

PRINCE ALBERT GOLF AND CURLING CLUB

ANNUAL MEETING - NOV. 20, 2013

President's Report - John Hemstad

The financial details of fiscal year 2012-2013 have been provided in the Financial Statement as presented so I will make only general comments regarding the various sectors in the report.

Frugal Fiscal Management

As has been reported the last couple of years, the Board this past year pursued again a cautious and frugal financial strategy. At each monthly meeting the Board reviewed the monthly and year to date financial details with comparison to budget and made decisions on revenue strategies and operational expenditures accordingly. This approach probably has led to the Financial Statements for the last two fiscal years being quite similar.

Curling and Golf Operations

The Curling Operations represents the period of Oct.1 to March 31st and the Golf Operations the period of April 1 to Sept. 31 of the fiscal year. Much consideration has been given to hiring a curling manager, business manager, CEO, etc. for a period of 6 months or full time. The cost of a qualified full time manager could perhaps exceed \$60,000 per year. The challenge is finding a qualified, energized and knowledgeable person who could cover the cost of their employment by increasing curling participation and therefore revenue to that extent. The Board realized that there would be a substantial financial risk in making this hiring.

The Board opted for the need to be frugal and cautious. Last fall, Blayne Nelson, covered as a part time manager until late November with Ryan Wells filling in the balance of the year. This fall thanks to Merv and Jacqui Wiesner and Pat Bibby, they have capably assumed the curling management load for the year. This has resulted in capable but frugal management costs.

As much as members would like to see a full time management person, the Board cannot take the financial risk of hiring for a high cost position in a tight cash flow environment. Not meeting pay-roll on schedule would be disastrous.

Food and Beverage Operations

This Sector continues to show revenue growth with gross revenue approximating \$1.4 million in this past fiscal year. This Sector serves the general public as well as the membership. In addition to being a lounge and restaurant on site, this operation accommodates numerous group events such as Xmas Parties, graduations, wedding receptions, funeral groups, business groups with numbers of these catered to off site.

This growth in activities due to public demand can be attributed entirely to Randy Whitter and his leadership as the Food and Beverage Manager. We need to understand the difficult challenges he faces in dealing with staffing, proper margins, inventory and financial security and the need to meet public versus membership expectations.

The Board recognizes the difficult challenges faced by the Food and Beverage Sector but also recognizes the need for increased profit margins to be generated. It is imperative that this Sector needs to be more financially supportive to the over all operations of the PAGCC.

The Board has established a Food and Beverage committee to be supportive to Randy to achieve these results. This committee will examine all details of the operation. Details include establishing and maintaining proper margins on food and drink as costs rise; pay roll costs; security of inventory both food and drink as well as cash; hours of operation and all details in general.

A healthy profit from this Sector would reduce the financial risk in hiring a Business Manager.

Fundraising

There continues to be a great need for on-going activities related to fund raising. These have included the Spring Fling and lottery. The revenue of \$33,000 represents close to 60% of the total Net Revenue realized from all operations.

The Board has no choice but to continue a fund raising strategy.

Relationship with the City

The PAGCC continued to have a strong relationship with the City in keeping with the 1999 Operating Agreement between the two parties. In keeping with this Agreement, the City completed the installation of the heating and air conditioning on the roof of 3 separate units serving the Tee Room, kitchen and lounge areas for approximately \$150,000. Last March the ice plant compressor failed and the Club limped to the end of March. This compressor was replaced in late summer and also a new condenser is on stand by in storage should the present one fail.

I wish to complement Don Cody, who is on the Board representing the City Council. He has been very supportive of the PAGCC and provides a strong linkage to the City when needed.

Volunteers

I wish to thank the many volunteers who are needed in operating a non-profit corporation. There are too many to identify in fund raising, directing user groups, organizing events, instructing novice and school beginners, serving on the Board and committees plus many other tasks.

Thank you for your on-going support.

Year-End financial statement is available upon request at Prince Albert Golf & Curling Club office for perusal.