OPERATIONAL CHARTER
AND
GUIDING PRINCIPLES

Adopted: __________
# Table of Contents

VISION STATEMENT ................................................................. 2
EMPLOYEE MISSION STATEMENT .................................................. 2
KEYS TO OPERATIONAL SUCCESS ............................................... 3
CLUB SWOT ASSESSMENT .......................................................... 4
INTRODUCTION .............................................................................. 5
MEMBERSHIP .............................................................................. 7
GOVERNANCE ............................................................................. 8
MANAGEMENT AND STAFF ........................................................ 9
FINANCE ...................................................................................... 10
PROGRAMS AND SERVICES ........................................................ 12
FACILITIES .................................................................................. 13
RESEARCH AND COMMUNICATION .............................................. 14
IMPLEMENTATION ........................................................................ 15
SUMMARY ................................................................................... 16
BUSINESS PLAN ........................................................................... 17
VISION STATEMENT

Charlotte Country Club will be among the premier family country clubs in the United States.

EMPLOYEE MISSION STATEMENT

Our mission is to provide a personal, unparalleled country club experience highlighted by superior facilities and highly skilled club professionals performing with gracious hospitality.
Keys to Operational Success

- Continued economic growth in the Charlotte area.
- Finding and initiating only the finest quality candidates for Membership in Charlotte.
- Continued improvement to our physical facilities to maintain our status as one of the premier clubs of choice in the United States.
- Maintain our quality staff members through continued low turnover. Provide a safe, healthy, positive work environment with competitive wages and opportunity for growth.
- Financial stability with break even operating budgets.
- Provide consistently superb service to our Members.
CLUB SWOT ASSESSMENT

**Strengths**
- Staff knowledge of Members
- Caliber of Staff
- Members (culture and tradition)
- Professionalism of staff
- Delivery of product and services
- Technology
- Excellent local economy
- Exceptional Member facilities
- Teamwork of staff
- Communication among staff
- Experience of staff
- Low turnover
- Excellent employee benefits
- Governance structure of Club/visionary Board

**Weaknesses**
- Golf shop functionality
- Access to indoor tennis courts
- Club’s location
- Lack of fitness facility

**Opportunities**
- Johnson & Wales/skilled staff
- Golf course and tennis facilities draw quality members
- 100th Anniversary approaching
- Expanded F & B revenue opportunities
- Emerging Power/Energy industry in Charlotte
- Growth of Charlotte population
- Use of our excess land
- Improving economy/city prosperity

**Threats**
- Lack of fitness
- Gang activity in
Charlotte Country Club is an outstanding private country club. By any reasonable measure it is one of the finest private family country clubs in the United States. Our Club has a long history of strong leadership, exceptional membership, and excellent management. Our leaders have made many wise decisions over the years, beginning with the founding of the Club in 1910. We, the current members, owe a large debt of gratitude to those who have gone before us. We have inherited a great legacy and a great Club.

Our responsibility is to build on our legacy - to ensure that our Club maintains its present status of excellence and improves on achieving our mission in the years ahead. This is a commitment we make when we undertake to formalize our Operational Charter and Guiding Principles for the next generation. A strong plan can be a great asset to our Club. Such a plan is a valuable directional beacon defining continuing excellence. It is a powerful learning and management tool for each new Governing Board and our executive management team. It is a clear roadmap upon which our annual financial budgets are built.

Documented long-term principles and vision statements are especially important to our Club. Elected volunteer leaders, who serve short terms of a few years, govern us. We are in a new era of rapid changes in our business and social environments. Good management today demands a clear focus on objectives and a commitment to research and information to go along with visionary leadership and common sense. Today our Club is a twelve million dollar plus enterprise with over 190 employees. It cannot be managed well intuitively. We must have a superior plan and we must practice good professional management.

**Board Mission Statement**

Our Mission is to provide visionary and effective leadership for our Club’s CEO and our Membership. Our decisions will be based on sound data that captures the pulse of our Membership. We will make effective business decisions that are financially responsible and always take into consideration our history, traditions, and our...
In 2000, your Board of Governors recognized that our Club had fundamental principles and economic challenges that had to be examined. A committee was formed to study these issues. Their report in 2001 served as a basis for analysis and decision making for future Boards. In 2004, your Board appointed an ad hoc task force of nine members who continued the process of refining core values for our membership that would serve as a set of principles that future policy would be formed around.

**Core Values of Our Club**

To implement its mission, we must address the following five elements:

1. Accessibility to and quality/condition of all Club facilities, particularly the golf course.
2. Quality of membership.
3. Fiscal soundness of the Club.
4. Affordability of membership.
5. Fairness in sharing the cost of operating the Club.

These elements are an important foundation for our long term plans. The logical relationship and the relative priority of the elements are important to one’s understanding of the overall plan. And the five elements provide the organization for the plan.

**Organization**

Each element has its own section in the Operational Charter and Guiding Principles that follow. Each section includes the elements:

- **Purpose**: What is the overarching objective for this element? How do we know we have succeeded?
- **Principles**: What are the principles we will follow? How do we break “Purpose” into underlying, constituent principles?

**Commitment**

The preparation of this plan is undertaken with a sober determination to make a material difference in the long-term betterment of our Club. It should be used, improved, and reused by our leaders for many years. It is our best effort to provide a coaching and guiding tool for long range planning and operational management. The responsibility for the use of this tool passes to this and future Boards.
MEMBERSHIP

Purpose

Implement and maintain a membership program that continues Charlotte Country Club’s commitment to excellence in its membership admissions policies by establishing standards that subject all candidates to a complete and thorough evaluation for character, education, social compatibility, and financial responsibility. The goal is to continue to have a membership comprised of those who are socially compatible, vibrant, honorable, participatory in Club activities, and supportive of the well being of the Club.

Background

Charlotte Country Club’s Membership Committee follows an admission policy that is geared toward accepting the most qualified applicant. The process identifies legacy applicants, but does not give them preferential treatment in the application process. In 2004, the Club concluded a nine-month task force study that grandfathered several categories of membership and reduced the total number of categories.

Principles

1. Charlotte Country Club will continue to adhere to offering membership to meritorious candidates.
2. The Club will maintain facilities and services at an outstanding level so that Charlotte Country Club will continue to attract meritorious candidates.
3. The Club will endeavor to maintain the total number of our Membership at a level that will balance the financial needs in correlation with the available facilities while simultaneously upholding our standards of admission for quality Membership candidates.
4. The Resident Associate program will continue to be monitored to ensure that our Club is dynamically infused with youthful vitality, while not compromising our high standards.
5. The Honorary program will be evaluated periodically to ensure that all members are sharing a fair burden of the Club expenses.
GOVERNANCE

Purpose

Have a governance program that attracts our most capable member leaders to serve on our Governing Board, backed up by strong committee members qualified to grow into larger responsibilities. Have the appropriate bylaws and procedures to ensure that the Club is governed always in a manner that is in the best interests of the membership at large. Our Board and Committee governance structure should always be visionary and should focus on macro issues rather than micro or operational matters that are best suited for our professional management team to handle. The Club's CEO controls all operational issues including employing all personnel. Through transparency, openness, and strong leadership by the CEO we will sustain ourselves as a successful entity for the second Century of our success.

Principles

1. The governance process will identify individuals among the members who are qualified and willing to participate in the governance process.
2. The system will provide a multitude of committee roles and opportunities for members to enter the process and become involved.
3. Governing Board members will have experience with Club governance and current leaders will evaluate their performance before being advanced in the system.
4. The system will favor governance experience among Board members but will limit the time that any individual serves to ensure that no individual has undue influence.
5. The system will work openly and in a spirit that encourages membership input into major decisions.
6. There will be a systematic and periodic review of our governance process.
MANAGEMENT AND STAFF

Purpose

Have a professional human resources management strategy and program that ensures that we attract, motivate, train, and retain a superior management team and staff. Provide a pleasant, safe, and healthy work environment for the staff.

Background

It is important for private clubs to have excellent management and staff because the staff has a profound influence on member satisfaction. The Club’s policies and attitude toward management and staff influence our ability to attract and retain the best people.

Principles

1. Charlotte Country Club will continue to use the highest standards of integrity when dealing with management and staff, and will demand the same from them.
2. High turnover is inherent in service industries and unavoidable. Management will do all that it can to minimize turnover among the “high potential” management and staff.
3. The Club will be competitive with regard to benefits and compensation. Compensation will be based on performance and experience.
4. Training and certification is a key element of employee satisfaction and job performance. The Club will place a top priority on training and education.
5. Employee incentive systems and rewards will be aligned with financial goals and member satisfaction in addition to other productivity and quality standards.
FINANCE

Purpose

Provide adequate funding for the services and facilities members desire. The policy will discourage waste, provide good value for members, establish a sound financial base for future generations, follow conservative financial practices, and provide financial information that accurately reflects the financial condition of the Club.

Background

Members of private clubs desire higher levels of quality, services, and amenities than those at for-profit facilities; it is an important reason people join private clubs. Many of these services are not profitable; therefore, we cannot “run the Club like a business”. Our financial policy must accommodate a far more complex economic situation and it must take a longer-term view than public facilities that are driven by short-term profits.

Principles

1. The financial policy of the Club will provide good value for its members.
   - Except for guest fees, the Club will generally not charge for services that do not have a material cost. Examples are swimming, tennis, and golf.
   - Prices for products and services that have a material marginal cost, such as dining and merchandise, will generally be set at a point below prevailing market prices and above the Club’s direct cost.
2. Financial affairs will be managed to provide stability and predictability for members. As recommended by the Membership Issues Task Force, management will make every effort to ensure that our Club’s annual increase in operating expenses do not exceed Consumer Price Index + 2.5%.
   - The Chief Executive Officer and Controller, with advice and consent of the Club’s Treasurer, will produce rolling three-year capital budgets that will provide the basis for long-term financial planning.
   - To avoid unnecessary spikes in dues, Charlotte Country Club’s Governing Board will recommend dues increases when needed and not defer increases to later administrations.
3. The Governing Board will follow practices to discourage unnecessary waste.
4. Sound, conservative financial policy will provide for financial well being of future generations of membership.
   - The Governing Board will continue to do long-term planning.
   - Capital revenues, which include capital dues and initiation fees, will be used to fund capital expenditures and, except in extraordinary circumstances, will not be used to subsidize
operating expenses. Operating expenses will be funded by operating income such as user fees and monthly dues from members. The Club’s executive management will be charged with preparing a balanced annual operating budget.

- Capital expenditures will be made according to a long-range capital plan which has been presented to and approved by the Board. Ongoing capital investment will be made to ensure that our facilities remain premier and do not suffer from neglect of proper updating.
- The Board will change initiation fees if the change is in line with comparable clubs in Charlotte and the change will not adversely impact the Club’s goals concerning the quality and quantity of prospective members.

5. The Club will update and maintain financial research on comparable clubs in the southeast.
PROGRAMS AND SERVICES

Purpose

Charlotte Country Club will have superior programs and services in all areas of Club activities, including sports, social, dining, banquets, and special events well managed by top professionals in their respective fields.

Background

Charlotte Country Club has attracted an active membership and has facilities that are second to none in the Carolinas. Programs and services for our members in the facilities provide opportunities for association with fellow members and guests. It is the element that keeps the Club vibrant.

Principles

1. Charlotte Country Club is a family club and there will be programs and services to appeal to all constituencies: members, spouses, guests, and other family members.
2. Management will continue to provide programs and services that have proven successful and will experiment with new programs and services.
3. Consistent with the financial element in this document, the Club will price programs and services at a rate that would be considered fair and a good value.
4. Private clubs traditionally provide certain programs and services, such as the Member Guest Golf Tournament, to their members at cost. Charlotte Country Club will follow this tradition without regard to covering marginal costs.
FACILITIES

Purpose

Charlotte Country Club will have excellent facilities in all areas and they will be maintained in superior condition. Safety for members and staff as well as environmental and governmental compliance will be a top priority.

Background

Charlotte Country Club is not a neighborhood club. Our current demographics indicate that our average member commute is between 14-21 minutes. Our facilities must remain exceptional to attract new members and to make our destination Club a priority choice for our members’ in-town leisure activities.

Principles

1. The first priority for capital funds will be to invest in facilities that are in sub-standard condition to bring them up to Charlotte Country Club standards. Both the physical condition of the facilities and member satisfaction are components of the standard.
2. Adjusting the capacity of facilities that are not meeting membership demand will be the second priority for capital expenditures.
3. Available funds may be applied to new facilities for members. Predicting whether a new facility will be popular among members and determining the capacity needed will be difficult. The Governing Board will periodically survey our membership to test demand for new facilities before making long-term financial commitments.
4. Capital investment in our Club facilities must always accomplish membership objectives while carefully considering operational/functionality for our staff to achieve member expectations.
RESEARCH AND COMMUNICATION

Purpose

Have an ongoing internal and external program to research and analyze key issues relevant to the changing needs of our membership and our changing environments. Have a structured system for two-way communications with the membership on all relevant issues as needed.

Background

Member satisfaction is a subjective topic that is difficult to measure. A basic measure, but an incomplete one, is usage. One can infer that high member participation in services and activities often correlates with satisfaction with the “product”, quality, and prices. Member communication is a delicate balance. Members want to be informed about their club and they want to provide input; however, they do not want the communication or the research to be intrusive or too frequent.

Charlotte Country Club has a greater challenge than most clubs with research and communication due to the size and diversity of the membership. But these very challenges are the reasons the Club must excel in these areas.

Principles

1. The membership should be informed regularly of Club activities, strategic decisions, and the financial state of the Club.
2. Membership should be encouraged to communicate their ideas, questions, and concerns to the Chief Executive Officer and the appropriate committees.
3. The internal research program should regularly measure usage of programs and services that have a material financial impact on the Club. The Governing Board, the appropriate committees, and management will use these measures to evaluate programs, services, and facilities.
4. External comparable club research will assess programs and services at other premier clubs. Such periodic assessment will provide ideas for improvements or new services for our Club’s members.
IMPLEMENTATION

To ensure that the principles set forth in the Operational Charter and Guiding Principles ("OCGP") carry through to future Boards, committees, and management, the following are procedures the Governing Board and management will follow:

**Board Implementation**

1. At the first or second Board meeting of a new administration:
   - The Board will review the current OCGP, discuss modifications, and ratify any changes to the OCGP.
2. The Membership Issues Task Force will convene at the request of the President to address any needs.

**Management Implementation**

3. The Chief Executive Officer and senior staff will conduct committee orientations to include a section on the OCGP.
4. The Chief Executive Officer and senior staff will all be required to read and be thoroughly familiar with the OCGP as well as the detailed principles and implementation plans.
5. Management will annually prepare a brief report on the status of the OCGP and suggested changes.
SUMMARY

Few private clubs have enjoyed the growth and the success of Charlotte Country Club. Since its founding in 1910, the Club has become immensely popular as evidenced by its high demand for membership and its national reputation for excellence. Charlotte Country Club is a preferred club with excellent strategic decision making over the years. From the beginning, the spirit of the Club has been not to rest on its laurels and to continue to challenge our strategies for future success. Our strategy must continue to evolve as our city’s demographics and economic condition evolve.

Our Vision is to be among the premier private family clubs in the United States. To achieve this mission, we must start with the membership. Charlotte Country Club enjoys a socially compatible, vibrant, honorable, participatory, supportive membership. We can sustain and even improve on this present situation only if we improve in two areas: keeping the membership vital with new members and providing a superior club experience for the present and prospective members. This plan describes the purpose, principles, and plans for each of the five vitally important elements previously described. It is a living document that fosters a continuing evolution in the Club’s strategy as we learn and grow together.
**Club Vision**
Charlotte Country Club will be among the premier family country clubs in the United States.

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**Employee Mission Statement**
Our mission is to provide a personal, unparalleled country club experience highlighted by superior facilities and highly skilled Club professionals performing with gracious hospitality.

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