

## Golf Course Advisory Committee Update

### Background:

In late May, the GCA Committee had the opportunity to tour and inspect most of the infrastructure of the golf course, club house, cart paths, maintenance facility, equipment, pump house, perimeter fencing, water ponds, etc. As a result of the inspection, the GCA Committee drafted a 155-page report titled RGCC Summary of Conditions & Capital Requirements. This report outlines the capital requirements needed to address a number of deficiencies and neglect due to a lack of upkeep and routine maintenance and repairs over several years. The report envisions returning the condition of the golf course infrastructure to its original, developer design and condition. This report was finalized on September 25, 2020 and submitted to the Refuge Golf and Country Club ownership shortly thereafter.

### Memorandum of Understanding:

Based on the report of the conditions of the golf course, the GCA Committee prepared a 12-page draft Memorandum of Understanding – Terms & Conditions (MOU) that was presented to the RGCC's ownership for consideration on November 12, 2020. The GCA Committee's goal was to structure a MOU that would accomplish two things: 1) address capital improvements, and 2) provides stability and added revenue to allow the RGCC to succeed.

Above all, the concept below would require a vote and the proper support and approval from the Refuge POA Community, before any financial agreement with the Golf Course Ownership would be created.

How is this accomplished? This is accomplished with monthly dues from each property owner in the amount of \$90 beginning the first 12-months. The dues will increase by \$10 per month for years 2 and 3. The monthly dues will be allocated in two parts....\$40 per month for capital improvements, and \$50 per month in dining credits that can be utilized by each property owner. For property owners that are unable to utilize dining credits, a 'pool' will be established that will allow property owners to sell their unused dining credits to other property owners at a discount. The GCA Committee has also asked the RGCC's owners to provide an additional \$250,000 over a two-year period for capital improvements. There are other conditions in the MOU that addresses management and oversight of the golf course's operations and capital improvements, along with many important assurances for the Refuge POA Members.

### Benefits to Community and RGCC:

Financial support of the golf course by the Community is *important* in a number of ways:

- Noticeable capital improvements of the golf course & clubhouse over time
- Dining credits will create a more cohesive and social community
- Dining credits have the potential of generating 2 to 3 times revenues for RGCC
- Additional dining revenues mean added tip compensation for RGCC's restaurant staff
- Potential for RGCC to sell additional golf & social memberships (As a side note, the POA Board cannot legally mandate that its POA members join RGCC's golf or social membership programs)

- Increased public activity (restaurant, golf, memberships & events)
- A community Clubhouse offers comfort & safety
- Increased real estate values
- Professional Management firm (For those POA Members that attended the October 6, 2017 POA Board meeting may recall OB Sports making a presentation about management)

#### Remaining Open Items:

Before the GCA Committee is prepared to offer its final recommendations to the POA Board & Community, the following open items will need to be finalized:

- Review of Financials and create a 5-year Projected Cash Flow Statement
- Create a 5-year Capital Improvement Plan
- Interview a Golf Course Management Firm
- Finalize the MOU with RGCC

Please understand that until we complete our work, the GCA Committee is bound by a non-disclosure agreement that must be respected. The GCA Committee is hopeful that it can complete its assigned task by early 2021. Once completed, the Committee will be in a position to share its complete findings with the Community and start meaningful discussions on improving the overall quality of our neighborhood.

We would like to commend the RGCC's Ownership in reaching out to the Board in initiating these discussions and at the same time, providing assurances to all POA Members that any final decisions on the Committee's recommendations will ultimately rest with the POA Members.

As a side note, we would like to share an article recently published in the Wall Street Journal about Golf Course Communities that everyone might find interesting.

<https://www.mansionglobal.com/articles/before-covid-golf-club-communities-were-in-the-rough-now-they-re-seeing-green-144982>

Thank you,

GCA Committee Members:

Phil Bracamonte, Chair  
Ken Goddard  
Ben LaParne  
Mike Bradley  
Robin Callaway, Board President  
Fran Delach, Board VP & Finance