

To: NGCA Members
From: Bernard Caulfield, Chairman NGCA
Re: Minutes of NGCA regular meeting of October 20, 2021 conducted in-person and remotely via Turbo Bridge pursuant to Executive Order 7B-1

Members Present in-person and remotely

Bernard Caulfield
Susan Dutilly
Michael Driscoll
Charles Whitty (remotely)
Richard Podurgiel
Ray Lathrop
Richard Strouse
Bob Malouf
David DiBattista

Others Present – in-person

Mike Svab, Pro Manager
Eric Kundahl, Course Superintendent
Mitchell Nixon, Finance Department
Tony Madeira, Finance Department
Todd Lavoie, Member's Club
Ed Nevins, Member's Club

CALL TO ORDER

Chairman Caulfield called the October 20, 2021 meeting of the Norwich Golf Course Authority to order at 7:00 p.m.

MINUTES

A motion to approve the minutes of the September 15, 2021 meeting of the Norwich Golf Course Authority was made by Mr. Malouf, seconded by Mr. Lathrop, and approved by roll call vote 8-0, Mr. DiBattista abstaining.

FINANCIAL REPORT

Mr. Driscoll presented the minutes of the meetings of the Budget Committee held on September 28, 2021, October 7, 2021, and October 14, 2021.

A motion to approve the same was made by Mr. Lathrop, seconded by Mr. Podurgiel, and approved by roll call vote of 9-0.

Mr. Nixon presented the [NGCA Financial Report](#).

Current Month

OPERATING REVENUES for the month of September 2021 were \$111,200, compared to budgeted revenues of \$131,844, \$20,864 under budgeted REVENUES, and \$30,804 less than September 2020 revenues.

EXPENSES for the month of September 2021 were \$113,469, compared to budgeted expenses of \$91,272, \$22,197 over budgeted expenses, and \$2,4131 over September 2020 expenses.

NET LOSS for September 2021 was \$2,449 compared to a NET PROFIT for September 2020 of \$65,518. This figure is calculated after depreciation of \$12,227 in 2021 and \$6,873 in 2020.

The CASH BALANCE for September 2021 was \$332,686, a decrease of \$31,186 from the August 2021 figure of \$363,872.

Year to Date (YTD)

YTD OPERATING REVENUES were \$1,186,485 compared to YTD budgeted REVENUES of \$1,002,894. This is \$183,591 over the YTD Budget and \$199,221 more than the previous year.

YTD EXPENSES were \$994,651, compared to YTD budgeted expenses of \$893,586. This is \$101,065 over the YTD budgeted expenses, and \$157,896 more than the previous year.

YTD Total REVENUES exceeded expenses by \$191,834.; This is over Budget by \$82,525, and \$38,675 under the comparable YTD September 2020.

Items of interest on the Balance Sheet include:

- Accounts Receivable is \$0. As of today, the October rent is paid in full and anticipated credit or payments due shortly will cover the rent for November and December possibly leaving a credit to be applied against rent in 2022.
- The balance in Accounts Payable (products/services that have been received but have not been paid for as of September 30, 2021) is \$561.
- The Due to General Fund is the NGCA's CASH BALANCE as of September 30, 2021. An amount in the asset section indicates that the city owes the NGCA these funds of \$332,686.

This figure, September cash balance, less Accounts Payable equals the entry for Cash, the cash balance of \$332,686 - \$561 = \$332,125.

In response to inquiry, Mr. Svab stated that the September 2020 revenue figure was unusually high as a number of golf tournaments had been postponed in the spring and the early summer due to COVID restrictions. Many of these were held instead in September 2020 resulting in the larger revenue figure for the month of September 2020.

A motion to accept the Financial Report was made by Mr. DiBattista, seconded by Mr. Malouf and approved by a roll call 9-0 vote.

CORRESPONDENCE

Mr. Caulfield reported there had been no correspondence received.

CADDY SHACK RESTAURANT

The rent has been paid for the month of October and there are credits against the following months.

CHAIR'S REPORT

Mr. Caulfield noted this has been an unusually busy year. While Revenues have been good as a consequence both the course and staff have been stressed by the amount of play.

COURSE SUPERINTENDENT

Mr. Kundahl reported the course sustained some loss of grass and turf due to infections of gray leaf spot. Reseeding has been completed and hopefully enough warm weather will remain to allow the replacement grass to take hold.

As autumn progresses, the falling leaves will require daily leaf blowing activities.

Mr. Kundahl reported on the difficulties in obtaining certain products as well as anticipated increases in 2022 to the cost of products generally used at the course. Based on discussions with suppliers the anticipated cost for pesticides will go up by 3%-5%, that of granular fertilizers by 30%, and for seed by 50%-75%. Some blends of seed and types of seed may be difficult or impossible to obtain.

There are also likely to be delays in obtaining product. After speaking with the city purchasing agent, he has purchased some necessary fertilizers and chemicals for use next year.

After discussion it was the consensus of the Authority that he should also now order a supply of grass seed.

As of October 30, 2021 the last of his summer staff will be leaving.

PRO MANAGER REPORT

Mr. Svab advised the Authority that the scheduled work to replace the roof on the clubhouse will start on October 21, 2021. This date corresponds with the Eastern Connecticut Conference Championship Cross Country Race also to be held at the golf course on October 21, 2021.

Mr. Svab reported that October has been a busy month, players encouraged by the lingering warm weather. Consequently, revenues have been strong in October. Mr. Svab also noted that his tournament had been played on Sunday, October 17, with 96 individuals participating.

Mr. Svab also reported that the entrance wall with course sign is completed, and the result is most attractive and satisfactory.

MEMBER'S CLUB

Messrs. Lavoie and Nevins presented information on the proposed Member's Club project on involving the installing of a seasonal tent behind the Gopher Hole between the 4th and 10th tees. This will provide a covered picnic area with more seating options and shade as well as protection during inclement weather. It will provide a better gathering area for club outings and the project has invigorated the membership of the NGCA Member's Association. The proposed tent is 15' x 40' and 12' high at the highest point. Further details of the project were contained in the handout distributed by Mr. Nevins. Mr. Lavoie stated that he has had discussions with the building department concerning the project and the project will adhere to any permit or other requirements.

The Authority took the matter under advisement, Authority members having made favorable comments about the same during discussions.

BUDGET COMMITTEE

Mr. Malouf, Chair of the Budget Committee, and Mr. Nixon presented recommendation of the Budget Committee to the Authority.

Mr. Nixon indicated he estimates the Cash Balance at the end of December 2021 may be as high as \$400,000 and reported Revenues through October 20, 2021 are \$1,245,000. In response to a request by the Committee he had prepared projections for Revenue, Expenses, and Profit in 2021. Projected Revenues are \$1,370,740.73; projected Expenses \$1,209,570.91; and Projected Profit \$98,162.82. These figures do not include additional sums the Authority is considering expending.

The Budget Committee initially prepared budgets using a 3-year average, covering 2018-2020, to make projections for the 2022 Revenue and Expenses; using an aggressive model, a moderate model, and a conservative model. For the most part the Committee utilized figures from the moderate model.

The proposed budget presented by the Budget Committee for 2022 anticipates Revenues at \$1,190,106 with Expenditures of \$1,339,178.96. A significant amount of the increased Expenses will be used for capital projects at the golf course. No increase in daily or seasonal play rates or cart rates in the 2022 season is recommended, the rates to remain the same as in 2021.

Mr. Nixon then presented more information with respect to various line items in the proposed budget.

While minimum wages are required to increase by \$1 in June 2022, the Budget includes a \$1 per hour increase for seasonal employees and certain other employees at the course commencing on January 1, 2022. The budget also includes the establishment of the position of Ranger to provide on course supervision on a regular basis but particularly during heavy play at the golf course.

After reviewing items in the Maintenance Department budget, the Pro Shop budget and the general budget, Mr. Nixon presented a list of proposed capital projects. This list had been prepared by Mr. Svab and Mr. Kundahl and Mr. Svab took over discussion of the same. The recommended items are estimated to require expenditures in 2022 of \$102,500. The projects are listed in the order of priority as suggested by the Budget Committee. Mr. Kundahl noted that the price for the purchase of contour deck attachment for the Ventrac, the project listed as the second priority item, had increased from \$7,500 to \$8,112.20. The capital budget line item will need therefore to be increased by \$612.20.

At 8:17 p.m. Mr. Podurgiel made a motion to go into executive session for discussion concerning and evaluating the performance of Mr. Svab and Mr. Kundahl and the salary and bonus recommendations proposed by the Budget Committee, the motion requesting that Mr. Nixon, Mr. Madeira, Mr. Svab, and Mr. Kundahl participate in the discussions in the executive session. Neither Mr. Svab nor Mr. Kundahl requested that the evaluation be conducted in an open meeting. This motion was seconded by Mr. DiBattista and approved by a unanimous 9-0 roll call vote.

At 8:26 p.m. a motion to return to regular session was made by Mr. DiBattista, Chairman Caulfield noting that no votes had been taken during the executive session, seconded by Mr. Lathrop and approved by a unanimous 9-0 roll call vote.

A motion to approve the budget as presented and, as modified during the open discussions by increasing the amount expended on capital projects by \$612.20 was made by Mr. Podurgiel, seconded by Mr. Lathrop and approved by a 9-0 roll call vote. A copy of the adopted budget is attached hereto as Exhibit A.

A motion to maintain the 2021 fees and rates schedule for daily play fees, seasonal pass rates, special promotions, tournaments and outings, and for cart rates, excepting of the senior league golf cart fee under present arrangement was made by Mr. Podurgiel, seconded by Mr. DiBattista and approved by a 9-0 roll call vote. A copy of the adopted rate and fee schedules for 2022 are attached hereto as Exhibit B.

A motion to approve bonuses payable in 2021 of \$4,000 to Michael Svab, \$4,000 to Eric Kundahl, \$2,000 to Ray Gorton, and \$2,000 to Mike Wylie was made by Mr. Malouf, seconded by Ms. Dutilly and approved by a 9-0 roll call vote.

A motion to authorize and direct Chairman Caulfield to send a letter to City Manager John Salomone requesting that he submit resolutions at the next meeting of the Council of the City of Norwich requesting the council approve and authorize the 2022 budget of the Norwich Golf Course Authority as adopted by the Authority on October 20, 2021, and to amend the 2021 budget to approve expenditures to be made by the Authority in 2021 in excess of the budgeted expenditures previously approved by the council but supported by funds available from 2020 and 2021 profits was made by Mr. Podurgiel, seconded by Mr. Driscoll and approved by a roll call vote of 9-0.

Budget Committee Chair Mr. Malouf expressed his thanks to Messrs. Nixon and Madeira, Svab and Kundahl as well as the Committee members for their work in the preparation of the budget for the 2022 season.

ADJOURNMENT

A motion to adjourn at 8:35 p.m. was made by Mr. Malouf seconded by Mr. DiBattista, and approved by an 9-0 roll call vote.