



April 16th , 2020

Dear Valued DCC Member,

Re. 2020 Cost Recovery Invoice coming in the next few days

All DCC members should be receiving their 2020 invoice on or around Monday April 20th 2020, via e-mail. On April 9th, I messaged our membership with an update from The Board outlining our strategy related to Covid-19 challenges for our club. If you did not receive that e-mail, the message from the Board is on our website

<https://www.dunanycountryclub.com/members-home-page>

As mentioned in that communiqué, we decided to invoice only 65% of member dues, equally across all member categories, to cover the minimum of fixed costs needed to preserve the course and have it ready to return to playability when the course re-opens. Most of the other golf clubs we have been monitoring have already invoiced 100% of their dues, despite also being closed at this time.

Why 65% of member dues?

In normal years, membership dues make up 63%-67% of the total DCC revenues of \$260,000-\$270,000. The remaining 33%-37% of our revenue is generated from green fees, clubhouse rentals, social events and bar revenue. Ingrid has modelled three financial scenarios which The Board has reviewed. These scenarios are based on physical distancing and exclude large scale gatherings such as social events and tournaments – leading to a loss of substantial revenue for the club.

While DCC remains closed for the time being (hoping that this will change), we continue to absorb fixed costs (property & school taxes, insurance, alarm system, Hydro, equipment lease payments, etc.) that we can't eliminate. Additionally, and consistent with all other golf courses, we will incur costs for the maintenance of our golf course in order to protect our investment and be ready to re-open when, and if, restrictions are reduced.

Concurrent with these initiatives, we will determine if DCC qualifies for any Federal wage subsidies and interest free loans that could benefit the club and our staff.

As a non-profit organization, which operates for its members' benefit on the smallest of operating margins, your continued commitment to paying your dues has never been more important to both the short-term and the long-term viability of your DCC.

Our analysis clearly demonstrates that with the course closed & with member dues equally assessed across each category at the 65% rate, we would accomplish that break-even goal, by generating revenue of \$112,000 with reduced fixed costs of \$113,000.

Projections by member category below, at 65% rate (excludes allotment for Greens/Social tickets):

Membership dues - Regular Members	\$ 99,269
Membership dues - Social Members	\$ 5,064
Membership dues - Intermediate	\$ 5,793
Membership dues - Juniors	\$ -
Membership dues - Other	\$ 1,520
DUES	\$ 111,646

Please note: Should the situation change, and assuming we would be able to partially open the club this summer, we would need to revisit how to generate more revenue to offset the higher costs needed to safely and properly operate the club.

I hope this helps to explain The Board's rationale for this decision and how we arrived at your invoice attached. This email is also posted on our member website.

If you have any questions re. your invoice, please reach out to Stephanie at stephanielogothetis@gmail.com

If you have any other questions, please do not hesitate to reach out to me, dunanypresident@gmail.com or to any Board Member with your questions, suggestions and feedback.

Regards,

Michael



DCC President