



Town Hall Meeting
Green Mountain National

Brown Golf Management

- Brown Golf Management (BGM) is a third party management, consulting, and golf course acquisition company.
- Brown Golf Properties – Owned/Managed
 - Pinecrest Golf Club – Bluffton, SC
 - Island West Golf Club – Bluffton, SC
 - Churchill Valley Country Club – Pittsburgh, PA
- Brown Golf Consulting Properties
 - Brights Creek Golf Club – Mill Spring, NC
 - St. James Plantation – Southport, NC
 - Colonial Golf & Tennis Club – Harrisburg, PA

Senior Team Members

- President
 - John Brown
- Vice President of Sales & Marketing
 - John Brown, Jr.
- Director of Accounting & Finance
 - Jason Harshbarger, CPA

Brown Golf's Responsibility

- Maximizing Net Operating Income
- Evaluating all aspects of Green Mountain National's daily operations:
 - Golf Operations
 - Financials
 - Sales & Marketing
 - Agronomy
 - Branding & Co-branding
 - Vender Agreements & Leases
 - Personnel
 - Benchmarking

Decision to Build GMNGC

- 1996 pro-forma was accurate at that time
- The commitment to build the golf course in 1996 was a well thought out strategic decision
- The golf market has changed drastically since 1996; however, debt levels have remained consistent
- It's important to understand that this is a well run facility that can't possibly support the highly leveraged annual debt load of approximately \$580,000
- The golf course is a great amenity for the residents and the town of Killington

Initial Thoughts

- Pay debt off as quick as possible
- Golf course will continue to have positive cash flow
 - Positively impacting other recreational programs in Killington
- Value of Green Mountain National today in open market is approximately \$1.2 million
- There are not a lot of options
- You certainly do not want to close this wonderful amenity
- Cooperation between the town of Killington and Killington Resort is essential for maximizing opportunities for all parties

2011 – Current YTD Financials

Total Revenues	\$812,034
Total Expenses	\$725,255
Net Operating Income	\$86,780

** Financials through August 2011*

Historical Financials

	2006	2007	2008	2009	2010
Total Revenues	\$1,202,661	\$1,291,564	\$1,281,735	\$1,237,177	\$1,195,037
Total Expenses	\$918,963	\$999,119	\$1,034,234	\$1,099,258	\$1,018,902
Net Operating Income	\$283,697	\$292,445	\$247,501	\$137,919	\$176,135

Club Debt/Net Income

	2006	2007	2008	2009	2010
Net Operating Income	\$283,697	\$292,445	\$247,501	\$137,919	\$176,135
Debt Service	\$601,970	\$594,342	\$573,467	\$599,295	\$566,307
Net Revenues	-\$354,704	-\$245,765	-\$315,930	-\$461,269	-\$427,816

Total Debt Service for 2011 = -\$532,051

Positives of GMNGC

- Fantastic golf course
- Well maintained golf course
- Operating lean
- Before Debt Service – the club is making a profit in a fairly remote location
- Strong tournament base for larger events
- Great amenity for the town of Killington
- Great human capital (staff)

Limitations of Green Mountain

- When the facility was built, the town was cognizant to not compete with tax paying residents
- Example – no banquet facilities were constructed
- No lodging component was considered
- No winter revenue possibilities were considered
- No town center

Today's Average Golfer

- Average American Golfer spends \$1,620/year
- Only 3.6% of Americans with income of \$30,000 or less play golf
- Compare that to 14.8% of Americans with income of \$125,000 or more

Today's Golf Facilities/Green Fees

- There are 15,890 golf facilities in the US
 - 76% of these are public
- Median stand alone public greens fee in 2010 was \$37.00
Municipal golf median green fee was just \$27.26
 - These numbers are down from 2009 (\$39.87 and \$32.17, respectfully)
- Median green fee at Green Mountain National is currently \$52.50
- Compare these medians with Japan @ \$129.00, Korea @ \$134.00, and Singapore @ \$141.00

GMNGC – Economic Impact

- \$2,000,000 annually
 - Hotel rooms
 - Restaurant purchases
 - Gas
 - Convenience stores
 - Shopping
 - Charity fundraising

Things that won't help

- Lack of Political support
- Unrealistic Expectations
- Divisive Rumors
- Lack of community support for the staff at GMNGC
- A closed mind
- No cooperation

Please keep in mind

- GMNGC has hosted or will host: AJGA, Futures Tour, North Atlantic Pro Tour, Women's New England Am, Multiple NEPGA Events, Vermont State Am – 2012, and Men's New England Am – 2013.
- Course has been ranked #1 public course in the state multiple times by numerous publications

Thank You



Questions & Comments