

Keller Golf Course  
The Ponds at Battle  
Creek  
Manitou Ridge  
Island Lake Golf  
Course  
Goodrich Golf Course  
Goodrich Golf Dome

# Golf Study Final Report

For



RAMSEY COUNTY

Presented to:

**Sara Ackmann**

Director of Operations – Arenas and Golf Courses  
**Parks and Recreation Department**  
Ramsey County

Presented by



Columbus, Georgia \* Dallas, Texas \* Detroit, Michigan

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Manitou 3-year Historical Performance

|                      |  | Year            | Qty           | Value               | Avg Price      | Rev/Rnd       | % rounds      |
|----------------------|--|-----------------|---------------|---------------------|----------------|---------------|---------------|
| <b>Advanced GF</b>   |  |                 |               |                     |                |               |               |
| <b>Cards</b>         |  |                 |               |                     |                |               |               |
| <b>Patron Card</b>   |  |                 |               |                     |                |               |               |
|                      |  | 2017            | 36            | \$2,688             | \$74.67        | \$0.09        | 0.12%         |
|                      |  | 2016            | 44            | \$3,080             | \$70.01        | \$0.09        | 0.13%         |
|                      |  | 2015            | 23            | \$1,610             | \$70.01        | \$0.04        | 0.06%         |
|                      |  | <b>Subtotal</b> | <b>103</b>    | <b>\$7,379</b>      | <b>\$71.64</b> | <b>\$0.07</b> | <b>0.10%</b>  |
| <b>Annual Pass</b>   |  |                 |               |                     |                |               |               |
|                      |  | 2017            | 44            | \$50,735            | \$1,153.07     | \$1.67        | 0.14%         |
|                      |  | 2016            | 50            | \$57,549            | \$1,150.99     | \$1.69        | 0.15%         |
|                      |  | 2015            | 3,651         | \$52,882            | \$14.48        | \$1.32        | 9.09%         |
|                      |  | <b>Subtotal</b> | <b>3,745</b>  | <b>\$161,166</b>    | <b>\$43.04</b> | <b>\$1.54</b> | <b>3.58%</b>  |
| <b>Total Prepaid</b> |  |                 |               |                     |                |               |               |
|                      |  | 2017            | 80            | \$53,423            | \$667.79       | \$1.76        | 0.26%         |
|                      |  | 2016            | 94            | \$60,630            | \$645.00       | \$1.78        | 0.28%         |
|                      |  | 2015            | 3,674         | \$54,492            | \$14.83        | \$1.36        | 9.14%         |
|                      |  | <b>Subtotal</b> | <b>3,848</b>  | <b>\$168,545</b>    | <b>\$43.80</b> | <b>\$1.61</b> | <b>3.68%</b>  |
| <b>Driving Range</b> |  |                 |               |                     |                |               |               |
| <b>Buckets</b>       |  |                 |               |                     |                |               |               |
|                      |  | 2017            | 4,300         | \$23,140            | \$5.38         | \$0.76        | 14.17%        |
|                      |  | 2016            | 4,529         | \$22,599            | \$4.99         | \$0.66        | 13.26%        |
|                      |  | 2015            | 4,757         | \$24,142            | \$5.08         | \$0.60        | 11.84%        |
|                      |  | <b>Subtotal</b> | <b>13,586</b> | <b>\$69,881.26</b>  | <b>\$5.14</b>  | <b>\$0.67</b> | <b>12.98%</b> |
| <b>Passes</b>        |  |                 |               |                     |                |               |               |
|                      |  | 2017            | 599           | \$16,214            | \$27.07        | \$0.53        | 1.97%         |
|                      |  | 2016            | 626           | \$14,605            | \$23.33        | \$0.43        | 1.83%         |
|                      |  | 2015            | 538           | \$12,552            | \$23.33        | \$0.31        | 1.34%         |
|                      |  | <b>Subtotal</b> | <b>1,763</b>  | <b>\$43,370.28</b>  | <b>\$24.60</b> | <b>\$0.41</b> | <b>1.68%</b>  |
| <b>Total</b>         |  |                 |               |                     |                |               |               |
|                      |  | 2017            | 4,899         | \$39,354            | \$8.03         | \$1.30        | 16.14%        |
|                      |  | 2016            | 5,155         | \$37,203            | \$7.22         | \$1.09        | 15.10%        |
|                      |  | 2015            | 5,295         | \$36,694            | \$6.93         | \$0.91        | 13.18%        |
|                      |  | <b>Subtotal</b> | <b>15,349</b> | <b>\$113,251.54</b> | <b>\$7.38</b>  | <b>\$1.08</b> | <b>14.66%</b> |
| <b>Carts</b>         |  |                 |               |                     |                |               |               |
| <b>TOTAL</b>         |  |                 |               |                     |                |               |               |
|                      |  | 2017            | 20,642        | \$225,419           | \$10.92        | \$7.43        | 68.01%        |
|                      |  | 2016            | 20,275        | \$208,624           | \$10.29        | \$6.11        | 59.38%        |
|                      |  | 2015            | 18,905        | \$198,383           | \$10.49        | \$4.94        | 47.05%        |
|                      |  |                 | <b>59,822</b> | <b>\$632,426</b>    | <b>\$10.57</b> | <b>\$6.04</b> | <b>57.15%</b> |

| <b>Green Fees</b> |  |      |                |                    |                |                |                |
|-------------------|--|------|----------------|--------------------|----------------|----------------|----------------|
|                   | <b>Pass</b>                                      |      |                |                    |                |                |                |
|                   |  | 2017 | 3,533          | \$0                | \$0.00         | \$0.00         | 11.64%         |
|                   |  | 2016 | 3,888          |                    | \$0.00         | \$0.00         | 11.39%         |
|                   |  | 2015 | 3,601          |                    | \$0.00         | \$0.00         | 8.96%          |
|                   | <b>Subtotal</b>                                  |      | <b>11,022</b>  | <b>\$0</b>         | <b>\$0.00</b>  | <b>\$0.00</b>  | <b>10.53%</b>  |
|                   | <b>Senior</b>                                    |      |                |                    |                |                |                |
|                   |  | 2017 | 14,771         | \$233,112          | \$15.78        | \$7.68         | 48.67%         |
|                   |  | 2016 | 12,296         | \$244,377          | \$19.87        | \$7.16         | 36.01%         |
|                   |  | 2015 | 8,668          | \$189,676          | \$21.88        | \$4.72         | 21.57%         |
|                   | <b>Subtotal</b>                                  |      | <b>35,735</b>  | <b>\$667,164</b>   | <b>\$18.67</b> | <b>\$6.37</b>  | <b>34.14%</b>  |
|                   | <b>Total 18 hole</b>                             |      |                |                    |                |                |                |
|                   |  | 2017 | 16,286         | \$404,938          | \$24.86        | \$13.34        | 53.66%         |
|                   |  | 2016 | 18,263         | \$421,676          | \$23.09        | \$12.35        | 53.48%         |
|                   |  | 2015 | 18,762         | \$400,187          | \$21.33        | \$9.96         | 46.69%         |
|                   | <b>Subtotal</b>                                  |      | <b>53,311</b>  | <b>\$1,226,801</b> | <b>\$23.01</b> | <b>\$11.72</b> | <b>50.93%</b>  |
|                   | <b>Total 9 hole</b>                              |      |                |                    |                |                |                |
|                   |  | 2017 | 11,208         | \$205,745          | \$18.36        | \$6.78         | 36.93%         |
|                   |  | 2016 | 10,784         | \$192,269          | \$17.83        | \$5.63         | 31.58%         |
|                   |  | 2015 | 11,981         | \$216,242          | \$18.05        | \$5.38         | 29.82%         |
|                   | <b>Subtotal</b>                                  |      | <b>33,973</b>  | <b>\$614,256</b>   | <b>\$18.08</b> | <b>\$5.87</b>  | <b>32.45%</b>  |
|                   | <b>Total Twilight</b>                            |      |                |                    |                |                |                |
|                   |  | 2017 | 3,510          | \$65,468           | \$18.65        | \$2.16         | 11.57%         |
|                   |  | 2016 | 5,223          | \$97,461           | \$18.66        | \$2.85         | 15.30%         |
|                   |  | 2015 | 3,021          | \$44,085           | \$14.59        | \$1.10         | 7.52%          |
|                   | <b>Subtotal</b>                                  |      | <b>11,754</b>  | <b>\$207,014</b>   | <b>\$17.61</b> | <b>\$1.98</b>  | <b>11.23%</b>  |
|                   | <b>Total Weekday</b>                             |      |                |                    |                |                |                |
|                   |  | 2017 | 21,220         | \$476,834          | \$22.47        | \$15.71        | 69.92%         |
|                   |  | 2016 | 23,759         | \$478,412          | \$20.14        | \$14.01        | 69.58%         |
|                   |  | 2015 | 23,224         | \$453,136          | \$19.51        | \$11.28        | 57.80%         |
|                   | <b>Subtotal</b>                                  |      | <b>68,203</b>  | <b>\$1,408,382</b> | <b>\$20.65</b> | <b>\$13.45</b> | <b>65.15%</b>  |
|                   | <b>Total Weekend</b>                             |      |                |                    |                |                |                |
|                   |  | 2017 | 2,047          | \$59,684           | \$29.16        | \$1.97         | 6.74%          |
|                   |  | 2016 | 4,339          | \$125,797          | \$28.99        | \$3.68         | 12.71%         |
|                   |  | 2015 | 4,317          | \$122,430          | \$28.36        | \$3.05         | 10.74%         |
|                   | <b>Subtotal</b>                                  |      | <b>10,703</b>  | <b>\$307,911</b>   | <b>\$28.77</b> | <b>\$2.94</b>  | <b>10.22%</b>  |
|                   | <b>Total Green Fee, Cart Fee, Range and Pass</b> |      |                |                    |                |                |                |
|                   |  | 2017 | 30,350         | \$865,544          | \$28.52        | \$28.52        | 100.00%        |
|                   |  | 2016 | 34,147         | \$923,897          | \$27.06        | \$27.06        | 100.00%        |
|                   |  | 2015 | 40,183         | \$914,134          | \$22.75        | \$22.75        | 100.00%        |
|                   | <b>Subtotal</b>                                  |      | <b>104,680</b> | <b>\$2,703,575</b> | <b>\$25.83</b> | <b>\$25.83</b> | <b>100.00%</b> |

Battle

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| Battle Creek                                 | 512 |

## ***EXECUTIVE SUMMARY***

Ramsey County (“County”) hired Sirius Golf Advisors, LLC (“Sirius”) to provide a thorough analysis of its golf operations, with recommendations regarding improvements and long-term planning. Sirius’ team included John Wait, President of Sirius, a specialist in municipal golf consulting; Jeffrey D. Brauer, noted golf course architect; Erik Christensen, certified irrigation designer; and David S. Downing, nationally prominent agronomist. The National Golf Foundation also assisted.

The evaluation process included numerous site visits and facility inspections, interviews with County and golf staff, an extensive survey of area competition, a thorough review of performance data, a detailed customer survey, and an area golf demand analysis.

The emphasis in this report was on the four main golf facilities: Goodrich Golf Course (“Goodrich”), Manitou Ridge Golf Course (“Manitou”), Keller Golf Course (“Keller”), and The Ponds at Battle Creek (“Ponds”). These are the facilities where the County has the greatest risk and exposure as the other two properties, Island Lake Golf Facility and Practice Center (“Island Lake”) and the Goodrich Golf Dome, dba Midwest Golf Dome (“Golf Dome”) are under long-term capital leases where the operator is responsible for all expenses, including capital improvements.

For simplicity, throughout this report we refer to the County’s golf operations as “RC Golf.”

### **Philosophical Direction**

In our interview for this job, we asked a simple question, “What is the Philosophical Direction for the golf operations?” While the question itself is simple, the answer rarely is. Yet it is exceedingly important in determining the appropriate strategy to reach the County’s objective.

The main axis of consideration is whether to emphasize the courses as an amenity to the citizens of the County, or to maximize profitability. While there is no “right” or “wrong” answer to this issue, it does have profound implications as to how the facilities should be operated. For example, if the goal is to emphasize being an amenity, then the golf operations would likely resemble those of other County owned amenities such as parks, swimming pools, tennis courts and arenas. This, in turn, means *there should be no expectation of profitability* since the purpose is to make the amenities as accessible to *all* citizens as possible. This normally requires keeping the prices artificially low, resulting in insufficient revenue to support operations and, ultimately, the County subsidizing the golf operation – just as it does with parks, pools, etc.

Yet, to the degree that profitability is a concern, one must realize that each golf course is a *business*. Further, these golf courses are businesses operating in a highly competitive environment. To succeed in such an environment, that is to become more profitable, requires taking a *business approach*. The more profitable the goal, the more the golf operation must adopt sound business principals. However, such an approach is very, very different than a typical municipal operation.

In a *municipal* approach, decisions are based on making the amenity more accessible and more valuable to the citizens of the municipality, within a specified cost allowance. But in a business approach, the goal is to maximize profitability, both in the short- and especially the long-term. It means controlling costs, marketing effectively, responding quickly to competitive pressures. It also means a different approach to personnel and decision-making. And it also means minimizing political influence in many areas – especially pricing. The municipalities that adopt this approach feel it is better for *all* their citizens, not just the golfers, as it both helps ensure the long-term viability of the asset, without possibly diverting funds that could go to support other programs and amenities.

Our position was and is neutral to this question. Some municipalities are very amenity oriented. They often end up subsidizing their golf operations to a significant degree but understand that this is a consequence to that approach. Other municipalities are profit oriented. They feel it is important to preserve the amenity for its citizens but realize that they cannot afford to continue subsidizing the operations. This often means privatizing the golf courses to a great degree in order to enable the operations to adopt sound business practices.

In looking at how RC Golf was operating when we first came in, it was also not clear as to which direction the County wanted to take. There were clear elements of both approaches. On the profitability side was the fact that the golf and food and beverage operations had been privatized by hiring a management entity where their employees and management handle the operations. Two facilities, Island Lake and the Golf Dome, were completely privatized with capital leases. The County had no responsibilities other than clear the parking lots and collect rent. The operators are responsible for every aspect of the operation, including maintenance and capital improvements.

But on the amenity side is the fact that the County still did the course maintenance at three of the facilities (Goodrich, Manitou and Keller), using its own employees. The County also controls all pricing. Yet, there is virtually no *County* programming, which would normally be evident in an amenity approach.

During the presentation of our Executive Report to the Commissioners on October 8<sup>th</sup>, 2018, we put forth this issue. The Commissioners then took a vote during our meeting and decided to emphasize profitability. As a result, our recommendations in this report are largely designed to improve the financial performance of the facilities.

## Overview

The County has six golf facilities: Keller Golf Course (Keller), Goodrich Golf Course (Goodrich), Manitou Ridge Golf Course (Manitou), Ponds at Battle Creek (Battle Creek), Island Lake Golf Facility (Island Lake) and the Goodrich Golf Dome (Golf Dome). Keller, Goodrich and Manitou are 18-hole regulation golf courses. Battle Creek is a nine-hole regulation course and Island Lake is an executive, 9-hole Par 28 golf course and practice facility.

Two of the facilities, Island Lake and the Golf Dome, are operated on long-term capital leases. Manitou has an operating lease, where the operator pays for all operating expenses, including maintenance, but the County remains responsible for the improvements. Keller, Goodrich and Battle Creek have management contracts, but the County still maintains the courses.

One of the issues we had to confront in doing this study was simply getting all the needed information. One of the reasons why this was so difficult is that there are no consolidated financials for the golf operations. This is because several entities are involved in their operation – even on the County side. While Parks has the biggest role, other County departments are involved as well, in addition to the private operators. And while Parks, who commissioned this study, was very cooperative, we were not able to get information from other departments. Most notably, we were only able to get cursory information from Fleet Services, which is responsible for all the acquisition and maintenance of all maintenance equipment as well as the cart fleet. They also pay for the fuel. This is a major expense area for the golf operation. Unfortunately, we were not able to get any information until *after* our Executive Report was turned in and our presentation was made to the Commissioners on October 8<sup>th</sup>. The information we did receive was barebones. We were only given a total amount spent at each course and that only for one year (2017).

When we did get these figures and added them to the expenses already provided by Parks, we found that overall, the golf operations showed a positive cash flow. But the amount was just a little over \$86,000 last year. Two of the six facilities showed a negative cash flow (Goodrich and Battle Creek). One facility, Keller,

generated a healthy positive cash flow (\$211,000). But even that was not enough to pay the debt service from its recent (2014) \$12 million renovation.

After conducting our study, we can conclude that the golf operations can not only be made significantly more profitable, but this profitability should be sustainable for many years to come. However, to get there is going to require significant changes in how the system is set up and operating, as well as a major investment in infrastructure.

Keller and Battle Creek's performance have been mostly stable over the past three years. In contrast, Goodrich has shown strong improvement over the past four years, while Manitou has seen a sharp decline.

## **Note of Appreciation**

We want to thank all the operators and the staff at Parks and Recreation and especially the Director of Golf and Arenas, for all their help and cooperation throughout this study. They were all very welcoming to us and the study, which is certainly not always the case! It was clear from the beginning that everyone involved wanted to do what was best for RC Golf.

Because this report is focused on looking for ways to *improve*, one may get the mistaken impression that the operators, or the County, are doing a poor job. This is most definitely not the case. We found that both the County and the operators were dedicated professionals who are doing a very good job – especially in comparison to most municipal operations. The fact that the system is showing a positive net income (NOI) puts it ahead of most municipal operations.

However, this report is already long enough without spending a lot of time reviewing all the things that people are doing *right*. Instead, we are focused on what *can be done better*. And much of what we found that needed to change was systemic, rather than a fault of an individual or an operator.

## **Improving Profitability**

In business, there are two ways to improve profitability. You can 1) lower your costs, and/or 2) improve your revenue. With RC Golf, we believe there are opportunities for both.

### **Lowering Costs**

The County's main costs with RC Golf is in the area of golf course maintenance at three of the facilities – Goodrich, Keller and Battle Creek. Here we include Fleet Services as well as the golf course maintenance departments.

In 2017, the County spent about \$2.1 million in maintaining these three courses, an average of \$700,000 each. Battle Creek, a nine-hole course, spent \$521,000; Goodrich \$706,400 and Keller, \$873,000. In contrast, the operator at Manitou, who maintains the course as part of his lease, spent \$350,000 and maintained it at a level comparable to Goodrich, but with more acreage and the addition of a driving range, which Goodrich lacks.

Thus, the best opportunity to significantly lower the costs is to eliminate or drastically reduce its biggest cost – course maintenance (and Fleet Services) by privatizing the maintenance as is already the case with both golf operations and food & beverage. We will talk more about this later.

### **Improving Revenue**

Revenue can be increased by either or both 1) increasing volume (traffic or rounds), or 2) improving *yield* (the amount spent by the customer per visit. Again, we believe both are possible.

## Current Situation

Before talking about where we need to go, lets discuss where we are.

### Market Conditions

#### Golf Demand

The National Golf Foundation (NGF) does an annual survey in which they assess golf participation across the US. They can then use this data to accurately project golf participation and rounds on a local level. We used their services in accessing the local market.

| Local (10-Mile) Golf Demand |                             |                          |                                |                                 |  |  |                               |
|-----------------------------|-----------------------------|--------------------------|--------------------------------|---------------------------------|--|--|-------------------------------|
| Golf Course                 | No. of Golfers within 10 mi | Rounds Potential (10 mi) | Golfer / Rounds Index (US=100) | No. of Golf Facilities (10 Mi.) | Golfing Households per 18 holes (Supply Ratio) | Golfing Households per 18 holes Index (US = 100) | Potential Rounds per 18 Holes |
| Keller GC                   | 86,163                      | 1,587,497                | 151 / 128                      | 31                              | 2,613  | 211  | 58,796                        |
| Goodrich GC                 | 75,728                      | 1,407,118                | 157 / 136                      | 30                              | 2,315  | 187  | 53,099                        |
| Manitou Ridge GC            | 63,932                      | 1,182,368                | 161 / 139                      | 24                              | 2,284  | 185  | 52,550                        |
| Battle Creek GC             | 66,526                      | 1,191,742                | 150 / 125                      | 24                              | 2,465  | 199  | 55,430                        |
| Island Lake Golf            | 97,602                      | 1,744,418                | 140 / 117                      | 23                              | 3,754  | 304  | 83,068                        |
| Ramsey County               | 52,036                      | 973,682                  | 148 / 129                      | 16                              | 3,191  | 258  | 72,125                        |

The results show that the Local Markets (defined as a 10-mile radius around each facility) around each golf facility have a golf participation rate that ranges from 1.8 (Manitou and Goodrich) to over three (Island Lake) times the national average. Further, the golfers play about 1.5 times as many rounds as the average golfer in the country, despite the much shortened season.

When the number of facilities in each area is factored in, we find that there is more than enough demand to support each of the facilities and that each facility may, in fact, be under-performing based on this demand.

The NGF report goes on to state that there are more *Latent* golfers than actual golfers. Latent golfers are people who have expressed a desire to play golf, but who currently do not play. Thus, pointing out that programs designed to facilitate transitioning Latent golfers into actual golfers, could have a significant impact on performance.

#### Competition

There are 168 public golf courses in the metropolitan area. Two-thirds of these are 18-hole regulation courses. Our primary interest, though, is on the 92 courses that are within a 20-mile radius of an RC Golf facility. These are the ones that are most competitive with the RC Golf facilities.

| MSP Public Golf Courses |            |           |          |            |
|-------------------------|------------|-----------|----------|------------|
|                         | Metro      | Local     | RC Golf  | % Local    |
| 18-hole Regulation      | 112        | 58        | 3        | 52%        |
| 9-hole Regulation       | 15         | 5         | 1        | 33%        |
| 18-hole Executive       | 3          | 2         |          | 67%        |
| 9-hole Executive        | 24         | 14        | 1        | 58%        |
| Par 3 courses           | 14         | 13        |          | 93%        |
| <b>Total</b>            | <b>168</b> | <b>92</b> | <b>5</b> | <b>55%</b> |

We also noted that there have been 28 courses that have closed in the area in the past 10 years. These courses are predominantly lower-end and/or non-regulation type of facilities. Indeed, we found that about 1/4<sup>th</sup> of the 9-hole regulation courses in the market have closed, along with 1/3<sup>rd</sup> of the hole executive and 9-hole Par 3 courses, and 2/3<sup>rd</sup>s of the 18-hole executive courses have closed. However, just 8% of the 18-hole regulation courses have closed. And, of the 18-hole regulation courses, most of the ones that closed were low-end.

The table below summarizes the Local Market courses. We used NGF definitions to divide the facilities into three groups based on their price point. Premium courses are defined as having a peak playing fee (green fees plus cart) of \$70 or more. Value courses have peak (highest in-season rate) playing fee of under \$40. Standard courses are all those between the Value and the Premium.

| Local Market Courses                |       |         |            |           |              |
|-------------------------------------|-------|---------|------------|-----------|--------------|
|                                     | Count | Avg Age | Avg Length | Avg Slope | Avg Peak Fee |
| <b>Total Private (all 18 holes)</b> | 22    | 71.2    | 6,730      | 137       |              |
| <b>Total Public</b>                 | 97    |         |            |           |              |
| <b>Regulation</b>                   | 67    |         |            |           |              |
| <b>18-hole</b>                      | 63    | 45.8    | 6,560      | 129.6     | \$57.97      |
| <b>Premium</b>                      | 7     | 29      | 6,975      | 137       | \$95.00      |
| <b>Standard</b>                     | 54    | 51      | 6,509      | 129       | \$54.15      |
| <b>RC Golf</b>                      | 3     | 80      | 6,435      | 128.7     | \$52.30      |
| <b>Non-RC Golf</b>                  | 51    | 48      | 6,511      | 128.7     | \$54.26      |
| <b>Value</b>                        | 2     | 24      | 6,390      | 119.5     | \$32.50      |
| <b>9-Hole</b>                       | 5     | 53      | 2,811      | 124       | \$39.00      |
| <b>RC Golf</b>                      | 1     | 14      | 3,023      | 131       | \$46.00      |
| <b>Non-RC Golf</b>                  | 4     | 63      | 2,758      | 121.7     | \$37.25      |
| <b>Executive</b>                    | 15    |         |            |           |              |
| <b>18-Hole</b>                      | 2     | 27      | 4,593      | 93.5      | \$40.25      |
| <b>9-Hole</b>                       | 13    | 41      | 1,811      | 98.2      | \$29.45      |
| <b>Par 3 (all 9 hole)</b>           | 14    | 40      | 1,260      | 91.4      | \$25.96      |
| <b>RC Golf*</b>                     | 1     | 23      | 1,262      |           | \$18.50      |
| <b>Non-RC Golf</b>                  | 13    | 41      | 1,260      |           | \$26.54      |

\* We have classified Island Lake as a Par 3, even though it has a Par of 28

In general, we found that the RC Golf facilities were very competitive in quality and price with other area courses. We do note some notable differences though. One of the more notable disadvantages is in length. RC Golf courses tend to be shorter from the back tee, which discourages the lower-handicap (more skilled) golfer from playing, as well as the longer-hitters. They are also longer from the forward tee (especially Manitou), which inhibits play from women.

## Performance

As noted previously, when Fleet services is included, RC Golf is still showing a positive Net Operating Income (NOI). NOI is defined as revenue less sales tax, cost of sales and operating expenses. It does not include depreciation or debt service as these are not operating expenses, nor does it include capital improvements or capital expenses.

Two facilities, Island Lake and Golf Dome, are under capital leases, guaranteeing their profitability to the County. Manitou is under an operating lease, where the operator is responsible for all operating expenses, thus also guaranteeing a positive cash flow to the county.

| 2017 Financials          |                    |                    |                    |                  |                 |                |                    |
|--------------------------|--------------------|--------------------|--------------------|------------------|-----------------|----------------|--------------------|
|                          | Keller             | Goodrich           | Battle Creek       | Manitou          | Island Lake     | Golf Dome      | TOTAL              |
| Rounds                   | 28,972             | 29,674             | 18,105             | 30,350           |                 |                | 107,101            |
| <b>County Revenue</b>    |                    |                    |                    |                  |                 |                |                    |
| Green Fees               | \$876,912          | \$540,917          | \$241,378          | \$76,754         |                 |                | \$1,735,961        |
| Cart Fees                | \$205,988          | \$150,882          | \$79,931           | \$28,825         |                 |                | \$465,626          |
| Driving Range            |                    |                    | \$151,209          | \$5,116          |                 |                | \$156,325          |
| Food & Beverage          | \$156,987          | \$13,718           | \$8,735            | \$23,815         |                 |                | \$203,255          |
| Merchandise              |                    |                    |                    | \$12,184         |                 |                | \$12,184           |
| Lease Payment            |                    |                    |                    |                  | \$75,000        | \$6,755        | \$81,755           |
| <b>Total Revenue</b>     | <b>\$1,239,887</b> | <b>\$705,517</b>   | <b>\$481,253</b>   | <b>\$146,694</b> | <b>\$75,000</b> | <b>\$6,755</b> | <b>\$2,655,106</b> |
| Rev/Round                | \$42.80            | \$23.78            | \$26.58            | \$4.83           |                 |                | \$ 24.79           |
| <b>County Expenses</b>   |                    |                    |                    |                  |                 |                |                    |
| Personnel Services       | \$469,988          | \$365,857          | \$290,804          |                  |                 |                | \$1,126,649        |
| Other Services & Charges | \$201,035          | \$146,966          | \$149,847          | \$6,666          |                 |                | \$504,514          |
| Supplies                 | \$60,993           | \$60,993           | \$49,391           | \$362            |                 |                | \$171,739          |
| Water                    | \$9,645            | \$2,049            | \$1,393            |                  |                 |                | \$13,087           |
| Fleet Services           | \$287,000          | \$270,000          | \$196,000          |                  |                 |                | \$753,000          |
| <b>Total Expenses</b>    | <b>\$1,028,661</b> | <b>\$845,865</b>   | <b>\$687,435</b>   | <b>\$7,028</b>   | <b>\$0</b>      | <b>\$0</b>     | <b>\$2,568,989</b> |
| <b>Cash Flow</b>         | <b>\$211,226</b>   | <b>(\$140,348)</b> | <b>(\$206,182)</b> | <b>\$139,666</b> | <b>\$75,000</b> | <b>\$6,755</b> | <b>\$86,117</b>    |

Two of the remaining three facilities (Goodrich and Battle Creek) are showing an operating loss. The combine for a negative NOI of \$346,500, which is over 1.5 times as much as the remaining facility’s (Keller) positive NOI (\$211,000). So, without the leases, RC Golf is losing money.

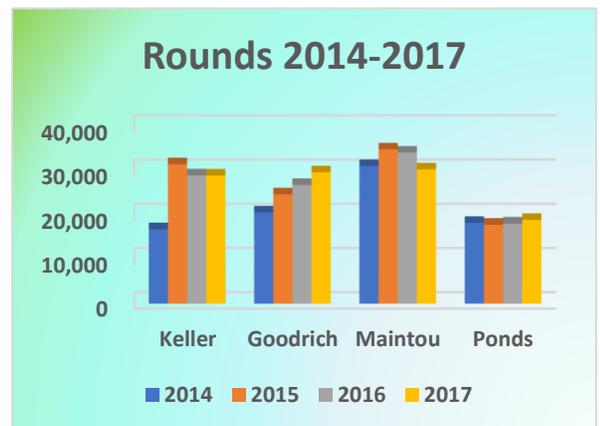
Over the past few years, Keller and Battle Creek’s performance has been mostly steady. Goodrich, though, has seen a dramatic improvement. However, Manitou has shown a significant decline.

**Management**

With a few exceptions, we found the facilities to be both well-managed and well-maintained. Customer service is a point of emphasis at all five golf courses.

**Customer Feedback**

We surveyed existing customers for each facility using NGF’s customer survey. In addition to being very thorough, this survey allows us to compare our results to their national database. This eliminates the natural bias people have with rating scales and provides a truer picture of how the target facility compares to the competition. NGF compares the target facility’s ratings with both the total database and with the database of just those courses in the same price point category.



The results showed strong customer satisfaction at three of the facilities: Keller, Goodrich and Battle Creek. Indeed, both Goodrich and Battle Creek placed in the top 10% of all facilities in the database. Keller might have except for the exceptionally low scores (bottom ½ of 1% of all facilities) given to the food and beverage operation.

| Overall Satisfaction Ratings |        |               |            |            |
|------------------------------|--------|---------------|------------|------------|
|                              | # Resp | Average Score | Price Pt % | National % |
| Keller                       | 97     | 8.4           | 82         | 74         |
| Goodrich                     | 107    | 8.7           | 97         | 90         |
| Manitou                      | 145    | 7.5           | 28         | 12         |
| Battle Creek                 | 94     | 8.8           | 98         | 94         |
| Island Lake                  | 15     | 7.8           | 46         | 28         |

More concerning were the ratings for Manitou. Their overall score placed them in the bottom 12% of all facilities. Several individual factor ratings were in the bottom 5% and

even some in the bottom 1%. These low ratings may help explain the decline in performance. The also indicate that Manitou may be vulnerable to further decline in performance if things are not improved.

## Impediments to Profitability - Major Issues

In looking at ways of improving and *sustaining* profitability, we found several major issues that serve as impediments to profitability. Some of these are likely to further degrade performance if not addressed.

The major areas of concern noted included:

- Lack of a Philosophical Direction for RC Golf by the County
- **Deteriorating Infrastructure**, especially at Goodrich and Manitou
- Market Overlap
- Operator Contracts
- Marketing
- Pricing Policy
- Keller’s Food and Beverage Operation
- Manitou’s Decline
- Battle Creek
- Neglected Markets

Below is a discussion of each issue in turn.

### Philosophical Direction

There was no clearly defined Philosophical Direction for RC Golf. Yet this is very important as it provides guidance as to what RC Golf believes in and how the facilities should be operated.

The most important question is “what is more important: Being an amenity to the citizens of the County or being a profit center, supporting other valuable programs?” With municipal golf courses, amenity-oriented facilities are typically operated like other recreation assets, such as parks and swimming pools. There is no expectation for profit, indeed, it is normal for them to be heavily subsidized.

On the other hand, to the degree that profitability is desired (even just breaking-even), then the operation must operate more like a *business*. Moreover, it is a business that is operating in a highly-competitive environment.

Some of the facilities are fully privatized, indicating a profit-center approach. Yet others are not. And the county's pricing policy is decidedly amenity-based. The conflicting approaches mean that neither potential goal is being fully realized.

- **Profitability Impact:** Affects everything

## Deteriorating Infrastructure

Most of the infrastructure, such as irrigation system, greens, tees, fairways, etc., at Goodrich and Manitou have greatly exceeded their life expectancies. Consequently, maintenance costs will continue to rise more than normal. Further, course conditions will deteriorate. This will lead directly to poorer performance. Thus, profitability is adversely affected by both rising costs and lower revenue.

We also found lesser, but still important, issues at both Keller and Battle Creek.

Unfortunately, infrastructure repairs with golf courses, especially irrigation and greens, require major investments. On the other hand, assuming these major areas are being addressed, it is often a small incremental cost to do other improvements that can have a significant positive impact on performance, as has been seen at Keller.

- **Profitability Impact:** Affects everything as well. Without fixing, maintenance costs increase, rounds (volume) decreases, and prices (yield) goes down.

## Market Overlap

All four of the main courses (Keller, Goodrich, Manitou and Battle Creek) are priced within a relatively narrow price range (\$13 spread), compared to a \$107 spread in the local market. All four are considered "Standard" or "Mid-Fee" facilities. The narrow spread for RC Golf has two consequences:

1. Each course's primary competition are the other three County courses.
2. RC Golf is not serving either the lower- or higher- ends of the marketplace.

As a result, RC Golf, as an entity, is not maximizing its share of the local golf market.

- **Profitability Impact:** Affects both volume and yield. If fixed, the yield at Keller should increase, as should the volume. Manitou should see improvements in both areas. Goodrich will have higher volume, but lower yield.

## Operator Contracts

There are six golf facilities within RC Golf. These six facilities have six different operators and seven different contracts (there are two operators at Keller, and one operator manages both Goodrich and Battle Creek). Issues include:

- **Administrative:** Obviously, with multiple contracts and multiple vendors, it is more difficult (and more expensive) to administer.
- **Potential Conflicts of Interest:** With the management contracts at Keller, Goodrich and Battle Creek, operator compensation varies depending on the revenue stream. The County gets the biggest share of green and cart fees. But the operator gets most (or all) of the range, food & beverage and merchandise sales. This can lead to the operators wanting to discount green and cart fees to increase volume, thus increasing *their* revenue at the possible cost to the County. It also makes it very difficult (in fact, it's not being done) to do promotions involving multiple revenue

streams, such as including a free lunch with green fees; or negotiating tournaments and outings that utilize most or all the above services.

- **Not Enforced:** Some important parts of the current contracts are not being enforced, such as the requirement to provide an annual marketing plan or provide rangers.
- **Does not include maintenance (Keller, Battle Creek, Manitou)**
  - **Profitability Impact:** Affects everything as well, but the biggest impact is on cost.

## Marketing

Simply put, there is almost no proactive marketing being done. Yet marketing is the lifeblood for most businesses, especially those in highly competitive industries, such as golf. And what little marketing being done (e.g. the websites) is sub-standard and ineffective.

Not only is this a budget issue, but there is confusion as to who is responsible – the County or the operators. The result is that no one is assuming responsibility. Further, there is a concern about expertise with regards to golf course marketing. What little marketing is being done (including the websites) does not appear to be effective, including poorly designed websites.

- **Profitability Impact:** Currently it has a negative impact on revenue. Fixing will lead to increasing costs to cover the marketing. However, volume should dramatically increase. It can also improve yield, especially in conjunction with other proposed changes.

## Pricing Policy

The current pricing policy is strongly amenity-based, which means that it is hampering the facilities' ability to make a profit.

The fact that the County sets the prices for all cart and green fees, makes them much more vulnerable to political pressures from special interest groups. This may explain why senior rates are discounted much more heavily with RC golf than other area golf facilities. Overall, it helps suppress prices, which can adversely affect profitability.

Even worse is the fact that the County only adjusts the rates every two years. Golf is a highly competitive industry, where prices fluctuate continuously. Having your prices fixed puts the RC Golf facilities *at a major competitive disadvantage*.

- **Profitability Impact:** Currently it has a negative impact on revenue. Fixing will lead to higher volumes at the facilities. Can also impact yield.

## Keller's Food and Beverage Operation

This is a big issue, whether you are amenity oriented or profit oriented. Lancer, Keller's food and beverage operator, does a great job with banquets, but shows a disdain for servicing golfers.

In our customer survey, Keller's customers rated the food and beverage service *in the bottom 0.5% of all golf courses in its price range*. We can personally corroborate some of the feedback with our own observations.

The beverage cart service is inconsistent and not even present much of the time. (Facilities in this price range typically offer beverage cart service all day, every day). Further, customer service in the restaurant can be lacking and does not seem oriented to the needs of the golfer.

- **Profitability Impact:** Currently it has a negative impact on revenue. Fixing will lead greater customer satisfaction at Keller which will impact both volume (make the course more popular)

and yield (more F&B sales). It can also lead to the facility being repositioned as a Premium course, increasing yield further.

## Manitou's Decline

Manitou's performance has declined sharply since 2014. Further, customer survey results rated the course well below average (the other three main courses received mostly positive results). The poor survey results covered most aspects of the operation.

As noted before, Manitou's infrastructure is in decline, which may be affecting performance. But there are clearly other issues as well.

From a current financial standpoint, the County is not being heavily impacted by this decline as the operator pays for all operating expenses. But it raises concerns as to what state the facility will be in when the current operating lease expires.

- **Profitability Impact:** Currently it has a negative impact on revenue. Fixing will lead to both higher volume and better yield at Manitou.

## Battle Creek

Battle Creek is one of two facilities currently losing money within RC Golf. This loss is due mostly to the golf course, as the range operation at Battle Creek is highly popular and profitable.

The problem stems from the nature of the golf course. Battle Creek is a very challenging, nine-hole golf course. From a quality standpoint, it rivals Keller. The problem is that golfers *expect* nine-hole courses to be low-end, very playable and affordable courses – and Battle Creek is not.

Thus, golfers who might be attracted to Battle Creek because of its quality, never try it because they expect it to be low-end. Meanwhile, those who come to Battle Creek because it's a nine-hole course come away dissatisfied because they wanted a low-end, very playable course.

- **Profitability Impact:** Currently it has a negative impact on revenue. Depending on the solution chosen, it could increase or decrease costs (especially if a different type of contract). But the solution should create both higher volume and better yields.



## Neglected Markets

Neglected markets are potential customers that are not currently being targeted by the RC Golf facilities, or for whom the facilities are currently not well-suited. This is an issue that straddles both ends of the amenity/profit center continuum as more customers means potentially more profits, but they also represent citizens whose needs are currently not being met by the County's facilities.

In addition to not reaching premium or value-oriented golfers as noted previously, other neglected markets include women and latent golfers. It should be noted that RC Golf is not alone in neglecting these markets. They are often ignored within the industry.

## Women

With women, it's the facilities that are inhospitable. All the courses play much longer for women than for men. This is particularly true at Manitou, where it is the equivalent of a nearly 8,000 yard course for women. This not only makes it extremely difficult (impairing popularity as most golfers do not want to play extremely difficult courses on a regular basis), but it also has a significant impact on the pace of play given it takes much longer to play from 8,000 yards than 6,000.

In addition, outside of Keller, none of the facilities offer healthy choices on their menus, an important consideration for women. Further, the facilities lack on-course restrooms. Women typically hate using porta-pottys, which are what are provided.

In the US, women represent just under a quarter of all golfers. And they represent nearly 40% of beginners. Yet we are not seeing nearly that level of participation at the RC Courses.

## Latent Golfers

Latent golfers are defined as people who would like to play golf, but who currently do not. According to the National Golf Foundation (NGF), there are *more latent golfers than actual golfers* in this area.

Aside from Island Lake, which does a respectable job, RC Golf does a relatively poorly in going after the wanna-be golfer. This is a fault of both marketing and programming.

- **Profitability Impact:** Currently neglected markets has a negative impact on revenue. Fixing will lead to increasing costs to cover the programming. However, volume should significantly increase. It can also improve yield, especially in conjunction with other proposed changes. Even if the programs are established at just one or two of the facilities, it can lead to increased use of *all* the facilities – especially in conjunction with branding and other marketing programs.

## Improving Profitability - Major Recommendations

This section will cover the non-capital recommendations. Capital improvements will be addressed in the following section.

### Diversify Market Placement

We recommend that RC Golf cover a wider spectrum of the market. This can most easily be done by making Keller a “Premium” facility (it is now considered “mid-fee”), and Goodrich a “Value” facility. NGF’s market demand analysis shows that there is a strong need in the Ramsey County marketplace for facilities at both ends of the spectrum – Premium and Value.

There is no doubt that Keller’s golf course and clubhouse fit the profile of a “premium” facility and are market competitive with area premium courses. Indeed, its history as a two-time PGA Championship course gives Keller a significant market advantage. However, its current food and beverage operation, as it relates to golf, would need to be upgraded before such a move is made since the F&B is not consistent with a “premium experience.”

Goodrich, on the other hand, strongly fits the profile of a “Value” facility, of which there is a strong need in the area marketplace. Indeed, the operator is currently effectively discounting the fees to the point where it is consistent with value courses. But the marketed fee structure is still mid-fee.

### Operator Contracts

We recommend that the contracts be restructured so that all revenue streams are treated equally (after accounting for inventory costs). This will eliminate any potential conflict of interest. Doing this will it allow

the County to place more faith in the operator having much greater control over fees, as what is good for them, will be good for the County and vice-versa.

We also recommend having the contracts expire at the same time. This will allow the County to then post an RFP whereby companies can bid on one, two or all the facilities. At that time, based on the proposals, the County can make the decision whether a single operator is best.

The biggest proposed change, though, is converting the contract to a different model – Hybrid (similar to Manitou, with modifications). Under this type of contract, the operator is responsible for *all* operating expenses *including course maintenance*. Because we believe each facility can generate a positive NOI under this format, there is no need for a subsidy or base payment. Instead, the operator and County have a revenue share program. The split is based on *Gross Profit* – which is defined as gross revenue less sales tax and cost of sales (inventory).

Our preferred contract has a breakpoint that is designed to be approximately where the operator can expect to “break-even.” Below this breakpoint, the operator gets most of the revenue (80-95% depending). Above this breakpoint, the County gets the majority (50-70% depending). In the text, and in our projections, we have calculated potential breakpoints and splits based on current volume and operator’s revenue.

The goal is to create a “win-win” scenario where both the operator and County have aligned interests. What is good for the operator is good for the County and vice-versa. This is not the case now.

Privatizing the course maintenance will have a dramatic impact on the overall operating costs for the facility – and especially the County’s costs. It virtually guarantees a positive cash flow to the County at each facility.

It should be noted that when we talked to the operators, there was a willingness to discuss converting to the hybrid concept. This would *not* require waiting until the end of the current contracts. (It should also be noted that all the current contracts are cancellable by the County at any time.)

## Marketing

Effective marketing can overcome a lot of weaknesses. It is critical, if the County wants the facilities to be break-even or better. There is no expense that has a higher degree of correlation to performance than marketing.

Our recommendations include:

1. **Budget:** The county should put 2.5% of *its* revenue from the golf courses toward marketing. This would have generated around \$66,000 last year. In addition, the operators at each facility (two at Keller) would contribute \$3,000 each. Combined, this provides a budget of over \$80,000, which can have a significant impact. (If the contracts are converted to Hybrid, then both the County and the Operators should be putting in at least 2% of their respective gross revenue into marketing).
2. **Management:** We recommend the County hire a marketing firm, preferably one with golf course experience, to handle the marketing needs for RC Golf and for all the facilities.
3. **Marketing:** The marketing effort should include:
  - a. **Planning:** A detailed marketing plan should be prepared annually.
  - b. **Web:** New websites should be created for each facility.
  - c. **Social Media:** The courses need to be proactive in major social media. This will require someone (likely from the marketing company) to do regular postings – preferably daily.
  - d. **Email:** The email database should be mailed to at least on a weekly basis.

- e. **Public Relations:** A PR effort should be implemented, especially when it comes to new programming and major capital improvements.
  - f. **Media Advertising:** A comprehensive media campaign should be implemented. This will include advertising on social media platforms, golf publications, etc. It may include spot TV ads, redemption advertising and billboards.
4. **Branding:** As RC Golf begins implementing the proposed improvements to operations and facilities, the County should strongly consider a branding campaign, bringing all the facilities under a common brand identification (such as “RC Golf”). This would include a logo that hopefully would have merchandising value as well.

## Pricing Policy

At the very minimum, the County needs to revise prices annually. Given increased profitability is a goal, then it also needs to reduce political influence and make the decisions based on *business* principles. The best way to do this is to allow the operators to set the pricing (as is currently the case with the capital leases). However, to do so with confidence, will require modifying the contracts as noted above.

Our report contains recommended fees for all four courses, as well as recommended modifications, including a revised Patron program and facility-specific annual passes.

## Keller

The main issue at Keller is the food and beverage operation as it relates to golf. The county has already made a step towards correcting this issue, as a new General Manager was hired by Lancer for Keller in early August. However, it remains to be seen if this resolves all the problems. Beverage Cart service needs to be prioritized and *required every day, all day*. It is an important customer service, especially if the desire is to convert Keller to a Premium class facility.

## Manitou

The operator has expressed concern over the survey findings and does appear motivated to address the issues. But progress needs to be closely monitored. Based on feedback, Manitou is at risk of losing several of its leagues, which would have devastating impact to its performance. We recommend conducting annual surveys to monitor progress. (Best choice is to use the same survey so that valid comparisons can be made.)

Spreading the market out by elevating Keller to be a Premium facility, and Goodrich a Value facility, will greatly benefit Manitou.

Manitou is also in critical need of capital improvements, which we will discuss in the next section.

## Battle Creek

We examined three different possible strategies on how to make Battle Creek successful. All of them require capital investment to varying degrees, and strong marketing. The scenarios are:

- **“Elite” Nine:** This is a marketing-heavy solution. The idea is to try and create an awareness of the facility with those golfers who would most appreciate it. The pitch would essentially be: “Do you want the golf experience of a Keller or Prestwick, but only have a couple of hours? Then try Battle Creek – the ‘best nine-hole golf course’ in Minnesota!” The fee structure would also have to be adjusted as golfers, like most consumers, strongly associate price with quality. You want your pricing to reflect the desired perception of quality.

- **Maximize Range:** The range at Battle Creek is arguably the best in the County. It is extremely popular, with frequent waiting lines. This scenario takes advantage of its popularity by prioritizing the range. The range tee is doubled in size, doubling the range's capacity. Target greens are added to increase its appeal. However, expanding the range comes at a cost to the golf course. It will require the course being reduced from a Par 35 (considered standard), to a Par 34 (considered sub-standard by most golfers). The hope is that the range's increased performance would compensate for the course decrease in desirability.
- **18-holes:** One way of eliminating problems associated with being a nine-hole course is to make it an 18-hole course. In the case of Battle Creek, that is possible as there is land available across the street at the correctional facility.

## Recommended Capital Improvements

With golf courses, there are two basic types of capital improvements:

- Those that are designed to *maintain* performance, and
- Those that are designed to *improve* performance.

Improvements of the first type normally refer to deferred maintenance items. In other words, repairing or replacing infrastructure items such as irrigation, greens, tees, etc. But the improvements do not alter the course's routing or basic characteristics.

Improvements of the second type may upgrade the infrastructure, but their primary goal is to significantly improve a course's performance. This can be done by either lowering maintenance costs and/or improving a course's appeal and thereby increasing revenue.

All the courses have capital improvement needs. To make it easier to evaluate, we combined various improvement choices into "scenarios" for each course. For each course, Scenario 0 is "Status Quo," meaning no changes to the operation nor are any capital improvements made.

Cost estimates were developed using recent construction pricing from Minnesota and adjusted for the proposed scope of work and local material costs. An inflation factor was also added to account for later start dates. A "soft cost" contingency was also added to provide a comprehensive estimated budget and minimize "surprises."

### Keller

Keller's primary needs are to correct issues relating to cost-cutting measures during recent renovation construction. The major issue being lining the bunkers. We are also recommending some additional tees to make the course friendlier to women and seniors, and to try to increase length to make it more appealing to lower handicap golfers.

The proposed timetable is 2021, with projected 2021 costs between \$686,000 and \$860,000 (we use \$774,000 in our projections).

### Manitou

We developed two improvement scenarios for Manitou:

- **Scenario 1: Priority Fixes Only** – This focuses only on those issues already identified by the County, such as irrigation and bunkers, plus a few other priority items that we identified, including new



forward tees, adding an on-course restroom, and some renovation of the driving range. The purpose is primarily to *sustain* current performance.

- **Scenario 2: Major Renovation** – There is a need to rebuild all the infrastructure at Manitou. Such major work provides the opportunity to make significant improvements in the design. These renovations would provide a significant upgrade to the course’s quality. It also includes an expansion of the clubhouse to provide for a full grill operation. The range is relocated and expanded. These improvements are designed to dramatically *improve* performance.

Scenario 1’s renovations would start in 2020 with the building of a temporary hole and be completed in 2021. Excepted cost should be between \$2.6 million and \$3.3 million, adjusted for inflation. We use \$2.96 million in our projections.

Scenario 2 will require the course be reduced to 9 holes during the renovation, which would likely last two to two and a half years, starting in 2021. The anticipated cost should be between \$7.4 million and \$10 million. We use \$8.6 million in our projections.

## Goodrich

Like Manitou, we developed two scenarios. Positioning Goodrich as a value facility lessens the urgency of the repairs.

- **Scenario 1: Priority Only** – only the most pressing items is addressed but would include new forward tees. The purpose is primarily to *sustain* current performance.
- **Scenario 2: Modest Renovation** – this will be the rebuilding or renovation of all major course components, including irrigation, greens, tees and fairways. It does not include significant rerouting or expansion of the clubhouse as we anticipate the facility remaining a value course. These improvements are designed to dramatically *improve* performance.

Scenario One can be done in a year and would cost between \$2.2 and \$2.7 million, assuming a 2023 construction date. We use \$2.45 million.

Scenario Two, like Scenario Two for Manitou, would require reducing the course to nine holes during construction. We anticipate a 2024 start date, with completion in 2026. Total Cost should be between \$4 and \$5.5 million. We use \$4.77 million in our projections.

## Battle Creek

We developed three scenarios for Battle Creek, each taking the facility in an entirely different direction. All three are designed to improve performance.

- **Scenario One: “Elite 9”** – The course remains a challenging nine-hole course, but improvements are made to enhance performance and repair infrastructure. Enhanced performance will be realized with new tees on a couple of holes and adding target greens to the range.
- **Scenario Two: Par 34** – We reduce the Par from 35 to 34 which will enable us to expand the range, essentially doubling the size of the tee, thus maximizing its potential. Parking would also be expanded. Will require some rerouting of the course.
- **Scenario Three: 18 -holes** – There is land potentially available across the street at the Corrections facility that would allow a second nine to be built, allowing Battle Creek to become a mid-fee 18-hole course. The new nine would also include a new clubhouse and range. This allows the existing range to become a stand-alone facility, thereby increasing its potential. It also allows for new revenue streams from a restaurant and banquet facilities. A tunnel is needed to go under Lower Afton Road.

Scenario One construction would occur in 2021. It should cost between \$1,460,000 and \$1,750,000. We use \$1.6 million in our estimates.

Scenario Two, unlike One and Three, will require closing the facility for a year. In our model, that year is 2022, but it may need to be moved, if Manitou or Goodrich is being reduced to nine holes at that time. The estimated cost is between \$2.7 million and \$3.15 million. Our estimates assume \$2,900,000.

One nice advantage of Scenario Three is that the existing facility would remain open while the new nine, clubhouse and range are built. When they are completed, the existing course can be closed for renovation. Thus, performance should not be adversely impacted during construction.

Scenario Three not only adds nine holes, it also adds a 6,000 sf clubhouse with restaurant and banquet seating for at least 150 guests. A second range is also added to service the golf course, allowing the existing facility to become a stand-alone range.

We have construction starting in 2021. The new nine would open in 2022, at which time the existing facility is renovated. The completed facility would open in 2024. The expected cost is between \$9,200,000 and \$11,130,000. \$10,185,000 is used in our projections.

## Projections

We have tried to be conservative in our projections, keeping rounds projections well below course performance levels seen just five to ten years ago. The Status Quo scenarios all assume there are no major changes to operations, contracts, pricing philosophy or facilities. With the improvement scenarios, we assume that marketing, contract and operational changes begin in 2019. Our projections cover 2019-2028.

For each of the improvement scenarios (except Manitou), we developed two alternatives. One was to go with an Equalized Revenue contract that has the County continuing to maintain the course, and the other assumes a Hybrid contract, with the operator maintaining the course. We assumed that this would not affect revenue (although it might), but that the main impact is on the County's costs. The splits and breakeven points were determined to keep the net revenue to the operator equivalent in the first year under the two options (hybrid vs. equalized revenue). We did not develop a separate Hybrid scenario for Manitou as its current contract is similar. The Hybrid contracts would not be in place for 2019.

## Keller

Even with Status Quo, Keller will continue to be operationally profitable, although not enough that it covers the \$800,000 debt payment from the 2014 construction. The one year we have it creating a negative cash flow is in the assumed bad weather year of 2027.

Under the improvement scenario, we are projecting an increase of \$3,500,000 (360%) in net revenue (Net Operating Income or NOI) *to the County* over the 10-year period. Post-renovation cash flow to the County should improve an average of \$421,000/year, providing a 54.41% annualized return on investment (ROI). The estimated \$775,000 in construction costs would be paid back in 1.8 years. Alternatively, the improved cash flow can sustain a debt of \$6,100,000.

| Keller Cash Flow Projections - County Net |             |           |           |           |            |           |             |             |  |
|---|-------------|-----------|-----------|-----------|------------|-----------|-------------|-------------|--|
|   | Total 19-23 | 2024      | 2025      | 2026      | 2027       | 2028      | Total 24-28 | Total 19-28 |  |
| <b>Status Quo</b>                         |             |           |           |           |            |           |             |             |  |
| Rounds                                    | 145,047     | 31,299    | 29,734    | 29,883    | 26,895     | 29,732    | 147,542     | 292,589     |  |
| County Net                                | \$510,355   | \$192,961 | \$103,507 | \$116,871 | (\$43,971) | \$91,382  | \$460,749   | \$971,104   |  |
| <b>Scenario One</b>                       |             |           |           |           |            |           |             |             |  |
| Rounds                                    | 161,122     | 36,227    | 34,415    | 35,104    | 31,593     | 35,448    | 172,787     | 333,909     |  |
| County Net                                | \$1,819,721 | \$592,256 | \$516,848 | \$566,115 | \$393,045  | \$615,519 | \$2,683,783 | \$4,503,504 |  |
| <b>Hybrid 2024</b>                        |             |           |           |           |            |           |             |             |  |
| County Net                                | \$1,819,721 | \$578,954 | \$553,434 | \$598,104 | \$520,980  | \$664,206 | \$2,915,678 | \$4,735,399 |  |
| <b>Difference</b>                         |             |           |           |           |            |           |             |             |  |
| County Net Scenario                       | \$1,309,367 | \$399,295 | \$413,342 | \$449,244 | \$437,016  | \$524,137 | \$2,223,034 | \$3,532,400 |  |
| County Net Hybrid                         | \$1,309,367 | \$510,185 | \$567,197 | \$609,153 | \$673,034  | \$716,235 | \$3,075,804 | \$4,385,170 |  |

They Hybrid model performs even better. There is a \$4.38 million, which is nearly \$1 million better than the other contract and represents a 452% improvement over the Status Quo. The \$552,000 average annual improvement represents a staggering 71.3% ROI and could support a debt of \$8 million. The added funds could help support the improvements at the other courses.

## Manitou

Under Status Quo, performance at Manitou will continue to decline, at an accelerating rate. If Manitou remains under a lease, though, the County would only lose revenue and not have to put money in. However, it is unlikely that a new operator would assume operation under the same lease terms, without major renovations taking place.

| Manitou Cash Flow Projections       |             |             |             |                |             |                |             |             |              |              |
|-------------------------------------|-------------|-------------|-------------|----------------|-------------|----------------|-------------|-------------|--------------|--------------|
| <b>Status Quo</b>                   |             |             |             |                |             |                |             |             |              |              |
| Rounds                              | 29,850      | 27,117      | 139,796     | 27,476         | 25,003      | 25,944         | 23,350      | 24,786      | 126,558      | 266,354      |
| <b>Revenue</b>                      |             |             |             |                |             |                |             |             |              |              |
| Green Fees                          | \$552,575   | \$563,493   | \$2,779,672 | \$544,558      | \$489,114   | \$485,074      | \$432,188   | \$458,536   | \$2,409,471  | \$5,189,143  |
| Total                               | \$1,128,061 | \$1,157,010 | \$5,667,783 | \$1,169,809    | \$1,086,804 | \$1,112,131    | \$1,024,137 | \$1,094,486 | \$5,487,366  | \$11,155,150 |
| County Revenue                      | \$146,648   | \$150,411   | \$736,812   | \$152,075      | \$141,284   | \$144,577      | \$133,138   | \$142,283   | \$713,358    | \$1,450,169  |
| County Expenses                     | \$7,239     | \$8,147     | \$38,432    | \$8,392        | \$8,644     | \$8,903        | \$9,170     | \$9,445     | \$44,553     | \$82,985     |
| County Net                          | \$139,409   | \$142,264   | \$698,380   | \$143,683      | \$132,641   | \$135,674      | \$123,968   | \$132,838   | \$668,804    | \$1,367,184  |
| <b>Scenario 1: Priority Fixes</b>   |             |             |             |                |             |                |             |             |              |              |
| Rounds                              | 31,500      | 34,003      | 150,133     | 35,723         | 32,151      | 32,633         | 29,370      | 30,556      | 160,433      | 310,565      |
| <b>Revenue</b>                      |             |             |             |                |             |                |             |             |              |              |
| Green Fees                          | \$572,102   | \$721,386   | \$2,918,889 | \$783,825      | \$715,976   | \$748,857      | \$682,926   | \$732,997   | \$3,664,581  | \$6,583,469  |
| Total                               | \$1,226,908 | \$1,564,518 | \$6,343,285 | \$1,701,173    | \$1,582,872 | \$1,662,592    | \$1,547,435 | \$1,666,500 | \$8,160,572  | \$14,503,858 |
| County Revenue                      | \$159,498   | \$351,716   | \$1,040,333 | \$421,412      | \$324,520   | \$357,023      | \$262,246   | \$320,460   | \$1,685,661  | \$2,725,994  |
| County Expenses                     | \$11,226    | \$16,940    | \$164,440   | \$18,927       | \$16,757    | \$17,828       | \$15,726    | \$17,457    | \$86,695     | \$251,135    |
| County Net                          | \$148,272   | \$334,776   | \$875,893   | \$402,485      | \$307,764   | \$339,194      | \$246,520   | \$303,003   | \$1,598,966  | \$2,474,859  |
| Construction date                   | 2020-21     | \$183,166   |             | Annualized ROI | 6.6%        | Debt Supported | \$2,700,000 | Difference  |              | (\$80,000)   |
| <b>Scenario 2: Major Renovation</b> |             |             |             |                |             |                |             |             |              |              |
| Rounds                              | 31,500      | 24,500      | 124,947     | 36,000         | 34,200      | 35,568         | 32,011      | 35,917      | 173,696      | 298,643      |
| <b>Revenue</b>                      |             |             |             |                |             |                |             |             |              |              |
| Green Fees                          | \$572,102   | \$674,718   | \$2,385,992 | \$1,072,572    | \$1,039,960 | \$1,084,495    | \$989,248   | \$1,158,512 | \$5,344,786  | \$7,730,778  |
| Total                               | \$1,226,908 | \$1,408,512 | \$5,183,839 | \$2,156,171    | \$2,115,392 | \$2,243,244    | \$2,084,134 | \$2,423,739 | \$11,022,681 | \$16,206,520 |
| County Revenue                      | \$159,498   | \$245,397   | \$630,030   | \$712,952      | \$666,472   | \$726,697      | \$603,464   | \$804,457   | \$3,514,041  | \$4,144,071  |
| County Expenses                     | \$10,429    | \$13,055    | \$251,033   | \$22,651       | \$21,973    | \$23,437       | \$21,239    | \$25,534    | \$114,834    | \$365,867    |
| County Net                          | \$149,069   | \$232,341   | \$378,997   | \$690,301      | \$644,499   | \$703,260      | \$582,225   | \$778,922   | \$3,399,207  | \$3,778,205  |

Under Scenario One, course revenue improves by \$3.3 million and revenue to the County improves by \$1.2 million (88%) over the status quo. The only increase in expenses for the county is marketing, so the County's cash flow improves by just over \$1.2 million (88.3%), with an average improvement post-renovation of \$183,000/year. This represents an ROI of 6.6% and could support a \$2.7 million debt, or the approximate cost of the improvements.

Scenario Two dramatically impacts revenue, as the course's revenue is expected to be over \$5.5 million (double) better than the Status Quo over the last five years (2024-28). The County's cash flow, post

renovation, averages \$680,000 /year more than the Status Quo. This represents an ROI of 7.9%. This can support a debt of \$9.8 million, which is more than the projected \$8.6 million cost.

Scenario Two not only produces a better ROI, it is important to remember that Scenario One did not address most of the infrastructure needs. This means that they will still need to be fixed, at a greater cost, soon – likely in the five years following (2029-2033). So, long-term, *Scenario Two appears to be the better solution.*

## Goodrich

The Goodrich model closely follows Manitou. Like Manitou, we utilize two scenarios – Scenario One assumes only partial renovation, addressing only the most urgent needs (irrigation, bunkers, etc.), while Scenario Two is a complete renovation. Only with Goodrich, we are keeping the market position the same, so the renovations would not be as extensive as those foreseen at Manitou.

Under Status Quo, performance quickly peaks and plateaus, then starts to decline as course conditions deteriorate due to infrastructure. Course maintenance costs soar for the same reason. Cash flow remains negative, reaching nearly \$600,000 in annual loss by 2028.

Scenario One represents a “quick-fix.” Performance is stabilized, and cash flow improves. Post renovation cash-flow averages \$133,000/year more than the Status-Quo. This represents an ROI of 5.4%. It would support a debt of \$1.9 million, which is *not* enough to cover the estimated \$2.5 million cost.

| Goodrich Cash Flow Projections       |                  |                    |                    |                    |                    |                    |                    |                    |                    |                     |
|--------------------------------------|------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|---------------------|
|                                      | 2019             | 2023               | Total 19-23        | 2024               | 2025               | 2026               | 2027               | 2028               | Total 19-23        | Total 19-28         |
| <b>Status Quo</b>                    |                  |                    |                    |                    |                    |                    |                    |                    |                    |                     |
| Rounds                               | 32,000           | 28,528             | 149,222            | 29,355             | 27,887             | 27,330             | 24,597             | 26,515             | 135,684            | 284,906             |
| <b>Revenue</b>                       |                  |                    |                    |                    |                    |                    |                    |                    |                    |                     |
| Green Fees                           | \$556,439        | \$550,369          | \$2,756,978        | \$597,706          | \$566,481          | \$556,031          | \$499,954          | \$539,978          | \$2,760,149        | \$5,517,127         |
| <b>Total</b>                         | <b>\$935,989</b> | <b>\$955,103</b>   | <b>\$4,706,896</b> | <b>\$1,035,779</b> | <b>\$1,007,460</b> | <b>\$1,000,812</b> | <b>\$924,936</b>   | <b>\$1,009,607</b> | <b>\$4,978,594</b> | <b>\$9,685,490</b>  |
| County Revenue                       | \$694,670        | \$693,336          | \$3,462,338        | \$750,858          | \$724,101          | \$711,032          | \$651,470          | \$701,853          | \$3,539,315        | \$7,001,653         |
| County Expenses                      | \$883,677        | \$1,038,324        | \$4,796,530        | \$1,081,427        | \$1,126,482        | \$1,173,581        | \$1,222,826        | \$1,274,319        | \$5,878,635        | \$10,675,165        |
| County Net                           | (\$189,007)      | (\$344,988)        | (\$1,334,192)      | (\$330,570)        | (\$402,380)        | (\$462,549)        | (\$571,355)        | (\$572,466)        | (\$2,339,320)      | (\$3,673,512)       |
| <b>Scenario 1: Priority Fixes</b>    |                  |                    |                    |                    |                    |                    |                    |                    |                    |                     |
| Rounds                               | 34,500           | 26,000             | 160,958            | 34,250             | 32,195             | 35,750             | 32,890             | 36,000             | 171,085            | 332,043             |
| <b>Revenue</b>                       |                  |                    |                    |                    |                    |                    |                    |                    |                    |                     |
| Green Fees                           | \$524,820        | \$434,790          | \$2,582,784        | \$609,324          | \$562,496          | \$628,438          | \$566,801          | \$622,694          | \$2,989,752        | \$5,572,536         |
| <b>Total</b>                         | <b>\$957,415</b> | <b>\$832,844</b>   | <b>\$4,784,640</b> | <b>\$1,135,020</b> | <b>\$1,081,694</b> | <b>\$1,218,485</b> | <b>\$1,138,008</b> | <b>\$1,264,449</b> | <b>\$5,837,657</b> | <b>\$10,622,297</b> |
| County Revenue                       | \$688,928        | \$599,682          | \$3,443,958        | \$817,222          | \$777,022          | \$873,268          | \$813,739          | \$902,047          | \$4,183,299        | \$7,627,256         |
| County Expenses                      | \$895,626        | \$1,039,093        | \$4,833,895        | \$1,083,596        | \$1,124,615        | \$1,170,108        | \$1,214,308        | \$1,263,366        | \$5,855,993        | \$10,689,888        |
| County Net                           | (\$206,698)      | (\$439,412)        | (\$1,389,937)      | (\$266,374)        | (\$347,593)        | (\$296,840)        | (\$400,569)        | (\$361,319)        | (\$1,672,694)      | (\$3,062,632)       |
| <b>Hybrid 2020</b>                   |                  |                    |                    |                    |                    |                    |                    |                    |                    |                     |
| County Revenue                       | \$688,928        | \$37,480           | \$926,592          | \$128,264          | \$103,138          | \$163,291          | \$126,086          | \$181,278          | \$702,057          | \$1,628,650         |
| County Expenses                      | \$895,626        | \$109,272          | \$1,033,949        | \$12,240           | \$11,738           | \$13,802           | \$12,953           | \$14,883           | \$65,615           | \$1,099,564         |
| County Net                           | (\$206,698)      | (\$71,792)         | (\$107,357)        | \$116,024          | \$91,401           | \$149,490          | \$113,133          | \$166,395          | \$636,442          | \$529,085           |
| <b>Scenario 2: Modest Renovation</b> |                  |                    |                    |                    |                    |                    |                    |                    |                    |                     |
| Rounds                               | 34,500           | 32,925             | 167,882            | 21,157             | 20,100             | 38,500             | 35,420             | 39,019             | 154,196            | 322,078             |
| <b>Revenue</b>                       |                  |                    |                    |                    |                    |                    |                    |                    |                    |                     |
| Green Fees                           | \$524,820        | \$567,849          | \$2,715,843        | \$287,794          | \$276,507          | \$776,796          | \$726,433          | \$831,740          | \$2,899,270        | \$5,615,113         |
| <b>Total</b>                         | <b>\$955,422</b> | <b>\$1,051,165</b> | <b>\$4,993,636</b> | <b>\$611,577</b>   | <b>\$600,187</b>   | <b>\$1,431,647</b> | <b>\$1,363,814</b> | <b>\$1,555,107</b> | <b>\$5,562,332</b> | <b>\$10,555,968</b> |
| County Revenue                       | \$687,333        | \$756,603          | \$3,593,418        | \$433,176          | \$425,004          | \$1,074,838        | \$1,023,959        | \$1,167,594        | \$4,124,570        | \$7,717,988         |
| County Expenses                      | \$897,202        | \$1,035,003        | \$4,823,745        | \$696,920          | \$721,944          | \$1,126,871        | \$1,166,099        | \$1,211,742        | \$4,923,576        | \$9,747,321         |
| County Net                           | (\$209,868)      | (\$278,399)        | (\$1,230,327)      | (\$263,745)        | (\$296,940)        | (\$52,033)         | (\$142,140)        | (\$44,148)         | (\$799,006)        | (\$2,029,333)       |
| <b>Hybrid 2020</b>                   |                  |                    |                    |                    |                    |                    |                    |                    |                    |                     |
| County Revenue                       | \$687,333        | \$47,288           | \$886,339          | \$27,073           | \$26,563           | \$184,667          | \$142,542          | \$217,595          | \$598,440          | \$1,484,779         |
| County Expenses                      | \$897,202        | \$9,566            | \$934,365          | \$59,204           | \$59,440           | \$14,443           | \$13,446           | \$15,973           | \$162,506          | \$1,096,871         |
| County Net                           | (\$209,868)      | \$37,722           | (\$48,026)         | (\$32,131)         | (\$32,878)         | \$170,224          | \$129,096          | \$201,622          | \$435,934          | \$387,908           |

However, switching to a Hybrid contract in 2020 makes a huge difference. The County’s cash *immediately* becomes positive. Over the last five-year period, the County makes \$636,000 rather than losing \$1.67 million under the same improvement scenario, but with the County maintaining the course.

The post improvement cash flow is \$608,000 per year better than the Status Quo, representing an ROI of 23.8%. It could support an \$8.8 million debt.

Cash flow is even stronger under Scenario Two, even making up for the year it was reduced for construction. The average post-renovation cash flow averages \$456,000/year better than the Status Quo, enough to generate a strong 9.6% ROI. The improvement in cash flow would support a \$.5 million debt, well in excess of the projected \$4.77 million cost. However, *the county's cash flow remains negative*.

Switching to a Hybrid contract changes everything. Now the cash flow is positive every year. The post-renovation cash-flow averages \$702,000 over Status Quo, representing an ROI of 14.4% and able to support a \$10,200,000 debt – more than double the projected cost.

Like Manitou, Scenario Two has the advantage as it represents a long-term solution to the infrastructure needs, while Scenario One only delays expensive renovations by several years. In either case, though, the hybrid contract is the biggest difference maker.

## Battle Creek

Under the Status Quo, Battle Creek is expected to continue to lose money. The amount of loss will increase as infrastructure needs start to impact performance. Over the next ten-years, we are projecting a loss of **(\$3,970,000)**.

The “Elite Nine” (Scenario One) option puts immediate breaks on the slide, but the facility is still expected to lose money. We project a ten-year cash flow of (\$2,800,000), which is \$1.1 million better than the Status Quo. The average improvement after renovation is \$149,000, generating an ROI of 9.2%, and able to support \$2.2 million in debt, more than enough to cover the projected \$1.6 million cost.

Once again, though, converting to a Hybrid (1a) changes the operation from a money-loser to a money maker. Over the ten-year period, we project a *positive* cash flow of \$208,000, which is **\$4.1 million better than the status quo**, and about \$3 million better than under the current style contract. The average improvement over status quo after renovation is \$494,000, for a 29.6% ROI and enough to support a \$7.1 million debt.

The big issue with Scenario Two is that, while it will maximize range performance, the course is expected to do worse than under Scenario One because a Par 34 is a lot less popular than a Par 35, especially among more affluent or lower-handicap golfers. It also requires the facility to be closed an entire year (2022) for construction. Overall, though, we expect better performance, with a post-renovation cash flow averaging about \$193,000 more per year than the Status Quo and \$44,000 better than Scenario One A. However, the cost is more and the return less (6.7% ROI). The difference in cash flow from the Status Quo would cover a \$2.8 million debt, about \$100,000 short of the projected cost.

The Hybrid version (2a), though, is profitable throughout, except for the construction year, when a subsidy to the operator is required. The 10-year total cash flow is expected to be a positive \$3,080,000 – or \$4.2 million better than the Status Quo. The average improvement is \$502,000 after renovation, producing a 16.4% ROI and able to support a \$7.3 million debt, more than twice as much as needed (\$3,060,000).

Naturally, Scenario Three generates a lot more revenue post renovation than any of the other three scenarios. In the five years post renovation, the facility is expected to generate **\$9 million more** in revenue than the Status Quo and \$7.8 million more than Scenarios 1 and 2.

County Cash Flow is also dramatically improved. In fact, cash flow becomes positive after construction. With a \$1.5 million positive cash flow over the last five years. Post-renovation cash flow is projected to *average* \$753,000 more per year than the Status Quo. This generates an ROI of 7.4%, and can support \$10.9 million in debt, enough to cover the projected \$10.2 million cost.

| Battle Creek Cash Flow Projections        |                    |                    |                      |                    |                    |                    |                    |                    |                      |                      |
|---|--------------------|--------------------|----------------------|--------------------|--------------------|--------------------|--------------------|--------------------|----------------------|----------------------|
| Battle Creek                              | 2019               | 2023               | Total 19-23          | 2024               | 2025               | 2026               | 2027               | 2028               | Totam 19-23          | Total 19-28          |
| <b>Status Quo</b>                         |                    |                    |                      |                    |                    |                    |                    |                    |                      |                      |
| Rounds                                    | 18,150             | 18,239             | 89,195               | 18,880             | 17,936             | 17,757             | 15,981             | 16,864             | 87,420               | 176,615              |
| <b>Revenue</b>                            |                    |                    |                      |                    |                    |                    |                    |                    |                      |                      |
| Green Fees                                | \$202,188          | \$225,937          | \$1,060,281          | \$249,234          | \$236,333          | \$246,722          | \$219,422          | \$246,708          | \$1,198,418          | \$2,258,698          |
| <b>Total</b>                              | <b>\$598,674</b>   | <b>\$676,458</b>   | <b>\$3,142,288</b>   | <b>\$732,367</b>   | <b>\$714,871</b>   | <b>\$731,780</b>   | <b>\$676,877</b>   | <b>\$738,251</b>   | <b>\$3,594,146</b>   | <b>\$6,736,434</b>   |
| County Revenue                            | \$407,271          | \$457,287          | \$2,135,816          | \$495,610          | \$483,924          | \$495,441          | \$459,564          | \$499,823          | \$2,434,362          | \$4,570,177          |
| County Expenses                           | \$714,905          | \$824,996          | \$3,844,630          | \$855,182          | \$895,167          | \$937,164          | \$981,280          | \$1,027,628        | \$4,696,420          | \$8,541,050          |
| <b>County Net</b>                         | <b>(\$307,635)</b> | <b>(\$367,709)</b> | <b>(\$1,708,814)</b> | <b>(\$359,572)</b> | <b>(\$411,243)</b> | <b>(\$441,723)</b> | <b>(\$521,716)</b> | <b>(\$527,805)</b> | <b>(\$2,262,058)</b> | <b>(\$3,970,873)</b> |
| <b>Scenario 1: "Elite" 9</b>              |                    |                    |                      |                    |                    |                    |                    |                    |                      |                      |
| Rounds                                    | 19,500             | 20,458             | 99,033               | 21,910             | 20,814             | 21,000             | 18,900             | 20,627             | 103,252              | 202,284              |
| <b>Revenue</b>                            |                    |                    |                      |                    |                    |                    |                    |                    |                      |                      |
| Green Fees                                | \$249,419          | \$310,789          | \$1,389,571          | \$345,847          | \$333,970          | \$346,939          | \$313,187          | \$356,330          | \$1,696,272          | \$3,085,843          |
| <b>Total</b>                              | <b>\$720,818</b>   | <b>\$889,858</b>   | <b>\$3,928,585</b>   | <b>\$986,629</b>   | <b>\$968,810</b>   | <b>\$1,011,449</b> | <b>\$940,872</b>   | <b>\$1,063,361</b> | <b>\$4,971,121</b>   | <b>\$8,899,705</b>   |
| County Revenue                            | \$491,232          | \$608,497          | \$2,676,820          | \$674,691          | \$662,389          | \$691,522          | \$643,152          | \$726,932          | \$3,398,686          | \$6,075,507          |
| County Expenses                           | \$750,185          | \$866,834          | \$4,035,767          | \$899,506          | \$931,804          | \$966,177          | \$1,000,293        | \$1,038,398        | \$4,836,179          | \$8,871,946          |
| <b>County Net</b>                         | <b>(\$258,953)</b> | <b>(\$258,337)</b> | <b>(\$1,358,947)</b> | <b>(\$224,814)</b> | <b>(\$269,416)</b> | <b>(\$274,654)</b> | <b>(\$357,142)</b> | <b>(\$311,466)</b> | <b>(\$1,437,492)</b> | <b>(\$2,796,439)</b> |
| <b>Hybrid 2020</b>                        |                    |                    |                      |                    |                    |                    |                    |                    |                      |                      |
| County Revenue                            | \$491,232          | \$64,979           | \$687,582            | \$98,910           | \$82,197           | \$92,218           | \$52,236           | \$97,514           | \$423,076            | \$1,110,657          |
| County Expenses                           | \$750,185          | \$9,951            | \$848,284            | \$10,250           | \$10,557           | \$10,874           | \$11,200           | \$11,536           | \$54,416             | \$902,700            |
| <b>County Net</b>                         | <b>(\$258,953)</b> | <b>\$55,028</b>    | <b>(\$160,702)</b>   | <b>\$88,660</b>    | <b>\$71,640</b>    | <b>\$81,345</b>    | <b>\$41,037</b>    | <b>\$85,978</b>    | <b>\$368,660</b>     | <b>\$207,958</b>     |
| <b>Scenario 2: Par 34, Expanded Range</b> |                    |                    |                      |                    |                    |                    |                    |                    |                      |                      |
| Rounds                                    | 19,500             | 19,000             | 76,700               | 19,768             | 18,779             | 19,372             | 17,435             | 19,029             | 94,383               | 171,083              |
| <b>Revenue</b>                            |                    |                    |                      |                    |                    |                    |                    |                    |                      |                      |
| Green Fees                                | \$249,419          | \$216,024          | \$985,467            | \$231,921          | \$227,668          | \$241,925          | \$217,207          | \$247,659          | \$1,166,381          | \$2,151,848          |
| <b>Total</b>                              | <b>\$720,818</b>   | <b>\$843,484</b>   | <b>\$3,146,118</b>   | <b>\$953,201</b>   | <b>\$939,395</b>   | <b>\$1,003,076</b> | <b>\$933,180</b>   | <b>\$1,054,564</b> | <b>\$4,883,416</b>   | <b>\$8,029,534</b>   |
| County Revenue                            | \$491,232          | \$578,339          | \$2,093,027          | \$657,580          | \$648,240          | \$692,192          | \$643,858          | \$727,646          | \$3,369,516          | \$5,462,542          |
| County Expenses                           | \$750,185          | \$823,196          | \$3,616,472          | \$854,455          | \$885,072          | \$917,929          | \$950,162          | \$986,306          | \$4,593,925          | \$8,210,397          |
| <b>County Net</b>                         | <b>(\$258,953)</b> | <b>(\$244,858)</b> | <b>(\$1,523,445)</b> | <b>(\$196,875)</b> | <b>(\$236,832)</b> | <b>(\$225,737)</b> | <b>(\$306,304)</b> | <b>(\$258,660)</b> | <b>(\$1,224,410)</b> | <b>(\$2,747,855)</b> |
| <b>Hybrid 2023</b>                        |                    |                    |                      |                    |                    |                    |                    |                    |                      |                      |
| County Revenue                            | \$491,232          | \$45,522           | \$1,560,210          | \$87,870           | \$73,069           | \$92,650           | \$52,692           | \$97,974           | \$404,256            | \$1,964,466          |
| County Expenses                           | \$750,185          | \$9,647            | \$2,802,923          | \$9,937            | \$10,235           | \$10,542           | \$10,858           | \$11,184           | \$52,756             | \$2,855,678          |
| <b>County Net</b>                         | <b>(\$258,953)</b> | <b>\$35,874</b>    | <b>(\$1,242,713)</b> | <b>\$77,933</b>    | <b>\$62,834</b>    | <b>\$82,109</b>    | <b>\$41,834</b>    | <b>\$86,790</b>    | <b>\$351,500</b>     | <b>(\$891,213)</b>   |
| <b>Scenario 3: 18 Holes</b>               |                    |                    |                      |                    |                    |                    |                    |                    |                      |                      |
| Rounds                                    | 19,500             | 22,750             | 100,700              | 32,000             | 30,400             | 31,008             | 27,907             | 31,312             | 152,627              | 253,327              |
| <b>Revenue</b>                            |                    |                    |                      |                    |                    |                    |                    |                    |                      |                      |
| Green Fees                                | \$249,419          | \$347,682          | \$1,414,456          | \$840,545          | \$816,449          | \$860,082          | \$784,652          | \$919,155          | \$4,220,883          | \$5,635,339          |
| <b>Total</b>                              | <b>\$720,818</b>   | <b>\$1,260,634</b> | <b>\$4,325,359</b>   | <b>\$2,533,485</b> | <b>\$2,496,273</b> | <b>\$2,631,949</b> | <b>\$2,465,459</b> | <b>\$2,844,365</b> | <b>\$12,971,532</b>  | <b>\$17,296,891</b>  |
| County Revenue                            | \$491,232          | \$745,421          | \$2,836,289          | \$1,639,892        | \$1,607,658        | \$1,705,317        | \$1,575,807        | \$1,855,897        | \$8,384,571          | \$11,220,859         |
| County Expenses                           | \$750,185          | \$931,876          | \$4,101,260          | \$1,240,494        | \$1,284,807        | \$1,333,460        | \$1,379,381        | \$1,435,378        | \$6,673,520          | \$10,774,780         |
| <b>County Net</b>                         | <b>(\$258,953)</b> | <b>(\$186,455)</b> | <b>(\$1,264,971)</b> | <b>\$399,398</b>   | <b>\$322,850</b>   | <b>\$371,857</b>   | <b>\$196,427</b>   | <b>\$420,519</b>   | <b>\$1,711,051</b>   | <b>\$446,080</b>     |
| <b>Hybrid 2020</b>                        |                    |                    |                      |                    |                    |                    |                    |                    |                      |                      |
| County Revenue                            | \$491,232          | \$220,817          | \$855,084            | \$728,845          | \$697,278          | \$759,642          | \$658,062          | \$852,433          | \$3,696,260          | \$4,551,344          |
| County Expenses                           | \$750,185          | \$35,131           | \$1,023,464          | \$10,467           | \$10,781           | \$11,105           | \$11,438           | \$11,781           | \$55,573             | \$1,079,037          |
| <b>County Net</b>                         | <b>(\$258,953)</b> | <b>\$185,686</b>   | <b>(\$168,380)</b>   | <b>\$718,378</b>   | <b>\$686,496</b>   | <b>\$748,537</b>   | <b>\$646,624</b>   | <b>\$840,651</b>   | <b>\$3,640,687</b>   | <b>\$3,472,306</b>   |

When we add the Hybrid contract to Scenario 3, we find that cash flow is positive every year except 2019 (before the Hybrid contract) and 2022 (due to construction). The post construction cash flow is expected to be \$3.8 million to the County, or more than double that with Scenario 3a. The difference in cash flow post construction between this scenario and the Status Quo averages **\$1.15 million/year**. This generates a strong 11% ROI and can support a \$16.6 million debt, or about 1.5 times more than needed to cover the cost.

Regardless of the preferred improvement scenario, clearly converting to a Hybrid contract makes the biggest improvement in the County’s cash flow. However, Scenario 3 maximizes the profitability potential of the facility – both as a practice facility and as a golf course. The improvement in cash flow more than covers the cost.

## Discussion

On October 8<sup>th</sup>, 2018, the County took a major step towards improving its golf facilities by declaring the direction they want for them. It is not so much that the decision was made to maximize profitability that mattered the most, but that a clear direction was established. Part of the issue today is that the operations

have no real direction. In some respects, they are being operated as an amenity – like a park, but without the willingness to subsidize to a great degree. In other ways, they are taking a more for-profit approach by privatizing to a degree. The mixed bag of directions results in the facilities not doing well either as an amenity or a profit center.

Now that the direction has been established, there are many more tough decisions ahead in order to really move strongly in the preferred direction. In our minds, the *most* important decisions to make are:

- **Contracts:** Revising the operator contracts. The biggest issue being whether to include course maintenance. But there is more than one concern. They include:
  - **Maintenance:** Do you include course maintenance? If the goal is to maximize profitability and reduce risk to the county, the answer is clearly a “yes”. This would then trigger other questions such as “when?” and “what do you do with current employees?” In our Discussion section, we deal with these and other related issues.
  - **Type of Contract:** Our preference is for a Hybrid contract, where the operator is responsible for all operating expenses and the County responsible for capital improvements. It also has a breakpoint that is established to help the operator cover the operating expenses. The breakpoint is established at a point where the operation should become profitable for the operator (break-even). Below this number, the operator gets the lion share of the revenue. Above, the County does. We give a detailed discussion of the pros and cons of various types of contracts in the Discussion section.
  - **Single Operator:** There are a lot of reasons why a single operator is better – improves efficiency, better marketing, better cooperation, easier to administer, etc. But that is only if a *good* operator is selected. On the other hand, the existing operators have proven quite capable. Our recommendation is that the County allow for the *possibility* of a single operator by having all existing contracts terminate at the same time. Then with the next RFP, allow respondents to bid on managing one, two or all the facilities. The County can then judge what is best for them at that time.
- **Capital Improvements:** There are several considerations here, including:
  - **Courses:** What courses should be prioritized? We have Manitou as being the top priority and Goodrich the lowest because we recommend reducing the fees at Goodrich, which makes course conditions less of a concern. Battle Creek is our next priority.
  - **Scenario:** What scenario, of the ones we presented, should be followed for each facility? We recommend Scenario 1b for Keller, 2b for Manitou and Goodrich and 3b for Battle Creek.
  - **Modifications:** How should the recommended scenarios be modified to best meet the needs of the County at the time of improvements? There are likely some individual items that may need to be added, and others that may be removed or modified.
  - **Budget:** How much is the County willing to invest and over what period? How are the improvements to be financed? A word of caution – using tax-free bonds can trigger IRS regulations that impact the nature of the operator contracts and how they are incentivized.
  - **Timing:** What courses, when? We do recommend that the improvements be timed so that there aren't two or more of the facilities closed or reduced to 9 holes at the same time.

In several ways, the County faces a “Pay now, or Pay Much More Later” situation with its golf facilities, especially Manitou, Goodrich and Battle Creek. They are all in need of significant capital improvements or a change in direction, or both. Construction costs are increasing at a rate much higher than inflation, so the sooner the better as far as minimizing costs are concerned.

- **Market Positioning:** We recommend that Keller, Goodrich and Battle Creek be repositioned in order to maximize the County’s overall reach into the marketplace and reduce the competition among RC Golf facilities with themselves. We feel Keller should be repositioned as a Premium facility, with a modest price increase (assuming the Food and Beverage situation is fixed in relation to golf), and Goodrich should be repositioned as a Value facility, lowering its fees. We also feel that the “Elite Nine” option is the best short-term solution for Battle Creek, which means not only greatly improved marketing, but also increasing its fee structure.
- **Pricing:** Along with market positioning, there is the need for a new pricing philosophy. We have provided recommendations for fees for the 2019 season. They include a significantly revamped Patron program and a return to Weekend rates. Going forward and assuming revised contracts with the operators that provide, at a minimum, an equitable split of revenue and the elimination of potential conflicts of interest, we recommend that the operators be given much more control over pricing, with the County providing only a range for the fees. Fees should then be able to be adjusted as needed, rather than every other year.
- **Marketing:** If you are looking for the one thing that would have the most immediate impact, it is to dramatically improve marketing. This is going to require a major commitment, not only in terms of budget (we are recommending that at least 2% of the total gross revenue from the facilities be dedicated to marketing), but also expertise. We feel the best solution is to bring in an outside firm with experience in golf course marketing, to manage the marketing program. Part of our recommended marketing strategy is to develop programs to reach new golfers, as well as to target specific groups such as women.
- **Accessibility and Appeal:** We feel it is important to develop programming (including pricing strategies) that make the facilities more accessible to golfers of all income brackets, as well as to make the sport more attractive to the women and to the Latent market. Specifically:
  - **Latent Golfers:** Develop a beginner’s package that includes free rental clubs, lessons, range balls, green and cart fees, etc. Provide more free or low-cost clinics for those who want to learn but are not currently playing.
  - **Women:** All of the facilities need to do a better job with women golfers. Changes needed include:
    - **Forward Tees:** The courses are too long for women, especially Manitou. Ideally, the forward tee should be no more than 4,500 to 4,600 yards to make it the equivalent of the most preferred tee yardage for men.
    - **Staff:** Golfers want to see people behind the counter that resemble them. This applies to gender as well as other demographics such as age and race.
    - **Food & Beverage:** Menus need to have healthier choices such as wraps, salads and fruit.
    - **Merchandise:** There needs to be more and higher quality goods for women.
- **Keller Food and Beverage:** During our inspection, the Keller food and beverage operation, as it related to golf, was terrible. This was addressed to a degree by Lancer towards the end of our study with the hiring of a new General Manager for Keller. However, it remains to be seen whether this will be sufficient. It is essential that customer service be improved for golfers – both in the grill and especially with the beverage cart. The beverage cart should be a *standard service offering to ALL golfers who play*. It should not be restricted to hours that are most profitable for the vendor. It needs to be part of the overall golf experience. Our recommendation is that beverage cart service, at a minimum, be from two hours after first teetime to two hours before dusk. High demand times

will require two beverage carts in order to best service the golfers. The goal should be to see each group at least twice per nine holes.

The impact of the combination of recommended improvements along with converting to hybrid contracts, is dramatic. Assuming the optimal improvement scenario for all four courses, over the next ten years we anticipate an **\$18 million** improvement over the Status Quo. Moreover, the improvements made should minimize the need for any other major improvements for the following 10 years as well. Thus, putting RC Golf on a strong and stable financial footing for at least the next two decades.

| <b>Combined Cash Flow Projections - Recommended Scenarios</b> |                    |                      |                      |                      |                      |                      |                       |                       |  |
|---|--------------------|----------------------|----------------------|----------------------|----------------------|----------------------|-----------------------|-----------------------|--|
|   | 2019               | 2023                 | Total 19-23          | 2024                 | 2027                 | 2028                 | Total 19-23           | Total 19-28           |  |
| <b>Combined</b>   |                    |                      |                      |                      |                      |                      |                       |                       |  |
| <b>Status Quo</b>   |                    |                      |                      |                      |                      |                      |                       |                       |  |
| Rounds  | 109,515            | 103,544              | 523,261              | 107,010              | 90,822               | 97,897               | 497,204               | 1,020,465             |  |
| <b>Revenue</b>  |                    |                      |                      |                      |                      |                      |                       |                       |  |
| Green Fees  | \$2,151,156        | \$2,279,956          | \$11,006,583         | \$2,450,257          | \$2,093,983          | \$2,365,258          | \$11,551,336          | \$22,557,919          |  |
| <b>Total</b>  | <b>\$5,353,466</b> | <b>\$5,830,529</b>   | <b>\$27,722,663</b>  | <b>\$6,229,808</b>   | <b>\$5,865,074</b>   | <b>\$6,429,023</b>   | <b>\$30,823,564</b>   | <b>\$58,546,227</b>   |  |
| County Revenue  | \$2,433,516        | \$2,628,524          | \$12,564,976         | \$2,865,773          | \$2,622,276          | \$2,910,555          | \$14,011,941          | \$26,576,917          |  |
| County Expenses   | \$2,668,197        | \$3,100,092          | \$14,399,247         | \$3,219,270          | \$3,635,351          | \$3,786,606          | \$17,483,767          | \$31,883,014          |  |
| County Net  | <b>(\$234,681)</b> | <b>(\$471,568)</b>   | <b>(\$1,834,271)</b> | <b>(\$353,497)</b>   | <b>(\$1,013,075)</b> | <b>(\$876,051)</b>   | <b>(\$3,471,825)</b>  | <b>(\$5,306,097)</b>  |  |
| <b>Recommended (Goodrich Opt 2; Manitou Opt 2; BC Opt 3)</b>  |                    |                      |                      |                      |                      |                      |                       |                       |  |
| Rounds  | 117,000            | 114,995              | 554,651              | 125,384              | 126,932              | 141,695              | 653,305               | 1,207,957             |  |
| <b>Revenue</b>  |                    |                      |                      |                      |                      |                      |                       |                       |  |
| Green Fees  | \$2,330,448        | \$2,817,636          | \$11,857,818         | \$3,520,595          | \$3,728,125          | \$4,347,519          | \$19,076,638          | \$30,934,457          |  |
| <b>Total</b>  | <b>\$5,921,186</b> | <b>\$7,429,005</b>   | <b>\$30,943,950</b>  | <b>\$9,249,165</b>   | <b>\$9,876,104</b>   | <b>\$11,272,249</b>  | <b>\$49,978,807</b>   | <b>\$80,922,756</b>   |  |
| County Revenue  | \$2,744,311        | \$2,279,106          | \$10,068,878         | \$2,181,830          | \$2,043,681          | \$2,693,137          | \$11,397,114          | \$21,465,992          |  |
| County Expenses   | \$2,755,348        | \$1,312,946          | \$8,086,566          | \$102,136            | \$56,674             | \$64,325             | \$384,734             | \$8,471,299           |  |
| County Net  | <b>(\$11,037)</b>  | <b>\$966,160</b>     | <b>\$1,982,312</b>   | <b>\$2,079,694</b>   | <b>\$1,987,008</b>   | <b>\$2,628,812</b>   | <b>\$11,012,381</b>   | <b>\$12,994,693</b>   |  |
| <b>Difference</b>   |                    |                      |                      |                      |                      |                      |                       |                       |  |
| Rounds  | 7,485              | 11,451               | 31,391               | 18,374               | 36,110               | 43,798               | 156,101               | 187,492               |  |
| <b>Revenue</b>  |                    |                      |                      |                      |                      |                      |                       |                       |  |
| Green Fees  | \$179,292          | \$537,679            | \$851,235            | \$1,070,337          | \$1,634,142          | \$1,982,262          | \$7,525,302           | \$8,376,538           |  |
| <b>Total</b>  | <b>\$567,719</b>   | <b>\$1,598,476</b>   | <b>\$3,221,287</b>   | <b>\$3,019,357</b>   | <b>\$4,011,029</b>   | <b>\$4,843,226</b>   | <b>\$19,155,242</b>   | <b>\$22,376,529</b>   |  |
| County Revenue  | \$310,795          | <b>(\$349,418)</b>   | <b>(\$2,496,098)</b> | <b>(\$683,943)</b>   | <b>(\$578,595)</b>   | <b>(\$217,418)</b>   | <b>(\$2,614,827)</b>  | <b>(\$5,110,925)</b>  |  |
| County Expenses   | \$87,151           | <b>(\$1,787,146)</b> | <b>(\$6,312,681)</b> | <b>(\$3,117,134)</b> | <b>(\$3,578,677)</b> | <b>(\$3,722,281)</b> | <b>(\$17,099,033)</b> | <b>(\$23,411,714)</b> |  |
| County Net  | <b>\$223,644</b>   | <b>\$1,437,728</b>   | <b>\$3,816,584</b>   | <b>\$2,433,191</b>   | <b>\$3,000,082</b>   | <b>\$3,504,863</b>   | <b>\$14,484,206</b>   | <b>\$18,300,790</b>   |  |

We believe that RC Golf has a very bright future. It has an opportunity to not only be profitable, but also be a better amenity to its citizens by reaching more of them. RC Golf can indeed become a model for all municipal operations. The County has already taken the first important step.

# **INTRODUCTION**

Sirius Golf Advisors, LLC was retained by the Parks Department of Ramsey County to do a thorough review of its golf operation. This review was to cover the following:

- Financial Review
- Facility Review
- Capital Improvements Assessment
- Operations
- Competition
- Market Analysis
- Agronomy
- National Trends
- Contracts
- Fees
- Marketing

In short, it was to cover virtually every aspect of the golf operations and related facilities with the goal to provide an objective assessment of its current situation, with regards to the physical amenities, performance, operations, operators, and their current relative position in the marketplace. And then to use this information to make recommendations as to how to improve performance and to lay out a plan for success over the next decade.

Sirius Golf Advisors, LLC is a golf course consulting firm, head-quartered in Columbus, Georgia. It specializes in working with municipal facilities, and over the last 22 years, has worked with 54 different municipal entities, ranging in size from communities of a few thousand people, to entire states and to the US Air Force. Many of these studies have been as a subcontractor to the National Golf Foundation.

This study was led by the President of Sirius Golf, John S. Wait, who served as both principal investigator and primary author. Assisting him were:

- **Jeffrey D Brauer**, ASGCA – Golf Course Architect
  - Jeff is one of the leading golf course architects in the country. He is a past president of the American Golf Course Superintendent’s Association and has several courses listed among the top 100 public courses in the country. He is one of a few architects to win Golf Digest’s prestigious “Best New Public Golf Course” award. Notably, he designed three of the top four in Minnesota – The Quarry, The Legend and The Wilderness at Fortune’s Bay
- **David S. Downing II**, CGCS – Agronomist
  - David is a past president of the Golf Course Superintendent’s Association. In addition to his experience as a course superintendent, he has built golf courses from the ground up, and has operating experience.
- Erik Christensen, TCEQ, ASIC – Certified Irrigation Designer
  - Erik is familiar with the courses, having consulted with the county in years past.
- The National Golf Foundation, Jupiter, Florida
  - The National Golf Foundation (NGF), a non-profit organization funded by the golf industry, is known as the leading disseminator of statistics in the golf industry. Their annual survey of golfers provides a rich field of information.

## Procedure

Over the summer, our team conducted six site visits. During these visits we:

- **Examined the Facilities:** Did a thorough examination of the physical facilities, concentrating mostly on issues relating to the golf courses.
- Interviewed:
  - Operators, superintendents, and key personnel at each facility
  - Parks Staff
  - County Commissioners
  - Members of the Parks and Recreation Commission
- Took Soil Samples
- Observed operations
- Surveyed Competition
  - Personally visited all public courses within 20 miles of an RGC facility

In addition, we:

- Conducted Detailed Customer Survey
  - We utilized NGF's golf course survey, which allowed us to compare our results to the national database
  - Collected key demographic information
  - Determined primary competitors for each facility
  - Added custom questions
- Analyzed Financial Records
  - Did thorough review of records from the past three years
- Gathered Market Data
  - Did demographic analysis for state, metro area and 5, 10, and 20-mile radii from each facility
  - Used NGF to:
    - Assess Golf Demand in each of the above areas
    - Predict number of golfers in each area
    - Predict number of rounds produced in each area
  - Collected information on *all* golf facilities in the metropolitan area
  - Reviewed information on golf facilities that have closed in last 10 years in the metro area.
  - Examined national trends
- Reviewed Operator Contracts with the County

## Overview

The county has six golf facilities – five golf courses and a golf dome. The facilities are spread across the County, although none are in the County's largest city, St. Paul, which has its own municipal golf system.

The five golf courses include three regulation 18-hole courses – Keller Golf Course (“Keller”), Manitou Ridge Golf Course (“Manitou”) and Goodrich Golf Course (“Goodrich”). Keller and Goodrich have management contracts where the operator is responsible for golf operations and related expenses, while the county maintains the course and is responsible for capital improvements. Manitou is under a short-term lease, recently renewed, whereby the operator is responsible for all operating expenses, including course maintenance, and the County is responsible for all capital improvements.

Keller has a rich history that includes hosting two PGA championships golf tournaments. It was recently completely renovated in 2014 at a cost of \$12 million. The renovation included a new clubhouse and banquet center. The clubhouse, along with the food and beverage operation, is operated under a separate management contract and a different vendor than the golf operation. Keller is the most expensive of the RC Golf facilities to play, followed by Manitou than Goodrich (of the 18-hole courses). Goodrich and Keller are both in Maplewood, while Manitou is in White Bear Lake.

Ponds at Battle Creek (“Battle Creek”) is a nine-hole regulation golf course located across from the County’s detention center in Maplewood. It is the newest of the courses, having opened in 2004. It features a practice facility that is arguably the best in the county. It is managed by the same operator as Goodrich under a similar, but not the same, contract.

The fifth golf course is Island Lake Golf Course (“Island”) located in Shoreview. It is a Par 28 executive course with a large driving range. It also has a dormant miniature golf course that has been closed for several years. Island Lake is operated under a capital lease, with the operator responsible for all expenses, including capital improvements. The operator built the facility on County land.

Midwest Golf Dome (“MGD”) is located across the street from Goodrich and shares the parking lot with Aldrich Arena. It is also operated under a long-term lease where the operator is responsible for all operating and capital improvement expenses. The operator built the structure.

While we do cover both Island Lake and Goodrich Golf Dome in this report, our emphasis is on the other facilities. This is because both Island Lake and the Golf Dome are under long-term capital leases under which the county has no expenses, including capital improvements. Further, the County has little influence over the operation of these facilities.

# ***MARKET CONDITIONS***

In this section, we will talk about market conditions that affect performance. This includes demographics, both present and future; trends in golf; and golf demand.

## **National Trends**

The golf industry has certainly slowed down as compared to the golden days from the 1980s through the turn of the 20<sup>th</sup> century, and especially the years 1993-2001.

There are three basic measures commonly examined with regards to the popularity of golf:

- **Golf Participation:** How many people are playing golf
- **Number of Rounds:** How many rounds of golf are being played
- **Number of Facilities:** How many golf facilities there are.

All three of these measures peaked during the first decade of this century and have been declining, more or less, since then. This decline has led many Chicken Little wannabes to shout, “the sky is falling” or rather “golf is dying.” However, to paraphrase Mark Twain, “the news of (golf’s) death is greatly exaggerated”—as a closer examination of the facts will reveal.

For one thing, golf has been around for 500 years. It is not likely to disappear overnight. In fact, world-wide, the sport is growing as its inclusion in the most recent Olympics illustrates. Economically, golf’s influence in the U.S. is huge. The industry generates over \$70 billion, employs nearly 2 million people and produces about \$55.6 billion in wage income. An estimated 81 million people, including 62 million non-golfers, watched golf on TV last year, while 27 million read about golf. In total, an estimated 97.6 million Americans – one out of three – either played golf, watched golf or read about golf last year, this is up 2.6 million from just two years prior. So, interest in golf is still strong.

It is true that golf participation, rounds, and number of facilities have declined over the past 10 years. However, *they are still higher than at any time in history prior to 1995.* It is also important to note that *there are as many people who express an interest in taking up golf but who do not currently play as there are current players.*

While socio-demographic, financial and cultural headwinds certainly persist for golf, the industry continued its macro trend toward stabilization in 2015-2017. The game remains popular and is fortunate to have a deep well of interested prospects. While golf’s pay-for-play green fee revenues and other spending will always be vulnerable to outside forces such as weather and the economy, its chief challenge remains ***getting more of those non-golfers who express interest in playing (‘latent demand’) to give golf a try and converting more beginners into committed participants.***

Still, some socioeconomic and demographic trends continue to present challenges for golf operators. For instance, golf is having trouble attracting and retaining young adults (i.e., Millennials); though this segment continues to account for a large percentage of annual play and spending, factors such as debt and competing recreational activities have suppressed golf demand from this segment. The smartest, best-managed and most innovative golf facilities will win market share and have the best opportunity for growth.

## **Participation**

According to the National Golf Foundation (NGF), which is the acknowledged leader in golf research, 24.1 million Americans played golf last year. (This includes those who played at alternative facilities such as Par 3

courses). This number is down slightly from the 24.7 million estimated in each of the previous two years. It also represents a decline of 21% since the peak, which was 30.5 million in 2003. However, it is also higher than any year prior to 1995.

There certainly are several factors that influence golf participation. Among the most salient are:

- **Economy:** Golf is not an inexpensive sport. Golf participation is highly correlated to the economy.
- **Access:** It may be a bit of the “chicken and egg,” but if it is difficult to find a facility where you can play – especially learn to play – then you are less likely to play. Golf participation and the number of facilities are highly correlated. In some cases, it is easy to see that the increase in facilities preceded the increase in participation. This was especially true during the 1960s with the explosive growth in public golf courses. Prior to 1960, most courses were private, which, by definition, have limited access.
- **Competition:** There are more and more alternatives for one’s leisure time than ever before. This is especially true with the explosion of electronic alternatives.
- **Time:** A round of golf takes a lot of time (4-5 hours for 18 holes, plus travel time, plus any warm-up time or time spent relaxing after the round). For many, it is simply very difficult to find the time to play. On the other hand, many see the amount of time involved to be an *asset* rather than a weakness. It provides a wonderful opportunity to escape not only the hustle and bustle of today’s world – but also its electronic envelope.
- **Social:** While golf is an individual sport, it is also a group activity with a strong social component. One of the biggest reasons given for playing golf is “to socialize with friends.”
- **Business:** It is often said that there are more deals done on the golf course than in the board room. And there is a lot of truth to this. Being able to entertain clients as well as socialize with coworkers (or the boss) has been a big reason for people to take up golf. Corporate golf outings account typically for at least 10% of the play, and sometimes as much as 50% at higher-end daily fee facilities. Corporate retreats are often held at golf resorts, with golf being a major activity.
- **Tiger Woods:** While it is difficult to ascertain the exact impact Tiger has had on golf, there is no doubt that it has been tremendous. It is not coincidence that the rise and fall of golf participation in the last 25 years coincides almost exactly with Tiger’s performance (and thus exposure) on the Tour. In fact, golf participation today is almost exactly where it was pre-Tiger.

While the recent decline may be disturbing, there are many reasons for optimism. These include:

- **Latent Golfers:** Last year the number of non-golfers who say they are “very interested” in playing golf increased to 14.9 million from 12.8 million in 2016. Much of this can be attributed to the dramatic growth in off-course golf participation, where nearly a third (32%) of the participants have expressed a desire to play golf on a course.
- **New Golfers:** There were 2.6 million new golfers playing last year, which continues a four-year upward trend.
- **Beginners:** Beginners are much more diverse than other golfers. For example, 35% of beginners are women, compared to 24% of all golfers. Beginners are more likely to be non-Caucasian (26% compared to 18%), and younger, with 70% of them aged between 18 and 34, compared to 37% of all golfers. This diversity speaks well for the future of golf. It also sends a message to operators to be more open to diverse populations.
- **Youth Movement:** The PGA of America has been championing youth golf for the past several years.
- **Jordan Spieth, etc.:** While Tiger justifiably gets a lot of the credit for golf’s growth from 1995-2004, Arnold Palmer, Jack Nicklaus and to a lesser extent Lee Trevino and Gary Player, helped spur the dramatic growth in the game during the 1960s. Today, the Tour is blessed with many young guns, such as Jordan Spieth, who have shown the potential to similarly capture the public’s imagination.

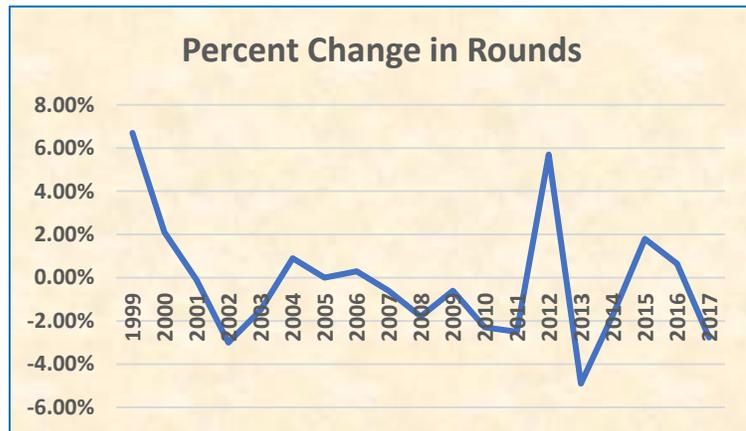
- Off Course Participation (Top Golf):** Golf participation, as the NGF defines it, is limited to those who *played a round of golf*. Historically, this definition made sense as very few people would *practice* a game they did not actually play. However, Top Golf has forever changed this reality. In case you are not familiar with Top Golf, it is a unique company and experience that has seen *explosive* growth over the past ten-years. A Top Golf facility is basically the marriage of a golf course driving range to an electronic game within a bar environment. A Top Golf facility will have a multi-story tee that fronts a driving range. The range features several target greens and a pair of goal posts at the end. Inside each “range” ball is a microchip that tracks that ball. An electronic “game board” adjoins each tee station. This allows for several “games” to be played. Basically, each target green is assigned a point value as are the goal posts. A player is given a set number of balls to play (depending on how much they pay). They can shoot at any target. The further the target is away, the higher the point value. But there is also a target right in front that virtually anyone can hit by simply dribbling the ball off the tee. At the same time, wait staff come by to keep the players supplied with the beverages (and food) of their choice. The average Top Golf facility will cost \$15 to \$25 million to build. And they make it up in the first year! Each Top Golf facility today generates an average of \$20m in revenue a year. (Notably, 50% of the revenue comes from food and beverage). What is amazing is that 95% of the players at Top Golf *have never played a round of golf*. It remains to be seen how successful the industry will be in transitioning the Top Golf generation into rounds on golf courses, but there are certainly many lessons to be learned. But Top Golf has led a surge in non-course participation that has been increasing dramatic. Last year, NGF estimates that 8.3 million people participated in golf exclusively off-course, increasing the total participation in golf to 32.1 million.
- Counter Revolution:** Physics teaches that “for every action, there is an equal and opposite reaction.” Social movements are very much the same way, only the timing is often off. Each generation tends to “push back” against the previous. Thus, as today’s society trends toward electronics and “hyper” environments, the idea of an outdoor environment where one can not only commune with nature, but also socialize and play games, becomes more and more appealing. This, in fact, may pave the way for another growth spike in the game over the next ten-years.
- Revolving Door:** Last year about 3.5 million golfers “gave up” the game, while 2 million took it up and another 2 million returned. The main reasons for giving up the game were time, money and difficulty.
- Age:** Surprisingly, the highest percentage of “core” golfers (those who play 8 or more rounds a year) are aged 30-39 (18.8% of all golfers), followed by 40-49 (17.6%). There are more golfers under the age of 40 than over 50 (47% to 35%). This speaks well for the future of the game.

It is our belief that golf participation will bottom out in the next few years then begin to gradually increase over the next ten-years.

**Participation** – The national golfer number (participation) continues to show some net attrition, primarily among occasional/less committed golfers. Overall, NGF survey research indicates that in 2017 there were 23.8 million people in the U.S. that played at least one round of golf in the prior year, about ±1.2 million fewer than in 2012. However, most “core” golfers remain in the game. However, participation in non-course golf activities has skyrocketed in recent years, with Top Golf being a major factor. Over 90% of the players at Top Golf facilities have never played on a golf course. One of today’s challenges is learning how to transition this surge in interest to actual players on the course.

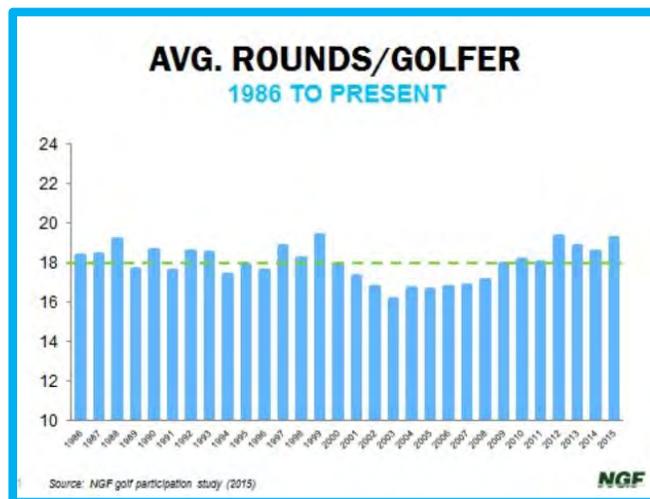
## Rounds

Rounds, of course, are what make the cash register ring. Rounds have basically yo-yoed back and forth over the past several years, with a slight overall increase. This trend follows about a ten-year history of decline since 2000. The total number of rounds last year was 457 million, down 13 million from 2016. But 2016 was up 11 million from 2014. A lot of this fluctuation can be attributable to adverse weather conditions.



In addition to golf participation, the factors that tend to influence overall rounds the most are 1) weather and 2) the economy. For example, 2014 was a horrible year weather-wise, as was 2013 (2014, in fact, had the fewest course open days since tracking began in 2004). 2015 was better and the increase in play reversed the two-year slide. Rounds were up again marginally in 2016 (0.6%). However, rounds were down in 2017 by 2.8% largely due to unusually harsh weather nationally.

In looking more closely at rounds, we find a very interesting trend. The number of rounds being played *per golfer* has been on a steady increase since 2003. In fact, the NGF says core golfers play upwards of two rounds a year more than they did in 2005.



Another interesting fact is that rounds played per “playable” day has been increasing. This may be due to more favorable economic conditions. It may also be part of a trend towards “escaping the electronic hubbub.”

## Number of Facilities

While the number of rounds has mostly held steady, the number of facilities in the U.S. has steadily decreased since peaking in 2005. This decline has certainly generated a lot of negative press as well as angst in the industry. Last year, there were 205.5 golf course closings, six fewer than in 2016. There were also 15.5 new course openings (same as in 2016), for a net reduction of 1.5% of the supply.

In addition to the 15.5 new courses, there were 96 courses that reopened after extensive renovations. Another six courses that had been deemed “permanently closed” reopened after a prolonged shutdown.

Another alarming statistic is that, even though the number of facilities has declined, the number of golfers *per facility* has also declined significantly over the past 12 years. NGF estimates the decline to be around 16%.

But again, a closer look reveals the sky is not falling. First, while the number of facilities has declined about 7% since 2006, this pales in comparison to the 44% growth in facilities over the previous two decades when over 4,996 golf courses (18-hole equivalent) opened. Keep in mind, the US has 45% of the world’s golf courses. And while the number of golfers per facility has declined since 2003, it has held steady over the past five-years, even going up 1% last year.

It is important when looking at the change in the number of facilities, that the key word is “change.” It takes into consideration both course *openings* as well as *closings*. In fact, when compared to the early 2000s, the biggest difference is not the number of course *closings* but the number of course *openings*. Prior to 2005, we were seeing 200+ golf course openings/year over the previous 15 years (most years had over 300). Yet there have only been 45 new courses open over the past *three-years* combined.

However, closings are also way up. Why ARE golf courses closing? There are two primary reasons: 1) financial fails and 2) real estate opportunity.

When looking at the closings, we see that a disproportionate number of them are non-regulation, or 9-hole facilities or “value” daily fee facilities (NGF defines a “value” facility as one with peak green fees less than \$40). Only 7% of the facilities that have closed were private, according to NGF. NGF further reports that 61% of the public facilities that closed had peak fees under \$40 (“Value” facilities). In 2016, 85% were value facilities. Over half (57%) were 9-hole courses. Most of the rest of the facilities closed due to real estate development opportunities. With land becoming more and more valuable, golf courses are seen by developers as prime opportunities for development, largely due to their location.

On the other hand, of the recent *openings*, NGF reports that 81% have at least 18 holes, and more than 60% are associated with real estate developments. Two-thirds of them have green fees over \$40. And over 1/4<sup>th</sup> were private.

| Reported Course Openings and Closures 2001-2017 |        |        |            |
|---|--------|--------|------------|
| Year  | Opened | Closed | Net Change |
| 2001  | 284    | 32     | 252        |
| 2002  | 220    | 38     | 182        |
| 2003  | 171    | 68     | 103        |
| 2004  | 151    | 63     | 88         |
| 2005  | 125    | 98     | 27         |
| 2006  | 120    | 146    | -26        |
| 2007  | 113    | 122    | -9         |
| 2008  | 72     | 106    | -34        |
| 2009  | 50     | 140    | -90        |
| 2010  | 46     | 107    | -61        |
| 2011  | 19     | 158    | -139       |
| 2012  | 14     | 155    | -141       |
| 2013  | 14     | 158    | -144       |
| 2014  | 11     | 174    | -163       |
| 2015  | 17     | 177    | -160       |
| 2016  | 15.5   | 211.5  | -196       |
| 2017  | 15.5   | 205.5  | -190       |

Source: National Golf Foundation

### Value Courses

So why are value facilities failing at disproportionately higher rate? There are several likely reasons. These include:

- **Margins:** Golf courses have high fixed costs and low variable costs. Thus, lower fee courses typically have a much lower margin to work with. If the course has any debt, this margin can be extremely thin, making them much more vulnerable to fluctuations in the market due to weather, the economy or increased competition.
- **Economy:** The economy over the past 10 years has been particularly tough on the middle- and lower-income households. These are the households most likely to produce golfers who favor value facilities. As disposable income decreases so does play.
- **Oversupply/Competition:** The golf course market went from huge demand to saturation to oversupply in a very brief period. The knee-jerk reaction for most operators in the face of competition is to lower their prices. (Which is a very poor strategy as it assumes no one else will



lower theirs!) What we see happening is that a lot of mid-fee courses lower their prices to the point at which they are competitive with the value facilities. And given that the mid-fee courses typically have better facilities, the value courses suffer more.

- **Conditions:** Golf courses deteriorate over time. Yet it requires considerable investment to rebuild infrastructure such as irrigation, greens, bunkers, etc. *Value courses typically do not generate the revenue necessary to finance these repairs*, causing the course conditions to decline. Performance and course conditions are very highly correlated.
- **Management:** Value courses tend to be owner-operator facilities as opposed to being professionally managed. Many of these operators lack the sophistication, especially with regards to marketing, to compete in a highly competitive industry.
- **Real Estate Sales:** The biggest push in new golf course construction during the 1990s and continuing today were real estate developments, where the golf course was the featured amenity. However, as the recession led to a reduction in home sales, many of these developments suffered as there were not enough homes to support the course.
- **Price Suppression:** In many competitive markets, higher quality mid-fee courses have reduced their fees to where they are competitive with many of the value facilities. Because the price difference is small, more players opt for the higher-quality course.
- **Developers:** Many real estate developers who built golf courses, were very short-sighted, and never considered the long-term health of the golf course and its subsequent impact on real estate sales. For example, if the development had major topographical features, such as a lake or a tremendous vista, they would inevitably take all the land having water frontage, etc., and turn it into featured lots –placing the golf course in the interior with no major feature. This works well in the short-term as these lots sell at a high value. However, because the golf course is less appealing, it holds less value for ALL the other lots and the public in general. So, it does less to enhance the value of the other lots. Instead, if the developer had given the golf course some waterfront (etc.) access, the golf course becomes more popular, has a better prospect for long-term success, and makes it a more valuable amenity for all the other homes, increasing both their value and their velocity (in terms of sales).
- **Difficulty/Design:** Sadly, many architects (and developers) feel the need to make the golf course as difficult as possible, as if it were a competition and the PGA Tour was going to be knocking on their door. The truth is that most golfers are higher handicap players. And while they enjoy an *occasional* challenge, they don't want to be "beat up" every day. On the other hand, the golfing ego demands that there at least be an apparent challenge – that's why golfers do not all play from the forward tee or play the easiest course. The best (and most successful) courses are those that *appear* challenging but are fair and playable for the average golfer.

Whatever the reasons, this much-needed move toward supply/demand equilibrium is expected to continue for several years and could *positively* impact the Ramsey County golf courses. This phenomenon has been a part of Ramsey County golf, as three golf facilities (2.5 18-hole equivalents) have closed in the County since 2004, the most significant of which is the 18-hole Hillcrest Golf Club of St Paul (closed in November 2017).

It's also notable that real estate was the primary factor in golf course's explosion in 90's and early 2000's. It's also a major factor in the decrease in numbers of courses, as many operators are cashing in on the land value of their property. This is particularly true in urban and high-growth suburban areas where development land is at a premium.

Another point is that new golf course construction is almost exclusively with higher-end daily fee and private courses.

NGF expects to see 15-25 new course openings this year, with 50-100 major renovations. They also expect there to be another 150-175 course closings.

## Impact on Rounds

As noted above, the supply of golf courses has shrunk by nearly 6% over the last 12 years. This, no doubt, has an adverse impact on play. While many of these rounds transfer to other courses, a large percentage are just lost for good.

Location (convenience) is a key driver as to where and how many rounds a golfer plays. If the course that is most convenient closes, and especially if another course in that same price range is not convenient, then the number of rounds played by that golfer is going to decrease, if not cease altogether.

And the fact that a disproportionate percentage of course closings are value facilities is important for another reason. It is decreasing the number of affordable places to play. Naturally, if you have \$500 of disposable income to dedicate to golf, that equates to 20 rounds at a \$25 course or 10 rounds at a \$50 course. Take out the lower priced facilities and golfers with limited disposable income are simply going to play fewer rounds, if at all.

But perhaps most dangerous of all is the fact that it can impact the number of people who *take up golf*. Golf is not a cheap hobby. That is why most golfers tend to learn on lower-priced facilities. Take these away, and fewer are likely to want to invest the money needed to even start playing.

## Renovations

While we are not seeing nearly the number of new courses opening per year as in the recent past, there is no doubt that the number of major renovations is on a sharp increase. As noted above, NGF expects up to 100 new major renovations to be completed this year alone. Over the past 10 years, over 1,100 golf courses have undergone renovations, with a total investment of \$3.25 billion. And that total is only for the major renovation projects.

There are two major reasons for the substantial increase in renovations. The first is that the facilities that were built during the “boom” years of the 1990s are now 20+ years old. As such, much of their infrastructure has gone beyond the expected life cycle.

As these parts wear out, course conditions decline, and maintenance costs increase, hurting profitability on both revenue and expense sides.

The other major reason for renovation is to gain a competitive edge. Golfers tend to like playing on “newer” courses. Major renovations (as opposed to ones that simply upgrade one aspect of the course), typically improve the golf experience significantly with improvements in both playability and aesthetics.

Further, a recent study by Sirius, in conjunction with the NGF, has shown that major renovations, especially when coupled with market repositioning plus increased marketing, can have a dramatic impact on performance. This study examined municipal golf courses in the Dallas-Ft. Worth area. At the time of the study, nineteen of these facilities had undergone renovations in recent years, with six doing major (over \$3m) and four doing minor (under \$1m).

The two biggest findings were:

- Both minor and major renovations had a significant impact in the first year. However, *the improvement tapered off for the courses with minor improvements, while performance continued to increase for the major renovations*. Yet, both renovation types paid for themselves over time.
- By far, the biggest improvements were seen by courses that did BOTH major renovations and rebranded themselves. The Rebranders averaged a **65.5% increase in revenue (an average of \$699,601) in the first year**, compared to an 18.1% increase (\$171,780) by the others. In the 2<sup>nd</sup> year, the Rebranders increased on average an additional \$241,352, for a total improvement of **74.3% over base** in the 2<sup>nd</sup> year. This compares to a \$252,941 increase and 31.7% by the others.

## Key Trends in Demand

- **Course Correction** – While rounds have decreased significantly since peaking in 2001, they are still ahead of where they were in the mid-1990s. For example, there were an estimated 447 million rounds of golf played last year, compared to 441 million in 1995.
- **Rounds Played 2017-18 / Looking Ahead** – Nationally, year-to-date rounds played are down 2.7% through August 2018, with a 1.6% loss for the month of August alone (source Golf Datatech – see [Appendix A](#)). In Minnesota, 2018 has been a difficult year for golf courses, with rounds down 4.3% year-to-date (through August) in the State (but up 2% in August), and down 6.5% in Metro Minneapolis/St. Paul (but up 4.8% in August). These results are generally worse than other Midwest metro areas, including Detroit (down 0.3% YTD), Cleveland (down 3.2% YTD), and Chicago (Down 3.9% YTD). Weather is a major factor in rounds played, and the weather patterns in the last couple of years has been particularly brutal. When weather conditions are good, rounds performance tends to be about the same or better than the previous year.
- **Baby Boomer Effect** – As Baby Boomers age and retire over the next 15 years, we expect to see a measurable increase in total rounds played in the U.S. Boomers – born between 1946 and 1964 – are currently 53 to 72 years old. About 6 million of them are golfers; that’s about ¼ of all golfers, and they currently play about 1/3 of all rounds. Boomers started turning 65 in 2011, and already about 1 million golfing Boomers have reached retirement age. The Social Security Administration reports that 10,000 or more Boomers retire every day. And 300,000 Boomer golfers will turn 65 each year for the next 15 years. Retired Boomers (age 65+) also play about twice as much as younger, non-retired Boomers (40 rounds vs 21 rounds).

## Other Measures of Health

Other perhaps equally important metrics to consider when measuring the health of golf include:

- **Golf Participation:** While rounds have decreased, the number of golfers in the US has remained steady over the past few years, at 23.8 million. Approximately 1 in 4 are women.
- **Investment in Facilities:** Investment in major renovation projects has replaced new construction as the largest source of U.S. golf course development activity. NGF tracked just under 1,000 major renovations completed since 2006, representing at least \$3 billion. New development activity also remains in the pipeline, with NGF tracking 37 facilities currently under construction and another 55 in planning stages.
- **Engagement:** Several years ago, NGF developed a scale to gauge engagement / passion for golf. NGF annual golfer survey research indicates that the *number of engaged golfers has remained steady at 20 to 21 million for the past four years*. But the proportion of engaged golfers has increased from 78% to 85% over this period. These engaged golfers are responsible for ±95% of rounds played, and equipment spend. Those more engaged are significantly more likely to continue playing.
- **Increasing Diversity:** The junior golf population remains relatively stable at 2.9 million and continues to show a transformation in diversity. *One-third of golfers age 6-17 are females*, up from 17% in 1995 (in sum, 24% of all golfers are women). Also, *27% of junior golfers are non-Caucasian*, up from only 6% in 1995. A similar trend is observed among young adult (18-34) or Millennial golfers, of which 29% are female and 24% non-Caucasian. The highest diversity is among beginning golfers, at 34% female and 32% non-Caucasian.

- **Beginners:** *The number of beginners rose to a record 2.5 million in 2016, surpassing the record set in 2000 when Tiger Woods was in his prime and drawing newcomers to the game in unprecedented numbers. Since 2011, the compound annual growth rate (CAGR) in beginners is an impressive 10.8%.*
- **Off-Course Participation:** Driven primarily by the popularity and growth of *Topgolf*, a non-traditional form of golf entertainment, there were an estimated 20 million off-course (involves only those activities that involve hitting a ball with a golf club) participants in 2017, about 40% of whom did not play on a golf course.
- **Latent Demand:** Overall interest in playing golf remains very high. NGF survey research indicates that *the number of non-golfers who say they are “very interested” in taking up golf has doubled over the last five years, growing at a CAGR of nearly 15% and now totaling 12.8 million people. There are an additional 40+/- million non-golfers who say they’re “somewhat interested” in taking up the game. Together, these two cohorts represent about 1.7 prospects for every existing golfer.*

## Municipal Golf

Municipal golf is likely to play an increasingly more important role in golf going forward. There are several reasons for this, including:

- 1) **Construction Costs:** Construction costs are rising at an alarming rate. One of the consequences of this escalation is that it is becoming harder and harder for private operators to be able to afford making needed renovations to their course. Municipalities are in a better position to make these renovations, providing the golfer with a better experience.
- 2) **New Golfers:** For-profit operators have a harder time investing in long-term strategies such as developing new golfers. This is especially true with regards to expanding into new markets, such as minorities. There are a lot of costs involved, including marketing, and teaching (especially in offering low- or no-cost clinics). There is also the risk of an adverse impact on current golfers, such as slowing down the pace of play, etc.
- 3) **Subsidizing:** While we find it unnecessary in many cases, and undesirable in most cases, the truth is that municipal courses are in a better position to subsidize operations. While some private operators may cry “foul,” it does allow municipal operators to keep fees low, making golfer more accessible to lower-income golfers.

While the overall number of golf courses has been declining, the number of municipal courses has been *increasing*. Last year there were 2,497 municipal facilities, an all-time high. Municipal courses now comprise 16.9% of the market, up from 15.9% in 2013. This is due to municipalities acquiring golf courses, because they realize the importance of the amenity to the community. Some of these courses were failing, but others were purchased to avoid them being developed.

Another trend with municipal golf is privatization. With an increased emphasis on profitability, more municipalities are turning towards professional management. Last year, 15% of US facilities were operating with a management company, compared to 10.6% in 2006.

## Conclusion

All indicators are that the recent decline in golf participation and facilities is more of a “market correction” than it is a foretelling of the future. Indeed, recent indicators are positive. Rounds are up, openings are up, participation among youth is up, etc. Further, while the number of facilities has been shrinking, the number of rounds has remained level or even increased (until last year’s bad weather), thus concentrating the rounds on fewer facilities – making those facilities that much stronger.

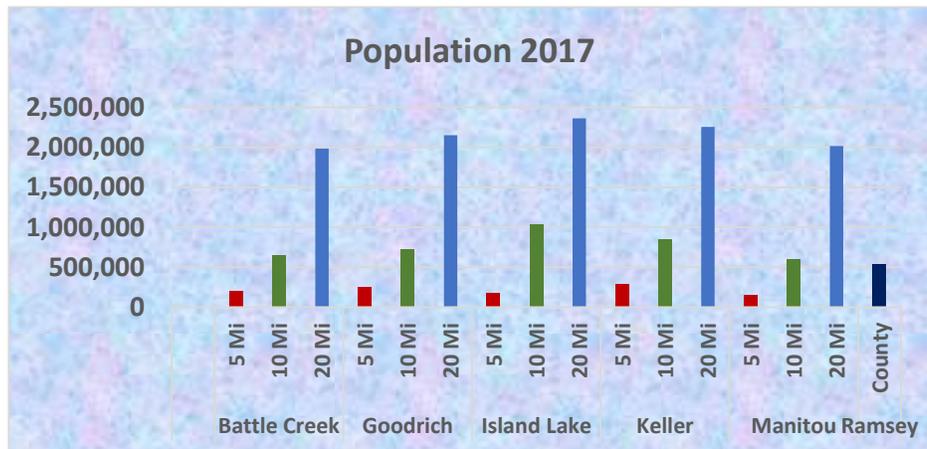
There is no doubt that closings will outnumber openings for several more years. As was the case with the growth in the number of facilities, real estate is leading the way. One of the biggest reasons for course closing is that the land has become more valuable for development than for golf. However, the stronger facilities, those that have good layouts, are kept in good condition, and are well-managed, will not only survive, but will likely thrive.

Prudent operators are recognizing this trend, which is one of the reasons we are seeing more and more renovations each year.

## Demographic Profiles

In this section, we will provide a quick overview of the most relevant market demographics. For a more detailed look, please see tables in Appendix B: Summary Demographics.

According to 2017 census estimates, there are 3,946,533 people living in the Minneapolis-St. Paul Combined Statistical Area. This represents over 70% of the state’s population. And over half of these people live within 20 miles of at least one of the RC Golf facilities. We will look at each market area in turn.



## Market Definition

In the market analysis, we defined geographical markets for each course as follows:

- **Neighborhood:** The area within a 5-mile radius of a given facility.
- **Local Area:** The area within a 10-mile radius of a given facility.
- **Regional Area:** The area within a 20-mile radius of a given facility.

We looked at the above-mentioned markets as well as Ramsey County and the State.

## Neighborhood Markets

Typically, the Neighborhood area (5-mile radius) will be where the largest percentage of golfers will come from for a given course. However, this is highly correlated with price point. The higher the price point of a facility, the wider the market area tends to be.

### Population Trends

Keller has the largest neighborhood area population, with 293,760, while Manitou, at 160,169, has the smallest. Goodrich is about 20% smaller than Keller, with 259,997, followed by Battle Creek at 209,407 and Island Lake at 177,791.

Keller is also the fastest growing area, with an annualized growth rate of 1.03% since 2010. This compares to the national growth rate of 0.75% and the state’s .6%. Ramsey County is growing at 0.96% by comparison. Goodrich is also growing at a little faster rate than the county (projected at 1% over the next five years). The Manitou neighborhood is showing the slowest growth rate at 0.76%, which is about the national average,

but less than the County. Island Lake, at 0.78% is right behind. Battle Creek has a growth rate similar to Goodrich at 0.96%.

Income

Income is a very important demographic as it is highly correlated with golf participation. We used Median Household Income (MHI) as our measure for comparison. For reference, the national MHI is \$59,240 while Minnesota is at \$67,629. Ramsey County splits the difference, with an MHI of \$62,019.

| Summary of Demographics      |              |                 |          |          |                 |           |                |          |          |          |  |
|------------------------------|--------------|-----------------|----------|----------|-----------------|-----------|----------------|----------|----------|----------|--|
|                              | Battle Creek |                 | Goodrich |          | Island Lake     |           | Keller         |          | Manitou  |          |  |
|                              | 5 Mi         | 10 Mi           | 5 Mi     | 10 Mi    | 5 Mi            | 10 Mi     | 5 Mi           | 10 Mi    | 5 Mi     | 10 Mi    |  |
| <b>Summary Demographics</b>  |              |                 |          |          |                 |           |                |          |          |          |  |
| Population growth 1990-2000  | 2.45%        | 1.46%           | 1.17%    | 1.11%    | 0.35%           | 0.69%     | 0.94%          | 0.92%    | 1.06%    | 1.27%    |  |
| Population Growth 2000-2010  | 0.74%        | 0.42%           | 0.15%    | 0.32%    | -0.09%          | 0.14%     | 0.01%          | 0.20%    | 0.09%    | 0.24%    |  |
| Population Growth 2017-22    | 0.96%        | 0.89%           | 1.00%    | 0.88%    | 0.78%           | 0.97%     | 1.01%          | 0.88%    | 0.76%    | 0.92%    |  |
| Population Growthn 2010-2022 | 0.84%        | 0.90%           | 1.01%    | 0.90%    | 0.85%           | 1.00%     | 1.03%          | 0.93%    | 0.91%    | 0.92%    |  |
| Population 2017              | 209,407      | 652,778         | 259,997  | 729,047  | 177,791         | 1,037,642 | <b>293,760</b> | 853,318  | 160,169  | 602,634  |  |
| Median HH Income             | \$66,908     | <b>\$67,496</b> | \$55,204 | \$67,010 | <b>\$73,476</b> | \$59,641  | \$55,243       | \$64,166 | \$68,815 | \$66,880 |  |
| Median Age                   | 34.8         | 35.8            | 33.7     | 36.1     | 41.4            | 34.5      | 34.1           | 35.4     | 38.6     | 36.3     |  |
| # Households                 | 74,995       | 251,527         | 96,814   | 282,678  | 73,534          | 408,146   | 109,931        | 337,959  | 62,421   | 231,637  |  |
| <b>Ethnicity</b>             |              |                 |          |          |                 |           |                |          |          |          |  |
| % White                      | 64.9%        | 68.9%           | 70.1%    | 71.9%    | 57.8%           | 70.1%     | 57.9%          | 69.2%    | 74.6%    | 68.7%    |  |
| % African American           | 11.2%        | 11.0%           | 10.4%    | 11.7%    | 13.4%           | 10.4%     | 13.4%          | 11.3%    | 7.1%     | 10.7%    |  |
| % Asian                      | 14.5%        | 12.6%           | 12.5%    | 8.9%     | 20.2%           | 12.5%     | 20.3%          | 11.7%    | 12.6%    | 13.7%    |  |
| % Other                      | 9.5%         | 7.5%            | 7.1%     | 7.6%     | 8.6%            | 7.1%      | 8.4%           | 7.8%     | 5.7%     | 7.0%     |  |
| % Hispanic                   | 11.3%        | 8.3%            | 7.5%     | 7.3%     | 9.1%            | 7.5%      | 8.6%           | 7.8%     | 5.8%     | 7.2%     |  |

Island Lake, at \$73,476, has the highest Neighborhood area MHI, followed by Manitou (\$68,815), and Battle Creek (\$66,908). Both Keller (\$55,243) and Goodrich (\$55,204) are well below the national state and County MHI's.

Local Area Markets

We can expect that most of RC Golf course golfers live either in the Neighborhood or Local Markets. This is largely due to convenience, but the lack of marketing (which will be discussed later) also contributes to a tighter market reach. Interestingly, we do see quite a shift in demographics when going from the Neighborhood to the wider Local Market areas.

Population

Island Lake, by a considerable margin, has the largest Local Area, with over 1 million residents (1,037,642). It is followed by Keller (853,318), Goodrich (729,047), and Battle Creek (652,779). Manitou again is the smallest with 602,634.

While the Neighborhood markets had some overlap (especially Goodrich and Keller), the Local Areas have considerably more. As a result, the growth rates are much closer. However, only Island Lake, at 1% per year, is expected to grow faster than the County over the next five years. The other four facilities have a growth rate ranging from 0.88% (Keller and Goodrich) to 0.92% at Manitou.

Income

The most interesting changes comes from MHI. While Goodrich had the lowest MHI for the Neighborhood area, it has the second highest (behind Battle Creek's \$67,496) for Local Area at \$67,010. On the other hand, Island Lake, which had the highest Neighborhood MHI, has, by far, the lowest MHI for the Local Area at \$59,641. This suggests that Island Lakes will get most of its business from within a 5-mile radius, while Goodrich is likely to get most in the area from 5 to 10 miles.

Manitou shows a slight dip from its Neighborhood MHI, with \$66,880. Keller, though, also shows a strong improvement, with an MHI of \$64,166.

## **Regional Area Markets**

As was the case with Local Area, the demographics for the Regional Area includes the Local and Neighborhood areas as it is for everyone living within a 20-mile radius of the facility. Naturally, there is a lot of overlap in regional areas, given the proximity of the facilities to one another.

The Regional Market is probably most important to Keller, which, as the top facility in the RC Golf system, draws from the largest area and has the most players from the Regional Area.

### **Population**

Island Lake has the largest Regional population, with a 2.63 million. It is followed closely by Keller at 2.25 million. Goodrich is next at 2.15 million, with Manitou at a little over 2 million and Battle Creek just under.

All five Regional areas have similar growth rates projected, ranging from 0.85% at Battle Creek to 0.87% at Island Lake and Manitou.

### **Income**

In another reversal, Island Lake has again the highest MHI at \$71,192. Also over \$70k is Keller, at \$70,286. The other three are closely bunched, with Battle Creek at \$69,979, Goodrich at \$69,571 and Manitou at \$69,035.

## **Golf Demand**

The Golf Demand analysis was provided by the National Golf Foundation (NGF).

The likelihood of a given individual participating in golf, as well as the frequency of play, can be predicted by analyzing several key variables, including income level, age, other demographic/ lifestyle factors, and the availability of golf course supply in proximity to a person's home. NGF integrates four years of PAC golf participation data, local golf course supply, and Nielsen PRIZM, an industry-leading lifestyle segmentation system, to model the golf participation rates and rounds demanded by permanent households in the selected geographic markets.

### **Estimated Course Rounds Played**

Each month the PGA of America, Golf Datatech and the NGF collect rounds played data from approximately 4,000 golf facilities. The resulting average reported rounds by type (e.g., public, private), size (9-hole, 18-hole), and region are used to estimate the number of rounds played for subject geographies.

### **Market Selection**

The geographic resolution of data contained in this report can be broken down to a highly localized level – typically mileage radial, drive time, county, or CBSA. Your selected geographic boundaries may not comprise the total market area that a golf facility or retail establishment would potentially draw from. Actual trade areas should be determined using a more localized investigation, including interviews with staff at existing golf facilities and other businesses. Such an analysis is not part of this report. However, your selected geography should be enough to help you gauge key factors that are indicative of the relative strength of golf markets.

Each chosen geography comprises one or more census block groups. The selected market radial or drive time ring must include the center (centroid) of any given block group for the model outputs (e.g., population, golfers, golf facilities) to include that block group. Therefore, please note when choosing your

market area(s) that it is possible in the case of smaller radials (e.g., 5 miles or less), and/or in highly rural areas, for certain block groups to be excluded from the model outputs.

### Neighborhood Golf Demand

The table below details key data points regarding golf demand in the 5-mile market rings around each Ramsey County golf facility. After the table, the NGF offers some summary review points regarding key golf demand measures for the local golf market. Please see the supporting tables in [Appendix C](#).

| Neighborhood (5-Mile) Golf Demand |                            |                         |                                |                                |  |  |                               |
|-----------------------------------|----------------------------|-------------------------|--------------------------------|--------------------------------|--|--|-------------------------------|
| Golf Course                       | No. of Golfers within 5 mi | Rounds Potential (5 mi) | Golfer / Rounds Index (US=100) | No. of Golf Facilities (5 Mi.) | Golfing Households per 18 holes (Supply Ratio) | Golfing Households per 18 holes Index (US = 100) | Potential Rounds per 18 Holes |
| Keller GC                         | 25,029                     | 460,475                 | 137 / 114                      | 6.5                            | 3,189  | 258  | 70,842                        |
| Goodrich GC                       | 23,078                     | 410,879                 | 139 / 116                      | 6                              | 3,101  | 251  | 68,479                        |
| Manitou Ridge GC                  | 18,353                     | 346,581                 | 176 / 152                      | 8                              | 1,898  | 154  | 43,322                        |
| Battle Creek GC                   | 19,972                     | 342,624                 | 150 / 125                      | 4.5                            | 3,457  | 280  | 76,138                        |
| Island Lake Golf                  | 21,730                     | 452,489                 | 179 / 168                      | 5.5                            | 3,306  | 267  | 82,361                        |

- NGF estimates that there are at least 18,000 golfers living within five miles of each Ramsey County golf course. NGF estimates that Keller GC has the largest market of golfers within five miles (25,029), with three facilities showing in excess of 20,000 golfers within five miles.
- NGF estimates show that resident demand for rounds ranges from 342,000 rounds in the Pond @ Battle Creek market, up to over 460,000 rounds in the Keller GC market. In Ramsey County overall, NGF estimates demand potential of over 973,000 rounds of golf annually, to be distributed over all (public and private) courses. When divided by the number of 18-hole equivalents in each sub-market, the rounds potential per 18 holes ranges from around 43,300 in the Manitou Ridge market to over 82,300 in the Island Lake market. For Ramsey County overall, the estimate is 72,124 rounds per 18 holes.
- The golf demand indices for the local 5-mile markets around the Ramsey County golf courses indicate golf participation well exceeds the U.S. standard (Index = 100) in all five markets, with Island Lake as the strongest and Keller as the weakest. While this measure shows strong golf participation (likely to be a golfer) the total activity is also higher than standard with all five of the sub-markets exceeding the rounds demanded index of 100. For Ramsey County overall, the indexes are 148 for participation and 126 for rounds demand.
- All golf course sub-markets exceed the national benchmark of 1,236 golfing households (households that contain at least one golfer) per 18 holes of golf (supply ratio). The strongest market based on relative supply is the Battle Creek market, which has over 3,400 households available to support each 18 holes in the market. Three more markets (Keller, Goodrich and Island Lake) have over more than double the golfing households available to support each 18 holes in the market (Index >200). Ramsey County overall has 258% more golfing households per 18 holes (Index=258), which is favorable for golf courses.
- Due to the relatively low per capita golf course supply within the subject radials, actual rounds “on the ground” are much smaller than the potential demand from resident golfers, indicating two key market dynamics at work: (1) resident golfers are ‘exporting’ some of this demand to

suburbs and exurbs of St Paul; (2) demand in the area is ‘muted’ due to factors such as time constraints (e.g., long working hours, commuting patterns, traffic issues).

### Local Golf Demand

| Local (10-Mile) Golf Demand |                             |                          |                                |                                 |  |  |                               |
|-----------------------------|-----------------------------|--------------------------|--------------------------------|---------------------------------|--|--|-------------------------------|
| Golf Course                 | No. of Golfers within 10 mi | Rounds Potential (10 mi) | Golfer / Rounds Index (US=100) | No. of Golf Facilities (10 Mi.) | Golfing Households per 18 holes (Supply Ratio) | Golfing Households per 18 holes Index (US = 100) | Potential Rounds per 18 Holes |
| Keller GC                   | 86,163                      | 1,587,497                | 151 / 128                      | 31                              | 2,613  | 211  | 58,796                        |
| Goodrich GC                 | 75,728                      | 1,407,118                | 157 / 136                      | 30                              | 2,315  | 187  | 53,099                        |
| Manitou Ridge GC            | 63,932                      | 1,182,368                | 161 / 139                      | 24                              | 2,284  | 185  | 52,550                        |
| Battle Creek GC             | 66,526                      | 1,191,742                | 150 / 125                      | 24                              | 2,465  | 199  | 55,430                        |
| Island Lake Golf            | 97,602                      | 1,744,418                | 140 / 117                      | 23                              | 3,754  | 304  | 83,068                        |
| <b>Ramsey County</b>        | <b>52,036</b>               | <b>973,682</b>           | <b>148 / 129</b>               | <b>16</b>                       | <b>3,191</b>                                   | <b>258</b>                                       | <b>72,125</b>                 |

Key points:

- As was the case with the Neighborhood area, golf demand is very strong. The lowest indexed area is Manitou, which is still 185% higher than the national average. Island Lake leads the way, with an index of 304. The other four courses are between 180 and 199.
- The number of Potential Rounds per 18 holes of golf is also still very strong, with Island Lake showing 83,000 and the other four in 50,000 to 60,000 range. Ramsey County is very strong at 72,125.

| In-Market Rounds |         |                |
|------------------|---------|----------------|
|                  | 5 Mi    | 10 Mi          |
| Battle Creek     | 172,902 | 749,226        |
| Goodrich         | 220,474 | 845,883        |
| Island Lake      | 178,991 | 688,548        |
| Keller           | 250,987 | 872,787        |
| Manitou          | 244,371 | 693,136        |
| <b>County</b>    |         | <b>481,909</b> |
| State            |         | 12,511,170     |
| US               |         | 455,965,000    |

### Latent Demand

Latent golfers are defined as people who express an interest in playing golf but are not currently playing. This includes former golfers and those who have never tried. The demographic profile of latent demand tends to be more female and younger than the population. Surveys show these golf-interested non-golfers cite several barriers to entry in golf, including the cost and social aspects (no one to play with).

What is very important is that there are more Latent Golfers in each of these market areas, than actual golfers. (For Ramsey County, the number of latent golfers is 88,238, compared to 52,035 actual golfers – or 70% more latent golfers than actual golfers! Obviously, a lot of issues can be solved if we can simply do a better job of converting the latent golfer into an actual one. We will discuss this more later.

Given golf’s tenuous participation situation, all golf courses should have programming aimed at “onboarding” prospective new golfers.

## Other Demand Drivers

Supplementing golf demand from permanent residents are: (1) The area’s large number of major corporate and public employers; and (2) Visitors to the Minneapolis / St Paul area. NGF research shows that roughly one-third of all golfers participate in the activity while traveling, playing 0.557 rounds per day of travel. Though Ramsey County golf courses as presently situated would capture only a small proportion of these incremental rounds from visiting golfers, supplemental play from visitors drawn by a strong marketing program (e.g., through promoted outings) could be an important element in making the Ramsey County golf courses financially viable, assuming the level of quality was appropriate (more later in this report).

### Tourists (Visiting Golfers)

Other than in resort areas or with resort courses, one of the most overlooked markets is the visiting golfer market. The MSP area gets over 33 million visitors per year according to *Meet Minneapolis*. Based on these figures, we can provide an estimate of the rounds potential from these golfers.

| <b>Visitor Golf Market</b> |                |
|----------------------------|----------------|
| No Visitors                | 33,000,000     |
| In -season estimate        | 40%            |
| In season visitors         | 13,200,000     |
| x Participation rate       | 9.5%           |
| Est. No. of Golfers        | 1,254,000      |
| % who play when travel     | 33%            |
| Est. No. playing golfers   | 413,820        |
| Avg rnds played per trip   | 0.557          |
| <b>Estimated Rounds</b>    | <b>230,498</b> |

If we assume that only 40% of these visitors come during times the golf courses are open, and if we conservatively estimate the participation rate for these visitors at 9.5%, we come up with 1,254,000 golfers visiting during the playing season. (In truth, the participation rate is likely much higher as the average income of visitors is higher than the national average for all people in the US.) Using NGF stats, we can then estimate that these visitors can produce a little over 230,000 rounds.

The key question then becomes, “where are they playing.” The answer, unfortunately, is likely “not at RC

Golf facilities.” The reasons for this include pricing and lack of marketing.

First, golfers that play when they travel are rarely looking for the cheapest place to play. Just the opposite, they are much more likely to want to “treat” themselves to a golf experience that is better (or at least unique) from the ones they play at home. That is why the Premium facilities (highest priced) get most of these rounds. The RC Golf facilities are not priced where they would attract traveler’s attention.

Not only do these golfers spend more to play, they will also spend much more on merchandise and food & beverage when they play. In short, these golfers spend much more per round than the average user of a given facility will pay.

However, as we will discuss more later in this report, Keller, with its course quality and especially its history, is able to command a much larger share of this lucrative market.

## Supply and Demand

While we talked a little in the previous section about demand per 18 holes of golf, this section will take a deeper dive into the topic. Of special interest is looking specifically at public courses, which NGF further breaks down into three types, based on peak fee. Peak fee is the highest published rate for green and cart fees combined, which is usually weekend mornings. The three types are:

- **Value:** These are facilities whose peak fee is under \$40.
- **Standard:** Also referred to as “Mid-Fee,” these courses charge between \$40 and \$70.
- **Premium:** These facilities charge \$70 or more, peak fee.

## Local Golf Supply

Ramsey County is home to 16 total golf facilities, including 13 public, of which 10 are municipally-owned. This shows how public golf in Ramsey County is dominated by municipal golf courses, with 77% of the public-access golf courses in Ramsey County owned by municipalities (compared to only 23% nationally). Of the 13 public facilities, none are ‘Premium’ (>\$70), seven ‘Standard’ (\$40-\$70) and six are ‘Value’ (<\$40). This mix of facilities suggests a little more price sensitivity in Ramsey County than the overall U.S., where 87% of public courses in the U.S. are standard or value, while 100% fit this category in Ramsey County.

| Ramsey County Golf Course Supply within 10 miles of Each Course |              |                         |                                  |                                      |                                |                         |             |                    |                     |  |
|---|--------------|-------------------------|----------------------------------|--------------------------------------|--------------------------------|-------------------------|-------------|--------------------|---------------------|--|
|   |              | Public                  |                                  |                                      |                                |                         |             |                    |                     |  |
|   | # Facilities | Total Public Facilities | # of Premium Facilities (> \$70) | # of Standard Facilities (\$40-\$70) | # of Value Facilities (< \$40) | # of Private Facilities | Total Holes | Total Public Holes | Total Private Holes |  |
| P@BC  | 24           | 20                      | 3                                | 9                                    | 8                              | 4                       | 387         | 315                | 72                  |  |
| ILG&TC  | 23           | 17                      | 1                                | 11                                   | 5                              | 6                       | 378         | 270                | 108                 |  |
| MRGC  | 24           | 18                      | 1                                | 11                                   | 6                              | 6                       | 405         | 297                | 108                 |  |
| KGC   | 31           | 23                      | 1                                | 12                                   | 10                             | 8                       | 486         | 342                | 144                 |  |
| GGC   | 30           | 22                      | 2                                | 11                                   | 9                              | 8                       | 477         | 333                | 144                 |  |

Like many markets we’ve observed nationally, there has been a reduction in golf supply over the last decade in the County, with a net loss of 18 golf holes. This represents about 6.9% of current existing supply, comparable to the 7.0% reduction in the total U.S. over the last 10 years. The NGF database shows no new golf course projects in planning or under construction in Ramsey County.

The preceding table displays data showing the relative supply of golf courses in the 10-mile ring around each of the Ramsey County golf facility. We see some differences in the level of supply within each 10-mile ring, with Goodrich GC having the most total golf holes within 10 miles and Island Lake having the least. The supporting tables in [Appendix C](#) provide additional support statistics for smaller market rings.

## Golf Course Market Supply / Demand Summary

Using the most basic measures of golf demand and supply, we note four possible combinations for any given market area: (1) favorable demand and favorable supply (“potential growth market”); (2) favorable demand and unfavorable supply (“active”); (3) unfavorable demand and favorable supply (“inactive”); and (4) unfavorable demand and unfavorable supply (“saturated”). The review of data for the greater Minneapolis area suggests an “active” market, with generally favorable demand metrics but unfavorable supply ratios. A key for improving the golf industry economics in this market area will be dependent on each golf courses’ ability to stimulate greater increased demand from the active golfer population.

### Golfers per 18 holes

NGF has also evaluated the relative strength of these markets with a comparison to a national “target” of golfers per golf course within 10 miles of a golf course. In its 2009 publication “*The Future of Public Golf in America*,” NGF hypothesized that the best predictor of a public golf course’s success was *the number of golfers per 18 holes within a 10-mile radius*, with 4,000 identified as the key number for projected financial

stability. As shown in the table below, only one Ramsey County golf course (Island lake) is in 10-mile markets that has more golfers per golf course than the identified target, while the other four are in markets with fewer than 4,000 golfers per golf course. The importance of this metric is mitigated somewhat in that the overall Ramsey County market is very close to the target, suggesting other site-specific issues (course quality, condition, accessibility, etc.) may be more important to facility success than the golfer/golf course ratio.

| 10-mile Rings   | Est. No. of Golfers | Total 18-H Equivalent | Golfers per 18 holes |
|---|---------------------|-----------------------|----------------------|
| <b>Total U.S. "Target" for Successful Public Golf</b> |                     |                       | <b>4,000</b>         |
| <b>Exceeds "Target"</b>                               |                     |                       |                      |
| Island Lake Golf & TC GC                              | 97,602              | 21.0                  | 4,648                |
| <b>Below "Target"</b>                                 |                     |                       |                      |
| Keller GC   | 86,163              | 27.0                  | 3,191                |
| The Pond @ Battle Creek GC                            | 66,526              | 21.5                  | 3,094                |
| Goodrich GC   | 75,728              | 26.5                  | 2,858                |
| Manitou Ridge GC                                      | 63,932              | 22.5                  | 2,841                |
| <b>Ramsey County Overall</b>                          | <b>52,036</b>       | <b>13.5</b>           | <b>3,854</b>         |
| Source: National Golf Foundation                      |                     |                       |                      |

### Supply vs. Demand

Taking the number of golf courses in each area, we can calculate the number of golfers and the number of anticipated rounds per golf course. We can then compare these to national averages. NGF has created an index for the ratio of golfing households per 18 holes of golf. The ratio measures the local market versus the national market and is based on percent value. An index value of 110 means 110% of the national average, while an index value of 80 represents 80% of the national average.

NGF further divides public golf courses into three categories based on their peak rate for green fees and cart combined. Facilities that charge \$70 or more are considered "Premium," those charging less than \$40 are called "Value," and the rest are "Standard." *All the Ramsey Golf Facilities (except Island Lake) are considered "Standard" by this definition.*

The table below shows these index values by facility type for the local market areas.

| Golfing Household Indices |              |        |          |        |              |        |        |        |         |        |               |           |
|---------------------------|--------------|--------|----------|--------|--------------|--------|--------|--------|---------|--------|---------------|-----------|
|                           | Battle Creek |        | Goodrich |        | Island Lakes |        | Keller |        | Manitou |        | Ramsey County | Minnesota |
|                           | 5 Mi         | 10 Mi  | 5 Mi     | 10 Mi  | 5 Mi         | 10 Mi  | 5 Mi   | 10 Mi  | 5 Mi    | 10 Mi  |               |           |
| Total                     | 280          | 199    | 251      | 187    | 267          | 304    | 258    | 211    | 154     | 185    | 258           | 98        |
| Public                    | 203          | 178    | 182      | 195    | 305          | 308    | 187    | 218    | 178     | 183    | 241           | 80        |
| Premium                   | 76           | 174    | 183      | 302    | xx           | 775    | xx     | 694    | xx      | 505    | xx            | 136       |
| Standard                  | 394          | 141    | 118      | 141    | 230          | 182    | 105    | 149    | 96      | 113    | 156           | 64        |
| Value                     | 244          | 249    | 438      | 262    | 285          | 618    | 325    | 277    | 357     | 302    | 289           | 90        |
| Private                   | xx           | 294    | xx       | 170    | 202          | 292    | xx     | 196    | 112     | 190    | 319           | 231       |
| Estimated Rounds*         | 38,423       | 34,848 | 68,480   | 53,099 | 32,544       | 32,788 | 38,613 | 32,325 | 30,546  | 30,806 | 35,697        | 32,666    |
| * In market Courses       |              |        |          |        |              |        |        |        |         |        |               |           |

There are several salient results to be noted:

- There are no Premium golf facilities within 5 miles of Island Lake, Keller or Manitou
- Except for Premium facilities in Battle Creek’s immediate area, and Standard facilities within Manitou’s local area, *all other index values are over 100 – indicating strong demand.*
- **Value Facilities:** There is a notable lack of value facilities across the board. Of interest is that there is four times the national demand in Goodrich’s immediate area, and nearly three times for the County as a whole.
- **Premium Facilities:** The index values are non-existent for several immediate areas because there simply are no Premium facilities in the area. But it is especially noteworthy that the index value for the Local (10-mile) radius around Keller is nearly *seven times the national average.* When taking the quality of the golf course and clubhouse, as well as Keller’s rich history, making it a Premium facility would seem to fit market demand.
- **Rounds:** The average number of estimated rounds is over 30,000 in all local markets. However, it is especially strong at Goodrich, where the estimated total is 68,480 for the 5-mile and 53,099 for the 10-mile radius. Since the local courses are not seeing this kind of volume, golfers living in this area are playing outside the area. Combined with the high index value for value facilities in the Goodrich market, makes a strong argument that Goodrich should be repositioned as a value facility.

## Rounds Predictions

NGF has estimated the number of rounds that should be generated per facility, for each of the market areas in question. The table on the right summarizes these predictions.

In this area, performance in the 30,000 to 32,000 rounds is usually enough to produce break-even or better performance. As we can see, the only facility that appears to be in a “danger-zone” is Manitou – yet that facility has historically been the best performing of the RC Golf facilities.

| Estimated In-Market Rounds/Facility |         |           |          |
|-------------------------------------|---------|-----------|----------|
| Facility                            | 5- Mile | 10 - Mile | 20- Mile |
| Battle Creek                        | 38,423  | 34,848    | 32,459   |
| Goodrich                            | 68,480  | 53,099    | 32,277   |
| Island Lake                         | 32,544  | 32,788    | 32,380   |
| Keller                              | 38,613  | 32,325    | 32,761   |
| Manitou                             | 30,546  | 30,806    | 32,460   |
| Ramsey County                       | 35,697  |           |          |
| Minnesota                           | 32,666  |           |          |
| United States                       | 32,809  |           |          |

It is also interesting to note that the state average for Minnesota is higher than the national average, despite having such a shortened season.

Goodrich, clearly, has the most “rounds-pressure,” at least in the Neighborhood and Local areas. Both Battle Creek and Keller have the second most in the Neighborhood areas. The five facilities all have similar “rounds-pressure” for the Regional market.

Notably, these projections only consider in-market rounds. They do not consider rounds from outside, such as from tourists or other visitors.

## Take-Aways

There is little question that the RC Golf facilities are in a high-demand area for golf. Indeed, the entire metropolitan area, and the entire state, have much higher participation rates than the national average.

The only negative statistic found was the number of golfers per 18 holes of golf, which was less than NGF’s optimal number for success. However, this finding is strongly mitigated by other revelations. Most notably,

the number of rounds predicted for in-market courses, which show good “rounds pressure” for all the facilities, but especially for Goodrich.

But, to us, one of the most important findings is when we look at demand by *type of facility*. In looking at these figures, it is important to note that the four main RC Golf facilities (Keller, Goodrich, Manitou and Battle Creek) are all considered “Standard” or “Mid-Fee”. Yet our analysis shows there is very strong demand for both Premium and Value courses, suggesting a good market opportunity for repositioning one or more of the RC Golf facilities.

It is also important to realize that there is a strong correlation between price and market reach. The higher the price point, the wider the market area the facility tends to draw. A value facility will have most of its rounds coming from the Neighborhood area, while a Premium facility will draw a lot of play from both the Local and Regional areas. Thus, the Regional market becomes more important if one is looking at repositioning to the Premium market. Of the 18-hole courses, Keller has the strongest market demand in both the Local and Regional areas.

## **COMPETITION**

Our focus in this study were public golf courses, with most of our attention going to those clubs that are within 20-miles of any of the RC Golf facilities, as these are the ones most likely to be competitive with the RC courses. We then studied more closely those courses that were deemed, through location, feedback or nature of the facility, to be most comparable to each of the RC Golf facilities.

As part of this study, we visited all the public golf course facilities that were within a 20-mile radius of any RC Golf facility. We did so without any knowledge or preconception of the nature or price range of that facility. As part of that survey, we rated each course based strictly on its appearance to us at the time of our inspection. It should be noted that our inspection was cursory. We looked at the clubhouse and the few holes located adjacent thereto.

For expediency, we are streamlining our discussion in this Report to only those facts that are most relevant to RC Golf. A detailed summary of the courses can be found in Appendix D.

### **The Psychology of Golf**

My professional training was in Psychology. I earned my Master's degree and was working on my dissertation when I got distracted by the business world. I mention this because one of the things that brought me into the golf business was the *Psychology* behind the sport. I find golf to be one of, if not the most psychologically interesting sport there is.

For proof, one must look no further than where golfers start. If shooting the best score was the only objective, which tee would all golfers use? The answer – the forward tee, because it is the shortest distance and thus would likely generate the best score. In reality, though, the forward tee is not even the second most popular tee. Many male golfers (especially seniors) refuse to use the forward tee because they still consider it the “Ladies tee,” which again points to the psychology of the sport.

The reason I'm bringing this up is because it is important to gain at least a basic understanding of just how much psychology influences this sport in order to make sense of our findings and recommendations. For example, we make a big deal out of “Par” (which is the “target” score in golf) and length. Why? Because golfers do, either consciously or subconsciously. Same with price, where our preconceptions play such a large role.

For the non-golfer, it may be hard to understand just how *traditional* golfers are. To most golfers, a “real” golf course should have 18 holes, have a Par of 72 (although 70 and 71 are acceptable) and have a length of *at least* 6,000 yards. The further you get from these standards, the less popular the course is likely to be, regardless of the quality. Even 9-hole courses, which is the second most common configuration, do substantially worse than comparable 18-hole courses.

This is why alternative configurations, such as 6-hole and 12-holes, rarely succeed unless a more traditional configuration is not available. Some courses, including Battle Creek, even offer shorter “loops” of 3 or 6 holes, for less money. Yet these loops are rarely used.

Today, the media talks a lot about the fact that one of the big problems with golf is that it takes too long to play, four to five hours on most 18-hole courses. As a result, a lot of people have advocated for shorter, Executive Courses, or even the 6 and 12-hole options, as a solution.

Yet, this is not a new issue. Nor are the solutions new. Indeed, a similar movement was very strong in the late 1990s and early 2000s, which saw a significant increase in the number of Executive (courses with pars of 55 to 66) courses being built. But golfers voted with their feet. They still overwhelmingly prefer the traditional golf course over the executive, which helps explain why Executive and Par 3 courses make up a

disproportionately large percentage of course closings. The main exception are those courses that specifically target seniors (such as in a senior community) or juniors.

Psychology plays an important role in how the game is played. In addition to the golfer choosing where he or she wants to play from (except in tournaments), the golfer is also expected to police themselves. The only referee is the golfer him or herself. This is true not only in games between friends, but also in professional tournaments, where major championships have been lost because a player called a penalty on him or herself, even if it was inadvertent (such as accidentally moving the ball before striking it). Strategy often comes into play during a round when a golfer must assess “risk” vs. “reward” in deciding how far to hit or where to aim.

The mental side of golf is a major reason why the sport is popular among business executives who like to take potential employees, partners or customers to the course. Because golf is a true test of character. Not even the best professional golfer will play the perfect shot every time. How one handles the adversity of a bad shot, can be a true test of one’s mental and emotional state. Especially if a second bad shot follows the first! It has often been said that there are more deals made on a golf course than in a board room. I cannot attest to the complete veracity of that statement, but I can tell you there is at least some truth to it.

So, as you go through this section and wonder why it matters if a course is 6,900 or 7,000 yards long, and various other issues, just keep in mind that logic has little to do with it. What’s important is the golfer’s *perception*.

## Overall Market

There are 168 public golf courses in the metropolitan area. Two-thirds of these are 18-hole regulation, the most popular type of golf course. Another 9% are nine-hole regulation courses. Executive courses make up another 26%, with most of these being 9-hole; and Par 3 courses total 8%. Notably, there are no 18-hole Par 3 courses in the entire market area.

Of these 168 courses, 92 (55%) are located within 20-miles of an RC Golf facility. What is notable, though, is that 13 of the 14 Par 3 courses are in the Local area (93%).

Island Lake, it should be noted, is listed as an “Executive” course because it has one Par 4 hole. However, it has a lot more in common with the Par 3 courses than the executive courses.

## Course Closings

Since course closings grab headlines, we decided to take a closer look at the courses that have closed recently in the metro area. We were able to find 28 that have closed in the last 10 years.

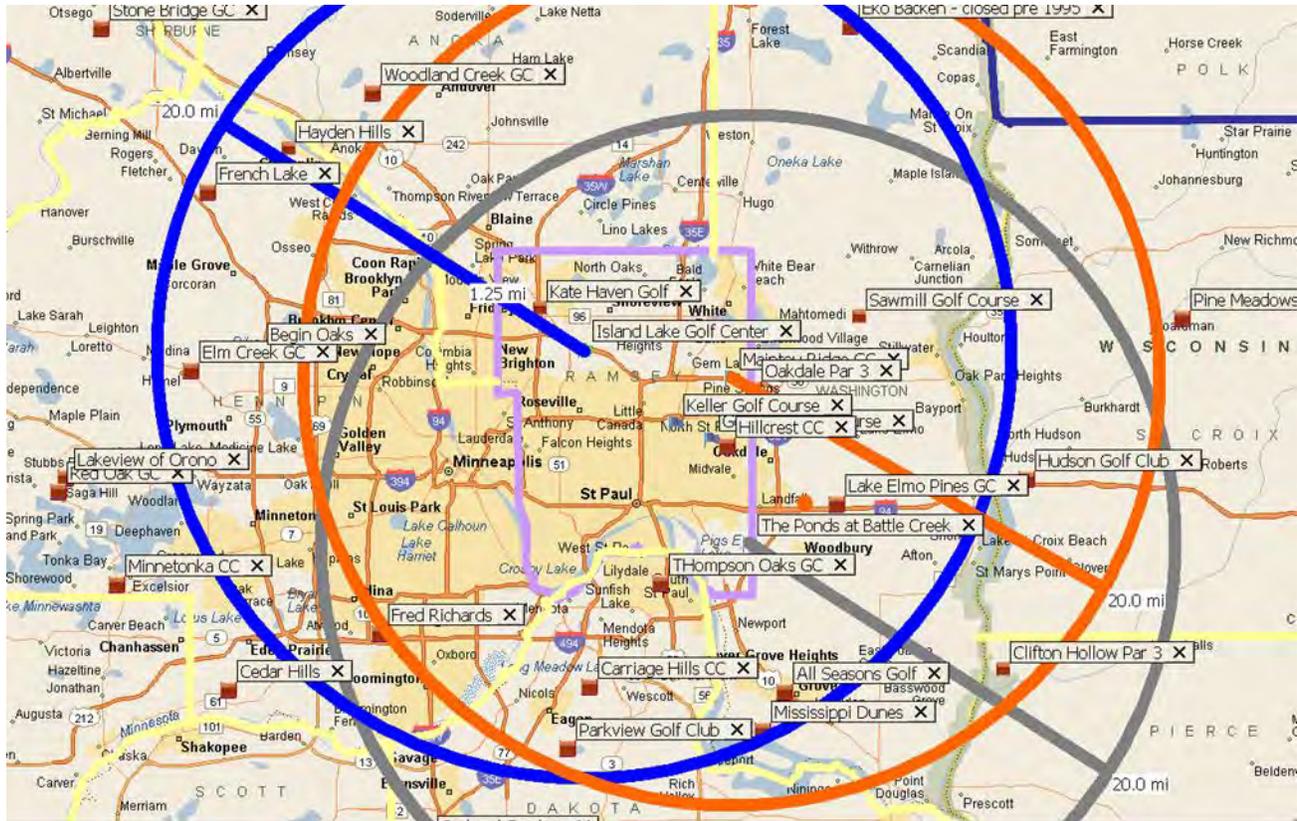
When we break these courses down by type, we note that while 18-hole regulation courses make up 67% of the public golf course market in the metro area, they account for only a third of the

| MSP Public Golf Courses |            |           |          |            |
|-------------------------|------------|-----------|----------|------------|
|                         | Metro      | Local     | RC Golf  | % Local    |
| 18-Hole Regulation      | 112        | 58        | 3        | 52%        |
| 9-hole Regulation       | 15         | 5         | 1        | 33%        |
| 18-hole Executive       | 3          | 2         |          | 67%        |
| 9-hole Executive        | 24         | 14        | 1        | 58%        |
| Par 3 courses           | 14         | 13        |          | 93%        |
| <b>Total</b>            | <b>168</b> | <b>92</b> | <b>5</b> | <b>55%</b> |

| Course Closings by Type |          |           |          |            |
|-------------------------|----------|-----------|----------|------------|
| Type                    | # Closed | % of Clsd | Existing | % Existing |
| 18-hole Reg             | 9        | 32%       | 112      | 8.0%       |
| 9-hole Reg              | 4        | 14%       | 15       | 26.7%      |
| 18 Exec                 | 2        | 7%        | 3        | 66.7%      |
| 9-hole exec             | 8        | 29%       | 24       | 33.3%      |
| 9 Par 3                 | 5        | 18%       | 14       | 35.7%      |

closings. (The percentage is lower if you include private courses). Further, they represent only 8% of the number of existing 18-hole public courses.

In contrast, executive and Par 3 courses take account for a disproportionate share of the closings. Par 3 courses are only 8% of the current market, but account for over a third of the closings. Executive courses account for 16% of the public market, but account for 36% of the closings. Notably, three of the four recent course closings in Ramsey County were Par 3 courses, with the other being an 18-hole private course.



The map above shows the location of all the golf courses that have closed in the area over the past 10 years. Ramsey County is outlined in purple. The circles represent the 20-mile radius (Regional Area) from RC Golf facilities.

And, a cursory review of the 18-hole regulation courses that closed reveals the clear majority of these were low-end value courses. (We do note that one of them was an 18-hole private course in Ramsey County).

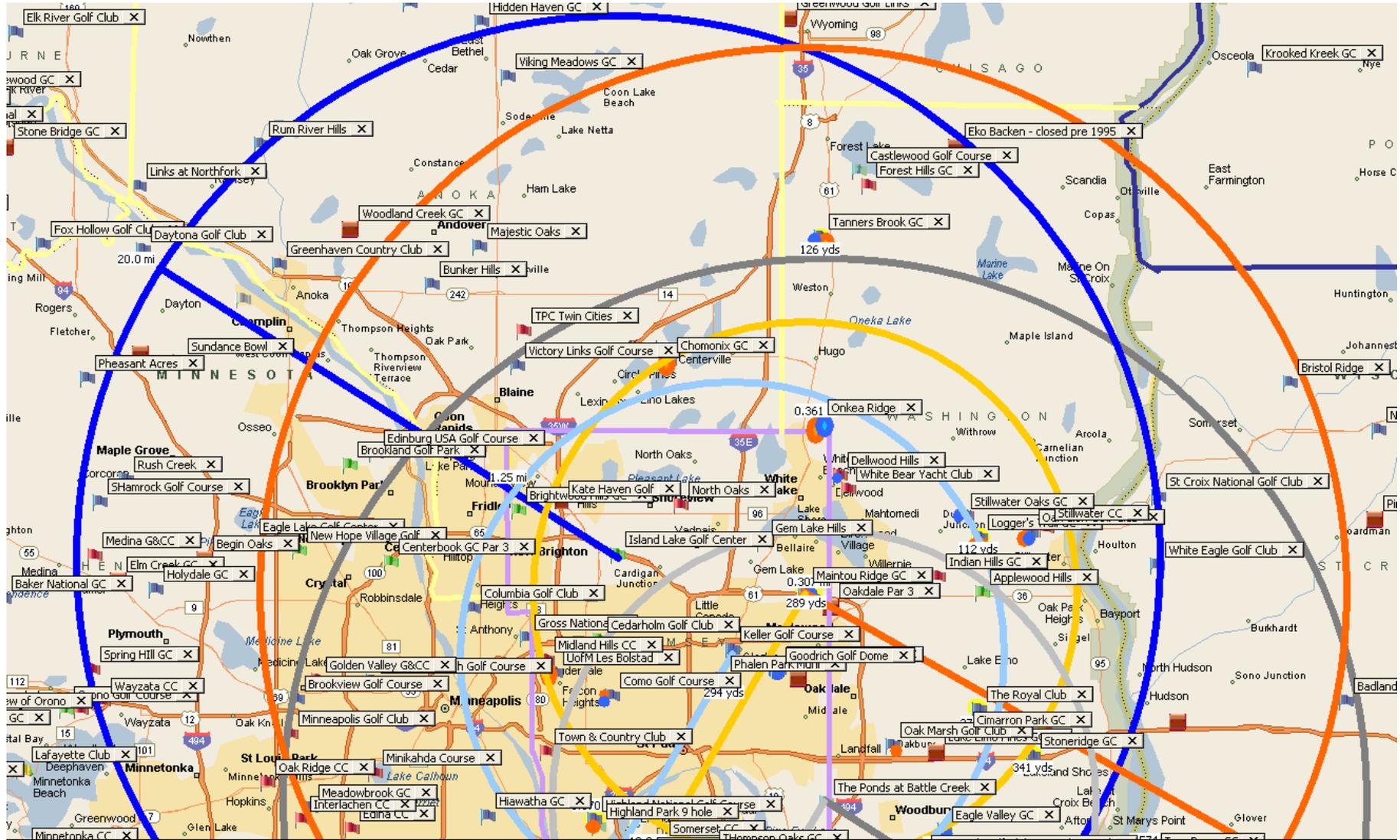
These findings are consistent with NGF data that shows 70% of the course closings in the last 10 years have been Value facilities.

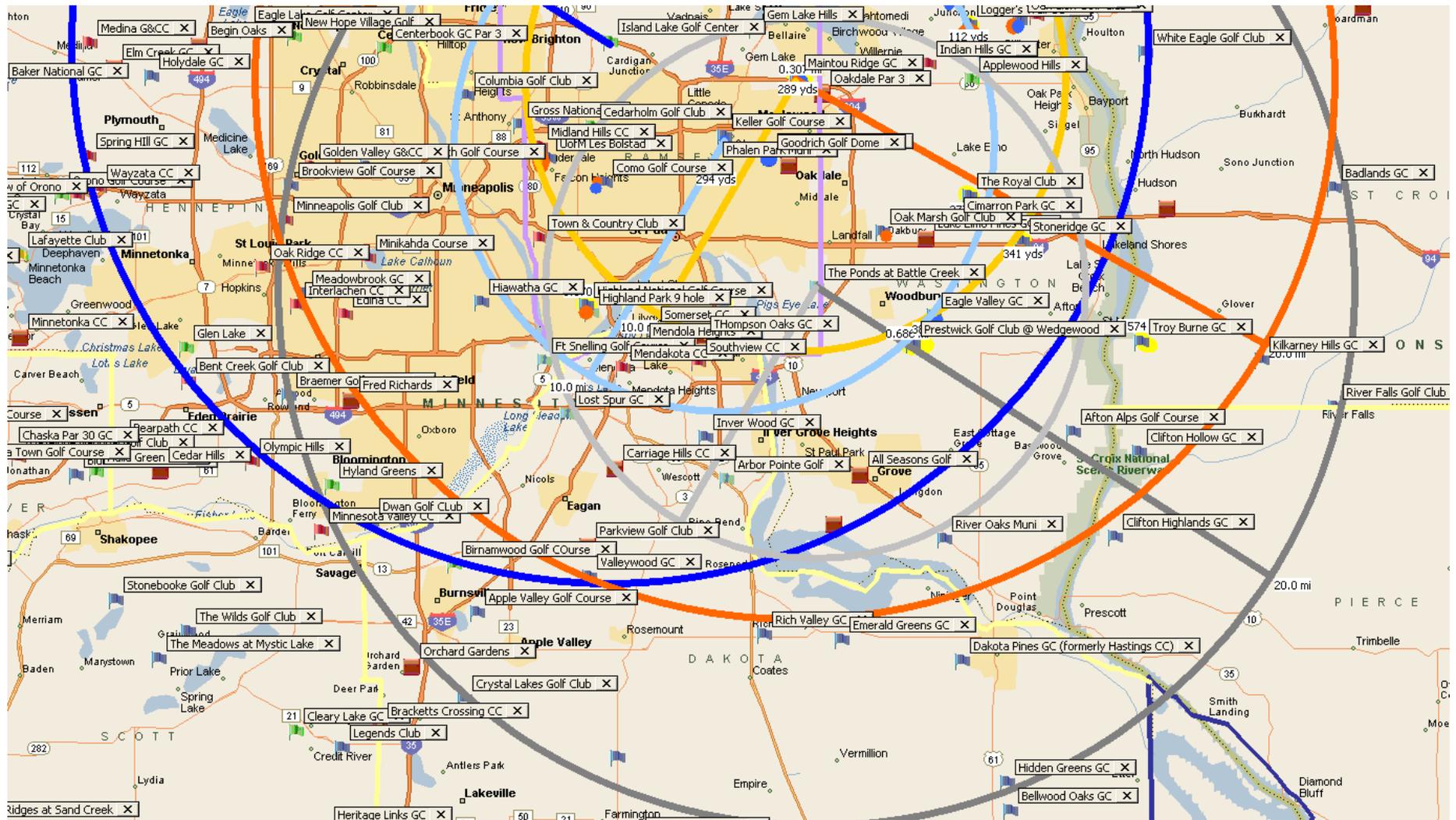
When you look at the distribution of the courses that have closed, as seen on the map above, you will notice that most of the area closing are outside of the heavily populated areas. This, also, is typical. Most of the courses that are in heavily populated areas tend to close because the land is worth so much more as development property than it is as a golf course and not because of poor performance.

## Local Market

The rest of this section will include only those courses that are within 20-miles of an RCG facility or are otherwise known to be a significant competitor of an RC Course. In addition, we added six courses (Baker National, Chisago Lakes, Crystal Lakes, Cannon Golf Club, The Refuge, and New Richmond), from outside this area that were identified by survey as being competitors of at least one of the RC Golf facilities.

The maps that follow show the location of all the courses in the local area. It also shows the 10-mile (Local) and 20-mile (Regional) radii for each of the RC Golf courses. The county borders are outlined, with Ramsey County in purple.





The table below provides a capsule summary of these courses.

| Local Market Courses                |       |         |            |           |              |
|-------------------------------------|-------|---------|------------|-----------|--------------|
|                                     | Count | Avg Age | Avg Length | Avg Slope | Avg Peak Fee |
| <b>Total Private (all 18 holes)</b> | 22    | 71.2    | 6,730      | 137       |              |
| <b>Total Public</b>                 | 97    |         |            |           |              |
| <b>Regulation</b>                   | 67    |         |            |           |              |
| <b>18-hole</b>                      | 63    | 45.8    | 6,560      | 129.6     | \$57.97      |
| <b>Premium</b>                      | 7     | 29      | 6,975      | 137       | \$95.00      |
| <b>Standard</b>                     | 54    | 51      | 6,509      | 129       | \$54.15      |
| <b>RC Golf</b>                      | 3     | 80      | 6,435      | 128.7     | \$52.30      |
| <b>Non-RC Golf</b>                  | 51    | 48      | 6,511      | 128.7     | \$54.26      |
| <b>Value</b>                        | 2     | 24      | 6,390      | 119.5     | \$32.50      |
| <b>9-Hole</b>                       | 5     | 53      | 2,811      | 124       | \$39.00      |
| <b>RC Golf</b>                      | 1     | 14      | 3,023      | 131       | \$46.00      |
| <b>Non-RC Golf</b>                  | 4     | 63      | 2,758      | 121.7     | \$37.25      |
| <b>Executive</b>                    | 15    |         |            |           |              |
| <b>18-Hole</b>                      | 2     | 27      | 4,593      | 93.5      | \$40.25      |
| <b>9-Hole</b>                       | 13    | 41      | 1,811      | 98.2      | \$29.45      |
| <b>Par 3 (all 9-hole)</b>           | 14    | 40      | 1,260      | 91.4      | \$25.96      |
| <b>RC Golf*</b>                     | 1     | 23      | 1,262      |           | \$18.50      |
| <b>Non-RC Golf</b>                  | 13    | 41      | 1,260      |           | \$26.54      |

\* We have classified Island Lake as a Par 3, even though it has a Par of 28

The local market has 113 courses, 22 of which are private (all 18-hole regulation). There are 62 regulation courses, of which 57 are 18-holes and five have only nine holes. (We added six 18-hole regulation courses in our analyses for a total of 63). There are also 14 Executive courses (Par 55 to 66), with just two having 18-holes. There are also 15 Par 3 courses, all having nine holes. (Note: We include Island Lake as a Par 3 course, even though technically as a Par 28, it can be considered executive. Yet its characteristics are a lot more in line with the Par 3 courses than the Executive courses).

We further divided the 18-hole regulation courses into three groups based on peak fee pricing (weekend green fee plus cart), based on NGF guidelines. We find that just seven (11%) are considered Premium (fee over \$70), and only two (3.2%) are Value (under \$40), with the rest being Standard or Mid-Fee. All three of the RC Golf 18-hole courses are Standard as is Battle Creek, which is nine-hole.

## 18-Hole Regulation Courses

These courses represent the primary competition to most of the RC Golf facilities (save the Golf Dome and Island Lake). They are also, by far, the most numerous of the course types.

## Characteristics

The chart below summarizes some of the characteristics of the 18-hole regulation courses. We will discuss these and other characteristics below.

| Course Characteristics - 18 Hole Regulation |          |               |              |              |              |              |             |            |
|---|----------|---------------|--------------|--------------|--------------|--------------|-------------|------------|
|   | Qty      | % Muni        | Length       |              |              | Slope Bk     | # Bunkers   | # Tees     |
|   |          |               | Back         | Regular      | Forward      |              |             |            |
| All   | 63       | 39.7%         | 6,558        | 6,096        | 5,065        | 129.2        | 37.9        | 4.0        |
| Premium                                     | 7        | 14.3%         | 7,022        | 6,221        | 4,974        | 138.9        | 79.0        | 4.6        |
| Standard                                    | 54       | 44.4%         | 6,506        | 6,075        | 5,073        | 128.7        | 33.8        | 3.9        |
| Value                                       | 2        | 0.0%          | 6,390        | 6,067        | 4,898        | 119.5        | 18.5        | 4.0        |
| <b>RC Golf</b>                              | <b>3</b> | <b>100.0%</b> | <b>6,435</b> | <b>6,061</b> | <b>5,115</b> | <b>128.7</b> | <b>36.7</b> | <b>4.0</b> |
| Keller                                      |          |               | 6,675        | 6,206        | 4,830        | 133          | 55.0        | 4.0        |
| Manitou                                     |          |               | 6,375        | 6,035        | 5,439        | 127          | 27.0        | 4.0        |
| Goodrich                                    |          |               | 6,256        | 5,944        | 5,076        | 126          | 58.0        | 4.0        |

### Municipal

Municipally owned courses made up 39.7% of the total. All but one of these (Edinburg) are Standard courses. And Edinburg is not totally municipal as it is a public/private partnership.

### Age

The average age for all the 18-hole courses was 45.8 years. The oldest, Theodore Wirth, was built in 1916. The newest, Stillwater Oaks, opened in 2014. In contrast, the three RC Golf courses average 80 years in age. Golfers typically prefer modern designs. However, Keller was extensively renovated in 2014 making it more of a modern course.

### Length

From the back tees, the courses range from 5,485 yards (Dwan) to 7,306 yards (Rush Creek), with an average of 6,558. Eight of the courses are over 7,000 yards, while only four are under 6,000. Of the ones below 6,000, two are Par 68 (Dwan and Theodore Wirth).

You will note that there is a strong correlation between price category and length. (We go into this in more detail later). This goes back to the point about the mental aspects of golf. Thanks in large part to media, the public perception is that 7,000 yards is the defacto “standard” length for modern courses. Courses that are under 6,500 yards are often referred to as “short” courses. “Short” in golf, is often perceived to mean “easy,” which, in turn, can mean “substandard.” So even though *most golfers play from less than 6,500 yards*, golfers of all abilities tend to prefer playing what are *perceived* to be better courses – which means longer. With this in mind, *all three RC Golf Courses are at a disadvantage.*

The “7,000” yard issue is more important if you are wanting to go after the tourist market, where golfers have little else to judge about a course. Currently, only eight of the courses are over 7,000 yards. In our opinion, only Keller would significantly benefit by going to over 7,000 yards, and then only if the tourists become a bigger focus (which we believe they should).

## Ramsey County Golf Study

The table to the left shows the percentage of golfers who play from various yardages. As can be seen, about 1% play from 7,000 or more. Half play from 6,000 to 6,450. And only 6% play from under 5,000 yards.

But what is misleading in this table is the fact that these yardages are not equally represented across courses. Indeed, few courses are over 7,000 yards long, and less than half (at least locally) have a tee under 5,000 yards.

There is also a bit of a sex bias. Very few men will play from the forward tee. So, if we assume that women account for 80% of the play from the forward tee, and that only 60% of the courses have forward tees under 5,000 yards and women only account for 20% of rounds played, we would find that between 1/3<sup>rd</sup> and 1/2 of women prefer to play from under 5,000 yards.

## Competition

| Tee Usage by Yardage |     |
|----------------------|-----|
| 7000+                | 1%  |
| 6500-6950            | 15% |
| 6000-6450            | 50% |
| 5500-5950            | 20% |
| 5000-5450            | 8%  |
| 4000-4950            | 5%  |
| 3000-3950            | 1%  |

## Low Handicap Golfers

Where RC Golf is at a *Big* disadvantage, though, is with low-handicap golfers. About 26% of players like to play from over 6,500 yards. Yet only Keller is this length. *Both Manitou and Goodrich are at a significant competitive disadvantage with regards to lower-handicap golfers.*

## Women

Women hit the ball about 70% as far as men. As men typically prefer playing from 6,000 to 6,500 yards, the equivalent for women is between 4,200 and 4,550. Yet the *average* length from the forward tees of these courses is 5,065 yards, which is the equivalent to 7,267 yards for women! This is longer than all but one of the 63 courses. Further, only about 1% of men play from over 7,000 yards, yet this is what is being expected from women at *most* of the golf courses in the area.

Not only does this make the game less enjoyable for women, but it also means it takes them longer to play, as the added length adds strokes, which adds time. And because a golf course is like a train in that it moves at the speed of the slowest car, this slows the pace of play for *everyone* on the golf course.

Only 1/3<sup>rd</sup> of the courses surveyed were under 5,000 yards from the forward tee, and only five were in the desired range of under 4,600 yards.

The Ramsey County courses were particularly bad, averaging 5,115 yards, or the equivalent of 7,376 yards. Keller was the most accommodating, with a length of 4,830 yards (6,900 equivalent). Goodrich, at 5,076 yards, is the equivalent of 7,459 yards. But Manitou was the most unwelcoming at 5,439 yards, the equivalent of a 7,770 yard course for women! Only three other courses in the area are longer.

Clearly, RC Golf is not alone in their disdain for the female player. But this does mean *there is a significant market opportunity* for RC Golf should it decide to build new forward tees at its facilities. Doing so, could allow RC Golf to *dominate* the market for women players.

## Seniors

As may be obvious from this discussion, there is a wide disparity in the preferred yardage for golfers. It stands to reason, then, that the more tees you have, the more golfers you are able to accommodate at their "preferred" yardage.

Most golf courses today recognize this fact and create a fourth tee that is mostly used by seniors. (The other three: Back tees – for low-handicap players; Middle (white) tees – for the average male player; Forward tees – mostly for women). Indeed, 45 (71%) of the surveyed courses had a "senior" tee, including the three RC Golf facilities. These tees averaged 5,574 yards in length. (The three RC golf courses were very close, averaging 5,548 yards).

## Number of Tees

As may be obvious from this discussion, there is a wide disparity in the preferred yardage for golfers. It stands to reason, then, that the more tees that you have, the more golfers you are able to accommodate at their “preferred” yardage.

Therefore, you see many modern courses elect to have five or more sets of tees. In this configuration, the back tees are for the lowest handicap players (read “mostly for show”). The next farthest back are the “Championship” tees, typically 6,500 to 6,800 yards, and are for the lower-handicap players. The regular, or white tees are typically around 6,250 yards give or take 200. The senior tees are around 5,000 and the forward tees are hopefully under 5,000 (preferably around 4,500).

In the Local market, only 12 of the courses had more than four sets of tees. The number is highly correlated with peak fee. Four of the seven are Premium courses. Ten of the 12 are priced \$59 or more. On the other hand, the ones with just three sets of tees tended to be lower-fee courses.

## Slope

Slope is a measure of a course’s difficulty. It is determined by a panel of judges, who rate the courses on difficulty from each tee. As such, it is an attempt to objectify what is often very subjective. The average slope for all courses and all tees is 111. The higher the number, the more difficult the course. Courses with slopes below 100 are considered “very easy” while those over 140 are “extremely difficult.”

Slope is one of the few statistics a golfer can use (along with length, par and USGA rating – which is mostly a function of length) to judge a course to determine where they might want to play. Slope is also used in calculating a person’s “handicap,” which is used in competitive golf to help “level the playing field.”

Overall, the surveyed courses had an average slope of 128.7 from the back tee, ranging from 113 (Dwan) to 148 (Rush Creek). About half (30) of the courses had a slope of 130 or more, while only four were less than 120.

Like length, slope is highly correlated with peak fee, at least from the back tee, which is often the only one noted in publications. The Premium courses averaged 138.9, while the value courses averaged just 119.5.

Keller, at 133, is market competitive. However, *both Manitou and Goodrich are at a competitive disadvantage, at least with the better golfers.*

## Bunkers

The number of bunkers is not a published stat. However, it is also highly correlated with fee structure. The overall average is 37.9 bunkers. Premium courses, though, averaged 79, the Mid-Fee courses averaged 33.8, and the value courses just 18.5. Goodrich, with 58 bunkers *has a lot more bunkers than other courses in its price range.* Since value golfers (golfers who prefer low-fee courses) tend to be higher handicap players, having 58 bunkers puts *Goodrich at a market disadvantage* for the golfers in its price-point.

## Driving Range

All but nine of the surveyed courses had driving ranges. Ranges are important for several reasons, including:

- Added revenue source.
- Teaching
- Practice
- Tournaments

Goodrich, which has no range, *is at a competitive disadvantage.*

**Fees**

Before we begin this discussion, it is necessary to define some terms:

- Peak Fee:** This is the maximum in-season regular rate for green fee plus cart fee that occurs during the week and on weekends. These peak fees are almost always morning rates from 7 am till noon, although this will vary by facility. We looked at both 9-hole and 18-hole rates.
- Rack Rate:** The rack rate is the published rate that appears on the website for peak season play for various types of play (18-hole, 9-hole, senior, twilight, etc.).

| <b>Peak Playing Fees - 18 Hole Regulation</b> |                     |                 |                     |                 |                   |
|---|---------------------|-----------------|---------------------|-----------------|-------------------|
|   | <b>Weekday Peak</b> |                 | <b>Weekend Peak</b> |                 | <b>Passes</b>     |
|   | <b>9 Holes</b>      | <b>18 Holes</b> | <b>9 Holes</b>      | <b>18 Holes</b> | <b>Individual</b> |
| <b>All</b>                                    | \$32.00             | \$54.04         | \$33.72             | \$57.97         | \$1,512           |
| <b>Premium</b>                                | \$48.00             | \$91.43         | \$48.00             | \$95.00         | \$3,361           |
| <b>Standard</b>                               | \$30.73             | \$50.31         | \$32.61             | \$54.34         | \$1,320           |
| <b>Value</b>                                  |                     | \$28.00         |                     | \$32.50         | \$599             |
| <b>RC Golf</b>                                | <b>\$33.30</b>      | <b>\$52.30</b>  | <b>\$33.30</b>      | <b>\$52.30</b>  | <b>\$1,500</b>    |
| <b>Keller</b>                                 | \$34.50             | \$61.00         | \$34.50             | \$61.00         | \$1,500           |
| <b>Manitou</b>                                | \$34.00             | \$50.00         | \$34.00             | \$50.00         | \$1,500           |
| <b>Goodrich</b>                               | \$31.50             | \$46.00         | \$31.50             | \$46.00         | \$1,500           |

Unless otherwise noted, when we discuss playing fees, we are including both green fee and cart fee.

**Weekday Rates**

**18-hole**

The average Peak weekday rate was \$54.04, ranging from \$25 at Badlands to \$139 at Rush Creek, a spread of \$114. The three RC Golf facilities, in comparison, had just a \$15 spread, from \$46 at Goodrich to \$61 at Keller. Combined, the three courses averaged \$52.30, which is just a bit higher than the average for all “Standard” or “Mid-Fee” facilities at \$50.31. Manitou, at \$50, was right at the average.

There was not a huge difference between municipal and daily fee. The 23 municipal courses averaged \$52.04, while the non-municipal averaged \$55.19.

**9-hole**

Fifty-one of the courses (81%) advertised a 9-hole rate. The average nine-hole rate was \$32.00, ranging from \$20 to \$57. However, *there is only a three dollar difference between the three RC Golf Courses.* This does not make sense, given the \$15 spread for 18-holes. As was the case for 18-holes, the RC Golf courses were a little higher than the overall average, with \$33.33.

The average discount for 9-holes from 18-holes was 38.3%. The Ramsey County courses were slightly under that at 35.7%. But there was a big difference between the three. Goodrich (31.5%) and Manitou (32%) were lower than the overall average, while Keller, at 43.4%, provided a significantly greater discount for nine-hole play. *Keller appears to be underpriced for nine holes relative to their 18-hole rate.*

We also noted there was a difference between municipal and non-municipal courses. While the amount of discount was very similar (37.9% vs. 39.2%), all but one of the municipal courses (96%) advertised a nine-hole rate. In contrast, only 67% of the non-municipal courses did.

There was no significant difference based on rate band in terms of the percentage discount.

## Senior Rates

The average playing fee for seniors was \$40.05. Ramsey County, though, was almost 5% less at \$38.17 compared to the rest of the market at \$40.16.

In terms of percentage discount, Ramsey County was significantly more generous than average. The overall average discount was 21.8%. But the three Ramsey County courses averaged 27.3%, while the non-RC Golf courses averaged just 21.5% - a difference of nearly a third (27.3%). Here, Keller was the least generous at 25.4% discount, compared to 29.3% at Goodrich and 27% at Manitou.

Interestingly, the percentage discount was almost the same for Premium (22.6%) and Standard (22.5%) courses. But there is a difference between municipal and non-municipal.

First, again all but one of the municipal courses offered a senior rate (96%) compared to 85% for the non-municipally owned. However, the surprising finding was that the municipal courses gave seniors *less* of a discount, on average than the non-municipal, despite RC Golf's high average. The municipal courses averaged 19.7% discount for seniors compared to 23.1% for the non-municipal. In fact, only two municipal courses gave seniors a bigger break than the three RC Golf courses. Ten of the municipal courses gave less than 20%. *RC Golf appears to be overly generous to seniors.*

## Twilight

Twilight rates were originally for play during the late afternoon when a player could easily finish nine holes but might not be able to complete 18. However, it has since morphed into being any discounted afternoon rate and may start as early as 1 pm. A lot of courses now offer a "super-twilight" rate that is closer to the original "twilight" rate definition.

Overall, the courses average twilight rate was \$38.17. But not all courses offer a twilight rate. In fact, just 75% of the ones surveyed had an advertised twilight rate. The RC Golf course were right on the average at \$38.00. In terms of discount, the average twilight discount (from rack rate) was 30.5%. RC Golf was a little less generous at 27%.

## Weekend Rates

Golf pricing is prototypical supply and demand. The price is higher when demand is heavy and often deeply discounted when it is not. As weekend mornings are usually your highest demand times for metropolitan public courses, this is when the fee is highest. It is usually cheapest during the week at late afternoons (Twilight).

Weekend rates are the ones most advertised. It is how NGF and other organizations will group courses. For example, the distinction of Premium vs. Standard vs. Value is based on the *weekend* rate, not the weekday.

Nationally, most public golf courses in non-resort locations will charge a higher rate on weekends. Locally, we found that 71% of the courses did charge a higher rate on weekends. RC Golf is not among them, however, as they changed their pricing philosophy in 2018 and eliminated the weekend rate.

Municipal courses were much more likely to *not* charge more on weekends as 43% had the same rates throughout the week. This contrasts with just 20% for the non-municipal courses. It is also highly correlated with price band. Few of the Premium courses (29%) have a weekend rate, while most (78%) of the Standard and both Value courses do.

For the courses that have a higher weekend rate, the average increase over the weekday rate is 11.3%. Several facilities charged weekend rates on Fridays, because demand on Fridays is so much higher than other weekdays. A few facilities charged a rate on Friday that was in-between the Weekday and Weekend rate. Both practices, however, were relatively scarce in this market (although both are very popular in other markets).

The issue for municipalities charging a higher rate on weekends often comes down to whether they are taking an “amenity” approach or a “Profit” approach to their golf operations. The amenity approach will have no rate increase on weekends, while the profit approach is all about supply and demand. If the demand is greater, then the price is higher.

As the County Commissioners on October 8<sup>th</sup> indicated a desire to increase profitability, *we recommend a higher rate structure on weekends*, especially at Keller which has very high demand on weekend mornings. Manitou does not appear at this time to have as high a demand, so any increase there is nominal.

### 9-Hole Rate

The average nine-hole rate was \$33.72 on weekends. There was very little difference between the RC Golf Courses (\$33.33) and the non-RC Golf courses (\$33.75). The average discount off 18-holes was 39.6%. RC Golf courses were a bit less generous at 35.7%. Keller was the most generous at 39.9%.

### Seniors

*Most facilities do NOT offer a senior rate on weekends.* The main reason they offer a senior rate during the week is because seniors are the primary market during the week. But because weekends are so much higher in demand, facilities are much less likely to want to discount play when they know they can get a higher rate from other players. The MSP market is unusual in that so many facilities do offer a discount, although the majority do not.

In this market, we found that 41% of the courses did offer a senior rate. However, almost all of them restricted that rate to weekend afternoons, protecting their highest demand times. The three RC Golf facilities are among those offering a senior rate on weekend afternoons.

For those facilities that offer a senior rate on weekends, the amount of discount averaged 24.0%. RC Golf was a little more generous, offering an average of 27.3% discount compared to 23.5% for the non-RC Golf facilities.

*We recommend decreasing or eliminating the senior rate on weekend afternoons at Keller, given the demand there is much greater.*

### Twilight

The percentage discount for twilight rates on weekends was 34.8% compared to 30.5% on weekdays. The reason for this is that a lot more facilities charge the same twilight rate on weekends as they do during the week, even if they charge more during peak play times. Again, this is a practice we do not often see outside of MSP.

### Demand Pricing

We could only find two courses that were offering true demand pricing, where the fee will vary constantly by demand. As you get closer to the teetime, the price goes down if it has not already been booked. Island Lake uses this model.

We are not a big fan of demand pricing. The reason is that it trains your golfers to wait until the last minute to book, because they want the best rate. If you happen to be booked, they will go to another facility. In other words, it is doing *the exact opposite* of what you want. You would like to have your customer book early, as that not only assures performance, but it allows for more effective planning and staffing.

Demand pricing can work well if you are a facility that is busy and just trying to fill a few gaps in the teesheet. But if customers know there are always teetimes available, then there is no incentive for them to book early. The result is that your yield will suffer greatly, and you risk losing more customers as they go to other facilities when they wait till the last minute and you are booked.

*We do NOT recommend demand pricing at any of the RC Golf facilities.*

### Golf Now/EZ Links (Teetimes.com)

A little over a third (22) of the facilities allow golfers to book teetimes on either or both most popular teetime portals – GolfNow.com (Golf Now) or teetimes.com (EZ Links). These portals usually offer discounted rates. EZ Links is the POS system provider for RC Golf. Manitou was the only RC Golf course to participate, other than the free teetimes the other facilities must provide EZ Links in exchange for the POS system. Some observations:

- Eleven of the facilities (50%) offered a weekday discount with advanced booking more than a day out. The average discount was 14.5%.
- The number increased to 14 facilities (63.6%) for next day bookings during the week, with an average discount of 17.7%.
- Twelve facilities offered a discount for advanced booking on weekends, with an average discount of 13.9%

It is possible that some of the facilities that did not offer a discount were already booked for that time period.

### Range

The average price for a small bucket of balls was \$4.80. A mid-size bucket ran an average of \$7.81 and a large \$9.54. The two RC Golf facilities were notably less expensive, both cost \$4 for a small bucket. Manitou is \$7 for a large, while Keller does not sell a large bucket – instead you get double the small buckets (for \$8). In contrast, the non-RC golf facilities averaged \$4.88 for a small and \$9.77 for a large. *RC Golf appears to be underpriced.*

### Season Passes

Season passes are essentially prepaid green fees. Most of the courses refer to them as “memberships,” and may include additional benefits such as special events, discounts on merchandise, etc. RC golf has a season pass that is good for all three of its 18-hole facilities. But it does not sell one for each individual course (except Battle Creek, which is a nine-hole facility).

### Individual

Forty-eight of the facilities offer an individual season pass (green fee only). The average price was \$1,512 for individuals for seven-day-a-week play. At \$1,500, RC Golf is very close to the average for non-RC Golf facilities (\$1,534).

The value in a season-pass, however, is the “break-even” point for the pass. In other words, how many full-fee rounds would you have to play for the pass to pay for itself. We calculate this simply by taking the cost for the pass and dividing it by the average peak green fee. Average peak green fee is calculated by adding the peak green fee for weekday together with the peak green fee for the weekend and dividing by two. With break-even, the lower the number, the better the value.

With this measure, we find a substantial difference between RC Golf and the competition. The three RC Golf facilities averaged a break-even of 42.48, which is about 25% higher than the break-even for non-RC Golf facilities (35.23). Keller, at 33.33 rounds, is close to the average. But Manitou (44.12) and Goodrich (50) are significantly higher. Just three facilities had a higher break-even than Manitou’s (Sundance at 54.33, Dakota Pines at 56.9, and Southern Hills at 57.68). *Manitou and Goodrich are at a significant competitive disadvantage with their high season-pass fee.*

There is also a difference based on price point. The break-even for Premium facilities was 39.67 rounds, compared to 35.49 for mid-fee and just 27.15 for value courses. Again, Manitou and Goodrich stand out.

### Senior Individual

A little less than half (26) of the facilities offered a senior pass. Ramsey County, at \$1,200, was significantly higher than the \$1,003 average for the non-RC Golf facilities. In addition, the break-even point of 33.99 for RC Golf was 1.26 times higher than the 26.99 for non-RC Golf.

Keller was very close to the average for the non-RC Golf facilities at 26.67 break-even. But Goodrich (35.29) and Manitou (40) were much higher.

### Junior Passes

The annual pass for juniors (kids 18 and under) is \$400 for RC Golf. This is \$61 less than the \$461 average for non-RC golf courses. However, their average was greatly distorted by the three facilities charging over \$500 (Troy Burne at \$2,895, Stoneridge at \$2,125 and Rush Creek at \$2,000). If these three are removed, the average for non-RC Golf falls to \$313.

### Couples and Family

RC Golf does not offer couple or family passes. Twenty-three facilities offer a couple season pass or membership, and 22 offer a family one.

### Patron Program

Forty percent or 25 of the facilities offer a program like the Patron program at the RC Golf courses. Some call it Patron, others call it "VIP," or various other names. But the program works similarly in each case. The person purchases a card that gives them a discount on the regular green fees at the course. Some, like RC Golf did in 2017 but not this year, include one free green fee with the purchase.

The cost of the card averaged \$122.50. Ramsey County's \$25 was the cheapest. The non-RC Golf courses averaged \$138. There was a big difference in price point, as Premium course averaged \$299, while the Mid-Fee courses averaged \$100.

The program is much more prevalent at municipal courses, where 17 of the 23 courses have one, with an average price of \$76.47. Only four daily fee courses had a similar program, with an average cost of \$249.

The discount received from the card also varied quite a bit. The average during the week was 17.1%. RC Golf courses, though, only gave 10.8%, while non-RC Golf courses provided an 18% discount. The Daily fees offered a better discount (21.7%) than municipal (14.3%) and Premium courses (21%) were more generous than Standard (15.4%).

The discounts were slightly higher on weekends (17.5%), although RC Golf had the same rate (10.8%).

In general, the amount of discount varied in direct relationship with the price of the card.

## Performance

### Rounds

We were able to get rounds counts from 32 of the 63 facilities (but just two of the seven Premium courses). In many cases, the rounds were estimated by the pro, although we did get exact counts on most of the municipal courses.

The average number of rounds for 18-hole regulation courses was 31,391 (2017). The RC Courses averaged 6% less than non-RC Golf courses, averaging 29,665 compared to 31,569 for non-RC Golf. Manitou led the way for RC Golf, with 30,350, followed closely by Goodrich at 29,801 and Keller at 28,972. Troy Burne reported the fewest rounds, at 20,000

For the courses that reported both 2016 and 2017 rounds, there was a downward trend, with an average decline of 3.4%. In contrast, the RC Golf facilities reported a slight decrease (0.2%), while the non-RC Golf facilities had a 4.5% decrease. RC Golf’s increase was due to Goodrich, which had a strong 10.6% increase in play, but it’s gains were balanced by Manitou’s 11.1% decline. Keller was virtually the same both years.

To get a better idea of what might be behind the performance, we grouped courses based on their rounds, then compared various characteristics of these groups. The result is seen in the table below.

- Rounds performance was roughly correlated with price, with the higher-priced facilities out-performing the lower-priced. This was especially true if Troy Burne is not included.
- Similarly, courses that were more difficult (up to a point) tended to have more rounds. Although this is highly correlated with price.

| Rounds by Course Characteristics |           |          |           |       |           |
|----------------------------------|-----------|----------|-----------|-------|-----------|
| # Rounds                         | # Courses | Peak Fee | Back Yard | Slope | # Bunkers |
| Over 40k                         | 4         | \$61.50  | 6,620     | 135.8 | 50.0      |
| 34-39k                           | 5         | \$56.10  | 6,585     | 129.4 | 36.0      |
| 30-34k                           | 8         | \$55.55  | 6,545     | 128.6 | 37.1      |
| 25-29k                           | 7         | \$52.14  | 6,294     | 130.3 | 30.9      |
| < 25                             | 8         | \$54.63  | 6,431     | 126.6 | 40.6      |
| <25*                             | 7         | \$47.00  | 6,353     | 124.4 | 27.5      |
| * Excludes Troy Burne            |           |          |           |       |           |

### Revenue

We were able to get actual revenue numbers from twelve of the facilities – all municipally owned. The average total revenue was \$1,938,104. Distorting this figure is Bunker Hill’s \$6,689,204, which was well more than double the nearest competitor – Keller, with \$2.7 million. Both facilities get a large share of their revenue from their banquet operations, although Bunker Hill’s dwarfs that of Keller’s. Bunker Hill is also a 36-hole facility.

Greenhaven reported the lowest revenue at \$974,193. But Goodrich, at \$989,296, was not much better.

Perhaps the best indicator of performance is revenue per round. The average for the 12 courses was \$50.93. But the range was big, going from \$28.69 at Greenhaven to \$119.34 at Bunker Hill. Keller’s \$93.72 was the next highest. Goodrich’s \$33.34 was better than Greenhaven, Dwan (\$32.54) and Inver Wood (\$33.29). Manitou’s \$38.02 was next highest after Goodrich. Brookview, at \$51.73, was the only other facility with revenue over \$50 per round. Edinburg’s figures, however, only represent the City’s share of the revenue and does not include merchandise or food & beverage sales.

### Net Operating Income

We have Net Operating Income (NOI) from nine of the municipalities. NOI is calculated by subtracting operating expenses and cost-of-sales from gross revenue. It does not include depreciation, taxes or debt service. *We do not have actual NOI figures for the RC Golf facilities as we are lacking information from Fleet Services.*

The average NOI was a \$355,233 *operating loss*. Four of the municipalities reported a positive NOI, with Eagle Valley’s \$354,354 leading the way. Inver Wood’s \$2,215,047 loss was by far the biggest. Edinburg’s (\$445,012) was the next highest loss.

### Price Point Comparisons

We looked at how courses at different price points compare on various characteristics. Below is a table that shows those characteristics that are most highly correlated with price. An important part of this is our

subjective ratings that were done when we visited the courses. We rated the courses on a 10-point scale, with 1 being bad and 10 being excellent, on five factors: curb appeal of the facility, the surrounding neighborhood, course condition, aesthetics, and clubhouse. These ratings are all based on *instant impressions* and without any foreknowledge of the facilities, including price, etc. We did not inspect the entire course, but rather just those holes that were plainly visible either from the road or from around the clubhouse. The results are given in the table below.

| Characteristics By Price Point |                 |        |       |           |          |                    |              |           |           |            |
|--------------------------------|-----------------|--------|-------|-----------|----------|--------------------|--------------|-----------|-----------|------------|
|                                | Characteristics |        |       |           |          | Subjective Ratings |              |           |           |            |
|                                | Par             | Length | Slope | # Bunkers | # Rounds | Curb Appeal        | Neighborhood | Condition | Clubhouse | Aesthetics |
| Over \$70 Premium              | 72.0            | 7,022  | 138.9 | 79.0      | 25,888   | 8.4                | 8.6          | 8.9       | 8.7       | 8.9        |
| \$60-\$69                      | 71.9            | 6,814  | 134.1 | 51.8      | 39,305   | 7.3                | 7.1          | 7.3       | 7.9       | 7.4        |
| \$55-\$59                      | 71.7            | 6,605  | 130.0 | 37.3      | 35,700   | 7.1                | 6.7          | 7.5       | 7.4       | 6.7        |
| \$50-\$54                      | 71.5            | 6,387  | 127.7 | 28.7      | 28,131   | 6.7                | 6.3          | 6.9       | 6.9       | 6.2        |
| \$45-\$49                      | 71.4            | 6,256  | 124.2 | 21.1      | 30,250   | 5.6                | 6.1          | 6.2       | 6.2       | 5.0        |
| Under \$45                     | 72.0            | 6,378  | 122.4 | 27.3      | 26,319   | 5.8                | 6.8          | 6.7       | 7.0       | 5.5        |

As can be seen, the subjective impressions of the facility do correlate strongly with the price point as do features that tend to correlate with course difficulty such as length, slope and number of bunkers. Why is this important? Because golfers intuitively make these same correlations. So, they *expect* a lower-priced facility to be a lot easier to play than a higher-priced one. Problems then occur when expectation does not meet reality. For example, if a high-priced course is too easy, or an inexpensive course is too difficult, these courses are likely to struggle.

We also compared our subjective ratings for the RC Golf facilities (done before we did any interviews or in-depth analysis) with the other facilities. We see that the RC Golf facilities match up well in most areas – except one critical one –

| Subjective Ratings |             |              |           |           |            |
|--------------------|-------------|--------------|-----------|-----------|------------|
|                    | Curb Appeal | Neighborhood | Condition | Clubhouse | Aesthetics |
| Ramsey County      | 6.8         | 5.8          | 7.3       | 7.3       | 7.3        |
| Non RC Golf        | 6.8         | 6.9          | 7.2       | 7.3       | 6.5        |

neighborhoods. The RC Golf facilities tended to be in worse neighborhoods than the competition. This is an important consideration as the previous table shows neighborhood to correlate strongly with price. Again, this correlation is intuitive to golfers. Thus, the relatively poor location for the RC Golf course can have a significant impact on performance. Unfortunately, this is one factor over which the County has little control over.

## Food & Beverage

We looked at the menus at 27 of the facilities. They were evenly split between full-service restaurants (32% - mostly in the Premium and higher dollar facilities), grill operations (39%), and snack-bar (29%). Both Manitou and Goodrich qualify as snack bar, while we consider Keller to be a restaurant.

We looked at the price on six items, as well as noting whether they offered a salad. The six items were: Hamburger, Hot Dog, Draft Beer, Can Beer, Soda and Wraps.

The average cost for hamburgers was \$6.91. Manitou will offer hamburgers occasionally when it uses its outside grill, charging \$4. Goodrich does not offer hamburgers. Hot Dogs averaged \$4.22, ranging from \$2.25 to \$7. Manitou charges \$3.25 and Goodrich \$3.50, making them among the least expensive. *Keller is the only course NOT to offer a hot dog*, considered a staple in the industry.

Of the facilities offering beer, three-fourths had tap beer. The average price of a draft beer was \$4.35. Goodrich, with 10 choices, charges \$4.50. Manitou starts at \$3.75, and Keller is at \$5.

Canned beer ranged from \$2.50 to \$8.50, averaging \$4.51. Manitou was the cheapest of all the courses at \$2.50, while Goodrich was in the middle at \$4.50. Keller was at \$5.50.

Sodas averaging \$2.55. Courses offering fountain drinks were usually cheaper. Manitou, at \$1.50, was the cheapest, while Goodrich again was in the middle at \$2.50. Keller offers a fountain soda at \$2.25.

Sadly, only 32% of the facilities offered a wrap. Manitou, which added a wrap this August on our recommendation, was one of them, as is Keller. Goodrich still does not offer one. Wraps averaged \$8.22. Manitou, at \$4, was again the cheapest. Keller at \$9, was towards the high end (\$10.25).

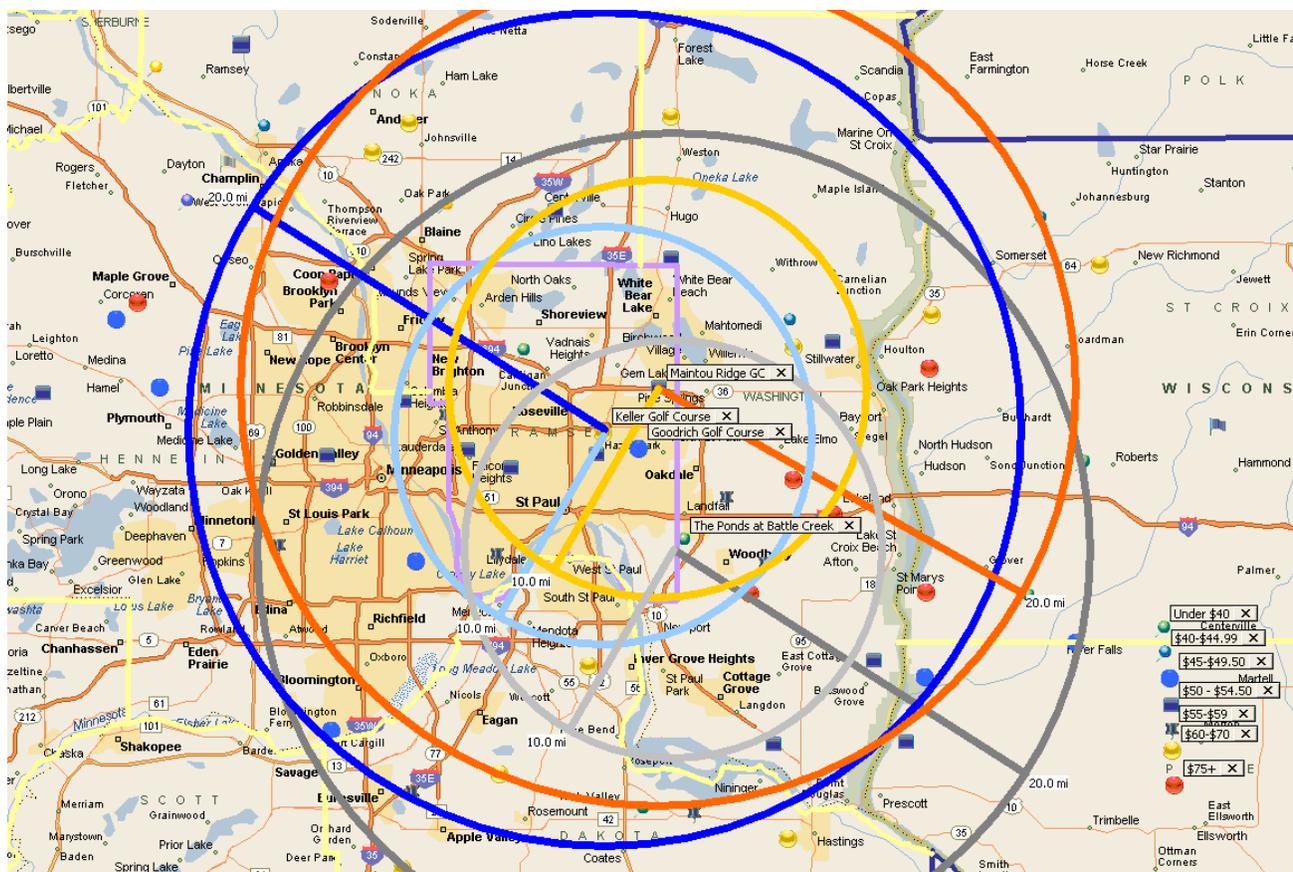
Even fewer of the facilities (30%) offered a salad. Keller is the only RC Golf facility to do so.

The lack of wraps and salads again shows the lack of consideration towards women golfers, who tend to prefer more healthy choices than men. Certainly, RC Golf is not alone in this area. However, it does point out the opportunity to potentially dominate the market for women golfers.

### Distribution by Price

The map below shows a color and shape coding for each facility based on its price point. It also shows the 10- and 20- mile radii for Keller, Manitou and Battle Creek. (Goodrich’s overlaps so much with Keller and Manitou that we felt it is confusing to include.) Observations include:

- The Premium courses are largely on the periphery. *There are no Premium courses in the more densely populated areas.*



- Keller, if made premium, is the closest premium facility to downtown St. Paul and second closest to downtown Minneapolis (and probably the fastest to get to). It is also the most accessible from the airport, Mall of America, Bloomington and many of the southern suburbs.

- Similar statements can be made for courses that are under \$45. They are also located in more rural areas. Goodrich, should it be made a value facility, should be able to dominate the market because of its location relative to the population centers.

## Alternative Courses

We will use the descriptor “Alternative Courses” to describe all other golf courses except 18-hole regulation. Combined, they account for about 1/3<sup>rd</sup> of the golf courses in the Local area – five 9-hole regulation, two 18-hole executive, 13 9-hole executive, and 14 9-hole Par 3 courses. RC Golf has two of these – Battle Creek, a 9-hole regulation course, and Island Lake, which is technically a nine-hole “executive” course because it has a Par of 28, but we consider in our analyses as a Par 3 (Par 27) because it much more closely fits into this category than an executive course.

The table below provides a capsule summary for these courses.

| Course Characteristics - Alternative Courses |     |        |         |        |         |         |          |           |        |          |
|--|-----|--------|---------|--------|---------|---------|----------|-----------|--------|----------|
|  | Qty | % Muni | Avg Age | Length |         |         | Slope Bk | # Bunkers | # Tees | Peak Fee |
|  |     |        |         | Back   | Regular | Forward |          |           |        |          |
| <b>9 Hole Regulation</b>                     | 5   | 80.0%  | 53.0    | 2,811  | 2,640   | 2,324   | 124.0    | 13.4      | 3.0    | \$39.00  |
| <b>Battle Creek</b>                          |     |        | 14.0    | 3,023  | 2,613   | 1,740   | 131.0    | 20.0      | 5.0    | \$46.00  |
| <b>18 Hole Executive</b>                     | 2   | 0.0%   | 31.8    | 4,593  | 4,348   | 3,967   | 93.5     | 27.0      | 2.0    | \$40.25  |
| <b>9 Hole Executive</b>                      | 13  | 61.5%  | 40.5    | 1,811  | 1,708   | 1,422   | 95.3     | 6.3       | 2.6    | \$29.45  |
| <b>9 Hole Par 3</b>                          | 14  | 64.3%  | 39.6    | 1,260  | 1,224   | 1,093   | 91.4     | 3.6       | 1.9    | \$25.96  |
| <b>Island Lake</b>                           |     |        | 23.0    | 1,262  | 1,262   | 1,129   |          | -         | 2.0    | \$18.50  |

## 9-Hole Regulation

There are only five nine-hole regulation courses in the market. Battle Creek is the newest, by far the most challenging, and the most expensive of these. Indeed, Battle Creek is the only RC Golf facility to have five sets of tees, which maximizes its ability to attract golfers of varying abilities.

## Executive Courses

RC Golf does not have any executive courses (we categorized Island Lake as a Par 3). In the market, there are two 18-hole executive courses and 13 9-hole executive courses. These courses tend to be very easy, with slopes from the back tees below 100. They are older and have limited tee choices, with most courses having just two (Inver Wood stands out with four.)

The fifteen executive courses represent 15.6% of the local public courses. This is nearly three times the national average of 5.6%.

## Par 3 Courses

Par 3 courses are rather abundant in the marketplace, with 14 total including RC Golf’s Island Lake. This number represents 14.6% of the supply, over three times the national average of just 3.9%. These courses tend to be very easy (average slope of just 91.4 from back tee), with few, if any bunkers.

Island Lake is close to the average on most measures. At 14 years, it is one of the newer courses, although Braemar (3years old) and Rush Creek (six) are newer. Island Lake is also one of the least expensive of the Par 3 courses.

## Ratings

In addition to our own quick ratings, we looked at golf course ratings from four sources: Google, Golf Advisor, Yelp and Facebook. All four services have readers rank the course on a scale from one to five, with five being the highest. We then calculated a combined rating by multiply the average score by the number of respondents for each rating, adding them up, and then dividing by total number of responses.

The overall average was 4.1. with an average of 147.5 respondents per course. The number of respondents does not necessarily mean the most popular but is more likely an indicator of popularity among non-regulars as regulars seldom rate their own courses.

The Ramsey County course fared a little worse than average, with the three big courses averaging 4.08 and

| Characteristics by Average Rating |     |        |        |       |          |        |
|-----------------------------------|-----|--------|--------|-------|----------|--------|
| Average Rating                    | Qty | % Muni | Length | Slope | Peak Fee | Rnds   |
| 4.5+                              | 7   | 14.3%  | 6,963  | 138.1 | \$77.25  | 38,026 |
| 4.25-4.5                          | 15  | 6.7%   | 6,707  | 130.1 | \$57.71  | 26,062 |
| 4-4.25                            | 18  | 44.4%  | 6,483  | 126.6 | \$52.08  | 31,335 |
| 3.75-4                            | 6   | 100.0% | 6,208  | 127.5 | \$52.50  | 31,644 |
| <3.75                             | 7   | 42.9%  | 6,197  | 125.1 | \$47.29  | 35,389 |

93 responses, while the non-RC Golf facilities averaged 4.14 and 150.74 responses. As might be expected, Keller had the best ratings of the three, at 4.3, with 108 response. Manitou and Goodrich

were very close to each other. Manitou averaged 3.98, with 109 responses, while Goodrich was a shade behind with 3.94 (62 responses). Of the 53 18-hole courses rated, Keller had the 15<sup>th</sup> highest average score, but both Manitou (41<sup>st</sup>) and Goodrich (42<sup>nd</sup>) were near the bottom.

Premium facilities had the highest average score, with 4.5, while Standard courses averaged 4.07 and Value 4.21.

We then looked at the characteristics of courses by average rating. Municipal courses dominated the lower rating groups, but only accounted for one course each in the 4.25-4.5 and the 4.5 up ranges.

Average rating was highly correlated with length, following a pretty straight line. The same was mostly the case with slope, although the 3.75 to 4 category rated higher than the two ranges around it.

Average rating was also correlated with price, although again, the rating band 3.75 was a little higher than the rating above it, but higher than the one below it.

But the ratings were not really correlated strongly with performance, as measured by the number of rounds.

For the nine-hole regulation courses, Battle Creek was rated at 4.48 overall, which was second to Castlewood, but the best of all RC facilities. The rest of the nine-hole courses had an average of 4.2. Battle Creek also had the second most responses, with 81, where the non-RC Golf facilities averaged 52.5.

Island Lake also fared well. It had an average rating of 4.35, with 127 responses, the most of any Par 3 course. The average for the others was a rating of 4.22, with 48 responses.

It is important to keep in mind that these are *cumulative* ratings. They represent all the ratings that are currently posted on the various websites, which typically go back several years. But they are important as golfers new to the area will often refer to them in judging where to play.

## Impact of Renovations

Our research has shown that municipal golf courses that undergo major renovations see a significant improvement in both rounds and revenue. And if that renovation includes a rebranding of the facility, the results are significantly better.

A recent study by Sirius Golf Advisors, in conjunction with the NGF, has shown that major renovations, especially when coupled with market repositioning plus increased marketing, can have a dramatic impact on performance. This study examined municipal golf courses in the Dallas-Ft. Worth area. At the time of the study, nineteen of these facilities had undergone renovations in recent years, with six doing major (over \$3m) and four doing minor (under \$1m).

The two biggest findings were:

- Both minor and major renovations had a significant impact in the first year. However, the improvement tapered off for the courses with minor improvements, while performance continued to increase for the major renovations. However, both renovation types paid for themselves over time.
- By far, the biggest improvements were seen by courses that BOTH did major renovations and rebranded themselves. The Rebranders averaged a 65.5% increase in revenue (an average of \$699,601) in the first year, compared to an 18.1% increase (\$171,780) by the others. In the 2nd year, the Rebranders increased on average an additional \$241,352, for a total improvement of 74.3% over base in the 2nd year. This compares to a \$252,941 increase and 31.7% by the others.

In the October 2018 issue of *Get the Q*, the monthly publication from NGF, NGF reports that facilities are receiving a strong return on investment in renovations and details several case studies. The point out that facilities have invested \$3.25 billion in renovations over the past 12 years. This figure only includes major renovations that involved shutting at least nine holes of golf down for a minimum of three months. The article can be found at: [https://www.thengfq.com/2018/10/the-roi-on-course-renovations/?utm\\_source=ngf&utm\\_medium=Q&utm\\_campaign=Oct18&ID=1526568](https://www.thengfq.com/2018/10/the-roi-on-course-renovations/?utm_source=ngf&utm_medium=Q&utm_campaign=Oct18&ID=1526568).

So far, though, the renovation fever has not hit the MSP area. Few of the area facilities have had a major renovation in recent years, with Braemar, Keller and Tartan Park (now Royal Club) being the exception. Braemar is set to reopen next year.

## **Takeaways**

In general, the RC Golf facilities fare well against the competition in most areas. However, they are underperforming a bit with regards to rounds. But there is a strong case to be made for Keller to be elevated to Premium status and Goodrich to a Value course. In each case, the facility fits the profile for that class, and there is a demonstrable need in the area. This move should help the performance for all three RC Golf facilities as Keller and Goodrich are moving into areas of need, and Manitou is moving away from its two biggest competitors.

# PERFORMANCE

In looking at performance, we were most interested in the past few years and especially the last full year of information available to us (2017). The primary interest is with the facilities that have the most financial impact to the County, although we did look at all six.

We will first look at the more global statistics, then discuss each facility in greater detail.

## Cash Flow

RC Golf has been generating a positive cash flow for the County. However, this does not include debt service from the 2014 renovation, or the need for future capital improvements. Below shows performance history over the past six years.

| Ramsey County Golf Performance |                    |                    |                    |                    |                    |                    |                     |
|--------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|---------------------|
|                                | 2012               | 2013               | 2014               | 2015               | 2016               | 2017               | TOTALS              |
| Rounds                         | 95,920             | 60,224             | 86,294             | 108,952            | 108,078            | 107,009            | 566,477             |
| <b>Revenue</b>                 |                    |                    |                    |                    |                    |                    |                     |
| Green Fees                     | \$1,562,540        | \$843,866          | \$1,342,094        | \$1,764,704        | \$1,765,106        | \$1,735,961        | \$9,014,271         |
| Cart Fees                      | \$396,737          | \$233,752          | \$359,232          | \$451,857          | \$468,929          | \$465,626          | \$2,376,133         |
| Driving Range                  | \$13,625           | \$130,534          | \$128,906          | \$148,210          | \$147,144          | \$156,325          | \$724,744           |
| Food & Beverage                | \$68,269           | \$40,751           | \$90,799           | \$167,382          | \$187,204          | \$203,255          | \$757,660           |
| Merchandise                    | \$7,659            | \$7,358            | \$6,047            | \$6,145            | \$5,937            | \$12,184           | \$45,330            |
| Island Lake Lease              | \$60,000           | \$60,000           | \$75,000           | \$75,000           | \$75,000           | \$75,000           | \$420,000           |
| Golf Dome Lease                | \$27,840           | \$45,196           | \$37,088           | \$31,501           | \$30,879           | \$6,755            | \$179,259           |
| <b>Total Revenue</b>           | <b>\$2,136,670</b> | <b>\$1,361,457</b> | <b>\$2,039,166</b> | <b>\$2,644,799</b> | <b>\$2,680,199</b> | <b>\$2,655,106</b> | <b>\$13,517,397</b> |
| Rev/Round                      | \$22.28            | \$22.61            | \$23.63            | \$24.27            | \$24.80            | \$24.81            | \$23.86             |
| <b>Expenses</b>                |                    |                    |                    |                    |                    |                    |                     |
| Personnel Services             | \$936,680          | \$540,778          | \$912,809          | \$792,418          | \$1,044,662        | \$1,126,649        | \$5,353,996         |
| Other Services & Charges       | \$450,613          | \$313,157          | \$509,876          | \$602,587          | \$570,928          | \$504,514          | \$2,951,675         |
| Supplies                       | \$270,498          | \$136,293          | \$271,707          | \$286,529          | \$201,740          | \$171,739          | \$1,338,506         |
| Capital Outlay                 | \$536              | \$0                | \$0                | \$0                | \$5,632            | \$0                | \$6,168             |
| <b>Total Expenses</b>          | <b>\$1,658,327</b> | <b>\$990,228</b>   | <b>\$1,694,392</b> | <b>\$1,681,534</b> | <b>\$1,822,962</b> | <b>\$1,802,902</b> | <b>\$9,650,345</b>  |
| <b>Cash Flow</b>               | <b>\$478,343</b>   | <b>\$371,229</b>   | <b>\$344,774</b>   | <b>\$963,265</b>   | <b>\$857,237</b>   | <b>\$852,204</b>   | <b>\$3,867,052</b>  |

Important findings include:

- The big improvement from 2014 to 2015 is due to the reopening of Keller.
- Cash flow held steady the last two years, after falling from 2014.
- Revenue decreased 0.9% last year, but this was offset by a 1.1% decrease in expenses.
- The decline in expenses is due to a 11.6% decrease in “other services and charges” and a 14.9% decrease in supplies.
- Personnel services increased 7.8% last year and has increased by 42.2% since 2015.
- Meanwhile, supplies, which includes much needed fertilizer and chemicals, have decreased 40.1% over the same period.

- Revenue per round goes in two-year cycles, due to the County’s policy of fixing rates for a two-year period. There was little change from 2017 to 2018 as a result.

There are some important disclaimers, however. Most important, there are some big omissions on the County expenses. The biggest of which, is the cost of the maintenance equipment and golf carts, both obtaining and maintaining, and the fuel to operate them. This is because the maintenance equipment and golf carts are part of Fleet Services and not part of the Parks budget. Nor is water, a major expense, charged against the golf courses. Also missing are Parks administrative salaries tied to golf operations.



If all these factors are taken into consideration, the golf operation is likely to still be generating a positive cash flow, but the amount is probably closer to \$100,000 to \$150,000.

While the operation is generating a positive cash flow, this does *not* take into consideration capital improvements. Nor is any money being set aside for future capital improvements.

| Cash Flow by Facility |             |           |            |           |
|-----------------------|-------------|-----------|------------|-----------|
|                       | 2014        | 2015      | 2016       | 2017      |
| Keller                | (\$140,171) | \$513,030 | \$376,684  | \$507,871 |
| Goodrich              | \$101,046   | \$23,709  | \$109,576  | \$131,701 |
| Battle Creek          | \$4,843     | \$42,955  | (\$11,571) | (\$8,789) |

When we look at individual facilities, we see that Keller, by far, generates the most cash flow as it generates over \$500,000 a year, or about 60% of the total cash flow by the golf system. On the other hand, Battle Creek has had a

negative cash flow the past two years. And while Keller has been up and down the past three years, Goodrich has steadily improved. Its cash flow improved 455% from 2015 to 2017. As Island Lake, Manitou and the Golf Dome are leased out, they are also generating a positive cash flow to the County.

It also needs to be pointed out that while Keller’s \$500,000+ cash flow is strong operationally, it does not cover the approximate \$800,000 annual debt service from the \$12 million 2014 renovation.

Although we were not given a history of expenses from Fleet services, we were provided estimates for 2017, following our October 8<sup>th</sup> presentation to the County. We were also given figures for water usage, but it is not clear whether this figure includes irrigation (it would seem like they do not).

When these figures are included, we find the system is still profitable, but by a considerably narrower margin. Indeed, while revenue still shows at \$2,655,106 for the County, expenses jump to \$2,568,989 with the addition of \$753,000 from Fleet services. This reduces the cash flow to \$86,117.

Only Keller and the three leased properties are showing an operating profit. They combine for a positive cash flow of \$432,647. Almost half of that is from Keller (\$211,226).

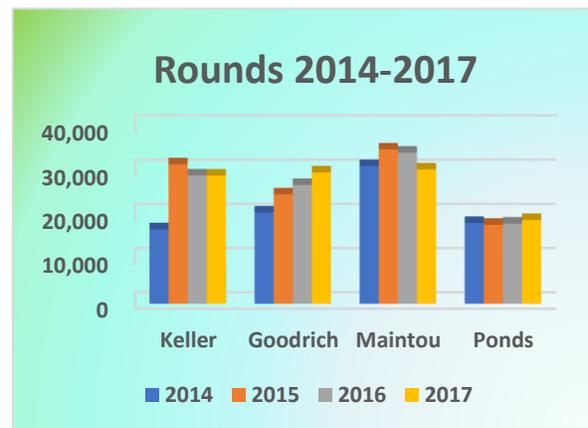
On the other hand, Battle Creek’s loss goes to \$206,182, while Goodrich goes from a \$131,000 profit to a \$140,348 loss.

| 2017 Financials          |                    |                    |                    |                  |                 |                |                    |
|--------------------------|--------------------|--------------------|--------------------|------------------|-----------------|----------------|--------------------|
|                          | Keller             | Goodrich           | Battle Creek       | Manitou          | Island Lake     | Golf Dome      | TOTAL              |
| Rounds                   | 28,972             | 29,674             | 18,105             | 30,350           |                 |                | 107,101            |
| <b>County Revenue</b>    |                    |                    |                    |                  |                 |                |                    |
| Green Fees               | \$876,912          | \$540,917          | \$241,378          | \$76,754         |                 |                | \$1,735,961        |
| Cart Fees                | \$205,988          | \$150,882          | \$79,931           | \$28,825         |                 |                | \$465,626          |
| Driving Range            |                    |                    | \$151,209          | \$5,116          |                 |                | \$156,325          |
| Food & Beverage          | \$156,987          | \$13,718           | \$8,735            | \$23,815         |                 |                | \$203,255          |
| Merchandise              |                    |                    |                    | \$12,184         |                 |                | \$12,184           |
| Lease Payment            |                    |                    |                    |                  | \$75,000        | \$6,755        | \$81,755           |
| <b>Total Revenue</b>     | <b>\$1,239,887</b> | <b>\$705,517</b>   | <b>\$481,253</b>   | <b>\$146,694</b> | <b>\$75,000</b> | <b>\$6,755</b> | <b>\$2,655,106</b> |
| Rev/Round                | \$42.80            | \$23.78            | \$26.58            | \$4.83           |                 |                | \$ 24.79           |
| <b>County Expenses</b>   |                    |                    |                    |                  |                 |                |                    |
| Personnel Services       | \$469,988          | \$365,857          | \$290,804          |                  |                 |                | \$1,126,649        |
| Other Services & Charges | \$201,035          | \$146,966          | \$149,847          | \$6,666          |                 |                | \$504,514          |
| Supplies                 | \$60,993           | \$60,993           | \$49,391           | \$362            |                 |                | \$171,739          |
| Water                    | \$9,645            | \$2,049            | \$1,393            |                  |                 |                | \$13,087           |
| Fleet Services           | \$287,000          | \$270,000          | \$196,000          |                  |                 |                | \$753,000          |
| <b>Total Expenses</b>    | <b>\$1,028,661</b> | <b>\$845,865</b>   | <b>\$687,435</b>   | <b>\$7,028</b>   | <b>\$0</b>      | <b>\$0</b>     | <b>\$2,568,989</b> |
| <b>Cash Flow</b>         | <b>\$211,226</b>   | <b>(\$140,348)</b> | <b>(\$206,182)</b> | <b>\$139,666</b> | <b>\$75,000</b> | <b>\$6,755</b> | <b>\$86,117</b>    |

## Rounds

System-wide, the number of rounds has been basically stable over the past three years. However, the distribution of those rounds has changed dramatically.

Rounds at Goodrich have steadily increased since 2014, improving 44% over this time. Meanwhile, rounds at Manitou have declined 13% since 2015. Rounds at Keller have been basically the same the last two years, after falling 8% in 2016 after 2015’s big year following its reopening.

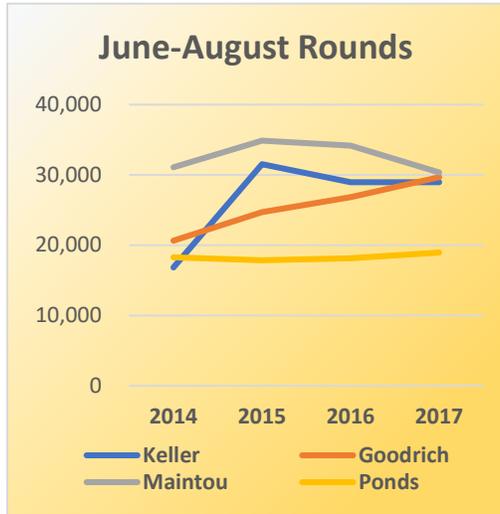


Through August of this year, rounds are down about 5.3% over 2017. However, this is misleading due to the extreme weather conditions early this year. In 2017, there was play in March and the system produced 11,250 rounds through April. This year, the courses did not open until late April and had only 2,861 rounds through the end of that month.

When we compare performance over the peak play months, June-August, we find that rounds have improved 7.5% (4,347 rounds) over the same period in 2017. Again, though, there are significant differences between facilities.

Rounds at Goodrich are up dramatically (22.5%), while rounds at Manitou are down significantly (16.3%). Battle Creek is down slightly (-1.2%), while Keller is up slightly (3.6%).

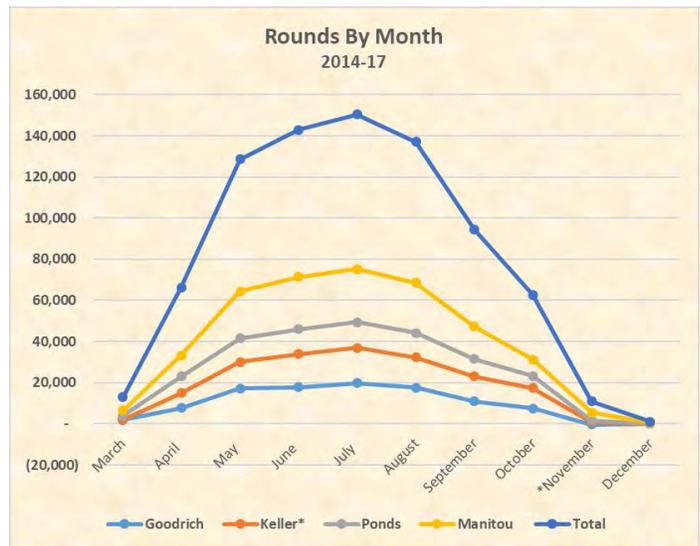
The concern over the decline in rounds at Manitou is magnified by the fact that the facility received very poor ratings, as we will discuss in the next section. More disturbing is the fact that the County recently renewed the lease under significantly more favorable terms to the operator, which we will also be discussing later.



Historically, July has been the busiest month for all four big courses, accounting for 18.6% of the play for the period 2014-2015 (except for Keller, which is 2015-17). It is followed closely by June (17.7%) and then August (17%). The three summer months of June-August account for 53.3% of all play. Rounds fall precipitously both before and after these months. The two shoulder months do a bit worse, with May at 15.9% of the play and September 11.7%. But earlier spring is worse than later fall. April accounted for 8.2% of the play and March, just 1.6%. (These stats will look even worse in 2018, when the courses were essentially closed for both months). If the fall, we find

October with 7.8%, November with 1.4% (although Keller is closed) and December with 0.1%.

We also have some concerns about the accuracy of the rounds counts provided. The initial rounds count provided by the county were found to be inaccurate when we compared them to the actual reports generated by the POS. This was largely due to how the rounds were being classified in the POS system at each course (items that were not rounds being counted as rounds, and vice-versa) as well as the need to input green fees into categories approved by County, but not reflective of what was being charged. The primary culprit being how Public Country Club rounds are being handled at Goodrich and Battle Creek. We will have more to say on this in the Operations section. In our reports, we have tried to make the information as accurate as possible.



We will break down rounds by type in our revenue section below.

## Revenue

Last year, the four main courses produced \$5,537,600 in revenue. Keller was responsible for nearly half (49%) of this total with \$2,715,000, nearly 2 ½ times the next highest, Manitou, whose \$1.15 million represented 20.8% of the total revenue. Goodrich finished just shy of a \$1 million (\$989,000), while Battle Creek generated \$679,000.

When we look at revenue per round, we find that three of the facilities are close together. There is less than \$4.30 difference between the lowest, Goodrich at \$33.33/round, and Manitou, at \$38.02. Battle Creek,

| Total Revenue   |                |                    |                |
|-----------------|----------------|--------------------|----------------|
|                 | Qty            | Value              | Rev/Rnd        |
| Keller          | 28,970         | \$2,715,286        | \$93.73        |
| Goodrich        | 29,674         | \$989,296          | \$33.34        |
| Manitou         | 30,350         | \$1,153,882        | \$38.02        |
| Battle Creek    | 18,015         | \$679,137          | \$37.70        |
| <b>Subtotal</b> | <b>107,009</b> | <b>\$5,537,600</b> | <b>\$51.75</b> |

on the strength of its range, was right behind Manitou at \$37.02. Yet, Keller’s \$93.73 dwarfs the others. This is due not only to the strength of the golf course, but to its excellent banquet business as well.

**Other Golf Revenue**

Like rounds, golf revenue (Green Fees, Passes, Cart and Driving Range) has been stable over the past three years system wide. But the performance has varied by facility. Most significantly, Goodrich’s revenue has increased 17% since 2015 and 29% since 2014.

Manitou, however, has gone down 5.7% since 2015, although it has a net increase since 2014. Keller’s has decreased 3.4% since 2015 but increased 4.5% last year.

| <b>Golf Revenue* Performance</b>             |                    |                    |                    |                    |
|--|--------------------|--------------------|--------------------|--------------------|
|  | <b>2014</b>        | <b>2015</b>        | <b>2016</b>        | <b>2017</b>        |
| Keller                                       | \$617,449          | \$1,129,390        | \$1,043,673        | \$1,090,443        |
| Goodrich                                     | \$514,230          | \$567,233          | \$597,308          | \$663,406          |
| Manitou                                      | \$796,075          | \$914,184          | \$925,897          | \$862,071          |
| Battle Creek                                 | \$444,273          | \$438,138          | \$427,149          | \$444,282          |
| <b>Total</b>                                 | <b>\$2,374,040</b> | <b>\$3,050,960</b> | <b>\$2,996,042</b> | <b>\$3,062,219</b> |
| * Green Fees, Passes, Cart and Driving Range |                    |                    |                    |                    |

**Patron Card Sales**

Last year, Patron cards sold for \$75 (including sales tax). A total of 258 were sold throughout the system, with Keller selling almost half of them (128). The \$75 card was good at all four of the main RC Golf facilities. Battle Creek sold its own version at a lower price that was good only at Battle Creek. The cards generated just \$17,585 in revenue.

| <b>Patron Card Sales</b> |            |                 |                  |                  |                |
|--------------------------|------------|-----------------|------------------|------------------|----------------|
|                          | <b>Qty</b> | <b>Value</b>    | <b>Avg Price</b> | <b>Rnds/Pass</b> | <b>Rev/Rnd</b> |
| Keller                   | 128        | \$9,558         | \$74.67          | 14.04            | \$39.75        |
| Goodrich                 | 34         | \$2,539         | \$74.67          | 94.79            | \$26.36        |
| Manitou                  | 36         | \$2,688         | \$74.67          | 30.67            | \$26.53        |
| Battle Creek             | 60         | \$2,800         | \$46.67          | 10.65            | \$20.52        |
| <b>Subtotal</b>          | <b>258</b> | <b>\$17,585</b> | <b>\$68.16</b>   | <b>26.21</b>     | <b>\$29.39</b> |

Next, we looked at how they impacted performance. We took the number of rounds played at Patron rates then divided it by the number of cards sold at that facility. Battle Creek had the fewest at 10.65, followed by Keller at slightly over 14. But Manitou averaged 30.67 rounds/card sold and Goodrich a whopping 94.79.

Upon investigation, we found that both Goodrich and Manitou were using the Patron rate as a “group” rate for tournaments (such as Men’s and Ladies’ club tournaments). This greatly distorts the information.

In 2018, the price was lowered to \$25, with the hopes of improving performance. The number of cards sold has increased to 405, an improvement of 57%. But the revenue generated from the sale of the cards dropped by 46% (\$8,157) to \$9,428. Goodrich saw the biggest increase in Patron card sales, going from 34 to 108 (217% increase), followed by Manitou, which went from 36 to 62 (72.2%) increase; Battle Creek from 60 to 76 (26.7% increase) and Keller from 128 to 159, an increase of 24.2%.

In terms of Patron rounds, for the same time period (June through August), Patron rounds has increased 26.9%, from 7,594 to 9,634. Keller, despite the increase in card sales, had seen a decrease in play of 357 rounds, a drop of 7.6% (adverse weather is to blame). Patron rounds were up 138% at Goodrich, 118% at

Battle Creek, and 99.9% at Manitou. But again, these increases may be due to the operators using the patron rate for play other than patron cards.

The number of rounds played per card sold dropped from 29.4 to 23.8. The biggest drop was seen at Keller, which went from 55 rounds/card sold to 27. This is more likely how they treat the Public Country Card (PCC) rounds than actual Patron card usage.

**Annual Passes**

As with Patron cards, RC golf had a one-size-fits all season pass for its three big courses. The pass sold for \$1,500 and allowed unlimited play at any of the four facilities. Battle Creek also offered a facility-only pass for about half that cost.

| <b>Annual Pass Sales</b> |            |                  |                   |                  |                |
|--------------------------|------------|------------------|-------------------|------------------|----------------|
|                          | <b>Qty</b> | <b>Value</b>     | <b>Avg Price</b>  | <b>Rnds/Pass</b> | <b>Rev/Rnd</b> |
| Keller                   | 51         | \$58,366         | \$1,144.44        | 60.35            | \$18.96        |
| Goodrich                 | 34         | \$39,580         | \$1,164.11        | 71.03            | \$16.39        |
| Manitou                  | 44         | \$50,735         | \$1,153.07        | 80.30            | \$14.36        |
| Battle Creek             | 37         | \$25,111         | \$678.67          | 62.68            | \$10.83        |
| <b>Subtotal</b>          | <b>166</b> | <b>\$173,792</b> | <b>\$1,046.94</b> | <b>68.34</b>     | <b>\$15.32</b> |

A total of 166 passes were sold, generating \$173,792 in revenue. Keller, again, led the way with 51 sales, followed by Manitou at 44, Battle Creek with 37 and Goodrich at 34.

Overall, each passholder averaged playing 68.34 rounds. *This is very high, and well above the national average of 50.* Keller had the fewest at 60.35, followed by Battle Creek at 62.68, Goodrich at 71 and Manitou at a very, very high 80.3. To put that in perspective, Manitou was open for play 191 days last year. That means that EVERY passholder played, on average, once every 2.4 days. *We find this to be very high and well beyond expectation.*

The vast majority (77.1%) of the passes were sold to seniors. Manitou, with 88.6%, had the highest percentage of senior passholders, while Battle creek, at 56.8%, had the fewest. (Goodrich had 82.4% and Keller 78.4%). The high percentage of senior passholders helps explain the higher average rounds per pass, as seniors will play more rounds.

**Driving Range**

The three ranges produced a total of \$254,716 in revenue. Battle Creek, by far, was the top performer with more sales and revenue than the other two combined.

| <b>Driving Range</b> |               |                  |                  |                |                 |
|----------------------|---------------|------------------|------------------|----------------|-----------------|
|                      | <b>Qty</b>    | <b>Value</b>     | <b>Avg Price</b> | <b>Rev/Rnd</b> | <b>% rounds</b> |
| Keller               | 6,723         | \$64,224         | \$9.55           | \$2.22         | 23.21%          |
| Manitou              | 4,899         | \$39,354         | \$8.03           | \$1.30         | 16.14%          |
| Battle Creek         | 11,515        | \$151,138        | \$13.13          | \$8.39         | 63.92%          |
| <b>Subtotal</b>      | <b>23,137</b> | <b>\$254,716</b> | <b>\$11.01</b>   | <b>\$2.38</b>  | <b>21.62%</b>   |

Battle Creek had 11,515 sales, producing \$151,138 for an average of \$13.13 per sale. Keller produced \$63,224 in revenue on 6,723 sales, for an average of \$9.55. Manitou generated \$39,354 on just 4,899 sales for an average of \$8.03 per sale. Sales figures include range passes.

We also looked at the range sales in relation to the golf course. Nationally, golf ranges produce an average of around \$1.25/round of golf. All three facilities were above this, although Manitou, at \$1.30, was close to average. Battle Creek generated an impressive \$8.39 in range revenue per round of golf, indicating that *most range users were range-only users of the facility*. This is consistent with our observations and interviews.

Another measure is to look at bucket sales versus rounds. Battle Creek averaged just under .64 sales per round of golf. On the other end of the scale, Manitou averaged just .16 bucket sold per round of golf.

Keller’s performance, though, is somewhat impressive given the fact that the range is remote from the clubhouse and that the facility is in a poorer neighborhood, which would hamper range-only use.

### Cart Rental Fees

Cart rental fees totaled \$687,104. Cart rental fees are the same at each facility, so the variables are how many rounds are played at the facility, what percentage of players are riding a cart, and whether they are playing 9 holes (usually league) or 18. The facilities combined for an average cart rental fee of \$11.26, and average cart rental revenue of \$6.42 (which takes into consideration both usage and percentage of 9-hole rounds), and an average utilization rate of 57.02% (percentage of rounds where a cart was rented).

Manitou generated the most revenue at \$225,419, with both the highest number of cart rounds (20,642) and highest utilization rate (68%), even though it was third in average price per rental (\$10.92) and second (barely) in cart revenue per round (\$7.43).

| <b>Carts</b>    |               |                  |                  |                |                 |
|-----------------|---------------|------------------|------------------|----------------|-----------------|
|                 | <b>Qty</b>    | <b>Value</b>     | <b>Avg Price</b> | <b>Rev/Rnd</b> | <b>% rounds</b> |
| Keller          | 17,080        | \$216,952        | \$12.70          | \$7.49         | 58.96%          |
| Goodrich        | 14,990        | \$164,518        | \$10.98          | \$5.54         | 50.52%          |
| Manitou         | 20,642        | \$225,419        | \$10.92          | \$7.43         | 68.01%          |
| Battle Creek    | 8,305         | \$80,215         | \$9.66           | \$4.45         | 46.10%          |
| <b>Subtotal</b> | <b>61,017</b> | <b>\$687,104</b> | <b>\$11.26</b>   | <b>\$6.42</b>  | <b>57.02%</b>   |

Keller had the highest average price, thanks to a much higher 18-hole percentage of play, at \$12.70. Manitou and Goodrich were both very close at \$10.98 and \$10.92. Battle Creek, which has mostly 9-hole rounds, had an average price of \$9.66.

Battle Creek had the lowest utilization rate at 46%, followed by Goodrich at 50.5%.

### Green Fees

Green Fees is the single biggest revenue item at most golf courses, and that is certainly the case with RC Golf. It accounts for 38.8% of the combined revenue at the four main facilities. This ranges from 29.8% at Keller, and 30.3% at Battle Creek, to 47.4% at Manitou and 59.5% at Goodrich. Overall, green fees totaled \$2,151,242 in revenue in 2017.

Keller led the way with \$809,268, even though it had the fewest rounds (28,970). It was followed by Goodrich (\$588,753), Manitou (\$547,347) and Battle Creek (Just \$205,874). This was the same order for the average price, or revenue per

| <b>Total Green Fees</b> |                |                    |                  |                |
|-------------------------|----------------|--------------------|------------------|----------------|
|                         | <b>Qty</b>     | <b>Value</b>       | <b>Avg Price</b> | <b>Rev/Rnd</b> |
| Keller                  | 28,970         | \$809,268          | \$27.93          | \$27.93        |
| Goodrich                | 29,674         | \$588,753          | \$19.84          | \$19.84        |
| Manitou                 | 30,350         | \$547,347          | \$18.03          | \$18.03        |
| Battle Creek            | 18,015         | \$205,874          | \$11.43          | \$11.43        |
| <b>Subtotal</b>         | <b>107,009</b> | <b>\$2,151,242</b> | <b>\$20.10</b>   | <b>\$20.10</b> |

round. Keller’s \$27.93 was more than 2.5 times that of Battle Creek’s \$11.43.

If we add the prepaid green fees (Passes and Patron Cards) to the green fees above, we get a total of \$2,343,618 in revenue, with an average of \$21.89 per round. Keller’s revenue per round increases to \$30.28; Goodrich’s to \$21.26; Manitou to \$19.79 and Battle Creek’s to \$12.98.

Next, we will break the green fee revenue down by type.

**Peak**

Peak revenue rounds are those rounds where the maximum rate for that day is being charged. This would exclude senior rate or any other discounted rate.

| Peak Rate       |               |                  |                |               |               |
|-----------------|---------------|------------------|----------------|---------------|---------------|
|                 | Qty           | Value            | Avg Price      | Rev/Rnd       | % rounds      |
| Keller          | 8,374         | \$350,975        | \$41.91        | \$12.12       | 28.91%        |
| Goodrich        | 4,706         | \$146,880        | \$31.21        | \$4.95        | 15.86%        |
| Manitou         | 1,555         | \$53,863         | \$34.64        | \$1.77        | 5.12%         |
| Battle Creek    | 200           | \$6,230          | \$31.15        | \$0.35        | 1.11%         |
| <b>Subtotal</b> | <b>14,835</b> | <b>\$557,949</b> | <b>\$37.61</b> | <b>\$5.21</b> | <b>13.86%</b> |

Keller, by far, had the highest utilization of peak rate at 28.91% of their rounds. At the other end, Battle Creek had just 1.11% - largely because few play 18 holes there.

But Manitou was not much better, at just 5.12% of its rounds – or a little over 1 in 20 people paid the peak fee. One of the reasons is because Manitou does so many league rounds, which are 9-holes.

Goodrich was in between Manitou and Keller at 15.86%.

The importance of maximizing Peak fee rounds is found in the fact that while Peak Fee play accounted for just 13.9% of the play overall, it was represented 26% (25.9%) of the green fee revenue.

**Seniors**

Seniors represented nearly 1/3<sup>rd</sup> of all rounds at the RC Golf facilities. They also represented 30.3% of the green fee plus pass revenue.

| Senior          |               |                  |                |              |               |               |
|-----------------|---------------|------------------|----------------|--------------|---------------|---------------|
|                 | Qty           | Value            | Avg Price      | % GF Rev     | Rev/Rnd       | % rounds      |
| Keller          | 9,209         | \$256,073        | \$27.81        | 29.2%        | \$8.84        | 31.79%        |
| Goodrich        | 5,877         | \$161,342        | \$27.45        | 25.6%        | \$5.44        | 19.81%        |
| Manitou         | 14,771        | \$233,112        | \$15.78        | 38.8%        | \$7.68        | 48.67%        |
| Battle Creek    | 4,542         | \$59,445         | \$13.09        | 25.4%        | \$3.30        | 25.21%        |
| <b>Subtotal</b> | <b>34,399</b> | <b>\$709,972</b> | <b>\$20.64</b> | <b>30.3%</b> | <b>\$6.63</b> | <b>32.15%</b> |

Manitou, by far, had the highest rate of senior play – with nearly half of their rounds (48.67%) coming from seniors. *This is a bit of a concern, as seniors will “age” out of the market as health begins to limit their play.* Further, the average price paid per round for seniors at Manitou was just \$15.78, compared to \$27.45 at similarly priced Goodrich. Again, this can be attributed to league play, where leagues at Manitou are heavily dominated by seniors, while they are not at Goodrich. Seniors also tend to spend less in the proshop and on food and beverage.

Keller had the next highest usage at 31.8%. On the other end, Goodrich had the lowest percentage of senior play at just 19.8%. (At most public courses, seniors typically account for around 30-35% of the play. Seniors will account for a much higher rate at executive courses or courses located in a senior community).

An important note is that at Goodrich, senior play accounted for 25.6% of the golf revenue, but only 19.8% of the rounds. Normally, you expect the percentage of revenue to be less for seniors, than its percentage of rounds as their play is discounted. But at Goodrich (and to a lesser extent, Battle Creek), they have another segment of very heavily discounted play – the Public Country Club (PCC). We will be talking about that more later when we talk about each facility’s performance.

It should be noted that some senior play is not accounted for in the above statistics such as if they play when there is no senior rate available (e.g. weekend mornings). More importantly, many seniors are members of the PCC, but their PCC play would not be counted as “seniors” in the above analysis. This explains the lower percentage of senior play shows above for Goodrich and Battle Creek.

**Annual Pass**

Roughly 10% of the rounds at the four courses came from annual pass holders (10.6%). The percentage was similar across facilities, ranging from a low of 8.1% at Goodrich to a high of 12.9% at

| Pass            |               |                |               |               |             |
|-----------------|---------------|----------------|---------------|---------------|-------------|
|                 | Qty           | Value          | Rev/Rnd       | % rounds      | Rnds/Pass   |
| Keller          | 3,078         | \$18.96        | \$2.01        | 10.62%        | 60.4        |
| Goodrich        | 2,415         | \$16.39        | \$1.33        | 8.14%         | 71.0        |
| Manitou         | 3,533         | \$14.36        | \$1.67        | 11.64%        | 80.3        |
| Battle Creek    | 2,319         | \$10.83        | \$1.39        | 12.87%        | 62.7        |
| <b>Subtotal</b> | <b>11,345</b> | <b>\$15.32</b> | <b>\$0.00</b> | <b>10.60%</b> | <b>68.3</b> |

Battle Creek. Manitou, though, had the most pass rounds with 3,533, followed by Keller’s 3,078, Goodrich at 2,415 and Battle Creek’s 2,319.

Next, we looked at the value of the pass. First, we took the money generated by pass sales and divided it by the number of pass rounds to get the value of the pass (revenue/pass round). Keller’s pass holders averaged paying the equivalent of \$18.96/round, which represents a 45.2% discount off the average peak fee shown above. Goodrich had the next highest value at \$16.39 but had the biggest discount off peak at 52.5%. Manitou’s \$14.36/round value represents a 41.5% discount off peak, while Battle Creek’s \$10.83 was a 34.8% discount. Overall, the system averaged \$15.32 per round, with a discount value of 40.7% off peak.

Next, we looked at the impact of pass sales on the total performance by taking the pass sales and dividing by the total number of rounds played. Again, Keller was the highest at \$2.01/round, followed by Manitou at \$1.67. Battle Creek (\$1.39) and Goodrich (\$1.33) were very close in value.

**Nine-Hole (League) Play**

As a group, the facilities do not do a good job of tracking league play, which we find problematic. Given the importance of this group, *we strongly recommend that each facility keep an accurate count on league play.* This will require adjusting the POS system, or tracking them through the tee-sheet.

We can get an idea of the league play, though, from the amount of 9-hole play at each facility (save Battle Creek, which is a nine-hole course). This is true because most nine-hole play at the three 18-hole courses is coming from league play.

| Nine Hole Play  |               |                  |                |              |               |               |
|-----------------|---------------|------------------|----------------|--------------|---------------|---------------|
|                 | Qty           | Value            | Avg Price      | % GF Rev     | Rev/Rnd       | % rounds      |
| Keller          | 4,497         | \$92,508         | \$20.57        | 11.4%        | \$3.19        | 15.52%        |
| Goodrich        | 3,661         | \$50,121         | \$13.69        | 8.5%         | \$1.69        | 12.34%        |
| Manitou         | 11,208        | \$205,745        | \$18.36        | 37.6%        | \$6.78        | 36.93%        |
| Battle Creek    | 14,683        | \$208,826        | \$14.22        | 101.4%       | \$11.59       | 81.50%        |
| <b>Subtotal</b> | <b>34,049</b> | <b>\$557,200</b> | <b>\$16.36</b> | <b>10.1%</b> | <b>\$5.21</b> | <b>31.82%</b> |

Naturally, Battle Creek has the most nine-hole rounds, with 14,683 – which accounts for 81.5% of its play. What is interesting is Manitou, where nearly 37% of its play was 9-hole, for a total of 11,208 rounds. This dwarfs both Keller (4,497) and Goodrich (3,661), indicating just how important league play is to Manitou’s performance.

A heavy reliance on league play is both good and bad for Manitou. It’s great because it’s a valuable source of income. But there is danger, because if you lose a league, it can represent a significant chunk of your performance. For example, an average league may have 40 players who play for 20 weeks, equating to 800 rounds, which will put a dent in the bottom line if lost. This recently happened as a significant league defected from Manitou to Goodrich, greatly hurting Manitou’s performance and enhancing Goodrich.

### Weekday vs. Weekend

The weekend represents 28.5% of the days of the week. Yet for public golf, weekends are the gravy train. These two days will account for 40% or more of the rounds, and usually 50% or more of the revenue (as weekend rates are usually higher than weekday).

We were able to get a measure of weekend play for 2017 by looking at POS records. Unfortunately, in 2017, Keller did not have a weekend rate, so we have no information on weekday vs. weekend at that facility. Even more unfortunate, starting in 2018, the weekend rate was eliminated at the other three main courses.

*We believe it is extremely important to monitor weekend play and all the facilities are encouraged to provide accurate counts of weekend vs. weekday play.* Sadly, last year, even at the other three facilities, not all rounds can be distinguished as being weekday or weekend. A major example is Pass rounds, but there are others.

| Weekday         |               |                  |                |              |               |               |               |               |
|-----------------|---------------|------------------|----------------|--------------|---------------|---------------|---------------|---------------|
|                 | Qty           | Value            | Avg Price      | % Tot Rev    | Rev/Rnd       | % rounds      | % Known Rds   | % Know Rev    |
| Goodrich        | 15,986        | \$344,277        | \$21.54        | 34.8%        | \$11.88       | 53.87%        | 78.6%         | 72.9%         |
| Manitou         | 21,220        | \$476,834        | \$30.87        | 41.3%        | \$16.46       | 69.92%        | 91.2%         | 88.9%         |
| Battle Creek    | 6,160         | \$104,766        | \$17.01        | 15.4%        | \$3.62        | 34.19%        | 59.7%         | 56.2%         |
| <b>Subtotal</b> | <b>43,366</b> | <b>\$925,877</b> | <b>\$21.35</b> | <b>16.7%</b> | <b>\$8.65</b> | <b>40.53%</b> | <b>80.45%</b> | <b>77.49%</b> |
| Weekend         |               |                  |                |              |               |               |               |               |
|                 | Qty           | Value            | Avg Price      | % Tot Rev    | Rev/Rnd       | % rounds      | % Known Rds   | % Know Rev    |
| Goodrich        | 4,341         | \$127,720        | \$29.42        | 12.9%        | \$4.41        | 14.63%        | 21.4%         | 27.1%         |
| Manitou         | 2,047         | \$59,684         | \$43.66        | 5.2%         | \$2.06        | 6.74%         | 8.8%          | 11.1%         |
| Battle Creek    | 4,150         | \$81,563         | \$19.65        | 12.0%        | \$2.82        | 23.04%        | 40.3%         | 43.8%         |
| <b>Subtotal</b> | <b>10,538</b> | <b>\$268,968</b> | <b>\$25.52</b> | <b>4.9%</b>  | <b>\$2.51</b> | <b>9.85%</b>  | <b>19.5%</b>  | <b>22.5%</b>  |

In the above chart, “% Known Rds” refers to the percentage of the rounds that were identified as either “weekday” or “weekend.” Similarly, “% of Know Rev” refers to the percentage of green fee revenue for those rounds that were identified as either weekday or weekend. Overall, 69% of the rounds were identified as either “weekday” or “weekend” at these three courses. The percentage was highest at Manitou (76.6%) and lowest at Battle Creek (57.2%).

Battle Creek’s performance is close to expectation, with a little over 40% of the rounds and 43.8% of the known revenue coming on weekends. Manitou, however, stands out with just 8.8% of its play coming on weekends, with 11.1% of the revenue.

When asked about it, the operator mentioned that they did not charge the weekend rate to groups, especially the men’s and women’s clubs, when they played an outing or tournament. Yet, we are doubtful that this alone explains the difference. It is possible that Manitou just does a poor job of attracting weekend play, or an even higher percentage of the weekend rounds were being rung in at weekday rates. Sadly, because of the change in rate structure, we cannot tell if the trend continues this year.

We did ask for a breakdown by day-of-the-week from tee-sheet reports, but that report is apparently unavailable.

### Other Revenue Sources

Except for Keller, the County realizes little revenue from other activities at the facilities. But as the revenue formula may change, we still investigated each revenue stream.

### Food & Beverage

Food and Beverage is the next largest profit-center at the golf facilities. It is a huge part of Keller’s operation, accounting for 52% of all revenue. It is a more minor player at the other three. This is because these facilities lack both a grill and a banquet room.

| <b>Total Food &amp; Beverage</b> |                |                    |                  |                  |                |                 |
|----------------------------------|----------------|--------------------|------------------|------------------|----------------|-----------------|
|                                  | <b>Qty</b>     | <b>Value</b>       | <b>Avg Price</b> | <b>% Tot Rev</b> | <b>Rev/Rnd</b> | <b>% rounds</b> |
| Keller                           |                | \$1,411,556        |                  | 52.0%            | \$48.72        |                 |
| Goodrich                         | 47,290         | \$137,182          | \$2.90           | 13.9%            | \$4.62         | 159.37%         |
| Manitou                          | 61,305         | \$186,836          | \$3.05           | 16.2%            | \$6.16         | 201.99%         |
| Battle Creek                     | 29,801         | \$87,899           | \$2.95           | 12.9%            | \$4.88         | 165.42%         |
| <b>Subtotal</b>                  | <b>138,396</b> | <b>\$1,823,474</b> | <b>\$13.18</b>   | <b>32.9%</b>     | <b>\$17.04</b> | <b>129.33%</b>  |

Keller’s F&B operation, under Lancer, generated \$1.4 million in revenue last year. Most of this was in banquet sales as we will discuss in greater detail later. This amount equates to \$48.72 per round of golf.

Goodrich and Battle Creek, which have the same operator, produced similar figures for revenue per round. Goodrich was at \$4.62 and Battle Creek at \$4.88. These are not bad figures, given the lack of a grill or banquet space. But Manitou was better still, at \$6.16.

### Merchandise

System-wide, the average merchandise sales-per-round was a pedestrian \$2.64. Goodrich, at just \$.88 per round, is well below expectation. Keller, at \$4.48/round, fared best. But even its performance is disappointing given its price-point. Manitou, at \$2.99, was next best, followed by Battle Creek at \$1.97.

| <b>Total Merchandise</b> |               |                  |                  |                  |                |                 |
|--------------------------|---------------|------------------|------------------|------------------|----------------|-----------------|
|                          | <b>Qty</b>    | <b>Value</b>     | <b>Avg Price</b> | <b>% Tot Rev</b> | <b>Rev/Rnd</b> | <b>% rounds</b> |
| Keller                   | 7,438         | \$129,643        | \$17.43          | 4.8%             | \$4.48         | 25.67%          |
| Goodrich                 | 2,654         | \$26,209         | \$9.88           | 2.6%             | \$0.88         | 8.94%           |
| Manitou                  | 6,192         | \$90,855         | \$14.67          | 7.9%             | \$2.99         | 20.40%          |
| Battle Creek             | 4,419         | \$35,430         | \$8.02           | 5.2%             | \$1.97         | 24.53%          |
| <b>Subtotal</b>          | <b>20,703</b> | <b>\$282,137</b> | <b>\$13.63</b>   | <b>5.1%</b>      | <b>\$2.64</b>  | <b>19.35%</b>   |

Combined, the four facilities generated just \$282,137 in merchandise sales.

Sales were about evenly distributed between hard goods (equipment, balls, etc.) with \$143,754 and soft goods (clothes, towels, etc.) at \$138,383. This even split was consistent across the four facilities.

Where we did see a difference was between men’s and women’s clothing sales. Keep in mind that women, nationally, make up 22.5% of the players (which is still too low).

| <b>Men’s Soft</b>   |              |                  |                  |                  |                |                 |
|---------------------|--------------|------------------|------------------|------------------|----------------|-----------------|
|                     | <b>Qty</b>   | <b>Value</b>     | <b>Avg Price</b> | <b>% Tot Rev</b> | <b>Rev/Rnd</b> | <b>% rounds</b> |
| Keller              | 1,813        | \$49,215         | \$27.15          | 1.8%             | \$1.70         | 6.26%           |
| Goodrich            | 475          | \$11,430         | \$24.06          | 1.2%             | \$0.39         | 1.60%           |
| Manitou             | 1341         | \$32,799         | \$24.46          | 2.8%             | \$1.08         | 4.42%           |
| Battle Creek        | 624          | \$14,589         | \$23.38          | 2.1%             | \$0.81         | 3.46%           |
| <b>Subtotal</b>     | <b>4,253</b> | <b>\$108,033</b> | <b>\$25.40</b>   | <b>2.0%</b>      | <b>\$1.01</b>  | <b>3.97%</b>    |
| <b>Women’s Soft</b> |              |                  |                  |                  |                |                 |
|                     | <b>Qty</b>   | <b>Value</b>     | <b>Avg Price</b> | <b>% Tot Rev</b> | <b>Rev/Rnd</b> | <b>% rounds</b> |
| Keller              | 75           | \$3,483          | \$46.44          | 0.1%             | \$0.12         | 0.26%           |
| Goodrich            | 52           | \$1,181          | \$22.71          | 0.1%             | \$0.04         | 0.18%           |
| Manitou             | 37           | \$1,570          | \$42.43          | 0.1%             | \$0.05         | 0.12%           |
| Battle Creek        | 103          | \$2,266          | \$22.00          | 0.3%             | \$0.13         | 0.57%           |
| <b>Subtotal</b>     | <b>267</b>   | <b>\$8,500</b>   | <b>\$31.83</b>   | <b>0.2%</b>      | <b>\$0.08</b>  | <b>0.25%</b>    |

System-wide, women’s goods averaged just 5.95% by volume and 7.29% by value of the total sales. This is bad because it shows that the operators are not paying enough attention to women. Further, if there is one stereotype that receives little argument, it’s that women like to shop. Thus, the lack of attention (read “display space” and “lack of sales”) may be perceived as a slight on women, making them feel unwelcome.

Battle Creek, where 13.4% of the clothing sales were women’s, was best – and it’s still well below average. Goodrich was at 9.9%. But the worst offenders were Keller at just 4% and Manitou, where only 2.4% of the clothing sales were for women.

We will talk more extensively about merchandise sales in our Operations section.

## **County Expenses**

Overall, County expenses have increased 6.5% (\$108,942) since 2014, although down slightly last year. Expenses are almost all from the three courses under management contracts as opposed to leases, as the County is responsible for their maintenance.

Over the past four years, Keller’s expenses have trended downwards, going down 9.5% since 2014 and 5.9% since 2015. Goodrich, on the other hand, has seen a 22.5% increase over the same period, and 6.4% last year. It should be noted, however, that the increase in expenses at Goodrich is highly correlated with the dramatic improvement in revenues and cash flow. It is highly likely that the improved course conditions that are usually associated with increased spending, has had a notable positive impact on performance.

## Ramsey County Golf Study

Unfortunately, the increase in expenses seen at Battle Creek have not resulted in a similar bump in performance. Battle Creek has seen an 11.4% increase since 2014 and a 4.7% increase last year in County expenses. These increases are more in line with a rise in costs due to inflation rather than a change in practices.

It is important to note that the expenses described above were provided to us by Parks and Recreation. As noted previously, these do *not* include fleet expenses, which includes course maintenance equipment, nor administrative overhead – primarily salaries. This information was provided after our October presentation and lacked the detail we would need to do a full evaluation. Fleet services amounts provided showed \$287,000 for Keller, \$270,000 at Goodrich and \$196,000 at Battle Creek. This brings the total expenses for Keller to a bit over \$1 million (\$1,028,661), \$845,865 at Goodrich and \$687,435 at Manitou.

The table on the following page shows a more detailed comparison of expenses for the past three years for Battle Creek, Goodrich and Keller.

Expenses rose 5.8% last year, and 0.7% in 2016. We divided the expenses into two main categories: Course Maintenance and General Operating.



General Operating expenses rose 4% last year, after going down 14.6% the previous year. Course maintenance expenses rose 6.5% last year, following an 8.2% rise in 2016.

Goodrich was the primary reason for the rise in expenses, as it went up 11% last year after going up just 2.8% the year before. Battle Creek went up 4.7%, following just a 0.1% the previous year. Last year, Keller's expenses rose 2.8% following an actual, but slight, decrease of 0.3% in 2016.

We will examine each category in more detail following the table.

## Performance



| County Golf Expenses      |                                 |  |                  |                  |                  |                  |                  |                  |                  |                  |                    |                    |                    |                    |
|---------------------------|---------------------------------|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|--------------------|--------------------|--------------------|--------------------|
|                           |                                 |  | Battle Creek     |                  |                  | Goodrich         |                  |                  | Keller           |                  |                    | System             |                    |                    |
|                           |                                 |  | 2015             | 2016             | 2017             | 2015             | 2016             | 2017             | 2015             | 2016             | 2017               | 2015               | 2016               | 2017               |
| <b>Course Maintenance</b> |                                 |  |                  |                  |                  |                  |                  |                  |                  |                  |                    |                    |                    |                    |
| <b>Payroll</b>            |                                 |  |                  |                  |                  |                  |                  |                  |                  |                  |                    |                    |                    |                    |
| <b>Salaries</b>           |                                 |  |                  |                  |                  |                  |                  |                  |                  |                  |                    |                    |                    |                    |
|                           | Salaries Permanent              |  | \$161,060        | \$202,488        | \$210,225        | \$119,590        | \$173,438        | \$187,901        | \$164,617        | \$243,000        | \$260,849          | \$445,268          | \$618,926          | \$658,975          |
|                           | Overtime                        |  |                  | \$239            | \$1,817          | \$2,809          | \$4,046          | \$33,913         | \$14,405         | \$29,691         | \$26,413           | \$17,214           | \$33,976           | \$62,143           |
|                           | Salaries Temp                   |  | \$15,737         |                  |                  | \$80,764         | \$58,943         | \$63,505         | \$82,332         | \$85,396         | \$78,667           | \$178,832          | \$144,339          | \$142,172          |
|                           | <b>Subtotal Salaries</b>        |  | <b>\$176,797</b> | <b>\$202,728</b> | <b>\$212,042</b> | <b>\$203,163</b> | <b>\$236,428</b> | <b>\$285,319</b> | <b>\$261,354</b> | <b>\$358,086</b> | <b>\$365,928</b>   | <b>\$641,314</b>   | <b>\$797,242</b>   | <b>\$863,290</b>   |
|                           | <b>Benefits</b>                 |  | <b>\$33,177</b>  | <b>\$65,972</b>  | <b>\$67,565</b>  | <b>\$47,168</b>  | <b>\$69,443</b>  | <b>\$79,425</b>  | <b>\$51,150</b>  | <b>\$99,385</b>  | <b>\$89,338</b>    | <b>\$131,494</b>   | <b>\$234,800</b>   | <b>\$236,328</b>   |
|                           | <b>Subtotal Payroll</b>         |  | <b>\$209,973</b> | <b>\$268,700</b> | <b>\$279,607</b> | <b>\$250,331</b> | <b>\$305,870</b> | <b>\$364,744</b> | <b>\$312,504</b> | <b>\$457,471</b> | <b>\$455,266</b>   | <b>\$772,808</b>   | <b>\$1,032,041</b> | <b>\$1,099,617</b> |
|                           | Equipment Rental                |  | \$764            | \$1,981          | \$522            | \$16,231         | \$16,364         | \$11,325         | \$16,856         | \$13,764         | \$11,210           | \$33,851           | \$32,109           | \$23,057           |
|                           | Gas                             |  |                  |                  |                  | \$18,702         |                  |                  | \$28,200         |                  |                    | \$46,902           | \$0                | \$0                |
|                           | Supplies                        |  | \$48,975         | \$44,848         | \$45,581         | \$60,486         | \$59,890         | \$58,359         | \$114,613        | \$78,440         | \$89,586           | \$224,074          | \$183,178          | \$193,526          |
|                           | Other Maintenance               |  | \$36,021         | (\$1,605)        | (\$662)          | \$12,251         | \$2,845          | \$1,985          | \$26,040         | \$11,890         | \$29,708           | \$74,312           | \$13,130           | \$31,031           |
|                           | <b>Total Course Maintenance</b> |  | <b>\$295,733</b> | <b>\$313,924</b> | <b>\$325,048</b> | <b>\$358,001</b> | <b>\$384,970</b> | <b>\$436,413</b> | <b>\$498,213</b> | <b>\$561,565</b> | <b>\$585,770</b>   | <b>\$1,151,947</b> | <b>\$1,260,458</b> | <b>\$1,347,231</b> |
| <b>General</b>            |                                 |  |                  |                  |                  |                  |                  |                  |                  |                  |                    |                    |                    |                    |
|                           | Proshop Services                |  | \$79,672         | \$78,487         | \$81,270         | \$107,596        | \$112,536        | \$115,396        | \$150,438        | \$141,472        | \$145,393          | \$337,707          | \$332,496          | \$342,059          |
|                           | Advertising & Promotion         |  | \$3,781          | \$2,106          | \$2,081          | \$2,681          | \$659            | \$928            | \$2,626          | \$0              | \$0                | \$9,089            | \$2,765            | \$3,008            |
|                           | Utilities                       |  | \$42,896         | \$35,618         | \$38,188         | \$20,881         | \$9,399          | \$11,474         | \$81,593         | \$28,991         | \$27,947           | \$145,370          | \$74,008           | \$77,610           |
|                           | Operating Supplies              |  | \$17,752         | \$16,628         | \$18,795         | \$6,027          | \$2,999          | \$3,769          | \$5,999          | \$8,349          | \$2,707            | \$29,779           | \$27,976           | \$25,271           |
|                           | Other General                   |  | \$27,596         | \$21,133         | \$24,652         | \$7,340          | \$5,931          | \$5,383          | \$8,902          | \$4,967          | \$4,730            | \$43,837           | \$32,032           | \$34,765           |
|                           | <b>Total General</b>            |  | <b>\$171,697</b> | <b>\$153,973</b> | <b>\$164,985</b> | <b>\$144,525</b> | <b>\$131,524</b> | <b>\$136,949</b> | <b>\$249,560</b> | <b>\$183,780</b> | <b>\$180,778</b>   | <b>\$565,782</b>   | <b>\$469,277</b>   | <b>\$482,713</b>   |
|                           | <b>Total Expenses</b>           |  | <b>\$467,430</b> | <b>\$467,897</b> | <b>\$490,033</b> | <b>\$502,527</b> | <b>\$516,493</b> | <b>\$573,362</b> | <b>\$747,772</b> | <b>\$745,345</b> | <b>\$766,548</b>   | <b>\$1,717,729</b> | <b>\$1,729,735</b> | <b>\$1,829,944</b> |
|                           | Fleet Services                  |  |                  |                  | \$196,000        |                  |                  | \$270,000        |                  |                  | \$287,000          |                    |                    | \$753,000          |
|                           | <b>Total Maintenance</b>        |  |                  |                  | <b>\$521,048</b> |                  |                  | <b>\$706,413</b> |                  |                  | <b>\$872,770</b>   |                    |                    | <b>\$2,100,231</b> |
|                           | <b>Total Expenses</b>           |  |                  |                  | <b>\$686,033</b> |                  |                  | <b>\$843,362</b> |                  |                  | <b>\$1,053,548</b> |                    |                    | <b>\$2,582,944</b> |

## Course Maintenance

In a typical operation, course maintenance makes up about ½ of all expenses. So, it is no surprise that course maintenance expenses are much higher for the County than operating expenses as the operations is hired out. Indeed, course maintenance makes up over 80% (81.3%) of the County's expenses last year.

Of the \$1,332,500 total, Keller accounted for 42% (\$573,000), Goodrich for 1/3<sup>rd</sup> (\$706,400), and Battle Creek about 1/4<sup>th</sup> (\$521,000). In comparison to expectation, Goodrich and Battle Creek are a bit high. But we will have more to say about the maintenance budgets at each facility in the Course Maintenance Section of this report.

Goodrich had the biggest jump in maintenance costs last year, rising \$51,000 (13.4%). This followed 7.5% increase the previous year. Battle Creek went up 3.5% last year (\$11,000), following a 6.2% gain last year. Keller's expenses rose 4.3% last year, following a more dramatic 12.7% gain the year before. However, a big difference between 2015 and 2016 for all the facilities was removing some of the expenses from maintenance and transferring them to fleet – mainly the cost of gasoline and major equipment repair. Combined, these two items added up to more than \$100,000 that was removed system-wide from the maintenance budget.

Payroll typically makes up about ½ of the maintenance expenses. When fleet services are included, RC Golf is just slightly above, with payroll making up 53.5%. Benefits make up 23.2% of the total payroll cost. This is not unusual in municipal golf but is a lot higher than what we see in privately-owned public courses (around 15-18%).

Total payroll increased by 7.9% last year, following a dramatic 31.9% increase the previous year. However, there was an 82.9% increase in overtime pay last year. This was primarily due to Goodrich, which went from \$4,046 in 2016 to \$33,913 last year. We understand that a lot of this was due to a payroll correction from the previous year. (Keller was also very high, with \$25,413 – but this was less than the year before).

Wages went up 8.3% last year, while benefits increased 6.6%. However, the year before, wages jumped by nearly a quarter (24.3% or \$155,928), while benefits shot up a whopping 64.4% (\$95,675).

Last year, Goodrich had the biggest jump in payroll, 19.1%, which followed an 19.3% increase the previous year. Wages shot up 20.7% last year and benefits 14.4%. In 2016, wages increased 16.4%, and benefits by 30.6%.

Battle Creek had the next highest jump in payroll last year, with a modest 4.3% increase, with wages rising 4.6% and benefits 3.4%. The previous year, Battle Creek's payroll had jumped 31%, mostly due to a dramatic 111.8% increase in benefits, although wages also went up 14.7%

Keller had a very modest 2.4% increase in payroll last year, with a rise of 2.2% in wages and 3.6% in benefits. The previous year, though, saw a substantial 42.4% increase in payroll, with 37% jump in wages and a 66.1% increase in benefits.

All other maintenance expenses combined to have a 2.1% increase last year to \$223,500. This followed a 39.5% decrease the previous year – due to the removal of gasoline and major equipment repair from the maintenance budget.

## Operating Expenses

Operating expenses totaled just under a half of a million (\$483,000) last year, a 2.9% increase from 2016. The year before operating expenses had dropped by 17.1%.

Making up, by far, the biggest portion of the operating expenses are Proshop Services, which totaled \$342,059 last year. This is the amount the County paid back to the operators from the revenue it collected,

plus any base fees. (The County did not collect food and beverage or merchandise sales, which went straight to the operator). Proshop services rose slightly (2.9%) last year after falling slightly (1.5%) in 2016. Keller, at \$145,393, had the largest tab, followed by Goodrich (\$115,396) and Battle Creek (\$81,270).

Not accounting for much of the operating expenses was advertising and promotion, although it *should*. (More on that later). Last year saw a 66.9% drop in advertising expenses, to a paltry \$3,008. This was higher than the previous year's \$2,765, but less than 1/3<sup>rd</sup> the amount in 2015. We will have much more to say about this in our Marketing section.

Golf operating supplies are golf operations supplies not picked up by the operator. This includes range balls, scorecards, etc. Last year, this totaled \$20,061. Most of this is at Battle Creek (\$15,675).

It should be noted that the biggest other operating expense is Electricity, which totaled \$60,218 last year. However, this is a bit misleading. A primary user of the electricity are the irrigation pumps. Normally, this expense is part of the course maintenance budget. But the County does not distinguish among sources. It is likely that the Maintenance portion of the electric bill is around \$25,000, based on previous experience.

## Takeaways

RC Golf is among the minority of municipal golf operations that are making an operational profit. The cash flow being generated, however, is not enough to handle the debt for needed capital improvements. As we will discuss in the following sections, there are several things that can be done that can drastically improve performance of these facilities. These improvements will largely come from generating more revenue, although there are some opportunities for reducing costs as well.

Keller, with its recent renovation, is the major bread-winner among the facilities in terms of both revenue generation and cash flow to the County. Goodrich has been improving dramatically over the past few years, while Manitou's performance has slipped, by almost the same amount.

Given the proximity of the two facilities, both in terms of location and price points, and the fact that customer surveys show that each course is the other's main competitor, we can assume that a lot of Goodrich's gains have come at the expenses of Manitou. And while this is good for Goodrich and bad for Manitou, it is also the case that Goodrich's price point, especially with their discount programs – most notably the PCC – meaning it is ultimately reducing revenue to the County.

Battle Creek is the County's biggest cash flow drain, with a loss of \$206,000 after Fleet services is taken into consideration. Goodrich, despite its growth in revenue, is also losing money, \$140,000 last year. Keller is generating a positive \$211,226; and Manitou, with its operating lease, is guaranteed to have a positive cash flow. And it is, at \$140,000 last year. The other two leases combine for \$81,000 in positive cash flow to the County with no capital improvement exposure.

## ***CUSTOMER FEEDBACK***

With help from the County, we administered NGF's Golfer Satisfaction Survey to customers of RC Golf's five golf courses. This is a web-based survey that features both standardized and custom questions. The survey gets feedback on several key areas including:

- **Demographics:** Players gender and age, home zip code, average golf score, type of customer (e.g. league, card holder, pass holder, resident, non-resident)
- **Wallet Share:** How many rounds of golf the player plays at both the target facility and other area facilities – by name.
- **Customer Satisfaction:** Ratings on a 10-point scale on overall satisfaction with the target facility, and satisfaction on 23 factors such as course condition, food and beverage, etc.
- **Open-Ended Questions:** What the customer likes most about the facility and what they would like to see improved.

NGF takes the answers to these questions and others and generates both a loyalty index and a loyalty driver for the target facility. The loyalty index reveals how vulnerable a facility is for customer flight, while the loyalty driver shows what factors are most important to both keeping customers and are major concerns for them leaving.

Because the questionnaire is standardized, it allows for comparisons with survey results from all the courses that have administered the questionnaire. The comparison is made both to all courses in the database and to courses in their price band (Premium, Standard and Value). This comparison is very valuable for two main reasons. First, it tells you how your course stands in relation to other facilities. And second, it eliminates a natural bias in rating scales. For example, on a scale from 1 to 10, where one is poor and 10 is excellent, you would tend to think that an average score of 7.5 is much better than average. But in fact, it may put you in the lower 10%, or worse, of all courses surveyed.

The survey was emailed to customers in the County's database of RC Golf clients. Each facility mailed a link to the survey to its respective club/league list (except Island Lake and the Golf Dome). It was also mailed out to the EZ Links database (teetimes), as well as to the County's egov.golf email list, and a link was published on the County's twitter feed. We received a total of 458 responses. However, we only received 15 for Island Lake, making those results not statistically significant.

In addition, we designed a survey utilizing survey monkey, to resemble the NGF survey, using many of the same questions. This survey was for the Golf Dome.

A detailed breakdown of survey results can be found in Appendix F.

### **Demographics**

Below is a breakdown on the customers that took the survey.

We see that 82% of the respondents were male. Goodrich had the lowest percentage of female respondents with 9.5%, followed by Battle Creek at 11.8%. Keller had the highest female participation at 24.2%, followed closely by Manitou at 23.3%.

The majority (57.6%) of the survey takers were seniors, aged 60 or more. Goodrich, again, had the highest percentage of seniors at 65.7%, followed by Manitou at 60.3%. Both Battle Creek (48.4%) and Island Lake (46.7%) had slightly less than half the respondents be seniors.

|              | Males      |            |              | Females   |              | Age           |               |
|--------------|------------|------------|--------------|-----------|--------------|---------------|---------------|
|              | Total Resp | Qty        | %            | Qty       | %            | Over 60       | Under 40      |
| Keller       | 99         | 75         | 75.76%       | 24        | 24.24%       | 55.56%        | 13.13%        |
| Goodrich     | 105        | 95         | 90.48%       | 10        | 9.52%        | 65.71%        | 3.81%         |
| Manitou      | 146        | 112        | 76.71%       | 34        | 23.29%       | 60.27%        | 5.48%         |
| Battlecreek  | 93         | 82         | 88.17%       | 11        | 11.83%       | 48.39%        | 20.43%        |
| Island Lake  | 15         | 12         | 80.00%       | 3         | 20.00%       | 46.67%        | 26.67%        |
| <b>Total</b> | <b>458</b> | <b>376</b> | <b>82.1%</b> | <b>82</b> | <b>17.9%</b> | <b>57.60%</b> | <b>42.40%</b> |

It is important to point out that the demographics of the survey respondents do not necessarily mean that this represents the demographics of the customers at the course. Not all demographics are equally likely to take a lengthy survey, for example. Typically, survey takers are the most motivated to complete the survey – often the ones with the strongest opinions, one way or the other.

### Customer Origin

One survey question asked what zip code the respondent was from. The table below shows the distribution of respondents by county.

| Customer Origin by County |           |              |           |              |              |              |           |              |             |               |          |              |            |              |
|---------------------------|-----------|--------------|-----------|--------------|--------------|--------------|-----------|--------------|-------------|---------------|----------|--------------|------------|--------------|
|                           | Manitou   |              | Goodrich  |              | Battle Creek |              | Keller    |              | Island Lake |               | Dome     |              | Total      |              |
|                           | Qty       | %            | Qty       | %            | Qty          | %            | Qty       | %            | Qty         | %             | Qty      | %            | Qty        | %            |
| Out of area               | 0         | 0.0%         | 0         | 0.0%         | 1            | 1.1%         | 1         | 1.0%         | 0           | 0.0%          | 0        | 0.0%         | 2          | 0.4%         |
| Anoka                     | 3         | 2.1%         | 2         | 1.9%         | 2            | 2.2%         | 1         | 1.0%         | 0           | 0.0%          | 0        | 0.0%         | 8          | 1.7%         |
| Carver                    | 0         | 0.0%         | 0         | 0.0%         | 0            | 0.0%         | 1         | 1.0%         | 0           | 0.0%          | 0        | 0.0%         | 1          | 0.2%         |
| Dakota                    | 4         | 2.8%         | 8         | 7.5%         | 4            | 4.3%         | 4         | 4.1%         | 0           | 0.0%          | 1        | 6.3%         | 21         | 4.5%         |
| Goodhue                   | 0         | 0.0%         | 0         | 0.0%         | 0            | 0.0%         | 1         | 1.0%         | 0           | 0.0%          | 0        | 0.0%         | 1          | 0.2%         |
| Hennepin                  | 8         | 5.6%         | 10        | 9.3%         | 5            | 5.4%         | 15        | 15.4%        | 0           | 0.0%          | 3        | 18.8%        | 41         | 8.8%         |
| <b>Ramsey</b>             | <b>90</b> | <b>62.5%</b> | <b>62</b> | <b>57.9%</b> | <b>42</b>    | <b>45.2%</b> | <b>49</b> | <b>50.5%</b> | <b>15</b>   | <b>100.0%</b> | <b>7</b> | <b>43.8%</b> | <b>265</b> | <b>57.1%</b> |
| Scott                     | 0         | 0.0%         | 0         | 0.0%         | 1            | 1.1%         | 0         | 0.0%         | 0           | 0.0%          | 0        | 0.0%         | 1          | 0.2%         |
| St. Croix                 | 2         | 1.4%         | 2         | 1.9%         | 1            | 1.1%         | 0         | 0.0%         | 0           | 0.0%          | 0        | 0.0%         | 5          | 1.1%         |
| Washington                | 37        | 25.7%        | 22        | 20.6%        | 37           | 39.8%        | 18        | 18.6%        | 0           | 0.0%          | 5        | 31.3%        | 119        | 25.6%        |

Island Lake had the highest percentage of Ramsey County respondents. But this is likely due to sampling error as we did not have access to Island Lake’s complete database. Of the big courses, Manitou had the highest percentage of Ramsey County residents (62.5%), and Battle Creek the least (45.2%). Battle Creek received a large percentage of responses from Washington County (39.8%), which was second overall with 25.6% of all responses. Keller got half from Ramsey County (50.5%), 18.6% from Washington County and 15.4% from Hennepin, which was third overall at 8.8%. Fourth overall was Dakota County (4.5%), followed by Anoka (1.7%).

### Overall Satisfaction

The results on overall satisfaction, the most important measure, were mixed. Two of the facilities, Goodrich and Battle Creek, received outstanding scores. Both placed in the top 3% of courses in their price band and top 10% of all courses. It is important to note that both courses are managed by the same operator, Brad Behnke.

Keller’s ratings were also very good. Rating in the top 20% in their class and top 26% overall. As we will discuss, their ratings would have been much higher if not for one factor, food and beverage.

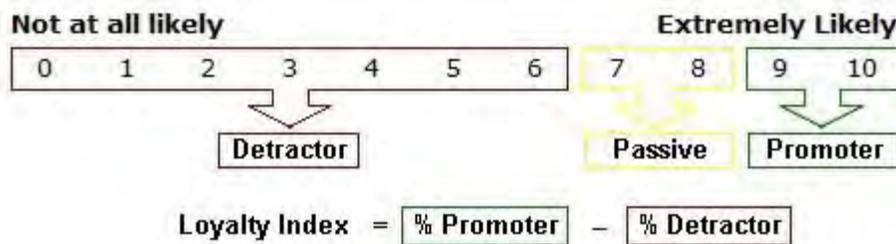
On the other end of the spectrum were Island Lake and Manitou. Island Lake’s class score was very close to the middle. However, with only 15 responses, we cannot assign any real significance to the ratings.

Manitou, though, had both the highest number of responses, 145, and by far the lowest ratings. They placed in the lower 28% of courses in their class, and lowest 12% overall.

| Overall Satisfaction Ratings |        |               |            |            |
|------------------------------|--------|---------------|------------|------------|
|                              | # Resp | Average Score | Price Pt % | National % |
| Keller                       | 97     | 8.4           | 82         | 74         |
| Goodrich                     | 107    | 8.7           | 97         | 90         |
| Manitou                      | 145    | 7.5           | 28         | 12         |
| Battle Creek                 | 94     | 8.8           | 98         | 94         |
| Island Lake                  | 15     | 7.8           | 46         | 28         |

### Loyalty Index

NGF has created a loyalty index based on the overall satisfaction scores. The Loyalty Index in this report is based on a model developed by Frederick F. Reichheld, director emeritus of the consulting firm Bain & Company. We asked respondents how likely they are to recommend the golf course administering the survey, using a scale from 0 to 10. Those answering 0 to 6 are called "Detractors"; 7 to 8 "Passives"; and 9 to 10 "Promoters." Promoters less Detractors equals the Loyalty Index. For example, 40% Promoters minus 10% Detractors equals a 30% Loyalty Index. In some cases, the Loyalty Index may be a negative number.



| Loyalty Index Ratings |                     |                  |                  |                  |
|-----------------------|---------------------|------------------|------------------|------------------|
|                       | Promoters<br>9 & 10 | Passive<br>7 & 8 | Detractors<br><7 | Loyalty<br>Index |
| National              | 44.00%              | 24.10%           | 36.00%           | 19.90%           |
| Standard Benchmark    | 43.70%              | 25.50%           | 38.10%           | 18.20%           |
| Value Benchmark       | 41.10%              | 35.90%           | 23.00%           | 18.10%           |
| Goodrich Golf Course  | 56.10%              | 32.70%           | 11.20%           | 44.90%           |
| Keller Golf Course    | 52.10%              | 31.30%           | 16.70%           | 35.40%           |
| Manitou Ridge         | 35.20%              | 33.80%           | 31.00%           | 4.20%            |
| Battle Creek          | 68.80%              | 21.50%           | 9.70%            | 59.10%           |
| Island Lake           | 40.00%              | 33.30%           | 26.70%           | 13.30%           |
| Golf Dome             | 32.29%              | 32.29%           | 35.42%           | -3.13%           |

On this measure, Battle Creek, with an index of 59.1, was, by far, the highest rated with a score a full 40 points better than the national average. Goodrich was next at 44.9, 25 points higher than the national average. Keller also scored very well at 35.4.

Scoring well below average were the other three facilities. Island Lake was at 13.3, six points below the national average and 5 below the rate class average. Manitou was even lower at just 4.2, a full 15 points below the national average and 14 below the rate band. However, as Island Lake had only 15 responses and Golf Dome just 17, neither of their findings can be viewed as necessarily valid. Manitou’s, though, is statistically significant.

## Individual Factors

The table below shows the percentile ratings for each facility’s rate class for the 23 different satisfaction factors. Percentile ratings in the top 20<sup>th</sup> percentile are printed in red, while those in the bottom 20 are blue.

| Satisfaction Factor Percentile Ratings         |      |      |      |      |      |     |
|--|------|------|------|------|------|-----|
|  | GR   | K    | MR   | BC   | IL   | GD  |
| Overall Value                                  | 85   | 48   | 5    | 53   | 88   | 8   |
| Overall Course Conditions                      | 94   | 79   | 44   | 96   | 89   |     |
| Pace of Play                                   | 64   | 26   | 13   | 80   | 77   |     |
| Friendliness/Helpfulness of Staff              | 90   | 80   | 25   | 85   | 93   | 5   |
| Golf Course Design/Layout                      | 30   | 49   | 9    | 86   | 5    |     |
| Convenience of Course Location                 | 65   | 87   | 40   | 86   | 99   |     |
| Tee Time Availability                          | 71   | 37   | 29   | 81   | 97   |     |
| Condition of Greens                            | 95   | 72   | 49   | 95   | 79   |     |
| Scenery and Aesthetics of Course               | 57   | 80   | 13   | 92   | 56   |     |
| Condition of Golf Cars                         | 96   | 73   | 33   | 50   | 56   |     |
| Amenities (clubhouse, pro shop, locker room)   | 76   | 54   | 22   | 74   | 34   | 5   |
| Food and Beverage Service                      | 76   | 0    | 14   | 88   | 39   |     |
| On-course Services (restrooms, drinking water) | 20   | 1    | 4    | 60   | 14   |     |
| Overall Experience                             | 87   | 64   | 20   | 91   | 78   |     |
| Affordability                                  | 58   | 34   | 2    | 30   | 77   |     |
| Condition of Tees                              | 66   | 58   | 36   | 98   | 21   |     |
| Condition of Bunkers                           | 31   | 82   | 21   | 97   | 97   |     |
| Condition of Fairways                          | 95   | 70   | 42   | 93   | 85   |     |
| Overall Quality of Practice Facility           |      | 57   | 18   | 100  | 97   |     |
| Overall Quality of Golf Shop                   | 71   | 91   | 34   | 89   | 51   |     |
| Overall Quality of Golf Shop Apparel           | 54   | 98   | 29   | 87   | 29   |     |
| Overall Quality of Golf Shop Merchandise       | 67   | 94   | 53   | 90   | 53   |     |
| Average Percentile                             | 69.0 | 60.6 | 25.2 | 81.9 | 64.3 | 6.0 |

Battle Creek had the highest average rating – 81.9. Goodrich (69), Island Lake (64), and Keller (60.6) all averaged in between the 60<sup>th</sup> and 70<sup>th</sup> percentiles. Manitou *averaged* in the 25<sup>th</sup> percentile, and the Golf Dome, with limited factors and a small response, averaged in just the 6<sup>th</sup> percentile.

In the table below, cells with the highest (best) values are highlighted in green, with the lowest in red and in the middle with yellow.

For Battle Creek, 41% of the indicators scored in the 90<sup>th</sup> percentile or better, 77% in the 80<sup>th</sup> or better. Island Lake had the next best results, with 23% of the responses in the 90<sup>th</sup> percentile or better, and 36% in the 80<sup>th</sup> or better. Goodrich followed with 24% and 33%, respectfully. Keller was next at 14% and 32%. However, neither Manitou or the Golf Dome had any responses in the top 20 percent.

On the other end, 100% of the Golf Dome's answers were in the bottom 10%. Manitou fared only a bit better. Half of the measures scored in the bottom 25%, and 18% were in the bottom 10<sup>th</sup> percentile. Island lake had 14% in the bottom quartile, with 5% in the bottom tenth. Keller had 9% of its measures in the bottom 10%. Goodrich had 5% in the bottom quarter, but none in the bottom 10%. Battle Creek did not have any measures in the bottom quartile.

Below, we list the strongest and weakest factors for each facility.

## Keller

**Strengths** (top 20 percentile placements) include:

- Friendliness/helpfulness of staff
- Course Location
- Scenery and Aesthetics of course
- Condition of Bunkers
- Overall Quality of Golf Shop
- Quality of Shop Apparel
- Quality of Shop Merchandise

**Weaknesses** (bottom 25 percent) were:

- On course services (restrooms, drinking water)
- Food and Beverage Service

Both weaknesses were rated in the *bottom 5% of courses in its class*. Food and Beverage service was rated below the bottom first percentile. Meaning it was among the very worst courses in the entire database.

## Goodrich

**Strengths** include:

- Overall value
- Friendliness/helpfulness of staff
- Condition of Greens
- Condition of Golf Carts
- Overall Experience
- Condition of Fairways

Weaknesses include:

- On course services (restrooms, drinking water)

## Battle Creek

Strengths include:

- Overall Course Conditions
- Pace of Play
- Friendliness/helpfulness of staff
- Golf Course Design/Layout
- Course Location
- Tee Time Availability
- Condition of Greens
- Scenery and Aesthetics
- Overall Experience
- Condition of Fairways
- Condition of Tees
- Condition of Bunkers
- Overall Quality of Practice Facility
- Overall Quality of Golf Shop
- Quality of Shop Apparel
- Quality of Shop Merchandise

Three things stand out. The Practice facility was given a rating of “100,” meaning it was above the 99.5<sup>th</sup> percentile of all facilities. Second, all factors relating to golf course conditions were rated in the top 20 percent. Finally, *none of the factors rated in the bottom 20%*. The lowest rating was for affordability at 30.

## Manitou

*There were no factors rated in the top 20<sup>th</sup> percentile.* The top-rated factor was Overall Quality of Shop Merchandise, at 53<sup>rd</sup> percentile. No other factors were above 50.

Those factors rating in the bottom 20% were:

- Pace of Play
- Scenery and Aesthetics
- Food and Beverage Service
- Quality of Practice Facility

Those factors rated in the bottom **10%** were:

- Golf Course Design

Factors rated in the bottom **5%** were:

- Overall Value
- On-Course Services

- Affordability

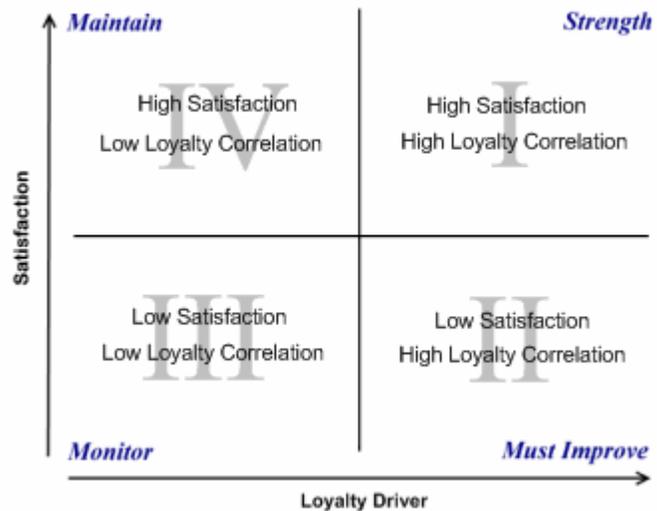
## Loyalty Driver

We asked respondents the overall satisfaction of the golf course using a scale from 1 to 10. The loyalty driver (measured as a correlation coefficient\*) indicates the strength of a relationship between several key factors and how satisfied a golfer is to the golf course. In other words, *for the people taking the survey*, this measures how important an individual factor is likely to be in choosing where they play golf as their satisfaction with this factor directly relates to their overall satisfaction score for the facility.

The average (or mean) of the loyalty driver for each key factor is set at the center of the horizontal axis and the loyalty driver scores are plotted accordingly.

### Satisfaction

We asked respondents how satisfied they are on several key factors, using a scale from 1 to 10. These are the satisfaction factors discussed above. Those answering a 10 were very satisfied and those answering a 1 were very dissatisfied. The average (or mean) of the responses from all other courses in the same price-point class is set at the center of the vertical axis and the course satisfaction scores are plotted accordingly. Below are the definitions for each quartile.



### I - Strengths

These factors are your strengths. Respondents indicated that they have a higher satisfaction with factors located in this quadrant. They also have a strong correlation to how likely a golfer is to recommend the golf course.

### II - Must Improve

Improving factors in this quadrant are likely to have the largest, most immediate impact. Respondents indicated that they have a lower satisfaction for these factors that also have a stronger correlation to how likely a golfer is to recommend the golf course.

### III - Monitor

While respondents indicated that they have a lower satisfaction for these factors the factors are not likely to influence a golfer to recommend the golf course because these factors have a weaker correlation. Improving factors in this quadrant are likely to have a lower yield.

### IV - Maintain

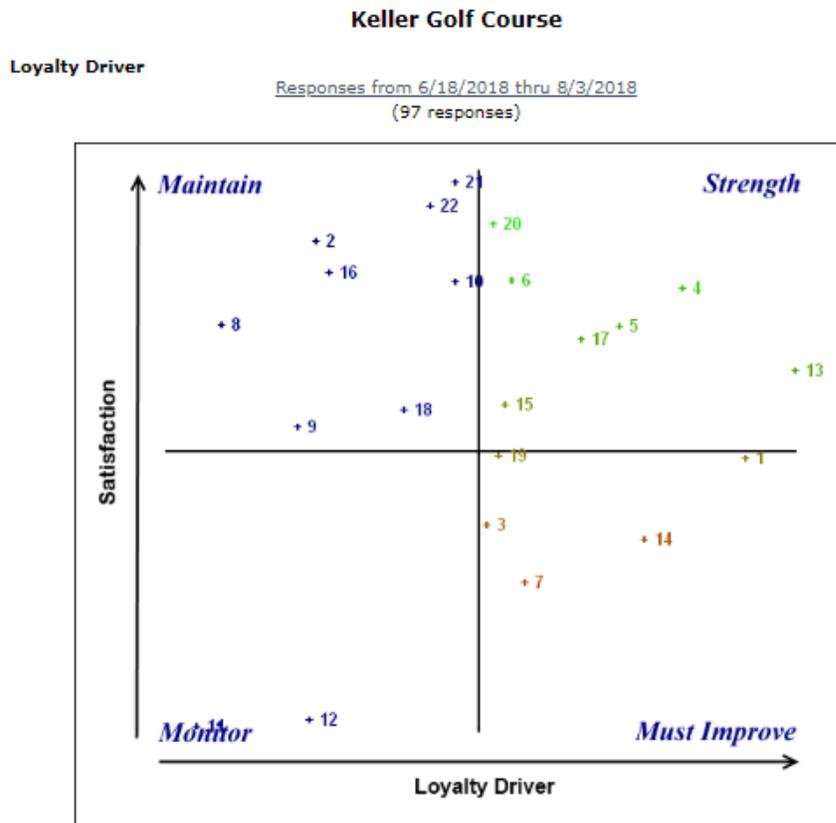
Factors in this quadrant are value adds. Respondents indicated that they have a higher satisfaction with these factors although they do not have a high correlation to how likely a golfer is to recommend the golf course.

\* The loyalty driver is calculated using the Pearson product-moment correlation coefficient.

## Keller

By far, the two lowest rated factors are food and beverage service and on-course services (restrooms, drinking water.) However, these factors were *not* significantly related to the overall satisfaction rating the survey takers gave the facility. Yet, these factors clearly are ones that could be preventing *other* golfers from playing (or returning) to the facility if they should value these factors more highly than those taking the survey.

- Factors considered most influential:
  - Overall experience (80)
  - Overall Value (75)
  - Overall Course conditions (67)
  - Affordability (63)
  - Condition of the greens (60)
- Factors considered least influential:
  - Food & beverage service (8)
  - Condition of golf cars (11)
  - Amenities (20)
  - Convenience of location (22)
  - Condition of Bunkers (24)
- Factors rated “strengths” (highly rated and influential) include:
  - Overall experience (most influential factor)
  - Overall quality of golf shop (highly rated, but not very influential)
  - Overall course conditions (both highly rated and highly influential)
  - Condition of the greens
  - Scenery and Aesthetics of the course



| Factor  | Average Score<br>(Scale 1-10) | Standard Percentile * | Loyalty Driver |
|---|-------------------------------|-----------------------|----------------|
| 1 Overall Value                                   | 7.8                           | 48                    | 75             |
| 2 Convenience of Course Location                  | 8.8                           | 87                    | 22             |
| 3 Tee Time Availability                           | 7.8                           | 37                    | 43             |
| 4 Overall Course Conditions                       | 8.4                           | 79                    | 67             |
| 5 Condition of Greens                             | 8.2                           | 72                    | 60             |
| 6 Scenery and Aesthetics of Course                | 8.9                           | 80                    | 46             |
| 7 Pace of Play                                    | 6.8                           | 26                    | 48             |
| 8 Condition of Golf Cars                          | 8.5                           | 73                    | 11             |
| 9 Amenities (clubhouse, pro shop, locker room)    | 7.6                           | 54                    | 20             |
| 10 Friendliness/Helpfulness of Staff              | 8.8                           | 80                    | 39             |
| 11 Food and Beverage Service                      | 5.1                           | 0                     | 8              |
| 12 On-course Services (restrooms, drinking water) | 5.5                           | 1                     | 22             |
| 13 Overall Experience                             | 8.3                           | 64                    | 80             |
| 14 Affordability                                  | 7.3                           | 34                    | 63             |
| 15 Condition of Tees                              | 7.8                           | 58                    | 45             |
| 16 Condition of Bunkers                           | 7.6                           | 82                    | 24             |
| 17 Condition of Fairways                          | 8.2                           | 70                    | 55             |
| 18 Overall Quality of Practice Facility           | 7.5                           | 57                    | 33             |
| 19 Golf Course Design/Layout                      | 8.4                           | 49                    | 44             |
| 20 Overall Quality of Golf Shop                   | 8.4                           | 91                    | 44             |
| 21 Overall Quality of Golf Shop Apparel           | 8.4                           | 98                    | 39             |
| 22 Overall Quality of Golf Shop Merchandise       | 8.3                           | 94                    | 36             |

- Condition of the fairways
- Condition of the tees
- Factors rated “Must Improve” (poorly rated, yet influential)
  - Overall value (barely below the average mark, but highly influential)
  - Affordability
  - Pace of play (low rated)
  - Teetime availability

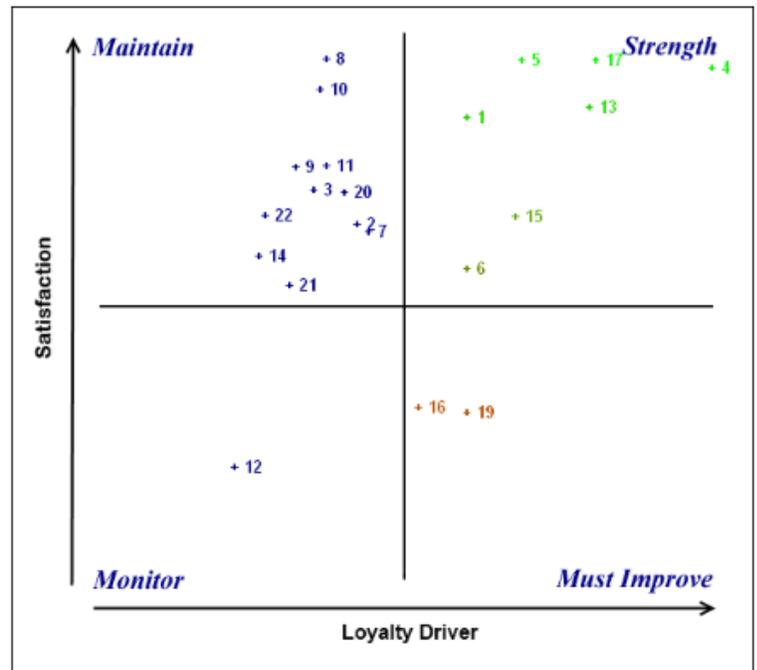
**Goodrich**

- Factors considered most influential:
  - Overall Course conditions (73)
  - Overall Experience (60)
  - Condition of the Fairways (60)
- Factors considered least influential:
  - On course services (18)
  - Overall Quality of Merchandise (22)
  - Affordability (22)
  - Overall Quality of Apparel (25)
  - Amenities (clubhouse, etc.) (26)
  - Tee time availability (28)
  - Friendliness of staff (28)
  - Food & Bev Service (29)
  - Condition of golf cars (29)
- Factors rated “strengths” (highly rated and influential) include:
  - Overall Course conditions (most influential factor)
  - Condition of Fairways (highly rated)
  - Condition of Greens (highly rated)
  - Overall experience
  - Overall Value
  - Condition of Tees
  - Course aesthetics (above average in both rating and influence)
- Factors rated “Must Improve” (poorly rated, yet influential)
  - Golf course design/layout
  - Condition of bunkers
- On course services had the lowest satisfaction but was not that influential.

**Goodrich Golf Course**

Loyalty Driver

Responses from 6/19/2018 thru 8/5/2018  
(106 responses)



| Factor  | Average Score (Scale 1-10) | Value Percentile * | Loyalty Driver |
|---|----------------------------|--------------------|----------------|
| 1 Overall Value                                   | 8.7                        | 85                 | 45             |
| 2 Convenience of Course Location                  | 8.9                        | 65                 | 33             |
| 3 Tee Time Availability                           | 8.7                        | 71                 | 28             |
| 4 Overall Course Conditions                       | 8.6                        | 94                 | 73             |
| 5 Condition of Greens                             | 8.8                        | 95                 | 52             |
| 6 Scenery and Aesthetics of Course                | 8.0                        | 57                 | 45             |
| 7 Pace of Play                                    | 7.7                        | 64                 | 34             |
| 8 Condition of Golf Cars                          | 8.9                        | 96                 | 29             |
| 9 Amenities (clubhouse, pro shop, locker room)    | 7.9                        | 76                 | 26             |
| 10 Friendliness/Helpfulness of Staff              | 9.2                        | 90                 | 28             |
| 11 Food and Beverage Service                      | 7.7                        | 76                 | 29             |
| 12 On-course Services (restrooms, drinking water) | 6.5                        | 20                 | 18             |
| 13 Overall Experience                             | 8.7                        | 87                 | 60             |
| 14 Affordability                                  | 8.5                        | 59                 | 22             |
| 15 Condition of Tees                              | 7.8                        | 66                 | 51             |
| 16 Condition of Bunkers                           | 6.3                        | 31                 | 39             |
| 17 Condition of Fairways                          | 8.7                        | 95                 | 60             |
| 19 Golf Course Design/Layout                      | 7.7                        | 30                 | 45             |
| 20 Overall Quality of Golf Shop                   | 8.1                        | 71                 | 31             |
| 21 Overall Quality of Golf Shop Apparel           | 7.6                        | 54                 | 25             |
| 22 Overall Quality of Golf Shop Merchandise       | 7.5                        | 67                 | 22             |

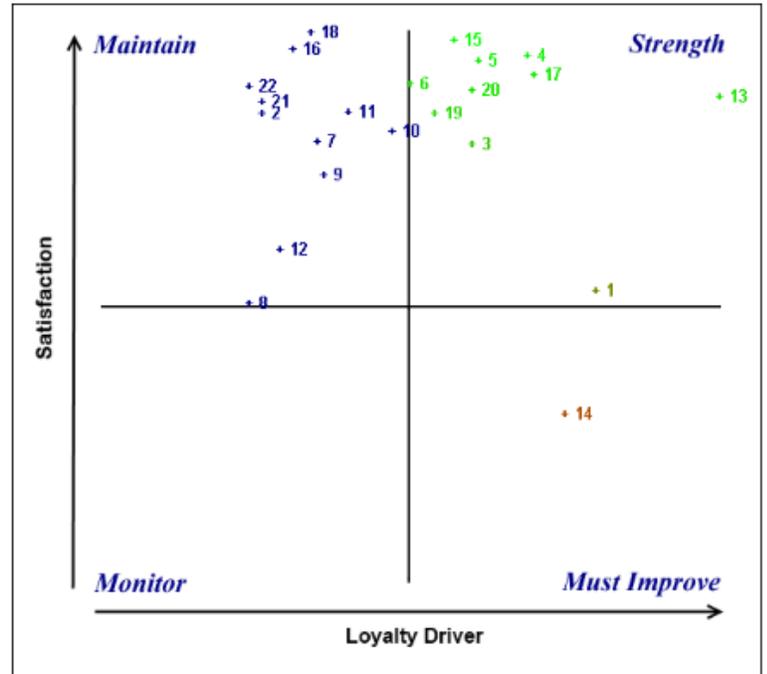
## Battle Creek

- **Factors considered most influential:**
  - Overall Experience (85)
  - Overall Value (74)
  - Affordability (72)
  - Overall Course conditions (69)
  - Condition of Fairways (69)
  - Teetime availability (64)
  - Condition of greens (64)
  - Golf Shop (64)
  - Condition of tees (62)
  - Design (60)
- **Factors considered least influential:**
  - All correlated well
  - Condition of carts (45)
  - Merchandise (45)
  - Location (46)
  - Apparel (46)
  - F&B Service (47)
  - Condition of bunkers (49)
- **Factors rated “strengths” (highly rated and influential) include:**
  - Overall Experience (most influential and highly rated)
  - Condition of tees (highest rated in this sector)
  - Overall course conditions
  - Greens
  - Fairways
  - Golf Shop
  - Design/Layout
  - Teetime availability
  - Overall Value
- **Factors rated “Must Improve” (poorly rated, yet influential)**
  - Affordability

## The Ponds At Battle Creek Golf Course

Loyalty Driver

Responses from 6/20/2018 thru 8/7/2018  
(95 responses)

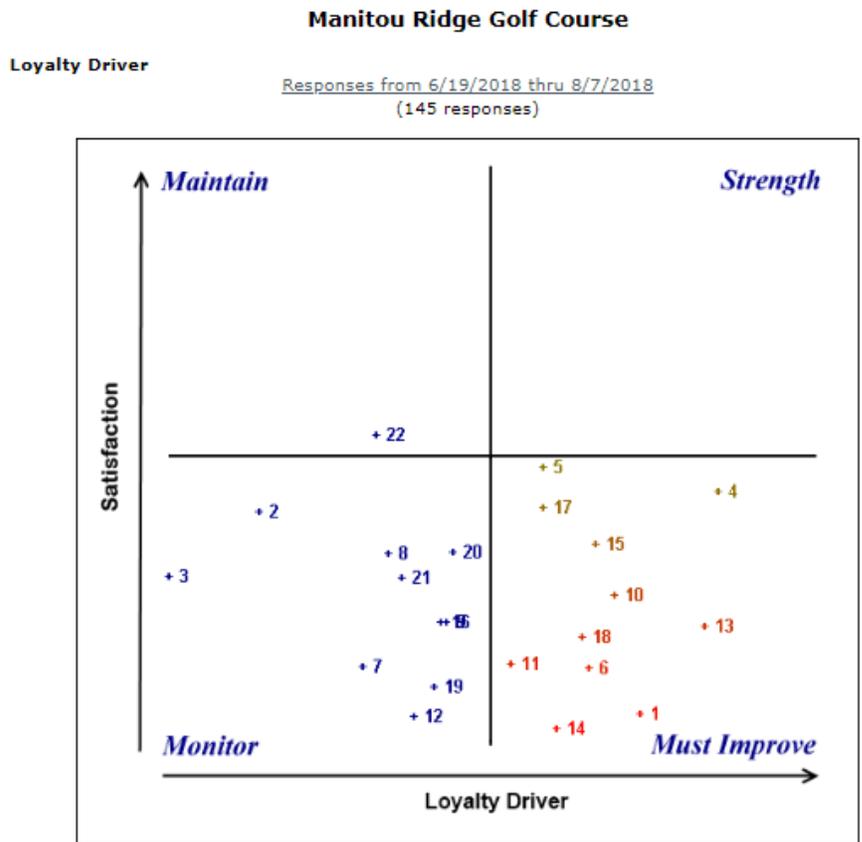


| Factor  | Average Score<br>(Scale 1-10) | Value Percentile * | Loyalty Driver |
|---|-------------------------------|--------------------|----------------|
| 1 Overall Value                                   | 8.2                           | 53                 | 74             |
| 2 Convenience of Course Location                  | 9.2                           | 85                 | 46             |
| 3 Tee Time Availability                           | 8.8                           | 80                 | 64             |
| 4 Overall Course Conditions                       | 8.7                           | 96                 | 69             |
| 5 Condition of Greens                             | 8.8                           | 95                 | 64             |
| 6 Scenery and Aesthetics of Course                | 8.9                           | 90                 | 58             |
| 7 Pace of Play                                    | 7.9                           | 80                 | 50             |
| 8 Condition of Golf Cars                          | 8.0                           | 50                 | 45             |
| 9 Amenities (clubhouse, pro shop, locker room)    | 7.9                           | 74                 | 51             |
| 10 Friendliness/Helpfulness of Staff              | 9.0                           | 82                 | 57             |
| 11 Food and Beverage Service                      | 8.0                           | 85                 | 53             |
| 12 On-course Services (restrooms, drinking water) | 7.3                           | 60                 | 47             |
| 13 Overall Experience                             | 8.7                           | 88                 | 85             |
| 14 Affordability                                  | 8.0                           | 30                 | 72             |
| 15 Condition of Tees                              | 8.8                           | 98                 | 62             |
| 16 Condition of Bunkers                           | 8.0                           | 97                 | 49             |
| 17 Condition of Fairways                          | 8.6                           | 92                 | 69             |
| 18 Overall Quality of Practice Facility           | 9.0                           | 100                | 50             |
| 19 Golf Course Design/Layout                      | 8.5                           | 85                 | 60             |
| 20 Overall Quality of Golf Shop                   | 8.4                           | 89                 | 64             |
| 21 Overall Quality of Golf Shop Apparel           | 8.1                           | 87                 | 46             |
| 22 Overall Quality of Golf Shop Merchandise       | 8.0                           | 90                 | 45             |

## Manitou

- **Factors considered most influential:**
  - Overall Course conditions (69)
  - Overall Experience (68)
  - Overall Value (63)

- Friendliness of Staff (61)
- Aesthetics (59)
- Condition of Tees (59)
- Practice Facility (58)
- Affordability (56)
- Condition of Greens (55)
- Condition of Fairways (55)
- **Factors considered least influential:**
  - Teetime Availability (23)
  - Course Location (31)
- **Factors rated “strengths” (highly rated and influential) include:**
  - NONE
- **Factors rated “Must Improve” (poorly rated, yet influential)**
  - Overall course conditions (most influential)
  - Affordability (worst rated)
  - Overall value (very low rated)
  - Overall experience (low rated and influential)
  - Aesthetics
  - On course services
  - Practice Facility
  - Condition of greens
  - Friendliness of staff
  - Food & Beverage Service
  - Condition of fairways
  - Condition of tees



| Factor  | Average Score (Scale 1-10) | Value Percentile * | Loyalty Driver |
|---|----------------------------|--------------------|----------------|
| 1 Overall Value                                   | 7.2                        | 5                  | 63             |
| 2 Convenience of Course Location                  | 8.6                        | 40                 | 31             |
| 3 Tee Time Availability                           | 8.0                        | 29                 | 23             |
| 4 Overall Course Conditions                       | 7.5                        | 44                 | 69             |
| 5 Condition of Greens                             | 7.6                        | 48                 | 55             |
| 6 Scenery and Aesthetics of Course                | 7.0                        | 13                 | 59             |
| 7 Pace of Play                                    | 6.5                        | 13                 | 40             |
| 8 Condition of Golf Cars                          | 7.7                        | 33                 | 42             |
| 9 Amenities (clubhouse, pro shop, locker room)    | 6.6                        | 21                 | 46             |
| 10 Friendliness/Helpfulness of Staff              | 8.2                        | 25                 | 61             |
| 11 Food and Beverage Service                      | 6.5                        | 13                 | 52             |
| 12 On-course Services (restrooms, drinking water) | 5.6                        | 4                  | 44             |
| 13 Overall Experience                             | 7.6                        | 20                 | 68             |
| 14 Affordability                                  | 7.2                        | 2                  | 56             |
| 15 Condition of Tees                              | 7.2                        | 34                 | 59             |
| 16 Condition of Bunkers                           | 6.0                        | 21                 | 46             |
| 17 Condition of Fairways                          | 7.5                        | 41                 | 55             |
| 18 Overall Quality of Practice Facility           | 6.2                        | 18                 | 58             |
| 19 Golf Course Design/Layout                      | 7.5                        | 9                  | 45             |
| 20 Overall Quality of Golf Shop                   | 7.4                        | 33                 | 47             |
| 21 Overall Quality of Golf Shop Apparel           | 7.1                        | 28                 | 43             |
| 22 Overall Quality of Golf Shop Merchandise       | 7.2                        | 53                 | 40             |

**Loyalty Factor Influence Comparison**

The table below provides a comparison of the various loyalty drivers by facility. Keep in mind that the loyalty driver measures the relationship between a given factor’s satisfaction score and that person’s rating of overall satisfaction. In other words, a low loyalty driver number indicates that this factor did not

influence the overall satisfaction score very much, while a high loyalty driver indicates that measure correlated highly with the overall satisfaction score.

| Loyalty Driver                                 | Goodrich |      | Keller |      | Manitou |      | Battle Creek |      | Total |       |
|--|----------|------|--------|------|---------|------|--------------|------|-------|-------|
|  | Value    | Rank | Value  | Rank | Value   | Rank | Value        | Rank | Value | Rank  |
| Condition of Golf Cars                         | 29       | 13   | 12     | 21   | 42      | 17   | 44           | 20   | 31.75 | 17.75 |
| Convenience of Course Location                 | 33       | 11   | 21     | 18   | 32      | 21   | 44           | 20   | 32.50 | 17.50 |
| On-course Services (restrooms, drinking water) | 18       | 21   | 21     | 18   | 46      | 13   | 46           | 18   | 32.75 | 17.50 |
| Overall Quality of Practice Facility           |          |      | 32     | 16   | 57      | 6    | 49           | 16   | 46.00 | 12.67 |
| Overall Quality of Golf Shop Merchandise       | 22       | 19   | 37     | 15   | 38      | 20   | 44           | 20   | 35.25 | 18.50 |
| Food and Beverage Service                      | 29       | 13   | 9      | 22   | 52      | 11   | 55           | 13   | 36.25 | 14.75 |
| Amenities (clubhouse, pro shop, locker room)   | 26       | 17   | 20     | 20   | 47      | 12   | 53           | 14   | 36.50 | 15.75 |
| Condition of Bunkers                           | 39       | 9    | 22     | 17   | 46      | 13   | 48           | 17   | 38.75 | 14.00 |
| Overall Quality of Golf Shop Apparel           | 25       | 18   | 41     | 13   | 41      | 18   | 46           | 18   | 38.25 | 16.75 |
| Tee Time Availability                          | 28       | 15   | 43     | 12   | 24      | 22   | 63           | 7    | 39.50 | 14.00 |
| Pace of Play                                   | 34       | 10   | 48     | 7    | 40      | 19   | 50           | 15   | 43.00 | 12.75 |
| Friendliness/Helpfulness of Staff              | 28       | 15   | 40     | 14   | 60      | 4    | 57           | 12   | 46.25 | 11.25 |
| Overall Quality of Golf Shop                   | 31       | 12   | 45     | 8    | 46      | 13   | 63           | 7    | 46.25 | 10.00 |
| Golf Course Design/Layout                      | 45       | 6    | 44     | 11   | 46      | 13   | 60           | 10   | 48.75 | 10.00 |
| Scenery and Aesthetics of Course               | 45       | 6    | 45     | 8    | 57      | 6    | 58           | 11   | 51.25 | 7.75  |
| Affordability                                  | 22       | 19   | 62     | 4    | 57      | 6    | 71           | 3    | 53.00 | 8.00  |
| Condition of Tees                              | 51       | 5    | 45     | 8    | 59      | 5    | 62           | 9    | 54.25 | 6.75  |
| Condition of Greens                            | 52       | 4    | 60     | 5    | 55      | 9    | 64           | 6    | 57.75 | 6.00  |
| Condition of Fairways                          | 60       | 2    | 55     | 6    | 54      | 10   | 69           | 4    | 59.50 | 5.50  |
| Overall Value                                  | 45       | 6    | 75     | 2    | 63      | 3    | 74           | 2    | 64.25 | 3.25  |
| Overall Course Conditions                      | 73       | 1    | 67     | 3    | 68      | 2    | 68           | 5    | 69.00 | 2.75  |
| Overall Experience                             | 60       | 2    | 80     | 1    | 69      | 1    | 85           | 1    | 73.50 | 1.25  |

We find that there are some commonalities across the courses, and some interesting differences.

### Most Influential

The following factors were rated among the top five most influential for all four facilities:

- **Overall Course Conditions** (second highest rated, with average ranking of 2.75)
- **Overall Experience** (highest rated of all factors, with average ranking of 1.25)

These other factors were important, but not always in the top 5.

- **Overall Value** (rated 6<sup>th</sup> at Goodrich, top 5 at others, average 3.25)
- **Condition of Fairways** (top 5 at Goodrich and Battle Creek, #6 at Keller and #10 at Manitou, average 5.5)
- **Condition of Greens** (Top 5 at Goodrich, Keller; #6 at Battle Creek, #9 at Manitou, average 6.0)
- **Condition of Tees** (Top 5 at Goodrich, Manitou; #8 at Keller, #9 at Battle Creek, average 6.75)
- **Affordability** (Top 5 at Battle Creek and Keller; #6 at Manitou but #19 at Goodrich, average 8.0)

### Common Least Influential

No factor was among the bottom five at all four facilities. The following were rated in the bottom five influential factors at one or more of the facilities:

- **Overall Quality of Golf Shop Merchandise** (average ranking: 18.5; Bottom five at Goodrich, Manitou and Battle Creek, #15 at Keller)
- **On-Course Services** (average ranking: 17.5; Bottom five at Goodrich, Keller, Battle Creek; #13 at Manitou)
- **Quality of Golf Apparel** (average ranking: 16.75; Bottom five at Goodrich, Manitou and Battle Creek, #13 at Keller)
- **Amenities** (average ranking: 15.75; Bottom five at Goodrich, Keller; #12 at Manitou, #14 at Battle Creek)
- **Food & Beverage Service** (average ranking: 14.75; Bottom five at Keller (last); #13 at Goodrich and Battle Creek, #11 at Manitou)
- **Condition of Bunkers** (average ranking: 14.0; Bottom five at Keller and Battle Creek; #9 at Goodrich, #13 at Manitou)
- **Tee Time Availability** (average ranking: 14.0; Bottom five at Manitou (last); #15 at Goodrich; #12 at Keller and #7 at Battle Creek)
- **Pace of Play** (average ranking: 12.75; Bottom five at Manitou; #10 at Goodrich, #7 at Keller and #15 at Battle Creek)

### What it Means

When you see a divergent response – where a factor is either a lot more important or a lot less important at a given facility – it often represents why customers are *choosing* that facility, or why most golfers *do not choose to play there*. For example, at Keller we see that Food and Beverage was the least influential factor in the overall satisfaction score. Yet this factor was also rated extremely low. We can assume from this that golfers who *do* value food and beverage service may be staying away from Keller for that reason. Other examples:

- **Condition of Fairways** – was very influential at all the courses except Manitou. This suggests that golfer who value fairway conditions may not be playing at Manitou.
- **Condition of Greens** – same as with condition of fairways.
- **Affordability** – this was important to the raters everywhere but Goodrich. Yet Goodrich was the most affordable of the courses.
- **Tee Time Availability** – was dead last at Manitou, but in the middle for the others. This may be because so many of the survey takers at Manitou were league players, where they do not have to fight for tee times. It was also one of the more important influencers at Battle Creek, suggesting that this is one of the main reasons they play there.
- **Pace of Play** – was third least important at Manitou, but seventh at Keller and in the middle with the others. Pace of play normally ranks high in these surveys. The fact that the survey takers at Manitou rated this so lowly may also be because of the high league play at Manitou. But it also suggests that people who think pace is important are staying away from Manitou.

## Customer Profile

In this section, we examine overall satisfaction scores, annual spending and average wallet share for the survey takers, broken down by various demographics. Average annual spending is how much the respondents indicated they spend on golf each year *at that facility*. The average wallet share indicates the percentage of their annual rounds that are played at that facility. The demographics included: sex, age, number of rounds played per year, and customer segment (Local player, non-resident, discount card holder, member, member of another club, and league player).

### Spending and Wallet Share

First, we will look at how much golfers are spending at each course, along with their satisfaction and the amount of Wallet Share each facility has. Again, Wallet Share is a measure of loyalty in that it tells us what percentage of a player’s rounds are being played at that facility.

| Spending and Wallet Share |     |              |           |              |
|---------------------------|-----|--------------|-----------|--------------|
|                           | #   | Satisfaction | Ann Spend | Wallet Share |
| Keller                    | 99  | 8.5          | \$1,239   | 47.80%       |
| Goodrich                  | 105 | 8.8          | \$1,477   | 43.30%       |
| Manitou                   | 146 | 7.4          | \$1,801   | 57.40%       |
| Battlecreek               | 93  | 8.8          | \$1,108   | 55.80%       |
| Islands                   | 15  | 7.8          | \$162     | 23.90%       |

One of the most surprising and counter-intuitive findings was that the course that has the highest Wallet Share rating, was the facility with the lowest satisfaction score – Manitou. The high Wallet Share at Manitou may be due to the large percentage of league players that took the survey. As a league player, the golfer is committed to playing a high percentage of their rounds at a facility just by being in the league. But it is also a warning sign. Given how dependent Manitou is on league play, and the apparent level of dissatisfaction found, Manitou would appear to be at risk of losing customers by the bunch because of league defections. We have already seen a few such losses over the past couple of years.

Manitou also has the highest annual spending levels – again, likely due to the high league participation. Goodrich was second. Keller, which has the highest fees and cost per round, was well behind. This indicates that the people taking the survey for Keller are playing a lot less rounds at the facility than those from Goodrich and Manitou.

### Rounds Played

This breaks the respondents down by how many rounds they play golf per year, regardless of where they play.

| Satisfaction by Rounds Played |        |         |        |         |        |         |        |         |
|-------------------------------|--------|---------|--------|---------|--------|---------|--------|---------|
|                               | 1-7    |         | 8-24   |         | 25-49  |         | 49+    |         |
|                               | % Resp | Satisf. |
| Keller                        | 28.28% | 7.7     | 28.28% | 8.6     | 21.21% | 8.9     | 9.09%  | 9.2     |
| Goodrich                      | 39.05% | 8.7     | 39.05% | 9       | 19.05% | 8.4     | 9.52%  | 8.8     |
| Manitou                       | 16.44% | 6.6     | 16.44% | 7.4     | 29.45% | 7.7     | 8.22%  | 7.3     |
| Battlecreek                   | 35.48% | 8.4     | 35.48% | 8.9     | 17.20% | 9.3     | 8.60%  | 9.3     |

Manitou has the most “heavy” users – defined here as golfers who play 25 or more rounds per year. Heavy users accounted for 37.7 of Manitou’s respondents, 30.3 of Keller’s, 28.6% of Goodrich’s and 25.8% of Battle Creek’s.

At Keller, the more rounds a golfer plays, the more likely they were to give Keller a high score. The lowest rating was found with golfers who play seldom. This may reflect the difficulty of the course, where infrequent players are going to have a harder time. But it also means that golfers who play a lot, appreciate the course... which helps long-term as infrequent golfers are more likely to give up the game.

The same trend was found at Battle Creek, which is also a challenging golf course, although the spread was not as great as it was for Keller. Manitou had a U-shaped curve, where infrequent golfers and the heavy users were more dissatisfied than those in the middle.

## Gender

Females rated the course higher than males at Goodrich and Battle Creek, although the margin was slight. The largest differential was found at Island Lake, where women gave an average satisfaction score of 6 compared to 8.3 from men. However, the small number of respondents makes this unreliable.

The difference at Manitou, though, is more telling. There men gave an overall satisfaction rating of 7.5 (16<sup>th</sup> percentile nationally), while women rated it a 6.8 (4<sup>th</sup> percentile nationally). We will have more to say about this when we talk about each facility under operations.

|              | Males  |        | Females |        |
|--------------|--------|--------|---------|--------|
|              | Rating | %      | Rating  | %      |
| Keller       | 8.5    | 75.76% | 8.2     | 24.24% |
| Goodrich     | 8.7    | 90.48% | 9.1     | 9.52%  |
| Manitou      | 7.5    | 76.71% | 6.8     | 23.29% |
| Battle Creek | 8.8    | 88.17% | 9       | 11.83% |
| Island Lake  | 8.3    | 80.00% | 6       | 20.00% |

In looking at individual factors, some gender differences stood out at each facility.

## Keller

Women made up 23.7% of the respondents. Women also had a much lower opinion of the facility, in general, than men. Specific scores:

- **Overall Value:** Women rated Keller in the 29<sup>th</sup> percentile, men 57<sup>th</sup>.
- **Course Design:** Women rated Keller in the 2<sup>nd</sup> percentile (bad), men in the 74<sup>th</sup>. This is a huge differential, and likely indicates that women find Keller to be unfair.
- **Tee Time Availability:** Women rated Keller in the 69<sup>th</sup> percentile, men in the 27<sup>th</sup>. This probably means that most of the women taking the survey were either members of the women’s club or played on a league, where teetimes are guaranteed.
- **Condition of the Greens:** Women were less happy, placing Keller in the 54<sup>th</sup> percentile compared to 79<sup>th</sup> for men.
- **Scenery and Aesthetics:** Women were much happier, with percentile score in the upper 5% (95<sup>th</sup> percentile). Men placed Keller in the 75<sup>th</sup> percentile.
- **Amenities:** Women were less happy, with a percentile score of 37 compared to 59 for men.
- **Overall Experience:** Women, again, placed Keller lower at 43<sup>rd</sup> percentile compared to 71<sup>st</sup>.
- **Affordability:** Women placed Keller in the 22<sup>nd</sup> percentile, men the 42<sup>nd</sup>.
- **Condition of the tees:** Women were very happy, with an 85<sup>th</sup> percentile, compared to 44<sup>th</sup> for men. This is likely more a reflection of other courses than Keller specifically, as all the tees at Keller were

in the same condition on our inspection. Yet the forward tees at a lot of facilities seem more of an after-thought, located poorly and in worse condition than the tees preferred by men.

- **Condition of Bunkers:** Women were less impressed, with a 55<sup>th</sup> percentile compared to 87 for men.

### Loyalty Driver

- **Females considered significantly MORE important**
  - Condition of golf carts (52/4)
  - Quality of practice tee (73/22)
  - Location (53 vs 18)
  - On course services (50/11)
  - Overall value (89 vs 68)
  - Teetime availability (67 vs 43)
  - Aesthetics (63/44)
  - Affordability (81/55)
  - Condition of tees (65/46)
- Females considered significantly less important
  - Condition of bunkers (9 vs 22)

### Goodrich

Goodrich had the lowest female participation of the facilities, with just 10 (9.4%). They had the same Overall Satisfaction rating, but males had a slightly higher percentage of Promoters (57% to 50%) and a much lower percentage of Detractors (10.3% to 20%). Specific factor differences:

- **Aesthetics:** Women were more impressed, with a percentile score of 88, compared to men's 55.
- **On-Course Services:** This one is a bit hard to understand. Women gave Goodrich a percentile score of 73, compared to 18 for men. Yet Goodrich does not have permanent restrooms on the course – which is a must for many women. This is likely a case where women who want restrooms simply do not play at Goodrich.
- **Affordability:** Women placed Goodrich in the 92<sup>nd</sup> percentile, compared to 54<sup>th</sup> for men. Just the opposite of what we found at Keller.
- **Condition of Tees:** Women gave a 95<sup>th</sup> percentile score, compared to 60 for men.
- **Condition of Bunkers:** Women apparently were not bothered by bunkers at Goodrich, giving it a score of 98<sup>th</sup> percentile. Men did not appreciate them, with a score in the 20<sup>th</sup> percentile. Perhaps women simply stay out of them better.

### Loyalty Driver

- **Females considered significantly MORE influential**
  - On course services (85 v 14)
  - Affordability (86 v 18)
  - Overall experience (93 v 58)
  - Quality of Golf Shop (60 v 31)
  - Overall Value (71 v 44)
  - Location (50 v 31)
  - Tee time availability (52 v 26)
  - Aesthetics (66 v 44)
  - Pace of Play (53 v 34)
- Females considered significantly less important

- Condition of fairways (35 v 61)
- Condition of the tees (35 v 52)

It is interesting that the females gave more importance to the on-course services, which is normal; yet they also rated it much higher – even though these services are notably absent at Goodrich.

### Battle Creek

There were only 11 female responses (11.7%), which is very low. Both groups rated course high. Females had much higher satisfaction compared to expectations (97 to 74), and higher satisfaction compared to other courses (100 to 88), and significantly higher “likelihood to play more (91 to 46).

- **Overall Value:** Women put Battle Creek at the 95<sup>th</sup> percentile, compared to 47<sup>th</sup> for men.
- **Pace of Play:** Women placed it at 93<sup>rd</sup> percentile, men 79<sup>th</sup>.
- **Golf Course Design:** Women were less satisfied, with a score of 54, compared to 88.
- **Condition of Golf Carts:** Women were a lot less impressed, with a score of 27<sup>th</sup> percentile, compared to 52<sup>nd</sup> for men.
- **On Course Services:** As with Goodrich, women were more favorable, 98 vs 52.
- **Affordability:** Also, like Goodrich, women found Battle Creek very affordable, ranking it in the 84<sup>th</sup> percentile, while men placed it 23<sup>rd</sup>.
- **Quality of Golf Shop Merchandise:** Women were not impressed, with a score of 57, compared to 93<sup>rd</sup> for men.

### Loyalty Driver

While there were no distinguishable differences in the *ratings* between the sexes, there were considerable differences in how much each factor influenced the overall rating.

- **Females considered significantly MORE important:**
  - Aesthetics (83 to 58)
  - Design/layout (77 to 60)
  - Golf Shop Apparel (62 to 47) and Merchandise (83 to 43), but males considered overall quality of golf shop more important (65 to 47)
- **Males considered significantly more important:**
  - Practice facility (57 to -14)
  - On course services (49-0) – surprising, but may be that women who consider these important do not play here
  - Teetime availability (67 to 31)
  - Golf Carts (47-23)
  - Overall Course conditions (70 to 57)
  - Golf Shop (67 to 47)
  - Pace of Play (50-32)
  - Friendliness of staff (59-40)
  - Bunkers (49-33)
  - Fairways (70-55)
  - Greens (65-54)

### Manitou

In many ways, Manitou looks to have a sign posted “Women not Welcome”, from yardage from the forward tee, to how women are treated. However, we did have relatively strong female participation in the survey

(33 or 22.8%). Yet women did have a much lower opinion, with an Overall Satisfaction score of 13<sup>th</sup> (price point group) compared to men (32<sup>nd</sup>). But they were similar on Loyalty Index.

Specific factor differences:

- **Friendliness of Staff:** One of the more troubling findings, women put Manitou in the bottom 2%, while men were more kind, placing it in the 35<sup>th</sup>. This may indicate that staff (one or more) at Manitou may be treating women differentially.
- **Tee Time Availability:** Women did not have a problem at Manitou, putting it in the 60<sup>th</sup> percentile, compared to 20<sup>th</sup> for men. This is likely due to the women taking the survey were more likely to be league or women's club members who have preferred teetimes.
- **Overall Experience:** Women placed Manitou in the 12<sup>th</sup> percentile, men 22<sup>nd</sup>.
- **Condition of Tees:** Women placed Manitou at the 22<sup>nd</sup> percentile, men 40<sup>th</sup>. This may be due to the length from the forward tees, even though the question was on "condition." It stands out because in other areas, women found the course conditions as better than the men did.
- **Condition of Bunkers;** Women were more favorable, 31 to 18.
- **Condition of Fairways:** Again, women were more favorable, 57 to 39.
- **Quality of Golf Apparel:** Biggest difference. Men placed Manitou in the 56<sup>th</sup> percentile (good), but women had it in the *bottom 0.5%* of all facilities.
- **Overall Quality of Golf Shop:** Women were very unimpressed, with a rating in the bottom 5% (4<sup>th</sup> percentile), while men had it being average (51<sup>st</sup> percentile).
- **Overall Quality of Golf Shop Merchandise:** Continuing the theme, women placed Manitou in the bottom 5% (3<sup>rd</sup> percentile), while men found it favorable (73<sup>rd</sup> percentile). Clearly there is a big problem at Manitou in the selection of women's goods compared to men's.

### Loyalty Driver

- **Females considered significantly MORE influential**
  - Condition of tees (83to 46)
  - Course design (69to35)
  - Friendliness of staff (80 to 48)
  - Affordability (76to47)
  - Quality of shop (63to 35)
  - Condition of greens (74to 47)
  - Apparel (54 to 28)
  - Overall experience (85to 60)
  - Course conditions (84 to 61)
  - Pace of Play (52to30)
  - Overall Value (77v58)
  - Location (43v26)
- **Females considered significantly less influential**
  - Condition of carts (27to50)

## Age

The satisfaction scores broken down by age is given below. In general, the younger golfers (under 40) tended to be more satisfied than seniors at all four facilities. The biggest differential being found at Manitou. But even there, the difference is probably not statistically significant.

| Satisfaction Rating by Age |        |         |        |         |        |         |        |         |        |         |        |         |          |         |         |         |
|----------------------------|--------|---------|--------|---------|--------|---------|--------|---------|--------|---------|--------|---------|----------|---------|---------|---------|
|                            | 18-29  |         | 30-39  |         | 40-49  |         | 50-59  |         | 60-69  |         | 70+    |         | Under 40 |         | Over 60 |         |
| Age                        | % Resp | Satisf. | % Resp   | Satisf. | % Resp  | Satisf. |
| Keller                     | 4.0%   | 9.3     | 9.1%   | 8.9     | 7.1%   | 8.9     | 24.2%  | 8.2     | 36.4%  | 8       | 19.2%  | 9.2     | 13.1%    | 9.0     | 55.6%   | 8.4     |
| Goodrich                   | 1.0%   | 10      | 2.9%   | 8.7     | 8.7    | 8.7     | 21.0%  | 8.5     | 39.0%  | 8.7     | 26.7%  | 8.9     | 3.8%     | 9.0     | 65.7%   | 8.8     |
| Manitou                    | 0.7%   | 10      | 4.1%   | 7.7     | 3.4%   | 8       | 30.8%  | 6.8     | 42.5%  | 7.4     | 17.8%  | 7.7     | 5.5%     | 8.0     | 60.3%   | 7.5     |
| Battle Creek               | 3.2%   | 8.3     | 17.2%  | 9.3     | 8.6%   | 8.8     | 22.6%  | 8.5     | 33.3%  | 8.7     | 15.1%  | 9.2     | 20.4%    | 9.1     | 48.4%   | 8.9     |

## Keller

Seniors (over 60) made up 55.7% of the respondents. There were only two discernable differences between seniors and non-seniors.

- **Teetime Availability:** Seniors were more favorable (50<sup>th</sup> percentile compared to 37 overall)
- **Course Design:** Younger golfers liked the design better than seniors (49<sup>th</sup> percentile vs. 34<sup>th</sup>).

## Loyalty Driver

- **Seniors considered more important**
  - Location (52 v 21)
  - Aesthetics (61 v 45)
  - Condition of carts (53 vs 12)
  - On course services (38 vs 21)
  - Condition of fairways (72 v 55)
  - Practice facility (55 v 32)
- None considered significantly less important

## Goodrich

Seniors were dominant in the survey, with 65% of the respondents. However, seniors and non-seniors rated the course very similarly. Biggest difference is in “Satisfaction compared to other courses”, where seniors rated it in 99<sup>th</sup> percentile, vs. 85<sup>th</sup> overall. This would indicate non-seniors think the course is about average. Only two big differences in individual factors, and they are related:

- **Golf Shop Apparel:** Seniors put Goodrich in the 78<sup>th</sup> percentile, compared to 54<sup>th</sup> overall
- **Golf Shop Merchandise:** Seniors had Goodrich in the 80<sup>th</sup> percentile, overall 67<sup>th</sup>.

## Loyalty Driver

- **Seniors Considered more important:**
  - Biggest difference was in influence of golf shop
    - Overall quality 51 v 31
    - Apparel 67 v 25
    - Merchandise 50 v 22
  - Amenities (43 v 26)

- F&B service (53 v 29)
- None considered significantly less important

## Battle Creek

We did see several more, and more pronounced differences at Battle Creek. Seniors made up a little less than half the respondents (47.9%). They did have a little higher Satisfaction Compared to Expectations (88 to 78). Specific factor differences include:

- **Overall Value:** Seniors had Battle Creek in the 86<sup>th</sup> percentile compared to 53<sup>rd</sup> overall.
- **Friendliness of Staff:** Seniors were at the 93<sup>rd</sup> percentile, overall 85<sup>th</sup>.
- **On Course Services:** Seniors were more tolerant, placing Battle Creek in the 86<sup>th</sup> percentile (total was 60<sup>th</sup>).
- **Affordability:** With their senior discount, seniors were impressed, giving Battle Creek a rating putting them in the 60<sup>th</sup> percentile. The overall score was 30<sup>th</sup>.

## Loyalty Driver

- **Seniors Considered more important**
  - Location 65 vs 44
  - On course services 86 vs 71
  - Greens 79 vs 64
  - Course design 73 vs 60
  - Tees 74 vs 62
  - Fairways 81 vs 69
  - Overall value 84 vs 74
- **Seniors Considered less important**
  - Golf shop 50 vs 63
  - Golf carts 34 vs 44

## Manitou

Seniors accounted for 60% of the respondents. Only notable difference was in overall experience, where seniors put Manitou in the 32<sup>nd</sup> percentile, while the overall score was at the 20<sup>th</sup>.

## Loyalty Driver

Not many differences. Biggest ones were all in direction of seniors having the factors as being less influential in their overall satisfaction.

- **Seniors Considered less important**
  - Overall merchandise (18 to 38)
  - Friendliness of staff (41 to 60)
  - Apparel (20 to 41)
  - Golf shop (28 to 46)
  - Course design (32 to 46)
  - Amenities (35 to 47)
  - Overall Experience (57 to 69)

## Customer Segment

Survey respondents were asked to identify themselves as one of the following:

- Local Player/Area Resident
- Non-Resident
- Discount Card Holder
- Member
- Member of another club
- League Player

Unfortunately, we used the NGF designations which, unfortunately left off Patron Card Holders. Thus, it is unclear whether the Patron card holders would consider themselves as a discount card holder or not.

We then combined Discount Card Holder, Member and League Player into a category we called “Regulars” and all the other segments into “Non-Regulars”. The results are given below.

| Satisfaction Score by Customer Segment |              |            |              |            |              |            |              |            |
|--|--------------|------------|--------------|------------|--------------|------------|--------------|------------|
|  | Keller       |            | Goodrich     |            | Manitou      |            | Battle Creek |            |
|  | % Resp       | Satisf.    |
| Local Player/Area Resident             | 46.5%        | 8.2        | 54.29%       | 8.8        | 29.45%       | 7.3        | 62.37%       | 8.8        |
| Non-Resident                           | 5.1%         | 8.6        | 4.76%        | 9.2        | 1.37%        | 5.5        | 4.30%        | 8.3        |
| Discount Card Holder                   | 3.0%         | 10.0       | 4.76%        | 9.2        | 1.37%        | 8.0        | 3.23%        | 9.0        |
| Member                                 | 30.3%        | 8.9        | 15.24%       | 8.7        | 24.66%       | 7.4        | 6.45%        | 9.5        |
| Member other club                      | 3.0%         | 7.3        | 6.67%        | 9.3        | 4.79%        | 7.6        | 5.38%        | 8.2        |
| League Player                          | 12.1%        | 8.3        | 14.29%       | 8.0        | 38.36%       | 7.4        | 17.20%       | 9.3        |
| <b>Regular*</b>                        | <b>45.5%</b> | <b>9.1</b> | <b>34.3%</b> | <b>8.6</b> | <b>64.4%</b> | <b>7.6</b> | <b>26.9%</b> | <b>9.3</b> |
| <b>Non-Regular</b>                     | <b>54.5%</b> | <b>8.0</b> | <b>65.7%</b> | <b>9.1</b> | <b>35.6%</b> | <b>6.8</b> | <b>72.0%</b> | <b>8.4</b> |

\*Regulars were defined as Discount Card Holders, Members and League Players. Non-Regulars were everyone else.

Goodrich was the only facility where the non-regulars gave a higher rating than the regulars. Normally, one would expect that regulars would give a higher rating as that is the facility they prefer. Goodrich’s flipping the script could be a result of non-regulars having lower expectations going in, and then were pleasantly surprised by what they found.

The biggest differential was found at Keller, where the regulars averaged a 9.1 satisfaction score, compared to 8.0 for non-regulars. When we looked closer, we found the biggest difference was on teetime availability, where non-regulars gave Keller an average score of 7.5 (15<sup>th</sup> percentile), while league players rated it an 8.6 (92<sup>nd</sup> percentile) and members an 8.4 (81<sup>st</sup> percentile). League players and members of the men’s and women’s clubs do get preferred teetimes, including the best teetimes on weekends.

Other notable observations include:

- Manitou has by far the largest League involvement, with 38.4% - more than a third of the respondents. The rest vary from 12 (Keller) to 17.2% (Battlecreek)
- None have a large non-resident component, with Keller, at 5%, having the largest.
- Keller has the most member participation (30.3%), followed by Manitou at 24.67 then falls to Goodrich at 15.2% and all the way down to 6.45% at Battlecreek

- Islands had 93% identify themselves as “Locals”, which is to be expected. The next highest percentage was at Battlecreek, at 62%, followed by Goodrich 54.3%), Keller (46.5%) and finally Manitou at just 39%.
- None of the courses had discount card holder as a high percentage, with Goodrich, at 4.76%, having the highest. It is unclear as to whether the respondents considered a Patron card as a discount card.

## Keller

League players had a slightly lower overall score (75 to 82) than the total. They were also lower on “Satisfaction Compared to Other Courses” (45 vs 73); and “Likelihood to Recommend” (52 vs. 69).

Members, on the other hand, had a much higher Overall Satisfaction Score (97 vs. 82). They also scored higher on “Satisfaction Compared to Expectations” (80 to 50); “Satisfaction Compared to Others” (90 vs 73); “Likelihood to Play More” (56 to 19) and “Likelihood to Recommend” (94 to 69).

Non-regulars made up 53.6% of the respondents. They had a much lower Overall Satisfaction Score (63<sup>rd</sup> percentile compared to 82<sup>nd</sup>). They were also much lower on “Satisfaction Compared to Expectation” (32 to 50), “Likelihood to Play More” (2 vs 19), and “Likelihood to Recommend” (51 to 69). Concerning is the Likelihood to Play More factor, where non-regulars placed Keller in the bottom 2% of facilities. Given the high satisfaction score, this means that we cannot count on increasing play from these customers, but rather must focus on recruiting new customers. Consequently, Loyalty Programs are not likely to have a great benefit to the facility.

Some interesting observations:

- **Overall Value:** Overall Value was ranked at the 48<sup>th</sup> percentile. But there was a lot of variance. Non-regulars had it at the 36<sup>th</sup> percentile, League players at the 30<sup>th</sup>, but members had it all the way up to the 70<sup>th</sup>.
- **Overall Course Conditions:** League players were also critical here, putting Keller at the 58<sup>th</sup> percentile (overall grade was 79<sup>th</sup>). Members placed it at 90<sup>th</sup>.
- **Pace of Play:** Again, league players were most critical, with a rating in the 8<sup>th</sup> percentile, members most favorable at 38<sup>th</sup>. (Overall was 26<sup>th</sup>)
- **Golf Course Design:** Here, the roles were reversed. Members were more critical (24<sup>th</sup>), compared to League (48<sup>th</sup>). But non-regulars were most impressed, with a rating of 61<sup>st</sup> percentile). (49<sup>th</sup> overall).
- **Tee Time Availability:** Huge difference between the non-regulars (15<sup>th</sup> percentile) and everyone else. Especially members, who had Keller at the 92<sup>nd</sup> percentile. This is all because members of the clubs and league players get preferred teetimes. However, non-regulars pay a higher fee, so this is a bit of a concern. We will talk more about this later.
- **Condition of Greens:** League raters were very critical (28<sup>th</sup> percentile), members very favorable (85<sup>th</sup>), with overall score at 72<sup>nd</sup>.
- **Amenities:** Another big spread. League (28<sup>th</sup>) and Members (28<sup>th</sup>) were not impressed, but non-regulars (75<sup>th</sup>) were. Overall rating 54<sup>th</sup> percentile.
- **Overall Experience:** Non-regulars had Keller at average (50<sup>th</sup> percentile) while members (79<sup>th</sup>) and League (72<sup>nd</sup>) were favorable (overall 64<sup>th</sup>). Adversely affecting the non-regulars were food and beverage service, on-course services and teetime availability.
- **Affordability:** League players were not happy (18<sup>th</sup>), nr were non-regulars (29<sup>th</sup>), but members had it close to average (45<sup>th</sup>). Overall – 34<sup>th</sup>.

- **Condition of Fairways:** As has been the pattern, League players (49<sup>th</sup>) were more critical than members (82<sup>nd</sup>). Non-Regulars rated it better than average (60<sup>th</sup>). Overall – 70<sup>th</sup>.
- **Condition of Bunkers:** Here, Members were the more critical (44<sup>th</sup>), compared to 74<sup>th</sup> for league players. Non-regulars loved the bunkers, putting them at the 90<sup>th</sup> percentile.
- **Quality of Practice Facility:** Non-regulars were impressed, having it at the 70<sup>th</sup> percentile. Members, who probably use it the most, had it 36<sup>th</sup> – possibly due to its remote location. League and overall were both at 57<sup>th</sup>.

### Loyalty Driver

- **League Players:**
  - **Considered more important**
    - Location (57 v 21)
    - Overall course conditions (85 v 67)
    - Aesthetics (76 v 45)
    - Condition of carts (65 v 12)
    - On course services (65 vs 21)
    - Condition of fairways (71 v 55)
    - Practice facility (47 v 32)
  - **Considered less important**
    - Amenities – had a negative correlation (-13 compared to 20 overall)
    - Similarly, with Condition of bunkers (-32 vs 22)
    - Course design (5 vs 44)
    - Quality of golf shop (14 v 45)
- **Members:**
  - **Considered more important**
    - Location (33 v 21)
    - Condition of carts (66 v 12)
  - **Considered less important**
    - Course design (0 vs 44)
    - Condition of greens (21 v 60)
    - Overall experience (34 vs 80)
    - Teetime availability (14 vs 43)
    - Affordability (31 vs 62)
    - Pace of play (22 vs 44)
- **Non-regulars**
  - Gave much higher importance to teetime availability (59 vs 43) and F&B service (21 vs 9) and amenities (35 vs 20)

### Goodrich

League players were much lower on Overall Satisfaction Score, 59 to 97<sup>th</sup>. They were also lower on “Likelihood to Recommend” (42 to 87), “Likelihood to Play More” (30 to 54) and “Satisfaction Compared to Other Courses” (68 to 85<sup>th</sup>). League players had a much lower Loyalty Index (18.7% vs. 44.9%), with far fewer Promoters (37.5% to 56.1%) and more Detractors (18.8% vs. 11.2%).

Members had basically the same Overall Satisfaction Score as the total. But they had a higher “Satisfaction Compared to Others” (100 vs 85) and a little higher “Satisfaction Compared to Expectations” (95 vs 88).

They also had a higher “Likelihood to Play More” (66 to 54), which means the non-members had a low likelihood. Members were also higher on “Likelihood to Recommend,” although both were high (99 vs. 87).

Non-Regulars were close to the total averages on most indexes. They were slightly higher on “Satisfaction Compared to Others” (98 to 85), and slightly lower on “Likelihood to Play More” (49 to 54). Their Loyalty Index was only slightly lower (30.7% to 35.4%), but still much higher than the Value or National averages.

Specific factor differences:

- **Overall Value:** League players were least impressed, but still had it at the 76<sup>th</sup> percentile. Members loved it, placing it in the 97<sup>th</sup> (top 3%). Non-regulars were most critical, though, at 73<sup>rd</sup>. (Overall 85<sup>th</sup>).
- **Overall Course Conditions:** Everyone, but league players, ranked Goodrich in the top 5%. (Overall 94<sup>th</sup>). But League players placed it 72<sup>nd</sup>).
- **Pace of Play:** Again, league players were most critical (57<sup>th</sup>), members most favorable (85<sup>th</sup>), overall 64<sup>th</sup>.
- **Golf Course Design:** League players again, were very critical, placing Goodrich in the 9<sup>th</sup> percentile. Overall was 30<sup>th</sup>.
- **Location:** League players had it 53<sup>rd</sup>, members at 70<sup>th</sup>, overall was 65<sup>th</sup>. Notably, non-regulars had it at 69<sup>th</sup> percentile, which indicates they are likely coming from the local area.
- **Teetime Availability:** Surprisingly, league players had it rated worst, at 54<sup>th</sup>. Non-regulars were at 66<sup>th</sup>, and members had it in the top 10% (91<sup>st</sup>). Overall 71<sup>st</sup>.
- **Condition of Greens:** Everyone but league players had them in the top 5%. League players placed it at 71<sup>st</sup>.
- **Scenery and Aesthetics:** A much larger swing. League players rated it low (34<sup>th</sup>), but members were more favorable (68<sup>th</sup>). Overall rating was 57<sup>th</sup>.
- **Food and Beverage Service:** League players had it below average (45<sup>th</sup>). Non-regulars were most impressed, at 84<sup>th</sup>. This may be where non-regulars had a low expectation coming in, due to the price point of the facility. Overall 76<sup>th</sup>.
- **On Course Services:** Both League and Members were harsh, having Goodrich in the bottom 2% of all value facilities. Non-regulars had it closer to average (41<sup>st</sup>). Overall was 20<sup>th</sup>. This may be due to the removal of drinking water from the course, which the regulars noted and hated.
- **Overall Experience:** League players were not impressed, having Goodrich at average (51<sup>st</sup> percentile). But non-regulars (91<sup>st</sup>) and members (94<sup>th</sup>) loved it. Overall- 87<sup>th</sup>.
- **Affordability:** Non-regulars were not impressed, having it at the 39<sup>th</sup> percentile. Members loved it at 93<sup>rd</sup>. League players were also favorable (72<sup>nd</sup>). Overall 58<sup>th</sup>.
- **Condition of Tees:** Huge differences, with League players very harsh (12<sup>th</sup> percentile) and non-regulars very impressed (82<sup>nd</sup>). Members were also critical (28<sup>th</sup>). Overall was above average (66<sup>th</sup>)
- **Condition of Bunkers:** An even greater difference. Members had Goodrich ranked in the bottom ½ % of all facilities, league players a little better at 13<sup>th</sup>. Non-regulars apparently stayed out of bunkers, as they had them better than average (67<sup>th</sup>). Overall score 31<sup>st</sup>.
- **Quality of Golf Shop:** League players ranked it well below average (42<sup>nd</sup>). Members, though, had it in the top 10% (91<sup>st</sup>). Non-regulars were at 70<sup>th</sup>, close to the overall score of 71.
- **Golf Shop Apparel:** Similarly, League players were very critical (18<sup>th</sup> percentile), members very favorable (87<sup>th</sup>). Non-regulars had it below average (44<sup>th</sup>). Overall 54<sup>th</sup>.
- **Golf Shop Merchandise:** Both league players and nonregulars had Goodrich a little over average (53<sup>rd</sup>). Members, though, had it in the top 10% (90<sup>th</sup>). Overall 67<sup>th</sup>.

## Loyalty Driver

- **League Players**
  - **Considered more influential**
    - Overall value (71v45)
    - Location (81v33)
    - Teetime avail (48v28)
    - Aesthetics (60v45)
    - Pace of play (64v34)
    - Golf carts (62v29)
    - Amenities (66v26)
    - Friendliness of staff (60 v 28)
    - Overall experience (88v60)
    - Affordability (71v22)
    - Condition of bunkers (47 v 39)
    -
  - **Considered less influential**
    - Condition of greens (21 v 52)
    - Condition of tees (26 v 51)
- **Members**
  - **Considered more influential**
    - Merchandise (55v22)
    - Condition of the greens (69v52)
    - Apparel (41v25)
    - Condition of carts (44v29)
  - **Considered less influential**
    - Aesthetics (13v45)
    - On course services (2v18)
    - Condition of bunkers(23v39)
    - Course conditions (58v73)
    - Amenities (7v26)
- **Non-Regulars**
  - Again, close
  - **Considered more influential**
    - Food & Beverage (50 v 29)
    - Condition of tees (61 v 51)
  - **Considered less influential**
    - Overall experience (47 v 60)

## Battle Creek

League players made up 17% of the responses. They had similar overall scores. But they were significantly higher on “Satisfaction Compared to Expectations” (100 vs 78), and much higher “Likelihood to Play More” (91 to 55). They also had an even higher Loyalty Index (81.2% vs. 59.1%), with no detractors.

Non-Regulars made up the rest of the respondents (73.4%).

- **Overall Value:** Non-regulars were had it below average (33<sup>rd</sup>), league players loved it (top 3%). Overall – about average (53<sup>rd</sup>)
- **Golf Carts:** League players were favorable (70<sup>th</sup>), while non-regulars were more critical (42<sup>nd</sup>). Overall 50<sup>th</sup>.
- **Amenities:** League players were a bit more critical (65<sup>th</sup>), non-regulars most impressed (82<sup>nd</sup>). Overall 74<sup>th</sup>.
- **On Course Services:** League players were more favorable (80<sup>th</sup>). Non-regulars had it with the overall score, 60<sup>th</sup>.
- **Overall Experience:** Non-regulars less impressed (79<sup>th</sup>). League players had it at the top ½%. Overall score 91<sup>st</sup>.
- **Affordability:** League players really liked Battle Creek (86<sup>th</sup>), non-regulars were very critical (16<sup>th</sup>). Overall 30<sup>th</sup>.
- **Golf Shop Merchandise:** League players were more critical (73<sup>rd</sup>), non-regulars most impressed (93<sup>rd</sup>), overall 90<sup>th</sup>.

### Loyalty Driver

- **League Players**
  - **Considered more important**
    - Teetime avail 89-63
    - Friendliness of staff 76-57
    - Practice facility 66-49
    - Location 58-44
    - Golf carts 58-44
    - Merchandise 57-44
    - Affordability 81v71
    -
  - **Considered less important**
    - Apparel 24-46
    - Aesthetics 34-58
    - Fairways 51-69
    - On course services 32-46
    - Bunkers 34-48
    - Golf shop 53-63
- **Non-Regulars**
  - Gave greater weight to
    - Shop apparel 61-46
    - amenities 64-53

### Manitou

League players made up a large component of the respondents (38.6%), an indicator of their importance to Manitou's performance. Unfortunately, they were less happy. League players had a negative Loyalty Index (-5.3%), compared to the total score, which was low enough at 4.2%. League had fewer Promoters (26.8%).

Members made up about a fourth (24.1%) of the respondents. They had similar Satisfaction scores.

Non-Regulars accounted for 35.2% of the respondents. But they had similar Satisfaction and Loyalty scores.

- **Overall Value:** Everyone had it in the bottom 10%. But league players rated in the bottom ½%. (Overall 5<sup>th</sup> percentile).
- **Overall Course Conditions:** Non-regulars had Manitou above average (60<sup>th</sup>). But League (38<sup>th</sup>) and Members (31<sup>st</sup>) had it well below. Overall 44<sup>th</sup>.
- **Pace of Play:** No one liked the pace, but league members especially, placing in the bottom 5% (4<sup>th</sup> percentile). Members were more favorable at 22<sup>nd</sup>. Non-regulars had it at the 16<sup>th</sup>. (Overall 13<sup>th</sup>).
- **Friendliness of Staff:** League players rated Manitou harshly, putting it in the bottom 10% (8<sup>th</sup> percentile). Non-regulars were also not impressed (26<sup>th</sup>). But members were more favorable, rating it average (50<sup>th</sup>). Staff may be treating people differentially.
- **Golf Course Design:** The overall score was in the bottom 10% (9<sup>th</sup>). League players were most critical (5<sup>th</sup>). But non-regulars had a more favorable opinion, although still below average (27<sup>th</sup>)
- **Teetime Availability:** Members had Manitou above average (60<sup>th</sup>), but nonregulars were harsh (13<sup>th</sup>). League players also had it low (20<sup>th</sup>). Overall 29<sup>th</sup>.
- **Condition of Greens:** Non-regulars (60<sup>th</sup>) had it above average, the rest below. Overall 49<sup>th</sup>.
- **Golf Carts:** Members were not impressed, having it at 14<sup>th</sup> percentile. Everyone else was in the 40s. Overall 33. (Manitou did get new carts this year, so many of these ranking may have been due to past experience.)
- **Amenities:** Non-regulars rated Manitou a little below average (40<sup>th</sup>). But both League players and Members were critical (13<sup>th</sup>). Overall 22<sup>nd</sup>.
- **Condition of Tees:** Members were much more critical, rating it at the 11<sup>th</sup> percentile. Non-regulars had it a little above average (53<sup>rd</sup>.) League players were close to the overall (37<sup>th</sup> and 36<sup>th</sup> respectively).
- **Condition of Bunkers:** Members, again, were most critical, having Manitou in the bottom 2%. Non-regulars were most favorable (34<sup>th</sup>), League right behind at 31. Overall – 21<sup>st</sup> percentile.
- **Quality of Golf Shop:** Members (who must have been mostly male) rated it at the 83<sup>rd</sup> percentile. League players (most of the women) had it at the 12<sup>th</sup> percentile. Non-regulars at 32<sup>nd</sup>. (Overall 34<sup>th</sup>).
- **Golf Shop Apparel:** Similarly, members were favorable (83<sup>rd</sup>), league most critical (9<sup>th</sup>), non-regulars at 24<sup>th</sup>. (Overall 29<sup>th</sup>).
- **Golf Shop Merchandise:** Members, again, were impressed (93<sup>rd</sup>), league players least impressed (30<sup>th</sup>), non-regulars were at 37<sup>th</sup> percentile. Overall score 53<sup>rd</sup>.

## Loyalty Driver

- **League Players**
  - **No factors really Considered more important**
  - **Considered less important**
    - Teetime availability (9vs24)
    - Pace of Play (25v40)
- **Members**
  - **Considered more important**
    - Teetime availability (46to22)
    - Overall value (80v63)
    - Golf carts (56v42)
    - On course services (59to46)
    - Practice facility (70to57)

- **Considered less important**
  - none
- **Non-Regulars**
  - Only pace of play rated higher influence (68 to 40)
  - Given less influence:
    - Amenities (27 to 47)
    - Condition of bunkers (32 to 46)
    - On course services (36 to 46)

## Like Most

These were open-ended responses to the question “what do you like most about the facility?” We then took those comments and tallied them by various categories such as “about the course,” “about course conditions,” “about staff and/or customer service,” as well as individual topics within those categories. It is important to note that not all respondents answered this question. Further, a given respondent may have mentioned multiple items. It can be safely assumed that the most frequent responses indicate a course’s strengths. It can also be just as telling as to what is not mentioned.

The table below gives the most frequent responses, by category.

| <b>Like Most Comments by Percentage</b> |               |                 |                |                     |
|---|---------------|-----------------|----------------|---------------------|
|   | <b>Keller</b> | <b>Goodrich</b> | <b>Manitou</b> | <b>Battle Creek</b> |
| <b>Course</b>                           | 42.8%         | 18.1%           | 29.6%          | 32.6%               |
| General                                 | 4.8%          | 1.6%            | 4.6%           | 3.3%                |
| Layout                                  | 11.5%         | 0.5%            | 4.2%           | 3.3%                |
| Challenge                               | 2.4%          | 0.5%            | 5.6%           | 11.4%               |
| Aesthetics                              | 7.2%          | 1.0%            | 0.0%           | 4.3%                |
| Historic                                | 4.8%          | 0.5%            | 0.5%           | 0.0%                |
| <b>Course Conditions</b>                | 20.2%         | 33.2%           | 16.7%          | 19.0%               |
| General                                 | 13.5%         | 22.8%           | 13.4%          | 17.9%               |
| Greens                                  | 1.9%          | 6.7%            | 0.5%           | 1.1%                |
| <b>Staff/Customer Service</b>           | 21.6%         | 23.3%           | 18.5%          | 17.9%               |
| General                                 | 8.2%          | 9.3%            | 10.2%          | 6.0%                |
| Friendly                                | 6.7%          | 11.4%           | 4.6%           | 8.2%                |
| Specific staff                          | 5.3%          | 0.5%            | 2.3%           | 1.1%                |
| <b>Value/Price</b>                      | 2.9%          | 7.3%            | 5.1%           | 2.7%                |
| <b>Food &amp; Beverage</b>              | 1.4%          | 1.0%            | 3.2%           | 1.6%                |
| <b>Leagues/Clubs</b>                    | 2.9%          | 2.6%            | 5.6%           | 1.6%                |
| <b>Clubhouse</b>                        | 1.9%          | 1.6%            | 0.0%           | 0.0%                |
| <b>Teetime Availability</b>             | 1.4%          | 3.6%            | 2.3%           | 2.7%                |
| <b>Practice Area</b>                    | 2.4%          | 0.0%            | 0.9%           | 12.0%               |
| <b>Location</b>                         | 1.9%          | 7.3%            | 10.6%          | 4.9%                |
| <b>Other</b>                            | 0.5%          | 2.1%            | 7.4%           | 4.9%                |

The course itself, was the most mentioned comment for all the courses, except Goodrich, where it was 2<sup>nd</sup> behind staff/customer service and course conditions. Staff/Customer services was second most mentioned at all four facilities. Course conditions was the most frequent response at Goodrich, third (barely) at the other three.

The practice area stood out at Battle Creek. While location was mentioned a lot for Manitou. This is not necessarily a good thing, when location is what you like most about a facility, as it means the facility lacks the appeal to attract a larger geographical customer base.

## Needs Improvement

We did a similar treatment to the open-ended question as to “suggested improvements” to the course. It can be assumed usually that the more frequent responses are weaknesses of the facility and fixing them could lead to improvement in performance.

| <b>Needs Improvement Comments by Percentage</b> |               |                 |                |                     |
|---|---------------|-----------------|----------------|---------------------|
|   | <b>Keller</b> | <b>Goodrich</b> | <b>Manitou</b> | <b>Battle Creek</b> |
| <b>None/Nothing</b>                             | 2.2%          | 5.0%            | 2.0%           | 6.4%                |
| <b>Course</b>                                   | 15.2%         | 19.3%           | 17.3%          | 21.3%               |
| Greens  | 2.9%          | 10.1%           | 3.5%           | 1.1%                |
| Too Small                                       |               | 6.7%            | 0.0%           | 0.0%                |
| Better Aesthetics                               |               | 1.7%            | 6.4%           | 0.0%                |
| Make 18 holes                                   |               |                 |                | 6.4%                |
| <b>Course Conditions</b>                        | 10.9%         | 31.9%           | 21.3%          | 4.3%                |
| Bunkers   |               | 18.5%           | 5.0%           | 2.1%                |
| Teeboxes  | 1.4%          | 4.2%            | 1.0%           | 1.1%                |
| Rough   | 0.7%          | 4.2%            | 1.5%           | 0.0%                |
| Trim Trees                                      |               | 3.4%            | 4.5%           | 0.0%                |
| <b>Food &amp; Beverage</b>                      | 33.3%         | 10.9%           | 16.3%          | 10.6%               |
| Beverage Cart                                   | 4.3%          | 1.7%            | 7.4%           | 1.1%                |
| Price   | 3.6%          | 0.0%            | 1.0%           | 2.1%                |
| Menu/Selection                                  | 0.7%          | 4.2%            | 4.0%           | 6.4%                |
| <b>Customer Service</b>                         | 1.4%          | 1.7%            | 4.5%           | 5.3%                |
| <b>Carts</b>                                    | 2.9%          | 0.8%            | 2.5%           | 4.3%                |
| <b>Pace of Play</b>                             | 14.5%         | 0.0%            | 11.4%          | 5.3%                |
| General   | 8.0%          | 0.0%            | 6.4%           | 4.3%                |
| Add Marshals                                    | 5.1%          | 0.0%            | 3.5%           | 1.1%                |
| <b>Price/Value</b>                              | 10.1%         | 9.2%            | 12.4%          | 19.1%               |
| <b>Practice Area</b>                            | 2.9%          | 5.0%            | 4.0%           | 7.4%                |
| <b>Teetime Availability</b>                     | 2.2%          | 0.0%            | 0.5%           | 0.0%                |
| <b>Leagues/Clubs</b>                            | 0.7%          | 0.0%            | 1.0%           | 0.0%                |
| <b>Amenities</b>                                | 3.6%          | 14.3%           | 4.5%           | 10.6%               |
| Add Drinking Water                              | 2.2%          | 8.4%            | 2.0%           | 2.1%                |
| <b>Other</b>                                    | -             | 1.7%            | 2.5%           | 5.3%                |

It is important to keep in mind that these responses are from the people who took the survey, who are, by definition, already customers of the facility. Thus, while these customers obviously have overlooked these flaws, others may not. That is, golfers who place more value on these factors are not as likely to play this course.

Above is a table of the most frequently mentioned comments about what needs improvement.

When looking at these suggestions, we can divide them roughly into three types: 1) things that can be improved; 2) things that cannot be improved; 3) things that can be improved but are not necessarily bad.

In the latter category are “Pace of Play” and “Teetime Availability,” which are both functions of being busy. Yes, you can improve on them and should; but having them indicates that you are busy to begin with. Price can also be in this category. Most everyone wants to pay less. But that does not mean that they feel they are getting “ripped off” at the current price point. In fact, the *absence* of complaints about the price may indicate that you are *underpriced*, as this, along with pace of play, are two of the most commonly mentioned issues on this question.

Location is a great example of an issue that simply cannot reasonably be fixed. Adding a range at Goodrich is another. But adding another 9 holes can be done at Battle Creek, although it would not be cheap.

We do see quite a bit of variability between the facilities.

Issues regarding course conditions was the most mentioned at both Goodrich (31.9%) and Manitou (21.3%), but was fourth at Keller (10.9%), and dead last (tied with “other” at 5.3%) at Battle Creek. At Goodrich, bunkers were specifically mentioned 18.5%, with teeboxes and rough mentioned 3.2% and trim trees 3.4% (although many of these were about a specific tree). At Manitou, bunkers were mentioned 5% of the time, trimming trees 4.3%, rough 1.5% and teeboxes 1%.

Food and Beverage was the favorite target at Keller (33.3%) and was third most at Manitou (16.3%) and Battle Creek (10.6%), and fourth at Goodrich (10.9%). Beverage cart service was singled out by 4.3% at Keller, 1.7% at Goodrich, 7.4% at Manitou and 1.1% at Battle Creek. Price was an issue at Keller (3.6%), and a bit at Battle Creek (2.1%), but not at Manitou (1%) or Goodrich (0). Menu/selection was a topic at Battle Creek (6.4%), Goodrich (4.2%) and Manitou (4%), but not at Keller (0.7%).

Suggestions about the course itself took prominence at Battle Creek, with the most frequent suggesting being “make it 18 holes” (6.4%). Course improvements was the second leading topic at the other three courses. Greens were singled out most at Goodrich (10.1%), where the primary issue was them being too small (6.7%). Greens were also mentioned 3.5% at Manitou, 2.9% at Keller and just 1.1% at Battle Creek. Aesthetics was the primary course concern at Manitou, with 6.4% of the comments. It was also mentioned at Goodrich (1.7%) but was not a concern at Keller or Battle Creek.

Comments about price or value were the second most mentioned at Battle Creek (19.1%), fourth most at Manitou (12.4%) and fifth most at Keller (10.1%) and Goodrich (9.2%).

Amenities was the third most popular comment at both Goodrich (14.3%) and Battle Creek (10.6%) but were not that much mentioned at Manitou (4.5%) or Keller (3.6%). At both Goodrich and Battle Creek, the main problem was not having any drinking water on the course.

Pace of Play was a concern at both Keller (third at 14.5%) and Manitou (fourth at 11.4%), but not at Battle Creek (5.3%) or Goodrich (0). General statements about needing to improve the pace make up 8% of the

comments at Keller and 6.4% at Manitou. Adding more rangers/marshals was mentioned 5.1% of the time at Keller and 3.5% at Manitou.

## Custom Questions

We asked several questions that are not part of the standard NGF survey. Many of these questions were asked of the four courses, while some were course-specific. These questions were chosen by the County.

The common questions were:

- Regarding the bunkers at xxx, do you feel:
  - There are too many
  - There are too few
  - The number of bunkers is about right
- How often do you book your tee times online?
  - Always
  - Most of the time
  - Some of the time
  - Never
- If you do not always book online, what are the main reasons you don't? (open-ended)
- Are there any mobile apps that you would like to see at xxx, such as GPS, ordering food, booking online, etc.? (open-ended)
- Do you follow us online? If so, what sites (website, Facebook, Twitter, etc.) (Open-ended)
- Would you like to see more online content? If so, what? (open-ended)
- What marketing efforts from other courses successfully get you to play there? (open-ended)
- Would you like to see more human-interest stories from the County courses? (open-ended)
- Please rate the three most important factors in determining whether to play a course for the first time:
  - Friend play there
  - Quality of the course turf/condition of the turf
  - Reputation
  - Advertising
  - Special promotion
  - Coupon
  - Referred by friend/family etc.
  - Course yardage
  - Location
  - Price
  - Course Architect
  - Newness of course
  - Recently remodeled
- On a scale from 1 to 10, where one is "awful" and ten is "best ever," please rate the beverage cart service at xxx.

Below are the responses.

## Bunkers

|  | Keller    |               | Goodrich   |               | Manitou    |               | Battle Creek |               | Island Lake |               | All        |               |
|--|-----------|---------------|------------|---------------|------------|---------------|--------------|---------------|-------------|---------------|------------|---------------|
| <b>Regarding the Bunkers at the course, do you feel there are:</b> |           |               |            |               |            |               |              |               |             |               |            |               |
| Too Many   | 18        | 18.2%         | 4          | 3.8%          | 0          | 0.0%          | 0            | 0.0%          |             | 0.0%          | 22         | 4.8%          |
| Too Few  | 1         | 1.0%          | 7          | 6.6%          | 11         | 7.4%          | 3            | 3.2%          | 9           | 64.3%         | 31         | 6.7%          |
| Just right   | 80        | 80.8%         | 95         | 89.6%         | 137        | 92.6%         | 91           | 96.8%         | 5           | 35.7%         | 408        | 88.5%         |
| <b>Total</b>   | <b>99</b> | <b>100.0%</b> | <b>106</b> | <b>100.0%</b> | <b>148</b> | <b>100.0%</b> | <b>94</b>    | <b>100.0%</b> | <b>14</b>   | <b>100.0%</b> | <b>461</b> | <b>100.0%</b> |

In most cases, the customers were happy with the number of bunkers at the course. The main exception was Island Lake, where 64% wanted more bunkers. However, the sample size is small. At Keller, 18% felt there were too many. At Manitou, 7.4% wanted more.

## Beverage Cart Service

The respondents were asked to rate the beverage cart service on a scale from 1, "Horrible" to 10 "Outstanding." Keller, by far, received the poorest rating, at 4.6. But all the facilities were under 7.0, which is not good.

| <b>Beverage Cart Service</b> |            |            |            |            |            |
|------------------------------|------------|------------|------------|------------|------------|
|                              | Keller     | Goodrch    | Manitou    | Battle Crk | All        |
| <b>Average Rating</b>        | <b>4.6</b> | <b>6.8</b> | <b>6.3</b> | <b>6.7</b> | <b>6.1</b> |
| <b>% 9 or 10</b>             | 8.6%       | 22.5%      | 18.7%      | 12.9%      | 16.1%      |
| <b>% 7 or better</b>         | 24.7%      | 60.0%      | 51.2%      | 65.7%      | 50.0%      |
| <b>% 4 or worse</b>          | 45.7%      | 12.5%      | 19.5%      | 11.4%      | 22.3%      |

At Keller, nearly half (45.7%) gave a rating of 4 or worse, while only 8.6% rated beverage cart service a 9 or a 10. Goodrich had both the highest average score, 6.8, and the highest percentage of 9 or 10s at 22.5%. Battle Creek had the next highest average score, at 6.7, but had more rating 7 or better (65.7%) and fewer rating 4 or worse (11.4%).

## How to Improve

The next question was open-ended and asked how the beverage cart service could be improved. Unfortunately, this was only asked at Keller.

The top response (50.6%) was to improve the hours of operation, with 42.4% mentioning it needed to be more frequent. The next highest response category was comments regarding customer service (16.5%), with most of those suggesting better training (15.3%). 4.7% of the comments were to "service the entire course" as several referenced that the carts tended to stay in just one or two spots.

## Booking On-line

|  | Keller    |               | Goodrich   |               | Manitou    |               | Battle Creek |               | Island Lake |               | All        |               |
|--|-----------|---------------|------------|---------------|------------|---------------|--------------|---------------|-------------|---------------|------------|---------------|
| <b>How often do you book your teetimes online?</b> |           |               |            |               |            |               |              |               |             |               |            |               |
| Always   | 17        | 17.3%         | 20         | 18.9%         | 9          | 6.1%          | 23           | 24.2%         | 2           | 14.3%         | 71         | 15.4%         |
| Most of the time                                   | 16        | 16.3%         | 16         | 15.1%         | 11         | 7.5%          | 23           | 24.2%         | 2           | 14.3%         | 68         | 14.8%         |
| Some of the time                                   | 25        | 25.5%         | 28         | 26.4%         | 25         | 17.0%         | 25           | 26.3%         | 5           | 35.7%         | 108        | 23.5%         |
| Never  | 40        | 40.8%         | 42         | 39.6%         | 102        | 69.4%         | 24           | 25.3%         | 5           | 35.7%         | 213        | 46.3%         |
| <b>Total</b>                                       | <b>98</b> | <b>100.0%</b> | <b>106</b> | <b>100.0%</b> | <b>147</b> | <b>100.0%</b> | <b>95</b>    | <b>100.0%</b> | <b>14</b>   | <b>100.0%</b> | <b>460</b> | <b>100.0%</b> |

It is surprising how many people are *not* booking online. At Manitou, most of the customers (69.4%) do not book online. Part of this is a function that so many of the respondents were league players, where the teetimes are set.

Booking online is generally preferred by golf facilities as it greatly reduces staff time and can improve customer service at the counter as the staff person does not have to interrupt a paying customer to take the phone call.

The survey then asked if they did not book online, what was the reason. This was an open-ended question. Below are the most frequently named responses.

| Why not book online      | Keller | Goodrch | Manitou | Battle Crk | All   |
|--------------------------|--------|---------|---------|------------|-------|
| League player            | 12.3%  | 12.1%   | 30.3%   | 6.3%       | 17.1% |
| Do in person             | 7.0%   | 4.5%    | 11.1%   | 14.1%      | 9.4%  |
| Men’s/women’s club       | 15.8%  | 15.2%   | 10.1%   | 1.6%       | 10.5% |
| Easier to call           | 17.5%  | 15.2%   | 13.1%   | 12.5%      | 14.3% |
| Personal touch/more info | 10.5%  | 12.1%   | 10.1%   | 6.3%       | 9.8%  |
| Last minute              | 3.5%   | 7.6%    | 1.0%    | 7.8%       | 4.5%  |
| Can’t as single          | 5.3%   | 4.5%    | 0.0%    | 3.1%       | 2.8%  |
| Another person makes     | 1.8%   | 9.1%    | 6.1%    | 4.7%       | 5.6%  |
| Convenience              |        | 3.0%    | 3.0%    | 6.3%       | 3.1%  |
| Must use credit card     |        | 1.5%    | 0.0%    | 10.9%      | 2.8%  |
| Walk on                  | 0.0%   | 1.5%    | 0.0%    | 10.9%      | 2.8%  |

The biggest reason was that they were a league player, which meant that the teetime was already set. The same is true if you are a member of the men’s or women’s club. However, a substantial portion of the respondents simply felt it was easier to call, or that they preferred the personal touch. This is likely a reflection of the fact that well over half the respondents were over 60, and they are used to calling.

At Battle Creek, a large percentage (10.9%) did not book ahead, preferring to simply walk on. Sadly, this may be a reflection on the low volume of rounds as golfers feel they do not need a teetime to play.

### Choosing Where to Play

|  | Keller     |               | Goodrich   |               | Manitou    |               | Battle Creek |               | Island Lake |               | All         |               |
|--|------------|---------------|------------|---------------|------------|---------------|--------------|---------------|-------------|---------------|-------------|---------------|
| <b>Choose the three most important factors in determining whether to play a course the first time:</b> |            |               |            |               |            |               |              |               |             |               |             |               |
| Friends play there   | 3          | 1.2%          | 55         | 16.9%         | 78         | 17.5%         | 48           | 16.8%         | 5           | 12.2%         | 189         | 14.0%         |
| Quality/condition of turf  | 49         | 19.5%         | 56         | 17.2%         | 80         | 18.0%         |              | 0.0%          | 6           | 14.6%         | 191         | 14.2%         |
| Reputation   | 41         | 16.3%         | 24         | 7.4%          | 39         | 8.8%          | 27           | 9.5%          | 2           | 4.9%          | 133         | 9.9%          |
| Advertising  | 0          | 0.0%          | 1          | 0.3%          | 3          | 0.7%          | 2            | 0.7%          |             | 0.0%          | 6           | 0.4%          |
| Special Promotion  | 16         | 6.4%          | 18         | 5.5%          | 27         | 6.1%          | 20           | 7.0%          | 2           | 4.9%          | 83          | 6.2%          |
| Coupon   | 7          | 2.8%          | 19         | 5.8%          | 26         | 5.8%          | 23           | 8.1%          | 3           | 7.3%          | 78          | 5.8%          |
| Referred by friend/family  | 23         | 9.2%          | 24         | 7.4%          | 26         | 5.8%          | 21           | 7.4%          | 1           | 2.4%          | 95          | 7.1%          |
| Course yardage   | 7          | 2.8%          | 9          | 2.8%          | 9          | 2.0%          | 12           | 4.2%          | 2           | 4.9%          | 39          | 2.9%          |
| Location   | 41         | 16.3%         | 50         | 15.4%         | 63         | 14.2%         | 56           | 19.6%         | 8           | 19.5%         | 218         | 16.2%         |
| Price  | 49         | 19.5%         | 65         | 20.0%         | 85         | 19.1%         | 63           | 22.1%         | 11          | 26.8%         | 273         | 20.3%         |
| Course architect   | 4          | 1.6%          | 1          | 0.3%          | 2          | 0.4%          | 7            | 2.5%          | 0           | 0.0%          | 14          | 1.0%          |
| Newness of course  | 2          | 0.8%          | 2          | 0.6%          | 4          | 0.9%          | 4            | 1.4%          | 1           | 2.4%          | 13          | 1.0%          |
| Recently remodeled   | 9          | 3.6%          | 1          | 0.3%          | 3          | 0.7%          | 2            | 0.7%          |             | 0.0%          | 15          | 1.1%          |
| <b>Total</b>   | <b>251</b> | <b>258.8%</b> | <b>325</b> | <b>303.7%</b> | <b>445</b> | <b>306.9%</b> | <b>285</b>   | <b>303.2%</b> | <b>41</b>   | <b>273.3%</b> | <b>1347</b> | <b>294.1%</b> |

The most commonly mentioned factor was price, given 20.3% of the time (keep in mind, 33% is the highest possible, as respondents were asked to pick three.) Island Lake had it mentioned the most, at 26.8%, followed by Battle Creek (22.1%).

Location, with 16.2% of the responses, was second most mentioned overall. However, it was third most at Keller, (16.3%), fourth at Goodrich (15.4%) and Manitou (14.2%). It was second at Battle Creek (19.6%) and Island Lake (19.5%). Again, this is not something we have control over.

Course Conditions was the third most mentioned factor (14.2%), barely beating out “Friends Play There” (14%). It was tied for most important at Keller (19.5%), suggesting a more discriminating customer base. It was second most mentioned at Goodrich (17.2%) and Manitou (18%), fourth at Island Lake (14.6%), but was not mentioned at Battle Creek.

Friends Playing There was third most important at Manitou (17.5%), Goodrich (16.9%), and Battle Creek (16.8%). It was fourth at Island Lake (12.2%). But it was mentioned only by 1.2% at Keller.

Reputation was very important at Keller, tied for third with 16.3%; again, showing a more discriminating golfer. It was fourth most important at Battle Creek (9.5%). It was listed 8.8% at Manitou and 7.4% at Goodrich.

### Lessons

|   | Keller    |               | Manitou    |               | Battle Creek |               | Island Lake |               | All        |               |
|---|-----------|---------------|------------|---------------|--------------|---------------|-------------|---------------|------------|---------------|
| <b>Would you consider taking lessons at the course?</b> |           |               |            |               |              |               |             |               |            |               |
| Have already  | 14        | 14.9%         | 16         | 11.0%         | 27           | 29.7%         | 4           | 28.6%         | 61         | 17.7%         |
| Definitely  | 8         | 8.5%          | 3          | 2.1%          | 12           | 13.2%         | 2           | 14.3%         | 25         | 7.2%          |
| Possibly  | 31        | 33.0%         | 49         | 33.6%         | 25           | 27.5%         | 5           | 35.7%         | 110        | 31.9%         |
| No  | 29        | 30.9%         | 48         | 32.9%         | 9            | 9.9%          | 2           | 14.3%         | 88         | 25.5%         |
| Never take lessons                                      | 12        | 12.8%         | 30         | 20.5%         | 18           | 19.8%         | 1           | 7.1%          | 61         | 17.7%         |
| <b>Total</b>  | <b>94</b> | <b>100.0%</b> | <b>146</b> | <b>100.0%</b> | <b>91</b>    | <b>100.0%</b> | <b>14</b>   | <b>100.0%</b> | <b>345</b> | <b>100.0%</b> |

While not everyone responded to this question, most did. Less than half (43%) would not consider taking lessons at the facility, about half because they never take lessons. But this varied by facility. At Manitou, 32.9% said "No," while not indicating they never took lessons. Keller was right behind at 30.9%. But Battle Creek had the lowest percentage at 9.9%, followed by Island Lake at 14.3%. (Goodrich does not have a range, so they were not asked the question.)

Both Battle Creek and Island lake had nearly 30% of the respondents saying they already had taken lessons at the facility, followed by Keller at 14.9% and Manitou at 11%. Battle Creek and Island Lake were also the highest on the “definitely” response with 13.2% and 14.3% respectively.

Combined, over 3/4ths of the respondents at Island Lake (78.6%) and 70.3% at Battle Creek indicated they either had already or would consider taking lessons at the facility. This compares to 56.4% at Keller and 46.6% at Manitou.

Age may be a factor with this question as both Island Lake and Battle Creek had a higher percentage of younger golfers.

To dig further, the next question asked what was important in considering where to take lessons. Again, respondents chose three, so 33.3% is the highest possible score (although not all respondents chose three).

Receiving the most overall was price, with 24.1%. It was mentioned by nearly all the respondents at Island Lake (32.4%), and by about had nearly 25% of the votes at the other three.

Reputation of the Instructor was the second most influential factor, receiving 20.5% of the votes. It was mentioned the most at Keller (24.4%), followed by Manitou (19.7%) and Battle Creek (19.3%). It was listed by 13.5% at Island Lake.

|  | Keller     |               | Manitou    |               | Battle Creek |               | Island Lake |               | All        |               |
|--|------------|---------------|------------|---------------|--------------|---------------|-------------|---------------|------------|---------------|
| <b>Choose the three factors most important with regards to taking lessons:</b> |            |               |            |               |              |               |             |               |            |               |
| Price  | 50         | 25.4%         | 76         | 23.0%         | 52           | 23.3%         | 12          | 32.4%         | 190        | 24.1%         |
| Availability   | 18         | 9.1%          | 34         | 10.3%         | 33           | 14.8%         | 5           | 13.5%         | 90         | 11.4%         |
| Reputation of course   |            |               | 1          | 0.3%          | 1            | 0.4%          | 1           | 2.7%          | 3          | 0.4%          |
| Reputation of Instructor   | 48         | 24.4%         | 65         | 19.7%         | 43           | 19.3%         | 5           | 13.5%         | 161        | 20.5%         |
| Professionalism of Instructor  |            |               | 31         | 9.4%          | 24           | 10.8%         | 2           | 5.4%          | 57         | 7.2%          |
| Recommendation   | 29         | 14.7%         | 43         | 13.0%         | 21           | 9.4%          | 4           | 10.8%         | 97         | 12.3%         |
| Lesson packages  | 16         | 8.1%          | 32         | 9.7%          | 21           | 9.4%          | 2           | 5.4%          | 71         | 9.0%          |
| Quality of facility  | 17         | 8.6%          | 17         | 5.2%          | 10           | 4.5%          | 1           | 2.7%          | 45         | 5.7%          |
| Quality of balls   | 1          | 0.5%          | 7          | 2.1%          | 4            | 1.8%          | 1           | 2.7%          | 13         | 1.7%          |
| Location   | 18         | 9.1%          | 24         | 7.3%          | 14           | 6.3%          | 4           | 10.8%         | 60         | 7.6%          |
| <b>Total</b>   | <b>197</b> | <b>203.1%</b> | <b>330</b> | <b>227.6%</b> | <b>223</b>   | <b>237.2%</b> | <b>37</b>   | <b>246.7%</b> | <b>787</b> | <b>171.8%</b> |

Getting a recommendation was next most important, with 12.3%. It was highest at Keller (14.7%), followed by Manitou (13%), Island Lake (10.8%) and Battle Creek (9.4%).

Availability was mentioned 11.4% overall, followed by Professionalism of the instructor. The latter was important at Battle Creek (10.8%) and Manitou (9.4%). (It was left off the survey at Keller).

### Preferred Tees

|  | Keller    |               | Goodrich   |          | Manitou    |               | Battle Creek |               | All        |               |
|--|-----------|---------------|------------|----------|------------|---------------|--------------|---------------|------------|---------------|
| <b>What tee do you normally play from?</b> |           |               |            |          |            |               |              |               |            |               |
| Back                                       | 8         | 8.6%          | 24         | 24.0%    | 31         | 21.4%         | 2            | 2.2%          | 65         | 15.2%         |
| Blue                                       | 33        | 35.5%         |            | 0.0%     |            | 0.0%          | 25           | 27.5%         | 58         | 13.5%         |
| Blue/white                                 | 19        | 20.4%         |            | 0.0%     |            | 0.0%          |              | 0.0%          | 19         | 4.4%          |
| White                                      | 12        | 12.9%         | 52         | 52.0%    | 65         | 44.8%         | 42           | 46.2%         | 171        | 39.9%         |
| White/green Senior                         | 20        | 21.5%         | 14         | 14.0%    | 18         | 12.4%         | 14           | 15.4%         | 66         | 15.4%         |
| Forward                                    | 1         | 1.1%          | 10         | 10.0%    | 31         | 21.4%         | 8            | 8.8%          | 50         | 11.7%         |
| <b>Total</b>                               | <b>93</b> | <b>100.0%</b> | <b>100</b> | <b>1</b> | <b>145</b> | <b>100.0%</b> | <b>91</b>    | <b>100.0%</b> | <b>429</b> | <b>100.0%</b> |

As might be expected, the middle or “white” tee was the most popular choice, with just under 40% (39.9%). The response at Goodrich, Manitou and Battle Creek were close to the expected 50% we see nationally. At Keller, though, the response was 12.9%. This is because the white tee at Keller measures just 5,397 yards. The preferred range for men is 6,000 to 6,500 yards, which is the Blue tee at 6,206 yards. Accordingly, it was the most popular at 35.5%. Keller has added two combo tees this year, where the player plays half the holes from one tee, and half from the other. Keller’s blue/white tee mix, which measure 5,757 yards, has 20.4% of the play. Notably, only one player (1.1%) played from the green forward tee at Keller, which measure 4,830 yards. More popular was the green/white combo tee (21.5%), which is 5,133 yards in length. This may be an example of a psychological barrier for women, where the desire may be to have a “5” as the first digit, thinking it is too short if it doesn’t.

We are also surprised by the low percentage of players from the back tee at Keller, which measures just 6,675 yards. Normally, we would expect at least 15% of the play from here. This may indicate that Keller is not attracting the lower-handicap golfer. Which is surprising.

The same is also true at Battle Creek, where the back tee is only getting 2.2% of the responses. Yet it only measures 6,046 yards, which is usually the most popular length by far. This is perhaps the clearest indication that Battle Creek is not attracting the golfers who are most likely to enjoy the course because of

the challenge it represents. And the main reason is the fact it is just nine holes and golfers expect nine-hole courses to be easy.

### Mobile Aps

This was an open-ended question asking what golf aps they would like the County to offer for that golf course. The most popular responses are given below. Only about 60% of the people taking the survey answered the question.

| <b>Mobile Aps</b>      |               |                |                |                   |            |
|------------------------|---------------|----------------|----------------|-------------------|------------|
|                        | <b>Keller</b> | <b>Goodrch</b> | <b>Manitou</b> | <b>Battle Crk</b> | <b>All</b> |
| None                   | 59.6%         | 54.7%          | 59.8%          | 63.3%             | 59.8%      |
| GPS                    | 19.3%         | 20.8%          | 19.6%          | 22.4%             | 19.7%      |
| on carts               | 5.3%          | 7.5%           | 1.1%           | 4.1%              | 3.9%       |
| already have Yamatrack |               |                | 6.5%           | 0.0%              | 2.3%       |
| Food                   | 7.0%          | 5.7%           | 8.7%           | 4.1%              | 6.9%       |
| Booking                | 8.8%          | 3.8%           | 3.3%           | 4.1%              | 4.6%       |
| Don't care             | 0.0%          | 5.7%           | 0.0%           | 0.0%              | 1.2%       |

By far, the most popular answer was “none.” The second most popular was GPS, with 19.7% of the responses. However, about a fourth of these wanted the GPS to be on the carts, on as an ap. Ordering food appeared on 6.9% of the responses, followed by online booking with 4.6%.

### On Line Content

There were two questions dealing with on line content. The first was whether the person followed the course on line, and the second was whether the person wanted more content, and if so, what. Both questions were open-ended.

| <b>Online Follow</b> |               |                |                |                   |            |
|----------------------|---------------|----------------|----------------|-------------------|------------|
|                      | <b>Keller</b> | <b>Goodrch</b> | <b>Manitou</b> | <b>Battle Crk</b> | <b>All</b> |
| No                   | 74.1%         | 79.3%          | 70.6%          | 48.7%             | 66.9%      |
| Yes                  |               |                | 2.9%           | 5.3%              | 3.0%       |
| Facebook             | 1.7%          | 1.7%           | 10.8%          | 11.8%             | 8.2%       |
| Didn't know          | 1.7%          | 0.0%           | 0.0%           | 0.0%              | 0.3%       |
| Email                |               |                | 2.0%           |                   | 1.0%       |
| Twitter              | 1.7%          | 0.0%           | 0.0%           | 9.2%              | 2.6%       |
| men's/women's club   |               |                | 4.9%           | 6.6%              | 3.3%       |
| <b>Website</b>       | 20.7%         | 12.1%          | 8.8%           | 18.4%             | 14.1%      |
| <b>TOTAL</b>         | <b>59.8%</b>  | <b>54.2%</b>   | <b>70.3%</b>   | <b>80.9%</b>      |            |

Again, about 60% answered this question. Battle Creek had the best response rate, at 80.9%, followed by Manitou at 70.3%. Keller was at 59.8% and Goodrich at 54.2%. It is likely that those that did not answer the question are less likely to follow online, which is why they skipped the question as it did not apply to them.

What’s worse is that of those that *did* respond, the overwhelming majority answered “No.” We feel this may be an indication of the quality of the current websites and social media content. We will be discussing this a lot more in the Marketing section.

Website was the most frequently mentioned on-line source, with 14.1% overall. Keller had the highest rate (20.7%), followed by Battle Creek at 18.4%. Manitou had the lowest at just 8.8%. Facebook was the second most popular, with 8.2%. It was popular at Battle Creek at 11.8% and Manitou with 10.8% but was not at Keller or Goodrich (1.7%). Of course, neither of these courses maintains an active Facebook account.

Many of the people answering positive to the online content, were not actually following the golf course’s content, but that of their league or men’s or women’s club, which seem to be more active on line.

**More Content**

Even fewer answered the question about what additional online content they would like to see. Manitou, with 62.8%, had the highest response rate, followed by Battle Creek at 42.6%. Only 36.4% answered from Goodrich. The most popular answers are given below:

| More online content      |        |         |         |            |       |
|--------------------------|--------|---------|---------|------------|-------|
|                          | Keller | Goodrch | Manitou | Battle Crk | All   |
| No                       | 89.7%  | 76.9%   | 79.1%   | 67.5%      | 78.6% |
| Yes                      | 0.0%   | 7.7%    | 1.1%    | 5.0%       | 2.8%  |
| General Updates          | 2.6%   | 2.6%    | 0.0%    | 0.0%       | 0.9%  |
| Deals                    | 2.6%   | 5.1%    | 1.1%    | 2.5%       | 2.8%  |
| Better website           |        |         |         | 10.0%      | 1.9%  |
| Tournament schedules     | 2.6%   | 0.0%    | 5.5%    | 0.0%       | 2.8%  |
| Photos                   |        |         | 1.1%    | 2.5%       | 0.9%  |
| Stories from courses     | 2.6%   | 0.0%    | 0.0%    | 0.0%       | 0.5%  |
| Don't care               |        | 2.6%    | 8.8%    | 0.0%       | 4.2%  |
| League/Club info/results | 0.0%   | 2.6%    | 2.2%    | 2.5%       | 1.9%  |

Again, the disdain for online content was notable as 78.6% answered no, they did not want more content, with the next most popular comment (4.2%) was “don’t care.”

These responses are not typical in today’s market. Again, we feel the quality of the current content is largely responsible for the lack of interest.

**Human Interest Stories**

Another open-ended question was whether the rater would like to see more human-interest stories online. This received an underwhelming response, as only 46% of the respondents even answered the question. Of those that did, 70% said “no” and another 4% said they “didn’t care.”

| Human interest stories |              |              |              |              |       |
|------------------------|--------------|--------------|--------------|--------------|-------|
|                        | Keller       | Goodrch      | Manitou      | Battle Crk   | All   |
| No                     | 62.8%        | 75.5%        | 75.4%        | 68.9%        | 70.8% |
| Yes                    | 27.9%        | 16.3%        | 15.9%        | 20.0%        | 19.8% |
| Maybe                  | 2.3%         | 4.1%         | 2.9%         | 4.4%         | 3.3%  |
| Don't care             | 2.3%         | 4.1%         | 2.9%         | 4.4%         | 3.8%  |
| <b>TOTAL</b>           | <b>44.3%</b> | <b>45.8%</b> | <b>47.6%</b> | <b>47.9%</b> |       |

For the 23% that answered either “yes” or “maybe,” no suggestion received more than two responses.

### Marketing Efforts

Another open-ended question asked, “What marketing efforts from other courses successfully get you to play there?”

| Marketing Efforts        |              |              |              |              |              |
|--------------------------|--------------|--------------|--------------|--------------|--------------|
|                          | Keller       | Goodrch      | Manitou      | Battle Crk   | All          |
| None                     | 19.6%        | 23.7%        | 26.5%        | 23.6%        | 22.9%        |
| <b>Price</b>             | <b>37.0%</b> | <b>45.8%</b> | <b>51.8%</b> | <b>61.8%</b> | <b>50.2%</b> |
| General                  | 2.2%         | 6.8%         | 6.0%         | 9.1%         | 6.3%         |
| Specials                 | 26.1%        | 16.9%        | 31.3%        | 32.7%        | 26.9%        |
| Coupons                  | 6.5%         | 10.2%        | 9.6%         | 5.5%         | 9.1%         |
| Groupon                  | 0.0%         | 3.4%         | 2.4%         | 5.5%         | 2.8%         |
| Birthday special         |              |              | 0.0%         | 7.3%         | 2.0%         |
| Golf Now                 | 2.2%         | 1.7%         | 2.4%         | 0.0%         | 1.6%         |
| Pace of Play             | 6.5%         | 0.0%         | 0.0%         | 0.0%         | 1.2%         |
| Loyalty program          |              |              | 2.4%         | 0.0%         | 0.8%         |
| Teetime availability     | 6.5%         | 1.7%         | 1.2%         | 0.0%         | 2.0%         |
| Golf & Food package      | 6.5%         | 3.4%         | 1.2%         | 1.8%         | 2.8%         |
| Reputation/word of mouth | 4.3%         | 3.4%         | 2.4%         | 1.8%         | 3.2%         |
| <b>Website</b>           | <b>4.3%</b>  | <b>0.0%</b>  | <b>0.0%</b>  | <b>0.0%</b>  | <b>0.8%</b>  |
| <b>Discount cards</b>    | <b>4.3%</b>  | <b>6.8%</b>  | <b>6.0%</b>  | <b>0.0%</b>  | <b>5.1%</b>  |
| <b>TOTAL</b>             | <b>47.4%</b> | <b>55.1%</b> | <b>57.2%</b> | <b>58.5%</b> |              |

A little over half the respondents answered this question. But 23% of them answered “none.” Price was mentioned by 50% of those answering the question. Battle Creek had the highest percentage (61.8%), while Keller had the lowest (37%). Having a special was the largest vote getter among the answers relating to price. It had 26.9% of the comments. Surprisingly, Goodrich had the lowest at 16.9%. Battle Creek again had the highest at 32.7%, but that was only slightly higher than for Manitou (31.3%).

Having a coupon was next at 9.1%, followed by general price comments (6.3%), Groupon (2.8%), Birthday specials (2%). Surprisingly, Golf Now was mentioned by only 1.6% of the comments.

Discount cards was the only other response category that received at least 5% of the comments, and that just barely (5.1%).

Next, we will take a deeper dive into each facility.

## Keller

### Satisfaction Measures

There are five measures of satisfaction derived from the survey. Again, these scores were compared to the national database for both all courses and courses in the price range (“Standard” or “Mid-Fee” in Keller’s case.)

| <b>Keller Golf Course</b>                     |                      |  |  |
|---|----------------------|--|--|
| <b>Satisfaction Measures</b>                  |                      |  |  |
| <u>Responses from 6/18/2018 thru 8/3/2018</u> |                      |  |  |
| (97 responses)                                |                      |  |  |
|   | <b>Average Score</b> | <b>Standard Percentile<sup>1</sup></b> | <b>National Percentile<sup>1</sup></b> |
| Overall customer satisfaction                 | 8.5                  | 83                                     | 76                                     |
| Satisfaction compared to expectations         | 7.8                  | 54                                     | 48                                     |
| Satisfaction compared to other courses        | 8.1                  | 75                                     | 68                                     |
| Likelihood to play more                       | 6.1                  | 18                                     | 22                                     |
| Likelihood to recommend                       | 8.3                  | 69                                     | 62                                     |

Keller scored well on most measures, except for “Likelihood to play more,” where it rated in just the 18<sup>th</sup> percentile for price-range and 22<sup>nd</sup> overall. It was also just average in “Satisfaction compared to expectations.” Yet, the overall customer satisfaction was good, rating in the 83<sup>rd</sup> percentile for its class and 76<sup>th</sup> in all courses. The “Likelihood to Play More” could mean that players are playing as much as they can, which may be true for members and league players, but would not likely be the case for others.

### Competition

The survey asked what other courses that person had played in the past year. So, these are the facilities that are *already competing with your facility*. The ones most often mentioned are going to be the ones most like your facility in the minds of *your* customers.

This does not mean that other area facilities are not competitors. It just means that you are not attracting those facilities’ customers.

It can be just as important to look at what facilities your customers are *not* playing as to what they *are* playing. For example, if the most frequently mentioned competitors are low-end facilities that charge low fees, and there is an absence of higher-quality facilities, than your customer base is perceiving you as a low-end facility and you are not attracting golfers that value experience over price.

Below are the courses that were mentioned by at least 5% of the respondents:

|   |     |                              |
|---|-----|------------------------------|
| Manitou Ridge Golf Course                       | 24% | Ramsey County                |
| Goodrich Golf Course                            | 21% | Ramsey County                |
| Phalen Park Golf Course                         | 15% | St Paul Muni                 |
| Oak Glen Golf Club                              | 13% | Stillwater DF                |
| Logger's Trail Golf Club                        | 11% | Stillwater DF                |
| The Ponds at Battle Creek Golf Course           | 10% | Ramsey County                |
| University of Minnesota Les Bolstad Golf Course | 10% | University Course            |
| Gross National Golf Club                        | 10% | Minneapolis Muni             |
| Como Golf Course                                | 10% | St Paul Muni                 |
| Clifton Highlands Golf Course                   | 8%  | Wisconsin DF                 |
| Eagle Valley Golf Course                        | 8%  | Woodbury Muni                |
| Bunker Hills Golf Course                        | 7%  | Coon Rapids Muni             |
| Columbia Golf Club                              | 6%  | Minneapolis Muni             |
| Baker National Golf Course                      | 5%  | Three Rivers Park Dist Muni  |
| Bellwood Oaks Golf Course                       | 5%  | Hastings DF                  |
| Dwan Golf Club                                  | 5%  | Bloomington Muni – 18 h exec |
| Highland National Golf Course                   | 5%  | St. Paul Muni                |
| Tanners Brook Golf Club                         | 5%  | Forest Lake DF               |
| Prestwick Golf Club at Wedgewood                | 5%  | Woodbury DF                  |

The top two, and three of the top six are other Ramsey County Courses. Other observations:

- Third leading competitor is the closest course (Phalen)
- 3 of the 19 are St. Paul Muni
- 2 are Minneapolis Munis
- Only two are other than 18-hole regulation (Dwan – 18 h exec, Battle Creek – 9h reg)
- 2 of top 5 are in Stillwater
- 3 are more than 20-miles away (Baker National, Bellwood, and Clifton Highlands)
- 7, including the 3 RC courses are in Ramsey County; 4 in Hennepin; 3 in Washington; 1 each in Piece, Dakota and Anoka Counties.
- 5 are daily fees, rest muni
- All except the other County courses are rated “standard” (\$50+fee). Note, half at 4% wallet share are Premium, with the other half Standard.

## Goodrich

### Satisfaction Measures

Goodrich did very well on overall satisfaction, especially when compared to value facilities. However, it’s score for “Likelihood to Play More” was only average for Value facilities

| Goodrich Golf Course                   |               |                               |                                  |
|--|---------------|-------------------------------|----------------------------------|
| Satisfaction Measures                  |               |                               |                                  |
| Responses from 6/19/2018 thru 8/5/2018 |               |                               |                                  |
| (107 responses)                        |               |                               |                                  |
|  | Average Score | Value Percentile <sup>1</sup> | National Percentile <sup>1</sup> |
| Overall customer satisfaction          | 8.7           | 97                            | 90                               |
| Satisfaction compared to expectations  | 8.4           | 88                            | 90                               |
| Satisfaction compared to other courses | 8.6           | 95                            | 95                               |
| Likelihood to play more                | 6.7           | 54                            | 67                               |
| Likelihood to recommend                | 8.5           | 87                            | 71                               |

(54<sup>th</sup> percentile). This could simply mean that the players are playing as much as they are able to, rather than any dissatisfaction with the course.

## Competition

Below are the courses that were mentioned by at least 5% of the respondents:

|   |     |                      |
|---|-----|----------------------|
| Manitou Ridge Golf Course                       | 21% | Ramsey County        |
| Phalen Park Golf Course                         | 21% | St Paul Muni         |
| Keller Golf Course                              | 20% | Ramsey County        |
| The Ponds at Battle Creek Golf Course           | 14% | Ramsey County        |
| Eagle Valley Golf Course                        | 12% | City of Woodbury     |
| Oneka Ridge Golf Course                         | 10% | White Bear Lake DF   |
| Inver Wood Golf Course                          | 10% | City of Inver Grove  |
| Emerald Greens Golf Course                      | 9%  | Hastings DF          |
| Como Golf Course                                | 8%  | St Paul Muni         |
| Applewood Hills Golf Course                     | 7%  | Stillwater 18 h Exec |
| Logger's Trail Golf Club                        | 7%  | Stillwater DF        |
| Oak Glen Golf Club                              | 7%  | Stillwater DF        |
| Oak Marsh Golf Club                             | 7%  | Oakdale DF           |
| Highland National Golf Course                   | 7%  | St Paul Muni         |
| Kilkarney Hills Golf Course                     | 6%  | St Croix DF          |
| Clifton Hollow Golf Club                        | 6%  | River Falls DF       |
| Gross National Golf Club                        | 6%  | City of Minneapolis  |
| University of Minnesota Les Bolstad Golf Course | 6%  | Univ of Minn         |
| Troy Burne Golf Club                            | 5%  | Hudson DF            |
| Stillwater Oaks Golf Course                     | 5%  | Stillwater DF        |
| Hidden Greens Golf Course                       | 5%  | Hastings DF          |
| Clifton Highlands Golf Course                   | 5%  | Prescott DF          |
| Columbia Golf Club                              | 5%  | City of Minneapolis  |
| Badlands Golf Course                            | 5%  | Roberts DF           |

- Three of top 4 are RC Golf courses
- 24 courses rated 5% or more
- Only one non-regulation (Applewood Hills – 18-hole exec)
- Only one 9-hole (Ponds)
- 13 are privately owned
- 5 are in Wisconsin
- 6 are in Washington County, with 4 in Stillwater
- 3 in Dakota County
- 2 in Hennepin (both city courses)
- Includes two (8.3%) “Premium” courses (Troy Burne and Oak Marsh)
- Includes five (20.8%) “Value” courses – including Applewood, Ponds, Badlands, Kilkarney and Manitou

The two big takeaways are that 1) other RC Golf courses dominate the rankings, and 2) most of the facilities listed are more expensive than Goodrich.

### Custom Questions

Goodrich respondents were asked what improvements they would like to see on the Patio area. This was an open-ended question. A little over half the people responded. Below were the responses.

|                                 |           |              |
|---------------------------------|-----------|--------------|
| Nothing                         | 27        | 50.0%        |
| <b>New furniture</b>            | <b>10</b> | <b>18.5%</b> |
| General                         | 3         | 5.6%         |
| Chairs that don't hold moisture | 3         | 5.6%         |
| More seating                    | 1         | 1.9%         |
| Comfortable chairs              | 3         | 5.6%         |
| Spend money on course           | 1         | 1.9%         |
| More shade                      | 3         | 5.6%         |
| More umbrellas                  | 2         | 3.7%         |
| Music                           | 1         | 1.9%         |
| Atmosphere                      | 1         | 1.9%         |
| Food                            | 3         | 5.6%         |
| Add grill                       | 2         | 3.7%         |
| Don't use                       | 3         | 5.6%         |
| Expand                          | 1         | 1.9%         |
| <b>TOTAL</b>                    | <b>54</b> | <b>50.5%</b> |

## Battle Creek

### Satisfaction Measures

#### The Ponds At Battle Creek Golf Course

##### Satisfaction Measures

Responses from 6/20/2018 thru 8/7/2018

(94 responses)

|  | Average Score | Value Percentile <sup>1</sup> | National Percentile <sup>1</sup> |
|--|---------------|-------------------------------|----------------------------------|
| Overall customer satisfaction          | 8.8           | 98                            | 94                               |
| Satisfaction compared to expectations  | 8.2           | 77                            | 82                               |
| Satisfaction compared to other courses | 8.4           | 90                            | 86                               |
| Likelihood to play more                | 6.7           | 54                            | 68                               |
| Likelihood to recommend                | 8.7           | 95                            | 85                               |

In general, very favorable responses. Way above average in all areas except likelihood to play more, which was average.

## Competition

The top competitors were:

- Three of the top four are RC Golf Courses.
- None are 9-hole courses (although Highland Park was mentioned on 2% of the surveys)
- One (Applewood Hills) is an 18-hole executive course. It is also the only non-regulation course.
- None of the courses are Value. Two are Premium (Prestwick and St. Croix).
- 11 (52%) are municipal
- 1/3<sup>rd</sup> are in Ramsey County
- Six (28.6%) are in Washington County

|   |     |
|---|-----|
| Goodrich Golf Course                            | 29% |
| Keller Golf Course                              | 16% |
| Eagle Valley Golf Course                        | 16% |
| Manitou Ridge Golf Course                       | 12% |
| Oak Marsh Golf Club                             | 12% |
| Inver Wood Golf Course                          | 11% |
| University of Minnesota Les Bolstad Golf Course | 8%  |
| Phalen Park Golf Course                         | 6%  |
| Chomonix Golf Course                            | 6%  |
| Applewood Hills Golf Course                     | 6%  |
| Cannon Golf Club, Inc.                          | 5%  |
| Clifton Highlands Golf Course                   | 5%  |
| Logger's Trail Golf Club                        | 5%  |
| Prestwick Golf Club at Wedgewood                | 5%  |
| River Oaks Municipal Golf Course                | 4%  |
| St. Croix National Golf Course                  | 4%  |
| Clifton Hollow Golf Club                        | 4%  |
| Como Golf Course                                | 4%  |
| Emerald Greens Golf Course                      | 4%  |
| Gross National Golf Club                        | 4%  |
| Hiawatha Golf Course                            | 4%  |

## Custom Questions

### Patio Area

Battle Creek customers were asked what improvements they would like to see for the Patio area. 45 (47.9%) responded. Below is a summary:

|                |           |              |
|----------------|-----------|--------------|
| Nothing        | 19        | 42.2%        |
| New furniture  |           | 0.0%         |
| More seating   | 2         | 4.4%         |
| More shade     | 4         | 8.9%         |
| More umbrellas | 3         | 6.7%         |
| Music          | 1         | 2.2%         |
| More flowers   | 2         | 4.4%         |
| Not sure       | 1         | 2.2%         |
| Nonsmoking     | 1         | 2.2%         |
| Add firepit    | 1         | 2.2%         |
| Bug zapper     | 1         | 2.2%         |
| Patio heaters  | 1         | 2.2%         |
| Food           | 3         | 6.7%         |
| Add grill      | 3         | 6.7%         |
| Don't use      | 2         | 4.4%         |
| Expand         | 1         | 2.2%         |
| <b>TOTAL</b>   | <b>45</b> | <b>47.9%</b> |

**Improvements to the Range**

They were also asked what improvements they would like to see on the range. This got 43 responses or 45.7% of the respondents. Summary follows:

|                             |           |              |
|-----------------------------|-----------|--------------|
| New Mats                    | 1         | 2.3%         |
| Add/Enlarge chipping area   | 4         | 9.3%         |
| Add/Enlarge practice bunker | 1         | 2.3%         |
| Yardage markers             | 5         | 11.6%        |
| Better balls                | 1         | 2.3%         |
| Don't use                   | 4         | 9.3%         |
| None                        | 15        | 34.9%        |
| More targets                | 3         | 7.0%         |
| Bag Stands                  | 1         | 2.3%         |
| Flatten practice green      | 1         | 2.3%         |
| Move tee area more often    | 2         | 4.7%         |
| Better turf                 | 1         | 2.3%         |
| Better bunker               | 1         | 2.3%         |
| Better targets              | 2         | 4.7%         |
| Add double deck             | 1         | 2.3%         |
| <b>TOTAL</b>                | <b>43</b> | <b>45.7%</b> |

**Manitou**

**Satisfaction Measures**

Below are the five measures of satisfaction for Manitou:

| <b>Manitou Ridge Golf Course</b>              |                      |                                     |  |
|---|----------------------|-------------------------------------|--|
| <b>Satisfaction Measures</b>                  |                      |                                     |  |
| <u>Responses from 6/19/2018 thru 8/7/2018</u> |                      |                                     |  |
| (146 responses)                               |                      |                                     |  |
|   | <b>Average Score</b> | <b>Value Percentile<sup>1</sup></b> | <b>National Percentile<sup>1</sup></b> |
| Overall customer satisfaction                 | 7.4                  | 27                                  | 12                                     |
| Satisfaction compared to expectations         | 6.9                  | 16                                  | 9                                      |
| Satisfaction compared to other courses        | 7.0                  | 27                                  | 16                                     |
| Likelihood to play more                       | 5.8                  | 5                                   | 7                                      |
| Likelihood to recommend                       | 7.1                  | 23                                  | 11                                     |

These are very low ratings! Especially considering they are on the border of Standard. Especially disconcerting is Likelihood to Play More, where players put Manitou in the bottom 5% of all facilities.

## Competition

Manitou had fewer competitors registering on 5% or more of the surveys. They were:

|                                       |     |                       |
|---------------------------------------|-----|-----------------------|
| Keller Golf Course                    | 37% | Ramsey County         |
| Goodrich Golf Course                  | 26% | Ramsey County         |
| Eagle Valley Golf Course              | 11% | City of Woodbury      |
| Oneka Ridge Golf Course               | 11% | White Bear Lake DF    |
| Oak Glen Golf Club                    | 10% | Stillwater DF         |
| Phalen Park Golf Course               | 10% | St Paul Municipal     |
| Logger's Trail Golf Club              | 10% | Stillwater DF         |
| Stillwater Oaks Golf Course           | 6%  | Stillwater DF         |
| The Ponds at Battle Creek Golf Course | 6%  | Ramsey County         |
| Tanners Brook Golf Club               | 6%  | Forest Lake DF        |
| Highland National Golf Course         | 6%  | St Paul Municipal     |
| Bristol Ridge Golf Course             | 6%  | Somerset DF           |
| Clifton Highlands Golf Course         | 6%  | Prescott DF           |
| Applewood Hills Golf Course           | 5%  | Stillwater 18h Exec   |
| Gem Lake Hills Golf Course            | 5%  | White Bear Lake Par 3 |
| New Richmond Golf Club                | 5%  | New Richmond DF       |
| Prestwick Golf Club at Wedgewood      | 5%  | Woodbury DF           |

- Only 17 courses got 5% or more
- 3 are Ramsey County courses, including the top two. Although Battle Creek was lower than it was for Keller or Goodrich.
- 2 non-reg (Applewood Hills – 18h exec, Gem Lake – 9h Par 3)
- Two 9-hole (Battle Creek, Gem Lake)
- 7 in Washington County
- 7 in Ramsey County
- 2 in Wisconsin (St. Croix)
- 1 in Pierce

## Custom Questions

Manitou’s survey asked, “What improvements would you like to see for the range?” This was an open-ended question. A little more than half (55.2%) responded. Below is a summary:

- None – 21.3%
- Add yardage markers – 12.5%
- Add practice bunker – 11.3%
- Don’t use – 10%
- Make Flatter – 8.8%
- Better balls- 5%

- Larger area – 3.8%
- Improve range tee – 3.8%
- Complete renovation – 3.8%

## Golf Dome

The Golf Dome survey was done using Survey Monkey. There were not enough responses to be considered significant. Below is a summary of the questions and responses.

### What is needed to get a “9” or “10”?

Only two things got more than one vote:

- Better Balls
- Better Mats

### How many times have you used the Midwest (Goodrich) Golf Dome in the last 12 months?

- **Once:** 3
- **Two to Five:** 7
- **Six to 10:** 3
- **11-15:** 2
- **More than 15:** 2

### Do you play Golf at Goodrich?

- **Almost Always:** 3
- **Usually:** 1
- **Sometimes:** 4
- **Rarely:** 4
- **Never:** 5

### What Facilities do you use at Midwest Golf Dome?

- **Only the miniature golf:** 1
- **Only the range:** 11
- **Both the range and chipping area:** 5

### How do you rate the quality of the miniature golf?

- 4 responses. Avg 4.25

### How do you rate the quality of the driving range?

- 16 responses, avg 7.5
  - 8 were 9 or 10
  - 3 were 5 or worse

### Satisfaction with:

- Condition of miniature golf course
  - 4 responses, avg 4.25
- Condition of range mats
  - 15 responses, avg 6.33
- Amenities
  - 13 responses, avg 5.54

- Customer Service
  - 17 responses, avg 8.0
- Friendliness of staff
  - 17 responses, avg 7.82
- Overall value
  - 16 responses, avg 7.31

**How often do you bring your children?**

- 70.59% - not applicable
- 4 (23.5%) – never
- Only 1 – rarely

**Demographics**

- All male
- Avg score 86.6
  - Only one below 80
  - 31% 90 or above
- Avg age – 59.8
  - Only two under 50 (34 &41)
  - Two were over 70

**Customer Origin**

|            |   |     |
|------------|---|-----|
| Dakota     | 1 | 6%  |
| Hennepin   | 3 | 19% |
| Ramsey     | 7 | 44% |
| Washington | 5 | 31% |

# **AGRONOMIC PRACTICES**

## **General Findings**

All five courses in the Ramsey County system present as well maintained compared to courses of similar stature in the MSP marketplace.

The most consistent potential problem seems to be shallow roots throughout most courses, which might have been a function of visiting early in the year and during a wet period. A slow transition to deep watering less frequently would encourage deeper rooting, as would aerification of tees and fairways. Implementing a higher fertility program also helps roots.

### **Some common problems are:**

1. **High pH** in irrigation water, which slowly causes problems and should be monitored.
2. **Shallow roots** throughout most courses, which might have been a function of visiting early in the year and during a wet period. Cures to encourage deeper rooting include:
  - a. A slow transition to deep watering, with fewer watering cycles
  - b. **More Frequent Aerification** of tees and fairways.
  - c. **Implementing a higher fertility program** also helps roots deepen.
3. To differing degrees, golfers complain about high roughs. **Lower cutting height**, implementation of “intermediate rough” to reduce penalty on just missed fairways, helps.
4. **Tree Trimming and Health** – Golfers complain about all the evergreens (and some deciduous) trees with low branches which causes lost golf balls. Removing limbs up to 3 feet off ground reduces the number of lost balls. **Limbs need to be removed to improve pace of play and improve golfer satisfaction and aesthetics.** Removing them to head height assists in mowing around the trees, reducing labor costs.

## **Keller Golf Course - Existing**

Jeff Brauer toured Keller Golf Course on June 13-14. We met with the superintendent, who supplied most of this information.

### **Greens**

These leave a good impression. They are 5 year old USGA Greens, with Plaisteads Mix 85-15%, a long standard mix in the area. They are cut at 0.125”, which is standard, and roll about 9-9.5 on the stimpmeter, also a good range for public courses.

- **Roll / Firmness / Turf Quality** - is good. Thatch is minimal, expected on new greens.
- **Size / Pin Locations Levelness /** - There are some difficult pins on 11 and 17

### **Cultural**

- **Topdressing** – Regular with straight sand
- **Fertility** –
  - 2.5 lbs. of N every year, most foliar, some granules
  - Low Phosphorus

- **Aerify** 2X annually
- **Spray Program** –Implements a regular spray program (typical of older superintendents, while younger ones take a more “as needed, higher threshold” approach to reduce chemical use to be the most environmentally conscious.
- **Typical green issues** include, Take All Patch, Snow Mold and dry spots on knobs, where he uses a wetting agent to help hold water.

He reports that there were some initial turf struggles in grow in 2013-4, which is not unusual when converting to sand greens.

### Collars

- Good, no drainage blocks
- Height of Cut (HOC) – 0.375”
- **Width** – 4 feet
- Condition - Good,
- **Cause drain** blocking - None

### Tees

These also leave a good impression. They are level and have a 4” Sand Cap using old Green Mix, which provides a good growing medium. We did note well-worn areas where the tee markers were located, possibly indicating that the markers are not being moved enough to spread wear across the entire tee.

- **Turf Type** – Bent with poa infestation, which is common
- **HOC** – 0.3800” which is acceptable
- **Levelness / Turf Quality / Weeds**- A few weeds
- **Construction** – 4” Sand Cap using old Green Mix
- **Size** – Average – 5,468 S.F. Average

### Cultural

- **Topdressing** – Regular with straight sand
- **Fertility**
  - 3.0 lbs. of Nitrogen every year, most foliar, some granules
  - Low Phosphorus
- **Aerify** 2X annually with deep tine, cored once annually or as needed
- **Thatch** -Not much
- **Spray Program** –
  - Regular Spraying, Curative
  - Typical issues, Take All Patch, Snow Mold

### Problems

- Hole 4 is far too small, but with little room to expand.
- Hole 6 is well sized.

- 13 has good size, with too little distance variation, and perhaps some of the tee used too little because trees block the direct line of play. Probably not worth investing in expansion.
- 15 is just under our size recommendations, (about 6600 S.F. on main tee vs. 7500 S.F. for par 3, bent grass tees) but probably adequate with good cultural practices.

## Bunkers

Bunkers are new, built without liners, owing to initial budget. Liners and more drainage are recommended, as is an upgrade from buff to white sand.

- **Sand Quality/Color/Depth**-Use Plaisteads Pro Crush Bunker Sand (buff)
- **Drainage** –*Could be improved with liners, more tile*
- **Edging**- **Better than other courses, but could be crisper**
- **Sand Depth / Eroding** - Generally good.

## Fairways

- **Soils** – Native Soils, depth not always enough
- **Drainage** – Generally good. Lower areas on fairways need larger catch basins on holes 3, 5, 12, 16,
- **Turf Type** - Bent
- **Color and density of the turf** – good
- **Weed pressure** – Good

## Cultural

- **Fertility** –
  - 2.0 lbs. of N every month, granules
  - Low Phosphorus
- **Aerify**- 2X annually with deep tine, cored once annually or as needed
- **Thatch** -Not much
- **Spray Program** –
  - Regular Preventative
  - Typical issues, Take All Patch, Snow Mold

## Rough

- **Drainage** – Good
- **Turf Type** – Blue, Rye. Aerify and fill with seed every fall
- **Color and density of the turf** – Good
- **Weed pressure** – **Some, spray for broadleaf as required.**

## Trees

- **Shade affecting turf** – will be noted in design report
- **Root systems** of trees affecting turf – Some noted in various areas

## Equipment

- **Equipment List** – Satisfactory
- **Overall Quality** – Generally good since switch to pool supply
- **Preventative Maintenance Program** – has mechanic, regular maintenance
- **Shared Equipment** – None

## Most Needed

- Most Needed – Hydraulic Dump, Material Handler, some equipment is older

## Staff

- **In season**- 20, with 14 seasonal labor. Some retirees, some students. Some come from Ramsey County Pool, limited to six months total time
- **Off Season**-6
- **Assistants**-1
- **Mechanic**-1
- **Difficulty in finding help**- Has increased as economy improves
- **Staff training** – Programs in place for equipment, safety and fungicide and herbicide application

## Relationship with the golf shop staff

- Good communications about events and issues. Hold regular weekly meetings- Yes

## Budgets

- **Total** - \$745,000, a slight reduction from 2017. About typical for quality courses in the MSP market, and adequate, and apparently, well spent

## Superintendent Qualifications

- **History/Training** – He has 36 years' experience, being hired right out of college at Keller and is Class A / Certified. He was on site during the 2013 renovation

## Manitou Ridge Golf Course

Jeff Brauer, Erik Christiansen and John Wait visited Manitou Ridge on Monday morning, June 11. We met with the operator/superintendent while Erik toured the course with a member of the maintenance staff. We took several soil probes at greens, tees and fairways.

## History

Manitou Ridge opened in 1928, possibly as a private club that was converted to public in the depression. It was designed by Vincent Feehan, who designed about a half dozen courses in that period, but was mostly a landscape architect, with some distinctive design credits (many for U of Minnesota) in that era.

The course has been re-routed and renovated in two instances, first in 1978 under direction of golf course architect Don Hertfort, and then sporadically by Greg Hubbard after he took over management of the course in the 1970's.

This is a unique situation, as the GM is also Superintendent, making for a close relationship! He has been at Manitou Ridge since 1972 and is one of those rare individuals with equal qualifications in both operations and agronomy. On the operations side, his training includes a BA in economics. For agronomy, he is a Certified Superintendent since 1988, Class A Superintendent since 1984. He has served the industry as President of the MN Golf Course Superintendents Association and MN Turf and Grounds Foundation, while also lecturing at the University of Minnesota on Turfgrass diseases. His passion for the golf business was clear in our interview and in the quality and previous success of his operation.

## Greens

### Impressions

Greens are small, and generally gently sloped. **There are slope problems, primarily steepness on front of greens 3 and 14.**

- **Soil Probe Tests** showed-**In general, shallow roots at time of inspection.**
- **Roll / Speed** – 9.5-10
- **HOC** – 0.125", which is normal for a public course.
- **Firmness / Turf Quality** -Medium Firm, not much thatch. About what is expected, given their age.
- **Construction** – There are a several construction methods used for greens, depending on when they were built:
  - Native Soil – (Original) 5, 7, 10, 16
  - Hertfort 1978 – 17, 18
  - Hubbard USGA (1970's Spec) – 3, 6, 8,
  - Hubbard 1980 USGA Spec 11(1990), 12 (1994), 13 (1988), 14 (1993), 15 (1994)
- **Native Soil** – (Original) 5, 7, 10, 16
- **Topdressing** – Since construction, he top dresses with pure sand, using Plaistead's USGA Sand
- **Thatch** – Some, typical for age.
- **Drainage** runs on greens – Only on greens 3, 12, and 14.
- **Access Point Limitations** – Greens 3, 12 (walk back to 13), 13, 14, 18(walk back)
- **Trees / Shade / Roots affecting turf** -9 Green
- **Cup Marks:** When we inspected the greens, we noted that previous cup hole marks were clearly visible, with either darker green grass, or burned grass. This is usually an indicator of an inexperienced person cutting and replacing the cups as the cups are not being replaced at the same level as the rest of the green. If the replacement grass is set too deep, the grass will be darker green (taller grass). If it is set too high, the grass will become burnt as it is too low when mowed.

### Collars

The collars are cut 3 feet wide at .0.375." Their condition is good, with one causing drain to back up. There are no apparent tree, shade or root issues.

- **HOC** – 0.375"
- **Width** – 3 feet

- **Condition** - Good,
- **Cause drain blocking** - None

## Tees

As noted, the biggest tee issues are **tight soil and small size**, each of which contributes to less than ideal conditions.

- **HOC** – 0.375”
- **Levelness / Turf Quality / Weeds**--Average
- **Construction** – Topsoil
- **Size** – Average 4,161 S.F.
- **Size Par 3 Holes** – 4,500 S.F.
- **Topdressing** – Regular program
- **Trees / Shade / Roots affecting turf** -Will lose 120+ trees to ash borer

## Bunkers

There are 27 sand bunkers, totaling 39,875 S.F.

- **Drainage** –**Poor to Average**
- **Edging**-**Shaggy, non-crisp edges**
- **Sand Depth / Eroding** – Varies, some bunkers erode.

**Sand bunkers need drainage, liners and new sand. White sand preferred.**

## Fairways

- **HOC** – 0.75” – good for public courses
- **Drainage** – Good topo, few drainage spots – Valleys on 2, 11, 12, 15, 18
- **Turf Type** – Blue, Rye, some Poa
- **Color and density of the turf** –Average
- **Weed pressure** – Some

## Rough

- **HOC** – 2-3” **Golfers complain!** Shorter rough will speed up pace of play by reducing time looking for lost balls and will improve playability of the course.
- **Drainage** – Good topo, few drainage spots
- **Turf Type** – Blue.
- **Irrigation:** **Could add 10-20% heads in rough**
- **Color and density of the turf** – Average
- **Weed pressure** – Some
- **Trees / Shade / Roots affecting turf** -15 fairway near green

**Biggest issues are removal of ash trees, and more frequent mowing at lower height.**

## Practice Areas

### Tees

- **Size** – Too small
- **Construction** – Topsoil, some topdressing
- **Condition** – Generally worn
- **Landing Zone**- **Too short**, no target greens, some flat areas drain slowly
- **Putting Green** – **Should be bigger**

### Safety

- **Safety issues** on both sides, Interstate left, parking lot right. Having to use limited flight balls, which are not popular with the golfers. It will require repositioning the range to solve the safety issues. Larger tee would also help.

## Equipment

- **Equipment List** – Not submitted
- **Overall Quality** – Generally good, some older.
- **Most Needed** – Needs new Rough Mower @ \$35,000 to mow more often. Should start inventory to detail equipment replacement plan.
- Preventative Maintenance Program –yes, superintendent is old school!
- Shared Equipment - None

## Cultural Practices

- **Aerification frequency** 1x annually in fall, verti-drains more
- **Topdressing** - Yes
- **Vertical-cutting**. - Yes
- **Fertility programs** – Some granular, some foliar. As needed
- **Weed control program** – has cut chemical use, has IPM plan. Was a traditional preventative spray program –yes, superintendent is old school, but is changing

## Staff

- **In season**- 4 full time, 6 part time
- **Off Season**-4 full time
- **Assistants** - 1
- **Mechanics**-1
- **Difficulty in finding help** – There is some difficult in finding help. Could use more staff.
- **Staff training** is in place for equipment, safety and spray application.

## Relationship with the golf shop staff –

- Good, GM is also Superintendent!

## Budgets

The operator/superintendent reports his maintenance budget is \$353,000, with the breakdown shown in the table to the right. This approaches 50-60% of typical area maintenance budgets and cannot be considered totally adequate. He reports “shorting” landscape and the range as a means of coping.

The main area that is seems light in is in fertilizer and chemicals. It also has little expense for equipment, presumably because the equipment is paid for. However, allowing for equipment replacement would add about \$80,000 to \$100,000/year to the budget.

Still, Manitou can produce comparable results to what is seen at Goodrich, for ½ the cost. We will discuss this more in our Discussion section.

|               | <b>Manitou</b>   |
|---------------|------------------|
| Labor         | \$259,927        |
| Benefits      | \$10,000         |
| Fertilizer    | \$9,457          |
| Chemicals     | \$21,045         |
| Seed/sand     | \$3,507          |
| Fuel/supplies | \$14,389         |
| Repairs       | \$24,072         |
| Equip lease   | \$7,385          |
| Dues          | \$2,237          |
| Education     | \$593            |
| <b>Total</b>  | <b>\$352,612</b> |

## Goodrich Golf Course

Jeff Brauer, Erik Christiansen and John Wait visited Goodrich Golf Course on the week of June 10. We met with the GM and Superintendent at the course. Erik toured the course separately.

## Course History

Designed by Paul Coates, (same as Keller but decades apart near end of his career, 1955-61, not all built to his design. The routing has changed as south side converted to park at some point. Maplewood Park next door has a park master plan.) Some would like to close Goodrich to expand the park.

A review of HistoricAerials.com shows the land was originally a farm field, with low spots and large drain fields running through what is now the southeast portion of the course, including the lake on hole no. 1. The original course included holes 1 (as a par 3) 10, 12, 13, and 18. The course started with no sand bunkers. No clubhouse is present until about 1980.

The current routing fully evolved by 1991. Golfers complain about the back to back par 3 holes at 16-17 owing to re-routing. Other problems include the walk back to 12 tee from 11 green, 1 green being too close to 2 tee and the 10<sup>th</sup> hole being too close to the road.

The course is short and fun to play, almost perfect for C and D players and beginning golfers. It has a pleasant ambiance. The nines were reversed in 2015, concurrent with the arrival of GM/PGA professional Brad Behnke. Upon Brad’s arrival, golfers noticed upgraded service, and reduced complaints.

Goodrich currently plays 31,000 rounds and maintains a pace of play of 4 to 4.25 hours.

## Greens

- **Soil Probe Tests** – Soil probes showed **shallow roots at time of inspection**
- **Roll / Speed** – 9 Max, somewhat bumpy
- **Firmness / Turf Quality** -Medium Firm, some thatch, average quality
- **Size / Pin Locations**- Small greens, **limited pin spots**
  - Total size: Greens (includes PG@5,916) 58,460 S.F., as measured by aerial photos. This is less than reported by the superintendent, and might result from his inclusion of the collar, slight grow in since his last measurements, and of course, minor scale variations on the

aerial and/or difficulty in establishing the actual green edge using our method. Given the impact on chemical use and other maintenance practices, we recommend further in field measurements. This has become easier with new (and free) phone apps, like “Fields Area Measure.”

- S.F. Average over 18 holes – 2,920 S F
- **Slope Problems – Green No. 7**
- **Construction** – Most remain native topsoil, but hole 10 is built closer to USGA specs. Practice Green, 12, 14 and 15 built in house with a modified USGA sand base. During rebuilding, the 15<sup>th</sup> green was enlarged and extended forward.
- **Topdressing** – Sand with Plaistead’s Sand, supplied by Leitner’s.
- **Thatch** – Some, typical for age.
- **Drainage runs on greens** – None
- **Turf** - Most are small round circles (except 10 and 12, @4400 S.F. each, bigger circles) Old greens, Penncross and Poa, New greens L-93, except 15, where the superintendent experimented with Focus Bentgrass, which he likes, and which gets strong reviews on various turfgrass tests.
- **Access Point Limitations** – Greens 7, 8, (walk back to 9), 11, 18(walk back)
- **Trees / Shade / Roots affecting turf** – Greens 1, 2, 7, 11, 14, 16, 18

### Collars

- **HOC** – 0.375”
- **Width** – 3 feet
- **Condition** – Fair to good,
- **Cause drain blocking** - None

### Tees

- **HOC** – 0.625”
- **Levelness / Turf Quality / Weeds**--Average
- **Construction** – Topsoil. Tees 7 and 18 new, with mix. Tees 6, 16, 17, 12 leveled
- **Size** – Average – 3,518 S.F.
- **Size Par 3 Holes** – 8 and 12 excellent, 16, 17 under 4,000
- **Topdressing** – Regular program with straight sand.
- **Trees / Shade / Roots affecting turf** – Tees 2, 3 13 etc. are biggest problems
  - Will lose 120+ trees to ash borer

### Bunkers

- **Sand Quality** -34 sand bunkers, 38,050 S.F. **Poor quality. Several different sands are used, giving inconsistent quality**
- **Drainage** –**Poor to Average**
- **Edging**- **Shaggy, non-crisp edges**
- **Sand Depth / Eroding** – Varies, some bunkers erode

## Fairways

- **HOC** – 0.625”
- **Drainage** – Good topo, few drainage spots – on holes 1, 9, 18
- **Turf Type** – Blue, Rye, some Poa (50-50%)
- **Color and density of the turf** –Average
- **Weed pressure** – Some
- **Trees / Shade / Roots affecting turf** -1 Green

## Rough

- **HOC** – 2-3”- **Golfers complain it should be shorter**
- **Drainage** – Good topo, few drainage spots
- **Turf Type** – Blue. **Could add 10-20% heads in rough**
- **Color and density of the turf** – Average stress between tee and fairway
- **Weed pressure** – Some
- **Trees / Shade / Roots affecting turf** -15 fairway near green
- **Total turf acreage** 140, has let 15 acres to native to reduce mowing. **Would like more mowing reductions.**

## Practice Areas

- **Tees** – None (use Dome across street)
- **Putting Green** - Size – **Too small**

## Equipment –

- **Equipment List** – Satisfactory
- **Overall Quality** – Generally older.
- **Most Needed** – 1 fairway mower-, 1 Rough Mower
- **Preventative Maintenance Program** –yes
- **Shared Equipment** – Has Aerifier shared with Ponds of Battle Creek.

## Cultural Practices –

- **Aerification frequency** 2x annually in spring and fall, verti-drains more
- **Topdressing** - Yes
- **Vertical-cutting.** - Yes
- **Fertility programs** – Some granular, some foliar. As needed
- **Weed control program** – has cut chemical use, has IPM plan.

## Staff

- **In season-** 4 full time, 6 part time

- **Off Season**-4 full time
- **Assistants** - 1
- **Mechanics**-1
- **Difficulty in finding help** – Some staff must leave for hockey rinks
- **Staff training** in place for equipment, safety, fungicide and herbicides.

### **Relationship with the golf shop staff**

- Good ties between Brad and Charlie

### **Budgets**

- - \$537,134

### **Superintendent Qualifications –**

- He learned the craft as an apprentice at local clubs. His only responsibility is Goodrich Golf Course. Been here about 12 years.

## **Ponds at Battle Lake Golf Course**

### **Course Description**

One of the best nine-hole courses I have seen, designed by Garret Gill/Paul Miller and opened in 2004, the course has a modern feel and nice amenities.

Problems include the course being too difficult in general, and possibly especially for the typical nine-hole target market, but golfers give the course high ratings for aesthetics. It was obviously a difficult site, with many ponds and wetlands that couldn't be touched affecting playability.

### **Play Levels**

- 15-19,000 annual rounds. It tends to fill up after other, 18-hole courses
- Female play slightly higher than other courses (Probably due to 1773 Yards forward tees). The range is always busy, and the parking lot is often too small.

### **Routing Issues**

- Main issues are difficulty of course, much too hard for a nine-hole course, given the number of forced carries required by natural ponds that couldn't be altered.
- Circulation is good.

### **Feature Design**

As a modern 2003 design, golfers appreciate the general look and feel of the golf features, other than the forced carries previously noted.

Greens and tees are of adequate size for play and maintenance and there are few shade issues (although the Cottonwoods near 3 Tee do shade those).

## Infrastructure

All 10 years old, in decent shape. Only problem noted was a slightly leaky irrigation pond. The least expensive fix is SS-13, a polymer you can add directly to the water to seal lakes that are sandy clay, without too much rock. Other options include draining the lake and adding an HDPE liner, which is much more expensive.

Some cart paths are thin and cracking on steep slopes, often common as it is difficult to keep asphalt depth consistent on slopes.

Bridges are a problem. We are not capable of an engineering study, so our cost estimates allow for full replacement, but some savings via repair are certainly possible.

## Greens

- **Soil Probe Tests** – Did 1 each fairway, rough, tee, green
- **Roll / Firmness / Turf Quality** - Good
- **Size / Pin Locations Levelness /** - Good
- **HOC** – 0.125"
- **Construction** – California, pure sand, Plaisteads, some drought spots
- **Topdressing** – Yes, pure sand
- **Thatch** – L-93, which tends to have thatch.
- **Drainage runs on greens?** – Very Little
- **Access Point Limitations** –
  - 3 (elevation changes limit)
  - 5 and 8 (walk backs limit traffic paths)

## Collars

- **HOC** – 0.625"
- **Width** – 2-3 feet.
- **Condition** – Good, some damage on 9 green
- **Cause drain blocking** – None seen

## Tees

- **HOC** – 0.625", Low mow blue and poa, bent is invading.
- **Levelness / Turf Quality / Weeds**- Good
- **Construction** – 4-6" sand cap (short in a few spots)
- **Size** – Average size – 8000+
- **Size Par 3 Holes** - 4th hole (par 3) is only 6,500 S.F. and needs
- **Topdressing** – Yes

## Bunkers

- **Sand Quality/Color/Depth**- Buff Sand
- **Drainage** – Covered with sand dam, but often blocked

- **Edging**- slightly ragged
- **Sand Depth / Eroding?** – holes 5, 6 and 9 green wash out.

## Fairways

- **Drainage** – Holes 1 and 7 have slight areas
- **Turf Type** - Low mow blue and poa
- **Color and density of the turf** – Good
- **Weed pressure** – Some

## Rough

- **Drainage** – Good
- **Turf Type** – Straight Bluegrass
- **Color and density of the turf** –Average to good
- **Weed pressure** – **Yes**

## Trees affecting turf

- **Shade or Root systems of trees affecting turf?** – Not many, prairie style course, wants more trees and landscape.

## Equipment

- **Equipment List** – nearly full list.
- **Most Needed** – Dedicated Aerifier
- **Preventative Maintenance Program** – Regular
- **Shared Equipment** – Aerifier, also share DNR eradicate invasive species

## Cultural Practices –

- **Aerification frequency** – 1X annually, late, shares Aerifier with Goodrich
- **Topdressing**, - Monthly on green, straight sand
- **Vertical-cutting**. - Yes
- **Fertility programs** - Green 1 lb. annual, Fairway Tees, ¼ lb. annual
- **Weed control program** – Spray as needed, no regular preventative. Spray fairway when clover gets too heavy.
- **Height/Quality of Cut** –
  - Greens – 0.125”
  - Tees – 0.50”
  - Fairway - 0.625”
  - Rough – 2-3”

## Staff

- **In season**-Formerly used prison inmates, got too expensive. 6 month limit on parks employees. Gets 3-6 in season.
- **Off Season**-Limited after hockey season
- **Assistants** – 1, from county pool, but good hand
- **Mechanics?** – no full time. County fleet fixes, not always timely
- **Difficulty in finding help?** – yes per county rules
- **Staff training** – Yes for equipment, safety, fungicide/herbicide application

## Relationship with the golf shop staff

- Good, weekly meetings and regular communications.

## Budgets

- Total - \$476,000, doesn't always spend total allocation, is adequate -

## Superintendent Qualifications

- History/Training – 3rd Year, UM, will be Class A, but not certified
- Responsibility limited to Ponds of Battle Creek.

## Rough Mowing

While we were visiting, we happened to notice one of the maintenance crew using a regular residential type walk-behind mower to cut areas of the rough. This was not limited to just under the trees, but, as we watched, included a significant area of the rough between the tree line and fence.

This seems to be an unnecessary waste of manual labor as this could have been done in a fraction of time with a good-quality commercial riding mower. These are not expensive units and would pay for themselves in a single season.



## Infrastructure

### Cart paths

- **Material** – Asphalt, cracks on steep hills from being too thin
- **Partial paths.** Full paths on par 3 holes
- **Well routed,** come up short and could be extended past forward tees

- **Route and Location of paths.** Forward / seniors Tee access is good
- **Green Access** is limited only on holes 3, 5, 8 (latter two on walk backs)

### Landscaping and Trees

- **Trees** (General Health) Mostly young planted material, good health.
- **Landscaping** - Wants more on course
- **Clubhouse landscaping** is heavier, nice.

### Drainage System

- **Wet Areas** – 1 and 7 fairways
- **Catch Basins** – nice, not too small like Keller.
- **Piping** – Didn't exam drainage plan, but Garret Gill known to be excellent at engineering, believe it is fine.

# ***IRRIGATION SYSTEM ANALYSIS***

The irrigation system analysis was handled by Eric Christensen of EC Design.

## **Keller Golf Course**

### **History**

Current irrigation system was renovated in 2012 to a Toro Lynx/OSMAC system. On June 11, 2018 we reviewed the golf course with the superintendent and staff to observe the 18-hole irrigation system. The following are our findings based on the site review broken down by component. After our empirical observation of the system a budgetary analysis section will follow giving the club an estimated cost of what it takes to make upgrades suggested within the report.

### **Pump station**

Keller’s pump controls could be upgraded to with current technology to help manage the system.



Older deep well pump in good condition



Water Source

- Type: Wells and irrigation pond @ 1000 GPM
- Quality: *Good*
- Quantity: One main source (pond)
- SO2 Generator/Injection/Other: *None*
- Water Test: *None*
- Water Location: *On golf property*

**Water Source & Pump Station Summary of Findings:**

Keller system has a newer Flowtronex pumping station in good condition. Staff stated that everything is operating well at the time of my site visit. With VFD (variable frequency drives) and a vertical turbine pump we feel the station will not need major attention for years to come.



Recommendations:

The only item that needs upgrading is the PACE controller which is no longer being supplied. By upgrading the control, the station will not only have current parts but can then communicate with the central controller reducing power and water consumption.

Piping and hydraulics

- Good – Keller GC has a newer PVC installation.

Recommendations:

None

Central/Satellite Control System

Toro Lynx with OSMAC field satellites that are still in good condition. KGC could incorporate a repeater for better signals to the field satellites from the central.





**Recommendations:**

Perform R.F. survey for proper repeater locations.

**Sprinkler Coverage**

- Newer system in good working order ... staff is doing a great job of maintaining the system.

**Recommendations:**

None



**Complete Summary of Irrigation Findings**

- New pump station controls (replace Pace – PLC)
  - Estimated Budgetary Cost \$25,000.00
- Upgraded repeaters for more consistent maintenance radio operation
  - Estimated Budgetary Cost \$5,500.00

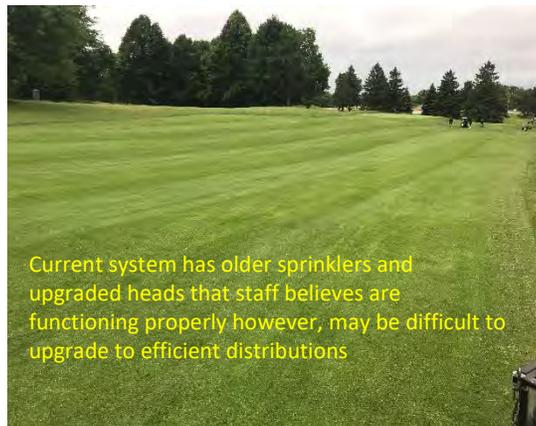
**TOTAL ESTIMATED BUDGET COSTS \$30,500.00\***

*\*Note - all figures are purely best-case estimates from today's bidding environment and will fluctuate in the future. Furthermore, no consideration has been made for rock clauses, pond excavation, electrical upgrades, prevailing and/or union wages, commodity prices and the like. Estimates are to be utilized for ball park figures until final bidding takes place.*

# Manitou Ridge

## History

Current irrigation system was designed by Leroy Young as a double row with PVC mainline and laterals dating back to the late 1970's. On June 11, 2018 we reviewed the golf course with Greg Hubbard to observe the 18-hole irrigation system. Manitou Ridge had some R.F. (radio frequency) issues over the years and after looking at all 18 holes we were able to get a better idea of the challenges they deal with daily. Based



Current system has older sprinklers and upgraded heads that staff believes are functioning properly however, may be difficult to upgrade to efficient distributions

on the input from the staff, along with our observations, there are several key areas of the irrigation that are reaching the age of needing attention. The following are our findings based on the site review of Manitou Ridge's irrigation system broken down by component. After our empirical observation of the system a budgetary analysis section will follow giving the club an estimated cost of what it takes to make improvements suggested within the report. Note – systems are rated to last 20-25 years, by industry standards, before needing to be replaced and/or upgraded. All Ramsey County courses need to consider water conservation not only by today's golf irrigation standards but from issues stemming from White Bear Lake.

## Pump station

Well pump and system are working well. But the system pump house and controls are much older and are past their useful life expectancy.



Staff is keeping system working efficiently – very clean (good job!)



Well pump operating properly will only require minimal upgrades

Below – Older Pump House and Controls



## Water Source

- Type: Well (150HP) 1200 GPM
- Quality: Good
- Quantity: One main source

- SO2 Generator/Injection/Other: None
- Water Test: 7.9 pH (as per staff)
- Water Location: On golf property connected to maintenance facility

**Water Source & Pump Station Recommendations:**

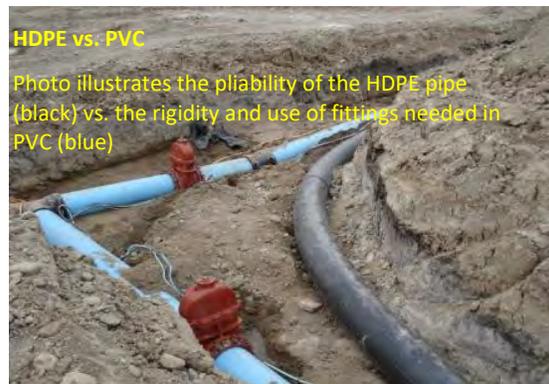
Our recommendation is that Manitou Ridge *update current controls and logic* to log historical data and operation through computerized central. This will also allow the course to have two-way communication for future irrigation controls.

**Piping and hydraulics**

Manitou Ridge is experiencing, like most courses of its age, aging of the piping infrastructure related to rigid PVC pipe. As stated before, systems are rated to last 20-25 years with newer HDPE piping infrastructure rated for 25-50 years.

**Recommendations:**

Consider *HDPE future upgrades* with 25-50 year lifespan.



**Central/Satellite Control System**

Toro SitePro 7.0 with Narrow Band OSMAC field satellites located in clubhouse office.



*Field controllers in fair condition that could be upgraded from central controller*

**Recommendations:**

Manitou Ridge should *consider Lynx central upgrade* to guarantee support/service will be available for future regulation all while improving the efficient application of water.

**Sprinkler Coverage**

**Tees**

Tees have double row coverage with upgraded Toro 850 series sprinklers, square spaced at 60-65'. One QCV at each tee complex.



**Greens**

Greens are irrigated with upgraded Toro 850 sprinklers. One QCV on every green.

**Fairways**

Fairways are also double row utilizing Toro 850's. Do not use QCV's

**Recommendations:**

We would strongly suggest Manitou Ridge *continue to upgrade to Toro's latest 800 series sprinklers* with the highest level of water efficiencies.



**Complete Summary of Irrigation Findings**

- New well station and controls
  - Estimated Budgetary Cost \$40,000.00\*
- New R.F. central control package with hydraulic tree program, local support and parts. System to include all base stations, repeaters, moisture sensors and upgraded field satellites for the automatic operation of irrigation system,
  - Estimated Budgetary Cost \$180,000.00\*

**TOTAL ESTIMATED TURN-KEY BUDGET COSTS \$220,000.00\***

OPTIONAL - Upgrade piping and sprinkler infrastructure with all new sprinklers (approx. 700 heads), mains, laterals and isolation valves for the proper operation of a modified double row system. All sprinklers shall be wired back to field satellite for true individual head control.

- **Estimated Turn-key Budgetary Cost \$840,000.00\***

*\*Note - all figures are purely best-case estimates from today's bidding environment and will fluctuate in the future. Furthermore, no consideration has been made for rock clauses, pond excavation, electrical upgrades, prevailing and/or union wages, commodity prices and the like. Estimates are to be utilized for ball park figures until final bidding takes place.*

# Goodrich Golf Course

## History

Current irrigation system has Rain Bird system and was replaced in 1995. On June 11, 2018 we reviewed the golf course with Goodrich staff to observe the 18-hole irrigation system. Goodrich GC (GGC) has struggled with several issues regarding the irrigation system for many years; after looking at all 18 holes we were able to get a better idea of the challenges they deal with daily. Based on the input from the staff, along with our observations, there are several key areas of the irrigation that are extremely deficient and need to be addressed. The following are our findings based on the site review of Goodrich Golf Course’s irrigation system broken down by component. After our empirical observation of the system a budgetary analysis section will follow giving the club an estimated cost of what it takes to make improvements suggested within the report. Note – systems are rated to last 20-25 years, by industry standards, before needing to be replaced.

*Current system struggles with poor distribution – typical of an older system and poor sprinkler spacing*



## Pump station

Newer pump station house and VFD (variable frequency drive) controls



## Water Source

- Type: Pond with vertical turbine refill with (2) well pumps
- Quality: Good
- Quantity: Multiple wells
- SO2 Generator/Injection/Other: None
- Water Test: None
- Water Location: On golf property





**Water Source & Pump Station Summary of Findings:**

The Goodrich staff has made a good investment in a newer Flowtronex VFD vertical turbine main pump station with Qty (2) well refill pumps. Staff feels that this portion of the system is functioning properly however, this is the only component working by industry standard on the golf course.

**Recommendations:**

Like Keller Golf Course pump station, all that *Goodrich needs is a PLC (programmable logic control) upgrade* to communicate to the proposed new central controller.

**Piping and hydraulics**

Goodrich Golf Course is experiencing, like most courses of its age, deterioration in its piping infrastructure with undersized and deteriorating aged PVC pipe. The course has poor isolation of the mainline making servicing the system difficult if not impossible. Aging is only compounded when you factor in that the staff must push the velocities (flow rates) due to the undersized piping and water window constraints. A proposed new system with adequate coverage and run times that give staff the ability to water in the most efficient times, 8 hour water window or less, will not only reduce the amount of pipe and fitting failures but will improve the quality of turf as well ... all while saving water.



**Recommendations:**

*Replace and upsize main line piping infrastructure* to reduce water and air hammer thus decreasing failure, while using high quality PVC or HDPE sized to accommodate today and future water requirements. Proper size and location for new isolation valves to aid staff when a piping failure occurs to repair the system without shutting down the entire irrigation system. New HDPE 4710 DR 13.5 lateral piping and proper head spacing to deliver adequate flow and base sprinkler pressures to the heads as multiple sprinklers currently cycle at once.

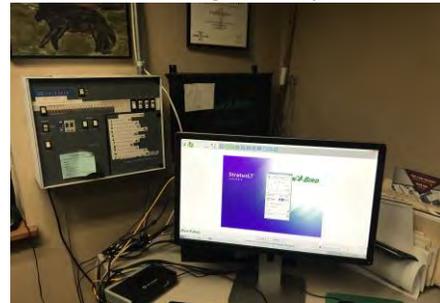
**Central/Satellite Control System**

Rain Bird Stratus LT central with Rain Bird Par+ field satellites.



Older Rain Bird controllers needing current upgrades typical of an efficient system of today

The system features solid state controllers with 1980's technology on the course – very dated with parts becoming a true challenge to acquire



**Recommendations:**

Goodrich GC needs to *upgrade its controls* to guarantee the capacity to accurately and efficiently water the course all while improve the quality of turf.

**Sprinkler Coverage**

Single and double row with square spacing @ 60-80'. One QCV per green spacing along with undersized pipe delivered poor distributions.

**Recommendations:**

We strongly suggest that *Goodrich consider the replacement of all irrigation laterals and sprinkler sets*. Course currently has various types of products that range from 60-80'+ spacing and are not positioned in the proper locations. By upgrading to a new system, staff will realize better soil moisture capacities which will translate into a more efficient system and quality turf. Furthermore, like the rest of the system, parts are becoming non-existent. Goodrich has put Band-Aids on the outdated system for years and is truly at the end of their ability to keep the system in an operating condition.



**Complete Summary of Irrigation Findings**

- Existing pump station control upgrade
  - Estimated Budgetary Cost \$25,000.00
- New R.F. central control package with hydraulic tree program, local support and parts. System to include all base stations, repeaters and field satellites for the automatic operation of irrigation system,
  - Estimated Budgetary Cost \$250,000.00

- Upgrade piping and sprinkler infrastructure with all new sprinklers (approx. 900 heads), mains, laterals and isolation valves for the proper operation of a modified double row system. All sprinklers shall be wired back to field satellite for true individual head control.
  - Estimated Budgetary Cost \$990,000.00

**TOTAL ESTIMATED BUDGET COSTS**

**\$1,265,000.00\***

*\*Note - all figures are purely best-case estimates from today's bidding environment and will fluctuate in the future. Furthermore, no consideration has been made for rock clauses, pond excavation, electrical upgrades, prevailing and/or union wages, commodity prices and the like. Estimates are to be utilized for ball park figures until final bidding takes place.*

## Ponds at Battle Creek Golf Course

### History

Current irrigation system is a Rain Bird decoder system installed in 2003-2004. On June 11, 2018 we reviewed the golf course with Justin to observe the 18-hole irrigation system. Ponds at Battle Creek GC (PBC) has struggled with two-wire communication cable issues; after looking at all 18 holes we were able to



get a better idea of the challenges they deal with daily. Based on the input from the staff, along with our observations, there are areas of the irrigation that need to be addressed. The following are our findings based on the site review of Ponds at Battle Creek Golf Course's irrigation system broken down by component. After our empirical observation of the system a budgetary analysis section will follow giving the club an estimated cost of what it takes to make improvements suggested within the report.

*Current system struggles with decoder communication – typical of older two-wire systems as lightning protection has improved with today's systems*

### Pump station

Ponds at Battle Creek is utilizing a 2014 Flowtronex VFD pump station and (2) 30hp motors and PM pump



*Pump house and station controls*



**Water Source**

- Type: Irrigation ponds @600 GPM with 115 PSI
- Quality: Good
- Quantity: Well and ponds on hole #2 and #3
- SO2 Generator/Injection/Other: None
- Water Test: None
- Water Location: On golf property

**Water Source & Pump Station Summary of Findings:**

Water source is adequate – the only area of upgrade is in the older pump station controls as they are currently out of production.

**Recommendations:**

Like the other Ramsey County golf courses, the pump station controls do not communicate with the computerized central and therefore not maximizing the water efficiencies. We recommend that the course considers a PLC (programmable logic controls) upgrade at the station.

**Piping and hydraulics**

Currently adequate.

**Recommendations:**

None currently.

**Central Control System**

Rain Bird Nimbus II with Freedom radios and Davis Weather Station



**Recommendations:**

Keep current with Rain Bird GSP plan for future upgrades. Furthermore, the two-wire path needs to be evaluated to ensure that the wire is functioning as per manufacturer specification but also re-visit the ground rods installation and integrity for future reliability.



## Sprinkler Coverage

- Double row 60-75’ spacing
- QCV’s cannot be found – need to re-visit “as-built” drawing to confirm actual equipment locations.



### Recommendations:

*Optimizing the sprinkler sets and actual locations for better*

*distribution. This will ultimately create better turf conditions all while saving water and utility costs.*



## Complete Summary of Irrigation Findings

- Station and controls/panel upgrade
  - Estimated Budgetary Cost \$25,000.00
- Update Rain Bird GSP central support system for the automatic operation of irrigation system
  - Estimated Budgetary Cost \$8,000.00
- Optimization of sprinkler locations and two-wire communication path/grounding. All sprinklers shall be wired back to field satellite for true individual head control.
  - Estimated Budgetary Cost \$85,000.00

**TOTAL ESTIMATED BUDGET COSTS \$118,000.00\***

*\*Note - all figures are purely best-case estimates from today’s bidding environment and will fluctuate in the future. Furthermore, no consideration has been made for rock clauses, pond excavation, electrical upgrades, prevailing and/or union wages, commodity prices and the like. Estimates are to be utilized for ball park figures until final bidding takes place.*

## Island Lake Golf Course

### History

Current irrigation system is a Rain Bird system with products dating back to the mid 1980’s; some infrastructure even older. On June 11, 2018 we reviewed the golf course with the superintendent to observe the 9-hole irrigation system. The superintendent stated that he feels comfortable with the operation of the current system; after looking at all 9 holes and training center we were able to get a better idea of the challenges they deal with daily. Based on the input from the staff, along with our observations, there are several key areas of the irrigation that are extremely deficient and need to be addressed. The following are our findings based on the site review of ILGC’s irrigation system broken down by component. After our empirical observation of the system a budgetary analysis section will follow giving the club an estimated cost

of what it takes to make improvements suggested within the report. Note – systems are rated to last 20-25 years, by industry standards, before needing to be replaced.

**Pump station**

Island Lake is utilizing (2) horizontal centrifugal pumps with a transfer pump to fill the pond – more typical of commercial grade systems



*Older pump house and controls – could use an upgrade of more reliable pump equipment rated for golf applications*

**Water Source**

- Type: Pond – 220 GPM; Well @ 120 GPM
- Quality: Good – as per staff
- Quantity: Two ponds
- SO2 Generator/Injection/Other: None
- Water Test: None
- Water Location: On golf property



**Water Source & Pump Station Summary of Findings:**

Although the superintendent spoke highly of his current system, we feel that going forward the course should consider some improvement to the current system to quantify the rebuilding of water supply and piping needs. Currently the station is (2) horizontal centrifugal stations more typical of a commercial system than a golf course. Pump station controls are very basic with minimal feedback of information for the superintendent and their staff.



**Current wet well and intakes**

**Recommendations:**

Our recommendation is that *ILGC consider new positive pressure horizontal pumps and floatation intake* to ensure the reliable use of water not only today but for future needs of the golf course.

**Piping and hydraulics**

Island Lake Golf Course has undersized mains/laterals – typical of installation 25-30 years ago with aging PVC pipe as well as insert poly laterals - not normally utilized in golf grade systems (residential). Aging is only compounded when you factor in that the staff must push the velocities (flow rates) due to the undersized piping and water window constraints. A proposed new system with adequate coverage and run times that give staff the ability to water in the most efficient times, midnight - 5:00am, will not only reduce the amount of pipe and fitting failures but will improve the quality of turf as well.



**Recommendations:**

*Increase main line piping infrastructure* to reduce water and air hammer thus decreasing failure, while using high quality PVC and fusion HDPE buried at 36" top cover. *Add additional isolation valves* to aid staff when a piping failure occurs to repair the system without shutting down the entire irrigation. *New lateral piping and proper head spacing* to deliver adequate flow and base sprinkler pressures to the heads, as sprinklers are block zone 4+ heads operating per zone. Again, the lateral piping is more commercial/residential in style making it difficult to water the course properly.

**Central/Satellite Control System**



*Electro-mechanical controllers with 1970-80's technology on the course – very dated*

Older 1970-80's Rain Bird electro-mechanical stand-alone controllers without a central.

**Recommendations:**

Island Lake GC needs to *upgrade its controls* to guarantee that parts will be available for future repairs and improving the application of water. Furthermore, like the pump station, a new central will aid the course in quality water applications.

### **Sprinkler Coverage**

Rain Bird Eagle 700 series spaced at 70'± – (4) heads per valve on block zone. One QCV per green.

### **Recommendations:**

We strongly suggest that Island Lake *consider the replacement of all laterals and sprinkler sets*. Course currently has sprinklers that range from 60-70'+ spacing and are not positioned in the proper locations. By upgrading to a new system, staff will realize better soil moisture capacities which will translate into a more efficient system and quality turf all while saving water. Furthermore, like the rest of the system, parts are becoming non-existent.



*Sprinkler alignment off center to fairway*

### **Complete Summary of Irrigation Findings**

- New wet well and pump station with controls
  - Estimated Budgetary Cost \$117,000.00
- New R.F. central control package with hydraulic management program, local support and parts. System to include all base stations, repeaters and field satellites for the automatic operation of irrigation system,
  - Estimated Budgetary Cost \$49,000.00
- Upgrade piping and sprinkler infrastructure with all new sprinklers (approx. 400 heads), mains, laterals and isolation valves for the proper operation of a modified double row system. All sprinklers shall be wired back to field satellite for true individual head control.
  - Estimated Budgetary Cost \$420,000.00

**TOTAL ESTIMATED BUDGET COSTS \$576,000.00\***

# ARCHITECT'S REPORT

## Goals and Objectives

Our charge is to *support* the Sirius Golf Advisors Business Study, which is seeking a financially viable business model for Ramsey County Courses moving forward. Proposed changes must logically and specifically demonstrate ability to improve economic results, by some combination of:

- *Increase revenue by making the course more attractive overall and in the marketplace.*
- *Decrease costs without affecting the existing or proposed Market Position.*

Sirius Golf Advisors will make a wider variety of proposals based on their total findings. It is possible the proposals in this preliminary report may have to be modified considering other findings.

Our evaluation will be in sections, beginning with a general discussion of the design parameters that affect all five courses, including:

- Design
  - Routing
  - Features
  - Safety
- Infrastructure
  - Greens, Tees, Fairway, Sand Bunkers, Roughs, Trees
  - Irrigation
  - Cart Path
  - Drainage
  - Trees
- Agronomy
- Individual Course Design Needs and Design Proposals
- Implementation Proposals

## Design Evaluation - Routing

Routing is the footprint or floorplan of your golf course, and no amount of good design features, and infrastructure can offset a poorly routed course in most cases. That said, we strive to avoid re-routing due to its greater renovation cost (rebuilding in place saves some infrastructure and trees, but sometimes, it is the only way to solve basic problems.

**So, what is a good routing?** In short, it is a golf course with 18 good holes. **And what is a good hole?** It is one where the routing, design features and infrastructure follow well established design principles to create a functional hole at a minimum and goes beyond that to provide some measure of challenge, fun, and memorability to golfers. Those qualities usually (not always!) stem from these principles:

The routing attributes are:

- **Par** – (Plays to par of 70-72 for men and women)
- **Length** (From proper tee, all golfers can hit greens in regulation with good shots)
- **Width** - (Wide corridors to facilitate “find it, hit it again play”)
- **Playable by all golfers** (With design interest for all, no forced carries)
- **Visibility of targets** (for strategy, safety, comfortable when planning shot)

- **Safety** (Few errant shots hitting golfers or outside property)
- **Use of natural topography** (The charm of golf design, graceful, not awkward)
- **Drains well** (Allows play soon after all but “Caddy Shack” storms)
- **Presents receptive targets** (Targets hold good shots, direct away from hazards)
- **Good circulation/Speed of play** (Holes arranged to facilitate fast play)
- **Good sun orientation** (Rarely play into blinding sun))
- **Variety and Balance** (of hole pars, lengths, wind directions and difficulty)

## Par

Even though no one knows for sure why:

- Par 72 is considered “standard” for regulation courses.
- Par 70 and 71 are acceptable, but complicate handicaps, double tee starts and are disliked by many players, especially nine-hole players using two rounds to submit one 18 holes for handicap.

There are some par 70 and 71 courses:

- That were converted from par 72 by turning 1 or 2 short par 5's to long par 4's.
- With extra par 3 holes, and fewer par 5's (which golfers like and saves land)
- Par 69 and 73 are rare, and unpopular
- Less than par 68 is considered an executive course.

## Length

The most popular courses have overall length within the normally expected ranges for various multiple tees. Variations of 150 yards +/- are accepted, as are shorter lengths when par is not 72, up to 150 yards per stroke under 72.

The aging of the golf population, the “*Play it Forward*” and “*Proportional Length/Tee Equity*” movement and the new *Longleaf Initiative by ASGCA* all advocate (with slightly different takes) for shorter courses for everyday play. The ideas are similar – for all middle and forward tees, all **good**, but **shorter hitting** players should be able to hit (nearly) every green, and *ideally* do it using similar clubs as longer hitters. We don't ask men's champions to hit par 4 holes with Driver, 3 Wood, 7 Iron, or to play 9,000 yard courses, but routinely ask others to do it every day. Golf is usually more fun when you're making pars (or birdies)!

A 1990's era *USGA Driving Distance Study* (still valid today for all but longest golfers who benefit from technology) shows driving distances across the spectrum, with “cluster points” of 140, 170, 200, 230, 260 and 290 yards. A 2017 study shows top player distance increasing to 294 yards, while others have decreased slightly, possibly due to an aging golf population. Course length and tee design paradigms are changing:

### Old Paradigm

**Tees 20-35 yards apart to bring all players to the same tee shot landing zone, meaning:**

- ❖ We economically challenge all players with one set of fairway hazards.
- ❖ 450 yard holes play at **420/390/360 and 330 yards for others.**
- ❖ We accept:
  - Equal approach shot length for all players, that are **Unequal** golf experiences. Specifically, a 200 yard approach is an iron for top players, but unreachable by most others.

### New Paradigm

Placing tees and making total hole lengths proportional to relative tee shot distance, i.e., average men hit tee shots 230 to 290 yards, or about 80%, meaning:

- ❖ A 450 yard hole plays at **405/360/315/270 yards for others.**
- ❖ All golfers can hit greens in regulation with good shots and similar clubs

As can be seen below, for Silver and Red tee players, “typical” course length is longer than those players can handle, whereas White tee players nearly max out, and those playing from longer tees have relatively comfortable second shots. When Red tees are over 5,000 yards, women play a course that is equivalent to tour pros playing at 11,542 yards!

Many find true equity course length very, even condescendingly, short compared to traditional lengths, and prefer to “settle” for a progressive blend that still allows everyone to hit greens without playing over their maximum “two shots” distance.

| <b>Typical, Max, Progressively longer &amp; Equity Course Length</b> |          |                        |   |                                     |  |
|--|----------|------------------------|---|-------------------------------------|--|
| Player   | tee Shot | Current Typical Length | Max Length 36 Shots Tee/80% 2 <sup>nd</sup> | Progressive Greater % of Max Length | True Equity Course Length (rounded) (i. e., 260/290 = 90% for using same club) |
| Top Pro  | 320      | 7500                   | 10,368                                      | (70%)-7257                          | N/A  |
| Top Am   | 290      | 7150                   | 9396  | (75%)-7027                          | (100%)-7308  |
| Black  | 260      | 6800                   | 8424  | (80%)-6740                          | (90%)-6667   |
| Blue   | 230      | 6450                   | 7452  | (85%)-6335                          | (80%)-5926   |
| White  | 200      | 6100                   | 6400  | (90%)-5760                          | (70%)-5185   |
| W/S Blend  | 185      | 5750                   | 5994  | (90%)-5545                          | (65%)-4815   |
| Silver   | 170      | 5400                   | 5508  | (90%)-4955                          | (60%)-4445   |
| Red  | 140      | 5050                   | 4536  | (95%)-4310                          | (50%)-3700   |
| Junior   | 110      | 4700                   | 3564  | (100%)-3565                         | (45%)-2925   |

**Individual Hole Length** -While total length is important, it is best achieved when every hole, subject to any natural limitations, also plays to proportionally appropriate length from each tee. Holes must fall within (or sometimes below) par guidelines. Many par 5 holes exist already (and appropriately) below 470 yards from-

- Silver tees, where 3 full shots would barely cover the 470 yards.
- Red Tees, where
  - 3 full shots for 140 yard hitters may reach just short of the 405 minimum par 5 hole by USGA standards. (405 should be the maximum par 5 from red tees) If m the silver tees, which is acceptable
  - 2 Full shots might cover only 252 yards, maxing out par 4 length, and where a “drivable” par 4 should be under 175 yards, and no par 3 should exceed 140 yards, and most should be < 100 yards.

Tee sizing is discussed later.

## Width

USGA Slope Charts and other research allows us to classify fairway and play corridors between tree lines or native grasses, or even housing corridors as:

### Fairways –

- Narrow, <30 yards,
- Average 30-40,
- Wide 40+

### Total Play Corridors (between trees or native, with estimates of containment)

- Narrow –<200 feet/66 Yards, 25% Tee Shots Outside Corridor
- Middle – 225 feet/75 Yards, 17% Tee Shots Outside Corridor
- Wide – 250 feet/83 Yards, 12% Tee Shots Outside Corridor
- Between Property Lines- 97+ Yards, 8% Tee Shots Outside Corridor

Many older courses have experienced continual corridor narrowing, as extensive tree plantings mature and get wider. And many have play corridors narrower than 64 yards (192 feet) or less from canopy to canopy. Where those can be widened, faster and better play can be re-established.

## Playability for All Levels of Golfers

Average golfers are the most numerous and play the most rounds, and yet many designs consider the better player first and foremost, with others being nearly afterthoughts. After width and length, these factors affect playability for average golfers the most:

1. Excessive forced carries because average golfers top up to 25% of their shots.
2. Water Hazards and OB, of any type, carry or non-carry, if in normal play zones
3. Excessive Sand Bunkers (more than 2-3 per hole)
4. Excessive Green Contours
5. Downhill Lies (especially with long irons and fairway woods)

## Visibility

With some exceptions, there are few great (or popular) blind holes. The best holes are arranged with all landing areas and targets visible to golfers, for beauty, safety, and strategy. Visibility aids in fast play and is even more important for resort and public courses with many occasional or first time players unfamiliar with the course.

To aid visibility, most:

- ❖ Greens and sand bunkers are built sloping towards golfers.
- ❖ Fairway doglegs are usually higher on the outside to present to golfers.
- ❖ Water hazards are shaped to be seen from the tee and when in play.
- ❖ Except on downhill holes, design features are usually progressively higher, so you can see past the first to see the second one, past the second to the third, etc.

## Safety

Golf can never be completely safe, nor is it my understanding that it is legally required to be risk free. However, there is the legal presumption that known (i.e., clearly repetitive) safety issues should be mitigated.

Many older courses, built when hole separation standards, rounds of play and tee shot distances were all less than they are now, have several holes that might fail any modern safety standard. Where it is impractical to reroute to increase space separation, it is possible to implement other mitigation features, especially for these areas of concern.

While there are no widely accepted contemporary hole separation standards, they keep getting wider, a proper response to higher rounds played and longer tee shot distances, as compared to the "old days." In modern designs, our view is that golf holes should have adequate spacing between:

- Adjacent Tees and Greens –
  - 175 feet from green center to tee center laterally
  - 150 feet green center to tee center, if behind green
- Adjacent Landing Zones –
  - 180 feet centerline to centerline on par 3 holes, with 200 preferred
  - 200 feet minimum on long holes, with 225-300 preferred
- Property boundaries (at 180-225 yards off tee)
  - 145-165 feet centerline to left property line
  - 150 -195 feet centerline to right

In addition, areas with *concentrated play* (i.e., greens and tees where all 4 golfers gather, which quadruples the minute chance combination of one errant shot and one golfer being in the same place reduce drastically) should be outside a generally recognized "safety cone" of:

- at least 15-16.5 degrees left of the intended line of play,
- 20-23 degrees right of the intended line of play, to accommodate slices.

## Fits Natural Topography Attractively

Like art, good course routing is hard to define but we know what we like. Beautiful holes usually (not always) have elevated tees and play downhill, "laying out like a road map" and looking "just right" on the land. Playing through valley fairways to slightly elevated green sites, or ones near water, or framed by trees is always a pleasure. A great routing avoids awkward or steeply uphill holes, and severe, awkward or misplaced slopes.

## Variety and Sequence (or Rhythm)

Holes should stand out from others around them. A good routing first finds the most good/natural holes, but all things being equal, roughly balances different hole types, including:

- Par Rotation/Sequence – Mixing different hole pars provides variety. While rarely achieved, some courses have no consecutive holes with the same par, going 4-5-4-3-4-5-4-3-4.
- Length/ Difficulty - Consecutive long/hard or short/easy holes are boring. Good routings mix hole yardages and natural (or built in) difficulty.

- **Wind** – Dating back to the early days of Scotland, wind is a key factor in golf, and holes with similar winds gets boring, and perhaps favors some golfers. Changing direction of holes makes golfers consider a different wind direction on every shot.

## Drains Well

If you can't play it due to bad drainage, it's a bad hole! Turf, reputation and revenues suffer on a poorly drained course. Flood plains and soggy low areas should be avoided or designed to mitigate poor drainage and provide fast drainage after floods.

## Receptive Targets

Only rarely should fairways and greens be crowned, islands surrounded by hazards, or have cross slopes that don't hold shots. Even a dramatic hole like 16 at Cypress Point would get tiresome if not a singular challenge.

## Good Circulation/Speed of Play

Slow play reduces participation and enjoyment! Design features (with width, and blind shots already discussed) that affect pace of play at public golf courses also include:

- **Course Length and Flexibility** – “Crazy length” adds shots and playing time. Ability to move tee markers up on busy days to shorten the course, etc.
- **Tight hole spacing/interference from errant shots on parallel holes** - Unfortunately, many older courses have tight hole spacing.
- **Proximity of Greens and Next Tee – Short distances equals less travel time**
- **Good Circulation Patterns** – Specifically:
  - No walking back from greens to next tee, holding up the next group.
  - Indirect Routes (most often caused by “saving” the cost of a bridge)
  - Cart paths close to greens and tees
  - No confusion as to where to go
- **Par/Length/Difficulty Sequence, Specifically:**
  - Any Par 3 – Never before the 4<sup>th</sup> hole on each nine (5<sup>th</sup> or later preferred)
  - Any short hole after a long hole, or hard hole after an easy one
  - Par 3, or very short par 4 or par 5 holes at 1 and 10
  - Reachable, par 4 or par 5 holes early on either nine

While it counters desire for architectural variety, design for pace of play requires designing all holes with similar overall difficulty (for public courses, usually by making the hard holes easier.) Management techniques to increase pace of play involve appropriate rough height, green speeds, hole locations, etc.

## Sun Orientation

A good routing places the clubhouse from 12 to 6 on the clock face, setting up morning holes that run away from the sun, and later, evening holes running east, also away from the sun. An otherwise good hole can be ruined by looking into the setting sun, so avoiding it is a big priority.

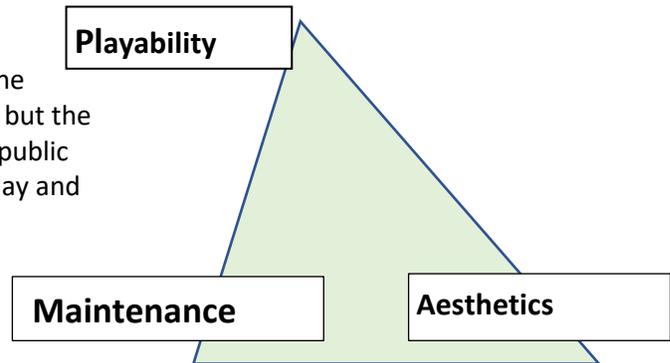
## Design Evaluation - Golf Features

If the routing is the floorplan of a golf course, greens, tees, fairways and hazards are the furniture and decorations.

Good design balances playability, aesthetics and maintenance (sometimes called the design triangle.) In today’s world, “environment” and “pace of play” turns the triangle to a quadrangle or pentagon. All are important, but the balance is different when designing a private or upscale public course, vs. a public “golf factory” aimed at maximizing play and accommodating average golfers.

As a result, typically, the “design triangle” for public courses leans more towards “ease of maintenance” than it would for other courses. However, modern golfers are demanding, and appreciate aesthetics, so aesthetic standards are rising at even moderately priced courses and cannot be ignored.

We cover design aspects first, in the order of importance to golfers.



**Greens**

Golf features can be judged by the way they look (aesthetics, and in our increasingly visual society, for many golfers this is the top priority) and how they play (which to traditional golfers, remains the biggest criteria) so we will focus on play first.

**Play Factors**

**Reaching the Green**

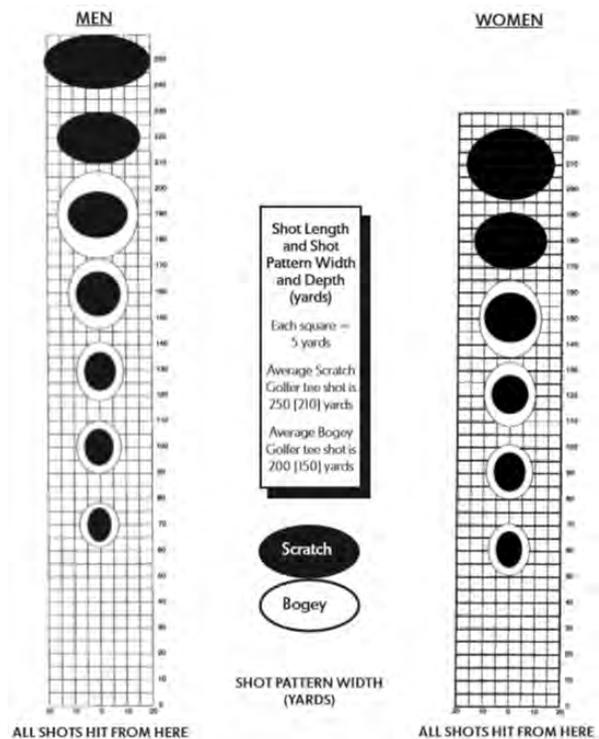
The goal of every golf shot is *hitting the target*. A “good” shot for most average golfers is one that is airborne, and somewhere near the distance and direction intended. For average players, “good shots” come about as often as Haley’s Comet (seriously, only 6-12 shots per round for many).

When they land on a target, they want (deserve?) to stay there. Good public course design assists them (at least slightly) in achieving this with good shots, and perhaps slightly marginal ones. Public courses don’t need to follow the mantra of “identifying the best golfer” as the USGA does in its national championships.

The main components of receptivity are target size and slope:

**Size**

As shown in the graphic from the USGA Slope System, for 66% of golfers to hit targets, adequate green size, as a *percent of approach shot length*:



- **Average Players - Width** of 13-16%, **Depth** of 16-20%, - (I typically use 15%/20% to account for collars, future grow in, and because it’s easier math in my head) i.e., a 160 yard approach shot needs a target **24 yards wide** by **32 yards deep**.
- **Better players - Width** of about 10% depth and width, i.e., from 160 yards, a 16 by 16 yard circle.

## Holding Greens

The following practices are almost “standard” in green design to help golfers hold shots on the green:

- Upward slope from front to back of at least 1.50%, which is the minimum for drainage. Our general rule is to slope greens up 0.01% per yard, or 1.6% for 160 yards, 2.0% for 200 yards, etc.
- Concave slope on front portion of green to direct shots to the middle. How much? About 1/3 to ½ of up slope works fine.
- Limit cross slopes to about 2.25-2.75%.
- The green front should be flatter to reduce ball marks and keep putts from above the hole from running away. Generally, we design:
  - Front drainage swale ranges from 1.75-2.1%
  - Back half green drainage swales from 1.75-2.75%
- Hold any reverse slopes under 2%.
  - Minimize any interior areas falling away from golfer.
  - Occasionally, entire greens with reverse slope are acceptable when the natural ground slopes away, the hole is downhill providing vision, and there is adequate room to land the approach shot short of the green.
- Add small backing mounds, to hold shots running through the green near the putting surface.

### Most greens should:

- Be at least the size required for the shot as per the chart at right.
- While the USGA data is empirical, I also factor in “effective playing length” (wind, elevation change, etc. to further adjust the basic dimensions.
- Retain an open front and fairway connection, since many average players roll the ball on the green with their approach shots.
- May have a portion of the green (, i.e., the “Sunday Pin”) protected by hazards, and sized for better players.
- On short shots, where ball marks are prevalent, it is practical to make those greens larger, with multiple smaller targets. separated by ridges, tiers, valleys or knobs.

## Maintenance

### Size

Greens need adequate green size to move the cup around daily and distribute wear and tear and promote good turf health and putting conditions.

The interval for returning to the same cup locations depends on play intensity, turf type, soil compaction, but it generally takes 14-21 days for the 3-4 foot around a cup to recover well enough to be used again. Aggressive maintenance and low play – both more typical at private country clubs than public courses - can use return in 14 days, but for public courses, 21 days is preferred.

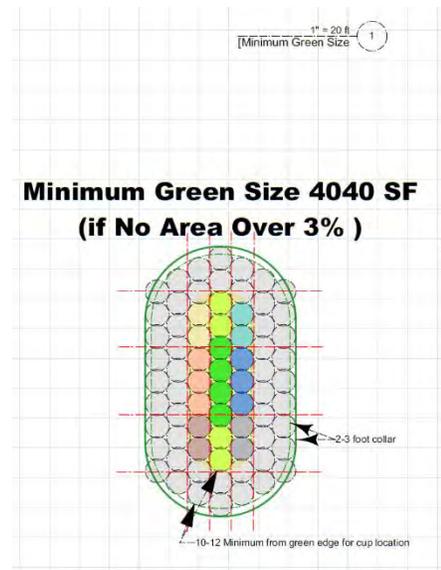
The chart shows that the minimum green size required to provide 21 separate hole locations is 4,040 S.F. This includes a 2 foot collar and 15 foot minimum distance between cup and green edge, and allows for one small ridge to divide drainage:

Most greens need more size, either because they:

- Need larger sized to accept approach shots as previously described.
- Have more than minimal contour for putting interest.
- Heavy play requires more space (typically minimum 0.15-0.20 S.F. per round)

In fact, normal greens are (and need to be) 35-60% larger than the 4,040 S.F. minimum, and a good average size ranges from a minimum of 5,500 to 6,500 S.F.

Like most older courses, the greens at older Ramsey County Golf Courses were built (or have shrunk from their originally designed sizes) smaller than required to handle their now high play volumes.



| Course        | Rounds/Expected Increase | Ex. Ave. Green | Prop Green Size 20 S.F. per 1000 | Necessary Increase |
|---------------|--------------------------|----------------|----------------------------------|--------------------|
| Goodrich      | 32,000/35,000            | 2,919 S.F.     | 5,250 -7,000 S.F.                | 80-140%            |
| Keller        | 29,000/32,000            | 5,282 S.F.     | 4,800- 6,400 S.F.                | 0-21%              |
| Manitou Ridge | 37,000/41,000            | 5,716 S.F.     | 6,150 -8,200 S.F.                | 8-22%              |
| Ponds         | 19,000/21,000            | 5,675 S.F.     | 3,150 -4,200 S.F.                | NA                 |
| Island Lake   | 12,500/14,000            | 3,868 S.F.     | 4,040-5,050 S.F.                 | 5%                 |

**Goodrich** is in dire need of bigger greens.

**Manitou Ridge** should have bigger greens for best maintenance.

**Keller** would probably have been built with bigger greens except for typical budget constraints but is so new that it is more efficient to struggle slightly than rebuild or extend greens again.

**Battle Creek:** adequate green size.

**Island Lake** has small greens, but they seem okay for its play levels.

**Soil**

The newer courses are sand based (USGA) while the older courses feature topsoil ‘push-up’ greens, with a 6-8” layer of sand on top of the topsoil base, created via long term sand topdressing and aerifying. These provide a passable, but imperfect growing medium where root depth is typically limited to the interface between old and new layers. These type greens usually experience more summer stress and they are more prone to failure in excess heat.

While many fine old country club courses with low annual play do maintain good turf on push up greens, agronomic consultants almost always recommended USGA (or similar) Method for new or renovated greens construction. When greens are rebuilt for any reason, in whole or part, we recommend new greens have USGA recommended construction, or similar.

We expect that due to soils in the greens at Manitou Ridge and Goodrich, *these courses will need total green rebuilding soon.*

## Green Speed

### Putting Slopes

The Stimpmeter was introduced in 1976 as a tool to measure green speed. At that time, the average Stimpmeter reading for all PGA Tour Event courses was 7.6 feet. Private clubs were less, and public courses, mowed at ¼", were slower still, maybe 5-6. Since then, top clubs have green speeds of 11-14, and the average green speeds at mid-level clubs and public courses is estimated average speed of 9-10.

As green speeds have increased over 40 years, generally acceptable green slope has reduced. At 1970's green speeds, cup could be cut on slopes as high as 4-6%. Now, the typically recommended cup area slopes are 2-3% on public courses.

The guiding principles for locating holes are (and have always been):

1. *No putt should accelerate after leaving the putter (or as one architect said, "run like a swine possessed by the devil") and*
2. *Second putts within 2-4 feet of the hole, should generally be "within the cup" (i.e., relatively flat as a reward for a good first putt. It also speeds play and minimizes cussing.....*

The pro tour uses a complicated two directional measurement system which basically sets their maximum cup location slopes at a maximum of 3.88%. The generally recognized acceptable slopes for cup setting areas on average courses is 2-3%, which a few architects exceed, up to 3.5% or more.

Ramsey County Golf Courses all maintain greens at speeds of 9-10 on the Stimpmeter, right in line with golfer expectations.

According to your golfer surveys, only a few greens give golfers problems:

- **Goodrich** – No. 7
- **Keller** – No. 11 (hump in middle) and 17 (front)
- **Manitou Ridge** – No. 8 and 13
- **Ponds at Battle Creek** – None
- **Island Lake** – None reported

We generally recommend that **if/when** any greens are re-contoured, the maximum new slopes for cupping areas conform to 2-3% standards above. The outer 10-12 feet of greens can roll more, up to 8-9%, because no cups will be cut there. Likewise, with enough green size, there can be areas of greater contour within specific greens.

### Turf

The putting greens at Ramsey County Golf Courses are predominantly bent grasses, with infestations (as is typical after even a few years) of poa annua. Collars are 2-3 feet wide.

For any green reconstructed, we recommend a newer variety, and **T-1** is currently the best and most popular choice in the region. Switching a limited number of greens to a new turf does cause consistency problems. You may wish to use a late fall season to replant all greens.

**Micro Climate for Turf** – Greens, with the highest level of stress, need good air circulation and sunlight (especially morning sun) for optimum growth. Greens that appear to struggle at least in part due to shade/air circulation issues include:

- **Manitou Ridge** – Greens 5 and 9
- **Goodrich** – Greens 1, 2, 4, 7, 16 and 18
- **Keller** – Greens 6, 8, 9, 13, 17
- **Ponds Battle Creek** – None
- **Island Lake** – 3, 4, 5, 6, and 8

### Circulation/Access/ADA

**ADA** - All renovated greens will require ADA access, which means a route to accommodate a wheelchair, at least 4 feet wide from cart path to the edge of green, not exceeding:

- 5% maximum uphill/downhill slope,
- 2% maximum.
- ¼" maximum vertical "bump" i.e., no curbs on route.

Where ADA routes are not built, wheelchair golfers can be given special access, usually denoted by providing carts with orange flags for handicapped golfers. *None of the RC Golf Courses are completely ADA compliant.*

It doesn't appear that Keller was built with ADA access in mind. Ponds was built after ADA was law, but before it was widely enforced. The other courses pre-date the ADA and are only required to provide access to areas that have been renovated post ADA laws.

**Cart Path to Green Access** - Busy public courses require a wide access zone from cart path to green surface to distribute wear. Narrow walk up areas, usually a forced walk around sand bunkers between path and green, eventually become worn paths on the bunker edges. The general rule of thumb is to provide 1.5-2 L.F. per 1,000 rounds for access width.

For the Ramsey County courses, with rounds expected to return to the potential maximum of 35-40,000, this means a minimum width of relatively flat and constant slope of about 52-80 feet, between main cart parking areas and green edges.

Many Ramsey County greens do not have this, and any redesign should address this issue to avoid compacted turf often seen by golfers, and which may affect play around greens. Some, if not most are caused by routing that did not consider moving golfers forward off the back of the green to the next hole, but rather, have them walk back into traffic, which narrows the routes they will naturally follow. Examples include greens:

- **Manitou Ridge** – Greens 11 and 15
- **Goodrich** – Greens 1, 6, 11, 12 (walk backs), 17 and 18
- **Keller** – Greens 6, 8, 9, 13, 17
- **Battle Creek** – Hole 3 and 8 (walk backs) 9
- **Island Lake** – 5, 7, 8 and 9 (walk backs)

## Tees

### As influenced by play

#### Tee Organization

After WWII (and even before) multiple tees are the primary tool to achieve appropriate course length for all players. As discussed under routing, data suggests using six separate tees on public courses with back tees over 7,000 yards, and five for courses over 6,500 yards. This caters to all golfers at any point of their golfing career.

Most courses prefer no more than five sets of tees to reduce visual clutter, confusion and handicapping problems. We design and organize tees by grouping a myriad of golfers' tee shot distances into 4 to 6 generalized "classes" of tee shot lengths, typically as follows:

- **For six tees** - (over 7,000 yards) 140, 170, 200, 230, 260 and 290 yard tee shots
- **For five tees** (over 7,000 yards) - 140, 180, 220, 260 and 290 yard tee shots
- **For five tees** (under 7,000 yards) - 145, 180, 215, 250, and 285 yard tee shots  
*(Presumes ultra-long players will not be interested in regular play)*
- **For four tees** (under 7,000 yards) - 145, 185, 225, and 265 yard tee shots  
*(Ignores longest player, who we presume will not be interested in regular play)*
- We also recommend adding junior tees, based on 100 yard shots, often placed on elevated but level spots in the fairway.

#### Tee Design Style

There are several basic tee design styles, including:

- **Square/Rectangle** – often considered "traditional" but also a current trend.
- **Rounded Rectangle**- a 10 foot radius on corners eases mowing and is more practical for public courses, connotes 1950-1970 design style.
- **Round Tees** – More natural, but some unused space. Associated with 1970's.
- **Freeform Tees** – Used by Larry Packard in the 1970's, artistic!
  - **Soft** – justified to fit around natural contours or trees. Inefficient space use.
  - **Wild/unusual**, justified mostly in trying to be unusual.

It is possible to be eclectic, purposely (but logically) mixing tee style as an artistic element, using:

- Rectangles or rounded rectangles:
  - In open, flat areas,
  - Where tree corridors are relatively narrow
  - On par 3, water, narrow, and OB holes to maximize space
- Round tees on sloping land to look more natural, and
- Freeform tees integrated with scattered trees, mounding and contouring as an artistic element.

At most public courses, the most practical tees are rounded rectangular tees, which provide 100% useable space (save the USGA recommended 2 yard setback from front and back edges) and can be built smaller to reduce construction costs. They are easier to mow than actual square corners. On renovations of older

courses, they connote tradition (not quite as well as square corners, and can fit better in narrow spaces between trees.

### *As influenced by Maintenance*

There are some agronomic considerations to tee design:

- **Mowing Considerations**
  - Rounded corners are easier to mow than square corners.
  - Tee mowers cut 5 foot swaths, so rectangular tees at multiples widths of 5 feet can save slightly on mowing time.
  - Round tees need a minimum of 28-32 feet diameter for turning radius without mowers "digging in" and damaging turf.
- **Sizing Considerations**
  - Round tees lose some useable tee space and should be 10% bigger.
  - Free form tees can lose 15-25% useable space and must be sized larger.
  - Dividing a tee area adds at least 12 feet length for each tee to accommodate the 2 yard front and back minimum recommended distance.
- **Agronomic Considerations**
  - Tee blocks are generally set 5-6 paces wide (15-18 feet) so useable areas of any tee should generally be minimum 20' wide, which allows for some grow in.
  - Widths of 40/60 feet allow 2-3 different tee settings across for play variation.
  - That said, narrow and long tees allow greater flexibility in course set up.
  - One large tee is generally quicker to mow, but often not practical when fitting on slopes or striving for vision down the fairway.
- **Cart Path Access Considerations**
  - Walk ups should be as wide as practical – not a single "cow path" which often moves turf wear from path edge to on the tee at a limited entrance.
  - Regardless of tee shape, straighter edges and constant slopes between cart path and tee distribute walk up wear the best.
  - Tee shape curves and contouring between tee and path constrict traffic.
  - Paths should be:
    - At least 10 feet from the tee edge (closer proximity causes wear on the tee banks)
    - Maximum 25 feet (longer encourages short cutting off the path on grass)
  - The shortest two tees) require ADA access ramps, from cart path to tee surface, i.e., maximum 5% upslope, 2% cross slope, and no curb blocking the route.

The tee below has many qualities desired in a public course tee – large size, 10 foot wide path, curbs, good sunlight and air circulation, wide turning radius, and despite a free form shape, the tee edge and cart path are parallel, allowing golfers to spread traffic out.



Keller used square tees in their renovation, and Battle Creek is a more modern course. Neither needs major tee work. Our first impression at Manitou Ridge and Goodrich was that we should emphasize their history, character and terrain to recreate the feel of their original construction - classic era.

Given the potential water reductions facing Keller and Manitou Ridge, their tees may need a change in design philosophy. Tees are an excellent place to reduce irrigation

acreage. Some examples in our recent work (La Costa at left, 2013) and Myopia Hunt Club from 100 years earlier, with natives all around, and courtesy cut walk through.



On public courses, especially older ones with relatively close fairway spacing, it is difficult to find truly “out of play” areas to convert to native, unirrigated areas without slowing play. Here is a recent turf reduction plan for La Costa in California:

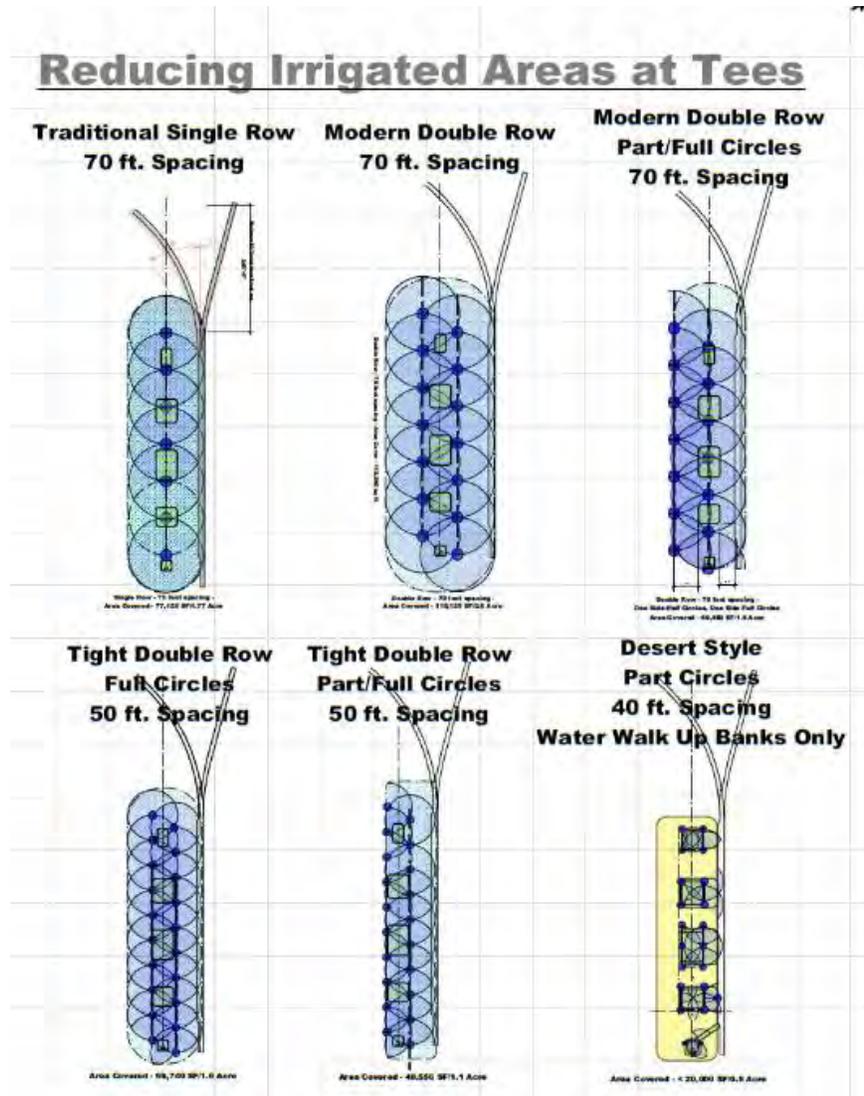
One of the best opportunities to reduce irrigation acreage without affecting playability is to reduce turf around tees.

As seen in the graphic below, the modern tee (along the size guidelines we recommend for Ramsey County) irrigate over 2.5 acres per tee, for



about 0.16 acres of actual tee space. This can be reduced by reducing sprinkler spacing and using part circle sprinklers to reduce watered area.

- At many of your courses, with the narrow tree lines, a single row of sprinklers (while old fashioned) reduces watered area to 1.75 Ac.
- Narrowing the spacing to 50 feet and/or using one row of part circle sprinklers reduces watered areas to 69,500 S.F. or 1.6 Acres.
- Bigger savings come from tighter spacing and one side of part circle sprinklers, reducing to 1 Acre, while desert style of only watering tee tops reduces it to one half acre per tee.
- It's possible to save 1-2 acres of irrigated acreage per hole, or 18-36 acres total, a significant reduction for courses potentially affected by the water reductions from White Bear Lake.



**Total Tee Size**

The industry recommended standard tees size is 15-20 SF per 1000 annual rounds. The chart below shows current annual rounds:

| 2017         |              |               |               |               |               |               |               |              |                |          |                |
|--------------|--------------|---------------|---------------|---------------|---------------|---------------|---------------|--------------|----------------|----------|----------------|
| Course       | March        | April         | May           | June          | July          | August        | September     | October      | *November      | December | Total          |
| Goodrich     | 451          | 3,434         | 5,991         | 5,403         | 6,023         | 6,080         | 3,934         | 2,563        | (2,046)        | -        | 31,833         |
| Keller       | 150          | 2,430         | 4,205         | 5,033         | 5,855         | 4,672         | 4,181         | 2,446        | -              | -        | 28,972         |
| Ponds        | 261          | 2,616         | 3,009         | 3,159         | 3,376         | 3,145         | 2,499         | 1,434        | (555)          | -        | 18,944         |
| Manitou      | 514          | 2,445         | 6,109         | 7,013         | 7,057         | 6,894         | 4,433         | 2,023        | 596            | -        | 37,084         |
| <b>Total</b> | <b>1,376</b> | <b>10,925</b> | <b>19,314</b> | <b>20,608</b> | <b>22,311</b> | <b>20,791</b> | <b>15,047</b> | <b>8,466</b> | <b>(2,005)</b> | <b>-</b> | <b>116,833</b> |

If the business plan is successful in raising play about 10%, we should consider sizing tees as follows:

| Course        | Rounds/Expected Increase | Ex. Tee Size | Prop. Tee Size<br>2 S.F./1000 | Increase |
|---------------|--------------------------|--------------|-------------------------------|----------|
| Goodrich      | 32,000/35,000            | 3,461 S.F.   | 6,400 S.F.                    | 102%     |
| Keller        | 29,000/32,000            | 5,467 S.F.   | 6,000 S.F.                    | 17%      |
| Manitou Ridge | 37,000/41,000            | 4,169 S.F.   | 7,400 S.F.                    | 96%      |
| Ponds         | 19,000/21,000            | 8,922 S.F.   | 7,400 S.F.                    | NA       |
| Island Lake   | 12,000/14,000            | 2327 S.F.    | 3,500 S.F.                    | 72%      |

**Ponds** – Excellent Tee Size

**Keller** - Overall size at Keller can be increased by adding new, shorter forward tees, bringing it close to recommended standards. Continue using rectangular tees.

**Manitou Ridge and Goodrich** - Whenever tee renovations take place, we recommend you double tee sizes, using rounded rectangle tees.

**Island Lake** -Tees should be enlarged 25% over recommended sizes on all par 3 holes, which is all holes at Island Lake, but only when rebuilt for leveling and other purposes.

At all courses, tees should be 25% larger on:

- Par 3, narrow, water or O.B. holes.
- Holes with multiple levels of tees (to add front and back buffer space)

For Keller and Manitou Ridge, the irrigation design for tees (together with cart path planning, etc. should consider a reduced footprint in case water restrictions are encountered there.

### Length and Tee Size Distribution

Research shows the approximate percentage of golfers preferring various course lengths. This typically relates to their tee shot length, as shown in the routing analysis, and we believe in pushing golfers to slightly shorter lengths to make golf more fun for them.

For maintenance, we distribute tee size proportionally to expected play levels at each length, to spread wear, etc. Note we have allowed for the higher than average female golf participation rate in Minnesota, where play distribution should be about:

| PLAYER                         | TEE SHOT | %    | PREFERRED LENGTH |      | TEE SIZE |
|--------------------------------|----------|------|------------------|------|----------|
|                                |          |      | Short            | Long |          |
| Long Pro (If tee is provided)  | 320      | 0.1% | 7200             | 7500 | 300      |
| Ave. PGA Drive/Long Amateur    | 290      | 0.9% | 7000             | 7200 | 300      |
| Low Handicap Men               | 260      | 17%  | 6600             | 6900 | 1200     |
| Average Men/Woman Pro          | 230      | 50%  | 6200             | 6500 | 3000     |
| Average Senior / Long Women    | 200      | 12%  | 5600             | 6100 | 840      |
| Super Senior/Competitive Women | 170      | 10%  | 5000             | 5500 | 700      |

*\*Prime consideration is minimum size/turn radius for maintenance.*

*\*\*Some shifted to White Tee for blue tee flexibility to shorten on busy days to speed play.*

## Micro Climate for Turf

Good air circulation and sunlight reduces turf stress and provide (especially morning sun) for optimum growth. Tees that appear to struggle should consider tree and underbrush removal on the east side for sunlight, and south for air circulation. Tees with shade/air circulation issues include:

- **Manitou Ridge** – Tees 5 and 9
- **Goodrich** – Tees 1, 2, 4, 7, 16 and 18
- **Keller** – Tees 6, 8, 9, 13, 17
- **Battle Creek** – None
- **Island Lake** – Tees 3, 4, 5, 6, and 8

Solutions include tree removal or trimming (where not required for safety) or even larger tees!

## Soils

At each course, tee construction followed green construction, with Keller and Ponds of Battle Creek having 4-6" of sandy mix, while the older courses have tees originally built solely with topsoil, then top dressed for many years, building up 6-8" of sand for the current tee base.

Due to soils and heavy clay, these tees are compacted due to the soil type, despite aerification over the years. At a minimum, additional aerification and topdressing of the tees would improve the condition and playability of the tees.

## Condition, Turf, and Level

Golfers will always complain about unlevel tees, and golfer surveys show your customers are no exception, with complaints higher at the older courses, as you would expect. However, complaints are far fewer than at other courses we have surveyed, meaning either Minnesota golfers don't complain as much, or the tees are in better condition than expected.

Top dressing should be done at every course as part of the maintenance program.

## Turf Types

This varies with the course –

**Goodrich** – They make a good impression, with a few tees having mottled turf.

- **Height of Cut** – ½" (good)
- **Levelness / Turf Quality / -Weeds**-Generally good.
- **-Turf** is mix of low mow blue, with bent creeping in.
- **Construction** – 4" Greens Mix on Clay and topsoil.
- **Size** – Adequate, about 80,000 S.F. total over 9 holes, or 9,000 each average
- **Topdressing** – On a program

**Keller** – They make a good impression

- **Height of Cut** – ½" (good)
- **Levelness / Turf Quality / -Weeds**-Generally good.
- **-Turf** is mix of low mow blue, with bent creeping in.
- **Construction** – 4" Greens Mix on Clay and topsoil.
- **Size** – Adequate, about 80,000 S.F. total over 9 holes, or 9,000 each average
- **Topdressing** – On a program

**Manitou Ridge** – They make a good impression, with a few tees having mottled turf.

- **Height of Cut** – ½" (good)
- **Levelness / Turf Quality / -Weeds**-Generally good.
- **-Turf** is mix of low mow blue, with bent creeping in.
- **Construction** – 4" Greens Mix on Clay and topsoil.
- **Size** – Adequate, about 80,000 S.F. total over 9 holes, or 9,000 each average
- **Topdressing** – On a program

**Battle Creek** – They make a good impression, with a few tees having mottled turf.

- **Height of Cut** – ½" (good)
- **Levelness / Turf Quality / -Weeds**-Generally good.
- **-Turf** is mix of low mow blue, with bent creeping in.
- **Construction** – 4" Greens Mix on Clay and topsoil.
- **Size** – Adequate, about 80,000 S.F. total over 9 holes, or 9,000 each average

**Island Lake** – Tees 3, 4, 5, 6, and 8

### **Design and Construction Proposals**

**Keller and Ponds** - With new tees, they don't need much work. We do recommend:

- Adding a new forward tee set at each course, at 4,000-4500 yards.
- Consider turf reductions around tees, using smaller sprinklers.

**Manitou and Goodrich** – These both need larger tees with better distance organization. The size, design, shade and soils at these courses make eventual reconstruction the only viable alternative, and that will include laser leveling, and mix to bring them up to the standards of Keller and Ponds.

**Island Lake** – As a par 3 course catering to beginners, forward tees are not required. The average tee size needs to be increased. They are unlevel, without mix, etc., making eventual reconstruction the only viable alternative.

### **Construction and Materials (i.e., sand mix or other)**

When tees are rebuilt, we recommend that each get a 6" layer of root-zone mix consisting of Plaistead's 7-2-1 sand tee mix, or similar. Some drain tiles may be necessary around certain tees. The basic construction method includes:

- Strip sod,
- Level and compact sub-grade with bulldozers
- Add 4-6" of tee sand or mix,
- Place occasional 4" drain tiles where required drainage
- Laser Level
- Sod banks for quick recovery
- Seed Tees to an aggressive Bent Grass

## Sand Bunkers

### As influenced by Play

For sand bunkers, play and maintenance seem to be even more intertwined than other golf elements, given current (and seemingly always growing) golfer demands for “fair” – often defined as “just as easy to play from than the fairway” and attractive, perfectly maintained sand bunkers.

I have never quite understood golfers thought on sand bunker placement, as it seems to be a fair bunker catches your opponent, but an unfair one catches you. Similarly, golf staff tend to recommend removal of sand bunkers that see “too much action” as well as those that see “too little action” as being detrimental to pace of play and maintenance costs. What the “just right amount of action” is, I can’t say.

### Number and Type

Sand bunkers are traditional and expected in golf, but public courses can’t have so many as they can slow play excessively.

Over the years, some general guidelines have evolved regarding how many sand bunkers a course “should” have. The advent of costly bunker liners, and associated hand bunker raking required with some of them have worked together to generally reduce the amount of sand on the typical course. Higher maintenance costs have also contributed to both the number and average size reductions since 2006. Average size has dropped from 2,000 S.F. per bunker to 1,500 S.F. per bunker.

| Typical number of/S.F. of sand bunkers |          |     |     |          |          |
|--|----------|-----|-----|----------|----------|
| Course Type                            | Per Hole | Min | Max | S.F. Min | S.F. Max |
| Muni                                   | 0-1      | 0   | 18  | 0        | 27,000   |
| Upscale Public                         | 1-2      | 18  | 36  | 27,000   | 54,000   |
| Resort/Mid-Level Club                  | 2-3      | 36  | 54  | 54,000   | 81,000   |
| Upscale Country Club                   | 3-4      | 54  | 72  | 81,000   | 108,000  |
| Tournament                             | 4-5      | 72  | 90  | 108,000  | 135,000  |

At Ramsey County, each course has about the right amount of sand. Island Lake has no sand bunkers, while the others trend appropriately in the mid-level expectations for upscale public golf. (30,000-40,000 S.F.) You could potentially reduce sand bunkers at Goodrich as it functions as a true municipal level course.

Most public courses in the post 2006 recession consider sand bunker reductions to save on maintenance. There is a careful balance between reductions and course image, especially in cases where we are trying to rebrand or upgrade the image of the course. It is difficult to reduce sand bunkering while simultaneously raising its profile in the market.

However, even on our own designs, we usually find some bunkers can be removed (perhaps replaced by grass bunkers or other grass hazards) while maintaining aesthetics and appearance of challenge. In general, moderate fee public courses can benefit from careful reduction on sand bunker quantity, by making each one count by serving multiple purposes of hazard, directional device, save bunker, etc.

**Sand Quality**

Bunker sand quality comprises of both texture and color. Golfers prefer white sand over buff, and angular particles to reduce fried egg lies. The Ramsey County courses have:

- **Sand** –
  - Buff colored sand,
  - Slightly Coarse, prone to fired egg lies.
- **Liners** – None, and in combination with moderately steep slopes that periodically wash out, causing unscheduled maintenance procedures.
- **Aesthetics** At your older courses, sand bunkers have little design character. Looking at aerial photos dating back to 1947:
  - **Keller** had a reasonable compliment of sand bunkers, most plain but some shaped. By the 1990’s, most seem to have been softened, flattened, with some removed.
  - **Goodrich** began with one sand bunker! Over the years, about a dozen were added, but were always plain shaped. Goodrich bunkers are easy to maintain but have poor aesthetics.
  - **Manitou Ridge** had none as of 1947, but various renovations in and after 1978 raised that number.
  - **Island Lake**, built in the 1990s as a beginner facility never had any sand bunkers, appropriately so.
  - **Battle Creek**, opened in 2004, has a nice compliment of professionally designed sand bunkers, although design emphasis was on maintainability, not aesthetics, again, appropriately so for a public course.



**Maintenance**

Customers complain about the condition of sand bunkers, including playability, sand type and color (to a lesser degree) and raking.



We also note that most bunkers edges aren’t maintained crisply at the Ramsey County courses. Like most courses, sand bunker maintenance takes up a disproportionate amount of staff time, and this is typical at public courses, where they are a lower priority to spend limited funds /manpower.

That said, sand bunker conditions are often a direct result from then standard, but poor construction, specifically no bunker liners and under use of drain tiles. Placing sand directly on clay

soils is a recipe for making bunkers deteriorate over time. Additionally, the bunker banks are planted with a blend of blue and fescue, with the fescues creating a shaggy look some golfers dislike.

Given golfer comments, and the generally fast rising desire for higher quality bunkers, one of the top renovation priorities at all courses is to improve bunkers. We generally propose to reduce sand bunker size to reduce maintenance, as per below:

- a. **7% at Keller – (existing 55/33,700 S.F.)**

While there is an excellent design at Keller, if bunker reduction is desired these bunkers are the weakest “philosophically” and can cause problems:

- Right side sand bunker at green 6 – blocks walk up to green
- Right side sand bunker at green 8 – blocks walk up to green
- Back left bunker at green 9 – limits circulation, steep, small.
- Also, on 9 green, could shorten bunker to open front of green more
- Fairway sand bunker mid hole on 16, between landing zones
- Fairway sand bunker 50 yards in front of 17 green

If adopted, that is a reduction of 2,300 S.F.

**b. 22% at Manitou Ridge (existing 28/39,874 S.F.)**

At Manitou Ridge, possibilities for sand bunker removal/reduction, including:

- First Green – Remove right sand in favor of grass hazard for circulation
- Hole 2 – Shorten right side green bunker for circulation
- Hole 9 – Remove or downsize sand bunker far left of green
- Hole 17 - Remove or downsize sand bunker far left of green
- Hole 18 – Remove left third of left side green sand bunker (out of proportion)
- Hole 18 -Shorten back right sand bunker to help circulation

Those six problematic sand bunkers total 9,000 S.F. of potential reductions.

**c. 21% Ponds of Battle Creek (22/existing 32,213 S.F.)**

At Ponds of Battle Creek with higher number and square footage of sand bunkers, and a reputation for difficulty, some removals are justified.

- First fairway – Convert right side sand bunker to mounds to speed play
- Hole 3 – Remove left side bunker (visual sliver, tough hole) and right side green sand bunker (blind)
- Hole 6 – Remove front third of sand bunker (too far from green)



This totals about 7,000 S.F. reduction or removals. This can be revisited depending on the renovation option selected for the course (full 18 might keep more bunkers)

**d. 31% at Goodrich (existing 34/38,050 S.F.)**

At Goodrich, which caters to average golfers, sand bunker reduction makes sense, and any sand bunker that is not clearly visible, narrowing a fairway, or blocking circulation is a candidate for removal.

- 4 fairway left side short sand bunker
- 5 sand bunker short of green and out of play
- 7 fairway and green sand bunker (blind, block circulation)
- 11 right side fairway (blinded by trees)

- 11 right side green (blocks circulation
- 16 green bunkers (large, blinded by tree (left) and block circulation (right)
- 18 left fairway sand bunker (narrows fairway)

This reduces sand bunkers by 12,000 S.F. (Note: Sirius recommends an even greater reduction of bunkers if the course is repositioned as a value facility).

**Sand Bunker Liners**

In the last 5 years, due to increasing golfer demand, sand bunker liners have become nearly “standard” at even modestly priced courses and are (or soon will be) required just to compete for golfer’s pocketbook share.

Behind irrigation and about equal to better greens, courses of all kinds have found bunker reconstruction cost to be easily justified by higher greens fees and/or play, especially with favorable interest rates.

Advantages to sand bunker liners include:

- Reduce sand contamination from rocks and clay below,
- Maintaining color, drainage.
- Holds sand up on banks even after substantial rain storms, reducing shoveling.
- Extends bunker life.

With competition, prices are effectively coming down (after inflation) and installation costs can be justified in both increased revenue potential and maintenance cost savings, by eliminating unscheduled sand wash outs.

There are two basic groups of bunker liners – **Fabrics** and **Hard Surfaces/Soil Binders**.

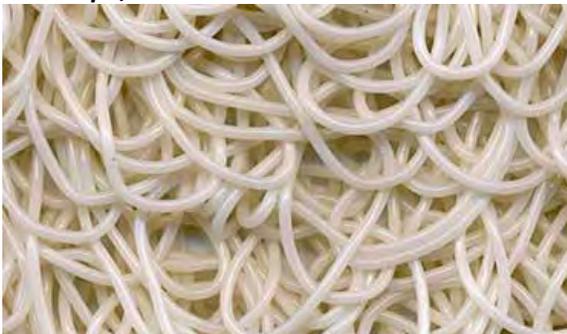
**Fabrics** - There are a few brands, such as Sand Trapper II which have been used for years. One is Sandtrapper II, (right) their top grade, which now has typical installation cost in the high labor rates in MN of about \$2.00 S.F. for labor and materials.



Disadvantages of fabric liners include too many staples used for installation (which rakes can catch) and the need to hand rake bunkers, which is expensive, counteracting the main goal of cost savings.

In the last year, new, potentially stronger and longer lasting fabrics, using minimal staples, have come on the market as viable alternatives:

***FlexScape,***



***PolyLast (recycled rubber)***



Polylast products are made from 100% recycled rubber, which is durable, and can be painted buff or white to match sand and disappear if sand thins out. Another standby product is ***Bunker Solutions***, like AstroTurf, in white or buff to match your sand color. It’s an excellent, but lesser used product, due to cost. It is flexible (helps in clay soils) and will accept machine raking.

The cost difference between fabrics and hard surface liners is now minimal, suggesting the use of the best material possible. For example, Polylast and Flexscape costs about \$2.00 S.F. vs. about \$2.25 S.F. for Better Billy Bunker.

**Hard Surfaces w/Soil Binders**

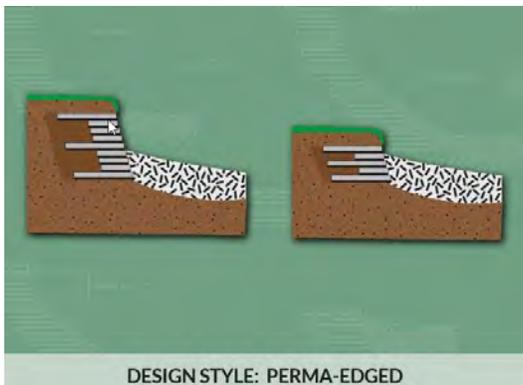
Hard liners are considered by most to be the “silver bullet” of bunker lining and are currently the most commonly used bunker liners. The solid surface allows machine raking, a longer lifespan, better performance in most situations, and no club snagging on fabric. While they may shift in your clay soils, they are easily repaired.

The current product leader is ***“Better Billy Bunker.”*** It uses a 2” layer of gravel, coated with a specialized polymer spray, which hardens into a strong-but-flexible surface. Water drains through it up to 400” per hour, reducing erosive forces under the sand surface, while minimizing sand migration down and soil migration up. If grave is correctly sized, sand and gravel adequately “bridge”, much like the requirements for a USGA green.

In labor cost heavy Minnesota, materials and installation now runs under \$3.00 per Sq. Ft. Installation requires using a “licensed” Better Billy Bunker installer which suggests completing large bunker projects at once to attain economies of scale. Most BBB installers won’t look at projects below nine holes at this time.

A similar product is capillary concrete, which cost about \$0.50 more per S.F., which also gives excellent results and is preferred by many.

In the last year, manufacturers have begun to address more defined bunker edges – a problem at the Ramsey County courses. New products like “Perma Edge” and “Dura Bunker” help attain a crisp edge. They are artificial turf strips laid around the bunker to provide a 1-2 inch deep lip. 1” lip in combination with Better Billy Bunker shown below right. Perma Edge construction detail for a ½”-2” lip below left.



As noted, the St. Paul area averages 11 rain days per month, and 44 per season, with an average of 0.34” of rainfall each time, which can be enough to wash sand. **If:**

- 67%, or 29 of those rains wash sand to some degree, and
- Those require a 4-person crew, 8 hours each, to fix, and
- Labor rates of \$18 per hour, or approximately \$500 per day.
- Annual cost for re-shoveling approaches \$20,000. One Nebraska public course superintendent reduced his maintenance costs by ***\$50,000 annually***.

The cost benefit ratio of renovating sand bunkers, even on public courses, is typically very good. Between the cost savings and appeal to draw new golfers and please existing ones, it should pay off. (details elsewhere in this report) As a county with a high bond rating, Ramsey County has the lowest interest rates possible, which should make the debt payment vs. annual cost come out favorably, even if rates rise slightly in the next year as anticipated. For Ramsey County, we recommend all courses improve sand bunkers by:

- Re-shaping where other redesign/renovation is taking place
- Complete new drainage
- Installing Better Billy Bunker, with fabrics as a lower cost option if cost is an issue.
- Installing a 4"-6" Perma Edge or Dura Bunker lip - (First deduct if cost is an issue)
- Using white bunker sand at Keller and, if major upgrades, at Manitou Ridge)
- Using existing buff bunker sand at Goodrich and Ponds of Battle Creek.

The total cost of renovating sand bunkers, including new drains, prep work, liner and re-establishing the edge runs from \$7.10-\$9.50 S.F. For each course, with about 30,000-38,000 S.F. of sand bunkers (at present) the construction cost will be for liners about \$213,000-\$360,000 per course, depending on material choices made.

When also renovating or redesigning green surrounds and in some fairways, there is also re-shaping to solve mowing, slope, size and proximity issues. That cost is included under our "Green Surround" or either of the fairway cost options. We find replacing sand with sod to reduce bunker sizes is about the same cost per square foot, so redesigning for sand reductions isn't figured separately.

The biggest possible cost savings is replacing potential white sand with the buff color sand used at Keller and elsewhere. Changing to fabric liners and eliminating the bunker edging are also possible, which explains the difference between the \$7.10 and \$9.50 S.F. Unit costs.

### Drainage

Bunker drainage has been a problem at all courses, and while liner reduces drainage problems, we recommend extensive in bunker drainage, and 6" over 4" for major exit pipes to increase capacity.

### Reshaping

Many courses install bunker liners without changing any characteristics, but the additional costs are worth it in most cases. This adds a few weeks of dozer time (At least \$35,000) and sodding the banks back after reshaping, typically an area equal to the bunkers size itself, but allows you to reduce bunker size, re-position them for a variety of reasons (to make course easier or faster to play, for example).

### Sand Type

Sand cost varies depending on choice. White sand is preferred by golfers, but is sometimes a tough choice when finances are tight.

## Fairway and Rough

**Turf Type** – Turf type at Keller is a bent mix, while Manitou Ridge and Goodrich have the traditional public course mix of bent and rye. At Ponds of Battle Creek, bent is creeping in, but the superintendent doesn't mind, believing it is a superior turf under shorter cuts. (We agree)

**Width** - As shown in the features section, on the USGA Slope Rating Chart, the ideal width for fairways at public is at least 32 yards, with 40 preferred. Most of the Ramsey County fairways are too narrow, compounded by complaints of deep rough.

- **Manitou Ridge** – Average Width – 26 Yards

- **Goodrich** – Average Width – 22 Yards
- **Keller** – Average Width – 29 Yards
- **Battle Creek** – Average Width – 41 Yards (Hole 5 at 13 yards)
- **Island Lake** – NA

It is easy enough to widen fairway when both it and the rough are varieties of bluegrass, but harder at Keller and Ponds, where there are different turf types. Possible solutions include:

1. Introduction of intermediate cut of rough
2. General reduction in rough mowing height to reduce punitive factor.

Since golfer surveys mention “rough height” as a complaint at all courses, we recommend both an intermediate cut and generally lower rough height for Manitou, Goodrich and Keller.

## Trees

One of your biggest tree issues is Emerald Ash Borer. Since its first detection in 2002 in Canton, Michigan, it took only as little as two years to reach Minnesota, with definite confirmation occurring in 2009. Nationally, the insect has killed millions of ash trees and is predicted to kill many more.

Several local and state agencies have made recommendations for control. With early identification, manual or chemical insect removal is possible, and onsite inspection of golf course trees may yield some candidates for treatment. However, from all indications, ash trees on your golf courses are most likely going to be removed.

The question is, if each course stands to lose dozens to hundreds of mature trees, how will that potentially affect the character of those courses?

Keller, Manitou Ridge, Island Lake and Goodrich can be described as “Parkland” courses which feature a mix of wooded areas and open fields. Most areas of these courses were originally open fields, with extensive long term planting, including ash trees, eventually creating substantial tree cover. The Ponds of Battle Creek is a links or prairie style course, with some tree planting. Having opened in 2003, years before confirmation of the EAB, it also contains some ash trees.

Once removed, the basic recommendation is to be replaced with better, and more diverse range species.

I believe you might not need to plant trees at all, and don't need to be worried about one for one replacement. Why?

The last three US Opens have been played at near treeless courses - Chambers Bay, Oakmont and Shinnecock Hills. These courses didn't play any easier than more tree lined courses. The first two were built on treeless sites, and Oakmont pursued tree removals, turning their heavily wooded course into a more open one. They are the poster child for an emerging “tree removal” trend.

It is catching on, but still far from universal. Golfers like trees, and your older golfers probably recall the years of tree planting that converted former pastures to amply treed courses, only to see a new generation question their thinking.

Thus, we do not recommend opening your courses for purely design reasons and believe you should keep trees that are defining doglegs, separating holes, and providing backdrop, filtered shade, strategy, penalty and character.

However, like most architects, we agree that some tree removals are good for a variety of reasons, including previous over planting. Your tree planting may have become a classic case of "Too much of a good thing." Less definitely can be more. Each tree needs to be multi-functional, and not problematic to play, turf or circulation. Aesthetics, views and even playability can be improved by removing trees.

As one superintendent pithily notes, "Which do you want, trees or turf, because you can't have both!" Heavy woods can cause problems in:

- **Pace of play**, from lost golf balls. Any trees over 180-200 yards from a green aren't necessary for challenge or strategy, since golfers in those locations can't reach the green anyway and need no additional architectural punishment. At the same time, challenge for better players is unaffected.
- **Agronomics**, via their:
  - Shade on green and tee surfaces
  - Roots underneath green and tee surfaces
  - Reduction of air circulation
- **Water Use** – Tree use more water than turf. Tree reduction can be used at courses affected by White Bear Lake irrigation reductions.
- **Maintenance Costs** – Trees need:
  - Trimming, leaf and branch pick up, etc.
  - Closely spaced trees are mowing problems (although very tight clumps, with mulch beds can increase mowing production)
  - Aesthetics - Random clumps are more natural and attractive than straight lines, which tends to occur in over planting (i.e., let's fill in every open area with a tree)

Removing trees for agronomy reasons should be a no brainer. Trees:

- Near greens and tees with canopy over (and roots under) that block morning sun and/or air movement
- That restrict or block:
  - Cart flow to and from cart path and fairway
  - High use walk-up or cart path access routes
- Objectionable species, including fast growing, but weak branched species like most maples, willow, and poplar, or messy trees like Sycamores
- Diseased species like the Ash, affected by Emerald Ash Borer.

For each course, we recommend an in house program, focused on:

- Removing trees that causes agronomic problems, unless required for safety
- Pursue tree removal during any reconstruction (golfers are gone, less likely to notice)
- A moratorium on future tree planting
- Retaining a local arborist to help you determine tree health to develop a long term tree plan.

## **Cart Paths**

The existing cart paths on all courses are primarily located at greens and tees, with some par 3 holes having full paths.

Busy public courses typically prefer "full loop" systems, continuously paved from tee to greens, as moderate and larger rains can sometimes put courses out of play. Even on moderately "damp" days, cart traffic compacts soils, and can cause ruts, which causes drainage problems, which eventually damages turf.

Some have been “fixed” by additional gravel, constant roping, etc., costing several thousand dollars per year. A few paths curve after extending from tees, shown below, better distributing traffic, but gentler curves would spread traffic more, and is the basis of better cart paths and less wear.

Courses with full loop cart see them as an “insurance policy” to keep tee sheets full on rain days and from ½ to 3 days after each rain, depending on course drainage. Experience shows:

- Days with no carts cuts play to walkers only, reducing play about 60%.
- Days with carts restricted to paths, reduces play up to 30% for cart golfers not willing to put up with extra walking.



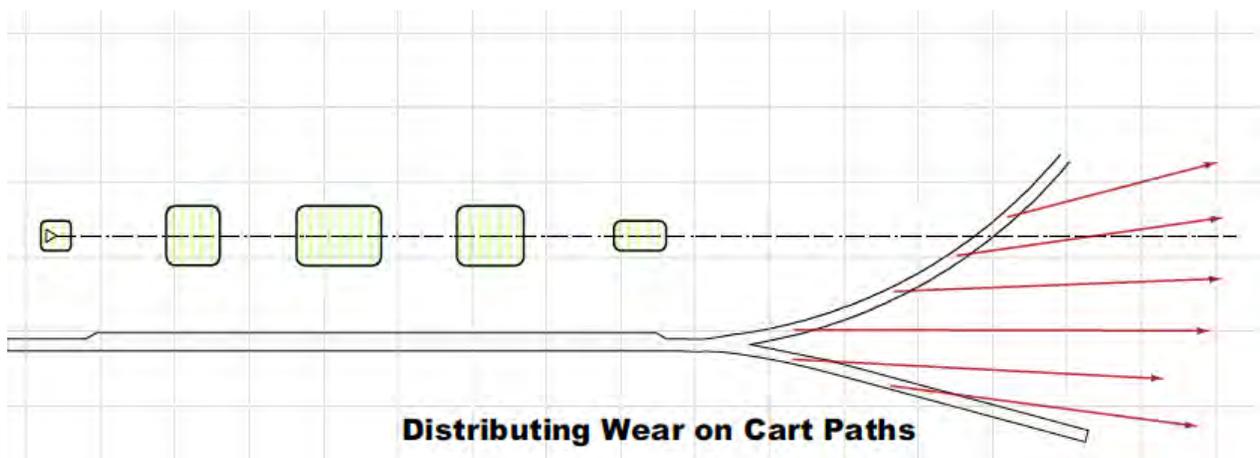
Justifying the investment is harder to calculate, given the rising price of concrete or asphalt (with asphalt being typical in MN).

Another issue with adding full loop, continuous cart paths on older, tighter courses is that you force golfers towards adjacent play corridors, possibly causing safety problems. Without full paths, play spreads out within your fairway, further from the adjacent fairways, which is safer. Thus, adding paths at this time may increase your liability exposure while not significantly adding to revenues.

However, your partial cart paths also cause every day issues due to poor design. They don’t extend as far as they should and “dead end” on a straight line, funneling traffic. That causes excessive compaction and wear, which eventually destroys the turf. As shown below, a partial path system should:

- Extend about 50-75 yards from front of forward tee
- Extend back 50-75 yards from front edge of a green,
- Past any swales or soggy areas
- Curve gently to disperse traffic over a broader area as each golfer exits on a straight line to their tee shot location.
- Cross in front of the tee at gentle angle, which, while not as aesthetic, is better for traffic distribution.

Even with these design improvements, path exits in front of tees and entries in front of greens will still need extra aeration, topdressing and fertility to overcome the wear from the carts and remain viable turf. Some roping is still often required, but design should reduce unsightly ropes and the time consuming task of moving those daily.



This hole at Keller demonstrates the distribution of paths taken by golfers when the path ends on a curve. We believe a gentler curve, keeping the golfer moving more forward than to the side, is even more effective. Note the last tire tracks are at about 45 degrees to line of play.

Many paths end on a straight, dead end like this one. You can already see damage in early season.



With little floodplain, Ramsey County courses don’t seem to have enough maintenance issues or lost play days to merit extending paths to a complete system. Your superintendents (except at Keller) don’t favor the complete loops. We recommend against converting your paths to a full loop system and believe longer extensions out from tees and back from greens, combined with improving drainage will yield the best possible revenue results.

Carts can be dangerous. Consider consulting your insurance carrier for advice.

### Material and Construction

Most current Ramsey County paths are asphalt, which has been used by most Midwest courses. Options are:



- **Asphalt**-Lowest cost, but shorter life span before requiring topping or rebuilding. Long term costs may be equal or greater than concrete. As a long term owner, building to a higher standard may make sense when considering life cycle costs. Current cost is around \$2.75-3.00 S.F. Spending an extra \$1 per S.F. for stronger asphalt and regular maintenance pay off long term.
- **Concrete** is more durable, and becoming more common, and sometimes price competitive. When bidding, we recommend

bidding both as alternate bids, as concrete may prove to be the better value choice. For many years, golf courses built paths with only fiber mesh for strength, with mixed results. Now, most use reinforced with steel. Fiber mesh paths cost about \$2.75 S.F., but with steel mesh or rebar, they cost about \$3.75 S.F

- **Porous Paving**, which is about twice the cost of concrete, at \$8.00 S.F., limiting golf course use, even as it is common in other urban landscape architecture to meet stormwater and environmental goals.
- **Gravel/Decomposed Granite** While less expensive than hard surfaces, crushed rock paths have never been stable, especially on slopes, and are rare on golf courses, except in desert climates and as maintenance short cuts, where it is better than dirt.
- **Other methods** have been tried with limited success, including “old driveway style” (right) and plastic honeycombs to support either gravel grass paths.



or

The paths appear Keller and Ponds of Battle Creek are nearly all built with the original construction or reconstruction. At Manitou Ridge, Island Lake and Goodrich, the paths appear to be of various ages and conditions.

In these situations, we recommend that when new path is built, you consider:

- **Total reconstruction** (which puts most of the paths on the same maintenance schedule and provides consistent look
- **Re-topping** older existing paths to remain for a consistent look. The different looks of old and new is noticeable, especially if Ramsey County is trying to re-brand, upgrade image, raise fees, etc.



You can probably save as is the paths at Keller and Ponds of Battle Creek if cost savings are required.

**Width**

Existing paths are 7 feet wide, presumably to meet budget. Industry standard is:

- 8 foot wide is for fairway cart paths, which narrowly allows two-way traffic
- 10-12 foot wide paths plus curbs at tees and greens, or anywhere with frequent two way cart flow.

Soil near every green and tee, where golfers will likely notice. Most courses are forced to continually add gravel, pavers or cobbles in these areas, as shown below, but it can be prevented with superior design.

**Curbs**

No matter what width, golfers tend to pull just off the path, causing ruts and compaction. Busy courses typically use curbs to control traffic around tees and greens, the full length of par 3 holes, plus any other area that may need it due to drainage, safety, etc. Roping high traffic areas is nearly eliminated, and well-designed curbs are an investment that typically pays back.

We recommend soft 4” “roll curbs” that mowers can roll up and over, but anywhere traffic really needs restriction, we will use 6” curb, shown at left. Whether paths are asphalt or concrete, we recommend concrete curbs for strength.

**Below Left** – Poor construction! Curbs must be backfilled to their top for proper drainage. Long curbing is required as short, curbed parking areas tend to limit traffic, cause turf wear, and reduce effectiveness. Upper Right – Beautiful and Expensive, rarely worth the extra cost.

**Right** – Curbs reduce annual expenses like roping. 5500 L.F. of curb cost about \$35,000, and for Ramsey County about \$2400 in annual debt. It is not hard to imagine saving at least that much labor in roping off, re-sodding, etc., making cart path curbs one of the best investments you can make.

**Below Right** – The additional cost of decorative curbs rarely pays back and is not recommended.





High play courses require at least 150-200 LF of curb at each tee and green, plus putting green and practice areas (with gaps for ADA), totaling 5500-8,000 L.F. Curbing only short portions at tees and greens tends to concentrate foot traffic to those parking areas, and longer curbs spread wear out.

### Drainage

When retrofitting existing courses, drainage details make the difference. New or over laid paths often trap water if not laid on grade. Our cart path budget allows 5-10% for additional drainage on, near, or under the paths.



*Left - Retrofitting cart paths involve restoring shoulders for drainage.*

*(Right) - Adding drainage via catch basin or slot drain in low spots is often required.*

### Bridges

Bridges are an integral part of the cart path system, particularly at the Ponds of Battle Creek, where we note many bridges appear to have shifted and settled, as shown below. The course has 3 bridges totaling and over 300 L.F. We did not do an engineering assessment, which could be done by a local engineer or similar bridge builder (like Bridge Builders, Inc. 800-874-9403).



Obviously, the safest recommendation is to replace all bridges with new construction. Typical prices as of 2018 are \$500-600 L.F., meaning Ponds of Battle Creek may have to spend about \$150-180,000 to replace bridges, if the existing bridges are beyond repair.

### Drainage

Ramsey County Courses have good topography with very little flood plain, which is good for drainage, but also have clay soils, which can cause problems.

Complete drainage design is beyond the scope of this report, and it's also not practical without complete as-builts of the existing drainage. Our recommendations for drainage include:

- Commission a survey of underground drainage system including locations, construction material, and grades or all existing drain pipes. Include an estimation of condition, age, etc.
- The existing crew should seek out and uncover turf covered catch basins to increase function (and help the surveyors)
- Retain a golf course architect and/or engineer (not all golf architects are expert at designing drainage) to assess the system and design replacements, additions and upgrades to allow all holes at Ramsey County Courses to drain at an equal rate. (If one hole is closed, all will be closed in many situations)

Drainage is always an ongoing problem at golf courses. As one veteran superintendent notes, *"I won't add drainage to the course every year.... just the years I work there."*

In addition to annual minor drainage projects by in house staff, whenever major construction takes place, we recommend a more intensive look at course drainage. While complete drainage design is beyond the scope of this report, given its importance, I include a few comments on the basics of golf course drainage design.

- **Take care of surface drainage problems on the surface**, with minimum surface pitch of 2-3% to catch basins or inlets, and solid (not perforated) drain pipe. The perfect time to add surface drainage is concurrent with any new irrigation systems, installing the drainage pipe first, since it requires critical grades. Grading around an existing irrigation system is difficult, but not impossible.
- **Take care of subsurface problems with subsurface drainage, i.e. perforated 4-6" French drains**, imbedded in gravel at the seepage location and depth. Many superintendents use tile drains to correct surface problems, only because of on hand machinery but it rarely works well.
- **Golf courses should drain at the same rate everywhere**, since one closed hole closes all 18. Rather than "wing it" use engineering drainage formulas. The Rational Method (Q=CIA) is enough to size drainage pipes on most golf courses.
- **Only need to drain "every day" storms**, Absent property protection, health, safety, and welfare issues, we can choose relatively small "design storm" criteria, typically designing to drain:
  - All nuisance water to avoid continuous wet swales and low areas.
  - As little as ¼ or ½ inch per hour rains immediately to avoid play delays.
  - A 1-2" storm within an hour, accepting short ponding a few times a year to reduce initial cost, and works as a filter and settle out golf course inputs, which is good environmental practice.
  - A 100 year, 24-hour storm in less than 72 hours, the time span that submerged turf can die after sweltering summer rain storms.
- **Avoid Undersized Pipe**, which is a mistake for a few reasons:
  - Value –Pipe price rise with the diameter inch, but pipe capacity rises by the square of the diameter inch ( $\text{Area}=\pi r^2$ .) 8" pipe cost 25% more than 6" pipe but carries 78% more flow to increase capacity cheaply.
  - Minimum/Maximum Slope – Pipes should have enough slope to achieve "self-cleansing velocity" (3 feet/second) to avoid maintenance problems. Larger pipes need flatter grades to attain necessary flow rates. There is also a maximum slope and velocity (usually 5-9 Foot/Second) for each pipe size to avoid exit area erosion problems.
  - **HDPE drain pipe** is a construction value, easy to install, and should last forever.

- **Avoid Undersized Catch Basins/Inlets** –Typical 6-8” diameter basins in play areas, might help aesthetics, but they are the limiting factor for system capacity, and often have reduced capacity caused by clippings blockage.
- **Once piped, remain piped** until out letting into a pond, or larger pipe. Ending pipe anywhere within golf turf leads to soggy golf course turf.....

This is particularly evident at Keller, where many small basins appear to drain slowly, affecting golf course turf.

## Design Needs/Improvement Proposals

### Keller Golf Course

5 year old construction and great design puts Keller in the “Initial Years Renovation” mode, meaning to continue to finish items that may have been left out or underbuilt due to budget reasons in 2013. It is and will remain your flagship course.

#### The five biggest items to correct:

1. **Practice tee** needs to curve inward to direct shots away from houses on left. (which is in process prior to this study)
2. **Sand Bunkers** – Need to improve play characteristics
  - a. More **tile drainage**
  - b. **Bunker liners** (Better Billy Bunker or similar preferred)
  - c. **White sand** to enhance play and as upscale course.
  - d. Use Dura Bunker or Perma Edge for more **defined edges**.
3. **Undersized Catch Basins** – We recommend larger catch basins in valley fairways to increase capacity.
4. **Extend cart path system to a full loop system**. (Bentgrass fairways (some in valleys with slower drainage) and partial paths cause turf wear.

Other potential problems and possible (lower priority) proposals:

- **Feature Design Changes** –There are few complaints after this renovation. However, persistent problems include:
  - Level 14 fairway in landing zone
  - Remove Tree on 17
  - **Greens** – Holes 11 and 17 have areas with too much slope for easy putting, but they are not impossible (based on my trial putts) so no changes should be made until other construction takes place.

- **Tees** – The new forward tees will effectively create more tee space on smaller tee holes.
- **Fairway** – Improve drainage on valley fairways, like 3, 7, 16 by increasing catch basin size from 6-8” to 12-24” basins as they are the limiting capacity factor. If those don’t sufficiently improve drainage, do full drainage study to upsize pipes
- **Rough** – None, although shorter cut is always appreciated by golfers.
- **Sand Bunkers** – See Sand bunker section for suggested reductions and improvements. No others need redesign or re-shaping
- **Drainage** – Continue to add small drains in house, as needed.



The driving range issues have been identified previously. In addition to tee-reorientation, we recommend upgrading the amenities in the area. The porta potty and falling down gazebo are not in keeping with the course.



Above - According to most golfers, this tree on 17 doesn’t allow enough room to play! While the tree on hole 4 gets history points, most would prefer this one be cut down.

Below – A combination of bent fairways, some drainage issues, and partial paths forces golfers to drive inside the many fairway bunkers, causing wear problems like – and worse- than this.



Left – Adopting reduced turf around the tees will result in more holes looking like 1, 2, and 16 (above). Right - Adding forward tees, especially on par 3 holes will relieve turf stress.



*Above -The unintended fairway collection area on the 14th hole. The catch basin is undersized for the drainage area, and typical of the drainage system*

*Below – Even if you opt against a full loop system, extending paths further from greens and tees can help reduce wear patterns, if they end on a gentler curve than shown here to spread wear.*





Above -The large swale crossing the 7<sup>th</sup> fairway carries too much water for enhanced turf, especially bent grass. It needs to be piped from left rough to right, with larger catch basins.

## **Manitou Ridge Golf Course**

Manitou Ridge has a new state of the art maintenance facility, but little in the way of golf course renovations since 2000. An older, somewhat pedestrian design, with gradual green upgrades, sits on great land, suggesting higher potential.

### **The five biggest items to correct:**

1. **Irrigation** – Complete new system needed within a few years.
2. **Sand Bunkers** – Need to improve play characteristics
  - a. More tile drainage
  - b. Bunker liners (Better Billy Bunker or similar preferred)
  - c. White sand to enhance play and image, if affordable
  - d. Use Dura Bunker or Perma Edge for more defined edges.
  - e. Reshape for more character.
3. **Forward Tee Program** – As seen by the scorecard, there are no forward tees, and recreational female players play a course far too long at 5400 yards. It is a simple fix to add 18 new forward tees, converting existing red tees to silver, which are perfect length for many senior men.
4. **Extend cart path system** to new forward tees to spread wear.
5. All infrastructure is aging, meaning a **total rebuild will be required**, with the question not being “if”, but when and how.

Other potential problems and possible (lower priority) proposals depend on the future vision for the course. It can remain the same, but has potential to be so much more, which would require some re-routing. Re-routing could also solve safety and other problems, as well as extend the currently short course to a back tee yardage of 6,600 yards. This length appeals to approximately 17% of players and might expand your play base.

Manitou Ridge has some safety and circulation problems that can only be addressed by **re-routing**, including:

- 11 Green in dogleg of hole no. 1
- 3, 6 12 Tees Unsafe due to proximity to other holes.
- 18th hole plays into setting sun.
- Walk backs from green to next tee on holes 2-3, 5-6, 11-12 and 12-13, with safety and slow play problems.
- Long walk from holes 13 to 14, and from 7 to 8.
- Elevated Tee, short driving Range brings highway and parking lot into play (safety)

Re-route to maximize site (see plan)

- Flip 9's to avoid #18 playing into sun.
- Add length to back tees (from 6,400 to 6,600+ yards, preferable for A and B players)
- Eliminates/reduces safety issues at 11 green, 12 tees,
- Proposed fairway cuts on holes (new numbers, see routing) 1, 3, 6, 10, 13-16 to eliminate blind shots (for safety, speed of play)
- Moving the driving range is optional, but moving range downhill, moving entry road. Has these benefits:
  - Some golfers complain about elevated practice tee
  - Lowered tee reduces required net height.
  - With re-route of existing entry road, extends range to 300 yards.
  - Lower tee might reduce sun orientation problems.
  - If range moves, first par 3 hole moved back to 7th, for speed of play.

## Features

Manitou Ridge has some wants, if not needs, improvements including:

- **Greens** – Complete redesign, to enlarge and enhance quality, USGA specs.
- **Tees** – Complete redesign, including new forward tees for “tee equity”, to enlarge. Cap with 7-2-1 Mix
- **Fairway** – None, except for re-routing, potential upgrade to bent grass.
- **Rough** – Add first cut rough, Add Native areas where possible to reduce mowing.
- **Sand Bunkers** – This depends somewhat on future course role. If it stays the same, we recommend bunker reductions (see sand bunkers). If it is re-routed, it will become more upscale, and we expect similar or more sand bunker size, with redesign, some relocation. In either case, we recommend adding Better Billy Bunker or Equal liner, Dura Bunker or Perma Edge to crisp up designed edges, more drainage and new sand:
  - Preferred Option - Convert to White sand to connote upscale course.
  - Lower cost with buff sand

- If the **Practice Range** remains the same, it is still possible to slightly enlarge the tee and add target greens to improve the look. Adding nets to either scheme increases safety.
- Golfers complain about the **landscaping** as too little and not well maintained. We recommend eliminating most of it, or staffing up to maintain it, to improve image as upscale course.

### Infrastructure Analysis

- **Drainage** – Is good, with a few wet spots in valleys that should be corrected on holes like 2, 3, 5, 9, 18, etc. All could be addressed with pipe, even with no re-routing for under \$100,000.
- **Cart Paths** – Recommended option is to keep partial paths, but extend partial system forward from tees, back from greens. An option is to extend to full loop, with curbs at tees and greens
- **Irrigation** – As per EC recommendations, Entire new system.
- Implement **Reduced Turf Area** Plans at Tees to reduce future irrigation

Because of its upgrade potential, and potentially highest cost, **we consider Manitou Ridge to be your highest priority** renovation, to be pursued as quickly as politics and funding allow.



Tree trimming of lower branches will speed play, reduce ball searches.



Our re-routing proposal changes your entry road to make room for a longer, lower sitting range that should reduce golf balls out on the highway. Also, note landscaping effort. Such flower beds should either be improved greatly, if budget allows, or reduced drastically. Do less but do it well in high visibility areas, mainly around the clubhouse.

## **Goodrich Golf Course**

Ramsey County had begun the funding process for irrigation and sand bunkers at Goodrich Golf Course, prior to this study. New irrigation systems are often a major priority. Pursuing just those two options would constitute the minimum needs plan going forward.

However, we have identified other course needs, which were more extensive than originally envisioned, and many of these, including drainage, should be constructed before irrigation is installed.

Most golfers like Goodrich as it is, and it serves the beginning and average golfer market well. And, Ramsey County needs a course like this in its portfolio. The potential for increased rounds or significantly higher rates is nominal, even in an expanded renovation, we seek to minimize renovations to assist you in keeping Goodrich in a similar greens fee price range as it is now.

Based on infrastructure need and business plan, we consider Goodrich to be your second or third highest priority renovation. However, it should not be renovated at the same time as Manitou Ridge to provide outlet potential for play when Manitou Ridge closes for renovations.

Like Manitou Ridge, we lean towards a two year, nine holes per year rebuild, owing to heavy nine-hole league play, because it allows those rounds to continue uninterrupted.

## The five biggest items to correct:

1. **Irrigation** – Complete new system needed within a few years.
2. **Sand Bunkers** – Reduce amount. For those remaining:
  - More **tile drainage**
  - **Bunker liners** (Better Billy Bunker or similar preferred)
  - Alternate Bid for use of Dura Bunker or Perma Edge for more defined edges, expecting to remove it for cost reasons.
  - Minimal reshape for more character.
3. **Forward Tee Program** – Even as a short course, for recreational female players, it is too long. It is a simple fix to add 18 new forward tees, converting existing red tees to silver, which are perfect length for many senior men.
4. **Drainage on fairways 1, 9, 15, 18**
5. **Extend cart path system to new forward tees to spread wear.**

## Routing

Very similar to Manitou Ridge in several ways, with some awkward routing changes over the years, and a few new greens. There are solid holes like 2, 3, 6, 11, 13, 15, 16, 17 (except those are back to back par 3) and some unsafe areas like 13 tees, the 10<sup>th</sup> hole, etc.

Routing Analysis – Goodrich has some safety and circulation problems that can only be addressed by re-routing, including:

- 2 Green too close to 1 Tee
- 13 Green too close to 14 Tee
- 10<sup>th</sup> hole too close to road on slice side (not moveable)
- Walk backs from green to next tee on holes 8-9 and 11-12. Long walk around from 17 to 18, long walk to first tee.
- Back to back par 3 holes on 16 and 17 (a result of previous partial re-routings)

### Our proposals include:

- **Re-number holes** as shown on plans to avoid back to back par 3 holes.
- **Shorten** Hole 1 green, for safety of 2 tee
- **Move 13 green** forward for safety of 14 tee. Possible to add length at tee.
- While holes 10, and the walk backs at holes 8-9 to and 11-12 are problems, they are difficult to solve without major re-routing.

## Features Analysis

- **Greens** – Greens are far too small. Improved design is nice but adds expense to a lower end course. We recommend keeping renovations minimal, by:
  - **Coring out greens only**, expanding to at least 6,000 S.F. each

- **Rebuilding to USGA specs.** Could save the 10, 12, 15 and 17 (built since 2000 with sand base) to reduce cost, but it is inconsistent.
- **Tees** – Complete redesign, including new forward tees for “tee equity” to enlarge. Cap with 7-2-1 Mix
- **Fairway** – None,
- **Rough** –*Add first cut*, lower mowing height, add native areas where possible to reduce mowing.
- **Sand Bunkers**
  - Reduce number and size of sand bunkers (see sand bunker section)
  - Add Sand Liners and drainage as described above
  - Sand – To save cost, use lower cost with buff sand

**Infrastructure**

- Drainage – – Raise 1 and 18 fairways, add drainage on 9 and 15 fairway near green.
- Cart Paths – Extend past new forward tees, and back from greens to enhance wear resistance, but do not convert to full loop paths.
- Tree Removals -- remove old and diseased trees.
- New Irrigation System.
- Irrigation lake could be expanded for more storage capacity.
- Reduce turf area at Tees to reduce future irrigation.

**Agronomy**

- Mow rough lower, trim evergreen tree branches higher.
- Start frequent water monitoring test.
- New Equipment:
  - Riding Green Mover - \$40,000
  - Rough Mower -\$35,000, to mow more often
- Start equipment replacement plan.
- Begin Slow Transition to more infrequent watering.



Above - The 1<sup>st</sup> and 18th are fairways that needs to be raised for drainage, probably using the spoil pile nearby.

Below – the 9th green shows what happens when cart paths aren't available where they are needed. Extending them, without a full loop, will help.



Above -The unintended fairway collection area on the 14th hole. The catch basin is undersized for the drainage area, and typical of the drainage system



Senior men object to playing the same tees as women. While the current forward tees are a decent length for senior men at 5316 yards, they are too long for beginners and recreational women golfers, who need a new set of tees at least 900 yards shorter, or about 50 yards per hole.



Both tees and greens at Goodrich are too small, and too old, to be expected to hold up much longer. Rebuilding of both is recommended. An example of a cart path that needs extension to reduce wear.

Above right – the first and 13th greens are too close to adjacent tees for safety and should be moved.

## Ponds of Battle Creek Golf Course

With relatively new construction and a design well-liked by many (but scorned by some as too difficult) this course is a lower priority for any reconstruction. It still fits between the work scopes of “Initial Years

### The five biggest items to correct:

Consider

1. Re-routing to lengthen to 18 holes,
2. Reconfigure 9 holes to enlarge range.

If course is to remain nominally as is:

- 1) Repair or Replace Bridges
- 2) Design Improvements to make course easier
  - a) Widen Fairway on hole 5
  - b) Elevate no. 9 Tee
- 3) Add Parking & Improve ambiance of Practice Range
- 4) Seal Irrigation Lake
- 5) Irrigation – As per EC recommendations of sprinkler optimization.

Renovation,” and “Ongoing Renovations” phases. However, at age 15, it has middle age and you should start long term planning for its upgrades.

## **Routing**

A unique factor at the Ponds of Battle Creek is that generally, 9-hole courses are easier courses targeted to beginners, but this course is quite difficult, and challenging in the ways average to poor golfers struggle with the most– forced carries.

We looked at three alternate routing options:

1. **Leave basically as is.** Possible routing changes include:
  - a. **Adding length** to the second hole to gain a stroke of par, length
  - b. **Extend 3 tee back** behind the cottonwoods to allow two full shots before crossing pond on this par 5.
2. **Expand to 18 holes,** using land near prison across Lower Afton Road, which appears to be adequate for nine holes. (Approx. 90 useable acres) at correctional facility and in regional park to expand to 18 holes if desired. Open, gently rolling. Connection to existing course requires design study.
3. **Convert to a shorter executive/par 3 course** and double size of range. This:
  - a. Reduces the impact of forced water carries, narrow fairways etc.
  - b. Nearly double the size of the profitable range tee
  - c. Room to add short game teaching facility, and
  - d. Room to expand parking, a much needed asset.

## **18-Hole Option**

On the 18-hole option, please consider:

**IF** willing to accept **non-returning nines**, with holes 3-11 north of the road, you can use your existing clubhouse. Given MnDot rules, it is likely that a bridge (hard to approve) or tunnel (more likely) connector between the two nines is required. With such a spread out course, it is possible an auxiliary maintenance storage equipment shed is desired.

**IF** you wish **returning nines**, which by many accounts adds over 3,000 rounds of play to the typical public course, that means the clubhouse must be located on new property north of Lower Afton Road, allowing nine holes on each side.

However, the course will be unbalanced, with the back nine shorter and of lesser par. This would make the existing small clubhouse and range basically “stand alone” off the street range, which would work well. However, returning nines also requires a New Clubhouse and Parking, and most likely a new Practice Range and Short Game area for convenience of golfers.

Adopting the 18-hole plan will be expensive, with 9 new holes, road tunnel at a minimum. For returning nines, add the cost of new clubhouse, parking, warm up range, short game area. The extra expense certainly diminishes return.

## **Executive Option**

On the 9-hole, shorter executive/par 3 option, slightly varying options are possible, including a 12 hole par 3, or a shorter than present executive course.

In both cases, changing the course will depend on the market study.

### 9-hole Option

If retaining the existing configuration of nine holes, Battle Creek has needs are like those at Keller:

### Routing Analysis

Decent routing, but it has a few problems, including:

- Too many forced carries for the average golfer it is meant to serve.
- A few circulation problems
  - Relationship between 5 and 9 greens is probably unsafe
  - Green No. 7 is tight to road and takes golf balls.
  - Walking golfers use the bridge on 5 as a short cut to 4 green, which provides safety problems.
  - No place for carts to go when they cross that same bridge to 5 fairway

### Features

There are a few features that could be improved:

- Forced carry on second shot of hole 3
- Narrow landing zone on 5
- Blind fairway from many tees on 9
- Cross slope on hole 7 kicks many shots into pond

We analyzed extending the second hole to a par 4 to add a stroke to par, but it will be difficult to keep lower Afton Road out of play without adding nets. We show it as an expensive option (with net cost).

### Infrastructure Analysis

It does have some needs, some previously identified, and including:

- Irrigation System – Add controls, optimize sprinkler spacing
- Sand Bunkers
  - Reduce 10%
  - Upgrade with Better Billy Bunker, drainage, buff sand.
- Cart Paths – Extend further to enhance wear resistance, but do not convert to full loop paths.
- Enlarge Practice Tee –
  - Rebuild Tee
  - Improve Targets
  - Rebuild Chipping Area

Because its needs are not substantial, we deem this to be third priority, perhaps started as late as 2023 or 2024. Without re-routing, changes could be accomplished in one autumn project.

## **Recommended Improvements**

- **Re-routing** – Select one of three options listed above.
- **Feature Design Changes** –
  - Widen landing zone on hole 5.
  - Raise tee on 9 by moving left
- **Practice Range** – (as is)
  - **Re do AstroTurf** at back of tee
  - **Extend turf tee** forward for more space
  - **Improve targets** with real greens, etc.
  - **Improve sand bunker** at west end of tee.
- **Greens** – No changes
- **Tees** – No changes
- **Fairway** - None
- **Rough** - None
- **Sand Bunkers**
  - **Reduce** 5-10% for cost reasons.
  - No redesign/Re-shaping
  - **Add Better Billy Bunker** or Equal liner, Dura Bunker or Perma Edge to crisp up designed edges
  - Add more **tile drainage**
  - Refill with buff colored sand.
- **Drainage** – Add drainage to fairway no. 1 and 7 as needed
- **Cart Paths** - Option 2 - Extend partial system to new forward tees, back from greens to spread wear
- **Irrigation** –
  - Upgrade control package as per EC recommendations
  - Line Irrigation Pond to stop leaking
- Implement **Reduced Turf Area Plans** at Tees to reduce future irrigation
- **Add some trees.**
- **Agronomy**
  - Start frequent water monitoring test
  - Purchase most needed equipment
    - Aerifier - \$30,000
    - Commercial Riding Mower (\$10,000)
  - Start equipment replacement plan
  - Begin Slow Transition to more infrequent watering



Hole no. 2 could be extended to a par 4 and would look like this. It requires moving the first green and perhaps the pump house. While it is far from Afton Road, some might argue nets are necessary for an added measure of safety, since the road is on the slice side.

Below – the 9<sup>th</sup> fairway is mostly blind from the tee, but the tee can be raised by placing in on a mound just left of this photograph. I hear the original designer wanted it that way but was overruled for some reason.... Note the mottled turf. Tees and fairways have bent grass invasion, as it seems to be better adapted. The superintendent is fine with this, as bent really doesn't cost as much extra to maintain as some think.



Below – the sand bunkers have crusty sand, due to sand choice and poor drainage. As with the other courses, liners and improved drainage will improve the bunkers. Unlike Keller and Manitou, we cannot justify the extra cost of white sand at a course like Battle Creek.



Below-All the bridges seem to have structural problems. While a bridge engineering study is outside the scope of this report, we have included a substantial budget for repair and at least partial replacement, since it is obvious some work will be necessary.





Above – the narrow landing zone of the fifth hole should be addressed. It would take significant retaining walls, and elimination of the bunker shown to widen the fairway. Also possible, eliminate, or move it west, the higher 4<sup>th</sup> tee, allowing fairway expansion to the holes' left. In the shorter executive scheme, we propose removing the back tees to allow tee shots to carry further up the existing fairway for an easier shot.

Below-In the shorter executive scheme, we propose converting the 3<sup>rd</sup> hole to a par 4 short of the pond and uphill par 3 over the pond. That makes the forced carry a shorter shot, with an iron, off a tee, rather than a fairway wood off an uneven lie, a much easier shot.



Below-The range is busy, but lacks details, such as the targets vs. real greens, the cramped nature of the chipping area. In the shorter executive scheme, the range is expanded, and the short game area moved to existing 5 green to create more room. The existing putting green is removed to gain up to 35 more cars of parking.



Below-Future Parking?



Below-Range tees can always be bigger to spread wear. Extending the tee back to the artificial turf tees would help somewhat.



It is also possible to double deck your range, if the market warrants it, as this public course range demonstrates. Here, you sacrifice turf tees (and their maintenance costs) to give the golfers shade, maybe heat (shown above each stall) and coolers, etc.



## Island Lake

Built in 1968 by a road contractor, this facility has two parts – the driving range (biggest revenue source) and a nine-hole learner's course.

Because of the road contractor, the grading is good, providing excellent drainage in most areas.

While profitable, there is little room to expand revenues on the golf course. Some call for the course to close, as being redundant in a down golf market. If it remains open, we see the basic plan is to “use it up and wear it out” putting off any renovation as long as possible, and minimizing changes made.

Issues include neighbors who complain about algae in the pond on 8, however, it is really a duckweed problem, caused by shallow water and warm temperatures. Excavating and de-mucking the lake would reduce the problem.

### The six biggest items to correct:

1. **Practice Range** could:
  - a. Be moved to extend length of range
  - b. Could stand total rebuild to “freshen up.”
  - c. Re do astroturf at back of tee
  - d. Extend turf tee forward for more space
  - e. If hole 9 is shortened to a par 3, range tee could be extended east to increase capacity. In any rebuild, needs to remain with inward curve to direct shots to middle.
  - f. Improve targets with real greens, etc.
  - g. Improve sand bunker at west end of tee.
  - h. Remove mini golf as an eyesore
2. **Maintenance Building** – It appears substandard in many ways.
3. **Irrigation** –
  - a. As per EC recommendations, we need a whole new system, including pumps.
  - b. Dredge Irrigation lake to increase storage capacity, limit algae.
4. **Duckweed in pond** on hole 8 – Dredge to increase depth, remove silt layer.
5. **The irrigation lake**, with cold water entering, does have an algae problem.
6. Improve **shade issues** on tees 3 – 6

## Routing

A few problems exist, and the routing does not have the feel of one done by a professional golf course architect. It serves its purpose. There is also the opportunity to add slightly to length on holes 8 and 9, if desired. As per above, it is also possible to convert 9 to a par 3 to extend the range tee east for more capacity.

## Features and Infrastructure

- **Greens** – These are slightly small, but probably adequate for play levels. The 5<sup>th</sup> green has been rebuilt, the others are original.
- **Tees** – These are slightly small, (averaging 2333 S.F.) especially for a par 3 course. Rebuild as they require. Use 7-2-1 Mix.
- **Rough** - None
- **Cart Paths** – These (somewhat ironically) are full loop paths. They have obviously been built at various times and sometimes, out of different materials. Some need repairs. The course can continue to patch them in, or at some point, all new paths could be installed, and/or be resurfaced for consistency.
- **Drainage** – No major problems. Continue to add small drains in house as need arises
- **Trees**- Tree removal on the east sides of many tees and greens will assist in turf growth.
- **Agronomy**
  - Start frequent water monitoring test
  - Purchase most needed equipment. Most seems in disrepair.
  - Begin Slow Transition to more infrequent watering

## Implementation Plan

While many renovation projects occur after sudden turf loss/disasters, (occurring at +/- 1% of US courses annually) caused almost exclusively by regional extreme temperatures, drought or flooding, Ramsey County, this isn’t the case, as two courses have already been rebuilt, and three others are, as a result of this study, under consider consideration for improvements.

While golf courses seem “natural,” they are as *constructed* as structures and require capital expenditure to maintain functionality and appearance, while combatting slow deterioration (sometimes masked by maturing landscapes and turf.) Deferred investment is often a classic case of “Pay me now or pay me (more) later.”

The ASGCA and USGA and provide guidelines as to the expected lifecycle of golf course infrastructure.

| ITEM                             | YEARS                       | ITEM                      | YEARS         |
|----------------------------------|-----------------------------|---------------------------|---------------|
| Greens (1)                       | 15 – 30 years               | Cart Paths – concrete     | 15 – 30 years |
| Bunker Sand                      | 5 – 7 years                 | Practice Range Tees       | 5 – 10 years  |
| Irrigation System                | 10 – 30 years               | Tees                      | 15 – 20 years |
| <i>Irrigation Control System</i> | <i>10 – 15 years</i>        | Corrugated Metal Pipes    | 15 – 30 years |
| <i>PVC Pipe (under pressure)</i> | <i>10 – 30 years</i>        | Bunker Drainage Pipes (3) | 5 – 10 years  |
| <i>Pump Station</i>              | <i>15 – 20 years</i>        | Mulch                     | 1 – 3 years   |
| Cart Paths – asphalt (2)         | 5 – 10 years<br>(or longer) | Grass (4)                 | Varies        |

**NOTES:** (1) Several factors can weigh into the decision to replace greens: accumulation of layers on the surface of the original construction, the desire to convert to new grasses and response to changes in the game from an architectural standpoint (like the interaction between green speed and hole locations). (2) Assumes on-going maintenance beginning 1 – 2 years after installation. (3) Typically replaced because the sand is being changed — while the machinery is there to change sand, it’s often a good time to replace the drainage pipes as well. (4) As new grasses enter the marketplace — for example, those that are more drought and disease tolerant — replanting may be appropriate, depending upon the site.

Many (if not most) courses extend the service life of their infrastructure beyond 30 years out of financial necessity. As infrastructure slowly wears out, course conditions decline, maintenance costs increase, repairs are more frequent, and typically revenues decrease as the course isn’t well conditioned. For all courses, new and improved infrastructure is eventually required.

Long term course owners are usually better off to build well and avoid the temptations of partial or substandard fixes.

Ramsey County has developed its own list based on local conditions, based on work of well-respected agronomist Terry Buchen, accounting for climate zones. I endorse his (and your) life cycle charts as accurate for your region.

Courses also typically find that the extra cost of new design features while the course is down can be beneficial. Studies show that good public course renovations typically pay off. Golfers respond to a better, higher value product offering, which should improve business in most golf markets, with:

- **Substantial image changing** renovations, sometimes including re-naming and rebranding usually provides the biggest boost in total revenues. However,
- **Smaller, targeted improvements**, that fix your biggest problems, like improving green surfaces, adding paths, improving bunkers, etc., also tend to bring golfers back. They yield smaller revenue increases, but since they cost less, they tend to produce a higher rate of return.

| COOL SEASON GOLF COURSE INFRASTRUCTURE LIFE EXPECTANCIES |                      |
|--|----------------------|
| Project  | Cool-season climates |
| <b>Rebuild greens/collars/surrounds</b>                  |                      |
| USGA/California/sand-based                               | 20 to 35+ years      |
| Push-up  | 25 to 50+ years      |
| <b>Regrass Greens/collars</b>                            |                      |
| USGA/California/sand-based                               | 12 to 25 years       |
| Push-up  | 12 to 25 years       |
| <b>Rebuild tees/surrounds</b>                            |                      |
| <b>Regrassing</b>  |                      |
| Tees   | 12 to 15 years       |
| Fairways   | 12 to 15 years       |
| Approaches   | 12 to 15 years       |
| Collection areas   | 12 to 15 years       |
| Maintained roughs  | 20 to 25 years       |
| Intermediate roughs                                      | 12 to 15 years       |
| Native roughs/natural areas                              | 15 to 25 years       |
| <b>Bunkers</b>   |                      |
| Rebuild bunkers/surrounds                                | 15 to 20 years       |
| Replace sand   | 8 to 12 years        |
| Replace drainage piping/liners                           | 8 to 12 years        |
| <b>Irrigation system</b>                                 |                      |
| Replace controllers/wiring/sprinkler heads/swing joints  | 10 to 12 years       |
| Replace piping/valves/fittings                           |                      |
| PVC  | 27 to 30 years       |
| HDPE   | 45 to 50+ years      |
| Replace pump station/fertigation                         | 12 to 15 years       |
| <b>Drainage (fairways/roughs)</b>                        |                      |
| Replace corrugated metal pipe                            | 25 to 30 years       |
| Replace corrugated single-wall pipe                      | 25 to 30 years       |
| Replace PVC/double-wall pipe                             | 25 to 35 years       |
| <b>Cart paths</b>  |                      |
| Replace asphalt  | 12 to 15 years       |
| Replace concrete   | 15 to 20 years       |
| <b>Lakes</b>   |                      |
| Dredging   | 15 to 20 years       |
| Replace lake liners                                      | 20 to 25 years       |
| Rebuild lake edges                                       | 15 to 25 years       |
| <b>Bridges</b>   |                      |
| Resurfacing  | 12 to 15 years       |
| Structural rebuilding                                    | 20 to 25 years       |
| <b>Replace bulkheading/retaining walls</b>               |                      |
| <b>Tunnels</b>   |                      |
| Replace Tunnels  | 25 to 30 years       |
| Replace sumps/pipes/grates/lights/mirrors/paths          | 15 to 20 years       |
| <b>Replace pine straw/wood mulch</b>                     |                      |
| <b>Driving range</b>                                     |                      |
| Re-level/regrass practice tee                            | 8 to 12 years        |
| Rebuild practice tee                                     | 12 to 15 years       |
| Regrass practice fairway/rough                           | 12 to 15 years       |
| Rebuild target greens/target bunkers                     | 12 to 15 years       |
| <b>Short game practice area</b>                          |                      |
| Regrass greens   | 12 to 15 years       |
| Rebuild greens   | 20 to 35+ years      |
| Regrass tees/fairways/roughs                             | 12 to 15 years       |
| Replace bunker sand                                      | 8 to 12 years        |
| Rebuild bunkers/surrounds                                | 15 to 20 years       |

The “Life Cycle” chart may sound like a course goes on its merry way and needs to start considering renovations after 15-25 years. Not so. Even new courses have some improvement needs, which just increase over time, as described below.

### Initial, In-House Renovations (Years 1-5)

Early work usually includes providing numerous “finish” items, whether overlooked or left out of original construction for cost reasons. These typically include additions of:

- Landscape and signage
- Full (or paved) paths and/or curbs
- Paved parking (or parking additions)
- Permanent restrooms and/or shelters
- Maintenance area, covered cart storage or clubhouse improvements
- Drainage, drainage, drainage (add every year, no kidding)
- On occasion, fixing Poorly Designed Holes for Safety, Speed of play, etc.

### Ongoing Renovation/Improvements (Years 5-15)

After initial additions/renovations, minor, ongoing repair needs pop up, including replacing bunker sand, sodding dead turf areas, correcting minor drainage problems, etc. as they occur.

Most consultants and course management experts recommend an ongoing capital improvement budget of 6-10% of revenues to keep up. In addition, given eventual renovation is a must, the sooner an Owner begins setting aside money for a “Capital Asset Replacement Fund” the easier it will be to fund future renovations. If such a fund wasn’t started in the course’s early years, it is critical to begin one now.

### Major Renovations (Years 15-30)

As a course ages, it is time to consider bigger renovations. Facilities built during the “boom” years of the 1980-1990’s are now 20-30+ years old, with infrastructure approaching the end of its expected life cycle. Courses built in previous boom periods (1950’s and 1970’s) are in their second or third infrastructure cycle!

Renovations should respond to their individual needs, and simultaneously consider the current golf marketplace, including consideration of:

- **Replace and/or Upgrade Infrastructure** – At some point, “patching” becomes ineffective and total replacement is required. With rising maintenance expectations, quite often, replacing irrigation, mowers, etc. means not only replacement, but upgrade to new levels to compete.

Subsurface or infrastructure improvements make maintenance easier and better, but since conditioning *is usually the number one customer satisfaction driver in golf*, can indirectly improve revenues as well.

- **Replace and/or Upgrade Design to remain competitive**, - Since the 2007 recession, the hotel, fast food, restaurant and many other moderately priced chains businesses, are upgrading designs at historic rates to attract and retain ever more picky customers. In the case of hotels, Fairfield Inn/Hamptons now equal – and sometimes better – than their higher priced Courtyard/Garden Inn relatives. McDonald’s now resemble coffee houses, Chevys have similar amenities to Cadillac, etc.)

Locally, several competitors have or will be rebuilding “*a better mousetrap*” and many already have! Continued capital investment to update your look is nearly a must in golf, too.

If you close part or all the course to renovate infrastructure, it can also be time to improve design aspects of your course. This grows revenue as golfers respond to better golf experiences and improved playability and aesthetics.

In addition to “*Keeping up with the Jones*” many courses change roles over time, such as struggling private clubs converting to public courses being typical. Other transformations may occur when courses find the opportunity to move up a niche in the market by making dramatic, image changing renovations, and thus allowing significant revenue additions via round and price increases, etc.

## **Basic Implementation Methods**

After determining the answer to “what and how much”, “when and how” becomes the next question. There are three basic approaches to a major renovation of any course:

- 1) **Single Phase/Complete Renovation**
- 2) **Two Year Renovation** –
  - a) Complete 9 holes each in two consecutive years
  - b) Complete 9 holes each in three consecutive years for a 27-hole course)
- 3) **Phased Renovation** –
  - a) Mid Term - 6 holes over 3 years, or tackle major areas over 3 to 5 years
  - b) Long Term Phased Renovation – 1-2 holes (or equivalent) over 9-18 years)

For most of the post WWII era, clubs were fiscally conservative and long term renovations were common. In good economic times, i.e., prior to 2006-9, an increasing number of courses undertook complete renovations. This was driven by:

- Borrowing at low interest rates made loans more practical (still a positive factor)
- Baby Boomers less patient than previous generation (i.e., Instant gratification)
- Era of architectural Awards, Signature Holes, Photos drive “where to play” decisions
- Increased maintenance levels demanded, requiring better infrastructure

Since 2006, phased renovations are becoming more common again, but the basic math hasn’t changed, and there are advantages and disadvantages to each method.

### **Single Phase/Complete Renovation**

Complete renovation entails closing the entire golf course for:

1. 5-8 months of construction,
2. Another 3-12 months for maturation. (3-4 actual growing months, which can take from 3-12 actual months, if winter intervenes.)
3. Completing grassing within prime grassing dates (May/June in the south, July 15-August 15 in northern climates) minimizes down time/revenue loss.

We recommend complete renovation when there is:

- Immediate need due to flooding, freezing or other damage
- Desire to see results quickly
- Unique financing opportunity
- Ability to find other play venues

The **major advantages** to undertaking larger construction projects in one period include:

- **Lower construction costs** from economy of scale.

- The ability to “do it right” without concern for minimizing disruption/golfer inconvenience.
- **Construction Consistency** You get a consistent look/quality by using one contractor/personnel.
- **Material Consistency** – Green and Bunker sands can vary over a few years, even from the same supplier/pit.
- **Maintenance Consistency** - Total rebuilding gives the superintendent the most consistent conditions. Three-year-old greens react quite differently (in both maintenance and play) than new greens, for example)
- **More Impact** upon Re-opening, as a “brand new” course worthy of playing.
- **Long term master plan not required**, as construction typically follows preliminary design immediately, saving fees.
- Multiple Course Owners (like Ramsey Co.) can spread play among other facilities

**Disadvantages** include:

- Financing a large project, usually requiring a loan or bond issue
- Disruption/Cessation of dining room/pro shop cash flow
- Possible loss of members or “regular” users to other courses. Many courses organize alternate golf venues and events, and it becomes a special time to play courses many would otherwise not play!
- Construction Delays can be costly. A week/month early in the project can translate to a month/year until opening.
- Lost revenue can be the biggest line item cost in renovations with construction delays but is not always figured in the total cost.

### **Phased Renovation (Short and Longer Term)**

Long term renovations are preferred by some for the following **advantages**:

- Often, can be cash projects, if kept small.
- More time to raise funds via donations, assessments, partial loans
- Properly planned and timed, cash flow disruption is minimal.
- At most courses, the inconvenience of playing one or two temporary greens will not affect play. (although 2 holes out of play impacts revenues)
- Initial and “Teenage Years” need) are taken care of this way, often in fall to minimize play disruption.

**Disadvantages** include:

- **Continued Funding “Asks”**
- **Golf course is inconsistent** in style, maintenance and play for years.
- **Multiple years of disruption/golfer inconvenience** (even if limited, still tiresome). Possibility of:
  - *Resentment towards annual play disruption*
  - *Future Direction Change (new committee or personnel)*
  - *Momentum Loss/Project Abandonment.*
- **Higher construction costs.** Currently, rebuilding 18 greens complexes at once averages about \$115,000-\$165,000, if part of a full project. However, rebuilding just one or two greens raises that by 30-90% because
  - *Contractor supervision, move in, etc., not spread out over bigger project.*
  - *No economy of scale*
  - *Your in-house crew can't aid the Contractor, because it still must maintain course.*

- **Construction Inconsistency** - You can get different looks/quality using different personnel over multiple years.
- **Material Inconsistency** – Green and Bunker sands can vary over a few years, even from the same supplier/pit.
- **Maintenance Inconsistency** – Especially troubling when a major goal is increasing consistency. As noted above, 3-year-old greens play differently than new greens.
- **Less marketing impact /membership sales from slow changes.**
- **Long term master plan is required** but may be credited against future fees by some architects.
- Construction Delays cost lost revenues.

**2-3 year phasing programs** accept some of the advantages and disadvantages of both:

- Makes results visible and appreciated relatively quickly, but with less marketing impact than a total renovation.
- Multiple Course Owners can spread play among other facilities
- Nine (or 18 on 27 hole facilities) holes open for play while remodeling nine.
- Overall disruption period shortened. “Only” closes course for two years, (with northern climates grow in time, probably three years total) reducing revenue loss and golfer inconvenience, but possibly doubling the chances of losing some golfers permanently - over total renovation.
- Pro shop/restaurants maintain some cash flow, but often less than anticipated.
- Construction Material Inconsistency can be reduced by ordering all up front.
- Construction Contract let to same company for both phases, stipulating keeping key personnel, minimizes construction quality differences. Otherwise, two phase construction may yield style, material and quality differences.
- Construction cost is 10-30% higher over one, total renovation.
- Construction Delays cost lost revenues.

## **Implementation Recommendations for Ramsey County**

RC Golf courses generally follow two categories – recently built (Keller and Ponds) and older courses (*Manitou Ridge, Goodrich, Island Lake*) that will require a total (or near total) rebuild at some point due to age and condition of their infrastructure.

With both substantial play and required changes at the latter three courses, including a large percent of league and other nine-hole play, **we recommend two-year phased renovations** as the best fit for Ramsey County at Goodrich and Manitou Ridge.

Island Lake renovations, centered on the range, could leave the course open, and be accomplished in one year.

The various options for Battle Creek include building a new nine holes, which could be done first to keep the existing course in play until the new nine opens, then closing, to maintain at least existing nine-hole capacity until project completion.

If minimum changes are selected, it would entail a fall project, and more major changes to increase the range while reducing the course length would probably close the course for a year.

At Keller, the scope of renovations is smaller, and more in line with initial or ongoing renovations. The relatively minor construction proposals at Keller can be done in fall, after prime season. One or more could be done any year funding is available.

## Cost Estimates

You asked us to anticipate a lengthy funding cycle, so we:

- Estimated work scope and cost based on current 2018 unit prices for similar projects.
- Adjusted for the labor rates and typical materials in MSP area. (about 15% higher)
- Added inflation factor of 3% annually, corresponding with proposed start date.
- Our estimates also include:
  - Grow in (often overlooked in architect's estimates at 3%),
  - Bonds and testing (because many of the current unit prices we used for estimates were on private jobs not requiring bonds at 2%),
  - Soft costs, including design at 8%),
  - Contingency, at 12%

We presume you could fund Keller and Ponds simultaneously with a full project. A look at the average projected costs of typical work items at each course, including.

- Improving Green Surfaces
- Rebuilding Green Surrounds
- Rebuilding Tees (front, middle, back)
- Sand Bunkers
- Redevelop fairways
- Re-route, redevelop fairways
- Irrigation (from EC Reports)

Each course summary adds unique elements to that course, like lake dredge, retaining walls entry roads and parking, dredging and/or lining lakes, landscape, etc. After developing those, we provide a summary of the total cost to implement proposed changes. We propose "highest and best" construction methods. However, we also suggest some alternates to reduce cost. Most are based on specific reduction proposals, others assume we can cut about 10% through intense value engineering and work scope reductions.

First, we provide the backup cost estimates per major items. After that, we use those as basic building blocks to establish cost estimates for each course.

Of course, we must offer the standard consultants disclaimer that we have no control over future bids or market conditions, or the eventual scope selections or combinations thereof made by the Owner, or designs by any consultant in the future.

As such, while we used reasonable professional care in preparing these estimates, we cannot or do not warrant that these estimates will match any future construction bids.

Details for the cost estimates can be found in Appendix H.

**Greens**

Green construction has two main components: The Green Surface and the Surround.

The estimate for redoing the green surface (current pricing) is between \$45,666 and \$68,416.

| <b>Green Surround</b>         |                 |
|-------------------------------|-----------------|
| General Project Conditions    | \$1,000         |
| Site Preparation and Clearing | \$3,700         |
| Grading                       | \$10,000        |
| Drainage                      | \$4,430         |
| Erosion Control               | \$1,800         |
| Feature Construction          | \$19,000        |
| Grassing                      | \$14,185        |
| Hardscape & Landscape         | \$7,100         |
| <b>Subtotal</b>               | <b>\$61,215</b> |
| Soft Costs                    | \$15,304        |
| <b>Total Cost</b>             | <b>\$76,519</b> |
| Possible Deductions           | (\$6,930)       |
| <b>Total with Deductions</b>  | <b>\$69,588</b> |

The cost for the Green Surround should range from \$69,588 to \$76,519.

This puts the cost to completely rebuild a green at between \$115,000 and \$145,000 depending on whether you go with California greens or USGA.

| <b>Green Surface</b>          |                 |
|-------------------------------|-----------------|
| General Project Conditions    | \$1,500         |
| Site Preparation and Clearing | \$2,140         |
| Mass Grading                  | \$2,700         |
| Drainage                      | \$6,330         |
| Erosion Control               | \$1,900         |
| Feature Construction          | \$28,518        |
| Grassing                      | \$3,795         |
| Irrigation                    | \$7,850         |
| <b>Subtotal</b>               | <b>\$54,733</b> |
| Soft Costs                    | \$13,683        |
| <b>Total Cost</b>             | <b>\$68,416</b> |
| Possible Deductions           | (\$22,750)      |
| <b>Total with Deductions</b>  | <b>\$45,666</b> |

**Tees**

The construction price for a tee complex with five sets of tees ranges from \$52,875 to \$59,750. Breaking down the costs, the forward tee costs about \$11,000; the back tee \$12,000 and middle tees \$35,000.

| <b>Tee Complex</b>            |                 |
|-------------------------------|-----------------|
| General Project Conditions    | \$1,500         |
| Site Preparation and Clearing | \$2,500         |
| Grading                       | \$5,000         |
| Drainage                      | \$500           |
| Erosion Control               | \$1,000         |
| Feature Construction          | \$6,575         |
| Grassing                      | \$5,850         |
| Hardscape & Landscape         | \$15,350        |
| Irrigation                    | \$9,525         |
| <b>Subtotal</b>               | <b>\$47,800</b> |
| Soft Costs                    | \$11,950        |
| <b>Total Cost</b>             | <b>\$59,750</b> |
| Possible Deductions           | (\$6,875)       |
| <b>Total with Deductions</b>  | <b>\$52,875</b> |

**Fairways**

There are two costs for fairway reconstruction. The first is if the fairways are being rerouted, which likely will involve some clearing. The second is if the fairways are rebuilt in place.

| <b>Fairways - In Place</b>    |                  |
|-------------------------------|------------------|
| General Project Conditions    | \$1,000          |
| Site Preparation and Clearing | \$7,000          |
| Grading                       | \$5,500          |
| Drainage                      | \$4,635          |
| Erosion Control               | \$6,000          |
| Feature Construction          | \$3,535          |
| Grassing                      | \$30,220         |
| Hardscape & Landscape         | \$11,200         |
| Irrigation                    | \$39,300         |
| <b>Subtotal</b>               | <b>\$108,390</b> |
| Soft Costs                    | \$27,098         |
| <b>Total Cost</b>             | <b>\$135,488</b> |
| Possible Deductions           | (\$30,090)       |
| <b>Total with Deductions</b>  | <b>\$105,398</b> |

| <b>Fairways - Reroute</b>     |                  |
|-------------------------------|------------------|
| General Project Conditions    | \$2,500          |
| Site Preparation and Clearing | \$10,000         |
| Grading                       | \$10,000         |
| Drainage                      | \$7,385          |
| Erosion Control               | \$5,500          |
| Feature Construction          | \$4,360          |
| Grassing                      | \$39,720         |
| Hardscape & Landscape         | \$11,200         |
| Irrigation                    | \$39,300         |
| <b>Subtotal</b>               | <b>\$129,965</b> |
| Soft Costs                    | \$32,491         |
| <b>Total Cost</b>             | <b>\$162,456</b> |
| Possible Deductions           | (\$12,050)       |
| <b>Total with Deductions</b>  | <b>\$150,406</b> |

If the fairways are being built in place, the cost should range between \$105,000 and \$135,500. If the hole is being rerouted, the costs should be between \$150,500 and \$162,500.

## **GOLF OPERATIONS**

Golf operation for each facility is contracted out, and in general, we feel everyone is doing a great job. The operators are all dedicated professionals, passionate about their work and their course(s).

Because most of the operations are in good shape, the focus of this section will be to note *areas in need of improvement*, rather than a wholesale review of operations policies and procedures that the County does not effectively control, except in a few areas. In the case of areas under operator control, in most situations it is not that the operator is doing anything wrong, but that there may be opportunities to improve performance by doing things *differently*.

### **Administration**

The golf operation is headed by Sara Ackmann, who offices in the Parks and Recreation Building, as does the maintenance operation for Goodrich. In addition to overseeing the golf operations, Sara manages the County's arenas. There is little overlap in seasons between the two operations.

As noted above, the operation is in good hands, and, in general, appears to run smoothly. Morale was good, which is important since poor morale is closely associated with poor performance.

However, we did see a few impediments to profitability at the County level. Some of these are easily correctible, but some are going to require significant effort, or even a complete revisioning of the operation.

The main issues we found:

- **Bureaucracy:** There is a lot of bureaucracy involved simply because this is a municipal operation in a large county. The dynamics involved to make major changes or major investment, therefore, require an extended period. This certainly can impede profitability as the business side often requires quick responses. Unfortunately, the only true solution to this is a complete privatization of the golf operation, which is already partially privatized. We will discuss this more in the Discussion section under Management Options.
- **Contracts:** There are six golf facilities within the division and six different operators with a total of seven contracts. This is an administrative nightmare. We will be discussing this in much greater detail in the Major Issues section.
- **Marketing:** There are few, if any, aspects in business that correlates more with success than marketing. Yet, the marketing effort for the golf operations is almost completely lacking. We will be discussing this in greater detail in the Major Issues section as well.
- **Signage:** The entrance signs to most of the facilities leave a lot to be desired.
- **Communications:** While communications appear excellent in most cases, there are a few notable exceptions.
- **Financial Accounting** – Throughout this process, we have had difficulty getting complete information about the facilities, especially on the financial side. This is largely because there are several divisions involved and no common accounting.
- **Programming** – There is a lack of county-wide programming. This is largely because the operations have so many different operators.
- **Pricing Policy** – The County sets the rates for the golf courses every two years. This puts the facilities in a major competitive disadvantage.

- **Point of Sale** – The Point of Sale for the four main golf operations, is being supplied by EZ Links. They do not charge a fee, but instead are paid by daily teetimes at each course that they resell at a discounted price.

Except for the first three issues, which are discussed in greater detail elsewhere, we will examine each point more thoroughly below.

## Signage

The biggest signage issue is at Keller. However, we understand that a new sign, with a digital billboard, has been approved. We certainly applaud this effort. However, the signs at the other courses also need to be addressed.



Perhaps the one that needs it the most is Manitou. Here the issue is not just the current entrance sign, shown in the picture, but the opportunity to do some significant advertising because of Manitou’s location.

*We suggest taking advantage of Manitou’s location on I-694 to install a digital billboard* that is clearly visible from the interstate. This billboard could be used not only to promote Manitou, but all RC Golf facilities.



## Communications

The main issue with communications deals not with the golf courses, but with the two properties under capital leases – the Golf Dome and Island Lake. In both cases, the operator complained about the lack of communications between the County and themselves. Neither felt they were a part of a cohesive golf operation. But at least in the case of the Golf Dome, we did not get the feeling they really wanted to be. However, I believe both the County and the Golf Dome could greatly benefit through greater participation and cooperation.

Currently, the Golf Department holds monthly meetings. However, neither Island Lake nor the Golf Dome are included. *We strongly recommend both Island Lake and the Golf Dome be invited and encouraged to attend these meetings.*

## Financial Accounting

Our biggest concern is that there is no true accounting that looks at *all* aspects of the golf operation combined so that the County can better evaluate their profitability. The main reason is that there are multiple departments involved in the courses’ operation. The two primary ones are Parks and Recreation and Fleet Services, but HR and Marketing are involved as well.

*We strongly recommend that a consolidated financial report be created*, at least annually, that combines all costs for RC Golf so that senior County management, and the public, can understand the full impact of the golf courses. Doing this will promote better decision making.

## Programming

There appears to be very little or no County programming at any of the golf facilities. While this probably has no impact on current profitability, there is an opportunity for the County to bring golf to more people. This could impact future profits. We will talk about this more in Major Issues under target markets.

## Point of Sale

The POS system, both software and hardware, is provided by EZ Links. They also manage the online teetime reservation system. In lieu of a fee for these products and services, EZ Links takes teetimes that are then resold to the public – at a significant discount.

On first inspection, this might seem like a good deal for the County. After all, there is no capital outlay or operating expense. But that ignores the *opportunity cost* of those teetimes.

EZ Links takes one teetime a day from Keller, and two each from the others as its compensation for the POS. It then resells these teetimes and keeps the revenue.

Keller’s is at 11 am. The others are between 10 and 11 in the morning and around 1 in the afternoon.

While 11 am is not the highest demand time of the day, it certainly is not the lowest demand time.

Neither is 1. The operators have been tracking the number of teetimes that have been reserved by EZ Links as part of this program. In 2017, Keller had 400, Goodrich 813, Manitou 515 and Battle Creek 518.

| EZ Links Teetimes |              |                |                 |
|-------------------|--------------|----------------|-----------------|
|                   | Qty          | Avg Fee        | Extended        |
| Keller            | 400          | \$30.60        | \$12,240        |
| Goodrich          | 813          | \$24.14        | \$19,623        |
| Manitou           | 515          | \$18.35        | \$9,449         |
| Battle Creek      | 518          | \$16.45        | \$8,519         |
| <b>Subtotal</b>   | <b>2,246</b> | <b>\$23.21</b> | <b>\$49,831</b> |

If we assume that all these teetimes were kept by the club and sold at the *average* realized green fee, it equates to \$49,831 in lost revenue, assuming all these times were sold by the club instead. Since the average realized green fee used in this calculation is well below the stated rates for these times, they already represent a heavily discounted rate. It is likely that EZ Links realized at least this much from those times. It is equally likely that the clubs could have realized this much or more if they had kept the times but did their own discounting.

A good POS system will cost \$2,000 to \$3,000/year. Total hardware cost is around \$2,500/facility – and that’s a one-time purchase and should be good for four or five years. If we budget \$600/year for equipment and \$3,000 for software, we get \$14,400/year total cost for four facilities. This represents 28.9% of the projected revenue. In other words, the facilities would have to sell *less than one in three of the teetimes at the average realized rate* to realize a net gain. To put it differently, the difference between the projected revenue and projected cost is over \$35,000/year, representing the *opportunity cost of this system*.

Nor is opportunity cost the only concern. There are other factors that I feel make this a bad deal for the County.

- **Discounted Value:** EZ Links is reselling these teetimes at a significant discount. This has the effect of devaluing the prices set by the County. It can look bad if the posted green fee of \$40 is being sold for \$15 online.
- **Marketing Info:** Because EZ Links is managing the teetime reservation system, that means it is getting 100% of all the marketing information about the facility’s customers. Keep in mind EZ Links is a discount teetime seller for many facilities in the MSP area. Is it wise to let a competitor have marketing information about your customers? Worse, that they maintain it?
- **Inferior Product:** In our opinion, the EZ Links system is not the best software on the market. It is hard to use, has less power than many systems, and appears to have some additional issues that the operators are complaining about.

*We recommend that the County drop EZ Links and purchase a golf course specific POS system with an integrated teesheet management system.*

## Common Issues

There are several issues that all or most of the operators share. Again, this is not because the operators are inadequate in these areas (they are not), but because there is room for improvement. These include:

- **Teetime Maximization**
- **Pace of Play**
- **Weekend Teetimes**
- **Food and Beverage Operations**
- **Merchandise**

### Teetime Maximization

Currently, all the operators use the same teetime interval all day long. This is normal. But it is not necessarily optimal. Further, the four main facilities all use the same teetime interval (9 minutes), even though the courses vary greatly in both playing characteristics and golfer profiles. Ideally, to maximize revenue without impacting customer satisfaction, you want the teetime interval to be as short as possible without impacting pace of play. The two main variables in this are the difficulty of the course and the average quality of the player. The slowest conditions occur when you have high-handicap players that play slowly playing on a very challenging course. In general, the more difficult the course, the longer the interval needed to prevent play backing up (slow pace of play).

We see two potential areas for improvement.

1. **Alter Interval by Course:** Keller and Battle Creek are both significantly harder than Goodrich, yet they all have the same interval. We feel Goodrich could benefit from a shorter interval. This could increase the course's capacity by 40 or more golfers per day.
2. **Alter Interval by Time of Day:** Typically, golfers that play early in the morning are much faster players than average. In fact, one reason that they play so early is *because* they want to play faster. For this reason, it is often possible to shorten the interval for the first three hours of play without impacting the pace. Going from 9 minutes to 8 during this time would allow 10 more golfers per course to pay. Over a season, this can add up significantly.

Here, though, unlike the discussion above with regards to EZ Links, we are not just talking about lost green fees – but all potential revenue from that golfer. For example, Keller averages \$59.95/round (if you take out banquet sales). This means a potential of an extra \$600 *per day* in sales. Assuming just 150 playing days, this equates to an extra \$90,000 a year. Moreover, this is almost all *pure profit*!

Further, unlike the EZ Links free times, the freed up times in this case *are the highest demand times of the day*. This means that these teetimes are the most likely to be sold.

Of course, you may not be able to move the teetime interval up a minute for all three hours. It may be only the first two. One must closely monitor the pace of play after making the adjustment to determine the impact and just how far you can go in squeezing the interval before it has a significant impact on the pace of play. But it is worth trying and experimenting. *We recommend that each facility “squeeze” the teetime interval for the first two hours every day*, closely monitoring the impact on the pace of play. If that experiment is successful, you can try stretching it to three hours. If not, shorten to 1 ½ hours. The potential gain is well worth the effort! Similarly, monitor the pace at Goodrich with the shortened interval to see how it impacts play there.

## *Teeoff.com and Golf Now*

It is also difficult to understand why the County is not permitting Keller, Goodrich or Battle Creek to allow for booking teetimes on EZ Link's Teeoff.com website. Currently, only the free teetimes (for EZ Links) are shown on the website. This is another opportunity lost. The reason stated is that EZ Links charges a booking fee for these teetimes, but this fee is paid by the customer. (Most facilities, however, do discount their green fees on these websites so that the customer does not pay more to book online). **We recommend the courses participate with both EZ Links and Golf Now (EZ Links' rival).** Further, the green fees should be discounted on these sites so that the customers are not paying more. However, they should opt out of these website's practice of automatically using dynamic pricing to sell the teetimes. **The fees charged on these websites should be controlled by the operators, not the websites.**

## *Pace of Play*

No golfer likes to wait for the group ahead to clear before they can hit their shot. If this happens frequently, it can have a significant impact on the golfing experience. Therefore, pace of play is one of the two (along with price) most complained about aspects of almost every golf course.

On one hand, it is a good problem to have, because it means you are busy. If there are no other golfers on the course, then you can play as fast or slow as you want. Naturally, the pace slows down the more golfers there are on the course. Because pace around a golf course when the course is full is like a train, it moves at the speed of the slowest car. The more golfers you have, the more likely you are to have a slow group.

However, it is still an issue. For one thing, if the pace gets too slow, it will back up the course to the extent that you may lose some teetimes. But more importantly, if the course is consistently slow, golfers will not want to play it. Which may solve the problem, but not in the way that you want.

Fortunately, none of the courses seems to have a significant issue with pace of play, based on the survey results. But there were some concerns expressed, especially at Keller and Manitou.

There are factors that can influence pace of play.

Let's break down the time it takes to play golf. Below are the factors that go into the timing of a round of golf, even if no one else is on the course.

- **Number of strokes:** This seems obvious. But the more strokes you play, the longer it will take. Here the main considerations include:
  - **# Holes:** Obviously a nine-hole course is quicker than a comparable 18-hole course.
  - **Course Par:** "Par" refers to the target score for a course. The lower the Par, the fewer the shots that are supposedly needed.
  - Skill of the golfer
  - Difficulty of the course
  - Length of the course
  - Course conditions
- **Shot to Ball:** How long does it take the golfer to go from where they are hitting to where the ball ends up. This, in, turn can be affected by the following:
  - **Distance:** How far does the person have to travel to get to the ball? Obviously, in most cases the tee shot will be the longest shot on the hole. It's also the one most likely to deviate the farthest from the optimal path, because you are hitting it further.
  - **Walking/Riding:** Is the golfer walking, using a caddy, or riding a cart?

- **Cart Path Only:** If riding, is the golfer able to drive his/her cart to the ball, or must they park it on the path and then walk the remaining distance.
- **Number in Group:** Tradition dictates that golfers take turns to hit. Thus, the more golfers in the group, the longer it will take for everyone to hit.
- **Location of Ball:** If the ball is in the fairway, or clearly visible and close to the fairway, it is going to be quicker than if the golfer must look for the ball.
- **Shot Consideration:** Most golfers don't just walk up to the ball and hit it. They must consider what club to use, where to aim, etc. This involves knowledge of:
  - **Target:** Where do you aim? It's not always to the green. It may be to a landing area that puts you in the best place for a shot to the green.
  - **Obstacles:** What obstacles are there between you and the target? This could include bunkers, water hazards, or trees, etc.
  - **Distance:** You want to know not only how far to your target, but also how far to potential obstacles, especially if they are significant (such as a water hazard or out-of-bounds that would automatically cost you strokes).
- **Putting:** It will often take as long to play once you reach a green as it did to get there. Indeed, a Par 72 course consists of 36 shots to get to the green and 36 putts. Players typically take a lot more time to line up their putts than they do considering their shots. So, the more putts, the longer the rounds. Factors that influence include:
  - **Putter's skill**
  - **Speed of Green**
  - **Size of Green**
  - **Slope of Green**
  - **Pin location**
- **Green to Tee:** Once you are through with one hole, how long does it take to get to the next tee? In many cases, it may be a matter of just walking a few yards. In other cases, it may be a taxi fare away. Factors include:
  - **Distance green to tee**
  - **Mode of transportation** (walking vs. riding).
- **Other Factors:** Here are some other factors that can influence how long it takes to play:
  - **Stops:** Golfers may need to take bathroom breaks, or they may choose to stop for refreshments. If there are waits involved in either case, that will add to the length of the round. The biggest road block is often at the turn (after the ninth hole), when golfers frequently will stop in the clubhouse for refreshments. Here the main consideration is how fast they can get serviced, get their food and go.
  - **Type of Game:** What's at stake? If there are considerable stakes on the line, whether in the form of a competition, larger wagers, and huge egos on the line, it will cause golfers to slow down as they become much more careful in considering their shots. Some competitions, however, speed up play. Most notable is the scramble, where everyone plays off the best shot from the previous spot. This greatly reduces the amount of time as players are mostly playing from favorable spots and less time is spent looking for errant shots.
  - **Weather:** Weather can have a huge impact, from allowing carts on the course, to worsening playing condition and seeking shelter, etc.

The “natural” pace of play will obviously vary from course to course. For most 18-hole par 4s, the natural pace (how long it takes an average foursome to play the course), is usually given at about 4 hours and 15 minutes. But it can range for four to four and a half.

## Course Design

When looking at the above dissection, we realize that some of these factors are beyond the control of the club or the operator, such as weather and the skill of the golfer. But there are also a lot of factors that are controllable, starting with the very design of the course.

### Difficulty

As noted above, the more difficult the course, the more strokes it will likely take to play. It also affects the time between shots, as a golfer is more likely to have to think strategically on a more difficult course, thus taking more time to take the shot.

Golfers generally love a challenge. But they also want to be able to conquer that challenge. Often the most successful courses are those that *appear* challenging, but offer large landing zones, plays fair (no sloping fairways knocking balls out of play, etc.), has reasonable greens, with bunkers present but positioned strategically so that the average player will not constantly be hitting into them, etc.), so that the player has an excellent chance of scoring his/her “normal” score. Players do not like to be constantly “beat up,” so overly difficult courses struggle to have a large base of returning players.

### Features

The more features, such as bunkers, water hazards, etc., the more likely the player is to hit into one. And each of these will cause a slowdown in play. How these features are positioned is critical. If they are located off the fairway so that it takes an errant shot to hit them, they will not be as much of a factor as they will be if they are in the middle of the fairway. (Unless I’m playing, in which case the ones off the fairway are more likely to be hit).

### Fairway width

It is always going to be faster playing from the fairway than from the rough. For one, you rarely need to search to find your ball in the fairway. Second, the ball should be in a better position to hit, not having to deal with tall grass, roots or other obstacles more frequently found in the rough. Thus, the wider the fairway, the more likely a player is to hit it.

The width of a fairway is determined by two factors: 1) how the course was designed, and 2) how it is being maintained. Often, the superintendent can increase or decrease the width of the fairway simply by changing mowing patterns.

### Length

As is obvious, the longer the course, the more shots are often required to play. While the architect determines the constraints of a course’s length, there are two other factors involved. 1) Tee position: The architect designs the tee boxes, but the superintendent determines where the tees are positioned on that tee box, usually daily. Sometimes, they will even move a tee marker (such as white) onto a different teebox, such as one shared by the blue tee. 2) Player choice: Unless you are playing in a tournament, where the tee location is predetermined, one of the unique aspects of golf is that the player has some control over the course’s difficulty by choosing which tee to play. If they play from the back tee, they are often adding considerable length and increased difficulty. If they play from the forward tee, the course may become significantly easier. The psychology behind this choice one of the fascinating aspects about golf.

## Forward Tees

As noted previously, women hit the ball about 70% as far as men. The most preferred distance for men (about 60%), is around 6,200 yards, plus or minus 200 yards. The equivalent distance for women, then, is 4,340 yards, plus or minus about 150. Yet few courses in today's world have tees at this length. Indeed, the RC Golf courses average the equivalent of 7,376 yards for women from the forward tees. Obviously, this means that women are taking more strokes to play the same course – not because of lack of skill, but because they are playing a course 30% longer. And because the pace of the course moves like a train- at the speed of the slowest car (group), this will slow down the pace for the entire course.

We can have a similar problem with senior men. For them, the preferred distance is around 5,500 yards. But if the only tee around that yardage is the forward tee, the senior men will usually disdain from using it as they still consider that tee the "ladies' tee." So, they move back, and as a result, are playing a course that is too long for them, thus adding strokes and slowing the pace.

## Target Visibility

It will always slow down play if the golfer is not able to see the target, which is usually the green. It will slow down play even more if it is difficult or impossible to see the group playing ahead, as one would need to check to make sure they are not in danger of being hit.

## Out-of-Bounds

Courses that feature a lot of out-of-bounds areas, especially if these are located close to the fairways or on typical flight paths of the balls, will see a slow-down of play. First, if the players are playing by strict rules of golf, then the player must return to the tee (if they did not hit a provisional) and hit the ball again. But even if this rule is not followed, the out-of-bounds may make it much more difficult to find a ball. And if found, may make it more problematic to retrieve it, which, at \$3/ball, many players are prone to try.

## Green to Tee

How far is it from the green to the next tee? For most courses it is a short walk. But with some, it can be a lengthy journey. The longer the distance, the more time it will take. It also may impact the walkability of a course. If the distances are too long, it makes the course much more difficult to walk. We have seen many examples where the distance was such that golfers walking from one green to the next tee are being passed by one or more groups who played behind them but are riding in carts. Unfortunately, this is not an easy fix as it will require a major rerouting, if it is even possible to fix based on topography.

## Slope

How much slope is there in the fairways? Or even the adjoining rough? The more slope, the more challenge, and therefore the increased likelihood for a poor shot and longer round. Fairness also enters the equation. You do not want to have a fairway built on a side of a hill so that balls hit in the middle of the fairway are going to roll into the rough, or worse.

Construction budgets are often a factor in this, as it can be costly to move a lot of dirt in order to soften slopes.

## Trees

Trees add beauty to a course. But they also add challenge, by knocking down otherwise good shots, or impeding the path to the target, etc. They also can cause ricochets that make it that much harder to find a ball. And if the trees are not trimmed, especially on the lower branches (e.g. Manitou), then the trees can make it even more difficult to find the ball, and if found, to hit it.

## Sun

Most reputable golf course architects know to take the sun into consideration in their designs. You do not want, for example, the first hole to play to the east, where players will face the rising sun. Nor do you want the 18<sup>th</sup> hole going west, facing the setting sun. Playing into the sun will slow the pace of play as it makes it harder to see targets, track your shot, find your ball, etc.

Sometimes the course is originally designed, but then the operators “flips the nines” for whatever reason, making a course that did not have this problem into one that does.

## Greens

The size, shape, location and undulation of greens is another area where pace is affected. Older courses with original greens, will often have ones that have significantly more undulation than modern greens. One of the reasons for this is that the grasses used in those days was a lot “slower” than modern varieties. And if these greens are reseeded with modern grasses, without some leveling, they can become dangerously fast.

If a green is dome-shaped, this will cause more balls to hit it and bounce away, affecting playability and speed. Small greens will hamper speed because more players are hitting off the greens, which will be less accurate than putting.

If there is an obstruction in front of the green, such as water or a bunker, this will impact performance more than obstacles to the side.

## Need vs. Speed

Taking all these factors into consideration, we realize that we could build an incredibly fast playing course by having it basically resemble an oversized football field. Completely flat, with no trees, undulation, bunkers, water or other obstacles that could affect the ball. The grass is mowed at fairway height all around.

The problem is this. Such a course would prove to be very unpopular. Ahh ... the psychology of golf. Golfers *want* to be challenged. They also appreciate the *aesthetics* that come with bunkers, water features, trees and undulating fairways.

It is also true that the lay of the land will dictate some design choices. The presence of natural areas, such as rivers, streams, wetlands, hills, heavily wooded areas, etc., are going to impact course design and, ultimately, course difficulty. But also, its appeal.

There is a balance to be had. Maximize a course’s aesthetic beauty and present a perceived challenge yet be sure the course is playable for the average golfer with a reasonable pace of play. And often, it can simply be a matter of degree.

For example, in the 90s’ and early 2000’s, bunkers were “in.” The more, the larger, the better. But modern designers have realized that we can often reduce these bunkers in both size and number, without affecting the course’s appeal. Not only will this improve the pace of play, but it reduces the maintenance cost, and, because the course is more playable, it can increase the course’s appeal.

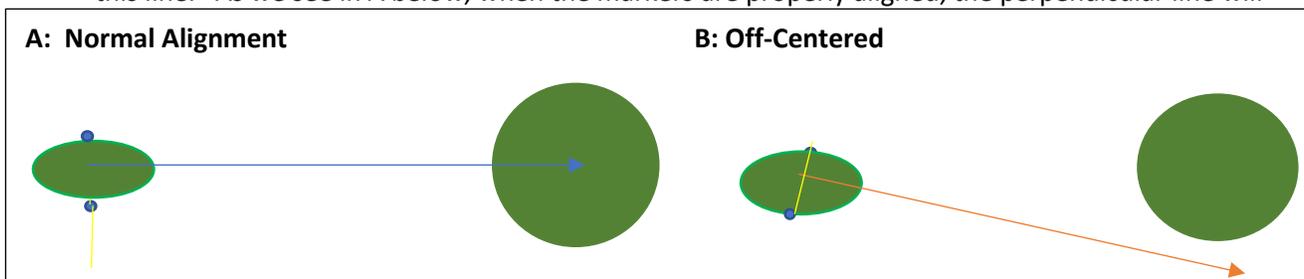
Similarly, while you may not want to have a wholesale reduction in trees, a *strategic* reduction may lead to significant improvements. A single tree (#17, Keller) can have a big impact on play. Or removing a row of trees on an otherwise very narrow hole, can significantly improve performance.

Rebuilding greens, to reduce excessive undulation and increase their size while possibly removing forward “hazards” can greatly improve both pace of play and the appeal of the course.

## Course Maintenance

How a course is maintained can have a huge impact on pace. Here are some of the common issues:

- Length of Rough:** The taller the grass, the harder it is to find the ball, the more time is spent looking. Further, the taller the grass, the harder it is to hit a good shot, possibly adding a stroke and more time to the round. *For non-premium public courses, the rough should never be long enough to hide the top third of a ball. Preferably at least half the ball should clearly be visible.* We see a strong correlation between price-point and length of rough. Lower-end or value courses, because they see a higher percentage of high-handicap players, should have the shortest roughs. You want enough to show a clear differentiation from the fairway, but not enough to make it difficult to find the ball or even adversely affect the shot.
- Fairway Conditions:** The worse the condition of the fairway, the increased likelihood of a poor shot. Further, it greatly diminishes the appeal of a course. Examples include fairways with lots of bare spots, drainage ruts, dead grass, etc., are going to be less popular and cause slower play.
- Fairway Cut:** While course design provides a guideline for the fairway width, ultimately the superintendent can control it. They can choose to widen the fairway, especially at critical points, to make the course more playable. They may also introduce a “second cut” between the fairway and the rough. The second cut has higher grass than the fairway, but much shorter than the rough. This not only effectively widens the hittable portion of the course, making it more playable, but it also adds to the aesthetic appeal. *We recommend adding a 2<sup>nd</sup> cut wherever feasible.* (Limitations in equipment may make it less practical as it often requires a dedicated tractor).
- Green Speed:** Green speed is affected by green undulation, type of grass and height of cut. The superintendent has total control over the last aspect. Green speed preference is highly correlated with the skill of the golfer. Better golfers prefer faster greens as it increases the challenge. Fast greens, though, will frustrate higher-handicap golfers, who may find themselves putting four or five times on one green. Obviously, that greatly slows down the play. Again, we see a direct relationship between price point and height of cut. Keller should have the fastest greens in the system and Goodrich, the slowest. You just must be careful not to be too fast or too slow.
- Green Condition:** Greens that have multiple grasses growing on them are going to have inconsistent speeds and breaks, causing more putts and resulting in increased delays. Greens with a lot of ball marks, or bare areas, will also adversely affect putting, thus increasing the amount of time spent on the green, etc.
- Leaves, Limbs, etc.:** The more debris on a course, the more likely it is for a golf ball to hide under it. A course full of leaves is going to play significantly slower than one without leaves. Therefore, it is so important in the fall to regularly blow the leaves, not just off the greens and fairways, but also in those areas of the rough that see the most play.
- Tee Markers:** As noted above, the superintendent’s control where on a teebox the tee markers are placed. Normally, this is balanced (some holes forward, others back). But if they are all back, it is going to slow down play. There is also another factor that is often overlooked. How are the teemarkers aligned? Golfers, often subconsciously, will use the teemarkers to align themselves. Mentally, they will draw a line between the two teemarkers, then set themselves perpendicular to this line. As we see in A below, when the markers are properly aligned, the perpendicular line will



aim you towards the target. But if the tees are off kilter, it can result in the golfer aiming to the left or right of the target, resulting in a poor shot and increased strokes.

- **Pin Placement:** Where the flag is placed on the green can have a dramatic effect on performance and pace. If the hole is located on a slope, for example, it can make it extremely difficult to hit, or even come close – adding strokes. If the pin is placed on a part of the green that is “protected” by a hazard, it is going to add strokes, etc.
- **Cart Usage:** The superintendent is normally the one who makes the call whether carts must be restricted to cart paths (not applicable at RC Golf courses where they lack tee to green paths), or not allowed out at all due to course conditions. Some superintendents are very conservative, which protects the fairways, but at the cost of dissatisfied golfers and a much slower pace. Obviously, how well a course drains is a major factor in this decision.

You will often find superintendents setting up the course easier on weekends, when it is busiest, in order to help improve the pace of play. They will do this by moving the tees up and having more favorable pin placements.

## Operations

Finally, we get to the area that most golfers understand. The impact that operating policies and procedures have on pace of play.

### Course Markings

There are two critical types of course markings: 1) direction and 2) distance.

#### ***Direction***

It may seem obvious, but golfers need to know where to go. Unfortunately, this is not always obvious. It is especially problematic on courses lacking cart paths. But even where there are cart paths, it can still be confusing when multiple paths come together. *Clear signage at EVERY intersection is needed to insure a faster pace and avoid golfer confusion.*

#### ***Yardage***

Golfers want to know how far they are from the target, so they can judge what club to use and how hard to swing. The more information a course can provide to help, the faster the course will likely play. Courses lacking information are going to find more golfers misjudging the distance, and thus taking more strokes to play (and enjoying it less).

In today’s techno-world, there are a lot of GPS golf apps for phones that will help by telling you how far you are from the green, but not necessarily the hole, which changes daily. The problem is that most golfers still do not have these apps, which are not always the easiest to use. Nor are they all equally accurate.

Most courses have a marker of some sort at 150 yards from the green. But these are not always easy to find.

The most powerful tool is a GPS screen on the golf cart. This has been shown to reduce pace of play by 15 minutes or more at most courses. But it is not a cheap fix.

*We recommend putting yardage on the sprinkler heads, in addition to markers in the middle of the fairway at 100, 150, 200 and 250 yards from the green.* The best markers are poles, which can be clearly seen from a distance and can help golfers quickly identify the middle of the fairway when it is not otherwise clear. It is also helpful to have yardage stripes on the cart path, which really helps if the course ever must go to cart-path only.

If the choice is to mark the sprinkler heads, anything that can be done to make them more visible will greatly reduce the amount of time in having the golfers search for them. Painting the surface white or painting a circle around them with a white stripe, works best.

### Teetime Interval

Dictated by the course manager, teetime intervals refer to the amount of time between groups of golfers setting off at the first tee. The shortest commonly found interval is to alternate 7 and 8 minutes between teetimes. This maximizes the number of teetimes available during the day. But it has the effect of greatly slowing the pace as golfers are affected by the group ahead starting with their very first shot. This can lead to a lot of frustration if the golfers are having to wait on the group ahead on every shot.

The longer the interval between groups, the more likely the group ahead will have the time to play their shots and clear the area before you reach your ball. A teetime interval of 10 minutes or more is found to have the most positive impact on play. However, there is a big trade off -- revenue potential.

Let's say you average \$30/round in revenue. If your teetime window is 10 hours, at a 7/8 minute interval, you have 80 possible teetimes, generating \$9,600. If your interval is 10 minutes, you only have 60 teetimes available, with a revenue potential of \$7,200. This is a \$2,400/day difference, or 33% more revenue potential for the shorter interval. That's a lot! At \$50/round, the difference is \$4,000/day.

So, we come to a Catch 22. If you shorten the interval, you maximize revenue potential. But golfers don't enjoy it as much, so they are less likely to return, which will make it less crowded, which will decrease your revenue.... Again, it is rarely a case of one being better than the other. Ideally, you want to have the shortest interval possible that does *not* greatly adversely impact the pace of play.

Unfortunately, what we see happening – and we believe this to be true with several of the RC Golf facilities – that the interval is being increased simply to improve the pace of play *in lieu of taking other proactive measures*, such as having rangers/marshals. Even if you are paying a ranger \$10/hour, that equates to \$100/day in pay versus a potential \$2,400 gain in revenue.

We do not necessarily advocate a 7/8 minute interval, but *we do believe the interval can be shortened if other pace of play improvements are made*, especially the addition of rangers (customer assistants).

On the other hand, while we noted previously that we can shorten the interval in the early part of the day to increase capacity, it may be wise to lengthen the interval during times when you know the course is going to really slow down. For example, at Keller, you may want to have 8 minute intervals for the first two hours on weekends (your busiest day), then go to 9 minutes for two hours, then maybe even 10 minutes when the course starts slowing down, before returning to the normal 9 minutes.

### Rangers/Marshals/Player Assistants

The most visible control measure to the golfer is the presence of a Player Assistant (ranger or marshal), whose primary job is to keep the pace of play going smoothly. The Player Assistant does this by moving in reverse direction around the course, starting at the 18<sup>th</sup> green and going green to tee in reverse order of the holes. This way, the Player Assistant can spot large gaps in play. By referring to the teesheet (which should always be provided), they can determine whether the gap was caused by the trailing group playing slowly, and if there are other groups waiting behind that one. If that group is slowing down play, then the Player Assistant can “encourage” them to pick up the pace.

Considerations include:

- **Player Assistants:** We strongly recommend that you no longer use the term “rangers” or “marshals” since that has a negative connotation with golfers. It would indicate that their *only* role is to “police” them. Instead, you want to promote that these staffers are there to improve the overall golf experience by providing outstanding customer service. They are often referred to as “Player

Assistants,” “Customer Service Rep,” course “Ambassadors” and other non-threatening titles. We will refer to them as Player Assistants, or PAs.

- **Psychology:** Often, the Player Assistant has limited ability to facilitate the pace. But they can still have a significant impact on a player’s mood and satisfaction. Because their presence, at the very least, tells the golfer that the pace *is important to the operator*, and, by extension, that the operator cares about the golfer’s feelings. During slow play, it is reassuring to the golfer to see the Player Assistant go by frequently, because they know the course is doing everything it can to facilitate the pace. (Keep in mind that the golfer usually can only see the group ahead of them. Golfers cannot tell if the entire course is full, or if it’s just the group ahead of them. Some golfers may even get angry enough to hit their balls deliberately into the slow-moving group ahead. Having a Player Assistant available to reassure the golfer that it is *not* that group can greatly reduce the tension.
- **Customer Service:** Appreciated or not, the Player Assistants *do* represent the operation for better or worse. This means it is highly important to hire the *right* people for the job. They need to be customer service oriented and friendly. They should be greeting each group as they drive by, not looking like a cop out to stop speeders. The best ones go out of their way to do nice things for the golfer, such as helping them find a lost ball, or even providing them with one if they are unable to find it.
- **Controlling Access:** The Player Assistant is not only responsible for enforcing the pace of play, but also for making sure that there is not unauthorized access to the course. It is quite commonplace to find golfers trying to sneak on to courses to play without paying. Not only does this result in a loss of revenue, but extra players impact the pace of play. The PA, then, just has check the updated teesheet. This way they can simply check how many walkers should be behind cart # X. If there are more than expected, then an inquiry should be made as to whether a group let another group play through. If not, then it would appear one of the groups are interlopers. At that point, the PA should ask for names to check against the teesheet, and/or receipts. While we are not aware of this being a significant issue at any of the courses, it is also likely that it may be occurring without the operator’s knowledge given the lack of PAs.
- **Training:** Unfortunately, too many operators do not provide significant training, nor are they especially careful in the selection process. This leads to poor customer service and bad job performance. There needs to be a regular staff member who is responsible for the hiring, training and supervision of the PAs. And they need to regularly check to assure that they are being effective and conveying a positive image for the facility.
- **Compensation:** It is our understanding that in the MSP area, PAs are paid staff. This can be beneficial as it provides a better guarantee that a person will show up for work. Yet it also adds considerably to the payroll. Around the county, it is more common to see these positions held by *volunteers* who work in exchange for golfing privileges. Typical is that a four hour shift would equal one round of golf. (Note: IRS rules strongly suggest that the PAs receive a 1099 at the end of the year showing the value of their compensation). We were not able to uncover any state or local regulation that would forbid this practice for Ramsey County. However, further investigation is warranted. If it is found there is no legal (or union) reason against the use of volunteers, then we feel this is an appropriate direction (except possibly at Keller, which demands higher standards).
- **Improving the Pace:** Okay, so how does the PA improve the pace of play? The first step is to identify the “offending group.” That is, the group that is slowing the pace down and that has a gap ahead of them. The second step is to see if it is just one group being held up, or the entire course. Sometimes the case is that a faster group simply catches up to a slower playing group. In this case, the PA asks the slower group to allow the faster to play through. The third step is to *observe* the group. There may have been a reason for the gap *other* than slow play (such as an extended search

for a lost ball, etc.). Try to determine if the group has playing habits that are creating slow play, or whether it might have been a bad hole, or if it's simply several bad golfers. This is important as it impacts how the PA should approach the group. For example, if the group appears to play at a regular pace, but just fell behind, then a simple friendly suggestion for them to try and catch up will likely do the trick, without risk of insulting them. If one observes that they are always waiting for the player furthest away to hit first (as the rules of golf dictate), you can suggest they play "ready golf" where the player plays when they are ready to, not necessarily in a particular order. Often, groups are not aware they are playing slowly. They may be taking an excessive amount of time with practice swings, or lining up putts, etc., which, with proper encouragement, can be shaped. If the golfers are just bad golfers, the PA can ask for them to try and pick up the pace, but if they are unable to do so, suggest picking up their balls and proceeding to the next hole. The worst situation is if they see the golfers are otherwise behaving badly (usually involving excessive drinking). In this case, help from the proshop may be required. At no time do you want your PA to get into an argument with a player. If a situation escalates, the pro staff needs to get involved.

- **Trash:** Player Assistants should be trained to pick up any trash they see on the course.
- **Course Maintenance:** Player Assistants should, at a minimum, be trained to fix divots, especially on tees. They can also be trained (and given the proper tools) to fix divots on the greens. These are services that can be done when the course is not busy.

## Starters

Starters are responsible for controlling access to the course. They make sure the groups tee off at their designated time. Normally, they also check receipts and write down the cart number(s) for each group.

Like PAs, this is a customer service position, and the person hired must be friendly and customer-service oriented. They also need proper training and supervision. And, as with PAs, this is often staffed by volunteers. Only Keller and Goodrich regularly use starters at the RC Golf facilities.

Starters also have a role to play in managing the Pace of Play. They should be asking whether the golfer had played the course before. If the answer is no, they can offer guidance as to what tee may be appropriate for their game.

Starters also should educate the players about pace of play guidelines, such as maintaining pace with the group ahead, playing "ready golf," etc. From a customer service standpoint, they should also inform the groups about the status of the beverage cart. Knowing a beverage cart is coming can save a trip to the clubhouse, and thus time.

## Phone

The rationale the operators are using for not providing rangers is that they will have two people in the proshop and that customers will call into the shop when there is a problem. There are some issues with this logic:

- **Reactive not Proactive:** It is normally considered preferable, especially with regards to customer service, to be *proactive* in preventing problems rather than be *reactive*; waiting for a problem to occur than try to resolve.
- **Customer Blame:** You are asking the customer to do what most customers would consider to be *your* job – which is policing the golf course. Not good customer service.
- **Anger Threshold:** If a customer makes the effort to look up the number than call the proshop, chances are you have already lost that customer.

- **Solitude:** A lot of golfers deliberately leave their phones at home, desiring to escape from the hub-bub. Are you going to require golfers carry their phones to ensure they have a good pace of play?
- **Willingness:** Not everyone wants to complain. In fact, only a small percentage of golfers would make the effort to call the proshop, even if they are upset at the pace. What happens then, is that they continue to simmer about the slow pace, vowing never to return.
- **Appearance:** It makes the course seem “cheap” and not interested in providing good customer service.
- **Convenience:** Not every golfer has your phone number memorized. It is going to require effort to find then call the proshop.
- **Awareness:** If you are going to require customers to police themselves, it might be helpful if you make them aware of this fact by posting signs “If there is a problem on the course, please call the proshop at...”
- **Reaction Time:** What if the proshop gets busy and for whatever reason, the call is not answered in a timely manner. Now that customer is going to be doubly angry. Also, it may take time for the proshop to dispatch someone to investigate.
- **Customer Service:** Depriving the proshop of one of its attendants may not be an issue when it’s slow... but then you are not as likely to have a pace of play problem during those periods. Slow pace usually occurs when the course is *busy*, which means the proshop is *busy*. If you take one of the attendants away, customer service at the counter is likely to suffer, further compounding the problem.

### Fivesomes

Fivesomes are allowed at all the RC Golf facilities except Keller. Obviously, it takes five golfers longer to play, on average, than four. So, adding fivesomes can contribute to a slower pace of play. Further, it adds to the aggravation of the golfers playing behind the fivesome. Instead of directing their anger at the group ahead (which most golfers do), they direct it at the golf course for allowing fivesomes, making it less likely they will return.

The rationale given is that the fivesomes are instructed to “keep pace with the group ahead.” This might work, if there was a way of enforcing it. But the same courses that are allowing fivesomes, are the ones that do not have rangers (player assistants) on the course to monitor them. This just adds to the negative impression. **We recommend against fivesomes, unless: 1) the course is mostly empty, and the fivesomes are told to let faster groups play through, or 2) there are rangers/player assistants on the course to monitor their pace.**

### Monitoring

One of the most important tools in improving pace of play, is to make sure you are *aware* of the pace of play. The pace of play should be regularly monitored by recording the start and finish times of groups – at least on a sample basis every day. Have the starter record all the start times (which they should be doing). Then have a staffer randomly document the times players come off the 18<sup>th</sup> green. Match these against their start times, thus providing a pace of play indicator. Of course, this is most important to determine during busy times, but an effort should be made to document it at other times as well.

### Recommendations

The following recommendations will help the pace of play at all the RC Golf facilities:

- **Rough:** Keep mowed and at a height where the ball is clearly visible. Goodrich should have the lowest rough, Keller the tallest.

- **Add a 2<sup>nd</sup> cut to the fairway/rough border.**
- **Yardage Markers:** Use poles to mark the yardage at 100, 150, 200 and 250 (on par 5s). Mark yardage on the sprinkler heads, then paint the top white or yellow to make them more noticeable.
- **Player Assistants:** All courses should have player assistants daily. On most days, they would be employed from two hours after first teetime until the point where filled teetimes are far apart. We recommend using volunteers, if permissible (except at Keller).
- **Monitor:** Have a regular program to monitor the pace daily, preferably hourly.
- **Teetime Interval:** With other Pace control measures in place, experiment with short teetime intervals. Compare the impact on pace to revenue gain to decide on permanent strategy.

## **Weekend Teetimes**

A practice that seems to be unique to the MSP area, is that the Men's Club (and Women's club, if present) have preferred and guaranteed teetimes on weekend mornings, the highest demand times in golf. We do see this practice at semi-private clubs, where there are memberships and members are given priority. But we have not seen it at municipal operations where it is not members of the club, but the members of the Men's or Women's club that are given the preference. These players may or may not have annual passes, or even Patron cards. They simply pay the nominal fee (which does not go to the course) to join these clubs then sign up to play on a given weekend.

While this is a fairly common practice with other area municipal courses, it is still problematic... especially at Keller, where these groups take up all the teetimes from 7 am until 10:15 on Saturdays and until 10am on Sundays.

For one thing, being a municipal course, I have an issue where a citizen of the County is essentially told they can NEVER play their municipal course during the most desirable times, unless they join this private club that is NOT run by the County. And at Keller, there is a waiting list to join. Basically, these municipal golf courses are being operated like a private club during the most popular times to play.

There is also the issue of maximizing revenue. Because these are the highest demand times, they can command the highest fees. Yet the club members are typically paying the lowest average fee as they are either pass holders or Patron card holders.

Unfortunately, this is not an easy problem to fix, given the history involved and the fact that the competition does it as well. These players do represent your heaviest users and losing a high percentage of them could have a significant impact on overall performance.

Yet, we also feel that something DOES need to be done. After all, these are municipal courses, not private clubs. We are hopeful that a compromise solution can be found. Our suggestions:

- **Shorten reservation time:** Club members should only have a one day advantage over the public to book the teetimes. (They currently have three).
- **Vary the start times:** Instead of the club ALWAYS getting the best teetimes, vary their start time anywhere from 7am to 9am. This will allow the general public (and citizens of the County) to have an opportunity to play during prime time. It will also provide an opportunity to generate more revenue.
- **Limit the Number of Tournaments:** At Manitou, the men's club seems to hold a tournament in the afternoon about every other weekend. Not only is this denying the course to others, but they are being given preferred rates to do so. We suggest limiting these outings to no more than one a month.

## Merchandise

While the county does not currently share in the merchandise sales, that could change if our contract recommendations are adopted. As such, we like to offer some suggestions as to how this area of the operation can be improved.

None of the operators do a particularly good job at merchandise, especially when it comes to women. At best, we would rate them average. Goodrich, averaging less than a dollar a round, is well below average.

In general, though, golf proshops do a poor job in this area. The reason is that most operators consider the merchandise as an after-thought, more of a convenience item to golfers than a true profit center. The exceptions, though, understand that this can be a true area of opportunity.

Below are some suggestions as to how to *significantly* improve merchandise sales:

- **Attitude:** The first step is to change the attitude towards the merchandise operation. Instead of thinking of it as a convenience item, worthy of little attention, treat this area as a *retail store*.
- **Sales:** in real estate, they say the three most important items are location, location, location. In retail, it is sales, sales, sales. Especially in today's online reality, few customers want to pay full retail price. More importantly, the "Sales" sign is like a magnet, always attracting customer's attention – even if they are not in the market to buy. But it is *not* enough simply to have a sales rack. Typically, most proshops, including all the RC Golf facilities, reserve the sales rack for merchandise that is old and had they had not been able to sale. However, this is not how successful retail merchants do it. They put *current* items on sale, items that they know shoppers are going to want. Below are some tips:
  - **Prominent:** Make sure the items on sale are *clearly* and *prominently* marked. Have the sales racks/tables in the highest traffic areas.
  - **Popular:** Put items people *want* on sale, not items they don't. (Those can go on a "Clearance" table).
  - **Rotate:** Rotate stock in and out of the sales racks. Our recommendation is to keep them on sale for two weeks, before rotating.
  - **Themes:** Consider themes, such as all Nike items, or all Titleist, or all shirts, etc.
  - **Promote:** Don't rely just on signage in the shop. Remember, "a promotion not promoted is not much of a promotion." The same can be said of sales. Have signs indicating sales (especially if they are themed) throughout the clubhouse – including on the tables in the grill area, in restrooms, etc. More importantly, have the sale noted prominently on the website. (Of course, this requires updating the website – but more on that later under Marketing). Announce the sale in your email blasts (again, this assumes that you do email blasts, which the operators are not – but again, this will be addressed under Marketing).
- **Logo:** I see a lot of proshops selling soft goods that do not have the course logo on them. This makes no sense to me. The logo is what makes your merchandise *unique*. Without the logo, you are competing directly with Target, Walmart, Amazon, etc. But they cannot compete with you on your logo! And if you find customers are not interested in your logo, then consider *changing* your logo, or adding a second one. There is no law that states you can only have one logo! Adding a second logo will create a new market for you. But make sure the logo is professionally designed.
- **Displays:** Make sure your displays are neat and *well-lit*. Try to use modern displays. Keep aisles clean and wide enough for two people to comfortably pass each other.

- **Ladies Merchandise:** I think it is safe to say that women tend to like to shop more than men. Yet most proshops have a tiny area devoted to women's merchandise...just the opposite of what you find in retail stores. This not only acts as an insult to women but ignores the fact that women will outspend men on a per capita basis. An expanded women's section will make your facility feel more welcoming to women and help increase their play.
- **Selection:** It is important to have a good selection, but not just in volume but in quality. If you are not a great merchandiser, seek out advice on what is popular and selling. Get a women's perspective on women's items.
- **Rotate Stock:** Many proshops buy all their goods, especially soft goods, at the beginning of the year. Then they will have the same merchandise on display all year. Yet most of your customer base is repeat business. Customers not only get tired of seeing the same things repeatedly, but it greatly decreases their motivation to even *look* at the merchandise. Keep your stock *fresh* by constantly rotating stock. Once a month or so, take items that haven't sold off and replace them with fresh ones. The ones removed can be rotated back in later.
- **Clubs:** Most proshops believe that they cannot compete with big box retailers or the internet with regards to clubs. Successful proshops turn this around. They will tell you that the big boxes and internet cannot compete with them! Why? Because their proshop offers:
  - **Professional Guidance** from a PGA professional. The big boxes offer hourly help. The internet offers no help.
  - **Real-World Trial:** The golf course provides an opportunity to try the clubs in a real-world setting – either on the range or by playing a round. Big boxes offer a net. The internet offers imagination.
 

The reality, though, is that there is such a large selection out there, that it is not economically feasible to try to stock a wide variety of clubs; especially since the margin is often much smaller on these items. Our recommendation is to pick just one or two manufacturers and display a limited, but representative selection. But make sure (through signage) that you can custom order desired merchandise.
- **Junior Clubs:** If you have an active junior program (and you should), make sure to stock a selection of junior clubs.
- **Incentive:** Consider offering an incentive to your staff for merchandise sales. This has an amazing impact on motivation! If you do not want to offer a direct commission, then have a pool that is split at the end of the month, etc.
- **Training:** Train your staff to sell. They should know to ask if the customer needs any balls or tees. They should be reminding customers about sales items. They should know enough about the merchandise to be able to make good recommendations.

## Food & Beverage

The Food and Beverage operation is an issue at all the facilities, although not necessarily for the same reason. At Keller, they have a great menu and facility, but their service to the golfers is a huge issue – especially as relates to the beverage cart.

At the other facilities, there are three main concerns:

- **Venue**
- **Menu**

- **Beverage Cart** (could not think of something that rhymed with menu).

## Venue

None of the facilities (other than Keller) have banquet facilities. Seating capacity is in the 50-60 person range. This puts these facilities at a significant disadvantage in pursuing tournaments and outings, which explains why none of them have many, outside their own men's and women's clubs.

The seating that *is* provided is adequate at best. There are some simple fixes:

- **New furniture** is welcome at all three (excluding Keller)
- **TVs:** All of these facilities do a good bar business. Goodrich has made a strong effort by providing 10 different draft beers – a model the others would do well to emulate. But the environment is lacking. We suggest using more of a sport-bar theme, with *several* big-screen TVs throughout. (They should all be turned to sports channels). Having a great viewing area could make these clubs a preferred stop on fall weekends, where the golfers can play a round of golf in the morning, then enjoy watching football, baseball, golf or hockey in the afternoon.
- **Pavilion:** Short of a major clubhouse expansion (which we recommend at Manitou), we suggest building a pavilion at both Goodrich and Battle Creek that is able to host 120 to 140 people. This is suitable for tournaments and can also provide a low-cost option for weddings.

## Grill

Related to venue is the lack of a grill at all the facilities save Keller. This means they are limited to hot dogs and pre-prepared foods such as frozen pizza, and premade sandwiches. This puts them at a significant disadvantage to most of the other facilities in the market, especially for younger golfers and with women.

Not only does the lack of a grill hamper food sales, but it will affect beverage (beer, liquor) sales as well. The lack of hot foods means the players are not likely to stay as long, which means fewer drink sales.

It also makes the facility less attractive to groups. While large groups can afford catering, it is more difficult with smaller groups.

The lack of a grill probably impacts Manitou the most, as it is positioned more like a mid-fee course where most of the competition has a grill.

## Menu

Not having a grill certainly has an impact on the menu. But that does not excuse the facilities from not offering healthier choices on the menu. This is certainly a big deal to women golfers, but it is becoming increasingly important with health-conscious male golfers as well.

Manitou has taken our suggestions to heart and is now offering both fruit and wraps. We encourage Goodrich and Battle Creek to follow suit.

Manitou also has compensated for the lack of a grill by using an outdoor grill at peak demand times. We strongly encourage this at Goodrich and Battle Creek as well – using an outdoor grill to cook hamburgers, hot dogs, brats and chicken sandwiches on weekends and league nights.

## Beverage Cart

The beverage cart can be a significant profit center, generating \$5 or \$6 per round in revenue. But more importantly, it is also a valuable customer service, especially at higher end courses. It is particularly important, though, at RC Golf facilities because of the lack of drinking water on the courses (see below). To us, the County is risking liability issues by not providing either drinking water or regular beverage cart service, especially on hot days. Dehydration is a serious concern, especially for golfers that walk.

But being successful with a beverage cart is not as easy as simply hiring someone to drive around in a cart filled with food and beverage. There are several important considerations, including:

- **Staffing:** It starts with hiring the right people for the job. Staff needs to be extremely outgoing and friendly, but considerate.
- **Training:** Beverage cart workers need to be properly trained and supervised.
  - **Manager:** There should be one person who is responsible for hiring, training, scheduling and supervising the beverage cart staff.
  - **Food Service:** Attendants should be trained on the products they are selling and how to sell them.
  - **Golf Etiquette:** Attendants need to be trained on golf etiquette, knowing when and when not to approach golfers, and how not to move when clearly visible to a golfer in the process of hitting a shot.
  - **Backwards:** The beverage cart should be going in reverse order around the golf course, starting at the 18<sup>th</sup> (or 9<sup>th</sup> green) and going green to tee instead of tee to green.
- **Consistency:** This is extremely important. The beverage cart service needs to be consistent, not only in what they are selling and the level of service, but also *when* they are in use. The customer (golfers) need to be trained to expect a beverage cart when they play. Otherwise, they will make their own arrangements and the course loses out.
- **Frequency:** The goal of a beverage cart operation should be to reach every golfer every three to four holes. This means making it around the golf course in about an hour. During heavy demand times, this may require having two carts – one for each nine (at least at Keller).
- **Menu:** In addition to a wide selection of beverages (the most popular being beer, followed by sports drinks), the beverage cart should offer a variety of snacks. If there is enough storage on the cart, consider adding fruit, wraps and sandwiches (if refrigerated space is available).
- **Golf Balls:** Some operators have had success carrying sleeves of balls on the cart, especially on courses where lost balls are common.
- **Hours:** For mid-fee and higher courses (Manitou, Keller and Battle Creek) we recommend having the beverage cart operate every day, starting from two hours after the first teetime to two hours before dusk. This way, the beverage cart becomes part of the golf experience for nearly every golfer that plays and is an important part of the overall customer service. It also trains the golfer to expect to have a beverage cart. With value courses, such as Goodrich, there is a much lower expectation for beverage cart service, and customers are much less likely to utilize them, even if they are present. We do recommend having a beverage cart during peak demand times, such as weekends and holidays. We suggest experimenting during leagues. You will likely find that some leagues are very receptive, and others are not.

## [Drinking Water](#)

There were a lot of complaints in our survey about the lack of drinking water at the RC Golf facilities. Apparently, the County made the decision to eliminate drinking water from the courses a few years ago, mostly from a fear of contamination as we understand it.

We do not agree with this decision. To us, having water on the course is as much a health concern as it is a customer service. It is especially important on hot days, but golfers, especially when they walk, can get dehydrated even on cooler days. We see the risk as being much greater in *not* having water than it is having

it as the risk of contamination is very slight – if you are practicing basic safety practices such as keeping the water containers in a locked box on the course and *cleaning them regularly*.

Normally, drinking water is the responsibility of the maintenance crew. They keep the containers clean, and then fill them with ice and water in the morning. The proshop staff then services them during the day, filling them when needed. This is because the maintenance crew leaves early. Cart staff then collect the water containers at the end of the day.

If, for whatever reason, drinking water stations cannot be established or maintained, consider having drinking water containers and a cup dispenser attached to the Player Assistant's (ranger) cart. Not only will this provide water to the golfers, but it reinforces the idea that the Player Assistant is there for customer service not just to police the course.

## County IT

The County puts a lot of restrictions on Wi-Fi use, which has a significant impact on operations, given that the POS system is internet-based. There are several issues that have come up, including:

- Department responds too slowly and is overly cautious. While caution is commendable, it is important to remember that this is a business, not a park, and that time is of the essence.
- Had issues getting new range ball machines online at Battle Creek due to County protocols. As a result, the operator had to go to an outside vendor.
- County Wi-Fi only available M-F 8 to 5!

We recommend all the courses to offer customers a guest Wi-Fi. This would require going to an outside source. We do not understand the need for the County to provide any of the Wi-Fi service and recommend using an outside provider that offers 24-hour, 7 day-a-week support and service. The guest Wi-Fi would not be connected to the POS.

## Golf Dome

The Golf Dome was built and is operated by Midwest Golf Dome, a family-owned business. Operated by the same family for 27 years, their long-term lease was renewed in 2016 for another 20 years. It is located directly across the street from Goodrich Golf Course and shares the parking lot with the Aldrich Arena. The County receives 12% of the gross revenue under the terms of the lease.

The Dome's primary season is in the winter and early spring, when regular golf courses and ranges are closed. The dome is heated, but not air conditioned. The dome, itself, has an indoor practice area that consists of a short (75 yard) range (hitting into nets), with a chipping and putting area that is currently under construction. There is also a miniature golf course outdoors, adjacent to the Dome. This is the primary business during the late spring to early fall seasons.





The Dome does have an active Juniors program. Indeed, it was recently featured by ESPN since four of the five regional kids that went to Augusta for the National drive, chip and putt contest came from the Dome.

The operators are in the process of installing new netting, lighting, range mats and new carpet for the range surface. The recently changed the matting for the miniature golf.

The operators initially were not willing to participate in this study. Indeed, they kicked us out of the building, refusing to let us even see the facility... until reminded that the County has the right to inspect the operations. We were eventually able to speak with the owner and discovered that there appeared to be considerable animosity between the operator and the County, with some justification.

**Issue**

The biggest issue that the operators have with the County involves the parking lot and the operation of the arena. Their main concerns were:

1. **Parking:** The contract states that they have use of 80 parking spaces. Yet during arena events, when the season coincides with the Dome’s peak season, arena patrons take up all the spaces. The operators must use their personnel to try to keep people from parking in the Dome’s allotted spots (which run from the street down the length of the fence), but they are not always successful.



2. **Notice:** While the County does provide a monthly notice of events, the operators complains that this schedule frequently changes without any advance notice to the operators.

3. **Policing:** During big events, there is a lack of police presence. The operators complain that there has been issues due to lack of police on site.

There is a considerable communications issue between the operator and the County. This is unfortunate since the Golf Dome could provide a useful amenity as part of a larger golf program.

A possible solution to the parking issue may be using Goodrich Golf Course’s parking lot, which is otherwise empty during the offseason. As the aerial on the right shows, the distance from the Dome’s entrance to the golf course’s parking lot is almost the same as to the parking lot used now by the Dome. Many of the parking spaces, in fact, are closer than those used now. The golf course has the added benefit of being fenced in, making it easier to control its use (there is a sidewalk leading from the Dome to the golf course parking lot, with a gate). This parking lot would need



to be kept cleared of snow, but otherwise, it would seem to be a good option, if both parties are willing.

## Opportunities

As the County’s compensation is a percentage of the gross revenue, the County does have a vested interest in their success. As such, we offer some suggestions on how performance could be improved.



- **Signage:** The signage for the Dome is old and in need of updating. Moreover, there is *no* signage at the front, which faces the golf course. The operators complain that they are not able to get permits from the City to put a sign there. Perhaps the County could assist, or the Dome could put a large sign on the building facing the golf course. We would like to see, for example, the “warm-up” buckets being promoted.

- **Cross-Promotion:** Currently, there appears to be no cooperation or joint efforts between the Dome and Goodrich Golf Course. Yet Goodrich lacks a range, and the Dome is across the street. It would seem there is an opportunity for the two to work together. For instance:



- **Warm-up Buckets:** The Dome offers a “warm-up” bucket, but golfers at the course have no way of knowing about it. It would make sense to advertise these in the proshop at the golf course.
- **Lessons:** The Dome would provide an opportunity for the golf course to offer lessons and other programming to its customers.
- **Specials:** Like-wise, the Dome could advertise specials for the golf course in its shop.
- **Arena Sign:** The Arena sign mentions “Goodrich Golf” but it is not clear whether they are referring to the golf course or the Dome (which is advertised as “Midwest Golf Dome.”) Further, the sign includes a digital billboard, which could be used to promote activities at the Dome. We do recommend, though, that the shrubbery be trimmed to make the sign more visible from the road.
- **Email:** Should either entity start doing email campaigns, it is possible for the other to participate.



- **Hours:** During the summer, the Dome and miniature golf close at 8pm Tuesday through Saturday and at 6 on Sunday. It is our experience that miniature golf is most popular during summer evenings. We recommend 10 pm Tuesday-Thursday, 8 pm on Sunday and 11 pm on Friday and Saturday.
- **Summer:** The operators estimate it would cost \$6,000 a month to air condition the Dome, which they do not feel is worth the expense. A less expensive option is to use a combination of misters and fans for the tee area only.

- **Trac Man:** Installing trac-man, or similar technology, would make the range a lot more appealing to both Millennials and golfers wanting good feedback. Being just 75 yards long, it can be difficult to determine how the ball is going to react over a longer distance (such as a late hook or slice). Trac man or similar devices can give precise feedback. This would provide an additional revenue stream as the operators would charge extra for using it.
- **Marketing:** As with the golf courses, the Dome is weak in marketing. We noted even the website was not being kept up-to-date (the hours listed were the winter hours, not the summer, which were not provided). It would benefit from a better website that is kept up-to-date, a strong email program (start asking customers for their email addresses), and a good social media presence that is regularly updated.
- **Programming:** Should the Parks department start offering golf programming, as recommended, the Dome would be a great addition. It is a natural location for teaching golf to those wanting to learn before the golf season started. The miniature golf course is excellent for junior programming.
- **Targets:** Consider adding creative targets on the netting in the range to make it more fun.

## Island Lake

Island Lake, which opened in 1992, has a nice clubhouse (no grill), a good range, and a nine-hole, Par 28 golf course. It also has a miniature golf course that was closed in 2014 because it was unprofitable. The course remains but is in disrepair. Island Lake was built to be a training center and it fulfills this mission nicely. Indeed, its full name is “Island Lake Golf Course and Training Center.” According to Mr. Peebles, the leasee, the mission was to serve as a golf training ground for the County, especially for juniors and seniors, as well as to provide a place to play for kids, who are often not welcome on bigger courses.

As was the case with the Golf Dome, Island Lake is on a capital lease. The current operator (Fore, Inc., owned by David Peebles) designed and built the facility with its own funds and is responsible for all capital improvements. The lease, which expires December 31, 2023, has the operator paying the County the greater of \$75,000 or 16% of gross sales for the range, miniature golf and green fees, and 8% on proshop sales, instruction, food and beverage, merchandise, and other activity at the facility. So far, sales have not reached the point where the percentages would kick in.



Last year, the operations were subcontracted out to Ryan McCormick last year, although apparently without the County’s knowledge or permission. Fore continues to maintain the facility.

## Strengths

The facility appears to be both popular and successful. The owner, David Peebles, maintains it is profitable, despite the lease payment. Last year, with new management, the course saw a significant (20%) increase in revenue. The course at Island Lake is kept in good condition.



The range will frequently have a waiting line in April and May, and the course is busy, especially on weekends and summer mornings. Customer service appears to be very good.

They have a snack bar operation, and offer freshly made deli sandwiches, which is a nice touch.

But the biggest strength is their programming, which, by far, is the strongest in the RC Golf system. Programming includes:

- **Juniors:**
  - 10-week summer camp for kids, with 103 participating this year.
  - Joint programs with the YMCA, which sets up the programs and provides the kids
- **Adults:**
  - Glow Golf (night golf) every Friday and Saturday night.
  - Adult leagues
- **Seniors:**
  - Special pricing
  - Senior nights every Tuesdays and Thursday with free cart, free bucket of balls and free cookies
- **Handicapped:**
  - Adaptive golf programming in conjunction with Sister Kienny.
  - Have six handicap carts
  - 40 participants every Thursday.
- **Schools:**
  - Work with 7-8 area schools.
  - Started golf program at Bethel College

## *Issues and Opportunities*

Some of the issues we found:

- **Reinvestment:** Some staff complained that the owner did not do much reinvesting in the course or facilities, especially lately. This is common with capital leases as they approach the end of a lease and there is not enough time to recover the investment. **An innovative solution is to amend the lease so that the county would reimburse the leasee for the depreciated cost of any capital improvements at the end of the lease and any renewals, if they are approved by the County.** It should be noted that the operator has made capital repairs to the clubhouse recently and added four covered hitting bays for the range. However, these bays are not heated.
- **Miniature Golf:** The miniature golf course closed several years ago due to lack of profitability. The course remains, though, and is an eyesore given its state of disrepair. It should be noted that the operator only charged \$2 to play, which is not enough to cover expenses. **We recommend the miniature golf course be replaced by a short game area, which could charge an hourly rate for its use.**
- **Ball Dispenser:** There isn't one. Instead, there is a large chest that is filled with balls. Customers are given a bucket and they fill the bucket themselves. It is an honor system; customers are not expected to refill the buckets



without paying. While this trust is commendable, it may not be good business practice. **We recommend using electronic ball dispensers that take both credit cards and an electronic key or card.** The electronic key or card works like a debit card. It is preloaded in the proshop with a dollar amount that can then be used in the machines. The big advantages to this system include:

- **Self Service:** Customers can go straight from their car to the range, which can decrease lines in the proshop, especially during high demand times, thus improving customer service.
  - **Incentive:** The operator can offer discounts, depending on how much the person is willing to put on the card. For example, a \$100 would get you \$115 worth of balls, \$200 would get you \$250, etc. This gets the customers to purchase more up front and will increase overall volume.
  - **Tracking:** The dispenser keeps track of all balls, providing an accurate count that can back-up the POS.
  - **Wear and Tear:** The operator can set a precise number for the balls to be dispensed. This will likely result in fewer balls per bucket than when the customer fills it up themselves, resulting in less wear and tear on the balls.
- **Tees:** There used to be two sets of tees on each hole, with a back tee that is no longer in use. However, the tee signs still show this tee. We assume the tee was taken out primarily as a cost-saving measure. **We recommend the back tees be put back in use.** The added length will increase the appeal to established golfers, while decreasing the wear and tear on the current tees. The teeboxes are the biggest customer complaint, according to staff.
  - **Parking Lot:** Needs to be restriped.
  - **Maintenance Building:** The maintenance building/cart shed is substandard and too small. The wash area is dirt covered as is access to the course, making it more challenging to keep equipment clean.
  - **#7 Pond:** This pond has apparently been causing issues with the surrounding neighborhood. The home owner’s association has been complaining s the pond overflows into the neighborhood and looks bad. They are also concerned about pollutants. According to the operator, this pond is on County land, with a fence between it and the course. The County is supposed to maintain. The controls for the drainage are not on golf course property that is included in the lease. However, the operator had been maintaining it on his own. This is not without issues as it not only adds expense but requires them getting a ladder to climb over the fence to access the controls. The operator had asked for compensation from the County for maintaining, but the County refused, so the operator stopped maintaining. **We are not able to resolve this matter, but strongly suggest that it be resolved as soon as possible. If the operator does become responsible for maintaining, a gate should be installed to provide easier access.**
  - **Other Ponds:** There is considerable growth, either duckweed or algae, on all the ponds. It looks horrible. We understand that these ponds have aerators in them, but they were turned off for cost reasons. **We strongly recommend that these ponds be aerated and kept clean.** Not only will this greatly improve the aesthetics of the facility, but the current condition gives off a very negative image, suggesting financial difficulty, which is never good for business. It also raises more concerns about pollutants.



- **Signage:** Signage to the course is weak. The course is hidden, being tucked behind a shopping center and not visible from the highway. Better signage would help create an awareness that the facility exists.
- **Range Length:** The range is only 279' long (250' from the grass tee). This is short by modern standards. There is a 50' netting at the end of the range to contain balls, but that is never a desirable solution as golfers want to see their shots land. This is not an easy fix. The operator has proposed moving the clubhouse, which would allow the range to be extended. But is unlikely to do so with such a short time remaining on his lease.
- **Marketing:** While Island Lake is a little more proactive than the other facilities, especially with social media, it is still weak. The website is not very good, and they are not spending a lot of money on advertising.
- **County Cooperation:** To us, this is one of the biggest concerns. It is also perhaps the biggest opportunity. The facility was apparently designed to be a "feeder" course into the RC Golf system. But to do this successfully would require both an *identification* as being *part of the RC Golf system* as well as significant cooperation with the County and other operators. None of this is happening. For example:
  - **Monthly Meetings:** Island Lake used to participate in the monthly meetings, but a disagreement resulted in them no longer attending or being invited to attend. **With a new operator (subcontractor) we recommend that they once again participate in these meetings.**
  - **County Website:** The county website refers customers to Battle Creek for lessons and junior programming. Island Lake is not mentioned. **This should be corrected.**
  - **Programming:** Island Lake has the best programming in the system. Many of these programs can and should be extended throughout the system and promoted by the County.

## Opportunities

Below are some areas where we feel could be improved, leading to better performance:

- **Range targets:** We recommend building target greens and possibly a fairway. This would make the range more attractive and consistent with modern standards.
- **Covered, Heated Bays:** Add more covered, heated bays. This will extend the season and low range use during inclement weather in-season. These do not need to be completely enclosed.
- **Technology:** Consider adding technology to the range, such as trac-man. This will not only add a new revenue stream but will make the facility more attractive to millennials and golfers desiring feedback.
- **Short Game Area:** Remove the miniature golf and construct a short game area, including a practice bunker and target green. This can be a revenue stream as range operators typically charge an hourly rate for use. It will also enhance the training ability of the facility.
- **Cross Programming:** Work with County and other RC Golf courses as noted above.
- **Range Expansion:** We love the operator's idea of moving the clubhouse and expanding the range.

## Battle Creek

The Ponds at Battle Creek is the newest RC Golf facility, with the driving range opening in 2003 and the course a year later. The driving range is arguably the best in the County and is exceeding popular, with frequent waiting lines. The nine-hole championship golf course is a modern design that is both scenic and challenging. It is the only one in the system to have five sets of tees on every hole.

Brad Behnke operates both Battle Creek and Goodrich, although under separate contracts. The contract was recently extended in January 2018 and runs through December 31, 2022, with a five-year renewal option. Under the contract, the operator is responsible for management and staffing of the golf operations, including food and beverage. Compensation includes:

- Annual retainer of \$25,000 per year, payable on January 15 of each year of the Agreement.
- 10% of gross revenues (less sales tax) for greens fees up to \$225,000 and 15% of gross revenues for green fees (less sales tax) greater than \$225,001,
- 10% of gross revenues (less sales tax) for motorized golf cart fees, and wheelage fees up to \$65,000 and 15% of all gross revenues (less sales tax) for motorized golf cart fees and wheelage fees over \$65,001.
- 20% of gross revenue (less sales tax) from driving range sales up to \$135,000 and 25% of gross revenue (less sales tax) from driving range sales above \$135,001
- The Contractor shall pay the County the following:
  - 5% of gross revenues (less sales tax) for facility rental fees and food and beverage sales
- The contractor keeps all revenue from merchandise sales and lessons.

We will discuss issues with the operator contracts more fully under Major Issues.

The golf course is not typical of nine-hole courses, particularly in this area, as it is very challenging – especially for juniors, women and senior with long forced carries. We talk more about design issues both under the Architect’s Report and under Major Issues. Only about 5% of its play is 18-holes.

A unique characteristic of the course is that there are two greens for hole # 3. The seldom-used alternate green greatly shortens the hole but does allow for a playing a three-hole loop (1,2,3) as the alternate green is close to the clubhouse.

Battle Creek has consistently had a negative cash flow.

## Strengths

There are a lot of positive aspects to Battle Creek. These include:

- **Location:** Battle Creek is convenient to downtown and to the suburbs of Woodbury and Oakdale. It is the southernmost of the RC Golf facilities. Notably, it is very close to the 3M International headquarters.
- **Design:** The course is aesthetically very pleasing. It is challenging and close to Keller in quality.
- **Range:** The practice facility is excellent and extremely popular.
- **Customer Service:** Customer service is outstanding and received excellent reviews.
- **Customer Satisfaction:** Battle Creek received the highest overall satisfaction scores of any RC Golf facility in our customer survey.
- **Optional Loops:** Battle Creek can offer 3-, 4- and 5-hole loops for golfers wanting a very quick round. (However, these are seldom used).

- **In-House Leagues:** Battle Creek does a good job with leagues they have organized, including a league for juniors and one for couples.
- **Website:** Has its own website, pondsatbattlecreek.com. However, it also needs a lot of work. The nice thing they do, though, is maintain league stats, which we applaud.

## Concerns

The following are some of the main weaknesses or issues at Battle Creek. We have categorized them by area.

### Facility

These issues are mostly covered elsewhere in the report.

- **Golf Course:** The biggest problem is that the golf course is not what you expect from a nine-hole course in this area. This means that people who enjoy the challenges seen at Battle Creek are not likely to play here and those that come because it's a nine-hole course may be disappointed. We talk a lot more about this under the Architect's Report and under Major Issues. It also has several long, forced carries that add to the difficulty, especially for women, juniors and higher handicap players.
- **Parking:** The parking lot is too small for the demand, especially during peak periods for the range. This puts an artificial cap on income as there is no other convenient alternative to the existing parking lot.
- **Clubhouse:** Issues with the clubhouse include:
  - **No Grill**
  - **Limited storage**
  - **No room for beer taps**
  - **Sound System:** Is not very good, making it hard to hear when calling players to the first tee,
- **Course Construction:**
  - **Irrigation System:** Was substandard when installed and has issues
  - **Bridges:** Were built by correctional staff and likely have long-term issues. Many may need replacement.
  - **Cart Paths:** Have lost some due to erosion, wear.
- **Length:**
  - It appears that the course could be lengthened by 150 to 250 yards by moving some of the tees. It could be longer if Hole #2 is converted to a Par 4, which would also increase the Par to Par 72. The added length would make the course more consistent with its difficulty and may make it more marketable to better players. **We recommend lengthening the course from the back tees as much as possible if the "Elite Nine" Scenario is chosen.**

### Operations

- **POS:**
  - Occasionally gets cut off
  - Does poor job with inventory control

**We recommend and new POS system for all of RC Golf**

- **Ball Machine:** The last ball machine is located too far from Wi-Fi and frequently goes off-line. **Should be an easy fix by adding a Wi-Fi extender.**
- **No rangers:** **Addressed above under Pace of Play**
- **Singles/Doubles:** We had complaints that the starters (when there are any) and the proshop are doing a poor job of putting singles/doubles together. This will add to pace of play issues and create frustrations as the singles and doubles will want to play through larger groups, who normally have the right-of-way. **Need better training.**
- **Starters:** Only used Thursday evening and Friday-Sunday. This may be okay, depending on volume. But it can contribute to a slower pace of play and other issues. As volume grows, the need for a starter becomes more important.

### Other

- **Location:** The location also has its problems. The course is directly across the street from a prison and next door to a police shooting range, with sounds of gunfire constantly reverberating around the course. Not the most welcoming environment.
- **Maintenance Equipment:** Battle Creeks is at the bottom of the totem pole, getting mostly hand-me-downs from other courses. This can impact both efficiency and quality. This could become a bigger issue, depending on the strategy for Battle Creek going forward.
- **Public Country Club (PCC):** Participates in PCC. See our discussion below, under Goodrich.
- **Name:** There is another course called “The Ponds,” which has caused a lot of confusion. Golfers will book their teetimes at that course and show up at Battle Creek, then get upset because there teetime is gone. **We recommend dropping “The Ponds at” from the name and going with simply “Battle Creek,” which we believe to be a much stronger name.**

### Opportunities

Many of the opportunities are tied to the development scenarios described later. Below are some that can be implemented immediately and work with any of them.

- **Range targets:** **We recommend building target greens and possibly a fairway on the range.** This would make the range more attractive and consistent with modern standards.
- **Covered, Heated Bays:** **Add 10-20 heated bays.** These would be located behind the mats. This will extend the season and improve low range use during inclement weather in-season. These do not need to be completely enclosed. One or two bays could be enclosed to allow for video equipment that would be helpful with teaching.
- **Technology:** **Consider adding technology to the range, such as trac-man.** This will not only add a new revenue stream but will make the facility more attractive to millennials and golfers desiring feedback.
- **Company Leagues:** Given the proximity to 3M, it is very surprising that there are no 3M leagues at Battle Creek. This may simply be due to lack of awareness of the quality of the facility. **The facility needs to be proactive in talking to area employers.**
- **Women’s Club:** Battle Creek does not have a women’s club. We recommend starting one.
- **Outdoor Grill:** They utilize an outdoor grill some at Battle Creek, but only on league nights. We want to see this **use extended to weekends**, from 11-2. It may take time to build up business, but it adds to the overall golf experience. The grill needs to be set-up convenient to both the range and golf course, with signage at the range to indicate its availability.

- **In-House Promotion:** We talk extensively about outside marketing later. However, Battle Creek has a unique opportunity in that many (if not most) of their range customers do not play the course. We suspect a lot of this is due to the misperception regarding the quality of the course. A lot can be done-in house with more course photos in the clubhouse and signage on the range. Theme would be “Experience the Best 9-hole Course in Minnesota”. Consider promoting a “Trial Package” that would feature the 3-, 4- and or 5-hole loop at a special price.

## Goodrich

Goodrich currently serves a mostly blue-collar crowd, according to the operator. Very few juniors play the course and the typical customer is not technologically sophisticated, making marketing more challenging.

The course is the least difficult in the RC Golf family, with mostly flat terrain and featuring small, mostly circular greens. It is the only course in the system to not have a driving range, although the Golf Dome is located directly across the street.

As with Battle Creek, Goodrich is operated by Brad Behnke under a management contract. The contract is set to expire in February 2019 but can be renewed for another year. Under the contract, the operator is paid \$48,000, part of which is to go to the funding of “rangers and starters,” although Goodrich does not employ any rangers. The operator also gets 10% of the green and cart fees plus \$1.50 for each 18-hole cart round and \$.75 for each nine-hole round. The contractor pays the County 10% of his revenue from food and beverage sales and 5% of merchandise sales over \$50,000. We shall talk more about the Contract under “Major Issues.”

Goodrich’s customer base is largely blue-collar. Few juniors play the course, even though it is a good course for them.

## Strengths

Among the many strengths of Goodrich are:

- Very playable golf course that is good for higher-handicap players and facilitates a quicker pace of play.
- Yardage well marked.
- Great customer service.
- Excellent bar service, with 10 beer taps and a very popular happy hour featuring 2 for 1 beer.
- Clubhouse has full basement, with plenty of storage.
- Nice patio area around clubhouse.

## Weaknesses

- No range
- No grill.
- No banquet space.
- Below-average merchandise sales.
- Limited menu.
- Greens are all circular and “boring.”
- Bunkers are inconsistent, with seven different types of sand.

- Back-to-back Par 3s that are nearly identical.
- Maintenance area clearly visible from course, with no screening.
- Parking lot is small.

## Concerns

### Public Country Club (PCC)

**Public Country Club:** The biggest issue concerns Goodrich’s (as well as Battle Creek’s) participation in a discount program called “Public Country Club.” In this program, participants pay \$75 to join, plus \$55/month. They get unlimited free green fees at participating golf courses. Participants are required to pay a cart fee, which is \$20 for 18 holes at participating facilities and \$10 for nine. But carts are *not* required. Courses can black-out weekends between 7 and 11 am. Customers are limited to 12 rounds per month per course.

The courses are paid a proportional amount of the \$55/month fee based on the number of PCC rounds played there.

PCC is enormously popular at Goodrich, accounting for nearly 1/4<sup>th</sup> of its play (23.2%).

There are several issues surrounding the program. These include:

- **Revenue per round:** Goodrich received \$103,393 for the 6,890 PCC rounds last year. This equates to just \$15.01 per round, which is roughly ½ of rack rate. (The PCC players did generate 1,713 cart rounds, good for \$28,820). **This is not necessarily a bad thing as we feel Goodrich should be repositioned as a value course anyway, in which case this fee is much closer to rack rate.)**
- **Accounting:** PCC pays the clubs on only a few times a year. When the check is received, because there is no procedure in place as to handle the revenue, the revenue is entered as so many 18-hole patron rounds into the POS. Thus, greatly distorting the Patron rounds and, really making it difficult to develop a real understanding. **This brings up a couple of concerns – including the rigidity of County procedures. The most obvious solution is to create a customer account for PCC in the POS. Second, you create a PCC rate that is based on what you predict your compensation is (such as \$17 for 18-hole rounds and \$12 for 9-holes). When a PCC round is played, it is rung in under the PCC round, but the charge would go to the PCC customer, and treated as an Accounts Receivable. At the end of the year, an accounting can be made to adjust for the actual revenue received vs. what was rung in. The advantage to this system is that it maintains an accurate accounting of play within the system.**
- **Accounting (2):** Further, because the allowable cart fee under PCC is different from the County’s cart fees, means that every PCC cart round requires two entries. The first is the regular cart fee, then the 2<sup>nd</sup> is for the difference – which is an additional \$4.50 for the 18-hole round but requires a “coupon” for \$1 on the nine-hole cart. **Very simple fix. Have a PCC 9- and 18-hole cart fee. Don’t keep trying to force a square peg into a round hole.**
- **RC Golf Operators:** The other operators within the system are crying “foul” about the practice as they feel it is stealing play from their courses. However, if Goodrich was not participating, it is likely that a large percentage of these players are lost entirely from the County courses.

### Other Issues

- **Rangers:** The contract appears to call for rangers, but Goodrich does not use them. On the one hand, pace does not appear to be a major issue, based on survey results. Yet, this is not likely to remain the case as the course gets busier. See our discussion on Pace of Play above.

- **Course Signage:** There are several areas on the course where it is confusing as to where to go. This would include going to 4<sup>th</sup>, 12<sup>th</sup> and 18<sup>th</sup> tee.
- **Entrance Sign:** Entrance sign is hard to see, especially from the main roads.
- **EAB:** Goodrich has several ash trees potentially in danger from EAB. Yet there is no treatment or replacement plan in place. *This should be addressed as soon as possible as the loss of trees will affect both the aesthetics of the course and raise safety concerns.*

## Opportunities

- **Aesthetics:** There are a few things that can improve the aesthetics of the course.
  - **Maintenance area:** *We recommend planting trees and shrubs to effectively hide the maintenance area from view.* Another option is to use 8' high wood fence around the maintenance area, which would have the added benefit of improving security.
  - **Clubhouse:** The clubhouse could use new furniture and paint.
- **Food and Beverage:** Discussed above. However, Goodrich would appear to have the room to add a grill with some minor modifications to the clubhouse. Given the popularity of the bar, this might be a good idea. However, the need for a grill gets diminished if the course is repositioned as a value facility, where grills are not as common. *We recommend extensively using an outdoor grill on weekends and league nights.* If this proves popular, it could be a good indicator that a grill is a good investment.

## Manitou

Manitou has traditionally been the busiest of the RC Golf facilities, having had as many as 62,000 rounds, and has played over 50,000 rounds as recently as 2001. It has perhaps the best location of the RC Golf facilities, as it fronts I-694.

Manitou is operated under an operating lease whereby the operator (Golf Services Corporation – owned by Greg Hubbard, who serves as the course's GM and Superintendent) is responsible for all operating costs, including maintenance and maintenance equipment, while the County is responsible for capital improvements. The new agreement, which dramatically reduced the County's share of the revenue from 25% to 13%, is for five years, starting in January 2017 and expiring at the end of December 2021, with no renewals. The lease calls for the operator to pay the County 13% of the gross revenue after sales tax. Gross revenue includes cart and green fees, range, food & beverage and merchandise sales.

The County recently built a new maintenance building and cart barn (2017), including a water recycling system for the equipment wash area. But there remains a significant amount of deferred maintenance items on the course, as noted in the Architect' report. In addition, 120 Ash trees are endangered due to Emerald Ash Borer (EAB), which is also present at other RC Golf courses, but not to the degree seen at Manitou.

Manitou is heavily league dependent, with about half their business coming from leagues.

## Strengths

- **Terrain:** Manitou has wonderful land, with excellent elevation changes. However, the current routing does not take full advantage of the terrain.
- **Maintenance Building:** The new maintenance and cart buildings are first class.
- **Recycling:** The maintenance wash area has state-of-the-art recycling system.

- **New cart fleet:** Manitou introduced a new cart fleet this year, eliminating a problem area.
- **Leagues:** Manitou probably has more league players than the other three RC Golf facilities combined. Most of these leagues have been playing at the course for many years and have been loyal to the facility. Several of these leagues are “open” leagues managed by the facility that are open to any golfer.
- **Juniors:** Manitou does offer several junior programs, including a summer camp and a summer league. However, these are not well-publicized or attended.
- **Range:** Manitou, unlike Goodrich, does have a driving range.
- **Location:** Manitou is located right on I-694.
- **Clubs:** Manitou has three active clubs – a men’s club with 150 members (but membership has been declining), 40 in a women’s club and another 100 in a senior’s club.
- **Disabled Vets:** Manitou provides free lessons and golf for disabled vets. However, it does not have any handicap carts that would facilitate their play. **We encourage Manitou to add handicap carts, perhaps in connection with Sister Kenney or various veteran organizations.**

## Weaknesses

- **No Grill:** Manitou is at a significant competitive disadvantage in not having a grill. To add one would require an addition to the clubhouse.
- **Storage:** The clubhouse also lacks storage areas.
- **Range:** The range is underperforming and is not getting a lot of range-only usage. Safety concerns requires the usage of limited flight balls, which are unpopular with golfers.
- **Marketing:** As noted previously, marketing is a weakness system wide and Manitou is no exception. However, Manitou has shown some initiative in that it maintains its own webpage, has a Facebook and Twitter presence (first one to do so), and offers the Yamitract mobile ap. We will discuss more in our Marketing section.
- **Banquet:** There is not enough space to host tournaments or banquets of any size.
- **Clubhouse View:** The bar area offers no view of the course. The grill area has a very poor view. This makes it less desirable, especially for outings and for women.
- **Landscaping:** In a word, horrible. We have heard more complaints about landscaping at Manitou than any other course in memory.

## Concerns

Manitou suffers from all the issues noted above under “Common Issues.” Other issues include:

- **Deferred Maintenance:** We will discuss this more under Capital Improvement Needs.
- **Customer Satisfaction:** Manitou scored poorly on our customer survey, suggesting it may be vulnerable to losing even more play. It is already trending downward.
- **Women:** As noted previously, Manitou figuratively hangs a sign at the entrance saying “women not welcome” as it does its best to make it inhospitable to women. This can be seen in several ways:
  - **Length:** As noted, the course plays the equivalent of over 7,800 yards for women – making it both difficult and time consuming to play. This also slows the pace for all golfers on the course.

- **Menu:** There were no healthy choices on the menu when we arrived. At our urging, they have expanded the menu to offer both fruit and wraps.
- **Customer Service:** Women rated the customer service more harshly than men, suggesting differential treatment.
- **Merchandise:** Women rate the merchandise selection among the worst of courses surveyed.
- **Landscaping:** Women are perhaps more sensitive to aesthetics as they complained a lot more about the lack of landscaping and the empty flower beds.
- Despite these shortcomings, Manitou had one of the larger percentage of women responding to the survey (23%). However, three-fourths of the women responding were either league players or members of the ladies' club. And they also rated the course significantly worse at 6.8 (11<sup>th</sup> percentile) vs. 7.5 (32<sup>nd</sup> percentile) for men.
- **Customer Service:** Customer service can be listed as both a strength and a weakness as we had comments on both sides of the ledger. What that indicates to us is that customer service is *inconsistent*. It may well be that some populations, such as regulars (especially male regulars) are being treated differentially. While this may promote loyalty among the existing clients, it will deter other golfers from returning due to poor treatment. The comments also suggest that the issues may only be limited to one or two staffers, rather than being true for all.
- **EAB:** Manitou has perhaps most affected of the RC Golf courses with 120 ash trees potentially in danger from EAB. Yet there is no treatment or replacement plan in place. *This should be addressed as soon as possible as the loss of trees will affect both the aesthetics of the course and raise safety concerns.*
- **Weekend Play:** Outside of the men's and women's clubs, which take up the highest demand teetimes on weekends, Manitou struggles to fill other teetimes on weekends.
- **League Dependent:** The problem with being so dependent on leagues is that it makes you more vulnerable should they start defecting, which has been happening recently. And given the poor ratings on our survey, Manitou is in danger of losing more leagues.

## Opportunities

Manitou has proven that it can be a winner and major profit center. We believe it can again, but it will require both capital investment and a retooling of operations, with a special emphasis on women.

### Range

We will discuss some major capital improvements to the range later in the report. In addition to capital improvements, range performance can be improved with the addition of:

- **Matts** – to allow for usage in wet weather and to extend the life of the tee turf.
- **Dividers** – allows more golfers and adds safety. Especially important with mats.
- **Netting** – The nets need to be higher, to protect the parking lot and entrance road.
- **Yardage Markers:** *There should be several yardage markers placed around the range showing the adjusted yardage to the various targets.* By adjusted yardage, we mean taking into consideration the use of limited flight balls so the yardage lines up better with club selection.
- **Self-Service:** *Make the range friendlier to range-only users by making it self-service.* We recommend electronic ball dispensers that take both credit cards and electronic keys or cards. By discounting larger prepaids onto the cards, it encourages more range use. Self-service allows users to park closer to the range and bypass the proshop.

## Food & Beverage

- **Grill:** Manitou would benefit most of the RC Golf facilities by adding a grill (except Keller, which already has one). They are already doing a higher volume of food and beverage, and with their price point, they need one to remain competitive. However, adding a grill will require expanding the clubhouse. But this could also allow for the potential addition of a banquet room, or at least a private dining area for smaller groups.
- **TVs:** Add more big-screen TVs throughout the dining and bar areas, to provide more of a sports-bar feel.
- **More Taps:** Take a cue from Goodrich and add more draft beer options, especially craft beers.
- **Beverage Cart:** Expand hours and improve service.

## Keller

There is no doubt that Keller is the Flagship of RC Golf. Its history is unmatched in area public golf, having hosted two different PGA Championships among many other significant events. It's recent renovations (2014) make it comparable to the best public courses in the area.

One of the unique and problematic aspects of Keller is that there are three different management entities involved in the day-to-day operation. The County maintains the course. Golf Operations is contracted out to Foley Professional Golf Services LLC (Mark Foley, who also serves as Head Professional) and the Food and Beverage and clubhouse operations is contracted out to Lancer Hospitality.

Ramsey County entered into a ten-year agreement with Lancer Hospitality in 2013, prior to the clubhouse opening. The lease expires the end of 2023. Under the agreement, Lancer has the exclusive right to provide food and beverage services, including vending machines, beverage cart, catering, bar and restaurant services. In exchange, the County receives 12% of the net sales, which is defined as gross sales less sales tax, gratuities, etc. The County provides the equipment and furniture in addition to the clubhouse and facilities.

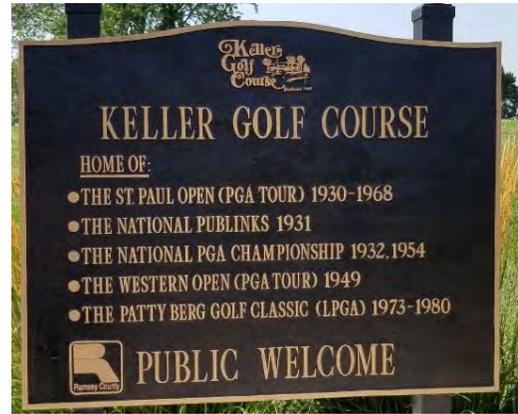
The agreement with Foley was recently renewed in January 2018 and extends through the end of 2022. Under the agreement, Foley provides the staff and oversees all aspects of the golf operation. Foley receives 100% of the income from merchandise sales, lessons and rental equipment (other than power carts). He also receives 85% of range revenue (95% in 2018) up to \$40,000 gross, and 100% thereafter; 10% of green fees up to \$850,000 and 15% above that amount; \$1.50 for each 18-hole cart rental and \$.75 for each 9-hole rental; plus, a \$46,000 stipend (\$41,000 in 2018).

We will discuss the contracts more under "Major Issues."

## Strengths

- **Excellent golf course** that was recently completely renovated (2014), making it one of the newest courses in the area.
- **Outstanding clubhouse** that is great for both golf and banquets.
- **History:** Hosted two PGA Championships, one of the few public courses in the county so honored. It also was the host for the St. Paul Open on the PGA tour for 38 years, the Western Open (1949), the National Publinks Championship in 1931 and the Women's Patty Berg Golf Classic from 1973-1980. No other public course in the metro area and few in the country can match Keller's rich history.

- **Tournaments:** Keller is really the only facility in the RC Golf system that does a lot of tournaments. With the combination of a quality course and great banquet facilities, Keller has a great facility for tournaments and outings.
- **Customer Service:** Consistently rated highly.
- **Course Conditions:** Rated highly.
- **First Tee:** Keller is RC Golf’s only facility to host the First Tee program, which works primarily with disadvantaged youths.
- **No houses:** Homes are found on only one hole.
- **Self-Service range:** The range has self-service machines and its own parking lot.
- **Club Participation:** We list this as a strength in that it shows the level of interest in Keller, but it is also a concern in that they tend to dominate teetimes. The men’s club has 250 members, with 175 active and a waiting list of 100. They play on Wednesday and weekend mornings. The women’s club has 150 members (70 active), and they play on Thursday and weekend mornings.
- **Combo Tees:** Keller has added Blue/White and White/Green tee combos on their scorecards. This costs nothing yet gives golfers better choices when playing. And, according to the operator, it has helped speed up the pace of play. **We recommend doing this at the other courses as well.**
- **Behind the Counter:** The golf operator (Mark Foley) does five shifts a week behind the counter. This keeps him in close contact with the customer and promotes great customer service.



## Weaknesses

- **Initial Course Conditions:** In our interviews, we were told by several that the course likely opened too soon after the renovations. As a result, its conditions were not good. This resulted in a poor reputation that is always difficult to overcome. Course conditions are rarely optimal when a course first opens, as it takes several years for it to completely grow-in. As we were not present in 2014 when it opened, we cannot say whether the conditions were worse than what would normally be expected.
- **Signage:** The signage at the entrance and along the highway are terrible. We understand that this is being addressed by the County.
- **Signage (2):** It is not immediately obvious when driving up, where golfers are to go. Indeed, as you drive up, you first see the main clubhouse, which has a welcoming awning stating, “Keller Golf Course.” Most people would assume that is the entrance to the proshop. **We recommend a sign be placed in front of the main clubhouse directing golfers to the proshop.**
- **Range location:** The range is remote from the clubhouse, which deters usage by golfers prior to playing.



## Concerns

- **Food and Beverage:** Discussed at length in Major Issues.
- **Three Managers:** Having three managers reporting to three different entities, can be problematic. It makes it much more difficult to coordinate and there is no one on site that oversees the entire operation. Further, the fact that food and beverage is run by a different company makes it difficult to market golf packages that would include food and beverage, putting Keller at a competitive disadvantage.
- **Area Demographics:** The immediate area around Keller is not strong for golf participation. However, Keller's marketing draw should be regional, not local. Especially if it is repositioned.
- **Driving range:** Neighbors complaining about balls over the fence. Fence was installed 10' lower than planned. They will be lowering the range and reorienting the tee as well as moving one of the practice holes. May trigger ADA compliance which could lead to closing of the parking lot. **The range was closed in August 2018 as this issue is being addressed.**
- **Maintenance Issues:** We heard complaints about the greens not being rolled on a regular basis and that pin placements are often in unfair locations. **We did not observe any issues, other than tee markers were frequently located in worn spots on the tees, indicating they are not being properly moved around.**
- **Clubs:** With 400 members combined in the men's and women's club, Keller is in danger of looking more like a private facility than a municipal one, especially on the highest demand times, weekend mornings. Combined, the two clubs dominate teetimes four mornings a week, including Saturday and Sunday. Almost all club members are either pass holders or Patrons. The clubs are their own entity. The course does *not* get any of the membership dues, nor does the course participate in the management of the clubs. **See below.**
- **Staff Appearance:** Proshop staff were observed wearing jeans and even shorts. They did not have name tags. This is what we would expect at a Value facility, not at the nicest facility in the County. While we appreciate the desire to keep it more casual, it is important to remember that Keller gets a lot of visitor and outing play. Shirts were not logoed. Staff appearance simply is not in-line with comparable courses. **Should Keller be repositioned, as recommended, proshop staff should be required to wear professional attire, including pants, not jeans or shorts, have a Keller-logoed shirt, and wear a name-tag. These requirements should be true for all staff that meet customers, including starters and rangers.**

## Opportunities

Keller is, by far, the best performing facility in the system. Indeed, it makes more money for the County than the others combined. Yet it also has the best potential for *improving* performance. There are four areas where improvements can lead to a significant improvement. They are:

1. **Market Repositioning:** **Keller should be repositioned as a Premium facility (\$70+ green fee).** This will not only increase the revenue per round but will likely increase the market reach. We will discuss this more elsewhere in the report.
2. **Food and Beverage:** The F&B operation, as it relates to golf, is the anchor holding the operation back. This *must* be fixed for the operation to get close to its potential. This is discussed more under Major Issues.

3. **Marketing:** Keller would benefit the most from improved marketing. We will discuss this more under Major Issues.
4. **Clubs:** There is no doubt that the clubs are a mixed blessing. On the one hand, they represent a large chunk of business and represent a strong local base. But on the other hand, they can carry *too* much influence and are certainly taking the prime teetimes on weekends, which is lowering the revenue potential and leads to situations where citizens of the county are basically being told they can never play *their* course during the most desirable times. Essentially, Keller looks and acts like a *private* club on weekend mornings. This can be dangerous as staff can be conditioned to treat members differentially, and members can feel emboldened. **Consideration should be given to:**
  - a. **Limit the memberships:** Reduce the number of members in each club.
  - b. **Raise the membership dues:** Increase the dues, with more of the revenue going to the course, or getting the clubs to provide annual gifts to the club – such as needed equipment or help with beautification, etc.
  - c. **Move teetimes around:** Don't always give the clubs the prime weekend times. Move the start times anywhere from 7 am to 9 am. Another option is to block some teetimes during these peak periods for public play (example, two teetimes per hour). Club will resist as they want to be able to have all their members playing together, but it would allow the public access to the prime times and generate more revenue.
  - d. **Reduce lead time:** Currently the clubs have three days to reserve teetimes before the excess times are released to the public. Reduce this to one.
  - e. **Take over:** This is the extreme option. But the course could bring the clubs in-house, formalizing the memberships. This would give the course complete control over them and would create a new revenue stream to the club (dues). In this case, the operation could alternate teetimes on weekends between those reserved for members and those open to any player.

## Tournaments

Another area where revenue could be optimized is with tournaments and outings. Current County policy is that tournament and outing participants are charged whatever the regular rate is at the time for the time of the outing. The operators can add a 15% surcharge in the form of merchandise add-ons.

However, Keller is a high-demand outing location. Outings on Fridays and weekends can command a premium price, in excess of regular rates. This is a common practice in the industry as not only do outings require more work and preparation, you are dislodging regular players.

**Operators should be given the flexibility of charging a premium for tournament and outings, with the excess fee being split between the operator and the County.**

## **MAJOR ISSUES**

This section will discuss the major issues, other than capital improvement needs, that we found during our examination of the RC Golf facilities, their performance and administration. Needed capital improvements will be addressed in the next section.

### **Philosophical Direction**

The Philosophical Direction provides guidance as to what is most important for the County with regards to the golf operation. There are many potential objectives. These include:

- **Amenity:** Serving the needs of the citizens of the County.
- **Profit Center:** Providing cash flow, not only for its own operation, but to help support other programs.
- **Icon:** Provide an icon for the community to promote community pride, and to focus outside attention on the asset.
- **Economic Benefit:** Golf can help attract new businesses and residents to the area and stimulate development, among other benefits.

The first two are two ends of a continuum, as emphasis on one end often comes at the cost of the other.

When we began the study, there was no clearly defined Philosophical Direction for the Golf Division. Why is this important? Because it can have profound implications as to how the golf facilities are operated.

For example, if the primary mission of the golf facilities is to serve as an amenity to the citizens of Ramsey County, then, logically, they would be operated in much the same way as other park amenities. The emphasis would be on service, affordability and programming. There would be *no* expectation for profit. Indeed, the expectation would be that the facilities would be subsidized in the same manner as other park amenities such as parks, tennis courts and swimming pools.

But to the degree that profitability is a concern, then the operation must be operated more like a *business* than a park. And not only as a business, but as a business that is operating in a highly competitive environment.

In looking at the current operation, we see a lot of mixed messages. Amenity-weighted actions include the pricing policy, and the fact that the County maintains three of the courses. Yet, the facilities lack the programming normally associated with amenity-oriented facilities.

On the other hand, the fact that the facilities are privatized to varying degrees, show a more business-like (profit) approach. The fact that some facilities are fully privatized, and others are not, shows confusion in the amenity/profit center continuum.

**This issue was resolved by Council vote on October 8<sup>th</sup> when it was decided that RC Golf should move more in the direction of being a profit center rather than an amenity. This change is reflected in our recommendations and discussion.**

### **Market Overlap**

All four of the “big” golf courses are in the same “Standard” rate band, as defined by NGF. In a market where peak fees (cart and green) vary from \$32 to \$139, a spread of \$107; the four RC Golf facilities range just \$15, from \$46 (Battle Creek and Goodrich) to \$61 (Keller).

Moreover, we found from surveys, that three of the top five main competitors, as defined as the courses getting the most rounds from the target facilities customers (highest wallet share), for each of the four main RC Golf facilities were the other RC Golf facilities.

This has two consequences. First, it means that the facilities are competing more with each other than they are with other courses, and two, the facilities are likely not addressing market needs in the community as they are all going after the same golfers.

In the case of RC Golf, there are no facilities at the higher end (although Keller certainly has the facility to attract those golfers), and none at the lower end of the price scale.

## Operator Contracts

There are four main issues with the operator contracts as we see it.

1. **Different contracts:** There are six golf facilities within the RC Golf system. There are six different outside operators and seven different contracts. (Keller has two – one for the golf operation and one for the food and beverage). Not only does this create an administrative nightmare, it can create inequities within the system. Three of the contracts are leases, two of which are “capital” leases that include capital improvements, and four are management contracts, but with different compensation schedules.
2. **Different termination dates:** The contracts expire at different times. This is an issue because it makes it difficult to get a single vendor, should the County choose to have one, to operate all the facilities. And there are many advantages to having a single vendor, including lower operating costs, more consistency in service, and more cost-effective marketing. It also would dramatically reduce the administrative burden on the County.
3. **Misaligned Interests:** This, perhaps, is the most troubling. For the three golf operations management contracts, the County uses an older model whereby various revenue streams are treated differently. Basically, the County gets its primary revenue from the green fees, while the operator captures most of the food and beverage, merchandise and driving range revenue.

The problem with this model is that it creates an environment whereby what’s best for the operator may not be best for the County (bad optics, if nothing worse). For example, the operator’s main revenue drivers, merchandise, food & beverage and even the range, are primarily a function of *volume*. Thus, it is in their best interest to have low green fees (and discount them further) in hopes of creating greater volume. Yet the county gets its revenue from the green fees. And a lower rate may not be in the County’s best interests. (It should be pointed out, it’s not just the discounting, but the operators are relied on for their recommendations on the regular green fees as well).

Further, it drastically reduces, if not eliminates, promotions involving multiple revenue streams. For example, a popular promotion in the marketplace is to offer a free meal with a round of golf. But the operators are not going to sacrifice their revenue for the County’s. It also creates conflicts of interest in tournament pricing, which often are bundled green fees, cart fees, food & beverage and merchandise packages.

4. **Enforcement:** The contracts are not even being enforced as written. Two notable areas are marketing and rangers. The operators, under the management contracts, are supposed to submit an annual marketing plan. This has not been done at least since 2014 or earlier. The operators are also to provide rangers who monitor the pace of play. Only Keller does so. Keller’s food and beverage contract with Lancer calls for the restaurant to open at 6:30, yet they open at 7 am. This is later than the first teetimes on weekends and the same on weekdays, thus depriving the early teetime golfers of getting food, beverages or snacks before playing.

The contracts and their status:

- **Battle Creek:** Management Contract. Brad Behnke Golf Management. Extended on January 1, 2018. Terminates December 31, 2022. Renewable for an additional five years.
- **Goodrich:** Management Contract. Brad Behnke, operator. Commenced in February 2015. Ends February 2019 but can be renewed for an additional year.
- **Goodrich Golf Dome (aka Midwest Golf Dome):** Full Lease. Midwest Golf Domes, contractor. Effective June 2016 (original contract 1996) and goes through the end of 2036.
- **Island Lake Golf Course:** Full Lease. FORE, Inc. (original developer). Started February 1992, ends December 31, 2023.
- **Keller:** Management Contract for golf operations. Foley Professional Golf Services, LLC. Started 2014, extended in 2018 to December 31, 2022. Renewable for an additional five years.
- **Keller (clubhouse):** Modified Lease. Lancer Catering. Started 2013. Terminates December 31, 2023. Not renewable.
- **Manitou:** Modified Lease. Golf Services Corporation. Started January 1, 2017. Ends December 31, 2021.

## Marketing

Marketing is essential for virtually any business. It is especially vital in very competitive markets, which describes the local golf market. Further, our experience suggests strongly that *no other expense item is more highly correlated to revenue than marketing*. Thus, if you spend more, you make more. And the revenue should greatly exceed the marketing expense, or the marketing was not very good.

But in the case of RC Golf, marketing is a neglected, if not entirely forgotten entity. The problems are many, but here are the most important.

- **Who's responsible?** The operators will argue that marketing is the County's responsibility – especially since they get most of the revenue (except with the leases). Yet the management contracts specify the operators are supposed to submit an annual marketing plan (they don't).
- **Budget:** The operators spend a negligible amount on marketing. The County budgeted only about \$9,000 last year – and did not come close to spending it! In the golf industry, the recommended marketing budgets usually range from 2-3% gross revenue. That would put the recommended budget for RC Golf in the \$100,000 to \$170,000 range.
- **Expertise:** Even if the County had the budget, they do not have anyone currently on staff with expertise in golf course marketing. The marketing that has been done has been exceptionally weak. This includes the websites for the golf courses, which are below average in quality. Further, none of the operators have shown any marketing wherewithal, either. As an example, one of the best practices in today's golf course environment is to do regular emails to our customers. *This can be done for no cost*. All the operators have access to an extensive database through their POS systems. Yet none of them do regular emailings. Further, the social media presence (e.g. Facebook, Twitter, Instagram, etc.) is either non-existent or very weak.
- **Overly Protective:** Operators suggested that Ramsey County discouraged them from marketing because they did not want to send a "mixed message." Instead, they are sending no messages.
- **Social Media:** The social media presence is mostly absent. What little is being done is not being done well. For social media to be effective, it needs to be constantly updated. But none of the

operators, nor the County is doing so. Further, the myth about social media is that it is a panacea in marketing. But if all you are doing is posting, the only people you are reaching are those people that are already customers. In order to *expand* your market, you must use social media's advertising tools – which are very powerful, but also require investment.

- **Email:** EZ Links, the POS provider, offers a good email marketing program. Golfers enter their email address when booking online. It costs nothing to do use this system to send out emails. And email marketing is a powerful tool in building customer loyalty. Yet none of the operators do email blasts, and the county does them only on rare occasions. Nor do any of the golf courses try to build an email marketing list by having signup sheets in the proshop or on the websites.

## Websites

The County maintains a website for the golf system. In addition, there are individual websites for Ponds at Battle Creek and Manitou. (Island Lakes and the Golf Dome also have their own websites.) The County's website is at <https://www.ramseycounty.us/residents/parks-recreation/golf>. None of these websites are particularly good. Below are our thoughts:

### Common Elements

- **Updates:** Websites work best if they are continuously updated. That way, customers become engaged and will regularly check back. As it is, the websites just provide basic information.
- **Design:** The websites lack visual appeal.
- **Pictures:** As the saying goes, "a picture is worth a 1,000 words." The websites need more pictures. We especially want them to have pictures featuring a diverse customer base reflecting the demographics of the area. (The County does have a picture window at the bottom of each course's webpage, but it is not immediately obvious that you can click through for more pictures. And the lead picture is often weak. Further, this should be at the top of the page, not at the bottom – or a link should be offered directing people to additional pictures).
- **Drone:** Consider adding a drone fly-over for each course. This would be especially helpful for Keller and Battle Creek.
- **Newsletter:** We would love to see an online newsletter, updated monthly, on each website. This should include updates on schedules (such as when the course is closed for a tournament or league, or when planned maintenance is being conducted). We also recommend having a monthly column from the head pro and course superintendent.
- **League Updates:** Having a page dedicated to keeping league standings would be a great addition to the course webpages.
- **Calendar:** There needs to be a calendar showing upcoming events.
- **Specials:** Webpages are a great place to promote specials. These should *not* be limited to just green fee specials, but also promote merchandise sales, food specials, etc.
- **Searchability:** While the County's website does come up in a search for "Ramsey County Golf" and for "St. Paul Golf", the individual course websites do not appear on the first couple of pages. You basically must be searching for the course. This makes it difficult to find for golfers looking to play in an area without having a specific course in mind.

### County Website

The main page of the website provides a good menu of golf courses and services. However, it does not give you much information. There needs to be a brief description of each course, along with the link. Otherwise

the customer is forced to click on each link in order to see what course may be suitable. In addition, we want to see a map showing the location of each facility.

Other comments:

- **Layouts:** The course webpages should not only have the scorecards, but also a layout.
- **Email Sign-up:** Each course should offer the ability to sign up for emails.
- **Island Lakes:** Island Lakes gets slighted in several ways. First, while it is listed on the main page, it is not listed on the drop down list to the left under “Golf Courses”. Second, it is not listed under junior programs and leagues – only Battle Creek.
- **Keller:** The phone number given for Keller’s proshop instead directs people to Lancer’s clubhouse phone and is answered by “Managed by Lancer Catering,” giving the false impression the entire operation is managed by Lancer. When you press the number for the proshop on their automated system, it directs you to a voicemail instead of redirecting to the *actual* proshop phone number!
- **Pictures:** As noted above, there need to be more. In addition, with one exception, the only pictures of golfers found on any of the course websites, are of white adult males. The one exception is at Battle Creek, where there is a picture of a male Caucasian junior.
- **Range Hours:** Range hours should be posted and kept up-to-date.
- **Rates:** Seasonal rates are not posted.



**Ponds at Battle Creek**

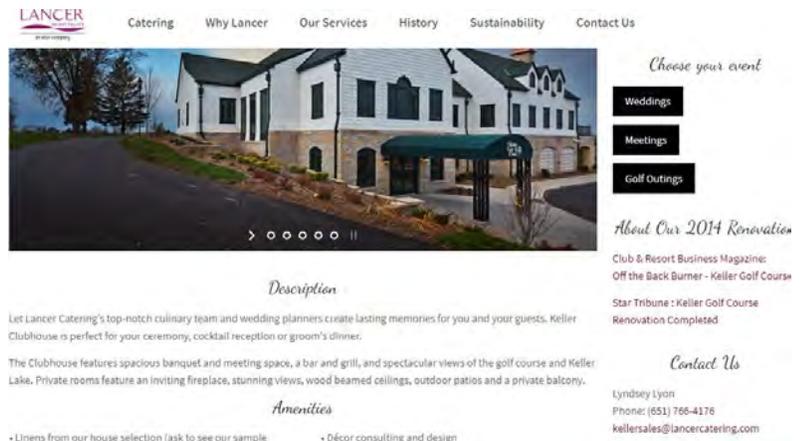
<http://www.pondsatbattlecreek.com>

When we checked, the home page was missing! We assume it is being updated – but this should be noted on the webpage.

The rest of the website is informative, providing the best website in the system.

**Lancer Catering**

Lancer has more and better pictures of the golf course than the County’s website. Lancer has two webpages for Keller, one for catering and one for the Grille. The website is rather plain. There is no course description. There is no link to the golf course website. The section about the 2014 renovation is at the top of the page on the catering website and makes it appear on first brush that the website has not been updated since 2014.



Manitou Ridge

The website looks like it was created on the cheap. It has the least professional appearance as can be seen on the price list to the right. On the other hand, it does feature a drone flyover, but does not have either a scorecard or layout... the two things most golfers seek.

|               | WALK | RIDE    |
|---------------|------|---------|
| 18 HOLES-     | \$24 | \$40    |
| 9 HOLES-      | \$16 | \$25.50 |
| SR 18 HOLES-  | \$18 | \$30.50 |
| SR 9 HOLES-   | \$12 | \$21.50 |
| TWILIGHT-     | \$16 | \$25.50 |
| AFTER 2:00 PM |      |         |

**Pricing Policy**

In this section, we are not discussing the actual fees that have been set. We will be discussing our recommendations for fees under “Major Recommendations.” What our concern is *how* they are set. We feel there are three significant issues with regards to how the fees are set. They are:

- **Politics:** The process is subject to political considerations, which are usually to the detriment of profitability.
- **Two Years:** The fees are set for a two-year period, putting the facilities at a major competitive disadvantage.
- **Rigidity:** There is little flexibility in the system.

**Process**

It is our understanding that rates are set by Parks staff after conferring with the operators and reviewing competitive price information. The prices are then reviewed by the Parks Board and finally approved by the County Commission.

Throughout this process, there are plenty of times where special interest groups, such as members of the courses’ men’s’ and ladies’ clubs, leagues, seniors, etc., can voice their opinion and can often apply significant political pressure to artificially keep rates down.

The issue here goes back to our first point about the amenity/profit center continuum. Keeping prices low for special interests may be politically expedient, but it is often not good business.

Further, while operators may be consulted in the process, it is not clear to what degree they really influence the rates. This is both good and bad. As noted above, the operators’ interest and the county’s are not necessarily aligned. It may be better for them, given how they are compensated, to keep the green fees low to increase the volume. So, there is an inherent conflict of interest. On the other hand, the operators are the ones best positioned to know the market, and thus the most appropriate pricing.

**Men’s and Women’s Clubs**

Related to the issue of pricing is the degree of control that men’s and women’s clubs have over the operations. Of concern is the fact that these club’s control large blocks of teetimes during the highest demand times – weekend mornings. The problem is particularly acute at Keller, where the clubs control the most in-demand times of between 7:45 and 10 *every Saturday and Sunday*. The clubs can book these times before the general public and can take as many as they want.

This is an issue that concerns both ends of the profit/amenity continuum. On the amenity side, you are essentially turning the county-owned facilities into private clubs on weekend mornings. Tax-paying residents, who are not members of the club, are essentially told “you can never play your municipal golf course at the most popular times unless you join this privately-controlled club.” On the profit side, because these club members are the heaviest users, they also have the biggest discounts. They are all either pass-

holders or patron cart members. As a result, these teetimes, *which would be sold out regardless of whether the club plays*, are generating less revenue than they otherwise could.

We quickly point out that RC Golf is not alone in this practice as other municipal courses in the area have similar practices. However, it is highly unusual from a national perspective.

### **Fixed Fees**

As noted several times in this report, golf is a *business* and is in a highly competitive environment. Yet it is unthinkable in most every business to have your prices fixed *for two years*. Yet that is exactly what the county is doing with RC Golf.

Not only is golf a highly competitive marketplace, but the prices fluctuate frequently. Having a two-year fixed price puts the golf course *at a major competitive disadvantage*. Their pricing, especially in the second year, is likely to be either too high or too low, neither of which is good. Nor can they adjust pricing during the season as the market frequently calls for. And the operators have very little flexibility when it comes to negotiating a fee with large groups such as leagues or outings. Again, this puts the facilities at a significant competitive disadvantage.

Put together, these prevent the County from optimizing the profitability of the golf operations.

### **Rigidity**

Once the fees are set, apparently the County insists that only the fees set by the County be used in the POS system. Yet, operationally, the County is allowing some discounting – most notably the PCC program at Goodrich and Battle Creek, although there are many other examples. But because of the rigidity, operators are having to use established rate categories to enter information into the POS system. This leads to very misleading data. For example, when Goodrich or Battle Creek receive the payments from PCC, they must enter this as paid green fees, which they do. But this artificially adds a lot of rounds that they then must try and back-out.

Manitou and Goodrich will discount groups to attract business. They will then enter the rounds under “Patron rate,” which gives a misleading impression of Patron card use.

Good management requires good data. This is not happening with RC Golf.

### **New Rate Structure**

In 2018, the County implemented a new rate structure. It drastically lowered the Patron fee from \$75 to \$25. They also eliminated Weekend rates – now charging the same fee seven days a week at all the courses. Rates were also lowered at all courses, except Keller.

*We do not agree with all these changes, especially the dropping of the Weekend rates.* As pointed out earlier, the operators have an incentive to like the rate reductions as it adds volume, which benefits them more than the County due to their revenue streams. The lower rates have less of an impact on their earnings, but it does have a significant impact on the County’s if the increase in volume fails to make up for the reduction in yield.

One of the reasons we were given for reducing the rates at Goodrich and Manitou was the desire for the facilities to be considered “value” facilities by NGF’s standards. But this is not the case. The breakpoint is \$40, not \$50. The fee reduction still leaves them as mid-fee facilities. Further, customers do not care about labels, they care about the price.

The operators endorsed the changes as they universally claimed it was easier having a simpler rate structure.

The County has approved dynamic pricing, but none of the operators are using this. Dynamic pricing is when the pricing changes based on demand. The price gets lower as you approach the teetime. *We are not a fan of dynamic pricing.*

## Keller Food & Beverage

It is rare where you see such a disparity in operations from one aspect of a golf facility to another. But such is the case at Keller.

Keller's golf course is competitive *with the best public courses in the area*. Customer service as related to golf operations is outstanding – based on our interviews and survey results. And the clubhouse is fabulous. Combining these factors with Keller's unmatched history, would ordinarily make Keller one of the most popular courses in the metro area. But there are two huge things holding it back, marketing and the Food and Beverage Operation.

The food and beverage operation *as it relates to golf* is nothing short of terrible. While Lancer appears to do a very good job with banquets, this has been their *only* priority.

The neglect for golf f&b services became apparent, not only from interviews with customers and golf operations staff, and through the customer survey (whose ratings placed the food and beverage service at Keller in the *bottom ½% of all golf facilities surveyed by NGF*) but was our own personal experience as well.

Food quality is not the problem, although we did hear a few complaints. But service and attitude are.

The beverage cart service at Keller has been sporadic, at best. And the cart attendants were clearly poorly trained for working in a golf course environment. In a higher-end facility, which Keller otherwise is, beverage cart service is considered a *basic* service. It is expected. Not just some of the time, but ALL the time. It is part of the golf experience. It is even more imperative given the lack of drinking water on the course (which is true for all the RC Golf facilities). In these situations, the lack of service is not only a revenue opportunity lost but can create a health risk.

An extreme example of the poor service was on Memorial Day, when it was 100 degrees outside and the course was packed, but there was no beverage cart. Mark, the golf operator, had to go out and buy water and give it out on the course. At the time of our study, the beverage cart hours were set as 3 pm to dark Monday-Thursday and 9 am to dark Friday- Sunday. But they do not consistently hold to that. However, *these hours are sub-standard for a course of Keller's quality. The beverage cart needs to operate seven days a week, from no later than two hours after the first tee-time until no sooner than an hour before dusk.* This is what the competition is doing. Again, the beverage cart should not only be considered a profit center, only operating when it is profitable to do so. It needs to be part of the everyday operation and understood that it is providing a basic, and expected customer service.

The other issue has been service to golfers in the restaurant. We heard and read a lot of complaints about how golfers are treated there. We even observed this ourselves on our visits.

In one case, there was a large tournament at the golf course. Lancer did a nice job (apparently) with the box lunches. The problem was, they did not staff the restaurant/bar. So, when 100+ people showed up before the tournament, many of whom wanted drinks at the bar, there was only one person there to service them, *plus* the customers dining in the restaurant.

On another occasion, we saw two grill staff taking a break on the patio, smoking and chatting. The issue being that this patio faces the golf course and all the golfers must pass by it to get to the 11<sup>th</sup> hole. It looked very unprofessional.

And it's not just the service once you get in, but the hours. The grill does not open until 7am. This lines up with the first teetimes during the week but is an hour after the first teetimes on weekends. And even during the week, it means golfers wanting coffee, breakfast or snacks before they tee off are going to be out of luck if they have an early teetime. Notably, *the contract calls for Lancer to have the restaurant open at 6:30 am*. We also were told stories of golfers going to the grill at 1 for a hotdog, to find none are even on the rollers (Note: hotdogs are not listed on the menu).

We acknowledge that the situation has changed since the beginning of the summer. The general manager assigned by Lancer to Keller that we interviewed is no longer there. A new GM was in place as of August. It remains to be seen how much a difference this makes.

## Manitou Performance

While the other RC Golf facilities' performance have held steady or improved over the past few years, one has declined – and at a precipitous rate. That facility is Manitou.

Not coincidentally, Manitou also had, by far, the lowest customer ratings on our survey of the four main RC courses; placing in the bottom 12 percent nationally.

The poor ratings are across the board, including course maintenance, golf operations, customer service, and food & beverage. And the timing is bad, as the operator just recently signed a new contract whereby the county's percentage of the revenue was cut in half. (The operator needed the extra revenue to purchase new golf carts and make other small improvements).

In our interviews with the operator, he was shocked at the survey results and has expressed genuine concern. He has been at the facility for over 40 years, in one capacity or another.

It needs to be pointed out that the decline in performance affects the operator much more seriously than it does the County, as Manitou is operated on a modified lease. In this arrangement, the operator is responsible for all operating expenses, including maintenance. So, the county's exposure is minimal.

We are optimistic that the operator will take the recommendations in this report to heart and this will help reverse the trend (along with improved marketing).

## Target Markets

The last major concern impacts the program significantly, regardless of which side of Amenity / Profit Center continuum you're on. And that is the system's weakness with regards to women, as well as to those who want to take up the sport, especially those from more modest income households.

Of course, given the lack of marketing, in general, it probably is not surprising that certain demographics and target markets are being ignored. But it goes beyond marketing and points to 1) physical issues at the facilities; 2) lack of programming; and 3) lack of awareness or effort.

### Women

Nationally, women make up about 24% of the golfing population, according to the NGF. That percentage is likely higher in Minnesota. Yet, based on observation, testimony from staff, and survey results, women account for 10%-15% of the play ... or less... at the County's golf facilities (except for Island Lake).

With regards to participation by women, there are several reasons for RC Golf's poor performance. These include:

- **Facility:** There are physical constraints at the facilities that make them less hospitable to women.

- **Services:** Services at the courses do not cater to needs of women in general.
- **Attitude:** Staff treating women differentially than men.
- **Programming:** There is a lack of programming at several of the facilities aimed at women.

### Facility

There are two major issues at the RC Golf courses that have a negative impact on play from women. They are:

- **Forward Tees:** The primary problem is the length from the forward tees. But there are other issues as well.
- **On Course Services:** The lack of restrooms on the courses is a deal-killer for a lot of women, who refuse to use porta-pottys. (This also tends to have a negative impact on senior men as well).

### Forward Tees

Women hit the ball on average about 70% as far as men. The most preferred yardage for men is between 6,000 and 6,500 yards. If we take 70% of this, the equivalent yardage for women is between 4,200 and 4,550 yards. Yet the Ramsey County courses are much longer than this from the forward tee. At the extreme, Manitou Ridge measures 5,491 yards from the forward tee. For women, this *is the equivalent of a 7,844-yard course for men!* Not even the PGA tour professionals play from this yardage! Making women play from such a long distance has several negative consequences. First, by making the course overly difficult for women, you get less female participation, costing you revenue. Second, the women that *do* play are naturally going to be playing much slower than the men, because they are playing from 7,840 yards, while the men are playing from 6,083! Thus, the pace of play will be slower, not just for the women, but for everyone playing behind them as well! Third, male seniors prefer playing from around 5,500 yards. Yet many will not play from the forward tees as they still consider them “ladies’ tees.” Thus, at Manitou, the seniors are also playing from too far back with the same negative consequences as for women.

Another issue with the forward tees is that they are often built substandard to those mostly used by men, and without the amenities (such as drinking water, ball washer, trash cans, etc.)

### Restrooms

Women tend to be much more resistant to using porta-potty’s than men. Yet, the RC Golf Courses lack on-course restrooms. This puts them at a *significant disadvantage* when it comes to attracting play from this large potential market.

### Services

There are also more subtle ways in which the operations discriminate against women. Most notable of these is with food and beverage. Women are much more likely to want healthy food choices than are men. Yet only Keller offers any. (This does impact play of all types, but especially from women). (Manitou, to its credit, started offering wraps and fruits after our conversations).

Merchandise sales is another area where the operators discriminate, no doubt unintentionally, against women. One stereotype about women that few tend to argue, is that women, in general, love to shop – much more so than men. That is why, when you go to a department store, there may be a full floor dedicated to women’s clothes, but only a corner of a floor for men’s clothes. Yet when you walk into the golf shop, the reverse is true – only more so. Given that this is something that tends to be more important to women, the lack of merchandise comes across as a snub.

## Attitude

With many golf operations, we find that staff will treat women differentially from men – and usually to the detriment of women. This is most common where the staff are senior men, and often stems from parochial attitudes. The stereotype that women play slower than men may be a contributing factor. (But as pointed out above, they don't play *slower*, they play longer because they're playing from 7,000 yards while the men are playing from 6,000).

With RC Golf, we did not observe this behavior, although survey results from Manitou suggest that it may be present– to an extent (perhaps confined to a single staff member). However, we also saw very few women staffers.

## Staffing

Customers will always feel more comfortable around staff that look like them. This is true for women as well as other demographics. We noted very few women staffers at any of the facilities – other than on beverage carts or in food and beverage.

## Programming

Programming, in general, is an issue *at all RC Golf Facilities*, except for Island Lake. Island Lake appears to do a great job, especially in programming for juniors and the physically disabled. Of course, the lack of programming, in some cases, can also be tied to the lack of marketing. This is particularly true at Battle Creek, where various types of programs to reach out to women, beginners, etc., were tried but failed to attract a lot of participation.

We do note, however, that neither Goodrich, nor Battle Creek, have a women's club (Manitou and Keller do).

It should be noted that RC Golf is hardly the only golf operation to minimize the female market. It is an industry-wide problem. Yet, given the general population has slightly more women than men, it certainly makes sense to pay more attention to a demographic that could instantly provide a major boost to performance.

## New Golfers

While Battle Creek has tried to offer some programming, there is still a considerable lack of programming or accommodation to *potential* or wannabe golfers. And by programming, we mean more than just providing group clinics. It includes *outreach* programs designed to attract these golfers, and programs designed to make the sport more *affordable*, especially to those wanting to take up the sport.

As discussed previously, there are, by a considerable margin, *more latent golfers* (people who do not play golf, but express a desire to do so), *than actual golfers* in the MSP market. Thus, RC Golf is basically ignoring a market that could more than double our current customer base.

*Top Golf*, which is opening a facility in the MSP area soon, is a great example of a golf facility that reaches beyond the typical golfer. In fact, *over 90% of their customers do not play golf* (other than at Top Golf). And since these facilities average over \$20m annually *each* (or roughly four times the four main RC golf courses make, combined!), there are some important lessons to be learned. Chief among these is “making golf fun, again.”

# **CAPITAL IMPROVEMENT NEEDS**

All four members of Sirius' team examined the facilities to look at capital needs.

Capital Improvements can be divided into two main categories:

1. Those needed to **maintain** performance. These are infrastructure repairs or deferred maintenance items. We will refer to these as "*Infrastructure*" improvements.
2. Those designed to **improve** performance. These are improvements whose primary purpose is to either reduce maintenance costs and/or enhance revenue. We will call these "*Performance Enhancer*" improvements.

While the infrastructure repairs may boost performance by lowering costs or improving course conditions, it is clear if they are not done, performance will deteriorate. Items in the second category, on the other hand, may also improve infrastructure, but their main goal is to enhance performance.

A clear example of capital improvement of the first type is replacing the irrigation. Irrigation is the lifeblood of a golf courses. Without it, course conditions are greatly diminished; it is very difficult to maintain good, puttable grass on the greens; and performance is dramatically impaired.

An example of the second type would be installing new forward tees at Manitou, which would greatly improve the course's appeal to women and seniors.

## **Infrastructure Needs**

In Appendix G, we list the life expectancies for various components of the golf course for this area of the country. Along with this, for both Goodrich and Manitou, we list the current age. As will be discussed, most of these components at both courses have greatly exceeded their life expectancy.

When components go beyond their useful life, two things usually occur.

- **Maintenance Costs Escalate:** This is due to –
  - **Repair Costs** to fix the equipment.
  - **Additional Labor** costs, not just to fix the equipment, but also to repair damage, etc.
  - **Inefficiency**, since older systems are not nearly as efficient as modern systems. With rising utility and labor costs, this can be a significant cost burden (especially with irrigation systems)
- **Course Conditions Deteriorate:**
  - During the period between when a component breaks and when it is fixed, there will be a ground-under-repair area that the golfers will need to avoid. The size of this area will depend on the nature of the problem. It could impact an entire green.
  - Large components, such as turf, greens, tees, irrigation, etc. will slowly degrade the quality of the playing conditions as they age. *This, in turn, will usually have a dramatic impact on play* as course conditions is one of the most important considerations when choosing where to play.

Thus, profitability is adversely affected by both increasing costs and lower revenue.

In addition to performance and age issues, there can also be safety concerns, such as an increased probability of a golfer or non-player being struck by an errant shot, or a higher risk of property damage, especially to vehicles or neighboring property.

In some cases, we also found where a needed component either was not properly installed or was not a good choice for the course at the time of construction. This can lead to reduced efficiency and increased maintenance costs.

Below is a discussion of the priority capital improvement needs for each course based on poor infrastructure. Many of these were previously discussed in other sections but are summarized here for ease of reference.

## **Keller**

Five-year-old construction and great design puts Keller in the “Initial Years Renovation” mode, meaning to continue to finish items that may have been left out or underbuilt due to budget reasons in 2013. It is and will remain your flagship course.



### **Priority Items**

1. **Irrigation** –
  - a. As per EC recommendations of pump station controls and repeaters for radio control
  - b. Implement Reduced Turf Area Plans at Tees to reduce future irrigation
2. **Sand Bunkers** – Need to improve play characteristics
  - a. More tile drainage
  - b. Bunker liners (Better Billy Bunker or similar preferred)
3. **Undersized Catch Basins** – We recommend larger catch basins in valley fairways to increase capacity.

## Manitou

Manitou Ridge has a new state-of-the-art maintenance facility, but little in the way of golf course renovations since 2000. An older, somewhat pedestrian design, with gradual green upgrades, sits on great land, suggesting higher potential.

### Priority Items

1. **Irrigation** – Completely new system needed.
2. **Sand Bunkers** – Need to improve play characteristics
  - a. More tile drainage
  - b. Bunker liners (Better Billy Bunker or similar preferred)
3. **All infrastructure is aging**, meaning a total rebuild will be required, with the question not being “if”, but when and how.

### Other Issues

#### Layout

Manitou Ridge has some safety and circulation problems that can only be addressed by **re-routing**, including:

- 11 Green in dogleg of hole no. 1
- 3, 6 and 12 Tees Unsafe due to proximity to other holes.
- 18<sup>th</sup> hole plays into setting sun.
- Walk backs from green to next tee on holes 2-3, 5-6, 11-12 and 12-13, with safety and slow play problems.
- Long walk from holes 13 to 14, and from 7 to 8.
- Elevated Tee, short driving Range brings highway and parking lot into play (safety)
- Eliminates/reduces safety issues at 11 green, 12 tees,

#### Features

- **Driving Range:** Add nets for safety

#### Infrastructure

- **Drainage:** Generally good, with a few wet spots in valleys that should be corrected on holes like 2, 3, 5, 9, 18, etc. All could be addressed with pipe, even with no re-routing for under \$100,000.

## Goodrich

Ramsey County had begun the funding process for irrigation and sand bunkers at Goodrich Golf Course, prior to this study. New irrigation systems are often a major priority. Pursuing just those two options would constitute the minimum needs plan going forward.

However, we have identified other course needs, which were more extensive than originally envisioned, and many of these, including drainage, should be constructed before irrigation is installed.

### Priority Items

1. **Irrigation** – Completely new system needed within a few years.
2. **Drainage** on fairways 1, 9, 15, 18

## Other Issues

**Infrastructure:** Complete renovation of all major components, including rebuilding greens and tees and regressing fairways. This will also dramatically enhance performance.

**Greens:** The greens at Goodrich are not only past their useful life and are of a substandard nature, they also lack variety (they are all circular in shape) and too small, especially given the nature of the target market at the facility.

**Routing:** Very similar to Manitou Ridge in several ways, with some awkward routing changes over the years, and a few new greens. There are solid holes like 2, 3, 6, 11, 13, 15, 16, 17 (except those are back to back par 3) and some unsafe areas like 13 tees, the 10<sup>th</sup> hole, etc.

Goodrich has some safety and circulation problems that can only be addressed by re-routing, including:

- 2 Green too close to 1 Tee
- 13 Green too close to 14 Tee
- 10<sup>th</sup> hole too close to road on slice side (not moveable)
- Walk backs from green to next tee on holes 8-9 and 11-12. Long walk around from 17 to 18, long walk to first tee.
- Back to back par 3 holes on 16 and 17 (a result of previous partial re-routings) – this tends to slow down play, causing a “choke point” on the course.

**Bunkers** – The bunkers are well past their useful life. Many do not drain well. They are also very inconsistent as there appear to be bunkers composed of seven different types of sand.

**Drainage** – There are some drainage issues, including fairways on 1, 9, 15 and 18.

**Trees** – there are a lot of dead and diseased trees that need to be removed.

## Battle Creek

With relatively new construction and a design well-liked by many (but scorned by some as too difficult) this course is a lower priority for any reconstruction. It still fits between the work scopes of “Initial Years Renovation,” and “Ongoing Renovations” phases. However, at age 15, it is middle-aged, and you should start long term planning for its upgrades.

As noted elsewhere, there is also the issue that its design-type, a challenging 9-hole course, has limited market appeal. Generally, 9-hole courses are easier courses targeted to beginners, seniors and higher-handicap players, but this course is quite difficult, and challenging in ways average to poor golfers struggle with the most– forced carries.

## Priority Items

1. **Bridges** – The bridges were not properly engineered and, we understand, built by inmates of the county correctional facility across the street. *We recommend that they be evaluated by an engineering firm to assess their safety and structural integrity.* It is likely many will need to be repaired or replaced.
2. **Irrigation Lake** – leaks badly
3. **Irrigation** – The irrigation heads were not placed in optimal locations, creating both inefficiency and poor coverage.

## Other Issues

### Routing Analysis

Decent routing, but it has a few problems, including:

- Too many forced carries for the average golfer it is meant to serve.
- A few circulation problems:
  - Relationship between 5 and 9 greens is probably unsafe
  - Green No. 7 is tight to road and takes golf balls.
  - Walking golfers use the bridge on 5 as a short cut to 4 green, which provides safety problems.
  - No place for carts to go when they cross that same bridge to 5 fairway.

### Infrastructure Analysis

It does have some needs, some previously identified, and including:

- **Irrigation System** – Add controls, optimize sprinkler spacing
- **Cart Paths** – Extend further to enhance wear resistance, but do not convert to full loop paths.
- **Sand Bunkers** –
  - Edges are rough
  - Improve drainage
- **Drainage** - Fairways 1 and 7

## Performance Enhancers

The following capital improvements are those that should significantly improve performance, by reducing costs, increasing revenue, or both.

### Keller

#### Priority Items

Most of these items are needed to enhance the golfer's experience, which, in turn, will make the course more attractive and increase revenue. Some will also reduce maintenance costs.

1. **Sand Bunkers** – Need to improve play characteristics
  - a. White sand to enhance play and appear as upscale course.
  - b. Bunkers need more defined edges.
2. **Forward Tees**: Need six new forward tees for Tee Equity and to add tee space (reducing wear). This should allow for increased play from females, more advanced juniors, and super seniors.
3. **Extend cart path system to a full loop system**. Partial paths cause turf wear and is not consistent with competition at desired market position.

#### Other Improvements

- **Feature Design Changes** –There are few complaints after this renovation. However, persistent problems include:
  - Level 14 fairway in landing zone
  - Remove Tree on 17
- **Greens** – Holes 11 and 17 have areas with too much slope for easy putting, but they are not impossible (based on my trial putts) so no changes should be made until other construction takes place.
- **Fairway** – Improve drainage on valley fairways, like 3, 7, 16.

- **Drainage** – Continue to add small drains in house, as needed.

## Manitou

### Priority Items

1. **New Forward Tees** – The forward tees are way too long for recreational female players.
2. **Extend cart path system** to new forward tees to spread wear.

### Other Improvements

#### Rerouting

There are some performance enhancement gains from rerouting, including:

- **Market Position:** The ability to up-scale the course, if desired
- **Enhanced Golf Experience:** Would make the course more attractive and challenging
- Improve Pace of Play

Issues to be addressed include:

- **18<sup>th</sup> hole** plays into the sun. Not desirable on last hole
- **Length** – course is too short from back tees for better players
- Proposed fairway cuts on holes (new numbers, see routing) 1, 3, 6, 10, 13-16 to eliminate blind shots (for safety, speed of play)
- Driving Range
  - Some golfers complain about elevated practice tee
  - Lowered tee reduces required net height.
  - Range is not long enough, requiring netting on the end
  - Limited capacity
  - Lower tee might reduce sun orientation problems
  - Add mats to extend tee wear.

#### Features

Recommendations include:

- **Implement Reduced Turf Area Plans** at Tees to reduce future irrigation
- **Landscaping:** Golfers complain about the landscaping as too little and not well maintained.

## Goodrich

### Priority Items

1. **Sand Bunkers** – The number of bunkers can be reduced to improve playability and reduce maintenance costs.
2. **Forward Tee Program** – Even as a short course, for recreational female players, it is too long. New forward tees are needed, which will make the course more attractive to women and to higher-handicap players.

### Other Improvements

1. **Cart Path:** Extend cart path system to new forward tees to spread wear.
2. **Routing:** issues include:

- Need to shorten Hole 1 green, for safety of 2 tee
- Need to move 13 green forward for safety of 14 tee.
- While holes 10, and the walk backs at holes 8-9 to and 11-12 are problems, they are difficult to solve without major re-routing.

## **Battle Creek**

The main issue is that the course does not fit into a good market niche as a challenging regulation nine-hole course. To fix this will require substantial investment. We will discuss options in our Capital Improvement Recommendations section.

As the driving range is the primary profit center, consideration should be given as to how that can be optimized.

## **Priority Items**

1. **Design Improvements** to make course more playable:
  - Widen Fairway on hole 5
  - Elevate and move no. 9 Tee
2. **Driving Range:** The driving range is the primary profit center at Battle Creek. There are several improvements that can be made to further enhance its appeal and its potential. They include:
  - **Improve targets** with real greens, etc.
  - **Increase size of tee area:** This would enable more golfers to use the range at one time. The problem with this is that it would require changes to the golf course. Further, the limited parking becomes even more problematic.
  - Improve ambiance
  - Replace Astroturf at back of tee
  - Extend turf tee forward for more space
  - **Improve sand bunker** at west end of tee.
2. **Ninth hole tee** – provides poor view of the hole

## **Other Improvements**

1. **Parking:** The parking lot is undersized for the volume seen at the facility, especially with the popularity of the driving range.
2. **Features:**
  - Forced carry on second shot of hole 3
  - Narrow landing zone on 5
  - Blind fairway from many tees on 9
  - Cross slope on hole 7 kicks many shots into pond
3. **Sand Bunkers:**
  - Reduce 10% to reduce maintenance costs (but only if no other changes are being made – see discussion of options under “Major Recommendations.”)
  - Upgrade with Better Billy Bunker, drainage, buff sand.
  - Enlarge Practice Tee –
    1. Rebuild Tee
    2. Improve Targets

3. Rebuild Chipping Area

# ***MAJOR RECOMMENDATIONS***

The recommendations in this section address the major issues brought up in the previous sections. Capital Improvement recommendations, however, are presented in the following section.

## **Philosophical Direction**

It is not our place to recommend what the Philosophical Direction should be for the County with regards to its golf program. However, we *do* recommend that a serious discussion take place and a consensus be reached as it will have significant impact on the operations going forward.

In this report, we provide recommendations that help the courses be a better amenity as well as a more profitable operation. However, our focus, with regards to the financial projections, are more focused on profitability, as our interviews with the Commissioners strongly suggested that they wanted the operation to be at least self-supporting.

It should also be noted that many of the capital improvements to the facilities recommended herein both enhance their usefulness as an amenity as well as their profit potential.

*This issue was addressed during our presentation on October 8<sup>th</sup>, 2018 to the County Commissioners. At that meeting, the Commissioners voted to move into a more profitable posture for the golf operations. As such, we have tailored our recommendations as to how to best improve profitability without sacrificing quality or a commitment to the community.*

## **Market Overlap**

We feel that the market overlap between the facilities is a significant issue as it means that not only are the County's facilities mostly competing against each other, but also that they are not reaching important market segments within the County and beyond.

Keller, with its design, newly renovated course, and great clubhouse, certainly more resembles a Premium facility than a "Standard" one (by NGF definitions). If the food and beverage operation is fixed (with regards to their approach to golf), then Keller should be "pushed up" and become a Premium facility – likely with a peak fee (cart and green fees) in the \$75 range. (We recommend a restructuring of the Patron program that will minimize the impact of these increases on the current customer base. See our pricing recommendations under "Pricing Policy" below).

At the same time, Goodrich more closely resembles, physically, a "value" facility than a "Standard" or mid-fee facility. And the current operator is already significantly discounting the green fees. We are recommending that the advertised rates be dropped significantly, to where the peak fee is around \$40 (instead of \$46).

Not only will this widen the market for Goodrich, it will make golf more affordable to a large portion of the market and fills a definite need in the marketplace. While Goodrich and Manitou are both in need of extensive renovations, it is unwise to have them both be under construction at the same time. This will allow Goodrich's renovations to be pushed back until Manitou's and Battle Creek's are complete. That way, these facilities will be better positioned to accommodate Goodrich's customers while it is being renovated.

The repositioning of the facilities will allow RC Golf to appeal to the higher-end golfers (Keller), the value golfers (Goodrich and Island Lake), and golfers in-between (Manitou and Battle Creek).

## Operator Contracts

In our Discussion section, we have a thorough review of the type of contracts used in municipal golf, from self-managed to long-term capital leases. For each type, we discuss the pros and cons. Right now, though, the contract situation with RC Golf is chaotic at best. Below are our recommendations, with options.

### Single Operator

First, we recommend the County position itself for the *possibility* of having a single operator oversee their entire golf operation. Having a single operator theoretically poses several advantages, including:

- Easier to administer – only dealing with one contract and one operator
- Consistency in service
- Potential savings in maintenance costs
- Marketing
- Cross-promotions
- Programming
- Expertise (assuming a larger company, with more resources, than single-operation operators)

However, a single operator may not necessarily be the best option for the County, especially given the quality of the current operators. But we feel it is an important enough consideration that the County should at least *allow for the possibility*. This means:

1. Have existing contracts modified so that they all terminate at the same time, and
2. At that time, put out an RFP that allows the responder to bid on operating one, two or *all* the facilities.

Then the County at that time, can evaluate all the options and make the best decision based on current circumstances and the bids presented.

It is likely that the single operator contract would still not include the Golf Dome, which is under a long-term lease. It is possible that it includes Island Lake, if the RFP is for the 2024 season.

### Course Maintenance

One of the biggest considerations should be whether to include course maintenance in with the management contracts. In other words, to privatize course maintenance. Below is a discussion of the pros and cons.

#### Pros

The primary reasons for privatizing are:

- **Cost Savings**
- **Labor Management**
- **Incentive**
- **Purchasing**
- **Improved Coordination**

## Cost Savings

The biggest reason is cost savings, which goes to increased profitability. And there is no doubt that considerable cost savings can be achieved.

Last year, the County spent \$2.1 million on maintaining three courses – Keller, Goodrich and Battle Creek. This can be broken down as \$1.83 coming from Parks and \$750,000 from Fleet services. Cost for individual facilities were \$521,000 at Battle Creek, \$706,000 at Goodrich and \$873,000 at Keller.

In contrast, the operator at Manitou spent \$350,000, including equipment (Fleet) expenses, to maintain that course (half the average spent by the County on a per course basis). And it is being maintained at a level comparable to Goodrich, but with more acreage and a range. To be fair, we don't think the budget at Manitou is enough. Our recommendations put it at \$450,000 to \$500,000. But that should also be the case at Goodrich – especially if it is being repositioned as a Value facility. Indeed, the maintenance at Goodrich should be less as there is both less acreage and no range to maintain. And if Goodrich is repositioned as recommended, then the maintenance standards are less as well.

While savings should be realized at all three facilities, Goodrich would appear to be where the savings is the largest – potentially \$200,000 or more. At Battle Creek, the savings would likely be in the \$100,000 to \$150,000 range. Keller's budget is close to expectation, with a possible savings in the \$50,000 - \$75,000 range. Put together and the total savings should be \$350,000 to \$400,000. Moreover, these savings could be even larger if a single operator were overseeing all the facilities, as this could result in savings in both administrative and equipment costs.

Where are the savings coming from? The two biggest areas are payroll and fleet. With payroll, the main savings is seen from benefits. First, the County benefit package is richer, and much more expensive, than those typically offered by a private operator. Second, a private operator is going to make greater use out of seasonal and part-time help, while the County uses full-time help, with much of the manpower converting over to the arenas at the end of the golf season.

Because we were never given a break-down on Fleet expenses (just the total number), we cannot specifically address where the savings would be realized. We can only state, with confidence, that a private operator would not be spending \$750,000 in fleet services (which includes the cost of equipment, equipment repairs and fuel) for the three courses. A more reasonable estimate would put it at \$600,000 to \$650,000.

## Labor Management

With any municipality there are often concerns about labor management, although much of the same arguments apply to unions as well. These include:

- **Termination Policy:** With most municipal personnel termination policies, it becomes cumbersome to terminate unproductive employees, as the emphasis is on "rehabilitation." Most municipal systems require a lot of paperwork and intervention by supervisors, who are not always prepared or willing to follow through. As a result, unproductive employees are often retained far longer than they would under a private employer. Unfortunately, the result is a double whammy as not only is that employee costing the municipality money, but these unproductive employees can often be like a "cancer" among the workers. This is because other staff see that the unproductive employee can get away with less work, so why should they work so hard? Further, it can adversely affect their morale as they must work harder to compensate for the unproductive employee.
- **Human Resources:** Personnel policies, both in hiring and termination, can often lead to the hiring of unqualified individuals and the inability to get rid of them, once hired. It can also lead to costly delays in hiring of help in situations where that help is needed immediately.

- **Work Efficiency:** This is related to termination policy above. But with greater job security, there is often a tendency to work less efficiently. *We did not see any evidence of this with RC Golf, except for the use of a push lawn mower at Battle Creek as noted previously.*
- **Employee Classification:** Municipalities are often in the habit of classifying employees based on job title rather than taking into consideration the actual nature of the job. The best example is a tractor operator. Municipalities will tend to classify anyone that drives a tractor as having the same job, thus receiving the same pay, regardless of whether they are doing it at a park or at a golf course. Yet the two jobs are very different. For one, the Park employees have much better hours. But more importantly, if a park operator messes up, there may be an ugly area in the park for a bit. But there is rarely any financial impact. But if an operator messes up at a golf course, such as scalping a green, etc., it can have significant financial implications, but in terms of costs to repair and the loss business resulting from poorer playing conditions. Further, the golf course operator often requires more precision, and thus more skill.

### Incentive

With job security, there is less incentive to perform, other than pride in what you do. With some municipalities, that can be a huge motivator, especially with the superintendents (and we do see this at RC Golf). But with a private operator, the incentive can also become financial, which is much harder to do in a municipal setting.

### Purchasing

Municipal bureaucracy can slow down the purchasing process. And it can often lead to the purchase of inferior products due to an over-emphasis on cost. Both can lead to higher long-term costs and even affect the quality of the course conditions.

### Improved Coordination

When you have a situation such as the case with RC Golf, you have at least three different management entities (the operator, Parks and Fleet) involved (four at Keller), with each on-site manager reporting to different people and no one on site, or even at the next level up, coordinating the efforts. This can lead both to confusion and poorer facility performance. For example, a major event requires careful coordination between all aspects of operation – golf operations, course maintenance (including fleet management) and food and beverage. If just one is out-of-sync, it can lead to disruptions or bad experience for the customers. And this, in turn, will adversely affect the long-term success of the facility.

If a private operator is in control of all aspects of the operation (such as is the case at Manitou), there is never concern about miscommunication. Course maintenance and golf operations are always on the same page because they both have the same manager.

### Cons

The three main arguments *against* privatizing are:

- **Current Employees:** What happens to the existing employees? While the new operator is likely to want to hire most, if not all, of the current employees, they are likely to offer less benefits (although they may offer a higher wage to compensate). But some employees, especially those in management, may have to sacrifice significant benefits, to stay with the golf course. And some may be out of a job entirely.

The County can mitigate the impact of privatization to current employees by:

- Offering to transfer some of the current employees to other County departments, such as Parks.

- Some municipalities have had success by offering the current employees a financial incentive to remain with the facility and go with the new employer. For example, they would take the anticipated first year savings from the privatization and pay it out to the employees as a one-time bonus, payable after x months (usually six) of employment with the new operator.
- **Quality Control:** Another major concern is quality control. With a private operator, one must be concerned about the operator potentially trying to cut corners (save money), resulting in poorer playing conditions. A municipality can protect themselves against this by having strong contract language that spells out exactly what needs to be done, with financial penalties spelled out. However, as we are seeing with RC Golf, simply having the language is not enough. The contracts need to be *enforced*, which means that the municipality has the responsibility to regularly check to ensure compliance. The question then becomes whether the municipality has the expertise to do so. There are some potential solutions:
  - **Part-Time Inspector:** There are often qualified superintendents living in the area that are retired, who are happy to work on a part-time basis. Inspections would likely not need to be done more than two or three times a season, unless a problem is found.
  - **Outside Consultant:** There are companies, such as our own, that can perform these inspections.
  - **Other Municipalities:** A creative solution is to work with another municipality who is in the same situation. Their superintendents can perform regular inspections at your facilities and vice-versa. The problem is that superintendents tend to be close-nit and it may be difficult to find ones that are willing to criticize a fellow superintendent.
- **Deferred Maintenance:** This goes along with quality control but is subtler as the issue may not appear for years. To save costs, an operator may not be motivated to keep permanent equipment, such as the irrigation system, in prime condition – if it is good enough to get by. Same may be true of other issues, such as drainage. This can lead to greater repair costs down the road that the municipality is likely to bear.

### Recommendation

On October 8<sup>th</sup>, 2018, the County Commissioners voted to prioritize profitability. If that is the case, then there is no question that **course maintenance should be privatized**. And our recommendation is to include it under the management contract so that one operator is overseeing both maintenance and golf operations.

Should the current operators not want to take on course maintenance, or a suitable agreement not be reached, there are several companies out there who perform contract maintenance. The County should explore this option, but make sure that the contract expires when the operator contracts expire so that a single operator can be used on the next round.

A good argument could be made to leave Keller out of the privatization as the maintenance expenses there (including Fleet) are reasonable, the quality is good, and the facility is profitable. And there is a strong desire to protect your most valuable asset. Our recommendation is to *not* include Keller unless the same operator is doing both operations and maintenance.

## Recommended Contracts

We will discuss two different contracts. The first would basically be a modification of the existing operator contracts at Keller, Battle Creek and Goodrich. The change would involve how the revenue is being split. All other aspects would remain.

The other type of contract is the **Hybrid** contract, which is like the one at Manitou (but not the same). This is the type of contract we recommend the County use going forward.

### Revenue Equalization

This is the simplest modification, and one that may be possible to implement as early as 2019 as the operators had expressed a willingness to do so, pending further discussion.

In this model, all the contract terms would remain except for how the revenue is to be divided. All revenue is treated equally, whether it is green fees, cart fees, range, merchandise or food & beverage. However, with merchandise and food & beverage, the net revenue (gross revenue less cost of sales) is used. The same revenue split would apply to all revenue.

This eliminates the potential conflict of interest that currently exists, whereby the operator has an incentive to decrease green fees in order to maximize volume, where they get the extra revenue from merchandise and Food & beverage.

### Hybrid

A hybrid contract is a cross between a management contract and a lease. Like a lease, the operator is responsible for all operating expenses, including course maintenance and equipment (fleet services). But like a management contract, the municipality is responsible for capital improvements. It also has a shorter term than most leases and retains more control for the municipality.

The nice thing about Hybrid contracts is that it establishes a floor for the municipality. If no operator subsidy is involved, then the floor is break-even or better, which is the case at Manitou.

The hybrid would also treat all revenue equally in the same manner as described with the Revenue Equalization plan.

In our recommended contracts, we add another feature – a breakpoint. This is done to make sure the operator can cover his/her costs, but then maximizes the return to the County. The way it works is that a breakpoint is established that equals approximately what the operator's operating expenses are likely to total. Up to that breakpoint, the operator gets most of the revenue (90 to 95%). But above that point, the County gets most of the revenue (e.g. 80%). In cases where the operator's expenses are not likely to be covered (such as construction years), then a flat subsidy can be added.

We also recommend adding some teeth (protection) to the contract that stipulates certain standards must be maintained (both in terms of maintenance and operations). If the contractor is found in default, they are given a period to correct. If not corrected, then the revenue split is adjusted in favor of the County until it is remedied.

We also recommend that the contracts contain a stipulation that the operator *must* devote 2% of the net revenue (gross revenue less cost of sales) towards marketing. (The County would also contribute 2% of its revenue).

*We recommend transitioning Keller, Battle Creek and Goodrich to a hybrid contract as soon as possible. Manitou would be converted upon the end of the current lease.*

## Transitioning

Transitioning to the Revenue Equalization plan basically comes down to how to handle the existing inventory (merchandise, food and beverage). As cost of sales is deducted from the gross revenue before the split, an accounting needs to be done with regards to *existing* inventory that has already been paid for by the operator. Our recommendation is for the County to pay the operator an amount equal to its split of the revenue and based on the actual inventory purchase receipts.

With the hybrid contract, it is a bit more complex. First, the county would have to deal with the labor situation as described above. The other major issue, though, is equipment. The County currently owns all the maintenance equipment as well as the cart fleets.

The solution would likely depend on the chosen operator and when the transition would occur. If we assume the current operators are willing and able to transition to a hybrid contract as early as 2020, then they certainly would need all that equipment as well as the carts. In that case, we recommend negotiating with the operator to take all the existing equipment. The county would likely need to lease the equipment to the operator to make it easier for them to finance.

## Keller

We strongly feel that Keller is best handled under a single operator that has expertise in both golf course management and banquets. There are several outstanding operators who qualify. (The existing operators may want to bid on doing both as well).

## Marketing

While some recommendations in this study may take time for the County to implement, this should be one that can be implemented for the 2019 season. Further, no other change *will have as much impact as a significant improvement in marketing*.

As noted previously, we perceive two main issues with the current marketing: 1) not enough money is being spent (virtually none), and 2) what is spent is not being done so in an effective manner (expertise). Related to this issue is the fact that it is not clear as to who is responsible for marketing – the County or the Operator.

Here is our solution:

1. **Budget:** We feel that both the County and the operators should participate, with the County taking the lead.
  - a) We propose that the County set aside 2.5% of *its* share of the revenue stream for marketing. Last year, the County's share of the golf course's revenue was \$2,655,106. At 2.5%, this would generate \$66,377 for marketing.
  - b) Each of the main operators would contribute \$3,000 per facility. This should equal \$15,000 (\$3,000 each from Goodrich, Manitou and Battle Creek and \$6,000 from Keller).
  - c) In addition, the operators will have the *option* to contribute more, with the knowledge that any additional funds they contribute will be spent *directly on advertising for their facility*. This allows them to take advantage of increased buying power and expertise.
2. **Management:** We recommend the County hire a marketing firm, *with expertise in golf course marketing*, to manage the marketing for the County and the four main facilities.

3. **Marketing:** The marketing effort should include:
  - a) **Planning:** A detailed marketing plan should be prepared annually.
  - b) **Web:** New websites should be created for each facility.
  - c) **Social Media:** The courses need to be proactive in major social media. This will require someone (likely from the marketing company) to do regular postings – preferably daily.
  - d) **Email:** The email database should be mailed to at least on a weekly basis.
  - e) **Public Relations:** A PR effort should be implemented, especially when it comes to new programming and major capital improvements.
  - f) **Media Advertising:** A comprehensive media campaign should be implemented. This will include advertising on social media platforms, golf publications, etc. It may include spot TV ads, redemption advertising and billboards.
4. **Branding:** As RC Golf begins implementing the proposed improvements to operations and facilities, the County should strongly consider a branding campaign, bringing all the facilities under a common brand identification (such as “RC Golf”). This would include a logo that hopefully would have merchandising value as well.

### **Marketing vs. Advertising**

There is often a lot of confusion in the public between the terms “Marketing” and “Advertising,” with many using the terms interchangeably. The truth, though, is that while all advertising is marketing, not all of marketing is advertising. Advertising is a *part* of a marketing strategy. But it *should* be only a part of an overall marketing strategy.

There are many components to marketing. Below are the most important.

- **Planning:** The first step in marketing is to develop a plan. You must know where you want to go, then determine the best path to get there. We noted previously that the current operator contracts require them to prepare an annual plan, but this has not been enforced. A good plan includes the following:
  - **Goals:** Goals should be specific, measurable and obtainable.
  - **Strategy:** How do you plan on meeting the goals.
  - **Market Overview:** What is the potential market?
  - **Target Market:** Who are you going to be targeting in your campaign(s)?
  - **Competitive review:** Who are you competing against? How are they marketing?
  - **Market Position:** How is the facility being positioned in the marketplace? This should include both pricing and image.
  - **Fees:** What is your pricing plan?
  - **Budget:** This should be as detailed as possible.
  - **Media:** What media will be used in advertising and communications. How often?
  - **Pricing**
  - **Public Relations:** How and who are you going to use for public relations interactions.
  - **Promotions:** What kind of promotions are you planning, including events, specials, etc.
  - **Measure:** How are you going to measure the effectiveness of your campaign?
- **Budget**

- **Public Relations:** This is often overlooked but can be extremely cost-effective. It is always beneficial to develop a good relationship with the media, especially the media that covers golf. This includes not only traditional media, but golf-specific media, web-only media, etc.
- **Pricing:** Pricing plays a key role in your marketing. It not only determines your market position, but it is obviously a key driver in attracting a customer base.
- **Media:** Now we are getting into advertising.
- **Analysis:** Determining the effectiveness of your marketing campaign. This will help you become more cost-effective in the future by dropping what was ineffective.

## Marketing Strategy

The marketing strategy should be divided between marketing the system (branding) and individual course advertising.

### System Marketing

The main theme for the system marketing should be “something for every golfer” as it highlights the diversity of facilities. The marketing should be inclusive of Island Lake and possibly the Golf Dome. I say possibly, because under the current lease, the county has no vested interest in the Dome’s performance. However, we encourage approaching the Dome’s operators for a contribution to the marketing fund in exchange for participating in the system marketing.

Another important component of the marketing will be the spreading out of the price points – elevating Keller to a Premium course and making Goodrich a value facility. This will further enable RC Golf to reach the widest possible spread of golfers.

### Branding

Branding is creating an identity for RC Golf. This makes it much easier to market. However, one of the concerns with branding the facilities at this point of time is that to be successful, it is imperative that there is consistency in the quality of service. This does not appear to be an issue currently as all the operators offer good customer service. Further, there is good communication between the managers as they meet on a monthly basis.

Another concern may be timing. Would it be better to start branding now, or wait until the courses are renovated? Our recommendation is to start the branding operation *as soon as the renovation plans are in place*. That way, the renovations can become part of the marketing.

There are some key components to branding. They include:

- **Name:** “Ramsey County Municipal Golf” is not exactly ideal for marketing. Preferably, you develop a name that is easy to remember, short, and descriptive. In this report, we use “RC Golf,” which is a potential candidate. But there are a lot of options, including simply “RCG.”
- **Logo:** The second key is to develop a good logo. This needs to be professionally designed, with the knowledge that it will be used on everything from golf balls (very small) to billboards. Thus, it cannot be overly complex. You want the logo to be appealing, so that it can be used to help sell merchandise.
- **Exposure:** Of course, the most important component is to get the name in front of the target market as often and as memorable as possible. It needs to be used in *all* advertising done for RC Golf, and be seen all over each facility through both signage and merchandise. It should also be promoted through both County and Parks marketing information that includes golf.

## Public Relations

Public relations can be one of the most cost-effective marketing strategies. You want to have press releases for all major events. Try to get articles placed with both local media and regional golf publications on RC Golf's efforts to improve. These can be done when plans are finalized then throughout the renovation process and upon completion. Have more golf stories published on the County-controlled websites and social media.

Another way to generate good publicity is through community involvement. A good example of this is for the *County* to sponsor a charity golf event at Keller and perhaps other facilities, where the charity itself captures the public interest. An example might be a fund-raiser where all the green fees, or 75% of the proceeds, etc. goes towards disaster relief. Or towards housing for the homeless, etc.

## Individual Facilities

The three "I's" identify the main types of marketing that apply to facilities.

- **Informational:** These are the "blandest" of ads. Their primary purpose is to *inform* the customer. These ads may feature course hours or fees, and/or various services found.
- **Image:** Image building ads are ones that make the facility more desirable to play. They highlight the quality of the golf *experience*, whether it be the quality of the course, superb course conditions, great customer service, or a fun, festive environment.
- **Incentive:** These are ads designed to get the golfer to act *now*. There are three primary subtypes:
  - **Redemption:** These are ads that can be redeemed for savings, the most common example being coupons.
  - **Specials:** These are promotional rates that do not require any special action by the golfer other than make a teetime during the promotional period.
  - **Event:** These are ads promoting a specific event, whether it be a tournament or a "demo-day," or some other type of event that is limited time or limited participation.

All three types are needed and play an important role in the overall strategy. However, the mix will vary with the type of facility.

For Keller, the primary marketing should be *Image*, especially if Keller is marketed as a "Premium" facility. This is because golfers playing premium facilities do so primarily because they are wanting a quality experience and do not have the price sensitive that other golfers may have.

It is also important for Battle Creek to feature predominantly Image ads, because golfers are expecting it to be a low-quality course due to being only nine holes. This can only be overcome through extensive image-building ads, presumably with the tag line "Best Nine-Hole Course in the State." They also might emphasize "a Premium Experience in half the time."

At Goodrich, which is targeting the value market, the ads are going to be predominantly Incentive ads, because golfers playing value facilities do so because of price sensitivity.

Manitou will want a more balanced approach as it is in the middle. It needs to have its image built up, but you also want to give the golfers a reason to come now to try it.

A caution needs to be issued with regards to Incentive ads. It is very important to *vary* the incentive that is being offered. There are several reasons for this. First, if you are offering the same incentive over and over, it will eventually lose its appeal. Golfers get so used to seeing the same offer, that they become attenuated to it, essentially ignoring it because they have seen it so often. Second, if the same special is always offered, it ceases to be "special" and essentially becomes the actual price. Third, by varying the offer, you are more likely to reach a wider segment of the market.

## Media

Below, we will discuss various media and the roll they can play in promoting RC Golf and its facilities.

### Print

To paraphrase Samuel Clemens (Mark Twain), the reports of the death of print media has been greatly exaggerated. First thing to keep in mind that most of the traditional “print” media also have a corresponding web presence. So, you are not exclusively advertising in “print.”

Print media is most popular with seniors, but it does reach other demographics. Print is also ideal for redemption ads (coupons) as you can have a physical proof of the effectiveness of an ad.

Metropolitan newspapers obviously have the widest circulation. But they are also the most expensive, thus using them must be judicious, if at all. In the case of RC Golf, it would mostly likely be used to promote the system, or Keller.

Regional golf publications may be the most targeted as they are only being read by potential customers. But not all publications are equal.

An often overlooked, and cost-effective media, is to advertise in neighborhood or local area papers – particularly those that are close to a given facility. Redemption ads tend to work best as the reader is likely to already be familiar with the course.

### Broadcast

Broadcast media is usually the most expensive media choice. And while television can be very effective, its cost reduces its cost-effectiveness. What is important to remember is that repetition is the key to effectiveness. This, obviously adds to the cost.

Radio is rarely cost-effective for this reason. Radio reach is becoming more and more limited, for one. And there are so many choices that it is hard to choose the right one. And then you must saturate in order to be effective. We rarely recommend radio. However, there are a couple of exceptions:

1. **Golf Shows:** Golf shows, like golf publications, have already screened the market so that only potential customers are listening.
2. **Trade:** Many radio stations are willing to trade air time for teetimes that they can use to entertain VIPs or host a tournament.
3. **Public Relations:** Radio is a great source for public service announcements (PSAs), which are normally free of charge. These can be used to promote special events.

### Email

Email marketing is usually the most cost-effective, mainly because there is often no cost involved other than time. But it can also be very effective, especially in building loyalty and retaining current customers.

To be effective, email marketing needs to be consistent and frequent – at least once every other week.

Currently, the only way the email list is being built is through the online teetime reservation system, which is controlled by a third party. We strongly recommend building internal lists through signup notices on the course’s websites as well as a physical sign up at the proshop.

The problem with most email campaigns is that they start and end with your own customers. And by sending them coupons and specials, you may simply be lowering the yield on the rounds that you may have gotten anyway. As a result, we recommend to not *just* use email to send out coupons. Use them to

*communicate*. We recommend creating a monthly *Newsletter*, which also can be posted on the website. The newsletter should include:

- Calendar of upcoming events
- Tournament/league results
- Article from the pro
- Article from the Superintendent

Ideally, though, you would like to take advantage of the efficient media by promoting to golfers who are *not* currently your own customers. The question becomes how do you get their emails?

There are several potential sources, including:

- **Marketing Companies:** There are a lot of companies that market specialized email lists. Some of these are derived from subscribers to golf publications, others get the names from surveys and other sources.
- **Internal:** The County likely has several email lists internally, including employees.
- **Trade:** Consider trading email lists, or rather access to them. Privacy concerns will likely prevent exchanging the lists, but other golf companies may be willing to email an ad you create to their customers in exchange for you emailing one of their ads to yours. Potential targets are other golf related businesses such as golf retailers.
- **Media:** A lot of media now offer email campaigns as part of their services. This may or may not be in conjunction with using their preferred media.

## Website

The website is the most prominent and perhaps most important aspect of marketing. Used properly, it not only is helpful to current customers (customer service) but can play an essential role in attracting *new* customers (customer attraction). It is in the latter role that the current websites mostly falls short. And enterprising courses use their website for *revenue generation*. Key to all of these is the information that is provided and how it is provided.

It is important to give *current* customers a reason to regularly check the website. This can take several forms, such as offering specials, providing league and tournament results, posting a calendar of events, etc. This also means that is important to constantly be updating the website so that there *is* something new to see.

Key components of a successful website include:

- **Design:** The website should feature a professional, modern design. It is essential that key components be visible at the top of the first page, including a menu, a dramatic picture of the course, and a highly visible link to online teetime booking.
- **Searchability:** You can't attract new customers with your website if they can't find the website. Do not depend on people googling the name of your course. You want your course to pop up when they are searching for any golf course in the area. Make sure your website pops up for searches for "Golf St. Paul," "Golf Minneapolis," "Golf MSP," "Golf Twin Cities," etc. This can be done with text on the website as well as metatags and other techniques.
- **Pictures:** The website needs to have *lots* of pictures. You may even want a page dedicated to pictures of the course. Make sure there are pictures showing happy customers, and make sure they show a *diverse* population of customers.
- **Course Description:** The course description is the first thing a prospective customer is going to read. Thus, it needs to be good. It not only needs to do a good job in describing the course but do it in a

way that makes it as appealing as possible. In writing the description, make sure to highlight the factors that you think are the main reasons golfers would want to play the course. Avoid trying to make the course something it isn't. Not all golf courses can be compared to Augusta National. But keep in mind, not all golfers are looking to play Augusta – at least that may not be what they are searching for at the time they find your website. Keller, for example, needs to talk about its rich history as well as its recent renovation and beautiful clubhouse.

- **Course Information:** Course vitals – Par, length, slope and USGA rating, should be prominently shown in the upper half of the home page. But there also needs to highly visible links to the [scorecard](#) and [layout](#). If a drone video is available, post that.
- **Fees:** Fees should be on the first page, or a separate tab that is easily seen. *Rates need to be kept current, including any specials.*
- **Email Sign Up:** There should be a link on the home page to sign up for the in-house email list.
- **Promotions/Specials:** There should *always* be an incentive on the home page. This does not necessarily have to be a discount on playing fees. It can be a merchandise sale (and there should always be something on sale), or a special in food and beverage. You should also highlight a regular feature, such as twilight rate at Keller, or the 2 for 1 Happy Hour at Battle Creek, etc.
- **Patron Program:** The Patron Program should be explained on the home page. Do not just give rates but explain how it works.
- **Profiles:** There should be an “About Us” page that provides background information on key staff. It is also nice to highlight an employee of the month.
- **RC Golf:** There should be a brief description of the entire RC Golf system, with links. Do not assume that they came to the course website from the County's.
- **Calendar:** There should be a calendar of events. This should not only show upcoming tournaments, but also maintenance programs that may impact play such as aerating. *This needs to be kept up-to-date.*
- **Tournaments:** Provide information about upcoming tournaments and events. Provide links for participation if they are open events. An added customer service is to also post *results* from recent events. This can help in selling future events as it is a value-added service.
- **Leagues:** It is also a great value-added feature to provide information about leagues at the course. Provide links to league organizers for outside leagues and provide sign up options for course-sponsored leagues. Post league results.
- **Clubs:** Same as with leagues. Provide contact information, fees, events, and results. If the clubs maintain a separate website, provide a link.
- **Newsletter:** We would love to see a monthly newsletter that is not only emailed to customers but is also posted on the website.
- **Merchandise:** Consider selling merchandise off the website, especially logoed merchandise. Always post your weekly featured sales items. It is easier than ever to sell merchandise off a web page.
- **Food and Beverage:** Have a menu as well as posting any specials. Post hours of operation. Indicate when the beverage cart service can be expected.

## Social Media

Like the website, social media plays an important role in both customer retention and attracting new play. The biggest key is keeping the content *fresh*. You want to post on a regular basis. At a minimum, the social media that you should participate in include Facebook, Twitter, Instagram and You Tube.

- **Facebook:** Facebook serves as both a second webpage and a great communications device. The same recommendations for the website above apply to your Facebook page. Again, update, update, update.
- **Advertise:** The real power with social media is not in your postings, which primarily impact current customers, but in advertising on the sites. These media provide powerful targeting tools that allow you to pinpoint your audience, making them very cost effective. They also offer click-advertising that allow you to control your costs. Another benefit to web advertising is that it allows you to track exposures, so you have a measure of effectiveness.
- **You Tube:** Have a You Tube channel for each course. Again, make regular postings.

### Internet Specialist

Because of the importance of internet-based media (email, websites, social media, etc.), the County should consider hiring an internet specialist whose only job is to make regular postings for each course. Ideally, this person should not only have the requisite computer skills but have marketing expertise – with the ability to take good pictures (and video) and write effectively.

### Other

- **Billboard:** Consider having at least one seasonal billboard. Our recommendation is to have one for Keller and have it posted near the Airport or on I-35E near downtown St. Paul.
- **Brochure:** Develop a brochure for RC Golf and at least Keller, if not for each course. But these brochures do no good unless they are *distributed*. The brochures should be designed to fit into tourist racks and must have “GOLF” prominently displayed in the upper portion so that it is clearly visible in the rack. Brochures should be placed in tourist racks throughout the metropolitan area. They also should be given to area Chambers of Commerce, Economic Development Councils, etc. to be included in information packets.
- **Search engines:** Search engines are how most golfers find websites when they are searching for a place to play. Consider paying to have the course placed at the top for various searches (e.g. “Golf St. Paul”, “Golf Minneapolis”, etc.) These can be budgeted as you pay by the “click” and you can preset how much you want to pay each month.

### Tracking

An important component to a successful marketing strategy is in being able to track the success of various marketing campaigns or specific ads. This will allow you to discard those ads and/or strategies that prove unsuccessful, while shaping and expanding those that are.

The question then becomes: “How do you track your ads?” Below are some proven ideas:

- **Redemption Ads: (Coupons)** This is certainly the easiest and one of the more accurate measures. You simply keep track of the number of coupons that are redeemed for a given campaign. However, keep in mind, the raw numbers do not tell the whole story. A redemption ad can have a positive impact even if the reader (or listener) never utilizes the coupon. The reason is that it does increase exposure. And because it involves savings, the reader is more likely to pay attention to it. The downside is that it can reduce the value of the product – especially if overdone. It is most effective when done strategically. In the old days, you simply counted the physical coupons. However, physical coupons are much less used today. You still want to do a physical count if a physical media is used, but the best way is to create a special “key” on the POS for each promotion. This provides an accurate count, although you need to do spot checks to make sure your cashiers are not giving the coupon rate to customers who did not provide the coupon. If different media are used for the

same ad, make sure the media is coded so that you can get a count for each. Some operators will use QR or bar codes that can be displayed on a cell phone. This is ideal, but requires a POS sophisticated enough to read and record them. Another method, when using different media sources for the same coupon, is to have a different POS key for each media. The cashier then needs to be trained to make sure they use the right key for each media.

- **Before and After:** Another good measure is to track performance before, during and after a particular ad campaign. The time frames need to be the same (i.e., same days of the week, etc.). The problem, though, is that weather can have a big impact. If adverse weather intervenes during any of the measurement periods, it can distort the results.
- **Internet:** Most internet-based advertising, including social media, provide excellent tracking tools. You can see your exposure (how many people see the ad) and click-through rate (how many actually click on the ad to get more information.)
- **Survey:** If you are running an “image” campaign, there are no coupons to count. However, it is possible to get an objective measure. You simply ask the customer, “how did you hear about us?” or “did you see x ad.” This can be done both online, when the customer is booking teetimes, or in the proshop, when a customer is booking or when checking in. The latter requires the cashier to be trained both to ask the questions, and then to record the response on a running tab set up for that purpose.
- **Clicks:** You should have a digital counter on your website and on each page, that counts the number of times it is accessed. Even if an ad does not direct the customer to the website, they are likely to do so if they are interested, or if they are thinking about booking a teetime. Again, you can compare the before and after. You can also get counts from search engines to see how many people are inquiring about your golf course, both before and after.

We have more to say about marketing below under “Expanding Market.”

## Pricing Policy

To what degree you want to change the pricing philosophy depends largely on where you want to be on the amenity / profitability continuum. Current policy is very much amenity-oriented. If profitability is important (even just to break-even), then certain changes should be strongly considered.

At the very least, the County should be reviewing the pricing schedule on an annual basis, not every two years. If the contracts with the operators are reworked so there is a stronger alignment of interests and potential conflicts of interest are eliminated, then the operators should be given greater control over the golf fees. This should greatly diminish undue political influence and place more emphasis on making business it a business decision based on the current market conditions. After all, they are the ones that are in the business and are dealing directly with the customers and competition. In this case, the County could provide a fee range and structure (annual passes, patron program, etc.), but allow the individual operators to set the exact rates, which they could modify as market conditions change.

## Clubs

The situation with the men’s and women’s clubs, especially at Keller, is a difficult one. Not only do these clubs represent the heaviest users of the facility, but they also tend to be politically active. But I do think there are reasonable options to consider making the facilities more accessible to the general public during these peak demand times. Possible solutions include:

- **Limiting teetimes:** Instead of allowing the clubs to have unlimited teetimes, limit them to specific times, which may be far fewer than current.
- **Earlier release:** Allow only one day for exclusive access to the teetimes instead of three.
- **Move times around:** Instead of having the clubs always get the best times, move the start times around. For example, at Keller, the clubs would start at 7:30 one week, then 9:30 the following.

### Weekend Rates

We do *not* agree with the decision to eliminate weekend rates. If the goal is to improve profitability, then the principal of supply and demand should apply. Simply put, the demand for weekends, outside of league play, is *significantly greater* at metro courses than during the week. The overwhelming majority of the competition charge weekend rates. The argument that it is *easier* for the customers to have one rate is without merit. Golfers expect higher rates on weekends and the internet makes it easy to communicate.

Where we see the same fee charged seven days a week most often are at 1) resort courses, where the demand may be less on weekends; 2) high-end courses where the rates are high anyway; and 3) very low-end courses. None of these apply at RC Golf.

### Recommended Fees

This section describes our fee recommendations for the 2019 golf season. They take into consideration:

- Keller repositioned as a Premium Facility
- Goodrich repositioned as a Value Facility
- Battle Creek repositioned and marketed as Best 9-hole Course in the State.

Sales tax is included in the posted rates. These rates also assume that the capital improvements have not been made, but that the other improvements suggested in this report are implemented.

### Annual Passes

Below are our recommendations for Annual Pass fees. The central point is that each facility should have its own season pass. However, the one for Keller would also be good at all four courses. This system pass would be available for purchase at each facility in addition to their own.

The main beneficiary of this change will be Goodrich, which will see a significant drop in rates. But these new rates are much more in line with area competition for the other courses.

Another key change is the addition of a Weekday only pass. These passes would be good for play only Monday-Friday. These will appeal to both seniors and league players.

| <b>Annual Pass</b>        |                |               |                       |                 |                |                      |
|---------------------------|----------------|---------------|-----------------------|-----------------|----------------|----------------------|
|                           | <b>Current</b> |               | <b>Proposed 2019*</b> |                 |                |                      |
|                           | <b>BC Only</b> | <b>System</b> | <b>BC</b>             | <b>Goodrich</b> | <b>Manitou</b> | <b>Keller/System</b> |
| <b>Regular</b>            | \$700          | \$1,500       | \$950                 | \$1,200         | \$1,550        | \$2,000              |
| <b>Senior</b>             | \$550          | \$1,200       | \$750                 | \$950           | \$1,100        | \$1,500              |
| <b>Junior</b>             |                | \$400         | \$300                 | \$250           | \$400          | \$500                |
| <b>Weekday Regular</b>    |                |               | \$710                 | \$900           | \$1,150        | \$1,500              |
| <b>Weekday Senior</b>     |                |               | \$560                 | \$710           | \$825          | \$1,125              |
| * Rates include sales tax |                |               |                       |                 |                |                      |

We also recommend putting a limit on the number of season passes sold. At this point, it is not a concern due to the low volume, but with the revised pricing it can be. Too many pass holders can reduce the overall yield as they dominate the teetimes with an effectively lower yield per round. Our recommendation is to limit the seven-day passes to 75 at each facility combined regular and senior.

**Patron Program**

We are recommending a major restructuring of the Patron Program. The changes include:

- **Non-Resident Rates:** Residents of Ramsey County pay a lower fee for a Patron card than non-residents.
- **Premium:** We recommend introducing a deluxe or Premium Patron card. In addition to the benefits of the Patron card, Premium members will be allowed to get twilight rates one hour earlier than other golfers. They also get a discount on the cart fee.
- **Seniors:** Seniors receive a discount on both resident and non-resident cards, as well as both Premium cards.

We also feel that the current rate is too low.

Another recommendation is that golfers must provide contact information to receive the card, including email address. The County should assure them that their email address will not be supplied to any third party. They will also be given the ability to opt out of receiving regular emails from the golf programs.

**Green and Cart Fees**

Below are the current and proposed green and cart fees for each course. Keller and Battle Creek’s fees are going up, Goodrich’s down and Manitou remains mostly stable. We are also introducing the proposed new Patron programs.

| <b>Patron Program</b>   |                |                 |
|---|----------------|-----------------|
|   | <b>Current</b> | <b>Proposed</b> |
| <b>Resident</b>   |                |                 |
| Regular   | \$25.00        | \$40.00         |
| Senior  |                | \$30.00         |
| Premium***  |                | \$90.00         |
| Premium Senior  |                | \$70.00         |
| <b>Non-Resident</b>   |                |                 |
| Regular   |                | \$50.00         |
| Senior  |                | \$40.00         |
| Premium   |                | \$100.00        |
| Premium Senior  |                | \$80.00         |
| * Rates include sales tax   |                |                 |
| **Assumes no major Capital Improvements   |                |                 |
| *** Premium allows for getting twilight fees one hour earlier and discounted cart fee |                |                 |

| Green and Cart Fees |                   |             |          |          |          |         |          |         |          |
|---------------------|-------------------|-------------|----------|----------|----------|---------|----------|---------|----------|
|                     |                   | Battlecreek |          | Goodrich |          | Manitou |          | Keller  |          |
|                     |                   | Current     | Proposed | Current  | Proposed | Current | Proposed | Current | Proposed |
| <b>Regular</b>      |                   |             |          |          |          |         |          |         |          |
|                     | 18 holes          | \$30.00     | \$34.00  | \$30.00  | \$24.00  | \$34.50 | \$34.50  | \$45.00 | \$52.00  |
|                     | 9 holes           | \$20.00     | \$23.00  | \$20.00  | \$16.00  | \$22.50 | \$22.50  | \$24.00 | \$29.00  |
|                     | Twilight/Sundown  | \$12.00     | \$15.00  | \$20.00  | \$18.00  | \$20.00 | \$20.00  | \$26.00 | \$32.00  |
|                     | Senior 18         | \$20.00     | \$24.00  | \$20.00  | \$18.00  | \$24.00 | \$24.00  | \$33.00 | \$42.00  |
|                     | Senior 9          | \$15.00     | \$18.00  | \$15.00  | \$12.00  | \$16.00 | \$17.00  | \$21.00 | \$26.00  |
|                     | Junior 18         | \$18.00     | \$20.00  | \$18.00  | \$18.00  | \$18.00 | \$18.00  | \$20.00 | \$30.00  |
|                     | Junior 9          | \$12.00     | \$13.00  | \$12.00  | \$12.00  | \$12.00 | \$12.00  | \$15.00 | \$20.00  |
| <b>Patron</b>       |                   |             |          |          |          |         |          |         |          |
|                     | 18 holes          | \$25.00     | \$29.00  | \$25.00  | \$21.00  | \$29.00 | \$29.00  | \$38.00 | \$40.00  |
|                     | 9 holes           | \$17.50     | \$20.00  | \$17.50  | \$14.00  | \$20.00 | \$19.00  | \$21.00 | \$22.00  |
|                     | Senior 18         |             | \$19.50  |          | \$15.00  |         | \$21.00  |         | \$36.00  |
|                     | Senior 9          |             | \$15.00  |          | \$10.00  |         | \$14.00  |         | \$18.00  |
|                     | Junior 18         |             | \$16.00  |          | \$15.00  |         | \$15.00  |         | \$25.00  |
|                     | Junior 9          |             | \$10.00  |          | \$10.00  |         | \$10.00  |         | \$17.00  |
| <b>Cart</b>         |                   |             |          |          |          |         |          |         |          |
|                     | 18 holes          | \$16.00     | \$17.00  | \$16.00  | \$15.00  | \$16.00 | \$16.00  | \$16.00 | \$18.00  |
|                     | 9 holes           | \$11.50     | \$11.50  | \$11.50  | \$11.00  | \$11.50 | \$11.50  | \$11.50 | \$12.00  |
|                     | Senior 18         | \$12.50     | \$17.00  | \$12.50  | \$15.00  | \$12.50 | \$16.00  | \$12.50 | \$18.00  |
|                     | Senior 9          | \$9.50      | \$11.50  | \$9.50   | \$11.00  | \$9.50  | \$11.50  | \$9.50  | \$12.00  |
|                     | Premium Patron 18 |             | \$14.00  |          | \$13.00  |         | \$14.00  |         | \$15.00  |
|                     | Premium Patron 9  |             | \$10.50  |          | \$10.00  |         | \$10.50  |         | \$10.50  |

## Keller

The food and beverage operation, as it relates to golf, needs to be fixed! It is having an adverse effect on the golf operation and puts the facility at a significant competitive disadvantage.

The beverage cart should be running from no later than two hours after the first teetime, until one hour before sunset, on every day that more than 20 rounds of golf are expected. (In other words, most every day where weather conditions allow for golf.) The beverage cart should not be looked at as just a profit center for the vendor, but as a necessary customer service for the facility. The beverage cart staff should also be properly trained on how to operate a beverage cart on a golf course. On highest demand times (such as weekend mornings), we recommend having two beverage carts operating, one for each nine. *The goal with a beverage cart should be reaching every group every three to four holes, which means making a round in less than an hour. This often requires two carts when it is busy.*

The vendor also needs to pay more attention to the grill and bar operation, especially with regards to customer service. Staffing levels should be consistent with anticipated volume at the golf course, including staffing up for tournaments to handle the pretournament crowd, along with restaurant only business.

## Manitou

Historically, Manitou has been the best-performing facility within the RC Golf system. However, its performance has been declining significantly over the past several years. Like Goodrich, Manitou is dealing with a rapidly deteriorating infrastructure that has long outlasted its anticipated and recommended life-cycle. Unlike Goodrich, Manitou received very poor ratings from its customers in the administered NGF survey, especially in its loyalty index. If trends continue, Manitou is at serious risk of a further deterioration of its customer base. Manitou is largely dependent on its league income, having more league participation than the other courses in the system, combined. In this case, losing just one league can mean a significant drop in play. In our opinion, especially after review survey responses, Manitou appears to be at risk of losing several leagues.

On the other hand, because Manitou is managed under an operating lease, whereby the operator is responsible for all operating expenses, including maintenance, the County has little exposure. But it does remain responsible for capital improvements.

This operating agreement expires at the end of 2021, with no option for renewal. If current trends continue, the County will be taking over a facility in crisis, with major capital needs and a significantly reduced customer base. At that time, it is difficult to imagine being able to attract an operator under a similar lease agreement, without major improvements having been made. Without major changes, but in operation and with regards to capital improvements, the County is at risk of turning what has historically been its most profitable golf operation into its biggest cash loser.

To address this situation, we have developed a couple of scenarios for capital improvements. One addresses just the most pressing infrastructure repairs needs, while the other is a complete renovation.

- **Scenario One: Priority Repairs** – This addresses the most urgent infrastructure repairs, including replacing irrigation, rebuilding the oldest greens, and rebuilding the bunkers. We also recommend putting in new forward tees and adding an on-course restroom. However, it does not address a lot of the significant infrastructure concerns.
- **Scenario Two: Major Renovation** – under this scenario, not only are all infrastructure repairs addressed, but significant improvements are made, including expanding the clubhouse and relocating the range to make it larger and more appealing.

These scenarios will be discussed in greater detail under the capital improvement recommendations. However, we strongly encourage the County to decide as soon as possible on what direction to take, and then bring in an Architect for actual plans. The reason is that we want to see new forward tees added as soon as possible. But it would not make sense to add new tees, if they are going to be moved a few years later as part of a major renovation.

In addition, based on the survey results, it appears that improvements need to be made with regards to customer service and the food and beverage operation. Closer attention needs to be paid to the maintenance issues raised by the survey and addressed in our main report. We recommend increasing the maintenance budget by at least \$50,000 to \$75,000 with more spending on fertilizer, increase tree-trimming, and make sure the fairways and rough are being mowed frequently enough that they are not adversely affecting play. Mow the rough lower to improve playability and Pace of Play.

Manitou also needs to be paying more attention to women. In addition to new forward tees, pay more attention to how they are being treated by staff. Add more healthy choices to the menu. And increase the quality and quantity of the women's merchandise selection. (And remember Sales, Sales, Sales).

We also encourage improved beverage cart service. As with Keller, we believe the beverage cart should be operated daily from two hours after the first teetime until two hours before dusk. It should be considered an important part of *customer service*, rather than just a profit center.

## **Battle Creek**

Battle Creek is the only RC Golf operation that currently has a negative cash flow to the County. As noted previously, this is largely because it has a narrow market niche, being a challenging nine-hole golf course.

We looked at three possible options:

- **Scenario One: “Elite Nine”** – in this option, we keep the facility mostly as-is, but market the heck out of it as “the best nine-hole golf course in the state” (which is likely true).
- **Scenario Two: Par 34** – This scenario maximizes the range but doubling the size of the teeing area at the cost of reducing the golf course from a Par 35 to a Par 34.
- **Scenario Three: 18 holes** – This scenario takes advantage of the fact that there is land available across the street to build a 2<sup>nd</sup> nine and make Battle Creek a challenging 18-hole regulation facility, which is the most popular type of golf course.

We will talk about each of these scenarios in greater detail in both the Capital Improvement and the Projections sections. Below are some of the pros and cons, before costs and projections are taken into consideration.

### **Scenario One: “Elite Nine”**

In this scenario, we simply try to take what is currently a weakness – the fact the course is a *challenging* nine-hole course – and turn it into a strength. The main aspect of this approach is how the facility is *marketed*. The goal is to attract golfers, such as those that appreciate higher quality courses, that are currently avoiding the course because they believe, as a nine-hole course, it is certainly either an executive course, or low-end.

The marketing approach is something like “do you like the quality of Keller, or Prestwick, but don’t have five hours to play? Then come and experience Battle Creek... The Best Nine-hole Course in the State!”

#### **Pros**

- Requires significantly less capital investment than the other improvement scenarios.
- Does not require major changes to how the facility is operated.
- Improves the golf experience on both the range and golf course
- Increases capacity by adding more parking

#### **Cons**

- To our knowledge, this has not been done before, so there is no way of knowing how successful the strategy will be.
- Requires both marketing expertise and a significant marketing budget.

### **Scenario Two: “Par 34”**

This scenario emphasizes the range, which has been highly successful, over the golf course. The range is effectively doubled in size, but at the cost of reducing the Par on the golf course from 35 to 34.

The latter is a “big deal” to golfers, who tend to be extremely traditional. Traditional golf courses have a par ranging from 70 to 72 (35 or 36 for nine holes). Going higher or lower, even by one stroke, will greatly impact performance.

This is further amplified by the fact that courses with a lower par (such as Par 34) are highly associated with lower-end facilities. Thus, by being both a nine-hole course *and* being a Par 34, will make it even more difficult for Battle Creek to avoid being mischaracterized. This means that golfers who would otherwise enjoy it, will never think to play it, while golfers who are play it because they *expect* it to be a very playable low-end course, are going to be very disappointed.

### Pros

- Doubles the size of the range, which is the most profitable aspect of the facility and appears to have the demand to support such an expansion.
- Less expensive than a complete renovation
- There are some Par 68 courses in the market that are successful, or at least well known (Dwan, Theodore Wirth). Thus, a Par 34 may be better received in this market than others.

### Cons

- As noted above, this combination further amplifies the weaknesses of the existing golf course
- Non-standard courses (such as Par 34) make up a disproportionate amount of the course closings (2/3rds) in the area.
- Does not appear to have a strong demand in market place for such a facility.
- It is very difficult, and expensive, to try and “dumb-down” the course to make it consistent with expectation.

## Scenario Three: “18-hole”

The 18-hole scenario utilizes the property across the street from Battle Creek, surrounding the Correction facility, to build a second nine holes that would allow Battle Creek to become a full 18-hole championship course.

To avoid a non-returning nine course, which would not perform nearly as well, a 2<sup>nd</sup> clubhouse complex needs be built across the street with the new nine holes. In our proposal, the new clubhouse is at least 6,000 sf in size, which can accommodate both a full restaurant and a banquet room capable of hosting at least 125 people. This will allow the new facility to host tournaments and banquets.

In addition, a new range would be built adjoining the new clubhouse. This allows the current range and clubhouse to become a practice-only facility.

### Pros

- Eliminates the issue with parking at the current clubhouse at the facility as golfers who want to play the course would park at the new clubhouse.
- Maximizes range income as there would now be two ranges available, one for range-only use, and one that is shared with golfers warming-up.
- Creates new revenue streams with banquet and grill sales.
- Makes Battle Creek a high-quality 18-hole championship course, consistent with the most popular facilities in the area.

- Allows for more league play – especially important given its proximity to 3M.
- Could be good target for tourist play, given its proximity to downtown and 3M, and the anticipated quality of the course.
- Potentially takes the one facility in the system currently experiencing a negative cash flow and turn it into a positive cash flow.

### Cons

- **Cost.** While this would not cost as much as building a new 18-hole course, it still may approach the cost of the recent renovation of Keller.

## Expanding Market

There are several significant markets where RC Golf's market share could be dramatically increased. These are:

- **Women**
- **Diverse Populations**
- **Latent Golfers**
- **Traveling Golfers**

### Women

Women make up slightly over 50% of the general population, and, according to NGF, about 24% of golfers. Yet, by operator estimates, none of the RC Golf facilities are getting over 15% female participation, while most estimate 10% or less.

Clearly, this is an area where significant improvement could be realized.

Our recommendations to attract more play from women include:

- **New Forward Tees:** At *all* four of the big courses, with Manitou being the most urgent. The goal is to have the course yardage from the forward tee in the 4,200 to 4,500-yard range. This will not only help attract and retain play from women, but also super seniors, and beginners. It will also help the pace of play, which affects all the golfers on the course.
- **Menu:** Healthy choices need to be added at Manitou, Goodrich and Battle Creek, including salads, wraps and fruit.
- **Merchandise:** Dedicate more space and carry more inventory devoted to women.
- **Attitude:** The only facility where a negative attitude towards women was reported, was at Manitou (which may be attributable to just a single staff person). But all should be aware of the potential danger.
- **Staffing:** Try to have more women behind the counter.
- **Marketing:** Women should be included in any customer photos displayed in ads, on the web, etc.
- **Programming:**
  - Add women's clubs to Battle Creek and Goodrich
  - Develop free or low-cost group clinics aimed at women

## Diverse Populations

As demographics continue to shift, we can expect an ever-increasing diverse population in Ramsey County. From both an amenity and profit perspectives, it is imperative that we do a better job of attracting minorities to the game, in general, and to RC Golf facilities.

There are several ways in which we can reach out to these demographics and help increase participation in golf at the RC Golf facilities. Here are a few:

- **Cost:** Need to address the cost barrier to starting golf, as noted above. Strategies include:
  - **Trial Packages:** Develop a golf “trial” program that would include group clinics, range balls, real balls, free rental clubs, and three or more rounds of golf.
  - **Opportunity Zones:** create more “opportunity zones” where the price to play is reduced. These may be limited in scope to those times that are otherwise hard to fill. For example, Monday afternoons before leagues, etc.
  - **Free Rental Clubs:** Provide free rental clubs at the ranges. One can ask for a driver’s license or credit card to hold for security.
- **Staff (1):** Start with your own staff, especially with maintenance crews that tend to be more minority. Create programs to encourage your staff to take up golf, and then provide incentives for them to bring their families with them when they play. Similar programs can be extended throughout the Parks Department and not limited to golf courses.
- **Staff (2):** The golf operations staff that we saw at all the facilities was 100% white (and predominantly male). If you want people to participate, it is important that they see staff “that look like them” working at the course. This helps make them feel welcome.
- **Community Outreach:** You need to be *proactive* within the minority communities. This takes several forms, including:
  - **Churches, Schools, Civic Groups** – make presentations, hold clinics, and provide special programming to minority dominated organizations.
  - **Sponsorships:** Show the community you care by having the golf courses *sponsor* minority community activities. This can take the form of being a financial sponsor or hosting events.
- **Marketing:** Make sure you are directing some of your marketing budget to the demographics you are targeting, using sources that they are most likely to respond to. It is important that all your advertising include pictures of a diverse customer base.

## Latent Golfers

Latent golfers are defined as non-golfers who are interested in taking up the game. As noted previously, there are a lot of more latent golfers than actual golfers in the MSP area. Not only does this represent a significant market for the present, but studies have shown that golfers tend to be loyal to the facility where they learn the game, so it not only can help with *current* performance, but have a sustainable impact on future performance as well.

In planning to reach out to *potential* new golfers, one must first appreciate the barriers they face in taking up the game. The most obvious is cost. Golf is not a cheap sport in general. But the initial investment is especially daunting if you’re not sure you’re even going to like it. First, there is the cost of the equipment – golf bag, clubs, balls, shoes (although you can play in sneakers) and tacky pants. This alone can cost several hundred to over \$1,000.

Then, assuming you want to do well, is the cost of lessons. Golf is not an easy sport to master. So, it is likely going to require several lessons before you’re even comfortable going out on the course. Cha ching.

Then there is the actual cost to play. And the cost for more balls to replace the ones you will no doubt lose to the woods, lakes and elves.

There is also a hidden cost – time. The general population is under the impression that it takes four to five hours or more to play a round of golf. Most are not aware of alternatives that are of much shorter duration.

To be successful in penetrating this potentially very lucrative market, we must first develop strategies to reduce these costs, real or perceived.

Our recommendations include:

- **Clinics:** Conduct more free or low-cost clinics for beginners. Ideally, these clinics should be aimed at various target markets such as juniors, women, seniors, adult males, couples, families, etc.
- **Trial Packages** as described previously.
- **System Integration:** There needs to be more cooperation within the RC Golf system. In particular, Island Lake is ideally suited to train beginners. We recommend more cross-facility programming that utilize all the resources within the RC Golf system.
- **Beginners Leagues:** Leagues are huge business in the metro area and especially with the RC Golf facilities. Consider setting up leagues aimed strictly for those learning the game. These leagues should be operated under relaxed rules – such as using a “scramble” format. The emphasis needs to be “fun” not on the competition.
- **Promotion:** Having the above programs in place are good, but they are only effective if the potential customers *know* about them. There needs to be a marketing campaign aimed specifically at people who may want to try golf, but for whatever reason, have not made the move. Sometimes, all they need is a reason why to start now.

## Visitors

The MSP area sees over 30 million visitors a year. This is an often-overlooked market by all but a few golf operators, yet it represents a significant potential market.

Using information from the NGF, we can estimate that at least 12% of these visitors are golfers. The actual percentage may be much higher, as business travelers, which make up a substantial percentage of these visitors, tend to be from higher income households, and thus more likely to be golfers.

NGF estimates that about 46% of golfers will play golf at least occasionally when they travel. They further estimate that they produce about .245 rounds per trip. Taken together, we can conservatively estimate that these visitors account for *at least* 400,000 rounds of golf.

Further, when golfers play golf when traveling, they tend to want to experience something *different* than what they see at home. Because it is considered a “treat”, price is less of a consideration than when at home.

| Visitor Golf Market      |                |
|--------------------------|----------------|
| No Visitors              | 30,000,000     |
| x Participation rate     | 12%            |
| Est. No. of Golfers      | 3,600,000      |
| % who play when travel   | 46%            |
| Est. No. playing golfers | 1,656,000      |
| Avg rnds played per trip | 0.245          |
| <b>Estimated Rounds</b>  | <b>405,720</b> |

Keller, both because of its amenities and especially because of its history, as well as its proximity to the state capital, greatly fits the profile of a course these visitors are expected to play. It makes great sense, then, for Keller to target visitors in its marketing efforts.

Key to these marketing efforts are:

- **Brochures** distributed at tourist racks throughout the metropolitan area, as well as rest stops throughout the state.
- **Billboard** that is highly visible along one or major routes likely to be traveled by visitors. We recommend either close to the airport and Mall of America or close to downtown St. Paul.
- **Hotels:** Contact area hotels, especially those with concierge service. Make sure they know about Keller and have brochures and other relevant information.
- **Airport Ads:** Consider placing ad signs at MSP.
- **Website:** This is the most important as golfers coming to the area are likely to check on facilities in the area through a web search. Make sure to highlight the unique features of Keller – especially its history and its recent renovation.

# ***CAPITAL IMPROVEMENT SCENARIOS***

In general, we recommend implementing fixes to all the priority items listed in Capital Improvement Needs section, as well as for most of the other issues discussed.

However, not all improvements are equally important. And many depend on the desired market position for the facility. Further, we wanted to be able to look at the impact of these improvements on performance.

To make the comparisons easier to examine, we developed multiple scenarios for each facility. With all facilities, status quo was considered as one possibility. The impact of these renovation scenarios will be discussed in the Projections section of this report.

The timetable for the improvements is important as we do not recommend having more than 9 holes out of play at any one time, due to heavy demand from leagues. As we are recommending repositioning Goodrich as a Value facility, its improvements become the lowest priority.

Cost estimates were developed using recent construction pricing from Minnesota and adjusted for the proposed scope of work and local material costs. An inflation factor was also added to account for later start dates. A “soft cost” contingency was also added to provide a comprehensive estimated budget and minimize “surprises.”

Below are the scenarios, along with the improvements associated with each. We also discuss timing. Detailed cost estimates can be found in Appendix H.

## **Keller**

With Keller, we only developed one improvement scenario, since the amount of improvements are far less than with the other courses. Most of these improvements are to fix issues resulting from cost-cutting measures during the renovation.

### **Improvements**

- **Drainage:** Improve fairway drainage
- **Bunkers:**
  - Add lining
  - Add more drainage
  - Use White Sand to maximize appeal
- **New Forward Tees:** Add six new forward tees for Tee Equity, to add tee space. This should allow for increased play from females, more advanced juniors, and super seniors.
- **Cart Paths:** Full extension
- **Fairways:** Level hole 14
- **Irrigation** – As per EC recommendations of pump station controls and repeaters for radio control
- Implement **Reduced Turf Area Plans** at Tees to reduce future irrigation

### **Proposed Timing**

The improvements can be done at any time. In our projections, we assumed starting in August of 2021. The improvements should be completed by the end of the season, with the facility able to open on time the following year.

## Construction Impact

There should be minimal impact to play, except for leveling 14 fairway. This will likely require either or both temporary tees or a temporary green. During this time, expect play to be reduced and a lower fee charged.

## Cost

Cost adjusted for inflation should range from \$700,000 to \$860,000. We use \$775,000 in our projections.

## Manitou

We looked at two improvement scenarios for Manitou:

1. **Scenario 1: Priority Fixes Only** – this focuses only on those issues already identified by the County, such as irrigation and bunkers, plus a few other priority items that we identified. Most important of which is new forward tees and an on-course restroom.
2. **Scenario 2: Major Renovation** – There is a need to rebuild all the infrastructure at Manitou. Such major work provides the opportunity to make significant improvements in the design. This renovation would provide a significant upgrade to the course's quality. It also includes an expansion of the clubhouse to provide for a full grill operation.

## Scenario One: Priority Fixes Only

This scenario focuses only on fixing the highest priority items. It does include rebuilding the oldest greens, but not the newer ones. It *delays* addressing other major infrastructure needs, such as the rest of the greens, tees and fairways. It is highly likely that these would need to be addressed, most certainly within the next twenty years. However, we have delayed them past the next ten years.

## Improvements

- **Irrigation:** Complete replacement
- **Greens:** Rebuilding the push-up greens only
- **Tees:** New forward tees
- **On course restroom added** – This can either be a fully plumbed system, costing about \$200,000, or a composting system for around \$60,000.
- **Fairways:** Combine seven and eight
- **Bunkers:** Rebuilding all bunkers and adding liners.
- **Driving Range:** Renovate in place.

## Proposed Timing

Because of the decline in Manitou's performance, we view it as a priority. Recognizing that the County moves slowly on major renovations, we have the project starting in 2020 with the building of a temporary hole. This is needed as the renovations will be proceeding a hole at a time. The main construction would take place during the 2021 season. The finished product should be ready for opening of the 2022 season.

## Construction Impact

Because at least eight of the greens are being completely rebuilt, the course will be operating as an awkwardly routed nine-hole course during the construction. Further, as these holes will also be subject to construction, a temporary hole will be needed so that work can be done one hole at-a-time.

## Cost

Construction costs, adjusted for inflation, are expected to run between \$2,500,000 and \$3,100,000. We use \$2,800,000 in our estimates.

## Scenario Two: Major Renovation

Scenario Two recognizes the “pay me now then pay me again later” nature of Scenario One and does *all* the infrastructure repair at one time. This should delay the need for any other significant infrastructure improvements for twenty- to twenty-five years or more. It also maximizes the opportunity presented by Manitou’s favorable location.

At the same time, we propose making improvements to the layout and range that will allow the facility to be repositioned, should that be desired at that time. It certainly will make the course more appealing and improve its profit-making potential. The range is moved, allowing for a modern, larger, and much more enticing practice facility to be built.

We are also including expanding the current clubhouse and adding a grill operation. This will greatly enhance the food and beverage operation and make the course more attractive to a wider market of golfers.

## Improvements

A complete rebuild of all course assets, including new irrigation, greens, tees and fairways. It also includes rerouting of several holes to take advantage of dramatic elevation changes and other outstanding characteristics of the land.

Not only will the golf course become much more appealing, but it maximizes other revenue streams as the expanded clubhouse will greatly improve food and beverage revenue. A new, modern range that is substantially larger, will not only increase usage among golfers playing the course, but should draw significant usage from practice-only players, as we see currently at Battle Creek.

The new range will require moving the entrance road.

## Proposed Timing

There are two options to consider as far as construction. The first is to build nine holes at-a-time. This will keep some revenue coming in while the construction is on-going. The second is to close the entire facility while the renovation occurs.

There are good arguments pro- and con- for both methods.

## Phased Method

The first option is to do nine holes at a time. The obvious appeal to this is that it allows the facility to remain open throughout the renovation. Unlike with option 1, the nine holes that are open is intact, without needing a temporary hole. Having the facility open does three things. It provides some revenue, it helps retain customers... especially leagues (which have been vital to Manitou’s success), and it helps the operator, who otherwise would have no revenue during this time. (It may require either terminating the existing contract or delaying until it terminates after 2021).

The cons to this method are that it requires restaging, which can increase construction costs on the 2<sup>nd</sup> nine by 10-20%. Further, it means that the facility will be substandard for at least two years while the renovation takes place.

## Closing

The two biggest benefits to doing the renovation all at once are that 1) it decreases the overall cost of the project, and 2) it maximizes the marketing impact of the reopening. As we saw with Keller, a grand reopening is likely to lead to a significant increase in play, at least for that first year.

This would likely be the preferred method if 1) the desire is to reposition the course in the marketplace, and/or 2) a new operator is being brought in and the entire operation is being revitalized.

In our projections, we have assumed that the Phased option is utilized. However, our recommendation is for the second method, if the facility is being repositioned and, especially if a new operator will be involved (particularly if that operator is also contributing to the improvements).

## Timing

As Manitou should be the County's highest priority in terms of need, we have the renovation starting in 2021 (phased approach). If the County elects the closing option, then it makes sense to wait until 2022 to begin construction as the current operating lease expires after 2021.

## Construction Impact

The impact obviously depends on the construction phasing – 9 holes at a time or doing all 18. In the phased approach, the facility will be a nine-hole course for at least two full years. Under the second option, the facility will be entirely closed for at least a year, and possibly a year-and-a-half.

## Cost

The cost is not cheap, as we saw with Keller. Of course, we are not talking about building a \$6 million new clubhouse, but rather a \$400,000 extension to the existing one. But the work to the course is similar. With adjustments for inflation, we anticipate project costs between \$6.7 and \$9.1 million. In our projections, we assume \$7,900,000.

## Goodrich

In addition to the status quo, we developed two improvement scenarios for Goodrich.

- **Scenario 1: Priority Only** – only the most pressing items are addressed
- **Scenario 2: Modest Renovation** – this will be the rebuilding or renovation of all major course components, including irrigation, greens, tees and fairways.

## Scenario One: Priority Only

As we anticipate repositioning Goodrich as a value facility, the need to make major improvements immediately decreases. In this scenario, we primarily address those items the County has already advanced preliminary plans for, which are to replace irrigation and rebuild the bunkers. Other significant needs remain, primarily greens and tees. But it is anticipated that these could be put off until after 2028.

## Improvements

- **Irrigation:** Complete replacement
- **Bunkers:** Complete rebuild, with liner
- **Tees:** Add new forward tee

### Proposed Timing

Because Goodrich is anticipated to be repositioned as a value course, it becomes the lowest priority for significant renovations. In our proposed timetable, a temporary hole is constructed in 2022 to allow for one at a time hole closures the following year. The main renovations then take place in 2023.

### Construction Impact

Goodrich will be able to remain open throughout the construction process. However, its appeal will be diminished as a temporary hole will need to be utilized for the entire season as construction progresses on a hole-by-hole basis. We anticipate fewer rounds at a lower price point for the year.

### Cost

The projected cost with inflation is anticipated to be from \$2.2 million to \$2.7 million. We use \$2.4 million in our projections.

## Scenario Two: Modest Renovations

In this scenario, Goodrich most of the course's infrastructure is rebuilt in-place, with only minor adjustments that need rerouting. The renovation is not meant to reposition the facility, although some modest price increase can be expected following the renovation.

### Improvements

This is a complete rebuild of the major components of the course, including

- Irrigation (completely new system)
- Greens (which will be enlarged)
- Bunkers (including adding lining)
- Tees (including new forward tees)
- Some fairway

### Proposed Timing

The project will be done nine holes at a time, starting in 2024. The second nine would begin in the fall of 2025, with the project completed in 2026. With no expectation of repositioning, a phased approach is likely the preferred choice.

### Construction Impact

Goodrich will essentially be operating as a nine-hole course for two -years. While it costs 10-20% more for the second nine, when done this way, we felt it was important for two main reasons.

1. **Impact on Customers**, primarily leagues. If the course is completely closed, the customers will naturally be seeking other places to play. The biggest concern is the leagues. Should they leave, there is a bigger risk that they would not return.
2. **Impact on Operator** – Unless the improvements are timed to coincide with the end of the operator's contract, the complete loss of revenue from the facility would have a significant impact on the operator.

Further, it is more likely that the RC Golf system can accommodate the players lost due to the reduction from 18 to 9 holes, than it could *all* the players.

## Cost

Anticipated cost for the project, adjusted for inflation, is between \$3.9 million and \$5.1 million. We use \$4.5 million in our projections.

## Battle Creek

We looked at three improvement scenarios:

- **Scenario One: “Elite 9”** – the course remains a challenging nine-hole course, but improvements are made to enhance performance and repair priority needs with infrastructure.
- **Scenario Two: Par 34** – We reduce the Par from 35 to 34. This will enable us to expand the range, thus maximizing its potential. Will require some rerouting of the course.
- **Scenario Three: 18 -holes** – We were made aware that there was potentially land available across the street at the Corrections facility that would allow a second nine to be built.

As the range is currently the main profit center at Battle Creek, we looked at various ways of maximizing its utilization by increasing the number of hitting stations. This can be accomplished by either widening the tee area (which would require adjusting the course) or adding a double deck to the existing tee.

When we looked at the preliminary cost for doing a double deck, we felt it is cheaper to widen the range (Scenario Two) or build a second range (Scenario Three) then adding a second deck. Further, parking limitations make it difficult to add any more capacity to the range under Scenario One without expanding parking.

## Scenario 1: “Elite Nine”

In Scenario One, the facility remains a nine-hole Par 35 course, and the range remains the same size it is now. However, we do make a few improvements. These changes should:

- Improve the golf experience on the golf course
- Improve range performance and experience by replacing tacky targets with target greens

We did look at possibly going to a Par 36, which would have improved its marketability, by lengthening hole 2 to a Par 4. But upon further examination, we viewed this as being impractical as it would require netting along the street, moving the first green, and other factors.

## Improvements

- **Irrigation**
  - Seal irrigation lake to prevent leaks
  - Install new controls to improve efficiency
  - Reposition some sprinkler heads to maximize coverage and improve efficiency
  - Relocate pump house
- **Layout**
  - Extend 3rd tee back behind **the** cottonwoods to allow two full shots before crossing pond on this par 5.
  - New tee complexes on holes 2, 4, 5 and 9
- **Bridges:** Repair/replace as needed
- **Bunkers:** Rebuild in place

- **Fairways:**
  - Widen 5, 9
  - Possibly extend hole 2
- **Retaining walls**
  - Four tee
  - Five Fairway
- **Range**
  - Add target greens
- **Other**
  - Add more trees
  - Expand Parking (this requires moving the practice putting green)

### Proposed Timing

The improvements can be done at any time. In our projections, we assumed starting in August 2021. The reason for starting in August is to minimize the impact of closing the range. The improvements should be completed by the end of the season, with the facility able to open on time the following year.

### Construction Impact

The main impact will be in closing the range to make needed range improvements. Most of the other improvements can be made without closing the course. When a hole needs to be closed, a new hole can easily be added by using the existing second green on hole 3 and building temporary tees to create a new hole going from that second green to the main green.

### Cost

Estimated Cost (2021 dollars) – between \$1,575,000 and \$1,850,000 (estimate used \$1,700,000).

## Scenario 2: Par 34

In this option, we place the priority on the range, doubling its size. To accommodate this expansion, the course must be reconfigured into a Par 34. But this also allows for the construction of an extensive short-game area and increased parking capacity.

### Improvements

- **Irrigation**
  - Seal irrigation lake to prevent leaks
  - Install new controls to improve efficiency
  - Reposition some sprinkler heads to maximize coverage and improve efficiency
  - Relocate pump house
- **Bridges:** Repair/replace as needed
- **Greens** – construct two new greens
- **Tee Complexes** – Requires rebuilding the equivalent of seven and half tee complexes
- **Fairways** – three fairways rebuilt in place and one relocated
- **Cart Path Extensions** – 1,000 lineal feet
- **Bunkers** – reduce number, rebuild as needed

- **Retaining Walls** – on 4 tee and 5 fairways
- **Driving Range**
  - Extend range tee (doubling its width)
  - Add target greens, etc.
  - Replace Astroturf tee
  - Consider adding covered, heated stalls to extend use and add teaching bays
- Relocate Practice Green and **extend parking**
- **Construct short game area** (where existing hole six is).

### Proposed Timing

Because these changes would have a significant impact on the existing course and range, we felt it important to delay until improvements could be made at Manitou. Our proposed timetable has the construction taking place in 2022. Construction will likely take a full season. However, this timetable may need to be pushed back, depending on what course of action is being taken at Manitou and Goodrich. Ideally, you would not want more than nine holes total taken out of play at any one time. So, if Manitou or Goodrich are being renovated and require going to nine holes during that time, Battle Creek’s renovation should be pushed back.

### Construction Impact

The entire facility will need to be closed, for most, if not all the season. The range may be able to be kept open through its highest demand times – spring and early summer, before being closed for the rest of the year. It may be possible to keep the course open by constructing temporary holes. But this may extend construction time and increase costs.

### Cost

Estimated Cost (2022 dollars) – between \$2,700,000 and \$3,150,000 (estimate used \$2,900,000).

## Scenario 3: 18 Holes

In this scenario, a second nine is built across the street, making Battle Creek a regulation 18-hole course. In such a case, we anticipate the facility is market-positioned between Keller and Manitou – unless the full renovation option is taken at Manitou. In that case, Battle Creek is positioned between Manitou and Goodrich.

There are two possibilities:

- Non-returning Nines, meaning the golfers do not return to the clubhouse after nine holes.
- Returning Nines.

We recommend the returning nines option, necessitating a new clubhouse and range be built on the site of the new nine.

### Improvements

#### Existing Facility

- All the items listed under Scenario 1, above

#### New Nine

- Tunnel under Lower Afton Road

- New nine-hole regulation golf course
- New 6,000 sf clubhouse
- On Course restroom facility
- New driving range

**Proposed Timing**

We anticipate doing some priority fixes to the existing nine, those that would not impact play, in 2020. Then the construction of the new nine holes would begin in 2021 and is expected to last until mid-summer 2022. At that time, the new nine holes (and range) would open and the existing nine closed for renovations. We anticipate the Grand Opening of the new facility to be in 2024.

**Construction Impact**

As we are doing nine holes at a time, there will always be an unimpeded nine holes and range open throughout the process. This will maximize revenue during the construction period.

**Cost**

The projected cost, after adjusting for inflation, is expected to be between \$9 million and \$10,650,000. We will use \$9.83 million in our projections.

# PROJECTIONS

We are limiting the projections to the four main facilities as the others are operating under a full lease, where the County has little influence.

Sirius did 10-year cash flows for each facility and for each of the previously described scenarios, including the “Status Quo.”

## Assumptions:

The following assumptions were used in our projections:

- **Conservative:** We believe the projections to be conservative in nature. We fully anticipate better performance under the improvement scenarios than what we show in these projections, if our main recommendations are adopted.
- **County Expenses:** County expenses are as reported by Parks and Recreation. They do include the amount given to us for Fleet Services, but they do not include depreciation, capital improvements other than those recommended, or administrative salary expenses. We are assuming that the Fleet Services costs include equipment replacement.
- **Status Quo Scenarios:** Assumed the facilities are operated under the same contracts and in the same manner as currently, with no marketing, same fee structure and two-year fixed pricing, and no capital improvements. We also assumed:
  - Where the infrastructure was seen to be declining significantly, maintenance costs are anticipated to go up at a higher rate than inflation, with rounds play starting to decline.
  - Where we anticipated a steady decline in play, we assumed that fees would initially be held steady (instead of going up with inflation) and then eventually reduced to try to attract more play.
- **All other Scenarios:** Assume not only the stated capital improvements for that scenario, but that all our major recommendations are implemented, including:
  - **Revised contracts:** We assume our recommendations regarding contracts are adopted, with the elimination of potential conflicts of interest. See below for discussion.
  - **Marketing:** A combined marketing budget more than \$75,000, being managed by a marketing company with golf course expertise.
  - **Rates:** We assume adoption of the recommended rates for 2019. These rates will go up annually by inflation. They will also change depending on the impact of major construction – going down during the construction, then going up upon its completion.
  - **Market Positioning:** Keller is pushed up to a “premium” facility (with F&B fixed) and Goodrich down to a “Value” facility, meeting apparent local demand opportunities.
  - **Operations:** We assume that our recommendations for operations and maintenance are adopted.
  - **Revised Pricing:** More operator influence, not fixed for two years, etc. We are also assuming our recommended fee schedule is adopted.
  - **Women friendly:** Making all the facilities friendlier to women, including:
    - New forward tees
    - Heathier Menu

- **Course Maintenance (except Manitou):** We looked at both continuing with County maintenance (a) or adopting a hybrid contract that included maintenance (b).
- **Construction:** We take into consideration the impact of construction in progress on performance.
- **Inflation:** Overall inflation rate of 3%, with higher amounts for payroll.
- **Financing:** Assuming debt financing is used to finance capital improvement projects, we use a conservative 3.3% interest rate over 20 years.
- **Weather:** We have no illusions as to projecting weather patterns, other than to know they will vary. To help illustrate the impact of weather fluctuations, we assumed unusually poor weather for 2021 and 2027, and unusually good weather in 2024. All other years assumed average weather conditions.

Detailed Projection tables can be found in Appendix J. In the Appendix, we also show the expected net for the Operators.

## Operating Contracts

For Goodrich, Keller and Battle Creek, our projections have the contracts being modified as recommended. This means that all revenue is being treated equally. Revenue is defined as the gross revenue less the cost of sales for merchandise and food & beverage.

For simplicity, we used a straight percentage. The percentage we used in our projections was designed so to be revenue neutral to the operator. In other words, the operator would have netted at least as much under our proposed agreement as he did under the old one for 2019. We also assumed that any base payments remain the same.

We further examined the impact of converting to hybrid model for these courses. In these instances, maintenance is included in the contract. While this might have an impact on revenue (presumably positive), we assumed the same performance, but adjusted on the County revenue and expenses based on the hybrid model.

We do assume adoption of this “hybrid” model for Manitou in both improvement models. We set a “breakpoint” of \$1,000,000. Up to that amount, the operator receives 90% of the revenue (as defined above). Above that amount, the County receives 80% of the revenue. The purpose of the breakpoint is to give the operator a better chance to recover their operating expenses, which should do by the time the breakpoint is reached. (Keep in mind that maintenance, including equipment replacement, is included as the operator’s responsibility). After the breakpoint, the County gets the lion’s share to recover their investment in capital improvements. But the operator still is getting a strong incentive to perform. Of course, the breakpoint and the amounts of the splits are subject to negotiation. Our breakpoint and splits were chosen as they would result in the early years, with about the same revenue to the operator as under the current agreement.

In all hybrid models, we increased the breakpoint by 3% of the original amount each year. The splits varied by club.

## Keller

With Keller, as a reminder, we looked at three scenarios:

- **Scenario 0: Status Quo** – no major changes

- **Scenario 1a: Recommended Improvements** – Recommended capital improvements, most to correct issues related to construction cut-backs, are implemented in 2021. Contract model is equalized revenue, with still three operators.
- **Scenario 1b:** Same as above but converting to hybrid model in 2024.

## Scenario 0: Status Quo

As stated above, the Status Quo scenario for all courses assumes no major changes to the golf facility or to its operations.

Keller's infrastructure is new, and maintenance practices are excellent. The golf operations are also very well run, with outstanding customer service. The main limiting factors are the food and beverage operation with relation to golf, and, of course, the lack of marketing.

### Rounds

We anticipate steady rounds performance, with most years in the 29,000 to 30,000 range. With good weather, rounds should reach 31,000 or more (31,299 in 2024 in our projections). Bad weather may cause rounds to dip to 26,500 or so (26,696 in 2021 in our projections).

### Revenue

With rounds steady, and the same fee structure in place, green fee revenue and overall revenue will both rise mostly as a factor of inflation. We expect green fee revenue to rise slowly, but steadily from \$840,000 in 2019 to \$1,120,000 in 2028. Over the ten-year period, green fees are expected to total \$9,600,000. Over the 10-year period, the average green fee yield (green fee/rounds) is \$32.79 (\$28.46 in 2019)

Total revenue (including food and beverage), is projected at just under \$2,700,000 in 2019; rising to \$3,600,000 in 2028. Over 10-years, total revenue should reach close to \$31,000,000.

### County Revenue

Using the same compensation schedules that are in place today, Ramsey County's share of revenue in 2019 is \$1,184,000. This is less than the \$1.24 million the county received in 2017 on fewer rounds due to changes made to the contract when it was renewed in 2018. County revenue reaches \$1,567,000 in 2028. Over 10 years, it totals \$13,550,000.

### County Expenses

Unfortunately, golf course expenses tend to rise faster than inflation. This is especially true with payroll, but it also is true for other maintenance items, such as fertilizer.

In 2019, the expenses are anticipated to be \$1,060,000. Expenses are not as impacted by the weather as revenue, so expenses do not vary as much year-to-year. With inflation being the main factor, expenses

reach \$1,475,000 by 2028. Over 10 years, expenses total \$12,583,000.

| <b>Cash Flow Projections</b> |                    |                    |                    |                    |                    |                     |                     |                     |  |
|------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|---------------------|---------------------|---------------------|--|
|                              | 2019               | 2020               | 2021               | 2022               | 2023               | Total 19-23         | Total 24-28         | Total 19-28         |  |
| <b>Status Quo</b>            |                    |                    |                    |                    |                    |                     |                     |                     |  |
| <b>Rounds</b>                | 29,515             | 29,663             | 26,696             | 29,513             | 29,660             | 145,047             | 147,542             | 292,589             |  |
| <b>Revenue</b>               |                    |                    |                    |                    |                    |                     |                     |                     |  |
| Green Fees                   | \$839,955          | \$895,248          | \$792,935          | \$941,357          | \$940,157          | \$4,409,652         | \$5,183,298         | \$9,592,951         |  |
| <b>Total</b>                 | <b>\$2,690,742</b> | <b>\$2,816,874</b> | <b>\$2,675,422</b> | <b>\$2,980,699</b> | <b>\$3,041,958</b> | <b>\$14,205,695</b> | <b>\$16,763,458</b> | <b>\$30,969,153</b> |  |
| <b>County Revenue</b>        | \$1,184,928        | \$1,253,199        | \$1,146,066        | \$1,318,327        | \$1,327,490        | \$6,230,010         | \$7,324,907         | \$13,554,917        |  |
| <b>County Expenses</b>       | \$1,062,376        | \$1,101,615        | \$1,142,362        | \$1,184,678        | \$1,228,625        | \$5,719,655         | \$6,864,158         | \$12,583,813        |  |
| <b>County Net</b>            | <b>\$122,551</b>   | <b>\$151,584</b>   | <b>\$3,705</b>     | <b>\$133,649</b>   | <b>\$98,865</b>    | <b>\$510,355</b>    | <b>\$460,749</b>    | <b>\$971,104</b>    |  |

### County Cash Flow

Cash flow is expected to remain positive, although the trend will be slightly downward as inflation impacts expenses more so than revenue. Poor weather will cause the cash flow to dip close to or beyond the break-even point. We show breaking-even in 2021, and a slight loss (\$44,00) in 2027.

Over the 10 years, the total cash flow is projected at **\$971,104**. While this is good, it is not enough to cover the debt service for the 2014 renovations, which we are assuming is around \$320,000 per year.

### Scenario 1a: Priority Fixes

The priority fixes will reduce maintenance expenses slightly, but also help improve the course’s appeal. Meanwhile, repositioning the facility, along with improved food and beverage and good marketing combine to have a positive impact on performance.

The capital improvements are anticipated to take place in 2021. Construction should have a minimal impact on performance that year.

In our projections, we assume the same basic contract situation as exists today, with a separate operator for the food and beverage and the County maintaining the course. We do assume that the current golf operation contract be converted to a revenue equalization model.

### Rounds

The improvements in food and beverage and the addition of marketing, should have an immediate impact as we project 31,500 rounds in 2019. We project Keller reaches a little over 36,000 rounds in the good weather year of 2024.

Over the 10-year period, rounds should show an upward trend, with 2028 rounds reaching 35,400. Over 10 years, rounds should total around 333,900, an average of 33,400 per year. This represents an improvement of 41,300 or 14.1% over the status quo.

### Revenue

Green fee revenue in 2019, is projected at \$984,108 – or nearly \$150,000 more than the status quo. By 2028, green fee revenue reaches \$1,440,000. Green fee yield rises from \$31.24 in 2019 to \$40.57 in 2028. Over 10 years, green fees total \$11,950,000, an improvement of \$2.36 million (24.6%) over the Status Quo. Green fee revenue is rising faster than rounds due to the repositioning of Keller and the higher fee structure resulting from this move.

Total revenue is projected at a bit over \$3 million in 2019. This will rise steadily, reaching \$4.4 million in 2028. Over 10 years, total revenue reaches nearly \$36,860,000. This represents an increase of \$5.9 million,

or 19% over status quo.

| <b>Cash Flow Projections</b> |                    |                    |                    |                    |                    |                     |                     |                     |  |
|------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|---------------------|---------------------|---------------------|--|
|                              | 2019               | 2020               | 2021               | 2022               | 2023               | Total 19-23         | Total 24-28         | Total 19-28         |  |
| <b>Recommended</b>           |                    |                    |                    |                    |                    |                     |                     |                     |  |
| <b>Rounds</b>                | 31,500             | 33,000             | 28,050             | 33,752             | 34,820             | 161,122             | 172,787             | 333,909             |  |
| <b>Revenue</b>               |                    |                    |                    |                    |                    |                     |                     |                     |  |
| Green Fees                   | \$984,108          | \$1,064,832        | \$912,566          | \$1,152,635        | \$1,227,387        | \$5,341,528         | \$6,611,699         | \$11,953,227        |  |
| <b>Total</b>                 | <b>\$3,018,038</b> | <b>\$3,225,468</b> | <b>\$2,982,848</b> | <b>\$3,506,070</b> | <b>\$3,708,693</b> | <b>\$16,441,116</b> | <b>\$20,422,262</b> | <b>\$36,863,378</b> |  |
| <b>County Revenue</b>        | \$1,406,247        | \$1,518,886        | \$1,348,791        | \$1,657,896        | \$1,765,604        | \$7,697,425         | \$9,689,729         | \$17,387,154        |  |
| <b>County Expenses</b>       | \$1,097,532        | \$1,139,587        | \$1,176,081        | \$1,209,310        | \$1,255,193        | \$5,877,704         | \$7,005,946         | \$12,883,650        |  |
| <b>County Net</b>            | <b>\$308,715</b>   | <b>\$379,300</b>   | <b>\$172,710</b>   | <b>\$448,586</b>   | <b>\$510,411</b>   | <b>\$1,819,721</b>  | <b>\$2,683,783</b>  | <b>\$4,503,504</b>  |  |

### County Revenue

County revenue is positively impacted by both the course’s performance and the restructuring of the contract. County revenue goes from \$1.4 million in 2019 to over \$2.1 million in 2028. Over 10 years, county revenue totals \$17,400,000, an increase of \$3.8 million or 28.3% over the Status Quo.

### County Expenses

With the improvements in 2021, maintenance expenses do not rise as fast as under the Status Quo. Offsetting this, though, is the anticipated marketing expense (at 2.5% of county revenue). For 2019, expenses total just under \$1.1 million. They will increase to \$1.5 million by 2028. For the 10-year period, expenses are expected to total \$12,900,000, or \$299,000 (2.4%) more than under the Status Quo.

### County Cash Flow

The County should realize \$308,000 in 2019, an increase of \$186,000 over the Status Quo. The cash flow should improve, reaching \$615,000 by 2028. Over 10 years, the County should realize a total positive cash flow of **\$4.5 million**. This is 4.5 times the amount in the Status Quo. The total improvement is \$3.53 million or **360% increase**.

The improvement costs are expected to total \$775,000. Even if this is subtracted, we still have a positive gain of nearly \$2.8 million.

The average improvement in cash flow, following the improvements, is \$421,000 per year. This would support debt services of \$6.1 million at a conservatively estimated 3.3% interest. If the work is not financed, it would take 1.8 years to pay back. The annualized **rate of return** on the capital improvements (calculated by taking the average cash flow improvement and dividing by the cost of the improvements) is a **54.4%**.

### Scenario 1b: Hybrid Model

This scenario is the same as above, with one big difference. We assume a hybrid model with one operator responsible for not only the golf operations, but course maintenance and food & beverage as well. We assume this takes place in 2024.

In our model, we used an initial breakpoint of \$1,840,000 (in 2024). The operator receives 95% of the net revenue below this amount, and the County receives 50% above. County expenses drop to around \$10,000.

| Keller Cash Flow Projections - County Net |             |           |           |           |            |           |             |             |
|---|-------------|-----------|-----------|-----------|------------|-----------|-------------|-------------|
|   | Total 19-23 | 2024      | 2025      | 2026      | 2027       | 2028      | Total 24-28 | Total 19-28 |
| <b>Status Quo</b>                         |             |           |           |           |            |           |             |             |
| Rounds                                    | 145,047     | 31,299    | 29,734    | 29,883    | 26,895     | 29,732    | 147,542     | 292,589     |
| County Net                                | \$510,355   | \$192,961 | \$103,507 | \$116,871 | (\$43,971) | \$91,382  | \$460,749   | \$971,104   |
| <b>Scenario One</b>                       |             |           |           |           |            |           |             |             |
| Rounds                                    | 161,122     | 36,227    | 34,415    | 35,104    | 31,593     | 35,448    | 172,787     | 333,909     |
| County Net                                | \$1,819,721 | \$592,256 | \$516,848 | \$566,115 | \$393,045  | \$615,519 | \$2,683,783 | \$4,503,504 |
| <b>Hybrid 2024</b>                        |             |           |           |           |            |           |             |             |
| County Net                                | \$1,819,721 | \$578,954 | \$553,434 | \$598,104 | \$520,980  | \$664,206 | \$2,915,678 | \$4,735,399 |
| <b>Difference</b>                         |             |           |           |           |            |           |             |             |
| County Net Scenario                       | \$1,309,367 | \$399,295 | \$413,342 | \$449,244 | \$437,016  | \$524,137 | \$2,223,034 | \$3,532,400 |
| County Net Hybrid                         | \$1,309,367 | \$510,185 | \$567,197 | \$609,153 | \$673,034  | \$716,235 | \$3,075,804 | \$4,385,170 |

Under this model, the County should net \$3,536,000 in the five year period 2024-28. This is a 31.8% improvement over Scenario 1. It is also \$3,075,000 better than the Status Quo. It increases the ROI to 71.3% and the amount of supportable debt to \$8 million.

## Discussion

Keller is in good shape, no matter what. But with the recommended improvements, Keller can perform at a much higher level. There is no question that the improvements will pay for themselves. *We recommend full implementation of the Scenario One changes, including the market repositioning, food and beverage, fees, and capital improvements.*

*We also recommend adopting the Hybrid model, with one operator responsible for all aspects of the operation. Not only does this drastically decrease the County’s risk and expenses, but also significantly improves its net income. But it should improve performance as well as it will provide for better coordination between various aspects of the operation, and more consistent customer service. It will also make it much easier for the County to oversee.*

## Manitou

With Manitou, we looked at two improvement scenarios in addition to the Status Quo. The improvement models assume a switch to the hybrid model.

- **Scenario 0: Status Quo** – no major changes.
- **Scenario 1: Priority Changes** – recommended changes to operations, marketing, and contract plus priority capital improvements such as new irrigation, new forward tees, bunker renovation and improvements to the range. Capital improvements start in 2021.
- **Scenario 2: Major Renovations** – all the improvements in Scenario 1, plus major capital improvements, including total rebuilding of infrastructure, a new routing, and a new range. First nine improvements start in 2021. Completion sometime in 2023.

## Scenario 0: Status Quo

In the status quo scenario, the downward trend in performance continues. As the decline lengthens, pressure mounts to decrease fees. Maintenance costs escalate as operator struggles to keep course in

playable conditions. But as the course starts to lose money, and infrastructure deficiencies increase, course conditions deteriorate more rapidly. This is the typical start of the “death cycle” with golf courses. Although this is not likely to happen in the next 10 years, given Manitou’s favorable location.

### Rounds

Rounds will continue to decline, reaching a low of 23,500 in the weather-affected (in our projections) 2027. While we anticipate rounds to continue to decline after 2024, the amount of decline will likely slow as we anticipate fees dropping to value course levels. Manitou’s favorable location will keep it producing rounds, despite poor playing conditions.

The total number of rounds over the ten-year period is projected at 266,500.

### Revenue

Green fee revenue is projected at \$550,000 in 2019. Increased rates and favorable weather in 2022 may result in an increase to \$587,000. But then revenues decline steadily, bottoming out with poor weather (2027 in our projections) at \$432,000 before rebounding with better weather in 2028 to \$460,000. The ten-year total is expected to be \$5.2 million.

Green Fee/Round is projected at \$18.50 in 2019, close to current levels.

Total revenue in 2019 is expected to reach \$1.125 million. This will remain stable, reaching lows during bad weather (2021 in our projections) of \$1,043,000 and \$1,024,000 (in 2024) and a high (in 2022) of \$1,190,000. The general direction, though, is downward. The ten-year total is estimated at \$11,155,000.

### County Revenue

Under the current contract, the County gets 13% of most of the revenue streams. This equals \$147,000 in 2019. It peaks in 2022 at \$155,000 and reaches a low of \$133,000 in 2027. The total for ten years is projected at \$1,450,000.

### County Expenses

Because the operator is responsible for maintenance, County expenses are minimal. They start at a little over \$7,000 and reach \$9,500 by 2028.

### County Cash Flow

The cash flow follows the revenue stream, given the low expenses. The ten-year total is projected at **\$1,367,000**.

## **Scenario 1: Priority Improvements**

In the two improvement scenarios for Manitou, we still assume that the operator is responsible for maintenance. However, instead of a straight split of revenue as it is now, the contract is modified so that the operator collects a disproportionate amount of the revenue (in our projections, 90%) until they reach a break-point. At that time, the split changes to being more favorable to the county (75% in our projections). This still preserves incentive for the operator but gives the County a better chance of recouping capital investment costs.

Scenario One includes the benefits of marketing, which is immediate, plus the benefits of capital improvements following the 2021 season. The current contract would remain in force until 2021, when construction begins. Because of the reduced revenues, we assume a lower percentage of revenue to the

County (5%). The hybrid contract would kick in for 2022. We assume that a \$100,000 supplement would need to be paid to the operator in 2021 due to construction.

**Rounds**

We project 31,500 rounds in 2019, which is a modest improvement over the Status Quo prediction, but in-line with recent performance. Here, improved marketing helps overcome declining course conditions.

| <b>Manitou Cash Flow Projections</b> |             |             |             |             |             |                    |                    |                    |
|--------------------------------------|-------------|-------------|-------------|-------------|-------------|--------------------|--------------------|--------------------|
|                                      | <b>2019</b> | <b>2020</b> | <b>2021</b> | <b>2022</b> | <b>2023</b> | <b>Total 19-23</b> | <b>Total 24-28</b> | <b>Total 19-28</b> |
| <b>Status Quo</b>                    |             |             |             |             |             |                    |                    |                    |
| Rounds                               | 29,850      | 28,805      | 25,925      | 28,100      | 27,117      | 139,796            | 126,558            | 266,354            |
| Revenue                              | \$1,128,061 | \$1,149,937 | \$1,043,493 | \$1,189,282 | \$1,157,010 | \$5,667,783        | \$5,487,366        | \$11,155,150       |
| County Net                           | \$139,409   | \$142,036   | \$127,974   | \$146,697   | \$142,264   | \$698,380          | \$668,804          | \$1,367,184        |
| <b>Scenario 1 Priority Fixes</b>     |             |             |             |             |             |                    |                    |                    |
| Rounds                               | 31,500      | 32,130      | 19,000      | 33,500      | 34,003      | 150,133            | 160,433            | 310,565            |
| Revenue                              | \$1,226,908 | \$1,298,029 | \$764,490   | \$1,489,340 | \$1,564,518 | \$6,343,285        | \$8,160,572        | \$14,503,858       |
| County Net                           | \$148,272   | \$157,069   | (\$70,411)  | \$306,187   | \$334,776   | \$875,893          | \$1,598,966        | \$2,474,859        |
| Difference                           | \$8,863     | \$15,033    | (\$198,385) | \$159,490   | \$192,512   | \$177,513          | \$930,162          | \$1,107,675        |

2021’s performance dips to 19,000 due both to poor weather and to construction, as the course will likely be reduced to 9 holes. But, improved weather and buzz about improved course conditions should cause performance to dramatically improve in 2022 to 33,500 (conservative). Rounds continue to improve annually, reaching 35,700 in 2024 (helped by good weather). However, the deterioration of the infrastructure *not* addressed in 2021, will start to have an impact as rounds drop to the 32,000 round range, then start to decline again in 2027.

Over 10-years, the number of rounds is expected to total 310,500. This is an improvement of 44,000 rounds (16.6%) over the Status Quo.

**Revenue**

Green fee revenue in 2019 is anticipated to be \$572,000. This will increase in 2022, following the renovations, to \$690,00. It will peak in 2024, helped by assumed good weather, at \$784,000, before declining again. The ten-year total is \$6,583,000, or \$1.4 million better than the status quo – a 26.9% improvement.

Green fee per rounds starts only slightly better than the Status Quo. But it improves to \$23.99 by 2028, nearly \$5.50 higher than the Status Quo.

Total revenue is projected to go from \$1.225 million in 2019 to \$1.7 million in 2024, with a big dip to \$765,000 in 2021. It will decrease slightly over the next few years. The ten-year total is \$14,500,000 or \$3,350,000 (30%) more than the Status Quo.

**County Revenue**

With the change in contract, starting in 2020, County revenue increases slightly from \$159,500 in 2019 to \$169,000 in 2020. It drops to \$38,000 in 2021 with the impact of construction, before jumping to \$351,000 in 2023. It reaches \$420,000 in 2024 before declining. The ten-year total of \$2,725,000 is over \$1,270,000 (88.0%) more than the Status Quo.

## County Expenses

County Expenses remain low in this scenario, as the operator still is responsible for course maintenance. The ten-year total of \$251,000 is \$168,000 (202%) higher than the Status Quo, due to the addition of a marketing expense and the \$100,000 supplement for construction.

## County Cash Flow

The County realizes about \$148,000 in 2019. The increases to \$157,000 in 2020, before becoming falling sharply to \$29,000 in 2021. But then it rises dramatically to \$306,000 in 2022. It continues to rise, reaching \$402,000 in 2024. It decreases slightly thereafter. But the ten-year total is expected to reach \$2,475,000 – or \$1.1 million more the Status Quo – an impressive 81% improvement.

The anticipated construction cost is \$2.78 million. With an average cash flow improvement of \$183,000/year, it would take 15.2 years to pay back. The cash flow would also support a debt of \$2.7 million, about what it will cost. The annualized rate of return is 6.6%.

## Scenario Two: Major Renovation

This scenario has the entire facility undergoing a major, “Keller-like” renovation, only without the \$6,000,000 clubhouse. We do have the existing clubhouse being expanded, but at a more modest cost of \$400,000.

The improvements will allow Manitou to be repositioned to the upper mid-fee market. In our projections, we anticipate a price point of 85% that of Keller’s Scenario 1. In this situation, the number of leagues may decrease, but significantly more tournament rounds are added.

The construction would take three years, beginning in 2021. We anticipate Manitou being reduced to nine holes in 2021, 2022 and at least half of 2023. The current contract would remain in force through 2022, although in 2021 and 2022 the County’s share of revenue drops from 13% to 5% due to construction. The hybrid contract goes into effect in 2023. The Hybrid contract has the County’s share at 10% up to the breakpoint, and 75% thereafter. The initial breakpoint used is \$1 million in 2023, rising \$30,000/year. We are projecting the need for \$100,000 in operator supplements for both 2021 and 2022 during the construction period.

## Rounds

Rounds would drop to 17,350 in 2021 with the reduction to nine holes. It will edge up a bit in 2022, with the new nine opening. With a grand reopening likely in mid- to late-season 2023, rounds that year are expected to increase to 24,500.

In the first full year following renovations, we are very conservatively estimating 36,000 rounds. (We think it will be over 40,000. Keep in mind that Manitou did 39,000 rounds as recently as 2012, 40,000 in 2007, and averaged well over 50,000 rounds from 1992 to 2001.) Rounds should stabilize in the 35,000 range.

## Revenue

Green Fee revenue drops during the construction years. But in the five years following, green fee revenue averages over \$1 million. Green fee/round goes from \$18.16 in 2019, to \$32.26 in 2028.

For the five years, 2024 to 2028, total revenue is projected at \$11 million – or more than double that in the Status Quo, and \$2.8 million more than Scenario One. For the 10-year period, total revenue is \$16,200,000, or \$5 million (45.3%) more than the Status Quo.

| <b>Manitou Cash Flow Projections</b> |             |             |             |             |             |             |              |              |
|--------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|--------------|
|                                      | 2019        | 2020        | 2021        | 2022        | 2023        | Total 19-23 | Total 24-28  | Total 19-28  |
| <b>Status Quo</b>                    |             |             |             |             |             |             |              |              |
| Rounds                               | 29,850      | 28,805      | 25,925      | 28,100      | 27,117      | 139,796     | 126,558      | 266,354      |
| Revenue                              | \$1,128,061 | \$1,149,937 | \$1,043,493 | \$1,189,282 | \$1,157,010 | \$5,667,783 | \$5,487,366  | \$11,155,150 |
| County Net                           | \$139,409   | \$142,036   | \$127,974   | \$146,697   | \$142,264   | \$698,380   | \$668,804    | \$1,367,184  |
| <b>Scenario 1 Priority Fixes</b>     |             |             |             |             |             |             |              |              |
| Rounds                               | 31,500      | 32,130      | 19,000      | 33,500      | 34,003      | 150,133     | 160,433      | 310,565      |
| Revenue                              | \$1,226,908 | \$1,298,029 | \$764,490   | \$1,489,340 | \$1,564,518 | \$6,343,285 | \$8,160,572  | \$14,503,858 |
| County Net                           | \$148,272   | \$157,069   | (\$70,411)  | \$306,187   | \$334,776   | \$875,893   | \$1,598,966  | \$2,474,859  |
| Difference                           | \$8,863     | \$15,033    | (\$198,385) | \$159,490   | \$192,512   | \$177,513   | \$930,162    | \$1,107,675  |
| <b>Scenario 2 Major Renovation</b>   |             |             |             |             |             |             |              |              |
| Rounds                               | 31,500      | 32,130      | 17,350      | 19,467      | 24,500      | 124,947     | 173,696      | 298,643      |
| Revenue                              | \$1,226,908 | \$1,221,428 | \$601,979   | \$725,011   | \$1,408,512 | \$5,183,839 | \$11,022,681 | \$16,206,520 |
| County Net                           | \$149,069   | \$148,154   | (\$78,183)  | (\$72,385)  | \$232,341   | \$378,997   | \$3,399,207  | \$3,778,205  |
| Difference                           | \$9,660     | \$6,118     | (\$206,157) | (\$219,081) | \$90,078    | (\$319,382) | \$2,820,481  | \$2,501,098  |

### County Revenue

As with the Status Quo, County Revenue follows closely to the course revenue. The post-renovation total (2024-28) is expected to be **\$3,500,000** or \$2.8 million higher (nearly than four times) than under the Status Quo. The ten-year period, which includes the down construction years, totals **\$4.1 million**, which is still \$2.7 million (185.8%) better than the Status Quo.

### County Expenses

County expenses under this scenario should be essentially the same as under Scenario 1. The only difference is a higher marketing cost as it varies as a function of revenue, and an additional \$100,000 in supplement. The ten-year total is \$365,500.

### County Cash Flow

Even in the construction years, the county maintains a positive cash flow (assuming the operator is maintaining the course). When the facility reopens, cash flow jumps from \$27,600 in 2022 to \$232,000 in 2023 and then to \$690,000 in 2024. It further increases to \$779,000 in 2028. The ten-year cash flow total of **\$3,778,000** is \$2.4 million higher (176%) than the Status Quo. The cash flow for the final five years is **\$2,700,000** more than the Status Quo (about four times or 408%), but it is also \$1.8 million more than Scenario 1.

For the five-years following the reopening, the County’s cash flow averages \$680,000 compared to \$133,000 in the Status Quo. In 2028, the difference is \$646,000 and is \$475,000 more than Scenario 1. This will support a debt of \$9,800,000 at 3.3% interest, which is more than the anticipated \$8.6 million cost. The annualized rate of return is 7.9%, slightly more than under Scenario 1.

### Discussion

It should be clear that the Status Quo is not a good option. While the current contract isolates the County from realizing a financial loss with the operation, it is unlikely that similar terms can be negotiated when the contract expires after 2021. It is further unreasonable that a new operator (or even the current one) would renew under similar terms, without the County committing to considerable capital improvements.

One of the big differences between Scenarios 1 and 2, is that with 1, only some of the infrastructure needs are addressed. This means that over the following 10 years (more likely 5), they will have to be addressed –

at a much greater cost. Further, those improvements would likely lack the marketing punch that doing them all at once will create under Scenario Two.

The market analysis also suggested that Manitou's demographics were more favorable for golf than Keller's and the Premium market demand was almost as high. This suggests that repositioning it, following a major renovation, towards the upper end of the mid-fee market (Keller would be in the Premium market) would pay off.

Manitou, following renovations, could rival or even surpass Keller in terms of course quality. But Keller's history coupled with its wonderful clubhouse, strongly indicate it is the best choice for the premium market and we are very reluctant to recommend RC Golf have two courses in that market. Essentially, under this scenario, Manitou is positioned where Keller is today, while Keller assumes a Premium position.

We recommend implementation of Scenario Two changes, due both to the increased cash flow and to the fact that Scenario One does not fully address the infrastructure needs, but rather delays their fixes. This not only increases costs but diminishes the impact of the Scenario One improvements.

## **Goodrich**

Goodrich is in similar position to Manitou in that most of its infrastructure is overdue for replacement. And like Manitou, we have two improvement scenarios – a partial rebuild and a more complete one.

The biggest differences between the two are:

1. With Goodrich, we plan on targeting the Value customer, while Manitou remains in the mid-fee range.
2. Because of that, the planned renovations are designed to reposition the facility in a major way (although a very modest price increase is likely and would not impact rounds performance). As a result,
3. The renovations will be a lot more modest than those suggested for Manitou, with minimal rerouting.
4. We also have two versions of each scenario. One uses the equalized revenue model, with the County still maintaining the course, and the other the Hybrid model where the operator is maintaining the course.

## **Scenario 0: Status Quo**

Goodrich has been a rising star over the past three years, seeing a dramatic increase in rounds. But this increase has largely come about due to a big drop in the realized green fee rate... mainly through the participation in the "Public Country Club" program.

However, Goodrich's infrastructure needs are many. Eventually they will extract a bigger toll – both increasing maintenance costs and eventually a decline in performance.

When rounds begin to decline, there will be increased pressure to reduce rates from current levels. But, as with Manitou, it is likely maintenance practices will be reduced to save money, which will exacerbate the situation and hurt rounds performance and profitability even more.

## Rounds

We foresee rounds increasing to 32,000 in 2019, before dropping slightly in 2020. Bad weather (assumed in 2021 in our projections) will further drop rounds to 28,200. By now, though, the poor playing conditions will start to have a toll. Rounds are not seen to reach 30,000 again. They are projected to fall as low as 24,600 in a bad weather year (2027 in our projections).

The ten-year total is anticipated at 284,900.

## Revenue

Green fee revenue/round is already low. In 2019, it is expected to be about the same as now, \$17.40. In 2020, the County is due for another rate change. Because performance has been strong, the County will be strongly tempted to increase rates, at least by inflation. Another increase is anticipated in 2022, before declining rounds force rates to stabilize.

Green fee revenue in 2019 is projected to be \$556,000. It will max out in the anticipated good weather year (2024) at just under \$600,000. A bad weather year, though, coupled with declining conditions, will lead to revenues falling under \$500,000 (projected 2027). The ten-year total is expected to be \$5,500,000.

Total revenue for 2019 is projected to be \$936,000. It peaks in 2024 at \$1,036,000. It should stabilize at that point, due mostly to better food & beverage sales making up for some of the decline in green fees. The ten-year total is expected to be \$9,685,000.

## County Revenue

Assuming the current formulas remain intact, the county's share of the revenue in 2019 is \$695,000. Over the ten years, it will vary from a low of \$650,000 (2021 bad weather) to a high of \$750,000 (2024 great weather). The ten-year total is projected at \$7 million.

## County Expenses

County expenses (most course maintenance) is expected to be \$895,000 in 2019. However, maintenance costs will rise at a rate much higher than inflation due to increased payroll costs and the impact of the deteriorating infrastructure. Maintenance costs do not fluctuate very much due to course volume, so even though revenues rise and fall, maintenance cost tend to only go in one direction – up.

We project the expenses to reach \$1,270,000 by 2028. The ten-year total would be \$10,675,000.

## County Cash Flow

The County will have a **negative** cash flow from Goodrich. We expect the loss to be \$213,000 in 2019 and reach (\$572,500) by 2028. Over the ten-year period, the county will see a loss of **\$3,674,000**.

## Scenario One: Priority Fixes

Initially, the primary changes are operational, marketing, and a major change in market position achieved by significantly lowering the fee structure. This will allow the facility to survive while the capital improvements are made at Manitou. (We strongly recommend against major renovations occurring simultaneously at the two facilities).

As with Scenario One for Manitou, we anticipate needing a temporary hole to allow for 18-holes of play during the construction. The temporary hole is expected to be built in 2022, without impacting play. The renovation would occur in 2023. Again, the main needs addressed are confined primarily to irrigation, bunkers and new forward tees.

Our projections have the contract changing to the equalized revenue model in 2019. The County’s share of the net revenue (gross revenues less cost of sales) is 80% in our models.

**Rounds**

The impact of the repositioning and a dramatic improvement to marketing is immediate and powerful. We anticipate (conservatively) 34,500 rounds in 2019, increasing to over 35,000 in 2020. (Note: Goodrich’s historical high in rounds was in 1987 with 47,366. But it was never lower than 35,000 between 1984 and 2001).

Rounds will continue to hover around the 35,000 mark over the next eight years, with a low of 26,000 during the construction year of 2023, and a high of 36,000 in 2028. The total for 10-years is projected at 332,000, which is 47,000 (16.5%) rounds better than the Status Quo.

While we do not go beyond 10-years in our projections, we anticipate rounds starting to decline after that point, due to the infrastructure needs that were NOT addressed in 2023. And, like Scenario One for Manitou, they will likely need to be addressed in the period 2029-2034.)

**Revenue**

The lower fee schedule results in a lower green fee yield. We project a yield of just over \$15 in 2019, which is 12.5% less than in the Status Quo (\$17.39). Yield will increase annually, reaching a modest \$17.80 in 2024 before starting to decline, reaching \$17.30 by 2028.

Green fee revenue will total \$525,000 in 2019, which is \$30,000 lower than in Scenario One. Over the 10 years, though, green fee revenue will total \$5,572,000. This is about the same as with Status Quo.

The big differences come with the other revenue streams. Total revenue in 2019 is projected at \$957,000, or \$22,000 more than the Status Quo. During the renovation year, 2023, total revenue is expected to drop to \$832,000, which is \$129,000 less than the Status Quo. Over the next five years, however, total revenue is expected to reach a cumulative \$5,837,000 – or \$859,000 (17.3%) more than the Status Quo.

The ten-year sum for total revenue is \$10,623,000 – an increase of \$936,000 or 9.7% improvement over the Status Quo.

| <b>Goodrich Cash Flow Projections</b> |                    |                    |                    |                    |                    |                      |                      |                      |  |
|---------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|----------------------|----------------------|----------------------|--|
|                                       | 2019               | 2020               | 2021               | 2022               | 2023               | Total 19-23          | Total 24-28          | Total 19-28          |  |
| <b>Status Quo</b>                     |                    |                    |                    |                    |                    |                      |                      |                      |  |
| Rounds                                | 32,000             | 31,360             | 28,224             | 29,110             | 28,528             | 149,222              | 135,684              | 284,906              |  |
| Revenue                               |                    |                    |                    |                    |                    |                      |                      |                      |  |
| Green Fees                            | \$556,439          | \$573,857          | \$516,181          | \$560,132          | \$550,369          | \$2,756,978          | \$2,760,149          | \$5,517,127          |  |
| <b>Total</b>                          | <b>\$935,989</b>   | <b>\$969,074</b>   | <b>\$884,894</b>   | <b>\$961,836</b>   | <b>\$955,103</b>   | <b>\$4,706,896</b>   | <b>\$4,978,594</b>   | <b>\$9,685,490</b>   |  |
| County Revenue                        | \$694,670          | \$718,715          | \$650,012          | \$705,605          | \$693,336          | \$3,462,338          | \$3,539,315          | \$7,001,653          |  |
| County Expenses                       | \$883,677          | \$919,837          | \$957,612          | \$997,080          | \$1,038,324        | \$4,796,530          | \$5,878,635          | \$10,675,165         |  |
| County Net                            | <b>(\$189,007)</b> | <b>(\$201,121)</b> | <b>(\$307,600)</b> | <b>(\$291,475)</b> | <b>(\$344,988)</b> | <b>(\$1,334,192)</b> | <b>(\$2,339,320)</b> | <b>(\$3,673,512)</b> |  |
| <b>Scenario 1: Priority Fixes</b>     |                    |                    |                    |                    |                    |                      |                      |                      |  |
| Rounds                                | 34,500             | 35,190             | 31,671             | 33,597             | 26,000             | 160,958              | 171,085              | 332,043              |  |
| Revenue                               |                    |                    |                    |                    |                    |                      |                      |                      |  |
| Green Fees                            | \$524,820          | \$551,242          | \$507,509          | \$564,423          | \$434,790          | \$2,582,784          | \$2,989,752          | \$5,572,536          |  |
| <b>Total</b>                          | <b>\$957,415</b>   | <b>\$1,012,003</b> | <b>\$943,336</b>   | <b>\$1,039,044</b> | <b>\$832,844</b>   | <b>\$4,784,640</b>   | <b>\$5,837,657</b>   | <b>\$10,622,297</b>  |  |
| County Revenue                        | \$697,539          | \$737,413          | \$687,431          | \$757,446          | \$607,178          | \$3,487,007          | \$4,235,590          | \$7,722,597          |  |
| County Expenses                       | \$895,798          | \$930,734          | \$965,281          | \$1,003,698        | \$1,039,243        | \$4,834,756          | \$5,857,039          | \$10,691,795         |  |
| County Net                            | <b>(\$198,259)</b> | <b>(\$193,321)</b> | <b>(\$277,850)</b> | <b>(\$246,252)</b> | <b>(\$432,065)</b> | <b>(\$1,347,749)</b> | <b>(\$1,621,449)</b> | <b>(\$2,969,198)</b> |  |

### County Revenue

County revenue for 2019 is projected at \$697,000, a slight decrease of \$2,900 over the Status Quo. The decrease is more than made up the next year, when county revenue should be \$18,000 more than Status Quo. County revenue will be substantially less (\$122,000) during the construction year of 2023. From that point on, County revenue surges. For 10-years the County’s revenue totals \$7,720,000, an increase of \$720,000 (10.3%) over the Status Quo.

### County Expenses

County expenses do increase in this model, due both to inflation and the addition of marketing expense. But the increase is only slight.

Over the ten years, expenses are expected to reach \$1,264,000 in 2028 and total \$10,692,000. This is just \$16,000 more than the Status Quo model.

### County Cash Flow

County’s cash flow remains negative throughout the 10-years in this scenario. However, except for in 2019 and the construction year of 2023, it is better than under the Status Quo. The total loss over 10 years is **\$2,969,000**, representing a 19.2% improvement over the Status Quo.

The average improvement in cash flow in the five years following renovation is \$143,000. At that rate, the anticipate \$2.45 million construction cost would be paid back in 17.1 years. If the cash flow is used to finance debt, it would support a bond of \$2.1 million, *which is less than the cost of construction*. The annualized return on investment (ROI) is 5.8%.

### Scenario One A: Hybrid

This uses the same assumptions and revenue streams as above. However, the contract is changed in 2020 to a Hybrid model, with the operator taking over the maintenance. We anticipate a breakpoint initially of \$850,000, below which the County gets 5% of the net revenue and above which it gets 50%.

| Goodrich Cash Flow Projections    |               |             |             |             |             |             |               |               |
|-----------------------------------|---------------|-------------|-------------|-------------|-------------|-------------|---------------|---------------|
|                                   | Total 19-23   | 2024        | 2025        | 2026        | 2027        | 2028        | Total 24-28   | Total 19-28   |
| <b>Status Quo</b>                 |               |             |             |             |             |             |               |               |
| County Net                        | (\$1,334,192) | (\$330,570) | (\$402,380) | (\$462,549) | (\$571,355) | (\$572,466) | (\$2,339,320) | (\$3,673,512) |
| <b>Scenario 1: Priority Fixes</b> |               |             |             |             |             |             |               |               |
| County Net                        | (\$1,347,749) | (\$256,363) | (\$338,074) | (\$286,143) | (\$390,600) | (\$350,269) | (\$1,621,449) | (\$2,969,198) |
| <b>Hybrid 2020</b>                |               |             |             |             |             |             |               |               |
| County Revenue                    | \$935,204     | \$128,264   | \$103,138   | \$163,291   | \$126,086   | \$181,278   | \$702,057     | \$1,637,261   |
| County Expenses                   | \$1,034,121   | \$12,240    | \$11,738    | \$13,802    | \$12,953    | \$14,883    | \$65,615      | \$1,099,736   |
| County Net                        | (\$98,918)    | \$116,024   | \$91,401    | \$149,490   | \$113,133   | \$166,395   | \$636,442     | \$537,525     |
| <b>Difference</b>                 |               |             |             |             |             |             |               |               |
| County Net                        | (\$13,557)    | \$74,207    | \$64,306    | \$176,406   | \$180,755   | \$222,197   | \$717,871     | \$704,314     |
| County Net Hybrid                 | \$1,235,274   | \$446,594   | \$493,781   | \$612,039   | \$684,488   | \$738,860   | \$2,975,763   | \$4,211,037   |

The difference is immediate and dramatic. In the first year, 2020, the County goes from \$193,000 loss under Scenario One to a net profit of \$63,000 using the Hybrid model. The only year from that point forward where the County shows a loss is 2023, the construction year, where we show the County providing a subsidy of \$100,000 to the operator to make up for the loss in revenue.

Over the 10-year period, the Hybrid model shows the County having a positive NOI of just under \$1 million (\$987,000), which is \$4.66 million better than the Status Quo and about \$4 million better than the Equalized Revenue model.

## **Scenario Two: Modest Renovation**

In this scenario, most major infrastructure needs are addressed. This will result in a golf course that plays like a new one.

However, because there is a strong need within the county for an affordable (value) golf course, the renovations are not designed to reposition the golf course. While a modest price increase is anticipated, it should not adversely affect rounds play. Instead, the dramatically improved conditions should result in the best rounds play performance in 20 years.

As noted above, because we recommend that Goodrich become a value facility, and because we strongly believe that Manitou and Goodrich should not be renovated at the same time, we anticipate the construction to begin in 2024 and be completed by 2026. In both 2024 and 2025, Goodrich is reduced to 9 holes.

Until the renovation starts, this model will follow that of Scenario One above. When the facility reopens, County's share of the revenue increases to 83%.

### **Rounds**

Until 2023, the rounds (and revenue) are the same as with Scenario One. Rounds drop dramatically in 2024, as the facility goes nine holes. However, we anticipate strong nine-hole play, with total rounds being 21,157 in 2024 and 20,100 in 2025.

The renovated course should open with a bang, reaching 37,000 rounds in 2026 and again in 2028. Following this 10-year period, we anticipate rounds continuing to grow, likely reaching the 40,000 mark by 2030 or 31.

This model has 108,538 rounds in the three years following renovations. This compares to 104,640 for the same period in Scenario 1 and just 78,441 under Status Quo.

The ten-year total is 332,000 rounds, or 47,000 (16.5%) more than the Status Quo, despite being just nine holes for two years.

### **Revenue**

We anticipate a \$2 increase in green fee yield following renovations. This will result in \$2,334,000 in green fee revenues over the three years 2026-28, with all three years being over \$700,000 and 2028 over \$800,000. The three-year total compares to \$1.81 million under Scenario 1 and \$1.6 million under Status Quo.

The difference in total revenue is even more dramatic. In this scenario, the three-year period produces \$4.35 million. On the other hand, Scenario One produced \$3.6 million and the Status Quo just \$2.9 million.

### **County Revenue**

There is a huge, \$1.2 million difference in the revenue the county receives over the last three years (26-28) in this model compared to the Status Quo. And there is nearly \$500,000 difference between it and Scenario One.

Over the ten-year period, we expect County revenue to be \$7.7 million. This is \$870,000 (9%) more than Status Quo. There was over \$600,000 negative difference during the two years of construction.

### County Expenses

Expenses in this model are less than the other two, largely due to the two years’ operating as a nine-hole course. But even in 2028, expenses in this model are expected to be over \$50,000 less than Scenario One due to improved infrastructure.

For the ten-year period, expenses are projected to total \$9,747,000. This represents a savings of \$900,000 over Scenario 1.

### County Cash Flow

The County’s cash flow is negative every year, although it approaches break-even in 2028. The lowest is (\$296,000) in the second year of construction. The best is in 2028, at (\$44,148). We project that it would continue to improve for several years after.

Over the ten-year period, the County’s cash flow is expected to be **(\$2,029,000)**. This is over \$1,000,000 more than Scenario 1 and \$1,640,000 better than the Status Quo.

In the three years following the renovation, the cash flow is projected at (\$238,000). This is more than \$800,000 better than Scenario 1’s (\$1,060,000) over the same period. It is nearly \$1.4 million more than the Status Quo. These trends are likely to continue for many years thereafter.

The average cash flow during these three years averages \$456,000 better the Status Quo. At this rate, it would take just 10.6 years to pay back the \$4.77 million anticipate cost of improvements. If debt financing is used, a \$456,000 cash flow could fund \$6,600,000 – which is nearly \$2 million more than the cost of improvements. The annualized rate of return is very close to Scenario One, at **9.6%**.

### Scenario 2A: Hybrid

As with Scenario 1A, we have the hybrid option kicking in for 2020. The same split is used. An operation subsidy of \$50,000 is provided in each of the two years of construction.

| Goodrich Cash Flow Projections       |                      |                    |                    |                    |                    |                    |                    |                      |
|--------------------------------------|----------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|----------------------|
|                                      | Total 19-23          | 2024               | 2025               | 2026               | 2027               | 2028               | Total 24-28        | Total 19-28          |
| <b>Scenario 2: Modest Renovation</b> |                      |                    |                    |                    |                    |                    |                    |                      |
| Rounds                               | 167,882              | 21,157             | 20,100             | 38,500             | 35,420             | 39,019             | 154,196            | 322,078              |
| Revenue                              |                      |                    |                    |                    |                    |                    |                    |                      |
| Green Fees                           | \$2,715,843          | \$287,794          | \$276,507          | \$776,796          | \$726,433          | \$831,740          | \$2,899,270        | \$5,615,113          |
| <b>Total</b>                         | <b>\$4,993,636</b>   | <b>\$611,577</b>   | <b>\$600,187</b>   | <b>\$1,431,647</b> | <b>\$1,363,814</b> | <b>\$1,555,107</b> | <b>\$5,562,332</b> | <b>\$10,555,968</b>  |
| County Revenue                       | \$3,593,418          | \$433,176          | \$425,004          | \$1,074,838        | \$1,023,959        | \$1,167,594        | \$4,124,570        | \$7,717,988          |
| County Expenses                      | \$4,823,745          | \$696,920          | \$721,944          | \$1,126,871        | \$1,166,099        | \$1,211,742        | \$4,923,576        | \$9,747,321          |
| County Net                           | <b>(\$1,230,327)</b> | <b>(\$263,745)</b> | <b>(\$296,940)</b> | <b>(\$52,033)</b>  | <b>(\$142,140)</b> | <b>(\$44,148)</b>  | <b>(\$799,006)</b> | <b>(\$2,029,333)</b> |
| <b>Hybrid 2020</b>                   |                      |                    |                    |                    |                    |                    |                    |                      |
| County Revenue                       | \$886,339            | \$27,073           | \$26,563           | \$184,667          | \$142,542          | \$217,595          | \$598,440          | \$1,484,779          |
| County Expenses                      | \$934,365            | \$59,204           | \$59,440           | \$14,443           | \$13,446           | \$15,973           | \$162,506          | \$1,096,871          |
| County Net                           | <b>(\$48,026)</b>    | <b>(\$32,131)</b>  | <b>(\$32,878)</b>  | <b>\$170,224</b>   | <b>\$129,096</b>   | <b>\$201,622</b>   | <b>\$435,934</b>   | <b>\$387,908</b>     |

Using this model, the County’s cash flow is positive every year except the two years of construction, when it has a \$32,000 loss in each. The total cash flow over the ten-year period is **\$388,000** positive, which is \$3.8 million better than in the Status Quo. The post-renovation cash flow is \$500,000 over the 2026-28 period. This is \$740,000 better than Scenario 2. The average annual improvement over the Status Quo for this period is \$700,000. This would pay off the construction cost in 6.9 years. It could also support a debt of \$10.2 million. The annualized ROI becomes a strong 14.4%.

## Discussion

As with Manitou, *the clear winner is Scenario Two*. Not only does it generate the biggest cash flow improvement but leaves the County with an asset that should not require another major capital improvement (except perhaps the clubhouse) for another 15-20 years. This is one of the biggest benefits of Scenario Two. It is a classic case of “pay now or pay a lot more later.”

Goodrich, though, really points out the benefit of switching to a hybrid contract. With it, Goodrich produces a positive cash flow. Without it, it remains a money-loser for the County. In our conversations with the operator, he expressed a willingness to switch to a hybrid model, although we, of course, did not negotiate any terms.

## Battle Creek

The Ponds at Battle Creek, as the only RC Golf facility to be losing money within the Park system accounting, represents the biggest challenge. This is because as a *challenging* nine-hole facility, it does not fit into a popular niche. Golfers who would appreciate its quality as a golf course are not likely to play it because, as a nine-hole course, they expect it to be low-end. And golfers who play it because it *is* a nine-hole course are often disappointed because it is so much more challenging than what they are expecting ... or wanting.

On the other hand, the facility features arguably the best practice facility in the County, and one of the nicest in the metro area. As such, it is enormously popular... and profitable. Yet it is limited, both by its size, and because of the limited parking at the facility.

Our first recommendation is *to simply drop the “Ponds at” part of the name*. For one thing, it creates confusion with another course that is called “The Ponds.” But “Battle Creek” is a strong, and unique name.

As to the golf course, which is losing money primarily because of its high maintenance costs, it is very difficult to “dumb it down” to make it more consistent with what local golfers expect from a nine-hole regulation course. This is because of the terrain and current layout. It would essentially require rebuilding the entire course.

To address this unique situation, we have developed three different strategies or scenarios in addition to the Status Quo. The scenarios are:

- **Scenario 0: Status Quo** – No major changes.
- **Scenario 1: “Elite” Nine** – This is primarily a marketing solution. The goal is to create a wider awareness of the quality and uniqueness of the course. Our approach would be “Enjoy the quality of Keller or Prestwick, but in half the time? Come to Battle Creek for an elite golf experience in just 2 ½ hours. Battle Creek ... the best nine-hole golf course in the state.”
- **Scenario 1a: Elite with Hybrid** – Same as above, but with Hybrid contract.
- **Scenario 2: Par 34** – Here the emphasis is on maximizing the range by doubling its capacity at the expense of reducing the golf course from a Par 35 to a Par 34.
- **Scenario 2a: Par 34 with Hybrid** – Same as above, but with Hybrid contract.
- **Scenario 3: 18 holes** – Use the land available across the street and expand to 18 holes.
- **Scenario 3a: 18 with Hybrid** – Same as above, but with Hybrid contract.

## **Scenario 0: Status Quo**

Even though Battle Creek is the newest of RC Golf's facilities, it is still 14 years old. So, over the next ten years, most of the course's infrastructure will reach and exceed its life expectancy. Further, since the facility is currently losing money, keeping things the same would only likely continue this trend.

Play should continue at current levels, at least through 2024. However, the age of the course will start to have an impact on performance... either with a significant increase in maintenance costs and/or deterioration of course conditions, leading to fewer rounds.

It is important to note that, while we do not include any capital improvements in this scenario, some are likely to be required. There is some concern about the safety of the bridges, which should be examined by a structural engineer.

### **Rounds**

Rounds for 2019 are projected to be 18,150. Rounds should stay at this level, with perhaps a slight upward trend, through 2024. But then they are likely to start to decrease (unless a lot more money is put into maintenance to counter the decline in infrastructure). Over the ten-year period, rounds are expected to be 187,420.

### **Revenue**

Green fee revenue for 2019 is anticipated to be a little over \$200,000. We do not foresee it going below this mark, except for one year (2021 in our projections) due to unusually bad weather. Fee increases due to inflation, will help keep it above \$200,000. We expect it to stay in the \$200,000 to \$250,000 range. Over 10 years, we project a total of \$2.26 million in green fee revenue.

Green fee yield for 2019 should be around \$11.14. Increases in fees due to inflation, will cause this to rise over the 10-year period, reaching \$14.63 by 2028.

Total revenue for 2019 is anticipated to be \$599,000. Total revenue will increase to \$738,000 by 2028. Over 10 years, revenue is projected to total \$6,736,000.

### **County Revenue**

With the current compensation model in place, County Revenue for 2019 calculates to be \$407,000. This will increase over time to \$499,000 to 2028. For the 10-year period, county revenue is anticipated to total \$4,570,000.

### **County Expenses**

As noted, maintenance costs will likely exceed price inflation. We project \$715,000 for 2019 and a total of \$8,541,000 for the 10-year period. These figures include Fleet.

### **County Cash Flow**

The course will continue to lose money throughout the 10-year period. The Net Loss for 2019 projects to be (\$308,000). This loss will increase, reaching (\$528,000) by 2028. Over the 10-year period, the total loss will reach **(\$3,971,000)**.

## **Scenario 1: "Elite" Nine**

In this scenario, the biggest changes are with regards to marketing, fee structure and the contract. The fee structure is increased in this scenario, as golfers, like most consumers, associate price with quality. Thus, to

drive home the point that this is an elite nine-hole course, the fee structure needs to be consistent with the image we are trying to project. Priority improvements are made in 2021, which should boost performance. The addition of target greens to the practice range should further heighten its appeal. The contract is changed to one equalizing revenue.

### Rounds

The marketing changes have an immediate impact, with 19,500 rounds projected for 2019. We see 20,000 rounds as capacity with the current parking constraints. Construction in 2021 will limit rounds to 16,000. With expanded parking, capacity should improve to 22,000 (more in good weather years), which we expect to reach the year following renovations (2022). Rounds will peak in 2024 (assumed good weather year) at 22,000. For the 10 years, the total number of rounds will be 200,000. This represents an improvement of nearly 24,000 rounds over Status Quo.

### Revenue

With the new pricing structure, green fee yield in 2019 is projected to be \$12.90, or \$1.76 more than with the Status Quo. Another jump should occur in 2022, following the renovations, when it reaches \$14.88. With inflation, it reaches \$17.45 by 2028.

Green fee revenue is projected at \$249,000 and total revenue at \$720,000 for 2019. These will reach \$356,000 and \$1,063,000, respectively, by 2028. This is \$109,000 more in green fee revenue and \$325,000 in total revenue than under the Status Quo. For the 10-year period, green fees total \$3,086,000 – an increase of \$827,000 or 41.5%. Total revenue is expected to increase by \$2,163,000 (38.3%) to \$8,900,000.

### County Revenue

County revenue would be \$491,000 in 2019. It then falls to \$447,000 in 2020, with the construction. But then it jumps to \$527,000 the following year. County revenue would increase to \$726,000 by 2028. Over the ten-year period, County revenue is expected to total \$6,075,000. This represents a 39.6% improvement or \$1.5 million, over the Status Quo.

### County Expenses

County expenses in 2019 are projected at \$750,000. This will increase, mostly due to inflation, to \$1,038,000 in 2028. Over 10 years, expenses will total over \$8.87 million.

### County Cash Flow

We expect the cash flow to be negative every year, except for the construction year. It will peak in the good weather year (assumed 2024) at (\$225,000). Over ten years, the total projects to a total loss of **(\$2,796,000)**. This is \$1.1 million better than in the status quo.

Construction costs are estimated at \$1.61 million. With an expected average improvement in cash flow of \$148,000 per year, the improvements would pay back in 10.8 years. The ROI is 9.2%. The cash flow improvement could support a debt of \$2.2 million.

| <b>Battle Creek Cash Flow Projections</b> |                    |                    |                    |                    |                    |                      |                      |                      |  |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|----------------------|----------------------|----------------------|--|
|   | 2019               | 2020               | 2021               | 2022               | 2023               | Total 19-23          | Total 24-28          | Total 19-28          |  |
| <b>Status Quo</b>                         |                    |                    |                    |                    |                    |                      |                      |                      |  |
| Rounds                                    | 18,150             | 18,241             | 16,417             | 18,149             | 18,239             | 89,195               | 87,420               | 176,615              |  |
| Revenue                                   |                    |                    |                    |                    |                    |                      |                      |                      |  |
| Green Fees                                | \$202,188          | \$215,540          | \$190,205          | \$226,411          | \$225,937          | \$1,060,281          | \$1,198,418          | \$2,258,698          |  |
| <b>Total</b>                              | <b>\$598,674</b>   | <b>\$629,173</b>   | <b>\$574,054</b>   | <b>\$663,928</b>   | <b>\$676,458</b>   | <b>\$3,142,288</b>   | <b>\$3,594,146</b>   | <b>\$6,736,434</b>   |  |
| County Revenue                            | \$407,271          | \$428,877          | \$391,027          | \$451,355          | \$457,287          | \$2,135,816          | \$2,434,362          | \$4,570,177          |  |
| County Expenses                           | \$714,905          | \$740,911          | \$767,902          | \$795,917          | \$824,996          | \$3,844,630          | \$4,696,420          | \$8,541,050          |  |
| <b>County Net</b>                         | <b>(\$307,635)</b> | <b>(\$312,034)</b> | <b>(\$376,875)</b> | <b>(\$344,561)</b> | <b>(\$367,709)</b> | <b>(\$1,708,814)</b> | <b>(\$2,262,058)</b> | <b>(\$3,970,873)</b> |  |
| <b>Scenario 1: "Elite" 9</b>              |                    |                    |                    |                    |                    |                      |                      |                      |  |
| Rounds                                    | 19,500             | 17,200             | 21,000             | 20,875             | 20,458             | 99,033               | 103,252              | 202,284              |  |
| Revenue                                   |                    |                    |                    |                    |                    |                      |                      |                      |  |
| Green Fees                                | \$249,419          | \$220,302          | \$299,722          | \$309,340          | \$310,789          | \$1,389,571          | \$1,696,272          | \$3,085,843          |  |
| <b>Total</b>                              | <b>\$720,818</b>   | <b>\$657,425</b>   | <b>\$782,930</b>   | <b>\$877,553</b>   | <b>\$889,858</b>   | <b>\$3,928,585</b>   | <b>\$4,971,121</b>   | <b>\$8,899,705</b>   |  |
| County Revenue                            | \$491,232          | \$447,972          | \$529,014          | \$600,105          | \$608,497          | \$2,676,820          | \$3,398,686          | \$6,075,507          |  |
| County Expenses                           | \$750,185          | \$776,317          | \$805,960          | \$836,470          | \$866,834          | \$4,035,767          | \$4,836,179          | \$8,871,946          |  |
| <b>County Net</b>                         | <b>(\$258,953)</b> | <b>(\$328,345)</b> | <b>(\$276,946)</b> | <b>(\$236,366)</b> | <b>(\$258,337)</b> | <b>(\$1,358,947)</b> | <b>(\$1,437,492)</b> | <b>(\$2,796,439)</b> |  |

**Discussion**

This is clearly superior to doing nothing, even though it is a bit of a gamble. We are assuming that golfers who desire playing nicer courses will be open to playing a nine-hole course if they are assured the experience is comparable to what they have on their preferred 18-hole course.

If it does not work, nothing in this scenario would preclude from County from implementing Scenario 2 or 3 down the road. Most of the capital improvements shown in this scenario are used in those as well.

While we did not include expanding the parking lot in this scenario, we do recommend considering it to be included. In this case, the practice putting green is relocated, allowing for up to 36 additional parking spots to be in front of the clubhouse. This will permit greater utilization of the practice facility and golf course. Estimated cost is under \$200,000.

**Scenario 1a: Elite with Hybrid**

As with Goodrich, we have the Hybrid model taking effect in 2020. As this is a construction year, we are adding a projected \$60,000 subsidy. The breakpoint starts at \$650,000 and increases by \$19,500 each year. The County’s share is 5% below the breakpoint and 50% above. Again, these splits were calculated to be revenue neutral to the operator based on current revenue but are subject to negotiation.

With the Hybrid model, the County’s expenses drop to around \$10,000. As a result, it realizes a profit every year, except for 2020, when it has a \$40,000 loss. Over the 10-year period, the County’s NOI totals **\$207,958**. But over the last five years, it is \$368,550. This is a \$2.6 million improvement over the Status Quo.

With the Hybrid model, the average annual improvement, after construction, is \$494,000 over the Status Quo. This means the construction cost of \$1.67 million (including the subsidy) would be paid back in 3.38 years. If financed, the cash flow improvement could support a debt of \$7.1 million. The ROI is a very strong

29.6%.

| <b>Battle Creek Cash Flow Projections</b> |             |             |             |             |             |               |               |               |  |
|---|-------------|-------------|-------------|-------------|-------------|---------------|---------------|---------------|--|
|   | 2019        | 2020        | 2021        | 2022        | 2023        | Total 19-23   | Total 24-28   | Total 19-28   |  |
| <b>Status Quo</b>                         |             |             |             |             |             |               |               |               |  |
| Rounds                                    | 18,150      | 18,241      | 16,417      | 18,149      | 18,239      | 89,195        | 87,420        | 176,615       |  |
| County Net                                | (\$307,635) | (\$312,034) | (\$376,875) | (\$344,561) | (\$367,709) | (\$1,708,814) | (\$2,262,058) | (\$3,970,873) |  |
| <b>Scenario 1: "Elite" 9</b>              |             |             |             |             |             |               |               |               |  |
| Rounds                                    | 19,500      | 17,200      | 21,000      | 20,875      | 20,458      | 99,033        | 103,252       | 202,284       |  |
| County Net                                | (\$258,953) | (\$328,345) | (\$276,946) | (\$236,366) | (\$258,337) | (\$1,358,947) | (\$1,437,492) | (\$2,796,439) |  |
| <b>Hybrid 2020</b>                        |             |             |             |             |             |               |               |               |  |
| County Revenue                            | \$491,232   | \$28,901    | \$34,130    | \$68,339    | \$64,979    | \$687,582     | \$423,076     | \$1,110,657   |  |
| County Expenses                           | \$750,185   | \$69,107    | \$9,380     | \$9,661     | \$9,951     | \$848,284     | \$54,416      | \$902,700     |  |
| County Net                                | (\$258,953) | (\$40,205)  | \$24,750    | \$58,678    | \$55,028    | (\$160,702)   | \$368,660     | \$207,958     |  |

### Scenario 2: Par 34

The range becomes the priority in this scenario, as both its capacity is increased as is its appeal. But this comes at the cost of the golf course, which is reduced to a Par 34.

Scaled-down priority improvements are made in 2020. However, the main improvements are slated for 2022. The improvements are expected to require the course to be closed, although it may be possible to create temporary holes and continue to operate the course. The range may be able to open later in the season.

The emphasis on the practice facility is three-fold. First, the range capacity is doubled. Second, the range’s appeal is greatly enhanced with the addition of target greens. And third, the addition of a high-quality short-game area adds a new revenue source.

Unfortunately, this comes at the cost of the golf course, which is reduced to a Par 34. While this may not seem like a big deal to the non-golfer, it is a big deal for golfers. Golf is very traditional. Once you go beyond the Par 70-72 range (Par 35 or 36 for nine holes), a course is seen as being sub-standard and performance declines dramatically. We see strong evidence of this in the MSP area, where non-regulation courses make up two-thirds of the course closings, but less than a third of the total number of courses.

The exception to this rule is Dwan Golf Course, which is a municipal golf course for the City of Bloomington. It is a high-performing 18-hole Par 68 golf course.

Still, the *perception* of Par 68 and less is that they are of lower quality than regulation courses, and thus less desirable for better golfers. Therefore, this would further handicap Battle Creek in that it not only has to overcome being nine holes, but also overcome having less than a Par 35.

This problem can be overcome with stronger marketing. Ironically, the improved range performance can help drive more play to the course (it is normally the other way around.)

### Rounds

Performance for this scenario (and Scenario 3) is the same as Scenario One in 2019. Because the improvements in 2020 are much less evasive in this scenario than in the previous one, rounds are higher (but not as high as in 2019). However, we anticipate the course being closed for all of 2022 as the conversion is being made.

Rounds will return to near 2019 levels, when it reopens... mainly due to the anticipation. But we do not believe it will prove to be as popular as remaining a Par 35. Rounds in this scenario are expected to be 94,000 total in years 2024-28, which is 10,000 rounds better than the Status Quo, but 9,000 less than the Elite 9 option.

Over 10 years, the total number of rounds is projected at 171,000 rounds.

### Revenue

With the conversion to Par 34, we expect a lower rate structure. In 2023, the green fee yield is predicted to be \$11.37 compared to \$12.39 under Status Quo and \$15.19 under Scenario One.

The key comparison comes in years 2024-28. Green fee revenue is projected to be \$1,188,000 in this scenario, which is \$10,000 less than under the Status Quo and over \$500,000 less the Elite 9 option.

However, it is a different story with the practice facility. For the 24-28 period, range revenue is projected at \$1.88 million. This is nearly a million dollars (\$978,000 or 108%) better than the Status Quo, and \$640,000 (51.5%) better than Scenario One. The ten-year total is \$2,791,000 compared to \$1,705,000 for Status Quo and \$2,164,000 for Scenario One.

Total Revenue is \$4,883,000 for the last five years, a \$1.3 million improvement (93.6%) over Status Quo. For the 10-year period, the improvement is just \$1,293,000 (59.8%) due to being closed for a year. In 2022, we are projecting just \$81,000 in total revenue as the course is expected to be closed the entire year.

### County Revenue

County revenue is impacted by both improved performance and by the change in contract. For the 10-year period, county revenue is anticipated to be \$5,462,000, which is \$892,000 (59%) more than the Status Quo. However, it is \$612,000 less than for the Elite 9 option.

For the 20-24 period, the County revenue is projected to be \$3,369,000. This is \$935,000 (97%) more than the Status Quo. But it still lags Scenario One by \$242,000.

### County Expenses

County expenses in the scenario will be about the same, although slightly less, than the Elite 9 option. There is more to maintain, despite the reduction to Par 34, because of the addition of a short-game area and expanded range. However, the maintenance standards for the Par 34 course is expected to be less than the Elite 9 as the price point is lower.

During the construction year, expenses are dramatically reduced. But the course still needs to be maintained, even though it is open. Our projections are \$460,000, which is a little more than half (57%) the \$806,000 in 2021.

Expenses are expected to total \$3.34 million for 2024-28 and \$5.88 million for the 10-year period. This is \$86,650 less for the five-year period and \$304,000 less for 10-years than the Status Quo.

### County Cash Flow

Cash flow is negative for every year. For the 10-year period, cash flow projects to a total loss of (\$2,748,000). This is still a \$1.2 million improvement over the Status Quo, but only slightly better (\$48,000) better than the Elite 9 option.

The difference is even more dramatic in the last five years, where cash flow totals **(\$1,224,000)**. This is \$1.0 million (125.8%) better than the Status Quo. It is also \$213,000 better than the Elite 9 option.

Renovations are expected to total \$2,917,000. The average cash flow improvement post-renovation is \$193,000. Thus, pay-back is achieved in 15 years. The cash flow could support a dept of \$2,800,000, or the approximate cost of the construction. Annualized ROI is 6.7%.

**Discussion**

There is a lot of discussion in the industry today about advocating for executive courses because they are so much quicker to play, and generally, more playable. However, this is *not* a new discussion. There was a similar, strong movement back in the late 1990s and early 2000s. However, we quickly discovered that golfers still prefer tradition over speed. Executive courses fail at a much higher rate than regulation and generally perform worse.

This scenario obviously is a lot better than the Status Quo, but it may not be better than the lower-cost “Elite Nine” option, despite having a better cash flow in the later years. It will take several years for this improved cash flow to overcome the added cost, and the loss of revenue from closing the course. And it seems to be a higher risk, due to the inherent disadvantages of being a Par 34 versus a Par 35.

**Scenario 2a: Par 34 with Hybrid**

In this scenario, the Hybrid contract does not kick in until after the construction is completed, or 2023. We also anticipate two subsidies. One for \$60,000 in 2020 and the other for \$100,000 for when the course is closed in 2022.

| <b>Battle Creek Cash Flow Projections</b> |             |             |               |             |             |             |             |             |               |               |
|---|-------------|-------------|---------------|-------------|-------------|-------------|-------------|-------------|---------------|---------------|
|   | 2022        | 2023        | Total 19-23   | 2024        | 2025        | 2026        | 2027        | 2028        | Total 24-28   | Total 19-28   |
| <b>Status Quo</b>                         |             |             |               |             |             |             |             |             |               |               |
| Rounds                                    | 18,149      | 18,239      | 89,195        | 18,880      | 17,936      | 17,757      | 15,981      | 16,864      | 87,420        | 176,615       |
| County Net                                | (\$344,561) | (\$367,709) | (\$1,708,814) | (\$359,572) | (\$411,243) | (\$441,723) | (\$521,716) | (\$527,805) | (\$2,262,058) | (\$3,970,873) |
| <b>Scenario 2: Par 34, Expanded Range</b> |             |             |               |             |             |             |             |             |               |               |
| Rounds                                    | -           | 19,000      | 76,700        | 19,768      | 18,779      | 19,372      | 17,435      | 19,029      | 94,383        | 171,083       |
| <b>Revenue</b>                            |             |             |               |             |             |             |             |             |               |               |
| Green Fees                                | \$0         | \$216,024   | \$985,467     | \$231,921   | \$227,668   | \$241,925   | \$217,207   | \$247,659   | \$1,166,381   | \$2,151,848   |
| Total                                     | \$81,500    | \$843,484   | \$3,146,118   | \$953,201   | \$939,395   | \$1,003,076 | \$933,180   | \$1,054,564 | \$4,883,416   | \$8,029,534   |
| County Revenue                            | \$0         | \$578,339   | \$2,093,027   | \$657,580   | \$648,240   | \$692,192   | \$643,858   | \$727,646   | \$3,369,516   | \$5,462,542   |
| County Expenses                           | \$459,883   | \$823,196   | \$3,616,472   | \$854,455   | \$885,072   | \$917,929   | \$950,162   | \$986,306   | \$4,593,925   | \$8,210,397   |
| County Net                                | (\$459,883) | (\$244,858) | (\$1,523,445) | (\$196,875) | (\$236,832) | (\$225,737) | (\$306,304) | (\$258,660) | (\$1,224,410) | (\$2,747,855) |
| <b>Hybrid 2023</b>                        |             |             |               |             |             |             |             |             |               |               |
| County Revenue                            | \$0         | \$45,522    | \$1,560,210   | \$87,870    | \$73,069    | \$92,650    | \$52,692    | \$97,974    | \$404,256     | \$1,964,466   |
| County Expenses                           | \$459,883   | \$9,647     | \$2,802,923   | \$9,937     | \$10,235    | \$10,542    | \$10,858    | \$11,184    | \$52,756      | \$2,855,678   |
| County Net                                | (\$459,883) | \$35,874    | (\$1,242,713) | \$77,933    | \$62,834    | \$82,109    | \$41,834    | \$86,790    | \$351,500     | (\$891,213)   |

The Hybrid contract immediately assures the County of a profit, with a positive cash flow starting in 2023 and continuing. It reaches \$87,000 in 2028 but is projected to continue to grow thereafter. Over 10 years, it is still negative at **\$891,213**, but this is \$1.9 million better than the non-hybrid option.

Over the last five years, the cash flow totals a projected \$351,500. This is \$2.6 million better than the Status Quo. It is also about \$1.6 million better than with Scenario 2 with the equalized revenue model.

With the Hybrid, the average annual improvement after reopening is \$503,000 over Status Quo. This results in an annualized ROI of 17% and can support a \$7.3 million debt, more than double the anticipated \$3.06 million cost (with supplements).

**Scenario 3: 18 Holes**

If nine-hole courses are less desirable, why not eliminate this disadvantage and become an 18-hole course? Not only does this option convert the facility from a type of facility that typically struggles (challenging nine-hole) to perhaps the most popular (mid-fee 18-hole).

As noted previously, this scenario will require a new clubhouse, and with it, a new range. But the existing clubhouse and range remain, becoming a stand-alone practice facility. This does several things:

- It effectively eliminates the parking issue at the existing facility
- It increases range usage by effectively doubling capacity with a second practice facility. The new range is the one used mostly by golfers playing the course, but it can be expected to get some range-only play during peak demand times.
- It adds new revenue streams with a restaurant and banquet operation.
- Its unique design elements and proximity to both downtown and 3M, make it attractive for visiting golfers.
- With two nines, it becomes a much better target for popular league play.
- With 18 holes, you double the course capacity.

This scenario also has a big advantage over Scenario 2 in that it does not require completely closing the course. Renovations on the existing nine can wait until the new nine is built.

Further, while we do *not* take this into consideration in our projections, it going to 18 holes can be timed with Goodrich's modest renovation option so that when Goodrich goes to nine holes during the construction, Battle Creek will be better positioned to accommodate more of the displaced rounds.

We have construction beginning in 2021 with the new 9. The new nine opens in mid-2022, and the old nine is closed for renovation. But the new clubhouse and range are open. The entire new facility reopens in 2024.

Performance can be neatly divided into two five-year periods. For the first five years of our projections, Battle Creek remains a nine-hole course, operated like Scenario 1. In the 2<sup>nd</sup> five years, it is an 18-hole facility, with a stand-alone range in addition to the course's range.

### Rounds

While the new nine is being built, the course is operated as in Scenario 1, but there is not the reduction in play seen in 2020 due to construction. Further, when the new nine opens and the existing nine closes for renovation, we expect better performance because of the "newness" factor plus the elimination of the parking problem. As a result, rounds performance for the first five years, while it remains a 9-hole course, is expected to total 100,700. This is 11,500 more than Status Quo. But it is also over 1,000 more than Scenario 1 and 24,000 more than Scenario 2.

Of course, the difference becomes dramatic when capacity is doubled as it becomes 18-holes. We conservatively estimate that performance as an 18-hole course will vary from 28,000 in really bad weather years, to 32,000 in good years. For the five-year period 2024-28, rounds total 152,600. This is 65,000 more than in the Status Quo. It is also 58,200 more than Scenario 2 and 49,000 more than Scenario 1.

### Revenue

Green fee yield will naturally dramatically increase with the transition to 18-holes since there is not only a price adjustment, but the percentage of play will mostly be 18 holes as opposed to 9-hole play currently. In our modeling, we are assuming a rate structure 80% that of Keller. This may go up or down, depending on the quality of the finished design as well as whether Manitou undergoes the Major Renovation option. If Manitou does not elect major renovation, then Battle Creek would likely be positioned between Keller and Manitou, and thus may have a higher yield than shown. If Manitou does undergo the Major Renovation option, Battle Creek becomes positioned between it and Goodrich, in which case it may have a lower yield than what we have illustrated, but also a higher volume.

Naturally, there is a big difference in revenue in the first five years and the second. In the first five, green fee revenue total \$1,414,000, which is \$354,000 more than Status Quo. But in the second five years, this

difference jumps to over \$3 million as we project green fee revenue totaling \$4.2 million under this scenario. This is also \$3 million more than Scenario 2 and \$2.5 million more than Scenario 1.

Total Revenue difference is even more dramatic. In the first five years, Scenario Three totals a little over \$4.3 million. But in the 2<sup>nd</sup> five-year period, total revenue jumps to \$12,970,000. This is over \$9.37 million more than Status Quo, \$8 million more than both Scenarios 1 and 2.

### County Revenue

County Revenue for the first five years totals \$2,836,000. For the 2<sup>nd</sup> five years, this jumps to \$8,380,000. The latter is \$5.9 million more than Status Quo, \$4.9 million more than Scenario 1 and \$5 million more than Scenario 2.

### County Expenses

Naturally, course maintenance expenses jump with the expansion to 18 holes. The course is shorter and will be maintained to slightly lower standards than Keller, but there are also two ranges and inefficiencies due to the design issues. As a result, the course maintenance expenses will be similar.

Total county expenses, which includes marketing, is projected at a little over \$4.1 million in the first five years, which is \$256,000 more than Status Quo. In the second five years, expenses jump to \$6,670,000. This is \$1.97 million more than Status Quo, \$1.83 million more than Scenario 1 and \$2.07 more than Scenario 2.

### County Cash Flow

For the first five years, the County's cash flow is negative each year, with a total loss of (\$1,265,000). This is still a \$443,000 improvement over the Status Quo. But it is also \$94,000 more than Scenario 1 and \$258,000 more than Scenario 2. This is mainly due to the fact there is not a "down" year due to construction.

The difference, though, is much more dramatic when the facility becomes 18-holes. Over the 2<sup>nd</sup> five years, the *cash flow turns positive each year*, with the County expecting to realize a total gain of \$1.7 million. This is \$3.9 million more than Status Quo. But it is also \$3.1 million more than Scenario 1 and \$2.9 million more than Scenario 2. For the 10-year period, the cash flow is expected to total **\$406,000**.

The difference in cash flow in the 2<sup>nd</sup> five years, between Scenario 3 and Status Quo, *averages* \$794,000. Assuming a construction cost of \$10,190,000, it would take 12.8 years to pay back. This cash flow could support a \$11.5 million bond, covering the cost. ROI is 7.8%, which is better than Scenario 2, but not as good as Scenario 1.

### Discussion

This is the only scenario that maximizes the potential of both the golf course and the range, while addressing the main infrastructure issues. Our projections, which we feel are conservative, show the investment will pay off.

But it also represents a big risk as it has, by far, the most capital investment. Because of this, consideration should be given to delaying the start of construction for the new 9, while the effectiveness of the Scenario 1 changes (less the capital improvements) can be further evaluated. The danger in this strategy is that it would mean that 18-holes would not be ready, should Goodrich be reduced to nine holes for renovation.

It is also possible to delay the construction of the new clubhouse by several years, saving \$2 million in construction costs. Modularity, which can be rented, could be used in the meantime. However, this would eliminate banquet sales and reduce the overall appeal of the renovated facility. If possible, we certainly recommend the clubhouse be built along with the new nine.

### Scenario 3a: 18 Holes with Hybrid Contract

In this model, the Hybrid contract starts in 2020, as it did with Scenario 1a. And the facility will be operated as an Elite 9 until reopening as an 18-hole course in 2024. However, when the facility reopens, the breakpoint is adjusted to \$1.1 million and the split becomes 5% under and 65% over.

We are assuming that some subsidies will be needed to support the operator during construction. We assumed \$60,000 in 2020; \$150,000 in 2022 and \$25,000 in 2023.

| <b>Batte Creek Cash Flow Projections</b> |             |             |               |             |             |             |             |             |               |               |
|--|-------------|-------------|---------------|-------------|-------------|-------------|-------------|-------------|---------------|---------------|
|  | 2022        | 2023        | Total 19-23   | 2024        | 2025        | 2026        | 2027        | 2028        | Total 24-28   | Total 19-28   |
| <b>Status Quo</b>                        |             |             |               |             |             |             |             |             |               |               |
| Rounds                                   | 18,149      | 18,239      | 89,195        | 18,880      | 17,936      | 17,757      | 15,981      | 16,864      | 87,420        | 176,615       |
| Revenue                                  | \$663,928   | \$676,458   | \$3,142,288   | \$732,367   | \$714,871   | \$731,780   | \$676,877   | \$738,251   | \$3,594,146   | \$6,736,434   |
| County Net                               | (\$344,561) | (\$367,709) | (\$1,708,814) | (\$359,572) | (\$411,243) | (\$441,723) | (\$521,716) | (\$527,805) | (\$2,262,058) | (\$3,970,873) |
| <b>Scenario 3 18 Holes</b>               |             |             |               |             |             |             |             |             |               |               |
| Rounds                                   | 20,250      | 22,750      | 100,700       | 32,000      | 30,400      | 31,008      | 27,907      | 31,312      | 152,627       | 253,327       |
| Revenue                                  | \$842,259   | \$1,260,634 | \$4,325,359   | \$2,533,485 | \$2,496,273 | \$2,631,949 | \$2,465,459 | \$2,844,365 | \$12,971,532  | \$17,296,891  |
| County Net                               | (\$260,824) | (\$186,455) | (\$1,264,971) | \$399,398   | \$322,850   | \$371,857   | \$196,427   | \$420,519   | \$1,711,051   | \$446,080     |
| Difference                               | \$83,737    | \$181,254   | \$443,843     | \$758,969   | \$734,093   | \$813,580   | \$718,143   | \$948,324   | \$3,973,109   | \$4,416,952   |
| <b>Scenario 3a Hybrid 2020</b>           |             |             |               |             |             |             |             |             |               |               |
| County Net                               | (\$107,424) | \$185,686   | (\$168,380)   | \$718,378   | \$686,496   | \$748,537   | \$646,624   | \$840,651   | \$3,640,687   | \$3,472,306   |
| Difference                               | \$237,138   | \$553,395   | \$1,540,434   | \$1,077,950 | \$1,097,739 | \$1,190,260 | \$1,168,340 | \$1,368,456 | \$5,902,745   | \$7,443,179   |

For the first five years, performance is very similar to Scenario 1a, with a combined net loss of (\$168,000). But in the second five years, there is a tremendous difference. For these five years, the County shows a profit of at least \$600,000 each year. Combined, the total profit is \$3.6 million, or \$5.9 million better than the Status Quo, and nearly \$2 million better than Scenario 3 without the hybrid contract. For the 10-years, the cash flow total **\$3,472,000**.

The average improvement post-construction is \$1.18 million over the Status Quo. This will pay back the estimated \$10,425,000 cost in under 9 years. The annualized ROI is 11.3%, and the difference in cash flow could support a debt of \$16,600,000, well over the cost of construction.

### Discussion

Another argument against Scenario 2 is the fact that the ratio of non-regulation holes to regulation holes is already higher than most of the other facilities (22.2% for 5-mile and 20.9% for 10-mile) and much higher than that for the County (18.5%), State (11.6%) and Country (8.1%). In short, this appears to be an already saturated market, further hampering its potential.

Based on the projections, we recommend Scenario 3 as it maximizes revenue for the range and for the golf course. The addition of a 2<sup>nd</sup> banquet center for RC Golf is also important as it not only provides another revenue stream – even in the winter months – but it will allow Battle Creek to compete successfully in the lucrative tournament and outing market. Indeed, given its location, tournaments may be the biggest money-maker for the course.

But Scenario 3 also represents a big risk as it has, by far, the most capital investment. Because of this, consideration should be given to delaying the start of construction for the new 9, while the effectiveness of the Scenario 1 changes (less the capital improvements) can be further evaluated. The danger in this strategy is that it means that 18-holes would not be ready, should Goodrich be reduced to nine holes for renovation.

Regardless of whether the goal is to go 18 holes or not, Ramsey County should immediately pursue the “Elite 9” option to help improve performance now.

But if the goal is truly to maximize profitability, then the County needs to seriously consider employing the Hybrid option, regardless of which scenario is used. The hybrid option virtually guarantees that the County will not lose money, while not using it means that it will (except for Scenario 3).

### Combined Impact

The impact of the combination of recommended improvements along with converting to hybrid contracts, is dramatic. Assuming the optimal improvement scenario for all four courses, over the next ten years we anticipate an **\$18 million** improvement over the Status Quo. Moreover, the improvements made should minimize the need for any other major improvements for the following 10 years as well. Thus, putting RC Golf on a strong and stable financial footing for at least the next two decades.

| <b>Combined Cash Flow Projections - Recommended Scenarios</b> |             |               |               |               |               |               |                |                |  |
|---|-------------|---------------|---------------|---------------|---------------|---------------|----------------|----------------|--|
|   | 2019        | 2023          | Total 19-23   | 2024          | 2027          | 2028          | Total 19-23    | Total 19-28    |  |
| <b>Combined</b>   |             |               |               |               |               |               |                |                |  |
| <b>Status Quo</b>   |             |               |               |               |               |               |                |                |  |
| Rounds  | 109,515     | 103,544       | 523,261       | 107,010       | 90,822        | 97,897        | 497,204        | 1,020,465      |  |
| <b>Revenue</b>  |             |               |               |               |               |               |                |                |  |
| Green Fees  | \$2,151,156 | \$2,279,956   | \$11,006,583  | \$2,450,257   | \$2,093,983   | \$2,365,258   | \$11,551,336   | \$22,557,919   |  |
| Total   | \$5,353,466 | \$5,830,529   | \$27,722,663  | \$6,229,808   | \$5,865,074   | \$6,429,023   | \$30,823,564   | \$58,546,227   |  |
| County Revenue  | \$2,433,516 | \$2,628,524   | \$12,564,976  | \$2,865,773   | \$2,622,276   | \$2,910,555   | \$14,011,941   | \$26,576,917   |  |
| County Expenses   | \$2,668,197 | \$3,100,092   | \$14,399,247  | \$3,219,270   | \$3,635,351   | \$3,786,606   | \$17,483,767   | \$31,883,014   |  |
| County Net  | (\$234,681) | (\$471,568)   | (\$1,834,271) | (\$353,497)   | (\$1,013,075) | (\$876,051)   | (\$3,471,825)  | (\$5,306,097)  |  |
| <b>Recommended (Goodrich Opt 2; Manitou Opt 2; BC Opt 3)</b>  |             |               |               |               |               |               |                |                |  |
| Rounds  | 117,000     | 114,995       | 554,651       | 125,384       | 126,932       | 141,695       | 653,305        | 1,207,957      |  |
| <b>Revenue</b>  |             |               |               |               |               |               |                |                |  |
| Green Fees  | \$2,330,448 | \$2,817,636   | \$11,857,818  | \$3,520,595   | \$3,728,125   | \$4,347,519   | \$19,076,638   | \$30,934,457   |  |
| Total   | \$5,921,186 | \$7,429,005   | \$30,943,950  | \$9,249,165   | \$9,876,104   | \$11,272,249  | \$49,978,807   | \$80,922,756   |  |
| County Revenue  | \$2,744,311 | \$2,279,106   | \$10,068,878  | \$2,181,830   | \$2,043,681   | \$2,693,137   | \$11,397,114   | \$21,465,992   |  |
| County Expenses   | \$2,755,348 | \$1,312,946   | \$8,086,566   | \$102,136     | \$56,674      | \$64,325      | \$384,734      | \$8,471,299    |  |
| County Net  | (\$11,037)  | \$966,160     | \$1,982,312   | \$2,079,694   | \$1,987,008   | \$2,628,812   | \$11,012,381   | \$12,994,693   |  |
| <b>Difference</b>   |             |               |               |               |               |               |                |                |  |
| Rounds  | 7,485       | 11,451        | 31,391        | 18,374        | 36,110        | 43,798        | 156,101        | 187,492        |  |
| <b>Revenue</b>  |             |               |               |               |               |               |                |                |  |
| Green Fees  | \$179,292   | \$537,679     | \$851,235     | \$1,070,337   | \$1,634,142   | \$1,982,262   | \$7,525,302    | \$8,376,538    |  |
| Total   | \$567,719   | \$1,598,476   | \$3,221,287   | \$3,019,357   | \$4,011,029   | \$4,843,226   | \$19,155,242   | \$22,376,529   |  |
| County Revenue  | \$310,795   | (\$349,418)   | (\$2,496,098) | (\$683,943)   | (\$578,595)   | (\$217,418)   | (\$2,614,827)  | (\$5,110,925)  |  |
| County Expenses   | \$87,151    | (\$1,787,146) | (\$6,312,681) | (\$3,117,134) | (\$3,578,677) | (\$3,722,281) | (\$17,099,033) | (\$23,411,714) |  |
| County Net  | \$223,644   | \$1,437,728   | \$3,816,584   | \$2,433,191   | \$3,000,082   | \$3,504,863   | \$14,484,206   | \$18,300,790   |  |

## ***DISCUSSION***

The RC Golf operation has been performing well, especially when compared to other municipal golf operations. It has both great amenities and operators. There is certainly no reason to panic.

On the other hand, RC Golf is entering a critical phase. It is facing major capital needs at its two highest volume facilities – Manitou Ridge and Goodrich. It also has two facilities that are losing money (Battle Creek and Goodrich).

Further, while these facilities are doing well, they are perhaps, not doing as well as believed. This is because there are no consolidated financials for the golf program that accounts for all County expenses. The major missing element is fleet services, which provides and maintains all the equipment for the golf operations at Keller, Goodrich and Battle Creek. This is a major expense item. Nor are the administrative salaries taken into consideration. (We were given a total for Fleet services for 2017 for each course – after our presentation on October 8<sup>th</sup> -- but not a break down on the expenses, nor a history. Both items we consider essential and were requested multiple times.)

So, while it may not be time to *panic*, there is a need to act both prudently and expeditiously.

It can also be said that the facilities are not reaching their potential – whether one looks at them as an amenity for county citizens, or as a profit center for the County.

In short, there is a need to both “fine-tune” the current operation and to take a hard look at their future. The County is wise in doing this planning *now* as opposed to waiting until the courses start losing money.

## **Philosophical Direction**

As noted earlier, we began the study by asking what the Philosophical Direction the County wanted to take with regards to the golf operations. While there are many possibilities, the main axis is whether to emphasize being an amenity for the citizens of the municipality versus maximizing profitability.

We presented our preliminary findings and recommendations to the County Commissioners on October 8<sup>th</sup>, 2018. During this meeting, the commissioners voted to emphasize profitability. As a result, we have shaped our recommendations in this direction.

The County has already taken big steps down the road of prioritizing profitability by privatizing the operations to varying degrees. Three of the six facilities are leased, the other three are under management contracts.

This strategy has helped the program have a positive cash flow to the Parks department and likely overall, even when fleet services are considered (it at least is at break-even, even with Fleet services and administrative salaries are accounted for). However, it has *not* covered the cost of capital improvements, both past (Keller) and future. And there is a big need for capital improvements, especially at Manitou and Goodrich.

For the cost of these capital improvements to also be covered by the golf operations, it will require major changes in how RC Golf is managed and administered. Indeed, if all the recommended improvements are made, not only will RC Golf have a positive cash flow that supports the debt needed for the capital improvements, the program may spin off excess cash that can be used to better support other Parks programming.

Regardless of where you are on the amenity/profit center continuum, capital investment is required. With investment, not only is financial performance going to be affected, but so is the appeal as an amenity.

And many of our recommendations will help at both ends, making RC Golf more profitable *and* becoming an amenity that services a bigger portion of the population. For example, right now the four big courses are all basically competing for the mid-fee market. Thus, the County is *not* serving the needs of golfers wanting a premium experience, nor the golfers wanting more affordable options. By elevating Keller and making Goodrich a value facility, the County is doing both serving more golfers (and citizens) *and* improving profitability.

Our plan for increased programming, especially for individuals wanting to take up the sport (such as the golf trial program), will both service a big need in the community, but also help with down-the-road performance as new golfers are brought into the market place.

Similarly, some capital improvements clearly serve both ends. A great example of this are new forward tees at all the facilities (especially Manitou) that will make the golf courses much more appealing to women, seniors, juniors and beginners.

There is also a hidden danger in aggressively taking the amenity approach. And that is this. Politicians change over time. The vision of today's commissioners may not be shared by future ones. Why this is important to take into consideration is that the amenity approach is highly likely to create a situation where the golf courses eventually become greatly subsidized. Further, needed capital improvements being delayed will result in deteriorating conditions that will lead to even poorer performance that will cost even more to fix down the road. At that point, the Commission may feel golf is no longer worth the continued subsidization and the now higher cost of improvements. Thus, taking this approach may ultimately cause a loss of the very amenity you are seeking to maximize.

However, to maximize profitability will require further privatization, which will mean a greater loss of control. The biggest issue will be privatizing the golf course maintenance. Our recommended model is to have a single operator at each facility that controls all operations, including course maintenance. The contract model we recommend is a hybrid contract. Under this model, the County is virtually assured of a positive cash flow as the operator assumes all operating costs.

Maximizing profitability also likely mean converting the golf program to an Enterprise fund status so that an accounting is made for future renovations as well as the ones needed today. An enterprise fund status may also give the County more flexibility in the management of the facilities.

## **Recommended Scenarios**

First, we should state the obvious. The scenarios outlined in this report are *not* the County's only options. Indeed, it is highly likely that none of the scenarios will be followed as outlined. But they do represent good models from which modifications can be made.

Choosing which scenario is best for the County depends on where the county sits on the Profit Center/Amenity continuum, but also on whether it wants a short- or long-term solution.

In our minds, the Status Quo is not a good option for *any* of the facilities no matter whether you are profit center or amenity biased. This is because the facilities can do better on *both* ends of that scale.

Further, several of the facilities are facing major infrastructure needs. Ignoring them will only cause performance to decline significantly (profit center), but also create a degradation of the playing experience (amenity). Moreover, the longer the delay in addressing, the higher the cost to fix.

With Keller, Manitou and Goodrich, we favor the best long-term solutions, which is Scenario 1 for Keller, and the total rebuild options (Scenario 2) for both Goodrich and Manitou. Our modeling strongly suggests that these improvements will pay for themselves. They also provide long-term solutions that put these facilities in good physical shape for the next 20 years or so.

The decision with Battle Creek is not as clear. There is no doubt that, as an 18-hole course, Battle Creek would perform much, much better than as a nine-hole course. But it also means another major investment. While it would likely pay for itself, it may be difficult for the County to take on three major renovations projects (Keller, Goodrich and Manitou) with a relatively short five-year period as shown in our modeling.

A possible solution for Battle Creek is to implement Scenario 1, perhaps with less capital investment, and then delay a decision on whether to go 18 holes, or go executive, or simply improve as a 9-hole regulation, until infrastructure needs force a decision to be made. Keep in mind that the facility is 14 years old. It will reach most of its infrastructure’s useful life expectancies over the next 10 years. Thus, a decision on Battle Creek’s ultimate direction could potentially be delayed for up to 10 years.

The decision on Battle Creek is also likely to be impacted by the County’s decision with regards to Manitou and Goodrich, but especially Manitou. If the County elects to do major renovations at both courses, then it may create a bigger need on the value end of the market. In that situation, reducing the Par to 34 ... or less, while making the course more playable and affordable, may make more sense.

We also are recommending the Hybrid contract be utilized at the four main courses. We consider this essential to making Goodrich and Battle Creek profitable, but it would also benefit Manitou and Keller – just not to the same degree as seen as Goodrich and Battle Creek. We will have an extended discussion on management options, with pros and cons, below.

## Changing Demographics

| Population by Race Trends   |                |                |                |                |                |                |
|-----------------------------|----------------|----------------|----------------|----------------|----------------|----------------|
|                             | 2010 CENSUS    |                | 2017 ESTIMATE  |                | 2022 FORECAST  |                |
|                             | Number         | Percent        | Number         | Percent        | Number         | Percent        |
| White                       | 356,547        | 70.10%         | 359,815        | 66.00%         | 361,263        | 63.30%         |
| Black                       | 56,170         | 11.00%         | 65,214         | 12.00%         | 70,068         | 12.30%         |
| Native American             | 4,043          | 0.80%          | 3,825          | 0.70%          | 4,476          | 0.80%          |
| Asian                       | 59,301         | 11.70%         | 80,123         | 14.70%         | 92,537         | 16.20%         |
| Hawaiian / Pacific Islander | 247            | 0.00%          | 241            | 0.00%          | 264            | 0.00%          |
| Two or More                 | 17,556         | 3.50%          | 19,751         | 3.60%          | 23,078         | 4.00%          |
| Other Race                  | 14,776         | 2.90%          | 15,995         | 2.90%          | 18,659         | 3.30%          |
| <b>Total</b>                | <b>508,640</b> | <b>100.00%</b> | <b>544,964</b> | <b>100.00%</b> | <b>570,345</b> | <b>100.00%</b> |
| Hispanic                    | 36,483         | 7.20%          | 40,376         | 7.40%          | 50,131         | 8.80%          |

Some concern has been expressed about the changing demographics in Ramsey County as it is being largely white to being more mixed. The concern is that non-whites have lower golf participation rates, so perhaps the County should be involved in an activity that may become less popular.

There are some big assumptions in that statement. So, let’s delve a little deeper into each component.

### Demographic Shift

As can be seen in the table above, there has been a shift in racial demographics within the County. In 2010, 70.1% of the population of Ramsey County was white. That percentage is expected to drop to 63.3% by 2022. The demographic is the biggest increase is Asian, growing from 11.7% in 2010 to an expected 16.2% by 2022. The percentage of blacks is also growing, from 11% in 2010 to 12.3% in 2022. The percentage of Hispanics is also projected to increase from 7.2% in 2010 to 8.8% in 2022.

While these trends are significant, Ramsey County is expected to remain a white-majority for the next 20 years, more than double the length of our projections. So even in a complete amenity-based view, golf remains a preferred recreation among most citizens of the County. In a profit-center viewpoint, there is much less concern about borders, as the main issue is *customers*, and our demographic analysis shows that the customer base will be growing over the next 10 years, not shrinking.

### Minority Participation

The second major assumption in the concern noted above, was that minorities do not play golf... at least do not play at rate approaching white participation. As one of the most proactive consultants in the industry with regards to minority participation, I can assure the reader that the industry does not pay near enough attention to this topic. In fact, the last comprehensive study that we know about was done by NGF and published in 2010. The study was titled simply, “Minority Golf Participation in the United States.”

| Golfer Projections by Race  |                |                |                |                |                |               |               |
|-----------------------------|----------------|----------------|----------------|----------------|----------------|---------------|---------------|
|                             | 2017 ESTIMATE  |                | 2022 FORECAST  |                | 2010 Part Rate | # Golfers     |               |
|                             | Population     | Percent        | Population     | Percent        |                | 2017 proj     | 2022 proj     |
| White                       | 359,815        | 66.00%         | 361,263        | 63.30%         | 11.9%          | 38,013        | 37,025        |
| Black                       | 65,214         | 12.00%         | 70,068         | 12.30%         | 3.9%           | 2,543         | 2,733         |
| Native American             | 3,825          | 0.70%          | 4,476          | 0.80%          | 2.0%           | -             | 90            |
| Asian                       | 80,123         | 14.70%         | 92,537         | 16.20%         | 8.9%           | 7,131         | 8,236         |
| Hawaiian / Pacific Islander | 241            | 0.00%          | 264            | 0.00%          | 8.9%           | -             | 23            |
| Two or More                 | 19,751         | 3.60%          | 23,078         | 4.00%          | 9.0%           | 1,778         | 2,077         |
| Hispanic                    | 40,376         | 7.40%          | 50,131         | 8.80%          | 7.7%           | 3,109         | 3,860         |
| Other Race                  | 15,995         | 2.90%          | 18,659         | 3.30%          | 6.0%           | 960           | 1,120         |
| <b>Total</b>                | <b>544,964</b> | <b>100.00%</b> | <b>570,345</b> | <b>100.00%</b> | <b>100.00%</b> | <b>53,534</b> | <b>55,163</b> |

In that study, we do find that non-whites in the US do participate in golf at a much lower rate. But that rate depends on the demographic. African-Americans had the lowest participation rate, at 3.9%, followed by Hispanics (7.7%), Asian (8.9%) and Whites (11.9%). But there were also some noticeable trends. Participation among both Whites and Blacks had declined over the previous three years, while

participation among Asians and Hispanics had grown – significantly. (Hispanic participation had jumped from 6.7% to 7.7% in just three years).

Let’s assume that the 2010 participation rates cited in the study were still accurate, and then apply those percentages to the current and projected populations. Here is what we get:

*\*In the above table, all Hispanics are assumed to be white and thus the number of whites was reduced in the calculations by the number of Hispanics.*

So even with a shift in demographics, *the number of golfers is expected to increase within the County.* Thus, even in a full “amenity” approach, golf seems to be as important tomorrow as it is today.

But there is more to the story. In NGF’s 2018 “Golf Participation in the US,” it notes that *25% of today’s junior golfers are now non-Caucasian*, versus just 6% 20 years ago. Therefore, there is reason to believe that *minority participation in golf is increasing, not declining.*

Regardless, though, RC Golf can do a *lot* more to further improve participation from diverse populations. As stated previously, here are a few things.

- **Staff (1):** Start with your own staff, especially with maintenance crews that tend to be more minority. Create programs to encourage your staff to take up golf, and then provide incentives for them to bring their families with them when they play. Similar programs can be extended throughout the Parks Department and not limited to golf courses.
- **Staff (2):** The golf operations staff that we saw at all the facilities was 100% white (and predominantly male). If you want people to participate, it is important that they see staff “that look like them” working at the course. This helps make them feel welcome.
- **Lower Barriers:** As we discussed previously, we need to lower the barriers to starting golf if we want to get more people to play, and this is especially true with minorities.
- **Community Outreach:** You need to be *proactive* within the minority communities. This takes several forms, including:
  - **Churches, Schools, Civic Groups** – make presentations, hold clinics, and provide special programming to minority dominated organizations.
  - **Sponsorships:** Show the community you care by having the golf courses *sponsor* minority community activities. This can take the form of being a financial sponsor, or hosting events.

In sum, we do not see the demographic shift occurring within the County as a negative with respect to golf. From an amenity side, we certainly view it as a great opportunity to use golf as a means of bringing the communities closer together. From a profit-center perspective, first, we see the golf course prospering based on a borderless look at the population. Second, the more we reach out to new populations and latent golfers and create new golfers, we are expanding the base that can support the facilities for the foreseeable future.

## **Management Options**

In our projections, we kept the operator contracts as being similar in nature to the ones that the County currently employ, just fine tuning them. We also provide projections using another model, the Hybrid. However, we encourage the county to consider other types of contracts.

Before beginning this discussion, we reiterate that the Golf Division is well managed. The discussion, though, is important as more and more municipalities consider alternative choices in management.

Fifty years ago, municipalities played a significant role in bringing golf to the masses. Indeed, it has only been in the last few decades that the public golfer had any options to play except at a municipal golf course.

This is no longer true. Over the past several decades, most of the golf courses being built have been privately owned public access golf facilities. As a result, today, municipalities are finding they are not only competing head-to-head with private enterprises; they are doing so in an increasingly more competitive market. Unfortunately, few municipalities find they are equipped to handle this type of competitive environment.

There are several factors that typically inhibit municipalities in their ability to compete successfully with private enterprise. These include:

- **Slow response:** By nature of the bureaucracy that is typically involved in making decisions, government-owned businesses are typically very slow to respond to market conditions – such as rates, promotions, etc.
- **Budget Constraints:** Often budgetary problems in other departments can have an adverse effect on golf operations. Even in cases where the municipality is not subsidizing the golf operations, needs in other departments can place greater pressure on the golf course to produce more revenue for the municipality, or for costs to be reduced, which can adversely affect performance.
- **Personnel Policies:** One of the most glaring areas separating municipal governments from private enterprise is in relation to personnel policies and costs. This is particularly true with regards to:
  - **Benefits:** Municipalities typically offer very rich benefit packages – far superior to what is normally the case within the golf industry.
  - **Termination:** With most private enterprises, if an employee is not productive, they are terminated – and often quickly. With governments, however, it can be extremely difficult to get unproductive employees terminated. The emphasis is on “rehabilitation” as well as avoiding litigation. Thus, it can take months or more of effort for a supervisor to remove an unproductive worker. This not only affects effectiveness from the employee in question but can adversely affect morale of the staff.
  - **Pigeon-Holing:** Often municipalities try to make golf course jobs fit in with their established job descriptions (and resulting compensation) for other areas – such as parks and recreation. Unfortunately, these comparisons are often inadequate and can result in a serious mismatch of personnel with job needs.
- **Marketing:** Many municipalities lack marketing expertise that is critical to succeeding in a competitive business. In other cases, golf simply is not a priority within the marketing department.
- **Special Interests:** By nature, municipalities are subject to the political process. This often results in situations where special interests can dictate policies or decisions that will adversely affect the golf operation’s profitability.
- **Procurement:** When large items, especially capital improvements, are needed, municipalities are often constrained with lengthy procedures and mandated policies

that not only slow the process down when timing can be critical, but also can lead to situations where the best product or contractor is not selected.

- **“Prevailing Wages”:** In some areas, municipalities are constrained by prevailing wages and other labor restrictions that can drive up costs that do not apply to privately owned businesses.
- **Incentive:** With most municipal golf operations where the staff are employees of the municipality, there are no incentives given to the managers for superior performance. Raises and promotions are often based on seniority rather than performance. So why work harder?

Because of these considerations, many municipalities have made the decision to contract out management of their golf operations. Indeed, RC Golf has contracted out much, but not all, of its golf operations to outside contractors. However, as pointed out earlier, there are six facilities, six operators and seven different contracts. All of which are problematic to one extent or another.

So, what are the various options available?

In this section, we explore the various management options available to RC Golf. We shall attempt to provide both the pros and cons of each option.

There are three primary options: 1) **Self-Management** in some form, where all the managers and staff are employees of the municipality; 2) **Outside Management** (privatization of some degree) where at least some of the management utilizes non-municipal employees; and 3) **Leasing** where the entire facility is leased out to a third party in exchange for compensation.

## Self-Managed

Self-managed is the ultimate amenity approach to golf operations. Currently, RC Golf is only self-managed with relation to course maintenance operations at Keller, Goodrich and Battle Creek.

## Issues

Below are some issues commonly found with self-managed municipal operations: (Note: we have not seen evidence of most of these currently within RC Golf.) These issues often place municipal operations at a significant competitive disadvantage.

- **Incentive:** One of the biggest issues is the lack of incentive for both management and staff at municipal facilities. Even the fear of losing their job is diminished within most municipal operations, given the difficulty that is usually involved in getting unproductive employees terminated.
- **Disincentive:** Indeed, there is often a *disincentive* at municipal courses. Because more rounds mean more work, some employees will be motivated *not* to increase play. This works, because there is often little oversight and a lot of job security.
- **Competitive Wages:** There are two issues that are common with municipal golf courses regarding wages. One concerns the managers and the other concerns maintenance labor. Both have to do with the fact that a golf course is a very different entity than a typical government workplace.
  - **Labor:** Too often, municipalities try to categorize course maintenance workers with the same job classifications they use for workers in the parks and recreations department. However, the job demands are entirely different. In a golf course operation,

maintenance workers must work odd hours, work weekends, and constantly deal with time constraints and pressure resulting from a revenue-producing business. Further, there is a far greater cost to mistakes. If a parks employee “scalps” the turf, it may make the park a bit less attractive, but there are no significant financial consequences. However, a similar mistake at a golf course can result in a significant loss of revenue, and increased repair costs to fix.

- **Management:** Good management in golf (general manager/head golf professionals and golf course superintendents) can often command wages that are more than their superiors in the municipal government make and even Commissioners earn. This can create obvious jealousies and tensions.
- **Termination Policy:** With most municipal personnel termination policies, it becomes cumbersome to terminate unproductive employees, as the emphasis is on “rehabilitation.” Most municipal systems require a lot of paperwork and intervention by supervisors, who are not always prepared or willing to follow through. As a result, unproductive employees are often retained far longer than they would under a private employer. Unfortunately, the result is a double whammy as not only is that employee costing the municipality money, but also these unproductive employees can act like a “cancer” among the workers. This is due to other staff seeing that the unproductive employees are able to get away with less work, or it can adversely affect their morale as they must work harder to compensate for the unproductive employee.
- **Bureaucracy:** One of the main problems found with municipal golf operations is the degree of bureaucracy that often comes from government entities. The bureaucracy will often lead to costly delays and/or inferior quality. Three areas where bureaucracy can be especially damaging are found in:
  - **Decision Making:** With private enterprises, decisions can be made very quickly, which is extremely important in a very competitive world where the axiom “he who hesitates is lost” really comes into play. There often is so much concern in government about making the “wrong” decision that the indecision becomes a decision in and of itself. Meanwhile, the competition moves ahead.
  - **Purchasing:** Purchasing can often become delayed in government entities. Policies to accept the lowest bid can also backfire by having to accept inferior quality or service in exchange for the lowest price. The bidding process itself can delay the acquisition of badly needed equipment or supplies.
  - **Personnel:** The procedures required to hire new employees is often considerably more complex with municipalities than with a private employer. This can lead to costly delays and resulting poor customer service.
- **Human Resources:** Further, personnel policies, both in hiring and termination, can often lead to the hiring of unqualified individuals and the inability to get rid of them, once hired.
- **Politics:** Of course, one of the biggest issues with municipal golf operations is the degree to which politics influence what would normally be business decisions. Often, we find with municipal golf courses that a small percentage of golfers can wield a disproportionate influence on the decision-making process simply by squeaking the loudest. Indeed, the entire political process often works the exact opposite of the way a *business* operates. For example, in business it is often necessary to react quickly to changing situations – such as competitive pressures. Governments, however, rarely can act quickly. *We do see evidence of this with RC Golf, where the County still controls fees.*

- **Multiple Managers:** This is an issue we see especially at Keller, where there are four different managers involved in operating the facility. There is the outside contract in charge of golf operations, there is another in charge of food & beverage, the Course Superintendent reporting to Parks, and Fleet services, which oversees the maintenance of the equipment. The Golf Operator *has no control over the other three*. This raises concerns about priorities, efficiencies and coordination.

### Advantages

The following are the primary advantages of self-management:

- **Control:** It gives the municipality maximum control over their valuable amenity. This can be critically important with regards to course conditions, as operators tend to “slack off” during the final year(s) of a contract, leaving the courses in poor condition at the end of their term.
- **Full-time Employment:** In a situation unique to the northern parts of the country, municipalities can keep staff employed year-round by transferring them to other operations (such as the arenas, with Ramsey County).
- **Programming:** It allows for the most cross-programming with other Park’s operations. Further, it makes it easier to offer low- or no-cost programs, such as golf clinics.

### Disadvantages

- **See “Issues” above**
- **Marketing:** Municipalities are notoriously weak in marketing.

### Comments

This is the approach taken by an “amenity first” approach to municipal golf. It is most often the least-profitable approach to municipal golf. It usually means that the golf operation is treated like other Parks and Recreation amenities.

### Leasing

At the opposite end of the spectrum is leasing. Under a full lease (such as the case with the golf dome and Island Lake), the facility is leased out in its entirety to a private golf company (or individual), who is responsible for all operating expenses *as well as* capital upkeep. The lessee would then receive most of the revenue. The municipality either would receive a flat payment or get a percentage of revenue (revenue lease).

Manitou is operated on a non-capital lease basis. The operator is responsible for all operating expenses, including the considerable cost of equipment (especially carts and maintenance equipment). In return, the operator retains most of the revenue (87% in this case). A somewhat unusual aspect of this lease, however, is that the County still controls the fee schedule. Typically, operators will insist on control of fees as it directly affects their ability to make a profit. Manitou’s long record of performance history, and the current operator’s experience with Manitou, no doubt reduced this risk in the eyes of the operator.

Both Island Lakes and the Golf Dome, though, operate on capital leases, where the County has little financially exposure and the operator is responsible for both operating expenses and capital improvements.

## Advantages

- **Guaranteed Revenue Stream:** Given that the lessee is absorbing almost all the expenses, the risk of the municipality of subsidizing the operation is mostly eliminated (unless the lessee becomes financially distressed.)
- **Reduced Risk:** Not only does it remove the possibility of subsidizing, but presumably it leaves the golf course in the hands of a qualified professional management team who are best equipped to compete successfully in a highly-competitive environment.
- **Simplicity:** The municipality is relieved of a lot of the responsibility in maintaining and operating the facility. This means a lot less administrative overhead (virtually none) is required.
- **Personnel:** All employees become employees of the management firm. This reduces operating costs and eliminates the issues regarding personnel found in self-management.
- **Capital Improvements:** In exchange for a long-term lease, *many management companies are willing to invest significant amounts towards capital improvements.* And most leases require the lessee to be responsible for minor capital improvements over the course of the lease.
- **Capital Improvements (2):** It may be possible under a lease, if the private company is responsible for making them, to avoid prevailing wage and other labor issues. This can save 10-15% of the construction costs.
- **Resources:** Larger companies have resources available, particularly concerning marketing and management expertise that smaller operators and self-managed facilities simply do not have.
- **Marketing:** In today's competitive marketplace, most golf course management companies have a professional marketing team that knows how to market golf courses. In addition, larger companies will have a large marketing database to work with that is very beneficial to courses such as Keller. They can market the facility to customers of *all* their other facilities, as well as being a part of their national campaigns.
- **Purchasing:** Private vendors can often get equipment, parts and supplies not only faster, but often cheaper and of higher quality.
- **Food and Beverage:** As with marketing, most golf course management firms have developed expertise with regards to food and beverage operations.
- **One Management Entity:** As pointed out above, Keller has four different management entities responsible for the course. We could also add two more- Human Resources and Marketing. This can lead to conflicts of interests and priorities and decreased efficiencies. It is almost always better, from a business standpoint, to put everything under one manager who best understands the roles and interactions of the various departments and their impact on the quality of service to the customer.

## Disadvantages

- **Deferred Maintenance:** Although provisions can be put in to try and "encourage" the lessee to continue to make additional improvements in the course, there are no guarantees that the lessee will do so, or in a manner that is in a municipality's best interests. Inevitably, as the lease nears its end, the motivation for the lessee to put more money into the facility becomes less and less, unless they are wanting to renew. As a result, the municipality may inherit a significantly deteriorated facility at the lease's end. This is a frequent occurrence with municipal golf operations. Moreover, by having the lessee do any of the proposed capital improvements, the

municipality would lose some control over the quality of the work. In addition, by requiring capital improvements be made, the lessee will want a longer term to recover their investment.

- **Capital Improvements:** In a capital lease, where the operator is responsible for the capital improvements, they may elect to choose cheaper materials that are of poor quality, if they do not intend to renew the lease after it expires as they would not suffer the consequences.
- **Quality Control:** Once the lease is signed, the municipality may have little ability to regulate the quality of the operation, if the lease terms are met. In addition, even if they are not met, the legal and practical cost to “force” conformity with the lease can be expensive.
- **Long term:** Leases are typically for a long term, especially if capital improvements are included in the lease terms. This makes it difficult to get out of the lease, should the municipality become displeased with the lessee’s operations of the facility.
- **Oversite:** With long-term leases, there is a strong tendency for the municipality to simply ignore what is going on with the asset, as they have no direct involvement or expense in its operation. So even if there are clauses within the lease that protect the municipality, they are often ignored. As a result, the facility deteriorates needlessly.
- **Referendum Required:** In the case of a capital lease, it may require the issue be put to the Citizens for approval; depending upon the length of the lease. This would cost the municipality the funds required to stage the vote and puts the option at risk of not being approved. Thus, the municipality risks the cost of the election, plus the costs associated with not doing any of the other options (opportunity cost) while the issue is being decided. In addition, if it fails, the municipality is back where it started, only with an additional “black eye” on its resume.
- **Viability:** While leasing was popular in the 1980s and 90s, it has fallen into disfavor lately. It may be difficult to find a suitable vendor who is willing to accept lease terms that are attractive to the municipality.
- **Employee Continuity:** If you are leasing the facility to a large multi-facility management company, employees are often moved from facility to facility within their organization. This means less continuity at any given facility.
- **Management Continuity:** While most management companies prefer to retain existing on-site management, there is no guarantee that they will do so, nor that the current staff would *want* to work for the management company. Given the quality of the staff at SCC and the golf division, this is a consideration.
- **Pecking Order:** Similarly, with large management companies, you may not rate very high on their “priority” list. This may mean:
  - **Less attention:** Getting less attention from their main resource people.
  - **Training ground:** Your facility may be used as a “training ground” for new people, meaning you will always have the least experienced staff.

### Comments

While leasing of municipal golf facilities has been popular in years past, its popularity has waned significantly in recent years. As these leases are expiring, municipalities are discovering they are often inheriting run-down amenities that require millions to fix back up. Additionally, as the lease typically

runs for many years, the municipality becomes “stuck” with an operator – for better or worse. If it’s “worse,” the municipality may have to endure years of misery before the lessee can be dislodged.

Unless Manitou’s performance returns to previous levels, and the County makes substantial investment in its infrastructure, it is hard to imagine another operator managing under a similar lease arrangement in the future.

On the other hand, if a lessor can be found that is willing to make a substantial investment in the facilities (the capital improvements recommended herein), then leasing becomes a lot more attractive.

## Outside Management

There are many ways in which the facility could utilize a third party to manage its golf operations. Some are turn-key, where the third party provides assumes virtually all the expenses in the operation in exchange for most of the revenues; while others are management only – where only the management is third party and the municipality retains all the employees and assumes most of the expenses.

The options that we will consider include:

- **Operating:** This type of contract often excludes course maintenance. The employees are employees of the operator and the operator assumes various other operating expenses in exchange for a split of the revenue. This can often take the form of a personal services contract, as the contractor is frequently an individual.
- **Supervisory:** This is where a third party is brought in to manage, but the municipality retains all the employees and assumes all the expenses.
- **Pass Through:** A modification of the management only, where the employees become employees of the management company, but the costs are still passed through to the municipality.
- **Hybrid Contract:** Like leasing, but for shorter-term and greater retained control. The management company assumes all the operating expenses as with a lease, while the municipality shares in the revenue stream.

In each case, the contract can exclude course maintenance should the municipality wishes to retain control of this area.

## Operating

This is the typical “old” model for municipal golf courses. An operator, usually an individual, is hired to run golf operations and manage the proshop. It is frequently a PGA professional. The operator assumes some, but not all the operating expenses. Typical is that the golf operation’s staff are employees of the contractor. If the contractor pays for inventory (merchandise and or food and beverage), they get all or most of that revenue. If the operator supplies the golf carts, they get all or most of that revenue stream. The municipality mainly gets its revenue from green fees, with the operator getting a much smaller share (if any). Course maintenance is usually excluded. Lesson revenue is almost always 100% the operators.

This type of contract is currently in place at Keller, Goodrich and Battle Creek.

## Advantages

- **Personnel:** Issues with personnel, at least as far as golf operations is concerned (benefits, termination, incentive, etc.) are greatly reduced.

- **Personnel Costs:** The private operator is typically able to get staff at a lower cost to the operation than a municipality.
- **Operating Costs:** The private operator typically can control operating costs better than a municipality.
- **Control:** Preserves municipal control over course conditions.
- **Term:** These are typically short-term (usually three to five years), allowing for easy change should the operator prove unsatisfactory.

### Disadvantages

- **Conflict of Interest:** If the operator's compensation involves retaining all or most of a revenue stream (such as merchandise sales, food & beverage, etc.), then it can create a situation where what's best for the operator is not good for the municipality and vice versa. An is where the operator wants to create more volume (which helps with their revenue streams) by discounting the green fees (which disproportionately affects the municipality.)
- **Course Maintenance:** Does not address personnel costs, etc. with course maintenance.
- **Coordination:** Unless the superintendent reports to the operator, which is difficult to do if the superintendent is a municipal employee, there can be issues in coordinating between the superintendent and the golf operations staff. For example, the operator may need special set-up for a tournament, but the superintendent may not be willing to add additional costs to his/her budget, or make the additional effort required.
- **Marketing:** As we clearly see with RC Golf, there can be a dispute as to who is responsible for marketing. Even if it is clearly defined, it is problematic. If it is with the municipality, they may lack the expertise and/or willingness to budget appropriately to market effectively. If it's with the operator, unless they get reimbursement from the municipality for some or all the marketing cost, they will be reluctant to spend their money when the municipality realizes most of the gain (green fees).
- **Purchasing Power:** If the contractor is an individual, which it usually is, then that individual will lack the buying power of a municipality or a management company.
- **Expertise:** If the contractor is an individual, they may not have the expertise in all areas needed (golf operations, lessons, tournament management, merchandising, food & beverage, etc.).

### Supervisory

The Supervisory contract assumes that a management company (or individual) is hired to manage the facility. However, all employees remain employees of the municipality and the municipality continues to pay all expenses. The management company is paid a fee to oversee the operations.

The fee can be a flat amount each month, or a percentage of revenue, or a combination of both. (Sirius does not recommend a flat fee situation as it provides no incentive to perform).

### Advantages

- **Control:** Preserves municipality control over the golf operation as the manager reports to a municipality official and the municipality retains all the employees.
- **Management:** Provides experienced management expertise to oversee operations.
- **Expertise:** Potentially adds expertise to several areas

- **Costs:** A management company can often reduce costs through discounts from vendors (larger buying power) and from better purchasing practices.
- **Improves Revenue Opportunities:** Presumably, with professional management and marketing, revenue from the facility will improve significantly and the municipality could gain more revenue than it is currently seeing.
- **Resources:** (see above)
- **Marketing:** (see above)
- **Term:** These are typically short-term (usually three to five years), allowing for easy change should the operator prove unsatisfactory.

### Disadvantages

- **Overhead:** Increases overhead and/or reduces share of revenue
- **Payroll:** Does not address the payroll cost.
- **Personnel:** Does not address other personnel issues, such as the termination policy.
- **Pecking Order:** (see above)

### Comment

The management company may or may not have a day-to-day presence at the facility, depending on whether it chooses to place a full-time General Manager at the facility or not. The management company can be effective by simply monitoring performance and visiting the site regularly during the month.

These contracts work best when they are incentive-based. *We strongly recommend against a flat-fee contract.* Ideally, you want an alignment of interests so that if the management company is doing well, the municipality is doing well and vice versa. We also do not recommend making the incentive based on only one or two aspects of the operation as this often leads to irregular performance whereby the management company gains, but the municipality loses.

### Pass-Through

This is like the management-only, with one significant difference. The employees of the golf facilities become employees of the management company. However, the *cost* for these employees is passed through to the municipality.

### Advantages

- Same as above, plus
- **Reduced Costs:** Presumably the benefits costs would be lower with the management company, thereby reducing overall costs. These savings can be significant.
- **Personnel:** Eliminates the personnel issues discussed under self-management.
- **Purchasing:** As with personnel, the management company becomes responsible for purchasing, which can speed up the process, improve quality and lower costs.
- **12-month operation:** Large management companies can move personnel around from facility to facility. This can be a big advantage in short-season areas such as Minneapolis. They can move some of the professional staff to and from areas with the opposite season, such as Florida and Arizona, thereby guaranteeing them 12-month employment and increasing the appeal of the opportunity, thereby increasing the probability of attracting and *retaining* quality staff.

## Disadvantages

- Same as supervisory-only
- **Financial Strength:** If the management company lacks financial strength, it can lead to a disruption of services should payroll not be met, or supplies withheld for lack of payment. This can be minimized if:
  - The municipality is quick about reimbursing.
  - The operator can reimburse through the revenue stream, and/or
  - The municipality provides up-front seed money to cover expenses until they could otherwise be reimbursed.

## Comments

This option is preferred over the supervisory-only option above. The cost-savings from benefits, elimination of personnel issues seen with self-management, and the increased marketing expertise make this a viable option for a municipality.

## Hybrid Contract

A Hybrid contract blends many of the advantages of a lease with those of a management contract. Like a lease, the operations of the facility is turned over to a privately-owned company who is responsible for all the operating expenses. However, it is not a lease. It varies in several ways, including:

- **Term:** A management contract is for a much shorter period, typically three to five years.
- **Capital Improvements:** Typically, the municipality is still be responsible for all major capital improvements, although minor “upkeep” types of improvements are often the responsibility of the management company. (Some management companies may be willing to include some of the capital improvement recommendations contained in this report, in exchange for a longer-term contract and higher fee, along with a reimbursement agreement in case of premature termination of the contract).
- **Flexibility:** A management contract can include all or only parts of the operation.

## Advantages

- **Potentially reduces operating costs:** A management company is likely to have a substantially less expensive benefits package that can result in significant payroll savings. Their overall expertise may lead to improved efficiencies as they are more motivated to do so. Further, they often can purchase supplies not only less expensively, but more quickly.
- **Administrative:** Requires less administrative costs than other management contract options as the operator pays all operating costs.
- **Eliminates employee termination issues:** A management company is be able to terminate staff when it sees fit, without having to go through all the steps currently involved in firing a municipality employee.
- **Added Experience and Expertise:** One main advantage of dealing with a management staff is the experience and expertise that such a company can bring to the table. Not only can it provide help in operations and maintenance but also in other areas such as marketing and merchandising.

- **Marketing:** Many management companies have their own marketing departments that would be a strong asset to the course. In addition, larger management companies have a large database of customers, which is ideal for marketing a resort course!
- **Provides Revenue:** The municipality would likely be assured a revenue stream under a hybrid contract. (The percentage, of course, depends on the nature of the contract).
- **Improves Revenue Opportunities:** Presumably, with professional management and marketing, revenue from the facility will improve significantly and the municipality could gain more revenue than it is currently seeing.
- **Simplicity:** The municipality is relieved of a lot of the responsibility in maintaining and operating the facility.
- **Shorter term:** Management contracts are for a shorter term than a lease and obviously not a permanent situation as is the case in privatization. Additionally, provisions can often be included for buying out the contract short of term, should the situation become unacceptable to the municipality.
- **Reduces Political Influence:** As the management company is tasked with making most of the decisions regarding operations, politics is minimized in its influence. This can be very important, especially if the management company is given the flexibility to set fees (which we recommend – within a range set by the municipality).
- **Costs:** A management company can often reduce costs through discounts from vendors (larger buying power) and from better purchasing practices.
- **Food & Beverage:** (see above)
- **Resources:** (see above)
- **Marketing:** (see above)
- **Aligned Interests:** In model hybrid contracts, all revenue streams are treated equally (after allowing for inventory costs). Thus, the interests of the contractor and the municipality are aligned. What's good for one, is good for the other.

### Disadvantages

- **Control:** The municipality has less ability to control the quality of operations.
- **Oversight:** Municipalities tend to “relax” when they have a management company. The tendency is often to “trust” the company to do what it is supposedly “expert” at doing, only to discover after it's too late that the management company mismanaged the facility to a significant degree.
- **Capital Improvements:** The municipality is still responsible for the long-term capital improvements. Such improvements would likely be required in the contract negotiations.
- **Final Year Syndrome.** As with leases, management companies have a poor record of accomplishment in the final year of the contract, unless the company is strongly motivated to want to renew the contract. In the final year, the company is usually only interested in maximizing their revenue and minimizing their costs. Again, course maintenance becomes the primary victim. However, customer service often also falls off significantly. Thus, at the end of the contract, the municipality may be left with a poorly maintained golf course in need of capital

improvements to be brought back into shape; a bad reputation resulting from poor service that will take time to rebuild; and a declining customer base that will also take time to recapture. This problem, shared by all management contracts, is more prevalent with contracts four years or longer.

- **Management Turnover:** Management companies often will move managers around, taking their best managers and putting them into their most profitable facilities. New Braunfels will not likely merit their best (unless the facility is significantly upgraded), and if the manager they place proves particularly capable, they are likely to be “promoted” and moved elsewhere.
- **Company Turnover:** Currently, the golf industry is undergoing tremendous changes in management company ownerships. Management companies are being bought out and absorbed and others are going under. There are no assurances that the company or its managers who originally sign the contract will be around to see its conclusion.
- **No Guaranteed Income.** Unlike a lease, management contracts usually do not provide a guaranteed income for the owner (the municipality), but rather a guaranteed income for the management company.
- **Employee Continuity:** (see above)
- **Pecking Order:** (see above)
- **Management Continuity:** (see above)

## Comments

The current contract at Manitou Ridge closely resembles a hybrid contract. It is a bit unusual in that it is with an individual as opposed to a management company.

There are good management companies and there are bad ones, and frankly, so many new ones and altered ones that their track record cannot be reliably established. To us, *a hybrid contract makes the most sense as it removes payroll from the municipality while bringing in expertise and provides incentive-driven management.* This should not only result in a major cost-savings to the overall operation, but eliminates other issues such as termination policies, too much time off, etc. Indeed, it is our opinion that a management company would likely be able to operate the facility for less money than the municipality is currently spending while *improving* service and significantly increasing revenue.

With hybrid contracts, capital equipment, such as carts and maintenance equipment, may or may not be included. However, we typically recommend that they are. This further reduces financial risk to the municipality and the operator is often better equipped to provide the equipment at a lower cost to the operation.

Many of the issues of a hybrid contract (disadvantages) can be minimized in four ways:

- **Careful selection** of the management entity based on criteria other than just their fee;
- **Balanced Revenue Sharing:** Many municipalities make the mistake of dividing the revenue by type – for example, the management company gets the cart fees, the municipality retains the green fees, etc. Unfortunately, this can create situations where the management company is going to act in its best interests and not necessarily the municipality’s. For example, discounts given for tournaments or through coupons reduce the green fee, but not the cart fee, so the municipality ends up bearing a disproportionate share of the marketing cost. Instead, we recommend that all the revenue be pooled together, and then split. Revenue from merchandise and food and beverage going into the pool is defined as gross sales less the cost-of-sales.

- **A well-written contract** that has checkpoints, quality conditions, and “outs”; and
- **Competent Oversight:** More municipalities are utilizing consultants to perform quarterly checks on the management company’s performance. In this way, the municipality has its own “expert” that can more objectively and critically evaluate the management company’s performance. Of course, this adds to the overall cost of the contract and needs to be figured in when evaluating this scenario. We also advocate a contract that features a “revenue sharing” concept as opposed to a flat fee model.

## **Discussion and Recommendation**

It is our experience that self-managed facilities tend to fare the poorest when it comes to municipal operations. (Ramsey County only self-manages the maintenance operations at three of the facilities). There are many reasons for this. In addition to the ones mentioned above, probably the most important reason is that municipal governments, by their very nature, are poorly equipped to compete with private enterprises in a highly competitive environment. Some examples of why include:

- **Decision Making Process:** In a highly competitive environment, decisions must be made quickly. Governments, by their nature, are very slow in making decisions. This often filters down to the golf course where the General Manager is often given little decision-making authority.
- **Incentive:** Businesses are in business to make money. Good businesses recognize that people in the business world are similarly motivated, so they structure their compensation to reward strong performance financially. This motivation is usually lacking in government operations, where performance often has little to do with compensation.
- **Marketing:** Because governments are not normally competing with private enterprises, there is rarely a need to develop good marketing skills. Indeed, governments often fail to appreciate the importance of marketing. As a result, municipal golf facilities often do a very poor job marketing themselves.
- **Payroll:** Payroll is often significantly higher for municipal operations. One of the primary culprits is usually a benefits package that far exceeds those normally found in the golf industry. This is particularly true for the golf course maintenance department.
- **Quality of Staff:** One of the nice things about working for a municipality is job security. Unfortunately, when competing in a highly competitive environment, this job security works strongly against the municipal operation. Time and again, we find that municipal operations have personnel policies that make it very difficult to get rid of unproductive employees. As a result, the overall quality of the staff tends to go down as not only does the facility suffer from the unproductive employee, other employees’ morale and motivation suffer as they wonder why they should work hard when the other person is getting paid the same amount and goofs off. In private enterprise, with most companies, employees know that if they do good work, they will be rewarded – with better pay or a promotion. They also know that if they do not perform well, they will be looking for a new job -- soon. This double motivation is often lacking in municipal golf operations. (This has *not* been a big concern at municipality).

As mentioned previously, we have great confidence in the current management teams. We like to see the agreements modified, however, to more of a hybrid format – especially with the equal treatment of revenue streams.

## What to Include

### Course Maintenance

A major issue for the County will be whether to include course maintenance. Doing so not only greatly reduces the financial risk for the county but likely save more than \$100,000 or more *per facility* in course maintenance expense. Further, it would allow for optimal coordination between course maintenance and golf operations (although we did not get the sense that this is currently an issue at any of the facilities.)

However, such a move would likely incur the wrath of the unions. It would also present an issue as to what to do with current senior course management personnel, who may not want to transfer to a private operator (usually because of reduced benefits). The County also has the benefit of being able to offer full-time employment for many of its maintenance staff as they switch over to the ice arenas in the golf off-season. This can help attract and retain good employees.

But that also raises the question, if the course maintenance is contracted out, how will that impact the arenas, who rely on golf maintenance staffs to operate the arenas in the off-season for golf?

Another concern is that the termination of a large number of employees may trigger large benefit payouts for unpaid vacation, sick days, etc.

The concern for the employees themselves is mitigated somewhat by the fact that a management company is likely to hire most of the current staff. Further, the County can offer to transfer some of the current employees to other County departments, such as Parks. This would eliminate the need for benefit payouts, as well as address the concerns for the arenas.

However, when faced with these same concerns, other municipalities have realized that the long-term benefits are well-worth the short-term costs.

### Capital Equipment

Consideration should also be given to include capital equipment in future operating agreements (golf carts and potentially maintenance equipment, if maintenance is part of the contract).

### Capital Improvements

Typically, in these contracts, there is a dollar limit consideration. Capital Improvements below this amount (such as \$5,000) are considered operating expenses and are the responsibility of the operator (unless it is a repetitive expense, such as due to poor irrigation).

However, we also encourage including an incentive for the operator to make larger capital improvements that would benefit the operator short-term and the municipality long-term. The clause would basically state that the municipality would reimburse the operator at the end of the contract *and any extensions*, the *depreciated* cost of the improvements. However, said improvements would have to be *approved* by the municipality prior to being made. An excellent example of this would be to add covered, heated stalls at the driving range. The short-term gain for the operator would make this a worth-while investment as the increased revenue stream would likely generate the cash flow for debt-financing the improvements, and the reimbursement at the end of the term should pay off the remaining debt. It also may help give the operator an advantage against potential competition in renewals. The municipality gains because it gets an improved asset at no cost and benefits from increased revenue.

This is another example of the profit center vs. amenity argument. If our goal is to increase profits, especially short-term, then both course maintenance and capital equipment are included in the management contracts. However, in the amenity approach, where profitability is not a consideration, then course conditions takes precedence and maintaining control becomes more important.

### Preferred Contract Model

Our preferred contract is the hybrid contract, similar in nature to the one we helped write for the City of Carrollton, Texas.

However, a lease may make sense if it is desired to have the operator participate in the capital improvements. This would not only reduce municipality's burden, but it can reduce the overall costs of these improvements. A capital lease, though, would require a long-term lease agreement (as is the case with Island Lake and the golf dome). This is both good and bad. The good being that it provides a long-term solution for the golf operation and insures a positive cash flow to the County. Yet, municipalities tend to "forget" about facilities in these long-term deals so that problems are often ignored, which can result in both the county getting back a facility in distress at the end of the lease, and poor service to the community.

We recommend that a hybrid contract contain the following:

- **Pooled Revenue:** The contract should not be based on a flat fee but should incentivize the contractor to maximize performance in a way that is best for the municipality. We feel the best way to accomplish this is to have *all* revenue (less cost-of-sales and apart from lessons) be considered equally and subject to the same revenue split.
- **Oversite:** The contract should contain an oversight mechanism that allows the municipality to inspect the operation on a regular basis (such as twice a year) and have set standards that the contractor should adhere to. If the contractor were not performing to standards, then there are financial consequences. (We further suggest that these inspections be carried out by a qualified third party).

### Large vs. Small

Interacting with the type of contract is the size of the company that will be involved in management, assuming an outside vendor is used.

There certainly is no shortage of choices as there are dozens of highly qualified management companies available, as well as individuals. Indeed, one of the considerations may be which is better, choosing an individual, a small company or a large company that manages multiple municipal operations.

There are advantages and disadvantages to each: (In our discussion, we are assuming that the entities involved are all *qualified* to manage the facility in that they have expertise and experience in managing a municipal golf facility).

#### Individuals

There is probably more variability when looking at individuals than at companies. This can be good or bad. But it does increase the risk.

#### *Pros*

- **Highly Motivated:** As an individual's livelihood likely depends on performance of the contract, the individual is going to be the most motivated to succeed.

- **Control:** The municipality can usually require much stiffer control measures when dealing with an individual over a company
- **On Site:** The municipality is directly dealing with the person who is onsite managing the facility, rather than having to work through the system.

### **Cons**

- **Experience:** An individual is not likely to have the experience to offer that comes with a management company.
- **Expertise:** An individual is likely to have expertise in one or more aspects of operating a facility, but it is very hard to find one that is good at *all* aspects of operation – including proshop, merchandise sales, golf operations, course maintenance, food and beverage, personnel and marketing.
- **Financial Stability:** While an individual is going to be the most motivated, they are also likely to be under the greatest stress, especially in a shared-risk type of contract. This can work against the operator as they may start to panic in down times, leading to poor decision making. It can also lead to cutting back on important services, leading to poorer course conditions or customer service. Ultimately, it can lead to a situation where the municipality inherits a situation where the course is suffering from a poor reputation and needed capital improvements.
- **Theft:** There is also an increased risk of embezzlement or theft when an individual is controlling all aspects of the operation. This is a cash business and it is easy to manipulate the system if there is not close supervision from above from one who knows what to look for.
- **Planning:** An individual is much more likely to be so caught up in the day-to-day operations, that they simply do not have the time (or won't make the time) to do needed long-range planning (such as writing a business or marketing plan).
- **Resources:** An individual is simply not going to have the resources available that a larger firm has.

### **Small Companies**

Small companies will have many of the same advantages and disadvantages seen with both individual and larger companies. By small company, we are talking about a company that is already managing from one to ten other golf courses.

### **Pros**

- **Highly Motivated:** Your contract is going to mean a lot more to a small company than it is to a large one, so they are going to be a lot more motivated to succeed.
- **Control:** The municipality can usually require much stiffer control measures when dealing with a small company over a large one.
- **Expertise:** A small company is more likely to expertise in all areas of golf course management than is possible with an individual.
- **Purchase Power:** A small company will have greater purchasing power than an individual.
- **Track Record:** A small company will likely have a track record of managing similar facilities. These will be easier to check than with a large company.
- **Continuity:** A small company is a lot less likely to be moving personnel around than with a large company.

- **Cost:** An individual has less overhead, so can afford to charge less.

### **Cons**

- **Financial Stability:** While a small company is going to be the most motivated, they are also likely to be under the greatest stress than a larger one, especially in a shared-risk type of contract. This can work against the operator as they may start to panic in down times, leading to poor decision making. It can also lead to cutting back on important services, leading to poorer course conditions or customer service. Ultimately, it can lead to a situation where the municipality inherits a situation where the course is suffering from a poor reputation and needed capital improvements.
- **Resources:** A small company is simply not going to have the resources available that a larger firm has, although they have more than an individual.

## Large Companies

We are defining a “large company” as one that is already managing over ten other golf courses.

### **Pros**

- **Expertise:** A large company is much more likely to have experts in every aspect of operation who can come in when needed. For example, a larger company is more likely to have the ability to operate a very successful banquet operation in addition to managing the golf course and restaurant.
- **Stability:** A large company is more likely to be there over the long haul (although companies are constantly changing. But the smaller to mid-size companies are more likely to be absorbed by a larger company).
- **Resources:** A larger company is going to have more resources available. This can be in terms of personnel, marketing, or even equipment.
- **Buying Power:** The larger the company, the better the buying power. This can reduce operating costs as well as cost of sales.
- **Financial Stability:** Presumably the larger the company, the greater the financial stability.
- **Investment:** A larger company is more likely to have the ability and willingness to make an investment into the facility. This can be extremely important if you are looking for a way to reduce the municipalities capital investment. A larger company may be willing to make significant investment in exchange for a long-term lease.
- **Marketing:** Larger companies are more likely to not only have better marketing expertise, but even in-house marketing where they can market your facility as part of their overall portfolio. This is a stronger advantage for courses that are going after the tourist market (such as potentially Keller).

### **Cons**

- **Continuity:** A large company tends to move personnel, especially managers, around.
- **Priority:** Your course(s) may simply not rate very high on their totem pole. Thus, not only will you get less attention, but you are more likely to be used as a “training ground” for managers rather than getting their best.
- **System Blind:** Larger companies tend to have very detailed systems developed for how they operate and market a facility. This works very well for most courses, but it does not always

work for *every* course as markets do vary as do the courses. A large company has more difficulty in adapting to the individual needs of a given facility. And, because of their size, they may be less inclined to want to fix the situation.

- **Personal Touch:** A large company knows how to get the contract. They may have an entire department that is dedicated to responding to RFPs. They can put on a great “dog and pony show” during the interviews, perhaps even bringing in the Company President and top managers. The problem is, that *you will likely never see these people again* (until renewal time). The people that are going to be responsible for the day-to-day operations, you may not meet until they take over. Further, because of the bureaucracy involved, you may not be able to interact with the on-site managers, but must work through *their* system, making it more difficult to control what is going on at a specific course.
- **Bureaucracy:** The larger the company, the greater the bureaucracy, and the harder it becomes for it to make changes in a timely manner.
- **Control:** A larger company is going to insist on retaining more control and protecting itself.
- **Cost:** A larger company is likely to charge a lot more. They not only have a lot higher overhead and a lot of management layers, but they often have stockholders to satisfy.
- **Margins:** A larger company is often controlled by a board that requires *each* property to maintain a minimum margin. This can lead to cost-cutting measures that can adversely affect customer service or long-term course conditions.
- **Razzle-Dazzle:** Large companies will usually have staff whose *only* job is marketing to municipalities and responding to RFP’s. This means that they will usually have the most professional presentations. And as noted above, they will certainly put on a great dog-and-pony show during their interviews. However, the quality of a response and presentation does not necessarily correlate with the quality of the *performance*. But more problematic is that they can be a lot more difficult to perform needed due diligence. This is because they usually put into their contracts with municipalities that forbid the municipality from ever disclosing any negative information about the company to any potential employer. Thus, even when they lose contracts, it may be very difficult to ascertain *why* they lost them. And it is highly unlikely the management company is going to provide you with any explanation that would reflect badly on themselves.

### Single Vendor

Currently the County has five vendors for six facilities. Yet, there are some reasons why it makes sense to have a single operator, at least for the golf courses. These include:

- 1) **Administrative:** One vendor, one contract is a lot easier (and less costly) to administer.
- 2) **Customer Service:** Under a single vendor, there should be more consistency across facilities.
- 3) **Marketing:** It is easier to brand, and more cost-effective to market, when there is only one vendor involved.
- 4) **Merchandising:** Merchandising operations is standardized across facilities. Further, the facilities benefit from the combined buying power.

- 5) **Operating Costs:** Operating costs are likely to be less as there are efficiencies to be gained with a single vendor.
- 6) **Equipment/Personnel Sharing:** It is easier to share equipment and/or personnel. This can be extremely useful for large projects or in emergency situations. It can also reduce equipment costs as some of the more expensive but less used equipment can be shared across facilities.
- 7) **Management:** Course policies would be standardized. There would likely be one person that would oversee the entire operation, which can improve management responsiveness.
- 8) **Expertise:** Presumably, with multiple facilities, you would attract the interest of most of the large management companies in the country. They can provide additional expertise and resources that are not currently available.

On the other hand, the current operators are doing a great job. So, you do not necessarily want to eliminate them from consideration. Further, there is the added risk that if you hire the wrong company, it will adversely affect the performance of *all* the facilities, rather than just one.

Our recommendation is to work with the operators to have all the current contracts expire at the same time. Then when an RFP is issued, provide the responders with the option of bidding on a single facility, multiple facilities, or all the facilities. The County can then evaluate the responses based on its needs at that time. And if a single vendor appears to be the best solution, perform a strong due diligence on the potential vendor. Consider hiring an outside, objective company to assist in the evaluation.

### **How to Choose the Right Vendor**

Regardless of whether you want an individual, small company or large company, you will find that there are very good ones, and ones that are not. And with management companies, especially larger ones, you find that they may have spectacular successes (which they will point out), but also equally spectacular failures (which they won't point out). In other words, what works for one course and one municipality may not be the best choice for your situation.

So how can you maximize your chances to find the best solution? Here are some pointers:

1. **Choose Type of Contract First:** Know what contract type you are wanting before trying to select the right vendor. If you are going after a shared risk type of contract (e.g. lease or hybrid), then financial stability is more of a consideration. If you are looking for an investment, it is going to greatly limit the field.
2. **Do Your Homework:** It is not enough to simply check references. Everyone is going to provide good references. What you need to check on are courses that they managed they did NOT provide.
  - a. **Visit:** Try to visit one or more of their operations in secret to see how they operate. (Or hire someone to do so).
  - b. **Research Lost Contracts:** Try to get a list of properties where they managed the facility, then lost the contract. Keep in mind that large companies have a clause in their contracts that *forbid* the municipalities from giving a poor reference. Thus, you may want to talk to individuals (customers, employees, other area courses) that may have knowledge of the situation. Do not trust the management company to give you the correct information.

3. **Area Knowledge:** Did the management company do their homework on you and your situation? What is right for their other customers may not apply in your situation.
4. **Slick Sales:** Large companies have developed very slick sales presentations that are highly effective. Keep in mind that the people delivering this presentation 1) did not develop it, and 2) are not the ones who will be managing your facilities.
5. **Talk to the Actual Managers:** Again, with large companies, find out who they are likely to be putting in charge of your facilities and talk to them about their philosophies, not just the company.
6. **Aligned Interests:** Does what they emphasize line up with what are your primary interests?
7. **Risk:** Are they willing to share risks? Or are they going to make out just fine, no matter how well the facility performs?

## Importance of Golf

In our interviews with County Commissioners, the question was raised about the importance of golf to the community. While this discussion is beyond the scope of the study, we like to point out some of the more salient benefits of golf as a recreational activity.

- **Popular:** According to NGF, more than one in five households in Ramsey County have at least one golfer.
- **Generational:** Golf is one of the few sports that spans all age groups, from near cradle to grave. More impressive, perhaps, is that it allows for competitive balance across age, gender and virtually all demographics. It is one of the few sports where a grandfather (or grandmother) can play with, and compete fairly, with their son (or daughter) and their grandchildren.
- **Accessible:** While golf is a physical activity, it allows for participation from people across the spectrum of physical ability, including the handicapped. (Island Lake has a wonderful program for the handicapped in cooperation with Sister Kenny Institute.)
- **Builds Character:** Golf is one of the few major sports that is self-refereed, even in major competitions. Honor is one of the fundamental principles in golf.
- **Exercises Mind and Body:** Golf is more than physical ability. It also requires strategy and risk/reward calculations. And even if you take a golf cart, you are still likely to do a lot of walking (often over 10,000 steps), in addition to the swinging of a club. (If you're like me, you do a lot more walking and swinging).
- **Preserves Valuable Green Space:** Not only does golf conserve green space, but it often utilizes land that has little commercial or residential value, such as flood plains or even landfills.
- **Aesthetics:** Golf courses are mostly aesthetically pleasing. That is why they are so popular in residential neighborhoods where less than a third of the home owners will play golf.
- **Economic Benefit:** There are a lot of economic benefits to the County from golf. They include:
  - RCG's four main courses generated:
    - Over \$5.5 million in revenue last year
    - Over \$430,000 in sales tax
    - Employment for over 227 people

- **Property Values:** Property values around a golf course tend to be higher than comparable neighborhoods. The increase can be 20% or more.
- Help attract residents and businesses. Information about local golf courses is one of the four top requested items from businesses wanting to relocate.

## **Role of Municipal Golf**

Another controversial topic is whether municipalities should even be in the golf business. After all, they are competing directly with privately-owned businesses. Again, this is beyond the scope of our study, but we want to point out a little history.

Municipal golf across the country, including Ramsey County, has its origins back when the only golf courses available were private country clubs. In those days, golf truly was an exclusive sport, reserved for the wealthy. Municipalities built golf courses to bring the sport to the general population. In those days, golf was treated by municipalities strictly as an amenity, as was tennis, swimming, hockey and other sports activities. Many of today's golfers owe their start in golf to municipal facilities. (Municipal facilities are still the leader in bringing in new players to the sport.)

This began to change in the 1980's and especially the 1990s. Fueled by real estate developers who realized golf was an attractive amenity for residential developments, privately owned public-accessible golf courses ("Daily Fee" and "semi-private" courses) began to flourish.

At the same time, municipalities started realizing that golf could be a "cash cow," generating enough revenue to not only be self-supporting, but also help support other community programs. They also discovered that golf courses could have "iconic" value and be used to attract new businesses and residents to the community. At this point, municipalities started treating golf as less an amenity and more as a profit center.

In the decade from 1995-2005, we saw nearly 5,000 new golf courses being built, representing a third of the total number of golf courses. This led to an over-supply of golf courses across the country, which, coupled with the recession, created a situation where golf courses struggled to survive.

Adding to the problem is the fact that as golf's popularity started to wane, construction and maintenance costs soared at a rate many times that of inflation. Meanwhile, competitive pressures caused fees to not keep up with costs. This shrinking margin has caused a lot of private operators, especially those operating lower-end facilities where the margin is very low, out of business.

In short, the cycle is returning to the point where municipalities are the only entities that can *afford* to support golf, especially for lower-priced facilities that are more accessible to the masses. Without municipally-owned facilities, golf is likely to return to the period where only the rich can afford to play.

## **Economic Impact**

Golf Courses do have an economic impact on the community in which they are located. This impact is seen in several ways, including:

- **Employment:** Golf courses typically employ 25-50 people or more. With RC Golf, there are around 225-230 people employed either full or part-time.
- **Sales Tax:** Golf courses, as retail operations, generate sales tax. RC Golf Courses generated about \$430,000 in sales tax last year.
- **Property Tax:** Privately owned golf courses pay property taxes.

- **Revenue:** Golf courses generate a lot of revenue, much of which is reinvested locally. Last year, RC Golf Courses generated over \$5.5 million in revenue.
- **Property Values:** Golf courses have a positive impact on property values around the golf course. While the residences that front the golf course see the greatest impact, the property values of any neighborhood around a golf course will see a positive benefit. This, in turn, increases the property *taxes* generated for the municipality.
- **Amenity:** As a valued amenity, a golf course helps attract new residences and *new businesses* to a municipality. In fact, area golf courses are known to be a consideration of companies seeking to relocated.

## Other Considerations

### Goodrich as a Loss-Leader

Given that Goodrich is currently losing money, there may be some concern as to whether the County should consider closing it. We feel there are several compelling reasons why Goodrich should be kept open.

1. **Improving:** Performance at Goodrich is steadily improving, despite the deferred maintenance concerns.
2. **Hybrid:** Goodrich can easily be made profitable by converting the contract to a Hybrid and including course maintenance. It would make no sense to argue that Goodrich should be closed because it is losing money and then argue against privatizing it because it would potentially cost some County employee's their jobs. Because, if it closes, they are out of a job anyway. And by privatizing, they would likely not be out of a job, just changing employers.
3. **Community Need:** But perhaps the most compelling argument is that Goodrich fills a valuable need in the marketplace – a quality low-cost golf course. And this would only be enhanced by repositioning the course as a Value facility. This will make it easier for those wanting to take up golf, making it more affordable.

Value facilities are disappearing at an alarming rate. If the trend continues, it will return golf to the days when only the rich could afford to play. And that would deprive a lot of people of a wonderful outdoor activity that can be enjoyed by people of all ages and physical ability.

4. **System:** As a value course, Goodrich will fill a key role in the overall RC Golf System. It will act like a “feeder” course to the rest of the system... helping develop new golfers and attract golfers from other areas. In this sense, Goodrich can be thought of as a “loss-leader.”
5. **Displaced Golfers:** Should the County adopt our recommendation for capital improvements at Manitou and Battle Creek, Goodrich will be needed to accommodate the displaced golfers resulting from the construction.
6. **Keller:** If Keller is made into a Premium facility as recommended, then some of the value-oriented current customers are likely to play more at Goodrich and Manitou.

7. **Can Be Profitable:** Most importantly, though is the fact that we feel Goodrich can be made into a profitable operation!

That being said, we do not believe RC Golf needs to have two loss-leaders. But both Goodrich and Battle Creek have options available that would make them profitable.

### **Facility-Specific Projections**

Our projections are facility-specific. In other words, they fail to show the impact of the other facilities' situation on the target facility. For example, if Manitou is reduced to nine holes for renovations, one would expect that rounds at both Goodrich and Keller would go up during this period. But this is not shown. Nor is it shown the impact of a facility's degradation (under Status Quo) would likely have on the other courses.

The main reason for this is that when you consider four facilities, each with at least two different scenarios, and different timing options for each, you end up with a seemingly endless number of possible combinations. This is both cumbersome and confusing to the reader.

We also feel that the facility-specific approach is more conservative with regards to that facility's performance. Thus, it better allows for measuring the impact of the renovations on that facility.

### **Island Lake**

We do not talk much about Island Lake in this report as it is currently under a capital lease. Yet we do need to acknowledge there has been some discussion of developing the property once the current lease expires. Clearly such a decision would be based on optimizing financial return as it is permanently removing an amenity from the system.

We hope that the County will consider the following in its decision making-process:

- **Profitable:** According to the operator, the facility is profitable, even after taking the \$75,000 annual lease payment into consideration.
- **Amenity Value:** Island Lake is a very valuable asset within RC Golf, even though its role is not being fully realized by the County. It is a great teaching facility, and the best facility in the system for juniors. It is also the most affordable golf facility in the system.
- **Outreach:** Island Lake has done an outstanding job in community outreach, with programming for many area schools, the local YMCA, and other community groups. It also has outstanding programming for juniors and seniors. And it is the only facility in the system with significant programming for the handicapped.

### **When a Loss is a Gain**

In competitive markets, often we see operators playing not to lose, rather than playing to win. As with sports, this strategy often backfires. What do we mean by this? It occurs when operators become overly concerned about losing the customers rather than seeking other customers who may be both more numerous and more profitable (higher yield rounds).

Of course, it is important to retain your customers. Yet, not all customers are created equal. Indeed, we have found that some customers (and customer-types) can inhibit profitability. This is because they demand (and get) such low rates in order to remain that they produce such yields that fails to cover costs.

Thus, sometimes it becomes necessary to “fire your customer” when they are a significant impediment to your long-term success. An example may be where you are giving your members such good rates, that they are average 40% or lower yield, per round, than non-members. Further, they are given priority on the highest-demand times that could otherwise be filled with the highest yield rounds, furthering the yield differential. In our studies, we will find cases where members are averaging such a low yield on weekend mornings alone, that the difference between their yield and what could be realized is *significantly more than the total annual revenue* received from the members.

We like to say, “when your marketing strategy is the dollar, then you are going to attract customers that are loyal to the dollar, rather than to you.” If you are providing a quality product with quality service, you should be able to attract customers willing to pay market competitive rates.

We see this happening with groups. Operators will give a particular group (such as seniors, club members, a particular league, etc.) a drastic discount and/or preferred teetimes in order to attract and/or retain their business. Granted, there are situations where this might be merited. But too often it’s because the operator finds this to be easier than to spend the money on marketing to attract less price-sensitive customers. As a result, they end up getting a yield far below what they should be realizing. Further, other groups may learn of the special rates or privileges and demand that they too, should get the same treatment. Pretty soon you are operating at a margin where even though you may have good volume, you are not realizing a profit. Moreover, you are constantly at risk of losing these groups because they are loyal not to you, but to the dollar – the rate you are giving them. All it takes is another desperate operator to give them a rate that is a dollar less, and they are gone.

## **Debt Financing**

It is highly likely that the County will use bonds to finance any major improvements to the golf courses. In our projections, we have assumed an interest rate of 3.3%, which we feel is conservative.

However, consideration may need to be given to using taxable bonds, instead of non-taxable. The reason is that with non-taxable bonds can limit the management options for the facilities. With non-taxable bonds, the IRS places limits on a management company’s ability to share in the *profitability* of the facility. This removes an important incentive and limits the types of contracts available.

## **Pavilions**

At both Goodrich and Manitou, we recommend considering adding Pavilions that could hold 150 guests or more. This will allow the facilities to host larger groups, such as tournaments and outings, and possibly weddings. These pavilions are likely to cost between \$100,000 and \$250,000. (The cost can be greater, if restrooms or other amenities are included).

## **Rounds Reports**

It should be noted that the round counts in this report have been adjusted from what has previously been disclosed by the Parks Department as some rounds were accidentally double counted – especially at Manitou. There were also errors in how rounds were categorized in the POS system at some of the courses.

## Covered Stalls

Island Lake is the only facility that offers covered stalls on the range, and it only has two. Given the uncertain weather in the spring, we strongly encourage more covered *and heated* stalls be added – both at Island Lake and at the other facilities – especially Battle Creek. Battle Creek would benefit from the addition of 10-20 covered and heated stalls. These are not expensive to build, and would greatly expand the utilization of the range, especially in poor weather. At least a couple of these should be fully enclosed so that they can have video cameras set up as a teaching aide.

We did do a preliminary look at the feasibility of adding a double deck to Battle Creek, but found it cost prohibitive. It is easier to expand the range as proposed in Scenario 2 or add an additional range as in Scenario 3.

## Golf Surf Boards

Golf surf boards are one-person golf carts that resemble a surf board. The golfer, usually standing (although some companies have a seat), steers the cart by shifting their weight, much like a surf board. The boards are powered by an electric motor.

Golf surf boards, which run about \$6,000 or more each, have proven to be very popular. They are also profitable as most operators charge a surcharge (on top of regular cart fees) for their use.

There are some liability concerns, so manufacturers usually require the customer to sign a waiver (as does the facility), and at least one manufacturer requires the customer to watch a video and undergo a quick training course before being allowed to rent one.

They are popular with both millennials, and perhaps surprisingly, seniors. But because of their novelty, they do help reach new markets.

We encourage RC Golf (and/or its operators) to investigate the golf boards and to install them at one or more of the facilities. If they work well, then the program could be expanded to all the facilities.

## Foot Golf

Several area facilities also offer foot golf at their course. Foot golf is a combination of golf and soccer. “Goals” are placed around the golf course. Players use a soccer ball (one per player) and count how many kicks it takes to get from the tee into the goal. The course is usually about half the length of a regulation golf course, meaning a nine-hole regulation course can support 18 holes of foot golf. So, most facilities offering foot golf, do so on only nine holes.

As with regular golf, Foot Golf is usually played by foursomes (or smaller). And operators find they can integrate foot golf players in with regular golfers on the same course as it takes them about as long to complete the entire course, so they do not hold up play.

Foot golf fees are usually a lot less than regular golf, although the operator does usually charge for renting a soccer ball if they player does not bring their own.

Because the fee structure is lower, Foot Golf is usually reserved for slower times on the golf course, as it generates a lot less revenue per teetime. Foot Golf is almost exclusively an activity for youths.

Foot Golf does not add much to the bottom line. It does provide for a wider market for the use of the golf course. However, its audience is still limited.

Because there are several courses in the area that offer it, and because the RC courses are relatively busy, and the fact that Foot Golf does not add a lot to the bottom line, we do not have a strong recommendation for implementing it. However, it might be nice for one of the courses (Island Lake and Goodrich being the obvious candidates), just so it can be a part of the Parks and Recreation portfolio and allow the County to be offering a nice amenity for youths in the area.

### **Golf Simulators, Winter Activity**

There has been some discussion about offering winter activities at the golf courses, such as cross-country skiing. Another potential winter activity that could be done in conjunction with the skiing, is to add golf simulators to the clubhouse and open the clubhouse for food and beverage. The F&B would serve both the skiers as well as the simulator customers.

The simulators can be set up in the grill areas, as the amount of seating can be dramatically reduced in the winter. The simulators can be temporary – put up when the course closes and taken down when it reopens. The cost of these simulators has come down dramatically, and the quality has steadily improved. Not only have they proven popular, but they can also be used as a teaching tool.

The simulators could also be used with school and youth programming.

Hours would coincide with peak skiing demand times, plus Friday and Saturday evenings.

### **When to Close a Course**

With Goodrich and Battle Creek both currently losing money, the question becomes “When should we consider closing a course?” Obviously, this is not a simple question, nor is the answer.

We cannot answer this question as it will depend on values of the municipality, the market and the golf course in question. But we can provide some insight. Below are some of the considerations we encourage a municipality to employ.

- **Permanent:** A wise person pointed out, “be cautious about a permanent solution to a temporary problem”. Closing or selling a golf course is a permanent solution. It forever removes what is likely to have been a very valuable asset to the community. Closing or selling a golf course should be taken at least as seriously as removing a park. If you are closing the course, you are removing an asset that is being enjoyed by thousands of citizens. Even if you are selling the course in the hopes that it remains a golf course, once it is sold, there is no guarantee that it will remain a golf course – and if it is, that it will continue to service the same market it currently serves. (Even if it is sold under the condition it remains a golf course – history has shown that operators have gotten around this by closing the course and making it an eyesore so that the municipality – under different political leadership – relents and allows it be developed).
- **Philosophical Direction:** A major consideration goes back to our original question: what is the Philosophical Direction for the golf operation? To the degree that mission includes serving as an amenity to the citizens of the municipality, then a greater degree of tolerance to loss is expected. On the other hand, if profitability is the goal and the operation is losing money, then closing becomes a bigger consideration.
- **Why is it losing money?** The next question then becomes, “why is it losing money?” If the reason involves issues that can be easily fixed (as it is with Goodrich and Battle Creek), then it would make sense to try to fix the problem first. (Avoid a *permanent solution to a temporary problem*.)

- **Impact:** Closing a course impacts more than the golfers who play the course. It can have a dramatic impact on property values around the course. It can make the community and especially the neighborhood around the course, less attractive to both residents and businesses. If the course is developed, it permanently removes valuable greenspace and may add stress to other community resources such as traffic and schools. As pointed out above, golf courses have an economic impact that goes far beyond the operation profit or loss.
- **Long-Term Cost:** On the other hand, golf courses do require an ongoing investment in capital improvements. A municipality needs to weigh the return on investment of these improvements. (In the case of RC Golf, we have shown a positive ROI on the recommended improvement scenarios).
- **Alternative Uses:** If the course is to be closed or considered for sale, what are the alternative uses for the property? In today's market, most of the alternative uses involve development. This certainly can generate revenue for the municipality both short-term and long-term (property taxes). But it also adds to traffic congestion, impact on schools and other resources, etc. Some properties are also not suitable for development. Golf courses often lie in flood plains that make them difficult to develop. Others (such as Battle Creek) do not have particularly desirable locations, at least for residential development.
- **On Going Costs:** What is often not considered enough by municipalities, is the cost to close – if the golf course land is *not* sold or developed. Most alternative uses for golf courses that do not include development, are money-losing as well. Parks need to be maintained. And this costs money. Further, there is going to be a significant cost involved in converting the course to its alternative use. Often, this cost can be as much or more than the capital improvements needed to make the golf course profitable, but without the *possibility* of ever making the land revenue positive.
- **Market Value:** *Unless the golf course is being considered for development, or is making a lot of money, golf courses in today's market, do not have a lot of value.* There is an abundance of golf courses in the market today, suppressing golf course values. Further, it is hard to get financing to purchase golf courses, making the market for buyers more limited. A golf course's market value in today's market is determined by one of the following: 1) underlying real estate value (for development); 2) 10 times the NOI; or 3) .8 to 1.2 times the gross revenue. By these measures, neither Goodrich nor Battle Creek would generate a market value over \$1 million – unless sold for development.

In our opinion, we recommend *against* closing any of the RC Golf Courses. We feel all the courses can be made profitable and sustainable, with County investment. Further, selling any of the courses (except Keller) *as a golf course* would not generate enough revenue to make a long-term difference. An argument can be made for *selling* a golf course with the idea that the return could be used to fund capital improvements at the other courses, but only if the County is willing to let that property be developed and thus, maximizing its market value. But then the County will have to deal with political cost of permanently removing an asset, loss of a community amenity, and denying the current customers their favorite course.

# ***APPENDICES***

**Appendix A: Trends**

**Appendix B: Summary Demographics**

**Appendix C: Golf Demand Analysis**

**Appendix D: Competition**

**Appendix E: Performance**

**Appendix F: Customer Survey**

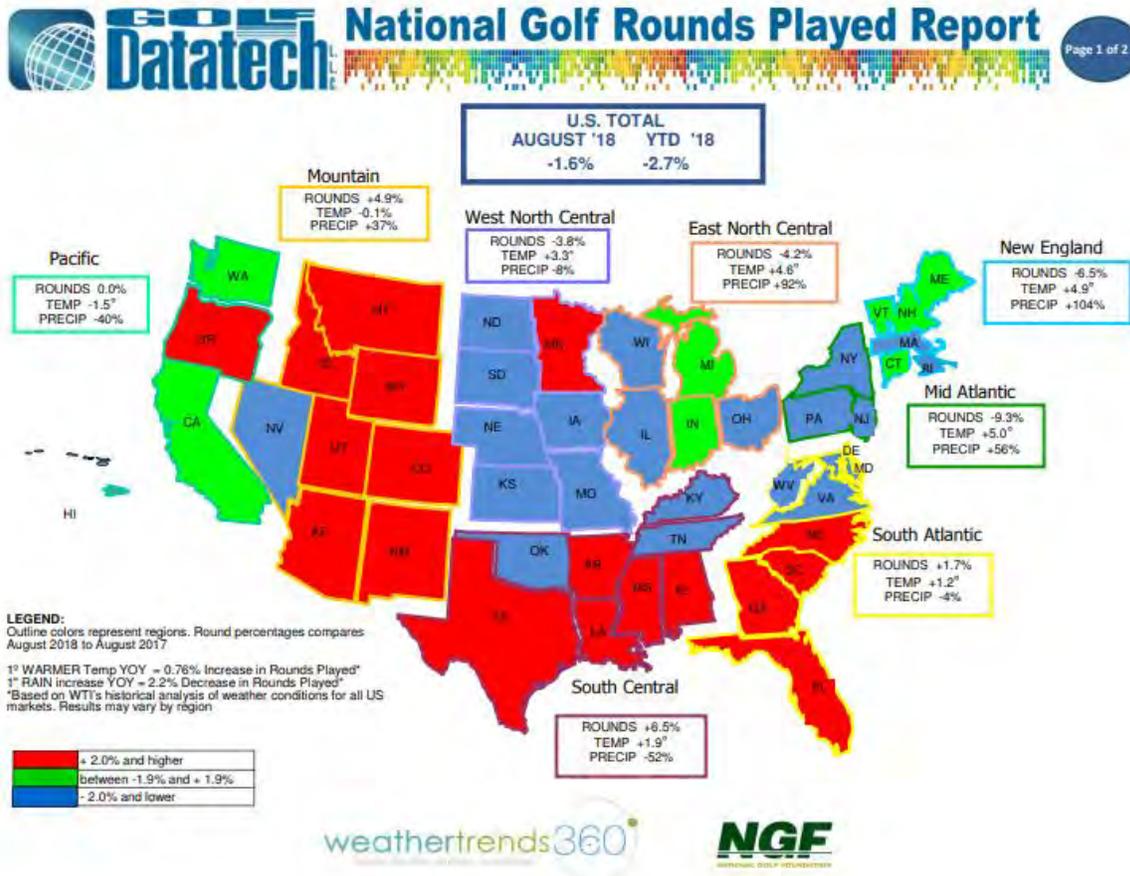
**Appendix G: Infrastructure Life Expectancies**

**Appendix H: Construction Cost Estimates**

**Appendix I: Course Routings**

**Appendix J: Cash Flow Projections**

# Appendix A: Trends





# National Golf Rounds Played Report

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|                           |               |               | <b>AUGUST 2018</b>        |              |               |                       |               |               |
|---------------------------|---------------|---------------|---------------------------|--------------|---------------|-----------------------|---------------|---------------|
|                           | AUG           | YTD           |                           | AUG          | YTD           |                       | AUG           | YTD           |
| <b>PACIFIC</b>            | <b>0.0%</b>   | <b>4.4%</b>   |                           |              |               | <b>SOUTH ATLANTIC</b> | <b>1.7%</b>   | <b>-5.0%</b>  |
| CA                        | <b>0.5%</b>   | <b>4.5%</b>   | <b>UNITED STATES</b>      | <b>-1.6%</b> | <b>-2.7%</b>  | DE, DC, MD            | <b>-5.6%</b>  | <b>-11.6%</b> |
| Los Angeles               | -2.9%         | 0.1%          | <b>PUBLIC ACCESS</b>      | <b>-1.3%</b> | <b>-2.5%</b>  | Washington/Baltimore  | -2.4%         | -9.8%         |
| Orange County             | -5.2%         | 8.4%          | <b>PRIVATE</b>            | <b>-3.2%</b> | <b>-3.2%</b>  | FL                    | <b>5.1%</b>   | <b>-3.6%</b>  |
| Palm Springs              | -5.9%         | 3.4%          |                           |              |               | Jacksonville/Daytona  | 2.3%          | -4.8%         |
| Sacramento                | -3.0%         | 5.3%          | <b>EAST NORTH CENTRAL</b> | <b>-4.2%</b> | <b>-5.1%</b>  | Orlando               | 4.3%          | 1.0%          |
| San Diego                 | 2.7%          | 6.6%          | IL                        |              |               | Tampa                 | 5.4%          | -2.7%         |
| San Francisco/Oakland     | 1.1%          | 10.4%         | Chicago                   | <b>-5.1%</b> | <b>-4.1%</b>  | Palm Beach            | 9.4%          | 1.9%          |
| HI                        | <b>-30.3%</b> | <b>-6.8%</b>  | IN                        | <b>-4.5%</b> | <b>-3.9%</b>  | Sarasota              | 11.2%         | 4.6%          |
| OR                        | <b>5.0%</b>   | <b>4.2%</b>   | MI                        | <b>-0.8%</b> | <b>-5.9%</b>  | Naples/Ft Myers       | 19.8%         | 2.2%          |
| Portland                  | 4.9%          | 10.0%         | OH                        | <b>0.5%</b>  | <b>0.0%</b>   | Miami/Ft.Lauderdale   | -2.4%         | -3.9%         |
| WA                        | <b>0.6%</b>   | <b>7.7%</b>   | Detroit                   | 1.1%         | -0.3%         | GA                    | <b>10.3%</b>  | <b>-4.0%</b>  |
| Seattle                   | 0.6%          | 7.9%          | Cincinnati                | <b>-5.4%</b> | <b>-8.1%</b>  | Atlanta               | 8.8%          | -3.8%         |
|                           |               |               | Cleveland                 | -8.8%        | -6.1%         | NC                    | <b>2.4%</b>   | <b>-4.5%</b>  |
| <b>MOUNTAIN</b>           | <b>4.9%</b>   | <b>4.8%</b>   | WI                        | <b>-2.0%</b> | <b>-3.2%</b>  | Greensboro/Raleigh    | 4.7%          | -8.4%         |
| AZ                        | <b>3.7%</b>   | <b>5.4%</b>   |                           |              |               | SC                    | <b>2.4%</b>   | <b>-6.2%</b>  |
| Phoenix                   | 9.3%          | 5.8%          | <b>SOUTH CENTRAL</b>      | <b>6.5%</b>  | <b>-3.1%</b>  | Charleston            | 10.9%         | -1.9%         |
| CO                        | <b>6.3%</b>   | <b>-0.5%</b>  | AL                        | <b>8.9%</b>  | <b>2.2%</b>   | Hilton Head           | 7.6%          | -2.5%         |
| Denver                    | 6.8%          | 2.2%          | AR, LA, MS                | <b>13.1%</b> | <b>-1.0%</b>  | Myrtle Beach          | NA            | -4.8%         |
| ID, WY, MT, UT            | <b>5.6%</b>   | <b>8.2%</b>   | KY                        | <b>-3.3%</b> | <b>-1.5%</b>  | VA                    | <b>-5.3%</b>  | <b>-7.4%</b>  |
| NM                        | <b>7.0%</b>   | <b>2.7%</b>   | OK                        | <b>-7.2%</b> | <b>-8.3%</b>  | WV                    | <b>-7.2%</b>  | <b>-5.9%</b>  |
| NV                        | <b>-4.4%</b>  | <b>4.2%</b>   | TN                        | <b>-2.2%</b> | <b>-12.4%</b> | <b>MID ATLANTIC</b>   | <b>-9.3%</b>  | <b>-8.2%</b>  |
| Las Vegas                 | -5.1%         | 3.1%          |                           |              |               | NJ                    | <b>-7.9%</b>  | <b>-6.6%</b>  |
| <b>WEST NORTH CENTRAL</b> | <b>-3.8%</b>  | <b>-4.6%</b>  | TX                        | <b>6.7%</b>  | <b>-9.3%</b>  | NY                    | <b>-9.9%</b>  | <b>-6.3%</b>  |
| KS, NE                    | <b>-5.3%</b>  | <b>-2.7%</b>  | Nashville                 | 14.8%        | -1.6%         | New York City         | -12.1%        | -5.8%         |
| ND,SD                     | <b>-11.2%</b> | <b>-14.9%</b> | Dallas/Ft. Worth          | -2.1%        | -7.9%         | PA                    | <b>-9.3%</b>  | <b>-10.8%</b> |
| MN                        | <b>2.0%</b>   | <b>-4.3%</b>  | Houston                   | 38.3%        | -1.7%         | Philadelphia          | -6.1%         | -8.4%         |
| Minneapolis/St.Paul       | <b>4.8%</b>   | <b>-6.5%</b>  | San Antonio               | 19.8%        | 3.7%          | Pittsburgh            | -10.7%        | -9.5%         |
| IA, MO                    | <b>-5.5%</b>  | <b>-3.9%</b>  |                           |              |               | <b>NEW ENGLAND</b>    | <b>-6.5%</b>  | <b>-3.0%</b>  |
| St Louis                  | -7.4%         | -6.4%         |                           |              |               | CT                    | <b>-0.9%</b>  | <b>-4.0%</b>  |
| Kansas City               | 2.6%          | 0.7%          |                           |              |               | MA, RI                | <b>-11.4%</b> | <b>1.2%</b>   |
|                           |               |               |                           |              |               | Boston                | -9.3%         | -1.4%         |
|                           |               |               |                           |              |               | ME, NH, VT            | <b>-1.7%</b>  | <b>-10.1%</b> |

The percentages represent the differences in number of rounds played comparing August 2018 to August 2017. For more information contact Golf Datatech, [golfroundsplayed@golfdatatech.com](mailto:golfroundsplayed@golfdatatech.com) or call 407-944-4116

## Appendix B: Summary Demographics

| Summary of Demographics     |              |                 |          |          |                 |           |
|-----------------------------|--------------|-----------------|----------|----------|-----------------|-----------|
|                             | Battle Creek |                 | Goodrich |          | Island Lake     |           |
|                             | 5 Mi         | 10 Mi           | 5 Mi     | 10 Mi    | 5 Mi            | 10 Mi     |
| <b>Summary Demographics</b> |              |                 |          |          |                 |           |
| Population growth 1990-2000 | 2.45%        | 1.46%           | 1.17%    | 1.11%    | 0.35%           | 0.69%     |
| Population Growth 2000-2010 | 0.74%        | 0.42%           | 0.15%    | 0.32%    | -0.09%          | 0.14%     |
| Population Growth 2017-22   | 0.96%        | 0.89%           | 1.00%    | 0.88%    | 0.78%           | 0.97%     |
| Population Growth 2010-2022 | 0.84%        | 0.90%           | 1.01%    | 0.90%    | 0.85%           | 1.00%     |
| Population 2017             | 209,407      | 652,778         | 259,997  | 729,047  | 177,791         | 1,037,642 |
| Median HH Income            | \$66,908     | <b>\$67,496</b> | \$55,204 | \$67,010 | <b>\$73,476</b> | \$59,641  |
| Median Age                  | 34.8         | 35.8            | 33.7     | 36.1     | 41.4            | 34.5      |
| # Households                | 74,995       | 251,527         | 96,814   | 282,678  | 73,534          | 408,146   |
| <b>Ethnicity</b>            |              |                 |          |          |                 |           |
| % White                     | 64.9%        | 68.9%           | 70.1%    | 71.9%    | 57.8%           | 70.1%     |
| % African American          | 11.2%        | 11.0%           | 10.4%    | 11.7%    | 13.4%           | 10.4%     |
| % Asian                     | 14.5%        | 12.6%           | 12.5%    | 8.9%     | 20.2%           | 12.5%     |
| % Other                     | 9.5%         | 7.5%            | 7.1%     | 7.6%     | 8.6%            | 7.1%      |
| % Hispanic                  | 11.3%        | 8.3%            | 7.5%     | 7.3%     | 9.1%            | 7.5%      |

## Summary of Demographics

|                             | Keller         |          | Manitou  |          | Ramsey   | Minnesota | US          |
|-----------------------------|----------------|----------|----------|----------|----------|-----------|-------------|
|                             | 5 Mi           | 10 Mi    | 5 Mi     | 10 Mi    | County   |           |             |
| <b>Summary Demographics</b> |                |          |          |          |          |           |             |
| Population growth 1990-2000 | 0.94%          | 0.92%    | 1.06%    | 1.27%    | 0.51%    | 1.18%     | 1.25%       |
| Population Growth 2000-2010 | 0.01%          | 0.20%    | 0.09%    | 0.24%    | -0.05%   | 0.76%     | 0.93%       |
| Population Growth 2017-22   | 1.01%          | 0.88%    | 0.76%    | 0.92%    | 0.91%    | 0.59%     | 0.82%       |
| Population Growth 2010-2022 | 1.03%          | 0.93%    | 0.91%    | 0.92%    | 0.96%    | 0.60%     | 0.75%       |
| Population 2017             | <b>293,760</b> | 853,318  | 160,169  | 602,634  | 544,964  | 5,531,375 | 324,310,011 |
| Median HH Income            | \$55,243       | \$64,166 | \$68,815 | \$66,880 | \$62,019 | \$67,629  | \$59,240    |
| Median Age                  | 34.1           | 35.4     | 38.6     | 36.3     | 35.2     | 38.3      | 38.1        |
| # Households                | 109,931        | 337,959  | 62,421   | 231,637  | 211,524  | 2,196,972 | 124,506,607 |
| <b>Ethnicity</b>            |                |          |          |          |          |           |             |
| % White                     | 57.9%          | 69.2%    | 74.6%    | 68.7%    | 66.0%    | 83.0%     | 70.4%       |
| % African American          | 13.4%          | 11.3%    | 7.1%     | 10.7%    | 12.0%    | 6.1%      | 13.3%       |
| % Asian                     | 20.3%          | 11.7%    | 12.6%    | 13.7%    | 14.7%    | 5.0%      | 5.7%        |
| % Other                     | 8.4%           | 7.8%     | 5.7%     | 7.0%     | 7.3%     | 5.9%      | 10.6%       |
| % Hispanic                  | 8.6%           | 7.8%     | 5.8%     | 7.2%     | 7.4%     | 5.3%      | 17.5%       |

## Appendix C: Golf Demand Analysis

| Summary of Demographics and Golf Demand |              |           |          |           |             |           |
|---|--------------|-----------|----------|-----------|-------------|-----------|
|   | Battle Creek |           | Goodrich |           | Island Lake |           |
|   | 5 Mi         | 10 Mi     | 5 Mi     | 10 Mi     | 5 Mi        | 10 Mi     |
| <b>Summary Demographics</b>             |              |           |          |           |             |           |
| Population 2017                         | 209,407      | 652,778   | 259,997  | 729,047   | 177,791     | 1,037,642 |
| Median HH Income                        | \$66,908     | \$67,496  | \$55,204 | \$67,010  | \$73,476    | \$59,641  |
| Median Age                              | 34.8         | 35.8      | 33.7     | 36.1      | 41.4        | 34.5      |
| # Households                            | 74,995       | 251,527   | 96,814   | 282,678   | 73,534      | 408,146   |
| <b>Ethnicity</b>                        |              |           |          |           |             |           |
| % White                                 | 64.9%        | 68.9%     | 70.1%    | 71.9%     | 57.8%       | 70.1%     |
| % African American                      | 11.2%        | 11.0%     | 10.4%    | 11.7%     | 13.4%       | 10.4%     |
| % Asian                                 | 14.5%        | 12.6%     | 12.5%    | 8.9%      | 20.2%       | 12.5%     |
| % Other                                 | 9.5%         | 7.5%      | 7.1%     | 7.6%      | 8.6%        | 7.1%      |
| % Hispanic                              | 11.3%        | 8.3%      | 7.5%     | 7.3%      | 9.1%        | 7.5%      |
| <b>Golf Demand</b>                      |              |           |          |           |             |           |
| Golfing Households                      | 15,558       | 52,987    | 18,603   | 61,335    | 18,183      | 78,835    |
| % Participation                         | 20.7%        | 21.1%     | 19.2%    | 21.7%     | 24.7%       | 19.3%     |
| Projected Golfing Households 2022       | 16,598       | 55,881    | 19,589   | 64,458    | 18,967      | 83,443    |
| % Growth                                | 6.7%         | 5.5%      | 5.3%     | 5.1%      | 4.3%        | 5.8%      |
| Number of Golfers                       | 19,972       | 66,526    | 23,078   | 75,728    | 21,730      | 97,602    |
| % Population                            | 9.5%         | 10.2%     | 8.9%     | 10.4%     | 12.2%       | 9.4%      |
| Rounds Potential                        | 342,624      | 1,191,742 | 410,879  | 1,407,118 | 178,991     | 688,548   |
| Rounds in market                        | 172,902      | 749,226   | 220,474  | 845,883   | 178,991     | 688,548   |
| Number of Latent Golfers                | 30,534       | 103,261   | 40,864   | 116,521   | 28,707      | 170,679   |
| % Population                            | 14.6%        | 15.8%     | 15.7%    | 16.0%     | 16.1%       | 16.4%     |
| <b>Demand Indices</b>                   |              |           |          |           |             |           |
| Household Participation Rate            | 150          | 153       | 139      | 157       | 179         | 140       |
| Latent Demand                           | 121          | 126       | 126      | 128       | 127         | 132       |
| Rounds/Household                        | 121          | 126       | 116      | 136       | 168         | 117       |
| <b>Golf Supply</b>                      |              |           |          |           |             |           |
| Total Facilities                        | 6            | 24        | 6        | 30        | 7           | 23        |
| Public                                  | 6            | 20        | 6        | 22        | 5           | 17        |
| Private                                 | 0            | 4         | 0        | 8         | 2           | 6         |
| Public by Price point                   |              |           |          |           |             |           |
| Premium (>70)                           | 2            | 3         | 1        | 2         | 0           | 1         |
| Standard (\$40-\$69)                    | 1            | 9         | 4        | 11        | 2           | 11        |
| Value (<\$40)                           | 3            | 8         | 1        | 9         | 3           | 5         |
| Golf Holes                              |              |           |          |           |             |           |
| Total                                   | 81           | 387       | 108      | 477       | 99          | 378       |

| Summary of Demographics and Golf Demand    |               |               |               |               |               |               |
|--|---------------|---------------|---------------|---------------|---------------|---------------|
|  | Battle Creek  |               | Goodrich      |               | Island Lake   |               |
|  | 5 Mi          | 10 Mi         | 5 Mi          | 10 Mi         | 5 Mi          | 10 Mi         |
| Public                                     | 81            | 315           | 108           | 333           | 63            | 270           |
| % Public                                   | 100.0%        | 81.4%         | 100.0%        | 69.8%         | 63.6%         | 71.4%         |
| Private                                    | 0             | 72            | 0             | 144           | 36            | 108           |
| Non-Regulation (Par 3, Exec)               | 18            | 81            | 18            | 81            | 27            | 54            |
| % Non-Regulation                           | 22.2%         | 20.9%         | 16.7%         | 17.0%         | 27.3%         | 14.3%         |
| Net Change                                 |               |               |               |               |               |               |
| Percentage Total Holes last 5 yrs.         | -18.2%        | -10.4%        | 0.0%          | -5.4%         | 0.0%          | -2.3%         |
| Percentage Total Holes Last 10 yrs.        | -18.2%        | -14.0%        | -14.3%        | -8.6%         | 0.0%          | -6.7%         |
| <b>Supply Demand Ratios</b>                |               |               |               |               |               |               |
| <b>Golfing Households per 18 Holes</b>     |               |               |               |               |               |               |
| Total                                      | 3,457         | 2,465         | 3,101         | 2,315         | 3,306         | 3,754         |
| Public                                     | 3,457         | 3,028         | 3,101         | 3,315         | 5,195         | 5,256         |
| Premium                                    | 7,779         | 17,662        | 18,603        | 30,668        | xx            | 78,835        |
| Standard                                   | 15,558        | 5,578         | 4,651         | 5,576         | 9,092         | 7,167         |
| Value                                      | 10,372        | 10,597        | 18,603        | 11,152        | 12,122        | 26,278        |
| Private                                    | xx            | 13,247        | xx            | 7,667         | 9,092         | 13,139        |
| <b>Golfing Household Indices</b>           |               |               |               |               |               |               |
| Total                                      | 280           | 199           | 251           | 187           | 267           | 304           |
| <b>Public</b>                              | <b>203</b>    | <b>178</b>    | <b>182</b>    | <b>195</b>    | <b>305</b>    | <b>308</b>    |
| Premium                                    | 76            | 174           | 183           | 302           | xx            | 775           |
| Standard                                   | 394           | 141           | 118           | 141           | 230           | 182           |
| Value                                      | 244           | 249           | 438           | 262           | 285           | 618           |
| Private                                    | xx            | 294           | xx            | 170           | 202           | 292           |
| <b>Estimated Rounds/ In market Courses</b> | <b>38,423</b> | <b>34,848</b> | <b>68,480</b> | <b>53,099</b> | <b>32,544</b> | <b>32,788</b> |

**Summary of Demographics and Golf Demand**

|                                   | Keller   |           | Manitou  |           | Ramsey   | Minnesota  | US          |
|-----------------------------------|----------|-----------|----------|-----------|----------|------------|-------------|
|                                   | 5 Mi     | 10 Mi     | 5 Mi     | 10 Mi     | County   |            |             |
| <b>Summary Demographics</b>       |          |           |          |           |          |            |             |
| Population 2017                   | 293,760  | 853,318   | 160,169  | 602,634   | 544,964  | 5,531,375  | 324,310,011 |
| Median HH Income                  | \$55,243 | \$64,166  | \$68,815 | \$66,880  | \$62,019 | \$67,629   | \$59,240    |
| Median Age                        | 34.1     | 35.4      | 38.6     | 36.3      | 35.2     | 38.3       | 38.1        |
| # Households                      | 109,931  | 337,959   | 62,421   | 231,637   | 211,524  | 2,196,972  | 124,506,607 |
| <b>Ethnicity</b>                  |          |           |          |           |          |            |             |
| % White                           | 57.9%    | 69.2%     | 74.6%    | 68.7%     | 66.0%    | 83.0%      | 70.4%       |
| % African American                | 13.4%    | 11.3%     | 7.1%     | 10.7%     | 12.0%    | 6.1%       | 13.3%       |
| % Asian                           | 20.3%    | 11.7%     | 12.6%    | 13.7%     | 14.7%    | 5.0%       | 5.7%        |
| % Other                           | 8.4%     | 7.8%      | 5.7%     | 7.0%      | 7.3%     | 5.9%       | 10.6%       |
| % Hispanic                        | 8.6%     | 7.8%      | 5.8%     | 7.2%      | 7.4%     | 5.3%       | 17.5%       |
| <b>Golf Demand</b>                |          |           |          |           |          |            |             |
| Golfing Households                | 20,729   | 70,543    | 15,181   | 51,394    | 43,075   | 463,210    | 17,175,900  |
| % Participation                   | 18.9%    | 20.9%     | 24.3%    | 22.2%     | 20.4%    | 21.1%      | 13.8%       |
| Projected Golfing Households 2022 | 21,713   | 74,322    | 15,922   | 53,972    | 44,918   | 490,001    | 17,934,830  |
| % Growth                          | 4.7%     | 5.4%      | 4.9%     | 5.0%      | 4.3%     | 5.8%       | 4.4%        |
| Number of Golfers                 | 25,029   | 86,163    | 18,353   | 63,932    | 52,036   | 585,580    | 23,832,510  |
| % Population                      | 8.5%     | 10.1%     | 11.5%    | 10.6%     | 9.5%     | 10.6%      | 7.3%        |
| Rounds Potential                  | 460,475  | 1,587,497 | 346,581  | 1,182,368 | 973,682  | 11,849,550 | 455,965,500 |
| Rounds in market                  | 250,987  | 872,787   | 244,371  | 693,136   | 481,909  | 12,511,170 | 455,965,000 |
| Number of Latent Golfers          | 46,182   | 140,105   | 25,142   | 95,628    | 88,238   | 750,936    | 40,573,960  |
| % Population                      | 15.7%    | 16.4%     | 15.7%    | 15.9%     | 16.2%    | 13.6%      | 12.5%       |
| <b>Demand Indices</b>             |          |           |          |           |          |            |             |
| Household Participation Rate      | 137      | 151       | 176      | 161       | 148      | 153        | 100         |
| Latent Demand                     | 128      | 130       | 124      | 126       | 129      | 109        | 100         |

### Summary of Demographics and Golf Demand

|  | Keller |        | Manitou |        | Ramsey | Minnesota | US      |
|--|--------|--------|---------|--------|--------|-----------|---------|
|  | 5 Mi   | 10 Mi  | 5 Mi    | 10 Mi  | County |           |         |
| Rounds/Household                       | 114    | 128    | 152     | 139    | 129    | 109       | 100     |
| <b>Golf Supply</b>                     |        |        |         |        |        |           |         |
| Total Facilities                       | 7      | 31     | 8       | 24     | 16     | 438       | 14,754  |
| Public                                 | 7      | 23     | 5       | 18     | 13     | 392       | 11,006  |
| Private                                | 0      | 8      | 3       | 6      | 3      | 46        | 3,748   |
| Public by Price point                  |        |        |         |        |        |           |         |
| Premium (>70)                          | 0      | 1      | 0       | 1      | 0      | 26        | 1,393   |
| Standard (\$40-\$69)                   | 5      | 12     | 4       | 11     | 7      | 170       | 4,087   |
| Value (<\$40)                          | 2      | 10     | 1       | 6      | 6      | 196       | 5,526   |
| <b>Golf Holes</b>                      |        |        |         |        |        |           |         |
| Total                                  | 117    | 486    | 144     | 405    | 243    | 6,894     | 250,146 |
| Public                                 | 117    | 342    | 90      | 297    | 189    | 6,093     | 181,458 |
| % Public                               | 100.0% | 70.4%  | 62.5%   | 73.3%  | 77.8%  | 88.4%     | 72.5%   |
| Private                                | 0      | 144    | 54      | 108    | 54     | 801       | 68,688  |
| Non-Regulation (Par 3, Exec)           | 27     | 90     | 18      | 72     | 45     | 801       | 20,277  |
| % Non-Regulation                       | 23.1%  | 18.5%  | 12.5%   | 17.8%  | 18.5%  | 11.6%     | 8.1%    |
| <b>Net Change</b>                      |        |        |         |        |        |           |         |
| Percentage Total Holes last 5 yrs.     | 0.0%   | -5.3%  | 0.0%    | -6.3%  | 0.0%   | -5.4%     | -5.3%   |
| Percentage Total Holes Last 10 yrs.    | -13.3% | -8.5%  | -11.1%  | -10.0% | -6.9%  | -7.9%     | -7.1%   |
| <b>Supply Demand Ratios</b>            |        |        |         |        |        |           |         |
| <b>Golfing Households per 18 Holes</b> |        |        |         |        |        |           |         |
| Total                                  | 3,189  | 2,613  | 1,898   | 2,284  | 3,191  | 1,209     | 1,236   |
| Public                                 | 3,189  | 3,713  | 3,036   | 3,115  | 4,102  | 1,368     | 1,704   |
| Premium                                | xx     | 70,543 | xx      | 51,394 | xx     | 13,827    | 10,169  |
| Standard                               | 4,146  | 5,879  | 3,795   | 4,469  | 6,154  | 2,517     | 3,946   |
| Value                                  | 13,819 | 11,757 | 15,181  | 12,849 | 12,307 | 3,828     | 4,253   |

### Summary of Demographics and Golf Demand

|  | Keller        |               | Manitou       |               | Ramsey        | Minnesota     | US            |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
|  | 5 Mi          | 10 Mi         | 5 Mi          | 10 Mi         | County        |               |               |
| Private                                    | 0             | 8,818         | 5,060         | 8,566         | 14,358        | 10,409        | 4,501         |
| <b>Golfing Household Indices</b>           |               |               |               |               |               |               |               |
| Total                                      | 258           | 211           | 154           | 185           | 258           | 98            | 100           |
| <b>Public</b>                              | <b>187</b>    | <b>218</b>    | <b>178</b>    | <b>183</b>    | <b>241</b>    | <b>80</b>     | <b>100</b>    |
| Premium                                    | xx            | 694           | xx            | 505           | xx            | 136           | 100           |
| Standard                                   | 105           | 149           | 96            | 113           | 156           | 64            | 100           |
| Value                                      | 325           | 277           | 357           | 302           | 289           | 90            | 100           |
| Private                                    | xx            | 196           | 112           | 190           | 319           | 231           | 100           |
| <b>Estimated Rounds/ In market Courses</b> | <b>38,613</b> | <b>32,325</b> | <b>30,546</b> | <b>30,806</b> | <b>35,697</b> | <b>32,666</b> | <b>32,809</b> |

## Goodrich Golf Course

| Goodrich Golf Course                              | 5-mile ring  | 10-mile ring | 20- mile ring | Ramsey County | State of Minnesota | U.S.         |
|---|--------------|--------------|---------------|---------------|--------------------|--------------|
| <b>Summary Demographics</b>                       |              |              |               |               |                    |              |
| Population 1990 Census                            | 212,574      | 592,604      | 1,757,127     | 485,782       | 4,373,388          | 248,584,652  |
| Population 2000 Census                            | 238,686      | 662,094      | 1,934,904     | 511,056       | 4,919,461          | 281,399,034  |
| <b>CAGR 1990-2000</b>                             | <b>1.17%</b> | <b>1.11%</b> | <b>0.97%</b>  | <b>0.51%</b>  | <b>1.18%</b>       | <b>1.25%</b> |
| Population 2010 Census                            | 242,230      | 683,774      | 2,019,873     | 508,640       | 5,303,925          | 308,745,538  |
| <b>CAGR 2000-2010</b>                             | <b>0.15%</b> | <b>0.32%</b> | <b>0.43%</b>  | <b>-0.05%</b> | <b>0.76%</b>       | <b>0.93%</b> |
| Population Estimate 2017                          | 259,997      | 729,047      | 2,150,031     | 544,964       | 5,531,375          | 324,310,011  |
| Population 2022 Projected                         | 273,276      | 761,583      | 2,244,199     | 570,345       | 5,696,293          | 337,744,388  |
| <b>CAGR 2017-2022</b>                             | <b>1.00%</b> | <b>0.88%</b> | <b>0.86%</b>  | <b>0.91%</b>  | <b>0.59%</b>       | <b>0.82%</b> |
| <b>CAGR 2010-2022</b>                             | <b>1.01%</b> | <b>0.90%</b> | <b>0.88%</b>  | <b>0.96%</b>  | <b>0.60%</b>       | <b>0.75%</b> |
| Median HH Income (2017)                           | \$55,204     | \$67,010     | \$69,571      | \$62,019      | \$67,629           | \$59,240     |
| Median Age (2017)                                 | 33.7         | 36.1         | 36.7          | 35.2          | 38.3               | 38.1         |
| <b>Ethnicity</b>                                  |              |              |               |               |                    |              |
| White   | 57.8%        | 70.1%        | 71.9%         | 66.0%         | 83.0%              | 70.4%        |
| African American                                  | 13.4%        | 10.4%        | 11.7%         | 12.0%         | 6.1%               | 13.3%        |
| Asian   | 20.2%        | 12.5%        | 8.9%          | 14.7%         | 5.0%               | 5.7%         |
| All Other   | 8.6%         | 7.1%         | 7.6%          | 7.3%          | 5.9%               | 10.6%        |
| <b>Hispanic Population</b>                        |              |              |               |               |                    |              |
| Hispanic  | 9.1%         | 7.5%         | 7.3%          | 7.4%          | 5.3%               | 17.5%        |
| Not Hispanic                                      | 90.9%        | 92.5%        | 92.7%         | 92.6%         | 94.7%              | 82.5%        |
| <b>CAGR = Compound Annual Growth Rate</b>         |              |              |               |               |                    |              |
| Goodrich Golf Course                              | 5-mile ring  | 10-mile ring | 20- mile ring | Ramsey County | State of Minnesota | U.S.         |
| <b>Golf Demand Indicators</b>                     |              |              |               |               |                    |              |
| Total Households                                  | 96,814       | 282,678      | 860,001       | 211,524       | 2,196,972          | 124,506,607  |
| Number of Golfing Households                      | 18,603       | 61,335       | 184,681       | 43,075        | 463,210            | 17,175,900   |
| Projected Golfing Households (2022)               | 19,589       | 64,458       | 196,080       | 44,918        | 490,001            | 17,934,830   |
| Projected Annual Growth Rate                      | 1.00%        | 1.00%        | 1.20%         | 0.80%         | 1.10%              | 0.90%        |
| Seasonal Golfing Households                       | 64           | 388          | 1,350         | 217           | 22,852             | 732,421      |
| Latent Demand/Interested Non-Golfers              | 40,864       | 116,521      | 349,795       | 88,238        | 750,936            | 40,573,960   |
| Household Participation Rate                      | 19.20%       | 21.70%       | 21.50%        | 20.40%        | 21.10%             | 13.80%       |
| Number of Golfers                                 | 23,078       | 75,728       | 228,588       | 52,036        | 585,580            | 23,832,510   |
| Rounds Potential (resident golfers)               | 410,879      | 1,407,118    | 4,155,186     | 973,682       | 11,849,550         | 455,965,500  |
| Estimated Course Rounds (in-market supply)        | 220,474      | 845,883      | 2,340,083     | 481,909       | 12,511,170         | 455,965,000  |
| <b>Demand Indices</b>                             |              |              |               |               |                    |              |
| Golfing Household Participation Rate              | 139          | 157          | 156           | 148           | 153                | 100          |
| Seasonal Golfing Households                       | 11           | 23           | 27            | 17            | 177                | 100          |
| Latent Demand/Interested Non-Golfers              | 126          | 128          | 130           | 129           | 109                | 100          |
| Rounds Potential per Household (resident golfers) | 116          | 136          | 132           | 126           | 147                | 100          |

| Goodrich Golf Course   | 5-mile ring | 10-mile ring | 20- mile ring | Ramsey County | State of Minnesota | U.S.    |
|--|-------------|--------------|---------------|---------------|--------------------|---------|
| <b>Golf Supply</b>   |             |              |               |               |                    |         |
| <b>Golf Facilities</b>   |             |              |               |               |                    |         |
| Total  | 6           | 30           | 75            | 16            | 438                | 14,754  |
| Public   | 6           | 22           | 57            | 13            | 392                | 11,006  |
| Public: Daily Fee  | 2           | 9            | 25            | 3             | 300                | 8,509   |
| Public: Municipal  | 4           | 13           | 32            | 10            | 92                 | 2,497   |
| Private  | 0           | 8            | 18            | 3             | 46                 | 3,748   |
| <b>Public Golf Facilities by Price Point</b>   |             |              |               |               |                    |         |
| Premium (>\$70)  | 1           | 2            | 6             | 0             | 26                 | 1,393   |
| Standard (\$40-\$70)   | 4           | 11           | 30            | 7             | 170                | 4,087   |
| Value (<\$40)  | 1           | 9            | 21            | 6             | 196                | 5,526   |
| <b>Golf Holes</b>  |             |              |               |               |                    |         |
| Total  | 108         | 477          | 1,305         | 243           | 6,894              | 250,146 |
| Public   | 108         | 333          | 981           | 189           | 6,093              | 181,458 |
| Public: Daily Fee  | 36          | 144          | 477           | 45            | 4,671              | 139,761 |
| Public: Municipal  | 72          | 189          | 504           | 144           | 1,422              | 41,697  |
| Private  | 0           | 144          | 324           | 54            | 801                | 68,688  |
| Non-Regulation (Executive & Par-3)   | 18          | 81           | 207           | 45            | 801                | 20,277  |
| <b>Net Change*</b>   |             |              |               |               |                    |         |
| Net Change in Holes past 5 years   | 0           | -27          | -126          | 0             | -396               | -13,941 |
| Percentage Total Holes Past 5 Yrs  | 0.00%       | -5.40%       | -8.80%        | 0.00%         | -5.40%             | -5.30%  |
| Net Change in Holes past 10 Years  | -18         | -45          | -144          | -18           | -594               | -19,098 |
| Percentage Total Holes Past 10 Yrs   | -14.30%     | -8.60%       | -9.90%        | -6.90%        | -7.90%             | -7.10%  |
| *Numbers may include courses under construction and temporarily closed at the end of the year. |             |              |               |               |                    |         |

| Goodrich Golf Course                       | 5-mile ring | 10-mile ring | 20-mile ring | Ramsey County | State of Minnesota | U.S.   |
|--|-------------|--------------|--------------|---------------|--------------------|--------|
| <b>Supply-Demand Ratios</b>                |             |              |              |               |                    |        |
| <b>Households per 18 Holes</b>             |             |              |              |               |                    |        |
| Total                                      | 16,136      | 10,667       | 11,862       | 15,668        | 5,736              | 8,959  |
| Public                                     | 16,136      | 15,280       | 15,780       | 20,145        | 6,490              | 12,351 |
| Public: Daily Fee                          | 48,407      | 35,335       | 32,453       | 84,610        | 8,466              | 16,035 |
| Public: Municipal                          | 24,204      | 26,922       | 30,714       | 26,441        | 27,810             | 53,748 |
| Private                                    | 0           | 35,335       | 47,778       | 70,508        | 49,370             | 32,628 |
| Premium (>\$70)                            | 96,814      | 141,339      | 143,334      | 0             | 65,581             | 73,716 |
| Standard (\$40-\$70)                       | 24,204      | 25,698       | 24,225       | 30,218        | 11,940             | 28,602 |
| Value (<\$40)                              | 96,814      | 51,396       | 66,154       | 60,435        | 18,157             | 30,826 |
| <b>Golfing Households per 18 Holes</b>     |             |              |              |               |                    |        |
| Total                                      | 3,101       | 2,315        | 2,547        | 3,191         | 1,209              | 1,236  |
| Public                                     | 3,101       | 3,315        | 3,389        | 4,102         | 1,368              | 1,704  |
| Public: Daily Fee                          | 9,302       | 7,667        | 6,969        | 17,230        | 1,785              | 2,212  |
| Public: Municipal                          | 4,651       | 5,841        | 6,596        | 5,384         | 5,863              | 7,415  |
| Private                                    | 0           | 7,667        | 10,260       | 14,358        | 10,409             | 4,501  |
| Premium (>\$70)                            | 18,603      | 30,668       | 30,780       | 0             | 13,827             | 10,169 |
| Standard (\$40-\$70)                       | 4,651       | 5,576        | 5,202        | 6,154         | 2,517              | 3,946  |
| Value (<\$40)                              | 18,603      | 11,152       | 14,206       | 12,307        | 3,828              | 4,253  |
| <b>Household Indices</b>                   |             |              |              |               |                    |        |
| Total                                      | 180         | 119          | 132          | 175           | 64                 | 100    |
| Public                                     | 131         | 124          | 128          | 163           | 53                 | 100    |
| Private                                    | 0           | 108          | 146          | 216           | 151                | 100    |
| Premium (>\$70)                            | 131         | 192          | 194          | 0             | 89                 | 100    |
| Standard (\$40-\$70)                       | 85          | 90           | 85           | 106           | 42                 | 100    |
| Value (<\$40)                              | 314         | 167          | 215          | 196           | 59                 | 100    |
| <b>Golfing Household Indices</b>           |             |              |              |               |                    |        |
| Total                                      | 251         | 187          | 206          | 258           | 98                 | 100    |
| Public                                     | 182         | 195          | 199          | 241           | 80                 | 100    |
| Private                                    | 0           | 170          | 228          | 319           | 231                | 100    |
| Premium (>\$70)                            | 183         | 302          | 303          | 0             | 136                | 100    |
| Standard (\$40-\$70)                       | 118         | 141          | 132          | 156           | 64                 | 100    |
| Value (<\$40)                              | 438         | 262          | 334          | 289           | 90                 | 100    |
| <b>Rounds per 18 Holes</b>                 |             |              |              |               |                    |        |
| Rounds Potential (resident golfers)        | 68,480      | 53,099       | 57,313       | 72,125        | 30,939             | 32,810 |
| Estimated Course Rounds (in-market supply) | 36,746      | 31,920       | 32,277       | 35,697        | 32,666             | 32,809 |

### Island Lake Golf Course & Training Center

| Island Lake Golf & TC                             | 5-mile ring   | 10-mile ring | 20- mile ring | Ramsey County | State of Minnesota | U.S.         |
|---|---------------|--------------|---------------|---------------|--------------------|--------------|
| <b>Summary Demographics</b>                       |               |              |               |               |                    |              |
| Population 1990 Census                            | 162,657       | 890,318      | 1,907,131     | 485,782       | 4,373,388          | 248,584,652  |
| Population 2000 Census                            | 168,495       | 953,390      | 2,121,813     | 511,056       | 4,919,461          | 281,399,034  |
| <b>CAGR 1990-2000</b>                             | <b>0.35%</b>  | <b>0.69%</b> | <b>1.07%</b>  | <b>0.51%</b>  | <b>1.18%</b>       | <b>1.25%</b> |
| Population 2010 Census                            | 166,936       | 966,722      | 2,214,081     | 508,640       | 5,303,925          | 308,745,538  |
| <b>CAGR 2000-2010</b>                             | <b>-0.09%</b> | <b>0.14%</b> | <b>0.43%</b>  | <b>-0.05%</b> | <b>0.76%</b>       | <b>0.93%</b> |
| Population Estimate 2017                          | 177,791       | 1,037,642    | 2,363,613     | 544,964       | 5,531,375          | 324,310,011  |
| Population 2022 Projected                         | 184,831       | 1,088,813    | 2,467,655     | 570,345       | 5,696,293          | 337,744,388  |
| <b>CAGR 2017-2022</b>                             | <b>0.78%</b>  | <b>0.97%</b> | <b>0.87%</b>  | <b>0.91%</b>  | <b>0.59%</b>       | <b>0.82%</b> |
| <b>CAGR 2010-2022</b>                             | <b>0.85%</b>  | <b>1.00%</b> | <b>0.91%</b>  | <b>0.96%</b>  | <b>0.60%</b>       | <b>0.75%</b> |
| Median HH Income (2017)                           | \$73,476      | \$59,641     | \$71,192      | \$62,019      | \$67,629           | \$59,240     |
| Median Age (2017)                                 | 41.4          | 34.5         | 37.0          | 35.2          | 38.3               | 38.1         |
| <b>Ethnicity</b>                                  |               |              |               |               |                    |              |
| White   | 57.8%         | 70.1%        | 71.9%         | 66.0%         | 83.0%              | 70.4%        |
| African American                                  | 13.4%         | 10.4%        | 11.7%         | 12.0%         | 6.1%               | 13.3%        |
| Asian   | 20.2%         | 12.5%        | 8.9%          | 14.7%         | 5.0%               | 5.7%         |
| All Other   | 8.6%          | 7.1%         | 7.6%          | 7.3%          | 5.9%               | 10.6%        |
| <b>Hispanic Population</b>                        |               |              |               |               |                    |              |
| Hispanic  | 9.1%          | 7.5%         | 7.3%          | 7.4%          | 5.3%               | 17.5%        |
| Not Hispanic                                      | 90.9%         | 92.5%        | 92.7%         | 92.6%         | 94.7%              | 82.5%        |
| <b>CAGR = Compound Annual Growth Rate</b>         |               |              |               |               |                    |              |
| Island Lake Golf & TC                             | 5-mile ring   | 10-mile ring | 20- mile ring | Ramsey County | State of Minnesota | U.S.         |
| <b>Golf Demand Indicators</b>                     |               |              |               |               |                    |              |
| Total Households                                  | 73,534        | 408,146      | 941,038       | 211,524       | 2,196,972          | 124,506,607  |
| Number of Golfing Households                      | 18,183        | 78,835       | 206,890       | 43,075        | 463,210            | 17,175,900   |
| Projected Golfing Households (2022)               | 18,967        | 83,443       | 219,435       | 44,918        | 490,001            | 17,934,830   |
| Projected Annual Growth Rate                      | 0.80%         | 1.10%        | 1.20%         | 0.80%         | 1.10%              | 0.90%        |
| Seasonal Golfing Households                       | 116           | 462          | 1,493         | 217           | 22,852             | 732,421      |
| Latent Demand/Interested Non-Golfers              | 28,707        | 170,679      | 382,908       | 88,238        | 750,936            | 40,573,960   |
| Household Participation Rate                      | 24.70%        | 19.30%       | 22.00%        | 20.40%        | 21.10%             | 13.80%       |
| Number of Golfers                                 | 21,730        | 97,602       | 257,355       | 52,036        | 585,580            | 23,832,510   |
| Rounds Potential (resident golfers)               | 452,489       | 1,744,418    | 4,663,661     | 973,682       | 11,849,550         | 455,965,500  |
| Estimated Course Rounds (in-market supply)        | 178,991       | 688,548      | 2,282,763     | 481,909       | 12,511,170         | 455,965,000  |
| <b>Demand Indices</b>                             |               |              |               |               |                    |              |
| Golfing Household Participation Rate              | 179           | 140          | 159           | 148           | 153                | 100          |
| Seasonal Golfing Households                       | 27            | 19           | 27            | 17            | 177                | 100          |
| Latent Demand/Interested Non-Golfers              | 127           | 132          | 130           | 129           | 109                | 100          |
| Rounds Potential per Household (resident golfers) | 168           | 117          | 135           | 126           | 147                | 100          |

| Island Lake Golf & TC  | 5-mile ring | 10-mile ring | 20-mile ring | Ramsey County | State of Minnesota | U.S.    |
|--|-------------|--------------|--------------|---------------|--------------------|---------|
| <b>Golf Supply</b>   |             |              |              |               |                    |         |
| <b>Golf Facilities</b>   |             |              |              |               |                    |         |
| Total  | 7           | 23           | 75           | 16            | 438                | 14,754  |
| Public   | 5           | 17           | 56           | 13            | 392                | 11,006  |
| Public: Daily Fee  | 2           | 5            | 23           | 3             | 300                | 8,509   |
| Public: Municipal  | 3           | 12           | 33           | 10            | 92                 | 2,497   |
| Private  | 2           | 6            | 19           | 3             | 46                 | 3,748   |
| <b>Public Golf Facilities by Price Point</b>   |             |              |              |               |                    |         |
| Premium (>\$70)  | 0           | 1            | 5            | 0             | 26                 | 1,393   |
| Standard (\$40-\$70)   | 2           | 11           | 28           | 7             | 170                | 4,087   |
| Value (<\$40)  | 3           | 5            | 23           | 6             | 196                | 5,526   |
| <b>Golf Holes</b>  |             |              |              |               |                    |         |
| Total  | 99          | 378          | 1,269        | 243           | 6,894              | 250,146 |
| Public   | 63          | 270          | 927          | 189           | 6,093              | 181,458 |
| Public: Daily Fee  | 27          | 81           | 423          | 45            | 4,671              | 139,761 |
| Public: Municipal  | 36          | 189          | 504          | 144           | 1,422              | 41,697  |
| Private  | 36          | 108          | 342          | 54            | 801                | 68,688  |
| Non-Regulation (Executive & Par-3)   | 27          | 54           | 243          | 45            | 801                | 20,277  |
| <b>Net Change*</b>   |             |              |              |               |                    |         |
| Net Change in Holes past 5 years   | 0           | -9           | -135         | 0             | -396               | -13,941 |
| Percentage Total Holes Past 5 Yrs  | 0.00%       | -2.30%       | -9.60%       | 0.00%         | -5.40%             | -5.30%  |
| Net Change in Holes past 10 Years  | 0           | -27          | -162         | -18           | -594               | -19,098 |
| Percentage Total Holes Past 10 Yrs   | 0.00%       | -6.70%       | -11.30%      | -6.90%        | -7.90%             | -7.10%  |
| *Numbers may include courses under construction and temporarily closed at the end of the year. |             |              |              |               |                    |         |

| Island Lake Golf & TC                      | 5-mile ring | 10-mile ring | 20-mile ring | Ramsey County | State of Minnesota | U.S.   |
|--|-------------|--------------|--------------|---------------|--------------------|--------|
| <b>Supply-Demand Ratios</b>                |             |              |              |               |                    |        |
| <i>Households per 18 Holes</i>             |             |              |              |               |                    |        |
| Total                                      | 13,370      | 19,436       | 13,348       | 15,668        | 5,736              | 8,959  |
| Public                                     | 21,010      | 27,210       | 18,273       | 20,145        | 6,490              | 12,351 |
| Public: Daily Fee                          | 49,023      | 90,699       | 40,044       | 84,610        | 8,466              | 16,035 |
| Public: Municipal                          | 36,767      | 38,871       | 33,609       | 26,441        | 27,810             | 53,748 |
| Private                                    | 36,767      | 68,024       | 49,528       | 70,508        | 49,370             | 32,628 |
| Premium (>\$70)                            | 0           | 408,146      | 171,098      | 0             | 65,581             | 73,716 |
| Standard (\$40-\$70)                       | 36,767      | 37,104       | 28,955       | 30,218        | 11,940             | 28,602 |
| Value (<\$40)                              | 49,023      | 136,049      | 69,707       | 60,435        | 18,157             | 30,826 |
| <i>Golfing Households per 18 Holes</i>     |             |              |              |               |                    |        |
| Total                                      | 3,306       | 3,754        | 2,935        | 3,191         | 1,209              | 1,236  |
| Public                                     | 5,195       | 5,256        | 4,017        | 4,102         | 1,368              | 1,704  |
| Public: Daily Fee                          | 12,122      | 17,519       | 8,804        | 17,230        | 1,785              | 2,212  |
| Public: Municipal                          | 9,092       | 7,508        | 7,389        | 5,384         | 5,863              | 7,415  |
| Private                                    | 9,092       | 13,139       | 10,889       | 14,358        | 10,409             | 4,501  |
| Premium (>\$70)                            | 0           | 78,835       | 37,616       | 0             | 13,827             | 10,169 |
| Standard (\$40-\$70)                       | 9,092       | 7,167        | 6,366        | 6,154         | 2,517              | 3,946  |
| Value (<\$40)                              | 12,122      | 26,278       | 15,325       | 12,307        | 3,828              | 4,253  |
| <i>Household Indices</i>                   |             |              |              |               |                    |        |
| Total                                      | 149         | 217          | 149          | 175           | 64                 | 100    |
| Public                                     | 170         | 220          | 148          | 163           | 53                 | 100    |
| Private                                    | 113         | 208          | 152          | 216           | 151                | 100    |
| Premium (>\$70)                            | 0           | 554          | 232          | 0             | 89                 | 100    |
| Standard (\$40-\$70)                       | 129         | 130          | 101          | 106           | 42                 | 100    |
| Value (<\$40)                              | 159         | 441          | 226          | 196           | 59                 | 100    |
| <i>Golfing Household Indices</i>           |             |              |              |               |                    |        |
| Total                                      | 267         | 304          | 237          | 258           | 98                 | 100    |
| Public                                     | 305         | 308          | 236          | 241           | 80                 | 100    |
| Private                                    | 202         | 292          | 242          | 319           | 231                | 100    |
| Premium (>\$70)                            | 0           | 775          | 370          | 0             | 136                | 100    |
| Standard (\$40-\$70)                       | 230         | 182          | 161          | 156           | 64                 | 100    |
| Value (<\$40)                              | 285         | 618          | 360          | 289           | 90                 | 100    |
| <i>Rounds per 18 Holes</i>                 |             |              |              |               |                    |        |
| Rounds Potential (resident golfers)        | 82,271      | 83,068       | 66,151       | 72,125        | 30,939             | 32,810 |
| Estimated Course Rounds (in-market supply) | 32,544      | 32,788       | 32,380       | 35,697        | 32,666             | 32,809 |

## Keller Golf Course

| Keller Golf Course                                | 5-mile ring | 10-mile ring | 20- mile ring | Ramsey County | State of Minnesota | U.S.        |
|---|-------------|--------------|---------------|---------------|--------------------|-------------|
| <b>Summary Demographics</b>                       |             |              |               |               |                    |             |
| Population 1990 Census                            | 248,646     | 713,656      | 1,839,526     | 485,782       | 4,373,388          | 248,584,652 |
| Population 2000 Census                            | 273,044     | 782,268      | 2,034,086     | 511,056       | 4,919,461          | 281,399,034 |
| CAGR 1990-2000                                    | 0.94%       | 0.92%        | 1.01%         | 0.51%         | 1.18%              | 1.25%       |
| Population 2010 Census                            | 273,320     | 797,718      | 2,117,515     | 508,640       | 5,303,925          | 308,745,538 |
| CAGR 2000-2010                                    | 0.01%       | 0.20%        | 0.40%         | -0.05%        | 0.76%              | 0.93%       |
| Population Estimate 2017                          | 293,760     | 853,318      | 2,255,344     | 544,964       | 5,531,375          | 324,310,011 |
| Population 2022 Projected                         | 308,934     | 891,520      | 2,353,964     | 570,345       | 5,696,293          | 337,744,388 |
| CAGR 2017-2022                                    | 1.01%       | 0.88%        | 0.86%         | 0.91%         | 0.59%              | 0.82%       |
| CAGR 2010-2022                                    | 1.03%       | 0.93%        | 0.89%         | 0.96%         | 0.60%              | 0.75%       |
| Median HH Income (2017)                           | \$55,243    | \$64,166     | \$70,286      | \$62,019      | \$67,629           | \$59,240    |
| Median Age (2017)                                 | 34.1        | 35.4         | 36.9          | 35.2          | 38.3               | 38.1        |
| <b>Ethnicity</b>                                  |             |              |               |               |                    |             |
| White   | 57.9%       | 69.2%        | 72.4%         | 66.0%         | 83.0%              | 70.4%       |
| African American                                  | 13.4%       | 11.3%        | 11.4%         | 12.0%         | 6.1%               | 13.3%       |
| Asian   | 20.3%       | 11.7%        | 8.7%          | 14.7%         | 5.0%               | 5.7%        |
| All Other   | 8.4%        | 7.8%         | 7.4%          | 7.3%          | 5.9%               | 10.6%       |
| <b>Hispanic Population</b>                        |             |              |               |               |                    |             |
| Hispanic  | 8.6%        | 7.8%         | 7.2%          | 7.4%          | 5.3%               | 17.5%       |
| Not Hispanic                                      | 91.4%       | 92.2%        | 92.8%         | 92.6%         | 94.7%              | 82.5%       |
| CAGR = Compound Annual Growth Rate                |             |              |               |               |                    |             |
| Keller Golf Course                                | 5-mile ring | 10-mile ring | 20- mile ring | Ramsey County | State of Minnesota | U.S.        |
| <b>Golf Demand Indicators</b>                     |             |              |               |               |                    |             |
| Total Households                                  | 109,931     | 337,959      | 904,727       | 211,524       | 2,196,972          | 124,506,607 |
| Number of Golfing Households                      | 20,729      | 70,543       | 195,947       | 43,075        | 463,210            | 17,175,900  |
| Projected Golfing Households (2022)               | 21,713      | 74,322       | 208,122       | 44,918        | 490,001            | 17,934,830  |
| Projected Annual Growth Rate                      | 0.90%       | 1.00%        | 1.20%         | 0.80%         | 1.10%              | 0.90%       |
| Seasonal Golfing Households                       | 75          | 433          | 1,443         | 217           | 22,852             | 732,421     |
| Latent Demand/Interested Non-Golfers              | 46,182      | 140,105      | 367,678       | 88,238        | 750,936            | 40,573,960  |
| Household Participation Rate                      | 18.90%      | 20.90%       | 21.70%        | 20.40%        | 21.10%             | 13.80%      |
| Number of Golfers                                 | 25,029      | 86,163       | 242,641       | 52,036        | 585,580            | 23,832,510  |
| Rounds Potential (resident golfers)               | 460,475     | 1,587,497    | 4,418,376     | 973,682       | 11,849,550         | 455,965,500 |
| Estimated Course Rounds (in-market supply)        | 250,987     | 872,787      | 2,375,192     | 481,909       | 12,511,170         | 455,965,000 |
| <b>Demand Indices</b>                             |             |              |               |               |                    |             |
| Golfing Household Participation Rate              | 137         | 151          | 157           | 148           | 153                | 100         |
| Seasonal Golfing Households                       | 12          | 22           | 27            | 17            | 177                | 100         |
| Latent Demand/Interested Non-Golfers              | 128         | 130          | 130           | 129           | 109                | 100         |
| Rounds Potential per Household (resident golfers) | 114         | 128          | 133           | 126           | 147                | 100         |

| Keller Golf Course                           | 5-mile ring | 10-mile ring | 20- mile ring | Ramsey County | State of Minnesota | U.S.    |
|--|-------------|--------------|---------------|---------------|--------------------|---------|
| <b>Golf Supply</b>                           |             |              |               |               |                    |         |
| <b>Golf Facilities</b>                       |             |              |               |               |                    |         |
| Total  | 7           | 31           | 76            | 16            | 438                | 14,754  |
| Public                                       | 7           | 23           | 58            | 13            | 392                | 11,006  |
| Public: Daily Fee                            | 2           | 9            | 23            | 3             | 300                | 8,509   |
| Public: Municipal                            | 5           | 14           | 35            | 10            | 92                 | 2,497   |
| Private                                      | 0           | 8            | 18            | 3             | 46                 | 3,748   |
| <b>Public Golf Facilities by Price Point</b> |             |              |               |               |                    |         |
| Premium (>\$70)                              | 0           | 1            | 6             | 0             | 26                 | 1,393   |
| Standard (\$40-\$70)                         | 5           | 12           | 30            | 7             | 170                | 4,087   |
| Value (<\$40)                                | 2           | 10           | 22            | 6             | 196                | 5,526   |
| <b>Golf Holes</b>                            |             |              |               |               |                    |         |
| Total  | 117         | 486          | 1,305         | 243           | 6,894              | 250,146 |
| Public                                       | 117         | 342          | 981           | 189           | 6,093              | 181,458 |
| Public: Daily Fee                            | 27          | 144          | 441           | 45            | 4,671              | 139,761 |
| Public: Municipal                            | 90          | 198          | 540           | 144           | 1,422              | 41,697  |
| Private                                      | 0           | 144          | 324           | 54            | 801                | 68,688  |
| Non-Regulation (Executive & Par-3)           | 27          | 90           | 225           | 45            | 801                | 20,277  |
| <b>Net Change*</b>                           |             |              |               |               |                    |         |
| Net Change in Holes past 5 years             | 0           | -27          | -126          | 0             | -396               | -13,941 |
| Percentage Total Holes Past 5 Yrs            | 0.00%       | -5.30%       | -8.80%        | 0.00%         | -5.40%             | -5.30%  |
| Net Change in Holes past 10 Years            | -18         | -45          | -153          | -18           | -594               | -19,098 |
| Percentage Total Holes Past 10 Yrs           | -13.30%     | -8.50%       | -10.50%       | -6.90%        | -7.90%             | -7.10%  |

\*Numbers may include courses under construction and temporarily closed at the end of the year.

| Keller Golf Course                         | 5-mile ring | 10-mile ring | 20-mile ring | Ramsey County | State of Minnesota | U.S.   |
|--|-------------|--------------|--------------|---------------|--------------------|--------|
| <b>Supply-Demand Ratios</b>                |             |              |              |               |                    |        |
| <i>Households per 18 Holes</i>             |             |              |              |               |                    |        |
| Total                                      | 16,912      | 12,517       | 12,479       | 15,668        | 5,736              | 8,959  |
| Public                                     | 16,912      | 17,787       | 16,600       | 20,145        | 6,490              | 12,351 |
| Public: Daily Fee                          | 73,287      | 42,245       | 36,928       | 84,610        | 8,466              | 16,035 |
| Public: Municipal                          | 21,986      | 30,724       | 30,158       | 26,441        | 27,810             | 53,748 |
| Private                                    | 0           | 42,245       | 50,263       | 70,508        | 49,370             | 32,628 |
| Premium (>\$70)                            | 0           | 337,959      | 150,788      | 0             | 65,581             | 73,716 |
| Standard (\$40-\$70)                       | 21,986      | 28,163       | 25,485       | 30,218        | 11,940             | 28,602 |
| Value (<\$40)                              | 73,287      | 56,327       | 69,594       | 60,435        | 18,157             | 30,826 |
| <i>Golfing Households per 18 Holes</i>     |             |              |              |               |                    |        |
| Total                                      | 3,189       | 2,613        | 2,703        | 3,191         | 1,209              | 1,236  |
| Public                                     | 3,189       | 3,713        | 3,595        | 4,102         | 1,368              | 1,704  |
| Public: Daily Fee                          | 13,819      | 8,818        | 7,998        | 17,230        | 1,785              | 2,212  |
| Public: Municipal                          | 4,146       | 6,413        | 6,532        | 5,384         | 5,863              | 7,415  |
| Private                                    | 0           | 8,818        | 10,886       | 14,358        | 10,409             | 4,501  |
| Premium (>\$70)                            | 0           | 70,543       | 32,658       | 0             | 13,827             | 10,169 |
| Standard (\$40-\$70)                       | 4,146       | 5,879        | 5,520        | 6,154         | 2,517              | 3,946  |
| Value (<\$40)                              | 13,819      | 11,757       | 15,073       | 12,307        | 3,828              | 4,253  |
| <i>Household Indices</i>                   |             |              |              |               |                    |        |
| Total                                      | 189         | 140          | 139          | 175           | 64                 | 100    |
| Public                                     | 137         | 144          | 134          | 163           | 53                 | 100    |
| Private                                    | 0           | 129          | 154          | 216           | 151                | 100    |
| Premium (>\$70)                            | 0           | 458          | 205          | 0             | 89                 | 100    |
| Standard (\$40-\$70)                       | 77          | 98           | 89           | 106           | 42                 | 100    |
| Value (<\$40)                              | 238         | 183          | 226          | 196           | 59                 | 100    |
| <i>Golfing Household Indices</i>           |             |              |              |               |                    |        |
| Total                                      | 258         | 211          | 219          | 258           | 98                 | 100    |
| Public                                     | 187         | 218          | 211          | 241           | 80                 | 100    |
| Private                                    | 0           | 196          | 242          | 319           | 231                | 100    |
| Premium (>\$70)                            | 0           | 694          | 321          | 0             | 136                | 100    |
| Standard (\$40-\$70)                       | 105         | 149          | 140          | 156           | 64                 | 100    |
| Value (<\$40)                              | 325         | 277          | 354          | 289           | 90                 | 100    |
| <i>Rounds per 18 Holes</i>                 |             |              |              |               |                    |        |
| Rounds Potential (resident golfers)        | 70,842      | 58,796       | 60,943       | 72,125        | 30,939             | 32,810 |
| Estimated Course Rounds (in-market supply) | 38,613      | 32,325       | 32,761       | 35,697        | 32,666             | 32,809 |

## Manitou Ridge Golf Course

| Manitou Ridge Golf Course                         | 5-mile ring  | 10-mile ring | 20-mile ring | Ramsey County | State of Minnesota | U.S.         |
|---|--------------|--------------|--------------|---------------|--------------------|--------------|
| <b>Summary Demographics</b>                       |              |              |              |               |                    |              |
| Population 1990 Census                            | 133,204      | 485,727      | 1,637,052    | 485,782       | 4,373,388          | 248,584,652  |
| Population 2000 Census                            | 147,961      | 551,247      | 1,808,755    | 511,056       | 4,919,461          | 281,399,034  |
| <b>CAGR 1990-2000</b>                             | <b>1.06%</b> | <b>1.27%</b> | <b>1.00%</b> | <b>0.51%</b>  | <b>1.18%</b>       | <b>1.25%</b> |
| Population 2010 Census                            | 149,258      | 564,893      | 1,890,535    | 508,640       | 5,303,925          | 308,745,538  |
| <b>CAGR 2000-2010</b>                             | <b>0.09%</b> | <b>0.24%</b> | <b>0.44%</b> | <b>-0.05%</b> | <b>0.76%</b>       | <b>0.93%</b> |
| Population Estimate 2017                          | 160,169      | 602,634      | 2,014,670    | 544,964       | 5,531,375          | 324,310,011  |
| Population 2022 Projected                         | 166,354      | 630,716      | 2,104,030    | 570,345       | 5,696,293          | 337,744,388  |
| <b>CAGR 2017-2022</b>                             | <b>0.76%</b> | <b>0.92%</b> | <b>0.87%</b> | <b>0.91%</b>  | <b>0.59%</b>       | <b>0.82%</b> |
| <b>CAGR 2010-2022</b>                             | <b>0.91%</b> | <b>0.92%</b> | <b>0.90%</b> | <b>0.96%</b>  | <b>0.60%</b>       | <b>0.75%</b> |
| Median HH Income (2017)                           | \$68,815     | \$66,880     | \$69,035     | \$62,019      | \$67,629           | \$59,240     |
| Median Age (2017)                                 | 38.6         | 36.3         | 36.3         | 35.2          | 38.3               | 38.1         |
| <b>Ethnicity</b>                                  |              |              |              |               |                    |              |
| White   | 74.6%        | 68.7%        | 71.4%        | 66.0%         | 83.0%              | 70.4%        |
| African American                                  | 7.1%         | 10.7%        | 12.0%        | 12.0%         | 6.1%               | 13.3%        |
| Asian   | 12.6%        | 13.7%        | 9.0%         | 14.7%         | 5.0%               | 5.7%         |
| All Other   | 5.7%         | 7.0%         | 7.7%         | 7.3%          | 5.9%               | 10.6%        |
| <b>Hispanic Population</b>                        |              |              |              |               |                    |              |
| Hispanic  | 5.8%         | 7.2%         | 7.5%         | 7.4%          | 5.3%               | 17.5%        |
| Not Hispanic                                      | 94.2%        | 92.8%        | 92.5%        | 92.6%         | 94.7%              | 82.5%        |
| <b>CAGR = Compound Annual Growth Rate</b>         |              |              |              |               |                    |              |
| Manitou Ridge Golf Course                         | 5-mile ring  | 10-mile ring | 20-mile ring | Ramsey County | State of Minnesota | U.S.         |
| <b>Golf Demand Indicators</b>                     |              |              |              |               |                    |              |
| Total Households                                  | 62,421       | 231,637      | 803,247      | 211,524       | 2,196,972          | 124,506,607  |
| Number of Golfing Households                      | 15,181       | 51,394       | 171,257      | 43,075        | 463,210            | 17,175,900   |
| Projected Golfing Households (2022)               | 15,922       | 53,972       | 181,823      | 44,918        | 490,001            | 17,934,830   |
| Projected Annual Growth Rate                      | 1.00%        | 1.00%        | 1.20%        | 0.80%         | 1.10%              | 0.90%        |
| Seasonal Golfing Households                       | 81           | 319          | 1,245        | 217           | 22,852             | 732,421      |
| Latent Demand/Interested Non-Golfers              | 25,142       | 95,628       | 327,576      | 88,238        | 750,936            | 40,573,960   |
| Household Participation Rate                      | 24.30%       | 22.20%       | 21.30%       | 20.40%        | 21.10%             | 13.80%       |
| Number of Golfers                                 | 18,353       | 63,932       | 212,658      | 52,036        | 585,580            | 23,832,510   |
| Rounds Potential (resident golfers)               | 346,581      | 1,182,368    | 3,830,828    | 973,682       | 11,849,550         | 455,965,500  |
| Estimated Course Rounds (in-market supply)        | 244,371      | 693,136      | 2,077,432    | 481,909       | 12,511,170         | 455,965,000  |
| <b>Demand Indices</b>                             |              |              |              |               |                    |              |
| Golfing Household Participation Rate              | 176          | 161          | 155          | 148           | 153                | 100          |
| Seasonal Golfing Households                       | 22           | 23           | 26           | 17            | 177                | 100          |
| Latent Demand/Interested Non-Golfers              | 124          | 126          | 130          | 129           | 109                | 100          |
| Rounds Potential per Household (resident golfers) | 152          | 139          | 130          | 126           | 147                | 100          |

| Manitou Ridge Golf Course  | 5-mile ring | 10-mile ring | 20-mile ring | Ramsey County | State of Minnesota | U.S.    |
|--|-------------|--------------|--------------|---------------|--------------------|---------|
| <b>Golf Supply</b>   |             |              |              |               |                    |         |
| <b>Golf Facilities</b>   |             |              |              |               |                    |         |
| Total  | 8           | 24           | 67           | 16            | 438                | 14,754  |
| Public   | 5           | 18           | 51           | 13            | 392                | 11,006  |
| Public: Daily Fee  | 1           | 10           | 22           | 3             | 300                | 8,509   |
| Public: Municipal  | 4           | 8            | 29           | 10            | 92                 | 2,497   |
| Private  | 3           | 6            | 16           | 3             | 46                 | 3,748   |
| <b>Public Golf Facilities by Price Point</b>   |             |              |              |               |                    |         |
| Premium (>\$70)  | 0           | 1            | 6            | 0             | 26                 | 1,393   |
| Standard (\$40-\$70)   | 4           | 11           | 27           | 7             | 170                | 4,087   |
| Value (<\$40)  | 1           | 6            | 18           | 6             | 196                | 5,526   |
| <b>Golf Holes</b>  |             |              |              |               |                    |         |
| Total  | 144         | 405          | 1,152        | 243           | 6,894              | 250,146 |
| Public   | 90          | 297          | 864          | 189           | 6,093              | 181,458 |
| Public: Daily Fee  | 18          | 171          | 396          | 45            | 4,671              | 139,761 |
| Public: Municipal  | 72          | 126          | 468          | 144           | 1,422              | 41,697  |
| Private  | 54          | 108          | 288          | 54            | 801                | 68,688  |
| Non-Regulation (Executive & Par-3)   | 18          | 72           | 180          | 45            | 801                | 20,277  |
| <b>Net Change*</b>   |             |              |              |               |                    |         |
| Net Change in Holes past 5 years   | 0           | -27          | -99          | 0             | -396               | -13,941 |
| Percentage Total Holes Past 5 Yrs  | 0.00%       | -6.30%       | -7.90%       | 0.00%         | -5.40%             | -5.30%  |
| Net Change in Holes past 10 Years  | -18         | -45          | -117         | -18           | -594               | -19,098 |
| Percentage Total Holes Past 10 Yrs   | -11.10%     | -10.00%      | -9.20%       | -6.90%        | -7.90%             | -7.10%  |
| *Numbers may include courses under construction and temporarily closed at the end of the year. |             |              |              |               |                    |         |

| Manitou Ridge Golf Course                  | 5-mile ring | 10-mile ring | 20-mile ring | Ramsey County | State of Minnesota | U.S.   |
|--|-------------|--------------|--------------|---------------|--------------------|--------|
| <b>Supply-Demand Ratios</b>                |             |              |              |               |                    |        |
| <i>Households per 18 Holes</i>             |             |              |              |               |                    |        |
| Total                                      | 7,803       | 10,295       | 12,551       | 15,668        | 5,736              | 8,959  |
| Public                                     | 12,484      | 14,039       | 16,734       | 20,145        | 6,490              | 12,351 |
| Public: Daily Fee                          | 62,421      | 24,383       | 36,511       | 84,610        | 8,466              | 16,035 |
| Public: Municipal                          | 15,605      | 33,091       | 30,894       | 26,441        | 27,810             | 53,748 |
| Private                                    | 20,807      | 38,606       | 50,203       | 70,508        | 49,370             | 32,628 |
| Premium (>\$70)                            | 0           | 231,637      | 133,875      | 0             | 65,581             | 73,716 |
| Standard (\$40-\$70)                       | 15,605      | 20,142       | 25,500       | 30,218        | 11,940             | 28,602 |
| Value (<\$40)                              | 62,421      | 57,909       | 76,500       | 60,435        | 18,157             | 30,826 |
| <i>Golfing Households per 18 Holes</i>     |             |              |              |               |                    |        |
| Total                                      | 1,898       | 2,284        | 2,676        | 3,191         | 1,209              | 1,236  |
| Public                                     | 3,036       | 3,115        | 3,568        | 4,102         | 1,368              | 1,704  |
| Public: Daily Fee                          | 15,181      | 5,410        | 7,784        | 17,230        | 1,785              | 2,212  |
| Public: Municipal                          | 3,795       | 7,342        | 6,587        | 5,384         | 5,863              | 7,415  |
| Private                                    | 5,060       | 8,566        | 10,704       | 14,358        | 10,409             | 4,501  |
| Premium (>\$70)                            | 0           | 51,394       | 28,543       | 0             | 13,827             | 10,169 |
| Standard (\$40-\$70)                       | 3,795       | 4,469        | 5,437        | 6,154         | 2,517              | 3,946  |
| Value (<\$40)                              | 15,181      | 12,849       | 16,310       | 12,307        | 3,828              | 4,253  |
| <i>Household Indices</i>                   |             |              |              |               |                    |        |
| Total                                      | 87          | 115          | 140          | 175           | 64                 | 100    |
| Public                                     | 101         | 114          | 135          | 163           | 53                 | 100    |
| Private                                    | 64          | 118          | 154          | 216           | 151                | 100    |
| Premium (>\$70)                            | 0           | 314          | 182          | 0             | 89                 | 100    |
| Standard (\$40-\$70)                       | 55          | 70           | 89           | 106           | 42                 | 100    |
| Value (<\$40)                              | 202         | 188          | 248          | 196           | 59                 | 100    |
| <i>Golfing Household Indices</i>           |             |              |              |               |                    |        |
| Total                                      | 154         | 185          | 216          | 258           | 98                 | 100    |
| Public                                     | 178         | 183          | 209          | 241           | 80                 | 100    |
| Private                                    | 112         | 190          | 238          | 319           | 231                | 100    |
| Premium (>\$70)                            | 0           | 505          | 281          | 0             | 136                | 100    |
| Standard (\$40-\$70)                       | 96          | 113          | 138          | 156           | 64                 | 100    |
| Value (<\$40)                              | 357         | 302          | 384          | 289           | 90                 | 100    |
| <i>Rounds per 18 Holes</i>                 |             |              |              |               |                    |        |
| Rounds Potential (resident golfers)        | 43,323      | 52,550       | 59,857       | 72,125        | 30,939             | 32,810 |
| Estimated Course Rounds (in-market supply) | 30,546      | 30,806       | 32,460       | 35,697        | 32,666             | 32,809 |

### The Pond at Battle Creek Golf Course

| The Pond @ Battle Creek GC                        | 5-mile ring  | 10-mile ring | 20- mile ring | Ramsey County | State of Minnesota | U.S.         |
|---|--------------|--------------|---------------|---------------|--------------------|--------------|
| <b>Summary Demographics</b>                       |              |              |               |               |                    |              |
| Population 1990 Census                            | 144,810      | 507,937      | 1,614,396     | 485,782       | 4,373,388          | 248,584,652  |
| Population 2000 Census                            | 184,449      | 587,205      | 1,790,835     | 511,056       | 4,919,461          | 281,399,034  |
| <b>CAGR 1990-2000</b>                             | <b>2.45%</b> | <b>1.46%</b> | <b>1.04%</b>  | <b>0.51%</b>  | <b>1.18%</b>       | <b>1.25%</b> |
| Population 2010 Census                            | 198,592      | 612,620      | 1,864,360     | 508,640       | 5,303,925          | 308,745,538  |
| <b>CAGR 2000-2010</b>                             | <b>0.74%</b> | <b>0.42%</b> | <b>0.40%</b>  | <b>-0.05%</b> | <b>0.76%</b>       | <b>0.93%</b> |
| Population Estimate 2017                          | 209,407      | 652,778      | 1,984,440     | 544,964       | 5,531,375          | 324,310,011  |
| Population 2022 Projected                         | 219,661      | 682,199      | 2,069,779     | 570,345       | 5,696,293          | 337,744,388  |
| <b>CAGR 2017-2022</b>                             | <b>0.96%</b> | <b>0.89%</b> | <b>0.85%</b>  | <b>0.91%</b>  | <b>0.59%</b>       | <b>0.82%</b> |
| <b>CAGR 2010-2022</b>                             | <b>0.84%</b> | <b>0.90%</b> | <b>0.87%</b>  | <b>0.96%</b>  | <b>0.60%</b>       | <b>0.75%</b> |
| Median HH Income (2017)                           | \$66,908     | \$67,496     | \$69,979      | \$62,019      | \$67,629           | \$59,240     |
| Median Age (2017)                                 | 34.8         | 35.8         | 36.5          | 35.2          | 38.3               | 38.1         |
| <b>Ethnicity</b>                                  |              |              |               |               |                    |              |
| White   | 64.9%        | 68.9%        | 72.5%         | 66.0%         | 83.0%              | 70.4%        |
| African American                                  | 11.2%        | 11.0%        | 11.3%         | 12.0%         | 6.1%               | 13.3%        |
| Asian   | 14.5%        | 12.6%        | 8.6%          | 14.7%         | 5.0%               | 5.7%         |
| All Other   | 9.5%         | 7.5%         | 7.7%          | 7.3%          | 5.9%               | 10.6%        |
| <b>Hispanic Population</b>                        |              |              |               |               |                    |              |
| Hispanic  | 11.3%        | 8.3%         | 7.5%          | 7.4%          | 5.3%               | 17.5%        |
| Not Hispanic                                      | 88.7%        | 91.7%        | 92.5%         | 92.6%         | 94.7%              | 82.5%        |
| <b>CAGR = Compound Annual Growth Rate</b>         |              |              |               |               |                    |              |
| The Pond @ Battle Creek GC                        | 5-mile ring  | 10-mile ring | 20- mile ring | Ramsey County | State of Minnesota | U.S.         |
| <b>Golf Demand Indicators</b>                     |              |              |               |               |                    |              |
| Total Households                                  | 74,995       | 251,527      | 800,407       | 211,524       | 2,196,972          | 124,506,607  |
| Number of Golfing Households                      | 15,558       | 52,987       | 171,091       | 43,075        | 463,210            | 17,175,900   |
| Projected Golfing Households (2022)               | 16,598       | 55,881       | 181,665       | 44,918        | 490,001            | 17,934,830   |
| Projected Annual Growth Rate                      | 1.30%        | 1.10%        | 1.20%         | 0.80%         | 1.10%              | 0.90%        |
| Seasonal Golfing Households                       | 61           | 299          | 1,229         | 217           | 22,852             | 732,421      |
| Latent Demand/Interested Non-Golfers              | 30,534       | 103,261      | 325,288       | 88,238        | 750,936            | 40,573,960   |
| Household Participation Rate                      | 20.70%       | 21.10%       | 21.40%        | 20.40%        | 21.10%             | 13.80%       |
| Number of Golfers                                 | 19,972       | 66,526       | 210,978       | 52,036        | 585,580            | 23,832,510   |
| Rounds Potential (resident golfers)               | 342,624      | 1,191,742    | 3,838,216     | 973,682       | 11,849,550         | 455,965,500  |
| Estimated Course Rounds (in-market supply)        | 172,902      | 749,226      | 2,272,126     | 481,909       | 12,511,170         | 455,965,000  |
| <b>Demand Indices</b>                             |              |              |               |               |                    |              |
| Golfing Household Participation Rate              | 150          | 153          | 155           | 148           | 153                | 100          |
| Seasonal Golfing Households                       | 14           | 20           | 26            | 17            | 177                | 100          |
| Latent Demand/Interested Non-Golfers              | 121          | 126          | 130           | 129           | 109                | 100          |
| Rounds Potential per Household (resident golfers) | 125          | 129          | 131           | 126           | 147                | 100          |

| The Pond @ Battle Creek GC   | 5-mile ring | 10-mile ring | 20-mile ring | Ramsey County | State of Minnesota | U.S.    |
|--|-------------|--------------|--------------|---------------|--------------------|---------|
| <b>Golf Supply</b>   |             |              |              |               |                    |         |
| <b>Golf Facilities</b>   |             |              |              |               |                    |         |
| Total  | 6           | 24           | 74           | 16            | 438                | 14,754  |
| Public   | 6           | 20           | 60           | 13            | 392                | 11,006  |
| Public: Daily Fee  | 3           | 7            | 31           | 3             | 300                | 8,509   |
| Public: Municipal  | 3           | 13           | 29           | 10            | 92                 | 2,497   |
| Private  | 0           | 4            | 14           | 3             | 46                 | 3,748   |
| <b>Public Golf Facilities by Price Point</b>   |             |              |              |               |                    |         |
| Premium (>\$70)  | 2           | 3            | 5            | 0             | 26                 | 1,393   |
| Standard (\$40-\$70)   | 1           | 9            | 34           | 7             | 170                | 4,087   |
| Value (<\$40)  | 3           | 8            | 21           | 6             | 196                | 5,526   |
| <b>Golf Holes</b>  |             |              |              |               |                    |         |
| Total  | 81          | 387          | 1,260        | 243           | 6,894              | 250,146 |
| Public   | 81          | 315          | 1,008        | 189           | 6,093              | 181,458 |
| Public: Daily Fee  | 45          | 108          | 558          | 45            | 4,671              | 139,761 |
| Public: Municipal  | 36          | 207          | 450          | 144           | 1,422              | 41,697  |
| Private  | 0           | 72           | 252          | 54            | 801                | 68,688  |
| Non-Regulation (Executive & Par-3)   | 18          | 81           | 198          | 45            | 801                | 20,277  |
| <b>Net Change*</b>   |             |              |              |               |                    |         |
| Net Change in Holes past 5 years   | -18         | -45          | -135         | 0             | -396               | -13,941 |
| Percentage Total Holes Past 5 Yrs  | -18.20%     | -10.40%      | -9.70%       | 0.00%         | -5.40%             | -5.30%  |
| Net Change in Holes past 10 Years  | -18         | -63          | -162         | -18           | -594               | -19,098 |
| Percentage Total Holes Past 10 Yrs   | -18.20%     | -14.00%      | -11.40%      | -6.90%        | -7.90%             | -7.10%  |
| *Numbers may include courses under construction and temporarily closed at the end of the year. |             |              |              |               |                    |         |

| The Pond @ Battle Creek GC                 | 5-mile ring | 10-mile ring | 20-mile ring | Ramsey County | State of Minnesota | U.S.   |
|--|-------------|--------------|--------------|---------------|--------------------|--------|
| <b>Supply-Demand Ratios</b>                |             |              |              |               |                    |        |
| <i>Households per 18 Holes</i>             |             |              |              |               |                    |        |
| Total                                      | 16,666      | 11,699       | 11,434       | 15,668        | 5,736              | 8,959  |
| Public                                     | 16,666      | 14,373       | 14,293       | 20,145        | 6,490              | 12,351 |
| Public: Daily Fee                          | 29,998      | 41,921       | 25,820       | 84,610        | 8,466              | 16,035 |
| Public: Municipal                          | 37,498      | 21,872       | 32,016       | 26,441        | 27,810             | 53,748 |
| Private                                    | 0           | 62,882       | 57,172       | 70,508        | 49,370             | 32,628 |
| Premium (>\$70)                            | 37,498      | 83,842       | 160,081      | 0             | 65,581             | 73,716 |
| Standard (\$40-\$70)                       | 74,995      | 26,477       | 21,344       | 30,218        | 11,940             | 28,602 |
| Value (<\$40)                              | 49,997      | 50,305       | 59,289       | 60,435        | 18,157             | 30,826 |
| <i>Golfing Households per 18 Holes</i>     |             |              |              |               |                    |        |
| Total                                      | 3,457       | 2,465        | 2,444        | 3,191         | 1,209              | 1,236  |
| Public                                     | 3,457       | 3,028        | 3,055        | 4,102         | 1,368              | 1,704  |
| Public: Daily Fee                          | 6,223       | 8,831        | 5,519        | 17,230        | 1,785              | 2,212  |
| Public: Municipal                          | 7,779       | 4,608        | 6,844        | 5,384         | 5,863              | 7,415  |
| Private                                    | 0           | 13,247       | 12,221       | 14,358        | 10,409             | 4,501  |
| Premium (>\$70)                            | 7,779       | 17,662       | 34,218       | 0             | 13,827             | 10,169 |
| Standard (\$40-\$70)                       | 15,558      | 5,578        | 4,562        | 6,154         | 2,517              | 3,946  |
| Value (<\$40)                              | 10,372      | 10,597       | 12,673       | 12,307        | 3,828              | 4,253  |
| <i>Household Indices</i>                   |             |              |              |               |                    |        |
| Total                                      | 186         | 131          | 128          | 175           | 64                 | 100    |
| Public                                     | 135         | 116          | 116          | 163           | 53                 | 100    |
| Private                                    | 0           | 193          | 175          | 216           | 151                | 100    |
| Premium (>\$70)                            | 51          | 114          | 217          | 0             | 89                 | 100    |
| Standard (\$40-\$70)                       | 262         | 93           | 75           | 106           | 42                 | 100    |
| Value (<\$40)                              | 162         | 163          | 192          | 196           | 59                 | 100    |
| <i>Golfing Household Indices</i>           |             |              |              |               |                    |        |
| Total                                      | 280         | 199          | 198          | 258           | 98                 | 100    |
| Public                                     | 203         | 178          | 179          | 241           | 80                 | 100    |
| Private                                    | 0           | 294          | 272          | 319           | 231                | 100    |
| Premium (>\$70)                            | 76          | 174          | 336          | 0             | 136                | 100    |
| Standard (\$40-\$70)                       | 394         | 141          | 116          | 156           | 64                 | 100    |
| Value (<\$40)                              | 244         | 249          | 298          | 289           | 90                 | 100    |
| <i>Rounds per 18 Holes</i>                 |             |              |              |               |                    |        |
| Rounds Potential (resident golfers)        | 76,139      | 55,430       | 54,832       | 72,125        | 30,939             | 32,810 |
| Estimated Course Rounds (in-market supply) | 38,423      | 34,848       | 32,459       | 35,697        | 32,666             | 32,809 |

## Appendix D: Competition

### Metro 18-Hole Regulation

| Company                                  | City            | State | County     | Type | Cat | Holes | Par | Year Open | Age |
|--|-----------------|-------|------------|------|-----|-------|-----|-----------|-----|
| 18 hole Regulation                       |                 |       |            |      |     |       |     |           |     |
| Goodrich Golf Course                     | St. Paul        | MN    | Ramsey     | MU   | R   | 18    | 70  | 1956      | 62  |
| Manitou Ridge Golf Course                | White Bear Lake | MN    | Ramsey     | MU   | R   | 18    | 71  | 1928      | 90  |
| Keller Golf Course                       | Maplewood       | MN    | Ramsey     | MU   | R   | 18    | 72  | 1929      | 89  |
| Afton Alps GC                            | Hastings        | MN    | Washington | RS   | R   | 18    | 71  | 1989      | 29  |
| Apple Valley Golf Course                 | Apple Valley    | MN    | Dakota     | MU   | R   | 18    | 71  | 1974      | 44  |
| Badlands Golf Course                     | Roberts         | WI    | St. Croix  | DF   | R   | 18    | 72  | 1994      | 24  |
| Baker National Golf Course -Championship | Medina          | MN    | Hennepin   | MU   | R   | 18    | 72  | 1991      | 27  |
| Bellwood Oaks GC                         | Hastings        | MN    | Dakota     | DF   | R   | 18    | 73  | 1972      | 46  |
| Bristol Ridge Golf Course                | Somerset        | WI    | St. Croix  | DF   | R   | 18    | 72  | 1994      | 24  |
| Brookview Golf Course                    | Golden Valley   | MN    | Hennepin   | MU   | R   | 18    | 72  | 1937      | 81  |
| Bunker Hills GC Reg                      | Coon Rapids     | MN    | Anoka      | MU   | R   | 18    | 72  | 1968      | 50  |
| Cannon Golf Club                         | Cannon Falls    | MN    | Dakota     | DF   | R   | 18    | 72  | 1990      | 28  |
| Chisago Lakes Golf Course                | Lindstrom       | MN    | Chisago    | DF   | R   | 18    | 72  | 1971      | 47  |
| Chomonix Golf Course                     | Lino Lakes      | MN    | Ramsey     | MU   | R   | 18    | 72  | 1971      | 47  |
| Clifton Highlands GC - Reg               | Prescott        | WI    | Pierce     | DF   | R   | 18    | 72  | 1978      | 40  |
| Clifton Hollow GC                        | River Falls     | WI    | Pierce     | DF   | R   | 18    | 71  | 1972      | 46  |
| Columbia Golf Club                       | Minneapolis     | MN    | Hennepin   | MU   | R   | 18    | 71  | 1919      | 99  |
| Como Golf Course <sup>1</sup>            | St. Paul        | MN    | Ramsey     | MU   | R   | 18    | 70  | 1931      | 87  |
| Crystal Lakes Golf Club                  | Lakeville       | MN    | Dakota     | DF   | R   | 18    | 71  | 1995      | 23  |
| Dakota Pines Golf Course                 | Hastings        | MN    | Dakota     | DF   | R   | 18    | 72  | 1961      | 57  |
| Dwan Golf Club                           | Bloomington     | MN    | Hennepin   | MU   | Ex  | 18    | 68  | 1970      | 48  |
| Eagle Valley Golf Course                 | Woodbury        | MN    | Washington | MU   | R   | 18    | 72  | 1998      | 20  |
| Edinburgh USA Golf Course                | Brooklyn Park   | MN    | Hennepin   | MU   | R   | 18    | 72  | 1987      | 31  |
| Emerald Greens GC -Silver                | Hastings        | MN    | Dakota     | DF   | R   | 18    | 73  | 2000      | 18  |
| Emerald Greens GC -Gold                  | Hastings        | MN    | Dakota     | DF   | R   | 18    | 72  | 2000      | 18  |

| Company                                    | City                | State | County     | Type | Cat | Holes | Par | Year Open | Age |
|--|---------------------|-------|------------|------|-----|-------|-----|-----------|-----|
| Greenhaven Country Club                    | Anoka               | MN    | Anoka      | MU   | R   | 18    | 71  | 1935      | 83  |
| Gross National Golf Club                   | Minneapolis         | MN    | Hennepin   | MU   | R   | 18    | 71  | 1925      | 93  |
| Hiawatha Golf Course                       | Minneapolis         | MN    | Hennepin   | MU   | R   | 18    | 73  | 1934      | 84  |
| Hidden Greens Golf Course                  | Hastings            | MN    | Dakota     | DF   | R   | 18    | 72  | 1985      | 33  |
| Highland National Golf Course <sup>1</sup> | St. Paul            | MN    | Ramsey     | MU   | R   | 18    | 72  | 1928      | 90  |
| HollyDale Golf Course                      | Plymouth            | MN    | Hennepin   | DF   | R   | 18    | 71  | 1965      | 53  |
| Inver Wood Golf Course - reg               | Inver Grove Heights | MN    | Dakota     | MU   | R   | 18    | 72  | 1992      | 26  |
| Kilkarney Hills GC                         | Radio Falls         | WI    | St. Croix  | DF   | R   | 18    | 71  | 1994      | 24  |
| Links at Northfork                         | Ramsey              | MN    | Anoka      | DF   | R   | 18    | 72  | 1992      | 26  |
| Logger's Trail Golf Club                   | Stillwater          | MN    | Washington | DF   | R   | 18    | 72  | 2003      | 15  |
| Majestic Oaks GC - Crossroad               | Ham Lake            | MN    | Anoka      | DF   | R   | 18    | 72  | 1991      | 27  |
| Majestic Oaks GC - Signature               | Ham Lake            | MN    | Anoka      | DF   | R   | 18    | 72  | 1960      | 58  |
| Meadowbrook Golf Course                    | Hopkins             | MN    | Hennepin   | MU   | R   | 18    | 72  | 1926      | 92  |
| New Richmond Golf Club                     | New Richmond        | WI    | St. Croix  | DF   | R   | 27    | 71  | 1923      | 95  |
| Northwoods Hills GC - Hardwoods            | Garrison            | MN    | Mille Lacs | DF   | R   | 18    | 71  | 1969      | 49  |
| Oak Glen Golf Club - Champion              | Stillwater          | MN    | Washington | DF   | R   | 18    | 72  | 1982      | 36  |
| Oak Marsh Golf Club                        | Oakdale             | MN    | Washington | DF   | R   | 18    | 70  | 1996      | 22  |
| Oneka Ridge Golf Course                    | White Bear Lake     | MN    | Ramsey     | DF   | R   | 18    | 72  | 1995      | 23  |
| Phalen Park Golf Course <sup>1</sup>       | St. Paul            | MN    | Ramsey     | MU   | R   | 18    | 70  | 1917      | 101 |
| Prestwick Golf Club @ Wedgewood            | Woodbury            | MN    | Washington | DF   | R   | 18    | 72  | 1984      | 34  |
| River Falls Golf Club                      | River Falls         | WI    | Pierce     | DF   | R   | 18    | 72  | 1929      | 89  |
| River Oaks Municipal GC                    | Cottage Grove       | MN    | Washington | MU   | R   | 18    | 71  | 1991      | 27  |
| Royal Club (formerly Tartan Park GC)       | Lake Elmo           | MN    | Washington | DF   | R   | 27    | 72  | 1965      | 53  |
| Southern Hills Golf Club                   | Farmington          | MN    | Dakota     | DF   | R   | 18    | 71  | 1990      | 28  |
| St. Croix National Golf Course             | Somerset            | WI    | St. Croix  | DF   | R   | 18    | 72  | 1996      | 22  |
| Stillwater Oaks Golf Course                | Stillwater          | MN    | Washington | DF   | R   | 18    | 70  | 2014      | 4   |
| StoneRidge Golf Club                       | Stillwater          | MN    | Washington | DF   | R   | 18    | 72  | 2000      | 18  |
| Sundance Golf & Bowl                       | Maple Grove         | MN    | Hennepin   | DF   | R   | 18    | 72  | 1970      | 48  |
| Tanners Brook Golf Club                    | Forest Lake         | MN    | Washington | DF   | R   | 18    | 71  | 2000      | 18  |

| Company                    | City          | State | County     | Type | Cat | Holes | Par | Year Open | Age |
|----------------------------|---------------|-------|------------|------|-----|-------|-----|-----------|-----|
| The Refuge Golf Club       | Oak Grove     | MN    | Anoka      | DF   | R   | 18    | 72  | 2001      | 17  |
| Theodore Wirth Golf Course | Golden Valley | MN    | Hennepin   | MU   | R   | 18    | 68  | 1916      | 102 |
| Troy Burne Golf Club       | Hudson        | WI    | St. Croix  | DF   | R   | 18    | 71  | 1999      | 19  |
| U of M Les Bolsad GC       | St. Paul      | MN    | Ramsey     | MU   | R   | 18    | 71  | 1927      | 91  |
| Valleywood Golf Course     | Apple Valley  | MN    | Dakota     | MU   | R   | 18    | 71  | 1975      | 43  |
| Victory Links Golf Course  | Blaine        | MN    | Anoka      | DF   | R   | 18    | 71  | 2004      | 14  |
| White Eagle Golf Club      | Hudson        | WI    | St. Croix  | DF   | R   | 18    | 72  | 2000      | 18  |
| Albion Ridges Golf Course  | Annandale     | MN    | Wright     | DF   | R   | 27    | 72  | 1991      | 27  |
| Bluff Creek Golf Club      | Chaska        | MN    | Carver     | DF   | R   | 18    | 72  | 1971      | 47  |
| Boulder Pointe Golf Course | Elko          | MN    | Scott      | DF   | R   | 18    | 71  | 2002      | 16  |
| Braemar Golf Course        | Edina         | MN    | Hennepin   | MU   | R   | 18    | 72  | 1964      | 54  |
| Bulrush Golf Club          | Rush City     | MN    | Chisago    | DF   | R   | 18    | 72  | 2002      | 16  |
| Cedar Creek Golf Course    | Albertville   | MN    | Wright     | DF   | R   | 18    | 71  | 1999      | 19  |
| Chaska Town Golf Course    | Chaska        | MN    | Carver     | MU   | R   | 18    | 72  | 1997      | 21  |
| Creeksbend Golf Course     | New Prague    | MN    | Le Seuer   | DF   | R   | 18    | 72  | 1995      | 23  |
| Dahlgreen Golf Club        | Chaska        | MN    | Carver     | DF   | R   | 18    | 72  | 1969      | 49  |
| Daytona Golf Club          | Dayton        | MN    | Hennepin   | SP   | R   | 18    | 72  | 1964      | 54  |
| Deer Run Golf Club         | Victoria      | MN    | Carver     | DF   | R   | 18    | 71  | 1989      | 29  |
| Eagle Trace Golfers Club   | Clearwater    | MN    | Wright     | DF   | R   | 18    | 70  | 1994      | 24  |
| Elk River Golf Club        | Elk River     | MN    | Sherburne  | DF   | R   | 18    | 72  | 1962      | 56  |
| Falcon Ridge Golf Course   | Stacy         | MN    | Chisago    | DF   | R   | 18    | 72  | 1993      | 25  |
| Fiddlestik Golf Course     | Isle          | MN    | Mille Lacs | DF   | R   | 18    | 71  | 1987      | 31  |
| Fountain Valley GC         | Farmington    | MN    | Dakota     | DF   | R   | 18    | 72  | 1978      | 40  |
| Fox Hollow Golf Club       | Saint Michael | MN    | Wright     | DF   | R   | 18    | 72  | 1989      | 29  |
| Gopher Hills Golf Course   | Cannon Falls  | MN    | Dakota     | DF   | R   | 18    | 72  | 1995      | 23  |
| Heritage Links Golf Club   | Lakeville     | MN    | Scott      | DF   | R   | 18    | 71  | 1997      | 21  |
| Hidden Haven Golf Course   | Cedar         | MN    | Anoka      | DF   | R   | 18    | 71  | 1988      | 30  |
| Island View Golf Club      | Waconia       | MN    | Carver     | DF   | R   | 18    | 72  | 1960      | 58  |
| Izatys Resort              | Onamia        | MN    | Mille Lacs | RS   | R   | 27    | 72  | 1999      | 19  |
| Le Sueur CC                | Le Sueur      | MN    | Le Seuer   | SP   | R   | 18    | 72  | 1972      | 46  |
| Legends Club               | Prior Lake    | MN    | Scott      | DF   | R   | 18    | 72  | 2001      | 17  |

| Company                        | City          | State     | County     | Type      | Cat | Holes       | Par         | Year Open      | Age         |
|--------------------------------|---------------|-----------|------------|-----------|-----|-------------|-------------|----------------|-------------|
| Montgomery National Golf Club  | Montgomery    | MN        | Le Seuer   | DF        | R   | 18          | 72          | 1970           | 48          |
| Monticello Country Club        | Monticello    | MN        | Wright     | DF        | R   | 18          | 71          | 1968           | 50          |
| New Prague Golf Club           | New Prague    | MN        | Le Seuer   | MU        | R   | 18          | 72          | 1929           | 89          |
| Pebble Creek Golf Club         | Becker        | MN        | Sherburne  | MU        | R   | 27          | 72          | 1988           | 30          |
| Pheasant Acres Golf Club       | Rogers        | MN        | Hennepin   | SP        | R   | 18          | 71          | 1981           | 37          |
| Pheasant Hills Golf Course     | Hammond       | WI        | St. Croix  | DF        | R   | 18          | 72          | 2004           | 14          |
| Pioneer Creek Golf Course      | Maple Plain   | MN        | Wright     | DF        | R   | 18          | 72          | 2000           | 18          |
| Princeton Golf Club            | Princeton     | MN        | Sherburne  | DF        | R   | 18          | 71          | 1955           | 63          |
| Purple Heart CC                | Cambridge     | MN        | Isanti     | DF        | R   | 18          | 72          | 1969           | 49          |
| Ridges at Sand Creek           | Jordan        | MN        | Scott      | DF        | R   | 18          | 72          | 2000           | 18          |
| Riverwood National Golf Course | Otsego        | MN        | Wright     | DF        | R   | 18          | 72          | 2006           | 12          |
| Rum River Hills Golf Club      | Anoka         | MN        | Anoka      | DF        | R   | 18          | 71          | 1986           | 32          |
| Rush Creek Golf Club - reg     | Maple Grove   | MN        | Hennepin   | DF        | R   | 18          | 72          | 1996           | 22          |
| Sanbrook Golf Course           | Isanti        | MN        | Isanti     | DF        | R   | 18          | 72          | 1995           | 23          |
| Shamrock Golf Course           | Hamel         | MN        | Hennepin   | DF        | R   | 18          | 72          | 1974           | 44          |
| Shoreland CC                   | St. Peter     | MN        | Le Seuer   | SP        | R   | 18          | 69          | 1929           | 89          |
| Southbrook Golf Club           | Annandale     | MN        | Wright     | DF        | R   | 18          | 72          | 1997           | 21          |
| Spring Valley GC               | Spring Valley | WI        | Pierce     | DF        | R   | 18          | 71          | 1970           | 48          |
| Stonebrooke Golf Course        | Shakopee      | MN        | Scott      | DF        | R   | 18          | 71          | 1989           | 29          |
| Stones Throw GC                | Milaca        | MN        | Mille Lacs | DF        | R   | 18          | 70          | 1956           | 62          |
| The Meadows at Mystic Lake     | Prior Lake    | MN        | Scott      | RS        | R   | 18          | 72          | 2005           | 13          |
| The Ponds Golf Club            | Saint Francis | MN        | Anoka      | DF        | R   | 27          | 72          | 2000           | 18          |
| The Wilds Golf Course          | Prior Lake    | MN        | Scott      | DF        | R   | 18          | 72          | 1995           | 23          |
| Timber Creek Golf Course       | Watertown     | MN        | Wright     | DF        | R   | 18          | 72          | 1988           | 30          |
| Viking Meadows Golf Course     | Cedar         | MN        | Anoka      | DF        | R   | 18          | 72          | 1989           | 29          |
| Whispering Pines               | Annandale     | MN        | Wright     | DF        | R   | 18          | 71          | 1986           | 32          |
| Wild Marsh Golf Course         | Buffalo       | MN        | Wright     | MU        | R   | 18          | 71          | 1995           | 23          |
| <b>Averages</b>                | <b>112</b>    | <b>12</b> |            | <b>29</b> |     | <b>18.5</b> | <b>71.5</b> | <b>1,977.0</b> | <b>41.0</b> |

**Metro 9-Hole Regulation**

| Company                          | City          | State | County     | Type     | Cat | Holes      | Par         | Year Open    | Age         |
|----------------------------------|---------------|-------|------------|----------|-----|------------|-------------|--------------|-------------|
| The Ponds at Battle Creek        | Maplewood     | MN    | Ramsey     | MU       | R   | 9          | 35          | 2004         | 14          |
| Castlewood Golf Course           | Forest Lake   | MN    | Washington | MU       | R   | 9          | 36          | 1927         | 91          |
| Fort Snelling Golf Course        | Saint Paul    | MN    | Hennepin   | MU       | R   | 9          | 35          | 1935         | 83          |
| Highland Park 9-Hole Golf Course | Saint Paul    | MN    | Hennepin   | MU       | R   | 9          | 35          | 1971         | 47          |
| Rich Valley Golf Club Blue       | Rosemount     | MN    | Dakota     | DF       | R   | 9          | 35          | 1988         | 30          |
| Buffalo Heights Golf Course      | Buffalo       | MN    | Wright     | SP       | R   | 9          | 36          | 1933         | 85          |
| Cokato Town & CC                 | Cokato        | MN    | Wright     | DF       | R   | 9          | 36          | 1945         | 73          |
| Ellsworth CC                     | Ellsworth     | WI    | Pierce     | SP       | R   | 9          | 36          | 1963         | 55          |
| Glen Hills Golf Club             | Glenwood City | WI    | St. Croix  | DF       | R   | 9          | 36          | 1970         | 48          |
| Grandy Nine Golf Course          | Stanchfield   | MN    | Isanti     | DF       | R   | 9          | 35          | 1960         | 58          |
| Hammond Golf Club                | Hammond       | WI    | St. Croix  | DF       | R   | 9          | 36          | 1970         | 48          |
| Higbees Golf Course              | Onamia        | MN    | Mille Lacs | SP       | R   | 9          | 36          | 2003         | 15          |
| North Branch Golf Club           | North Branch  | MN    | Chisago    | MU       | R   | 9          | 35          | 1927         | 91          |
| River's Edge Golf Course         | Watertown     | MN    | Wright     | DF       | R   | 9          | 36          | 1968         | 50          |
| Winthrop Golf Club               | Winthrop      | MN    | Sibley     | SP       | R   | 9          | 36          | 1930         | 88          |
| <b>Averages</b>                  | <b>15</b>     |       |            | <b>5</b> |     | <b>9.0</b> | <b>35.6</b> | <b>1,960</b> | <b>58.4</b> |

### Metro Executive Courses

| Company                         | City       | State | County     | Type     | Cat | Holes       | Par         | Year Open      | Age         |
|---------------------------------|------------|-------|------------|----------|-----|-------------|-------------|----------------|-------------|
| <b>18-hole</b>                  |            |       |            |          |     |             |             |                |             |
| Applewood Hills Golf Course     | Stillwater | MN    | Washington | DF       | Ex  | 18          | 62          | 1994           | 24          |
| Rich Valley Golf Club Red White | Rosemount  | MN    | Dakota     | DF       | Ex  | 18          | 67          | 1988           | 30          |
| Vintage Golf Course             | Otsego     | MN    | Wright     | DF       | Ex  | 18          | 58          | 2000           | 18          |
| <b>Averages</b>                 | <b>3</b>   |       |            | <b>0</b> |     | <b>18.0</b> | <b>62.3</b> | <b>1,994.0</b> | <b>24.0</b> |

| <b>9-Hole</b>                          |                     |    |            |    |    |   |    |      |    |
|--|---------------------|----|------------|----|----|---|----|------|----|
| Island Lake Golf Center                | Shoreview           | MN | Ramsey     | MU | Ex | 9 | 28 | 1995 | 23 |
| Arbor Pointe Golf Club                 | Inver Grove Heights | MN | Dakota     | DF | Ex | 9 | 31 | 1998 | 20 |
| Baker National Golf Course - Evergreen | Medina              | MN | Hennepin   | MU | Ex | 9 | 30 | 1986 | 32 |
| Brightwood Hills GC                    | New Brighton        | MN | Ramsey     | MU | Ex | 9 | 30 | 1969 | 49 |
| Brookland Golf Park                    | Brooklyn Park       | MN | Hennepin   | MU | EX | 9 | 30 | 1969 | 49 |
| Bunker Hills GC exec                   | Coon Rapids         | MN | Anoka      | MU | R  | 9 | 32 | 1968 | 50 |
| Cedarholm Golf Club                    | Roseville           | MN | Ramsey     | MU | Ex | 9 | 30 | 1958 | 60 |
| Eagle Lake Golf Center                 | Plymouth            | MN | Hennepin   | MU | Ex | 9 | 31 | 2001 | 17 |
| Gem Lake Hills Exec                    | White Bear Lake     | MN | Ramsey     | DF | Ex | 9 | 30 | 1955 | 63 |
| Glen Lake Golf & Practice Center       | Mnetonka            | MN | Hennepin   | MU | Ex | 9 | 31 | 1997 | 21 |
| Inver Wood Golf Course Executive       | Inver Grove Heights | MN | Dakota     | MU | R  | 9 | 30 | 1992 | 26 |
| Lost Spur GC                           | Eagan               | MN | Dakota     | DF | Ex | 0 | 34 | 1968 | 50 |
| Majestic Oaks GC - Executive           | Ham Lake            | MN | Anoka      | DF | Ex | 9 | 29 | 1975 | 43 |
| Oak Glen Golf Club Exec                | Stillwater          | MN | Washington | DF | Ex | 9 | 29 | 1984 | 34 |
| Chaska Par 30                          | Chaska              | MN | Carver     | MU | Ex | 9 | 30 | 1971 | 47 |
| Gopher Hills Golf Course Lynk (exec)   | Cannon Falls        | MN | Dakota     | DF | Ex | 9 | 30 | 1999 | 19 |
| Halla Green Executive GC               | Chanhassen          | MN | Carver     | DF | Ex | 9 | 29 | 2006 | 12 |
| Orono Golf Course                      | Wayzata             | MN | Hennepin   | MU | EX | 9 | 33 | 1924 | 94 |
| Pinewood Golf Couse                    | Elk River           | MN | Sherburne  | MU | Ex | 9 | 30 | 1982 | 36 |

| Company                            | City       | State | County    | Type      | Cat | Holes      | Par         | Year Open    | Age         |
|------------------------------------|------------|-------|-----------|-----------|-----|------------|-------------|--------------|-------------|
| Sanbrook Golf Course Executive     | Isanti     | MN    | Isanti    | DF        | EX  | 9          | 29          | 1995         | 23          |
| Stonebrooke Golf Course Exec       | Shakopee   | MN    | Scott     | DF        | Ex  | 9          | 30          | 1989         | 29          |
| Travelers Country Club             | Clear Lake | MN    | Sherburne | RS        | EX  | 9          | 29          | 1978         | 40          |
| Fairway Shores Executive GC        | Zimmerman  | MN    | Sherburne | DF        | Ex  | 9          | 31          | 1996         | 22          |
| Falcon Ridge Golf Course Executive | Stacy      | MN    | Chisago   | DF        | EX  | 9          | 29          | 1993         | 25          |
| <b>Averages</b>                    | <b>24</b>  |       |           | <b>12</b> |     | <b>8.6</b> | <b>30.2</b> | <b>1,981</b> | <b>36.8</b> |

**Metro Par 3**

| Company                              | City            | State | County     | Type     | Cat | Holes      | Par         | Year Open    | Age         |
|--------------------------------------|-----------------|-------|------------|----------|-----|------------|-------------|--------------|-------------|
| Birnamwood Golf Course               | Burnsville      | MN    | Dakota     | MU       | P3  | 9          | 27          | 1969         | 49          |
| Braemar Academy 9 Par 3              | Edina           | MN    | Hennepin   | MU       | P3  | 9          | 27          | 2015         | 3           |
| Brookview Golf Course Par 3          | Golden Valley   | MN    | Hennepin   | MU       | P3  | 9          | 27          | 1977         | 41          |
| Centerbrook Golf Course              | Brooklyn Park   | MN    | Hennepin   | DF       | P3  | 9          | 27          | 1988         | 30          |
| Cimarron Park Golf Course            | Lake Elmo       | MN    | Washington | DF       | P3  | 9          | 27          | 1971         | 47          |
| Eagle Lake Golf Center               | Plymouth        | MN    | Hennepin   | MU       | Ex  | 9          | 27          | 2001         | 17          |
| Gem Lake Hills Par 3                 | White Bear Lake | MN    | Ramsey     | DF       | P3  | 9          | 27          | 1955         | 63          |
| Hyland Greens Golf & Learning Center | Bloomington     | MN    | Hennepin   | MU       | P3  | 9          | 27          | 1963         | 55          |
| Mendola Heights Par 3                | Mendota Heights | MN    | Dakota     | MU       | P3  | 9          | 27          | 1929         | 89          |
| New Hope Village Golf Course         | New Hope        | MN    | Hennepin   | MU       | P3  | 9          | 27          | 1963         | 55          |
| Rush Creek Golf Club - Mac Nine      | Maple Grove     | MN    | Hennepin   | DF       | P3  | 9          | 27          | 2012         | 6           |
| Theodore Wirth Golf Course Par 3     | Golden Valley   | MN    | Hennepin   | MU       | P3  | 9          | 27          | 1958         | 60          |
| Cleary Lake Golf Course              | Prior Lake      | MN    | Scott      | MU       | P3  | 9          | 28          | 1987         | 31          |
| Clifton Highlands GC Par 3           | Prescott        | WI    | Pierce     | DF       | P3  | 9          | 27          | 2001         | 17          |
| <b>Averages</b>                      | <b>14</b>       |       |            | <b>9</b> |     | <b>9.0</b> | <b>27.1</b> | <b>1,978</b> | <b>40.2</b> |

Comps: 18-Hole Regulation

| Company                                  | City            | State | Zip   | County     | Owner                 | Type | Cat | Holes | Par | Wome<br>ns Par | Fee | NPI | Year<br>Open | Age | Tees | Renovate<br>d | Length | #<br>bunkers |
|--|-----------------|-------|-------|------------|-----------------------|------|-----|-------|-----|----------------|-----|-----|--------------|-----|------|---------------|--------|--------------|
| <b>18-hole Regulation</b>                |                 |       |       |            |                       |      |     |       |     |                |     |     |              |     |      |               |        |              |
| Goodrich Golf Course                     | St. Paul        | MN    | 55109 | Ramsey     | Ramsey County         | MU   | R   | 18    | 70  | 70             | 46  | B   | 1956         | 62  | 0    |               | 6,256  | 28           |
| Manitou Ridge Golf Course                | White Bear Lake | MN    | 55110 | Ramsey     | Ramsey County         | MU   | R   | 18    | 71  | 72             | 50  | B   | 1928         | 90  | 20   |               | 6,375  | 27           |
| Keller Golf Course                       | Maplewood       | MN    | 55109 | Ramsey     | Ramsey County         | MU   | R   | 18    | 72  | 72             | 61  | B   | 1929         | 89  | 40   | 2014          | 6,675  | 55           |
| Afton Alps GC                            | Hastings        | MN    | 55033 | Washington |                       | RS   | R   | 18    | 71  | 71             | 49  | B   | 1989         | 29  | 0    |               | 5,594  | 10           |
| Badlands Golf Course                     | Roberts         | WI    | 54023 | St. Croix  |                       | DF   | R   | 18    | 72  | 72             | 33  | C   | 1994         | 24  | 20   | no            | 6,072  | 24           |
| Baker National Golf Course -Championship | Medina          | MN    | 55340 | Hennepin   | City of Medina        | MU   | R   | 18    | 72  | 74             | 55  | B   | 1991         | 27  | 60   | no            | 6,762  |              |
| Bellwood Oaks GC                         | Hastings        | MN    | 55033 | Dakota     | Dan Raskob, Owner     | DF   | R   | 18    | 73  | 73             | 50  | B   | 1972         | 46  | 10   |               | 6,775  | 30           |
| Bristol Ridge Golf Course                | Somerset        | WI    | 54025 | St. Croix  |                       | DF   | R   | 18    | 72  | 72             | 43  | B   | 1994         | 24  | 25   | no            | 6,582  |              |
| Brookview Golf Course                    | Golden Valley   | MN    | 55426 | Hennepin   | City of Golden Valley | MU   | R   | 18    | 72  | 72             | 56  | B   | 1937         | 81  | 35   | ew CH, B      | 6,397  |              |
| Bunker Hills GC Reg                      | Coon Rapids     | MN    | 55448 | Anoka      | City of Coon Rapids   | MU   | R   | 18    | 72  | 72             | 64  | B   | 1968         | 50  | 40   | 2000          | 7,037  |              |
| Cannon Golf Club                         | Cannon Falls    | MN    | 55009 | Dakota     |                       | DF   | R   | 18    | 72  | 72             | 51  | B   | 1990         | 28  | 12   | redid 4 h     | 6,530  | 38           |
| Chisago Lakes Golf Course                | Lindstrom       | MN    | 55045 | Chisago    |                       | DF   | R   | 18    | 72  | 72             | 52  | B   | 1971         | 47  | 10   | no            | 6,529  | 17           |
| Chomonix Golf Course                     | Lino Lakes      | MN    | 55014 | Ramsey     | Anoka Cty Parks & Rec | MU   | R   | 18    | 72  | 72             | 51  | B   | 1971         | 47  | 17   |               | 6,596  | 23           |
| Clifton Highlands GC - Reg               | Prescott        | WI    | 54021 | Pierce     |                       | DF   | R   | 18    | 72  | 72             | 53  | B   | 1978         | 40  | 15   | no            | 6,632  | 24           |
| Clifton Hollow GC                        | River Falls     | WI    | 54022 | Pierce     |                       | DF   | R   | 18    | 71  | 72             | 47  | B   | 1972         | 46  | 25   | no            | 6,520  | 16           |
| Columbia Golf Club                       | Minneapolis     | MN    | 55418 | Hennepin   | City of Minneapolis   | MU   | R   | 18    | 71  | 71             | 52  | B   | 1919         | 99  | 42   |               | 6,371  | 14           |
| Como Golf Course <sup>1</sup>            | St. Paul        | MN    | 55103 | Ramsey     | City of St. Paul      | MU   | R   | 18    | 70  | 70             | 53  | B   | 1931         | 87  | 0    |               | 5,861  | 38           |
| Crystal Lakes Golf Club                  | Lakeville       | MN    | 55044 | Dakota     |                       | DF   | R   | 18    | 71  | 71             | 64  | B   | 1995         | 23  | 20   | 2017 = CH     | 6,323  | 56           |
| Dakota Pines Golf Course                 | Hastings        | MN    | 55033 | Dakota     | Todd Crane, Owner     | DF   | R   | 18    | 72  | 72             | 64  | B   | 1961         | 57  | 50   |               | 6,740  | 59           |
| Dwan Golf Club                           | Bloomington     | MN    | 55431 | Hennepin   | City of Bloomington   | MU   | Ex  | 18    | 68  | 68             | 46  | B   | 1970         | 48  | 0    |               | 5,485  | 50           |
| Eagle Valley Golf Course                 | Woodbury        | MN    | 55129 | Washington | City of Woodbury      | MU   | R   | 18    | 72  | 72             | 59  | B   | 1998         | 20  | 65   |               | 6,910  | 34           |
| Edinburgh USA Golf Course                | Brooklyn Park   | MN    | 55443 | Hennepin   | City of Edinburgh     | MU   | R   | 18    | 72  | 72             | 76  | A   | 1987         | 31  | 25   | 4 - signific  | 6,904  | 65           |
| Emerald Greens GC -Silver                | Hastings        | MN    | 55033 | Dakota     |                       | DF   | R   | 18    | 73  | 73             | 55  | B   | 2000         | 18  | 50   |               | 7,163  |              |
| Emerald Greens GC -Gold                  | Hastings        | MN    | 55033 | Dakota     |                       | DF   | R   | 18    | 72  | 72             |     |     | 2000         | 18  | 50   |               | 6,585  |              |

Ramsey County Golf Study

Appendix D: Competition

| Company                                    | City                | State | Zip   | County     | Owner                       | Type | Cat | Holes | Par | Wome<br>ns Par | Fee | NPI | Year<br>Open | Age | Tees | Renovate<br>d | Length | #<br>bunkers |
|--|---------------------|-------|-------|------------|-----------------------------|------|-----|-------|-----|----------------|-----|-----|--------------|-----|------|---------------|--------|--------------|
| Greenhaven Country Club                    | Anoka               | MN    | 55303 | Anoka      | City of Anoka               | MU   | R   | 18    | 71  | 73             | 45  | B   | 1935         | 83  | 0    |               | 6,302  | 40           |
| Gross National Golf Club                   | Minneapolis         | MN    | 55418 | Hennepin   | City of Minneapolis         | MU   | R   | 18    | 71  | 71             | 55  | B   | 1925         | 93  | 20   | no            | 6,676  | 34           |
| Hiawatha Golf Course                       | Minneapolis         | MN    | 55407 | Hennepin   | City of Minneapolis         | MU   | R   | 18    | 73  | 71             | 45  | B   | 1934         | 84  | 48   | no            | 6,613  | 28           |
| Hidden Greens Golf Course                  | Hastings            | MN    | 55033 | Dakota     |                             | DF   | R   | 18    | 72  | 72             | 50  | B   | 1985         | 33  | 30   | new even      | 6,289  |              |
| Highland National Golf Course <sup>1</sup> | St. Paul            | MN    | 55116 | Ramsey     | City of St. Paul            | MU   | R   | 18    | 72  | 72             | 54  | B   | 1928         | 90  | 55   | 2005          | 6,638  | 37           |
| Hollydale Golf Course                      | Plymouth            | MN    | 55446 | Hennepin   | Rick Deziel, Jr ,<br>owner  | DF   | R   | 18    | 71  | 73             | 50  | B   | 1965         | 53  | 20   |               | 6,160  | 4            |
| Inver Wood Golf Course - reg               | Inver Grove Heights | MN    | 55077 | Dakota     | City of Inver Grove Heights | MU   | R   | 18    | 72  | 72             | 62  | B   | 1992         | 26  | 36   |               | 6,724  | 44           |
| Kilkarney Hills GC                         | Radio Falls         | WI    | 54022 | St. Croix  |                             | DF   | R   | 18    | 71  | 73             | 32  | C   | 1994         | 24  | 20   |               | 6,500  | 13           |
| Links at Northfork                         | Ramsey              | MN    | 55303 | Anoka      |                             | DF   | R   | 18    | 72  | 72             | 62  | B   | 1992         | 26  | 20   |               | 6,979  | 104          |
| Logger's Trail Golf Club                   | Stillwater          | MN    | 55082 | Washington |                             | DF   | R   | 18    | 72  | 73             | 62  | B   | 2003         | 15  | 8    |               | 7,113  |              |
| Majestic Oaks GC - Crossroad               | Ham Lake            | MN    | 55304 | Anoka      |                             | DF   | R   | 18    | 72  | 72             | 54  | B   | 1991         | 27  | 30   |               | 6,396  | 40           |
| Majestic Oaks GC - Signature               | Ham Lake            | MN    | 55304 | Anoka      |                             | DF   | R   | 18    | 72  | 72             | 60  | B   | 1960         | 58  | 30   | no            | 7,073  | 71           |
| Meadowbrook Golf Course                    | Hopkins             | MN    | 55343 | Hennepin   | City of Minneapolis         | MU   | R   | 18    | 72  | 72             | 55  | B   | 1926         | 92  | 0    | 2017          | 6,557  |              |
| New Richmond Golf Club                     | New Richmond        | WI    | 54017 | St. Croix  | City of New Richmond        | DF   | R   | 27    | 71  | 72             | 66  | B   | 1923         | 95  | 30   | 1998          | 6,726  |              |
| Oak Glen Golf Club - Champion              | Stillwater          | MN    | 55082 | Washington | Wilson Golf Group           | DF   | R   | 18    | 72  | 72             | 53  | B   | 1982         | 36  | 30   |               | 6,574  | 53           |
| Oak Marsh Golf Club                        | Oakdale             | MN    | 55128 | Washington |                             | DF   | R   | 18    | 70  | 70             | 58  | B   | 1996         | 22  | 40   | no            | 6,179  | 36           |
| Oneka Ridge Golf Course                    | White Bear Lake     | MN    | 55110 | Ramsey     | Scott Arcand, Owner         | DF   | R   | 18    | 72  | 72             | 51  | B   | 1995         | 23  | 25   | no            | 6,395  | 17           |
| Phalen Park Golf Course <sup>1</sup>       | St. Paul            | MN    | 55106 | Ramsey     | City of St. Paul            | MU   | R   | 18    | 70  | 71             | 53  | B   | 1917         | 101 | 25   |               | 6,092  | 38           |
| Prestwick Golf Club @ Wedgewood            | Woodbury            | MN    | 55125 | Washington |                             | DF   | R   | 18    | 72  | 72             | 85  | A   | 1984         | 34  | 90   |               | 6,876  | 69           |
| River Falls Golf Club                      | River Falls         | WI    | 54022 | Pierce     |                             | DF   | R   | 18    | 72  | 72             | 45  | B   | 1929         | 89  | 50   |               | 6,614  | 18           |
| River Oaks Municipal GC                    | Cottage Grove       | MN    | 55016 | Washington |                             | MU   | R   | 18    | 71  | 71             | 54  | B   | 1991         | 27  | 75   | no            | 6,418  | 56           |
| Royal Club (formerly Tartan Park GC)       | Lake Elmo           | MN    | 55042 | Washington |                             | DF   | R   | 27    | 72  | 72             | 79  | A   | 1965         | 53  | 16   | 2017          | 6,901  |              |

Ramsey County Golf Study

Appendix D: Competition

| Company                        | City          | State     | Zip   | County     | Owner                 | Type      | Cat | Holes       | Par         | Wome<br>ns Par | Fee         | NPI | Year<br>Open   | Age         | Tees     | Renovate<br>d  | Length         | #<br>bunkers |
|--------------------------------|---------------|-----------|-------|------------|-----------------------|-----------|-----|-------------|-------------|----------------|-------------|-----|----------------|-------------|----------|----------------|----------------|--------------|
| Rum River Hills Golf Club      | Anoka         | MN        | 55303 | Anoka      | Newman Golf Investors | DF        | R   | 18          | 71          | 71             | 50          | B   | 1986           | 32          | 30       |                | 6,308          | 22           |
| Rush Creek Golf Club - reg     | Maple Grove   | MN        | 55311 | Hennepin   |                       | DF        | R   | 18          | 72          | 72             | 137         | A   | 1996           | 22          | 35       |                | 7,306          | 57           |
| Shamrock Golf Course           | Hamel         | MN        | 55340 | Hennepin   |                       | DF        | R   | 18          | 72          | 72             | 49          | B   | 1974           | 44          | 15       |                | 6,427          | 4            |
| Southern Hills Golf Club       | Farmington    | MN        | 55024 | Dakota     |                       | DF        | R   | 18          | 71          | 71             | 57          | B   | 1990           | 28          | 25       |                | 6,343          | 42           |
| St. Croix National Golf Course | Somerset      | WI        | 54025 | St. Croix  |                       | DF        | R   | 18          | 72          | 72             | 79          | A   | 1996           | 22          | 40       |                | 6,909          | 44           |
| Stillwater Oaks Golf Course    | Stillwater    | MN        | 55082 | Washington |                       | DF        | R   | 18          | 70          | 70             | 43          | B   | 2014           | 4           | 20       | no             | 6,228          | 32           |
| StoneRidge Golf Club           | Stillwater    | MN        | 55082 | Washington | Jody Fisher, Owner    | DF        | R   | 18          | 72          | 72             | 99          | A   | 2000           | 18          | 60       |                | 7,013          | 134          |
| Sundance Golf & Bowl           | Maple Grove   | MN        | 55369 | Hennepin   |                       | DF        | R   | 18          | 72          | 73             | 49          | B   | 1970           | 48          | 40       | 2014           | 6,430          | 34           |
| Tanners Brook Golf Club        | Forest Lake   | MN        | 55025 | Washington |                       | DF        | R   | 18          | 71          | 71             | 60          | B   | 2000           | 18          | 20       |                | 6,854          | 22           |
| The Refuge Golf Club           | Oak Grove     | MN        | 55011 | Anoka      |                       | DF        | R   | 18          | 72          | 72             | 64          | B   | 2001           | 17          | 20       |                | 6,534          | 43           |
| Theodore Wirth Golf Course     | Golden Valley | MN        | 55422 | Hennepin   | City of Minneapolis   | MU        | R   | 18          | 68          | 68             | 50          | B   | 1916           | 102         | 0        | ongoing        | 5,688          | 3            |
| Troy Burne Golf Club           | Hudson        | WI        | 54016 | St. Croix  | Chris Sauer, owner    | DF        | R   | 18          | 71          | 72             | 108         | A   | 1999           | 19          | 50       | golf, 1m       | 6,978          | 119          |
| U of M Les Bolsad GC           | St. Paul      | MN        | 55113 | Ramsey     | Univ of Minnesota     | MU        | R   | 18          | 71          | 69             | 51          | B   | 1927           | 91          | 70       | ng couple      | 6,206          | 13           |
| Valleywood Golf Course         | Apple Valley  | MN        | 55124 | Dakota     | City of Apple Valley  | MU        | R   | 18          | 71          | 72             | 60          | B   | 1975           | 43          | 30       | 012 new c      | 6,438          | 15           |
| Victory Links Golf Course      | Blaine        | MN        | 55449 | Anoka      | State of MN           | MU        | R   | 18          | 71          | 71             | 63          | B   | 2004           | 14          | 40       |                | 7,048          | 57           |
| Viking Meadows Golf Course     | Cedar         | MN        | 55011 | Anoka      | State of MN           | DF        | R   | 18          | 72          | 73             | 25          | C   | 1989           | 29          | 20       |                | 6,428          | 14           |
| White Eagle Golf Club          | Hudson        | WI        | 54016 | St. Croix  |                       | DF        | R   | 18          | 72          | 72             | 79          | A   | 2000           | 18          | 30       |                | 7,178          | 30           |
| <b>Averages</b>                | <b>63</b>     | <b>10</b> |       |            |                       | <b>24</b> |     | <b>18.3</b> | <b>71.5</b> | <b>71.7</b>    | <b>57.8</b> |     | <b>1,972.2</b> | <b>45.8</b> | <b>7</b> | <b>2,009.3</b> | <b>6,552.1</b> | <b>38.4</b>  |

| Company                                    | Tees   |         |       |      |         |       |         |       |         |       |         |       |                      |          |           |
|--|--------|---------|-------|------|---------|-------|---------|-------|---------|-------|---------|-------|----------------------|----------|-----------|
|  | # Tees | Yardage | Slope | USGA | Yardage | Slope | Yardage | Slope | Yardage | Slope | Yardage | Slope | Par 72<br>Equiv Wome | Yardage  | Slope     |
| Goodrich Golf Course                       | 4      | 6,256   | 126   | 70.6 |         |       | 5,944   | 123   | 5,416   | 117   | 5,076   | 116   | 7,459                |          |           |
| Manitou Ridge Golf Course                  | 4      | 6,375   | 127   | 70.7 |         |       | 6,035   | 121   | 5,831   | 118   | 5,439   | 124   | 7,770                |          |           |
| Keller Golf Course                         | 4      | 6,675   | 133   | 72.2 |         |       | 6,206   | 131   | 5,397   | 123   | 4,830   | 114   | 6,900                | 2 combos | 5,757 128 |
| Afton Alps GC                              | 3      | 5,594   | 121   | 67.6 |         |       | 5,376   | 119   |         |       | 4,623   | 116   | 6,697                |          |           |
| Badlands Golf Course                       | 4      | 6,280   | 117   |      |         |       | 6,042   |       | 5,604   |       | 4,835   |       | 6,907                |          |           |
| Baker National Golf Course -Championship   | 4      | 6,762   | 138   | 73.9 | 6,294   | 134   | 6,021   | 130   |         |       | 5,313   | 131   | 7,385                |          |           |
| Bellwood Oaks GC                           | 4      | 6,775   | 123   | 73.3 |         |       | 6,487   | 128   | 5,916   | 123   | 5,124   | 120   | 7,220                |          |           |
| Bristol Ridge Golf Course                  | 3      | 6,582   | 133   |      |         |       | 6,366   | 130   |         |       | 5,132   | 123   | 7,331                |          |           |
| Brookview Golf Course                      | 4      | 6,397   | 128   | 71.2 |         |       | 6,123   | 131   | 5,514   | 125   | 5,328   | 127   | 7,611                |          |           |
| Bunker Hills GC Reg                        | 4      | 7,037   | 141   | 73.6 | 6,696   | 138   | 6,378   | 133   |         |       | 5,598   | 129   | 7,997                |          |           |
| Cannon Golf Club                           | 4      | 6,581   | 134   | 71.3 |         |       | 6,194   | 131   | 5,377   | 123   | 5,119   | 126   | 7,313                |          |           |
| Chisago Lakes Golf Course                  | 5      | 6,600   | 124   | 72.2 |         |       | 6,276   | 125   | 5,778   | 122   | 5,045   | 124   | 7,207                | 4,099    | 120       |
| Chomonix Golf Course                       | 3      | 6,550   | 130   | 72.1 |         |       | 6,221   | 127   |         |       | 5,300   | 121   | 7,571                |          |           |
| Clifton Highlands GC - Reg                 | 4      | 6,644   | 125   | 72.2 |         |       | 6,211   | 124   | 5,562   | 116   | 5,197   | 120   | 7,424                |          |           |
| Clifton Hollow GC                          | 4      | 6,520   | 127   |      |         |       | 6,014   | 122   | 5,424   |       | 5,074   | 118   | 7,249                |          |           |
| Columbia Golf Club                         | 4      | 6,371   | 120   | 72   |         |       | 6,121   | 117   | 5,685   | 113   | 5,152   | 116   | 7,464                | Junior   | 3,155     |
| Como Golf Course <sup>1</sup>              | 3      | 5,861   | 127   | 68.5 |         |       | 5,581   | 124   |         |       | 5,077   | 127   | 7,460                |          |           |
| Crystal Lakes Golf Club                    | 4      | 6,323   | 133   |      |         |       | 5,847   | 129   | 5,472   | 126   | 4,805   | 123   | 6,961                |          |           |
| Dakota Pines Golf Course                   | 4      | 6,740   | 133   | 73.4 |         |       | 6,382   | 130   | 5,905   | 126   | 5,472   | 130   | 7,817                |          |           |
| Dwan Golf Club                             | 3      | 5,485   | 113   | 66   |         |       | 5,275   | 112   |         |       | 4,518   | 121   | 6,834                |          |           |
| Eagle Valley Golf Course                   | 5      | 6,910   | 135   | 73.4 | 6,577   | 132   | 6,197   | 129   | 5,761   | 125   | 5,234   | 123   | 7,477                |          |           |
| Edinburgh USA Golf Course                  | 4      | 6,904   | 139   | 73.4 |         |       | 6,383   | 132   | 5,858   | 125   | 5,319   | 129   | 7,599                |          |           |
| Emerald Greens GC -Silver                  | 4      | 7,163   | 134   | 74.2 | 6,792   | 130   | 5,953   | 124   |         |       | 5,184   | 123   | 7,304                |          |           |
| Emerald Greens GC -Gold                    | 4      | 6,585   | 127   | 71.6 |         |       | 6,361   | 125   | 5,651   | 119   | 5,004   | 118   | 7,149                |          |           |
| Greenhaven Country Club                    | 4      | 6,302   | 121   | 70.3 |         |       | 6,059   | 120   | 5,529   | 116   | 5,267   | 118   | 7,421                |          |           |
| Gross National Golf Club                   | 4      | 6,676   | 126   | 71.4 |         |       | 6,348   | 124   | 5,028   | 112   | 4,939   | 112   | 7,155                | Junior   | 3,350     |
| Hiawatha Golf Course                       | 4      | 6,613   | 130   | 71.7 |         |       | 6,211   | 126   | 5,685   | 122   | 5,122   | 121   | 7,420                |          |           |
| Hidden Greens Golf Course                  | 3      | 6,289   | 127.9 |      |         |       | 5,954   | 124   |         |       | 5,379   | 126   | 7,684                |          |           |
| Highland National Golf Course <sup>1</sup> | 4      | 6,638   | 133   | 72.3 |         |       | 6,204   | 129   | 5,843   | 125   | 5,125   | 121   | 7,321                |          |           |
| HollyDale Golf Course                      | 4      | 6,160   | 124   | 70.1 |         |       | 5,980   | 123   | 5,334   | 116   | 5,128   | 123   | 7,225                |          |           |
| Inver Wood Golf Course - reg               | 4      | 6,724   | 141   | 73.1 |         |       | 6,194   | 139   | 5,795   | 135   | 5,175   | 128   | 7,393                |          |           |
| Kilkarney Hills GC                         | 4      | 6,500   | 122   | 71.7 |         |       | 6,091   | 117   | 5,672   | 111   | 4,960   | 117   | 6,989                |          |           |

| Company                              | Tees       |              |              |              |              |              |              |              |                |              |              |              |                      |           |         |       |
|--------------------------------------|------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|----------------|--------------|--------------|--------------|----------------------|-----------|---------|-------|
|                                      | Back Tee   |              |              | Championship |              |              | Regular      |              | Senior         |              | Forward      |              | Other                |           |         |       |
|                                      | # Tees     | Yardage      | Slope        | USGA         | Yardage      | Slope        | Yardage      | Slope        | Yardage        | Slope        | Yardage      | Slope        | Par 72<br>Equiv Wome |           | Yardage | Slope |
| Links at Northfork                   | 4          | 6,979        | 121          | 74.3         | 6,653        | 127          | 6,344        | 124          |                |              | 5,242        | 118          | 7,489                | Midd/forw | 5,770   | 119   |
| Logger's Trail Golf Club             | 5          | 7,113        | 133          | 74.5         | 6,549        | 129          | 5,928        | 123          | 5,410          | 119          | 5,268        | 122          | 7,423                |           |         |       |
| Majestic Oaks GC - Crossroad         | 3          | 6,396        | 126          | 71           |              |              | 5,879        | 118          |                |              | 4,848        | 121          | 6,926                |           |         |       |
| Majestic Oaks GC - Signature         | 5          | 7,297        | 136          | 75           | 6,869        | 132          | 6,426        | 132          | 5,992          | 128          | 5,135        | 116          | 7,336                |           |         |       |
| Meadowbrook Golf Course              | 5          | 6,557        | 132          | 72.1         |              |              | 6,283        | 130          | 5,640          | 125          | 4,934        | 123          | 7,049                | Junior    | 3,500   |       |
| New Richmond Golf Club               | 3          | 6,726        | 134          | 72.9         |              |              | 6,344        | 126          |                |              | 5,266        | 122          | 7,523                | Combo (2) | 5,601   | 119   |
| Oak Glen Golf Club - Champion        | 4          | 6,574        | 130          | 72.1         |              |              | 6,310        | 128          | 5,810          | 124          | 5,626        | 130          | 8,037                |           |         |       |
| Oak Marsh Golf Club                  | 4          | 6,179        | 122          | 70.2         |              |              | 5,777        | 119          | 5,273          | 112          | 4,707        | 114          | 6,916                |           |         |       |
| Oneka Ridge Golf Course              | 4          | 6,395        | 125          | 7.8          |              |              | 6,031        | 124          | 5,532          | 121          | 5,026        | 124          | 7,180                |           |         |       |
| Phalen Park Golf Course <sup>1</sup> | 3          | 6,092        | 122          | 69.1         |              |              | 5,881        | 119          |                |              | 5,311        | 120          | 7,694                |           |         |       |
| Prestwick Golf Club @ Wedgewood      | 5          | 6,876        | 133          | 73.8         | 6617         | 131          | 6,374        | 129          | 5,840          | 124          | 5,295        | 127          | 7,564                |           |         |       |
| River Falls Golf Club                | 4          | 6,614        | 127          | 72.1         |              |              | 6,012        | 116          | 5,479          | 111          | 5,094        | 115          | 7,277                |           |         |       |
| River Oaks Municipal GC              | 4          | 6,418        | 132          | 71.2         |              |              | 6,001        | 128          | 5,597          | 125          | 5,165        | 125          | 7,482                |           |         |       |
| Royal Club (formerly Tartan Park GC) | 5          | 6,901        | 129          | 73.5         | 6,383        | 127          | 5,923        | 120          | 5,390          | 119          | 3,907        | 108          | 5,581                |           |         |       |
| Rum River Hills Golf Club            | 4          | 6,308        | 130          | 71.3         |              |              | 6,091        | 123          | 5,738          | 119          | 5,024        | 123          | 7,278                |           |         |       |
| Rush Creek Golf Club - reg           | 5          | 7,306        | 148          | 75.9         | 7,014        | 145          | 6,550        | 141          | 6,096          | 137          | 5,405        | 133          | 7,721                |           |         |       |
| Shamrock Golf Course                 | 4          | 6,427        | 115          | 72           |              |              | 6,178        | 113          | 5,487          | 106          | 5,160        | 109          | 7,371                |           |         |       |
| Southern Hills Golf Club             | 4          | 6,343        | 128          |              |              |              | 6,079        |              | 5,149          |              | 4,970        |              | 7,200                |           |         |       |
| St. Croix National Golf Course       | 4          | 6,909        | 138          | 74.1         | 6,544        | 128          | 6,102        | 121          |                |              | 5,208        | 125          | 7,440                |           |         |       |
| Stillwater Oaks Golf Course          | 3          | 6,228        | 119          |              |              |              | 5,783        |              |                |              | 4,915        |              | 7,222                |           |         |       |
| StoneRidge Golf Club                 | 4          | 7,013        | 139          | 74.1         | 6,674        | 135          | 6,252        | 130          |                |              | 4,978        | 118          | 7,111                | 2 combos  | 5,476   | 124   |
| Sundance Golf & Bowl                 | 3          | 6,430        | 131          | 71.2         |              |              | 6,171        | 128          |                |              | 5,242        | 118          | 7,386                | combo     | 5,928   | 127   |
| Tanners Brook Golf Club              | 5          | 6,854        | 130          | 73.6         | 6,725        | 128          | 6,267        | 128          | 5,471          | 123          | 5,210        | 122          | 7,548                |           |         |       |
| The Refuge Golf Club                 | 5          | 6,534        | 143          | 72.3         | 6,188        | 138          | 5,819        | 134          | 5,372          | 132          | 4,819        | 126          | 6,884                |           |         |       |
| Theodore Wirth Golf Course           | 4          | 5,688        | 135          | 72           |              |              | 5,430        | 132          | 4,846          | 125          | 4,465        | 118          | 6,754                |           |         |       |
| Troy Burne Golf Club                 | 4          | 6,978        | 142          | 74.5         | 6,424        | 139          | 5,828        | 134          |                |              | 4,922        | 125          | 7,031                | 4combos   | 6,116   | 138   |
| U of M Les Bolsad GC                 | 4          | 6,206        | 125          |              |              |              | 6,042        |              | 5,413          |              | 4,142        |              | 6,174                |           |         |       |
| Valleywood Golf Course               | 4          | 6,438        | 127          | 71.5         |              |              | 6,041        | 125          | 5,198          | 108          | 4,960        | 119          | 7,086                |           |         |       |
| VictoryLinks Golf Course             | 6          | 7,048        | 134          | 75           |              |              | 6,284        | 139          | 5,543          | 131          | 4,475        | 112          | 6,483                |           | 4,832   | 114   |
| Viking Meadows Golf Course           | 5          | 6,428        | 124          |              |              |              | 6,207        |              | 5,745          |              | 5,421        |              | 7,638                |           |         |       |
| White Eagle Golf Club                | 5          | 7,178        | 142          | 75.2         | 6,711        | 140          | 6,240        | 133          | 5,784          |              | 4,995        | 121          | 7,136                |           |         |       |
| <b>Averages</b>                      | <b>4.0</b> | <b>6,560</b> | <b>129.6</b> | <b>71.0</b>  | <b>6,607</b> | <b>133.3</b> | <b>6,094</b> | <b>126.1</b> | <b>5,574.3</b> | <b>121.2</b> | <b>5,064</b> | <b>121.4</b> | <b>7,264</b>         |           |         |       |

Ramsey County Golf Study

Appendix D: Competition

| Company                                    | Fees    |         |         |                    |            |          |           |            |         |            |            |                  |            |             |              |         |      |         |               |        |              |        |
|--|---------|---------|---------|--------------------|------------|----------|-----------|------------|---------|------------|------------|------------------|------------|-------------|--------------|---------|------|---------|---------------|--------|--------------|--------|
|  | Cart    |         |         | Weekday Green Fees |            |          |           |            |         |            |            |                  |            |             |              |         |      |         | Golf Now Next | % Disc | Golf Now Adv | % Disc |
|  | 18 hole | 9 hole  | Pull 18 | NR 1 twl           | % Discount | NR Super | NR Senior | % Discount | NR Jr   | NR 9 holes | % Discount | Patron/VI P Card | % Discount | Total NR 18 | Total Res 18 |         |      |         |               |        |              |        |
| Goodrich Golf Course                       | \$16.00 | \$11.50 |         | \$36.00            | 21.7%      |          | \$32.50   | 29.3%      | \$18.00 | \$31.50    | 31.5%      | \$41.00          | 10.9%      | \$46.00     |              |         |      |         |               |        |              |        |
| Manitou Ridge Golf Course                  | \$16.00 | \$11.50 |         | \$36.00            | 28.0%      |          | \$36.50   | 27.0%      | \$18.00 | \$34.00    | 32.0%      | \$45.00          | 10.0%      | \$50.00     |              | \$50.00 |      | \$50.00 |               |        |              |        |
| Keller Golf Course                         | \$16.00 | \$11.50 |         | \$42.00            | 31.1%      |          | \$45.50   | 25.4%      | \$20.00 | \$34.50    | 43.4%      | \$54.00          | 11.5%      | \$61.00     |              |         |      |         |               |        |              |        |
| Afton Alps GC                              | \$16.00 | \$11.00 | \$4.00  | \$32.00            | 25.6%      |          | \$37.00   | 14.0%      | \$21.00 | \$29.00    | 32.6%      |                  |            | \$43.00     |              | \$39.00 | 9%   | \$39.00 | 9%            |        |              |        |
| Badlands Golf Course                       | \$13.00 |         |         |                    |            |          | \$25.00   | 0.0%       | \$14.00 |            |            |                  |            | \$25.00     |              |         |      |         |               |        |              |        |
| Baker National Golf Course -Championship   | \$14.91 | \$9.32  |         |                    |            |          | \$48.47   | 11.9%      | \$34.48 | \$31.69    | 42.4%      | \$46.60          | 15.3%      | \$54.99     |              |         |      |         |               |        |              |        |
| Bellwood Oaks GC                           | \$17.00 | \$11.00 |         | \$31.00            | 31.1%      |          | \$38.00   | 15.6%      | \$38.00 | \$27.00    | 40.0%      |                  |            | \$45.00     |              |         |      |         |               |        |              |        |
| Bristol Ridge Golf Course                  | \$14.00 | \$7.00  |         |                    |            | \$20.00  | \$36.00   | 5.3%       |         | \$20.00    | 47.4%      |                  |            | \$38.00     |              | \$31.00 | 18%  | \$38.00 | 0%            |        |              |        |
| Brookview Golf Course                      | \$17.00 | \$11.00 |         | \$39.00            | 30.4%      | \$35.00  | \$49.00   | 12.5%      | \$25.50 | \$32.00    | 42.9%      | \$49.00          | 12.5%      | \$56.00     |              |         |      |         |               |        |              |        |
| Bunker Hills GC Reg                        | \$18.00 | \$10.00 | \$6.00  | \$32.00            | 50.0%      |          | \$43.00   | 32.8%      | \$18.00 | \$33.00    | 48.4%      | \$54.00          | 15.6%      | \$64.00     |              |         |      |         |               |        |              |        |
| Cannon Golf Club                           | \$17.00 | \$9.00  | \$5.00  | \$28.00            | 37.8%      |          | \$35.00   | 22.2%      | \$19.00 | \$29.00    | 35.6%      |                  |            | \$45.00     |              | \$43.00 | 4%   | \$43.00 | 4%            |        |              |        |
| Chisago Lakes Golf Course                  | \$17.00 | \$10.00 | \$5.00  |                    |            |          | \$33.00   | 29.8%      | \$15.00 |            |            |                  |            | \$47.00     |              | \$52.00 | -11% | \$49.95 | -6%           |        |              |        |
| Chomonix Golf Course                       | \$15.00 | \$9.00  | \$4.00  | \$29.99            | 36.2%      |          | \$41.00   | 12.8%      | \$26.00 | \$29.00    | 38.3%      | \$41.00          | 12.8%      | \$47.00     |              |         |      |         |               |        |              |        |
| Clifton Highlands GC - Reg                 | \$18.00 | \$10.00 |         | \$33.00            | 26.7%      |          | \$30.00   | 33.3%      | \$23.00 | \$27.00    | 40.0%      |                  |            | \$45.00     |              | \$45.00 |      | \$45.00 |               |        |              |        |
| Clifton Hollow GC                          | \$18.00 | \$11.00 |         | \$29.00            | 29.3%      |          | \$29.00   | 29.3%      | \$20.00 | \$28.00    | 31.7%      |                  |            | \$41.00     |              |         |      |         |               |        |              |        |
| Columbia Golf Club                         | \$17.00 | \$11.00 |         | \$34.00            | 29.2%      | \$27.00  | \$46.00   | 4.2%       | \$16.00 | \$31.00    | 35.4%      | \$39.00          | 18.8%      | \$48.00     |              |         |      |         |               |        |              |        |
| Como Golf Course <sup>1</sup>              | \$17.00 | \$12.00 | \$5.00  | \$32.00            | 36.0%      | \$28.00  | \$40.00   | 20.0%      | \$18.00 | \$32.00    | 36.0%      |                  |            | \$50.00     |              |         |      |         |               |        |              |        |
| Crystal Lakes Golf Club                    | \$16.00 | \$12.00 | \$5.00  |                    |            |          | \$42.00   | 22.2%      | \$26.00 | \$36.00    | 33.3%      |                  |            | \$54.00     |              | \$50.41 | 7%   |         |               |        |              |        |
| Dakota Pines Golf Course                   | \$17.00 | \$10.00 |         | \$44.00            | 22.8%      |          | \$40.00   | 29.8%      | \$30.00 | \$33.00    | 42.1%      |                  |            | \$57.00     |              |         |      |         |               |        |              |        |
| Dwan Golf Club                             | \$14.00 | \$10.00 |         |                    |            |          | \$42.00   | 8.7%       | \$26.00 | \$31.00    | 32.6%      | \$39.00          | 15.2%      | \$46.00     |              |         |      |         |               |        |              |        |
| Eagle Valley Golf Course                   | \$15.00 | \$10.00 |         |                    |            | \$41.00  | \$39.00   | 23.5%      |         | \$32.00    | 37.3%      | \$39.00          | 23.5%      | \$51.00     |              | \$51.00 |      | \$51.00 |               |        |              |        |
| Edinburgh USA Golf Course                  | \$19.00 | \$14.00 | \$7.00  | \$44.00            | 42.1%      |          | \$62.00   | 18.4%      |         |            |            |                  |            | \$76.00     | \$67.00      |         |      |         |               |        |              |        |
| Emerald Greens GC -Silver                  | \$17.00 | \$13.00 | \$5.00  | \$40.00            | 21.6%      | \$27.00  | \$35.00   | 31.4%      |         | \$35.00    | 31.4%      |                  |            | \$51.00     |              | \$46.00 | 10%  | \$46.00 | 10%           |        |              |        |
| Emerald Greens GC -Gold                    | \$17.00 | \$13.00 | \$5.00  | \$40.00            | 21.6%      | \$27.00  | \$35.00   | 31.4%      |         | \$35.00    | 31.4%      |                  |            | \$51.00     |              | \$46.00 | 10%  | \$46.00 | 10%           |        |              |        |
| Greenhaven Country Club                    | \$15.40 | \$9.10  |         | \$36.00            | 17.1%      | \$23.00  | \$31.74   | 26.9%      | \$20.00 | \$26.09    | 39.9%      |                  |            | \$43.40     |              | \$43.40 |      | \$43.40 |               |        |              |        |
| Gross National Golf Club                   | \$17.00 | \$11.00 |         | \$41.00            | 19.6%      | \$33.00  | \$43.00   | 15.7%      | \$20.00 | \$31.00    | 39.2%      | \$41.00          | 19.6%      | \$51.00     |              |         |      |         |               |        |              |        |
| Hiawatha Golf Course                       | \$17.00 | \$11.00 | \$5.00  | \$34.00            | 24.4%      | \$32.00  | \$41.00   | 8.9%       | \$12.00 | \$28.00    | 37.8%      | \$37.00          | 17.8%      | \$45.00     |              |         |      |         |               |        |              |        |
| Hidden Greens Golf Course                  | \$17.00 | \$11.00 | \$2.00  | \$33.00            | 28.3%      |          | \$31.00   | 32.6%      | \$19.00 | \$27.00    | 41.3%      |                  |            | \$46.00     |              |         |      |         |               |        |              |        |
| Highland National Golf Course <sup>1</sup> | \$17.00 | \$12.00 | \$5.00  | \$35.00            | 34.0%      | \$29.00  | \$40.00   | 24.5%      | \$18.00 | \$35.00    | 34.0%      |                  |            | \$53.00     |              |         |      |         |               |        |              |        |
| Hollydale Golf Course                      |         |         |         | \$35.50            | 23.7%      |          | \$35.50   | 23.7%      | \$22.00 |            |            |                  |            | \$46.50     |              |         |      |         |               |        |              |        |
| Inver Wood Golf Course - reg               | \$19.00 | \$12.00 |         | \$42.50            | 21.3%      |          | \$39.00   | 27.8%      | \$24.00 | \$31.50    | 41.7%      | \$49.00          | 9.3%       | \$54.00     |              |         |      |         |               |        |              |        |
| Kilkarney Hills GC                         |         |         |         | \$23.00            | 25.8%      |          |           |            |         |            |            |                  |            | \$31.00     |              | \$30.00 | 3%   | \$30.00 | 3%            |        |              |        |
| Links at Northfork                         | \$17.00 | \$8.50  |         | \$46.00            | 25.8%      | \$31.00  | \$34.00   | 45.2%      | \$20.00 | \$31.50    | 49.2%      | \$42.00          | 32.3%      | \$62.00     |              | \$49.99 | 19%  | \$49.99 | 19%           |        |              |        |

Ramsey County Golf Study

Appendix D: Competition

| Company                              | Fees           |                |               |                    |              |                |                |              |                |                |              |                  |              |                |                |                |              |                |              |
|--------------------------------------|----------------|----------------|---------------|--------------------|--------------|----------------|----------------|--------------|----------------|----------------|--------------|------------------|--------------|----------------|----------------|----------------|--------------|----------------|--------------|
|                                      | Cart           |                |               | Weekday Green Fees |              |                |                |              |                |                |              |                  |              |                |                |                |              |                |              |
|                                      | 18 hole        | 9 hole         | Pull 18       | NR 1 twil          | % Discount   | NR Super       | NR Senior      | % Discount   | NR Jr          | NR 9 holes     | % Discount   | Patron/VI P Card | % Discount   | Total NR 18    | Total Res 18   | Golf Now Next  | % Disc       | Golf Now Adv   | % Disc       |
| Logger's Trail Golf Club             | \$16.00        | \$8.00         |               | \$38.00            | 39.7%        |                | \$48.00        | 23.8%        |                | \$32.00        | 49.2%        |                  |              | \$63.00        |                | \$45.00        | 29%          | \$55.00        | 13%          |
| Majestic Oaks GC - Crossroad         | \$17.00        | \$10.00        | \$5.00        | \$36.00            | 25.0%        |                | \$42.00        | 12.5%        | \$25.00        |                |              | \$37.00          | 22.9%        | \$48.00        |                | \$48.00        |              | \$48.00        |              |
| Majestic Oaks GC - Signature         | \$17.00        | \$10.00        |               | \$36.00            | 33.3%        |                | \$45.00        | 16.7%        | \$28.00        |                |              | \$48.00          | 11.1%        | \$54.00        |                | \$54.00        |              | \$54.00        |              |
| Meadowbrook Golf Course              | \$17.00        | \$11.00        |               | \$41.00            | 19.6%        | \$33.00        | \$43.00        | 15.7%        | \$20.00        | \$31.00        | 39.2%        | \$41.00          | 19.6%        | \$51.00        |                |                |              |                |              |
| New Richmond Golf Club               | \$18.00        | \$9.00         | \$5.00        |                    |              |                | \$46.00        | 24.6%        | \$46.00        | \$35.00        | 42.6%        |                  |              | \$61.00        | \$50.00        |                |              |                |              |
| Oak Glen Golf Club - Champion        | \$16.00        | \$8.00         | \$8.00        | \$36.00            | 20.0%        |                | \$35.00        | 22.2%        |                | \$35.00        | 22.2%        |                  |              | \$45.00        |                |                |              |                |              |
| Oak Marsh Golf Club                  | \$17.50        | \$10.50        | \$4.00        | \$29.17            | 44.4%        |                | \$51.81        | 1.3%         | \$20.00        | \$30.50        | 41.9%        |                  |              | \$52.50        |                | \$52.50        |              | \$52.50        |              |
| Oneka Ridge Golf Course              | \$16.00        | \$9.00         | \$5.00        |                    |              | \$32.00        | \$40.00        | 20.0%        | \$22.00        | \$28.00        | 44.0%        |                  |              | \$50.00        |                |                |              |                |              |
| Phalen Park Golf Course <sup>1</sup> | \$17.00        | \$12.00        | \$5.00        | \$32.00            | 36.0%        | \$28.00        | \$40.00        | 20.0%        | \$18.00        | \$32.00        | 36.0%        |                  |              | \$50.00        |                |                |              |                |              |
| Prestwick Golf Club @ Wedgewood      | \$20.00        | \$10.00        |               | \$57.00            | 32.9%        | \$47.00        |                |              |                | \$57.00        | 32.9%        | \$80.00          | 5.9%         | \$85.00        |                |                |              |                |              |
| River Falls Golf Club                | \$10.00        | \$7.00         |               | \$27.00            | 25.0%        |                | \$32.00        | 11.1%        | \$18.96        | \$28.00        | 22.2%        |                  |              | \$36.00        |                |                |              |                |              |
| River Oaks Municipal GC              | \$16.50        | \$12.00        | \$5.00        | \$32.00            | 37.9%        |                | \$36.00        | 30.1%        | \$19.00        | \$35.00        | 32.0%        | \$47.00          | 8.7%         | \$51.50        |                |                |              |                |              |
| Royal Club (formerly Tartan Park GC) | \$20.00        | \$10.00        | \$5.00        |                    |              |                |                |              |                | \$45.00        | 43.0%        |                  |              | \$79.00        |                |                |              |                |              |
| Rum River Hills Golf Club            |                |                |               | \$25.00            | 45.7%        | \$19.00        | \$32.21        | 30.0%        |                |                |              |                  |              | \$46.00        |                | \$33.00        | 28%          | \$33.00        | 28%          |
| Rush Creek Golf Club - reg           |                |                |               | \$99.00            | 28.8%        | \$79.00        |                |              | \$25.00        |                |              | \$79.00          | 43.2%        | \$139.00       |                |                |              |                |              |
| Shamrock Golf Course                 | \$14.00        | \$8.00         | \$4.00        | \$25.00            | 44.4%        |                |                |              |                | \$23.00        | 48.9%        |                  |              | \$45.00        |                |                |              |                |              |
| Southern Hills Golf Club             | \$17.00        | \$11.00        |               | \$40.00            | 16.7%        |                | \$34.00        | 29.2%        | \$23.00        | \$32.00        | 33.3%        |                  |              | \$48.00        |                | \$32.50        | 32%          |                |              |
| St. Croix National Golf Course       |                |                |               | \$39.00            | 43.5%        |                | \$38.00        | 44.9%        | \$25.00        | \$35.00        | 49.3%        |                  |              | \$69.00        |                | \$50.00        | 28%          | \$54.00        | 22%          |
| Stillwater Oaks Golf Course          | \$13.00        | \$8.00         |               | \$29.00            | 21.6%        |                | \$29.00        | 21.6%        |                | \$27.00        | 27.0%        |                  |              | \$37.00        |                |                |              |                |              |
| StoneRidge Golf Club                 |                |                |               | \$69.00            | 17.9%        |                |                |              |                |                |              |                  |              | \$84.00        |                |                |              |                |              |
| Sundance Golf & Bowl                 | \$16.00        | \$9.00         |               |                    |              |                | \$36.00        | 21.7%        | \$14.00        | \$29.00        | 37.0%        |                  |              | \$46.00        |                |                |              |                |              |
| Tanners Brook Golf Club              | \$16.00        | \$10.00        | \$4.00        | \$36.00            | 35.7%        | \$28.00        | \$34.00        | 39.3%        | \$20.00        | \$28.00        | 50.0%        |                  |              | \$56.00        |                | \$34.00        | 39%          | \$34.00        | 39%          |
| The Refuge Golf Club                 | \$18.00        | \$13.00        |               | \$30.00            | 53.1%        |                | \$41.00        | 35.9%        |                | \$37.00        | 42.2%        |                  |              | \$64.00        |                | \$39.00        | 39%          | \$39.00        | 39%          |
| Theodore Wirth Golf Course           | \$17.00        | \$11.00        |               | \$33.00            | 26.7%        | \$27.00        | \$42.00        | 6.7%         | \$13.00        | \$31.00        | 31.1%        | \$38.00          | 15.6%        | \$45.00        |                |                |              |                |              |
| Troy Burne Golf Club                 | \$20.00        |                |               | \$78.00            | 27.8%        | \$67.00        | \$78.00        | 27.8%        |                |                |              | \$69.00          | 36.1%        | \$108.00       |                |                |              |                |              |
| U of M Les Bolsad GC                 | \$17.00        | \$11.00        | \$7.00        | \$39.00            | 23.5%        | \$32.00        | \$39.00        | 23.5%        | \$24.00        | \$29.67        | 41.8%        | \$43.00          | 15.7%        | \$51.00        |                |                |              |                |              |
| Valleywood Golf Course               | \$17.00        | \$10.00        |               | \$42.00            | 19.2%        | \$32.00        | \$44.00        | 15.4%        | \$27.00        | \$33.00        | 36.5%        | \$49.00          | 5.8%         | \$52.00        |                |                |              |                |              |
| Victory Links Golf Course            | \$17.75        | \$12.00        |               |                    |              |                | \$55.50        | 11.6%        | \$18.25        | \$36.00        | 42.6%        |                  |              | \$62.75        |                |                |              |                |              |
| Viking Meadows Golf Course           |                |                |               |                    |              |                | \$26.00        | 21.2%        | \$12.00        |                |              |                  |              | \$33.00        |                |                |              |                |              |
| White Eagle Golf Club                |                |                |               | \$59.00            | 14.5%        | \$49.00        | \$54.00        | 21.7%        | \$30.00        | \$42.00        | 39.1%        |                  |              | \$69.00        |                |                |              |                |              |
| <b>Averages</b>                      | <b>\$16.58</b> | <b>\$10.41</b> | <b>\$5.00</b> | <b>\$38.70</b>     | <b>29.5%</b> | <b>\$34.42</b> | <b>\$39.94</b> | <b>21.8%</b> | <b>\$21.90</b> | <b>\$32.00</b> | <b>38.3%</b> | <b>\$47.82</b>   | <b>17.1%</b> | <b>\$54.04</b> | <b>\$58.50</b> | <b>\$43.85</b> | <b>17.7%</b> | <b>\$45.04</b> | <b>14.7%</b> |

| Company                                    | Fees               |            |          |           |            |         |            |            |                 |            |             |          |              | Range  |            |        |         |         |         |         |         |
|--|--------------------|------------|----------|-----------|------------|---------|------------|------------|-----------------|------------|-------------|----------|--------------|--------|------------|--------|---------|---------|---------|---------|---------|
|  | Weekend Green Fees |            |          |           |            |         |            |            |                 |            |             |          |              |        |            |        |         |         |         |         |         |
|  | NR Twil            | % Discount | NR Super | NR Senior | % Discount | NR Jr   | NR 9 holes | % Discount | Patron/VIP Card | % Discount | Total NR 18 | % Change | Golf Now Adv | % Disc | Age Senior | Small  | # balls | Medium  | # balls | Large   | # balls |
| Goodrich Golf Course                       | \$36.00            | 21.7%      |          | \$32.50   | 29.3%      | \$18.00 | \$31.50    | 31.5%      | \$41.00         | 10.9%      | \$46.00     |          |              |        | 62         |        |         |         |         |         |         |
| Manitou Ridge Golf Course                  | \$36.00            | 28.0%      |          | \$36.50   | 27.0%      | \$18.00 | \$34.00    | 32.0%      | \$45.00         | 10.0%      | \$50.00     |          | \$50.00      |        | 62         | \$4.00 | 35      |         |         | \$7.00  | \$70.00 |
| Keller Golf Course                         | \$42.00            | 31.1%      |          | \$45.50   | 25.4%      | \$20.00 | \$34.50    | 43.4%      | \$54.00         | 11.5%      | \$61.00     |          |              |        | 62         | \$4.00 |         |         |         | \$8.00  |         |
| Afton Alps GC                              | \$32.00            | 34.7%      |          | \$42.00   | 14.3%      | \$26.00 | \$33.00    | 32.7%      |                 |            | \$49.00     | 14.0%    | \$45.00      | 8%     |            |        |         |         |         |         |         |
| Badlands Golf Course                       |                    |            |          |           |            |         |            |            |                 |            | \$33.00     | 32.0%    |              |        |            |        |         |         |         |         |         |
| Baker National Golf Course -Championship   |                    |            |          | \$48.47   | 11.9%      | \$34.48 | \$31.69    | 42.4%      | \$46.60         | 15.3%      | \$54.99     |          |              |        | 62         |        |         |         |         |         |         |
| Bellwood Oaks GC                           | \$31.00            | 38.0%      |          | \$38.00   | 24.0%      | \$38.00 | \$29.00    | 42.0%      |                 |            | \$50.00     | 11.1%    |              |        | 60         |        |         |         |         |         |         |
| Bristol Ridge Golf Course                  |                    |            |          | \$40.00   | 7.0%       |         | \$23.00    | 46.5%      |                 |            | \$43.00     | 13.2%    | \$43.00      |        | 60         |        |         |         |         |         |         |
| Brookview Golf Course                      | \$39.00            | 30.4%      | \$35.00  |           |            | \$25.50 | \$32.00    | 42.9%      | \$49.00         | 12.5%      | \$56.00     |          |              |        |            | \$4.00 |         | \$6.00  |         | \$8.00  |         |
| Bunker Hills GC Reg                        | \$32.00            | 50.0%      |          |           |            |         | \$33.00    | 48.4%      | \$54.00         | 15.6%      | \$64.00     |          |              |        | 62         |        |         |         |         |         |         |
| Cannon Golf Club                           | \$28.00            | 45.1%      |          |           |            |         | \$31.00    | 39.2%      |                 |            | \$51.00     | 13.3%    | \$43.00      | 16%    |            |        |         |         |         |         |         |
| Chisago Lakes Golf Course                  |                    |            |          |           |            |         |            |            |                 |            | \$52.00     | 10.6%    | \$33.95      | 35%    | 60         | \$5.00 |         |         |         |         |         |
| Chomonix Golf Course                       |                    |            |          | \$45.00   | 11.8%      | \$30.00 | \$31.00    | 39.2%      | \$45.00         | 11.8%      | \$51.00     | 8.5%     |              |        |            |        |         |         |         |         |         |
| Clifton Highlands GC - Reg                 | \$33.00            | 37.7%      |          | \$47.00   | 11.3%      | \$29.00 |            |            |                 |            | \$53.00     | 17.8%    | \$53.00      |        |            |        |         |         |         |         |         |
| Clifton Hollow GC                          | \$41.00            | 12.8%      | \$29.00  |           |            |         | \$30.00    | 36.2%      |                 |            | \$47.00     | 14.6%    |              |        | 60         | \$4.00 |         | \$7.00  |         |         |         |
| Columbia Golf Club                         | \$34.00            | 34.6%      | \$27.00  |           |            | \$16.00 | \$31.00    | 40.4%      | \$43.00         | 17.3%      | \$52.00     | 8.3%     |              |        | 55         | \$5.50 | 40      | \$11.00 | 8       | \$16.50 | 120     |
| Como Golf Course <sup>1</sup>              | \$32.00            | 39.6%      | \$28.00  |           |            |         | \$32.00    | 39.6%      |                 |            | \$53.00     | 6.0%     |              |        | 62         |        |         |         |         |         |         |
| Crystal Lakes Golf Club                    |                    |            |          | \$42.00   | 34.4%      | \$26.00 | \$39.00    | 39.1%      |                 |            | \$64.00     | 18.5%    | \$59.74      | 7%     | 60         | \$6.00 |         |         |         | \$9.00  |         |
| Dakota Pines Golf Course                   | \$44.00            | 31.3%      |          |           |            | \$30.00 | \$37.00    | 42.2%      |                 |            | \$64.00     | 12.3%    |              |        | 62         | \$4.20 |         |         |         |         |         |
| Dwan Golf Club                             |                    |            |          |           |            |         | \$31.00    | 32.6%      | \$39.00         | 15.2%      | \$46.00     |          |              |        |            |        |         |         |         |         |         |
| Eagle Valley Golf Course                   | \$32.00            | 45.8%      |          | \$39.00   | 33.9%      |         | \$32.00    | 45.8%      | \$50.00         | 15.3%      | \$59.00     | 15.7%    | \$59.00      |        | 50         |        |         |         |         |         |         |
| Edinburgh USA Golf Course                  | \$44.00            | 42.1%      | \$35.00  | \$62.00   | 18.4%      |         |            |            |                 |            | \$76.00     |          |              |        |            | \$5.00 |         |         |         |         |         |
| Emerald Greens GC -Silver                  |                    |            |          | \$39.00   | 29.1%      |         | \$36.00    | 34.5%      |                 |            | \$55.00     | 7.8%     | \$52.41      | 5%     | 60         | \$7.00 |         |         |         | \$9.00  |         |
| Emerald Greens GC -Gold                    |                    |            |          | \$39.00   | 29.1%      |         | \$36.00    | 34.5%      |                 |            | \$55.00     | 7.8%     | \$52.41      | 5%     | 60         |        |         |         |         |         |         |
| Greenhaven Country Club                    | \$36.00            | 18.9%      | \$29.00  |           |            | \$20.00 | \$27.10    | 39.0%      |                 |            | \$44.40     | 2.3%     |              |        | 60         |        |         |         |         |         |         |
| Gross National Golf Club                   | \$41.00            | 25.5%      | \$33.00  |           |            | \$20.00 | \$31.00    | 43.6%      | \$45.00         | 18.2%      | \$55.00     | 7.8%     |              |        | 55         | \$3.00 | 30      |         |         |         |         |
| Hiawatha Golf Course                       | \$34.00            | 24.4%      | \$32.00  |           |            | \$12.00 | \$28.00    | 37.8%      | \$37.00         | 17.8%      | \$45.00     |          |              |        | 55         | \$2.50 | 20      | \$5.00  | 40      | \$7.50  | 60      |
| Hidden Greens Golf Course                  | \$33.00            | 34.0%      |          | \$36.00   | 28.0%      | \$19.00 | \$29.00    | 42.0%      |                 |            | \$50.00     | 8.7%     |              |        | 60         | \$4.00 |         |         |         | \$8.00  |         |
| Highland National Golf Course <sup>1</sup> | \$35.00            | 37.5%      | \$29.00  |           |            |         | \$35.00    | 37.5%      |                 |            | \$56.00     | 5.7%     |              |        | 62         | \$6.00 | 45      | \$10.00 | 75      | \$12.00 | 105     |
| HollyDale Golf Course                      |                    |            |          | \$35.50   | 28.3%      |         |            |            |                 |            | \$49.50     | 6.5%     |              |        |            |        |         |         |         |         |         |
| Inver Wood Golf Course - reg               | \$42.50            | 31.5%      |          | \$45.50   | 26.6%      | \$31.00 | \$41.00    | 33.9%      | \$55.00         | 11.3%      | \$62.00     | 14.8%    |              |        | 60         | \$6.00 |         | \$9.00  |         | \$12.00 |         |
| Kilkarney Hills GC                         | \$24.00            | 25.0%      |          |           |            |         |            |            |                 |            | \$32.00     | 3.2%     | \$30.00      | 6%     |            |        |         |         |         |         |         |
| Links at Northfork                         | \$46.00            | 25.8%      | \$31.00  | \$34.00   | 45.2%      | \$20.00 | \$31.50    | 49.2%      | \$42.00         | 32.3%      | \$62.00     |          |              |        |            | \$3.75 |         |         |         | \$6.50  |         |

Ramsey County Golf Study

Appendix D: Competition

| Company                              | Fees               |              |                |                |              |                |                |              |                 |              |                |              |              | Range  |            |               |             |               |             |               |                |
|--------------------------------------|--------------------|--------------|----------------|----------------|--------------|----------------|----------------|--------------|-----------------|--------------|----------------|--------------|--------------|--------|------------|---------------|-------------|---------------|-------------|---------------|----------------|
|                                      | Weekend Green Fees |              |                |                |              |                |                |              |                 |              |                |              |              |        |            |               |             |               |             |               |                |
|                                      | NR Twil            | % Discount   | NR Super       | NR Senior      | % Discount   | NR Jr          | NR 9 holes     | % Discount   | Patron/VIP Card | % Discount   | Total NR 18    | % Change     | Golf Now Ady | % Disc | Age Senior | Small         | # balls     | Medium        | # balls     | Large         | # balls        |
| Logger's Trail Golf Club             | \$38.00            | 43.3%        | \$28.00        |                |              |                | \$34.00        | 49.3%        |                 |              | \$67.00        | 6.3%         | \$62.00      | 7%     |            | \$3.00        |             |               |             | \$9.00        |                |
| Majestic Oaks GC - Crossroad         | \$36.00            | 33.3%        |                | \$42.00        | 22.2%        | \$25.00        |                |              | \$31.00         | 42.6%        | \$54.00        | 12.5%        | \$54.00      |        | 62         | \$7.00        |             |               |             |               |                |
| Majestic Oaks GC - Signature         | \$36.00            | 40.0%        |                | \$45.00        | 25.0%        | \$28.00        |                |              | \$54.00         | 10.0%        | \$60.00        | 11.1%        | \$60.00      |        |            |               |             |               |             |               |                |
| Meadowbrook Golf Course              | \$41.00            | 25.5%        | \$33.00        |                |              | \$20.00        | \$31.00        | 43.6%        | \$45.00         | 18.2%        | \$55.00        | 7.8%         |              |        | 55         |               |             |               |             |               |                |
| New Richmond Golf Club               |                    |              |                | \$46.00        | 30.3%        | \$46.00        | \$37.00        | 43.9%        |                 |              | \$66.00        | 8.2%         |              |        |            |               |             |               |             |               |                |
| Oak Glen Golf Club - Champion        | \$36.00            | 32.1%        |                | \$35.00        | 34.0%        |                | \$37.00        | 30.2%        |                 |              | \$53.00        | 17.8%        |              |        | 62         |               |             |               |             |               |                |
| Oak Marsh Golf Club                  | \$29.17            | 49.3%        |                |                |              | \$20.00        | \$30.50        | 47.0%        |                 |              | \$57.50        | 9.5%         | \$57.50      |        | 60         | \$5.50        | 42          |               |             |               |                |
| Oneka Ridge Golf Course              |                    |              | \$21.00        |                |              |                | \$30.00        | 41.2%        |                 |              | \$51.00        | 2.0%         |              |        | 62         |               |             |               |             |               |                |
| Phalen Park Golf Course <sup>1</sup> | \$32.00            | 39.6%        | \$28.00        |                |              |                | \$32.00        | 39.6%        |                 |              | \$53.00        | 6.0%         |              |        | 62         |               |             |               |             |               |                |
| Prestwick Golf Club @ Wedgewood      | \$60.00            | 29.4%        | \$47.00        |                |              |                | \$57.00        | 32.9%        | \$80.00         | 5.9%         | \$85.00        |              |              |        |            |               |             |               |             |               |                |
| River Falls Golf Club                | \$29.00            | 35.6%        |                |                |              |                | \$35.00        | 22.2%        |                 |              | \$45.00        | 25.0%        |              |        |            |               |             |               |             |               |                |
| River Oaks Municipal GC              | \$32.00            | 40.7%        |                | \$36.00        | 33.3%        | \$19.00        | \$35.00        | 35.2%        | \$51.00         | 5.6%         | \$54.00        | 4.9%         |              |        | 62         | \$4.50        |             | \$7.00        |             | \$9.00        |                |
| Royal Club (formerly Tartan Park GC) |                    |              |                |                |              |                | \$45.00        | 43.0%        |                 |              | \$79.00        |              |              |        |            | \$5.00        |             |               |             | \$8.00        |                |
| Rum River Hills Golf Club            | \$25.00            | 49.0%        | \$19.00        |                |              |                |                |              |                 |              | \$49.00        | 6.5%         | \$37.00      | 24%    | 60         | \$4.00        |             |               |             | \$7.50        |                |
| Rush Creek Golf Club - reg           | \$99.00            | 28.8%        | \$79.00        |                |              | \$25.00        |                |              | \$79.00         | 43.2%        | \$139.00       |              |              |        |            | \$3.00        |             | \$7.00        |             | \$10.00       |                |
| Shamrock Golf Course                 | \$25.00            | 49.0%        |                |                |              |                | \$28.00        | 42.9%        |                 |              | \$49.00        | 8.9%         |              |        |            | \$4.00        | 30          | \$7.50        | 60          | \$10.00       | \$90.00        |
| Southern Hills Golf Club             | \$40.00            | 29.8%        |                |                |              |                | \$34.00        | 40.4%        |                 |              | \$57.00        | 18.8%        | \$43.00      | 25%    |            | \$5.60        |             | \$8.40        |             |               |                |
| St. Croix National Golf Course       | \$59.00            | 25.3%        |                |                |              | \$25.00        | \$45.00        | 43.0%        |                 |              | \$79.00        | 14.5%        |              |        | 55         |               |             |               |             |               |                |
| Stillwater Oaks Golf Course          | \$29.00            | 32.6%        |                |                |              |                | \$30.00        | 30.2%        |                 |              | \$43.00        | 16.2%        |              |        |            |               |             |               |             |               |                |
| StoneRidge Golf Club                 | \$69.00            | 30.3%        |                |                |              |                |                |              |                 |              | \$99.00        | 17.9%        |              |        |            |               |             |               |             |               |                |
| Sundance Golf & Bowl                 |                    |              |                |                |              |                | \$33.00        | 32.7%        |                 |              | \$49.00        | 6.5%         |              |        |            | \$4.00        |             |               |             | \$7.00        |                |
| Tanners Brook Golf Club              | \$36.00            | 40.0%        | \$28.00        |                |              | \$20.00        | \$31.00        | 48.3%        |                 |              | \$60.00        | 7.1%         | \$52.00      | 13%    | 50         | \$4.00        | 27          | \$7.00        | 52          |               |                |
| The Refuge Golf Club                 | \$30.00            | 53.1%        |                |                |              |                |                |              |                 |              | \$64.00        |              | \$54.00      | 16%    | 55         |               |             |               |             |               |                |
| Theodore Wirth Golf Course           | \$33.00            | 34.0%        | \$27.00        | \$50.00        | 0.0%         | \$13.00        | \$31.00        | 38.0%        | \$42.00         | 16.0%        | \$50.00        | 11.1%        |              |        | 55         |               |             |               |             |               |                |
| Troy Burne Golf Club                 |                    |              |                |                |              |                |                |              | \$79.00         | 26.9%        | \$108.00       |              |              |        | 55         |               |             |               |             |               |                |
| U of M Les Bolsad GC                 | \$39.00            | 23.5%        | \$32.00        |                |              |                | \$24.00        |              | \$43.00         | 15.7%        | \$51.00        |              |              |        | 55         |               |             |               |             |               |                |
| Valleywood Golf Course               | \$42.00            | 30.0%        | \$32.00        |                |              |                | \$35.00        | 41.7%        | \$57.00         | 5.0%         | \$60.00        | 15.4%        |              |        | 55         | \$5.00        |             |               |             | \$8.00        |                |
| VictoryLinks Golf Course             |                    |              |                | \$55.50        | 11.6%        | \$18.25        | \$36.00        | 42.6%        | \$42.00         | 33.1%        | \$62.75        |              |              |        | 60         | \$5.00        |             | \$7.00        |             | \$10.00       |                |
| Viking Meadows Golf Course           |                    |              |                |                |              |                |                |              |                 |              | \$33.00        |              |              |        |            |               |             |               |             |               |                |
| White Eagle Golf Club                | \$59.00            | 25.3%        | \$49.00        | \$54.00        | 31.6%        |                | \$42.00        | 46.8%        |                 |              | \$79.00        | 14.5%        |              |        | 55         |               |             |               |             |               |                |
| <b>Averages</b>                      | <b>\$38.73</b>     | <b>34.0%</b> | <b>\$33.23</b> | <b>\$42.71</b> | <b>24.0%</b> | <b>\$23.87</b> | <b>\$33.72</b> | <b>39.6%</b> | <b>\$49.94</b>  | <b>17.5%</b> | <b>\$57.97</b> | <b>11.3%</b> | <b>13.9%</b> |        |            | <b>\$4.61</b> | <b>33.6</b> | <b>\$7.66</b> | <b>47.0</b> | <b>\$9.10</b> | <b>\$89.00</b> |

| Company                                    | Financial Performance |        |        |               |  |               |           |               |
|--|-----------------------|--------|--------|---------------|--|---------------|-----------|---------------|
|  | Rounds                |        |        | Revenue       | Operating Expenses (excl depreciation) |               |           |               |
|  | 2016                  | 2017   | % Chg  | Total Revenue | Total Expenses                         | NOI           | Maint     | Total Payroll |
| Goodrich Golf Course                       | 26,837                | 29,674 | 10.6%  | \$989,296     |  |               |           |               |
| Manitou Ridge Golf Course                  | 34,147                | 30,350 | -11.1% | \$1,153,882   |  |               |           |               |
| Keller Golf Course                         | 28,978                | 28,972 | 0.0%   | \$2,715,286   |  |               |           |               |
| Afton Alps GC                              | cb                    |        |        |               |  |               |           |               |
| Badlands Golf Course                       |                       | 21,000 |        |               |  |               |           |               |
| Baker National Golf Course -Championship   |                       | 34,000 |        |               |  |               |           |               |
| Bellwood Oaks GC                           |                       |        |        |               |  |               |           |               |
| Bristol Ridge Golf Course                  | cb                    |        |        |               |  |               |           |               |
| Brookview Golf Course                      | 39,588                | 40,717 | 2.9%   | \$2,106,472   | \$2,172,621                            | (\$66,149)    |           |               |
| Bunker Hills GC Reg                        |                       | 56,052 |        | \$6,689,204   | \$6,300,339                            | \$388,865     | \$921,628 | \$3,063,175   |
| Cannon Golf Club                           |                       | 23,000 |        |               |  |               |           |               |
| Chisago Lakes Golf Course                  | 23,561                | 21,879 | -7.1%  |               |  |               |           |               |
| Chomonix Golf Course                       |                       | 28,761 |        |               |  |               |           |               |
| Clifton Highlands GC - Reg                 | cb                    |        |        |               |  |               |           |               |
| Clifton Hollow GC                          |                       | 20,000 |        |               |  |               |           |               |
| Columbia Golf Club                         | 34,253                | 33,000 | -3.7%  |               |  |               |           |               |
| Como Golf Course <sup>1</sup>              | 31,743                | 26,604 | -16.2% |               |  |               |           |               |
| Crystal Lakes Golf Club                    | 40,169                | 40,738 | 1.4%   |               |  |               |           |               |
| Dakota Pines Golf Course                   |                       |        |        |               |  |               |           |               |
| Dwan Golf Club                             |                       | 40,000 |        | \$1,301,771   | \$1,275,174                            | \$26,597      |           | \$797,662     |
| Eagle Valley Golf Course                   |                       | 36,186 |        | \$1,554,204   | \$1,199,850                            | \$354,354     |           | \$728,304     |
| Edinburgh USA Golf Course                  | 33,505                | 31,776 | -5.2%  | \$1,477,635   | \$1,922,647                            | (\$445,012)   |           |               |
| Emerald Greens GC -Silver                  |                       |        |        |               |  |               |           |               |
| Emerald Greens GC -Gold                    |                       |        |        |               |  |               |           |               |
| Greenhaven Country Club                    |                       | 33,958 |        | \$974,193     | \$955,649                              | \$18,544      |           | \$580,717     |
| Gross National Golf Club                   | 42,035                | 38,732 | -7.9%  |               |  |               |           |               |
| Hiawatha Golf Course                       | 24,752                | 29,166 | 17.8%  |               |  |               |           |               |
| Hidden Greens Golf Course                  |                       | 22,000 |        |               |  |               |           |               |
| Highland National Golf Course <sup>1</sup> | 30,865                | 30,396 | -1.5%  |               |  |               |           |               |
| HollyDale Golf Course                      |                       |        |        |               |  |               |           |               |
| Inver Wood Golf Course - reg               |                       | 44,067 |        | \$1,467,194   | \$3,682,241                            | (\$2,215,047) |           | \$873,024     |
| Kilkarney Hills GC                         |                       |        |        |               |  |               |           |               |
| Links at Northfork                         |                       |        |        |               |  |               |           |               |
| Logger's Trail Golf Club                   |                       |        |        |               |  |               |           |               |

| Company                              | Financial Performance |               |              |                    |  |                    |                  |                    |
|--------------------------------------|-----------------------|---------------|--------------|--------------------|--|--------------------|------------------|--------------------|
|                                      | Rounds                |               |              | Revenue            | Operating Expenses (excl depreciation) |                    |                  |                    |
|                                      | 2016                  | 2017          | % Chg        | Total Revenue      | Total Expenses                         | NOI                | Maint            | Total Payroll      |
| Majestic Oaks GC - Crossroad         |                       | 37,000        |              |                    |  |                    |                  |                    |
| Majestic Oaks GC - Signature         |                       | 33,000        |              |                    |  |                    |                  |                    |
| Meadowbrook Golf Course              |                       |               |              |                    |  |                    |                  |                    |
| New Richmond Golf Club               |                       |               |              |                    |  |                    |                  |                    |
| Oak Glen Golf Club - Champion        | em                    |               |              |                    |  |                    |                  |                    |
| Oak Marsh Golf Club                  | 36,000                | 35,500        | -1.4%        |                    |  |                    |                  |                    |
| Oneka Ridge Golf Course              |                       |               |              |                    |  |                    |                  |                    |
| Phalen Park Golf Course <sup>1</sup> | 32,010                | 24,481        | -23.5%       |                    |  |                    |                  |                    |
| Prestwick Golf Club @ Wedgewood      | em                    |               |              |                    |  |                    |                  |                    |
| River Falls Golf Club                |                       |               |              |                    |  |                    |                  |                    |
| River Oaks Municipal GC              | 29,500                | 29,500        | 0.0%         | \$1,471,676        | \$1,592,656                            | (\$120,980)        |                  | \$952,766          |
| Royal Club (formerly Tartan Park GC) |                       |               |              |                    |  |                    |                  |                    |
| Rum River Hills Golf Club            |                       |               |              |                    |  |                    |                  |                    |
| Rush Creek Golf Club - reg           |                       |               |              |                    |  |                    |                  |                    |
| Shamrock Golf Course                 |                       |               |              |                    |  |                    |                  |                    |
| Southern Hills Golf Club             | cb                    |               |              |                    |  |                    |                  |                    |
| St. Croix National Golf Course       | cb                    |               |              |                    |  |                    |                  |                    |
| Stillwater Oaks Golf Course          |                       | 24,000        |              |                    |  |                    |                  |                    |
| StoneRidge Golf Club                 |                       |               |              |                    |  |                    |                  |                    |
| Sundance Golf & Bowl                 |                       |               |              |                    |  |                    |                  |                    |
| Tanners Brook Golf Club              |                       |               |              |                    |  |                    |                  |                    |
| The Refuge Golf Club                 |                       |               |              |                    |  |                    |                  |                    |
| Theodore Wirth Golf Course           | 25,414                |               |              |                    |  |                    |                  |                    |
| Troy Burne Golf Club                 | 22,250                | 20,000        | -10.1%       |                    |  |                    |                  |                    |
| U of M Les Bolsad GC                 |                       | 27,000        |              |                    |  |                    |                  |                    |
| Valleywood Golf Course               |                       | 33,000        |              | \$1,356,436        | \$1,538,861                            | (\$182,425)        |                  | \$869,905          |
| Victory Links Golf Course            |                       |               |              |                    |  |                    |                  |                    |
| Viking Meadows Golf Course           |                       |               |              |                    |  |                    |                  |                    |
| White Eagle Golf Club                | em                    |               |              |                    |  |                    |                  |                    |
| <b>Averages</b>                      | <b>31,506</b>         | <b>31,391</b> | <b>-3.4%</b> | <b>\$1,938,104</b> | <b>\$2,293,338</b>                     | <b>(\$355,233)</b> | <b>\$921,628</b> | <b>\$1,123,650</b> |

Ramsey County Golf Study

Appendix D: Competition

| Company                                    | Personal Ratings |       |       |            |           | Ratings |                               |                               |                               |                               |                   |               |        |     |                |           |        |          |          |       |            |       |            |       |
|--|------------------|-------|-------|------------|-----------|---------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------|---------------|--------|-----|----------------|-----------|--------|----------|----------|-------|------------|-------|------------|-------|
|  | Curb             | Neigh | Maint | Aesthetics | Clubhouse | Total   | Google                        | Golf Advisors                 | Yelp                          | Facebook                      | Google            | Golf Advisors |        |     |                |           | Yelp   | Facebook |          | Total |            |       |            |       |
|  |                  |       |       |            |           |         | Overall Rating/ Total Reviews | Ratings           | #             | rating | #   | Rating last yr | # Last yr | rating | #        | Rating s | #     | Avg Rating | Rank  | Total Resp |       |
| Goodrich Golf Course                       | 6                | 5     | 7     | 6          | 6         | 30      | 4.0 stars / 34                | 3.5 stars / 2                 | -                             | 4 stars / 1                   | 3.9 stars / 25    | 4             | 34     | 3.5 | 2              |           | 4      | 1        | 3.9      | 25    | 3.94       | 42.00 | 62         |       |
| Manitou Ridge Golf Course                  | 6.5              | 6.5   | 7     | 7.5        | 6.5       | 34      | 3.8 stars / 58                | 4.0 stars / 3                 | -                             | -                             | 4.2 stars / 48    | 3.8           | 58     | 4   | 3              |           |        |          | 4.2      | 48    | 3.98       | 41.00 | 109        |       |
| Keller Golf Course                         | 8                | 6     | 8     | 8.5        | 9.5       | 40      | 4.3 stars / 101               | 4.3 stars / 3                 | -                             | 4.4 stars / 4                 | -                 | 4.3           | 101    | 4.3 | 3              |           | 4.4    | 4        |          |       | 4.30       | 15.00 | 108        |       |
| Alton Alps GC                              | 6.5              | 6     | 6.5   | 6.5        | 5         | 30.5    | 5 stars / 2                   | 3.5 stars / 61                | 3.5 stars / 11                | 3.5 stars / 40                | 4.4 stars / 1,092 | 5             | 2      | 3.5 | 61             | 3.5       | 11     | 3.5      | 40       | 3.53  | 52.00      | 103   |            |       |
| Badlands Golf Course                       |                  |       |       |            |           |         | 4.1 stars / 32                | 4.5 stars / 2                 | -                             | 3.5 stars / 3                 |                   | 4.1           | 32     | 4.5 | 2              |           | 3.5    | 3        |          |       | 4.07       | 32.00 | 37         |       |
| Baker National Golf Course -Championship   |                  |       |       |            |           |         |                               |                               |                               |                               |                   |               |        |     |                |           |        |          |          |       | #N/A       |       |            |       |
| Bellwood Oaks GC                           | 7                | 6.5   | 7.5   | 7          | 4         | 32      |                               |                               |                               |                               |                   |               |        |     |                |           |        |          |          |       | #N/A       |       |            |       |
| Bristol Ridge Golf Course                  |                  |       |       |            |           |         | 4.5 stars / 28                | 4.5 stars / 84                | 4.7 stars / 12                | 3 stars / 5                   | 4.6 stars / 50    | 4.5           | 28     | 4.5 | 84             | 4.7       | 12     | 3        | 5        | 4.6   | 50         | 4.50  | 7.00       | 167   |
| Brookview Golf Course                      | 8                | 6     | 7.5   | 7.5        | 7.5       | 9.5     | 3.9 stars / 54                | 2.7 stars / 3                 | -                             | 3 stars / 5                   | 4.1 stars / 45    | 3.9           | 54     | 2.7 | 3              |           | 3      | 5        | 4.1      | 45    | 3.91       | 44.00 | 107        |       |
| Bunker Hills GC Reg                        | 7.5              | 7     | 7     | 7.5        | 9         | 38      | 4.5 stars / 233               | 4.0 stars / 1                 | 4.0 stars / 1                 | -                             | 4.6 stars / 118   | 4.5           | 233    | 4   | 1              | 4         | 1      |          | 4.6      | 118   | 4.53       | 5.00  | 352        |       |
| Cannon Golf Club                           |                  |       |       |            |           |         |                               |                               |                               |                               |                   |               |        |     |                |           |        |          |          |       | #N/A       |       |            |       |
| Chisago Lakes Golf Course                  |                  |       |       |            |           |         |                               |                               |                               |                               |                   |               |        |     |                |           |        |          |          |       | #N/A       |       |            |       |
| Chomonix Golf Course                       | 6.5              | 6.5   | 7     | 6.5        | 6         | 32.5    | 4.1 stars / 50                | 3.6 stars / 5                 | 4 stars / 1                   | 3.5 stars / 3                 | 4.2 stars / 81    | 4.1           | 50     | 3.6 | 5              | 4         | 1      | 3.5      | 3        | 4.2   | 81         | 4.13  | 28.00      | 139   |
| Clifton Highlands GC - Reg                 | 6.5              | 7     | 7.5   | 7.5        | 7         | 35.5    | 4.5 stars / 49                | 4.2 stars / 106               | 4.2 stars / 29                | 4.5 stars / 3                 | -                 | 4.5           | 49     | 4.2 | 109            | 4.2       | 29     | 4.5      | 3        |       | 4.28       | 18.00 | 161        |       |
| Clifton Hollow GC                          | 4.5              | 6     | 6.5   | 6.5        | 5.5       | 29      | 4.5 stars / 14                | 4.0 stars / 51                | 3.0 stars / 1                 | 4.5 stars / 4                 | 4.6 stars / 61    | 4.5           | 14     | 4   | 51             | 3         | 1      | 4.5      | 4        | 4.6   | 61         | 4.34  | 11.00      | 130   |
| Columbia Golf Club                         | 7.5              | 7     | 7     | 7.5        | 7.5       | 36.5    | 4.0 stars / 113               | 3.9 stars / 3                 | 4.0 stars / 1                 | 2.5 stars / 3                 | 4.3 stars / 54    | 4             | 113    | 3.9 | 3              | 4         | 1      | 2.5      | 3        | 4.3   | 54         | 4.07  | 34.00      | 173   |
| Como Golf Course <sup>1</sup>              | 7                | 6     | 6     | 7.5        | 7         | 33.5    | 4.3 stars / 79                | 4.0 stars / 3                 | -                             | 2.5 stars / 6                 | -                 | 4.3           | 79     | 4   | 3              |           | 2.5    | 6        |          |       | 4.17       | 26.00 | 88         |       |
| Crystal Lakes Golf Club                    | 7.5              | 8     | 7.5   | 7          | 7         | 37      |                               |                               |                               |                               |                   |               |        |     |                |           |        |          |          |       | #N/A       |       |            |       |
| Dakota Pines Golf Course                   | 8                | 7.5   | 8     | 8          | 8         | 39.5    | 4.4 stars / 36                | 4.2 stars / 2                 | 4.0 stars / 1                 | 4 stars / 6                   | -                 | 4.4           | 36     | 4.2 | 2              | 4         | 1      | 4        | 6        |       | 4.33       | 13.00 | 44         |       |
| Dwan Golf Club                             | 5.5              | 6     | 6.5   | 6.5        | 4         | 28.5    | 3.6 stars / 53                | -                             | -                             | 4 stars / 5                   | 4.8 stars / 5     | 3.6           | 53     |     |                |           | 4      | 5        | 4.8      | 5     | 3.73       | 48.00 | 63         |       |
| Eagle Valley Golf Course                   | 7                | 7     | 8     | 8          | 8         | 38      | 4.3 stars / 96                | 4.5 stars / 89                | 4.4 stars / 17                | 3 stars / 6                   | 4.5 stars / 101   | 4.3           | 96     | 4.5 | 89             | 4.4       | 17     | 3        | 6        | 4.5   | 101        | 4.40  | 9.00       | 292   |
| Edinburgh USA Golf Course                  | 8                | 8.5   | 9     | 8.5        | 9.5       | 43.5    | 4.3 stars / 177               | 4.9 stars / 4                 | 5.0 stars / 1                 | 3 stars / 5                   | -                 | 4.3           | 177    | 4.9 | 4              | 5         | 1      | 3        | 5        |       | 4.28       | 19.00 | 186        |       |
| Emerald Greens GC -Silver                  | 6.5              | 6     | 7.5   | 7.5        | 6         | 33.5    | 4.0 stars / 72                | 4.1 stars / 184               | 4.1 stars / 28                | 3.5 stars / 3                 | 3.9 stars / 46    | 4             | 72     | 4.1 | 184            | 4.1       | 28     | 3.5      | 3        | 3.9   | 46         | 4.06  | 36.00      | 240.2 |
| Emerald Greens GC -Gold                    |                  |       |       |            |           |         |                               |                               |                               |                               |                   |               |        |     |                |           |        |          |          |       | #N/A       |       |            |       |
| Greenhaven Country Club                    | 7                | 7     | 7     | 7          | 7         | 35      | 4.1 stars / 26                | 3.8 stars / 39                | 3.9 stars / 8                 | 4 stars / 4                   | 4.2 stars / 97    | 4.1           | 26     | 3.8 | 39             | 3.9       | 8      | 4        | 4        | 4.2   | 97         | 4.08  | 31.00      | 166   |
| Gross National Golf Club                   | 7                | 6.5   | 8     | 7          | 6         | 34.5    | 4.2 stars / 56                | 4.0 stars / 3                 | 4.0 stars / 1                 | 3.5 stars / 6                 | 4.1 stars / 15    | 4.2           | 56     | 4   | 3              | 4         | 1      | 3.5      | 6        | 4.1   | 15         | 4.12  | 29.00      | 80    |
| Hiawatha Golf Course                       | 7                | 5     | 5     | 6          | 6         | 29      | 3.9 stars / 106               | 1.0 stars / 1                 | 1.0 stars / 1                 | 2.5 stars / 18                |                   | 3.9           | 106    | 1   | 1              | 1         | 1      | 2.5      | 18       |       | 3.65       | 50.00 | 125        |       |
| Hidden Greens Golf Course                  | 6                | 6     | 6     | 6          | 7         | 31      | 4.6 stars / 53                | 4.3 stars / 58                | 4.4 stars / 14                | 2.5 stars / 3                 |                   | 4.6           | 53     | 4.3 | 58             | 4.4       | 14     | 2.5      | 3        |       | 4.39       | 10.00 | 114        |       |
| Highland National Golf Course <sup>1</sup> | 7                | 7     | 7     | 7          | 5         | 33      | 4.3 stars / 79                | 4.0 stars / 1                 | -                             | -                             | 4 stars / 51      | 4.3           | 79     | 4   | 1              |           |        |          | 4        | 51    | 4.18       | 25.00 | 131        |       |
| Hollydale Golf Course                      | 5                | 7     | 6.5   | 6.5        | 3         | 28      | 4.2 stars / 57                | -                             | -                             | 3 stars / 5                   | 4.2 stars / 40    | 4.2           | 57     |     |                |           | 3      | 5        | 4.2      | 40    | 4.14       | 27.00 | 102        |       |
| Inver Wood Golf Course - reg               | 8                | 7     | 7.5   | 9          | 7.5       | 39      | 4.1 stars / 83                | -                             | -                             | 2.5 stars / 10                | 4.4 stars / 32    | 4.1           | 83     |     |                |           | 2.5    | 10       | 4.4      | 32    | 4.05       | 37.00 | 125        |       |
| Kilkamey Hills GC                          | 6.5              | 6.5   | 6.5   | 7          | 6.5       | 33      | 4.3 stars / 71                | 4.4 stars / 16                | 5.0 stars / 1                 | 4.5 stars / 7                 |                   | 4.3           | 71     | 4.4 | 16             | 5         | 1      | 4.5      | 7        |       | 4.34       | 12.00 | 94         |       |
| Links at Northfork                         | 8                | 8.5   | 8     | 8          | 8         | 40.5    |                               |                               |                               |                               |                   |               |        |     |                |           |        |          |          |       | #N/A       |       |            |       |

Ramsey County Golf Study

Appendix D: Competition

| Company                              | Personal Ratings |            |            |            |            | Ratings     |                               |                               |                                      |                               |                               |            |               |            |                |            |            |            |            |            | Total       |             |       |               |
|--------------------------------------|------------------|------------|------------|------------|------------|-------------|-------------------------------|-------------------------------|--------------------------------------|-------------------------------|-------------------------------|------------|---------------|------------|----------------|------------|------------|------------|------------|------------|-------------|-------------|-------|---------------|
|                                      | Curb             | Neigh      | Maint      | Aesthetics | Clubhouse  | Total       | Google                        | GolfAdvisors                  |                                      | Yelp                          | Facebook                      | Google     | Golf Advisors |            |                | Yelp       | Facebook   |            | Avg Rating | Rank       | Total Resp  |             |       |               |
|                                      |                  |            |            |            |            |             | Overall Rating/ Total Reviews | Overall Rating/ Total Reviews | Rating past 12 months/ Total Reviews | Overall Rating/ Total Reviews | Overall Rating/ Total Reviews | Ratings #  | rating        | #          | Rating last yr | # Last yr  | rating     | #          | Rating s   | #          |             |             |       |               |
| Logger's Trail Golf Club             | 5                | 7.5        | 7          | 7.5        | 4          | 31          | 4.1 stars / 13                | 4.3 stars / 162               | 4.4 stars / 48                       | 4 stars / 2                   | -                             | 4.1        | 13            | 4.3        | 162            | 4.4        | 48         | 4          | 2          | 4.31       | 14.00       | 177         |       |               |
| Majestic Oaks GC - Crossroad         |                  |            |            |            |            |             |                               | 3.2 stars / 54                | 3.2 stars / 4                        |                               |                               |            |               |            |                |            |            |            |            | 3.20       | 53.00       | 54          |       |               |
| Majestic Oaks GC - Signature         | 8                | 7          | 7          | 7.5        | 8          | 37.5        | 4.2 stars / 220               | 3.1 stars / 50                | 3.0 stars / 1                        | 3 stars / 6                   | 4.2 stars / 88                | 4.2        | 220           | 3.1        | 50             | 3          | 1          | 3          | 6          | 4.2        | 88          | 4.03        | 38.00 | 364           |
| Meadowbrook Golf Course              | 5                | 7          | 5          | 6.5        | 2          | 25.5        | 3.9 stars / 34                | -                             | -                                    | 2 stars / 3                   | 3.7 stars / 22                | 3.9        | 34            |            |                |            |            | 2          | 3          | 3.7        | 22          | 3.73        | 47.00 | 59            |
| New Richmond Golf Club               |                  |            |            |            |            |             |                               |                               |                                      |                               |                               |            |               |            |                |            |            |            |            |            |             |             | #N/A  |               |
| Oak Glen Golf Club - Champion        | 7.5              | 7.5        | 7.5        | 7          | 8          | 37.5        | 3.9 stars / 33                | 4.0 stars / 1                 | -                                    | -                             | 4.4 stars / 81                | 3.9        | 33            | 4          | 1              |            |            |            |            | 4.4        | 81          | 4.25        | 22.00 | 115           |
| Oak Marsh Golf Club                  | 7                | 7          | 8          | 7.5        | 7.5        | 37          | 4.1 stars / 166               | 4.3 stars / 75                | 4.2 stars / 10                       | 3 stars / 6                   | 4.3 stars / 115               | 4.1        | 166           | 4.3        | 75             | 4.2        | 10         | 3          | 6          | 4.3        | 115         | 4.19        | 24.00 | 362           |
| Oneka Ridge Golf Course              | 6.5              | 7          | 7          | 6.5        | 6          | 33          | 4.3 stars / 51                | 3.6 stars / 2                 | -                                    | 4 stars / 1                   | -                             | 4.3        | 51            | 3.6        | 2              |            |            | 4          | 1          | 4.27       | 21.00       | 54          |       |               |
| Phalen Park Golf Course <sup>1</sup> | 6                | 5          | 7          | 6.8        | 5          | 29.8        | 4.3 stars / 33                | 2.4 stars / 3                 | 1.0 star / 1                         | 4 stars / 4                   | 3.8 stars / 46                | 4.3        | 33            | 2.4        | 3              | 1          | 1          | 4          | 4          | 3.8        | 46          | 3.92        | 43.00 | 86            |
| Prestwick Golf Club @ Wedgewood      | 9                | 9          | 9          | 8.5        | 9          | 44.5        | 4.5 stars / 64                | 4.2 stars / 3                 | 4.0 stars / 1                        | 4 stars / 9                   | -                             | 4.5        | 64            | 4.2        | 3              | 4          | 1          | 4          | 9          | 4.42       | 8.00        | 76          |       |               |
| River Falls Golf Club                | 7.5              | 7.5        | 8          | 7.5        | 7          | 37.5        | 4.7 stars / 44                | 4.3 stars / 61                | -                                    | -                             | 4.6 stars / 55                | 4.7        | 44            | 4.3        | 61             |            |            |            |            | 4.6        | 55          | 4.51        | 6.00  | 160           |
| River Oaks Municipal GC              | 7                | 7.5        | 8          | 7          | 7.5        | 37          | 4.4 stars / 74                | 4.2 stars / 2                 | 4.0 stars / 1                        | 3.5 stars / 3                 | 4.2 stars / 78                | 4.4        | 74            | 4.2        | 2              | 4          | 1          | 3.5        | 3          | 4.2        | 78          | 4.28        | 20.00 | 157           |
| Royal Club (formerly Tartan Park GC) | 6.5              | 9          | 9          | 8.5        | 9          | 42          |                               |                               |                                      |                               |                               |            |               |            |                |            |            |            |            |            |             |             | #N/A  |               |
| Rum River Hills Golf Club            | 6.5              | 5.5        | 5.5        | 7.5        | 7          | 32          | 3.9 stars / 58                | 2.9 stars / 39                | 2.8 stars / 13                       | -                             | 4.1 stars / 70                | 3.9        | 58            | 2.9        | 39             | 2.8        | 13         |            |            | 4.1        | 70          | 3.68        | 49.00 | 167           |
| Rush Creek Golf Club - reg           | 9                | 8.5        | 8.5        | 8.5        | 9          | 43.5        | 4.5 stars / 191               | 4.9 stars / 5                 | 5.0 stars / 2                        | 4 stars / 13                  | 4.6 stars / 223               | 4.5        | 191           | 4.9        | 5              | 5          | 2          | 4          | 13         | 4.6        | 223         | 4.54        | 4.00  | 432           |
| Shamrock Golf Course                 | 5                | 6.5        | 6.5        | 4          | 4          | 26          | 4.1 stars / 84                | 4.0 stars / 3                 | 4.0 stars / 2                        | 4 stars / 1                   | 4 stars / 42                  | 4.1        | 84            | 4          | 3              | 4          | 2          | 4          | 1          | 4          | 42          | 4.06        | 35.00 | 130           |
| Southern Hills Golf Club             | 7                | 7          | 7          | 7          | 6          | 34          | 4.1 stars / 28                | 4.2 stars / 33                | 4.7 stars / 3                        | 3.5 stars / 6                 | 4.3 stars / 97                | 4.1        | 28            | 4.2        | 33             | 4.7        | 3          | 3.5        | 6          | 4.3        | 97          | 4.23        | 23.00 | 164           |
| St. Croix National Golf Course       | 8                | 8          | 7          | 9          | 6.5        | 38.5        | 3.6 stars / 35                | 4.5 stars / 74                | 4.7 stars / 7                        | 4.5 stars / 2                 | 4.4 stars / 71                | 3.6        | 35            | 4.5        | 74             | 4.7        | 7          | 4.5        | 2          | 4.4        | 71          | 4.30        | 16.00 | 182           |
| Stillwater Oaks Golf Course          | 4                | 7          | 6.5        | 7          | 3          | 27.5        | 3.9 stars / 60                | 3.7 stars / 55                | 3.6 stars / 10                       | 3.5 stars / 4                 | 4.4 stars / 81                | 3.9        | 60            | 3.7        | 55             | 3.6        | 10         | 3.5        | 4          | 4.4        | 81          | 4.02        | 40.00 | 200           |
| StoneRidge Golf Club                 | 9                | 8.5        | 9          | 9.5        | 8.5        | 44.5        | 4.3 stars / 33                | 4.7 stars / 12                | 5.0 stars / 1                        | 3.5 stars / 7                 | -                             | 4.3        | 33            | 4.7        | 12             | 5          | 1          | 3.5        | 7          | 4.30       | 17.00       | 52          |       |               |
| Sundance Golf & Bowl                 | 5                | 7          | 6          | 6.5        | 6          | 30.5        | 4.0 stars / 156               | 3.0 stars / 1                 | -                                    | -                             | 4.1 stars / 68                | 4          | 156           | 3          | 1              |            |            |            |            | 4.1        | 68          | 4.03        | 39.00 | 225           |
| Tanners Brook Golf Club              | 5                | 6          | 5.5        | 7.5        | 6.5        | 30.5        | 4.4 stars / 51                | 3.8 stars / 41                | 4.0 stars / 16                       | 2.5 stars / 3                 | -                             | 4.4        | 51            | 3.8        | 41             | 4          | 16         | 2.5        | 3          | 4.07       | 33.00       | 95          |       |               |
| The Refuge Golf Club                 |                  |            |            |            |            |             |                               |                               |                                      |                               |                               |            |               |            |                |            |            |            |            |            |             |             | #N/A  |               |
| Theodore Wirth Golf Course           | 8                | 6          | 6.5        | 7          | 6          | 33.5        | 3.9 stars / 103               | -                             | -                                    | 3.5 stars / 15                | 3.8 stars / 66                | 3.9        | 103           |            |                |            |            | 3.5        | 15         | 3.8        | 66          | 3.83        | 45.00 | 184           |
| Troy Burne Golf Club                 | 9.5              | 9          | 9.5        | 9.5        | 9          | 46.5        | 4.8 stars / 57                | 4.8 stars / 5                 | 5.0 stars / 1                        | 4 stars / 9                   | -                             | 4.8        | 57            | 4.8        | 5              | 5          | 1          | 4          | 9          | 4.70       | 2.00        | 71          |       |               |
| U of M Les Boisad GC                 | 5                | 4          | 6          | 6          | 3          | 24          | 4.0 stars / 75                | 4.0 stars / 1                 | -                                    | -                             | 4.2 stars / 64                | 4          | 75            | 4          | 1              |            |            |            |            | 4.2        | 64          | 4.09        | 30.00 | 140           |
| Valleywood Golf Course               | 7.5              | 6          | 6.5        | 7.5        | 8          | 35.5        | 3.5 stars / 29                | 3.0 stars / 1                 | -                                    | 1.5 stars / 2                 | 4.2 stars / 37                | 3.5        | 29            | 3          | 1              |            |            | 1.5        | 2          | 4.2        | 37          | 3.81        | 46.00 | 69            |
| Victory Links Golf Course            | 7.5              | 7          | 8          | 8          | 6.5        | 37          | 4.6 stars / 60                | 4.6 stars / 5                 | 4.5 stars / 2                        | 4 stars / 3                   | 4.7 stars / 82                | 4.6        | 60            | 4.6        | 5              | 4.5        | 2          | 4          | 3          | 4.7        | 82          | 4.64        | 3.00  | 150           |
| Viking Meadows Golf Course           | 5                | 7          | 6.5        | 6.5        | 5          | 30          | 3.5 stars / 30                | 3.3 stars / 40                | 3.3 stars / 10                       | 3.5 stars / 3                 | 3.9 stars / 52                | 3.5        | 30            | 3.3        | 40             | 3.3        | 10         | 3.5        | 3          | 3.9        | 52          | 3.58        | 51.00 | 125           |
| White Eagle Golf Club                | 8                | 8          | 8          | 8          | 8          | 40          | 4.5 stars / 62                | 4.9 stars / 74                | 5.0 stars / 1                        | 4 stars / 11                  | 4.8 stars / 121               | 4.5        | 62            | 4.9        | 74             | 5          | 1          | 4          | 11         | 4.8        | 121         | 4.73        | 1.00  | 268           |
| <b>Averages</b>                      | <b>6.8</b>       | <b>6.9</b> | <b>7.2</b> | <b>7.3</b> | <b>6.6</b> | <b>34.3</b> |                               |                               |                                      |                               |                               | <b>4.2</b> | <b>69.1</b>   | <b>3.9</b> | <b>31.9</b>    | <b>4.0</b> | <b>7.5</b> | <b>3.5</b> | <b>6.1</b> | <b>4.3</b> | <b>67.4</b> | <b>4.14</b> |       | <b>147.48</b> |

| Company                                    | Food & Beverage |           |         |            |          |        |        |       |
|--|-----------------|-----------|---------|------------|----------|--------|--------|-------|
|  | Type            | Hamburger | Hot Dog | Draft Beer | Can Beer | Soda   | Wrap   | Salad |
| Goodrich Golf Course                       | S               | x         | \$3.50  | \$4.50     | \$4.50   | \$2.50 | x      | X     |
| Manitou Ridge Golf Course                  | S               | \$4.00    | \$3.25  | \$3.75     | \$2.50   | \$1.50 | \$4.00 | X     |
| Keller Golf Course                         | R               | \$8.50    | x       | \$5.00     | \$5.50   | \$2.25 | \$9.00 | 10    |
| Afton Alps GC                              | G               | \$8.50    | \$6.25  |            |          |        |        | Y     |
| Badlands Golf Course                       |                 |           |         |            |          |        |        |       |
| Baker National Golf Course -Championship   |                 |           |         |            |          |        |        |       |
| Bellwood Oaks GC                           | S               | x         | \$4.00  | x          | \$3.00   | \$2.50 | X      | x     |
| Bristol Ridge Golf Course                  |                 |           |         |            |          |        |        |       |
| Brookview Golf Course                      | R               | \$9.50    | \$5.00  | \$5.00     | \$6.00   | \$3.50 | \$9.50 | Y     |
| Bunker Hills GC Reg                        | R               |           |         |            |          |        |        |       |
| Cannon Golf Club                           |                 |           |         |            |          |        |        |       |
| Chisago Lakes Golf Course                  |                 |           |         |            |          |        |        |       |
| Chomonix Golf Course                       | G               | \$4.75    | \$3.75  |            |          |        | \$7.75 | x     |
| Clifton Highlands GC - Reg                 |                 |           |         |            |          |        |        |       |
| Clifton Hollow GC                          |                 |           |         |            |          |        |        |       |
| Columbia Golf Club                         | G               | \$9.50    | \$5.00  | \$5.00     | \$5.00   | \$3.50 | \$9.50 | Y     |
| Como Golf Course <sup>1</sup>              |                 |           |         |            |          |        |        |       |
| Crystal Lakes Golf Club                    |                 |           |         |            |          |        |        |       |
| Dakota Pines Golf Course                   | R               | \$12.00   | \$7.00  |            |          |        |        | Y     |
| Dwan Golf Club                             | G               | \$6.75    | \$5.50  | \$5.00     | \$8.50   | \$3.50 | x      | x     |
| Eagle Valley Golf Course                   | S               | x         | \$4.50  | \$3.50     | \$4.00   | \$2.00 | \$7.00 | x     |
| Edinburgh USA Golf Course                  |                 |           |         |            |          |        |        |       |
| Emerald Greens GC -Silver                  | S               | x         | \$3.75  | \$4.25     | \$4.25   | \$2.25 | x      | x     |
| Emerald Greens GC -Gold                    |                 |           |         |            |          |        |        |       |
| Greenhaven Country Club                    | R               |           |         |            |          |        |        |       |
| Gross National Golf Club                   | G               | \$3.50    | \$2.75  | \$3.50     | \$3.50   | \$2.50 | x      | x     |
| Hiawatha Golf Course                       | G               | \$3.50    | \$2.75  | \$3.50     | \$3.50   | \$2.50 | x      | x     |
| Hidden Greens Golf Course                  |                 |           |         |            |          |        |        |       |
| Highland National Golf Course <sup>1</sup> |                 |           |         |            |          |        |        |       |
| HollyDale Golf Course                      | G               | \$3.50    | \$2.25  | x          | \$3.00   | \$2.00 | x      | x     |
| Inver Wood Golf Course - reg               | S               | x         | \$3.50  |            |          | \$2.00 | x      | x     |
| Kilkarney Hills GC                         |                 |           |         |            |          |        |        |       |
| Links at Northfork                         |                 |           |         |            |          |        |        |       |

| Food & Beverage                      |      |               |               |               |               |               |               |                |
|--------------------------------------|------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|
| Company                              | Type | Hamburger     | Hot Dog       | Draft Beer    | Can Beer      | Soda          | Wrap          | Salad          |
| Logger's Trail Golf Club             | S    | x             | \$4.00        | x             | \$4.00        | \$1.50        | x             | x              |
| Majestic Oaks GC - Crossroad         |      |               |               |               |               |               |               |                |
| Majestic Oaks GC - Signature         | R    |               |               |               |               |               |               |                |
| Meadowbrook Golf Course              |      |               |               |               |               |               |               |                |
| New Richmond Golf Club               |      |               |               |               |               |               |               |                |
| Oak Glen Golf Club - Champion        |      |               |               |               |               |               |               |                |
| Oak Marsh Golf Club                  | R    | \$9.75        | \$5.00        |               |               | \$3.50        | \$10.95       | Y              |
| Oneka Ridge Golf Course              |      |               |               |               |               |               |               |                |
| Phalen Park Golf Course <sup>1</sup> | G    | \$6.00        | \$4.00        | \$5.00        | \$6.00        | \$3.00        | x             | x              |
| Prestwick Golf Club @ Wedgewood      | R    |               | \$5.50        |               | \$5.00        | \$2.50        | Y             | Y              |
| River Falls Golf Club                | G    | \$7.00        | \$5.00        |               |               |               | x             | x              |
| River Oaks Municipal GC              |      |               |               |               |               |               |               |                |
| Royal Club (formerly Tartan Park GC) | R    | \$7.00        | \$5.00        | \$5.00        | \$6.00        | \$3.00        | x             | y              |
| Rum River Hills Golf Club            | S    | x             | \$4.00        |               |               | \$3.00        | x             | x              |
| Rush Creek Golf Club - reg           |      |               |               |               |               |               |               |                |
| Shamrock Golf Course                 | G    | \$4.00        | \$3.00        |               | \$3.00        | \$2.00        | x             | x              |
| Southern Hills Golf Club             | G    | \$7.25        | \$3.75        | \$3.50        | \$4.00        | \$2.00        | X             | X              |
| St. Croix National Golf Course       |      |               |               |               |               |               |               |                |
| Stillwater Oaks Golf Course          |      |               |               |               |               |               |               |                |
| StoneRidge Golf Club                 |      |               |               |               |               |               |               |                |
| Sundance Golf & Bowl                 | G    | \$10.95       |               |               |               |               | x             | x              |
| Tanners Brook Golf Club              |      |               |               |               |               |               |               |                |
| The Refuge Golf Club                 |      |               |               |               |               |               |               |                |
| Theodore Wirth Golf Course           |      |               |               |               |               |               |               |                |
| Troy Burne Golf Club                 | R    |               |               |               |               |               |               |                |
| U of M Les Bolsad GC                 |      |               |               |               |               |               |               |                |
| Valleywood Golf Course               |      |               |               |               |               |               |               |                |
| Victory Links Golf Course            | S    | x             | \$3.50        | x             | \$5.50        | \$3.00        | x             | x              |
| Viking Meadows Golf Course           |      |               |               |               |               |               |               |                |
| White Eagle Golf Club                |      |               |               |               |               |               |               |                |
| <b>Averages</b>                      |      | <b>\$7.00</b> | <b>\$4.22</b> | <b>\$4.35</b> | <b>\$4.57</b> | <b>\$2.55</b> | <b>\$8.24</b> | <b>\$10.00</b> |

### 9-Hole Regulation

| Company                          | City        | State | Zip   | County     | Owner               | Type | Cat      | Holes      | Par         | Wome<br>ns Par | Fee         | NPI | Year<br>Open   | Age         | Tees     | Renovate<br>d  | Length         | #<br>bunkers | Architect                        | # Tees     |
|----------------------------------|-------------|-------|-------|------------|---------------------|------|----------|------------|-------------|----------------|-------------|-----|----------------|-------------|----------|----------------|----------------|--------------|----------------------------------|------------|
| The Ponds at Battle Creek        | Maplewood   | MN    | 55119 | Ramsey     | Ramsey County       | MU   | R        | 9          | 35          | 35             | 33          | C   | 2004           | 14          | 45       |                | 3,023          | 20           | Garrett Gill ASGCA & Paul Miller | 5          |
| Castlewood Golf Course           | Forest Lake | MN    | 55025 | Washington | City of Forest Lake | MU   | R        | 18 G       | 36          |                | 25          | C   | 1927           | 91          | 0        |                | 3,043          | 14           |                                  | 3          |
| Fort Snelling Golf Course        | Saint Paul  | MN    | 55111 | Hennepin   | City of Minneapolis | MU   | R        | 9          | 35          | 36             | 27          | C   | 1935           | 83          | 0        |                | 2,659          | 9            |                                  | 2          |
| Highland Park 9-Hole Golf Course | Saint Paul  | MN    | 55116 | Hennepin   | City of St. Paul    | MU   | R        | 9          | 35          | 35             | 29          | C   | 1971           | 47          | 0        |                | 2,791          | 10           | Fred Horfort                     | 3          |
| Rich Valley Golf Club Blue       | Rosemount   | MN    | 55068 | Dakota     | Cind Rahn, Owner    | DF   | R        | 9          | 35          | 35             |             |     | 1988           | 30          | 15       |                | 2,538          | 14           | Ray Rahn                         | 2          |
| <b>Averages</b>                  | <b>5</b>    |       |       |            |                     |      | <b>4</b> | <b>9.0</b> | <b>35.2</b> | <b>35.3</b>    | <b>28.5</b> |     | <b>1,965.0</b> | <b>53.0</b> | <b>3</b> | <b>#DIV/0!</b> | <b>2,810.8</b> | <b>13.4</b>  |                                  | <b>3.0</b> |

| Company                          | Tees         |              |              |              |              |              |              |                |              |              |              |              | Par 72<br>Equiv Wome |
|----------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|----------------|--------------|--------------|--------------|--------------|----------------------|
|                                  | Back Tee     |              | Championship |              | Regular      |              | Senior       |                | Forward      |              |              |              |                      |
|                                  | Yardage      | Slope        | USGA         | Yardage      | Slope        | Yardage      | Slope        | Yardage        | Slope        | Yardage      |              | Slope        |                      |
| The Ponds at Battle Creek        | 3,023        | 131          | 34.8         | 2,815        | 127          | 2,613        | 124          | 2,317          | 110          | 1,740        | 96           | 5,113        |                      |
| Castlewood Golf Course           | 3,043        | 130          |              |              |              | 2,733        |              |                |              | 2,606        |              |              |                      |
| Fort Snelling Golf Course        | 2,659        | 116          |              |              |              | 2,659        | 116          |                |              | 2,569        | 117          | 7,340        |                      |
| Highland Park 9-Hole Golf Course | 2,791        |              |              |              |              | 2,655        |              |                |              | 2,577        |              | 7,573        |                      |
| Rich Valley Golf Club Blue       | 2,538        | 119          |              |              |              | 2,538        |              |                |              | 2,128        |              | 6,254        |                      |
| <b>Averages</b>                  | <b>2,811</b> | <b>124.0</b> | <b>34.8</b>  | <b>2,815</b> | <b>127.0</b> | <b>2,640</b> | <b>120.0</b> | <b>2,317.0</b> | <b>110.0</b> | <b>2,324</b> | <b>106.5</b> | <b>6,570</b> |                      |

|                                  | Fees           |                |               |                    |                |                |                |                |                     |                |                  |              |                 |              |
|----------------------------------|----------------|----------------|---------------|--------------------|----------------|----------------|----------------|----------------|---------------------|----------------|------------------|--------------|-----------------|--------------|
|                                  | Cart           |                |               | Weekday Green Fees |                |                |                |                |                     |                |                  |              |                 |              |
| Company                          | 18 hole        | 9 hole         | Pull 18       | NR Twil            | NR Super       | NR Senior      | NR Jr          | NR 9 holes     | Patron/VI<br>P Card | Total NR 18    | Golf Now<br>Next | % Disc       | Golf Now<br>Adv | % Disc       |
| The Ponds at Battle Creek        |                |                |               | \$28.00            |                | \$32.50        | \$18.00        | \$31.50        | \$41.00             | \$46.00        |                  |              |                 |              |
| Castlewood Golf Course           |                |                |               |                    |                | \$29.00        | \$10.00        | \$26.00        |                     | \$33.00        | \$27.00          | 18%          | \$27.00         | 18%          |
| Fort Snelling Golf Course        |                | \$10.00        |               | \$24.00            |                | \$29.50        | \$11.00        | \$27.00        |                     | \$42.50        |                  |              |                 |              |
| Highland Park 9-Hole Golf Course | \$17.00        | \$12.00        | \$5.00        | \$27.00            | \$24.00        | \$26.00        | \$10.00        | \$30.00        |                     | \$30.00        |                  |              |                 |              |
| Rich Valley Golf Club Blue       | \$18.00        | \$9.00         | \$5.00        |                    |                | \$34.50        | \$21.50        | \$27.00        |                     | \$43.50        | \$29.50          | 32%          | \$29.50         | 32%          |
| <b>Averages</b>                  | <b>\$17.50</b> | <b>\$10.33</b> | <b>\$5.00</b> | <b>\$26.33</b>     | <b>\$24.00</b> | <b>\$30.30</b> | <b>\$14.10</b> | <b>\$28.30</b> | <b>\$41.00</b>      | <b>\$39.00</b> | <b>\$28.25</b>   | <b>25.2%</b> | <b>\$28.25</b>  | <b>25.2%</b> |

|                                  | Fees               |                |                |                |                |                    |                |                 |               |            |               |               |  |  |
|----------------------------------|--------------------|----------------|----------------|----------------|----------------|--------------------|----------------|-----------------|---------------|------------|---------------|---------------|--|--|
|                                  | Weekend Green Fees |                |                |                |                |                    |                |                 |               |            | Range         |               |  |  |
| Company                          | NR Twil            | NR Super       | NR Senior      | NR Jr          | NR 9 holes     | Patron/VIP<br>Card | Total NR 18    | Golf Now<br>Adv | % Disc        | Age Senior | Small         | Large         |  |  |
| The Ponds at Battle Creek        | \$28.00            |                | \$32.50        | \$18.00        | \$31.50        | \$41.00            | \$46.00        |                 |               |            |               |               |  |  |
| Castlewood Golf Course           |                    |                | \$29.00        | \$10.00        | \$26.00        |                    | \$33.00        | \$27.00         | 18%           |            |               |               |  |  |
| Fort Snelling Golf Course        | \$24.00            |                | \$29.50        | \$11.00        | \$27.00        |                    | \$42.50        |                 |               |            |               |               |  |  |
| Highland Park 9-Hole Golf Course | \$27.00            | \$24.00        | \$26.00        | \$10.00        | \$30.00        |                    | \$30.00        |                 |               |            |               |               |  |  |
| Rich Valley Golf Club Blue       |                    |                | \$34.50        | \$21.50        | \$27.00        |                    | \$43.50        | \$39.50         | 9%            | 60         | \$5.50        | \$7.50        |  |  |
| <b>Averages</b>                  | <b>\$26.33</b>     | <b>\$24.00</b> | <b>\$30.30</b> | <b>\$14.10</b> | <b>\$28.30</b> | <b>\$41.00</b>     | <b>\$39.00</b> | <b>\$33.25</b>  | <b>\$0.14</b> |            | <b>\$5.50</b> | <b>\$7.50</b> |  |  |

| Company                          | Passes       |              |              |              |              |              | Financial Performance |               |             |
|----------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|-----------------------|---------------|-------------|
|                                  | Passes       |              |              |              |              |              | Rounds                |               |             |
|                                  | NR Indiv     | Break-even   | WD NR Indiv  | NR Senior    | Break-even   | Junior       | 2016                  | 2017          | % Chg       |
| The Ponds at Battle Creek        | \$700        | 15.22        |              | \$550        | 11.96        | \$400        |                       |               |             |
| Castlewood Golf Course           |              |              |              |              |              |              |                       |               |             |
| Fort Snelling Golf Course        | \$680        | 16.00        | \$520        |              |              |              | 15,387                |               |             |
| Highland Park 9-Hole Golf Course | \$1,500      | 115.38       | \$1,240      | \$1,260      | 96.92        | \$495        | 17,850                | 18,342        | 2.8%        |
| Rich Valley Golf Club Blue       |              |              |              |              |              |              |                       |               |             |
| <b>Averages</b>                  | <b>\$960</b> | <b>48.87</b> | <b>\$880</b> | <b>\$905</b> | <b>54.44</b> | <b>\$448</b> | <b>16,619</b>         | <b>18,342</b> | <b>2.8%</b> |

| Company                          | Ratings         |            |            |            |            |             |                              |                              |                                     |                              |                              |               |              |             |                |              |              |             |             |             |              |             |            |              |
|----------------------------------|-----------------|------------|------------|------------|------------|-------------|------------------------------|------------------------------|-------------------------------------|------------------------------|------------------------------|---------------|--------------|-------------|----------------|--------------|--------------|-------------|-------------|-------------|--------------|-------------|------------|--------------|
|                                  | PersonalRatings |            |            |            |            |             | Google                       | GolfAdvisors                 | Yelp                                | Facebook                     | Google                       | Golf Advisors |              |             |                | Yelp         | Facebook     | Total       |             |             |              |             |            |              |
|                                  | Curb            | Neigh      | Maint      | Aesthetics | Clubhouse  | Total       | Overall Rating/Total Reviews | Overall Rating/Total Reviews | Rating past 12 months/Total Reviews | Overall Rating/Total Reviews | Overall Rating/Total Reviews | Ratings #     | rating       | #           | Rating last yr | # Last yr    | rating       | #           | Rating s    | #           | Avg Rating   | Rank        | Total Resp |              |
| The Ponds at Battle Creek        | 7.5             | 7.5        | 7.5        | 9          | 6.5        | 38          | 4.5 stars / 46               | 5.0 stars / 3                | -                                   | 4.5 stars / 4                | 4.4 stars / 28               | 4.5           | 46           | 5           | 3              |              | 4.5          | 4           | 4.4         | 28          | 4.48         |             | 81         |              |
| Castlewood Golf Course           | 5               | 7          | 7          | 6          | 7          | 32          | 4.5 stars / 10               | 3.0 stars / 1                | -                                   | 4 stars / 1                  | 4.9 stars / 42               | 4.5           | 10           | 3           | 1              |              | 4            | 1           | 4.9         | 42          | 4.77         |             | 54         |              |
| Fort Snelling Golf Course        | 4.5             | 5          | 5          | 4          | 4          | 22.5        | 3.9 stars / 20               | -                            | -                                   | 3.5 stars / 7                | -                            | 3.9           | 20           |             |                |              | 3.5          | 7           |             |             | 3.80         |             | 27         |              |
| Highland Park 9-Hole Golf Course | 3               | 7          | 6.5        | 6          | 2          | 24.5        | 4.4 stars / 24               | -                            | -                                   | 2 stars / 6                  | 4.5 stars / 8                | 4.4           | 24           |             |                |              | 2            | 6           | 4.5         | 8           | 4.04         |             | 38         |              |
| Rich Valley Golf Club Blue       |                 |            |            |            |            |             | 4.3 stars / 31               | -                            | -                                   | 2 stars / 5                  | 4.3 stars / 55               | 4.3           | 31           |             |                |              | 2            | 5           | 4.3         | 55          | 4.17         |             | 91         |              |
| <b>Averages</b>                  | <b>5.0</b>      | <b>6.6</b> | <b>6.5</b> | <b>6.3</b> | <b>4.9</b> | <b>29.3</b> |                              |                              |                                     |                              |                              | <b>4.32</b>   | <b>26.20</b> | <b>4.00</b> | <b>2.00</b>    | <b>#####</b> | <b>#####</b> | <b>3.20</b> | <b>4.60</b> | <b>4.53</b> | <b>33.25</b> | <b>4.25</b> |            | <b>58.20</b> |

## Appendix E: Performance

### Rounds History 1982-2017

| Ramsey County Golf Courses<br>Rounds played at County Courses<br>1982 - 2017 |          |        |               |              |         |
|--|----------|--------|---------------|--------------|---------|
|  | Goodrich | Keller | Manitou Ridge | Battle Creek | All     |
| Year   |          |        |               |              |         |
| 1982   | 33,851   | 38,877 |               |              | 72,728  |
| 1983   | 34,161   | 38,135 |               |              | 72,296  |
| 1984   | 38,198   | 40,734 |               |              | 78,932  |
| 1985   | 40,776   | 42,869 |               |              | 83,645  |
| 1986   | 41,854   | 45,123 |               |              | 86,977  |
| 1987   | 47,366   | 42,300 |               |              | 89,666  |
| 1988   | 43,612   | 46,485 |               |              | 90,097  |
| 1989   | 43,912   | 45,633 |               |              | 89,545  |
| 1990   | 45,546   | 45,999 |               |              | 91,545  |
| 1991   | 44,157   | 41,256 |               |              | 85,413  |
| 1992   | 45,051   | 37,381 | 54,663        |              | 137,095 |
| 1993   | 40,710   | 40,911 | 54,525        |              | 136,146 |
| 1994   | 43,365   | 44,564 | 54,732        |              | 142,661 |
| 1995   | 39,713   | 40,624 | 52,723        |              | 133,060 |
| 1996   | 38,357   | 41,989 | 52,988        |              | 133,334 |
| 1997   | 40,842   | 42,782 | 54,424        |              | 138,048 |
| 1998   | 43,983   | 41,775 | 59,018        |              | 144,776 |
| 1999   | 39,003   | 41,915 | 57,813        |              | 138,731 |
| 2000   | 38,968   | 41,285 | 55,564        |              | 135,817 |
| 2001   | 35,655   | 39,869 | 52,720        |              | 128,244 |
| 2002   | 31,861   | 35,018 | 47,274        |              | 114,153 |
| 2003   | 33,966   | 37,897 | 49,488        |              | 121,351 |
| 2004   | 32,087   | 36,453 | 47,974        | 19,548       | 136,062 |
| 2005   | 26,712   | 30,622 | 44,010        | 18,830       | 120,174 |
| 2006   | 26,269   | 31,772 | 43,032        | 18,042       | 119,115 |
| 2007   | 25,485   | 31,334 | 42,395        | 18,413       | 117,627 |
| 2008   | 25,454   | 30,191 | 38,635        | 18,546       | 112,826 |
| 2009   | 24,138   | 31,147 | 39,003        | 20,212       | 114,500 |
| 2010   | 24,887   | 31,107 | 39,114        | 19,063       | 114,171 |
| 2011   | 23,190   | 26,296 | 35,965        | 15,362       | 100,813 |
| 2012   | 12,202   | 26,181 | 39,008        | 18,529       | 95,920  |
| 2013   | 11,120   |        | 32,719        | 16,385       | 60,224  |
| 2014   | 20,855   | 16,827 | 30,216        | 17,042       | 84,940  |
| 2015   | 24,712   | 31,520 | 40,351        | 17,848       | 114,431 |
| 2016   | 26,837   | 28,978 | 37,125        | 18,116       | 111,056 |
| 2017   | 31,833   | 28,972 | 37,084        | 18,944       | 116,833 |
| <b>Avg Last</b>  |          |        |               |              |         |
| 10y  | 22,523   | 27,913 | 36,922        | 18,005       | 102,571 |

### Goodrich 3-year Historical Performance

|                      | Year            | Qty           | Value            | Avg Price         | % Dept       | qt% Dept Rev | % Tot Rev    | Rev/Rnd       | % rounds     |
|----------------------|-----------------|---------------|------------------|-------------------|--------------|--------------|--------------|---------------|--------------|
| <b>Advanced GF</b>   |                 |               |                  |                   |              |              |              |               |              |
| <b>Cards</b>         |                 |               |                  |                   |              |              |              |               |              |
| <b>Patron Card</b>   |                 |               |                  |                   |              |              |              |               |              |
|                      | 2017            | 34            | \$2,539          | (\$18.14)         | 6.4%         | -8.5%        |              | \$0.08        | 0.11%        |
|                      | 2016            | 47            | \$3,290          | \$70.01           | 0.2%         | 0.006648     | 0.7%         | \$0.12        | 0.17%        |
|                      | 2015            | 34            | \$2,435          | \$71.62           | 0.1%         | 0.005185     | 0.5%         | \$0.09        | 0.13%        |
|                      | <b>Subtotal</b> | <b>115</b>    | <b>\$8,264</b>   | <b>\$71.87</b>    | <b>2.2%</b>  | <b>-2.4%</b> | <b>0.6%</b>  | <b>\$0.10</b> | <b>0.1%</b>  |
| <b>Annual Pass</b>   |                 |               |                  |                   |              |              |              |               |              |
|                      | 2017            | 34            | \$39,580         | (\$18.14)         | 6.4%         | -8.5%        |              | \$1.29        | 0.11%        |
|                      | 2016            | 38            | \$44,247         | \$1,164.40        | 0.1%         | 0.0894       | 8.9%         | \$1.55        | 0.13%        |
|                      | 2015            | 22            | \$27,842         | \$1,265.54        | 0.1%         | 0.059274     | 5.9%         | \$1.05        | 0.08%        |
|                      | <b>Subtotal</b> | <b>94</b>     | <b>\$111,669</b> | <b>\$1,187.97</b> | <b>2.2%</b>  | <b>2.1%</b>  | <b>7.4%</b>  | <b>\$1.30</b> | <b>0.1%</b>  |
| <b>Total Prepaid</b> |                 |               |                  |                   |              |              |              |               |              |
|                      | 2017            | 68            | \$42,119         | (\$18.14)         | 6.4%         | -8.5%        |              | \$1.38        | 0.22%        |
|                      | 2016            | 85            | \$47,538         | \$559.27          | 0.3%         | 0.096049     | 9.6%         | \$1.67        | 0.30%        |
|                      | 2015            | 56            | \$30,277         | \$540.66          | 0.2%         | 0.064459     | 6.4%         | \$1.15        | 0.21%        |
|                      | <b>Subtotal</b> | <b>209</b>    | <b>\$119,933</b> | <b>\$573.84</b>   | <b>2.3%</b>  | <b>2.5%</b>  | <b>8.0%</b>  | <b>\$1.40</b> | <b>0.2%</b>  |
| <b>Carts</b>         |                 |               |                  |                   |              |              |              |               |              |
|                      | <b>TOTAL</b>    |               |                  |                   |              |              |              | #DIV/0!       |              |
|                      | 2017            | 14,990        | \$164,518        | \$13.64           | 100.0%       | 100.0%       | 54.0%        | \$5.38        | 48.99%       |
|                      | 2016            | 13,695        | \$149,158        | \$10.89           | 48.1%        | 0.301369     | 30.1%        | \$5.24        | 48.10%       |
|                      | 2015            | 12,421        | \$140,978        | \$11.35           | 47.1%        | 0.300138     | 30.0%        | \$5.34        | 47.06%       |
|                      |                 | <b>41,106</b> | <b>\$454,654</b> | <b>\$11.06</b>    | <b>65.1%</b> | <b>53.4%</b> | <b>38.1%</b> | <b>\$5.32</b> | <b>48.1%</b> |

|                            | Year            | Qty           | Value              | Avg Price      | % Dept qt%   | Dept Rev     | % Tot Rev      | Rev/Rnd         | % rounds       |  |
|----------------------------|-----------------|---------------|--------------------|----------------|--------------|--------------|----------------|-----------------|----------------|--|
| <b>Green Fees</b>          |                 |               |                    |                |              |              |                |                 |                |  |
| <b>Discount</b>            |                 |               |                    |                |              |              |                |                 |                |  |
|                            | 2017            | -2,204        | (\$39,978)         | (\$18.14)      | 6.4%         | -8.5%        |                | (\$1.31)        |                |  |
|                            | 2016            | -1,634        | (\$45,780)         | \$28.02        | -5.7%        | -0.0925      |                | (\$1.61)        |                |  |
|                            | 2015            | -1,392        | (\$44,174)         | \$31.73        | -5.3%        | -0.09405     |                | (\$1.67)        |                |  |
|                            | <b>Subtotal</b> | <b>-5,230</b> | <b>(\$129,932)</b> | <b>\$24.84</b> | <b>-1.5%</b> | <b>-9.0%</b> | <b>#DIV/0!</b> | <b>(\$1.53)</b> | <b>#DIV/0!</b> |  |
| <b>Coupon/ Promotional</b> |                 |               |                    |                |              |              |                |                 |                |  |
|                            | 2017            | 321           | \$5,401            | \$16.83        | 0.9%         | 1.1%         | 0.6%           | \$0.18          | 1.05%          |  |
|                            | 2016            | 1             | \$28               | \$28.00        | 0.0%         | 5.66E-05     | 0.0%           | \$0.00          | 0.00%          |  |
|                            | 2015            | 1,667         | \$13,247           | \$7.95         | 6.3%         | 0.028202     | 2.8%           | \$0.50          | 6.32%          |  |
|                            | <b>Subtotal</b> | <b>1,989</b>  | <b>\$18,676</b>    | <b>\$9.39</b>  | <b>2.4%</b>  | <b>1.3%</b>  | <b>1.1%</b>    | <b>\$0.23</b>   | <b>2.5%</b>    |  |
| <b>Comp</b>                |                 |               |                    |                |              |              |                |                 |                |  |
| <b>Guest Comp</b>          |                 |               |                    |                |              |              |                |                 |                |  |
|                            | 2017            | 204           |                    | \$0.00         | 0.6%         | 0.0%         |                | \$0.00          | 0.6%           |  |
|                            | 2016            | 182           |                    | \$0.00         | 0.6%         | 0            |                | \$0.00          | 0.64%          |  |
|                            | 2015            | 240           |                    | \$0.00         | 0.9%         | 0            |                | \$0.00          | 0.91%          |  |
|                            | <b>Subtotal</b> | <b>626</b>    | <b>\$0</b>         | <b>\$0.00</b>  | <b>0.7%</b>  | <b>0.0%</b>  | <b>#DIV/0!</b> | <b>\$0.00</b>   | <b>0.7%</b>    |  |
| <b>Total PCC</b>           |                 |               |                    |                |              |              |                |                 |                |  |
|                            | 2017            | 6,890         |                    |                |              |              |                | \$0.00          | 22.52%         |  |
|                            | 2016            |               |                    | #DIV/0!        | 0.0%         | 0            |                | \$0.00          |                |  |
|                            | 2015            |               |                    | #DIV/0!        | 0.0%         | 0            |                | \$0.00          |                |  |
|                            | <b>Subtotal</b> | <b>6,890</b>  | <b>\$0</b>         | <b>\$0.00</b>  | <b>0.0%</b>  | <b>0.0%</b>  | <b>#DIV/0!</b> | <b>\$0.00</b>   | <b>22.5%</b>   |  |
| <b>EZ Links</b>            |                 |               |                    |                |              |              |                |                 |                |  |
|                            | 2017            | 813           |                    | \$0.00         | 2.4%         | 0.0%         |                | \$0.00          | 2.66%          |  |
|                            | 2016            | 924           |                    | \$0.00         | 3.2%         | 0            |                | \$0.00          | 3.25%          |  |
|                            | 2015            | 764           |                    | \$0.00         | 2.9%         | 0            |                | \$0.00          | 2.89%          |  |
|                            | <b>Subtotal</b> | <b>2,501</b>  | <b>\$0</b>         | <b>\$0.00</b>  | <b>2.8%</b>  | <b>0.0%</b>  | <b>#DIV/0!</b> | <b>\$0.00</b>   | <b>2.9%</b>    |  |
| <b>Staff</b>               |                 |               |                    |                |              |              |                |                 |                |  |
|                            | 2017            | 637           |                    | \$0.00         | 1.8%         | 0.0%         |                | \$0.00          | 2.08%          |  |
|                            | 2016            | 704           |                    | \$0.00         | 2.5%         | 0            |                | \$0.00          | 2.47%          |  |
|                            | 2015            | 456           |                    | \$0.00         | 1.7%         | 0            |                | \$0.00          | 1.73%          |  |
|                            | <b>Subtotal</b> | <b>1,797</b>  | <b>\$0</b>         | <b>\$0.00</b>  | <b>2.0%</b>  | <b>0.0%</b>  | <b>#DIV/0!</b> | <b>\$0.00</b>   | <b>2.1%</b>    |  |
| <b>Total Comp</b>          |                 |               |                    |                |              |              |                |                 |                |  |
|                            | 2017            | 1,700         | \$0                | \$0.00         | #REF!        | 0.0%         |                | \$0.00          | 5.56%          |  |
|                            | 2016            | 1,856         |                    | \$0.00         | 6.5%         | 0            |                | \$0.00          | 6.52%          |  |
|                            | 2015            | 1,460         |                    | \$0.00         | 5.5%         | 0            |                | \$0.00          | 5.53%          |  |
|                            | <b>Subtotal</b> | <b>5,016</b>  | <b>\$0</b>         | <b>\$0.00</b>  | <b>#REF!</b> | <b>0.0%</b>  | <b>#DIV/0!</b> | <b>\$0.00</b>   | <b>5.9%</b>    |  |

|                       | Year            | Qty           | Value              | Avg Price      | % Dept        | qty%     | Dept Rev      | % Tot Rev      | Rev/Rnd        | % rounds      |
|-----------------------|-----------------|---------------|--------------------|----------------|---------------|----------|---------------|----------------|----------------|---------------|
| <b>Green Fees</b>     |                 |               |                    |                |               |          |               |                |                |               |
| <b>Patron</b>         |                 |               |                    |                |               |          |               |                |                |               |
|                       | 2017            | 3,223         | \$82,410           | \$25.57        | 9.3%          |          | 17.5%         | 9.4%           | \$2.69         | 10.53%        |
|                       | 2016            | 1,658         | \$43,131           | \$26.01        | 5.8%          | 0.087145 |               | 8.7%           | \$1.52         | 5.82%         |
|                       | 2015            | 2,271         | \$54,270           | \$23.90        | 8.6%          | 0.11554  |               | 11.6%          | \$2.06         | 8.60%         |
|                       | <b>Subtotal</b> | <b>7,152</b>  | <b>\$179,811</b>   | <b>\$25.14</b> | <b>7.9%</b>   |          | <b>12.6%</b>  | <b>9.9%</b>    | <b>\$2.09</b>  | <b>8.3%</b>   |
| <b>Seasonal</b>       |                 |               |                    |                |               |          |               |                |                |               |
|                       | 2017            | 2,058         | \$43,285           | \$21.03        | 6.0%          |          | 9.2%          | 5.0%           | \$1.41         | 6.73%         |
|                       | 2016            | 2,084         | \$37,890           | \$22.03        | 6.0%          |          | 9.2%          | 5.0%           | \$1.33         | 7.32%         |
|                       | 2015            | 1,461         | \$26,998           | \$18.48        | 5.5%          | 0.057478 |               | 5.7%           | \$1.02         | 5.54%         |
|                       | <b>Subtotal</b> | <b>5,603</b>  | <b>\$108,173</b>   | <b>\$19.31</b> | <b>5.8%</b>   |          | <b>8.0%</b>   | <b>5.2%</b>    | <b>\$1.26</b>  | <b>6.5%</b>   |
| <b>Regular</b>        |                 |               |                    |                |               |          |               |                |                |               |
|                       | 2017            | 11,147        | \$262,612          | \$23.56        | 32.3%         |          | 55.7%         | 30.1%          | \$8.58         | 36.43%        |
|                       | 2016            | 12,760        | \$294,953          | \$18.18        | 7.3%          | 0.076555 |               | 7.7%           | \$10.36        | 44.82%        |
|                       | 2015            | 11,760        | \$272,088          | \$23.14        | 44.6%         | 0.579267 |               | 57.9%          | \$10.31        | 44.56%        |
|                       | <b>Subtotal</b> | <b>35,667</b> | <b>\$829,654</b>   | <b>\$23.26</b> | <b>28.0%</b>  |          | <b>40.4%</b>  | <b>31.9%</b>   | <b>\$9.75</b>  | <b>41.9%</b>  |
| <b>Pass</b>           |                 |               |                    |                |               |          |               |                |                |               |
|                       | 2017            | 2,415         | \$0                | \$0.00         | 7.0%          |          | 0.0%          |                | \$0.00         | 7.89%         |
|                       | 2016            | 2,934         | \$0                | \$0.00         | 10.3%         |          | 0             |                | \$0.00         | 10.31%        |
|                       | 2015            | 2,156         | \$0                | \$0.00         | 8.2%          |          | 0             |                | \$0.00         | 8.17%         |
|                       | <b>Subtotal</b> | <b>7,505</b>  | <b>\$0</b>         | <b>\$0.00</b>  | <b>8.5%</b>   |          | <b>0.0%</b>   | <b>#DIV/0!</b> | <b>\$0.00</b>  | <b>8.8%</b>   |
| <b>League</b>         |                 |               |                    |                |               |          |               |                |                |               |
|                       | 2017            | 1,594         | \$755              | \$0.47         | 0.1%          |          | 0.2%          | 0.1%           | \$0.02         | 5.21%         |
|                       | 2016            | 1,534         | \$0                | \$0.00         | 5.4%          |          | 0             |                | \$0.00         | 5.39%         |
|                       | 2015            | 1,410         | \$0                | \$0.00         | 5.3%          |          | 0             |                | \$0.00         | 5.34%         |
|                       | <b>Subtotal</b> | <b>4,538</b>  | <b>\$755</b>       | <b>\$0.17</b>  | <b>3.6%</b>   |          | <b>0.1%</b>   | <b>0.1%</b>    | <b>\$0.01</b>  | <b>5.3%</b>   |
| <b>Senior</b>         |                 |               |                    |                |               |          |               |                |                |               |
|                       | 2017            | 5,874         | \$129,234          | \$22.00        | 17.6%         |          | 19.1%         | 26.1%          | \$4.22         | 19.20%        |
|                       | 2016            | 6,959         | \$142,250          | \$20.44        | 24.4%         | 0.287412 |               | 28.7%          | \$5.00         | 24.44%        |
|                       | 2015            | 6,024         | \$121,978          | \$20.25        | 22.8%         | 0.259687 |               | 26.0%          | \$4.62         | 22.82%        |
|                       | <b>Subtotal</b> | <b>18,857</b> | <b>\$393,461</b>   | <b>\$20.87</b> | <b>21.6%</b>  |          | <b>24.6%</b>  | <b>26.9%</b>   | <b>\$4.61</b>  | <b>22.2%</b>  |
| <b>Total 18 hole</b>  |                 |               |                    |                |               |          |               |                |                |               |
|                       | 2017            | 24,221        | \$386,146          | \$15.94        | 53.6%         |          | 83.3%         | 43.6%          | \$12.62        | 79.16%        |
|                       | 2016            | 18,533        | \$423,037          | \$22.83        | 65.1%         | 0.854736 |               | 85.5%          | \$14.86        | 65.10%        |
|                       | 2015            | 17,869        | \$415,172          | \$23.23        | 67.7%         | 0.883888 |               | 88.4%          | \$15.73        | 67.70%        |
|                       | <b>Subtotal</b> | <b>60,623</b> | <b>\$1,224,356</b> | <b>\$20.20</b> | <b>62.1%</b>  |          | <b>85.7%</b>  | <b>72.5%</b>   | <b>\$14.40</b> | <b>70.7%</b>  |
| <b>Total 9 hole</b>   |                 |               |                    |                |               |          |               |                |                |               |
|                       | 2017            | 3,661         | \$50,121           | \$13.69        | 12.0%         |          | 11.4%         | 6.0%           | \$1.64         | 11.97%        |
|                       | 2016            | 4,405         | \$69,940           | \$15.88        | 15.5%         | 0.141312 |               | 14.1%          | \$2.46         | 15.47%        |
|                       | 2015            | 3,082         | \$24,851           | \$8.06         | 11.7%         | 0.052908 |               | 5.3%           | \$0.94         | 11.68%        |
|                       | <b>Subtotal</b> | <b>11,148</b> | <b>\$144,913</b>   | <b>\$13.00</b> | <b>13.0%</b>  |          | <b>10.3%</b>  | <b>8.5%</b>    | <b>\$1.68</b>  | <b>13.0%</b>  |
| <b>Total Twilight</b> |                 |               |                    |                |               |          |               |                |                |               |
|                       | 2017            | 4,856         | \$89,554           | \$18.44        | 15.9%         |          | 20.3%         | 10.6%          | \$2.93         | 15.87%        |
|                       | 2016            | 4,883         | \$90,958           | \$18.63        | 13.6%         |          | 11.3%         | 7.0%           | \$3.19         | 17.15%        |
|                       | 2015            | 5,138         | \$95,662           | \$18.62        | 19.5%         | 0.203661 |               | 20.4%          | \$3.62         | 19.47%        |
|                       | <b>Subtotal</b> | <b>14,877</b> | <b>\$276,175</b>   | <b>\$18.56</b> | <b>16.3%</b>  |          | <b>17.3%</b>  | <b>12.7%</b>   | <b>\$3.25</b>  | <b>17.5%</b>  |
| <b>Total Weekday</b>  |                 |               |                    |                |               |          |               |                |                |               |
|                       | 2017            | 15,986        | \$344,277          | \$21.54        | 49.7%         |          | 76.2%         | 39.9%          | \$11.25        | 52.25%        |
|                       | 2016            | 9,679         | \$218,524          | \$22.58        | 0.0%          |          | 0.0%          | 0.0%           | \$7.68         | 34.00%        |
|                       | 2015            | 14,551        | \$308,306          | \$21.19        | 55.1%         | 0.656375 |               | 65.6%          | \$11.68        | 55.13%        |
|                       | <b>Subtotal</b> | <b>40,216</b> | <b>\$871,108</b>   | <b>\$21.66</b> | <b>35.0%</b>  |          | <b>47.3%</b>  | <b>35.2%</b>   | <b>\$10.20</b> | <b>47.1%</b>  |
| <b>Total Weekend</b>  |                 |               |                    |                |               |          |               |                |                |               |
|                       | 2017            | 4,341         | \$129,324          | \$29.79        | 14.2%         |          | 29.0%         | 15.2%          | \$4.23         | 14.19%        |
|                       | 2016            | 4,812         | \$139,478          | \$28.99        | 0.0%          |          | 0.0%          | 0.0%           | \$4.90         | 16.90%        |
|                       | 2015            | 4,545         | \$129,125          | \$28.41        | 17.2%         | 0.274902 |               | 27.5%          | \$4.89         | 17.22%        |
|                       | <b>Subtotal</b> | <b>13,698</b> | <b>\$397,926</b>   | <b>\$29.05</b> | <b>10.5%</b>  |          | <b>18.8%</b>  | <b>14.2%</b>   | <b>\$4.67</b>  | <b>16.1%</b>  |
| <b>Total</b>          |                 |               |                    |                |               |          |               |                |                |               |
|                       | 2017            | 30,596        | \$471,558          | \$13.64        | 100.0%        |          | 100.0%        | 54.0%          | \$15.41        | 100.0%        |
|                       | 2016            | 28,469        | \$494,934          | \$17.38        | 100.0%        |          | 1             | 100.0%         | \$17.38        | 100.0%        |
|                       | 2015            | 26,394        | \$469,711          | \$17.80        | 100.0%        |          | 1             | 100.0%         | \$17.80        | 100.0%        |
|                       | <b>Subtotal</b> | <b>85,459</b> | <b>\$1,436,203</b> | <b>\$16.81</b> | <b>100.0%</b> |          | <b>100.0%</b> | <b>84.7%</b>   | <b>\$16.86</b> | <b>100.0%</b> |

### Keller 3-year Historical Performance

|                      | Year            | Qty           | Value              | Avg Price         | % Dept qty   | % Dept Rev   | % Tot Rev    | Rev/Rnd       | % rounds     |  |
|----------------------|-----------------|---------------|--------------------|-------------------|--------------|--------------|--------------|---------------|--------------|--|
| <b>Advanced GF</b>   |                 |               |                    |                   |              |              |              |               |              |  |
| <b>Cards</b>         |                 |               |                    |                   |              |              |              |               |              |  |
| Patron Ca            | 2018            | 159           | 3,702              |                   |              |              |              |               |              |  |
|                      | 2017            | 128           | \$9,558            | \$74.67           | 0.4%         | 1.2%         | 1.2%         | \$0.33        | 0.44%        |  |
|                      | 2016            | 101           | \$7,071            | \$70.01           | 0.3%         | 0.9%         | 0.9%         | \$0.24        | 0.35%        |  |
|                      | 2015            | 98            | \$7,035            | \$71.78           | 0.3%         | 0.8%         | 0.8%         | \$0.22        | 0.31%        |  |
|                      | <b>Subtotal</b> | <b>327</b>    | <b>\$23,664</b>    | <b>\$72.37</b>    | <b>0.4%</b>  | <b>1.0%</b>  | <b>1.0%</b>  | <b>\$0.27</b> | <b>0.4%</b>  |  |
| <b>Annual Pass</b>   |                 |               |                    |                   |              |              |              |               |              |  |
|                      | 2018            | 50            | \$55,809           | \$1,116.17        |              |              |              |               |              |  |
|                      | 2017            | 51            | \$58,366           | \$1,144.44        | 0.2%         | 7.5%         | 7.5%         | \$2.01        | 0.18%        |  |
|                      | 2016            | 56            | \$64,877           | \$1,158.52        | 0.2%         | 8.3%         | 8.3%         | \$2.24        | 0.19%        |  |
|                      | 2015            | 54            | \$62,777           | \$1,162.53        | 0.2%         | 7.1%         | 7.1%         | \$1.99        | 0.17%        |  |
|                      | <b>Subtotal</b> | <b>161</b>    | <b>\$186,020</b>   | <b>\$1,155.40</b> | <b>0.2%</b>  | <b>7.7%</b>  | <b>7.7%</b>  | <b>\$2.08</b> | <b>0.2%</b>  |  |
| <b>Total Prepaid</b> |                 |               |                    |                   |              |              |              |               |              |  |
|                      | 2017            | 179           | \$67,924           | \$379.46          | 0.6%         | 8.7%         | 8.7%         | \$2.34        | 0.62%        |  |
|                      | 2016            | 157           | \$71,948           | \$458.27          | 0.5%         | 9.2%         | 9.2%         | \$2.48        | 0.54%        |  |
|                      | 2015            | 152           | \$69,812           | \$459.29          | 0.5%         | 8.0%         | 8.0%         | \$2.22        | 0.48%        |  |
|                      | <b>Subtotal</b> | <b>488</b>    | <b>\$209,684</b>   | <b>\$429.68</b>   | <b>0.5%</b>  | <b>8.6%</b>  | <b>8.6%</b>  | <b>\$2.35</b> | <b>0.5%</b>  |  |
| <b>Driving Range</b> |                 |               |                    |                   |              |              |              |               |              |  |
| <b>Buckets</b>       |                 |               |                    |                   |              |              |              |               |              |  |
|                      | 2017            | 6,018         | \$31,791           | \$5.28            | 20.8%        | 4.1%         | 4.1%         | \$1.10        | 20.77%       |  |
|                      | 2016            |               |                    |                   | 0.0%         | 0.0%         |              | \$0.00        |              |  |
|                      | 2015            |               |                    |                   | 0.0%         | 0.0%         |              | \$0.00        |              |  |
|                      | <b>Subtotal</b> | <b>6,018</b>  | <b>\$31,791.06</b> | <b>\$5.28</b>     | <b>6.9%</b>  | <b>1.4%</b>  | <b>4.1%</b>  | <b>\$0.37</b> | <b>20.8%</b> |  |
| <b>Passes</b>        |                 |               |                    |                   |              |              |              |               |              |  |
|                      | 2017            | 705           | \$32,433           | \$46.00           | 2.4%         | 4.2%         | 4.2%         | \$1.12        | 2.43%        |  |
|                      | 2016            |               |                    |                   | 0.0%         | 0.0%         |              | \$0.00        |              |  |
|                      | 2015            |               |                    |                   | 0.0%         | 0.0%         |              | \$0.00        |              |  |
|                      | <b>Subtotal</b> | <b>705</b>    | <b>\$32,432.75</b> | <b>\$46.00</b>    | <b>0.8%</b>  | <b>1.4%</b>  | <b>4.2%</b>  | <b>\$0.37</b> | <b>2.4%</b>  |  |
| <b>Total</b>         |                 |               |                    |                   |              |              |              |               |              |  |
|                      | 2017            | 6,723         | \$64,224           | \$9.55            | 23.2%        | 8.2%         | 8.2%         | \$2.22        | 23.21%       |  |
|                      | 2016            | 0             | \$0                |                   | 0.0%         | 0.0%         |              | \$0.00        |              |  |
|                      | 2015            | 0             | \$0                |                   | 0.0%         | 0.0%         |              | \$0.00        |              |  |
|                      | <b>Subtotal</b> | <b>6,723</b>  | <b>\$64,223.81</b> | <b>\$9.55</b>     | <b>7.7%</b>  | <b>2.7%</b>  | <b>8.2%</b>  | <b>\$0.74</b> | <b>23.2%</b> |  |
| <b>Carts</b>         |                 |               |                    |                   |              |              |              |               |              |  |
| <b>TOTAL</b>         |                 |               |                    |                   |              |              |              |               |              |  |
|                      | 2017            | 17,080        | \$216,952          | \$12.70           | 58.9%        | 27.8%        | 27.8%        | \$7.49        | 58.96%       |  |
|                      | 2016            | 16,842        | \$205,174          | \$12.18           | 58.1%        | 26.3%        | 26.3%        | \$7.08        | 58.12%       |  |
|                      | 2015            | 18,226        | \$221,124          | \$12.13           | 57.9%        | 25.2%        | 25.2%        | \$7.02        | 57.88%       |  |
|                      | <b>Subtotal</b> | <b>52,148</b> | <b>\$643,249</b>   | <b>\$12.34</b>    | <b>58.3%</b> | <b>26.4%</b> | <b>26.4%</b> | <b>\$7.20</b> | <b>58.3%</b> |  |

|                            | Year              | Qty           | Value              | Avg Price      | % Dept qty    | Dept Rev %    | Tot Rev       | Rev/Rnd        | % rounds      |
|----------------------------|-------------------|---------------|--------------------|----------------|---------------|---------------|---------------|----------------|---------------|
| <b>Green Fees</b>          |                   |               |                    |                |               |               |               |                |               |
| <b>Coupon/ Promotional</b> |                   |               |                    |                |               |               |               |                |               |
|                            | 2017              |               |                    |                | 0.0%          | 0.0%          |               | \$0.00         |               |
|                            | 2016              |               |                    |                | 0.0%          | 0.0%          |               | \$0.00         |               |
|                            | 2015              | 448           | \$7,732            | \$17.26        | 1.4%          | 0.9%          | 0.9%          | \$0.25         | 1.42%         |
|                            | <b>Subtotal</b>   | <b>448</b>    | <b>\$7,732</b>     | <b>\$17.26</b> | <b>0.5%</b>   | <b>0.3%</b>   | <b>0.9%</b>   | <b>\$0.08</b>  | <b>1.4%</b>   |
| <b>Comp</b>                |                   |               |                    |                |               |               |               |                |               |
| <b>Guest Comp</b>          |                   |               |                    |                |               |               |               |                |               |
|                            | 2017              | 529           |                    | \$0.00         | 1.8%          | 0.0%          |               | \$0.00         | 1.83%         |
|                            | 2016              |               |                    |                | 0.0%          | 0.0%          |               | \$0.00         |               |
|                            | 2015              |               |                    |                | 0.0%          | 0.0%          |               | \$0.00         |               |
|                            | <b>Subtotal</b>   | <b>529</b>    | <b>\$0</b>         | <b>\$0.00</b>  | <b>0.6%</b>   | <b>0.0%</b>   |               | <b>\$0.00</b>  | <b>1.8%</b>   |
|                            | <b>Total Comp</b> |               |                    |                |               |               |               |                |               |
|                            | 2017              | 529           |                    | \$0.00         | 1.8%          | 0.0%          |               | \$0.00         | 1.83%         |
|                            | 2016              | 294           |                    | \$0.00         | 1.0%          | 0.0%          |               | \$0.00         | 1.01%         |
|                            | 2015              | 492           |                    | \$0.00         | 1.6%          | 0.0%          |               | \$0.00         | 1.56%         |
|                            | <b>Subtotal</b>   | <b>1,315</b>  | <b>\$0</b>         | <b>\$0.00</b>  | <b>1.5%</b>   | <b>0.0%</b>   |               | <b>\$0.00</b>  | <b>1.5%</b>   |
| <b>Patron</b>              |                   |               |                    |                |               |               |               |                |               |
|                            | 2017              | 1,797         | \$61,873           | \$34.43        | 6.2%          | 7.6%          | 4.7%          | \$2.14         | 6.20%         |
|                            | 2016              | 1,371         | \$47,927           | \$34.96        | 4.7%          | 6.1%          | 6.1%          | \$1.65         | 4.73%         |
|                            | 2015              | 1,449         | \$49,444           | \$34.12        | 4.6%          | 5.6%          | 5.6%          | \$1.57         | 4.60%         |
|                            | <b>Subtotal</b>   | <b>11,248</b> | <b>\$369,575</b>   | <b>\$32.86</b> | <b>12.8%</b>  | <b>15.6%</b>  | <b>15.6%</b>  | <b>\$4.21</b>  | <b>12.8%</b>  |
| <b>Regular</b>             |                   |               |                    |                |               |               |               |                |               |
|                            | 2017              | 16,935        | \$537,063          | \$31.71        | 58.4%         | 68.9%         | 68.9%         | \$18.54        | 58.46%        |
|                            | 2016              | 16,643        | \$502,848          | \$31.71        |               |               |               | \$17.35        | 57.43%        |
|                            | 2015              | 17,808        | \$549,966          | \$30.88        | 56.6%         | 62.6%         | 62.6%         | \$17.47        | 56.56%        |
|                            | <b>Subtotal</b>   | <b>51,386</b> | <b>\$1,589,877</b> | <b>\$30.94</b> | <b>38.3%</b>  | <b>43.8%</b>  | <b>65.8%</b>  | <b>\$17.79</b> | <b>57.5%</b>  |
| <b>Pass</b>                |                   |               |                    |                |               |               |               |                |               |
|                            | 2017              | 3,078         | \$0                | \$0.00         | 10.6%         | 0.0%          |               | \$0.00         | 10.62%        |
|                            | 2016              | 3,207         |                    | \$0.00         | 11.1%         | 0.0%          |               | \$0.00         | 11.07%        |
|                            | 2015              | 3,103         |                    | \$0.00         | 9.9%          | 0.0%          |               | \$0.00         | 9.85%         |
|                            | <b>Subtotal</b>   | <b>9,388</b>  | <b>\$0</b>         | <b>\$0.00</b>  | <b>10.5%</b>  | <b>0.0%</b>   |               | <b>\$0.00</b>  | <b>10.5%</b>  |
| <b>Senior</b>              |                   |               |                    |                |               |               |               |                |               |
|                            | 2017              | 9,209         | \$210,332          | \$22.84        | 31.8%         | 27.0%         | 27.0%         | \$7.26         | 31.79%        |
|                            | 2016              | 10,114        | \$228,798          | \$22.62        | 34.9%         | 29.3%         | 29.3%         | \$7.90         | 34.90%        |
|                            | 2015              | 9,762         | \$228,298          | \$23.39        | 31.0%         | 26.0%         | 26.0%         | \$7.25         | 31.00%        |
|                            | <b>Subtotal</b>   | <b>29,085</b> | <b>\$667,428</b>   | <b>\$22.95</b> | <b>32.6%</b>  | <b>27.4%</b>  | <b>27.4%</b>  | <b>\$7.47</b>  | <b>32.6%</b>  |
| <b>Total 18 hole</b>       |                   |               |                    |                |               |               |               |                |               |
|                            | 2017              | 19,514        | \$625,118          | \$32.03        | 67.3%         | 80.2%         | 80.2%         | \$21.58        | 67.36%        |
|                            | 2016              | 22,749        | \$652,983          | \$28.70        | 78.5%         | 83.8%         | 83.8%         | \$22.53        | 78.50%        |
|                            | 2015              | 26,219        | \$748,229          | \$28.54        | 83.3%         | 85.2%         | 85.2%         | \$23.76        | 83.27%        |
|                            | <b>Subtotal</b>   | <b>68,482</b> | <b>\$2,026,330</b> | <b>\$29.59</b> | <b>76.4%</b>  | <b>83.1%</b>  | <b>83.1%</b>  | <b>\$22.62</b> | <b>76.4%</b>  |
| <b>Total 9 hole</b>        |                   |               |                    |                |               |               |               |                |               |
|                            | 2017              | 4,497         | \$92,508           | \$20.57        | 15.5%         | 11.9%         | 11.9%         | \$3.19         | 15.52%        |
|                            | 2016              | 5,452         | \$114,609          | \$21.02        | 18.8%         | 14.7%         | 14.7%         | \$3.96         | 18.81%        |
|                            | 2015              | 4,464         | \$93,497           | \$20.94        | 14.2%         | 10.6%         | 10.6%         | \$2.97         | 14.18%        |
|                            | <b>Subtotal</b>   | <b>14,413</b> | <b>\$300,614</b>   | <b>\$20.86</b> | <b>16.2%</b>  | <b>12.4%</b>  | <b>12.4%</b>  | <b>\$3.37</b>  | <b>16.2%</b>  |
| <b>Total Twilight</b>      |                   |               |                    |                |               |               |               |                |               |
|                            | 2017              | 3,930         | \$91,642           | \$23.32        | 13.6%         | 11.8%         | 11.8%         | \$3.16         | 13.57%        |
|                            | 2016              |               |                    | #DIV/0!        | 13.6%         | 11.3%         | 7.0%          | \$0.00         |               |
|                            | 2015              | 5,048         | \$113,928          | \$22.57        | 16.0%         | 13.0%         | 13.0%         | \$3.62         | 16.03%        |
|                            | <b>Subtotal</b>   | <b>8,978</b>  | <b>\$205,570</b>   | <b>\$22.90</b> | <b>14.4%</b>  | <b>12.0%</b>  | <b>10.6%</b>  | <b>\$2.26</b>  | <b>14.8%</b>  |
| <b>Total</b>               |                   |               |                    |                |               |               |               |                |               |
|                            | 2017              | 28,970        | \$809,268          | \$27.93        | 100.0%        | 103.8%        | 103.8%        | \$27.93        | 100.0%        |
|                            | 2016              | 28,978        | \$779,573          | \$26.90        | 100.0%        | 100.0%        | 100.0%        | \$26.90        | 100.00%       |
|                            | 2015              | 31,487        | \$878,032          | \$27.89        | 100.0%        | 100.0%        | 100.0%        | \$27.89        | 100.00%       |
|                            | <b>Subtotal</b>   | <b>89,435</b> | <b>\$2,466,873</b> | <b>\$27.58</b> | <b>100.0%</b> | <b>101.3%</b> | <b>101.3%</b> | <b>\$27.57</b> | <b>100.0%</b> |

### Manitou 3-year Historical Performance

|                      |                      | Year | Qty           | Value               | Avg Price      | Rev/Rnd       | % rounds      |
|----------------------|----------------------|------|---------------|---------------------|----------------|---------------|---------------|
| <b>Advanced GF</b>   |                      |      |               |                     |                |               |               |
|                      | <b>Cards</b>         |      |               |                     |                |               |               |
|                      | Patron Card          |      |               |                     |                |               |               |
|                      |                      | 2017 | 36            | \$2,688             | \$74.67        | \$0.09        | 0.12%         |
|                      |                      | 2016 | 44            | \$3,080             | \$70.01        | \$0.09        | 0.13%         |
|                      |                      | 2015 | 23            | \$1,610             | \$70.01        | \$0.04        | 0.06%         |
|                      | <b>Subtotal</b>      |      | <b>103</b>    | <b>\$7,379</b>      | <b>\$71.64</b> | <b>\$0.07</b> | <b>0.10%</b>  |
|                      | <b>Annual Pass</b>   |      |               |                     |                |               |               |
|                      |                      | 2017 | 44            | \$50,735            | \$1,153.07     | \$1.67        | 0.14%         |
|                      |                      | 2016 | 50            | \$57,549            | \$1,150.99     | \$1.69        | 0.15%         |
|                      |                      | 2015 | 3,651         | \$52,882            | \$14.48        | \$1.32        | 9.09%         |
|                      | <b>Subtotal</b>      |      | <b>3,745</b>  | <b>\$161,166</b>    | <b>\$43.04</b> | <b>\$1.54</b> | <b>3.58%</b>  |
|                      | <b>Total Prepaid</b> |      |               |                     |                |               |               |
|                      |                      | 2017 | 80            | \$53,423            | \$667.79       | \$1.76        | 0.26%         |
|                      |                      | 2016 | 94            | \$60,630            | \$645.00       | \$1.78        | 0.28%         |
|                      |                      | 2015 | 3,674         | \$54,492            | \$14.83        | \$1.36        | 9.14%         |
|                      | <b>Subtotal</b>      |      | <b>3,848</b>  | <b>\$168,545</b>    | <b>\$43.80</b> | <b>\$1.61</b> | <b>3.68%</b>  |
| <b>Driving Range</b> |                      |      |               |                     |                |               |               |
|                      | <b>Buckets</b>       |      |               |                     |                |               |               |
|                      |                      | 2017 | 4,300         | \$23,140            | \$5.38         | \$0.76        | 14.17%        |
|                      |                      | 2016 | 4,529         | \$22,599            | \$4.99         | \$0.66        | 13.26%        |
|                      |                      | 2015 | 4,757         | \$24,142            | \$5.08         | \$0.60        | 11.84%        |
|                      | <b>Subtotal</b>      |      | <b>13,586</b> | <b>\$69,881.26</b>  | <b>\$5.14</b>  | <b>\$0.67</b> | <b>12.98%</b> |
|                      | <b>Passes</b>        |      |               |                     |                |               |               |
|                      |                      | 2017 | 599           | \$16,214            | \$27.07        | \$0.53        | 1.97%         |
|                      |                      | 2016 | 626           | \$14,605            | \$23.33        | \$0.43        | 1.83%         |
|                      |                      | 2015 | 538           | \$12,552            | \$23.33        | \$0.31        | 1.34%         |
|                      | <b>Subtotal</b>      |      | <b>1,763</b>  | <b>\$43,370.28</b>  | <b>\$24.60</b> | <b>\$0.41</b> | <b>1.68%</b>  |
|                      | <b>Total</b>         |      |               |                     |                |               |               |
|                      |                      | 2017 | 4,899         | \$39,354            | \$8.03         | \$1.30        | 16.14%        |
|                      |                      | 2016 | 5,155         | \$37,203            | \$7.22         | \$1.09        | 15.10%        |
|                      |                      | 2015 | 5,295         | \$36,694            | \$6.93         | \$0.91        | 13.18%        |
|                      | <b>Subtotal</b>      |      | <b>15,349</b> | <b>\$113,251.54</b> | <b>\$7.38</b>  | <b>\$1.08</b> | <b>14.66%</b> |
| <b>Carts</b>         |                      |      |               |                     |                |               |               |
|                      | <b>TOTAL</b>         |      |               |                     |                |               |               |
|                      |                      | 2017 | 20,642        | \$225,419           | \$10.92        | \$7.43        | 68.01%        |
|                      |                      | 2016 | 20,275        | \$208,624           | \$10.29        | \$6.11        | 59.38%        |
|                      |                      | 2015 | 18,905        | \$198,383           | \$10.49        | \$4.94        | 47.05%        |
|                      |                      |      | <b>59,822</b> | <b>\$632,426</b>    | <b>\$10.57</b> | <b>\$6.04</b> | <b>57.15%</b> |

|                   |                            | Year | Qty           | Value            | Avg Price      | Rev/Rnd       | % rounds      |
|-------------------|----------------------------|------|---------------|------------------|----------------|---------------|---------------|
| <b>Green Fees</b> |                            |      |               |                  |                |               |               |
|                   | <b>Coupon/ Promotional</b> |      |               |                  |                |               |               |
|                   |                            | 2017 | 7,343         | \$62,087         | \$8.46         | \$2.05        | 24.19%        |
|                   |                            | 2016 | 6,023         | \$48,777         | \$8.10         | \$1.43        | 17.64%        |
|                   |                            | 2015 | 5,569         | \$82,331         | \$14.78        | \$2.05        | 13.86%        |
|                   | <b>Subtotal</b>            |      | <b>22,679</b> | <b>\$185,301</b> | <b>\$8.17</b>  | <b>\$1.77</b> | <b>21.67%</b> |
|                   | <b>Comp</b>                |      |               |                  |                |               |               |
|                   | <b>Guest Comp</b>          |      |               |                  |                |               |               |
|                   |                            | 2017 | 32            |                  | \$0.00         | \$0.00        | 0.11%         |
|                   |                            | 2016 | 65            |                  | \$0.00         | \$0.00        | 0.19%         |
|                   |                            | 2015 | 53            |                  | \$0.00         | \$0.00        | 0.13%         |
|                   | <b>Subtotal</b>            |      | <b>150</b>    | <b>\$0</b>       | <b>\$0.00</b>  | <b>\$0.00</b> | <b>0.14%</b>  |
|                   | <b>EZ Links</b>            |      |               |                  |                |               |               |
|                   |                            | 2017 | 515           |                  | \$0.00         | \$0.00        | 1.70%         |
|                   |                            | 2016 | 771           |                  | \$0.00         | \$0.00        | 2.26%         |
|                   |                            | 2015 | 319           |                  | \$0.00         | \$0.00        | 0.79%         |
|                   | <b>Subtotal</b>            |      | <b>1,605</b>  | <b>\$0</b>       | <b>\$0.00</b>  | <b>\$0.00</b> | <b>1.53%</b>  |
|                   | <b>Staff</b>               |      |               |                  |                |               |               |
|                   |                            | 2017 | 437           |                  | \$0.00         | \$0.00        | 1.44%         |
|                   |                            | 2016 | 320           |                  | \$0.00         | \$0.00        | 0.94%         |
|                   |                            | 2015 | 359           |                  | \$0.00         | \$0.00        | 0.89%         |
|                   | <b>Subtotal</b>            |      | <b>1,116</b>  | <b>\$0</b>       | <b>\$0.00</b>  | <b>\$0.00</b> | <b>1.07%</b>  |
|                   | <b>Total Comp</b>          |      |               |                  |                |               |               |
|                   |                            | 2017 | 547           | \$0              | \$0.00         | \$0.00        | 1.80%         |
|                   |                            | 2016 | 65            |                  | \$0.00         | \$0.00        | 0.19%         |
|                   |                            | 2015 | 731           |                  | \$0.00         | \$0.00        | 1.82%         |
|                   | <b>Subtotal</b>            |      | <b>1,343</b>  | <b>\$0</b>       | <b>\$0.00</b>  | <b>\$0.00</b> | <b>1.28%</b>  |
|                   | <b>Patron</b>              |      |               |                  |                |               |               |
|                   |                            | 2017 | 1,104         | \$26,597         | \$24.09        | \$0.88        | 3.64%         |
|                   |                            | 2016 | 1,457         | \$37,017         | \$25.41        | \$1.08        | 4.27%         |
|                   |                            | 2015 | 1,239         | \$26,770         | \$21.61        | \$0.67        | 3.08%         |
|                   | <b>Subtotal</b>            |      | <b>3,800</b>  | <b>\$90,383</b>  | <b>\$23.79</b> | <b>\$0.86</b> | <b>3.63%</b>  |
|                   | <b>Seasonal</b>            |      |               |                  |                |               |               |
|                   |                            | 2017 | 3,346         |                  | \$0.00         | \$0.00        | 11.02%        |
|                   |                            | 2016 |               |                  | #DIV/0!        | \$0.00        | 0.00%         |
|                   |                            | 2015 |               |                  | #DIV/0!        | \$0.00        | 0.00%         |
|                   | <b>Subtotal</b>            |      | <b>3,346</b>  | <b>\$0</b>       | <b>\$0.00</b>  | <b>\$0.00</b> | <b>3.20%</b>  |
|                   | <b>Regular</b>             |      |               |                  |                |               |               |
|                   |                            | 2017 | 13,004        | \$270,149        | \$20.77        | \$8.90        | 42.85%        |
|                   |                            | 2016 | 15,857        | \$333,123        | \$21.01        | \$9.76        | 46.44%        |
|                   |                            | 2015 | 15,852        | \$333,518        | \$21.04        | \$8.30        | 39.45%        |
|                   | <b>Subtotal</b>            |      | <b>44,713</b> | <b>\$936,790</b> | <b>\$20.95</b> | <b>\$8.95</b> | <b>42.71%</b> |

| <b>Green Fees</b> |  |      |                |                    |                |                |                |
|-------------------|--|------|----------------|--------------------|----------------|----------------|----------------|
|                   | <b>Pass</b>                                      |      |                |                    |                |                |                |
|                   |  | 2017 | 3,533          | \$0                | \$0.00         | \$0.00         | 11.64%         |
|                   |  | 2016 | 3,888          |                    | \$0.00         | \$0.00         | 11.39%         |
|                   |  | 2015 | 3,601          |                    | \$0.00         | \$0.00         | 8.96%          |
|                   | <b>Subtotal</b>                                  |      | <b>11,022</b>  | <b>\$0</b>         | <b>\$0.00</b>  | <b>\$0.00</b>  | <b>10.53%</b>  |
|                   | <b>Senior</b>                                    |      |                |                    |                |                |                |
|                   |  | 2017 | 14,771         | \$233,112          | \$15.78        | \$7.68         | 48.67%         |
|                   |  | 2016 | 12,296         | \$244,377          | \$19.87        | \$7.16         | 36.01%         |
|                   |  | 2015 | 8,668          | \$189,676          | \$21.88        | \$4.72         | 21.57%         |
|                   | <b>Subtotal</b>                                  |      | <b>35,735</b>  | <b>\$667,164</b>   | <b>\$18.67</b> | <b>\$6.37</b>  | <b>34.14%</b>  |
|                   | <b>Total 18 hole</b>                             |      |                |                    |                |                |                |
|                   |  | 2017 | 16,286         | \$404,938          | \$24.86        | \$13.34        | 53.66%         |
|                   |  | 2016 | 18,263         | \$421,676          | \$23.09        | \$12.35        | 53.48%         |
|                   |  | 2015 | 18,762         | \$400,187          | \$21.33        | \$9.96         | 46.69%         |
|                   | <b>Subtotal</b>                                  |      | <b>53,311</b>  | <b>\$1,226,801</b> | <b>\$23.01</b> | <b>\$11.72</b> | <b>50.93%</b>  |
|                   | <b>Total 9 hole</b>                              |      |                |                    |                |                |                |
|                   |  | 2017 | 11,208         | \$205,745          | \$18.36        | \$6.78         | 36.93%         |
|                   |  | 2016 | 10,784         | \$192,269          | \$17.83        | \$5.63         | 31.58%         |
|                   |  | 2015 | 11,981         | \$216,242          | \$18.05        | \$5.38         | 29.82%         |
|                   | <b>Subtotal</b>                                  |      | <b>33,973</b>  | <b>\$614,256</b>   | <b>\$18.08</b> | <b>\$5.87</b>  | <b>32.45%</b>  |
|                   | <b>Total Twilight</b>                            |      |                |                    |                |                |                |
|                   |  | 2017 | 3,510          | \$65,468           | \$18.65        | \$2.16         | 11.57%         |
|                   |  | 2016 | 5,223          | \$97,461           | \$18.66        | \$2.85         | 15.30%         |
|                   |  | 2015 | 3,021          | \$44,085           | \$14.59        | \$1.10         | 7.52%          |
|                   | <b>Subtotal</b>                                  |      | <b>11,754</b>  | <b>\$207,014</b>   | <b>\$17.61</b> | <b>\$1.98</b>  | <b>11.23%</b>  |
|                   | <b>Total Weekday</b>                             |      |                |                    |                |                |                |
|                   |  | 2017 | 21,220         | \$476,834          | \$22.47        | \$15.71        | 69.92%         |
|                   |  | 2016 | 23,759         | \$478,412          | \$20.14        | \$14.01        | 69.58%         |
|                   |  | 2015 | 23,224         | \$453,136          | \$19.51        | \$11.28        | 57.80%         |
|                   | <b>Subtotal</b>                                  |      | <b>68,203</b>  | <b>\$1,408,382</b> | <b>\$20.65</b> | <b>\$13.45</b> | <b>65.15%</b>  |
|                   | <b>Total Weekend</b>                             |      |                |                    |                |                |                |
|                   |  | 2017 | 2,047          | \$59,684           | \$29.16        | \$1.97         | 6.74%          |
|                   |  | 2016 | 4,339          | \$125,797          | \$28.99        | \$3.68         | 12.71%         |
|                   |  | 2015 | 4,317          | \$122,430          | \$28.36        | \$3.05         | 10.74%         |
|                   | <b>Subtotal</b>                                  |      | <b>10,703</b>  | <b>\$307,911</b>   | <b>\$28.77</b> | <b>\$2.94</b>  | <b>10.22%</b>  |
|                   | <b>Total Green Fee, Cart Fee, Range and Pass</b> |      |                |                    |                |                |                |
|                   |  | 2017 | 30,350         | \$865,544          | \$28.52        | \$28.52        | 100.00%        |
|                   |  | 2016 | 34,147         | \$923,897          | \$27.06        | \$27.06        | 100.00%        |
|                   |  | 2015 | 40,183         | \$914,134          | \$22.75        | \$22.75        | 100.00%        |
|                   | <b>Subtotal</b>                                  |      | <b>104,680</b> | <b>\$2,703,575</b> | <b>\$25.83</b> | <b>\$25.83</b> | <b>100.00%</b> |

### Battle Creek 3-year Historical Performance

|                      |                      | Year | Qty           | Value               | Avg Price       | % Tot Rev    | Rev/Rnd       | % rounds     |
|----------------------|----------------------|------|---------------|---------------------|-----------------|--------------|---------------|--------------|
| <b>Advanced GF</b>   |                      |      |               |                     |                 |              |               |              |
|                      | <b>Cards</b>         |      |               |                     |                 |              |               |              |
|                      | Patron Card          |      |               |                     |                 |              |               |              |
|                      |                      | 2017 | 60            | \$2,800             | \$46.67         | 0.4%         | \$0.16        | 0.33%        |
|                      |                      | 2016 | 27            | \$1,073             | \$39.75         | 0.2%         | \$0.06        | 0.15%        |
|                      |                      | 2015 | 67            | \$3,290             | \$49.10         | 1.4%         | \$0.18        | 0.36%        |
|                      | <b>Subtotal</b>      |      | <b>154</b>    | <b>\$7,163.32</b>   | <b>\$46.52</b>  | <b>0.5%</b>  | <b>\$0.13</b> | <b>0.3%</b>  |
|                      | <b>Annual Pass</b>   |      |               |                     |                 |              |               |              |
|                      |                      | 2017 | 37            | \$25,111            | \$678.67        | 3.7%         | \$1.39        | 0.21%        |
|                      |                      | 2016 | 28            | \$18,996            | \$678.44        | 4.2%         | \$1.07        | 0.16%        |
|                      |                      | 2015 | 26            | \$18,725            | \$720.19        | 7.7%         | \$1.01        | 0.14%        |
|                      | <b>Subtotal</b>      |      | <b>91</b>     | <b>\$62,831.99</b>  | <b>\$690.46</b> | <b>4.0%</b>  | <b>\$1.16</b> | <b>0.2%</b>  |
|                      | <b>Total Prepaid</b> |      |               |                     |                 |              |               |              |
|                      |                      | 2017 | 97            | \$27,911            | \$287.74        | 4.1%         | \$1.55        | 0.54%        |
|                      |                      | 2016 | 0             | \$0                 | #DIV/0!         | 0.0%         | \$0.00        | 0.00%        |
|                      |                      | 2015 | 93            | \$22,015            | \$236.72        | 9.1%         | \$1.19        | 0.50%        |
|                      | <b>Subtotal</b>      |      | <b>190</b>    | <b>\$49,925.71</b>  | <b>\$262.77</b> | <b>3.2%</b>  | <b>\$0.92</b> | <b>0.4%</b>  |
| <b>Driving Range</b> |                      |      |               |                     |                 |              |               |              |
|                      | <b>Buckets</b>       |      |               |                     |                 |              |               |              |
|                      |                      | 2017 | 9,991         | \$80,574            | \$8.06          | 11.9%        | \$4.47        | 55.46%       |
|                      |                      | 2016 | 10,714        | \$84,132            | \$7.85          | 18.8%        | \$4.73        | 60.19%       |
|                      |                      | 2015 | 11,986        | \$139,006           | \$11.60         | 30.2%        | \$7.53        | 64.94%       |
|                      | <b>Subtotal</b>      |      | <b>32,691</b> | <b>\$303,711.84</b> | <b>\$9.29</b>   | <b>19.2%</b> | <b>\$5.60</b> | <b>60.2%</b> |
|                      | <b>Passes</b>        |      |               |                     |                 |              |               |              |
|                      |                      | 2017 | 1,524         | \$70,565            | \$46.30         | 10.4%        | \$3.92        | 8.46%        |
|                      |                      | 2016 | 926           | \$52,722            | \$56.94         | 11.8%        | \$2.96        | 5.20%        |
|                      |                      | 2015 |               |                     |                 |              | \$0.00        |              |
|                      | <b>Subtotal</b>      |      | <b>2,450</b>  | <b>\$123,286.90</b> | <b>\$50.32</b>  | <b>7.8%</b>  | <b>\$2.27</b> | <b>4.5%</b>  |
|                      | <b>Total</b>         |      |               |                     |                 |              |               |              |
|                      |                      | 2017 | 11,515        | \$151,138           | \$13.13         | 22.3%        | \$8.39        | 63.92%       |
|                      |                      | 2016 | 11,640        | \$136,855           | \$11.76         | 30.6%        | \$7.69        | 65.39%       |
|                      |                      | 2015 | 11,986        | \$139,006           | \$11.60         | 30.2%        | \$7.53        | 64.94%       |
|                      | <b>Subtotal</b>      |      | <b>35,141</b> | <b>\$426,998.74</b> | <b>\$12.15</b>  | <b>26.9%</b> | <b>\$7.87</b> | <b>64.7%</b> |
| <b>Carts</b>         |                      |      |               |                     |                 |              |               |              |
|                      | <b>TOTAL</b>         |      |               |                     |                 |              |               |              |
|                      |                      | 2017 | 8,305         | \$80,215            | \$9.66          | 11.8%        | \$4.45        | 46.10%       |
|                      |                      | 2016 | 7,516         | \$71,266            | \$9.48          | 15.9%        | \$4.00        | 42.22%       |
|                      |                      | 2015 | 7,684         | \$74,186            | \$9.65          | 30.6%        | \$4.02        | 41.63%       |
|                      |                      |      | <b>23,505</b> | <b>\$225,667.10</b> | <b>\$9.60</b>   | <b>14.2%</b> | <b>\$4.16</b> | <b>43.3%</b> |

|                   |                            | Year | Qty           | Value                | Avg Price      | % Tot Rev    | Rev/Rnd         | % rounds     |
|-------------------|----------------------------|------|---------------|----------------------|----------------|--------------|-----------------|--------------|
| <b>Green Fees</b> |                            |      |               |                      |                |              |                 |              |
|                   | <b>Discount</b>            |      |               |                      |                |              |                 |              |
|                   |                            | 2017 | -1,097        | (\$14,371)           | \$13.10        | -2.1%        | (\$0.80)        |              |
|                   |                            | 2016 | -98           | (\$2,043)            | \$20.84        | -0.5%        | (\$0.11)        | -0.55%       |
|                   |                            | 2015 | -542          | (\$13,325)           | \$24.58        |              | (\$0.72)        |              |
|                   | <b>Subtotal</b>            |      | <b>-1,737</b> | <b>(\$29,738.92)</b> | <b>\$17.12</b> | <b>-1.9%</b> | <b>(\$0.55)</b> | <b>-3.2%</b> |
|                   | <b>Coupon/ Promotional</b> |      |               |                      |                |              |                 |              |
|                   |                            | 2017 | 575           | \$5,899              | \$10.26        | 0.9%         | \$0.33          | 3.19%        |
|                   |                            | 2016 | 16            | \$253                | \$15.81        | 0.1%         | \$0.01          | 0.09%        |
|                   |                            | 2015 | 894           | \$1,360              | \$1.52         | 0.6%         | \$0.07          | 4.84%        |
|                   | <b>Subtotal</b>            |      | <b>1,485</b>  | <b>\$7,512.38</b>    | <b>\$5.06</b>  | <b>0.5%</b>  | <b>\$0.14</b>   | <b>2.7%</b>  |
|                   | <b>Total PCC</b>           |      |               |                      | #DIV/0!        | 0.0%         | \$0.00          | 0.00%        |
|                   |                            | 2017 | 2,562         | \$19,224             | \$7.50         | 2.8%         |                 | #REF!        |
|                   |                            | 2016 |               |                      |                |              | #DIV/0!         |              |
|                   |                            | 2015 |               |                      |                |              | \$0.00          |              |
|                   | <b>Subtotal</b>            |      | <b>2,562</b>  | <b>\$19,224.00</b>   | <b>\$7.50</b>  | <b>1.2%</b>  | <b>\$0.35</b>   | <b>4.7%</b>  |
|                   | <b>Comp</b>                |      |               |                      |                |              |                 |              |
|                   | <b>Guest Comp</b>          |      |               |                      | #DIV/0!        |              |                 |              |
|                   |                            | 2017 | 67            |                      | \$0.00         |              | \$0.00          | 0.37%        |
|                   |                            | 2016 | 141           |                      | \$0.00         | 0.0%         | \$0.00          | 0.79%        |
|                   |                            | 2015 | 151           |                      | \$0.00         |              | \$0.00          | 0.82%        |
|                   | <b>Subtotal</b>            |      | <b>359</b>    | <b>\$0.00</b>        | <b>\$0.00</b>  | <b>0.0%</b>  | <b>\$0.00</b>   | <b>0.7%</b>  |
|                   | <b>EZ Links</b>            |      |               |                      |                |              |                 |              |
|                   |                            | 2017 | 319           |                      | \$0.00         |              | \$0.00          | 1.77%        |
|                   |                            | 2016 | 588           |                      | \$0.00         | 0.0%         | \$0.00          | 3.30%        |
|                   |                            | 2015 | 489           |                      | \$0.00         |              | \$0.00          | 2.65%        |
|                   | <b>Subtotal</b>            |      | <b>1,396</b>  | <b>\$0.00</b>        | <b>\$0.00</b>  | <b>0.0%</b>  | <b>\$0.00</b>   | <b>2.6%</b>  |
|                   | <b>Staff</b>               |      |               |                      |                |              |                 |              |
|                   |                            | 2017 | 349           |                      | \$0.00         |              | \$0.00          | 1.94%        |
|                   |                            | 2016 | 430           |                      | \$0.00         | 0.0%         | \$0.00          | 2.42%        |
|                   |                            | 2015 | 439           |                      | \$0.00         |              | \$0.00          | 2.38%        |
|                   | <b>Subtotal</b>            |      | <b>1,218</b>  | <b>\$0.00</b>        | <b>\$0.00</b>  | <b>0.0%</b>  | <b>\$0.00</b>   | <b>2.2%</b>  |
|                   | <b>Total Comp</b>          |      |               |                      |                |              |                 |              |
|                   |                            | 2017 | 735           |                      | \$0.00         |              | \$0.00          | 4.08%        |
|                   |                            | 2016 | 1,159         |                      | \$0.00         | 0.0%         | \$0.00          | 6.51%        |
|                   |                            | 2015 | 1,094         |                      | \$0.00         |              | \$0.00          | 5.93%        |
|                   | <b>Subtotal</b>            |      | <b>2,988</b>  | <b>\$0.00</b>        | <b>\$0.00</b>  | <b>0.0%</b>  | <b>\$0.00</b>   | <b>5.5%</b>  |
|                   | <b>Patron</b>              |      |               |                      |                |              |                 |              |
|                   |                            | 2017 | 639           | \$10,314             | \$16.14        | 1.5%         | \$0.57          | 3.55%        |
|                   |                            | 2016 | 958           | \$17,242             | \$18.00        | 3.9%         | \$0.97          | 5.38%        |
|                   |                            | 2015 | 992           | \$16,416             | \$16.55        | 6.8%         | \$0.89          | 5.37%        |
|                   | <b>Subtotal</b>            |      | <b>2,589</b>  | <b>\$43,971.70</b>   | <b>\$16.98</b> | <b>2.8%</b>  | <b>\$0.81</b>   | <b>4.8%</b>  |
|                   | <b>Seasonal</b>            |      |               |                      |                |              |                 |              |
|                   |                            | 2017 | 723           | \$8,634              | \$11.94        | 1.3%         | \$0.48          | 4.01%        |
|                   |                            | 2016 | 1,479         | \$18,344             | \$12.40        | 4.1%         | \$1.03          | 8.31%        |
|                   |                            | 2015 | 1,070         | \$14,132             | \$13.21        | 5.8%         | \$0.77          | 5.80%        |
|                   | <b>Subtotal</b>            |      | <b>3,272</b>  | <b>\$41,109.86</b>   | <b>\$12.56</b> | <b>2.6%</b>  | <b>\$0.76</b>   | <b>6.0%</b>  |

|                   |                       | Year | Qty           | Value               | Avg Price      | % Tot Rev    | Rev/Rnd        | % rounds      |
|-------------------|-----------------------|------|---------------|---------------------|----------------|--------------|----------------|---------------|
| <b>Green Fees</b> |                       |      |               |                     |                |              |                |               |
|                   | <b>Regular</b>        |      |               |                     |                |              |                |               |
|                   |                       | 2017 | 7,051         | \$131,408           | \$18.64        | 19.4%        | \$7.29         | 39.14%        |
|                   |                       | 2016 | 7,511         | \$142,002           | \$18.91        | 31.8%        | \$7.98         | 42.20%        |
|                   |                       | 2015 | 17,271        | \$223,548           | \$12.94        | 92.2%        | \$12.11        | 93.57%        |
|                   | <b>Subtotal</b>       |      | <b>31,833</b> | <b>\$496,958.75</b> | <b>\$15.61</b> | <b>31.4%</b> | <b>\$9.16</b>  | <b>58.7%</b>  |
|                   | <b>Pass</b>           |      |               |                     |                |              |                |               |
|                   |                       | 2017 | 2,319         |                     | \$0.00         |              | \$0.00         | 12.87%        |
|                   |                       | 2016 | 2,714         |                     | \$0.00         | 0.0%         | \$0.00         | 15.25%        |
|                   |                       | 2015 | 850           |                     | \$0.00         |              | \$0.00         | 4.61%         |
|                   | <b>Subtotal</b>       |      | <b>5,883</b>  | <b>\$0.00</b>       | <b>\$0.00</b>  | <b>0.0%</b>  | <b>\$0.00</b>  | <b>10.8%</b>  |
|                   | <b>League</b>         |      |               |                     |                |              |                |               |
|                   |                       | 2017 | 89            |                     | \$0.00         |              | \$0.00         | 0.49%         |
|                   |                       | 2016 |               |                     |                | 0.0%         | \$0.00         | 0.00%         |
|                   |                       | 2015 |               |                     |                |              |                |               |
|                   | <b>Subtotal</b>       |      | <b>89</b>     | <b>\$0.00</b>       | <b>\$0.00</b>  | <b>0.0%</b>  | <b>\$0.00</b>  | <b>0.2%</b>   |
|                   | <b>Senior</b>         |      |               |                     |                |              |                |               |
|                   |                       | 2017 | 4,868         | \$62,815            | \$12.90        | 9.3%         | \$3.49         | 27.02%        |
|                   |                       | 2016 | 5,513         | \$54,309            | \$9.85         | 12.1%        | \$3.05         | 30.97%        |
|                   |                       | 2015 | 4,459         | \$49,034            | \$11.00        | 20.2%        | \$2.66         | 24.16%        |
|                   | <b>Subtotal</b>       |      | <b>14,840</b> | <b>\$166,159.09</b> | <b>\$11.20</b> | <b>10.5%</b> | <b>\$3.06</b>  | <b>27.3%</b>  |
|                   | <b>Total 18 hole</b>  |      |               |                     |                |              |                |               |
|                   |                       | 2017 | 2,212         | \$11,419            | \$5.16         | 1.7%         | \$0.63         | 12.28%        |
|                   |                       | 2016 | 986           | \$18,748            | \$19.01        | 4.2%         | \$1.05         | 5.54%         |
|                   |                       | 2015 | 1,678         | \$24,833            | \$14.80        | 10.2%        | \$1.35         | 9.09%         |
|                   | <b>Subtotal</b>       |      | <b>4,876</b>  | <b>\$54,999.62</b>  | <b>\$11.28</b> | <b>3.5%</b>  | <b>\$1.01</b>  | <b>9.0%</b>   |
|                   | <b>Total 9 hole</b>   |      |               |                     |                |              |                |               |
|                   |                       | 2017 | 14,683        | \$208,826           | \$14.22        | 30.8%        | \$11.59        | 81.50%        |
|                   |                       | 2016 | 15,408        | \$215,304           | \$13.97        | 48.1%        | \$12.10        | 86.56%        |
|                   |                       | 2015 | 14,201        | \$217,594           | \$15.32        | 89.8%        | \$11.79        | 76.94%        |
|                   | <b>Subtotal</b>       |      | <b>44,292</b> | <b>\$641,723.38</b> | <b>\$14.49</b> | <b>40.5%</b> | <b>\$11.82</b> | <b>81.6%</b>  |
|                   | <b>Total Twilight</b> |      |               |                     |                |              |                |               |
|                   |                       | 2017 | 575           | \$5,899             | \$10.26        | 0.9%         | \$0.33         | 3.19%         |
|                   |                       | 2016 | 702           | \$7,390             | \$10.53        | 1.7%         | \$0.42         | 3.94%         |
|                   |                       | 2015 | 830           | \$8,518             | \$10.26        | 3.5%         | \$0.46         | 4.50%         |
|                   | <b>Subtotal</b>       |      | <b>2,107</b>  | <b>\$21,806.65</b>  | <b>\$10.35</b> | <b>1.4%</b>  | <b>\$0.40</b>  | <b>3.9%</b>   |
|                   | <b>Total Weekday</b>  |      |               |                     |                |              |                |               |
|                   |                       | 2017 | 6,160         | \$104,766           | \$17.01        | 15.5%        | \$5.82         | 34.19%        |
|                   |                       | 2016 | 5,853         | \$102,106           | \$17.45        | 22.8%        | \$5.74         | 32.88%        |
|                   |                       | 2015 | 8,679         | \$133,732           | \$15.41        | 55.2%        | \$7.25         | 47.02%        |
|                   | <b>Subtotal</b>       |      | <b>20,692</b> | <b>\$340,603.36</b> | <b>\$16.46</b> | <b>21.5%</b> | <b>\$6.28</b>  | <b>38.1%</b>  |
|                   | <b>Total Weekend</b>  |      |               |                     |                |              |                |               |
|                   |                       | 2017 | 4,150         | \$81,563            | \$19.65        | 12.0%        | \$4.53         | 23.04%        |
|                   |                       | 2016 | 4,453         | \$89,178            | \$20.03        | 19.9%        | \$5.01         | 25.02%        |
|                   |                       | 2015 | 4,462         | \$84,733            | \$18.99        | 35.0%        | \$4.59         | 24.18%        |
|                   | <b>Subtotal</b>       |      | <b>13,065</b> | <b>\$255,473.76</b> | <b>\$19.55</b> | <b>16.1%</b> | <b>\$4.71</b>  | <b>24.1%</b>  |
|                   | <b>Total</b>          |      |               |                     |                |              |                |               |
|                   |                       | 2017 | 18,015        | \$205,874           | \$11.43        | 30.4%        | \$11.43        | 100.0%        |
|                   |                       | 2016 | 17,800        | \$231,155           | \$12.99        | 51.7%        | \$12.99        | 100.00%       |
|                   |                       | 2015 | 18,457        | \$242,427           | \$13.13        | 100.0%       | \$13.13        | 100.00%       |
|                   | <b>Subtotal</b>       |      | <b>54,272</b> | <b>\$679,455.33</b> | <b>\$12.52</b> | <b>42.9%</b> | <b>\$12.52</b> | <b>100.0%</b> |

## Appendix F: Customer Survey

### Survey Questions

Below is the survey for Goodrich. The same survey, except for a few changes to the custom questions at the end, was administered for Battle Creek, Keller, Manitou and Island Lake.

About how many rounds have you played at Goodrich Golf Course in the past 12 months?  rounds

Do you play most of your golf at Goodrich Golf Course?  Yes  No

What other courses in the area, if any, have you played on a somewhat regular basis in the past 12 months? If you haven't played at any other courses, click "Next" to continue.

(1)  rounds

(2)  rounds

(3)  rounds

(4)  rounds

(5)  rounds

How satisfied are you, overall, with **Goodrich Golf Course**?

|                          |                       |                       |                       |                       |                       |                       |                       |                       |                       |
|--------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| <b>Very dissatisfied</b> |                       |                       |                       |                       | <b>Very satisfied</b> |                       |                       |                       |                       |
| 1                        | 2                     | 3                     | 4                     | 5                     | 6                     | 7                     | 8                     | 9                     | 10                    |
| <input type="radio"/>    | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |

Given the cost to play here, do we meet your expectations?

|   |                       |                       |                       |                       |                                    |                       |                       |                       |                       |
|---|-----------------------|-----------------------|-----------------------|-----------------------|------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| <b>We fall short of your expectations</b> |                       |                       |                       |                       | <b>We exceed your expectations</b> |                       |                       |                       |                       |
| 1   | 2                     | 3                     | 4                     | 5                     | 6                                  | 7                     | 8                     | 9                     | 10                    |
| <input type="radio"/>                     | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>              | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |

How does your overall satisfaction with **Goodrich Golf Course** compare to your satisfaction with other similarly priced courses you have recently played?

|                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| <b>Unfavorably</b>    |                       |                       |                       |                       | <b>Favorably</b>      |                       |                       |                       |                       |
| 1                     | 2                     | 3                     | 4                     | 5                     | 6                     | 7                     | 8                     | 9                     | 10                    |
| <input type="radio"/> |

In the next 12 months, are you likely to play here more often, less often or about the same?

|                        |                       |                       |                       |                       |                        |                       |                       |                       |                       |
|------------------------|-----------------------|-----------------------|-----------------------|-----------------------|------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| <b>Much less often</b> |                       |                       |                       |                       | <b>Much more often</b> |                       |                       |                       |                       |
| 1                      | 2                     | 3                     | 4                     | 5                     | 6                      | 7                     | 8                     | 9                     | 10                    |
| <input type="radio"/>  | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>  | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |

If asked, how likely would you be to recommend **Goodrich Golf Course** to another golfer?

|   |                       |                       |                       |                       |  |                       |                       |                       |                       |                       |
|---|-----------------------|-----------------------|-----------------------|-----------------------|--|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| <b>Not at all likely<br/>to recommend</b> |                       |                       |                       |                       | <b>Extremely Likely<br/>to recommend</b> |                       |                       |                       |                       |                       |
| 0   | 1                     | 2                     | 3                     | 4                     | 5  | 6                     | 7                     | 8                     | 9                     | 10                    |
| <input type="radio"/>                     | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>                    | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |

Please tell us what it would take for you to rate it a 9 or 10?

What do you like most about **Goodrich Golf Course**?

Approximately how long would you say you've been playing golf at Goodrich Golf Course?

less than a year **OR**

years

Did you first play at Goodrich Golf Course because someone recommended us to you?

Yes  No

Have you **recommended** Goodrich Golf Course to anyone in the past 12 months?

Yes  No

If yes, how many?

▼

Have you **advised anyone against** playing at Goodrich Golf Course in the last 12 months?

Yes  No

If yes, how many?

For each factor below, select a number from 1 to 10 indicating your level of satisfaction. 1 = Very Dissatisfied, 10 = Very Satisfied.

| Factors  | Goodrich Golf Course      |                       |                       |                       |                       |                       |                       |                       |                       |                         | Don't Know/<br>Can't Rate |
|--|---------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-------------------------|---------------------------|
|  | 1<br>Very<br>Dissatisfied | 2                     | 3                     | 4                     | 5                     | 6                     | 7                     | 8                     | 9                     | 10<br>Very<br>Satisfied |                           |
| Food and Beverage Service                      | <input type="radio"/>     | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>   | <input type="radio"/>     |
| Condition of Golf Cars                         | <input type="radio"/>     | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>   | <input type="radio"/>     |
| Convenience of Course Location                 | <input type="radio"/>     | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>   | <input type="radio"/>     |
| Condition of Tees                              | <input type="radio"/>     | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>   | <input type="radio"/>     |
| Amenities (clubhouse, pro shop, locker room)   | <input type="radio"/>     | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>   | <input type="radio"/>     |
| Tee Time Availability                          | <input type="radio"/>     | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>   | <input type="radio"/>     |
| Affordability                                  | <input type="radio"/>     | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>   | <input type="radio"/>     |
| Overall Quality of Golf Shop Apparel           | <input type="radio"/>     | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>   | <input type="radio"/>     |
| On-course Services (restrooms, drinking water) | <input type="radio"/>     | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>   | <input type="radio"/>     |
| Scenery and Aesthetics of Course               | <input type="radio"/>     | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>   | <input type="radio"/>     |
| Golf Course Design/Layout                      | <input type="radio"/>     | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>   | <input type="radio"/>     |
| Overall Course Conditions                      | <input type="radio"/>     | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>   | <input type="radio"/>     |
| Overall Experience                             | <input type="radio"/>     | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>   | <input type="radio"/>     |
| Overall Quality of Golf Shop Merchandise       | <input type="radio"/>     | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>   | <input type="radio"/>     |
| Friendliness/Helpfulness of Staff              | <input type="radio"/>     | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>   | <input type="radio"/>     |
| Condition of Greens                            | <input type="radio"/>     | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>   | <input type="radio"/>     |
| Pace of Play                                   | <input type="radio"/>     | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>   | <input type="radio"/>     |
| Overall Value                                  | <input type="radio"/>     | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>   | <input type="radio"/>     |
| Overall Quality of Golf Shop                   | <input type="radio"/>     | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>   | <input type="radio"/>     |
| Condition of Fairways                          | <input type="radio"/>     | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>   | <input type="radio"/>     |
| Condition of Bunkers                           | <input type="radio"/>     | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>   | <input type="radio"/>     |

What would you estimate is your **average cost per round** (including green fee, golf car if used, range balls - but excluding merchandise and food & beverage) at Goodrich Golf Course? \$

About how much would you say you have spent in total on **merchandise** (e.g., apparel, golf balls and clubs and other items) over the past 12 months at Goodrich Golf Course? \$

About how much would you estimate you spend, on average, on **food & beverage** each time you visit the course? \$

**Please enter the zip / postal code of your primary residence:**

**Please select your gender:**

- Male  Female

**Please enter your age:**

**Please enter your average 18-hole score:**

**Which of the following best describes you?**

- Local player/Area resident
- Non-resident player
- Discount card holder
- Member of our club
- Member of other area club
- League player
- Business/corporate outing golfer
- Vacationer

### Custom Questions

**Do you follow us online? If so, what sites (website, Facebook, Twitter, etc.)**

**Would you like to see more online content? If so, what?**

## Customer Profile

### Keller

#### Keller Golf Course

##### Customer Profile

Responses from 6/18/2018 thru 8/10/2018

(99 responses)

|                            | Responses | Satisfaction<br>(1-10) | Average Annual<br>Spend | Average<br>Wallet Share |
|----------------------------|-----------|------------------------|-------------------------|-------------------------|
| <b>Overall</b>             | 99        | 8.5                    | \$1,239                 | 47.8%                   |
| <b>Course Rounds</b>       |           |                        |                         |                         |
| 1 - 7                      | 28        | 7.7                    | \$188                   | 11.6%                   |
| 8 - 24                     | 41        | 8.6                    | \$1,058                 | 59.9%                   |
| 25 - 49                    | 21        | 8.9                    | \$1,927                 | 64.0%                   |
| 50 +                       | 9         | 9.2                    | \$3,727                 | 67.3%                   |
| <b>Gender</b>              |           |                        |                         |                         |
| Male                       | 75        | 8.5                    | \$1,149                 | 48.1%                   |
| Female                     | 24        | 8.2                    | \$1,520                 | 46.9%                   |
| <b>Age</b>                 |           |                        |                         |                         |
| Under 18                   | n/a       | n/a                    | n/a                     | n/a                     |
| 18 - 29                    | 4         | 9.3                    | \$1,785                 | 33.8%                   |
| 30 - 39                    | 9         | 8.9                    | \$1,721                 | 52.4%                   |
| 40 - 49                    | 7         | 8.9                    | \$2,463                 | 40.9%                   |
| 50 - 59                    | 24        | 8.2                    | \$2,452                 | 46.5%                   |
| 60 - 69                    | 36        | 8.0                    | \$2,673                 | 40.9%                   |
| 70 +                       | 19        | 9.2                    | \$2,916                 | 65.7%                   |
| <b>Customer segments</b>   |           |                        |                         |                         |
| Local player/Area resident | 46        | 8.2                    | \$769                   | 32.5%                   |
| Non-resident player        | 5         | 8.6                    | \$254                   | 15.5%                   |
| Discount card holder       | 3         | 10.0                   | \$1,113                 | 69.7%                   |
| Member of our club         | 30        | 8.9                    | \$2,215                 | 68.9%                   |
| Member of other area club  | 3         | 7.3                    | \$590                   | 45.7%                   |
| League player              | 12        | 8.3                    | \$1,203                 | 62.3%                   |

**Goodrich****Goodrich Golf Course****Customer Profile**

Responses from 6/19/2018 thru 8/5/2018

(107 responses)

|                            | <b>Responses</b> | <b>Satisfaction<br/>(1-10)</b> | <b>Average Annual<br/>Spend</b> | <b>Average<br/>Wallet Share</b> |
|----------------------------|------------------|--------------------------------|---------------------------------|---------------------------------|
| <b>Overall</b>             | 107              | 8.7                            | \$1,486                         | 43.8%                           |
| <b>Course Rounds</b>       |                  |                                |                                 |                                 |
| 1 - 7                      | 41               | 8.7                            | \$168                           | 23.0%                           |
| 8 - 24                     | 34               | 9.0                            | \$770                           | 49.6%                           |
| 25 - 49                    | 22               | 8.4                            | \$2,665                         | 60.1%                           |
| 50 +                       | 10               | 8.8                            | \$6,730                         | 73.2%                           |
| <b>Gender</b>              |                  |                                |                                 |                                 |
| Male                       | 97               | 8.7                            | \$1,526                         | 43.2%                           |
| Female                     | 10               | 9.1                            | \$1,097                         | 49.5%                           |
| <b>Age</b>                 |                  |                                |                                 |                                 |
| Under 18                   | n/a              | n/a                            | n/a                             | n/a                             |
| 18 - 29                    | 1                | 10.0                           | \$4,150                         | 67.0%                           |
| 30 - 39                    | 3                | 8.7                            | \$3,590                         | 23.3%                           |
| 40 - 49                    | 11               | 8.7                            | \$4,887                         | 38.8%                           |
| 50 - 59                    | 22               | 8.5                            | \$3,561                         | 51.7%                           |
| 60 - 69                    | 41               | 8.7                            | \$2,008                         | 44.4%                           |
| 70 +                       | 29               | 8.9                            | \$3,452                         | 40.1%                           |
| <b>Customer segments</b>   |                  |                                |                                 |                                 |
| Local player/Area resident | 57               | 8.8                            | \$702                           | 38.1%                           |
| Non-resident player        | 5                | 9.2                            | \$1,092                         | 34.1%                           |
| Discount card holder       | 5                | 9.2                            | \$627                           | 30.1%                           |
| Member of our club         | 17               | 8.7                            | \$4,327                         | 67.5%                           |
| Member of other area club  | 7                | 9.3                            | \$269                           | 9.9%                            |
| League player              | 16               | 8.0                            | \$2,183                         | 61.1%                           |

**Battle Creek**

**The Ponds At Battle Creek Golf Course**

| <b>Customer Profile</b>                       |                  |                                |                                 |                                 |
|---|------------------|--------------------------------|---------------------------------|---------------------------------|
| <u>Responses from 6/20/2018 thru 8/7/2018</u> |                  |                                |                                 |                                 |
| (94 responses)                                |                  |                                |                                 |                                 |
|   | <b>Responses</b> | <b>Satisfaction<br/>(1-10)</b> | <b>Average Annual<br/>Spend</b> | <b>Average<br/>Wallet Share</b> |
| <b>Overall</b>                                | 94               | 8.8                            | \$1,101                         | 55.5%                           |
| <b>Course Rounds</b>                          |                  |                                |                                 |                                 |
| 1 - 7   | 34               | 8.4                            | \$233                           | 33.9%                           |
| 8 - 24  | 36               | 8.9                            | \$672                           | 60.3%                           |
| 25 - 49                                       | 16               | 9.3                            | \$1,928                         | 79.6%                           |
| 50 +  | 8                | 9.3                            | \$5,073                         | 77.5%                           |
| <b>Gender</b>                                 |                  |                                |                                 |                                 |
| Male  | 82               | 8.8                            | \$1,127                         | 54.7%                           |
| Female  | 12               | 9.0                            | \$927                           | 60.5%                           |
| <b>Age</b>                                    |                  |                                |                                 |                                 |
| Under 18                                      | n/a              | n/a                            | n/a                             | n/a                             |
| 18 - 29                                       | 3                | 8.3                            | \$1,170                         | 42.0%                           |
| 30 - 39                                       | 16               | 9.3                            | \$1,675                         | 69.3%                           |
| 40 - 49                                       | 9                | 8.8                            | \$1,221                         | 56.9%                           |
| 50 - 59                                       | 21               | 8.5                            | \$1,526                         | 52.6%                           |
| 60 - 69                                       | 31               | 8.7                            | \$1,981                         | 51.9%                           |
| 70 +  | 14               | 9.2                            | \$2,433                         | 54.1%                           |
| <b>Customer segments</b>                      |                  |                                |                                 |                                 |
| Local player/Area resident                    | 59               | 8.8                            | \$661                           | 50.8%                           |
| Non-resident player                           | 4                | 8.3                            | \$624                           | 36.5%                           |
| Discount card holder                          | 3                | 9.0                            | \$241                           | 45.5%                           |
| Member of our club                            | 6                | 9.5                            | \$2,388                         | 81.3%                           |
| Member of other area club                     | 5                | 8.2                            | \$373                           | 23.6%                           |
| League player                                 | 16               | 9.3                            | \$2,807                         | 76.9%                           |
| Vacationer                                    | 1                | 5.0                            | \$240                           | 100.0%                          |

**Manitou****Manitou Ridge Golf Course****Customer Profile**Responses from 6/19/2018 thru 8/7/2018

(146 responses)

|                            | <b>Responses</b> | <b>Satisfaction<br/>(1-10)</b> | <b>Average Annual<br/>Spend</b> | <b>Average<br/>Wallet Share</b> |
|----------------------------|------------------|--------------------------------|---------------------------------|---------------------------------|
| <b>Overall</b>             | 146              | 7.4                            | \$1,801                         | 57.4%                           |
| <b>Course Rounds</b>       |                  |                                |                                 |                                 |
| 1 - 7                      | 24               | 6.6                            | \$347                           | 30.2%                           |
| 8 - 24                     | 67               | 7.4                            | \$1,146                         | 57.6%                           |
| 25 - 49                    | 43               | 7.7                            | \$2,961                         | 65.9%                           |
| 50 +                       | 12               | 7.3                            | \$4,207                         | 80.8%                           |
| <b>Gender</b>              |                  |                                |                                 |                                 |
| Male                       | 112              | 7.5                            | \$2,044                         | 57.7%                           |
| Female                     | 34               | 6.8                            | \$999                           | 56.6%                           |
| <b>Age</b>                 |                  |                                |                                 |                                 |
| Under 18                   | 1                | 10.0                           | \$1,520                         | 13.0%                           |
| 18 - 29                    | 1                | 10.0                           | \$2,325                         | 100.0%                          |
| 30 - 39                    | 6                | 7.7                            | \$1,883                         | 56.0%                           |
| 40 - 49                    | 5                | 8.0                            | \$8,512                         | 54.6%                           |
| 50 - 59                    | 45               | 6.8                            | \$2,912                         | 61.3%                           |
| 60 - 69                    | 62               | 7.4                            | \$3,096                         | 57.9%                           |
| 70 +                       | 26               | 7.7                            | \$3,294                         | 50.7%                           |
| <b>Customer segments</b>   |                  |                                |                                 |                                 |
| Local player/Area resident | 43               | 7.3                            | \$1,010                         | 48.6%                           |
| Non-resident player        | 2                | 5.5                            | \$290                           | 38.9%                           |
| Discount card holder       | 2                | 8.0                            | \$331                           | 22.7%                           |
| Member of our club         | 36               | 7.4                            | \$3,809                         | 70.5%                           |
| Member of other area club  | 7                | 7.6                            | \$794                           | 17.0%                           |
| League player              | 56               | 7.4                            | \$1,349                         | 62.8%                           |

## Appendix G: Infrastructure Life Expectancies

These are the expected life expectancies for various components of a golf course. These have been adjusted for the MSP climate area.

### Goodrich

| GOLF COURSE INFRASTRUCTURE LIFE EXPECTANCIES |     |     |     |       |     |          |          |
|--|-----|-----|-----|-------|-----|----------|----------|
| Goodrich Golf Course                         |     |     |     |       |     |          |          |
| Project                                      | Qty | Min | Max | Built | Age | Min Left | Max Left |
| <b>Greens- rebuild</b>                       |     |     |     |       |     |          |          |
| USGA/California/sand-based (No. 12, 17)      | 3   | 20  | 35  | 2008  | 11  | 9        | 24       |
| USGA/California/sand-based (No. 15)          | 1   | 20  | 36  | 2010  | 9   | 11       | 26       |
| USGA/California/sand-based (No. 6,10)        | 1   | 20  | 35  | 1997  | 22  | -2       | 13       |
| Push-up -1960                                | 15  | 20  | 50  | 1960  | 59  | -39      | -9       |
| <b>Green Collars</b>                         |     |     |     |       |     |          |          |
| USGA/California/sand-based                   | 5   | 12  | 25  | 2008  | 11  | 1        | 14       |
| Push-up                                      | 14  | 12  | 25  | 1960  | 59  | -7       | -2       |
| <b>Tees &amp; Surround</b>                   |     |     |     |       |     |          |          |
| -Vintage 2010 (8, 9)                         | 2   | 15  | 20  | 2008  | 11  | 4        | 9        |
| Hole #10                                     | 16  | 15  | 20  | 1997  | 22  | -7       | -2       |
| <b>Turf</b>                                  |     |     |     |       |     |          |          |
| Tees   |     | 12  | 15  | 1960  | 59  | -47      | -44      |
| Fairways                                     |     | 12  | 15  | 1960  | 59  | -47      | -44      |

| <b>GOLF COURSE INFRASTRUCTURE LIFE EXPECTANCIES</b>     |    |    |      |    |     |     |
|---|----|----|------|----|-----|-----|
| <b>Goodrich Golf Course</b>                             |    |    |      |    |     |     |
| Approaches  | 12 | 15 | 1960 | 59 | -47 | -44 |
| Collection areas  | 12 | 15 | 1960 | 59 | -47 | -44 |
| Maintained roughs                                       | 20 | 25 | 1960 | 59 | -47 | -44 |
| Intermediate roughs                                     | 12 | 15 | 1960 | 59 | -47 | -44 |
| Native roughs/natural areas                             | 20 | 25 | 1960 | 59 | -39 | -34 |
| <b>Bunkers</b>  |    |    |      |    |     |     |
| Rebuild bunkers/surrounds                               | 15 | 20 | 1960 | 59 | -44 | -39 |
| Replace sand  | 8  | 12 | 1960 | 59 | -51 | -47 |
| Replace drainage piping/liners                          | 8  | 12 | 1960 | 59 | -51 | -47 |
| <b>Irrigation system</b>                                |    |    |      |    |     |     |
| Replace controllers/wiring/sprinkler heads/swing joints | 10 | 12 | 1960 | 59 | -49 | -47 |
| Replace PVC piping/valves/fittings                      | 27 | 30 | 1960 | 59 | -32 | -29 |
| Replace pump station/fertigation                        | 12 | 15 | 1960 | 59 | -47 | -44 |
| <b>Drainage (fairways/roughs)</b>                       |    |    |      |    |     |     |
| Replace corrugated metal pipe                           | 25 | 30 | 1960 | 59 | -34 | -29 |
| Replace corrugated single-wall pipe                     | 25 | 30 | 1960 | 59 | -34 | -29 |
| Replace PVC/double-wall pipe                            | 25 | 35 | 1960 | 59 | -34 | -29 |
| <b>Cart paths</b>                                       |    |    |      |    |     |     |
| Replace asphalt (Piecemeal)                             | 12 | 15 | 1990 | 29 | -17 | -14 |
| <b>Lakes</b>  |    |    |      |    |     |     |

| <b>GOLF COURSE INFRASTRUCTURE LIFE EXPECTANCIES</b> |    |    |      |    |     |     |
|---|----|----|------|----|-----|-----|
| <b>Goodrich Golf Course</b>                         |    |    |      |    |     |     |
| Dredging Off Stream                                 | 15 | 20 | 2008 | 11 | 4   | 9   |
| Rebuild lake edges                                  | 15 | 25 | 2008 | 11 | 4   | 14  |
| <b>Replace pine straw/wood mulch</b>                |    |    |      |    |     |     |
| Replace Mulch                                       | 1  | 2  | 1990 | 29 | -28 | -27 |

**Manitou Ridge**

| <b>GOLF COURSE INFRASTRUCTURE LIFE EXPECTANCIES</b> |            |            |            |              |            |                 |                 |  |
|---|------------|------------|------------|--------------|------------|-----------------|-----------------|--|
| <b>Manitou Ridge Golf Course</b>                    |            |            |            |              |            |                 |                 |  |
| <b>Component</b>                                    | <b>Qty</b> | <b>Min</b> | <b>Max</b> | <b>Built</b> | <b>Age</b> | <b>Min Left</b> | <b>Max Left</b> |  |
| <b>Greens - Rebuild</b>                             |            |            |            |              |            |                 |                 |  |
| USGA/California/sand-based                          |            |            |            |              |            |                 |                 |  |
| -Vintage 1978                                       | 4          | 20         | 35         | 1978         | 41         | -21             | -6              |  |
| -Vintage 1980-s                                     | 5          | 20         | 35         | 1985         | 34         | -14             | 1               |  |
| -Vintage 1990's                                     | 7          | 20         | 35         | 1995         | 24         | -4              | 11              |  |
| Push-up -1927                                       | 5          | 20         | 50         | 1927         | 92         | -72             | -42             |  |
| <b>Greens &amp; Collars - regrass</b>               |            |            |            |              |            |                 |                 |  |
| USGA/California/sand-based                          |            |            |            |              |            |                 |                 |  |
|   |            | 12         | 25         | 1990         | 29         | -17             | -4              |  |
| Push-up   |            | 12         | 25         | 1990         | 29         | -17             | -4              |  |
| <b>Tees - rebuild</b>                               |            |            |            |              |            |                 |                 |  |
| -Vintage 1978                                       | 4          | 15         | 20         | 1978         | 41         | -26             | -21             |  |
| -Vintage 1980-s                                     | 5          | 15         | 20         | 1985         | 34         | -19             | -14             |  |
| -Vintage 1990's                                     | 7          | 15         | 20         | 1995         | 24         | -9              | -4              |  |
| Push-up -1927                                       | 5          | 15         | 20         | 1927         | 92         | -77             | -72             |  |
| <b>Turf</b>   |            |            |            |              |            |                 |                 |  |
| Tees  |            |            |            |              |            |                 |                 |  |
|   |            | 12         | 15         | 1990         | 29         | -17             | -14             |  |
| Fairways  |            |            |            |              |            |                 |                 |  |
|   |            | 12         | 15         | 1978         | 41         | -29             | -26             |  |

| <b>GOLF COURSE INFRASTRUCTURE LIFE EXPECTANCIES</b>     |            |            |            |              |            |                 |                 |  |
|---|------------|------------|------------|--------------|------------|-----------------|-----------------|--|
| <b>Manitou Ridge Golf Course</b>                        |            |            |            |              |            |                 |                 |  |
| <b>Component</b>  | <b>Qty</b> | <b>Min</b> | <b>Max</b> | <b>Built</b> | <b>Age</b> | <b>Min Left</b> | <b>Max Left</b> |  |
| Approaches  |            | 12         | 15         | 1990         | 29         | -17             | -14             |  |
| Collection areas  |            | 12         | 15         | 1990         | 29         | -17             | -14             |  |
| Maintained roughs                                       |            | 20         | 25         | 1978         | 41         | -21             | -16             |  |
| Intermediate roughs                                     |            | 12         | 15         | 1978         | 41         | -29             | -26             |  |
| Native roughs/natural areas                             |            | 20         | 25         | 1978         | 41         | -21             | -16             |  |
| <b>Bunkers</b>  |            |            |            |              |            |                 |                 |  |
| Rebuild bunkers/surrounds                               |            | 15         | 20         | 2005         | 14         | 1               | 6               |  |
| Replace sand  |            | 8          | 12         | 2005         | 14         | -6              | -2              |  |
| Replace drainage piping/liners                          |            | 8          | 12         | 2005         | 14         | -6              | -2              |  |
| <b>Irrigation system</b>                                |            |            |            |              |            |                 |                 |  |
| Replace controllers/wiring/sprinkler heads/swing joints |            | 10         | 12         | 1990         | 29         | -19             | -17             |  |
| Replace PVC piping/valves/fittings                      |            | 27         | 30         | 1990         | 29         | -2              | 1               |  |
| Replace pump station/fertigation                        |            | 12         | 15         | 1990         | 29         | -17             | -14             |  |
| <b>Drainage (fairways/roughs)</b>                       |            |            |            |              |            |                 |                 |  |
| Replace corrugated metal pipe                           |            | 25         | 30         | 1990         | 29         | -4              | 1               |  |
| Replace corrugated single-wall pipe                     |            | 25         | 30         | 1990         | 29         | -4              | 1               |  |
| Replace PVC/double-wall pipe                            |            | 25         | 35         | 1990         | 29         | -4              | 6               |  |
| <b>Cart paths</b>                                       |            |            |            |              |            |                 |                 |  |
| Replace asphalt   |            | 12         | 15         | 1990         | 29         | -17             | -14             |  |

| <b>GOLF COURSE INFRASTRUCTURE LIFE EXPECTANCIES</b> |            |            |            |              |            |                 |                 |  |
|---|------------|------------|------------|--------------|------------|-----------------|-----------------|--|
| <b>Manitou Ridge Golf Course</b>                    |            |            |            |              |            |                 |                 |  |
| <b>Component</b>                                    | <b>Qty</b> | <b>Min</b> | <b>Max</b> | <b>Built</b> | <b>Age</b> | <b>Min Left</b> | <b>Max Left</b> |  |
| <b>Lakes</b>  |            |            |            |              |            |                 |                 |  |
| Rebuild lake edges                                  |            | 15         | 25         | 1990         | 29         | -14             | -4              |  |
| <b>Replace pine straw/wood mulch</b>                |            | 1          | 2          | 1990         | 29         | -28             | -27             |  |
| <b>Driving range</b>                                |            |            |            |              |            |                 |                 |  |
| Re-level/regrass practice tee                       |            | 8          | 12         | 1978         | 41         | -33             | -29             |  |
| Rebuild practice tee                                |            | 12         | 15         | 1978         | 41         | -29             | -26             |  |
| Regrass practice fairway/rough                      |            | 12         | 15         | 1978         | 41         | -29             | -26             |  |
| <b>Short game practice area</b>                     |            |            |            |              |            |                 |                 |  |
| Regrass greens                                      |            | 12         | 15         | 1990         | 29         | -17             | -14             |  |
| Rebuild greens                                      |            | 20         | 35         | 1990         | 29         | -9              | 6               |  |
| Regrass tees/fairways/roughs                        |            | 12         | 15         | 1990         | 29         | -17             | -14             |  |
| Replace bunker sand                                 |            | 8          | 12         | 1990         | 29         | -21             | -17             |  |
| Rebuild bunkers/surrounds                           |            | 15         | 20         | 1990         | 29         | -14             | -9              |  |

## Appendix H: Cost Estimates

### Infrastructure

#### Green Surface

### Green Surface Renovation Costs

Includes one (1) 6,000 SF green - Core out, spread old material in banks, add drain tile, new USGA Mix, Seed Greens, Sod Banks. Some savings possible with modified green specifications.

| <b>Schedule A - General Project Conditions</b> |      |      |            |                   |
|--|------|------|------------|-------------------|
|  | QTY. | UNIT | COST       | TOTAL             |
| <b>Project Management, Staking</b>             | 1.00 | LS   | \$1,500.00 | \$1,500           |
|  |      |      |            | <b>\$1,500.00</b> |

### **Schedule B - Site Preparation and Clearing**

Includes silt fence and erosion control, tree clearing and brushing, cart path demolition and misc. removal of structures or fences (if any). Costs vary widely with vegetation, topography, extensive rock outcroppings, and soil or water conditions.

|  | QTY.     | UNIT | COST       | TOTAL             |
|--|----------|------|------------|-------------------|
| <b>Demolition and Disposal</b>               |          |      |            |                   |
| Tree Clearing & Stumps (As Needed)           | 0.25     | AC   | \$5,000.00 | \$1,250           |
| Greens - Strip and Bury sod                  | 8,000.00 | SF   | \$0.03     | \$240             |
| Remove Green Existing Soil, Spread and Shape | 100.00   | C.Y. | \$3.00     | \$300             |
| Remove Existing Irrigation Pipe              | 350.00   | LF   | \$1.00     | \$350             |
| <b>SCHEDULE B TOTAL</b>                      |          |      |            | <b>\$2,140.00</b> |

### **Schedule C - Mass Grading**

Costs assume same green location, spreading existing mix on surrounding shoulders.

|                              | QTY.   | UNIT | COST       | TOTAL             |
|------------------------------|--------|------|------------|-------------------|
| <b>Mass Excavation</b>       |        |      |            |                   |
| On Site Cut and Fill Balance | 100.00 | CY   | \$2.00     | \$200             |
| <b>Shaping</b>               | 1.00   | EA   | \$2,500.00 | \$2,500           |
| <b>SCHEDULE TOTAL</b>        |        |      |            | <b>\$2,700.00</b> |

### **Schedule D - Drainage**

|  | QTY.   | UNIT | COST     | TOTAL             |
|--|--------|------|----------|-------------------|
| <b>Green &amp; Outlet Drainage.</b> Herringbone 4" tile drains under greens mix. Possible Alternate - Flat Pipe. |        |      |          |                   |
| 4" Perforated Tile in Gravel Bed   | 600.00 | LF   | \$7.00   | \$4,200           |
| 6" Connection Pipe to Drain System   | 100.00 | LF   | \$10.00  | \$1,000           |
| 12" Catch Basins   | 2.00   | EA   | \$465.00 | \$930             |
| Inlet Protection   | 2.00   | EA   | \$100.00 | \$200             |
| <b>SCHEDULE D TOTAL</b>  |        |      |          | <b>\$6,330.00</b> |

| <b>Schedule E - Erosion Control, Environmental Protection</b>                                    |             |             |             |                    |
|--|-------------|-------------|-------------|--------------------|
| <b>Erosion Control</b>   | <b>QTY.</b> | <b>UNIT</b> | <b>COST</b> | <b>TOTAL</b>       |
| Protection of Existing Turf, Paths   | 1.00        | LS          | \$1,000.00  | \$1,000            |
| Silt Fence   | 100.00      | LF          | \$3.00      | \$300              |
| Bio Rolls (Top Edge of Green)  | 150.00      | LF          | \$4.00      | \$600              |
| <b>SCHEDULE E TOTAL</b>  |             |             |             | <b>\$1,900.00</b>  |
| <b>Schedule F - Feature Construction</b>   |             |             |             |                    |
| <b>4" Gravel Layer - Not Required if Deduct to California Green Method for Potential Savings</b> |             |             |             |                    |
| Materials - Assume \$31.50 Per Ton (Plaistead)   | 120.00      | TON         | \$47.00     | \$5,640            |
| Installation   | 6,000.00    | SF          | \$0.30      | \$1,800            |
| <b>2" Coarse Sand Layer - Not Required with Plaistead Mix</b>                                    |             |             |             |                    |
| <b>12-14" Greens Mix (Approx 85% Sand/15% Peat) - Plaistead Pre Blended USGA Mix</b>             |             |             |             |                    |
| Materials  |             |             |             |                    |
| Sand/Peat Mix Assume \$47 Per Ton (Plaistead)  | 365.00      | TON         | \$47.00     | \$17,155           |
| Installation   | 6,000.00    | SF          | \$0.50      | \$3,000            |
| Separator and Wire Trace   | 325.00      | LF          | \$1.30      | \$423              |
| Clean Up   | 1.00        | EA          | \$500.00    | \$500              |
| <b>SCHEDULE F TOTAL</b>  |             |             |             | <b>\$28,517.50</b> |
| <b>Schedule G - Grassing</b>   |             |             |             |                    |
| Seed Greens, Sod Surrounding Banks. Some projects use more sod to minimize down time.            |             |             |             |                    |
|  | <b>QTY.</b> | <b>UNIT</b> | <b>COST</b> | <b>TOTAL</b>       |
| <b>Fine Grading and Fertilization</b>  | 0.30        | AC          | \$2,750.00  | \$825              |
| <b>Grassing</b>  |             |             |             |                    |
| Greens (Bent)  | 6,000.00    | SF          | \$0.20      | \$1,200            |
| Sod Allowance (Banks - Blue/Fescue)  | 3,000.00    | SF          | \$0.59      | \$1,770            |
| <b>SCHEDULE G TOTAL</b>  |             |             |             | <b>\$3,795.00</b>  |
| <b>Schedule H - Hardscape &amp; Landscape - NONE</b>   |             |             |             |                    |
|  | <b>QTY.</b> | <b>UNIT</b> | <b>COST</b> | <b>TOTAL</b>       |
| <b>Schedule I - Irrigation - Approx. 10 sprinklers per green</b>                                 |             |             |             |                    |
| <b>Irrigation Pipe</b>   |             |             |             |                    |
| 2.5" PVC   | 400         | LF          | \$6.00      | \$2,400            |
| 3" PVC   | 40          | LF          | \$10.00     | \$400              |
| <b>Irrigation Heads - Approx 10</b>  | 10          | EA          | \$300.00    | \$3,000            |
| <b>Irrigation Gate Valves</b>  | 1           | EA          | \$800.00    | \$800              |
| <b>Wiring - 12 and 14 Gauge</b>  | 500         | LF          | \$0.25      | \$125              |
| <b>Controller &amp; Wiring</b>   | 0.25        | EA          | \$4,500.00  | \$1,125            |
| <b>SCHEDULE I TOTAL</b>  |             |             |             | <b>\$7,850</b>     |

|  |       |    |             |                   |                 |
|--|-------|----|-------------|-------------------|-----------------|
| <b>Per Green Construction Bid</b>                |       |    |             |                   | <b>\$52,033</b> |
| Maturation/Pre-Opening @ 3%                      | 1.00  | EA | \$1,560.98  | \$1,561           |                 |
| Bonds/Permits/Tests (typical 2% of project)      | 1.00  | EA | \$1,040.65  | \$1,041           |                 |
| Fees, Expense, Contingency @ 20%                 | 1.00  | EA | \$10,406.50 | \$10,407          |                 |
| <b>Total Per Green @ Current Cost</b>            |       |    |             | <b>\$65,041</b>   |                 |
| <b>Possible Deducts</b>                          |       |    |             |                   |                 |
| Substitute Flat Tile for 4" Perf. Tile           | 6,500 | LF | \$1.20      | (\$7,800)         |                 |
| 4" Gravel Layer                                  | 6,500 | SF | \$2.30      | (\$14,950)        |                 |
| <b>Maximum Deducts</b>                           |       |    |             | <b>(\$22,750)</b> |                 |
| <b>Total Per Green w/ Deducts @ Current Cost</b> |       |    |             | <b>\$42,291</b>   |                 |
| <b>Possible Additions - None</b>                 |       |    |             |                   |                 |

**Green Surround**

**Per Green Surrounds Renovation Costs**

After / In addition to, converting Green Surface (6,000 SF) to USGA, in addition, re-design and reconstruct entire green surrounds (Typical about 30,000 SF is average size) with average two sand bunkers totaling 2,500 SF, New 10' Path and 200 LF 4" Roll Curb, Sod on all bunker banks. Some savings can be had by modifying specifications.

**Schedule A - General Project Conditions**

|                             | QTY. | UNIT | COST        | TOTAL             |
|-----------------------------|------|------|-------------|-------------------|
| Project Management, Staking | 1.00 | LS   | \$ 1,000.00 | \$1,000.00        |
| <b>SCHEDULEA TOTAL</b>      |      |      |             | <b>\$1,000.00</b> |

**Schedule B - Site Preparation and Clearing**

Includes silt fence and erosion control, tree clearing and brushing, cart path demolition and misc. removal of structures or fences (if any). Costs vary widely with vegetation, topography, extensive rock outcroppings, and soil or water conditions.

|  | QTY.   | UNIT | COST        | TOTAL             |
|--|--------|------|-------------|-------------------|
| Erosion Control                                |        |      |             |                   |
| Silt Fence                                     | 300.00 | LF   | \$3.00      | \$900.00          |
| Sediment Trap                                  | 1.00   | EA   | \$520.00    | \$520.00          |
| Demolition and Disposal                        |        |      |             | \$0.00            |
| Demo Ex Cart Path/Bury (or remove)             | 150.00 | SF   | \$8.00      | \$1,200.00        |
| Demo Misc.                                     | 1.00   | LS   | \$205.00    | \$205.00          |
| Clearing                                       |        |      |             | \$0.00            |
| Tree Clearing & Stumps                         | 0.10   | AC   | \$ 5,000.00 | \$500.00          |
| Turf Kill/Strip/Bury Existing Sod in Surrounds | 0.25   | AC   | \$ 1,500.00 | \$375.00          |
| <b>SCHEDULE B TOTAL</b>                        |        |      |             | <b>\$3,700.00</b> |

**Schedule C - Cut and Fill/Grading**

Costs assume hauling some fill to 1/3 of greens, average fill shown

|                                    | QTY.     | UNIT | COST        | TOTAL              |
|------------------------------------|----------|------|-------------|--------------------|
| On-site topsoil management         | 600.00   | CY   | \$3.00      | \$1,800.00         |
| Mass Excavation                    |          |      |             | \$0.00             |
| On Site Cut and Fill Balance       | 1,000.00 | CY   | \$2.00      | \$2,000.00         |
| Haul Fill and Place                | 500.00   | CY   | \$3.50      | \$1,750.00         |
| Protection of Existing Turf, Paths | 1.00     | LS   | \$450.00    | \$450.00           |
| Shaping                            | 1.00     | EA   | \$ 4,000.00 | \$4,000.00         |
| <b>SCHEDULE TOTAL</b>              |          |      |             | <b>\$10,000.00</b> |

| Schedule D - Drainage   |          |      |             |                    |
|---|----------|------|-------------|--------------------|
| Possible Additional Connection Piping and Catch Basins for collection into nearby pipe systems, ponds, etc. |          |      |             |                    |
|   | QTY.     | UNIT | COST        | TOTAL              |
| Green & Bunker Outlet Drainage  |          |      |             |                    |
| 8" Pipe   | 150.00   | LF   | \$12.00     | \$1,800.00         |
| 6" Catch Basins/Access Ports  | 4.00     | EA   | \$100.00    | \$400.00           |
| 12" Catch Basins  | 2.00     | EA   | \$465.00    | \$930.00           |
| Inlet Protection  | 2.00     | EA   | \$150.00    | \$300.00           |
| Misc Features   | 1.00     | LS   | \$ 1,000.00 | \$1,000.00         |
| <b>SCHEDULE TOTAL</b>   |          |      |             | <b>\$4,430.00</b>  |
| Schedule E - Erosion Control, Environmental Protection  |          |      |             |                    |
|   | QTY.     | UNIT | COST        | TOTAL              |
| Erosion Control   |          |      |             |                    |
| Protection of Existing Turf, Paths  | 1.00     | LS   | \$500.00    | \$500.00           |
| Silt Fence  | 200.00   | LF   | \$3.00      | \$600.00           |
| Erosion Control Blanket/Straw Mulch   | 1,000.00 | SF   | \$0.30      | \$300.00           |
| Bio Rolls (Top Edge of Green)   | 100.00   | LF   | \$4.00      | \$400.00           |
| <b>SCHEDULE E TOTAL</b>   |          |      |             | <b>\$1,800.00</b>  |
| Schedule F - Feature Construction   |          |      |             |                    |
|   | QTY.     | UNIT | COST        | TOTAL              |
| Sand Bunkers - <i>Varies, with design, Assume Ave 2 @ 1000 SF each</i>                                      |          |      |             |                    |
| Bunker Preparation - Cut Edge/Prep Base   | 2,000.00 | SF   | \$1.00      | \$2,000.00         |
| Perforated Drainage   |          |      |             | \$0.00             |
| 4" Tile and Gravel  | 100.00   | LF   | \$7.00      | \$700.00           |
| Misc Ports  | 4.00     | LS   | \$125.00    | \$500.00           |
| Bunker Liner  |          |      |             | \$0.00             |
| Installation -  | 2,000.00 | SF   | \$0.75      | \$1,500.00         |
| Materials - (Better Billy Bunker)   | 2,000.00 | SF   | \$1.50      | \$3,000.00         |
| 2" Dura Bunker or Equal Synthetic Bunker Lip  | 300.00   | LF   | \$14.00     | \$4,200.00         |
| Bunker Sand   |          |      |             | \$0.00             |
| Installation -  | 2,000.00 | SF   | \$1.30      | \$2,600.00         |
| Materials - Plaistead Best White Bunker Sand  | 2,000.00 | SF   | \$2.25      | \$4,500.00         |
| <b>SCHEDULE F TOTAL</b>   |          |      |             | <b>\$19,000.00</b> |

**Schedule G - Grassing**

Seed Greens, FW approach, Sod Roughs, Bunker Banks.

|   | QTY.      | UNIT | COST        | TOTAL              |
|---|-----------|------|-------------|--------------------|
| Fine Grading and Fertilization              | 0.75      | AC   | \$ 2,700.00 | \$2,025.00         |
| Grassing                                    |           |      |             | \$0.00             |
| Fairways (Low Mow Blue or Bent as required) | 0.20      | AC   | \$800.00    | \$160.00           |
| Sod Allowance (Bunker Bank - Blue/Fescue)   | 30,000.00 | SF   | \$0.40      | \$12,000.00        |
| <b>SCHEDULE G TOTAL</b>                     |           |      |             | <b>\$14,185.00</b> |

**Schedule H - Hardscape & Landscape**

Asphalt Paths

8 foot wide paths, 10 – 12 feet at greens/tees with curbs. Possible width reductions to 7 and 9 feet.

|                         | QTY.   | UNIT | COST    | TOTAL             |
|-------------------------|--------|------|---------|-------------------|
| 10 foot width           | 300.00 | LF   | \$33.00 | \$9,900.00        |
| 8 foot width path       | 200.00 | LF   | \$28.00 | \$5,600.00        |
| 4" Concrete Roll Curbs  | 200.00 | LF   | \$7.50  | \$1,500.00        |
| <b>SCHEDULE H TOTAL</b> |        |      |         | <b>\$7,100.00</b> |

**Schedule I - Irrigation - Previously Included in Green Resurfacing**

|                         |  |  |  |               |
|-------------------------|--|--|--|---------------|
| <b>SCHEDULE I TOTAL</b> |  |  |  | <b>\$0.00</b> |
|-------------------------|--|--|--|---------------|

**Per Green Construction Bid \$ 61,215.00**

|   |      |    |             |             |
|---|------|----|-------------|-------------|
| Maturation/Pre-Opening @ 3%                 | 1.00 | EA | \$ 1,836.45 | \$1,836.45  |
| Bonds/Permits/Tests (typical 2% of project) | 1.00 | EA | \$ 1,224.30 | \$1,224.30  |
| (Fees, Expense and Contingency @ 20%)       | 1.00 | EA | \$12,243.00 | \$12,243.00 |

|  |  |  |  |                     |
|--|--|--|--|---------------------|
| <b>Total Green Surround @ Current Cost</b> |  |  |  | <b>\$ 76,518.75</b> |
|--|--|--|--|---------------------|

**Possible Deducts**

|   |          |    |              |                     |
|---|----------|----|--------------|---------------------|
| Eliminate Dura Bunker Edge                | 300.00   | LF | \$12.00      | (\$3,600.00)        |
| Use Fabric Bunker Liner over Better Billy | 2,000.00 | SF | \$(0.30)     | \$600.00            |
| Materials - Plaistead Buff Bunker Sand    | 2,000.00 | SF | \$(0.60)     | (\$1,200.00)        |
| Other Design Reductions 2.5%              | 1.00     | LS | \$(1,530.38) | \$( 1,530.38)       |
| Eliminate All Curb                        | 1.00     | LS | \$(1,200.00) | \$( 1,200.00)       |
| <b>Maximum Deducts</b>                    |          |    |              | <b>(\$6,930.38)</b> |

|  |  |  |  |                     |
|--|--|--|--|---------------------|
| <b>Total Green Surround w/ Deducts</b> |  |  |  | <b>\$ 69,588.38</b> |
|--|--|--|--|---------------------|

Possible Additions - None

**Tees**

| Per Tee Renovation Costs  |          |      |            |            |
|---|----------|------|------------|------------|
| Includes one (1) 6,500 SF Tee Complex - Enlarge, Shape, Add 7-2-1 Tee Mix, Grass Tee Surface, Sod Banks Add Irrigation, Replace Cart Path and Add Curb.   |          |      |            |            |
| Schedule A - General Project Conditions   |          |      |            |            |
|   | QTY.     | UNIT | COST       | TOTAL      |
| Project Management, Staking   | 1.0      | LS   | \$1,500.00 | \$1,500.00 |
|   |          |      |            | \$1,500.00 |
| Schedule B - Site Preparation and Clearing  |          |      |            |            |
| Includes silt fence and erosion control, tree clearing and brushing, cart path demolition and misc. removal of structures or fences (if any). Costs vary widely with vegetation, topography, extensive rock outcroppings, and soil or water conditions. |          |      |            |            |
|   | QTY.     | UNIT | COST       | TOTAL      |
| Demolition and Disposal   |          |      |            |            |
| Tree Clearing & Stumps (As Needed)  | 0.1      | AC   | \$5,000.00 | \$500.00   |
| Strip and Bury sod  | 15,000.0 | SF   | \$0.03     | \$450.00   |
| Remove Existing Irrigation Pipe   | 350.0    | LF   | \$1.00     | \$350.00   |
| Demo Ex Cart Path/Bury (or remove)  | 150.00   | SF   | \$8.00     | \$1,200.00 |
|   |          |      |            |            |
| SCHEDULE B TOTAL  |          |      |            | \$2,500.00 |
| Schedule C - Mass Grading   |          |      |            |            |
| Costs assume same tee location  |          |      |            |            |
|   | QTY.     | UNIT | COST       | TOTAL      |
| On-site Topsoil Strip and Replace   | 275.0    | CY   | \$3.00     | \$825.00   |
| Mass Excavation   |          |      |            | \$0.00     |
| Haul Fill (Required on 1/3 of tees on average)  | 100.0    | CY   | \$3.25     | \$325.00   |
| On Site Cut and Fill Balance  | 600.0    | CY   | \$1.75     | \$1,050.00 |
| Protection of Existing Turf, Paths  | 1.0      | LS   | \$300.00   | \$300.00   |
| Shaping   | 1.0      | EA   | \$2,500.00 | \$2,500.00 |
| SCHEDULE C TOTAL  |          |      |            | \$5,000.00 |
|   |          |      |            |            |



| Schedule D - Drainage   |         |      |            |                   |
|---|---------|------|------------|-------------------|
|   | QTY.    | UNIT | COST       | TOTAL             |
| Some Tees Require 4" tile drains at back of tee.                                      |         |      |            |                   |
| Miscellaneous Drainage as Needed  | 1.0     | EA   | \$500.00   | \$500.00          |
| <b>SCHEDULE D TOTAL</b>   |         |      |            | <b>\$500.00</b>   |
|   |         |      |            |                   |
| Schedule E - Erosion Control, Environmental Protection                                |         |      |            |                   |
| Erosion Control   |         |      |            |                   |
| Protection of Existing Turf, Paths  | 1.0     | LS   | \$550.00   | \$550.00          |
| Silt Fence  | 150.0   | LF   | \$3.00     | \$450.00          |
| <b>SCHEDULE E TOTAL</b>   |         |      |            | <b>\$1,000.00</b> |
|   |         |      |            |                   |
| Schedule F - Feature Construction   |         |      |            |                   |
|   |         |      |            |                   |
| 4" 7-2-1 Tee Mix - <b>Plaistead Pre Blended Tee Mix</b>                               |         |      |            |                   |
| Materials   |         |      |            |                   |
| Tee Mix - Assume \$47 Per Ton (Plaistead)   | 100.0   | TON  | \$47.00    | \$4,700.00        |
| Installation  | 6,500.0 | SF   | \$0.25     | \$1,625.00        |
| Clean Up  | 1.0     | EA   | \$250.00   | \$250.00          |
| <b>SCHEDULE F TOTAL</b>   |         |      |            | <b>\$6,575.00</b> |
|   |         |      |            |                   |
| Schedule G - Grassing   |         |      |            |                   |
| Seed Greens, Sod Surrounding Banks. Some projects use more sod to minimize down time. |         |      |            |                   |
|   | QTY.    | UNIT | COST       | TOTAL             |
| Fine Grading and Fertilization  | 0.4     | AC   | \$5,000.00 | \$1,750.00        |
| Grassing  |         |      |            |                   |
| Tees (Bent)   | 6,500.0 | SF   | \$0.16     | \$1,040.00        |
| Sod Allowance (Banks - Blue/Fescue)   | 8,500.0 | SF   | \$0.36     | \$3,060.00        |
| <b>SCHEDULE G TOTAL</b>   |         |      |            | <b>\$5,850.00</b> |

| Schedule H - Hardscape & Landscape  |       |      |             |                    |
|---|-------|------|-------------|--------------------|
|   | QTY.  | UNIT | COST        | TOTAL              |
| Asphalt Construction  |       |      |             |                    |
| 8 foot width - Extend to new forward tee  | 200.0 | LF   | \$28.00     | \$5,600.00         |
| 10 foot width   | 250.0 | LF   | \$33.00     | \$8,250.00         |
| 4" Concrete Roll Curb   | 200.0 | LF   | \$7.50      | \$1,500.00         |
| SCHEDULE H TOTAL  |       |      |             | \$15,350.00        |
| Schedule I - Irrigation - Approx. 10 sprinklers per Tee                                     |       |      |             |                    |
|   | QTY.  | UNIT | COST        | TOTAL              |
| Irrigation Pipe   |       |      |             |                    |
| 2.5" PVC  | 600.0 | LF   | \$6.00      | \$3,600.00         |
| 3" PVC  | 40.0  | LF   | \$10.00     | \$400.00           |
| Irrigation Heads - Approx 10  | 10.0  | EA   | \$300.00    | \$3,000.00         |
| Irrigation Gate Valves  | 1.0   | EA   | \$800.00    | \$800.00           |
| Wiring - 12 and 14 Gauge  | 600.0 | LF   | \$0.25      | \$150.00           |
| Controller & Wiring   | 0.4   | EA   | \$4,500.00  | \$1,575.00         |
| SCHEDULE I TOTAL  |       |      |             | \$9,525.00         |
| Per Tee Construction Bid  |       |      |             | \$47,800.00        |
| Maturation/Pre-Opening @ 3%   | 1.0   | EA   | \$1,434.00  | \$1,434.00         |
| Bonds/Permits/Tests (typical 2% of project)   | 1.0   | EA   | \$956.00    | \$956.00           |
| Fees, Expense, Contingency @ 20%  | 1.0   | EA   | \$9,560.00  | \$9,560.00         |
| <b>Total Per Tee - @ Current Cost</b>   |       |      |             | <b>\$59,750.00</b> |
| Possible Deducts  |       |      |             |                    |
| Reduce Path Width (10% Net)   | 1.00  | LS   | -\$4,480.00 | (\$4,480.00)       |
| Eliminate All Curb  | 1.00  | LS   | -\$1,200.00 | (\$1,200.00)       |
| Other Design Reductions 2.5%  | 1.00  | LS   | -\$1,195.00 | (\$1,195.00)       |
| Maximum Deducts   |       |      |             | (\$6,875.00)       |
| <b>Total Tee w/ Deducts</b>   |       |      |             | <b>\$52,875.00</b> |
| Approximate Cost Split - Forward Tee - \$11,000, Back Tee, \$12,000, Middle Tees, \$35,000. |       |      |             |                    |

**Fairways – Reroute**

**Per New/Re-Routed Fairway Renovation Costs**

Assumes 2 Ac Fairway and 2 Acre Rough Disturbed in Renovation

| Schedule A - General Project Conditions |      |      |            |            |
|---|------|------|------------|------------|
|   | QTY. | UNIT | COST       | TOTAL      |
| Project Management, Staking             | 1.0  | LS   | \$2,500.00 | \$2,500    |
| SCHEDULE A TOTAL                        |      |      |            | \$2,500.00 |

| Schedule B - Site Preparation and Clearing   |           |      |            |             |
|--|-----------|------|------------|-------------|
| Includes tree clearing and brushing, cart path and other misc. demolition, (if any). |           |      |            |             |
|  | QTY.      | UNIT | COST       | TOTAL       |
| Demolition and Disposal  |           |      |            |             |
| Tree Clearing & Stumps (As Needed)   | 0.5       | AC   | \$5,000.00 | \$2,500     |
| Strip and Bury sod   | 175,000.0 | SF   | \$0.03     | \$5,250     |
| Remove Existing Irrigation Pipe  | 1,600.0   | LF   | \$1.00     | \$1,600     |
| Demo Misc.   | 1.0       | EA   | \$650.00   | \$650       |
| SCHEDULE B TOTAL   |           |      |            | \$10,000.00 |

| Schedule C - Mass Grading                                 |         |      |            |             |
|---|---------|------|------------|-------------|
| Assume 50% of fairway area requires grading for drainage. |         |      |            |             |
|   | QTY.    | UNIT | COST       | TOTAL       |
| On-site Topsoil Strip and Replace                         | 1,600.0 | CY   | \$3.00     | \$4,800     |
| Mass Excavation   |         |      |            | \$0         |
| Haul Fill (On 1/3 of fairways on average)                 | 300.0   | CY   | \$3.50     | \$1,050     |
| On Site Cut and Fill Balance                              | 1,000.0 | CY   | \$2.00     | \$2,000     |
| Shaping   | 1.0     | EA   | \$2,150.00 | \$2,150     |
| SCHEDULE C TOTAL  |         |      |            | \$10,000.00 |

| Schedule D - Drainage                            |      |      |            |            |
|--|------|------|------------|------------|
| Some Tees Require 4" tile drains at back of tee. |      |      |            |            |
|  | QTY. | UNIT | COST       | TOTAL      |
| 8" HDPE Solid                                    | 80.0 | LF   | \$11.00    | \$880      |
| 10" HDPE Solid                                   | 40.0 | LF   | \$15.00    | \$600      |
| 12" HDPE Solid                                   | 20.0 | LF   | \$18.00    | \$360      |
| 15" Connection Pipe to Drain System              | 10.0 | LF   | \$25.00    | \$250      |
| 12" Catch Basins                                 | 3.0  | EA   | \$465.00   | \$1,395    |
| 18" Catch Basins                                 | 3.0  | EA   | \$800.00   | \$2,400    |
| 24" Catch Basins                                 | 1.0  | EA   | \$1,000.00 | \$1,000    |
| Inlet Protection                                 | 1.0  | EA   | \$500.00   | \$500      |
| SCHEDULE D TOTAL                                 |      |      |            | \$7,385.00 |

| Schedule E - Erosion Control, Environmental Protection                                |           |      |            |                    |
|---|-----------|------|------------|--------------------|
|   | QTY.      | UNIT | COST       | TOTAL              |
| Erosion Control   |           |      |            |                    |
| Silt Fence  | 400.00    | LF   | \$3.00     | \$1,200            |
| Erosion Control Blanket (For Slopes)  | 20,000.00 | SF   | \$0.12     | \$2,400            |
| Straw Mulch   | 60,000.00 | SF   | \$0.02     | \$1,200            |
| Sediment Trap   | 0.50      | EA   | \$520.00   | \$260              |
| Protection of Existing Turf, Paths  | 1.0       | LS   | \$440.00   | \$440              |
| <b>SCHEDULE E TOTAL</b>   |           |      |            | <b>\$5,500.00</b>  |
| Schedule F - Feature Construction   |           |      |            |                    |
|   | QTY.      | UNIT | COST       | TOTAL              |
| Sand Bunkers - <i>Varies, with design, Assume Ave 300 SF per hole</i>                 |           |      |            |                    |
| Bunker Preparation - Cut Edge/Prep Base   | 300       | SF   | \$1.00     | \$300              |
| Perforated Drainage   |           |      |            |                    |
| 4" Tile and Gravel  | 60        | LF   | \$7.00     | \$420              |
| Misc Ports  | 2         | LS   | \$125.00   | \$250              |
| Bunker Liner  |           |      |            | \$0                |
| Installation -  | 300       | SF   | \$0.75     | \$225              |
| Materials - (Better Billy Bunker)   | 300       | SF   | \$1.50     | \$450              |
| 2" Dura Bunker or Equal Synthetic Bunker Lip  | 100       | LF   | \$14.00    | \$1,400            |
| Bunker Sand   |           |      |            | \$0                |
| Installation -  | 300       | SF   | \$1.30     | \$390              |
| Materials - Plaistead Best White Bunker Sand  | 300       | SF   | \$2.25     | \$675              |
| Clean Up  | 1.0       | EA   | \$250.00   | \$250              |
| <b>SCHEDULE F TOTAL</b>   |           |      |            | <b>\$4,360.00</b>  |
| Schedule G - Grassing   |           |      |            |                    |
| Seed Greens, Sod Surrounding Banks. Some projects use more sod to minimize down time. |           |      |            |                    |
|   | QTY.      | UNIT | COST       | TOTAL              |
| Fine Grading and Fertilization  | 4.0       | AC   | \$2,750.00 | \$11,000           |
| Grassing  |           |      |            | \$0                |
| Fairways (Bent)   | 87,000.0  | SF   | \$0.16     | \$13,920           |
| Roughs (Blue/Fescue)  | 80,000.0  | SF   | \$0.14     | \$11,200           |
| Sod Allowance (Banks - Blue/Fescue)   | 9,000.0   | SF   | \$0.40     | \$3,600            |
| <b>SCHEDULE F TOTAL</b>   |           |      |            | <b>\$39,720.00</b> |

| Schedule H - Hardscape & Landscape                          |         |      |             |                  |
|---|---------|------|-------------|------------------|
| Asphalt Construction 2" base, 2" Top Course                 |         |      |             |                  |
|   | QTY.    | UNIT | COST        | TOTAL            |
| 8 foot width - Extend full length of fairway                | 400.0   | LF   | \$28.00     | \$11,200         |
| SCHEDULE H TOTAL  |         |      |             | \$11,200.00      |
|   | QTY.    | UNIT | COST        | TOTAL            |
| Schedule I - Irrigation - Approx. 30 sprinklers per fairway |         |      |             |                  |
| Irrigation Pipe   | QTY.    | UNIT | COST        | TOTAL            |
| 2.5" PVC  | 1,600.0 | LF   | \$6.00      | \$9,600          |
| 3" PVC  | 900.0   | LF   | \$10.00     | \$9,000          |
| 6" PVC  | 300.0   | LF   | \$20.00     | \$6,000          |
| Irrigation Heads  | 30.0    | EA   | \$300.00    | \$9,000          |
| Irrigation Gate Valves                                      | 1.0     | EA   | \$800.00    | \$800            |
| Wiring - 12 and 14 Gauge                                    | 1,600.0 | LF   | \$0.25      | \$400            |
| Controller & Wiring   | 1.0     | EA   | \$4,500.00  | \$4,500          |
| SCHEDULE TOTAL  |         |      |             | \$39,300         |
| Per Fairway Construction Bid                                |         |      |             | \$129,965        |
| Maturation/Pre-Opening @ 3%                                 | 1.0     | EA   | \$3,898.95  | \$3,899          |
| Bonds/Permits/Tests (typical 2% of project)                 | 1.0     | EA   | \$2,599.30  | \$2,599          |
| Fees, Expense, Contingency @ 20%                            | 1.0     | EA   | \$25,993.00 | \$25,993         |
| <b>Total Per New Fairway @ Current Cost</b>                 |         |      |             | <b>\$162,456</b> |
| <b>Possible Deducts</b>                                     |         |      |             |                  |
| Partial Cart Paths - Deduct Full Loop                       | 400.0   | LF   | \$22.00     | -\$8,800         |
| Other Design Reductions 2.5%                                | 1.00    | LS   | -\$3,249.13 | -\$3,249         |
| Use Fabric Bunker Liner over Better Billy                   | 300.00  | SF   | -\$0.30     | \$0              |
| Materials - Plaistead Buff Bunker Sand                      | 300.00  | SF   | -\$0.60     | -\$1             |
| <b>Maximum Deducts</b>                                      |         |      |             | <b>-\$12,050</b> |
| <b>Total Per New Fairway w/ Deducts</b>                     |         |      |             | <b>\$150,406</b> |

***Fairways – In Place***

| Per Fairway in Place Renovation Costs  |           |      |                   |         |
|--|-----------|------|-------------------|---------|
| <b>Schedule A - General Project Conditions</b>                                       |           |      |                   |         |
|  | QTY.      | UNIT | COST              | TOTAL   |
| Project Management, Staking  | 1.0       | LS   | \$1,000.00        | \$1,000 |
| <b>SCHEDULE A TOTAL</b>  |           |      | <b>\$1,000.00</b> |         |
| <b>Schedule B - Site Preparation and Clearing</b>                                    |           |      |                   |         |
| Includes tree clearing and brushing, cart path and other misc. demolition, (if any). |           |      |                   |         |
|  | QTY.      | UNIT | COST              | TOTAL   |
| Demolition and Disposal  |           |      |                   |         |
| Tree Clearing & Stumps (As Needed)   | 0.3       | AC   | \$5,000.00        | \$1,250 |
| Strip and Bury sod   | 120,000.0 | SF   | \$0.03            | \$3,600 |
| Remove Existing Irrigation Pipe  | 1,600.0   | LF   | \$1.00            | \$1,600 |
| Demo Misc.   | 1.0       | EA   | \$550.00          | \$550   |
| <b>SCHEDULE B TOTAL</b>  |           |      | <b>\$7,000.00</b> |         |
| <b>Schedule C - Mass Grading</b>   |           |      |                   |         |
| Assume 25% of fairway area requires grading for drainage.                            |           |      |                   |         |
|  | QTY.      | UNIT | COST              | TOTAL   |
| On-site Topsoil Strip and Replace  | 600.0     | CY   | \$3.00            | \$1,800 |
| Mass Excavation  |           |      |                   | \$0     |
| Haul Fill (On 1/3 of fairways on average)  | 250.0     | CY   | \$3.50            | \$875   |
| On Site Cut and Fill Balance   | 500.0     | CY   | \$2.00            | \$1,000 |
| Shaping  | 1.0       | EA   | \$1,825.00        | \$1,825 |
| <b>SCHEDULE C TOTAL</b>  |           |      | <b>\$5,500.00</b> |         |
| <b>Schedule D - Drainage</b>   |           |      |                   |         |
|  | QTY.      | UNIT | COST              | TOTAL   |
| Some Tees Require 4" tile drains at back of tee.                                     |           |      |                   |         |
| 8" HDPE Solid  | 60.0      | LF   | \$11.00           | \$660   |
| 10" HDPE Solid   | 40.0      | LF   | \$15.00           | \$600   |
| 12" HDPE Solid   | 20.0      | LF   | \$18.00           | \$360   |
| 15" Connection Pipe to Drain System  | 10.0      | LF   | \$25.00           | \$250   |
| 12" Catch Basins   | 1.0       | EA   | \$465.00          | \$465   |
| 18" Catch Basins   | 1.0       | EA   | \$800.00          | \$800   |
| 24" Catch Basins   | 1.0       | EA   | \$1,000.00        | \$1,000 |
| Inlet Protection   | 1.0       | EA   | \$500.00          | \$500   |
| <b>SCHEDULE D TOTAL</b>  |           |      | <b>\$4,635.00</b> |         |

| Schedule E - Erosion Control, Environmental Protection                                |           |      |            |                    |
|---|-----------|------|------------|--------------------|
|   | QTY.      | UNIT | COST       | TOTAL              |
| Erosion Control   |           |      |            |                    |
| Silt Fence  | 400.00    | LF   | \$3.00     | \$1,200            |
| Erosion Control Blanket (For Slopes)  | 20,000.00 | SF   | \$0.12     | \$2,400            |
| Straw Mulch   | 90,000.00 | SF   | \$0.02     | \$1,800            |
| Sediment Trap   | 0.50      | EA   | \$520.00   | \$260              |
| Protection of Existing Turf, Paths  | 1.0       | LS   | \$340.00   | \$340              |
| <b>SCHEDULE E TOTAL</b>   |           |      |            | <b>\$6,000.00</b>  |
|   |           |      |            |                    |
| Schedule F - Feature Construction   |           |      |            |                    |
|   | QTY.      | UNIT | COST       | TOTAL              |
| Sand Bunkers - <i>Varies, with design, Assume Ave 200 SF per hole</i>                 |           |      |            |                    |
| Bunker Preparation - Cut Edge/Prep Base   | 200       | SF   | \$1.00     | \$200              |
| Perforated Drainage   |           |      |            |                    |
| 4" Tile and Gravel  | 60        | LF   | \$7.00     | \$420              |
| Misc Ports  | 2         | LS   | \$125.00   | \$250              |
| Bunker Liner  |           |      |            | \$0                |
| Installation -  | 200       | SF   | \$0.75     | \$150              |
| Materials - (Better Billy Bunker)   | 200       | SF   | \$1.50     | \$300              |
| 2" Dura Bunker or Equal Synthetic Bunker Lip  | 90        | LF   | \$14.00    | \$1,260            |
| Bunker Sand   |           |      |            | \$0                |
| Installation -  | 200       | SF   | \$1.30     | \$260              |
| Materials - Plaistead White Bunker Sand   | 200       | SF   | \$2.25     | \$450              |
| Clean Up  | 1.0       | EA   | \$245.00   | \$245              |
| <b>SCHEDULE F TOTAL</b>   |           |      |            | <b>\$3,535.00</b>  |
| Schedule G - Grassing   |           |      |            |                    |
| Seed Greens, Sod Surrounding Banks. Some projects use more sod to minimize down time. |           |      |            |                    |
|   | QTY.      | UNIT | COST       | TOTAL              |
| Fine Grading and Fertilization  | 4.0       | AC   | \$2,750.00 | \$11,000           |
| Grassing  |           |      |            |                    |
| Fairways (Bent)   | 88,000.0  | SF   | \$0.16     | \$14,080           |
| Roughs (Blue/Fescue)  | 11,000.0  | SF   | \$0.14     | \$1,540            |
| Sod Allowance (Banks - Blue/Fescue)   | 9,000.0   | SF   | \$0.40     | \$3,600            |
| <b>SCHEDULE F TOTAL</b>   |           |      |            | <b>\$30,220.00</b> |

| Schedule H - Hardscape & Landscape                          |            |      |             |             |
|---|------------|------|-------------|-------------|
| Asphalt Construction 2" base, 2" Top Course                 |            |      |             |             |
|   | QTY.       | UNIT | COST        | TOTAL       |
| 8 foot width - Extend full loop                             | 400.0      | LF   | \$28.00     | \$11,200    |
| SCHEDULE H TOTAL  |            |      |             | \$11,200.00 |
|   | QTY.       | UNIT | COST        | TOTAL       |
| Schedule I - Irrigation - Approx. 30 sprinklers per fairway |            |      |             |             |
| Irrigation Pipe   | QTY.       | UNIT | COST        | TOTAL       |
| 2.5" PVC  | 1,600.0    | LF   | \$6.00      | \$9,600     |
| 3" PVC  | 900.0      | LF   | \$10.00     | \$9,000     |
| 6" PVC  | 300.0      | LF   | \$20.00     | \$6,000     |
| Irrigation Heads  | 30.0       | EA   | \$300.00    | \$9,000     |
| Irrigation Gate Valves                                      | 1.0        | EA   | \$800.00    | \$800       |
| Wiring - 12 and 14 Gauge                                    | 1,600.0    | LF   | \$0.25      | \$400       |
| Controller & Wiring   | 1.0        | EA   | \$4,500.00  | \$4,500     |
| SCHEDULE TOTAL  |            |      |             | \$39,300    |
| Per Fairway @ Current Cost                                  |            |      |             | \$108,390   |
| Maturation/Pre-Opening @ 3%                                 | 1.0        | EA   | \$3,251.70  | \$3,252     |
| Bonds/Permits/Tests (typical 2%)                            | 1.0        | EA   | \$2,167.80  | \$2,168     |
| Fees, Expense, Contingency @ 20%                            | 1.0        | EA   | \$21,678.00 | \$21,678    |
| Total Per New Fairway @ Current Cost                        |            |      |             | \$135,488   |
| Possible Deducts  |            |      |             |             |
| Partial Cart Paths - Deduct Full Loop                       | 400.0      | LF   | \$22.00     | -\$8,800    |
| Keep All Existing Grass Possible                            | 400.0      | LF   | \$22.00     | -\$8,800    |
| Reduce Fairway Seeding                                      | (66,000.0) | SF   | \$0.13      | -\$8,580    |
| Reduce Rough Seeding  | (10,000.0) | SF   | \$0.12      | -\$1,200    |
| Other Design Reductions 2.5%                                | 1.0        | LS   | -\$2,709.75 | -\$2,710    |
| Maximum Deducts   |            |      |             | -\$30,090   |
| Total Per New Fairway w/ Deducts                            |            |      |             | \$105,398   |

## **Appendix I: Course Routing Proposals**

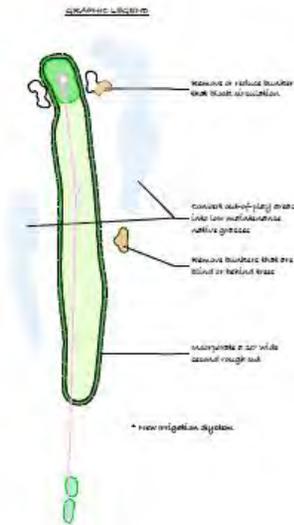
Keller



**Scorecard**

| FRONTNINE |       |      |       |      |       |     |      |
|-----------|-------|------|-------|------|-------|-----|------|
| Hole      | Black | Blue | White | Midp | Green | Par | Midp |
| 1         | 325   | 300  | 285   | 16   | 312   | 4   | 10   |
| 2         | 275   | 245  | 230   | 15   | 235   | 4   | 6    |
| 3         | 305   | 285  | 265   | 5    | 235   | 5   | 3    |
| 4         | 195   | 164  | 147   | 10   | 127   | 2   | 10   |
| 5         | 271   | 246  | 221   | 4    | 244   | 4   | 8    |
| 6         | 332   | 310  | 280   | 10   | 284   | 2   | 6    |
| 7         | 420   | 380  | 350   | 10   | 337   | 4   | 10   |
| 8         | 245   | 215  | 202   | 6    | 254   | 4   | 15   |
| 9         | 405   | 375  | 350   | 8    | 304   | 4   | 14   |
| Out       | 376   | 327  | 298   |      | 307   | 25  |      |
| BACKNINE  |       |      |       |      |       |     |      |
| Hole      | Black | Blue | White | Midp | Green | Par | Midp |
| 10        | 303   | 280  | 267   | 5    | 266   | 5   | 15   |
| 11        | 285   | 275  | 260   | 9    | 257   | 4   | 7    |
| 12        | 310   | 274  | 257   | 11   | 275   | 5   | 11   |
| 13        | 143   | 120  | 107   | 17   | 95    | 3   | 17   |
| 14        | 275   | 257  | 240   | 7    | 254   | 4   | 3    |
| 15        | 195   | 184  | 172   | 15   | 150   | 3   | 13   |
| 16        | 237   | 200  | 180   | 1    | 244   | 5   | 9    |
| 17        | 270   | 240  | 208   | 3    | 257   | 4   | 3    |
| 18        | 441   | 392  | 360   | 12   | 330   | 4   | 1    |
| In        | 3459  | 3226 | 2990  |      | 2475  | 27  |      |
| Total     | 5271  | 4553 | 4227  |      | 3252  | 75  |      |

**Manitou Ridge: Scenario 1**



**Scorecard**

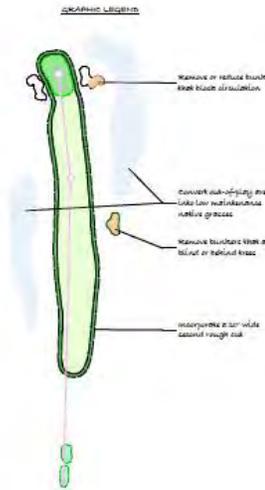
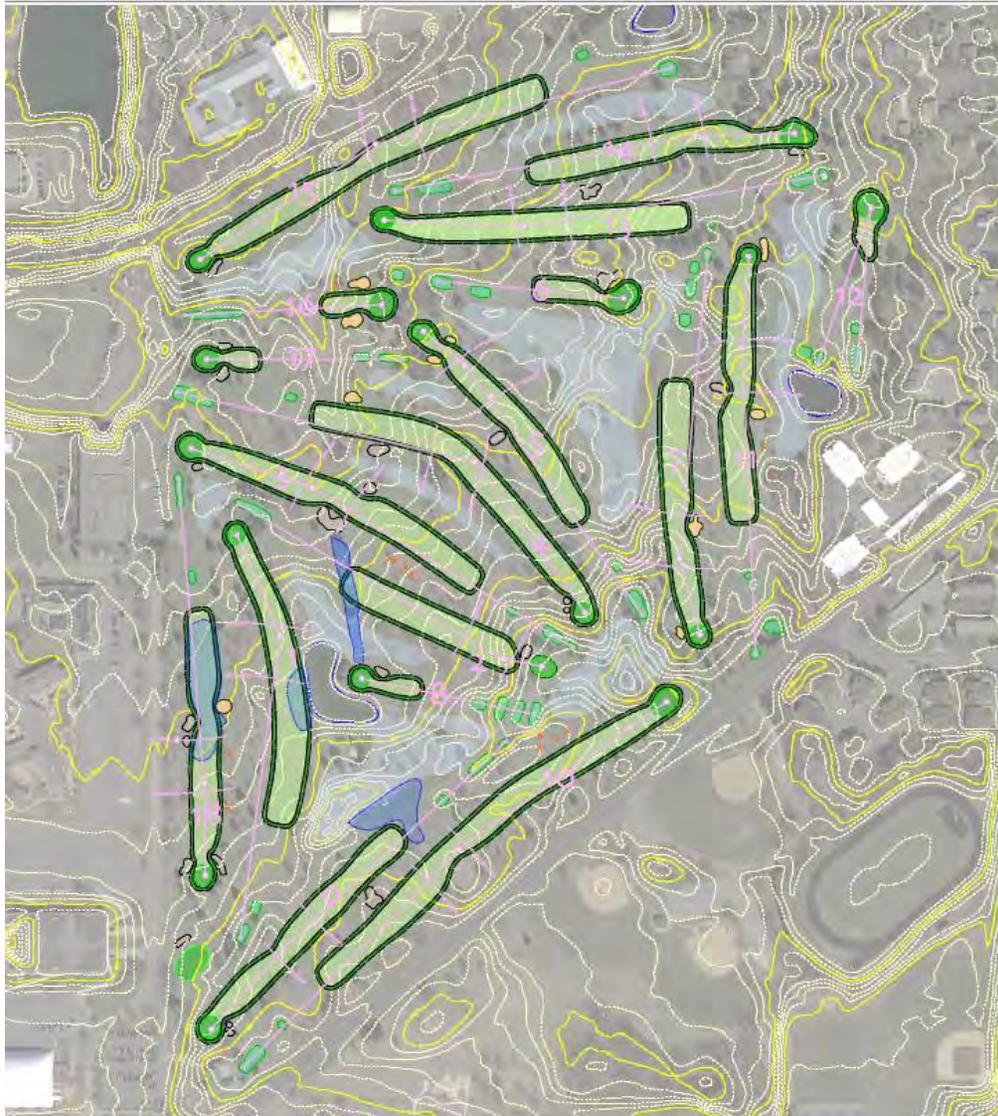
| FRONT NINE |      |       |            |      |     |              |
|------------|------|-------|------------|------|-----|--------------|
| Hole       | Blue | White | Men's MDCP | Red  | Par | Women's MDCP |
| 1          | 225  | 215   | 10         | 207  | 4   | 10           |
| 2          | 207  | 200   | 4          | 205  | 4   | 4            |
| 3          | 208  | 205   | 5          | 220  | 4   | 5            |
| 4          | 232  | 227   | 0          | 220  | 4   | 10           |
| 5          | 293  | 275   | 12         | 440  | 5   | 0            |
| 6          | 420  | 405   | 0          | 200  | 4   | 0            |
| 7          | 150  | 120   | 10         | 120  | 2   | 10           |
| 8          | 201  | 225   | 14         | 210  | 4   | 12           |
| 9          | 282  | 280   | 10         | 255  | 4   | 14           |
| Out        | 2500 | 2025  |            | 2025 | 26  |              |
| BACK NINE  |      |       |            |      |     |              |
| Hole       | Blue | White | Men's MDCP | Red  | Par | Women's MDCP |
| 10         | 205  | 195   | 10         | 195  | 2   | 10           |
| 11         | 425  | 404   | 4          | 205  | 4   | 4            |
| 12         | 250  | 234   | 5          | 220  | 4   | 5            |
| 13         | 173  | 164   | 0          | 160  | 2   | 10           |
| 14         | 200  | 200   | 12         | 220  | 4   | 0            |
| 15         | 200  | 200   | 0          | 220  | 4   | 0            |
| 16         | 200  | 180   | 10         | 400  | 5   | 10           |
| 17         | 150  | 137   | 14         | 110  | 2   | 12           |
| 18         | 250  | 200   | 10         | 400  | 5   | 14           |
| In         | 3192 | 2605  |            | 2660 | 25  |              |
| Total      | 5692 | 4630  |            | 4685 | 51  |              |

**Manitou Ridge: Scenario 2**



| Proposed Scorecard |       |       |       |       |       |     |
|--------------------|-------|-------|-------|-------|-------|-----|
| FRONT NINE         |       |       |       |       |       |     |
| Hole               | Black | Blue  | White | Gold  | Red   | Par |
| 1                  | 291   | 248   | 237   | 200   | 240   | 4   |
| 2                  | 327   | 327   | 219   | 202   | 230   | 4   |
| 3                  | 401   | 271   | 250   | 200   | 250   | 4   |
| 4                  | 250   | 204   | 242   | 215   | 250   | 4   |
| 5                  | 275   | 242   | 259   | 200   | 242   | 4   |
| 6                  | 354   | 211   | 424   | 442   | 240   | 5   |
| 7                  | 194   | 180   | 170   | 122   | 110   | 3   |
| 8                  | 424   | 401   | 275   | 240   | 251   | 4   |
| 9                  | 152   | 124   | 127   | 110   | 104   | 3   |
| Out                | 2,327 | 1,977 | 1,620 | 1,267 | 1,107 | 25  |
| BACK NINE          |       |       |       |       |       |     |
| Hole               | Black | Blue  | White | Gold  | Red   | Par |
| 10                 | 242   | 210   | 200   | 174   | 180   | 4   |
| 11                 | 190   | 178   | 166   | 121   | 112   | 3   |
| 12                 | 275   | 247   | 218   | 199   | 240   | 4   |
| 13                 | 470   | 420   | 400   | 212   | 200   | 4   |
| 14                 | 210   | 450   | 424   | 412   | 277   | 5   |
| 15                 | 480   | 410   | 403   | 268   | 307   | 4   |
| 16                 | 425   | 410   | 274   | 260   | 251   | 4   |
| 17                 | 210   | 194   | 182   | 138   | 120   | 3   |
| 18                 | 325   | 210   | 200   | 120   | 124   | 4   |
| In                 | 2,261 | 2,075 | 1,917 | 1,285 | 1,206 | 25  |
| Total              | 6,000 | 5,072 | 4,726 | 3,221 | 3,113 | 70  |

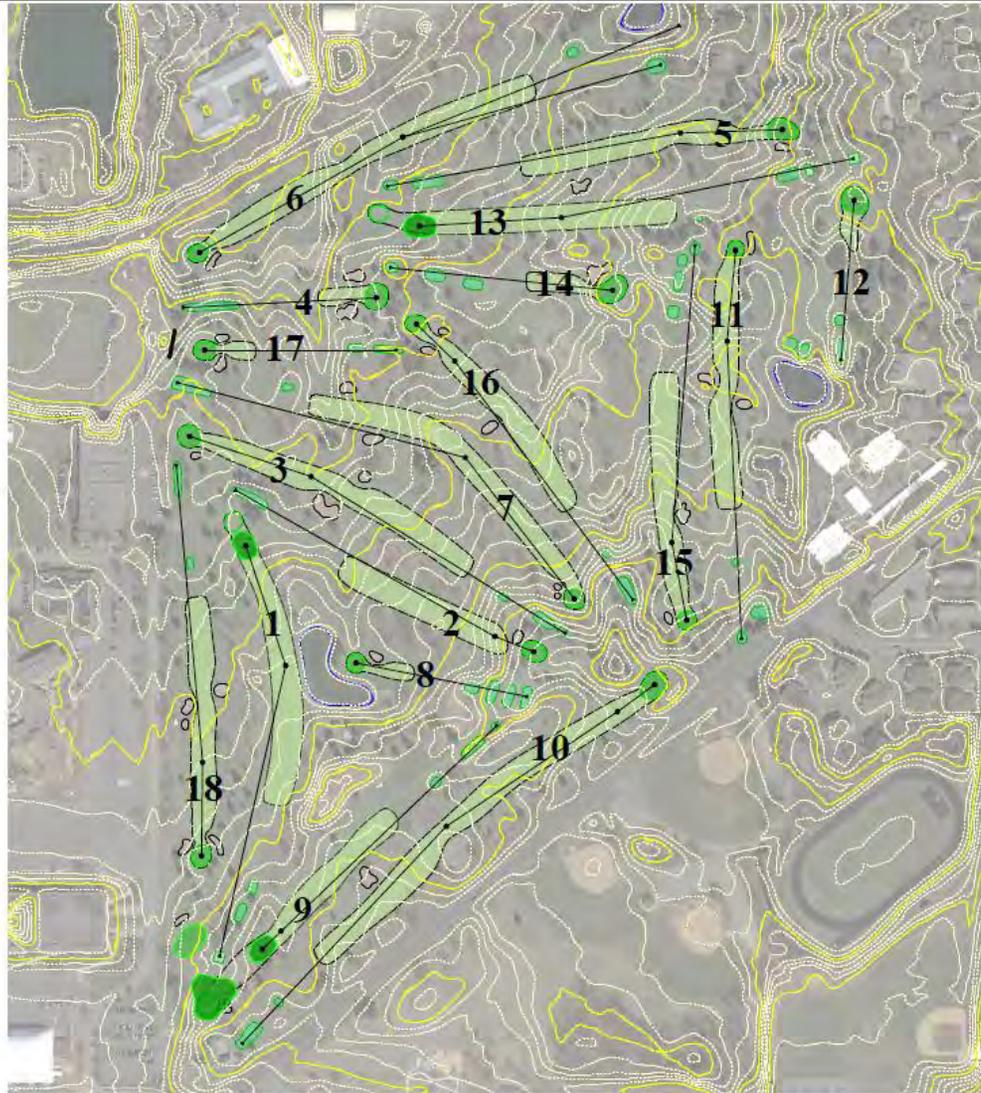
Goodrich Scenario 1



**Scorecard**

| FRONT NINE |      |       |      |      |     |      |
|------------|------|-------|------|------|-----|------|
| Hole       | Blue | White | Gold | Red  | Per | Midp |
| 1          | 294  | 250   | 205  | 205  | 4   | 10   |
| 2          | 332  | 214   | 200  | 200  | 4   | 4    |
| 3          | 411  | 400   | 342  | 342  | 4   | 3    |
| 4          | 401  | 405   | 252  | 228  | 5   | 10   |
| 5          | 240  | 210   | 222  | 205  | 4   | 8    |
| 6          | 218  | 177   | 141  | 141  | 3   | 6    |
| 7          | 270  | 242   | 204  | 204  | 4   | 10   |
| 8          | 271  | 192   | 110  | 110  | 2   | 12   |
| 9          | 274  | 275   | 214  | 214  | 4   | 14   |
| Out        | 2054 | 2022  | 1540 | 1540 | 25  |      |
| BACK NINE  |      |       |      |      |     |      |
| Hole       | Blue | White | Gold | Red  | Per | Midp |
| 10         | 220  | 252   | 420  | 420  | 5   | 10   |
| 11         | 280  | 250   | 202  | 202  | 4   | 4    |
| 12         | 160  | 150   | 117  | 117  | 2   | 5    |
| 13         | 442  | 400   | 310  | 310  | 4   | 10   |
| 14         | 270  | 250   | 244  | 244  | 4   | 8    |
| 15         | 250  | 420   | 412  | 412  | 5   | 6    |
| 16         | 180  | 180   | 142  | 142  | 2   | 10   |
| 17         | 160  | 170   | 141  | 141  | 2   | 12   |
| 18         | 282  | 250   | 200  | 200  | 4   | 14   |
| In         | 2172 | 2011  | 1520 | 1520 | 25  |      |
| Total      | 4226 | 4033  | 3060 | 3060 | 50  |      |

Goodrich Scenario 2



| Scorecard    |             |             |             |             |           |
|--------------|-------------|-------------|-------------|-------------|-----------|
| FRONT NINE   |             |             |             |             |           |
| Hole         | Blue        | White       | Gold        | Red         | Par       |
| 1            | 410         | 270         | 205         | 235         | 4         |
| 2            | 345         | 214         | 200         | 200         | 4         |
| 3            | 471         | 400         | 242         | 242         | 4         |
| 4            | 190         | 150         | 142         | 142         | 3         |
| 5            | 290         | 205         | 244         | 244         | 4         |
| 6            | 350         | 450         | 412         | 412         | 5         |
| 7            | 401         | 451         | 255         | 255         | 5         |
| 8            | 771         | 141         | 110         | 110         | 3         |
| 9            | 220         | 205         | 225         | 225         | 4         |
| <b>Out</b>   | <b>2200</b> | <b>1620</b> | <b>1421</b> | <b>1500</b> | <b>30</b> |
| BACK NINE    |             |             |             |             |           |
| Hole         | Blue        | White       | Gold        | Red         | Par       |
| 10           | 520         | 555         | 470         | 470         | 5         |
| 11           | 250         | 250         | 205         | 205         | 4         |
| 12           | 160         | 150         | 117         | 117         | 3         |
| 13           | 352         | 210         | 270         | 270         | 4         |
| 14           | 215         | 177         | 141         | 141         | 3         |
| 15           | 270         | 245         | 204         | 204         | 4         |
| 16           | 240         | 220         | 205         | 205         | 4         |
| 17           | 150         | 150         | 141         | 141         | 3         |
| 18           | 265         | 240         | 200         | 200         | 4         |
| <b>In</b>    | <b>2941</b> | <b>2700</b> | <b>2221</b> | <b>2221</b> | <b>24</b> |
| <b>Total</b> | <b>5141</b> | <b>4320</b> | <b>3642</b> | <b>3721</b> | <b>54</b> |



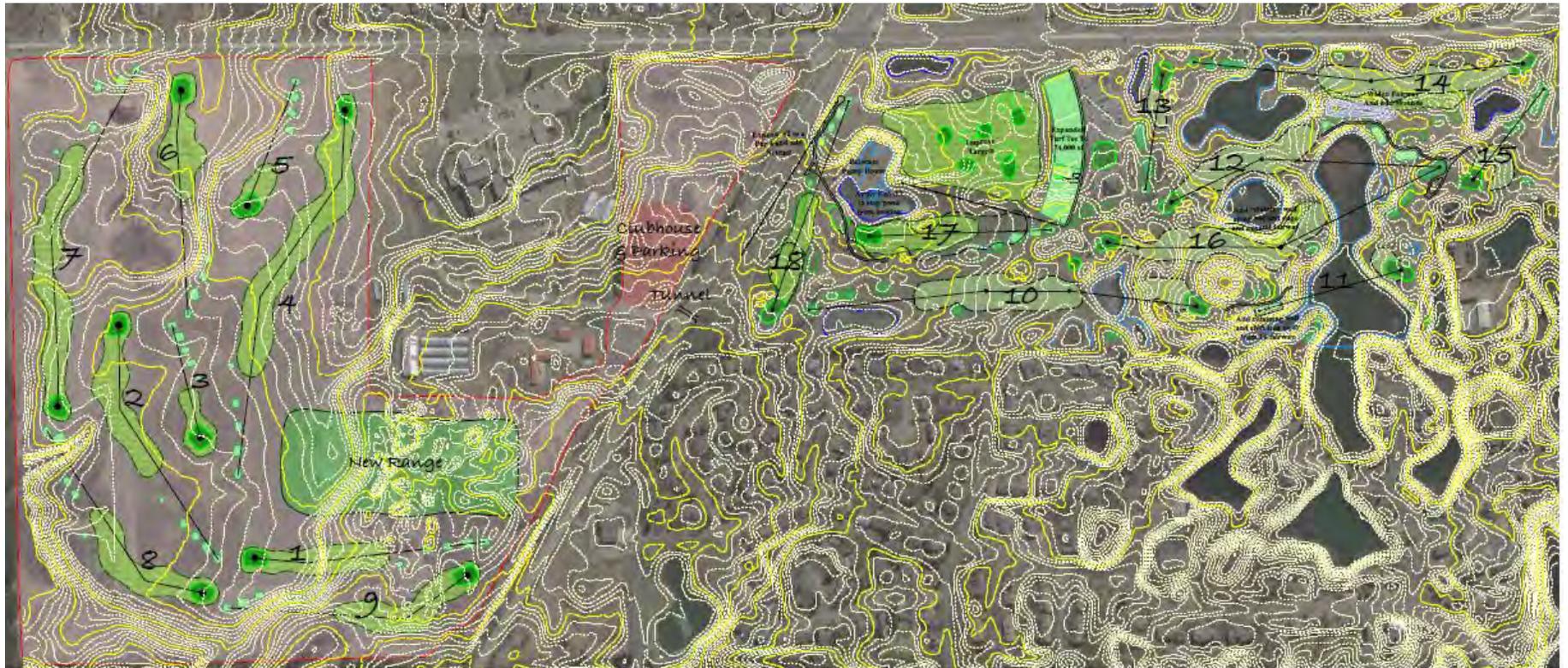
**Battle Creek Scenario 2**



**Proposed Scorecard**

| Hole       | Black        | Blue         | White        | Par       | Gold         | Red          | Handicap |
|------------|--------------|--------------|--------------|-----------|--------------|--------------|----------|
| 1          | 383          | 325          | 306          | 4         | 163          | 168          |          |
| 2          | 218          | 302          | 323          | 4         | 350          | 109          |          |
| 3          | 250          | 305          | 240          | 4         | 296          | 335          |          |
| 4          | 166          | 770          | 123          | 2         | 143          | 133          |          |
| 5          | 310          | 187          | 172          | 3         | 191          | 123          |          |
| 6          | 291          | 324          | 284          | 4         | 257          | 340          |          |
| 7          | 404          | 431          | 410          | 3         | 403          | 368          |          |
| 8          | 121          | 145          | 130          | 2         | 181          | 160          |          |
| 9          | 402          | 204          | 350          | 4         | 325          | 320          |          |
| <b>Out</b> | <b>3,701</b> | <b>3,461</b> | <b>3,308</b> | <b>34</b> | <b>3,027</b> | <b>3,471</b> |          |

**Battle Creek Scenario 3**



A-HOLE EXPANSION CARD OF THE COURSE

| Hole | Black | Blue  | White | Par | Gold  | Red   | Hole  | Black | Blue  | White | Par | Gold  | Red   |
|------|-------|-------|-------|-----|-------|-------|-------|-------|-------|-------|-----|-------|-------|
| 1    | 203   | 379   | 320   | 4   | 254   | 211   | 10    | 227   | 310   | 400   | 5   | 440   | 223   |
| 2    | 200   | 220   | 210   | 4   | 209   | 228   | 11    | 210   | 187   | 172   | 2   | 19    | 121   |
| 3    | 105   | 155   | 142   | 3   | 137   | 107   | 12    | 201   | 252   | 224   | 4   | 307   | 240   |
| 4    | 347   | 392   | 470   | 5   | 427   | 256   | 13    | 160   | 140   | 125   | 3   | 100   | 57    |
| 5    | 170   | 175   | 152   | 3   | 148   | 124   | 14    | 404   | 441   | 418   | 5   | 402   | 256   |
| 6    | 113   | 190   | 171   | 4   | 140   | 203   | 15    | 161   | 140   | 110   | 2   | 101   | 60    |
| 7    | 301   | 401   | 421   | 3   | 201   | 250   | 16    | 405   | 474   | 424   | 5   | 407   | 285   |
| 8    | 212   | 245   | 235   | 4   | 206   | 216   | 17    | 252   | 225   | 200   | 6   | 186   | 162   |
| 9    | 255   | 237   | 205   | 4   | 277   | 221   | 18    | 213   | 203   | 275   | 4   | 280   | 187   |
| Out  | 2,099 | 2,821 | 2,688 | 26  | 2,417 | 2,014 | In    | 2,084 | 2,390 | 2,090 | 26  | 2,244 | 1,705 |
|      |       |       |       |     |       |       | Total | 4,082 | 5,211 | 4,778 | 52  | 4,661 | 3,719 |

**Appendix J: Cash Flow Projections**

**Keller**

**Status Quo**

| Keller Status Quo          |                    |                    |                    |                    |                    | Total 19-23         |
|----------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|---------------------|
|                            | 2019               | 2020               | 2021               | 2022               | 2023               |                     |
| <b>Rounds</b>              | 29,515             | 29,663             | 26,696             | 29,513             | 29,660             | \$145,047           |
| <b>Revenue</b>             |                    |                    |                    |                    |                    |                     |
| <b>Passes</b>              |                    |                    |                    |                    |                    |                     |
| <b>Regular</b>             | \$12,573           | \$13,327           | \$13,327           | \$14,127           | \$15,696           | \$69,050            |
| Quantity                   | 9                  | 9                  | 9                  | 9                  | 10                 |                     |
| Unit                       | \$1,397            | \$1,481            | \$1,481            | \$1,570            | \$1,570            |                     |
| <b>Senior</b>              | \$45,820           | \$48,570           | \$49,754           | \$52,739           | \$55,251           | \$252,135           |
| Quantity                   | 41                 | 41                 | 42                 | 42                 | 44                 |                     |
| Unit                       | \$1,118            | \$1,185            | \$1,185            | \$1,256            | \$1,256            |                     |
| <b>Junior</b>              | \$373              | \$395              | \$395              | \$419              | \$419              | \$1,999             |
| Quantity                   | 1                  | 1                  | 1                  | 1                  | 1                  |                     |
| Unit                       | \$373              | \$395              | \$395              | \$419              | \$419              |                     |
| <b>Total Passes</b>        | <b>\$58,766</b>    | <b>\$62,292</b>    | <b>\$63,476</b>    | <b>\$67,285</b>    | <b>\$71,366</b>    | <b>\$323,184</b>    |
| <b>Patron Card</b>         |                    |                    |                    |                    |                    |                     |
| <b>Resident</b>            |                    |                    |                    |                    |                    |                     |
| <b>Regular</b>             | \$4,074            | \$4,442            | \$4,467            | \$4,813            | \$4,813            | \$22,608            |
| Quantity                   | 175                | 180                | 181                | 184                | 184                |                     |
| Unit                       | \$23               | \$25               | \$25               | \$26               | \$26               |                     |
| <b>Total Patron Cards</b>  | <b>\$4,074</b>     | <b>\$4,442</b>     | <b>\$4,467</b>     | <b>\$4,813</b>     | <b>\$4,813</b>     | <b>\$22,608</b>     |
| <b>Green Fee</b>           |                    |                    |                    |                    |                    |                     |
| Pass Rounds                | 3,078              | 3,078              | 3,138              | 3,138              | 3,319              | \$15,751            |
| rnds/pass                  | 60.35              | 60.35              | 60.35              | 60.35              | 60.35              |                     |
| Patron Rounds              | 2,457              | 2,527              | 2,541              | 2,583              | 2,583              | \$12,692            |
| rnds/patron                | 14.04              | 14.04              | 14.04              | 14.04              | 14.04              |                     |
| Regular Rounds             | 16,854             | 16,909             | 14,772             | 16,721             | 16,698             | \$81,954            |
| % Rounds                   | 70.3%              | 70.3%              | 70.3%              | 70.3%              | 70.3%              |                     |
| Senior Rounds              | 6,599              | 6,621              | 5,784              | 6,547              | 6,538              | \$32,090            |
| % Rounds                   | 27.5%              | 27.5%              | 27.5%              | 27.5%              | 27.5%              |                     |
| Other Rounds               | 526                | 528                | 461                | 522                | 522                | \$2,560             |
| % Rounds                   | 2.2%               | 2.2%               | 2.2%               | 2.2%               | 2.2%               |                     |
| Avg Patron Rate            | \$30.66            | \$32.50            | \$32.50            | \$34.45            | \$34.45            |                     |
| Avg Regular Rate           | \$34.27            | \$36.33            | \$36.33            | \$38.51            | \$38.51            |                     |
| Avg Senior Rate            | \$28.34            | \$30.04            | \$30.04            | \$31.84            | \$31.84            |                     |
| Avg Other Rate             | \$0.00             | \$0.00             | \$0.00             | \$0.00             | \$0.00             |                     |
| Total Patron               | \$75,332           | \$82,133           | \$82,589           | \$88,996           | \$88,996           | \$418,045           |
| Total Regular              | \$577,596          | \$614,227          | \$536,595          | \$643,874          | \$642,968          | \$3,015,260         |
| Total Senior               | \$187,027          | \$198,888          | \$173,750          | \$208,488          | \$208,194          | \$976,347           |
| <b>Total Green Fees</b>    | <b>\$839,955</b>   | <b>\$895,248</b>   | <b>\$792,935</b>   | <b>\$941,357</b>   | <b>\$940,157</b>   | <b>\$4,409,652</b>  |
| <b>Cart Fees</b>           |                    |                    |                    |                    |                    |                     |
| avg rate                   | \$7.83             | \$8.30             | \$8.30             | \$8.80             | \$8.80             |                     |
| <b>Total Cart Fees</b>     | <b>\$231,102</b>   | <b>\$246,193</b>   | <b>\$221,574</b>   | <b>\$259,647</b>   | <b>\$260,945</b>   | <b>\$1,219,463</b>  |
| <b>Range</b>               |                    |                    |                    |                    |                    |                     |
| avg rate                   | \$2.22             | \$2.35             | \$2.49             | \$2.64             | \$2.80             |                     |
| <b>Total Range</b>         | <b>\$65,523</b>    | <b>\$69,802</b>    | <b>\$66,591</b>    | <b>\$78,033</b>    | <b>\$83,129</b>    | <b>\$363,079</b>    |
| <b>Merchandise</b>         |                    |                    |                    |                    |                    |                     |
| avg rate                   | \$4.61             | \$4.75             | \$4.90             | \$5.04             | \$5.19             |                     |
| <b>Total Merchandise</b>   | <b>\$136,194</b>   | <b>\$140,981</b>   | <b>\$130,690</b>   | <b>\$148,812</b>   | <b>\$154,042</b>   | <b>\$710,719</b>    |
| <b>Food &amp; Beverage</b> |                    |                    |                    |                    |                    |                     |
| <b>Golf</b>                | <b>\$414,207</b>   | <b>\$428,766</b>   | <b>\$397,466</b>   | <b>\$452,581</b>   | <b>\$468,489</b>   | <b>\$2,161,510</b>  |
| avg rate                   | \$14.03            | \$14.45            | \$14.89            | \$15.34            | \$15.80            |                     |
| <b>Banquet</b>             | <b>\$940,922</b>   | <b>\$969,149</b>   | <b>\$998,224</b>   | <b>\$1,028,170</b> | <b>\$1,059,015</b> | <b>\$4,995,480</b>  |
| <b>Total F&amp;B</b>       | <b>\$1,355,129</b> | <b>\$1,397,916</b> | <b>\$1,395,690</b> | <b>\$1,480,751</b> | <b>\$1,527,505</b> | <b>\$7,156,990</b>  |
| <b>Total Revenue</b>       | <b>\$2,690,742</b> | <b>\$2,816,874</b> | <b>\$2,675,422</b> | <b>\$2,980,699</b> | <b>\$3,041,958</b> | <b>\$14,205,695</b> |

| Keller Status Quo          |  | 2024               | 2025               | 2026               | 2027               | 2028               | Total 24-28         | Total 19-28         |
|----------------------------|--|--------------------|--------------------|--------------------|--------------------|--------------------|---------------------|---------------------|
| <b>Rounds</b>              |  | 31,299             | 29,734             | 29,883             | 26,895             | 29,732             | \$147,542           | 292,589             |
| <b>Revenue</b>             |  |                    |                    |                    |                    |                    |                     |                     |
| <b>Passes</b>              |  |                    |                    |                    |                    |                    |                     |                     |
| Regular                    |  | \$16,638           | \$17,636           | \$17,636           | \$18,695           | \$18,695           | \$89,300            | \$158,350           |
| Quantity                   |  | 10                 | 10                 | 10                 | 10                 | 10                 |                     |                     |
| Unit                       |  | \$1,664            | \$1,764            | \$1,764            | \$1,869            | \$1,869            | \$8,930             | \$8,930             |
| Senior                     |  | \$58,566           | \$62,080           | \$63,491           | \$67,300           | \$67,300           | \$318,737           | \$570,872           |
| Quantity                   |  | 44                 | 44                 | 45                 | 45                 | 45                 |                     |                     |
| Unit                       |  | \$1,331            | \$1,411            | \$1,411            | \$1,496            | \$1,496            | \$7,144             | \$7,144             |
| Junior                     |  | \$444              | \$470              | \$470              | \$499              | \$499              | \$2,381             | \$4,381             |
| Quantity                   |  | 1                  | 1                  | 1                  | 1                  | 1                  |                     |                     |
| Unit                       |  | \$444              | \$470              | \$470              | \$499              | \$499              | \$2,381             | \$2,381             |
| <b>Total Passes</b>        |  | <b>\$75,648</b>    | <b>\$80,187</b>    | <b>\$81,598</b>    | <b>\$86,493</b>    | <b>\$86,493</b>    | <b>\$410,419</b>    | <b>\$733,602</b>    |
| <b>Patron Card</b>         |  |                    |                    |                    |                    |                    |                     |                     |
| <b>Resident</b>            |  |                    |                    |                    |                    |                    |                     |                     |
| Regular                    |  | \$5,157            | \$5,467            | \$5,584            | \$5,982            | \$5,982            | \$28,171            | \$50,779            |
| Quantity                   |  | 186                | 186                | 190                | 192                | 192                |                     |                     |
| Unit                       |  | \$28               | \$29               | \$29               | \$31               | \$31               |                     |                     |
| <b>Total Patron Cards</b>  |  | <b>\$5,157</b>     | <b>\$5,467</b>     | <b>\$5,584</b>     | <b>\$5,982</b>     | <b>\$5,982</b>     | <b>\$28,171</b>     | <b>\$50,779</b>     |
| <b>Green Fee</b>           |  |                    |                    |                    |                    |                    |                     |                     |
| Pass Rounds                |  | 3,319              | 3,319              | 3,380              | 3,380              | 3,380              | \$16,777            | 32,529              |
| rnds/pass                  |  | 60.35              | 60.35              | 60.35              | 60.35              | 60.35              |                     |                     |
| Patron Rounds              |  | 2,611              | 2,611              | 2,668              | 2,696              | 2,696              | \$13,282            | 25,974              |
| rnds/patron                |  | 14.04              | 14.04              | 14.04              | 14.04              | 14.04              |                     |                     |
| Regular Rounds             |  | 17,830             | 16,730             | 16,753             | 14,633             | 16,627             | \$82,572            | 164,526             |
| % Rounds                   |  | 70.3%              | 70.3%              | 70.3%              | 70.3%              | 70.3%              |                     |                     |
| Senior Rounds              |  | 6,981              | 6,551              | 6,560              | 5,730              | 6,510              | \$32,332            | 64,421              |
| % Rounds                   |  | 27.5%              | 27.5%              | 27.5%              | 27.5%              | 27.5%              |                     |                     |
| Other Rounds               |  | 557                | 523                | 523                | 457                | 519                | \$2,579             | 5,139               |
| % Rounds                   |  | 2.2%               | 2.2%               | 2.2%               | 2.2%               | 2.2%               |                     |                     |
| Avg Patron Rate            |  | \$36.52            | \$36.52            | \$38.71            | \$38.71            | \$41.03            |                     |                     |
| Avg Regular Rate           |  | \$40.82            | \$40.82            | \$43.27            | \$43.27            | \$45.86            |                     |                     |
| Avg Senior Rate            |  | \$33.75            | \$33.75            | \$35.78            | \$35.78            | \$37.93            |                     |                     |
| Avg Other Rate             |  | \$0.00             | \$0.00             | \$0.00             | \$0.00             | \$0.00             |                     |                     |
| Total Patron               |  | \$95,361           | \$95,361           | \$103,256          | \$104,343          | \$110,604          | \$508,925           | \$926,970           |
| Total Regular              |  | \$727,751          | \$682,857          | \$724,806          | \$633,083          | \$762,525          | \$3,531,022         | \$6,546,282         |
| Total Senior               |  | \$235,647          | \$221,110          | \$234,694          | \$204,994          | \$246,907          | \$1,143,352         | \$2,119,699         |
| <b>Total Green Fees</b>    |  | <b>\$1,058,759</b> | <b>\$999,328</b>   | <b>\$1,062,756</b> | <b>\$942,420</b>   | <b>\$1,120,036</b> | <b>\$5,183,298</b>  | <b>\$9,592,951</b>  |
| <b>Cart Fees</b>           |  |                    |                    |                    |                    |                    |                     |                     |
| avg rate                   |  | \$9.33             | \$9.89             | \$9.89             | \$10.48            | \$10.48            |                     |                     |
| <b>Total Cart Fees</b>     |  | <b>\$291,884</b>   | <b>\$293,928</b>   | <b>\$295,397</b>   | <b>\$281,809</b>   | <b>\$311,540</b>   | <b>\$1,474,558</b>  | <b>\$2,694,021</b>  |
| <b>Range</b>               |  |                    |                    |                    |                    |                    |                     |                     |
| avg rate                   |  | \$2.97             | \$3.15             | \$3.34             | \$3.54             | \$3.75             |                     |                     |
| <b>Total Range</b>         |  | <b>\$92,985</b>    | <b>\$93,636</b>    | <b>\$99,751</b>    | <b>\$95,162</b>    | <b>\$111,514</b>   | <b>\$493,048</b>    | <b>\$856,126</b>    |
| <b>Merchandise</b>         |  |                    |                    |                    |                    |                    |                     |                     |
| avg rate                   |  | \$5.35             | \$5.51             | \$5.68             | \$5.85             | \$6.02             |                     |                     |
| <b>Total Merchandise</b>   |  | <b>\$167,430</b>   | <b>\$163,830</b>   | <b>\$169,589</b>   | <b>\$157,209</b>   | <b>\$179,008</b>   | <b>\$837,066</b>    | <b>\$1,547,785</b>  |
| <b>Food &amp; Beverage</b> |  |                    |                    |                    |                    |                    |                     |                     |
| Golf                       |  | \$509,205          | \$498,257          | \$515,770          | \$478,119          | \$544,418          | \$2,545,768         | \$4,707,278         |
| avg rate                   |  | \$16.27            | \$16.76            | \$17.26            | \$17.78            | \$18.31            |                     |                     |
| Banquet                    |  | \$1,090,786        | \$1,123,510        | \$1,157,215        | \$1,191,931        | \$1,227,689        | \$5,791,131         | \$10,786,611        |
| <b>Total F&amp;B</b>       |  | <b>\$1,599,991</b> | <b>\$1,621,766</b> | <b>\$1,672,985</b> | <b>\$1,670,050</b> | <b>\$1,772,107</b> | <b>\$8,336,899</b>  | <b>\$15,493,889</b> |
| <b>Total Revenue</b>       |  | <b>\$3,291,854</b> | <b>\$3,258,141</b> | <b>\$3,387,659</b> | <b>\$3,239,125</b> | <b>\$3,586,679</b> | <b>\$16,763,458</b> | <b>\$30,969,153</b> |

| <b>Keller Status Quo</b>   |                                     |                    |                    |                    |                    |                    |                    |
|----------------------------|-------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
|                            |                                     | <b>2019</b>        | <b>2020</b>        | <b>2021</b>        | <b>2022</b>        | <b>2023</b>        | <b>Total 19-23</b> |
| <b>County Compensation</b> |                                     |                    |                    |                    |                    |                    |                    |
|                            | <b>Green Fee total rev</b>          | \$902,794          | \$961,982          | \$860,877          | \$1,013,455        | \$1,016,336        | \$4,755,444        |
|                            | Breakpoint                          | \$850,000          | \$850,000          | \$850,000          | \$850,000          | \$850,000          |                    |
|                            | % Up to breakpt                     | 90%                | 90%                | 90%                | 90%                | 90%                |                    |
|                            | % Over breakpt                      | 85%                | 85%                | 85%                | 85%                | 85%                |                    |
|                            | <b>Total Comp</b>                   | <b>\$809,875</b>   | <b>\$860,185</b>   | <b>\$774,246</b>   | <b>\$903,937</b>   | <b>\$906,386</b>   | <b>\$4,254,628</b> |
|                            | <b>Cart Fee total rev</b>           | \$231,102          | \$246,193          | \$221,574          | \$259,647          | \$260,945          | \$1,219,463        |
|                            | Breakpoint                          | \$200,000          | \$200,000          | \$200,000          | \$200,000          | \$200,000          |                    |
|                            | % Up to breakpt                     | 90%                | 90%                | 90%                | 90%                | 90%                |                    |
|                            | % Over breakpt                      | 85%                | 85%                | 85%                | 85%                | 85%                |                    |
|                            | <b>Total Comp</b>                   | <b>\$206,437</b>   | <b>\$219,264</b>   | <b>\$198,338</b>   | <b>\$230,700</b>   | <b>\$231,804</b>   | <b>\$1,086,543</b> |
|                            | <b>Range</b>                        | \$65,523           | \$69,802           | \$66,591           | \$78,033           | \$83,129           | \$363,079          |
|                            | Breakpoint                          | \$40,000           | \$40,000           | \$40,000           | \$40,000           | \$40,000           |                    |
|                            | % Up to breakpt                     | 15%                | 15%                | 15%                | 15%                | 15%                |                    |
|                            | % Over breakpt                      | \$0.00             | \$0.00             | \$0.00             | \$0.00             | \$0.00             |                    |
|                            | <b>Total Comp</b>                   | <b>\$6,000</b>     | <b>\$6,000</b>     | <b>\$6,000</b>     | <b>\$6,000</b>     | <b>\$6,000</b>     | <b>\$30,000</b>    |
|                            | <b>Food &amp; Beverage</b>          | \$162,615          | \$167,750          | \$167,483          | \$177,690          | \$183,301          | \$858,839          |
|                            | % F&B                               | 12%                | 12%                | 12%                | 12%                | 12%                |                    |
|                            | <b>County Share</b>                 | <b>\$1,184,928</b> | <b>\$1,253,199</b> | <b>\$1,146,066</b> | <b>\$1,318,327</b> | <b>\$1,327,490</b> | <b>\$6,230,010</b> |
| <b>Expenses</b>            |                                     |                    |                    |                    |                    |                    |                    |
|                            | <b>Personnel Services</b>           | \$491,137          | \$513,239          | \$536,334          | \$560,469          | \$585,691          | \$2,686,870        |
|                            | <b>Other Services &amp; Charges</b> | \$207,066          | \$213,278          | \$219,676          | \$226,267          | \$233,055          | \$1,099,342        |
|                            | <b>Supplies</b>                     | \$62,823           | \$64,707           | \$66,649           | \$68,648           | \$70,708           | \$333,535          |
|                            | <b>Fleet Services</b>               | \$301,350          | \$310,391          | \$319,702          | \$329,293          | \$339,172          | \$1,599,908        |
|                            | <b>Total Expenses</b>               | <b>\$1,062,376</b> | <b>\$1,101,615</b> | <b>\$1,142,362</b> | <b>\$1,184,678</b> | <b>\$1,228,625</b> | <b>\$5,719,655</b> |
|                            | <b>Net Income</b>                   | <b>\$122,551</b>   | <b>\$151,584</b>   | <b>\$3,705</b>     | <b>\$133,649</b>   | <b>\$98,865</b>    | <b>\$510,355</b>   |
|                            | <b>Golf Operator Revenue</b>        | \$150,686          | \$165,760          | \$133,666          | \$181,620          | \$186,963          | \$818,695          |
|                            | <b>F&amp;B Operator</b>             |                    |                    |                    |                    |                    |                    |
|                            | Gross Revenue                       | \$1,192,513        | \$1,230,166        | \$1,228,207        | \$1,303,061        | \$1,344,204        | \$6,298,152        |
|                            | Less Cost of Sales                  | \$487,846          | \$503,250          | \$502,448          | \$533,071          | \$549,902          | \$2,576,517        |
|                            | <b>Net Revenue</b>                  | <b>\$704,667</b>   | <b>\$726,916</b>   | <b>\$725,759</b>   | <b>\$769,991</b>   | <b>\$794,302</b>   | <b>\$3,721,635</b> |

| Keller Status Quo            |  | 2024               | 2025               | 2026               | 2027               | 2028               | Total 24-28        | Total 19-28         |
|------------------------------|--|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|---------------------|
| <b>County Compensation</b>   |  |                    |                    |                    |                    |                    |                    |                     |
| Green Fee total rev          |  | \$1,139,564        | \$1,084,981        | \$1,149,938        | \$1,034,894        | \$1,212,511        | \$5,621,888        | \$10,377,332        |
| Breakpoint                   |  | \$850,000          | \$850,000          | \$850,000          | \$850,000          | \$850,000          |                    |                     |
| % Up to breakpt              |  | 90%                | 90%                | 90%                | 90%                | 90%                |                    |                     |
| % Over breakpt               |  | 85%                | 85%                | 85%                | 85%                | 85%                |                    |                     |
| <b>Total Comp</b>            |  | <b>\$1,011,129</b> | <b>\$964,734</b>   | <b>\$1,019,947</b> | <b>\$922,160</b>   | <b>\$1,073,134</b> | <b>\$4,991,105</b> | <b>\$9,245,733</b>  |
| Cart Fee total rev           |  | \$291,884          | \$293,928          | \$295,397          | \$281,809          | \$311,540          | \$1,474,558        | \$2,694,021         |
| Breakpoint                   |  | \$200,000          | \$200,000          | \$200,000          | \$200,000          | \$200,000          |                    |                     |
| % Up to breakpt              |  | 90%                | 90%                | 90%                | 90%                | 90%                |                    |                     |
| % Over breakpt               |  | 85%                | 85%                | 85%                | 85%                | 85%                |                    |                     |
| <b>Total Comp</b>            |  | <b>\$258,102</b>   | <b>\$259,838</b>   | <b>\$261,088</b>   | <b>\$249,538</b>   | <b>\$274,809</b>   | <b>\$1,303,374</b> | <b>\$2,389,917</b>  |
| Range                        |  | \$92,985           | \$93,636           | \$99,751           | \$95,162           | \$111,514          | \$493,048          | \$856,126           |
| Breakpoint                   |  | \$40,000           | \$40,000           | \$40,000           | \$40,000           | \$40,000           |                    |                     |
| % Up to breakpt              |  | 15%                | 15%                | 15%                | 15%                | 15%                |                    |                     |
| % Over breakpt               |  | \$0.00             | \$0.00             | \$0.00             | \$0.00             | \$0.00             |                    |                     |
| <b>Total Comp</b>            |  | <b>\$6,000</b>     | <b>\$6,000</b>     | <b>\$6,000</b>     | <b>\$6,000</b>     | <b>\$6,000</b>     | <b>\$30,000</b>    | <b>\$60,000</b>     |
| Food & Beverage              |  | \$191,999          | \$194,612          | \$200,758          | \$200,406          | \$212,653          | \$1,000,428        | \$1,859,267         |
| % F&B                        |  | 12%                | 12%                | 12%                | 12%                | 12%                |                    |                     |
| <b>County Share</b>          |  | <b>\$1,467,230</b> | <b>\$1,425,184</b> | <b>\$1,487,793</b> | <b>\$1,378,104</b> | <b>\$1,566,596</b> | <b>\$7,324,907</b> | <b>\$13,554,917</b> |
| <b>Expenses</b>              |  |                    |                    |                    |                    |                    |                    |                     |
| Personnel Services           |  | \$612,047          | \$639,589          | \$668,370          | \$698,447          | \$729,877          | \$3,348,329        | \$6,035,200         |
| Other Services & Charges     |  | \$240,046          | \$247,248          | \$254,665          | \$262,305          | \$270,174          | \$1,274,438        | \$2,373,780         |
| Supplies                     |  | \$72,829           | \$75,014           | \$77,264           | \$79,582           | \$81,969           | \$386,658          | \$720,193           |
| Fleet Services               |  | \$349,347          | \$359,828          | \$370,622          | \$381,741          | \$393,193          | \$1,854,732        | \$3,454,640         |
| <b>Total Expenses</b>        |  | <b>\$1,274,269</b> | <b>\$1,321,678</b> | <b>\$1,370,922</b> | <b>\$1,422,075</b> | <b>\$1,475,214</b> | <b>\$6,864,158</b> | <b>\$12,583,813</b> |
| <b>Net Income</b>            |  |                    |                    |                    |                    |                    |                    |                     |
| <b>Golf Operator Revenue</b> |  | <b>\$224,633</b>   | <b>\$211,191</b>   | <b>\$226,881</b>   | <b>\$190,970</b>   | <b>\$247,977</b>   | <b>\$1,101,652</b> | <b>\$1,920,347</b>  |
| <b>F&amp;B Operator</b>      |  |                    |                    |                    |                    |                    |                    |                     |
| Gross Revenue                |  | \$1,407,992        | \$1,427,154        | \$1,472,227        | \$1,469,644        | \$1,559,454        | \$7,336,471        | \$13,634,623        |
| Less Cost of Sales           |  | \$575,997          | \$583,836          | \$602,275          | \$601,218          | \$637,958          | \$3,001,284        | \$5,577,800         |
| <b>Net Revenue</b>           |  | <b>\$831,995</b>   | <b>\$843,318</b>   | <b>\$869,952</b>   | <b>\$868,426</b>   | <b>\$921,495</b>   | <b>\$4,335,187</b> | <b>\$8,056,822</b>  |

**Scenario 1: Priority Fixes**

| <b>Keller Recommended</b> |            |            |                |            |            |             |
|---------------------------|------------|------------|----------------|------------|------------|-------------|
|                           | 2019       | 2020       | 2021           | 2022       | 2023       | Total 19-23 |
| <b>Rounds</b>             | 31,500     | 33,000     | 28,050         | 33,752     | 34,820     | 161,122     |
|                           |            |            | Priority Fixes |            |            |             |
| <b>Revenue</b>            |            |            |                |            |            |             |
| <b>Passes</b>             |            |            |                |            |            |             |
| <b>Regular</b>            | \$7,592    | \$9,823    | \$12,200       | \$14,731   | \$17,425   | \$61,771    |
| Quantity                  | 4.0        | 5          | 6              | 7          | 8          |             |
| Unit                      | \$1,898    | \$1,965    | \$2,033        | \$2,104    | \$2,178    |             |
| <b>Senior</b>             | \$18,506   | \$20,628   | \$22,874       | \$25,253   | \$27,771   | \$115,033   |
| Quantity                  | 13         | 14         | 15             | 16         | 17         |             |
| Unit                      | \$1,424    | \$1,473    | \$1,525        | \$1,578    | \$1,634    |             |
| <b>Junior</b>             | \$475      | \$491      | \$508          | \$1,052    | \$1,089    | \$3,615     |
| Quantity                  | 1          | 1          | 1              | 2          | 2          |             |
| Unit                      | \$475      | \$491      | \$508          | \$526      | \$545      |             |
| <b>Weekday Regular</b>    | \$7,118    | \$7,367    | \$9,150        | \$9,470    | \$9,801    | \$42,906    |
| Quantity                  | 5          | 5          | 6              | 6          | 6          |             |
| Unit                      | \$1,423.57 | \$1,473    | \$1,525        | \$1,578    | \$1,634    |             |
| <b>Weekday Senior</b>     | \$18,151   | \$19,891   | \$21,731       | \$22,491   | \$24,504   | \$106,767   |
| Quantity                  | 17         | 18         | 19             | 19         | 20         |             |
| Unit                      | \$1,067.68 | \$1,105    | \$1,144        | \$1,184    | \$1,225    |             |
| <b>Total Passes</b>       | 40         | 43         | 47             | 50         | 53         |             |
| <b>Total Passes</b>       | \$51,842   | \$58,199   | \$66,463       | \$72,998   | \$80,590   | \$330,092   |
| <b>Patron Card</b>        |            |            |                |            |            |             |
| <b>Resident</b>           |            |            |                |            |            |             |
| <b>Regular</b>            | \$1,329    | \$1,375    | \$1,423        | \$1,473    | \$1,525    | \$7,125     |
| Quantity                  | 35         | 35         | 35             | 35         | 35         |             |
| Unit                      | \$38       | \$39       | \$41           | \$42       | \$44       |             |
| <b>Senior</b>             | \$1,138.86 | \$1,208.18 | \$1,280.97     | \$1,357.37 | \$1,437.55 | \$6,422.93  |
| Quantity                  | 40         | 41         | 42             | 43         | 44         |             |
| Unit                      | \$28.47    | \$29       | \$30           | \$32       | \$33       |             |
| <b>Premium</b>            | \$1,024.97 | \$1,060.84 | \$1,097.97     | \$1,136.40 | \$1,176.18 | \$5,496.37  |
| Quantity                  | 12         | 12         | 12             | 12         | 12         |             |
| Unit                      | \$85.41    | \$88       | \$91           | \$95       | \$98       |             |
| <b>Premium Senior</b>     | \$996.50   | \$1,100.13 | \$1,209.80     | \$1,325.80 | \$1,448.44 | \$6,080.68  |
| Quantity                  | 15         | 16         | 17             | 18         | 19         |             |
| Unit                      | \$66.43    | \$69       | \$71           | \$74       | \$76       |             |
| <b>Non-Resident</b>       |            |            |                |            |            |             |
| <b>Regular</b>            | \$1,565.93 | \$1,669.85 | \$1,779.12     | \$1,894.01 | \$2,014.75 | \$8,923.65  |
| Quantity                  | 33         | 34         | 35             | 36         | 37         |             |
| Unit                      | \$47.45    | \$49       | \$51           | \$53       | \$54       |             |
| <b>Senior</b>             | \$1,594.40 | \$1,689.49 | \$1,789.29     | \$1,894.01 | \$2,003.86 | \$8,971.04  |
| Quantity                  | 42         | 43         | 44             | 45         | 46         |             |
| Unit                      | \$37.96    | \$39       | \$41           | \$42       | \$44       |             |
| <b>Premium</b>            | \$759.24   | \$884.04   | \$1,219.97     | \$1,367.89 | \$1,633.58 | \$5,864.72  |
| Quantity                  | 8          | 9          | 12             | 13         | 15         |             |
| Unit                      | \$94.90    | \$98       | \$102          | \$105      | \$109      |             |
| <b>Premium Senior</b>     | \$1,290.70 | \$1,414.46 | \$1,626.63     | \$1,767.74 | \$1,916.73 | \$8,016.26  |
| Quantity                  | 17         | 18         | 20             | 21         | 22         |             |
| Unit                      | \$75.92    | \$79       | \$81           | \$84       | \$87       |             |
| <b>Total quantity</b>     | 202        | 208        | 217            | 223        | 230        |             |
| <b>Total Patron Cards</b> | \$9,699    | \$10,402   | \$11,427       | \$12,216   | \$13,156   | \$56,901    |

| <b>Keller Recommended</b> |                 |                 |                  |                  |                  | <b>Total 19-23</b> | <b>Total 19-28</b> |
|---------------------------|-----------------|-----------------|------------------|------------------|------------------|--------------------|--------------------|
|                           | <b>2024</b>     | <b>2025</b>     | <b>2026</b>      | <b>2027</b>      | <b>2028</b>      |                    |                    |
| <b>Rounds</b>             | <b>36,227</b>   | <b>34,415</b>   | <b>35,104</b>    | <b>31,593</b>    | <b>35,448</b>    | <b>172,787</b>     | <b>333,909</b>     |
| <b>Revenue</b>            |                 |                 |                  |                  |                  |                    |                    |
| <b>Passes</b>             |                 |                 |                  |                  |                  |                    |                    |
| <b>Regular</b>            | \$20,289        | \$23,332        | \$26,564         | \$29,993         | \$36,217         | <b>\$136,395</b>   | <b>\$198,166</b>   |
| Quantity                  | 9               | 10              | 11               | 12               | 14               |                    |                    |
| Unit                      | \$2,254         | \$2,333         | \$2,415          | \$2,499          | \$2,587          | <b>\$181,956</b>   | <b>\$296,988</b>   |
| <b>Senior</b>             | \$30,434        | \$33,249        | \$36,224         | \$39,366         | \$42,684         |                    |                    |
| Quantity                  | 18              | 19              | 20               | 21               | 22               | <b>\$8,503</b>     | <b>\$12,118</b>    |
| Unit                      | \$1,691         | \$1,750         | \$1,811          | \$1,875          | \$1,940          |                    |                    |
| <b>Junior</b>             | \$1,127         | \$1,750         | \$1,811          | \$1,875          | \$1,940          | <b>\$61,776</b>    | <b>\$104,682</b>   |
| Quantity                  | 2               | 3               | 3                | 3                | 3                |                    |                    |
| Unit                      | \$564           | \$583           | \$604            | \$625            | \$647            | <b>\$151,335</b>   | <b>\$258,102</b>   |
| <b>Weekday Regular</b>    | \$10,145        | \$12,250        | \$12,678         | \$13,122         | \$13,581         |                    |                    |
| Quantity                  | 6               | 7               | 7                | 7                | 7                | <b>\$151,335</b>   | <b>\$258,102</b>   |
| Unit                      | \$1,691         | \$1,750         | \$1,811          | \$1,875          | \$1,940          |                    |                    |
| <b>Weekday Senior</b>     | \$26,629        | \$27,561        | \$29,884         | \$32,336         | \$34,923         | <b>\$539,964</b>   | <b>\$870,056</b>   |
| Quantity                  | 21              | 21              | 22               | 23               | 24               |                    |                    |
| Unit                      | \$1,268         | \$1,312         | \$1,358          | \$1,406          | \$1,455          | <b>\$539,964</b>   | <b>\$870,056</b>   |
| <b>Total Passes</b>       | 56              | 60              | 63               | 66               | 70               |                    |                    |
| <b>Total Passes</b>       | <b>\$88,624</b> | <b>\$98,142</b> | <b>\$107,161</b> | <b>\$116,692</b> | <b>\$129,345</b> | <b>\$539,964</b>   | <b>\$870,056</b>   |
| <b>Patron Card</b>        |                 |                 |                  |                  |                  |                    |                    |
| <b>Resident</b>           |                 |                 |                  |                  |                  |                    |                    |
| <b>Regular</b>            | \$1,578         | \$1,633         | \$1,690          | \$1,750          | \$1,811          | <b>\$8,462</b>     | <b>\$15,587</b>    |
| Quantity                  | 35              | 35              | 35               | 35               | 35               |                    |                    |
| Unit                      | \$45            | \$47            | \$48             | \$50             | \$52             | <b>\$8,535.09</b>  | <b>\$14,958</b>    |
| <b>Senior</b>             | \$1,521.68      | \$1,609.94      | \$1,702.51       | \$1,799.59       | \$1,901.38       |                    |                    |
| Quantity                  | 45              | 46              | 47               | 48               | 49               | <b>\$6,527.96</b>  | <b>\$12,024</b>    |
| Unit                      | \$34            | \$35            | \$36             | \$37             | \$39             |                    |                    |
| <b>Premium</b>            | \$1,217.34      | \$1,259.95      | \$1,304.05       | \$1,349.69       | \$1,396.93       | <b>\$9,337.49</b>  | <b>\$15,418</b>    |
| Quantity                  | 12              | 12              | 12               | 12               | 12               |                    |                    |
| Unit                      | \$101           | \$105           | \$109            | \$112            | \$116            | <b>\$12,109.60</b> | <b>\$21,033</b>    |
| <b>Premium Senior</b>     | \$1,578.04      | \$1,714.93      | \$1,859.48       | \$2,012.04       | \$2,173.00       |                    |                    |
| Quantity                  | 20              | 21              | 22               | 23               | 24               | <b>\$11,863.67</b> | <b>\$21,033</b>    |
| Unit                      | \$79            | \$82            | \$85             | \$87             | \$91             |                    |                    |
| <b>Non-Resident</b>       |                 |                 |                  |                  |                  |                    |                    |
| <b>Regular</b>            | \$2,141.62      | \$2,274.91      | \$2,414.90       | \$2,561.91       | \$2,716.25       | <b>\$12,109.60</b> | <b>\$21,033</b>    |
| Quantity                  | 38              | 39              | 40               | 41               | 42               |                    |                    |
| Unit                      | \$56            | \$58            | \$60             | \$62             | \$65             | <b>\$11,863.67</b> | <b>\$21,033</b>    |
| <b>Senior</b>             | \$2,119.08      | \$2,239.91      | \$2,366.61       | \$2,499.43       | \$2,638.64       |                    |                    |
| Quantity                  | 47              | 48              | 49               | 50               | 51               | <b>\$10,921.50</b> | <b>\$21,033</b>    |
| Unit                      | \$45            | \$47            | \$48             | \$50             | \$52             |                    |                    |
| <b>Premium</b>            | \$1,803.47      | \$1,983.26      | \$2,173.41       | \$2,374.46       | \$2,586.91       | <b>\$12,122.07</b> | <b>\$21,033</b>    |
| Quantity                  | 16              | 17              | 18               | 19               | 20               |                    |                    |
| Unit                      | \$113           | \$117           | \$121            | \$125            | \$129            | <b>\$12,122.07</b> | <b>\$21,033</b>    |
| <b>Premium Senior</b>     | \$2,073.99      | \$2,239.91      | \$2,414.90       | \$2,599.40       | \$2,793.86       |                    |                    |
| Quantity                  | 23              | 24              | 25               | 26               | 27               | <b>\$0</b>         | <b>\$0</b>         |
| Unit                      | \$90            | \$93            | \$97             | \$100            | \$103            |                    |                    |
| <b>Total quantity</b>     | 236             | 242             | 248              | 254              | 260              | <b>\$79,880</b>    | <b>136,780</b>     |
| <b>Total Patron Cards</b> | <b>\$14,033</b> | <b>\$14,956</b> | <b>\$15,926</b>  | <b>\$16,946</b>  | <b>\$18,018</b>  |                    |                    |

| Keller Recommended              |                    |                    |                    |                    |                    |                     |
|---------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|---------------------|
|                                 | 2019               | 2020               | 2021               | 2022               | 2023               | Total 19-23         |
| <b>Green Fee</b>                |                    |                    |                    |                    |                    |                     |
| Pass Rounds                     | 2,414              | 2,595              | 2,836              | 3,018              | 3,199              |                     |
| rnds/pass                       | 60.35              | 60.35              | 60.35              | 60.35              | 60.35              | 301.75              |
| % Rounds                        |                    |                    |                    |                    |                    |                     |
| Patron Rounds                   | 2,836              | 2,920              | 3,047              | 3,131              | 3,229              |                     |
| rnds/patron                     | 14.04              | 14.04              | 14.04              | 14.04              | 14.04              | 70.20               |
| % Rounds                        |                    |                    |                    |                    |                    |                     |
| Regular Rounds                  | 18,450             | 19,317             | 15,580             | 19,401             | 19,955             | 92,703              |
| % Rounds                        | 70.3%              | 70.3%              | 70.3%              | 70.3%              | 70.3%              |                     |
| Senior Rounds                   | 7,224              | 7,564              | 6,100              | 7,597              | 7,814              | 36,298              |
| % Rounds                        | 27.5%              | 27.5%              | 27.5%              | 27.5%              | 27.5%              |                     |
| Other Rounds                    | 576                | 603                | 487                | 606                | 623                |                     |
| % Rounds                        | 2.2%               | 2.2%               | 2.2%               | 2.2%               | 2.2%               |                     |
| Avg Patron Rate                 | \$32.00            | \$33.12            | \$34.28            | \$35.48            | \$36.72            |                     |
| Avg Regular Rate                | \$35.50            | \$36.74            | \$38.03            | \$39.36            | \$40.74            |                     |
| Avg Senior Rate                 | \$33.00            | \$34.16            | \$35.35            | \$36.59            | \$37.87            | \$176.96            |
| Avg Other Rate                  | \$0.00             | \$0.00             | \$0.00             | \$0.00             | \$0.00             | \$0.00              |
| Total Patron                    | \$90,755           | \$96,721           | \$104,438          | \$111,082          | \$118,579          | \$521,574           |
| Total Regular                   | \$654,960          | \$709,769          | \$592,477          | \$763,613          | \$812,920          | \$3,533,738         |
| Total Senior                    | \$238,393          | \$258,343          | \$215,651          | \$277,941          | \$295,888          | \$1,286,216         |
| Total Other                     | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                 |
| <b>Total Green Fees</b>         | <b>\$984,108</b>   | <b>\$1,064,832</b> | <b>\$912,566</b>   | <b>\$1,152,635</b> | <b>\$1,227,387</b> | <b>\$5,341,528</b>  |
| <b>Cart Fees</b>                |                    |                    |                    |                    |                    |                     |
| avg rate                        | \$8.60             | \$8.90             | \$9.21             | \$9.53             | \$9.87             |                     |
| <b>Total Cart Fees</b>          | <b>\$270,900</b>   | <b>\$293,733</b>   | <b>\$258,412</b>   | <b>\$321,824</b>   | <b>\$343,628</b>   | <b>\$1,488,497</b>  |
| <b>Range</b>                    |                    |                    |                    |                    |                    |                     |
| avg rate                        | \$2.50             | \$2.59             | \$2.68             | \$2.77             | \$2.87             |                     |
| <b>Total Range</b>              | <b>\$78,750</b>    | <b>\$85,388</b>    | <b>\$75,120</b>    | <b>\$93,554</b>    | <b>\$99,892</b>    | <b>\$432,703</b>    |
| <b>Merchandise</b>              |                    |                    |                    |                    |                    |                     |
| avg rate                        | \$6.00             | \$6.21             | \$6.43             | \$6.65             | \$6.89             |                     |
| <b>Total Merchandise</b>        | <b>\$189,000</b>   | <b>\$204,930</b>   | <b>\$180,287</b>   | <b>\$224,529</b>   | <b>\$239,741</b>   | <b>\$1,038,486</b>  |
| <b>Food &amp; Beverage</b>      |                    |                    |                    |                    |                    |                     |
| Golf                            | \$488,250          | \$529,403          | \$465,742          | \$580,032          | \$619,330          | \$2,682,756         |
| avg rate                        | \$15.50            | \$16.04            | \$16.60            | \$17.19            | \$17.79            |                     |
| Banquet                         | \$945,489          | \$978,581          | \$1,012,832        | \$1,048,281        | \$1,084,971        | \$5,070,153         |
| <b>Total F&amp;B</b>            | <b>\$1,433,739</b> | <b>\$1,507,984</b> | <b>\$1,478,573</b> | <b>\$1,628,313</b> | <b>\$1,704,300</b> | <b>\$7,752,910</b>  |
| <b>Total Revenue</b>            |                    |                    |                    |                    |                    |                     |
|                                 | <b>\$3,018,038</b> | <b>\$3,225,468</b> | <b>\$2,982,848</b> | <b>\$3,506,070</b> | <b>\$3,708,693</b> | <b>\$16,441,116</b> |
| <b>County Compensation</b>      |                    |                    |                    |                    |                    |                     |
| Green Fee total rev             | \$1,045,649        | \$1,133,434        | \$990,456          | \$1,237,850        | \$1,321,132        | \$5,728,520         |
| Breakpoint                      | \$850,000          | \$850,000          | \$850,000          | \$850,000          | \$850,000          |                     |
| % Up to breakpt                 | 85%                | 85%                | 85%                | 85%                | 85%                | 425%                |
| % Over breakpt                  | 85%                | 85%                | 85%                | 85%                | 85%                | 425%                |
| <b>Total Comp</b>               | <b>\$888,801</b>   | <b>\$963,419</b>   | <b>\$841,888</b>   | <b>\$1,052,172</b> | <b>\$1,122,962</b> | <b>\$4,869,242</b>  |
| Cart Fee total rev              | \$270,900          | \$293,733          | \$258,412          | \$321,824          | \$343,628          | \$1,488,497         |
| Breakpoint                      | \$200,000          | \$200,000          | \$200,000          | \$200,000          | \$200,000          |                     |
| % Up to breakpt                 | 85%                | 85%                | 85%                | 85%                | 85%                | 425%                |
| % Over breakpt                  | 85%                | 85%                | 85%                | 85%                | 85%                | 425%                |
| <b>Total Comp</b>               | <b>\$230,265</b>   | <b>\$249,673</b>   | <b>\$219,650</b>   | <b>\$273,551</b>   | <b>\$292,084</b>   | <b>\$1,265,223</b>  |
| Range                           | \$78,750           | \$85,388           | \$75,120           | \$93,554           | \$99,892           | \$432,703           |
| Breakpoint                      | \$40,000           | \$40,000           | \$40,000           | \$40,000           | \$40,000           |                     |
| % Up to breakpt                 | 85%                | 85%                | 85%                | 85%                | 85%                | 425%                |
| % Over breakpt                  | 85%                | 85%                | 85%                | 85%                | 85%                | 425%                |
| <b>Total Comp</b>               | <b>\$66,938</b>    | <b>\$72,579</b>    | <b>\$63,852</b>    | <b>\$79,521</b>    | <b>\$84,908</b>    |                     |
| Food & Beverage                 | \$172,049          | \$180,958          | \$177,429          | \$195,398          | \$204,516          |                     |
| % F&B                           | 12%                | 12%                | 12%                | 12%                | 12%                | 60%                 |
| Merchandise                     | \$189,000          | \$204,930          | \$180,287          | \$224,529          | \$239,741          | \$1,038,486         |
| Net Merchandise                 | \$56,700           | \$61,479           | \$54,086           | \$67,359           | \$71,922           | \$311,546           |
| % split                         | 85%                | 85%                | 85%                | 85%                | 85%                | 425%                |
| <b>Merch Comp</b>               | <b>\$48,195</b>    | <b>\$52,257</b>    | <b>\$45,973</b>    | <b>\$57,255</b>    | <b>\$61,134</b>    | <b>\$264,814</b>    |
| <b>County Share</b>             | <b>\$1,406,247</b> | <b>\$1,518,886</b> | <b>\$1,348,791</b> | <b>\$1,657,896</b> | <b>\$1,765,604</b> | <b>\$7,697,425</b>  |
| <b>Expenses</b>                 |                    |                    |                    |                    |                    |                     |
| Personnel Services              | \$491,137          | \$513,239          | \$536,334          | \$543,655          | \$568,120          | \$2,652,486         |
| Other Services & Charges        | \$207,066          | \$213,278          | \$219,676          | \$226,266          | \$233,054          | \$1,099,340         |
| Supplies                        | \$62,823           | \$64,707           | \$66,649           | \$68,648           | \$70,708           | \$333,535           |
| Marketing                       | \$35,156           | \$37,972           | \$33,720           | \$41,447           | \$44,140           | \$192,436           |
| Fleet Services                  | \$301,350          | \$310,391          | \$319,702          | \$329,293          | \$339,172          | \$1,599,908         |
| <b>Total Expenses</b>           | <b>\$1,097,532</b> | <b>\$1,139,587</b> | <b>\$1,176,081</b> | <b>\$1,209,310</b> | <b>\$1,255,193</b> | <b>\$5,877,704</b>  |
| <b>Net Income</b>               |                    |                    |                    |                    |                    |                     |
|                                 | <b>\$308,715</b>   | <b>\$379,300</b>   | <b>\$172,710</b>   | <b>\$448,586</b>   | <b>\$510,411</b>   | <b>\$1,819,721</b>  |
| <b>Difference to Status Quo</b> |                    |                    |                    |                    |                    |                     |
| Golf Operator Revenue           | \$178,051          | \$198,598          | \$155,483          | \$219,860          | \$238,788          | \$990,781           |
| F&B Operator                    |                    |                    |                    |                    |                    |                     |
| Gross Revenue                   | \$78,750           | \$85,388           | \$75,120           | \$93,554           | \$99,892           | \$432,703           |
| Less Cost of Sales              | \$28,350           | \$30,740           | \$27,043           | \$33,679           | \$35,961           | \$155,773           |
| <b>Net Revenue</b>              | <b>\$50,400</b>    | <b>\$54,648</b>    | <b>\$48,077</b>    | <b>\$59,874</b>    | <b>\$63,931</b>    | <b>\$276,930</b>    |

| Keller Recommended              |                    |                    |                    |                    |                    | Total 19-23         | Total 19-28         |
|---------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|---------------------|---------------------|
|                                 | 2024               | 2025               | 2026               | 2027               | 2028               |                     |                     |
| <b>Green Fee</b>                |                    |                    |                    |                    |                    |                     |                     |
| Pass Rounds                     | 3,380              | 3,621              | 3,802              | 3,983              | 4,225              |                     |                     |
| rnds/pass                       | 60.35              | 60.35              | 60.35              | 60.35              | 60.35              | 301.75              | 604                 |
| % Rounds                        |                    |                    |                    |                    |                    |                     |                     |
| Patron Rounds                   | 3,313              | 3,398              | 3,482              | 3,566              | 3,650              |                     |                     |
| rnds/patron                     | 14.04              | 14.04              | 14.04              | 14.04              | 14.04              | 70.20               | 140                 |
| % Rounds                        |                    |                    |                    |                    |                    |                     |                     |
| Regular Rounds                  | 20,758             | 19,256             | 19,553             | 16,899             | 19,379             | 95,845              | 188,548             |
| % Rounds                        | 70.3%              | 70.3%              | 70.3%              | 70.3%              | 70.3%              |                     |                     |
| Senior Rounds                   | 8,128              | 7,540              | 7,656              | 6,617              | 7,588              | 37,529              | 73,827              |
| % Rounds                        | 27.5%              | 27.5%              | 27.5%              | 27.5%              | 27.5%              |                     |                     |
| Other Rounds                    | 648                | 601                | 611                | 528                | 605                |                     |                     |
| % Rounds                        | 2.2%               | 2.2%               | 2.2%               | 2.2%               | 2.2%               |                     |                     |
| Avg Patron Rate                 | \$38.01            | \$39.34            | \$40.71            | \$42.14            | \$43.61            |                     |                     |
| Avg Regular Rate                | \$42.16            | \$43.64            | \$45.17            | \$46.75            | \$48.38            |                     |                     |
| Avg Senior Rate                 | \$39.19            | \$40.57            | \$41.99            | \$43.45            | \$44.98            | \$210.17            | \$387               |
| Avg Other Rate                  | \$0.00             | \$0.00             | \$0.00             | \$0.00             | \$0.00             | \$0.00              | \$0                 |
| Total Patron                    | \$125,930          | \$133,652          | \$141,759          | \$150,270          | \$159,204          | \$710,816           | \$1,232,389         |
| Total Regular                   | \$875,197          | \$840,286          | \$883,125          | \$789,982          | \$937,629          | \$4,326,219         | \$7,859,958         |
| Total Senior                    | \$318,556          | \$305,849          | \$321,441          | \$287,539          | \$341,280          | \$1,574,664         | \$2,860,880         |
| Total Other                     | \$0                | \$0                | \$0                | \$0                | \$0                |                     |                     |
| <b>Total Green Fees</b>         | <b>\$1,319,684</b> | <b>\$1,279,786</b> | <b>\$1,346,325</b> | <b>\$1,227,792</b> | <b>\$1,438,112</b> | <b>\$6,611,699</b>  | <b>\$11,953,227</b> |
| <b>Cart Fees</b>                |                    |                    |                    |                    |                    |                     |                     |
| avg rate                        | \$10.21            | \$10.57            | \$10.94            | \$11.32            | \$11.72            |                     |                     |
| <b>Total Cart Fees</b>          | <b>\$370,024</b>   | <b>\$363,826</b>   | <b>\$384,091</b>   | <b>\$357,780</b>   | <b>\$415,480</b>   | <b>\$1,891,200</b>  | <b>\$3,379,697</b>  |
| <b>Range</b>                    |                    |                    |                    |                    |                    |                     |                     |
| avg rate                        | \$2.97             | \$3.07             | \$3.18             | \$3.29             | \$3.41             |                     |                     |
| <b>Total Range</b>              | <b>\$107,565</b>   | <b>\$105,763</b>   | <b>\$111,654</b>   | <b>\$104,006</b>   | <b>\$120,779</b>   | <b>\$549,767</b>    | <b>\$982,470</b>    |
| <b>Merchandise</b>              |                    |                    |                    |                    |                    |                     |                     |
| avg rate                        | \$7.13             | \$7.38             | \$7.63             | \$7.90             | \$8.18             |                     |                     |
| <b>Total Merchandise</b>        | <b>\$258,156</b>   | <b>\$253,832</b>   | <b>\$267,970</b>   | <b>\$249,614</b>   | <b>\$289,870</b>   | <b>\$1,319,442</b>  | <b>\$2,357,928</b>  |
| <b>Food &amp; Beverage</b>      |                    |                    |                    |                    |                    |                     |                     |
| Golf                            | \$666,903          | \$655,732          | \$692,256          | \$644,837          | \$748,830          | \$3,408,558         | \$6,091,315         |
| avg rate                        | \$18.41            | \$19.05            | \$19.72            | \$20.41            | \$21.12            |                     |                     |
| Banquet                         | \$1,122,944        | \$1,162,248        | \$1,202,926        | \$1,245,029        | \$1,288,605        | \$6,021,752         | \$11,091,905        |
| <b>Total F&amp;B</b>            | <b>\$1,789,847</b> | <b>\$1,817,980</b> | <b>\$1,895,183</b> | <b>\$1,889,866</b> | <b>\$2,037,434</b> | <b>\$9,430,310</b>  | <b>\$17,183,219</b> |
| <b>Total Revenue</b>            | <b>\$3,947,932</b> | <b>\$3,934,285</b> | <b>\$4,128,310</b> | <b>\$3,962,696</b> | <b>\$4,449,038</b> | <b>\$20,422,262</b> | <b>\$36,863,378</b> |
| <b>County Compensation</b>      |                    |                    |                    |                    |                    |                     |                     |
| Green Fee total rev             | \$1,422,341        | \$1,392,884        | \$1,469,413        | \$1,361,430        | \$1,585,475        | \$7,231,543         | \$12,960,063        |
| Breakpoint                      | \$850,000          | \$850,000          | \$850,000          | \$850,000          | \$850,000          |                     |                     |
| % Up to breakpt                 | 85%                | 85%                | 85%                | 85%                | 85%                | 425%                | \$9                 |
| % Over breakpt                  | 85%                | 85%                | 85%                | 85%                | 85%                | 425%                | \$8.50              |
| <b>Total Comp</b>               | <b>\$1,208,990</b> | <b>\$1,183,952</b> | <b>\$1,249,001</b> | <b>\$1,157,215</b> | <b>\$1,347,654</b> | <b>\$6,146,811</b>  | <b>\$11,016,954</b> |
| Cart Fee total rev              | \$370,024          | \$363,826          | \$384,091          | \$357,780          | \$415,480          | \$1,891,200         | \$3,379,697         |
| Breakpoint                      | \$200,000          | \$200,000          | \$200,000          | \$200,000          | \$200,000          |                     |                     |
| % Up to breakpt                 | 85%                | 85%                | 85%                | 85%                | 85%                | 425%                |                     |
| % Over breakpt                  | 85%                | 85%                | 85%                | 85%                | 85%                | 425%                |                     |
| <b>Total Comp</b>               | <b>\$314,520</b>   | <b>\$309,252</b>   | <b>\$326,477</b>   | <b>\$304,113</b>   | <b>\$353,158</b>   | <b>\$1,607,520</b>  | <b>\$2,872,743</b>  |
| Range                           | \$107,565          | \$105,763          | \$111,654          | \$104,006          | \$120,779          | \$549,767           | \$982,470           |
| Breakpoint                      | \$40,000           | \$40,000           | \$40,000           | \$40,000           | \$40,000           |                     |                     |
| % Up to breakpt                 | 85%                | 85%                | 85%                | 85%                | 85%                | 425%                |                     |
| % Over breakpt                  | 85%                | 85%                | 85%                | 85%                | 85%                | 425%                |                     |
| <b>Total Comp</b>               | <b>\$91,430</b>    | <b>\$89,899</b>    | <b>\$94,906</b>    | <b>\$88,405</b>    | <b>\$102,662</b>   |                     |                     |
| Food & Beverage                 | \$214,782          | \$218,158          | \$227,422          | \$226,784          | \$244,492          |                     |                     |
| % F&B                           | 12%                | 12%                | 12%                | 12%                | 12%                | 60%                 |                     |
| <b>Merchandise</b>              | <b>\$258,156</b>   | <b>\$253,832</b>   | <b>\$267,970</b>   | <b>\$249,614</b>   | <b>\$289,870</b>   | <b>\$1,319,442</b>  | <b>\$2,357,928</b>  |
| Net Merchandise                 | \$77,447           | \$76,150           | \$80,391           | \$74,884           | \$86,961           | \$395,833           | \$707,378           |
| % split                         | 85%                | 85%                | 85%                | 85%                | 85%                | 425%                | \$9                 |
| <b>Merch Comp</b>               | <b>\$65,830</b>    | <b>\$64,727</b>    | <b>\$68,332</b>    | <b>\$63,652</b>    | <b>\$73,917</b>    | <b>\$336,458</b>    | <b>\$601,272</b>    |
| County Share                    | \$1,895,551        | \$1,865,987        | \$1,966,138        | \$1,840,169        | \$2,121,883        | \$9,689,729         | \$17,387,154        |
| <b>Expenses</b>                 |                    |                    |                    |                    |                    |                     |                     |
| Personnel Services              | \$593,685          | \$620,401          | \$648,319          | \$677,493          | \$707,981          | \$3,247,880         | \$5,900,365         |
| Other Services & Charges        | \$240,045          | \$247,247          | \$254,664          | \$262,304          | \$270,173          | \$1,274,433         | \$2,373,773         |
| Supplies                        | \$72,829           | \$75,014           | \$77,264           | \$79,582           | \$81,969           | \$386,658           | \$720,193           |
| Marketing                       | \$47,389           | \$46,650           | \$49,153           | \$46,004           | \$53,047           | \$242,243           | \$434,679           |
| Fleet Services                  | \$349,347          | \$359,828          | \$370,622          | \$381,741          | \$393,193          | \$1,854,732         | \$3,454,640         |
| <b>Total Expenses</b>           | <b>\$1,303,295</b> | <b>\$1,349,139</b> | <b>\$1,400,023</b> | <b>\$1,447,125</b> | <b>\$1,506,364</b> | <b>\$7,005,946</b>  | <b>\$12,883,650</b> |
| <b>Net Income</b>               | <b>\$592,256</b>   | <b>\$516,848</b>   | <b>\$566,115</b>   | <b>\$393,045</b>   | <b>\$615,519</b>   | <b>\$2,683,783</b>  | <b>\$4,503,504</b>  |
| <b>Difference to Status Quo</b> | <b>\$399,295</b>   | <b>\$413,342</b>   | <b>\$449,244</b>   | <b>\$437,016</b>   | <b>\$524,137</b>   | <b>\$2,223,034</b>  | <b>\$3,532,400</b>  |
| Golf Operator Revenue           | \$262,534          | \$250,318          | \$266,990          | \$232,661          | \$289,721          | \$1,302,224         | \$2,293,005         |
| F&B Operator                    |                    |                    |                    |                    |                    |                     |                     |
| Gross Revenue                   | \$107,565          | \$105,763          | \$111,654          | \$104,006          | \$120,779          | \$549,767           | \$982,470           |
| Less Cost of Sales              | \$38,723           | \$38,075           | \$40,196           | \$37,442           | \$43,480           | \$197,916           | \$353,689           |
| <b>Net Revenue</b>              | <b>\$68,842</b>    | <b>\$67,688</b>    | <b>\$71,459</b>    | <b>\$66,564</b>    | <b>\$77,299</b>    | <b>\$351,851</b>    | <b>\$628,781</b>    |

**Scenario 1b: Hybrid Contract**

| <b>Hybrid Model</b>        |                  |                  |                  |                  |                  |  |                    |  |
|----------------------------|------------------|------------------|------------------|------------------|------------------|--|--------------------|--|
|                            | 2019             | 2020             | 2021             | 2022             | 2023             |  | Total 19-23        |  |
| <b>County Revenue</b>      |                  |                  |                  |                  |                  |  |                    |  |
| Net Revenue                | \$2,337,137      | \$2,504,885      | \$2,291,183      | \$2,725,650      | \$2,888,446      |  | \$12,747,300       |  |
| Breakpoint                 | \$1,600,000      | \$1,648,000      | \$1,696,000      | \$1,744,000      | \$1,792,000      |  |                    |  |
| % Below breakpoint         | 5%               | 5%               | 5%               | 5%               | 5%               |  |                    |  |
| % Above breakpoint         | 50%              | 50%              | 50%              | 50%              | 50%              |  |                    |  |
| <b>County Share</b>        | <b>\$448,568</b> | <b>\$510,842</b> | <b>\$382,392</b> | <b>\$578,025</b> | <b>\$637,823</b> |  | <b>\$2,557,650</b> |  |
| <b>Expenses</b>            |                  |                  |                  |                  |                  |  |                    |  |
| Other Services & Charges   | \$6,866          | \$7,072          | \$7,284          | \$7,503          | \$7,728          |  | \$36,452           |  |
| Supplies                   | \$373            | \$384            | \$396            | \$407            | \$420            |  | \$1,980            |  |
| Supplement                 | \$0              | \$60,000         |                  | \$150,000        | \$25,000         |  | \$235,000          |  |
| Marketing                  | \$1,055          | \$1,139          | \$1,012          | \$1,243          | \$1,324          |  | \$5,773            |  |
| <b>Total Expenses</b>      | <b>\$8,294</b>   | <b>\$68,595</b>  | <b>\$8,691</b>   | <b>\$159,153</b> | <b>\$34,472</b>  |  | <b>\$279,205</b>   |  |
| <b>Net Income - Hybrid</b> | <b>\$440,275</b> | <b>\$442,247</b> | <b>\$373,700</b> | <b>\$418,871</b> | <b>\$603,351</b> |  | <b>\$2,278,445</b> |  |
| <b>Difference Hybrid</b>   | <b>\$317,724</b> | <b>\$290,663</b> | <b>\$369,996</b> | <b>\$285,222</b> | <b>\$504,486</b> |  | <b>\$1,768,090</b> |  |
| <b>Operator Hybrid</b>     |                  |                  |                  |                  |                  |  |                    |  |
| Revenue Split              | \$2,569,469      | \$2,714,626      | \$2,600,456      | \$2,928,045      | \$3,070,870      |  | \$13,883,466       |  |
| Cost of sales              | \$680,901        | \$720,583        | \$691,665        | \$780,420        | \$820,247        |  | \$3,693,816        |  |
| Supplement                 | \$0              | \$60,000         | \$0              | \$150,000        | \$25,000         |  | \$235,000          |  |
| Net Revenue                | \$1,888,568      | \$2,054,042      | \$1,908,792      | \$2,297,625      | \$2,275,623      |  | \$10,424,650       |  |

| <b>Hybrid Model</b>        |                  |                  |                  |                  |                  |                    |                    |  |
|----------------------------|------------------|------------------|------------------|------------------|------------------|--------------------|--------------------|--|
|                            | 2024             | 2025             | 2026             | 2027             | 2028             | Totam 19-23        | Total 19-28        |  |
| <b>County Revenue</b>      |                  |                  |                  |                  |                  |                    |                    |  |
| Net Revenue                | \$3,081,918      | \$3,060,694      | \$3,215,202      | \$3,064,825      | \$3,466,107      | \$15,888,746       | \$28,636,046       |  |
| Breakpoint                 | \$1,840,000      | \$1,888,000      | \$1,936,000      | \$1,984,000      | \$2,032,000      |                    |                    |  |
| % Below breakpoint         | 5%               | 5%               | 5%               | 5%               | 5%               |                    |                    |  |
| % Above breakpoint         | 50%              | 50%              | 50%              | 50%              | 50%              |                    |                    |  |
| <b>County Share</b>        | <b>\$712,959</b> | <b>\$680,747</b> | <b>\$736,401</b> | <b>\$639,613</b> | <b>\$818,653</b> | <b>\$3,588,373</b> | <b>\$6,146,023</b> |  |
| <b>Expenses</b>            |                  |                  |                  |                  |                  |                    |                    |  |
| Other Services & Charges   | \$7,960          | \$8,198          | \$8,444          | \$8,698          | \$8,959          | \$42,258           | \$78,711           |  |
| Supplies                   | \$432            | \$445            | \$459            | \$472            | \$486            | \$2,295            | \$4,274            |  |
| Supplement                 | \$0              | \$0              |                  |                  |                  | \$0                | \$235,000          |  |
| Marketing                  | \$1,422          | \$1,399          | \$1,475          | \$1,380          | \$1,591          | \$7,267            | \$13,040           |  |
| <b>Total Expenses</b>      | <b>\$9,813</b>   | <b>\$10,043</b>  | <b>\$10,377</b>  | <b>\$10,550</b>  | <b>\$11,036</b>  | <b>\$51,820</b>    | <b>\$331,026</b>   |  |
| <b>Net Income - Hybrid</b> | <b>\$703,146</b> | <b>\$670,704</b> | <b>\$726,024</b> | <b>\$629,062</b> | <b>\$807,617</b> | <b>\$3,536,553</b> | <b>\$5,814,998</b> |  |
| <b>Difference Hybrid</b>   | <b>\$510,185</b> | <b>\$567,197</b> | <b>\$609,153</b> | <b>\$673,034</b> | <b>\$716,235</b> | <b>\$3,075,804</b> | <b>\$4,843,894</b> |  |
| <b>Operator Hybrid</b>     |                  |                  |                  |                  |                  |                    |                    |  |
| Revenue Split              | \$3,234,973      | \$3,253,538      | \$3,391,909      | \$3,323,084      | \$3,630,385      | \$16,833,889       | \$30,717,355       |  |
| Cost of sales              | \$866,014        | \$873,591        | \$913,108        | \$897,871        | \$982,931        | \$4,533,516        | \$8,227,332        |  |
| Supplement                 | \$0              | \$0              | \$0              | \$0              | \$0              | \$0                | \$235,000          |  |
| Net Revenue                | \$2,368,959      | \$2,379,947      | \$2,478,801      | \$2,425,213      | \$2,647,453      | \$12,300,373       | \$22,725,023       |  |

*Manitou Ridge*

**Status Quo**

| <b>Manitou Status Quo</b> |                  |                  |                  |                  |                  |                    |
|---------------------------|------------------|------------------|------------------|------------------|------------------|--------------------|
|                           | 2019             | 2020             | 2021             | 2022             | 2023             | Total 19-23        |
| <b>Rounds</b>             | 29,850           | 28,805           | 25,925           | 28,100           | 27,117           | 139,796            |
| <b>Revenue</b>            |                  |                  |                  |                  |                  |                    |
| <b>Passes</b>             |                  |                  |                  |                  |                  |                    |
| <b>Regular</b>            | \$1,397          | \$1,481          | \$1,481          | \$1,570          | \$4,709          | \$10,637           |
| Quantity                  | 1                | 1                | 1                | 1                | 3                |                    |
| Unit                      | \$1,397          | \$1,481          | \$1,481          | \$1,570          | \$1,570          |                    |
| <b>Senior</b>             | \$31,292         | \$33,169         | \$31,985         | \$33,904         | \$32,648         | \$162,998          |
| Quantity                  | 28               | 28               | 27               | 27               | 26               |                    |
| Unit                      | \$1,118          | \$1,185          | \$1,185          | \$1,256          | \$1,256          |                    |
| <b>Junior</b>             | \$373            | \$395            | \$395            | \$419            | \$419            | \$1,999            |
| Quantity                  | 1                | 1                | 1                | 1                | 1                |                    |
| Unit                      | \$373            | \$395            | \$395            | \$419            | \$419            |                    |
| <b>Total Passes</b>       | <b>\$33,061</b>  | <b>\$35,045</b>  | <b>\$33,861</b>  | <b>\$35,892</b>  | <b>\$37,776</b>  | <b>\$175,635</b>   |
| <b>Patron Card</b>        |                  |                  |                  |                  |                  |                    |
| <b>Resident</b>           |                  |                  |                  |                  |                  |                    |
| <b>Regular</b>            | \$1,397          | \$2,961          | \$2,912          | \$3,008          | \$2,956          | \$13,234           |
| Quantity                  | 60               | 120              | 118              | 115              | 113              |                    |
| Unit                      | \$23             | \$25             | \$25             | \$26             | \$26             |                    |
| <b>Total Patron Cards</b> | <b>\$1,397</b>   | <b>\$2,961</b>   | <b>\$2,912</b>   | <b>\$3,008</b>   | <b>\$2,956</b>   | <b>\$13,234</b>    |
| <b>Green Fee</b>          |                  |                  |                  |                  |                  |                    |
| Pass Rounds               | 2,340            | 2,340            | 2,262            | 2,262            | 2,340            | 11,544             |
| rnds/pass                 | 78.00            | 78.00            | 78.00            | 78.00            | 78.00            |                    |
| % Rounds                  |                  |                  |                  |                  |                  |                    |
| Patron Rounds             | 1,140            | 2,280            | 2,242            | 2,185            | 2,147            | 9,994              |
| rnds/patron               | 19.00            | 19.00            | 19.00            | 19.00            | 19.00            |                    |
| % Rounds                  |                  |                  |                  |                  |                  |                    |
| Regular Rounds            | 13,336           | 12,231           | 10,833           | 11,962           | 11,445           | 59,808             |
| % Rounds                  | 50.6%            | 50.6%            | 50.6%            | 50.6%            | 50.6%            |                    |
| Senior Rounds             | 8,693            | 7,972            | 7,061            | 7,797            | 7,460            | 38,983             |
| % Rounds                  | 33.0%            | 33.0%            | 33.0%            | 33.0%            | 33.0%            |                    |
| Other Rounds              | 4,341            | 3,981            | 3,526            | 3,894            | 3,725            | 19,468             |
| % Rounds                  | 16.5%            | 16.5%            | 16.5%            | 16.5%            | 16.5%            |                    |
| Avg Patron Rate           | \$23.37          | \$24.77          | \$24.77          | \$26.26          | \$26.26          |                    |
| Avg Regular Rate          | \$21.30          | \$22.58          | \$22.58          | \$23.93          | \$23.93          |                    |
| Avg Senior Rate           | \$20.50          | \$21.73          | \$21.73          | \$23.03          | \$23.03          |                    |
| Avg Other Rate            | \$14.67          | \$15.55          | \$15.55          | \$16.48          | \$16.48          |                    |
| Total Patron              | \$26,642         | \$56,481         | \$55,539         | \$57,375         | \$56,377         | \$252,414          |
| Total Regular             | \$284,063        | \$276,160        | \$244,593        | \$286,287        | \$273,899        | \$1,365,001        |
| Total Senior              | \$178,198        | \$173,240        | \$153,438        | \$179,593        | \$171,822        | \$856,291          |
| Total Other               | \$63,673         | \$61,902         | \$54,826         | \$64,172         | \$61,395         | \$305,967          |
| <b>Total Green Fees</b>   | <b>\$552,575</b> | <b>\$567,782</b> | <b>\$508,396</b> | <b>\$587,427</b> | <b>\$563,493</b> | <b>\$2,779,672</b> |
| <b>Cart Fees</b>          |                  |                  |                  |                  |                  |                    |
| avg rate                  | \$7.40           | \$7.84           | \$7.84           | \$8.31           | \$8.31           |                    |
| <b>Total Cart Fees</b>    | <b>\$220,890</b> | <b>\$225,948</b> | <b>\$203,354</b> | <b>\$233,641</b> | <b>\$225,464</b> | <b>\$1,109,297</b> |
| <b>Range</b>              |                  |                  |                  |                  |                  |                    |
| avg rate                  | \$1.30           | \$1.34           | \$1.38           | \$1.42           | \$1.46           |                    |
| <b>Total Range</b>        | <b>\$38,706</b>  | <b>\$38,472</b>  | <b>\$35,663</b>  | <b>\$39,815</b>  | <b>\$39,574</b>  | <b>\$192,231</b>   |

| Manitou Status Quo        |                  |                  |                  |                  |                  | Total 24-28        | Total 19-28        |
|---------------------------|------------------|------------------|------------------|------------------|------------------|--------------------|--------------------|
|                           | 2024             | 2025             | 2026             | 2027             | 2028             |                    |                    |
| <b>Rounds</b>             | 27,476           | 25,003           | 25,944           | 23,350           | 24,786           | 126,558            | 266,354            |
| <b>Revenue</b>            |                  |                  |                  |                  |                  |                    |                    |
| <b>Passes</b>             |                  |                  |                  |                  |                  |                    |                    |
| <b>Regular</b>            | \$3,328          | \$3,527          | \$3,527          | \$3,739          | \$3,739          | \$17,860           | \$28,497           |
| Quantity                  | 2                | 2                | 2                | 2                | 2                |                    |                    |
| Unit                      | \$1,664          | \$1,764          | \$1,764          | \$1,869          | \$1,869          | \$8,930            | \$8,930            |
| <b>Senior</b>             | \$34,607         | \$36,684         | \$35,273         | \$35,893         | \$35,893         | \$178,350          | \$341,349          |
| Quantity                  | 26               | 26               | 25               | 24               | 24               |                    |                    |
| Unit                      | \$1,331          | \$1,411          | \$1,411          | \$1,496          | \$1,496          | \$7,144            | \$7,144            |
| <b>Junior</b>             | \$444            | \$470            | \$470            | \$499            | \$499            | \$2,381            | \$4,381            |
| Quantity                  | 1                | 1                | 1                | 1                | 1                |                    |                    |
| Unit                      | \$444            | \$470            | \$470            | \$499            | \$499            | \$2,381            | \$2,381            |
| <b>Total Passes</b>       | <b>\$38,378</b>  | <b>\$40,681</b>  | <b>\$39,270</b>  | <b>\$40,131</b>  | <b>\$40,131</b>  | <b>\$198,592</b>   | <b>\$374,227</b>   |
| <b>Patron Card</b>        |                  |                  |                  |                  |                  |                    |                    |
| <b>Resident</b>           |                  |                  |                  |                  |                  |                    |                    |
| <b>Regular</b>            | \$3,105          | \$3,233          | \$3,204          | \$3,365          | \$3,533          | \$16,440           | \$29,674           |
| Quantity                  | 112              | 110              | 109              | 108              | 107              |                    |                    |
| Unit                      | \$28             | \$29             | \$29             | \$31             | \$33             |                    |                    |
| <b>Total Patron Cards</b> | <b>\$3,105</b>   | <b>\$3,233</b>   | <b>\$3,204</b>   | <b>\$3,365</b>   | <b>\$3,533</b>   | <b>\$16,440</b>    | <b>\$29,674</b>    |
| <b>Green Fee</b>          |                  |                  |                  |                  |                  |                    |                    |
| Pass Rounds               | 2,262            | 2,262            | 2,184            | 2,106            | 2,106            | 10,920             | 22,464             |
| rnds/pass                 | 78.00            | 78.00            | 78.00            | 78.00            | 78.00            |                    |                    |
| % Rounds                  |                  |                  |                  |                  |                  |                    |                    |
| Patron Rounds             | 2,128            | 2,090            | 2,071            | 2,052            | 2,033            | 10,374             | 20,368             |
| rnds/patron               | 19.00            | 19.00            | 19.00            | 19.00            | 19.00            |                    |                    |
| % Rounds                  |                  |                  |                  |                  |                  |                    |                    |
| Regular Rounds            | 11,675           | 10,444           | 10,969           | 9,706            | 10,442           | 53,236             | 113,043            |
| % Rounds                  | 50.6%            | 50.6%            | 50.6%            | 50.6%            | 50.6%            |                    |                    |
| Senior Rounds             | 7,610            | 6,807            | 7,150            | 6,326            | 6,806            | 34,699             | 73,682             |
| % Rounds                  | 33.0%            | 33.0%            | 33.0%            | 33.0%            | 33.0%            |                    |                    |
| Other Rounds              | 3,800            | 3,400            | 3,571            | 3,159            | 3,399            | 17,329             | 36,797             |
| % Rounds                  | 16.5%            | 16.5%            | 16.5%            | 16.5%            | 16.5%            |                    |                    |
| Avg Patron Rate           | \$24.95          | \$24.95          | \$23.70          | \$23.70          | \$23.70          |                    |                    |
| Avg Regular Rate          | \$22.74          | \$22.74          | \$21.60          | \$21.60          | \$21.60          |                    |                    |
| Avg Senior Rate           | \$21.88          | \$21.88          | \$20.79          | \$20.79          | \$20.79          |                    |                    |
| Avg Other Rate            | \$15.66          | \$14.87          | \$14.13          | \$13.42          | \$12.75          |                    |                    |
| Total Patron              | \$53,084         | \$52,136         | \$49,079         | \$48,629         | \$48,179         | \$251,107          | \$503,521          |
| Total Regular             | \$265,451        | \$237,454        | \$236,920        | \$209,639        | \$225,533        | \$1,174,997        | \$2,539,998        |
| Total Senior              | \$166,522        | \$148,959        | \$148,624        | \$131,511        | \$141,481        | \$737,098          | \$1,593,388        |
| Total Other               | \$59,501         | \$50,564         | \$50,451         | \$42,409         | \$43,343         | \$246,269          | \$552,235          |
| <b>Total Green Fees</b>   | <b>\$544,558</b> | <b>\$489,114</b> | <b>\$485,074</b> | <b>\$432,188</b> | <b>\$458,536</b> | <b>\$2,409,471</b> | <b>\$5,189,143</b> |
| <b>Cart Fees</b>          |                  |                  |                  |                  |                  |                    |                    |
| avg rate                  | \$8.81           | \$9.34           | \$9.34           | \$9.90           | \$9.90           |                    |                    |
| <b>Total Cart Fees</b>    | <b>\$242,158</b> | <b>\$233,586</b> | <b>\$242,377</b> | <b>\$231,228</b> | <b>\$245,448</b> | <b>\$1,194,797</b> | <b>\$2,304,094</b> |
| <b>Range</b>              |                  |                  |                  |                  |                  |                    |                    |
| avg rate                  | \$1.50           | \$1.55           | \$1.59           | \$1.64           | \$1.69           |                    |                    |
| <b>Total Range</b>        | <b>\$41,302</b>  | <b>\$38,712</b>  | <b>\$41,374</b>  | <b>\$38,354</b>  | <b>\$41,934</b>  | <b>\$201,676</b>   | <b>\$393,907</b>   |

| <b>Manitou Status Quo</b>  |                                     | 2019               | 2020               | 2021               | 2022               | 2023               | Total 19-23        |
|----------------------------|-------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| <b>Merchandise</b>         |                                     |                    |                    |                    |                    |                    |                    |
|                            | avg rate                            | \$3.08             | \$3.18             | \$3.27             | \$3.37             | \$3.47             |                    |
|                            | <b>Total Merchandise</b>            | <b>\$92,039</b>    | <b>\$91,482</b>    | <b>\$84,804</b>    | <b>\$94,677</b>    | <b>\$94,105</b>    | <b>\$457,108</b>   |
| <b>Food &amp; Beverage</b> |                                     |                    |                    |                    |                    |                    |                    |
|                            | <b>Golf</b>                         | <b>\$189,392</b>   | <b>\$188,246</b>   | <b>\$174,504</b>   | <b>\$194,821</b>   | <b>\$193,642</b>   | <b>\$940,607</b>   |
|                            | avg rate                            | \$6.34             | \$6.54             | \$6.73             | \$6.93             | \$7.14             |                    |
|                            | <b>Total F&amp;B</b>                | <b>\$189,392</b>   | <b>\$188,246</b>   | <b>\$174,504</b>   | <b>\$194,821</b>   | <b>\$193,642</b>   | <b>\$940,607</b>   |
|                            | <b>Total Revenue</b>                | <b>\$1,128,061</b> | <b>\$1,149,937</b> | <b>\$1,043,493</b> | <b>\$1,189,282</b> | <b>\$1,157,010</b> | <b>\$5,667,783</b> |
| <b>County Compensation</b> |                                     |                    |                    |                    |                    |                    |                    |
|                            | <b>Green Fee total rev</b>          | <b>\$587,033</b>   | <b>\$605,788</b>   | <b>\$545,168</b>   | <b>\$626,327</b>   | <b>\$604,224</b>   | <b>\$2,968,541</b> |
|                            | Breakpoint                          | \$850,000          | \$850,000          | \$850,000          | \$850,000          | \$850,000          |                    |
|                            | % Up to breakpt                     | 13%                | 13%                | 13%                | 13%                | 13%                |                    |
|                            | % Over breakpt                      | 13%                | 13%                | 13%                | 13%                | 13%                |                    |
|                            | <b>Total Comp</b>                   | <b>\$76,314</b>    | <b>\$78,752</b>    | <b>\$70,872</b>    | <b>\$81,423</b>    | <b>\$78,549</b>    | <b>\$385,910</b>   |
|                            | <b>Cart Fee total rev</b>           | <b>\$220,890</b>   | <b>\$225,948</b>   | <b>\$203,354</b>   | <b>\$233,641</b>   | <b>\$225,464</b>   | <b>\$1,109,297</b> |
|                            | Breakpoint                          | \$200,000          | \$200,000          | \$200,000          | \$200,000          | \$200,000          |                    |
|                            | % Up to breakpt                     | 13%                | 13%                | 13%                | 13%                | 13%                |                    |
|                            | % Over breakpt                      | 13%                | 13%                | 13%                | 13%                | 13%                |                    |
|                            | <b>Total Comp</b>                   | <b>\$28,716</b>    | <b>\$29,373</b>    | <b>\$26,436</b>    | <b>\$30,373</b>    | <b>\$29,310</b>    | <b>\$144,209</b>   |
|                            | <b>Range</b>                        | <b>\$38,706</b>    | <b>\$38,472</b>    | <b>\$35,663</b>    | <b>\$39,815</b>    | <b>\$39,574</b>    | <b>\$192,231</b>   |
|                            | Breakpoint                          | \$40,000           | \$40,000           | \$40,000           | \$40,000           | \$40,000           |                    |
|                            | % Up to breakpt                     | 13%                | 13%                | 13%                | 13%                | 13%                |                    |
|                            | % Over breakpt                      | 13%                | 13%                | 13%                | 13%                | 13%                |                    |
|                            | <b>Total Comp</b>                   | <b>\$5,032</b>     | <b>\$5,001</b>     | <b>\$4,636</b>     | <b>\$5,176</b>     | <b>\$5,145</b>     | <b>\$24,990</b>    |
|                            | <b>Food &amp; Beverage</b>          | <b>\$189,392</b>   | <b>\$188,246</b>   | <b>\$174,504</b>   | <b>\$194,821</b>   | <b>\$193,642</b>   | <b>\$940,607</b>   |
|                            | % F&B                               | 13%                | 13%                | 13%                | 13%                | 13%                |                    |
|                            | <b>Total Comp</b>                   | <b>\$24,621</b>    | <b>\$24,472</b>    | <b>\$22,686</b>    | <b>\$25,327</b>    | <b>\$25,174</b>    | <b>\$122,279</b>   |
|                            | <b>Merchandise</b>                  | <b>\$92,039</b>    | <b>\$91,482</b>    | <b>\$84,804</b>    | <b>\$94,677</b>    | <b>\$94,105</b>    | <b>\$457,108</b>   |
|                            | Breakpoint                          | \$50,000           | \$50,000           | \$50,000           | \$50,000           | \$50,000           | \$250,000          |
|                            | % Up to breakpt                     | 13%                | 13%                | 13%                | 13%                | 13%                |                    |
|                            | % Over breakpt                      | 13%                | 13%                | 13%                | 13%                | 13%                |                    |
|                            | <b>Total Comp</b>                   | <b>\$11,965</b>    | <b>\$11,893</b>    | <b>\$11,025</b>    | <b>\$12,308</b>    | <b>\$12,234</b>    | <b>\$59,424</b>    |
|                            | <b>County Share</b>                 | <b>\$146,648</b>   | <b>\$149,492</b>   | <b>\$135,654</b>   | <b>\$154,607</b>   | <b>\$150,411</b>   | <b>\$736,812</b>   |
| <b>Expenses</b>            |                                     |                    |                    |                    |                    |                    |                    |
|                            | <b>Personnel Services</b>           | <b>\$0</b>         | <b>\$0</b>         | <b>\$0</b>         | <b>\$0</b>         | <b>\$0</b>         | <b>\$0</b>         |
|                            | <b>Other Services &amp; Charges</b> | <b>\$6,866</b>     | <b>\$7,072</b>     | <b>\$7,284</b>     | <b>\$7,503</b>     | <b>\$7,728</b>     | <b>\$36,452</b>    |
|                            | <b>Supplies</b>                     | <b>\$373</b>       | <b>\$384</b>       | <b>\$396</b>       | <b>\$407</b>       | <b>\$420</b>       | <b>\$1,980</b>     |
|                            | <b>Capital Outlay</b>               | <b>\$0</b>         | <b>\$0</b>         | <b>\$0</b>         | <b>\$0</b>         | <b>\$0</b>         | <b>\$0</b>         |
|                            | <b>Total Expenses</b>               | <b>\$7,239</b>     | <b>\$7,456</b>     | <b>\$7,680</b>     | <b>\$7,910</b>     | <b>\$8,147</b>     | <b>\$38,432</b>    |
|                            | <b>Net Income</b>                   | <b>\$139,409</b>   | <b>\$142,036</b>   | <b>\$127,974</b>   | <b>\$146,697</b>   | <b>\$142,264</b>   | <b>\$698,380</b>   |
|                            | Operator Revenue                    | \$981,413          | \$1,000,445        | \$907,839          | \$1,034,676        | \$1,006,599        | \$4,930,972        |
|                            | less Cost of Sales                  | \$142,025          | \$141,166          | \$130,861          | \$146,096          | \$145,212          | \$705,360          |
|                            | <b>Net Operator</b>                 | <b>\$839,388</b>   | <b>\$859,280</b>   | <b>\$776,979</b>   | <b>\$888,579</b>   | <b>\$861,386</b>   | <b>\$4,225,611</b> |

| <b>Manitou Status Quo</b>           |                  |                  |                  |                  |                  | <b>Total 24-28</b> | <b>Total 19-28</b>  |
|-------------------------------------|------------------|------------------|------------------|------------------|------------------|--------------------|---------------------|
|                                     | <b>2024</b>      | <b>2025</b>      | <b>2026</b>      | <b>2027</b>      | <b>2028</b>      |                    |                     |
| <b>Merchandise</b>                  |                  |                  |                  |                  |                  |                    |                     |
| avg rate                            | \$3.57           | \$3.68           | \$3.79           | \$3.91           | \$4.02           |                    |                     |
| <b>Total Merchandise</b>            | <b>\$98,212</b>  | <b>\$92,054</b>  | <b>\$98,384</b>  | <b>\$91,202</b>  | <b>\$99,715</b>  | <b>\$479,568</b>   | <b>\$936,675</b>    |
| <b>Food &amp; Beverage</b>          |                  |                  |                  |                  |                  |                    |                     |
| <b>Golf</b>                         | <b>\$202,094</b> | <b>\$189,423</b> | <b>\$202,448</b> | <b>\$187,670</b> | <b>\$205,188</b> | <b>\$986,823</b>   | <b>\$1,927,430</b>  |
| avg rate                            | \$7.36           | \$7.58           | \$7.80           | \$8.04           | \$8.28           |                    |                     |
| <b>Total F&amp;B</b>                | <b>\$202,094</b> | <b>\$189,423</b> | <b>\$202,448</b> | <b>\$187,670</b> | <b>\$205,188</b> | <b>\$986,823</b>   | <b>\$1,927,430</b>  |
| <b>Total Revenue</b>                |                  |                  |                  |                  |                  | <b>\$5,487,366</b> | <b>\$11,155,150</b> |
| <b>County Compensation</b>          |                  |                  |                  |                  |                  |                    |                     |
| <b>Green Fee total rev</b>          | <b>\$586,042</b> | <b>\$533,028</b> | <b>\$527,547</b> | <b>\$475,684</b> | <b>\$502,201</b> | <b>\$2,624,502</b> | <b>\$5,593,043</b>  |
| Breakpoint                          | \$850,000        | \$850,000        | \$850,000        | \$850,000        | \$850,000        |                    |                     |
| % Up to breakpt                     | 13%              | 13%              | 13%              | 13%              | 13%              |                    |                     |
| % Over breakpt                      | 13%              | 13%              | 13%              | 13%              | 13%              |                    |                     |
| <b>Total Comp</b>                   | <b>\$76,185</b>  | <b>\$69,294</b>  | <b>\$68,581</b>  | <b>\$61,839</b>  | <b>\$65,286</b>  | <b>\$341,185</b>   | <b>\$727,096</b>    |
| <b>Cart Fee total rev</b>           | <b>\$242,158</b> | <b>\$233,586</b> | <b>\$242,377</b> | <b>\$231,228</b> | <b>\$245,448</b> | <b>\$1,194,797</b> | <b>\$2,304,094</b>  |
| Breakpoint                          | \$200,000        | \$200,000        | \$200,000        | \$200,000        | \$200,000        |                    |                     |
| % Up to breakpt                     | 13%              | 13%              | 13%              | 13%              | 13%              |                    |                     |
| % Over breakpt                      | 13%              | 13%              | 13%              | 13%              | 13%              |                    |                     |
| <b>Total Comp</b>                   | <b>\$31,481</b>  | <b>\$30,366</b>  | <b>\$31,509</b>  | <b>\$30,060</b>  | <b>\$31,908</b>  | <b>\$155,324</b>   | <b>\$299,532</b>    |
| <b>Range</b>                        | <b>\$41,302</b>  | <b>\$38,712</b>  | <b>\$41,374</b>  | <b>\$38,354</b>  | <b>\$41,934</b>  | <b>\$201,676</b>   | <b>\$393,907</b>    |
| Breakpoint                          | \$40,000         | \$40,000         | \$40,000         | \$40,000         | \$40,000         |                    |                     |
| % Up to breakpt                     | 13%              | 13%              | 13%              | 13%              | 13%              |                    |                     |
| % Over breakpt                      | 13%              | 13%              | 13%              | 13%              | 13%              |                    |                     |
| <b>Total Comp</b>                   | <b>\$5,369</b>   | <b>\$5,033</b>   | <b>\$5,379</b>   | <b>\$4,986</b>   | <b>\$5,451</b>   | <b>\$26,218</b>    | <b>\$51,208</b>     |
| <b>Food &amp; Beverage</b>          | <b>\$202,094</b> | <b>\$189,423</b> | <b>\$202,448</b> | <b>\$187,670</b> | <b>\$205,188</b> | <b>\$986,823</b>   | <b>\$1,927,430</b>  |
| % F&B                               | 13%              | 13%              | 13%              | 13%              | 13%              |                    |                     |
| <b>Total Comp</b>                   | <b>\$26,272</b>  | <b>\$24,625</b>  | <b>\$26,318</b>  | <b>\$24,397</b>  | <b>\$26,674</b>  | <b>\$128,287</b>   | <b>\$250,566</b>    |
| <b>Merchandise</b>                  | <b>\$98,212</b>  | <b>\$92,054</b>  | <b>\$98,384</b>  | <b>\$91,202</b>  | <b>\$99,715</b>  | <b>\$479,568</b>   | <b>\$936,675</b>    |
| Breakpoint                          | \$50,000         | \$50,000         | \$50,000         | \$50,000         | \$50,000         |                    |                     |
| % Up to breakpt                     | 13%              | 13%              | 13%              | 13%              | 13%              |                    |                     |
| % Over breakpt                      | 13%              | 13%              | 13%              | 13%              | 13%              |                    |                     |
| <b>Total Comp</b>                   | <b>\$12,768</b>  | <b>\$11,967</b>  | <b>\$12,790</b>  | <b>\$11,856</b>  | <b>\$12,963</b>  | <b>\$62,344</b>    | <b>\$121,768</b>    |
| <b>County Share</b>                 | <b>\$152,075</b> | <b>\$141,284</b> | <b>\$144,577</b> | <b>\$133,138</b> | <b>\$142,283</b> | <b>\$713,358</b>   | <b>\$1,450,169</b>  |
| <b>Expenses</b>                     |                  |                  |                  |                  |                  |                    |                     |
| <b>Personnel Services</b>           | <b>\$0</b>       | <b>\$0</b>       | <b>\$0</b>       | <b>\$0</b>       | <b>\$0</b>       | <b>\$0</b>         | <b>\$0</b>          |
| <b>Other Services &amp; Charges</b> | <b>\$7,960</b>   | <b>\$8,198</b>   | <b>\$8,444</b>   | <b>\$8,698</b>   | <b>\$8,959</b>   | <b>\$42,258</b>    | <b>\$78,711</b>     |
| <b>Supplies</b>                     | <b>\$432</b>     | <b>\$445</b>     | <b>\$459</b>     | <b>\$472</b>     | <b>\$486</b>     | <b>\$2,295</b>     | <b>\$4,274</b>      |
| <b>Capital Outlay</b>               | <b>\$0</b>       | <b>\$0</b>       | <b>\$0</b>       | <b>\$0</b>       | <b>\$0</b>       | <b>\$0</b>         | <b>\$0</b>          |
| <b>Total Expenses</b>               | <b>\$8,392</b>   | <b>\$8,644</b>   | <b>\$8,903</b>   | <b>\$9,170</b>   | <b>\$9,445</b>   | <b>\$44,553</b>    | <b>\$82,985</b>     |
| <b>Net Income</b>                   |                  |                  |                  |                  |                  | <b>\$668,804</b>   | <b>\$1,367,184</b>  |
| Operator Revenue                    | \$1,017,734      | \$945,519        | \$967,554        | \$890,999        | \$952,203        | \$4,774,009        | \$9,704,980         |
| less Cost of Sales                  | \$151,550        | \$142,048        | \$151,816        | \$140,733        | \$153,870        | \$740,018          | \$1,445,378         |
| <b>Net Operator</b>                 | <b>\$866,183</b> | <b>\$803,471</b> | <b>\$815,738</b> | <b>\$750,266</b> | <b>\$798,332</b> | <b>\$4,033,991</b> | <b>\$8,259,602</b>  |

**Scenario 1: Priority Fixes**

| <b>Manitou Irrigation and Bunkers</b> |          |  |                 |                 |                     |                 |                 |                  |
|---------------------------------------|----------|--|-----------------|-----------------|---------------------|-----------------|-----------------|------------------|
|                                       |          |  | 2019            | 2020            | 2021                | 2022            | 2023            | Total 19-23      |
| <b>Rounds</b>                         |          |  | 31,500          | 32,130          | 19,000              | 33,500          | 34,003          | 150,133          |
|                                       |          |  |                 | Build Temp Hole | Irrigation, Bunkers |                 |                 |                  |
| <b>Revenue</b>                        |          |  |                 |                 |                     |                 |                 |                  |
| <b>Passes</b>                         |          |  |                 |                 |                     |                 |                 |                  |
| <b>Regular</b>                        |          |  | \$5,884         | \$7,613         | \$9,135             | \$11,031        | \$13,048        | \$46,710         |
|                                       | Quantity |  | 4.0             | 5               | 6                   | 7               | 8               |                  |
|                                       | Unit     |  | \$1,471         | \$1,523         | \$1,523             | \$1,576         | \$1,631         |                  |
| <b>Senior</b>                         |          |  | \$14,615        | \$16,207        | \$17,288            | \$19,011        | \$20,834        | \$87,956         |
|                                       | Quantity |  | 14              | 15              | 16                  | 17              | 18              |                  |
|                                       | Unit     |  | \$1,044         | \$1,080         | \$1,080             | \$1,118         | \$1,157         |                  |
| <b>Junior</b>                         |          |  | \$759           | \$786           | \$786               | \$813           | \$842           | \$3,986          |
|                                       | Quantity |  | 2               | 2               | 2                   | 2               | 2               |                  |
|                                       | Unit     |  | \$380           | \$393           | \$393               | \$407           | \$421           |                  |
| <b>Weekday Regular</b>                |          |  | \$5,457         | \$5,648         | \$6,778             | \$7,015         | \$7,260         | \$32,158         |
|                                       | Quantity |  | 5               | 5               | 6                   | 6               | 6               |                  |
|                                       | Unit     |  | \$1,091.40      | \$1,130         | \$1,130             | \$1,169         | \$1,210         |                  |
| <b>Weekday Senior</b>                 |          |  | \$25,055        | \$26,742        | \$27,552            | \$15,936        | \$17,362        | \$112,647        |
|                                       | Quantity |  | 32              | 33              | 34                  | 19              | 20              |                  |
|                                       | Unit     |  | \$782.96        | \$810           | \$810               | \$839           | \$868           |                  |
| <b>Total Passes</b>                   |          |  | 57              | 60              | 64                  | 51              | 54              |                  |
| <b>Total Passes</b>                   |          |  | <b>\$51,770</b> | <b>\$56,996</b> | <b>\$61,539</b>     | <b>\$53,806</b> | <b>\$59,345</b> | <b>\$283,456</b> |
| <b>Patron Card</b>                    |          |  |                 |                 |                     |                 |                 |                  |
| <b>Resident</b>                       |          |  |                 |                 |                     |                 |                 |                  |
| <b>Regular</b>                        |          |  | \$380           | \$393           | \$407               | \$421           | \$436           | \$2,036          |
|                                       | Quantity |  | 10              | 10              | 10                  | 10              | 10              |                  |
|                                       | Unit     |  | \$37.96         | \$39.29         | \$40.67             | \$42.09         | \$43.56         |                  |
| <b>Senior</b>                         |          |  | \$341.66        | \$353.61        | \$365.99            | \$378.80        | \$392.06        | \$1,832.12       |
|                                       | Quantity |  | 12              | 12              | 12                  | 12              | 12              |                  |
|                                       | Unit     |  | \$28.47         | \$29.47         | \$30.50             | \$31.57         | \$32.67         |                  |
| <b>Premium</b>                        |          |  | \$427.07        | \$442.02        | \$457.49            | \$473.50        | \$490.07        | \$2,290.15       |
|                                       | Quantity |  | 5               | 5               | 5                   | 5               | 5               |                  |
|                                       | Unit     |  | \$85.41         | \$88.40         | \$91.50             | \$94.70         | \$98.01         |                  |
| <b>Premium Senior</b>                 |          |  | \$531.47        | \$550.07        | \$569.32            | \$589.25        | \$609.87        | \$2,849.97       |
|                                       | Quantity |  | 8               | 8               | 8                   | 8               | 8               |                  |
|                                       | Unit     |  | \$66.43         | \$68.76         | \$71.16             | \$73.66         | \$76.23         |                  |
| <b>Non-Resident</b>                   |          |  |                 |                 |                     |                 |                 |                  |
| <b>Regular</b>                        |          |  | \$237.26        | \$245.57        | \$254.16            | \$263.06        | \$272.26        | \$1,272.31       |
|                                       | Quantity |  | 5               | 5               | 5                   | 5               | 5               |                  |
|                                       | Unit     |  | \$47.45         | \$49.11         | \$50.83             | \$52.61         | \$54.45         |                  |
| <b>Senior</b>                         |          |  | \$455.54        | \$471.49        | \$487.99            | \$505.07        | \$522.75        | \$2,442.83       |
|                                       | Quantity |  | 12              | 12              | 12                  | 12              | 12              |                  |
|                                       | Unit     |  | \$37.96         | \$39.29         | \$40.67             | \$42.09         | \$43.56         |                  |
| <b>Premium</b>                        |          |  | \$284.71        | \$884.04        | \$1,219.97          | \$1,367.89      | \$1,633.58      | \$5,390.19       |
|                                       | Quantity |  | 3               | 9               | 12                  | 13              | 15              |                  |
|                                       | Unit     |  | \$94.90         | \$98.23         | \$101.66            | \$105.22        | \$108.91        |                  |
| <b>Premium Senior</b>                 |          |  | \$303.69        | \$1,414.46      | \$1,626.63          | \$1,767.74      | \$1,916.73      | \$7,029.25       |
|                                       | Quantity |  | 4               | 18              | 20                  | 21              | 22              |                  |
|                                       | Unit     |  | \$75.92         | \$78.58         | \$81.33             | \$84.18         | \$87.12         |                  |
| <b>Total quantity</b>                 |          |  | 59              | 79              | 84                  | 86              | 89              |                  |
| <b>Total Patron Cards</b>             |          |  | <b>\$2,961</b>  | <b>\$4,754</b>  | <b>\$5,388</b>      | <b>\$5,766</b>  | <b>\$6,273</b>  | <b>\$25,143</b>  |

| <b>Manitou Irrigation and Bunkers</b> |                 |                 |                 |                 |                 | <b>Total 19-23</b> | <b>Total 19-28</b> |
|---------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|--------------------|--------------------|
|                                       | <b>2024</b>     | <b>2025</b>     | <b>2026</b>     | <b>2027</b>     | <b>2028</b>     |                    |                    |
| <b>Rounds</b>                         | <b>35,723</b>   | <b>32,151</b>   | <b>32,633</b>   | <b>29,370</b>   | <b>30,556</b>   | <b>160,433</b>     | <b>310,565</b>     |
| <b>Revenue</b>                        |                 |                 |                 |                 |                 |                    |                    |
| <b>Passes</b>                         |                 |                 |                 |                 |                 |                    |                    |
| <b>Regular</b>                        | \$15,192        | \$17,471        | \$19,891        | \$22,459        | \$27,119        | <b>\$102,132</b>   | <b>\$148,842</b>   |
| Quantity                              | 9               | 10              | 11              | 12              | 14              |                    |                    |
| Unit                                  | \$1,688         | \$1,747         | \$1,808         | \$1,872         | \$1,937         |                    |                    |
| <b>Senior</b>                         | \$22,761        | \$24,798        | \$26,949        | \$29,220        | \$31,618        | <b>\$135,346</b>   | <b>\$223,302</b>   |
| Quantity                              | 19              | 20              | 21              | 22              | 23              |                    |                    |
| Unit                                  | \$1,198         | \$1,240         | \$1,283         | \$1,328         | \$1,375         |                    |                    |
| <b>Junior</b>                         | \$871           | \$1,353         | \$1,400         | \$1,449         | \$1,500         | <b>\$6,572</b>     | <b>\$10,558</b>    |
| Quantity                              | 2               | 3               | 3               | 3               | 3               |                    |                    |
| Unit                                  | \$436           | \$451           | \$467           | \$483           | \$500           |                    |                    |
| <b>Weekday Regular</b>                | \$7,514         | \$9,074         | \$9,391         | \$9,720         | \$10,060        | <b>\$45,760</b>    | <b>\$77,917</b>    |
| Quantity                              | 6               | 7               | 7               | 7               | 7               |                    |                    |
| Unit                                  | \$1,252         | \$1,296         | \$1,342         | \$1,389         | \$1,437         |                    |                    |
| <b>Weekday Senior</b>                 | \$18,868        | \$19,528        | \$21,174        | \$22,911        | \$24,744        | <b>\$107,226</b>   | <b>\$219,873</b>   |
| Quantity                              | 21              | 21              | 22              | 23              | 24              |                    |                    |
| Unit                                  | \$898           | \$930           | \$962           | \$996           | \$1,031         |                    |                    |
| <b>Total Passes</b>                   | <b>57</b>       | <b>61</b>       | <b>64</b>       | <b>67</b>       | <b>71</b>       |                    |                    |
| <b>Total Passes</b>                   | <b>\$65,207</b> | <b>\$72,223</b> | <b>\$78,805</b> | <b>\$85,759</b> | <b>\$95,041</b> | <b>\$397,036</b>   | <b>\$680,492</b>   |
| <b>Patron Card</b>                    |                 |                 |                 |                 |                 |                    |                    |
| <b>Resident</b>                       |                 |                 |                 |                 |                 |                    |                    |
| <b>Regular</b>                        | \$451           | \$467           | \$483           | \$500           | \$517           | <b>\$2,418</b>     | <b>\$4,453</b>     |
| Quantity                              | 10              | 10              | 10              | 10              | 10              |                    |                    |
| Unit                                  | \$45.09         | \$46.66         | \$48.30         | \$49.99         | \$51.74         |                    |                    |
| <b>Senior</b>                         | \$405.78        | \$419.98        | \$434.68        | \$449.90        | \$465.64        | <b>\$2,175.99</b>  | <b>\$4,008</b>     |
| Quantity                              | 12              | 12              | 12              | 12              | 12              |                    |                    |
| Unit                                  | \$33.82         | \$35.00         | \$36.22         | \$37.49         | \$38.80         |                    |                    |
| <b>Premium</b>                        | \$507.23        | \$524.98        | \$543.35        | \$562.37        | \$582.05        | <b>\$2,719.98</b>  | <b>\$5,010</b>     |
| Quantity                              | 5               | 5               | 5               | 5               | 5               |                    |                    |
| Unit                                  | \$101.45        | \$105.00        | \$108.67        | \$112.47        | \$116.41        |                    |                    |
| <b>Premium Senior</b>                 | \$631.22        | \$653.31        | \$676.17        | \$699.84        | \$724.33        | <b>\$3,384.87</b>  | <b>\$6,235</b>     |
| Quantity                              | 8               | 8               | 8               | 8               | 8               |                    |                    |
| Unit                                  | \$78.90         | \$81.66         | \$84.52         | \$87.48         | \$90.54         |                    |                    |
| <b>Non-Resident</b>                   |                 |                 |                 |                 |                 |                    |                    |
| <b>Regular</b>                        | \$281.79        | \$291.66        | \$301.86        | \$312.43        | \$323.36        | <b>\$1,511.10</b>  | <b>\$2,783</b>     |
| Quantity                              | 5               | 5               | 5               | 5               | 5               |                    |                    |
| Unit                                  | \$56.36         | \$58.33         | \$60.37         | \$62.49         | \$64.67         |                    |                    |
| <b>Senior</b>                         | \$541.04        | \$559.98        | \$579.58        | \$599.86        | \$620.86        | <b>\$2,901.32</b>  | <b>\$5,344</b>     |
| Quantity                              | 12              | 12              | 12              | 12              | 12              |                    |                    |
| Unit                                  | \$45.09         | \$46.66         | \$48.30         | \$49.99         | \$51.74         |                    |                    |
| <b>Premium</b>                        | \$1,803.47      | \$1,983.26      | \$2,173.41      | \$2,374.46      | \$2,586.91      | <b>\$10,921.50</b> | <b>\$16,312</b>    |
| Quantity                              | 16              | 17              | 18              | 19              | 20              |                    |                    |
| Unit                                  | \$112.72        | \$116.66        | \$120.75        | \$124.97        | \$129.35        |                    |                    |
| <b>Premium Senior</b>                 | \$2,073.99      | \$2,239.91      | \$2,414.90      | \$2,599.40      | \$2,793.86      | <b>\$12,122.07</b> | <b>\$19,151</b>    |
| Quantity                              | 23              | 24              | 25              | 26              | 27              |                    |                    |
| Unit                                  | \$90.17         | \$93.33         | \$96.60         | \$99.98         | \$103.48        |                    |                    |
| <b>Total quantity</b>                 | <b>91</b>       | <b>93</b>       | <b>95</b>       | <b>97</b>       | <b>99</b>       |                    |                    |
| <b>Total Patron Cards</b>             | <b>\$6,695</b>  | <b>\$7,140</b>  | <b>\$7,607</b>  | <b>\$8,098</b>  | <b>\$8,614</b>  | <b>\$38,155</b>    | <b>\$63,297</b>    |

| <b>Manitou Scenario 1: Priority Fixes</b> |                    |                    |                    |                    |                    |                    |  |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--|
|   | 2019               | 2020               | 2021               | 2022               | 2023               | Total 19-23        |  |
| <b>Green Fee</b>                          |                    |                    |                    |                    |                    |                    |  |
| Pass Rounds                               | 3,534              | 3,720              | 3,968              | 3,162              | 3,348              | 17,732             |  |
| rnds/pass                                 | 62.00              | 62.00              | 62.00              | 62.00              | 62.00              |                    |  |
| Patron Rounds                             | 1,180              | 1,580              | 1,680              | 1,720              | 1,780              | 7,940              |  |
| rnds/patron                               | 20.00              | 20.00              | 20.00              | 20.00              | 20.00              |                    |  |
| Regular Rounds                            | 13,661             | 13,683             | 6,810              | 14,595             | 14,726             | 63,475             |  |
| % Rounds                                  | 51.0%              | 51.0%              | 51.0%              | 51.0%              | 51.0%              |                    |  |
| Senior Rounds                             | 8,839              | 8,854              | 4,406              | 9,444              | 9,529              | 41,072             |  |
| % Rounds                                  | 33.0%              | 33.0%              | 33.0%              | 33.0%              | 33.0%              |                    |  |
| Other Rounds                              | 4,286              | 4,293              | 2,136              | 4,579              | 4,620              | 19,914             |  |
| % Rounds                                  | 16.0%              | 16.0%              | 16.0%              | 16.0%              | 16.0%              |                    |  |
| Avg Patron Rate                           | \$23.50            | \$24.32            | \$25.17            | \$26.05            | \$26.97            |                    |  |
| Avg Regular Rate                          | \$21.50            | \$22.25            | \$23.03            | \$23.84            | \$24.67            |                    |  |
| Avg Senior Rate                           | \$20.60            | \$21.32            | \$22.07            | \$22.84            | \$23.64            |                    |  |
| Avg Other Rate                            | \$16.00            | \$16.56            | \$17.14            | \$17.74            | \$18.36            |                    |  |
| Total Patron                              | \$27,730           | \$38,430           | \$42,292           | \$44,814           | \$48,001           | \$201,267          |  |
| Total Regular                             | \$293,708          | \$304,488          | \$156,832          | \$347,912          | \$363,316          | \$1,466,256        |  |
| Total Senior                              | \$182,091          | \$188,774          | \$97,232           | \$215,696          | \$225,246          | \$909,039          |  |
| Total Other                               | \$68,572           | \$71,089           | \$36,616           | \$81,227           | \$84,823           | \$342,327          |  |
| <b>Total Green Fees</b>                   | <b>\$572,102</b>   | <b>\$602,780</b>   | <b>\$332,972</b>   | <b>\$689,649</b>   | <b>\$721,386</b>   | <b>\$2,918,889</b> |  |
| <b>Cart Fees</b>                          |                    |                    |                    |                    |                    |                    |  |
| avg rate                                  | \$7.50             | \$7.76             | \$7.76             | \$8.03             | \$8.32             |                    |  |
| <b>Total Cart Fees</b>                    | <b>\$236,250</b>   | <b>\$249,409</b>   | <b>\$147,488</b>   | <b>\$269,145</b>   | <b>\$282,744</b>   | <b>\$1,185,036</b> |  |
| <b>Range</b>                              |                    |                    |                    |                    |                    |                    |  |
| avg rate                                  | \$1.35             | \$1.40             | \$0.50             | \$2.75             | \$2.85             |                    |  |
| <b>Total Range</b>                        | <b>\$42,525</b>    | <b>\$44,894</b>    | <b>\$9,500</b>     | <b>\$92,125</b>    | <b>\$96,780</b>    | <b>\$285,823</b>   |  |
| <b>Merchandise</b>                        |                    |                    |                    |                    |                    |                    |  |
| avg rate                                  | \$3.50             | \$3.62             | \$3.75             | \$3.88             | \$4.02             |                    |  |
| <b>Total Merchandise</b>                  | <b>\$110,250</b>   | <b>\$116,391</b>   | <b>\$71,236</b>    | <b>\$129,997</b>   | <b>\$136,565</b>   | <b>\$564,440</b>   |  |
| <b>Food &amp; Beverage</b>                |                    |                    |                    |                    |                    |                    |  |
| Golf                                      | \$211,050          | \$222,805          | \$136,367          | \$248,852          | \$261,425          | \$1,080,499        |  |
| avg rate                                  | \$6.70             | \$6.93             | \$7.18             | \$7.43             | \$7.69             |                    |  |
| <b>Total F&amp;B</b>                      | <b>\$211,050</b>   | <b>\$222,805</b>   | <b>\$136,367</b>   | <b>\$248,852</b>   | <b>\$261,425</b>   | <b>\$1,080,499</b> |  |
| <b>Total Revenue</b>                      | <b>\$1,226,908</b> | <b>\$1,298,029</b> | <b>\$764,490</b>   | <b>\$1,489,340</b> | <b>\$1,564,518</b> | <b>\$6,343,285</b> |  |
| <b>Cost of Sales</b>                      |                    |                    |                    |                    |                    |                    |  |
| Food and Beverage                         | \$84,420           | \$89,122           | \$54,547           | \$99,541           | \$104,570          | \$432,200          |  |
| Merchandise                               | \$79,380           | \$83,801           | \$51,290           | \$93,598           | \$98,327           | \$406,397          |  |
| <b>Total Cost of Sales</b>                | <b>\$163,800</b>   | <b>\$172,924</b>   | <b>\$105,837</b>   | <b>\$193,139</b>   | <b>\$202,897</b>   | <b>\$838,596</b>   |  |
| <b>Gross Revenue</b>                      | <b>\$1,063,108</b> | <b>\$1,125,105</b> | <b>\$658,653</b>   | <b>\$1,296,201</b> | <b>\$1,361,621</b> | <b>\$5,504,689</b> |  |
| <b>County Compensation</b>                |                    |                    |                    |                    |                    |                    |  |
| Breakpoint                                |                    |                    |                    | \$1,000,000        | \$1,030,000        |                    |  |
| % below breakpoint                        | 13%                | 13%                | 5%                 | 10%                | 10%                |                    |  |
| % above breakpoint                        | 13%                | 13%                | 5%                 | 75%                | 75%                |                    |  |
| <b>County Share</b>                       | <b>\$159,498</b>   | <b>\$168,744</b>   | <b>\$38,224</b>    | <b>\$322,151</b>   | <b>\$351,716</b>   | <b>\$1,040,333</b> |  |
| <b>Expenses</b>                           |                    |                    |                    |                    |                    |                    |  |
| Personnel Services                        | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                |  |
| Other Services & Charges                  | \$6,866            | \$7,072            | \$7,284            | \$7,503            | \$7,728            | \$36,452           |  |
| Supplement                                |                    |                    | \$100,000          |                    |                    |                    |  |
| Supplies                                  | \$373              | \$384              | \$396              | \$407              | \$420              | \$1,980            |  |
| Marketing                                 | \$3,987            | \$4,219            | \$956              | \$8,054            | \$8,793            | \$26,008           |  |
| <b>Total Expenses</b>                     | <b>\$11,226</b>    | <b>\$11,675</b>    | <b>\$108,635</b>   | <b>\$15,964</b>    | <b>\$16,940</b>    | <b>\$164,440</b>   |  |
| <b>Net Income</b>                         | <b>\$148,272</b>   | <b>\$157,069</b>   | <b>(\$70,411)</b>  | <b>\$306,187</b>   | <b>\$334,776</b>   | <b>\$875,893</b>   |  |
| <b>Difference to Status Quo</b>           | <b>\$8,863</b>     | <b>\$15,033</b>    | <b>(\$198,385)</b> | <b>\$159,490</b>   | <b>\$192,512</b>   | <b>\$177,513</b>   |  |
| Operator Revenue                          | \$903,610          | \$956,362          | \$720,428          | \$974,050          | \$1,009,905        | \$4,464,356        |  |

| <b>Manitou Scenario 1: Priority Fixes</b> |                                 |                    |                    |                    |                    |                    |                    |                     |
|---|---------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|---------------------|
|   |                                 | 2024               | 2025               | 2026               | 2027               | 2028               | Total 19-23        | Total 19-28         |
| <b>Green Fee</b>                          |                                 |                    |                    |                    |                    |                    |                    |                     |
|   | Pass Rounds                     | 3,534              | 3,782              | 3,968              | 4,154              | 4,402              | 19,840             | 37,572              |
|   | rnds/pass                       | 62.00              | 62.00              | 62.00              | 62.00              | 62.00              |                    |                     |
|   | Patron Rounds                   | 1,820              | 1,860              | 1,900              | 1,940              | 1,980              | 9,500              | 17,440              |
|   | rnds/patron                     | 20.00              | 20.00              | 20.00              | 20.00              | 20.00              |                    |                     |
|   | Regular Rounds                  | 15,488             | 13,519             | 13,650             | 11,871             | 12,329             | 66,857             | 130,332             |
|   | % Rounds                        | 51.0%              | 51.0%              | 51.0%              | 51.0%              | 51.0%              |                    |                     |
|   | Senior Rounds                   | 10,022             | 8,748              | 8,832              | 7,681              | 7,977              | 43,261             | 84,333              |
|   | % Rounds                        | 33.0%              | 33.0%              | 33.0%              | 33.0%              | 33.0%              |                    |                     |
|   | Other Rounds                    | 4,859              | 4,241              | 4,282              | 3,724              | 3,868              | 20,975             | 40,889              |
|   | % Rounds                        | 16.0%              | 16.0%              | 16.0%              | 16.0%              | 16.0%              |                    |                     |
|   | Avg Patron Rate                 | \$27.91            | \$28.89            | \$29.90            | \$30.95            | \$32.03            |                    |                     |
|   | Avg Regular Rate                | \$25.54            | \$26.43            | \$27.35            | \$28.31            | \$29.30            |                    |                     |
|   | Avg Senior Rate                 | \$24.47            | \$25.32            | \$26.21            | \$27.13            | \$28.08            |                    |                     |
|   | Avg Other Rate                  | \$19.00            | \$19.67            | \$20.36            | \$21.07            | \$21.81            |                    |                     |
|   | Total Patron                    | \$50,797           | \$53,731           | \$56,807           | \$60,033           | \$63,416           | \$284,784          | \$486,051           |
|   | Total Regular                   | \$395,495          | \$357,305          | \$373,386          | \$336,073          | \$361,264          | \$1,823,524        | \$3,289,780         |
|   | Total Senior                    | \$245,196          | \$221,520          | \$231,489          | \$208,356          | \$223,974          | \$1,130,535        | \$2,039,573         |
|   | Total Other                     | \$92,336           | \$83,420           | \$87,174           | \$78,463           | \$84,344           | \$425,738          | \$768,065           |
|   | <b>Total Green Fees</b>         | <b>\$783,825</b>   | <b>\$715,976</b>   | <b>\$748,857</b>   | <b>\$682,926</b>   | <b>\$732,997</b>   | <b>\$3,664,581</b> | <b>\$6,583,469</b>  |
| <b>Cart Fees</b>                          |                                 |                    |                    |                    |                    |                    |                    |                     |
|   | avg rate                        | \$8.61             | \$8.91             | \$9.22             | \$9.54             | \$9.88             |                    |                     |
|   | <b>Total Cart Fees</b>          | <b>\$307,447</b>   | <b>\$286,387</b>   | <b>\$300,857</b>   | <b>\$280,248</b>   | <b>\$301,775</b>   | <b>\$1,476,715</b> | <b>\$2,661,751</b>  |
| <b>Range</b>                              |                                 |                    |                    |                    |                    |                    |                    |                     |
|   | avg rate                        | \$2.95             | \$3.05             | \$3.16             | \$3.27             | \$3.38             |                    |                     |
|   | <b>Total Range</b>              | <b>\$105,235</b>   | <b>\$98,027</b>    | <b>\$102,980</b>   | <b>\$95,925</b>    | <b>\$103,294</b>   | <b>\$505,461</b>   | <b>\$791,284</b>    |
| <b>Merchandise</b>                        |                                 |                    |                    |                    |                    |                    |                    |                     |
|   | avg rate                        | \$4.16             | \$4.30             | \$4.45             | \$4.61             | \$4.77             |                    |                     |
|   | <b>Total Merchandise</b>        | <b>\$148,497</b>   | <b>\$138,325</b>   | <b>\$145,314</b>   | <b>\$135,360</b>   | <b>\$145,757</b>   | <b>\$713,254</b>   | <b>\$1,277,693</b>  |
| <b>Food &amp; Beverage</b>                |                                 |                    |                    |                    |                    |                    |                    |                     |
|   | Golf                            | \$284,266          | \$264,794          | \$278,172          | \$259,118          | \$279,021          | \$1,365,371        | \$2,445,870         |
|   | avg rate                        | \$7.96             | \$8.24             | \$8.52             | \$8.82             | \$9.13             |                    |                     |
|   | <b>Total F&amp;B</b>            | <b>\$284,266</b>   | <b>\$264,794</b>   | <b>\$278,172</b>   | <b>\$259,118</b>   | <b>\$279,021</b>   | <b>\$1,365,371</b> | <b>\$2,445,870</b>  |
|   | <b>Total Revenue</b>            | <b>\$1,701,173</b> | <b>\$1,582,872</b> | <b>\$1,662,592</b> | <b>\$1,547,435</b> | <b>\$1,666,500</b> | <b>\$8,160,572</b> | <b>\$14,503,858</b> |
| <b>Cost of Sales</b>                      |                                 |                    |                    |                    |                    |                    |                    |                     |
|   | Food and Beverage               | \$113,706          | \$105,917          | \$111,269          | \$103,647          | \$111,609          | \$546,148          | \$978,348           |
|   | Merchandise                     | \$106,918          | \$99,594           | \$104,626          | \$97,459           | \$104,945          | \$513,543          | \$919,939           |
|   | <b>Total Cost of Sales</b>      | <b>\$220,624</b>   | <b>\$205,512</b>   | <b>\$215,895</b>   | <b>\$201,106</b>   | <b>\$216,554</b>   | <b>\$1,059,691</b> | <b>\$1,898,287</b>  |
|   | <b>Gross Revenue</b>            | <b>\$1,480,549</b> | <b>\$1,377,360</b> | <b>\$1,446,697</b> | <b>\$1,346,328</b> | <b>\$1,449,946</b> | <b>\$7,100,881</b> | <b>\$12,605,570</b> |
| <b>County Compensation</b>                |                                 |                    |                    |                    |                    |                    |                    |                     |
|   | Breakpoint                      | \$1,060,000        | \$1,090,000        | \$1,120,000        | \$1,150,000        | \$1,180,000        |                    |                     |
|   | % below breakpoint              | 10%                | 10%                | 10%                | 10%                | 10%                |                    |                     |
|   | % above breakpoint              | 75%                | 75%                | 75%                | 75%                | 75%                |                    |                     |
|   | <b>County Share</b>             | <b>\$421,412</b>   | <b>\$324,520</b>   | <b>\$357,023</b>   | <b>\$262,246</b>   | <b>\$320,460</b>   | <b>\$1,685,661</b> | <b>\$2,725,994</b>  |
| <b>Expenses</b>                           |                                 |                    |                    |                    |                    |                    |                    |                     |
|   | Personnel Services              | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                 |
|   | Other Services & Charges        | \$7,960            | \$8,198            | \$8,444            | \$8,698            | \$8,959            | \$42,258           | \$78,711            |
|   | Supplement                      |                    |                    |                    |                    |                    |                    |                     |
|   | Supplies                        | \$432              | \$445              | \$459              | \$472              | \$486              | \$2,295            | \$4,274             |
|   | Marketing                       | \$10,535           | \$8,113            | \$8,926            | \$6,556            | \$8,011            | \$42,142           | \$68,150            |
|   | <b>Total Expenses</b>           | <b>\$18,927</b>    | <b>\$16,757</b>    | <b>\$17,828</b>    | <b>\$15,726</b>    | <b>\$17,457</b>    | <b>\$86,695</b>    | <b>\$251,135</b>    |
|   | <b>Net Income</b>               | <b>\$402,485</b>   | <b>\$307,764</b>   | <b>\$339,194</b>   | <b>\$246,520</b>   | <b>\$303,003</b>   | <b>\$1,598,966</b> | <b>\$2,474,859</b>  |
|   | <b>Difference to Status Quo</b> | <b>\$258,801</b>   | <b>\$175,123</b>   | <b>\$203,520</b>   | <b>\$122,552</b>   | <b>\$170,165</b>   | <b>\$930,162</b>   | <b>\$1,107,675</b>  |
|   | Operator Revenue                | \$1,059,137        | \$1,052,840        | \$1,089,674        | \$1,084,082        | \$1,129,487        | \$5,415,220        | \$9,879,576         |

**Scenario 2: Major Renovation**

| <b>Manitou Major Renovation</b> |                 |                 |                 |                 |                 |                   | <b>Total 19-23</b> |
|---------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-------------------|--------------------|
|                                 | <b>2019</b>     | <b>2020</b>     | <b>2021</b>     | <b>2022</b>     | <b>2023</b>     |                   |                    |
| <b>Rounds</b>                   | <b>31,500</b>   | <b>32,130</b>   | <b>17,350</b>   | <b>19,467</b>   | <b>24,500</b>   | <b>124,947</b>    |                    |
|                                 |                 |                 | First 9         | 2nd 9           | Reopening       |                   |                    |
| <b>Revenue</b>                  |                 |                 |                 |                 |                 |                   |                    |
| <b>Passes</b>                   |                 |                 |                 |                 |                 |                   |                    |
| <b>Regular</b>                  | \$5,884         | \$5,709         | \$7,091         | \$8,562         | \$14,811        | <b>\$42,058</b>   |                    |
| Quantity                        | 4.0             | 5               | 6               | 7               | 8               |                   |                    |
| Unit                            | \$1,471         | \$1,142         | \$1,182         | \$1,223         | \$1,851         |                   |                    |
| <b>Senior</b>                   | \$14,615        | \$12,156        | \$13,420        | \$14,757        | \$24,994        | <b>\$79,942</b>   |                    |
| Quantity                        | 14              | 15              | 16              | 17              | 18              |                   |                    |
| Unit                            | \$1,044         | \$810           | \$839           | \$868           | \$1,389         |                   |                    |
| <b>Junior</b>                   | \$759           | \$589           | \$610           | \$631           | \$926           | <b>\$3,516</b>    |                    |
| Quantity                        | 2               | 2               | 2               | 2               | 2               |                   |                    |
| Unit                            | \$380           | \$295           | \$305           | \$316           | \$463           |                   |                    |
| <b>Weekday Regular</b>          | \$5,457         | \$4,236         | \$5,261         | \$5,445         | \$8,331         | <b>\$28,731</b>   |                    |
| Quantity                        | 5               | 5               | 6               | 6               | 6               |                   |                    |
| Unit                            | \$1,091.40      | \$847           | \$877           | \$908           | \$1,389         |                   |                    |
| <b>Weekday Senior</b>           | \$25,055        | \$20,057        | \$21,388        | \$12,370        | \$20,828        | <b>\$99,697</b>   |                    |
| Quantity                        | 32              | 33              | 34              | 19              | 20              |                   |                    |
| Unit                            | \$782.96        | \$608           | \$629           | \$651           | \$1,041         |                   |                    |
| <b>Total Passes</b>             | <b>57</b>       | <b>60</b>       | <b>64</b>       | <b>51</b>       | <b>54</b>       |                   |                    |
| <b>Total Passes</b>             | <b>\$51,770</b> | <b>\$42,747</b> | <b>\$47,769</b> | <b>\$41,767</b> | <b>\$69,890</b> | <b>\$253,944</b>  |                    |
| <b>Patron Card</b>              |                 |                 |                 |                 |                 |                   |                    |
| <b>Resident</b>                 |                 |                 |                 |                 |                 |                   |                    |
| <b>Regular</b>                  | \$380           | \$393           | \$407           | \$421           | \$436           | <b>\$2,036</b>    |                    |
| Quantity                        | 10              | 10              | 10              | 10              | 10              |                   |                    |
| Unit                            | \$37.96         | \$39.29         | \$40.67         | \$42.09         | \$43.56         |                   |                    |
| <b>Senior</b>                   | \$341.66        | \$353.61        | \$365.99        | \$378.80        | \$392.06        | <b>\$1,832.12</b> |                    |
| Quantity                        | 12              | 12              | 12              | 12              | 12              |                   |                    |
| Unit                            | \$28.47         | \$29.47         | \$30.50         | \$31.57         | \$32.67         |                   |                    |
| <b>Premium</b>                  | \$427.07        | \$442.02        | \$457.49        | \$473.50        | \$490.07        | <b>\$2,290.15</b> |                    |
| Quantity                        | 5               | 5               | 5               | 5               | 5               |                   |                    |
| Unit                            | \$85.41         | \$88.40         | \$91.50         | \$94.70         | \$98.01         |                   |                    |
| <b>Premium Senior</b>           | \$531.47        | \$550.07        | \$569.32        | \$589.25        | \$609.87        | <b>\$2,849.97</b> |                    |
| Quantity                        | 8               | 8               | 8               | 8               | 8               |                   |                    |
| Unit                            | \$66.43         | \$68.76         | \$71.16         | \$73.66         | \$76.23         |                   |                    |
| <b>Non-Resident</b>             |                 |                 |                 |                 |                 |                   |                    |
| <b>Regular</b>                  | \$237.26        | \$245.57        | \$254.16        | \$263.06        | \$272.26        | <b>\$1,272.31</b> |                    |
| Quantity                        | 5               | 5               | 5               | 5               | 5               |                   |                    |
| Unit                            | \$47.45         | \$49.11         | \$50.83         | \$52.61         | \$54.45         |                   |                    |
| <b>Senior</b>                   | \$455.54        | \$471.49        | \$487.99        | \$505.07        | \$522.75        | <b>\$2,442.83</b> |                    |
| Quantity                        | 12              | 12              | 12              | 12              | 12              |                   |                    |
| Unit                            | \$37.96         | \$39.29         | \$40.67         | \$42.09         | \$43.56         |                   |                    |
| <b>Premium</b>                  | \$284.71        | \$884.04        | \$1,219.97      | \$1,367.89      | \$1,633.58      | <b>\$5,390.19</b> |                    |
| Quantity                        | 3               | 9               | 12              | 13              | 15              |                   |                    |
| Unit                            | \$94.90         | \$98.23         | \$101.66        | \$105.22        | \$108.91        |                   |                    |
| <b>Premium Senior</b>           | \$303.69        | \$1,414.46      | \$1,626.63      | \$1,767.74      | \$1,916.73      | <b>\$7,029.25</b> |                    |
| Quantity                        | 4               | 18              | 20              | 21              | 22              |                   |                    |
| Unit                            | \$75.92         | \$78.58         | \$81.33         | \$84.18         | \$87.12         |                   |                    |
| <b>Total quantity</b>           | <b>59</b>       | <b>79</b>       | <b>84</b>       | <b>86</b>       | <b>89</b>       |                   |                    |
| <b>Total Patron Cards</b>       | <b>\$2,961</b>  | <b>\$4,754</b>  | <b>\$5,388</b>  | <b>\$5,766</b>  | <b>\$6,273</b>  | <b>\$25,143</b>   |                    |

| <b>Manitou Major Renovation</b> |                 |                 |                 |                  |                  | <b>Total 19-23</b> | <b>Total 19-28</b> |
|---------------------------------|-----------------|-----------------|-----------------|------------------|------------------|--------------------|--------------------|
|                                 | <b>2024</b>     | <b>2025</b>     | <b>2026</b>     | <b>2027</b>      | <b>2028</b>      |                    |                    |
| <b>Rounds</b>                   | <b>36,000</b>   | <b>34,200</b>   | <b>35,568</b>   | <b>32,011</b>    | <b>35,917</b>    | <b>173,696</b>     | <b>298,643</b>     |
| <b>Revenue</b>                  |                 |                 |                 |                  |                  |                    |                    |
| <b>Passes</b>                   |                 |                 |                 |                  |                  |                    |                    |
| <b>Regular</b>                  | \$17,246        | \$19,833        | \$22,579        | \$25,494         | \$30,784         | <b>\$115,936</b>   | <b>\$157,994</b>   |
| Quantity                        | 9               | 10              | 11              | 12               | 14               |                    |                    |
| Unit                            | \$1,916         | \$1,983         | \$2,053         | \$2,125          | \$2,199          |                    |                    |
| <b>Senior</b>                   | \$27,306        | \$29,749        | \$32,330        | \$35,054         | \$37,931         | <b>\$162,369</b>   | <b>\$242,311</b>   |
| Quantity                        | 19              | 20              | 21              | 22               | 23               |                    |                    |
| Unit                            | \$1,437         | \$1,487         | \$1,540         | \$1,593          | \$1,649          |                    |                    |
| <b>Junior</b>                   | \$958           | \$1,487         | \$1,540         | \$1,593          | \$1,649          | <b>\$7,228</b>     | <b>\$10,743</b>    |
| Quantity                        | 2               | 3               | 3               | 3                | 3                |                    |                    |
| Unit                            | \$479           | \$496           | \$513           | \$531            | \$550            |                    |                    |
| <b>Weekday Regular</b>          | \$8,623         | \$10,412        | \$10,777        | \$11,154         | \$11,544         | <b>\$52,509</b>    | <b>\$81,240</b>    |
| Quantity                        | 6               | 7               | 7               | 7                | 7                |                    |                    |
| Unit                            | \$1,437         | \$1,487         | \$1,540         | \$1,593          | \$1,649          |                    |                    |
| <b>Weekday Senior</b>           | \$22,635        | \$23,427        | \$25,402        | \$27,486         | \$29,685         | <b>\$128,635</b>   | <b>\$228,332</b>   |
| Quantity                        | 21              | 21              | 22              | 23               | 24               |                    |                    |
| Unit                            | \$1,078         | \$1,116         | \$1,155         | \$1,195          | \$1,237          |                    |                    |
| <b>Total Passes</b>             | <b>57</b>       | <b>61</b>       | <b>64</b>       | <b>67</b>        | <b>71</b>        |                    |                    |
| <b>Total Passes</b>             | <b>\$76,767</b> | <b>\$84,908</b> | <b>\$92,627</b> | <b>\$100,782</b> | <b>\$111,593</b> | <b>\$466,676</b>   | <b>\$720,620</b>   |
| <b>Patron Card</b>              |                 |                 |                 |                  |                  |                    |                    |
| <b>Resident</b>                 |                 |                 |                 |                  |                  |                    |                    |
| <b>Regular</b>                  | \$451           | \$467           | \$483           | \$500            | \$517            | <b>\$2,418</b>     | <b>\$4,453</b>     |
| Quantity                        | 10              | 10              | 10              | 10               | 10               |                    |                    |
| Unit                            | \$45.09         | \$46.66         | \$48.30         | \$49.99          | \$51.74          |                    |                    |
| <b>Senior</b>                   | \$405.78        | \$419.98        | \$434.68        | \$449.90         | \$465.64         | <b>\$2,175.99</b>  | <b>\$4,008</b>     |
| Quantity                        | 12              | 12              | 12              | 12               | 12               |                    |                    |
| Unit                            | \$33.82         | \$35.00         | \$36.22         | \$37.49          | \$38.80          |                    |                    |
| <b>Premium</b>                  | \$507.23        | \$524.98        | \$543.35        | \$562.37         | \$582.05         | <b>\$2,719.98</b>  | <b>\$5,010</b>     |
| Quantity                        | 5               | 5               | 5               | 5                | 5                |                    |                    |
| Unit                            | \$101.45        | \$105.00        | \$108.67        | \$112.47         | \$116.41         |                    |                    |
| <b>Premium Senior</b>           | \$631.22        | \$653.31        | \$676.17        | \$699.84         | \$724.33         | <b>\$3,384.87</b>  | <b>\$6,235</b>     |
| Quantity                        | 8               | 8               | 8               | 8                | 8                |                    |                    |
| Unit                            | \$78.90         | \$81.66         | \$84.52         | \$87.48          | \$90.54          |                    |                    |
| <b>Non-Resident</b>             |                 |                 |                 |                  |                  |                    |                    |
| <b>Regular</b>                  | \$281.79        | \$291.66        | \$301.86        | \$312.43         | \$323.36         | <b>\$1,511.10</b>  | <b>\$2,783</b>     |
| Quantity                        | 5               | 5               | 5               | 5                | 5                |                    |                    |
| Unit                            | \$56.36         | \$58.33         | \$60.37         | \$62.49          | \$64.67          |                    |                    |
| <b>Senior</b>                   | \$541.04        | \$559.98        | \$579.58        | \$599.86         | \$620.86         | <b>\$2,901.32</b>  | <b>\$5,344</b>     |
| Quantity                        | 12              | 12              | 12              | 12               | 12               |                    |                    |
| Unit                            | \$45.09         | \$46.66         | \$48.30         | \$49.99          | \$51.74          |                    |                    |
| <b>Premium</b>                  | \$1,803.47      | \$1,983.26      | \$2,173.41      | \$2,374.46       | \$2,586.91       | <b>\$10,921.50</b> | <b>\$16,312</b>    |
| Quantity                        | 16              | 17              | 18              | 19               | 20               |                    |                    |
| Unit                            | \$112.72        | \$116.66        | \$120.75        | \$124.97         | \$129.35         |                    |                    |
| <b>Premium Senior</b>           | \$2,073.99      | \$2,239.91      | \$2,414.90      | \$2,599.40       | \$2,793.86       | <b>\$12,122.07</b> | <b>\$19,151</b>    |
| Quantity                        | 23              | 24              | 25              | 26               | 27               |                    |                    |
| Unit                            | \$90.17         | \$93.33         | \$96.60         | \$99.98          | \$103.48         |                    |                    |
| <b>Total quantity</b>           | <b>91</b>       | <b>93</b>       | <b>95</b>       | <b>97</b>        | <b>99</b>        |                    |                    |
| <b>Total Patron Cards</b>       | <b>\$6,695</b>  | <b>\$7,140</b>  | <b>\$7,607</b>  | <b>\$8,098</b>   | <b>\$8,614</b>   | <b>\$38,155</b>    | <b>\$63,297</b>    |

| <b>Manitou Recommended</b>      |  | <b>2019</b>        | <b>2020</b>        | <b>2021</b>        | <b>2022</b>        | <b>2023</b>        | <b>Total 19-23</b> |
|---------------------------------|--|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| <b>Green Fee</b>                |  |                    |                    |                    |                    |                    |                    |
| Pass Rounds                     |  | 3,534              | 3,720              | 3,968              | 3,162              | 3,348              | 17,732             |
| rnds/pass                       |  | 62.00              | 62.00              | 62.00              | 62.00              | 62.00              |                    |
| Patron Rounds                   |  | 1,180              | 1,580              | 1,680              | 1,720              | 1,780              | 7,940              |
| rnds/patron                     |  | 20.00              | 20.00              | 20.00              | 20.00              | 20.00              |                    |
| Regular Rounds                  |  | 13,661             | 13,683             | 5,968              | 7,438              | 9,880              | 50,630             |
| % Rounds                        |  | 51.0%              | 51.0%              | 51.0%              | 51.0%              | 51.0%              |                    |
| Senior Rounds                   |  | 8,839              | 8,854              | 3,862              | 4,813              | 6,393              | 32,761             |
| % Rounds                        |  | 33.0%              | 33.0%              | 33.0%              | 33.0%              | 33.0%              |                    |
| Other Rounds                    |  | 4,286              | 4,293              | 1,872              | 2,334              | 3,100              | 15,884             |
| % Rounds                        |  | 16.0%              | 16.0%              | 16.0%              | 16.0%              | 16.0%              |                    |
| Avg Patron Rate                 |  | \$23.50            | \$24.32            | \$19.46            | \$21.40            | \$31.21            |                    |
| Avg Regular Rate                |  | \$21.50            | \$22.25            | \$17.80            | \$19.58            | \$34.63            |                    |
| Avg Senior Rate                 |  | \$20.60            | \$21.32            | \$17.06            | \$18.76            | \$32.19            |                    |
| Avg Other Rate                  |  | \$16.00            | \$16.56            | \$13.25            | \$14.57            | \$23.00            |                    |
| Total Patron                    |  | \$27,730           | \$38,430           | \$32,689           | \$36,815           | \$55,558           | \$191,222          |
| Total Regular                   |  | \$293,708          | \$304,488          | \$106,245          | \$145,659          | \$342,100          | \$1,192,199        |
| Total Senior                    |  | \$182,091          | \$188,774          | \$65,869           | \$90,304           | \$205,770          | \$732,808          |
| Total Other                     |  | \$68,572           | \$71,089           | \$24,805           | \$34,007           | \$71,289           | \$269,762          |
| <b>Total Green Fees</b>         |  | <b>\$572,102</b>   | <b>\$602,780</b>   | <b>\$229,608</b>   | <b>\$306,784</b>   | <b>\$674,718</b>   | <b>\$2,385,992</b> |
| <b>Cart Fees</b>                |  |                    |                    |                    |                    |                    |                    |
| avg rate                        |  | \$7.50             | \$5.82             | \$6.03             | \$6.24             | \$6.84             |                    |
| <b>Total Cart Fees</b>          |  | <b>\$236,250</b>   | <b>\$187,057</b>   | <b>\$104,546</b>   | <b>\$121,406</b>   | <b>\$167,632</b>   | <b>\$816,891</b>   |
| <b>Range</b>                    |  |                    |                    |                    |                    |                    |                    |
| avg rate                        |  | \$1.35             | \$1.40             | \$1.45             | \$1.50             | \$4.75             |                    |
| <b>Total Range</b>              |  | <b>\$42,525</b>    | <b>\$44,894</b>    | <b>\$25,091</b>    | <b>\$29,137</b>    | <b>\$116,375</b>   | <b>\$258,022</b>   |
| <b>Merchandise</b>              |  |                    |                    |                    |                    |                    |                    |
| avg rate                        |  | \$3.50             | \$3.62             | \$3.75             | \$3.88             | \$5.00             |                    |
| <b>Total Merchandise</b>        |  | <b>\$110,250</b>   | <b>\$116,391</b>   | <b>\$65,051</b>    | <b>\$75,542</b>    | <b>\$122,500</b>   | <b>\$489,733</b>   |
| <b>Food &amp; Beverage</b>      |  |                    |                    |                    |                    |                    |                    |
| <b>Golf</b>                     |  | <b>\$211,050</b>   | <b>\$222,805</b>   | <b>\$124,526</b>   | <b>\$144,608</b>   | <b>\$251,125</b>   | <b>\$954,115</b>   |
| avg rate                        |  | \$6.70             | \$6.93             | \$7.18             | \$7.43             | \$10.25            |                    |
| <b>Total F&amp;B</b>            |  | <b>\$211,050</b>   | <b>\$222,805</b>   | <b>\$124,526</b>   | <b>\$144,608</b>   | <b>\$251,125</b>   | <b>\$954,115</b>   |
| <b>Total Revenue</b>            |  | <b>\$1,226,908</b> | <b>\$1,221,428</b> | <b>\$601,979</b>   | <b>\$725,011</b>   | <b>\$1,408,512</b> | <b>\$5,183,839</b> |
| <b>Cost of Sales</b>            |  |                    |                    |                    |                    |                    |                    |
| Food and Beverage               |  | \$84,420           | \$89,122           | \$49,810           | \$57,843           | \$100,450          | \$381,646          |
| Merchandise                     |  | \$79,380           | \$83,801           | \$46,837           | \$54,390           | \$88,200           | \$352,608          |
| <b>Total Cost of Sales</b>      |  | <b>\$163,800</b>   | <b>\$172,924</b>   | <b>\$96,647</b>    | <b>\$112,233</b>   | <b>\$188,650</b>   | <b>\$734,254</b>   |
| <b>Gross Revenue</b>            |  | <b>\$1,063,108</b> | <b>\$1,048,504</b> | <b>\$505,332</b>   | <b>\$612,778</b>   | <b>\$1,219,862</b> | <b>\$4,449,585</b> |
| <b>County Compensation</b>      |  |                    |                    |                    |                    |                    |                    |
| Breakpoint                      |  |                    |                    |                    | \$1,000,000        | \$1,030,000        |                    |
| % below breakpoint              |  | 13%                | 13%                | 5%                 | 5%                 | 10%                |                    |
| % above breakpoint              |  | 13%                | 13%                | 5%                 | 5%                 | 75%                |                    |
| <b>County Share</b>             |  | <b>\$159,498</b>   | <b>\$158,786</b>   | <b>\$30,099</b>    | <b>\$36,251</b>    | <b>\$245,397</b>   | <b>\$630,030</b>   |
| <b>Expenses</b>                 |  |                    |                    |                    |                    |                    |                    |
| Personnel Services              |  | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                |
| Other Services & Charges        |  | \$6,866            | \$7,072            | \$7,284            | \$7,503            | \$7,728            | \$36,452           |
| Supplement                      |  |                    |                    | \$100,000          | \$100,000          |                    |                    |
| Supplies                        |  | \$373              | \$384              | \$396              | \$407              | \$420              | \$1,980            |
| Marketing                       |  | \$3,190            | \$3,176            | \$602              | \$725              | \$4,908            | \$12,601           |
| <b>Total Expenses</b>           |  | <b>\$10,429</b>    | <b>\$10,632</b>    | <b>\$108,282</b>   | <b>\$108,635</b>   | <b>\$13,055</b>    | <b>\$251,033</b>   |
| <b>Net Income</b>               |  | <b>\$149,069</b>   | <b>\$148,154</b>   | <b>(\$78,183)</b>  | <b>(\$72,385)</b>  | <b>\$232,341</b>   | <b>\$378,997</b>   |
| <b>Difference to Status Quo</b> |  | <b>\$9,660</b>     | <b>\$6,118</b>     | <b>(\$206,157)</b> | <b>(\$219,081)</b> | <b>\$90,078</b>    | <b>(\$319,382)</b> |
| Operator                        |  | \$903,610          | \$889,719          | \$575,233          | \$676,527          | \$974,466          | \$3,819,555        |

| <b>Manitou Recommended</b>      |  | <b>2024</b>        | <b>2025</b>        | <b>2026</b>        | <b>2027</b>        | <b>2028</b>        | <b>Total 19-23</b>  | <b>Total 19-28</b>  |
|---------------------------------|--|--------------------|--------------------|--------------------|--------------------|--------------------|---------------------|---------------------|
| <b>Green Fee</b>                |  |                    |                    |                    |                    |                    |                     |                     |
| Pass Rounds                     |  | 3,534              | 3,782              | 3,968              | 4,154              | 4,402              | 19,840              | 37,572              |
| rnds/pass                       |  | 62.00              | 62.00              | 62.00              | 62.00              | 62.00              |                     |                     |
| Patron Rounds                   |  | 1,820              | 1,860              | 1,900              | 1,940              | 1,980              | 9,500               | 17,440              |
| rnds/patron                     |  | 20.00              | 20.00              | 20.00              | 20.00              | 20.00              |                     |                     |
| Regular Rounds                  |  | 15,629             | 14,565             | 15,147             | 13,218             | 15,063             | 73,621              | 124,252             |
| % Rounds                        |  | 51.0%              | 51.0%              | 51.0%              | 51.0%              | 51.0%              |                     |                     |
| Senior Rounds                   |  | 10,113             | 9,424              | 9,801              | 8,553              | 9,746              | 47,637              | 80,398              |
| % Rounds                        |  | 33.0%              | 33.0%              | 33.0%              | 33.0%              | 33.0%              |                     |                     |
| Other Rounds                    |  | 4,903              | 4,569              | 4,752              | 4,147              | 4,726              | 23,097              | 38,981              |
| % Rounds                        |  | 16.0%              | 16.0%              | 16.0%              | 16.0%              | 16.0%              |                     |                     |
| Avg Patron Rate                 |  | \$32.31            | \$33.44            | \$33.44            | \$34.61            | \$35.82            |                     |                     |
| Avg Regular Rate                |  | \$35.84            | \$37.09            | \$37.09            | \$38.39            | \$39.73            |                     |                     |
| Avg Senior Rate                 |  | \$33.31            | \$34.48            | \$34.48            | \$35.69            | \$36.94            |                     |                     |
| Avg Other Rate                  |  | \$23.81            | \$24.64            | \$25.50            | \$26.39            | \$27.32            |                     |                     |
| Total Patron                    |  | \$58,795           | \$62,190           | \$63,528           | \$67,136           | \$70,918           | \$322,567           | \$513,789           |
| Total Regular                   |  | \$560,135          | \$540,241          | \$561,844          | \$507,444          | \$598,509          | \$2,768,174         | \$3,960,373         |
| Total Senior                    |  | \$336,917          | \$324,950          | \$337,944          | \$305,223          | \$359,998          | \$1,665,032         | \$2,397,841         |
| Total Other                     |  | \$116,724          | \$112,579          | \$121,178          | \$109,445          | \$129,086          | \$589,013           | \$858,775           |
| <b>Total Green Fees</b>         |  | <b>\$1,072,572</b> | <b>\$1,039,960</b> | <b>\$1,084,495</b> | <b>\$989,248</b>   | <b>\$1,158,512</b> | <b>\$5,344,786</b>  | <b>\$7,730,778</b>  |
| <b>Cart Fees</b>                |  |                    |                    |                    |                    |                    |                     |                     |
| avg rate                        |  | \$7.08             | \$7.33             | \$7.59             | \$7.85             | \$8.13             |                     |                     |
| <b>Total Cart Fees</b>          |  | <b>\$254,937</b>   | <b>\$250,667</b>   | <b>\$269,818</b>   | <b>\$251,335</b>   | <b>\$291,868</b>   | <b>\$1,318,624</b>  | <b>\$2,135,515</b>  |
| <b>Range</b>                    |  |                    |                    |                    |                    |                    |                     |                     |
| avg rate                        |  | \$4.92             | \$5.09             | \$5.27             | \$5.45             | \$5.64             |                     |                     |
| <b>Total Range</b>              |  | <b>\$176,985</b>   | <b>\$174,021</b>   | <b>\$187,316</b>   | <b>\$174,485</b>   | <b>\$202,624</b>   | <b>\$915,429</b>    | <b>\$1,173,452</b>  |
| <b>Merchandise</b>              |  |                    |                    |                    |                    |                    |                     |                     |
| avg rate                        |  | \$5.18             | \$5.36             | \$5.54             | \$5.74             | \$5.94             |                     |                     |
| <b>Total Merchandise</b>        |  | <b>\$186,300</b>   | <b>\$183,179</b>   | <b>\$197,174</b>   | <b>\$183,668</b>   | <b>\$213,288</b>   | <b>\$963,610</b>    | <b>\$1,453,343</b>  |
| <b>Food &amp; Beverage</b>      |  |                    |                    |                    |                    |                    |                     |                     |
| <b>Golf</b>                     |  | <b>\$381,915</b>   | <b>\$375,518</b>   | <b>\$404,207</b>   | <b>\$376,519</b>   | <b>\$437,241</b>   | <b>\$1,975,400</b>  | <b>\$2,929,515</b>  |
| avg rate                        |  | \$10.61            | \$10.98            | \$11.36            | \$11.76            | \$12.17            |                     |                     |
| <b>Total F&amp;B</b>            |  | <b>\$381,915</b>   | <b>\$375,518</b>   | <b>\$404,207</b>   | <b>\$376,519</b>   | <b>\$437,241</b>   | <b>\$1,975,400</b>  | <b>\$2,929,515</b>  |
| <b>Total Revenue</b>            |  | <b>\$2,156,171</b> | <b>\$2,115,392</b> | <b>\$2,243,244</b> | <b>\$2,084,134</b> | <b>\$2,423,739</b> | <b>\$11,022,681</b> | <b>\$16,206,520</b> |
| <b>Cost of Sales</b>            |  |                    |                    |                    |                    |                    |                     |                     |
| Food and Beverage               |  | \$152,766          | \$150,207          | \$161,683          | \$150,608          | \$174,896          | \$790,160           | \$1,171,806         |
| Merchandise                     |  | \$134,136          | \$131,889          | \$141,966          | \$132,241          | \$153,567          | \$693,799           | \$1,046,407         |
| <b>Total Cost of Sales</b>      |  | <b>\$286,902</b>   | <b>\$282,096</b>   | <b>\$303,649</b>   | <b>\$282,849</b>   | <b>\$328,464</b>   | <b>\$1,483,959</b>  | <b>\$2,218,213</b>  |
| <b>Gross Revenue</b>            |  | <b>\$1,869,269</b> | <b>\$1,833,296</b> | <b>\$1,939,595</b> | <b>\$1,801,286</b> | <b>\$2,095,275</b> | <b>\$9,538,722</b>  | <b>\$13,988,307</b> |
| <b>County Compensation</b>      |  |                    |                    |                    |                    |                    |                     |                     |
| Breakpoint                      |  | \$1,060,000        | \$1,090,000        | \$1,120,000        | \$1,150,000        | \$1,180,000        |                     |                     |
| % below breakpoint              |  | 10%                | 10%                | 10%                | 10%                | 10%                |                     |                     |
| % above breakpoint              |  | 75%                | 75%                | 75%                | 75%                | 75%                |                     |                     |
| <b>County Share</b>             |  | <b>\$712,952</b>   | <b>\$666,472</b>   | <b>\$726,697</b>   | <b>\$603,464</b>   | <b>\$804,457</b>   | <b>\$3,514,041</b>  | <b>\$4,144,071</b>  |
| <b>Expenses</b>                 |  |                    |                    |                    |                    |                    |                     |                     |
| Personnel Services              |  | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                 | \$0                 |
| Other Services & Charges        |  | \$7,960            | \$8,198            | \$8,444            | \$8,698            | \$8,959            | \$42,258            | \$78,711            |
| Supplement                      |  |                    |                    |                    |                    |                    |                     |                     |
| Supplies                        |  | \$432              | \$445              | \$459              | \$472              | \$486              | \$2,295             | \$4,274             |
| Marketing                       |  | \$14,259           | \$13,329           | \$14,534           | \$12,069           | \$16,089           | \$70,281            | \$82,881            |
| <b>Total Expenses</b>           |  | <b>\$22,651</b>    | <b>\$21,973</b>    | <b>\$23,437</b>    | <b>\$21,239</b>    | <b>\$25,534</b>    | <b>\$114,834</b>    | <b>\$365,867</b>    |
| <b>Net Income</b>               |  | <b>\$690,301</b>   | <b>\$644,499</b>   | <b>\$703,260</b>   | <b>\$582,225</b>   | <b>\$778,922</b>   | <b>\$3,399,207</b>  | <b>\$3,778,205</b>  |
| <b>Difference to Status Quo</b> |  | <b>\$546,618</b>   | <b>\$511,858</b>   | <b>\$567,586</b>   | <b>\$458,257</b>   | <b>\$646,084</b>   | <b>\$2,820,481</b>  | <b>\$2,501,098</b>  |
| Operator                        |  | \$1,156,317        | \$1,166,824        | \$1,212,899        | \$1,197,821        | \$1,290,819        | \$6,024,680         | \$9,844,235         |

## Goodrich

### Status Quo

| <b>Goodrich Status Quo</b> |                  |                  |                  |                  |                  |                    |
|----------------------------|------------------|------------------|------------------|------------------|------------------|--------------------|
|                            | 2019             | 2020             | 2021             | 2022             | 2023             | Total 19-23        |
| <b>Rounds</b>              | <b>32,000</b>    | <b>31,360</b>    | <b>28,224</b>    | <b>29,110</b>    | <b>28,528</b>    | <b>149,222</b>     |
| <b>Revenue</b>             |                  |                  |                  |                  |                  |                    |
| <b>Passes</b>              |                  |                  |                  |                  |                  |                    |
| <b>Regular</b>             | \$4,191          | \$4,442          | \$4,442          | \$4,709          | \$4,709          | \$22,493           |
| Quantity                   | 3                | 3                | 3                | 3                | 3                |                    |
| Unit                       | \$1,397          | \$1,481          | \$1,481          | \$1,570          | \$1,570          |                    |
| <b>Senior</b>              | \$31,292         | \$33,169         | \$31,985         | \$33,904         | \$32,648         | \$162,998          |
| Quantity                   | 28               | 28               | 27               | 27               | 26               |                    |
| Unit                       | \$1,118          | \$1,185          | \$1,185          | \$1,256          | \$1,256          |                    |
| <b>Junior</b>              | \$373            | \$395            | \$395            | \$419            | \$419            | \$1,999            |
| Quantity                   | 1                | 1                | 1                | 1                | 1                |                    |
| Unit                       | \$373            | \$395            | \$395            | \$419            | \$419            |                    |
| <b>Total Passes</b>        | <b>\$35,855</b>  | <b>\$38,007</b>  | <b>\$36,822</b>  | <b>\$39,031</b>  | <b>\$37,776</b>  | <b>\$187,491</b>   |
| <b>Patron Card</b>         |                  |                  |                  |                  |                  |                    |
| <b>Resident</b>            |                  |                  |                  |                  |                  |                    |
| <b>Regular</b>             | \$2,677          | \$2,961          | \$2,912          | \$3,008          | \$2,956          | \$14,514           |
| Quantity                   | 115              | 120              | 118              | 115              | 113              |                    |
| Unit                       | \$23             | \$25             | \$25             | \$26             | \$26             |                    |
| <b>Total Patron Cards</b>  | <b>\$2,677</b>   | <b>\$2,961</b>   | <b>\$2,912</b>   | <b>\$3,008</b>   | <b>\$2,956</b>   | <b>\$14,514</b>    |
| <b>Green Fee</b>           |                  |                  |                  |                  |                  |                    |
| Pass Rounds                | 2,240            | 2,240            | 2,170            | 2,170            | 2,100            | 10,920             |
| rnds/pass                  | 70.00            | 70.00            | 70.00            | 70.00            | 70.00            |                    |
| % Rounds                   |                  |                  |                  |                  |                  |                    |
| Patron Rounds              | 5,175            | 5,400            | 5,310            | 5,175            | 5,085            | 26,145             |
| rnds/patron                | 45.00            | 45.00            | 45.00            | 45.00            | 45.00            |                    |
| % Rounds                   |                  |                  |                  |                  |                  |                    |
| Regular Rounds             | 11,403           | 11,002           | 9,622            | 10,095           | 9,899            | 52,021             |
| % Rounds                   | 46.4%            | 46.4%            | 46.4%            | 46.4%            | 46.4%            |                    |
| Senior Rounds              | 5,588            | 5,391            | 4,715            | 4,947            | 4,851            | 25,492             |
| % Rounds                   | 22.7%            | 22.7%            | 22.7%            | 22.7%            | 22.7%            |                    |
| Other Rounds               | 7,594            | 7,327            | 6,407            | 6,723            | 6,592            | 34,643             |
| % Rounds                   | 30.9%            | 30.9%            | 30.9%            | 30.9%            | 30.9%            |                    |
| Avg Patron Rate            | \$21.70          | \$23.00          | \$23.00          | \$24.38          | \$24.38          |                    |
| Avg Regular Rate           | \$22.00          | \$23.32          | \$23.32          | \$24.72          | \$24.72          |                    |
| Avg Senior Rate            | \$17.60          | \$18.66          | \$18.66          | \$19.78          | \$19.78          |                    |
| Avg Other Rate             | \$12.50          | \$12.63          | \$12.75          | \$12.88          | \$13.01          |                    |
| Total Patron               | \$112,298        | \$124,211        | \$122,141        | \$126,177        | \$123,983        | \$608,809          |
| Total Regular              | \$250,869        | \$256,565        | \$224,375        | \$249,544        | \$244,703        | \$1,226,057        |
| Total Senior               | \$98,349         | \$100,582        | \$87,962         | \$97,829         | \$95,931         | \$480,653          |
| Total Other                | \$94,923         | \$92,499         | \$81,703         | \$86,582         | \$85,751         | \$441,459          |
| <b>Total Green Fees</b>    | <b>\$556,439</b> | <b>\$573,857</b> | <b>\$516,181</b> | <b>\$560,132</b> | <b>\$550,369</b> | <b>\$2,756,978</b> |
| <b>Cart Fees</b>           |                  |                  |                  |                  |                  |                    |
| avg rate                   | \$5.00           | \$5.30           | \$5.30           | \$5.62           | \$5.62           |                    |
| <b>Total Cart Fees</b>     | <b>\$160,000</b> | <b>\$166,208</b> | <b>\$149,587</b> | <b>\$163,540</b> | <b>\$160,269</b> | <b>\$799,604</b>   |
| <b>Merchandise</b>         |                  |                  |                  |                  |                  |                    |
| avg rate                   | \$0.91           | \$0.96           | \$1.02           | \$1.08           | \$1.15           |                    |
| <b>Total Merchandise</b>   | <b>\$29,056</b>  | <b>\$30,184</b>  | <b>\$28,795</b>  | <b>\$31,481</b>  | <b>\$32,702</b>  | <b>\$152,218</b>   |

| <b>Goodrich Status Quo</b> |                  | 2024             | 2025             | 2026             | 2027             | 2028             | Total 24-28        | Total 19-28        |
|----------------------------|------------------|------------------|------------------|------------------|------------------|------------------|--------------------|--------------------|
| <b>Rounds</b>              |                  | 29,355           | 27,887           | 27,330           | 24,597           | 26,515           | 135,684            | 284,906            |
| <b>Revenue</b>             |                  |                  |                  |                  |                  |                  |                    |                    |
| <b>Passes</b>              |                  |                  |                  |                  |                  |                  |                    |                    |
| <b>Regular</b>             |                  | \$3,328          | \$3,328          | \$3,328          | \$3,328          | \$3,328          | \$16,638           | \$39,132           |
|                            | Quantity         | 2                | 2                | 2                | 2                | 2                |                    |                    |
|                            | Unit             | \$1,664          | \$1,664          | \$1,664          | \$1,664          | \$1,664          | \$8,319            | \$8,319            |
| <b>Senior</b>              |                  | \$34,607         | \$34,607         | \$33,276         | \$31,945         | \$31,945         | \$166,380          | \$329,379          |
|                            | Quantity         | 26               | 26               | 25               | 24               | 24               |                    |                    |
|                            | Unit             | \$1,331          | \$1,331          | \$1,331          | \$1,331          | \$1,331          | \$6,655            | \$6,655            |
| <b>Junior</b>              |                  | \$0              | \$0              | \$0              | \$0              | \$0              | \$0                | \$1,999            |
|                            | Quantity         | 1                | 1                | 1                | 1                | 1                |                    |                    |
|                            | Unit             | \$444            | \$444            | \$444            | \$444            | \$444            | \$2,218            | \$2,218            |
| <b>Total Passes</b>        |                  | <b>\$37,935</b>  | <b>\$37,935</b>  | <b>\$36,604</b>  | <b>\$35,273</b>  | <b>\$35,273</b>  | <b>\$183,019</b>   | <b>\$370,510</b>   |
| <b>Patron Card</b>         |                  |                  |                  |                  |                  |                  |                    |                    |
| <b>Resident</b>            |                  |                  |                  |                  |                  |                  |                    |                    |
| <b>Regular</b>             |                  | \$3,105          | \$3,233          | \$3,204          | \$3,365          | \$3,533          | \$16,440           | \$30,954           |
|                            | Quantity         | 112              | 110              | 109              | 108              | 107              |                    |                    |
|                            | Unit             | \$28             | \$29             | \$29             | \$31             | \$33             |                    |                    |
| <b>Total Patron Cards</b>  |                  | <b>\$3,105</b>   | <b>\$3,233</b>   | <b>\$3,204</b>   | <b>\$3,365</b>   | <b>\$3,533</b>   | <b>\$16,440</b>    | <b>\$30,954</b>    |
| <b>Green Fee</b>           |                  |                  |                  |                  |                  |                  |                    |                    |
|                            | Pass Rounds      | 2,030            | 2,030            | 1,960            | 1,890            | 1,890            | 9,800              | 20,720             |
|                            | rnds/pass        | 70.00            | 70.00            | 70.00            | 70.00            | 70.00            |                    |                    |
|                            | % Rounds         |                  |                  |                  |                  |                  |                    |                    |
|                            | Patron Rounds    | 5,040            | 4,950            | 4,905            | 4,860            | 4,815            | 24,570             | 50,715             |
|                            | rnds/patron      | 45.00            | 45.00            | 45.00            | 45.00            | 45.00            |                    |                    |
|                            | % Rounds         |                  |                  |                  |                  |                  |                    |                    |
|                            | Regular Rounds   | 10,336           | 9,697            | 9,492            | 8,278            | 9,188            | 46,992             | 99,013             |
|                            | % Rounds         | 46.4%            | 46.4%            | 46.4%            | 46.4%            | 46.4%            |                    |                    |
|                            | Senior Rounds    | 5,065            | 4,752            | 4,651            | 4,056            | 4,503            | 23,028             | 48,520             |
|                            | % Rounds         | 22.7%            | 22.7%            | 22.7%            | 22.7%            | 22.7%            |                    |                    |
|                            | Other Rounds     | 6,883            | 6,458            | 6,321            | 5,513            | 6,119            | 31,294             | 65,937             |
|                            | % Rounds         | 30.9%            | 30.9%            | 30.9%            | 30.9%            | 30.9%            |                    |                    |
|                            | Avg Patron Rate  | \$25.85          | \$25.85          | \$25.85          | \$25.85          | \$25.85          |                    |                    |
|                            | Avg Regular Rate | \$26.20          | \$26.20          | \$26.20          | \$26.20          | \$26.20          |                    |                    |
|                            | Avg Senior Rate  | \$20.96          | \$20.96          | \$20.96          | \$20.96          | \$20.96          |                    |                    |
|                            | Avg Other Rate   | \$13.14          | \$13.14          | \$13.14          | \$13.14          | \$13.14          |                    |                    |
|                            | Total Patron     | \$130,259        | \$127,933        | \$126,770        | \$125,607        | \$124,444        | \$635,013          | \$1,243,822        |
|                            | Total Regular    | \$270,838        | \$254,093        | \$248,713        | \$216,896        | \$240,759        | \$1,231,299        | \$2,457,355        |
|                            | Total Senior     | \$106,177        | \$99,613         | \$97,503         | \$85,030         | \$94,385         | \$482,708          | \$963,361          |
|                            | Total Other      | \$90,433         | \$84,842         | \$83,045         | \$72,421         | \$80,389         | \$411,130          | \$852,589          |
| <b>Total Green Fees</b>    |                  | <b>\$597,706</b> | <b>\$566,481</b> | <b>\$556,031</b> | <b>\$499,954</b> | <b>\$539,978</b> | <b>\$2,760,149</b> | <b>\$5,517,127</b> |
| <b>Cart Fees</b>           |                  |                  |                  |                  |                  |                  |                    |                    |
|                            | avg rate         | \$5.96           | \$6.31           | \$6.31           | \$6.69           | \$6.69           |                    |                    |
| <b>Total Cart Fees</b>     |                  | <b>\$174,812</b> | <b>\$176,036</b> | <b>\$172,515</b> | <b>\$164,579</b> | <b>\$177,416</b> | <b>\$865,358</b>   | <b>\$1,664,963</b> |
| <b>Merchandise</b>         |                  |                  |                  |                  |                  |                  |                    |                    |
|                            | avg rate         | \$1.22           | \$1.29           | \$1.37           | \$1.45           | \$1.53           |                    |                    |
| <b>Total Merchandise</b>   |                  | <b>\$35,670</b>  | <b>\$35,920</b>  | <b>\$37,313</b>  | <b>\$35,597</b>  | <b>\$40,676</b>  | <b>\$185,175</b>   | <b>\$337,393</b>   |

| <b>Goodrich Status Quo</b> |                                     |                    |                    |                    |                    |                    |                      |
|----------------------------|-------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|----------------------|
|                            |                                     | <b>2019</b>        | <b>2020</b>        | <b>2021</b>        | <b>2022</b>        | <b>2023</b>        | <b>Total 19-23</b>   |
| <b>Food &amp; Beverage</b> |                                     |                    |                    |                    |                    |                    |                      |
| <b>Golf</b>                |                                     | <b>\$151,962</b>   | <b>\$157,858</b>   | <b>\$150,596</b>   | <b>\$164,643</b>   | <b>\$171,031</b>   | <b>\$796,090</b>     |
|                            | avg rate                            | \$4.75             | \$5.03             | \$5.34             | \$5.66             | \$6.00             |                      |
| <b>Total F&amp;B</b>       |                                     | <b>\$151,962</b>   | <b>\$157,858</b>   | <b>\$150,596</b>   | <b>\$164,643</b>   | <b>\$171,031</b>   | <b>\$796,090</b>     |
| <b>Total Revenue</b>       |                                     | <b>\$935,989</b>   | <b>\$969,074</b>   | <b>\$884,894</b>   | <b>\$961,836</b>   | <b>\$955,103</b>   | <b>\$4,706,896</b>   |
| <b>County Compensation</b> |                                     |                    |                    |                    |                    |                    |                      |
|                            | <b>Green Fee total rev</b>          | \$594,971          | \$614,825          | \$555,915          | \$602,172          | \$591,101          | <b>\$2,958,984</b>   |
|                            | Breakpoint                          | \$850,000          | \$850,000          | \$850,000          | \$850,000          | \$850,000          |                      |
|                            | % Up to breakpt                     | 90%                | 90%                | 90%                | 90%                | 90%                |                      |
|                            | % Over breakpt                      | 90%                | 90%                | 90%                | 90%                | 90%                |                      |
|                            | <b>Total Comp</b>                   | <b>\$535,474</b>   | <b>\$553,342</b>   | <b>\$500,324</b>   | <b>\$541,955</b>   | <b>\$531,991</b>   | <b>\$2,663,085</b>   |
|                            | <b>Cart Fee total rev</b>           | \$160,000          | \$166,208          | \$149,587          | \$163,540          | \$160,269          | <b>\$799,604</b>     |
|                            | Breakpoint                          | \$200,000          | \$200,000          | \$200,000          | \$200,000          | \$200,000          |                      |
|                            | % Up to breakpt                     | 90%                | 90%                | 90%                | 90%                | 90%                |                      |
|                            | % Over breakpt                      | 90%                | 90%                | 90%                | 90%                | 90%                |                      |
|                            | <b>Total Comp</b>                   | <b>\$144,000</b>   | <b>\$149,587</b>   | <b>\$134,628</b>   | <b>\$147,186</b>   | <b>\$144,242</b>   | <b>\$719,644</b>     |
|                            | <b>Food &amp; Beverage</b>          | <b>\$151,962</b>   | <b>\$157,858</b>   | <b>\$150,596</b>   | <b>\$164,643</b>   | <b>\$171,031</b>   | <b>\$796,090</b>     |
|                            | % F&B                               | 10%                | 10%                | 10%                | 10%                | 10%                |                      |
|                            | <b>Total Comp</b>                   | <b>\$15,196</b>    | <b>\$15,786</b>    | <b>\$15,060</b>    | <b>\$16,464</b>    | <b>\$17,103</b>    | <b>\$79,609</b>      |
|                            | <b>Merchandise</b>                  | \$29,056           | \$30,184           | \$28,795           | \$31,481           | \$32,702           | <b>\$152,218</b>     |
|                            | Breakpoint                          | \$50,000           | \$50,000           | \$50,000           | \$50,000           | \$50,000           | <b>\$250,000</b>     |
|                            | % Up to breakpt                     | 0%                 | 0%                 | 0%                 | 0%                 | 0%                 | <b>0%</b>            |
|                            | % Over breakpt                      | 5%                 | 5%                 | 5%                 | 5%                 | 5%                 | <b>25%</b>           |
|                            | <b>Total Comp</b>                   | <b>\$0</b>         | <b>\$0</b>         | <b>\$0</b>         | <b>\$0</b>         | <b>\$0</b>         | <b>\$0</b>           |
|                            | <b>County Share</b>                 | <b>\$694,670</b>   | <b>\$718,715</b>   | <b>\$650,012</b>   | <b>\$705,605</b>   | <b>\$693,336</b>   | <b>\$3,462,338</b>   |
| <b>Expenses</b>            |                                     |                    |                    |                    |                    |                    |                      |
|                            | <b>Personnel Services</b>           | \$385,979          | \$407,208          | \$429,604          | \$453,233          | \$478,160          | <b>\$2,154,185</b>   |
|                            | <b>Other Services &amp; Charges</b> | \$151,375          | \$155,916          | \$160,594          | \$165,412          | \$170,374          | <b>\$803,670</b>     |
|                            | <b>Fleet Services</b>               | \$283,500          | \$292,005          | \$300,765          | \$309,788          | \$319,082          | <b>\$1,505,140</b>   |
|                            | <b>Supplies</b>                     | \$62,823           | \$64,707           | \$66,649           | \$68,648           | \$70,708           | <b>\$333,535</b>     |
|                            | <b>Total Expenses</b>               | <b>\$883,677</b>   | <b>\$919,837</b>   | <b>\$957,612</b>   | <b>\$997,080</b>   | <b>\$1,038,324</b> | <b>\$4,796,530</b>   |
| <b>Net Income</b>          |                                     | <b>(\$189,007)</b> | <b>(\$201,121)</b> | <b>(\$307,600)</b> | <b>(\$291,475)</b> | <b>(\$344,988)</b> | <b>(\$1,334,192)</b> |
|                            | Operator Revenue                    | \$241,319          | \$250,359          | \$234,882          | \$256,231          | \$261,768          | <b>\$1,244,558</b>   |
|                            | less COS                            | \$81,705           | \$84,875           | \$80,971           | \$88,524           | \$91,958           | <b>\$428,033</b>     |
|                            | <b>Net Operator</b>                 | <b>\$159,614</b>   | <b>\$165,484</b>   | <b>\$153,911</b>   | <b>\$167,707</b>   | <b>\$169,809</b>   | <b>\$816,525</b>     |

| <b>Goodrich Status Quo</b>          |                 | 2024               | 2025               | 2026               | 2027               | 2028               | Total 24-28          | Total 19-28          |
|-------------------------------------|-----------------|--------------------|--------------------|--------------------|--------------------|--------------------|----------------------|----------------------|
| <b>Food &amp; Beverage</b>          |                 |                    |                    |                    |                    |                    |                      |                      |
| Golf                                |                 | \$186,551          | \$187,857          | \$195,145          | \$186,169          | \$212,731          | \$968,453            | \$1,764,543          |
|                                     | avg rate        | \$6.35             | \$6.74             | \$7.14             | \$7.57             | \$8.02             |                      |                      |
| <b>Total F&amp;B</b>                |                 | <b>\$186,551</b>   | <b>\$187,857</b>   | <b>\$195,145</b>   | <b>\$186,169</b>   | <b>\$212,731</b>   | <b>\$968,453</b>     | <b>\$1,764,543</b>   |
| <b>Total Revenue</b>                |                 | <b>\$1,035,779</b> | <b>\$1,007,460</b> | <b>\$1,000,812</b> | <b>\$924,936</b>   | <b>\$1,009,607</b> | <b>\$4,978,594</b>   | <b>\$9,685,490</b>   |
| <b>County Compensation</b>          |                 |                    |                    |                    |                    |                    |                      |                      |
| <b>Green Fee total rev</b>          |                 | \$638,746          | \$607,648          | \$595,838          | \$538,591          | \$578,784          | \$2,959,608          | \$5,918,591          |
|                                     | Breakpoint      | \$850,000          | \$850,000          | \$850,000          | \$850,000          | \$850,000          |                      |                      |
|                                     | % Up to breakpt | 90%                | 90%                | 90%                | 90%                | 90%                |                      |                      |
|                                     | % Over breakpt  | 90%                | 90%                | 90%                | 90%                | 90%                |                      |                      |
| <b>Total Comp</b>                   |                 | <b>\$574,872</b>   | <b>\$546,884</b>   | <b>\$536,254</b>   | <b>\$484,732</b>   | <b>\$520,905</b>   | <b>\$2,663,647</b>   | <b>\$5,326,732</b>   |
| <b>Cart Fee total rev</b>           |                 | \$174,812          | \$176,036          | \$172,515          | \$164,579          | \$177,416          | \$865,358            | \$1,664,963          |
|                                     | Breakpoint      | \$200,000          | \$200,000          | \$200,000          | \$200,000          | \$200,000          |                      |                      |
|                                     | % Up to breakpt | 90%                | 90%                | 90%                | 90%                | 90%                |                      |                      |
|                                     | % Over breakpt  | 90%                | 90%                | 90%                | 90%                | 90%                |                      |                      |
| <b>Total Comp</b>                   |                 | <b>\$157,331</b>   | <b>\$158,432</b>   | <b>\$155,263</b>   | <b>\$148,121</b>   | <b>\$159,675</b>   | <b>\$778,823</b>     | <b>\$1,498,467</b>   |
| <b>Food &amp; Beverage</b>          |                 | <b>\$186,551</b>   | <b>\$187,857</b>   | <b>\$195,145</b>   | <b>\$186,169</b>   | <b>\$212,731</b>   | <b>\$968,453</b>     | <b>\$1,764,543</b>   |
|                                     | % F&B           | 10%                | 10%                | 10%                | 10%                | 10%                |                      |                      |
| <b>Total Comp</b>                   |                 | <b>\$18,655</b>    | <b>\$18,786</b>    | <b>\$19,515</b>    | <b>\$18,617</b>    | <b>\$21,273</b>    | <b>\$96,845</b>      | <b>\$337,393</b>     |
| <b>Merchandise</b>                  |                 | \$35,670           | \$35,920           | \$37,313           | \$35,597           | \$40,676           | \$185,175            | \$337,393            |
|                                     | Breakpoint      | \$50,000           | \$50,000           | \$50,000           | \$50,000           | \$50,000           | \$250,000            | \$500,000            |
|                                     | % Up to breakpt | 0%                 | 0%                 | 0%                 | 0%                 | 0%                 | 0%                   | \$0                  |
|                                     | % Over breakpt  | 5%                 | 5%                 | 5%                 | 5%                 | 5%                 | 25%                  | \$1                  |
| <b>Total Comp</b>                   |                 | <b>\$0</b>         | <b>\$0</b>         | <b>\$0</b>         | <b>\$0</b>         | <b>\$0</b>         | <b>\$0</b>           | <b>\$0</b>           |
| <b>County Share</b>                 |                 | <b>\$750,858</b>   | <b>\$724,101</b>   | <b>\$711,032</b>   | <b>\$651,470</b>   | <b>\$701,853</b>   | <b>\$3,539,315</b>   | <b>\$7,001,653</b>   |
| <b>Expenses</b>                     |                 |                    |                    |                    |                    |                    |                      |                      |
| <b>Personnel Services</b>           |                 | \$504,459          | \$532,205          | \$561,476          | \$592,357          | \$624,937          | \$2,815,433          | \$4,969,618          |
| <b>Other Services &amp; Charges</b> |                 | \$175,485          | \$180,750          | \$186,172          | \$191,757          | \$197,510          | \$931,674            | \$1,735,345          |
| <b>Fleet Services</b>               |                 | \$328,654          | \$338,514          | \$348,669          | \$359,129          | \$369,903          | \$1,744,870          | \$3,250,010          |
| <b>Supplies</b>                     |                 | \$72,829           | \$75,014           | \$77,264           | \$79,582           | \$81,969           | \$386,658            | \$720,193            |
| <b>Total Expenses</b>               |                 | <b>\$1,081,427</b> | <b>\$1,126,482</b> | <b>\$1,173,581</b> | <b>\$1,222,826</b> | <b>\$1,274,319</b> | <b>\$5,878,635</b>   | <b>\$10,675,165</b>  |
| <b>Net Income</b>                   |                 | <b>(\$330,570)</b> | <b>(\$402,380)</b> | <b>(\$462,549)</b> | <b>(\$571,355)</b> | <b>(\$572,466)</b> | <b>(\$2,339,320)</b> | <b>(\$3,673,512)</b> |
| Operator Revenue                    |                 | \$284,921          | \$283,359          | \$289,779          | \$273,466          | \$307,754          | \$1,439,279          | \$2,683,837          |
| less COS                            |                 | \$100,303          | \$101,005          | \$104,924          | \$100,097          | \$114,379          | \$520,707            | \$948,740            |
| <b>Net Operator</b>                 |                 | <b>\$184,619</b>   | <b>\$182,354</b>   | <b>\$184,856</b>   | <b>\$173,369</b>   | <b>\$193,375</b>   | <b>\$918,572</b>     | <b>\$1,735,097</b>   |

**Scenario 1: Priority Fixes**

| <b>Goodrich Scenario 1: Priority Fixes</b> |                 |                 |                 |                 |                 |                  |  |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|------------------|--|
|  | 2019            | 2020            | 2021            | 2022            | 2023            | Total 19-23      |  |
| <b>Rounds</b>                              | 34,500          | 35,190          | 31,671          | 33,597          | 26,000          | 160,958          |  |
|  |                 |                 |                 | build temp      | Priority fix    |                  |  |
| <b>Revenue</b>                             |                 |                 |                 |                 |                 |                  |  |
| <b>Passes</b>                              |                 |                 |                 |                 |                 |                  |  |
| <b>Regular</b>                             | \$9,111         | \$10,608        | \$12,200        | \$13,889        | \$15,682        | \$61,491         |  |
| Quantity                                   | 8.0             | 9               | 10              | 11              | 12              |                  |  |
| Unit                                       | \$1,139         | \$1,179         | \$1,220         | \$1,263         | \$1,307         |                  |  |
| <b>Senior</b>                              | \$14,615        | \$16,207        | \$17,893        | \$19,677        | \$21,563        | \$89,955         |  |
| Quantity                                   | 14              | 15              | 16              | 17              | 18              |                  |  |
| Unit                                       | \$1,044         | \$1,080         | \$1,118         | \$1,157         | \$1,198         |                  |  |
| <b>Junior</b>                              | \$949           | \$982           | \$1,017         | \$526           | \$545           | \$4,019          |  |
| Quantity                                   | 4               | 4               | 4               | 2               | 2               |                  |  |
| Unit                                       | \$237           | \$246           | \$254           | \$263           | \$272           |                  |  |
| <b>Weekday Regular</b>                     | \$6,833         | \$7,956         | \$5,490         | \$5,682         | \$5,881         | \$31,842         |  |
| Quantity                                   | 8               | 9               | 6               | 6               | 6               |                  |  |
| Unit                                       | \$854.14        | \$884           | \$915           | \$947           | \$980           |                  |  |
| <b>Weekday Senior</b>                      | \$13,476        | \$14,646        | \$15,880        | \$14,195        | \$15,465        | \$73,661         |  |
| Quantity                                   | 20              | 21              | 22              | 19              | 20              |                  |  |
| Unit                                       | \$673.82        | \$697           | \$722           | \$747           | \$773           |                  |  |
| <b>Total Passes</b>                        | 54              | 58              | 58              | 55              | 58              |                  |  |
| <b>Total Passes</b>                        | <b>\$44,985</b> | <b>\$50,400</b> | <b>\$52,479</b> | <b>\$53,969</b> | <b>\$59,136</b> | <b>\$260,968</b> |  |
| <b>Patron Card</b>                         |                 |                 |                 |                 |                 |                  |  |
| <b>Resident</b>                            |                 |                 |                 |                 |                 |                  |  |
| <b>Regular</b>                             | \$569           | \$589           | \$610           | \$631           | \$653           | \$3,054          |  |
| Quantity                                   | 15              | 15              | 15              | 15              | 15              |                  |  |
| Unit                                       | \$38            | \$39            | \$41            | \$42            | \$44            |                  |  |
| <b>Senior</b>                              | \$626.37        | \$648.29        | \$670.98        | \$694.47        | \$718.77        | \$3,358.89       |  |
| Quantity                                   | 22              | 22              | 22              | 22              | 22              |                  |  |
| Unit                                       | \$28            | \$29            | \$30            | \$32            | \$33            |                  |  |
| <b>Premium</b>                             | \$683.31        | \$707.23        | \$731.98        | \$757.60        | \$784.12        | \$3,664.25       |  |
| Quantity                                   | 8               | 8               | 8               | 8               | 8               |                  |  |
| Unit                                       | \$85            | \$88            | \$91            | \$95            | \$98            |                  |  |
| <b>Premium Senior</b>                      | \$664.33        | \$687.58        | \$711.65        | \$736.56        | \$762.34        | \$3,562.46       |  |
| Quantity                                   | 10              | 10              | 10              | 10              | 10              |                  |  |
| Unit                                       | \$66            | \$69            | \$71            | \$74            | \$76            |                  |  |
| <b>Non-Resident</b>                        |                 |                 |                 |                 |                 |                  |  |
| <b>Regular</b>                             | \$427.07        | \$442.02        | \$457.49        | \$473.50        | \$490.07        | \$2,290.15       |  |
| Quantity                                   | 9               | 9               | 9               | 9               | 9               |                  |  |
| Unit                                       | \$47            | \$49            | \$51            | \$53            | \$54            |                  |  |
| <b>Senior</b>                              | \$683.31        | \$707.23        | \$731.98        | \$757.60        | \$784.12        | \$3,664.25       |  |
| Quantity                                   | 18              | 18              | 18              | 18              | 18              |                  |  |
| Unit                                       | \$38            | \$39            | \$41            | \$42            | \$44            |                  |  |
| <b>Premium</b>                             | \$474.52        | \$884.04        | \$1,219.97      | \$1,367.89      | \$1,633.58      | \$5,580.00       |  |
| Quantity                                   | 5               | 9               | 12              | 13              | 15              |                  |  |
| Unit                                       | \$95            | \$98            | \$102           | \$105           | \$109           |                  |  |
| <b>Premium Senior</b>                      | \$531.47        | \$1,414.46      | \$1,626.63      | \$1,767.74      | \$1,916.73      | \$7,257.02       |  |
| Quantity                                   | 7               | 18              | 20              | 21              | 22              |                  |  |
| Unit                                       | \$76            | \$79            | \$81            | \$84            | \$87            |                  |  |
| <b>Total quantity</b>                      | 94              | 109             | 114             | 116             | 119             |                  |  |
| <b>Total Patron Cards</b>                  | <b>\$4,660</b>  | <b>\$6,080</b>  | <b>\$6,761</b>  | <b>\$7,187</b>  | <b>\$7,743</b>  | <b>\$32,431</b>  |  |

| <b>Goodrich Scenario 1: Priority Fixes</b> |                 |                 |                 |                 |                 |                  |                  |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|------------------|------------------|
|  | 2024            | 2025            | 2026            | 2027            | 2028            | Total 19-23      | Total 19-28      |
| <b>Rounds</b>                              | 34,250          | 32,195          | 35,750          | 32,890          | 36,000          | 171,085          | 332,043          |
| <b>Revenue</b>                             |                 |                 |                 |                 |                 |                  |                  |
| <b>Passes</b>                              |                 |                 |                 |                 |                 |                  |                  |
| <b>Regular</b>                             | \$18,936        | \$21,642        | \$24,347        | \$27,052        | \$31,110        | \$123,087        | \$184,578        |
| Quantity                                   | 14              | 16              | 18              | 20              | 23              |                  |                  |
| Unit                                       | \$1,353         | \$1,353         | \$1,353         | \$1,353         | \$1,353         |                  |                  |
| <b>Senior</b>                              | \$23,558        | \$24,798        | \$26,038        | \$27,278        | \$28,517        | \$130,188        | \$220,144        |
| Quantity                                   | 19              | 20              | 21              | 22              | 23              |                  |                  |
| Unit                                       | \$1,240         | \$1,240         | \$1,240         | \$1,240         | \$1,240         |                  |                  |
| <b>Junior</b>                              | \$564           | \$845           | \$845           | \$845           | \$845           | \$3,945          | \$7,964          |
| Quantity                                   | 2               | 3               | 3               | 3               | 3               |                  |                  |
| Unit                                       | \$282           | \$282           | \$282           | \$282           | \$282           |                  |                  |
| <b>Weekday Regular</b>                     | \$6,087         | \$7,101         | \$7,101         | \$7,101         | \$7,101         | \$34,491         | \$66,334         |
| Quantity                                   | 6               | 7               | 7               | 7               | 7               |                  |                  |
| Unit                                       | \$1,014         | \$1,014         | \$1,014         | \$1,014         | \$1,014         |                  |                  |
| <b>Weekday Senior</b>                      | \$16,806        | \$16,806        | \$17,606        | \$18,407        | \$19,207        | \$88,832         | \$162,493        |
| Quantity                                   | 21              | 21              | 22              | 23              | 24              |                  |                  |
| Unit                                       | \$800           | \$800           | \$800           | \$800           | \$800           |                  |                  |
| Total Passes                               | 62              | 67              | 71              | 75              | 80              |                  |                  |
| <b>Total Passes</b>                        | <b>\$65,951</b> | <b>\$71,192</b> | <b>\$75,937</b> | <b>\$80,683</b> | <b>\$86,781</b> | <b>\$380,544</b> | <b>\$641,512</b> |
| <b>Patron Card</b>                         |                 |                 |                 |                 |                 |                  |                  |
| <b>Resident</b>                            |                 |                 |                 |                 |                 |                  |                  |
| <b>Regular</b>                             | \$676           | \$700           | \$724           | \$750           | \$776           | \$3,627          | \$6,680          |
| Quantity                                   | 15              | 15              | 15              | 15              | 15              |                  |                  |
| Unit                                       | \$45            | \$47            | \$48            | \$50            | \$52            |                  |                  |
| <b>Senior</b>                              | \$743.93        | \$769.97        | \$796.92        | \$824.81        | \$853.68        | \$3,989.31       | \$7,348          |
| Quantity                                   | 22              | 22              | 22              | 22              | 22              |                  |                  |
| Unit                                       | \$34            | \$35            | \$36            | \$37            | \$39            |                  |                  |
| <b>Premium</b>                             | \$811.56        | \$839.97        | \$869.37        | \$899.79        | \$931.29        | \$4,351.97       | \$8,016          |
| Quantity                                   | 8               | 8               | 8               | 8               | 8               |                  |                  |
| Unit                                       | \$101           | \$105           | \$109           | \$112           | \$116           |                  |                  |
| <b>Premium Senior</b>                      | \$789.02        | \$816.63        | \$845.22        | \$874.80        | \$905.42        | \$4,231.09       | \$7,794          |
| Quantity                                   | 10              | 10              | 10              | 10              | 10              |                  |                  |
| Unit                                       | \$79            | \$82            | \$85            | \$87            | \$91            |                  |                  |
| <b>Non-Resident</b>                        |                 |                 |                 |                 |                 |                  |                  |
| <b>Regular</b>                             | \$507.23        | \$524.98        | \$543.35        | \$562.37        | \$582.05        | \$2,719.98       | \$5,010          |
| Quantity                                   | 9               | 9               | 9               | 9               | 9               |                  |                  |
| Unit                                       | \$56            | \$58            | \$60            | \$62            | \$65            |                  |                  |
| <b>Senior</b>                              | \$811.56        | \$839.97        | \$869.37        | \$899.79        | \$931.29        | \$4,351.97       | \$8,016          |
| Quantity                                   | 18              | 18              | 18              | 18              | 18              |                  |                  |
| Unit                                       | \$45            | \$47            | \$48            | \$50            | \$52            |                  |                  |
| <b>Premium</b>                             | \$1,803.47      | \$1,983.26      | \$2,173.41      | \$2,374.46      | \$2,586.91      | \$10,921.50      | \$16,502         |
| Quantity                                   | 16              | 17              | 18              | 19              | 20              |                  |                  |
| Unit                                       | \$113           | \$117           | \$121           | \$125           | \$129           |                  |                  |
| <b>Premium Senior</b>                      | \$2,073.99      | \$2,239.91      | \$2,414.90      | \$2,599.40      | \$2,793.86      | \$12,122.07      | \$19,379         |
| Quantity                                   | 23              | 24              | 25              | 26              | 27              |                  |                  |
| Unit                                       | \$90            | \$93            | \$97            | \$100           | \$103           |                  |                  |
| Total quantity                             | 121             | 123             | 125             | 127             | 129             |                  |                  |
| <b>Total Patron Cards</b>                  | <b>\$8,217</b>  | <b>\$8,715</b>  | <b>\$9,237</b>  | <b>\$9,785</b>  | <b>\$10,361</b> | <b>\$46,315</b>  | <b>\$78,745</b>  |

| <b>Goodrich Scenario One: Priority Fixes</b> |                    |                    |                    |                    |                    |                      |  |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|----------------------|--|
|  | 2019               | 2020               | 2021               | 2022               | 2023               | Total 19-23          |  |
| <b>Green Fee</b>                             |                    |                    |                    |                    |                    |                      |  |
| Pass Rounds                                  | 3,259              | 3,500              | 3,500              | 3,319              | 3,500              | 17,079               |  |
| rnds/pass                                    | 60.35              | 60.35              | 60.35              | 60.35              | 60.35              |                      |  |
| % Rounds                                     |                    |                    |                    |                    |                    |                      |  |
| Patron Rounds                                | 1,974              | 2,289              | 2,394              | 2,436              | 2,499              | 11,592               |  |
| rnds/patron                                  | 21.00              | 21.00              | 21.00              | 21.00              | 21.00              |                      |  |
| % Rounds                                     |                    |                    |                    |                    |                    |                      |  |
| Regular Rounds                               | 16,682             | 16,758             | 14,693             | 15,870             | 11,400             | 75,403               |  |
| % Rounds                                     | 57.0%              | 57.0%              | 57.0%              | 57.0%              | 57.0%              |                      |  |
| Senior Rounds                                | 7,317              | 7,350              | 6,444              | 6,960              | 5,000              | 33,072               |  |
| % Rounds                                     | 25.0%              | 25.0%              | 25.0%              | 25.0%              | 25.0%              |                      |  |
| Other Rounds                                 | 5,268              | 5,292              | 4,640              | 5,011              | 3,600              | 23,812               |  |
| % Rounds                                     | 18.0%              | 18.0%              | 18.0%              | 18.0%              | 18.0%              |                      |  |
| Avg Patron Rate                              | \$17.60            | \$18.22            | \$18.85            | \$19.51            | \$20.20            |                      |  |
| Avg Regular Rate                             | \$18.50            | \$19.15            | \$19.82            | \$20.51            | \$21.23            |                      |  |
| Avg Senior Rate                              | \$15.80            | \$16.35            | \$16.93            | \$17.52            | \$18.13            |                      |  |
| Avg Other Rate                               | \$12.50            | \$12.94            | \$13.39            | \$13.86            | \$14.34            |                      |  |
| Total Patron                                 | \$34,742           | \$41,696           | \$45,135           | \$47,535           | \$50,471           | \$219,580            |  |
| Total Regular                                | \$308,622          | \$320,881          | \$291,175          | \$325,505          | \$242,021          | \$1,488,205          |  |
| Total Senior                                 | \$115,605          | \$120,197          | \$109,070          | \$121,929          | \$90,657           | \$557,459            |  |
| Total Other                                  | \$65,851           | \$68,467           | \$62,128           | \$69,453           | \$51,640           | \$317,540            |  |
| <b>Total Green Fees</b>                      | <b>\$524,820</b>   | <b>\$551,242</b>   | <b>\$507,509</b>   | <b>\$564,423</b>   | <b>\$434,790</b>   | <b>\$2,582,784</b>   |  |
| <b>Cart Fees</b>                             |                    |                    |                    |                    |                    |                      |  |
| avg rate                                     | \$5.10             | \$5.28             | \$5.46             | \$5.65             | \$5.85             |                      |  |
| <b>Total Cart Fees</b>                       | <b>\$175,950</b>   | <b>\$185,750</b>   | <b>\$173,027</b>   | <b>\$189,971</b>   | <b>\$152,162</b>   | <b>\$876,859</b>     |  |
| <b>Merchandise</b>                           |                    |                    |                    |                    |                    |                      |  |
| avg rate                                     | \$1.30             | \$1.35             | \$1.39             | \$1.44             | \$1.49             |                      |  |
| <b>Total Merchandise</b>                     | <b>\$44,850</b>    | <b>\$47,348</b>    | <b>\$44,105</b>    | <b>\$48,424</b>    | <b>\$38,786</b>    | <b>\$223,513</b>     |  |
| <b>Food &amp; Beverage</b>                   |                    |                    |                    |                    |                    |                      |  |
| Golf   | \$162,150          | \$171,182          | \$159,456          | \$175,071          | \$140,227          | \$808,086            |  |
| avg rate                                     | \$4.70             | \$4.86             | \$5.03             | \$5.21             | \$5.39             |                      |  |
| <b>Total F&amp;B</b>                         | <b>\$162,150</b>   | <b>\$171,182</b>   | <b>\$159,456</b>   | <b>\$175,071</b>   | <b>\$140,227</b>   | <b>\$808,086</b>     |  |
| <b>Total Revenue</b>                         | <b>\$957,415</b>   | <b>\$1,012,003</b> | <b>\$943,336</b>   | <b>\$1,039,044</b> | <b>\$832,844</b>   | <b>\$4,784,640</b>   |  |
| <b>County Compensation</b>                   |                    |                    |                    |                    |                    |                      |  |
| Green Fee total rev                          | \$574,465          | \$607,722          | \$566,749          | \$625,578          | \$501,668          | \$2,876,182          |  |
| Breakpoint                                   | \$850,000          | \$850,000          | \$850,000          | \$850,000          | \$850,000          |                      |  |
| % Up to breakpt                              | 80%                | 80%                | 80%                | 80%                | 80%                |                      |  |
| % Over breakpt                               | 80%                | 80%                | 80%                | 80%                | 80%                |                      |  |
| <b>Total Comp</b>                            | <b>\$459,572</b>   | <b>\$486,178</b>   | <b>\$453,399</b>   | <b>\$500,462</b>   | <b>\$401,335</b>   | <b>\$2,300,946</b>   |  |
| Cart Fee total rev                           | \$175,950          | \$185,750          | \$173,027          | \$189,971          | \$152,162          | \$876,859            |  |
| Breakpoint                                   | \$200,000          | \$200,000          | \$200,000          | \$200,000          | \$200,000          |                      |  |
| % Up to breakpt                              | 80%                | 80%                | 80%                | 80%                | 80%                |                      |  |
| % Over breakpt                               | 80%                | 80%                | 80%                | 80%                | 80%                |                      |  |
| <b>Total Comp</b>                            | <b>\$140,760</b>   | <b>\$148,600</b>   | <b>\$138,421</b>   | <b>\$151,977</b>   | <b>\$121,729</b>   | <b>\$701,487</b>     |  |
| F&B Total                                    | \$162,150          | \$171,182          | \$159,456          | \$175,071          | \$140,227          | \$808,086            |  |
| Food & Beverage Net                          | \$97,290           | \$102,709          | \$95,673           | \$105,043          | \$84,136           | \$484,852            |  |
| % F&B  | 80%                | 80%                | 80%                | 80%                | 80%                |                      |  |
| <b>F&amp;B Comp</b>                          | <b>\$77,832</b>    | <b>\$82,167</b>    | <b>\$76,539</b>    | <b>\$84,034</b>    | <b>\$67,309</b>    | <b>\$387,881</b>     |  |
| Merchandise                                  | \$44,850           | \$47,348           | \$44,105           | \$48,424           | \$38,786           | \$223,513            |  |
| Net Merchandise                              | \$13,455           | \$14,204           | \$13,231           | \$14,527           | \$11,636           | \$67,054             |  |
| % split                                      | 80%                | 80%                | 80%                | 80%                | 80%                |                      |  |
| <b>Merch Comp</b>                            | <b>\$10,764</b>    | <b>\$11,364</b>    | <b>\$10,585</b>    | <b>\$11,622</b>    | <b>\$9,309</b>     | <b>\$53,643</b>      |  |
| <b>County Share</b>                          | <b>\$688,928</b>   | <b>\$728,309</b>   | <b>\$678,944</b>   | <b>\$748,095</b>   | <b>\$599,682</b>   | <b>\$3,443,958</b>   |  |
| <b>Expenses</b>                              |                    |                    |                    |                    |                    |                      |  |
| Personnel Services                           | \$384,150          | \$403,357          | \$423,525          | \$444,701          | \$466,937          | \$2,122,670          |  |
| Other Services & Charges                     | \$151,375          | \$155,916          | \$160,594          | \$165,412          | \$170,374          | \$803,670            |  |
| Supplies                                     | \$62,823           | \$64,707           | \$66,649           | \$68,648           | \$70,708           | \$333,535            |  |
| Marketing                                    | \$13,779           | \$14,566           | \$13,579           | \$14,962           | \$11,994           | \$68,879             |  |
| Fleet Services                               | \$283,500          | \$292,005          | \$300,765          | \$309,788          | \$319,082          | \$1,505,140          |  |
| <b>Total Expenses</b>                        | <b>\$895,626</b>   | <b>\$930,552</b>   | <b>\$965,112</b>   | <b>\$1,003,511</b> | <b>\$1,039,093</b> | <b>\$4,833,895</b>   |  |
| <b>Net Income</b>                            | <b>(\$206,698)</b> | <b>(\$202,243)</b> | <b>(\$286,167)</b> | <b>(\$255,416)</b> | <b>(\$439,412)</b> | <b>(\$1,389,937)</b> |  |
| <b>Difference to Status Quo</b>              | <b>(\$17,692)</b>  | <b>(\$1,122)</b>   | <b>\$21,433</b>    | <b>\$36,059</b>    | <b>(\$94,424)</b>  | <b>(\$55,746)</b>    |  |

| Goodrich Scenario One: Priority Fixes |                                 |                    |                    |                    |                    |                    |                      |                      |
|---------------------------------------|---------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|----------------------|----------------------|
|                                       |                                 | 2024               | 2025               | 2026               | 2027               | 2028               | Total 19-23          | Total 19-28          |
| <b>Green Fee</b>                      |                                 |                    |                    |                    |                    |                    |                      |                      |
|                                       | Pass Rounds                     | 3,742              | 4,043              | 4,285              | 4,526              | 4,828              | 21,424               | 38,503               |
|                                       | rnds/pass                       | 60.35              | 60.35              | 60.35              | 60.35              | 60.35              |                      |                      |
|                                       | % Rounds                        |                    |                    |                    |                    |                    |                      |                      |
|                                       | Patron Rounds                   | 2,541              | 2,583              | 2,625              | 2,667              | 2,709              | 13,125               | 24,717               |
|                                       | rnds/patron                     | 21.00              | 21.00              | 21.00              | 21.00              | 21.00              |                      |                      |
|                                       | % Rounds                        |                    |                    |                    |                    |                    |                      |                      |
|                                       | Regular Rounds                  | 15,941             | 14,574             | 16,439             | 14,647             | 16,224             | 77,825               | 153,229              |
|                                       | % Rounds                        | 57.0%              | 57.0%              | 57.0%              | 57.0%              | 57.0%              |                      |                      |
|                                       | Senior Rounds                   | 6,992              | 6,392              | 7,210              | 6,424              | 7,116              | 34,134               | 67,206               |
|                                       | % Rounds                        | 25.0%              | 25.0%              | 25.0%              | 25.0%              | 25.0%              |                      |                      |
|                                       | Other Rounds                    | 5,034              | 4,602              | 5,191              | 4,625              | 5,123              | 24,576               | 48,388               |
|                                       | % Rounds                        | 18.0%              | 18.0%              | 18.0%              | 18.0%              | 18.0%              |                      |                      |
|                                       | Avg Patron Rate                 | \$20.90            | \$20.90            | \$20.90            | \$20.90            | \$20.90            |                      |                      |
|                                       | Avg Regular Rate                | \$21.97            | \$21.97            | \$21.97            | \$21.97            | \$21.97            |                      |                      |
|                                       | Avg Senior Rate                 | \$18.77            | \$18.77            | \$18.77            | \$18.77            | \$18.77            |                      |                      |
|                                       | Avg Other Rate                  | \$14.85            | \$14.85            | \$14.85            | \$14.85            | \$14.85            |                      |                      |
|                                       | Total Patron                    | \$53,115           | \$53,993           | \$54,871           | \$55,749           | \$56,627           | \$274,356            | \$493,935            |
|                                       | Total Regular                   | \$350,267          | \$320,224          | \$361,198          | \$321,830          | \$356,475          | \$1,709,994          | \$3,198,199          |
|                                       | Total Senior                    | \$131,205          | \$119,951          | \$135,300          | \$120,553          | \$133,530          | \$640,538            | \$1,197,998          |
|                                       | Total Other                     | \$74,737           | \$68,327           | \$77,069           | \$68,669           | \$76,062           | \$364,864            | \$682,404            |
|                                       | <b>Total Green Fees</b>         | <b>\$609,324</b>   | <b>\$562,496</b>   | <b>\$628,438</b>   | <b>\$566,801</b>   | <b>\$622,694</b>   | <b>\$2,989,752</b>   | <b>\$5,572,536</b>   |
| <b>Cart Fees</b>                      |                                 |                    |                    |                    |                    |                    |                      |                      |
|                                       | avg rate                        | \$6.06             | \$6.27             | \$6.49             | \$6.72             | \$6.95             |                      |                      |
|                                       | <b>Total Cart Fees</b>          | <b>\$207,459</b>   | <b>\$201,837</b>   | <b>\$231,968</b>   | <b>\$220,880</b>   | <b>\$250,228</b>   | <b>\$1,112,373</b>   | <b>\$1,989,232</b>   |
| <b>Merchandise</b>                    |                                 |                    |                    |                    |                    |                    |                      |                      |
|                                       | avg rate                        | \$1.54             | \$1.60             | \$1.65             | \$1.71             | \$1.77             |                      |                      |
|                                       | <b>Total Merchandise</b>        | <b>\$52,882</b>    | <b>\$51,449</b>    | <b>\$59,129</b>    | <b>\$56,303</b>    | <b>\$63,784</b>    | <b>\$283,546</b>     | <b>\$507,059</b>     |
| <b>Food &amp; Beverage</b>            |                                 |                    |                    |                    |                    |                    |                      |                      |
|                                       | Golf                            | \$191,188          | \$186,007          | \$213,775          | \$203,556          | \$230,602          | \$1,025,128          | \$1,833,214          |
|                                       | avg rate                        | \$5.58             | \$5.78             | \$5.98             | \$6.19             | \$6.41             |                      |                      |
|                                       | <b>Total F&amp;B</b>            | <b>\$191,188</b>   | <b>\$186,007</b>   | <b>\$213,775</b>   | <b>\$203,556</b>   | <b>\$230,602</b>   | <b>\$1,025,128</b>   | <b>\$1,833,214</b>   |
|                                       | <b>Total Revenue</b>            | <b>\$1,135,020</b> | <b>\$1,081,694</b> | <b>\$1,218,485</b> | <b>\$1,138,008</b> | <b>\$1,264,449</b> | <b>\$5,837,657</b>   | <b>\$10,622,297</b>  |
| <b>County Compensation</b>            |                                 |                    |                    |                    |                    |                    |                      |                      |
|                                       | Green Fee total rev             | \$683,491          | \$642,402          | \$713,613          | \$657,269          | \$719,835          | \$3,416,611          | \$6,292,793          |
|                                       | Breakpoint                      | \$850,000          | \$850,000          | \$850,000          | \$850,000          | \$850,000          |                      |                      |
|                                       | % Up to breakpt                 | 80%                | 80%                | 80%                | 80%                | 80%                |                      |                      |
|                                       | % Over breakpt                  | 80%                | 80%                | 80%                | 80%                | 80%                |                      |                      |
|                                       | <b>Total Comp</b>               | <b>\$546,793</b>   | <b>\$513,922</b>   | <b>\$570,890</b>   | <b>\$525,815</b>   | <b>\$575,868</b>   | <b>\$2,733,288</b>   | <b>\$5,034,234</b>   |
|                                       | Cart Fee total rev              | \$207,459          | \$201,837          | \$231,968          | \$220,880          | \$250,228          | \$1,112,373          | \$1,989,232          |
|                                       | Breakpoint                      | \$200,000          | \$200,000          | \$200,000          | \$200,000          | \$200,000          |                      |                      |
|                                       | % Up to breakpt                 | 80%                | 80%                | 80%                | 80%                | 80%                |                      |                      |
|                                       | % Over breakpt                  | 80%                | 80%                | 80%                | 80%                | 80%                |                      |                      |
|                                       | <b>Total Comp</b>               | <b>\$165,967</b>   | <b>\$161,470</b>   | <b>\$185,575</b>   | <b>\$176,704</b>   | <b>\$200,182</b>   | <b>\$889,898</b>     | <b>\$1,591,385</b>   |
|                                       | F&B Total                       | \$191,188          | \$186,007          | \$213,775          | \$203,556          | \$230,602          | \$1,025,128          | \$1,833,214          |
|                                       | Food & Beverage Net             | \$114,713          | \$111,604          | \$128,265          | \$122,134          | \$138,361          | \$615,077            | \$1,099,928          |
|                                       | % F&B                           | 80%                | 80%                | 80%                | 80%                | 80%                |                      |                      |
|                                       | <b>F&amp;B Comp</b>             | <b>\$91,770</b>    | <b>\$89,283</b>    | <b>\$102,612</b>   | <b>\$97,707</b>    | <b>\$110,689</b>   | <b>\$492,061</b>     | <b>\$879,942</b>     |
|                                       | Merchandise                     | \$52,882           | \$51,449           | \$59,129           | \$56,303           | \$63,784           | \$283,546            | \$507,059            |
|                                       | Net Merchandise                 | \$15,865           | \$15,435           | \$17,739           | \$16,891           | \$19,135           | \$85,064             | \$152,118            |
|                                       | % split                         | 80.0%              | 80.0%              | 80.0%              | 80.0%              | 80.0%              |                      |                      |
|                                       | <b>Merch Comp</b>               | <b>\$12,692</b>    | <b>\$12,348</b>    | <b>\$14,191</b>    | <b>\$13,513</b>    | <b>\$15,308</b>    | <b>\$68,051</b>      | <b>\$121,694</b>     |
|                                       | <b>County Share</b>             | <b>\$817,222</b>   | <b>\$777,022</b>   | <b>\$873,268</b>   | <b>\$813,739</b>   | <b>\$902,047</b>   | <b>\$4,183,299</b>   | <b>\$7,627,256</b>   |
| <b>Expenses</b>                       |                                 |                    |                    |                    |                    |                    |                      |                      |
|                                       | Personnel Services              | \$490,283          | \$514,798          | \$540,537          | \$567,564          | \$595,943          | \$2,709,125          | \$4,831,796          |
|                                       | Other Services & Charges        | \$175,485          | \$180,750          | \$186,172          | \$191,757          | \$197,510          | \$931,674            | \$1,735,345          |
|                                       | Supplies                        | \$72,829           | \$75,014           | \$77,264           | \$79,582           | \$81,969           | \$386,658            | \$720,193            |
|                                       | Marketing                       | \$16,344           | \$15,540           | \$17,465           | \$16,275           | \$18,041           | \$83,666             | \$152,545            |
|                                       | Fleet Services                  | \$328,654          | \$338,514          | \$348,669          | \$359,129          | \$369,903          | \$1,744,870          | \$3,250,010          |
|                                       | <b>Total Expenses</b>           | <b>\$1,083,596</b> | <b>\$1,124,615</b> | <b>\$1,170,108</b> | <b>\$1,214,308</b> | <b>\$1,263,366</b> | <b>\$5,855,993</b>   | <b>\$10,689,888</b>  |
|                                       | <b>Net Income</b>               | <b>(\$266,374)</b> | <b>(\$347,593)</b> | <b>(\$296,840)</b> | <b>(\$400,569)</b> | <b>(\$361,319)</b> | <b>(\$1,672,694)</b> | <b>(\$3,062,632)</b> |
|                                       | <b>Difference to Status Quo</b> | <b>\$64,196</b>    | <b>\$54,787</b>    | <b>\$165,709</b>   | <b>\$170,787</b>   | <b>\$211,147</b>   | <b>\$666,626</b>     | <b>\$610,880</b>     |

**Scenario 1b: Hybrid Contract**

| <b>Hybrid Model - Scenario 1b</b> |                                     |                  |                  |                  |                  |                   |                    |  |
|-----------------------------------|-------------------------------------|------------------|------------------|------------------|------------------|-------------------|--------------------|--|
|                                   |                                     | 2019             | 2020             | 2021             | 2022             | 2023              | Total 19-23        |  |
| <b>County Revenue</b>             |                                     |                  |                  |                  |                  |                   |                    |  |
|                                   | Net Revenue                         | \$861,160        | \$910,386        | \$848,680        | \$935,118        | \$749,602         | \$4,304,947        |  |
|                                   | Breakpoint                          | \$850,000        | \$875,500        | \$901,000        | \$926,500        | \$952,000         |                    |  |
|                                   | % Below breakpoint                  | 5%               | 5%               | 5%               | 5%               | 5%                |                    |  |
|                                   | % Above breakpoint                  | 50%              | 50%              | 50%              | 50%              | 50%               |                    |  |
|                                   | <b>County Share</b>                 | <b>\$48,080</b>  | <b>\$61,218</b>  | <b>\$42,434</b>  | <b>\$50,634</b>  | <b>\$37,480</b>   | <b>\$239,846</b>   |  |
| <b>Expenses</b>                   |                                     |                  |                  |                  |                  |                   |                    |  |
|                                   | <b>Other Services &amp; Charges</b> | \$6,866          | \$7,072          | \$7,284          | \$7,503          | \$7,728           | \$36,452           |  |
|                                   | <b>Supplies</b>                     | \$373            | \$384            | \$396            | \$407            | \$420             | \$1,980            |  |
|                                   | <b>Supplement</b>                   | \$0              | \$0              | \$0              | \$0              | \$100,000         | \$100,000          |  |
|                                   | <b>Marketing</b>                    | \$1,442          | \$2,181          | \$1,273          | \$2,552          | \$1,124           | \$8,572            |  |
|                                   | <b>Total Expenses</b>               | <b>\$8,681</b>   | <b>\$9,637</b>   | <b>\$8,953</b>   | <b>\$10,462</b>  | <b>\$109,272</b>  | <b>\$147,004</b>   |  |
|                                   | <b>Net Income - Hybrid</b>          | <b>\$39,399</b>  | <b>\$63,056</b>  | <b>\$33,481</b>  | <b>\$74,596</b>  | <b>(\$71,792)</b> | <b>\$138,740</b>   |  |
|                                   | <b>Difference Hybrid</b>            | <b>\$228,405</b> | <b>\$264,177</b> | <b>\$341,081</b> | <b>\$366,072</b> | <b>\$273,196</b>  | <b>\$1,472,932</b> |  |
| <b>Operator Hybrid</b>            |                                     |                  |                  |                  |                  |                   |                    |  |
|                                   | Revenue Split                       | \$957,415        | \$1,012,003      | \$943,336        | \$1,039,044      | \$832,844         | \$4,784,640        |  |
|                                   | Cost of sales                       | \$110,743        | \$116,912        | \$108,903        | \$119,568        | \$95,771          | \$551,905          |  |
|                                   | <b>Supplement</b>                   | \$0              | \$0              | \$0              | \$0              | \$100,000         | \$100,000          |  |
|                                   | Net Revenue                         | \$846,671        | \$895,091        | \$834,433        | \$919,475        | \$837,073         | \$4,232,735        |  |

| <b>Hybrid Model - Scenario 1b</b> |                                     |                  |                  |                  |                  |                  |                    |                    |
|-----------------------------------|-------------------------------------|------------------|------------------|------------------|------------------|------------------|--------------------|--------------------|
|                                   |                                     | 2024             | 2025             | 2026             | 2027             | 2028             | Total 19-23        | Total 19-28        |
| <b>County Revenue</b>             |                                     |                  |                  |                  |                  |                  |                    |                    |
|                                   | Net Revenue                         | \$1,021,528      | \$971,278        | \$1,091,585      | \$1,017,174      | \$1,127,559      | \$5,229,123        | \$9,534,070        |
|                                   | Breakpoint                          | \$977,500        | \$1,003,000      | \$1,028,500      | \$1,054,000      | \$1,079,500      |                    |                    |
|                                   | % Below breakpoint                  | 5%               | 5%               | 5%               | 5%               | 5%               |                    |                    |
|                                   | % Above breakpoint                  | 50%              | 50%              | 50%              | 50%              | 50%              |                    |                    |
|                                   | <b>County Share</b>                 | <b>\$70,889</b>  | <b>\$48,564</b>  | <b>\$82,967</b>  | <b>\$50,859</b>  | <b>\$78,005</b>  | <b>\$331,283</b>   | <b>\$571,130</b>   |
| <b>Expenses</b>                   |                                     |                  |                  |                  |                  |                  |                    |                    |
|                                   | <b>Other Services &amp; Charges</b> | \$7,960          | \$8,198          | \$8,444          | \$8,698          | \$8,959          | \$42,258           | \$78,711           |
|                                   | <b>Supplies</b>                     | \$432            | \$445            | \$459            | \$472            | \$486            | \$2,295            | \$4,274            |
|                                   | <b>Supplement</b>                   | \$0              | \$0              |                  |                  |                  | \$0                | \$100,000          |
|                                   | <b>Marketing</b>                    | \$3,848          | \$3,094          | \$4,899          | \$3,783          | \$5,438          | \$21,062           | \$29,634           |
|                                   | <b>Total Expenses</b>               | <b>\$12,240</b>  | <b>\$11,738</b>  | <b>\$13,802</b>  | <b>\$12,953</b>  | <b>\$14,883</b>  | <b>\$65,615</b>    | <b>\$212,619</b>   |
|                                   | <b>Net Income - Hybrid</b>          | <b>\$116,024</b> | <b>\$91,401</b>  | <b>\$149,490</b> | <b>\$113,133</b> | <b>\$166,395</b> | <b>\$636,442</b>   | <b>\$775,182</b>   |
|                                   | <b>Difference Hybrid</b>            | <b>\$446,594</b> | <b>\$493,781</b> | <b>\$612,039</b> | <b>\$684,488</b> | <b>\$738,860</b> | <b>\$2,975,763</b> | <b>\$4,448,694</b> |
| <b>Operator Hybrid</b>            |                                     |                  |                  |                  |                  |                  |                    |                    |
|                                   | Revenue Split                       | \$1,135,020      | \$1,081,694      | \$1,218,485      | \$1,138,008      | \$1,264,449      | \$5,837,657        | \$10,622,297       |
|                                   | Cost of sales                       | \$130,576        | \$127,037        | \$146,002        | \$139,023        | \$157,495        | \$700,140          | \$1,252,046        |
|                                   | <b>Supplement</b>                   | \$0              | \$0              |                  |                  |                  | \$0                | \$100,000          |
|                                   | Net Revenue                         | \$1,004,444      | \$954,658        | \$1,072,483      | \$998,985        | \$1,106,954      | \$5,137,516        | \$9,370,251        |

**Scenario 2: Modest Renovation**

| <b>Goodrich Scenario 2: Modest Renovation</b> |          |          |          |          |          |             |
|---|----------|----------|----------|----------|----------|-------------|
|   | 2019     | 2020     | 2021     | 2022     | 2023     | Total 19-23 |
| <b>Rounds</b>                                 | 34,500   | 35,190   | 31,671   | 33,597   | 32,925   | 167,882     |
| <b>Revenue</b>                                |          |          |          |          |          |             |
| <b>Passes</b>                                 |          |          |          |          |          |             |
| <b>Regular</b>                                | \$9,111  | \$10,608 | \$12,200 | \$13,889 | \$15,682 | \$61,491    |
| Quantity                                      | 8.0      | 9        | 10       | 11       | 12       |             |
| Unit  | \$1,139  | \$1,179  | \$1,220  | \$1,263  | \$1,307  |             |
| <b>Senior</b>                                 | \$12,622 | \$13,997 | \$15,453 | \$16,993 | \$18,623 | \$77,689    |
| Quantity                                      | 14       | 15       | 16       | 17       | 18       |             |
| Unit  | \$902    | \$933    | \$966    | \$1,000  | \$1,035  |             |
| <b>Junior</b>                                 | \$949    | \$982    | \$1,017  | \$526    | \$545    | \$4,019     |
| Quantity                                      | 4        | 4        | 4        | 2        | 2        |             |
| Unit  | \$237    | \$246    | \$254    | \$263    | \$272    |             |
| <b>Weekday Regular</b>                        | \$6,833  | \$7,956  | \$5,490  | \$5,682  | \$5,881  | \$31,842    |
| Quantity                                      | 8        | 9        | 6        | 6        | 6        |             |
| Unit  | \$854.14 | \$884    | \$915    | \$947    | \$980    |             |
| <b>Weekday Senior</b>                         | \$13,476 | \$14,646 | \$15,880 | \$14,195 | \$15,465 | \$73,661    |
| Quantity                                      | 20       | 21       | 22       | 19       | 20       |             |
| Unit  | \$673.82 | \$697    | \$722    | \$747    | \$773    |             |
| <b>Total Passes</b>                           | 54       | 58       | 58       | 55       | 58       |             |
| <b>Total Passes</b>                           | \$42,992 | \$48,190 | \$50,039 | \$51,285 | \$56,195 | \$248,701   |
| <b>Patron Card</b>                            |          |          |          |          |          |             |
| <b>Resident</b>                               |          |          |          |          |          |             |
| <b>Regular</b>                                | \$569    | \$589    | \$610    | \$631    | \$653    | \$3,054     |
| Quantity                                      | 15       | 15       | 15       | 15       | 15       |             |
| Unit  | \$38     | \$39     | \$41     | \$42     | \$44     |             |
| <b>Senior</b>                                 | \$626    | \$648    | \$671    | \$694    | \$719    | \$3,359     |
| Quantity                                      | 22       | 22       | 22       | 22       | 22       |             |
| Unit  | \$28     | \$29     | \$30     | \$32     | \$33     |             |
| <b>Premium</b>                                | \$683    | \$707    | \$732    | \$758    | \$784    | \$3,664     |
| Quantity                                      | 8        | 8        | 8        | 8        | 8        |             |
| Unit  | \$85     | \$88     | \$91     | \$95     | \$98     |             |
| <b>Premium Senior</b>                         | \$664    | \$688    | \$712    | \$737    | \$762    | \$3,562     |
| Quantity                                      | 10       | 10       | 10       | 10       | 10       |             |
| Unit  | \$66     | \$69     | \$71     | \$74     | \$76     |             |
| <b>Non-Resident</b>                           |          |          |          |          |          |             |
| <b>Regular</b>                                | \$427    | \$442    | \$457    | \$474    | \$490    | \$2,290     |
| Quantity                                      | 9        | 9        | 9        | 9        | 9        |             |
| Unit  | \$47     | \$49     | \$51     | \$53     | \$54     |             |
| <b>Senior</b>                                 | \$683    | \$707    | \$732    | \$758    | \$784    | \$3,664     |
| Quantity                                      | 18       | 18       | 18       | 18       | 18       |             |
| Unit  | \$38     | \$39     | \$41     | \$42     | \$44     |             |
| <b>Premium</b>                                | \$475    | \$884    | \$1,220  | \$1,368  | \$1,634  | \$5,580     |
| Quantity                                      | 5        | 9        | 12       | 13       | 15       |             |
| Unit  | \$95     | \$98     | \$102    | \$105    | \$109    |             |
| <b>Premium Senior</b>                         | \$531    | \$1,414  | \$1,627  | \$1,768  | \$1,917  | \$7,257     |
| Quantity                                      | 7        | 18       | 20       | 21       | 22       |             |
| Unit  | \$76     | \$79     | \$81     | \$84     | \$87     |             |
| <b>Total quantity</b>                         | 94       | 109      | 114      | 116      | 119      |             |
| <b>Total Patron Cards</b>                     | \$4,660  | \$6,080  | \$6,761  | \$7,187  | \$7,743  | \$32,431    |

| <b>Goodrich Scenario 2: Modest Renovation</b> |                 |                 |                 |                 |                  | <b>Total 19-23</b> | <b>Total 19-28</b> |
|---|-----------------|-----------------|-----------------|-----------------|------------------|--------------------|--------------------|
|   | <b>2024</b>     | <b>2025</b>     | <b>2026</b>     | <b>2027</b>     | <b>2028</b>      |                    |                    |
| <b>Rounds</b>                                 | <b>21,157</b>   | <b>20,100</b>   | <b>38,500</b>   | <b>35,420</b>   | <b>39,019</b>    | <b>154,196</b>     | <b>322,078</b>     |
|   | Front 9 reno    | Back 9 Reno     | Rate Increase   |                 |                  |                    |                    |
| <b>Revenue</b>                                |                 |                 |                 |                 |                  |                    |                    |
| <b>Passes</b>                                 |                 |                 |                 |                 |                  |                    |                    |
| <b>Regular</b>                                | \$4,901         | \$6,087         | \$27,900        | \$32,085        | \$38,189         | <b>\$109,162</b>   | <b>\$170,652</b>   |
| Quantity                                      | 5               | 6               | 18              | 20              | 23               |                    |                    |
| Unit  | \$980           | \$1,014         | \$1,550         | \$1,604         | \$1,660          |                    |                    |
| <b>Senior</b>                                 | \$14,743        | \$16,062        | \$26,250        | \$28,463        | \$30,798         | <b>\$116,315</b>   | <b>\$194,004</b>   |
| Quantity                                      | 19              | 20              | 21              | 22              | 23               |                    |                    |
| Unit  | \$776           | \$803           | \$1,250         | \$1,294         | \$1,339          |                    |                    |
| <b>Junior</b>                                 | \$408           | \$634           | \$975           | \$1,009         | \$1,044          | <b>\$4,071</b>     | <b>\$8,090</b>     |
| Quantity                                      | 2               | 3               | 3               | 3               | 3                |                    |                    |
| Unit  | \$204           | \$211           | \$325           | \$336           | \$348            |                    |                    |
| <b>Weekday Regular</b>                        | \$4,411         | \$5,326         | \$8,225         | \$8,513         | \$8,811          | <b>\$35,285</b>    | <b>\$67,127</b>    |
| Quantity                                      | 6               | 7               | 7               | 7               | 7                |                    |                    |
| Unit  | \$735           | \$761           | \$1,175         | \$1,216         | \$1,259          |                    |                    |
| <b>Weekday Senior</b>                         | \$12,178        | \$12,605        | \$20,350        | \$22,020        | \$23,781         | <b>\$90,934</b>    | <b>\$164,595</b>   |
| Quantity                                      | 21              | 21              | 22              | 23              | 24               |                    |                    |
| Unit  | \$580           | \$600           | \$925           | \$957           | \$991            |                    |                    |
| <b>Total Passes</b>                           | <b>53</b>       | <b>57</b>       | <b>71</b>       | <b>75</b>       | <b>80</b>        |                    |                    |
| <b>Total Passes</b>                           | <b>\$36,641</b> | <b>\$40,713</b> | <b>\$83,700</b> | <b>\$92,089</b> | <b>\$102,623</b> | <b>\$355,767</b>   | <b>\$604,468</b>   |
| <b>Patron Card</b>                            |                 |                 |                 |                 |                  |                    |                    |
| <b>Resident</b>                               |                 |                 |                 |                 |                  |                    |                    |
| <b>Regular</b>                                | \$676           | \$700           | \$1,024         | \$1,060         | \$1,097          | <b>\$4,557</b>     | <b>\$7,610</b>     |
| Quantity                                      | 15              | 15              | 20              | 20              | 20               |                    |                    |
| Unit  | \$45            | \$47            | \$51            | \$53            | \$55             |                    |                    |
| <b>Senior</b>                                 | \$744           | \$770           | \$1,152         | \$1,192         | \$1,234          | <b>\$5,092</b>     | <b>\$8,451</b>     |
| Quantity                                      | 22              | 22              | 30              | 30              | 30               |                    |                    |
| Unit  | \$34            | \$35            | \$38            | \$40            | \$41             |                    |                    |
| <b>Premium</b>                                | \$812           | \$840           | \$1,728         | \$1,908         | \$2,098          | <b>\$7,385</b>     | <b>\$11,049</b>    |
| Quantity                                      | 8               | 8               | 15              | 16              | 17               |                    |                    |
| Unit  | \$101           | \$105           | \$115           | \$119           | \$123            |                    |                    |
| <b>Premium Senior</b>                         | \$789           | \$817           | \$1,075         | \$1,113         | \$1,152          | <b>\$4,945</b>     | <b>\$8,508</b>     |
| Quantity                                      | 10              | 10              | 12              | 12              | 12               |                    |                    |
| Unit  | \$79            | \$82            | \$90            | \$93            | \$96             |                    |                    |
| <b>Non-Resident</b>                           |                 |                 |                 |                 |                  |                    |                    |
| <b>Regular</b>                                | \$507           | \$525           | \$896           | \$927           | \$960            | <b>\$3,815</b>     | <b>\$6,105</b>     |
| Quantity                                      | 9               | 9               | 14              | 14              | 14               |                    |                    |
| Unit  | \$56            | \$58            | \$64            | \$66            | \$69             |                    |                    |
| <b>Senior</b>                                 | \$812           | \$840           | \$1,126         | \$1,219         | \$1,316          | <b>\$5,313</b>     | <b>\$8,977</b>     |
| Quantity                                      | 18              | 18              | 22              | 23              | 24               |                    |                    |
| Unit  | \$45            | \$47            | \$51            | \$53            | \$55             |                    |                    |
| <b>Premium</b>                                | \$1,803         | \$1,983         | \$2,688         | \$2,914         | \$3,153          | <b>\$12,542</b>    | <b>\$18,122</b>    |
| Quantity                                      | 16              | 17              | 21              | 22              | 23               |                    |                    |
| Unit  | \$113           | \$117           | \$128           | \$132           | \$137            |                    |                    |
| <b>Premium Senior</b>                         | \$2,074         | \$2,240         | \$2,765         | \$2,967         | \$3,181          | <b>\$13,227</b>    | <b>\$20,484</b>    |
| Quantity                                      | 23              | 24              | 27              | 28              | 29               |                    |                    |
| Unit  | \$90            | \$93            | \$102           | \$106           | \$110            |                    |                    |
| <b>Total quantity</b>                         | <b>121</b>      | <b>123</b>      | <b>161</b>      | <b>165</b>      | <b>169</b>       |                    |                    |
| <b>Total Patron Cards</b>                     | <b>\$8,217</b>  | <b>\$8,715</b>  | <b>\$12,453</b> | <b>\$13,300</b> | <b>\$14,190</b>  | <b>\$56,876</b>    | <b>\$89,306</b>    |

| <b>Goodrich Scenario 2: Modest Renovation</b> |                  |                    |                  |                    |                    |                    |
|---|------------------|--------------------|------------------|--------------------|--------------------|--------------------|
|   | 2019             | 2020               | 2021             | 2022               | 2023               | Total 19-23        |
| <b>Green Fee</b>                              |                  |                    |                  |                    |                    |                    |
| Pass Rounds                                   | 3,259            | 3,500              | 3,500            | 3,319              | 3,500              | 17,079             |
| rnds/pass                                     | 60.35            | 60.35              | 60.35            | 60.35              | 60.35              |                    |
| % Rounds                                      |                  |                    |                  |                    |                    |                    |
| Patron Rounds                                 | 1,974            | 2,289              | 2,394            | 2,436              | 2,499              | 11,592             |
| rnds/patron                                   | 21.00            | 21.00              | 21.00            | 21.00              | 21.00              |                    |
| % Rounds                                      |                  |                    |                  |                    |                    |                    |
| Regular Rounds                                | 16,682           | 16,758             | 14,693           | 15,870             | 15,347             | 79,350             |
| % Rounds                                      | 57.0%            | 57.0%              | 57.0%            | 57.0%              | 57.0%              |                    |
| Senior Rounds                                 | 7,317            | 7,350              | 6,444            | 6,960              | 6,731              | 34,803             |
| % Rounds                                      | 25.0%            | 25.0%              | 25.0%            | 25.0%              | 25.0%              |                    |
| Other Rounds                                  | 5,268            | 5,292              | 4,640            | 5,011              | 4,847              | 25,058             |
| % Rounds                                      | 18.0%            | 18.0%              | 18.0%            | 18.0%              | 18.0%              |                    |
| Avg Patron Rate                               | \$17.60          | \$18.22            | \$18.85          | \$19.51            | \$20.20            |                    |
| Avg Regular Rate                              | \$18.50          | \$19.15            | \$19.82          | \$20.51            | \$21.23            |                    |
| Avg Senior Rate                               | \$15.80          | \$16.35            | \$16.93          | \$17.52            | \$18.13            |                    |
| Avg Other Rate                                | \$12.50          | \$12.94            | \$13.39          | \$13.86            | \$14.34            |                    |
| Total Patron                                  | \$34,742         | \$41,696           | \$45,135         | \$47,535           | \$50,471           | \$219,580          |
| Total Regular                                 | \$308,622        | \$320,881          | \$291,175        | \$325,505          | \$325,814          | \$1,571,997        |
| Total Senior                                  | \$115,605        | \$120,197          | \$109,070        | \$121,929          | \$122,045          | \$588,847          |
| Total Other                                   | \$65,851         | \$68,467           | \$62,128         | \$69,453           | \$69,519           | \$335,419          |
| <b>Total Green Fees</b>                       | <b>\$524,820</b> | <b>\$551,242</b>   | <b>\$507,509</b> | <b>\$564,423</b>   | <b>\$567,849</b>   | <b>\$2,715,843</b> |
| <b>Cart Fees</b>                              |                  |                    |                  |                    |                    |                    |
| avg rate                                      | \$5.10           | \$5.28             | \$5.46           | \$5.65             | \$5.85             |                    |
| <b>Total Cart Fees</b>                        | <b>\$175,950</b> | <b>\$185,750</b>   | <b>\$173,027</b> | <b>\$189,971</b>   | <b>\$192,687</b>   | <b>\$917,385</b>   |
| <b>Merchandise</b>                            |                  |                    |                  |                    |                    |                    |
| avg rate                                      | \$1.30           | \$1.35             | \$1.39           | \$1.44             | \$1.49             |                    |
| <b>Total Merchandise</b>                      | <b>\$44,850</b>  | <b>\$47,348</b>    | <b>\$44,105</b>  | <b>\$48,424</b>    | <b>\$49,116</b>    | <b>\$233,843</b>   |
| <b>Food &amp; Beverage</b>                    |                  |                    |                  |                    |                    |                    |
| <b>Golf</b>                                   | <b>\$162,150</b> | <b>\$171,182</b>   | <b>\$159,456</b> | <b>\$175,071</b>   | <b>\$177,575</b>   | <b>\$845,433</b>   |
| avg rate                                      | \$4.70           | \$4.86             | \$5.03           | \$5.21             | \$5.39             |                    |
| <b>Total F&amp;B</b>                          | <b>\$162,150</b> | <b>\$171,182</b>   | <b>\$159,456</b> | <b>\$175,071</b>   | <b>\$177,575</b>   | <b>\$845,433</b>   |
| <b>Total Revenue</b>                          | <b>\$955,422</b> | <b>\$1,009,793</b> | <b>\$940,896</b> | <b>\$1,036,360</b> | <b>\$1,051,165</b> | <b>\$4,993,636</b> |
| <b>County Compensation</b>                    |                  |                    |                  |                    |                    |                    |
| <b>Current Model Revenue Equalization</b>     |                  |                    |                  |                    |                    |                    |
| <b>Green Fee total rev</b>                    | \$572,472        | \$605,512          | \$564,309        | \$622,895          | \$631,787          | \$2,996,975        |
| % Up to breakpt                               | 80%              | 80%                | 80%              | 80%                | 80%                |                    |
| <b>Total Comp</b>                             | <b>\$457,977</b> | <b>\$484,410</b>   | <b>\$451,447</b> | <b>\$498,316</b>   | <b>\$505,430</b>   | <b>\$2,397,580</b> |
| <b>Cart Fee total rev</b>                     | \$175,950        | \$185,750          | \$173,027        | \$189,971          | \$192,687          | \$917,385          |
| % Over breakpt                                | 80%              | 80%                | 80%              | 80%                | 80%                |                    |
| <b>Total Comp</b>                             | <b>\$140,760</b> | <b>\$148,600</b>   | <b>\$138,421</b> | <b>\$151,977</b>   | <b>\$154,150</b>   | <b>\$733,908</b>   |
| <b>F&amp;B Total</b>                          | <b>\$162,150</b> | <b>\$171,182</b>   | <b>\$159,456</b> | <b>\$175,071</b>   | <b>\$177,575</b>   | <b>\$845,433</b>   |
| Food & Beverage Net                           | \$97,290         | \$102,709          | \$95,673         | \$105,043          | \$106,545          | \$507,260          |
| % F&B   | 80%              | 80%                | 80%              | 80%                | 80%                |                    |
| <b>F&amp;B Comp</b>                           | <b>\$77,832</b>  | <b>\$82,167</b>    | <b>\$76,539</b>  | <b>\$84,034</b>    | <b>\$85,236</b>    | <b>\$405,808</b>   |
| <b>Merchandise</b>                            | <b>\$44,850</b>  | <b>\$47,348</b>    | <b>\$44,105</b>  | <b>\$48,424</b>    | <b>\$49,116</b>    | <b>\$233,843</b>   |
| Net Merchandise                               | \$13,455         | \$14,204           | \$13,231         | \$14,527           | \$14,735           | \$70,153           |
| % split                                       | 80%              | 80%                | 80%              | 80%                | 80%                |                    |
| Merch Comp                                    | \$10,764         | \$11,364           | \$10,585         | \$11,622           | \$11,788           | \$56,122           |
| <b>County Share</b>                           | <b>\$687,333</b> | <b>\$726,541</b>   | <b>\$676,992</b> | <b>\$745,948</b>   | <b>\$756,603</b>   | <b>\$3,593,418</b> |

| <b>Goodrich Scenario 2: Modest Renovation</b> |                            |                  |                  |                    |                    |                    |                    |                     |
|---|----------------------------|------------------|------------------|--------------------|--------------------|--------------------|--------------------|---------------------|
|   |                            | 2024             | 2025             | 2026               | 2027               | 2028               | Total 19-23        | Total 19-28         |
| <b>Green Fee</b>                              |                            |                  |                  |                    |                    |                    |                    |                     |
|   | Pass Rounds                | 3,199            | 3,440            | 4,285              | 4,526              | 4,828              | 20,278             | 37,357              |
|   | rnds/pass                  | 60.35            | 60.35            | 60.35              | 60.35              | 60.35              |                    |                     |
|   | % Rounds                   |                  |                  |                    |                    |                    |                    |                     |
|   | Patron Rounds              | 2,541            | 2,583            | 3,381              | 3,465              | 3,549              | 15,519             | 27,111              |
|   | rnds/patron                | 21.00            | 21.00            | 21.00              | 21.00              | 21.00              |                    |                     |
|   | % Rounds                   |                  |                  |                    |                    |                    |                    |                     |
|   | Regular Rounds             | 8,788            | 8,024            | 17,575             | 15,634             | 17,466             | 67,487             | 146,838             |
|   | % Rounds                   | 57.0%            | 57.0%            | 57.0%              | 57.0%              | 57.0%              |                    |                     |
|   | Senior Rounds              | 3,854            | 3,519            | 7,709              | 6,857              | 7,660              | 29,600             | 64,403              |
|   | % Rounds                   | 25.0%            | 25.0%            | 25.0%              | 25.0%              | 25.0%              |                    |                     |
|   | Other Rounds               | 2,775            | 2,534            | 5,550              | 4,937              | 5,516              | 21,312             | 46,370              |
|   | % Rounds                   | 18.0%            | 18.0%            | 18.0%              | 18.0%              | 18.0%              |                    |                     |
|   | Avg Patron Rate            | \$16.72          | \$17.31          | \$23.75            | \$24.58            | \$25.44            |                    |                     |
|   | Avg Regular Rate           | \$17.58          | \$18.19          | \$24.95            | \$25.82            | \$26.73            |                    |                     |
|   | Avg Senior Rate            | \$15.01          | \$15.54          | \$21.30            | \$22.05            | \$22.82            |                    |                     |
|   | Avg Other Rate             | \$11.88          | \$12.29          | \$16.90            | \$17.49            | \$18.10            |                    |                     |
|   | Total Patron               | \$42,492         | \$44,706         | \$80,299           | \$85,174           | \$90,292           | \$342,964          | \$562,543           |
|   | Total Regular              | \$154,476        | \$145,974        | \$438,508          | \$403,731          | \$466,808          | \$1,609,497        | \$3,181,495         |
|   | Total Senior               | \$57,865         | \$54,680         | \$164,192          | \$151,170          | \$174,788          | \$602,695          | \$1,191,541         |
|   | Total Other                | \$32,961         | \$31,147         | \$93,797           | \$86,359           | \$99,851           | \$344,115          | \$679,534           |
|   | <b>Total Green Fees</b>    | <b>\$287,794</b> | <b>\$276,507</b> | <b>\$776,796</b>   | <b>\$726,433</b>   | <b>\$831,740</b>   | <b>\$2,899,270</b> | <b>\$5,615,113</b>  |
| <b>Cart Fees</b>                              |                            |                  |                  |                    |                    |                    |                    |                     |
|   | avg rate                   | \$6.06           | \$6.27           | \$6.88             | \$7.12             | \$7.37             |                    |                     |
|   | <b>Total Cart Fees</b>     | <b>\$128,155</b> | <b>\$126,008</b> | <b>\$264,801</b>   | <b>\$252,143</b>   | <b>\$287,483</b>   | <b>\$1,058,589</b> | <b>\$1,975,974</b>  |
| <b>Merchandise</b>                            |                            |                  |                  |                    |                    |                    |                    |                     |
|   | avg rate                   | \$1.54           | \$1.60           | \$1.65             | \$1.71             | \$1.77             |                    |                     |
|   | <b>Total Merchandise</b>   | <b>\$32,667</b>  | <b>\$32,120</b>  | <b>\$63,678</b>    | <b>\$60,634</b>    | <b>\$69,132</b>    | <b>\$258,230</b>   | <b>\$492,073</b>    |
| <b>Food &amp; Beverage</b>                    |                            |                  |                  |                    |                    |                    |                    |                     |
|   | <b>Golf</b>                | <b>\$118,103</b> | <b>\$116,125</b> | <b>\$230,219</b>   | <b>\$219,214</b>   | <b>\$249,939</b>   | <b>\$933,600</b>   | <b>\$1,779,033</b>  |
|   | avg rate                   | \$5.58           | \$5.78           | \$5.98             | \$6.19             | \$6.41             |                    |                     |
|   | <b>Total F&amp;B</b>       | <b>\$118,103</b> | <b>\$116,125</b> | <b>\$230,219</b>   | <b>\$219,214</b>   | <b>\$249,939</b>   | <b>\$933,600</b>   | <b>\$1,779,033</b>  |
|   | <b>Total Revenue</b>       | <b>\$611,577</b> | <b>\$600,187</b> | <b>\$1,431,647</b> | <b>\$1,363,814</b> | <b>\$1,555,107</b> | <b>\$5,562,332</b> | <b>\$10,555,968</b> |
| <b>County Compensation</b>                    |                            |                  |                  |                    |                    |                    |                    |                     |
| <b>Current Model Revenue Equalization</b>     |                            |                  |                  |                    |                    |                    |                    |                     |
|   | <b>Green Fee total rev</b> | \$332,652        | \$325,935        | \$872,949          | \$831,823          | \$948,554          | \$3,311,912        | \$6,308,887         |
|   | % Up to breakpt            | 80%              | 80%              | 83%                | 83%                | 83%                |                    |                     |
|   | <b>Total Comp</b>          | <b>\$266,122</b> | <b>\$260,748</b> | <b>\$724,548</b>   | <b>\$690,413</b>   | <b>\$787,300</b>   | <b>\$2,729,130</b> | <b>\$5,126,710</b>  |
|   | <b>Cart Fee total rev</b>  | \$128,155        | \$126,008        | \$264,801          | \$252,143          | \$287,483          | \$1,058,589        | \$1,975,974         |
|   | % Over breakpt             | 80%              | 80%              | 83%                | 83%                | 83%                |                    |                     |
|   | <b>Total Comp</b>          | <b>\$102,524</b> | <b>\$100,806</b> | <b>\$219,785</b>   | <b>\$209,279</b>   | <b>\$238,611</b>   | <b>\$871,004</b>   | <b>\$1,604,912</b>  |
|   | <b>F&amp;B Total</b>       | <b>\$118,103</b> | <b>\$116,125</b> | <b>\$230,219</b>   | <b>\$219,214</b>   | <b>\$249,939</b>   | <b>\$933,600</b>   | <b>\$1,779,033</b>  |
|   | Food & Beverage Net        | \$70,862         | \$69,675         | \$138,131          | \$131,529          | \$149,963          | \$560,160          | \$1,067,420         |
|   | % F&B                      | 80%              | 80%              | 83%                | 83%                | 83%                |                    |                     |
|   | <b>F&amp;B Comp</b>        | <b>\$56,690</b>  | <b>\$55,740</b>  | <b>\$114,649</b>   | <b>\$109,169</b>   | <b>\$124,469</b>   | <b>\$460,717</b>   | <b>\$866,525</b>    |
|   | <b>Merchandise</b>         | <b>\$32,667</b>  | <b>\$32,120</b>  | <b>\$63,678</b>    | <b>\$60,634</b>    | <b>\$69,132</b>    | <b>\$258,230</b>   | <b>\$492,073</b>    |
|   | Net Merchandise            | \$9,800          | \$9,636          | \$19,103           | \$18,190           | \$20,740           | \$77,469           | \$147,622           |
|   | % split                    | 80%              | 80%              | 83%                | 83%                | 83%                |                    |                     |
|   | Merch Comp                 | \$7,840          | \$7,709          | \$15,856           | \$15,098           | \$17,214           | \$63,716           | \$119,839           |
|   | <b>County Share</b>        | <b>\$433,176</b> | <b>\$425,004</b> | <b>\$1,074,838</b> | <b>\$1,023,959</b> | <b>\$1,167,594</b> | <b>\$4,124,570</b> | <b>\$7,717,988</b>  |

| <b>Goodrich Scenario 2: Modest Renovation</b> |                    |                    |                    |                    |                    |                      |  |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|----------------------|--|
|   | 2019               | 2020               | 2021               | 2022               | 2023               | Total 19-23          |  |
| <b>Expenses</b>                               |                    |                    |                    |                    |                    |                      |  |
| <b>Current Model</b>                          |                    |                    |                    |                    |                    |                      |  |
| Personnel Services                            | \$382,321          | \$399,525          | \$417,504          | \$436,291          | \$455,924          | \$2,091,565          |  |
| Other Services & Charges                      | \$151,375          | \$155,916          | \$160,594          | \$165,412          | \$170,374          | \$803,670            |  |
| Supplies                                      | \$62,823           | \$64,707           | \$66,649           | \$68,648           | \$70,708           | \$333,535            |  |
| Fleet Services                                | \$283,500          | \$292,005          | \$300,765          | \$309,788          | \$319,082          | \$1,505,140          |  |
| Marketing                                     | \$17,183           | \$18,164           | \$16,925           | \$18,649           | \$18,915           | \$89,835             |  |
| <b>Total Expenses</b>                         | <b>\$897,202</b>   | <b>\$930,317</b>   | <b>\$962,436</b>   | <b>\$998,788</b>   | <b>\$1,035,003</b> | <b>\$4,823,745</b>   |  |
| <b>Net Income</b>                             | <b>(\$209,868)</b> | <b>(\$203,776)</b> | <b>(\$285,444)</b> | <b>(\$252,840)</b> | <b>(\$278,399)</b> | <b>(\$1,230,327)</b> |  |
| <b>Difference to Status Quo</b>               | <b>(\$20,862)</b>  | <b>(\$2,655)</b>   | <b>\$22,156</b>    | <b>\$38,636</b>    | <b>\$66,588</b>    | <b>\$103,864</b>     |  |
| Operator Revenue                              | \$268,088          | \$283,252          | \$263,904          | \$290,412          | \$294,562          | \$1,400,218          |  |
| Less Cost of Sales                            | \$96,255           | \$101,616          | \$94,656           | \$103,925          | \$105,411          | \$501,863            |  |
| <b>Net Operator</b>                           | <b>\$171,833</b>   | <b>\$181,635</b>   | <b>\$169,248</b>   | <b>\$186,487</b>   | <b>\$189,151</b>   | <b>\$898,355</b>     |  |
| <b>Hybrid Model</b>                           |                    |                    |                    |                    |                    |                      |  |
| <b>County Revenue</b>                         |                    |                    |                    |                    |                    |                      |  |
| Net Revenue                                   | \$859,167          | \$908,176          | \$846,240          | \$932,435          | \$945,754          | \$4,491,773          |  |
| Breakpoint                                    | \$850,000          | \$875,500          | \$901,000          | \$926,500          | \$952,000          |                      |  |
| Supplement                                    |                    |                    |                    |                    |                    |                      |  |
| % Below breakpoint                            | 5%                 | 5%                 | 5%                 | 5%                 | 5%                 |                      |  |
| % Above breakpoint                            | 50%                | 50%                | 50%                | 50%                | 50%                |                      |  |
| <b>County Share</b>                           | <b>\$47,083</b>    | <b>\$60,113</b>    | <b>\$42,312</b>    | <b>\$49,293</b>    | <b>\$47,288</b>    | <b>\$246,089</b>     |  |
| <b>Expenses</b>                               |                    |                    |                    |                    |                    |                      |  |
| Other Services & Charges                      | \$6,866            | \$7,072            | \$7,284            | \$7,503            | \$7,728            | \$36,452             |  |
| Supplies                                      | \$373              | \$384              | \$396              | \$407              | \$420              | \$1,980              |  |
| Supplement                                    | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                  |  |
| Marketing                                     | \$1,412            | \$1,803            | \$1,269            | \$1,479            | \$1,419            | \$7,383              |  |
| <b>Total Expenses</b>                         | <b>\$8,651</b>     | <b>\$9,259</b>     | <b>\$8,949</b>     | <b>\$9,389</b>     | <b>\$9,566</b>     | <b>\$45,815</b>      |  |
| <b>Net Income - Hybrid</b>                    | <b>\$38,432</b>    | <b>\$50,854</b>    | <b>\$33,363</b>    | <b>\$39,904</b>    | <b>\$37,722</b>    | <b>\$200,274</b>     |  |
| <b>Difference to Status Quo</b>               | <b>(\$20,862)</b>  | <b>\$251,975</b>   | <b>\$340,963</b>   | <b>\$331,379</b>   | <b>\$382,709</b>   | <b>\$1,286,165</b>   |  |
| <b>Operator Hybrid</b>                        |                    |                    |                    |                    |                    |                      |  |
| Revenue Split                                 | \$908,338          | \$949,679          | \$898,584          | \$987,068          | \$1,003,878        | \$4,747,547          |  |
| Cost of sales                                 | \$96,255           | \$101,616          | \$94,656           | \$103,925          | \$105,411          | \$501,863            |  |
| Supplement                                    | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                  |  |
| <b>Net Revenue</b>                            | <b>\$812,083</b>   | <b>\$848,063</b>   | <b>\$803,928</b>   | <b>\$883,143</b>   | <b>\$898,466</b>   | <b>\$4,245,684</b>   |  |

| <b>Goodrich Scenario 2: Modest Renovation</b> |                    |                    |                    |                    |                    |                    |                       |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|-----------------------|
|   | 2024               | 2025               | 2026               | 2027               | 2028               | Total 19-23        | Total 19-28           |
| <b>Expenses</b>                               |                    |                    |                    |                    |                    |                    |                       |
| <b>Current Model</b>                          |                    |                    |                    |                    |                    |                    |                       |
| Personnel Services                            | \$309,687          | \$323,623          | \$500,000          | \$522,500          | \$546,013          | \$2,201,822        | \$4,293,387           |
| Other Services & Charges                      | \$114,065          | \$117,487          | \$175,000          | \$180,250          | \$185,658          | \$772,460          | \$1,576,130           |
| Supplies                                      | \$47,339           | \$48,759           | \$76,000           | \$78,280           | \$80,628           | \$331,006          | \$664,541             |
| Fleet Services                                | \$215,000          | \$221,450          | \$349,000          | \$359,470          | \$370,254          | \$1,515,174        | \$3,020,314           |
| Marketing                                     | \$10,829           | \$10,625           | \$26,871           | \$25,599           | \$29,190           | \$103,114          | \$192,950             |
| <b>Total Expenses</b>                         | <b>\$696,920</b>   | <b>\$721,944</b>   | <b>\$1,126,871</b> | <b>\$1,166,099</b> | <b>\$1,211,742</b> | <b>\$4,923,576</b> | <b>\$9,747,321</b>    |
| <b>Net Income</b>                             | <b>(\$263,745)</b> | <b>(\$296,940)</b> | <b>(\$52,033)</b>  | <b>(\$142,140)</b> | <b>(\$44,148)</b>  | <b>(\$799,006)</b> | <b>(\$2,029,333)</b>  |
| <b>Difference to Status Quo</b>               | <b>\$66,825</b>    | <b>\$105,440</b>   | <b>\$410,516</b>   | <b>\$429,215</b>   | <b>\$528,318</b>   | <b>\$1,540,315</b> | <b>\$1,644,179</b>    |
| Operator Revenue                              | \$178,401          | \$175,184          | \$356,809          | \$339,855          | \$387,513          | \$1,437,761        | \$2,837,979           |
| Less Cost of Sales                            | \$70,108           | \$68,934           | \$136,662          | \$130,129          | \$148,368          | \$554,201          | \$1,056,064           |
| <b>Net Operator</b>                           | <b>\$108,293</b>   | <b>\$106,250</b>   | <b>\$220,147</b>   | <b>\$209,726</b>   | <b>\$239,145</b>   | <b>\$883,560</b>   | <b>\$1,781,915</b>    |
| <b>Hybrid Model</b>                           |                    |                    |                    |                    |                    |                    |                       |
| <b>County Revenue</b>                         |                    |                    |                    |                    |                    |                    |                       |
| Net Revenue                                   | \$541,469          | \$531,254          | \$1,294,985        | \$1,233,685        | \$1,406,739        | \$5,008,131        | \$9,499,903           |
| Breakpoint                                    | \$977,500          | \$1,003,000        | \$1,028,500        | \$1,054,000        | \$1,079,500        |                    |                       |
| Supplement                                    | \$50,000           | \$50,000           |                    |                    |                    |                    |                       |
| % Below breakpoint                            | 5%                 | 5%                 | 5%                 | 5%                 | 5%                 |                    |                       |
| % Above breakpoint                            | 50%                | 50%                | 50%                | 50%                | 50%                |                    |                       |
| <b>County Share</b>                           | <b>\$27,073</b>    | <b>\$26,563</b>    | <b>\$184,667</b>   | <b>\$142,542</b>   | <b>\$217,595</b>   | <b>\$598,440</b>   | <b>\$844,529</b>      |
| <b>Expenses</b>                               |                    |                    |                    |                    |                    |                    |                       |
| Other Services & Charges                      | \$7,960            | \$8,198            | \$8,444            | \$8,698            | \$8,959            | \$42,258           | \$78,711              |
| Supplies                                      | \$432              | \$445              | \$459              | \$472              | \$486              | \$2,295            | \$4,274               |
| Supplement                                    | \$50,000           | \$50,000           |                    |                    |                    | \$100,000          | \$100,000             |
| Marketing                                     | \$812              | \$797              | \$5,540            | \$4,276            | \$6,528            | \$17,953           | \$25,336              |
| <b>Total Expenses</b>                         | <b>\$59,204</b>    | <b>\$59,440</b>    | <b>\$14,443</b>    | <b>\$13,446</b>    | <b>\$15,973</b>    | <b>\$162,506</b>   | <b>\$208,321</b>      |
| <b>Net Income - Hybrid</b>                    | <b>(\$32,131)</b>  | <b>(\$32,878)</b>  | <b>\$170,224</b>   | <b>\$129,096</b>   | <b>\$201,622</b>   | <b>\$435,934</b>   | <b>\$636,208</b>      |
| <b>Difference to Status Quo</b>               | <b>\$298,439</b>   | <b>\$369,503</b>   | <b>\$632,774</b>   | <b>\$700,451</b>   | <b>\$774,088</b>   | <b>\$2,775,254</b> | <b>\$4,061,420</b>    |
| <b>Operator Hybrid</b>                        |                    |                    |                    |                    | Debt support       |                    | <b>(\$455,975.54)</b> |
| Revenue Split                                 | \$584,503          | \$573,625          | \$1,246,979        | \$1,221,272        | \$1,337,512        | \$4,963,891        | \$9,711,439           |
| Cost of sales                                 | \$70,108           | \$68,934           | \$136,662          | \$130,129          | \$148,368          | \$554,201          | \$1,056,064           |
| Supplement                                    | \$50,000           | \$50,000           |                    |                    |                    | \$100,000          | \$100,000             |
| <b>Net Revenue</b>                            | <b>\$564,395</b>   | <b>\$554,691</b>   | <b>\$1,110,317</b> | <b>\$1,091,142</b> | <b>\$1,189,145</b> | <b>\$4,409,690</b> | <b>\$8,655,374</b>    |

**Scenario 2b: Hybrid Contract**

| <b>Hybrid Model</b>   |                                     |                   |                  |                  |                  |                  |                    |
|-----------------------|-------------------------------------|-------------------|------------------|------------------|------------------|------------------|--------------------|
|                       |                                     | 2019              | 2020             | 2021             | 2022             | 2023             | Total 19-23        |
| <b>County Revenue</b> |                                     |                   |                  |                  |                  |                  |                    |
|                       | Net Revenue                         | \$859,167         | \$908,176        | \$846,240        | \$932,435        | \$945,754        |                    |
|                       | Breakpoint                          | \$850,000         | \$875,500        | \$901,000        | \$926,500        | \$952,000        |                    |
|                       | <b>County Share</b>                 | <b>\$47,083</b>   | <b>\$60,113</b>  | <b>\$42,312</b>  | <b>\$49,293</b>  | <b>\$47,288</b>  |                    |
| <b>Expenses</b>       |                                     |                   |                  |                  |                  |                  |                    |
|                       | <b>Other Services &amp; Charges</b> | \$6,866           | \$7,072          | \$7,284          | \$7,503          | \$7,728          | \$36,452           |
|                       | <b>Supplies</b>                     | \$373             | \$384            | \$396            | \$407            | \$420            | \$1,980            |
|                       | <b>Supplement</b>                   | \$0               | \$0              | \$0              | \$0              | \$0              | \$0                |
|                       | <b>Marketing</b>                    | \$1,412           | \$1,803          | \$1,269          | \$1,479          | \$1,419          | \$7,383            |
|                       | <b>Total Expenses</b>               | <b>\$8,651</b>    | <b>\$9,259</b>   | <b>\$8,949</b>   | <b>\$9,389</b>   | <b>\$9,566</b>   | <b>\$45,815</b>    |
|                       | <b>Net Income - Hybrid</b>          | <b>\$38,432</b>   | <b>\$50,854</b>  | <b>\$33,363</b>  | <b>\$39,904</b>  | <b>\$37,722</b>  | <b>\$200,274</b>   |
|                       | <b>Difference Hybrid</b>            | <b>(\$20,862)</b> | <b>\$251,975</b> | <b>\$340,963</b> | <b>\$331,379</b> | <b>\$382,709</b> | <b>\$1,286,165</b> |
|                       | Operator Hybrid                     |                   |                  |                  |                  |                  |                    |
|                       | Revenue Split                       | \$908,338         | \$949,679        | \$898,584        | \$987,068        | \$1,003,878      | \$4,993,636        |
|                       | Cost of sales                       | \$96,255          | \$101,616        | \$94,656         | \$103,925        | \$105,411        | \$501,863          |
|                       | Supplement                          | \$0               | \$0              | \$0              | \$0              | \$0              | \$0                |
|                       | Net Revenue                         | \$812,083         | \$848,063        | \$803,928        | \$883,143        | \$898,466        | \$4,491,773        |

| <b>Hybrid Model</b>   |                                     |                   |                   |                  |                  |                  |                    |                    |
|-----------------------|-------------------------------------|-------------------|-------------------|------------------|------------------|------------------|--------------------|--------------------|
|                       |                                     | 2024              | 2025              | 2026             | 2027             | 2028             | Total 19-23        | Total 19-28        |
| <b>County Revenue</b> |                                     |                   |                   |                  |                  |                  |                    |                    |
|                       | Net Revenue                         | \$541,469         | \$531,254         | \$1,294,985      | \$1,233,685      | \$1,406,739      |                    |                    |
|                       | Breakpoint                          | \$977,500         | \$1,003,000       | \$1,028,500      | \$1,054,000      | \$1,079,500      |                    |                    |
|                       | <b>County Share</b>                 | <b>\$27,073</b>   | <b>\$26,563</b>   | <b>\$184,667</b> | <b>\$142,542</b> | <b>\$217,595</b> |                    |                    |
| <b>Expenses</b>       |                                     |                   |                   |                  |                  |                  |                    |                    |
|                       | <b>Other Services &amp; Charges</b> | \$7,960           | \$8,198           | \$8,444          | \$8,698          | \$8,959          | \$42,258           | \$78,711           |
|                       | <b>Supplies</b>                     | \$432             | \$445             | \$459            | \$472            | \$486            | \$2,295            | \$4,274            |
|                       | <b>Supplement</b>                   | \$50,000          | \$50,000          |                  |                  |                  | \$100,000          | \$100,000          |
|                       | <b>Marketing</b>                    | \$812             | \$797             | \$5,540          | \$4,276          | \$6,528          | \$17,953           | \$25,336           |
|                       | <b>Total Expenses</b>               | <b>\$59,204</b>   | <b>\$59,440</b>   | <b>\$14,443</b>  | <b>\$13,446</b>  | <b>\$15,973</b>  | <b>\$162,506</b>   | <b>\$208,321</b>   |
|                       | <b>Net Income - Hybrid</b>          | <b>(\$32,131)</b> | <b>(\$32,878)</b> | <b>\$170,224</b> | <b>\$129,096</b> | <b>\$201,622</b> | <b>\$435,934</b>   | <b>\$636,208</b>   |
|                       | <b>Difference Hybrid</b>            | <b>\$298,439</b>  | <b>\$369,503</b>  | <b>\$632,774</b> | <b>\$700,451</b> | <b>\$774,088</b> | <b>\$2,775,254</b> | <b>\$4,061,420</b> |
|                       | Operator Hybrid                     |                   |                   |                  |                  | Debt support     |                    | (\$355,975.54)     |
|                       | Revenue Split                       | \$584,503         | \$573,625         | \$1,246,979      | \$1,221,272      | \$1,337,512      | \$5,562,332        | \$10,555,968       |
|                       | Cost of sales                       | \$70,108          | \$68,934          | \$136,662        | \$130,129        | \$148,368        | \$554,201          | \$1,056,064        |
|                       | Supplement                          | \$50,000          | \$50,000          |                  |                  |                  | \$100,000          | \$100,000          |
|                       | Net Revenue                         | \$564,395         | \$554,691         | \$1,110,317      | \$1,091,142      | \$1,189,145      | \$5,008,131        | \$9,499,903        |

# Battle Creek

## Status Quo

| Battlecreek Status Quo     |                  |                  |                  |                  |                  |                    |
|----------------------------|------------------|------------------|------------------|------------------|------------------|--------------------|
|                            | 2019             | 2020             | 2021             | 2022             | 2023             | Total 19-23        |
| <b>Rounds</b>              | 18,150           | 18,241           | 16,417           | 18,149           | 18,239           | 89,195             |
| <b>Revenue</b>             |                  |                  |                  |                  |                  |                    |
| <b>Passes</b>              |                  |                  |                  |                  |                  |                    |
| <b>Regular</b>             | \$9,101          | \$9,648          | \$9,648          | \$10,226         | \$11,013         | \$49,636           |
| Quantity                   | 13               | 13               | 13               | 13               | 14               |                    |
| Unit                       | \$700            | \$742            | \$742            | \$787            | \$787            |                    |
| <b>Senior</b>              | \$15,378         | \$16,301         | \$17,042         | \$18,064         | \$18,850         | \$85,634           |
| Quantity                   | 22               | 22               | 23               | 23               | 24               |                    |
| Unit                       | \$699            | \$741            | \$741            | \$785            | \$785            |                    |
| <b>Junior</b>              | \$1,330          | \$1,410          | \$1,410          | \$1,495          | \$1,495          | \$7,139            |
| Quantity                   | 3                | 3                | 3                | 3                | 3                |                    |
| Unit                       | \$443            | \$470            | \$470            | \$498            | \$498            |                    |
| <b>Total Passes</b>        | <b>\$25,810</b>  | <b>\$27,358</b>  | <b>\$28,099</b>  | <b>\$29,785</b>  | <b>\$31,357</b>  | <b>\$142,409</b>   |
| <b>Patron Card</b>         |                  |                  |                  |                  |                  |                    |
| <b>Resident</b>            |                  |                  |                  |                  |                  |                    |
| <b>Regular</b>             | \$978            | \$1,036          | \$1,061          | \$1,177          | \$1,177          | \$5,429            |
| Quantity                   | 42               | 42               | 43               | 45               | 45               |                    |
| Unit                       | \$23             | \$25             | \$25             | \$26             | \$26             |                    |
| <b>Total Patron Cards</b>  | <b>\$978</b>     | <b>\$1,036</b>   | <b>\$1,061</b>   | <b>\$1,177</b>   | <b>\$1,177</b>   | <b>\$5,429</b>     |
| <b>Green Fee</b>           |                  |                  |                  |                  |                  |                    |
| Pass Rounds                | 2,356            | 2,356            | 2,418            | 2,418            | 2,542            | 12,090             |
| rnds/pass                  | 62.00            | 62.00            | 62.00            | 62.00            | 62.00            |                    |
| Patron Rounds              | 447              | 447              | 458              | 479              | 479              | 2,311              |
| rnds/patron                | 10.65            | 10.65            | 10.65            | 10.65            | 10.65            |                    |
| Regular Rounds             | 7,187            | 7,229            | 6,341            | 7,142            | 7,126            | 35,025             |
| % Rounds                   | 46.8%            | 46.8%            | 46.8%            | 46.8%            | 46.8%            |                    |
| Senior Rounds              | 3,135            | 3,154            | 2,766            | 3,116            | 3,109            | 15,280             |
| % Rounds                   | 20.4%            | 20.4%            | 20.4%            | 20.4%            | 20.4%            |                    |
| Other Rounds               | 5,025            | 5,055            | 4,434            | 4,994            | 4,983            | 24,489             |
| % Rounds                   | 32.7%            | 32.7%            | 32.7%            | 32.7%            | 32.7%            |                    |
| Avg Patron Rate            | \$16.50          | \$17.49          | \$17.49          | \$18.54          | \$18.54          |                    |
| Avg Regular Rate           | \$18.25          | \$19.35          | \$19.35          | \$20.51          | \$20.51          |                    |
| Avg Senior Rate            | \$14.00          | \$14.84          | \$14.84          | \$15.73          | \$15.73          |                    |
| Avg Other Rate             | \$3.93           | \$4.17           | \$4.17           | \$4.42           | \$4.42           |                    |
| Total Patron               | \$7,380          | \$7,823          | \$8,010          | \$8,885          | \$8,885          | \$40,983           |
| Total Regular              | \$131,157        | \$139,848        | \$122,666        | \$146,452        | \$146,133        | \$686,256          |
| Total Senior               | \$43,893         | \$46,801         | \$41,051         | \$49,011         | \$48,905         | \$229,661          |
| Total Other                | \$19,758         | \$21,067         | \$18,479         | \$22,062         | \$22,014         | \$103,381          |
| <b>Total Green Fees</b>    | <b>\$202,188</b> | <b>\$215,540</b> | <b>\$190,205</b> | <b>\$226,411</b> | <b>\$225,937</b> | <b>\$1,060,281</b> |
| <b>Cart Fees</b>           |                  |                  |                  |                  |                  |                    |
| avg rate                   | \$4.65           | \$4.93           | \$4.93           | \$5.22           | \$5.22           |                    |
| <b>Total Cart Fees</b>     | <b>\$84,398</b>  | <b>\$89,909</b>  | <b>\$80,918</b>  | <b>\$94,822</b>  | <b>\$95,296</b>  | <b>\$445,342</b>   |
| <b>Range</b>               |                  |                  |                  |                  |                  |                    |
| avg rate                   | \$8.44           | \$8.69           | \$8.95           | \$9.22           | \$9.50           |                    |
| <b>Total Range</b>         | <b>\$153,186</b> | <b>\$158,570</b> | <b>\$146,995</b> | <b>\$167,378</b> | <b>\$173,261</b> | <b>\$799,390</b>   |
| <b>Merchandise</b>         |                  |                  |                  |                  |                  |                    |
| avg rate                   | \$2.03           | \$2.09           | \$2.15           | \$2.22           | \$2.28           |                    |
| <b>Total Merchandise</b>   | <b>\$36,828</b>  | <b>\$38,123</b>  | <b>\$35,340</b>  | <b>\$40,240</b>  | <b>\$41,655</b>  | <b>\$192,185</b>   |
| <b>Food &amp; Beverage</b> |                  |                  |                  |                  |                  |                    |
| Golf                       | \$95,288         | \$98,637         | \$91,436         | \$104,115        | \$107,775        | \$497,251          |
| avg rate                   | \$5.25           | \$5.41           | \$5.57           | \$5.74           | \$5.91           |                    |
| <b>Total F&amp;B</b>       | <b>\$95,288</b>  | <b>\$98,637</b>  | <b>\$91,436</b>  | <b>\$104,115</b> | <b>\$107,775</b> | <b>\$497,251</b>   |
| <b>Total Revenue</b>       | <b>\$598,674</b> | <b>\$629,173</b> | <b>\$574,054</b> | <b>\$663,928</b> | <b>\$676,458</b> | <b>\$3,142,288</b> |

| <b>Battlecreek Status Quo</b> |                  |                  |                  |                  |                  |                    |                    |
|-------------------------------|------------------|------------------|------------------|------------------|------------------|--------------------|--------------------|
|                               | 2024             | 2025             | 2026             | 2027             | 2028             | Total 24-28        | Total 19-28        |
| <b>Rounds</b>                 | 18,880           | 17,936           | 17,757           | 15,981           | 16,864           | 87,420             | 176,615            |
| <b>Revenue</b>                |                  |                  |                  |                  |                  |                    |                    |
| <b>Passes</b>                 |                  |                  |                  |                  |                  |                    |                    |
| <b>Regular</b>                | \$11,674         | \$12,374         | \$12,374         | \$13,117         | \$14,054         | \$63,592           | \$113,228          |
| Quantity                      | 14               | 14               | 14               | 14               | 15               |                    |                    |
| Unit                          | \$834            | \$884            | \$884            | \$937            | \$937            | \$4,475            | \$4,475            |
| <b>Senior</b>                 | \$19,981         | \$21,179         | \$22,062         | \$23,386         | \$23,386         | \$109,993          | \$195,627          |
| Quantity                      | 24               | 24               | 25               | 25               | 25               |                    |                    |
| Unit                          | \$833            | \$882            | \$882            | \$935            | \$935            | \$4,468            | \$4,468            |
| <b>Junior</b>                 | \$1,584          | \$1,679          | \$1,679          | \$1,780          | \$1,780          | \$8,503            | \$15,643           |
| Quantity                      | 3                | 3                | 3                | 3                | 3                |                    |                    |
| Unit                          | \$528            | \$560            | \$560            | \$593            | \$593            | \$2,834            | \$2,834            |
| <b>Total Passes</b>           | <b>\$33,239</b>  | <b>\$35,233</b>  | <b>\$36,115</b>  | <b>\$38,282</b>  | <b>\$39,219</b>  | <b>\$182,089</b>   | <b>\$324,498</b>   |
| <b>Patron Card</b>            |                  |                  |                  |                  |                  |                    |                    |
| <b>Resident</b>               |                  |                  |                  |                  |                  |                    |                    |
| <b>Regular</b>                | \$1,275          | \$1,352          | \$1,411          | \$1,495          | \$1,495          | \$7,029            | \$12,458           |
| Quantity                      | 46               | 46               | 48               | 48               | 48               |                    |                    |
| Unit                          | \$28             | \$29             | \$29             | \$31             | \$31             |                    |                    |
| <b>Total Patron Cards</b>     | <b>\$1,275</b>   | <b>\$1,352</b>   | <b>\$1,411</b>   | <b>\$1,495</b>   | <b>\$1,495</b>   | <b>\$7,029</b>     | <b>\$12,458</b>    |
| <b>Green Fee</b>              |                  |                  |                  |                  |                  |                    |                    |
| Pass Rounds                   | 2,542            | 2,542            | 2,604            | 2,604            | 2,666            | 12,958             | 25,048             |
| rnds/pass                     | 62.00            | 62.00            | 62.00            | 62.00            | 62.00            |                    |                    |
| Patron Rounds                 | 490              | 490              | 511              | 511              | 511              | 2,513              | 4,824              |
| rnds/patron                   | 10.65            | 10.65            | 10.65            | 10.65            | 10.65            |                    |                    |
| Regular Rounds                | 7,422            | 6,980            | 6,857            | 6,025            | 6,410            | 33,693             | 68,718             |
| % Rounds                      | 46.8%            | 46.8%            | 46.8%            | 46.8%            | 46.8%            |                    |                    |
| Senior Rounds                 | 3,238            | 3,045            | 2,991            | 2,628            | 2,796            | 14,698             | 29,978             |
| % Rounds                      | 20.4%            | 20.4%            | 20.4%            | 20.4%            | 20.4%            |                    |                    |
| Other Rounds                  | 5,189            | 4,880            | 4,794            | 4,213            | 4,481            | 23,558             | 48,047             |
| % Rounds                      | 32.7%            | 32.7%            | 32.7%            | 32.7%            | 32.7%            |                    |                    |
| Avg Patron Rate               | \$19.65          | \$19.65          | \$20.83          | \$20.83          | \$22.08          |                    |                    |
| Avg Regular Rate              | \$21.74          | \$21.74          | \$23.04          | \$23.04          | \$24.42          |                    |                    |
| Avg Senior Rate               | \$16.67          | \$16.67          | \$17.67          | \$17.67          | \$18.74          |                    |                    |
| Avg Other Rate                | \$4.68           | \$4.96           | \$5.26           | \$5.58           | \$5.91           |                    |                    |
| Total Patron                  | \$9,627          | \$9,627          | \$10,649         | \$10,649         | \$11,288         | \$51,840           | \$92,823           |
| Total Regular                 | \$161,318        | \$151,709        | \$157,978        | \$138,819        | \$156,537        | \$766,362          | \$1,452,617        |
| Total Senior                  | \$53,986         | \$50,771         | \$52,868         | \$46,457         | \$52,386         | \$256,469          | \$486,129          |
| Total Other                   | \$24,302         | \$24,226         | \$25,227         | \$23,497         | \$26,496         | \$123,747          | \$227,128          |
| <b>Total Green Fees</b>       | <b>\$249,234</b> | <b>\$236,333</b> | <b>\$246,722</b> | <b>\$219,422</b> | <b>\$246,708</b> | <b>\$1,198,418</b> | <b>\$2,258,698</b> |
| <b>Cart Fees</b>              |                  |                  |                  |                  |                  |                    |                    |
| avg rate                      | \$5.54           | \$5.87           | \$5.87           | \$6.22           | \$6.22           |                    |                    |
| <b>Total Cart Fees</b>        | <b>\$104,564</b> | <b>\$105,296</b> | <b>\$104,243</b> | <b>\$99,448</b>  | <b>\$104,943</b> | <b>\$518,495</b>   | <b>\$963,837</b>   |
| <b>Range</b>                  |                  |                  |                  |                  |                  |                    |                    |
| avg rate                      | \$9.78           | \$10.08          | \$10.38          | \$10.69          | \$11.01          |                    |                    |
| <b>Total Range</b>            | <b>\$184,732</b> | <b>\$180,760</b> | <b>\$184,321</b> | <b>\$170,866</b> | <b>\$185,715</b> | <b>\$906,394</b>   | <b>\$1,705,784</b> |
| <b>Merchandise</b>            |                  |                  |                  |                  |                  |                    |                    |
| avg rate                      | \$2.35           | \$2.42           | \$2.50           | \$2.57           | \$2.65           |                    |                    |
| <b>Total Merchandise</b>      | <b>\$44,412</b>  | <b>\$43,457</b>  | <b>\$44,314</b>  | <b>\$41,079</b>  | <b>\$44,649</b>  | <b>\$217,910</b>   | <b>\$410,096</b>   |
| <b>Food &amp; Beverage</b>    |                  |                  |                  |                  |                  |                    |                    |
| <b>Golf</b>                   | \$114,910        | \$112,440        | \$114,655        | \$106,285        | \$115,522        | \$563,811          | \$1,061,063        |
| avg rate                      | \$6.09           | \$6.27           | \$6.46           | \$6.65           | \$6.85           |                    |                    |
| <b>Total F&amp;B</b>          | <b>\$114,910</b> | <b>\$112,440</b> | <b>\$114,655</b> | <b>\$106,285</b> | <b>\$115,522</b> | <b>\$563,811</b>   | <b>\$1,061,063</b> |
| <b>Total Revenue</b>          | <b>\$732,367</b> | <b>\$714,871</b> | <b>\$731,780</b> | <b>\$676,877</b> | <b>\$738,251</b> | <b>\$3,594,146</b> | <b>\$6,736,434</b> |

| <b>Battlecreek Status Quo</b> |                                     |                    |                    |                    |                    |                    |                      |
|-------------------------------|-------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|----------------------|
|                               |                                     | <b>2019</b>        | <b>2020</b>        | <b>2021</b>        | <b>2022</b>        | <b>2023</b>        | <b>Total 19-23</b>   |
| <b>County Compensation</b>    |                                     |                    |                    |                    |                    |                    |                      |
|                               | <b>Green Fee total rev</b>          | \$228,975          | \$243,935          | \$219,365          | \$257,373          | \$258,471          | <b>\$1,208,120</b>   |
|                               | Breakpoint                          | \$225,000          | \$225,000          | \$225,000          | \$225,000          | \$225,000          |                      |
|                               | % Up to breakpt                     | 90%                | 90%                | 90%                | 90%                | 90%                |                      |
|                               | % Over breakpt                      | 85%                | 85%                | 85%                | 85%                | 85%                |                      |
|                               | <b>Total Comp</b>                   | <b>\$205,879</b>   | <b>\$218,595</b>   | <b>\$197,429</b>   | <b>\$230,017</b>   | <b>\$230,950</b>   | <b>\$1,082,870</b>   |
|                               | <b>Cart Fee total rev</b>           | \$84,398           | \$89,909           | \$80,918           | \$94,822           | \$95,296           | <b>\$445,342</b>     |
|                               | Breakpoint                          | \$65,000           | \$65,000           | \$65,000           | \$65,000           | \$65,000           |                      |
|                               | % Up to breakpt                     | 90%                | 90%                | 90%                | 90%                | 90%                |                      |
|                               | % Over breakpt                      | 85%                | 85%                | 85%                | 85%                | 85%                |                      |
|                               | <b>Total Comp</b>                   | <b>\$74,988</b>    | <b>\$79,672</b>    | <b>\$72,030</b>    | <b>\$83,849</b>    | <b>\$84,252</b>    | <b>\$394,791</b>     |
|                               | <b>Range</b>                        | \$153,186          | \$158,570          | \$146,995          | \$167,378          | \$173,261          | <b>\$799,390</b>     |
|                               | Breakpoint                          | \$135,000          | \$135,000          | \$135,000          | \$135,000          | \$135,000          |                      |
|                               | % Up to breakpt                     | 80%                | 80%                | 80%                | 80%                | 80%                |                      |
|                               | % Over breakpt                      | 75%                | 75%                | 75%                | 75%                | 75%                |                      |
|                               | <b>Total Comp</b>                   | <b>\$121,640</b>   | <b>\$125,678</b>   | <b>\$116,996</b>   | <b>\$132,283</b>   | <b>\$136,696</b>   | <b>\$633,293</b>     |
|                               | <b>Food &amp; Beverage</b>          | <b>\$95,288</b>    | <b>\$98,637</b>    | <b>\$91,436</b>    | <b>\$104,115</b>   | <b>\$107,775</b>   | <b>\$497,251</b>     |
|                               | Breakpoint                          | \$40,000           | \$40,000           | \$40,000           | \$40,000           | \$40,000           |                      |
|                               | % Up to breakpt                     | 5%                 | 5%                 | 5%                 | 5%                 | 5%                 |                      |
|                               | % Over breakpt                      | 5%                 | 5%                 | 5%                 | 5%                 | 5%                 |                      |
|                               | <b>Total Comp</b>                   | <b>\$4,764</b>     | <b>\$4,932</b>     | <b>\$4,572</b>     | <b>\$5,206</b>     | <b>\$5,389</b>     | <b>\$24,863</b>      |
|                               | <b>County Share</b>                 | <b>\$407,271</b>   | <b>\$428,877</b>   | <b>\$391,027</b>   | <b>\$451,355</b>   | <b>\$457,287</b>   | <b>\$2,135,816</b>   |
| <b>Expenses</b>               |                                     |                    |                    |                    |                    |                    |                      |
|                               | <b>Personnel Services</b>           | \$303,890          | \$317,565          | \$331,856          | \$346,789          | \$362,395          | <b>\$1,662,495</b>   |
|                               | <b>Other Services &amp; Charges</b> | \$154,342          | \$158,973          | \$163,742          | \$168,654          | \$173,714          | <b>\$819,425</b>     |
|                               | <b>Supplies</b>                     | \$50,873           | \$52,399           | \$53,971           | \$55,590           | \$57,258           | <b>\$270,090</b>     |
|                               | <b>Fleet Services</b>               | \$205,800          | \$211,974          | \$218,333          | \$224,883          | \$231,630          | <b>\$1,092,620</b>   |
|                               | <b>Total Expenses</b>               | <b>\$714,905</b>   | <b>\$740,911</b>   | <b>\$767,902</b>   | <b>\$795,917</b>   | <b>\$824,996</b>   | <b>\$3,844,630</b>   |
|                               | <b>Net Income</b>                   | <b>(\$307,635)</b> | <b>(\$312,034)</b> | <b>(\$376,875)</b> | <b>(\$344,561)</b> | <b>(\$367,709)</b> | <b>(\$1,708,814)</b> |
|                               | Operator                            | \$191,404          | \$200,297          | \$183,027          | \$212,573          | \$219,171          | <b>\$1,006,472</b>   |
|                               | less COS                            | \$64,631           | \$66,903           | \$62,019           | \$70,619           | \$73,101           | <b>\$337,274</b>     |
|                               | <b>Net Operator</b>                 | <b>\$126,772</b>   | <b>\$133,394</b>   | <b>\$121,008</b>   | <b>\$141,954</b>   | <b>\$146,070</b>   | <b>\$669,199</b>     |

| <b>Battlecreek Status Quo</b> |                    |                    |                    |                    |                    |                      |                      |
|-------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|----------------------|----------------------|
|                               | 2024               | 2025               | 2026               | 2027               | 2028               | Total 24-28          | Total 19-28          |
| <b>County Compensation</b>    |                    |                    |                    |                    |                    |                      |                      |
| Green Fee total rev           | \$283,748          | \$272,918          | \$284,248          | \$259,199          | \$287,422          | \$1,387,535          | \$2,595,655          |
| Breakpoint                    | \$225,000          | \$225,000          | \$225,000          | \$225,000          | \$225,000          |                      |                      |
| % Up to breakpt               | 90%                | 90%                | 90%                | 90%                | 90%                |                      |                      |
| % Over breakpt                | 85%                | 85%                | 85%                | 85%                | 85%                |                      |                      |
| <b>Total Comp</b>             | <b>\$252,436</b>   | <b>\$243,230</b>   | <b>\$252,861</b>   | <b>\$231,569</b>   | <b>\$255,559</b>   | <b>\$1,235,655</b>   | <b>\$2,318,525</b>   |
| Cart Fee total rev            | \$104,564          | \$105,296          | \$104,243          | \$99,448           | \$104,943          | \$518,495            | \$963,837            |
| Breakpoint                    | \$65,000           | \$65,000           | \$65,000           | \$65,000           | \$65,000           |                      |                      |
| % Up to breakpt               | 90%                | 90%                | 90%                | 90%                | 90%                |                      |                      |
| % Over breakpt                | 85%                | 85%                | 85%                | 85%                | 85%                |                      |                      |
| <b>Total Comp</b>             | <b>\$92,130</b>    | <b>\$92,752</b>    | <b>\$91,857</b>    | <b>\$87,781</b>    | <b>\$92,451</b>    | <b>\$456,971</b>     | <b>\$851,761</b>     |
| Range                         | \$184,732          | \$180,760          | \$184,321          | \$170,866          | \$185,715          | \$906,394            | \$1,705,784          |
| Breakpoint                    | \$135,000          | \$135,000          | \$135,000          | \$135,000          | \$135,000          |                      |                      |
| % Up to breakpt               | 80%                | 80%                | 80%                | 80%                | 80%                |                      |                      |
| % Over breakpt                | 75%                | 75%                | 75%                | 75%                | 75%                |                      |                      |
| <b>Total Comp</b>             | <b>\$145,299</b>   | <b>\$142,320</b>   | <b>\$144,991</b>   | <b>\$134,899</b>   | <b>\$146,036</b>   | <b>\$713,546</b>     | <b>\$1,346,838</b>   |
| Food & Beverage               | \$114,910          | \$112,440          | \$114,655          | \$106,285          | \$115,522          | \$563,811            | \$1,061,063          |
| Breakpoint                    | \$40,000           | \$40,000           | \$40,000           | \$40,000           | \$40,000           |                      |                      |
| % Up to breakpt               | 5%                 | 5%                 | 5%                 | 5%                 | 5%                 |                      |                      |
| % Over breakpt                | 5%                 | 5%                 | 5%                 | 5%                 | 5%                 |                      |                      |
| <b>Total Comp</b>             | <b>\$5,746</b>     | <b>\$5,622</b>     | <b>\$5,733</b>     | <b>\$5,314</b>     | <b>\$5,776</b>     | <b>\$28,191</b>      | <b>\$53,053</b>      |
| <b>County Share</b>           | <b>\$495,610</b>   | <b>\$483,924</b>   | <b>\$495,441</b>   | <b>\$459,564</b>   | <b>\$499,823</b>   | <b>\$2,434,362</b>   | <b>\$4,570,177</b>   |
| <b>Expenses</b>               |                    |                    |                    |                    |                    |                      |                      |
| Personnel Services            | \$378,702          | \$401,425          | \$425,510          | \$451,041          | \$478,103          | \$2,134,781          | \$3,797,276          |
| Other Services & Charges      | \$178,925          | \$186,082          | \$193,525          | \$201,266          | \$209,317          | \$969,116            | \$1,788,541          |
| Supplies                      | \$58,975           | \$61,924           | \$65,020           | \$68,271           | \$71,685           | \$325,877            | \$595,967            |
| Fleet Services                | \$238,579          | \$245,736          | \$253,108          | \$260,701          | \$268,522          | \$1,266,646          | \$2,359,266          |
| <b>Total Expenses</b>         | <b>\$855,182</b>   | <b>\$895,167</b>   | <b>\$937,164</b>   | <b>\$981,280</b>   | <b>\$1,027,628</b> | <b>\$4,696,420</b>   | <b>\$8,541,050</b>   |
| <b>Net Income</b>             |                    |                    |                    |                    |                    |                      |                      |
|                               | <b>(\$359,572)</b> | <b>(\$411,243)</b> | <b>(\$441,723)</b> | <b>(\$521,716)</b> | <b>(\$527,805)</b> | <b>(\$2,262,058)</b> | <b>(\$3,970,873)</b> |
| Operator                      | \$236,757          | \$230,947          | \$236,339          | \$217,313          | \$238,428          | \$1,159,784          | \$2,166,257          |
| less COS                      | \$77,941           | \$76,265           | \$77,768           | \$72,091           | \$78,356           | \$382,420            | \$719,694            |
| <b>Net Operator</b>           | <b>\$158,816</b>   | <b>\$154,682</b>   | <b>\$158,572</b>   | <b>\$145,222</b>   | <b>\$160,072</b>   | <b>\$777,364</b>     | <b>\$1,446,563</b>   |

**Scenario 1: Elite Nine**

| Battlecreek Elite 9       |           |                |            |            |            |             |
|---------------------------|-----------|----------------|------------|------------|------------|-------------|
|                           | 2019      | 2020           | 2021       | 2022       | 2023       | Total 19-23 |
| <b>Rounds</b>             | 19,500    | 17,200         | 21,000     | 20,875     | 20,458     | 99,033      |
|                           |           | Priority Fixes |            |            |            |             |
| <b>Revenue</b>            |           |                |            |            |            |             |
| <b>Passes</b>             |           |                |            |            |            |             |
| <b>Regular</b>            | \$4,508   | \$5,599        | \$6,761    | \$7,997    | \$9,311    | \$34,176    |
| Quantity                  | 5.0       | 6              | 7          | 8          | 9          |             |
| Unit                      | \$902     | \$933          | \$966      | \$1,000    | \$1,035    |             |
| <b>Senior</b>             | \$7,118   | \$7,367        | \$7,625    | \$7,892    | \$8,168    | \$38,169    |
| Quantity                  | 10        | 10             | 10         | 10         | 10         |             |
| Unit                      | \$712     | \$737          | \$762      | \$789      | \$817      |             |
| <b>Junior</b>             | \$1,139   | \$1,179        | \$1,220    | \$631      | \$653      | \$4,822     |
| Quantity                  | 4         | 4              | 4          | 2          | 2          |             |
| Unit                      | \$285     | \$295          | \$305      | \$316      | \$327      |             |
| <b>Weekday Regular</b>    | \$6,064   | \$6,974        | \$4,331    | \$4,482    | \$4,639    | \$26,491    |
| Quantity                  | 9         | 10             | 6          | 6          | 6          |             |
| Unit                      | \$674     | \$697          | \$722      | \$747      | \$773      |             |
| <b>Weekday Senior</b>     | \$7,972   | \$8,251        | \$8,540    | \$11,196   | \$12,197   | \$48,156    |
| Quantity                  | 15        | 15             | 15         | 19         | 20         |             |
| Unit                      | \$531.5   | \$550          | \$569      | \$589      | \$610      |             |
| <b>Total Passes</b>       | 43        | 45             | 42         | 45         | 47         |             |
| <b>Total Passes</b>       | \$26,801  | \$29,370       | \$28,476   | \$32,198   | \$34,969   | \$151,814   |
| <b>Patron Card</b>        |           |                |            |            |            |             |
| <b>Resident</b>           |           |                |            |            |            |             |
| <b>Regular</b>            | \$418     | \$432          | \$447      | \$463      | \$479      | \$2,239     |
| Quantity                  | 11        | 11             | 11         | 11         | 11         |             |
| Unit                      | \$37.96   | \$39.29        | \$40.67    | \$42.09    | \$43.56    |             |
| <b>Senior</b>             | \$427.07  | \$442.02       | \$457.49   | \$473.50   | \$490.07   | \$2,290.15  |
| Quantity                  | 15        | 15             | 15         | 15         | 15         |             |
| Unit                      | \$28.47   | \$29.47        | \$30.50    | \$31.57    | \$32.67    |             |
| <b>Premium</b>            | \$427.07  | \$442.02       | \$457.49   | \$473.50   | \$490.07   | \$2,290.15  |
| Quantity                  | 5         | 5              | 5          | 5          | 5          |             |
| Unit                      | \$85.41   | \$88.40        | \$91.50    | \$94.70    | \$98.01    |             |
| <b>Premium Senior</b>     | \$398.60  | \$412.55       | \$426.99   | \$441.93   | \$457.40   | \$2,137.48  |
| Quantity                  | 6         | 6              | 6          | 6          | 6          |             |
| Unit                      | \$66.43   | \$68.76        | \$71.16    | \$73.66    | \$76.23    |             |
| <b>Non-Resident</b>       |           |                |            |            |            |             |
| <b>Regular</b>            | \$189.81  | \$196.45       | \$203.33   | \$210.45   | \$217.81   | \$1,017.85  |
| Quantity                  | 4         | 4              | 4          | 4          | 4          |             |
| Unit                      | \$47.45   | \$49.11        | \$50.83    | \$52.61    | \$54.45    |             |
| <b>Senior</b>             | \$303.69  | \$314.32       | \$325.33   | \$336.71   | \$348.50   | \$1,628.55  |
| Quantity                  | 8         | 8              | 8          | 8          | 8          |             |
| Unit                      | \$37.96   | \$39.29        | \$40.67    | \$42.09    | \$43.56    |             |
| <b>Premium</b>            | \$379.62  | \$884.04       | \$1,219.97 | \$1,367.89 | \$1,633.58 | \$5,485.10  |
| Quantity                  | 4         | 9              | 12         | 13         | 15         |             |
| Unit                      | \$94.90   | \$98.23        | \$101.66   | \$105.22   | \$108.91   |             |
| <b>Premium Senior</b>     | \$379.62  | \$1,414.46     | \$1,626.63 | \$1,767.74 | \$1,916.73 | \$7,105.18  |
| Quantity                  | 5         | 18             | 20         | 21         | 22         |             |
| Unit                      | \$75.92   | \$78.58        | \$81.33    | \$84.18    | \$87.12    |             |
| <b>Total quantity</b>     | 58        | 76             | 81         | 83         | 86         |             |
| <b>Total Patron Cards</b> | \$2,923   | \$4,538        | \$5,165    | \$5,535    | \$6,033    | \$24,194    |
| <b>Green Fee</b>          |           |                |            |            |            |             |
| Pass Rounds               | 2,666     | 2,790          | 2,604      | 2,790      | 2,914      | 13,764      |
| rnds/pass                 | 62.00     | 62.00          | 62.00      | 62.00      | 62.00      |             |
| % Rounds                  |           |                |            |            |            |             |
| Patron Rounds             | 696       | 912            | 972        | 996        | 1,032      | 4,608       |
| rnds/patron               | 12.00     | 12.00          | 12.00      | 12.00      | 12.00      |             |
| % Rounds                  |           |                |            |            |            |             |
| Regular Rounds            | 7,585     | 6,344          | 8,712      | 8,545      | 8,256      | 39,441      |
| % Rounds                  | 47.0%     | 47.0%          | 50.0%      | 50.0%      | 50.0%      |             |
| Senior Rounds             | 3,389     | 2,835          | 4,008      | 3,930      | 3,798      | 17,959      |
| % Rounds                  | 21.0%     | 21.0%          | 23.0%      | 23.0%      | 23.0%      |             |
| Other Rounds              | 5,164     | 4,319          | 4,704      | 4,614      | 4,458      | 23,260      |
| % Rounds                  | 32.0%     | 32.0%          | 27.0%      | 27.0%      | 27.0%      |             |
| Avg Patron Rate           | \$18.50   | \$18.96        | \$19.42    | \$20.00    | \$20.70    |             |
| Avg Regular Rate          | \$19.50   | \$19.98        | \$20.47    | \$22.00    | \$22.77    |             |
| Avg Senior Rate           | \$16.25   | \$16.65        | \$17.06    | \$17.00    | \$17.60    |             |
| Avg Other Rate            | \$6.50    | \$6.73         | \$7.25     | \$7.50     | \$7.77     |             |
| Total Patron              | \$12,876  | \$17,288       | \$18,879   | \$19,920   | \$21,362   | \$90,326    |
| Total Regular             | \$147,905 | \$126,759      | \$178,363  | \$187,979  | \$187,983  | \$828,988   |
| Total Senior              | \$55,071  | \$47,197       | \$68,372   | \$66,818   | \$66,820   | \$304,278   |
| Total Other               | \$33,567  | \$29,058       | \$34,107   | \$34,623   | \$34,623   | \$165,979   |
| <b>Total Green Fees</b>   | \$249,419 | \$220,302      | \$299,722  | \$309,340  | \$310,789  | \$1,389,571 |

| Battlecreek Elite 9       |                  |                  |                  |                  |                  |                    |                    |
|---------------------------|------------------|------------------|------------------|------------------|------------------|--------------------|--------------------|
|                           | 2024             | 2025             | 2026             | 2027             | 2028             | Total 19-23        | Total 19-28        |
| <b>Rounds</b>             | <b>21,910</b>    | <b>20,814</b>    | <b>21,000</b>    | <b>18,900</b>    | <b>20,627</b>    | <b>103,252</b>     | <b>202,284</b>     |
| <b>Revenue</b>            |                  |                  |                  |                  |                  |                    |                    |
| <b>Passes</b>             |                  |                  |                  |                  |                  |                    |                    |
| <b>Regular</b>            | \$10,708         | \$12,191         | \$13,765         | \$16,621         | \$19,660         | \$72,946           | \$107,122          |
| Quantity                  | 10               | 11               | 12               | 14               | 16               |                    |                    |
| Unit                      | \$1,071          | \$1,108          | \$1,147          | \$1,187          | \$1,229          |                    |                    |
| <b>Senior</b>             | \$8,454          | \$8,750          | \$9,056          | \$9,373          | \$9,701          | \$45,333           | \$83,502           |
| Quantity                  | 10               | 10               | 10               | 10               | 10               |                    |                    |
| Unit                      | \$845            | \$875            | \$906            | \$937            | \$970            |                    |                    |
| <b>Junior</b>             | \$676            | \$1,050          | \$1,087          | \$1,125          | \$1,164          | \$5,102            | \$9,924            |
| Quantity                  | 2                | 3                | 3                | 3                | 3                |                    |                    |
| Unit                      | \$338            | \$350            | \$362            | \$375            | \$388            |                    |                    |
| <b>Weekday Regular</b>    | \$4,802          | \$5,798          | \$6,001          | \$6,211          | \$6,428          | \$29,240           | \$55,732           |
| Quantity                  | 6                | 7                | 7                | 7                | 7                |                    |                    |
| Unit                      | \$800            | \$828            | \$857            | \$887            | \$918            |                    |                    |
| <b>Weekday Senior</b>     | \$13,256         | \$13,719         | \$14,876         | \$16,096         | \$17,384         | \$75,331           | \$123,487          |
| Quantity                  | 21               | 21               | 22               | 23               | 24               |                    |                    |
| Unit                      | \$631            | \$653            | \$676            | \$700            | \$724            |                    |                    |
| <b>Total Passes</b>       | 49               | 52               | 54               | 57               | 60               |                    |                    |
| <b>Total Passes</b>       | <b>\$37,895</b>  | <b>\$41,508</b>  | <b>\$44,784</b>  | <b>\$49,426</b>  | <b>\$54,338</b>  | <b>\$227,952</b>   | <b>\$379,767</b>   |
| <b>Patron Card</b>        |                  |                  |                  |                  |                  |                    |                    |
| <b>Resident</b>           |                  |                  |                  |                  |                  |                    |                    |
| <b>Regular</b>            | \$496            | \$513            | \$531            | \$550            | \$569            | \$2,660            | \$4,899            |
| Quantity                  | 11               | 11               | 11               | 11               | 11               |                    |                    |
| Unit                      | \$45.09          | \$46.66          | \$48.30          | \$49.99          | \$51.74          |                    |                    |
| <b>Senior</b>             | \$507.23         | \$524.98         | \$543.35         | \$562.37         | \$582.05         | \$2,719.98         | \$5,010            |
| Quantity                  | 15               | 15               | 15               | 15               | 15               |                    |                    |
| Unit                      | \$33.82          | \$35.00          | \$36.22          | \$37.49          | \$38.80          |                    |                    |
| <b>Premium</b>            | \$507.23         | \$524.98         | \$543.35         | \$562.37         | \$582.05         | \$2,719.98         | \$5,010            |
| Quantity                  | 5                | 5                | 5                | 5                | 5                |                    |                    |
| Unit                      | \$101.45         | \$105.00         | \$108.67         | \$112.47         | \$116.41         |                    |                    |
| <b>Premium Senior</b>     | \$473.41         | \$489.98         | \$507.13         | \$524.88         | \$543.25         | \$2,538.65         | \$4,676            |
| Quantity                  | 6                | 6                | 6                | 6                | 6                |                    |                    |
| Unit                      | \$78.90          | \$81.66          | \$84.52          | \$87.48          | \$90.54          |                    |                    |
| <b>Non-Resident</b>       |                  |                  |                  |                  |                  |                    |                    |
| <b>Regular</b>            | \$225.43         | \$233.32         | \$241.49         | \$249.94         | \$258.69         | \$1,208.88         | \$2,227            |
| Quantity                  | 4                | 4                | 4                | 4                | 4                |                    |                    |
| Unit                      | \$56.36          | \$58.33          | \$60.37          | \$62.49          | \$64.67          |                    |                    |
| <b>Senior</b>             | \$360.69         | \$373.32         | \$386.38         | \$399.91         | \$413.91         | \$1,934.21         | \$3,563            |
| Quantity                  | 8                | 8                | 8                | 8                | 8                |                    |                    |
| Unit                      | \$45.09          | \$46.66          | \$48.30          | \$49.99          | \$51.74          |                    |                    |
| <b>Premium</b>            | \$1,803.47       | \$1,983.26       | \$2,173.41       | \$2,374.46       | \$2,586.91       | \$10,921.50        | \$16,407           |
| Quantity                  | 16               | 17               | 18               | 19               | 20               |                    |                    |
| Unit                      | \$112.72         | \$116.66         | \$120.75         | \$124.97         | \$129.35         |                    |                    |
| <b>Premium Senior</b>     | \$2,073.99       | \$2,239.91       | \$2,414.90       | \$2,599.40       | \$2,793.86       | \$12,122.07        | \$19,227           |
| Quantity                  | 23               | 24               | 25               | 26               | 27               |                    |                    |
| Unit                      | \$90.17          | \$93.33          | \$96.60          | \$99.98          | \$103.48         |                    |                    |
| <b>Total quantity</b>     | 88               | 90               | 92               | 94               | 96               |                    |                    |
| <b>Total Patron Cards</b> | <b>\$6,447</b>   | <b>\$6,883</b>   | <b>\$7,341</b>   | <b>\$7,823</b>   | <b>\$8,330</b>   | <b>\$36,825</b>    | <b>\$61,019</b>    |
| <b>Green Fee</b>          |                  |                  |                  |                  |                  |                    |                    |
| <b>Pass Rounds</b>        | 3,038            | 3,224            | 3,348            | 3,534            | 3,720            | 16,864             | 30,628             |
| rnds/pass                 | 62.00            | 62.00            | 62.00            | 62.00            | 62.00            |                    |                    |
| % Rounds                  |                  |                  |                  |                  |                  |                    |                    |
| <b>Patron Rounds</b>      | 1,056            | 1,080            | 1,104            | 1,128            | 1,152            | 5,520              | 10,128             |
| rnds/patron               | 12.00            | 12.00            | 12.00            | 12.00            | 12.00            |                    |                    |
| % Rounds                  |                  |                  |                  |                  |                  |                    |                    |
| <b>Regular Rounds</b>     | 8,908            | 8,255            | 8,274            | 7,119            | 7,878            | 40,434             | 79,875             |
| % Rounds                  | 50.0%            | 50.0%            | 50.0%            | 50.0%            | 50.0%            |                    |                    |
| <b>Senior Rounds</b>      | 4,098            | 3,797            | 3,806            | 3,275            | 3,624            | 18,600             | 36,559             |
| % Rounds                  | 23.0%            | 23.0%            | 23.0%            | 23.0%            | 23.0%            |                    |                    |
| <b>Other Rounds</b>       | 4,810            | 4,458            | 4,468            | 3,844            | 4,254            | 21,834             | 45,094             |
| % Rounds                  | 27.0%            | 27.0%            | 27.0%            | 27.0%            | 27.0%            |                    |                    |
| <b>Avg Patron Rate</b>    | \$21.42          | \$22.17          | \$22.95          | \$23.75          | \$24.59          |                    |                    |
| <b>Avg Regular Rate</b>   | \$23.57          | \$24.39          | \$25.25          | \$26.13          | \$27.04          |                    |                    |
| <b>Avg Senior Rate</b>    | \$18.21          | \$18.85          | \$19.51          | \$20.19          | \$20.90          |                    |                    |
| <b>Avg Other Rate</b>     | \$8.04           | \$8.32           | \$8.61           | \$8.91           | \$9.22           |                    |                    |
| <b>Total Patron</b>       | \$22,624         | \$23,948         | \$25,337         | \$26,794         | \$28,322         | \$127,026          | \$217,352          |
| <b>Total Regular</b>      | \$209,934        | \$201,360        | \$208,881        | \$186,013        | \$213,042        | \$1,019,231        | \$1,848,219        |
| <b>Total Senior</b>       | \$74,622         | \$71,574         | \$74,248         | \$66,119         | \$75,727         | \$362,290          | \$666,568          |
| <b>Total Other</b>        | \$38,666         | \$37,087         | \$38,472         | \$34,260         | \$39,239         | \$187,725          | \$353,704          |
| <b>Total Green Fees</b>   | <b>\$345,847</b> | <b>\$333,970</b> | <b>\$346,939</b> | <b>\$313,187</b> | <b>\$356,330</b> | <b>\$1,696,272</b> | <b>\$3,085,843</b> |

| <b>Battlecreek Elite 9</b> |                            |                  |                  |                  |                  |                  |                    |
|----------------------------|----------------------------|------------------|------------------|------------------|------------------|------------------|--------------------|
|                            |                            | <b>2019</b>      | <b>2020</b>      | <b>2021</b>      | <b>2022</b>      | <b>2023</b>      | <b>Total 19-23</b> |
| <b>Cart Fees</b>           |                            |                  |                  |                  |                  |                  |                    |
|                            | avg rate                   | \$4.70           | \$4.86           | \$5.03           | \$5.21           | \$5.39           |                    |
|                            | <b>Total Cart Fees</b>     | <b>\$91,650</b>  | <b>\$83,669</b>  | <b>\$105,730</b> | <b>\$108,779</b> | <b>\$110,335</b> | <b>\$500,163</b>   |
| <b>Range</b>               |                            |                  |                  |                  |                  |                  |                    |
|                            | avg rate                   | \$9.20           | \$9.52           | \$7.00           | \$10.50          | \$10.87          |                    |
|                            | <b>Total Range</b>         | <b>\$179,400</b> | <b>\$163,778</b> | <b>\$147,000</b> | <b>\$219,188</b> | <b>\$222,322</b> | <b>\$931,688</b>   |
| <b>Merchandise</b>         |                            |                  |                  |                  |                  |                  |                    |
|                            | avg rate                   | \$3.00           | \$3.11           | \$3.21           | \$3.33           | \$3.44           |                    |
|                            | <b>Total Merchandise</b>   | <b>\$58,500</b>  | <b>\$53,406</b>  | <b>\$67,487</b>  | <b>\$69,433</b>  | <b>\$70,426</b>  | <b>\$319,253</b>   |
| <b>Food &amp; Beverage</b> |                            |                  |                  |                  |                  |                  |                    |
|                            | <b>Golf</b>                | <b>\$112,125</b> | <b>\$102,362</b> | <b>\$129,350</b> | <b>\$133,081</b> | <b>\$134,984</b> | <b>\$611,902</b>   |
|                            | avg rate                   | \$5.75           | \$5.95           | \$6.16           | \$6.38           | \$6.60           |                    |
|                            | <b>Total F&amp;B</b>       | <b>\$112,125</b> | <b>\$102,362</b> | <b>\$129,350</b> | <b>\$133,081</b> | <b>\$134,984</b> | <b>\$611,902</b>   |
|                            | <b>Total Revenue</b>       | <b>\$720,818</b> | <b>\$657,425</b> | <b>\$782,930</b> | <b>\$877,553</b> | <b>\$889,858</b> | <b>\$3,928,585</b> |
| <b>County Compensation</b> |                            |                  |                  |                  |                  |                  |                    |
|                            | <b>Green Fee total rev</b> | \$279,143        | \$254,210        | \$333,362        | \$347,072        | \$351,792        | \$1,565,579        |
|                            | Split %                    | 78%              | 78%              | 78%              | 78%              | 78%              |                    |
|                            | <b>Total Comp</b>          | <b>\$216,336</b> | <b>\$197,013</b> | <b>\$258,356</b> | <b>\$268,981</b> | <b>\$272,638</b> | <b>\$1,213,324</b> |
|                            | <b>Cart Fee total rev</b>  | \$91,650         | \$83,669         | \$105,730        | \$108,779        | \$110,335        | \$500,163          |
|                            | Split %                    | 78%              | 78%              | 78%              | 78%              | 78%              |                    |
|                            | <b>Total Comp</b>          | <b>\$71,029</b>  | <b>\$64,844</b>  | <b>\$81,941</b>  | <b>\$84,304</b>  | <b>\$85,509</b>  | <b>\$387,626</b>   |
|                            | <b>Range</b>               | \$179,400        | \$163,778        | \$147,000        | \$219,188        | \$222,322        | \$931,688          |
|                            | Split %                    | 78%              | 78%              | 78%              | 78%              | 78%              |                    |
|                            | <b>Total Comp</b>          | <b>\$139,035</b> | <b>\$126,928</b> | <b>\$113,925</b> | <b>\$169,870</b> | <b>\$172,299</b> | <b>\$722,058</b>   |
|                            | <b>F&amp;B Total</b>       | \$112,125        | \$102,362        | \$129,350        | \$133,081        | \$134,984        | \$611,902          |
|                            | Food & Beverage Net        | \$67,275         | \$61,417         | \$77,610         | \$79,848         | \$80,990         | \$367,141          |
|                            | Split %                    | 78%              | 78%              | 78%              | 78%              | 78%              |                    |
|                            | <b>F&amp;B Comp</b>        | <b>\$52,138</b>  | <b>\$47,598</b>  | <b>\$60,148</b>  | <b>\$61,883</b>  | <b>\$62,767</b>  | <b>\$284,534</b>   |
|                            | <b>Merchandise</b>         | \$58,500         | \$53,406         | \$67,487         | \$69,433         | \$70,426         | \$319,253          |
|                            | Net Merchandise            | \$16,380         | \$14,954         | \$18,896         | \$19,441         | \$19,719         | \$89,391           |
|                            | Split %                    | 78%              | 78%              | 78%              | 78%              | 78%              |                    |
|                            | <b>Merch Comp</b>          | <b>\$12,695</b>  | <b>\$11,589</b>  | <b>\$14,645</b>  | <b>\$15,067</b>  | <b>\$15,283</b>  | <b>\$69,278</b>    |
|                            | <b>County Share</b>        | <b>\$491,232</b> | <b>\$447,972</b> | <b>\$529,014</b> | <b>\$600,105</b> | <b>\$608,497</b> | <b>\$2,676,820</b> |

| <b>Battlecreek Elite 9</b> |                            | 2024             | 2025             | 2026               | 2027             | 2028               | Total 19-23        | Total 19-28        |
|----------------------------|----------------------------|------------------|------------------|--------------------|------------------|--------------------|--------------------|--------------------|
| <b>Cart Fees</b>           |                            |                  |                  |                    |                  |                    |                    |                    |
|                            | avg rate                   | \$5.58           | \$5.78           | \$5.98             | \$6.19           | \$6.41             |                    |                    |
|                            | <b>Total Cart Fees</b>     | <b>\$122,304</b> | <b>\$120,256</b> | <b>\$125,574</b>   | <b>\$116,972</b> | <b>\$132,132</b>   | <b>\$617,238</b>   | <b>\$1,117,401</b> |
| <b>Range</b>               |                            |                  |                  |                    |                  |                    |                    |                    |
|                            | avg rate                   | \$11.25          | \$11.64          | \$12.05            | \$12.47          | \$12.91            |                    |                    |
|                            | <b>Total Range</b>         | <b>\$246,440</b> | <b>\$242,313</b> | <b>\$253,029</b>   | <b>\$235,696</b> | <b>\$266,242</b>   | <b>\$1,243,721</b> | <b>\$2,175,408</b> |
| <b>Merchandise</b>         |                            |                  |                  |                    |                  |                    |                    |                    |
|                            | avg rate                   | \$3.56           | \$3.69           | \$3.82             | \$3.95           | \$4.09             |                    |                    |
|                            | <b>Total Merchandise</b>   | <b>\$78,067</b>  | <b>\$76,759</b>  | <b>\$80,154</b>    | <b>\$74,663</b>  | <b>\$84,339</b>    | <b>\$393,982</b>   | <b>\$713,234</b>   |
| <b>Food &amp; Beverage</b> |                            |                  |                  |                    |                  |                    |                    |                    |
|                            | <b>Golf</b>                | <b>\$149,628</b> | <b>\$147,121</b> | <b>\$153,628</b>   | <b>\$143,104</b> | <b>\$161,650</b>   | <b>\$755,131</b>   | <b>\$1,367,033</b> |
|                            | avg rate                   | \$6.83           | \$7.07           | \$7.32             | \$7.57           | \$7.84             |                    |                    |
|                            | <b>Total F&amp;B</b>       | <b>\$149,628</b> | <b>\$147,121</b> | <b>\$153,628</b>   | <b>\$143,104</b> | <b>\$161,650</b>   | <b>\$755,131</b>   | <b>\$1,367,033</b> |
|                            | <b>Total Revenue</b>       | <b>\$986,629</b> | <b>\$968,810</b> | <b>\$1,011,449</b> | <b>\$940,872</b> | <b>\$1,063,361</b> | <b>\$4,971,121</b> | <b>\$8,899,705</b> |
| <b>County Compensation</b> |                            |                  |                  |                    |                  |                    |                    |                    |
|                            | <b>Green Fee total rev</b> | \$390,190        | \$382,361        | \$399,065          | \$370,436        | \$418,998          | \$1,961,050        | \$3,526,629        |
|                            | Split %                    | 78%              | 78%              | 78%                | 78%              | 78%                |                    |                    |
|                            | <b>Total Comp</b>          | <b>\$302,397</b> | <b>\$296,330</b> | <b>\$309,275</b>   | <b>\$287,088</b> | <b>\$324,723</b>   | <b>\$1,519,813</b> | <b>\$2,733,137</b> |
|                            | <b>Cart Fee total rev</b>  | \$122,304        | \$120,256        | \$125,574          | \$116,972        | \$132,132          | \$617,238          | \$1,117,401        |
|                            | Split %                    | 78%              | 78%              | 78%                | 78%              | 78%                |                    |                    |
|                            | <b>Total Comp</b>          | <b>\$94,786</b>  | <b>\$93,198</b>  | <b>\$97,320</b>    | <b>\$90,653</b>  | <b>\$102,402</b>   | <b>\$478,359</b>   | <b>\$865,986</b>   |
|                            | <b>Range</b>               | \$246,440        | \$242,313        | \$253,029          | \$235,696        | \$266,242          | \$1,243,721        | \$2,175,408        |
|                            | Split %                    | 78%              | 78%              | 78%                | 78%              | 78%                |                    |                    |
|                            | <b>Total Comp</b>          | <b>\$190,991</b> | <b>\$187,792</b> | <b>\$196,097</b>   | <b>\$182,665</b> | <b>\$206,338</b>   | <b>\$963,883</b>   |                    |
|                            | <b>F&amp;B Total</b>       | \$149,628        | \$147,121        | \$153,628          | \$143,104        | \$161,650          | \$755,131          | \$1,367,033        |
|                            | Food & Beverage Net        | \$89,777         | \$88,273         | \$92,177           | \$85,863         | \$96,990           | \$453,079          | \$820,220          |
|                            | Split %                    | 78%              | 78%              | 78%                | 78%              | 78%                |                    |                    |
|                            | <b>F&amp;B Comp</b>        | <b>\$69,577</b>  | <b>\$68,411</b>  | <b>\$71,437</b>    | <b>\$66,543</b>  | <b>\$75,167</b>    | <b>\$351,136</b>   | <b>\$635,670</b>   |
|                            | <b>Merchandise</b>         | \$78,067         | \$76,759         | \$80,154           | \$74,663         | \$84,339           | \$393,982          | \$713,234          |
|                            | Net Merchandise            | \$21,859         | \$21,493         | \$22,443           | \$20,906         | \$23,615           | \$110,315          | \$199,706          |
|                            | Split %                    | 78%              | 78%              | 78%                | 78%              | 78%                |                    |                    |
|                            | <b>Merch Comp</b>          | <b>\$16,940</b>  | <b>\$16,657</b>  | <b>\$17,393</b>    | <b>\$16,202</b>  | <b>\$18,302</b>    | <b>\$85,494</b>    | <b>\$154,772</b>   |
|                            | <b>County Share</b>        | <b>\$674,691</b> | <b>\$662,389</b> | <b>\$691,522</b>   | <b>\$643,152</b> | <b>\$726,932</b>   | <b>\$3,398,686</b> | <b>\$6,075,507</b> |

| <b>Battlecreek Elite 9</b>                        |                    |                    |                    |                    |                    |                      |  |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|----------------------|--|
|   | 2019               | 2020               | 2021               | 2022               | 2023               | Total 19-23          |  |
| <b>Expenses</b>                                   |                    |                    |                    |                    |                    |                      |  |
| Personnel Services                                | \$319,085          | \$333,444          | \$348,448          | \$364,129          | \$380,514          | \$1,745,620          |  |
| Other Services & Charges                          | \$162,060          | \$166,921          | \$171,929          | \$177,087          | \$182,399          | \$860,396            |  |
| Supplies  | \$53,416           | \$55,019           | \$56,669           | \$58,370           | \$60,121           | \$283,595            |  |
| Marketing   | \$9,825            | \$8,959            | \$10,580           | \$12,002           | \$12,170           | \$53,536             |  |
| Fleet Services                                    | \$205,800          | \$211,974          | \$218,333          | \$224,883          | \$231,630          | \$1,092,620          |  |
| <b>Total Expenses</b>                             | <b>\$750,185</b>   | <b>\$776,317</b>   | <b>\$805,960</b>   | <b>\$836,470</b>   | <b>\$866,834</b>   | <b>\$4,035,767</b>   |  |
| <b>Net Income</b>                                 | <b>(\$258,953)</b> | <b>(\$328,345)</b> | <b>(\$276,946)</b> | <b>(\$236,366)</b> | <b>(\$258,337)</b> | <b>(\$1,358,947)</b> |  |
| <b>Difference to Status Quo</b>                   | <b>\$48,682</b>    | <b>(\$16,311)</b>  | <b>\$99,929</b>    | <b>\$108,196</b>   | <b>\$109,372</b>   | <b>\$349,868</b>     |  |
| # Compensation percentages changed effective 2018 |                    |                    |                    |                    |                    |                      |  |
| Operator  | \$229,586          | \$209,453          | \$253,916          | \$277,448          | \$281,361          | \$3,859,307          |  |
| Less Cost of Sales                                | \$86,970           | \$79,397           | \$100,331          | \$103,224          | \$104,701          | \$474,623            |  |
| <b>Net Operator</b>                               | <b>\$142,616</b>   | <b>\$130,056</b>   | <b>\$153,585</b>   | <b>\$174,224</b>   | <b>\$176,660</b>   | <b>\$3,384,684</b>   |  |
| <b>Hybrid Model 2020</b>                          |                    |                    |                    |                    |                    |                      |  |
| <b>County Revenue</b>                             |                    |                    |                    |                    |                    |                      |  |
| Net Revenue                                       | \$633,848          | \$578,028          | \$682,599          | \$774,329          | \$785,158          | \$3,453,962          |  |
| Breakpoint  | \$650,000          | \$669,500          | \$689,000          | \$708,500          | \$728,000          |                      |  |
| % Below breakpoint                                | 5%                 | 5%                 | 5%                 | 5%                 | 5%                 |                      |  |
| % Above breakpoint                                | 50%                | 50%                | 50%                | 50%                | 50%                |                      |  |
| <b>County Share</b>                               | <b>\$491,232</b>   | <b>\$28,901</b>    | <b>\$34,130</b>    | <b>\$68,339</b>    | <b>\$64,979</b>    | <b>\$687,582</b>     |  |
| <b>Expenses</b>                                   |                    |                    |                    |                    |                    |                      |  |
| Other Services & Charges                          | \$6,866            | \$7,072            | \$7,284            | \$7,503            | \$7,728            | \$36,452             |  |
| Supplies  | \$373              | \$384              | \$396              | \$407              | \$420              | \$1,980              |  |
| Supplement  | \$0                | \$60,000           |                    |                    | \$0                | \$60,000             |  |
| Marketing   | \$1,602            | \$1,651            | \$1,700            | \$1,751            | \$1,804            | \$8,508              |  |
| <b>Total Expenses</b>                             | <b>\$750,185</b>   | <b>\$69,107</b>    | <b>\$9,380</b>     | <b>\$9,661</b>     | <b>\$9,951</b>     | <b>\$848,284</b>     |  |
| <b>Net Income - Hybrid</b>                        | <b>(\$258,953)</b> | <b>(\$40,205)</b>  | <b>\$24,750</b>    | <b>\$58,678</b>    | <b>\$55,028</b>    | <b>(\$160,702)</b>   |  |
| <b>Difference to Status Quo</b>                   | <b>\$48,682</b>    | <b>\$271,829</b>   | <b>\$401,625</b>   | <b>\$403,240</b>   | <b>\$422,737</b>   | <b>\$1,548,112</b>   |  |
| <b>Operator Hybrid</b>                            |                    |                    |                    |                    |                    |                      |  |
| Revenue Split                                     | \$229,586          | \$628,524          | \$748,800          | \$809,214          | \$824,879          | \$3,241,003          |  |
| Cost of sales                                     | \$86,970           | \$79,397           | \$100,331          | \$103,224          | \$104,701          | \$474,623            |  |
| Supplement  | \$0                | \$60,000           | \$0                | \$0                | \$0                | \$60,000             |  |
| <b>Net Revenue</b>                                | <b>\$142,616</b>   | <b>\$609,127</b>   | <b>\$648,469</b>   | <b>\$705,989</b>   | <b>\$720,179</b>   | <b>\$2,826,380</b>   |  |

| <b>Battlecreek Elite 9</b>      |   |                    |                    |                    |                    |                    |                      |                      |
|---------------------------------|---|--------------------|--------------------|--------------------|--------------------|--------------------|----------------------|----------------------|
|                                 |   | <b>2024</b>        | <b>2025</b>        | <b>2026</b>        | <b>2027</b>        | <b>2028</b>        | <b>Total 19-23</b>   | <b>Total 19-28</b>   |
| <b>Expenses</b>                 |   |                    |                    |                    |                    |                    |                      |                      |
| Personnel Services              |   | \$397,638          | \$415,531          | \$434,230          | \$453,771          | \$474,190          | \$2,175,360          | \$3,920,979          |
| Other Services & Charges        |   | \$187,871          | \$193,508          | \$199,313          | \$205,292          | \$211,451          | \$997,435            | \$1,857,831          |
| Supplies                        |   | \$61,924           | \$63,782           | \$65,695           | \$67,666           | \$69,696           | \$328,764            | \$612,359            |
| Marketing                       |   | \$13,494           | \$13,248           | \$13,830           | \$12,863           | \$14,539           | \$67,974             | \$121,510            |
| Fleet Services                  |   | \$238,579          | \$245,736          | \$253,108          | \$260,701          | \$268,522          | \$1,266,646          | \$2,359,266          |
| <b>Total Expenses</b>           |   | <b>\$899,506</b>   | <b>\$931,804</b>   | <b>\$966,177</b>   | <b>\$1,000,293</b> | <b>\$1,038,398</b> | <b>\$4,836,179</b>   | <b>\$8,871,946</b>   |
| <b>Net Income</b>               |   | <b>(\$224,814)</b> | <b>(\$269,416)</b> | <b>(\$274,654)</b> | <b>(\$357,142)</b> | <b>(\$311,466)</b> | <b>(\$1,437,492)</b> | <b>(\$2,796,439)</b> |
| <b>Difference to Status Quo</b> |   | <b>\$134,758</b>   | <b>\$141,827</b>   | <b>\$167,069</b>   | <b>\$164,574</b>   | <b>\$216,339</b>   | <b>\$824,566</b>     | <b>\$1,174,434</b>   |
| #                               | Compensation percentages changed effective 2018 |                    |                    |                    |                    |                    |                      |                      |
|                                 | Operator  | \$311,937          | \$306,421          | \$319,926          | \$297,721          | \$336,429          | \$4,885,627          | \$8,744,933          |
|                                 | Less Cost of Sales                              | \$116,059          | \$114,115          | \$119,162          | \$110,999          | \$125,384          | \$585,719            | \$1,060,342          |
|                                 | <b>Net Operator</b>                             | <b>\$195,878</b>   | <b>\$192,306</b>   | <b>\$200,765</b>   | <b>\$186,721</b>   | <b>\$211,045</b>   | <b>\$4,299,907</b>   | <b>\$7,684,591</b>   |
| <b>Hybrid Model 2020</b>        |   |                    |                    |                    |                    |                    |                      |                      |
| <b>County Revenue</b>           |   |                    |                    |                    |                    |                    |                      |                      |
|                                 | Net Revenue                                     | \$870,570          | \$854,695          | \$892,287          | \$829,873          | \$937,977          | \$4,385,401          | \$7,839,363          |
|                                 | Breakpoint                                      | \$747,500          | \$767,000          | \$786,500          | \$806,000          | \$825,500          |                      |                      |
|                                 | % Below breakpoint                              | 5%                 | 5%                 | 5%                 | 5%                 | 5%                 |                      |                      |
|                                 | % Above breakpoint                              | 50%                | 50%                | 50%                | 50%                | 50%                |                      |                      |
|                                 | <b>County Share</b>                             | <b>\$98,910</b>    | <b>\$82,197</b>    | <b>\$92,218</b>    | <b>\$52,236</b>    | <b>\$97,514</b>    | <b>\$423,076</b>     | <b>\$1,110,657</b>   |
| <b>Expenses</b>                 |   |                    |                    |                    |                    |                    |                      |                      |
|                                 | Other Services & Charges                        | \$7,960            | \$8,198            | \$8,444            | \$8,698            | \$8,959            | \$42,258             | \$78,711             |
|                                 | Supplies  | \$432              | \$445              | \$459              | \$472              | \$486              | \$2,295              | \$4,274              |
|                                 | Supplement                                      | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                  | \$60,000             |
|                                 | Marketing                                       | \$1,858            | \$1,913            | \$1,971            | \$2,030            | \$2,091            | \$9,863              | \$18,371             |
|                                 | <b>Total Expenses</b>                           | <b>\$10,250</b>    | <b>\$10,557</b>    | <b>\$10,874</b>    | <b>\$11,200</b>    | <b>\$11,536</b>    | <b>\$54,416</b>      | <b>\$902,700</b>     |
|                                 | <b>Net Income - Hybrid</b>                      | <b>\$88,660</b>    | <b>\$71,640</b>    | <b>\$81,345</b>    | <b>\$41,037</b>    | <b>\$85,978</b>    | <b>\$368,660</b>     | <b>\$207,958</b>     |
|                                 | <b>Difference to Status Quo</b>                 | <b>\$448,232</b>   | <b>\$482,883</b>   | <b>\$523,068</b>   | <b>\$562,752</b>   | <b>\$613,782</b>   | <b>\$2,630,718</b>   | <b>\$4,178,830</b>   |
|                                 | <b>Operator Hybrid</b>                          |                    |                    |                    |                    |                    |                      |                      |
|                                 | Revenue Split                                   | \$887,719          | \$886,612          | \$919,230          | \$888,636          | \$965,848          | \$4,548,045          | \$7,789,048          |
|                                 | Cost of sales                                   | \$116,059          | \$114,115          | \$119,162          | \$110,999          | \$125,384          | \$585,719            | \$1,060,342          |
|                                 | Supplement                                      | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                  | \$60,000             |
|                                 | <b>Net Revenue</b>                              | <b>\$771,660</b>   | <b>\$772,497</b>   | <b>\$800,068</b>   | <b>\$777,636</b>   | <b>\$840,464</b>   | <b>\$3,962,326</b>   | <b>\$6,788,706</b>   |

**Scenario 1b: Hybrid Contract**

| Hybrid Model 2020          |                    |                   |                  |                  |                  |                    |  |
|----------------------------|--------------------|-------------------|------------------|------------------|------------------|--------------------|--|
|                            | 2019               | 2020              | 2021             | 2022             | 2023             | Total 19-23        |  |
| <b>County Revenue</b>      |                    |                   |                  |                  |                  |                    |  |
| Net Revenue                | \$633,848          | \$578,028         | \$682,599        | \$774,329        | \$785,158        | \$3,453,962        |  |
| Breakpoint                 | \$650,000          | \$669,500         | \$689,000        | \$708,500        | \$728,000        |                    |  |
| % Below breakpoint         | 5%                 | 5%                | 5%               | 5%               | 5%               |                    |  |
| % Above breakpoint         | 50%                | 50%               | 50%              | 50%              | 50%              |                    |  |
| <b>County Share</b>        | <b>\$491,232</b>   | <b>\$28,901</b>   | <b>\$34,130</b>  | <b>\$68,339</b>  | <b>\$64,979</b>  | <b>\$687,582</b>   |  |
| <b>Expenses</b>            |                    |                   |                  |                  |                  |                    |  |
| Other Services & Charges   | \$6,866            | \$7,072           | \$7,284          | \$7,503          | \$7,728          | \$36,452           |  |
| Supplies                   | \$373              | \$384             | \$396            | \$407            | \$420            | \$1,980            |  |
| Supplement                 | \$0                | \$60,000          |                  |                  | \$0              | \$60,000           |  |
| Marketing                  | \$1,602            | \$1,651           | \$1,700          | \$1,751          | \$1,804          | \$8,508            |  |
| <b>Total Expenses</b>      | <b>\$750,185</b>   | <b>\$69,107</b>   | <b>\$9,380</b>   | <b>\$9,661</b>   | <b>\$9,951</b>   | <b>\$848,284</b>   |  |
| <b>Net Income - Hybrid</b> | <b>(\$258,953)</b> | <b>(\$40,205)</b> | <b>\$24,750</b>  | <b>\$58,678</b>  | <b>\$55,028</b>  | <b>(\$160,702)</b> |  |
| <b>Difference Hybrid</b>   | <b>\$48,682</b>    | <b>\$271,829</b>  | <b>\$401,625</b> | <b>\$403,240</b> | <b>\$422,737</b> | <b>\$1,548,112</b> |  |
| Operator Hybrid            |                    |                   |                  |                  |                  |                    |  |
| Revenue Split              | \$229,586          | \$628,524         | \$748,800        | \$809,214        | \$824,879        | \$3,241,003        |  |
| Cost of sales              | \$86,970           | \$79,397          | \$100,331        | \$103,224        | \$104,701        | \$474,623          |  |
| Supplement                 | \$0                | \$60,000          | \$0              | \$0              | \$0              | \$60,000           |  |
| Net Revenue                | \$142,616          | \$609,127         | \$648,469        | \$705,989        | \$720,179        | \$2,826,380        |  |

| Hybrid Model 2020          |                  |                  |                  |                  |                  |                    |                    |  |
|----------------------------|------------------|------------------|------------------|------------------|------------------|--------------------|--------------------|--|
|                            | 2024             | 2025             | 2026             | 2027             | 2028             | Total 19-23        | Total 19-28        |  |
| <b>County Revenue</b>      |                  |                  |                  |                  |                  |                    |                    |  |
| Net Revenue                | \$870,570        | \$854,695        | \$892,287        | \$829,873        | \$937,977        | \$4,385,401        | \$7,839,363        |  |
| Breakpoint                 | \$747,500        | \$767,000        | \$786,500        | \$806,000        | \$825,500        |                    |                    |  |
| % Below breakpoint         | 5%               | 5%               | 5%               | 5%               | 5%               |                    |                    |  |
| % Above breakpoint         | 50%              | 50%              | 50%              | 50%              | 50%              |                    |                    |  |
| <b>County Share</b>        | <b>\$98,910</b>  | <b>\$82,197</b>  | <b>\$92,218</b>  | <b>\$52,236</b>  | <b>\$97,514</b>  | <b>\$423,076</b>   | <b>\$1,110,657</b> |  |
| <b>Expenses</b>            |                  |                  |                  |                  |                  |                    |                    |  |
| Other Services & Charges   | \$7,960          | \$8,198          | \$8,444          | \$8,698          | \$8,959          | \$42,258           | \$78,711           |  |
| Supplies                   | \$432            | \$445            | \$459            | \$472            | \$486            | \$2,295            | \$4,274            |  |
| Supplement                 | \$0              | \$0              |                  |                  |                  | \$0                | \$60,000           |  |
| Marketing                  | \$1,858          | \$1,913          | \$1,971          | \$2,030          | \$2,091          | \$9,863            | \$18,371           |  |
| <b>Total Expenses</b>      | <b>\$10,250</b>  | <b>\$10,557</b>  | <b>\$10,874</b>  | <b>\$11,200</b>  | <b>\$11,536</b>  | <b>\$54,416</b>    | <b>\$902,700</b>   |  |
| <b>Net Income - Hybrid</b> | <b>\$88,660</b>  | <b>\$71,640</b>  | <b>\$81,345</b>  | <b>\$41,037</b>  | <b>\$85,978</b>  | <b>\$368,660</b>   | <b>\$207,958</b>   |  |
| <b>Difference Hybrid</b>   | <b>\$448,232</b> | <b>\$482,883</b> | <b>\$523,068</b> | <b>\$562,752</b> | <b>\$613,782</b> | <b>\$2,630,718</b> | <b>\$4,178,830</b> |  |
| Operator Hybrid            |                  |                  |                  |                  |                  |                    |                    |  |
| Revenue Split              | \$887,719        | \$886,612        | \$919,230        | \$888,636        | \$965,848        | \$4,548,045        | \$7,789,048        |  |
| Cost of sales              | \$116,059        | \$114,115        | \$119,162        | \$110,999        | \$125,384        | \$585,719          | \$1,060,342        |  |
| Supplement                 | \$0              | \$0              | \$0              | \$0              | \$0              | \$0                | \$60,000           |  |
| Net Revenue                | \$771,660        | \$772,497        | \$800,068        | \$777,636        | \$840,464        | \$3,962,326        | \$6,788,706        |  |

**Scenario 2: Par 34**

| <b>Battlecreek Par 34</b> |                  |                  |                  |                |                  |                  |
|---------------------------|------------------|------------------|------------------|----------------|------------------|------------------|
|                           | 2019             | 2020             | 2021             | 2022           | 2023             | Total 19-23      |
| <b>Rounds</b>             | 19,500           | 17,200           | 21,000           | -              | 19,000           | 76,700           |
|                           |                  | Priority fixes   |                  | Convert to P34 |                  |                  |
| <b>Revenue</b>            |                  |                  |                  |                |                  |                  |
| <b>Passes</b>             |                  |                  |                  |                |                  |                  |
| <b>Regular</b>            | \$4,508          | \$5,599          | \$6,761          | \$0            | \$8,000          | \$24,868         |
| Quantity                  | 5.0              | 6                | 7                | -              | 10               |                  |
| Unit                      | \$902            | \$933            | \$966            | \$800          | \$800            |                  |
| <b>Senior</b>             | \$7,118          | \$7,367          | \$7,625          | \$0            | \$7,200          | \$29,310         |
| Quantity                  | 10               | 10               | 10               | -              | 12               |                  |
| Unit                      | \$712            | \$737            | \$762            | \$600          | \$600            |                  |
| <b>Junior</b>             | \$1,139          | \$1,179          | \$1,220          | \$0            | \$1,250          | \$4,788          |
| Quantity                  | 4                | 4                | 4                | -              | 5                |                  |
| Unit                      | \$285            | \$295            | \$305            | \$250          | \$250            |                  |
| <b>Weekday Regular</b>    | \$6,064          | \$6,974          | \$4,331          | \$0            | \$3,850          | \$21,219         |
| Quantity                  | 9                | 10               | 6                | -              | 7                |                  |
| Unit                      | \$674            | \$697            | \$722            | \$550          | \$550            |                  |
| <b>Weekday Senior</b>     | \$7,972          | \$8,251          | \$8,540          | \$0            | \$9,500          | \$34,263         |
| Quantity                  | 15               | 15               | 15               | -              | 20               |                  |
| Unit                      | \$531.5          | \$550            | \$569            | \$475          | \$475            |                  |
| <b>Total Passes</b>       | 43               | 45               | 42               | -              | 54               |                  |
| <b>Total Passes</b>       | <b>\$26,801</b>  | <b>\$29,370</b>  | <b>\$28,476</b>  | <b>\$0</b>     | <b>\$29,800</b>  | <b>\$114,447</b> |
| <b>Patron Card</b>        |                  |                  |                  |                |                  |                  |
| <b>Resident</b>           |                  |                  |                  |                |                  |                  |
| <b>Regular</b>            | \$418            | \$432            | \$447            | \$0            | \$392            | \$1,689          |
| Quantity                  | 11               | 11               | 11               | -              | 9                |                  |
| Unit                      | \$37.96          | \$39.29          | \$40.67          | \$42.09        | \$43.56          |                  |
| <b>Senior</b>             | \$427.07         | \$442.02         | \$457.49         | \$0.00         | \$392.06         | \$1,718.64       |
| Quantity                  | 15               | 15               | 15               | -              | 12               |                  |
| Unit                      | \$28.47          | \$29.47          | \$30.50          | \$31.57        | \$32.67          |                  |
| <b>Premium</b>            | \$427.07         | \$442.02         | \$457.49         | \$0.00         | \$294.04         | \$1,620.62       |
| Quantity                  | 5                | 5                | 5                | -              | 3                |                  |
| Unit                      | \$85.41          | \$88.40          | \$91.50          | \$94.70        | \$98.01          |                  |
| <b>Premium Senior</b>     | \$398.60         | \$412.55         | \$426.99         | \$0.00         | \$152.47         | \$1,390.61       |
| Quantity                  | 6                | 6                | 6                | -              | 2                |                  |
| Unit                      | \$66.43          | \$68.76          | \$71.16          | \$73.66        | \$76.23          |                  |
| <b>Non-Resident</b>       |                  |                  |                  |                |                  |                  |
| <b>Regular</b>            | \$189.81         | \$196.45         | \$203.33         | \$0.00         | \$108.91         | \$698.50         |
| Quantity                  | 4                | 4                | 4                | -              | 2                |                  |
| Unit                      | \$47.45          | \$49.11          | \$50.83          | \$52.61        | \$54.45          |                  |
| <b>Senior</b>             | \$303.69         | \$314.32         | \$325.33         | \$0.00         | \$304.93         | \$1,248.28       |
| Quantity                  | 8                | 8                | 8                | -              | 7                |                  |
| Unit                      | \$37.96          | \$39.29          | \$40.67          | \$42.09        | \$43.56          |                  |
| <b>Premium</b>            | \$379.62         | \$884.04         | \$1,219.97       | \$0.00         | \$1,633.58       | \$4,117.21       |
| Quantity                  | 4                | 9                | 12               | -              | 15               |                  |
| Unit                      | \$94.90          | \$98.23          | \$101.66         | \$105.22       | \$108.91         |                  |
| <b>Premium Senior</b>     | \$379.62         | \$1,414.46       | \$1,626.63       | \$0.00         | \$1,132.61       | \$4,553.32       |
| Quantity                  | 5                | 18               | 20               | -              | 13               |                  |
| Unit                      | \$75.92          | \$78.58          | \$81.33          | \$84.18        | \$87.12          |                  |
| <b>Total quantity</b>     | 58               | 76               | 81               | -              | 63               |                  |
| <b>Total Patron Cards</b> | <b>\$2,923</b>   | <b>\$4,538</b>   | <b>\$5,165</b>   | <b>\$0</b>     | <b>\$4,411</b>   | <b>\$17,036</b>  |
| <b>Green Fee</b>          |                  |                  |                  |                |                  |                  |
| <b>Pass Rounds</b>        | 2,666            | 2,790            | 2,604            | -              | 3,348            | 11,408           |
| rnds/pass                 | 62.00            | 62.00            | 62.00            | 62.00          | 62.00            |                  |
| % Rounds                  |                  |                  |                  |                |                  |                  |
| <b>Patron Rounds</b>      | 696              | 912              | 972              | -              | 756              | 3,336            |
| rnds/patron               | 12.00            | 12.00            | 12.00            | 12.00          | 12.00            |                  |
| % Rounds                  |                  |                  |                  |                |                  |                  |
| <b>Regular Rounds</b>     | 7,585            | 6,344            | 8,712            | -              | 7,448            | 30,089           |
| % Rounds                  | 47.0%            | 47.0%            | 50.0%            | 50.0%          | 50.0%            |                  |
| <b>Senior Rounds</b>      | 3,389            | 2,835            | 4,008            | -              | 3,426            | 13,657           |
| % Rounds                  | 21.0%            | 21.0%            | 23.0%            | 23.0%          | 23.0%            |                  |
| <b>Other Rounds</b>       | 5,164            | 4,319            | 4,704            | -              | 4,022            | 18,210           |
| % Rounds                  | 32.0%            | 32.0%            | 27.0%            | 27.0%          | 27.0%            |                  |
| <b>Avg Patron Rate</b>    | \$18.50          | \$18.96          | \$19.42          | \$17.00        | \$17.00          |                  |
| <b>Avg Regular Rate</b>   | \$19.50          | \$19.98          | \$20.47          | \$18.00        | \$18.00          |                  |
| <b>Avg Senior Rate</b>    | \$16.25          | \$16.65          | \$17.06          | \$14.50        | \$15.01          |                  |
| <b>Avg Other Rate</b>     | \$6.50           | \$6.73           | \$7.25           | \$4.25         | \$4.40           |                  |
| <b>Total Patron</b>       | \$12,876         | \$17,288         | \$18,879         | \$0            | \$12,852         | \$61,895         |
| <b>Total Regular</b>      | \$147,905        | \$126,759        | \$178,363        | \$0            | \$134,064        | \$587,090        |
| <b>Total Senior</b>       | \$55,071         | \$47,197         | \$68,372         | \$0            | \$51,417         | \$222,057        |
| <b>Total Other</b>        | \$33,567         | \$29,058         | \$34,107         | \$0            | \$17,691         | \$114,424        |
| <b>Total Green Fees</b>   | <b>\$249,419</b> | <b>\$220,302</b> | <b>\$299,722</b> | <b>\$0</b>     | <b>\$216,024</b> | <b>\$985,467</b> |

| Battlecreek Par 34        |            |            |            |            |            | Total 19-23 | Total 19-28 |
|---------------------------|------------|------------|------------|------------|------------|-------------|-------------|
|                           | 2024       | 2025       | 2026       | 2027       | 2028       |             |             |
| <b>Rounds</b>             | 19,768     | 18,779     | 19,372     | 17,435     | 19,029     | 94,383      | 171,083     |
| <b>Revenue</b>            |            |            |            |            |            |             |             |
| <b>Passes</b>             |            |            |            |            |            |             |             |
| <b>Regular</b>            | \$9,108    | \$10,284   | \$12,418   | \$14,688   | \$17,103   | \$63,600    | \$88,468    |
| Quantity                  | 11         | 12         | 14         | 16         | 18         |             |             |
| Unit                      | \$828      | \$857      | \$887      | \$918      | \$950      |             |             |
| <b>Senior</b>             | \$7,452    | \$7,713    | \$7,983    | \$8,262    | \$8,551    | \$39,961    | \$69,271    |
| Quantity                  | 12         | 12         | 12         | 12         | 12         |             |             |
| Unit                      | \$621      | \$643      | \$665      | \$689      | \$713      |             |             |
| <b>Junior</b>             | \$1,553    | \$803      | \$832      | \$861      | \$891      | \$4,939     | \$9,726     |
| Quantity                  | 6          | 3          | 3          | 3          | 3          |             |             |
| Unit                      | \$259      | \$268      | \$277      | \$287      | \$297      |             |             |
| <b>Weekday Regular</b>    | \$3,985    | \$4,124    | \$4,269    | \$4,418    | \$4,573    | \$21,368    | \$42,587    |
| Quantity                  | 7          | 7          | 7          | 7          | 7          |             |             |
| Unit                      | \$569      | \$589      | \$610      | \$631      | \$653      |             |             |
| <b>Weekday Senior</b>     | \$10,324   | \$10,685   | \$11,586   | \$12,537   | \$13,540   | \$58,672    | \$92,935    |
| Quantity                  | 21         | 21         | 22         | 23         | 24         |             |             |
| Unit                      | \$492      | \$509      | \$527      | \$545      | \$564      |             |             |
| <b>Total Passes</b>       | 57         | 55         | 58         | 61         | 64         |             |             |
| <b>Total Passes</b>       | \$32,421   | \$33,610   | \$37,087   | \$40,766   | \$44,657   | \$188,540   | \$302,987   |
| <b>Patron Card</b>        |            |            |            |            |            |             |             |
| <b>Resident</b>           |            |            |            |            |            |             |             |
| <b>Regular</b>            | \$406      | \$420      | \$435      | \$450      | \$466      | \$2,176     | \$3,865     |
| Quantity                  | 9          | 9          | 9          | 9          | 9          |             |             |
| Unit                      | \$45.09    | \$46.66    | \$48.30    | \$49.99    | \$51.74    |             |             |
| <b>Senior</b>             | \$439.60   | \$454.98   | \$470.91   | \$487.39   | \$504.45   | \$2,357.32  | \$4,076     |
| Quantity                  | 13         | 13         | 13         | 13         | 13         |             |             |
| Unit                      | \$33.82    | \$35.00    | \$36.22    | \$37.49    | \$38.80    |             |             |
| <b>Premium</b>            | \$405.78   | \$419.98   | \$434.68   | \$449.90   | \$465.64   | \$2,175.99  | \$3,797     |
| Quantity                  | 4          | 4          | 4          | 4          | 4          |             |             |
| Unit                      | \$101.45   | \$105.00   | \$108.67   | \$112.47   | \$116.41   |             |             |
| <b>Premium Senior</b>     | \$157.80   | \$408.32   | \$422.61   | \$437.40   | \$452.71   | \$1,878.84  | \$3,269     |
| Quantity                  | 2          | 5          | 5          | 5          | 5          |             |             |
| Unit                      | \$78.90    | \$81.66    | \$84.52    | \$87.48    | \$90.54    |             |             |
| <b>Non-Resident</b>       |            |            |            |            |            |             |             |
| <b>Regular</b>            | \$112.72   | \$116.66   | \$181.12   | \$187.46   | \$194.02   | \$791.97    | \$1,490     |
| Quantity                  | 2          | 2          | 3          | 3          | 3          |             |             |
| Unit                      | \$56.36    | \$58.33    | \$60.37    | \$62.49    | \$64.67    |             |             |
| <b>Senior</b>             | \$315.61   | \$326.65   | \$386.38   | \$399.91   | \$413.91   | \$1,842.46  | \$3,091     |
| Quantity                  | 7          | 7          | 8          | 8          | 8          |             |             |
| Unit                      | \$45.09    | \$46.66    | \$48.30    | \$49.99    | \$51.74    |             |             |
| <b>Premium</b>            | \$1,803.47 | \$1,983.26 | \$2,173.41 | \$2,374.46 | \$2,586.91 | \$10,921.50 | \$15,039    |
| Quantity                  | 16         | 17         | 18         | 19         | 20         |             |             |
| Unit                      | \$112.72   | \$116.66   | \$120.75   | \$124.97   | \$129.35   |             |             |
| <b>Premium Senior</b>     | \$1,172.26 | \$1,399.94 | \$1,448.94 | \$1,499.66 | \$1,552.14 | \$7,072.94  | \$11,626    |
| Quantity                  | 13         | 15         | 15         | 15         | 15         |             |             |
| Unit                      | \$90.17    | \$93.33    | \$96.60    | \$99.98    | \$103.48   |             |             |
| <b>Total quantity</b>     | 66         | 72         | 75         | 76         | 77         |             |             |
| <b>Total Patron Cards</b> | \$4,813    | \$5,530    | \$5,953    | \$6,286    | \$6,635    | \$29,217    | \$46,253    |
| <b>Green Fee</b>          |            |            |            |            |            |             |             |
| Pass Rounds               | 3,534      | 3,410      | 3,596      | 3,782      | 3,968      | 18,290      | 29,698      |
| rnds/pass                 | 62.00      | 62.00      | 62.00      | 62.00      | 62.00      |             |             |
| % Rounds                  |            |            |            |            |            |             |             |
| Patron Rounds             | 792        | 864        | 900        | 912        | 924        | 4,392       | 7,728       |
| rnds/patron               | 12.00      | 12.00      | 12.00      | 12.00      | 12.00      |             |             |
| % Rounds                  |            |            |            |            |            |             |             |
| Regular Rounds            | 7,721      | 7,253      | 7,438      | 6,371      | 7,068      | 35,850      | 65,939      |
| % Rounds                  | 50.0%      | 50.0%      | 50.0%      | 50.0%      | 50.0%      |             |             |
| Senior Rounds             | 3,552      | 3,336      | 3,422      | 2,930      | 3,251      | 16,491      | 30,148      |
| % Rounds                  | 23.0%      | 23.0%      | 23.0%      | 23.0%      | 23.0%      |             |             |
| Other Rounds              | 4,169      | 3,916      | 4,017      | 3,440      | 3,817      | 19,359      | 37,569      |
| % Rounds                  | 27.0%      | 27.0%      | 27.0%      | 27.0%      | 27.0%      |             |             |
| Avg Patron Rate           | \$17.60    | \$18.21    | \$18.85    | \$19.51    | \$20.19    |             |             |
| Avg Regular Rate          | \$18.63    | \$19.28    | \$19.96    | \$20.66    | \$21.38    |             |             |
| Avg Senior Rate           | \$15.53    | \$16.08    | \$16.64    | \$17.22    | \$17.82    |             |             |
| Avg Other Rate            | \$4.55     | \$4.71     | \$4.88     | \$5.05     | \$5.22     |             |             |
| Total Patron              | \$13,935   | \$15,734   | \$16,963   | \$17,791   | \$18,656   | \$83,080    | \$144,975   |
| Total Regular             | \$143,839  | \$139,845  | \$148,442  | \$131,586  | \$151,108  | \$714,820   | \$1,301,910 |
| Total Senior              | \$55,166   | \$53,634   | \$56,931   | \$50,466   | \$57,954   | \$274,151   | \$496,209   |
| Total Other               | \$18,981   | \$18,454   | \$19,589   | \$17,364   | \$19,941   | \$94,329    | \$208,754   |
| <b>Total Green Fees</b>   | \$231,921  | \$227,668  | \$241,925  | \$217,207  | \$247,659  | \$1,166,381 | \$2,151,848 |

| <b>Battlecreek Par 34</b>  |                                |                  |                  |                  |                 |                  |                    |
|----------------------------|--------------------------------|------------------|------------------|------------------|-----------------|------------------|--------------------|
|                            |                                | 2019             | 2020             | 2021             | 2022            | 2023             | Total 19-23        |
| <b>Cart Fees</b>           |                                |                  |                  |                  |                 |                  |                    |
|                            | avg rate                       | \$4.70           | \$4.86           | \$5.03           | \$5.21          | \$5.39           |                    |
|                            | <b>Total Cart Fees</b>         | <b>\$91,650</b>  | <b>\$83,669</b>  | <b>\$105,730</b> | <b>\$0</b>      | <b>\$102,474</b> | <b>\$383,523</b>   |
| <b>Range</b>               |                                |                  |                  |                  |                 |                  |                    |
|                            | avg rate                       | \$9.20           | \$9.52           | \$9.86           | \$0.00          | \$18.00          |                    |
|                            | <b>Total Range</b>             | <b>\$179,400</b> | <b>\$163,778</b> | <b>\$206,961</b> | <b>\$65,000</b> | <b>\$300,000</b> | <b>\$915,139</b>   |
| <b>Merchandise</b>         |                                |                  |                  |                  |                 |                  |                    |
|                            | avg rate                       | \$3.00           | \$3.11           | \$3.21           | \$3.33          | \$3.44           |                    |
|                            | <b>Total Merchandise</b>       | <b>\$58,500</b>  | <b>\$53,406</b>  | <b>\$67,487</b>  | <b>\$4,500</b>  | <b>\$65,409</b>  | <b>\$249,302</b>   |
| <b>Food &amp; Beverage</b> |                                |                  |                  |                  |                 |                  |                    |
|                            | <b>Golf</b>                    | <b>\$112,125</b> | <b>\$102,362</b> | <b>\$129,350</b> | <b>\$12,000</b> | <b>\$125,367</b> | <b>\$481,204</b>   |
|                            | avg rate                       | \$5.75           | \$5.95           | \$6.16           | \$6.38          | \$6.60           |                    |
|                            | <b>Total F&amp;B</b>           | <b>\$112,125</b> | <b>\$102,362</b> | <b>\$129,350</b> | <b>\$12,000</b> | <b>\$125,367</b> | <b>\$481,204</b>   |
|                            | <b>Total Revenue</b>           | <b>\$720,818</b> | <b>\$657,425</b> | <b>\$842,891</b> | <b>\$81,500</b> | <b>\$843,484</b> | <b>\$3,146,118</b> |
| <b>County Compensation</b> |                                |                  |                  |                  |                 |                  |                    |
|                            | <b>Green Fee total rev</b>     | \$279,143        | \$254,210        | \$333,362        | \$0             | \$250,235        | \$1,116,950        |
|                            | Split %                        | 78%              | 78%              | 78%              | 78%             | 78%              |                    |
|                            | <b>Total Comp</b>              | <b>\$216,336</b> | <b>\$197,013</b> | <b>\$258,356</b> | <b>\$0</b>      | <b>\$193,932</b> | <b>\$865,637</b>   |
|                            | <b>Cart Fee total rev</b>      | \$91,650         | \$83,669         | \$105,730        | \$0             | \$102,474        | \$383,523          |
|                            | Split %                        | 78%              | 78%              | 78%              | 78%             | 78%              |                    |
|                            | <b>Total Comp</b>              | <b>\$71,029</b>  | <b>\$64,844</b>  | <b>\$81,941</b>  | <b>\$0</b>      | <b>\$79,417</b>  | <b>\$297,230</b>   |
|                            | <b>Range</b>                   | \$179,400        | \$163,778        | \$206,961        | \$65,000        | \$300,000        | \$915,139          |
|                            | Split %                        | 78%              | 78%              | 78%              | 0%              | 78%              |                    |
|                            | <b>Total Comp</b>              | <b>\$139,035</b> | <b>\$126,928</b> | <b>\$160,395</b> | <b>\$0</b>      | <b>\$232,500</b> | <b>\$658,858</b>   |
|                            | <b>F&amp;B Total</b>           | \$112,125        | \$102,362        | \$129,350        | \$12,000        | \$125,367        | \$481,204          |
|                            | <b>Food &amp; Beverage Net</b> | \$67,275         | \$61,417         | \$77,610         | \$7,200         | \$75,220         | \$288,722          |
|                            | Split %                        | 78%              | 78%              | 78%              | 0%              | 78%              |                    |
|                            | <b>F&amp;B Comp</b>            | <b>\$52,138</b>  | <b>\$47,598</b>  | <b>\$60,148</b>  | <b>\$0</b>      | <b>\$58,296</b>  | <b>\$218,180</b>   |
|                            | <b>Merchandise</b>             | \$58,500         | \$53,406         | \$67,487         | \$4,500         | \$65,409         | \$249,302          |
|                            | Net Merchandise                | \$16,380         | \$14,954         | \$18,896         | \$1,260         | \$18,314         | \$69,805           |
|                            | Split %                        | 78%              | 78%              | 78%              | 0%              | 78%              |                    |
|                            | <b>Merch Comp</b>              | <b>\$12,695</b>  | <b>\$11,589</b>  | <b>\$14,645</b>  | <b>\$0</b>      | <b>\$14,194</b>  | <b>\$53,122</b>    |
|                            | <b>County Share</b>            | <b>\$491,232</b> | <b>\$447,972</b> | <b>\$575,484</b> | <b>\$0</b>      | <b>\$578,339</b> | <b>\$2,093,027</b> |

| <b>Battlecreek Par 34</b>  |                  |                  |                    |                  |                    |                    |                    |
|----------------------------|------------------|------------------|--------------------|------------------|--------------------|--------------------|--------------------|
|                            | 2024             | 2025             | 2026               | 2027             | 2028               | Total 19-23        | Total 19-28        |
| <b>Cart Fees</b>           |                  |                  |                    |                  |                    |                    |                    |
| avg rate                   | \$5.58           | \$5.78           | \$5.98             | \$6.19           | \$6.41             |                    |                    |
| <b>Total Cart Fees</b>     | <b>\$110,345</b> | <b>\$108,497</b> | <b>\$115,840</b>   | <b>\$107,905</b> | <b>\$121,890</b>   | <b>\$564,478</b>   | <b>\$948,001</b>   |
| <b>Range</b>               |                  |                  |                    |                  |                    |                    |                    |
| avg rate                   | \$18.63          | \$19.28          | \$19.96            | \$20.66          | \$21.38            |                    |                    |
| <b>Total Range</b>         | <b>\$368,270</b> | <b>\$362,102</b> | <b>\$386,610</b>   | <b>\$360,128</b> | <b>\$406,800</b>   | <b>\$1,883,910</b> | <b>\$2,799,049</b> |
| <b>Merchandise</b>         |                  |                  |                    |                  |                    |                    |                    |
| avg rate                   | \$3.56           | \$3.69           | \$3.82             | \$3.95           | \$4.09             |                    |                    |
| <b>Total Merchandise</b>   | <b>\$70,433</b>  | <b>\$69,253</b>  | <b>\$73,941</b>    | <b>\$68,876</b>  | <b>\$77,802</b>    | <b>\$360,305</b>   | <b>\$609,607</b>   |
| <b>Food &amp; Beverage</b> |                  |                  |                    |                  |                    |                    |                    |
| <b>Golf</b>                | <b>\$134,997</b> | <b>\$132,736</b> | <b>\$141,720</b>   | <b>\$132,012</b> | <b>\$149,121</b>   | <b>\$690,585</b>   | <b>\$1,171,788</b> |
| avg rate                   | \$6.83           | \$7.07           | \$7.32             | \$7.57           | \$7.84             |                    |                    |
| <b>Total F&amp;B</b>       | <b>\$134,997</b> | <b>\$132,736</b> | <b>\$141,720</b>   | <b>\$132,012</b> | <b>\$149,121</b>   | <b>\$690,585</b>   | <b>\$1,171,788</b> |
| <b>Total Revenue</b>       | <b>\$953,201</b> | <b>\$939,395</b> | <b>\$1,003,076</b> | <b>\$933,180</b> | <b>\$1,054,564</b> | <b>\$4,883,416</b> | <b>\$8,029,534</b> |
| <b>County Compensation</b> |                  |                  |                    |                  |                    |                    |                    |
| <b>Green Fee total rev</b> | \$269,155        | \$266,807        | \$284,965          | \$264,259        | \$298,952          | \$1,384,138        | \$2,501,088        |
| Split %                    | 78%              | 78%              | 78%                | 78%              | 78%                |                    |                    |
| <b>Total Comp</b>          | <b>\$208,595</b> | <b>\$206,776</b> | <b>\$220,848</b>   | <b>\$204,801</b> | <b>\$231,687</b>   | <b>\$1,072,707</b> | <b>\$1,938,343</b> |
| <b>Cart Fee total rev</b>  | \$110,345        | \$108,497        | \$115,840          | \$107,905        | \$121,890          | \$564,478          | \$948,001          |
| Split %                    | 78%              | 78%              | 78%                | 78%              | 78%                |                    |                    |
| <b>Total Comp</b>          | <b>\$85,518</b>  | <b>\$84,085</b>  | <b>\$89,776</b>    | <b>\$83,627</b>  | <b>\$94,465</b>    | <b>\$437,470</b>   | <b>\$734,701</b>   |
| <b>Range</b>               | \$368,270        | \$362,102        | \$386,610          | \$360,128        | \$406,800          | \$1,883,910        | \$2,799,049        |
| Split %                    | 78%              | 78%              | 78%                | 78%              | 78%                |                    |                    |
| <b>Total Comp</b>          | <b>\$285,410</b> | <b>\$280,629</b> | <b>\$299,623</b>   | <b>\$279,099</b> | <b>\$315,270</b>   | <b>\$1,460,030</b> | <b>\$1,460,030</b> |
| <b>F&amp;B Total</b>       | \$134,997        | \$132,736        | \$141,720          | \$132,012        | \$149,121          | \$690,585          | \$1,171,788        |
| Food & Beverage Net        | \$80,998         | \$79,641         | \$85,032           | \$79,207         | \$89,472           | \$414,351          | \$703,073          |
| Split %                    | 78%              | 78%              | 78%                | 78%              | 78%                |                    |                    |
| <b>F&amp;B Comp</b>        | <b>\$62,774</b>  | <b>\$61,722</b>  | <b>\$65,900</b>    | <b>\$61,386</b>  | <b>\$69,341</b>    | <b>\$321,122</b>   | <b>\$539,302</b>   |
| <b>Merchandise</b>         | \$70,433         | \$69,253         | \$73,941           | \$68,876         | \$77,802           | \$360,305          | \$609,607          |
| Net Merchandise            | \$19,721         | \$19,391         | \$20,703           | \$19,285         | \$21,785           | \$100,885          | \$170,690          |
| Split %                    | 78%              | 78%              | 78%                | 78%              | 78%                |                    |                    |
| <b>Merch Comp</b>          | <b>\$15,284</b>  | <b>\$15,028</b>  | <b>\$16,045</b>    | <b>\$14,946</b>  | <b>\$16,883</b>    | <b>\$78,186</b>    | <b>\$131,308</b>   |
| <b>County Share</b>        | <b>\$657,580</b> | <b>\$648,240</b> | <b>\$692,192</b>   | <b>\$643,858</b> | <b>\$727,646</b>   | <b>\$3,369,516</b> | <b>\$5,462,542</b> |

| <b>Battlecreek Par 34</b>       |  |                    |                    |                    |                    |                      |  |
|---------------------------------|--|--------------------|--------------------|--------------------|--------------------|----------------------|--|
|                                 | 2019   | 2020               | 2021               | 2022               | 2023               | Total 19-23          |  |
| <b>Expenses</b>                 |  |                    |                    |                    |                    |                      |  |
| Personnel Services              | \$319,085  | \$333,444          | \$348,448          | \$150,000          | \$355,000          | \$1,505,977          |  |
| Other Services & Charges        | \$162,060  | \$166,921          | \$171,929          | \$65,000           | \$175,000          | \$740,910            |  |
| Supplies                        | \$53,416   | \$55,019           | \$56,669           | \$20,000           | \$50,000           | \$235,105            |  |
| Marketing                       | \$9,825  | \$8,959            | \$11,510           | \$0                | \$11,567           | \$41,861             |  |
| Fleet Services                  | \$205,800  | \$211,974          | \$218,333          | \$224,883          | \$231,630          | \$1,092,620          |  |
| <b>Total Expenses</b>           | <b>\$750,185</b>                                       | <b>\$776,317</b>   | <b>\$806,890</b>   | <b>\$459,883</b>   | <b>\$823,196</b>   | <b>\$3,616,472</b>   |  |
| <b>Net Income</b>               | <b>(\$258,953)</b>                                     | <b>(\$328,345)</b> | <b>(\$231,406)</b> | <b>(\$459,883)</b> | <b>(\$244,858)</b> | <b>(\$1,523,445)</b> |  |
| <b>Difference to Status Quo</b> | <b>\$48,682</b>  | <b>(\$16,311)</b>  | <b>\$145,469</b>   | <b>(\$115,322)</b> | <b>\$122,851</b>   | <b>\$185,369</b>     |  |
| #                               | <b>Compensation percentages changed effective 2018</b> |                    |                    |                    |                    |                      |  |
| Operator                        | \$229,586  | \$209,453          | \$267,407          | \$81,500           | \$265,146          | \$3,092,996          |  |
| Less Cost of Sales              | \$86,970   | \$79,397           | \$100,331          | \$8,040            | \$97,241           | \$371,979            |  |
| <b>Net Operator</b>             | <b>\$142,616</b>                                       | <b>\$130,056</b>   | <b>\$167,076</b>   | <b>\$73,460</b>    | <b>\$167,905</b>   | <b>\$2,721,017</b>   |  |
| <b>Hybrid Model</b>             |  |                    |                    |                    |                    |                      |  |
| <b>County Revenue</b>           |  |                    |                    |                    |                    |                      |  |
| Net Revenue                     | \$633,848  | \$578,028          | \$742,560          | \$73,460           | \$746,243          | \$2,774,139          |  |
| Breakpoint                      | \$650,000  | \$669,500          | \$689,000          | \$708,500          | \$728,000          |                      |  |
| % Below breakpoint              | 5%   | 5%                 | 5%                 | 5%                 | 5%                 |                      |  |
| % Above breakpoint              | 50%  | 50%                | 50%                | 50%                | 50%                |                      |  |
| <b>County Share</b>             | <b>\$31,692</b>  | <b>\$28,901</b>    | <b>\$61,230</b>    | <b>\$3,673</b>     | <b>\$45,522</b>    | <b>\$171,018</b>     |  |
| <b>Expenses</b>                 |  |                    |                    |                    |                    |                      |  |
| Other Services & Charges        | \$6,866  | \$7,072            | \$7,284            | \$7,503            | \$7,728            | \$36,452             |  |
| Supplies                        | \$373  | \$384              | \$396              | \$407              | \$420              | \$1,980              |  |
| Supplement                      | \$0  | \$60,000           | \$0                | \$100,000          | \$0                | \$160,000            |  |
| Marketing                       | \$1,602  | \$1,651            | \$1,700            | \$600              | \$1,500            | \$7,053              |  |
| <b>Total Expenses</b>           | <b>\$8,841</b>   | <b>\$69,107</b>    | <b>\$9,380</b>     | <b>\$108,510</b>   | <b>\$9,647</b>     | <b>\$205,485</b>     |  |
| <b>Net Income - Hybrid</b>      | <b>\$22,851</b>  | <b>(\$40,205)</b>  | <b>\$51,850</b>    | <b>(\$104,837)</b> | <b>\$35,874</b>    | <b>(\$34,467)</b>    |  |
| <b>Difference to Status Quo</b> | <b>\$330,486</b>                                       | <b>\$271,829</b>   | <b>\$428,725</b>   | <b>\$239,724</b>   | <b>\$403,584</b>   | <b>\$1,674,348</b>   |  |
| <b>Operator Hybrid</b>          |  |                    |                    |                    |                    |                      |  |
| Revenue Split                   | \$689,125  | \$628,524          | \$781,661          | \$77,827           | \$797,963          | \$2,975,100          |  |
| Cost of sales                   | \$86,970   | \$79,397           | \$100,331          | \$8,040            | \$97,241           | \$371,979            |  |
| Supplement                      | \$0  | \$60,000           | \$0                | \$100,000          | \$0                | \$160,000            |  |
| <b>Net Revenue</b>              | <b>\$602,155</b>                                       | <b>\$609,127</b>   | <b>\$681,330</b>   | <b>\$169,787</b>   | <b>\$700,722</b>   | <b>\$2,763,121</b>   |  |

| <b>Battlecreek Par 34</b>                         |                    |                    |                    |                    |                    |                      |                      |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|----------------------|----------------------|
|   | 2024               | 2025               | 2026               | 2027               | 2028               | Total 19-23          | Total 19-28          |
| <b>Expenses</b>                                   |                    |                    |                    |                    |                    |                      |                      |
| Personnel Services                                | \$370,975          | \$387,669          | \$405,114          | \$423,344          | \$442,395          | \$2,029,497          | \$3,535,473          |
| Other Services & Charges                          | \$180,250          | \$185,658          | \$191,227          | \$196,964          | \$202,873          | \$956,972            | \$1,697,882          |
| Supplies  | \$51,500           | \$53,045           | \$54,636           | \$56,275           | \$57,964           | \$273,420            | \$508,525            |
| Marketing   | \$13,152           | \$12,965           | \$13,844           | \$12,877           | \$14,553           | \$67,390             | \$109,251            |
| Fleet Services                                    | \$238,579          | \$245,736          | \$253,108          | \$260,701          | \$268,522          | \$1,266,646          | \$2,359,266          |
| <b>Total Expenses</b>                             | <b>\$854,455</b>   | <b>\$885,072</b>   | <b>\$917,929</b>   | <b>\$950,162</b>   | <b>\$986,306</b>   | <b>\$4,593,925</b>   | <b>\$8,210,397</b>   |
| <b>Net Income</b>                                 | <b>(\$196,875)</b> | <b>(\$236,832)</b> | <b>(\$225,737)</b> | <b>(\$306,304)</b> | <b>(\$258,660)</b> | <b>(\$1,224,410)</b> | <b>(\$2,747,855)</b> |
| <b>Difference to Status Quo</b>                   | <b>\$162,696</b>   | <b>\$174,410</b>   | <b>\$215,986</b>   | <b>\$215,412</b>   | <b>\$269,144</b>   | <b>\$1,037,649</b>   | <b>\$1,223,018</b>   |
| # Compensation percentages changed effective 2018 |                    |                    |                    |                    | average            |                      | \$193,417            |
| Operator  | \$295,621          | \$291,155          | \$310,884          | \$289,322          | \$326,918          | \$4,805,229          | \$7,898,226          |
| Less Cost of Sales                                | \$104,711          | \$102,957          | \$109,925          | \$102,395          | \$115,666          | \$535,653            | \$907,632            |
| <b>Net Operator</b>                               | <b>\$190,910</b>   | <b>\$188,199</b>   | <b>\$200,959</b>   | <b>\$186,927</b>   | <b>\$211,252</b>   | <b>\$4,269,576</b>   | <b>\$6,990,593</b>   |
| <b>Hybrid Model</b>                               |                    |                    |                    |                    |                    |                      |                      |
| <b>County Revenue</b>                             |                    |                    |                    |                    |                    |                      |                      |
| Net Revenue                                       | \$848,490          | \$836,438          | \$893,151          | \$830,785          | \$938,898          | \$4,347,762          | \$7,121,902          |
| Breakpoint  | \$747,500          | \$767,000          | \$786,500          | \$806,000          | \$825,500          |                      |                      |
| % Below breakpoint                                | 5%                 | 5%                 | 5%                 | 5%                 | 5%                 |                      |                      |
| % Above breakpoint                                | 50%                | 50%                | 50%                | 50%                | 50%                |                      |                      |
| <b>County Share</b>                               | <b>\$87,870</b>    | <b>\$73,069</b>    | <b>\$92,650</b>    | <b>\$52,692</b>    | <b>\$97,974</b>    | <b>\$404,256</b>     | <b>\$575,274</b>     |
| <b>Expenses</b>                                   |                    |                    |                    |                    |                    |                      |                      |
| Other Services & Charges                          | \$7,960            | \$8,198            | \$8,444            | \$8,698            | \$8,959            | \$42,258             | \$78,711             |
| Supplies  | \$432              | \$445              | \$459              | \$472              | \$486              | \$2,295              | \$4,274              |
| Supplement  | \$0                | \$0                |                    |                    |                    | \$0                  | \$160,000            |
| Marketing   | \$1,545            | \$1,591            | \$1,639            | \$1,688            | \$1,739            | \$8,203              | \$15,256             |
| <b>Total Expenses</b>                             | <b>\$9,937</b>     | <b>\$10,235</b>    | <b>\$10,542</b>    | <b>\$10,858</b>    | <b>\$11,184</b>    | <b>\$52,756</b>      | <b>\$258,241</b>     |
| <b>Net Income - Hybrid</b>                        | <b>\$77,933</b>    | <b>\$62,834</b>    | <b>\$82,109</b>    | <b>\$41,834</b>    | <b>\$86,790</b>    | <b>\$351,500</b>     | <b>\$317,033</b>     |
| <b>Difference to Status Quo</b>                   | <b>\$437,505</b>   | <b>\$474,077</b>   | <b>\$523,832</b>   | <b>\$563,550</b>   | <b>\$614,595</b>   | <b>\$2,613,559</b>   | <b>\$4,287,906</b>   |
| <b>Operator Hybrid</b>                            |                    |                    |                    |                    |                    |                      |                      |
| Revenue Split                                     | \$865,331          | \$866,326          | \$910,426          | \$880,488          | \$956,590          | \$4,479,160          | \$7,454,260          |
| Cost of sales                                     | \$104,711          | \$102,957          | \$109,925          | \$102,395          | \$115,666          | \$535,653            | \$907,632            |
| Supplement  | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                  | \$160,000            |
| <b>Net Revenue</b>                                | <b>\$760,620</b>   | <b>\$763,369</b>   | <b>\$800,500</b>   | <b>\$778,092</b>   | <b>\$840,924</b>   | <b>\$3,943,506</b>   | <b>\$6,706,627</b>   |

**Scenario 2b: Hybrid Contract**

| <b>Hybrid Model</b>    |                                     |                  |                   |                  |                    |                  |                    |  |
|------------------------|-------------------------------------|------------------|-------------------|------------------|--------------------|------------------|--------------------|--|
|                        |                                     | 2019             | 2020              | 2021             | 2022               | 2023             | Total 19-23        |  |
| <b>County Revenue</b>  |                                     |                  |                   |                  |                    |                  |                    |  |
|                        | Net Revenue                         | \$633,848        | \$578,028         | \$742,560        | \$73,460           | \$746,243        | \$2,774,139        |  |
|                        | Breakpoint                          | \$650,000        | \$669,500         | \$689,000        | \$708,500          | \$728,000        |                    |  |
|                        | % Below breakpoint                  | 5%               | 5%                | 5%               | 5%                 | 5%               |                    |  |
|                        | % Above breakpoint                  | 50%              | 50%               | 50%              | 50%                | 50%              |                    |  |
|                        | <b>County Share</b>                 | <b>\$31,692</b>  | <b>\$28,901</b>   | <b>\$61,230</b>  | <b>\$3,673</b>     | <b>\$45,522</b>  | <b>\$171,018</b>   |  |
| <b>Expenses</b>        |                                     |                  |                   |                  |                    |                  |                    |  |
|                        | <b>Other Services &amp; Charges</b> | \$6,866          | \$7,072           | \$7,284          | \$7,503            | \$7,728          | \$36,452           |  |
|                        | <b>Supplies</b>                     | \$373            | \$384             | \$396            | \$407              | \$420            | \$1,980            |  |
|                        | <b>Supplement</b>                   | \$0              | \$60,000          |                  | \$100,000          | \$0              | \$160,000          |  |
|                        | <b>Marketing</b>                    | \$1,602          | \$1,651           | \$1,700          | \$600              | \$1,500          | \$7,053            |  |
|                        | <b>Total Expenses</b>               | <b>\$8,841</b>   | <b>\$69,107</b>   | <b>\$9,380</b>   | <b>\$108,510</b>   | <b>\$9,647</b>   | <b>\$205,485</b>   |  |
|                        | <b>Net Income - Hybrid</b>          | <b>\$22,851</b>  | <b>(\$40,205)</b> | <b>\$51,850</b>  | <b>(\$104,837)</b> | <b>\$35,874</b>  | <b>(\$34,467)</b>  |  |
|                        | <b>Difference Hybrid</b>            | <b>\$330,486</b> | <b>\$271,829</b>  | <b>\$428,725</b> | <b>\$239,724</b>   | <b>\$403,584</b> | <b>\$1,674,348</b> |  |
| <b>Operator Hybrid</b> |                                     |                  |                   |                  |                    |                  |                    |  |
|                        | Revenue Split                       | \$689,125        | \$628,524         | \$781,661        | \$77,827           | \$797,963        | \$2,975,100        |  |
|                        | Cost of sales                       | \$86,970         | \$79,397          | \$100,331        | \$8,040            | \$97,241         | \$371,979          |  |
|                        | <b>Supplement</b>                   | \$0              | \$60,000          | \$0              | \$100,000          | \$0              | \$160,000          |  |
|                        | Net Revenue                         | \$602,155        | \$609,127         | \$681,330        | \$169,787          | \$700,722        | \$2,763,121        |  |

| <b>Hybrid Model</b>    |                                     |                  |                  |                  |                  |                  |                    |                    |
|------------------------|-------------------------------------|------------------|------------------|------------------|------------------|------------------|--------------------|--------------------|
|                        |                                     | 2024             | 2025             | 2026             | 2027             | 2028             | Total 19-23        | Total 19-28        |
| <b>County Revenue</b>  |                                     |                  |                  |                  |                  |                  |                    |                    |
|                        | Net Revenue                         | \$848,490        | \$836,438        | \$893,151        | \$830,785        | \$938,898        | \$4,347,762        | \$7,121,902        |
|                        | Breakpoint                          | \$747,500        | \$767,000        | \$786,500        | \$806,000        | \$825,500        |                    |                    |
|                        | % Below breakpoint                  | 5%               | 5%               | 5%               | 5%               | 5%               |                    |                    |
|                        | % Above breakpoint                  | 50%              | 50%              | 50%              | 50%              | 50%              |                    |                    |
|                        | <b>County Share</b>                 | <b>\$87,870</b>  | <b>\$73,069</b>  | <b>\$92,650</b>  | <b>\$52,692</b>  | <b>\$97,974</b>  | <b>\$404,256</b>   | <b>\$575,274</b>   |
| <b>Expenses</b>        |                                     |                  |                  |                  |                  |                  |                    |                    |
|                        | <b>Other Services &amp; Charges</b> | \$7,960          | \$8,198          | \$8,444          | \$8,698          | \$8,959          | \$42,258           | \$78,711           |
|                        | <b>Supplies</b>                     | \$432            | \$445            | \$459            | \$472            | \$486            | \$2,295            | \$4,274            |
|                        | <b>Supplement</b>                   | \$0              | \$0              |                  |                  |                  | \$0                | \$160,000          |
|                        | <b>Marketing</b>                    | \$1,545          | \$1,591          | \$1,639          | \$1,688          | \$1,739          | \$8,203            | \$15,256           |
|                        | <b>Total Expenses</b>               | <b>\$9,937</b>   | <b>\$10,235</b>  | <b>\$10,542</b>  | <b>\$10,858</b>  | <b>\$11,184</b>  | <b>\$52,756</b>    | <b>\$258,241</b>   |
|                        | <b>Net Income - Hybrid</b>          | <b>\$77,933</b>  | <b>\$62,834</b>  | <b>\$82,109</b>  | <b>\$41,834</b>  | <b>\$86,790</b>  | <b>\$351,500</b>   | <b>\$317,033</b>   |
|                        | <b>Difference Hybrid</b>            | <b>\$437,505</b> | <b>\$474,077</b> | <b>\$523,832</b> | <b>\$563,550</b> | <b>\$614,595</b> | <b>\$2,613,559</b> | <b>\$4,287,906</b> |
| <b>Operator Hybrid</b> |                                     |                  |                  |                  |                  |                  |                    |                    |
|                        | Revenue Split                       | \$865,331        | \$866,326        | \$910,426        | \$880,488        | \$956,590        | \$4,479,160        | \$7,454,260        |
|                        | Cost of sales                       | \$104,711        | \$102,957        | \$109,925        | \$102,395        | \$115,666        | \$535,653          | \$907,632          |
|                        | <b>Supplement</b>                   | \$0              | \$0              | \$0              | \$0              | \$0              | \$0                | \$160,000          |
|                        | Net Revenue                         | \$760,620        | \$763,369        | \$800,500        | \$778,092        | \$840,924        | \$3,943,506        | \$6,706,627        |

**Scenario 3: 18 Holes**

| Battlecreek 18 Hole       |                  |                  |                  |                  |                  |                    |
|---------------------------|------------------|------------------|------------------|------------------|------------------|--------------------|
|                           | 2019             | 2020             | 2021             | 2022             | 2023             | Total 19-23        |
| <b>Rounds</b>             | <b>19,500</b>    | <b>17,200</b>    | <b>21,000</b>    | <b>20,250</b>    | <b>22,750</b>    | <b>100,700</b>     |
|                           |                  | Priority Fixes   | Start new 9      | Start Ren Frt 9  |                  |                    |
| <b>Revenue</b>            |                  |                  |                  |                  |                  |                    |
| <b>Passes</b>             |                  |                  |                  |                  |                  |                    |
| <b>Regular</b>            | \$4,508          | \$5,599          | \$6,761          | \$7,997          | \$9,311          | \$34,176           |
| Quantity                  | 5.0              | 6                | 7                | 8                | 9                |                    |
| Unit                      | \$902            | \$933            | \$966            | \$1,000          | \$1,035          |                    |
| <b>Senior</b>             | \$7,118          | \$7,367          | \$7,625          | \$7,892          | \$8,168          | \$38,169           |
| Quantity                  | 10               | 10               | 10               | 10               | 10               |                    |
| Unit                      | \$712            | \$737            | \$762            | \$789            | \$817            |                    |
| <b>Junior</b>             | \$1,139          | \$1,179          | \$1,220          | \$631            | \$653            | \$4,822            |
| Quantity                  | 4                | 4                | 4                | 2                | 2                |                    |
| Unit                      | \$285            | \$295            | \$305            | \$316            | \$327            |                    |
| <b>Weekday Regular</b>    | \$6,064          | \$6,974          | \$4,331          | \$4,482          | \$4,639          | \$26,491           |
| Quantity                  | 9                | 10               | 6                | 6                | 6                |                    |
| Unit                      | \$674            | \$697            | \$722            | \$747            | \$773            |                    |
| <b>Weekday Senior</b>     | \$7,972          | \$8,251          | \$8,540          | \$11,196         | \$12,197         | \$48,156           |
| Quantity                  | 15               | 15               | 15               | 19               | 20               |                    |
| Unit                      | \$531            | \$550            | \$569            | \$589            | \$610            |                    |
| <b>Total Passes</b>       | <b>43</b>        | <b>45</b>        | <b>42</b>        | <b>45</b>        | <b>47</b>        |                    |
| <b>Total Passes</b>       | <b>\$26,801</b>  | <b>\$29,370</b>  | <b>\$28,476</b>  | <b>\$32,198</b>  | <b>\$34,969</b>  | <b>\$151,814</b>   |
| <b>Patron Card</b>        |                  |                  |                  |                  |                  |                    |
| <b>Resident</b>           |                  |                  |                  |                  |                  |                    |
| <b>Regular</b>            | \$418            | \$432            | \$447            | \$463            | \$479            | \$2,239            |
| Quantity                  | 11               | 11               | 11               | 11               | 11               |                    |
| Unit                      | \$37.96          | \$39.29          | \$40.67          | \$42.09          | \$43.56          |                    |
| <b>Senior</b>             | \$427.07         | \$442.02         | \$457.49         | \$473.50         | \$490.07         | \$2,290.15         |
| Quantity                  | 15               | 15               | 15               | 15               | 15               |                    |
| Unit                      | \$28.47          | \$29.47          | \$30.50          | \$31.57          | \$32.67          |                    |
| <b>Premium</b>            | \$427.07         | \$442.02         | \$457.49         | \$473.50         | \$490.07         | \$2,290.15         |
| Quantity                  | 5                | 5                | 5                | 5                | 5                |                    |
| Unit                      | \$85.41          | \$88.40          | \$91.50          | \$94.70          | \$98.01          |                    |
| <b>Premium Senior</b>     | \$398.60         | \$412.55         | \$426.99         | \$441.93         | \$457.40         | \$2,137.48         |
| Quantity                  | 6                | 6                | 6                | 6                | 6                |                    |
| Unit                      | \$66.43          | \$68.76          | \$71.16          | \$73.66          | \$76.23          |                    |
| <b>Non-Resident</b>       |                  |                  |                  |                  |                  |                    |
| <b>Regular</b>            | \$189.81         | \$196.45         | \$203.33         | \$210.45         | \$217.81         | \$1,017.85         |
| Quantity                  | 4                | 4                | 4                | 4                | 4                |                    |
| Unit                      | \$47.45          | \$49.11          | \$50.83          | \$52.61          | \$54.45          |                    |
| <b>Senior</b>             | \$303.69         | \$314.32         | \$325.33         | \$336.71         | \$348.50         | \$1,628.55         |
| Quantity                  | 8                | 8                | 8                | 8                | 8                |                    |
| Unit                      | \$37.96          | \$39.29          | \$40.67          | \$42.09          | \$43.56          |                    |
| <b>Premium</b>            | \$379.62         | \$884.04         | \$1,219.97       | \$1,367.89       | \$1,633.58       | \$5,485.10         |
| Quantity                  | 4                | 9                | 12               | 13               | 15               |                    |
| Unit                      | \$94.90          | \$98.23          | \$101.66         | \$105.22         | \$108.91         |                    |
| <b>Premium Senior</b>     | \$379.62         | \$1,414.46       | \$1,626.63       | \$1,767.74       | \$1,916.73       | \$7,105.18         |
| Quantity                  | 5                | 18               | 20               | 21               | 22               |                    |
| Unit                      | \$75.92          | \$78.58          | \$81.33          | \$84.18          | \$87.12          |                    |
| <b>Total quantity</b>     | <b>58</b>        | <b>76</b>        | <b>81</b>        | <b>83</b>        | <b>86</b>        |                    |
| <b>Total Patron Cards</b> | <b>\$2,923</b>   | <b>\$4,538</b>   | <b>\$5,165</b>   | <b>\$5,535</b>   | <b>\$6,033</b>   | <b>\$24,194</b>    |
| <b>Green Fee</b>          |                  |                  |                  |                  |                  |                    |
| Pass Rounds               | 2,666            | 2,790            | 2,604            | 2,790            | 2,914            | 13,764             |
| rnds/pass                 | 62.00            | 62.00            | 62.00            | 62.00            | 62.00            |                    |
| % Rounds                  |                  |                  |                  |                  |                  |                    |
| Patron Rounds             | 696              | 912              | 972              | 996              | 1,032            | 4,608              |
| rnds/patron               | 12.00            | 12.00            | 12.00            | 12.00            | 12.00            |                    |
| % Rounds                  |                  |                  |                  |                  |                  |                    |
| Regular Rounds            | 7,585            | 6,344            | 8,712            | 8,232            | 9,402            | 40,275             |
| % Rounds                  | 47.0%            | 47.0%            | 50.0%            | 50.0%            | 50.0%            |                    |
| Senior Rounds             | 3,389            | 2,835            | 4,008            | 3,787            | 4,325            | 18,343             |
| % Rounds                  | 21.0%            | 21.0%            | 23.0%            | 23.0%            | 23.0%            |                    |
| Other Rounds              | 5,164            | 4,319            | 4,704            | 4,445            | 5,077            | 23,710             |
| % Rounds                  | 32.0%            | 32.0%            | 27.0%            | 27.0%            | 27.0%            |                    |
| Avg Patron Rate           | \$18.50          | \$18.96          | \$19.62          | \$20.31          | \$21.02          |                    |
| Avg Regular Rate          | \$19.50          | \$19.98          | \$20.68          | \$21.40          | \$22.15          |                    |
| Avg Senior Rate           | \$16.25          | \$16.65          | \$17.23          | \$17.84          | \$18.46          |                    |
| Avg Other Rate            | \$6.50           | \$6.73           | \$6.96           | \$7.21           | \$7.46           |                    |
| Total Patron              | \$12,876         | \$17,288         | \$19,070         | \$20,225         | \$21,689         | \$91,148           |
| Total Regular             | \$147,905        | \$126,759        | \$180,164        | \$176,196        | \$208,282        | \$839,305          |
| Total Senior              | \$55,071         | \$47,197         | \$69,063         | \$67,542         | \$79,841         | \$318,714          |
| Total Other               | \$33,567         | \$29,058         | \$32,757         | \$32,036         | \$37,869         | \$165,288          |
| <b>Total Green Fees</b>   | <b>\$249,419</b> | <b>\$220,302</b> | <b>\$301,054</b> | <b>\$295,998</b> | <b>\$347,682</b> | <b>\$1,414,456</b> |

| Battlecreek 18 Hole       |            |            |            |            |            | Total 19-23 | Total 19-28 |
|---------------------------|------------|------------|------------|------------|------------|-------------|-------------|
|                           | 2024       | 2025       | 2026       | 2027       | 2028       |             |             |
| <b>Rounds</b>             | 32,000     | 30,400     | 31,008     | 27,907     | 31,312     | 152,627     | 253,327     |
| Grand Opening             |            |            |            |            |            |             |             |
| <b>Revenue</b>            |            |            |            |            |            |             |             |
| <b>Passes</b>             |            |            |            |            |            |             |             |
| <b>Regular</b>            | \$18,035   | \$20,533   | \$23,183   | \$27,994   | \$33,112   | \$122,856   | \$157,032   |
| Quantity                  | 10         | 11         | 12         | 14         | 16         |             |             |
| Unit                      | \$1,803    | \$1,867    | \$1,932    | \$2,000    | \$2,070    |             |             |
| <b>Senior</b>             | \$13,526   | \$13,999   | \$14,489   | \$14,997   | \$15,521   | \$72,533    | \$110,702   |
| Quantity                  | 10         | 10         | 10         | 10         | 10         |             |             |
| Unit                      | \$1,353    | \$1,400    | \$1,449    | \$1,500    | \$1,552    |             |             |
| <b>Junior</b>             | \$902      | \$1,400    | \$1,449    | \$1,500    | \$1,552    | \$6,802     | \$11,625    |
| Quantity                  | 2          | 3          | 3          | 3          | 3          |             |             |
| Unit                      | \$451      | \$467      | \$483      | \$500      | \$517      |             |             |
| <b>Weekday Regular</b>    | \$8,116    | \$9,800    | \$10,143   | \$10,498   | \$10,865   | \$49,420    | \$75,912    |
| Quantity                  | 6          | 7          | 7          | 7          | 7          |             |             |
| Unit                      | \$1,353    | \$1,400    | \$1,449    | \$1,500    | \$1,552    |             |             |
| <b>Weekday Senior</b>     | \$21,304   | \$22,049   | \$23,908   | \$25,869   | \$27,939   | \$121,068   | \$169,224   |
| Quantity                  | 21         | 21         | 22         | 23         | 24         |             |             |
| Unit                      | \$1,014    | \$1,050    | \$1,087    | \$1,125    | \$1,164    |             |             |
| <b>Total Passes</b>       | 49         | 52         | 54         | 57         | 60         |             |             |
| <b>Total Passes</b>       | \$61,882   | \$67,781   | \$73,172   | \$80,856   | \$88,990   | \$372,680   | \$524,494   |
| <b>Patron Card</b>        |            |            |            |            |            |             |             |
| <b>Resident</b>           |            |            |            |            |            |             |             |
| <b>Regular</b>            | \$496      | \$513      | \$531      | \$550      | \$569      | \$2,660     | \$4,899     |
| Quantity                  | 11         | 11         | 11         | 11         | 11         |             |             |
| Unit                      | \$45.09    | \$46.66    | \$48.30    | \$49.99    | \$51.74    |             |             |
| <b>Senior</b>             | \$507.23   | \$524.98   | \$543.35   | \$562.37   | \$582.05   | \$2,719.98  | \$5,010     |
| Quantity                  | 15         | 15         | 15         | 15         | 15         |             |             |
| Unit                      | \$33.82    | \$35.00    | \$36.22    | \$37.49    | \$38.80    |             |             |
| <b>Premium</b>            | \$507.23   | \$524.98   | \$543.35   | \$562.37   | \$582.05   | \$2,719.98  | \$5,010     |
| Quantity                  | 5          | 5          | 5          | 5          | 5          |             |             |
| Unit                      | \$101.45   | \$105.00   | \$108.67   | \$112.47   | \$116.41   |             |             |
| <b>Premium Senior</b>     | \$473.41   | \$489.98   | \$507.13   | \$524.88   | \$543.25   | \$2,538.65  | \$4,676     |
| Quantity                  | 6          | 6          | 6          | 6          | 6          |             |             |
| Unit                      | \$78.90    | \$81.66    | \$84.52    | \$87.48    | \$90.54    |             |             |
| <b>Non-Resident</b>       |            |            |            |            |            |             |             |
| <b>Regular</b>            | \$225.43   | \$233.32   | \$241.49   | \$249.94   | \$258.69   | \$1,208.88  | \$2,227     |
| Quantity                  | 4          | 4          | 4          | 4          | 4          |             |             |
| Unit                      | \$56.36    | \$58.33    | \$60.37    | \$62.49    | \$64.67    |             |             |
| <b>Senior</b>             | \$360.69   | \$373.32   | \$386.38   | \$399.91   | \$413.91   | \$1,934.21  | \$3,563     |
| Quantity                  | 8          | 8          | 8          | 8          | 8          |             |             |
| Unit                      | \$45.09    | \$46.66    | \$48.30    | \$49.99    | \$51.74    |             |             |
| <b>Premium</b>            | \$1,803.47 | \$1,983.26 | \$2,173.41 | \$2,374.46 | \$2,586.91 | \$10,921.50 | \$16,407    |
| Quantity                  | 16         | 17         | 18         | 19         | 20         |             |             |
| Unit                      | \$112.72   | \$116.66   | \$120.75   | \$124.97   | \$129.35   |             |             |
| <b>Premium Senior</b>     | \$2,073.99 | \$2,239.91 | \$2,414.90 | \$2,599.40 | \$2,793.86 | \$12,122.07 | \$19,227    |
| Quantity                  | 23         | 24         | 25         | 26         | 27         |             |             |
| Unit                      | \$90.17    | \$93.33    | \$96.60    | \$99.98    | \$103.48   |             |             |
| <b>Total quantity</b>     | 88         | 90         | 92         | 94         | 96         |             |             |
| <b>Total Patron Cards</b> | \$6,447    | \$6,883    | \$7,341    | \$7,823    | \$8,330    | \$36,825    | \$61,019    |
| <b>Green Fee</b>          |            |            |            |            |            |             |             |
| Pass Rounds               | 3,038      | 3,224      | 3,348      | 3,534      | 3,720      | 16,864      | 30,628      |
| rnds/pass                 | 62.00      | 62.00      | 62.00      | 62.00      | 62.00      |             |             |
| % Rounds                  |            |            |            |            |            |             |             |
| Patron Rounds             | 1,056      | 1,080      | 1,104      | 1,128      | 1,152      | 5,520       | 10,128      |
| rnds/patron               | 12.00      | 12.00      | 12.00      | 12.00      | 12.00      |             |             |
| % Rounds                  |            |            |            |            |            |             |             |
| Regular Rounds            | 16,185     | 15,136     | 15,402     | 13,482     | 15,335     | 75,541      | 115,816     |
| % Rounds                  | 58.0%      | 58.0%      | 58.0%      | 58.0%      | 58.0%      |             |             |
| Senior Rounds             | 8,372      | 7,829      | 7,967      | 6,974      | 7,932      | 39,073      | 57,416      |
| % Rounds                  | 30.0%      | 30.0%      | 30.0%      | 30.0%      | 30.0%      |             |             |
| Other Rounds              | 3,349      | 3,132      | 3,187      | 2,789      | 3,173      | 15,629      | 39,340      |
| % Rounds                  | 12.0%      | 12.0%      | 12.0%      | 12.0%      | 12.0%      |             |             |
| Avg Patron Rate           | \$30.40    | \$31.47    | \$32.57    | \$33.71    | \$34.89    |             |             |
| Avg Regular Rate          | \$33.73    | \$34.91    | \$36.13    | \$37.40    | \$38.71    |             |             |
| Avg Senior Rate           | \$31.35    | \$32.45    | \$33.59    | \$34.76    | \$35.98    |             |             |
| Avg Other Rate            | \$0.00     | \$0.00     | \$0.00     | \$0.00     | \$0.00     |             |             |
| <b>Total Patron</b>       | \$32,107   | \$33,986   | \$35,958   | \$38,025   | \$40,193   | \$180,270   | \$271,419   |
| <b>Total Regular</b>      | \$545,941  | \$528,399  | \$556,534  | \$504,200  | \$593,566  | \$2,728,639 | \$3,567,945 |
| <b>Total Senior</b>       | \$262,497  | \$254,063  | \$267,590  | \$242,427  | \$285,396  | \$1,311,973 | \$1,630,688 |
| <b>Total Other</b>        | \$0        | \$0        | \$0        | \$0        | \$0        | \$0         | \$165,288   |
| <b>Total Green Fees</b>   | \$840,545  | \$816,449  | \$860,082  | \$784,652  | \$919,155  | \$4,220,883 | \$5,635,339 |

| <b>Battlecreek 18 Hole</b>                               |                    |                    |                    |                    |                    |                      |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|----------------------|
|  | 2019               | 2020               | 2021               | 2022               | 2023               | Total 19-23          |
| <b>Cart Fees</b>   |                    |                    |                    |                    |                    |                      |
| avg rate   | \$4.70             | \$4.86             | \$5.03             | \$5.21             | \$5.39             |                      |
| <b>Total Cart Fees</b>                                   | <b>\$91,650</b>    | <b>\$83,669</b>    | <b>\$105,730</b>   | <b>\$105,522</b>   | <b>\$122,699</b>   | <b>\$509,270</b>     |
| <b>Range</b>   |                    |                    |                    |                    |                    |                      |
| avg rate   | \$9.20             | \$9.52             | \$9.86             | \$10.20            | \$13.00            |                      |
| <b>Total Range</b>                                       | <b>\$179,400</b>   | <b>\$163,778</b>   | <b>\$206,961</b>   | <b>\$206,554</b>   | <b>\$295,750</b>   | <b>\$1,052,443</b>   |
| <b>Merchandise</b>                                       |                    |                    |                    |                    |                    |                      |
| avg rate   | \$3.00             | \$3.11             | \$3.21             | \$3.33             | \$5.00             |                      |
| <b>Total Merchandise</b>                                 | <b>\$58,500</b>    | <b>\$53,406</b>    | <b>\$67,487</b>    | <b>\$67,355</b>    | <b>\$113,750</b>   | <b>\$360,498</b>     |
| <b>Food &amp; Beverage</b>                               |                    |                    |                    |                    |                    |                      |
| <b>Golf</b>  | <b>\$112,125</b>   | <b>\$102,362</b>   | <b>\$129,350</b>   | <b>\$129,096</b>   | <b>\$204,750</b>   | <b>\$677,683</b>     |
| avg rate   | \$5.75             | \$5.95             | \$6.16             | \$6.38             | \$9.00             |                      |
| <b>Banquet</b>   |                    |                    |                    |                    | \$135,000          | \$135,000            |
| <b>Total F&amp;B</b>                                     | <b>\$112,125</b>   | <b>\$102,362</b>   | <b>\$129,350</b>   | <b>\$129,096</b>   | <b>\$339,750</b>   | <b>\$812,683</b>     |
| <b>Total Revenue</b>                                     | <b>\$720,818</b>   | <b>\$657,425</b>   | <b>\$844,223</b>   | <b>\$842,259</b>   | <b>\$1,260,634</b> | <b>\$4,325,359</b>   |
| <b>County Compensation</b>                               |                    |                    |                    |                    |                    |                      |
| <b>Green Fee total rev</b>                               | \$279,143          | \$254,210          | \$334,695          | \$333,731          | \$388,685          | \$1,590,464          |
| Split %  | 78%                | 78%                | 78%                | 78%                | 78%                |                      |
| <b>Total Comp</b>  | <b>\$216,336</b>   | <b>\$197,013</b>   | <b>\$259,389</b>   | <b>\$258,642</b>   | <b>\$301,231</b>   | <b>\$1,232,610</b>   |
| <b>Cart Fee total rev</b>                                | \$91,650           | \$83,669           | \$105,730          | \$105,522          | \$122,699          | \$509,270            |
| Split %  | 78%                | 78%                | 78%                | 78%                | 78%                |                      |
| <b>Total Comp</b>  | <b>\$71,029</b>    | <b>\$64,844</b>    | <b>\$81,941</b>    | <b>\$81,780</b>    | <b>\$95,092</b>    | <b>\$394,685</b>     |
| <b>Range</b>   | \$179,400          | \$163,778          | \$206,961          | \$206,554          | \$295,750          | \$1,052,443          |
| Split %  | 78%                | 78%                | 78%                | 78%                | 78%                |                      |
| <b>Total Comp</b>  | <b>\$139,035</b>   | <b>\$126,928</b>   | <b>\$160,395</b>   | <b>\$160,079</b>   | <b>\$229,206</b>   | <b>\$815,643</b>     |
| <b>F&amp;B Total</b>                                     | \$112,125          | \$102,362          | \$129,350          | \$129,096          | \$204,750          | \$677,683            |
| Food & Beverage Net                                      | \$67,275           | \$61,417           | \$77,610           | \$77,458           | \$122,850          | \$406,610            |
| Split %  | 78%                | 78%                | 78%                | 78%                | 78%                |                      |
| <b>F&amp;B Comp</b>                                      | \$52,138           | \$47,598           | \$60,148           | \$60,030           | \$95,209           | \$315,123            |
| <b>Merchandise</b>                                       | \$58,500           | \$53,406           | \$67,487           | \$67,355           | \$113,750          | \$360,498            |
| Net Merchandise  | \$16,380           | \$14,954           | \$18,896           | \$18,859           | \$31,850           | \$100,939            |
| Split %  | 78%                | 78%                | 78%                | 78%                | 78%                |                      |
| <b>Merch Comp</b>  | \$12,695           | \$11,589           | \$14,645           | \$14,616           | \$24,684           | \$78,228             |
| <b>County Share</b>                                      | <b>\$491,232</b>   | <b>\$447,972</b>   | <b>\$576,517</b>   | <b>\$575,147</b>   | <b>\$745,421</b>   | <b>\$2,836,289</b>   |
| <b>Expenses</b>  |                    |                    |                    |                    |                    |                      |
| <b>Personnel Services</b>                                | \$319,085          | \$333,444          | \$348,448          | \$364,129          | \$418,566          | \$1,783,671          |
| <b>Other Services &amp; Charges</b>                      | \$162,060          | \$166,921          | \$171,929          | \$177,087          | \$200,639          | \$878,636            |
| <b>Supplies</b>  | \$53,416           | \$55,019           | \$56,669           | \$58,370           | \$66,133           | \$289,607            |
| <b>Marketing</b>   | \$9,825            | \$8,959            | \$11,530           | \$11,503           | \$14,908           | \$56,726             |
| <b>Fleet Services</b>                                    | \$205,800          | \$211,974          | \$218,333          | \$224,883          | \$231,630          | \$1,092,620          |
| <b>Total Expenses</b>                                    | <b>\$750,185</b>   | <b>\$776,317</b>   | <b>\$806,910</b>   | <b>\$835,971</b>   | <b>\$931,876</b>   | <b>\$4,101,260</b>   |
| <b>Net Income</b>  | <b>(\$258,953)</b> | <b>(\$328,345)</b> | <b>(\$230,394)</b> | <b>(\$260,824)</b> | <b>(\$186,455)</b> | <b>(\$1,264,971)</b> |
| <b>Difference</b>  | <b>\$48,682</b>    | <b>(\$16,311)</b>  | <b>\$146,481</b>   | <b>\$83,737</b>    | <b>\$181,254</b>   | <b>\$443,843</b>     |
| # <b>Compensation percentages changed effective 2018</b> |                    |                    |                    |                    |                    |                      |
| Operator   | \$229,586          | \$209,453          | \$267,707          | \$267,112          | \$515,213          | \$1,489,070          |
| Less Cost of Sales                                       | \$86,970           | \$79,397           | \$100,331          | \$100,134          | \$163,800          | \$507,549            |
| Net Operator   | \$142,616          | \$130,056          | \$167,376          | \$166,978          | \$351,413          | \$981,521            |
| Difference   | \$15,843           | (\$35,427)         | \$13,465           | (\$729)            | \$181,603          | \$164,996            |

| <b>Battlecreek 18 Hole</b> |  | <b>2024</b>        | <b>2025</b>        | <b>2026</b>        | <b>2027</b>        | <b>2028</b>        | <b>Total 19-23</b>  | <b>Total 19-28</b>  |
|----------------------------|--|--------------------|--------------------|--------------------|--------------------|--------------------|---------------------|---------------------|
| <b>Cart Fees</b>           |  |                    |                    |                    |                    |                    |                     |                     |
|                            | avg rate   | \$5.58             | \$5.78             | \$5.98             | \$6.19             | \$6.41             |                     |                     |
|                            | <b>Total Cart Fees</b>                                 | <b>\$178,628</b>   | <b>\$175,636</b>   | <b>\$185,419</b>   | <b>\$172,718</b>   | <b>\$200,572</b>   | <b>\$912,973</b>    | <b>\$1,422,243</b>  |
| <b>Range</b>               |  |                    |                    |                    |                    |                    |                     |                     |
|                            | avg rate   | \$16.00            | \$16.56            | \$17.14            | \$17.74            | \$18.36            |                     |                     |
|                            | <b>Total Range</b>                                     | <b>\$512,000</b>   | <b>\$503,424</b>   | <b>\$531,465</b>   | <b>\$495,059</b>   | <b>\$574,898</b>   | <b>\$2,616,846</b>  | <b>\$3,669,289</b>  |
| <b>Merchandise</b>         |  |                    |                    |                    |                    |                    |                     |                     |
|                            | avg rate   | \$10.00            | \$10.35            | \$10.71            | \$11.09            | \$11.48            |                     |                     |
|                            | <b>Total Merchandise</b>                               | <b>\$320,000</b>   | <b>\$314,640</b>   | <b>\$332,165</b>   | <b>\$309,412</b>   | <b>\$359,311</b>   | <b>\$1,635,529</b>  | <b>\$1,996,026</b>  |
| <b>Food &amp; Beverage</b> |  |                    |                    |                    |                    |                    |                     |                     |
|                            | <b>Golf</b>  | <b>\$416,000</b>   | <b>\$409,032</b>   | <b>\$431,815</b>   | <b>\$402,236</b>   | <b>\$467,104</b>   | <b>\$2,126,187</b>  | <b>\$2,803,870</b>  |
|                            | avg rate   | \$13.00            | \$13.46            | \$13.93            | \$14.41            | \$14.92            |                     |                     |
|                            | <b>Banquet</b>   | <b>\$150,000</b>   | <b>\$155,250</b>   | <b>\$160,684</b>   | <b>\$166,308</b>   | <b>\$172,128</b>   | <b>\$804,370</b>    | <b>\$939,370</b>    |
|                            | <b>Total F&amp;B</b>                                   | <b>\$566,000</b>   | <b>\$564,282</b>   | <b>\$592,499</b>   | <b>\$568,543</b>   | <b>\$639,233</b>   | <b>\$2,930,557</b>  | <b>\$3,743,240</b>  |
|                            | <b>Total Revenue</b>                                   | <b>\$2,485,503</b> | <b>\$2,449,095</b> | <b>\$2,582,142</b> | <b>\$2,419,064</b> | <b>\$2,790,488</b> | <b>\$12,726,292</b> | <b>\$17,051,651</b> |
| <b>County Compensation</b> |  |                    |                    |                    |                    |                    |                     |                     |
|                            | <b>Green Fee total rev</b>                             | <b>\$908,875</b>   | <b>\$891,113</b>   | <b>\$940,595</b>   | <b>\$873,332</b>   | <b>\$1,016,475</b> | <b>\$4,630,388</b>  | <b>\$6,220,852</b>  |
|                            | Split %  | 90%                | 90%                | 90%                | 90%                | 90%                |                     |                     |
|                            | <b>Total Comp</b>                                      | <b>\$711,737</b>   | <b>\$695,751</b>   | <b>\$740,285</b>   | <b>\$679,748</b>   | <b>\$808,577</b>   | <b>\$3,636,099</b>  | <b>\$4,868,709</b>  |
|                            | <b>Cart Fee total rev</b>                              | <b>\$178,628</b>   | <b>\$175,636</b>   | <b>\$185,419</b>   | <b>\$172,718</b>   | <b>\$200,572</b>   | <b>\$912,973</b>    | <b>\$1,422,243</b>  |
|                            | Split %  | 90%                | 90%                | 90%                | 90%                | 90%                |                     |                     |
|                            | <b>Total Comp</b>                                      | <b>\$138,437</b>   | <b>\$136,118</b>   | <b>\$143,700</b>   | <b>\$133,856</b>   | <b>\$155,515</b>   | <b>\$707,625</b>    | <b>\$1,102,310</b>  |
|                            | <b>Range</b>   | <b>\$512,000</b>   | <b>\$503,424</b>   | <b>\$531,465</b>   | <b>\$495,059</b>   | <b>\$574,898</b>   | <b>\$2,616,846</b>  | <b>\$3,669,289</b>  |
|                            | Split %  | 90%                | 90%                | 90%                | 90%                | 90%                |                     |                     |
|                            | <b>Total Comp</b>                                      | <b>\$443,925</b>   | <b>\$436,207</b>   | <b>\$461,443</b>   | <b>\$428,678</b>   | <b>\$500,533</b>   | <b>\$2,270,786</b>  | <b>\$3,000,000</b>  |
|                            | <b>F&amp;B Total</b>                                   | <b>\$416,000</b>   | <b>\$409,032</b>   | <b>\$431,815</b>   | <b>\$402,236</b>   | <b>\$467,104</b>   | <b>\$2,126,187</b>  | <b>\$2,803,870</b>  |
|                            | Food & Beverage Net                                    | \$249,600          | \$245,419          | \$259,089          | \$241,341          | \$280,263          | \$1,275,712         | \$1,682,322         |
|                            | Split %  | 90%                | 90%                | 90%                | 90%                | 90%                |                     |                     |
|                            | <b>F&amp;B Comp</b>                                    | <b>\$224,640</b>   | <b>\$220,877</b>   | <b>\$233,180</b>   | <b>\$217,207</b>   | <b>\$252,236</b>   | <b>\$1,148,141</b>  | <b>\$1,463,264</b>  |
|                            | <b>Merchandise</b>                                     | <b>\$320,000</b>   | <b>\$314,640</b>   | <b>\$332,165</b>   | <b>\$309,412</b>   | <b>\$359,311</b>   | <b>\$1,635,529</b>  | <b>\$1,996,026</b>  |
|                            | Net Merchandise  | \$89,600           | \$88,099           | \$93,006           | \$86,635           | \$100,607          | \$457,948           | \$558,887           |
|                            | Split %  | 90%                | 90%                | 90%                | 90%                | 90%                |                     |                     |
|                            | <b>Merch Comp</b>                                      | <b>\$80,640</b>    | <b>\$79,289</b>    | <b>\$83,706</b>    | <b>\$77,972</b>    | <b>\$90,546</b>    | <b>\$412,153</b>    | <b>\$490,381</b>    |
|                            | <b>County Share</b>                                    | <b>\$1,599,379</b> | <b>\$1,568,242</b> | <b>\$1,662,314</b> | <b>\$1,537,462</b> | <b>\$1,807,408</b> | <b>\$8,174,805</b>  | <b>\$11,011,093</b> |
| <b>Expenses</b>            |  |                    |                    |                    |                    |                    |                     | <b>\$0</b>          |
|                            | <b>Personnel Services</b>                              | <b>\$581,812</b>   | <b>\$607,993</b>   | <b>\$635,353</b>   | <b>\$663,944</b>   | <b>\$693,821</b>   | <b>\$3,182,922</b>  | <b>\$4,966,593</b>  |
|                            | <b>Other Services &amp; Charges</b>                    | <b>\$228,043</b>   | <b>\$234,884</b>   | <b>\$241,931</b>   | <b>\$249,189</b>   | <b>\$256,664</b>   | <b>\$1,210,711</b>  | <b>\$2,089,347</b>  |
|                            | <b>Supplies</b>  | <b>\$69,187</b>    | <b>\$71,263</b>    | <b>\$73,401</b>    | <b>\$75,603</b>    | <b>\$77,871</b>    | <b>\$367,325</b>    | <b>\$656,932</b>    |
|                            | <b>Marketing</b>                                       | <b>\$31,988</b>    | <b>\$31,365</b>    | <b>\$33,246</b>    | <b>\$30,749</b>    | <b>\$36,148</b>    | <b>\$163,496</b>    | <b>\$220,222</b>    |
|                            | <b>Fleet Services</b>                                  | <b>\$328,654</b>   | <b>\$338,514</b>   | <b>\$348,669</b>   | <b>\$359,129</b>   | <b>\$369,903</b>   | <b>\$1,744,870</b>  | <b>\$2,837,490</b>  |
|                            | <b>Total Expenses</b>                                  | <b>\$1,239,684</b> | <b>\$1,284,019</b> | <b>\$1,332,600</b> | <b>\$1,378,614</b> | <b>\$1,434,408</b> | <b>\$6,669,324</b>  | <b>\$10,770,584</b> |
|                            | <b>Net Income</b>                                      | <b>\$359,695</b>   | <b>\$284,223</b>   | <b>\$329,714</b>   | <b>\$158,848</b>   | <b>\$373,000</b>   | <b>\$1,505,480</b>  | <b>\$240,509</b>    |
|                            | <b>Difference</b>                                      | <b>\$719,267</b>   | <b>\$695,466</b>   | <b>\$771,437</b>   | <b>\$680,564</b>   | <b>\$900,804</b>   | <b>\$3,767,539</b>  | <b>\$4,211,382</b>  |
| #                          | <b>Compensation percentages changed effective 2018</b> |                    |                    |                    |                    |                    |                     |                     |
|                            | Operator   | \$886,124          | \$880,852          | \$919,829          | \$881,602          | \$983,080          | \$4,551,487         | \$6,040,557         |
|                            | Less Cost of Sales                                     | \$396,800          | \$390,154          | \$411,885          | \$383,671          | \$445,546          | \$1,733,660         | \$2,241,210         |
|                            | Net Operator   | \$489,324          | \$490,699          | \$507,943          | \$497,931          | \$537,535          | \$2,817,827         | \$3,799,348         |
|                            | Difference   | \$304,705          | \$308,344          | \$323,088          | \$324,562          | \$344,160          | \$1,899,255         | \$2,064,251         |

**Scenario 3b: Hybrid Contract**

| <b>Hybrid Model</b>    |                                     |                  |                   |                  |                    |                  |                    |  |
|------------------------|-------------------------------------|------------------|-------------------|------------------|--------------------|------------------|--------------------|--|
|                        |                                     | 2019             | 2020              | 2021             | 2022               | 2023             | Total 19-23        |  |
| <b>County Revenue</b>  |                                     |                  |                   |                  |                    |                  |                    |  |
|                        | Net Revenue                         | \$633,848        | \$578,028         | \$743,892        | \$742,125          | \$1,096,834      | \$3,794,727        |  |
|                        | Breakpoint                          | \$650,000        | \$669,500         | \$689,000        | \$708,500          | \$728,000        |                    |  |
|                        | % Below breakpoint                  | 5%               | 5%                | 5%               | 5%                 | 5%               |                    |  |
|                        | % Above breakpoint                  | 50%              | 50%               | 50%              | 50%                | 50%              |                    |  |
|                        | <b>County Share</b>                 | <b>\$31,692</b>  | <b>\$28,901</b>   | <b>\$61,896</b>  | <b>\$52,237</b>    | <b>\$220,817</b> | <b>\$395,544</b>   |  |
| <b>Expenses</b>        |                                     |                  |                   |                  |                    |                  |                    |  |
|                        | <b>Other Services &amp; Charges</b> | \$6,866          | \$7,072           | \$7,284          | \$7,503            | \$7,728          | \$36,452           |  |
|                        | <b>Supplies</b>                     | \$373            | \$384             | \$396            | \$407              | \$420            | \$1,980            |  |
|                        | <b>Supplement</b>                   | \$0              | \$60,000          |                  | \$150,000          | \$25,000         | \$235,000          |  |
|                        | <b>Marketing</b>                    | \$1,602          | \$1,651           | \$1,700          | \$1,751            | \$1,984          | \$8,688            |  |
|                        | <b>Total Expenses</b>               | <b>\$8,841</b>   | <b>\$69,107</b>   | <b>\$9,380</b>   | <b>\$159,661</b>   | <b>\$35,131</b>  | <b>\$282,120</b>   |  |
|                        | <b>Net Income - Hybrid</b>          | <b>\$22,851</b>  | <b>(\$40,205)</b> | <b>\$52,516</b>  | <b>(\$107,424)</b> | <b>\$185,686</b> | <b>\$113,424</b>   |  |
|                        | <b>Difference Hybrid</b>            | <b>\$330,486</b> | <b>\$271,829</b>  | <b>\$429,391</b> | <b>\$237,138</b>   | <b>\$553,395</b> | <b>\$1,822,238</b> |  |
| <b>Operator Hybrid</b> |                                     |                  |                   |                  |                    |                  |                    |  |
|                        | Revenue Split                       | \$689,125        | \$628,524         | \$782,327        | \$790,021          | \$1,039,817      | \$3,929,815        |  |
|                        | Cost of sales                       | \$86,970         | \$79,397          | \$100,331        | \$100,134          | \$163,800        | \$530,632          |  |
|                        | <b>Supplement</b>                   | \$0              | \$60,000          | \$0              | \$150,000          | \$25,000         | \$235,000          |  |
|                        | Net Revenue                         | \$602,155        | \$609,127         | \$681,996        | \$839,887          | \$901,017        | \$3,634,183        |  |

| <b>Hybrid Model</b>    |                                     |                    |                    |                    |                    |                    |                    |                    |
|------------------------|-------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
|                        |                                     | 2024               | 2025               | 2026               | 2027               | 2028               | Total 19-23        | Total 19-28        |
| <b>County Revenue</b>  |                                     |                    |                    |                    |                    |                    |                    |                    |
|                        | Net Revenue                         | \$2,088,703        | \$2,058,941        | \$2,170,257        | \$2,035,393        | \$2,344,942        | \$10,698,236       | \$14,492,963       |
|                        | Breakpoint                          | \$1,100,000        | \$1,119,500        | \$1,139,000        | \$1,158,500        | \$1,178,000        |                    |                    |
|                        | % Below breakpoint                  | 5%                 | 5%                 | 5%                 | 5%                 | 5%                 |                    |                    |
|                        | % Above breakpoint                  | 65%                | 65%                | 65%                | 65%                | 65%                |                    |                    |
|                        | <b>County Share</b>                 | <b>\$697,657</b>   | <b>\$666,612</b>   | <b>\$727,267</b>   | <b>\$627,906</b>   | <b>\$817,413</b>   | <b>\$3,536,854</b> | <b>\$3,932,398</b> |
| <b>Expenses</b>        |                                     |                    |                    |                    |                    |                    |                    |                    |
|                        | <b>Other Services &amp; Charges</b> | \$7,960            | \$8,198            | \$8,444            | \$8,698            | \$8,959            | \$42,258           | \$78,711           |
|                        | <b>Supplies</b>                     | \$432              | \$445              | \$459              | \$472              | \$486              | \$2,295            | \$4,274            |
|                        | <b>Supplement</b>                   | \$0                | \$0                |                    |                    |                    | \$0                | \$235,000          |
|                        | <b>Marketing</b>                    | \$2,076            | \$2,138            | \$2,202            | \$2,268            | \$2,336            | \$11,020           | \$19,708           |
|                        | <b>Total Expenses</b>               | <b>\$10,467</b>    | <b>\$10,781</b>    | <b>\$11,105</b>    | <b>\$11,438</b>    | <b>\$11,781</b>    | <b>\$55,573</b>    | <b>\$337,693</b>   |
|                        | <b>Net Income - Hybrid</b>          | <b>\$687,189</b>   | <b>\$655,830</b>   | <b>\$716,162</b>   | <b>\$616,468</b>   | <b>\$805,631</b>   | <b>\$3,481,281</b> | <b>\$3,594,705</b> |
|                        | <b>Difference Hybrid</b>            | <b>\$1,046,761</b> | <b>\$1,067,073</b> | <b>\$1,157,885</b> | <b>\$1,138,183</b> | <b>\$1,333,436</b> | <b>\$5,743,339</b> | <b>\$7,565,577</b> |
| <b>Operator Hybrid</b> |                                     |                    |                    |                    |                    |                    |                    |                    |
|                        | Revenue Split                       | \$1,787,846        | \$1,782,483        | \$1,854,875        | \$1,791,159        | \$1,973,075        | \$9,189,438        | \$13,119,253       |
|                        | Cost of sales                       | \$396,800          | \$390,154          | \$411,885          | \$383,671          | \$445,546          | \$2,028,055        | \$2,558,687        |
|                        | <b>Supplement</b>                   | \$0                | \$0                | \$0                | \$0                | \$0                | \$0                | \$235,000          |
|                        | Net Revenue                         | \$1,391,046        | \$1,392,329        | \$1,442,990        | \$1,407,488        | \$1,527,530        | \$7,161,383        | \$10,795,566       |