

Executive Summary Board Meeting Minutes

Monday, November 16, 8:00am

Attending via Zoom: Karen Adair, Debbi Berit, Claire Comstock, Don DiBrita, Mike Kennedy, Mike Meersman, Mark Mitchell, Ron Rosselot, Tom Spaeth
Joseph Iafe (GM), Dan Newman (Dir. of Finance), Lisa Dillinger (staff)

President's Report – Claire Comstock

Mrs. Comstock called the meeting to order at 8:00am

- Board of Governors Meeting Minutes approval for 10-20-20
A motion to approve the 10.20.20 Board of Governors minutes was made and seconded, approved.
- Confirmation of E-mail Board Motion and Votes
 - COVID Task Force white paper communication approval
A motion to approve the COVID communication was made and seconded, approved.

Finance Committee Report – Debbi Berit

- Review October 2020/Year-end Financials
 - Balance Sheet:** The balance sheet was reviewed. Operating Cash balance is \$2,419,385. The Capital Reserve balance is \$1,165,135. The \$1,250,000 loan was paid off at SunTrust and it transitioned to Wells Fargo October 7, 2020.
 - Summary Income Statement:** The Net Operating deficit for the month was \$202,074 which was \$111,966 unfavorable to budget. This included \$17,690 in CARES Act payroll tax credits that were received from the government in October. The revenue was \$32,501 less than budget. Net Operating income, excluding the tax credit, had a \$219,764 deficit for the month of October, which was \$129,656 worse than budget.
 - Dues:** Dues exceeded budget for the month due to higher than budgeted golf dues, which were offset by the shortfall in sports and social dues. Year to date the dues have exceeded budget by \$2,768.
 - Administration:** The Administration operated \$9,237 worse than budget in October. This was mostly due to accruing \$15,000 in discretionary bonuses. The payroll tax credits were \$2,457 in October. The unbudgeted payroll fees were \$1,777, which included a one-time \$683 set up fee for time and attendance, were partially offset by the CSI rebate for the month of \$185. For the year, variances in Administration include legal fees \$16,522 and payroll fees \$13,183. These were offset by \$10,036 savings in payroll, CSI rebates of \$4,306, \$6,176 savings in bank fees and \$5,093 savings in property insurance.
Including the tax rebates Administration operated \$32,210 better than budget. Excluding the \$41,572 payroll tax credits, the Administration department operated \$9,362 worse than budget.

Membership & Marketing: Membership operated \$6,699 worse than budget in October. This includes \$703 in payroll tax credits. This was offset by spending \$3,000 on digital advertising, purchasing a new member card maker, and purchasing a new locking file cabinet for the membership office.

For the year including the \$11,903 in tax credits, Membership operated \$9,371 better than budget. Excluding the tax credits Membership operated \$2,532 worse than budget.

Golf: Revenue of \$82,972 was \$14,761 lower than budget. The payroll tax credits in Golf were \$2,756. Golf merchandise sales of \$17,755 were \$755 more than budget. Year to date merchandise sales exceeded budget by \$2,809. The cost of sales was higher than budget due to going to the Hyatt sale, which was postponed from May due to Covid. Supplies were \$8,728 more than budget due to buying range ball and scorecards that were budgeted for November. In addition, a new towel cooler box and handicap flags were purchased in October. Including the tax credits of \$46,644, the net surplus of \$522,285 was \$43,775 better than budget. Excluding the tax credits, the net surplus of \$475,641 was \$2,869 worse than budget.

Total golf rounds for the month were up 4.8% from 2019 and guest rounds were down 63.3%. Cart rounds were down 26.8% while trail fees were 18.4% higher for the month compared to 2019. The surplus of \$2,360 in October was \$22,939 less than the budget. Excluding the tax credits, the deficit was \$396 which was \$25,695 less than budget. The YTD surplus of \$522,285 in golf is \$43,775 more than the budget. Excluding tax credits of \$46,644 the surplus of \$475,641 is \$2,869 less than budget.

Golf Course Maintenance: The tax credits in golf maintenance for September were \$2,762. Excluding the tax credits, the \$291,736 in expenses were \$67,749 more than the budget in October. Recruiting costs of \$7,000 for the new golf course superintendent was unbudgeted. Variances in October included Chemicals Herbicide- Large outbreaks of weeds all over the course, product was needed to treat these. Chemicals Insecticide- Nematode results for the Greens came back with high Lance. Nematicide product was needed. Fertilizer Granular- Due to the weakness and declined plant health, additional fertilizer was purchased. Amendment product was also purchased to help assist the soil profile. Fertilizer Liquid- Foliar spray was carried out to provide additional nutrients to the Tees and Fairways. Seed and Sod- Outsourced contractor company to come in and remove bare and declined grass to be replaced with new sod. Additional sod was purchased to add Latitude nursery at the driving range. Plants and Landscape -Outsourced contract labor to trim Ornamental plants throughout the Golf Course. Improved two beds between hole #1 tee box and the driving range tee by removing overgrown vegetation and replanting to improve first impression. R&M Equipment-several equipment were not functioning, and parts were needed. Replaced vertical blades as existing blades were worn out. R&M Irrigation- Pump #2 was not functioning, and this needed to be repaired. Uniforms Several

employees' pants needed to be replaced. New shirts for the crew were ordered. Utilities Electric-Due to running one pump (other pump was being repaired), runtime of the irrigation program increased therefore more electricity was needed. For the year including the \$46,729 in tax credits, Golf Maintenance operated \$17,524 worse than budget. Excluding the tax credits Golf Maintenance operated \$64,253 worse than budget.

F&B: Food sales of \$43,603 were \$11,311 less than budget and beverage sales of \$20,937 were \$8,773 less than budget for the month of October. This department was affected by the COVID-19 shutdown by not having the bar open as well as not having the dining room fully open. The payroll tax credits were \$7,660 in the food and beverage department. The largest variance was in supplies where \$15,028 in banquet supplies were purchased. The monthly deficit, excluding the tax credits, of \$64,201 were \$16,977 worse than budget.

For the year including the \$129,625 in tax credits Food and Beverage operated \$60,403 better than budget. The year-to-date deficit, excluding the \$129,625 in tax credits, of \$437,699 was \$68,592 worse than budget.

Tennis: The tennis department operated \$989 worse than budget in October. This includes an \$810 payroll tax credit. This was offset by installing a \$5,150 water pressure regulator.

For the year including the \$13,701 in tax credits, Tennis operated \$14,346 better than budget. Excluding the tax credits, the Tennis department deficit of \$138,953 was \$645 better than budget.

Clubhouse: The maintenance department operated \$379 better than budget for October. This included a \$541 payroll tax credit.

For the year including the \$9,160 in tax credits, Clubhouse operated \$9,040 better than budget. Excluding the tax credits, the Clubhouse department deficit of \$307,421 was \$120 worse than budget. This includes \$7,665 overage in air conditioner repairs.

Capital: Capital additions totaled \$57,339 in October. This includes \$2,175 for the outdoor speaker system by the Pro Shop, \$2,960 for the bottle cooler that was purchased a few months ago but the bill was never sent, \$4,165 balance on the \$8,480 Meat Slicer, \$5,486 balance on the \$11,034 griddle, \$5,595 on firewalls for the server that were failing, \$12,210 on a concrete pad for the \$7,868 Fertilizer Tanks, \$3,100 for the POGO Turf Pro, \$9,570 for a new walkie talkie system for golf maintenance and \$4,210 on a new Hostess Stand.

Membership: The Membership worksheet indicates we have 337 golf members as of October 31, 2020. In addition, there are 171 social members and 43 sport members. As of October 31, we were over the 325 Golf member cap.

As of November 1, 2020, we have 322 golf members, 164 social and 42 sport members.

AR Aging: The aging report has 1 member over 90 days, who closed on their property and paid what was due at closing.

- Discussion on adding outdoor seating, snack shop hours and adding a beverage station. Snack Shop hours tbd after Joseph has discussions with dept. heads.
A motion to spend up to \$15,000 for tables and chairs for the back lawn was made and seconded, approved.

Operations Report – Joseph Iafe

- Construction Committee Update
Since my last update at the October 20 Board meeting, the committee has met (1) time and typically meets every two weeks. Currently:
 1. Project remains on schedule and an updated schedule was distributed to the team.
 2. Project budget was updated by Heatherwood and remains at 4.4 million. However, contingency has been reduced to 123,000.
 3. Comments expected Mid-November from the Village of Estero on our Development Order.
 4. Staging Plan is underway by Heatherwood which includes the use of the Tennis parking lots for machinery.
 5. Under the design development drawings:
 - Handicap Chair lift in the courtyard has been finalized.
 - Equipment work for the large kitchen to be a separate budget.
 - Fitness equipment layout was presented.
 - Ballet bar and mirror added in Fitness Studio.
 - Existing restroom plan presented.
 - Infrared heaters in ceiling of the outdoor extension of Mulligans proposed as an option but not adopted.
 - Generator for walk-in cooler and freezer presented by Heatherwood as an option.
 - Soil boring testing was completed on November 10.
 - Irrigation system contractor was on site on November 10.
 6. Interior design concepts were presented to the committee.
 7. Next meeting is scheduled for Tuesday, November 17 at 1:30pm.
- Monday Shotgun Time Change – Effective January 4, 2021
Greens Committee and management recommends changing all Monday Shotgun times to 8:30, effective 1.4.21 with lunch service after. Joseph will talk to Mark about starting earlier and then will do a Board email vote.
- Recommendation for a relaxation of the Clubhouse Guest Policy for Thanksgiving Day
A motion to not grant the request and stay consistent with the Covid-19 guidelines was made and seconded, approved.
- Questions/comments on General Manager Report
Staffing – GCM is down 3 employees. Golf Shop, Joe Rubino has been named 1st Assistant Professional, hiring for Joe's position. Kitchen is short 2-line cooks. Front of the house is in need in all positions.

Membership Committee Report – Mike Meersman

- November Membership Changes for Approval
A motion to approve the November membership changes was made and seconded, approved.
- Extend the waiver of the \$7,500 initiation fee for nine (9) months if the property still has not sold, an initiation fee for the minimum level of membership (currently \$7,500) will be billed to the Member.
A motion to extend the waiver of the initiation fee for up to 364 days was made. If the property still has not sold, an initiation fee for the minimum level of membership (currently \$7500 for social) will be billed to the member. This only applies to property purchased after November 14, 2011. Motion was seconded and approved.

Golf Committee Report – Mark Mitchell

- *Guest Must ride with member or another guest recommendation:* Board institute a Club rule that guests are required to ride either with the sponsoring member or another guest.
A motion was made that guests must ride with sponsoring member or another guest, seconded and approved.
- *FSGA Junior Championship Request:* Board grant access to the FSGA to host their Junior Championship on June 5 & 6, 2021.
A motion was made to approve the request for the FSGA to host their Junior Championship on June 5 & 6, 2021, seconded and approved.
- Crossovers, Shotguns, Driving Range – Board had a discussion on what would serve the membership the best and follow Covid-19 Task Force guidelines.

Ad Hoc -COVID-19 Task Force – Tom Spaeth

- *Recommendation for Guests from outside of the US:* Assuming guests who reside outside of the United States are allowed to enter by the state Department and the State of Florida, the Club would waive the previously approved 14-day quarantine requirement when visiting ECC. After discussion, nothing changes.

House and Entertainment Committee Report – Tom Spaeth

- Adriana is working towards completing the 2021-2022 entertainment calendar with the assistance of Lori Sonstein and Wendy McAvoy, committee members.
- Towards the end of October, the Club began receiving complaints of Snack Shop closing too early.
- Beginning November 1st, the Snack Shop hours have increased from 9-2 to 9-4pm. We will monitor if that has helped ease those complaints.
- We have seen tremendous drop-off in attendance levels for a la carte dining service as well as events. We feel that this is due to continuous COVID positive cases within the community and are brainstorming in how we can offer more creative options to our membership while making them feel safe as well as encourage them to continue to utilize the Clubhouse. I.E we are looking into patio

furniture, larger and affordable tent options for outdoor events and outdoor events in general.

- Management is working towards adding more signage throughout the dining areas to help enforce and remind members of COVID guidelines. Currently capacity signage has been added to Mulligans and Men's card room. Signage reminding members to wear masks always unless seated have also been posted in Mulligans and Men's card room.
- The department is short-staffed in all areas: servers, bartenders, hostess and food runners.
- Employment ads have been placed again for these positions.
- Collectively, Adriana and Chef put together an Oktoberfest event that was held outside on the back lawn featuring German themed heavy appetizers and flights of German beer to make up the lunch offering for the day. The event was moderately successful and well received by those who attended.
- Halloween dinner dance was attended by only 48 members this year compared to last year that saw 110 participants.
- Final Drawings have been received for the bar and kitchen from Edward Don. Quotes have been received to relocate two walk-in coolers.

Greens Committee Report – Mike Kennedy

Greens

- Greens had been struggling when Mark started with several greens that still are suffering with some thin areas, these to include #17 and #18 green. We have placed them on a recovery program that are being treated 3 times a week.
- Mark believes we have the greens back in recovery. We are just struggling with poor roots and will continue to push for deeper roots. A lot of the issues are water management combined with poor water quality and moisture.
- We have since purchased a new turf tool called a POGO. This will allow us to measure the moisture and importantly the salinity. This information is saved daily so we can monitor and track the data for us to understand where the greens moisture needs to be and how high the salinity levels are for us to determine if we should flush the greens.
- As for the green speeds and grain, unfortunately a consistent vertical mowing program has not been followed which has allowed the greens to get grainy.
- We are now late going into season and getting aggressive now is not the way to go, it could set the greens backwards and place them in enormous stress. We have already carried some out vertical mowing.
- We are in the process of trying to lower the height of cut to help with the speeds.

Fairways/Tees/Fairways

- Two things that need to be improved on this golf course, first is building your soil profile with organic matter so we can hold nutrients and water, the second improvement is applying more fertilizer to the golf course.
- Celebration needs about 10lbs of Nitrogen a year depending on your soil conditions.

- Wall to wall fertilizer plus a pre-emergent herbicide for weed control along with some sludge to help amend the soil has been applied.
- As for weeds management, we are currently making very good progress in keeping this under control.

Roughs

- Mark has spoken to many professionals including Superintendents to understand about Latitude 36. Again, this is a grass that is hungry, and an aggressive fertilizer program needs to be implemented.
- Latitude 36 needs at least 10lbs a year.
- The roughs were fed with a granular application with Pre-emergent.
- Mark has taken some time investigating the weak areas, especially those with large amounts of weeds infested into the weak areas, this is because of the poor soil conditions, lack of fertility, and water quality and coverage that is having a negative impact for a healthy grass.
- We have removed some areas that were thin and bare and replaced with new sod.
- We have expanded an area at the back of the range for us to install some Latitude so we have a nursery, should we need some immediately as farms are shrinking the availability of Latitude.
- We are currently making very good progress in keeping the weeds under control.

Traps

- The traps need a lot of attention, this will be one of Mark's goals to improve in the next month. A lot of the grass faces are collapsing, due to poor rooting and bad soil structure. We will be applying a significant amount of sludge to the faces to make the grass stronger. We will also be reshaping the sand throughout the bunkers, a lot of this is due to poor employee training.

Irrigation

- We will need to carry an irrigation audit, so all areas are receiving the same coverage. We have identified some irrigation heads that are out of adjustment. Some of the greens have already been adjusted and nozzles have been changed.
- The irrigation water has been sampled and the water quality is terrible with high sodium and Chlorides.
- The salt becomes a problem as it bonds to the plant and wraps around it, so when nutrients are applied the plant cannot receive it because of all the salts surrounding the plant. To reduce the salt, we can treat it with a product called Phirst. I have seen this system work at my last course, and it was a huge success.
- Some members have said the course looks so much better in the summer. That is because of all the great quality water we receive from Mother Nature. All the salts are washed out by the heavy rains. As we go into season, we receive less rain, run more irrigation water, and then salts start to build up and the plant then starts to struggle along with the high traffic, the plant has a hard time to recover.

- We will run fertilizer through the irrigation system which is the most efficient and cheapest method to apply fertilizer. As we treat the water, we will have the ability to apply up to 1 lb. of Nitrogen a month to all over the golf course.

Beds/Landscape/Trees

- Trimming of some Ornamentals plants were carried out. We focused on high visible areas and homeowner views. GCM department will continue to work on this as much as we can throughout the season depending on weather conditions.
- All the beds were sprayed with a post and pre-emergent to control the weeds.
- Week of the 9th November, pine straw will be applied throughout the golf course.
- Wednesday 11th, annuals will be installed around the CH and golf course.
- The existing beds between the #1 and Driving range will be removed and installed with Clusia for a clean, tidy look, additional annuals between the tee and P.G will be installed to improve the first impression going to the first tee box.
- Bushwood Tree Service came and trimmed the oak tree on hole #17. Palms and trees on hole #8 and #13 were also trimmed to help assist with more sunlight for the tee boxes.

Curbing

- A total of 700ft roll curbing in sections has been carried out throughout the golf course.

Employees

- We are currently 3 people short. There is a lot of work to be done with the existing employees, as I feel they have no attention to detail. It is so imperative to be successful at what we do, and we can certainly help the existing employees and train them to become good quality employees.

Racquet Committee Report – Karen Adair

Staff completed the top dressing for Court 1 & 3. All courts are good to go for Season.

- The fence hardware replacement project is still going forward. The courts have some places on 4 & 5 that need new bands and paint.
- Ritzman Tennis fixed a bad mesh area on the low fence between courts 1 & 2.
- Score posts are being sanitized daily with matches beginning this month. The ball machine has begun to see some use, it will be available only during shop hours.
- Stahlman/England has finished putting in the pressure reducing /sustaining valve to the tennis courts.
- Tennis for the members is getting busier, with clinics and approved events the courts are much more active. Our Oktoberfest was smaller in number than usual, but everyone had a great time.
- Leagues started in October, everything is going well, we have had to turn away some team's guests.
- Gyanna will be offering a weekly Cardio Tennis Workout. This replaces the Cardio Triples we had last season. We have a good sign up for the Kickoff day on November 6th.

- Cathy and Gyanna have been covering the shop and court maintenance hours along with Paul from the kitchen. Student from FGCU, Emma Jahn, will be starting in November as our part-time court and shop assistant.

New Business

- Men's & Ladies Invitational Discussion

Adjourn

Motion to adjourn at 12:00 was made and seconded, approved.

Next scheduled meeting: Monday, December 14 at 8am