

## Golf Courses Rates and Fees for 2022 to 2023

### RECOMMENDATION

That the proposed 2022 and 2023 green fee rate plan for Municipal Golf Courses, included in the 2022/2023 Preliminary Business Plan and Budget, be approved.

### ISSUE

The current City Council approved rates end March 31, 2022; this report recommends rates and fees for the 2022 and 2023 seasons. Administration is proposing an increase in the green fee rates and fees for the three City of Saskatoon municipal golf courses for the period from April 1, 2022 to March 31, 2024.

### BACKGROUND

The City of Saskatoon (City) operates three golf courses (Holiday Park, Silverwood, and Wildwood), which are open for play from April until the end of October, weather permitting.

The City golf courses, while providing the public with a variety of golfing opportunities, have a financial objective of 100% cost recovery. The objective for golf course operations is to balance this financial objective while also providing civic golf courses that are affordable and accessible to the public.

### DISCUSSION/ANALYSIS

#### Proposed Rate Increase and Rationale

The proposed green fee rates and fees maintain the City golf courses as the most affordable in the market and include the following:

1. The proposed rate plan includes a non-prime rate for Monday through Thursday and a prime rate for Friday through Sundays and holidays. The proposed non-prime rate will be a reduction from the current base rate, and the proposed prime rate will increase from the current base rate.
2. The proposed rate plan includes existing weekday-only season pass, valid on Mondays through Fridays, excluding holidays, as well as an existing seven-day-per-week season pass.
3. Club6Pack passes provide patrons the option to purchase six rounds of golf for a discount approximately equal to the price of five rounds. The proposed Club6Pack rates will be based on a blended rate or approximate average of non-prime and prime rates and will be valid seven days per week.
4. The last rate increase was approved in 2019. Since that time, golf course operations have experienced increases in operational and capital equipment costs, as well as growing demand for enhanced and improved services and amenities.

The proposed green fee rates and fees would take effect April 1, 2022 and remain in effect until March 31, 2024. The detailed table (see Attachment 1) outlines the proposed daily green fee rates and season pass rates for all age categories, as well as power cart rates for the two-year period.

Affordability

The proposed green fee rates and fees recommended by Administration does not change the relative price position of the City municipal golf courses in the current marketplace.

The proposed green fee rates and fees will continue to meet the following goals:

1. City green fees remain lower than the current market average:
2. City power cart rental rates remain comparable to the market average.

**FINANCIAL IMPLICATIONS**

Using the proposed rates and projected attendance volumes, based on historical averages, the following chart shows expected revenue and expenses for the 2021 through to the 2023 seasons, as well as the contribution to golf course reserves:

<b>Year</b>	<b>Revenue</b>	<b>Expenses</b>	<b>Contribution to Reserves</b>	<b>Mill Rate Impact</b>
2021 (Budget)	\$3,910,800	\$3,700,400	\$210,400	\$0
2022 (Projected)	\$3,995,400	\$3,627,100	\$368,300	\$0
2023 (Projected)	\$4,067,800	\$3,656,000	\$411,800	\$0

Contribution to reserves includes annual contributions to the Golf Course Capital Reserve, Golf Course Stabilization Reserve and Holiday Park Redevelopment Reserve. Based on volume projections, the proposed green fee rates and fees are sufficient to meet the objective of 100% cost recovery and no mill rate impact for City municipal golf courses.

**OTHER IMPLICATIONS**

There are no legal, social, policy or environmental implications identified.

Business Line: Recreation and Culture