Assessment and Recommendations
for the
Jekyll Island Golf Club in
Jekyll Island, GA

Prepared For:

Jekyll Island Authority

100 James Road
Jekyll Island, GA 31527

Prepared By:

NGF CONSULTING
NATIONAL GOLF FOUNDATION

501 N. Highway A1a
Jupiter, FL 33477
(561) 744-6006

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Table of Contents

Introduction and Executive Summary

National Golf Foundation Consulting, Inc. ("NGF") was retained by the Jekyll Island Authority ("JIA" or "Authority") to provide an update to the NGF's comprehensive operational and economic review of the Authority's public-access golf facility completed in 2017. The Authority is conducting a detailed review of all aspects of the golf facility operation, in anticipation of possible changes to be made as a result of ongoing plans for the enhancement of the physical condition of the golf course and support amenities. This four-course, 63-hole golf facility is known collectively as the "Jekyll Island Golf Club" ("Jekyll Island GC" or "JIGC"), and includes the Pine Lakes, Oleander and Indian Mound 18-hole golf courses, plus a historic 9-hole Great Dunes course.

JIA has commissioned this review in effort to re-start the golf improvement planning that had been stalled in recent years due to the priority of finishing an Island Master Plan, that was approved in December 2021. This 2022 update is designed to provide the Authority with an up-to-date strategic review of the golf club, with evaluation of proposed property enhancements in light of new economic and market realities. The following report details findings and recommendations on the Jekyll Island GC, with analysis of the physical and economic condition of the club and its market environment. The NGF has provided a set of recommendations to the JIA that we believe will improve overall operations and economics of the popular golf facility.

BACKGROUND AND REVIEW OF NGF'S 2017 REPORT

The JIA is operating a single golf facility with four separate and unique golf courses. The courses are all located on one 600± acre site in the central portion of Jekyll Island, located approximately 12 miles east of Brunswick, Georgia. The golf facility is part of the JIA amenity offering, and is budgeted as a single enterprise account (different from 2017 when there were 2 accounts) under the supervision of the JIA Executive Director and Senior Director of Facilities. The Jekyll Island GC is operated as an affordable, high-quality public golf facility that serves year-round and seasonal residents of Jekyll Island, as well as a large number of Island visitors on a daily fee basis. In reviewing the Jekyll Island GC, it is clear that this golf facility is important to the overall Island offering, and adds value to the Island's appeal as a vacation destination.

2017 Report Summary and Findings

In our 2017 review of the Jekyll Island GC, NGF found an aging golf facility that was offering most of the quality and service that is expected at better public golf courses, but with some areas of the facility needing enhancement. We also identified significant challenges in the external market environment that could impact the continued operation of JIGC. The most significant findings and recommendations made by NGF in 2017 included:

- Improvements are needed in golf course infrastructure, the most important of which included irrigation, drainage, turf conditions and maintenance facilities/equipment.
- The facility would benefit from expansion and/or modernization of the golf clubhouse.
- NGF identified operational improvements, including expansion of the golf maintenance staff and other improvements to marketing and promotion of the facility.
- The total of 63 holes was likely not sustainable at JIGC and the Authority should be prepared to consider a reduction to 54 or even 45 total golf holes.

The NGF report also documented that in the years before 2017, other services and amenities on Jekyll Island were upgraded substantially, while the golf course had lagged behind without major improvement. We noted firmly that JIGC has great potential for strong appeal to a wide variety of golf consumers. The Great Dunes course is historic, Oleander a wonder of nature and the Pine Lakes / Indian Mound courses with classic Dick Wilson/Joe Lee designs. We documented how the cost to properly maintain a 63-hole golf facility is large and growing, and the money available to support the operation as derived from golf revenue was not sufficient to uphold the desired quality, and the actual money spent is much closer to a proper 36-hole or 45-hole budget.

CHANGES AND JIA ACTIVITIES SINCE 2017

In the five+ years since NGF delivered its report to the Jekyll Island Authority, much has changed at the golf course facility, the golf market environment and on Jekyll Island itself. In the first two years after the NGF report, the Authority undertook a project to plan for the future of the Jekyll Island GC through the development of a formal *Golf Master Plan* that was completed in 2019 under the leadership of the golf course architectural firm of Vincent Golf Design. This Master Plan recommended changes to the JIGC property with upgraded championship golf courses, a new par-3 golf course, expanded golf practice amenities, modernized clubhouse, enhanced conservation areas and a new “boutique” lodge. This plan was placed on hold in 2020 to allow the JIA to complete a more comprehensive Island-wide master plan update that was finished in 2021.

Updated 2022 Market Analysis

The market environment for golf has also changed in the last five+ years. The Covid-19 pandemic has had a positive impact on golf demand, and this improvement was felt at all area golf facilities, including Jekyll Island GC, which has a favorable “drive to” destination. The total number of golf rounds played at U.S. golf courses jumped to almost 502 million rounds in 2020, the most in more than a decade. The 61 million additional rounds over 2019, a 13.9% rise, is second only to the industry’s 63 million jump in rounds in 1997, when Tiger Woods had his breakout year. In Georgia the results have exceeded the nation, with the State showing a 14.6% increase in rounds for 2020 (over 2019), although rounds did stabilize in 2021 (only a 0.2% increase in Georgia). This improvement was felt in all sectors of the golf industry, where golf facility income, merchandise sales, membership sales and new golfer beginner interest all reached all-time highs.

Two new Marriott hotels were added on Jekyll Island and automobile transportation through the Island’s main gate reached 1.45 million in 2021 (25% increase over 2020). Total hotel occupancy and average daily room rates have also increased, indicative of increased visitation and higher quality lodging properties. These improvements are all indicators for enhanced golf demand on the Island, assuming the golf facility quality is present to match other Island amenities. The recent surge in demand in the regional golf market has led to major increases in golf playing fees. All of JIGC’s competitors have increased both daily play and membership fees, leaving a defined niche for JIGC. However, the overall balance between demand and supply for golf in S.E. Georgia remains unfavorable to golf courses as we reported in 2017, and the success of JIGC remains dependent on the continued support from tourists. There are fewer permanent households and resident golfers available in the market, and as a result the golf courses in this area tend to host fewer rounds than average (almost all under 30,000 rounds per 18 holes).

Jekyll Island GC – 2022 Update

The Jekyll Island GC remains in direct operation by the Jekyll Island Authority, with the facility accounted for as a separate enterprise and all staff as Authority employees. The only change from 2017 is that the Authority no longer operates the food and beverage service as a separate enterprise (formerly known as McCormick's Grill) in favor of a new concession / lease agreement with Tribuzio's Grille. This type of concession is common in public sector golf facilities, and appears to have helped improve the overall financial picture for JIA.

As a whole, the Jekyll Island GC produced total top-line revenue of just over $2.5 million in 2022, the vast majority of which comes from green fees, power cart rentals and memberships. Total rounds hosted by the facility reached over 63,700 in 2021, the most in any year since 2017. The total number of members increased to 273 from only 145 in 2017, an 88% increase in just five years. Despite these increases in activity and revenue, the JIGC continues to run with a deficit on operations of around ($300,000+) due mostly to a large and growing labor budget and rapidly increasing maintenance costs. As NGF documented in 2017 and is still the case in 2022, the Authority cannot cut its way to success in golf, and the only pathway to economic improvement is through real growth in revenue.

In review of the physical condition of JIGC the NGF understands that the challenges identified in 2017 remain mostly un-resolved, although some improvement has been undertaken. The key physical condition issues identified by NGF in 2017 that remain in 2022 include:

- Pine Lakes remains in the best condition of the three 18-hole golf courses, but has some specific irrigation, turf, tree and cart path issues that must be addressed.
- Oleander has significant challenges that still need to be addressed. This golf course is lower lying than the others and has a tendency to retain water and wet conditions, thus limiting activity and desirability. There are also other environmental concerns related to tidal maintenance and water flow. The irrigation system was last improved in 1981, and is well beyond the 30-year expected useful life. Improvements to Oleander are likely to be very expensive relative to the other courses.
- Indian Mound is similar to Pine Lakes, but in less ideal condition. The irrigation system is the oldest of the three 18-hole courses, dating back to 1975 and well past its expected useful life. This course is also set up to appropriately host 9-hole play, with holes #1, #9, #10 and #18 all in proximity to the clubhouse.
- Great Dunes is a 9-hole remnant of the historic original 18-hole seaside course from early 1900s. The course is a "links" style with appealing characteristics and beautiful ocean views. The 9-hole course has great appeal for golfers seeking a simpler, shorter round of golf and for those seeking a piece of history. The irrigation system on Great Dunes is antiquated and very challenging to operate.
- The clubhouse has seen some improvement with restroom upgrades and other cosmetic fixes. All elements are generally functional, but the facility is deteriorating and has a design more appropriate for a single golf course. Other enhancements to HVAC, storage and kitchen remain to be completed. In 2017, NGF identified improvement to the clubhouse as key for improving the performance of the facility.
- Jekyll Island GC includes a small driving range with limited practice amenities and features. If it were larger, the range could be an outstanding feature, as this amenity is growing in popularity and can be a catalyst to develop new players and grow golf in Jekyll Island.

- JIGC has aging buildings to house and charge carts for the operation, located between the 9th and 10th holes on the Oleander course. JIGC is storing 184 carts, and staff is required to bring up carts via tow each morning. Proposed changes to the Oleander course may require a new program for storing carts at JIGC.
- The maintenance facilities at JIGC include four separate buildings used to house all maintenance equipment, staff offices and other repair and maintenance service areas on a 2.75-acre compound. While the space appeared to be well organized, efficient and included all of the basics required for adequate golf course maintenance, there is need to enhance storage space and modernize the facility.
- Other items noted by NGF and staff include serious drainage and irrigation challenges, environmental concerns, preservation of the Great Dunes course and sustaining the Audubon status for the golf facility.

In summary, five years after our initial review of this property, the NGF finds the Jekyll Island GC is fundamentally in the same physical condition and under the same operational structure as in 2017, but with some changes we will identify. **The current condition of the property is in no way reflective of any neglect on the part of operators, but rather a function of the Authority's desire to complete an Island-wide master plan and assess changes brought about by recent national challenges first, leading to delay in implementing the golf improvement plan**. It remains the stated goal of the Authority that Jekyll Island GC be operated in a fashion that is generally consistent with higher-quality golf courses, but with rates that remain affordable to visitors and local residents. This goal includes both the physical condition of all amenities and the level of service offered to patrons.

SUMMARY OF 2022 FINDINGS AND GOLF IMPROVEMENT PLANNING

NGF has updated our review of the Jekyll Island GC, reiterating key recommendations first made to the Jekyll Island Authority in 2017 and noting much of the impetus behind those recommendations remain at JIGC. As part of our updated review, the NGF team has provided insights and recommendations that we believe will lead to the best possible implementation of improving this important Island asset. A review of the underlying philosophy that guides these recommendations, a summary of future project phasing and the potential implications of enacting such a plan are detailed in the body of this update report and summarized below:

Guiding Principles for Golf Improvement Planning

The NGF has come to the following basic conclusions about the Jekyll Island GC in 2022 that form the seven guiding principles for any proposed improvement plan going forward:

1. The Jekyll Island GC needs to be enhanced and modernized.
2. A full complement of 63 holes is likely not ideal for JIGC.
3. Retaining all 18 holes of the current Oleander golf course is likely not sustainable.
4. Any plan to enhance golf at JIGC will include the Great Dunes course.
5. The buildings that support the JIGC golf operation need to be improved and expanded.
6. Any plan to improve Jekyll Island GC will have to be completed in phases, with strategic pauses between each major project to re-evaluate the plan.
7. Some changes in operation are needed to maximize the potential of this property

Golf Improvement Plan Structure

The NGF has considered changes to the Jekyll Island GC property in consideration of the guiding principles noted above, most importantly the reality that 63 holes of golf may not be market supportable for the long term at this location. In organizing our recommendations for the physical enhancements at JIGC, the NGF team has: (1) reviewed the full 2017 NGF report and all options addressed for site improvement; (2) reviewed the "Jekyll Island Authority Golf Master Plan" led by Vincent Golf Design; and (3) met with senior JIA officials and on-site senior golf staff to review alternatives for implementation of a new plan of improvements for the golf course.

The improvements identified by NGF for Jekyll Island GC were divided into five primary phases, each focused on a specific amenity (or group of amenities). It is recommended by NGF that the upgrade of JIGC be completed in phases, **with a strategic pause after each phase**, to allow for re-evaluation of the ideal property configuration in light of actual facility use during each phase as construction is ongoing. The main sequence of projects includes:

1. **Pine Lakes Upgrade –** Improve basic features and infrastructure on Pine Lakes while the course remains open and operating (subject to occasional closures).
2. **Oleander / Great Dunes Combination and Enhancement** – Create a new 18-hole course using nine holes of Oleander and merging with nine holes of Great Dunes to create one unique 18-hole championship golf course. The key implications of this plan:
    a. Great Dunes will remain, but not be a specific unique 9-hole course.
    b. Oleander will be reduced by nine holes and remaining property replaced by a new large driving range and some conservation areas and drainage support.
    c. This phase will need to address a cart storage solution.
    d. While the new Great Dunes/Oleander course is renovated, only Pine Lakes and Indian Mound will be open at JIGC for one full year (36 holes).
3. **Structures Upgrade** – This phase will address changes to structures that support the golf facility operation – most notably clubhouse and maintenance facility.
4. **New Indian Mound Program –** After pause and re-evaluation of the JIGC, this phase will be a key decision point for JIA for the ultimate mix of golf at JIGC. The actions taken in Phase 4 on the Indian Mound site will be contingent on actual performance of how JIGC can function on 36 holes during Phase 2. Indian Mound could be modified as: (1) a full 18-hole enhancement; or (2) turning Indian Mound into some kind of "short" course (likely 9 holes). Phase 4 will ultimately determine if JIGC ends up as a 45-hole or 54-hole golf facility.
5. **Comprehensive Pine Lakes Enhancement/Renovation** – This phase will be likely be at least 5+ years in the future, and include a more comprehensive upgrade to irrigation and golf features (greens, tees, fairways, shaping, etc.) on the Pine Lakes GC. Depending on decisions made in Phase 4, JIGC may have one championship 18-hole course (Great Dunes/Oleander) open while Pine Lakes is improved, plus the new golf on Indian Mound, but for only 3-4 months.

Key Implications of Golf Improvement Plan

In reviewing the above staging of improvements at JIGC, the NGF notes specific implications on the physical plant and operation of JIGC during each phase. Some of these items will require new investment in facilities (permanent and/or temporary), while some may require adjustment in operating procedures. In all, it is expected that the JIGC staff can handle all of these challenges. A summary of key implications that have been considered and documented in this report follows below:

- **Cart Storage** – JIGC will have to address a cart storage solution with a temporary or permanent solution early in the process, as the current cart storage facility is located on the Oleander course. Regardless of the path chosen, the JIA should assume that this is a key logistical challenge and will add to the total project cost of renovation.
- **36-Hole Operation** – The JIGC must be able to operate effectively on only 36 holes for at least one full year. Only two 18-hole courses will have to accommodate all member and non-member activity, as well as large events like the Paulk Cup tournament. This will help the Authority understand how / if the JIGC can operate with fewer holes and help future decisions in Phase 3-4.
- **New Practice Facility** – The JIGC will get a new practice facility with a larger driving range, new chipping area, putting course and golf instruction area.
- **Conservation Areas** – Changes made in Phase 1 will expand conservation areas and allow for several possibilities and new environmental recreation areas.
- **Retain Great Dunes Course** - The Great Dunes golf course will undergo changes as it will merge with Oleander, but the key seaside appeal of Great Dunes will remain, but not as a unique 9-hole course. This will eliminate the need for a separate clubhouse and parking area for Great Dunes.
- **Existing Golf Clubhouse** – The existing golf clubhouse should be modified to better accommodate the JIGC golf program, or replaced entirely with a new structure. The NGF recommends the golf support building include the pro shop, restrooms/locker rooms, expanded storage and some form of casual snack bar / light grille.
- **Golf Lodge** – A new golf lodge was proposed for the site currently occupied by the driving range, and if developed, should include a modest lodging component and a more expansive restaurant and golf tournament support space.
- **Golf Maintenance Facilities** – Will be improved and expanded as needed by maintenance staff to better accommodate chemical storage, equipment storage and enhanced spaces for employees.
- **Ultimate Mix of Golf Holes** – In later phases of the golf improvement plan, the Authority can pause to review the overall mix of golf holes and establish the need for an additional regulation 18-hole golf course, or adopt a program of adding a new 9-hole or other type of "short" course on the Indian Mound property. Regardless of how this program is completed, JIGC will have brief periods of operation on only 36 (or possibly only 27) holes of golf during construction to accommodate all member and non-member activity, and large events, thus allowing for full assessment and review of all golf mix options.

Summary of Phases (FY2023 - 2028)

The potential timing for the above-noted program is detailed in the full NGF update report. The timing is presented for preliminary planning purposes and subject to change pending the results of a strategic review of the program after each phase is completed (strategic pauses). Following this phasing and timing summary, NGF will present the financial model to show the implications of this sequencing on activity and economic performance for full JIGC golf system operation.

FINANCIAL OVERVIEW SUMMARY

The results of the NGF financial projection analysis show that the Jekyll Island GC can improve its financial condition with the opening of a new Oleander/Great Dunes golf course, especially if the Authority can use the new golf course as a catalyst to increase rounds activity and provide for the sale of additional high-fee rounds to tourists, hotel guests and convention attendees. The NGF projects total facility revenue to exceed $3.4 million in the first full year after re-opening the new Oleander/Great Dunes course, the first time that threshold would ever be achieved at JIGC. However, the expense required to maintain high quality conditions will continue to increase and keep the facility operating at (or near) a deficit. This estimate clearly shows that enhancing the quality of the golf product will drastically improve golf revenue, opening the door for even more revenue enhancement after Phase 3 improvements are completed and a new clubhouse begins to improve the Authority's share of the facility's ancillary revenue.

If the Authority can generate just a modest level of growth in activity from technology, marketing and other operating improvements, the facility could sustain itself (before capital) if it can reach 65,000 total paid rounds of golf on the 18-hole courses, a level that is about 10% higher than the facility has generated in any year since 2014. At this level of performance, it is possible for the Authority to support an additional +/- $145,000+ per year in increased expenses to add new golf maintenance positions and improve customer service. Still, while this projection shows the relative strength of economic performance of JIGC, the analysis also shows how close to "break-even" the facility is and that even a small drop in the recent activity gains will lead to economic loss on the operation.

The NGF analysis also shows how challenging it will be on the Authority during the year when the Oleander/Great Dunes renovation is ongoing. With only two 18-hole courses in operation, the NGF has assumed that about 2/3 of the rounds previously played on Oleander and Great Dunes would be recovered on Pine Lakes and Indian Mound during the construction year, and there would be a reduction a reduction in golf members. The result is total revenue during the year Oleander/Great Dunes is closed for renovation would come in at around $2.65 million, slightly lower than the actual revenue in 2021 and 2022. After re-opening Oleander/Great Dunes, it is expected that revenue would grow to the more than $3.4 million as noted above, covering most (if not all) direct JIGC operating expenses.

At the projected level of performance after re-opening Oleander/Great Dunes, the Jekyll Island GC is expected to cover all on-site expenses, but would not be able to provide enough retained earnings to fund any of the capital projects identified by NGF in this report. We note that the operating cash flows would continue to grow if the Authority moves ahead with later phases in the golf improvement plan, most notable the clubhouse improvements and possible golf lodge development. However, even with the expected improvement in revenue, the retained earnings on golf would not be sufficient to cover the large-scale capital investment required to complete the major capital projects identified in the golf improvement plan. **This economic status is common in public sector golf, where NGF research has shown that only about 1/3 of all golf courses owned by public agencies can cover _both_ operating _and_ capital expenses**.

SUMMARY CONCLUSION

The Jekyll Island Authority has been operating a popular 63-hole golf facility on Jekyll Island for many years. This facility is aging and had seen declines in activity for several years before recovery in 2021-2022. As we look to the future, the JIGC is now at a crossroads where aging infrastructure and declining property conditions must be addressed if this is to remain a viable golf facility operation. The JIGC facility has four unique golf courses with potential for strong appeal to a wide variety of golf consumers. The Great Dunes course is a historic treasure, but over 90 years old and in need of modernization. Oleander a wonder of nature, but has serious drainage problems that with be very expensive to fix, if they can be fixed at all. The Pine Lakes / Indian Mound courses have classic Dick Wilson/Joe Lee designs, but also have infrastructure problems that need attention, although less urgent than Oleander and Great Dunes.

These concerns of the physical condition of the golf course are not new, as NGF documented in our golf facility report on Jekyll Island golf in 2017. In the five+ years since NGF delivered its report to the Jekyll Island Authority, much has changed at the facility and in the market. Golf has returned some of its popularity lost in the previous decade, and this has been felt in rounds and revenue at JIGC. The Authority has begun to plan for the future of JIGC with a new golf improvement plan completed in 2019 under the leadership of Vincent Golf Design. This plan recommended addressing the infrastructure challenges and using the opportunity to also enhance and upgrade the quality of golf on Jekyll Island. However, as the project is a large undertaking with many moving parts and a high price-tag, the NGF recommends that the project be completed over time (perhaps as long as 6+ years) in five (5) separate phases with a “strategic pause” after each phase to re-evaluate property conditions, market environment and community golfing needs.

As golf has changed in the last decade and as we look to the future of golf on Jekyll Island, there still concern from NGF that the full allotment of 63 golf holes is not supportable at JIGC (as noted by NGF in 2017). When considering this concern in conjunction with the specific physical challenges of keeping the Oleander course open and operating, the early phases of the golf improvement plan for JIGC begin to make sense for the Authority. By reducing the Oleander and Great Dunes courses into one single high-end 18-hole championship golf course, the JIA will be able to enhance the quality of golf at JIGC while preserving the historic seaside golf experience of Great Dunes and addressing the drainage and infrastructure problems of Oleander. Subsequent phases of the improvement plan can then be completed to address the clubhouse and Pine Lakes/Indian Mound courses, but only after a pause to re-evaluate the plan.

Jekyll Island Golf Club is a high-quality municipal golf facility that has a real opportunity to improve its competitive position with golf course upgrades and take advantage of increased demand and enhancement of other Island amenities. The facility has great potential due to the unique market characteristic of Jekyll Island, an Island with strong golf participation from several local, regional and national sources. In summary, NGF believes that the Authority’s plan to enhance the JIGC property and increase golf playing fees is viable, and it is reasonable for the Jekyll Island Authority to expect the facility to raise its profile to a higher level of quality after upgrade.

External Factors Affecting the Operation of Jekyll Island Golf Courses

As we plan for the future operation of the Jekyll Island Golf Club, NGF has provided an updated summary of important external factors that have direct effect on the operation of this facility. This includes a review of local demographics and economy, golf industry trends, and a review of golf demand and pricing in the southeast Georgia market. NGF will also provide a review of other golf courses in the market area that compete with JIGC for market share. We will then provide a summary of these factors and how they relate to the continued operation of the JIGC.

MARKET OVERVIEW

The JIGC is a key amenity for residents and visitors to Jekyll Island, Georgia, a small resort Island of about 5,700 acres on the Georgia coast. The Island is largely void of any large-scale industry or employment, and thus is dependent on the influx of seasonal residents and visitors to its hotels or for day-trips. As such, the NGF expects that the continued support of the golf club amenity on Jekyll Island will also rely on participation from the large visitor market to the Island, in addition to the permanent resident population. The Georgia DOT reports approximately 3,400 autos per day (AADT) on the Jekyll Island Causeway in 2020, down from the 5,600 AADT recorded before the Covid pandemic in 2019.

Demographic Analysis – Local Permanent Residents

The table in **Appendix A** provides detailed demographic data on selected market definitions, including 10-mile, 30-mile and 50-mile market rings from the center of Brunswick, GA. For comparison, the NGF also shows the Brunswick MSA, State of Georgia and total U.S. A summary of key findings on local resident demographics is shown below:

- There is a small permanent population in and around Jekyll Island, but over 483,500 residents within 50 miles of the Island (3.3% increase since 2016).
- Although the market is seasonal, the permanent population in S.E. Georgia remains younger, and with lower incomes, than the State of Georgia and the nation as a whole.
- Median Income in the local market is now 27% lower than the State of Georgia (was 25% lower in 2016) and 31% lower than the total U.S. (same as 2016). In general, lower income residents are less likely to be active in golf than higher income residents.
- Median Age in southeast Georgia is moderately lower than the state and national medians. In general, golf participation and frequency tend to increase with age.
- The basic demographic profile of the local permanent population is generally consistent with modest golf participation. The NGF continues to expect that golf demand from these local residents would be at a green fee (or membership fee) rate that is on the lower end of established rates for this market area.
- The NGF estimates there are a total of about 8,500 golfers potentially demanding over 137,000 rounds of golf annually (16.1 rounds per golfer per year) in the local 30-mile ring around the Highway 17 / I-95 interchange. The NGF has estimated that S.E. Georgia is a leading market for in-migration of golf rounds, showing the importance of tourist/visitor golf rounds to the market area.

Key Economic Factors

Jekyll Island is a small island on the southeast coast of Georgia, with a small permanent population and a local economy driven largely by tourists and seasonal residents. Below, the NGF provides observations on the key economic drivers of the Island and the potential impact on golf activity at JIGC.

Jekyll Island Economy

The Jekyll Island economy continues to be driven by the attraction of tourists and visitors, and has seen significant changes in visitation patterns in the last decade. The Island has many attractions that draw visitation, including its natural setting, beaches, activities (biking, golf, camping, fishing, etc.), mini golf, playgrounds, plus an improving inventory of high-quality hotels a village center, historic area (including the Jekyll Island Club) and the Summer Waves water park. NGF estimates that around 2.0 million +/- visitors come to Jekyll Island each year, clearly impacting the local economy and the JIGC. A summary of key findings and data related to the Jekyll Island Economy that have direct impact on the golf club is noted below:

- **Transportation –** The primary access to Jekyll Island is through automobile transportation, and all autos must come through the Island's main gate. JIA data shows just over 1.16 million autos passed through the gate in 2017, up 8.6% from 2015 and up 28.6% over 2013. This growth had slowed by 2020, as the Covid pandemic seemed to reduce some activity on Jekyll Island, although Georgia DOT still counted over 1.15 million autos in 2020, followed by enormous growth to over 1.45 million in 2021 (25.5% increase). The data also shows strong seasonality, with the May-August summer as peak season and January-February the slowest months. As we will note later, this is the opposite of the golf club's peak seasons. Jekyll Island also has a small general aviation airport with a very modest volume of activity, but expansion in use of this amenity is part of the 2021 Jekyll Island master plan.
- **Hotels and Lodging –** Jekyll Island now has 10 defined hotel properties with 1,246 hotel rooms open and operating in 2022. Two major properties were added in 2020 (Marriott Courtyard and Residence Inn), adding 209 new rooms to the inventory. The JIA reports a large volume of private residence inventory that applies for rental licenses each year to add to the visitor lodging inventory. Key data on Island hotels and lodging from various JIA reports show:
    - As noted in our 2017 report, Jekyll Island has seen a significant enhancement to the quality and quantity of its hotel inventory, as older properties are replaced with higher quality resorts, while others have enhanced amenities and features.
    - Overall annual hotel occupancy was impacted by Covid, as JIA reports 64.3% occupancy in 2019, with a decline to 55.5% in 2020, then rebound to 65.4% in 2021. The monthly total shows a peak in July 2021 at over 86% and a low point in January under 40%.
    - The average daily rate (ADR) of lodging on Jekyll Island has increased significantly, from $179.2 in 2019, then $169.19 in 2020, and reaching $205.37 in 2021. This is indicative of increased visitation to Jekyll Island and higher quality lodging properties.
    - Hotel operators also noted that the peak seasons between golf and lodging do not match. Hotels have capacity to sell golf packages in winter, but golf club members take up much of the tee times. JIGC needs support in the summer when hotels are already full with families.

- **Convention Center**– The Jekyll Island Convention Center is now 10 years old, and while the broader trend is for increased use, the facility has taken a hit due to Covid in 2020. JIA data shows the center had 193 events and over 126,000 attendees in 2019, falling to only 118 events and 40,000 attendees in 2021. As this business recovers post-Covid, these event attendees can be a significant driver for golf activity and should continue to be a target of enhanced marketing (as recommended in 2017).
- **Tourism Awareness Study –** The findings from the 2015 tourism awareness study still apply in 2022:
    - Jekyll Island draws day-trips primarily from the Jacksonville and Savannah markets, and overnight trips from the greater Atlanta metro area.
    - Jekyll's greatest appeal is as a family vacation destination.
    - Golf was low on the list of desired activities to be available on Jekyll Island.
    - Jekyll competes with Amelia Island, Hilton Head and Destin for vacation destinations. These locations also provide strong golf appeal.

Greater Brunswick / Southeast Georgia Area Economy

Jekyll Island is part of the Brunswick, Georgia MSA, which is second-largest urban area on the Georgia coast after Savannah. Unlike Jekyll Island, Brunswick has a more substantial economy and specific economic drivers that could impact demand for golf at the JIGC. Some general findings on the broader Brunswick, Georgia area include:

- **Population** – The Brunswick MSA has a population of around 119,000 in 2019, with growth projected to 125,300 by 2024. The recent trends are for growth in population at levels comparable to the national and state average.
- **The Port of Brunswick** handles approximately 10 percent of all U.S. roll-on/off trade, which is third largest in the U.S. It is the main export facility for Ford and GM, and an important import facility for Hyundai, Jaguar, Kia, Land Rover, Mitsubishi, Porsche, Volvo, Audi, BMW, and Volkswagen.
- **Private Employers** - Southeast Georgia Health System is the largest private employer in Brunswick, and there are several other large employers that can impact golf demand.
- **Tourism** – In addition to Jekyll Island, tourism is also an important component in other parts of the Brunswick region. Brunswick and the Golden Isles are a year-round resort community. Other islands in addition to Jekyll also have beaches, resorts, shops, and historic sites that annually attract visitors from around the world.

Climate

As with any outdoor recreation, weather will have impact on golf participation. NGF data estimates that almost all golf is played with temperatures between 50- and 90-degrees Fahrenheit. The data suggests that golf is a year-round activity on Jekyll Island, with only a few days of temperatures too low each winter. In summer, high afternoon temperatures and a rainy season can limit activity. The following table presents a summary of monthly weather data for Jekyll Island area based on 50-year recorded trends:

Climatological Data – Jekyll Island, GA					
Month	**Temperatures**			**Precipitation Inches**	**Avg. Length of Day (Hours)**
	Average	**High**	**Low**		
Annual	**68.6**	**78.3**	**58.9**	**51**	**12.6**
January	53	64	43	3.1	10.8
February	56	66	45	3.4	11.5
March	61	72	51	3.8	12.4
April	68	78	58	2.9	13.4
May	75	85	65	3.4	14.2
June	80	90	71	5.7	14.6
July	82	92	73	6.5	14.4
August	82	91	73	6.7	13.7
September	79	87	70	7.2	12.7
October	71	80	61	3.7	11.8
November	62	72	52	2	11
December	55	65	45	2.8	10.6
Source: Weatherbase.com, Jekyll Island, GA					

GOLF MARKET SUPPLY AND DEMAND INDICATORS

Below are some key NGF observations regarding national and local trends in golf supply and demand.

National Golf Industry Overview

Despite significant negative press, the golf industry remains healthy and was continuing a macro trend toward stabilization in 2019. As we begin to consider the potential effects of Covid-19, we note that golf activity appears to have increased in the U.S. during 2020 and 2021. Ultimately, golf is at the mercy of "discretionary income," and the activity held up rather well during the great recession (2008-2010) and during Covid-19 (2020-21). Multiple NGF studies of golfers since 2008 attribute the longer-term gradual decline in golfers and rounds since peak participation primarily to the impact of concern over personal finances, **not waning appeal for the game**. Total spending on golf and club memberships will always be vulnerable to outside forces such as the economy, but the game remains popular and is fortunate to have a deep well of interested prospects.

In the last 12-18 months, golf received a strong, though perhaps temporary, boost in demand from the Covid-19 crisis. While research indicates that the number of golfers has not changed markedly, some new golfers have joined the game (especially juniors) and rounds activity by existing golfers increased significantly. It will be up to golf's stakeholders (major associations, course operators, golf professionals, instructors, and other staff) to make sure that a strong percentage of new and reactivated golfers stick with the game once other leisure and recreation activities become more widely accessible. Some additional findings from NGF:

- **Participation** - The national golfer number (participation) increased slightly in 2020, with 24.8 million golfers counted by NGF in 2020 compared to 24.2 in 2019. In addition, NGF survey research indicates that the inflow of returning golfers and beginners combined to total **over 6.2 million in 2020**, the highest number ever recorded by NGF.
- **Rounds Played 2019-2021** – Despite the loss of 20 million spring rounds due to Covid-19 closures and restrictions, the almost 502 million rounds played at U.S. courses in 2020 was the most in more than a decade. The 61 million additional rounds over 2019, a 13.9% rise, is second only to the industry's 63 million jump in rounds in 1997, when Tiger Woods had his breakout year. In Georgia the results have exceeded the nation, with the State showing a 14.6% increase in rounds for 2020 (over 2019), although rounds did stabilize in 2021. Through November of 2021, rounds are up 5.6% nationally and only 0.2% for Georgia (source: Golf Datatech – see **Appendix B**).
- **Golf Activity Drivers** - The observed increase in golf activity is driven by several intertwining factors. NGF surveys show that golf was considered a "safe" activity at the height of the pandemic, as players felt they could participate, compete and socialize with friends, and never have to come in close contact with other people. Many golf courses were forced to adopt changes (longer tee-time intervals and single-rider carts) that ended up adding to golf's popularity. In addition, our research shows that already avid golfers found an opportunity to consume more rounds through increased time availability related to work-from-home arrangements and flexible schedules.
- **Beginners** – The NGF counted 3.0 million beginning golfers taking up the sport for the first time in 2020, the highest number ever counted by NGF. This beginner group was also more diverse than in previous years, with over 33% of the beginners being female and a larger portion over the age of 50 than ever before (22% in 2020 compared to 5% in 2016). This level of new beginners bodes well for continued interest in golf and makes a rapid decline in activity very unlikely.
- **Golf Course Supply** - The correction in golf course supply continued in 2020 at a level comparable with the previous several years, dropping by 1.4% (193 total 18-hole equivalent permanent closures in 2020 compared to 160 in 2019). NGF data shows that the Brunswick MSA has seen a modest share of course closures, with only 9 holes removed from service since 2016 (the West Course at Sea Palms on St Simons Island).
- **Baby Boomer Effect and Generation G (the "Golf Generation")** – As Baby Boomers age and retire over the next 15 years, we expect to see a measurable increase in total rounds played in the U.S. Golfers born between 1946 and 1964 are currently 56 to 75 years old, and about 6 million of them are golfers (1/4 of all golfers), and they currently play about 1/3 of all rounds. While not technically a generation, the 46-65 age cohort is a vital group for the golf industry, accounting for the most golfers, rounds and spend in the industry – more than $9 billion in total annually. Gen G includes younger Boomers and older members of Generation X.
- **Golf Equipment Sales** – In reviewing the demand for golf, one metric NGF is tracking on a regular basis is the sale of golf equipment, most significantly the sale of golf balls. The surge in equipment sales that began last May is showing no signs of letting up – as combined golf club and ball wholesale dollar sales are up 77% in 2021 over 2020 and 35% over 2019 (through the end of June). All this equipment is not gathering dust on store shelves. Retailers we've talked to tell us that sell-through has been very good and inventories are not getting bloated. Clearly, this data is another layer of research to support a real surge in golf demand that is being felt at individual golf course facilities – including the Jekyll Island Golf Club.

- **Latent Demand:** Overall interest in playing golf remains very high. NGF survey research indicates that the number of non-golfers who say they are "very interested" in taking up golf - which had doubled between 2014 and 2018 - increased by an additional 1 million in 2019 to 15.7 million people, and grew robustly again during the 2020 pandemic year to 17 million.

National Golf Industry Overview – Potential Implications for Jekyll Island Golf Club

It is difficult to conclude how the national trends discussed above will affect any particular golf course, as we cannot definitively predict which, if any, of these trends will continue. On balance, however, we believe that a continuation in the growth of beginning golfers, successful activation of the large cohort of non-golfers that have expressed interest in playing ("latent demand") by golf operators, and the continued golf course supply correction towards equilibrium should have a positive effect on golf courses like the JIGC.

In terms of the potential long-term impacts of the Covid-19 pandemic, it is too soon to tell what the lasting effect on golf participation and demand will be. With less competition from other sports and activities, the pandemic has had a very positive effect on golf demand, with a significant rise in new and returning golfers manifesting in fuller tee sheets across the U.S. Another outcome has been higher average green/cart fees for those facilities that are able to practice dynamic pricing. Of course, those facilities with large food & beverage and, especially, banquet operations suffered the most, though reduction in expenses has helped to somewhat mitigate loss in revenue. However, with more and more competing recreation and entertainment activities becoming available in 2021 and beyond, it remains how "sticky" golf's new customers and demand levels will be.

Estimated Local Market Demand

The table below details basic golf market data indicating the magnitude of the local golf demand (additional support data in **Appendix A**). We note that much of this data is based on the permanent resident population, and is not reflective of the retiree, seasonal resident and visitor populations in the market area (more later in this section).

Summary of Club Market Indicators	10-Mile Ring	30-Mile Ring	50-Mile Ring	State of Georgia	United States
Demographics					
Population Estimate 2019	58,885	169,591	483,542	10,551,576	328,252,472
Population 2024 Projected	61,797	178,683	513,236	11,140,105	339,844,802
CAGR 2019-2024	0.97%	1.05%	1.20%	1.09%	0.70%
Median HH Income (2019 Estimate)	$43,625	$52,893	$55,166	$59,767	$63,709
Median Age (2019 Estimate)	38.0	38.8	38.2	37.1	38.3
Golfers and Indices					
Number of Golfing Households	1,952	7,871	22,250	471,563	17,966,460
Seasonal Golfing Households	67	829	1,885	10,788	773,569
Rounds Potential (resident golfers)	32,351	136,930	424,005	8,090,732	381,451,700
Estimated Rounds (in-market supply)	222,087	438,080	850,366	8,356,297	381,454,200
Golf Participation Index	81	81	77	83	100
Golf Rounds Activity Index	67	73	63	67	100

Source: Tactician, Inc. and NGF Consulting. CAGR = Compound Annual Growth Rate.

The Jekyll Island golf courses are part of a large golf market that serves both local residents and tourists/season residents in the region. The local permanent population in the JIGC market area is relatively small, with lower median age and median household income. These figures tend to coincide with lower-than-average participation in golf. Other findings from NGF's updated demographic and golf demand analysis:

- Despite the smaller permanent population, there is a high proportion of higher income households in the greater Brunswick market, and this has increased since 2016. An estimated 21% of households in the 30-mile ring show incomes over $100,000 annually (18% in 2016), while 4.5% show income in excess of $200,000 (same as 2016), both a key "sweet spot" for high golf participation and activity:

Higher Income Households	10-Mile Ring	30-Mile Ring	50-Mile Ring
No. of Households over $100,000 Income	4,284	15,020	41,813
No. of Households over $200,000 Income	797	2,765	6,333

- The NGF estimates about 7,800 golfing households, plus an additional 830 seasonal households, in the 30-mile market around Brunswick. Further, the NGF estimates a total of over 22,300+ golfing households and 1,880+ seasonal golfing households in the 50-mile ring (comparable to SE Georgia and the northern edge of the Jacksonville market). This is a large market of permanent and seasonal golfers capable of supporting a large market of golf facilities, and this does not include the even larger market of transient / visiting golfers who come to the area each year.
- NGF estimates the residents in the 30-mile ring could demand upwards of 137,000 rounds of golf annually, but the golf courses in this market ring are hosting over 438,000 rounds annually, indicating a strong demand from non-residents at area golf courses. The 850,000 rounds played in the 50-mile market represent about 10% of all golf rounds played in Georgia, further documenting the strength and importance of this golf market and helping to confirm the expectation that there is demonstrated demand for golf service in the Jekyll Island market.
- These numbers represent declines from the previous NGF review in 2016, although the data is reflective of 2019 research (before the recent pandemic golf boom). Still, the data suggests a slight reduction in golf demand in this local area among the permanent resident population. As such, the continued success of the JIGC is likely going to be dependent on the club's ability to continue to attract resident golfers and new players and out-of-town guests.

Visitor Golf Demand

Earlier we noted about 2 million visitors to Jekyll Island in 2019 (just before the pandemic impact). These visitors are contributing to the golf course activity on the Island and elsewhere in the region. NGF research shows that roughly one-third of all golfers participate in the activity while traveling, playing 0.557 rounds per day of travel. Based on current golf participation rates, the estimate for potential tourist golf rounds that are coming to Jekyll Island is 35,000 to 40,000 rounds annually. Though JIGC is not likely to capture all of these rounds from visiting golfers, as the only golf facility on Jekyll Island it is certainly reasonable to expect the subject course to capture almost all of the visiting golf activity that is generated from Island tourists. As such, it is important for the JIA to maintain a strong marketing presence, especially through digital/website channels, as a couple of thousand visitor rounds could make a big difference in the bottom line.

Latent Demand

People who express an interest in playing golf but have not yet started include former golfers and those who have never tried. The demographic profile of latent demand tends to be more female and younger than the population as a whole. Surveys show these golf-interested non-golfers cite several barriers to entry in golf, including the cost and social aspects (no one to play with). The latent demand population is comparable to the golfer population, and NGF estimates as many as 7,600 interested non-golfers within 30 miles of Brunswick (a 50% reduction from 2016).

Local Golf Supply

The following are some summary NGF observations regarding key golf supply measures for the local golf market. Please see the supporting tables in **Appendix A**.

- As observed in 2016, there are still 6 total golf facilities (3 public access), totaling 171 holes, within 10 miles of Brunswick, GA. There are still a total of 13 golf facilities (8 public) within 30 miles, but now only 29 golf facilities (was 30 in 2016) within 50 miles. Ratio analysis based on national benchmarks shows that all three market rings are vastly over-supplied, as there are about 75% ***fewer*** households available (unfavorable) to support each 18 holes of golf than the nation overall. For 'standard' price point (peak fee $40-$70) public courses such as JIGC, there are 64% ***fewer*** golfing households per 18 holes compared to the national benchmark (unfavorable).
- There was a lot of new construction of golf courses between 1986 and 2016, with 16 of the 29 golf facilities within 50 miles constructed in this period. This rapid increase in supply included local facilities such as the Hampton Island Preserve (2012), the last new golf course added to the market.
- The NGF estimates that a net of 27 holes were closed in the 30-mile market since 2012, with a net loss of 9 holes since 2017 (West 9 at Sea Palms Resort). This is consistent with broader national trend of golf course contraction, mostly in reaction to alternate use of property as opposed to declining national demand for golf.
- The NGF database shows no new golf courses either in planning or under construction in the Jekyll Island market area, although one other area competitor (Omni Amelia Island Plantation Resort) is planning some type of golf course renovation.

Golf Course Market Supply / Demand Summary

Using the most basic measures of golf demand and supply, we note four possible combinations for any given market area: (1) favorable demand and favorable supply ("potential growth market"); (2) favorable demand and unfavorable supply ("active"); (3) unfavorable demand and favorable supply ("inactive"); and (4) unfavorable demand and unfavorable supply ("saturated"). The review of data for southeast Georgia suggests a "saturated" market for golf, with relatively weak demand from resident households and an unfavorable household/supply ratio. It is clear that the influx of visiting golfers is key to sustaining golf course operations in this market, especially for a remotely-located club like Jekyll Island GC.

Golfers per 18 holes

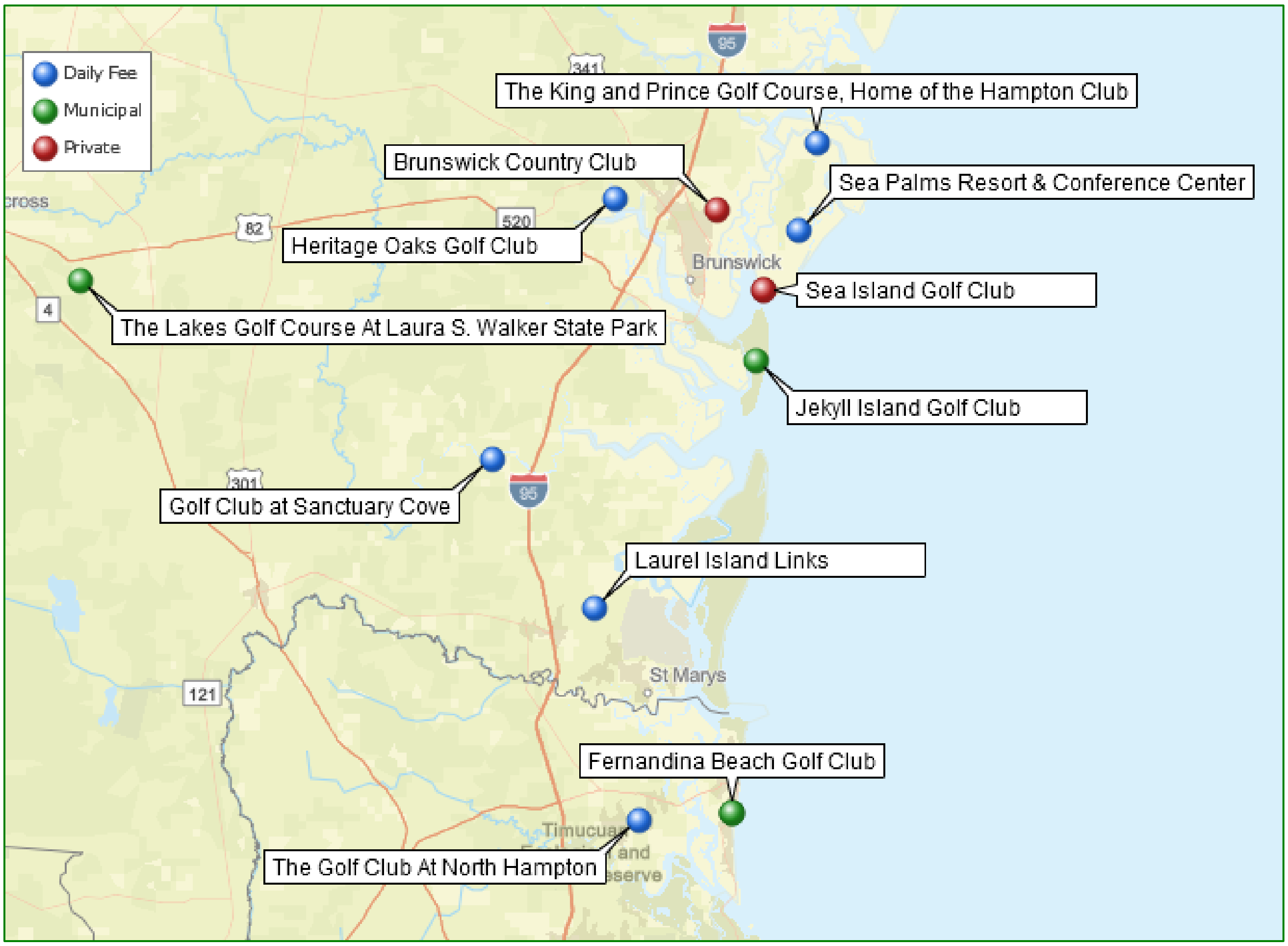
NGF has also evaluated the relative strength of the market with a comparison to a national "threshold" of golfers per golf course within 10 miles of a facility. In its 2009 publication "*The Future of Public Golf in America,*" NGF hypothesized that the best predictor of a public golf course's success was the number of golfers per 18 holes within a 10-mile radius, with 4,000 identified as the key number for projected financial stability. **The NGF has estimated that there are only a few hundred (>500) golfers per 18-hole course in the Brunswick market**, thus lowering chances for successful golf operations, all other factors being equal. The importance of this metric is mitigated somewhat in markets with a high annual influx of visiting golfers, but further stresses the importance of continued support from non-resident golfers.

LOCAL COMPETITIVE GOLF MARKET

NGF has analyzed the public access golf market in the Jekyll Island / Brunswick / SE Georgia market area, with particular emphasis on updating golf playing fees and reported activity since the last NGF review in 2017. On the following pages, we list operating information for a group of selected competitive golf facilities that were identified as key competition by JIGC staff, as well as golfers in the 2016 NGF survey.

Competitive Public Access Golf Facilities Map

The map below shows the relative locations of the facilities selected as comparable to the Jekyll Island Golf Club.



Summary Information

The following tables provide summary information for the Jekyll Island GC and the primary competitors in the local market area.

Jekyll Island Golf Club Primary Competitors – Summary Information							
Facility	**Location**	**Type**	**Year Open**	**Par/Slope**	**Front Tee / Back Tee**	**Location Relative to JIGC***	**Key Changes from 2016**
Jekyll Island Golf Club	**Jekyll Island**	**DF - 63H**				**-**	
Great Dunes Course			1926	**72 / 117**	**4,538 / 6,458**		
Indian Mound Course			1975	**72 / 127**	**4,838 / 6,408**		
Pine Lakes Course			1988	**72 / 125**	**3,497 / 6,700**		
Orleander Course			1963	**72 / 122**	**4,913 / 6,521**		
Sea Island Golf Club	St. Simons Island	PR-36H	1928			4.8	This now a private resort – only public play allowed is from resort guests.
Seaside Course		18H		70 / 131	4,978 / 6,657		
Plantation Course		18H		72 / 135	4,947 / 6,671		
Sea Palms G & T Resort	Saint Simons Island	DF-18H	1967			9.5	18H course renovated in October 2019. West 9 closed Dec. 2018.
Champ. Course		18H		71 / 130	5,084 / 6,608		
Brunswick Country Club	Brunswick	PR-18H	1936	72 / 130	5,008 / 6,802	10.7	
Heritage Oaks Golf Club	Brunswick	DF-18H	1993	72 /137	4,324 / 6,897	15.1	
The King & Prince GC / Hampton Club	Saint Simons Island	DF-18H	1989	72 / 137	4,929 / 6,462	15.7	
Golf Club at Sanctuary Cove	Waverly	DF-18H	2006	72 / 140	4,984/ 7,204	19.7	
Laurel Island Links	Kingsland	DF-18H	1996	72 / 138	5,469 / 7,011	20.8	
Fernandina Beach Golf Course	Fernandina Beach	MU-27H	1953			31.8	
West to South				73 / 118	5,290 / 6,999		
South to North				72 / 119	5,100 / 6,412		
North to West				74 / 117	5,638 / 6,777		
Golf Club at North Hampton	Fernandina Beach	DF-18H	2001	72 / 143	4,697 / 7,171	33.4	
The Lakes at Laura S. Walker	Waycross	MU-18H	1995	72 / 126	4,767 / 6,656	47.7	
* Air miles from subject site, driving distances will likely be greater. 2. Walking course only. Type: DF – Daily Fee; MU – Municipal; SP – Semi-Private							

Market Area Green Fee Information

Summary 2022 Green Fee Data – Jekyll Island Golf Club and Primary Competitors

Golf Facility	Peak Season 18 Prime Time Green Fees & Carts WD/WE	Peak Season 18H Midday Green Fee & Carts WD/WE	Peak Season 18H Twilight Green Fee & Carts WD/WE	Peak Season 18H Seniors Green Fee & Carts WD/WE	Peak Season 18H Juniors Green Fee WD/WE
Jekyll Island Golf Club					
Indian Mound, Oleander & Pine Lakes	$69/$69	$50/$50	$45/$45	NA	$20
Great Dunes (9H course)	$40/$40 Replay $12	NA	NA	NA	NA
Sea Island Golf Club					
Seaside Course	$250 [1]	NA	NA	NA	Under 19 don't pay green fee ($66)
Plantation Course	$225 [1]	NA	NA	NA	
Sea Palms Golf & Tennis Resort[2]	$119/$119	$99/$99	$99/$99 9H 1pm+ $60/$60	NA	NA
Brunswick Country Club	Private Club (see member pricing – next table)				
Heritage Oaks Golf Club	$69/$69 9Holes $45/$45	$69/$69 9Holes $45/$45	$69/$69 9Holes $45/$45	NA	NA
The King & Prince Golf Course, Home of the Hampton Club[2]	Public $135 Guest Fee $95	$80/$80	$80/$80	NA	NA
The Golf Club at Sanctuary Cove	$79/$79 9Holes $45/$45	$79/$79 9Holes $45/$45	$79/$79 9Holes $45/$45	NA	NA
Laurel Island Links	$40/$42	$32/$34 after 1pm	NA	NA	NA
Fernandina Beach Golf Course	Non-Res: $60/$60 City Res: $45/$45	NA	Non-Res: $40/ $40 City Res: $30/$30	NA	$20
Golf Club At North Hampton[2]	$70/$77	$51 / $64	$46 / $62	NA	NA
The Lakes At Laura S. Walker	$35/$40	NA	$20 / $20	$32 / NA	NA

* Tax is additional

1. Fees include Greens and cart fees, range balls, forecaddie and club cleaning. Tax and gratuity are additional
2. Use online Dynamic pricing - rates are based on highest advertised online rate during study (Feb 2022)
3. Does not include cart. Cart plan is additional $154/mo. (single) / $200 / mo. Family

Key Findings – Competitive Golf Market

A summary of general findings regarding the competitive market for Jekyll Island golf courses:

- The updated review for 2022 shows significant change in **daily golf playing fees** in the market area. The table below show the extent of fee increases for the highest peak green fees (with cart) at market area competitors in 2022 compared to 2017:

Facility	2017 Peak Green Fees	2022 Peak Green Fees	Pct. Increase
Jekyll Island GC	$59	$69	16.9%
Sea Island Seaside	$235	$250	6.4%
Sea Island Plantation	$185	$225	21.6%
Sea Palms G&T	$67	$119	77.6%
Heritage Oaks GC	$69	$69	-
King & Prince	$115	$135	17.4%
GC @ Sanctuary Cove	$69	$79	14.5%
Fernandina Beach GC	$44	$60	36.4%
North Hampton	$68	$77	13.2%
Laura S. Walker	$29	$40	37.9%
Average	**$94**	**$112**	**19.4%**

- The updated review for 2022 also shows significant change in golf membership fees in the market area. In 2022 these fees range from a low of $3,000 at Fernandina Beach GC to a high of over $14,000 (plus initiation) at premier area clubs. On average, membership fee changes at market area competitors have increased by 20.5% since the 2017 NGF report:

	2017 Peak Annual Family Membership Fee*	2022 Peak Annual Family Membership Fee*	Pct. Increase
Average	**$4,027**	**$4,851**	**20.5%**
*Additional fees such as initiation and F&B minimums not included.			

- Total rounds activity among golf courses in this market has generally remained steady since 2016, with a mix of decline from 2016-2019 followed by recovery in 2020 and 2021. Rounds activity in this market remains comparable to the total U.S. average per 18 holes (was at 31,500 rounds per 18 holes in 2019 – just before Covid pandemic impact). Rounds data in this market shows that JIGC is under-performing, with few courses exceeding the national average. Reported rounds totals for 2016 and 2021 (rounded for simplicity):

Facility	2016 Rounds (per 18 Holes)	2021 Rounds (per 18 Holes)	Pct. Increase
Jekyll Island GC (54H)	19,600	17,700	-9.7%
Fernandina Beach GC (27H)	32,500	29,100	-10.5%
Laura S. Walker	23,100	19,000	-17.7%
Laurel Island Links	28,000	29,300	4.6%
GC @ Sanctuary Cove	28,000	31,600	12.9%
Heritage Oaks GC	28,000	27,500	-1.8%
Average	**26,533**	**25,700**	**-3.1%**
*Regulation 18 only (Oleander, Pine lakes, Indian Mound only)			

EXTERNAL FACTORS SUMMARY

The NGF market analysis shows that golf remains an important component in the southeast Georgia coast and Jekyll Island offering. While there is demonstrated demand for golf in the local market, we recognize that demand from permanent residents is not strong enough to support all of the golf courses available in this area. As such, while the NGF has a reasonable expectation that the market will provide support for continued operation of a golf facility on Jekyll Island, the full complement of 63 holes is likely too much to sustain in an economically efficient way. Other key findings from NGF's market analysis include:

- The demographic profile of Jekyll Island is not consistent with strong golf demand. The age and income characteristics of the permanent population correspond to modest golf participation at lower playing fees. However, the tourist nature of the local economy and the recent investment in new and better-quality hotel properties provides elements that correspond to durable golf demand. The estimated 2.0 million+ annual visitors to Jekyll Island could include 150,000+ golfers demanding 35,000+ rounds annually. Attracting golf rounds from these visitors will be key to sustaining golf operations at JIGC, and providing high-quality facilities that are commensurate with other new investments on the island (convention center, hotels, city center, etc.) will continue to be a key factor in their attraction.
- From a macro standpoint, while some trends continue to create headwinds for golf operators, overall golf participation in the U.S. appears to be stabilizing and golf is far from "dead." While demand for golf strengthened greatly during the Covid-19 pandemic in 2020, NGF research shows that golf was gaining some momentum in 2019 and the sport remains popular and is fortunate to have a deep well of interested prospects. The key challenge for golf operators is to sustain the momentum from 2020-21 into the future. Golf's chief challenge remains getting more of those non-golfers who express interest in playing ('latent demand') to actually give golf a try as well as converting more beginners into committed participants. Additionally, operators must find a way to draw young adults through targeted programming and events, including driving range events.
- Hotel facilities remain an important factor for feeding golfers to the JIGC, with two new properties added since 2019. Our review in 2017 noted that the peak season for hotels (June-July) did not match the peak golf demand season (March-April), and thus there is an opportunity for greater cooperation between JIGC and Island hoteliers to sell golf packages. JIGC will have to do more to accommodate hotel operators in the hopes of attracting a greater share of play, especially among the estimated 20,000-30,000 convention attendees.
- The overall demand/supply balance for golf in S.E. Georgia remains unfavorable to golf courses. There are far fewer permanent households and resident golfers available to support each 18 holes of golf in the market, and as a result the golf courses in this area tend to host fewer rounds than average. The most active golf course in this broad market area is the City of Fernandina Beach's municipal golf course hosting only 43,650 rounds on 27 holes (it was 50,000 in 2016). The fewest rounds per 18 holes are at the subject Jekyll Island GC, which is hosting fewer than 18,000 rounds per 18 on its main three courses (was 19,800 in 2016).

- The most important local competition to Jekyll Island courses includes other public golf facilities like the Heritage Oaks GC, Sanctuary GC and King & Prince GC, as well as the private member clubs in the local area like Brunswick CC, Sea Island and Frederica GC. Given Jekyll Island's existing price-quality market position and the Authority's desire to fit in the upper-middle range of fees in this competitive market, it appears to NGF that JIGC will have room to increase fees (both daily and membership) upon completion of facility enhancements.
- The recent surge in demand in the regional golf market provides for some room to increase fees, although the market is showing constraints on the ability to raise fees too aggressively. This is evident in the fee structures of the primary competitors with high-end quality showing major increases since 2017 like Sea Island (now $225-$250 in season), King & Prince (now $135) and Sea Palms with the largest increase (now up to $119 from $67 in 2017). There is a large gap between the mid-level courses and the high-end resorts, with the six mid-level courses (including JIGC) peaking at $79, and the four higher-end resorts all exceeding $119.
- Finally, all golf facilities face a couple of other factors beyond their control: First, a high fixed expense structure that is growing more rapidly than revenues (e.g., ability to raise fees is constrained). Second, the challenge of attracting younger adults and facing attrition from older players. Third, golf is always at the mercy of unexpected events like extreme weather and/or economic recession (pandemic), and fourth, managing the present economic uncertainty and rapid inflation in golf maintenance expenses.

Jekyll Island GC – Facility Review Update

The subject property is the Jekyll Island Golf Club, a four-golf-course facility owned and operated by Jekyll Island Authority (JIA). The facility includes four separate golf courses – The Oleander (the first course in the system – opened 1968), Pine lakes (opened 1972), Indian Mound (opened 1975), and the Great Dunes (remaining 9 holes from a 1909+/- seaside 18-hole golf course). The courses are all located on approximately 600+/- acres in the central portion of the 5,700+/- acre Jekyll Island State Park, located approximately 12 miles east of Brunswick, Georgia. The golf facility is part of the Jekyll Island Authority community offering, and is now budgeted as a single enterprise account with the JIA, representing a change from the previous structure which included the McCormick's grill operation. This F&B operation has now become a new concession with Tribuzio's Grille to provide F&B service at JIGC, with the only economic impact to JIA being the collection of a lease/concession payment from the operator. The Jekyll Island GC is operated as an affordable, high-quality public golf facility that serves year-round and seasonal residents of Jekyll Island, through the sale of memberships and daily green fees.

In our 2017 review of the Jekyll Island GC, NGF found an aging golf facility that was offering most of the quality and service that is expected at better public golf courses, but with some areas of the facility needing enhancement. The most significant of the enhancements recommended by NGF in 2017 included golf course infrastructure improvements (irrigation, drainage, turf conditions), and modernizing the golf clubhouse. The Authority appears willing to put additional resources into the golf course, and undertook a project to plan for the future of the Jekyll Island GC through the development of a formal Golf Master Plan that was completed in 2019 under the leadership of the golf course architectural firm of Vincent Golf Design. This Master Plan recommended changes to the JIGC property with upgraded championship golf courses, a new par-3 golf course, expanded golf practice amenities, modernized clubhouse, enhanced conservation areas and a new "boutique" lodge. This plan was placed on hold in 2020 to allow the JIA to complete a more comprehensive Island-wide master plan update that was completed in 2021.

In summary, five years after our initial review of this property, the NGF finds the Jekyll Island GC is fundamentally in the same physical condition and under the same operational structure as in 2017, but with some changes we will identify. **The current condition of the property is in no way reflective of any neglect on the part of operators, but rather a function of the Authority's desire to complete an Island-wide master plan and situation analysis first, leading to delay in implementing the golf improvement plan**. It remains the stated goal of the Authority that Jekyll Island GC be operated in a fashion that is generally consistent with higher-quality public golf courses, but with rates that remain affordable to visitors and residents. This goal includes both the physical condition of all amenities and the level of service offered to patrons.

In the section that follows, NGF will review the amenity package as it stands in 2022 and how this compares to our last review in 2017, along with what it will take to implement a program of improvements that will create the best possible golf conditions, thus warranting market-based golf playing fees. The NGF will also review recent changes in operation, the performance of the facility the last five years, and then present a recommended course of action that will provide the best possible amenity enhancement program in the most economically efficient manner.

INVENTORY OF AMENITIES + KEY OBSERVATIONS AND CHALLENGES

As we observed in our 2017 report, the Jekyll Island GC includes a mix of elements that is consistent with economic success in public golf. The property offers a good variety for a multi-course facility in a resort setting, allowing for appeal to all segments of golfers from beginners to seasoned players. The courses vary in difficulty and appeal, the facility offers some golf practice amenities and the clubhouse, while small, provides adequate support for patrons. The Jekyll Island GC facility includes the following elements:

- **Pine Lakes Golf Course –** the newest and most popular 18-hole course on property. Remodeled in 2001 with new irrigation and TifEagle greens. Has a layout with holes #1, #9, #10 and #18 all in proximity to the clubhouse to best accommodate 9-hole play.
- **Oleander Golf Course** – the oldest of the three 18-hole courses, and while it was reported as the most popular among regular golfers in NGF's 2017 customer survey, it is the least played 18-hole course at JIGC. This golf course is lower lying than the other courses and has a tendency to retain water and wet conditions, thus limiting activity and desirability. There are also other environmental concerns expressed by JIA staff. The irrigation system was last improved in 1981, and is well beyond the 30-year expected useful life.
- **Indian Mound Golf Course** – another 18-hole course on the north side of Captain Wylly Rd with features similar to Pine Lakes, but in less ideal condition. The irrigation system is the oldest of the three 18-hole courses, dating back to 1975 and well past its expected useful life. This course is also set up to appropriately host 9-hole play with holes #1, #9, #10 and #18 all in proximity to the clubhouse.
- **Great Dunes Golf Course** – 9-hole remnant of the historic original 18-hole seaside course from early 1900s. The course is a "links" style with appealing characteristics and beautiful ocean views. The 9-hole course has great appeal for golfers seeking a simpler, shorter round of golf and for those seeking a piece of history. Great Dunes has great potential to stimulate interest in Jekyll Island golf, and it is **expected that any new plan for the JIGC will retain these holes**. The irrigation system on Great Dunes is antiquated and very challenging to operate.
- **Clubhouse** – JIGC includes a 12,300 square foot (sf) clubhouse separated into two sections – a pro shop area and food and beverage service area (includes an upstairs banquet room). All elements are generally functional, but the facility is deteriorating and has a design more appropriate for a single golf course. While some upgrades have been made since 2017 (restrooms), other infrastructure items such as HVAC, storage and kitchen remain to be upgraded. In 2017, NGF identified improvement to the clubhouse as key for improving economic performance of the facility.
- **Practice Facilities –** JIGC includes a small driving range with golf learning center and range kiosk, three practice greens and limited practice chipping area. If enlarged, the driving range could be an outstanding feature at JIGC, but with only 25+/- tee stations is clearly not large enough now to accommodate a three-course facility. Adjacent to the range is the 650sf golf Academy/training center that houses a golf teaching area. This amenity is growing in popularity and can be a catalyst to help develop new players and grow golf in Jekyll Island.
- **Cart Storage** – JIGC also has two separate buildings to house and charge carts for the operation located between the 9^{th} and 10^{th} holes on the Oleander course. JIGC is storing 184 carts, and staff is required to bring up carts via tow each morning. Proposed changes to the Oleander course may require a new program for storing carts at JIGC.
- **Maintenance Compound and Buildings** – The maintenance facilities at JIGC include four separate buildings used to house all maintenance equipment, staff offices and other repair and maintenance service areas on a 2.75-acre compound. It appeared to NGF that the maintenance compound included all of the basics required for adequate golf course maintenance, including appropriate chemical storage, employee areas and equipment repair areas. While the space appeared to be well organized and efficient, there is need to enhance, expand storage space and modernize the facility.

- **Other Structures –** The Great Dunes course has a separate support building at Beach View Dr. and Shell Rd, near the miniature golf, bike rentals and pizza restaurant. It is yet-to-be-determined how the Great Dunes support building may fit in to the future logistics of the JIGC layout. Each of the JIGC 18-hole golf courses includes two comfort stations with restrooms and drinking fountains. JIGC also has a separate service kiosk for the Indian Mound and Pine Lakes golf courses.

The above mix of elements offers a good variety for a public golf course facility, but also highlights some limitations that are still present at JIGC. In order for the Authority to provide the best possible facility to attract the level of patronage required to meet economic obligations, JIGC is going to have to address the drainage, irrigation, turf deficiencies on the golf courses and modernize (and expand) the clubhouse. The NGF team is mindful of limited resources available to address these issues, both in upfront capital cost and ongoing maintenance and operations. This reality is part of the consideration for any golf improvement program that may be undertaken at Jekyll Island GC.

Updated Golf Course Condition Report

In 2017, the NGF team completed a comprehensive review of the JIGC property and documented the general condition of the golf courses, and identified the inputs required (new investment, staffing, budget, equipment, etc.) to maintain the golf courses to high standards. We noted that the turf maintenance and setup of the golf courses is an important component in customer satisfaction, and supporting outstanding maintenance conditions was a key to future economic success. The broader observations by NGF in our 2017 report regarding the general condition of the three main golf courses that are still in need of attention in 2022 include:

- **Greens:** JIGC has a mix of greens turf, with the newest TifEagle on Pine Lakes and older Bermudas on the other two courses and Great Dunes. Well-built golf course greens typically have an expected lifespan of about 15-30 years, indicating that some of the older greens on Oleander and Indian Mound are past their useful life. Issues identified in 2017 include the increasing encroachment of invasive turf on the greens and the greens shrinking in size. Using Pine Lakes as a model, it is assumed that any new greens developed at JIGC as part of a golf improvement plan will be designed and constructed to modern (USGA) standards and premium turf.
- **Tees:** The NGF documented modest problems with teeing areas, but specifically noted several locations on the Oleander course that needed significant upgrade due to shading from extensive tree cover.
- **Bunkers:** The full 63-hole facility has a total of 170 bunkers, most of which are not in good condition and lack appeal for golfers who find the challenge to be “unfair” for the play of golf. Bunkers have the shortest life cycle of any feature on a golf course (5-7 years) and need to be improved and updated frequently. As such, bunker enhancement will be part of any proposed future golf improvement program at JIGC.
- **Fairways:** The fairways across 3.5 golf courses included a mix of turf types, but were not deemed by the NGF team to be a critical component for improvement. Golfers responding to the NGF survey in 2016-17 indicated general satisfaction with fairway conditions, but noted some improvement would be welcome. As some fairway replacement will be required in conjunction with other irrigation and drainage improvements, the NGF assumes that some level of fairway enhancement will be included in any future golf improvement plan.

- **Cart Paths:** Paths were in generally good condition with a few older spots showing cracks and bumps. Staff working to improve these conditions as part of ongoing maintenance seems to be effective for this facility. Some areas of cart paths may ultimately be replaced as part of a facility-wide golf improvement plan.
- **Trees:** JIGC has considerable tree cover on all three courses, and these trees are creating shade that can negatively impact turf condition, especially on greens. These areas are expected to be improved as part of a facility-wide golf upgrade plan.
- **Drainage:** The drainage at JIGC is highly varied depending on the course, and still a major issue in need of enhancement. It is expected that the core of any improvement program will address drainage issues on Oleander, and with improvement in Pine Lakes and Indian Mound as they become part of the improvement program over time. Some problem areas can be addressed with improving existing drainage features and improved swales and/or other fixes.
- **Irrigation:** The source for irrigation at JIGC remains the wells on property. NGF noted concerns about irrigation in 2017 and these still remain in 2022. As the expected useful life of a golf course irrigation system is 25 to 30 years, much of the JIGC irrigation program is beyond this threshold and replacement should be part of any future planning. Each course has its own pumping and irrigation system:
  - The two stations for **Indian Mound and Pine Lakes** appeared to be in good working order with no urgent issues observed or reported. Pine Lakes has the newer in-ground piping from the 2001 renovation, while Indian Mound is still using the original in-ground piping from 1975.
  - The **Oleander** Course pumps are more difficult to maintain and still have problems that should be addressed with investment and upgrades. The irrigation pipes on Oleander are breaking, impacting labor resources, which is problematic given the small maintenance staff.
  - The **Great Dunes** course has an antiquated system that appears to be falling apart and is very challenging to operate.

Other Issues – Conservation and Preservation

The NGF identified other issues related to the physical plant at JIGC in 2017 that will need to be part of planning in 2022. These include environmental concerns of the Oleander course, the possible historic preservation of Great Dunes and the Audubon status of JIGC.

Oleander Environmental Concerns

JIA staff continues to assert that the Oleander course is their most problematic golf course from an environmental standpoint. The course sits too low and creates its own freshwater wetlands. Other issues such as increasing tides and increasing pressure for natural preservation has increased concern about the Oleander course and its future. Any changes to this part of the JIGC property would have to consider these environmental concerns.

Great Dunes Course Preservation

The Great Dunes course is historic and the JIA is considering ways to preserve the course and possibly restore it to its original condition and setting. The NGF is respectful of ideas to change the course and/or incorporate into a new overall JIGC layout, and this desire for historic preservation will impact any decision regarding the proposed future of JIGC.

Audubon Society Status

All four courses at JIGC are part of the **Audubon Cooperative Sanctuary Program for Golf,** an education and certification program that helps golf courses protect the environment and preserve the natural heritage of golf. The NGF is assuming that any changes made to JIGC will retain this designation and respect the environmental ideals of the Audubon golf program.

Golf Facility Staffing and Budget

The NGF reviewed the staffing and budget for operating and maintaining the 63-hole facility in 2016, with an update in 2022. The total golf course maintenance expenditure was around $1.65 million in FY2021, an increase of 3.0% over the $1.6 spent in FY2016. The total operations budget was $2.48 million in FY2021, compared to $2.47 in FY2016 (0.4% increase). The total staff reported to NGF in 2016-7 and 2022 included a total of 17 golf maintenance staff and 44 golf operations staff, mixed between full-time and part-time employees (see table below). When compared to industry standards the NGF finds the JIGC to be well below expectations in both measures, with better quality public golf courses spending between $750,000 to $850,000 per 18 holes on maintenance with a staff of 8 to 12 employees per 18 holes. When adjusted for size, we see that **JIGC is spending around $475,000 per 18 holes on maintenance with 5.4 employees per 18 holes, both well below standard**.

Jekyll Island Golf Club
Golf Facility Staff

Golf Course Maintenance	Golf Course Operations
Director of Golf Course Maintenance (FT)	Director of Golf (FT)
Asst. Golf Superintendent (FT)	Head Golf Professional (FT)
Irrigation Specialists (2 positions FT)	Asst. Golf Professional (FT)
Spray Technicians (2 positions FT)	2nd Asst. Golf Professional (FT – now vacant)
Golf Course Mechanics (3 positions - FTH)	Counter, Cart, range and other support (40 – PT)
Equipment Operators (8 positions - FTH)	

Staffing Summary

The staffing for JIGC is well below NGF standards for the "typical" public golf course in the U.S., when evaluated on a per 18-hole basis. There are no industry standards that can be referenced to determine the appropriate staffing levels for a golf operation. The size of the staff needed for a particular golf operation depends on several factors, not the least of which is budget considerations and an ability to find qualified staff (problems in 2022). Personnel costs typically represent the largest single expense item in a golf operation, as is the case for JIGC. The NGF data on public golf operations in 2020 show averages for full-time staffing at 18-hole public golf courses nationwide (table below). This level of staffing represents a reduction from 2009 as a result of declining income and the need to reduce expense.

Jekyll Island Golf Club
Total Facility Identified Staffing – 2022

Facility	Operations Staff (FT / PT) *	Maintenance Staff (FT / PT)	Total Staff (FT / PT)
Jekyll Island GC (63H)	**3.0 / 40.0**	**6.0 / 11.0**	**9.0 / 51.0**
Industry "Standards" (per 18 holes) Total U.S. Average (per 18 Holes)	3.0 / 12.0	4.0 / 10.0	7.0 / 22.0

* The national standard for operations staff includes administration and F&B. The data for JIGC golf **does not include** F&B nor any allocation for administration.

Proposed Budget and Staffing

NGF data shows golf course maintenance budgets between $750,000 and $850,000 per 18 holes for better quality golf courses. It is important to realize that so many components can impact the final appearance of the course. Utilization of the facility, weather patterns, grass types, design characteristics, infrastructure limitations are all part of the variables affecting the maintenance costs. While the total number of holes to be included at JIGC after a new golf improvement plan is implemented is still undetermined, it is expected that JIGC will include at least 45 holes of golf (2 18-hole courses + a 9-hole course), or 54 holes (three 18-hole courses). The estimated cost to maintain JIGC at 45 or 54 holes should conform to the following schedule:

Jekyll Island Golf Club Projected Golf Maintenance Budget After Renovation		
Function	**Projected Expense on 45 Holes**	**Projected Expense on 54 Holes**
Labor/ Benefits	$775,000	$890,000
Materials	350,000	400,000
Power (equip, irrig, utilities, fuel, electricity, leases)	380,000	435,000
Other	45,000	55,000
Total JIGC Golf Maintenance Expense	**$1,550,000**	**$1,780,000**

Maintenance Equipment

It is assumed that the equipment used to maintain the golf courses at JIGC is newer and in good condition, having been acquired as part of an ongoing lease arrangement. The equipment is reported to be rarely breaking down and fleet maintenance is keeping everything in good working order. Some of the pieces are “mission critical” to a golf course operation, including greens mowers, tractors and carryalls and must be kept in good working order.

KEY OPERATIONAL ISSUES AND RECENT CHANGES

In the following section, the NGF provides a review of key operational issues for the JIGC that will need to be addressed in any future facility improvement plan, and a review of what changes have been enacted at the facility since the NGF report in 2017.

Basic Operations Review

The Jekyll Island Golf Club remains in direct operation by the Jekyll Island Authority, with the facility accounted for as a separate enterprise within the Authority structure and all staff as Authority employees. The only change from 2017 is that the Authority no longer operates the food and beverage service as a separate enterprise (formerly known as McCormick’s Grill) in favor of a new concession / lease agreement with Tribuzio’s Grille. This type of concession is common in public sector golf facilities, and appears to have helped improve the overall financial picture for JIA.

New Food and Beverage Contract (Tribuzio’s Grille)

The Jekyll Island Authority has chosen to lease the JIGC food and beverage operations through an agreement with Tribuzio’s Grille, LLC, which includes the dining area, bar, kitchen, office and outside patio and runs through February 2026. The key terms in this agreement are detailed in the contract, which includes defined responsibilities of JIA and Tribuzio’s with a base rent of $5,700 per month for the term of the lease, plus a “Cost of Living Adjustment” at each anniversary of at least 1.5% to a maximum increase of 10%.

Staffing

All staff at JIGC remains employed directly by JIA, with a total of 17 full-time positions and upwards of 50+ additional part-time positions, with some seasonal variation. The current senior positions are unchanged since the NGF report in 2017:

- **Director of Golf (DOG):** The DOG is responsible for the entire golf operation, including pro shop and all golf services. This position is compensated by a salary with benefits plus lesson commissions. The current DOG possesses a key industry designation of Class A-1 PGA certification.
- **Director of Golf Course Maintenance:** Maintenance for all four golf courses is overseen by the GCSAA Class-A Golf Superintendent. This position is also full-time with benefits.

The basic staffing for JIGC includes the positions reviewed in 2017 that were generally consistent with industry expectations. However, the NGF identified that the staffing for JIGC was smaller than is "typical" for public golf courses in the U.S., even when part-time employees were considered. Again, the JIA may find that while the current staffing is inadequate for a 63-hole golf facility, it may be appropriate for a 54-hole or 45-hole golf facility after a golf improvement program is implemented.

Technology and Systems

JIGC is now using the EZ-Links Point-of-Sale (POS) system that replaces the Resort-Suite system that was in use as of 2017. The current EZ-Links system is specifically designed for golf facilities, and includes all of the key features needed to properly manage this golf business, such as accepting on-line tee times and marketing (tracking customers / data mining). More comprehensive use of the efficient systems already in place with EZ-Links will help JIGC understand its business better with improved reporting and sales data, while also providing assistance in marketing and customer tracking:

- Loyalty program modules
- Customer database segmentation through enhanced reporting
- Direct email-to-the-consumer marketing and integration with social media
- Web site remodeling to become the central focus of the golf marketing
- Facilitate purchase of gift cards and/or memberships

Current Jekyll Island GC Green + Cart Fee Structure

JIGC offers a simple golf fee program, with a set rate for 18-holes, 9-holes and repeat plays. There are also discounts for juniors (age 15 and under) and there is a walking rate (w/o cart). As we presented earlier, JIGC fees are in the middle range for the market, with several key competitors showing a more aggressive approach in recent increases. The highest peak rate was $59 in 2017, increasing by $10 to $69 in 2022 (16.9%). Other fees have also increased by a greater rate, such as the peak rate for Great Dunes now $40 compared to $25 in 2017 (60% increase). The club has also added an early afternoon rate (between 12-2) at $50 that was not offered in 2017. The current $69 peak rate represents an increase of $24 over the $45 fee in 2011 for a premium round with cart.

Jekyll Island Green Fee & Cart Rates				
	18 Hole Courses (IM, PL & O		9 Hole Course Great Dunes	
	Green Fee	GF+1/2 cart	Green Fee	GF+1/2 cart
18 Holes	$45.00	$69.00	$20.00	$40.00
Juniors	$20.00	$30.00		
Replay 18H		$25.00		
Replay 9H		$13.00	$8.00	$12.00
Early afternoon 12-2pm		$50.00		
Twilight 2:00 p.m. +	$25.00	$45.00		
Driving Range Fees (per token)			$5.00	

Membership

JIGC offers an annual membership program that entitles holders to pre-paid green fees, unlimited cart rental, unlimited range balls, a Jekyll Island gate pass and 10% discounts in the pro shop. The membership sells for $215/month for a single and $300/month for a family (was $185/$260 in 2017). The club reports a total of 273 members at the end of FY2021, up substantially from 126 in FY2020 (117% increase). There were 92 members in 2014. The JIGC members are a very active group and comprise a significant proportion of rounds activity at JIGC (more later in this section).

This practice is common at municipal golf courses nationwide (NGF research shows 70% of municipal courses still make pre-paid green fee arrangements available). These memberships have been very popular with players as a means of providing inexpensive golf on an annual basis, and allowing frequent golfers an opportunity to lower their average cost per round while providing significant up-front revenue to the facility. However, as we see below, the program is providing significant discount for a large portion of the activity at JIGC:

Jekyll Island GC
Membership Analysis (2016-2021)

Memberships	2016	2017	2018	2019	2020	2021
Total Members	150	145	112	141	126	273
Member Rounds	19,395	25,368	21,449	16,322	19,214	18,460
Total Member Revenue	$259,491	$363,818	$395,155	$323,417	$466,566	$501,639
Avg. Rounds per Member	129.3	175.0	191.5	115.8	152.5	67.6
Revenue per Member Round	**$13.38**	**$14.34**	**$18.42**	**$19.81**	**$24.28**	**$27.17**
Non-Member Revenue per Round	$31.96	$43.04	$45.79	$38.12	$47.65	$45.61

Traditionally, annual fees for passholders account for about 31% of total rounds at JIGC, but only about 24% of total golf fee revenue. Records show 273 members in place in 2021, producing 18,460 rounds and $501,639 in revenue. This produces an estimated $27.17 green fee revenue per member round, compared to the non-member average golf revenue per round (green + cart fee) of $45.61. This represents a discount of about 53% for members compared to the 25% to 35% discount that is the NGF target for public courses operating with annual passes.

Summary and New Price Considerations

Jekyll Island GC is a strong performing public golf course located in a prime setting in Jekyll Island, GA. The facility has a basic mix of amenities and features that correlate well with economic success, but the overall golf course condition could be improved. In early 2022, the Jekyll Island Authority is preparing to undertake this improvement and provide a newer, more modern golf course offering quality that is closer to the best public golf courses in the southeast

Georgia market while retaining price affordability. Given this, and the prime location on Jekyll Island, the Authority will have opportunity to increase the golf playing fees at JIGC so as to better take advantage of improved conditions. The basic findings from NGF to support this position include:

- The overall physical condition of Jekyll Island GC could be improved to correct deficiencies related to irrigation, drainage and turf conditions. Improvement to these primary components would bring the JIGC property to a level that is consistent with a high-quality golf experience, thus allowing for higher golf playing fees.
- The improvements under consideration for JIGC include a plan to incorporate the historic seaside Great Dunes course into a new 18-hole golf layout. If undertaken, this proposed change will elevate the golf experience at JIGC in addition to addressing the ongoing maintenance condition. As a result, the new Oleander/Great Dunes 18-hole layout will be of a quality to command higher fees in this market area for this new course, and possibly all remaining courses at JIGC if enhanced as well.
- Jekyll Island GC has reached a new high in golf revenue in FY2021, exceeding $2.5 million for the first time in its history. The trend has continued in the first nine months of FY2022, with JIGC reaching $2.1 million through March and could reach $2.9 million for the year. This strong performance has been achieved despite total rounds being 8.2% lower than FY2014. This performance demonstrates that demand at higher price points is sustainable at this golf course, especially if golf playing conditions are improved as planned by the Authority. With enhanced conditions, JIGC can become a true market leader for this SE Georgia market.
- Previous efforts to increase fees at Jekyll Island GC have been mostly successful, with the club seeing rounds and revenue increases after rate increases in FY2017 and FY2021. The strong performance is an indicator of consumer acceptance of the previous fee increases and suggestive that future increases may be accepted by golf consumers in this market as well, especially if golf playing conditions are enhanced.
- The new equation of fewer rounds at a higher rate per round may have other benefits to Jekyll Island GC and the Authority. Fewer rounds will result in less 'wear-and-tear' on the golf course and help to sustain the improved golf playing conditions that should result from enhancements proposed by the Authority.

The NGF found that golf pricing at Jekyll Island GC was appropriate for a public golf course in the middle-range in this market given the product quality and conditions in 2017-2022. The peak season green + cart fee of $69 places JIGC near the top of the 2nd Tier of public courses in this market, and it is not likely that JIGC can move into the 1st Tier at $100+, even after enhancements. However, if the Jekyll Island GC is improved as considered, the peak in-season green + cart fee could move the highest level within the 2nd Tier, reaching as high as $89+/- for the highest daily golf fee and up to $4,200-$4,500 for the family golf membership ($350-$375/mo.).

JEKYLL ISLAND GC OPERATIONAL PERFORMANCE

NGF has updated the performance of the Jekyll Island GC from 2017, using data for the facility through the end of FY2021. This updated information is summarized in the paragraphs below with comparison to previous performance and golf industry "standards and norms" where appropriate. In summary, it appears that Jekyll Island GC is still performing with activity, revenue, and maintenance expenses that are lower than standard for the total U.S. The review covers rounds activity, memberships, revenues and operating expenses over the last few years.

Rounds

The tables below show total rounds by type for FY2016-21, and by course for FY2020-21. We note that over this timeframe the overall finding is one of decline, but with high variance from year-to-year. Our 2017 report noted that the JIGC had hosted as many as 125,000 rounds as recently as 2000, but had fallen to around 64,500 by 2016 and to 59,900 by 2019. In comparison, the total U.S. golf industry has experienced a 9.7% decline in municipal golf course rounds between 2005 and 2010, a flat period of no real change from 2010 to 2016, followed by slight 2.0% reduction from 2016-2019 and then rapid increase in 2020 and 2021. The total U.S. average rounds ("starts") per 18 holes was at 31,500 for all golf courses in 2019 (just before Covid), **showing that all three 18-hole courses at JIGC are well below the U.S. Standard**.

While total rounds by course was not collected prior to 2020 (except for Great Dunes), staff now has this information for the last two years, showing Pine Lakes is the most popular course at JIGC. The monthly data shows strong seasonality, with about 29.5% of all rounds played in the two months of March and April, and almost half of all play (48.4%) is played in the four months between February and May. Strong seasonal golf facilities like this tend to be more challenged economically due to rounds compaction and the limited time available to earn revenue. If something happens to limit demand in these periods (bad weather, economic downturn), the course will suffer more than if the demand was spread more evenly around the year.

Rounds by Type

The data shows that total rounds at JIGC had been on a long-term downward trend before the recent recovery. Total daily fee rounds have been decreasing, while member rounds have been increasing the last eight years. In 2014, members accounted for 42.8% of rounds and daily fee was 21.5%. By 2016, daily fee rounds were 37% and member rounds were 30%, reaching a peak mix in 2020 with only 25.7% daily fee and 39.1% member. Despite the increase in 2021, total JIGC rounds are still well below the rounds activity in 2014-2016 as documented by NGF.

Jekyll Island Golf Club
Total Rounds Played by Type (2016 – 2021)

	FY16	FY17	FY18	FY19	FY20	FY21
Daily Fee	24,305	19,464	18,980	24,845	12,636	22,181
Member	19,395	25,368	21,449	16,322	19,214	18,460
Tournament	7,189	8,087	6,013	6,395	4,891	6,317
Passports	4,716	3,675	2,803	1,861	1,925	1,880
Great Dunes	6,251	7,303	6,435	7,529	7,134	10,749
Comp	2,672	2,088	2,013	2,951	3,375	4,178
Total Rounds	**64,528**	**65,985**	**57,693**	**59,903**	**49,175**	**63,765**
Annual Change	-3.6%	2.3%	-12.6%	3.8%	-17.9%	29.7%
Total Change (2016-21)	**-8.2%**					

Source: Jekyll Island Authority

Rounds by Course

JIGC staff has been collecting rounds by course since 2020, clearly showing the dominance of Pine lakes and Indian Mound as the most active courses. It is not fully clear whether Oleander lags behind in activity due to lower popularity (the course is more difficult to play), or reduced capacity due to drainage concerns. It is likely a combination of both factors, and any golf improvement program at JIGC should consider this reality. A summary of rounds by course at JIGC since 2020:

Jekyll Island Golf Club Total Revenue by Category (2020 – 2021)				
Total by Course	**FY2020**	**FY2021**	**Avg. 20-21**	**% of total**
Pine Lakes	15,937	19,570	17,754	31.4%
Indian Mound	15,780	19,045	17,413	30.8%
Oleander	10,324	14,401	12,363	21.9%
Great Dunes	7,134	10,749	8,942	15.8%
Total JIGC	**49,175**	**63,765**	**56,470**	**100.0%**

Revenue

The table below show the total revenue derived from all sources at Jekyll Island GC. We note the change from the last NGF review in 2017 when McCormick's Grill was included in this analysis, and has now been replaced by a restaurant lease. Like rounds played, total revenue has seen a general decline with year-to-year variations, but the recent surge in 2021 is unmistakable. **Even with the strong 2021 performance, the JIGC revenue of $2.525 million on 3.5 golf courses ($721,400 per 18) is well below the industry standard of $1.2 million per 18 holes**, although we note that the $1.2 million "standard" figure includes gross food and beverage. In summary, on a per course basis, Jekyll Island GC is operating with revenues that are lower than the average for 'standard' courses (between $40 and $70 green + cart fee).

Jekyll Island Golf Club Total Revenue by Category (2016 – 2021)						
Revenue	**FY2016**	**FY2017**	**FY2018**	**FY2019**	**FY2020**	**FY2021**
Golf Memberships	$259,491	$363,818	$395,155	$323,417	$466,566	$501,639
Daily Greens Fees	482,654	685,276	624,175	733,654	546,447	836,144
Driving Range	25,214	27,780	31,847	41,064	30,185	42,410
Pull Cart Rental	22,460	22,436	20,239	18,722	16,279	21,893
Elect. Cart Rental	506,984	501,879	498,026	454,665	342,966	509,958
Pro Shop Sales	341,923	314,350	312,257	296,362	245,288	389,415
Golf Cards	197,897	192,465	144,675	111,735	84,195	104,355
Tournaments/Spec Events	167,504	156,851	150,444	73,521	37,540	39,311
Restaurant Lease	0	0	0	0	0	28,807
Lessons	15,693	20,965	33,073	35,645	29,770	41,257
Other	24,070	46,628	18,814	8,080	7,587	10,035
Total Revenue	**$2,043,890**	**$2,332,448**	**$2,228,705**	**$2,096,865**	**$1,806,823**	**$2,525,224**
Annual Change		14.1%	-4.4%	-5.9%	-13.8%	39.8%
Total Change 2016-2021	23.5%					
Source: Jekyll Island Authority						

Average Revenue Analysis

The total facility-wide average revenue per round of golf reached $39.15 in FY2021 (***excluding*** F&B), higher than the overall golf industry average of $34.06 per round. The 2021 figure represents an increase of $14.90 over 2014 (61% increase). As total revenue per round at JIGC is above the standard, average ***golf*** revenue per round had been below expectations prior to 2021, showing the importance of F&B and merchandise revenue to this golf operation. Of particular note is the large increase in lesson revenue, which has gone from around $15,700 in 2016 to over $41,200 in 2021.

JIGC earned $31.23 on golf fees and memberships in 2021, up $2.90 since 2019 (10% increase), and up $6.21 since 2016 (25% increase). The NGF average for 'standard' public golf courses in the U.S. was $38.71 for total revenue per round, with 29.81 from golf playing fees and an additional $4.65 for F&B, $2.71 for merchandise and $1.54 for other (range, instruction, etc.) for a total of $38.71 per round. In general, the JIGC is hosting a lower total volume of rounds per 18-holes than the standard, but earning a higher level of per-round income compared to the total U.S. standard:

Jekyll Island Golf Club Total Average Revenue per Round Comparison (2014, 2016, 2019, 2021)					
Year	**FY2014**	**FY2016**	**FY2019**	**FY2021**	**Generally Accepted U.S. Average**
Rounds	**69,482**	**64,528**	**59,903**	**63,765**	**31,500 (per 18-H)**
Golf & Rental Fees*	$19.34	$25.02	$28.33	$31.23	**$29.81**
Golf Shop Merchandise	$4.26	$5.30	$4.95	$6.11	**$2.71**
*Food & Beverage***	*$7.94*	*$8.73*	*$9.00*	*$9.00*	**$4.65**
Driving Range	$0.36	$0.39	$0.69	$0.67	**$1.50**
Other***	$0.29	$0.96	$1.04	$1.15	**$0.04**
Total	**$32.19**	**$40.40**	**$44.00**	**$48.15**	**$38.71**
*Golf fees includes all memberships, daily green fees, carts, cards and tournaments. **provided by selected vendor in 2014-2016, NGF estimate for 2019 + 2021. ***includes various rentals, lessons and other income.					

FY2022 Revenue

The operational performance in the first nine months of fiscal year 2022 shows Jekyll Island GC well ahead of the same period in 2021 and 2020. The club has earned $2,098,228 in total revenue through the end of March 2022, compared to only $1,657,000 over the first nine months of FY2021 (27% increase). Given this performance, the JIGC facility is on pace to reach $2,966,000+ if the last three months of FY2022 match the last three months of FY2021. A comparison of revenue through March for each of the last three years is shown in the table below:

Jekyll Island Golf Club 3rd Quarter Comparison (FY2020 – FY2022)			
Revenue	**FY2020**	**FY2021**	**FY2022**
First 9 Months	$1,457,435	$1,657,166	$2,098,228
Last Quarter (Apr-Jun)	$349,388	$868,058	TBD
Annual Total	**$1,806,823**	**$2,525,224**	***$2,966,286****
*NGF estimated total with FY2021 final quarter performance			

On-Site Operating Expenses

The table below shows the total on-site operating expenses by category since 2016. The table does not include any direct cost of goods sold (not an operating expense). These on-site operating expenses have remained relatively stable, with total growth from 2016 to 2021 at 4.8% compared to the 9.1% growth observed by NGF for 2013-2016. A key area of increase has come in total golf maintenance, where JIGC is now leasing golf maintenance equipment at twice the rate that was observed in 2016. Still, the overall expense to operate Jekyll Island GC is lower than expense averages for standard public golf courses in the nation of $1.2 million per 18 holes (including F&B). **By comparison, JIGC is spending approximately $750,000 per 18 holes, about 62.5% of the standard**.

Jekyll Island Golf Club Total Expenses by Category (2016 – 2021)						
	FY2016	**FY2017**	**FY2018**	**FY2019**	**FY2020**	**FY2021**
Golf Course Maintenance						
Total Personnel	$801,883	$832,448	$886,498	$889,243	$849,698	$817,486
Supplies & materials	448,561	471,901	461,871	499,085	401,429	405,701
Repairs & Maintenance	155,319	90,317	66,840	75,667	53,082	119,167
Utilities	43,239	48,818	37,038	36,594	43,737	39,331
Motor Vehicle	29,080	31,778	30,967	43,319	33,702	29,467
Insurance	37,779	36,260	32,675	41,616	37,194	36,767
Equip Rental	39,941	77,117	134,182	196,683	199,460	198,727
Other	46,700	15,901	24,879	12,912	29,664	6,973
Total GC Maintenance	**$1,602,502**	**$1,604,540**	**$1,674,950**	**$1,795,119**	**$1,647,966**	**$1,653,619**
Operating Expenses						
Total Personnel	$390,255	$410,300	$370,333	$449,238	$403,760	$445,317
Supplies & materials	66,850	66,160	68,641	50,386	42,982	31,489
Repairs & Maintenance	16,766	10,592	10,014	16,066	14,704	31,042
Utilities	65,485	69,626	66,963	60,614	59,991	57,897
Insurance	33,898	20,174	23,325	23,598	24,337	24,424
Advertising & Promotion	47,371	12,446	9,010	3,352	667	15,400
Equipment Rental	162,532	171,553	247,371	178,175	235,355	270,888
Other	86,845	73,125	57,077	69,816	48,952	60,743
Total Operating	**$870,002**	**$833,976**	**$852,734**	**$851,245**	**$830,748**	**$937,200**
Total JIGC Expenses	**$2,472,504**	**$2,438,516**	**$2,527,684**	**$2,646,364**	**$2,478,714**	**$2,590,819**
Annual Change		-1.4%	3.7%	4.7%	-6.3%	4.5%
Total Change 2016-2021	**4.8%**					
Source: Jekyll Island Authority						

Expense by Function

Direct expenses by function are shown below for 2016 and 2021 (excluding direct cost of sales). The figures show the stability of this operation, with around 64% of total expenses dedicated to golf course maintenance, which is within the range of industry standards. However, the $1.65 million in golf maintenance equates to around $500,000+/- per 18 holes for golf course for maintenance, which is well below the industry standard of between $750,000 and $850,000 per 18 holes for maintenance on a high-quality regulation 18-hole golf course.

Jekyll Island Golf Club Total Expenses by Function (2016 / 2021)				
Function	**2016**	**Pct. Of Total**	**2021**	**Pct. Of Total**
Golf Maintenance	$1,602,502	64.8%	$1,653,619	63.8%
Golf Operations	870,002	35.2%	937,200	36.2%
Total Expenses	**$2,472,504**	**100.0%**	**$2,590,819**	**100.0%**

Personnel Expense

Direct expenses for personnel are the largest for golf facility operations, as is the case with Jekyll Island GC for both 2016 and 2021. The standard threshold for the ratio of personnel expenses to total expenses is between 50% and 60%, excluding cost of sales and inter-departmental charges. For comparison, Jekyll Island GC personnel expenses remain at the lower range of this standard (as was the case in 2016), but as NGF has previously noted, the facility appears to be under-staffed, especially in golf maintenance.

Jekyll Island Golf Club
Labor Expense Proportion (2016 / 2021)

Function	2016	Pct. Of Total	2021	Pct. Of Total
Total Payroll Expense	$1,192,138	64.8%	$1,262,803	63.8%
Golf Operations Expense	1,280,366	35.2%	1,328,016	36.2%
Total Expenses	**$2,472,504**	**100.0%**	**$2,590,819**	**100.0%**
Payroll %	48.2%		48.7%	

Combined Facility Summary and Discussion

The table on the following page shows the full summary of the JIGC golf operation from 2016 through 2021. A summary of NGF findings related to the revenue and expense performance of the Jekyll Island Golf Club follows below.

Overall Performance

The overall review of JIGC shows total revenue in 2021 of around $2.59 million, which represents a 23.5% increase over 2016. The total on-site JIA operating expenses total $2.83 million (including cost of sales), for a net operating loss of ($302,878) before depreciation or capital improvements. Although this loss is significant, we note significant reduction in the loss from over ($632,000) in 2016 and ($775,000) in 2014. While losses on operations are common in municipal golf nationwide, the depth of this loss is not common and speaks to the importance of a new plan for JIGC going forward. Further, the losses are on operations only. The figures reviewed do not include other key items in a golf operation such as reserve for replacement, depreciation or direct JIA expenses in administering the golf operation. **In all, we observe that the Jekyll Island GC remains dependent on JIA budget support to meet all fiscal obligations.**

A big part of the economic challenge at JIGC is the condition of the golf courses, the drainage profile of the Oleander course, and the Authority's continued need to attract higher-paying golf customers due to continued maintenance deferrals. It is clear that the long-term economic health of this unique island golf facility lies in expanding the market for the golf courses through facility enhancement and expansion of amenities to widen the overall appeal. The NGF continues to see revenue increases as the best opportunity to improve economic performance, as total expenses on the operation are probably as low as they can be without jeopardizing the integrity of the golf courses and clubhouse.

Performance Summary

Jekyll Island Golf Club Summary of Revenue and Expense (2016 – 2021)						
	FY2016	**FY2017**	**FY2018**	**FY2019**	**FY2020**	**FY2021**
Revenue						
Total Golf Facility Revenue	$2,043,890	$2,332,448	$2,228,705	$2,096,865	$1,806,823	$2,525,224
Less:						
Cost of Merchandise Sold	$203,388	$195,168	$180,459	$179,813	$137,490	$237,283
Gross Margin	**$1,840,502**	**$2,137,280**	**$2,048,246**	**$1,917,052**	**$1,669,333**	**$2,287,941**
Operating Expenses						
Total Labor Expense	$1,192,138	$1,242,748	$1,256,831	$1,338,481	$1,253,458	$1,262,803
Total Operations Expense	$1,280,366	$1,195,768	$1,270,853	$1,307,883	$1,225,256	$1,328,016
Total JIGC Expenses	**$2,472,504**	**$2,438,516**	**$2,527,684**	**$2,646,364**	**$2,478,714**	**$2,590,819**
Net Operating Income (Loss)	**($632,002)**	**($301,236)**	**($479,438)**	**($729,312)**	**($809,381)**	**($302,878)**
Source: Jekyll Island Authority						

SUMMARY AND FUTURE CONSIDERATIONS

In our 2022 review, the NGF has found that Jekyll Island GC retains almost all of its basic characteristics and operational structure as it had at the time of NGF's last report in 2017. Although the Authority did engage a golf architectural firm to complete a golf improvement master plan shortly after NGF report delivery, this plan was not acted upon as of early 2022. We note that this is not a result of any operational inefficiency or neglect on the part of the Authority, but rather is a result of other activities taking priority, most importantly the Island-wide master plan.

Still, it is clear to NGF in 2022 that this golf property is in need of enhancement to address aging infrastructure and modernize support facilities. We see the need to address these issues as an opportunity to also raise the product quality through upgrade of features (greens, tees, fairways, paths, buildings, etc.) as an ancillary component of addressing infrastructure. Improvement to these primary components could bring the JIGC property to a level that is consistent with a resort-quality golf experience, thus allowing for general improvement in facility economics. Other basic findings from NGF on JIGC in 2022 include:

- NGF has observed that the Jekyll Island Authority is committed to conservation and preservation in all Island sites, included the Jekyll Island GC. The NGF shares this vision and notes that any future golf improvement program is expected to respect the environmental concerns and historic preservation expectations of the Authority.
- **Going forward, it is expected that the JIA will commit the appropriate resources (labor and materials) to provide for appropriate facility maintenance in all aspects of the JIGC operation**. The NGF review showed the resources devoted to golf course maintenance were not sufficient to properly maintain a 63-hole facility, and that this insufficiency was related to strained economics of the system. As such, the Authority may find that maintaining a full complement of 3.5 golf courses (63 holes) is not economically sustainable, and that some smaller golf footprint, perhaps as few as 2.5 courses (45 holes), may be a better fit for the maintenance resources available at JIGC for the foreseeable future.

- The only major change in the golf facility operation since the NGF report in 2017 is the change in food and beverage (F&B) service that is now provided by an independent third-party via concession contract. The physical changes that may be undertaken at JIGC could materially change the F&B service profile, potentially to the benefit of this third-party provider if certain new elements are included (new lodge with restaurant and improved tournament support). In the interim, the Authority may need to undertake changes in order to protect this vendor during construction periods when all facets of the F&B operation may not be fully functional.
- The fees charged for golf at JIGC are appropriate for this facility given its overall offering, property condition and place in the market. This market area has two defined "tiers" of pricing, with JIGC near the higher end of the 2nd (lower priced) tier. If the property is enhanced as proposed, JIGC should be able to establish itself as the clear market leader in the 2nd tier, thus allowing for some substantial price increases in both daily green and membership fees.
- The membership at JIGC has increased dramatically at JIGC in just the last 12-18 months. This is a result of the strong value proposition in JIGC membership, and the recent increases in member pricing at other competing golf facilities in the market area. NGF has observed that the resulting per-round **discount may be too generous to members**, especially when considering the inclusion of the unlimited cart use plan.
- Jekyll Island GC has reached a new high in golf revenue in 2021, and even higher in FY2022, exceeding $2.5 million for the first time in its history. Despite this strong performance, the club is still operating at an overall economic loss, although this loss is greatly reduced since the last NGF review in 2017. The recent growth in revenue demonstrates that demand at higher price points is sustainable at this golf course, especially if playing conditions are improved as planned by the Authority. With enhanced conditions, JIGC can become a true market leader for this SE Georgia market.

Golf Improvement Plan - NGF Recommendations and Implementation

NGF has updated our review of the Jekyll Island GC, reiterating key recommendations first made to the Jekyll Island Authority in 2017 and noting much of the impetus behind those recommendations remain at JIGC. The delivery of NGF's report in 2017 did lead the Authority to retain the services of a golf course architect, Vincent Golf Design, to complete a preliminary golf facility improvement plan that was completed and delivered to JIA in 2020. In the interim, the JIA was forced to set aside the golf improvement planning as the Authority focused on the completion of a full Island-wide master plan that was completed in late 2021. With this Island plan now complete, the Authority is ready to turn its attention back to the golf improvement plan and begin the process to enhance the golf facility on Jekyll Island. As part of our updated review, the NGF team will offer insights and recommendations for the best possible implementation of improving this important Island asset.

In summary, the NGF has come to the following basic conclusions about the Jekyll Island GC in 2022, based on our review of the property in 2017 and again in 2022:

1. The **Jekyll Island GC needs to be enhanced and modernized**. Several key "mission critical" aspects of the facility infrastructure are well past the expected useful life and that failure to address these needed improvements could jeopardize the long-term sustainability of all aspects of the JIGC.
2. A **full complement of 63 holes is likely not ideal** for JIGC. The balance between supply and demand is not favorable to the Authority and continued support from the 2+ million tourists who come to the Island each year is critical to generating the revenue needed to cover all operating expenses. We also note that the $1.65 million golf maintenance budget is better suited for a 36-hole facility than a 63-hole facility.
3. The Oleander course remains the most challenging aspect of the JIGC golf program, and addressing the key infrastructure (irrigation, drainage, turf, etc.) on this course remains a high priority for the future of JIGC. The Authority and golf customers may have to accept that **retaining all 18 holes of the current Oleander golf course is likely not sustainable** for this property going forward.
4. The Great Dunes golf course has impressive and highly marketable seaside features, and is clearly a historic treasure. The NGF understands that **any plan to enhance golf at JIGC will include the Great Dunes course**, either as a stand-alone course or incorporated into a new golf layout.
5. The **buildings that support the JIGC golf operation need enhancement** to provide the size and modernization to match the golf course improvement and the ongoing enhancement of Jekyll Island. Any property improvement plan should address the golf clubhouse, cart storage and maintenance facilities, as well as the addition of some form of golf lodge component.
6. Any **plan to improve the Jekyll Island GC will have to be completed in phases**, with strategic pauses in between each major project to re-evaluate the soundness of the plan, the size of the facility and support for all components.
7. Some **changes in operation are needed** to maximize the potential of this property, including appropriate staff, adequate maintenance and improved marketing.

GOLF IMPROVEMENT PLAN STRUCTURE

In 2017, the NGF team identified deficiencies in the physical condition and amenities offered at Jekyll Island GC. This included identification of both on-going deficiencies and deferred capital expenditures. We noted the importance of improving facilities as a way to help improve the economic condition of the golf club. We also note that some of the recommendations are interdependent with each other and thus should be coordinated as part of a master plan (i.e., repair one course at a time or complete the whole facility at once).

The NGF has also considered more substantial changes to the Jekyll Island GC property in consideration of key findings noted above, most importantly the reality that 63 holes of golf is not market supportable for the long term at this location. In organizing our recommendations for the physical enhancements at JIGC, the NGF team has: (1) reviewed the full 2017 NGF report and all options addressed for site improvement; (2) reviewed the "Jekyll Island Authority Golf Master Plan" led by Vincent Golf Design; and (3) met with senior JIA officials and on-site senior golf staff to review alternatives for implementation of a new plan of improvements for the golf course. The summary of the NGF recommendation is detailed below:

NGF Physical Improvement Recommendations – Base Components

The improvements identified by NGF for Jekyll Island GC were divided into five primary phases of key projects, each focused on a specific amenity (or group of amenities). It is recommended by NGF that the upgrade of JIGC be completed in phases, **with a strategic pause after each phase**, to allow for re-evaluation of the ideal property configuration in light of actual facility use during each phase as construction is ongoing. As a result, there may not be a full working "master site plan" for all enhancements, as the golf improvement program at JIGC will become a "work in progress," subject to change as the market and site environment changes over time. The main sequence of projects recommended by NGF includes:

1. **Pine Lakes Enhancement** – This phase will be undertaken to enhance key features and update irrigation on the Pine Lakes GC. This project will be ongoing while the Pine Lakes course is open and operating, subject to occasional 5- to 7-day closures during the course of a year.
2. **Oleander / Great Dunes Combination and Enhancement** – The second phase will focus on the Oleander and Great Dunes courses, and involves taking nine holes of Oleander and merging with nine holes of Great Dunes to create one unique 18-hole championship golf course. The key implications of this plan:
    a. Great Dunes will remain, but not be a specific unique 9-hole course.
    b. Oleander will be reduced by nine holes that will be eliminated and replaced by a new larger driving range and some conservation areas and drainage support.
    c. This phase will need to address a cart storage solution.
    d. While the new Great Dunes/Oleander course is under enhancement, only Pine Lakes and Indian Mound will be open at JIGC for one full year (36 holes).
3. **Structures Upgrade** – This phase will address changes to structures that support the golf facility operation – most notably clubhouse and maintenance facility. It may also involve a new cart storage plan if this is not addressed permanently in Phase 2. A new lodge is proposed for the current driving range site, and if developed, the existing clubhouse would support a pro shop, casual snack bar and enhanced storage. The new lodge would have more formal dining and a snack bar, plus additional space for large banquets. A new maintenance yard at a yet-to-be-determined location could be facilitated in this phase.

4. **New Indian Mound Program** – After pause and re-evaluation of the JIGC, this phase will be a key decision point for JIA for the ultimate mix of golf at JIGC. The actions taken in Phase 4 on the Indian Mound site will be contingent on actual performance of how JIGC can function on 36 holes during Phase 2. It is expected that Indian Mound could be modified in one of two ways: (1) full 18-hole enhancement so JIGC would have 3 courses / 54-holes; or (2) turning Indian Mound into some kind of "short" course (likely 9 holes) bringing JIGC to 45 total holes of golf. Phase 4 will ultimately determine if JIGC ends up as a 45-hole or 54-hole golf facility. While Indian Mound is under improvement, only the new Great Dunes/ Oleander and Pine Lakes courses will be open at JIGC for 8 months (36 holes).

5. **Comprehensive Pine Lakes Enhancement/Renovation** – This phase will be likely be at least 5+ years in the future, and include a more comprehensive upgrade to irrigation and golf features (greens, tees, fairways, shaping, etc.) on the Pine Lakes GC. Depending on decisions made in Phase 4, JIGC may have one championship 18-hole course (Great Dunes/Oleander) open while Pine Lakes is improved, plus the new golf on Indian Mound, but for only 3-4 months.

Key Implications of NGF-Recommended Golf Improvement Plan

In reviewing the above staging of improvements at JIGC, the NGF notes specific implications on the physical plant and operation of JIGC during each phase. Some of these items will require new investment in facilities (permanent and/or temporary), while some may require adjustment in operating procedures. A summary of key implications for each phase follows below:

Phase 1 – Pine Lakes Enhancement

The Pine Lakes course will remain open and operating, but be improved with:

- Continual irrigation fixes and upgrades to an existing system.
- Modified tree program to promote the health of trees through extensive trimming, thinning dying and dead trees.
- Continuous cart path improvements
- Ongoing drainage improvements
- Ongoing turf and green enhancements.

Phase 2 – Oleander / Great Dunes Enhancement

The key implications of enacting Phase 1 improvement program:

- **Cart Storage** – JIGC will have to address a cart storage solution early in the process, as the current cart storage facility is located on the Oleander course. The Authority will have to either: (1) retain the existing cart storage facility and build new elements around it (with possible future adjustment); (2) construct a temporary cart storage facility elsewhere on property and demolish the current facility for re-purpose in the new Oleander design; or (3) build a permanent new cart storage facility elsewhere on property. Regardless of the path chosen, the JIA should assume that this is a key logistical challenge and will add to the total project cost of renovation.
- **36-Hole Operation** – The JIGC must be able to operate effectively on Pine Lakes and Indian Mound as the only golf courses in JIGC for at least one full year. These two 18-hole courses will have to accommodate all member and non-member activity, as well as large events like the Paulk Cup tournament. This will help the Authority understand how / if the JIGC can operate with fewer holes and help future decisions in Phase 3-4.

- **New Practice Facility** – The JIGC will get a new practice facility with a larger driving range, new chipping area, putting course and golf instruction area. This change presents opportunity for new revenue generation at JIGC and expansion of the growing golf lesson program. The size of the new practice elements will be partially dependent on the adopted cart storage solution, as retention of the existing facility could delay a full development of the new driving range.
- **Conservation Areas** – Changes made in Phase 1 will expand conservation areas and allow for several possibilities such as: expanded forest areas, new wildlife corridor(s), restoration of freshwater wetlands; salt marsh areas, new buffers for wading birds, managed grasslands and new environmental recreation areas.
- **Retain Great Dunes Course** - The Great Dunes golf course will undergo changes in this Phase, as it will merge with parts of Oleander to form a new 18-hole course with key seaside elements that were formerly Great Dunes. Great Dunes will remain, but not be a specific unique 9-hole course. This will eliminate the connection to a separate clubhouse and parking area for Great Dunes, although the building and parking can remain to support other rental and mini golf elements at that location.

Phase 3 – Structures Enhancement

After a pause for an assessment of property elements and determination of appropriate needs, the second phase of the golf improvement plan will plan for the future of several structures on property (both existing and proposed new). After Phase 1 is completed and the new Great Dunes/Oleander course and new practice area is opened, the Authority can review the needs for the modified JIGC with respect to:

- **Existing Golf Clubhouse** – The existing golf clubhouse includes a pro shop, restaurant, restrooms, outdoor patio area and upstairs banquet room. The NGF has documented the limited size, outdated décor, inefficient restrooms and lack of storage. This space could be: (1) modified to better accommodate the JIGC golf program; or (2) replaced entirely with a new structure. The NGF recommends the golf support building include the pro shop, restrooms/locker rooms, expanded storage and some form of casual snack bar / light grille (via concession).
- **Golf Lodge** – A new golf lodge was proposed for the site currently occupied by the driving range. This new lodge would include a modest lodging component (50-60 keys) and a more expansive restaurant and banquet component. If the new F&B service profile in the new lodge is to be higher quality, than the retention of a casual snack bar in the golf clubhouse becomes a key component for success at JIGC.
- **Golf Maintenance Facilities** – Will be improved and expanded as needed by maintenance staff to better accommodate chemical storage, equipment storage and enhanced spaces for employees.
- **On-Course Facilities** – It is expected that enhancements in Phase 2 will include improvements to all on-course restroom facilities, rain shelters and the starter shack that supports the Pine lakes and Indian Mound courses.

Phase 4 – New Indian Mound Program

After completion of Phase 2, the Authority can pause to review the overall mix of golf holes and establish the need for an additional regulation 18-hole golf course, or adopt a program of adding a new 9-hole or other type of "short" course on the Indian Mound property. Regardless of how this program is completed, JIGC will again have to operate effectively on only 36 holes during construction to accommodate all member and non-member activity, and large events. Ultimately, this will lead to two options for renovation of Indian Mound:

Option A

- Modify Indian Mound into a 9-hole golf course (possibly executive length) with 1st and 9th close to the clubhouse to facilitate 9-hole play.
- Utilize some areas that are no longer part of the golf course as new practice areas.
- Add new conservation areas to the property, similar to in Phase 1 of the Oleander.
- Provides area for wide variety of golfers to enjoy the game on an abbreviated course, with less time commitment and a more casual golf setting that is also more suitable for beginners.
- The resulting layout would be a JIGC that would have 45 total golf holes.

Option B

- Complete a full renovation of all 18 holes on Indian Mound with a new modern irrigation system (new pumps and storage ponds), along with re-designs on all 18 holes and features (greens, tees, fairways, hole shaping, etc.).
- This will include a program of tree trimming, thinning dying and dead trees and a new cart path system.
- The resulting layout would be a JIGC that would have three full championship 18-hole courses - 54 total golf holes.

Phase 5 – Comprehensive Pine Lakes Enhancement/Renovation

A more comprehensive improvement and renovation to the Pine Lakes will be the last phase of the JIGC plan, likely to occur after 2027. This program will include both improvements to infrastructure and subtle changes to golf course design, including:

- Additional irrigation system modernization with new pumps and storage ponds.
- Subtle re-designs on all 18 holes with adjustments to features (greens, tees, fairways, hole shaping, etc.).
- Modified tree program to promote the health of trees through extensive trimming, thinning dying and dead trees.
- New cart path system.
- The JIGC will again have to operate effectively on Indian Mound and Oleander/Great Dunes as the only golf courses in JIGC for a partial year (at least 6-8 months). These two 18-hole courses will have to accommodate all member and non-member activity, and large events.

Summary of Phases (FY2023 - 2028)

A summary of the above-noted program is shown in the tables below. The timing is presented for preliminary planning purposes and subject to change pending the results of a strategic review of the program after each phase is completed (strategic pauses). The NGF again stresses the importance of strategic pauses after each project to re-assess the plan and use at JIGC. Following this phasing and timing summary, NGF will present the financial model to show the implications of this sequencing on activity and economic performance for full JIGC golf system operation.

Jekyll Island GC Projected Timeline of Improvements						
Schedule of Action Step Phases	**Year 1**	**Year 2**	**Year 3**	**Year 4**	**Year 5**	**Year 6**
Phase 1: Ongoing Pine Lakes Repairs (PL open); Oleander/GD design plan						
Phase 2: Oleander/Great Dunes Program, new range, cart storage						
Phase 3: Structures program; evaluate capacities (strategic pause)						
Phase 4: Indian Mound Program:						
Option A – Renovate Indian Mound as a new 18-hole course						
OR						
Option B – Renovate Indian Mound as a 9-hole "short" course						
Phase 5: Full Pine Lakes Renovation						

Jekyll Island GC Schedule of Physical Improvements						
	Year 1	**Year 2**	**Year 3**	**Year 4**	**Year 5**	**Year 6**
Projects	Ongoing PL fixes (wile PL open)	Renovate O/GD, evaluate capacities	Structures Project	Strategic pause to re-evaluate	IM Full renovation	PL Full renovation
Facility Status	O, PL, IM, GD, CH open as-is	O/GD closed for renovation. PL, IM, CH open as-is	O/GD, PL, IM open; CH - TBD	O/GD, PL, IM open; CH - TBD	O/GD, PL, open; CH - TBD	O/GD open; IM-TBD*; CH - TBD
*Indian Mound to be 18 or 9 holes to be determined. Key: CH = clubhouse; O = Oleander; IM = Indian Mound; PL = Pine Lakes; GD = Great Dunes						

Projected Cost

The total cost to complete the above-detailed golf improvement plan is undetermined as of March 2022. As the plan is proposed to be completed in phases, much of the cost will come in years that are after 2025-2027, making estimates of the total capital cost difficult to estimate. In 2017, the NGF estimated $13.6 million to complete basic repairs and improvements to the golf courses, clubhouse and maintenance facility, although this estimate did not include extensive renovation. The Vincent Design group estimated $21.7 million to complete all phases of a golf improvement plan in 2019, and recent trends in inflation and supplies would suggest that $21.7 million estimate is closer to reality. When estimating a golf improvement plan that is to be completed over five phases extending at least six years, it may be best to look at only the first two phases when estimating the capital cost. The estimates for Phase 1 and 2 of the golf improvement plan are noted below:

Jekyll Island Golf Club Preliminary Capital Cost Estimate – Phase 1-2	
Estimated Project Cost*	**Cost Estimate**
Phase I: Ongoing Pine Lakes Repairs (PL open)	$800,000*
Phase II: Oleander/Great Dunes Program w/new Practice Facility	7,889,000*
Total of Phase 1 & 2	**$8,689,000***
*Cost estimate provided by the *Jekyll Island Authority Golf Master Plan* - Vincent Group 2019, and are based on the architect's input and other similar projects completed in the last 3 years. These amounts may or may not reflect actual costs for Jekyll Island GC, and the JIA should engage appropriate research to cost out specific projects.	

OTHER RECOMMENDATIONS – 2022 UPDATE

The NGF 2017 report detailed several recommendations regarding basic operations at Jekyll Island GC, many of which have since been incorporated by JIA. Going forward, the two most important operational considerations for JIGC will be to enhance the marketing of JIGC and establish an appropriate pricing schedule.

Marketing Recommendations

Few things can positively affect performance more than marketing. A marketing emphasis is critical to creating awareness, correcting misperceptions and increasing daily fee and tournament play. Strategies may include advertising to create a brand image around Jekyll Island, maintain awareness and develop a public relations campaign to tout the high quality of this facility, especially after each new enhancement project.

The NGF finds the JIA is appropriately marketing the golf club in 2022 given the ongoing planning for enhancement and previous NGF recommendations that promotional activities be postponed until after some of the physical enhancements are underway. **It would be a mistake to aggressively market and promote the JIGC under its current conditions.**

Efforts to enhance golf activity at Jekyll Island GC after improvements should include both advertising and branding, as well as direct selling. While some of these activities are ongoing at the time of the NGF review, it is clear that these efforts, particularly web and e-mail, could be enhanced in the coming years of operations, especially if proposed facility enhancements occur. The NGF recommendations for marketing Jekyll Island GC involve: (1) better employment of technology; (2) expanding the "face-to-face" marketing to potential target groups, convention planners and travel groups; and (3) other more simplified recommendations.

Recommendations to Better Employ Technology

Technology is one of the most important tools available to a golf course management team to create incremental revenue, and proper deployment of technology is critical in golf operations in 2017 and beyond. Technology defines and guides the marketing strategy to build a larger customer database, create customer loyalty and boost revenue. The JIGC golf operation would benefit from:

- Maximizing the POS technology that is in use at the facility, allowing better access to online tee times, use of customer tracking modules, allow for direct purchases online (gift cards, memberships, passports, etc.), and create a new smartphone app for the JIGC.
- Augment to email database and communicate regularly with customers.
- Improve the website with new features, pictures and ease of use as recommended in the NGF 2017 report.
- Generate a presence for JIGC on social media and *YouTube*.

Direct Selling

Jekyll Island Authority has a marketing staff in place to market the Island, as well as the Jekyll Island GC. In addition to the "digital" marketing to be undertaken by this position, NGF recommends that after renovations are completed, JIA and JIGC staff complete other activities related to selling the golf course directly, especially in the outing, tournament, convention and non-golf banquets and parties.

Other Marketing Recommendations

The overall JIA golf marketing strategy should include (some items already in place) areas of focus such as print media (magazine ads, brochures, etc.), extended public relations efforts, better signage and planning for elaborate "grand re-opening" when amenities are improved or added to the facility as part of the golf improvement plan. It is not recommended that the Authority attempt to aggressively market the JIGC before renovations are undertaken.

Fee Recommendations

Playing fees at JIGC are currently appropriate given the quality of the JIGC facility and the trends in the market, but the Authority will have an opportunity to increase golf playing fees at JIGC if and when golf course conditions are improved. The NGF recommends the following few items to consider for future fees, both in the near term (2022) and for the future after renovations:

- If developed as proposed, the new Oleander/Great Dunes combo course will be of a quality to command higher fees in this market area, possibly allowing for internal green fee segmentation at JIGC courses.
- Introducing higher golf playing fees at Jekyll Island GC after completion of property enhancements may have other benefits to JIGC as fewer rounds will result in less 'wear-and-tear' on the golf course and help to sustain the improved golf playing conditions.
- If JIGC is improved as proposed, the peak in-season green + cart fee could move to the highest level within the 2nd Tier, reaching as high as $89+/- for the highest daily golf + cart fee and up to $4,200-$4,500 for the family golf membership ($350-$375/mo.).

Financial Analysis of Expected Jekyll Island Golf Club Performance

As part of this NGF study effort, the consultants have prepared an economic evaluation to show the potential economic performance of the Jekyll Island GC in consideration of the first two phases of the golf improvement plan. The NGF has recommended the improvements to JIGC be completed in phases over an extended period of time, perhaps as long as six years. We also recommended the idea of "strategic pauses" after each phase to re-evaluate the JIGC operation, the market environment and changing facility needs. Given this, we feel it is appropriate to provide an economic performance estimate in light of the first two phases of this program – identified in this report as "Year 1-3." In this section of our report, the Jekyll Island GC's economic potential is evaluated and summarized. All NGF projections are based on a set of assumptions that may or may not become reality. We feel that these estimates represent the best effort to create a "fair estimate of performance" for this facility based on our complete review of the operation and market environment.

The NGF projections have been prepared under the assumption that Jekyll Island GC will adopt other recommendations from NGF in 2017 and 2022 related to improved marketing (upon completion of property enhancements), appropriate staffing and actively seeking to grow non-resident and non-regular-play golf activity. Upon improvement to the golf courses over time, the Authority will likely find that increasing fees (both daily and membership) is supportable, and that some form of internal fee segmentation is appropriate to account for the differing conditions between older and newer golf courses at the JIGC.

SUMMARY OF JEKYLL ISLAND GOLF PROJECTIONS

NGFC has made a projection for the economic performance of JIGC based on expected performance in a "normal" environment and the implementation of NGF recommendations. In the tables that follow, NGF has summarized the projections for JIGC for a three-year period during which Phases 1 and 2 of the golf improvement plan can be implemented. The NGF has not reviewed or projected any direct capital cost to complete the enhancements, as this is assumed to be provided separately from the golf operation, and that no additional cost such as debt service will be applied to the golf enterprise. We note that these projections are based on NGF estimates for future performance in consideration of recommendations made for JIGC for only the first two phases on the golf improvement plan under consideration.

Basic Assumptions – Phase 1-2 Improvements

The projections show expected performance of the JIGC over a 3-year period covering improvements identified as "Phase 1-2." Other key assumptions in the NGF projections:

- The overall economic condition remains stable, without any sizable increase or decrease in the Jekyll Island area economy, employment, or visitation.
- Jekyll Island Golf Club will continue to operate in similar fashion to today, with JIA self-operation and greater emphasis on attracting non-resident rounds.
- The maintenance condition of Jekyll Island Golf Club is improved to retain a high quality on newly renovated courses (63 total holes).
- The capital upgrade program recommended by NGF is completed according to the following schedule:

Year	Year 1	Year 2	Year 3
Projects & Course Status	Pine Lakes Improvements All courses open as-is	Oleander/Great Dunes Renovation Only Pine Lakes & Indian Mound Open (36 holes)	3 courses open w/new premium Oleander/Great Dunes + Pine Lakes / Indian Mound as is

- The basic pricing structure will remain, plus implementation of new increased rates for a new Oleander/Great Dunes course in Year 3. Memberships will continue to be offered at the same rate and privilege as today, but with increase expected after opening the new Oleander/Great Dunes course in Year 3.
- The recent increase in rounds observed is assumed to stabilize with 64-65,000 total paid rounds becoming the new "stable" level of activity, with some years falling below and some years rising above this expected 'average' figure. The projected rounds by type for each year of the Phase 1-2 enhancement program:

	Year 1	Year 2	Year 3
Projects	PL Improvements / OL-GD Plan	OL/GD Closed for Renov.	OL/GD Re-Open / CH Plan
No of Members	275	225	250
Oleander Rounds	9,800	0	19,000
Pine Lakes Rounds	11,500	22,000	15,000
Indian Mound Rounds	13,200	18,000	13,000
Member Rounds	19,900	16,300	18,100
Great Dunes Rounds	10,500	0	0
Total Paid Rounds	**64,900**	**56,300**	**65,100**
Comp Rounds	3,000	2,000	3,000
Total Rounds	**67,900**	**58,300**	**68,100**
Code: OL = Oleander; GD = Great Dunes; PL = Pine Lakes; IM = Indian Mound; CH = Clubhouse			

- The average revenue per round for green fees is projected at 2022 levels for Year 1 of the JIGC projection, with 1.5% annual increases through Year 2, plus a 25-27% increase in average membership and Oleander/Great Dunes fees. This is reflective of a program to retain basic fee levels and implement some new fees upon re-opening OL/GD. Average revenue for the driving range is doubled from Year 2 to Year 3 to reflect a new state-of-the-art practice facility. Average revenue for carts, merchandise and other revenues are projected at 2022 levels for Year 1. Direct cost of sales for merchandise is held at 60%.

Blended Average Fees	Year 1	Year 2	Year 5
Avg Member Rate	$1,867.60	$1,895.61	$2,400.00
Avg OL Rate	$25.88	$26.27	$34.00
Avg PL Rate	$25.88	$26.27	$27.00
Avg IM Rate	$25.88	$26.27	$25.00
Avg GD rate	$6.19	$0.00	$0.00
Avg Range Rev	$0.65	$0.66	$1.32
Avg pull cart rental	$0.36	$0.36	$0.37
Avg cart rental	$8.88	$9.01	$9.15
Avg pro shop	$6.09	$6.18	$6.27
Avg cards	$1.67	$1.70	$1.73
Avg tournaments	$0.86	$0.88	$0.89
Avg Lessons	$0.66	$0.67	$0.68
Avg Other	$0.15	$0.15	$0.16

- The restaurant lease is assumed at a fixed $30,000 per year, with 2.5% annual inflation through Year 3.
- Operating expenses in Year 1 are based on actual 2022 levels, which already includes recent labor increases, a large maintenance equipment lease and the elimination of all F&B associated expenses (now with private contractor). All labor-related and other expenses are projected to grow annually at 3.0% based on historical records and recent trends.

Economic Performance Projections – Phase 1-2 Improvements

NGF Consulting has utilized the previously mentioned assumptions to create the cash flow statement in the following exhibit. Each category of revenue has been listed separately, and an estimate of the total facility average revenue per round has been provided. All figures have been rounded to the nearest $1,000 for simplicity.

Projected Cash Flow Analysis Jekyll Island Golf Club Year 1-3 Phase 1-2 Improvements			
Golf Revenue	**Year 1**	**Year 2**	**Year 3**
Projects	PL Improvements / OL-GD Plan	OL/GD Closed for Renov.	OL/GD Re-Open / CH Plan
Golf Memberships	$514,000	$427,000	$600,000
Daily Greens Fees	958,000	1,051,000	1,376,000
Driving Range	44,000	38,000	90,000
Pull Cart Rental	24,000	21,000	25,000
Elect. Cart Rental	603,000	526,000	623,000
Pro Shop Sales	414,000	360,000	427,000
Golf Cards	114,000	99,000	117,000
Tournaments/Spec Events	59,000	51,000	61,000
Restaurant Lease	31,000	32,000	33,000
Lessons	45,000	39,000	46,000
Other	10,000	9,000	11,000
Total Golf Revenue	**$2,816,000**	**$2,653,000**	**$3,409,000**
Less Cost of Sales: (COS)			
Merchandise	$248,400	$216,000	$256,200
Total COS	**$248,400**	**$216,000**	**$256,200**
Facility Gross Margin	**$2,567,600**	**$2,437,000**	**$3,152,800**
			Operating Expenses
Golf Course Maintenance			
Total Personnel	$850,000	$876,000	$925,000
Supplies & materials	453,000	467,000	500,000
Repairs & Maintenance	103,000	106,000	125,000
Utilities	46,000	47,000	50,000
Motor Vehicle	36,000	37,000	40,000
Insurance	41,000	42,000	45,000
Equip Rental	206,000	212,000	218,000
Other	26,000	27,000	28,000
Total	**$1,761,000**	**$1,814,000**	**$1,931,000**
Operations			
Total Personnel	$464,000	$478,000	$500,000
Supplies & materials	36,000	37,000	40,000
Repairs & Maintenance	26,000	27,000	30,000
Utilities	62,000	64,000	70,000
Insurance	26,000	27,000	30,000
Advertising & Promotion	26,000	27,000	50,000
Equipment Rental	278,000	286,000	295,000
Other	57,000	59,000	61,000
Total Operations Expense	**$975,000**	**$1,005,000**	**$1,076,000**
Combined Facility Expense	**$2,736,000**	**$2,819,000**	**$3,007,000**
Facility Net (EBITDA)	**($168,400)**	**($382,000)**	**$145,800**

Summary Discussion – NGF Projections

The results of the NGF financial projection analysis show that the Jekyll Island GC can improve its financial condition with the opening of a new Oleander/Great Dunes golf course, especially if the Authority can use the new golf course a catalyst to increase rounds activity and provide for the sale of additional higher fee rounds to tourists, hotel guests and convention attendees. The NGF projects total facility revenue to exceed $3.4 million in the first full year after re-opening the new Oleander/Great Dunes course, the first time that threshold would ever be achieved at JIGC. However, the expense required to maintain high quality conditions will continue to increase and keep the facility operating at (or near) a deficit. This estimate clearly shows that enhancing the quality of the golf product will drastically improve golf revenue, opening the door for even more revenue enhancement after Phase 3 improvements are completed and a new clubhouse begins to generate new revenue for the Authority.

If the Authority can generate just a modest level of growth in activity from technology, marketing and other operating improvements, the facility could sustain itself (before capital) if it can reach 65,000 total paid rounds of golf on the 18-hole courses, a level that is about 10% higher than the facility has generated in any year since 2014. At this level of performance, it is possible for the Authority to support an additional +/- $145,000+ per year in increased expenses to add new golf maintenance positions and improve customer service. Still, while this projection shows the relative strength of economic performance of JIGC, the analysis also shows how close to “break-even” the facility is and that even a small drop in the recent activity gains will lead to economic loss on the operation.

The NGF analysis also shows how challenging it will be on the Authority during the year when the Oleander/Great Dunes renovation is ongoing. With only two 18-hole courses in operation, the NGF has assumed that about 2/3 of the rounds previously played on Oleander and Great Dunes would be recovered on Pine Lakes and Indian Mound during the construction year, and there would be a reduction a reduction in golf members. The result is total revenue during the year Oleander/Great Dunes is closed for renovation would come in at around $2.56 million, slightly lower than the actual revenue in 2021 and 2022. After re-opening Oleander/Great Dunes, it is expected that revenue would grow to the more than $3.4 million as noted above, covering most (if not all) direct JIGC operating expenses.

At the projected level of performance after re-opening Oleander/Great Dunes, the Jekyll Island GC is expected to cover all on-site expenses, but would not be able to provide enough retained earnings to fund any of the capital projects identified by NGF in this report. We note that the operating cash flows would continue to grow if the Authority moves ahead with later phases in the golf improvement plan, most notable the clubhouse improvements and possible golf lodge development. However, even with the expected improvement in revenue, the retained earnings on golf would not be sufficient to cover the large-scale capital investment required to complete the major capital projects identified in the golf improvement plan. This economic status is common in public sector golf, where NGF research has shown that only about 1/3 of all golf courses owned by public agencies can cover ***both*** operating ***and*** capital expenses.

Summary Statement

The Jekyll Island Authority has been operating a popular 63-hole golf facility on Jekyll Island for many years. This facility is aging and had seen declines in activity for several years before recovery in 2021-2022. As we look to the future, the JIGC is now at a crossroads where aging infrastructure and declining property conditions must be addressed if this is to remain a viable golf facility operation. The JIGC facility has four unique golf courses with potential for strong appeal to a wide variety of golf consumers. The Great Dunes course is a historic treasure, but over 90 years old and in need of modernization. Oleander a wonder of nature, but has serious drainage problems that will be very expensive to fix, if they can be fixed at all. The Pine Lakes / Indian Mound courses have classic Dick Wilson/Joe Lee designs, but also have infrastructure problems that need attention, although less urgent than Oleander and Great Dunes.

These concerns of the physical condition of the golf course are not new, as NGF documented in our golf facility report on Jekyll Island golf in 2017. In the five+ years since NGF delivered its report to the Jekyll Island Authority, much has changed at the facility and in the market. Golf has recovered a lot of its popularity, and while this has been felt in rounds and revenue at JIGC, the rounds hosted are still well below observations made by NGF in 2014-2016. The Authority has begun to plan for the future of JIGC with a new golf improvement plan completed in 2019 under the leadership of Vincent Golf Design. This plan recommended addressing the infrastructure challenges and using the opportunity to also enhance and upgrade the quality of golf on Jekyll Island. However, as the project is a large undertaking with many moving parts and a high price-tag, the NGF recommends that the project be completed over time (perhaps as long as 6+ years) in five (5) separate phases with a “strategic pause” after each phase to re-evaluate property conditions, market environment and community golfing needs.

As golf has changed in the last decade and as we look to the future of golf on Jekyll Island, there still concern from NGF that the full allotment of 63 golf holes is not appropriate for JIGC (as noted by NGF in 2017). When considering this concern in conjunction with the specific physical challenges of keeping the Oleander course open and operating, the early phases of the golf improvement plan for JIGC begin to make sense for the Authority. By reducing the Oleander and Great Dunes courses into one single high-end 18-hole championship golf course, the JIA will be able to enhance the quality of golf at JIGC while preserving the historic seaside golf experience of Great Dunes and addressing the drainage and infrastructure problems of Oleander. Subsequent phases of the improvement plan can then be completed to address the clubhouse and Pine Lakes/Indian Mound courses, but only after a pause to re-evaluate the plan.

Appendices

A: Demographic, Golf Demand and Golf Supply Data

B: National Rounds Played Report

APPENDIX A – DEMOGRAPHIC, GOLF DEMAND AND GOLF SUPPLY DATA

Summary Demographic Data

Intersection of Hwy 17 & I-95 in GA	10-mile ring	30-mile ring	50-mile ring	Brunswick CBSA	State of Georgia	U.S.
Summary Demographics						
Population 1990 Census	44,172	110,052	298,865	82,204	6,477,997	248,584,652
Population 2000 Census	46,787	133,980	366,086	93,045	8,186,384	281,399,034
CAGR 1990-2000	0.58%	1.99%	2.05%	1.25%	2.37%	1.25%
Population 2010 Census	55,462	159,842	447,659	112,370	9,687,653	308,745,538
CAGR 2000-2010	1.72%	1.78%	2.03%	1.91%	1.70%	0.93%
Population Estimate 2019	58,885	169,591	483,542	118,956	10,551,576	328,252,472
Population 2024 Projected	61,797	178,683	513,236	125,320	11,140,105	339,844,802
CAGR 2019-2024	0.97%	1.05%	1.20%	1.05%	1.09%	0.70%
Median HH Income (2019)	$43,625	$52,893	$55,166	$49,708	$59,767	$63,709
Median Age (2019)	38.0	38.8	38.2	42.4	37.1	38.3
Ethnicity						
White	53.5%	69.6%	67.5%	69.5%	56.7%	69.7%
African American	37.8%	23.8%	25.3%	24.3%	31.9%	13.4%
Asian	1.7%	1.5%	1.7%	1.4%	4.4%	6.0%
All Other	7.0%	5.1%	5.5%	4.8%	6.9%	10.9%
Hispanic Population						
Hispanic	8.5%	6.0%	6.4%	5.5%	9.5%	17.9%
Not Hispanic	91.5%	94.0%	93.6%	94.5%	90.5%	82.1%
CAGR = Compound Annual Growth Rate						

Golf Demand Indicators

Intersection of Hwy 17 & I-95 in GA	10-mile ring	30-mile ring	50-mile ring	Brunswick CBSA	State of Georgia	U.S.
Golf Demand Indicators						
Total Households	22,110	69,204	196,238	51,208	4,058,022	128,476,935
Number of Golfing Households	1,952	7,871	22,250	5,502	471,563	17,966,460
Projected Golfing Households (2024)	2,275	9,239	26,567	6,440	558,377	19,624,930
Projected Annual Growth Rate	3.10%	3.30%	3.60%	3.20%	3.40%	1.80%
Seasonal Golfing Households	67	829	1,885	943	10,788	773,569
Latent Demand/Interested Non-Golfers	2,449	7,603	20,902	5,505	529,820	16,967,060
Household Participation Rate	8.80%	11.40%	11.30%	10.70%	11.60%	14.00%
Number of Golfers	2,027	8,464	26,559	5,695	516,556	24,800,870
Rounds Potential (resident golfers)	32,351	136,930	424,005	96,366	8,090,732	381,451,700
Estimated Course Rounds (in-market supply)	222,087	438,080	850,366	350,191	8,356,297	381,454,200
Demand Indices						
Golfing Household Participation Rate	63	81	81	77	83	100
Seasonal Golfing Households	50	199	160	306	44	100
Latent Demand/Interested Non-Golfers	9	9	8	9	10	100
Rounds Potential per Household (resident golfers)	49	67	73	63	67	100

Golf Supply Data

Intersection of Hwy 17 & I-95 in GA	10-mile ring	30-mile ring	50-mile ring	Brunswick CBSA	State of Georgia	U.S.
Golf Supply						
Golf Facilities						
Total	6	13	29	10	356	14,196
Public	2	7	17	5	227	10,539
Public: Daily Fee	2	7	15	5	172	7,992
Public: Municipal	0	0	2	0	55	2,546
Private	4	6	12	5	129	3,657
Public Golf Facilities by Price Point						
Premium (>$70)	0	2	4	2	20	1,503
Standard ($40-$70)	2	4	9	3	99	4,091
Value (<$40)	0	1	4	0	108	4,945
Golf Holes						
Total	171	297	585	243	6,471	241,155
Public	81	171	351	135	3,942	173,952
Public: Daily Fee	81	171	306	135	3,015	131,598
Public: Municipal	0	0	45	0	927	42,336
Private	90	126	234	108	2,529	67,203
Non-Regulation (Executive & Par-3)	0	0	0	0	216	18,711
Net Change*						
Net Change in Holes past 5 years	0	-9	-45	-9	-423	-16,038
Percentage Total Holes Past 5 Yrs	0.00%	-2.90%	-7.10%	-3.60%	-6.10%	-6.20%
Net Change in Holes past 10 Years	0	-27	-27	-9	-711	-27,126
Percentage Total Holes Past 10 Yrs	0.00%	-8.30%	-4.40%	-3.60%	-9.90%	-10.10%

*Numbers may include courses under construction and temporarily closed at the end of the year.

Supply-Demand Ratios

Intersection of Hwy 17 & I-95 in GA	10-mile ring	30-mile ring	50-mile ring	Brunswick CBSA	State of Georgia	U.S.
Supply-Demand Ratios						
Households per 18 Holes						
Total	2,327	4,194	6,038	3,793	11,288	9,590
Public	4,913	7,285	10,063	6,828	18,530	13,294
Public: Daily Fee	4,913	7,285	11,543	6,828	24,227	17,573
Public: Municipal	0	0	78,495	0	78,797	54,625
Private	4,422	9,886	15,095	8,535	28,883	34,412
Premium (>$70)	0	34,602	49,060	25,604	180,357	71,100
Standard ($40-$70)	4,913	10,647	17,064	9,311	38,103	29,538
Value (<$40)	0	69,204	49,060	0	45,089	36,629
Golfing Households per 18 Holes						
Total	205	477	685	408	1,312	1,341
Public	434	829	1,141	734	2,153	1,859
Public: Daily Fee	434	829	1,309	734	2,815	2,457
Public: Municipal	0	0	8,900	0	9,157	7,639
Private	390	1,124	1,712	917	3,356	4,812
Premium (>$70)	0	3,936	5,563	2,751	20,958	9,943
Standard ($40-$70)	434	1,211	1,935	1,000	4,428	4,131
Value (<$40)	0	7,871	5,563	0	5,240	5,122
Household Indices						
Total	24	44	63	40	118	100
Public	37	55	76	51	139	100
Private	13	29	44	25	84	100
Premium (>$70)	0	49	69	36	254	100
Standard ($40-$70)	17	36	58	32	129	100
Value (<$40)	0	189	134	0	123	100
Golfing Household Indices						
Total	15	36	51	30	98	100
Public	23	45	61	39	116	100
Private	8	23	36	19	70	100
Premium (>$70)	0	40	56	28	211	100
Standard ($40-$70)	11	29	47	24	107	100
Value (<$40)	0	154	109	0	102	100
Rounds per 18 Holes						
Rounds Potential (resident golfers)	3,405	8,299	13,046	7,138	22,506	28,472
Estimated Course Rounds (in-market supply)	23,378	26,550	26,165	25,940	23,244	28,472

APPENDIX B – NATIONAL ROUNDS PLAYED REPORT

Year End 2020

DECEMBER 2020

	DEC	YTD
UNITED STATES	37.3%	13.9%
PUBLIC ACCESS	34.7%	12.4%
PRIVATE	45.2%	19.9%

	DEC	YTD
PACIFIC	**53.9%**	**4.8%**
CA	**58.3%**	**5.6%**
Los Angeles	45.6%	*
Orange County	32.3%	*
Palm Springs	19.2%	*
Sacramento	106.8%	*
San Diego	60.0%	*
San Francisco/Oakland	130.9%	*
HI	**-8.4%**	**-32.7%**
OR	**79.8%**	**22.2%**
Portland	87.1%	*
WA	**67.0%**	**3.6%**
Seattle	87.6%	*
MOUNTAIN	**30.2%**	**14.3%**
AZ	**25.9%**	**12.2%**
Phoenix	29.9%	*
CO	**43.3%**	**19.9%**
Denver	5.9%	*
ID, WY, MT, UT	**52.9%**	**20.4%**
NM	**25.5%**	**2.0%**
NV	**36.8%**	**-3.6%**
Las Vegas	36.9%	*
WEST NORTH CENTRAL	**84.6%**	**23.1%**
KS, NE	**87.9%**	**20.0%**
ND,SD	**NA**	**24.4%**
MN	**NA**	**23.6%**
Minneapolis/St.Paul	NA	*
IA, MO	**72.5%**	**24.6%**
St Louis	70.3%	*
Kansas City	147.5%	*

	DEC	YTD
EAST NORTH CENTRAL	**16.8%**	**14.5%**
IL	**28.6%**	**15.4%**
Chicago	16.9%	*
IN	**47.1%**	**23.5%**
MI	**-9.1%**	**7.1%**
Detroit	-5.5%	*
OH	**3.0%**	**14.0%**
Cincinnati	29.2%	*
Cleveland	-26.6%	*
WI	**NA**	**19.9%**
SOUTH CENTRAL	**33.5%**	**20.3%**
AL	**37.6%**	**5.0%**
AR, LA, MS	**36.8%**	**19.4%**
OK	**33.3%**	**24.3%**
KY, TN	**38.2%**	**22.5%**
TX	**30.7%**	**21.4%**
Dallas/Ft. Worth	37.9%	*
Houston	20.0%	*
San Antonio	37.7%	*

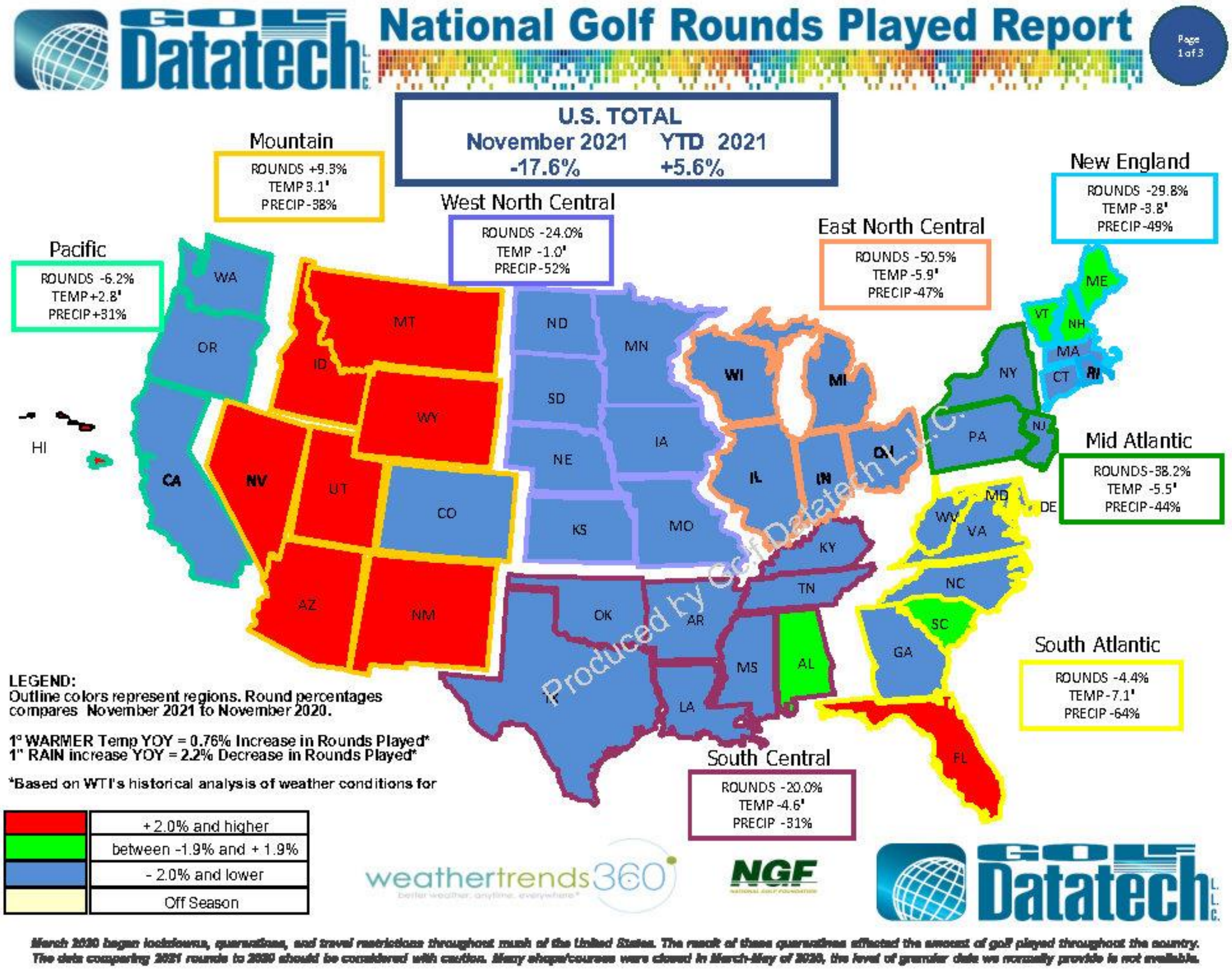
	DEC	YTD
SOUTH ATLANTIC	**26.9%**	**8.4%**
DE, DC, MD	**56.1%**	**7.7%**
Washington/Baltimore	75.2%	*
FL	**19.0%**	**6.9%**
Jacksonville	27.1%	*
Orlando	23.7%	*
Tampa	20.3%	*
Palm Beach	12.5%	*
Naples/Ft Myers	19.8%	*
Miami/Ft.Lauderdale	10.5%	*
GA	**47.7%**	**14.6%**
Atlanta	51.8%	*
NC	**29.5%**	**5.8%**
Greensboro/Raleigh	50.9%	*
SC	**31.6%**	**-0.2%**
Charleston	55.7%	*
Hilton Head	63.4%	*
Myrtle Beach	15.6%	*
VA, WV	**56.9%**	**21.3%**
MID ATLANTIC	**66.6%**	**18.0%**
NJ	**80.8%**	**15.8%**
NY	**72.7%**	**20.6%**
New York City	77.5%	*
PA	**52.1%**	**16.3%**
Philadelphia	52.3%	*
Pittsburgh	11.9%	*
NEW ENGLAND	**101.1%**	**17.1%**
CT, MA, RI	**100.3%**	**18.0%**
Boston	80.8%	*
ME, NH, VT	**NA**	**15.0%**

* Not reporting YTD 2020

The percentages represent the differences in number of rounds played comparing December 2020 to December 2019
For more information contact Golf Datatech, golfroundsplayed@golfdatatech.com or call 407-944-4116


Datatech L.L.C.
National Golf Rounds Played Report
Page 3 of 3
US 2020 vs. 2019 YTD THROUGH DECEMBER
+13.9%
Mountain
ROUNDS +14.3%
West North Central
ROUNDS +23.1%
East North Central
ROUNDS +14.5%
New England
ROUNDS +17.1%
Pacific
ROUNDS +4.8%
Mid Atlantic
ROUNDS +18.0%
South Atlantic
ROUNDS +8.4%
South Central
ROUNDS +20.3%
WA
OR
CA
NV
ID
MT
WY
UT
CO
AZ
NM
ND
SD
NE
KS
MN
IA
MO
OK
TX
AR
LA
WI
MI
IL
IN
OH
KY
TN
MS
AL
GA
FL
SC
NC
VA
WV
MD
DE
PA
NJ
NY
VT
NH
ME
MA
CT
RI
HI
LEGEND:
Outline colors represent regions. Round percentages compares year to date 2020 to year to date 2019.
1° WARMER Temp YOY = 0.76% Increase in Rounds Played*
1" RAIN increase YOY = 2.2% Decrease in Rounds Played*
*Based on WTI's historical analysis of weather conditions for all US markets. Results may vary by region
+ 2.0% and higher
between -1.9% and + 1.9%
- 2.0% and lower
Produced by Golf Datatech, L.L.C.
weathertrends360
NGF
Datatech L.L.C.

Thru November 2021



Golf Datatech L.L.C. National Golf Rounds Played Report

November 2021

	NOV.	YTD
UNITED STATES	-17.6%	5.6%
Public Access	-17.0%	6.9%
Private	-19.3%	1.0%

	NOV.	YTD
PACIFIC	-6.2%	16.8%
CA	-5.7%	16.6%
Los Angeles	*	*
Orange County	*	*
Palm Springs	*	*
Sacramento	*	*
San Diego	*	*
San Francisco/Oakland	*	*
HI	10.3%	30.8%
OR	-7.9%	8.6%
Portland	*	*
WA	-16.7%	19.4%
Seattle	*	*
MOUNTAIN	9.3%	2.8%
AZ	2.8%	3.9%
Phoenix	*	*
CO	-3.1%	-3.9%
Denver	*	*
ID, WY, MT, UT	24.6%	2.7%
NM	59.1%	3.6%
NV	7.8%	16.6%
Las Vegas	*	*
WEST NORTH CENTRAL	-24.0%	3.3%
KS, NE	-20.8%	-1.5%
ND,SD	-12.4%	4.4%
MN	-14.3%	0.5%
Minneapolis/St.Paul	*	*
IA, MO	-30.0%	8.6%
St Louis	*	*
Kansas City	*	*

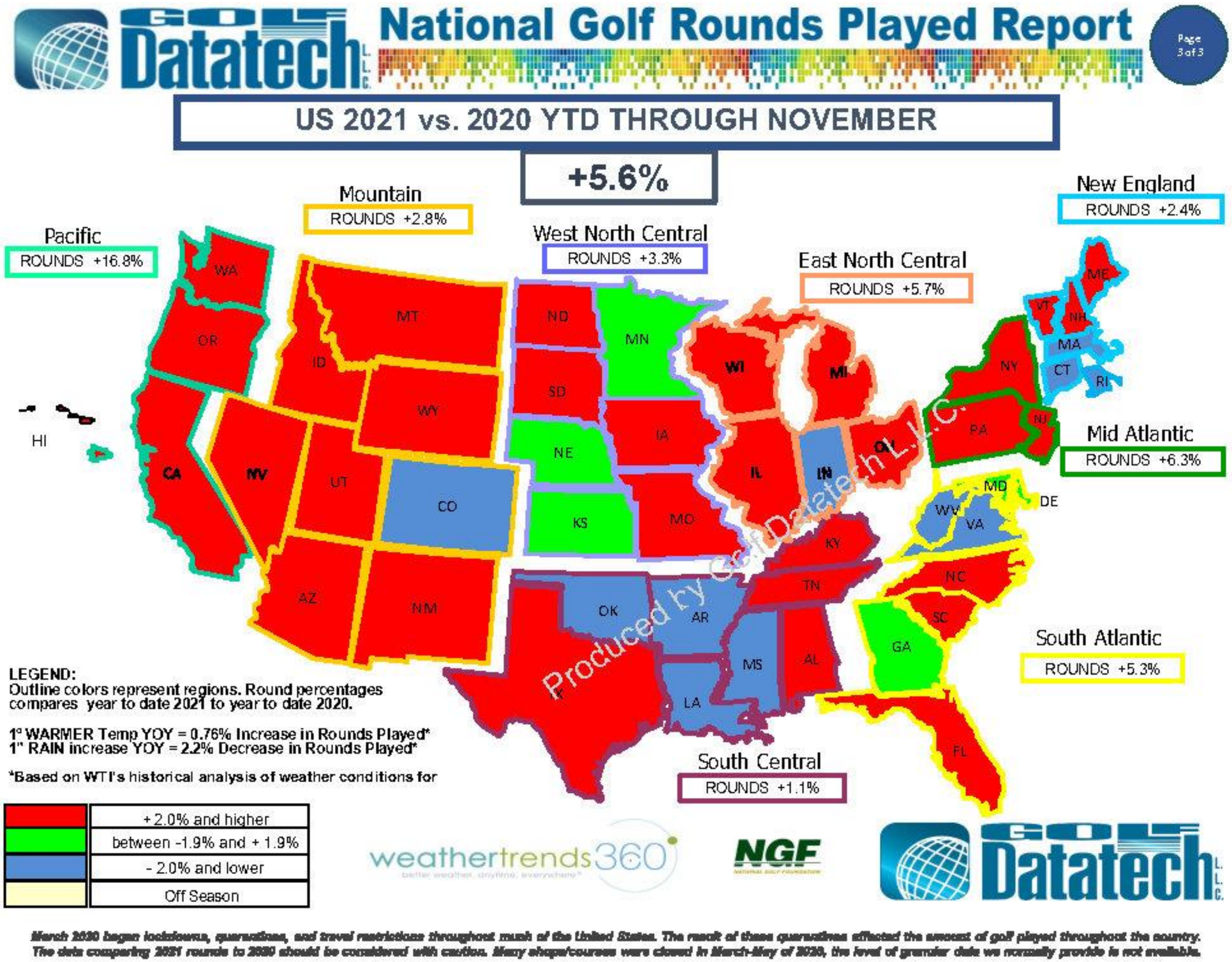
	NOV.	YTD
EAST NORTH CENTRAL	-50.5%	5.7%
IL	-53.4%	5.2%
Chicago	*	*
IN	-49.7%	-8.7%
MI	-64.2%	10.0%
Detroit	*	*
OH	-38.7%	5.8%
Cincinnati	*	*
Cleveland	*	*
WI	-51.0%	12.5%
SOUTH CENTRAL	-20.0%	1.1%
AL	1.[illegible]%	9.0%
AR, LA, MS	-11.9%	-2.7%
OK	-50.7%	-18.5%
KY, TN	-36.0%	3.6%
TX	-11.3%	3.8%
Dallas/Ft. Worth	*	*
Houston	*	*
San Antonio	*	*

	NOV.	YTD
SOUTH ATLANTIC	-4.4%	5.3%
DE, DC, MD	-25.0%	0.4%
Washington/Baltimore	*	*
FL	10.6%	5.8%
Jacksonville	*	*
Orlando	*	*
Tampa	*	*
Palm Beach	*	*
Naples/Ft Myers	*	*
Miami/Ft.Lauderdale	*	*
GA	-17.7%	-0.2%
Atlanta	*	*
NC	-10.8%	12.8%
Greensboro/Raleigh	*	*
SC	0.2%	12.3%
Charleston	*	*
Hilton Head	*	*
Myrtle Beach	*	*
VA, WV	-24.2%	-3.1%
MID ATLANTIC	-38.2%	6.3%
NJ	-36.9%	7.6%
NY	-40.7%	3.6%
New York City	*	*
PA	-37.2%	8.6%
Philadelphia	*	*
Pittsburgh	*	*
NEW ENGLAND	-29.8%	2.4%
CT, MA, RI	-35.3%	-2.6%
Boston	*	*
ME, NH, VT	-1.0%	15.7%

The percentages represent the differences in number of rounds played comparing November 2021 to November 2020.

For more information contact Golf Datatech golfroundsplayed@golf-datatech.com

March 2020 began lockdowns, quarantines, and travel restrictions throughout much of the United States. The result of these quarantines affected the amount of golf played throughout the country. The data comparing 2021 rounds to 2020 should be considered with caution. Many shops/courses were closed in March-May of 2020, the level of granular data we normally provide is not available.


National Golf Rounds Played Report
Page 3 of 3
US 2021 vs. 2020 YTD THROUGH NOVEMBER
+5.6%
Pacific
ROUNDS +16.8%
Mountain
ROUNDS +2.8%
West North Central
ROUNDS +3.3%
East North Central
ROUNDS +5.7%
New England
ROUNDS +2.4%
Mid Atlantic
ROUNDS +6.3%
South Atlantic
ROUNDS +5.3%
South Central
ROUNDS +1.1%
WA
OR
CA
NV
ID
MT
WY
UT
CO
AZ
NM
HI
ND
SD
NE
KS
MN
IA
MO
WI
IL
MI
IN
OH
KY
TN
OK
AR
TX
LA
MS
AL
GA
SC
NC
FL
VA
WV
MD
DE
PA
NY
NJ
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Produced by Golf Datatech L.L.C.
LEGEND:
Outline colors represent regions. Round percentages compares year to date 2021 to year to date 2020.
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+2.0% and higher
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Off Season
weathertrends360
NGF
March 2020 began lockdowns, quarantines, and travel restrictions throughout much of the United States. The result of these quarantines affected the amount of golf played throughout the country.
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