

Mission Valley Golf and Country Club
Minutes of the Board of Directors Meeting
Monday, December 19, 2022

The meeting was called to order by President Steve Day @ 2:30 PM Eastern Time

Members present: President Steve Day, Treasurer Tom Grover, Secretary Dave Richardson (by phone), Rob Harkins, Kelly Jo Drewery, Cheryl Hornberger, Fred Binder (by phone), and Hilda Lyon. Absent: Vice President Pat Cangero.

Management present: Doug Slusser

The Minutes of the previous board meeting, 31 October 2022, were approved as submitted. Motion to approve: T. Grover, second: R. Harkins.

MANAGEMENT FINANCIAL AND OPERATIONAL: D. Slusser referred to the previously distributed Executive Summary and noted that November operations, which included a one-day closure due to hurricane Nicole, were ok, with about a \$10K miss to budget due to some timing items, and general, continued payroll pressure in all departments. December has the potential to be a very strong month, as revenues are currently running about \$20K above budget.

Mr. Slusser noted that the payroll pressures referenced above are most evident in the Golf Course Maintenance department, and that he had met earlier in the day with Golf Course Superintendent Dave Emmons to discuss the matter. Rather than trying to attract and retain employees solely by raising hourly wages, they discussed ideas for other, more unique benefits that our staff would hopefully value. These ideas, and additional suggestions by members of the board, were discussed at some length. Mr. Day encouraged Mr. Slusser to further explore these opportunities with Mr. Emmons, and implement those they believe will be most effective so that we have the staff needed to maintain the condition of the golf course at the high level the membership expects. The Board recognizes that any of these initiatives to help maintain adequate staffing will result in increased costs that need to be incorporated into the next fiscal year's budget.

FINANCE: T. Grover. The Finance Committee met earlier today, and minutes of that meeting were provided. Results for the months of October and November represented misses to budget of \$1,600 and \$9,000 respectively. With stronger results anticipated for December, it is expected that 6 month year-to-date operations at 12/31/22 will be positive relative to budget. It was noted that hurricane Ian costs of \$160K have been offset by the recognition of \$160K of CARA revenue. This will allow for an apples to apples comparison of actual operating results to budget through the remainder of the fiscal year.

Mr. Grover next noted that the committee will be exploring options to obtain better returns on the Club's excess cash in light of recent large increases in interest rates. Although we currently benefit from a daily Bank cash sweep of our excess funds, the returns are fairly modest with that product. Alternatives may include the purchase of laddered CD's (structured to retain full FDIC insurance

coverage) or the direct purchase of US Treasury bills. Either would be fully secure, and provide yields materially above what we currently earn.

Lastly, the Committee will explore at least one additional option to our current provider in connection with the April renewal of our insurance coverages to ensure we are getting the best, most economical program possible.

LONG RANGE CAPITAL PLANNING: H. Lyon. No meeting in November. A meeting was held earlier today. The concrete has been poured for the new driving range mats, and the mats themselves are to be installed around mid-January. The fire alarm panel that had been damaged by a lightning strike has been replaced, so we are back in compliance with codes relating to that item. The pole barn permitting is still in process. Approved the purchase of a Toro spray unit coming off lease for the GCM department. Decided not to purchase a 5 year old rough mower that is coming off lease shortly. We will work to arrange continued use of the unit until we can complete the purchase of a new unit in the next 3-15 months.

MEMBERSHIP: C. Hornberger. Our current membership is: 321 equity, 4 Corporate, 55 55 and under and 225 Social members. There are 91 on the Equity wait list and 3 on the 55 and under wait list.

GREENS: In P. Cangero's absence, Mr. Slusser said that the effectiveness of the overseeding process this year was phenomenal in terms of germination rates and coverage. The program is expensive, but the results reflected in the emerald green turf on the course are dramatic.

GOLF: F. Binder. No committee meeting this month. Meetings are scheduled out now through the next 4 months. No further report.

HOUSE: K. Drewery: The Winning Wednesday promotion in the restaurant continues. While no increase in seatings has been seen yet, it will continue to be monitored. The committee is evaluating a request for cigars to be sold in either the Golf Shop or behind the bar. Music Bingo has proven very popular, and is sold out (120) for January 10. There have actually been some complaints from members about their inability to secure a spot given how quickly it sold out. The committee will explore scheduling this event more frequently given its popularity.

TENNIS: R. Harkins. We have picked up 7-8 new male tennis members as a result of Jacaranda discontinuing its tennis operation, plus a couple of other new members. The Men's league is filled up, and league play in general is very strong. We are adding 3 ladies teams in January. Our current court reservation system provider has been sold, and the purchaser's offering is not very attractive. After an evaluation process, we have chosen Court Reserve, and hope to have them up and running by the end of the month. The previously approved remodel of the tennis pavilion/patio and paths is tentatively scheduled for the end of January.

NEW BUSINESS: S. Day:

D. Slusser summarized some preliminary results from the in-process Member survey. Participation is strong, with over half the members responding so far. Interestingly, about half of the responses include written comments. The survey closes 12.23.22, and Mr. Slusser will then compile the results for the

Board. Results will also ultimately be shared with the Membership. A separate survey on food and beverage is forthcoming.

D. Slusser reported for R. Smialek's committee on the process to replace Pope Golf as our management company. We are in discussions with three companies, and provided each with a letter detailing our desire for an a la Carte type arrangement rather than a full management contract. Such an arrangement would encompass HR, payroll, and legal services at a minimum, along with group/discount purchasing, and the ability to obtain consulting services on an as-needed basis. One of the potential providers has told us it is not interested in such an arrangement, and we are in continuing discussions with the remaining two. Our existing contract with Pope expires at the end of June.

Through a motion by T. Grover and seconded by C. Hornberger, the meeting was adjourned at 4:15 pm.

Respectfully submitted,

Dave Richardson
Secretary