

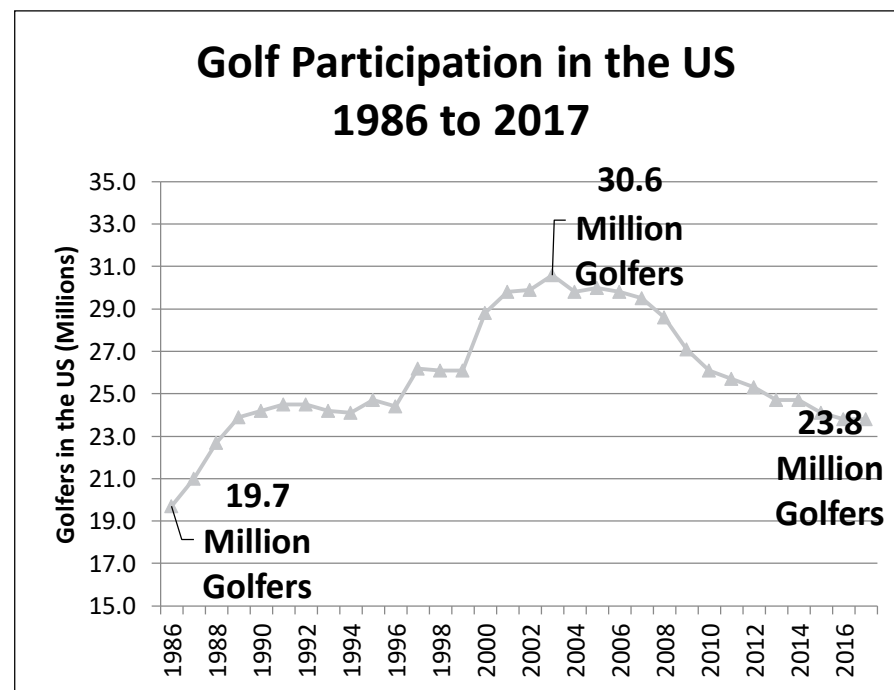
2020 DULUTH GOLF Committee Presentation



The Financial Condition of the Golf Industry

Finding 3

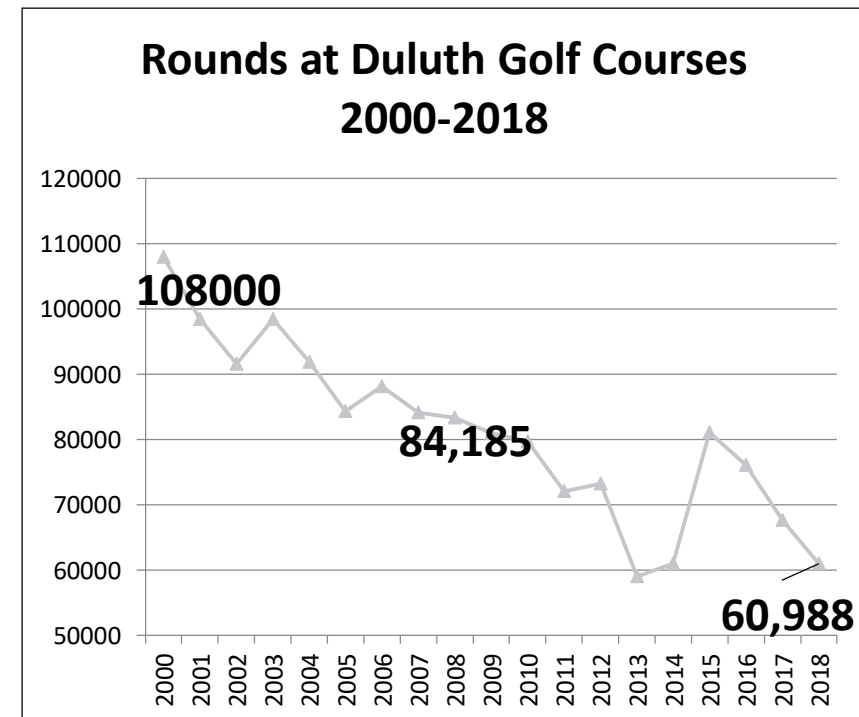
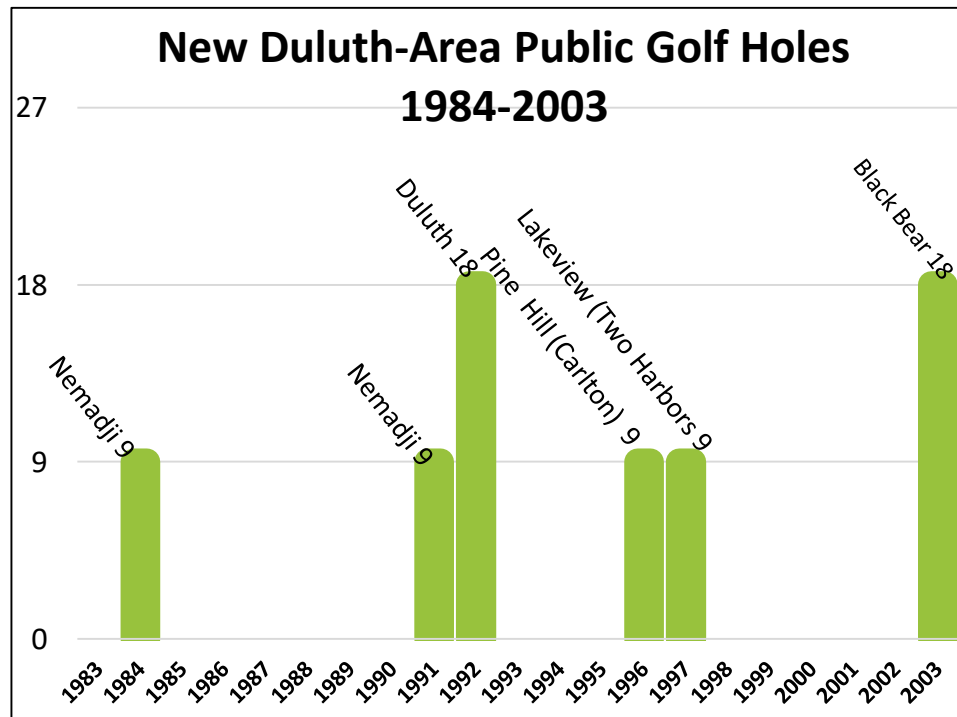
Demand for golf is likely not sufficient to financially sustain the number of golf holes across the nation or in Duluth.



The Financial Condition of the Golf Industry

Finding 4

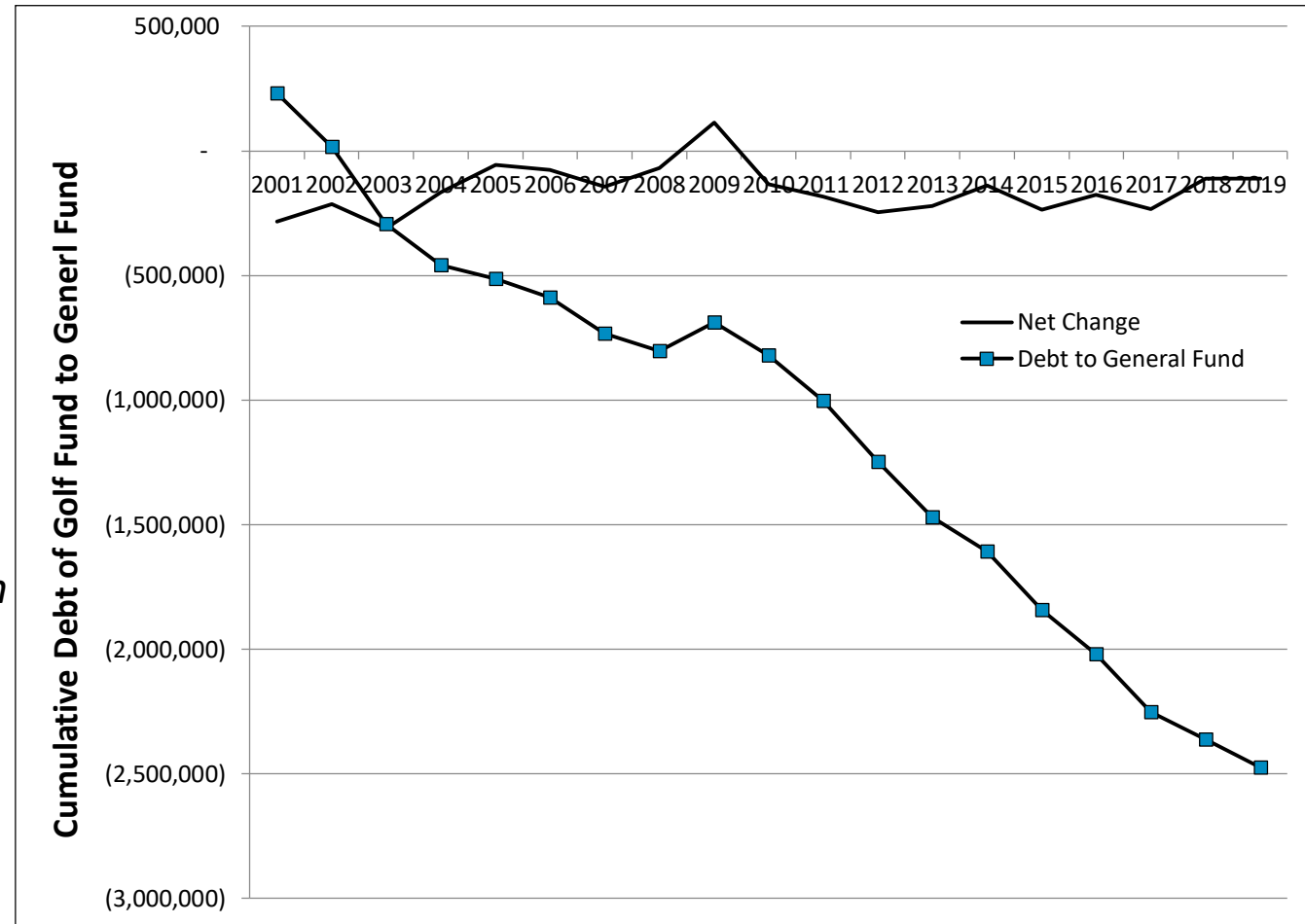
Some publicly accessible golf holes in the Duluth area likely need to close to bring the supply of public golf into balance with demand.



Financial Performance of Duluth Golf

Finding 21

Duluth Golf's most important and difficult financial challenge has been and continues to be how to pay for periodic non-discretionary renewal of deteriorated golf capital assets without drawing more on the City's limited financial resources than citizens support or the City can afford.



2013 – 2020 STATS (2020 Projected)

Rounds of Golf

2013 – 58,985
2014 – 60,172
2015 – 81,059
2016 – 76,127
2017 – 67,657
2018 – 61,004
2019 – 51,308
2020 - 38,940

Labor & Expenses

2013 - \$2,048,390
2014 - \$2,014,358
2015 – \$1,873,249
2016 – \$1,716,265
2017 – \$1,584,087
2018 – \$1,520,405
2019 – \$1,477,342
2020 – \$1,056,635

Total Revenue

2013 – \$1,738,979
2014 – \$1,734,534
2015 – \$1,931,016
2016 – \$1,822,936
2017 – \$1,730,447
2018 – \$1,692,368
2019 – \$1,481,714
2020 - \$1,077,457

Net Income

2013 – (\$309,411)
2014 – (\$279,824)
2015 – (\$180,370)
2016 – (\$141,314)
2017 – (\$105,627)
2018 – (\$66,444)
2019 – (\$191,490)
2020 – (\$91,977)



Operational Adjustments and Factors Impacting Rounds, Revenue and/or Labor/Expenses

2015: BCG Assumed Management of Duluth Golf, Bunker Improvements

2016: New Range Equipment. Sales Position Created to Promote Both Facilities

2017: Season at Lester Revised to May 1-Sept 30, New GM Hired

2018: Expanded Influence on In-House Events & Leagues, Increased Jr. Programs

2019: Enger Turf Damage, One Superintendent for Both Courses

2020: Lester Closure, Enger Turf Damage, Pandemic

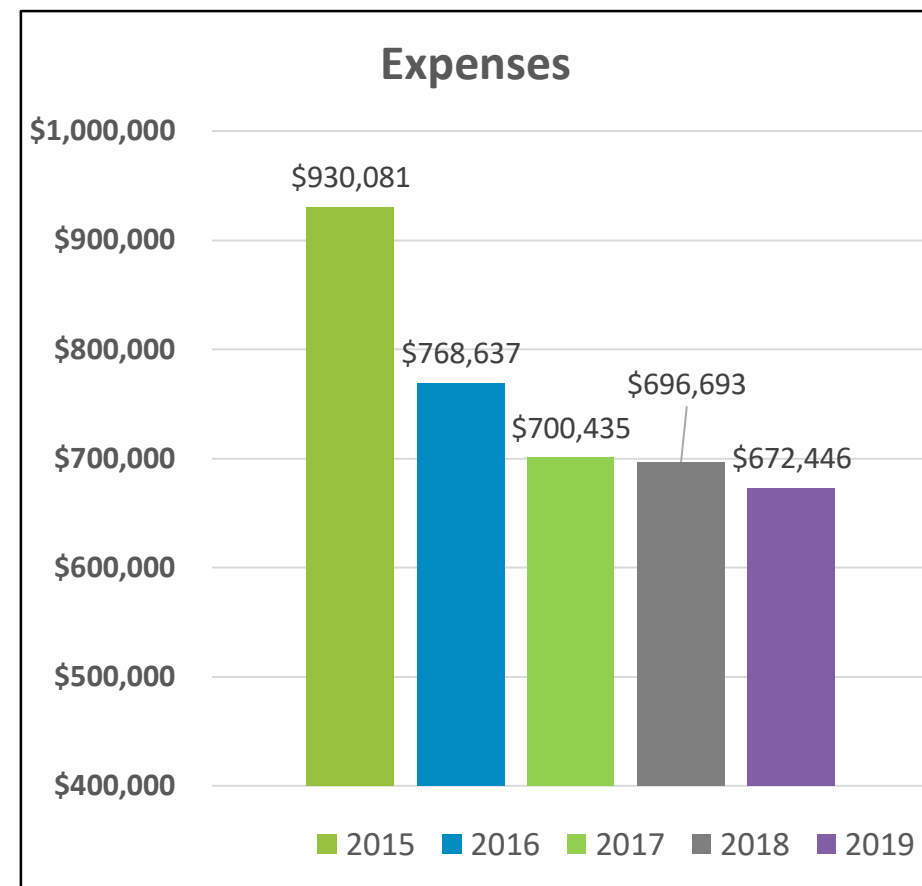
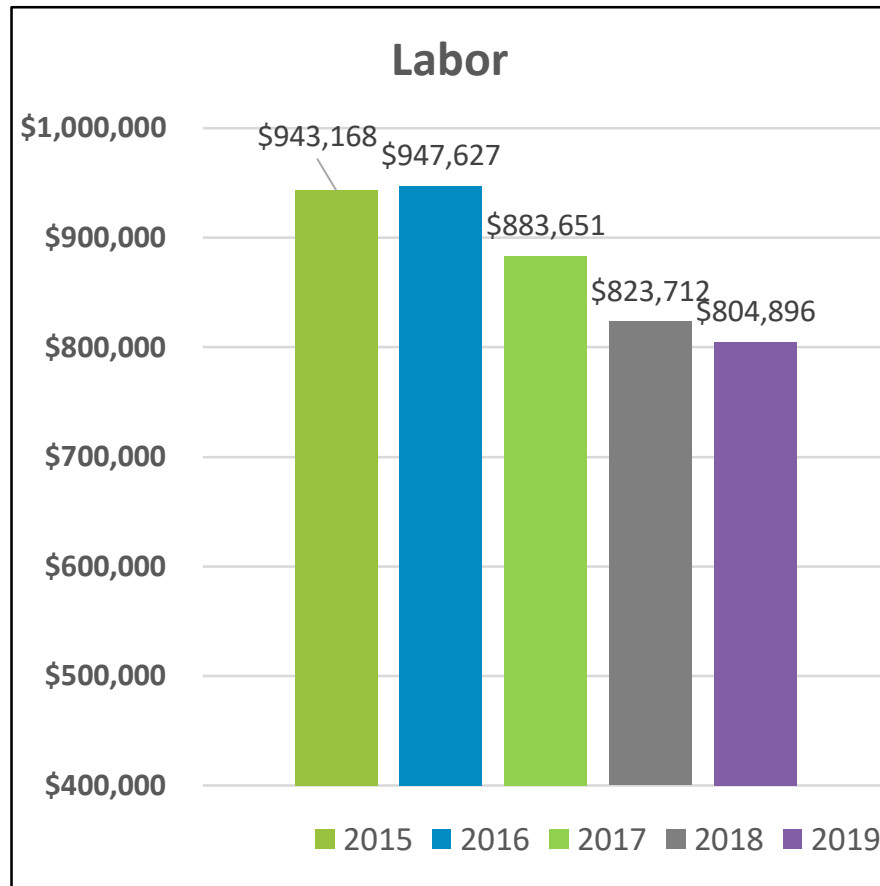
TOTAL REVENUE

<i>Rounds of Golf</i>	58,985	60,172	81,059	76,217	67,656	61,004	51,402
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LABOR & EXPENSES

Combined Totals
2013 - \$2,048,390
2014 - \$2,014,358



2020 YEAR END PROJECTIONS

Rounds: 38,940

Revenue: \$1,077,457

COGS: \$112,799

Labor: \$599,540

Expenses: \$457,095

Net Income: -\$91,977

R E S U L T S

