Phase One Research Report

District of Saanich – Cedar Hill Golf Course

April 2021

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Table of Contents

Introduction

GGA Partners ("GGA") was engaged in December 2020 to complete a golf course service review for Cedar Hill Golf Course ("Cedar Hill", "CHGC" or "the Course") which is owned by the District of Saanich ("the District", or "DoS").

The phase 1 report herein includes all preliminary research and short-term recommendations (relating to the 2021 season), based on the following analyses completed to date:

Stakeholder Engagement – GGA has conducted virtual management discussions to better understand: (i) current operations, (ii) quality of the facility, (iii) the customer experience at the facility, and (iv) the state of the facility from a capital maintenance perspective. In addition, the ongoing communication has given the operators an opportunity to explain their "wants" and "needs", as well as provide insight regarding issues and/or opportunities available. GGA also conducted a series of Club member focus groups.

Customer Survey – GGA leveraged management discussions and focus group feedback to design, facilitate and report on a brief electronic customer survey for patrons of CHGC, ensuring that this stakeholder group was involved in the process and had their voice heard.

Market Analysis – GGA has studied the market area (30-minute drive radial) in order to completely understand supply and demand. We have leveraged our industry experience and research to outline key industry trends, competition (supply), all aspects of demand, demographic characteristics, and assess the optimal market positioning for the course. This has led to revenue recommendations specific to a pricing and programming plan. Included with this analysis was an evaluation of competitive clubs' pricing for various daily fee and annual pass categories.

Operational Review Analysis – GGA has reviewed historical operations and cash flow, management structures, as well as a high-level review of capital requirements. We have leveraged our proprietary database of operational and financial golf course data to benchmark operating performance to support recommendations relating to potential cost saving opportunities. Further analysis and long-term recommendations will be completed in phase 2 following our site visit of the facility.

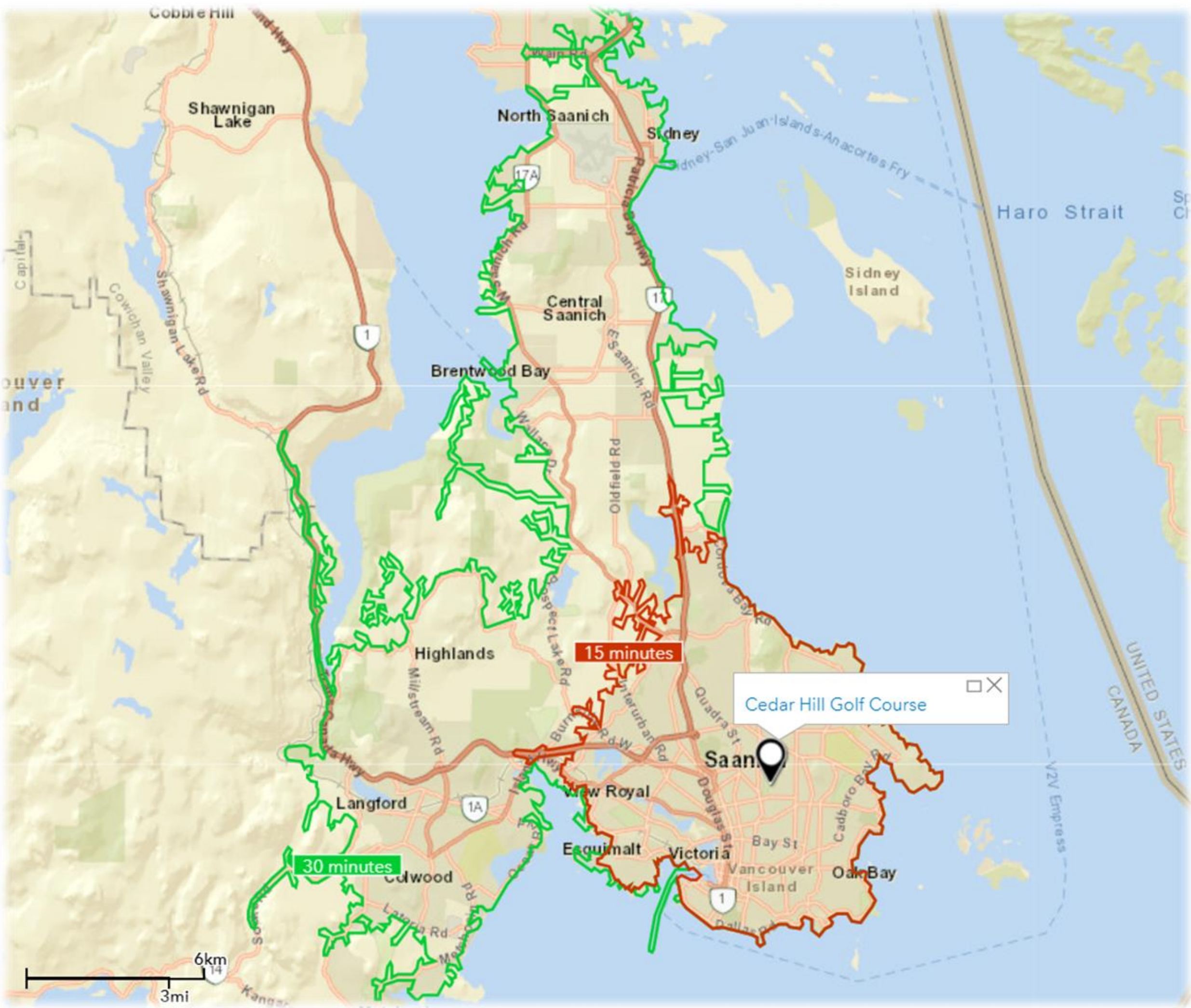
Site Visit – GGA conducted a site visit and required follow up discussions with key operating staff and management. As a value add to the site visit, GGA toured 'competitor' golf facilities to better understand CHGC's position in the marketplace and identify opportunities for competitive advantage.

Market Analysis

Background

Cedar Hill is a municipally owned par 67, 18-hole golf course, measuring roughly 5,200 yards. The operations are managed on behalf of the District, and like most government-owned facilities, the day-to-day operations are influenced by District policies and as a result, may not operate in a similar fashion to non-government owned facilities. Like many municipalities / cities, the District of Saanich and Cedar Hill management are interested in evaluating their operations to determine the best operating practice, and to establish a sustainable plan for future use of the facilities.

Exhibit 1: Cedar Hill Golf Course and Surrounding Market



The golf course is operational year-round, though climatic challenges and drainage issues limit the amount of play during winter months. The facility also offers a practice facility and clubhouse for a la carte food and beverage as well as event usage.

The primary usage rates for 2020 are listed in the table at right. The district offers discounted rates for weekday/weekend, as off-peak tiered pricing for twilight and winter season rounds. Discount cards have been offered with limited adoption, and in recent years the District has contemplated the annual pass program and has planned to continue it beyond 2021.

Given the shortened length of the golf course, CHGC generally attracts seniors, new golfers and casual golfers. The central location is a strength and makes CHGC a convenient option at a reasonable price-point for casual golfers across the District.

Exhibit 2: Cedar Hill Golf Course Fees (2020)

Fees	2020 Rate
Green Fees	
Weekday Walking Rates (W)	$ 41.00
Weekend / Holiday Walking Rates (W)	$ 41.00
Weekday Walking Rates (S)	$ 46.00
Weekend / Holiday Walking Rates (S)	$ 51.00
Twilight (S)	$ 41.00
Twilight (W)	$ 31.00
Junior (S)	$ 26.00
Junior (W)	$ 21.00
9 Holes (S)	$ 31.00
9 Holes (W)	$ 23.00
13 Holes (Summer Only)	$ 41.00
Super Twilight (Summer Only)	$ 31.00
Other Rates and Fees	
Weekend 10% Discount Card (10x - S)	$ 485.00
Weekend 20% Discount Card (25x - S)	$ 1,148.00
Seven-Day Discount Card (10x - W)	$ 380.00
Full Membership (Annual Pass)	$ 2,080.00
Junior Membership	$ 300.00

Exhibit 3: CHGC Scorecard

PLAYER:
DATE:
ATTEST:

HOLE	1	2	3	4	5	6	7	8	9	OUT	INITIALS	10	11	12	13	14	15	16	17	18	IN	OUT	TTL		
Blue	301	149	375	183	307	147	371	199	372	2404		123	322	368	515	277	131	332	404	288	2760	2404	5164	✓ Rake Traps ✓ Replace Divots ✓ Repair Ball Marks	
White	290	139	365	175	296	137	362	188	362	2314		116	310	356	504	266	121	321	391	278	2663	2314	4977		
Red	280	128	356	167	273	130	362	181	362	2239		109	289	346	496	255	109	308	321	268	2501	2239	4740		
Men's Handicap	17	11	3	9	15	13	5	7	1			16	14	2	6	10	18	8	4	12				HCP	NET
PAR	4	3	4	3	4	3	4	3	4	32		3	4	4	5	4	3	4	4	4	35	32	67		
Ladies Handicap	9	17	5	11	7	15	3	13	1			16	6	4	2	12	18	8	10	14					

		INDEX	SLOPE
MEN'S RCGA Rating	BLUE	64.6	113
	WHITE	63.8	109
	RED	62.7	105
LADIES RCGA Rating	BLUE	69.1	113
	WHITE	68.2	111
	RED	66.6	108

Cedar Hill Golf Course features a player friendly 18-hole, 5,200 yard, par 67 course with picturesque views of the Olympic Mountains, surrounded by a 3.5 km trail. Stop by our pro shop before your round and don't forget to visit our clubhouse after the game for snacks and refreshments.

Golf Industry Trends

The 2020 golf season was one of the strongest years for golf participation since the 'Tiger era' began in the late 90s. The recent year-end figures demonstrate incredible growth in activity and popularity for the sport.

- The National Golf Course Owners Association Canada's monthly Research Reports showed a 18.9% year-over-year increase in rounds played in 2020 and a 28.6% YoY increase in revenue transactions. Within British Columbia, rounds were up 23.2% and revenue was up 16.6%.[1]
- The average course operator in BC in 2019 generated $3.2M in revenue. Based on the expected provincial revenue increase in 2020 (16.6% as indicated above), that projects to $3.7M in revenue per facility in BC in 2020.
- The 'weather score' in BC for 2020 was 7.1 out of 10, where 5 out of 10 is a 'normal' weather year.
- The National Golf Foundation (US) reported that the national rounds played figures for the year were up 14% over 2019.
- Pellucid Corp (US) is projecting that golf-related revenue (GrR = greens fees, carts, memberships/season passes etc.) gains for the industry across the US will be in the billions of dollars.

The golf industry has been in a state of supply correction since the early 2000's when a wave of courses were built that exceeded the sustained demand growth. There are now signs that the industry has found its equilibrium. The net decline in golf facilities has been shrinking over the past five years. From 2013 to 2019 the supply in Canada decreased from 2,346 to 2,283[2], while the total rounds played across the nation decreased from approximately 60 million to 57 million. The total number of rounds played per facility has remained consistent at approximately 25,000. Looking ahead, with 2020 results projected to shatter records for rounds played (official count likely to end the year at approximately 63 million), the number of rounds played per facility will be reaching highs not seen since the boom of the late 90s.

A key initiative for golf facilities in 2021 and beyond will be to 'retain the gain'. Historically speaking, the golf industry has not been successful at converting new golfers into long-term users. Given the spike in new customers enjoying golf for the first time in 2020, the industry's ability to retain a portion of this 'new demand' into sustainable growth in long-term participation will be critical to continued positive momentum for the industry. During this period of heightened demand, particular emphasis needs to be given towards monitoring the revenue per round generated and limiting tactics such as 'block booking' during peak periods which generally lowers this metric.

[1] https://online.flipbuilder.com/gbcmagazine/kpln/#p=34
[2] http://canadagolfs.ca/wp-content/uploads/2020/11/Final-Golf-EIS-2019-Results_EXTERNAL_November-2_FINAL-2.pdf

Local Competitive Analysis

Cedar Hill is appropriately positioned in the mid-tier of the local competitive market, at a significant discount to the next tier of 'quality competitors' for golf rounds. This provides price elasticity for CHGC, and the flexibility to adjust rates without a significant threat of losing customers to competitors based on price points.

Peak rate discounts throughout the year (as a percentage of the peak summer weekend rate) are generally well aligned to competitive set discounting strategies and to industry standards.

Senior discount rates are only offered by three competitors in the local competitive set and is a practice that is becoming less and less common across the industry. There are still several examples of senior discounts among prominent municipal golf systems, with an average discount of 20-25% and an average age range of eligibility of 60-65. Several of these examples offer the discount only on weekdays. As the average age of golfers increases, facilities are realizing that there is not a strong business case for providing a discount to such a large audience of your customer base (often more than half of your customers). This is especially true in Victoria as a popular retirement destination.

Four local competitors offer an "All-In" passholder/membership, while two offer a "Flex Pass" membership. The traditional industry target for pricing an annual pass membership was based on 35-45 rounds of golf at the peak rate. Cedar Hill pricing is well aligned to this standard both based on 2020 rates and based on the proposed 2021 increases to peak rates and to the annual pass.

Exhibit 4: Competitive Overview

Course	Distance (km)	Type	Holes	Yardage	Par	Year Opened
Cedar Hill Golf Course	**-**	**Public**	**18**	**5,134**	**67**	**1920**
Henderson Par 3 Golf Course	3.1	Public	9	679	27	1980
Mt. Douglas Golf Course	3.9	Public	9	1,519	31	1972
Gorge Vale Golf Club	6.5	Public	18	6,820	72	1927
Cordova Bay Golf Course	10.0	Public	27	6,727	71	1991
Highland Pacific Golf Course	11.4	Public	18	6,603	71	2008
Juan de Fuca Golf Course	13.5	Public	9	1,173	27	1991
Olympic View Golf Course	20.1	Public	18	6,600	72	1990
Bear Mountain G&CC - (Valley)	20.8	Public	18	6,807	71	2009
Bear Mountain G&CC - (Mountain)	20.8	Public	18	6,849	71	2003
Metchosin Golf and Country Club	22.9	Public	9	2,760	34	1971
Ardmore Golf Course	27.0	Public	9	2,637	35	1926

**The peak rates used within were the applicable Summer Weekend rate at each club. The Summer season runs from April to October, while the Winter season runs through the remaining months.*

Exhibit 5: Competitive Mapping

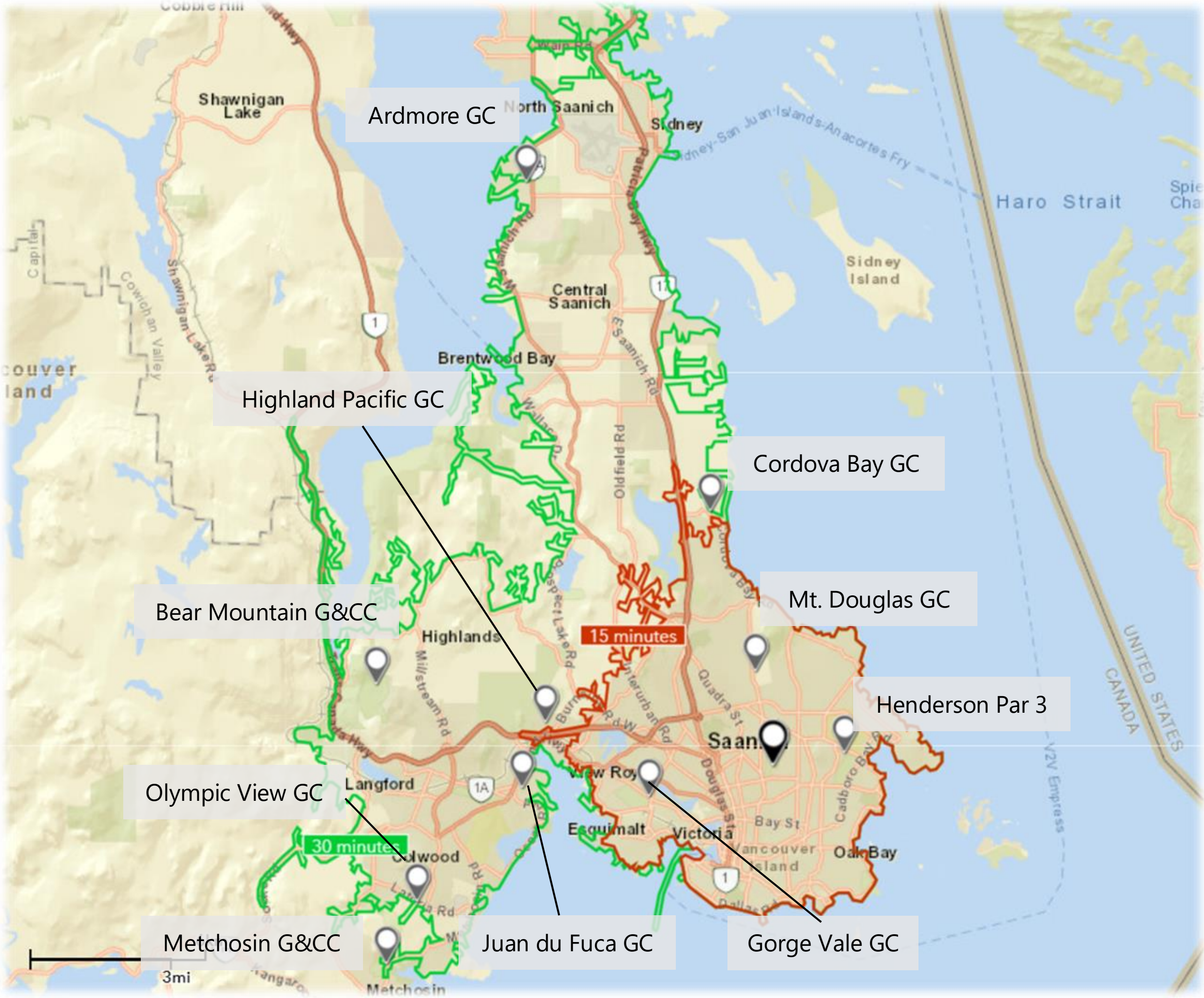


Exhibit 6: Competitive Set Rate Positioning

Course	Winter Weekday	Winter Weekend	Summer Weekday	Summer Weekend	Cart Fee 18 Holes	Peak Rate with Cart
Bear Mountaintop G&CC (Average)	n/a	$121	$219	$219	$21	$240
Gorge Vale Golf Club	$74	$74	$100	$100	$20	$120
Highland Pacific Golf Course	$54	$64	$80	$89	$22	$111
Cordova Bay Golf Course	$67	$67	$89	$89	$21	$110
Olympic View Golf Course	$65	$65	$87	$87	$21	$108
Cedar Hill Golf Course	**$41**	**$41**	**$46**	**$51**	**$18**	**$69**
Ardmore Golf Course	$30	$30	$45	$45	$16	$61
Metchosin Golf and Country Club	$37	$40	$37	$40	$17	$57
Mt Douglas Golf Course	$13	$13	$17	$17	$16	$33
Henderson Par 3 Golf Course	n/a	n/a	$8	$8	n/a	$8
Juan de Fuca Golf Course	$7	$7	$7	$7	n/a	$7
Competitive Set Average	***$43***	***$53***	***$69***	***$70***	***$19***	***$85***

Exhibit 7: Discounted Green Fee Costs as % of Peak Rate

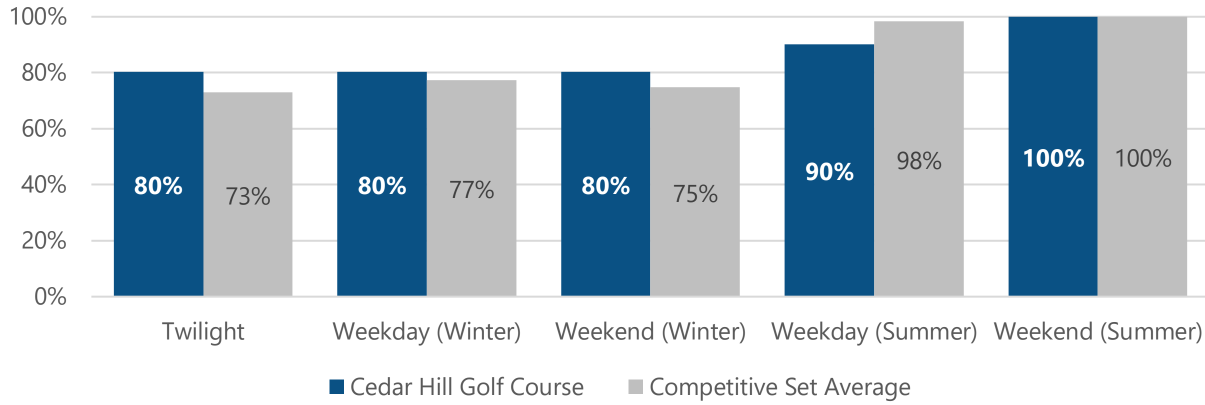


Exhibit 8: Annual Passholder Fees Local Competitive Set

Course	Peak Rate	Annual Pass	Peak Rounds per Annual Pass
Cedar Hill GC (2020)	**$51**	**$2,080**	**41**
Cedar Hill GC (2021 Proposed)	**$54**	**$2,200**	**41**
Gorge Vale Golf Club	$100	$4,322	43
Olympic View Golf Course	$87	$3,255	37
Ardmore Golf Course	$45	$1,365	30
Metchosin Golf and Country Club	$40	$1,050	26
Competitive Set Average	***$68***	***$2,498***	***34***

National Municipal Trends

Within each major Canadian municipal golf system, we have attempted to spotlight the course most similar to CHGC in terms of quality, length and/or value tier. The table below highlights the various 2020 rates and fees for a representative sample of municipal-owned courses across the country.

Exhibit 9: National Municipal Competitive Sample

Course	Municipality	Weekend Rate	Weekday Rate	Senior Rate	Twilight Rate	Peak 9-Hole	Cart Fee	Peak incl. Cart	Annual Pass
Victoria GC	Edmonton	$61.00	$50.00	n/a	$45.00	$38.00	$18.50	$79.50	n/a
Riverside GC	Edmonton	$61.00	$50.00	n/a	$45.00	$38.00	$18.50	$79.50	n/a
Humber Valley GC	Toronto	$61.00	$53.00	$41.00	$42.50	$33.50	$18.00	$79.00	n/a
Holiday Park GC	Saskatoon	$55.00	$51.00	$44.00	n/a	$33.00	$24.00	$79.00	$2,200
Chedoke - Beddoe	Hamilton	$54.00	$47.00	$47.00	$38.00	$36.00	$20.00	$74.00	$2,180
Murray GC	Regina	$54.00	$54.00	$46.00	$37.75	$37.75	$20.00	$74.00	$2,268
Shaganappi Point GC	Calgary	$54.00	$46.00	$39.25	$43.00	$36.00	$19.00	$73.00	n/a
Cedar Hill GC	**Victoria**	**$51.00**	**$46.00**	**n/a**	**$41.00**	**$31.00**	**$18.38**	**$69.38**	**$2,080**
Tyandaga GC	Burlington	$50.00	$50.00	$40.00	$30.00	$30.00	$15.00	$65.00	$2,099
Windsor Park GC	Winnipeg	$41.00	$41.00	$41.00	$28.00	$21.00	$19.00	$60.00	n/a
Langara GC	Vancouver	$28.75	$28.75	$28.75	$23.75	$13.25	$20.00	$48.75	n/a
Competitive Set Median		***$54.00***	***$50.00***	***$41.00***	***$38.00***	***$34.75***	***$19.00***	***$74.00***	***$2,190***

Cedar Hill is generally priced attractively relative to the municipal set, slightly below the competitive set median for most fees. Twilight rates are the exception, with the majority of discounts in the municipal set (and consistent with industry standards) ranging from 25% to 35%, compared to just 20% at CHGC.

The annual pass offering is becoming less common among municipally run courses in Canada. Less than half of the municipalities studied offer a full annual pass. The CHGC annual pass is priced slightly below the average price-point among similar offerings.

The City of Vancouver course portfolio appears to be priced at a significant subsidy relative to their expected 'market rate' based on GGA's perception of the portfolio quality. All other municipalities studied offer attractive price points, but still reasonably aligned to the expected market rate based on quality levels.

Demographics and Psychographics

The following are the key findings from the demographic and psychographic analysis in Appendix II. Overall, the data which follows aims to describe the customer base which Cedar Hill has access to within a 10-, 20-, and 30-minute drive radial:

- Within 30 minutes of the Course, the number of individuals above the age of 65 is 20% higher than the national average; demonstrating a noticeable overrepresentation.
- The following segments are overrepresented in the area surrounding the Course. The overrepresented segments appear to align well with Cedar Hill's affordable, public offering. For a more thorough explanation of the segments see Appendix III.
    - Friends & Roomies (13.95x national avg.)
    - Savvy Seniors (7.37x national avg.)
    - Mature & Secure (4.33x national avg.)

- Individuals living within each drivetime radial appear highly educated, with those earning a bachelor's degree, or above a bachelor's degree, 30% and 60% higher than the national average, respectively.

- The unemployment rate within the immediate area is 26% lower than the national average, while those who are employed most frequently work in Sales and Service, Education, Law and Social, Community / Government, and Health / Natural and Applied Sciences. Important to note this may be skewed by the significant portion of retirees in the area who do not count towards the unemployment calculation.

- Commuters who travel to work by biking or walking do so at a rate 6.22x, and 2.68x the national average, respectively.

- The average household size of 2.10 and 2.20, within 10 and 20 minutes of the Course respectively, are both below the national average of 2.50, indicating less frequent representation of families.

- Within all drivetime radials there is an overrepresentation of Japanese, Korean, and Chinese individuals, at roughly 3.60x, 2.00x, and 1.69x the national average, respectively.

Cross-Competitor Demographic Analysis

GGA analyzed the 10-minute drivetime radial surrounding Cedar Hill and each local competitor. By analyzing the 10-minute radial surrounding each course, conclusions can be inferred regarding the demographic characteristics of the local draw areas for each facility and their attractiveness for golfing customers.

The key insights derived from the analysis located in Appendix I are as follows:

- At approximately 167,000, Cedar Hill has the largest population living within 10 minutes of the course.

- Between 2020 and 2025, the population surrounding Cedar Hill is expected to grow at an average annual rate of 1.04%, one of the lowest amongst its competitors.

- Households within 10 minutes of the Course have a median income of $73.5k, the second lowest within the local competitive set.

- With a median age of 41.0, Cedar Hill is positioned in the middle of the competitive set.

- Amongst its competitors, Cedar Hill has the greatest number of high-income households ($125k+) at approximately 19,000 households.

- Households within 10 minutes of Cedar Hill are highly educated, with 40% obtaining a bachelor's degree or above a bachelor's degree.

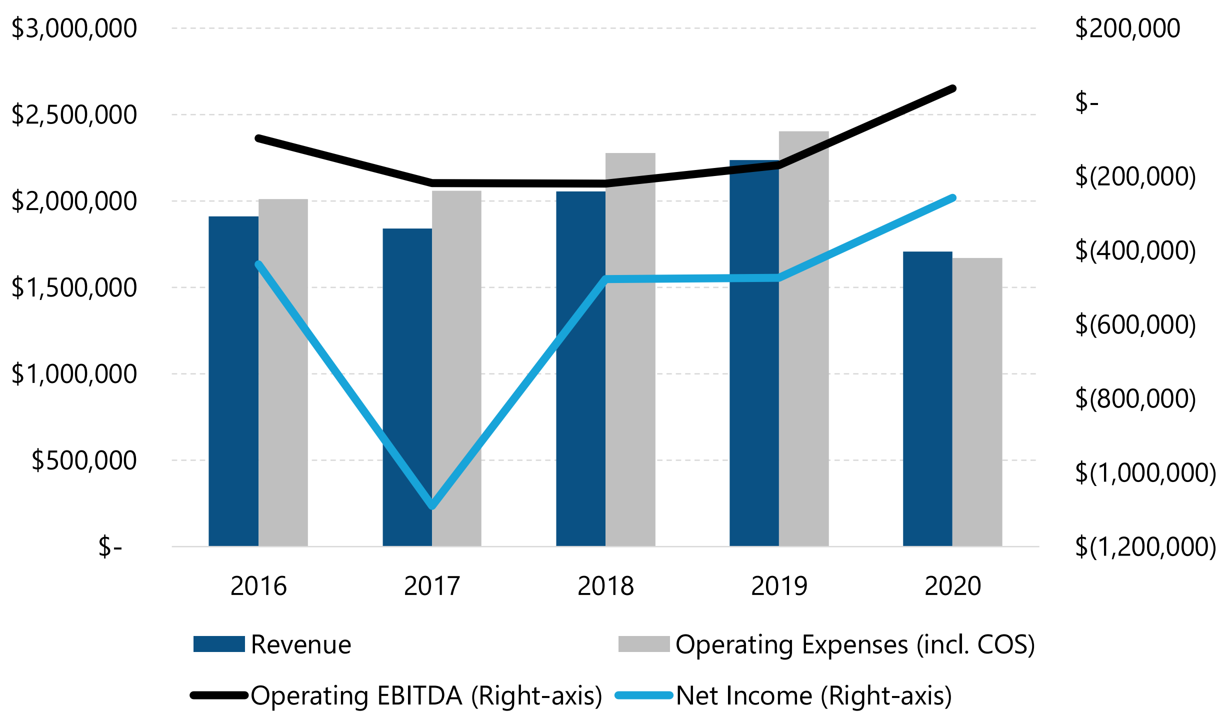
- Individuals living within the immediate area of the Course spend 55% more than the Canadian national average on sports, recreational facilities / health clubs, and social clubs.

Operational Analysis

Summary of Financial Results

The chart below provides a snapshot of the historical financial performance of Cedar Hill from 2016 to 2020.

Exhibit 10: Summary of Financial Results (2016A – 2020A)



The facility has consistently recorded a loss on operations, averaging more than $150k over the past four years (2020 excluded). Due to the significant expense savings caused by pandemic restrictions and clubhouse closure, the operation earned a slight profit in 2020. For a municipal or daily fee facility, a self-sustaining operation must also be able to rely on an operating surplus to fund annual capital maintenance requirements.

Typically, the long-term target for annual capital requirements at comparable facilities ranges from 5% to 7% of gross revenue (or approximately $100k to $150k annually based on recent gross revenue performance). In the past few years, CHGC has budgeted $121k annually for capital needs, which is well aligned to this long-term target.

As the course anticipates revenue growth from increased demand in the future, the current budget of $121k annually can be thought of as the minimum level of operating surplus needed for a self-sustaining operation over the long-term. This will require a financial improvement to the operating model of approximately $300k based on recent performance.

Exhibit 11: Income Statement Summary (2016A – 2020A)

	2016	2017	2018	2019	2020	4-Yr. CAGR
Revenue						
Annual Pass Dues	$315,840	$278,683	$268,664	$274,551	$268,773	-3%
Food & Beverage Operations	$582,643	$576,089	$574,711	$646,551	$60,581	3%
Golf Operations	$983,901	$974,165	$1,193,633	$1,298,064	$1,372,519	7%
Facility Rental	$29,462	$12,037	$19,353	$16,687	$1,300	-13%
Miscellaneous	$175	$85	$79	$0	$2,485	n.m
Total Operating Revenue	**$1,912,022**	**$1,841,060**	**$2,056,440**	**$2,235,853**	**$1,705,657**	**4%**
Cost of Sales						
Food & Beverage	$258,892	$273,271	$280,421	$293,488	$29,793	3%
Total Cost of Sales	**$258,892**	**$273,271**	**$280,421**	**$293,488**	**$29,793**	**3%**
Gross Profit	**$1,653,130**	**$1,567,789**	**$1,776,019**	**$1,942,365**	**$1,675,864**	**4%**
Operating Expenses						
Food & Beverage Operations	$345,271	$332,956	$363,409	$410,604	$114,651	4%
Golf Operations	$78,432	$71,987	$69,345	$74,757	$70,764	-1%
Golf & Grounds Operations	$737,090	$814,992	$913,068	$938,378	$900,777	6%
Other Dept. / Amenity Operations	$0	$0	$0	$0	$34,919	n.m
General & Administration	$357,477	$343,721	$374,744	$405,177	$279,665	3%
Facility Maintenance	$232,914	$221,680	$243,206	$282,777	$237,851	5%
Total Operating Expenses	**$1,751,182**	**$1,785,336**	**$1,963,772**	**$2,111,692**	**$1,638,626**	**5%**
Operating EBITDA	**$ (98,052)**	**$ (217,547)**	**$(187,753)**	**$(169,327)**	**$ 37,238**	**-15%**
Non-Operating Income / (Expenses)						
Debt Payments	$187,000	$137,120	$137,120	$137,120	$129,370	-7%
Capital Expenditures	$132,700	$696,600	$121,000	$121,000	$121,000	-2%
Pond and Trail Maintenance	$0	$0	$32,000	$45,000	$45,000	n.m
Retroactive Labour	$20,000	$38,800	$0	$0	$0	n.m
Other Non-Operating Expenses	$0	$0	$0	$1,145	$3	n.m
Total Non-Operating Expenses	**$ 339,700**	**$ 872,520**	**$ 290,120**	**$ 304,265**	**$ 295,373**	**-3%**
Net Income	**$(437,752)**	**$(1,090,067)**	**$(477,873)**	**$(473,592)**	**$(258,135)**	**-2%**

**4-Yr CAGR indicated the compound annual growth rate from 2016-2019, excluding 2020 as an unusual year for trending.*
**Values presented differ slightly from District public annual reports based on post-reporting allocations and adjustments.*

Debt payments, as indicated above, are set to expire at the end of 2021. Pond and trail maintenance expenses, which previously fell under the recreation centre domain, were recently reallocated to golf course maintenance duties. In order to compare the true operations of the golf course (relative to similar municipal and daily fee operations), we have reallocated these amounts from 2018-2020 as a non-operating expense.

Golf operations revenue (including annual pass revenue) had increased on a positive trend of 6% annually from 2016 to 2019, while overall gross profit had increased by 4%. However, total operating expenses increased at a slightly higher rate of 5% over the same period, driven by higher expenditure of the golf course maintenance operation (the largest cost centre for CHGC).

Rounds Capacity and Demand

Tee time intervals before COVID varied between 7 and 8 minutes with a starter every hour during peak times of day and season; however, COVID restrictions had mandated a 9-minute tee time interval, and no starter times. To estimate the forward-looking capacity, a 9-minute interval has been used which also aligns with industry average.

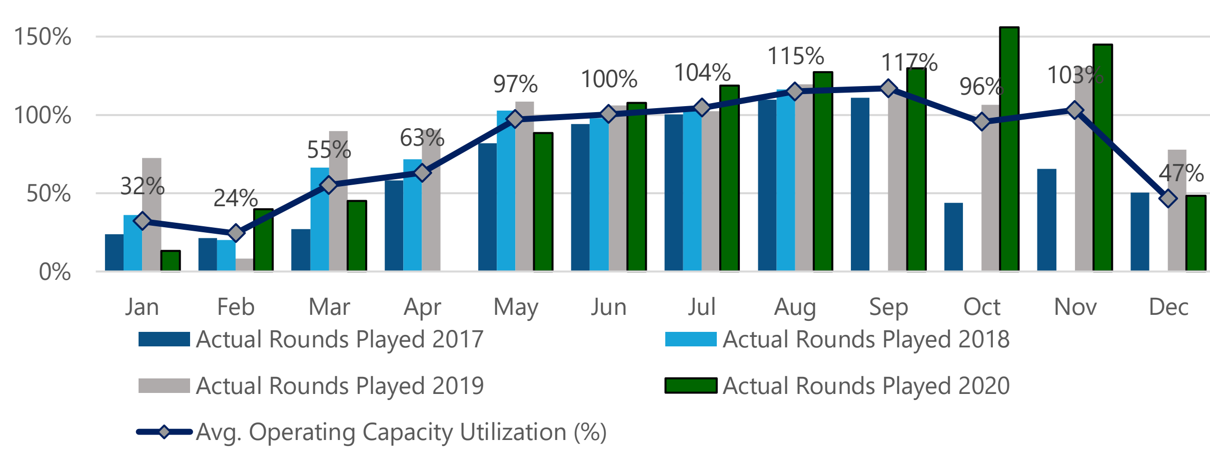
Exhibit 12: Rounds Capacity Estimate

		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
[1]	Avg. Daylight Hours	8.8	10.2	12.0	13.7	15.3	16.0	15.6	14.2	12.5	10.8	9.2	8.4
[2]	Less: Sunrise / Sunset	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
	Golf Daylight Hours	4.8	6.2	8.0	9.7	11.3	12.0	11.6	10.2	8.5	6.8	5.2	4.4
[3]	Days Open	31	28	31	30	31	30	31	31	30	31	30	31
[4]	Average Rain Days (>5mm)	7.9	5.4	4.8	2.8	2.6	2.3	1.3	1.5	2.1	5.5	9.0	8.1
	Net Golf Days	23.1	22.6	26.2	27.2	28.4	27.7	29.7	29.5	27.9	25.5	21.0	22.9
	Total Golf Daylight Hours	111.8	141.0	208.9	265.2	320.2	333.7	345.0	302.1	238.0	172.5	109.2	100.4
[5]	Tee Time per Hour (Hours)	6.7	6.7	6.7	6.7	6.7	6.7	6.7	6.7	6.7	6.7	6.7	6.7
	Tee Times Available	745	940	1,392	1,768	2,135	2,224	2,300	2,014	1,587	1,150	728	669
[6]	Max Golfers per Tee Time	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
	Rounds Inventory	**2,981**	**3,759**	**5,570**	**7,071**	**8,538**	**8,898**	**9,199**	**8,057**	**6,346**	**4,600**	**2,911**	**2,677**
[6]	**Avg. Golfers per Tee Time**	**3.0**	**3.0**	**3.0**	**3.0**	**3.0**	**3.0**	**3.0**	**3.0**	**3.0**	**3.0**	**3.0**	**3.0**
	Normal Operating Capacity	**2,235**	**2,819**	**4,177**	**5,303**	**6,404**	**6,673**	**6,899**	**6,043**	**4,760**	**3,450**	**2,183**	**2,008**
	Average Normal Capacity per Day	97	125	159	195	225	241	232	205	171	135	104	88

[1] Based on mean average of daily daylight hours from National Research Council of Canada.
[2] There is a 1-hour buffer between official sunrise time and the beginning of daily tee times, and a 3-hour buffer between the final daily tee time and sundown.
[3] Days Open is based on historical full year season; [4] Climate data from Victoria International Airport; [5] The average tee time interval is 9 minutes (60/9=6.7).
[6] Total estimated rounds inventory is based on 4 golfers per tee time; however, normal capacity assumes the average round has 3 golfers.

The capacity estimate provided above suggests a total rounds capacity of just over 70,000 rounds annually, and a 'normal operating capacity' of nearly 53,000 rounds annually. The historical utilization at CHGC from May-November has often approached or exceeded the normal operating capacity (lower tee intervals), while winter rounds utilization has averaged well below 50%, largely due to drainage issues affecting the playability of the course.

Exhibit 13: Rounds Played as a Percentage of Normal Operating Capacity



Note - No rounds information was provided from September 6th to Dec 31st, 2018. The course was also closed from March 22 to May 4 in 2020.

Partial season closures in recent years have made it difficult to trend the past 5 years of rounds played demand. The course experienced a high of 52,161 rounds in 2019. Without the course closure from March-May of 2020, we expect that rounds played in 2020 would have increased from 2019 levels by 8%-14%, which equates to nearly 60,000 annual rounds on a full annual basis. The benchmark range for comparable facility annual rounds played is 43,000 to 58,000. Assuming that a portion, but not all, of the increased COVID golf demand will remain over the long-term, CHGC appears to be positioned at the high end of benchmark range.

Exhibit 14: Rounds Played Summary (2016A – 2020A)

	Actual Performance					Trend
	2016	2017	2018	2019	2020	4-Yr CAGR
Annual Passholder Rounds	14,897	12,329	8,615	12,131	10,652	-5%
Public Green Fee Rounds	29,396	29,127	27,636	40,030	37,045	8%
Total Rounds Played	**44,293**	**41,456**	**36,251**	**52,161**	**47,697**	**4%**

Benchmarking

As part of the departmental analysis in the following sections, a benchmarking exercise against comparable municipal and daily fee facilities was conducted. The benchmarking flags outlined in the table below illustrates the symbols used throughout the analysis that will help guide the reader in how Cedar Hill Golf Course compares to other facilities.

Exhibit 15: Benchmark Guide

Indicators	Description
↔	Within the benchmark range, and does not require attention.
↔	Within the 1st quartile benchmark range, and may require attention if the item is **revenue.**
↔	Within the 1st quartile benchmark range, and may require attention if the item is an **expense.**
↑	Above the benchmark range, and does not require immediate attention if the item is **revenue.**
↓	Above the benchmark range, and does not require immediate attention if the item is an **expense.**
↑	Above the benchmark range, and may require immediate attention if the item is an **expense.**
↓	Below the benchmark range, and may require immediate attention if the item is **revenue.**

Due to the abnormality that the 2020 season was, benchmarks were calculated based on Cedar Hill's 2019 actual results. Throughout the analysis to follow, key revenue metrics and expense lines will be compared to benchmark range using the methodology above.

Golf Operations

The golf operations are contracted out by the District to the head professional. The District pays the individual a set retainer, and in return the contractor is charged with the following responsibilities:

- Operate the Pro Shop business, including the retail business
- Provide lessons, junior golf and public golf clinics
- Hire and manage golf course marshals and operations staff, also being responsible for payment of salaries and wages
- Maintain PGA of Canada 'Class A' professional status
- Acquire and maintain a fleet of golf carts, and be entitled to all income and expenses related to the golf cart operations

The term of the contract concludes at the end of 2021. We have reviewed the current contract and find the terms/conditions to be reasonable and a competitive offer for future contracts. Further due diligence (phase 2) is required to identify potential opportunities to adjust the structure moving forward.

Food and Beverage

F&B operations revenue increased to a high of $647k in 2019, before the clubhouse closure in 2020. The operation has generated a net loss averaging close to $50k annually from 2016-2019, or an 8% margin loss on operations. Cost of sales and labour costs, as a percentage of revenue, are positioned slightly above benchmark range. The overall profit margin of -9% in 2019 is positioned slightly below the benchmark range of 11% to -7% for comparable facilities.

F&B revenue on a per round basis dropped to a four-year low of $12 per round in 2019, which is positioned within the low end of benchmark range of $12 - $19.

Exhibit 16: Food and Beverage Summary (2016A – 2020A)

	Actual Performance					Trend
	2016	2017	2018	2019	2020	4-Yr CAGR
F&B Operations Revenue	**$582,643**	**$576,089**	**$574,711**	**$646,551**	**$60,581**	**3%**
F&B Cost of Sales	$258,892	$273,271	$280,421	$293,488	$29,793	3%
F&B Gross Profit	$323,752	$302,818	$294,289	$353,063	$30,788	2%
F&B Gross Margin	**56%**	**53%**	**51%**	**55%**	**51%**	**0%**
F&B Payroll and Related Costs	$308,857	$298,255	$323,448	$372,255	$106,256	5%
F&B Other Operating Expenses	$36,414	$34,701	$39,960	$38,348	$8,395	1%
F&B Operating Expenses	**$345,271**	**$332,956**	**$363,409**	**$410,604**	**$114,651**	**4%**
F&B Profit	**-$21,519**	**-$30,138**	**-$69,119**	**-$57,541**	**-$83,863**	**n.m.**
F&B Profit Margin	**-4%**	**-5%**	**-12%**	**-9%**	**-138%**	**n.m.**
Cost of Sales as % of Sales	**44%**	**47%**	**49%**	**45%**	**49%**	**1%**
F&B Payroll % of Revenue	**53%**	**52%**	**56%**	**58%**	**175%**	**2%**
Other F&B Costs % of Revenue	**6%**	**6%**	**7%**	**6%**	**14%**	**-1%**
F&B Revenue per Round - Overall	**$13**	**$14**	**$16**	**$12**	**n/a**	**-1%**

Exhibit 17: Food and Beverage Benchmarking Analysis (2019A – 2020A)

	Actual Performance		Best Practice Benchmarks		Results	
	2019	2020	Low Quartile (LQ)	Upper Quartile (UQ)	Quartile	Flag
F&B Gross Margin	**55%**	**51%**	**59%**	**65%**	**Below**	↓
Cost of Sales as % of Sales	**45%**	**49%**	**35%**	**41%**	**Above**	↑
F&B Payroll % of Revenue	**58%**	**175%**	**48%**	**57%**	**Above**	↑
Other F&B Costs % of Revenue	**6%**	**14%**	**6%**	**9%**	**Below**	↓
F&B Revenue per Round - Overall	**$12**	**n/a**	**$12**	**$20**	**1st**	↔

Golf Course Maintenance

Golf course maintenance expenses have increased at an average annual rate of 6% from 2016 to 2019, an intentional increase driven by management's viewpoint that the department was underfunded prior to 2016. Labour costs make up 70-75% of total expenses and have increased at 5% annually over the same period.

Exhibit 18: Golf Course Maintenance Expense Analysis (2016A – 2020A)

	Actual Performance					Trend
	2016	2017	2018	2019	2020	4-Yr CAGR
Payroll & Related Expenses	$548,815	$569,509	$667,445	$655,975	$651,448	5%
Chemicals & Fertilizers	$58,296	$63,153	$61,228	$62,421	$77,252	2%
Aggregates & Supplies	$30,358	$41,233	$48,454	$56,050	$52,328	17%
Gasoline & Lubricants	$16,690	$18,394	$24,014	$22,871	$16,382	8%
Water & Utilities	$39,218	$59,206	$58,266	$67,796	$50,193	15%
Other Operating Expenses	$43,711	$63,497	$53,662	$73,263	$53,175	14%
Total Grounds Maintenance	**$737,090**	**$814,992**	**$913,068**	**$938,378**	**$900,777**	**6%**
Payroll Expense % of Total	74%	70%	73%	70%	72%	-2%

Relative to benchmark expense levels, the key expense categories for the golf course are all aligned within benchmark range. Labour costs are positioned on the high end of benchmark range, while overall departmental costs are positioned in the 4th quartile based on 2019 results. It is important to note that this analysis does not consider the number of maintainable acres at Cedar Hill Golf Course; the benchmarks are based on comparable municipal and daily fee operations.

Exhibit 19: Golf and Grounds Maintenance Benchmarking Analysis (2019A – 2020A)

	Actual Performance		Best Practice Benchmarks		Results	
	2019	2020	Low Quartile (LQ)	Upper Quartile (UQ)	Quartile	Flag
Payroll & Related Expenses	$655,975	$651,448	$427,189	$658,551	**4th**	↔
Chemicals & Fertilizers	$62,421	$77,252	$59,243	$84,921	**1st**	↔
Aggregates & Supplies	$56,050	$52,328	$39,662	$56,319	**4th**	↔
Gasoline & Lubricants	$22,871	$16,382	$21,434	$33,575	**1st**	↔
Water & Utilities	$67,796	$50,193	$48,720	$85,444	**3rd**	↔
Other Operating Expenses	$73,263	$53,175	$41,627	$76,573	**4th**	↔
Total Grounds Maintenance	**$938,378**	**$900,777**	**$637,875**	**$995,383**	**4th**	↔
Payroll Expense % of Total	70%	72%	54%	64%	**Above**	↑

Facility and Administration

Facility and administration expenses have increased at an average annual rate of 4% from 2016 to 2019. Overhead costs are generally comprised of labour-related support departments/divisions such as accounting, payroll, HR, IT, etc. Direct labour costs have averaged 40% of total expenses, increasing to approximately 60% when including overhead costs.

Exhibit 20: Facilities and Administration Summary (2016A – 2020A)

	Actual Performance					Trend
	2016	2017	2018	2019	2020	4-Yr CAGR
Payroll, Taxes & Benefits	$213,051	$202,991	$228,208	$294,725	$203,907	8%
Utilities	$53,948	$56,336	$59,681	$67,598	$23,174	6%
Repairs & Maintenance	$58,093	$58,073	$63,151	$73,847	$82,835	6%
Advertising & Promotion	$41,892	$39,226	$42,715	$37,496	$14,429	-3%
Telephone	$4,220	$4,125	$4,172	$3,960	$2,714	-2%
Overhead Charges	$164,275	$160,280	$166,390	$161,094	$159,195	0%
Other	$54,913	$44,370	$53,633	$49,234	$31,262	-3%
Total Facility & Admin. Expenses	**$590,391**	**$565,401**	**$617,949**	**$687,953**	**$517,516**	**4%**
Payroll Expenses % of Total	36%	36%	37%	43%	39%	4%
Other Expenses % of Total	64%	64%	63%	57%	61%	-3%

Relative to benchmark expense levels, the key expense categories for F&A are again well aligned to benchmark range. Labour costs after including overhead costs are slightly above the median benchmark level.

Exhibit 21: Facilities and Administration Benchmarking Analysis (2019A – 2020A)

	Actual Performance		Best Practice Benchmarks		Results	
	2019	2020	Low Quartile (LQ)	Upper Quartile (UQ)	Quartile	Flag
Payroll, Taxes & Benefits	$294,725	$203,907	$292,660	$464,177	**1st**	↔
Utilities	$67,598	$23,174	$48,004	$71,336	**4th**	↔
Repairs & Maintenance	$73,847	$82,835	$60,022	$88,545	**2nd**	↔
Advertising & Promotion	$37,496	$14,429	$28,810	$52,329	**2nd**	↔
Telephone	$3,960	$2,714	$4,113	$9,557	**Below**	↓
Overhead Charges	$161,094	$159,195	n.m	n.m	**n.m**	**n.m**
Other	$49,234	$31,262	$56,088	$88,398	**Below**	↓
Total Facility & Admin. Expenses	**$687,953**	**$517,516**	**$489,697**	**$774,342**	**3rd**	↔
Payroll Expenses % of Total	43%	39%	40%	49%	**2nd**	↔
Other Expenses % of Total	57%	61%	51%	60%	**3rd**	↔

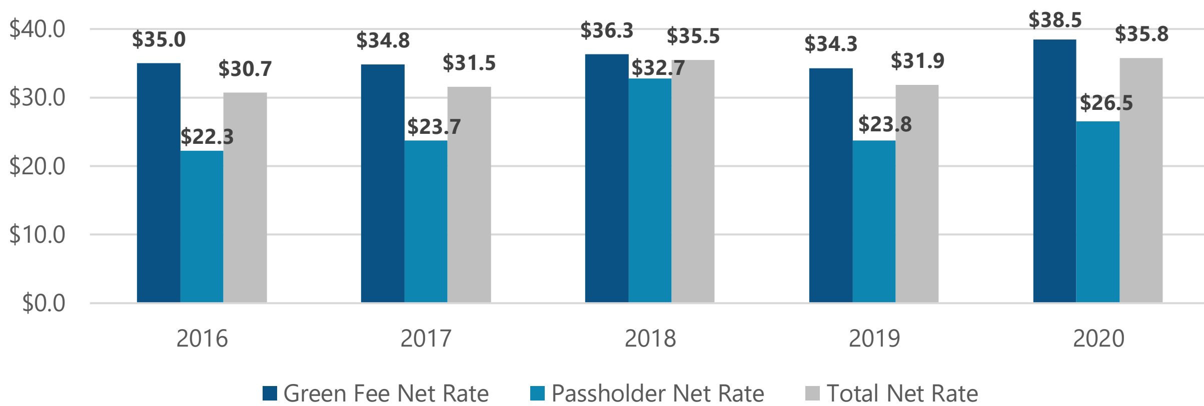
Historical Revenue Analysis

The total net rate (revenue) per round reached a five-year high of $35.8 in 2020, a 3% annual increase (compound annual growth rate) since 2016. Rounds played have fluctuated greatly over the same time horizon, up 1% annually on average. The peak rate for 18-holes (walking) has increased at just 1.3% annually over the past 5 years, below industry standards and not sufficient to cover the consistently larger increases to operating costs over the same period. For reference, golf related operating expenses increased by 5% annually on average between 2016 and 2019 (excluding 2020 because of COVID impacts).

Exhibit 22: Historical Net Rate Analysis Trend

Round Type	2016	2017	2018	2019	2020	YoY %	5-Yr CAGR
Green Fee Revenue	$1,028,591	$1,014,345	$1,003,704	$1,373,730	$1,425,068	4%	7%
Green Fee Rounds	29,396	29,127	27,636	40,030	37,045	-7%	5%
Green Fee Net Rate	**$34.99**	**$34.82**	**$36.32**	**$34.32**	**$38.47**	**12%**	**2%**
Passholder Revenue	$331,632	$292,617	$282,097	$288,278	$282,211	-2%	-3%
Passholder Rounds	14,891	12,329	8,615	12,131	10,652	-12%	-6%
Passholder Net Rate	**$22.27**	**$23.73**	**$32.74**	**$23.76**	**$26.49**	**11%**	**4%**
Total Rounds Revenue	$1,360,224	$1,306,963	$1,285,801	$1,662,008	$1,707,279	3%	5%
Total Rounds	44,287	41,456	36,251	52,161	47,697	-9%	1%
Total Net Rate	**$30.71**	**$31.53**	**$35.47**	**$31.86**	**$35.79**	**12%**	**3%**

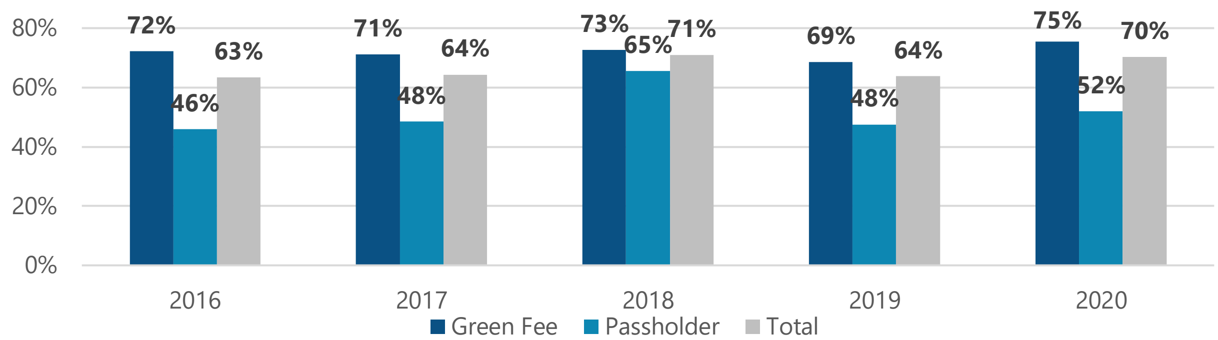
Note – The revenue figures for green fee revenues and rounds played were based on internal "yield statements" which may differ slightly from the comprehensive income statements provided.



The net rate generated from passholder rounds ($26.5) is more than 30% lower than the rate generated on average from public green fees ($38.5). Passholder rate per round has averaged 52% of the 'peak rate' at CHGC over the past five years, with the industry norm being 50% to 65% for member/passholder net rates. Passholders at Cedar Hill have historically played over 80 rounds per year on average, while the price positioning intends for average rounds played of 45 to 60. Conversely, public net rates have averaged 72% of the peak rate, which is well aligned to industry targets and infers an appropriate discounting balance.

Exhibit 23: Net Rate as % of Peak Rate Trend

Round Type	2016	2017	2018	2019	2020	5-Year Avg.
Annual Peak Rate	$48.50	$49.00	$50.00	$50.00	$51.00	$49.70
Green Fee	72%	71%	73%	69%	75%	72%
Passholder	46%	48%	65%	48%	52%	52%
Total	63%	64%	71%	64%	70%	67%



An industry trend is a movement away from annual memberships/passes that often generate the lowest level of revenue per round for a municipal golf facility. 'Flex pass' structures are growing in popularity as a method of replacing annual passes while still incentivizing customer loyalty. Flex pass structures generally involve an affordable upfront payment ($300-$500) and a discounted rate per round. This strategy ensures the golf course can secure a desired minimum 'rate per round'. The customer remains incentivized to play repeat golf, as with every round played their average 'rate paid' across the whole season decreases slightly.

Exhibit 24: Historical Rate Analysis

Round Type	2016	2017	2018	2019	2020	5-Year CAGR
Weekday Walking Rates (W)	$ 38.50	$ 39.00	$ 40.00	$ 40.00	$ 41.00	1.3%
Weekend / Holiday Walking Rates (W)	$ 38.50	$ 39.00	$ 40.00	$ 40.00	$ 41.00	1.3%
Weekday Walking Rates (S)	$ 43.50	$ 44.00	$ 45.00	$ 45.00	$ 46.00	1.1%
Weekend / Holiday Walking Rates (S)	$ 48.50	$ 49.00	$ 50.00	$ 50.00	$ 51.00	1.0%
Twilight (S)	$ 38.50	$ 39.00	$ 40.00	$ 40.00	$ 41.00	1.3%
Twilight (W)	$ 28.50	$ 28.50	$ 29.00	$ 29.00	$ 31.00	1.7%
Junior (S)	$ 25.50	$ 25.00	$ 25.00	$ 25.00	$ 26.00	0.4%
Junior (W)	$ 20.50	$ 20.00	$ 20.00	$ 20.00	$ 21.00	0.5%
9 Holes (S)	$ 28.25	$ 28.50	$ 29.00	$ 29.00	$ 31.00	1.9%
9 Holes (W)	$ 20.50	$ 21.00	$ 21.50	$ 21.50	$ 23.00	2.3%
13 Holes (Summer Only)	$ 37.50	$ 38.00	$ 40.00	$ 40.00	$ 41.00	1.8%
Super Twilight (Summer Only)	$ 25.00	$ 25.00	$ 25.00	$ 25.00	$ 31.00	4.4%
Weekend 10% Discount Card (10x - S)	$ 436.50	$ 441.00	$ 450.00	$ 450.00	$ 485.00	2.1%
Weekend 20% Discount Card (25x - S)	N/A	$ 980.00	$ 1,000.00	$ 1,000.00	$ 1,148.00	4.0%
Seven-Day Discount Card (10x - W)	$ 327.50	$ 327.25	$ 360.00	$ 360.00	$ 380.00	3.0%
Full Membership (Annual Pass)	$ 1,698.00	$ 1,999.00	$ 2,040.00	$ 2,080.00	$ 2,080.00	4.1%
Junior Membership	$ 250.00	$ 250.00	$ 250.00	$ 250.00	$ 300.00	3.7%

Given the heightened demand that we expect to continue into 2021 and beyond, CHGC may not have the golf course capacity to continue to trend usage rates at historical levels. Improving the net rate achieved per round and balancing out demand across peak and non-peak times should be a priority for 2021.

Review of Booking System

Cedar Hill has used the "iGolf" online tee sheet system since 2009. The system is past the end of its useful life and is no longer meeting the needs and expectations of the business or the public. With over $1M in revenues booked through the online tee sheet system, it is vital to the business of the golf course, and imperative that the system have functionalities that can effectively control the tee sheet, in an equitable way, to meet the expectations of the customer and maximize green fee revenues.

The following is a comprehensive list of challenges the current tee sheet software presents for both the organization and members of the public:

- **Dated Software**
  - The current version of iGolf being used is outdated, and the District has lost all data from 2009 (when iGolf was implemented) up to the last two months of data.
- **Double and Triple Bookings**
  - Current system is not capable of handling large volumes of traffic, often allowing double and triple bookings of tee times.
- **Revenue Concerns**
  - The current system has led to losses in potential revenue through allowing single golfers to book entire tee time slots, along with a lack of flexibility for non-conventional round types. It also does not provide for credit card payments at the time of booking or an associated cancellation policy.
- **Unequitable Access to Bookings**
  - Loopholes in the booking process have allowed pre-existing account holders to book their tee times before other members of the public, leading to an overrepresentation of these customers during "peak" times such as weekend mornings.
  - There has also been evidence of certain users manipulating the current system to "hold" tee times for friends and associates.
- **Server Base**
  - The current system's server base is located in the United States, while certain policies require "public bodies to ensure personal information in its custody or under its control is stored only in Canada and accessed only in Canada".
- **Communication**
  - The current system sends no form of communication to public users, impacting the user experience.
- **Stand-Alone System Functionality**
  - Best-practice modern systems will allow individuals who have booked at other facilities to already have login credentials the platform, easing the process for new customers looking to book at Cedar Hill.

Capital Review and Site Observations

On March 31, 2021, Murray Blair from GGA Partners conducted a site visit during which he toured the golf course, clubhouse, Pro Shop, driving range, and maintenance building. The tour was facilitated by the superintendent and the assistant golf professional. The clubhouse was closed and under renovation due to a flood that occurred over the holiday season. We were able to tour the inside of the building.

Clubhouse Observations

The Clubhouse is an attractive building that was built to accommodate the Pro Shop, modest locker rooms, halfway house, kitchen storage and offices on the lower level, and a restaurant/lounge, banquet space, restrooms and kitchen on the upper level. The building is well located, adjacent to the parking lot, and has a quality feel to it.

The building has been closed for over a year due to two floods resulting from burst pipes on the upper level of the clubhouse. The most recent flood occurred over the past holiday season and has been attributed to faulty fire suppression sprinklers.

The layout of the clubhouse is slightly constricted due to the rounded architectural feature at the entrance of the clubhouse. This rounded feature extends up to the lounge area limiting the amount of space for seating. The banquet space is L-shaped and somewhat uncomfortable for large events as guests at either end of the space can not see each other. Otherwise, the space has an abundance of windows looking out on the golf course making it an attractive venue.

There is currently no food and beverage service at the golf course which is a significant concern and something golfers expect. The golf course should consider adding a temporary halfway house behind the 9th hole green where they could serve sandwiches, beverages (alcoholic and non-alcoholic) and snacks. Stationing the beverage cart here, as well as adding a barbecue, would be a nice touch that would increase spend and possibly attract people from the walking trail to purchase food. If this service is not offered, golfers could bring their own food and beverage with them on the course. The concern is that golfers become accustomed to doing this which may impact food and beverage revenues in the future. There is also risk associated with golfers consuming their own alcohol on the course.

Pro Shop Observations

The Pro Shop is in a building adjacent to the driving range and cart storage facilities. There is a small retail area and cash counter where golfers pay for their green fees, range balls, carts, and Pro Shop merchandise. There is a storage room area behind the retail space. There is also a small locker room area which is currently closed due to mold located within the walls. The reparation process is slow and complicated due to old drywall which contains asbestos.

Adjacent to the Pro Shop is the cart storage building, which holds carts and provides storage for the driving range equipment.

Overall, the Pro Shop building is substandard and does not reflect the quality and standards represented by the golf course and the Clubhouse building. While there is certainly a convenience factor due to its location adjacent to the driving range and cart storage building, the District should seriously consider moving the Pro Shop operation back into the Clubhouse when the building is reopened.

The current Pro Shop building could become a teaching centre with one or two golf simulators. This would allow the professional staff to give lessons year-round and achieve the course's goal of helping people learn and improve.

Driving Range Observations

The Driving Range is located outside of the current Pro Shop and Cart Storage Facility. The range is short at only 170 yards and restricts golfers from using any clubs that would cause the ball to carry over the back fence. The range has a low fence around both sides and at the end of the range. Some consideration should be given to raising the fence around the entire range to allow for golfers to hit shots up to 200 yards. This will also decrease the risk of injury to golfers on the golf course around the range, especially on holes number 1 and 3, which are on either side of the range.

The range tees are a series of approximately 13 artificial turf matts that are spread out on the grass range tee. The tee area is not large enough to allow golfers to hit balls off the grass, so matts are a requirement. The current matts are mismatched, old and some are in disrepair representing a hazard. Serious consideration should be given to building a permanent artificial turf tee area which would include a concrete base, proper permanent matts inset and spaced out in an attractive and functional manner.

The range balls used are a mix of mid-tier balls and extremely old and worn balls. The quality of balls should be upgraded.

There is a small practice putting green where golfers can practice putting and short chip shots. Due to the short nature of the range, the target student for instruction are individuals who do not hit the ball very far. This would include juniors under the age of 10, some women, and older golfers. The addition of simulators would allow the golf course to appeal to longer hitters of all ages and abilities.

Golf Course Observations

The Golf Course is a beautiful, rolling, parkland golf course in a setting that includes spectacular Oak trees, Douglas Firs, rock outcroppings, and streams. It is a short course, measuring only 5,164 yards from the back tees and having a par of 67. Despite its lack of length, the course is challenging and attracts golfers of all skill levels.

The condition of the course is excellent and far superior to a typical municipal golf course. The greens are in superb condition and are regularly voted the best conditioned greens in Victoria. Full credit for the quality of condition goes to the superintendent and his team.

Due to the wet climate in the winter, drainage is an ongoing issue. A significant drainage program has been underway for a few years and has helped keep the Club dry enough for golfers to play in the winter. The drainage project is ongoing and should be a priority for the District as it keeps the course busy in the winter, positively impacting golfer enjoyment and revenue for the golf course.

The irrigation system satellite boxes are 16 years old and in need of replacement within the medium-term future.

There was some discussion about removing some trees and bushes at the back of the number 7 tee to build a permanent sign with the name of the golf course. This would help create exposure for Cedar Hill Golf Course to the traffic passing by on Finlayson Street.

There have been some issues with errant tee shots from the number 9 tee ending up in the back yard of a homeowner on the right side of the hole. The superintendent has added some trees near the home to knockdown balls heading toward the house which has helped reduce the occurrence. One suggestion that may further reduce this occurrence is eliminating the left side of the current tee so that only the right side is used, favourably changing the angle of the tee shot. There is a large hedge on the right side of the tee which will force golfers to aim more to the left side of the fairway and reduce the likelihood of shots ending up on the neighbouring properties.

Safety netting on the left side of hole number 13 will require replacement in the next 5-10 years and should be added to the long-range capital plan.

Maintenance Building Observations

The Maintenance Building is a small shed that is well maintained and organized. While it would be ideal to have a larger space, the current building is sufficient.

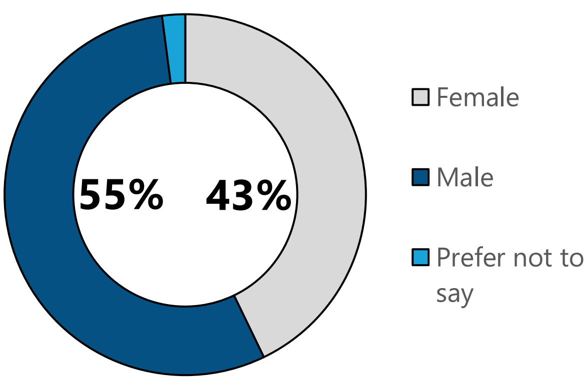
The Club has the equipment necessary to maintain the golf course at the required standards. The equipment is all owned by the District. Some consideration should be given to establishing a lease program for mowing equipment in the future. Leasing gives the District cost surety and ensures that the golf course has the most up-to-date equipment it needs. Leasing mowing equipment has becoming standard practice at golf courses in Canada. Other equipment such as tractors, sprayers, bobcats, aerators, and utility vehicles are generally owned and not part of a lease.

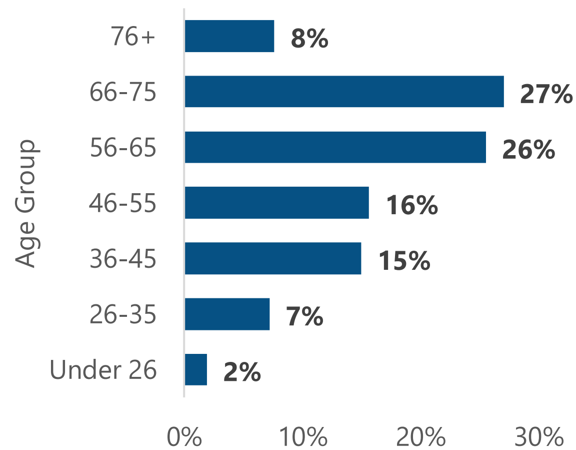
Survey Report Findings

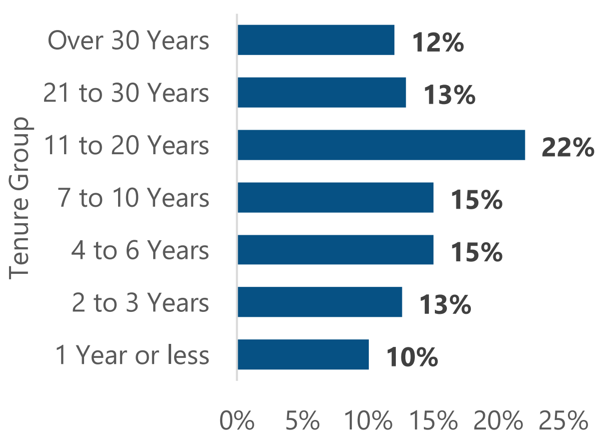
The survey generated 975 responses, an excellent feedback sample of CHGC patrons. Based on the indicated number of rounds played at CHGC for each respondent, the respondents accounted for an estimated 11,700 rounds in 2020, or approximately 25% of total rounds played over the past year.

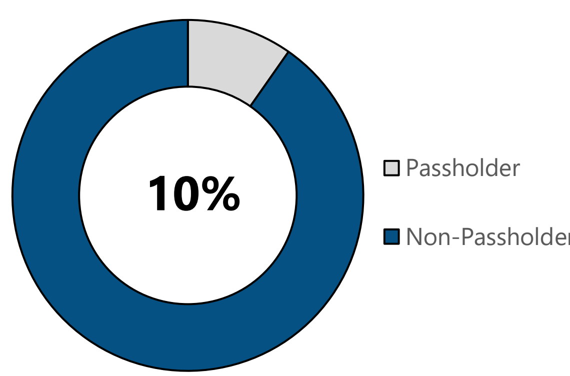
The following section gives a demographic overview of the respondents who completed the survey. The estimated average age of respondents was 57 and the 'tenure' of how long respondents have been customers of CHGC provided a well-balanced sample.

Average Age: 57.3
Average Tenure: 13.4
Average Rounds Played (any course): 24
Average Rounds Played (CHGC): 12
Annual Passholder Proportion: 10%









More than half of the respondents to the survey were male (55%), and the slight majority (53%) fall between the ages of 56 and 75. The weighted average age of respondents was 57.3, slightly older than the industry norm. The distribution of 'tenure' as patrons of the Club is relatively evenly spread amongst respondents, indicative of consistent customer flow and helpful in generating insights bringing minimal risk of a generational divide in opinion. A small minority (10%) of the respondents were annual passholders at Cedar Hill Golf Course during the 2020 season.

Satisfaction Summary

The table below highlights the key satisfaction metric scores as well as the benchmark ranges for comparable ratings. Ratings in the table below were compiled by scaling satisfaction questions from a qualitative scale to a one-to-five scale where the low point of the scale was set to one and the high point was set to five.

Exhibit 25: Survey Satisfaction Benchmark Comparison

Satisfaction Area	Overall Rating	Lower Quartile	Upper Quartile	Quartile Flag
Golf Course				
Bunkers	**3.3**	3.4	3.8	↓
Rough	**3.7**	3.7	4.1	↔
Tees	**3.8**	3.8	4.2	↔
Fairways	**3.9**	3.8	4.2	↔
Staff	**4.2**	3.9	4.3	↔
Greens	**4.3**	3.9	4.3	↔
Proshop				
Selection and availability of merchandise	**2.7**	3.2	3.6	↓
Practice facility	**3.0**	3.4	3.9	↓
Booking process	**3.2**	3.6	4.0	↓
Availability of lessons	**3.7**	3.8	4.2	↓
Quality and cleanliness of carts	**3.8**	3.8	4.2	↔
Friendliness and attentiveness of staff	**4.1**	3.9	4.3	↔
Clubhouse				
Hours of operation	**3.0**	3.7	4.1	↓
Menu selection and variety	**3.2**	3.4	3.9	↓
Quality of food and beverage	**3.5**	3.5	3.9	↔
Value	**3.6**	3.4	3.9	↔
Friendliness and attentiveness of staff	**4.0**	3.8	4.2	↔
Overall Satisfaction				
Net Promoter Score	**22**	16	39	↔
Value for money (numeric)	**3.6**	3.4	3.9	↔
Comparison to local courses (numeric)	**3.3**	3.0	3.5	↔
Overall Satisfaction (numeric)	**4.1**	3.8	4.2	↔

**Lower and Upper Quartiles indicate the low and high point of benchmark range.*

Overall satisfaction at CHGC is favourable, with 82% of respondents indicating 'somewhat' or 'very' satisfied with the overall experience. When converted to a numeric scale, the average score for overall satisfaction, Net Promoter Score and overall value for money are all within benchmark range. Only 8% of respondents believe 'value-for-money' is below average, while 52% indicated above average. Staff ratings across all departments were generally aligned with benchmark range.

Golf Course – Key drivers of satisfaction with the golf course tend to be driven by greens and fairway conditioning. The greens received a satisfaction score of 4.3 out of 5.0, positioned at the high end of benchmark range. Bunkers and tees appear to be opportunity areas for improvement on the golf course.

Proshop / Golf Operations – The booking process and practice facility appear to be key opportunities for improvement, both positioned well below their benchmark range for satisfaction levels. The District is already in the process of evaluating changes to the booking process and software. The merchandise offering and availability of lessons/instructions should be secondary areas of focus, generally with less impact on the overall experience compared to the booking process and practice facility offering.

Clubhouse – The consistent desire among respondents is an improvement to the hours of operation for the Clubhouse. This factor provides the greatest opportunity to 'move the needle' in terms of clubhouse/F&B satisfaction, though it comes with a direct cost. Improvements to the menu selection and overall quality of F&B should be viewed as additional areas of focus.

<u>Interpretation of Results</u>

On an overall basis, CHGC is hitting the mark on the key drivers of satisfaction, though there are plenty of opportunities for improvement to enhance the patron experience. The 2020 season was also a challenging year for 'satisfaction' because of the pandemic. We (GGA) witnessed a common trend across the industry of minor decreases in overall satisfaction, and particularly in areas that were affected most by restrictions such as clubhouse, F&B, and access to the tee.

In terms of the key attributes for why customers choose CHGC, Location (78%), Price (67%) and 'fun to play' (55%) are the clear top-three attributes. These three factors should form the basis of future promotion of the facility in terms of the value proposition and competitive advantage of choosing CHGC over local alternatives.

The top customer priorities for long-term improvements (next five years) are golf course drainage and golf course condition. In addition to improving satisfaction levels, improving the drainage will increase playable days and significantly help CHGC alleviate the current capacity challenges.

Other interesting insights we observed from the results are summarized below:

- **Anticipate another year of capacity concern for rounds played –** Despite a noticeable spike this year in demand, 46% of respondents believe they will play more golf next year, compared to just 10% who believe they will play less. When considering the reasonably strong combined performance of the retention variables previously highlighted (i.e., NPS, value for money, satisfaction), the outlook for future retention and recruitment of customers is favourable. Cedar Hill should anticipate a potentially record-breaking year in terms of demand.

When filtering results for 'new users' (first experience with CHGC was within the past three years), 43% expect to play more golf next year, an encouraging sign that a portion of the COVID-demand spike may be here to stay.

- **CHGC is viewed favourably compared to local alternatives** – Only 11% of respondents rate CHGC as below average compared to other golf courses in the local area. 48% believe the course is 'average' compared to local alternatives. For those who view CHGC as average or similar to local alternatives, it will be important for CHGC to continue to offer the superior price point and leverage its central location.

- **Booking process improvements must make the experience more equitable –** The top areas of emphasis identified for improvement related to the booking process were 'fairness/equitable access' (69%), requirement to specify 9-hole versus 18-hole (54%), ease of use (47%), and cancellation policy (42%). Given the anticipation of high demand levels in the upcoming season, we agree with a cancellation policy as 'no-show' rounds without consequence will be costly to the District.

- **Customers are comfortable with the current demand versus price balance –** 70% of respondents would like to keep a similar price structure in place, being comfortable with recent demand and capacity levels. Comparatively, 20% would like to see lower fees even if it means the course getting busier in the future. This breakout was consistent across respondent demographics.

- **Satisfaction is relatively consistent across respondent demographics** – Key satisfaction indicators (Net Promoter Score, overall satisfaction, value for money) displayed a low variance range when stratifying results by age, gender, or tenure as a customer. Older respondents tend to be the most frequent users of CHGC, with respondents over the age of 56 comprising the majority of annual passholder respondents and playing a much higher number of annual rounds on average.

The full survey results to each question posed on the survey can be found in '*Appendix IV – Question-by-Question Survey Results*'.

Restrictions

This report is strictly intended for use by the District of Saanich – Cedar Hill Golf Course. It is not to be reproduced or used for any other purpose other than outlined above without our prior written permission in each specific instance. GGA assumes no responsibility or liability for losses occasioned to the directors or shareholders, or to any other parties as a result of the circulation, publication, reproduction or use of this report and analysis contrary to the provisions of this paragraph.

GGA reserves the right (but will be under no obligation) to review all calculations included or referred to in this report and, if we consider it necessary, to revise our conclusions in light of any information existing at the report and valuation date which become known to GGA after the date of this report.

GGA instructs that its analysis must be considered as a whole and that selecting portions of the analysis or the factors considered by us, without considering all factors and analyses together, could create a misleading view. Any attempt to do so could lead to undue emphasis on any particular factor or analysis.

GGA Partners

Appendix I – Cross-Competitor Analysis

Exhibit 27: Total Population (2020)

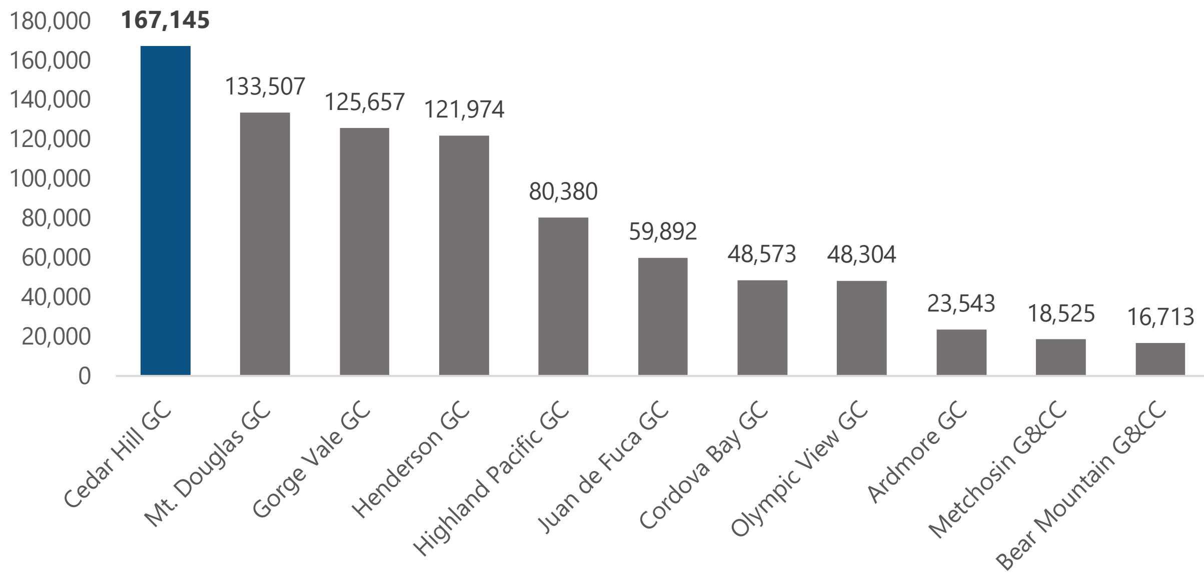


Exhibit 28: Annual Population Growth Rate (2020-2025)

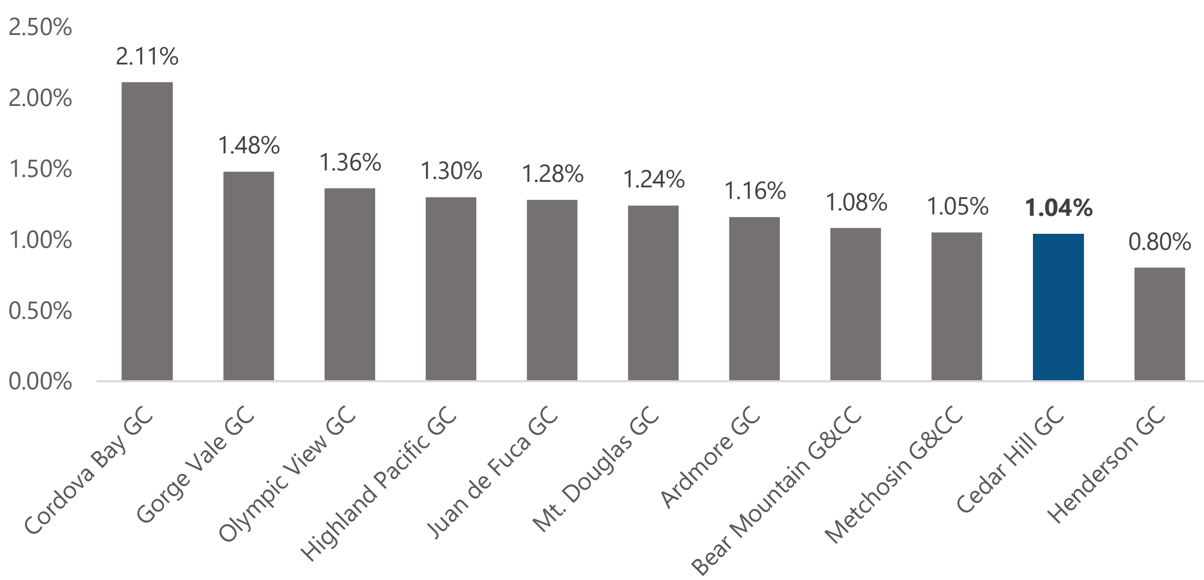


Exhibit 29: Median Household Income (2020)

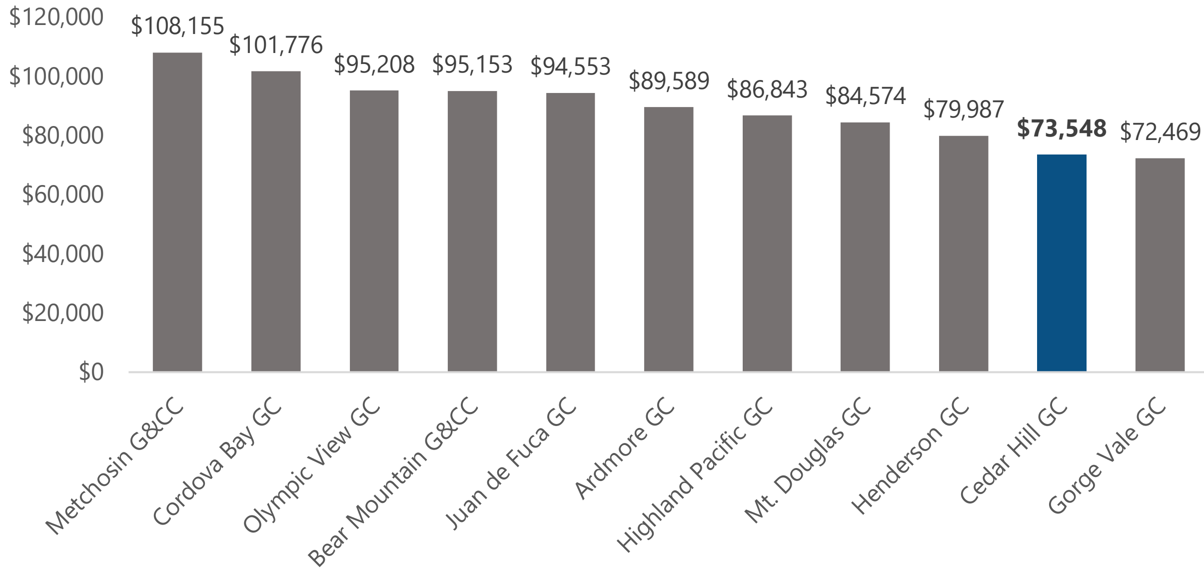


Exhibit 30: Median Age

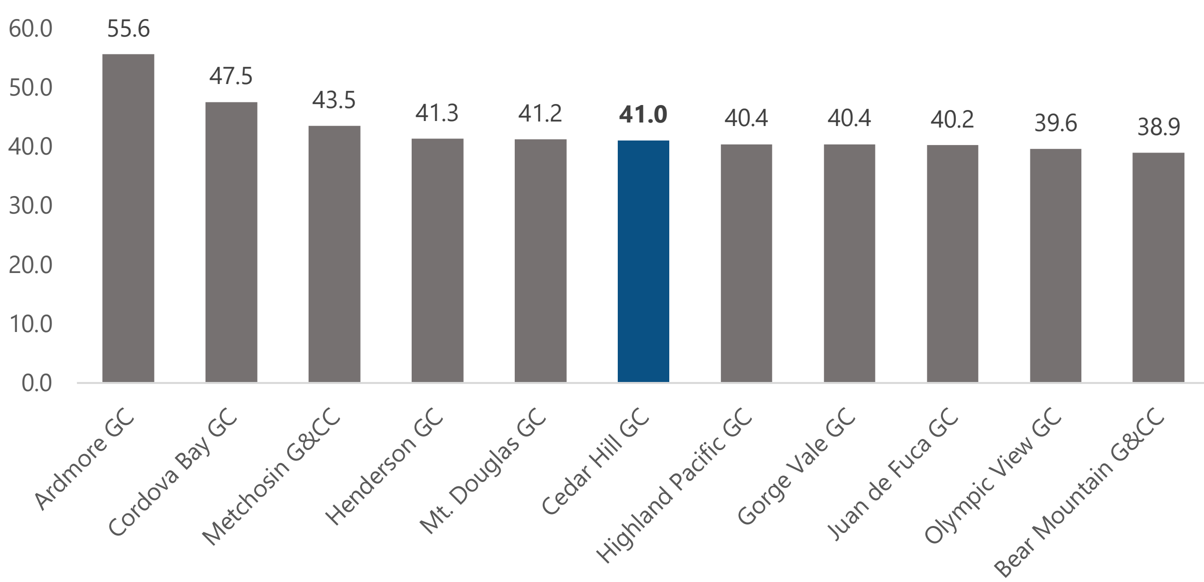


Exhibit 31: Educational Attainment

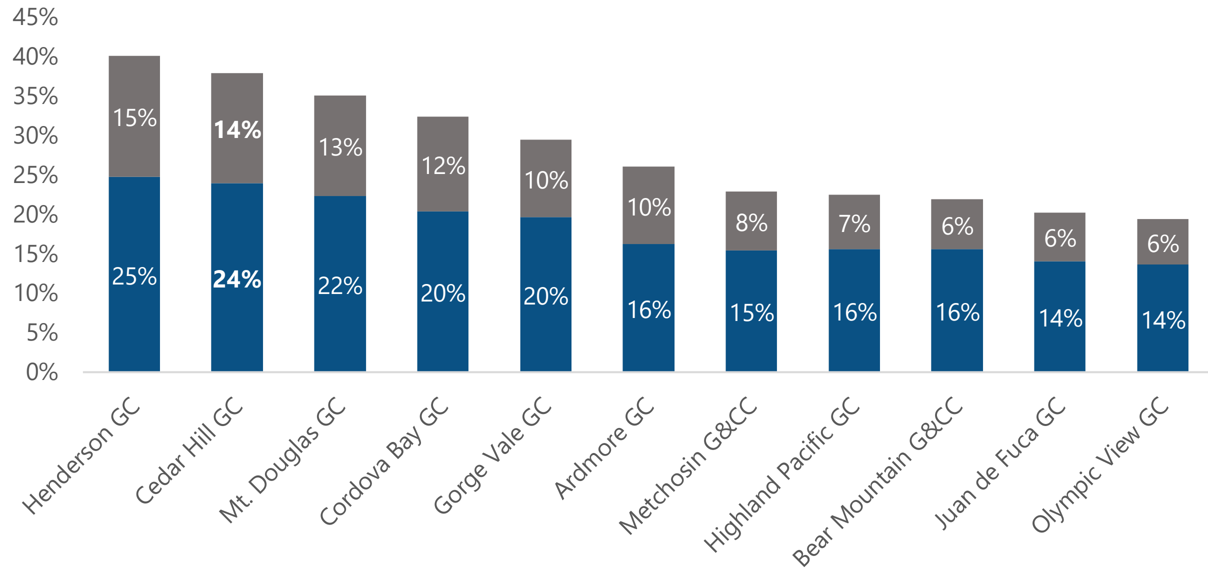
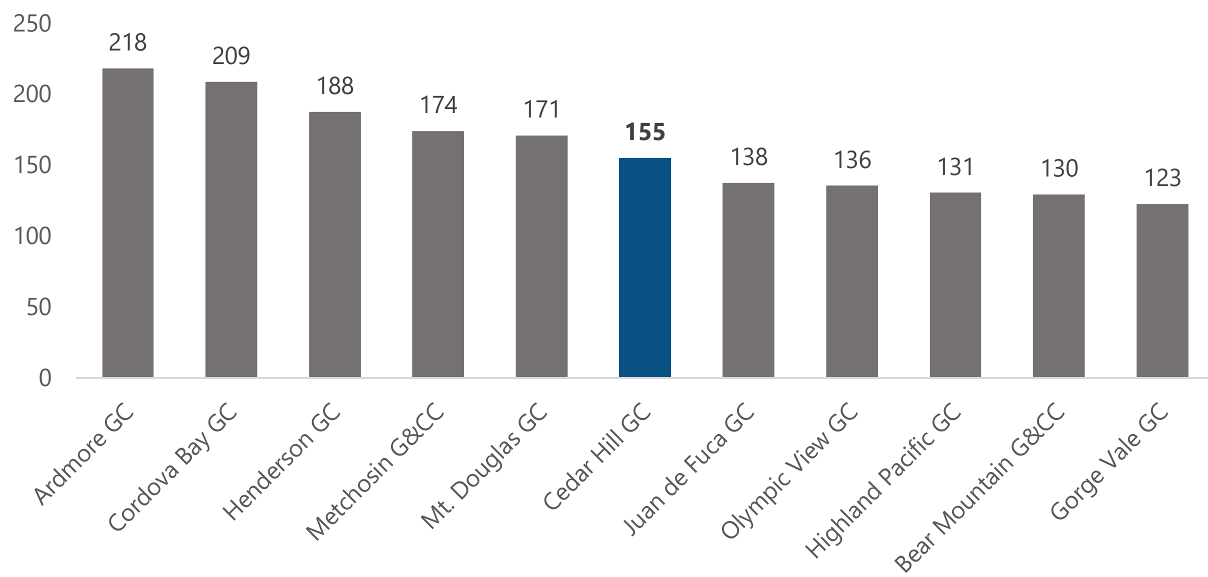


Exhibit 32: Fees for Sports, Recreational Facilities, and Health Clubs (Index)



Appendix II – Demographics and Psychographics

Exhibit 33: Income Profile

	10-Minute Drive Time				20-Minute Drive Time				30-Minute Drive Time			
	HH's	%	0 100 200	Index	HH's	%	0 100 200	Index	HH's	%	0 100 200	Index
< $20,000	3,982	5%		***113***	5,499	4%		***94***	6,317	4%		***85***
$20,000 - $39,999	15,850	21%		***117***	23,783	19%		***105***	28,242	18%		***98***
$40,000 - $59,999	11,462	15%		***105***	18,312	14%		***101***	22,621	14%		***98***
$60,000 - $79,999	9,616	13%		***100***	15,961	13%		***100***	20,181	13%		***99***
$80,000 - $99,999	8,006	11%		***98***	13,726	11%		***100***	17,727	11%		***102***
$100,000 - $124,999	7,607	10%		***94***	13,424	11%		***99***	17,771	11%		***103***
$125,000 - $149,999	5,764	8%		***93***	10,467	8%		***101***	14,110	9%		***107***
$150,000 - $199,999	6,216	8%		***89***	11,500	9%		***98***	15,555	10%		***104***
$200,000 - $299,999	4,500	6%		***86***	8,532	7%		***97***	11,420	7%		***102***
$300,000+	2,613	3%		***78***	5,210	4%		***94***	6,846	4%		***97***
Median Household Income	**$73,548**			***70***	**$79,564**			***76***	**$83,423**			***80***
Average Household Income	**$94,782**			***118***	**$101,275**			***126***	**$104,172**			***129***

Exhibit 34: Population Profile

	10-Minute Drive Time				20-Minute Drive Time				30-Minute Drive Time			
Total Population Growth	Pop.	%	0 100 200	Index	Pop.	%	0 100 200	Index	Pop.	%	0 100 200	Index
2014 Total Population	158,201				270,406				349,600			
2019 Total Population	167,145				287,686				374,744			
% Change (2014-2019)		5.7%		***91***		6.4%		***102***		7.2%		***115***
2024 Total Population	175,860				307,417				400,140			
% Change (2019-2024)		5.2%		***90***		6.9%		***119***		6.8%		***118***
Population By Age												
0 To 4	5,959	4%		***69***	10,641	4%		***72***	14,568	4%		***76***
5 To 9	6,367	4%		***71***	11,583	4%		***75***	15,924	4%		***80***
10 To 14	6,423	4%		***70***	11,526	4%		***73***	15,807	4%		***77***
15 To 19	7,483	4%		***77***	13,062	5%		***78***	17,640	5%		***81***
20 To 24	12,318	7%		***120***	18,469	6%		***105***	22,684	6%		***99***
25 To 29	15,566	9%		***137***	23,314	8%		***119***	28,164	8%		***110***
30 To 34	14,629	9%		***125***	22,719	8%		***113***	28,378	8%		***108***
35 To 39	12,655	8%		***111***	20,816	7%		***106***	26,632	7%		***104***
40 To 44	10,708	6%		***98***	18,295	6%		***97***	23,807	6%		***97***
45 To 49	10,146	6%		***96***	17,675	6%		***97***	23,039	6%		***97***
50 To 54	10,239	6%		***94***	18,252	6%		***97***	24,105	6%		***99***
55 To 59	10,782	6%		***89***	20,001	7%		***96***	26,475	7%		***97***
60 To 64	10,650	6%		***94***	19,724	7%		***101***	26,035	7%		***103***
65 To 69	10,146	6%		***106***	18,860	7%		***115***	24,802	7%		***116***
70 To 74	8,446	5%		***107***	16,211	6%		***120***	21,573	6%		***122***
75 To 79	5,738	3%		***107***	10,710	4%		***116***	14,317	4%		***119***
80 To 84	3,800	2%		***105***	7,075	2%		***114***	9,319	2%		***115***
85 Or Older	5,090	3%		***132***	8,752	3%		***132***	11,474	3%		***133***

Exhibit 35: Psychographic Segments

	10-Minute Drive Time				20-Minute Drive Time				30-Minute Drive Time			
2019 PRIZM5 Lifestyle Groups	Pop.	%	100 1300	Index	Pop.	%	100 1000	Index	Pop.	%	100 700	Index
01 The A-List	412	1%		*92*	412	0%		*55*	412	0%		*43*
02 Wealthy & Wise	211	0%		*35*	524	0%		*52*	667	0%		*53*
03 Asian Sophisticates	0	0%		*0*	0	0%		*0*	0	0%		*0*
04 Turbo Burbs	0	0%		*0*	0	0%		*0*	338	0%		*27*
05 First-Class Families	0	0%		*0*	151	0%		*10*	151	0%		*8*
06 Downtown Verve	1,030	1%		*118*	1,155	1%		*79*	1,155	1%		*62*
07 Mature & Secure	5,956	8%		*433*	8,883	7%		*386*	9,265	6%		*316*
08 Multiculture-ish	0	0%		*0*	0	0%		*0*	0	0%		*0*
09 Boomer Bliss	1,319	2%		*125*	7,063	6%		*401*	10,242	6%		*457*
10 Asian Achievement	3,620	5%		*449*	3,625	3%		*269*	3,625	2%		*212*
11 Modern Suburbia	0	0%		*0*	0	0%		*0*	0	0%		*0*
12 Eat, Play, Love	280	0%		*15*	280	0%		*9*	280	0%		*7*
13 Vie de Reve	0	0%		*0*	0	0%		*0*	0	0%		*0*
14 Kick-Back Country	0	0%		*0*	746	1%		*39*	1,676	1%		*69*
15 South Asian Enterprise	0	0%		*0*	0	0%		*0*	0	0%		*0*
16 Savvy Seniors	11,943	16%		*737*	20,490	16%		*757*	23,104	14%		*671*
17 Asian Avenues	0	0%		*0*	0	0%		*0*	0	0%		*0*
18 Multicultural Corners	0	0%		*0*	0	0%		*0*	0	0%		*0*
19 Family Mode	0	0%		*0*	842	1%		*30*	4,969	3%		*138*
20 New Asian Heights	0	0%		*0*	0	0%		*0*	0	0%		*0*
21 Scenic Retirement	0	0%		*0*	1,020	1%		*50*	5,187	3%		*199*
22 Indieville	10,064	13%		*813*	12,292	10%		*594*	12,292	8%		*467*
23 Mid-City Mellow	329	0%		*26*	938	1%		*45*	1,156	1%		*44*
24 All-Terrain Families	0	0%		*0*	102	0%		*6*	635	0%		*31*
25 Suburban Sports	1,001	1%		*56*	9,457	7%		*319*	17,260	11%		*457*
26 Country Traditions	0	0%		*0*	0	0%		*0*	45	0%		*2*
27 Diversite Nouvelle	0	0%		*0*	0	0%		*0*	0	0%		*0*
28 Latte Life	1,875	2%		*269*	2,377	2%		*204*	2,377	1%		*161*
29 C'est Tiguidou	0	0%		*0*	0	0%		*0*	0	0%		*0*
30 South Asian Sophisticates	0	0%		*0*	0	0%		*0*	0	0%		*0*
31 Metro Melting Pot	0	0%		*0*	0	0%		*0*	0	0%		*0*
32 Diverse & Determined	1,935	3%		*160*	3,481	3%		*172*	4,807	3%		*187*
33 New Country	0	0%		*0*	0	0%		*0*	0	0%		*0*
34 Familles Typique	0	0%		*0*	0	0%		*0*	0	0%		*0*
35 Vie Dynamique	0	0%		*0*	0	0%		*0*	0	0%		*0*
36 Middle-Class Mosaic	234	0%		*25*	533	0%		*34*	533	0%		*27*
37 Keep on Trucking	0	0%		*0*	0	0%		*0*	0	0%		*0*
38 Stressed in Suburbia	37	0%		*3*	1,541	1%		*75*	5,695	4%		*219*
39 Evolution Urbaine	0	0%		*0*	0	0%		*0*	0	0%		*0*
40 Les Enerjeunes	0	0%		*0*	0	0%		*0*	0	0%		*0*
41 Down to Earth	0	0%		*0*	0	0%		*0*	0	0%		*0*
42 Banlieues Tranquilles	0	0%		*0*	0	0%		*0*	0	0%		*0*
43 Happy Medium	0	0%		*0*	0	0%		*0*	562	0%		*23*
44 Un Grand Cru	0	0%		*0*	0	0%		*0*	0	0%		*0*
45 Slow-Lane Suburbs	0	0%		*0*	0	0%		*0*	211	0%		*11*
46 Patrimoine Rustique	0	0%		*0*	0	0%		*0*	0	0%		*0*
47 Social Networkers	2,580	3%		*234*	2,580	2%		*140*	2,580	2%		*110*
48 Agri-Biz	0	0%		*0*	0	0%		*0*	0	0%		*0*
49 Backcountry Boomers	0	0%		*0*	136	0%		*4*	555	0%		*13*
50 Country & Western	0	0%		*0*	0	0%		*0*	0	0%		*0*
51 On Their Own Again	1,697	2%		*136*	3,420	3%		*164*	3,420	2%		*129*
52 Friends & Roomies	28,844	38%		*1,395*	34,849	28%		*1,008*	34,849	22%		*793*
53 Silver Flats	348	0%		*57*	2,370	2%		*231*	2,370	1%		*182*
54 Vie au Village	0	0%		*0*	0	0%		*0*	0	0%		*0*
55 Enclave Multiethniques	0	0%		*0*	0	0%		*0*	0	0%		*0*
56 Jeunes Biculturels	0	0%		*0*	0	0%		*0*	0	0%		*0*
57 Juggling Acts	387	1%		*27*	3,987	3%		*168*	4,805	3%		*159*
58 Old Town Roads	0	0%		*0*	326	0%		*20*	780	0%		*37*
59 La Vie Simple	0	0%		*0*	0	0%		*0*	0	0%		*0*
60 Value Villagers	0	0%		*0*	204	0%		*11*	410	0%		*17*
61 Came From Away	0	0%		*0*	0	0%		*0*	0	0%		*0*
62 Suburban Recliners	289	0%		*18*	800	1%		*30*	2,141	1%		*63*
63 Amants de la Nature	0	0%		*0*	0	0%		*0*	0	0%		*0*
64 Midtown Movers	291	0%		*35*	291	0%		*21*	291	0%		*16*
65 Ages & Traditionnels	0	0%		*0*	0	0%		*0*	0	0%		*0*
66 Indigenous Families	0	0%		*0*	0	0%		*0*	408	0%		*32*
67 Just Getting By	934	1%		*68*	1,538	1%		*67*	1,538	1%		*53*
68 Unclassified	0	0%		*0*	0	0%		*0*	0	0%		*0*

Exhibit 36: Educational Profile

	10-Minute Drive Time				20-Minute Drive Time				30-Minute Drive Time			
	Pop.	%	0 100 200	Index	Pop.	%	0 100 200	Index	Pop.	%	0 100 200	Index
High School Certificate or Equivalent	37,455	26%		99	65,830	27%		101	88,060	28%		104
Apprenticeship or trades certificate or diploma	8,716	6%		66	16,904	7%		75	23,713	7%		81
College, CEGEP, Non-Uni Certificate/Diploma	25,646	18%		90	46,177	19%		94	63,095	20%		99
Univ. Cert Or Diploma Below Bachelor	3,185	2%		97	5,561	2%		99	7,384	2%		101
University Degree	54,149	38%		150	86,013	35%		138	102,928	32%		128
Bachelor's degree	34,194	24%		139	53,837	22%		128	65,040	20%		119
Above Bachelor's	19,955	14%		172	32,176	13%		161	37,888	12%		146

Exhibit 37: Occupational Profile

	10-Minute Drive Time				20-Minute Drive Time				30-Minute Drive Time			
	Pop.	%	100 600	Index	Pop.	%	100 500	Index	Pop.	%	100 400	Index
2019 Unemployment Rate	4.6%			74	4.3%			69	4.3%			69
Management	9,590	10%		93	16,936	11%		98	22,136	11%		99
Business, Finance And Administration	15,709	16%		105	27,237	17%		109	35,667	17%		110
Natural And Applied Sciences	8,266	9%		117	13,085	8%		111	16,331	8%		107
Health	8,270	9%		117	13,603	8%		115	17,093	8%		112
Education, Law And Social, Community/Govt.	14,311	15%		123	24,099	15%		123	30,218	14%		120
Art, Culture, Recreation And Sport	4,126	4%		139	6,493	4%		130	7,722	4%		120
Sales And Service	24,744	26%		112	39,760	25%		107	50,858	24%		106
Trades, Transport And Equipment Operators	8,647	9%		63	15,716	10%		69	22,580	11%		76
Natural Resources, Agriculture	1,318	1%		64	2,175	1%		63	2,961	1%		66
Manufacturing and Utilities	1,260	1%		29	2,149	1%		30	2,904	1%		31
Travel To Work By Car As Driver	45,146	53%		72	83,396	58%		80	116,663	63%		86
Travel To Work By Car As Passenger	3,911	5%		83	6,756	5%		86	8,898	5%		88
Travel To Work By Public Transit	13,072	15%		118	19,067	13%		103	21,766	12%		91
Travel To Work By Walking	13,129	15%		268	18,224	13%		222	20,220	11%		190
Travel To Work By Bicycle	8,147	10%		622	12,043	8%		550	13,255	7%		468
Travel To Work By Other Method	2,178	3%		197	3,536	2%		192	4,425	2%		185

Exhibit 38: Industry Profile

	10-Minute Drive Time				20-Minute Drive Time				30-Minute Drive Time			
	Pop.	%	0 100 200	Index	Pop.	%	0 100 200	Index	Pop.	%	0 100 200	Index
Agriculture, Forestry, Fishing And Hunting	714	1%		32	1,355	1%		36	1,925	1%		40
Mining, Quarrying, And Oil And Gas Extraction	283	0%		20	472	0%		19	702	0%		22
Utilities	227	0%		30	416	0%		33	573	0%		35
Construction	5,384	6%		76	9,482	6%		80	13,521	7%		88
Manufacturing	3,038	3%		37	5,262	3%		38	7,261	3%		41
Wholesale Trade	1,593	2%		45	3,061	2%		52	4,127	2%		54
Retail Trade	10,774	11%		98	18,054	11%		98	23,894	12%		100
Transportation And Warehousing	3,182	3%		69	5,709	4%		74	7,980	4%		80
Information And Cultural Industries	2,413	3%		105	3,848	2%		100	4,708	2%		95
Finance And Insurance	2,951	3%		70	5,018	3%		71	6,611	3%		72
Real Estate And Rental And Leasing	2,000	2%		112	3,549	2%		118	4,508	2%		116
Professional, Scientific And Technical Services	9,257	10%		130	14,523	9%		121	17,828	9%		115
Management Of Companies And Enterprises	104	0%		65	153	0%		57	224	0%		64
Admin/Supp, Waste Mgt, Remed. Svc	4,334	5%		103	7,093	4%		100	9,239	4%		101
Educational Services	8,985	9%		127	14,040	9%		118	16,960	8%		110
Health Care And Social Assistance	13,392	14%		120	22,059	14%		118	28,144	14%		117
Arts, Entertainment And Recreation	2,757	3%		136	4,448	3%		131	5,577	3%		127
Accommodation And Food Services	10,359	11%		154	15,677	10%		139	19,166	9%		132
Other Services (Except Public Administration)	4,157	4%		98	6,925	4%		97	8,985	4%		98
Public Administration	9,947	10%		167	19,540	12%		196	25,807	12%		200

Exhibit 39: Family and Household Structure

	10-Minute Drive Time			20-Minute Drive Time			30-Minute Drive Time		
	Pop.	%	Index	Pop.	%	Index	Pop.	%	Index
Average Number of Persons in Private Households	2.10	0%	84	2.20	0%	88	2.30	0%	92
Total Family Households	39,476	52%	163	71,362	56%	177	95,856	60%	187
One-Family Households	38,655	51%	165	69,869	55%	178	93,692	58%	188
Multiple-Family Households	821	1%	114	1,492	1%	124	2,165	1%	142
Non-Family Households	36,140	48%	309	55,051	44%	281	64,935	40%	261
One-Person Households	30,017	40%	295	46,443	37%	273	55,117	34%	254
Non Census Family Persons 65 Or Older Living Alone	10,227	14%	263	17,772	14%	273	22,176	14%	268
Two-Or-More-Person Households	6,123	8%	405	8,608	7%	341	9,818	6%	306
Total Number Of Children At Home	32,658			59,014			80,698		
Children At Home: Under 5	5,540	17%	101	9,952	17%	100	13,679	17%	101
Children At Home: 5-9	5,938	18%	101	10,807	18%	102	14,958	19%	103
Children At Home: 10-14	5,998	18%	104	10,708	18%	103	14,760	18%	104
Children At Home: 15-19	5,917	18%	103	10,752	18%	104	14,791	18%	105
Children At Home: 20-24	4,061	12%	93	7,571	13%	96	10,189	13%	94
Children At Home: 25+	5,205	16%	96	9,224	16%	94	12,321	15%	92
Average Children Per Census Family	0.80		80	0.80		80	0.80		80
Average Children Per Census Family Household	0.80		73	0.80		73	0.80		73
Total Couple Families	33,894	84%	98	61,896	85%	99	83,784	85%	100
Couple Fams Without Children At Home	20,125	50%	120	36,545	50%	121	48,903	50%	120
Couple Fams With Children At Home	13,769	34%	78	25,351	35%	79	34,880	35%	81
Couple Fams: 1 Child	6,406	16%	91	11,654	16%	92	15,789	16%	92
Couple Fams: 2 Children	5,711	14%	76	10,644	15%	78	14,745	15%	81
Couple Fams: 3+ Children	1,652	4%	52	3,053	4%	53	4,346	4%	57
Married Couple Fams	25,952	64%	96	48,728	67%	99	66,705	68%	101
Married Couple Fams: Without Children At Home	14,114	35%	113	26,871	37%	119	36,725	37%	121
Married Couple Fams: With Children At Home	11,838	29%	81	21,857	30%	83	29,980	30%	84
Married Couple Fams: 1 Child	5,332	13%	95	9,732	13%	96	13,158	13%	97
Married Couple Fams: 2 Children	5,071	13%	80	9,475	13%	83	13,103	13%	85
Married Couple Fams: 3+ Children	1,435	4%	54	2,649	4%	55	3,719	4%	57
Common-Law Couple Families	7,942	20%	108	13,167	18%	99	17,079	17%	95
Common-Law Couple Families Without Children At Home	6,010	15%	142	9,673	13%	126	12,178	12%	118
Common-Law Couple Families With Children At Home	1,931	5%	62	3,494	5%	62	4,900	5%	65
Common-Law Couple Families: 1 Child	1,074	3%	75	1,922	3%	74	2,631	3%	76
Common-Law Couple Families: 2 Children	640	2%	54	1,169	2%	55	1,643	2%	57
Common-Law Couple Families: 3+ Children	217	1%	44	403	1%	45	626	1%	52
Total Lone-Parent Families	6,583	16%	98	11,297	15%	93	14,767	15%	90
Lone-Parent Families: 1 Child	4,531	11%	110	7,774	11%	104	10,002	10%	100
Lone-Parent Families: 2 Children	1,670	4%	88	2,866	4%	84	3,852	4%	84
Lone-Parent Families: 3+ Children	382	1%	56	657	1%	53	913	1%	55
Female Parent Families	5,273	13%	101	8,911	12%	94	11,493	12%	90
Female Parent Families: 1 Child	3,639	9%	114	6,170	8%	107	7,830	8%	101
Female Parent Families: 2 Children	1,348	3%	89	2,259	3%	83	2,999	3%	82
Female Parent Families: 3+ Children	287	1%	53	481	1%	49	664	1%	50
Male Parent Families	1,309	3%	89	2,386	3%	90	3,274	3%	91
Male Parent Families: 1 Child	892	2%	94	1,604	2%	94	2,172	2%	94
Male Parent Families: 2 Children	322	1%	84	607	1%	88	853	1%	92
Male Parent Families: 3+ Children	95	0%	67	175	0%	68	249	0%	72
2019 Total Households for Tenure: Owned	39,349	52%	77	71,311	56%	83	97,563	61%	90
2019 Total Households for Tenure: Rented	36,265	48%	150	55,086	44%	136	63,148	39%	123
2019 Total Households for Tenure: Band Housing	2	0%	1	16	0%	3	80	0%	12

Exhibit 40: Immigration Profile

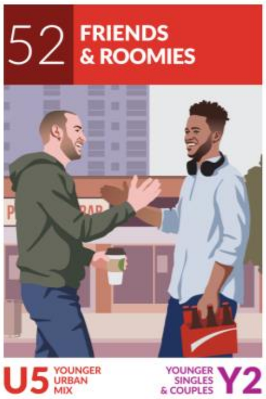
	10-Minute Drive Time				20-Minute Drive Time				30-Minute Drive Time			
	Pop.	%	100 300	Index	Pop.	%	100 300	Index	Pop.	%	100 200	Index
Total Immigrant	33,329	21%		***90***	54,844	20%		***86***	68,238	19%		***82***
Non-Permanent Residents	10,244	6%		***225***	12,610	5%		***160***	14,053	4%		***137***
Visible Minority: Total Visible Minorities	37,630	23%		***90***	54,835	20%		***76***	62,059	17%		***66***
Visible Minority: Chinese	13,482	8%		***169***	18,020	6%		***131***	19,681	5%		***109***
Visible Minority: South Asian	6,996	4%		***63***	11,813	4%		***62***	13,447	4%		***54***
Visible Minority: Black	2,497	2%		***37***	4,052	1%		***34***	4,683	1%		***30***
Visible Minority: Filipino	3,848	2%		***103***	5,768	2%		***90***	7,004	2%		***83***
Visible Minority: Latin American	1,708	1%		***71***	2,594	1%		***63***	3,283	1%		***61***
Visible Minority: Southeast Asian	1,881	1%		***121***	2,790	1%		***104***	3,186	1%		***91***
Visible Minority: Arab	1,570	1%		***52***	1,928	1%		***37***	2,033	1%		***30***
Visible Minority: West Asian	909	1%		***57***	1,334	0%		***49***	1,417	0%		***40***
Visible Minority: Korean	1,864	1%		***200***	2,390	1%		***149***	2,634	1%		***125***
Visible Minority: Japanese	1,422	1%		***360***	2,108	1%		***309***	2,394	1%		***268***
Visible Minority: All Other	381	0%		***47***	525	0%		***37***	585	0%		***32***
Visible Minority: Multiple	1,072	1%		***85***	1,514	1%		***70***	1,711	0%		***60***
Not A Visible Minority	123,744	77%		***103***	223,612	80%		***108***	302,027	83%		***112***

Exhibit 41: Language Profile

	10-Minute Drive Time				20-Minute Drive Time				30-Minute Drive Time			
	Pop.	%	0 100 200	Index	Pop.	%	0 100 200	Index	Pop.	%	0 100 200	Index
Knowledge of Language												
2019 KOL: English Only	140,662	87%		***126***	245,009	88%		***127***	323,656	89%		***129***
2019 KOL: French Only	49	0%		***0***	102	0%		***0***	134	0%		***0***
2019 KOL: English And French	18,231	11%		***64***	30,108	11%		***61***	36,769	10%		***57***
2019 KOL: Neither English Nor French	2,432	2%		***79***	3,228	1%		***61***	3,527	1%		***51***
Mother Tongue												
2019 MT: English	124,473	77%		***139***	222,230	80%		***144***	297,836	82%		***148***
2019 MT: French	2,591	2%		***8***	5,149	2%		***9***	6,594	2%		***9***
2019 MT: Total Non-Official	31,285	19%		***88***	46,489	17%		***76***	54,252	15%		***68***
2019 MT: Multiple Languages	3,026	2%		***77***	4,579	2%		***67***	5,403	1%		***61***
2019 MT: English & French	522	0%		***69***	889	0%		***68***	1,083	0%		***63***
2019 MT: English & Unofficial	2,380	1%		***92***	3,483	1%		***78***	4,067	1%		***69***
2019 MT: French & Unofficial	65	0%		***15***	102	0%		***14***	126	0%		***13***
2019 MT: English & French & Unofficial	59	0%		***37***	105	0%		***38***	127	0%		***35***

Appendix III – PRIZM Psychographic Details

Exhibit 42: Friends & Roomies Segment



Young, diverse lower-middle-income city dwellers

Young, diverse lower-middle-income city dwellers

Who They Are

One of the largest segments, Friends & Roomies attracts mostly young singles and single-parent families to neighbourhoods in cities like Calgary, Edmonton, Winnipeg and Victoria. More than a third of maintainers are younger than 35, more than half under 44. A majority of the households contain single, divorced or separated individuals. With mixed educational achievement—from high school to university degrees—members hold a variety of predominantly service sector and white-collar jobs. Incomes are below average, and over three-quarters are renters, mostly in low-rise units. In this transitional segment, more than 60 percent of Friends & Roomies households moved in the past five years. Today, more than 40 percent of the population are first-generation Canadians, typically Black, Filipino and South Asian immigrants who identify as visible minorities. These young people are able to turn modest incomes into active social lives, enjoying bars, nightclubs and community theatres at high rates. And many like to shop—especially online—for video games, movies and music. In their diverse neighbourhoods, they enjoy Culture Sampling, incorporating the cultural influences of other groups into their lives.

Exhibit 43: Mature & Secure Segment

Older and mature upscale city dwellers

Older and mature upscale city dwellers

Who They Are

Emblematic of Canadian's aging society, Mature & Secure consists of older and mature couples and families aging in place in urban fringe neighbourhoods. More than half the maintainers are over 55 years old. About 80 percent of this segment's households are found in Canada's largest markets: Toronto, Montreal, Vancouver, Calgary, Ottawa and Edmonton. Many contain first- and second-generation Canadians, the immigrants having arrived between 1990 and 2010. And one in eight residents is Jewish, the highest percentage among all segments and more than 11 times the national average. Well educated with university degrees, those still in the workforce earn upscale incomes from management and white-collar positions in business, finance, science and education. Longtime homeowners, they live in stylish houses and duplexes built between 1960 and 1990 and valued at over $800,000. With a high level of financial security, Mature & Secure residents tend to own investments, real estate and imported luxury cars. Yet they also express a desire to provide a secure future for their children and grandchildren (*Legacy*).

Exhibit 44: Savvy Seniors Segment

Upper-middle-income seniors in urban apartments

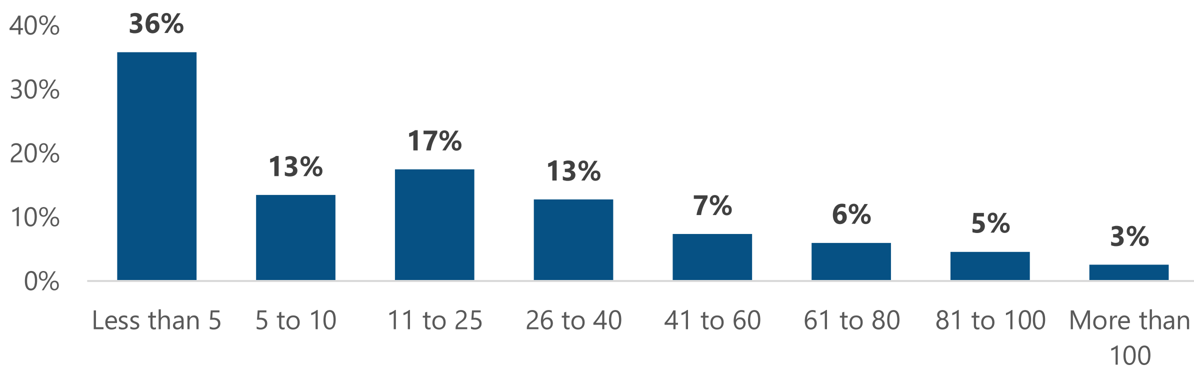
Who They Are

An aging lifestyle, Savvy Seniors is home to older singles, couples and divorced or widowed individuals found mostly in cities throughout Ontario, British Columbia and Alberta. Many of these seniors are financially comfortable: with a mix of high school, college and university educations, they enjoy upper-middle-incomes and homes valued at nearly a half-million dollars. Nearly 40 percent of the maintainers are over 65 years old, and they gravitate to easy-to-maintain high-rise apartment buildings, condos and row houses, typically built between 1980 and 2000. More than half of the households consist of third-plus-generation Canadians, and many are empty-nesters; any children at home are typically in their teens and twenties. About 55 percent of the adults are still in the labour force, holding upper-level positions in the sciences, education, the arts and public administration. Still fit and active, these residents have the time and money for travel, golf and fitness activities. And they still believe in the value of *Community Involvement*, staying active in social issues and political campaigns.

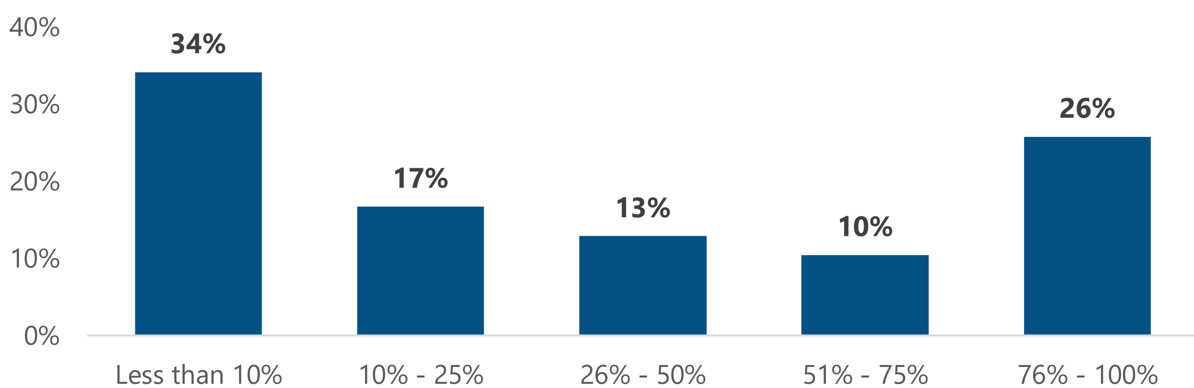
Appendix IV – Question-by-Question Survey Results

The followings visuals provide the overall results to each question asked on the survey:

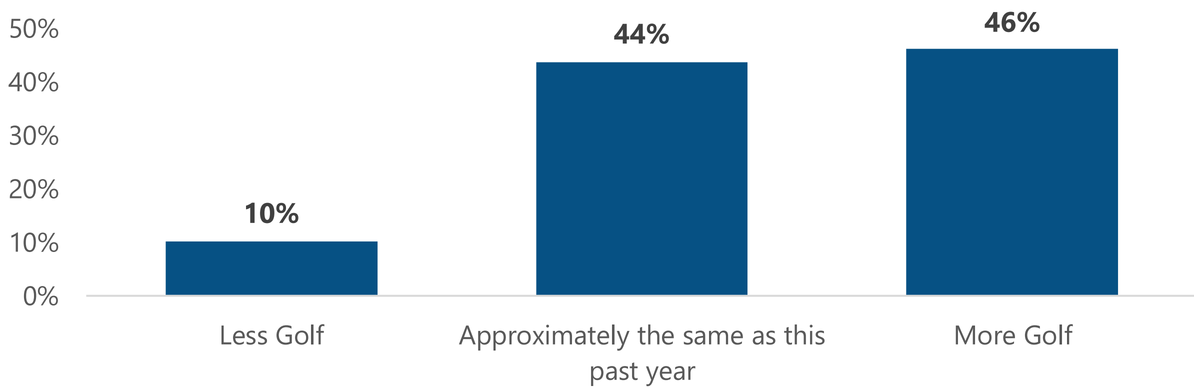
Q. Approximately how many golf rounds did you play this season, Cedar Hill or otherwise?



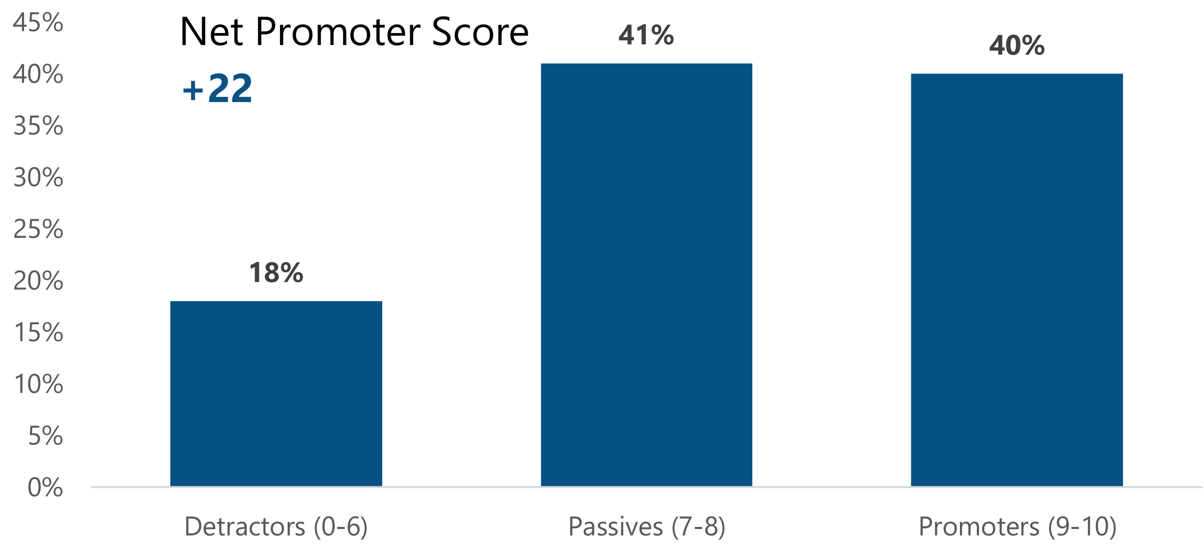
Q. What percentage of your golf rounds did you play at Cedar Hill Golf Course this past season?



Q. Do you expect to play more or less golf at Cedar Hill Golf Course next season?

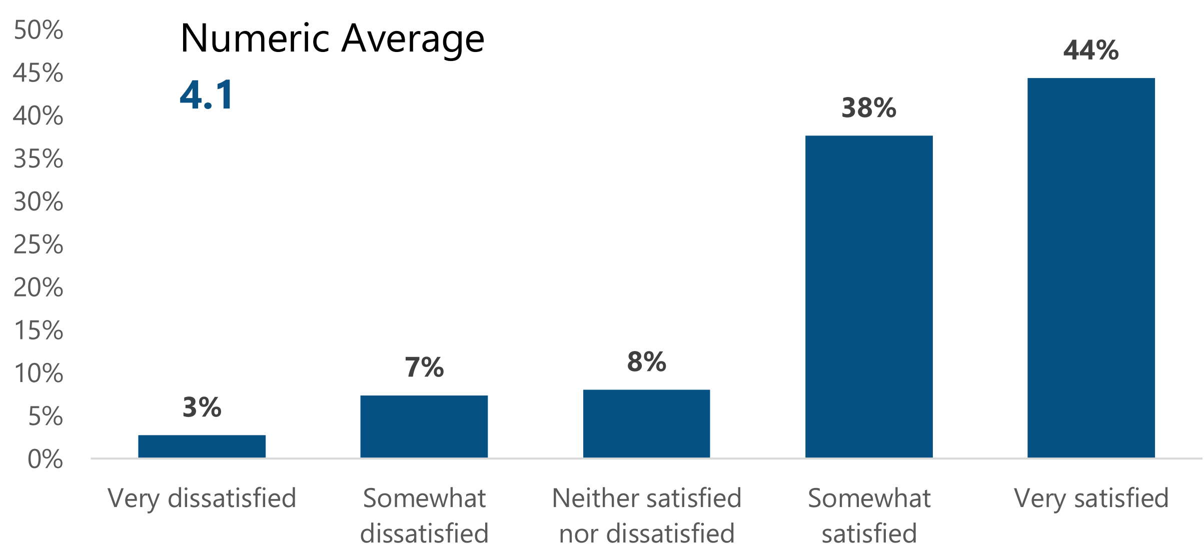


Q. How likely is it that you would recommend Cedar Hill Golf Course to a friend or colleague?



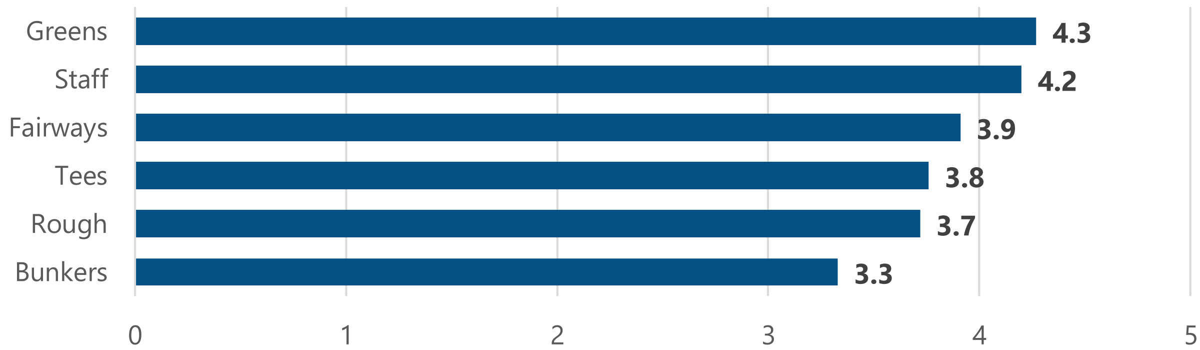
A "Net Promoter Score" analyzes the percentage of respondents that would be deemed "Promoters" of the Club, those with recommendation scores of 9 or above, subtracted by "Detractor" respondents, those with recommendation scores of 6 or below. As shown, 40% of respondents were Promoters, while 18% were "Detractors", leaving Cedar Hill with a Net Promoter Score of +22. This value falls in line with the benchmark range of 16 to 39 for comparable clubs.

Q. Overall, how satisfied, or dissatisfied are you with Cedar Hill Golf Course?



Q. Please rate your overall satisfaction with the following aspects of the *Golf Course* at Cedar Hill:

Rating Scale: 1 = "Very Poor", 5 = "Very Good"

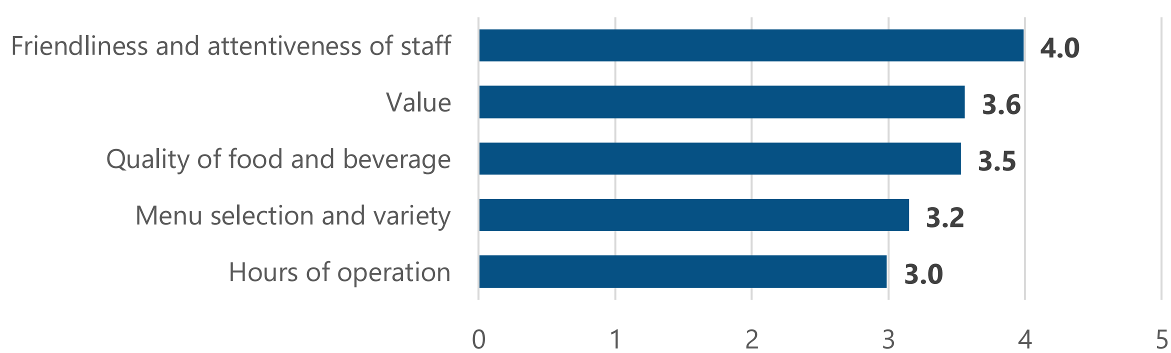


Q. Please rate your overall satisfaction with the following aspects of the *Pro Shop* operations at Cedar Hill:

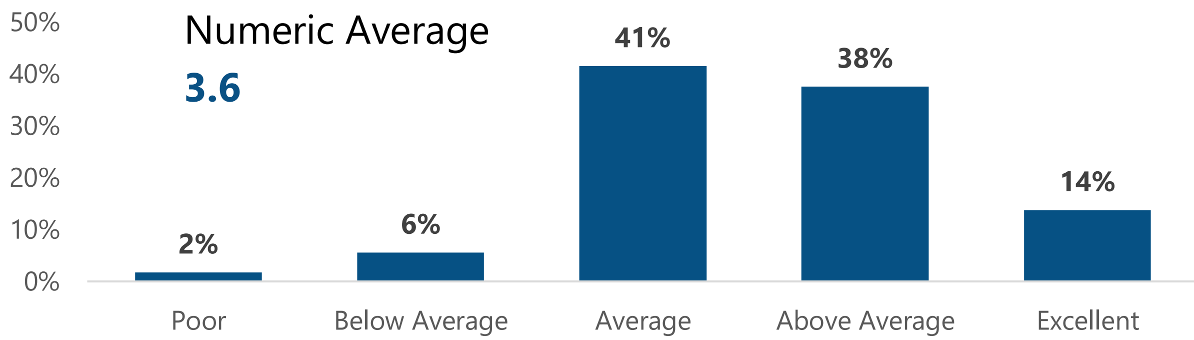
Rating Scale: 1 = "Very Poor", 5 = "Very Good"

Q. Please rate your overall satisfaction with the following aspects of the *Clubhouse* operation at Cedar Hill (based on experience prior to closure or services that were available in 2020):

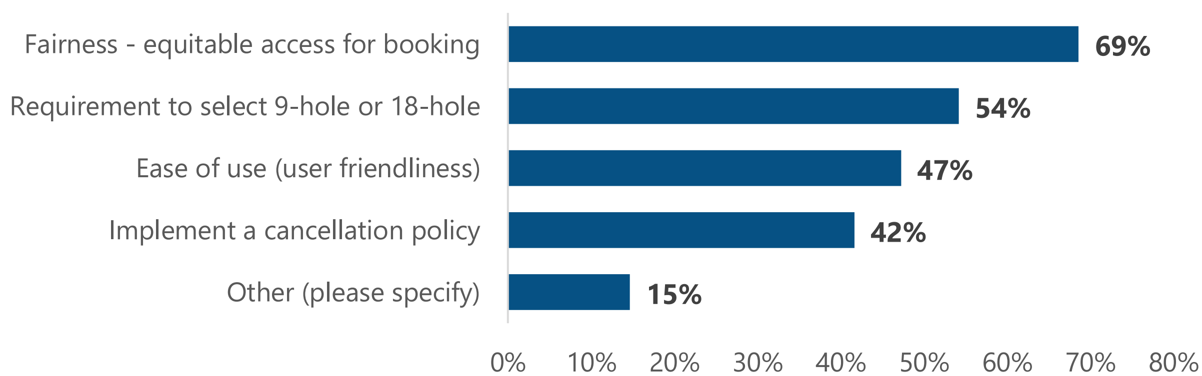
Rating Scale: 1 = "Very Poor", 5 = "Very Good"



Q. How would you rate the value you receive for use of the facilities based on the fees charged by the District? (Annual pass or daily use fees)

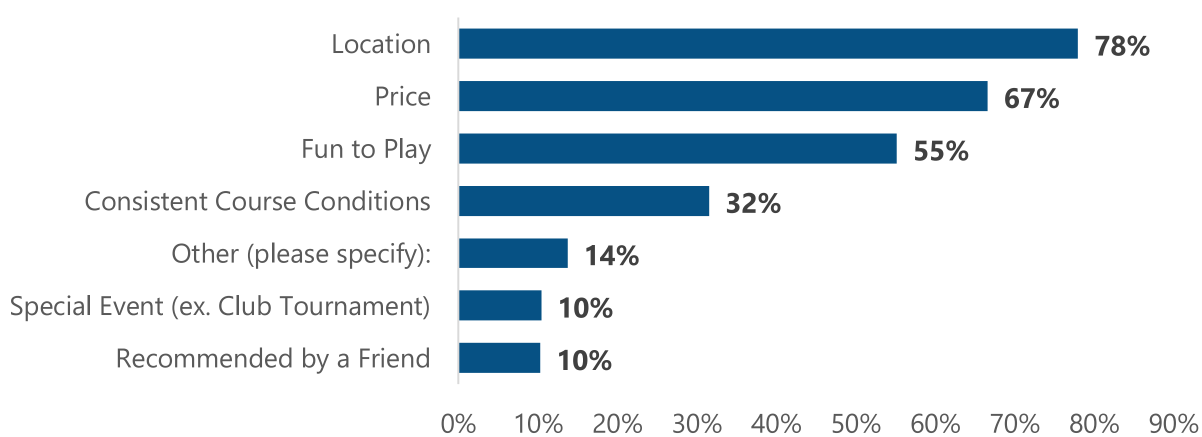


Q. As the District considers improvements to the online tee-time booking system, please indicate the key areas of emphasis that you would like to see improved *(you may select multiple options):*

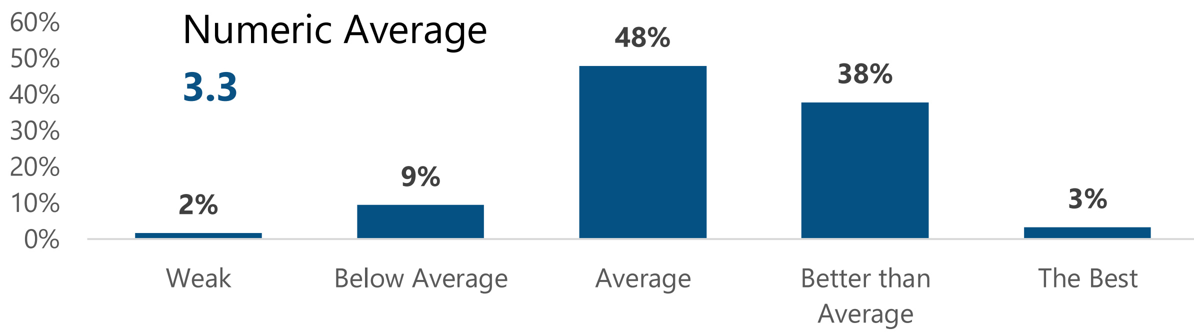


Of those who chose to write in an answer through the "Other" option, a common theme was the speed at which tee times were fully booked, similar to the most selected point of fairness.

Q. If you played at least one round of golf at Cedar Hill Golf Course, why did you choose us? *(You may select multiple reasons)*

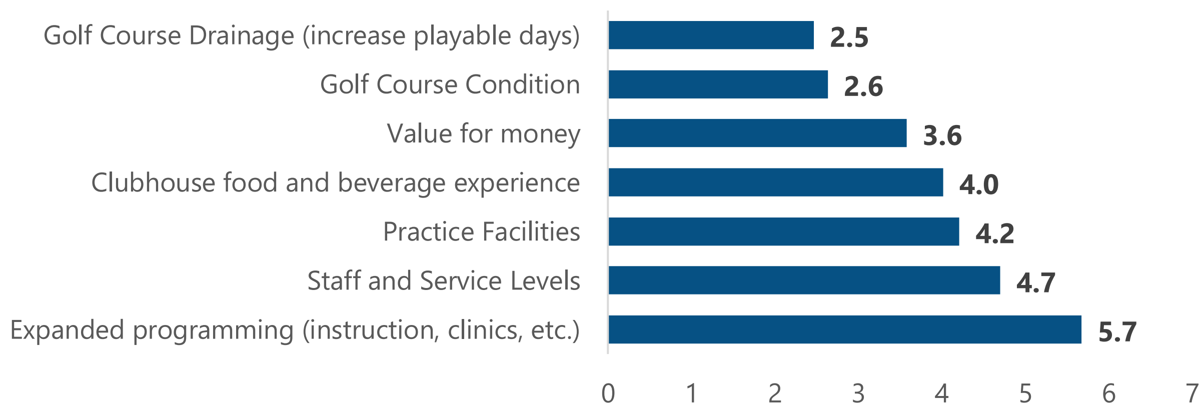


Q. Overall, how would you rate Cedar Hill Golf Course compared to other golf courses in the local area?

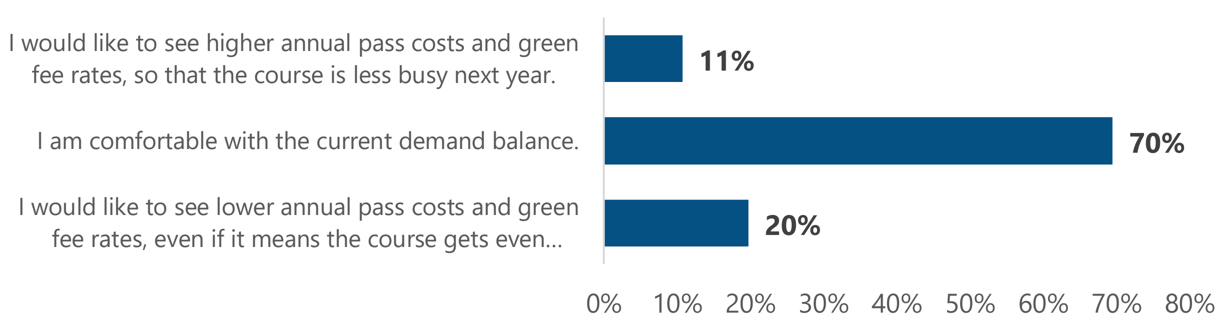


Q. What aspects of the facility and experience do you hope to see improved over the next five years? *(Please rank your priorities below, with "1" being the most important, and "7' being the least important)*

Rating Scale: 1 = "Most Important", 7 = "Least Important"



Q. The number of rounds played increased significantly in 2020 due to COVID-19. The increased play created challenges in providing the same level of access to the tee that was available in past years. Should the demand for golf remain high in 2021, what changes to the pricing structure need to be made that will better manage the level of access?



Do you have any other comments or suggestions related to the pricing levels and/or access to the Course? *(392 Respondents)*

Key Themes:

- Affordable pricing levels
- Restrictions on singles and/or twosomes blocking entire tee times, as well as threesomes not accepting single players
- Preferred access for passholders / "Club" members
- Interest in adding disc golf to course programming

What would convince you to play more golf at Cedar Hill Golf Course? *(497 Respondents)*

Key Themes:

- Ability to get a tee time and/or book a tee time further in advance
- Improved booking system and capabilities, including 9-hole rounds
- Improved course conditioning to match quality of the greens
- Extended Clubhouse hours of operation

Any other comments you have to share from this past season? *(346 Respondents)*

Key Themes:

- Thankful for the experience the Course provided during the COVID-19 Pandemic
- Generally positive sentiments towards Course staff in all departments
- Frustration with lack of tee time availability and booking process
- Bring back the ability to block off tee times for leagues, such as the "Ladies League"