

Golf Operations Report - June 2018

Scott Steele PGA - Head Golf Professional

June 2018 Rounds

Total Rounds were 5,120 versus 4,981 prior-year (139 round positive variance)

Member rounds UP 22 in JUNE year over year

Guest rounds UP 113 in JUNE year over year

9-Hole rounds down 13 in JUNE year over year

Par 3 rounds UP 17 in JUNE year over year

GUEST ROUNDS JUNE 2018

113 Unaccompanied Guests / 376 Member Guests / 47 Guest Day Rounds / 392 tournament rounds

Year-to-Date 2017-2018 Rounds

50,274 Total Rounds YTD vs 47,770 prior-year (2,504 round positive variance)

Member 18-hole rounds UP 1,188 year over year

Guest rounds UP 721 year over year

9-Hole rounds DOWN 123 year over year

Par-3 rounds UP 718 year over year

June was a great month for golf rounds. The weather was just about perfect and the course was very busy with member and guest play. Member rounds were up in June in every category except for 9-hole rounds on the long course. A strong June put us over 50,000 rounds for the fiscal year. That's a 5% increase in total rounds year over year. That is a great number considering the limited market we have. Guest play and especially tournament play was strong in June and throughout the year. We did almost 400 tournament rounds in June. Year to date we finished very strong...we are up in every rounds category except 9-hole rounds on the long course. As round counts flatten out, we will need to look at increasing fees to keep revenues up...I don't see us doing many more than 50,000 rounds annually going forward with our current member and tournament database.

Revenues and Expenses

June Golf Course Revenues & Expenses (061)

REVENUES

Green Fee Total Revenue was \$150,389 versus a budget of \$139,300 (\$11,089 ahead of budget)

Cart Fee Total Revenue was \$12,996 versus a budget of \$12,762 (\$234 ahead of budget)

Total Revenues were \$194,803 versus a budget of \$171,252 (\$23,551 ahead of budget)

EXPENSES

Total Expenses were \$192,033 versus a budget of \$184,290 (\$7,743 negative variance)

Total Revenues exceeded Total Expenses by \$2,770

**** Trees & Electricity were a combined \$9,502 over budget in June***

June Golf Operations Revenues & Expenses (069)

REVENUES

Golf Shop total sales were \$21,290 versus a budget of \$12,000 (\$9,290 ahead of budget)

Driving Range income was \$9,970 versus a budget of \$9,000 (\$970 ahead of budget)

Golf Cart Rentals were \$11,219 versus a budget of \$10,000 (\$1,219 behind budget)

Total Revenues were \$66,523 versus a budget of \$8,082 (\$11,441 ahead of budget)

EXPENSES

Total Expenses were \$62,628 versus a budget of \$49,717 (\$12,911 over budget)

Total Revenues exceeded Total Expenses by \$3,896

Golf Shop Building Revenues & Expenses (083)

JUNE REVENUES

Total Monthly Assessments were \$1,949.51 vs a budget of \$1,953 (\$3.49 short of budget)

JUNE EXPENSES

Total Expenses were \$2,316 versus a budget of \$1,471 (\$845 over budget)

Year-End Revenues & Expenses

Green Fee Total Revenue is \$1,399,385 versus a budget of \$1,300,000 (\$99,385 ahead of budget)

Green Fee total revenue is UP \$114,794 year over year

Cart Fee Total Revenue \$155,898 versus a budget of \$153,144 (\$2,754 ahead of budget)

Year-end total expenses are \$1,824,331 versus a budget of \$1,689,507 (\$134,824 negative variance)

****Year-end Water, Electricity and Tree Trimming are a combined \$132,235 over budget***

Golf Shop total sales are \$165,660 versus a budget of \$119,000 (\$46,660 ahead of budget)

Golf Shop sales are \$11,105 ahead of last year's sales

Driving Range income is \$80,283 versus a budget of \$68,500 (\$11,783 ahead of budget)

Golf Cart Rentals are \$87,584 versus a budget of \$80,900 (\$6,674 ahead of budget)

Year-end total expenses are \$561,329 versus a budget of \$557,384 (\$3,945 negative variance)

Golf Operations Summary

Marketing & Outside Play

The demand for outside tournament play at The Villages is very high. We finished this fiscal year with over 2800 outside tournament rounds. That is a strong number. It accounts for 6% of our total rounds and over \$250K in revenues. They are an important part of our revenue stream. The key moving forward will be to structure the pricing correctly so we can garner more dollars per round from outside tournaments without sacrificing demand. I will be increasing the outside tournament price per player by \$2.00 in 2019. Although it's a relatively small increase, the goal is to marginally increase outside tournament fees each year until we reach the market rate outside the gates. I will be sending out a marketing letter to the NCGA Associate Clubs in August to start contracting their events for 2019. I will most likely be able to book more outside tournament rounds next year if we want to, but it is a delicate balance between outside play and member play, so the goal is to maximize this revenue stream without too much disruption to member access.

We will be discussing creating a "Junior" green fee. I feel we need to create a Junior Green Fee structure for the summer months when we have a lot of juniors here. We could capture some revenues that are currently nonexistent. In my proposal, juniors can only play after 1pm, must be accompanied by an adult Villager, and will pay a reduced "junior" rate. Details TBD.

The VGC and Golf Programs Committee are looking hard at the Preferred Unaccompanied Guest Program. Preferred Unaccompanied Guests are responsible for approximately \$100K of revenues each year. The goal is to maintain this revenue without allowing too many non-residents a "free pass" to play golf at The Villages. At this time, the positives seem to outweigh the negatives. We will definitely be raising the Unaccompanied Guest green fee rate in January.

Pro Shop Operations...Staff Updates & Meetings

We had a golf staff meeting just before the Evergreen. We discussed the Evergreen in detail as well as upcoming events and staff scheduling with Alan out for 3 weeks after his wedding. We discussed the need to work in harmony with the other departments at The Villages so we all put forth our best efforts to serve the members as a team. The OSHA topic discussed was "How to Maintain a Positive Attitude at Work".

Alan was married on July 1st... he will be on vacation until the end of July.

Outside Services associate Varun Chandrasekar attends Arizona State so his final day at work will be August 8th. We will be looking for another part time outside services associate to fill his spot.

The newly re-written Golf Rule 1.14 will be launched officially this fall after the busy season ends. The launch will first include disseminating the new rule in writing. Then I will do a comprehensive video educational campaign, showing people how we apply our golf rules and regulations at The Villages. A picture speaks 1,000 words. This video campaign will be launched this winter season.

Upcoming Events: Twilight Mixer - Friday June 27 / Mid Pen Ladies Team Play - Monday July 30 / Men's Club Member-Member Saturday & Sunday, August 4th & 5th / Ladies 18-Hole Invitational August 9th & 10th