

COPY

Township of Manitowadge Administration Report

Date: September 11, 2012 **No.** TR2012-07

Submitted to: Mayor & Council

Issue: Community Clubhouse

Background: In 2011 the Clubhouse operations were ran under the entity of "The Loft". In 2012 the operations were changed to be more of a fast food type of operations. Further to that, a new Manager was in place for the 2012 fiscal year. That Manager has now left and I am acting Manager for that operation.

Discussion: Establishing a budget for the 2012 year was difficult for this operation due the large shift in how the operations ran. To add to that difficulty, we had a new Manager.

I have been monitoring the YTD for these operations since I took on the role of Acting Manager and need to make some recommendations to Council regarding the operations of this facility for the balance of the season. There are long periods of time when there are little to no customers.

Attached you will find a spreadsheet showing the YTD for 2012 along with the budget. As you can see, we are currently over budget \$803.00 and we are continuing to accrue expenses (salaries, food, hydro, propane etc). I have added a column showing projected future revenues & expenses to keep the operations open to the end of September. The clubhouse is usually open until mid-October. A point to note is that I have calculated estimates for hydro, propane etc to the end of the year. As you can see, I am projecting a net loss of the clubhouse operations of \$37,595. This is a difference of \$9,197. or approx 33% over budget.

Staff has been advised that there are to be no more purchasing of supplies as the end of season is near. This does not include basic supplies such as bread, eggs etc. We will not purchase any large food orders or additional liquor for this season

Financial Implications:

The financial implications are an estimated budget overrun in excess of \$9,000 with closure at the end of September. That figure will increase if operations were to continue to mid-October.

Should Council wish to continue to offer a fully stocked clubhouse (food & liquor) until the end of the season, the budget overrun will increase.

Recommendation:

I have some recommendations for Council to consider:

1. Close clubhouse for the season effective September 29
2. Modify hours of operation immediately from 10:00 am – 8:00 pm to 3:00 – 8:00 pm for balance of season.
3. Continue to operate until mid-October
4. Other, as directed by Council

The hours can be modified should anyone notify us they wish to host a tournament.

Respectfully submitted by:



Margaret Hartling
Treasurer/Deputy-Clerk

REVENUE FUND (OPERATING) BUDGET									
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			2011	2012	2012	2012	2012	Projected	2012
			Actual	Budget	Budget	Actual @ Sept 10	Actual	Future	Projected
								Expenses	Actual
								to Sept 29	
7610 COMMUNITY CLUBHOUSE REVENUES									
1 3	7610 51412	COMCLUB - Cart Rentals	7,973.58	6,000.00	-	-	-	-	-
1 3	7610 51413	COMCLUB - Locker Rentals	-	150.00	-	-	-	-	-
1 3	7610 51414	COMCLUB - Liquor Sales	11,442.89	15,200.00	15,200.00	13,583.60	-	-	13,583.60
1 3	7610 51416	COMCLUB - Food Sales	70,205.63	10,000.00	14,500.00	12,579.50	-	2,000.00	14,579.50
1 3	7610 51790	COMCLUB - Other Revenue	217.50	1,500.00	1,000.00	(69.16)	-	-	69.16
REVENUE TOTALS			89,839.60	32,650.00	30,700.00	26,093.94	2,000.00	2,000.00	28,093.94
7610 COMMUNITY CLUBHOUSE EXPENSES									
1 4	7610 61101	CLUBHOUSE - Salaries	68,509.72	40,870.00	25,475.00	23,458.71	-	5,291.44	28,750.15
1 4	7610 61102	CLUBHOUSE - Benefits	9,841.60	6,290.00	2,970.00	2,494.51	-	606.36	3,100.87
1 4	7610 61206	CLUBHOUSE - Food	-	-	8,750.00	12,266.09	-	1,000.00	13,266.09
1 4	7610 61210	CLUBHOUSE - Other Materials &	48,248.57	12,500.00	1,500.00	1,345.00	-	-	1,345.00
1 4	7610 61220	CLUBHOUSE - Hydro	2,701.63	3,500.00	6,800.00	2,924.36	-	2,600.00	5,524.36
1 4	7610 61225	CLUBHOUSE - Propane	2,648.30	-	2,100.00	1,806.26	-	650.00	2,456.26
1 4	7610 61245	CLUBHOUSE - Building Maint & S	4,695.18	-	1,500.00	2,600.03	-	-	2,600.03
1 4	7610 61530	CLUBHOUSE - Licenses/Fees	1,675.39	1,250.00	1,500.00	-	-	-	-
1 4	7610 61531	CLUBHOUSE - Liquor	6,237.77	8,000.00	7,200.00	7,546.15	-	1,000.00	8,546.15
1 4	7610 61265	CLUBHOUSE - Equip Maint & Re	-	1,500.00	500.00	50.83	-	50.00	100.83
		616	-	-	-	-	-	-	-
EXPENSE TOTALS			144,558.16	73,910.00	58,295.00	54,491.94	11,197.80	11,197.80	65,689.74
NET COST COMMUNITY CLUBHOUSE OPERATIONS									
			54,718.56	41,260.00	27,595.00	28,398.00	9,197.80	9,197.80	37,595.80