

2021 GOLF RATES

February Update



TO DATE



Worked with key users and golf club representatives to review assumptions and potential changes



Benchmarked local competition



Developed a model to illustrate the impacts of fee recommendations for TD



OBJECTIVES



Develop a rate structure that recovers 100% of direct operational costs, or NORBO = \$0

Operational cost does not include allocated overhead or capital cost

Staff is currently working with a consultant to complete a cost of services study, which will address overhead – study will be completed late spring of 2021

Operating cost



Revenue



OBJECTIVES Continued



Continue to provide value to our membership

Benchmark against local comparable courses to ensure our members still see value in the market while the public is priced accordingly



OTHER CONSIDERATIONS



2020 Golf Course Improvements

Reserve replacement project with a budget of \$2.2 million was completed in 2020. This was the first significant course improvement investment in 14 years, and the first ever for the greens.

- **Replaced 18 greens**
- **Tee box improvements**
- **Cart path relocation on 11**
- **Drainage improvements**
- **Tree removal**



OTHER CONSIDERATIONS



Golf Rate Background

TDA has over 90 individual golf related fees including season passes, multi-packs, tee times, cart rental for members, guest and public with multiple pricing tiers depending on time of day and season.

From 2010 to 2017 green fees were not raised. Season pass rates increased roughly 4% per year.

In 2018 and 2019 green fees increased for members, guests and the public.



RESULTS



What we can anticipate

In an effort to meet our objectives, staff expects

- **To address green fee pricing**
- **To address season pass pricing**
- **Modify the 5-Day Season Pass play restriction**
 - **Friday morning potentially blacked out, but Friday afternoon opened up**
- **Multi-pack pricing to increase but still offer value**



SUMMARY

18,200 rounds for 2021

5-year average - 17,750

~1500 rounds less than 2015 and 2016

Industry momentum through COVID

Course improvements

Increase in yield per round

5-day pass restriction change from Friday am to pm

8-year freeze on green fees from 2010 to 2017

Product selection

Tangible revenue changes = highest volume products

Member value proposition

Simplified product/fee offering

Cost challenge

Management cost challenge of 2% to 2021 approved expense budget

NEXT STEPS

**STAFF TO COMPLETE THE
RECOMMENDATION FOR 2021
GOLF RATES**

**THE COMPLETE LIST OF RATES
WILL BE PRESENTED TO THE
FINANCE COMMITTEE ON MARCH
11 FOR DISCUSSION**

**THE COMPLETE LIST OF RATES WILL
BE PRESENTED TO THE BOARD OF
DIRECTORS ON MARCH 12**

QUESTIONS?

