

Golf Course Commission Meeting Agenda



May 5, 2026 - 10:00 AM
New Berlin Hills Golf Course- Clubhouse
13175 W. Graham Street

Amended & Posted: 04/30/2026 at 3:45 PM

Published: 04/30/2026

AGENDA

1. **CALL TO ORDER**
2. **ROLL CALL; DECLARATION OF QUORUM; PUBLIC NOTICE**
3. **APPROVAL OF MINUTES**
 - A. 01/19/2026 Meeting Minutes
4. **COMMUNICATIONS**
 - A. Financial Review
 - First Quarter Rounds & Revenue
 - B. Facilities & Capital Improvements
 - Clubhouse Paint
 - Golf Shop Fixtures
 - Gazebos
 - C. NBH History Research Project
5. **OLD BUSINESS**
6. **NEW BUSINESS**
 - A. Staffing Update
7. **ADJOURN**

Additional Information

- The agenda packet, including supplemental information related to agenda items, is available online at www.NewBerlinWI.gov. Once finalized by the governing body, approved meeting minutes will also be posted online.
- Agenda items may be taken out of order at the governing body's discretion.
- Members, and possibly a quorum, of other municipal governmental bodies may attend this meeting to gather information. However, no action will be taken by any governmental body other than the one referenced in this notice.
- Accommodations will be provided under the Americans with Disabilities Act (ADA) to meet the needs of individuals with disabilities. If you require assistance or appropriate aids and services, please contact the Office of the City Clerk at (262) 786-8610 with reasonable notice.



Golf Course Commission Supplemental Information

April 20, 2026 – 10:00 AM
New Berlin Hills Golf Course – Clubhouse
13175 W. Graham Street

* First Quarter Update Rounds & Revenue

First Quarter	2026	2025	Variance
Rounds	670	696	-26
Golf Revenue	\$ 19,986	\$ 21,024	\$ (1,038)
F&B Revenue	\$ 38,496	\$ 38,117	\$ 379
Total Revenue	\$ 58,482	\$ 59,142	\$ (660)

Year-to-Date	2026	2025	Variance
Rounds	670	696	-26
Golf Revenue	\$ 19,986	\$ 21,024	\$ (1,038)
F&B Revenue	\$ 38,496	\$ 38,117	\$ 379
Total Revenue	\$ 58,482	\$ 59,142	\$ (660)

Note: Revenue is total facility revenue, including green fees, cart fees, merchandise, food & beverage, etc.

March 31, 2026

L.M. Henderson & Company, LLP
450 East 96th Street, Suite 200
Indianapolis, Indiana 46240


We are providing this letter in connection with your review of the financial statements of New Berlin Hills Golf Course a Division of Green Golf Partners, LLC, which comprise the balance sheet as of December 31, 2025, and the related statements of income, divisional earnings, and cash flows for the year then ended, and the related notes to the financial statements, for the purpose of obtaining limited assurance as a basis for reporting whether you are aware of any material modifications that should be made to the financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

We confirm, to the best of our knowledge and belief, as of March 31, 2026, the following representations made to you during your review.

- 1) We acknowledge our responsibility and have fulfilled our responsibilities for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, as set out in the terms of the engagement.
- 2) We have made available to you all:
 - a) Financial records and related data, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements.
 - b) Minutes of the meetings of stockholders, directors, and committees of directors (or other similar bodies, as applicable), or summaries of actions of recent meetings for which minutes have not yet been prepared.
 - c) Additional information you have requested from us for the purpose of the review.
 - d) Unrestricted access to company personnel from whom you determined it necessary to obtain review evidence.
- 3) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
- 4) All transactions have been recorded and have been properly reflected in the financial statements.
- 5) There are no uncorrected misstatements.
- 6) We acknowledge and have fulfilled our responsibility for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- 7) We acknowledge our responsibility for designing, implementing, and maintaining internal control to prevent and detect fraud.
- 8) We have no knowledge of any fraud or suspected fraud affecting the company involving management, employees who have significant roles in internal control, or others where the fraud could have a material effect on the financial statements.
- 9) We have no knowledge of any allegations of fraud, or suspected fraud affecting the entity's financial statements as a whole communicated by employees, former employees, analysts, regulators, or others.

- 10) We have disclosed to you the identity of the entity's related parties and all the related-party relationships and transactions of which we are aware.
- 11) We have no plans or intentions that may materially affect the carrying value or classification of assets and liabilities.
- 12) The following have been properly recorded or disclosed in the financial statements:
 - a) Related-party transactions and related accounts receivable or payable, including sales, purchases, loans, transfers, leasing arrangements, and guarantees.
 - b) Guarantees, whether written or oral, under which the company is contingently liable.
 - c) Commitments to purchase or sell investments or agreements to repurchase assets previously sold.
 - d) Significant estimates and material concentrations known to management that are required to be disclosed in accordance with FASB ASC 275, *Risks and Uncertainties*.
 - e) Other material liabilities or gain or loss contingencies that are required to be accrued or disclosed by with FASB ASC 450, *Contingencies*.
- 13) There are no:
 - a) Known actual or possible instances of noncompliance with laws or regulations whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency.
 - b) Known actual or possible claims or assessments that our lawyer has advised us are probable of assertion and must be disclosed in accordance with FASB ASC 450, *Contingencies*.
 - c) Other material liabilities or gain or loss contingencies that are required to be accrued or disclosed by FASB ASC 450, *Contingencies*.
- 14) The company has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged.
- 15) We have complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- 16) We believe significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable in the circumstances.
- 17) We are in agreement with the adjusting journal entries, if any, you have recommended, and they have been posted to the company's accounts.
- 18) We have disclosed to you all information relevant to the use of the going concern assumption in the financial statements.
- 19) No events have occurred subsequent to the date of the company's financial statements and through the date of this letter that would require adjustments to, or disclosure in, the aforementioned financial statements.
- 20) We have responded fully and truthfully to all inquiries made to us by you during your review.
- 21) In regards to the financial statement preparation services performed by you:
 - Preparation of financial statements,
 - Proposing journal entries affecting the financial statements,We have:
 - Assumed all management responsibilities
 - Overseen the services by designating an individual who possesses suitable skill, knowledge, and/or experience
 - Evaluated the adequacy and results of the services performed
 - Accepted responsibility for the results of the services
- 22) The Company's books and records are complete.



Signature

New Berlin Hills Golf Course A Division of Green Golf Partners, LLC

FINANCIAL STATEMENTS

Year Ended December 31, 2025



New Berlin Hills Golf Course
A Division of Green Golf Partners, LLC

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December 31, 2025

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L. M. HENDERSON & COMPANY LLP
CERTIFIED PUBLIC ACCOUNTANTS

450 E. 96th Street, Suite 200
Indianapolis, IN 46240
Telephone: 317.566.1000
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Independent Accountant's Review Report

To the Board of Directors
and Members of
New Berlin Hills Golf Course
A Division of Green Golf Partners, LLC

We have reviewed the accompanying financial statements of New Berlin Hills Golf Course (a Wisconsin operation), a Division of Green Golf Partners, LLC, which comprise the balance sheet as of December 31, 2025, and the related statement of income and divisional earnings and cash flows for the year ended December 31, 2025, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

Accountant's Responsibility

Management's responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of New Berlin Hills Golf Course and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

L. M. Henderson & Company, L.L.P.

Certified Public Accountants
Indianapolis, Indiana

March 31, 2026

New Berlin Hills Golf Course

A Division of Green Golf Partners, LLC

Statement of Income and Divisional Earnings

For the Year Ended December 31, 2025

	Year Ended December 31, 2025
<u>REVENUE:</u>	
Green fees	\$ 1,058,533
Golf cart rentals	442,661
Merchandise income	92,444
Food and beverage sales	751,155
Other income	9,865
Total revenue	<u>2,354,658</u>
 <u>OPERATING EXPENSES</u>	 <u>2,181,487</u>
	<u>173,171</u>
 <u>OTHER EXPENSES:</u>	
Depreciation and amortization	65,458
Interest expense	3,860
Total other expense	<u>69,318</u>
 <u>NET INCOME</u>	 <u>\$ 103,853</u>
 <u>DIVISIONAL EARNINGS:</u>	
Balance, beginning of year	\$ 649,057
 Add: Net income	 <u>103,853</u>
 Balance, end of year	 <u>\$ 752,910</u>

See Notes to Financial Statements
and Independent Accountant's Review Report.

New Berlin Hills Golf Course

A Division of Green Golf Partners, LLC

Balance Sheet

at December 31, 2025

	December 31, 2025
<u>ASSETS</u>	
<u>CURRENT ASSETS:</u>	
Cash	\$ 1,850
Accounts receivable - trade	9,521
Inventory	46,221
Due from related party	997,071
Prepaid expenses	109,461
Total current assets	<u>1,164,124</u>
<u>PROPERTY AND EQUIPMENT:</u>	
Golf shop, concessions, and maintenance equipment	443,169
Less: Accumulated depreciation and amortization	<u>220,414</u>
Total property and equipment	<u>222,755</u>
<u>OTHER ASSETS:</u>	
Right of use asset (net of amortization)	<u>251,463</u>
Total assets	<u>\$ 1,638,342</u>
<u>LIABILITIES AND DIVISIONAL EARNINGS</u>	
<u>CURRENT LIABILITIES:</u>	
Capital improvement fund	\$ 231,228
Finance lease liabilities	43,320
Operating lease liability	64,406
Accrued payroll	7,377
Gift certificates/rainchecks	52,378
Accrued variable rent expense	153,853
Other accrued expenses	27,045
Total current liabilities	<u>579,607</u>
<u>LONG-TERM LIABILITIES:</u>	
Finance lease liabilities (net of current portion)	118,768
Operating lease liability (net of current portion)	<u>187,057</u>
Total long-term liabilities	<u>305,825</u>
Total liabilities	<u>885,432</u>
<u>DIVISIONAL EARNINGS:</u>	<u>752,910</u>
Total liabilities and divisional earnings	<u>\$ 1,638,342</u>

See Notes to Financial Statements
and Independent Accountant's Review Report.

New Berlin Hills Golf Course

A Division of Green Golf Partners, LLC

Statement of Cash Flows

For the Year Ended December 31, 2025

	Year Ended December 31, 2025
<u>CASH FLOWS FROM OPERATING ACTIVITIES:</u>	
Net income	\$ 103,853
Adjustments to reconcile net income to net cash used in operating activities:	
Depreciation and amortization	65,458
(Increases) decreases in certain assets:	
Accounts receivable - trade	(6,409)
Inventory	8,456
Due from related party	(68,700)
Prepaid expenses	(41,655)
Increases (decreases) in certain liabilities:	
Accounts payable	(4,937)
Event deposits	(6,068)
Accrued payroll	(9,422)
Accrued variable rent	(61,998)
Other accrued expenses	13,592
Gift certificates/rainchecks	6,793
Total adjustments	<u>(104,890)</u>
Net cash used in operating activities	<u>(1,037)</u>
<u>CASH FLOWS FROM FINANCING ACTIVITIES:</u>	
Payments for capital improvements fund	(13,313)
Collections for capital improvements fund	59,044
Payments on finance lease liabilities	(44,544)
Net cash provided by financing activities	<u>1,187</u>
<u>NET CHANGE IN CASH AND CASH EQUIVALENTS</u>	150
<u>CASH AND CASH EQUIVALENTS:</u>	
Balance, beginning of period	<u>1,700</u>
Balance, end of period	<u>\$ 1,850</u>
<u>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:</u>	
Cash paid during the period for interest	<u>\$ 3,860</u>

See Notes to Financial Statements
and Independent Accountant's Review Report.

SUPPLEMENTAL DISCLOSURE OF NON-CASH FINANCING ACTIVITIES:

During 2025, the Company placed financing lease assets in the amount of \$81,309, with depreciation of \$2,710, on the balance sheet in exchange for new financing lease liabilities in the amount of \$78,835, net of interest.

New Berlin Hills Golf Course

A Division of Green Golf Partners, LLC

Notes to Financial Statements

December 31, 2025

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Significant accounting policies followed by New Berlin Hills Golf Course (the "Division") are listed below:

- (a) Green Golf Partners, LLC (the "Company") is a diversified golf management company with its home office located in Chicago, Illinois. The New Berlin Golf Course division of Green Golf Partners, LLC represents the leased operations of the 18-hole public golf course known as New Berlin Hills Golf Course in the city of New Berlin, Wisconsin. The Division is engaged primarily in the operation of the golf course with additional facilities for banquets and events that the Division may provide food and beverage services as well.
- (b) Troon acquired Green Golf Partners, LLC on April 30, 2019. Headquartered in Scottsdale, Arizona, Troon is the world's largest golf management company providing services at over 940 locations around the globe, including managing over 600 golf courses. In addition to golf, Troon specializes in homeowner association management, private residence clubs, estate management and associated hospitality venues. Troon's award-winning food and beverage division operates and manages over 600 restaurants located at golf resorts, private clubs, daily fee golf courses and recreational facilities.
- (c) The Division follows Financial Accounting Standards Board's ("FASB") Accounting Standards Update ("ASU") 2016-02, *Leases* ("Topic 842") and all subsequent lease related ASUs. This standard modifies the guidance used by lessors and lessees to account for leasing transactions. The Division adopted ASU 2016-02 using the optional transition method, which allows for prospective application of the standard. In addition, the Division elected practical expedients permitted under the transition guidance permitting the Division to not assess historical lease classification, prior conclusions related to indirect costs, and whether any expired or existing contracts are or contain leases. See Note 6 and 7 for additional information regarding the effect on finance leases and operating leases, respectively.

The Division follows FASB ASU 2014-05 (Topic "853"). This standard specifies that an operating entity should not account for a service concession agreement as a lease in accordance with Topic 842. See Note 2 for information regarding the agreement that falls within this accounting policy election.

- (d) The Division follows FASB ASU 2014-09, *Revenue from Contracts with Customers* and all subsequent amendments to the ASU (collectively, "Topic 606"). This standard creates a single framework for recognizing revenue from contracts with customers that fall within the scope of the standard. The Division's revenues come from sales to customers for event space, food and beverage related to events, and other event revenues. The Division enters into contracts initiated by customers to provide these services under fixed-unit price contracts. The Division's performance obligations are generally satisfied upon completion of the event. At that time, revenues from the contract and deposits are recognized as revenue. It is not typical for contracts to require significant judgment to determine the transaction price.

New Berlin Hills Golf Course

A Division of Green Golf Partners, LLC

Notes to Financial Statements

December 31, 2025

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

- (e) Assets and liabilities and income and expense are recognized in these financial statements on the accrual basis of accounting.
- (f) The Division follows FASB ASU 2016-13, *Financial instruments - Credit Losses* (Topic 326): *Measurement of Credit Losses on Financial Instruments*. This standard amends the guidance on the impairment of financial instruments by requiring measurement and recognition of expected credit losses for financial assets held. The standard did not materially impact net income or cash flows.

Accounts receivable are customer obligations primarily from banquets and event services rendered in the normal course of business. Management carries its accounts receivable at the amount expected to be collected.

The Division reviews accounts receivable on a periodic basis to determine if any receivables will potentially be uncollectible. The Company includes any accounts receivable balances that are determined to be uncollectible in an allowance. After all attempts to collect the receivable have failed, the receivable is written-off against the allowance. Based on the information available, the Division believes an allowance as of December 31, 2025 is not necessary as historical write-offs have been immaterial. There were no write-offs or allowance recorded during the year ended December 31, 2025. In accordance with FASB ASC 606-10-50-11, opening and closing balances of accounts receivable was \$3,112 at January 1, 2025 and \$9,521 at December 31, 2025.

- (g) All items of assets are shown at net realized value. Additionally, inventory is stated at cost based on the specific identification method and consists of golf supplies, apparel, food, and beverages.
- (h) Property and equipment are recorded at historical cost. The Division capitalizes additions of property and equipment in excess of \$1,000. Depreciation and amortization of property and equipment is computed using the straight-line method and based upon the estimated useful lives of the assets. Expenditures for property and equipment and for renewals or betterments which extend the originally estimated economic life of the assets are capitalized. Expenditures for maintenance and repairs are charged to expense. When an asset is retired or otherwise disposed of, the cost and accumulated depreciation are removed from the accounts and any gain or loss is included in the results of operations.

Depreciation and amortization expense was \$65,458 for the year ended December 31, 2025.

- (i) For purposes of the statements of cash flows, all highly liquid debt instruments purchased with a maturity of three months or less are considered to be cash equivalents.
- (j) At certain times during the year, Troon maintains cash balances with financial institutions which may exceed the Federal Deposit Insurance Corporation limit of \$250,000.
- (k) The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.
- (l) Advertising costs are expensed as incurred. Advertising expense was \$1,434 for the year ended December 31, 2025.

New Berlin Hills Golf Course

A Division of Green Golf Partners, LLC

Notes to Financial Statements

December 31, 2025

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

- (m) Event deposits represent deferred revenue and consists of prepaid membership fees received by the Company.
- (n) Management has evaluated subsequent events through March 31, 2026, the date that the financial statements were available to be issued.

Note 2: SERVICE CONCESSION AGREEMENT

City of New Berlin Lease

The Company has a service concession agreement with the city of New Berlin to operate New Berlin Hills Golf Course located in New Berlin, Wisconsin. The agreement is reported under the guidance of Topic 853. The agreement commenced May 4, 2011 for three years and eight months with a five-year renewal option, which was exercised through December 31, 2019. This agreement was renewed to extend it through December 31, 2024 and then again to extend it through December 31, 2029. Annual rent is \$150,000, plus 75% of the annual net profit, as defined in the agreement, up to \$100,000 and 50% of the annual net profit in excess of \$100,000. These amounts are included in the statement of income and Divisional Earnings. The Company has provided the city of New Berlin a \$50,000 irrevocable letter of credit as a security deposit and a performance bond. Rent expense was \$303,854 for the year ended December 31, 2025.

The following table presents the future undiscounted rental payments of the concession agreement as of December 31, 2025:

<u>Year Ended</u> <u>December 31,</u>	<u>Amount</u>
2026	\$ 150,000
2027	150,000
2028	150,000
2029	150,000
2030	-
Thereafter	-
Total	<u>\$ 600,000</u>

Note 3: CAPITAL IMPROVEMENT FUND

The Division collects \$1.50 for each 18-hole round and \$0.75 for each 9-hole round and amounts are deposited into a liability account each month. A corresponding expense (or asset if capitalization is necessary) is recorded upon the time of purchase.

New Berlin Hills Golf Course

A Division of Green Golf Partners, LLC

Notes to Financial Statements

December 31, 2025

Note 3: CAPITAL IMPROVEMENT FUND (continued)

During the year, the capital improvement fund had the following activity:

Capital improvement fund balance (deficit), January 1, 2025	\$ (185,497)
Collection	(59,044)
Improvements	<u>13,313</u>
Capital improvement fund balance (deficit), December 31, 2025	<u>\$ (231,228)</u>

Note 4: RELATED PARTY TRANSACTIONS

Allowed by terms of the lease with the city of New Berlin, the Company may charge the Division a discretionary fee for administrative charges, not to exceed \$40,000 for the base year 1995 with a maximum increase of \$2,000 for each subsequent year. At December 31, 2025, the maximum allowable administrative charge was \$96,000. Actual charges to the Division were \$96,000 for the year ended December 31, 2025.

At December 31, 2025, Troon owed the Division \$997,071.

Note 5: 401(K) PLAN

The Company sponsors a defined contribution plan covering all eligible employees of the Company. Each participant may make pretax contributions up to 50 percent of the participant's eligible earnings, subject to Internal Revenue Service limitations. The Company matches 25 percent of the first 5 percent of employee contributions per pay period. These matching contributions made by the Company vest based on years of service. The Division recognized expense for matching contributions of approximately \$6,300 for the year ended December 31, 2025.

Note 6: LESSEE LEASES - FINANCE

The Division has five active finance leases under ASU 2016-01. In accordance with ASU 2016-01, finance lease assets and finance lease liabilities were recorded. The total financing lease liability was \$162,088 at December 31, 2025. As of December 31, 2025, the short-term portion of the outstanding balance was \$43,320 and the long-term portion was \$118,768, net of interest expense. Total interest expense for the year ended December 31, 2025 was \$3,860.

New Berlin Hills Golf Course

A Division of Green Golf Partners, LLC

Notes to Financial Statements

December 31, 2025

Note 6: LESSEE LEASES - FINANCE (continued)

As of December 31, 2025, financing lease assets totaled \$278,257, with related accumulated depreciation of \$118,424, and depreciation expense of \$45,637. The financing lease assets are included with golf shop, concessions, and maintenance equipment and the financing lease assets depreciation is included within depreciation and amortization expense. There are no variable lease payments, no residual value guarantees, and no restrictions or covenants imposed by the leases. At the end of the lease term there is an option to purchase all assets, renew the agreement, or return the equipment. These options have not been recognized in the financing lease assets and financing lease liabilities. With no discount rates included, the Company has elected to use the risk-free rate. The weighted average remaining lease term is 48.56 months and the weighted average discount rate is 3.61%.

The following is a summary of the aforementioned finance leases:

Toro Realmaster 3555-D

The Company entered into a five-year finance lease with TCF National Bank for two Toro Realmaster 3555-Ds. The lease expires April 2026 and requires monthly payments during the year. Depreciation of assets under the finance lease, which is included in depreciation and amortization expense, amounted to \$21,522 for the year ended December 31, 2025.

Cannon ImageRUNNER Advance

The Company entered into a three-year finance lease with Pacific Office Automation for a Cannon ImageRunner Advance. The lease expires February 2027 and requires monthly payments during the year. Depreciation of the asset under the finance lease, which is included in depreciation and amortization expense, amounted to \$1,669 for the year ended December 31, 2025.

Buffalo Turbine Cyclone Squared & Salsco Roll N Go

The Company entered into a five-year finance lease with Huntington National Bank for a Buffalo Turbine Cyclone Squared and a Salsco Roll N Go. The lease expires July 2029 and requires monthly payments during the year. Depreciation of assets under the finance lease, which is included in depreciation and amortization expense, amounted to \$11,374 for the year ended December 31, 2025.

Toro ProCore 648

The Company entered into a five-year finance lease with Huntington National Bank for a Toro ProCore 648. The lease expires September 2029 and requires monthly payments during the year. Depreciation of the asset under the finance lease, which is included in depreciation and amortization expense, amounted to \$8,362 for the year ended December 31, 2025.

Toro Greenmaster 3250 Tripex Mower & Toro Workman GTX Utility Vehicles

The Company entered into a five-year finance lease with First Citizens Bank for a Toro Greemaster 3250 Tripex Mower and two Toro Workman GTX Utility Vehicles. The lease expires October 2030 and requires monthly payments during the year. Depreciation of the asset under the finance lease, which is included in depreciation and amortization expense, amounted to \$2,710 for the year ended December 31, 2025.

New Berlin Hills Golf Course
A Division of Green Golf Partners, LLC

Notes to Financial Statements

December 31, 2025

Note 6: LESSEE LEASES - FINANCE (continued)

The following maturity analysis presents the future undiscounted rental payments of the finance leases as of December 31, 2025:

Year Ended December 31,	Amount
2026	\$ 48,508
2027	39,668
2028	39,372
2029	31,897
2030	14,826
Thereafter	-
Total undiscounted lease payments	<u>174,271</u>
Less: Amount representing interest	<u>12,183</u>
Finance lease liabilities	162,088
Less: Current maturities	<u>43,320</u>
Long-term portion of finance lease liabilities	<u>\$ 118,768</u>

Note 7: LESSEE LEASES - OPERATING

The Company entered into a five-year operating lease under ASU 2016-01 with PNC Bank for seventy-five Yamaha Drive Gas Golf Carts, requiring monthly payments and expiring September 2029. The lease contains an option to purchase the assets at fair market value at the end of the lease. There are no variable lease payments, no residual value guarantees, and no restrictions or covenants imposed by the lease. As of December 31, 2025, the right of use asset was \$328,203 and the associated accumulated right of use amortization was \$76,740. The right of use asset, net of amortization, is included within other assets on the balance sheet and the associated lease liability is included in current and long-term liabilities on the balance sheet in the amounts of \$64,406 and \$187,057, respectively. Total lease expense incurred for the year ended December 31, 2025 was \$71,456. With no discount rates included, the Company has elected to use the risk-free rate. As of December 31, 2025, the weighted average remaining lease term was 45 months and the weighted average discount rate was 3.51%.

New Berlin Hills Golf Course
A Division of Green Golf Partners, LLC

Notes to Financial Statements

December 31, 2025

Note 7: LESSEE LEASES - OPERATING

The following table represents the future undiscounted lease payments for the operating lease of December 31, 2025:

Year Ended December 31,	Amount
2026	\$ 71,456
2027	71,456
2028	71,456
2029	53,592
2030	-
Thereafter	-
Total undiscounted lease payments	<u>267,960</u>
Less: net present value adjustment	<u>16,497</u>
Operating lease liability	251,463
Less: Current maturities	<u>64,406</u>
Long-term portion of operating lease liability	<u>\$ 187,057</u>

