

**Heather Gardens Metropolitan District  
Clubhouse/Restaurant Committee  
June 9, 2020**

To: HGMD Board of Directors, HGA Board of Directors and General Manager

From: Rita Effler (Substantially assisted by Deb Smith)

Subject: Report of June 9, 2020 Clubhouse/Restaurant Committee Meeting

Committee Members: Michael George (Former Chair), Rita Effler (New Chair), Janet Arce, Jerry Brewster, Tom Merges, Deb Smith, Tom Tomasik, Christa Boehner (absent.) Staff: Linda Aluise (Clubhouse Manager), Cormac Ronan (Rendezvous Manager)

The meeting was called to order by former Chairman George at 3:00 pm.

**Chair Comments:** Mike George introduced Rita Effler, the new Clubhouse/Restaurant Chair. Committee members introduced themselves.

**Approval of Notes:** A motion was made, seconded and passed to approve the notes from the February 11, 2020 meeting.

**Review of Financials:**

Unfortunately, the MOA was not distributed to the Committee. Review by Rita noted that electricity charge of \$6,000 seems high with the restaurant closed showing how uncontrollable some expenses are.

**Restaurant Manager Report – Cormac Ronan**

Cormac has been reviewing reports from Tri-County Health and the CDC on plans for reopening. Tri-County has eased some of the restrictions.

Discussion Included: Considering delivery or perhaps get a food truck that would visit buildings and host happy hour parties with food prepared at the restaurant and placing tables and chairs between the buildings for seating and social distancing. Providing service at the restaurant patio along with curbside service. HVAC system, repair, and/or replacement costs. Working with the ALOHA system to get daily cost reports.

**Clubhouse Manager Report – Linda Aluise**

Linda reported that they are carefully reviewing what is needed to open the pool. Both the pool and the fitness center would have to be cleaned hourly. The lockers could not be used; everyone still must use the locker rooms to shower. We would need reservation times to keep numbers within the guidelines provided. Linda is working to develop classes that meet the criteria allowed.

## New Business

Report from Susan Lambert on restaurant costs

A committee was formed consisting of Tom Merges, Calvin, Courtney, Mike George, Cormac, and Susan Lambert to perform a business analysis. ALOHA is the point of sale program we use that gives us information on staffing, COGs, and financials. Downloading the data is laborious. Susan eliminated “Bad data” weeks. (There were 1300 responses to the customer wishes survey. Data will be available soon.)

2019 had a \$61,000 increase in actual sales over budget. But, for every \$1 additional in sales, there is 83 cents more loss and the restaurant. Increasing revenue leads to more loss and a larger subsidy. The restaurant does not pay rent. During June-Aug of 2019, the restaurant had longer hours. Sales, COGs, and wages and benefits were all up, so our net was less, and the subsidy was more. Thus, extended hours were abandoned.

Susan discussed a prime ratio – COGS + wages and benefits as a % of sales. Part-time wages as a % of sales exceeded budget almost every week, as did operating expenses and FT wages. We can break out how many customers per check and \$ spent per person. It was determined that the number of customers served per wait staff hour is 2. The majority of our costs are variable. When sales go up, so do costs. All numbers need watching continuously. Buffet food costs are high, ranging from 29% to 78%.

Tom Merges noted that banquets need a count in advance. Rita asked that we write our ideas and email to her for compilation and distribution. Committee members and interested residents are encouraged to submit ideas and suggestions for the restaurant to Rita Effler at [rl\\_effler@hotmail.com](mailto:rl_effler@hotmail.com). They will be presented at next month’s meeting.

Calvin noted that labor costs and the cost of goods sold are higher than the menu prices. We need to determine what folks want, what they are willing to pay. The amenity fee (rec fee) part of dues includes about \$4.25 average per month per unit subsidy for the restaurant.

Some staff are still on the payroll. A State program will help with the costs of staff as will the Federal Payroll Protection Plan. These costs will be partially reimbursed sometime in the future. Currently, there is no revenue to offset expenses. The extended liquor license has been procured to include the golf course. This is a great opportunity to have liquor available for golfers’ consumption on the course.

**Resident Comments:** Norma Tell – Performs with her band. She mentioned how much residents like that.

The meeting was adjourned at 4:30 PM

**Next meeting Tuesday, July 14, 2020 3:00 pm**