OSOYOOS GOLF CLUB

BOARD MEETING MINUTES – January 22nd 2025, 9:00 am

Board Members in Person in Members Lounge
Brenda Hendrickson, Roger Pires, Doug Booth
BM Via Microsoft Teams. Alan Bajkov, Tim Alder, Alan Gow
Absent: Sherry Chamberlain, Gary Stead, David Peterson
Staff:
Bryan Ewart, General Manager
Recording Secretary: Bev Newton

1. **Call to Order 9:04 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 – December 18th, 2024.
b) Club Captain Report – January 21st,2024.
c) Adoption of the Consent Agenda

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

3. Presidents Report

Nothing to report at this time will turn it over to Bryan.

4. GM Report

Golf Operations Report: Human Resources:

Head Golf Professional interviews were completed in Dec/Jan.

Fourteen solid applications
Shortlisted to seven, who were screened by "Teams" interview.
Shortlisted to three, who panel (staff & directors) interviewed.

Very comprehensive interview/recruitment process was followed.
Happy to announce that a new Head Golf Professional has been hired and will be starting on February 12, 2025. His name **is Matthew Vincent** and will be starting February 12,2025
HP will be provided with action/priority list prior to starting.

Golf Cart Program:

Record keeping on each cart is now in place.
Golf course Mechanic is completing sixty-one battery conversions.
Usable batteries will be balanced and put into 2016 (50) golf carts.

Retail Planning:

New HP will be responsible for reviewing and modifying as needed.
2025 Public Green Fee Rates:
2025 rates have been finalized and will be posted on the club's website soon.

Operational Update

Cash Flow Management:

- Temporary one-time bulge from BMO of $500,000 effective December 15, 2024.
- Bulge will be stepped down to $350,000 as of February 1, 2025.
- Reduced to original limit of $250,000 as of March 1, 2025.
- Rate increase from Prime + 1.5% to + 2%.
- Monthly and quarterly fees are being increased.
- Monthly P&L needs to be provided by the 15th of each month.
- Continue to work with BMO to ensure targets are being achieved and required information is being provided.

We appear to be challenged as a number of members have not come into the club to pay the dues for 2025. The key dates have been set for the paperwork to be in. We have about two hundred members that have not paid their dues. Susan and Jamie working very diligently towards the deadlines and achieving our financial goals.

The members are hearing the rumblings of the booking system changing and have expressed to us they are not willing to pay their dues until they know what the booking system will look like.

We are being extremely cautious right now there is 115k in payables that need to be paid and that do not include 150k owed on the batteries which is not coming out of the lease. We need to pay for the batteries then be reimbursed from the lease. We need this as we need carts.

Member Golf Reservation proposal

- The current Pre Book system is affecting when the green fee players can book. The members are first, but we need to make sure that Green Fee players are attracted to, and able to play in prime time.
- We are changing the interval of tee times for the first one ½ hour from 10 minutes to 8 minutes. This will free up several tee times for the day.
- We are modifying our GGGolf program to include a Ballot system at the start of the 2025 golf season. GGGolf is accessible on websites and the mobile app simply sign on with your member number and password. The Group Captain's or Member must submit their ballot at least 8 days prior to their desired teetime with submissions being added a maximum of 14 days in advance. Ballots can include golfers with up to sixteen members.

- The balloting submissions will close at 11:59 8 days in advance. The computer lottery will program will run at 6:45 am the next morning before the booking window opens at 7am. The email will be sent to the members with their Teetimes.
- The full "Member Golf Reservations" document has emailed to all the members, or you can pick up a copy in the office at OGC.
- One of the most important items is for members to cancel their tee times if not being used.
- In summary everyone will get tee times it might not be exactly what you want but you will get to play golf.
- Based on the fact that we have two golf courses it will be almost impossible not to get a tee time. You can choose which course you want first or second or with no restrictions and the chances of getting a tee time is greater.
- The Head Golf Professional will ensure the check-ins match the tee sheet. We need to reorganize the whole check-in process including the cart waiver forms. More information to follow.

Member Open House & Booking Information Meeting

- Wed January 29th at 2:00pm OGC clubhouse.
- E-mail will go out to the membership inviting them to see the new Balloting system and to ask questions.

Club Fixture Sheet Final

- Club Fixture Sheet reviewed and approved with one item up for further discussion. Club Championship has introduced a mix-member division. There are other social events that we have, and this is the main competitive event, and it is unusual to add a mixed event to this competition. The board will table this till the next meeting.

5. Treasurer Report David Peterson

At our Board meeting on December 18th, we had approved the 2025 budget subject to presentation of the full year cash flow forecast. Bryan prepared the cash flow forecast (attached) and as noted in his email below, some adjustments were required to make the cash flow workable. The significant change is in golf operations' gross revenue which was increased by 6.8% (from $3,625K to $3,874K). This is a significant increase over 2024 total of $3,284K but only a 2% increase over the 2024 budgeted revenue of $3,792K.

This of course puts added pressure on revenue to meet all of our obligations for 2025, so we need to feel confident the proposed revenue is achievable. Having said that, it is important to understand this is a more realistic budget than has been presented in the past. For example, expenses are based on historical actuals and adjusted for inflation, labor costs are tied directly to volume (rounds played) and all wage related expenses are included. Previous budgets did not include associated labor costs such as CPP, EI and other benefits which can add 15% to wage expense.

This budget should give management a more meaningful monthly target. From this more meaningful budget adjustments can be made quickly if required.

If the Board felt the revenue target was too aggressive, some discretionary expenditure would need to be reduced or eliminated. The cart program is the largest proposed expenditure at $180K and will be financed through our bank lease facility. I believe, and I

think the majority of the board would agree, this is an absolute priority for 2025 so should not be considered for reduction/elimination. Other discretionary expenditures included for 2025 are as follows:

The marketing program with Par 6 Media is estimated at $85,000 for the year. This is a significant expense but ties directly to the increase in revenue and still only represents about 2% of our gross revenue.

Wetting agent program $60K

Assorted capex of $23K (security cameras, F &B furniture). Note there is an additional $22K buffer built into the cash flow to cover "emergency" expenditures.

Tee markers were $15K (already purchased).

Overall, this is a relatively modest program given the size of the operation. The most significant decision is around the media program which is strongly supported by Bryan.

You will note that based on the cash flow we will be over our operating loan limit of $250K in Nov and Dec 2025. Bryan has already raised this issue with the bank that another temporary bulge will likely be required at year end.

Alan and I support the revisions as presented but is very important that everyone feels comfortable with the revised budget and be prepared to discuss at the January board meeting.

Summary

We are currently in a tight cash flow position. Management is doing everything it is power to control costs and stay within our means. This can prove to be challenging as we have many reoccurring monthly payments related to the irrigation project and capital lease equipment purchases.

Motion
Moved & Seconded
THAT: The 2025 revised Budget be approved as of January 22, 2025
CARRIED

6. Committee Reports

1. **Building:**

Club House Roof is leaking into the Kitchen. It was inspected by a roofing company and will need to be replaced. It has a temporary fix at present and will be addressed at a later date.

Driving Range netting will need to be taken down and repaired. Doug and Roger will report back at the next board meeting with a cost to replace or repair.

2. **Club Captains**:

The Senior Open will be renamed the Rattlesnake Senior Men's Open. It will be a 2-day event with a practice round. Details will be worked out over the next month and with the help of

Sherry we will get a poster ready and distribute it throughout golf course in our proximity. The Club Championship will be renamed The Week of Champions and will include metal play for Juniors, Ladies, Men, and Senior men.

a. A mixed event will be added for the members who do not wish to play in a metal play event. It is our hope that this will get more of our members involved in a spectacular event.

3. **Finance**

- Spending freeze and cost-cutting measures continue.
- Challenges with "banked time" in Kitchen has caused substantial overages in December 2024 P&L. Going forward "banked time" will not be permitted, this has been communicated to Chef.
- Sold $5,000+ in golf passes during the two-week period prior to Christmas, valid for the 2025 season. Revenue will be "realized" in January 2025.
- Sold one hundred "Club 73" Players Cards. Card holders pay $169 and receive their first round "free," each round is discounted from daily rack rate to daily twilight rate. Every 11th game is complimentary. Discount in the Pro Shop. Looking to build loyalty with local market.
- Non-member group bookings have been "opened." Advance payment and signing terms and conditions agreement must be completed prior to reservation being made.

4. **Food & Beverage**:

- Food and Beverage Costs: Immediate attention needed.
- Labor Savings: Identified as a priority for operational efficiency.

5. **Greens:**

Key Projects and Observations:

- All winter maintenance mechanical projects are complete (grinding, sharpening, maintenance, etc)
- Mechanic (Cody) is testing all golf cart batteries and has begun conversion to Lithium for 61 (2020/21) golf carts.

6. **Health & Safety** No Report

7. **Human Resources**

- Banked time challenge has been addressed.
- Alana and Bryan have been in discussions with foreign worker program facilitators to determine our "rights" and what we can/cannot do. We have more options than originally thought.

8 **Long Range Planning** Will look at it in the Spring.

9 **Marketing** Community and Industry Engagement

- Presented to Osoyoos Rotary on January 9, 2025. Presentation was well received.
- Meeting with Destination Osoyoos digital marketing manager. Several opportunities to go to the golf club to get involved and take advantage of programming. Looking at "South Okanagan Golf Trail" in 2026 with partner golf courses.
- Working with local hotels and tour operators to set up packages and booking programs.

10. **Membership**
    - Several meetings with members over the past 3 or 4 weeks.
      Jamie continues to be an asset with renewing memberships and answering questions from members.
    - Jamie will be increasing from 30 hours per week to 36 hours per week, effective week of January 20, 2025.

7. <u>Business Arising</u>

- Winter Club Projects:
- Tables and chairs being refurbished. Planking in the Proshop has been cleaned and a sealant applied. Repairs and painting in the main dining area done.
- Beverage Cart:
- The current cart has been cleaned up and Bella will put a wrap on it to spruce it up. It will be used on the Park Meadows this Season.
- OGC Mechanic Cody is working to evaluate all Lead Acid Batteries all the good batteries moved to the 2016 carts. The 2020 and 2021 carts will be converted to Lithium. Estain and Cody are working on an updated a golf cart inventory. Golf cart lease comes due February 1 and will need to be paid.

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

None

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

1. A committee has been formed to assist the GM with the follow-up report on the member survey.

Committee Members:

Alan Bajkov, Tim Alder, Brenda Hendricksen, Doug Booth, and Alan Gow.

10 Future Meeting

February 27, 2025, 9:00 – 11:00 am

11 Adjournment 11:05 am