

2016 to 2020

City of Los Angeles Golf Division STRATEGIC PLAN

The City of Los Angeles Golf System is a source of pride for Residents. This Strategic Plan highlights the goals and objectives the City has established for its Golf System over the next five years (2016 through 2020) and outlines the action steps necessary to achieve them.



Insight | Strategy | Success



CITY OF LOS ANGELES GOLF DIVISION
2016 to 2020



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OVERVIEW

Over the course of 2015, the City of Los Angeles Golf Division ("the City" or "the Golf Division") undertook a comprehensive strategic planning process, facilitated by Global Golf Advisors Inc. ("GGA") in order to develop an action-oriented Strategic Plan to help guide the Golf Division's operations over the next five years, 2016 through 2020. City Facilities that this Plan encompasses include:

1. Rancho Park (18-hole and 9-hole par-3 facilities)
2. Griffith Park Complex (18-hole Wilson and 18-hole Harding facilities)
3. Sepulveda Complex (18-hole Encino and 18-hole Balboa facilities)
4. Woodley Lakes (18-hole facility)
5. Hansen Dam (18-hole facility)
6. Harbor Park (9-hole regulation facility)
7. Penmar (9-hole executive facility)
8. Roosevelt (9-hole executive facility)
9. Los Feliz (9-hole par-3 facility)
10. Tregnan (Academy and 3-hole facility)
11. Holmby Park (18-hole pony course facility)

The Strategic Plan herein is supported by detailed data-driven research and analysis completed by GGA with input from City management, Golf Advisory Committee ("GAC") members and City golfers at large. The following activities were executed over the past year in support of this Strategic Plan:

1. Site Visits and Facility Tours - Each Golf Facility
2. Management Interviews and Golf Advisory Committee Meetings
3. Market Analysis
4. Operational Analysis
5. Information Systems Review
6. Online Web Review
7. Golfer Focus Groups
8. Patron Survey

The results of these procedures helped GGA, City Management and the GAC identify various opportunities which the City can take advantage of in order to better serve the community and achieve its fiscal objectives. These opportunities consist of changes both within the City's internal operations, as well as changes to the value proposition on the customer's end.

KEY OPPORTUNITIES

The City of Los Angeles owns and operates a large and enviable portfolio of well-situated golf properties that enjoy a loyal following of core resident golfers. The Golf Division has been witness to a steady decline in rounds played at all of its facilities over the past ten years in the face of steadily rising operating costs and mounting deferred capital expenditures now evident at all facilities. Over the years, certain components of each of the facilities' operations have been outsourced to varying degrees and to varying third party concessionaires (food and beverage services, golf shop retail operations, driving range operations and lessons programming).

The City has both the opportunity and the ability to redefine itself in the marketplace and enhance its brand through an improved offering and strategic consolidation or outsourcing of operations across all facilities. A new 'Standard of Excellence' has been defined and will consist of faster pace-of-play, improved course conditioning and a broader range of facility offerings.

Define 'Standard of Excellence'

Establish the standards of quality the City wishes to achieve across all facilities.

Improve Value Proposition

Undertake the necessary capital improvements to achieve raised standards, and provide LA golfers with an enhanced municipal golf experience.

Maintain 'Standard of Excellence'

Maintain quality standards through the development of an Agronomic Plan and implementation of a new management standard.

Operational Opportunities



I. Information Technology

The City can realize efficiencies in marketing, communications, and operations by leveraging technology.

- The City, like many municipal golf course operators, is far behind the global technology curve - especially from a real-time, fully integrated reporting perspective and a customer relationship management and interface perspective.
- The current operating systems are largely inadequate from a reporting perspective and do not include a sophisticated online booking engine integrated with a Customer Relationship Management ("CRM") system. A fully-integrated CRM system is considered to be an absolute necessity for public golf course operators to efficiently and effectively compete in their respective markets.



II. Pace-of-Play

There is an opportunity to immediately improve pace-of-play through the adoption of industry best practices.

- Pace-of-play is a common issue that City courses struggle with, given the busy nature of municipal golf facilities and typically shorter tee-time intervals. However, there are a number of techniques that can help alleviate slow pace-of-play with immediate effect. Some of these techniques include increasing tee-time intervals, proper starter procedures, hazard markings, drop areas, increased marshalling and pace-friendly pin-placements.



III. Non-resident Engagement

There is an opportunity to boost Non-resident play by discarding the communication of Resident and Non-resident rates, as Non-residents are currently being deterred from LA Golf facilities due to the current pricing structure.

- The City's facilities are located within a close proximity to the administrative boundaries of the City. Consequently, some golfers may reside less than one mile from a given facility, yet be deemed 'Non-residents' because they do not reside within the administrative boundary. As a result, the delineation of Resident and Non-resident rates is driving 'Non-resident' golfers away from City courses.
- On average, 27%, 34%, and 49% of people are deemed Non-residents within a 5-mile, 10-mile, and 20-mile radial respectively surrounding each City of LA Golf facility, while Non-resident rounds played currently average less than 14% of all rounds played annually.
- The Patron Survey ("Survey") revealed that 33% of participants have a friend who avoids City courses because they have been deemed to be a Non-resident.



IV. Yield Management and Dynamic Pricing

Rounds played can be increased at City courses through the adoption of dynamic pricing.

- One of the most prominent trends to impact the golf industry over the past decade has been the adoption of a dynamic pricing model at daily fee golf courses.
- Dynamic pricing allows golf facilities to increase utilization by matching supply and demand for a given tee-time. The greatest impact of rounds increases are generally seen during off-peak times.
- The Survey indicates that roughly 30% of patrons use a third party booking engine to book their tee-times at non-City courses.



V. Customer Loyalty and Rounds Utilization

As a whole, City of LA golfers are highly loyal. There is an opportunity to reward loyalty and further reinforce this important characteristic.

- Municipal facilities often enjoy strong loyalty given the inherent community ties and vested interests of the residents. The core golfers at City courses are highly loyal, playing 58% of their total annual rounds at City courses on average.
- Customer loyalty is a highly valuable asset to any business; and as such, should be protected. Loyalty passes and rewards are commonplace in the City of LA golf market.
- Survey results indicate that more than two-thirds (70%) of respondents would be interested in a Loyalty or Rewards Pass program if offered.



VI. Golf Cart Pricing

There is an opportunity to increase golf cart revenue through price restructuring, as dictated by the market.

- The City has a single cart rider fee as well as a double rider fee. This pricing structure is not ideal, since golfers who are not sharing a cart are penalized with a higher rate.
- City of LA golf cart rates are slightly below market levels for comparable facilities.



VII. Marketing and Communications

There is an opportunity to improve communication and transparency with patrons.

- Customers and shareholders are synonymous in a municipal operation. High transparency and clear communication instills a sense of belonging and ownership for golfing residents, and subsequently increases satisfaction.
- Currently, one in ten patrons know what group is responsible for making management changes to City of LA golf facilities, while just over half (56%) of Survey respondents indicated that they do not know, but would like to know.
- More than three-quarters (83%) of Survey respondents are unaware of when repairs, facility improvements, and facility maintenance are being scheduled.



VIII. Driving Range Facilities

The City is able to generate strong revenue and successfully manage driving ranges independently. There is an opportunity to boost net income of the City by discarding third party management contracts.

- The City currently has contractual arrangements in place to receive 30% of gross receipts from the driving ranges operated by third party groups. However; on average, the City is able to retain 65% of revenues after expenses from the driving range facilities that it self-operates. These include the driving ranges at Rancho Park, Hansen Dam, and Woodley Lakes.
- The driving ranges at the Sepulveda Golf Complex (Encino/Balboa) and the Griffith Park Golf Complex (Wilson/Harding) are both currently operated by third parties; it is clear that these driving ranges are a lost opportunity.
- In the long-term, the City should explore potential sponsorship opportunities that add considerable capital to the facilities and generate even greater revenue opportunities for the self-operated ranges.



IX. Pro Shop Retail and Services

There is an opportunity to simultaneously increase individual course revenue and improve golfer satisfaction by incorporating pro shop merchandise and services into individual facility operations.

- Golf equipment and apparel is an important revenue stream, especially for municipal facilities which tend to experience higher traffic. Currently, third party concessionaires are not fully capitalizing on potential merchandise sales at City facilities.
- Survey results indicate that half of respondents would make use of professional golf club fitting services, and direct-order merchandise from a major manufacturer, if such services were offered. Seven in ten (71%) respondents indicated that they would make purchases through the pro shop if it was open for business.



X. Food and Beverage Offerings

There is an opportunity to boost revenue with a more robust food and beverage offering at City courses.

- Like merchandise sales, food and beverage concessions are important revenue streams for high-traffic facilities. The Survey indicates that 85% of patrons make use of food and beverage concessions at City courses.
- Just under half (45%) of the Survey respondents indicated that there are not a sufficient number of food/drink vending machines at City of LA facilities. Additionally, more than half (59%) of patrons would prefer to have more food and beverage roving trucks on the course.
- 'Food/Beverage – Halfway House and Mobile Cart experience' was one of the most common criteria failing to meet customer expectations at patron facilities, according to the Survey.



XI. Non-Golf Related Facility Use

There is an opportunity to leverage facility space to generate non-golf related revenue.

- Parking lots at certain properties have the capability to be a sole source of revenue without impacting golf operations.

Governance Opportunities



XII. Performance Management and Education

There is an opportunity to improve education, support and monitoring systems to help foster continuous improvement.

- Sound governance is necessary in order to achieve long-term strategic goals and ultimately success, in any organization.
- Performance management systems and a commitment to continuous education and improvement are helpful to best manage City assets and keep the City operations at the forefront of industry trends.

Facility Opportunities



XIII. Capital Improvements

There is an opportunity to invest in capital improvements and considerably enhance the patron experience at City of LA Golf facilities, as City golfers are willing to pay more for an improved golf experience.

- Fairways and the areas around some of the greens at City golf courses are in poor condition, and several of the City of LA golf facilities have outdated irrigation systems which restrict laborers from completing other daily maintenance tasks. Consequently, 'Golf Course Conditions' is one of the most common criteria failing to meet customer expectations, according to the Survey, which is a result of failing infrastructure and limited resources.
- Survey results indicate that patrons are willing to pay more for a higher quality golf experience. Roughly seven out of ten (70%) respondents indicated that they would be willing to pay more if golf course conditions were significantly improved, while 55% expressed a willingness to pay more if pace-of-play was significantly improved.
- Patrons are willing to pay approximately 8% more for improved course conditions, and 5% more for improved pace of play, on average.



XIV. Unprofitable Facilities

There is an opportunity to significantly reduce maintenance expenses by releasing operational control of unprofitable properties.

- One of the Golf Division's key objectives is to maintain and operate quality golf courses, facilities, and programs on a financially self-sustaining basis.
- Holmby Park and the Tregnan Academy are consistently unprofitable with a low probability of producing positive cash flow. As a result, the Golf Division should consider releasing operational control of these facilities to satisfy its objective of being fiscally responsible.



XV. Alternative Funding Sources

There is an opportunity to raise funding for capital projects and community programs through potential Grant/Donor/Sponsorship.

- Grant/donor/sponsorship funding for large scale capital projects may be attainable in exchange for public recognition or naming rights.
- Grant/donor/sponsorship funding is most successful when the project can have a significant and positive impact on the community, i.e. Junior Golf programs.

STRATEGIC PRIORITIES

Throughout GGA's engagement with the City, the following strategic recommendations permeated the majority of findings and input received from all key stakeholders, including golfers, and have guided the development of the goals and objectives described herein. These strategic priorities will be used as central 'pillars' for helping to guide the implementation of this Strategic Plan.

I. Fortify the Brand Authority of the City of Los Angeles

- LA is a worldwide and world-recognized brand.
- Golf should be as much a part of the brand value as the film industry, the Clippers, Dodgers, Ducks, Kings and Lakers.
- Require excellence in public golf operations and management.
- Better serve City of LA golfers.

II. Expand the Reach of the City Golf Courses

- Implement a dynamic pricing model to maximize access to and use of tee-times and increase utilization.
- Accelerate marketing capabilities for each golf asset portfolio.
- Implement current Customer Relationship Management capabilities to increase demand, frequency of use and capture-of-wallet metrics.

III. Maximize Asset Value

- Implement highest-and-best-use standards for City-owned courses.
- Abandon outdated business model to leverage traffic and earning-power of golf asset portfolio.
- Modify financial model for golf asset portfolio.
- Implement upgraded asset care and upkeep standards.

MISSION STATEMENT

The Mission Statement for the City of LA Golf Courses is considered relevant and appropriate; however, given the Strategic Priorities outlined herein, will be updated to include the desire to be recognized the world-over for superior municipal golf facilities and programs.

The existing Mission Statement is shown below, with a suggested amendment highlighted in **bold** text:

The City of Los Angeles, Department of Recreation and Parks, Golf Division maintains and operates seven 18-hole golf courses, three 9-hole golf courses, two 9-hole 3-par golf courses, one 18-hole pony course and a state-of-the-art Junior training facility. The Mission of the Golf Division is to provide well-maintained, accessible, and affordable golf courses for the enjoyment of the game of golf for City of Los Angeles residents. An emphasis is placed on developing the game of golf for youth. **The Golf Division should strive to be recognized the world-over for superior municipal golf facilities and exceptional programs for its patrons.**

The primary objectives of the Golf Division are:

- ▶ Maintain and operate quality golf courses, facilities, and programs on a financially self-sustaining basis;
- ▶ Provide affordable golf facilities and programs now and into the future;
- ▶ Ensure a safe and enjoyable outdoor recreational opportunity for community residents; and,
- ▶ Provide leadership as environmental stewards of the City's golf properties.

The Golf Division should add the Mission Statement to the website in a prominent location and continuously reinforce the messaging in all communications.



STRATEGIC GOALS AND OBJECTIVES

Summary

NEAR-TERM GOALS AND OBJECTIVES (2016-2017)

Near-term goals and objectives for the Golf Division in 2016 and 2017 are summarized by category below and detailed in the following sections of this report.

I. INFORMATION TECHNOLOGY

- a. Source and implement a robust and fully-integrated customer and operations management system.

II. PACE-OF-PLAY

- a. Continue to work with the USGA on Pace-of-Play and implement studied recommendations.
- b. Increase tee-time interval to eight minutes.
- c. Improve presence of tee checkers on the first tee to enhance tee-time management.
- d. Reinstitute a volunteer Marshal program.
- e. Undertake a playability review on all courses and ensure all hazards are clearly painted and staked.
- f. Map pin placements to improve playability and speed pace-of-play.

III. NON-RESIDENT ENGAGEMENT

- a. Eliminate the use of different rates for Residents and Non-residents.

IV. YIELD MANAGEMENT AND DYNAMIC PRICING

- a. Implement a sophisticated yield management program that includes dynamic pricing.
- b. Implement new advanced group booking fee and explore credit card requirements for other patrons.

V. GOLF CART PRICING

- a. Restructure golf cart pricing.

VI. LOYALTY PROGRAM

- a. Develop, brand and offer a 'Golf Loyalty' program.

VII. MARKETING AND COMMUNICATIONS

- a. Develop and publish a schedule of planned improvements, course activities and regular communications.
- b. Engage in a collaborative marketing effort called "content marketing".
- c. Develop, continually maintain, and enhance the City of LA Golf Courses' presence and communications on social media outlets.
- d. Develop on-going customer feedback process.
- e. Develop standardized customer service training programs for employees.
- f. Develop a 'secret shopper' customer service follow-up program.
- g. Develop and improve ability to attract new market segments.
- h. Explore branding, including City of Los Angeles-branded items.

VIII. DRIVING RANGE FACILITIES

- a. End all third party management agreements for City-owned driving ranges and develop transition plan.

IX. PRO SHOP RETAIL AND SERVICES

- a. Fill existing vacant Golf Operations Supervisor role with experienced Golf Professional.
- b. End pro shop concession agreements.
- c. Take back pro shop operations and re-organize starter operations.
- d. Plan for inventory, revenue and expense requirements associated with pro shop operations.
- f. Develop a world-renowned grass roots lessons and teaching program.

X. FOOD AND BEVERAGE OFFERINGS

- a. Develop and implement a contingency plan for food and beverage operations and trial service options.
- b. Do not include banquet operations for tournaments in any new food and beverage concession agreements.
- c. Seek out large scale restaurant chains to reinvigorate the food and beverage offerings in the long-term.

XI. NON-GOLF RELATED FACILITY USE

- a. Charge for parking at the Roosevelt parking lot.

XII. PERFORMANCE MANAGEMENT AND EDUCATION

- a. Maintain current Golf Advisory Committee structure.
- b. Commit to and fund an education platform for key management.
- c. Develop and implement a comprehensive performance dashboard to monitor and continuously improve operations.

XIII. CAPITAL IMPROVEMENTS

- a. Implement a capital contribution surcharge on every round.
- b. Fund and address all deferred capital needs as quickly as possible via Municipal Bonds.
- c. Fund annual capital maintenance expenses through operations.
- d. Continue to maintain Capital Reserve Fund and utilize a portion of existing funds to offset business interruption costs.
- e. Complete a comprehensive Capital Reserve Study and prioritize capital projects.
- f. Create and deploy a capital maintenance squad to work on capital related items across all facilities.
- g. Develop and implement a comprehensive agronomic plan.

XIV. UNPROFITABLE FACILITY SOLUTIONS

- a. Transfer responsibility for Holmby Park to the Parks Branch of the Department of Recreation and Parks.
- b. Lease, rent or solicit corporate sponsor to fully cover operating costs of Tregnan Academy.

XV. ALTERNATIVE FUNDING SOURCES

- a. Actively solicit private grant and donor funding.

LONGER-TERM GOALS AND OBJECTIVES (2018 AND BEYOND)

Longer-term goals and objectives for the Golf Division in 2018 are summarized by category below and detailed in the following sections of this report.

VIII. DRIVING RANGE FACILITIES

- b. Explore potential for large scale third party partnership opportunities in the long-term.

IX. PRO SHOP RETAIL AND SERVICES

- e. Seek out a large scale third party retailer, distributor or manufacturer to partner with in the long-term.

IV. YIELD MANAGEMENT AND DYNAMIC PRICING

- c. Test fivesomes at Woodley Lakes.

XIII. CAPITAL IMPROVEMENTS

- h. Upgrade all driving ranges.



Operations Details

I. INFORMATION TECHNOLOGY

Significantly enhance information technology use and capabilities to realize efficiencies in marketing, communications, and operations.

- a. **Source and implement a robust Customer Relationship Management (“CRM”) system that is fully integrated with a tee-time reservations system and point-of-sale system** - It is imperative for the City to continue keeping an updated and well-maintained database of customers, golfers, and players of City of LA golf facilities. The City must improve its ability to efficiently and effectively track its service relationships with unique golfers, especially as it relates to golfer loyalty and tracking.

The following are suggested software requirements that the City should consider when determining which operations software system to implement:

- Fully-integrated system from a single source vendor;
- Sophisticated CRM and integrated sales and marketing solution;
- Fully-integrated Loyalty program tracking and management solution;
- Comprehensive tee sheet management system with online booking capabilities;
- Fully-integrated point of sale with secure payment processing and inventory management system;
- Sophisticated web functionality and presence;
- Robust administrative capabilities and system integrations; and,
- Continuous user training programs and comprehensive user training aids.

Please see attached Golf Information Systems Review for further details on key trends and recommendations.

II. PACE-OF-PLAY

Adopt proven techniques and best practices to improve pace-of-play at all facilities, while protecting revenue.

- a. **Continue to Work with USGA on Pace-of-Play and Implement Studied Recommendations** – The City should continue its work with the USGA to improve pace-of-play and implement the USGA's (studied) recommendations.

- b. **Increase Tee-Time Interval to Eight Minutes** - The City should raise the tee-time interval to an evenly spread eight minutes and make every effort to sell every tee-time, regardless of time of day (i.e. no need to let course clear before twilight). A tee-time interval lower than eight minutes has adverse effects on pace-of-play and significantly damages the golf experience for patrons. This will require the City to stop selling pacing times in the tee sheet through a third party. The City should work with third party tee time resellers to develop a mutually beneficial relationship under the new tee-time intervals. Integration with third party tee-time resellers should be part of the City's evaluation and requirements for a new information system. Once pace-of-play improves and all tools are functioning properly, the City should experiment with a seven/eight minute split interval to add capacity and normalize revenue.
- c. **Improve Presence of Tee Checkers on the First Tee to Enhance Tee-Time Management** – The City should add a Starter to the first tee at each of the regulation courses. Starters can be stationed on the first tee in a weather-protected starter cart in order to effectively greet golfers, control start times to improve pace-of-play, and ensure only paying customers tee-off. Once technology is advanced at the City of LA courses, these Starters should have the ability to check-in golfers (who have pre-paid online or paid via their mobile device) via a handheld device integrated information system.
- d. **Re-institute a Volunteer Marshal Program** - The City should re-institute an on-course volunteer Marshal program in order to help improve pace-of-play. The Marshal should work with the First Tee Starter and be in constant communication with the Starter to monitor pace-of-play and help to address issues before or as they arise.
- e. **Undertake a Playability Review on All Courses and Ensure All Hazards are Clearly Painted and Staked** – The City should conduct a review to identify bottlenecks on each course where pace-of-play typically slows, and address any playability/layout issues that may be contributing to bottlenecks. The review will include hazards to ensure they are clearly painted and staked, as well as yardage plates being visible and installed on all tees and along all fairways. Lateral hazards will always feature a drop area on the other side of the hazard, and local rules with require its use.
- f. **Map Pin Placements to Improve Playability and Speed of Pace-of-Play** - Superintendents should work with Golf Professionals and the management team to strategically map pin placements to improve pace-of-play, leaving a flat area of no less than three feet all around each pin placement where possible. This practice will especially be used in bottleneck areas of a given golf course.

III. NON-RESIDENT ENGAGEMENT

Improve Non-resident engagement and utilization of City of LA Golf Division facilities by amending the current pricing structure and discarding the Resident and Non-resident rates.

- a. **Eliminate Resident and Non-resident rates** - Green fee rates should not change depending on whether a golfer lives inside or outside of the administrative boundaries of the City.

IV. YIELD MANAGEMENT AND DYNAMIC PRICING

Adopt yield management best practices and dynamic pricing at all City of LA Golf Division facilities in order to increase rounds utilization and revenue across the entire golf system.

- a. **Implement a Sophisticated Yield Management Program that includes Dynamic Pricing** - Implement a sophisticated yield management program and dynamic pricing model at all City courses utilizing the new information system to be implemented.

Assuming that a pure dynamic pricing model (whereby there is no upper limit on price) is not feasible for the Golf Division due to the City's mission to maintain affordable and accessible golf for all residents, GGA recommends the approval of only a price ceiling with requirements on key metrics related to revenue yield per round in order to allow for the implementation of an active yield management program. This policy will allow the prices for tee-times to adjust to demand within the defined price range.

A comprehensive Market Study was conducted (attached) to determine what the upper end of market rates are for City of LA facilities. These 'market rates' will be used as the 'Price Ceilings' and will not necessarily be the posted peak rates, as it will be important for the City to adjust pricing to market over a period of time.

Accordingly, the City should adjust pricing in 2016 to reflect to the proposed peak rate pricing shown in Table 1 on the following page – which are below the 'Price Ceiling' rates that are shown in Table 2 - and increase these rates annually at the pace of inflation (estimated to be 1.8% per year) - or above if supported by demand with the flexibility to increase rates all the way up to the 'Price Ceiling'. This small incremental annual price increase strategy will effectively allow the City to demonstrate improvements that will help justify the rate increases. These improvements – as identified throughout this Plan – include critical areas that patrons indicated they would be willing to pay more for, i.e. pace-of-play and improved conditions.

Table 1: Recommended 2016 Pricing Adjustments

Facility	2015 MON - THUR		Proposed 2016 MON – THUR	2015 FRI		Proposed 2016 FRI	2015 SAT – SUN / HOL		Proposed 2016 SAT – SUN / HOL
	Res	Non-Res	Posted Peak Rates	Res	Non-Res	Posted Peak Rates	Res	Non-Res	Posted Peak Rates
Encino	\$30.00	\$35.00	\$32.00	\$34.00	\$39.00	\$36.00	\$40.00	\$45.00	\$42.00
Balboa	\$30.00	\$35.00	\$32.00	\$34.00	\$39.00	\$36.00	\$40.00	\$45.00	\$42.00
Woodley Lakes	\$30.00	\$35.00	\$28.00	\$34.00	\$39.00	\$32.00	\$40.00	\$45.00	\$38.00
Hansen Dam	\$30.00	\$35.00	\$29.00	\$34.00	\$39.00	\$33.00	\$40.00	\$45.00	\$39.00
Rancho Park 18	\$33.00	\$38.00	\$35.50	\$37.00	\$42.00	\$39.50	\$43.00	\$48.00	\$45.50
Wilson	\$33.00	\$38.00	\$35.00	\$37.00	\$42.00	\$39.00	\$43.00	\$48.00	\$45.00
Harding	\$30.00	\$35.00	\$32.00	\$34.00	\$39.00	\$36.00	\$40.00	\$45.00	\$42.00
Harbor Park	\$16.00	\$16.00	\$17.00	\$18.50	\$18.50	\$19.50	\$21.00	\$21.00	\$22.00
Penmar	\$14.50	\$17.50	\$16.00	\$16.75	\$19.75	\$18.25	\$19.00	\$22.00	\$20.50
Roosevelt	\$14.50	\$17.50	\$16.00	\$16.75	\$19.75	\$18.25	\$19.00	\$22.00	\$20.50
Rancho Park 9	\$7.00	\$7.00	\$8.00	\$7.50	\$7.50	\$8.50	\$8.00	\$8.00	\$9.00
Los Feliz	\$5.50	\$5.50	\$6.50	\$6.25	\$6.25	\$7.25	\$7.00	\$7.00	\$8.00

Above and beyond the annual inflationary increases, the City should add a total of \$3 and \$2 over a period of two years to the Rancho Park 18 and Wilson rates respectively, after significant capital and operational improvements have been implemented. Note: the City should have the ability to increase all rates and fees, green fees or otherwise at the pace-of-inflation every year without requiring additional approvals. Please see Appendix C for detailed pricing sheets.

While the pricing adjustments may appear to be disadvantageous to residents, it should be noted that the Resident rates were only available to residents that purchased a 'Resident Card' at \$10 for the year; Resident rates have not been increased in five years and the Non-resident rates were historically above market. As well, and more importantly, the Loyalty program, that has also been recommended by GGA, will help to reduce the impact of the real dollar rate increases for anyone who participates and plays a certain amount of golf at City courses. The Loyalty program will provide benefits that include the ability to earn free rounds of golf. Please see the Loyalty program detailed in the following pages.

Charts 1 through 3 that follow, provide an estimate of the peak rate adjustments over the next five years. It should be noted that the pricing adjustments include both market adjustments, as the City rates have not been increased in five years and market factors have changed for certain facilities, as well as the addition of a 'Capital Surcharge', to be separated and used exclusively for capital improvements at the golf facilities.

Chart 1: 5-Year Peak Rate Growth Estimates (1.8% Inflation) - Mondays through Thursdays

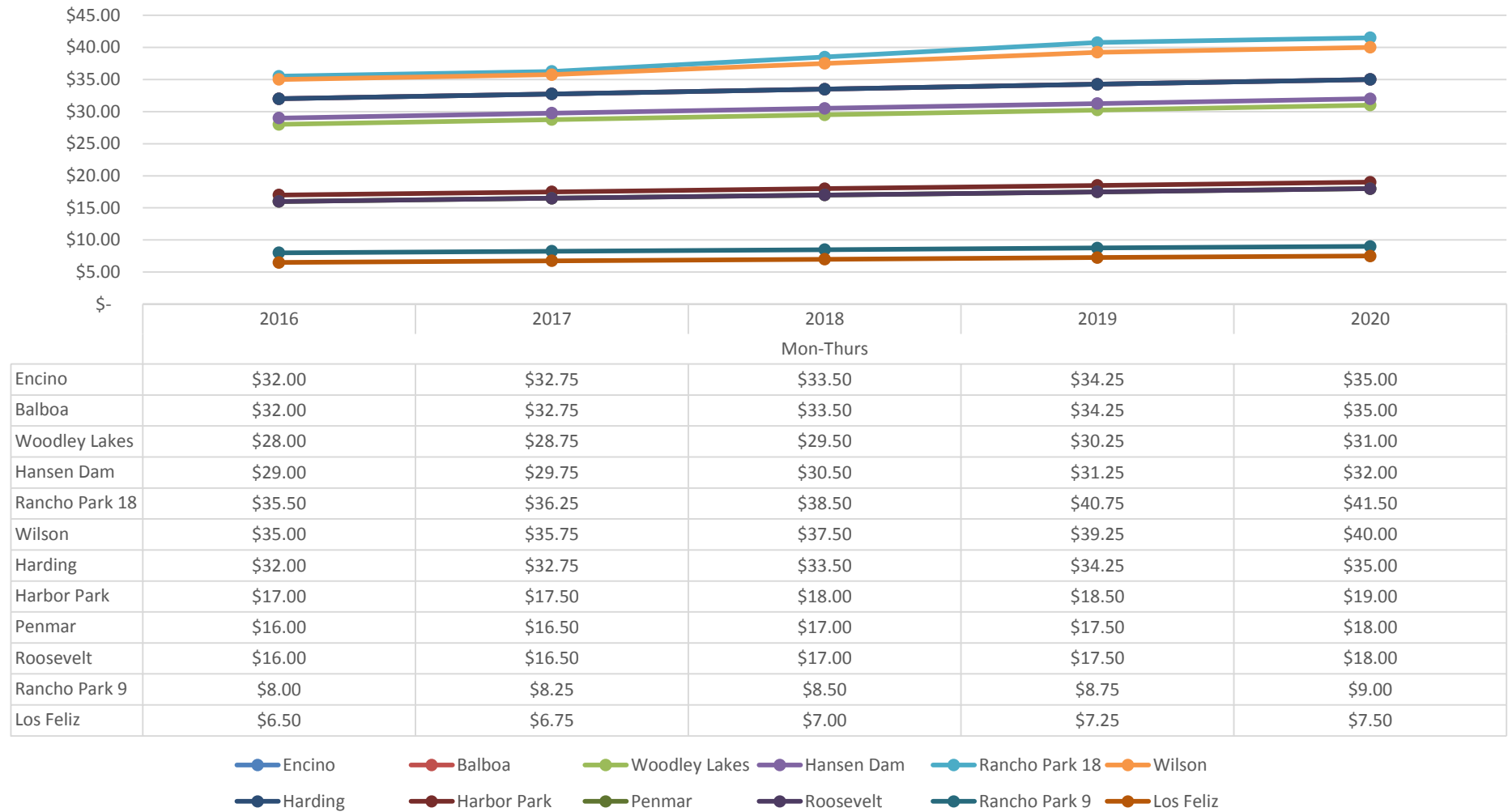


Chart 2: 5-Year Peak Rate Growth Estimates (1.8% Inflation) - **Fridays**

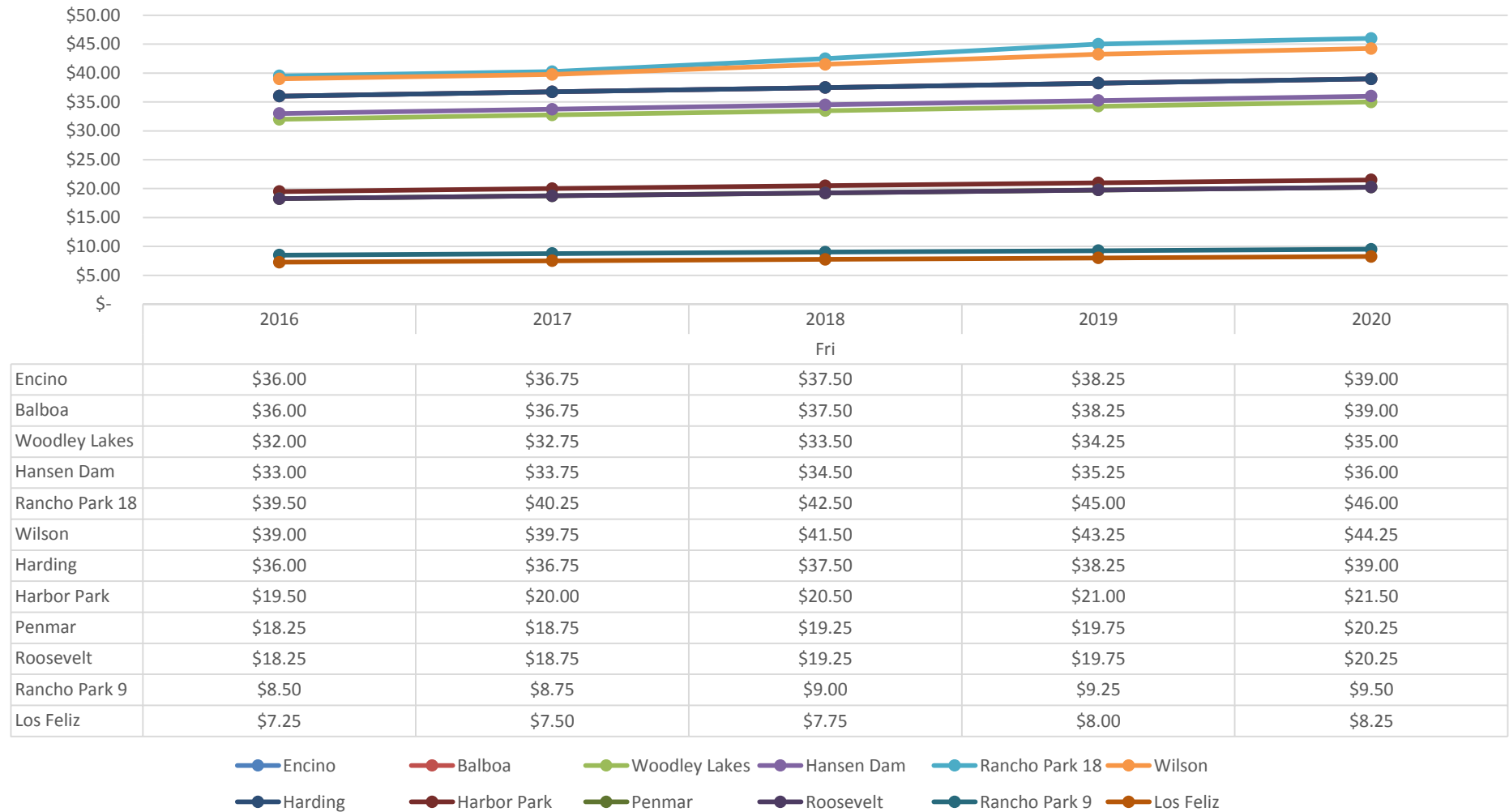
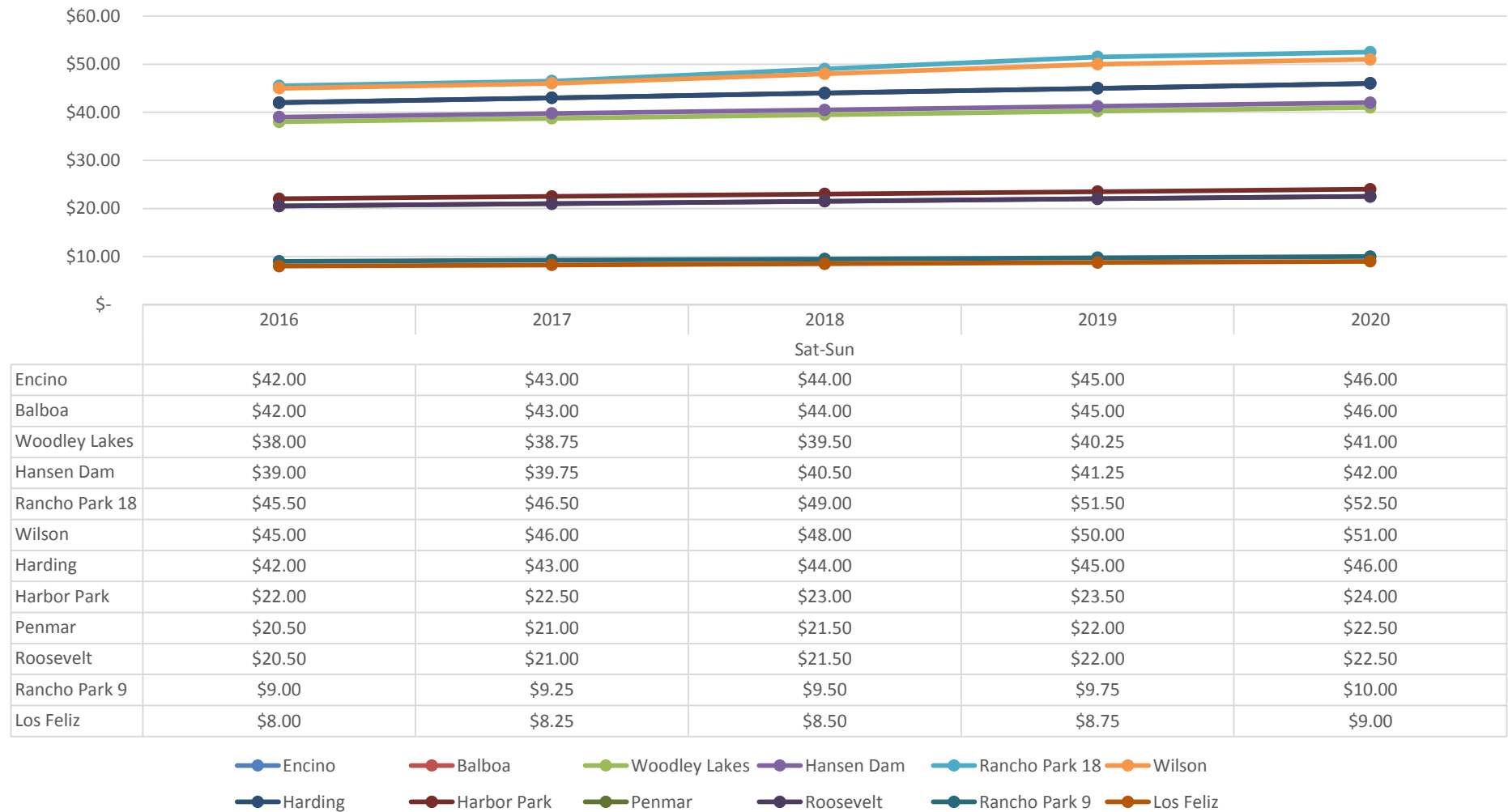


Chart 3: 5-Year Peak Rate Growth Estimates (1.8% Inflation) - Weekends and Holidays



In order to effectively implement a yield management and dynamic pricing program, it is important for the City to avoid requiring specific approvals for all prices charged (including posted peak rates), and thus not require the Board of the Recreation & Parks Commission to approve a comprehensive rates and fees manual. Instead, GGA has recommended that the Golf Division obtain the needed approvals from the Board of the Recreation & Parks Commission for a maximum price – or 'Ceiling Price' - only along with other approvals consistent with the following key points:

1. **Approval of a Ceiling Price with Annual Inflationary Increases to Provide Flexibility and Enable Yield Management and Dynamic Pricing** - Approve a maximum rate, or 'Ceiling Price' for green fees on a per course basis that the Golf Division's pricing is not able to eclipse in any one calendar year. This Price Ceiling will be based on market factors, exclusive of the desire for the City to offer accessible and affordable golf to residents, and thus likely higher than the posted peak rates.

Recommended Ceiling Prices from GGA's work that factor in market forces as of 2015 are shown in Table 2 on the following page.

The Ceiling Price should automatically increase each year at the pace of inflation until such time that market forces change substantially and another formal pricing analysis is conducted.

The Ceiling Prices should be considered available to the Golf Division for pricing of non-club tournaments and events throughout the year.

These **rates will not be posted publicly**, but will provide the Golf Division with the flexibility needed to implement a component of dynamic pricing whereby rates that are above the regular posted peak rates are available to be charged for periodic/limited special events and tournaments. As these types of activities limit tee-times available to the general public, it is important to charge a premium and to ensure golfers understand that the revenue from these events help to maintain on-going financial sustainability and capital maintenance at the City facilities. This program will allow the City to generate additional revenue and help support operations and capital.

Table 2: Recommended Ceiling Price Approval Levels

Facility	Ceiling Price (green fees)
Encino	\$45.00
Balboa	\$45.00
Woodley Lakes	\$41.00
Hansen Dam	\$42.00
Rancho Park 18	\$51.50
Wilson	\$50.50
Harding	\$45.00
Rancho Park 9	\$10.00
Harbor Park	\$25.00
Penmar	\$23.00
Roosevelt	\$23.00
Los Feliz	\$9.00
Tournaments	\$77.25

2. **Latitude for Adequately Supported Adjustments to the Ceiling Price** - Build-in latitude for a market re-evaluation and reset of rates on an annual basis should the Golf Division believe market forces have shifted substantially. This may entail an increase in Price Ceiling rates which must be supported by adequate third-party research and analysis and require additional approvals.
3. **Directive to Implement All Elements of an Effective Yield Management Program, Including Dynamic Pricing** – The goal of an effective yield management system is to fill every available tee-time at the highest price the market is willing to pay in order to play.

The most effective yield management programs leverage dynamic pricing, which avoids posting a long stratified price list with a large number of different green fee rates for various times of the day.

Successful programs require periodic specials and discounts to be developed and pushed out to the market on relatively short notice via all available channels based on constant tee sheet analysis. In order to be effective,



these 'distribution channels' must be established and effective – think of e-mail distribution lists, social media followers and radio spots, among others.

Yield management requires active management of the tee sheets and rates. Technology systems are becoming more and more sophisticated and use algorithms to move rates based on demand; however, this is not common in the industry just yet. As well, as a matter of protecting affordable access for residents, the City is likely to not implement a purely dynamic demand-based model whereby prices for peak times are consistently escalated beyond posted rates based on demand. Accordingly, the tee sheet should be constantly monitored and analyzed in order to identify times of opportunity to release special pricing for specified times in order to utilize all available inventory.

The first objective is to fill the tee sheet for each course at the highest possible rate. Once the tee sheet is full – or reasonably near full – management will begin to increase the variable rate to test and measure the elasticity of price within its targeted audience.

This approach does not suggest discounting the prices of tee-times that are already being successfully filled, nor does this approach suggest that the Course is desperate. This approach demonstrates that the Course is responding to market conditions and making a realistic response to current economic conditions.

In order to effectively manage a yield management program, key performance indicators must be readily available and monitored to allow for quick and decisive action.

Relevant performance indicators include percentage booked, percentage open, percentage sold, revenue per round and revenue per round as a percentage of the average posted peak rate with target levels for each. It is critical for the City to develop a measure of utilization versus a real operating capacity (that considers only available tee-times based on daylight hours and tee-time intervals), while also factoring in unplayable days/times due to weather, course closure for maintenance or other issues, etc. As an example, the net rate per round as a percentage of the average posted peak rate target should be 75% overall, which is the mid-point of the benchmark range.

The information system utilized by the City must be sophisticated enough to track and report key performance indicators and allow for advanced tee sheet management. Management should review the tee sheet 24 to 72

hours out, and develop and test various promotions throughout the year designed to fill open periods on the tee sheet.

The City should be cautious to avoid running the same specials at the same time each week, as golfers may begin to learn the patterns and wait for the specials to play their rounds. Specials should vary in type and time every week. In order to be effective, it will be important for clear guidelines and reference points to be established on pricing and discount levels in order to help guide management to an appropriate net rate outcome.

4. **Ability to Offer Any Range of Discounts, Specials, Packages and Promotions Below Ceiling Price** – As part of the yield management directive, provide the Golf Division with the ability to offer services and access for any price below the set Ceiling Price, including the ability to offer services and access for no charge (free) as part of any number of programs or specials. That being said, the Golf Division's ability to offer these discounts should be contingent on their capability to monitor a critical key performance indicator: overall net rate per round percentage – measured as 'actual revenue received per round'/'average posted peak rate' – and require this indicator to remain higher than 65% at all times, with a target of 70% to 80%.

This measurement is a key requirement and ingredient in an effective yield management program and provides feedback to the City with respect to the effectiveness of the program. Should overall yield drop below 65%, management must reduce the size and scope of discounting and special promotions, and vice versa. Should the overall yield rise above 80%, management must slowly increase the size and scope of discounting or risk a significant reduction in utilization and an erosion of affordable golf.

Each year, when next year's pricing is evaluated, this yield indicator should play an important role: If both yield and utilization increase substantially in any given year, and yield is trending to the top end of the 70% to 80% benchmark, it is likely that the posted peak rates are too low for the market. Conversely, if both yield and utilization decrease substantially in any given year, and yield is trending to the bottom end or below the benchmark range, it is likely that the posted peak rates are too high for the market.

- b. **Implement a New Advanced Group Booking Fee and Explore Credit Card Requirements for Other Patrons** – In an effort to protect tee sheet integrity and avoid last minute cancellations, the City should implement a non-refundable advanced group booking fee of \$10 (more than one foursome). This should only be applicable for golfers that are not Loyalty pass holders. As well, charge a non-refundable \$5 advanced booking for golfers that are NOT Loyalty program participants; and in the long-run, investigate the ability to eliminate the \$5 reservation charge by requiring a credit card to be held on file and charged the full amount of the booking for no-shows and cancellations within 24-hours of the tee-time.
- c. **Test Fivesomes Only at Woodley Lakes and Only if Yield Management and Dynamic Pricing Fail to Boost Rounds and Revenue in the Next Two Years** – Fivesomes are not considered to be best practice; however, may be an option at courses that are more playable and thus have a greater opportunity to add an additional golfer to a group without dramatically slowing pace-of-play. Fivesomes can also be a helpful marketing tactic for courses more geared towards family golf.

V. GOLF CART PRICING

Restructure golf cart pricing to market in order to increase revenue.

- a. **Restructure Golf Cart Pricing** - It is recommended that the City discard single and double rider cart fees, and rather have a single 'per seat' rate of \$14 per 18-holes, which is in line with market rates, while maintaining the existing pricing structure at Harbor Park with an increase of \$2 to \$12 per cart.



VI. LOYALTY PROGRAM

Reinforce golfer loyalty and bolster utilization by developing and implementing a new Golfer Loyalty program that provides escalating value to golfers as their frequency of play at City courses increases.

- a. **Develop, Brand and Offer a 'Golf Loyalty' Program** – Participation in the 'Golf Loyalty' program should be offered for a fixed annual fee. Annual participation in the program should provide access to both immediate benefits, as well as to benefits that accrue throughout the year as the golfer plays more rounds at City of LA courses. The City should seek out a sponsor for the Loyalty program - such as an airline company - to brand the program in order to both generate considerable sponsorship dollars for the Golf Division, as well as to provide additional benefits to participants.

The core objective of the program should be: To increase paid full-fee rounds played at the City-owned courses.

Table 3: Suggested Loyalty Pass Features and Restrictions

Category	Price	Features	Restrictions
Loyalty	\$15 (↑ to \$20 by 2020)	<ul style="list-style-type: none"> ▶ Play 10 18-hole equivalent rounds of golf at any City of LA facility and receive 1 free. ▶ Access to periodic special discount offers on green fee rates of up to 15% not available to the public. ▶ Access to special promotional discounts on merchandise and concessions not available to the public. ▶ Access to other periodic specials and events not available to the public. 	<ul style="list-style-type: none"> ▶ Annual program that fully resets every year. ▶ Free/No-Charge rounds: <ul style="list-style-type: none"> ○ Earned rounds should not carry-over to future years. ○ Standard tee-time reservations rules apply. ○ League and Club events are included as round credits. ○ No limits on which golf courses can be played or on which courses the free rounds can be used, with one caveat: Rancho 18 and Wilson are excluded on weekends and holidays. ○ Loyalty points are specific to number of holes played, not facility, i.e. 24 paid 9-hole rounds = 1 free 18-hole round or 2 free 9-hole rounds. ○ Advanced booking does not include group bookings.
Advanced Loyalty (Advanced Reservation Privileges)	\$30 (↑ to \$40 by 2020)	<p><u>Advanced Loyalty:</u></p> <ul style="list-style-type: none"> ▶ Advanced booking privileges of 16 days, only if you participate in the Advanced Loyalty program (otherwise 5 days without pass). ▶ 5 Loyalty points towards first free round as initial special offer to increase participation. 	

Cease offering multi-year Player Cards immediately; and at the time of Loyalty Program implementation, grandfather existing multi-year Player Card holders for the number of years remaining on current Card, and increase Card price annually at inflation. The program should be reviewed independently at the conclusion of each golf year.

VII. MARKETING AND COMMUNICATIONS

Expand and enhance marketing and communications to drive revenue and improve transparency with patrons.

- a. **Develop and Publish a Schedule of Planned Improvements, Course Activities and Planned Communications** - The City should develop and publish a schedule of planned course closures and course improvements, and send e-mail blasts out to its Loyalty Pass holders each year explaining everything that is being done and how everything is being funded, i.e. via the Capital Surcharge funding mechanism. This will do great things to reinforce the fact that their loyalty is being rewarded through continuous facility improvements. This will be accomplished through increased newsletters, highlighting important calendar dates, events, and changes in policy or service changes. Using a CRM platform to address patron communication is ideal, and will be an important aspect of the previously discussed Information Systems' goals and objectives.
- b. **Engage in a Collaborative Marketing Effort Called "Content Marketing"** - Content marketing is an efficient – relatively low-cost – and effective method of showing the life and spirit of City of LA Golf. In order to accomplish successful content marketing the City must take three-steps:
 - First, it will establish internal media capabilities, such as website locations and hard-copy sources.
 - Second, the City should begin to regularly develop unique content – especially photographs, videos, personal stories, and endorsements from popular organizations and figures – that relate specific LA Golf stories to the public at large.
 - And, third, the City should develop the capacity to serve as the curator of this information. The City should use its content to engage local and regional lifestyle media – such as tourism and business travel programs, publications, and institutions – and national media to show expansive golf offerings on a public fee basis.

The following actions were recommended by GGA in order for the City to begin enhancing its marketing capabilities and reach:

- Build a City of LA Golf library or portfolio of content that can be used by travel and business publications in and around the City of Los Angeles. These include the Visitor's Bureau, Chamber of Commerce, Tourism and Convention Board, as well as publicists from travel, tourism, and lifestyle segments. Any organization that publishes information about activities, happenings, gatherings, or socialization in Los Angeles, should have content available that speaks to the quantity and affordability of golf available on a public fee basis.

- The City should hire professional photographers on a bundled-course basis to capture and develop media content that will be used to supply content marketing pieces. Ensure that the City has an expansive portfolio of high-quality, high-resolution images that showcase courses at their very best and highlight various amenities, facilities, and offerings that should be expected upon a visit to City courses.
 - Similarly, the City should hire professional videographers to develop a variety of videos that showcase aspects of City of LA courses such as tournament promotions, and recaps Junior Golf event highlight reels, drone-angle course fly-overs, the City skyline at sunset, and even videos that depict ongoing maintenance and construction efforts on the courses. These videos should be between 45 seconds and two minutes in length and should be professionally shot, developed, and edited. Once developed, these videos should be aggressively shared in e-blasts to golfers, on the City of LA golf website, Facebook, and Twitter pages.
- c. **The City should Develop, Continually Maintain, and Enhance its Presence and Communications on Social Media Outlets**
- The City should focus on refining and developing its presence on Facebook, Twitter, Instagram, and peer-review sites such as Yelp and TripAdvisor. Additionally, the City should also explore targeted advertisement services through Facebook; and over time, optimize the demographic configuration of the campaign resulting in the best possible conversion rates and ultimately, ROI for online advertising.
- d. **Develop On-going Customer Feedback Process** - It is essential for the City to develop, implement, and regularly monitor a process for customer feedback. The importance of data-driven decision making cannot be stressed enough – the best way to discover what customers and golfers want is to ask them - they will be honest. The customer feedback process will be integrated within the fully updated informational system; ideally soliciting feedback in the form of an email the day following a reservation or scheduled round of golf. The following aspects are considered as essential to the method of customer feedback:
- Easy – The system should be simple, quick, and intuitive to use. It should be able to be completed right from the body of an email and not require users to visit the City of LA golf website (although a feedback form should be available there as well).
 - Automated – Feedback should automatically be solicited under pre-determined schedules and templates, arriving in golfers' inboxes the day after their scheduled round. Once their feedback is submitted, they should immediately receive an email confirming receipt of their feedback, thanking them for contributing, and encouraging them to return or visit another City course.
 - Reporting – the method should have a seamless capacity to track and store feedback and report findings to management. Feedback is most meaningful when it is reviewed, implemented, and addressed. Collecting feedback to no end will not serve golfers or the City. The reporting feature should be course-specific in order to identify key issues and suggestions in a localized manner; but, the reporting capacity should be integrated.

- e. **Develop Standardized Customer Service Training Programs for Employees** - Discussions with City of LA Golf management revealed restrictions and limitations on the hiring of new employees for the Golf Division. In light of these limitations, it is extremely important to invest in existing staff and retain quality personnel if quantity is restricted:
- The City should source training program structures and materials from the hospitality industry including hotel businesses, chain restaurants, and catering companies.
 - The City should make customer service training mandatory for all employees. If unable to make such training mandatory, there should be tiered payment offerings based on the level of training received.
 - It is imperative that the City track, recognize, and reward exceptional customer service. The City must incentivize employees to sustain a level of quality commensurate with the City of LA golf brand.
- f. **Develop a Secret Shopper Customer Service Follow-up Program** - In order to ensure investment into customer service is being effectively implemented and sustained, the City should consider developing a Secret Shopper customer service program. These programs place key shoppers at specific locations in order to measure the quality of experience. First, the shoppers are briefed on the level of trained service and quality expected; and upon their arrival, treat their visit as any other patron. After their visit the shoppers record and submit ratings and feedback of specific areas of customer service as well as the overall customer experience.
- g. **Develop and Improve Ability to Attract Events that Cater to New Market Segments** - The City cannot continue to solely rely on individual golfers or foursomes to generate revenue for City courses. The City should strive to improve its ability to both attract and host events that cater to key market segments and demographics that are uniquely different from the standard daily City of LA golfer.
- The City should develop a program for the active solicitation to use City of LA courses as locations for movie shoots and commercials. The popularity of Harrison Ford's plane crash at Penmar went viral because it was Harrison Ford, not because a plane crashed on a golf course. Located in the epicenter of movie industry, actors, and Hollywood itself, the City should leverage its proximity to studios and businesses that serve the movie industry to be paid to serve as a location for shoots. There is great bargaining potential in that City of LA courses are in the immediate vicinity and provide a favorable alternative to shipping or moving equipment and personnel to different shooting locations.
 - The City of Los Angeles is presently a nominee for the 2024 Olympics. This presents an uncommonly valuable possibility for the City to attract a vast array of non-local golfers; and more importantly, to put on display the quality and availability of City of LA golf courses. Los Angeles is one of the most widely recognized, revered, and traveled to cities on the planet; it is the location of Hollywood and the proving ground for all things media; it is one of the largest cities in the United States and the international image of the state of California. City of LA should hold as its goal the

placement of City of LA golf as the best public golf in the country. The potential of the Olympics allows the City to elevate this goal to put LA on the map as providing some of the best public golf in the world.

- The City should foster an aggressive strategy around Junior Golf programs and competitions with a focus on making Los Angeles recognized as the leading city for promoting Junior Golf. The existing tournaments hosted at several City courses and the Tregnan Academy offer a terrific starting point for this initiative.
 - Junior golfers provide tremendous upside potential for the City in the way that, if captured, they can be customers for life. Furthermore, Juniors bring others into play in circumstances where many adult golfers do not – Juniors have parents, friends, teammates, schoolmates, neighbors, aunts, uncles, grandparents, and cousins. To access a Junior is to access a whole host of family and social networks that could very easily be drawn into golf participation alongside their Junior. If the City of LA wins the kids, it wins the mothers; if the City wins the mothers, it wins the game.
 - The City should seek to integrate and align other, non-golf related youth sports leagues and organizations with City of LA golf. There are various soccer leagues, Little League baseball organizations, basketball associations, swim teams, and after-school programs that have the sole purpose of getting and keeping young people engaged. The City should promote golf within these organizations as an off-season sport, as a bonding opportunity between parents and children, and even use small matches, putting competitions, and driving range games to draw these organizations to City facilities. There may be great opportunity to host end-of-season parties and celebrations at specific Clubs in various areas of the greater Los Angeles area.
- The City should become aggressive at seeking and recruiting events which demonstrate that City of LA golf courses are female friendly. Each course should regularly have special promotions and offerings that attract women to the courses, putting greens, and driving ranges. These should be implemented in the form of rotating promotions at specific courses to spread out golf demand and to expose female golfers to a variety of City courses until they find their favorite.

- h. **Explore Branding, Including City of Los Angeles-branded Items** - The Survey results indicate that City of LA golfers are loyal to City courses and are extremely loyal to the nearest course, even favoring one as a 'home' course at times. There is a strong opportunity to reward the loyalty of these patrons by making City of LA branded items and apparel available for purchase at courses, online, and even to be earned as a complimentary reward for participation in a special event, winning a promotional offering, participating in a tournament, or winning League play. Not only does it provide a sense of community and loyalty with the City's most frequent golfers and best customers, it provides the opportunity for City of LA golf apparel to be worn around Los Angeles. There is a substantial opportunity to integrate branded items and apparel with Junior programs, clinics, and events.

VIII. DRIVING RANGE FACILITIES

Enhance and move to self-operate all driving ranges in the short-term to improve Golf Division revenues and net income.

- a. **End All Third Party Management Agreements for City-Owned Driving Ranges and Develop Transition Plan** - The City of LA should end all existing third-party driving range agreements at the Sepulveda Golf Complex (Encino/Balboa) and the Griffith Park Golf Complex (Wilson/Harding) as soon as possible, given existing contracts and obligations. In the immediate term, the City should develop a transition plan to reduce downtime during the change of management from the third parties back to the City.
- b. **Explore Potential for Large Scale Third Party Partnership Opportunities in the Long-term** – Given the excellent location of its properties, the City of LA may have the opportunity to convert their driving range facilities into larger entertainment complexes in partnership with a large scale third party entity. Any opportunities must be sufficient in size and scale to significantly improve the annual net income directly to the City, beyond what on-going self-operation of all ranges produces, and limit the City's capital contribution requirements while also providing expanded and enhanced service to both its core golfer patrons and other City of LA residents alike.



IX. PRO SHOP RETAIL AND SERVICES

Increase individual course revenue and improve golfer satisfaction by incorporating enhanced pro shop merchandise and services into individual facility operations.

- a. **Fill Existing Vacant Golf Operations Supervisor Role with Experienced Golf Professional** - Management requires a Golf Professional with significant experience in the golf industry; the current structure is missing a dedicated Golf Professional to oversee strategy and operations. The City should consider occupying the currently vacant role of 'Golf Operations Supervisor' with someone who possesses the skills and experience which meet this criteria. This will be an important position to help implement operational recommendations with respect to merchandise, Marshals, First Tee Starters, playability and a grass roots lessons program.
- b. **End Pro Shop Concession Agreements** - The City should end all existing pro shop concession agreements when and as soon as possible, given existing contracts and obligations. In the immediate term, the Golf Division will take back pro shop operations as well as the sale of accessories and merchandise at all of its facilities.
- c. **Take Back Pro Shop Operations and Re-Organize Starter Operations** - It is important that the City initially control and manage the sale of basic golfer accessories (balls, tees, gloves, hats) and limited merchandise (only at appropriate locations) at each of its facilities in order to ensure on-going and continuous customer service at all times. This will require that the City move starters into the pro shops, creating an area with a counter where concessionary items and accessories can be easily displayed and purchased with green fees.

As part of the deferred capital projects, the City should revisit its physical plant layout at each course, especially as it relates to pro shop attendants/starters and the ability to sell both green fees and merchandise/accessories. The most efficient and effective customer service solution would be for golfers to be able to purchase food and beverage incidentals and golf merchandise accessories, as well as pay for green fees and other golf service related fees, in a centralized location that could be staffed by a single employee. In this scenario it would be a City employee who would collect and manage payments from a central desk within an appropriately assigned pro shop/concessions space.

- d. **Plan for Inventory, Revenue and Expense Requirements Associated with Pro Shop Operations** - The City should anticipate very limited inventory requirements and should plan for revenues to begin around the \$0.55 to \$0.60 per round mark, increasing over the next few years as the City improves its offering and golfers begin to rely on the Courses

for accessories, to \$1.50 or more per round. The City should also anticipate a cost of sales on merchandise revenue to be 65% to 75%.

- e. **Seek Out a Large Scale Third Party Retailer, Distributer or Manufacturer to Partner With in the Long-Term** - Over the medium to longer-term, the Golf Division will set out to find a single large-scale third party retailer, distributor or manufacturer to partner with in order to stock the pro shops with hard goods and soft goods and help with merchandising in order to offer golf equipment and larger merchandise for sale, as well as to develop fitting centers at appropriate locations. This should also include online merchandising of City of LA logo'd merchandise, which will likely increase in popularity as the City's Golf program and brand increase in popularity over the coming years. Due to the limited viability of selling equipment and larger merchandise at a number of the City facilities, it will be important to structure an agreement with only one organization across all facilities and to require a certain level of services to be offered and maintained at select locations that the City deems appropriate, in order for said organization to secure the contract. The most effective arrangement would be for the City to manage sales in the pro shop using the existing attendant resources, and to distribute proceeds to the partner. The City would retain a portion of the net proceeds from sales, benchmarked at 20% to 25%.
- f. **Develop a World-Renowned Grass Roots Lessons and Teaching Program** - It is of critical importance to the overall strategy that the City develop a world-renowned grass roots teaching program that encourages participation among all City residents. The City should design and implement a sophisticated lessons program that includes certifying and managing all teaching professionals who provide lessons to golfers at City facilities.

The City should deploy its new technology platform to manage reservations and payment in exchange for a percentage of lessons revenue. This percentage should range from 20% to 25%. All lessons revenue will be collected and managed by the City. The City should use its share of lessons revenue to cover the cost of administering the program, and set aside a portion of all net proceeds (after administrative costs), to fund range and teaching facility enhancements.

The software program for reservations will also need to have a feature for people to rate their instructor and to view instructor ratings when looking to book a lesson. This program will be considered a break-even proposition, with all proceeds redirected back into improving the program and related facilities - which will encourage both golfers and instructors alike - to engage as continuous improvements are evidenced.

X. FOOD AND BEVERAGE OFFERINGS

Improve patron satisfaction and food and beverage revenue with a more robust offering at City courses.

- a. **Develop and Implement a Contingency Plan for Food and Beverage Operations and Trial Service Options** - All food and beverage concession contracts at City courses are currently month-to-month, which provides an excellent opportunity to develop and implement a comprehensive strategy while maintaining flexibility in the short-term to effectively test the markets via pilot programs.

In the immediate-term, the City should act to ensure there are food and beverage offerings available at every facility and should develop a contingency plan for the short to medium-term while the City explores large-scale options.

Contingency plans should include a short list of approved and qualified on-demand vendors (food trucks, caterers, vending machine providers, etc.) that the City can call on in the event of a service disruption or increased need at any of its facilities on short notice. The City should explore the potential of structuring short-term service permits with successful food truck operators, who would pay the City a lease rate to set-up operations during designated times, at each City facility that currently does not offer golfers any form of food and beverage service.

- b. **Do Not Include Banquet Operations for Tournaments in Any New Food and Beverage Concessions Agreements** - Any new food and beverage agreements formed with concessionaires will not include banquet operations. The City should take back banquet operations to boost tournament sales. Food and beverage offerings at such events will be catered to allow for greater coordination and packaging of tournaments.
- c. **Seek out Large Scale Restaurant Chains to Reinvigorate the Food and Beverage Offerings in the Long-Term** – Given the location of a number of facilities and the amount of excess space available in the buildings, over the medium to long-term the City should explore opportunities to upgrade the clubhouses and lease them out to multiple restaurants (i.e., Panera, Pizza Hut, Subway, etc.) in order to significantly reinvigorate its food and beverage concession offerings.

A third party entity that leases a municipally-owned facility has the ability and the right to operate the facility in any manner of their choosing. This means that operational control (including establishment of pricing) is transferred away from the City. The municipality must rely on the annual performance caveats in the lease agreement to ensure minimum performance standards are met. While the municipality is typically responsible for funding all deferred capital

in existence at the outset of the lease, the lessee is responsible for maintenance and replacement of all future capital over the term of the lease. In certain cases, a reduction in the lease rate is negotiated in place of deferred capital funding from the City. The municipality can protect its assets by putting annual capital reinvestment minimums into the lease agreement. The lessee will usually require some form of repayment of capital clause (or buy-out clause) for any capital investment made by the lessee in the event they are not able to recover a reasonable return. This clause is typical for major capital improvements funded by the lessee where the useful life of the improvement is longer than the lease contract term, or in the event of early termination.

Standard third party lease contracts are typically 20 to 40 years in length due to the length of time required to recover capital investments made to the facility. The City would have contract review points every five to ten years, depending on the duration of the lease. The shorter the lease contract, the less bargaining power the municipality has with respect to annual capital reinvestment requirements. Most lease contracts contain early termination provisions and penalties should the municipality terminate the contract early for any reason other than third party gross negligence. The early termination penalty is often a charge equal to one year of rent as well as payment of any unrealized returns on invested capital determined on a sliding scale, depending on the year the contract was terminated and the useful life of the capital improved by the lessee.

A lease contract will include a base rental fee as well as some form of additional rent tied to financial performance of the asset. Base rental fees are generally calculated at 50% of projected third party optimized cash flow before interest, depreciation and amortization. Projections are determined under the pretense of highest and best use of the facilities in an open and competitive market, and not necessarily based on historic performance of the municipal operations. Additional rent tied to financial performance is based on incremental improvements to a baseline gross revenue figure calculated at the outset of the lease. There are two different approaches typically taken with respect to additional performance based rent:

1. An annual payment set at 15% of incremental improvement to the baseline gross revenue; or,
2. A periodic and permanent escalation of base rent set at 25% of incremental improvement to projected gross revenue, typically adjusted every five years.

XI. NON-GOLF RELATED FACILITY USE

There is an opportunity to leverage facility space to generate non-golf related revenue.

- a. **Charge for Parking at the Roosevelt Parking Lot** – The Greek Theatre has a 5,000+ seating capacity and hosts major concerts and events. During events in the evenings, the City can charge for parking at the Roosevelt parking lot as it is within walking distance of the theatre. This project should not interfere with regular golf patron parking.

Governance Details

XII. PERFORMANCE MANAGEMENT AND EDUCATION

Implement education, support and monitoring systems to help foster continuous improvement.

- a. **Maintain Current Golf Advisory Committee Structure** - The City of Los Angeles Golf Advisory Committee ("GAC") should remain and continue to operate and act in an advisory capacity to the Department of Recreation and Parks General Manager and the Board of Recreation and Park Commissioners regarding the operation and maintenance of the City golf facilities.
- b. **Commit to and Fund an Education Platform for Key Management** – It is important for the Golf Division's management team to be afforded continuous access to new ideas, which generally come in the form of: educational programs, best practice resources, conferences and expert advice when needed.
- c. **Develop and Implement a Comprehensive Performance Dashboard to Monitor and Continuously Improve Operations** – Given the latitude in pricing and operations being requested of the Board of the Recreation & Parks Commission, it is important for the Golf Division to implement a comprehensive performance dashboard to improve monitoring capabilities. It will be important for all key stakeholders to be able to efficiently and effectively monitor performance using a handful of primary key performance indicators and for the Golf Division to make adjustments when and as needed.

Facilities Details

XIII. CAPITAL IMPROVEMENTS

Invest in capital improvements to considerably improve facilities and the patron experience - City golfers have clearly indicated that they are willing to pay more for an improved golf experience.

- a. **Implement a Capital Contribution Surcharge on Every Round** – The ‘Capital Contribution Surcharge’ revenue collected will be earmarked and protected for City of LA golf course capital related expenses only. In the short-term, the income will be used to repay both principal and interest on debt that will be used by the City to fund the considerable deferred capital on each City golf course. In the long-term the income will be used to fund continuous capital improvements. The surcharge will be varied by facility, depending on the proportion of capital needed. Table 4, below, highlights the suggested Capital Contribution Surcharge amount for each facility, to be increased annually at inflation; and Table 5 highlights the estimated income generated from these surcharges (please see Appendix B for detailed estimates). Note, the price increases in Table 1 recommended for 2016 solely equate to the capital surcharges:

Table 4: Capital Contribution Surcharge by Facility

Facility	Capital Contribution Surcharge
Encino	\$2.00
Balboa	\$2.00
Woodley Lakes	\$2.00
Hansen Dam	\$2.00
Rancho Park 18	\$2.50
Wilson	\$2.00
Harding	\$2.00
Rancho Park 9	\$1.00
Harbor Park	\$1.00
Penmar	\$1.00
Roosevelt	\$1.00
Los Feliz	\$1.00

Table 5: Estimated Capital Surcharge Income

Facility	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021
Capital Surcharge Income	\$ 1,499,720	\$ 1,585,381	\$ 1,673,641	\$ 1,764,564	\$ 1,831,306

It is critical that the Capital Contribution Surcharge be effectively communicated to patrons in order to increase awareness that every dollar in the Surcharge goes into a fund and straight back into the improvement of their facilities. The City should consider structuring patron receipts, as shown in Diagram 1, with the surcharge separated from the green fee, and the total amount collected for the fund to date.

Diagram 1: Sample Receipt

City of Los Angeles Golf Division	
RANCHO PARK 18	
18 Holes Green Fee	\$ 49.00
Capital Contribution Surcharge	\$ 2.50
=====	
Total Green Fee	\$ 51.50
Electric Cart x1	\$ 14.00
Subtotal	\$ 65.50
=====	
Total	\$ 65.50
=====	
The Capital Contribution Surcharge directly funds repairs and improvements at the RANCHO PARK City course.	
Thank You!	

- b. **Fund and Address All Deferred Capital Needs As Quickly As Possible Via a Series of Municipal Bonds** - Address the aging facilities and significantly improve golf course infrastructure at every facility by issuing a series of 20-year Municipal Bonds and utilizing a portion of existing capital funds already available to the Golf Division.

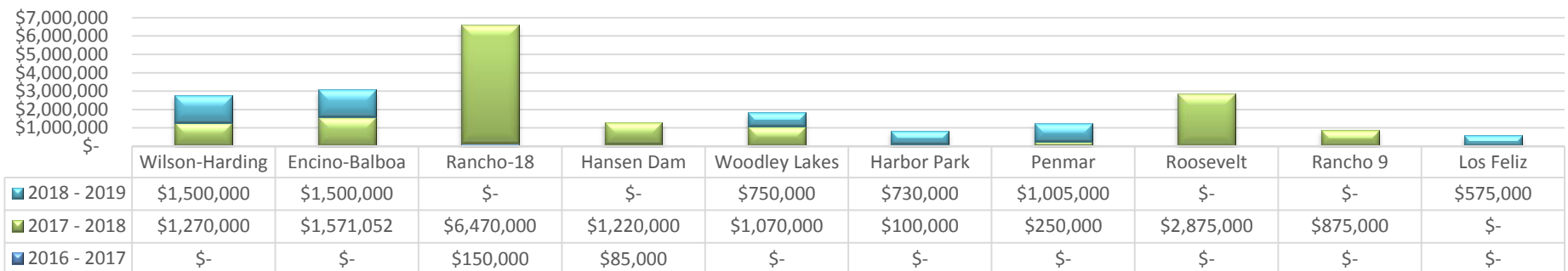
The City should utilize these funding sources to complete the \$20+ million in deferred capital expenditures estimated by City management and install a new \$2.5+ million irrigation system at Rancho Park 18 over the next three years. The business interruption costs associated with each project have been estimated to be approximately \$3 million, which will also be funded in the same manner. The City should leverage the 'Capital Contribution Surcharge' to be

collected on every round of golf to fund the debt service requirements (estimated at \$1.2 million annually). For the City to undertake capital improvements and achieve its new 'Standard of Excellence', it will be important to address deferred capital as soon as possible and ensure future capital requirements are adequately funded. Appendix B, attached, highlights detailed five-year financial projections and includes a list of the course-by-course capital improvement projects along with the proposed timing for each. Table 6 and Chart 4, below, provide a summary of total capital improvement costs by-year, by-facility:

Table 6: Estimate of Deferred Capital Improvement Costs

Facility	2016-2017	2017-2018	2018-2019	Total
Wilson-Harding	-	\$ 1,270,000	\$ 1,500,000	\$ 2,770,000
Encino-Balboa	-	\$ 1,571,052	\$ 1,500,000	\$ 3,071,052
Rancho-18	\$ 150,000	\$ 6,470,000	-	\$ 6,620,000
Hansen Dam	\$ 85,000	\$ 1,220,000	-	\$ 1,305,000
Woodley Lakes	-	\$ 1,070,000	\$ 750,000	\$ 1,820,000
Harbor Park	-	\$ 100,000	\$ 730,000	\$ 830,000
Penmar	-	\$ 250,000	\$ 1,005,000	\$ 1,255,000
Roosevelt	-	\$ 2,875,000	-	\$ 2,875,000
Rancho 9	-	\$ 875,000	-	\$ 875,000
Los Feliz	-	-	\$ 575,000	\$ 575,000
Total Capital Improvement Costs	\$ 235,000	\$ 15,701,052	\$ 6,060,000	\$ 21,996,052
Business Interruption Costs	-	\$ 1,618,622	\$ 1,150,577	\$ 2,769,198
Total Including Business Interruption	\$ 235,000	\$ 17,319,674	\$ 7,210,577	\$ 24,765,250

Chart 4: Capital Improvement Timing and Costs



- c. **Fund Annual Capital Maintenance Expenses Through Operations** – Capital maintenance, resulting from regular use and aging, is an operating expense and must be treated as such. Many golf courses, municipal or otherwise, have historically not included capital maintenance in operating expenses; and thus only funded when and if sufficient funds were available. This has created an abundance of deferred capital at many golf courses across the Nation, including at the City of LA golf facilities.

While the capital surcharge and Municipal Bond will help to address deferred capital initially and new capital improvements thereafter, they will not address all of the annual and regular capital maintenance needs. Accordingly, the City should begin budgeting for and including annual capital maintenance expenses in the operating budget, which can be estimated at 5% of gross revenue in any given year.

Over the first three years while the large-scale capital improvement projects are on-going, the City should leverage these capital maintenance budget dollars to address immediate need projects that are important to operations, such as relocating starters from starter windows to pro shops and reinvigorating the interior of the tired pro shop facilities. This is necessary in order to begin offering limited merchandise and accessories (hats, balls, tees, etc.) and to generate the revenues projected in the Financial Impact section herein. Please see below an estimate of gross revenue and consequently capital maintenance expenses that the City should include in its annual operating budget each year:

Table 7: Estimate of Capital Maintenance Expenses to be Included in Operating Budget

Facility	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021
Gross Revenue	\$ 27,871,170	\$ 28,892,164	\$ 30,500,230	\$ 32,144,621	\$ 33,306,811
Capital Maintenance Expenses (operating expenses)	\$ 1,355,250	\$ 1,413,929	\$ 1,492,938	\$ 1,573,761	\$ 1,630,474

- d. **Continue to Maintain Capital Reserve Fund and Utilize a Portion of Existing Funds to Offset Business Interruption Costs** - The Golf Division will maintain a minimum Capital Reserve Fund, equal to two (2) times the annual capital maintenance projections across all golf facilities (benchmarked at 5% of gross revenue, or roughly \$2.7 million in 2016) in order to adequately address unforeseen issues and surprises. Accordingly, the City should leverage existing capital account funds in excess of the capital maintenance benchmark to help address the costs associated with actually addressing the deferred capital expenditures; i.e., business interruption costs. Assuming the Capital Fund is currently at \$7.5 million, the City should utilize approximately \$4.8 million for deferred capital to help fund operating shortfalls that result from capital projects, and thus maintain \$2.7 million as a contingency. The City should also continue to maintain its Contingency Fund with respect to the Sepulveda Complex.

- e. **Complete a Comprehensive Capital Reserve Study and Prioritize Capital Projects** – While this Plan has been based on management's Capital Improvement Plan (which the City should carry forward with), concurrently the City should also complete a comprehensive 20-year Capital Reserve Study to better understand current and future capital costs and to better segregate and account for deferred versus normal capital maintenance.
- f. **Create and Deploy a Capital Maintenance Squad to Work on Capital Related Items Across All Facilities** - In addition to funding the completion of all deferred capital projects, a City-wide 'Capital Maintenance Squad' ("Squad") should be established to help address capital maintenance requirements across all facilities on an on-going basis. The Squad should consist of four to five members, one of which should be highly-skilled and knowledgeable in the field, while the remaining members can be general laborers who will receive guidance and training from the Squad leader. The Squad will constantly monitor and address capital maintenance requirements and conditions at all City of LA facilities. In addition to maintaining capital maintenance standards, members of the Squad can also act as temporary workers during the turn-over period when a greens employee at a particular course has left their position.
- g. **Develop and Implement a Comprehensive Agronomic Plan** - The City should complete a comprehensive Agronomic Plan; a key tool to establish and maintain the quality of course conditions. Please see Appendix D, attached.
- h. **Upgrade all Driving Ranges** - As part of the Capital Improvement Plan, the City should upgrade all driving ranges, including sophisticated ball dispensing machines that offer various ways to take payment (tokens, credit cards, range cards, passwords that are system-generated; ideally, customers can pay online through their mobile device via a secure payment processor and have a password e-mailed or texted to their smart phone so they can enter it and get golf balls). Each range should be equipped with golf ball machines that are aesthetically pleasing, easy to load with golf balls in a secure manner, and security cameras on the machines and range areas. The security camera feeds should be visible to the pro shop attendant (starter) in order to monitor the range activity and sales.

XIV. UNPROFITABLE FACILITY SOLUTIONS

Reduce considerable losses associated with Holmby Park and Tregnan Academy by releasing operational control.

- a. **Transfer Responsibility for Holmby Park to the Parks Branch of the Department of Recreation and Parks** - Holmby Park, while historically significant, is much more of a park than a golf facility. Accordingly, it would be far better suited under the Parks Branch of the Department of Recreation and Parks, with a simple donation box for local residents to help support the care and upkeep. The Golf Division should cease golf operations at Holmby Park/ Armand Hammer and attempt to shift control of the property back to the Parks Branch of the Department of Recreation and Parks. At a minimum, the Golf Division will attempt to structure a subsidy relationship with the Parks Branch of Recreation and Parks in order to ensure that the Golf Division is not measured and penalized by the losses incurred from maintaining a non-revenue generating park.
- b. **Lease, Rent or Solicit Corporate Sponsor to Fully Cover Operating Costs of Tregnan Academy** - The City should consider leasing Tregnan Academy to an up and coming Junior Golf development group; or at a minimum, rent it to them on an annual basis at a sponsorship fee that will cover the cost to maintain the property. While Tregnan Academy is an important facility in encouraging participation and providing accessible teaching facilities to the City's youth, it is also a considerable loss leader for the Golf Division. Accordingly, the Golf Division will seek a partnership with a third party to improve the offerings at Tregnan Academy, bolster marketing efforts and help to subsidize operations, while staying true to the Golf Division's mission.

XV. ALTERNATIVE FUNDING SOURCES

Actively pursue alternative funding sources for capital projects and community programs via grant, donor, and sponsorship options.

- a. **Actively Solicit Private Grant, Donor and Sponsorship Funding** - The City should prepare a prospectus for each potential opportunity and search for grant/donor/sponsorship funding for large-scale capital projects or for costly, yet necessary programs (such as the Junior Golf program or Tregnan Academy) in exchange for recognition or naming rights.

STRATEGIC ACTION PLAN

Operations

Table 8: Strategic Action Plan – Operations

Action Plan	Completion Deadline	Assigned To	Intended Outcome
I. INFORMATION TECHNOLOGY			
<p>a. Source and implement a robust and fully-integrated customer and operations management system.</p> <ul style="list-style-type: none"> • Prepare a Request for Proposal (“RFP”) for a fully integrated system utilizing the Information Systems Review report. • Distribute the RFP to all potential system providers. • Evaluate responses using necessary functionality and user experience as the most important criteria, with pricing a close second and create a short list of potential candidates. • Invite the short list of candidates to perform a comprehensive demonstration of their system, addressing all necessary functionality and the user experience on a set-up similar to what the City of LA will require, i.e. multiple courses spread across a large geographic area with a centralized CRM database and robust loyalty tracking capabilities. City representatives from all operating functions should be in attendance (Golf, Greens, IT, Sales and Marketing, accounting). • Require and thoroughly investigate references from other multi-course golf systems that use each product. • Select best system for the Golf Division’s purposes and implement on a trial basis, only committing to a long-term contract once proven. 	<p>November 2016 or sooner, if at all possible. January 2016</p> <p>January 2016</p> <p>March 2016</p> <p>May 2016</p> <p>August 2016</p> <p>October 2016</p>	Golf Division and City Procurement	<p>Fully functioning and operational customer and operations management system that:</p> <ol style="list-style-type: none"> 1. Improves operational efficiency, effectiveness and control; 2. Reduces administrative costs through efficiency improvements (to be offset by increased marketing, communications and yield management requirements); 3. Effectively facilitates and supports yield management, dynamic pricing and loyalty program initiatives; and, 4. Improves the customer experience with online reservations and communications. <p><i>NOTE: This action item is of the highest priority. A significant number of other important strategic action items directly rely on the successful implementation of a highly capable information system.</i></p>

Action Plan	Completion Deadline	Assigned To	Intended Outcome
II. PACE-OF-PLAY			
<p>a. Continue to work with the USGA on Pace-of-Play and implement studied recommendations.</p> <ul style="list-style-type: none"> Review and consider USGA report and recommendations based on recent pace-of-play monitoring, analysis and feedback efforts. Implement a going-forward method, under the guidance of the USGA, to monitor and analyze pace-of-play going forward. 	<p>November 2016</p> <p>February 2016</p> <p>October 2016</p>	<p>Golf Operations Supervisor, Golf Starter Supervisors II and USGA</p>	<p>Implementation of best practices for managing and monitoring pace-of-play.</p> <p>Implementation of an efficient and effective system for measuring, monitoring and analyzing pace-of-play going forward.</p>
<p>b. Increase tee-time interval to eight minutes.</p> <ul style="list-style-type: none"> Adjust tee-time intervals in tee sheet reservation system from the current 6 minute interval with pacing times to a straight 8 minute interval without pacing times. This will require the City to stop selling pacing times in the tee sheet through a third party. The City should work with third party tee time resellers to develop a mutually beneficial relationship under the new tee-time intervals. Integration with third party tee-time resellers should be part of the City's evaluation and requirements for a new information system. Prepare and distribute a communication to the marketplace via all available communication feeds (e-mail, social media, posters, flyers, news outlets, etc.) that promotes the increase in tee-time intervals to 8 minutes as part of on-going efforts to improve pace-of-play and golfer enjoyment. Once pace-of-play improves and all tools are functioning properly, experiment with a 7/8 minute split interval at certain courses (Harbor Park and Woodley Lakes initially) to add capacity and normalize revenue. 	<p>April 2016</p> <p>April 2016</p> <p>April 2016</p> <p>April 2017</p>	<p>Golf Manager, Golf Operations Supervisor</p>	<p>Better control the tee sheet and first tee to improve pace-of-play across the entire City Golf system.</p>

Action Plan	Completion Deadline	Assigned To	Intended Outcome
<p>c. Improve presence of tee checkers on the first tee to enhance tee-time management.</p> <ul style="list-style-type: none"> Communicate to golfers via all available communication avenues the importance of teeing off at a precisely defined tee-time, as opposed to whenever the first tee appears open or the group in front is 'out-of-reach'. Include this communication on tee-time interval changes. Adjust golf operations staffing program at all City facilities (excluding Los Feliz, Tregnan, Rancho Park 3 par, and Holmby) to ensure direct control over the first tee and only permit golfers to tee-off at a precisely scheduled start time. Start times in the mornings and during the busiest periods are the most critical in order to ensure precise timing. Once technology is advanced at the City of LA courses, starters will have the ability to check-in golfers via a handheld device integrated to the tee sheet and point-of-sale system, which will allow golfers, who have pre-paid online or paid via their mobile device, to proceed directly to the first tee and tee-off. 	<p>January 2017</p> <p>December 2015</p> <p>March 2016</p> <p>December 2016</p>	<p>Golf Operations Supervisor and Golf Starter Supervisors II</p>	<p>Golfers being greeted on the first tee where pace-of-play expectations, relevant course rules and on-course Marshal powers are communicated.</p> <p>Golfers teeing off at a precisely scheduled tee- time.</p> <p>Modified staffing profile at each facility with re-allocated responsibilities (including dual duties at multi-course facilities) that ensures coverage and control during the busiest times of the day, especially mornings, without adding another full-time coverage position (only part-time coverage added).</p> <p>Reduction in the time that golfers are required to be at the course prior to their scheduled tee-time.</p>
<p>d. Reinstitute a volunteer Marshal program.</p> <ul style="list-style-type: none"> Design and implement an on-course volunteer Marshal program to include the following key characteristics: <ul style="list-style-type: none"> Coverage to include 2 Marshals during peak times and 1 during off-peak times at 18-hole courses; and, 1 Marshal at all times at 9-hole regulation and executive courses. Volunteers to be provided complimentary access to City courses during off-peak, open tee-times and only at the course they Marshal. Volunteers must be and remain in good standing with the City in order to take advantage of complimentary access. A system of scheduling and tracking volunteers will be implemented and any no-shows or consistent complaints will result in revocation of 'good standing' and privileges. The Marshal privileges will be reviewed and compared to 	<p>April 2016</p> <p>March 2016</p>	<p>Golf Operations Supervisor</p>	<p>Improved pace-of-play.</p>

Action Plan	Completion Deadline	Assigned To	Intended Outcome
<ul style="list-style-type: none"> competing courses in the local areas on an annual basis or should it be difficult to fill roster spots. Marshals will report to and take direction from First Tee Starters who are responsible for controlling and monitoring pace-of-play. 			
<p>e. Undertake a playability review on all courses and ensure all hazards are clearly painted and staked.</p> <ul style="list-style-type: none"> Conduct a review to identify any and all bottlenecks on each course where pace-of-play typically slows, and address any playability issues that may be contributing to bottlenecks. Ensure all City of LA Golf facilities have all hazards clearly painted and staked. Install yardage plates on all tees. Ensure yardage markers are installed and visible along all fairways. Design, communicate and enforce rules to require the use of drop areas on the other side of lateral hazards. 	<p>July 2016</p> <p>March 2016</p> <p>March 2016</p> <p>June 2016</p> <p>March 2016</p> <p>March 2016</p>	<p>Golf Operations Supervisor, Golf Starter Supervisors II, Senior Park Maintenance Supervisors</p>	<p>Improve playability of all golf courses by correcting or eliminating any design or set-up issues that typically contribute to slow play or overly difficult play.</p> <p>Improve golfer satisfaction and pace-of-play.</p>
<p>f. Map pin placements to improve playability and speed pace-of-play.</p> <ul style="list-style-type: none"> Strategically map playable pin placements on every course that ensures a flat area of no less than three feet all around each pin placement where possible. 	<p>April 2016</p> <p>March 2016</p>	<p>Golf Operations and Principal Grounds Maintenance Supervisors</p>	<p>Improve playability of the golf courses.</p> <p>Improve golfer satisfaction and pace-of-play.</p>

Action Plan	Completion Deadline	Assigned To	Intended Outcome
III. NON-RESIDENT ENGAGEMENT			
<p>a. Eliminate the use of different rates for Residents and Non-residents.</p> <ul style="list-style-type: none"> Launch a major communication to the market that the City of LA is no longer going to charge Non-resident golfers more than Residents to play at City courses: <p>“In an effort to improve relations with our neighbors and address concerns raised by not only Non-residents but from Residents who have friends that live within close proximity to City courses, but are currently considered Non-residents, the two tiered rate structure has been eliminated.”</p> <p>Please see Pricing Recommendations below for proposed changes in 2016 and beyond.</p> <p>Important Note:</p> <p>Both the elimination of the Non-Resident rate and the advent of a Capital Surcharge will be implemented for 2016. The Loyalty program and further rate adjustments to market will be implemented in 2017 and beyond 2018 as the information system and other important improvements are implemented.</p>	<p>April 2016</p> <p>April 2016</p>	Golf Operations Supervisor	Attract additional rounds played from the considerable audience of historically dormant golfers that live in close proximity to the City facilities, but are considered ‘Non-residents’.
IV.YIELD MANAGEMENT AND DYNAMIC PRICING			
<p>a. Implement a sophisticated yield management program that includes dynamic pricing.</p> <ul style="list-style-type: none"> Obtain approval from the Department of Recreation & Parks Commission (where applicable) for the following: <ol style="list-style-type: none"> An approved ‘Price Ceiling’ for each course as per recommendations in Table 3, increasing each year at the pace of inflation. The ability to implement all elements of an effective yield management and dynamic pricing program described herein and to charge any rate deemed necessary as long as it falls below the approved ‘Price Ceiling’. 	<p>April 2017</p> <p>April 2016</p>	Golf Manager, Golf Operations Supervisor, Golf Starter Supervisors II, the Board of the Recreation & Parks Commission	Annual increases in rounds and revenues across all facilities, with the greatest gains seen at currently under-utilized facilities. Golf Division is provided with the necessary flexibility to compete in the marketplace while also achieving its mission.

Action Plan	Completion Deadline	Assigned To	Intended Outcome
<ul style="list-style-type: none"> 3. The ability to offer specials and programs that include 'free' rounds and other various services. 4. The ability to seek adequately supported 'Price Ceiling' adjustments to market on an annual basis. 			
<ul style="list-style-type: none"> Communicate 2016 pricing adjustments to the market in tandem with communications surrounding the key strategic goals, including the elimination of Non-resident pricing, increase in tee interval and other pace-of-play initiatives, the development of a Capital Fund, via a capital surcharge on green fees, etc. See proposed 2016 posted peak rate pricing in Table 2 and detailed pricing in the Financial Impact section of this report, to be increased at a minimum at the pace of inflation (estimated at 1.8%) on an annual basis. 	April 2016	Golf Operations Supervisor, Golf Starter Supervisors II, Tee Sheet/Reservations Analyst	Market understanding of pricing changes and the reasons why.
<ul style="list-style-type: none"> Implement necessary processes for yield management within golf operations: <ol style="list-style-type: none"> 1. Fill Golf Operations Supervisor role and build yield management team utilizing/re-tasking reservations resources. 2. Track and monitor net rate per round as a % of posted peak rate by facility on a daily, weekly and monthly basis; 3. Consistently review tee sheets 72, 48 and 24 hours out; 4. Test the effectiveness of various specials, promotions and discounts at filling empty time slots on tee sheets across various facilities throughout 2016, starting with small discounts off posted peak rates; and 5. Document successes. 	April 2017	Golf Manager, Golf Operations Supervisor, Golf Starter Supervisors II, Communications Specialist	<p>Efficient and effective yield management processes and responsibilities designed, refined and implemented.</p> <p>Archive of discounts, specials, packages, and promotions, by facility, ranked by effectiveness and yield.</p>
<ul style="list-style-type: none"> Leverage the new information system to build and automate portions of the yield management program designed and tested throughout 2016 to implement dynamic pricing methods. It will be important to use the successful specials pricing and packaging identified throughout 2016 to design and implement the effective dynamic pricing models within the new information system. 	April 2017	Golf Operations Supervisor, Golf Starter Supervisors II, Tee Sheet/Reservations Analyst	Annual increases in revenues across all facilities with limited impact on actual affordability for golfers.
<ul style="list-style-type: none"> Leverage the Price Ceilings to charge rates that are in excess of the proposed peak rates herein for special events and other special initiatives, programs and packages where the market indicates the City is able to command above posted rate. 	April 2017	Golf Operations Supervisor, Golf Starter Supervisors II, Tee Sheet/Reservations Analyst	A handful of larger, significant revenue generating tournaments and events that increase revenues and help support operations and capital.

Action Plan	Completion Deadline	Assigned To	Intended Outcome
<p>b. Implement new advanced group booking fee and explore credit card requirements for other patrons.</p> <ul style="list-style-type: none"> Communicate to the market updates to advanced booking policies: <ol style="list-style-type: none"> Non-refundable advanced group (more than one foursome) booking fee of \$10, applicable to every foursome in the group that is not made up of all Loyalty Pass holders; and Non-refundable \$5 reservation fee for golfers that are NOT Loyalty Pass holders. Investigate the ability to eliminate the \$5 reservation fee by requiring a credit card to be held on file for non-Loyalty Pass holders and charged the full amount of the booking for no-shows and cancellations within 24-hours of the tee-time. Loyalty Pass holders should also be charged for cancellations and no shows within 24-hours of the tee-time, a \$5 fee or docked equivalent Loyalty points. 	<p>April 2017</p> <p>April 2017</p> <p>April 2017</p>	<p>Golf Manager, Golf Operations Supervisor, Golf Starter Supervisors II, Communications Specialist</p>	<p>Increased revenue and fewer cancellations and no shows.</p> <p>Increased revenue from advanced bookings, increased Loyalty program participation and revenue and reduced cancellations and no shows.</p> <p>Elimination of barrier to making reservations at City of LA properties for non-Loyalty Pass holders, while protecting against cancellations, no shows and lost revenue.</p>
<p>c. Test fivesomes at Woodley Lakes.</p> <ul style="list-style-type: none"> Monitor performance at Woodley Lakes over the next few years and if results do not achieve the desired utilization metrics as outlined in the Financial Impact section of this report, test fivesomes as an additional marketing play and a way to bolster peak-time revenues. 	<p>2018 and beyond and only if yield management and dynamic pricing fail to boost rounds and revenue.</p>	<p>Golf Operations Supervisor, Golf Starter Supervisors II</p>	<p>Increased capacity, enhanced marketing impact and increased revenue.</p>
V. GOLF CART PRICING			
<p>a. Restructure golf cart pricing.</p> <ul style="list-style-type: none"> Communicate to the market an updated golf cart pricing structure: <ol style="list-style-type: none"> Flat 'per seat' rate of \$14 per 18-holes, which is in line with market rates, while maintaining the existing pricing structure at Harbor Park with an increase of \$2 to \$12 per cart. 	<p>April 2016</p>	<p>Golf Operations Supervisor, Golf Starter Supervisors II, Communications Specialist</p>	<p>Increased revenue and improved market attractiveness for the golfer playing as a single or in a threesome.</p>

Action Plan	Completion Deadline	Assigned To	Intended Outcome
VI. LOYALTY PROGRAM			
<p>a. Develop, brand and offer a 'Golf Loyalty' program.</p> <ul style="list-style-type: none"> Seek out potential sponsors for the City of LA Golf Loyalty program via the development and issuance of an Expression of Interest ("EOI") to the market (right to convert to a formal proposal and agreement, but not the obligation), targeting key Los Angeles based or focused corporations such as airlines, large manufacturers, retailers or otherwise. This should include proposed Sponsorship details such as: <ol style="list-style-type: none"> Type; Annual Pledge Amount; Term Duration; Requirements (of City and Respondent); Value Added Benefits to Golfers; Administrative and Management Structure; and, Similar Prior Sponsorship Experiences/References. Review responses to the expression of interest, pursue negotiations with respondents that provided an appealing proposal, and obtain approval from Counsel to engage. Should there be no appealing proposals that adequately align with the City's values and the Golf Division's Mission and Strategic Priorities, proceed without a third party sponsor. Develop and implement branded marketing and communications collateral – in collaboration with sponsor if applicable – to effectively describe the program and include, among other things: <ol style="list-style-type: none"> Logo; Press release; Dedicated page on the existing website; Dedicated social media accounts; Print advertisements; Online banner advertisements; E-flyers; and, Hard copy flyers. Work with local media contacts to help prepare a news story for 	<p>April 2017</p> <p>March 2016</p> <p>September 2016</p> <p>December 2016</p> <p>December 2016</p>	<p>Golf Manager, Golf Operations Supervisor, Board of the Recreation & Parks Commission, Procurement</p> <p>Golf Manager, Golf Operations Supervisor, Golf Starter Supervisors II, Communications Specialist</p>	<p>Increased golfer value, participation and utilization and revenue.</p> <p>Identification and partnership with sponsor for the Golf Loyalty program to increase revenue and add value to the program for golfers.</p> <p>Effective and consistent marketing and communications collaterals.</p> <p>Cast a wide reach with communications to educate as many people as possible about the new program and generate</p>

Action Plan	Completion Deadline	Assigned To	Intended Outcome
<p>papers, magazines and radio about the new program, its key objectives and benefits for golfers.</p> <ul style="list-style-type: none"> Work with new information system technology implementation team to set-up online enrollment and payment capabilities. Ensure communications include a note about existing multi-year Player Card Holders being credited for their fees already paid and distribute a targeted e-mail and direct mail communication to these existing Player Card Holders directly. Roll-out the program communications over a period of 3 months leading up to the launch date, with enrollment enabled and consider an 'early bird' offer to improve adoption. An 'early bird' option under the recommended Loyalty Program herein would be to offer 2 round credits (Loyalty Points) to 'early birds' who enroll prior to the official launch, and 3 to Advanced Reservation Loyalty 'early birds'. Review the program independently at the conclusion of each golf year. Stop offering multi-year Player Cards/Reservation Cards immediately and stop offering them annually on launch of Loyalty program. 	<p>December 2016</p> <p>December 2016</p> <p>April 2017</p> <p>June 2018</p> <p>April 2017</p>		<p>excitement/demand.</p> <p>Easy enrollment and payment for golfers to help increase participation and consequently revenues.</p> <p>Ensure golfers that have already purchased a multi-year player card (good through until after the Loyalty program is launched) know they will not lose their investment.</p> <p>Ensure successful launch and considerable participation in the first year.</p> <p>Ensure the program is and continues to run efficiently and effectively, meeting its core objective.</p> <p>Elimination of competing programs.</p>
VII. MARKETING AND COMMUNICATIONS			
<p>a. Develop and publish a schedule of planned improvements, course activities and regular communications.</p> <ul style="list-style-type: none"> Leverage the approved Strategic Plan to create a comprehensive five-year schedule of planned activities and improvements that includes capital improvements. Communicate this schedule to golfers in a number of ways as part of strategic planning communications, highlighting key strategic areas of focus for the City over the next five years. <ul style="list-style-type: none"> Formal summary of Strategic Plan document posted on website with dedicated page to include other related communications and schedules and blasted out to all City of LA golfers in e-mail database; 	<p>January 2017</p> <p>June 2016</p>	<p>Golf Manager, Golf Operations Supervisor and Principal Grounds Maintenance Supervisor, as well as a dedicated Golf Starter Supervisor II, marketing and communications resource, reservations resource and</p>	<p>Improved communications, broader market understanding of key activities, increased participation and revenue.</p> <p>Effective communication of strategic planning initiative results and what it means for golfers.</p>

Action Plan	Completion Deadline	Assigned To	Intended Outcome
<ol style="list-style-type: none"> 2. Reach out to local newspapers and media outlets to deliver the key messaging and support story creation and publication; 3. Post strategic priorities, goals and objectives on bulletin and sign boards at the courses; 4. Post short-term, mid-term and long-term schedule of planned activities and improvements on the website, bulletin and sign boards at the golf course; and, 5. Continue to reinforce strategic priorities, goals, objectives and accomplishments in monthly newsletter (see below). <ul style="list-style-type: none"> • Hire/reallocate a dedicated Marketing and Communications resource to execute communications. • Establish a Marketing and Communications team within the existing staffing structure to spearhead the marketing and communications initiatives herein and schedule regular team meetings. • Prepare a robust annual communication highlighting accomplishments from the previous year, how the City is tracking against their Strategic goals along with the plan for the upcoming year. • Design and develop a monthly newsletter for Loyalty program participants which highlights key news, upcoming activities, closures, disruptions and improvements. Post to the website and send via e-mail on a monthly basis. • Build a Golf Course Activities calendar for each course that is both hosted on the website (improve existing calendar – does not load consistently – and make more prominent on website) as well as being available to be printed. The calendar should function like a Microsoft Outlook calendar from a browser perspective (filter by course, view annual, monthly, weekly, daily or in list format) and consolidate all of the various schedule-related posts on the current website, i.e. aeration schedules and tournament schedules (maintain existing individual schedules, likely only available one year out). The calendar should also include additional items that may look further out over the next three to five years based on this Plan such as: 	<p>March 2016</p> <p>March 2016</p> <p>December 2016</p> <p>December 2016</p> <p>June 2016</p>	<p>IT/website resource – ‘Marketing and Communications Team’.</p>	<p>Dedicated Marketing and Communications team to ensure appropriate coordination, coverage and execution.</p>

Action Plan	Completion Deadline	Assigned To	Intended Outcome
<ol style="list-style-type: none"> Planned strategic actions based on this Plan, including capital improvements; Planned course closures with details on reason for closure; and, Planned course disruptions with details on reason and any corresponding pricing adjustments or deal. <ul style="list-style-type: none"> Categorize each type of activity that should be included on the Communications calendar and develop an e-mail blast template for each. Schedule reminder e-mails for each type of activity according to the planned schedule for the year to be blasted out to all Loyalty program participants well in advance, based on which their Loyalty level (Advanced Loyalty will be looking to book 16-days out, so will need a reminder at least 17-days out). 	December 2016		
<p>b. Engage in a collaborative marketing effort called “content marketing”.</p> <ul style="list-style-type: none"> Establish internal media capabilities, such as website locations and hardcopy sources. Schedule and regularly develop unique content – especially photographs, videos, personal stories, and endorsements from popular organizations and figures – that relate specific LA Golf stories to the public at large. Develop the capacity to serve as the curator of this content and use content to engage local and regional lifestyle media – such as tourism and business travel programs, publications, and institutions – and national media, to show expansive golf offerings on a public fee basis. Build a City of LA Golf library or portfolio of content that can be used by travel and business publications in and around the City of Los Angeles. These include the Visitor’s Bureau, Chamber of Commerce, Tourism and Convention Board, as well as publicists from travel, tourism, and lifestyle segments. Hire professional photographers on a bundled-course basis to 	<p>On-going</p> <p>March 2016</p> <p>March 2016 and On-going</p> <p>March 2016 and On-going</p> <p>March 2016 and On-going</p> <p>March 2016 and On-</p>	Marketing and Communications Team	<p>Low cost advertising that helps to communicate the City of LA golf offerings in a manner that encourages participation and support.</p> <p>Open and available content for any organization that publishes information about activities, happenings, gatherings, or socialization in Los Angeles.</p> <p>An expansive portfolio of high-quality, high-</p>

Action Plan	Completion Deadline	Assigned To	Intended Outcome
<p>capture and develop media content that will be used to supply content marketing pieces.</p> <ul style="list-style-type: none"> Hire professional videographers to develop a variety of videos that showcase aspects of City of LA courses such as tournament promotions and recaps, Junior Golf event highlight reels, drone-angle course fly-overs, the City skyline at sunset, and even videos that depict ongoing maintenance and construction efforts on the courses. 	<p>going</p> <p>March 2016 and On-going</p>		<p>resolution images that showcase the very best of City courses and facilities.</p> <p>A library of professional videos between 45 seconds and two minutes in length that can be aggressively shared online.</p>
<p>c. Develop, continually maintain, and enhance the City of LA Golf Courses' presence and communications on social media outlets.</p> <ul style="list-style-type: none"> Focus on refining and developing the City's golf course presence on Facebook, Twitter, Instagram, and peer-review sites such as Yelp and TripAdvisor. Explore targeted advertisement services through Facebook, and over time optimize the demographic configuration of the campaign resulting in the best possible conversion rates and ultimately, ROI for online advertising. 	<p>December 2016 and On-going</p>	<p>Marketing and Communications Team</p>	<p>Increased social media following and a well-established, effective channel for immediate communications with a broad audience of golfer.</p>
<p>d. Develop on-going customer feedback process.</p> <ul style="list-style-type: none"> Develop, implement, and regularly monitor a process for customer feedback, integrated within the fully updated informational system in order to: <ol style="list-style-type: none"> Solicit feedback in the form of an email the day following a reservation or scheduled round of golf; and, Obtain hardcopy feedback via comment boxes that City staff input into the information system as part of their daily close procedures. 	<p>December 2016 and On-going</p>	<p>Marketing and Communications Team</p>	<p>An easy to use, automated feedback system integrated with the new information system that:</p> <ol style="list-style-type: none"> Allows feedback forms to be completed right from the body of an email; Immediately returns an email confirming receipt of feedback, a thank you message for contributing and encouragement for a return visit or a visit to another City course; and, Seamless feedback reporting for management to use on a weekly basis to monitor customer experience and make adjustments where necessary.

Action Plan	Completion Deadline	Assigned To	Intended Outcome
<p>e. Develop standardized customer service training programs for employees.</p> <ul style="list-style-type: none"> Make customer service training mandatory for all customer-facing employees. If unable to make such training mandatory, there should be tiered payment offerings based on the level of training received. Source training program structures and materials from the hospitality industry including hotel businesses, chain restaurants, and catering companies. Develop a method for incentivizing customer service, tracking and rewarding exceptional customer service. This should include customer service related questions on feedback forms (see Patron Survey rating questions to enable comparison and measurement of progress/change), tracked based on the staff on-duty. 	December 2016	Golf Operations Supervisor, Golf Starter Supervisor II, Marketing and Communications Team	Inspired and motivated employees to provide friendly and helpful customer service.
<p>f. Develop a Secret Shopper customer service follow-up program.</p> <ul style="list-style-type: none"> Develop a Secret Shopper customer service program that place key shoppers at specific locations in order to measure the quality of experience. Design a method for tracking and measuring Secret Shopper feedback and integrate feedback into customer service ratings and evaluations. 	December 2016	Golf Operations Supervisor, Golf Starter Supervisor II, Marketing and Communications Team	A measurable approach to evaluating customer service and ensuring customer service investments are being effectively implemented and sustained.
<p>g. Develop and improve ability to attract new market segments.</p> <ul style="list-style-type: none"> Develop a program for the active solicitation to use City of LA courses as locations for movie shoots and commercials. Design and implement a coordinated Communication Plan for City of LA golf that is consistent with, tied into, and embodies the Olympic spirit, leveraging the 2024 Olympic nomination and communications 	December 2016 and On-going	Golf Manager, Golf Operations Supervisor, Golf Starter Supervisor II, Marketing and Communications Team	Increased participation from new or targeted market segments: visitor golfers, Junior golfers and female golfers.

Action Plan	Completion Deadline	Assigned To	Intended Outcome
<p>as a means with which to communicate the Golf Division's strategic priorities and goal to have City of LA golf recognized as the best municipal golf system in the country.</p> <ul style="list-style-type: none"> Develop and implement an aggressive Junior Golf campaign with the goal of making Los Angeles the leading City for promoting Junior Golf: <ul style="list-style-type: none"> Develop contacts and engage in cross-promotion with other youth related sports leagues and organizations across Los Angeles; Promote golf as an off-season sport, as a bonding opportunity between parents and children, and even use small matches, putting competitions, and driving range games to draw these organizations to City facilities; and, As well, seek to host end-of-season parties and celebrations at specific Clubs in various areas of the greater Los Angeles area. Target female golfers with specific communications and recruiting events periodically hosted at various City courses. 			<p>Triple the number of Junior golfers engaged at City of LA properties over the next five years and thus increased participation from parents, friends, teammates, schoolmates, neighbors, aunts, uncles, grandparents, and cousins.</p> <p>An improved perception that the City of LA golf courses are female friendly and support the growth of women in golf and thus increased participation.</p>
<p>h. Explore branding, including City of Los Angeles-branded items.</p> <ul style="list-style-type: none"> Piggy-back on the Loyalty program branding exercise to reinvigorate the overall City of LA logo (not a re-design, just modernization/fresh look) and identify and partner with an online golf apparel company to sell logo'd City of LA gear. Ensure the e-commerce store is fully integrated with the new information system, requires limited to no inventory to be carried (real-time order processing and shipping), and is actively promoted through the homepage of the golf website. Develop costing and procedures for using logo'd merchandise as give-aways and promotions in order to encourage participation in 	December 2017	Golf Manager, Golf Operations Supervisor, Golf Starter Supervisor II, Marketing and Communications Team	<p>Further increased loyalty and brand recognition for City of LA golf.</p> <p>Increased revenue from branded apparel sales with limited cost and inventory risk.</p>

Action Plan	Completion Deadline	Assigned To	Intended Outcome
the Loyalty program or as give-aways for events, winning a promotional offering, participating in a tournament, or winning League Play as well as Junior programs, clinics, and events.			
VIII. DRIVING RANGE FACILITIES			
<p>a. End all third party management agreements for City-owned driving ranges and develop transition plan.</p> <ul style="list-style-type: none"> Complete and file appropriate documents and notices required to terminate third-party driving range/pro shop concessionaire contracts. Leverage existing experience with other City-operated driving ranges in order to develop a transition plan to reduce downtime during the change of management from the third parties back to the City. Utilize a portion of the Capital Maintenance expenses budgeted for 2016 to upgrade each of the facilities to current equipment in order to have an immediate and positive impact on the user experience. As part of the transition plan, communicate to the market – via all available channels - that the City is assuming operating responsibility for the ranges and will enhance the customer experience over the next three years. Ask for patience and to work with/around our crews as the City initiates improvement plans. Track and monitor financial performance metrics of all ranges over the next year(s) to ensure a complete understanding of the value to the City when self-operated (this is most important for Sepulveda and Griffith Park facilities that will not have history). Design and develop the costing required to significantly enhance both the Sepulveda and Griffith Park driving ranges, similar to that at Rancho Park, and evaluate feasibility based on available funds, after 	<p>June 2016</p> <p>March 2016</p> <p>March 2016</p> <p>September 2016</p> <p>June 2015</p> <p>December 2016</p> <p>December 2016</p>	<p>Golf Manager, Procurement, Finance, Golf Operations Supervisor</p>	<p>Improved golfer experience, uninterrupted service and significantly greater net income from driving ranges for the City.</p>

Action Plan	Completion Deadline	Assigned To	Intended Outcome
<p>debt service costs from the Capital Contribution Surcharge account.</p> <ul style="list-style-type: none"> Assuming the capital plans are feasible, execute to plan and significantly enhance all City ranges (to mirror the Rancho Park range). 	December 2018 and ONLY after exploring third party opportunities as described in b. below.		
<p>b. Explore potential for large-scale third party partnership opportunities in the long-term.</p> <ul style="list-style-type: none"> Seek out and engage in preliminary conversations with potential sponsors or partners for the City of LA driving ranges. Interest is anticipated in two forms: i) sponsorship, or ii) partnership (lease or joint-venture). The City's objective should be stated very clearly: To significantly enhance the facilities via capital improvements, bolster the City's 'grow the game'/'Junior Golf' initiatives, enhance offerings to appeal to a broader audience, and ultimately provide access to even more residents, while remaining fiscally responsible. Develop and issue an Expression of Interest ("EOI") to the market, targeting key Los Angeles based or focused corporations such as airlines, large manufacturers, retailers or other entities that already have an established 'Entertainment Complex' business model that would be willing to partner with the City. The EOI should include details such as: <ol style="list-style-type: none"> Mission Statement for the City and overarching strategic priorities; City proposed plans and costing for facility improvements; Description of current programming and opportunities for significant enhancement; Directive that sponsorship/partnership is being sought for all City ranges and the City should not be seeking different 	<p>March 2018</p> <p>March 2017</p> <p>March 2017</p>	<p>Golf Manager, Procurement, Finance, Golf Operations Supervisor</p>	<p>Any opportunity presented via EOI and pursued by the City should:</p> <ol style="list-style-type: none"> Be sufficient in size and scale to significantly improve the annual net income directly to the City, beyond what the on-going self-operation of all ranges produces; Limit the City's capital contribution requirements; and, Provide expanded and enhanced service to both its core golfer patrons and other City of LA residents alike (i.e. disadvantaged youth and other children previously not exposed to golf).

Action Plan	Completion Deadline	Assigned To	Intended Outcome
<p>sponsors for different facilities; and,</p> <p>5. There is a potentially complementary opportunity via Tregnan Golf Academy to be considered as well, but not required: see Tregnan EOI.</p> <p>Require details such as the following to be included in responses:</p> <ol style="list-style-type: none"> 1. Type of sponsorship/partnership being sought; 2. Plan for funding and any changes proposed to the existing capital improvements; 3. The financial commitments proposal; 4. Term duration; 5. Requirements (of City and Respondent); 6. Value added benefits to golfers; 7. Administrative and Management structure; and, 8. Similar prior sponsorship/partnership experiences/references. <ul style="list-style-type: none"> • Evaluate all EOIs received and pursue the best opportunities. 	<p>March 2018</p>		
IX. PRO SHOP RETAIL AND SERVICES			
<p>a. Fill existing vacant Golf Operations Supervisor role with experienced Golf Professional.</p> <ul style="list-style-type: none"> • Post job description and invite qualified candidates to apply. Criteria for position includes: <ol style="list-style-type: none"> 1. PGA member; 2. Significant multi-course experience in Head Professional or Director of Golf role; 3. Experience implementing advanced yield management processes and dynamic pricing capabilities; 4. Experience with teaching and managing a large scale teaching academy or lessons program with multiple instructors; 	<p>June 2016</p> <p>March 2016</p>	<p>Golf Manager, City Human Resources</p>	<p>Added managerial experience and support to help efficiently and effectively implement:</p> <ul style="list-style-type: none"> • Yield management processes and dynamic pricing program; • In-store and online merchandising; • Pace-of-play and playability improvement program; and, • Management and coordination of lessons program.

Action Plan	Completion Deadline	Assigned To	Intended Outcome
<ul style="list-style-type: none"> 5. Experience managing a volunteer Marshal program; 6. Experience with improving pace-of-play and playability on golf courses; and, 7. Experience managing a limited in store merchandise operation as well as an online ecommerce retail store. <ul style="list-style-type: none"> Evaluate candidates and hire the most qualified and capable resource within the City's pre-existing budget for the position. 	June 2016		
<p>b. End pro shop concession agreements.</p> <ul style="list-style-type: none"> Complete and file appropriate documents and notices required to immediately terminate pro shop and retail concessionaire contracts at all golf courses. 	June 2016	Golf Manager, Procurement, Legal	Provide the City with the ability to offer consistent service across all facilities in the short-term by self-operating.
<p>c. Take back pro shop operations and re-organize starter operations.</p> <ul style="list-style-type: none"> Communicate to the market – via all available channels - that the City is assuming operating responsibility in the short-term for pro shops in order to ensure essential accessories and limited merchandise are available to golfers at the time of check-in. Leverage existing experience at certain locations currently operating without a functioning pro shop - where the City is selling limited accessories - to offer the same type of limited sales through the Starter windows immediately following closure of third party pro shops. Utilize a portion of the Capital Maintenance expenses budgeted for 2016 to design and upgrade each of the pro shop facilities: <ul style="list-style-type: none"> 1. Move starters into the pro shops; 2. Create an area with a counter and display cases where concessionary items and accessories can be easily seen and 	<p>June 2016</p> <p>June 2016</p> <p>June 2016</p> <p>June 2016</p>	Golf Manager, Communications Team, Golf Operations Supervisor; Golf Starter Supervisor IIs.	Consolidate starter resources and pro shop resources in order to improve efficiency of operations, reduce costs and enhance service and product offerings for patrons.

Action Plan	Completion Deadline	Assigned To	Intended Outcome
<p>purchased at the same time as green fees;</p> <ol style="list-style-type: none"> Line-up system to manage and direct traffic within the shops (also consumes space and provides appearance of greater organization); Vendor signs, advertisements and displays; and, If necessary to fill significant excess space, add a 'lounge area' with visually appealing, yet cost effective furniture in order to provide a reinvigorated appearance. 			
<p>d. Plan for inventory, revenue and expense requirements associated with pro shop operations.</p> <ul style="list-style-type: none"> Evaluate inventory requirement and order based on the assumption that the City should generate \$0.55 to \$0.60 per round in revenue, increasing over the next few years as the City improves its offering and golfers begin to rely on the Courses for accessories. The City should price its products to ensure a 25% to 35% margin (65% to 75% cost of goods sold). Track and monitor financial performance metrics of all pro shops over the next year(s) to ensure a complete understanding of the value to the City when self-operated. 	March 2016	Golf Operations Supervisor; Golf Starter Supervisor II.	Appropriate levels of inventory based on anticipated volume and a cost effective operating model.
<p>e. Seek out a large-scale third party retailer, distributor or manufacturer to partner with in the long-term.</p> <ul style="list-style-type: none"> Seek out and engage in preliminary conversations with large-scale retailers, distributors and manufacturers to gauge interest in partnering with the City to stock the pro shops with hard goods and soft goods and help with merchandising in order to offer golf equipment and larger merchandise for sale, as well as to develop fitting centers at appropriate locations. Interest is anticipated in two forms: i) liquidation centers, and ii) large-scale club fitting and sales 	<p>March 2018</p> <p>March 2017</p>	Golf Manager, Procurement, Finance, Golf Operations Supervisor	Increase revenue opportunities for the City and significantly enhanced product and service offerings for patrons.

Action Plan	Completion Deadline	Assigned To	Intended Outcome
<ul style="list-style-type: none"> Design and implement a sophisticated lessons program that includes the process and necessary technology to certify and manage all teaching professionals who provide lessons to golfers at City facilities. Deploy the new CRM technology platform to manage lesson reservations and payment from patrons on behalf of the certified teachers in exchange for a percentage of lessons revenue of 20% to 25%. All lessons revenue will be collected and managed by the City. Communicate to all golf professionals in the LA area and existing teachers active at City facilities via e-mail blasts, through the SCGA and via planned presentations and Town Hall sessions about the City's new program, the benefits of the program and how to become certified. Design and implement a process whereby teachers are able to register online. Certification will be relatively straight forward and include basic personal details, background checks and certifications. Teachers' profiles will be loaded onto the City website, categorized based on preferred City teaching facilities, years of experience, certifications (PGA, etc.) as well as customer ratings. The software program for reservations will be implemented in a manner that provides for customer feedback ratings specific to their instructor that is posted to the teacher's profile and available for other customers to review. The City should use its share of lessons revenue to cover the cost of administering the program and set aside a portion or all net proceeds after administrative costs, to fund range and teaching facility enhancements. 	<p>December 2016</p> <p>March 2017</p> <p>March 2016</p> <p>December 2016</p> <p>March 2017</p> <p>March 2018</p>	<p>Starter Supervisor II.</p>	<p>at all levels. Expanded audience of potential customers and thus increased revenue opportunity.</p> <p>This program will be considered a break-even proposition, with all proceeds redirected back into improving the program and related facilities, which will encourage both golfers and instructors alike to engage as continuous improvements are evidenced.</p>

Action Plan	Completion Deadline	Assigned To	Intended Outcome
X. FOOD AND BEVERAGE OFFERINGS			
<p>a. Develop and implement a contingency plan for food and beverage operations and trial service options.</p> <ul style="list-style-type: none"> Develop and pre-register a short list of approved and qualified on-demand vendors (food trucks, caterers, vending machine providers, etc.) that the City can call on in the event of a service disruption or increased need at any of its facilities on short notice. Important on-demand service requirements include: <ol style="list-style-type: none"> Provide and serve beverages and confectionary items (tea, coffee, juice, soda, snack bars, candy bars, chips, etc.); Provide and serve alcoholic beverages; Stock and staff beverage carts with the above product mix; and, Provide both hot and cold meal options (pre-wrapped sandwiches, hot dogs, hamburgers, sausages, etc.) to be grilled on a barbeque, also to be provided along with toppings. Test the market via pilot program at Harbor Park and Hansen Dam to gather information and feedback and provide a template to enact as a contingency plan should any existing concessionaire abandon their post at other facilities: <ol style="list-style-type: none"> Engage a third party caterer to lease refrigeration display units and stock the pro shops with drinks, alcoholic beverages, snacks and other confectionary items; Have the Starter Attendant on duty sell these items through the pro shop point of sale system. These items should be simple items that are easily inventoried and controlled (i.e. sold like a sleeve of golf balls); In order to provide hot food options, structure a short-term service permit with a successful/pre-qualified food truck operator to station at the Courses during peak times and provide the food truck operator with a parking spot in close 	<p>December 2016</p> <p>March 2016</p> <p>December 2016</p>	<p>Golf Manager, Chief Management Analyst, Golf Operations Supervisor; Golf Starter Supervisor II.</p>	<p>Cost effective solutions and contingency plans in place and tested to ensure uninterrupted service to golfers at all City of LA facilities.</p>

Action Plan	Completion Deadline	Assigned To	Intended Outcome
<p>proximity to the first and tenth tee (if applicable); and,</p> <p>4. Invest in two or three picnic tables for seating in close proximity to the food truck parking area. Charge the food truck operators a nominal monthly rental fee for the parking space.</p> <ul style="list-style-type: none"> • Include beverage carts for all regulation length courses in their golf cart equipment arrangements and lease them to existing and future concessionaires, requiring the carts to be in use by concessionaires during peak times - to be specified by the City. During the pilot program, staff the beverage carts at Harbor Park and Hansen Dam with contract workers and evaluate the profitability going forward. 	December 2016		
<p>b. Do not include banquet operations for tournaments in any new food and beverage concessions agreements.</p> <ul style="list-style-type: none"> • Any new food and beverage agreements formed with concessionaires will not include tournament banquet operations. • Leverage approved caterers identified through the exercise outlined in a. above to develop a template and pricing structure for catering tournaments and other golf related banquets. • The City should take back banquet operations to boost tournament sales. Food and beverage offerings at such events will be catered to allow for greater coordination and packaging of tournaments. 	December 2016	Golf Manager, Chief Management Analyst, Golf Operations Supervisor; Golf Starter Supervisor II.	<p>Improved control and coordination of tournament pricing and packaging.</p> <p>Increase tournament sales and revenues.</p> <p>Enhanced customer experience with one sole point of contact for tournaments, being the Golf Division.</p>
<p>c. Seek out large-scale restaurant chains to reinvigorate the food and beverage offerings in the long-term.</p> <ul style="list-style-type: none"> • Seek out and engage in preliminary conversations with potential large-scale restaurant chains to open franchised locations at City of 	<p>December 2017</p> <p>June 2016</p>	Golf Manager, Chief Management Analyst, Golf Operations Supervisor; Golf Starter Supervisor	Robust food and beverage offerings that leverage the golf course locations to offer products and services to golfers and non-golfers alike, while significantly enhancing the offerings for golfers.

Action Plan	Completion Deadline	Assigned To	Intended Outcome
<p>LA golf course facilities to serve not only the golfers, but also the non-golfing general public in the area. Interest is anticipated in the form of a long-term lease of the facilities, with considerable capital commitments on behalf of the third party entity upfront. The City's objective should be stated very clearly: To significantly enhance the facilities via capital improvements, enhance food and beverage offerings to appeal to a broader audience, and ultimately provide access to even more residents, while remaining fiscally responsible.</p> <ul style="list-style-type: none"> Develop and issue an Expression of Interest ("EOI") to the market, targeting key Los Angeles based or focused franchises (Panera, Subway, Pizza Hut, etc.) that already have an established 'food court style' business model that would be willing to partner with the City and lease clubhouse space to develop and open franchise locations. The EOI should include details such as: <ol style="list-style-type: none"> Mission Statement for the City and overarching strategic priorities; Overview of captive market audience (rounds played and demographics of golfers – leverage the Market Analysis report attached); Description of current programming and opportunities for significant enhancement; and, Directive that partnership is being sought with one major entity for all City facilities, with the potential for different brands at each facility, to be based on alignment of brand target markets and the facilities target market. <p>Require details such as the following to be included in responses:</p> <ol style="list-style-type: none"> Type of partnership being sought; Plan for funding and any changes proposed to the existing capital improvements; The financial commitments proposal; Term duration; Requirements (of City and Respondent); 	December 2016	II.	

Action Plan	Completion Deadline	Assigned To	Intended Outcome
<ul style="list-style-type: none"> 6. Value added benefits to golfers and other local area residents; 7. Administrative and Management structure; and, 8. Similar Prior partnership experiences/references. <ul style="list-style-type: none"> • Evaluate all EOIs received and pursue the best opportunities. 	December 2017		
XI. NON-GOLF RELATED FACILITY USE			
<p>a. Charge for parking at the Roosevelt parking lot.</p> <ul style="list-style-type: none"> • Evaluate all parking options currently available to those attending an event at the Greek Theatre, including the pricing. • Develop a parking program at Roosevelt for event ticket holders based on the Greek Theatre calendar of events, pricing a parking spot at the highest price the market will bear and still fill all available spots. • Hire contract labor to manage parking and leverage existing Supervisors to oversee and manage activities, revenue collection and reporting. Run revenue through the golf POS. 	December 2017	Principal Grounds Maintenance Supervisor, Golf Operations Supervisor; Golf Starter Supervisor II, Senior Park Maintenance Supervisors.	Increased revenue and valuable service for residents attending events at the Greek Theatre.

Table 9: Strategic Action Plan – Governance

Action Plan	Completion Deadline	Assigned To	Intended Outcome
XII. PERFORMANCE MANAGEMENT AND EDUCATION			
<p>a. Maintain current Golf Advisory Committee structure.</p> <ul style="list-style-type: none"> Retain the City of Los Angeles Golf Advisory Committee (“GAC”) as a valuable feedback mechanism for the Golf Division. 	November 2015	Golf Division, Department of Parks and Recreation	Continued collaborative feedback and engagement process for the betterment of the City of LA golf courses.
<p>b. Commit to and fund an education platform for key management.</p> <ul style="list-style-type: none"> Require each manager level resource to complete continuing education every year. Develop a mechanism for each manager to propose specific training that will be helpful to the efficient and effective performance of their duties each year to their supervisor. Include a manager training budget per resource in the financial plan equal to between \$750 and \$3,500 per resource, depending on seniority. 	December 2016	Golf Manager, Principal Grounds Maintenance Supervisor, Golf Operations Supervisor, Golf Starter Supervisors II, Senior Park Maintenance Supervisors, Park Maintenance Supervisors	Continuous access for Golf Division management to new ideas via educational programs, best practice resources, conferences and expert advice when needed.
<p>c. Develop and implement a comprehensive performance dashboard to monitor and continuously improve operations</p> <ul style="list-style-type: none"> Leverage the course-specific scorecard templates prepared in the Operational Review attached herein to develop and implement monthly performance dashboards that provide a snapshot of all key metrics at each facility and for the system as a whole. 	March 2016	Golf Manager, Financial Analyst II	<p>Improved monitoring capabilities for both revenues and expenses, which is more important than ever given the latitude in pricing and operations being requested of the Board of the Recreation & Parks Commission.</p> <p>Ability to identify areas of concern and make adjustments <i>on the fly</i> in a timely and effective manner.</p>

Table 10: Strategic Action Plan – Facilities

Action Plan	Completion Deadline	Assigned To	Intended Outcome
XIII. CAPITAL IMPROVEMENTS			
<p>a. Implement a capital contribution surcharge on every round.</p> <ul style="list-style-type: none"> Create a protected capital account to be used exclusively for capital related expenses at City of LA golf courses, and funnel the recommended contribution for every round from green fee revenue to this Capital Improvement Fund. Set-up the Point of Sale system to record the capital contribution surcharge; separate it out as a new line-item on every green fee receipt. Communicate this new approach to ensuring capital is adequately funded and maintained to the golfing population in conjunction with the communication plans already laid out previously with respect to the going forward Five-Year Strategic Plan. Add a note to the bottom of every receipt that explains what the Capital Contribution Surcharge is and how it benefits every golfer. 	April 2016	Golf Manager, Golf Operations Supervisor, Golf Starter Supervisor II, Information Technology, Marketing and Communications Team	<p>Guaranteed and protected annual funds dedicated to repairing, maintaining and improving City golf course facilities.</p> <p>Passion and pride among golfers and a sense of contribution towards continuous improvement and the betterment of their courses.</p>
<p>b. Fund and address all deferred capital needs as quickly as possible via Municipal Bonds.</p> <ul style="list-style-type: none"> Present Capital Plan and timing, as depicted in Appendix B (attached) to the Board of the Recreation & Parks Commission for approval, and work with Finance to design a funding mechanism (possibly a series of Municipal Bonds) for the Golf Division to draw down the needed funds. Work with Finance to develop a comprehensive plan for repayment of said Bonds via the guaranteed income stream from the Capital Contribution Surcharge from every round of golf. 	<p>June 2017</p> <p>December 2016</p>	Golf Manager, Financial Analysis II, Procurement, Board of the Recreation & Parks Commission, Principal Grounds Maintenance Supervisor, Golf Operations Supervisor, Golf Starter Supervisors II, Senior Park	Significantly improved golf facilities to support and promote revenue growth and the key strategies outlined within this Plan, funded via a secure income stream.

Action Plan	Completion Deadline	Assigned To	Intended Outcome
<ul style="list-style-type: none"> Work with procurement to develop all the necessary Requests for Proposals ("RFP") of services related to each capital project, issue the RFPs, evaluate the RFPs and award contracts based on project, timing and budget. Leverage existing preferred vendors, ensuring competitive bids are obtained; and always reserve the right to re-negotiate or cancel the RFP. If necessary, engage a third party to assist with negotiations to ensure, as best you can, that the City obtains fair market pricing. Schedule the projects and manage execution, making every effort to minimize disruption to patrons and revenues. 		Maintenance Supervisors, Park Maintenance Supervisors	
<p>c. Fund annual capital maintenance expenses through operations.</p> <ul style="list-style-type: none"> Include a budget line item every year for capital maintenance at 5% of budgeted gross revenue. Determine the annual spending plan initially based on recommendations contained in this Plan and on an as needed basis. In the long-term, determine the annual spending plan and adjust the budget line from a straight 5% of gross revenue to actual requirements, driven by the findings of a comprehensive Capital Reserve Study. 	<p>June 2017</p> <p>June 2016</p> <p>June 2016</p> <p>June 2017</p>	Golf Manager, Financial Analyst II, Finance	Improved and continuously maintained asset conditions, which protects the value of the City's assets.
<p>d. Continue to maintain Capital Reserve Fund and utilize a portion of existing funds to offset business interruption costs.</p> <ul style="list-style-type: none"> Implement a financial policy that requires the Golf Division to maintain a minimum Capital Reserve Fund, equal to two (2) times the annual capital maintenance projections across all golf facilities (benchmarked at 5% of gross revenue, or roughly \$2.7 million) in order to adequately address unforeseen issues and surprises. Leverage existing capital account funds in excess of the minimum Capital Reserve Fund balance to help address deferred capital 	<p>December 2016</p> <p>December 2015</p>	Golf Manager, Financial Analysis II, Finance	Minimum Capital Reserve Fund balance at all times to mitigate the risk of unforeseen events and needs.

Action Plan	Completion Deadline	Assigned To	Intended Outcome
<p>expenditures and business interruption costs.</p> <ul style="list-style-type: none"> Continue to maintain the Contingency Fund with respect to the Sepulveda Complex. 	<p>December 2016</p> <p>December 2015</p>		
<p>e. Complete a comprehensive Capital Reserve Study and prioritize capital projects.</p> <ul style="list-style-type: none"> Complete a comprehensive Capital Reserve Study to better understand current and future capital needs and to better segregate and account for deferred versus normal capital maintenance. 	December 2016	Golf Manager, Financial Analyst II, Principal Grounds Maintenance Supervisor, Golf Operations Supervisor	<p>Comprehensive understanding of all future capital related expenses, funding requirements and timing.</p> <p>Significantly enhanced capital planning and budgeting.</p>
<p>f. Create and deploy a 'Capital Maintenance Squad' to work on capital related items across all facilities.</p> <ul style="list-style-type: none"> Establish a City-wide 'Capital Maintenance Squad' ("Squad") that consists of four to five members, one of which should be highly-skilled and knowledgeable in the field, while the remaining members can be general laborers who will receive guidance and training from the Squad leader. The Squad will constantly monitor and address capital maintenance requirements and conditions at all City of LA facilities. In addition to maintaining capital maintenance standards as outlined in the to-be-completed Agronomic Plan (see g. below), members of the Squad can also act as temporary workers during the turn-over period when a greens employee at a particular course has left their position. 	June 2016	Golf Manager, Principal Grounds Maintenance Supervisor, Senior Park Maintenance Supervisors, Park Maintenance Supervisors	Considerably elevate course conditions across the entire system.
<p>g. Develop and implement a comprehensive Agronomic Plan.</p> <ul style="list-style-type: none"> Complete a comprehensive Agronomic Plan - Please see Appendix D. 	June 2016	Golf Manager, Principal Grounds Maintenance Supervisor	A key tool to establish and maintain the quality of course conditions.

Action Plan	Completion Deadline	Assigned To	Intended Outcome
<p>h. Upgrade all driving ranges.</p> <ul style="list-style-type: none"> As part of the Capital Improvement Plan, upgrade all driving ranges as described in the Strategic Goals and Objectives section of this report. 	December 2018	Golf Manager, Principal Grounds Maintenance Supervisor, Golf Operations Supervisor	Enhanced facilities to improve patron experience and increase utilization/revenue.
XIV. UNPROFITABLE FACILITY SOLUTIONS			
<p>a. Transfer responsibility for Holmby Park to the Parks branch of the Department of Recreation and Parks.</p> <ul style="list-style-type: none"> Work with the Parks branch of the Department of Recreation and Parks to transfer responsibility for maintaining Holmby Park. At a minimum, the Golf Division will attempt to structure a subsidy relationship with the Parks Branch of Recreation and Parks to ensure that the Golf Division is not measured and penalized by the losses incurred from maintaining a non-revenue generating park. 	June 2016	Golf Manager, Principal Grounds Maintenance Supervisor, Golf Operations Supervisor	Reduced annual expense profile for the Golf Division.
<p>b. Lease, rent or solicit corporate sponsor to fully cover operating costs of Tregnan Academy.</p> <ul style="list-style-type: none"> Develop and issue an Expression of Interest (“EOI”) to the market, targeting key Los Angeles based or focused corporations such as airlines, large manufacturers, retailers or other entities that already have an established ‘Golf Academy’ business model that would be willing to partner with the City. Interest is anticipated in two forms: i) sponsorship, or ii) partnership (lease or joint-venture). The City’s objective should be stated very clearly: To bolster the City’s ‘grow the game’/‘Junior Golf’ initiatives, enhance offerings to appeal to a broader audience and ultimately provide access to even more residents, while remaining fiscally responsible. Require details similar to the other EOIs outlined herein. 	<p>December 2016</p> <p>March 2016</p>	Golf Manager, Procurement, Finance, Golf Operations Supervisor	Reduced annual expense profile for the Golf Division and enhanced programming for Juniors and new golfers, furthering the City’s Mission and a key strategic goal.

Action Plan	Completion Deadline	Assigned To	Intended Outcome
<ul style="list-style-type: none"> Evaluate all EOIs received and pursue the best opportunities. 	December 2016		
XV. ALTERNATIVE FUNDING SOURCES			
<p>a. Actively solicit private grant and donor funding.</p> <ul style="list-style-type: none"> Prepare a marketing document explaining that the Golf Division is launching a grant and donor program to generate funds for various capital projects and other programs (Junior Golf, Golf Academy, etc.). This program will include an open opportunity to donate funds to a specific project or to a general fund for capital enhancements to the City golf courses. Participation will be recognized via a number of different avenues, depending on the donor's request, and will be granted on a case-by-case basis depending on the donation/grant amount and request: <ol style="list-style-type: none"> Plaques on golf holes dedicated to donors; Plaques on benches at specifically requested locations; Named facilities (driving ranges, clubhouses and other buildings); and, Named programs and services (Junior Golf Camp, Golf Academy, etc.). Promote the program on the golf website and actively seek opportunities to have stories about the opportunity/program written in local newspapers and magazines. The City should also ensure the program is communicated via other available channels such as bulletin and event boards at the golf courses. 	December 2016	Golf Manager, Principal Grounds Maintenance Supervisor, Golf Operations Supervisor	Additional funding for capital improvements to the golf facilities.

SUMMARY OF FINANCIAL IMPACT

GGA analyzed the financial impact of the Strategic Action Plan outlined herein in accordance with detailed market due diligence and financial analytics. Overall, the Plan contained herein has been designed to drive volume, utilization and thus revenue at the City of LA courses, allowing all facilities to achieve a positive net income, before capital maintenance expenses. GGA initially evaluated the overall impact of the Strategic Action Plan in real-dollar terms, which is detailed in Appendix A (attached) and summarized below (irrespective of timing or inflation). Subsequently, GGA prepared five-year projections, based on estimated implementation timelines and costing, which are summarized in the pages following the financial impact and detailed in Appendix B (attached).

The following Table outlines the estimated revenue impact from recommendations for the City of LA Golf Division, which the projections assume will be realized over the course of the next five years.

Table 11: Estimated Overall Revenue Impact from Implementation of Strategic Plan

Revenue Key Performance Metrics	Actual 2014	Financial Impact	Adjusted Revenue
Revenue			
Green Fees Revenue (Incl. Capital Surcharge)	\$ 17,746,099	\$ 4,121,121	\$ 21,867,220
Electric Cart Rental Revenue	\$ 3,739,560	\$ 1,050,876	\$ 4,790,436
Driving Range Revenue	\$ 1,493,292	\$ 1,990,841	\$ 3,484,133
Merchandise Sales (Net)	\$ 10,240	\$ 342,194	\$ 352,434
Other Golf Course Revenue	\$ 177,032	\$ 26,384	\$ 203,416
Golf Concessions (Net)	\$ 183,000	\$ (181,568)	\$ 1,432
Food and Beverage Concessions (Net)	\$ 315,976	\$ 266,571	\$ 582,547
Tregnan Academy	\$ 174,146	\$ (174,146)	\$ -
Reservation Office	\$ 485,316	\$ 133,728	\$ 619,044
Golf Admin	\$ 60,514	\$ -	\$ 60,514
Total Revenue (Net)	\$ 24,385,175	\$ 7,576,001	\$ 31,961,176
Rounds Played	855,423	183,900	1,039,323

*Note: The potential revenue impact above does not include non-golf related revenue opportunities such as Amphitheatre parking and sponsorships.

- ▶ The City can increase rounds played by an estimated 183,900 across all facilities, resulting in an increase of Green Fee revenue of \$4,121,121.
 - 89,500 rounds can be added through the implementation of dynamic pricing. The most underutilized facilities will see the greatest increase in rounds due to dynamic pricing.
 - 51,610 rounds can be added through the removal of Resident rates. GGA has examined the ratio of Residents and Non-residents surrounding each facility, as well as the proportion of Resident vs. Non-resident play at each facility. Non-resident rounds were increased to match the corresponding Resident/Non-resident ratio surrounding each facility, as detailed in Appendix A.
 - An additional 42,790 rounds can be added through price adjustments in accordance with local market conditions surrounding each facility. Woodley Lakes and Hansen Dam will experience the greatest influx of new market-driven rounds as their rates have been lowered as to increase utilization.
- ▶ Electric Cart revenue will see an increase of \$1,050,876 due to the change in cart pricing structure—a 'per seat' rate of \$14 at all 18 hole facilities, which is in line with market conditions.
 - The current cart rates of \$24 (Double) and \$16 (Single) result in a weighted average cart price of approximately \$12.85 per seat. The new \$14 per seat results in an approximate 9% increase in Cart Revenue per round at facilities where this rate is implemented.
 - The remainder of the increased Cart revenue is a function of the increase in rounds played.
- ▶ Driving Range revenue is expected to increase by \$1,990,840, if recommendations outlined herein are implemented by the City.
 - The majority of this increase will be as a result of the City taking back the operation of the driving ranges at the Sepulveda and Griffith Park complexes, increasing Driving Range revenue by \$1,779,530.
 - GGA has assumed Driving Range revenue per round to be \$5.13 under a self-operated model, as this is the average revenue per round currently achieved by self-operated driving ranges, on average, at Rancho Park, Hansen Dam, and Woodley Lakes. See Appendix A.
 - The remaining increase in Driving Range revenue is attributed to the overall increase in rounds played, and inherent increase in utilization.

- ▶ Merchandise revenue is set to increase approximately \$342,194 through improved accessory and merchandise sales, including eventual club fitting services and direct order merchandise at City driving ranges.
 - According to the Patron Survey undertaken by GGA, 49% of players would make use of such services and order merchandise directly from a major retailer. A conservative amount of \$50 one-time spend was attributed to 49% of the estimated 13,000 golfers who make use of City courses with driving ranges. The number of golfers who use each facility is derived by dividing rounds played at each facility by the average number of rounds played each year by individual patrons; 42 rounds according to the Survey. See Appendix A.
- ▶ Other golf course revenue is estimated to increase \$26,384, purely as a function of increased rounds played.
- ▶ Golf Concessions revenue will decrease by an estimated \$181,568 due to the foregone collectable fees from third party driving range and pro shop operators.
- ▶ Food and Beverage Concessions revenue will increase by approximately \$266,571 due to additional rounds played, enhanced on-site offerings such as vending machines, and roving food and beverage trucks.
 - GGA has assumed a 20% increase to Food and Beverage Concessions revenue per round as a result of these changes.
- ▶ Tregnan Academy will be leased to a third party; thus, the City should forego \$174,146 in current revenue generated by the Academy.
- ▶ The reservation office will experience a spike in Loyalty Pass revenue of \$133,728, as the Pass will surge in popularity given the elimination of Resident rates.
 - GGA has assumed a 7% increase in Loyalty Pass sales to Non-residents using the same principals applied when determining new Non-resident rounds. On average, across all facilities, Non-resident participation must increase by 7% to match the ratio of Residents and Non-residents living in the market area.
 - Given the current structure of the 'Players Card', there are a substantial number of Pass holders who have pre-paid for the Pass for three years. Given these circumstances, GGA has used the average Reservation Office revenue from 2012 - 2014 from which to base the additional 7% increase.

The following Table outlines the projected expense impact from recommendations for the City of LA Golf Division.

Table 12: Estimated Overall Expense Impact from Implementation of Strategic Plan

Expense Key Performance Metrics	Actual 2014	Financial Impact	Adjusted Expense
Cost of Goods Sold	\$ 26,353	\$ -	\$ 26,353
Expenses			
Golf Operations Expenses (Starters/Carts)			
Payroll (Incl. Fringe)	\$ 3,741,786	\$ (26,596)	\$ 3,715,190
Other Golf Operations Expenses	\$ 1,201,154	\$ (77,083)	\$ 1,124,071
New Driving Range Operations Expenses	\$ -	\$ 628,725	\$ 628,725
Total Golf Operations Expenses	\$ 4,942,940	\$ 525,046	\$ 5,467,986
Golf Maintenance Expenses			
Payroll (Incl. Fringe)	\$ 9,109,657	\$ (52,067)	\$ 9,057,590
Supplies & Contract Services	\$ 988,457	\$ (25,505)	\$ 962,952
Total Golf Maintenance Expenses	\$ 10,098,114	\$ (77,572)	\$ 10,020,542
Administrative Expenses			
Indirect Costs	\$ 3,696,803	\$ (178,059)	\$ 3,518,744
Total Administrative Expenses	\$ 8,595,952	\$ (298,093)	\$ 8,297,859
Total Expenses	\$ 23,637,006	\$ 149,381	\$ 23,786,387
Net Income	\$ 721,816	\$ 7,426,620	\$ 8,148,436
Capital Contribution Fund		\$ 1,705,178	
True Net Income	\$ 721,816	\$ 5,721,442	\$ 6,443,258

- Golf Operations payroll will decrease by \$26,596 as a result of having a full time Starter on the first hole at all of the busiest facilities during peak times (with the exception of Woodley Lakes, Hansen Dam, Penmar, Roosevelt, Rancho 9 and Los Feliz) in order to ensure patrons tee off at their designated tee-time and help coordinate with on-course volunteer Marshals, less the impact of Tregnan Academy reductions.
 - As a benchmark for total coverage cost for each facility, GGA has assumed that coverage will be attainable leveraging hourly resources that combined, will equate to roughly one Starter's salary of \$58,450, as per related salary documents provided by the

City. GGA has also assumed that existing Starter resources would assist during the periods of time when new First Tee Starters are not on the clock (slowest, off-peak days/times).

- ▶ Driving Range Operations expenses will increase by \$628,725 as a result of the City taking back control of driving range operations at Sepulveda and Griffith Park.
 - GGA has assumed expenses to be 35% of gross Driving Range revenue under a self-operated model, as this is the average expense rate currently experienced by self-operated driving ranges on average, at Rancho Park, Hansen Dam, and Woodley Lakes. See Appendix A.
- ▶ Golf Maintenance payroll is set to decrease by net \$52,067 due to the transfer of Holmby Park, the lease of the Tregnan Academy, and the implementation of the Capital Maintenance Squad.
 - Eliminating maintenance responsibilities at Holmby Park and Tregnan will result in a decrease of \$273,091 in Maintenance payroll. The addition of the Capital Maintenance Squad is set to increase Maintenance payroll by \$221,024 annually.
- ▶ Golf Maintenance supplies and contract services is set to decrease by \$25,505 due to the transfer of Holmby Park, and the leasing of the Tregnan Academy.

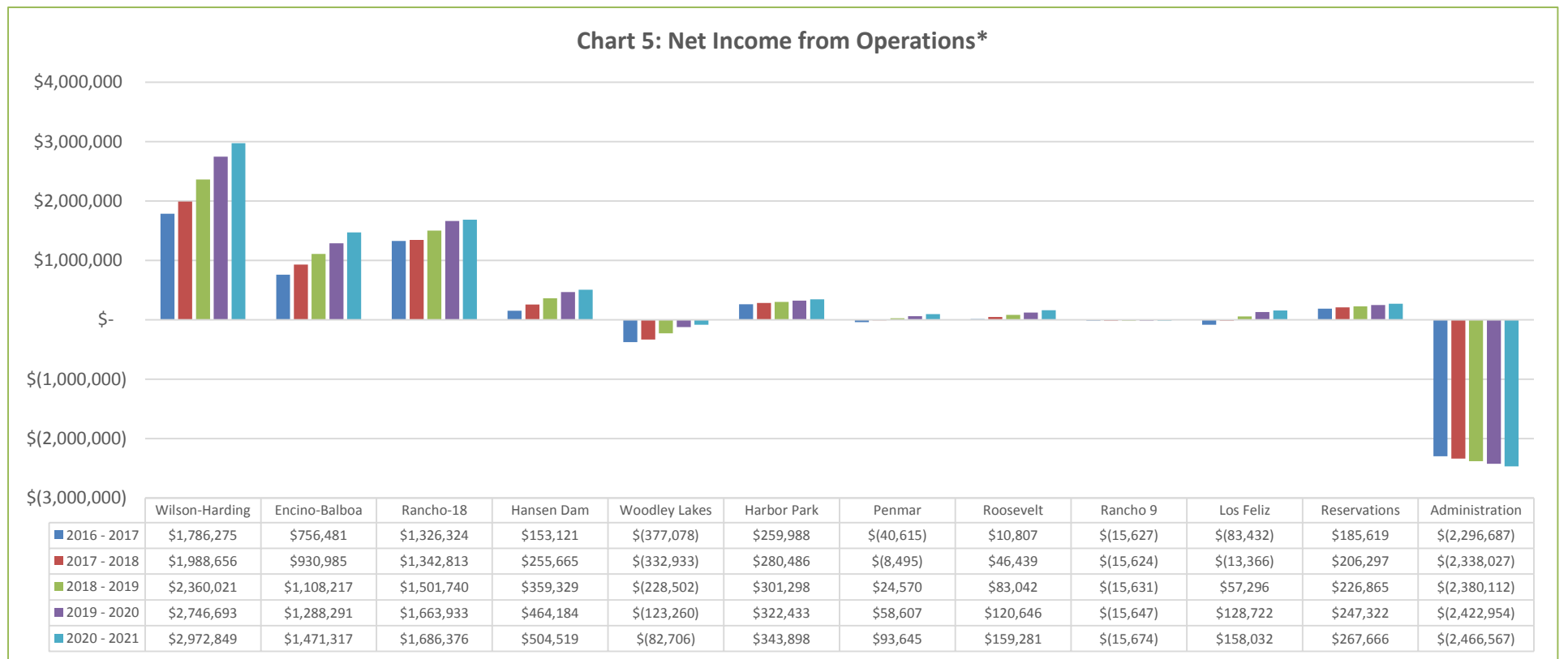


In order to better understand the estimated cash flow requirements and the impact over the next five years, detailed five-year projections are attached in Appendix B and summarized briefly in Table 13 and Chart 5, below:

Table 13: Summary of Financial Projections

Financial Projections	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021
Gross Margin	\$ 27,850,764	\$ 28,871,392	\$ 30,479,084	\$ 32,123,094	\$ 33,284,897
Expenses	\$ 25,245,631	\$ 25,114,567	\$ 25,588,011	\$ 26,070,362	\$ 26,561,788
Capital Maintenance Expenses	\$ 1,355,250	\$ 1,413,929	\$ 1,492,938	\$ 1,573,761	\$ 1,630,474
Net Income Including Capital Surcharges	\$ 1,249,883	\$ 2,342,895	\$ 3,398,135	\$ 4,478,970	\$ 5,092,636
Capital Surcharges	\$ 1,499,720	\$ 1,585,381	\$ 1,673,641	\$ 1,764,564	\$ 1,831,306
Net Income Excluding Capital Surcharges	\$ (249,836)	\$ 757,514	\$ 1,724,494	\$ 2,714,406	\$ 3,261,330

Chart 5: Net Income from Operations*



* Net income includes Capital Contribution Surcharge income and annual Capital Maintenance expenses as operating expenses.

Please note:

This Plan relies on the timely, efficient and effective execution of every element of the Strategic Action Plan. The financial impact and projections herein should be considered estimates only. Failure to execute one or more of the Strategic Action Plan items herein will considerably increase the risk of non-performance. The risk also exists that market conditions and conditions for implementation may change, or that actual inflationary expense increases are above the 1.8% estimated in the projections.

Restrictions

This report is not intended for general circulation or publication and is strictly intended for The City of Los Angeles Golf Division. It is not to be reproduced or used for any other purpose other than outlined above without our prior written permission in each specific instance. GGA assumes no responsibility or liability for losses occasioned to the directors or shareholders, or to any other parties as a result of the circulation, publication, reproduction or use of this report contrary to the provisions of this paragraph.

GGA reserves the right (but will be under no obligation) to review all calculations included or referred to in this report and, if we consider it necessary, to revise our conclusions in light of any information which becomes known to GGA after the date of this report.

GGA instructs that its analysis must be considered as a whole and that selecting portions of the analysis or the factors considered by us, without considering all factors and analyses together, could create a misleading view of the process underlying the recommendations and conclusions herein. The preparation of a Strategic Plan and Action Plan, along with a Financial Impact Analysis and forward looking Financial Projections, is a complex process and is not necessarily susceptible to partial analysis or summary description. Any attempt to do so could lead to undue emphasis on any particular factor or analysis.

Global Golf Advisors Inc.





Net Rate per Round	\$	20.75
Net Rate per Discount Round	\$	16.88
Cart Revenue per Round	\$	4.37
New Cart Price	\$	14.00
New Cart Revenue per Round	\$	4.72
Weighted Avg. Cart Price	\$	12.96
Driving Range Revenue per Round	\$	5.13
# of active golfers		21,251
Merchandise Revenue per golfer	\$	50.00
F & B Concessions per Round	\$	0.37
F & B % Increase from Roving Trucks		20%
New F & B Concessions per Round	\$	0.44
Additional rounds from Dynamic Pricing		89,500
Additional rounds from removing Resident rates		51,610
Additional from other		42,790
Proposed Course Improvements	\$	19,496,052
Annual Debt Service (20yrs @ 2.5%)	\$	1,250,618
Contribution per round	\$	1.20

Revenue Key Performance Metrics	Actual 2014	Impact	Adjusted Revenue Line
Revenue			
Green Fees Revenue	\$ 17,746,099	\$ 4,121,121	\$ 21,867,220
Electric Cart Rental Revenue	\$ 3,739,560	\$ 1,050,876	\$ 4,790,436
Driving Range Revenue	\$ 1,493,292	\$ 1,990,841	\$ 3,484,133
Merchandise Sales	\$ 10,240	\$ 342,194	\$ 352,434
Other Golf Course Revenue	\$ 177,032	\$ 26,384	\$ 203,416
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Food and Beverage Concessions (Net)	\$ 315,976	\$ 266,571	\$ 582,547
Tregnan	\$ 174,146	-\$ 174,146	\$ -
Reservation Office	\$ 485,316	\$ 133,728	\$ 619,044
Golf Admin	\$ 60,514	\$ -	\$ 60,514
Total Revenue (Net)	\$ 24,385,175	\$ 7,576,001	\$ 31,961,176
Rounds Played	855,423	183,900	1,039,323

Expense Key Performance Metrics	Actual 2014	Impact	Adjusted Expense Line
Expenses			
Total Cost of Goods Sold	\$ 26,353	\$ -	\$ 26,353
Golf Operations Expenses (Starters/Carts)			
Payroll (Incl. Fringe)	\$ 3,741,786	-\$ 26,596	\$ 3,715,190
Other Golf Operations Expenses	\$ 1,201,154	-\$ 77,083	\$ 1,124,071
New Driving Range Operations Expenses	\$ -	\$ 628,725	\$ 628,725
Total Golf Operations Expenses	\$ 4,942,940	\$ 525,046	\$ 5,467,986
Golf Maintenance Expenses			
Payroll (Incl. Fringe)	\$ 9,109,657	-\$ 52,067	\$ 9,057,590
Supplies & Contract Services	\$ 988,457	-\$ 25,505	\$ 962,952
Total Golf Maintenance Expenses	\$ 10,098,114	-\$ 77,572	\$ 10,020,542
Administrative Expenses			
Indirect Costs	\$ 3,696,803	-\$ 178,059	\$ 3,518,744
Total Administrative Expenses	\$ 8,595,952	-\$ 298,093	\$ 8,297,859
Total Expenses	\$ 23,637,006	\$ 149,381	\$ 23,786,387
Net Income	\$ 721,816	\$ 7,426,620	\$ 8,148,436
Capital Contribution Fund		\$ 1,705,178	\$ 1,705,178
True Net Income	\$ 721,816	\$ 5,721,442	\$ 6,443,258

City of Los Angeles

Financial Impact Analysis - Encino/Balboa
Appendix A - For Illustration Purposes Only



Net Rate per Round	\$	24.58
Net Rate per Discount Round	\$	16.88
Cart Revenue per Round	\$	6.47
New Cart Price	\$	14.00
New Cart Revenue per Round	\$	7.05
Weighted Avg. Cart Price	\$	12.85
Driving Range Revenue per Round	\$	5.13
# of active golfers		3,839
Merchandise Revenue per golfer	\$	50.00
F & B Concessions per Round	\$	0.59
F & B % Increase from Improvements		20%
New F & B Concessions per Round	\$	0.71
Additional rounds from Dynamic Pricing		20,000
Additional rounds from removing Resident rates		9,510
Additional rounds from Market Adjustments		-
Proposed Course Improvements	\$	3,071,052
Annual Debt Service (20yrs @ 2.5%)	\$	197,000
Min. required capital surcharge / Round	\$	1.24
Net Rate Impact from Price Adjustments	\$	1.77
Capital Contribution Surcharge	\$	2.00

Revenue Key Performance Metrics	Actual 2014	Impact	Adjusted Revenue Line
Revenue			
Green Fees Revenue	\$ 3,194,485	\$ 853,712	\$ 4,048,197
Electric Cart Rental Revenue	\$ 840,763	\$ 283,218	\$ 1,123,981
Driving Range Revenue	\$ -	\$ 818,165	\$ 818,165
Merchandise Sales (Net)	\$ -	\$ 94,068	\$ 94,068
Other Golf Course Revenue	\$ 19,334	\$ 4,390	\$ 23,724
Golf Concessions (Net)	\$ 50,839	-\$ 50,839	\$ -
Food and Beverage Concessions (Net)	\$ 76,681	\$ 36,228	\$ 112,909
Total Revenue (Net)	\$ 4,182,102	\$ 2,038,943	\$ 6,221,045
Rounds Played	129,976	29,510	159,486.44

Starter Salary	\$ 58,450
Capital Improvement Squad Total Salary	\$ 221,024
18 Hole Equivalent Courses	2
% of Capital Squad Allocated to Facility	21%
Driving Range Expenses as % of Revenue	35%

Expense Key Performance Metrics	Actual 2014	Impact	Adjusted Expense Line
Expenses			
Total Cost of Goods Sold	\$ 3,580	\$ -	\$ 3,580
Golf Operations Expenses (Starters/Carts)			
Payroll (Incl. Fringe)	\$ 531,987	\$ 58,450	\$ 590,437
Other Golf Operations Expenses	\$ 170,842	\$ -	\$ 170,842
Driving Range Operations Expenses	\$ -	\$ 289,066	\$ 289,066
Total Golf Operations Expenses	\$ 702,829	\$ 347,516	\$ 1,050,345
Golf Maintenance Expenses			
Payroll (Incl. Fringe)	\$ 1,741,218	\$ 46,531	\$ 1,787,749
Supplies & Contract Services	\$ 164,372	\$ -	\$ 164,372
Total Golf Maintenance Expenses	\$ 1,905,590	\$ 46,531	\$ 1,952,121
Administrative Expenses			
Indirect Costs	\$ 666,603	\$ -	\$ 666,603
Total Administrative Expenses	\$ 1,152,081	\$ -	\$ 1,152,081
Total Expenses	\$ 3,760,500	\$ 394,047	\$ 4,154,547
Net Income	\$ 418,022	\$ 1,644,895	\$ 2,062,917
Capital Contribution Fund		\$ 318,973	\$ 318,973
True Net Income	\$ 418,022	\$ 1,325,923	\$ 1,743,945

City of Los Angeles

Financial Impact Analysis - Woodley Lakes
Appendix A - For Illustration Purposes Only



Net Rate per Round	\$	24.89
Net Rate per Discount Round	\$	16.88
Cart Revenue per Round	\$	7.47
New Cart Price	\$	14.00
New Cart Revenue per Round	\$	7.56
Weighted Avg. Cart Price	\$	12.85
Driving Range Revenue per Round	\$	5.04
# of active golfers		1,411
Merchandise Revenue per golfer	\$	50.00
F & B Concessions per Round	\$	0.12
F & B % Increase from Improvements		20%
New F & B Concessions per Round	\$	0.14
Additional rounds from Dynamic Pricing		10,000
Additional rounds from removing Resident rates		2,145
Additional rounds from Market Adjustments		10,000
Proposed Course Improvements	\$	1,820,000
Annual Debt Service (20yrs @ 2.5%)	\$	116,748
Min. required capital surcharge / Round	\$	1.45
Net Rate Impact from Price Adjustments	-\$	2.10
Capital Contribution Surcharge	\$	2.00

Revenue Key Performance Metrics	Actual 2014	Impact	Adjusted Revenue Line
Revenue			
Green Fees Revenue	\$ 1,459,138	\$ 301,531	\$ 1,760,669
Electric Cart Rental Revenue	\$ 438,130	\$ 172,557	\$ 610,687
Driving Range Revenue	\$ 295,261	\$ 111,540	\$ 406,801
Merchandise Sales (Net)	\$ 10,240	\$ 24,335	\$ 34,575
Other Golf Course Revenue	\$ 13,354	\$ 5,045	\$ 18,399
Golf Concessions (Net)	\$ -	\$ -	\$ -
Food and Beverage Concessions (Net)	\$ 6,934	\$ 4,530	\$ 11,464
Total Revenue (Net)	\$ 2,223,057	\$ 619,538	\$ 2,842,595
Rounds Played	58,620	22,145	80,765
Starter Salary	\$ -		
Capital Improvement Squad Total Salary	\$ 221,024		
18 Hole Equivalent Courses	1		
% of Capital Squad Allocated to Facility	11%		
Driving Range Expenses as % of Revenue	35%		

Expense Key Performance Metrics	Actual 2014	Impact	Adjusted Expense Line
Expenses			
Total Cost of Goods Sold	\$ 8,453	\$ -	\$ 8,453
Golf Operations Expenses (Starters/Carts)			
Payroll (Incl. Fringe)	\$ 437,880	\$ -	\$ 437,880
Other Golf Operations Expenses	\$ 188,966	\$ -	\$ 188,966
Total Golf Operations Expenses	\$ 626,846	\$ -	\$ 626,846
Golf Maintenance Expenses			
Payroll (Incl. Fringe)	\$ 1,123,180	\$ 23,266	\$ 1,146,445.68
Supplies & Contract Services	\$ 64,628	\$ -	\$ 64,628
Total Golf Maintenance Expenses	\$ 1,187,808	\$ 23,266	\$ 1,211,074
Administrative Expenses			
Indirect Costs	\$ 435,469	\$ -	\$ 435,469
Total Administrative Expenses	\$ 675,553	\$ -	\$ 675,553
Total Expenses	\$ 2,490,207	\$ 23,266	\$ 2,513,473
Net Income	-\$ 275,603	\$ 596,272	\$ 320,669
Capital Contribution Fund		\$ 161,529	\$ 161,529
True Net Income	-\$ 275,603	\$ 434,743	\$ 159,140

City of Los Angeles

Financial Impact Analysis - Hansen Dam Appendix A - For Illustration Purposes Only



Net Rate per Round	\$	25.06
Net Rate per Discount Round	\$	16.88
Cart Revenue per Round	\$	7.60
New Cart Price	\$	14.00
New Cart Revenue per Round	\$	7.7
Weighted Avg. Cart Price	\$	12.85
Driving Range Revenue per Round	\$	4.29
# of active golfers		1,612
Merchandise Revenue per golfer	\$	50.00
F & B Concessions per Round	\$	0.23
F & B % Increase from Improvements		20%
New F & B Concessions per Round	\$	0.27
Additional rounds from Dynamic Pricing		10,000
Additional rounds from removing Resident rates		5,503
Additional rounds from Market Adjustments		5,000
Proposed Course Improvements	\$	1,305,000
Annual Debt Service (20yrs @ 2.5%)	\$	83,712
Min. required capital surcharge / Round	\$	0.96
Net Rate Impact from Price Adjustments	-\$	1.13
Capital Contribution Surcharge	\$	2.00

Revenue Key Performance Metrics	Actual 2014	Impact	Adjusted Revenue Line
Revenue			
Green Fees Revenue	\$ 1,678,110.00	\$ 333,264	\$ 2,011,374
Electric Cart Rental Revenue	\$ 508,893.00	\$ 163,599	\$ 672,492
Driving Range Revenue	\$ 287,173.00	\$ 87,942	\$ 375,115
Merchandise Sales (Net)	\$ -	\$ 39,489	\$ 39,489
Other Golf Course Revenue	\$ 6,212.00	\$ 1,902	\$ 8,114
Golf Concessions (Net)	\$ -	\$ -	\$ -
Food and Beverage Concessions (Net)	\$ 15,228.00	\$ 8,642	\$ 23,870
Total Revenue (Net)	\$ 2,495,616	\$ 634,838	\$ 3,130,454
Rounds Played	66,952	20,503	87,454.90
Starter Salary	\$ -		
Capital Improvement Squad Total Salary	\$ 221,024		
18 Hole Equivalent Courses	1		
% of Capital Squad Allocated to Facility	11%		
Driving Range Expenses as % of Revenue	35%		

Expense Key Performance Metrics	Actual 2014	Impact	Adjusted Expense Line
Expenses			
Total Cost of Goods Sold	\$ 1,790	\$ -	\$ 1,790
Golf Operations Expenses (Starters/Carts)			
Payroll (Incl. Fringe)	\$ 436,754	\$ -	\$ 436,754
Other Golf Operations Expenses	\$ 175,060	\$ -	\$ 175,060
Total Golf Operations Expenses	\$ 611,814	\$ -	\$ 611,814
Golf Maintenance Expenses			
Payroll (Incl. Fringe)	\$ 894,968	\$ 23,266	\$ 918,233.68
Supplies & Contract Services	\$ 93,946	\$ -	\$ 93,946
Total Golf Maintenance Expenses	\$ 988,914	\$ 23,266	\$ 1,012,180
Administrative Expenses			
Indirect Costs	\$ 368,106	\$ -	\$ 368,106
Total Administrative Expenses	\$ 617,499	\$ -	\$ 617,499
Total Expenses	\$ 2,218,227	\$ 23,266	\$ 2,241,493
Net Income	\$ 275,599	\$ 611,573	\$ 887,172
Capital Contribution Fund		\$ 174,910	\$ 174,910
True Net Income	\$ 275,599	\$ 436,663	\$ 712,262

City of Los Angeles

Financial Impact Analysis - Rancho Park 18 Appendix A - For Illustration Purposes Only



Net Rate per Round	\$	28.10
Net Rate per Discount Round	\$	17.98
Cart Revenue per Round	\$	6.35
New Cart Price	\$	14.00
New Cart Revenue per Round	\$	6.92
Weighted Avg. Cart Price	\$	12.85
Driving Range Revenue per Round	\$	6.06
# of active golfers		2,388
Merchandise Revenue per golfer	\$	50.00
F & B Concessions per Round	\$	0.34
F & B % Increase from Improvements		20%
New F & B Concessions per Round	\$	0.40
Additional rounds from Dynamic Pricing		-
Additional rounds from removing Resident rates		1,288
Additional rounds from Market Adjustments		
Proposed Course Improvements	\$	4,120,000
Annual Debt Service (20yrs @ 2.5%)	\$	264,286
Min. required capital surcharge / Round	\$	2.63
Net Rate Impact from Price Adjustments	\$	3.36
Capital Contribution Surcharge	\$	2.50

Revenue Key Performance Metrics	Actual 2014	Impact	Adjusted Revenue Line
Revenue			
Green Fees Revenue	\$ 2,788,268	\$ 373,886	\$ 3,162,154
Electric Cart Rental Revenue	\$ 629,780	\$ 65,273	\$ 695,053
Driving Range Revenue	\$ 910,858	\$ 11,829	\$ 922,687
Merchandise Sales (Net)	\$ -	\$ 58,516	\$ 58,516
Other Golf Course Revenue	\$ 42,938	\$ 558	\$ 43,496
Golf Concessions (Net)	\$ -	\$ -	\$ -
Food and Beverage Concessions (Net)	\$ 33,333	\$ 7,186	\$ 40,519
Total Revenue (Net)	\$ 4,405,177	\$ 517,247	\$ 4,922,424
Rounds Played	99,210	1,288	100,498
Starter Salary	\$ 58,450		
Capital Improvement Squad Total Salary	\$ 221,024		
18 Hole Equivalent Courses	1		
% of Capital Squad Allocated to Facility	11%		
Driving Range Expenses as % of Revenue	35%		

Expense Key Performance Metrics	Actual 2014	Impact	Adjusted Expense Line
Expenses			
Total Cost of Goods Sold	\$ 1,790	\$ -	\$ 1,790
Golf Operations Expenses (Starters/Carts)			
Payroll (Incl. Fringe)	\$ 627,098	\$ 58,450	\$ 685,548
Other Golf Operations Expenses	\$ 251,912	\$ -	\$ 251,912
Total Golf Operations Expenses	\$ 879,010	\$ 58,450	\$ 937,460
Golf Maintenance Expenses			
Payroll (Incl. Fringe)	\$ 1,108,307	\$ 23,266	\$ 1,131,572.68
Supplies & Contract Services	\$ 194,819	\$ -	\$ 194,819
Total Golf Maintenance Expenses	\$ 1,303,126	\$ 23,266	\$ 1,326,392
Administrative Expenses			
Indirect Costs	\$ 465,337	\$ -	\$ 465,337
Total Administrative Expenses	\$ 705,403	\$ -	\$ 705,403
Total Expenses	\$ 2,887,539	\$ 81,716	\$ 2,969,255
Net Income	\$ 1,515,848	\$ 435,532	\$ 1,951,380
Capital Contribution Fund		\$ 251,246	\$ 251,246
True Net Income	\$ 1,515,848	\$ 184,285	\$ 1,700,133

City of Los Angeles

Financial Impact Analysis - Wilson/Harding
Appendix A - For Illustration Purposes Only



Net Rate per Round	\$ 28.43
Net Rate per Discount Round	\$ 17.43
Cart Revenue per Round	\$ 6.98
New Cart Price	\$ 14.00
New Cart Revenue per Round	\$ 7.61
Weighted Avg. Cart Price	\$ 12.85
Driving Range Revenue per Round	\$ 5.13
# of active golfers	3,839
Merchandise Revenue per golfer	\$ 50.00
F & B Concessions per Round	\$ 0.69
F & B % Increase from Improvements	20%
New F & B Concessions per Round	\$ 0.83
Additional rounds from Dynamic Pricing	12,000
Additional rounds from removing Resident rates	15,946
Additional rounds from Market Adjustments	-
Proposed Course Improvements	\$ 2,770,000
Annual Debt Service (20yrs @ 2.5%)	\$ 177,688
Min. required capital surcharge / Round	\$ 0.95
Net Rate Impact from Price Adjustments	\$ 2.14
Capital Contribution Surcharge	\$ 2.00

Revenue Key Performance Metrics	Actual 2014	Impact	Adjusted Revenue Line
Revenue			
Green Fees Revenue	\$ 4,533,855	\$ 1,063,604	\$ 5,597,459
Electric Cart Rental Revenue	\$ 1,113,433	\$ 312,245	\$ 1,425,678
Driving Range Revenue	\$ -	\$ 961,365	\$ 961,365
Merchandise Sales (Net)	\$ -	\$ 94,049	\$ 94,049
Other Golf Course Revenue	\$ 20,965	\$ 3,674	\$ 24,639
Golf Concessions (Net)	\$ 130,729	-\$ 130,729	\$ -
Food and Beverage Concessions (Net)	\$ 110,479	\$ 45,330	\$ 155,809
Total Revenue (Net)	\$ 5,909,461	\$ 2,349,538	\$ 8,258,999
Rounds Played	159,455	27,946	187,401

Starter Salary	\$ 58,450
Capital Improvement Squad Total Salary	\$ 221,024
18 Hole Equivalent Courses	2
% of Capital Squad Allocated to Facility	21%
Driving Range Expenses as % of Revenue	35%

Expense Key Performance Metrics	Actual 2014	Impact	Adjusted Expense Line
Expenses			
Total Cost of Goods Sold	3,580	\$ -	\$ 3,580
Golf Operations Expenses (Starters/Carts)			
Payroll (Incl. Fringe)	\$ 559,637	\$ 58,450	\$ 618,087
Other Golf Operations Expenses	\$ 268,645	\$ -	\$ 268,645
Driving Range Operations Expenses		\$ 339,659	\$ 339,659.46
Total Golf Operations Expenses	\$ 828,282	\$ 398,109	\$ 1,226,391
Golf Maintenance Expenses			
Payroll (Incl. Fringe)	\$ 2,145,159	\$ 46,531	\$ 2,191,690.37
Supplies & Contract Services	\$ 230,820	\$ -	\$ 230,820
Total Golf Maintenance Expenses	\$ 2,375,979	\$ 46,531	\$ 2,422,510
Administrative Expenses			
Indirect Costs	\$ 767,814	\$ -	\$ 767,814
Total Administrative Expenses	\$ 1,249,544	\$ -	\$ 1,249,544
Total Expenses	\$ 4,453,805	\$ 444,641	\$ 4,898,446
Net Income	\$ 1,452,076	\$ 1,904,898	\$ 3,356,974
Capital Contribution Fund		\$ 374,801	\$ 374,801
True Net Income	\$ 1,452,076	\$ 1,530,097	\$ 2,982,173

City of Los Angeles

Financial Impact Analysis - Harbor Park
Appendix A - For Illustration Purposes Only



Net Rate per Round	\$ 13.81
Net Rate per Discount Round	\$ 9.54
Cart Revenue per Round	\$ 2.07
New Cart Price	\$ 6.00
New Cart Revenue per Round	\$ 2.49
Weighted Avg. Cart Price	\$ 5.00
Driving Range Revenue per Round	\$ -
# of active golfers	2,412
Merchandise Revenue per round	\$ 0.09
F & B Concessions per Round	\$ 0.04
F & B % Increase from Improvements	20%
New F & B Concessions per Round	\$ 0.05
Additional rounds from Dynamic Pricing	5,000
Additional rounds from removing Resident rates	-
Additional rounds from Market Adjustments	-
Proposed Course Improvements	\$ 830,000
Annual Debt Service (20yrs @ 2.5%)	\$ 53,242
Min. required capital surcharge / Round	\$ 0.51
Net Rate Impact from Price Adjustments	\$ 1.35
Capital Contribution Surcharge	\$ 1.00

Revenue Key Performance Metrics	Actual 2014	Impact	Adjusted Revenue Line
Revenue			
Green Fees Revenue	\$ 1,383,451	\$ 189,713	\$ 1,573,164
Electric Cart Rental Revenue	\$ 207,729	\$ 53,983	\$ 261,712
Driving Range Revenue	\$ -	\$ -	\$ -
Merchandise Sales (Net)	\$ -	\$ 9,206	\$ 9,206
Other Golf Course Revenue	\$ 13,487	\$ 673	\$ 14,160
Golf Concessions (Net)	\$ -	\$ -	\$ -
Food and Beverage Concessions (Net)	\$ 4,000	\$ 1,039	\$ 5,039
Total Revenue (Net)	\$ 1,608,667	\$ 254,615	\$ 1,863,282
Rounds Played	100,211	5,000	105,211

Starter Salary	\$ 58,450
Capital Improvement Squad Total Salary	\$ 221,024
18 Hole Equivalent Courses	0.5
% of Capital Squad Allocated to Facility	5%
Driving Range Expenses as % of Revenue	35%

Expense Key Performance Metrics	Actual 2014	Impact	Adjusted Expense Line
Expenses			
Total Cost of Goods Sold	\$ 1,790	\$ -	\$ 1,790
Golf Operations Expenses (Starters/Carts)			
Payroll (Incl. Fringe)	\$ 305,925	\$ 58,450	\$ 364,375
Other Golf Operations Expenses	\$ 63,006	\$ -	\$ 63,006
Total Golf Operations Expenses	\$ 368,931	\$ 58,450	\$ 427,381
Golf Maintenance Expenses			
Payroll (Incl. Fringe)	\$ 490,327	\$ 11,633	\$ 501,959.84
Supplies & Contract Services	\$ 66,414	\$ -	\$ 66,414
Total Golf Maintenance Expenses	\$ 556,741	\$ 11,633	\$ 568,374
Administrative Expenses			
Indirect Costs	\$ 216,703	\$ -	\$ 216,703
Total Administrative Expenses	\$ 336,736	\$ -	\$ 336,736
Total Expenses	\$ 1,262,408	\$ 70,083	\$ 1,332,491
Net Income	\$ 344,469	\$ 184,532	\$ 529,001
Capital Contribution Fund	\$ 105,211	\$ 105,211	\$ 105,211
True Net Income	\$ 344,469	\$ 79,321	\$ 423,790

City of Los Angeles

Financial Impact Analysis - Penmar

Appendix A - For Illustration Purposes Only



Net Rate per Round	\$	13.81
Net Rate per Discount Round	\$	9.27
Cart Revenue per Round	\$	0.01
New Cart Price	\$	-
New Cart Revenue per Round	\$	-
Weighted Avg. Cart Price	\$	-
Driving Range Revenue per Round	\$	-
# of active golfers		2,187
Merchandise Revenue per round	\$	0.09
F & B Concessions per Round	\$	0.16
F & B % Increase from Improvements		20%
New F & B Concessions per Round	\$	0.20
Additional rounds from Dynamic Pricing		5,000
Additional rounds from removing Resident rates		8,957
Additional rounds from Market Adjustments		-
Proposed Course Improvements	\$	1,255,000
Annual Debt Service (20yrs @ 2.5%)	\$	80,505
Min. required capital surcharge / Round	\$	0.77
Net Rate Impact from Price Adjustments	\$	1.47
Capital Contribution Surcharge	\$	1.00

Revenue Key Performance Metrics	Actual 2014	Impact	Adjusted Revenue Line
Revenue			
Green Fees Revenue	\$ 1,254,771	\$ 324,112	\$ 1,578,883
Electric Cart Rental Revenue	\$ 832	\$ -	\$ 832
Driving Range Revenue	\$ -	\$ -	\$ -
Merchandise Sales (Net)	\$ -	\$ 9,170	\$ 9,170
Other Golf Course Revenue	\$ 4,201	\$ 645	\$ 4,846
Golf Concessions (Net)	\$ 1,432	\$ -	\$ 1,432
Food and Beverage Concessions (Net)	\$ 14,837	\$ 5,703	\$ 20,540
Total Revenue (Net)	\$ 1,276,073	\$ 339,631	\$ 1,615,704
Rounds Played	90,848	13,957	104,805

Starter Salary	\$ -
Capital Improvement Squad Total Salary	\$ 221,024
18 Hole Equivalent Courses	0.5
% of Capital Squad Allocated to Facility	5%
Driving Range Expenses as % of Revenue	35%

Expense Key Performance Metrics	Actual 2014	Impact	Adjusted Expense Line
Expenses			
Total Cost of Goods Sold	\$ 1,790	\$ -	\$ 1,790
Golf Operations Expenses (Starters/Carts)			
Payroll (Incl. Fringe)	\$ 236,180	\$ -	\$ 236,180
Other Golf Operations Expenses	\$ 4,361	\$ -	\$ 4,361
Total Golf Operations Expenses	\$ 240,541	\$ -	\$ 240,541
Golf Maintenance Expenses			
Payroll (Incl. Fringe)	\$ 603,049	\$ 11,633	\$ 614,681.84
Supplies & Contract Services	\$ 90,631	\$ -	\$ 90,631
Total Golf Maintenance Expenses	\$ 693,680	\$ 11,633	\$ 705,313
Administrative Expenses			
Indirect Costs	\$ 247,640	\$ -	\$ 247,640
Total Administrative Expenses	\$ 370,337	\$ -	\$ 370,337
Total Expenses	\$ 1,304,558	\$ 11,633	\$ 1,316,191
Net Income	-\$ 30,275	\$ 327,998	\$ 297,723
Capital Contribution Fund		\$ 104,805	\$ 104,805
True Net Income	-\$ 30,275	\$ 223,193	\$ 192,918

City of Los Angeles

Financial Impact Analysis - Roosevelt

Appendix A - For Illustration Purposes Only



Net Rate per Round	\$	12.62
Net Rate per Discount Round	\$	9.27
Cart Revenue per Round	\$	-
New Cart Price	\$	-
New Cart Revenue per Round	\$	-
Weighted Avg. Cart Price	\$	-
Driving Range Revenue per Round	\$	-
# of active golfers		1,989
Merchandise Revenue per round	\$	0.09
F & B Concessions per Round	\$	0.14
F & B % Increase from Improvements		20%
New F & B Concessions per Round	\$	0.17
Additional rounds from Dynamic Pricing		7,500
Additional rounds from removing Resident rates		8,262
Additional rounds from Market Adjustments		-
Proposed Course Improvements	\$	2,875,000
Annual Debt Service (20yrs @ 2.5%)	\$	184,423
Min. required capital surcharge / Round	\$	1.87
Net Rate Impact from Price Adjustments	\$	1.55
Capital Contribution Surcharge	\$	1.00

Revenue Key Performance Metrics	Actual 2014	Impact	Adjusted Revenue Line
Revenue			
Green Fees Revenue	\$ 1,042,298	\$ 326,224	\$ 1,368,522
Electric Cart Rental Revenue	\$ -	\$ -	\$ -
Driving Range Revenue	\$ -	\$ -	\$ -
Merchandise Sales (Net)	\$ -	\$ 8,608	\$ 8,608
Other Golf Course Revenue	\$ 35,444	\$ 6,762	\$ 42,206
Golf Concessions (Net)	\$ -	\$ -	\$ -
Food and Beverage Concessions (Net)	\$ 11,400	\$ 4,890	\$ 16,290
Total Revenue (Net)	\$ 1,089,142	\$ 346,484	\$ 1,435,626
Rounds Played	82,616	15,762	98,378
Starter Salary	\$ -		
Capital Improvement Squad Total Salary	\$ 221,024		
18 Hole Equivalent Courses	0.5		
% of Capital Squad Allocated to Facility	5%		
Driving Range Expenses as % of Revenue	35%		

Expense Key Performance Metrics	Actual 2014	Impact	Adjusted Expense Line
Expenses			
Total Cost of Goods Sold	\$ 1,790	\$ -	\$ 1,790
Golf Operations Expenses (Starters/Carts)			
Payroll (Incl. Fringe)	\$ 206,418	\$ -	\$ 206,418
Other Golf Operations Expenses	\$ 1,241	\$ -	\$ 1,241
Total Golf Operations Expenses	\$ 207,659	\$ -	\$ 207,659
Golf Maintenance Expenses			
Payroll (Incl. Fringe)	\$ 502,271	\$ 11,633	\$ 513,903.84
Supplies & Contract Services	\$ 48,041	\$ -	\$ 48,041
Total Golf Maintenance Expenses	\$ 550,312	\$ 11,633	\$ 561,945
Administrative Expenses			
Indirect Costs	\$ 221,943	\$ -	\$ 221,943
Total Administrative Expenses	\$ 349,487	\$ -	\$ 349,487
Total Expenses	\$ 1,107,458	\$ 11,633	\$ 1,119,091
Net Income	-\$ 20,106	\$ 334,851	\$ 314,745
Capital Contribution Fund		\$ 98,378	\$ 98,378
True Net Income	-\$ 20,106	\$ 236,474	\$ 216,368

City of Los Angeles

Financial Impact Analysis - Rancho Park 9
Appendix A - For Illustration Purposes Only



Net Rate per Round	\$ 6.39
Net Rate per Discount Round	\$ 4.11
Cart Revenue per Round	\$ -
New Cart Price	\$ 14.00
New Cart Revenue per Round	\$ -
Weighted Avg. Cart Price	\$ -
Driving Range Revenue per Round	\$ -
# of active golfers	1,228
Merchandise Revenue per golfer	\$ -
F & B Concessions per Round	\$ -
F & B % Increase from Improvements	20%
New F & B Concessions per Round	\$ -
Additional rounds from Dynamic Pricing	10,000
Additional rounds from removing Resident rates	-
Additional rounds from Market Adjustments	-
Proposed Course Improvements	\$ 875,000
Annual Debt Service (20yrs @ 2.5%)	\$ 56,129
Min. required capital surcharge / Round	\$ 0.92
Net Rate Impact from Price Adjustments	\$ 0.97
Capital Contribution Surcharge	\$ 1.00

Revenue Key Performance Metrics	Actual 2014	Impact	Adjusted Revenue Line
Revenue			
Green Fees Revenue	\$ 326,124	\$ 100,245	\$ 426,369
Electric Cart Rental Revenue	\$ -	\$ -	\$ -
Driving Range Revenue	\$ -	\$ -	\$ -
Merchandise Sales (Net)	\$ -	\$ -	\$ -
Other Golf Course Revenue	\$ 14,839	\$ 2,909	\$ 17,748
Golf Concessions (Net)	\$ -	\$ -	\$ -
Food and Beverage Concessions (Net)	\$ -	\$ -	\$ -
Total Revenue (Net)	\$ 340,963	\$ 103,155	\$ 444,118
Rounds Played	51,004	10,000	61,004

Starter Salary	\$ -
Capital Improvement Squad Total Salary	\$ 221,024
18 Hole Equivalent Courses	0.5
% of Capital Squad Allocated to Facility	5%
Driving Range Expenses as % of Revenue	35%

Expense Key Performance Metrics	Actual 2014	Impact	Adjusted Expense Line
Expenses			
Total Cost of Goods Sold	\$ -	\$ -	\$ -
Golf Operations Expenses (Starters/Carts)			
Payroll (Incl. Fringe)	\$ 88,995	\$ -	\$ 88,995
Other Golf Operations Expenses	\$ -	\$ -	\$ -
Total Golf Operations Expenses	\$ 88,995	\$ -	\$ 88,995
Golf Maintenance Expenses			
Payroll (Incl. Fringe)	\$ 101,039	\$ 11,633	\$ 112,671.84
Supplies & Contract Services	\$ 705	\$ -	\$ 705
Total Golf Maintenance Expenses	\$ 101,744	\$ 11,633	\$ 113,377
Administrative Expenses			
Indirect Costs	\$ 66,243	\$ -	\$ 66,243
Total Administrative Expenses	\$ 126,260	\$ -	\$ 126,260
Total Expenses	\$ 316,999	\$ 11,633	\$ 328,632
Net Income	\$ 23,964	\$ 91,522	\$ 115,486
Capital Contribution Fund		\$ 61,004	\$ 61,004
True Net Income	\$ 23,964	\$ 30,518	\$ 54,482

City of Los Angeles

Financial Impact Analysis - Los Feliz
Appendix A - For Illustration Purposes Only



Net Rate per Round	\$ 5.53
Net Rate per Discount Round	\$ 3.39
Cart Revenue per Round	\$ -
New Cart Price	\$ -
New Cart Revenue per Round	\$ -
Weighted Avg. Cart Price	\$ -
Driving Range Revenue per Round	\$ -
# of active golfers	345
Merchandise Revenue per round	\$ 0.09
F & B Concessions per Round	\$ 3.01
F & B % Increase from Improvements	20%
New F & B Concessions per Round	\$ 3.61
Additional rounds from Dynamic Pricing	10,000
Additional rounds from removing Resident rates	-
Additional rounds from Market Adjustments	30,000
Proposed Course Improvements	\$ 575,000
Annual Debt Service (20yrs @ 2.5%)	\$ 36,885
Min. required capital surcharge / Round	\$ 0.68
Net Rate Impact from Price Adjustments	\$ 1.13
Capital Contribution Surcharge	\$ 1.00

Revenue Key Performance Metrics	Actual 2014	Impact	Adjusted Revenue Line
Revenue			
Green Fees Revenue	\$ 79,202	\$ 261,226	\$ 340,428
Electric Cart Rental Revenue	\$ -	\$ -	\$ -
Driving Range Revenue	\$ -	\$ -	\$ -
Merchandise Sales (Net)	\$ -	\$ 4,753	\$ 4,753
Other Golf Course Revenue	\$ 1,604	\$ 4,480	\$ 6,084
Golf Concessions (Net)	\$ -	\$ -	\$ -
Food and Beverage Concessions (Net)	\$ 43,084	\$ 153,022	\$ 196,106
Total Revenue (Net)	\$ 123,890	\$ 423,481	\$ 547,371
Rounds Played	14,321	40,000	54,321
Starter Salary	\$ -		
Capital Improvement Squad Total Salary	\$ 221,024		
18 Hole Equivalent Courses	0.5		
% of Capital Squad Allocated to Facility	5%		
Driving Range Expenses as % of Revenue	35%		

Expense Key Performance Metrics	Actual 2014	Impact	Adjusted Expense Line
Expenses			
Total Cost of Goods Sold	\$ 1,790	\$ -	\$ 1,790
Golf Operations Expenses (Starters/Carts)			
Payroll (Incl. Fringe)	\$ 50,516	\$ -	\$ 50,516
Other Golf Operations Expenses	\$ 38	\$ -	\$ 38
Total Golf Operations Expenses	\$ 50,554	\$ -	\$ 50,554
Golf Maintenance Expenses			
Payroll (Incl. Fringe)	\$ 127,048	\$ 11,633	\$ 138,680.84
Supplies & Contract Services	\$ 8,576	\$ -	\$ 8,576
Total Golf Maintenance Expenses	\$ 135,624	\$ 11,633	\$ 147,257
Administrative Expenses			
Indirect Costs	\$ 62,886	\$ -	\$ 62,886
Total Administrative Expenses	\$ 122,903	\$ -	\$ 122,903
Total Expenses	\$ 309,081	\$ 11,633	\$ 320,714
Net Income	-\$ 186,981	\$ 411,848	\$ 224,867
Capital Contribution Fund	\$ 54,321	\$ 54,321	\$ 54,321
True Net Income	-\$ 186,981	\$ 357,527	\$ 170,546

City of Los Angeles

Financial Impact Analysis - Holmby Park

Appendix A - For Illustration Purposes Only



Net Rate per Round	\$	2.89
Net Rate per Discount Round	-	
Cart Revenue per Round	-	
New Cart Price	-	
New Cart Revenue per Round	-	
Weighted Avg. Cart Price	-	
Driving Range Revenue per Round	-	
# of active golfers	-	
Merchandise Revenue per golfer	-	
F & B Concessions per Round	-	
F & B % Increase from Roving Trucks	-	
New F & B Concessions per Round	-	
Additional rounds from Dynamic Pricing	-	
Additional rounds from removing Resident rates	-	
Additional from other	-	2,210
Proposed Course Improvements	-	
Annual Debt Service (20yrs @ 2.5%)	-	
Contribution per round	-	

Revenue Key Performance Metrics	Actual 2014	Impact	Adjusted Revenue Line
Revenue			
Green Fees Revenue	\$ 6,397	-\$ 6,397	\$ -
Electric Cart Rental Revenue		\$ -	\$ -
Driving Range Revenue		\$ -	\$ -
Merchandise Sales (Net)		\$ -	\$ -
Other Golf Course Revenue	\$ 4,654	-\$ 4,654	\$ -
Golf Concessions (Net)		\$ -	\$ -
Food and Beverage Concessions (Net)		\$ -	\$ -
Total Revenue (Net)	\$ 11,051.0	-\$ 11,051	\$ -
Rounds Played	2,210	-2,210	\$ -

Starter Salary	\$ -
Capital Improvement Squad Total Salary	\$ -
18 Hole Equivalent Courses	0
% of Capital Squad Allocated to Facility	0%
Driving Range Expenses as % of Revenue	0%

Expense Key Performance Metrics	Actual 2014	Impact	Adjusted Expense Line
Expenses			
Golf Operations Expenses (Starters/Carts)			
Payroll (Incl. Fringe)			
Other Golf Operations Expenses			
Total Golf Operations Expenses			
Golf Maintenance Expenses			
Payroll (Incl. Fringe)	\$ 228,784	-\$ 228,784	\$ -
Supplies & Contract Services	\$ 1,949	-\$ 1,949	\$ -
Total Golf Maintenance Expenses	\$ 230,733	-\$ 230,733	\$ -
Administrative Expenses			
Indirect Costs	\$ 68,535	-\$ 68,535	\$ -
Total Administrative Expenses	\$ 128,552	-\$ 128,552	\$ -
Total Expenses	\$ 359,285	-\$ 359,285	\$ -
Net Income	-\$ 348,234	\$ 348,234	\$ -

City of Los Angeles

Financial Impact Analysis - Tregnan Academy

Appendix A - For Illustration Purposes Only



Net Rate per Round	-
Net Rate per Discount Round	-
Cart Revenue per Round	-
New Cart Price	-
New Cart Revenue per Round	-
Weighted Avg. Cart Price	-
Driving Range Revenue per Round	-
# of active golfers	-
Merchandise Revenue per golfer	-
F & B Concessions per Round	-
F & B % Increase from Roving Trucks	-
New F & B Concessions per Round	-
Additional rounds from Dynamic Pricing	-
Additional rounds from removing Resident rates	-
Additional from other	-
Proposed Course Improvements	-
Annual Debt Service (20yrs @ 2.5%)	-
Contribution per round	-

Revenue Key Performance Metrics	Actual 2014	Impact	Adjusted Revenue Line
Revenue			
Green Fees Revenue		\$ -	\$ -
Electric Cart Rental Revenue		\$ -	\$ -
Driving Range Revenue		\$ -	\$ -
Merchandise Sales (Net)		\$ -	\$ -
Tregnan	\$ 174,146	-\$ 174,146	\$ -
Golf Concessions (Net)		\$ -	\$ -
Food and Beverage Concessions (Net)		\$ -	\$ -
Total Revenue (Net)	\$ 174,146.0	-\$ 174,146	\$ -
Rounds Played		0	

Starter Salary	\$ -
Capital Improvement Squad Total Salary	\$ -
18 Hole Equivalent Courses	0
% of Capital Squad Allocated to Facility	0%
Driving Range Expenses as % of Revenue	0%

Expense Key Performance Metrics	Actual 2014	Impact	Adjusted Expense Line
Expenses			
Golf Operations Expenses (Starters/Carts)			
Payroll (Incl. Fringe)	\$ 260,396	-\$ 260,396	\$ -
Other Golf Operations Expenses	\$ 77,083	-\$ 77,083	\$ -
Total Golf Operations Expenses	\$ 337,479	-\$ 337,479	\$ -
Golf Maintenance Expenses			
Payroll (Incl. Fringe)	\$ 44,307	-\$ 44,307	\$ -
Supplies & Contract Services	\$ 23,556	-\$ 23,556	\$ -
Total Golf Maintenance Expenses	\$ 67,863	-\$ 67,863	\$ -
Administrative Expenses			
Indirect Costs	\$ 109,524	-\$ 109,524	\$ -
Total Administrative Expenses	\$ 169,541	-\$ 169,541	\$ -
Total Expenses	\$ 574,883	-\$ 574,883	\$ -
Net Income	-\$ 400,737	\$ 400,737	\$ -

City of Los Angeles

Financial Impact Analysis - Reservation Office
Appendix A - For Illustration Purposes Only



Historic Pass Price	\$	25.00
Proposed Pass Price - Senior/Lifeline	\$	25.00
Proposed Pass Price - Regular	\$	30.00
New Net Pass Price		\$27.50
Average Annual Revenue 2012 - 2014	\$	525,003
Additional passes sold from removing Resident rates		7%
Market Adjustment		10%

Revenue Key Performance Metrics	Actual 2014	Impact	Adjusted Revenue Line
Revenue			
Green Fees Revenue			
Electric Cart Rental Revenue			
Driving Range Revenue			
Merchandise Sales (Net)			
Reservation Office	\$ 485,316	\$ 133,728	\$ 619,044
Golf Concessions (Net)			
Food and Beverage Concessions (Net)			
Total Revenue (Net)	\$ 485,316.0	\$ 133,728	\$ 619,044
Passes Sold			

Starter Salary	\$	-
Capital Improvement Squad Total Salary	\$	-
18 Hole Equivalent Courses		0
% of Capital Squad Allocated to Facility		0%
Driving Range Expenses as % of Revenue		0%

Expense Key Performance Metrics	Actual 2014	Impact	Adjusted Expense Line
Expenses			
Golf Operations Expenses (Starters/Carts)			
Payroll (Incl. Fringe)			
Other Golf Operations Expenses			
Total Golf Operations Expenses			
Golf Maintenance Expenses			
Payroll (Incl. Fringe)			
Supplies & Contract Services			
Total Golf Maintenance Expenses			
Administrative Expenses			
Indirect Costs			
Total Administrative Expenses	\$ 324,030	\$ -	\$ 324,030
Total Expenses	\$ 324,030	\$ -	\$ 324,030
Net Income	\$ 161,286	\$ 133,728	\$ 295,014



Revenue Key Performance Metrics	Actual 2014	Impact	Adjusted Revenue Line
Revenue			
Green Fees Revenue			
Electric Cart Rental Revenue			
Driving Range Revenue			
Merchandise Sales			
Other	\$ 60,514	\$ -	\$ 60,514
Golf Concessions (Net)			
Food and Beverage Concessions (Net)			
Total Revenue (Net)	\$ 60,514.0	\$ -	\$ 60,514
Passes Sold			
Expense Key Performance Metrics	Actual 2014	Impact	Adjusted Expense Line
Expenses			
Golf Operations Expenses (Starters/Carts)			
Payroll (Incl. Fringe)			
Other Golf Operations Expenses			
Total Golf Operations Expenses			
Golf Maintenance Expenses			
Payroll (Incl. Fringe)			
Supplies & Contract Services			
Total Golf Maintenance Expenses			
Administrative Expenses			
Indirect Costs			
Total Administrative Expenses	\$ 2,268,026	\$ -	\$ 2,268,026
Total Expenses	\$ 2,268,026	\$ -	\$ 2,268,026
Net Income	-\$ 2,207,512	\$ -	-\$ 2,207,512

City of Los Angeles
Financial Projections - Golf Division
Appendix B - For Illustration Purposes Only

* Based on Unaudited Profit & Loss Statements, June 30th	2016 - 2017	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021
Revenue					
Green Fees	19,072,493	19,889,466	21,047,223	22,238,106	22,946,221
Electric Golf Carts	4,051,559	4,227,222	4,437,398	4,647,573	4,857,748
Driving Ranges/Lessons - Self Operated	3,128,472	3,236,225	3,368,945	3,504,394	3,642,640
Merchandise Sales (Net)	294,802	309,487	329,478	349,920	368,113
Other Golf Course Revenue	705,436	737,381	770,334	803,287	836,241
Reservation Office	-	-	-	-	-
Tregnan Junior Golf Academy	180,472	-	-	-	-
Driving Range/Pro Shop/Lessons - Concessions	-	-	-	-	-
Food and Beverage Concessions	374,978	428,292	481,606	534,920	588,234
Other	62,959	64,092	65,245	66,420	67,615
Total Revenue	27,871,170	28,892,164	30,500,230	32,144,621	33,306,811
Cost of Goods Sold					
Concession Expenses	20,405	20,773	21,146	21,527	21,915
Merchandise Expenses	-	-	-	-	-
Total Cost of Goods Sold	20,405	20,773	21,146	21,527	21,915
Expenses					
Golf Operations Expenses					
Driving Range Expenses					
Payroll (incl. fringe benefits)	516,369	536,846	557,893	579,524	601,752
Indirect Costs (excl. fringe benefits)	222,099	230,814	239,770	248,975	258,433
Supplies and Contract Services	272,905	282,922	293,210	303,778	314,631
Total Driving Range Expenses	1,011,373	1,050,582	1,090,874	1,132,277	1,174,816
Golf Cart Expenses					
Payroll (incl. fringe benefits)	584,130	594,645	605,348	616,244	627,337
Indirect Costs (excl. fringe benefits)	255,255	259,849	264,527	269,288	274,135
Golf Cart Lease	399,322	406,509	413,827	421,275	428,858
Insurance	60,603	61,694	62,805	63,935	65,086
Supplies and Contract Services	133,695	136,102	138,551	141,045	143,584
Total Golf Cart Expenses	1,433,005	1,458,799	1,485,057	1,511,788	1,539,001
Other Golf Operations Expenses					
Payroll - Junior Golf (incl. fringe benefits)	11,199	11,400	11,605	11,814	12,027
Payroll - Golf Operations (incl. fringe benefits)	3,291,670	3,076,208	3,131,580	3,187,948	3,245,331
Supplies and Contract Services - Junior Golf	513	522	532	541	551
Supplies and Contract Services - Golf Ops.	153,042	74,476	75,817	77,181	78,571
Total Other Golf Operations Expenses	3,456,423	3,162,606	3,219,533	3,277,485	3,336,479
Total Golf Operations Payroll (incl. fringe benefits)	4,403,368	4,219,099	4,306,426	4,395,530	4,486,447
Total Golf Operations Expenses	5,900,802	5,671,987	5,795,465	5,921,550	6,050,296
Golf Maintenance Expenses					
Payroll (incl. fringe benefits)	9,536,963	9,661,885	9,835,799	10,012,844	10,193,075
Supplies & Contract Services	1,022,342	1,015,893	1,034,179	1,052,794	1,071,745
Total Golf Maintenance Expenses	10,559,305	10,677,778	10,869,978	11,065,638	11,264,819
Administrative Expenses					
Payroll (incl. fringe benefits)	2,004,218	2,040,294	2,077,019	2,114,405	2,152,465
Labor Reimbursements	27,683	28,182	28,689	29,205	29,731
Indirect Costs	4,366,513	4,329,565	4,407,497	4,486,832	4,567,595
Utilities	2,301,274	2,279,380	2,320,409	2,362,176	2,404,695
Supplies & Contract Services	85,837	87,382	88,955	90,556	92,186

City of Los Angeles
Financial Projections - Golf Division
Appendix B - For Illustration Purposes Only

* Based on Unaudited Profit & Loss Statements, June 30th	2016 - 2017	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021
Total Administrative Expenses	8,785,525	8,764,802	8,922,569	9,083,175	9,246,672
Capital Maintenance Expenses	1,355,250	1,413,929	1,492,938	1,573,761	1,630,474
Total Expenses	26,600,881	26,528,497	27,080,949	27,644,124	28,192,261
Inflation factor	1.8%	1.8%	1.8%	1.8%	1.8%
Income from Operations, Incl. Capital Surcharge	1,249,883	2,342,895	3,398,135	4,478,970	5,092,636
Capital Surcharge Income	1,499,720	1,585,381	1,673,641	1,764,564	1,831,306
Income From Operations Excl. Capital Surcharge	(249,836)	757,514	1,724,494	2,714,406	3,261,330
Summary of Capital Improvements	2016 - 2017	2017 - 2018	2018 - 2019	2019	2020
Wilson-Harding	-	1,270,000	1,500,000	-	-
Encino-Balboa	-	1,571,052	1,500,000	-	-
Rancho-18	150,000	6,470,000	-	-	-
Hansen Dam	85,000	1,220,000	-	-	-
Woodley Lakes	-	1,070,000	750,000	-	-
Harbor Park	-	100,000	730,000	-	-
Penmar	-	250,000	1,005,000	-	-
Roosevelt	-	2,875,000	-	-	-
Rancho 9	-	875,000	-	-	-
Los Feliz	-	-	575,000	-	-
Total Capital Improvements	235,000	15,701,052	6,060,000	-	-
Business Interruption	-	1,618,622	1,150,577	-	-
Total Capital Improvement Costs	235,000	17,319,674	7,210,577	-	-
Funding					
Capital Surcharge Income	1,249,883				
Useable Current Capital Funds	4,800,000				
Capital Improvement Expenses	(235,000)	(17,319,674)	(7,210,577)	-	-
Total Funding Required	5,814,883	(11,504,790)	(18,715,367)	(18,715,367)	(18,715,367)
Interest Rate	2.50%	2.50%	2.50%	2.50%	2.50%
Amortization Period (years)	20	20	20	20	20
Annual Principal and Interest	\$0	(\$737,999)	(\$1,200,537)	(\$1,200,537)	(\$1,200,537)
Capital Surcharge Income		1,585,381	1,673,641	1,764,564	1,831,306
Net Capital Surcharge Fund (after P&I)	-	847,382	473,104	564,027	630,769
Cumulative Net Capital Surcharge Fund		847,382	1,320,486	1,884,513	2,515,282

City of Los Angeles

Financial Projections - Encino/Balboa

Appendix B - For Illustration Purposes Only

* Based on Unaudited Profit & Loss Statements, June 30th	2016 - 2017	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021
Revenue					
Green Fees	3,476,109	3,638,588	3,804,308	3,973,388	4,145,945
Electric Golf Carts	912,540	969,184	1,025,828	1,082,471	1,139,115
Driving Ranges/Lessons - Self Operated	697,054	740,423	785,128	831,202	878,681
Merchandise Sales (Net)	80,143	85,129	90,269	95,566	101,025
Other Golf Course Revenue	20,560	21,438	22,316	23,194	24,072
Reservation Office	-	-	-	-	-
Tregnan Junior Golf Academy	-	-	-	-	-
Driving Range/Pro Shop/Lessons - Concessions	-	-	-	-	-
Food and Beverage Concessions	85,307	92,553	99,798	107,044	114,290
Other	-	-	-	-	-
Total Revenue	5,271,713	5,547,315	5,827,647	6,112,865	6,403,127
Cost of Goods Sold					
Concession Expenses	3,710	3,777	3,845	3,914	3,984
Merchandise Expenses	-	-	-	-	-
Total Cost of Goods Sold	3,710	3,777	3,845	3,914	3,984
Expenses					
Golf Operations Expenses					
Driving Range Expenses					
Payroll (incl. fringe benefits)	129,888	137,970	146,300	154,885	163,732
Indirect Costs (excl. fringe benefits)	54,792	58,201	61,715	65,337	69,069
Supplies and Contract Services	59,289	62,978	66,780	70,699	74,737
Total Driving Range Expenses	243,969	259,148	274,795	290,921	307,538
Golf Cart Expenses					
Payroll (incl. fringe benefits)	95,109	96,821	98,563	100,338	102,144
Indirect Costs (excl. fringe benefits)	41,899	42,653	43,421	44,202	44,998
Golf Cart Lease	95,837	97,562	99,318	101,106	102,926
Insurance	12,647	12,875	13,107	13,343	13,583
Supplies and Contract Services	11,465	11,671	11,881	12,095	12,313
Total Golf Cart Expenses	256,957	261,582	266,290	271,083	275,963
Other Golf Operations Expenses					
Payroll - Junior Golf (incl. fringe benefits)	4,742	4,828	4,914	5,003	5,093
Payroll - Golf Operations (incl. fringe benefits)	510,962	520,159	529,522	539,054	548,757
Supplies and Contract Services - Junior Golf	289	294	300	305	311
Supplies and Contract Services - Golf Ops.	14,911	15,179	15,452	15,730	16,014
Total Other Golf Operations Expenses	530,904	540,460	550,189	560,092	570,174
Total Golf Operations Payroll (incl. fringe benefits)	740,701	759,777	779,300	799,279	819,725
Total Golf Operations Expenses	1,031,830	1,061,190	1,091,274	1,122,096	1,153,675
Golf Maintenance Expenses					
Payroll (incl. fringe benefits)	1,851,835	1,885,168	1,919,101	1,953,645	1,988,810
Supplies & Contract Services	170,343	173,409	176,530	179,708	182,942
Total Golf Maintenance Expenses	2,022,178	2,058,577	2,095,631	2,133,353	2,171,753

City of Los Angeles

Financial Projections - Encino/Balboa

Appendix B - For Illustration Purposes Only

* Based on Unaudited Profit & Loss Statements, June 30th	2016 - 2017	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021
Administrative Expenses					
Payroll (incl. fringe benefits)	-	-	-	-	-
Labor Reimbursements	5,540	5,640	5,741	5,845	5,950
Indirect Costs	690,817	703,251	715,910	728,796	741,915
Utilities	497,572	506,529	515,646	524,928	534,376
Supplies & Contract Services	-	-	-	-	-
Total Administrative Expenses	1,193,929	1,215,420	1,237,297	1,259,569	1,282,241
Capital Maintenance Expenses	263,586	277,366	291,382	305,643	320,156
Total Expenses	4,511,522	4,612,553	4,715,585	4,820,661	4,927,825
Inflation factor	1.8%	1.8%	1.8%	1.8%	1.8%
Income from Operations, Incl. Capital Surcharge	756,481	930,985	1,108,217	1,288,291	1,471,317
Capital Surcharge Income	271,756	288,664	306,093	324,055	342,566
Income From Operations Excl. Capital Surcharge	484,725	642,321	802,124	964,235	1,128,752
Capital Surcharge Income	271,756	288,664	306,093	324,055	342,566
Capital Improvements					
Proposed 10-Year Plan from City					
Install tee to green cart paths			1,500,000		
Redesign and renovate practice putting greens and chipping areas		275,000			
Electrical main panel replacement		875,000			
Tee leveling and tree trimming		421,052			
Total Capital Improvements	-	1,571,052	1,500,000	-	-
Business Interruption	-	-	(287,538)	-	-

City of Los Angeles

Financial Projections - Woodley Lakes

Appendix B - For Illustration Purposes Only

* Based on Unaudited Profit & Loss Statements, June 30th						
	2016 - 2017	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021	
Revenue						
Green Fees	1,474,764	1,570,287.91	1,667,475	1,766,432	1,798,227	
Electric Golf Carts	515,039	515,039	549,551	584,062	618,573	
Driving Ranges/Lessons - Self Operated	345,192	345,192	367,499	389,807	412,115	
Merchandise Sales (Net)	13,253	13,129	17,869	22,607	27,343	
Other Golf Course Revenue	15,612	15,612	16,621	17,630	18,639	
Reservation Office	-	-	-	-	-	
Tregnan Junior Golf Academy	-	-	-	-	-	
Driving Range/Pro Shop/Lessons - Concessions	-	-	-	-	-	
Food and Beverage Concessions	7,965	8,871	9,777	10,683	11,589	
Other	-	-	-	-	-	
Total Revenue	2,371,825	2,468,131	2,628,793	2,791,221	2,886,487	
Cost of Goods Sold						
Concession Expenses	1,855	1,888	1,922	1,957	1,992	
Merchandise Expenses	-	-	-	-	-	
Total Cost of Goods Sold	1,855	1,888	1,922	1,957	1,992	
Expenses						
Golf Operations Expenses						
Driving Range Expenses						
Payroll (incl. fringe benefits)	71,204	72,485	73,790	75,118	76,471	
Indirect Costs (excl. fringe benefits)	31,367	31,932	32,507	33,092	33,688	
Supplies and Contract Services	43,982	44,773	45,579	46,400	47,235	
Total Driving Range Expenses	146,553	149,191	151,876	154,610	157,393	
Golf Cart Expenses						
Payroll (incl. fringe benefits)	72,131	73,430	74,751	76,097	77,467	
Indirect Costs (excl. fringe benefits)	31,776	32,348	32,930	33,523	34,126	
Golf Cart Lease	63,891	65,041	66,212	67,404	68,617	
Insurance	8,432	8,583	8,738	8,895	9,055	
Supplies and Contract Services	7,181	7,310	7,442	7,575	7,712	
Total Golf Cart Expenses	183,411	186,712	190,073	193,494	196,977	
Other Golf Operations Expenses						
Payroll - Junior Golf (incl. fringe benefits)	877	893	909	925	942	
Payroll - Golf Operations (incl. fringe benefits)	309,574	315,146	320,819	326,594	332,472	
Supplies and Contract Services - Junior Golf	-	-	-	-	-	
Supplies and Contract Services - Golf Ops.	9,202	9,367	9,536	9,707	9,882	
Total Other Golf Operations Expenses	319,652	325,406	331,263	337,226	343,296	
Total Golf Operations Payroll (incl. fringe benefits)	453,786	461,954	470,269	478,734	487,351	
Total Golf Operations Expenses	649,616	661,309	673,212	685,330	697,666	
Golf Maintenance Expenses						
Payroll (incl. fringe benefits)	1,211,774	1,233,586	1,255,790	1,278,394	1,301,405	
Supplies & Contract Services	66,976	68,181	69,408	70,658	71,930	
Total Golf Maintenance Expenses	1,278,749	1,301,767	1,325,198	1,349,052	1,373,335	

City of Los Angeles

Financial Projections - Woodley Lakes

Appendix B - For Illustration Purposes Only

* Based on Unaudited Profit & Loss Statements, June 30th	2016 - 2017	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021
Administrative Expenses					
Payroll (incl. fringe benefits)	-	-	-	-	-
Labor Reimbursements	19	19	19	20	20
Indirect Costs	451,287	459,410	467,680	476,098	484,668
Utilities	248,786	253,264	257,823	262,464	267,188
Supplies & Contract Services	-	-	-	-	-
Total Administrative Expenses	700,092	712,693	725,522	738,581	751,876
Capital Maintenance Expenses	118,591	123,407	131,440	139,561	144,324
Total Expenses	2,747,048	2,799,175	2,855,372	2,912,524	2,967,201
Inflation factor	1.8%	1.8%	1.8%	1.8%	1.8%
Income from Operations, Incl. Capital Surcharge	(377,078)	(332,933)	(228,502)	(123,260)	(82,706)
Capital Surcharge Income	134,956	146,403	158,218	170,411	173,478
Income From Operations Excl. Capital Surcharge	(512,034)	(479,335)	(386,720)	(293,671)	(256,184)
Capital Surcharge Income	134,956	146,403	158,218	170,411	173,478
Capital Improvements					
Proposed 10-Year Plan from City					
Renovate driving range (new protective netting and synthetic turf lai		850,000			
Install tee to green cart paths			750,000		
Tee leveling and tree trimming		220,000			
Total Capital Improvements	-	1,070,000	750,000	-	-
Business Interruption	-	-	(121,518)	-	-

City of Los Angeles

Financial Projections - Hansen Dam

Appendix B - For Illustration Purposes Only

* Based on Unaudited Profit & Loss Statements, June 30th	2016 - 2017	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021
Revenue					
Green Fees	1,715,142	1,812,702.36	1,912,165	2,013,618	2,049,863
Electric Golf Carts	550,773	583,493	616,213	648,933	681,652
Driving Ranges/Lessons - Self Operated	309,930	327,519	345,107	362,696	380,284
Merchandise Sales (Net)	33,455	35,915	38,453	41,071	41,811
Other Golf Course Revenue	6,704	7,085	7,465	7,846	8,226
Reservation Office	-	-	-	-	-
Tregnan Junior Golf Academy	-	-	-	-	-
Driving Range/Pro Shop/Lessons - Concessions	-	-	-	-	-
Food and Beverage Concessions	17,230	18,959	20,687	22,415	24,144
Other	-	-	-	-	-
Total Revenue	2,633,235	2,785,673	2,940,091	3,096,578	3,185,979
Cost of Goods Sold					
Concession Expenses	1,855	1,888	1,922	1,957	1,992
Merchandise Expenses	-	-	-	-	-
Total Cost of Goods Sold	1,855	1,888	1,922	1,957	1,992
Expenses					
Golf Operations Expenses					
Driving Range Expenses					
Payroll (incl. fringe benefits)	51,527	52,455	53,399	54,360	55,338
Indirect Costs (excl. fringe benefits)	22,699	23,107	23,523	23,947	24,378
Supplies and Contract Services	28,866	29,385	29,914	30,453	31,001
Total Driving Range Expenses	103,091	104,947	106,836	108,759	110,717
Golf Cart Expenses					
Payroll (incl. fringe benefits)	80,971	82,429	83,912	85,423	86,960
Indirect Costs (excl. fringe benefits)	33,598	34,202	34,818	35,445	36,083
Golf Cart Lease	63,891	65,041	66,212	67,404	68,617
Insurance	8,432	8,583	8,738	8,895	9,055
Supplies and Contract Services	18,295	18,625	18,960	19,301	19,649
Total Golf Cart Expenses	205,187	208,880	212,640	216,468	220,364
Other Golf Operations Expenses					
Payroll - Junior Golf (incl. fringe benefits)	861	877	892	909	925
Payroll - Golf Operations (incl. fringe benefits)	319,259	325,006	330,856	336,811	342,874
Supplies and Contract Services - Junior Golf	-	-	-	-	-
Supplies and Contract Services - Golf Ops.	5,639	5,740	5,843	5,949	6,056
Total Other Golf Operations Expenses	325,759	331,623	337,592	343,669	349,855
Total Golf Operations Payroll (incl. fringe benefits)	452,619	460,766	469,060	477,503	486,098
Total Golf Operations Expenses	634,038	645,450	657,068	668,896	680,936

City of Los Angeles

Financial Projections - Hansen Dam

Appendix B - For Illustration Purposes Only

* Based on Unaudited Profit & Loss Statements, June 30th	2016 - 2017	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021
Golf Maintenance Expenses					
Payroll (incl. fringe benefits)	975,272	992,827	1,010,698	1,028,890	1,047,410
Supplies & Contract Services	97,358	99,111	100,895	102,711	104,560
Total Golf Maintenance Expenses	1,072,631	1,091,938	1,111,593	1,131,601	1,151,970
Administrative Expenses					
Payroll (incl. fringe benefits)	-	-	-	-	-
Labor Reimbursements	9,666	9,840	10,017	10,197	10,381
Indirect Costs	381,477	388,344	395,334	402,450	409,694
Utilities	248,786	253,264	257,823	262,464	267,188
Supplies & Contract Services	-	-	-	-	-
Total Administrative Expenses	639,929	651,448	663,174	675,111	687,263
Capital Maintenance Expenses	131,662	139,284	147,005	154,829	159,299
Total Expenses	2,478,259	2,528,120	2,578,839	2,630,437	2,679,468
Inflation factor	1.8%	1.8%	1.8%	1.8%	1.8%
Income from Operations, Incl. Capital Surcharge	153,121	255,665	359,329	464,184	504,519
Capital Surcharge Income	150,306	161,361	172,764	184,526	187,848
Income From Operations Excl. Capital Surcharge	2,815	94,304	186,565	279,658	316,672
Capital Surcharge Income	150,306	161,361	172,764	184,526	187,848
Capital Improvements					
Proposed 10-Year Plan from City					
Clubhouse renovation and ADA restroom remodel		700,000			
Starter Office Remodel: relocate service window and	85,000				
Parking lot upgrades to meet ADA		300,000			
Tee leveling and tree trimming		220,000			
Total Capital Improvements	85,000	1,220,000	-	-	-
Business Interruption	-	-	-	-	-

City of Los Angeles

Financial Projections - Rancho Park 18

Appendix B - For Illustration Purposes Only

* Based on Unaudited Profit & Loss Statements, June 30th	2016 - 2017	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021
Revenue					
Green Fees	2,940,052	2,998,012	3,206,939	3,420,357	3,487,739
Electric Golf Carts	654,171	667,225	680,280	693,334	706,389
Driving Ranges/Lessons - Self Operated	929,619	931,985	934,351	936,717	939,083
Merchandise Sales (Net)	57,915	59,111	60,330	61,574	62,844
Other Golf Course Revenue	43,822	43,934	44,045	44,157	44,269
Reservation Office	-	-	-	-	-
Tregnan Junior Golf Academy	-	-	-	-	-
Driving Range/Pro Shop/Lessons - Concessions	-	-	-	-	-
Food and Beverage Concessions	35,370	36,807	38,245	39,682	41,119
Other	-	-	-	-	-
Total Revenue	4,660,950	4,737,074	4,964,190	5,195,821	5,281,442
Cost of Goods Sold					
Concession Expenses	1,855	1,888	1,922	1,957	1,992
Merchandise Expenses	-	-	-	-	-
Total Cost of Goods Sold	1,855	1,888	1,922	1,957	1,992
Expenses					
Golf Operations Expenses					
Driving Range Expenses					
Payroll (incl. fringe benefits)	105,982	107,889	109,831	111,808	113,821
Indirect Costs (excl. fringe benefits)	46,687	47,528	48,383	49,254	50,141
Supplies and Contract Services	68,754	69,991	71,251	72,534	73,839
Total Driving Range Expenses	221,423	225,409	229,466	233,596	237,801
Golf Cart Expenses					
Payroll (incl. fringe benefits)	88,682	90,279	91,904	93,558	95,242
Indirect Costs (excl. fringe benefits)	39,067	39,771	40,486	41,215	41,957
Golf Cart Lease	63,891	65,041	66,212	67,404	68,617
Insurance	8,432	8,583	8,738	8,895	9,055
Supplies and Contract Services	14,905	15,174	15,447	15,725	16,008
Total Golf Cart Expenses	214,978	218,848	222,787	226,797	230,880
Other Golf Operations Expenses					
Payroll - Junior Golf (incl. fringe benefits)	996	1,014	1,032	1,051	1,070
Payroll - Golf Operations (incl. fringe benefits)	513,719	522,966	532,379	541,962	551,717
Supplies and Contract Services - Junior Golf	-	-	-	-	-
Supplies and Contract Services - Golf Ops.	19,325	19,673	20,027	20,388	20,755
Total Other Golf Operations Expenses	534,040	543,653	553,439	563,400	573,542
Total Golf Operations Payroll (incl. fringe benefits)	709,379	722,148	735,146	748,379	761,850
Total Golf Operations Expenses	970,441	987,909	1,005,692	1,023,794	1,042,222
Golf Maintenance Expenses					
Payroll (incl. fringe benefits)	1,196,360	1,217,895	1,239,817	1,262,134	1,284,852
Supplies & Contract Services	201,896	205,530	209,229	212,995	216,829
Total Golf Maintenance Expenses	1,398,256	1,423,425	1,449,046	1,475,129	1,501,681

City of Los Angeles

Financial Projections - Rancho Park 18

Appendix B - For Illustration Purposes Only

* Based on Unaudited Profit & Loss Statements, June 30th	2016 - 2017	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021
Administrative Expenses					
Payroll (incl. fringe benefits)	-	-	-	-	-
Labor Reimbursements	-	-	-	-	-
Indirect Costs	482,240	490,920	499,757	508,752	517,910
Utilities	248,786	253,264	257,823	262,464	267,188
Supplies & Contract Services	-	-	-	-	-
Total Administrative Expenses	731,026	744,185	757,580	771,216	785,098
Capital Maintenance Expenses	233,048	236,854	248,209	259,791	264,072
Total Expenses	3,332,771	3,392,372	3,460,527	3,529,930	3,593,074
Inflation factor	1.8%	1.8%	1.8%	1.8%	1.8%
Income from Operations, Incl. Capital Surcharge	1,326,324	1,342,813	1,501,740	1,663,933	1,686,376
Capital Surcharge Income	248,669	253,801	259,036	264,378	269,829
Income From Operations Excl. Capital Surcharge	1,077,655	1,089,013	1,242,704	1,399,555	1,416,547
Capital Surcharge Income	248,669	253,801	259,036	264,378	269,829
Capital Improvements					
Proposed 10-Year Plan from City					
Remodel driving range ball house including new ADA restrooms and		1,000,000			
New irrigation system design	150,000				
Remodel clubhouse lobby and construct new ADA restrooms		875,000			
Install tee to green cart paths		750,000			
Clubhouse Modernization and Banquet Facilities		650,000			
Remodel all field restrooms to meet ADA requirements		475,000			
Tee leveling and tree trimming		220,000			
Other Recommended Projects					
New irrigation system		2,500,000			
Total Capital Improvements	150,000	6,470,000	-	-	-
Business Interruption	-	(1,419,234)	-	-	-

City of Los Angeles

Financial Projections - Wilson/Harding

Appendix B - For Illustration Purposes Only

* Based on Unaudited Profit & Loss Statements, June 30th	2016 - 2017	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021
Revenue					
Green Fees	4,898,094	5,096,018	5,472,466	5,865,676	6,090,576
Electric Golf Carts	1,195,924	1,258,373	1,320,822	1,383,271	1,445,720
Driving Ranges/Lessons - Self Operated	846,677	891,106	936,860	983,972	1,032,477
Merchandise Sales (Net)	82,829	87,175	91,652	96,260	101,006
Other Golf Course Revenue	22,077	22,812	23,547	24,282	25,017
Reservation Office	-	-	-	-	-
Tregnan Junior Golf Academy	-	-	-	-	-
Driving Range/Pro Shop/Lessons - Concessions	-	-	-	-	-
Food and Beverage Concessions	121,534	130,600	139,666	148,732	157,798
Other	-	-	-	-	-
Total Revenue	7,167,135	7,486,084	7,985,012	8,502,193	8,852,594
Cost of Goods Sold					
Concession Expenses	3,710	3,777	3,845	3,914	3,984
Merchandise Expenses	-	-	-	-	-
Total Cost of Goods Sold	3,710	3,777	3,845	3,914	3,984
Expenses					
Golf Operations Expenses					
Driving Range Expenses					
Payroll (incl. fringe benefits)	157,769	166,047	174,573	183,352	192,390
Indirect Costs (excl. fringe benefits)	66,553	70,045	73,642	77,345	81,158
Supplies and Contract Services	72,015	75,794	79,686	83,693	87,819
Total Driving Range Expenses	296,337	311,887	327,901	344,390	361,367
Golf Cart Expenses					
Payroll (incl. fringe benefits)	176,195	179,366	182,595	185,882	189,227
Indirect Costs (excl. fringe benefits)	77,620	79,017	80,439	81,887	83,361
Golf Cart Lease	111,810	113,823	115,871	117,957	120,080
Insurance	18,447	18,779	19,117	19,461	19,811
Supplies and Contract Services	56,725	57,746	58,786	59,844	60,921
Total Golf Cart Expenses	440,796	448,731	456,808	465,030	473,401
Other Golf Operations Expenses					
Payroll - Junior Golf (incl. fringe benefits)	-	-	-	-	-
Payroll - Golf Operations (incl. fringe benefits)	463,273	471,611	480,100	488,742	497,540
Supplies and Contract Services - Junior Golf	-	-	-	-	-
Supplies and Contract Services - Golf Ops.	13,802	14,050	14,303	14,561	14,823
Total Other Golf Operations Expenses	477,074	485,662	494,404	503,303	512,362
Total Golf Operations Payroll (incl. fringe benefits)	797,236	817,025	837,269	857,976	879,158
Total Golf Operations Expenses	1,214,207	1,246,279	1,279,112	1,312,723	1,347,130
Golf Maintenance Expenses					
Payroll (incl. fringe benefits)	2,270,449	2,311,317	2,352,920	2,395,273	2,438,388
Supplies & Contract Services	239,204	243,510	247,893	252,355	256,898
Total Golf Maintenance Expenses	2,509,653	2,554,827	2,600,814	2,647,628	2,695,286

City of Los Angeles

Financial Projections - Wilson/Harding

Appendix B - For Illustration Purposes Only

* Based on Unaudited Profit & Loss Statements, June 30th	2016 - 2017	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021
Administrative Expenses					
Payroll (incl. fringe benefits)	-	-	-	-	-
Labor Reimbursements	1,656	1,686	1,716	1,747	1,779
Indirect Costs	795,704	810,027	824,607	839,450	854,560
Utilities	497,572	506,529	515,646	524,928	534,376
Supplies & Contract Services	-	-	-	-	-
Total Administrative Expenses	1,294,932	1,318,241	1,341,970	1,366,125	1,390,715
Capital Maintenance Expenses	358,357	374,304	399,251	425,110	442,630
Total Expenses	5,377,150	5,493,651	5,621,146	5,751,586	5,875,761
Inflation factor	1.8%	1.8%	1.8%	1.8%	1.8%
Income from Operations, Incl. Capital Surcharge	1,786,275	1,988,656	2,360,021	2,746,693	2,972,849
Capital Surcharge Income	330,088	347,410	365,247	383,615	402,525
Income From Operations Excl. Capital Surcharge	1,456,186	1,641,246	1,994,774	2,363,078	2,570,324
Capital Surcharge Income	330,088	347,410	365,247	383,615	402,525
Capital Improvements					
Proposed 10-Year Plan from City					
Install tee to green cart paths			1,500,000		
Remodel clubhouse and restrooms to meet ADA requirements		700,000			
Parking lot upgrades to meet ADA requirements		150,000			
Tee leveling and tree trimming		420,000			
Total Capital Improvements	-	1,270,000	1,500,000	-	-
Business Interruption	-	-	(395,406)	-	-

City of Los Angeles

Financial Projections - Harbor Park

Appendix B - For Illustration Purposes Only

* Based on Unaudited Profit & Loss Statements, June 30th	2016 - 2017	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021
Revenue					
Green Fees	1,491,268	1,527,861	1,565,253	1,603,463	1,642,507
Electric Golf Carts	222,265	233,061	243,858	254,655	265,451
Driving Ranges/Lessons - Self Operated	-	-	-	-	-
Merchandise Sales (Net)	8,856	9,104	9,359	9,620	9,887
Other Golf Course Revenue	13,864	13,999	14,134	14,268	14,403
Reservation Office	-	-	-	-	-
Tregnan Junior Golf Academy	-	-	-	-	-
Driving Range/Pro Shop/Lessons - Concessions	-	-	-	-	-
Food and Beverage Concessions	4,280	4,488	4,696	4,904	5,111
Other	-	-	-	-	-
Total Revenue	1,740,533	1,788,513	1,837,300	1,886,909	1,937,359
Cost of Goods Sold					
Concession Expenses	1,855	1,888	1,922	1,957	1,992
Merchandise Expenses	-	-	-	-	-
Total Cost of Goods Sold	1,855	1,888	1,922	1,957	1,992
Expenses					
Golf Operations Expenses					
Driving Range Expenses					
Payroll (incl. fringe benefits)	-	-	-	-	-
Indirect Costs (excl. fringe benefits)	-	-	-	-	-
Supplies and Contract Services	-	-	-	-	-
Total Driving Range Expenses	-	-	-	-	-
Golf Cart Expenses					
Payroll (incl. fringe benefits)	71,042	72,321	73,623	74,948	76,297
Indirect Costs (excl. fringe benefits)	31,296	31,859	32,433	33,017	33,611
Golf Cart Lease	-	-	-	-	-
Insurance	4,215	4,291	4,368	4,446	4,526
Supplies and Contract Services	25,124	25,576	26,036	26,505	26,982
Total Golf Cart Expenses	131,676	134,047	136,459	138,916	141,416
Other Golf Operations Expenses					
Payroll - Junior Golf (incl. fringe benefits)	610	621	633	644	656
Payroll - Golf Operations (incl. fringe benefits)	304,887	310,375	315,962	321,649	327,439
Supplies and Contract Services - Junior Golf	224	228	232	236	240
Supplies and Contract Services - Golf Ops.	4,437	4,516	4,598	4,680	4,765
Total Other Golf Operations Expenses	310,158	315,741	321,424	327,210	333,099
Total Golf Operations Payroll (incl. fringe benefits)	376,540	383,317	390,217	397,241	404,391
Total Golf Operations Expenses	441,834	449,787	457,883	466,125	474,515
Golf Maintenance Expenses					
Payroll (incl. fringe benefits)	532,035	541,612	551,361	561,285	571,389
Supplies & Contract Services	68,826	70,065	71,326	72,610	73,917
Total Golf Maintenance Expenses	600,862	611,677	622,687	633,896	645,306

City of Los Angeles

Financial Projections - Harbor Park

Appendix B - For Illustration Purposes Only

* Based on Unaudited Profit & Loss Statements, June 30th	2016 - 2017	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021
Administrative Expenses					
Payroll (incl. fringe benefits)	-	-	-	-	-
Labor Reimbursements	-	-	-	-	-
Indirect Costs	224,575	228,617	232,732	236,921	241,186
Utilities	124,393	126,632	128,912	131,232	133,594
Supplies & Contract Services	-	-	-	-	-
Total Administrative Expenses	348,968	355,249	361,643	368,153	374,780
Capital Maintenance Expenses	87,027	89,426	91,865	94,345	96,868
Total Expenses	1,478,690	1,506,139	1,534,079	1,562,520	1,591,469
Inflation factor	1.8%	1.8%	1.8%	1.8%	1.8%
Income from Operations, Incl. Capital Surcharge	259,988	280,486	301,298	322,433	343,898
Capital Surcharge Income	101,211	104,051	106,960	109,940	112,993
Income From Operations Excl. Capital Surcharge	158,777	176,435	194,338	212,492	230,905
Capital Surcharge Income	101,211	104,051	106,960	109,940	112,993
Capital Improvements					
Proposed 10-Year Plan from City					
Construct new cart barn at clubhouse for existing cart fleet			180,000		
Install tee to green cart paths			450,000		
Install new 'recycled water' irrigation system			100,000		
Tee leveling and tree trimming		100,000			
Total Capital Improvements	-	100,000	730,000	-	-
Business Interruption	-	-	(92,388)		-

City of Los Angeles

Financial Projections - Penmar

Appendix B - For Illustration Purposes Only

* Based on Unaudited Profit & Loss Statements, June 30th	2016 - 2017	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021
Revenue					
Green Fees	1,377,765	1,436,013	1,495,715	1,556,906	1,619,625
Electric Golf Carts	847	847	847	847	847
Driving Ranges/Lessons - Self Operated	-	-	-	-	-
Merchandise Sales (Net)	8,193	8,589	8,997	9,416	9,848
Other Golf Course Revenue	4,406	4,535	4,664	4,793	4,922
Reservation Office	-	-	-	-	-
Tregnan Junior Golf Academy	-	-	-	-	-
Driving Range/Pro Shop/Lessons - Concessions	-	-	-	-	-
Food and Beverage Concessions	16,245	17,385	18,526	19,666	20,807
Other	-	-	-	-	-
Total Revenue	1,407,455	1,467,369	1,528,748	1,591,629	1,656,049
Cost of Goods Sold					
Concession Expenses	1,855	1,888	1,922	1,957	1,992
Merchandise Expenses	-	-	-	-	-
Total Cost of Goods Sold	1,855	1,888	1,922	1,957	1,992
Expenses					
Golf Operations Expenses					
Driving Range Expenses					
Payroll (incl. fringe benefits)	-	-	-	-	-
Indirect Costs (excl. fringe benefits)	-	-	-	-	-
Supplies and Contract Services	-	-	-	-	-
Total Driving Range Expenses	-	-	-	-	-
Golf Cart Expenses					
Payroll (incl. fringe benefits)	-	-	-	-	-
Indirect Costs (excl. fringe benefits)	-	-	-	-	-
Golf Cart Lease	-	-	-	-	-
Insurance	-	-	-	-	-
Supplies and Contract Services	-	-	-	-	-
Total Golf Cart Expenses	-	-	-	-	-
Other Golf Operations Expenses					
Payroll - Junior Golf (incl. fringe benefits)	759	772	786	800	815
Payroll - Golf Operations (incl. fringe benefits)	244,000	248,392	252,863	257,415	262,048
Supplies and Contract Services - Junior Golf	-	-	-	-	-
Supplies and Contract Services - Golf Ops.	4,519	4,601	4,684	4,768	4,854
Total Other Golf Operations Expenses	249,278	253,765	258,333	262,983	267,717
Total Golf Operations Payroll (incl. fringe benefits)	244,759	249,165	253,650	258,215	262,863
Total Golf Operations Expenses	249,278	253,765	258,333	262,983	267,717
Golf Maintenance Expenses					
Payroll (incl. fringe benefits)	648,852	660,531	672,421	684,524	696,846
Supplies & Contract Services	93,923	95,614	97,335	99,087	100,870
Total Golf Maintenance Expenses	742,775	756,145	769,755	783,611	797,716
Administrative Expenses					
Payroll (incl. fringe benefits)	-	-	-	-	-

City of Los Angeles

Financial Projections - Penmar

Appendix B - For Illustration Purposes Only

* Based on Unaudited Profit & Loss Statements, June 30th	2016 - 2017	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021
Labor Reimbursements	2,761	2,810	2,861	2,913	2,965
Indirect Costs	256,635	261,255	265,957	270,745	275,618
Utilities	124,393	126,632	128,912	131,232	133,594
Supplies & Contract Services	-	-	-	-	-
Total Administrative Expenses	383,789	390,697	397,730	404,889	412,177
Capital Maintenance Expenses	70,373	73,368	76,437	79,581	82,802
Total Expenses	1,446,215	1,473,976	1,502,256	1,531,065	1,560,412
Inflation factor	1.8%	1.8%	1.8%	1.8%	1.8%
Income from Operations, Incl. Capital Surcharge	(40,615)	(8,495)	24,570	58,607	93,645
Capital Surcharge Income	93,639	98,167	102,826	107,622	112,557
Income From Operations Excl. Capital Surcharge	(134,255)	(106,662)	(78,257)	(49,015)	(18,912)
Capital Surcharge Income	93,639	98,167	102,826	107,622	112,557
Capital Improvements					
Proposed 10-Year Plan from City					
Construct new service yard and crew quarters facilities			425,000		
Install tee to green cart paths			580,000		
Remodel clubhouse and restrooms to meet ADA requirements		150,000			
Tee leveling and tree trimming		100,000			
Total Capital Improvements	-	250,000	1,005,000	-	-
Business Interruption	-	-	(77,624)		-

City of Los Angeles

Financial Projections - Roosevelt

Appendix B - For Illustration Purposes Only

* Based on Unaudited Profit & Loss Statements, June 30th	2016 - 2017	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021
Revenue					
Green Fees	1,189,051	1,246,046	1,304,451	1,364,303	1,425,643
Electric Golf Carts	-	-	-	-	-
Driving Ranges/Lessons - Self Operated	-	-	-	-	-
Merchandise Sales (Net)	7,505	7,921	8,349	8,790	9,245
Other Golf Course Revenue	37,434	38,787	40,139	41,492	42,844
Reservation Office	-	-	-	-	-
Tregnan Junior Golf Academy	-	-	-	-	-
Driving Range/Pro Shop/Lessons - Concessions	-	-	-	-	-
Food and Beverage Concessions	12,583	13,561	14,539	15,517	16,495
Other	-	-	-	-	-
Total Revenue	1,246,573	1,306,315	1,367,478	1,430,102	1,494,227
Cost of Goods Sold					
Concession Expenses	1,855	1,888	1,922	1,957	1,992
Merchandise Expenses	-	-	-	-	-
Total Cost of Goods Sold	1,855	1,888	1,922	1,957	1,992
Expenses					
Golf Operations Expenses					
Driving Range Expenses					
Payroll (incl. fringe benefits)	-	-	-	-	-
Indirect Costs (excl. fringe benefits)	-	-	-	-	-
Supplies and Contract Services	-	-	-	-	-
Total Driving Range Expenses	-	-	-	-	-
Golf Cart Expenses					
Payroll (incl. fringe benefits)	-	-	-	-	-
Indirect Costs (excl. fringe benefits)	-	-	-	-	-
Golf Cart Lease	-	-	-	-	-
Insurance	-	-	-	-	-
Supplies and Contract Services	-	-	-	-	-
Total Golf Cart Expenses	-	-	-	-	-
Other Golf Operations Expenses					
Payroll - Junior Golf (incl. fringe benefits)	-	-	-	-	-
Payroll - Golf Operations (incl. fringe benefits)	213,916	217,766	221,686	225,677	229,739
Supplies and Contract Services - Junior Golf	-	-	-	-	-
Supplies and Contract Services - Golf Ops.	1,286	1,309	1,333	1,357	1,381
Total Other Golf Operations Expenses	215,202	219,076	223,019	227,033	231,120
Total Golf Operations Payroll (incl. fringe benefits)	213,916	217,766	221,686	225,677	229,739
Total Golf Operations Expenses	215,202	219,076	223,019	227,033	231,120
Golf Maintenance Expenses					
Payroll (incl. fringe benefits)	544,413	554,213	564,188	574,344	584,682
Supplies & Contract Services	49,786	50,682	51,594	52,523	53,469
Total Golf Maintenance Expenses	594,199	604,895	615,783	626,867	638,151
Administrative Expenses					
Payroll (incl. fringe benefits)	-	-	-	-	-

City of Los Angeles

Financial Projections - Roosevelt

Appendix B - For Illustration Purposes Only

* Based on Unaudited Profit & Loss Statements, June 30th	2016 - 2017	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021
Labor Reimbursements	7,784	7,924	8,067	8,212	8,360
Indirect Costs	230,005	234,145	238,360	242,650	247,018
Utilities	124,393	126,632	128,912	131,232	133,594
Supplies & Contract Services	-	-	-	-	-
Total Administrative Expenses	362,182	368,701	375,338	382,094	388,971
Capital Maintenance Expenses	62,329	65,316	68,374	71,505	74,711
Total Expenses	1,233,912	1,257,987	1,282,513	1,307,499	1,332,953
Inflation factor	1.8%	1.8%	1.8%	1.8%	1.8%
Income from Operations, Incl. Capital Surcharge	10,807	46,439	83,042	120,646	159,281
Capital Surcharge Income	85,768	90,521	95,418	100,461	105,655
Income From Operations Excl. Capital Surcharge	(74,962)	(44,082)	(12,375)	20,185	53,626
Capital Surcharge Income	85,768	90,521	95,418	100,461	105,655
Capital Improvements					
Proposed 10-Year Plan from City					
Redesign parking lot ingress/egress at Vermont Ave. for safety reaso		225,000			
Reconstruct all greens and tees to meet USGA specifications		800,000			
Install new 'recycled water' irrigation system		1,750,000			
Tee leveling and tree trimming (add landscaping around clubhouse)		100,000			
Total Capital Improvements	-	2,875,000	-	-	-
Business Interruption	-	(94,069)			-

City of Los Angeles

Financial Projections - Rancho 9

Appendix B - For Illustration Purposes Only

* Based on Unaudited Profit & Loss Statements, June 30th	2016 - 2017	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021
Revenue					
Green Fees	326,132	332,002	337,978	344,062	350,255
Electric Golf Carts	-	-	-	-	-
Driving Ranges/Lessons - Self Operated	-	-	-	-	-
Merchandise Sales (Net)	-	-	-	-	-
Other Golf Course Revenue	15,688	16,270	16,852	17,434	18,015
Reservation Office	-	-	-	-	-
Tregnan Junior Golf Academy	-	-	-	-	-
Driving Range/Pro Shop/Lessons - Concessions	-	-	-	-	-
Food and Beverage Concessions	-	-	-	-	-
Other	-	-	-	-	-
Total Revenue	341,820	348,272	354,830	361,495	368,270
Cost of Goods Sold					
Concession Expenses	-	-	-	-	-
Merchandise Expenses	-	-	-	-	-
Total Cost of Goods Sold	-	-	-	-	-
Expenses					
Golf Operations Expenses					
Driving Range Expenses					
Payroll (incl. fringe benefits)	-	-	-	-	-
Indirect Costs (excl. fringe benefits)	-	-	-	-	-
Supplies and Contract Services	-	-	-	-	-
Total Driving Range Expenses	-	-	-	-	-
Golf Cart Expenses					
Payroll (incl. fringe benefits)	-	-	-	-	-
Indirect Costs (excl. fringe benefits)	-	-	-	-	-
Golf Cart Lease	-	-	-	-	-
Insurance	-	-	-	-	-
Supplies and Contract Services	-	-	-	-	-
Total Golf Cart Expenses	-	-	-	-	-
Other Golf Operations Expenses					
Payroll - Junior Golf (incl. fringe benefits)	2,353	2,396	2,439	2,483	2,528
Payroll - Golf Operations (incl. fringe benefits)	89,874	91,492	93,139	94,815	96,522
Supplies and Contract Services - Junior Golf	-	-	-	-	-
Supplies and Contract Services - Golf Ops.	-	-	-	-	-
Total Other Golf Operations Expenses	92,228	93,888	95,578	97,298	99,049
Total Golf Operations Payroll (incl. fringe benefits)	92,228	93,888	95,578	97,298	99,049
Total Golf Operations Expenses	92,228	93,888	95,578	97,298	99,049
Golf Maintenance Expenses					
Payroll (incl. fringe benefits)	116,551	118,649	120,785	122,959	125,172
Supplies & Contract Services	731	744	757	771	785
Total Golf Maintenance Expenses	117,282	119,393	121,542	123,730	125,957
Administrative Expenses					

City of Los Angeles

Financial Projections - Rancho 9

Appendix B - For Illustration Purposes Only

* Based on Unaudited Profit & Loss Statements, June 30th	2016 - 2017	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021
Payroll (incl. fringe benefits)	-	-	-	-	-
Labor Reimbursements	-	-	-	-	-
Indirect Costs	68,649	69,885	71,143	72,423	73,727
Utilities	62,197	63,317	64,456	65,617	66,798
Supplies & Contract Services	-	-	-	-	-
Total Administrative Expenses	130,846	133,202	135,599	138,040	140,525
Capital Maintenance Expenses	17,091	17,414	17,741	18,075	18,414
Total Expenses	357,447	363,896	370,460	377,143	383,945
Inflation factor	1.8%	1.8%	1.8%	1.8%	1.8%
Income from Operations, Incl. Capital Surcharge	(15,627)	(15,624)	(15,631)	(15,647)	(15,674)
Capital Surcharge Income	53,004	55,994	59,075	62,248	65,516
Income From Operations Excl. Capital Surcharge	(68,631)	(71,618)	(74,705)	(77,895)	(81,191)
Capital Surcharge Income	53,004	55,994	59,075	62,248	65,516
Capital Improvements					
Proposed 10-Year Plan from City					
Remodel clubhouse and field restrooms to meet ADA requirements		250,000			
Reconstruct all greens and tees to meet USGA specifications		400,000			
Remodel starter window		50,000			
Refurbish concrete tee slabs		75,000			
Tee leveling and tree trimming (add landscaping around clubhouse)		100,000			
Total Capital Improvements	-	875,000	-	-	-
Business Interruption	-	(105,319)	-	-	-

City of Los Angeles

Financial Projections - Los Feliz

Appendix B - For Illustration Purposes Only

* Based on Unaudited Profit & Loss Statements, June 30th	2016 - 2017	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021
Revenue					
Green Fees	184,115	231,936	280,473	329,902	335,841
Electric Golf Carts	-	-	-	-	-
Driving Ranges/Lessons - Self Operated	-	-	-	-	-
Merchandise Sales (Net)	2,653	3,413	4,200	5,014	5,105
Other Golf Course Revenue	2,529	3,425	4,321	5,217	6,113
Reservation Office	-	-	-	-	-
Tregnan Junior Golf Academy	-	-	-	-	-
Driving Range/Pro Shop/Lessons - Concessions	-	-	-	-	-
Food and Beverage Concessions	74,464	105,068	135,673	166,277	196,882
Other	-	-	-	-	-
Total Revenue	263,761	343,843	424,667	506,411	543,940
Cost of Goods Sold					
Concession Expenses	1,855	1,888	1,922	1,957	1,992
Merchandise Expenses	-	-	-	-	-
Total Cost of Goods Sold	1,855	1,888	1,922	1,957	1,992
Expenses					
Golf Operations Expenses					
Driving Range Expenses					
Payroll (incl. fringe benefits)	-	-	-	-	-
Indirect Costs (excl. fringe benefits)	-	-	-	-	-
Supplies and Contract Services	-	-	-	-	-
Total Driving Range Expenses	-	-	-	-	-
Golf Cart Expenses					
Payroll (incl. fringe benefits)	-	-	-	-	-
Indirect Costs (excl. fringe benefits)	-	-	-	-	-
Golf Cart Lease	-	-	-	-	-
Insurance	-	-	-	-	-
Supplies and Contract Services	-	-	-	-	-
Total Golf Cart Expenses	-	-	-	-	-
Other Golf Operations Expenses					
Payroll - Junior Golf (incl. fringe benefits)	-	-	-	-	-
Payroll - Golf Operations (incl. fringe benefits)	52,351	53,293	54,253	55,229	56,223
Supplies and Contract Services - Junior Golf	-	-	-	-	-
Supplies and Contract Services - Golf Ops.	39	40	41	42	42
Total Other Golf Operations Expenses	52,390	53,333	54,293	55,271	56,266
Total Golf Operations Payroll (incl. fringe benefits)	52,351	53,293	54,253	55,229	56,223
Total Golf Operations Expenses	52,390	53,333	54,293	55,271	56,266
Golf Maintenance Expenses					
Payroll (incl. fringe benefits)	143,505	146,088	148,718	151,395	154,120
Supplies & Contract Services	8,888	9,047	9,210	9,376	9,545
Total Golf Maintenance Expenses	152,393	155,136	157,928	160,771	163,665
Administrative Expenses					
Payroll (incl. fringe benefits)	-	-	-	-	-

City of Los Angeles

Financial Projections - Los Feliz

Appendix B - For Illustration Purposes Only

* Based on Unaudited Profit & Loss Statements, June 30th	2016 - 2017	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021
Labor Reimbursements	-	-	-	-	-
Indirect Costs	65,170	66,343	67,538	68,753	69,991
Utilities	62,197	63,317	64,456	65,617	66,798
Supplies & Contract Services	-	-	-	-	-
Total Administrative Expenses	127,367	129,660	131,994	134,370	136,788
Capital Maintenance Expenses	13,188	17,192	21,233	25,321	27,197
Total Expenses	345,338	355,321	365,449	375,732	383,916
Inflation factor	1.8%	1.8%	1.8%	1.8%	1.8%
Income from Operations, Incl. Capital Surcharge	(83,432)	(13,366)	57,296	128,722	158,032
Capital Surcharge Income	30,321	39,011	48,004	57,307	58,339
Income From Operations Excl. Capital Surcharge	(113,753)	(52,377)	9,293	71,415	99,693
Capital Surcharge Income	30,321	39,011	48,004	57,307	58,339
Capital Improvements					
Proposed 10-Year Plan from City					
Reconstruct all greens and tees to meet USGA specifications			400,000		
Install maintenance equipment shelter			75,000		
Tee leveling and tree trimming (add landscaping around clubhouse)			100,000		
Total Capital Improvements	-	-	575,000	-	-
Business Interruption	-	-	(176,102)		-

City of Los Angeles

Financial Projections - Reservation Office

Appendix B - For Illustration Purposes Only

* Based on Unaudited Profit & Loss Statements, June 30th	2016 - 2017	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021
Revenue					
Green Fees	-	-	-	-	-
Electric Golf Carts	-	-	-	-	-
Driving Ranges/Lessons - Self Operated	-	-	-	-	-
Other Golf Course Revenue	-	-	-	-	-
Reservation Office	522,739	549,484	576,230	602,976	629,721
Tregnan Junior Golf Academy	-	-	-	-	-
Driving Range/Pro Shop/Lessons - Concessions	-	-	-	-	-
Food and Beverage Concessions	-	-	-	-	-
Merchandise Sales	-	-	-	-	-
Other	-	-	-	-	-
Total Revenue	522,739	549,484	576,230	602,976	629,721
Cost of Goods Sold					
Concession Expenses	-	-	-	-	-
Merchandise Expenses	-	-	-	-	-
Total Cost of Goods Sold	-	-	-	-	-
Expenses					
Golf Operations Expenses					
Driving Range Expenses					
Payroll (incl. fringe benefits)	-	-	-	-	-
Indirect Costs (excl. fringe benefits)	-	-	-	-	-
Supplies and Contract Services	-	-	-	-	-
Total Driving Range Expenses	-	-	-	-	-
Golf Cart Expenses					
Payroll (incl. fringe benefits)	-	-	-	-	-
Indirect Costs (excl. fringe benefits)	-	-	-	-	-
Golf Cart Lease	-	-	-	-	-
Insurance	-	-	-	-	-
Supplies and Contract Services	-	-	-	-	-
Total Golf Cart Expenses	-	-	-	-	-
Other Golf Operations Expenses					
Payroll - Junior Golf (incl. fringe benefits)	-	-	-	-	-
Payroll - Golf Operations (incl. fringe benefits)	-	-	-	-	-
Supplies and Contract Services - Junior Golf	-	-	-	-	-
Supplies and Contract Services - Golf Ops.	-	-	-	-	-
Total Other Golf Operations Expenses	-	-	-	-	-
Total Golf Operations Payroll (incl. fringe benefits)	-	-	-	-	-
Total Golf Operations Expenses	-	-	-	-	-
Golf Maintenance Expenses					
Payroll (incl. fringe benefits)	-	-	-	-	-
Supplies & Contract Services	-	-	-	-	-
Total Golf Maintenance Expenses	-	-	-	-	-
Administrative Expenses					
Payroll (incl. fringe benefits)	208,798	212,556	216,382	220,277	224,242

City of Los Angeles

Financial Projections - Reservation Office

Appendix B - For Illustration Purposes Only

* Based on Unaudited Profit & Loss Statements, June 30th	2016 - 2017	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021
Labor Reimbursements	-	-	-	-	-
Indirect Costs	72,814	74,125	75,459	76,817	78,200
Utilities	-	-	-	-	-
Supplies & Contract Services	55,507	56,506	57,523	58,559	59,613
Total Administrative Expenses	337,120	343,188	349,365	355,654	362,055
Total Expenses	337,120	343,188	349,365	355,654	362,055
Inflation factor	1.8%	1.8%	1.8%	1.8%	1.8%
Income from Operations	185,619	206,297	226,865	247,322	267,666
Other Non-Operating Income (Expenses)					
Interest Income	-	-	-	-	-
Golf Contribution to Support RAP Operations	-	-	-	-	-
Cap Adjustment	-	-	-	-	-
Net Income before Taxes	185,619	206,297	226,865	247,322	267,666

City of Los Angeles

Financial Projections - Golf Admin.

Appendix B - For Illustration Purposes Only

* Based on Unaudited Profit & Loss Statements, June 30th	2016 - 2017	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021
Revenue					
Green Fees	-	-	-	-	-
Electric Golf Carts	-	-	-	-	-
Driving Ranges/Lessons - Self Operated	-	-	-	-	-
Other Golf Course Revenue	-	-	-	-	-
Reservation Office	-	-	-	-	-
Tregnan Junior Golf Academy	-	-	-	-	-
Driving Range/Pro Shop/Lessons - Concessions	-	-	-	-	-
Food and Beverage Concessions	-	-	-	-	-
Merchandise Sales	-	-	-	-	-
Other	62,959	64,092	65,245	66,420	67,615
Total Revenue	62,959	64,092	65,245	66,420	67,615
Cost of Goods Sold					
Concession Expenses	-	-	-	-	-
Merchandise Expenses	-	-	-	-	-
Total Cost of Goods Sold	-	-	-	-	-
Expenses					
Golf Operations Expenses					
Driving Range Expenses					
Payroll (incl. fringe benefits)	-	-	-	-	-
Indirect Costs (excl. fringe benefits)	-	-	-	-	-
Supplies and Contract Services	-	-	-	-	-
Total Driving Range Expenses	-	-	-	-	-
Golf Cart Expenses					
Payroll (incl. fringe benefits)	-	-	-	-	-
Indirect Costs (excl. fringe benefits)	-	-	-	-	-
Golf Cart Lease	-	-	-	-	-
Insurance	-	-	-	-	-
Supplies and Contract Services	-	-	-	-	-
Total Golf Cart Expenses	-	-	-	-	-
Other Golf Operations Expenses					
Payroll - Junior Golf (incl. fringe benefits)	-	-	-	-	-
Payroll - Golf Operations (incl. fringe benefits)	-	-	-	-	-
Supplies and Contract Services - Junior Golf	-	-	-	-	-
Supplies and Contract Services - Golf Ops.	-	-	-	-	-
Total Other Golf Operations Expenses	-	-	-	-	-
Total Golf Operations Payroll (incl. fringe benefits)	-	-	-	-	-
Total Golf Operations Expenses	-	-	-	-	-
Golf Maintenance Expenses					
Payroll (incl. fringe benefits)	-	-	-	-	-
Supplies & Contract Services	-	-	-	-	-
Total Golf Maintenance Expenses	-	-	-	-	-
Administrative Expenses					
Payroll (incl. fringe benefits)	1,795,420	1,827,737	1,860,637	1,894,128	1,928,222

City of Los Angeles

Financial Projections - Golf Admin.

Appendix B - For Illustration Purposes Only

* Based on Unaudited Profit & Loss Statements, June 30th	2016 - 2017	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021
Labor Reimbursements	258	263	267	272	277
Indirect Costs	533,638	543,243	553,022	562,976	573,110
Utilities	-	-	-	-	-
Supplies & Contract Services	30,330	30,876	31,431	31,997	32,573
Total Administrative Expenses	2,359,645	2,402,119	2,445,357	2,489,373	2,534,182
Total Expenses	2,359,645	2,402,119	2,445,357	2,489,373	2,534,182
Inflation factor	1.8%	1.8%	1.8%	1.8%	1.8%
Income from Operations	(2,296,687)	(2,338,027)	(2,380,112)	(2,422,954)	(2,466,567)
Other Non-Operating Income (Expenses)					
Interest Income	258,474	263,126	267,863	272,684	277,593
Golf Contribution to Support RAP Operations	-	-	-	-	-
Cap Adjustment	-	-	-	-	-
Net Income before Taxes	(2,038,213)	(2,074,901)	(2,112,249)	(2,150,269)	(2,188,974)

City of Los Angeles

Financial Summary - Tregnan

Appendix B - For Illustration Purposes Only

* Based on Unaudited Profit & Loss Statements, June 30th	2016 - 2017	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021
Revenue					
Green Fees	-	-	-	-	-
Electric Golf Carts	-	-	-	-	-
Driving Ranges/Lessons - Self Operated	-	-	-	-	-
Merchandise Sales	-	-	-	-	-
Other Golf Course Revenue	-	-	-	-	-
Reservation Office	-	-	-	-	-
Tegnan Junior Golf Academy	180,472	-	-	-	-
Driving Range/Pro Shop/Lessons - Concessions	-	-	-	-	-
Food and Beverage Concessions	-	-	-	-	-
Other	-	-	-	-	-
Total Revenue	180,472	-	-	-	-
Cost of Goods Sold					
Concession Expenses	-	-	-	-	-
Merchandise Expenses	-	-	-	-	-
Total Cost of Goods Sold	-	-	-	-	-
Expenses					
Golf Operations Expenses					
Driving Range Expenses					
Payroll (incl. fringe benefits)	-	-	-	-	-
Indirect Costs (excl. fringe benefits)	-	-	-	-	-
Supplies and Contract Services	-	-	-	-	-
Total Driving Range Expenses	-	-	-	-	-
Golf Cart Expenses					
Payroll (incl. fringe benefits)	-	-	-	-	-
Indirect Costs (excl. fringe benefits)	-	-	-	-	-
Golf Cart Lease	-	-	-	-	-
Insurance	-	-	-	-	-
Supplies and Contract Services	-	-	-	-	-
Total Golf Cart Expenses	-	-	-	-	-
Other Golf Operations Expenses					
Payroll - Junior Golf (incl. fringe benefits)	-	-	-	-	-
Payroll - Golf Operations (incl. fringe benefits)	269,855	-	-	-	-
Supplies and Contract Services - Junior Golf	-	-	-	-	-
Supplies and Contract Services - Golf Ops.	79,883	-	-	-	-
Total Other Golf Operations Expenses	349,738	-	-	-	-
Total Golf Operations Payroll (incl. fringe benefits)	269,855	-	-	-	-
Total Golf Operations Expenses	349,738	-	-	-	-
Golf Maintenance Expenses					
Payroll (incl. fringe benefits)	45,916	-	-	-	-
Supplies & Contract Services	24,412	-	-	-	-
Total Golf Maintenance Expenses	70,328	-	-	-	-
Administrative Expenses					
Payroll (incl. fringe benefits)	-	-	-	-	-

City of Los Angeles

Financial Summary - Tregnan

Appendix B - For Illustration Purposes Only

* Based on Unaudited Profit & Loss Statements, June 30th	2016 - 2017	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021
Labor Reimbursements	-	-	-	-	-
Indirect Costs	113,502				
Utilites	62,197				
Supplies & Contract Services	-	-	-	-	-
Total Administrative Expenses	175,699	-	-	-	-
Total Expenses	595,765	-	-	-	-
Inflation factor	1.8%	1.8%	1.8%	1.8%	1.8%
Income from Operations	(415,293)	-	-	-	-
Other Non-Operating Income (Expenses)					
Interest Income	-	-	-	-	-
Golf Contribution to Support RAP Operations	-	-	-	-	-
Cap Adjustment	-	-	-	-	-
Net Income before Taxes	(415,293)	-	-	-	-

City of Los Angeles

Financial Summary - Holmby Park

Appendix B - For Illustration Purposes Only

* Based on Unaudited Profit & Loss Statements, June 30th		2016 - 2017	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021
Revenue						
Green Fees		-	-	-	-	-
Electric Golf Carts		-	-	-	-	-
Driving Ranges/Lessons - Self Operated		-	-	-	-	-
Merchandise Sales		-	-	-	-	-
Other Golf Course Revenue		-	-	-	-	-
Reservation Office		-	-	-	-	-
Tegnan Junior Golf Academy		-	-	-	-	-
Driving Range/Pro Shop/Lessons - Concessions		-	-	-	-	-
Food and Beverage Concessions		-	-	-	-	-
Other		-	-	-	-	-
Total Revenue		-	-	-	-	-
Cost of Goods Sold						
Concession Expenses		-	-	-	-	-
Merchandise Expenses		-	-	-	-	-
Total Cost of Goods Sold		-	-	-	-	-
Expenses						
Golf Operations Expenses						
Driving Range Expenses						
Payroll (incl. fringe benefits)		-	-	-	-	-
Indirect Costs (excl. fringe benefits)		-	-	-	-	-
Supplies and Contract Services		-	-	-	-	-
Total Driving Range Expenses		-	-	-	-	-
Golf Cart Expenses						
Payroll (incl. fringe benefits)		-	-	-	-	-
Indirect Costs (excl. fringe benefits)		-	-	-	-	-
Golf Cart Lease		-	-	-	-	-
Insurance		-	-	-	-	-
Supplies and Contract Services		-	-	-	-	-
Total Golf Cart Expenses		-	-	-	-	-
Other Golf Operations Expenses						
Payroll - Junior Golf (incl. fringe benefits)		-	-	-	-	-
Payroll - Golf Operations (incl. fringe benefits)		-	-	-	-	-
Supplies and Contract Services - Junior Golf		-	-	-	-	-
Supplies and Contract Services - Golf Ops.		-	-	-	-	-
Total Other Golf Operations Expenses		-	-	-	-	-
Total Golf Operations Payroll (incl. fringe benefits)		-	-	-	-	-
Total Golf Operations Expenses		-	-	-	-	-
Golf Maintenance Expenses						
Payroll (incl. fringe benefits)		-	-	-	-	-
Supplies & Contract Services		-	-	-	-	-
Total Golf Maintenance Expenses		-	-	-	-	-
Administrative Expenses						
Payroll (incl. fringe benefits)		-	-	-	-	-

City of Los Angeles

Financial Summary - Holmby Park

Appendix B - For Illustration Purposes Only

* Based on Unaudited Profit & Loss Statements, June 30th	2016 - 2017	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021
Labor Reimbursements	-	-	-	-	-
Indirect Costs	-	-	-	-	-
Utilities	-	-	-	-	-
Supplies & Contract Services	-	-	-	-	-
Total Administrative Expenses	-	-	-	-	-
Total Expenses	-	-	-	-	-
Inflation factor	2.2%	2.2%	2.2%	2.2%	2.2%
Income from Operations	-	-	-	-	-
Other Non-Operating Income (Expenses)					
Interest Income	-	-	-	-	-
Golf Contribution to Support RAP Operations	-	-	-	-	-
Cap Adjustment	-	-	-	-	-
Net Income before Taxes	-	-	-	-	-

City of Los Angeles

Golf Division

Appendix C - Summary of Proposed 2016 Pricing Adjustments

**On weekends, Senior & Lifeline discounts available only after 12pm

Golf Course /Rate Type	2015 Resident Rates			2015 Non-Resident Rates			Proposed 2016 Rates		
	Mon - Thurs	Friday	Weekends / Holidays	Mon - Thurs	Friday	Weekends / Holidays	Mon - Thurs	Friday	Weekends / Holidays
ENCINO									
18-Holes	30.00	34.00	40.00	35.00	39.00	45.00	32.00	36.00	42.00
Twilight / 9-Holes	19.00	21.00	24.00	22.00	24.00	27.00	19.50	22.00	26.00
Super Twilight* (no Senior/Lifeline Discounts)	12.00	13.00	14.00	15.00	16.00	17.00	14.00	15.00	16.00
Senior**	19.00	22.00	22.00	24.00	27.00	27.00	20.00	24.00	26.00
Senior - Twilight / 9-Holes**	12.00	14.00	24.00	15.00	17.00	27.00	14.00	16.00	26.00
Lifeline**	15.00	17.00	22.00	n/a	n/a	n/a	17.00	19.00	24.00
Lifeline - Twilight / 9-Holes**	9.50	10.50	24.00	n/a	n/a	n/a	11.50	12.50	22.00
Back 9 Play* (no Senior/Lifeline Discounts)	12.00	12.00	14.00	12.00	12.00	14.00	14.00	15.00	16.00
Junior	6.00	6.00	7.00	6.00	6.00	7.00	6.00	6.00	7.00
Junior Twilight	5.00	5.00	6.00	5.00	5.00	6.00	5.00	5.00	6.00
BALBOA									
18-Holes	30.00	34.00	40.00	35.00	39.00	45.00	32.00	36.00	42.00
Twilight / 9-Holes	19.00	21.00	24.00	22.00	24.00	27.00	19.50	22.00	26.00
Super Twilight* (no Senior/Lifeline Discounts)	12.00	13.00	14.00	15.00	16.00	17.00	14.00	15.00	16.00
Senior**	19.00	22.00	22.00	24.00	27.00	27.00	20.00	24.00	26.00
Senior - Twilight / 9-Holes**	12.00	14.00	24.00	15.00	17.00	27.00	14.00	16.00	26.00
Lifeline**	15.00	17.00	22.00	15.00	15.00	15.00	17.00	19.00	24.00
Lifeline - Twilight / 9-Holes**	9.50	10.50	24.00	9.50	9.50	9.50	11.50	12.50	22.00
Back 9 Play* (no Senior/Lifeline Discounts)	12.00	12.00	14.00	12.00	12.00	14.00	14.00	15.00	16.00
Junior	6.00	6.00	7.00	6.00	6.00	7.00	6.00	6.00	7.00
Junior Twilight	5.00	5.00	6.00	5.00	5.00	6.00	5.00	5.00	6.00
WOODLEY LAKES									
18-Holes	30.00	34.00	40.00	35.00	39.00	45.00	28.00	32.00	38.00
Twilight / 9-Holes	19.00	21.00	24.00	22.00	24.00	27.00	17.00	19.00	22.00
Super Twilight* (no Senior/Lifeline Discounts)	12.00	13.00	14.00	15.00	16.00	17.00	10.00	11.00	12.00
Senior**	19.00	22.00	22.00	24.00	27.00	27.00	18.00	20.00	22.00
Senior - Twilight / 9-Holes**	12.00	14.00	24.00	15.00	17.00	27.00	10.00	12.00	22.00
Lifeline**	15.00	17.00	22.00	n/a	n/a	n/a	13.00	15.00	22.00
Lifeline - Twilight / 9-Holes**	9.50	10.50	24.00	n/a	n/a	n/a	9.50	10.50	22.00
Back 9 Play* (no Senior/Lifeline Discounts)	12.00	12.00	14.00	12.00	12.00	14.00	11.00	11.00	13.00
Junior	6.00	6.00	7.00	6.00	6.00	7.00	5.00	5.00	6.00
Junior Twilight	5.00	5.00	6.00	5.00	5.00	6.00	4.00	4.00	5.00
HANSEN DAM									
18-Holes	30.00	34.00	40.00	35.00	39.00	45.00	29.00	33.00	39.00
Twilight / 9-Holes	19.00	21.00	24.00	22.00	24.00	27.00	18.00	20.00	23.00
Super Twilight* (no Senior/Lifeline Discounts)	12.00	13.00	14.00	15.00	16.00	17.00	11.00	12.00	13.00
Senior**	19.00	22.00	22.00	24.00	27.00	27.00	18.00	21.00	21.00
Senior - Twilight / 9-Holes**	12.00	14.00	24.00	15.00	17.00	27.00	11.00	13.00	19.00
Lifeline**	15.00	17.00	22.00	n/a	n/a	n/a	14.00	16.00	21.00
Lifeline - Twilight / 9-Holes**	9.50	10.50	24.00	n/a	n/a	n/a	8.50	9.50	19.00
Back 9 Play* (no Senior/Lifeline Discounts)	12.00	12.00	14.00	12.00	12.00	14.00	12.00	12.00	14.00
Junior	6.00	6.00	7.00	6.00	6.00	7.00	6.00	6.00	7.00
Junior Twilight	5.00	5.00	6.00	5.00	5.00	6.00	5.00	5.00	6.00
RANCHO 18									
18-Holes	33.00	37.00	43.00	38.00	42.00	48.00	35.50	39.50	45.50
Twilight / 9-Holes	20.00	22.00	25.00	23.00	25.00	28.00	22.50	24.50	27.50
Super Twilight* (no Senior/Lifeline Discounts)	13.00	14.00	15.00	16.00	17.00	18.00	15.50	16.50	17.50
Senior**	20.00	23.00	43.00	25.00	28.00	48.00	22.50	25.50	45.50
Senior - Twilight / 9-Holes**	13.00	15.00	25.00	16.00	18.00	28.00	15.50	17.50	27.50
Lifeline**	16.50	18.50	43.00	n/a	n/a	n/a	19.00	21.00	45.50
Lifeline - Twilight / 9-Holes**	10.00	11.00	25.00	n/a	n/a	n/a	12.50	13.50	27.50
Junior	6.00	6.00	7.00	6.00	6.00	7.00	6.00	6.00	7.00
Junior Twilight	5.00	5.00	6.00	5.00	5.00	6.00	5.00	5.00	6.00
WILSON									
18-Holes	33.00	37.00	43.00	38.00	42.00	48.00	35.00	39.00	45.00
Twilight / 9-Holes	20.00	22.00	25.00	23.00	25.00	28.00	22.00	24.00	27.00
Super Twilight* (no Senior/Lifeline Discounts)	13.00	14.00	15.00	16.00	17.00	18.00	15.00	16.00	17.00
Senior**	20.00	23.00	43.00	25.00	28.00	-	22.00	25.00	45.00
Senior - Twilight / 9-Holes**	13.00	15.00	25.00	16.00	18.00	28.00	15.00	17.00	27.00
Lifeline**	16.50	18.50	43.00	n/a	n/a	n/a	18.50	20.50	45.00
Lifeline - Twilight / 9-Holes**	10.00	11.00	25.00	n/a	n/a	n/a	12.00	13.00	27.00
Junior	6.00	6.00	7.00	6.00	6.00	7.00	6.00	6.00	7.00
Junior Twilight	5.00	5.00	6.00	5.00	5.00	6.00	5.00	5.00	6.00

City of Los Angeles

Golf Division

Appendix C - Summary of Proposed 2016 Pricing Adjustments

**On weekends, Senior & Lifeline discounts available only after 12pm

Golf Course /Rate Type	2015 Resident Rates			2015 Non-Resident Rates			Proposed 2016 Rates		
	Mon - Thurs	Friday	Weekends / Holidays	Mon - Thurs	Friday	Weekends / Holidays	Mon - Thurs	Friday	Weekends / Holidays
HARDING									
18-Holes	30.00	34.00	40.00	35.00	39.00	45.00	32.00	36.00	42.00
Twilight / 9-Holes	19.00	21.00	24.00	22.00	24.00	27.00	21.00	23.00	26.00
Super Twilight* (no Senior/Lifeline Discounts)	12.00	13.00	14.00	15.00	16.00	17.00	14.00	15.00	16.00
Senior**	19.00	22.00	22.00	24.00	27.00	27.00	21.00	24.00	24.00
Senior - Twilight / 9-Holes**	12.00	14.00	24.00	15.00	17.00	27.00	14.00	16.00	22.00
Lifeline**	15.00	17.00	22.00	n/a	n/a	n/a	17.00	19.00	24.00
Lifeline - Twilight / 9-Holes**	9.50	10.50	24.00	n/a	n/a	n/a	11.50	12.50	22.00
Back 9 Play* (no Senior/Lifeline Discounts)	12.00	12.00	14.00	12.00	12.00	14.00	14.00	14.00	16.00
Junior	6.00	6.00	7.00	6.00	6.00	7.00	6.00	6.00	7.00
Junior Twilight	5.00	5.00	6.00	5.00	5.00	6.00	5.00	5.00	6.00
HARBOR PARK									
9-Holes	16.00	18.50	21.00	16.00	18.50	21.00	17.00	19.50	22.00
Twilight	8.50	10.25	12.00	8.50	10.25	12.00	9.50	11.25	13.00
Senior**	10.00	12.00	12.00	10.00	12.00	12.00	11.00	13.00	13.00
Lifeline**	8.00	9.25	12.00	8.00	9.25	12.00	9.00	10.25	13.00
Junior	5.00	5.00	6.00	5.00	5.00	6.00	5.00	5.00	6.00
PENMAR									
9-Holes	14.50	16.75	19.00	17.50	19.75	22.00	16.00	18.25	20.50
Twilight	8.50	10.25	12.00	8.50	10.25	12.00	9.50	11.25	13.00
Senior**	9.00	11.00	11.00	12.00	14.00	22.00	10.50	12.50	12.50
Lifeline**	7.25	8.50	11.00	n/a	n/a	n/a	8.75	10.00	12.50
Junior	5.00	5.00	6.00	5.00	5.00	6.00	5.00	5.00	6.00
ROOSEVELT									
9-Holes	14.50	16.75	19.00	17.50	19.75	22.00	16.00	18.25	20.50
Twilight	8.50	10.25	12.00	8.50	10.25	12.00	9.50	11.25	13.00
Senior**	9.00	11.00	11.00	12.00	14.00	22.00	10.50	12.50	12.50
Lifeline**	7.25	8.50	11.00	12.00	12.00	12.00	8.75	10.00	12.50
Junior	5.00	5.00	6.00	5.00	5.00	6.00	5.00	5.00	6.00
RANCHO PAR-3									
9-Holes	7.00	7.50	8.00	7.00	7.50	8.00	8.00	8.50	9.00
Senior**	5.00	5.50	5.50	5.00	5.50	5.50	6.00	6.50	6.50
Lifeline**	3.50	3.75	5.50	3.50	3.75	5.50	4.50	4.75	6.50
Junior	3.50	4.50	5.00	3.50	4.50	5.00	3.50	4.50	5.00
LOS FELIZ									
9-Holes	5.50	6.25	7.00	5.50	6.25	7.00	6.50	7.25	8.00
Senior**	4.00	4.75	4.75	4.00	4.75	4.75	5.00	5.75	5.75
Lifeline**	2.75	3.25	4.75	2.75	3.25	4.75	3.75	4.25	5.75
Junior	3.50	4.50	5.00	3.50	4.50	5.00	3.50	4.50	5.00



**Global Golf Advisors
Agronomic Plan Outline**

- I. Overview**
 - a. Mission Statement
 - b. Statement of Goals and Objectives
 - c. Summary of Measurable Priorities
 - d. Summary of Sustainability Program
- II. Cultural Practices**
 - a. Mowing
 - b. Aerification
 - c. Vertical Cutting ('verti-cutting')
 - d. Renovation
 - e. Divot and Ball-Mark Repair
 - f. Sand Bunkers
 - g. Cart Paths and Service Trails
 - h. Course Set-Up
 - i. Chemical Use
- III. Fertility Program**
 - a. Testing and measurement
 - b. High-Impact Turf Areas (greens/tees)
 - c. Fairways
 - d. Roughs
 - e. Non-play Areas
 - f. Trees/Forest
 - g. Ornamentals
 - h. Application Volumes and Schedule
 - i. Chemical Use Review and Assessment
- IV. Water-Use Program**
 - a. Turf-type Areas and Methods (identified/defined)
 - b. Non-irrigated areas (identified/defined)
 - c. Application Use and Schedule
 - d. Reservoir and storage
 - e. Testing and re-use
 - f. Water-use Review and Assessment
- V. Capital Expense Plan and Budget**
 - a. Definition of Capital Expenditures (versus normal maintenance costs)
 - b. Equipment Replacement
 - c. Safety Matters/Issues
 - d. Course Renovations/Capital Projects
- VI. Operational Budget**
 - a. Personnel and Staffing Plan
 - b. Annual Budget
 - c. Assumptions and Work-Papers
- VII. Golf Course Administration**
 - a. Organization of Management
 - b. Employee Training Schedule and Topics
 - c. Emergency Policies and Procedures
 - d. Risk Management
 - e. Hazardous Material Handling
- VIII. Business Risk Management**
 - a. Personnel Records
 - b. On-the-Job Injury Prevention
 - c. On-the-Course Injury Prevention/Response (non-staff)
 - d. Emergency Medical/Law Enforcement Guidelines
 - e. Chemical Storage/Handling/Disposal
 - f. Chemical/Pesticide Use/Distribution
 - g. Fuel Consumption/Storage
 - h. Lightning/Storm Warning
- IX. Annual Maintenance Schedule**
 - a. Turf-Care Practices
 - b. Fertility Program
 - c. Renovations and Special Projects
 - d. Seasonal Variations and Exceptions