

Dear Fellow Members,

Can it be that there is some light at the end of the tunnel? Yesterday Governor DeSantis eased some safer-at-home restrictions that will go into effect on May 4. Later today our General Manager, Joseph Iafe, will send members an email with specific information regarding what will change at our Club and the implications for all of us.

Considering the guidance provided from our COVID-19 Task Force chaired by Tom Spaeth as well as information from the CDC, the State of Florida, professional organizations like the USGA and the USTA, your Board and our management team have prepared a three phase plan for returning our Club to full operation. Based upon the Governor's orders, we are solidly in phase 1 and are evaluating next steps for golf, tennis, food and beverage as well as clubhouse operations. A majority of our members are part of the vulnerable population as defined by the CDC, so our decisions remain completely focused on member and employee safety. An important secondary consideration is practicality. Since the beginning of March, we have taken the steps needed to keep as many amenities available as possible to our members. Some of the eased restrictions do little to improve member access, and we must continually evaluate what makes sense in terms of member experience and financial impacts to our Club.

At the end of February, our year to date net operating income was positive and \$88,000 better than budget. This favorable position enabled us to better weather the initial revenue impacts of the pandemic, but in the last six weeks that budget surplus has gone negative. While we have kept payroll and operating expenses below budget and aligned with business levels, our revenues for April alone are expected to be \$100,000 below budget. We continue to update our forecasts for the remaining months of the fiscal year and will take actions needed to come closer to break even by year-end. We are also taking advantage of all the federal aid programs available to us through the CARES and Families First acts, both of which were put in place to provide financial assistance businesses during the pandemic.

A loss is not what anyone wants to see, and we are grateful that our members have done a most commendable job supporting the Club in every way during these unusual times. Since the beginning of the COVID-19 pandemic, together you have ordered 4,811 take-out meals, played 8,193 rounds of golf, shown generous financial support to our employees, and have extended your appreciation through kind notes, emails, and telephone calls. Many have offered creative ideas to make things better and of course, nothing compares to how everyone has embraced all the new practices we have put in place.

Your Board and its committees continue to meet frequently, using technology to stay connected. Zoom has become a part of our lives as has our ability to vote via email, both permitted pursuant to our 2019 bylaw revision. Since the beginning of March we have cast 12 email votes which has enabled us to be responsive to the ever-changing environment in which we live.

While this crisis occupies much of our consciousness, the spring and summer months are important for our Club. Golf course maintenance includes a comprehensive plan to care for our young course. We plan to review our anticipated cultural practices with USGA agronomists, to ensure that we are doing all the right things required to protect and improve our course. We still hope to complete the #14 greenside sea wall in May but are dependent on our vendor whose construction practices have been impacted by the coronavirus. The Finance Committee begins working on next year's budget in May, while the House and Entertainment and Golf Committees will plan for next season.

As part of the May 12 Board meeting, we will be discussing appropriate next steps for the clubhouse renovation project. While the March 23 positive vote authorizes this initiative, your Board must carefully consider the timing of work as well as member payment schedules in light of current circumstances. So much remains uncertain. We will meet with our construction firm, Heatherwood, as well as our architects prior to this meeting to evaluate the impact of COVID-19 on our project. We will also soon meet with our bankers at Wells Fargo to discuss any potential changes to previously quoted loan terms. Finally, we have established an ad hoc committee to oversee the renovation project whose member participants include Don DiBrita (chair), John Kopton, Dan Lawrence, Bob MacDougall, Walter McCarthy, Mark Mitchell, and John Sotebeer. Once we finalize next steps, this committee will be mobilized as appropriate.

We are so thankful that to date, the virus seems to have spared ECC. We hope that you and your families are likewise blessed and that all our members remain safe and healthy over the coming weeks. Your Board appreciates your continued support!

Claire