

Terri Mercier

From: noreply@citypa.com on behalf of Niall Kerr <niallkerr@gmail.com>
Sent: Friday, January 10, 2025 1:27 PM
To: City Clerk
Subject: Budget Considerations: PAGCC Request for Funding

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Please see the attached document containing information with regards to the funding request by the Prince Albert Golf & Curling Club. Thank you for your consideration.

Origin: <https://www.citypa.ca/en/city-hall/speaking-to-council.aspx>

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JAN 10 2025
CITY CLERK
City Council

**Recommended
Disposition:**
Receive as
Information
and file .

Niall Kerr
1412 6th Street East
Prince Albert, Saskatchewan

RE: Funding Request of the Prince Albert Golf & Curling Club

2025-01-09

To whom it may concern,

The Board Members of the Prince Albert Golf & Curling Club have asked for financial help of \$117,000 to aid in the continued operation of their organization. As a taxpayer in this city, I would like the Prince Albert City Council to consider the following information before making a final decision on that request.

I worked as the General Manager for the Prince Albert Golf & Curling Club from August 2020 to August 2021. I was hired because of my restaurant experience to run the day to day operations of the restaurant, increase revenue in the restaurant and to decrease the operating costs.

During my time as the General Manager of the PAGCC:

- I made changes to the menu and the quality of food in the Rock & Iron Sports Bar and increased business in the restaurant as I have been a chef in Prince Albert for some time and customers tend to follow me to where I work. The business in the restaurant increased which was during the pandemic restrictions and with only half capacity. During my time there, they had one of their busiest Valentine's Day nights, New Year's Eve nights and St. Patrick's nights on record and Friday nights were generally very busy. Instead of praise for increasing business, the quality of food and revamping the menu, I was admonished by several Board and club members that the restaurant was too busy and they were upset that on a number of occasions, there was no place for the club members to sit when they were finished golfing. Who gets upset that their restaurant is busy??!!
- WAGE COSTS: One of the reasons for the PAGCC's request for funding was cited as the increase in the minimum wage. When I was GM the staff wages at the PAGCC were higher than average and servers were hired at \$2 - \$3 an hour above minimum wage with the reasoning that they had to stay competitive to keep staff. There were Covid subsidies in place at the time but those were scheduled to end and the Board was advised back then that those increased wages would cut into profits in the future.
- FOOD COSTS: I noted a number of issues with the food cost – the food waste in the kitchen was not being accounted for, they were using a higher cost food supplier, staff meals were not being accounted for, inventory was not being properly counted, the inventory levels were too high, some sales were not being accounted for correctly, etc. Over my time managing the kitchen, the food cost went from 52% (which is outrageously high) to 36% (very close to the industry standard of 32-35%). When I presented this accomplishment at a Board meeting, the President at the time, stated that he wanted their food cost to be closer to 40-45% and the other members in the room were nodding their heads in agreement. Who would want their food cost to be higher??!!

- SOME REASONS FOR THEIR LOSSES:
 - o Breakfast was not profitable in the restaurant but the Executive Board Members insisted on the restaurant being open for breakfast despite being provided information that on average, they were losing more than \$225/day every day that they were open for breakfast. My warnings about the losses incurred for operating during breakfast hours were met with the threat of me losing my job if the restaurant was not open for breakfast. Who chooses to lose money when you don't have to??!!
 - o EXCLUSIVE CONTRACT WITH GREAT WESTERN BREWERY: This contract was signed before my time but I found that there was a loss of some vital business and possible sponsorships because the restaurant only served Great Western products. I was told by several customers, members and tournament guests that they did not frequent the restaurant or patio after golfing or for happy hours because the only tap beer available was Great Western products. I advised the Board about the issues that come with exclusive contracts and that we should branch out but they ignored my concerns.
 - o I looked for opportunities to save money and one of those was switching to a lower cost food supplier. In the restaurant business, if you want to make profit, you have to order across a number of food suppliers in order to keep your costs lower. Despite showing a \$500/month cost saving, I was told to order from the higher cost food supplier because it was easier. Who doesn't want to save \$500 a month??!!
- INCREASED PROFITS: I increased business in the restaurant during lunch and supper hours, despite the pandemic restrictions and the losses incurred by being open for breakfast. Compared to a year when there were no restrictions in place, the food sales were only 35% less and that was with only half the seating capacity, beer sales increased by 15%, wine sales increased by 49%, cooler sales were up 83% and sales from Golf Cart increased by 32%. Even with those increases and major losses in revenues related to the pandemic (loss of banquet functions, loss of curling revenue, loss of advertising, etc.,) the Board tried to blame 'the restaurant' for their losses in revenue.

The Board has the right to make decisions about how the restaurant and facilities are run but they should not have been involved in the day to day operations because of their inexperience and lack of knowledge. The majority of their decisions would put up obstacles to making more money (restrictions on the type of alcohol and glassware allowed on the patio, lower cost menu items so members would pay less for food, etc.) and made a number of business decisions affecting the restaurant that defied common sense and resulted in a loss of profits (contract exclusivity with Great Western, being open for breakfast, using higher cost food suppliers, etc.). I have worked in the restaurant business for many years and have helped several local businesses change their menus and increase their business. I took those same steps to help the Prince Albert Golf and Curling Club and managed to decrease operating costs and increase their business, even during the pandemic related restrictions, but struggled everyday with several members of the Board that have no restaurant experience who made decisions or outright vetoed ideas that would increase business even more.

The Prince Albert Golf and Curling Club is already subsidized by the taxpayers of the City of Prince Albert and they have asked for extra funding in the past for the same reasons and now they are asking for more money from taxpayers to continue to operate. When I worked with this

organization, I witnessed mismanagement, incompetence, inexperience and apathy from both the executive board members and some regular club members on a daily basis. The Cooke Municipal Golf Course is a world class golf course and the restaurant that is associated with it has the potential to be at that same level but that will NEVER be attained with the current Board and management systems in place. I would strongly reconsider giving money to an organization that has already shown that they cannot properly manage the money and responsibilities that they currently have. As a taxpaying citizen of this city, my vote would be that further taxpayer funding is NOT provided to this organization.

I am only able to provide you with this information because I chose not to sign the Non-Disclosure Agreement that the Board members of the Prince Albert Golf & Curling Club tried to make me sign when I was fired without reason or cause. They were going to pay me an entire month's salary but only if I agreed to sign that document - yet another example of the misuse of this organization's money. I have always found that it is easy to be generous and thoughtless with someone else's money. From my experience with the PAGCC, my opinion is that any money given to this organization that would be put towards the Board of the PAGCC to continue to run the banquet and food facilities would be wasted. As a taxpayer, I do not want my tax dollars to be wasted and I think that other taxpaying citizens in this city would also agree.

If you would like and further information or clarification regarding my time with the PAGCC, please let me know.

Respectfully,

Niall Kerr