

## State of the Club, Spring 2025

Dear Members,

In keeping with tradition, the following “State of the Club” communication is meant to inform and involve our Members in both the happenings and direction of the Club. I believe that the more aware our Members are of both the challenges and direction we are headed, the stronger the Club can be with support and understanding of its Membership!

While lengthy, I hope that you will find the information helpful and have attempted to highlight the various topics or areas of concern in a manner that will both allow it to be easy to read as well as refer back to if questions arise.

**Financial Health of the Club-** An important topic for any business, but especially for an independent private Country Club, I am happy to report that the Club is in a stable financial position, current on all payments and able to cover all current liabilities. With strong Member Sponsor support and referrals, the Club’s Membership roster has continued to grow, allowing positive Net Dues growth in 2024 (The measure or yardstick of a growing or declining Club) and an expectation to continue this trend in 2025 and beyond.

That being said, with the continued commitment to improvements and reinvestment in the property and a near infinite list of needs, the Club’s operating expenditures continue to be at or above 100% of revenues. While this has allowed us to continue to make improvements, the need to widen margins and build up a reserve is ever present. This reserve is needed to not only be prepared for the unknown (such as named storms or other challenges) but to help fund larger capital projects and improvements. These larger projects would not only improve our Member’s experience but would also help secure the Club’s future.

**Cost of Club Operations, Dues Levels & Pricing-** To help offset the continued increase in operational costs as well as ensure that the Club is operating in a sustainable manner for both the present and future, we must increase our pricing in the following areas:

**Dues levels-** Your February 28<sup>th</sup> statement will reflect the following increase for 2025 monthly dues:

- Full Golf- \$20, from \$460 to \$480 monthly
- Classic Golf- \$15, from \$380 to \$395 monthly
- Associate Golf\*- \$20, from \$255 to \$275 monthly
- Social- \$5, from \$60 to \$65 for SSH residents and \$90 to \$95 for non-residents

\*See Other News & Updates for some exciting changes to Associate Golf privileges.

**Other pricing-** After holding firm to pricing with little to no increases for the past several years in most areas including cart plans & trail fees, guest fees, locker rentals and beer/drink prices, it has been necessary to pass on some increases in these areas.

- **Cart plans/Trail fees/Cart Rental fee-** while there are no increases to our standard pricing, we will be phasing out the “intro” level pricing extended to Members when we converted to individual operations. All Cart Plans and Trail Fee plans will move to the standard rate of \$125/\$100 per month. Our cart fee will remain at \$21 per player per round.
- **Guest Fees-** Member guest fees will move to \$60 weekday and \$70 weekend (plus cart).

- **Locker rental/bag storage-** Pricing for a full-size locker/bag storage in either locker room will increase from \$10 to \$15 per month.
- **Beer/Drink pricing-** After holding pricing firm for years, we must take slight increases in this area but will remain at or under comparable pricing in the marketplace. We have always, and will continue to, offer “preferred member pricing”. We also continue to offer Happy Hours featuring discounted pricing on bottled and draft beer, house wine and call drinks. See our Seasonal Newsletter for the current schedule and more information!

While I know price increases are never the best of news, I trust our Members realize the great value that SSHCC offers our Members and assure you that we will continue to work to earn your loyalty and support, ensuring your investment in the Club is a value to you and your family.

**Capital Improvements-Maintenance Projects-** A quick rundown of some of the Capital and Maintenance project that have been completed, are underway or upcoming, and those planned for the near future:

**Projects Completed:**

- **Hurricane Beryl Cleanup- \$60k.** While an undertaking for sure, we are thankful to have been able to restore play within days and to have escaped major damage.
- **Irrigation pump station, motor-\$10k.** Replace a failed pump motor in one of our two main irrigation pump houses.
- **Clubhouse exterior painted, fencing replaced- \$12k.** Brightening up the exterior with a shade of white and replacing aged and damage fencing for a fresh look.
- **John Deere HD300 Sprayer- \$66k.** A major player in our golf course’s turf maintenance program, our new sprayer finally arrived this past November.
- **Clubhouse hot water system replaced- \$15k.** The Clubs aging boiler system was replaced with a large commercial hot water heater for both safer and more efficient operation.
- **Club’s front marquee sign refinished- \$6k.** A new and fresh look to our Club’s front entrance to match our new exterior color scheme.
- **Kitchen Equipment, \$10k.** Continued improvements in kitchen to keep up with growth and support of Member dining. (steam well, cooler, warming box, etc.)
- **GC Maintenance and Cart Barn Exterior- \$10k.** Replaced exterior sheet metal on GC maintenance and cart barn storage buildings.
- **Maintenance projects- \$40k.** Various maintenance projects around the Club and grounds to improve and maintain member and staff areas/services.

**Projects underway/Upcoming:**

- **Bunker Drainage improvement project- \$20-30k.** We have started a project to tackle and improve the drainage of many of our bunkers. Crews are digging up drains and drain lines, clearing/replacing as needed, repacking with gravel and replacing sand to improve the drainage. We have started on some of the worst and will continue to work through the course with the goal of improving as many as possible.
- **Greens irrigation project- \$275k.** A major project to replace our “full circle” greens irrigation system by installing additional sprinkler head on each green to enable the installation of “part

circle” heads that will allow us to water only the green without the surrounds and bunkers as we do now. This will not only allow more deliberate and efficient water use but also improve our bunkers and surrounds by not continuously overwatering them! We will also be replacing several irrigation satellite stations and upgrading our irrigation software system to the most current offered.

- This will be a major project that should begin the first part of March and continue for several months as they work with the intent of minimizing the impact and effect to the course-  
\*\*Please note that despite best efforts, there will be impact during this time including ground under repair, multiple days of the same rotation, etc.. I thank our Members in advance for their patience and understanding during this time.
- **Harbourside Grille Patio renovation- est \$250k.** With engineering plans received and sent out for bid on the project of extending and covering the existing patio, the project’s total cost and timeline are still undetermined. With an estimated cost of \$200-300k total including FF&E, I know that this space, once completed, will quickly become one of our Member’s favorite and will change our Member’s dining experience for sure!
- **Clubhouse Interior Design refresh- \$???** I have engaged the services of award-winning Kelly Spitzer Design (2024’s 1<sup>st</sup> place Amenity of the Year, Golf Inc. Magazine) to design and develop an interior renovation design plan for our Club’s future. Her initial onsite visit is scheduled the first week of March and I expect to have a design plan within 4-6 weeks. Once the design plan is developed and costs estimated, this project will be undertaken in phases as capital funds become available.

I can’t tell you how excited I am to announce the projects already committed to and how excited I will be to be able to announce the start of those we are still planning and need to find funding for! These projects are and will only be possible with ongoing Member support and the securing/raising of capital dollars.

**Securing/Raising Capital Funds-** To fund the major renovation and improvement projects planned, I feel the following are the best 2 potential options:

1. Sale of available Life & Legacy Memberships
2. Institution of a Capital Fund Fee

**Life & Legacy Memberships-** Offering the best and easiest way to raise funds for debt reduction and capital projects, the Club has made available a limited number of “prepaid” Memberships offering a discount to current dues pricing and includes other benefits such as premium access (8 day) to tee times and discounted/complimentary cart/trail fee plans. Once purchased, these Memberships are FREE of monthly dues. (Club usage charges may still apply- cart & guest fees, Food & Beverage, lessons, etc.) Savings are realized both to current dues levels as well as compounded by lack of future dues increases. Life and Legacy Memberships are covered by a contract/legally binding agreement.

There are several levels of memberships available for those interested:

- \$25,000- 5 years Full Golf Membership, includes 50% off cart/trail fees
- \$50,000- 10 years Full Golf Membership, includes complimentary cart/trail fees and is transferrable (sellable) after 3 years.
  - \$75,000- Membership for Life, includes 10 years complementary cart/trail fees and up to 15 years of 50% off carts/trail fees, transferrable after 3 years

- *\*plus applicable sales taxes, all Memberships include spouse and dependent children, some limitations and restrictions apply*

While I prefer to raise the Capital funds needed at this point through the sale of Life & Legacy Memberships, the second option to raise funds is the institution of a Capital Fund Fee.

**Capital Fund Fee-** The addition of a monthly Capital Fund Fee is an option that other Private Clubs (such as Golfcrest) have used to fund improvement projects with great success. Essentially a monthly dues increase added to all Member's bill with several major distinctions:

- The funds collected are not dues and are used solely and exclusively to fund or finance Capital projects
- The fee is not permanent, it can be collected for a specific amount of time based on the cost and scope of the capital funding needs

I know that the mention of this may create a stir, but as always, I would prefer to start the conversation as I do feel this could be a valid option for funding major and ongoing improvement projects at the Club. This would allow our Members to see and know where the additional funds are going and would allow the Club to fund improvements without artificially raising dues.

I am confident that with effective communication and the evident follow through on improvements, that enough Members will see the value that a Life or Legacy Membership offers, that we will sell out of the limited ones available reaching our current Capital funding goal. If you are interested or would like more information, please contact me directly or stop by the Club to see me.

**Other News & Updates-** a few other exiting items to cover:

- **Associate Golf privilege changes-** Beginning March 1<sup>st</sup> Associate Golf Membership level will enjoy the following access level upgrades
  - Complimentary Associate greens fees after 12:00pm
  - Weekday Associate green fee of \$15 prior to noon
  - Weekend/Holiday Associate green fee of \$25 prior to noon
- **Mobile App coming soon-** We are excited to announce that we will be debuting a Mobile App in the coming weeks! The mobile app should make tee time reservations and billing inquires easier as well as improving the ability to connect and keep up to date with what is going on at the club. Watch for emails and texts on the App roll out!

Thank you for your ongoing support and patronage of the Club. Our Members are truly the lifeblood of the Club! Without you, nothing is possible...

See you at the Club,



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