

Foresight Golf™
Exceptional Golf! Remarkable Value!!



Golf Course Annual Update to City Council



Council Presentation
June 14, 2016



Lease Timeline

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- Management Agreement
November 2010 – January 2011
- Lease Agreement began February 2011
- Lease Agreement (2011-2021)
- Completed Fifth Full Year



Financial Highlights

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- 2015 Rounds of Golf: 71,640 (2014: 72,305)
 - Oso Beach: 35,697
 - Lozano: 35,943
 - National Average for a Public Course: 33,000
- Net Operating Profit: \$144,735
- City Share of NOI: \$72,367.50



Financial Review

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Year	2014	2015	Difference
Revenue	\$2,454,726	\$2,430,554	(\$24,172)
Expenditures	\$2,339,261	\$2,285,819	(\$53,442)
Net Operating Profit	\$ 115,465	\$144,735	\$29,270
City Share of NOI - Rent	\$57,733	\$72,368	\$14,635



Great Course Conditions

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Lozano – Hole #17, #12, #6



Oso Beach – Hole #1, #13 #12



2016 Customer Satisfaction Survey Results

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Oso Beach – 94.1% Good or Excellent

Lozano – 93.2% Good or Excellent

Overall – 93.65% Good or Excellent

Up from 2015 - Oso Beach – 94.3% Lozano – 91.5%

Overall – 93.1% Good or Excellent



2015 Recap

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- Financial
 - Net Operating Income Share - \$144,735
 - Course revenues were again affected by inclement weather
 - Revenue per round \$35.87 was up slightly from \$35.43
- Rounds of Golf - 71,640
 - Days with 0 rounds sold: Oso Beach - 24, Lozano Golf Center - 26
 - Additional Days with less than 50 paid rounds: Oso – 38, Lozano - 46
 - Daily average for number of paid rounds: 99 per course
- Improved Course and Facility Conditions
 - Completed renovation/addition of new tees for the addition of a 5th set of tees at Lozano. New Course Yardage: Black – 7,027, Forest – 6609, Blue - 6,002, Stone – 5,387, and Copper – 4,518
 - Installed Drainage on Practice Range at Lozano



2016 Financial Goals

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- 2016 Operating Budget Targets
 - 💡 With better weather and new player outreach efforts, increase rounds of golf sold to 86,470.
 - 💡 Increase revenue per round to \$37.49 up from \$35.87.
 - 💡 Attain \$557,000 in net operating income.

- Through the 1st quarter of 2016, we are 4,244 rounds and \$162,696 in revenue ahead of the same period last year.

- Rounds per day in the first quarter averaged 115 per course.



2016 Course Improvement Plans

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- Purchase Necessary Replacement Golf Course Maintenance Equipment (with Capital Surcharge Fund)
- Facility Improvements
 - Utilizing Capital Surcharge Fund and Foresight Golf construction capability
 - Lozano
 - 🚩 Install or repair course drainage where needed
 - Oso Beach
 - 🚩 Renovate Sand Bunkers as was done at Lozano
 - 🚩 Install new set of tees with new course yardages of: Forest Green – 6223, Blue – 5728, Stone – 5,193, Copper – 4,220
- Work with The First Tee and community leaders to develop the First Tee Chapter of Coastal Bend



Foot Golf – A New Recreational Opportunity and Revenue Source for Corpus Christi!

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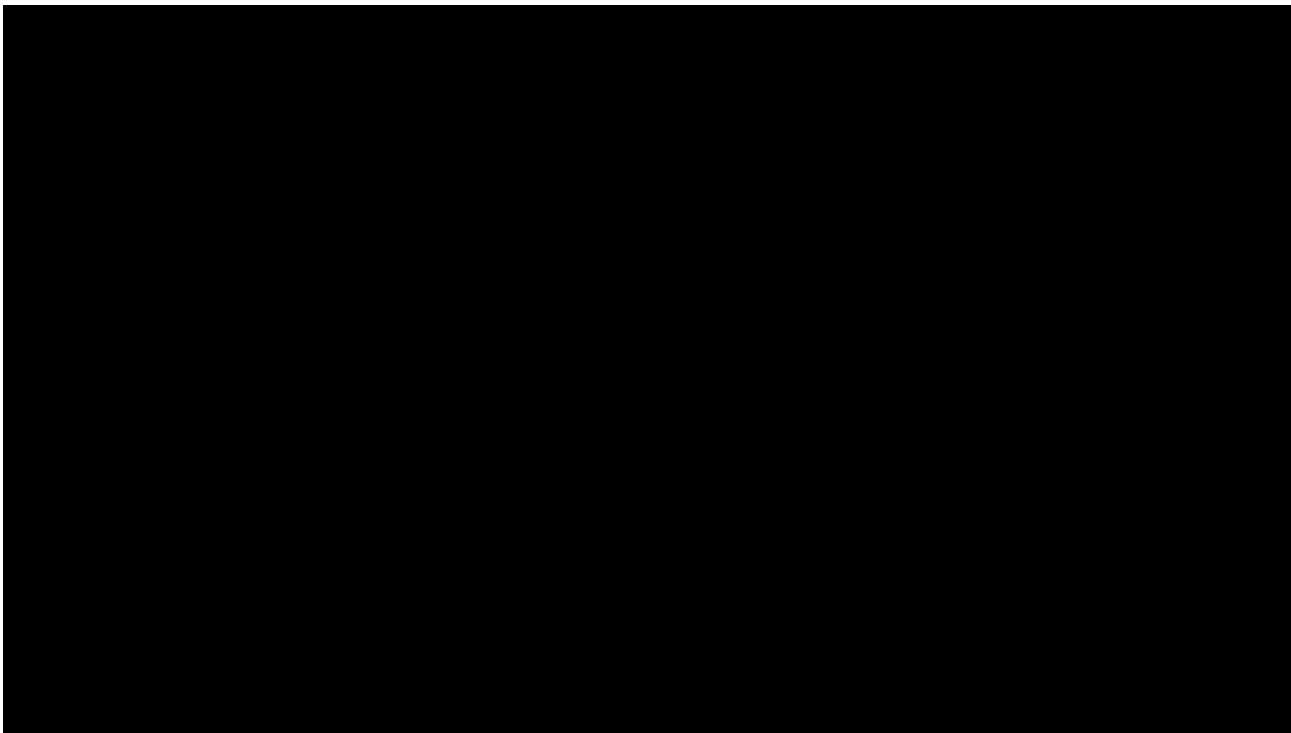


On The Executive Course at The Lozano Golf Center



Learn To Play Golf Outreach

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Questions?
