



March 26, 2010

Dear Members,

Spring has finally arrived, and after the harshest winter in recent memory, and the economic woes of the past 18 months, it is with the greatest of anticipation that we are all welcoming this season. From the greening of our golf course to the increased daylight, these are the signs of transition that we all look forward to.

Despite the challenges of the recent past we have had our share of successes. From our investments in people and capital improvements, to our commitment to value, and our focus on activities and family programming, we have worked diligently to continue to improve our Club during these untested times. We have invested almost \$750,000 in Capital Improvements over the past two years, added new Team Leaders to our staff here at the Club, and have begun the important process of working with our Members to develop an Advisory Board of Governors and a select group of Member Committees. Perhaps most significantly is that like all businesses during this recession we have had to learn to be more efficient, while working to provide increased value. Our success in this endeavor, which is an ongoing process, has perhaps been our most critical accomplishment.

CAPITAL IMPROVEMENTS

While it seems much longer ago, it was only in the beginning of 2008 that we added our three (3) new tennis courts, while resurfacing our existing courts. Later in the year we also invested in a new fleet of golf carts, purchased new outdoor furniture for our pool area, and 20 new spin bikes. With the true effects of the recession being realized in the fall of '08 we were forced to pull back on our capital plans. However, we continued to invest significantly into the infrastructure of River Place, with items ranging from a new accounting and operating system, to replacing our failing phone system, as well as supporting the foundation of our Club with the purchase of over \$250,000 worth of golf course maintenance equipment. While these investments are not directly seen by our Members they were necessary, and they have enabled us to become more efficient.

As 2009 progressed and we saw the effects of the recession stabilizing, we were able to begin implementing other key elements of our capital plan. Investments into areas that can easily be seen by our Members, and that directly impact the Member Experience, were made. Perhaps most notably were the much needed renovations of our clubhouse restrooms this past winter, and most recently of our Golf Pro Shop. This past month we also ordered 4 new treadmills for the Fitness Center, with continued upgrades for this area and the clubhouse planned for 2010. Other priorities for the next 18 months include further investments into the golf course and tennis areas, but much will depend upon the ongoing effects of the economy upon us all. Working with our new Board of Governors and Member Committees we will prioritize these projects, and as finalized we will communicate these to you via the newsletter, website (www.riverplaceclub.com), and email.

PEOPLE

Our newly formed Board of Governors will become a critical component to our success here at River Place. The Board will consist of our six (6) Committee Chairs and three (3) Members- at-Large, and in keeping with our philosophy to partner with the community, we have also invited the River Place Homeowners' Association to provide an appointee. I am pleased to announce the following Board Members, and would like to thank them in advance for their willingness to lend their leadership and time to our Club:

Chairman, Board of Governors	Lee Wretlind
Membership Committee Chair	Harry Benas
Golf Committee Chair	Jim Latimer
Tennis Committee Chair	Susanna Lukas
Fitness Committee Chair	Rhonda Morris
Junior Activities Chair	Bernie Silvers
Social Committee Chair	Cy Albertson
Member at Large	Mary Rester
Member at Large	Ken Bartlett

Each of these Board Members has shown their support and commitment to the well being of River Place, and I would be remiss if I didn't recognize the three (3) who have served as past Board Chairs of the Club, and who have volunteered their services once again – these are Mr. Lee Wretlind, Mr. Ken Bartlett, and Mrs. Rhonda Morris. Additionally, my personal gratitude goes out to Mr. Harry Benas, as well as the entire Membership Committee, who has remained intact over the years, and has provided ongoing support and guidance. Their insight and commitment has been instrumental to the success of Raquel Hebben, our Membership Director, as we grew our membership to record levels prior to 18 months ago. With their help, and the help of each of these new Member Committees, I am confident that we will grow and improve all areas of River Place.

We are also excited about the leadership of the new Department Heads we have welcomed, including Brad Roumaya, our Operations Manager who transferred here last spring from our sister club, Twin Creeks; Beverly Bowes-Hackney, who accepted the position of Director of Tennis in November; Dan Stathos, our Executive Chef who was promoted from his role as Sous Chef at Onion Creek early this year; Rachael Ralph, who was promoted from within the accounting department here at River Place to take on the role of Club Accountant; Ken Fothergill, who returned to River Place in February as our Head Golf Professional; Chris DeKeraty, our Director of Golf Instruction, and Coach Allison Coleman, our Junior Activities Director, both of whom have taken on key leadership roles in newly created positions here at River Place. Each of these ladies and gentlemen have already started to make a significant positive impact as we all work to add value to your Member Experience here at the Club.

Finally, no mention of our staff here at River Place would be appropriate without also recognizing our more experienced Department Heads for their efforts as they continue to work to exceed your expectations. They have done an exceptional job as noted by your many comments and accolades, especially considering the tough economic environment. As noted, Raquel Hebben, our Membership Director, who has been at River Place for almost seven (7) years, has worked to ensure the success of our Club; she is joined in tenure by Kevin Chance, our Golf Course Superintendent, who has continued to strive to improve the conditions of our beautiful course despite the drought, the freeze, and the ongoing issues mother nature has thrown at us; Leah Bottoms, our Member Relations Director has worked with all of our Department Heads and many of our Members over the past five (5) years to create new and exciting clubwide events; Jackie Mohr, our Fitness Director, continues to grow and expand our fitness program to new levels; Kid's Place Director, Cindy Oates, provides exceptional care for our River Place children; and our Catering Director, Stephanie Seufert, has also worked with many of you, coordinating your business meetings, family birthdays, anniversaries and even weddings here at the Club.

OPERATIONS

All of the people mentioned above, both Members and staff alike, have worked together to help River Place towards our Vision of “Being the Premier Family Country Club in Texas, with a Waiting List to Belong”. However, as we invest in our people, as well as our facility, it is critical that we have the resources to do so. Our strategic plan over the past 18 months has been to provide the services and amenities that are of the greatest value to our Members, while eliminating items that are not of value. This is always difficult, but utilizing Member feedback, and going forward, the direct input from our Board and Committees, will continue to enable us to make these necessary decisions.

One of the key decisions made last year was NOT to have a Dues Increase in 2009. While it is our policy to implement annual dues increases, due to the recession and the uncertainty that surrounded it last spring, we recognized it was in everyone’s best interests to work without these revenues.

Moving forward in 2010, despite the recession, our costs are continuing to increase. With skyrocketing insurance costs, federal minimum wage increases, ongoing pricing increases for fertilizers and chemicals, as well as beef and other food products, our market basket has risen dramatically. Therefore, effective April 1st, 2010, we will implement a minimal dues increase for all categories of membership.

Another substantial cost to the Club are the charges we receive when processing credit cards. As part of the ongoing review of all our expenses, we have recognized that the \$150,000 paid annually in processing fees is a burden that must be reduced. To help achieve this goal we have entered into an agreement with the industry’s premier electronic funds transfer company. This will allow you, our Members, to pay your bills directly through your checking accounts, and to set up automatic debiting without anyone incurring the onerous fees charged by the credit card companies. We will still provide an opportunity for those who prefer paying by credit cards the ability to do so for a minimal fee, but obviously our preferred payment method will become automatic debiting through EFT, (your checking accounts). More information on these options will be provided next week as we formally make these options available.

Our ability to reduce expenses while continuing to invest in our Club has certainly been one of the keys to our success. Your new Member referrals and our ability to grow our membership have also been critical. And while we are pleased with these accomplishments, for River Place to achieve all of our goals we must consistently provide an exceptional Member ‘Experience’. Operationally, we are proud of our Club and our ability to meet the needs of our Members, but a key focus of all of our Department Heads will be attention to detail in all areas of the Club. This, combined with a continued focus on training, will help us ensure we provide a Member ‘Experience’ that is thoroughly enjoyed by all.

One additional area of focus has been the bunkers on our golf course. Originally scheduled as part of our capital plan for the winter of 2008 / 2009, this \$300,000 project had to be postponed. While this is obviously still a priority, and remains on our capital plan, the lack of a significant rebound in the economy forced us to find a solution to help rectify our bunker issues. With the support and direction of Dominion Golf Group’s Regional Agronomist / Superintendent, Tony Miller, we re-worked our maintenance plan, and invested significant resources into the daily upkeep of our bunkers, and the turnaround has been dramatic. While not a permanent solution, we are very pleased with the outcome of this investment. This focus on the details of our golf course will be evidenced from tee to green, and mirrors the overall Club initiative to focus on details in all areas, ranging from the tennis courts and fitness center, to Kid’s Place and the dining rooms.

Again, the past 18 months have been a time of uncertainty for us all, but we are proud of how River Place has weathered the storm. With your help and with the changes we’ve made - and that we will continue to make - River Place Country Club is positioned not only for ongoing success, but to achieve our Vision of being “The Premier Family Country Club in Texas, with a Waiting List to Belong.”

Sincerely,

Justin Jafarian
General Manager