



January 25, 2022

Kimberly Villa
County of Yolo
Woodland, CA 95695

Dear Kimberly,

Following is the financial summary and key highlights for the months of November and December at Wild Wings Golf Club:

| Nov/Dec 2021 | Actual | Budget | Variance | PY | Variance | YTD | Budget | Variance | PY | Variance |
|--------------------------|-------------------|-------------------|-------------------|------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Total Revenue | \$69,424 | \$78,047 | (\$8,623) | \$108,087 | (\$38,663) | \$285,635 | \$294,259 | (\$8,624) | \$300,825 | (\$15,190) |
| Total COGS | \$4,187 | \$6,290 | (\$2,103) | \$4,554 | (\$367) | \$22,833 | \$24,397 | (\$1,564) | \$22,966 | (\$133) |
| Gross Margin | \$65,237 | \$71,757 | (\$6,520) | \$103,533 | (\$38,296) | \$262,802 | \$269,862 | (\$7,060) | \$277,859 | (\$15,057) |
| Payroll Expense | \$67,037 | \$60,352 | \$6,685 | \$60,704 | \$6,333 | \$201,574 | \$194,897 | \$6,677 | \$190,272 | \$11,302 |
| Other Expense | \$29,510 | \$29,582 | (\$72) | \$16,311 | \$13,199 | \$129,484 | \$129,557 | (\$73) | \$77,015 | \$52,469 |
| NOI | (\$31,310) | (\$18,177) | (\$13,133) | \$26,518 | (\$57,828) | (\$68,256) | (\$54,592) | (\$13,664) | \$10,572 | (\$78,828) |
| Other Expenses | | | | | | | | | | |
| Management Fee | \$12,500 | \$12,500 | \$0 | \$12,500 | \$0 | \$37,500 | \$37,500 | \$0 | \$25,000 | \$12,500 |
| Interest Expense Debt | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Transfers from County | \$0 | \$0 | \$0 | \$0 | \$0 | \$112,787 | \$112,787 | \$0 | \$0 | \$112,787 |
| Nest Project Expenses | \$0 | \$0 | \$0 | \$0 | \$0 | \$43,384 | \$43,384 | \$0 | \$0 | \$43,384 |
| Net Cash From Ops | (\$43,810) | (\$30,677) | (\$13,133) | \$14,018 | (\$57,828) | (\$36,353) | (\$22,689) | (\$13,664) | (\$14,428) | (\$21,925) |
| Rounds (9-hole) | 3,740 | 3,938 | (198) | 5,976 | (2,236) | 15,984 | 16,182 | (198) | 15,223 | 761 |
| Average GF/CF per round | \$16.16 | \$15.90 | \$0.26 | \$13.10 | \$3.06 | 17.85 | 18.18 | (\$0.33) | 16.40 | \$1.46 |

Overview:

In November and December, rounds declined precipitously from prior year due to inclement weather. In December alone, we experienced 10 days of heavy rain. Cart usage was impacted not only during the rain events, but for several days following those days as turf conditions remained extremely wet in spots. With the reduction in total rounds, revenues missed our budget by \$8,623 and \$38,663 to prior year (prior year did include a one-time reconciliation of gift card revenues totaling \$19k). Our ADR (Average Daily Rate) continues to grow with effective tee sheet management and focus on dynamic pricing strategies designed to maximize revenues in Green Fees and Cart Fees.

Looking ahead, January rounds are ahead of pace and should easily exceed 2021 January rounds.

Payroll was negatively impacted in December, resulting in \$8,000 in unbudgeted payroll expense a result of vacation time payouts to two full time employees who left the organization. This was unforeseen and we will work on making up the miss in the coming months through active payroll management.

As mentioned above, prior year overall revenues during the same period benefitted from a one-time revenue adjustment of \$19,169 during the month of November 2021 in recognizing deferred revenue from aged Gift Certificate income during the POS transition from EZ Links to Lightspeed.



Key property action steps by management to drive performance:

Due to severe supply chain disruptions and a shortage of parts, we have experienced difficulties in keeping the entire fleet of Yamaha gas cars operational. We are working on obtaining a new fleet of Golf Carts this year either through Yamaha or EZ Go Carts to be able to have a full fleet of carts available by either November 2022 if funding permits. In the meantime, we are looking internally for support in sourcing badly needed parts to get more of the fleet operational.

Course and Grounds is currently in the process of evaluating the bunkers, reviewing best practices, and providing recommendations to improve the aesthetics and feel of the golf course. This could include bunker repairs as well as elimination by converting some sand bunkers to grass bunkers.

Course and Grounds, as well as Rainbird contractors, will be installing all new satellite controllers in March. Additionally, Rainbird will be updating the weather station to be able to help manage water on the course through central programming through analysis of Evaporation points throughout the golf course.

Course and Grounds continue to evaluate and audit all Irrigation on the course for leaks and breaks and will be continuing this process through the year to be able to help with the control of water loss this season.

The team continues to work diligently at booking events at the Nest, with upcoming events booked in February and March.

Course, Grounds & Equipment:

Jason continues to work closely with Lachi to balance water conservation and course conditions. Jason is working with Lachi and Irrigation auditing and maintaining the current system through repairs. With the volume of rain experienced in November and December, the course was able to bank significant water reserves in our ponds and lake system.

Other Course & Grounds activities during the period include:

- Mowing
 - Greens Daily
 - Tee's Every other Day M W F S
 - Collars and Approaches Every Other Day T TH Sat
 - Rough (as needed)
 - Fairways (as needed)
- Fertilize tees
- Fertilize greens with granular 18-9-18
- Rake bunkers daily
- Fix irrigation leaks on holes 1, 2, 4, and 8
- Maintain landscaping around Pro Shop, Nest and Practice Area every Tuesday



KemperSports - National and Regional Support Activities:

Joe Smith continues to Mentor Jason Deubler and meets with him weekly in establishing a more cohesive communication channel with KemperSports and the County.

Wild Wings was Voted best in Business in November by the Daily Democrat (2021).



| Course | NPS | Overall Rating | Service Rating | Course Rating | Recommend Rating | # of Surveys |
|---------------|------|----------------|----------------|---------------|------------------|--------------|
| November 2021 | 37.5 | 8.1 | 9.0 | 7.4 | 8.0 | 32 |
| November 2020 | 22.2 | 8.2 | 9.1 | 7.3 | 8.1 | 9 |
| December 2021 | 30.8 | 7.2 | 7.8 | 6.4 | 7.5 | 13 |
| December 2020 | 50.0 | 8.6 | 9.2 | 7.8 | 8.7 | 26 |
| Course | NPS | Overall Rating | Service Rating | Course Rating | Recommend Rating | # of Surveys |
| FY 2021 | 30.5 | 7.9 | 9.1 | 6.9 | 7.8 | 190 |
| FY 2020 | 72.2 | 9.2 | 9.6 | 8.7 | 9.2 | 151 |

While service rating for the golf course remain high, recent rain events did impact course rating and NPS scores. Wet golf course conditions correlate directly to lower Net Promotor scores, resulting in a lower NPS than benchmark (70).

Please call me if you have any questions.

Sincerely,

Mark W. Hoelsing
Senior Vice President