Cost of living increase of 3% has been factored in for hourly and salary positions who have not already negotiated 2025 contract with Doug Robb.
    - Jamie Higgins, Administrative/Membership & Marketing position will be increased from 30 hours per week to 40. Jamie plays a key role for the golf club, and I would like to see additional coverage at the desk.

Clubhouse:

1. Insurance ○ An increase of 10% has occurred due to the claim on the policy in 2023/24 from the clubhouse flood.
2. Wages ○ 3% cost of living increase

Golf Operations:

1. Merchandise Sales & Margins ○ We are forecasting a 20% increase to merchandise sales in 2025. This is primarily due to a more focused approach to this category, starting with an "Open to Buy" plan that has been worked on by Estian.
    - The OTB plan looks at historical figures and upcoming trends and forecasts.
    - We are looking for modest growth in our margins, but we have a long way to go to get this to a more realistic figure.
2. Golf Cart Revenues ○ A modest increase in revenues is coming from expected additional green fee rounds of golf played, primarily from our targeted marketing plan with Par 6 Media.
    - We have increased member storage, trail fees and annual cart rentals by 10%
3. Membership Dues ○ The 2025 dues were increased by 10% over 2024. This was put in place by the board of directors prior to my arrival.
    - There is currently no scientific approach to knowing which members are returning in 2025 and how many, if any, members are leaving the golf club. To be safe, I have budgeted a 5% increase to overall membership revenues. This equates to a 5% attrition rate, in conjunction with the 10% dues increase.
4. Green Fee Revenues ○ A 13% increase to green fee revenues is being forecasted in 2025. This is a result of a 10% (+/-) increase to our green fee rates, plus an increase to the number of rounds played.
    - We have given Par 6 Media the goal of attracting 1,500 new incremental rounds of golf in 2025. We expect that these rounds will primarily come from the Lower Mainland, Alberta, Washington and North Okanagan markets. ○ We expect that these 1,500 rounds will increase revenues by $150,000 providing a 45% ROI on our Par 6 marketing costs.
5. Credit Card Fees are Consistent with administration credit card costs
6. Labor Costs The primary change to labor costs in Golf Operations is due to the addition to having paid Player's Assistants in 2025. Their primary focus will be on starting golfers on the first tee and checks on pace of play throughout the day during peak green fee playing times.

Greenside Grill:

1. Food and Beverage Revenues ○ We are forecasting an increase of 12% on revenues in food and beverage. This is primarily due to a much-needed price increase to our sales items.
    - Our intention is to remain competitive with our local market and realizing we are not wanting to price ourselves as a "high-end" facility, rather a mid-price point establishment with quality food and friendly service.
    - Also, as we are expecting to see an uptick on rounds played, we will expect to see this translate to additional food and beverage sales.
2. Food & Beverage Costs ○ We expect to see food costs to finish the year at 37.5%, which reflects a 10% improvement over 2024.
    - Better buying programs, supplier agreements and reduced waste will help the club achieve this goal.
3. Labor costs will be increasing by $15,000 due to increases providing by previous management to the Executive Chef and Food and Beverage Manager.

- Small adjustments to existing staff members or approximately 3% due to costs of living increases are also part of the 2025 F&B budget.
- A beverage cart has been put into the 2025 budget on a trial basis. We expect to see additional sales opportunities as well as improving customer service and guest safety.

Golf Course Turf Maintenance:

1. Wetting Agents ○ We are committing to an enhanced wetting agent program that has proven successful on the green surrounds and tee boxes over the past couple of seasons.
   This combined with an Rye grass has shown positive results.
   - We have added $60,000 to this program.
2. Course Supplies ○ We have committed to purchasing new tee markers ($15,000) for the Dester Gold course in 2025.
3. Irrigation Supplies ○ We will continue with the replacement of irrigation heads on the Meadows course.
   - We have managed to reduce our pump preventive maintenance in 2025 due to a timing situation that will assist the golf course.

Summary of 2025 Osoyoos Golf Club Budget

The 2025 budget for Osoyoos Golf Club reflects a balanced and strategic approach to addressing operational needs, improving key services, and optimizing revenue streams while maintaining fiscal responsibility. A comprehensive review of departmental variances highlights critical adjustments aimed at enhancing performance across all areas of the club.

Administration

The budget acknowledges a historically low allocation toward advertising and marketing, averaging less than 0.5% of revenue over the past three years. To address this gap, the club plans to invest in Par 6 Media, a golf-specific marketing firm, to rebrand its website and enhance inbound marketing efforts targeting green fee players. Other administrative changes include a cost-of-living adjustment of 3% for hourly and salaried staff, increased hours for the Membership and Marketing Coordinator to improve operational coverage, and budgeting for higher credit card processing fees and property taxes due to anticipated market trends.

Golf Operations

Significant growth is forecasted in golf operations, with merchandise sales expected to rise by 20% thanks to a detailed "Open to Buy" plan that leverages historical and market data.
Membership dues were increased by 10% for 2025, with a conservative projection of 5% attrition. Green fee revenues are expected to climb by 13% due to a combination of rate increases and targeted marketing efforts aimed at attracting 1,500 incremental rounds of play, resulting in a projected

$150,000 revenue boost. To enhance the golfing experience, paid Player's Assistants will be introduced, focusing on first-tee management and pace-of-play monitoring during peak times.

Greenside Grill

Food and beverage revenues are projected to grow by 12%, driven by modest price increases that maintain competitiveness in the mid-range market. Enhanced supplier agreements, waste reduction initiatives, and optimized purchasing programs are expected to lower food costs to 37.5%, a 10% improvement over 2024. Labor costs reflect adjustments implemented by previous management and a 3% cost-of-living increase. Additionally, a beverage cart will be trialed to improve customer service and boost sales opportunities.

Golf Course Turf Maintenance

Investments in course conditions remain a priority, with $60,000 allocated to an enhanced wetting agent program that has yielded positive results on green surrounds and tee boxes. New tee markers for the Desert Gold course and continued irrigation upgrades for the Meadows course demonstrate a commitment to maintaining the club's high standards. Reduced pump maintenance costs in 2025 due to favorable timing will also provide temporary budget relief.

Clubhouse and Insurance

Insurance costs have risen by 10% due to claims related to a clubhouse flood in 2023/24. Modest capital investments are planned, including a focus on improving guest-facing elements and ensuring the facility remains clean and presentable.

In conclusion, the 2025 budget emphasizes operational excellence, revenue growth, and member satisfaction. It incorporates data-driven decision-making while allowing for strategic investments in marketing, course maintenance, and member services, ensuring the club remains a premium facility in the South Okanagan.

Date of Report December 14,2024

MOTION:
MOVED AND SECONDED
THAT: The full 2025 budget will be approved as presented, subject to the final review of Cash Flow.
CARRIED

5. Treasurer's Report

- The November Financials were sent out to the board December 17 and will be reviewed at the January Board Meeting.

6. Committee Report's

- 2025 Committee Chairs will receive a work plan. What is your plan for the year.
- Just some board Governance review for example: What would the plan for the CC committee be for the coming year.
- Same with Greens and other committees'

7. <u>Business Arising</u>

1. New Member welcome Package moved to the January Board Meeting
2. Draft of the Member survey will be sent in the next couple of days.
3 Grounds Maintenance report will be uploaded to the Web site shortly.

8. <u>Other Business:</u>

1. Board Secretary Election
   - Doug Booth was nominated and accepted the position of Board Secretary
   - With the appointment of a Corporate Secretary OGC is now in compliance with the by-laws. Doug Booth has accepted the position as Board Secretary and will be part of the executive committee and take the in-Camera minutes with and without the GM. Said minutes will be transferred to a secure Tresorit file for the Presidents Eyes Only.

2. The recording Secretary will take the minutes of the Regular Board meeting.

9. <u>Other Items/Questions/Comments</u> (open to GM & all Directors**)**

1. The Board received the Document for the Head Golf Pro recruitment process from the GM.
- The posting was placed on the PGA Canada Website. The GM has been receiving applications and reviewing them.
- The hiring process is a 5-to-six-week process with the interviews taking play in January. We would hope to have a new Head Pro in place by February.

2. Member Pre-Book Program
- Looking for options and one idea is a balloting system for member booking.

10 Future Meeting

January 30th, 2025, 9:00 – 11:00 am

11 Adjournment 1:39 pm

12. **<u>in Camera</u>**

a. With General Manager: Recorded by Doug Booth.
Minutes to be submitted

b. Without General Manager None.