



STONE RIDGE

2022 REVIEW AND 2023 PLAN

Prepared by Marielle Brown, Sales and Marketing Manager

STONE RIDGE 2022 REVIEW

Stone Ridge 2022 Review

MANAGER'S COMMENTS

The goals for Stone Ridge in 2022, were to focus on the following:

1. Secure a Food and Beverage Supplier.
2. Complete the irrigation system upgrade of the front nine.
3. Continue to replace equipment as needed and maintain the clubhouse.
4. Ensure our staff, members and green fee players are safe and adhere to COVID-19 protocols set out by the Province and the Canadian Golf Association.
5. Continue to find ways to increase revenues with respect to the pro-shop, green fees, tournament play and memberships.
6. Continue to invest in the playability of the course and reduce maintenance.

We once again started the golf season in 2022, with some uncertainty of what the season would bring us. We knew early in the spring that we were going to have major issues with the condition of our greens because of winter kill. We developed a plan which involved a combination of things, including additional labour, chemicals, fertilizer and keeping golfers off the greens for a period. This caused us issues on the golf side particularly with early tournaments and green fee play. While this was challenging, we did all the right things and saw a good recovery in the greens by the August/September timeframe.

We were able to deliver a better than plan performance, with revenues of \$751,531 versus our plan objective of \$583,192. This better than plan performance was driven by an increase in revenues from green fees, power cart rentals and increased sales in the pro-shop and sponsorship. Revenue from sponsorship was well over plan at \$38,335 versus our plan of \$18,000. The success of the sponsorship is due to the time and effort Mark Kay, our Superintendent has put into this exercise. Not only has he garnered more revenue, he has also increased play from the business community and added new events/tournaments. In addition to this, we received grant money from the Golf Association of Ontario for \$3,000. We ended the year with an operating profit of \$18,277 which was \$78,577 above our business plan loss projection of \$60,300, as evidenced in Table 1. Keep in mind that we share this profit 50/50 with the City of Elliot Lake as indicated at the bottom of Table 1.

We managed the food and beverage operation ourselves and with labour shortages and rising food costs it made doing so challenging. We generated \$156,754 in total revenue after food and beverage costs; however, expenses of \$199,742 left us with a large loss of \$42,988. Expenses related to labour and kitchen expenses were high. More details regarding this are provided in the Clubhouse Review.

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Our Maintenance expenses came in \$12,469 under plan. Most of this came in the form of reduced labour due to rain days and labour being allocated under capital for the irrigation upgrade along with slightly lower hydro costs for the pumphouse. This is a much better position than we anticipated given the start to the season and the extra money we spent on the greens recovery.

Table 1 –Operating Statement as of Dec. 31, 2022, Budget to Actual

STONE RIDGE	Actual	Budget	Variance
Revenues			
Membership	228,773	184,010	44,763
Green Fees	277,093	251,732	25,361
Pro-Shop	37,576	19,650	17,926
Clubhouse	156,754	99,800	56,954
Other Revenues	51,335	28,000	23,335
TOTAL REVENUES	751,531	583,192	168,339
Expenses			
Salaries & Benefits	461,823	421,553	(40,270)
Office	5,901	4,270	(1,631)
Vehicles	767	250	(517)
Administration	11,688	5,665	(6,023)
Marketing	5,323	4,775	(548)
Utilities & Insurance	38,319	36,472	(1,847)
Service Contracts	-	800	800
Grounds	5,371	650	(4,721)
Pro-Shop	5,645	4,742	(903)
Golf Carts	9,248	6,600	(2,648)
Driving Range	3,738	2,400	(1,338)
Clubhouse/Kitchen	40,135	23,350	(16,785)
Course Maintenance	105,436	97,470	(7,966)
Equipment Operating	39,860	34,495	(5,365)
TOTAL EXPENSES	733,254	643,492	(89,762)
NET PROFIT	18,277	(60,300)	78,577
City's Share	9,139	(30,150)	39,289
ELRL's Share	9,139	(30,150)	39,289

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2022 CAPITAL EXPENDITURES

All the capital expenditures in 2022, are provided in Table 2. In 2022, we completed upgrades to the irrigation system. The front nine was wired with the new ICM system which will make irrigating and irrigation repairs more efficient moving forward. Unfortunately, our 20-year-old pumps struggled. We have eight 10hp pumps and a 2hp pump to power our irrigation system. Four of our pumps were not operational by September. These repairs added an extra \$20,000 to the Capital budget but we had to do it. The irrigation is the most important part of a golf course and once we add a few more heads, we will have one of the best systems in Northern Ontario. Replacing just the pump was a calculated decision because we are the first to install this type of pump system, no one has a lot of knowledge about how many hours or years you may get out of the pump motors. They could go next year or 5 years from now. We anticipate it will be somewhere in between so have planned to include a pump replacement program in our capital budget in the coming years.

In addition to completing the upgrades to the irrigation system and the replacement of four pumps, we purchased 10 new golf carts, a new dishwasher for the clubhouse house and a smoker.

Table 2 – 2022 Capital

Stone Ridge Capital	Pro Shop	Clubhouse	Maintenance	Admin	Total	Budget	Variance
Irrigation - Front nine			50,916.17		50,916.17	45,000.00	5,916.17
					-		-
Golf Carts (x10)	62,432.00				62,432.00	61,900.00	532.00
Clubhouse dishwasher		7,736.81			7,736.81	4,000.00	3,736.81
Smoker		799.00			799.00	-	799.00
Pump Repair project			20,869.68		20,869.68		20,869.68
TOTAL STONE RIDGE CAPITAL	62,432.00	8,535.81	71,785.85	-	142,753.66	110,900.00	31,853.66
City's share					71,376.83	55,450.00	
ELRL's share					71,376.83	55,450.00	

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2022 MAINTENANCE REVIEW– PREPARED BY MARK KAY

Table 3 - 2022 Maintenance Budget to Actual

COURSE MAINTENANCE	ACTUAL	BUDGET	Variance
Total Salaries and Benefits	222,204	239,716	(17,512)
Total Office Expenses	698	-	(698)
Total Utilities & Insurance	17,285	19,952	(2,667)
Cart Expense	478		478
Course Maintenance	98,638	97,470	1,168
Equipment Operating	39,860	34,495	5,365
TOTAL EXPENSES	379,163	391,633	(12,470)

Goals for Maintenance in 2022, were to:

1. Upgrade the front nine irrigation.
2. Continue to improve conditions left from the drought 4 years ago.
3. Develop a 5-year Project plan to improve the course.
4. Manage aging issues with the course.

Unfortunately, our predictions in the 2022 Business Plan were 100% right. The rain during the day on December 17, 2021, followed by the flash freeze that night killed our greens. There was nothing we could have done to prevent this worst-case scenario with all of our greens suffering some amount of damage. Many courses throughout Northern Ontario suffered the same fate. Every course that received rain that day had damage, even the ones that used tarps, which generally can handle a little more rain than uncovered greens.

Once we assessed the extent of the damage, we developed a plan that would see the greens repaired and recovered. This plan involved several steps including applying additional fertilizer and chemicals, along with keeping the greens closed until the beginning of June. This gave the seed and chemicals time to let the grass grow before golfers started playing them. The extra seed, chemical and fertilizer added about \$10,000 to our budget. By the fall the greens were back to regular playing conditions with only some remediation still required on #4 and #15 greens in 2023.

With our maintenance team we had one less maintenance staff than we budgeted for in 2022. We were able to recruit an employee that was able to work through to the end of October. Normally, we would have hired students who return to school the last week of August. While we missed having the young college/university students around the knowledge and experience the older crew members brought benefited the operation. One of our staff will be working for the ski

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hill over the winter and by all accounts this person is proving to be a big help to them so far. We expect this person to return to us in the spring. This arrangement should work out well for both operations. We have always had good teams working on our course, we strive to recruit conscientious people who understand our goals and want to help us achieve them.

2022, was a tough season for the maintenance staff. It was the first time we lost greens from winter kill but the combination of planning, proper spending and hard work overcame these challenges. It did not snow enough by the end of 2022, to predict what next spring will look like but with the team we have, we are up for whatever challenges 2023 brings.

2022 PRO SHOP REVIEW – PREPARED BY DARRYL SPENCE

Table 4 - 2022 Pro Shop Budget to Actual

PRO SHOP	ACTUAL	BUDGET	Variance
Revenues			
Membership	228,773	184,010	44,763
Green Fees	277,093	251,732	25,361
Pro-Shop	37,576	19,650	17,926
Other Revenues	51,335	28,000	23,335
TOTAL REVENUES	594,777	483,392	111,385
Expenses			
Salaries & Benefits	97,498	94,937	(2,561)
Office	4,127	4,270	143
Vehicles		250	
Administration	8,044	5,665	(2,379)
Marketing	5,323	4,775	(548)
Utilities & Insurance	10,064	8,820	(1,244)
Service Contracts			-
Grounds	5,371	650	(4,721)
Pro-Shop	5,645	4,742	(903)
Golf Carts	8,803	6,600	(2,203)
Driving Range	3,738	2,400	(1,338)
TOTAL EXPENSES	148,613	133,109	(15,504)
PROFIT PRO SHOP	446,164	350,283	95,881

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Goals for the Pro-Shop in 2022

1. Continue sales success in the Pro Shop.
2. Maintain membership and Green Fees.
3. Bring back the Junior Program.

Pro-Shop

Pro Shop revenue has steadily increased over the past few seasons. Although we had approximately 1,000 less golf rounds, outside of tournament play, this year it seems we still saw the benefit of increased interest in the game and people upgrading their equipment. Offering different products and an additional demo day did help with the ability to fit more golfers for the current equipment available. We are pleased with the overall Pro shop sales.

Memberships

We were optimistic with our membership as we did see an increase this season but even with the additional members, we had fewer rounds than the covid seasons. As previously mentioned, we did see a decrease in total rounds as was predicted/expected with a return to what may be a new normal. The factor that impacted this was starting the season with temporary greens due to winter damage.

Leagues

League participation has been consistent over the past few seasons. There has been an increase in the number of ladies playing on Tuesdays that are choosing not to participate in the league. Whether they participated in the league or not it is still new people playing golf which is good for the course and game in general.

Junior Program

Junior lessons were offered for members for 2022 and nearly 30 of the members participated. There were new families who joined this season so hopefully they enjoyed their first season, and the program continues to grow. As the Junior program grows in interest, we also see more participation from the parents which is all beneficial to the growth of the game.

Tournaments

We were finally able to run our early tournaments in a more normal fashion although in not ideal conditions. The participation rate was better than the past for our Men's Invitational. Our tournaments were well attended as we saw a return to a more normal pattern of participation for most of our annual tournaments. We added a fun scramble in July that was well attended. It is still tough to predict future trends as ideally last winter was an anomaly and hopefully, we come out of this winter with better conditions.

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Expenses

We spent more on a few areas such as signage for the new sponsors, gas for the golf carts, administration costs for credit card and debit transactions; as well as, slightly more on labour. Overall, these increased costs are a result of the increase in activity versus what we had planned and were not unexpected.

2022 CLUBHOUSE (PUTTER'S) REVIEW – PREPARED BY HEATHER GOULDING

Table 5 - 2022 Clubhouse Budget to Actual

CLUBHOUSE	ACTUAL	BUDGET	Variance
REVENUES			
Sales Food & Beverage	162,891	88,000	(74,891)
Cost Food & Bev	(74,447)	(40,500)	33,947
GP Food	88,444	47,500	(40,944)
Sales Beer, Wine, Liquor	108,696	89,000	(19,696)
Costs Beer, Wine, Liquor	(40,386)	(36,700)	3,686
GP Beer, Wine etc.	68,310	52,300	(16,010)
Other Revenues	-	-	
TOTAL REVENUES	156,754	99,800	56,954
EXPENSES			
Salaries & Benefits	142,121	86,900	(55,221)
Office	1,316	-	(1,316)
Administration	4,171	-	(4,171)
Marketing		-	-
Utilities & Insurance	10,970	7,700	(3,270)
Service Contracts	1,062	800	(262)
Clubhouse Kitchen	40,102	23,350	(16,752)
TOTAL EXPENSES	199,742	118,750	(80,992)
NET PROFIT CLUBHOUSE	(42,988)	(18,950)	(24,038)

The goal for the clubhouse in 2022 was:

1. Secure a Food and Beverage Supplier

2022, saw a return to normal restaurant operations, in our first post-covid season, with no restrictions in place. As we expected, despite our best efforts, we were not able to find an operator for the 2022 season. We put out ads, and went directly to previous vendors, but we

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were unable to garner any interest. With this, we focused our efforts on managing the restaurant ourselves, and looking for staff to supervise the kitchen and the front of house. We felt that it would be easier to find two individuals to supervise the different parts of the business, rather than one person to manage the whole enterprise.

We hired Jane MacDonald as the Head cook/kitchen supervisor. Ms. McDonald is well known to the community and has a reputation for good food, and came to us with experience running a kitchen, doing the food orders, managing inventory, staffing, etc. Further to this, we were able to bring back one of the cooks from the 2021, season. We were able to find a solid front of house supervisor, along with a full complement of wait staff, but we struggled with finding any additional kitchen staff who had any kitchen experience. This meant that the two cooks worked a significant number of hours, much of which was overtime, this increase in labour cost also increased worry of burn out of the staff. In August, we made the decision to not offer food service on Sundays to ensure that staff were getting appropriate time off.

Bringing on a known cook had the benefit of an increase in business for the restaurant, with some of the highest sales we have seen in many years, resulting in \$162,891 in sales for just food and non-alcoholic beverages. Unfortunately, an increase in traffic and sales resulted in necessary increases in labour, cost of goods, hydro and propane. Overall food costs increased from 2021 to 2022 and continued to increase throughout the season, which made pricing a bit of a challenge. We increased the menu prices once in early July, but it was not enough to offset the increased overhead costs and therefore a much closer look at this will be required in 2023.

Despite all the challenges behind the scenes, the feedback from patrons regarding the food and the service in the clubhouse was positive. People enjoyed the varied menu and food options available, which resulted in a significant amount of repeat business, with many non-golfers visiting the restaurant this season.

We started the season knowing that there was some work to be completed on the clubhouse air conditioning units which was completed early in the season. We learned that the economizer on both units no longer works, and the parts are not available to repair this part. The economizers work to use the outside air in the shoulder seasons to maintain the temperature inside, increasing the efficiency of the units. Further to this, we had some challenges with our walk-in freezer, having to repair this on three occasions. The cost of having a full walk-in freezer go down in the middle of the season could be significant in terms of food spoilage, but we have been advised that the freezer appears to be in good condition with these recent fixes.

With all the effort that goes into running the restaurant, and with the increase in traffic and sales, we would have hoped to have seen a better result this year. Unfortunately, the cost of repairs of the kitchen and clubhouse equipment, higher wage costs, overtime costs, the increase in food

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costs, Putter's has had a significant loss this season. I anticipate that we will be in the business of running Putters again in 2023, and I expect that we will see a more positive outcome.

SUMMARY

2022, was a challenging season for both the food and beverage service and the maintenance department. Losing the greens caused issues not only for the maintenance department but also on revenue generated from green fees and tournaments early in the season. Access to parts and service and retail products continued to be an issue for the Pro shop and the maintenance side of the business. We were pleased to see an increase in tournament participation as things returned to normal and the greens began to recover. Increases in memberships, Pro shop sales and sponsorship all contributed to the overall positive performance. Despite the challenges, we managed to make a profit of \$18,275 at the course and were pleased with most aspects of the operation with room for improvement in the food and beverage side of the business.

STONE RIDGE 2023 PLAN

Stone Ridge 2023 Plan

2023 MANAGER'S COMMENTS

The goals for Stone Ridge in 2023, will be to focus on the following:

1. To minimize loss from the Food and Beverage operation.
2. Continue to invest in the irrigation system.
3. Replace equipment as needed and maintain the clubhouse.
4. Increase revenues.
5. Continue to invest in the playability of the course and manage costs.

In Table 6, we have provided the 2023, Budget for Stone Ridge and the historical actuals, for comparison purposes from 2012 to 2022.

In 2023, we are forecasting a net loss for the course of \$36,716. We are being conservative with our forecasts over 2022's, actual performance. For all our revenue sources, we have used a more historical budget. Even though we had an exceptional 2022, we did not feel we should forecast a similar performance. If people's behavior returns to normal, golf may not be as popular as it was during the pandemic.

We have taken a 2% increase on most memberships to offset the increase in expenses. Most of our expenses have increased a great deal more than the 2% we have taken. The expense budget reflects the full cost of labour, including a normal start to the season and without any bill backs to ELRL. In the normal course of a year, we bill back hours for our mechanic to ELRL and NorDev for snow removal services for the hotel and office. There are enough repairs and maintenance required on the equipment at Stone Ridge that our mechanic no longer has the time to provide this service. We have built a budget assuming we will be running the food and beverage services ourselves. It is important to keep in mind that we have seen increases in labour costs, utilities, insurance and in all our chemical and fertilizer products.

While we have forecast a loss, we anticipate that we will be able perform much better than this if we see the activity levels, we experienced in 2022.

In Table 6, we have provided the 2023 Budget along with the historical actuals from 2012 to 2022.

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Table 6 – 2023 Golf Course Budget versus Historical Actuals

Stone Ridge	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Revenues	BUDGET	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL
Membership	210,383	228,773	197,540	164,350	154,814	166,496	180,168	173,334	162,808	166,602	181,686	212,922
Green Fees	262,933	277,093	283,199	238,866	153,781	152,766	166,540	174,238	186,068	163,232	199,721	222,353
Pro-Shop	27,150	37,576	38,615	25,578	17,002	13,413	17,293	12,136	10,092	8,811	22,073	21,483
Clubhouse	144,400	156,754	109,303	-	-	62,378	(532)	86,967	61,992	91,000	123,281	129,328
Other Revenues	42,000	51,335	32,806	62,456	82,820	36,710	39,003	30,636	30,191	32,955	34,089	38,418
TOTAL REVENUES	686,866	751,531	661,463	491,250	408,417	431,763	402,472	477,311	451,023	462,600	560,850	624,504
Expenses												
Salaries & Benefits	465,364	461,823	376,179	286,409	266,654	332,304	272,797	331,065	307,070	325,003	381,097	402,654
Office	11,680	5,901	4,567	2,585	2,020	3,920	3,260	4,511	5,145	9,373	7,808	9,903
Vehicles	1,050	767	605	-	147							
Administration	11,620	11,688	9,875	6,748	5,118	6,668	4,620	6,188	5,952	6,968	9,303	9,236
Marketing	4,775	5,323	2,343	3,466	7,608	4,336	5,850	4,827	5,589	7,966	10,373	9,553
Utilities & Insurance	38,191	38,319	31,265	29,671	30,721	28,245	22,759	36,956	29,915	30,346	35,310	32,501
Service Contracts	800	-	439	956	225	662	1,385	887	881	1,471	702	1,432
Grounds	2,600	5,371	250	410	960	-	5,018		-	950	1,853	54
Pro-Shop	4,742	5,645	3,604	4,214	3,507	4,664	3,472	3,294	4,964	7,358	5,542	4,571
Golf Carts	10,100	9,248	9,408	14,418	6,443	5,521	5,543	2,464	12,848	4,801	5,900	9,438
Driving Range	3,300	3,738	3,016	5,169	206	-	183	313	-	637		-
Clubhouse/Kitchen	24,920	40,135	33,580	9,443	15,414	13,333	8,177	22,052	9,709	15,717	21,325	19,000
Course Maintenance	104,688	105,436	87,505	85,681	78,132	92,017	76,422	63,651	62,113	84,621	96,789	107,268
Equipment Operating	39,752	39,860	36,311	29,178	25,076	32,993	41,669	42,260	50,179	38,536	43,468	38,572
TOTAL EXPENSES	723,582	733,254	598,947	478,348	442,231	524,663	451,155	518,468	494,365	533,747	619,470	644,182
NET PROFIT	(36,716)	18,277	62,516	12,902	(33,814)	(92,900)	(48,683)	(41,157)	(43,342)	(71,147)	(58,620)	(19,678)

In Table 7, we have provided the 2023, budget broken out by the three departments, Pro Shop, Clubhouse and Maintenance.

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Table 7 - 2023 Budget by Department

Department	Pro-Shop	Clubhouse	Maintenance	Total
REVENUES				
Membership	210,383		-	210,383
Green Fees	262,933		-	262,933
Pro-Shop	27,150		-	27,150
Clubhouse	-	144,400	-	144,400
Other Revenues	42,000		-	42,000
TOTAL REVENUES	542,465	144,400	-	686,866
EXPENSES				
Salaries & Benefits	100,673	119,352	245,339	465,364
Office	5,470	3,210	3,000	11,680
Vehicles	650	400		1,050
Administration	8,635	2,985		11,620
Marketing	4,775	-		4,775
Utilities & Insurance	8,820	10,500	18,871	38,191
Service Contracts		800	-	800
Grounds	2,600	-	-	2,600
Pro-Shop	4,742	-	-	4,742
Golf Carts	10,100	-	-	10,100
Driving Range	3,300	-	-	3,300
Clubhouse/Kitchen	-	24,920	-	24,920
Course Maintenance	-	-	104,688	104,688
Equipment Operating	-	-	39,752	39,752
TOTAL EXPENSES	149,765	162,167	411,650	723,582
NET PROFIT	392,700	(17,767)	(411,650)	(36,716)

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2023 CAPITAL

All planned capital expenses for 2023, are provided in Table 8.

Table 8 - 2023 Capital Budget

Stone Ridge Capital	Pro Shop	Clubhouse	Maintenance	Admin	Total
Well pump		1,700			\$1,700
Heating conversion for shop			6,000		\$6,000
Greens Mower			60,027		\$60,027
New irrigation heads (7 heads)			13,808		\$13,808
Discs for Range picker	1,600				\$1,600
Computer for handicap system	2,000				\$2,000
Total Capital	3,600	1,700	79,835	-	\$85,135
City's share					-\$ 42,568
ELRL's share					-\$ 42,568

2023 MAINTENANCE PLAN – PREPARED BY MARK KAY

Goals for Maintenance in 2023 are to:

1. Continue to manage expenses despite rising costs.
2. Continue to invest in the irrigation system.
3. Keep our equipment running at peak efficiency.
4. Develop a team that are dedicated to improving the course.

At the end of 2022, we felt that we put the course to bed in really good shape. We are hoping that mother nature will be easier on us, and we can have a simpler spring, where we can keep improving from where we left off. Members have become accustomed to a high standard, and we plan to continue to meet and exceed expectations. It won't be easy because the prices on everything have increased. Equipment prices have increased 35%, fertilizer has risen 30%, minimum wage went up \$.50/hour, hydro and fuel have also increased. We still feel like we can deliver the product expected by golfers and the community.

We have spent a lot of time and money on our irrigation system over the past couple years. In 2023, we plan to continue to expand our system by adding some heads to reduce areas not hit by our sprinklers. One of our employees, who has experience at golf courses prior to relocating to Elliot Lake has shown interest and some level of skill when it comes to repairing our system. He indicates that he plans to return to the golf course in the spring and we will continue to train him to become our irrigation technician over time.

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Our mechanic Gord McGlennan is hard at work getting our equipment in tip top shape for the Spring. Even what we call our “new equipment” is starting to age which requires more time spent on maintenance. We have a plan that will keep our machinery repair costs between \$18,000 to \$22,000 a year for the next 5 years, providing prices don’t continue to rise as fast as they have been. We have a significant amount of equipment required to maintain the course along with 60 golf carts, so the time and money required to repair and maintain the equipment is significant.

CAPITAL FIVE YEAR PLAN 2024 - 2028

In Table 9, we have provided a forecast of our capital needs for the next five years. Keep in mind that some of these items can and may be shifted from one year to another depending on what occurs with machinery, clubhouse equipment etc. While our capital spending will vary from year-to-year the overall expenditure will increase near the end of the five-year term due to larger pieces of equipment that will need replacing.

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TABLE 9 Five Year Capital Plan

Stone Ridge 5 Year Capital Plan	
2024	
Sissis Dethatcher	20,000
Bunker Machine	30,000
New irrigation head installation (6 new heads)	12,000
Addition of Drainage and catch basins	9,183
2 motors for irrigation system (Boat 1)	11,000
pump for Irrigation system	5,500
total for 2024	87,683
2025	
Fridge clubhouse	5,000
Gas stove clubhouse	5,000
Build cart path around the back of #1 green	4,000
Clean up around the trees near #4 green	1,000
Reshape over rocks on # 12	1,500
2 motors for irrigation system (Boat 1 and one for Boat 2)	11,000
pump for Irrigation system - last one to be replaced	5,500
Replacement of 4 motors in Boat 1 and one pump	8,500
Roof for clubhouse	25,000
HVAC replacement/upgrade on Clubhouse	15,000
Gator/maintenance cart	18,000
total for 2025	99,500
2026	
New Greens Mower	60,000
Clean up in trees along #7 fairway	1,000
Clean up in the trees between 10 and 11 fairway	10,129
5 new Golf Carts	35,000
2 motors for irrigation for Boat 2	11,000
total for 2026	117,129
2027	
Motor for Irrigation for Boat 2	5,500
New rough mower	120,000
total for 2027	125,500
2028	
Replacement of 4 motors in Boat 2	8,500
15 New golf carts	92,000
Total for 2028	100,500

STONE RIDGE 2023 PLAN

2023 PRO SHOP PLAN – PREPARED BY DARRYL SPENCE

In 2023, the goals for the Pro-Shop are to:

1. Continue sales success in the Pro Shop
2. Maintain membership and Green Fees
3. Continue growing the Lesson Programs

As always, the goal in the Pro Shop is to maintain or increase the sales. The past few seasons have been challenging for retail sales. Even with beneficial programs from various brands, there have still been supply chain issues that affected the timing of receiving the merchandise. Given the short season this can present us with issues. While it is difficult to be understanding when orders are placed almost 6 months in advance, the supply chain issues were not unique to the golf industry, their impact was felt everywhere. There are still beneficial programs available to us and we are confident we should see similar sales. This season, we will also have access to a launch monitor so we will have the ability to fit golfers outside of demo days. The results will provide evidence as to whether the course should consider their own.

As unpredictable as Mother Nature can be, we really need to have a better winter than last year. We had the ability to run more tournaments; however, the conditions of the course affected the customer experience. Assuming we have a reasonable winter, this will be the season that should show us what our new normal will be. We are hoping that we will keep most of the new members. Out of town golfer traffic has been increasing, we are seeing a lot of new faces coming through. Most of these have indicated that the course was recommended by friends or family who have played.

As the Junior lessons have grown, we should see some additional growth as we typically see a few new friends from the season before who decide to start playing golf. Educating those between 13-18 years old could be an opportunity as a high majority do not participate in the lessons and some have no prior experience. Lady lessons will also be interesting since this year the programs were subsidized from the grant, we received through Golf Ontario so it remains to be seen if we see the same participation. Having said that some of the students from the past season are looking at least to do some refresher lessons and potentially participating in ladies' nights.

STONE RIDGE 2023 PLAN

2023 CLUBHOUSE (PUTTER'S) PLAN – PREPARED BY HEATHER GOULDING

The goal for the clubhouse in 2023 is to:

1. Minimize the loss from the Food and Beverage operation.
2. Provide a good alternative dining experience.

In 2023, we will once again advertise for a Food and Beverage supplier. By the end of January 2023, we will know if there are any interested vendor's looking to lease out the Food and Beverage services at Stone Ridge. We do not expect anyone to come forward, as we feel that anyone who might have been interested has already tried it and moved on. We fully anticipate that we will be in the business of running the Food and Beverage service ourselves and have set out the budget accordingly.

As stated in the past, each year that we do not have a vendor, we are essentially opening a new restaurant for the season, typically with new cooks, new menu, new serving staff. We are hopeful that if we do not get a vendor, that we will have a return of several of the cooks, and serving staff from 2022, which will make the transition a little easier. We must re-assess our menu and prices to ensure that we are pricing items appropriately. We will also have to take a closer look at staff scheduling to keep costs in line with revenues. We are hoping that we can build on the very busy season that we had in 2022, supporting the golf course with food for tournaments, but also building the patronage from the community at large. We will continue to use social media to share our daily features, photos, events and advertise the restaurant.

At this time, we know that one of the smaller refrigerators in the kitchen needs to be repaired for the 2023 season. We are not aware of any other major repairs needed for the equipment in the kitchen or clubhouse; however, we know that items are aging, and repairs are to be expected, and thus we have budgeted for this.

SUMMARY

In 2023, we will continue our staggered plan of investing in capital equipment and making improvements to the course. Over the next number of years, we will invest in new equipment, the irrigation system, and the clubhouse. The capital requirements for the course will remain at a similar level for a few years until the more expensive pieces of equipment such as the rough mower will need replacing.

Regarding our Food and Beverage Services, we anticipate it will be a challenge to find a reliable and experienced food and beverage provider. We fully expect to be managing the food and beverage services ourselves.

STONE RIDGE 2023 PLAN

We will continue to make repairs and improvements to the clubhouse building and cart barn as needed. In a year or two, we anticipate having to replace the shingles on the roof of the clubhouse.

While we have seen a small decline in green fee play, we have been able to increase our tournament participation. We are optimistic about the plan we have put in place for the course, and we will see what mother nature has in store for us in 2023.