

**Lincoln City Golf Operation
Financial Highlights
For the Year Ended August 31st, 2020**

Lincoln City Golf Operations had a successful year from September 2019 to August 2020. The combination of average weather in the fall of 2019 and above average weather for the spring and summer of 2020 contributed to an increase in the number of golf rounds for the year. The Covid-19 pandemic starting in March and also the closure of Yankee Hill Course seemed to help provide additional rounds of golf to all of our courses in 2020. The number of golf rounds for the FY19-20 totaled 185,191 which was 12.6% above our target number of 164,500. This is the first time in quite a long time that two courses accumulated over 40,000 rounds for the fiscal year, Highlands lead the way with 44,680 and Holmes Park had 41,559 rounds. Another highlight for rounds of golf this fiscal year was the Jim Ager with 22,657. The resulting increase in golf rounds contributed to a higher than expected golf revenues for the fiscal year. All golf staff including part time seasonal staff should be commended for adjusting to the pandemic and keeping operations moving through a challenging time for staff and the public golfers. It was truly a team effort from everyone!

On the revenue side, with the number of golf rounds up dramatically from the previous years as a result the golf operations made an overall profit of \$530,580.92 at year end. Most of this improvement was the result of increased revenue from total golf course activities such as green fees, cart rentals and driving range fees. Revenues just from golf course activities ended up \$570,651 above projected budget.

On the expense side, the overnight summer rains in a timely manner helped to keep total utilities under budget. Overall payroll and benefits expenses also came in under budget for the year. Actual operating expenditures were just slightly above budgeted expenses by 3.1% helping maximize a profit at fiscal year-end.

For the first time in recent history all five courses turned a profit for FY19-20 highlighted by the Jim Ager course ending the year with an operating profit of \$24,262 and Holmes Park leading the way for the 18 hole courses with a profit of \$164,171.

On the Capital Improvement Project (CIP) side, outside of the Holmes Clubhouse payment of \$170,571.26, a couple of the other bigger CIP expenses for the year was the Pioneers Clubhouse new roof of \$41,614 and a replacement of an irrigation pump at Highlands which had a CIP expense of \$24,720. CIP Revenue of \$462,013 was generated for this fiscal year, offset by \$274,560 in expenses. At the end of the year, a CIP cash balance of \$481,893 is being carried over for future CIP projects.

Overall, it was another successful year for the Lincoln City Golf Operations and profits were added to the operations and CIP accounts. The next fiscal year has some uncertainty as to what may happen to golf rounds if COVID-19 is less or nonexistent in the community. Would golf rounds still be as strong? Will the weather be as consistent in FY20-21 helping to maximize golf activities each month? The trend of positive profits the last few years for Lincoln City Golf is a bright spot and the upcoming FY20-21 shows promise of keeping that trend going.