



CITY OF COTTAGE GROVE
12800 Ravine Parkway South
Cottage Grove, Minnesota 55016
Council Chamber - 7:30 AM

June 2, 2026

1. Call to Order
2. Pledge of Allegiance
3. Roll Call
4. Adoption of Agenda
5. Approval of Minutes
 - A 2/24/2026 CVB Meeting Minutes
6. Presentations
 - A 2026-2030 River Oaks Business Plan
 - B 2026 Events Plan
 - C Rentalscape – Short-Term Rentals Update
 - D CVB Website Redesign Update
 - E 2026 Q1 Lodging Tax Collections
7. Business Items
 - A 2027 Preliminary Budget
8. Workshop
9. Comments
10. Adjournment



COTTAGE GROVE CONVENTION & VISITORS BUREAU
12800 RAVINE PARKWAY SOUTH
COTTAGE GROVE, MN 55016
COUNCIL CHAMBER - 7:30 A.M.

February 24, 2026

1. CALL TO ORDER

The Cottage Grove Convention and Visitors Bureau of the City of Cottage Grove, Washington County, Minnesota, held a regular meeting on February 24, 2026, at Cottage Grove City Hall, 12800 Ravine Parkway. Chairman Justin Olsen called the meeting to order.

2. PLEDGE OF ALLEGIANCE

Chair Olsen asked everyone to please stand and join in the Pledge of Allegiance.

3. ROLL CALL

Becca Bair, Administration Specialist, called the roll: Chairman Justin Olsen-Here; Director Tony Khambata-Here; Director Laurie Levine-Here; Director Erik Olsen-Here; Director Sarah Grecula-Absent; Director Chris Reese-Absent; Director Michael Haatvedt-Absent.

MEMBERS ABSENT: Director Sarah Grecula
 Director Michael Haatvedt
 Director Chris Reese

STAFF PRESENT: Jennifer Levitt, City Administrator
 Tammy Anderson, City Clerk
 Becca Bair, Administration Specialist
 Nate Carlson, Economic Development Manager
 Phil Jents, Communications Director
 Courtney Pirsig, Communications Specialist

4. ADOPTION OF AGENDA

Motion by Director Khambata to adopt the agenda; second by Director Levine. Motion carried: 4-0.

5. APPROVAL OF MINUTES

Staff Recommendation: Approve the November 25, 2025 Convention and Visitors Bureau Meeting Minutes.

Chairman Olsen asked if there were any corrections or comments on the minutes; there were none.

Chairman Olsen said the November 25, 2025 Convention and Visitors Bureau Meeting Minutes will stand approved by unanimous consent.

6. PRESENTATIONS

A. Convention and Visitors Bureau Events Update

Courtney Pirsig, Communications Specialist, said I have the pleasure of presenting the 2026 Events with you today: Strawberry Fest: This starts on June 18 and ends on June 21 this year. We will have a booth at the Strawberry Fields Marketplace. We will be handing out some fun swag items, similar to how it's been done in years past, and of course you're all welcome to join us at the booth as well. We will have more information to come as the event gets closer.

Patio Week: We are bringing back Patio Week; this was an event we started last year, it's a weeklong celebration of outdoor dining. We encourage residents with patio space to take advantage of this event by featuring specials and deals and giveaways. We will be reaching out to businesses in the Spring to secure the lineup. And just to note, this performed really well on our website as well, it was our number two most-viewed web page.

Food Truck Festival: Our fourth annual Food Truck Festival will take place on September 19, from 11:00 a.m. to 6:00 p.m. this year. The initial Food Truck outreach went out, so we're excited to see those food trucks start to come in. The committee is working on locking in the entertainment, and then we will open the Marketplace registration soon. You're welcome to join us there as well.

Fourth of July Fireworks: This is hosted by the Cottage Grove Lions Club.

One Family Fest: This is taking place during both the Memorial and Labor Day weekends. This is a great opportunity to get outside at Kingston Park and enjoy some delicious street food and cheer on the teams playing in the tournament.

Winter Events: I know we don't want to think about winter with the warmer days coming up, but we are excited to have both the Hometown Holiday and the Holiday Train returning in December, 2026.

Courtney said with that, I'll be happy to stand for any questions.

Chairman Olsen asked the Board if they had any questions this morning, none were asked. He said I can speak with authority that the Fourth of July event for the Lions will be held on the Sunday of the Fourth, which is actually July 5, at Kingston Park. So, if you're looking for that date, that's firmed up, the fireworks vendor is lined up, everything will be really fun, just like the last couple years.

One question I did want to ask is I know that in the past we've done some partnerships with the St. Paul Saints; I believe that due to some changes in the way that they manage that, we discussed no longer carrying forward with that partnership. I'm just wondering, did they reach out to us at all this year about it? Does anybody know?

Courtney said Phil would like to speak about this.

Phil Jents, Communications Manager, said Chairman Olsen, Members of the Board, to succinctly answer that question, yes, they did reach out. We are currently reviewing kind of, for lack of a better phrase, what offerings they may have that might make sense or not for us.

Chairman Olsen replied okay, good, I like hearing that because I know that previously, when we were able to partner with them, we did so prior to Strawberry Fest, and it seemed to give us a little bit of a boost in attendance at Strawberry Fest. So, if we can make a deal, that would be pretty nice to see, but I know that there's probably negotiating to be done. So, please keep us to speed on how those things go forward.

Phil said absolutely.

B. 2025 Q4 Lodging Tax and Revenue Collection

Phil said thank you, Chairman Olsen, Members of the Board. I'm here this morning to discuss the 2025 Quarter 4 Lodging Tax collections. As you all know, and as I have said in the past, the 2025 Budget does use the 63% occupancy rate when calculating the Lodging Tax projections. Also, as you know, the Minnesota Department of Revenue, on behalf of the City of Cottage Grove, has begun collecting Lodging Tax for us, and they've been doing that for several months now.

Moving on, looking at the Quarter 4 2025 collections, they came in at \$20,133.15, so that is for the months of October, November, and December. The ongoing Administrative Cost from the Department of Revenue to collect Lodging Tax collections on our behalf is roughly about 1% of the Lodging Tax collections, which comes out to \$182.85 for those three months.

At the previous Board Meeting in November, I noted that those Lodging Tax collections from the Department of Revenue lag behind by about 40 days or so; that's not a hard and fast number, but give or take 40 days. That's just important to note as we get those Lodging Tax collections in, I think at the last Board Meeting we were not missing one month, but we just hadn't seen those collections come in yet. Of course, we have since, and they look exactly as we would expect them to look. On that note as well, I want to just state because we hadn't seen them yet in November, at the last meeting, those Lodging Tax collections came in at \$6,518 for September of 2025.

Also, a question was brought up at the last meeting about kind of year-over-year comparisons, how do Quarter 4 2025 numbers compare to Quarter 4 2024, which is an excellent question. I'm happy to report that that comparison, Quarter 4 2025 compared to Quarter 4 2024, showed our Lodging Tax collections are up. So, in 2024, they were \$15,865, and in 2025, \$20,133.15, which is a percent change of 26.9% and a growth of \$4,268.15.

So, with that, I'm happy to stand for any questions you may have.

Director Khambata said I know that this is, there's not an exact number to this, but can we take that 26% increase year-over-year and correlate it to the number of dollars spent on tourism in Cottage Grove? Or does that increase reflect other aspects? Does it correlate to like a tangible number, like is our playbook for increasing tourism working, is that what it's showing us? Or is it just telling us that hotels are charging more? I guess I'm curious to see kind of how our efforts are coming to fruition and if that increase in Lodging Tax year-over-year is representative of kind of a year-over-year growth overall in tourism, or if it's simply kind of a fee structure thing with the local hotels that are participating?

Phil replied Chairman Olsen, Director Khambata, Members of the Board, that's an excellent question, and I don't think I'm going to have a perfect answer for you off the top of my head. I will be happy to look into that and drill down into that. I think the starting point of Lodging Tax collections going up or down or stagnant, I think is an important figure to know just as a starting point. Of course, moving forward, why, right? And in a growing tourism market, it's a very fair point to ask the question is that due to actual increase in visitors or is that due to hotel room rates changing, or a new hotel opening up, or new short-term rentals coming online, which doesn't necessarily translate to new heads in beds, new visitors, new money being spent in the economy. So, moving forward, I'd be happy to try to look into that and drill down on what is driving that number. I think anecdotally, as an educated first stab at it, I'm happy with the performance of our team and our marketing; while I would like to sit here and stand here and very confidently say that yes, absolutely, because of our great work it's translating to a growth in Lodging Tax collections, I want to know with a more degree of certainty to give you a more concrete answer, but I think it's a great question.

Director Khambata said thank you.

Chairman Olsen said yeah, that is a very good question.

Director Olsen said yes, previously we had talked about capturing limited, there's limited VRBOs in town, and we've talked about making sure and trying to capture those taxes as well. I don't know the intimate details, but I do remember we talked about that with our consultant. Is that something that we looked into further, or is that still an open discussion point? I don't know.

Phil replied Chairman Olsen, Director Olsen, I think that is also a great question. That is one of, not the only, but one of the reasons why we endeavored upon the Department of Revenue collecting our Lodging Tax collections on our behalf was that it makes it easier to collect those Lodging Tax collections directly from vendors, such as Airbnb and VRBO. And if or when a short-term rental is not for some reason remitting those taxes, the Department of Revenue has a better enforcement mechanism to get those into compliance. So, again, that's not the only reason why the Department of Revenue was an attractive way to collect our Lodging Tax collections, it is something that happens much more automatically, I would say.

Director Olsen said the other comment I have is I remember we talked about trying to capture more of the business traffic, overnight stays, namely, Renewal by Andersen, Up North Plastics, etc. We all agreed that that was probably some low-hanging fruit for business travel. Have we pursued that, both with the large employers in town that have overnight guests? And then, also, the hotel or two in town in trying to form a triangle partnership, business, hotel, us, has that been pursued? If not, I would be willing to knock on a door at some of these big

businesses to see if they're even interested, but update me, or have we looked into that or tried to mature that a little bit?

Phil replied Director Olsen, Chairman Olsen, Members of the Board, yes, that is something that with our new Economic Development Manager, Nate Carlson, we've been working in partnership on things like letters of support for the Hotel RFP, which as we know and we've seen in leakage studies, we're leaking a lot of potential business to surrounding communities. Some of that business may very well be coming from or would come from our business travelers. So, I do look forward to working more closely with Economic Development Manager Carlson on things like that so we can see that hotel built.

Director Olsen said good to hear.

Phil said that's for obvious reasons, to capture some of those leaked revenues that we're seeing.

Director Olsen said great to hear. The other potential low-hanging fruit that I think could be taken advantage of more are these youth athletic tournaments, and bugging the ear of CGAA when they send out their tournament flyers, hockey, baseball, volleyball, it doesn't matter; and if a team's coming down from Duluth, what have you, most likely in the past they're staying up in Woodbury, Stillwater, elsewhere. There again might be some low-hanging fruit for our business development manager, a letter of support is a good way you said that. So, just a friendly reminder, CGAA athletics.

Phil replied I completely agree.

Chairman Olsen said excellent points, thank you. Are there any other comments?

Chairman Olsen said I will state the comment about VRBOs, etc. is very relevant, and that could potentially be that correlation that Director Khambata was talking about relative to the increase in revenue, if we are capturing a little bit more revenue from those sources, it's probably worth looking into.

We've been talking as a City for quite a long time about trying to ensure that we keep our businesses informed when we have these large tournaments that come to town. One of our foundational elements as a City is we want to be a recreation destination, and to that end, we get a lot of tournaments in town, whether it's hockey, softball, baseball, etc. The question becomes are we leveraging those tournaments to help our businesses grow, and that stemmed from the fact that we had a business owner at Carbone's reach out a number of years back, who said, hey, I haven't been able to keep up all weekend long with the business. I didn't have the staffing planned for it because I didn't know it was coming, can we maybe get a heads up in the future so that we can staff appropriately; if we know that we're going to have 16 Bantam hockey teams in town, or whatever the case might be, because all those young kids are hungry. So, I think there's some opportunity there as well. I appreciate you bringing both of those things up.

C. CVB Website Redesign Update

Phil said thank you, again, Chairman Olsen, Members of the Board. Well, as you all know, we have been working on a CVB website redesign for a while, going back to about August, when a previous agreement was in place with a vendor to redesign our website. At that time, going back to last summer, the Board expressed a definite interest in redesigning the website. It's a part of our, one of our key pillars of the overall CVB Strategic Plan, the Board has expressed interest, staff has expressed interest, it feels like everyone's all on the same page that it's something we should at the very least be considering, if not doing. So, at that time, we estimated that a full website redesign would cost somewhere in the range of \$7,000 to \$12,000. After that time, we obtained a couple quotes, got approval, and moved forward.

Since that time, it's important to update the Board on where we're at and why and what we propose moving forward.

So, at that time, an agreement was in place with the previous vendor to redesign the CVB website, and due to unforeseen circumstances and for reasons beyond the control of the City of Cottage Grove, that agreement has since been terminated. At the direction of the City and CVB Board leadership, and in consultation with staff, the question of what now, right? It's a part of our Strategic Plan, it all feels like we're all kind of more or less on the same page that it's a good idea that we should consider this, and what do we do moving forward?

As a result of those conversations, staff then pursued a Request for Proposal (RFP) from multiple Destination Marketing Organizations (DMO) website developers. So, you could throw a rock out into the world and hit any number of developers who can make a really, really great website, but can they also make a really, really great website specific to a DMO, our CVB.

With those new proposals, we're happy to report we've gotten four responsive proposals to that RFP. I'm also happy to report that all four of those proposals, not only do they make great, excellent, mobile, responsive, accessible, modern-designed websites, several of them have an extensive background working directly with DMO-specific websites, which is very interesting and I would say preferred. So, those new proposals are before you, as well as in your full packet are the four proposals from CYBERSprout, W.A. Fisher Co., Evolve Creative, and The Cultural North, for dollar amounts that are on the screen there.

When considering all of these proposals, there's a lot to consider. I mentioned earlier about making a great website, but making one that is specific and tailored to a DMO. When looking at these companies, a couple in particular really stood out in that one specific facet: W.A. Fisher Co. and Evolve Creative, all but specialize in DMO websites. They do other things, of course, I think firms are a lot of things to a lot of people, but W.A. Fisher and Evolve, in particular, have designed any number of DMO websites out in the world, some of which you maybe have seen in your own travels.

From there, we of course reviewed their proposals, we checked references, had conversations with the DMOs for which they had designed websites, and got their feedback on what their experience was like. We of course looked at the websites themselves to see does this kind of fit the overall vibe, look, feel, functionality that we are looking for?

One of the positive outcomes of the previous work that we did with the website redesign were extensive documents of what we're looking for on our website, inspiration from other existing websites, and does that list of wants and needs line up with what these companies can provide? With that, we narrowed in on W.A. Fisher Co., their website hosting services are comparable to any of the other vendors, while at a lower price than the others. The team collectively has 60 years of experience in web and marketing development. We've again checked their references and received positive feedback and beyond just positive feedback; I believe if I could paraphrase or quote one person from *Discover the Range*, she called their web developer a "wizard," which stood out. That's, of course, just one piece of feedback, but nevertheless; and some of the tourism industry specifically that they have worked with are the *Twin Cities Gateway*, *Visit Detroit Lakes*, *Discover Shakopee*, and *Discover the Range*, just to name a few.

So, again, if I go back a slide and you look at some of these quotes, why didn't we choose CYBERSprout, they're the lowest quote? Why didn't we choose The Cultural North? While the most expensive, maybe they're the best. Looking at several factors: 1) Their portfolio of experience, does it line up with what we're looking for? W.A. Fisher and Evolve I think definitely check those boxes. 2) Do they work directly with DMO-specific website designs? W.A. Fisher and Evolve absolutely do. 3) CYBERSprout, while the lowest quote, which is sometimes where especially government bodies tend to lean in choosing those lowest quotes, they produce a solid website, but they don't have as much experience working directly with DMOs as W.A. Fisher especially does. And so that for staff tipped the scales a little bit into honing in on them as a developer.

So, with that, there's a lot more I could go into if you choose, and I'm happy to stand for questions if you have them. Otherwise, there is a Recommendation before you.

RECOMMENDATION: By Motion, Approve moving forward with a Professional Services Agreement with W.A. Fisher Co. to redesign the *Discover Cottage Grove* website for an amount not to exceed \$17,000.

Chairman Olsen said thank you, Phil, a lot of good information there, and I appreciate the fact that the staff took the time to do such thorough research on all of the four respondents. Obviously, we want to get this right, and price may well be part of what right looks like, but I think there's an awful lot more to it, as you said. So, I feel very comfortable with the fact that you landed where you landed. What questions do we have here from our directors?

Director Khambata said I'm trying to remember the specific dollar amount that we had budgeted for with the previous vendor. I think this is a little bit higher, but I think, so it's a two-part question: A) What's the difference in

the proposed cost? B) What, if anything, have we learned from the previous vendor to make sure that we don't get put in that position again?

Phil replied Chairman Olsen, Director Khambata, Members of the Board, excellent question, I actually meant to mention that in my long preamble and didn't, but the previous agreement was for a little bit under \$8,000, which fell in line with our rough estimate back in June, of \$7,000 to \$12,000. So, yes, this is higher than what we initially thought. So, the difference there is roughly about \$9,000, and I can get you the exact numbers if you'd like, but roughly about \$9,000. And to Chairman Olsen's point, when going out for the RFPs, obviously we need to be conscious of the budget and what it's going to cost. We also didn't want to negotiate against ourselves, and we wanted to leave it a little bit more open ended to really see what does the website we want and need actually cost? And if it ends up costing too much money for ourselves, then that's a decision we have to make. If it ends up costing too much money for the Board, that's of course the decision that's before you. But, nevertheless, we didn't want to negotiate against ourselves.

In terms of the last part of your question, not running into similar issues as before, I think one of the many things that stood out to us is when having conversations with these vendors, and when having conversations with the representatives from the DMOs, who had them design their websites, and then we had direct conversations. We were just at the Explore Minnesota Tourism Conference, up in Duluth, and we ended up having direct conversations with these vendors and of course with other DMO representatives from across the State. At least one time that I can think of specifically, and I'm envisioning the conversation we were having, the vendor said, "You've done all the homework that we need, and we don't usually get that. We don't usually get a robust list of wants and needs," a wireframe that our designer, Courtney Pirsig, has put together, which is just kind of like a sketch of what the website should look like. Essentially, them stating that we have put in the legwork necessary to get a good product, and that's legwork they don't normally see. So, that's Point #1.

Point #2 is previously we placed I think an appropriate, but perhaps oversized emphasis, on working local, working with somebody who is local to Cottage Grove, who's local to the Twin Cities area. And of course we want to keep our money local and support local businesses, and as great of work that those local businesses do, they don't necessarily specialize in this niche, web design and development universe, right? And, so, that's where going out and seeking proposals from those types of vendors, to ensure that we actually get the product that we want, assuming that it is money that, in fact, we do want to spend on it.

Director Khambata said thank you.

Director Levine asked so, if the Board decides to move forward with this Recommendation that you have in front of us, what's the timeframe before the new website would be live? How long does all of that take?

Phil replied Chairman Olsen, Director Levine, great question. While I don't have the full proposals immediately in front of me, all of those proposals have their estimated timeline in there. I think most of them did, in fact, come back and say, I'll look to Courtney, my colleague, to maybe see if she can correct me, but I think roughly around June, if memory serves.

Courtney said I want to say they were 12-to-15-ish weeks, which is what we sought.

Phil said but we could get that timeline, of course, specifically to you as a follow up.

Director Olsen asked how long would this Agreement be for? Is it a one-year deal, a two-year deal? I assume this \$17,000 is annual.

Phil replied Chairman Olsen, Director Olsen, Members of the Board, the Agreement would be until the website is done, and then from there, there's an Annual Hosting Service. Director Olsen said got it. Phil said it's similar to what we pay right now to our current vendor, and I believe we pay \$109 a month to our current vendor. If the Board chose to move forward with W.A. Fisher, it's \$350 a year, which comes out to about \$29+ per month. Director Olsen said understood. Phil said and every vendor is similar, they all host on WordPress, and then they all have an ongoing monthly fee for customer services, changes, web hosting, security updates, things like that.

Director Olsen said understood, and then I have a comment. I do like the Quote #2, Fisher, for a couple reasons: My main reason is testimonials. I'm a big testimonial guy. There are four towns here that are very similar in size to Cottage Grove, Shakopee, Detroit Lakes, the Iron Range. If they're happy, that's a good indication that we'll be happy, considering they're the same population base and maybe in the same boat that we're in. So, good research.

Phil said thank you.

Chairman Olsen asked if there were any other questions, and there were none.

Motion by Director Khambata to approve moving forward with a Professional Services Agreement with W.A. Fisher Co. to redesign the *Discover Cottage Grove* website for an amount not to exceed \$17,000; second by Director Olsen. Motion passed: 4-0.

Chairman Olsen said thank you, that's very exciting news. I appreciate all the hard work on that, you guys.

D. 2025 Annual Report

Courtney said thank you, Chairman and Members of the Board. I am back to present the 2025 Annual Report to you:

Cottage Grove Visitor Guide: So, in 2025, we produced our fourth publication of the Cottage Grove Visitor Guide. We printed 7,000 copies, and distributed roughly about 7,000 copies; we had a few surplus at the end of the year, but overall we distributed almost all of them. These were on the wall at the Mall of America, we had them at the Welcome Centers and Visitor Centers, and we mailed them to homes worldwide, which is awesome.

We had six paid advertisers for an incoming revenue of \$3,275.

Website and Emails: In 2025, our website attracted almost 32,000 views, which is close to what we attracted in 2024. Also similar in results were the most-viewed pages; however, the Patio Week Event that we had attracted additional viewers to our website.

We are continuing to send a monthly e-newsletter to our 4,000 subscribers. I also wanted to mention that we do occasionally send an email to our businesses, informing them of the tournaments that are coming to town, as we receive a Calendar of Events from our Parks and Rec Department. About one-to-four times a year, we'll email them and let them know of the big events that are coming.

Photography & Video: For photos and video, we began utilizing more local imagery, so we gathered these photos from Photo Contests that we host; this is a great way to feature the authentic spirit of Cottage Grove at little to no cost to us. We also partnered with TruLens Community Media to post 10 visitor-friendly videos. Video also was a huge initiative for the City in 2025, and so we plan to continue that with *Discover Cottage Grove* in 2026, as the CVB is being an emphasis for that as well.

Social Media: In 2025, on Facebook, we posted 6% more than we did in 2024. As you can see, we had a higher engagement rate, and we reached a lot more people. On Instagram, we posted a little less, but we still reached a lot more people and increased our follower base.

Our top YouTube videos were The Madison, the Food Truck Festival, and then our Holiday video.

Then again on Facebook, we used marketing dollars to boost three ads; as you can see, we did it for Strawberry Fest, Patio Week, and the Food Truck Festival. This increased our user reach as well.

Campaigns: Our top performing campaign was the Vendor Lineup for the Food Truck Festival, and then the video we did for the One Month Away reminder for the Food Truck Festival. So, as you can see, the Food Truck Festival does a really good job at marketing, bringing in people, bringing in the eyes, and all of that.

Comprehensive Brand Style Guide: As we mentioned in our last CVB meeting, *Discover Cottage Grove* formalized its first Comprehensive Brand Style Guide, so we didn't change much. We kind of just put it on a paper, essentially, we solidified the color palette, the logo, and the fonts, kind of our look and feel for our kickoff to the website rebrand.

Community Engagement: Our staff continues to engage with residents and visitors, both online and at community events. Our main event is the Food Truck Festival, where we see anywhere from 14,000 to 16,000 attendees.

2026 Goals: So, looking ahead to 2026, we want to continue to leverage our Strategic Roadmap. So, a few initiatives we plan to implement are: Rebuilding the website experience, to be more inspirational and a user-friendly hub for trip planning; Hosting an Annual Tourism Summit that encourages businesses to network and skill

build; Partner with High Follower Influencers to tell our story through their lens; Develop new attractions that put Cottage Grove on the map, and many more, and I'd love to talk about those with you later if you have questions. Courtney said so, with that, I'd be happy to stand for any questions.

Chairman Olsen said excellent information and it's really fun to see the growth, especially with the Food Truck Festival, that was unbelievable. He asked if anyone had any questions at all for Courtney on the Annual Report?

Director Khambata said I have a comment. Overall, I'm really happy with the style guide and kind of building some uniformity around that. I'm really happy with the overall numbers, as far as like digital media traffic. Again, I know we don't meet every month, so sometimes it's hard to remember like what benchmarks or objectives did we put in place three or six months ago; but as I'm looking back on it, it's like the first couple years that we did CVB, I felt like there was really a steep learning curve, and it's nice to see that things are kind of progressing in accordance with the plan and the advice that we were given and the industry experts that we brought in and consulted with. So, it's looking like it's paying off. As somebody who's been part of this for a little while, it's nice to see the progress that's being made.

Courtney said thank you, Director.

Chairman Olsen said thank you for that. It was a lot of really, really fun stuff moving forward.

E. Mall of America Travel Wall Program

Phil said thank you, Chairman Olsen, Members of the Board, this was a late addition to the CVB packet. The Mall of America Travel Wall Program is not new to *Discover Cottage Grove*, but we think that maybe they changed some processes around an Agreement that's required in order for us to be a part of the Travel Wall Program; hence, the late addition to the packet because we learned that that Agreement was necessary.

So, the long and short of it is the Mall of America Travel Wall Program, as you would guess, is at key entrances at the Mall of America. Visitor Guides are on display, brochures are on display, it's a great opportunity for our excellent Visitor Guide to get in front of the eyes and hopefully in the hands of the 32 million plus visitors that come to the Mall of America every single year. So, it's a relatively low cost, easy to accomplish way to get our Visitor Guide into the Mall of America.

So, really with that, I'm happy to answer any questions you may have, but with approval of the Agreement and the amount of \$780 to get several of our boxes of Visitor Guides over to the Mall of America, we would be happy to do so. I'm happy to stand for any questions, too.

RECOMMENDATION: Approve the Mall of America Signage Agreement with the Mall of America for an amount of \$780.

Chairman Olsen asked if there were any questions.

Director Khambata said I'm assuming they're at all of the main entrances? Phil replied correct. Director Khambata said as I've been traveling around other parts of the State, the Visitor Center in Duluth comes to mind, they have a big visitor wall. And I always, this is more of like a logistics question, I always wondered like who's in charge of making sure that stays stocked? Do they reach out to us if they need more brochures, or do we send them a ream of brochures and forget about it and then somebody there is just keeping it stocked?

Phil replied Chairman Olsen, Director Khambata, great question. The short answer is yes, we keep track of where we're sending those Visitor Guides and when, of course, we need to send more. Also, we have great contacts with those Visitor Centers to have them let us know that we need to send more; that's something that my colleagues, Courtney Pirsig and Alexa Anderson, both manage, making sure that those guides get to where they need to be. And I should also add with the Mall of America, yes, all entrances, and also new this year, I forgot to mention, that the Guide would also be placed on the Mall of America's website. So, that's just another thing they added in for the typical fee that you would typically pay.

Director Khambata said thank you.

Motion by Director Olsen to approve the Mall of America Signage Agreement with the Mall of America for an amount of \$780; second by Director Levine. Motion carried: 4-0.

7. BUSINESS ITEMS - None.

8. WORKSHOP - None.

9. COMMENTS

Director Khambata said I just want to reiterate my appreciation for everyone's hard work and how great it is to see some persistence and hard work pay off for the community.

Chairman Olsen said and I have a comment, and this is going to come out of left field for our friend, Nate, who's sitting in the back. For those of you who have not met Nate Carlson, who is our Economic Development Manager, Nate would you mind taking a minute and just introducing yourself to the team here and letting everybody know who you are and what you do here for the City of Cottage Grove? Thank you.

Nate replied certainly, Chair Olsen and Members of the Board. Good Morning, my name's Nate Carlson, I'm the Economic Development Manager for the City. I'm just about to start month three. Prior to this, I was with the City of Northfield for almost nine years. I've been in the Economic Development profession for a better part of ten years, and I specialize in business incentives, underwriting of GAP loans, identifying new areas of opportunity for financial resources for business development, and I do a bit of recruitment of business as well; specifically, here, I'm working on the recruitment of a hotel for our property owned by the EDA. I work closely with the Chamber, attending Board Meetings, as well as working on partnership with Laurie and the group there. So, I hope that gave a good flavor, Chair, of what I do. I can stand for any questions.

Chairman Olsen asked if anybody had questions at all for Nate. I know that Director Levine and Nate have gotten to know each other quite well already, which is good.

Director Levine said yeah, and I'll jump in and add to that. It's been great working alongside Nate, and I can't wait to see what happens moving forward, I'm excited.

Chairman Olsen said yeah, we're all excited to have Nate on board and look forward to a really strong partnership between obviously the CVB and, of course, Nate's work with the EDA. We have ICSC coming up, which will be another great opportunity to market the City, and Nate's already working hard on setting up appointments for us and things there. So, it should be a really good year, and Nate, I appreciate you taking just a few minutes to introduce yourself.

10. ADJOURNMENT

Director Khambata made a motion to adjourn; Director Levine seconded. Motion carried: 4-0. The meeting was adjourned at 8:43 a.m.

Respectfully submitted,

Phil Jents
Communications Manager

/jag



TO: Board of Directors, Cottage Grove Convention and Visitors Bureau

FROM: Zac Dockter, Parks and Recreation Director

CC: Dennis Neitz, River Oaks General Manager
Jennifer Levitt, City Administrator

DATE: May 28, 2026

RE: 2026-2030 River Oaks Business Plan

Introduction/Background

Every five years, staff updates the business plan for River Oak's operation. This is being done to ensure operations and services for the community remain relevant in the marketplace and give customers and residents the best value for their patronage and investment. The plan also prepares for capital improvement necessary to ensure the facility and equipment operate efficiently and safely to maintain a strong infrastructure for the business.

At the June 2, 2026, CVB board members will receive a presentation regarding the 2026-2030 River Oaks Business Plan.

Attachment

2026-2030 River Oaks Business Plan.

Staff Recommendation

Review and provide feedback to the 2026-2030 River Oaks Business Plan.



2026 – 2030 Business Plan

Summary

River Oaks Golf Course – “Lead with vision, manage with precision - creating a five-year roadmap that turns ambition into achievement.”

From 2021–2025, River Oaks delivered strong financial results and important facility upgrades that strengthened our role as a key community asset. **Revenue increased 35%, generating over \$525,000 in profit, and we consistently hosted more than 40,000 rounds annually.** We upgraded the irrigation system, golf shop, and patio furniture, surpassed \$1.1 million in clubhouse sales, improved playability through enhancements to holes 10 and 18, implemented strategic bunker reduction, and targeted tree clearing. These improvements reflect disciplined management and responsible stewardship of a valued city facility.

In recent years, River Oaks has significantly elevated the guest experience, reinforcing our reputation as a premier regional destination. We have also partnered with professional course designers to ensure our decisions are strategic, forward-thinking, and aligned with industry best practices.

Looking ahead, our approach is intentional and conservative, reflecting current economic conditions and global uncertainty. Rather than pursuing large capital projects immediately, we will prioritize high-impact improvements that support guests and staff while preserving fiscal flexibility. This positions River Oaks to respond quickly when larger opportunities become viable.

Future Vision and Aspirations through 2030

- Modernizing the practice range with fully autonomous technology.
- Enhancing outdoor comfort with a covered, heated, and fan-cooled patio space.
- Systematically updating bunkers, cart paths, shelters, and ponds.
- Exploring new event concepts such as an outdoor pavilion and a speakeasy-style venue.

Why This Approach Matters

A measured, incremental strategy protects the financial strength of River Oaks while continuing to enhance the guest experience. This balanced approach keeps us competitive today and prepares us for future transformative projects.

River Oaks remains committed to being a strong financial performer, a valued community amenity, and a facility the City of Cottage Grove can proudly showcase.

Company Overview & Past Performance

COMPANY SUMMARY: River Oaks is a premier municipal golf and entertainment destination featuring an 18-hole scenic golf course with a par of 71, enriched by 52 sand bunkers and three natural water features. Recognized by Golf Digest as a “4½-Star Best Places to Play,” the course provides a memorable experience for golfers of all skill levels. Our clubhouse is home to a beautiful event center capable of hosting up to 225 guests, as well as The Eagles Bar & Grill, which offers exceptional seasonal dining and a patio overlooking the course with stunning views of the Mississippi River Valley. In recent years, River Oaks has expanded its appeal by adding bocce ball courts and an outdoor bar, quickly establishing itself as a go-to destination for social groups, community gatherings, and year-round entertainment.

MISSION STATEMENT: At River Oaks, our mission is to create an Exceptional Experience, Strong Value & Fiscal Responsibility. On the course and throughout our facilities, we are committed to continuous innovation and improvement, ensuring every experience reflects exceptional service, strong value, and a genuine sense of community for Cottage Grove residents and visitors alike.

COMPANY HISTORY: Opened in July 1991, River Oaks is a municipal golf course owned by the City of Cottage Grove and proudly operated under the Parks & Recreation Department. The course is open to the public and maintains strong affiliations with industry organizations including the Minnesota Golf Association (MGA), National Golf Course Owners Association (NGCOA), Public Country Club (PCC), and the Golf Course Superintendents Association of America (GCSAA).

In 2001, River Oaks expanded its offerings with the addition of the event center and grill, allowing the facility to host weddings, celebrations, corporate functions, and provide year-round opportunities for both golfers and community members. Continuing to evolve with guest needs, River Oaks added an outdoor bar area and bocce ball courts in 2019, establishing the property as a broader recreation and entertainment destination. In 2020, we further expanded our banquet kitchen to support increased catering services and enhance event operations.

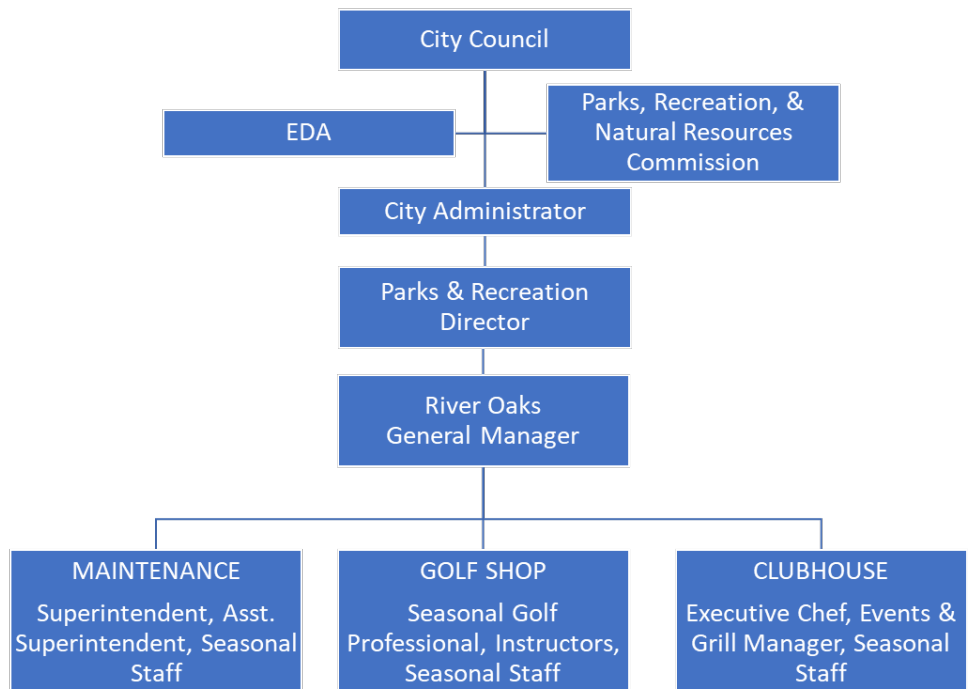
Since then, River Oaks has continued to modernize and grow, improving guest experience, strengthening operational efficiency, expanding programming, and enhancing outdoor amenities. These efforts have positioned the facility as a premier community hub for golf, dining, and events as we move into 2026 and beyond.

WHO WE ARE: River Oaks Golf Course and Event Center is a full-service community destination offering golf, events, dining, and outdoor recreation. For more than three decades, we have proudly served the needs of Cottage Grove residents and visitors by providing a welcoming environment where people can play, celebrate, and connect. While every part of our operation contributes to a strong and sustainable business, golf remains the keystone of

River Oaks; driving both direct revenue and the broader activity that supports our event center, grill, and outdoor amenities.

In recent years, we have placed a strong emphasis on elevating the customer experience across all departments. Creating memorable moments for our guests is a shared responsibility, and every team member plays a role in delivering exceptional service on the course, in the event center, and at Eagles Bar & Grill. Whether guests join us for a round of golf, a celebration, or a casual meal, our commitment is to understand their needs, provide genuine hospitality, and ensure that every visit to River Oaks feels valued, seamless, and enjoyable.

OPERATIONAL STRUCTURE: River Oaks Golf Course and Event Center is managed and maintained by five full time staff which include: General Manager, Superintendent, Assistant Superintendent, Executive Chef, Events/Grill Manager along with our PGA Golf Professional. We also employ over 120 seasonal, part time staff members that support all departments within our facility.



Although our payroll has increased over the past five years, our payroll as a percent of revenue has remained similar over the same time period. Our goal by 2030 is to have overall payroll at 45% of revenue.

	2021	2022	2023	2024	2025
Payroll					
Golf	\$301,859	\$405,446	\$409,816	\$463,252	\$500,710
Maintenance	\$412,652	\$408,823	\$459,648	\$519,236	\$529,411
Clubhouse - Eagles & Events	\$502,173	\$506,812	\$628,429	\$701,350	\$662,072
Gratuities	\$85,607	\$106,710	\$142,972	\$132,668	\$136,296
Overall Payroll	\$1,216,684	\$1,321,081	\$1,497,893	\$1,683,838	\$1,828,489
Revenue					
Golf	\$1,615,297	\$1,615,890	\$1,807,686	\$1,967,229	\$2,151,054
Maintenance	\$0	\$0	\$4,519	\$0	\$0
Clubhouse - Eagles & Events	\$833,232	\$991,292	\$1,206,167	\$1,182,944	\$1,149,215
Total Revenue	\$2,448,529	\$2,596,109	\$3,022,404	\$3,150,173	\$3,300,269
Payroll as a Percent of Revenue					
Golf	44.2%	50.7%	47.9%	49.9%	47.8%
Clubhouse - Eagles & Events	55.7%	45.2%	45.7%	54.1%	51.6%
Overall	47.9%	48.8%	47.1%	51.4%	49.0%

FINANCIAL PERFORMANCE: River Oaks has been seeing growth in our revenue and between 2021-2025 was able to **profit over \$525,000**

	2021	2022	2023	2024	2025
Golf Services					
Revenue	\$1,615,297	\$1,615,890	\$1,807,686	\$1,967,229	\$2,151,054
Expense					
- Personal Services - Golf Shop	\$301,859	\$405,446	\$409,816	\$463,252	\$500,710
- Personal Services - Maintenance	\$412,652	\$408,823	\$459,648	\$519,236	\$529,411
- Commodities - Golf Shop	\$34,882	\$27,962	\$25,416	\$46,629	\$31,855
- Commodities - Maintenance	\$136,239	\$167,960	\$180,159	\$153,942	\$148,369
- Contractual - Golf Shop	\$265,743	\$284,994	\$358,100	\$338,096	\$320,517
- Contractual - Maintenance	\$76,084	\$70,193	\$116,313	\$94,341	\$83,946
- Capital - Golf Shop	\$29,263	\$0	\$0	\$0	\$4,601
- Capital - Maintenance	\$104,470	\$90,158	\$0	\$151,213	\$189,620
- Financing - Irrigation	\$0	\$0	\$5,480	\$34,640	\$35,339
- Financing - Maintenance	\$0	\$0	\$0	\$0	\$0
Total Expense	\$1,361,192	\$1,455,536	\$1,554,932	\$1,801,349	\$1,844,368

Clubhouse - The Eagles & Events					
Revenue	\$833,232	\$991,292	\$1,206,309	\$1,182,944	\$1,149,215
Expense					
- Personal Services	\$502,173	\$506,812	\$628,429	\$701,350	\$662,072
- Commodities	\$48,986	\$39,238	\$56,178	\$43,976	\$37,413
- Contractual	\$362,473	\$422,445	\$473,446	\$474,773	\$498,796
- Capital	\$36,049	\$46,965	\$12,702	\$77,252	\$91,641
- Financing	\$0	\$0	\$0	\$0	\$0
Total Expense	\$949,681	\$1,015,460	\$1,170,755	\$1,297,351	\$1,289,922

Overall					
Revenue	\$2,448,529	\$2,607,182	\$3,013,995	\$3,150,173	\$3,300,269
Inv Interest Revenue	-\$1,310	-\$4,277	\$14,112	\$10,969	\$17,420
Expense	\$2,310,873	\$2,470,996	\$2,725,687	\$3,098,700	\$3,134,290
Credit Card Fees	\$46,670	\$49,423	\$58,138	\$62,434	\$74,536
Profit/Loss	\$89,676	\$82,486	\$244,282	\$8	\$108,863

Department Overview – Golf Services

	2021	2022	2023	2024	2025
Golf Shop					
Rounds Played	41,096	40,574	42,637	42,757	45,266
Greens Fee Revenue	\$910,977	\$925,901	\$1,079,206	\$1,181,926	\$1,289,317
Average Greens Fee Per Round	\$22.17	\$22.82	\$25.31	\$27.64	\$28.48
Overall Dollars Per Player	\$39.31	\$39.55	\$42.59	\$46.34	\$47.62
Range Revenue	\$142,498	\$145,523	\$166,551	\$185,634	\$213,193
Golf Days	201	205	198	196	206
Rain Days	21	52	26	67	36

PRODUCT AND SERVICE OFFERING:

TRENDS IN GOLF: Current trends in the golf industry continue to shape how golfers interact with courses and how

Golf Course	Practice Range	Shotgun Golf Tournaments
Season Pass	Leagues	\$10 Junior Golf
Group Lessons, Camps, & Clinics	Individualized Instruction	State Of The Art Golf Carts
Golf Related and Branded Merchandise	Regripping	Group Golf Outings

facilities evolve to meet new expectations. Technology remains at the forefront, with increased use of GPS systems, digital scorekeeping, swing-analysis apps, and targeted skill-improvement tools. Courses are also leveraging digital platforms for tee time bookings, mobile check-ins, and even cart advertising.

Operational trends include the growth of **dynamic pricing**, allowing courses to maximize revenue by adjusting rates based on demand, time of day, and weather. Advances in **autonomous equipment**, such as robotic mowers and ball-pickers, are also beginning to reshape maintenance efficiency and labor planning.

From a programming standpoint, experience-based offerings are becoming increasingly popular. Combo events; such as golf paired with dinner, lessons combined with a drink, or themed social nights; attract both golfers and non-golfers. Membership models are evolving as well, with rising interest in **nomadic memberships**, **monthly subscription-style programs**, and the **resurgence of short-course and alternative-format golf**. Courses are also expanding engagement by including non-golf activities like bags tournaments, live entertainment, and shorter 6 or 9-hole events to appeal to broader audiences.

These trends align well with River Oaks' strategic direction, offering meaningful opportunities to innovate, diversify revenue, and strengthen our role as a community recreation and entertainment destination.

GOLF SERVICES GOALS: Below are the five-year goals for golf services.

- ❖ Maintain rounds of 44,000+ rounds per year
- ❖ Grow and maintain 60 large golf tournaments and 100 small golf outings per year
- ❖ Introduce the game of golf to as many age and skill levels as possible through increasing quantity of lessons, camps, and clinics while increasing participation at each level of instruction
- ❖ Create different opportunities for golfers using underutilized space on the existing property

COMPETITIVE OVERVIEW: Below is an overview of rates of area golf courses surrounding River Oaks Golf Course & Event Center. Rates are studied annually to assure competitiveness with area golf courses of similar status.

Course Name	Google Rating	Weekday-18	Weekday-9	Weekend	Twilight	Cart	Twilight cart	Senior	Senior Cart	Tax incl
Bellwood Oaks	4.6	\$36.00	\$24.00	\$42.00	\$26.00	\$22.00	\$16.00	\$31.00	\$16.00	N
Clifton Highlands	4.6	\$32.00	\$22.00	\$50.00	\$32.00	\$18.00	\$12.00	\$32.00	\$12.00	N
Eagle Valley	4.3	\$45.00	\$28.00	\$52.00	\$36.00	\$21.00	\$18.00	\$32.00	\$18.00	N
Emerald Greens	4.1	\$43.00	\$29.00	\$46.00	\$25.00	\$22.00	\$16.00	\$30.00	\$12.00	N
Hastings GC	4.5	\$53.00	\$34.00	\$65.00	\$39.00	\$20.00	\$15.00	\$42.00	\$13.00	N
Hidden Greens	4.6	\$36.00	\$24.00	\$34.00	\$24.00	\$19.00	Inc.	\$20.00	\$13.00	N
Highland National	4.4	\$48.00	\$30.00	\$48.00	\$32.00	\$22.00	\$18.00	\$24.00	\$11.00	N
Inverwood	4.1	\$51.00	\$28.00	\$60.00	\$38.00	\$26.00	\$20.50	\$36.00	\$15.00	N
Keller	4.6	\$57.00	\$31.00	\$45.00	\$33.00	\$23.00	\$16.00	\$41.00	\$20.00	N
Loggers Trail	4.0	\$54.00	\$35.00	\$68.00	\$42.00	\$19.00	\$19.00	\$47.00	\$19.00	N
Oak Glen	4.4	\$46.00	\$19.00	\$57.00	\$42.00	\$18.00	\$18.00	\$36.00	\$18.00	N
Oak Marsh	4.3	\$46.00	\$31.00	\$51.00	\$30.00	\$21.00	\$15.00	\$34.00	\$16.00	N
Prestwick	4.4	\$95.00	\$57.50	\$95.00	\$50.00	\$21.00	\$10.00	\$44.00	\$16.00	N
Southern Hills	4.4	\$32.00	\$21.00	\$41.00	\$27.00	\$23.00	\$15.00	\$24.00	\$12.00	N
Valleywood	3.8	\$49.00	\$33.00	\$59.00	\$36.00	\$24.00	\$20.00	\$28.00	\$20.00	N
River Oaks	4.5	\$44.00	\$28.00	\$49.00	\$30.00	\$22.00	\$16.00	\$31.00	\$17.00	N
Averages	4.35	\$47.94	\$29.66	\$53.88	\$33.88	\$21.31	\$16.30	\$33.25	\$15.50	N

PROJECTED UPGRADES TO GOLF SERVICES: Over the course of the next five years, below are the upgrades we would like to incorporate into golf services.

Over the next five years, the golf operations team would like to expand our offerings to include a more robust and modern golf experience for guests of all ages and skill levels. This includes enhancing our practice facilities with improved range amenities and technology, introducing flexible and experience-driven league formats, creating more short-format and social play opportunities, and expanding programming that supports player development. We also plan to explore new technologies that streamline the golfer journey; from booking to check-in to on-course conveniences; while continuing to elevate course conditions and on-course amenities. These additions will help River Oaks remain competitive, grow engagement, and strengthen our position as a leading community golf destination.

Department Overview – Maintenance

SERVICES PROVIDED: The River Oaks Golf Course & Event Center maintenance department supports all aspects of the facility by assuring aesthetics and playability of the grounds and building maintenance.

Maintains Course Grounds	Equipment Maintenance
Irrigation Repair	Golf Shop Repair & Maintenance
Clubhouse Repair & Maintenance	Wedding Area Maintenance
Construction Of Special Projects	Course Projects
Landscaping	Course Planning

TRENDS IN GOLF MAINTENANCE: Over the next five years, golf maintenance operations across the industry are expected to continue shifting toward sustainability, efficiency, and the strategic use of technology. Courses are placing greater emphasis on environmental stewardship through precise resource management; most notably with **GPS-guided sprayers** that reduce chemical usage and improve application accuracy, as well as **smart irrigation systems** that monitor soil moisture and significantly lower water consumption. Advances in **autonomous equipment**, including robotic or nomadic mowers and autonomous ball collectors, are becoming more common as maintenance teams look for ways to optimize staff time.

Incorporating naturalized or **no-mow areas** is also an expanding trend, with facilities introducing native grasses and pollinator-friendly plantings to reduce inputs, enhance biodiversity, and improve course aesthetics. At the same time, many courses are re-evaluating design and maintenance priorities; such as **reducing bunker quantities**, improving cart paths, updating drainage systems/ponds, or selectively removing trees; to better allocate labor, equipment, and operating costs.

These trends align closely with River Oaks' long-term goals of modernizing operations, improving environmental impact, and ensuring that maintenance practices remain both sustainable and financially responsible well into the future.

GOLF MAINTENANCE GOALS: Below are the five-year goals for the maintenance department.

Over the next five years, our maintenance operations team is focused on modernizing the course to elevate the player experience, strengthen safety, and improve long-term operational efficiency. Key priorities include installing expanded cart paths to improve traffic flow and protect turf, completing strategic bunker renovations while reducing overall bunker count to better balance playability and maintenance demands, improving our natural ponds and adding storm shelters to enhance guest and staff safety during severe weather. Alongside these capital improvements, we will continue finding ways to better allocate labor resources, streamline equipment usage, and implement practices that ensure the course remains both enjoyable and efficient to maintain.

EQUIPMENT REPLACEMENT PROGRAM: Replacing old equipment saves labor costs, reduces down time, and helps control fuel and fertilizer costs. On the next page is a chart that shows some of our larger maintenance costs over the past five years.

	2021	2022	2023	2024	2025
Maintenance					
Fuel	\$28,479	\$43,340	\$36,018	\$31,184	\$32,240
Fertilizer	\$31,279	\$34,261	\$46,912	\$43,188	\$40,799
Equipment Repair	\$27,473	\$43,857	\$36,265	\$33,006	\$31,678

In 2026, River Oaks obtained a new fleet of golf carts that will reduce our fuel costs and equipment repair. With a consistent equipment replacement schedule, we have seen a reduction in equipment repair costs as well.

EQUIPMENT REPLACEMENT SCHEDULE: The projected five-year equipment replacement needs of the facility are as follows:

2026 Equipment ACTUAL PURCHASED	Golf ID	Trade-In Equipment	Age	Hours	Cost
Toro 648S walking aerator					\$40,603
Foley Reel Grinder 633		scrap old grinder			\$57,500
TURFCO TORRENT BLOWER		multiple trade ins, old equipment			\$3,890

\$101,994

2027 Equipment Planned	Golf ID	Trade-In Equipment	Age	Hours	Cost
Toro 4000D Rough Mower		4100D	22+	6000	\$125,000.00
Heavy Duty Turf Vehicle		John Deere 2030	26	3800	\$50,000.00

\$175,000.00

2028 Equipment Planned	Golf ID	Trade-In Equipment	Age	Hours	Cost
Fairway Mower - Toro 3555		John Deere 8500	11	3577	\$94,000.00
Tee Mower		John Deere 2500B	13	3800	\$66,000.00
Tee Mower		John Deere 2500B	13	3800	\$66,000.00

\$226,000.00

2029 Equipment Planned	Golf ID	Trade-In Equipment	Age	Hours	Cost
Surrounds Mower		Toro 4300	8	3000	\$96,000.00
Surrounds Mower		Toro 3500	8	3000	\$60,000.00

\$156,000.00

2030 Equipment Planned	Golf ID	Trade-In Equipment	Age	Hours	Cost
Fairway Mower - Toro 3555		Toro 5410	18	5400	\$94,000.00
Heavy Duty Turf w TopDresser		ProGator w TopDresser	23	2000	\$75,000.00

\$169,000.00

Department Overview – Clubhouse – The Eagles & Events

	2021	2022	2023	2024	2025
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Rentals					
Rentals	\$14,850	\$52,302	\$52,791	\$83,295	\$48,290

Food - Cost of Goods Sold					
Cost of Goods	\$138,058	\$167,545	\$194,755	\$177,576	\$205,513
Revenue	\$353,026	\$429,269	\$552,955	\$490,428	\$513,808
Total Expense	39.1%	39.0%	35.2%	36.2%	39.9%

Alcohol - Cost of Goods Sold					
Cost of Goods	\$74,977	\$79,030	\$88,400	\$94,357	\$90,381
Revenue	\$325,531	\$336,577	\$394,501	\$407,997	\$395,029
Total Expense	23.0%	23.5%	22.4%	23.1%	22.8%

NA Beverages - Cost of Goods Sold					
Cost of Goods	\$24,479	\$23,639	\$31,453	\$32,295	\$30,462
Revenue	\$51,552	\$64,578	\$58,918	\$57,707	\$50,998
Total Expense	47.5%	36.6%	53.4%	56.0%	59.7%

Overall Clubhouse - Cost of Goods Sold					
Cost of Goods	\$237,514	\$270,215	\$314,608	\$304,228	\$326,356
Revenue	\$730,109	\$830,424	\$1,006,374	\$956,132	\$959,835
Total Expense	32.5%	32.5%	31.3%	31.8%	34.0%

PAST PERFORMANCE:

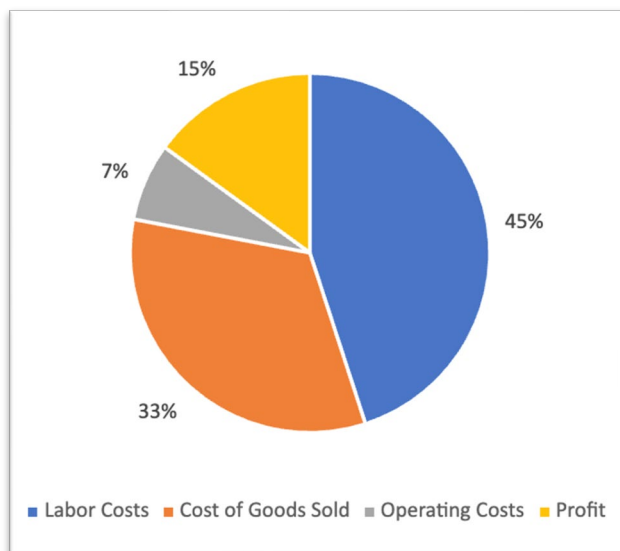
PRODUCT AND SERVICE OFFERING: Our clubhouse and surrounding area offers a full array of services to our guests.

Weddings	Various External Events	River Oaks Hosted Events
Grill/Patio	Beverage Cart	Catering
Bocce	Outdoor Bar	Fundraisers

TRENDS: Staying aligned with emerging trends is essential for ensuring that our Event Center, The Eagles Bar & Grill, and overall clubhouse operations remain relevant and competitive. Personalization continues to be one of the strongest and most consistent expectations from guests; people want experiences that feel tailored, meaningful, and unique to their occasion. At the same time, technology is rapidly reshaping how restaurants and event venues operate. Tools such as **QR-code ordering**, **self-service digital menus**, and ongoing **Toast POS enhancements** are improving order accuracy, increasing service speed, and elevating the overall guest experience by giving customers more control and convenience.

The restaurant and event industries are also seeing increased demand for eco-friendly practices, social responsibility, and transparency in sourcing. Culinary trends continue to favor creative, scratch-made food, expanded plant-based options, and food and beverage offerings that stand out from traditional menus. For events and banquets, clients are seeking more customized packages, unique themes, interactive food experiences, and flexible setups that reflect their personal style.

These trends present meaningful opportunities for River Oaks to further enhance service quality, speed, and guest satisfaction, while ensuring our clubhouse operations remain innovative, efficient, and aligned with the evolving expectations of today's customers.



CLUBHOUSE GOALS: Over the next five years, the clubhouse aims to significantly strengthen its financial performance, guest experience, and operational efficiency. Our primary goals include reaching \$1.5 million in annual sales by 2030, increasing our wedding business to an average of 25 weddings per year, and growing our overall number of events by 5 percent each year. Operationally, we plan to reduce labor expenses to 45 percent and maintain food costs at approximately 33 percent through improved controls, menu engineering, and strategic purchasing. At the same time, we will continue expanding the use of technology; including QR code ordering and enhancements within the Toast POS

system; to increase speed of service, improve accuracy, and elevate the customer experience throughout the clubhouse.

COMPETITIVE OVERVIEW: Below is an overview including available rates of wedding venues in the surrounding area. The data reveals that, we offer competitive rates compared to area venues with similar status.

Venue Name	Wedding Rental Cost	Ceremony Fee	Required Security or Setup/Cleanup Cost	Capacity	Able To Host Ceremony	In House Catering	Food & Beverage Minimum	Average Buffet Cost
Cedarhurst Mansion	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Confluence	\$10,000+	\$2,000+	Included	300	Yes	Yes	N/A	N/A
Hastings Golf Club	\$6,000	\$500 + \$4/chair	Included	250	Yes	Yes	N/A	\$29-\$36
Historic John P Furber Farm	\$10,295	Included	\$1,500	500	Yes	No	N/A	N/A
Hope Glen Farm	\$3,495+	\$3,495+	Included	300	Yes	No	N/A	N/A
Oak Glen Golf Club	\$2000 - \$6,500	\$500	Included	400	Yes	Yes	N/A	N/A
Oak Marsh Golf Course	\$3,200	\$600 - \$995	Included	300	Yes	Yes	\$5,000	N/A
River Oaks Golf Course	\$6,000	\$1,500	Included	225	Yes	Yes	\$4,500	\$30
Prestwick Golf Club	\$8,000+	N/A	Included	250	Yes	Yes	N/A	N/A
Tinucci's	N/A	N/A	Included	225	No	Yes	N/A	N/A
Wexford	\$4,000-\$6,000	\$750+	Included	400	Yes	Yes	N/A	N/A

****All rates are based on a Saturday event from May-October**

PROJECTED UPGRADES TO THE CLUBHOUSE:

Over the next five years, planned clubhouse improvements focus on elevating the guest experience and expanding our event and entertainment capabilities. Key enhancements include creating a more dynamic and comfortable patio environment, developing a flexible outdoor event space, and exploring the addition of a speakeasy-style venue to offer a unique and memorable gathering spot. These upgrades will strengthen River Oaks' appeal as a year-round destination for dining, social events, and community engagement.

Market Analysis

Market Analysis: 2026–2030

The golf, events, and food-and-beverage markets continue to evolve, and River Oaks is well-positioned to take advantage of emerging trends over the next five years. National participation in golf remains strong, with growth across multiple age groups and particularly among younger players. Industry data indicates that millions of golfers between 18–34 are actively engaged in the sport, and juniors; especially girls and minority youth; represent one of the fastest-growing segments. Female participation continues to rise, and senior golfers remain one of the most frequent-playing demographics. With golfers averaging over a dozen rounds per year nationally, and heavy play among older players, River Oaks can continue to attract a multi-generational audience through improved practice facilities, course modernization, and experience-driven programming.

In the events market, consumer behavior is increasingly shaped by personalization, convenience, and technology. Venue selection is heavily influenced by online reviews, word-of-mouth referrals, and search-driven discovery. Event planners now prioritize high-quality service, reasonable pricing, and strong technological capabilities such as Wi-Fi, AV systems, and digital planning tools. Weddings continue to be researched and booked primarily online, and couples increasingly seek venues that offer unique spaces, flexible packages, and memorable experiences. With ongoing improvements to the River Oaks event center, outdoor spaces, and food and beverage offerings, there is significant opportunity to grow weddings, corporate events, and social gatherings.

Restaurant trends also align favorably with River Oaks' direction. Quality remains the dominant driver for dining decisions, while consumers increasingly value creativity, scratch-made offerings, and plant-forward menu options. Technology plays a major role in shaping guest expectations; customers now expect online research, digital menus, efficient POS systems, and fast, accurate ordering; areas where solutions like QR-code ordering and Toast POS enhancements can strengthen speed of service and satisfaction. At the same time, high operating costs challenge restaurants nationwide, making efficiency, labor management, and menu engineering essential for long-term sustainability.

Taken together, these trends underscore strong opportunities for River Oaks to grow over the next five years by leveraging technology, expanding customer-focused amenities, elevating the golf and event experience, and aligning clubhouse operations with modern expectations. By continuing to invest in course improvements, personalized event offerings, and innovative food and beverage service, River Oaks is poised to strengthen its competitive position and expand its appeal to both golfers and non-golfers across the region.

INDUSTRY TYPE:

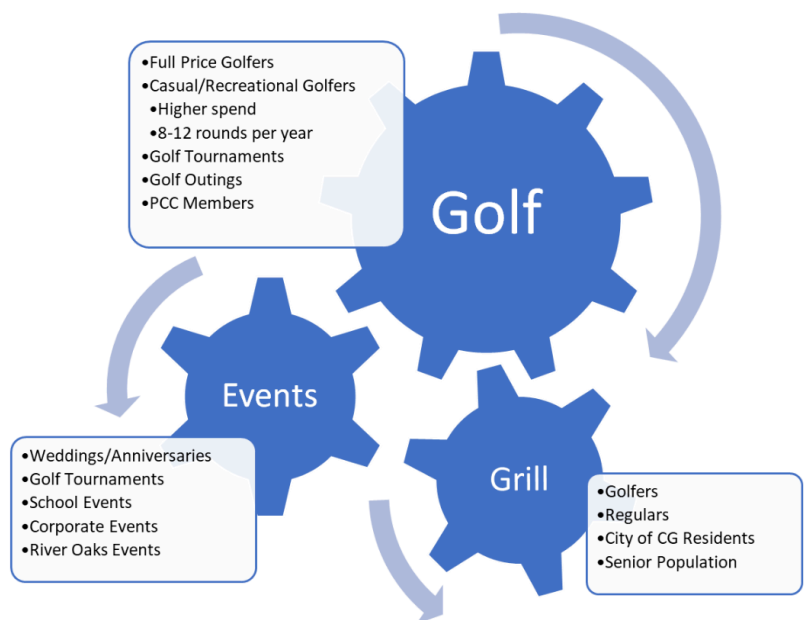
River Oaks operates in the golf and hospitality industries, with golfers and events serving as our primary revenue drivers. The Minnesota Golf Association lists approximately 160 golf courses throughout the Twin Cities region, creating a competitive landscape where facilities must differentiate through course conditions, customer experience, value, and amenities. Despite this level of competition, River Oaks continues to draw golfers from across the metro, demonstrated by our growth to **over 45,000 rounds in 2025** - a significant increase from the 33,000 rounds played in 2019. This upward trend reinforces our growing reputation and the appeal of our course, clubhouse, and outdoor amenities.

Within the events market, River Oaks competes with more than 500 venues across the Twin Cities, ranging from high-end luxury spaces to budget-friendly community halls. River Oaks falls within the reasonably priced category, offering excellent value by pairing competitive rates with a beautiful event center, scenic surroundings, and strong service quality. This positioning, combined with continued demand for weddings, corporate functions, and social gatherings, places River Oaks in a favorable position to grow event business over the next five years.

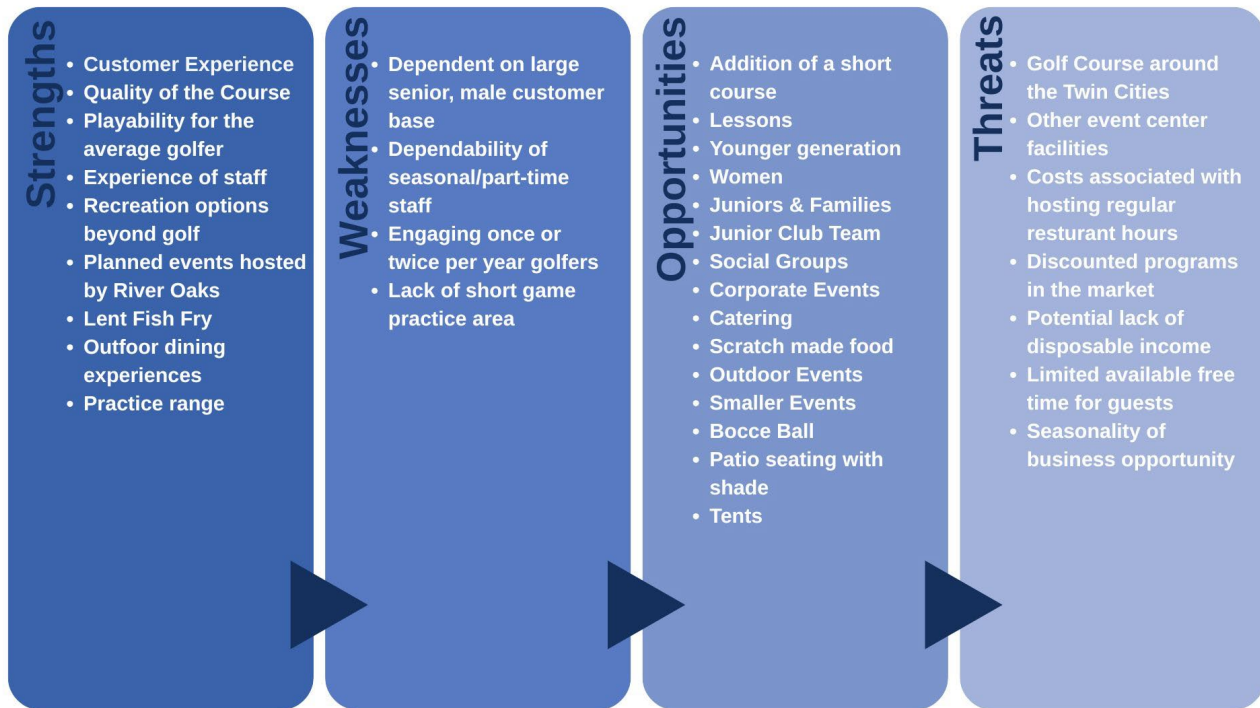
When considering food and beverage, the region's dining market is broad and highly competitive, with more than a thousand options available to consumers. Given our more remote location, The Eagles Bar & Grill functions as a seasonal destination, attracting guests with its unique setting, patio overlooking the course, and outdoor recreation amenities. Our strongest markets include golfers, local residents, and visitors from surrounding neighborhoods seeking a relaxed, scenic outdoor dining experience.

Collectively, these market dynamics show that River Oaks is well-positioned for continued growth. Strong golf demand, competitive advantages in event value, and a distinctive dining experience support long-term success as we continue modernizing facilities, expanding programming, and improving the overall guest experience.

MARKET SEGMENTATION: River Oaks has a broad range of target markets based on the three main functions of the facility. Overall, golf is the main source of revenue for the business with the lowest cost of doing business. Events with controlled expenses is our second most successful source of revenue. The grill has the highest variable costs associated with it thus making it the most challenging revenue source. Because we have a great facility and improving equipment, we continue to strive to improve our grill sales performance to non-golfers. Below is a breakdown by department of our target markets.



SWOT ANALYSIS:



STRENGTHS: Our main strengths are built on the customer experience and the quality of our golf course. We have long-term, experienced staff who know the customers by name and take pride in working at River Oaks. We also have built a reputation of dependability through our hosted events and other options that keep people coming back to visit.

WEAKNESSES: River Oaks has a largely senior, male customer base. Our practice facilities would benefit from improvement to the short game areas. Also, a majority of our staff is seasonal and although some have been here long term, we do have high turnover rates in some departments.

OPPORTUNITIES: There are untapped golf markets for us in the younger generations, women, juniors, and families. We have a great \$10 junior golf program that starts everyday two hours before dark where the junior and adult can golf all the holes they can get in for \$10. Adding a junior club team to our facility will also help to increase attracting junior golfers to the course. The addition of a short course and more lesson opportunities could help us tap into these markets. Targeting social groups and some of the local corporations for hosting off site events are also an opportunity that we need to approach. Increasing our catering business is a possibility because of the kitchen expansion. The kitchen expansion will also help us realize a savings in food costs with being able to easily prepare scratch-made food instead of having to purchase items premade. People are also now looking to host outdoor events and smaller events which we believe suits our facility well.

THREATS: Competition is always a threat and comes from other golf courses, event centers, and restaurants in the area. Operating the grill for regular hours beyond the golf season remains a challenge as we attempt to meet customer, community and performance indicator needs. We continue to study this area to identify methods for improvement. Specific to golf services, although we can't control disposable income or the amount of free time of our guests, we can

avoid discounting fees and programs by providing experience value to our guests. The market has shown that once a course gets involved in the discount game, it is tough to maintain customers that pay regular rates.

Marketing & Sales Overview

KEY MESSAGES: Our facility tagline is “Elevating Golf, Dining, and Community Experiences”. Our focus is to create a great customer experience from the time a customer walks in the door to the time they leave our facility. That is true on the course, at an event, or in The Eagles Bar & Grill.

MARKETING ACTIVITIES: River Oaks has been working on branding and keeping up with the importance of AI Search and how LLM’s are controlling customer searches. A key focal point of that effort includes providing a clear and concise message about who we are and what a customer can expect when coming to River Oaks. Below is a chart of ongoing marketing activities. Specifics for each category are provided in the second chart.



Social Media

- Producing videos regularly
- Creating branded, original content regularly
- Paid advertisements

Word of Mouth/Referrals

- Starts by the guest having a great customer experience
- We need to start asking more for reviews and referrals

Search Engine Optimization

- Skol Marketing does an annual review for us to maintain our SEO

Website

- Maintaining a consistent message and branding
- Updating as things get changed, moved, added, or deleted
- Regularly mainting event calendar and online store for purchasing options

Facility Technology

- Digital sign on Highway 61 with varying messages based on what is happening at the facility
- State of the art GPS and bluetooth enabled golf carts with on screen advertising
- Handheld POS system
- Social indoor digital advertising boards in the bathrooms

Pay Per Click

- Skol Marketing manages our PPC
- We have a focus on golf during the golf season
- We have a focus on weddings all year long

Email Campaigns

- Working on getting all of guests in silos and segments to be able to target specific groups - targeting, segmentation, and automation of emails
- Can quickly create email campaigns with our partnership with TeeSnap

Cold Calling

- Reaching out to personal contacts to develop them into leads

Cottage Grove Reports

- Consistently providing information to be included each month
- Creating a reminder to all city residents that we are an ammenity for them with many different offerings

CG Area Chamber of Commerce

- Developing a partnership to become the go to facility to host events
- Networking ability with the business of Cottage Grove and surrounding areas

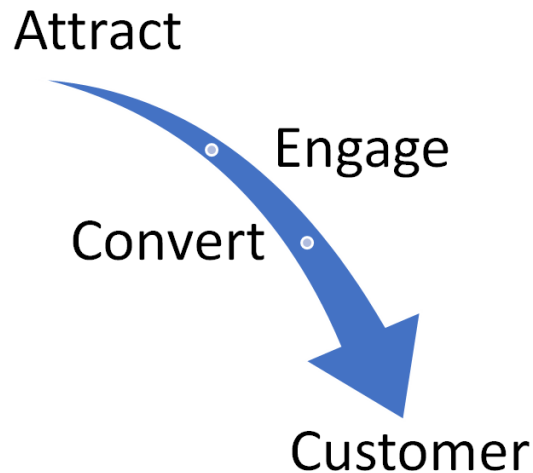
SALES STRATEGY: We strive to build a brand that is based on customer experience. We want to create a customer experience that is open to all. Every guest interaction we have is working to build that brand. We are a golf course first and foremost but with the addition of other areas of entertainment at our facility, we are able to target families and a younger generation with a fun, less traditional atmosphere where non-golfers can come for an enjoyable experience.

Building the River Oaks brand includes getting our logo on items en masse and into the hands of our customers. The logo to the left is what we have been promoting through different branded items that are for purchase in our golf shop. You will see the same logo used throughout our marketing and around the course and facility including on carts, flags, entry doors, uniforms, etc.



Branding our facility requires training of our staff to be able to sell the brand, the facility, and the experience to our guests. For every potential sale there needs to be a staff member who is qualified to sell every aspect of the experience to the guest. We hold ongoing training for our staff members on selling and improving the customer experience.

When we are looking at sales, there are three main steps to gaining a customer. Those include attracting the right guests, engaging them where they are, and converting them to become a customer.



ATTRACT: River Oaks utilizes all of the tools listed in our marketing plan to attract customers

ENGAGE: We engage customers by building relationships with them through presenting our brand, asking questions and actively listening. Part of this step is adding value to an experience without necessarily expecting anything in return.

CONVERT: In this step, we overcome objections and ask for the sale. Once a guest becomes a customer and sees value in the experience and services provided, that is when we seek reviews and referrals. These conversions to be a part of our core customer family is what keeps the business solvent.

2026 – 2030 Projections

PROJECTIONS:

	2026	2027	2028	2029	2030
Golf Shop					
Revenue	\$2,237,000	\$2,326,480	\$2,419,539	\$2,516,321	\$2,616,974
Expense					
- Personal Services	\$515,000	\$530,450	\$546,364	\$562,754	\$579,637
- Commodities	\$32,000	\$32,960	\$33,949	\$34,967	\$36,016
- Contractual	\$450,000	\$463,500	\$477,405	\$491,727	\$506,479
- Capital	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000
- Financing					
Total Expense	\$1,017,000	\$1,046,910	\$1,077,717	\$1,109,449	\$1,142,132
Maintenance					
Revenue	\$0	\$0	\$0	\$0	\$0
Expense					
- Personal Services	\$545,000	\$561,350	\$578,191	\$595,536	\$613,402
- Commodities	\$152,000	\$156,560	\$161,257	\$166,095	\$171,077
- Contractual	\$86,520	\$89,116	\$91,789	\$94,543	\$97,379
- Capital	\$125,000	\$175,000	\$225,000	\$155,000	\$170,000
- Irrigation	\$92,812	\$137,000	\$138,375	\$134,625	\$135,750
- Financing					
Total Expense	\$1,001,332	\$1,119,026	\$1,194,611	\$1,145,798	\$1,187,609
Clubhouse					
Revenue	\$1,300,000	\$1,404,000	\$1,516,320	\$1,637,626	\$1,768,636
Expense					
- Personal Services	\$682,000	\$702,460	\$723,534	\$745,240	\$767,597
- Commodities	\$38,000	\$39,140	\$40,314	\$41,524	\$42,769
- Contractual	\$512,000	\$527,360	\$543,181	\$559,476	\$576,261
- Capital	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000
- Financing					
Total Expense	\$1,252,000	\$1,288,960	\$1,327,029	\$1,366,240	\$1,406,627

Overall					
Revenue	\$3,537,000	\$3,730,480	\$3,935,859	\$4,153,946	\$4,385,609
Inv Interest Revenue	\$20,000	\$22,500	\$25,000	\$27,500	\$30,000
Expense	\$3,270,332	\$3,454,896	\$3,599,357	\$3,621,487	\$3,736,368
Credit Card Fees	\$76,772	\$79,075	\$81,447	\$83,891	\$86,408
Profit/Loss	\$209,896	\$219,009	\$280,054	\$476,069	\$592,834

Revenue based on 4% growth in the golf and 8% growth in the clubhouse year over year
Expense based on 3% growth for personal services, commodities, and contractual expenses

CONCLUSION: River Oaks strives to remain fiscally responsible while providing many amenities to our customers. Our goal is to grow revenue faster than expenses while continuing to maintain the quality of the course, facility, and the customer experience.



TO: Board of Directors, Cottage Grove Convention and Visitors Bureau

FROM: Alexa Anderson, Communications Specialist
Courtney Pirsig, Communications Specialist
Phil Jents, Communications Manager

DATE: Ma 28, 2026

RE: Convention and Visitors Bureau Events Update

Background/Discussion

June 18-21: Strawberry Fest, Strawberry Fields Marketplace

Details: Discover Cottage Grove, along with other organizations and businesses, will be at Cottage Grove's Strawberry Festival Marketplace from 4-9 p.m. on Friday, June 19 and 10 a.m.-6 p.m. on Saturday, June 20.

Marketing: Ad will be placed in Minnesota Monthly magazine's May/June edition, social media posts including general event postings and individual event postings, social media paid ad campaign, Explore MN events calendar, Discover Cottage Grove events calendar and monthly e-newsletter, Cottage Grove Reports insert in May edition (including Strawberry Fest coloring contest).

Giveaway Items: Backpacks filled with a Visitor Guide, DCG beachball, a DCG cup, DCG luggage tag, and Food Truck Festival information. We will be there answering questions about Cottage Grove. There will be DCG bendy pencils on hand to giveaway.

July 12-18: Patio Week

Details: Discover Cottage Grove, along with businesses, will be hosting its 2nd Annual Patio Week. During the week, DCG will highlight and market area businesses, promote residents and visitors to head outside and enjoy a patio, as well as any other relevant specials and promotions that that business has running.

Marketing: DCG will place paid social ads similar to last year to promote the event. Additionally, and new this year, DCG will be working with TrueLens Community Media to run a brief trailer for Patio Week. This ad will run leading up to Patio Week and serve as a primary beacon to gain attention to the upcoming Patio Week.

September 19: Cottage Grove Food Truck Festival Hosted by DCG

Details: Discover Cottage Grove will have a booth set-up at the Food Truck Festival from 11 a.m.- 6 p.m. on Saturday, Sept. 19, talking with people about the upcoming fall events.

Marketing: Social media posts, social media event creation, social media paid ad campaign, City of Cottage Grove website, Discover Cottage Grove website, City of Cottage Grove Reports monthly newsletter to homes, Discover Cottage Grove monthly e-newsletter to subscribers, Explore MN events calendar, Discover Cottage Grove events calendar.

Giveaway Items: There will be giveaways at the booth of DCG beachballs, DCG cups, and DCG luggage tags, along with Visitor Guides.

Other Events

- 4th of July Fireworks on Sunday, July 5th at Kingston Park
- Labor Day Sports Festival
- Hometown Holiday on Thursday, December 3
- Holiday Train: date TBD

Recommendation

Receive the Cottage Grove Convention and Visitors Bureau events information.



TO: Board of Directors, Cottage Grove Convention and Visitors Bureau

FROM: Phil Jents, Communications Manager
Samantha Drewry, Code Enforcement Officer

DATE: May 28, 2026

RE: Rentalscape – Short-Term Rentals

Background

There has been a noticeable increase in short-term rental activity within the City of Cottage Grove. Short-term rentals (defined by City code as rented for fewer than 30 consecutive days at a time) are required to obtain a rental license, similar to long-term rental properties, and are required to pay the City's lodging tax, which is currently 3% of the revenue they generate.

There has not been an efficient way to identify unlicensed short-term rentals due to the nature of listing platforms such as Airbnb and VRBO. These websites typically do not display exact property addresses until a reservation is confirmed, which limits staff's ability to determine the precise location of a listing. The Rentalscape program was introduced as a tool specifically designed to identify and track short-term rental properties and was implemented in January 2025 to identify unlicensed short-term rentals.

Overview

A monthly report through Rentalscape identifies short-term rentals that may not be licensed through the city. To date, the program has identified 38 short-term rental properties, 11 were already properly licensed with the City, and 27 did not have an active City rental license at the time they were identified, however, 15 of these do not require a rental license for reasons such as it is a hotel, owner occupied and only renting out a room or no longer an active rental on any short-term rental platforms.

13 of the properties that have been identified as unlicensed by Rentalscape are now licensed by the City or are currently in the process of obtaining one. Staff are updating the Rentalscape system to reflect these changes.

The use of Rentalscape provides better insight into Cottage Grove's short-term rental market, and when coupled with the Department of Revenue (DOR) conducting lodging tax collections on behalf of the City, this two-pronged approach is a helpful combination when identifying properties, getting them into compliance, and ensuring that lodging taxes are collected appropriately by the DOR.

To that end, DOR lodging tax collections and the implementation of this Rentalscape software both began in 2025. When comparing lodging tax collections between 2024 and 2025, the City

saw a slight increase in collections of \$993.71 from 2024 to 2025. This could be caused by several factors, including but not limited to:

- An increase in visitors to Cottage Grove
- An increase in room rates driving overall collections slightly upward
- An increase in occupancy rates
- An increase in number of properties generating lodging tax collections, i.e. more short-term rentals

Currently, while Rentalscape does not offer clear data about occupancy rates for short-term rentals, the City is in the process of clarifying the data the software does provide. As noted previously, the software has identified properties as short-term rentals that are no longer active on short-term rental platforms. At this time, it is unclear if those properties are factored into the data on occupancy.

As the City continues to identify short-term rental properties via Rentalscape, it will be sending a list of those properties to the MN DOR periodically to ensure that all known short-term rental properties are remitting lodging taxes to the state.

Recommendation

Receive Rentalscape – short-term rentals update.



TO: Board of Directors, Cottage Grove Convention and Visitors Bureau

FROM: Phil Jents, Communications Manager

DATE: May 27, 2026

RE: CVB Website Redesign Update

Discussion

As part of the CVB's strategic plan, the Discover Cottage Grove website, hosting service, and design has been under a redesign by W.A. Fischer.

City of Cottage Grove staff solicited feedback from various City departments, researched several other DMO websites, and consulted with W.A Fischer on the best approach to the new CVB website.

The team at W.A Fischer has collectively 60 years' experience combined in web and marketing experience in the tourism industry specifically, they have worked with other well-established DMOs in Minnesota.

The newly designed CVB website takes into account a fresh and modern design aesthetic, accessibility best practices, providing interesting content designed to inspire a visit, and better embracing SEO within copy across the site.

City staff are happy to report a very positive experience working with an incredibly talented, professional, and prompt team at W.A Fischer. While staff are monitoring the project closely, things are looking great so far.

At the CVB board meeting on June 2, 2026, a presentation showing updated design elements and a draft of the redesigned website will be given so that board members will see the direction this project is going.

No action of the board is required at this time, but feedback is always helpful and appreciated either during the board meeting or provided via email.

With more feedback from the CVB board and from City staff, the newly designed CVB website should be ready for an official launch toward the end of Q2 or beginning of Q3 in 2026.

Recommendation:

Receive update on CVB Website Redesign.



TO: Board of Directors, Cottage Grove Convention and Visitors Bureau

FROM: Phil Jents, Communications Manager

DATE: May 27, 2026

RE: 2026 Q1 Lodging Tax and Revenue Collection

Discussion

2026 Q1 Lodging Tax Collections

The 2026 budget used a 63% occupancy rate when calculating our 2026 lodging tax projections. The Minnesota Department of Revenue (DOR), on behalf of the City of Cottage Grove, has collected Q1 lodging tax and received the following amounts:

2026 Q1 Lodging Tax Collections for the City of Cottage Grove

Rental Month	Gross Revenue Amount	Administrative Cost	Net Amount Paid
January	6,137.00	(55.23)	6,081.77
February	4,622.00	(41.60)	4,580.40
March	3,934.00	(35.41)	3,898.59

The net total of the 2026 Q1 lodging tax collections received from the DOR is \$14,560.76. The ongoing administrative cost of the DOR lodging tax collections for Q1 was \$132.24 (or roughly >1% of the lodging tax collections).

For comparison:

- 2025 Q1 Lodging tax collections were: \$13,194.00
- 2026 Q1 Lodging tax collections were: \$14,560.76

Recommendation:

Receive 2026 Q1 lodging tax collection information.



TO: Board of Directors, Cottage Grove Convention and Visitors Bureau

FROM: Phil Jents, Communications Manager

DATE: May 27, 2026

RE: 2027 Preliminary Budget Approval

Background

Revenue

Projections of 63% occupancy were used when forecasting for 2027 lodging tax revenue, estimating the total to be \$71,550.00 in revenue. For 2027, the recommendation is to continue the projected occupancy and use a 63% occupancy rate for budgeting total lodging tax revenue which would give a projected revenue of \$71,550.00.

It is estimated that the advertising in the Visitors Guide in 2027 will be \$4,500 which helps offset the cost of printing the Visitors Guide.

Added for 2027 are estimates for the Food Truck Festival. Based on projections, it is estimated that the CVB will collect \$15,000 in food truck and marketplace vendor payments and \$8,000 from sponsorships of the event.

Expense

As in previous years, expenses are being broken out into three separate categories: marketing, operations, and other. Marketing expenses are core to the organization's mission of, *"promoting Cottage Grove as a premier destination for leisure travelers, weddings and outdoor enthusiasts, a recognized and successful host city for meetings and conventions, and a prominent and respected venue for sporting events."*

Marketing Expenditures	
Website Hosting/Domain	\$1,680.00
Collateral Development and Printing	\$7,000.00
Marketing and Local Events	\$6,430.00
Food Truck Festival	\$20,000.00
Social Media Advertising/Marketing Online	\$9,390.01
Professional Services	\$629.36
Other Types of Advertising (Magazines, Billboards, etc.)	\$3,680.00
Total Marketing Expense	\$48,809.37

In total, marketing expenses for 2027 are at \$48,809.37. Website hosting is budgeted at \$1,680 for 2027. Printing of the Visitors Guide for 2027 is estimated to be \$7,000. Expenses related to the Food Truck Festival are budgeted to be \$20,000. Other types of advertising, including the brochure programs at the Mall of America, have been budgeted at \$3,680.00. Professional Services has been budgeted at \$629.36 and includes transcription services. Social media will continue to be the focus for the CVB's marketing efforts, so \$9,390.01 has been budgeted to maintain the presence of the CVB on social media.

The second expense category is operations and represents the funds needed to carry out the mission of the Visitors Bureau.

Operating Expenditures	
Communication Specialists Salary and Benefits	\$24,600.00
Postage	\$800.00
Supplies	\$300.00
Credit Card Fees	\$100.00
Continuing Education/Classes/Seminars	\$2,560.00
Dues/Subscriptions	\$2,210.00
Administration Fee (City of Cottage Grove)	\$3,577.50
Contractual Services (City of Cottage Grove)	\$16,993.13
Total Operating Expense	\$51,140.63

Many of the operations expenditures are for day-to-day expenses like office supplies and postage that equal \$1,100. For 2027, the Visitor Bureau will continue its membership with the Minnesota Tourism Association (MNTA, formerly MACVB) for \$410, \$1,800 for the Deckard Technologies Rentalscape software (total cost for this subscription is shared between the CVB and Community Development), and has \$2,560.00 budgeted for continuing education which includes attending the MNTA annual conference. \$3,577.50 is budgeted as the 5% administrative fee that is paid back to the city for facilitating the CVB. Contractual services to the city of 25% covers services like accounting, audit, clerical and legal services and totals \$16,993.13. Finally, the largest expense is for a portion of the salary and benefits of the two Communication Specialist positions for a total of \$24,600.

With a total revenue projection of \$99,950.00 and total expenses projected at \$99,950.00 in 2027, the 2027 preliminary budget is balanced. As staff prepare the final budget, those numbers could change, but the goal will be a thoughtful budget that always strives towards being balanced.

Recommendation

Approve the 2027 Cottage Grove Convention and Visitors Bureau preliminary budget.

Attachments:

CGCVB 2027 Preliminary Budget Worksheet

Cottage Grove Convention and Visitors Bureau
2027 Budget Worksheet

PRELIMINARY BUDGET

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	2026 Budget	Notes
Revenue															
Lodging Tax at 3%															
3840 Lodging Tax	\$ 4,250.00	\$ 5,000.00	\$ 5,000.00	\$ 5,600.00	\$ 7,000.00	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00	\$ 5,700.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 71,550.00	\$72,276.00	Based on a 63% occupancy rate
Total Lodging Tax Revenue	\$ 4,250.00	\$ 5,000.00	\$ 5,000.00	\$ 5,600.00	\$ 7,000.00	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00	\$ 5,700.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 71,550.00		
Other Revenue															
3324 Grants													\$ -	\$2,000.00	
3574 Visitors Guide Ad Sales	\$ 4,500.00												\$ 4,500.00	\$5,095.00	
3575 Food Truck Fest Food Vendor Payments						\$ 3,225.00	\$ 5,225.00	\$ 5,225.00	\$ 2,225.00				\$ 15,900.00	\$8,750.00	
3812 Food Truck Fest Donations and Sponsors						\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00				\$ 8,000.00	\$2,750.00	
3816 Refunds & Reimbursements													\$ -		
Total Other Revenue	\$ 4,500.00	\$ -	\$ -	\$ -	\$ -	\$ 5,225.00	\$ 7,225.00	\$ 7,225.00	\$ 4,225.00	\$ -	\$ -	\$ -	\$ 28,400.00		
Total Revenue	\$ 8,750.00	\$ 5,000.00	\$ 5,000.00	\$ 5,600.00	\$ 7,000.00	\$ 13,225.00	\$ 15,225.00	\$ 15,225.00	\$ 9,925.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 99,950.00		
EXPENSES															
Personal Services															
4100-4144 Salary, PERA, FICA, Health Insurance	\$ 2,050.00	\$ 2,050.00	\$ 2,050.00	\$ 2,050.00	\$ 2,050.00	\$ 2,050.00	\$ 2,050.00	\$ 2,050.00	\$ 2,050.00	\$ 2,050.00	\$ 2,050.00	\$ 2,050.00	\$ 24,600.00	\$87,790.00	10% of salary and benefits for 2 positions
Total Personal Services	\$ 2,050.00	\$ 2,050.00	\$ 2,050.00	\$ 2,050.00	\$ 2,050.00	\$ 2,050.00	\$ 2,050.00	\$ 2,050.00	\$ 2,050.00	\$ 2,050.00	\$ 2,050.00	\$ 2,050.00	\$ 24,600.00		
Commodities															
4200 Office Supplies / Equipment													\$ -	\$120.00	
4210 OP Supply - Other	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 300.00	\$240.00	
Total Commodities	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 300.00		
Contractual Services															
4300 City of Cottage Grove (5% Administration Fee)	\$ 212.50	\$ 250.00	\$ 250.00	\$ 280.00	\$ 350.00	\$ 400.00	\$ 400.00	\$ 400.00	\$ 285.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 3,577.50	\$3,613.80	automatically calculated based on lodging tax
4300 Contractual Services [City of Cottage Grove (25%)]	\$ 1,009.38	\$ 1,187.50	\$ 1,187.50	\$ 1,330.00	\$ 1,662.50	\$ 1,900.00	\$ 1,900.00	\$ 1,900.00	\$ 1,353.75	\$ 1,187.50	\$ 1,187.50	\$ 1,187.50	\$ 16,993.13	\$17,165.55	automatically calculated based on lodging tax
4300 Contractual Services/Professional Services		\$ 157.34			\$ 157.34			\$ 157.34			\$ 157.34		\$ 629.36	\$240.00	transcription services
4305 Website Hosting/Domain	\$ 140.00	\$ 140.00	\$ 140.00	\$ 140.00	\$ 140.00	\$ 140.00	\$ 140.00	\$ 140.00	\$ 140.00	\$ 140.00	\$ 140.00	\$ 140.00	\$ 1,680.00	\$1,380.00	
4309 Credit Card Fees									\$ 100.00				\$ 100.00	\$1,380.00	
4311 Postage	\$ 67.00	\$ 67.00	\$ 67.00	\$ 67.00	\$ 66.00	\$ 66.00	\$ 66.00	\$ 66.00	\$ 67.00	\$ 67.00	\$ 67.00	\$ 67.00	\$ 800.00	\$720.00	
4340 Collateral Development & Printing	\$ 7,000.00												\$ 7,000.00	\$8,000.00	updated based on 2026 cost
4341 Social Media Advertising/Marketing Online	\$ 782.50	\$ 782.50	\$ 782.50	\$ 782.50	\$ 782.50	\$ 782.50	\$ 782.50	\$ 782.50	\$ 782.50	\$ 782.50	\$ 782.51	\$ 782.50	\$ 9,390.01	\$15,504.00	
4341 Other Types of Advertising (Magazines, Billboard, etc)	\$ 800.00	\$ 2,880.00											\$ 3,680.00	\$300.00	MOA travel wall \$800, Have Fun Biking \$2580
4401 Dues / Subscriptions	\$ 1,800.00					\$ 410.00							\$ 2,210.00	\$325.00	MNTA membership \$410 Rentalscape \$1,800
4403 Continuing Education/Classes/Seminars		\$ 1,990.00								\$ 570.00			\$ 2,560.00	\$1,750.00	EMN Conference 1,983; MNTA conf \$561
4434 Marketing at Local Events		\$ 130.00	\$ 5,000.00		\$ 1,300.00								\$ 6,430.00	\$6,625.00	Strawberry Fest, swag
4434 Food Truck Festival						\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00				\$ 20,000.00	\$13,650.00	
Total Contractual Services	\$ 11,811.38	\$ 7,584.34	\$ 7,427.00	\$ 2,599.50	\$ 4,458.34	\$ 8,698.50	\$ 8,288.50	\$ 8,445.84	\$ 7,728.25	\$ 2,997.00	\$ 2,584.35	\$ 2,427.00	\$ 75,050.00		
Total Expense	\$ 11,836.38	\$ 7,609.34	\$ 7,452.00	\$ 2,624.50	\$ 4,483.34	\$ 8,723.50	\$ 8,313.50	\$ 8,470.84	\$ 7,753.25	\$ 3,022.00	\$ 2,609.35	\$ 2,452.00	\$ 99,950.00		
Net Income	\$ (3,086.38)	\$ (2,609.34)	\$ (2,452.00)	\$ 2,975.50	\$ 2,516.66	\$ 4,501.50	\$ 6,911.50	\$ 6,754.16	\$ 2,171.75	\$ 1,978.00	\$ 2,390.65	\$ 2,548.00	\$ 0.00		