



Oneida Golf Enterprise Corporation

Fiscal year-To-Date Reporting for period Ending:

June 2020

The Oneida Golf Enterprise Corporation (OGEC) is a corporation of the Oneida Nation established to oversee and manage the business known as Thornberry Creek at Oneida.

Narrative Report

Business Overview

3rd Quarter FY20 – April, May, June

3rd Quarter 2020 began with the restaurant open to curbside take-out only, but then quickly progressed through the reopening plan for all areas of the business. Golf course operations officially opened with restrictions on April 24th to include online and phone reservations/payments, 15-minute tee-time intervals, single riders in carts, limited food & beverage operations and the clubhouse remaining closed. The golf shop opened on May 15th followed by the restaurant and event spaces on May 22nd. (2) riders per cart began on May 22nd and tee-time intervals were moved back to 10 minutes on May 26th. The restaurant and event spaces continue to practice social distancing as recommended by the WEDC guidelines to include 6' spacing between tables and no more than (6) chairs per table.

- Overall revenues missed budget by 34% or \$404,938 and 27.3% compared to LY
- Payroll expenses operated at a 19.8% savings (\$103,258) vs budget
- Operating expenses ended the quarter at 55.5% under budget or \$203,983
- **Although revenue in the 3rd quarter was challenging, NOI exceeded budget by 80.8% or \$35,740. NOI still exceeds YTD budget by \$73,887 through the end of June.**

Personnel Update:

- General and Administrative
 - Holly Williams – General Manager
 - Kathleen Kaminski - Controller
- Course & Grounds
 - Steve Archibald – Golf Course Superintendent

- Pete Nowak – Assistant Golf Course Superintendent
- Ed Brusky – Golf Course Fleet Mechanic
- Golf
 - Justin Nishimoto – Head Golf Professional
 - Andrew Gutzman – First Assistant Golf Professional
- Food and Beverage
 - Adam Marty – Executive Chef and Food & Beverage Director
 - Donelle Walters was terminated due to performance on May 28th
 - Sous Chef – Vacant (Caitlin Rodriguez-Opinker turned in her resignation June 30th)
 - Wes Suzawith – Food & Beverage Manager
 - Brittini Hemauer – Food & Beverage Manager
 - Joy Lundberg – Event & Catering Coordinator
- Clubhouse Maintenance
 - Mike Gottfried – Clubhouse Superintendent
- Sales and Marketing
 - Director, Sales & Marketing – Chelsea Kocken
 - Manager, Sales & Marketing – Chase Powers

Key Performance Highlights:

- Golf course operations opened on April 24th, which was a major revenue driver for the business. Both courses opened with golf carts one week prior to other courses in the State of Wisconsin for carts.
- Online payment for golf was used for the first time and is working well
- The driving range opened prior to other courses in the State of Wisconsin. Range balls are now only included in the peak rate for the Legends Course, which begins after Memorial Day. This new revenue stream and has had a positive impact on the business.
- The food and beverage team began implementing specials and enhanced food on the course in May, which has increased food and beverage sales on the course.
- The golf staff added more items to the online store and offered curbside service for orders completed online and over the phone. These items included the basics such as balls and gloves.
- The restaurant expanded hours for curbside take out and course service to seven days a week starting on May 1st. The clubhouse opened and in-person dining began on May 22nd.
- The Payroll Protection Plan (PPP) loan was secured for \$434,000 on April 17th. The initial thought was that only \$292,000 of the loan would be available for forgiveness, but staff is continuing to monitor this program as restrictions change.
- All areas of the business were fully activated (with social distancing) in June and the property hosted Junior Golf clinics, one golf outing, one small wedding, a Celebration of Life, multiple wedding tastings, the PGA Junior Golf League began and a Father's Day promotion was executed.
- Annual pass and fringe benefit cards sales officially surpassed the annual budgeted revenue in the dues category in June by \$19,308.
- Overall rounds are up 11% or 1,743 rounds compared to 2019 and up 23.5% or 3,828 compared to 2018.

- The Iroquois Course has seen significantly more play during 2020 Q3 than previous years. Daily paid rounds on this 9-hole course are up 28% or over 2,000 rounds compared to 2019. This is up 46% compared to 2018 or 3,361 rounds.

Key Performance Issues:

- Revenue is down due to the COVID-19 pandemic. Food & Beverage and the golf shop are the hardest hit areas.
- Food and Beverage revenues are 47% to budget due to loss of business in banquets and golf outings as well as decreased traffic in the restaurant.
- Golf Shop revenues are down 28% compared to budget due to the loss of golf outings and reduced traffic in the golf shop.
- The majority of golf outings have canceled for the season and weddings through July 31st. The majority of dates have been rescheduled when possible, however over \$246K in revenue has already been lost for the year.
- Rounds on the Legends Course are down 15% or 955 compared to 2019 and 9% compared to 2018. This is due to a loss of over 2,500 rounds for golf outings. If you remove golf outings from the equation, rounds on the Legends Course are up 27% or 1,618 rounds compared to 2019 or 31% compared to 2018.
- Average Green Fee/Cart Fee is down compared to previous years even though total rounds are up. This is due to a significant increase in rounds on the Iroquois Course and also Junior Rounds, which have a lower rate than the daily fee on the Legends Course.

Key Marketing Actions to Drive Performance:

- Facebook was large part of the marketing plan during Q3 due to the large reach potential with minimal investment. Posts during Q3 had a total organic reach average of 2,763, total paid reach average of 1,571
- Paid radio campaigns began with WIXX radio, which has the largest reach in the market. This promotion included (1) facebook post per month in addition to radio spots, which had a reach of 13.1K in May with 18.9K impressions. The June post had a reach of 8.8K and 15.7K impressions.
- Facebook fans are 49% women and 51% men. The majority fall in the 35-44 age category with 25-34 being a close second.
- 8,644 total subscribers were part of the email database at the end of June. These lists are segmented based on consumer demographics/interests and will continue to be refined throughout the rest of the year.
- 15 email blasts were sent during this time period with 40,648 total views.
- 189 sales leads received through the website during the quarter, the majority of leads were for weddings followed by stay & play and general contact forms in third.
- The team will continue to monitor pricing strategies and make adjustments as needed to maximize revenue.

KemperSports Initiatives:

TrueService / TrueReview: The KemperSports True Service program was created to serve as a standardized service training and delivery platform across all facilities. It provides the foundation for KemperSports properties to stand out in their markets, differentiating the customer experience on a non-price basis. Every KemperSports staffer goes through True Service training, and every facility places the highest value on creating Happy, Loyal Customers.

- **True Service:** Continue to emphasize True Service training and have conducted several training sessions over the winter months. Current Staff Numbers:
 - Module 1 – 98%
 - Module 2 – 70%
 - Module 3 – 70%
 - Module 4 – 70%

Through our national ***Green to a Tee*** program we are seeking to improve on that record of sensitivity and be a leader in the industry. Our goal is to manage each of our facilities in as environmentally sound a manner as possible, paying particular attention to golf course maintenance practices, habitat management, water conservation, energy use, recycling and other environmentally friendly practices. In support of this initiative, we have adopted an environmental certification program to assure that all facilities are doing their part.

- **Green to Tee:** Working on achieving Level 1 by the end of the 2020.

Safety National is a simulated 18-hole golf tournament with each hole representing safety processes to be implemented at KemperSports facilities. It was created to reinforce that safety performance has a direct impact on insurance costs and the operation of your facility. Our intent is to provide a process for continual improvement and incident reduction through periodic risk awareness activities/audits.

- **Safety National:** The Safety Committee was formed in June and began monthly meetings. The 1st game of Safety National was submitted with a score of 72, which was Par.

The key focus of ***Player Development*** is to introduce a wide variety of golf and player programs within our local communities. Programs not only to reach beginner golfers but also designed to improve existing golfers.

- **Player Development:** Junior golf clinics began June 11th and PGA Jr. League also began in the month of June.

Pending Legal Action:

- No litigation pending.