



**Welcome to the 2024 Annual
Meeting of Vaquero
Members**

Housekeeping



Per the Bylaws – Article 11.1

One third (1/3) of the Members entitled to vote, whether in attendance, in person, by proxy, absentee ballot or by electronic or internet voting pursuant to procedures established by the Board, shall constitute a quorum, except for meetings where Major Decisions are made.

Board of Directors



Mike Bevill- President

John Gallagher- Vice President & Finance
Committee Chair

Ron Chase- Secretary & Nominating Committee
Chair

Dusti Kuehne - Fitness and Racquets Chair

Dr. Brian Flowers

Patrick Barley – Golf Committee Chair

Terri Johnston – Membership Committee co-chair

Jim Lentz

Jim Wilkerson – Membership Committee co-chair

Committees



Finance Committee- John Gallagher, Chair

- Bryan Begley
- Jeff Brown
- Greg Stevens
- Wayne Stoltenberg
- Mike Bevill

Committees



Fitness & Racquets- Dusti Kuehne, Chair

- Dr. Brian Flowers
- Megan Bogue
- April Gallagher
- Rhonda Gruenewald
- Damian Gomez
- Torsha Tomlinson

Committees



Golf Committee- Patrick Barley, Chair

John Hogan

April Gallagher

Jim Lentz

Jeff Brown

Carl Bunch

Dr. Brian Flowers

Mike Rawls

John Blair

Karen Stewart

Trip Kuehne

Mike Bevill

Committees



Membership Committee

Terri Johnston & Jim Wilkinson Co-Chairs

- Ron Chase
- Tiffany Autrey
- Damian Gomez
- Dusti Kuehne
- Brent Russell

Committees



Nominating Committee- Ron Chase, Chair

- John Gallagher
- Donnie Marcontell
- Damian Gomez
- Julie Tompkins

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Vaquero

General Manager / COO
Report

The Road Map



If you don't know where you are going, any road will get you there.

- Develop a Strategic plan and Master plan with the new Board as of 9/29/2024
- Identify the key components (pillars) of the strategic plan – Financial, Governance, Culture, Team, etc.
- Master Plan- How does the Club evolve, and how do we enhance our existing amenities and develop new ones?

Strategic Plan



Effective strategy is informed by data that supports the decision-making process.

1. Focus on the vision – Does it resonate with today's membership? The original one is from the Discovery Model
2. Identify short-term and long-term objectives
3. Develop specific actions (tactics) that will help us achieve our objectives.
4. Once the tactics have been identified, it's time to match them to the staff and financial resources they will require.

Your Capital Dues Dollars



At the beginning of the financial year, the new capital dues lines raised \$2.3 Million. The capital projects are broken down into the following segments:

- Agronomy Capital \$693k -GPS Sprayers, Turf vacuum, and installation of new trees on the golf course
- Admin - \$69k – Website overhaul, videography and golf course photos by Evan Schiller
- Comfort stations- \$27k to enclose the cooking areas per the health department
- Clubhouse - \$630k for HVAC, New hardwood flooring, Insulation, inside lighting and landscape lighting.

Your Capital Dues Dollars



- New kitchen equipment -\$61k (combi oven & refrigerator). It is important to know that we spent \$32k on emergency kitchen equipment replacement in August and September.
- Pool- \$179k .Change out the kids pool to a splash pad. Replace pool furniture and insulate the pool pump house and the main building. Replace the cabana fabric.
- Ranch House upgrades- \$254k. Men and ladies bathroom flooring. Bar, Patio and Cabana furniture, conference room chairs, Triangle sun shades and TVs.
- Other items



Membership Data

Membership FY24

- ❖ Demand for Vaquero Club membership remains high.
- ❖ Golf waitlist grew by 30% and our social list by 50%.
- ❖ 55 Tours in FY24. 58% of tours resulted in applications.
- ❖ New Members
 - ❖ Golf 14
 - ❖ Social 7

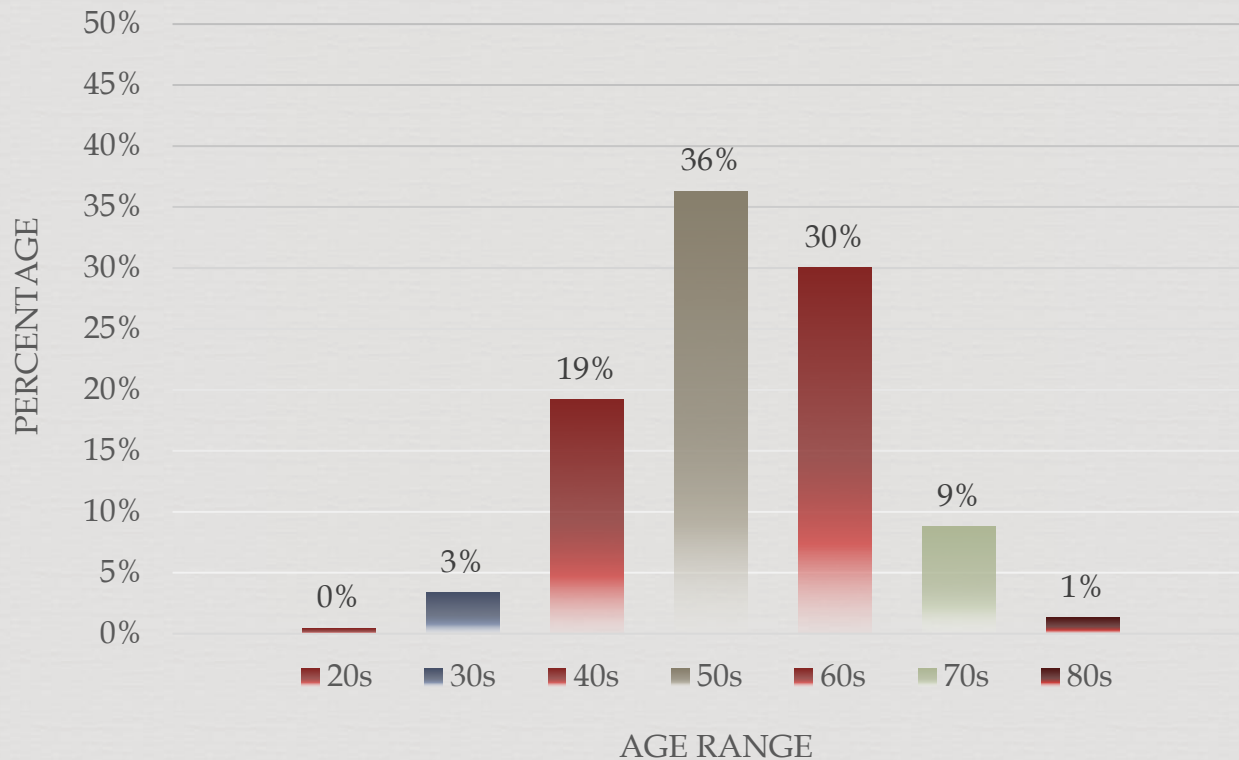
Membership FY24

- ❖ Statistics FY24 Resident vs. Non-Resident of our 417 memberships
 - ❖ Golf – 353 members
 - 186 or 53% residents
 - 167 or 47% non-residents
 - ❖ Social – 64 members
 - 37 or 58% residents
 - 27 or 42% non-residents
 - **74% of the Vaquero community are members.**
- ❖ Initiation Fee Increase effective May 19, 2024:
 - Golf Membership \$325,000 with 30% equity
 - Social Membership \$100,000 with 30% equity

Membership Age Demographics GOLF

- ❖ The average age of club members for golf and social is 56 years.
- ❖ 55% of our golf members range between ages 40 and 59.
- ❖ 85% of our golf members range between ages 40 and 69.
- ❖ The club has 329 golf dependents under the age of 23.

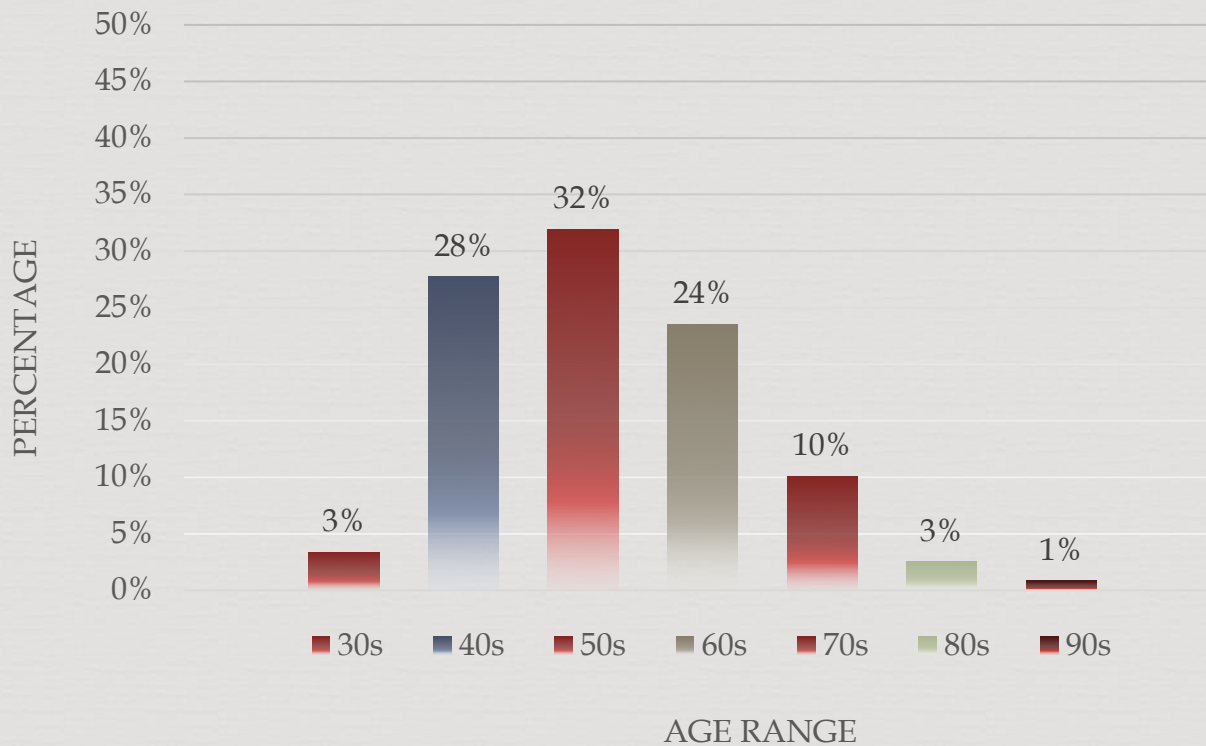
Golf Membership Age Demographics FY24



Membership Age Demographics SOCIAL

- ❖ 60% of our social members range between 40 and 59 years old.
- ❖ 84% of our social members range between 40 and 69 years old.
- ❖ The club has 65 social dependents under the age of 23.
- ❖ **The club has almost 400 dependents under the age of 23.**

Social Membership Age Demographics FY24





Review of Financials

Chad Williamson - CFO

VAQUERO OPERATING RESULTS FOR FY24

	FY2024	FY2024	
	Actuals	Budget	Variance
Revenue - Non Dues	\$7,286,744	\$6,994,553	\$292,191
Cost of Sales	\$2,357,808	\$2,415,036	(\$57,228)
Gross Profit - Non Dues	\$4,928,936	\$4,579,517	\$349,419
Dues Revenue	\$13,132,516	\$13,112,856	\$19,660
Gross Profit	\$18,061,452	\$17,692,373	\$369,079
Payroll & Related	\$11,080,715	\$10,975,743	(\$104,972)
Operating Expenses	\$5,140,079	\$4,473,909	(\$666,170)
Occupancy Expenses	\$2,331,095	\$2,211,810	(\$119,285)
Club Fixed Costs	\$18,551,889	\$17,661,462	(\$890,427)
Club Operating Income	-\$490,437	\$30,911	-\$521,348
<i>Interest Income</i>	\$305,767	\$0	(\$305,767)

Golf guest fees outperformed budget

- Golf Course Maintenance
- Supplies
- Caddie Program

FY25 BUDGET to FY24 ACTUALS

	FY2025	FY2024		
	Budget	Actuals	Change	
Revenue - Non Dues	\$7,141,132	\$7,286,744	(\$145,612)	Reduced F&B menu prices
Cost of Sales	\$2,346,710	\$2,357,808	(\$11,098)	
Gross Profit - Non Dues	\$4,794,422	\$4,928,936	(\$134,514)	
Dues Revenue	\$15,518,040	\$13,132,516	\$2,385,524	Wage increases & additional staff
Gross Profit	\$20,312,462	\$18,061,452	\$2,251,010	
Payroll & Related	\$12,124,120	\$11,080,715	\$1,043,405	Leased Equipment Training & Education Strategic Planning Promotional Expenses
Operating Expenses	\$5,377,867	\$5,140,079	\$237,788	
Occupancy Expenses	\$2,508,041	\$2,331,095	\$176,946	
Club Fixed Costs	\$20,010,028	\$18,551,889	\$1,458,139	
Club Operating Income	<u>\$302,434</u>	<u>-\$490,437</u>	<u>\$792,871</u>	
Interest Income	\$274,000	\$305,767	(\$31,767)	

Balance Sheet as of 6/30/24

	June 2024	June 2023
Cash - On Hand	\$6,930	\$5,236
Cash - Operating	\$14,163,556	\$10,865,197
Cash - Capital Reserve	\$3,479,074	\$2,687,231
Cash - Golf Course Fund	\$33,906	\$623,157
	-----	-----
Total Cash	\$17,683,466	\$14,180,822
Accts Receivable	\$3,415,957	\$2,088,079
Inventories	\$616,786	\$592,061
Deposits	\$0	\$2,198
Prepaid Expenses	\$403,371	\$362,347
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Total Other Current Assets	\$4,436,113	\$3,044,684
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Total Other Assets	\$108,952	\$129,222
	-----	-----
Net Fixed Assets	\$58,700,332	\$53,549,225
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Total Assets	\$80,928,864	\$70,903,953
	=====	=====

Balance Sheet as of 6/30/24

	June 2024	June 2023
Accounts Payable	\$1,638,939	\$240,746
Taxes Payable	\$275,330	\$226,538
Accrued Expenses	\$3,535,140	\$2,936,029
Deferred Revenues	\$28,926,315	\$24,287,210
Note Payable - Clubhouse	\$7,587,711	\$8,495,311
Note Payable - Golf Course	\$5,252,538	\$3,267,658
Note Payable - Comfort Station	\$538,634	\$0
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Total Liabilities	\$47,754,606	\$39,453,493
Membership Deposit-Equity	\$62,387,595	\$62,673,651
Retained Earnings	(\$31,314,065)	(\$44,225,557)
Current Year Profit/Loss	\$2,100,727	\$13,002,366
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Total Member's Equity	\$33,174,257	\$31,450,460
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Total Liabilities and Member's Equity	\$80,928,864	\$70,903,953
	=====	=====

Q1 Forecast – Ending 9/30/24

	Forecast	Budget	Variance
Revenue - Non Dues	\$1,778,185	\$1,589,676	\$188,509
Cost of Sales	\$527,350	\$503,285	\$24,065
Gross Profit - Non Dues	\$1,250,835	\$1,086,391	\$164,444
Dues Revenue	\$3,881,505	\$3,879,510	\$1,995
Gross Profit	\$5,132,340	\$4,965,901	\$166,439
Payroll & Related	\$3,184,816	\$3,036,729	(\$148,087)
Operating Expenses	\$1,505,748	\$1,440,488	(\$65,260)
Occupancy Expenses	\$727,704	\$780,936	\$53,232
Club Fixed Costs	\$5,418,268	\$5,258,153	(\$160,115)
Club Operating Income	-\$285,928	-\$292,252	\$6,324
<i>Interest Income</i>	\$131,752	\$110,000	\$21,752

Guest Fees
Golf Merchandise
Fitness & Racquets

Maintaining
service levels

CAPITAL RESERVE FUND

	Balance 7/1/23	<u>\$2,687,231</u>
Net Increase from Membership Transfers		\$1,650,000
Net Increase from Wait List Deposits		\$1,119,750
Comfort Stations Project		(\$1,196,040)
Racquet Courts Project		(\$175,757)
FY2024 Building & Improvements		(\$205,874)
FY2024 GC & Land Improvements		(\$223,377)
FY2024 Equipment		(\$286,131)
FY2024 Furniture & Fixtures		(\$410,728)
FY2025 Capital Dues Collected		<u>\$2,080,000</u>
	Balance 6/30/24	\$5,039,074

CAPITAL SPEND FY2025

Capital Reserve Funds 6/30/24	\$3,479,074
FY2025 Capital Dues	\$2,386,500
Capital Funds (FY2025)	\$5,865,574
Membership Transfer - July Refunds	(\$520,000)
Repair & Maintenance	(\$1,325,800)
New Capital	(\$295,400)
Golf Course Equipment	(\$693,000)
Comfort Station Note Payment	(\$250,000)
Total Capital Spend (FY2025)	(\$2,564,200)
Refundable Deposits	(\$220,000)
Projected Capital Reserve - 6/30/25	\$2,561,374

SALES TAX AUDIT RESULTS

NOV 2017 - JULY 2021

<u>Tax Liability</u>	<u>Penalty & Interest</u>	<u>Original Exposure</u>
\$1,621,748	\$461,400	\$2,083,149

\$190,000

March 2024

Vaquero settled with the State Comptroller, penalties and interest were waived

Vaquero Projects Recap

	Budget	Actual	Variance
Golf Course	\$19,448,383	\$20,949,670	\$1,501,287
Comfort Stations	\$2,743,177	\$2,732,880	(\$10,297)
Racquet Courts	\$546,450	\$713,737	\$167,287



Matt Weitz – Director of
Agronomy & Landscaping

An aerial photograph of a golf course during the golden hour of sunset. The scene is bathed in warm, orange light. The foreground shows a lush green fairway with a sand trap. A winding path or stream cuts through the middle ground. In the background, a residential neighborhood with houses and trees is visible under the soft glow of the setting sun. The word "Vagueness" is written across the upper half of the image in a large, white, cursive font.

Vagueness

Agronomy Report 2024

2024 Agronomy Report

- 1) Opening of the new golf course**
- 2) Grow-in & establishment of new turf**
- 3) Restoration progress**
- 4) FY 25 Grounds & Course Improvement Projects**

Golf Course Reopening

October 26th, 2023



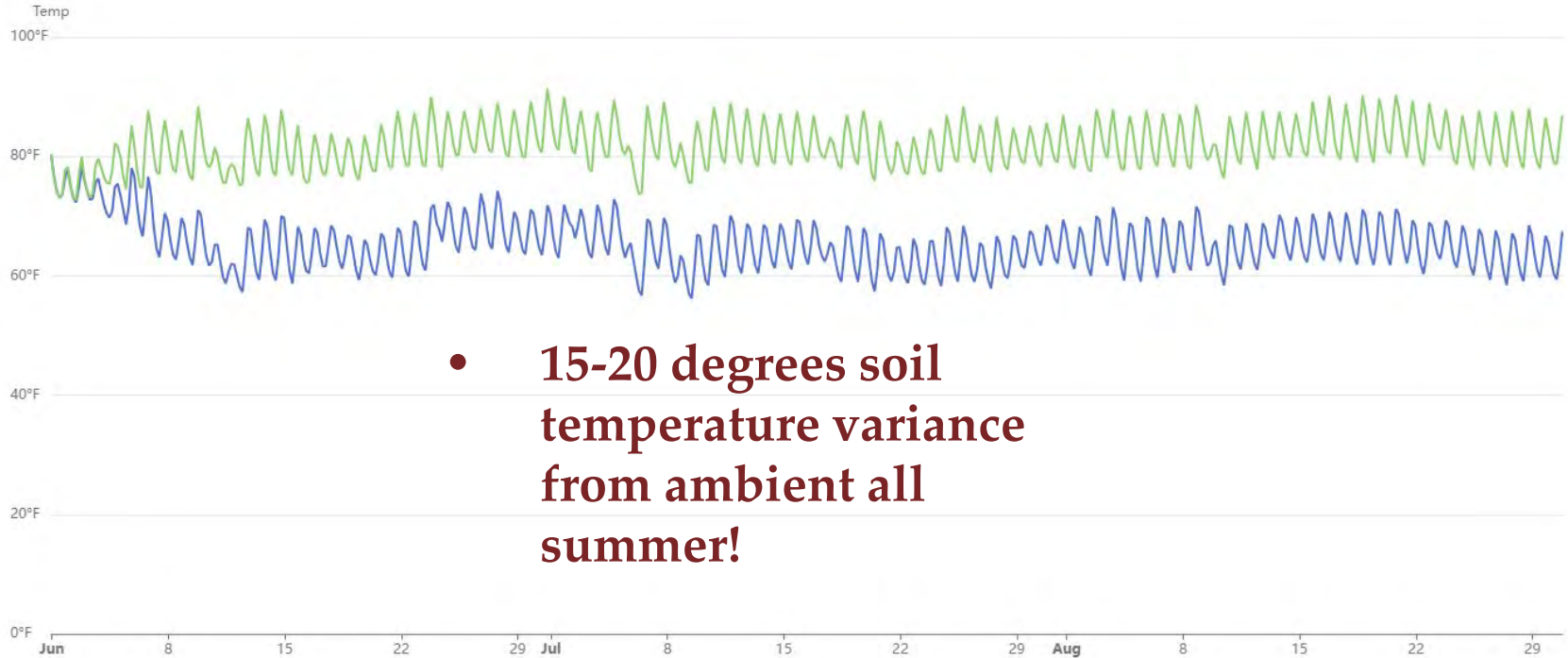
Greens

Establishment & Conditioning

- Establish and manage the top thatch layer
- Develop a deep and dense root structure
- Weekly grooming and light topdressing
- Maintained mowing heights throughout the summer
- Average green speed 11'4" June- August



Hydronics Cooling System



Greens

Pure Distinction Bentgrass

November 2023



February 2024



April 2024



May 2024



September 2024



Bentgrass roots
after a Texas
Summer without
the hydronics
cooling system

Zoysia

- Groom and condition all new sod
- Remove the sod layer and create uniformity in the profile
- Reached desire HOC on all playing surfaces
- 50 tons/Acre of sand in 2024; 2,500 tons total!



Coastal Restoration



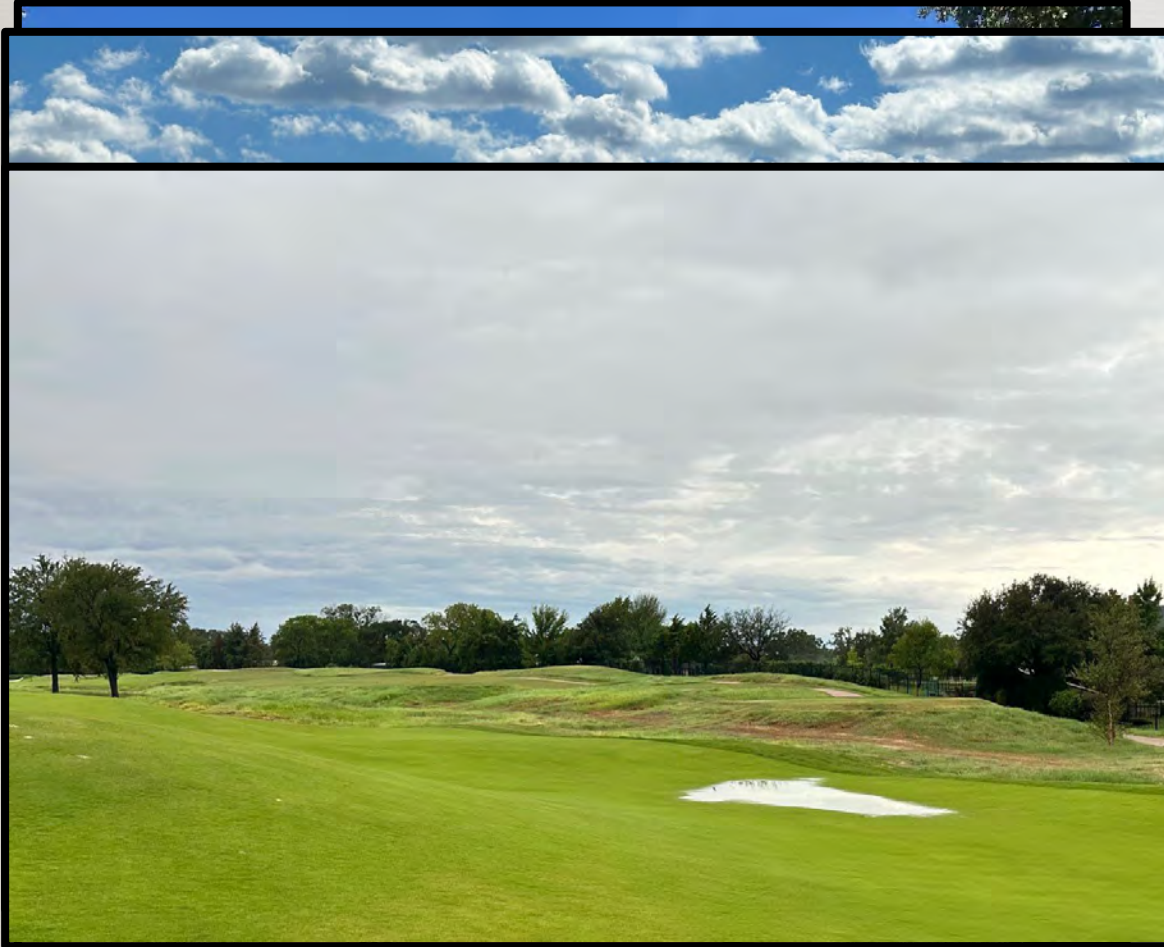
- Great strides were made in 2024 growing in our coastal Bermuda areas

- Light seed rates critical to achieve desired playability

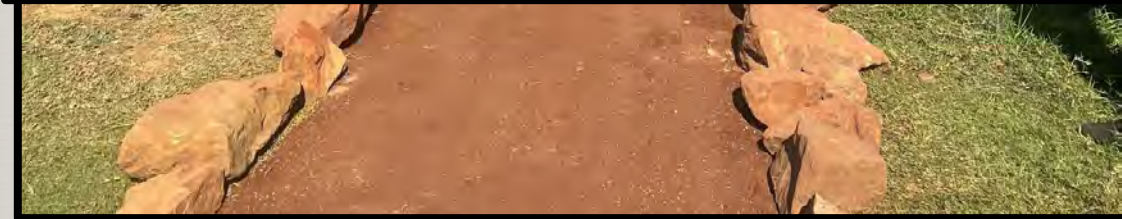
- Annual rye overseed for coverage in small scars and voids

- 2-3 years to fully mature and recover from major construction

Continued Course Restoration



- Re-establishing walking paths to tees and greens
- Annual tree program
- Surface drainage enhancements



Front Entrance Restoration



Thank You



Q & A Segment