



RESERVATION GOLF & BEACH CLUB

BOARD OF GOVERNORS

MEETING MINUTES

February 28, 2023

Board of Governors Present:

Robert O'Brien-President

Steve Valliere-Vice President

Steve Valliere-Bar

Paul Coutinho-Treasurer

Karen H. Gray-Secretary

Mike Phaneuf-Golf Shop

Jeff Younquist- Greens

Steve Riley- House

Kearney Klein-Membership/Grievance

Jon Taber-Tournaments/Handicaps

Meeting called to order at 6:00 PM

Motion to Accept the January meeting Minutes- Motion Accepted

Executive Session: [8:01 PM-8:40 PM]

Special Guest[s]: None

Greens Report –Mr. Emond, Mr. Younquist

Mr. Emond reported that the Bay Club has the remaining units to grind for us. He will be done with that in 4 or 5 days. We are on to irrigation that has been moved to April 1 start date. Mr. Emond is moving our aeration schedule from May 1st to June 1st. The irrigation project will be about a 4-6 weeks project so hopefully by mid-May it will be completed. Mr. Emond stated we

will need a new fountain for the pond. Mr. Emond will look around at the turf show for a new estimate for this. Next month he should start mowing and see how the weather goes.

Motion to Accept the Greens Report-Motion Accepted

House Report- Mr. Riley

1. Floor in cart room and hallway painted. Walls have been painted by men's and ladies locker rooms.
2. Chairs have been recovered bar area. Mrs. Emond was a big help with this.
3. New recessed lights are in process of getting installed finished end of March.

Open issue for the House:

Installing new doors in bar and pro shop starting first week March

Getting prices to reside west and part of south side of building, even with capital money on hold for the irrigation project.

Install women's tournament plaque in women's locker room

Painting west side foundation and re landscape the area work on drainage also on hold.

For open discussion, Mr. Emond explained that the situation on #8 is improving with the flooding of the bunker. He can work with this issue now by re-grading the area, initially it might not have been graded as well as it should. Mr. Emond feels like it will be an improved condition now as he has improved the drainage there as it is connected more with the road now. Mr. Phaneuf wants to keep it as a bunker and protect the golf course. Mr. Riley brought up having a defibrillator added and Mr. Valliere is talking with the Fire Department about this. Mr. Valliere explained that there needs to be training and certification is required.

Mr. Riley brought a member's question regarding having 2 holes cut in the green for shared tees. Mr. Emond shared why this is not feasible for our course:

1. Our greens are small with limited playable flag locations
2. The small greens will result in unsustainable wear in some areas where the flags could be located.
3. Players are not given relief from another hole, if it is in their way for the hole they are actually playing.

Motion to Accept the House Report-Motion Accepted

Pro Shop Report-Mr. Mattos, Mr. Mike Phaneuf

Mr. Phaneuf is working on cleaning up the golf shop for Brian's arrival April 1. Getting it cleaned up for the opening. We have had a great winter with golf fees and play, we are doing very well. Mr. Phaneuf stated is for keeping the greens fees slightly reduced as they are. He stated we have real golf in the winter, and it is benefitting the club. Mr. Phaneuf stated that

we get a good amount of winter play when we have those days in the 60s and it benefits the club and its members. Mr. Riley brought up the fact that we reduce the greens fees 24% when in fact our expenses are increasing. Mr. O'Brien stated that they are not playing the golf course in the winter that we do in season. He is for not reducing the price of the cart fees but keeping a reduced greens fee as is at a reduced rate during the winter months. He is in favor of taking a look at how much we are reducing the greens fees for winter play. Mr. Taber suggested revisiting this over the summer and then presenting to the membership.

Motion to Accept the Pro Shop Report-Motion Accepted

Bar Report-Mr. Valliere

The Bar continues to generate good outcome. Year to date, the Bar has generated revenues of \$115,879 with expenses of \$96,702 for a net revenue of \$19,177 or 18%. Part of the decrease in net revenue is due to multiple factors, such as wage increases, increases in costs of goods, etc. Last years revenue to date was \$100,368, so we are tracking a 13% increase in revenue so far, this fiscal year.

We had two fundraising events in February which raised \$9,300 towards our Irrigation Project:

- The 7th Annual Chili Cook-Off was a great success with 14 participants and 24 sponsors. This event raised \$4,600. We also got some positive press with an article in the Sippican Week!
- The Valentine Dance was a great evening with a beautifully decorated hall by Margie and her crew, a delicious Surf & Turf meal brought to us by Chef John Abaray and his crew and great entertainment by The Butch McCarthy Band. This event raised \$4,700.
- Thank you to all those who participated and supported these two great events.

Effective January 1st, we implemented, as per suggested at our annual meeting, that to be able to charge at the Bar, a credit card must be on file with the club. Any charges not taken care of by the 5th of the following month, will be automatically charged to the on-account credit card. The cards are on file in the POS system and approved by government.

Motion to Accept the Bar & Entertainment Report-Motion Accepted

Membership Report Mr. Klein

Membership:

REGULAR- 197

ASSOCIATE-40

INTERMEDIATE- 13

SOCIAL-137

JUNIOR A – 18

JUNIOR B – 22

OUT OF STATE – 16

HONORARY – 13

LOA - 13

New Members:

STEVE BARRY REGULAR

BURT CARVALHO REGULAR

ROBERT FRANKE ASSOCIATE

DAVID ECCLESTON SOCIAL

CATHERINE HILL SOCIAL

BILL MELLO SOCIAL

WILLIAM SULLIVAN SOCIAL

GRACE SULLIVAN SOCIAL

CHANGE IN MEMBERSHIP:

TAYLOR CANASTRA INTERMEDIATE TO SOCIAL

LOA REQUESTS

ROBERT MORGAN REGULAR

RESIGNATIONS

DR. ROBERT HARDING

The board discussed those members who have outstanding balances. We need to enforce the late fee for this. Mr. Coutinho stated that we needed to get a count former members and reconcile the database for current and new members. Mr. Klein wants to see how we can improve our member database to tailor it for our use in the future. Also, we need to update the system so that members can pay their dues online which makes it much easier and better for security.

Mr. O'Brien nominated Dr. Robert Harding, a wonderful gentleman for an Honorary Membership. Motion made and accepted. We will do a special presentation for him.

Motion to Accept the Membership Report-Motion Accepted

Tournaments/Handicaps Report- Mr. John Taber

Mr. Taber presented the 2023 Tournament Schedule. We have removed the 4-ball in May due to lack of participation for the most part. We have added the Ryder Cup team tournament on the 3-day Memorial Day weekend, a Saturday and Sunday tournament with a Monday rain date. This will free up the weekend of May 20-21 for member play.

Ressie days we have added a satellite division with the total of 56 teams max total for the tournament. This allows us 12-20 Satellite division teams. There will not be an auction for the Satellite division, but there will be a daily prize, closest to the pin etc. Mr. Phaneuf reminded the board regarding the amount, of carts and Mr. Taber stated that because we have morning and afternoon times, carts will not be an issue.

Mr. Taber would like to generate a pay in advance policy for tournaments. The schedule will be posted on the web site.

The MGA has asked if they can do their tournament here again in September during the week. The board approved this event.

Mr. Taber asked about a form for outings at the club and the need to do this. Mr. O'Brien stated that Brian can be involved in this as well.

Motion to Accept the Tournament Report-Motion Accepted

Treasurer's Report-Mr. Paul Coutinho

Mr. Coutinho submitted the following report pre-meeting:

**FINANCIAL REPORT
BOARD OF GOVERNORS MEETING
February 28, 2023**

Eastern Bank	
Operations Account	\$ 97,592
Savings Account	\$140,224
Capital Improvement Fund	\$117,112
Lottery Account	\$ 6,515
Bay Coast Bank	
Operating Account	\$ 7,239
Money Market Account	\$ 26,457
Total Cash Available	\$395,130
Line of Credit (unused)	\$170,000
Cash Liquidity	\$565,139

Our total cash available effective February 28, 2023 is \$395,130. When we add on the line of credit the total liquidity is \$565,139. This represents an increase of \$26,443 from the previous month, January. The payroll account balance is \$27,700, but there is a payroll to be paid on February 28th which will lower this to approximately \$17,000. This will leave one pay period in the bank.

We have issued payments totaling \$37,595 that have just been mailed out. These bills include monthly costs that must be paid for the Club to be open and operate, insurance, cable, utilities, cart rental lease, etc. The most important payments that had to be made were to Irwin for the chemicals, \$13,800 and for the doors from Koopman which we need to have installed to satisfy the current safety requirements of the Town and the Commonwealth. Unfortunately, our chemicals were adjusted to be paid from February through May to get ready for the irrigation project which was previously moved to June. We must complete these payments and absorb other costs associated with the irrigation project during the same time frame. The operational account balance reflects these payments that have been processed. What is not included that will impact this account in March and April is the following. We will need to transfer \$30,000 into the payroll account no later than March 9. This will cover our payroll through April 25th. We will also have to budget for the startup costs of the Pro Shop. Although this is a smaller amount, I anticipate a budget of \$7,440. Our next billing cycle will be mailed on April 1. I anticipate this billing period to be approximately \$220,000. There is still \$20,646 in dues outstanding from the February billing. As for the mortgage, there are sufficient funds in Bay Coast Bank to pay the mortgage for the next 4 months. We had set up a reserve to be used for equipment but as of this date we must improvise and the funds must now be utilized to pay the mortgage.

If you recall from a previous meeting, specifically on December 20, 2022, the Board was advised about how this project was going to be managed financially. The materials would cost \$290,000 and the labor side of this, the actual installation of the pipe in the ground, would cost \$241,000. As of this date we have \$257,336 in reserve. This is \$32,664 short of the funds needed for the supplies. The original plan was to utilize the line of credit, hereafter referred to as the LOC, for the \$32,000 to cover the cost of the supplies and we would leverage the construction side with a second mortgage from Bay Coast Bank. There was also a high probability that we would generate enough funds from cart rentals in April and May that could offset this shortfall and we could avoid using any funds from the LOC. To support this assumption, I have included a sales and cash overview report dated from April 1, 2022, through May 31, 2022, from TeeSnap. If you review this document carefully you will see that the revenue from cart rentals was \$34,407 during that time frame. This represents the shortfall I was planning on utilizing for the irrigation project once it started at the beginning of June. We have had very successful fund raisers that have been a tremendous help but \$290,000 is a big number to meet. Now we are faced with a tremendous challenge that has developed and could not have been predicted. Evidently because of the warmer winter the contractor is ahead of schedule and is pushing our job to an earlier start time. If we do not take advantage of this, we could lose our spot to other courses who are ready to go. But, to accommodate this we must be judicious in our planning to accomplish this project in the time frame that we are now faced with.

The management for the financing of the irrigation project had been discussed with the contractor and once the contract is executed, which will be soon, the Club will be obligated to the following, no exceptions. First, there is a 10% up-front fee for staging costs. When the work starts there will be 3 separate requisitions submitted for payment. Each requisition will be due no later than the 7th day after the submittal date. It is estimated that the project will be 6 to 7 weeks, therefore, the anticipated requisition submittals will represent at least two weeks of labor costs. The total contract is for \$241,000, and when deducting the staging costs, the amount remaining is \$217,000. Based on this amount, I anticipate the submittals to be approximately \$72,300. We will be holding an amount for retainage, which will be 10% of each payment that will be escrowed until the project is completed and accepted. At that point of time the total amount of the funds withheld for retainage will be disbursed to the contractor. I have laid out the expectations for this project for one simple reason, the contractor cannot and will not carry the Club and expects payment in a timely manner.

As I have stated earlier, we must tighten our belts until this financing with the bank is completed. The line of Credit is not sufficient to carry us through the entire project. The timeline is as follows based on my conversation with Art, the owner of GIS on Sunday afternoon, February 26th. He is anticipating starting 4 weeks from now. That puts the project

start date at or around April 3. I anticipate one week set up and going forward so I am anticipating the first requisition sometime around April 19th to the 21st, with a 7-day window for payment. The line of credit can cover this first payment. The second submittal won't be expected until the first week of May. I believe this time frame will allow us to close on the loan with the bank. Like I had said, this is not a walk in the park, and we must all contribute in some manner. I have also included a list of members who have not paid their dues for the Board to review, I need your assistance to lower this outstanding debt. It would be a tremendous help. This is a much longer report and I apologize, but the facts must be laid out such as the timeline which is extremely critical to the success of this project.

Motion to Accept the Treasurer's Report-Motion Accepted

Motion to Adjourn at 8:40 PM- Motion Accepted

KAREN H. GRAY

Secretary

Reservation Golf Club