

MGC Fall Financial Update – November 2025

“Keeping us All on the Same Page”

“If you don’t like change, you’re going to like irrelevance even less” – an ominous market analyst quote from 2012. For the first fifteen years after Greywalls eventually opened, we stared irrelevance squarely in the face, only to embrace ongoing transformational change since 2020. Our rags-to-riches story truly belongs in both Business Digest and Golf Week. We have necessarily adapted to constant change in our evolution to this point and it will be our relentless cart partner as we negotiate the back nine.

Welcome to the 9th edition of our ongoing effort to keep our members on the same financial page! If you are a new member or would like a refresher, previous versions are on our website (access instructions at the bottom). Updates are published twice annually, with the “Fall Financial Update” typically discussing *how* we did, and the “Spring Update” sharing *what* we did - along with other financial notables. This edition discusses what is *going to happen* and the known changes in our range finder. So, pull up a chair and, as the immortal David Bowie advised, “turn and face the strange changes.”

If you’ve been an MGC member for any length of time, you’ve seen a multitude of changes over the years. And since Covid, we’ve been riding the Change Express. From a financial perspective, this evolving dynamic has been our salvation, but some of the levers we’ve pulled to manage these changes may not always be clear to our members (one of multiple reasons for the Financial Updates).

Capping our Combined GW/Heritage membership for 2026 will be the most obvious departure from the past. It is apparent that guessing how many premium Greywalls tee times are appropriate for an unknown number of members from year to year has been less than ideal. In order to create the proper block of member tee times, we need to know how many members we are going to have. This may seem limiting, but it is actually being done to assure members have the most desirable block of times, a fair chance to access them, and plenty of them. It also allows us to market the known remaining times to sustain profitability while keeping member dues low. This is an equation that needs solving and changing one of the variables to a constant will facilitate identifying the most workable solution.

The “cap” number has not yet been established as substantial analysis will be completed over the winter, but rest assured, *no current combined members will be excluded from renewing their membership for 2026*. The cap number will likely be approximately where our combined GW/Heritage membership currently is to accommodate all current members. Heritage membership will not be affected in any way at this time as we have substantial remaining capacity. Much more to come on this topic as specifics are identified and an action plan is developed.

A change that may not be as apparent, but is every bit as significant, is the change in focus on accumulated surplus. For the past four years, our financial attention has been funding the Heritage irrigation project, which is complete and fully paid for. Bringing a \$1,610,500 project in on-time and on-budget is a rarity and couldn't have been done without the exhaustive efforts of Craig and his team, who worked seamlessly with Commercial Irrigation to make this happen. We could go on and on about this and its success belongs in Business Week and Golf Digest too, so - Thank You and Well Done to every professional involved!

Now that the long-standing Heritage elephant-in-the-room has figuratively and literally been buried, attention turns to our debt. We will be applying an additional \$600,000 on our debt principal from 2025 revenue, reducing our renewal balance to \$1,700,000 by spring. Should we sustain profitability near our current level, our projection is to eliminate our debt within the next three years. Something that seemed so impossible not very long ago is now a reality just beyond the horizon. Unreal. Then what?

Exactly! We've never had the luxury to even dream about it until now. To that end, the board approved establishing a Long-Range Planning Committee (LRPC) in 2026. This will be a formal addition to the administrative structure of MGC, similar to how the Finance Committee's role was formalized in 2024. The LRPC will follow a 3-year timeline, paralleling our debt elimination projection. This provides adequate time to organize, formalize, and populate the committee, which then needs to interview consultants, gather input, evaluate proposals, and make recommendations to the board. An adequate time frame encourages fully contemplated outcomes and we really want to create the optimal roadmap for MGC to follow into our next 100 years.

The Capital Investment Fund Summary (Appendix A) details all changes to our Capital Investment Account, which is used solely to fund Capital Investment list items. The board allocated an additional \$175,000 to this account in September, bringing total funding for 2025 to \$325,000. Although the main financial goal is to eliminate our debt as soon as practical, we cannot ignore our substantial backlog of deferred maintenance items or new practical opportunities to enhance our member & guest experience. To that end, we've approved these items from our Capital Investment list since spring:

- Repair/Rebuild GW #11 Tee
- New Freezer for Kitchen
- Patching of Parking Lot/Driveway
- New Floor for Kitchen
- Rain Shelter Between GW #5/6

The face of change showed up at our Finance Committee meetings as well. Long time members, Bob "Bart" Bartkowiak and John Blemberg are transitioning to sunnier places and have resigned from the committee. We can't thank Bart and John enough for their dedication and service

through some rather challenging times. In addition, Ethan Poglese is migrating to sunny Miami for career purposes and we thank him for his acute business perspective and tax expertise during his three years on the committee. Fortunately, we have identified two quality replacements so far in Andy Herro and Matt Pruenete, both relatively new members and very qualified financial professionals. They join Brady Buher who was appointed to the committee two years ago and has brought energy, insight, and practicing financial expertise to our sessions. This core group will serve as financial shepherds to our business mission as we look toward the future. And speaking of the future . . .

MGC celebrates its 100 Year Anniversary next year and *everything* has changed since 1926: the equipment, the clothing, we went from 9 holes to 18 holes and now 36. Buildings were built, buildings burned down, buildings were rebuilt. We went from caddies to golf carts and from a “chute” to reserve tee times to online booking (much like “quarters on a pool table”, golfers used to put a ball in a collection chute to establish who teed off next). And through all this change and growth, our club is financially stronger than ever and that’s something to celebrate! We hope you are looking forward to the 100 Year Anniversary festivities as much as we are.

There is one thing that is NOT changing at the club: *2026 member dues*. In keeping with our “members first” culture, we are able to keep member dues the same for the fifth year in a row. As Brady Buher so aptly put it: “Not raising dues is the dividend we pay our stockholders to share in the financial success of our operation”. All other fees and charges are reviewed during the annual budget process and are adjusted as changing business conditions warrant. Our sustained profitability for 2025, in spite of a bad spring and the Heritage disruption (not!), allows us to keep dues flat for another year. Thank you for making our wonderful club what it is!

As we do with all our financial updates, here are 5 things we’d like you to remember:

1. Change truly is inevitable and it’s happening at MGC. As for growth, we are tackling it head-on from a financial perspective with our eyes on paying down our debt and chiseling away at our capital investment list while maximizing member access to tee times/the member experience.
2. These financial updates are a change management tool that provide transparency for our members as to the changes taking place at MGC and how we are navigating them. The MIC is another tool that allows you to provide feedback and ask questions, we truly hope you use it.
3. Past success does not guarantee future success as economies slow and interests change. We must and will continue to practice sound financial stewardship to best ensure the long-term viability of MGC and that includes proper Long-Range Planning.
4. As members of MGC, you have access to 36 beautiful holes of golf, a clubhouse to enjoy after golf, and truly dedicated managers and staff who make every effort to

provide a great experience every time you set foot on the property. So, please thank our managers and staff every time you see them and maybe even thank one of those “stay & play” folks – they’re keeping your dues down.

5. We are truly grateful for every one of you for being a critical part of the exciting future of MGC. If you have any questions or concerns regarding our finances, please contact a Board or Finance Committee member.

The MGC Finance Committee, Board of Directors, and Staff

Appendix A

Capital Investment Fund Summary		
Transactions	Amount	Notes
2023 Greenskeeper Revene Proceeds	\$24,863	
2023 First Allocation for CI Account:	\$100,000	
2024 Second Allocation for CI Account	\$100,000	Board Approved: 3/20/2024
2024 Third Allocation for CI Account	\$50,000	Board Approved: 8/9/2024
2024 Fourth Allocation for CI Account	\$250,000	Board Approved: 10/16/2024
2025 Fifth Allocation for CI Account	\$100,000	Board Approved: 4/23/25
2025 Sixth Allocation CI Account	\$50,000	Board Approved: 7/24/25
2025 Seventh Allocation CI Account	\$175,000	Board Approved: 9/24/25
2024 Interest	\$12,074	Through 12/31/2024
2024 Bank Fee	(\$528)	Through 12/31/2024
2024 Greenskeeper Revene Proceeds	\$26,152	
2025 YTD Interest	\$13,787	Through 9/30/25
2025 Bank Fee	(\$601)	Through 9/30/25
Less Total Already Approved/Committed	(\$650,844)	
2025 Remaining Funds	\$249,903	
2025 Projected Year-End Balance	\$249,903	

Appendix B

Unallocated Reserves Fund		
Unallocated Reserves Fund	Amount	Notes
Total Actual Funded to Date	\$1,234,735	Previously approved allocations and interest
Final Funding Allocation from 2024 Operating Surplus	\$350,000	Board Approved: 8/9/2024
2024 Actual Interest	\$28,727	
2025 Funding Allocation from Operating Surplus	\$250,000	Board Approved: 7/23/25
2025 Funding Allocation from Operating Surplus	\$325,000	Board Approved: 9/24/25
2025 YTD Interest	\$21,331	Through 9/30/25
Total Funds	\$2,209,793	
Heritage Irrigation Project		
First Installment	\$735,000	Materials Paid 6/25/24
Second Installment	\$301,084	Paid 6/19/25
Third Installment	\$276,623	Paid 7/10/25
Fourth Installment	\$169,723	Paid 7/31/25
Fifth Installment	\$49,942	Paid 9/8/25
Sixth Installment	\$63,878	Paid 9/19/25
Additional Expenses	\$5,360	Board Approved: Aug 2025
Final Project Cost	\$1,601,610	
Estimated Remaining Balance	\$608,183	For Debt Reduction

How to Access Financial Updates from the “Member Home” Section of our Website: Go to:
[“golfgreywalls.com”](http://golfgreywalls.com)

- ❑ Click on “Member Home”
- ❑ Enter the password
- ❑ If you do not know the password, please contact the Business Office at 906-225-0721, ext. 2
- ❑ Select the box titled “Current Financial Update” or “Archived Financial Updates”