



MEMBER TOWN HALL MEETING

June 1, 2017

Welcome

Meg Carlson,

Kingfish

AGENDA

I. STRATEGIC PLAN UPDATE

II. RENOVATION UPDATE: CLUB USAGE

III. CLUB NIGHT SURVEY RESULTS

IV. Q&A – CONFIDENTIALITY REMINDER

Arid Club Executive Committee

Meg Carlson, Kingfish

James Steele, Jr., Vice Chairman

Thomas South, Treasurer

Jed Reese, Corporate Secretary

Candi Allphin, Membership Committee Liaison

James Steele, Jr., House Committee

Doug Pill, Events Committee Liaison

George Juetten, Finance Committee

Marshall Garrett, Ex-Officio

KOPPLIN KUEBLER & WALLACE

THE MOST TRUSTED NAME IN EXECUTIVE SEARCH AND CONSULTING

Strategic Plan

- The Arid Club



Jack Sullivan, CCM
Meg Carlson, Kingfish
Alvin Charlton, General Manager
Executive Committee & Committees
January 1-June 1, 2017



The Strategic Planning Process answers:

What do we want our Club to be?

- What is our Brand?
- Who are our Members – now and in the future?
- What will our demographics look like in five years? Ten years?

Where should we be five to ten years from now?

- How should our facilities and amenities evolve to accomplish our goals?

What needs to be accomplished to satisfy our membership now and in the future?

- What changes or improvements do we need to make in order for all of this to happen? In our facilities? In our programs and services? In our staff? With our governance and organizational structuring?

What should Clubs be doing to 'stay ahead'?

- **There has to be clear 'value' for the membership** -- seek out ways of providing that value -- institute "Service Recovery Programs", QAP, PIP or similar programs---do we truly know where our deficiencies are, and do we have plans to improve them! SERVICE in a "CHEERS-like" fashion is critical!
- **Stay on top of satisfaction levels in key areas** -- surveys are MUCH more prevalent than in past years! WHAT IS THE "MAIN THING" AND ARE YOU FOCUSED ON IT?
- **Keep members well informed** -- Town Hall meetings, e-blasts, regular focus groups, constant visibility and engagement, empowering of key staff to be 'in the loop,' and make sure you know what they want and are thinking -- *EDUCATE!*

Mission, Vision & Core Values

OUR MISSION

**The Arid Club is a discreet and exclusive club for executive and professional peers,
offering uncompromising personalized service and unsurpassed quality.**

OUR VISION

**To be the premier private business and social club in the Northwest
*Where Business Happens and Memories Are Made***

OUR CORE VALUES

Values direct the decisions we make, define our character, and preserve what is special about our Club. They are:

- 1. Sociable** — We enjoy the camaraderie that comes from shared experience and conversation in a warm and welcoming environment.
- 2. Quality** — We deliver a consistently superior experience with such distinction that the Arid Club gains a first class reputation for gastronomy, gracious and informed hospitality, comfort and beauty.
- 3. Mutual respect** - Our success is driven by the positive energy of our membership and staff reflecting our core values and respectfully working together to achieve our mission
- 4. Exclusivity** - We attract top community and business leaders who are actively engaged in our community and in their professions.
- 5. Responsibility** — We deliver a strong value proposition in a fiscally responsible manner.
- 6. Diversity** - We provide a welcoming and inclusive club, treating everyone with respect.



Metrics of Success

Quarterly review of performance vs. metrics and actions prescribed
Platinum Club Evaluation Criteria - Biannual

High staff satisfaction and retention

- Measured by turnover rates vs. industry benchmarks and through annual surveys, quarterly reviews, and exit interviews

High membership satisfaction

- Measured through annual surveys vs. industry benchmarks, quarterly focus groups, weekly 1:1 interviews, social media input, and exit interviews

Membership retention and growth

- Measured by net membership levels by category, retention rates and exit interviews

Membership and guest participation

- Measured by membership utilization rates by category, member guest invitations, and member attendance at club events

Sustainable financial results

- Measured by performance vs. Budget and Prior Year and industry benchmarks

Community perception

- Measured by staff leadership engagement in community organizations, and annual focus groups with key influencers (e.g., realtors, bankers, press)

Action Plan

Key Issue #1: QUALITY OF MEMBERSHIP

Objective: Retention and growth of quality members who reflect the core values

Tactics	Owner(s)	Due Date	Status
<p>Develop a membership retention plan that includes:</p> <ul style="list-style-type: none"> Evaluate and understand primary reasons for member exits Provide mechanisms for member ideation (input & feedback) Survey all new members at end of 30/90/180 days & year 1 anniversary Research CRM System to track member touchpoints Explore member experience enhancements (e.g., affinity groups, special interest groups, unique offerings) Enhance formal onboarding program to engage new members Review and recommend changes to initiation fee 	Stewart Johnson, Membership Committee and General Manager, Marketing and Communications Committee	<p>Dec. 31, 2017</p> <ul style="list-style-type: none"> April 30, 2017 TBD (part of Mar/Com Strategy – App based) June 1, 2017 Sept 1, 2017 Dec. 31, 2017 Sept. 1, 2017 Sept. 1, 2017 	<p>Red Yellow Red Red Red Red Red Yellow Red</p>
<p>Develop a membership recruitment plan that includes:</p> <ul style="list-style-type: none"> Clearly define target audiences by category (e.g., corporate, business, government, community) Set diversity goals by segment (e.g., women, minorities, age) Establish value proposition and establish target goals for each membership category and segment Set goal for retention of surviving spouse members upon status change Develop prospect lists for each category and segment Develop an Executive Outreach Program (e.g., Corporate Ambassadors, Executive Prospect Networking Events) Review and update membership application 	Stewart Johnson, Membership Committee and General Manager	<p>Dec. 31, 2017</p> <ul style="list-style-type: none"> Sept. 1, 2017 June 1, 2017 Sept. 1, 2017 June 1, 2017 Sept. 1, 2017 Dec. 31, 2017 Complete 	<p>Yellow Yellow Yellow Red Red Yellow Red Green</p>
<p>Achieve NET GOAL Resident/Corporate/Junior members by gaining 20 net memberships per year beginning 2018</p> <ul style="list-style-type: none"> Establish membership committee goal (Introduction/Conversion) Establish Board goal 	Stewart Johnson, Membership Committee and General Manager	<ul style="list-style-type: none"> FYE Complete Sept 1, 2017 	<p>Red Green Red</p>

Action Plan

Key Issue #2: GOVERNANCE AND PRUDENT FISCAL MANAGEMENT			
Objective: Development of high caliber board committed to fiscal responsibility			
Tactics	Owner(s)	Due Date	Status
Develop one-year and five-year rolling operational and capital plans tied to business model drivers: <ul style="list-style-type: none"> • Utilize evaluation matrix to understand business model drivers for profitability (members, usage, fees/dues) – review post reopening • Update drivers based on prior year actuals • Recommend alternative pricing strategy to improve results 	General Manager, Finance Committee	December 31, 2017	Yellow
		<ul style="list-style-type: none"> •May 5, 2017 	Green
	Membership Committee	<ul style="list-style-type: none"> •October 2017 •Annually 	Red
		<ul style="list-style-type: none"> •May 31, 2017 	Red
Develop and request an RFP from member-represented banks regarding debt restructure <ul style="list-style-type: none"> • Recommend and approve plan for implementation • Present to membership and secure approval 	General Manager, Finance Committee	November 30, 2017	Red
		<ul style="list-style-type: none"> •December 31, 2017 	Red
		<ul style="list-style-type: none"> •January 2018 	Red
Assess viability of securing a line of credit to fund calendar year shortfalls <ul style="list-style-type: none"> • Recommend and approve plan for implementation 	General Manager, Finance Committee	March 20, 2017	Green
		<ul style="list-style-type: none"> •May 31, 2017 	Yellow
Conduct annual Board retreat to organize, strategize and prioritize <ul style="list-style-type: none"> • Conduct and review annual Board self-evaluation vs. benchmarks • Establish Strategic Plan Objectives & Strategies & publish to members 	Kingfish, Board, General Manager, Committees	September 30	Green
		<ul style="list-style-type: none"> •September 1 	Green
		<ul style="list-style-type: none"> •First 60 days annually 	Red
Define roles and responsibilities of Board Members/Committee Chairs <ul style="list-style-type: none"> • Create Charters and Activities Charts for Board and Committees 	Board, Committee Chairs	June 30, 2017	Red
		<ul style="list-style-type: none"> •August 31, 2017 	Red
Recruit member leaders to Board and Committee Roles <ul style="list-style-type: none"> • Define criteria for Board members given Strategic Plan • Design and implement annual Board & Committee Onboarding Process 	Kingfish, Immediate Past Kingfish	Annually	Green
		<ul style="list-style-type: none"> •90 days before year end 	Yellow
		<ul style="list-style-type: none"> •September 1 2017 	Red 11

Action Plan

Key Issue #3: FACILITIES AND AMENITIES

Objective: Invest to update and improve the facilities while building reserves

Tactics	Owner(s)	Due Date	Status
<p>Complete comprehensive facilities review, identifying needs for improvements and additions over a 5-year planning horizon</p> <ul style="list-style-type: none"> Invest on planned basis in maintenance and replacement of the grounds, equipment, furnishings Develop a facilities master plan that includes best use of current/planned and potential improvements 	House Committee, Board Liaison, General Manager, Long-range Planning Committee	<p>Annually in March</p> <ul style="list-style-type: none"> Ongoing Annually in June 	<p>Yellow</p> <p>Green</p> <p>Red</p>
<p>Create “club within the club” venues for cozy, exclusive formal and informal dining that fulfills members needs in every function/activity</p> <ul style="list-style-type: none"> Develop a casual bar and lounge environment for light dining Establish a participation-based member Wine Committee Establish a participation-based Beverage/Bar Menu Committee Establish a participation-based member Menu Committee Evaluate converting alcove to natural light Board Room Evaluate options that enhance outside seasonal dining 	House Committee, General Manager	<p>December 1 2017</p> <ul style="list-style-type: none"> September 2017 May 3, 2017 September 30 2017 June 30 2017 January 30 2018 January 3, 2018 	<p>Red</p> <p>Yellow</p> <p>Yellow</p> <p>Red</p> <p>Red</p> <p>Rdd</p>
<p>Establish a Legacy Program to fund member-specific projects</p> <ul style="list-style-type: none"> Explore estate planning and recognition options Evaluate establishing a Building Fund for future facility upgrades Explore Lifetime membership or Elite membership fees and benefits 	Marshall Garrett, Jed Reese, General Manager with Membership Committee	June 1 2017	<p>Red</p> <p>Red</p> <p>Red</p> <p>Red</p>
<p>Establish a plan to increase club usage by leveraging Reciprocal Clubs</p> <ul style="list-style-type: none"> Implement and communicate lodging partnership with The Grove Hotel 	Stewart Johnson, General Manager	April 1, 2017	<p>Green</p> <p>Yellow</p>
<p>Evaluate and add amenities that provide easier access to increase usage</p> <ul style="list-style-type: none"> Communicate and train members on features and benefits Amenities to be explored include To Go app for curbside pickup; online menu for appetizers/casual menus, Online Rating Service for members 	Stewart Johnson, General Manager, House Committee	May 1, 2017	<p>Yellow</p> <p>Red</p> <p>Red</p>
Review restrictions on mobile device usage and publish to members	House Committee	May 1, 2017	<p>12</p> <p>Yellow</p>

Action Plan

Key Issue #4: CALIBER OF STAFF AND PROFESSIONAL SERVICE LEVELS

Objective: Develop and retain a high quality professional staff that is well trained, well mannered, highly motivated

Tactics	Owner(s)	Due Date	Status
Recruit top of market individuals who meet the club's screening criteria and demonstrate alignment with core values <ul style="list-style-type: none"> • Establish critical screening criteria by position • Design formal recruitment strategy and plan by position • Recruit Clubhouse Manager who raises standards 	General Manager	June 30, 2017 •May 22, 2017 •June 1, 2017 •July 1 2017	Red Yellow Yellow
Upgrade staff training and development programs that will enhance the member experience <ul style="list-style-type: none"> • Evaluate effectiveness of current training programs and implement continuous improvement programs • Establish certification system in lieu of 'briefing' • Utilize best practices advisory from experts (e.g., DeJulius Group, Hospitalian TED talks) and track metrics of success 	General Manager and Leadership Team	Quarterly •July 30, 2017 •July 30, 2017 •June 1, 2017	Red Red Red Yellow
Complete comprehensive review of wage, incentive and benefit packages to ensure retention	General Manager, Finance Committee	Annually in September	Yellow
Establish uncompromising personalized service standards checklist <ul style="list-style-type: none"> • Provide training and experience shares weekly and monthly • Monitor service levels daily and report consistency concerns for action • Create member personal history data base that includes hobbies, family, interests – determine whether POS system will accommodate. 	General Manager and Leadership Team	May 15, 2017 August 1, 2017	Red Yellow Yellow
Conduct regular staff satisfaction surveys and measure versus industry benchmarks	General Manager, Kingfish	Annually in August End of Quarter	Red
Track turnover rates and improvement versus industry standards	General Manager	Annually in August End of each Quarter	Red

Action Plan

Key Issue #5: OVERALL EXPERIENCE

Objective: Enhance the shared member experience through events, programs, culinary offerings, service levels

Tactics	Owner(s)	Due Date	Status
<p>Evaluate all events to better understand relevancy (financial performance, satisfaction and participation)</p> <ul style="list-style-type: none"> Recommend enhancements for continuous improvement 	Events Committee, Board Liaison, General Manager & Leadership Team,	<p>Within 30 days of event</p> <ul style="list-style-type: none"> Quarterly 	<p>Green</p> <p>Green</p>
<p>Enhance ease of use for members with technology options for RSVPs, events, take-out, club engagement</p>	Stewart Johnson, General Manager	September 1, 2017	Red
<p>Conduct a food and beverage operations audit</p> <ul style="list-style-type: none"> Assess performance vs. market competitors and NW benchmarks 	General Manager, Chef	<p>June 30, 2017</p> <ul style="list-style-type: none"> Annually 	Red
<p>Implement Culinary Conversations with the Chef</p> <ul style="list-style-type: none"> Summarize input and responses and publish to members 	General Manager, Chef	<p>Quarterly</p> <ul style="list-style-type: none"> Within 30 days 	<p>Green</p> <p>Red</p>
<p>Develop Membership Satisfaction Plan that touches each member at least once per year</p> <ul style="list-style-type: none"> Conduct a thorough member satisfaction survey with all members every two years Conduct quarterly targeted mini surveys to measure satisfaction and progress against goals Create feedback tools for members as part of member engagement systems (see strategy #1 for member input and feedback) Develop response protocol for Board/Committee members 	<p>General Manager, Stewart Johnson, Membership Committee</p> <p>Marketing/Communications Committee</p>	<p>September 1</p> <ul style="list-style-type: none"> 2018 Dec. 31, 2017 TBD June 1, 2017 	<p>Yellow</p> <p>Red</p> <p>Red</p> <p>Red</p> <p>Red</p>

Action Plan

Key Issue #6: EXCELLENT MARKETING COMMUNICATIONS

Objective: Update and enhance overall member and community communications

Tactics – Create buzz while living within our means	Owner(s)	Due Date	Status
Develop a cohesive internal and external communications plan that includes: <ul style="list-style-type: none"> • Develop RFP for Arid Club Branding Plan • Review Proposals/Recommendations with BOD -- Get approval & Award RFP • Finalize Plan and gain BOD approval for work to begin • Brand identify materials for all communication vehicles • Standardized templates for all communication vehicles • Revamp all social media platforms to increase engagement • Improve the club website to be more interactive for members and more accessible by prospects • Capture and publish member and guest testimonials through staff and committee feedback mechanisms within 24 hours of club experience 	Stewart Johnson, Advisory Committee, General Manager	April 1, 2017	Red
		•May 19, 2017	Red
		•June 19, 2017	Red
		•Aug. 21, 2017	Red
		•Implementation over the next 24 months	Red
		•June 1, 2017	Yellow
Establish a Marketing Communications Standing Committee with a chair and a Board liaison (leverage advisory group established in February 2017)	BOD, General Manager, Stewart Johnson	June 30, 2017	Yellow
Facilitate frequent member feedback through social media and informal methods	Stewart Johnson, General Manager, BOD	Sept. 1, 2017	Red
Conduct 2-4 town hall meetings annually to inform and solicit member input on critical issues facing the club	BOD, General Manager	June 1, 2017 Quarterly	Yellow

Action Plan

Key Issue #7: ADAPTING TO CHANGING TIMES			
Objective: Adopt a Mission Statement that resonates with members and develop and implement a strategic plan that anticipates member and prospective member needs and interests			
Tactics	Owner(s)	Due Date	Status
Develop and communicate the club's Mission, Vision, Core Values •Review annually at Board retreat •Publish in member communications vehicles , meetings and facilities	Board, Kingfish, General Manager	April 1-June 1 •September •Monthly	Green Red Red
Identify and communicate the club's Strategic Initiatives and Action Plans •Review annually at Board retreat vs. updated SWOT Analysis •Provide to Committees for refinement and commitment •Finalize for internal management purposes •Publish in member communications vehicles and meetings	Board, Kingfish, General Manager	June 1, 2017 •September •April 1-May 1 •May 31, 2017 •Monthly	Yellow Yellow Yellow Red Red
Evaluate club performance versus Seven Platinum Club of America Selection Criteria •Review annually at Board retreat •Publish assessment in member communications vehicles	Board, Kingfish, General Manager	Quarterly •September •Annually	Red Red Red
Establish a Long-Range Planning Committee	Board, Kingfish	December 31 2017	Red
Recommend to future Boards that the Action Plans be reviewed and updated regularly to achieve the club's Vision	Board, Kingfish, General Manager	Annually as part of Onboarding	Red

Action Plan

Key Issue #8: UNIVERSAL RECOGNITION IN THE NORTHWEST

Objective: Increase awareness and perception of the Club and its ability to attract and retain the finest members


Tactics	Owner(s)	Due Date	Status
<p>In conjunction with the mar-com plan, develop program to communicate the “Arid Club Brand” throughout the community</p> <ul style="list-style-type: none"> • Publish in high-profile events (IBR 40 under 40, Women of the Year, CEO of Influence) • Recognize member achievements and recognitions internally • Nominate staff members for Rose Awards 	<p>Stewart Johnson, Marketing Communications Committee, General Manager</p>	<p>Aug. 31, 2017</p> <ul style="list-style-type: none"> •Quarterly •Monthly •Annually 	<p>Red</p> <p>Yellow</p> <p>Yellow</p> <p>Red</p>
<p>Develop a program to highlight and increase member and club management /staff involvement in community and charitable activities (e.g., Chambers)</p> <ul style="list-style-type: none"> • Develop protocol for evaluating member-driven charitable events • “test” Arid Club Charitable Event for Members and Guests • Incorporate staff engagement activities into performance reviews 	<p>Stewart Johnson, Marketing Communications Committee, General Manager</p>	<p>Sept. 1, 2017</p> <ul style="list-style-type: none"> •Sept. 1, 2017 •2018 fiscal year •July 1, 2018 	<p>Red</p> <p>Red</p> <p>Red</p> <p>Red</p>

Renovation Update: July- August Club Calendar

Doug Pill

Events Liaison-Board

July 2017

 = Closed

Sun	Mon	Tue	Wed	Thu	Fri	Sat
						1
2	3	4 Independence Day Club Closed	5	6 CLUB NIGHT	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23/30	24/31 Ladies Night Patio Appetizers	25	26 Beer Garden BBQ \$\$	27	28 Hard Hat Tours Patio Appetizers	29
						4 EVENTS

August 2017

 = Club Closed

 = Patio/Dining Room OPEN for lunch and dinner

Sun	Mon	Tue	Wed	Thu	Fri	Sat
July 30	July 31 Ladies Night Patio Appetizers	1	2 Bicycle Tour & Festivities \$\$	3	4 Hard Hat Tours Patio Appetizers	5
6	7 Ladies Night Patio Appetizers	8	9	10 Club Opens for lunch and dinner dining	11 Kid's Carnival \$\$	12
13	14 Ladies Night Patio Appetizers	15 Jazz Patio	16	17	18 Lobster Broil \$\$	19
20	21 Ladies Night Patio Appetizers	22 Jazz Patio	23	24	25 Hard Hat Tours Patio Appetizers	26 ?
27	28 Ladies Night Patio Appetizers	29 Jazz Patio	30	31		
				13 EVENTS 14 Dining Days		

September 2017

Open Saturdays

Sun	Mon	Tue	Wed	Thu	Fri	Sat
					1	2 BSU Watch party Home opener Time TBD
3	4 Labor Day Club Closed	5 FULL RE-OPEN Of CLUB Jazz Patio	6	7 Club Night + Annual Meeting	8	9 BSU Game Away
10	11 Ladies' Night	12 Jazz Patio	13 Car Show & BBQ	14 BSU Game Home	15 3rd Friday Social	16
17	18 Ladies' Night	19	20	21	22 BSU Game Home	23
24	25 Ladies' Night	26	27 Possible Grand Re-Opening Event	28	29 Possible Grand Re-Opening Event 10 EVENTS	30

Saturday Dining in June

**Noon – 7 p.m.
June 3 to July 6
Summer Menu**

**Family Friendly
Relaxed Dress Code
Fun and Camaraderie**

Club Night Survey

Meg Carlson

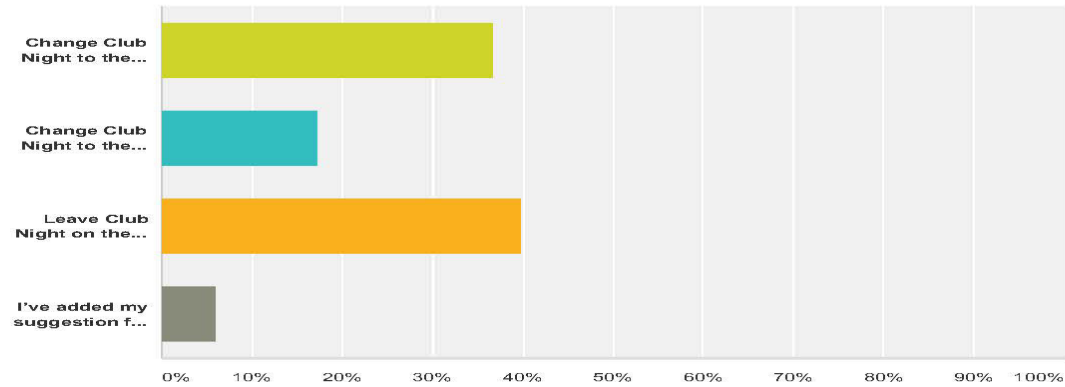
Club Night Participation 2009-17

	2009	2010	2011	2012	2013	2014	2015	2016	2017	CUM	% Chg
# Members	433	421	393	388	378	366	362	347	347	-86	20%
Annual Attendance	1512	1390	1291	1257	1267	1257	1267	1250	459		
Monthly Average	126	116	108	105	106	105	106	104	92	-34	27%
% of Total	29%	28%	27%	27%	28%	29%	29%	30%	26%		
# Guests	272	247	232	141	138	207	168	230	103		
Monthly Average	23	21	19	12	12	17	14	19	17	-6	26%
Total Combined	149	136	127	117	117	122	120	123	109		
NET CHANGE		-12	-10	-10	1	5	-2	4	-14	-40	27%

Club Night at The Arid Club

Q1 Should we move Club Night to another evening so that we no longer compete with First Thursday events?

Answered: 98 Skipped: 3

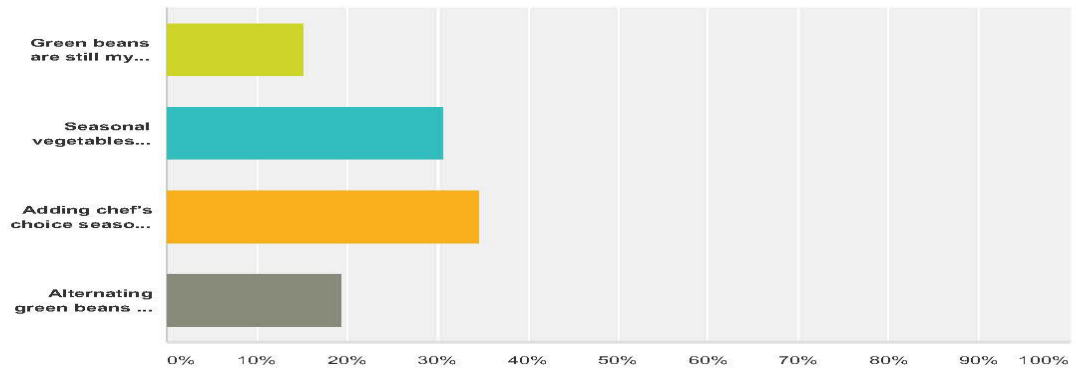


Answer Choices	Responses
Change Club Night to the second Thursday of every month.	36.73% 36
Change Club Night to the first Wednesday of every month.	17.35% 17
Leave Club Night on the first Thursday of every month.	39.80% 39
I've added my suggestion for an alternative evening in the Comments section below.	6.12% 6
Total	98

Club Night at The Arid Club

Q2 Should the Chef make changes to the side vegetable served at Club Night?

Answered: 98 Skipped: 3

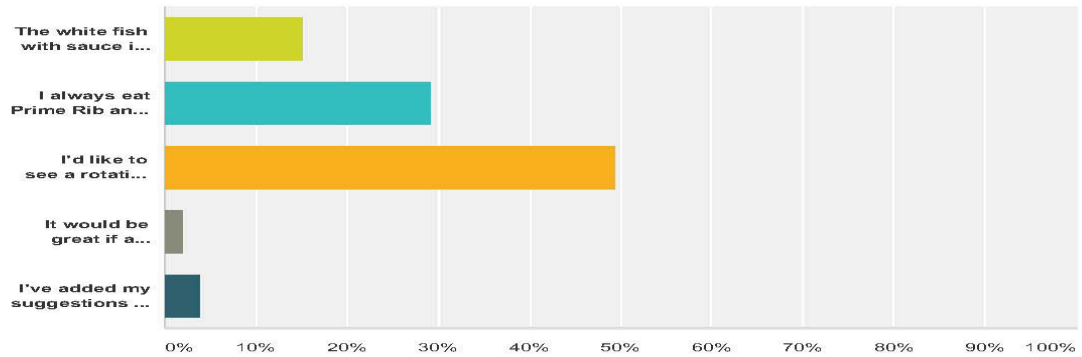


Answer Choices	Responses
Green beans are still my first choice for the vegetable.	15.31% 15
Seasonal vegetables selected by the Chef instead of green beans is my preference.	30.61% 30
Adding chef's choice seasonal vegetables in addition to green beans is even better.	34.69% 34
Alternating green beans and chef's choice seasonal vegetables every other month is fine with me.	19.39% 19
Total	98

Club Night at The Arid Club

Q3 Should the Chef explore alternative second entrées:

Answered: 99 Skipped: 2



Answer Choices	Responses
The white fish with sauce is fine with me.	15.15% 15
I always eat Prime Rib and have no interest in an alternative entrée.	29.29% 29
I'd like to see a rotating Chef's Choice that includes other protein options and other fish options.	49.49% 49
It would be great if a Vegetarian option could be added to Club night as an alternative entrée.	2.02% 2
I've added my suggestions for an alternative entrée in the Comments section below.	4.04% 4
Total	99

Q&A - CONFIDENTIALITY

