



**BRECKENRIDGE GOLF CLUB  
GOLF OPERATIONS DIVISION  
2019 ANNUAL REPORT**

**PRESENTED TO  
RICK HOLMAN, TOWN MANAGER**

**PREPARED BY  
ERROLL MILLER, DIRECTOR OF GOLF OPERATIONS**



## TABLE OF CONTENTS

<b>SUMMARY OF THE 2019 SEASON</b>	<b>PAGE 1</b>
<b>REVENUE TOTALS</b>	<b>2</b>
<b>ROUNDS OF GOLF STATISTICS</b>	<b>3</b>
<b>SEASON PUNCH CARD INFORMATION</b>	<b>4</b>
<b>ADVANCE RESERVATION BOOKINGS</b>	<b>5</b>
<b>CLUB PROGRAMS INFORMATION</b>	<b>6</b>
<b>MARKETING/PROMOTIONAL SUMMARY and YEARLY CHANGES</b>	<b>7</b>
<b>CHART OF REVENUES</b>	<b>8</b>
<b>CHART OF EXPENSES AND CAPITAL</b>	<b>9</b>



## SUMMARY OF THE 2019 SEASON

Golf course revenues generated during 2019 were the most on record; Total revenues for the golf fund are projected at \$2,993,231. The budgeted total was \$2,652,882. Last year was the previous record for revenues with \$2,886,354. The golf fund balance increase for 2019 will be approximately \$690,043. The golf fund balance is estimated to be at \$1,685,559 for the year end 2019. The Golf Enterprise Fund fully supports itself.

The golf course was realistically playable on 131 days (10 fewer than last year), there were 35,962 total rounds of golf played and an 18-hole equivalent of 29,164 rounds. This is 735 more rounds (18-hole equivalents) than last year. In practicality this is very near capacity. Last year 35,654 total rounds or 28,429, 18-hole equivalents were played over 141 days. Absolute maximum projected capacity levels are about 33,000, 18-hole equivalent rounds if every tee time was filled on every open day, which is unrealistic. This year the golf course was fully open with all 27-holes as all bunker and irrigation work has been completed. The extra tee times in helped us to our revenue totals.

We continue to offer golfers the ability to book any tee time online, for any date during the summer as far out as they would like. This option required credit card guarantee of their green fee at a slightly discounted rate (\$10 high season, \$6 low season). This option was only offered on a full rack rate. We sold 7,152 this year compared to 6,094 rounds last year. The total dollar amount of all Internet specials was \$649,756. Last year we brought in \$536,838 from internet bookings. This booking method has been increasing each year showing the power of the internet and how the customer books / shops. Looking forward to 2020, we are hopeful to capture payment for fees, not just "credit card guarantee", when the customer books their tee time. The vision is for our customer to be able to book online, as they do now, but collect payment up front at a discount. This would let the customer know the exact rate they are reserving for. This would negate a portion of the golfer check-in process and allow staff to concentrate on add-on sales or services. This method will also help eliminate staff errors.

Resident / Summit Card rounds were just slightly up over last season (142 rounds). Revenues were up by \$11,797. The assumption is that many card holders still have punches to use at the start of next season before the rounds expire.

Although not as busy as last year, our group outing business was good. A combination of corporate, wedding, and charity groups logged 1,659 total rounds. The golf course staff works with group outing coordinators helping the coordinator with the booking/event process. Each group must have at least 12 players to book using our group outing guidelines. Groups do receive a discount and we provide extra services. We hosted 53 groups this season.

Each year we try to bring on new ideas and delete any obsolete practices. There were no programming changes or deletions in 2019. This season we offered ten different golf / lesson programs. The programs are diverse and designed to reach a wide variety of golfers, from the new golfer to the most avid. These programs all enrich the golfers experience and help to grow the game of golf. Most all of our programs have been successful the past couple of years.

The 2018 clubhouse renovation continues to be well received by our golfers. The restaurant utilization for private dinner parties was much greater this season than in the past.

The overall golf industry is still seeing numerous golf course closures, but the number of player rounds industry wide has steadied and possibly even ticked up in 2019. The economic well-being of our community and our offerings at the golf course have helped with our revenues the past two years. I do not see a downturn unless it is weather or fire related. Although we recently completed numerous large capital expenditures and projects, the fund balance is growing again and we will need to identify other improvements in the near future.

## REVENUE TOTALS

- Even with a slow start due to poor weather in June, we broke last year's revenue records. Total golf fund revenues are estimated to be at \$2,993,231. This surpassed our budgeted number of \$2,652,882 by \$340,349. Last year we had revenues of \$2,886,354. The long term pro-forma shows the golf course will be able to totally fund itself while upgrading the course and facilities. **We continue to budget conservatively as any period of bad weather can have a significant impact to revenues.**
- Green fees ranged from a low season fee of \$67 to a high season fee of \$117 for 18-holes. Green fees for 9-holes were \$35 during low season and \$59 during high season. Cart fees were \$18/person for 18-holes and \$10/person for 9-holes.
- Resident Cards were sold for \$440 for 10 rounds. Summit / Park Cards were sold for \$265.
- The following chart shows revenue totals from Greens Fees, Cart Fees, Punch Cards and Driving Range with numbers from 2018 for comparison:

<u>Category</u>	<u>2018 Revenues</u>	<u>2019 Revenues</u>
Locals Discount Cards /Rounds.	\$537,522	\$549,319
Gift Certificates Sold	\$17,146	\$46,240
Daily Green Fees	\$1,295,457	\$1,344,735
Golf Cart Fees	\$435,124	\$442,103
<u>Driving Range Fees</u>	<u>\$106,686</u>	<u>\$106,253</u>
<b>Sub Totals</b>	<b>\$2,391,935</b>	<b>\$2,488,650</b>

(The large year over year increase in Gift Certificates is due to Grand Vacations buying a large number of prepaid vouchers).

- Total budgeted revenues in these categories for 2019 were \$2,190,565.
- Additional revenues from other retail/services include golf services \$18,985, lessons \$24,204 and golf shop sales \$400,927 for a total of \$444,116.
- Other income sources include; clubhouse lease payments, interest income and refunds of expenditures. These items are approximately \$60,465. **Total of all revenues for the golf fund are projected at \$2,993,231.** Budgeted grand total was \$2,652,882.



## ROUNDS OF GOLF

- **The golf course was realistically playable on 131 days, with 35,962 total rounds of golf played and an 18-hole equivalent of 29,164 rounds.** In practicality this is very near capacity. Last year 35,654 total rounds or 28,429, 18-hole equivalents were played over 131 days. Absolute maximum projected capacity levels are about 33,000, 18-hole equivalent rounds if every tee time was filled on every open day. The following chart shows the number of rounds played; (there was an error found in the 2018 annual report numbers. An extra 428, 9-hole low season rounds have been deleted from the 2018 numbers. This is not reflected in the 2018 annual report)

CATEGORY	2018 QUANTITY	2018 -18 HOLE EQUIVALENT	2019 QUANTITY	2019 - 18 HOLE EQUIVALENT	CHANGE FROM 2018
HIGH SEASON 18 HOLES	7163	7163	8159	8159	996
LOW SEASON 18 HOLES	3302	3302	2875	2875	-427
HIGH SEASON 9 HOLES	1757	878	1810	905	27
LOW SEASON 9 HOLES	1610	1019	954	477	-328
HIGH SEASON TWILIGHT	865	865	939	939	74
LOW SEASON TWILIGHT	555	555	541	541	-14
HAPPY HOUR	2621	1311	2596	1298	-13
BRING A FRIEND –low	527	424	648	540	116
BRING A FRIEND – high	1065	906	1043	879	-27
RESIDENT CARD 18	4996	4996	4983	4983	-13
RESIDENT CARD 9	3894	1947	3839	1920	-27
SUMMIT CARD - 18	2068	2068	2190	2190	122
SUMMIT CARD - 9	3184	1592	3105	1552	-40
JUNIOR CARD 18	44	44	38	38	-6
JUNIOR CARD 9	55	28	55	28	0
DONATION / MARKETING / OTHER	503	503	638	638	135
RAIN CHECK 18/ Employee 18	639	639	855	855	216
RAIN CHECK 9/ Employee 9	806	403	694	347	-56
<b>TOTAL ALL ROUNDS</b>	<b>35,654</b>	<b>28,429</b>	<b>35,962</b>	<b>29,164</b>	<b>735</b>
<b>TOTAL GUEST ROUNDS – 18 equi.</b>		<b>16,471</b>		<b>16,897</b>	<b>426</b>
<b>TOTAL LOCAL ROUNDS/OTHER – 18 equi.</b>		<b>11,958</b>		<b>12,267</b>	<b>309</b>
<b>TOTAL OF 18 HOLE EQUIVALENTS</b>		<b>28,429</b>		<b>29,164</b>	<b>735</b>

- **The average number of golfers per day was 274. In 18-hole equivalents this was 222 per day.**
- Revenues from the 18-hole, 9-hole, Happy Hour, and Twilight categories produced \$1,344,735. The average charge per paid non-local golfers in 18-hole equivalents (16,897 rounds), was \$79.59/round.
- Revenues from locals pass card sales and rounds produced \$549,319.
- **The average revenue for all rounds in 18-hole equivalents was \$64.95 (This is before cart rentals. With cart rentals the total is \$80.11. The average revenue per 18 hole round from all sources is \$102.64**
- **The average expense per 18-hole round is approximately \$78.98. This was not calculated the previous three years due to the significant capital funding that occurred for the clubhouse renovation and the bunker / irrigation project.**

(2018 comparisons – 141 days open – average per day 256 – paid round revenues were \$1,295,457 - average charge per paid guest golfer was \$77.65 - Average revenue for all rounds was \$64.00 in 18-hole equivalents, with cart \$79.19.

## SEASON PUNCH CARD INFORMATION / LOCAL ROUNDS

- A total of 1295 local's punch cards were purchased this year. Total revenues in this category were \$549,319 compared to \$537,522 last year. The number of passes sold in each category is as follows:

YEAR	TOTAL CARDS ISSUED	RES CARD	SUMMIT CARD ADULT	JUNIOR
<b>2019</b>	<b>1295</b>	<b>545</b>	<b>743</b>	<b>11</b>
2018	1282	501	761	20
2017	1228	482	718	28
2016	1238	486	712	40
2015	1195	424	724	47

- **Total 18-hole equivalent rounds played from punch cards, employee rounds, and punch card rain checks were 11,566 (42% of all rounds).**

- **Resident Card** sales and rounds of golf produced \$308,704. Resident cards consisted of 10 rounds and were sold for \$440.
- Resident Card rounds played were 6,903 - 18-hole equivalents.
- The average fee per 18-hole round for Resident Cards was \$44.72.
- The average number of 18-hole rounds played with Resident Cards was 12.7 rounds.

- The **Summit / Park** card was sold for \$265 and allowed 5 rounds of golf to be played and then the purchaser paid \$53/ round. These cards produced \$230,603. Total 18-hole equiv. rounds played were 3,742.
- The average fee per round was \$61.63.
- The average number of rounds played per card was 5.04.

- **Junior Cards** and Add-ons produced \$1,628.
- Junior rounds played were 65 and the average fee per round was \$25.05 / 18-holes.
- Junior average number of rounds played per card was 9.3
- **I believe our drop in junior golfer numbers is in part due to the success of the Family Night program. The program allows youth to play for free. This has a positive impact on growing the game, but a negative impact on card sales and revenues. Our junior clinics have good participation as well.**

Other misc. fees (rain checks /employees) accounted for an additional \$8,384.

- All Card rounds accounted for 29% of green fees and card revenues. Employee rounds accounted for 780, 18-hole equivalents.

(2018 comparisons – 1282 Cards sold/ 11,566 total 18-hole equivalent rounds played / revenues were \$537,522 - 44% of all rounds / all passes produced 30% of green fees, pass sales revenues)

## RESERVATION BOOKINGS, GROUP OUTINGS

### Tee Time Booking Methods:

The golf course accepts tee times by 4 different methods;

- 1) **Golfers had the ability to book any tee time online, for any date during the summer. This option required credit card guarantee of their green fee at a slightly discounted rate (\$10 high season, \$6 low season). This option was only offered on a full high or low season rate. We sold 7,152 this year compared to 6,094 rounds last year. The total dollar amount of all Internet Prepay and specials was \$649,756. Last year we brought in \$536,838 from internet bookings. This booking method has been increasing each year showing the power of the internet.**
  - Looking forward to 2020, we are hopeful to capture payment for fees, not just “credit card guarantee”, when the customer books their tee time. The vision is for our customer to be able to book online, as they do now, but collect payment up front at a discount. This would let the customer know the exact rate they are reserving for. This would negate a portion of the golfer check-in process and allow staff to concentrate on add-on sales or services. This method will also help eliminate staff errors.
- 2) Four day advance call in or online, used primarily by punch card holders.
- 3) Advance group reservations (groups of 12 or more golfers) which can book in advance of four days with an advance deposit,
- 4) We also accept tee times in advance of four days with a non-refundable \$10 per person booking fee. We pre-booked 288 rounds this year compared to 243 rounds last year. This number and program is almost obsolete with our new method of online booking only requiring a credit card guarantee, where in the past the online booking required payment at the time of booking. Local punch card holders will use this option to secure a tee time when they will have guests in town.

---

### Group Outing Bookings:

The golf course staff works with group outing coordinators helping the coordinator with the booking/event process. Groups consist of corporate outings, wedding groups, reunions, and golfing friends. Each group must have at least 12 players to book using our group outing guidelines. Groups do receive a discount and we provide extra services.

**We play host to a combination of corporate, wedding, travel partners, and charity groups. We did not host as many groups this year.**

The following **advance group reservations** numbers were logged:

- There were 53 total groups.
- There were 1,659 total rounds played by these groups:
- They accounted for 6% of all rounds of golf.
- The average size of the group was 31 players.

(2018 Comparisons –82 total groups / 1,836 total rounds / 6% of all rounds /average group size were 22 players).

---

### Golf Packages:

We previously had a golf package program with lodging entities in town. The golfer could book their lodging and golf through the lodging company. As internet booking options have increased for customers this program was starting to show diminishing returns a number of years ago, while still being a consumption of staffing hours. In 2018 we did away with the Golf Package option. Not only was it a time consuming process with accounting but very prone to errors from the lodging companies as well as golf staff.

## CLUB PROGRAMS INFORMATION

**Club Programs Overview** -The Club Programs at the Breckenridge Golf Club are diverse and designed to reach a wide variety of golfers, from the new golfer to the most avid. These programs all enrich the golfers experience and help to grow the game of golf.

**Men's and Women's Leagues** - The Men's and Women's Leagues provides the golfer a competitive and fun environment. The League events are held each week from early June through early September. Whether you have a group of four, or you are an individual this is a great time to meet fellow golfers and get the competitive juices flowing. The schedule is comprised of different events from individual, two person, and four person team events. The goal each year is to create a competitive, equitable, and enjoyable club. Each year we add / delete events to keep the schedule fresh.

**Mixed Teams** - The Mixed Team program allows for ladies and men to compete together in a fun event. The events are held on Sunday afternoons. A combination of two and four person teams competed over 18 holes. The Mixed Team program has been very popular.

**Nine and Wine** - Nine and Wine continues to be one of the most popular programs, selling out on a regular basis. These events allow the golfer to sample wines on the first, fourth and seventh holes for a nominal tasting fee. Lots of fun with the Nine and Wine!

**Family Night** - Family Night offers a fun, friendly atmosphere of golf and family socializing. Holes 1-5 on the Beaver Nine are utilized. The idea is to bond as a family in the beautiful setting of the golf course. Five holes permits a busy family to schedule a golf outing lasting about 1 ½ hours. The fee for adults is \$20, for five-holes walking, \$25 with cart and kids (5-13) are free! Many of these events were sold out.

**Adult Fun Five** - Adult Fun Five allows the adult golfer to have a program similar to the "Family Night". The golf club provides a special rate of \$20 for 5 holes. This program gives the beginner golfer a place to play that is less time consuming than a full round and at a lower cost. Although not huge numbers we had 94 participants this year compared to 56 the prior year.

**Ladies' Only** – Ladies' Only, is a program for all Summit County women golfers. We encourage golfers to sign-up as a single or as a twosome and we will pair them with other golfers. Ladies' Only, is held on select dates. This program offers a fun, friendly atmosphere for golf and socializing. This program attempts to remove the "intimidation factor" the beginning golfer can have. This program has seen declining participation and may be removed from programming.

**Get Golf Ready** - Get Golf Ready is our group lesson program for adult golf instruction. We piggyback on the national PGA program of \$99 for 5 lessons. The PGA has an active marketing campaign and our program has been strong for many years. Many of these golfers move into our other programs and become an active part of our golf community.

**Junior Lessons** - The junior lesson program is targeted towards youth ages 5-13. This is the program for juniors to start their love of golf. Over the years it has been fun to watch the junior golfers grow up and continue to make golf part of their lives. Three sessions, with three separate age groups, are held each summer. Each session consists of 4 lessons. This year 24 students participated. The weather in June possibly impacted early sessions.

**Complimentary Lesson Clinics** – In 2019, the professional staff offered a series of four free Adult clinics and three Junior Clinics with varying topics. These were very well received and most clinics was near capacity.





## WEBSITE / SOCIAL / MARKETING / PROMOTIONAL - SUMMARY

We started the year with \$7,500 in marketing dollars. During the year we spent about \$2,000 in marketing/advertising. We also augment with some trade to help keep our name in the market place. Some of the more prominent marketing / promotion campaigns of the season included:

- **Golf @Altitude**, television programming with Altitude sports. The ½ hour TV show airs numerous times and targets the core golfer.
- We participated in two discount books, **Avid Golfer Magazine Passport and Golf Views Discount Book**, offering a free cart fee with purchase of a full 18-hole green fee as well as a discounted rate during the off peak times. The participation costs nothing and provides printed copy and keeps our name in front of core Colorado golfers. The promotions brought in \$23,367 from 397 rounds compared to \$23,616 in 2018 from 410 rounds, most during off peak times.
- We purchased a ½ page ad in **Divot Magazine** which is distributed throughout Colorado. It is part of our partnership with the Golf Views Discount Book.
- Our **Website** is receiving a good amount of traffic. About 53% of our rounds are booked on-line. This year we had 18,906 internet bookings compared to 17,156 internet bookings last year. Both locals and guests are using our site for booking tee times as well as learning about the facility and our programs. Our pre-paid specials page accounted for 7,152 rounds, up from last year's 6,094. These rounds accounted for **\$649,756** (last year was \$536,838).
- Our **Facebook** account has had 8,375 visits. We have a 4.8 star rating out of 5. Our Facebook page also contains Trip Advisor information and rating which is excellent. Out of 97 reviews, 72 are excellent and 16 very good. We also have 207 Google reviews and a 4.5 star rating. The negative we receive is usually related to pricing or pace of play.
- The **Summer BTO Augmentation** program continues to give us great value. We give \$6,500 worth of green fees coupons to the BTO, in return for general Breckenridge media advertising throughout BTO target markets. We receive back only a small percentage of the coupons giving the community great value.

All of the above advertising, coupon programs and web specials continue to help our bottom line.

## NEW IN 2019 – PROGRAMMING CHANGES AND/OR DELETIONS

There was no new programming for 2019. We also did not delete any programming.

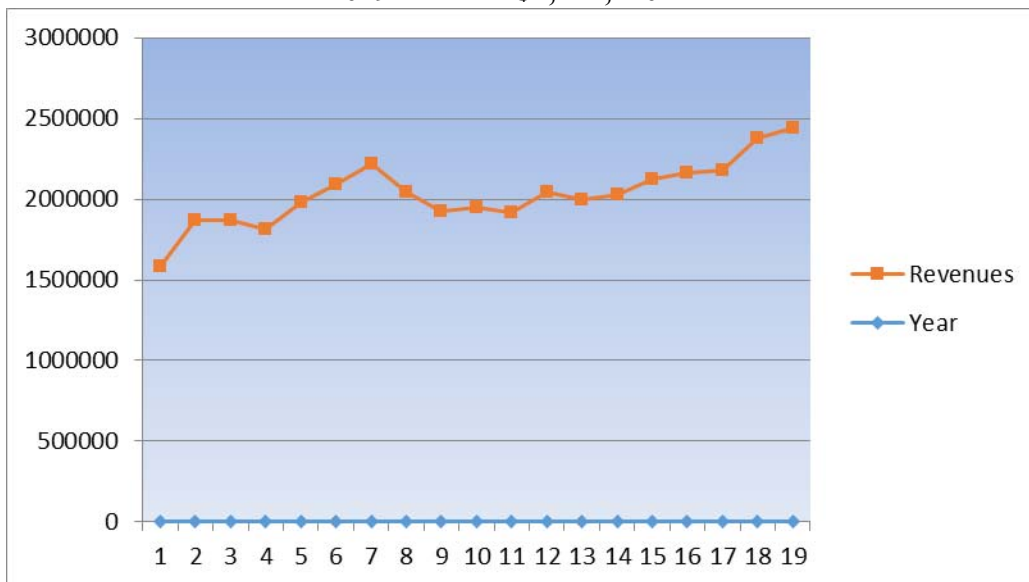
Currently our programs are engaging golfers at all levels, however we will continue to look for opportunities.



## CHART OF REVENUES FROM 2006 -2019

Revenues below are from our core areas of Green Fees, Cart Fees, Pass Cards, and Driving Range

2006	\$2,087,496
2007	\$2,214,100
2008	\$2,043,049
2009	\$1,926,791
2010	\$1,947,377
2011	\$1,911,555
2012	\$2,038,902
2013	\$1,998,369
2014	\$2,026,686
2015	\$2,119,926
2016	\$2,163,266
2017	\$2,173,380
2018	\$2,374,789
<b>2019</b>	<b>\$2,442,410</b>



Additional 2019 revenue sources related to the Golf Enterprise Fund are as follows:

• Gift Certificate Sales	\$46,240
• Golf Services	\$18,985
• Golf Instruction	\$24,204
• Golf Merchandise Sales	\$400,927
• Refunds of Expenditures	\$36,230
• Lease and Interest Income	\$24,235
• Renewable Energy Credit	\$ 4,482
<b>• Grand Total</b>	<b>\$2,993,231</b>

We budgeted \$2,652,882 in revenues for 2019.

## CHART OF EXPENSES / FUND BALANCE - 2019

The Golf Enterprise Fund fully supports itself. The fund balance is estimated to be approximately \$1,685,559 for yearend 2019. (Actual numbers will be available early 2020).

Golf Expenses as estimated for year end 2019 are as follows;

• Administrative Maintenance	\$193,113
• Equipment Maintenance	\$127,610
• Course Maintenance	\$735,528
• Capital Projects	\$343,937
• Operations / Customer Service	<u>\$903,000</u>

Totals	\$2,303,188
--------	-------------

Golf Revenues for year end 2019 are estimated at \$2,993,231 (as shown on page 8).

Increase to Fund Balance \$690,043

