Executive Summary Board Meeting Minutes

Monday, February 22, 2021, 8:00am

Attending: 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).

Meeting was called to order at 8:00 by Claire Comstock.

President's Report – Claire Comstock

- Board of Governors Meeting Minutes approval for 1-18-21
  Motion to approve the minutes from the 1.18.21 Board meeting was made and seconded, approved.

Finance Committee Report – Debbi Berit

- Review January 2021 Financials
  Balance Sheet: The balance sheet was reviewed first. Operating Cash balance is $2,903,682 in SunTrust and Wells Fargo. The Capital Reserve balance is $1,104,734.

  Summary Income Statement: The Net Operating surplus for the month was $115,683 which was $25,700 favorable to budget. This included $45,704 in CARES Act payroll tax credits that were received from the government in January. The revenue was $71,568 less than budget. Net Operating income, excluding the tax credit, had a $69,979 surplus for the month of January, which was $20,004 worse than budget.

  Dues: Operating dues of $275,814 were unfavorable to the budget by $1,609 in January. This is mostly due to having 326 golf members with a budget of 328 and 41 Sport members with a budget of 45.

  Administration: Total Administration expenses were $6,905 favorable to budget for the month as well as $2,778 favorable to last year. The CARES Act tax credits were $8,269 in Administration. Variances include $1,174 higher in property insurance per month, which will be $15,000 higher than budget for the year, as well as $16,765 in legal fees associated with the Wells Fargo non-renovation loans. This was offset by higher transfer fees in January, even though it is still below budget due to less rentals due to Covid. Excluding the tax credits, Administration operated $1,364 worse than budget in January.

  Membership & Marketing: Total Membership and Marketing expenses were $2,533 favorable to budget for the month and $3,150 favorable to last year. The CARES Act tax credits were $2,231 in Membership. For the year, excluding the tax credits, Membership is operating $3,657 better than budget.

Golf: Golf revenue of $138,516 was $37,421 unfavorable to budget for the month and $36,434 unfavorable to last year. Golf merchandise sales of $34,490 were $6,074 less than budget in January. CARES Act tax credits were $6,992 in Golf in January.

The only large variance was in greens and cart fees due to less guests due to Covid restrictions. The net income for January was $76,428, which was $16,617 worse than budget. However, this included $6,500 in the cancelled Men's Invitational revenue. This budgeted revenue will be offset by budgeted expenses in the next few months. Excluding the tax-credits the net income of $69,436 was $23,609 worse than budget.

Rounds were up 5.7% over this month 2020 (5,964-5,642) with guest rounds down 42.0% (305-526). In January 2020 we had 1,451 cart rounds and 4,191 trail fee rounds. This year cart rounds decreased to 1,263 (-13.0%) and trail fees increased to 4,701 (12.2%).

Golf Course Maintenance: Total Golf Course Maintenance expenses were $31,309 favorable to budget for the month and $8,082 favorable to last year. The CARES Act tax credits were $11,280 in January. Excluding the tax credits, Golf Course Maintenance is operating $26,111 better than budget year to date. This is mostly due to lower water costs of $10,916 and the remaining are timing differences in chemicals and fertilizer.

Variances in January included a timing difference in fertilizer, pine straw and tree trimming.

F&B: The COVID-19 pandemic has had a significant impact of the food and beverage department. The club food revenue in January of $79,731 was $29,588 less than budget and $23,592 less than last year. The total beverage revenue of $46,081 was $12,672 less than budget and $10,606 less than last year.

The CARES Act tax credits were $13,120 in Food and Beverage in January. Variances included an increase in Styrofoam purchases due to more take out than expected and uniforms to purchase sweatshirts for the outdoor dining for the front of the house staff. This was partially offset by a savings in linens due to having smaller indoor capacity.

Operations in Food and Beverage had a surplus of $1,191 which was $670 favorable to budget for the month and $359 favorable to last year. Excluding tax credits Food and Beverage has a deficit of $114,436 this year, which is $72,612 worse than budget.

Tennis: Tennis was $2,861 favorable to budget for the month and $2,374 favorable to last year. The CARES Act tax credits were $1,826 in Tennis. Excluding the tax credits, year to date, Tennis has a deficit of $27,009 which is $1,894 better than budget.

Clubhouse: Total Clubhouse expenses were $352 unfavorable to budget for the month. Variances included materials for the outside dining including propane storage and tanks. The CARES Act tax credits were $1,986 in the Clubhouse. Excluding the tax credits, for the year, the Clubhouse department has a deficit of $74,499 which is $1,099 better than budget.

Capital: There were no Capital additions in January.

Membership: The Membership worksheet indicates we have 326 golf members as of January 31, 2021. In addition, there are 166 social members and 41 sport members. There are approximately 13 scheduled closings in February. The current estimate is to net -1 social, -2 sport and +6 golf.

AR Aging: The aging report has 7 members over 90 days. Two made $1,000 payments and a third member paid $500 in January and $200 in February. The 2 members at 120 days have been suspended but are making payments. Three members have either processed payment online or say they will come in with checks by next week. The last one is a member that moved out and owed a food minimum. We are tracking down a forwarding address to send a certified letter.

- Review Renovation Cash Flow and Summary Sheet
- Review Audited Financial Results 2019-20
  Nathan and David Phillips attended the Finance meeting and reviewed the 2020 audited financials in detail. They discussed our financials as well as other industry trends. They indicated that the financials were good in 2020 and Estero Country Club is in a strong financial position going forward.

Operations Report – Joseph Iafe

- Construction Committee Update
  Little change from last month's update. Project remains on schedule.
  Bid drawings were sent out on January 29. Land development order was released to the Club with 14 stipulations that JR Evans Engineering are going through. 3 of the stipulations must be completed before construction begins.
  They include:
  - Copies of the SFWMD permit must be submitted.
  - Vegetation removal permit must be submitted. I completed this on 2/16/21.
  - Stormwater pollution prevention plan must be completed.

  Construction drawings submitted to Village. Heatherwood waiting on review comments.
- Outdoor Patio Update
  Added succulent centerpieces and a Bluetooth sound system providing background music all the time. The Greene has been consistently sold out at night when good weather is available. Financial results have been excellent. With the retention tax credit, F&B had a profit of 1K in January on a budget of (+521).

- Tuesday Shotgun Policy Enforcement Level
  Driving Range and practice area closed one hour prior to shotguns.
  Motion made and seconded to reopen the driving range and practice range prior to shotguns, approved.
- Racquets & Activities Committee role with Fitness & Wellness (2021-22)
  With the renovation, we will be looking to add to our fitness and wellness programs and this should be taken into consideration in choosing the chair and committee.

Golf Committee Report – Mark Mitchell

- Recommendation that the shotgun starts for Tuesday, March 23, 2021 be switched so the ELGA tees off at 8:30am and Men's Group play tees off at 1:00pm.
  Motion made and seconded to approve the change of shotgun start times, approved.

Membership Committee Report – Mike Meersman

- February Membership Changes for Approval

New Members	**Category**	**Comments**
Panzino, William	Silver Family 1 Golfer	Non-Resident
Goins, John and Sheila	Silver Family 1 Golfer	Non-Resident
Fox, Sam and Leanne	Silver Family 1 Golfer	Non-Resident
Gouge, Steven and Allison	Silver Family 2 Golf	Purchase from Kirlin
Rheker	Tennis Family	
Downgrade		
Allen, Ron	Social from Golf	
Resign		

Stikeman -Single Three-year lock/ Non-Resident - Released from last year of lock/moved more than 25 miles from the Club. Membership replaced.

Kirlin	Social	Sold to Gouge

Motion to approve the February membership changes was made and seconded, approved.

House and Entertainment Committee Report – Tom Spaeth

- Receiving a lot of positive feedback.
- Pizza Mondays have been added, $9 for pizza and drink.

Greens Committee Report – Mike Kennedy

Greens

Overall, the greens are looking great and healthy. We have had a couple of roller coasters with speeds, in particularly with the recent warm weather. We have carried out two vertical mows to remove some of the grain. Sand has been applied to fill in voids in the canopy as well as smooth the ball marks. Aerification with small hollow tines was carried out resulting in a tremendous response to the health and establishment of roots. We have been experimenting with some different wetting agents to help us hold moisture on the greens to combat their typical dryness. I believe we have found a good product that has being giving us the results we have been looking

for. Our weak greens have been holding up well and we have not encountered any disease pressure.

Tess/Fairways/Approaches

For this time of year and with the additional cart traffic, we are very happy with the direction we are going in. We have seen some improvement throughout the golf course while many of the weak areas are starting to fill in. Recently, we adjusted the setting for the acid injection which has resulted in greater absorption of nutrients into the plant. The team just completed a wall-to-wall fertilizer and pre-emergent herbicide application and have seen the grass respond remarkably well. There are areas with a soil profile that have higher organic matter that are thriving. This is a good sign for us moving forward. We just need to continue to build soil up with amendment. Mark will be meeting with a couple of PhD Doctors with New Generation Agriculture who specialize in improving soil structures and overall health of the plant. This can help ECC build a program to build soil structure quickly while keeping cost down. I am working on a plan for the summer which includes the right cultivation practices that we need to carry out. A wall-to-wall fertilizer and pre-emergent has been applied to help with weed control. We have not made much headway with improving the head coverage with irrigation heads as we have been experiencing a lot of issues with heads not working and technical problems. Solomon, our Irrigation specialist, has been out for two weeks with Covid. Traffic/wear and tear is our biggest issue at this point for both fairways and roughs, with roughly 50% more traffic it is hard for the grass to put up with that much play. I have been asked to raise the height of cut but this will not make a difference because it will continue to be flattened down.

Roughs

Continued disappointment with the Latitude-36. Biggest concern is the rooting establishment for this grass, which can physically be pulled out of the ground. This is concerning especially now that it has been established for two years, even the healthy areas. I just recently laid some Floratam sod at my house two weeks ago and the roots have already established, and I cannot pull it out of the ground. It is concerning as to why it is taking this long for the grass too establish. I am hoping that the meeting with New Generation Agriculture will be able to assist us to provide a better profile for the Latitude. Although the color does seem to be holding up due to more frequent fertilizer applications but still struggling in the high traffic areas. The Roughs were mowed two weeks ago at 1.75” to remove grass tips that were brown, and they have now been raised to 2 inches.

Traps

We have held off traps for the last couple of weeks to focus on other detail areas such as cart paths. We will resume trap work which will include re-edging and re-distributing sand since some areas are inconsistent.

Irrigation

This is an area that really needs some attention. We continue to have issues with some of the heads not working and some of these must be replaced and this is having a negative impact on our operating budget. Most of the irrigation heads must be raised and there quite a few heads that are along the lake banks that have been washed away and need to be relocated. We will continue to change nozzles for each head to improve head-to-head coverage.

Equipment

Juan was able to repair the Triflex that was out of service for a couple of months. We are currently having issues with our buffalo blower. I do want to start thinking long term to propose

for a lease package. We have too many inconsistent equipment that are not matching up to produce the same quality. I have been discussing with a vendor to exchange some of our retired equipment for a rough pull frame. I know this will improve the quality cut dramatically especially for the Latitude and feel this will not bruise the plant compare to the rotary mowers. Staff We are currently fully staff. The morale continues to be excellent.

Beds/Landscape/Trees/Cart Path

Tree on #3 will be removed and replaced with grass. There is a plan to remove 4 oak trees on hole #8, restricting playability. The right side of the tee is not being used as much because of this. I will be meeting with a vendor to obtain an estimate for the removal.

I also want to make a proposal to extend the cart path on hole #16 further back towards the tee and enforce cart path only from about 150 yards to the green. The same to hole #12. I feel these two holes are walkable to the fairway and will dramatically improve the playing condition.

Racquet Committee Report – Karen Adair

- Courts have been treated with a chlorine application for accumulated algae in corners due to recent warmer weather. One additional application will be needed.
- Courts are holding consistent clay levels as we start February. Clay levels will be evaluated again in early March.
- Tennis participation levels increased in every level for the month of January. Social play, league play and groups filled all the courts on every morning except Sundays. Winter leagues are running smoothly. The Club added one league we did not see in the fall.
- Pickleball practices have increased year over year with new participants who have not played before. Our average group on Thursday is twelve players and Tennis has now added Sunday open play from 9am to 12 noon.

New Business

- Board Memo – Cigarette butts on golf course
  Requesting a memo be put out reminding people we are a member owned club and to protect/care for your course, not only about cigarette butts, but other items also. Joseph will address in his newsletter article.
- Mrs. Comstock took a moment to thank the three Board members that are leaving the Board.

Adjourn – Motion to adjourn was made and seconded at 11:25, approved.

Next scheduled meeting: Virtual Annual Meeting, Monday, March 8, 2021 at 3pm.