

Cleveland Country Club
State of the Club Address Questions and Answers
Member's Meeting December 7, 2009

1. What is the balance owing to First National on the renovation loan?
 - a. *\$920,829, #4152802 variable at prime, with floor of 5.25%, which is the current rate*
2. Are monthly payments being made? on time??
 - a. *Yes, Yes*
3. Are there any other notes/loans?
 - a. *Credit line # 81418, variable rate at prime, with floor at 4.5%, which is the current rate. This note matures 12/20/09 and we can renew - balance \$132,842.*
 - b. *Golf Cart note # 4328548 is Fixed rate at 4.75% - balance \$42,705*
 - c. *Aerator loan # 4336441 is fixed rate at 6% - balance \$17,042*
4. Can you prepay dues for year ?
 - a. *The committee is looking into the possibility of prepaying dues –will possibly have decision before the end of the year.*
5. Committee did an analysis of new payment structure.
6. Will every member be required to choose?
 - a. *Yes*
7. Is the Full Club Membership the same?
 - a. *Yes. Right now we have 60 different classes of club membership. Fewer classes in new plan – Full Membership will be similar to what it is now, but \$5.00/month less expensive for Family. The 25% discount for Junior and Senior memberships will make the dues very close to today's costs.*
8. Will Capital Improvement fee continue on equity memberships?
 - a. *Yes*
9. Is the CIF escrowed?
 - a. *CIF fee are not escrowed – used to pay down the loan and projects.*
10. What will the food minimum be?
 - a. *Full Membership, Individual Membership, Golf, Tennis-Swim-Fitness Memberships have a \$25/month food minimum The Dining only Member (family membership) has a \$100/month minimum. No minimum for the Founders, Pool or the Junior Sports Memberships.*
11. Are we going to hire a manager?
 - a. *The search committee is interviewing candidates. They will make a recommendation to the Board.*
12. How are we going to get these new members?
 - a. *Through Marketing and advertising to get the word out. There is an \$18,000 ad and promotions budget.
Print Ads – Foothills Bridal Show
Ads in the Star – January, February and March ¼ page ad each week.
Featured in Foothills Bridal Magazine – February and August – Bridal Fair
On the Internet
Brochures and direct mailings – to target markets using demographics of Cleveland County.*

13. There are over 100 former members –
 - a. *Yes, they will be approached directly.*
14. Is there a Plan B?
 - a. *February 1 will tell any problems, after members are required to sign their forms. We'll make this work!*
15. How are the other clubs you mentioned doing? (Statesville).
 - a. *.They are still open but no details.*
16. The County is building a convention center – for weddings – celebrations. How will that affect us?
 - a. *The Food sales dollar does not add that much to the bottom line. We'll do the best we can to market the "Country Club" wedding.*
17. Have we considered non-residents from CLT – non resident golf membership – say a person playing only 2x a month.
 - a. *They can come as an invited guest once a month. More than that, on a regular basis, they would have to join.*
18. What happens as I am now a full membership and I go to an annual membership; Then in 4 or 5 years, when the economy turns around – will I be forced to choose either a full or founder's membership? Pay an initiation fee?
 - a. *Possibly, if the club phases out annual memberships there might be a transfer fee, or a re-initiation fee to reinstate full membership status. It will be a policy decision for the BOD of Cleveland Country Club at that time.*
19. Can we operated without a General Manager?
 - a. *As President, Sam Cooper is meeting with department heads at 11 o'clock on Wednesdays each week. He is constantly in the Club almost daily and right now we are running well. But this is a \$2,000,000 operation and there are other needs.*
20. Why do we need a GM?
 - a. *Future officers probably won't have the time to dedicate to daily matters. While short term operations are doing fine, there are duties like planning, development and co-ordination of club-wide programs that require "professional guidance". Major annual projects like insurance, taxes and capital expenses need attention.*
21. What about Preview Members?
 - a. *Preview members will maintain current status until the term of that membership expires. They will be sent paperwork to choose a new category 60 days in advance of that.*
22. Why is the food minimum cut of \$25\$.
 - a. *That was a compromise number between those who wanted the current \$40 or more and those who wanted it eliminated.*
23. *The 25% Junior/Senior discount does not apply to the Founder's membership – it only applies to Full Family Memberships*