June 18, 2008

Board of Supervisors
Herons Glen Recreation District
2250 Avenida Del Vera
Suite 100
North Ft. Myers, FL 33917

Mr. Lynn Nelson, Mrs. Dorothy Klewicki, Mr. Conrad Weyer, Mr. Douglas Schuler, Ms. Jayne Schwarz

Good Afternoon;

The following review of the restaurant operations is provided per our Memorandum of Understanding commencing on May 21,2008.
The pages that follow are my observations and interpretations of the front and back of the house operations. Additional input was gathered from:
Melinda Maltezos, F & B Manager
Howard Lindsey, Chef
Terri McCabe, Controller
Don Kopko, Club Maintenance

It should be noted that additional comments are also given as to how I see other areas and individuals interacting with the F & B operation. A review of policies and procedures, where available, were also reviewed. I have assumed for arguments sake, that the policies or procedures (or lack thereof) quoted are somewhat accurate. The short timeframe of this agreement did not allow for in depth research in this area.
The guidelines which I utilized for this report are those commonly accepted by the Club Managers Association of America (CMAA), The Professional Golfers Association of America (PGA), along with widely respected industry opinions of periodicals such as Club Management, The Board Room, and Private Club Advisor. These groups and associations are representative of the variety of management philosophies available in today's clubs. I have also relied heavily upon, from what I feel is one of our most important learning tools, that being common sense.
Up front, we will agree on some aspects of this report and will agree to disagree on others. In the end, you the Board must set the goals for this area of the club based upon what you feel the majority of members want and are willing to pay for. Then if needed,

proceed to hire the proper management team to carry them forward. After your review, I will be happy to meet with you to further discuss or amplify the results contained within this report or to address an area not covered but which is of importance to you.
I would like to thank each of you for the opportunity to assist you in your desire to make Herons Glen an exceptional but fun filled lifestyle.

Sincerely,

Richard Vetter

Let's begin .....

Can we talk?

Before we get to the restaurant operations, I would first like to address the hardest topic for me, but one the more important, in this report. From a comfort level, this discussion for me would rank right up there with a parent/child discussion regarding the birds and the bees. Please do not take anything personal in this section, but consider it a learning opportunity. This topic relates to governance in all areas of the clubs operation. Let's just call this topic ..... The Board and Club Operations.

So what is the proper action of the Board as it relates to Club operations? I shall try to simplify my thoughts on this topic down to a couple of pages. Once the new General Manager (GM) is on board, he should assist the Board and Committees in fully understanding the basic principles of being a good Board Member or Committee person. I have been fortunate over the years in managing Clubs where the Board worried only about policy and oversight of positions. They let me run the operations without interference in the day to day operations and trusted me to balance a sensible budget and deliver on it, while still providing excellent, consistent services to our customers, the members. We didn't care about club politics and emotions as much as facts and logic. Unfortunately, currently the Board has been put into the position of running the Club, micromanaging if you will. Micromanagement occurs when the Board has not taken the time to agree on a long term philosophy and direction for the Club. Since there is not a foundation in place, which provides a framework for solving problems at the club, the "attitude of the day" seems to prevail.

The results are not only disruptive for the board, but also the management team which is attempting to respond to a variety of shifting and changing viewpoints.

The first curative step in eliminating micromanagement is to define where the responsibility lies for the various decisions and activities of the club. The board and GM should also determine if there are meaningful "performance descriptions" in place for every employee. (This is defined in the personnel section.) And finally, the club board should insure that a "strategic plan" is in place or the process for such a plan is underway. When these three steps are accomplished, the GM and the club board will feel confident of their roles in providing the best management and governance possible for their club. The GM is the paid employee responsible for dealing with those challenging issues raised by a testy, difficult and perhaps unreasonable member or membership. The board's responsibility in helping the GM is to provide policies and procedures for him to follow through the club's by-laws, rules and approved financial budgets. The goal in the above problem member is to attack the problem and turn it into a success story.

Communication will be the key factor in member acceptance.

So since there is no financial compensation, why do members agree to become board members? Social psychologists have filled small libraries with books and articles on the subject of leadership motivation. My simplistic approach shows basically three types of board members sitting around the table.

First are those that feel it is their duty, if asked, as it would be their duty to serve on a variety of civic or church boards, committees, etc. Duty called, and they responded, at least showing up for some meetings. Sometimes their willingness to serve is driven by a commercial need to be shown as a player in the community.

The second type are those inevitably negative souls with a bone to pick, those who would seldom be content for long with almost anything good that happens at the club. They often see themselves as representing the oppressed minority within the membership and are usually vocal about their unhappiness. They are generally counterproductive directors.

And the third, my favorite, are those with a genuine love for their club coupled with a sincere desire to help as best they can to make it better. These good folks have no hidden agenda.

The above thoughts are provided as guidance now and when seeking new members for the board or committees.

In recap of the above, a good board member is one that hires a qualified OM and lets that individual operate the club as chief operating officer while the board concentrates on policy and oversight. See exhibit C for additional clarification.

For those that may want a more formal explanation of the above policy versus my opinionated one, please review Exhibit A, attached, from Club Management magazine, the official publication of the CMAA

It should also be noted that club committees serve as an advisory or promotional body only. They should not be in a position to dictate to department heads variances from established budgetary restraints or employee performance goals.

I would also encourage board chairs, in the absence of a OM. To take the approach Mr. Douglas Schuler is proposing in Exhibit B, attached. The committee chair has proposed spelling out the performance goals and descriptions to the F & B Manager. This topic is covered more in the personnel area. Then once the OM does arrive he may fine tune it to fit his established goals as well. The F & B area currently operates on a variety of excuses and this policy will help eliminate that response. The board would set the new OM's performance goals.

I have begun this report with the Board question first for a reason. From the outside, I question why there has been a high turnover rate in the OM and F & B positions. Each time there is turnover, the club looses financially, sacrifices consistency of product and quality of services, limits communication with the membership and puts the board back in the unenviable position of running the clubs operations. Ideally, your next OM should be on hand a minimum of 5 years and F & B personnel stay until retirement or leave on their own for greener pastures. This can become reality if the Board is prepared to let the managers manage and become accountable for their actions. They will earn the trust of the Board and Members.

EXHIBEXHIBIT A

A Model for Club Governance

By *Fredric Laughlin*

At clubs, leadership is a team effort. The members, the president, the board and the club manager all have leadership roles to play in decision making. Not defining those roles clearly, however, can lead to a decision process that is haphazard and changes with each annual election of officers.

Uncertainty in the leadership roles at clubs is often traced to the inefficient transfer of authority and accountability within the organization, i.e., poor governance. Clubs frequently delegate authority from the members through a maze of committees, the board, the president and the club manager before that authority reaches the people who are actually providing the services, Le., the staff. The return route of accountability from the staff back through the governing body to the members can be equally serpentine. The inefficiency caused by the circuitous flow of authority and accountability can be eliminated by implementing an effective model of governance like the Club Governance Model (Model).

The Model is based on best practices in nonprofit governance. The benefits stem primarily from the clarity it brings to the roles of the key participants in the governance process. These roles are distinguished as follows:

Club Members: Are in a position of authority only when they are acting as owners, i.e., when they are electing the board or changing the bylaws. All other times members are customers and therefore have a position of influence, not of authority. Members on committees are volunteers in the role of serving the club.

Board Members: Are in a position of authority only during official board meetings. All other times they are simply members as previously explained.

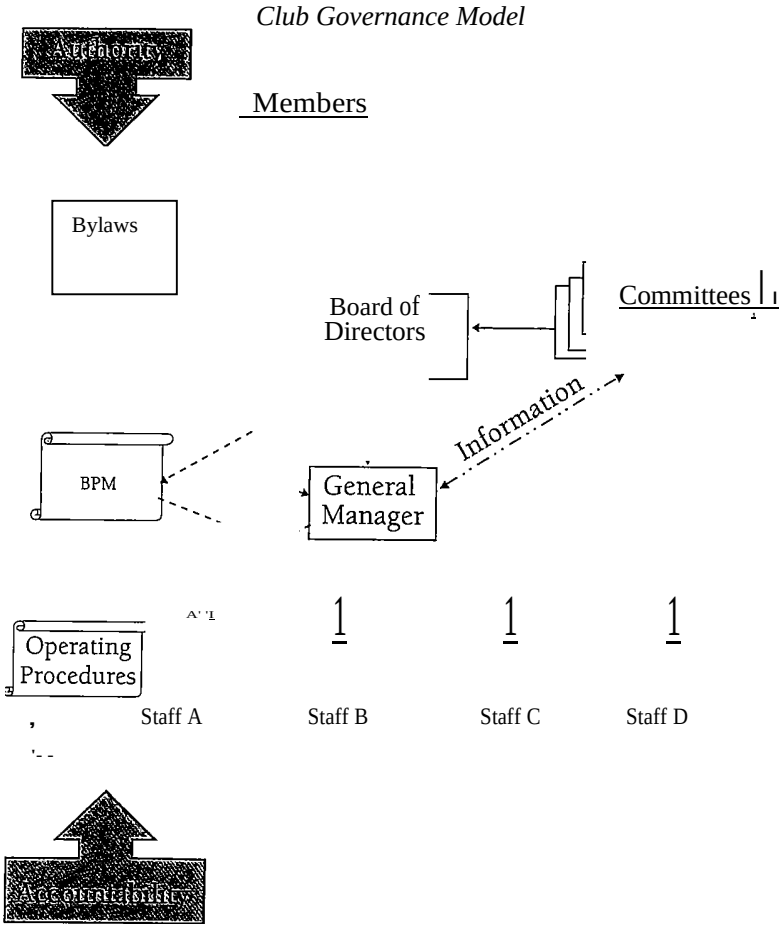
President: Is the board chair and not the CEO. He/she manages the board, speaks for the board when so authorized and works with the general manager to interpret board policies.

Board: Acts as a unit and not as individuals (speaks with one voice), develops and communicates policies to the general manager in writing, monitors performance of the general manager and preserves the integrity of governance processes.

Committees: Have an advisory role. They speak to the board, not for the board, and communicate as customers (not owners) to the general manager and staff.

General Manager: Acts as the principal agent of the board to carry out the purpose of the club using authority delegated from the board. Delegates authority to the staff and reports on achievement of goals mutually agreed upon with the board.

Club Governance Model



As shown in the schematic, the Model specifies that member policy is communicated in the bylaws from the members (as owners) to the board, which in turn communicates its policies to the general manager in the Board Policies Manual (BPM). The general manager then formulates his/her policies that are communicated to the staff in what are often referred to as Operating Procedures.

In all cases the policies formulated at a lower authority level need to comply with policies at a higher level. The schematic illustrates the flow of authority from the members to the staff and of accountability from the staff to the members.

Honoring the principles of the Model will:

Keep the board focused mainly on strategic issues and leave the operational issues and decisions to the general manager.

Reduce discontinuity that can occur with election of new board members and officers.

Ensure that authority follows responsibility and that accountability is accurately and fairly tracked.

In summary, the Model brings together the best practices in nonprofit governance to benefit clubs of various sizes and types. It provides "structure with flexibility" and, as future articles will report, it works.

HERONS GLEN RECREATION DISTRICT

F&B MANAGER PERFORMANCE GOALS AND OBJECTIVES

Presented at 90 day review

- Financial

Operating Results:

- At the end of each week, provide the GM arid Supervisors ~ snap shot report showing income for restaurant and lounge and projected net income or loss for the week considering only labor and cost of food.
- Provide the GM and Supervisors operating results and year end net income/loss on a monthly basis.
- Identify budget variances root causes, implement action as required to reduce unfavorable budget variances.
- Utilize Chef Tec to track inventories and costs, use to develop menu pricing. Report on effectiveness and time needed to implement

Budgeting:

- Provide Supervisors monthly operating expectations for next fiscal year within parameters established by the Board.
- Initial budget proposal is due June 15th, 2008. Key assumptions: pay increases up to the percentage set by the Board. Overall loss to be within limits set at the budget. Menu price increases are to be within CPI, cost of food sold maintained at 40% and cost of beverages at 28%

- Food

Qualitv

- Track quality of food served via customer comment cards, in restaurant customer feedback, consultation with the Restaurant Committee and consultation with Board and GM.

Consistency

- Track consistency of quality of food served via customer comment cards, in restaurant customer feedback, consultation with the Restaurant Committee and consultation with Board and GM.

Improvement

- Develop plans for improvement of food quality and consistency by finding root causes for unacceptable performance. Present improvement plans to GM and Board with specific actions, assignment of responsibilities and timelines.
- Track effectiveness of improvement plans via decrease in complaints in comments cards and the monthly Restaurant Committee Meeting .

• Service

Position Descriptions

- Develop and obtain GM and Board approval for position descriptions for all F&B staff personnel and discuss their positions with them no later than September 30th, 2008

Training

- Develop a training manual and implement a training program for all F&B staff covering safety, service, food handling, time keeping, POS skills and service expectations.

Scheduling

- Effective scheduling of staff to minimize or eliminate over-time while maintaining high levels of customer satisfaction as measured by customer feed back.
- Utilize Gate Keeper to track attendance and develop schedules for staff. Report on effectiveness and time required to utilize.

Improvement

- Develop plans for improvement of service quality and consistency by finding root causes for unacceptable performance. Present improvement plans to GM and Board with specific actions, assignment of responsibilities and timelines.
- Track effectiveness of improvement plans via decrease in complaints in comments cards and the monthly Restaurant Committee Meeting.

EXHIBIT C

ACTIVITY/DECISION	BOARD	GENERAL MANAGER
Budget	Approves	Recommends and provides Input
Capital purchases .	Approves	Prepares requests
Personnel policies	Adopts	Recommends and Administers
Staff evaluations	Evaluates only GM	Evaluates all others
Day-to-day operations	No role	Makes all management decisions

Restaurant Operations

One of the most persistent and perplexing problems facing Boards of Clubs such as Herons Glen is "Why do we lose money in the food and beverage operation?" The prices at the club are comparable to the prices of the chain restaurants. How can the public chain restaurant make millionaires out of their owners while the Club has to subsidize the F & B operation out of dues. When board members attempt to address this issue, the finger pointing usually begins.

It must be the F & B Manager
Someone is stealing and steaks are going out the back door
The staff is giving away drinks in trade for higher tips
Or, the staff is eating up the profits

Though these explanations are all possible, it strains credibility to think all Clubs fall victim to some or all of these problems. If that were the case, it would be an easy matter to hire the staff from a profitable public restaurant and simply implement the same controls.

McGladrey and Pullens annual survey currently shows that the average country club in Florida spends $1.40 for every $1.00 in revenue generated in F & B. Herons Glen should look at this as a glass half full statistic as its loss is only $1.17 for every F & B dollar generated.

But, we still ask "How can this be?" The club competes in the same labor market and buys from the same vendors. The clubs input costs should be the same, so why does the club lose money charging the same price charged by public restaurants?

The problem for clubs begins when the clubhouse is built. The architect and members focus on building an impressive clubhouse including a ballroom, regular dining room and a grillroom operation and a kitchen sized to match. After all, this elaborate clubhouse will help obtain members through home sales and memberships. This club operation is designed to operate efficiently at 150 to 200 or more meals per hour. Unfortunately, the number of times per year that there is demand for this volume is very small. On special days like Valentine's Day, Mother's Day or Easter, the kitchen will be operating at capacity. However, on a typical day, the clubs facility is operating at significantly less than capacity, and therefore, by definition, inefficiently, which reduces productivity of the staff and therefore raises the clubs cost.

It is this low productivity which is at the heart of the club's problem and makes it impossible for the club to cover costs when charging the same price at the public alternative. For example, during a normal four hour shift, a Chili's server may serve 20 covers per hour and be paid a base wage of$3.00 per hour. Chili's wait cost per cover is equal to $3.00/20 or fifteen cents. In contrast, the clubs server may only average six covers per hour. Since the activity levels at the club are low and the members all arrive at once, the tip shares are low and the club has to pay a higher base wage to attract servers. If the club pays $4.00 per hour base, the server cost per meal is $4.00/6 or

sixty six cents per cover. The club is at a fifty one cent disadvantage for every cover served. And add to this the benefit cost of the clubs employee as once again we have to offer more to obtain help and the cost continues to widen. And this is only the server cost. Use this analogy throughout the kitchen staff that must man the variety of stations in the kitchen for the covers produced and this fifty one cent per cover turns in to much more than several dollars more per cover loss.

Simply put, if the volume is not there, the losses mount rapidly. No amount of effort on the part of the F & B manager to bargain with vendors is going to solve the problem. The best bartender cannot be productive if they only have two customers. In the service industry, the number of patrons in the house drives worker productivity. Outback Steakhouse may be drawing from a population of25,000 family's year around within a short driving distance and is able to fill its restaurant every night. All during the posted open hours of operation, the front and back of the house employees are hustling to handle the crowd. Each employee is very productive and this drives down the costs per cover.

In contrast, Herons Glen is drawing from a base of 1200 families, many being seasonal. This number is largely driven by the residential home sites and the capacity of the golf course, tennis courts and other facilities, and then only during the busy winter season. As a result, the wait staff is rarely busy and therefore generally unproductive, driving up costs.

SOLUTIONS;

If the true cause of the food and beverage problem is related to low employee productivity, then the solution to the problem lies in enhancing the productivity of the F & B staff. Simple terms .... increase utilization. The options are limited however.

First, I would try to maximize the banquet operations from outside events. The costs related to these events should be more profitable to the club. A 30% food cost and 20% bar costs are not out of line. Keep in mind a banquet is not considered a club event if it is not open to the membership. A private member event would still be at the above costs. If it is a true club event open to the membership, then the costs of 40% food and 30% bar should be utilized. The drawback to counting on this area for increasing revenue is that it will take time to get the word out on the facilities. Many weddings or special events are planned a year in advance. Advertising should be provided for in the club budget..

The club should not try to break even on club events as presently done by its all inclusive pricing. Entertainment and decorations should be line items in an operational budget funded by dues. The cost of the event would be only the food offered and any giveaways or prizes. This would give the staff the ability to improve menu offering without increasing usual prices. The improved perceived value in the menu should drive up participation and attendance.

When the board faces mounting losses, one strategy to solve the problem is to raise prices. Of course this is a case of law of unintended consequences because fewer members come to the clubs dining rooms, further reducing the productivity of the staff. The operations must be adjusted for hours and services provided during the slow season. You should not be competing with yourself by running two dining rooms. This will take a lot of communications from the management staff to explain and win the members over.

Menus should be shortened and daily specials added. Menu product must be kept fresh. I would eliminate entertainment for the summer but offer happy hour specials and a true price reduction on a nightly special. Complimentary hors d oeuvres could be offered. But .... do not make them look like an after thought!
During the summer months the staff should work upon improving service standards and menu recipes. These changes will also attract more usage.
Make an entertainment committee whose sole goal is to get member usage at the club up. Not only parties, but regular dining as well. There have to be a few social butterflies around.
In closing this section, my analogy is not intended to suggest that the Board or F & B Manager should neglect controls in the F & B operation. However, the Board should recognize that the root cause of the problem of losses in the F & B department is low labor productivity caused by a low volume of customer demand in a facility designed to operate at a capacity far greater than current daily usage.

My estimate for budgetary purposes for 2008-09 revenues in the F & B area would be $1.5 million. The eventual goal would be to get the total up to $2 million annually, which is considered the break even number for this area,

In the meantime, I would treat the F & B area as an amenity as the golf, tennis, pool, fitness, etc. are and subsidize the operation through dues.

Personnel

Why would anyone want to work for Herons Glen? It's a question seldom asked but the answers could start a cascade of thoughts that become critical in attracting and retaining a motivated and energized staff. Earlier I mentioned the cost of staff turnover. This is a very important issue because of the cost associated from turnover. Not only in dollars, but lost productivity, consistency of product and service and the true joy of having a staff person know your name as well as your likes or dislikes in the F & B area.

Today's workforce is changing significantly from workforces of the past.

This generation of employees tends to place importance on being treated fairly, paid appropriately, have interesting and challenging work and enjoying a positive work environment. Absent these characteristics----they quit

This raises inevitable questions for the club. Do you know what the employee turnover rate is at the club? Is there a year-to-year trend to be concerned about? Does the club create an environment that fosters personal growth and satisfaction? Is there a chance for advancement? Do we promote from within?

The About.com website, in its human resource section, recently listed the top 10 reasons why people quit their jobs. They are:

1. Company is experiencing a downward spiral
2. Relationship with your manager is damaged beyond repair
3. Life situation has changed
4. Values are at odds with the club's culture
5. Stopped having fun and enjoying your job
6. Company is ethically challenged
7. Behaved in ways that are considered improper
8. Burned bridges with your coworkers
9. Stress level is so high at work that it is affecting your physical or mental health 10. Are unchallenged.

Interestingly, missing from the list is anything related to compensation. Most of the reasons listed are workplace environment issues that can be addressed and solved with minimal capital investment. Some of the keys seem to be strong management, positive leadership, a fun, enjoyable job, with appropriate challenges.

Today's workforce is becoming very comfortable with job mobility.

The Club's members and guests deserve to be treated courteously and a highly motivated, experienced work force is critical to delivering those needs.

It just might be a good time to look at the workplace and retain or obtain some of the clubs most valuable assets.

More specific thoughts on the F & B labor .....

The Club should provide the front of the house staff the proper tools for success. This includes training and supervising for success. Melinda has just reactivated her CMAA membership. Numerous publications are available to assist in proper restaurant service standards and quality control issues. The service standard wheel does not have to be invented, just customized to fit Heron Glens standards. A small library of books should be available to assist management in obtaining the desired goals.

If the Board would like my thoughts on the qualifications of the F & B staff, I would be willing to offer my observances in person, but not in this report. The new GM should have an opportunity to make his own observations. After all, he will be only as good as the people that work for him. I will offer, through my limited time working with them, that the Accounting, Golf, Golf Course maintenance and General maintenance management staff is more than capable in providing quality leadership.

I am a firm believer in the stick and carrot approach to rewarding and compensating key employees. This is a great way to emphasize continued improvement in both services and budgetary issues above and beyond 'just doing their job" It would act as a major motivator in their actions. It also shows the board is willing to recognize those that take a proactive approach. A performance bonus if you may.

The term performance descriptions were used earlier and I would like now to explain this issue. Most Board members would agree that job descriptions are a necessity. I would tell you that if they exist, tear them up. Instead, I suggest you create "performance descriptions" for all employees. This description should accurately describe what is expected of employees on a daily basis. This is extremely important for the GM's position.

A straightforward one page performance description outlining the five to ten key functions would do. The Board, in the GM case, would agree to these functions so that expectations of the GM's performance are clearly defined. Measuring the effectiveness of the GM then becomes a much easier process than the typical annual review. Whenever it is apparent to the Board that the GM is lacking in an area of performance, the manager can be advised to self correct before the lack of performance becomes a serious issue. Since the GM has had input for this performance description and endorsed the key functions, it should be an easy process to correct. The correction is immediate, not a year from now at a review. This concept should continue all the way down the line. IE; GM to department heads, department heads to their employees, etc.

The front of the house in F & B currently has enough staff to operate. A sous chef is needed for the kitchen operation ASAP. What happens if the Chef gets sick, or goes on vacation? There would be no one in charge of the back of the house operation. The sous chef acts as a second in command. It should be a salaried position with an average 55 hour work week in season, 40 hours out of season. Should look for a culinary school graduate with leadership potential and a firm grasp on menu prep.

Short Takes ..... .

This section is for short but important reviews or suggestions without all the analogy based upon my observations.

Do members understand the Clubs management structure? Do members sometimes seem confused about how the club functions? Do they bring concerns to Board members that should be handled by management? Do they expect club committees to operate with more authority than is granted in the bylaws or rules and regulations?
A couple of times per year would be a good time to remind members of the club's chain of command. It won't prevent all members from misdirecting their comments and suggestions, but it could make life somewhat easier for the club's elected leaders.

Speaking of suggestions. The club does have a suggestion/comment box. Currently it is checked once or so a week by the House Board chairman. It should be checked daily by the club's GM or in lack thereof, the F & B Manager. Comments could be copied for the House chair. Why is this important? Let's say I am a member who had an issue at dinner last night. Filled out the card and dropped it into the box. A quick response (the next morning) by the F & B manager to my issue will show that management is responsive. It will not give me a week to set and wait for a response, meanwhile bad mouthing the club to anyone that will listen. It will also get me back utilizing the facility quicker, thus generating revenue for the club.

Club Food Service: A reality check. A club's dining operation may be misunderstood and unfairly maligned because members do not grasp the nature of the operations. For that reason, club leaders may want to discuss with members, say at a town hall meeting at the beginning of season, the factors that make club food service unique. Topics such as fixed customer base, or that it serves a horizontal market, members whose interests and dining tastes may vary dramatically, rather than focusing on a vertical market that may favor a certain style of cooking or ethnic cuisine. Club's hours of operation usually are determined by member preference rather that actual use. Members may expect their dining room to be open till 8:00 p.m. on Sunday nights, although maybe only a handful of diners show up during that time. Members may not be aware of the financial policy on club food and beverage service. Some clubs expect to lose money, some to break even and the rare few to make money. This section is not a defense of bad food and poor

service. It is, rather, a plea for a more realistic look at the food department problems and for open dialogue between the club policy makers, management and members in general.

Does the food service really need changing? It happens all too often, particularly in the member owned club. A few leaders want four star restaurant qualities in the main dining room one year, cafeteria quality the next. It depends on the preference of those who are most vocal about club food services. They may be gourmands who expect the club to emulate the city's most exclusive restaurant. Or, they may "eat to live" rather than "live to eat," preferring inexpensive but nutritional food
The problem is, they impose their wishes on the entire club without asking the opinion of the rest of the members, with the possible exception of their close friends. There is nothing wrong with well-founded changes and improvements. The club should base changes on carefully assessed needs and wishes of the majority of members, however. Member surveys, focus groups, management input and finally analysis of the information by the club decision makers are necessary. The process may take weeks or months.

Club food and beverage pricing: Method or madness ... ? Pricing of menu selections is a particular hot topic. Some members feel because they pay dues, prices should be less than outside the club. Others feel the F & B department should break even, thus charge what you may. Whether to require the food and beverage department to make a profit or break even is all a matter of politics. The question is: How much do you want the members to pay when they order off the menu? If you have a large banquet trade, you may be able to keep prices down. If you have no banquet business, or do not want banquet business, you may charge $12.00 for a hamburger and still not make money. Club leaders might spare themselves much grief if periodically, through the club newsletter, a separate letter to the members, or the town hall concept, they share the details of their pricing policies. If those "loud, annoying" banquets generate the revenue to keep menu prices down and dues under control, tell the members! Or the reverse, let members know that they paying more for the quiet and exclusivity not found in a restaurant or resort. Communication is particularly important if the club changes its policy. Granted, some club members will never be satisfied unless the club "gives it away." The majority, however, should be satisfied if they are shown the rationale behind pricing.

Communication: This is a very under utilized part of the F & B operation. In addition to the numerous opportunities listed through out this report I offer the following. Special event menus should be published and advertised at least 30 days in advance. I do not know the turn out this past Sunday for Father's Day Brunch, but I feel it could have been better with more than the 3 days notice that was given. The club newsletter and a great new avenue in Herons Glen, TV channel 99, should be widely used ... These avenues

should be used to help increase usage of the dining rooms. Nightly specials could be published a week in advance. Do we advertise the grill room entertainment schedule? Do we offer an entertainment schedule for the entire season before the beginning of the season? This will be very important to plan, especially if Herons Glen is going to get into the banquet business.

The Club Department Heads, in the absence of a GM should have a brief meeting each Friday morning to discuss the coming week's events. One department's actions very often influence operations in another. IE There is a couple's golf event on Friday night means the dining room will probably be busy. On the other hand, the Golf Course Superintendent will be airifying the greens, so the course will be closed for a couple of days, which means the restaurant will be a little slower on those days. The communication in this meeting will help fellow manager's better plan and staff their areas.

If Herons Glen has the member manpower to do the job, could a new committee be set up to help generate more club activity? How about a captains table? Promote increased participation among the entire membership. The goal here "is greater member enjoyment, satisfaction and repeat usage." And not for just the big parties. Invite ala carte patrons as well on regular service nights.

Let's talk quality for a moment. Currently the quality of product is average at best. The volatile market as far as product cost has not been passed along. We may have cut quality because of the concern on pricing. Not a good idea! During the past few months flour has quadrupled in cost, chicken has doubled, beef has sky rocked. Basically anything that is fed com has gone up in wholesale cost dramatically. A lot of our product is obtained from the areas largest purveyor, Sysco. Are you aware that they have 4 levels of product ranging from gourmet down to institutional? We are stuck in the lower half of their quality offerings. Meats are choice quality. Wouldn't it be nice to see CBA (certified Black Angus) on the menu? Fish entrees should be fresh when available, not frozen. We should definitely work on quality. I can't tell the difference between the chicken or tuna salad. French fries should be served hot. Let's have a little fun and ask a small group of members to help us by sampling some different recipes or better yet offering theirs. Wouldn't it be cool to recognize a member by naming a sandwich or entree after them? If I had to list menu inconsistencies in this report, the list would be extensive. This also carries over to the bar. Our well brands, well I am not familiar with. Vodka for instance, Herons Glen uses McCormick. Most middle of the road clubs use Popov. Nicer clubs use the Smimoff brand. One thing about club members, they expect

a quality beverage and an above average pour. Cost to the member is important, but not by sacrificing quality.

There are things we can do to help keep our costs under control. We could cut our own meats. Before you say why, I offer the following. Currently we buy our filet of beef, center cut, individually wrapped. We pay $19.91 per pound, which means the typical 8 oz. filet cost us $9.96. Now add on the soup or salad, vegetable, potato, rolls, butter, etc. and the cost of the meal becomes roughly $13.00. We need to retail (menu) this item to the member for approximately $32.50 to maintain our budgetary goal of a 40% food cost. An alternative would be to buy whole beef tenderloins (5 & ups) ..... serve it as a sliced tenderloin dinner with a nice shitake or bearnaise sauce, with all the accompaniments above and our cost would be $8.43 per pound, with a 20% waste factor (high) equaling $10.11 per pound or $5.06 per 8 oz. serving. Using the same soup or salad, vegetable, potato, rolls etc. our cost becomes $8.10. Wanting to maintain our budget of 40% food cost, our retail (menu) price would be $20.25. A $12.25 price difference per meal to the member for the same quality of beef, just served a little differently. Costs would actually be a little lower if the Chef is creative, as the tenderloin "waste" could be used to make hamburger, beef tips en stroganoff, etc for specials. Our tenderloin steak sandwich could become a signature menu item that actually did not cost us money to put out. This same exercise could be used on the NY Strip steaks with the same savings. As long as the chef knows how to handle and trim the product, it is a no brainer which avenue I would take.

Health Department. Currently our employees are not 100% certified. This should have taken place before reopening the dining room. The Chef and F & B manager have the materials to complete the training. The inspector will be very upset if this is not done before your next inspection. The inspector has a habit of carrying a grudge when you are not in compliance and would more than likely inspect you more often. Not a fun position to be in.

Training manuals. Non-existent. The kitchen should use menu cards to improve consistency. Photos of the finished product would also assist in training the front and back of the house staff.

I have attached a menu the Chef believes should be utilized in the Club dining room. Might work in season, but I am not sure the club employs the quality of staff needed to produce this menu. Keeping product fresh would also be a problem. Getting the wait staff to memorize it with all the variables would also probably be a problem. Probably would overload Jonas.

Banquet menus are non existent at this time. We design as we go.

ChefTec control system. Currently the accounting department has the system up and running on their end and is used for inventory purposes ... The kitchen (Chef) would be the logical person to input the information needed from the back of the house operation. He just does not have the time with ordering, receiving, prep cooking, menu design etc. If the club truly wants this system to work, they need to invest in personnel. A sous chef mentioned earlier is a must. A year round kitchen steward would also be needed. This person would also receive the product and keep control of par stocks. The cost is probably more than the savings realized, but for peace of mind for the board and members, it should be instituted.

Bar: Par stocks, adjusted for season, should be instituted. There is very seldom ever a reason to run out of stock on basic items such as happened recently with Coca Cola.

Food presentation. A lot of imagination is needed currently. The clubs china does not lend for eye appeal. A talented kitchen member should be hired to help deal with this issue. The plate appeal is very important to the ladies.

Financial statements: It would make it much easier to track costs if the Food and Beverage departments were separated on the financial statements. Each cost would need to be expensed to the right department.

Another price saver possibility. Would the members accept a truly ala carte menu where the price was for the entree, then sides such as soup, salad, vegetable, starch would be added on as a extra charge. The member would then control how much he/she spent based upon what he was really hungry for. This approach would be unusual for a Country Club. But Ruth's Chris sure does well with this avenue in pricing.

And finally, we have had a number of built in excuses for the lack of consistency in the Food area. I have, thru discussions with the management staff had a number of them already corrected. But there are several that still need to be addressed. The first is the flat top grill on the kitchen line. The wrong item was purchased. The current one we are using does not have temperature control, or a thermostat. Consequently the temperature

for cooking varies wildly, from barely luke warm to red hot. Thus, items are not cooked to the correct temperature. And recooks are the order of the day. Cost of the new unit is $1600.00. Trade in value on the existing is in the $500-1,000 range.
Electrical issues still need to be finished. A lot has been done, but just recently we lost three coolers. A lot of product was lost. I cannot tell you how much, as it has not been told to me. All equipment now has a way to operate without blowing fuses as long as the kitchen crew is careful in plugging in the right equipment at a time. Brunches in the dining room, if they include pancakes or waffles prepared out from could present a problem because of the need to run extension cords so fuses are not blown.

Last little note again: Staff does not know who is to book entertainment in the absence of a GM. Dates such as New Years Eve fill up a year in advance.

OK. Just one more. Could we not have a line item in the budget for fresh flowers in the club? A nice bud vase would work on the luncheon tables. Votive candles would work for evening table decorations. I know the ladies of the club would like this improvement

Soups

Our soups are made daily
Cup 2.75 Bowl 3.75

Appetizers

Fried Mushrooms w/ Avocado dipping sauce 5.95
Mozzarella sticks w/ Marinara sauce 4.95
Chicken Tenders 5.95
Chicken Quesadilla 7.50
Baked Brie w/ fresh fruit 6.50
Colossal Buffalo Wings (Hot or Mild) ½ Dozen 4.95 Dozen 8.95

Seafood

Caribbean Red Snapper
Broiled or crusted with a fresh fruit salsa 13.95

Maryland Crab Cakes
Jumbo lump crab meat served with rice & vegetable 18.95

Michigan Yellow Lake Perch
Flash fried served with fries and coleslaw 15.95

Northern Walleye Pike
Dusted in seasoned flour & Pan sautéed or blackened 15.95

Grouper Francaise
Egg Battered, Pan Seared with a Lemon Butter Sauce. 14.95

Salmon Boca Grande
Grilled and Topped with Tomato, Onion, Herbs and Shrimp. 16.95

Twin Lobster tails
Two 4 oz Bahamian Lobster tails Market Price
With crabmeat stuffing Add 2.00

Shrimp Scampi
Sautéed in Butter, Garlic and Herbs with White Wine. 14.95

Vegetarian

Fettuccini Alfredo
A classic Dish 10.95

Oriental Stir Fry
With vegetable Egg roll and fried Rice 10.95

Grilled Portabello Mushroom
Served with your choice of starch and vegetable of the Day 10.95

Poultry

Oriental Chicken Chow Mein
With Fried Rice & an egg roll 12.95
Chicken & Rib Combo
Fried chicken paired with Our St. Louis Spareribs, fries & coleslaw 13.95
Roast Duck ala Orange 13.95
Fettuccini Alfredo with grilled chicken 12.95

From the Heartland

New York Strip Loin.
8 Ounce 14.95 12 Oz 17.95
Grilled Calf's Liver
With Onions and Bacon 10.95
Filet Mignon
8 oz. Served with Béarnaise Sauce 22.95
Porterhouse Steak
20 oz char grilled to perfection Market
Lamb Chops
Char grilled with mint jelly 17.95
Pork Chop
16 oz, bone in served with a baked apple 16.95
St Louis Spare Ribs
With fries & coleslaw 14.95

Sandwiches

Steak Sandwich
6 oz Filet Mignon, sautéed onions on a Kaiser Roll 10.95
Grouper Sandwich
Fried, Grilled or Blackened with fries. 7.95
Heron Burger
Half-Pound Burger, Lettuce, Tomato, and onion with Fries. 6.95

Salads

Cobb Salad
Greens, Turkey, Ham, Black Beans, Tomato, Onion, Bacon, Blue Cheese. 7.95
Caesar
with Chicken 7.95 with Grouper 10.95