

CONTINENTAL COUNTRY CLUB R.O., INC.
Restaurant / Marketing Committee Meeting Minutes

July 19, 2017 - 10:00 a.m. - Admin Bldg. C.R.

Attendance: Stan Campbell, Tim Robertson (via phone), Randy Stegemerten, Tammy Todd (Restaurant Manager), Paul Grynewski (General Manager), Toni Mock (Marketing). Also attending were three residents.

Tammy reported some new cost changes that she just learned about. Beer cost are going up \$5 from \$106 to \$111 for a half barrel of beer. Price increase on bottled beer are expected to go up by 3.4% but no firm pricing has been obtained from the distributor for bottled beer at this time.

Paul Grynewski reviewed the financial statements for the restaurant.

Food Cost are 40.2%, Beer Cost is 42.2% which are both higher than the desired goal. Other cost were mentioned that are available on the monthly report that is compiled by Paul and available for review. Paul indicated that ways to improve cost of sales include raising prices, make smaller portions and using lesser quality ingredients.

Labor cost were \$158,800 with tips (\$46,862) that are declared. Tips are included as part of the labor cost because tips have to be reported for tax purposes.

\$165,809 in expenses last year for items not including the food, drinks and labor which is felt to be a pretty high figure for a small restaurant operation. Advertising at \$12,600 and entertainment at \$17,355 were reported as our biggest expenses outside of the food, drinks and labor cost.

Advertising cost include newspaper and radio spot ads. Tammy feels that the advertising has helped based on information she receives from customers.

The use of coupons were discussed.

Action: More review of the coupon strategy needs to be done to determine the viability and best approach.

The dates for when the restaurant / marketing committee meetings should be held was reviewed to best satisfy all committee participants and what would work best for having all of the appropriate financial reports available.

Action: It was determined that the last Wednesday of the month in October at 1:00 p.m. will be the best day and time to have the next quarterly meeting. This would be 10/25/17. Randy Stegemerten to include this in the meeting notices for October 2017.

Tammy discussed the upcoming events that are planned for the restaurant and lounge for the next quarter which include July, August & September.

August on the third or fourth week there is a Sandwich Competition with the staff. The staff will create the new sandwiches and determine pricing. A \$5.00 fee will be charged to patrons which will get them a part of each new sandwich and then the patron will vote on which sandwich should be the new sandwich to be added to the menu.

The exact date is still yet to be determined.

Tammy reported that she does not have anything planned for September, but that if there are any volunteers that would like to create, plan and help decorate for any events that they would be welcome to pursue this.

Tim Robertson commented about having a Karaoke Contest for September.

Action: Tammy informed Tim to determine a date, time a format for this event and coordinate with her.

The golf course will be closed for three days in August on Sunday 8/20, Monday 8/21 and Tuesday 8/22. Tammy reported that days that the golf course is closed the restaurant and lounge do not do enough business to justify being open.

Karaoke times on Tuesdays was discussed. The current hours of 2 to 6 p.m. are felt to not be long enough. Going from 3 to 7 p.m. was felt to possibly be better to improve business.

Action: Tammy will discuss the cost with Kimo if extending karaoke to 7 is feasible and what cost would be incurred.

A format for the meeting was proposed and agreed upon by all participants. The format will be as follows and this will be a basis for future agendas.

1. Review quarterly restaurant financial in comparison with established goals and previous quarters.
2. Review the success and failures and any events held in the previous quarter.
3. Review actions from previous quarterly meeting.
4. Discuss plans for the next quarter.
5. Questions and concerns from residents.

It was recommended that Joanie Stegemerten, Ginger Robertson and possibly Sherry Cataldo could lead event planning as part of the Restaurant / Marketing Committee. This event planning team would strive to plan events, coordinate volunteers, decorate as appropriate and assist Tammy in helping event to be successful.

Stan Campbell commented that ceasing the beer bucket chips for beers that are not consumed the same day the bucket is purchased has resulted in many complaints by various residents.

It was discussed that the chip practice for beer buckets was not an officially approved strategy and that it was a started practice by lounge staff as a result of patrons requesting chips for unconsumed bucket beers that were remaining when individuals were ready to leave. It was agreed that the bucket discount should continue to be offered, but that providing chips should in fact not be continued. In light of the fact that beer cost are one of our highest consumable costs and that providing a mechanism for a 20% discount in conflict with what the original intent was for beer buckets is not justified.

Happy hour specials and beer bucket discounts will continue to be offered, but the discounts can't be deferred.

Tammy reviewed a spreadsheet that she prepared for beer and wine cost versus sale price. The cost percentage goal is 35%.

Draft beer costs are at 40% at happy hour prices which is higher than the goal of 35%. Tammy will continue to monitor the beer and wine margins and the committee will be advised in future meetings.

Tammy also reviewed the various food items. Fried mushrooms are currently at 55% which is absolutely too high. Various platters exceed the 35% goal so price increases will need to be instituted for items that do not meet the goal.

Action: Tammy will review the cost percentage by September 1st for all food and drink items and determine what the appropriate increases need to be and if needed the committee can help assess what needs to be instituted.

The option of eliminating draft beer was discussed and with the vacated draft taps and equipment there could be additional cooler space made available to then offer beer in cans which can be obtained at a lower cost than bottled beer.

Action: Tammy will determine what the percentage of our beer sales are for draft beer and what cost would be for can beer. Tammy can also try to determine if we eliminated draft beer if we would then purchase more packaged beer (bottles & cans) which could result in Continental getting a better cost break on the packaged beer.

A question was presented as to why food items that are available are not listed on the menu. Tammy commented that patrons can request items that are not on the menu and efforts are usually made to accommodate the request.

It was suggested that if we don't want to expand the menu size or reduce the font size to list more items that perhaps a note could be added to the menu to inform patrons to ask their server or bartender for an item they desire.

Action: Tammy to check into adding a note on the menu.

Seven action items were documented as a result of this committee meeting.

There was no further business to discuss at this time.

The meeting was adjourned at 11:08 a.m.

Randy Stegemerten
Committee Secretary