
RESOLUTION PROPOSAL

DATE: July 23, 2009
SUBJECT: Eagles Nest Deficit
SPONSOR: Leighton Cumming, President

BACKGROUND INFORMATION:

The 2009 Budget includes a \$20,000 subsidy for the Eagles Nest. The actual subsidy requirement after five (5) months' operation is over \$30,000. If the current method of operating the restaurant continues, the end of year subsidy could exceed \$70,000. Operating changes need to be made immediately to reduce the projected year end deficit and a long range plan implemented for future operations

STAFF RECOMMENDATION: Concur

PROPOSED FINANCIAL IMPACT:

End subsidy and prevent a \$70,000 projected year end deficit.

PROPOSED SOURCE OF FUNDING: NA

STRATEGIC PLAN REFERENCE:

4.1 Prudently manage the Association's finances and reserves

POSSIBLE MOTION:

Move that the Board of Directors authorize the General Manager to downsize the Eagles Nest operation within the next 30 days as a short term solution to reduce the projected year end deficit and develop a proposal or proposals for a long range plan to provide snack bar services, primarily for gold course users, for Board consideration to be effective no later than January 2010.

PERSON RESPONSIBLE FOR FOLLOW-UP: General Manager