



Board of Directors Meeting Minutes

November 30, 2022

Board of Directors

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| <input type="checkbox"/> Cindy Quan, Chair | <input checked="" type="checkbox"/> Adam Wilson |
| <input checked="" type="checkbox"/> Robert Pennoyer, Vice Chair | <input checked="" type="checkbox"/> Anthony Piscicoli |
| <input checked="" type="checkbox"/> Grant Nadell, Secretary | <input checked="" type="checkbox"/> Alex Lee |
| <input checked="" type="checkbox"/> Nick Webster, Treasurer | |

Personnel

- | | |
|---|--|
| <input checked="" type="checkbox"/> Terry Fisher, Cal South CEO | <input type="checkbox"/> Christie Paulson |
| <input type="checkbox"/> Steve Hoffman, Cal South Technical
Director & Coaching Education Director | <input type="checkbox"/> Juan Guzman,
State Referee Administrator |
| <input type="checkbox"/> Adrian Marquez, Cal South Manager | <input type="checkbox"/> Diogo Gama, Director of Soccer |
| <input type="checkbox"/> Anthony Morales, Cal South Manager | <input type="checkbox"/> Juan Ignacio Blanco, Director |
| <input type="checkbox"/> Chuck Porter, Controller | |

Call to Order: 6:00 pm

Financials

Terry shared that the accounting group does not make excuses. The audit is in full swing. Registrations are lagging compared to what we forecasted, but we don't know how much of that we can make up in the spring. We have also increased revenue that will be coming in from commercial partners. The bottom line is that we are \$7000 less than what we thought in terms of a loss at this stage of the of the period. The budget was set for a loss of \$800,000 and the goal is to bring it in at that or less.

The PPL has been forgiven and will reflect in the PNL at the next board meeting in November's financials.

Stack Sports

We are eliminating invoicing members for registration so that we're not chasing revenue, we're getting revenue through direct pay at the point of entry.

Kern County Soccer Park

Nicked asked if the parking revenue is down. Terry responded saying that he can't imagine that it will be down for the year. Terry asked what the difference was. Nick reported \$12,000 down. Terry stated that the parking will pan itself out over time. I can dig into the detail week by week and get back to you. The park has had bigger events and is doing well. There have been improvements. Jesus Cisneros is doing a great job. So that's going to be a very good tool for us to grow the market and enrollment in the in the San Joaquin Valley. Alex attended the tournament last weekend and paid \$2 parking fee.



Robert commented about the strategic plan: you (Terry) know we've got our budget in place that you said you know that there is a very small deviation at this point, but are we going to achieve our long-term objective? Terry responded that we all should be anxious about that, because we won't know if we achieve it until we get to the point where we say we've gotten there.

Terry shared that if anybody told him 16 months ago it would be as hard as it is, he would have said no way. Changing culture and recruiting back and recruiting new and convincing people to join and steadying the ship. Our strategic plan has told us we're going to invest in people, invest in programs, invest in quality, and provide a product at a fair price. Nothing we've offered anybody has increased in price. We are eight months into the program. Eight months since we got the bylaws changed. We're offering so many good things. So, the answer Robert, is that's the golden question. Will we achieve it? And on the night of the 50th anniversary, when we drop the microphone, I'll look over and say, what do you think?

PPL

Finished the first fall season with 32 teams with a championship. We posted pictures and by large, the first season was a success. We are now going to expand into the spring with San Diego Youth Soccer League joining us in the Spring with 100 teams. We will combine those two programs in the spring. Juan Ignacio, Diogo, and Jorge are running the program.

Talking about forming a PPL division in northern San Diego County Robert and we've also spent some time over on the East side and the Temecula marketplace.

Our alliances are working with Parks and REC to get portions of fields that are set aside for underserved communities and fighting the battle that way and working with parks and Rec to try and get field secured so that we can have fields to play on.

Discussion regarding Surf and for-profit. Alex is meeting with Surf CEO.

Coast Soccer League

Terry reported that the first half of their season is over. Bernie, Chris, and Terry are meeting weekly. We are tied at the hip and his success is our success. Whatever we create will be in complete harmony with his understanding and acquiescence. So we're not going to have a war with Bernie or Chris.

State Cup

Terry shared that Youngers are registering. We are about 75 teams short at the moment. The other age brackets are opening up. We continue to call all the SoCal teams to come back to enter. You know, we did give them 1/2 season rate which is the 12 bucks instead of 24 to come back in. So those are calls being made every day by Anthony, Steve, and team member services.

There was some resistance originally about paying the full freight for the 24 bucks for the season. So we knocked it in half because it's sort of like 1/2 season playing card. But again, we had to balance it between our current Members and the new Members. I think we've knocked down every barrier that there is. There is no more incentive than getting into the cup and showing how good you are and showing how good your team is and winning a regional bid.



ITG

Terry: Applied for six grants totaling \$1.3 Million. These applications are already in place. They're being reviewed and those awards will be made at the end of January. Grants includes education, coaching, women, underserved communities, etc. Cal South has invested in the DEIB department and program. Last year we received two of three prosals and received \$300,000 for the two.

Terry, Juan Ignacio Blanco and Diogo went to Chicago, Soccer House.

Hispanic Summit

Terry: Every quarter or three times a year, we are going to have a Hispanic Summit and this is an idea that we're going to be bring in leaders from every part of the market to sit down and discuss and build and explain and add value and give them reasons why we need them to be our Members and what value we can give back to those communities. It isn't simply pick up the phone and say join because that gets us nowhere. This is going to be a systematic meeting, a low budget, picking the right venues. Not a lot of money wasted on food and celebrity and all that stuff. Fact filled, giving them information that they can get and receive and find reasons to join. They will be in Spanish, totally in Spanish. Juan Guzman and Terry will be there. Referees will be a big part of it because we support that program as well. Risk management, all of it will be discussed.

These people are the ones that run teams and clubs rather than the people that run leagues. The league guys are the hardest because that's their money. So we got to get to the clubs and the coaches and the individual teams and players with coaches within the structure to say we want to do that and how do you do that? You explain to them what we do and why they should.

bring leaders from every part of the market to sit down and discuss and build and explain and add value and give them reasons why we need them to be our Members and what value we can give back to those communities. December 11th in Carson in Spanish.

50th Anniversary

Terry: we've continued to have meetings. I've scheduled to have meetings with LA Galaxy to talk about the venue LA Live. I have a scheduled meeting with Chris Klein and the LA Galaxy. So that's where we are.

AGM and League America

Terry: The AGM together with League America for me is checking the corporate box that we're required to have an AGM. So for me, the AGM is to share information to invite everybody, but our focus within regathering membership is League America. It makes perfect sense because we want to get those folks that are involved in the recreational side of the business, it's certainly the only piece of the business that we can impact more directly than the competitive side of the business because those people seem to be real sophisticated and have their own agenda. So that's the plan.



What is required by our bylaws is to hold an AGM and do that business of the AGM. But, we will shift into more of what we did last year in League America by providing substance classes, information,

exchanging information. We have asked and our recruiting every single recreational league that left us this year to come to that meeting.

I said come to our League America Summit and see what we offer League America players and people compared to what you get from SoCal, which I know the answer is not much or nothing. So that is the overview of the AGM and I think that you know the venue is the Arboretum at Cal State Fullerton. It's perfectly suited for an event such as the AGM and this league America.

It's perfect for vendors to display. It's a perfect place for a nice meeting. It's a perfect place for meeting and greeting new friends and people, and it's our job to recruit people to be there.

Robert: Something that was material that people took away was worth their time and trouble to come to the event. I thought Soccer Nation and so forth was well in the past and out of people's memories. But again, they wanted something material that was going to come from the event, something they wanted and needed. If they don't see that, they are not going to come just for the entertainment, right.

Terry: We hope they walk away with a bag full of substantial ideas and camaraderie that will help them build their local resources and membership. And if we can't make that exciting or interesting, then we should all go do some other work.

ODP

January is ODP in Phoenix. The second week is Philadelphia.

Audit

Terry: The audit will probably be done by the end of December. You can expect by January to have some part of that, if not the draft, if not draft earlier to review.

Investigation

Terry: They are gathering data, e-mails, sorting and no news is good news. I talked to Ben Gipson a week ago and they're proceeding. I talked to Rocky Delgadillo Monday. I talked to Ben last week before Thanksgiving, so that's fine.

Strategic Plan

Robert: We want to make sure that we're making progress against the plan that we laid out. And as Terry described, at least from my perspective, his report this evening as following those elements, so, so, OK, good. Of course, the gut check. If you project out, does that result in the net position that we hope or intend? What other elements that we want to bring to this; what can we afford to do; you know within the constraints of that budget.



This is kind of a difficult conversation to have, but my intent here is that we all take the action that the problem gets squared away. Get the document out to everybody. I think we want to create some assignments here. And Alex, I think you know, there's some add that you could really bring to the table, some fresh ideas, if you will, because we've all been kind of part of this party for a bit long.

How could we get better at this. Now one area in particular, solicitation of sponsorship and how we get it. I would say some major vendors or participants that ought to be not only supporting Cal South or the foundation, but also in perhaps adjunct to the board. And what we're doing. I want to open that up for a little bit of dialogue, go around the table.

Terry: The strategic plan is a document that we work from as a staff and if you look in your shared drive, I think Diogo and Juan Ignacio have taken the strategic plan and made notes in the shared drive about each one of their segments in the strategic plan. So that strategic plan is not something that's in cement when we think we need to change it, we bring it up amongst ourselves and we work it. But I think you're going find their notes there.

If we're going to plan an activity at Kern County Soccer Park and we're going to do a clinic somewhere else, it's all there and we're working against it. The end goal, of course, is very simple, to recruit new members, to recruit back old members, to recruit and keep and maintain our current membership, improve our membership quality and all of that is built into the programs and the people that we've hired to do those programs.

We made an investment as a group for starting discussions. You know we have Juan Ignacio; we have Diogo; we're gonna have a new guy coming, Bruno from Aspire. We got Steve Hoffman. We have Anthony Morales. I know, with the exception of Anthony, the four at the top of that are very high, high long term. Pretty impressive people that have done quite a lot in their professional lives.

Out of this strategic plan, my friends, we're taking every one of those activities which were core activities to build opportunities to enroll children. At the same time, we have good Member Services answer the phone through the right thing, have limited emails from Anthony Piscoli on any subject about that, because we do the job right. And if we have good programming and keep our kids safe and we do coaching education and we do referees and we do it every day with a purpose and a focus.

I have encouragement that it is succeeding, but the proof in the pudding, what's the metric? More money. My goal is to have enough Members that it's a viable operation. And if that number is 100,000, great. But my interest is how do we build a business that does not rely just on Members?

We've resourced a number of elements of the plan. Good. We're making progress. And I think you're positive on the progress being made, it certainly could go more quickly.

Robert: What are the other elements that are not being resourced? Let's talk about the sponsorship element and any others. I think it's called action to us as board members and where we need to participate, recruit, support and enhance the organization.

Sponsorships



Terry: On the sponsorship side, it was one of the things that you and I discussed when you interviewed me for the job. I'm amazed that we are. Where you have taken the deck of Cal South and taken it out of the old school. Here's a paper deck of opportunities of things that we thought people might want, State Cup title sponsorships. And Alex has been very involved in this transformation over the last two

months trying to put it more into a digital position where people will actually look at our deck and say there's something there that's viable in the digital side.

We have 30,000 followers in social media. We're trying to grow those metrics. And perhaps Alex, you can speak a little bit about the metrics as it relates to approaching bigger sponsors that might want to be involved with House health.

Alex: I did start sending a lot of emailed to a lot of people that resulted in some meetings. I've sent emails that goes anywhere from like emailing the CEO of Disney to people who are more related to what we do, so more in the soccer world.

think this is where the board could get involved because people do appreciate emails when you say, hey, I'm someone from the board versus someone sending it. That's marketing.

Terry: Let me add that as it relates to the budget that we put together in July, we had only in the budget line for income. We had 250,000. We've already passed that number and we're 90 days into the calendar year. So that number is passed. I think we have a totally undervalued property, but the place where we have to win is to show them how we can digitally deliver their message that they want. OK, the days of somebody giving this \$25,000 just because they want title sponsorship of something without the digital piece and that's why we're putting so much work into the digital side to make it a deliverable that is meaningful. Sporting Goods is the best example. They give us \$20,000 and then they do 2 events a year. They received the money with the codes on coupons. They look at the couponing and they increased their money to us the next year because it's verifiable. From rocket mortgage to the local mom and pop pizza parlor, there's a lot of deals, Robert, to be had and we're working on all the angles.

Alex: To further state on the social media side. I've met with the group who's working on that and they definitely have the right mindset of how we need to move forward at the end of the day, the focus is how can we get people engaged in our social media and then how do we get more followers. The more followers we can get, the easier it is to sell sponsorships. I can say, this is our reach. The execution is starting now. I do feel comfortable with where they're moving for sure.

2023 Elections

Nick and Cindy with Steve Marquez make up the committee. Five open positions.

Motion #1 Grant Nadell motioned to go into closed session, seconded by Adam Wilson, unanimously passes.



Adjourned at 8:00 pm.