



# Waukesha County

## Wanaki Golf Course Closure FAQ

*(Updated August 5, 2019)*

### **Why is Wanaki Golf Course closing?**

Wanaki Golf Course has been operating at a financial loss for several years. In spite of years of efforts to increase efficiencies and generate more revenue, the course has continued to lose money. This has depleted Waukesha County's golf course reserve fund, which is used to sustain operations and fund improvements for all three golf courses that are maintained by the County.

Since 2001, Wanaki Golf Course has experienced net cash flow losses each year between \$41,000 and \$243,000. Golf course reserve funds have steadily declined since 1997 due to net operating cash flow loss and necessary infrastructure investments. In addition, Wanaki Golf Course is in need of significant infrastructure repairs and upgrades, estimated to cost over \$645,000, according to a 2018 projected infrastructure needs analysis.

### **When will Wanaki Golf Course close?**

Wanaki Golf Course will remain open for the full 2019 golf season. Once the course is closed for the year, it will not reopen for the 2020 golf season.

### **Why is the announcement being made now?**

The County wanted to make the announcement as soon as practical so that golf leagues and high school teams that use the course regularly have as much time as possible to make alternative arrangements for the 2020 season.

### **Is this decision final?**

No. While the County Executive will include the closure of Wanaki Golf Course in his 2020 Executive Budget, the budget must go through its normal approval process with this provision intact in order for the course to close following the 2019 golf season. Reversing this decision, however, would require the use of tax levy funding to support the golf course, and it would take tax dollars away from other county priorities.

### **What is Waukesha County's Golf Course Reserve Fund?**

Waukesha County does not use tax levy to operate its golf courses; they are funded by revenue generated from their own operations utilizing an enterprise fund. Profits from the golf courses go back into course operations and future course projects. Revenues come from golf course fees, golf cart rentals, concessions, and special event fees.

### **Does the County use the Golf Course Reserve Fund for non-golf expenditures?**

The County does not currently use the Golf Course Reserve Fund for non-golf expenditures. In the 1990's and early 2000s, the County's annual budget appropriated limited use of the Golf Course Reserve Fund to support other quality-of-life park amenities when Waukesha County golf courses had very high participation rates and strong positive cash flow. However, in 2005 County elected officials made a decision to stop that practice due to a boom in new privately-owned golf courses available to the general public. This new, highly competitive market coincided with declining revenues and rounds played at County Golf Courses, which led to the proactive decision to discontinue use of Golf Course Reserve Funds for non-golf expenditures.

At that time, the Golf Course Reserve Fund balance was designated for planned golf course maintenance and enhancements to improve playability and revenues for all Waukesha County Golf Courses. These included maintenance of parking lots, entrance roads, clubhouses, maintenance buildings, irrigation systems, cart paths, and bridges, and modifications to greens, tees and bunkers. However, for the last ten years, due to continued market pressures and a general decline in play, the fund was forced to cover annual operating losses of any of Waukesha County's three golf courses, the majority of which was used to support operations at Wanaki. Due to annual losses, the Golf Course Reserve Fund balance has not grown and cannot properly address maintenance and enhancements to support Waukesha County golf courses long term, without the closure of Wanaki Golf Course.

### **What has Waukesha County done to try to keep the golf course open?**

In recent years, Waukesha County has implemented many changes, enhancements, and new programs in line with an assessment and recommendations provided by the National Golf Foundation to increase efficiency in operations and revenue over multiple years. The implementation has included a reduction in staff levels, incentivizing 18-hole play and revenue per round and eliminating the County resident card to respond to customer requests to increase play by guests from adjoining counties. In addition, we offer special outings catering to smaller business groups, provide beer tastings, music and other patio events, have added family-friendly programs during non-peak tee times, and have increased youth golfing initiatives.

### **Why doesn't Waukesha County raise rates at Wanaki to help keep it open?**

Competitive rate increases have been adopted at Waukesha County golf courses over the years, in addition to many other changes, enhancements, and new programs, in line with an assessment and recommendations provided by the National Golf Foundation to increase efficiency in operations and revenue over multiple years to keep the golf course sustainable. This is in addition to annual reviews of fees to ensure they are in line with market rates. Unfortunately, Wanaki is operating in a very competitive market. An analysis has shown that external competition is one of the biggest challenges facing golf facilities in Waukesha County, and that higher rates would not be supported by the public.

As of 2019, there are 29 golf courses in Waukesha County. 19 are 18-hole public/semi private courses available to the public; three are 9-hole public/semi private courses available to the public and seven are private 18-hole courses. The National Golf Foundation pointed out "The overall Waukesha area has a relatively high supply of golf courses compared to the U.S. standard (unfavorable for golf courses)." The impact was clearly summarized in this statement, "Overall,

the Waukesha County golf courses are priced similarly, but there is a strong core of lower-priced golf courses that keeps the market area very competitive.”

**Will my scheduled 2019 event at Wanaki Golf Course be effected?**

Wanaki Golf Course will operate for the full season and will honor all 2019 scheduled events and contracts.

**What will happen to the golfers and groups who regularly use Wanaki Golf Course?**

Waukesha County will do its best to accommodate the teams, school groups, and individual golfers who have supported Wanaki for years at its other golf courses, Naga-Waukee War Memorial Golf Course and Moor Downs Golf Course.

**Why did the county invest in the Wanaki Golf Course if closure was being considered?**

Infrastructure investments, such as a bridge replacement project at Wanaki, were necessary for the golf course to remain open until now. The projects were done to maintain the playability and safety of the course as well as offer revenue opportunities. . .

The improvements made at Wanaki were not implemented to make the golf course sellable; they were made to improve the viability of the course. The bridge replacement project had two objectives. First, to allow golfers and course maintenance equipment to safely cross the river. The nearly 40-year-old culverts were weakening and becoming a safety hazard. Second, removing some of the bridges improved the river’s water flow, which decreased flooding during larger rainfall events and improved golf course playability.

While the bridge replacement investment helped to increase the number of days available for golf and reduce maintenance costs, revenue has not increased enough to offset current operating costs. The course needs \$645,000 in additional infrastructure investments such as irrigation system repairs and asphalt maintenance of the parking lot and cart paths.

**What will happen to the Wanaki property?**

Waukesha County has no current plans for the Wanaki Golf Course property. However, a project team is working on getting a plan in place by December of 2019. All options are being explored, including using the land as a park or other green space, non-county owned golf course, or development.

It is rare for Waukesha County to make an announcement like this when plans are still pending. However, county officials felt they owe it to the golfers, schools, leagues, and other residents who love Wanaki Golf Course to notify them about the planned closure with enough time to make plans for the 2020 season, rather than learn about it when it is introduced in the 2020 budget this fall.

No offers have been made in regards to the property. No plans to sell or otherwise transfer the property were in place prior to this announcement.

**Does the closing of Wanaki Golf Course impact any of Waukesha County's other golf courses?**

The closing of Wanaki Golf Course will improve the financial sustainability of Waukesha County's other golf courses, Naga-Waukee War Memorial Golf Course and Moor Downs Golf Course, because revenues generated by these courses will be reinvested into their operations and infrastructure maintenance. Both Naga-Waukee and Moor Downs will open as usual in 2020.

**Where do I find more information?**

You can find more information on the Waukesha County Golf web page at [www.waukeshacounty.gov/golf](http://www.waukeshacounty.gov/golf). If you have specific questions, please email Waukesha County's Director of Parks and Land Use Dale Shaver at [dshaver@waukeshacounty.gov](mailto:dshaver@waukeshacounty.gov).