

IronOaks Golf FAQ's

In an effort to ensure we have well informed homeowners, we wanted to address some of the most Frequently Asked Questions (FAQ) relating to our golf courses. Many of the questions below came from the Golf Survey that was recently conducted and from comment cards submitted by homeowners. We realize we will not make every homeowner happy with our decisions, but we want you to know that a lot of time, thought and effort went into the decision making process.

Now that we own the courses will we still need outside play?

- Yes. The operating budget for Ironwood's 18 holes and Oakwood's 27 holes is approximately \$2.3- \$2.4 million dollars. In addition to the operating budget, the golf operation must also pay for capital expenditures. The revenue from our annual memberships, individual homeowner play, range ball revenue and cart rental does not cover these expenses. We must supplement the revenue generated from homeowners with outside play including, individual rounds, Golf Now, San Diego Golf Academy, tournaments and special events.
- To the extent that we increase our membership/homeowner revenue we can decrease our need for outside play.
- The trade off for our very low membership fees is that we must bring in revenue from outside play. Based on the golf survey results keeping the costs down is a higher priority for homeowners than reducing outside play.
- It might be helpful to put our membership fees in perspective. Here are the 2010 individual annual membership fees for some comparable communities.
 - Sun City Grand - \$3320
 - Sun City Country Club - \$3000 plus a \$500 one time joining fee
 - Lone Tree - \$2800 (Monday thru Friday only) Offered to Solera residents
 - Saddle Brook - \$3147.65 (Two courses) \$3574.45 (Three courses)
 - Pebble Creek - \$3000 (Two courses)

Why are you allowing non residents to purchase memberships?

A strong base of annual members equates to a strong golf operation and benefits everyone. The number of annual members has declined the last several years. The staff and the golf committee agree that the best way to grow our annual membership is to expand the area that we market to. The larger the base of annual members the less dependent we will be on outside play. Additionally, a larger base of annual members will provide a predictable revenue stream and will make future revenue projections more reliable.

Members, even outside members, will take better care of our course than day rate players. New memberships should allow us to reduce the amount of day rate players.

With this in mind we are offering two new memberships this year.

- The **Weekend Membership** is targeted at our working homeowners as well as our neighbors in communities such as Fulton Ranch and Ocotillo. This membership allows unlimited play on Saturday and Sunday from October through May and unlimited play seven days a week from June through September. Complimentary cart rental is included with this membership.

- The **Men's and Ladies' League Membership** is designed to bring in revenue from outside of IronOaks. This membership is only available to non residents and is only good for Men's or Ladies' league play. This membership will be marketed to neighbors who currently belong to another course but would like an opportunity to play in another league.

If we don't have to pay sales tax any longer, shouldn't our dues come down?

- The Board of Directors' Business Plan calls for the recapture of sales tax to go into the golf budget. The budget the last several years has not been adequate to maintain the courses to an acceptable standard or to update old equipment.

Why did you eliminate the Oakwood Only Membership?

- You will notice that there are two annual membership options this year. Ironwood only and a combined Ironwood/Oakwood membership.
 - Ironwood is a unique course. Because of age or physical limitations Ironwood is attractive to a segment of our community who would not be able to play a regulation course. For this reason we will continue to offer an Ironwood only membership. The cost of this membership will always be slightly lower.
 - Over the last several years there has been a decrease in the percentage of the combined course memberships and an increase in the percentage of single course memberships. The survey results tell us the primary reason for this was cost.
 - The trend away from combined memberships to single course memberships has adversely affected our league participation. There has also been a subtle change from a community golf group to and Ironwood or Oakwood golf group. We hope that a byproduct of this decision will be a transition back to an IronOaks golf community.
 - Rather than keep the three membership options and lower the price of the combined membership we decided to eliminate the Oakwood only membership and provide the combined membership at the same price as the Oakwood membership. There are several benefits to the two tier membership.
 - The 2011 IronOaks combined membership is only \$200 more than the 2010 Ironwood only membership. This will serve as an incentive for some Ironwood members to upgrade to a combined membership. This will generate more revenue and also help to boost league participation at Oakwood.
 - Members who previously played Oakwood only will now have the option of playing at Ironwood. This provides more variety and will help to boost league participation at Ironwood.
 - We recognize that some golfers will not want to play Ironwood. That is their choice. But those who want to take advantage of the option to play will reduce the demand for tee times on Monday and Wednesday.
 - The combined memberships will help the staff. We will now be able to offer tee times during times of heavy demand, course closure for maintenance, tournaments and special events.

Why did you eliminate the second person rate?

- Eliminating the second person rate means that every member will now pay the same price for the same access to the course. The single golfer has unfairly paid more than the household with 2 golfers.
- The membership rate for each course was reduced by \$100.
 - If you had a first person and a second person membership last year at either Ironwood or Oakwood you will pay an additional \$50 this year.

Why are our membership fees higher than Phase II?

- IronOaks and Phase II have two different operating models.
 - The business plan developed by the IronOaks Board of Directors calls for golf revenue to cover operating costs and capital expenditures (new equipment). Ownership costs such as taxes, insurance and peripheral landscaping will be paid through the general fund.
 - Phase II golf is subsidized to a greater extent by their homeowner dues. Among other things, the capital expenditures (equipment) are paid from their general fund.
 - Additionally the acres of sod and number of trees per hole are higher at IronOaks than at Phase II. This results in higher costs for labor, seed, water, fertilizer, chemicals, tree trimming, etc.
 - The Planning Committee will study the feasibility of reducing the amount of sod and select bunkers over the next year. This is a long term item.

What Option is Available for Snowbirds?

- Our current punch card membership is geared to our seasonal residents. The card can be used by both members of a household and their guests. This year we have included a complimentary golf cart if needed.
 - The staff and the golf committee struggled with options for our snowbirds. It is very important that the golf operation meet its revenue projections for 2011 and it was thought that any 6 month membership would have a negative effect on revenue as many of our full time residents would downgrade to this membership.
 - We have been asked if fitness can offer a six month membership why can't golf?
 - The population decreases in the summer when the snowbirds leave. However for those residents who are here year around there is a greater demand for the fitness center in the summer as the hotter weather forces people inside to exercise. Monthly fees for fitness are the same in the winter and summer.
 - Golf on the other hand is the opposite. The snowbirds are here during our peak demand time. Our green fees in the winter months are three times higher than in the summer.
 - Many full time annual members play very little and some not at all during the hot summer months.
- The staff will continue to look at other options for our seasonal residents to see if there is a better option for 2012.

Why were the fees for the fitness center and tennis reduced so much and not golf?

All of our amenities are operated to enhance community and the enjoyment of our homeowners. The Board of Director's Business Plan treats the fitness center and the tennis facility more like the rest of the amenities with the majority of their expenses paid from the general fund. Fitness and tennis are expected to generate revenue to cover the labor costs for each facility.

While some of golf's expenses will be paid through the general fund (taxes, insurance and peripheral landscaping); the golf operation is expected to generate revenue to cover the rest of their expenses. This is typical of other similar communities.

What changes can we expect now that we own the golf courses?

You have already seen improvements in course conditions. The improvements will continue as we have added more maintenance staff and equipment. The General Manager, Randy Ankeny; the Director of Golf, Dennis Allan; the Superintendent, Charles Keys; the golf staff and the golf committee will continue to work to assure that you are proud of your courses and enjoy your golf experience. Look for new events throughout the coming year.

Hopefully you have a better understanding of how your golf courses are operated. We ask for your patience as we begin our first year of operation. While we are excited about the future, it will take time to achieve the results we all want to see. If you have a question that has been overlooked, let us know. We will try to get the answer for you.

Golf is Great In IronOaks!!

Please Support your Golf Courses and your Community