

# ***FOOD AND BEVERAGE COMMITTEE***

***SEPTEMBER 7, 2017***

**Members in Attendance:** Marty Neilson, Elaine Dover, Bernie Kowalski, Ricki O’Keeffe, Bill Carpenter

**Telephonic Attendance:** N/A

**Absent members:** Ben Davis

**Board Liaison:** Gay Zawatski

**Management:** Brian Shaw

**Guests:** Kieran Murphy, Josh Blackburn, Zack Carson, Andy Warren, Chris Cook, Bud Jenssen, Marcia Hagen

**Call to Order:** Chair, Marty Neilson, called the meeting to order at 9:02 a.m.

**Approval of Minutes:** Marty called for a motion to approve the Minutes of the May 4, 2017 meeting. Bernie moved to approve the Minutes, Bill seconded it and the motion was approved by all members.

**Introduction of Committee, Guests & Board Liaison:** All attendees introduced themselves.

**Financial Report:** Elaine gave the July 31, 2017 Financial Report.

1. Overall CWPV operated approximately \$22,000 behind last year’s actuals and approximately \$12,000 ahead of budget.
2. CW operated approximately \$28,000 ahead of last year’s actuals and approximately \$2,000 ahead of budget.
3. PV operated approximately \$50,000 behind last year’s actuals and approximately \$10,000 ahead of budget.

**Board Liaison Report:** Gay Zawatski, Board Liaison, updated the committee on the Board’s actions and/or approval of the following items: changes to BP10-01 and minor changes to reciprocal agreement with SLCC; replacement of restaurant equipment for CW & PV; purchase of sun shades, patio fire pits and pool furniture for CW; replacement of maintenance cart; Range Ball dispenser; pavers at tennis ramada and golf cart parking at PV is complete. A \$5,236 donation was made by the PVLGA to PV for new cabinets in the ladies locker room. Two (2) meetings were held in August for the Fitness Center project and four (4) conceptually designs were presented by the architect. Two (2) more open meetings will be held in October with voting at the end of that month. Also, there were twenty-five (25) homes sold in July, totaling two hundred fifteen (215) homes YTD sales creating HOA revenues of \$288,860.

**HOA Management Reports:** Brian Shaw commented that management was very happy with the financials so far this year and they are looking forward to the fall season.

## Club Management Reports:

1. **PALO VERDE:** Josh Blackburn reported the following **Short/Long Term Goals:** new steamer installed. A recent surprise inspection resulted in an "A" rating. There are now eighteen (18) serve safe federally certified staff, nine (9) each for CW and PV.

Recent/upcoming events are:

- Wine Dinner, 06/10/17, 173 attendees, \$495 net;
- Father's Day, 06/18/17, 230 attendees, \$1,842 net;
- Crab Fest, 07/16/17, 233 attendees, \$273 net;
- National Hot Dog Day, 07/19/17, 312 attendees, \$57 loss;
- Wine & Food Pairing, 09/16/17, @ \$23, 200 reservations to date;
- Patio Dinner Dance, 10/07/17, @ \$17, 60 reservations to date;
- Oktoberfest, 10/13/17, @ \$14, 150 reservations to date;
- Celebration of Golf, 11/07/17, @ \$17, sales open 09/26/17 and
- Thanksgiving, 11/23/17, @ \$36, 100 reservations to date.

Josh reported the following on **Venue Performance:** Revenue is up \$113,000 or thirteen (13%) percent over 2016 YTD. A new menu is in place as of August 1, 2017 reflecting beer and wine prices increases.

Josh reported the following on **Staff Changes/Training:** Staff count is at forty-two (42). Staff training scheduled for 09/29/17. A hiring event is scheduled for 09/13/17 with emphasis on creating a part-time catering crew capable of working at either venue as needed. Marshall, Kieran, Andy and Chef Zach will attend a management food expo in October. Kieran has implemented a training presentation for a new staff person to familiarize them with the HOA, rules, check lists, etc.

2. **COTTONWOOD:** Kieran Murphy reported the following **Short/Long Term Goals:** Andy Warren has been promoted to Banquet Coordinator and Donna Smahel has been hired as the Assistant Manager at CW.

Recent/upcoming events are:

- Mixed, 06/15/17, 100 attendees, \$870 net;
- Father's Day, 06/18/17, 300 attendees, breakeven;
- Fourth of July, 07/04/17, 242 attendees, \$3,295 net;
- Thaddeus Rose Dinner/Dance, 08/18/17, 104 attendees, \$149 loss;
- Martini Night, 08/26/17, 91 attendees, breakeven;
- Kenny Hess, 09/13/17, \$15, 75 tickets sold;
- Battle of the Chefs, 09/20/17, @ \$29, 70 tickets sold and
- Pig Roast, 10/21/17, @ \$35, 75 tickets sold.

Kieran reported the following on **Venue Performance:** Revenue is up \$15,474 or two (2%) percent over 2016 YTD. Two (2) recent surprise inspections resulted in a 100% rating. A new menu is in place as of August 1, 2017 reflecting beer and wine prices increases.

Kieran reported the following on **Staff Changes/Training**: Staff count is now at forty-eight (48). A hiring event is scheduled for 09/13/17 with emphasis on creating a part-time catering crew capable of working at either venue as needed. Josh and Marshall attended the west coast food expo for continuing education. There are now eighteen (18) serve safe federally certified staff, nine (9) each for CW and PV. Kieran is building pool service this season.

### **Committee Member Comments:**

1. Bill commented that the increase in revenue during the summer months is great.
2. Bernie thanked Kieran and Josh for the explanation of the beer & wine price increases. He said the Fourth of July was the best one to date. As an Ambassador he usually takes his “newbies” to Sunday Brunch at PV and it is always a success. He also said he had been questioned regarding the lack of good pool service on Friday nights at CW, possibly due to noise from the band and not being able to hear the telephone. Neither Kieran nor Josh was aware of any problems. He questioned both managers regarding the proper placement of returned credit cards in the check folders, to avoid confusion between the patron and staff when paying a bill.
3. Ricki reported that comment car ratings were overall very good with few “poor” ratings. She also complimented both Chef Zach and his staff for all the good ratings for Sunday breakfast. CW continues to “out” comment PV.
4. Elaine complemented both managers on the camaraderie between the management and staff of both venues which has resulted in great summer events, good food and excellent entertainment during the off season.
5. Marty mentioned that there has been some negative feedback received by the committee members regarding the recent beer & wine price increases. He acknowledged that wholesale cost changes, impacts to profitability, competitor pricing, costs of labor through minimum wage increases are all factors to the increase, but that there was little rationale provided to homeowners. Kieran and Josh provided powerful rationale citing twenty-five (25) and, in some cases, thirty (30) percent or more price hikes by beer distributors. In addition, it was noted that our beer prices had NOT been raised in four (4) years and that wine prices had NOT been raised in seven plus (7+) years. He suggested that in the future significant increases or decreases could be discussed with this Committee in an effort to provide communication support to the homeowners and, possibly, publish intended changes and the rationale through this Committee’s Minutes. He asked for a motion regarding such recommendation. Ricki moved to approve the Motion, Bernie seconded it and the Motion was approved by all members. Marty also added his congratulations for a highly successful summer, both financially and in terms of quality of service.  
Lastly, he discussed the four (4) open committee seats due to the loss of Mike Kraemer, Ben Davis moving away from Sun Lakes and Elaine Dover and Ricki O’Keeffe reaching term limits. He indicated that an exception request was being directed to the Board Liaison, Gay Zawatski, requesting an additional term for Ricki O’Keeffe based upon her cross over value with the Communication Committee and her exemplary Minutes reporting.

**Guest Comments:**

1. Bud Jenssen commented on the fact that the first “Horse Race” of the season was a “sellout”.

**Recommendations to the Board:** There are no recommendations as this time,

**Recommendations to Management:** This Committee recommends to Management that the Club Managers should consult with the Food and Beverage Committee in the future before significant changes occur in product pricing. This is not an approval step but rather allows this Committee to help communicate those changes to the homeowners via meeting minutes, special articles and word of mouth as necessary.

**Next Meeting:** The next meeting is scheduled for Thursday, **OCTOBER 5, 2017** at 9:00 a.m. in **THE SAGUARO ROOM**. If you are unable to attend, please e-mail Chair, Marty Neilson, at [mneil62002@mac.com](mailto:mneil62002@mac.com).

**Adjournment:** The formal meeting was adjourned at 9:56 a.m.

Submitted by:

*Marty Neilson*

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Marty Neilson, Chair

*Ricki O’Keeffe*

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Ricki O’Keeffe, Secretary