COTTAGE GROVE CITY COUNCIL April 17, 2024

11099 HIGHWAY 61
COTTAGE GROVE, MINNESOTA 55016

RIVER OAKS GOLF COURSE, EVENT CENTER AND EAGLES BAR AND GRILL- 5:00 PM

1 Call to Order

2 Agenda Item

A River Oaks Golf Course, Event Center and Eagles Bar and Grill Business Update

City Council Action Request

2.A.

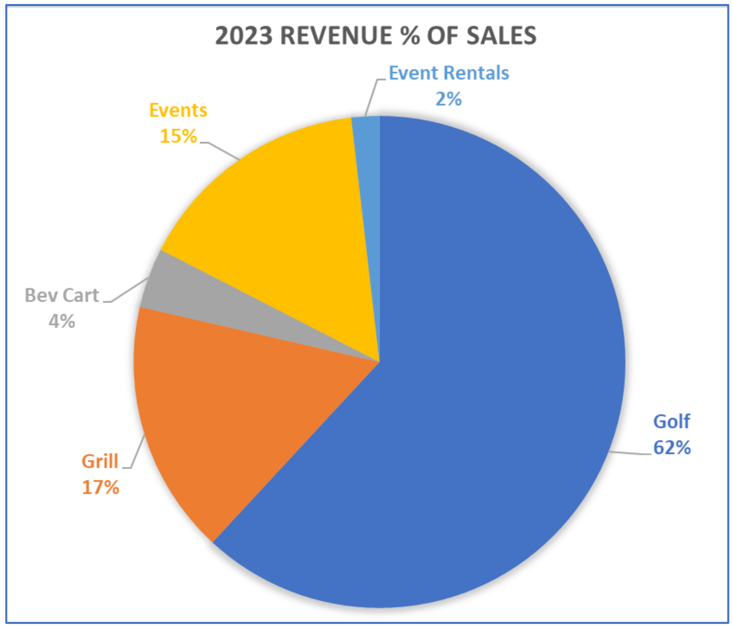
Meeting Date	4/17/2024
Department	Administration
Agenda Category	Action Item
Title	River Oaks Golf Course, Event Center and Eagles Bar and Grill Business Update
Staff Recommendation	Receive a presentation on the River Oaks Golf Course, Event Center and Eagles Bar and Grill Business Plan.
Budget Implication	N/A

Attachments

1.	River Oaks 2023 Recap
2.	2021-2025 River Oaks Business Plan 01.15.21

2023 Recap

2023 Performance Update



WHO WE ARE: We offer many services at River Oaks Golf Course and Event Center. For almost thirty years, River Oaks has focused on serving the communities golf, event center, grill, and outdoor recreation needs. Although all elements of the business are important to a successful and sustainable operation, it is important to note that golf is considered the keystone due to its direct and indirect revenue potential that supports the entire business.

Over the past five years, our focus has been on creating an excellent customer experience. Maintaining this is the responsibility of all departments and employees at the course. For customers who trust us by spending their money for golf, events, or in the grill, we want to make sure each person's needs are taken care of during every aspect of their time with us.

OPERATIONAL STRUCTURE: The River Oaks Golf Course and Event Center business model continues to evolve to meet the needs of our customers while also adapting to rapidly changing employment expectations within the industry. Finding the right skill set and quantity of staff to deliver our service expectations has become increasingly challenging in an operation that relies so heavily on seasonal and itinerant staffing.

Over the last 5 years, River Oaks has experienced revenue growth from \$1.5M to \$3.1M. Because we are a service industry, revenue growth needs the support of additional personnel services. Historically, we have met service growth needs by utilizing seasonal and part-time staff. However, as wages for these positions escalate rapidly, it is becoming apparent that investing into full-time employees will achieve a more stable operation and increase our service levels with nominal financial impact to our expenses.

By moving to a more full-time based staffing matrix, we have seen the following benefits:

- Recruit and retain superior talent.
- Reduce unemployment expenses.
- Increase cross-training across skilled positions.
- Reduce exposure to coverage concerns from employee illness, departure or other.
- Reduce exposure to employee burnout and turnover.
- By splitting the events and grill positions, we can drive equal focus to both operations to assure consistent service levels, innovation and growth.
- Grow all three pillars (Golf, Grill, Events) of the business to better serve the community.

It is important to note that River Oaks places great value on cross-training employees across the multiple functions of the facility. We would expect all employees to have sufficient knowledge to support services to golf, grill and events regardless of job title.

PAYROLL: Although our payroll has increased approximately 57.2% since 2016, our payroll as a percent of revenue has decreased 26.0% over the same time period. Our goal by 2025 is to have overall payroll at 45% of revenue or less.

	2016	2017	2018	2019	2020	2021	2022	2023
Payroll								
Golf	$248,636	$171,035	$169,982	$187,136	$328,100	$301,859	$405,446	$409,816
Maintenance	$305,135	$323,561	$325,905	$339,697	$367,115	$412,652	$408,823	$459,648
Clubhouse - Eagles & Events	$398,990	$364,380	$468,765	$517,030	$321,965	$502,173	$506,812	$628,429
Gratuity	$47,541	$53,601	$78,803	$92,229	$39,350	$85,607	$106,710	$142,972
Overall Payroll	**$952,761**	**$858,976**	**$964,652**	**$1,043,863**	**$1,017,180**	**$1,216,684**	**$1,321,081**	**$1,497,893**
Revenue								
Golf	$913,204	$904,791	$953,407	$1,082,834	$1,382,187	$1,615,297	$1,604,818	$1,811,718
Maintenance	$0	$0	$0	$1,879	$0	$0	$0	$4,519
Clubhouse - Eagles & Events	$558,471	$554,275	$777,317	$885,027	$481,294	$833,232	$991,292	$1,206,167
Total Revenue	**$1,471,675**	**$1,459,066**	**$1,730,724**	**$1,969,740**	**$1,863,481**	**$2,448,529**	**$2,596,109**	**$3,022,404**

Payroll as a Percent of Revenue								
Golf	60.6%	54.7%	52.0%	48.6%	50.3%	44.2%	50.7%	47.9%
Clubhouse - Eagles & Events	68.8%	62.1%	55.8%	53.6%	63.9%	55.7%	45.2%	45.7%
Overall	**63.6%**	**57.3%**	**53.6%**	**50.7%**	**53.6%**	**47.9%**	**48.8%**	**47.1%**

FINANCIAL PERFORMANCE: River Oaks has been seeing steady growth in our revenue since 2016. Our revenue has grown over 51% from 2016 to 2023 while our expenses have grown by just over 39% during that same period.

	2016	2017	2018	2019	2020	2021	2022	2023
Golf Services								
Revenue	**$913,204**	**$904,791**	**$953,407**	**$1,084,713**	**$1,382,187**	**$1,615,297**	**$1,604,818**	**$1,816,237**
Expense								
- **Personal Services** - Golf Shop	$248,638	$171,035	$169,982	$187,136	$328,100	$301,859	$405,446	$409,816
- **Personal Services** - Maintenance	$305,135	$323,561	$325,905	$339,697	$367,115	$412,652	$408,823	$459,648
- **Commodities** - Golf Shop	$7,318	$5,508	$7,701	$6,318	$14,540	$34,882	$27,962	$21,956
- **Commodities** - Maintenance	$108,148	$106,910	$109,978	$111,833	$107,106	$136,239	$167,960	$167,011
- **Contractual** - Golf Shop	$123,571	$100,139	$113,142	$139,315	$171,614	$265,743	$276,271	$357,905
- **Contractual** - Maintenance	$45,149	$43,580	$38,109	$38,171	$47,137	$76,084	$64,992	$115,095
- **Capital** - Golf Shop	$0	$10,135	$0	$5,458	$0	$29,263	$8,500	$3,460
- **Capital** - Maintenance	$44,901	$67,198	$110,581	$82,097	$89,192	$104,470	$94,471	$9,108
- **Financing** - Golf Shop	$38,200	$0	$0	$42,061	$0	$0	$0	$5,480
- **Financing** - Maintenance	$0	$0	$0	$0	$0	$0	$0	$0
Total Expense	**$921,060**	**$828,066**	**$875,398**	**$952,086**	**$1,124,805**	**$1,361,192**	**$1,454,425**	**$1,549,479**

Clubhouse - The Eagles & Events								
Revenue	**$558,471**	**$554,275**	**$777,317**	**$885,027**	**$481,294**	**$833,232**	**$991,292**	**$1,206,167**
Expense								
- **Personal Services**	$398,990	$364,380	$468,765	$517,030	$321,965	$502,173	$506,812	$628,429
- **Commodities**	$33,774	$29,153	$32,651	$41,527	$19,710	$48,986	$44,370	$50,375
- **Contractual**	$297,672	$283,524	$341,641	$405,313	$235,911	$362,473	$421,692	$473,049
- **Capital**	$4,110	$43,195	$0	$6,422	$54,675	$36,049	$41,694	$17,818
- **Financing**	$0	$0	$0	$0	$0	$0	$0	$0
Total Expense	**$734,546**	**$720,252**	**$843,057**	**$970,292**	**$632,261**	**$949,681**	**$1,014,568**	**$1,169,671**

Overall								
Revenue	$1,471,675	$1,459,066	$1,730,724	$1,969,740	$1,863,481	$2,448,529	$2,596,109	$3,022,404
Inv Interest Revenue	$0	$0	$860	$428	$134	-$1,310	-$4,277	$0
Expense	$1,655,606	$1,548,318	$1,718,455	$1,922,378	$1,757,066	$2,310,873	$2,468,993	$2,719,150
Credit Card Fees	$24,256	$23,518	$28,997	$32,332	$42,389	$46,670	$49,423	$58,138
Profit/Loss	**-$208,187**	**-$112,770**	**-$15,868**	**$15,458**	**$64,161**	**$89,676**	**$73,417**	**$245,116**

Golf Services Recap

PAST PERFORMANCE:

	2016	2017	2018	2019	2020	2021	2022	2023
Golf Shop								
Rounds Played	28,479	29,561	30,193	33,382	40,116	41,096	40,574	42,637
Greens Fee Revenue	$583,429	$568,167	$628,606	$678,434	$680,538	$910,977	$925,901	$1,079,206
Average Greens Fee Per Round	$20.49	$19.22	$20.82	$20.32	$16.96	$22.17	$22.82	$25.31
Overall Dollars Per Player	$32.06	$30.60	$31.58	$32.44	$34.45	$39.31	$39.55	$42.59
Range Revenue	$46,670	$47,690	$50,963	$63,874	$94,688	$142,498	$145,523	$166,551
Golf Days	251	222	191	216	166	201	205	198
Rain Days	52	64	49	47	16	21	52	26

Maintenance Recap

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

	2016	2017	2018	2019	2020	2021	2022	2023
Maintenance								
Fuel	$17,929	$21,189	$26,511	$22,934	$15,133	$28,479	$43,340	$36,018
Fertilizer	$32,566	$32,170	$28,993	$29,016	$36,619	$31,279	$34,261	$43,102
Equipment Repair	$34,250	$27,088	$21,183	$19,235	$17,714	$27,473	$43,857	$35,976

Clubhouse – The Eagles & Events Recap

PAST PERFORMANCE:

	2016	2017	2018	2019	2020	2021	2022	2023
Rentals								
Rentals	**$15,511**	**$23,708**	**$30,026**	**$35,313**	**$16,589**	**$14,850**	**$52,302**	**$52,791**
Food - Cost of Goods Sold								
Cost of Goods	$132,029	$106,061	$132,558	$159,545	$74,586	$138,058	$167,545	$194,755
Revenue	$286,698	$286,737	$365,314	$436,956	$183,779	$353,026	$429,269	$552,955
Total Expense	**46.1%**	**37.0%**	**36.3%**	**36.5%**	**40.6%**	**39.1%**	**39.0%**	**35.2%**
Alcohol - Cost of Goods Sold								
Cost of Goods	$41,200	$49,716	$62,675	$67,107	$44,947	$74,977	$79,030	$88,400
Revenue	$182,386	$177,914	$263,525	$279,168	$198,543	$325,531	$336,577	$394,501
Total Expense	**22.6%**	**27.9%**	**23.8%**	**24.0%**	**22.6%**	**23.0%**	**23.5%**	**22.4%**
NA Beverages - Cost of Goods Sold								
Cost of Goods	$11,519	$12,009	$14,348	$17,006	$15,282	$24,479	$23,639	$31,453
Revenue	$23,503	$13,805	$33,139	$39,652	$41,633	$51,552	$64,578	$58,918
Total Expense	**49.0%**	**87.0%**	**43.3%**	**42.9%**	**36.7%**	**47.5%**	**36.6%**	**53.4%**
Overall Clubhouse - Cost of Goods Sold								
Cost of Goods	$184,748	$167,786	$209,581	$243,658	$134,815	$237,514	$270,215	$314,608
Revenue	$492,587	$478,456	$661,978	$755,776	$423,955	$730,109	$830,424	$1,006,374
Total Expense	**37.5%**	**35.1%**	**31.7%**	**32.2%**	**31.8%**	**32.5%**	**32.5%**	**31.3%**

2021 – 2025

Business Plan

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Executive Summary

River Oaks Golf Course, Event Center, and The Eagles Bar & Grill is a municipal golf course and entertainment facility owned by the City of Cottage Grove and run under the leadership of the Parks & Recreation Department. The vision of the facility is to provide a great customer experience at a rate of value to our guests. River Oaks strives to remain fiscally responsible while providing many amenities to our customers. We not only offer a well-maintained course, a beautiful event center, and a grill, we also offer programs that foster growth in the game of golf and events that draw golfers and non-golfers alike to River Oaks. The following 2019 event information and statistics provide insight into what a typical year looks like at River Oaks Golf Course, Event Center, and The Eagles Bar & Grill.

2019 Events & Statistics

River Oaks Hosted	***Key Statistics***
36 Golf Tournaments & Outings	33,382 Rounds Played
9 Weddings	22,727 Cart Rentals
36 River Oaks Sponsored Events	7,004 Range Admissions
136 Other Outside Events	84 Memberships
201 Adults For Lessons	368 River Oaks League Members
150 Juniors For Lessons	216 Playable Golf Days
6 River Oaks Golf Leagues	217 Total Events Hosted
3 External Golf Leagues	$15,458 Overall Profit

2020 Key Statistics

40,090 Rounds Played
27,219 Cart Rentals
10,868 Range Admissions
74 Memberships
423 River Oaks League Members
166 Playable Golf Days
$34.31 Average Spend Per Golfer

We learned a lot about our business operations in dealing with COVID-19 in 2020 and being responsive to all of the required restrictions. With the adjustments we had to make in 2020, we saw event revenue negatively impacted with losses of over $500,000 in estimated event revenue. We were able to control staffing costs by moving the golf shop into the clubhouse which in turn showed an increase in food and beverage purchased by golfers. The clubhouse became a one stop shop for everything a golfer would need for their round; golf service, merchandise, food and beverage. In 2020, we served an average of 206 golfers per playable day which is an average of 52 more golfers than in 2019.

Our overall business goal in looking ahead from now until 2025 is to grow revenue faster than expenses while continuing to maintain the quality of the course, facility, and the customer experience. We are a revenue generating business for the city and realize increased revenue offers the greatest opportunity to reinvest back into the business to maintain relevancy in the market. River Oaks is in the business of golf and hospitality with golfers and events being our main source of revenue. Primary growth is most likely to come from increasing rounds of golf through targeting untapped markets and incremental golfer spending. We will also be pursuing social groups and corporate events along with continuing to support our current event partners, targeting new partners for events and catering, and hosting River Oaks sponsored events. We are looking to enhance our outdoor dining experience to continue to draw guests to The Eagles Bar & Grill. We will work to reduce expenses by controlling labor and food costs and maintaining a plan for smart spending while consistently improving the facility and grounds.

The 2021-2025 River Oaks business plan sets benchmarks to continually analyze performance against expectations. However, adaptability in the market and customer needs are a key part to the business plan and we must never let the plan overtake the focus and flexibility needed to be a better business for the community.

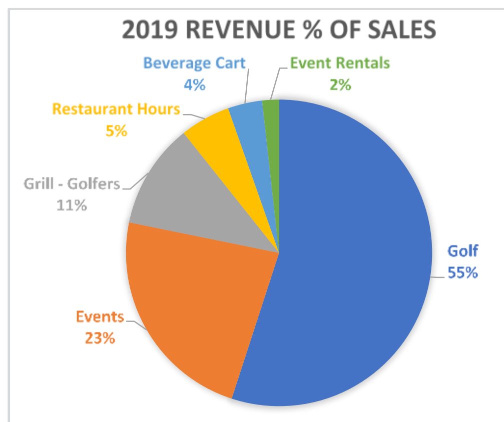
Company Overview & Past Performance

COMPANY SUMMARY: River Oaks boasts an 18-hole scenic golf course with a par of 71. There are 52 sand bunkers and three ponds located on the golf course. River Oaks Golf Course is a Golf Digest "4-1/2 Star Best Places to Play". Our clubhouse features a beautifully remodeled event center where we can host groups up to 225 people and The Eagles Bar & Grill including a patio overlooking the course with views of the Mississippi River valley. We are quickly becoming a go-to facility for social groups with the addition of bocce ball courts and an outdoor bar.

NEW MISSION STATEMENT: At River Oaks, we dedicate ourselves to create and maintain a venue where our guests can play hard, eat big, and create memories. Both on the course and off, our commitment to continuous innovation and improvement are centered around creating an exceptional guest experience for Cottage Grove residents and visitors in a welcoming and professional environment.

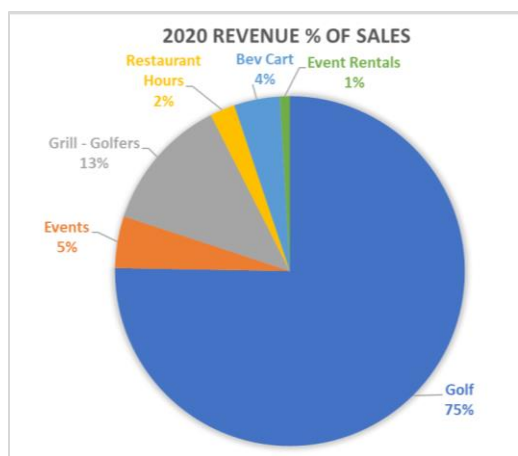
COMPANY HISTORY: Opened in July 1991, River Oaks is a municipal golf course that is owned by the City of Cottage Grove. The golf course is open to the public and is associated with various organizations including the Minnesota Golf Association (MGA), Public Country Club (PCC), and Golf Course Superintendents Association of America (GCSAA). In 2001, the golf course added the event center and grill which expanded our product offering to include weddings, outside events, and restaurant service. In 2019, we added an outdoor bar area and bocce ball courts with the goal of expanding our brand to become more of an outdoor recreation and entertainment destination. In 2020 we expanded our banquet kitchen with a goal of increasing our catering services.

WHO WE ARE: We offer many services at River Oaks Golf Course and Event Center. For almost thirty years, River Oaks has focused on serving the communities golf, event center, grill, and outdoor recreation needs. Although all elements of the business are important to a successful and sustainable operation, it is important to note that golf is considered the keystone due to its direct and indirect revenue potential that supports the entire business.



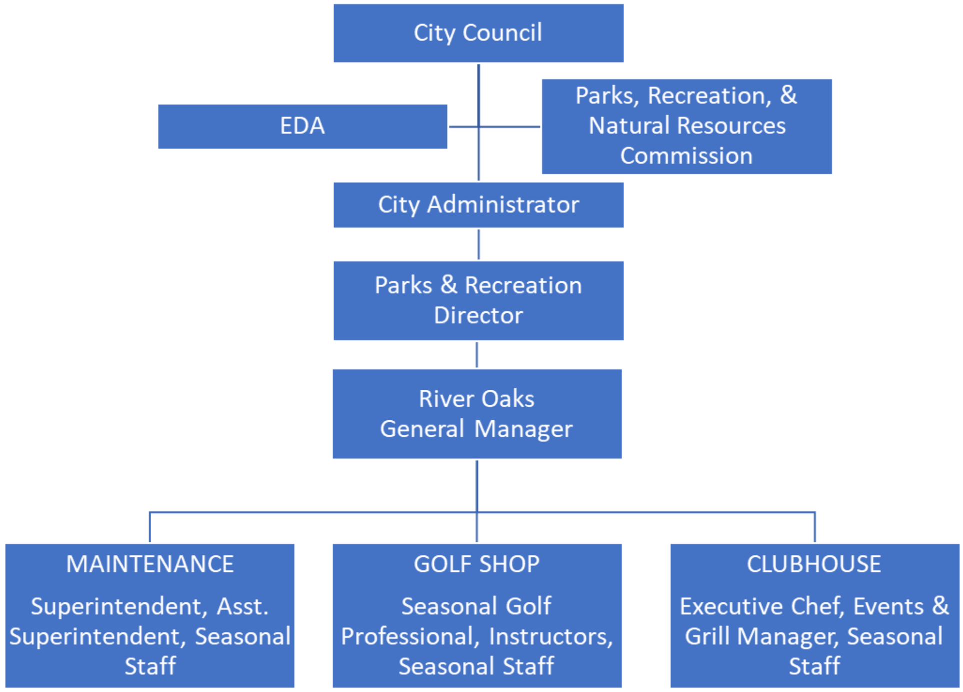
Over the past three years, our main focus has been on creating an excellent customer experience. Maintaining this is the responsibility of all departments and employees at the course. For customers who trust us by spending their money for golf, events, or in the grill, we want to make sure each person's needs are taken care of during every aspect of their time with us.

2020: Throughout 2020 we had to adjust to many changing COVID-19 restrictions placed on recreation/entertainment and food establishments. We opened for golf on April 18, about two weeks later than we would in a normal year; but golfers came out to play more than ever. Golf services has been carrying the financial load for River Oaks through 2020 with a great turnout on both the course and practice range. With capacity limits placed on events, most scheduled events were either cancelled or moved to 2021. The grill has also been under capacity limits so in order to control staffing and food costs, on June 1 we moved the golf shop into the grill area and focused on a limited food menu focused toward golfers.



OPERATIONAL STRUCTURE: River Oaks Golf Course and Event Center is managed and maintained by five full time staff which include one General Manager, one Superintendent, one Assistant Superintendent, one Executive Chef, and one Events and Grill Manager along with one seasonal Golf Professional. We also employ over 80 seasonal, part time staff members that support all departments within our facility.

Although our payroll has increased approximately 9.5% over the past four years, our payroll as a percent of revenue has decreased roughly 13% over the same time period. Our goal by 2025 is to have overall payroll at 45% of revenue or less.



	2016	2017	2018	2019	2020*
Payroll					
Golf	$248,636	$171,035	$169,982	$187,136	$321,292
Maintenance	$305,135	$323,561	$325,905	$339,697	$339,546
Clubhouse - Eagles & Events	$398,990	$364,380	$468,765	$517,030	$305,468
Gratuity	$47,541	$53,601	$78,803	$92,229	$39,350
Overall Payroll	**$952,761**	**$858,976**	**$964,652**	**$1,043,863**	**$966,306**
Revenue					
Golf	$913,204	$904,791	$953,407	$1,082,834	$1,369,783
Maintenance	$0	$0	$0	$1,879	$0
Clubhouse - Eagles & Events	$558,471	$554,275	$777,317	$885,027	$481,263
Total Revenue	**$1,471,675**	**$1,459,066**	**$1,730,724**	**$1,969,740**	**$1,851,046**
Payroll as a Percent of Revenue					
Golf	60.6%	54.7%	52.0%	48.6%	48.2%
Clubhouse - Eagles & Events	68.8%	62.1%	55.8%	53.6%	60.2%
Overall	**63.6%**	**57.3%**	**53.6%**	**50.7%**	**51.2%**

*2020 as of 11/30/2020

FINANCIAL PERFORMANCE: River Oaks has been seeing steady growth in our revenue since 2016. Our revenue has grown almost 34% from 2016 to 2019 while our expenses have grown by just over 16% during that same time period. In 2019 River Oaks showed a profit of $15,458.

	2016	2017	2018	2019	2020*
Golf Services					
Revenue	**$913,204**	**$904,791**	**$953,407**	**$1,084,713**	**$1,369,783**
Expense					
- **Personal Services** - Golf Shop	$248,638	$171,035	$169,982	$187,136	$321,292
- **Personal Services** - Maintenance	$305,135	$323,561	$325,905	$339,697	$339,546
- **Commodities** - Golf Shop	$7,318	$5,508	$7,701	$6,318	$13,877
- **Commodities** - Maintenance	$108,148	$106,910	$109,978	$111,833	$105,153
- **Contractual** - Golf Shop	$123,571	$100,139	$113,142	$139,315	$172,508
- **Contractual** - Maintenance	$45,149	$43,580	$38,109	$38,171	$41,652
- **Capital** - Golf Shop	$0	$10,135	$0	$5,458	$338
- **Capital** - Maintenance	$44,901	$67,198	$110,581	$82,097	$89,192
- **Financing** - Golf Shop	$38,200	$0	$0	$42,061	$0
- **Financing** - Maintenance	$0	$0	$0	$0	$0
Total Expense	**$921,060**	**$828,066**	**$875,398**	**$952,086**	**$1,083,558**

Clubhouse - The Eagles & Events					
Revenue	**$558,471**	**$554,275**	**$777,317**	**$885,027**	**$481,263**
Expense					
- **Personal Services**	$398,990	$364,380	$468,765	$517,030	$305,468
- **Commodities**	$33,774	$29,153	$32,651	$41,527	$18,910
- **Contractual**	$297,672	$283,524	$341,641	$405,313	$221,347
- **Capital**	$4,110	$43,195	$0	$6,422	$62,057
- **Financing**	$0	$0	$0	$0	
Total Expense	**$734,546**	**$720,252**	**$843,057**	**$970,292**	**$607,781**

Overall					
Revenue	$1,471,675	$1,459,066	$1,730,724	$1,969,740	$1,851,046
Inv Interest Revenue	$0	$0	$860	$428	$51
Expense	$1,655,606	$1,548,318	$1,718,455	$1,922,378	$1,691,340
Credit Card Fees	$24,256	$23,518	$28,997	$32,332	$42,227
Profit/Loss	**-$208,187**	**-$112,770**	**-$15,868**	**$15,458**	**$117,529**

*2020 as of 11/30/2020

Department Overview – Golf Services

Past Performance:

	2016	2017	2018	2019	2020*
Golf Shop					
Rounds Played	28,479	29,561	30,193	33,382	40,090
Greens Fee Revenue	$583,429	$568,167	$628,606	$678,434	$835,118
Average Greens Fee Per Round	$20.49	$19.22	$20.82	$20.32	$20.83
Overall Dollars Per Player	$32.06	$30.60	$31.58	$32.44	$34.31
Range Revenue	$46,670	$47,690	$50,963	$63,874	$94,688
Golf Days	251	222	191	216	166
Rain Days	52	64	49	47	16

*2020 as of 11/30/2020

Product And Service Offering: River Oaks Golf Course & Event Center offers a full array of golf related products and services to our guests.

Golf Course	Driving Range	Golf Tournaments & Outings
Memberships	Leagues	$5 Junior Golf
Group Lessons, Camps, & Clinics	Individualized Instruction	State Of The Art Golf Carts
Golf Related and Branded Merchandise	Regripping	Swing King

Trends In Golf: Golf has seen a rise in the use of technology for the sport including GPS, golf cart ads, and apps targeted at scorekeeping, swing analysis, and skill improvement. We also see technology increases in the form of booking tee times through a website or mobile bookings and experiences such as Top Golf which represents a technologically advanced social game of golf. Aside from technology, on course experiences and combo events, such as dinner and golf or lessons and a drink, are gaining popularity. Other trends that we see with golf include nomadic memberships, the return of short courses, and instituting monthly membership programs. There is also a trend to put more emphasis on including non-golfers in events such as adding bags tournaments along with shorter golf events such as six or nine-hole events.

Golf Services Goals: Below are the five-year goals for golf services.

- Grow rounds to 40,000 rounds per year
- Grow and maintain 60 golf tournaments 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

2020 Learnings: In navigating through COVID restrictions, we moved the golf shop into the clubhouse to control staffing expenses during the golf season. We learned that synchronizing all sales opportunities into one location resulted in golfers purchasing more product before and after their rounds. At the end of the season, we sent a survey and through the responses and in speaking to our golfers, there is a preference to move golf services back into the golf shop so we are moving forward with renovations to the golf shop in 2021.

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
Prestwick	4.3	$70.00	$39.00	$70.00	$39.00	$21.00	$16.00			N
Stoneridge	4.3	$69.00		$89.00	$59.00					N
Keller	4.5	$47.00	$25.00	$45.00	$27.00	$16.00	$16.00	$34.00	$12.50	N
Eagle Valley	4.3	$40.00	$26.00	$45.00	$32.00	$16.00	$12.00	$28.00	$12.00	N
Loggers Trail	4.2	$39.00	$24.00	$45.00	$23.00	$16.00	$14.00	$30.00	$16.00	N
Highland National	4.4	$36.00	$23.00	$39.00	$23.00	$17.00	$12.00	$24.00	$11.00	N
Inverwood	4.1	$36.00	$20.00	$43.00	$28.00	$20.00	$15.50	$26.00	$15.00	N
Manitou Ridge	4	$36.00	$22.00	$36.00	$21.00	$16.50	$16.50	$25.00	$13.00	N
Valleywood	3.8	$36.00	$24.00	$44.00	$30.00		$12.00	$20.00	$12.00	N
Summit	4.6	$35.00	$23.00	$38.00	$31.00	$16.00		$28.00		N
Hastings GC	4.5	$35.00	$20.00	$40.00	$25.00	$17.00	$14.00	$25.00	$10.00	N
River Oaks	**4.5**	**$35.00**	**$23.00**	**$37.00**	**$22.00**	**$17.00**	**$13.00**	**$24.00**	**$13.00**	**N**
Oak Marsh	4.2	$35.00	$20.00	$40.00	$18.67	$17.74	$11.67	$24.41	$11.76	N
Emerald Greens	4.1	$35.00	$23.00	$37.00	$14.00	$17.00	$13.00	$22.00	$12.00	N
Les Bolstad	4	$34.00	$18.67		$22.00	$17.00		$24.00	$10.00	N
Phalen	4.2	$33.00	$20.00	$36.00	$22.00	$17.00	$12.00	$24.00	$16.00	N
Como	4.2	$33.00	$20.00	$36.00	$22.00	$17.00	$12.00	$24.00	$16.00	N
Oak Glen	4.2	$32.00	$19.00	$38.00	$25.00	$16.00	$16.00	$36.00	Inc.	
Goodrich	4.2	$32.00	$21.00	$30.00	$21.00	$16.00	$16.00	$22.00	$12.50	N
Southern Hills	4.1	$32.00	$21.00	$41.00	$27.00	$23.00	$15.00	$24.00	$12.00	N
Bellwood Oaks	4.7	$30.00	$18.00	$34.00	$23.00	$18.00	$11.00	$23.00	$11.00	N
Hidden Greens	4.6	$30.00	$17.00	$34.00	$36.00	$18.00	Inc.	$20.00	$12.00	N
Stillwater Oaks	4.1	$29.00	$22.00	$34.00	$20.00	$12.00	$15.00	$19.00	$12.00	N
Cannon Falls CC	4.4	$28.00	$20.00	$34.00		$19.00		$18.00	$19.00	N
Clifton Highlands	4.6	$25.00	$17.00	$32.00	$23.00	$20.00	$9.00	$23.00	$10.00	N
Clifton Hollow	4.5	$25.00	$19.00	$31.00	$22.00	$18.00	$9.00	$22.00	$10.00	N
Gopher Hills	4.5	$22.00	$14.00	$27.00	$29.00	$20.00	Inc.	$17.00	$8.00	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.

- 2021 – Pro Shop upgrade including movable counter, carpet, seating, and merchandising fixtures
- 2022 – Practice range upgrade to add another tee box
- 2023 – Create chipping and pitching area to enhance our customer experience
- 2024 – Three-hole short course addition to enhance our customer experience
- 2025 – Golf Academy building development to include putting green, fitting area, technology for swing analysis during all seasons.

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: The golf industry as a whole is focused on reducing or improving the environmental impact of grounds maintenance and boosting technology opportunities for course maintenance. These trends include things such as GPS sprayers which results in a reduction of chemical applications, a reduction in water usage, new technology including nomadic mowers, cultivating no mow areas to include native landscaping plants and cultivating pollinator friendly areas. We have also looked to trends that can help us better allocate our staffing and equipment resources such as bunker and tree quantity reduction.

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

- Find efficiency in managing labor resources
- Design and replace irrigation system
- Reduce bunker count
- Redesign of holes 10 and 18 for both playability and maintenance improvement

2020 LEARNINGS: 2020 has brought many changes around the course but our maintenance crew has done a fantastic job of adjusting to the changes throughout the season. We heard nothing but compliments about the condition of the course even with the higher cart traffic because of the one person per cart restrictions. We took ancillary items off the course along with limiting garbage cans which saved time for our crew when mowing. We had employees on the course every week sanding and seeding which helped to maintain good golfing conditions even with the higher use. That maintenance habit also reduced the hours the equipment was used which lowers fuel and maintenance costs.

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

	2016	2017	2018	2019	2020*
Maintenance					
Fuel	$17,929	$21,189	$26,511	$22,934	$14,809
Fertilizer	$32,566	$32,170	$28,993	$29,016	$36,619
Equipment Repair	$34,250	$27,088	$21,183	$19,235	$20,492

*2020 as of 11/30/2020

In 2019, River Oaks obtained a new fleet of golf carts that reduced our fuel costs. A new GPS controlled chemical sprayer was purchased in 2018 which reduced our spending on chemicals. 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:

2021 Equipment	Golf ID	Trade-In Equipment	Age	Hours	Cost	Notes
Irrigation System/Land Management Architect Design					$20,000	
Tractor	402	John Deere 4600	21		$62,000	
Zero-Turn	45-8505-03	Exmark Lazer Z XP	20	~2,600	$15,000	
Greens Roller		New Purchase			$15,000	
					$112,000	

2022 Equipment	Golf ID	Trade-In Equipment	Age	Hours	Cost	Notes
**Irrigation Replacement					$100,000	
Aerator		New Purchase			$35,000	
Fairway Mower	209	Toro 5410	10	~3,000	$60,000	
Truck	55-5009-06	Dodge Ram 1500	16	~125,000m	$35,000	Work with Adam Moshier on options
					$230,000	

2023 Equipment	Golf ID	Trade-In Equipment	Age	Hours	Cost	Note
**Irrigation Replacement					$100,000	
Irrigation Maintenance Plan					$10,000	
All-Weather Utility Cart	114	Diahatsu	34	~23,500m	$45,000	
Bunker Rake	304, 305	John Deere 1200H	16	~3,000	$20,000	Trade in both John Deere 1200H
Utility Cart	124	John Deere E-Gator	17	~2,600	$16,000	
Utility Cart	125	John Deere E-Gator	17	~2,600	$16,000	
					$207,000	

2024 Equipment	Golf ID	Trade-In Equipment	Age	Hours	Cost	Note
**Irrigation Replacement					$100,000	
Rough Mower	250	Toro 4100-D	8		$60,000	
Utility Cart	121	John Deere 2030	23		$35,000	
					$195,000	

2025 Equipment	Golf ID	Trade-In Equipment	Age	Hours	Cost	Note
**Irrigation Replacement					$100,000	
Greens Mower	228	John Deere 2500B	8	~3,000	$50,000	
Greens Mower	229	John Deere 2500B	8	~3,000	$50,000	
Tee/Approach Mower	208	Toro 3100-D	22	~5,300	$50,000	
					$250,000	

Department Overview – Clubhouse – The Eagles & Events

PAST PERFORMANCE:

	2016	2017	2018	2019	2020*
Rentals					
Rentals	**$15,511**	**$23,708**	**$30,026**	**$35,313**	**$16,589**
Food - Cost of Goods Sold**					
Cost of Goods	$132,029	$106,061	$132,558	$159,545	$73,787
Revenue	$286,698	$286,737	$365,314	$436,956	$183,777
Total Expense	**46.1%**	**37.0%**	**36.3%**	**36.5%**	**40.1%**
Alcohol - Cost of Goods Sold					
Cost of Goods	$41,200	$49,716	$62,675	$67,107	$41,506
Revenue	$182,386	$177,914	$263,525	$279,168	$198,543
Total Expense	**22.6%**	**27.9%**	**23.8%**	**24.0%**	**20.9%**
NA Beverages - Cost of Goods Sold					
Cost of Goods	$11,519	$12,009	$14,348	$17,006	$15,280
Revenue	$23,503	$13,805	$33,139	$39,652	$41,633
Total Expense	**49.0%**	**87.0%**	**43.3%**	**42.9%**	**36.7%**
Overall Clubhouse - Cost of Goods Sold					
Cost of Goods	$184,748	$167,786	$209,581	$243,658	$130,572
Revenue	$492,587	$478,456	$661,978	$755,776	$423,953
Total Expense	**37.5%**	**35.1%**	**31.7%**	**32.2%**	**30.8%**

*2020 as of 11/30/2020

**At the beginning of the 2020 golf season, meat prices were very high and remaining inventory has not been taken into account

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: Trend analysis is extremely important for our Event Center to remain relevant to our customer base. A trend that never changes is extreme personalization for events and creating a unique experience for each occasion. Guests want services that are tailored to their preferences and see value in that personalization. Trends regarding the restaurant industry include exploiting technology, eco-friendly and social responsibility within the restaurant, scratch made and creative food, offering more plant-based proteins, and creating a food and beverage offering that is unique.

CLUBHOUSE GOALS: Below are the five-year goals for the clubhouse.

- Achieve $1.0 million in sales by 2025
- Increase our weddings to an average of 30 per year by 2025
- Grow our number of overall events by 5% year over year
- Reduce labor expense percentage to be 45% or less
- Reduce food cost percentage to be approximately 33% or less
- Continue to increase technological aspects within appropriate areas of the clubhouse

2020 Learnings: We had many restrictions on the food and beverage side of the business in 2020 due to the pandemic. We opened for golf on April 18 but were not able to serve food other than to go orders and we were not able to sell alcoholic beverages at the time. On June 1, we were able to start selling more food and start selling alcohol and moved the golf shop into the clubhouse with a limited menu and no regular restaurant hours (Friday and Saturday from 3-9pm) in order to control staffing expenses and social distance employees. Outdoor patio seating was popular in 2020 and will continue to be a focus for us as we move in to 2021 and work to recapture general public business when the weather permits.

The event center has been largely empty due to the capacity, food and beverage, and party restrictions that were placed on social gatherings by the state. Most events were either cancelled or moved into 2021 in hopes that restrictions would ease by that time. We estimate our lost event revenue in 2020 to be over $500,000.

2020 showed an increase in people looking to host events outside. In the time we were shut down to guests, we took the opportunity to update our outdoor wedding area and the bocce ball courts. We were also able to expand our banquet kitchen and add additional storage to allow for better social distancing between workers. This expansion allows us to expand revenue-generating services; in particular catering services and multiple party events.

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 wedding 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
Hope Glen Farm	$9,500	Included		300	Yes	No		$30
Historic John P Furber Farm	$8,995	Included	$1,500	500	Yes	No	$5,000	$30
Cedarhurst Mansion	$5,000			200	Yes	Yes		
Hastings Golf Club	$2,500	$2.50-$4/chair			Yes	No		
Oak Marsh Golf Course	$2,000	$600	$250	300	Yes	Yes	$5,000	$26
StoneRidge Golf Club	$1,950	$750		300	Yes	Yes	$5,000	$31
River Oaks Golf Course	**$1,750**	**$750**		**225**	**Yes**	**Yes**	**$4,000**	**$21**
Prestwick Golf Club	$1,750			250	Yes	No		
Oak Glen Golf Club	$999	$399-$1,599		400	Yes	Yes	$6,000	$26
VFW	$800		$150	200		No		
Eagle Valley Golf Club	$750		$350	140		No		

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

Projected Upgrades To The Clubhouse: Over the course of the next five years, upgrades to the facility include:

- 2021 – Kitchen equipment updates and upgrade to the outdoor bar area
- 2021 – Sun blocking shades over the patio area
- 2022 – Patio update including expansion for additional seating
- 2023 – New carpet in the clubhouse and new upright oven
- 2024 – New divider wall in the Event Center
- 2025 – Clubhouse interior design update and kitchen equipment

Market Analysis

INDUSTRY STATISTICS:

GOLF: According to the National Golf Foundation, approximately 24.3 million people played golf on a course in 2019 which includes about 2.5 million who played golf for the first time. At courses across the US, the biggest age segment, 6.1 million of these participants, are between the ages of 18-34 years old. Juniors account for 2.5 million players of which 36% of the juniors are girls and more than one quarter are minority juniors. There were roughly 5.6 million female on-course golfers of all ages in 2019. There were approximately 441 million rounds played in 2019 with golfers playing an average of 18.2 rounds per year. Senior golfers (65+) played an average of 36 rounds in 2019 while golfers aged 18-34 played an average of 12 rounds.

EVENTS: In 2019, 69% of event planners chose a venue based on word of mouth recommendations while 58% overall used search engines to find a venue. High prices at venues annoyed 47% of event planners while 44% are most irritated by poor WIFI. Available event technology is more important than ever with about 53% of planners requiring some technology. Nationwide, conferences and trade shows are the most common meeting type with these representing 23% of the event market. 41% of these event organizers are planning dinner and awards ceremonies. As far as weddings, 88% of planning is done online. 21% of couples hold their reception at a banquet hall, followed by 18% at a barn/farm venue, and 12% at a historical building. (Sources: WeddingWire, Concierge, and Event Manager)

RESTAURANT: 13% of consumers consider themselves brand loyal to restaurants. Food quality over everything else is what drives 72% of diners' decision when choosing a restaurant. 90% of restaurant guests research online before visiting a restaurant with 33% reading other guest's reviews before selecting where to eat. Technology is extremely important in the restaurant industry with 68% of customers agreeing that it improves the restaurant experience. Digital menu boards, handheld POS systems, and digital ordering are included in these trends. 53% of millennials look for new experiences when choosing a place to eat. 41% of restauranteurs say high operating costs are the biggest challenge in this business. (Sources: Net Waiter, Upserve, Small Business Genius)

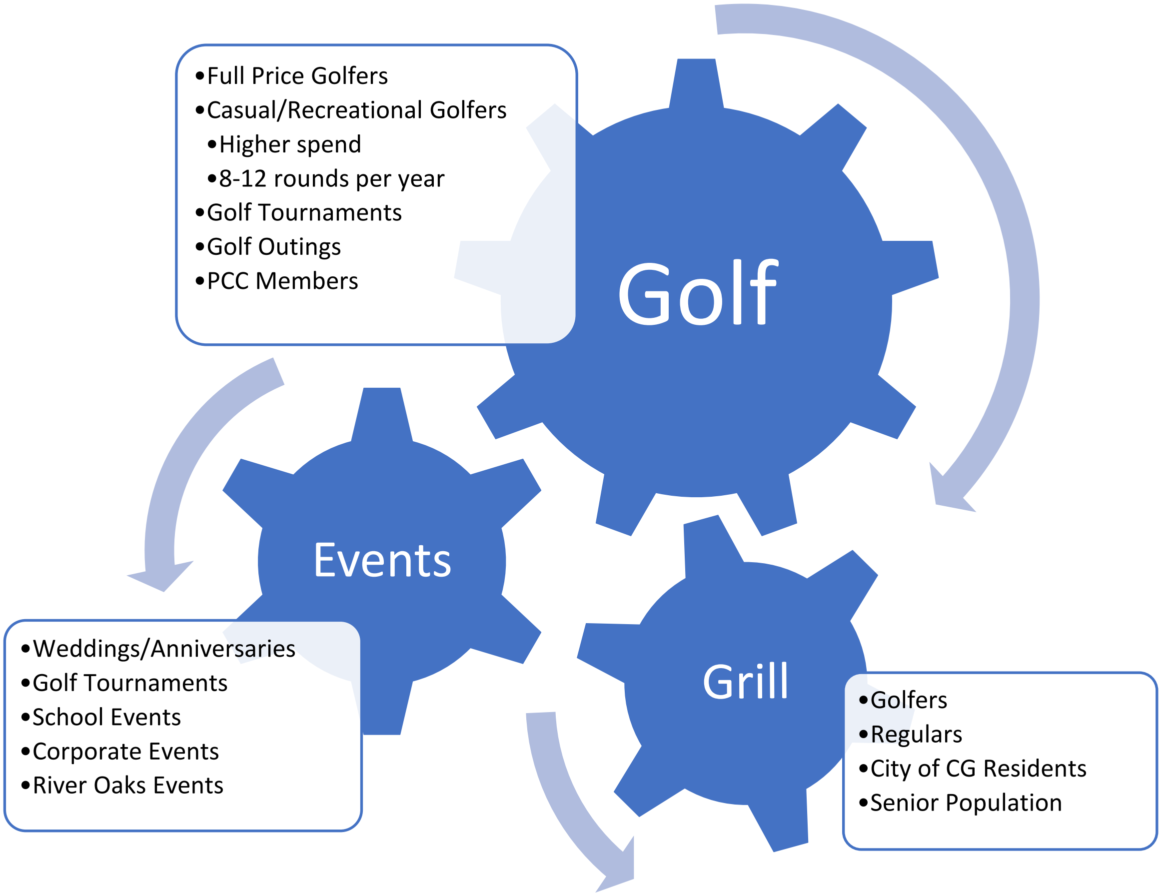
INDUSTRY TYPE: River Oaks is in the business of golf and hospitality with golfers and events being our main source of revenue.

The Minnesota Golf Association website shows that there are approximately 160 golf courses of all types around the Twin Cities. Golf courses tend to draw from a population of golfers that are willing to drive to participate in the sport. With over 33,000 rounds at River Oaks in 2019, golfers have come from all over the Twin Cities to play at golf.

According to eventective.com, there are more than 500 event venues of all kinds located around the Twin Cities. These range from extremely high priced to budget friendly venues. River Oaks falls within the reasonable priced category which appeals to a mass category of venue shoppers. However, our facility and service quality make hosted events at River Oaks an excellent value.

There are over a thousand metro dining options for guests. Because our location is remote, The Eagles Bar & Grill is a destination restaurant. We see it as a destination restaurant because of the patio seating and ambiance of being at the golf course with a spectacular view and our outdoor amenities. Our market focus is on golfers and residents of the city of Cottage Grove and surrounding neighborhoods.

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-golfer. Below is a breakdown by department of our target markets.



SWOT Analysis:

Strengths
- Customer experience
- Quality of the course
- Playability for the average golfer
- Experience of staff
- Recreation options beyond golf
- Planned events hosted by River Oaks
- Lent fish fry
- Outdoor dining experience
- Practice range

Weaknesses
- Dependent on large senior, male customer base
- Dependability of seasonal/part-time staff
- Engaging once or twice per year golfers
- Regular phone contact with customers
- Lack of a short game practice area

Opportunities
- Addition of a short course
- Lessons
- Younger generation
- Women
- Juniors & families - $5 junior golf
- Junior club team
- Social groups
- Corporate events
- Catering
- Scratch made food
- Outdoor events
- Smaller events
- Bocce ball
- Patio seating with shades
- Tents

Threats
- Irrigation system condition
- Golf courses around the Twin Cities
- Other event center facilities
- Costs associated with hosting regular restaurant hours
- Discounting programs in the market
- Potential lack of disposable income
- Limited available free time for guests
- Seasonality of business opportunity

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. A large group of our other golfers only golf here once or twice per year which could be helped by regular phone contact and direct marketing. We have not yet been able to tap into much of a millennial and junior base of customers. Also, a majority of our staff is seasonal and although some have been here long term, we do have high turnover rates in the grill.

Opportunities: There are untapped golf markets for us in the younger generations, women, juniors, and families. We have a great $5 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 $5. 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. The recent purchase of outdoor tents, updating of the outdoor space, and addition of four bocce ball courts with outdoor bar will help us accommodate these types of events as well.

Threats: Competition is always a threat and comes from other golf courses, event centers, and restaurants in the area. Our irrigation system consumes many maintenance labor hours and is about at the end of its life cycle. 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 "Play hard, eat big, and create memories". 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 rebranding for the past couple years. 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

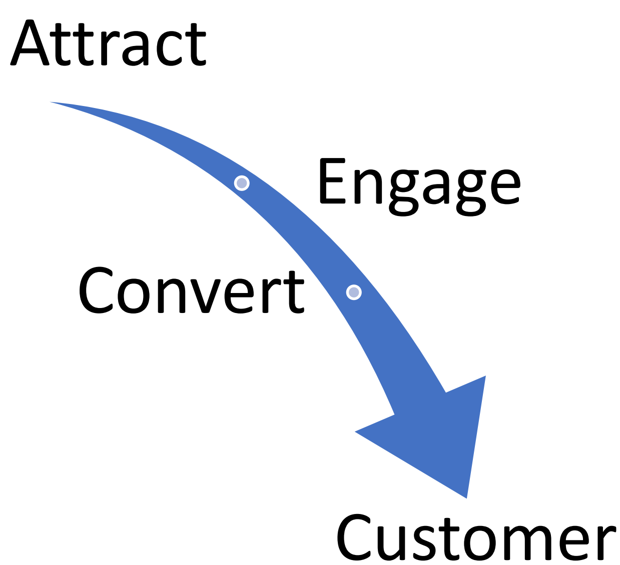
- Developing a partnership to become the go to facility to host events
- Networking ability with the business of Cottage Grove and surrounding areas

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 right 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.

2021 – 2025 Projections

PROJECTIONS: Coming off a year like 2020 makes it difficult to make projections. Utilizing 2019 financials accompanied by the goals of this business plan project our position from 2021 – 2025.

	2021	2022	2023	2024	2025
Golf Shop					
Revenue	**$1,212,500**	**$1,261,200**	**$1,311,648**	**$1,364,114**	**$1,418,678**
Expense					
- Personal Services	$190,100	$193,820	$197,696	$201,650	$205,683
- Commodities	$11,700	$12,000	$12,240	$12,485	$12,734
- Contractual	$197,900	$193,500	$197,370	$201,317	$205,344
- Capital	$38,000	$10,000	$100,000	$150,000	$30,000
- Financing					
Total Expense	**$437,700**	**$409,320**	**$507,306**	**$565,453**	**$453,762**
Maintenance					
Revenue	**$0**	**$0**	**$0**	**$0**	**$0**
Expense					
- Personal Services	$359,700	$364,000	$371,280	$378,706	$386,280
- Commodities	$129,320	$134,600	$137,292	$140,038	$142,839
- Contractual	$90,740	$64,500	$65,790	$67,106	$68,448
- Capital	$112,000	$230,000	$207,000	$195,000	$250,000
- Financing					
Total Expense	**$691,760**	**$793,100**	**$781,362**	**$780,849**	**$847,566**
Clubhouse					
Revenue	**$770,800**	**$832,500**	**$899,100**	**$971,028**	**$1,048,710**
Expense					
- Personal Services	$432,200	$441,000	$449,820	$458,816	$467,993
- Commodities	$30,900	$31,700	$32,334	$32,981	$33,640
- Contractual	$319,900	$337,800	$344,556	$351,447	$358,476
- Capital	$30,000	$35,000	$40,000	$60,000	$250,000
- Financing					
Total Expense	**$813,000**	**$845,500**	**$866,710**	**$903,244**	**$1,110,109**
Overall					
Revenue	$1,983,300	$2,093,700	$2,210,748	$2,335,142	$2,467,389
Inv Interest Revenue					
Expense	$1,942,460	$2,047,920	$2,155,378	$2,249,546	$2,411,437
Credit Card Fees	$32,526	$34,337	$36,256	$38,296	$40,465
Profit/Loss	**$8,314**	**$11,443**	**$19,113**	**$47,300**	**$15,487**

Revenue based on 4% growth in the golf shop and 8% growth in the clubhouse year over year
Expense based on 2% growth for personal services, commodities, and contractual expenses
**Irrigation replacement in 2022

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.