

## Golf Fee Change Impacts

### 1. Member Surcharge Reduction:

We are proposing a reduction on the Friday through Sunday morning member surcharge. It will go from \$5.00 to \$3.00. Based on YTD numbers this will reduce surcharge revenues by \$750.00. This is negligible, will make the members happy, and make it easier on our staff by reducing the member surcharge to one rate.

### 2. Twilight Rate Increase:

We are proposing two rates. A \$2.00 rate increase to \$12.00 for the regular twilight rate and the ability to revert back to the \$10.00 rate to entice golfers to play in the heat of summer. If there is no drop off in play due to the rate change there may be up to a \$7,800 increase in Twilight Fees. If there is more than a 10% reduction in play due to the rate increase we may actually experience a slight reduction in Twilight Fees and the accompanying Cart Fees.

### 3. Players Card Changes:

We currently offer the following:

Card # 1 - 25 rounds - \$375 Expires 9-30 of each FY.

Card # 2 - 25 rounds - \$325 Expires 9-30 of each FY

Card # 3 - 25 rounds - \$275 Expires 9-30 of each FY

Card # 4 - 25 rounds - \$250 Expires 9-30 of each FY

In FY 15/16 we sold \$21,200 worth of Players Cards. This year we estimate selling \$11,075 worth of Players Cards. This is primarily because we opened membership back up to all residents and some of the former Player Card users chose instead to become members. Additionally some users, especially senior golfers, felt the initial savings weren't worth the investment. And finally the new Twilight rates made an attractive alternative to Players Cards.

We are proposing a reduction in the cost and duration of the Players Cards. The overwhelming number of users (85% in FY 15/16 and 71% YTD) only buy the first card. In our opinion 25 rounds per year is not a frequent player. We want to reduce the amount of rounds to 20 but give it a six month expiration date. We also propose two classes of Players Cards next year. One for seniors and one for adults. We propose a cost of \$250 for seniors and \$300 for adults. This would offer seniors a % 22 discount for weekday golf and a % 46 reduction in weekend rates. It would offer adults a % 25 discount for weekday golf and a % 35 reduction in weekend rates. We feel these discounts are more than sufficient and we will not be offering further discounted cards. If a golfer uses his card up before the six months is up he/she can simply buy another one as needed. If it expires with rounds left the golfer will forfeit the rounds the same as he/she does now.

It's difficult to anticipate how many cards we will sell. The discount is better but the duration is shorter. It will only reward people who are indeed frequent players. I believe the people who discontinue using the Players Cards will continue to play golf and pay the normal rates when they do. I see this move at worst as revenue neutral and at best as small increase in regular weekday and weekend green fees. It's basically a move that will offer discounts to golfers who really are frequent customers.

