

Executive Summary Board of Governors Meeting Minutes

Monday, April 19, 2021 at 1:30pm

Attending: Karen Adair, Mark Bonner, Art Camiolo, Clair Comstock, Mark Mitchell, Ron Rosselot, Tom Spaeth; Joseph Iafe (GM), Dan Newman (Dir. of Finance), Lisa Dillinger (Staff); Don DiBrita, Beth Wardlaw-excused absence

President's Report – Claire Comstock

- Board of Governors Meeting minutes approval for 3-22-21
Motion to approve the 3.22.21 minutes was made and seconded, approved.
- Confirmation of E-mail Board Motion and Votes
 1. 3.24.21: Motion – To replace Vic DiElmo with Steve Bennett on the Golf Committee. Motion made, seconded and approved.
 2. 3.24.21: Motion: To approve the following Members on the Grievance Committee. Bruce Ackerman, Wendi Bazemore, Carol Berger, Bill Berit, Bill Feeney, Ron Rosselot. Motion made, seconded and approved.
 3. Club Operations Closure (see entire motion on back-up docs)
Motion made, seconded and approved.
 4. 4.12.21: Motion: To add David O'Hara to the Greens Committee
Motion made, seconded and approved.

Finance Committee Report – Mark Bonner

- Review March 2021 Financials
Balance Sheet: The balance sheet was reviewed first. Operating Cash balance is \$2,961,893 in SunTrust and Wells Fargo. The Capital Reserve balance is \$1,009,387 in SunTrust and Wells Fargo.
The \$221,449 in Accounts Payable Miscellaneous is the amount of money we owe for the Cares Act Tax Credits. It was discovered in March that we did not qualify for the Cares Act Tax credits for the 1st quarter of 2021 as well as the 4th quarter 2020. This occurred on September 25, 2020 when Governor DeSantis opened Florida restaurants. Therefore, we expensed back the credits from October 2020 through March 2021.
Summary Income Statement: The net Cares Act expense was \$169,766 and that includes \$17,690 from October 2020 which was last fiscal year. Therefore, the net operating loss of \$183,555 includes the return of the tax credits. Excluding the return of the tax credits, operations had a deficit of \$13,789 which was \$7,573 unfavorable to budget. This was mostly due to reduced revenue due to Covid. Year to date operating surplus of \$158,772 is \$127,356 unfavorable to budget. The budget for the remainder of the year is a deficit of \$185,250. Therefore, to break even for the year, we will need to exceed budget by \$26,478.
Dues: Operating dues of \$283,242 were favorable to the budget by \$3,462 in March. Sport membership was \$1,696 below budget due to having a budget of 45 members, however, there are currently 40. Year to date the revenue of \$1,384,991 is \$4,541 unfavorable to budget. This deficit will be made up in the next couple of months.
Administration: Excluding the Cares Act, total Administration expenses were \$4,923 unfavorable to budget for the month. The CARES Act tax expense was \$27,610 in Administration. Variances included a \$2,678 overage for Harmons for the audio and

streaming of the annual meeting, office supplies due to buying new checks and deposit slips for Wells Fargo as well as color copies due to printing color menus due to Covid. In addition, the property insurance will be \$1,174 higher per month, which will be approximately \$14,000 higher than budget for the year. Year to date Administration is operating \$15,683 unfavorable to budget.

Membership & Marketing: Excluding the tax expense, Membership and Marketing expenses were \$955 favorable to budget for the month. The CARES Act tax expense was \$7,619 in Membership. For the year, Membership is operating \$5,076 favorable to budget.

Golf: Golf revenue of \$185,152 was \$29,300 unfavorable to budget for the month and \$6,187 favorable to last year. Golf merchandise sales of \$48,697 were \$5,232 more than budget in March. CARES Act tax expense was \$26,182 in Golf.

The variances included reduced revenue in greens fees and cart fees due to COVID. In addition, the Ladies and Men's Invitationals were cancelled, eliminating the budgeted revenue and expenses. The net surplus for March excluding the tax expense of \$86,052 was \$5,253 better than budget. Year to date, the Golf Shop has a \$321,553 surplus which is \$35,449 below budget.

Rounds were up 8.8% over this month 2020 (6,188-5,690) with guest rounds down -17.0% (650-783). In March 2020 we had 1,161 cart rounds and 4,529 trail fee rounds. This year cart rounds increased to 1,667 (43.6%) and trail fee rounds decreased to 4,521 (0.2%).

Golf Course Maintenance: Excluding the tax expense, Golf Course Maintenance expenses were \$7,977 unfavorable to budget for the month. The CARES Act tax expense was \$35,199 in the golf maintenance department.

Variances included a timing difference in fertilizer granular, the rental of an aerifier to relive compaction, new tee reels and a hydraulic hose clumper as well as an edger for cart paths. Year to date, Golf Maintenance is operating \$19,154 favorable to budget. Most of the savings are timing differences and will be spent over the course of the year.

F&B: The COVID-19 pandemic has had a significant impact of the food and beverage department. The club food revenue in March of \$84,273 was \$22,039 less than budget and \$24,550 more than last year. The total beverage revenue of \$42,957 was \$19,971 less than budget and \$8,613 more than last year.

The CARES Act tax expense was \$59,516 in Food and Beverage. Variances included \$13,428 in lower payroll that corresponds to the lower revenue and \$1,295 less linen costs due to 50% dining room occupancy. These were offset by \$1,134 in Styrofoam due to additional take out.

Excluding the tax expense, Operations in Food and Beverage had a deficit of \$53,897 which was \$2,973 unfavorable to budget for the month. Year to date the deficit in food and beverage of \$201,576 is \$94,510 worse than budget. The expenses are \$43,496 better than budget, therefore the deficit is due to the decreased revenue due to Covid.

Racquets: Excluding the tax expense, Racquets was \$898 unfavorable to budget for the month. The CARES Act tax expense was \$7,212 in Racquets. Year to date, Racquets has a deficit of \$52,108 which is \$77 favorable to budget.

Clubhouse: Excluding the tax expense, Clubhouse expenses were \$472 unfavorable to budget for the month. The CARES Act tax expense was \$6,427 in the Clubhouse. The only variance was \$2,250 to pressure wash around the clubhouse. Year to date, the Clubhouse department has a deficit of \$132,804 which is \$1,479 unfavorable to budget.

Capital: There were no Capital additions in March.

Membership: The Membership worksheet indicates we have 337 golf members as of March 31, 2021. In addition, there are 164 social members and 40 sport members.

AR Aging: The aging report has 8 members over 90 days. The one member at 120 days has been suspended. The other members at 90 days have been notified that they will be suspended if not paid.

- Review Employee Retention Credit and PPP Loan Update

Operations Report – Joseph Iafe

- Construction Committee Update
 - Project remains on schedule with a good amount of work that has been completed. All Club schedules remain in place. Next milestone is April 26 when the entry way and Club restrooms will be demolished.
 - Construction Committee reviewed the Heatherwood contract and had a few minor concerns. A meeting was called in person between the Construction Committee and Water Crawford, President of Heatherwood and Heatherwood graciously listened to the concerns and have revised the contract with all recommendations from the Construction Committee. The final contract is in New Business today for approval by the Board.
 - Access has been given to all Construction Committee members to the dropbox of all construction plans.
 - Tent permit has been complete and in ECC's possession.
 - The Construction Committee will begin to meet with the Heatherwood on-site supervisor on a bi-weekly basis beginning on Tuesday, May 11 at 1:30pm.
 - Interior Design Committee will meet on Friday, April 23 at 10am to finalize the modifications to the Mulligan's chairs and stools. They will also tie up loose ends on the remaining items. They will coordinate artwork and accessories over Zoom meetings in the next few weeks.
- Fiscal Year Renovation Forecast

Management has completed a line-by-line forecast of this year's budget meeting with each department head and forecasting to the best of our ability our expected revenues and expenses through October 2021. Some of the highlights of this forecast include:

 - Actuals completed for the first five months of the fiscal year.
 - Increase in dining operations from original budget adding an additional dining night into the weekly schedule moving from one dining night to two per week during summer months of June through September. October has 3 dining nights.
 - Forecast does NOT include any Employee retention credits. They have been removed.
 - Forecast also does NOT include any potential PPP funds that the Club could receive.
- COVID Clubhouse Closure Summary & Quarantine Updates
 - Due to the contraction of (3) Clubhouse staff members within 24 hours on March 29 & March 30, the Clubhouse was closed, and 24 quarantines were issued.
 - All 21 close contact quarantines returned with negative tests on April 6.
 - (3) COVID positive individuals were issued appropriate quarantines, all returning with negative tests, with the last return today.

- Operational Change for Tennis area during construction period
 - We are asking all golf carts to park on the grass by the portable bathrooms or on the grass area behind court 3. This will give all vehicles a place to park and eliminate some of the long walks from the golf parking areas.
 - Players can use the cart path by # 6 fairway and green to get to the parking areas by court #1. Bicycles and golf carts only. This will save players from having to walk through the courts to get to courts 1 & 2.
 - Please avoid all fenced in areas. The parking lot behind courts 1, 2 & 3 and the hill area which goes in front of the Tennis pro shop. These areas are used by the construction crews and have large vehicles going in & out.
- Operational Plan for Summer 2021
 - Beginning June 1 and when Member traffic moves to the Pavilion, the Club will be offering lunch 5 days/week and 2 dinners per week. Lunch will be served Wednesday through Saturday and on Mondays. Dinner nights will be Wednesday and Friday. This is an increase of one dinner night to budget. The Pavilion will be able to accommodate card and game players throughout the day.
 - This change was instituted due to the improved conditions of the tent. The tent will now have a full bar with 3 sides of the Mulligan's bar in place and bar stools, comfortable patio style furniture, and fully air conditioned.
 - Snack Shop will remain outdoors by the golf restrooms, open 6 days/week from 9am – 3pm and will stay open longer when Members are utilizing the area.

Golf Committee Report – Beth Wardlaw, Presented by Joseph Iafe, Ben Pittman to attend

- The Golf Committee recommends that the Board eliminate the preferential group tee times on Thursdays in season and that all Thursday groups submit lottery requests for their tee times. ***Tabled, Golf Committee to get together with group leaders to discuss.***
- The Golf Committee recommends that the Board approve the Jim and Nancy Scully Memorial Scholarship event on Saturday afternoon, April 24. The event will be open to all members of ECC, and a registration page will be set up on ForeTees for all members to access. ***Motion to approve the tournament was made and seconded, approved.***

Rounds

- Member rounds were up 631 (12.9%) from the previous year, continuing the trend of a significant increase in the number of rounds played by the membership.
- Non-Member rounds were down 133 (17%), a smaller decrease than previous months. March 2020 was the first month that we saw significant impacts of shutting down to prevent spread of COVID. But when controlling for the 396 Tournament Rounds from the Men's Invitational in 2020 that were not played in 2021, guest rounds increased from 387 to 650, an uptick of 68%. Family Guest rounds went from 144 to 266 (85% increase) and Equity Guest rounds jumped from 236 to 361 (53%).
- Trail Fee rounds accounted for 73% of rounds played; cart fee rounds represented 26%.

General

- The Club hired a new Outside Services Supervisor, Tommy Wood. Tommy is a long time PGA Professional who owned and operated his own facility for nearly 30 years. We are excited to have Tommy help us elevate the service levels of outside operations.
- Our seasonal staff members are winding down their winter seasons in Florida and preparing to head north. Bob Prange will be here through the Ladies Shootout, and

Tyler Riesen will depart immediately following the Men's Shootout. I would like to recognize them for their tremendous efforts in handling a very challenging year.

- With the extra rounds being played, we are experiencing a shortage of tee times on certain days, particularly on Wednesdays and Fridays. As we get deeper into the month of March and the vaccination rate among the membership increases, we are starting to see signs of slowing down.
- The Outside Services staff has managed the cart fleet exceptionally well and has ensured that all members needing/wanting a cart to have been able to get one.
- We have been able to keep up with budget in terms of merchandise sales despite the lack of foot traffic in the shop. Asa and the rest of the staff have worked very hard at trying to "take the shop to the members" by organizing multiple trunk-shows and increasing the number of fitting days for golf clubs.

Events

- March was relatively free of tournaments, with only the Club Championships conducted on March 27 & 28. We had a good turnout among the men, with 48 players competing in 5 different flights. Turnout among the ladies was down this year, as only 18 ladies competed 4 different flights. Conditions were terrific, and the feedback was very positive.
- We wrap up the event season with the Ladies Shootout on Saturday, April 3 and the Men's Shootout on Saturday, April 10.
- We are gearing up for another successful fundraising effort in support of the Folds of Honor and Patriot Golf Day. The event has been moved to Memorial Day this year, and we will be promoting an online donation portal to make supporting this wonderful organization even easier.
- A tournament survey is being put together and will be emailed to the membership in the very near future.
- The Golf staff is assembling a variety of summer events that can be conducted for the members who live here year-round. Stay tuned for dates and formats.

Membership Committee Report – Tom Spaeth

- March Membership Changes for Approval

New Members

Johnson, Michael & Julie	Silver 2 Family Golfers
Harman, Jeanne	Social
Laurie Savioli/Gordon Robertson	Silver 2 Family Golfers
John Jay & Elizabeth Mahn	Silver 2 Family Golfers
James & Donna Allen	Silver 2 Family Golfers
David & Lindsay Charney	Social
Jacqueline Schaefer	Social
Ron & Stephanie Luongo	Social
Brian & Cathy Haggerty	Silver 2 Family Golfers
David & Mary Lucius	Social
Robert Maxwell	Tennis Single
Gary & Carol McCormick	Silver 2 Family Golfers

Upgrades/Downgrades

Curtis	Upgrade – Gold Family 2 Golfers
Lovegreen	Upgrade – Silver Family 2 Golfers
Schwerdtfeger	Upgrade – Silver Family 2 Golfers
Stull	Downgrade – Widower

Sale/Relinquish

DeVito	Social
VanLankvelt	Social
Wimberly	Social
Dunfield	Social
Dreskin	Silver 2 Family Golfers
Allen, Ron	Social
Scott	Social
Dini	Social
Salmon	Social

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

- To offer Summer Trail Memberships to non-residents and Vines/Belle Lago non-members for \$850 (Family)/ \$695 (Single) as well as a Summer upgrade option to ECC Social Members for \$595 (Family)/ \$495 (Single)

Motion to approve the above was made and seconded, approved.

- There were twelve closings in March. We welcomed eleven new Members: (6) Golf and (5) Social.
- There are no active property listings on the MLS within The Vines. There are 6 pending sales currently. (28) property transactions have occurred YTD in 2021.
- There were 94 membership inquiries received during the month of February. Website/email inquiries 31%. Phone Inquiries 69%. Ten prospect tours were provided. No preview rounds were extended.
- There were 41 Realtor inquiries.
- Closing coordination for 12 properties were completed.
- New Member onboarding and orientations.
- Manage daily and weekly communications and email blasts.
- Executed two Member surveys (seasonality and COVID vaccination rates).
- Developed new member survey.
- Finalized launch of digital reputation management campaign.
- Put forth seven member events/initiatives, including a second very successful Sunset Birding Tour.

Ad Hoc -COVID-19 Task Force – Tom Spaeth

- Covid Case Rates – Florida & Lee County

Racquet Committee Report – Ron Rosselot

- Committee Update - Have broken the committee down to 4 sub-committees; Tennis, Pickleball, Bocce, Fitness.
 - Courts are not holding consistent clay levels as we start April, we will be adding some clay to high lines and low spots on courts.
 - Construction is presenting some challenges, we have moved the match and member play to courts 3,4,5 and are doing lessons and clinics on courts 1 & 2. This keeps the play away from the noise.
 - Tennis play for the month of March was still very busy. Social play, league play and groups filled all the courts every morning including Sundays. Spring leagues are running smoothly, they end in May. Our Men's Blue team won First Place in their league and the Lee County White Mixed Team won their division in the 6.5 league.
 - Pickleball practices have gotten a little smaller, we only have two weeks of Pickleball left for this season. Our next pickleball event after April 22, 2021 will be on the new courts.

Grievance Committee – Art Camiolo

- Player On-Course Conduct

Greens Committee Report – Mark Mitchell

- Future plans and goals of the Committee – Would like to prepare a Master Plan for the golf course with help from Mark Thomas, GC Superintendent and Gordon Lewis, architect.

Greens - Tifeagle

Greens continue to do very well and rolled out well this past weekend. Being the Championship Tournament, we pushed the greens and speeds were close to 12. Our daily target for green speeds is 11. Overall Greens have improved, and we now have a handle on those greens that have struggled in the past. The only thing I am battling with is roots. My goal is to get these roots long and healthy so we can carry the appropriate aerification in our summer closures. We recently did a soil profile test We potentially have 2 layers in the profile. It is important that you eliminate or break this up. At this point it is holding water and not allowing the roots to break through this layer. The 2nd layer is at the 5", this is where the old greens were scraped off. Since the course has been rebuilt the greens have not been aerified more than 4 inches deep. It has been approved for a company to come in and aerify with solid tines at 8-10 inches deep. Again, this will allow water to pass through more freely as well create more oxygen for the plant and allow the roots to thrive. I have booked the first one for April 19th.

We also have a lot of grain to remove from the greens. It may not look like much but there is more there than we see especially ball marks because the surface is spongy. It is imperative that we remove a good portion of grain this summer and more importantly stay on top of it. To carry this out we would need to verti-cut at a depth of 0.5" at least 4 directions. We do not have the equipment for this, and we would have to contract this out. We would continue to stay on top of this by using our own vertical mowers, typically this can go as deep as .200" which potentially will cause the motor to struggle and burn the motor out. We will be carrying out vertical mowing every 2 weeks depending on Mother Nature and the conditions of the greens.

The Monday afternoon closures have immensely helped us improve the condition of the greens. To be able to carry out this in drier conditions is only benefiting the greens health and conditions as well as the entire golf course.

Tees/Fairways/Approaches – “Celebration’ 0.575”

These areas will continue to get healthier as we move forward. I am very satisfied with the direction we are going, and they are establishing well with good rooting in majority of the areas. One challenge we are struggling with is irrigation coverage. For a plant to be healthy we need food, sunlight, water, and good soil. If we do not have one of those, the plant will not thrive as well. My goal is to do everything we can to create a healthy environment by giving them all those factors.

Continue to work with New Generation Ag, they are specialist in soils. Recently we have just done some soil samples, and these were submitted to the labs. Upon the finding New Generation Ag came up with a recommendation of what fertilizer analysis I need to custom blend. We recently have applied this to the entire golf course. They also recommend applying Molasses, biological products that will help speed up the microbe's population, I'm trying to find funds available in the budget for us to do this.

Roughs- Latitude 36

I am still trying to understand the Latitude grass, it may be looking great right now with the warm weather and the additional fertilizer has been helping, however this grass does not root well. Areas that receive no traffic and looks very healthy still have no rooting.

Some may argue, why are we worried about this if the grass is looking good. With no rooting the grass is going to take a longtime to recover, especially in the busy season. I have seen bare spots around the course that have not grown in since October whereas the Celebration has.

In the meantime, along with improving the soil profile, we are going to do some test plots with some different grasses in different areas of the golf course, this way we can assess how well they hold up. Options of grasses will include Bimini and TifTuff.

Irrigation

This area is my number one priority going into the summer. Irrigation coverage is an issue due to poor head-to-head coverage, nearly all the heads need to be leveled out. I am losing about 3 employees averaging 4 hours daily to repair and fix irrigation issues; these include both my Assistants and Irrigation Specialist. You may have seen lately how we have been struggling with hotspots, due to the winds we have been receiving. Some heads are averaging 12ft short of what they should. Not to include some heads may need to be moved due to the new changes that have been made in the recent renovation. We are also experiencing failed heads, and we have seen 20 replacements in the last month which is having a negative impact on our operating budget. I have a proposition for the club to replace the existing Toro heads for Rainbird heads. I have been able to negotiate with Rainbird whom I am very familiar with and believe they are the best because all they do is focus on irrigation. For a Toro gear drive we are charged \$175 compared to a brand-new Rainbird head which is \$190, and I have asked them to commit a 5-year warranty on these heads. I would like for us to consider putting a plan together to change out all the irrigation heads over to Rainbird. Depending on funds availability, we can recommend starting with our greens being our biggest asset. We would need a total of 100 heads. We would remove the entire Toro heads and these can be kept in inventory to fix existing heads elsewhere on the course. However, another option is to purchase enough heads to do 9 holes this year and do 9 holes next year. We would be able to save more dollars on bulk buying, the price could drop to \$165 a head. I have no confirmed pricing. My thought process is we know the struggles we have with the Latitude grass, is to have the heads changed out in the next two years so by the 3rd year we will be able to decide should we need to keep the grass or change it out. Another huge savings changing out to Rainbird irrigation heads is labor cost, you would not need to edge these heads, this results savings averagely \$22,000 a year just labor alone.

Equipment

A lot of our equipment has not been kept up to my standards and has been neglected over the years. There was no parking spot for the equipment to park. Equipment was being left outside, which does not favor to the Floridian weather of sun and rain. A lot of credit goes to my new Equipment Manager Juan who has spent many hours to get the equipment in operable and safe conditions for our employees to use. We have new cleaning procedures in place to better care this equipment. Crew members are being trained to use them properly and more importantly safely. We have recently swapped a package of old retired equipment for 2 pull frames and a propane forklift. The pull frames are to be used for the fairways and roughs. Currently we have been using rotary mowers for the roughs which in my opinion does not produce a quality finish unlike the pull frames which are reels. I also believe with the rotary mowers it was doing more damage to the Latitude roughs by sucking up the turf and weakening the turf due to its poor roots. We are currently over budget on this line item. The existing budget has not been reflecting the true number due to equipment not been worked on or maintain as should be.

Staff

We are now 1 person short after hiring 3 new employees. We still currently have 5 workforce employees (Temp agency). My goals are still to replace these with full time staff.

Solomon and Dennys are adapting well to their new positions and the crew have reacted very well to the new changes. I am confident with time and training; the team will excel.

Beds/Landscape/Trees/Paths

April 19th, Bushwood Tree services will be here to remove some of the volunteer oaks will be removed whilst the Dominate oak will remain and be lifted and thinned out. We will assess again once this has been completed to ensure all parties are satisfied. The reason for this was to help golfers for a clear shot to the right side of #8 Green.

I have held off the cart path extension on hole #16 after a discussion with Mr. Mitchell and I will bring this topic up to the new Greens Committee.

House and Entertainment Committee Report – Karen Adair

Covers Review – March 2021

- Although COVID has been reducing covers overall and the Club did close for quarantine on March 30 and 31, March 2021 saw a resurgence in covers and revenue YOY. Vaccinations are the biggest reason for this reassurance along with creative outdoor venues that are attractive, fun, and efficient.
- Overall cover averages are trending positive and in the right direction with increased cover averages assisting the Club in obtaining its financial goals of the fiscal year.

General

A series of (3) positive diagnosis within 24 hours in the Clubhouse caused the need to quarantine the department to stop the spread of COVID-19. The Club quarantined a total of (21) staff members for 7 days due to close contact in addition to (3) positive cases. All quarantined employees returned to work with negative tests on April 6. Included in that closure was Easter Brunch.

- F&B launched bucket specials primarily for the back lawn to assist in quicker beverage service and in saving steps for staff.
- Knife skills Cooking Class was well received and sold-out with a waitlist. These interactive events are becoming more and more popular with our Membership.
- Chef's Table was cancelled due to low participation.
- The lunch and dinner a la carte menus were delayed due to club closure. These will debut on April 23.
- The Chef was able to liquidate some of the older kitchen equipment that was destined for the trash. Instead of dumping it, the Club profited \$1,200 and were able to remove some assets from its inventory.
- Alidor and select staff members assisted in clearing the west wing of the Clubhouse for the demolition.

Old Business (n/a)

New Business

- Heatherwood Contract signing Approval
Contract has been reviewed by management and the entire Construction Committee. The Construction Committee met with Heatherwood Owner, Walter Crawford, in person to discuss some minor concerns on the contract. Walter was very agreeable to all concerns and a revised contract has been produced. The revised contract has all of the Construction Committee concerns eliminated.

Motion to sign the Heatherwood contract as presented was made and seconded, approved.

Executive Session

- Called by President – *Motion made to add Mr. Mitchell as co-chair of the Long Range Planning Committee, seconded, approved.*

After Executive Session, an escorted tour of the renovation will be given by Joseph Iafe, GM

Adjourn – *Motion to adjourn at 4:45pm, seconded, approved.*

Next scheduled meeting: Tuesday, May 11, 2021 at 9am