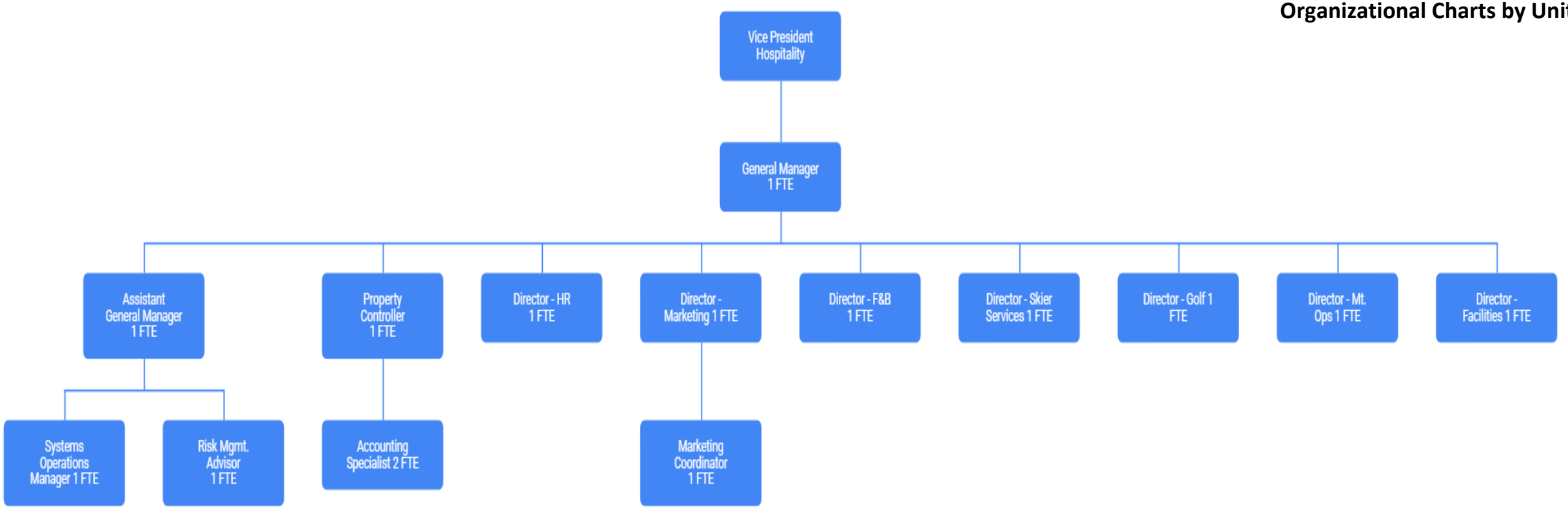
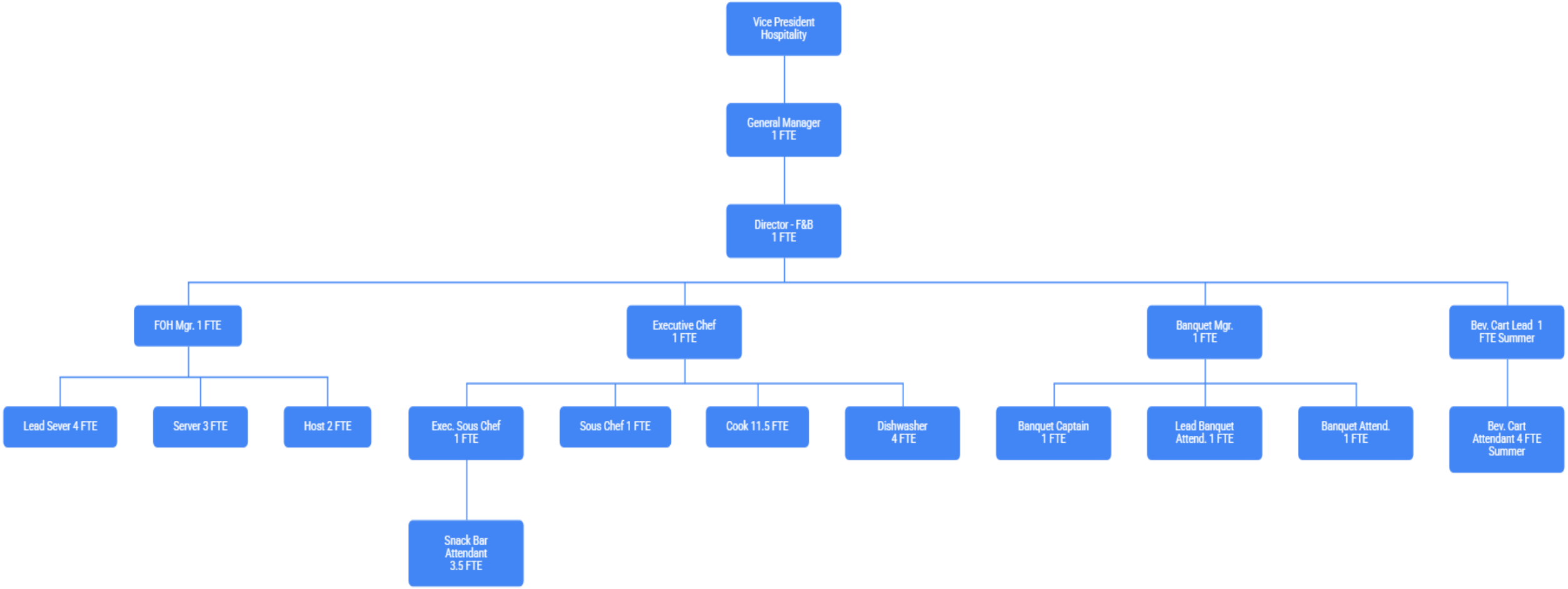
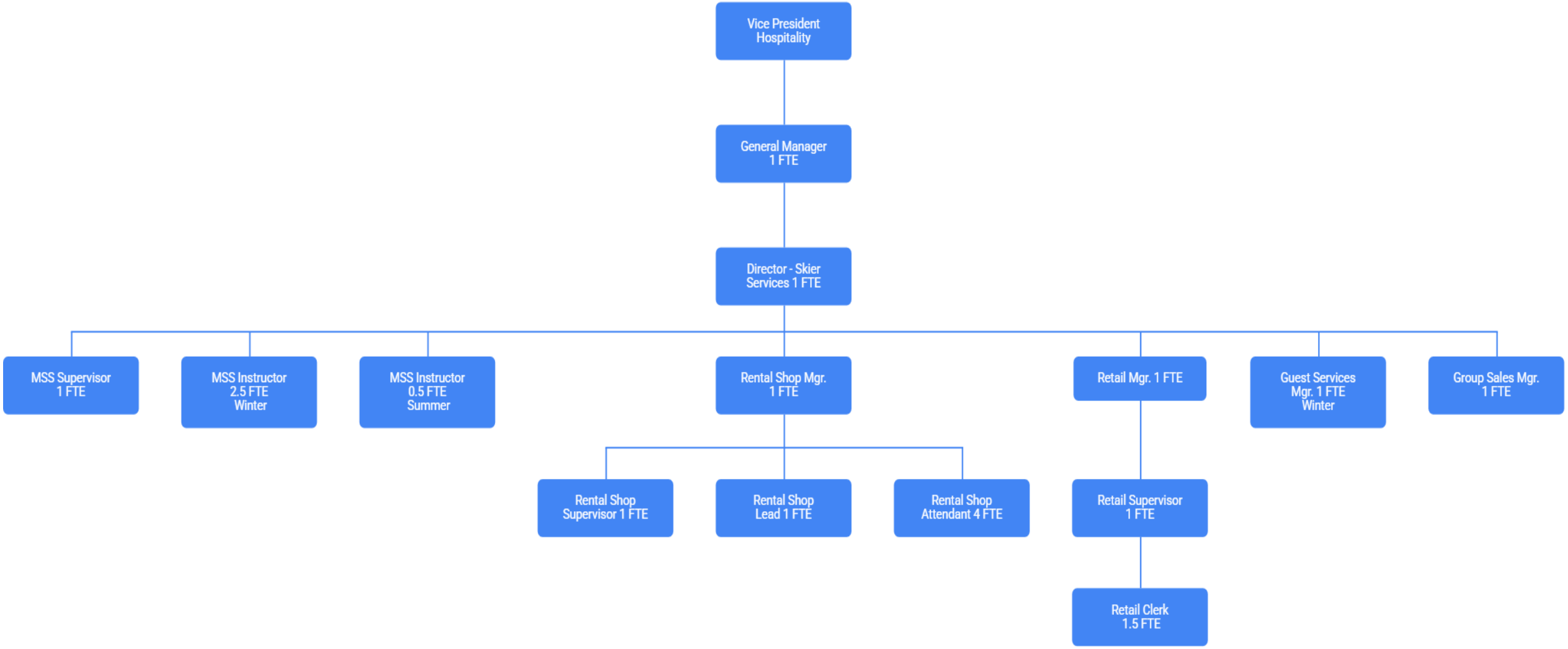
Questions: 18, 26, 40 & 59
Organizational Charts by Unit



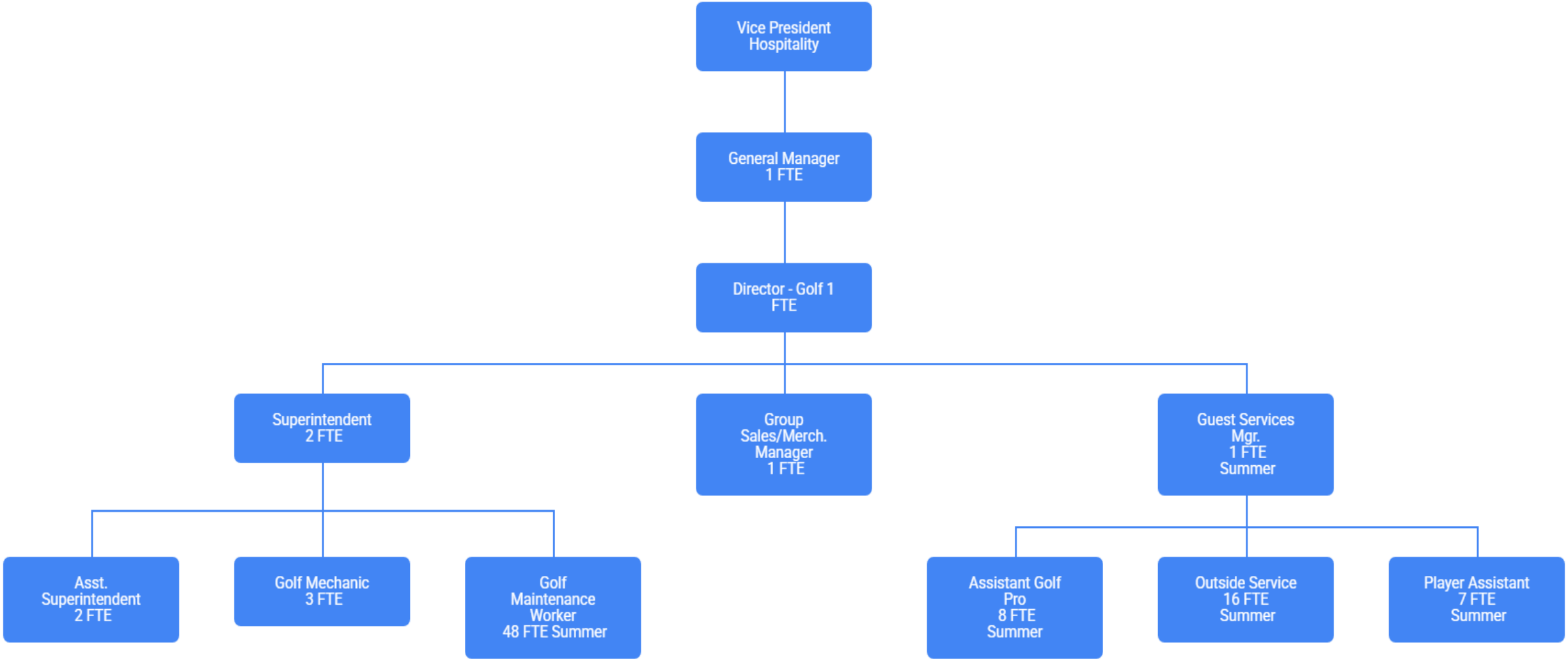
Unit: Admin/Overhead



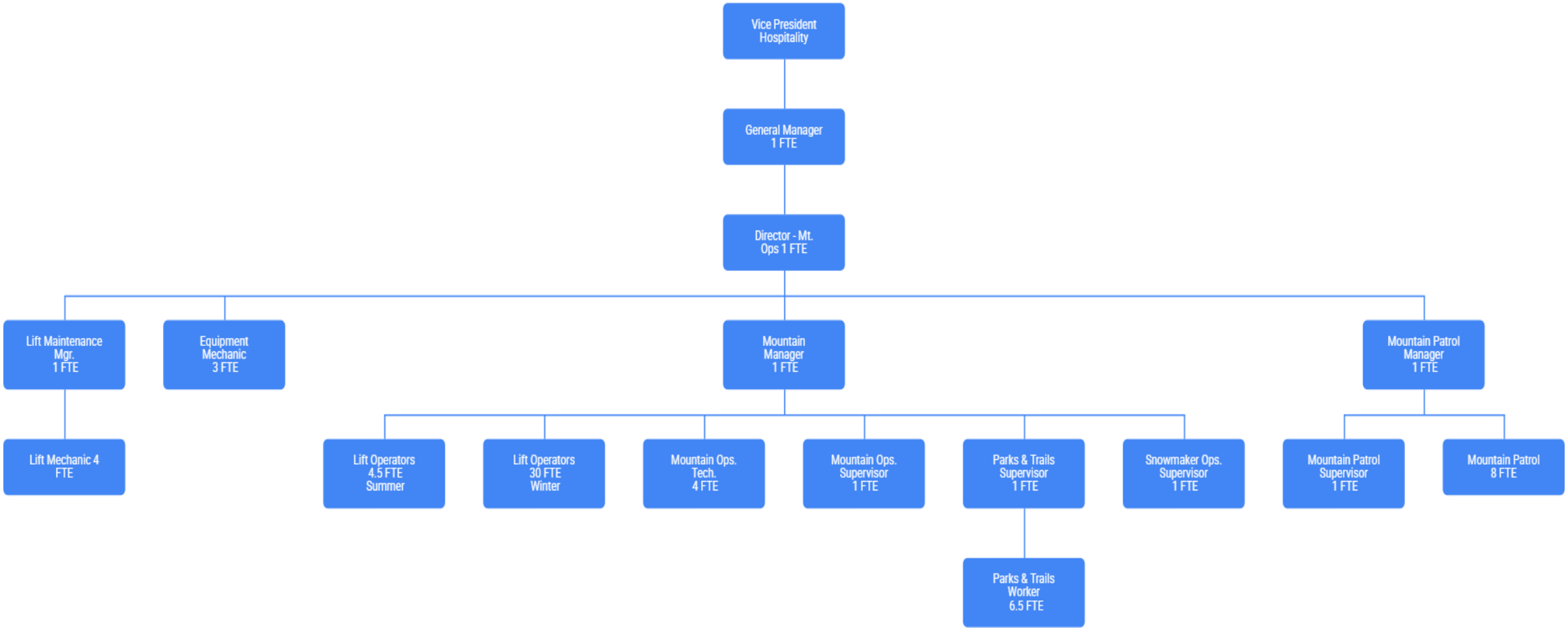
Unit: Food & Beverage



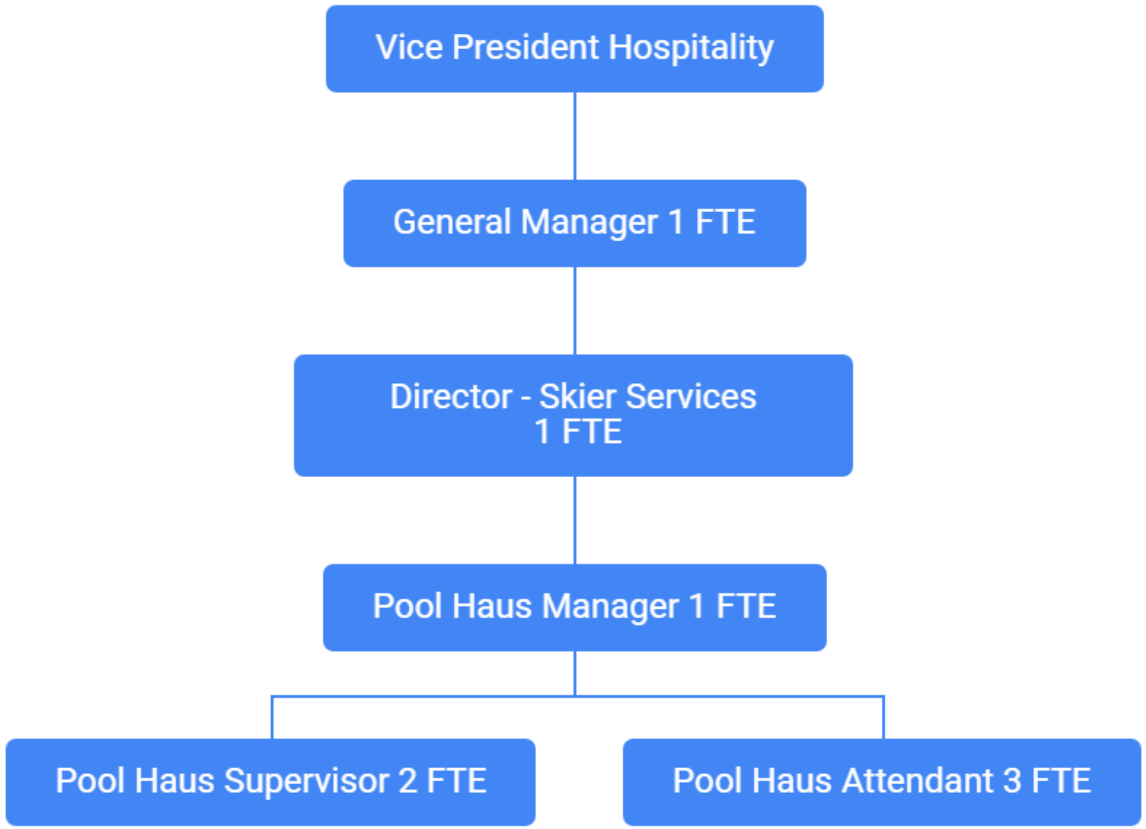
Unit: Recreation


Vice President Hospitality
General Manager 1 FTE
Director - Golf 1 FTE
Superintendent 2 FTE
Group Sales/Merch. Manager 1 FTE
Guest Services Mgr. 1 FTE Summer
Asst. Superintendent 2 FTE
Golf Mechanic 3 FTE
Golf Maintenance Worker 48 FTE Summer
Assistant Golf Pro 8 FTE Summer
Outside Service 16 FTE Summer
Player Assistant 7 FTE Summer

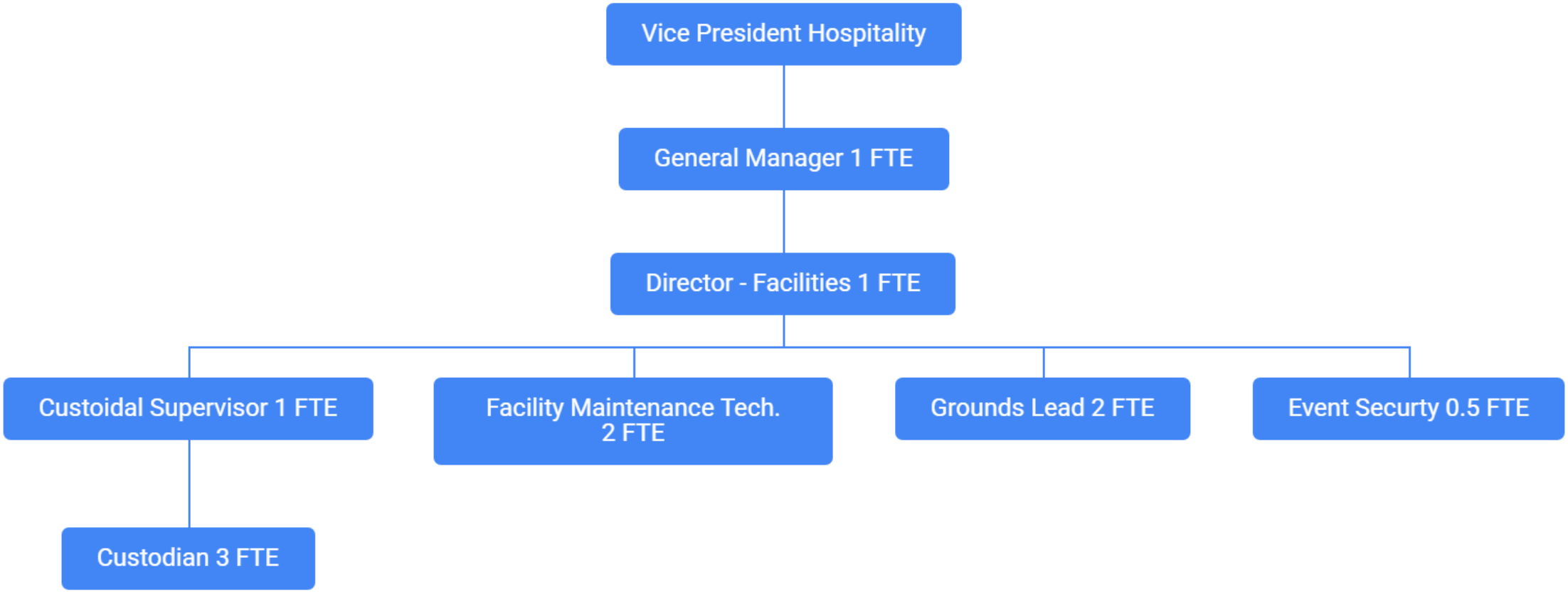
Unit: Golf


Vice President Hospitality
General Manager 1 FTE
Director - Mt. Ops 1 FTE
Lift Maintenance Mgr. 1 FTE
Equipment Mechanic 3 FTE
Mountain Manager 1 FTE
Mountain Patrol Manager 1 FTE
Lift Mechanic 4 FTE
Lift Operators 4.5 FTE Summer
Lift Operators 30 FTE Winter
Mountain Ops. Tech. 4 FTE
Mountain Ops. Supervisor 1 FTE
Parks & Trails Supervisor 1 FTE
Snowmaker Ops. Supervisor 1 FTE
Mountain Patrol Supervisor 1 FTE
Mountain Patrol 8 FTE
Parks & Trails Worker 6.5 FTE

Unit: Ski



Unit: Pool Haus



Unit: Facilities

Visitation Statistics

	FY27 (Projected)	FY26	FY25	FY24
Quarry Rounds	16,192	17,897	17,424	16,520
Legend Rounds	10,688	16,567	16,207	15,945
Golf Rounds	**26,880**	**34,464**	**33,631**	**32,465**
Alpine Ticketing	34,800	32,961	30,277	28,509
Nordic Passes and Ticketing	4,350	7,573	6,568	174
Alpine Season Passes	23,450	22,330	21,638	21,652
Tubing	1,395	1,412	859	731
Total Winter Rec	**63,995**	**64,276**	**59,342**	**51,066**
Climbing Wall	39	36	45	62
Summer Rentals	-	340	208	215
Mountain Bike Passes & Ticketing	2,450	2,590	2,993	3,114
Disc Golf Rounds	224	210	42	251
Scenic Chairlift Tickets	1,435	1,358	810	954
Total Summer Rec	**4,148**	**4,534**	**4,098**	**4,596**
Events	**11,800**	**13,799**	**25,956**	**10,463**

Please note that fiscal year runs from July 1 through July 30.

Questions: 22, 64

Season Pass Statistics

Season Pass Statisitcs

	Individual					Family		Discounted/Unpaid		Revenue Contribution
	Issued									
	Adult	Child	Senior	Total	Visits	Issued	Visits	Issued	Visits	
FY26	336	709	186	**1,231**	6,776	1,265	8,357	918	6,002	
FY25	309	401	125	**835**	7,151	1,519	8,828	846	5,643	$ 527,971.00
FY24	309	348	102	**759**	6,737	1,729	9,207	1,518	6,870	$ 470,139.00

GUEST SERVICES, INC. - GIANTS RIDGE

Fiscal Year 2027 Marketing Plan

Executive Summary

Giants Ridge is a year-round, state-owned recreation destination offering some of Minnesota's best alpine skiing and snowboarding, premier mountain biking, and two of the top five golf courses in the state. With the addition of the new Pool & Sauna Haus, Giants Ridge further strengthens its appeal as a true four-season destination—expanding offerings for families and enhancing the overall guest experience beyond the slopes, trails, and fairways. Despite this diverse and high-quality portfolio, building broader awareness remains our top priority for FY27.

As we evolve our approach, FY27 will introduce a more balanced and data-driven marketing mix. This includes the launch of a consistent email marketing communications strategy, alongside automated, behavior-based email campaigns triggered by guest purchase activity. These efforts will allow us to better leverage existing guest data, deliver more personalized messaging, and drive increased engagement, repeat visitation, and lifetime value.

A key component of this strategy will be the development and promotion of integrated packages that bundle recreation and amenities—most notably incorporating the Pool & Sauna Haus—to create compelling, value-driven offers for families. By packaging experiences across ski, bike, golf, and Pool & Sauna Haus offerings, we aim to increase destination-length stays, attract more family travelers, and drive incremental visitation across multiple profit centers.

At the same time, we will continue to incorporate a strategic mix of traditional media to effectively reach our local audience and season passholders—ensuring we maintain strong connections with our most loyal and high-frequency guests.

FY27 Strategy & Initiatives

Brand Evolution

A primary goal for the current fiscal year and beyond is to further elevate and refine the Giants Ridge brand across all touchpoints. This includes the development of cohesive, high-quality marketing collateral—spanning digital advertising, print, and event materials—that consistently aligns with established brand standards and reflects the premium nature of the experience.

In addition, this collaboration will focus on defining a more distinctive and consistent brand voice across channels, ensuring messaging resonates with target audiences while reinforcing what sets Giants Ridge apart. This brand evolution will extend into the retail environment, with a

renewed focus on developing appealing, high-quality branded apparel and accessories that reflect the lifestyle and experience of Giants Ridge.

The overarching goal is to position Giants Ridge as a leading, year-round destination for families—while also strengthening brand affinity and creating additional revenue opportunities through increased retail sales of branded merchandise.

Pool & Sauna Haus Strategy

The addition of the Pool & Sauna Haus represents a significant expansion of the Giants Ridge guest experience and serves as a key driver in positioning the resort as a true four-season destination. To maximize its impact, marketing efforts will focus on integrating the Pool & Sauna Haus into compelling, value-driven packages that encourage multi-activity visits and longer stays. Signature combinations such as “Ski & Swim,” “Slope & Soak,” “Pedal & Pool,” “Swing & Swim” will be promoted to showcase the breadth of experiences available and to drive incremental visitation across seasons.

Given the Pool & Sauna Haus’s limited capacity, marketing will also strategically leverage scarcity to create urgency and demand—positioning the experience as highly desirable and encouraging advance booking behavior. Sell-out scenarios will be utilized as a positive signal of popularity, helping to build awareness and elevate perceived value over time.

Beyond general leisure guests, the Pool & Sauna Haus will be positioned to attract targeted audiences including wellness-focused travelers, families seeking birthday and celebration experiences, and corporate groups looking for unique retreat offerings. By aligning messaging and packages to these distinct segments, the Pool & Sauna Haus will serve as both a standalone attraction and a key contributor to broader resort revenue across lodging, food and beverage, and other on-site experiences.

The Legend Renovation

The planned renovation of The Legend Golf Course from fall 2026 through summer 2028 presents a unique opportunity to elevate both the course and its story. During this period, Giants Ridge will implement a strategic content marketing approach designed to maintain engagement, build anticipation, and reinforce The Legend’s status as one of Minnesota’s premier golf experiences.

This will include a “look back” at the history and legacy of The Legend—highlighting what has made it one of the top courses in the state—paired with a forward-looking narrative that showcases the vision, enhancements, and long-term investment in its future. Through compelling video storytelling, behind-the-scenes content, and progress updates, we will bring audiences along throughout the renovation journey.

By documenting and sharing this transformation, we aim to generate excitement, strengthen brand affinity among loyal golfers, and position The Legend for a highly anticipated reopening—driving increased demand, visitation, and revenue upon completion.

IKON Pass

Giants Ridge will join the Ikon Pass as a Bonus Mountain for the 2026-27 winter season. The partnership invites Ikon Pass holders to enjoy two days at Giants Ridge, known for its reliable snow, diverse terrain and welcoming atmosphere.

In turn, Giants Ridge season pass holders enjoy a 50-percent discount on the purchase of a three-day Ikon Session Pass. Currently priced at $399, the Ikon Session Pass provides skiers and riders with three days of skiing and riding at 43 select destinations in the Ikon Pass family.

Joining this collection of popular skiing and snowboarding destinations expands Giants Ridge market reach while maintaining the unique character of the resort experience.

Partnering with the Ikon Pass will help drive visitation in a way that supports both the resort and the surrounding community. It brings passionate skiers and riders who value authentic experiences, stay longer, and contribute meaningfully to local businesses. This is a strategic fit for who we are and how we want to grow.

America 250

Giants Ridge will recognize America 250 as an opportunity to celebrate our national heritage. An assortment of commemorative hats, shirts, water bottles, and koozies will be available at retail outlets at both the mountain and golf courses. These items provide guests with a meaningful keepsake tied to Giants Ridge while tapping into added summer retail sales.

We will look to add special menu items and promote our various summer activities to help drive visits to the mountain.

Snowmaking Flex

Giants Ridge’s multimillion-dollar investment in a fully modernized, automated snowmaking system represents one of the most significant competitive advantages in the Midwest ski market. Our marketing and communications strategy will bring this story to the forefront, positioning Giants Ridge as the region’s most reliable, longest-season, and most snow-secure mountain.

To help drive early- and late-season visitation, we will offer special promotions to valid season pass holders from any ski area to come enjoy a ski day at Giants Ridge on select days that we choose (i.e...Any Pass Days). Giants Ridge opens for the season ahead of many other local competitors, so this is an opportunity for season pass holders from other ski areas to enjoy ski days at Giants Ridge before their home mountain opens for the season, or after their home mountain closes for the season, further showcasing our snowmaking capabilities to core skiers and riders.

Highlights from FY26

- **Alpine daily lift tickets** saw strong year-over-year growth, with a 9.81% increase in sales and 4.33% increase in units sold. Overall ticket sales were bolstered with the introduction of the Triple Play product on Jan. 4, 2026, with 442 units sold netting $43,758 in revenue and equating to 1,326 visits. The Triple Play offered three weekday lift tickets for $99. The success of the Triple Play indicates there may be a local market for a weekday season pass product.

  Season Pass revenue was up just 1.24% in revenue despite a 6.85% increase in units sold. The results suggest some families may have moved to purchasing season passes for their children, but not for mom and/or dad this past season. Regardless, the Repeat Customer Rate for season passes inched up 1%, while the Repeat Customer Rate for daily lift tickets increased 9%.

FY26 (through 4/7/26)	Sales	Products Sold	% of Sales on Web	Repeat Customer Rate
25-26 Alpine Season Passes	$513,673	3321	61%	72%
YoY Alpine Season Passes	**+1.24%**	**+6.85%**	**+5%**	**+1%**
Total 25-26 Alpine Daily Tickets	$1,308,447	26,243	38%	39%
Triple Play (breakout)	$43,758	442	n/a	n/a
YoY Alpine Daily Tickets	**9.81%**	**4.33%**	**+2%**	**+9%**
Note: ***YoY compares total sales within the timeframe, not aligning to specific season dates.***				

- **Mountain bike season pass sales** enjoyed strong YoY growth with a 64.71% increase in revenue and an 84.04% increase in units sold. The repeat customer rate increased by 16 percentage points illustrating customer satisfaction and loyalty. Meanwhile summer daily lift tickets were up just .71% in revenue but increased 17.5% in total units sold. In FY27, increasing overall awareness of our lift-served mountain biking operation with a focus on new lessons opportunities and hosting more summer events will be crucial to continuing our growth momentum.

FY26 (5/13/25 - 10/15/25)	Sales	Products Sold	% of Sales on Web	Repeat Customer Rate
2025 Summer Season Passes	$6,656	173	28%	87%
YoY Summer Season Passes	**64.71%**	**84.04%**	**+3%**	**+16%**
2025 Summer Daily Lift Tickets	$68,867	3,317	17%	29%
YoY Summer Daily Lift Tickets	**+.71%**	**+17.5%**	**-3%**	**-1%**
Note: ***YoY compares total sales within the timeframe, not aligning to specific season dates.***				

- **Awards & Recognitions 2025**
  Golf, Inc.: Amenity of the Year award for the Pool & Sauna Haus
  Golf Digest: America's 100 Greatest Public Courses – The Legend #34, Quarry #58th
- **Awards & Recognitions 2026**
  Golf Week: Top Resort Courses – The Quarry #35
  Mesabi Tribune: Tourism Award for Explore MN Co-Op Program (golf)
  KDHL-AM Radio: Highest Rated Snow Tubing Hills in MN

MARKETING INITIATIVES & STRATEGY

Our marketing strategy is rooted in generating heightened awareness of Giants Ridge and its wide range of year round activities, developing new products to help drive overall season pass sales as well as more visitation from out-of-region families, and creating additional events that engage our audience and help drive daily visits and increased traffic and sales to our other revenue departments.

Email Marketing

Giants Ridge will launch a more structured and strategic email marketing program in FY27, anchored by a consistent newsletter and supported by targeted, dedicated campaigns aligned with key promotions and seasonal moments. Marketing automation will be expanded through pre-arrival and post-departure email journeys, delivering timely, personalized messaging that enhances the guest experience, drives incremental spending, and encourages repeat visitation. Additionally, increased focus will be placed on season pass communications—including outreach to lapsed pass holders—to strengthen retention, drive renewals, and grow overall pass sales.

Social Media

Giants Ridge will implement a structured social media content calendar in FY27 to drive greater consistency, improve content quality, and ensure alignment with key business priorities throughout the year. This approach will enable more intentional storytelling and better coordination across campaigns, events, and seasonal offerings.

Content will be developed to represent the full guest experience, with a dedicated focus on all profit centers including: food and beverage, retail, rentals, lessons, golf, mountain biking, Nordic, and the Pool & Sauna Haus. By showcasing the breadth of on-site experiences, social media will play a more active role in influencing trip planning, increasing engagement, and driving incremental revenue across the resort.

Website

A chat application has been added to GiantsRidge.com giving guests instant, on-demand answers to common questions—like hours, booking details, and activity options—making it easier and faster for them to plan their visit. The chat app has the potential to dramatically reduce inbound calls to ticketing and guest service staff.

In addition, we are shifting optimization efforts to be more focused on AEO (artificial intelligence engine optimization) which will include the additional of a regular blog post. A well-written blog post boosts AEO by clearly answering specific user questions in natural language, making it easier for search engines and AI assistants to utilize our website content as a direct answer.

A comprehensive rebuild of GiantsRidge.com is being planned in order to address current limitations, including lack of mobile responsiveness. The new website will be designed with a modern, mobile-first approach, significantly improving navigation, content accessibility, and the overall booking and purchasing experience for guests.

With an estimated investment of $80,000–$100,000, the rebuild is expected to deliver strong returns through increased online conversion rates, higher direct revenue, and reduce overall confusion in the purchase journey. Industry benchmarks indicate that mobile-optimized, user-focused website redesigns can increase conversion rates by 20–40%, reduce bounce rates by 15–30%, and improve overall revenue per visitor by 10–25%.

Enhanced site performance and improved security will also build greater consumer trust. Collectively, these improvements will position the website as a high-performing, revenue-driving platform that better supports both guest needs and operational efficiency.

Community Engagement

Efforts will focus on strengthening existing partnerships and building new relationships with local chambers, Iron Range organizations, and regional marketing groups. These collaborations will help expand our event calendar, create mutually beneficial marketing opportunities, and increase overall community engagement.

In addition, we will use these partnerships to keep the local community informed and connected to what’s happening at the mountain and golf courses—ensuring Giants Ridge remains an active and visible part of the region year-round.

Events

We will look to continue to grow our event programming by building on the strong foundation of past efforts and identifying opportunities to introduce fresh, engaging experiences that attract both new and returning guests. Explore opportunities for seasonal events, midweek activations, and unique experiences that support broader departmental goals while enhancing guest satisfaction and reinforcing Giants Ridge as a year-round destination. Some ideas on the burner

include: Military Mondays, a mountain-wide treasure hunt, a monster dog pull, and a campaign to reward season pass holders who log the most visits in a season.

Mountain Sports School

This summer Mountain School will be developing new product offerings for Winter 2026/27, including new full day lesson options, as well as lessons catered for adults and seniors. In addition, we will employ more retargeted marketing efforts so that we are driving winter lesson takers to sign up for summer lesson and camp opportunities, particularly kids.

Giants Ridge Mountain School continues its tradition of offering steeply discounted ski and snowboard lesson opportunities to local school students. This year the MNSAA 4th Grade Passport Program saw 361 redemptions vs. 329 in 2024/25. Meanwhile school groups including home school students held steady with 1,567 visits in 2025/26 compared to 1,530 visits in the previous season.

Rentals

For the coming season the rental department will begin offering tuning and repair work with the additional of a new state-of-the-art tuning machine. High-end demo skis and snowboards will also be added for the coming season, as well as a new retail area within the rental department to help drive ancillary sales. These new services and offerings will be broadcast on our social media channels, email campaigns, the website, and packaged with other offerings such as lessons and/or lift tickets.

MARKETING CHANNELS

Our marketing strategy uses a focused mix of channels to build brand awareness as our top priority. We target key audiences—especially in high-opportunity markets like Minneapolis–St. Paul—while also supporting engagement and conversion. From digital and traditional media to on-site promotions, each channel is designed to increase visibility and drive both new and returning visits to Giants Ridge.

- **Paid Digital:** Pay-Per-Click, Display, Paid Social
- **Organic:** SEO (BizzyWeb), Blog, Email, Social
- **TV / Streaming:** Limited, strategic use only (ex. Thursday weather updates on WDIO to support Golf)
- **Newspaper / Magazine:** We will continue to support local community newspapers through advertising of events and season pass sales. State and regional travel magazines will be utilized to promote winter ski packages and summer golfing and mountain biking.

- **Direct Mail:** Sent to targeted zip codes (i.e. Virginia, Duluth, Grand Rapids, and points in between) with measurable promotions, QR codes, etc.
- **Radio / Podcasts:** Limited to local and will primarily be used to amplify event, food & beverage, and other local-relevant promotions
- **Public Relations:** Exploring additional options for public relations efforts in all of Giants Ridge activities that draw destination visitation, i.e.. Family Ski Swim package.
- **Photo / Video**: We look to employ more local photographers and videographers to build our inventory of quality marketing assets for all revenue departments.
- **Promotional Supplies:** Giveaways, Swag, Property Signs, Event decorations
- **Billboard:** Will be utilized in MSP metro region and travel corridors to promote winter ski packages and golf.

Digital Channels

Our digital marketing strategy focuses on driving qualified traffic to GiantsRidge.com through a mix of organic and paid efforts. Each channel supports awareness, engagement, and conversion across key business areas. Primary tactics include email marketing, paid social, and digital display advertising—allowing us to efficiently reach targeted audiences and scale brand awareness.

Organic Channels:

- Our organic efforts will be guided by a social media content calendar planned at least 30 days in advance to ensure consistency and alignment with seasonal priorities. We will share regular content that highlights the full range of activities at Giants Ridge, while using social media as a direct communication channel for events, promotions, and timely updates. In parallel, we will continue to improve search visibility by working with GSI and other third-party firms on ongoing website optimizations, including page structure, images, and metadata.

Paid Channels:

- Our paid strategy will focus on driving targeted traffic to key offers, seasonal campaigns, and events by reaching audiences most likely to visit. Campaign performance will be closely tracked and adjusted as needed to ensure strong results and efficient use of budget.

Public Relations

As we look ahead, we plan to revisit the current scope of work with our PR agency, Buffalo Groupe, to better align with our evolving business needs. Based on past successes, we will continue to employ Buffalo Group to work on golf-related PR. On the winter side, we will look to utilize Buffalo Group to help grow awareness of new product offerings for out-of-region families, such as a Slope & Soak package, or packages that include lodging.

OBJECTIVES

We outline our strategic blueprint for achieving overarching objectives, breaking down our efforts into quarterly and monthly goals that harmonize our broader mission. We identify Key Performance Indicators (KPIs) to gauge the efficacy of our efforts, ensuring focused efforts on achieving significant milestones. This framework enables us to navigate toward our larger objectives with precision, leveraging data-driven insights to steer our course effectively.

Quarterly Breakdowns

Q1 July – September

The first quarter kicks off in the heart of the summer season, building on early momentum from Q4 marketing efforts. The focus is on maintaining strong awareness and visitation through continued promotion of summer activities—particularly Mountain Biking—along with Golf and signature events such as the GRIND Mountain Bike Festival, Ride Like a GRL programming, and Oktoberfest. Campaigns should support both short-term attendance goals and long-lead planning, including the early promotion of Alpine Winter Passes starting in September.

Additionally, this quarter presents a valuable opportunity to market Giants Ridge as a wedding destination, targeting 2027 brides (and beyond) during their planning window. From a planning perspective, Q1 should also be used to align campaign timelines and assets for the upcoming Fall Season Pass push and ensure a smooth transition into winter marketing.

Q2 October – December

Quarter 2 is centered around closing out the fall season while building strong anticipation for winter. A key priority is driving a strong finish to the Alpine Season Pass campaign, positioning Giants Ridge as a premier winter destination in the region. Marketing efforts will spotlight key seasonal events such as Warm Up to Winter, Oktoberfest, King of the North (disc golf), and Christmas programming to maintain engagement and boost visitation during shoulder months.

Additionally, this quarter presents a prime window to promote Mountain Sports School offerings, including lessons and winter programming, to new and returning guests. Planning should focus

on finalizing holiday campaign assets and messaging while preparing paid and owned media to support opening day and peak winter periods.

Q3 January – March

Quarter 3 represents the peak of the winter season, with a focus on maintaining strong momentum in online lift ticket sales and delivering an exceptional guest experience. Marketing efforts will support day-to-day visitation while promoting key winter events such as Spring Carnival and the MESC x Tri-5 race.

Concurrently, planning begins for the Spring Season Pass sale, including early promotion of the 2027/28 Alpine Pass early bird offer. This quarter also includes high-impact tradeshows, including the PGA Show in Orlando, that play a key role in driving future bookings across our Wedding and Golf businesses.

For Q3 2027, much of the strategy and messaging will be dedicated to driving business to The Quarry in lieu of The Legend renovation. This is the time we begin promoting Golf rankings, Lift Served Mountain Biking and Mountain Sports School summer programming—especially registered lesson offerings—and to launch early communications, including a “Save the Date,” for The GRIND Mountain Bike Festival. Looking ahead at Q3 2027,

In February, we kick off annual planning efforts for the upcoming fiscal year, aligning budgets, goals, and campaign strategies.

Q4 April - June

Quarter 4 marks a transitional period as Giants Ridge shifts from winter operations to summer activities at the mountain and golf courses open for the season. The focus is on closing out the winter season strong, highlighted by key events such as MESC x Tri-5, while simultaneously ramping up planning and promotion for summer. As the resort wraps winter operations, the website will transition to summer messaging, with refreshed content that highlights core offerings like mountain biking, hiking, climbing, disc golf, and golf.

Q4 is also a critical period for promoting Mountain Sports School for summer lessons and programming, ensuring families and adventure seekers are engaged early and we begin focusing more on golf related content for social media and email marketing.

Event marketing will support signature seasonal moments like Gear Up for Summer, while exploring potential opportunities for additional Giants Ridge-hosted events. Behind the scenes, this quarter is dedicated to finalizing the annual marketing plan, aligning teams and resources to ensure a strong start to the next fiscal year.

General KPIs for the year:

Key Performance Indicators (KPIs) for FY 27 are designed to provide visibility into guest behavior, revenue generation, and marketing channel effectiveness across all seasonal and year-round offerings. Together, they will guide data-driven decision-making, help optimize experiences, and inform strategic priorities throughout the year.

Visitation Metrics: Tracking total visits by season and activity to benchmark performance and optimize guest experience.

- Alpine Visits – Measured by ticket/pass scans
- Mountain Biking Visits – Measured by ticket/pass scans and special event counts
- Golf Visits – Measured by tee times booked at both The Legend and The Quarry
- Year-over-Year Comparison – Total visits vs. previous year by category

Average Revenue Per Visit: To assess the profitability of each guest visit and inform pricing strategies.

- Formula: Total Revenue ÷ Total Visits
    - *Note: Only measures purchases that leverage a daily pass/season pass. Ex. If someone buys a beverage at BOKB, but doesn't use their pass for a discount, we won't know they made the purchase.*

Revenue by Focus Area: Each unit will be individually tracked to monitor financial health and identify growth opportunities.

- Alpine Skiing
- Mountain Biking
- Golf (Legend + Quarry)
- Summer Activities (non-MTB)
- Winter Activities (non-Alpine)
- Pool & Sauna Haus
- Food & Beverage
- Weddings & Events

Metrics will include:

- Total revenue (monthly, quarterly, annually)
- Year-over-year variance (% change)
- Contribution to overall property revenue

Guest Sentiment & Reviews: Monitoring brand perception and guest satisfaction across key touchpoints.

- Average Star Rating – via Review Inc dashboard

- Total Review Volume – segmented by channel (Google, Facebook, TripAdvisor, etc.)
- Quarterly Sentiment Reports – to highlight areas of opportunity and celebrate wins

Channel-Level Marketing KPIs: Assessing the performance of each marketing channel to align efforts with business goals (*example KPIs below*).

- Website Traffic – Unique visitors, bounce rate, time on site
- Email Marketing – Open rate, CTR, conversion rate
- Paid Media – Impressions, CTR, CPM, ROAS by platform (Meta, Google, etc.)
- Organic Social – Engagement rate, reach, follower growth
- Content Marketing – Pageviews and time on page for blog and SEO-focused content
- Referral & Partner Channels – Traffic and revenue generated through 3rd-party listings or collaborations

CLOSING NOTES

FY27 focuses on a more strategic, data-driven approach to growing brand awareness and driving visitation across all areas of Giants Ridge. By aligning our marketing efforts, improving execution, and leveraging our year-round offerings, we are well positioned for measurable growth.

With consistent execution and strong collaboration, Giants Ridge will continue to build momentum as a leading recreation destination in Minnesota.

ADDENDUM

CUSTOMER SEGMENTATION

At Giants Ridge, our marketing strategy centers on five key customer segments. Our primary focus is on Mountain Sports (CORE) and Golf enthusiasts, who represent the core of our year-round business. Supporting this are three vital secondary segments: Food & Beverage, Banquet Events & Weddings, and Lessons. While secondary, these groups play a critical role in elevating the overall guest experience. By tailoring our approach to the needs and interests of each audience, we aim to increase engagement, extend guest visits, and foster long-term loyalty.

Target Market

Giants Ridge attracts a diverse yet well-defined core audience that varies by season, unified by a shared passion for outdoor recreation and active lifestyles.

- **Winter Audience**
  Our winter guests are predominantly adventure-seeking individuals and families from Minnesota and surrounding regions who are looking for accessible, high-quality alpine and Nordic experiences. This includes downhill skiers and snowboarders of all skill levels, cross-country skiing enthusiasts, and families looking for snowshoeing and tubing options. Many of these guests value tradition, often returning year after year, and prioritize resorts that offer both memorable recreation and family-friendly amenities.

- **Summer Audience**
  In the summer months, Giants Ridge draws outdoor enthusiasts ranging from avid downhill and cross-country mountain bikers to hikers, climbers, and disc golf players. Our summer visitors tend to skew younger and more niche in interest, with many seeking thrilling and technical trail systems, as well as picturesque, off-the-beaten-path adventures. This group often includes weekend warriors, destination bikers, and active families looking to unplug and explore.

Golf Audience Overview

Giants Ridge attracts a wide range of golfers, unified by their appreciation for scenic beauty, course quality, and a welcoming atmosphere. Our prioritized audience includes:

- **Minneapolis–St. Paul Golfers: Our Core Growth Segment:** Golfers from the Minneapolis–St. Paul metro area are our single biggest opportunity and span across multiple audience types.
  - Many fall into the Regional Regulars group, especially those who have played Giants Ridge in the past and are primed for re-engagement. These golfers are often looking for new courses to explore outside the Twin Cities metro, and Giants Ridge presents a compelling alternative to crowded urban courses.
  - Others fall into the Destination Golfer category — experienced players seeking a premier Northern Minnesota golf escape just hours from home. They're drawn by the reputation of The Quarry and The Legend and are willing to travel for quality, views, and a weekend getaway that feels elevated yet accessible.
  - *By focusing on this segment*, we have the opportunity to drive increased midweek and shoulder-season bookings, expand loyalty, and convert first-time visitors into repeat guests through intentional messaging, digital outreach, and bundled experiences.

- **Regional Regulars:** These are passionate local and regional golfers who return multiple times each season. They value consistency, course conditions, and the

opportunity to experience both courses in one trip. Many are members of leagues or golf groups and often extend their visit with lodging, dining, or other outdoor activities.

- **Destination Golfers:** Drawn by the national acclaim of The Quarry and The Legend courses, these guests often travel from across the Midwest and beyond for weekend getaways or golf vacations. They tend to be experienced players seeking challenging, memorable rounds on championship-level courses.

- **Leisure & Casual Golfers:** This group includes couples, families, and recreational players who may not golf frequently but are drawn to the stunning setting and relaxed, approachable vibe. They often pair a round with other amenities, making golf part of a broader vacation experience.

Market Analysis

Mountain Sports

The mountain sports sector—which includes alpine skiing, snowboarding, and mountain biking—continues to demonstrate strong consumer interest and long-term growth potential, despite economic uncertainty and regional weather variability. Key macro-trends such as increased enthusiasm for outdoor activities, advancements in gear and trail tech, and the growing awareness of physical and mental health benefits are sustaining momentum for both winter and summer recreation.

Ski & Snowboard Overview

While it's anticipated that national skier and snowboarder visits for the 2025/26 season (to be announced in May 2026) are likely to be down given historic weather challenges in some regions, overall participation in snowsports remains high. The 2024/25 ski season saw a total of 61.6 million skier visits, marking the second highest total since the National Ski Areas Association began tracking these numbers in 1978.

According to NSAA, 2024/25 skier visits increased 21.4 % in the Midwest region over the previous season. Minnesota tallied 1,174,099 visits in 2024/25, an increase of 10.9% over the previous season. Average visits per Minnesota ski area in 2024/25 was 55,909, representing a 10.9% increase over the previous season.

The Midwest continues to be a vital feeder region for beginner and family skiing, offering an accessible entry point for new participants and younger demographics.

Mountain Biking Overview

The mountain biking segment has seen even more sustained growth, with the global market projected to reach over $26B by 2032. In the Midwest, the expansion of trail networks, lift-access downhill runs, and local tourism support has positioned mountain biking as a powerful summer draw. Post-pandemic outdoor behavior patterns—especially among younger and active-lifestyle consumers—are driving visitation during traditionally slower summer months.

Investment in bike park infrastructure, flow trails, and events (such as endurance races or festivals) present a significant opportunity for regional resorts to grow non-winter revenue and build brand loyalty. Additionally, e-bikes are increasing access for a broader audience, including older riders or those newer to the sport.

Mountain Sports Conclusion

The mountain sports sector remains resilient and full of opportunity, with strong consumer interest across both winter and summer seasons. Ongoing investment in infrastructure, diversified offerings, and year-round programming is helping resorts maintain relevance and attract new audiences. With mountain biking on the rise and demand for outdoor recreation continuing to grow, Midwest recreation areas are well-positioned to capture market share by emphasizing value, accessibility, and a compelling four-season experience.

Golf Overview

The golf industry continues to show strength and adaptability, particularly across destination and public courses in the Midwest. Following a pandemic-driven resurgence in participation, the sport has sustained elevated interest due to its outdoor appeal, wellness benefits, and accessibility across age groups.

Competitive Analysis

Lutsen Mountains (Mountain Sports)

New for the 2026/27 season, Lutsen Mountains has also been added as a full partner to the Ikon Pass, and we have initiated conversations that will identify areas in which we can cross-promote our Ikon partnerships. Combined, our partnerships offer Ikon Pass holders 2 days at Giants Ridge and seven days at Lutsen Mountains, creating an exceptional ski vacation opportunity for Ikon Pass holders in Northern Minnesota.

Lutsen Mountains is the largest ski resort in the Midwest, located along the scenic North Shore of Lake Superior in northeastern Minnesota. Renowned for its expansive terrain and stunning lake views, Lutsen spans four interconnected peaks and offers over 1,000 feet of vertical drop—unmatched in the region. The resort caters to all skill levels with a wide variety of ski and snowboard trails, modern lifts, and comprehensive guest amenities.

In the warmer months, Lutsen transforms into a vibrant summer destination, offering mountain biking, hiking, alpine slides, and scenic gondola rides. Its year-round appeal, elevated experiences, and strong brand presence make it a top-tier destination and a key competitor to Giants Ridge, particularly within the Twin Cities travel market.

Giants Ridge's Competitive Advantage

Giants Ridge offers a compelling alternative to Lutsen Mountains by combining affordability with high-quality experiences. It's frequently praised for delivering excellent value—offering well-groomed terrain, reliable snow conditions, and better pricing than competitors like Lutsen and Spirit Mountain. Guests consistently highlight the superior grooming and snow quality, positioning Giants Ridge as a top choice for those seeking a great ski experience without the premium price tag. The installation in 2024 of the upgraded water infrastructure and snowmaking system will further solidify Giants Ridge as a top destination for snowsports.

Beyond winter sports, Giants Ridge stands out as a true year-round destination. It features two award-winning golf courses—the Legend and the Quarry—along with mountain biking, hiking, and a climbing wall, making it a hub for outdoor recreation every season. In FY26, the opening of the new Pool Haus & Sauna will further enhance the guest experience, offering a relaxing and modern amenity for families and visitors alike.

Giants Ridge also continues to be a premier wedding destination, with phenomenal ceremony and reception venues set against stunning Northwoods backdrops. Its family-friendly atmosphere, versatile activity offerings, and new amenities give Giants Ridge a strong competitive edge for those seeking value, variety, and an inviting, memorable experience.

Giants Ridge's Opportunities

While Giants Ridge offers strong value and a well-rounded experience, there are key opportunities for growth when compared to Lutsen. One of the most notable gaps lies in brand visibility and destination awareness—Lutsen has built a stronger statewide and regional identity, partly through its larger skiable terrain and vertical drop. Giants Ridge could benefit from more aggressive marketing, strategic partnerships, and events that elevate its profile as a premier year-round destination.

Additionally, while Giants Ridge has a lift-served mountain bike park and great trails, Lutsen leverages its reputation in the biking community through events like the Lutsen 99er, a high-profile race that draws national attention and thousands of riders each year. Giants Ridge has an opportunity to grow its summer business by investing in larger-scale biking events, promoting trail systems, and enhancing the overall mountain biking experience to attract more enthusiasts and position itself as a true competitor in the regional outdoor adventure space.

Spirit Mountain (Mountain Sports)

Spirit Mountain is a year-round ski and recreation area located just minutes from downtown Duluth, Minnesota. Known for its accessible location and panoramic views of Lake Superior, Spirit Mountain offers a wide range of outdoor activities that attract both locals and tourists. In the winter, visitors can enjoy downhill skiing, snowboarding, tubing, and Nordic skiing across diverse terrain.

When the snow melts, the resort transforms into a summer adventure hub with lift-served mountain biking, an alpine coaster, zip-lining, and an adventure park. With convenient on-site dining and lodging, plus easy access to Duluth's vibrant food scene, events, and waterfront, Spirit Mountain blends urban convenience with outdoor adventure—making it a favorite destination in northern Minnesota.

Giants Ridge's Competitive Advantage

Giants Ridge stands out from Spirit Mountain by offering a broader and more immersive outdoor experience, especially for those looking to escape into nature. With 35 ski runs—significantly more than Spirit Mountain's 22—it provides greater variety for skiers of all levels, paired with consistently strong snow conditions and grooming. The resort's Northwoods setting delivers a more scenic, tranquil atmosphere compared to Spirit's more urban proximity to Duluth, making it a preferred option for visitors seeking a true destination feel.

While both recreation areas offer mountain biking and year-round recreation, Giants Ridge has an opportunity to elevate its summer draw even further. Spirit Mountain benefits from its location near a larger population center and ties into Duluth's trail network and summer tourism. Giants Ridge can continue to differentiate by developing more signature events, improving lodging partnerships, and expanding its bike park experience to match the scale and accessibility that Spirit offers in the warmer months.

Giants Ridge's Opportunities

While Giants Ridge offers a more secluded and scenic experience, it faces opportunities to improve accessibility and increase awareness when compared to Spirit Mountain. Located just minutes from downtown Duluth, Spirit benefits from proximity to a larger population base, attracting both locals and tourists with ease. Giants Ridge, being more remote, could benefit from improved transportation options, clearer travel itineraries, and more aggressive marketing in the Twin Cities and Duluth markets to make the trip feel more convenient and worthwhile.

In the summer season, Spirit Mountain taps into Duluth's robust tourism ecosystem and trail network, offering seamless access to the city's events, dining, and lodging. Giants Ridge, while offering strong biking and hiking trails, could increase its competitiveness by expanding its summer programming, hosting signature events, and further integrating with the surrounding Iron Range communities. Enhancing the après experience and building out partnerships with

local businesses could also help create a more vibrant, all-day guest experience that rivals Spirit's urban-adjacent appeal.

Maddens on Gull Lake

Madden's on Gull Lake is a premier lakeside resort in Brainerd, Minnesota, renowned for its award-winning golf—including The Classic, one of the top public courses in the country—and a wide array of recreational amenities. Set along the scenic shores of Gull Lake, the resort offers diverse accommodations and activities ranging from boating and fishing to tennis, biking, and a full-service spa. With multiple dining options and seasonal events, Madden's provides a well-rounded, upscale getaway for golf enthusiasts, families, and couples seeking both relaxation and adventure in a picturesque Northwoods setting.

Giants Ridge's Competitive Advantage

Giants Ridge holds a strong competitive edge over Madden's when it comes to offering a true four-season, adventure-focused experience anchored in the Northwoods. While both destinations are known for world-class golf, Giants Ridge distinguishes itself with two nationally recognized courses—the Legend and the Quarry—offering dramatically different layouts and landscapes within a single destination. The Quarry, in particular, has earned consistent national acclaim for its design and scenery, giving Giants Ridge an edge for serious golfers seeking a challenging, visually stunning experience. Unlike Madden's, which focuses primarily on leisure-style resort golf, Giants Ridge appeals to both competitive and destination golfers looking for an immersive outing.

Beyond golf, Giants Ridge offers a more adventurous, activity-driven getaway, particularly in the winter months. As a full-service ski and snowboard recreation area, it transforms into a winter adventure hub, providing alpine and Nordic skiing, snowboarding, tubing, and snowshoeing—features Madden's does not offer. The lift-served mountain biking park, extensive trail network, and more secluded setting also position Giants Ridge as a destination for outdoor enthusiasts who prioritize recreation over relaxation. While Madden's excels in lakeside leisure and family resort amenities, Giants Ridge's blend of high-caliber golf and year-round mountain sports gives it a unique edge for visitors seeking a more active, nature-based escape.

Giants Ridge's Opportunities

To improve its competitiveness with Madden's on Gull Lake, Giants Ridge can focus on enhancing the overall guest experience through service, amenities, and programming. While both destinations are known for elite golf, Madden's differentiates itself with a highly polished resort feel—featuring on-site dining variety, wellness offerings, and curated guest activities. Giants Ridge has the opportunity to elevate its appeal by expanding seasonal programming, hosting destination-worthy golf events or clinics, and continuing to invest in facilities like the upcoming Pool & Sauna Haus to deliver a more well-rounded stay for visitors.

Though lodging expansion may be a longer-term opportunity, Giants Ridge can still improve its perceived value by fostering strong partnerships with nearby accommodations, streamlining booking packages, and curating add-on experiences like golf-and-dine bundles, outdoor excursions, or family-friendly itineraries. Strengthening these experiential touchpoints and reinforcing its reputation as an active, all-season destination will allow Giants Ridge to attract not only serious golfers but also families and leisure travelers seeking variety, adventure, and comfort in the Northwoods.

The Wilderness at Fortune Bay

The Wilderness at Fortune Bay is a premier golf destination nestled along the shores of Lake Vermilion in Tower, Minnesota, known for its striking natural beauty and top-tier course design. Featuring dramatic elevation changes, pristine fairways, and panoramic lake and forest views, the course consistently ranks among the best in the state. Guests can choose from a range of comfortable accommodations, including lakeside cabins and luxury suites, with access to on-site dining, a full-service casino, and abundant outdoor activities like boating, fishing, and hiking. Combining world-class golf with the serenity of the Northwoods, The Wilderness offers a memorable escape for both golfers and outdoor adventurers.

Giants Ridge's Competitive Advantage

Giants Ridge holds a strong competitive advantage over The Wilderness at Fortune Bay through its status as a true four-season destination. While The Wilderness is celebrated for its exceptional golf course and lakeside setting, Giants Ridge offers two nationally ranked courses—The Legend and The Quarry—each delivering a unique playing experience in distinct natural environments. This dual-course offering gives Giants Ridge a depth and variety that few Midwest golf destinations can match. Additionally, Giants Ridge's infrastructure supports a wide range of outdoor recreation beyond golf, including lift-served mountain biking, hiking, and full-service winter sports like skiing, snowboarding, and Nordic trails, making it a year-round draw for adventure seekers.

Another area where Giants Ridge stands apart is its accessibility and overall guest flow. Located closer to major population centers like Duluth and the Twin Cities, Giants Ridge is more convenient for weekenders or short-stay travelers. It also offers a more family-friendly and recreationally diverse environment, whereas The Wilderness, with its casino and upscale feel, may skew more toward adult leisure travelers. Giants Ridge's reputation as an affordable, activity-packed destination gives it broader appeal for families, outdoor enthusiasts, and golf groups seeking a mix of challenge and variety in the Iron Range.

Giants Ridge's Opportunities

Despite its strengths, Giants Ridge has an opportunity to enhance its premium perception in comparison to The Wilderness. The Wilderness positions itself as a high-end golf resort experience, with elevated lodging, dining, and hospitality. Giants Ridge can improve in this area by continuing to invest in upscale guest amenities, such as the upcoming Pool & Sauna Haus,

and curating more refined food and beverage experiences. Adding small touches—such as enhanced clubhouse services, après-golf programming, or curated golf stay-and-play packages—can go a long way in boosting the overall guest experience and elevating Giants Ridge's brand perception among golf travelers.

Additionally, Giants Ridge has an opportunity to strengthen its identity and elevate the perception of its golf experience. While The Wilderness leans into its connection to nature and luxury, Giants Ridge can differentiate by telling a bolder story about The Quarry and The Legend—framing them not just as great courses, but as a bucket-list duo for Midwest golfers. Opportunities exist to host signature tournaments, develop digital content that showcases course highlights and player testimonials, and foster brand partnerships that expand Giants Ridge's visibility in the regional and national golf scene. These efforts would not only attract new players but also create repeat visitation through stronger emotional and aspirational connections.

Questions: 25, 34, 50, 55, 65, 66
Financial Statements

Giants Ridge Statement of Revenues, Expenses, and Changes in Net Position

	GR Capital Account	GR Sales Tax	Recreation	Golf	Food & Beverage	Buildings, Grounds, Admin	**FY21 Total**
Operating Revenue							
Golf Fees	-	-	126	2,069,770	-	-	2,069,896
Merchandise	-	-	188,098	221,960	-	-	410,058
F & B	-	-	-	-	1,208,853	-	1,208,853
Other Income	-	127,904	9,687	20,867	22,315	14,823	195,596
Ski Revenue	-	-	1,869,423	-	-	-	1,869,423
Summer Recreation	-	-	194,594	-	-	-	194,594
Total Revenue	-	127,904	2,261,928	2,312,597	1,231,168	14,823	5,948,420
Less: Cost of goods sold	-	-	153,982	128,199	364,533		646,714
Gross Margin	-	127,904	2,107,946	2,184,398	866,635	14,823	5,301,706
Operating Expenses							
Payroll	-	-	1,699,827	1,132,848	764,442	349,501	3,946,618
Benefits	-	-	357,762	175,373	137,806	139,212	810,153
Employee Related	-	-	14,980	28,297	5,727	68,424	117,428
Professional Fees	195,451	-	3,278	-	4,686	22,186	225,601
Marketing	-	-	455	57,187	139	408,485	466,266
Repairs and Maintenance	228,061	29,530	320,315	487,908	15,627	97,730	1,179,171
Utilities	-	-	179,344	79,065		161,947	420,356
Operating Expenses	27,078	19,307	415,512	264,186	114,743	146,787	987,613
Insurance	-	-	109	35,482	-	168,259	203,850
Fees Permits Licenses	-	-	603	1,696	1,801	9,301	13,401
Management Fees	-	-	-	-	-	331,554	331,554
Depreciation	-	27,530	404,547	1,133,285	-	377,172	1,942,534
							-
Total Operational Expenses	450,590	76,367	3,396,732	3,395,327	1,044,971	2,280,558	10,644,545
Operating Income (Loss)	(450,590)	51,537	(1,288,786)	(1,210,929)	(178,336)	(2,265,735)	(5,342,839)
Non Operating Revenue / (Expenses)							
Gain (Loss) on disposal of capital assets	-	-	(1,074)	-	-	-	(1,074)
Net Non Operating Revenue / (Expenses)	-	-	(1,074)	-	-	-	(1,074)
Income before other rev, exp , gains, or losses	**(450,590)**	**51,537**	**(1,289,860)**	**(1,210,929)**	**(178,336)**	**(2,265,735)**	(5,343,913)
Transfers In	1,220,000	-	1,558,065	989,574	-	1,995,512	5,763,151
Increase (Decrease) in net assets	769,410	51,537	268,205	(221,355)	(178,336)	(270,223)	419,238
Net assets 7/1/21	9,042,478.00	595,192	(566,939)	1,977,368	(770,887)	19,637,101	29,914,313
Change in Accounting Principal	-					-	-
Net assets 6/30/21	9,811,888	646,729	(298,734)	1,756,013	(949,223)	19,366,878	30,333,551

Giants Ridge Statement of Net Position

Assets	GR Capital Account	GR Sales Tax	Recreation	Golf	Food & Beverage	Buildings, Grounds, Admin	**FY21**
Current assets:							
Cash	$ 2,105,654	$ 438,353	$ 1,064,750.23	$ 3,620.88	$ -	$ 958,680.86	$ 4,571,059
Accounts receivable	-	12,191	121,631.58	(16,221.61)	-	(24,231)	93,370
Inventory	-	-	29,792	173,304	-	617	203,712
Intercompany Receivable	-	-	(167)	(23,742)	-	23,909	-
	-	-	-	-	-	-	-
Total current assets	2,105,654	450,545	1,216,006	136,962	-	958,975	4,868,142
Non current assets:							
Restricted cash and cash equivalents	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Land- non depreciable	-	-	791,875	697,443	-	155,000	1,644,318
Buildings & structures - (Net)	-	-	244,641	1,319,471	-	10,371,893	11,936,004
Improvements other than buildings - (Net)	-	-	8,003,351	2,006,280	-	959,847	10,969,478
Equipment - (Net)	-	231,237	658,537	698,852	-	84,620	1,673,246
Construction in process	220,620	-	-	-	-	194,400	415,020
Total noncurrent assets	$ 220,620	$ 231,237	$ 9,698,404	$ 4,722,046	$ -	$ 11,765,760	$ 26,638,066
Total assets	$ 2,326,274	$ 681,782	$ 10,914,410	$ 4,859,007	$ -	$ 12,724,735	$ 31,506,208
DEFERRED OUTFLOWS OF RESOURCES							
Deferred Outflows	-	-	-	-	-	-	-
Deferred Pension Outflows	-	-	-	-	-	17,000	17,000
Deferred Derivative Outflows	-	-	-	-	-	-	-
Total Deferred Outflows of Resources	$ -	$ -	$ -	$ -	$ -	$ 17,000	$ 17,000
Liabilities							
Current liabilities:							
Accounts payable	$ 182,593	$ 10,247	$ 207,098	$ 511,266	$ -	$ 72,346	$ 983,551
Compensated absences payable	-	-	1,000	-	-	-	1,000
Intrafund payable	-	-	-	-	-	-	-
Total current liabilities	$ 182,593	$ 10,247	$ 208,099	$ 511,266	$ -	$ 72,346	$ 984,551
Noncurrent liabilities							
Compensated absences payable	-	-	14,000	-	-	-	14,000
Net Pension Liability	-	-	-	-	-	68,000	68,000
Total noncurrent liabilities	$ -	$ -	$ 14,000	$ -	$ -	$ 68,000	$ 82,000
Total liabilities	$ 182,593	$ 10,247	$ 222,099	$ 511,266	$ -	$ 140,346	$ 1,066,551
DEFERRED INFLOWS OF RESOURCES							
Deferred Pension Inflows	-	-	-	-	-	123,000	123,000
Total Deferred Inflows of Resources	$ -	$ -	$ -	$ -	$ -	$ 123,000	$ 123,000
Net Assets							
Invested in capital assets, net of related debt	$ 220,620	$ 231,237	$ 9,698,404	$ 4,722,046	$ -	$ 11,765,760	$ 26,638,067
Restricted for:	-	-	-	-	-	-	-
Capitol projects (Net)	-	-	-	-	-	-	-
Bond debt service reserve	-	-	-	-	-	-	-
Other	1,923,061	440,298	993,907	(374,305)	-	712,629	3,695,590
Unrestricted	-	-	-	-	-	-	-
Total net assets	$ 2,143,681	$ 671,534	$ 10,692,312	$ 4,347,741	$ -	$ 12,478,389	$ 30,333,657

Giants Ridge Statement of Revenues, Expenses, and Changes in Net Position

	GR Capital Account	GR Sales Tax	Recreation	Golf	Food & Beverage	Buildings, Grounds, Admin	**FY22 Total**
Operating Revenue							
Golf Fees	-	-	-	2,471,417	-	-	2,471,417
Merchandise	-	-	233,197	268,790	(50)	-	501,937
F & B	-	-	(30)	(373)	1,916,619	-	1,916,216
Other Income	-	171,836	30,254	18,313	45,441	174,478	440,322
Ski Revenue	-	-	1,834,859	-	-	-	1,834,859
Summer Recreation	-	-	193,987	-	-	-	193,987
Total Revenue	-	171,836	2,292,267	2,758,147	1,962,010	174,478	7,358,738
Less: Cost of goods sold	-	-	138,017	157,573	587,724	**(6,159)**	877,155
Gross Margin	-	171,836	2,154,250	2,600,574	1,374,286	180,637	6,481,583
Operating Expenses							
Payroll	-	-	1,942,432	1,279,865	1,039,654	395,268	4,657,219
Benefits	-	-	457,109	212,498	225,872	173,894	1,069,373
Employee Related	-	-	40,414	37,575	14,130	108,695	200,814
Professional Fees	98,966	-	947	38	4	57,337	157,292
Marketing	-	-	4,972	56,324	8,371	540,514	610,181
Repairs and Maintenance	263,134	3,072	402,012	644,851	13,238	73,892	1,400,199
Utilities	-	-	208,700	94,476	-	203,080	506,256
Operating Expenses	103,537	7,014	437,226	368,598	139,283	215,494	1,271,152
Insurance	-	-	-	8,696	-	229,351	238,047
Fees Permits Licenses	-	-	-	902	2,319	(14,556)	(11,335)
Management Fees	-	-	-	-	-	355,859	355,859
Depreciation	-	28,005	571,371	981,250	-	380,369	1,960,995
							-
Total Operational Expenses	465,637	38,091	4,065,183	3,685,073	1,442,871	2,719,197	12,416,052
Operating Income (Loss)	(465,637)	133,745	(1,910,933)	(1,084,499)	(68,585)	(2,538,560)	(5,934,469)
Non Operating Revenue / (Expenses)							
Gain (Loss) on disposal of capital assets	-	-	-	-	-	(10,631)	(10,631)
Net Non Operating Revenue / (Expenses)	-	-	-	-	-	(10,631)	(10,631)
Income before other rev, exp , gains, or losses	**(465,637)**	**133,745**	**(1,910,933)**	**(1,084,499)**	**(68,585)**	**(2,549,191)**	(5,945,100)
Transfers In	1,260,000	-	908,221	1,047,810	-	2,298,620	5,514,651
Increase (Decrease) in net assets	794,363	133,745	(1,002,712)	(36,689)	(68,585)	(250,571)	(430,449)
Net assets 7/1/21	9,811,888	646,729	(298,734)	1,756,013	(949,223)	19,366,878	30,333,551
Change in Accounting Principal	-					-	-
Net assets 6/30/22	10,606,251	780,474	(1,301,446)	1,719,324	(1,017,808)	19,116,307	29,903,102

Giants Ridge Statement of Net Position

	GR Capital Account	GR Sales Tax	Recreation	Golf	Food & Beverage	Buildings, Grounds, Admin	**FY22**
Assets							
Current assets:							
Cash	$ 2,387,110	$ 1,599,563	$ 246,553.77	$ 776,557.10	$ -	$ 347,539.86	$ 5,357,323
Accounts receivable	-	8,058	70,330.06	(63,498.00)	-	141,024	155,915
Inventory	-	-	63,120	216,308	-	(343)	279,086
Intercompany Receivable	-	-	(167)	(23,742)	-	23,909	-
	-	-	-	-	-	-	-
Total current assets	2,387,110	1,607,621	379,837	905,625	-	512,131	5,792,324
Non current assets:							
Restricted cash and cash equivalents	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Land- non depreciable	-	-	791,875	697,443	-	155,000	1,644,318
Buildings & structures - (Net)	-	-	685,906	1,240,296	-	9,564,061	11,490,263
Improvements other than buildings - (Net)	-	-	7,953,745	1,230,683	-	922,450	10,106,878
Equipment - (Net)	-	202,232	742,481	603,466		11,256	1,559,435
Construction in process	236,020	59,200	-	-	-	230,367	525,587
Total noncurrent assets	$ 236,020	$ 261,432	$ 10,174,007	$ 3,771,888	$ -	$ 10,883,135	$ 25,326,481
Total assets	$ 2,623,129	$ 1,869,053	$ 10,553,844	$ 4,677,513	$ -	$ 11,395,265	$ 31,118,804
DEFERRED OUTFLOWS OF RESOURCES							
Deferred Outflows	-	-	-	-	-	-	-
Deferred Pension Outflows	-	-	-	-	-	81,000	81,000
Deferred Derivative Outflows	-	-	-	-	-	-	-
Total Deferred Outflows of Resources	$ -	$ -	$ -	$ -	$ -	$ 81,000	$ 81,000
Liabilities							
Current liabilities:							
Accounts payable	$ 182,593	$ 10,247	$ 207,098	$ 511,266	$ -	$ 221,350	$ 1,132,555
Compensated absences payable	-	-	3,000	-	-	-	3,000
Intrafund payable	-	-	-	-	-	-	-
Total current liabilities	$ 182,593	$ 10,247	$ 210,099	$ 511,266	$ -	$ 221,350	$ 1,135,555
Noncurrent liabilities							
Compensated absences payable	-	-	14,000	-	-	-	14,000
Net Pension Liability	-	-	-	-	-	19,000	19,000
Total noncurrent liabilities	$ -	$ -	$ 14,000	$ -	$ -	$ 19,000	$ 33,000
Total liabilities	$ 182,593	$ 10,247	$ 224,099	$ 511,266	$ -	$ 240,350	$ 1,168,555
DEFERRED INFLOWS OF RESOURCES							
Deferred Pension Inflows	-	-	-	-	-	128,000	128,000
Total Deferred Inflows of Resources	$ -	$ -	$ -	$ -	$ -	$ 128,000	$ 128,000

Giants Ridge Statement of Revenues, Expenses, and Changes in Net Position

	GR Capital Account	GR Sales Tax	Recreation	Golf	Food & Beverage	Buildings, Grounds, Admin	**FY23 Total**
Operating Revenue							
Golf Fees	-	-	16,395	2,599,699	-	-	2,616,094
Merchandise	-	-	254,734	291,448	-	-	546,182
F & B	-	-	-	-	2,323,376	-	2,323,376
Other Income	-	197,103	(1,793)	13,083	54,892	(108,683)	154,602
Ski Revenue	-	-	2,664,753	-	-	-	2,664,753
Summer Recreation	-	-	159,877	-	-	-	159,877
Total Revenue	-	197,103	3,093,966	2,904,230	2,378,268	(108,683)	8,464,884
Less: Cost of goods sold	-	-	182,939	172,368	734,139	-	1,089,446
Gross Margin	-	197,103	2,911,027	2,731,862	1,644,129	(108,683)	7,375,438
Operating Expenses							
Payroll	-	-	2,426,929	1,445,079	1,206,071	440,864	5,518,943
Benefits	-	-	426,298	206,803	238,041	358,838	1,229,980
Employee Related	-	-	43,276	75,265	45,255	77,479	241,275
Professional Fees	38,815	-	3,297	1,042	-	48,072	91,226
Marketing	-	-	21,409	59,967	843	577,621	659,840
Repairs and Maintenance	279,850	11,228	476,969	522,971	15,551	69,939	1,376,508
Utilities	-	-	220,123	97,505	-	252,232	569,860
Operating Expenses	19,920	83,739	468,471	285,252	182,754	180,761	1,220,897
Insurance	-	-	-	58,087	-	344,149	402,236
Fees Permits Licenses	-	-	-	(235,654)	2,643	(10,853)	(243,864)
Management Fees	-	-	-	-	-	418,334	418,334
Depreciation	-	30,909	579,362	883,475	-	383,872	1,877,618
							-
Total Operational Expenses	338,585	125,876	4,666,134	3,399,792	1,691,158	3,141,308	13,362,853
Operating Income (Loss)	(338,585)	71,227	(1,755,107)	(667,930)	(47,029)	(3,249,991)	(5,987,415)
Non Operating Revenue / (Expenses)							
Gain (Loss) on disposal of capital assets	-	-	-	-	-	(185)	(185)
Net Non Operating Revenue / (Expenses)	-	-	-	-	-	(185)	(185)
Income before other rev, exp , gains, or losses	**(338,585)**	**71,227**	**(1,755,107)**	**(667,930)**	**(47,029)**	**(3,250,176)**	(5,987,600)
Transfers In	9,667,581	-	846,212	1,209,029	-	2,420,559	14,143,381
Increase (Decrease) in net assets	9,328,996	71,227	(908,895)	541,099	(47,029)	(829,617)	8,155,781
Net assets 7/1/22	3,120,230	2,099,493	10,284,522	3,999,834	47,029	10,352,142	29,903,250
Change in Accounting Principal	-					-	-
Net assets 6/30/23	12,449,226	2,170,720	9,375,627	4,540,933	-	9,522,525	38,059,031

Giants Ridge Statement of Net Position

Assets	GR Capital Account	GR Sales Tax	Recreation	Golf	Food & Beverage	Buildings, Grounds, Admin	**FY23**
Current assets:							
Cash	$ 11,445,284	$ 1,804,302	$ 461,692.49	$ 1,173,226.82	$ -	$ (946,431.32)	$ 13,938,073
Accounts receivable	-	7,369	132,760.84	(3,821.91)	-	(101,327)	34,981
Inventory	-	-	52,746	251,246	-	(726)	303,266
Intercompany Receivable	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Total current assets	11,445,284	1,811,671	647,199	1,420,651	-	(1,048,483)	14,276,321
Non current assets:							
Restricted cash and cash equivalents	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Land- non depreciable	-	-	791,875	697,443	-	155,000	1,644,318
Buildings & structures - (Net)	-	-	172,135	1,161,122	-	9,711,309	11,044,566
Improvements other than buildings - (Net)	-	-	7,730,482	683,713	-	885,054	9,299,249
Equipment - (Net)	-	211,049	270,006	1,889,463		367,437	2,737,955
Construction in process	403,381	148,000	-	-	-	240,012	791,394
Total noncurrent assets	$ 403,381	$ 359,049	$ 8,964,498	$ 4,431,741	$ -	$ 11,358,812	$ 25,517,482
Total assets	$ 11,848,665	$ 2,170,720	$ 9,611,697	$ 5,852,391	$ -	$ 10,310,329	$ 39,793,802
DEFERRED OUTFLOWS OF RESOURCES							
Deferred Outflows	-	-	-	-	-	-	-
Deferred Pension Outflows	-	-	-	-	-	75,000	75,000
Deferred Derivative Outflows	-	-	-	-	-	-	-
Total Deferred Outflows of Resources	$ -	$ -	$ -	$ -	$ -	$ 75,000	$ 75,000
Liabilities							
Current liabilities:							
Accounts payable	$ (600,561)	$ -	$ 221,070	$ 1,311,458	$ -	$ 716,804	$ 1,648,771
Compensated absences payable	-	-	1,000	-	-	-	1,000
Intrafund payable	-	-	-	-	-	-	-
Total current liabilities	$ (600,561)	$ -	$ 222,070	$ 1,311,458	$ -	$ 716,804	$ 1,649,771
Noncurrent liabilities							
Compensated absences payable	-	-	14,000	-	-	2,000	16,000
Net Pension Liability	-	-	-	-	-	112,000	112,000
Total noncurrent liabilities	$ -	$ -	$ 14,000	$ -	$ -	$ 114,000	$ 128,000
Total liabilities	$ (600,561)	$ -	$ 236,070	$ 1,311,458	$ -	$ 830,804	$ 1,777,771
DEFERRED INFLOWS OF RESOURCES							
Deferred Pension Inflows	-	-	-	-	-	32,000	32,000
Total Deferred Inflows of Resources	$ -	$ -	$ -	$ -	$ -	$ 32,000	$ 32,000
Net Assets							
Invested in capital assets, net of related debt	$ 403,381	$ 359,049	$ 8,964,498	$ 4,431,741	$ -	$ 11,358,812	$ 25,517,481
Restricted for:	-	-	-	-	-	-	-
Capitol projects (Net)	-	-	-	-	-	-	-
Bond debt service reserve	-	-	-	-	-	-	-
Other	12,045,845	1,811,671	411,129	109,192	-	(1,836,287)	12,541,550
Unrestricted	-	-	-	-	-	-	-
Total net assets	$ 12,449,226	$ 2,170,720	$ 9,375,627	$ 4,540,933	$ -	$ 9,522,525	$ 38,059,031

Giants Ridge Statement of Revenues, Expenses, and Changes in Net Position

	GR Capital Account	GR Sales Tax	Recreation	Golf	Food & Beverage	Buildings, Grounds, Admin	**FY24 Total**
Operating Revenue							
Golf Fees	-	-	32,860	2,834,466	-	-	2,867,326
Merchandise	-	-	218,531	278,743	-	-	497,274
F & B	-	-	1,172	32,228	2,182,512	-	2,215,912
Other Income	-	203,365	15,528	25,186	81,450	173,016	498,545
Ski Revenue	-	-	2,052,526	-	-	-	2,052,526
Summer Recreation	-	-	163,540	-	-	-	163,540
Total Revenue	-	203,365	2,484,157	3,170,623	2,263,962	173,016	8,295,123
Less: Cost of goods sold	-	-	138,038	184,057	682,193	-	1,004,288
Gross Margin	-	203,365	2,346,119	2,986,566	1,581,770	173,016	7,290,835
Operating Expenses							
Payroll	-	-	2,580,671	1,519,651	1,292,568	437,837	5,830,727
Benefits	-	-	445,553	234,645	234,264	284,523	1,198,985
Employee Related	-	-	74,737	69,220	68,624	57,921	270,502
Professional Fees	93,677	42,412	29	2,663	700	45,625	185,106
Marketing	-	-	21,993	53,858	672	555,614	632,137
Repairs and Maintenance	429,729	7,534	403,345	890,433	15,874	47,057	1,793,972
Utilities	-	-	263,474	95,462	-	223,763	582,699
Operating Expenses	37,121	-	399,248	397,337	186,980	371,917	1,392,603
Insurance	-	-	-	12,083	-	301,568	313,651
Fees Permits Licenses	-	-	274	3,225	3,492	(1,790)	5,201
Management Fees	-	-	-	-	-	394,936	394,936
Depreciation	-	31,490	633,474	924,045	-	527,602	2,116,611
							-
Total Operational Expenses	560,527	81,436	4,822,798	4,202,622	1,803,174	3,246,573	14,717,130
Operating Income (Loss)	(560,527)	121,929	(2,476,679)	(1,216,056)	(221,404)	(3,073,557)	(7,426,295)
Non Operating Revenue / (Expenses)							
Investment income	-	-		-	-	15,000	15,000
Net Non Operating Revenue / (Expenses)	-	-	-	-	-	15,000	15,000
Income before other rev, exp , gains, or losses	**(560,527)**	**121,929**	**(2,476,679)**	**(1,216,056)**	**(221,404)**	**(3,058,557)**	(7,411,294)
Transfers In	5,769,000	-	1,627,822	1,165,542	-	2,924,369	11,486,733
Increase (Decrease) in net assets	5,208,473	121,929	(848,857)	(50,514)	(221,404)	(134,188)	4,075,439
Net assets 7/1/23	12,449,226	2,170,720	9,375,627	4,540,933	-	9,522,525	38,059,031
Change in Accounting Principal	(1,564,161)	(588,426)	633,269	16,369,154	(15,628,121)	778,275	(10)
Net assets 6/30/24	16,093,538	1,704,223	9,160,039	20,859,573	(15,849,525)	10,166,612	42,134,460

Giants Ridge Statement of Net Position

Assets	GR Capital Account	GR Sales Tax	Recreation	Golf	Food & Beverage	Buildings, Grounds, Admin	**FY24**
Current assets:							
Cash	$ 11,879,910	$ 1,364,330	$ 118,929.12	$ 16,915,212.96	$ (15,562,861.75)	$ (145,203.44)	$ 14,570,316
Accounts receivable	-	9,333	(186,480.04)	510,551.09	(54,886)	(117,222)	$ 161,297
Investments	511,000					-	$ 511,000
Interest receivable		-	-	-	-	1,000	$ 1,000
Inventory	-	-	73,013	161,735	64,454	-	$ 299,202
Intercompany Receivable	-	-	(21,570)	13,115	8,455	-	$ 0
	-	-	-	-	-	-	-
Total current assets	12,390,910	1,373,663	(16,107)	17,600,613	(15,544,838)	(261,425)	15,542,815
Non current assets:							
Restricted cash and cash equivalents	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Land- non depreciable			791,875	697,444		155,000	$ 1,644,319
Buildings & structures - (Net)			135,887	1,081,993		10,316,017	$ 11,533,897
Improvements other than buildings - (Net)			7,340,038	136,749		847,687	$ 8,324,474
Equipment - (Net)		179,559	1,083,520	2,178,969		343,327	$ 3,785,376
Construction in process	3,150,919	151,000	-	-	-	217,200	$ 3,519,119
Total noncurrent assets	$ 3,150,919	$ 330,559	$ 9,351,321	$ 4,095,155	$ -	$ 11,879,231	$ 28,807,184
Total assets	$ 15,541,829	$ 1,704,222	$ 9,335,214	$ 21,695,768	$ (15,544,838)	$ 11,617,805	$ 44,349,999
DEFERRED OUTFLOWS OF RESOURCES							
Deferred Outflows	-	-	-	-	-	-	$ -
Deferred Pension Outflows	-	-	-	-	-	55,000	$ 55,000
Deferred Derivative Outflows	-	-	-	-	-	-	-
Total Deferred Outflows of Resources	$ -	$ -	$ -	$ -	$ -	$ 55,000	$ 55,000
Liabilities							
Current liabilities:							
Accounts payable	$ (562,710)	$ -	$ 165,067	$ 835,726	$ 305,126	$ 1,387,321	$ 2,130,531
Deferred Revenue	-	-	-	-	28	(28)	$ -
Compensated absences payable	-	-	1,000	-	-	-	$ 1,000
Intrafund payable	-	-	-	-	-	-	-
Total current liabilities	$ (562,710)	$ -	$ 166,066	$ 835,726	$ 305,154	$ 1,387,294	$ 2,131,530
Noncurrent liabilities							
Long term liabilities - bonds payable	$ -	$ -	$ -	$ 468	$ (468)	$ -	$ -
Compensated absences payable	-	-		-	-	-	$ -
Net Pension Liability	-	-	-	-	-	138,000	138,000
Total noncurrent liabilities	$ -	$ -	$ -	$ 468	$ (468)	$ 138,000	$ 138,000
Total liabilities	$ (562,710)	$ -	$ 166,066	$ 836,194	$ 304,686	$ 1,525,294	$ 2,269,530
DEFERRED INFLOWS OF RESOURCES							
Deferred Pension Inflows	-	-	-	-	-	-	-
Total Deferred Inflows of Resources	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net Assets							
Invested in capital assets, net of related debt	$ 3,150,919	$ 330,559	$ 9,351,321	$ 4,095,155	$ -	$ 11,879,231	$ 28,807,184
Restricted for:	-	-	-	-	-	-	$ -
Capitol projects (Net)	-	-	-	-	-	-	$ -
Bond debt service reserve		-	-	-	-	-	$ -
Other	12,953,619	1,373,663	(182,174)	16,764,420	(15,849,525)	(1,731,719)	$ 13,328,285
Unrestricted	-	-	-	-	-	-	-
Total net assets	$ 16,104,538	$ 1,704,222	$ 9,169,147	$ 20,859,574	$ (15,849,525)	$ 10,147,512	$ 42,135,469

Giants Ridge Statement of Revenues, Expenses, and Changes in Net Position

	GR Capital Account	GR Sales Tax	Recreation	Golf	Food & Beverage	Buildings, Grounds, Admin	**FY25 Total**
Operating Revenue							
Golf Fees	-	-	-	3,114,591	-	-	3,114,591
Merchandise	-	-	251,286	266,885	-	-	518,171
F & B	-	-	-	-	2,638,906	-	2,638,906
Other Income	-	222,387	46,344	(1,763)	153,418	171,645	592,031
Ski Revenue	-	-	2,362,417	-	-	-	2,362,417
Summer Recreation	-	-	153,364	-	-	-	153,364
Total Revenue	-	222,387	2,813,411	3,379,713	2,792,324	171,645	9,379,480
Less: Cost of goods sold	-	-	155,948	152,354	807,472	88,876	1,204,650
Gross Margin	-	222,387	2,657,463	3,227,359	1,984,852	82,769	8,174,830
Operating Expenses							
Payroll	-	-	2,809,091	1,523,181	1,384,344	484,479	6,201,095
Benefits	-	-	543,331	235,288	249,664	354,055	1,382,338
Employee Related	-	-	54,515	42,656	22,635	85,439	205,245
Professional Fees	19,762	2,625	3,055	1,206	8,171	64,447	99,266
Marketing	-	-	2,620	60,073	-	623,657	686,350
Repairs and Maintenance	477,921	-	547,034	733,922	19,648	75,209	1,853,734
Utilities	-	-	267,753	93,101	313	262,693	623,860
Operating Expenses	2,838,365	150	527,440	664,391	264,012	753,181	5,047,539
Insurance	-	-	-	41,839	-	312,885	354,724
Fees Permits Licenses	-	-	293	7,722	875	(113,675)	(104,785)
Management Fees	-	-	-	10,538	-	551,674	562,212
Depreciation	-	63,945	726,676	567,371	-	390,077	1,748,069
							-
Total Operational Expenses	3,336,048	66,720	5,481,808	3,981,288	1,949,662	3,844,121	18,659,647
Operating Income (Loss)	(3,336,048)	155,667	(2,824,345)	(753,929)	35,190	(3,761,352)	(10,484,817)
Non Operating Revenue / (Expenses)							
Investment income		-		-	-	131,000	131,000
Net Non Operating Revenue / (Expenses)	-	-	-	-	-	131,000	131,000
Income before other rev, exp , gains, or losses	**(3,336,048)**	**155,667**	**(2,824,345)**	**(753,929)**	**35,190**	**(3,630,352)**	(10,353,817)
Capitol Contributions	11,676,978	-	-	-	-	-	11,676,978
Transfers In	3,130,000	-	1,894,029	2,671,460	-	3,865,142	11,560,631
Increase (Decrease) in net assets	11,470,930	155,667	(930,316)	1,917,531	35,190	234,790	12,883,792
Net assets 7/1/24	16,093,538	1,704,223	9,160,039	20,859,573	(15,849,525)	10,166,612	42,134,460
Change in Accounting Principal	(22,764,925)	(876,875)	22,856,330	(15,557,363)	15,344,341	987,931	(10,561)
Net assets 6/30/25	4,799,543	983,015	31,086,053	7,219,741	(469,994)	11,389,333	55,007,691

Giants Ridge Statement of Net Position

Assets	GR Capital Account	GR Sales Tax	Recreation	Golf	Food & Beverage	Buildings, Grounds, Admin	**FY25**
Current assets:							
Cash	$ 6,090,772	$ 1,023,267	$ 33,895.35	$ 3,620,968.74	$ -	$ -	$ 10,768,903
Accounts receivable	-	15,221	22,071.44	4,403.99	(44,123)	212,003	$ 209,576
Investments (other assets)	1,011,000					120,000	$ 1,131,000
Inventory	-	-	70,374	129,522	80,428	-	$ 280,324
Intercompany Receivable	-	-	(21,570)	13,115	8,455	-	$ 0
	-	-	-	-	-	-	-
Total current assets	7,101,772	1,038,488	104,771	3,768,010	44,760	332,003	12,389,804
Non current assets:							
Restricted cash and cash equivalents	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Land- non depreciable			791,875	697,444		155,000	$ 1,644,319
Buildings & structures - (Net)			97,338	1,002,702		9,960,159	$ 11,060,199
Improvements other than buildings - (Net)			23,162,746	-		810,210	$ 23,972,956
Equipment - (Net)			1,111,199	2,576,397		501,927	$ 4,189,523
Construction in process	-	-	6,145,740	95,953	-	529,976	$ 6,771,669
Total noncurrent assets	$ -	$ -	$ 31,308,897	$ 4,372,496	$ -	$ 11,957,273	$ 47,638,666
Total assets	$ 7,101,772	$ 1,038,488	$ 31,413,668	$ 8,140,506	$ 44,760	$ 12,289,276	$ 60,028,470
DEFERRED OUTFLOWS OF RESOURCES							
Deferred Outflows	-	-	-	-	-	-	$ -
Deferred Pension Outflows (other assets)	-	-	14,000	-	-	46,000	$ 60,000
Deferred Derivative Outflows	-	-	-	-	-	-	-
Total Deferred Outflows of Resources	$ -	$ -	$ 14,000	$ -	$ -	$ 46,000	$ 60,000
Liabilities							
Current liabilities:							
Accounts payable	$ 2,302,229	$ 55,473	$ 341,615	$ 920,297	$ 515,195	$ 321,884	$ 4,456,692
Deferred Revenue	-	-	-	-	28	(28)	$ -
Compensated absences payable	-	-		-	-	14,000	$ 14,000
Intrafund payable	-	-	-	-	-	-	-
Total current liabilities	$ 2,302,229	$ 55,473	$ 341,615	$ 920,297	$ 515,222	$ 335,856	$ 4,470,692
Noncurrent liabilities							
Long term liabilities - bonds payable	$ -	$ -	$ -	$ 468	$ (468)	$ -	$ -
Deferred revenue	-	-	-	-	-	487,086	$ 487,086
Net Pension Liability	-	-	-	-	-	111,000	111,000
Total noncurrent liabilities	$ -	$ -	$ -	$ 468	$ (468)	$ 598,086	$ 598,086
Total liabilities	$ 2,302,229	$ 55,473	$ 341,615	$ 920,764	$ 514,755	$ 933,943	$ 5,068,778
DEFERRED INFLOWS OF RESOURCES							
Deferred Pension Inflows	-	-	-	-	-	-	-
Total Deferred Inflows of Resources	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net Assets							
Invested in capital assets, net of related debt	$ -	$ -	$ 31,308,897	$ 4,372,496	$ -	$ 11,957,273	$ 47,638,666
Restricted for:	-	-	-	-	-	-	$ -
Capitol projects (Net)	-	-	-	-	-	-	$ -
Bond debt service reserve		-	-	-	-	-	$ -
Other	4,799,543	983,015	(222,844)	2,847,245	(469,994)	(567,940)	$ 7,369,026
Unrestricted	-	-	-	-	-	-	-
Total net assets	$ 4,799,543	$ 983,015	$ 31,086,053	$ 7,219,741	$ (469,994)	$ 11,389,333	$ 55,007,692

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MANAGEMENT AGREEMENT

between

Department of Iron Range Resources and Rehabilitation and

Guest Services Management, LLC

March 22, 2022

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MANAGEMENT AGREEMENT

This MANAGEMENT AGREEMENT (this "Agreement") is made as of March 22, 2022, between the State of Minnesota, acting through its Department of Iron Range Resources and Rehabilitation (the **"STATE" or** "**IRRR**") and Guest Services Management, LLC, a limited-liability company duly organized and existing under the laws of the State of Delaware, and wholly-owned by Guest Services, Inc. (the "**MANAGER**").

RECITALS

WHEREAS, the Giants Ridge Recreation Area ("GRRA"), an 1,840 acre recreation area near Biwabik, Minnesota, with downhill and Nordic skiing, two championship caliber golf courses and various additional amenities developed for public recreation, community use and tourism ("**Giants Ridge**"), has historically required an annual subsidy; and

WHEREAS, Manager was the contracted manager for the GRRA from March 22, 2017 to March 21, 2022.; and

WHEREAS, the IRRR issued a Request for Proposals ("RFP") on October 4, 2021, seeking a contractor to manage Giants Ridge for the period from March 22, 2022 through March 21, 2027; and

WHEREAS, Manager submitted a duly qualifying and timely proposal in response to the RFP; and

WHEREAS, through the RFP process Manager was determined to be the entity that is the best capable of managing, promoting, sustaining and developing the assets of Giants Ridge for the long-term benefit of area residents and visitors; and

WHEREAS, the IRRR desires to accept Manager's proposal and to retain Manager to manage and operate the Premises on behalf of IRRR as and to the extent more specifically provided below in this Agreement.

NOW THEREFORE, in consideration of the mutual covenants contained herein, the parties agree as follows:

1 DEFINITIONS AND RULES OF CONSTRUCTION

1.1. **Definitions.** The terms hereinafter set forth, unless the context or use thereof shall require otherwise, shall have the following meanings:

1.1.1. Act of Bankruptcy. The filing of a petition in bankruptcy (or the commencement of a bankruptcy or similar proceeding) seeking relief as a debtor or against any person or entity under any applicable bankruptcy, insolvency, receivership, reorganization or similar law, now or hereafter in effect.

1.1.2. Agreement. This Management Agreement dated as of the date set forth above, whereby the IRRR has agreed to the management of the Premises by Manager, as the same may from time to time be amended or modified.

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1.1.3. Buildings. The buildings listed on **Exhibit A.**

1.1.4. Business Plan. A document that summarizes the strategic, operational and financial objectives of the Manager and contains plans and budgets that demonstrate how objectives are to be achieved.

1.1.5. Capital Expenditures. The addition or betterment of long-term assets that extends the useful life of the property, such as structural improvements to real property, but not otherwise defined as Improvements or Maintenance.

1.1.6. Capital Subsidy. An amount in addition to the Subsidy to be used specifically for authorized capital improvements and capital repairs.

1.1.7. Commencement Date. The date the Agreement becomes effective.

1.1.8. Default. Any default by Manager in the performance or observance of any of the covenants, agreements or conditions on its part contained in this Agreement, exclusive of any notice or period of grace required to constitute a default or an Event of Default.

1.1.9. Event of Default. An Event of Default described in Section 9.1, which has not been cured.

1.1.10. Financial Terms. The terms and conditions set forth in Section 5.

1.1.11. Fiscal Year (FY). Annual time period from July 1-June 30.

1.1.12. Food and Beverage. All existing and future food and beverage operations at the GRRA, including the Burnt Onion Kitchen, the Wacootah Grille, Bunkers snack bar and grill, the Event Center cafeteria and event catering.

1.1.13. Giants Ridge Business Operations. All revenue generating functional activities at the GRRA, including alpine skiing, Nordic skiing, snow tubing, high-speed lifts, mountain biking, hiking trails, climbing wall, Quarry 18-hole golf course, Legend 18-hole golf course, and all event hosting, catering and Food and Beverage business.

1.1.14. Giants Ridge Recreation Area ("GRRA"). An economic development project area defined in Minnesota Statutes Section 298.22, subdivision 7(c), and owned and managed in part by the IRRR.

1.1.15. Improvements. Improvements to assets that maintain the assets life or utility rather than extending the useful life of the assets. This includes remodeling for appearance.

1.1.16. Inventory. All of the tangible property and equipment used for operations at the Premises as described in **Exhibit A.**

1.1.17. Land. The parcel or parcels or other interests in real estate described in **Exhibit A**.

1.1.18. Legal Requirements. All laws, statutes, codes, acts, or ordinances, orders, judgments, decrees, and injunctions, foreseen or unforeseen, ordinary or extraordinary, which now or

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at any time hereafter may be applicable to or required in connection with the Land or Project or any part thereof, or any use or condition of the Land or Project or any part thereof.

1.1.19. Maintenance. The routine recurring work required to keep a facility (plant, building, structure, ground facility, utility system, or other real property) in such condition that it may be continuously used, at its original or designed capacity and efficiency for its intended purpose.

1.1.20. Premises. The Land, Buildings, Inventory and other improvements set forth in **Exhibit A**.

1.1.21. Project. The management of Giants Ridge by the Manager.

1.1.22. Subsidy. The total operating expenses for the operations of Giants Ridge less revenues that indicates the amount of IRRR support required to maintain and provide recreation services and activities to the public.

1.1.23. Term. The term of this Agreement, commencing as of the date set forth above and ending on March 21, 2027, unless terminated earlier or extended for up to an additional five years by mutual agreement of the IRRR and Manager.

1.2. **Exhibits.** The following Exhibits are attached hereto and by reference are incorporated into this Agreement:

Exhibit A	Premises
Exhibit B	Capital Expenditures Project Procedures and Project Initiation Form
Exhibit C	Procurement Policy and Procedure
Exhibit D	Reimbursement Procedures
Exhibit E	Model Management Incentive Fee Agreement

1.3. **Rules of Construction.**

1.3.1. This Agreement shall be interpreted in accordance with, and governed by the laws of the State of Minnesota.

1.3.2. The words "herein," "hereof," and "hereunder" and words of similar import, without reference to any particular section or subdivision, refer to this Agreement as a whole rather than to any particular section or subdivision of this Agreement.

1.3.3. References in this Agreement to any particular article, section or subdivision hereof are to the article, section or subdivision of this Agreement as originally executed.

1.3.4. All accounting terms not otherwise defined herein have the meanings assigned to them in accordance with generally accepted accounting principles (“GAAP”); and all computations provided for herein shall be made in accordance with generally accepted accounting principles consistently applied and applied on the same basis as in prior years.

1.3.5. Unless the context hereof clearly requires otherwise, the singular shall include the plural and vice versa and the masculine shall include the feminine and vice versa.

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1.3.6. Articles, sections, subsections, paragraphs and clauses mentioned by number only are those so numbered which are contained in this Agreement.

1.4. **Scope of Agreement**. The Premises and miscellaneous items are hereby provided for exclusive use to be managed by Manager on behalf of the IRRR, as further provided herein.

1.5. **Term of Agreement**. The Term of this Agreement is from the Commencement Date until March 21, 2027, or until the Agreement is terminated or extended as provided herein.

2 REPRESENTATIONS

2.1. **Representations by the IRRR**. The IRRR makes the following representations:

2.1.1. No public official of the IRRR has either a direct or indirect financial interest in this Agreement, nor will any public official of the IRRR either directly or indirectly benefit financially from this Agreement within the meaning of Minnesota Statutes Section 471.87.

2.1.2. The IRRR has been duly authorized to execute and deliver this Agreement.

2.1.3. There is no litigation pending or, to the best of the IRRR's knowledge, threatened against the IRRR affecting its ability to carry out the terms of this Agreement or to carry out the terms and conditions of any other matter materially affecting the ability of the IRRR to perform its obligations hereunder.

2.2. **Representations by Manager.** Manager makes the following representations:

2.2.1. Manager is a duly organized business organization existing under the laws of the State of Delaware and has power to enter into this Agreement and by proper action has been duly authorized to execute and deliver this Agreement.

2.2.2. The execution and delivery of this Agreement and the consummation of the transactions herein contemplated do not and will not conflict with, or constitute a breach of or a default under, any agreement to which Manager is a party or by which it is bound, or result in the creation or imposition of any lien, charge or encumbrance of any nature upon any of the property or assets of Manager contrary to the terms of any instrument or agreement.

2.2.3. There is no litigation pending, or to the best of Manager's knowledge threatened against Manager affecting its ability to carry out the terms of this Agreement or to carry out the terms and conditions of any other matter materially affecting the ability of Manager to perform its obligations hereunder.

2.2.4. The Chief Executive Officer of Manager executing this Agreement has been duly authorized to execute and to deliver this Agreement.

2.2.5. Manager has complied or will comply with all Legal Requirements applicable to it with respect to this Agreement.

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2.2.6. Manager will promptly give the IRRR written notice of the commencement of any action, suit or proceeding before any court or arbitrator or any governmental department, board, agency or other instrumentality affecting Manager or any property of Manager or to which Manager is a party for which an adverse determination or result could materially adversely affect Manager's financial condition, the operation of its business, or its ownership or operation of the Premises, or which could impair Manager's ability to fully comply with any term, condition, or provision contained in the Agreement and in such written notice Manager will state the nature and status of such action, suit or proceeding.

2.2.7. Manager will not, without the prior written consent of the IRRR, create or permit to be created or allow to exist any lien on the Premises.

2.2.8. Manager will not, without the prior written consent of the IRRR, enter into any agreement or other commitment the performance of which would constitute a breach of any of the terms, conditions, provisions, representations, warranties and/or covenants contained in the Agreement.

3 DUTIES OF MANAGER

Manager will be responsible for:

3.1. All aspects of managing the Premises and Giants Ridge Business Operations, including hiring, staffing, scheduling and responsibility for all revenues and expenses and managing the operations to meet or decrease subsidy levels. IRRR and Manager shall agree upon a subsidy level. Manager is responsible for expenses in excess of the agreed-upon subsidy if such expenses are incurred because of Manager's negligence or willful misconduct.

3.2. Maintenance to keep the Premises in good repair.

3.3. Submitting to the IRRR a final yearly request for a Subsidy and Capital Subsidy no later than April 30 (two months before the beginning of the Fiscal Year). The yearly request will include an annual Giants Ridge Business Plan prepared by Manager and approved in advance by IRRR, revenue and expense budget for the upcoming fiscal year, a copy of the current operations plan and an annual report of prior year Giants Ridge activities.

3.4. Managing the Premises in a manner consistent with the Business Plan.

3.5. Maintaining permits and licenses.

3.6. Managing the golf courses in a manner that keeps the facilities competitive with other first class courses and comparable destination golf resorts.

3.7. Manager shall have non-exclusive license to use the Giants Ridge name, logo and designs in connection with the operations of the Facilities.

3.8. Complying with the Financial Terms.

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3.9. Enter all relevant transactions data in a database and according to operational rules and protocols as directed by the IRRR. Training and protocols shall be provided to Manager's staff by the IRRR. An IRRR staff person will be assigned and will be made available to provide timely responses to Manager's staff inquiries about recording the financial data and generating financial reports throughout the duration of the Agreement.

3.10. Providing the IRRR reasonable access to IRRR facilities in and around the Premises.

3.11. Complying with the terms of this Agreement.

3.12. All materials, supplies, equipment or other non-capital items may be procured by Manager and reimbursed by the IRRR consistent with the Manager's procurement procedures and the agreed upon Procurement Policy and Procedure, which is attached hereto and incorporated by reference as Exhibit C. Manager shall provide advance notice of any purchase expected to exceed $50,000. Manager shall not proceed with the purchase or any items objected to by the IRRR within five business days after receipt of such notification from Manager. Manager shall follow is own best practices for all purchasing activities authorized under this Agreement. Manager shall also have access to the State's purchasing agents, master contracts and vendors in order to obtain the best possible prices.

3.13. Keeping the Premises open to the public all year except as provided in the Business Plan.

3.14. In the event that this Agreement expires or is terminated, all property, fixtures, inventory and equipment that is acquired by the Manager for use at the facilities shall immediately become the property of the IRRR.

3.15. [Reserved]

3.16. By the 20th of each month, providing the IRRR with a financial statement in an agreed upon format showing the revenue and sources of revenue, and itemized expenses, for the previous month, along with a statement of the management fee due to Manager.

3.17. Manager shall ensure all sales and use taxes for purchases that are not exempt are either paid to vendors or paid directly to the Minnesota Department of Revenue, as required by law.

4 DUTIES OF IRRR

Provided Manager is not otherwise in default under this Agreement, the IRR will:

4.1. Provide the financial assistance set forth in the Financial Terms.

4.2. Consistent with procedures established for approval by the IRRR, be responsible for funding reasonable Capital Expenditures on the buildings existing on the Premises at the time this Agreement is executed. In the event of a catastrophic loss, the State's responsibility to fund Capital Expenditures shall not exceed the property insurance value of any particular building.

4.3. Pay all real estate taxes on the Premises, if any.

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4.4. Maintain property insurance on the Premises.

4.5. Maintain casualty and liability insurance for occurrences within the GRRA that are otherwise neither insured by nor the responsibility of the Manager.

4.6. Provide information technology (IT) support to maintain communication systems and management software capabilities.

4.7. Provide access to and training to use accounting and point of sale software systems.

4.8. Comply with the terms of this Agreement.

4.9. Provide state owned motor vehicles and allow individual employees, agents or subcontractors of Manager to operate such motor vehicles after the IRRR has expressly authorized each such person in writing to operate the vehicles after checking the status and information pertaining to all such persons' driver's licenses confirming that the Manager, employee, agent or subcontractor employee has a driver's license valid for such class of vehicle.

4.10. Provide access to those premises reasonably required to fulfill the duties of the Manager.

4.11. IRRR will reimburse Manager by an agreed upon procedure after receipt and verification of Manager's operating and labor expenses. A sample of such agreed-upon procedure and supporting documentation is provided as part of Exhibit D.

5 FINANCIAL TERMS

5.1. IRRR shall provide the remaining funds established for Fiscal Year 2022 to cover the time period through June 30, 2022.

5.2. The Manager shall provide an annual FY budget for the upcoming FY to be submitted by the Manager and accepted by the IRRR no later than April 30. The budget must include revenue projections, expenses and an operational subsidy amount. IRRR shall provide historic data and assistance with the development of the annual budget upon request by Manager. A capital improvement allocation shall be agreed upon that follows Giants Ridge's capital plan priorities. IRRR budgets are approved by the IRRR Board and Governor of Minnesota prior to June 30 of each fiscal year. The budget will show the expected operational subsidy. If, at the close of the fiscal year the subsidy is greater than agreed upon, the parties shall confer to amend the operating loss amount and make the Manager whole within 30 days of the end of the fiscal year in which the losses are incurred.

5.3. A Business Plan as provided in Section 3.3 shall accompany the annual budget that provides high level Giants Ridge goals and opportunities, financial and performance targets, strategic marketing, sales and audience development plans and other information that provides context for the operations plan.

5.4. The Manager shall work in cooperation with the IRRR's designated staff person on procedures related to banking, deposits, expense payments, coding, and capital and non-capital assets. A management fee shall be payable to the Manager of five percent (5%) of monthly gross revenues.

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The management fee shall be paid to Manager within 30 days of IRRR's receipt of Manager's monthly invoice.

5.5. An incentive fee shall be payable annually for Manager's reductions in net operational costs within 90 days from the end of each fiscal year. If the net operational costs are reduced by 5.0% - 10%, the performance bonus shall be 0.5% of gross revenues. If net operational costs are reduced by more than 10%, the performance bonus shall be 1.0% of gross revenues. The parties will agree upon what will be included as net operational costs for the incentive and further agree upon the base amount prior to the beginning of each fiscal year. Such agreement shall be modeled upon the management incentive fee agreement between the Manager and State for fiscal year 2021, which is attached as Exhibit E.

6 ALTERATION OF PREMISES AND INSURANCE

6.1. **Structural Changes**.

6.1.1. No structural changes shall be made to the Premises by Manager without first submitting three (3) sets of plans and specifications for any alterations or structural changes to the IRRR and obtaining the IRRR's written approval. Plans and specifications must be prepared by an architect, engineer, surveyor, landscape architect or interior designer licensed or certified in accordance with Minnesota Statutes Section 326.02 and Minnesota Rules Chapter 1800.5000.

6.1.2. The IRRR's approval may be based on the approval and/or recommendations of the Minnesota Department of Administration.

6.1.3. If applicable, building contractors employed by Manager to perform work on the Improvements shall provide and maintain a performance bond and construction insurance in amounts as established by the Minnesota Department of Administration. Manager shall provide copies of performance bonds and construction insurance to the State. Prevailing wages must be paid to workers in accordance with Minnesota statutory requirements and IRRR Board Resolution 96-005.

6.2. **Improvements and Other Non-structural Modifications of the Premises**. Manager may make Improvements and other non-structural modifications to the Premises. All such changes shall be made with due diligence, in a workman-like manner and in conformity with good industry practice.

6.3. **Insurance.**

General Insurance Requirements

Manager shall not commence work under the Agreement until it has obtained all the insurance described below and the IRRR has approved such insurance. All policies shall remain in force and effect throughout the term of the Agreement.

POLICY REQUIREMENTS

1. Workers' Compensation Insurance
   A. Statutory Compensation Coverage
   B. Coverage B – Employers Liability with limits of not less than:
   $100,000 Bodily Injury by Disease per Employee

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$500,000 Bodily Injury by Disease Aggregate
$100,000 Bodily Injury by Accident

2. Automobile Liability Insurance
   A. Minimum Limits of Liability:
   $500,000 – Per Occurrence – Bodily Injury and Property Damage Combined Single Limit
   B. Coverage
   X Owned Automobile
   X Non-owned Automobile
   X Hired Automobile
3. General Liability Insurance
   A. Minimum Limits of Liability
   $500,000 - Per Occurrence
   $500,000 - Annual Aggregate
   $500,000 – Annual Aggregate applying to Products/Completed Operations
   B. Coverage:
   X Premises and Operations Bodily Injury and Property Damage
   X Personal & Advertising Injury
   X Blanket Contractual
   X Products and Completed Operations
   X IRRR named as Additional Insured
   __Other; if applicable, please list_____

4. Professional Liability/Miscellaneous Liability Insurance
   Coverage for negligent acts, errors or omissions arising out of the performance of professional services included in the contract.
   A. Minimum Limits of Liability
      $500,000 - Per claim or event
      $500,000 – Annual Aggregate
   B. Any deductible will be the sole responsibility of the Manager and may not exceed $50,000 without the approval of the IRRR.
   C. The retroactive or prior acts date of such coverage shall not be after the effective date of this contract.

Additional Insurance Conditions

- Manager's policy(ies) shall be primary insurance to any other valid and collectible insurance available to the IRRR with respect to any claim arising out of Manager's performance under this contract.
- Manager's policy(ies) will provide the IRRR with thirty (30) days advance written notice of cancellation.
- Manager is responsible for payment of contract related insurance premiums and deductibles.
- If Manager is self-insured, a Certification of Self-Insurance must be attached.
- Manager's policy(ies) shall include legal defense fees in addition to the liability policy limits, with the exception of 4 above.
- Manager shall obtain insurance policy(ies) from insurance company(ies) having an "AM Best" rating of A-(minus), Financial Size Category of VII or better, and authorized to do business in the State of Minnesota.

An Umbrella or Excess liability insurance policy may be used to supplement the Manager's policy limits to satisfy the full policy limits required by the Agreement.

Manager certifies that it is in compliance with all insurance requirements relevant to this Agreement. Manager shall maintain such insurance in force and effect throughout the term of the Agreement.

Manager further certifies that it is in compliance with Minnesota Statutes Section 176.181, subdivision 2, pertaining to workers' compensation insurance coverage. The Manager's employees and agents will not be considered IRRR employees. Any claims that may arise under the Minnesota Workers' Compensation Act on behalf of these employees or agents and any claims made by any third party as a consequence of any act or omission on the part of these employees or agents are in no way the STATE'S obligation or responsibility.

7 SPECIAL COVENANTS

7.1. **Quiet Enjoyment**. Manager, upon performing all the terms and covenants of the Agreement, will be entitled to quiet enjoyment of the Premises.

7.2. **Indemnification**. Manager releases the IRRR from, agrees that the IRRR shall not be liable for, and agrees to hold the IRRR and employees harmless against, any claim, cause of action, suit, or liability for any loss or damage to property or any injury to or death of any person that may be occasioned by any cause whatsoever pertaining to the Premises or the use thereof, and to reimburse the IRRR for any out-of-pocket legal and other expenses (including attorney's fees) incurred by the IRRR in connection therewith. Notwithstanding the foregoing, such indemnification shall not apply to instances where action results from the IRRR's own negligence.

7.3. **Manager to Maintain its Existence and Qualification; Conditions Under Which Exceptions Permitted**. Manager agrees that during the Term it will maintain its existence or will assure the assumption of its obligations under this Agreement by any public body succeeding to its powers.

7.4. **To Observe Laws; Ordinances and Regulations**. Manager will observe all applicable laws, regulations, ordinances and orders of the United States, the State of Minnesota and agencies and political subdivisions thereof and each department or agency thereof, applicable to this Agreement. Manager shall have the right to contest by appropriate procedures the adoption, validity or applicability of any laws, regulations, ordinances and orders referred to in this Section and to delay compliance therewith, without violating the provisions of this Section, if (a) the IRRR shall consent to such delay in writing, or (b) a court of competent jurisdiction shall so order or determine, or (c) in the opinion of independent counsel furnished to the STATE, the procedures taken by Manager to contest the validity or applicability of any such law, regulation, ordinance or order are appropriate and have the effect of staying the finality and enforceability thereof against Manager.

7.5. **Non-Discrimination.** Manager agrees not to engage in discriminatory practices with respect to the Premises and it shall with respect thereto fully comply with all of the provisions contained in Minnesota Statutes as such may be amended, modified or repealed.

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7.6. **Workers' Compensation**. Manager agrees to fully comply with all of the provisions relating to workers' compensation contained in Minnesota Statutes, Sections 176.181, Subdivision 1, and 176.182 as such may be amended, modified or replaced with respect to the project.

7.7. **Cooperation**. The parties will reasonably attempt to cooperate with other stakeholders on or near the Premises.

8 ASSIGNMENT, SUBCONTRACT AND SALE

8.1. **Assignment by Manager**. Manager shall not assign or subcontract the Premises or any interest without the written consent of the IRRR. Manager may, however, rent out all or part of the Premises without the consent of the IRRR for a period not to exceed two consecutive days. All parties renting all or part of the Premises shall agree to indemnify and hold the IRRR harmless from any and all loss, damage or injury to any person or property arising from the use of the Premises by their guests, invitees, independent contractors or employees. Parties renting the Premises for more than two consecutive days agree to maintain the same insurance required of Manager in section 6.3 and the IRRR and Manager should be listed as an additional insured for General Liability and Automobile Liability.

8.2. **IRRR's Access**. The IRRR, acting through its designated agent, employer or official shall have the right, upon prior notification of Manager, to inspect the Premises at all reasonable times.

8.3. **Subcontracting.** Manager may subcontract the golf course operation to a qualified golf course operator after providing notice to and obtaining written approval from the IRRR. Other operations may be subcontracted upon prior written approval of the IRRR.

9 EVENTS OF DEFAULT AND REMEDIES

9.1. **Events of Default**.

9.1.1. The following shall be "Events of Default" under this Agreement and the term "Event of Default" shall mean, whenever used in this Agreement, any one or more of the following events:

9.1.1.1. if Manager shall default in the due and punctual performance of any of the covenants, conditions, agreements and provisions contained in this Agreement or in any instrument supplemental hereto on the part of Manager to be performed, and such default shall have continued for a period of thirty (30) days after written notice, specifying such default and requiring the same to be remedied, shall have been given to Manager by the IRRR; or

9.1.1.2. if (i) there is an Act of Bankruptcy with respect to Manager, or Manager shall become insolvent or unable to pay its debts as they become due, or shall make an assignment for the benefit of creditors, or shall apply for, consent to or acquiesce in the appointment of, or taking possession by, a trustee, receiver, custodian or similar official or agent for itself or any substantial part of its property; (ii) a trustee, receiver, custodian or similar official or agent shall be appointed for Manager or for any substantial part of its property and such trustee or receiver shall not be discharged within 60 days; or (iii) an Act of Bankruptcy shall be filed against Manager and an order or decree for relief shall be

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entered against it, or a petition seeking reorganization, readjustment, arrangement, composition, or other similar relief as to it under the federal bankruptcy laws or any similar law for the relief of debtors shall be brought against it.

9.2. **Remedies on Default**. Whenever any Event of Default referred to in Section 9.1 shall have happened and be subsisting, the IRRR may take whatever action at law or in equity may appear necessary or desirable to enforce performance and observance of any obligation, agreement or covenant of Manager under this Agreement, including termination of this Agreement and the return of all monies or property advanced to Manager for any reason.

9.3. **Remedies Cumulative, Delay Not to Constitute Waiver**. No remedy conferred upon or reserved to the IRRR or a receiver by this Agreement is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power, and any such right or power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the IRRR or a receiver to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice, other than such notice as may be herein expressly required. In the event any agreement contained in this Agreement should be breached by either party and thereafter waived by the other party, such waiver shall be limited to a particular breach so waived and shall not be deemed to waive any other breach hereunder. In case the IRRR shall have proceeded to enforce any right under this Agreement and such proceeding shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the IRRR, the IRRR shall be restored to its former positions and rights hereunder and all rights, remedies and powers of the IRRR shall continue as if no such proceeding had been taken.

10 TERMINATION

10.1. **Termination, Default or Lapse of Agreement**. In the event this Agreement shall terminate, lapse or in the Event of a Default, the Premises and all improvements and replacement items shall revert to the IRRR, all monies or property advanced to Manager shall be returned to the IRRR and the IRRR shall have no further financial obligation to Manager.

11 FINANCIAL INFORMATION

11.1. The Manager shall provide monthly financial statements and performance reports as indicated in Section 3.16.

11.2. **Other Financial Reports**. Manager shall supply to the IRRR, without charge, any and all other financial reports detailing other aspects of Manager's operation of the Premises as the IRRR may reasonably deem necessary or appropriate, in its sole option and discretion. Within ten (10) working days of receipt of such a request from the IRRR, Manager shall provide the first such report and shall continue to provide such reports thereafter at such intervals as the IRRR shall designate. All of such financial reports shall be made in accordance with GAAP Principles.

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12 MISCELLANEOUS

12.1. **Option to Extend.** Within 60 days after the fourth anniversary of the Commencement Date, IRRR and Manager may agree through a written and duly executed amendment to extend this Agreement for an additional five-year term. Under no circumstance may this Agreement be extended beyond March 21, 2032.

12.2. **Surrender of Agreement**. In the event Manager should default under this Agreement and this Agreement is canceled and terminated, Manager agrees to surrender possession of the Premises peaceably and promptly to the IRRR in as good condition as prevailed at the time it was put in full possession thereof, loss by fire or other casualty covered by insurance, ordinary wear and tear, acts of Manager, obsolescence and acts of god excepted.

12.3. **Taxpayer Identification.** Manager acknowledges that it is aware that it is required by Minnesota Statutes Section 270C.65 to provide its Minnesota tax identification number if it does business with the State of Minnesota. This information may be used in the enforcement of federal and state tax laws. Supplying these numbers could result in an action to require it to file state tax returns and pay delinquent state tax liabilities. This Agreement will not be effective or approved until these numbers are provided to the IRRR in writing.

Manager acknowledges and agrees that such information may be made available to federal and state tax authorities.

12.4. **E-Verify.** Pursuant to Minnesota Statutes Section 16C.075, Manager and any authorized subcontractors must provide certification that they have implemented or are in the process of implementing the federal E-Verify program for all newly hired employees who will perform work on behalf of the IRRR or State of Minnesota.

12.5. **Government Data Practices.** The Manager and the IRRR must comply with the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13, as it applies to all data provided by the IRRR under this Contract, and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Manager. The civil remedies of Minnesota Statutes Section 13.08 apply to the release of the data governed by the Minnesota Government Practices Act by either the Manager or the IRRR.

If the Manager receives a request to release the data referred to in this clause, the Manager must immediately notify and consult with the IRRR's Authorized Representative as to how the Manager should respond to the request. The Manager's response to the request shall comply with applicable law.

12.6. **Funding Limitation**. Notwithstanding any provision of this Agreement to the contrary, the IRRR shall not be liable hereunder for the payment of any sums for which public monies have not been appropriated in the manner and to the extent required by Minnesota Law, specifically included, but without limitation, any sums the payment of which would be contrary to the provisions of Article XI of the Minnesota Constitution or of Minnesota Statutes Section 16A.138. The failure of the IRRR to pay any amount when due pursuant to this Agreement shall entitle Manager to provide written notice of such default to the IRRR, and if such default is not cured within 45 days, Manager shall have the right to terminate this Agreement without further liability to the IRRR and the State of Minnesota.

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12.7. **Other Records**. Manager agrees to maintain adequate records and books of account in which complete entries will be made reflecting all of its business and financial transactions related to its operation of the Premises, such entries to be made in accordance with GAAP Accounting Principles. Manager further agrees to provide information and execute and deliver any and all additional documents and instruments as may be reasonably requested by the State.

12.8. Manager agrees to maintain, manage, and grow the customer database for the golf, ski, biking and all other related activities at Giants Ridge. The database shall include but not be limited to: name, address, e-mail address and any other related demographic information that provides appropriate data for a direct sales initiative to new and frequent users of the amenities, demographic related charts, graphs, and research at Giants Ridge. The data will be considered property of IRRR and will not be shared with third-party users.

12.9. **Affirmative action requirements for contracts in excess of $100,000 and if the Manager has more than 40 full-time employees in Minnesota or its principal place of business.** The STATE intends to carry out its responsibility for requiring affirmative action by its contractors.

12.9.1. **Covered contracts and contractors.** If the Contract exceeds $100,000 and the Contractor employed more than 40 full-time employees on a single working day during the previous 12 months in Minnesota or in the state where it has its principle place of business, then the Contractor must comply with the requirements of Minnesota Statutes Section 363A.36 and Minnesota Rules Parts 5000.3400-5000.3600.

12.9.2. **Minnesota Statutes Section 363A.36.** Minnesota Statutes Section 363A.36 requires the Contractor to have an affirmative action plan for the employment of minority persons, women, and qualified disabled individuals approved by the Minnesota Commissioner of Human Rights ("Commissioner") as indicated by a certificate of compliance. The law addresses suspension or revocation of a certificate of compliance and contract consequences in that event. A contract awarded without a certificate of compliance may be voided.

12.9.3. **Minnesota Rules Parts 5000.3400-5000.3600.**

12.9.3.1. *General*. Minnesota Rules Parts 5000.3400-5000.3600 implements Minnesota Statutes Section 363A.36. These rules include, but are not limited to, criteria for contents, approval, and implementation of affirmative action plans; procedures for issuing certificates of compliance and criteria for determining a contractor's compliance status; procedures for addressing deficiencies, sanctions, and notice and hearing; annual compliance reports; procedures for compliance review; and contract consequences for non-compliance. The specific criteria for approval or rejection of an affirmative action plan are contained in various provisions of Minnesota Rules Parts 5000.3400-5000.3600 including, but not limited to, Minnesota Rules Parts 5000.3420-5000.3500 and parts 5000.3552-5000.3559.*12.8.3.2*

12.9.3.2. *Disabled Workers*. The Contractor must comply with the following affirmative action requirements for disabled workers.

(1) The Contractor must not discriminate against any employee or applicant for employment because of physical or mental disability in regard to any position for which the employee or applicant for employment is qualified. The Contractor agrees to take affirmative action to employ, advance in employment, and otherwise treat qualified disabled persons without discrimination based upon their physical or mental disability in all employment practices such as the following: employment, upgrading, demotion or transfer, recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

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(2) The Contractor agrees to comply with the rules and relevant orders of the Minnesota Department of Human Rights issued pursuant to the Minnesota Human Rights Act.
(3) In the event of the Contractor's noncompliance with the requirements of this clause, actions for noncompliance may be taken in accordance with Minnesota Statutes Section 363A.36, and the rules and relevant orders of the Minnesota Department of Human Rights issued pursuant to the Minnesota Human Rights Act.
(4) The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices in a form to be prescribed by the Commissioner. Such notices must state the Contractor's obligation under the law to take affirmative action to employ and advance in employment qualified disabled employees and applicants for employment, and the rights of applicants and employees.
(5) The Contractor must notify each labor union or representative of workers with which it has a collective bargaining agreement or other contract understanding, that the Contractor is bound by the terms of Minnesota Statutes Section 363A.36, of the Minnesota Human Rights Act and is committed to take affirmative action to employ and advance in employment physically and mentally disabled persons.

13.8.3.2. *Consequences*. The consequences for the Contractor's failure to implement its affirmative action plan or make a good faith effort to do so include, but are not limited to, suspension or revocation of a certificate of compliance by the Commissioner, refusal by the Commissioner to approve subsequent plans, and termination of all or part of this Contract by the Commissioner or the State.

13.8.3.3. *Certification*. The Contractor hereby certifies that it is in compliance with the requirements of Minnesota Statutes Section 363A.36 and Minnesota Rules Parts 5000.3400-5000.3600 and is aware of the consequences for noncompliance.

12.10. **Equity in Procurement.** To the extent practicable, vendor shall provide opportunities to do business with small businesses and businesses owned by women, minorities, people with physical disabilities and veterans.

12.11. **Audit Requirements**. Manager agrees to and shall, for a period of six (6) years from the termination date of this Agreement, maintain in accordance with GAAP principles books, records, documents and accounting procedures and practices that are relevant to or pertain to Manager's use of the proceeds of the Premises, use of the financial assistance, or its compliance with any of the provisions contained in the Agreement, and shall further permit the IRRR and Legislative Auditor for the State of Minnesota, acting by and through its officers, employees and agents, to examine all of such books, records, documents, and accounting procedures and practices. This provision shall survive the termination of this Agreement for a period of six years.

12.12. **Notices and Authorized Representatives**. Any notice, demand, request, consent, approval or communication that either party desires or is required to give to the other party shall be in writing and either served personally or sent by prepaid, first-class mail, certified return receipt, and addressed to the other party's authorized representative at the address set forth below. Either party may change its address or authorized representative by notifying the other party in writing of such change. Notice shall be deemed communicated within forty-eight (48) hours from the time of mailing if mailed as provided in this paragraph.

The addresses and authorized representatives of the parties to this Agreement are as follows

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AS TO IRRR:

Department of Iron Range Resources and Rehabilitation
Attention: Commissioner
4261 Hwy. 53 South
P.O. Box 441
Eveleth, MN 55734-0441

AS TO MANAGER:

Guest Services Management, LLC
Attention: Laura Sherman, VP
3055 Prosperity Avenue
Fairfax, Virginia 22031-2290
Laura.Sherman@GuestServices.com

WITH COPY TO:

Guest Services Management, LLC
Attention: Nico Foris, CEO
3055 Prosperity Avenue
Fairfax, Virginia 22031-2290
Nico.Foris@GuestServices.com

Guest Services Management, LLC
Attention: General Counsel
3055 Prosperity Avenue
Fairfax, Virginia 22031-2290
Compliance@GuestServices.com

12.13. **Material Adverse Events.** Promptly upon either party obtaining knowledge of any material adverse event that would impact the operation of the Premises or the ability of the party to perform its duties under this Agreement, that party shall give the other party notice of such material adverse event.

12.14. **Amendments; Changes and Modifications.** This Agreement and Exhibits may not be orally amended, changed or modified, and any such amendment, change and/or modification must be in writing and executed by the party or parties against whom it is to be enforced

12.15. **Entire Agreement**. This Agreement contains the entire understanding of the parties on the matters covered therein.

12.16. **Independent Relationship of the Parties**. Nothing contained in this Agreement is intended or should be construed in any manner as creating or establishing the relationship of co-partners or a joint venture between Manager and the IRRR, nor shall Manager be considered or deemed to be an agent, representative, or employee of the IRRR in the performance of this Agreement. In addition,

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nothing contained in this Agreement nor any act of the IRRR is intended to provide the benefits of a third party beneficiary on any person or entity that is not a party to this Agreement. Employees of Manager or any authorized subcontractor of Manager are not eligible for State of Minnesota benefits, including but not limited to health care, pension, workers compensation, vacation, sick leave or death benefits.

12.17. **Counterparts**. This Agreement may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute but one and the same Agreement.

12.18. **Severability**. In case any section or provision of this Agreement, or in case any covenant, stipulation, obligation, agreement, act, or action, or part thereof, made, assumed, entered into, or taken under this Agreement, or any application thereof, is for any reason held to be illegal or invalid, or is at any time inoperable by reason of any law, or actions thereunder, such illegality or invalidity or inoperability shall not affect the remainder thereof or any other section or provision of this Agreement or any other covenant, stipulation, obligation, agreement, act, or action, or part thereof, made, assumed, entered into, or taken under this Agreement, which shall at the time be construed and enforced as if such illegal or invalid or inoperable portion were not contained therein, nor shall such illegality or invalidity or inoperability or any application thereof affect any legal and valid and operable application therefor from time to time, and each such section, provision, covenant, stipulation, obligation, agreement, act, or action, or part thereof, shall be deemed to be effective, operative, made, entered into or taken in the manner and to the full extent from time to time permitted by law.

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IN WITNESS WHEREOF, the IRRR and Manager have caused this Agreement to be executed in their respective names and attested by duly authorized officers, all as of the date first above written, but actually on the dates of the acknowledgements hereof.

1. **STATE AGENCY:** Fiscal Unit (Agency signatory certifies that funds have been encumbered as required by MS 16A.15)

BY: DocuSigned by: Bob Scuffy 518D7E7F3FD0463...
TITLE: ROBERT J. SCUFFY JR., ACCOUNTING DIRECTOR
DATE: 3/17/2022

2. **MANAGER:** GUEST SERVICES MANAGEMENT, LLC, a Delaware limited liability company

BY: DocuSigned by: 945A7479CEA945E...
TITLE: CEO
DATE: 3/17/2022

BY:
TITLE:
DATE:

3. **IRRR**: STATE OF MINNESOTA ACTING BY AND THROUGH ITS DEPARTMENT OF IRON RANGE RESOURCES AND REHABILITATION

BY: DocuSigned by: Mark Phillips BDC127C3C0A7407...
TITLE: MARK R. PHILLIPS, COMMISSIONER
DATE: 3/17/2022

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EXHIBIT A - Premises

Occupied Buildings

Name	**Square Feet**	**Building Code**
Legend Golf Maintenance Building and Pro Shop	8,025	1869
South Chalet	13,258	2569
Quarry Maintenance Building	6,073	4169
Ski Hill Maintenance	14,460	4369
Chalet	33,858	
Snow Sports Pavilion	2,250	
Total	70,966	

Service and Seasonally Occupied Structures

Name	**Square Feet**	**Building Code**
Calgary Lift Bottom	55	168
Calgary Lift Top	55	169
Chamonix Lift Bottom	68	170
Chamonix Lift Top	55	171
Helsinki Lift Bottom	55	172
Helsinki Lift Top	55	173
Rocky Top Lift Bottom	75	174
Rocky Top Lift Top	75	175
Sarajevo Lift Bottom	68	176
Sarajevo Lift Top	55	177
St Moritz Conveyor Building	96	178
Legend Bunker Food Facility	324	3969
Quarry Pump House	405	4069
Legend Soil Bin Building	554	4269
Legend Pump House	390	4469
Legend Morton Building	6,152	4569
Legend Golf Starter Building	53	4570
Legend Golf Cart Storage	5,736	4571
Ski Patrol Helsinki Upper	67	4769
Ski Patrol Sarajevo Upper	99	4770
Ski Patrol Rocky Top Upper	67	4771
Cross Country Wax Building	192	4869
Quarry Golf Cart Storage	6,181	4969
Quarry Golf Starter Building	53	4970
Quarry Clubhouse	3,895	4971
Quarry Fertilizer Building	1,687	4972
Alpine Timing Building	1,108	5069
Nordic Timing Building	1,284	5169
Innsbruck Starter Building	56	5269
Helsinki Starter Building	52	
Magic Carpet Building	44	5272
Legend Generator Building	192	5369
Wynne Lake Pump House	400	5569
Ski Hill Valve House	209	5669
Lower Tube Park Building	200	
Upper Tube Park Building	56	
Legend Comfort Station A	50	
Legend Comfort Station B	50	
Quarry Comfort Station A	50	
Quarry Comfort Station B	50	
Total	30,368	
Grand Total	101,334	

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THE NORTHERN SEGMENT (including the Legends golf course and ski areas portions) OF THE GIANTS RIDGE RECREATION AREA
LEGAL DESCRIPTION

The Southwest Quarter (SW ¼) and the West Half of the Southeast Quarter (W½ of SE¼), Section 7, Township Fifty-nine (59) North, Range Fifteen (15) West of the Fourth Principal Meridian;

The Southeast Quarter of the Northeast Quarter (SE ¼ of NE ¼), Section Thirteen (13), Township Fifty-nine (59) North, Range Sixteen (16) West of the Fourth Principal Meridian;

That part of Government Lots Two (2) and Three (3) lying West and South of the Embarrass River, Section Eighteen (18), Township Fifty-nine (59) North, Range Fifteen (15) West of the Fourth Principal Meridian;

Government Lots Four (4) and Five (5), Section Eighteen (18), Township Fifty-nine (59) North, Range Fifteen (15) West of the Fourth Principal Meridian;

Government Lots One (1) and Two (2), Three (3), and Four (4), Section Nineteen (19), Township Fifty-nine (59) North, Range Fifteen (15) West of the Fourth Principal Meridian;

The Northeast Quarter of the Northwest Quarter (NE ¼ of NW ¼), Section Twenty-four (24), Township Fifty- nine (59) North, Range Sixteen (16) West of the Fourth Principal Meridian.

The South Half of the Northeast Quarter (S ½ of NE ¼) of Section Twenty-four (24), Township Fifty-nine (59) North, Range Sixteen (16) West of the Fourth Principal Meridian.

The Southeast Quarter (SE ¼) of Section Twenty-four (24), Township Fifty-nine (59) North, Range Sixteen (16) West of the Fourth Principal Meridian;

The Northwest Quarter of the Northeast Quarter (NW ¼ of NE ¼), Section Twenty-five (25), Township Fifty- nine (59) North, Range Sixteen (16) West of the Fourth Principal Meridian.

The East Half of the Northeast Quarter (E ½ of NE ¼), and the Northeast Quarter of the Southeast Quarter (NE ¼ of SE ¼), all in Section Twenty-five (25), Township Fifty-nine (59) North, Range Sixteen (16) West of the Fourth Principal Meridian.

Government Lots One (1) and Two (2), Section Thirty (30), Township Fifty-nine (59) North, Range Fifteen (15) West of the Fourth Principal Meridian, except that part included in the recorded plat of LAURENTIAN, A CONDOMINIUM PLAT;

Government Lots Three (3) and Four (4), Section Thirty (30), Township Fifty-nine (59) North, Range Fifteen (15) West of the Fourth Principal Meridian

EXCEPTING FROM ALL OF THE ABOVE DESCRIPTIONS:

1. That part of those descriptions which is subject to an easement for County State Aid Highway No. 138; and,

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2. That part of Government Lots One (1) and Two (2), Section Nineteen (19), Township Fifty-nine (59) North, Range Fifteen (15) West of the Fourth Principal Meridian, constituting Lots 3, 4, and of Block 1, and Lots 1-4, Block 2, of the GIANTS RIDGE WOODLANDS plat, as recorded in the office of the St. Louis County Recorder as Document No. 715616; and,

3. That part of the said GIANTS RIDGE WOODLANDS subdivision plat which constitutes the right-of-way for the Town of White's roadway known and designated as Woodland Court; and,

4. Those parts of Government Lot Three (3), Section Nineteen (19), Township Fifty-nine (59) North, Range Fifteen (15) West of the Fourth Principal Meridian, and of the Southeast Quarter (SE ¼) of Section Twenty- four (24), Township Fifty-nine (59) North, Range Sixteen (16) West of the Fourth Principal Meridian platted as Lot 4, Block 1, of the plat of GIANTS RIDGE RESORT VILLAGE, as recorded in the office of the County Recorder as Document No. 656045; and,

5. That part of Government Lot Three (3), Section Nineteen (19), Township Fifty-nine (59) North, Range Fifteen (15) West of the Fourth Principal Meridian, platted as Lot 5, Block 1, of the plat of GIANTS RIDGE RESORT VILLAGE, as recorded in the office of the County Recorder as Document No. 656045; and,

6. That part of Government Lots One (1) and Two (2), Section Thirty (30), Township Fifty-nine (59) North, Range Fifteen (15) West of the Fourth Principal Meridian, included in the recorded plat of LAURENTIAN, A CONDOMINIUM PLAT;

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THE SOUTHERN SEGMENTS (including the Quarry Course areas) OF THE GIANTS RIDGE RECREATION AREA
LEGAL DESCRIPTION

The West Half of the Southeast Quarter (W ½ of the SE ¼), Section 31, Township 59 North of Range 15 West of the Fourth Principal Meridian;

The South Half of the Southwest Quarter (S½ of the SW¼), Section 31, Township 59 North of Range 15 West of the Fourth Principal Meridian;

The Southeast Quarter of the Northwest Quarter (SE¼ of the NW¼), Section 5, Township 58 North of Range 15 West of the Fourth Principal Meridian;

The West Half of the Northeast Quarter (W½ of the NE¼), Section 6, Township 58 North of Range 15 West of the Fourth Principal Meridian;

The Northwest Quarter (NW¼), Section 6, Township 58 North of Range 15 West of the Fourth Principal Meridian;

The East Half of the Northeast Quarter (E½ of the NE¼), Section 1, Township 58 North of Range 16 West of the Fourth Principal Meridian;

All that part of the Southwest Quarter of the Northeast Quarter (SW¼ of the NE¼), Section 1, Township 58 North of Range 16 West of the Fourth Principal Meridian; except that part lying south of the Diversion Channel described below; and,

The Northwest Quarter of the Southeast Quarter (NW¼ of the SE¼); Section 1, Township 58 North of Range 16 West of the Fourth Principal Meridian

EXCEPTING FROM ALL OF THE ABOVE DESCRIPTIONS:

1. That part of the above-described lands which constitutes the right-of way for County State Aid Highway No. 138; and,

2. That part of the above-described lands which constitutes the right-of way for State Highway No. 135; and,

3. That part of the above described lands which constitutes the three hundred foot wide Diversion Channel corridor of lands owned and administered by the State of Minnesota's Department of Natural Resources, which were deeded by Lake Mining Company to the State of Minnesota, by quit claim deed, dated July 22, 1966, which was filed in the Office of the County Recorder for St. Louis County, Minnesota November 3, 1966, as Document No. 72726;

4. That approximately 1.15 acre part of Government Lot 5 or the Southwest Quarter of the Northwest Quarter (SW ¼ of NW ¼), Section 6, Township 58 North of Range 15 West of the Fourth Principal Meridian; legally described as follows:

   Beginning at a point on the West boundary line of said Lot 5, 250 feet south, measured along said West boundary line of the northwest corner thereof, go northerly along said West boundary line to the northwest corner of said Lot 5; thence Easterly along the North boundary line of said Lot 5, 400 feet and thence Southwesterly in a straight line to the point of beginning.

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GIANTS RIDGE LAND
FORMER TAX FORFEIT FROM ST. LOUIS COUNTY

CITY OF BIWABIK
That part of NE¼ of NW¼ lying west of centerline of Co Hwy No 138, (Parcel 015-0110-04830, 24.55 acres) Also UND 7/8 Lot 2, (Parcel 015-0110-04841, 46.05 acres)
Also Lot 3, (Parcel 015-0110-04850, 46.15 acres)
Also that part of SE¼ of NW¼ lying west of centerline of Co Hwy 138, (Parcel 015-0110-04860, 36.30 acres) Also NE¼ of SW¼, (Parcel 015-0110-04870, 40 acres)
Also Lot 4, Biwabik Lands in the City 59-15, Sec 31 Twp 59 Rge 15, (Parcel 015-0110-04880, 46.25 acres)

TOWN OF WHITE
Also NE¼ of NW¼ ex part W of centerline of Co Hwy 138, (Parcel 570-0035-00680, 15.45 acres)
Also SE ¼ of NW ¼ ex part W of centerline of Co Hwy No 138, Sec 31 Twp 59 Rge 15 (Parcel 570-0035-00710, 3.70 acres)

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SUMMARY

1) Northern Segment:
   a) 760 acres consisting of 19 full forties (including NW¼ of SW¼ (Gov. Lot 3) of Section 30);
   b) 133.00 acres of lands consisting of:
      i) Section 18: Gov. Lots 2, 3, 4, and 5
      ii) Section 19: Gov. Lot 1
   c) 163.38 acres of land consisting of:
      i) Section 19, Gov. Lots 2,3, and 5;
      ii) Section 30, Gov. Lots 1,2, and 4

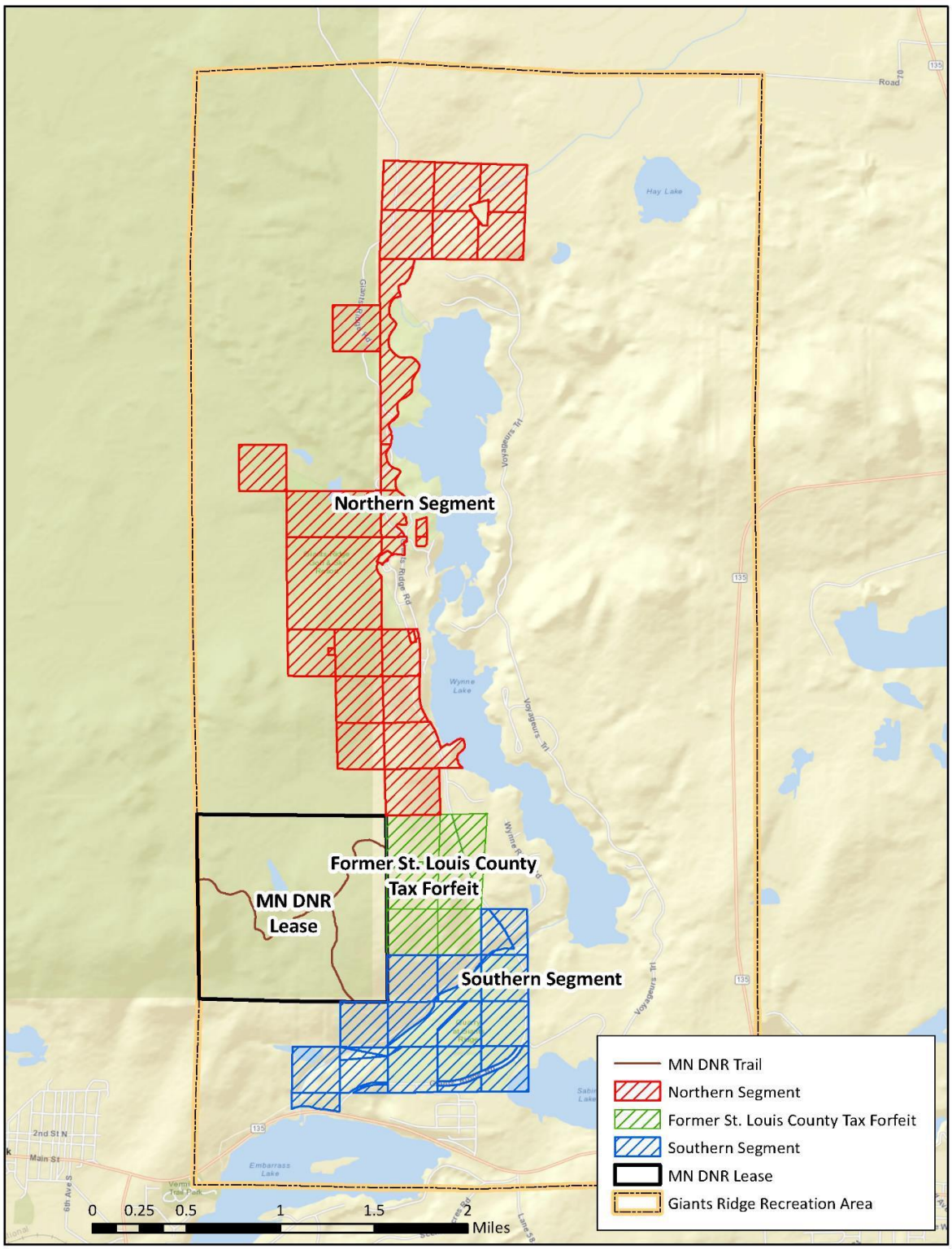
2) Southern Segment:
   a) Estimated 440 acres of land consisting of 11 full forties (ignoring acreage which might be associated with those portions which constitute the Diversion Channel corridor)
   b) Estimated 30 acres of land consisting of the SE¼ of the NW¼ of Section 5, Township 58 North, Range 15 West of the Fourth Principal Meridian;
   c) Estimated 33 acres of land consisting of the SW¼ of the NE¼ of Section 6, Township 58 North, Range 15 West of the Fourth Principal Meridian;
   d) Estimated 27 acres of land consisting of the SW¼ of the NE¼ of Section 1, Township 58 North, Range 16 West of the Fourth Principal Meridian; and,
   e) Estimated 25 acres of land consisting of the NW¼ of the SE¼ of Section 1, Township 58 North, Range 16 West of the Fourth Principal Meridian

3) Giants Ridge Land Former Tax Forfeit from St. Louis County
   Estimated 258.45 acres in Section 31, Township 59 North, Range 15 West of the Fourth Principal Meridian

4) Giants Ridge Recreation Area, statutorily defined as an economic development project area established by the commissioner in furtherance of the powers delegated in section 298.22 within St. Louis County in the following portions of the town of White and the city of Biwabik:
   Township 59 North, Range 15 West, Sections 7, 8, 17-20 and 29-32;
   Township 59 North, Range 16 West, Sections 12, 13, 24, 25, and 36;
   Township 58 North, Range 16 West, Section 1; and
   Township 58 North, Range 15 West, Sections 5 and 6.

5) DNR Leased Premises
   A strip of land 20 feet in width and approximately 11,084 feet in length, located within the NE ¼ of NE ¼, SW ¼ of NE ¼, SE ¼ of NE ¼, SW ¼ of NW ¼, NE ¼ of SW ¼, NW ¼ of SE ¼, SW ¼ of SE ¼, and SE ¼ of SE ¼, all in Section 36, Township 59 North, Range 16 West, St. Louis County; containing
   5.10 acres more or less

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Premises - Inventory

The Manager shall provide to the IRRR inventory reports of building and property contents and other improvements, within 30 days of the execution of this Agreement, and upon the request of the IRRR, which shall be no more often than annually thereafter throughout the term of this Agreement. Premises inventory includes but is not limited to:

- Ski equipment
- Golf equipment
- Golf and ski retail inventory
- Rental inventory
- Food and Beverage
- Computers, Servers and POS equipment

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Giants Ridge Asset

ITEM

For all equipment/fleet items with a cost of $5,000 or more
For all building costs or infrastructure of $300,000 or more

Process to purchase item:

Reason for purchase:

Quotes – two when available:

Budgeted Item (Y/N):

Information needed after item is purchased before reimbursement:

Item Description:

Serial Number (After Purchase):

Model Number (After Purchase):

Vendor Name (After Purchase):

Actual cost including tax and delivery:

Useful Life:

Agency use only:
Profile
Category
In Service Date

Signatures:

Department of Iron Range Resources and Rehabilitation: _____Date: _____

Guest Services: _____ Date: _____

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EXHIBIT C - Procurement Policy and Procedure

Policy Statement

Iron Range Resources and Rehabilitation (IRRR) will reimburse the Manager for purchasing certain materials, supplies, equipment and other items used in the operations at the Giants Ridge facilities. Certain items are excluded from reimbursement as they are direct paid by and supported by IRRR staff.

The Manager may utilize the state's contracts and vendors in order to obtain the best possible prices on goods or services. IRRR purchasing division staff and access to information or resources can be made available upon request. The IRRR's purchasing division should be notified when the Manager purchases assets valued at over $5,000 so that an asset tracking procedure can be followed. The Manager shall use Exhibit D for pre-approval when planning capital expenditures projects.

The use of vendors located within the Taconite Assistance Area (TAA) served by the IRRR is encouraged and a procedure is recommended if the manager intends to change TAA vendors or service providers.

Non-Reimbursable Expenses

Non-reimbursable vendor expenses include utilities, security, and building systems:

Minnesota Energy Resources - Natural Gas
Minnesota Power - Electrical Service
City of Biwabik - Water & Sewer
Security - Life Security
Elevator – Thyssenkrupp and MEI
HVAC – Johnson Controls or ABE/UHL

Non-reimbursable expenses also include information technology infrastructure, hardware and software that is supplied by and/or supported by the State of Minnesota and IRRR:

MNET's LAN internet connection and VOIP infrastructure; Mediacom cable and WIFI services; IT hardware including laptops, tablets, PCs, leased multifunction devices (copiers) and cell phones; and licensed software that supports the Giants Ridge enterprise and business processes.

Procedures

1. Utilizing IRRR Purchasing

Contact the Buyer 1 at 218-735-3006 to access state procurement resources and for price comparisons.

2. Asset Tracking Procedure

For single unit item assets over $5,000 the manager shall notify the Accounting Officer Principal at 218-735-3035 before the item is submitted for reimbursement.

3. Local Vendors

If the Manager intends to change a relationship with an existing TAA vendor Manager shall contact the Giants Ridge liaison to discuss the purpose and objective. If there is an apparent cost savings related to the change, the Manager shall reach out to the TAA vendor to find out if they can be more competitive or if there are other solutions available to maintain the business.

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EXHIBIT D – Reimbursement Procedure

EFT-Transaction

Should be in Guest Services account 2 days from pay date

CONTRACT PAYMENT - FY18

To: Tina Neuman
From Dave Kallio
04/30/18

Invoice # : **20**

FY 18

CONTRACTOR: **Guest Services**
3055 Prosperity Avenue
Fairfax, VA 22031

CONTRACT: **CONTRACT ID NUMBER**
ORDER #: **FY18 UMCL PO # = B4301-3000005690**

FY18

vendor # **0000393824**

NOTE: Pay as EFT transaction.

Org		see below	fin dept. id	account	Payment	
		Use SWIFT Acounting date of:			**2/28/2018**	
	CONTRACT	line 1	B4333223	411324	392,324.16	FY18 GSI reimburseable
	CONTRACT	List each single item over $5,000 below				
	item 1					Amount of item 1
	item 2					Amount of item 2
	item 3					Amount of item 3
	item 4					Amount of item 4
					$ 392,324.16	INVOICE TOTAL

Note: Dave Kallio will do a JE in SWIFT to move any non-capital or capital reimbursement to the proper accounts. All Guest Services reimbursements will be paid out of line 1.

NOTES

Date Submitted: 3/15/2018

Description:

392,324.16	invoices
-	
-	petty cash -
-	payroll
-	
-	
other: 392,324.16	
-	**rounding fix**

PAYMENT APPROVED BY

Approved by: Linda Johnson

PAYMENT REVIEWED BY

Dave Kallio, Accounting Officer, Principal

*BACKUP DOCUMENTS ON FILE WITH CONTRACT PAYMENT ADMINISTRATOR

DocuSign Envelope ID: 81418D9C-A9DB-46F7-B86D-93F7927AE1E0

Giants Ridge
Check Register

Date / Bill Date	Vendor / Bill No	GL account/Account label	Document No / Method	Amount / Amount Applied	Cleared / Memo	Department	Location
	Bank: BOA -Checking - Bank of America	**Account No: 435029051553**					
03/15/2018	V-0720--Guest Services, Inc		557673	392,324.16	In Transit		
02/28/2018	*B0012480*	*7040--Medical/Dental*	*Printed Check*	*12.26*		*210--Snack Bar*	*10--Legend*
		7020--Payroll Taxes	*Printed Check*	*185.05*		*210--Snack Bar*	*10--Legend*
		7920--Management Fees	*Printed Check*	*25,529.15*		*500--G & A*	*40--Blds., Grds., Admin*
		7000--Payroll Gross	*Printed Check*	*25,953.83*		*500--G & A*	*40--Blds., Grds., Admin*
		7170--Other Employee Related	*Printed Check*	*2,859.36*	*bonus*	*500--G & A*	*40--Blds., Grds., Admin*
		7020--Payroll Taxes	*Printed Check*	*3,056.66*		*500--G & A*	*40--Blds., Grds., Admin*
		7030--Workers Comp	*Printed Check*	*14,434.00*		*500--G & A*	*40--Blds., Grds., Admin*
		7040--Medical/Dental	*Printed Check*	*2,180.56*		*500--G & A*	*40--Blds., Grds., Admin*
		7230--Advertising	*Printed Check*	*4,264.38*		*500--G & A*	*40--Blds., Grds., Admin*
		7050--401k Costs	*Printed Check*	*343.57*		*500--G & A*	*40--Blds., Grds., Admin*
		7540--Printing	*Printed Check*	*8,890.76*	*Printing*	*500--G & A*	*40--Blds., Grds., Admin*
		7500--Postage	*Printed Check*	*145.14*	*Postage*	*500--G & A*	*40--Blds., Grds., Admin*
		7160--Travel Expense	*Printed Check*	*2,470.93*	*travel lodging, airfare, rental car*	*500--G & A*	*40--Blds., Grds., Admin*
		7170--Other Employee Related	*Printed Check*	*224.70*	*Employee Business*	*500--G & A*	*40--Blds., Grds., Admin*
		7150--Business Related Meals	*Printed Check*	*60.85*	*employee bus meals*	*500--G & A*	*40--Blds., Grds., Admin*
		7860--Insurance	*Printed Check*	*4,041.34*	*liability*	*500--G & A*	*40--Blds., Grds., Admin*
		7860--Insurance	*Printed Check*	*407.42*	*auto*	*500--G & A*	*40--Blds., Grds., Admin*
		7140--Recruiting & Relocation	*Printed Check*	*14.00*	*recruiting*	*500--G & A*	*40--Blds., Grds., Admin*
		7170--Other Employee Related	*Printed Check*	*500.00*	*car allowance*	*500--G & A*	*40--Blds., Grds., Admin*
		7880--Fees, Permits, & License	*Printed Check*	*60.00*	*license fees*	*500--G & A*	*40--Blds., Grds., Admin*
		5500--COS-Food	*Printed Check*	*12,320.01*	*food*	*200--Burnt Onion / Wacootah*	*10--Legend*
		5510--COS-Beer	*Printed Check*	*1,627.25*		*200--Burnt Onion / Wacootah*	*10--Legend*
		5520--COS-Wine	*Printed Check*	*1,708.30*		*200--Burnt Onion / Wacootah*	*10--Legend*
		5530--COS-Liquor	*Printed Check*	*718.84*		*200--Burnt Onion / Wacootah*	*10--Legend*
		7000--Payroll Gross	*Printed Check*	*77,136.02*		*200--Burnt Onion / Wacootah*	*10--Legend*
		7020--Payroll Taxes	*Printed Check*	*6,859.72*		*200--Burnt Onion /*	*10--Legend*

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Page 1

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Giants Ridge
Check Register

Date / Bill Date	Vendor / Bill No	GL account/Account label	Document No / Method	Amount / Amount Applied	Cleared / Memo	Department	Location
		7040--Medical/Dental	Printed Check	4,472.24		Wacootah 200--Burnt Onion / Wacootah	10--Legend
		7170--Other Employee Related	Printed Check	200.00	employee business	200--Burnt Onion / Wacootah	10--Legend
		7050--401k Costs	Printed Check	115.63	401K	200--Burnt Onion / Wacootah	10--Legend
		7400--Operating Supplies	Printed Check	384.14	misc & replacements	200--Burnt Onion / Wacootah	10--Legend
		7880--Fees, Permits, & License	Printed Check	149.86	contracted	200--Burnt Onion / Wacootah	10--Legend
		7560--Credit Card Fees	Printed Check	30.00	cc fees	500--G & A	40--Blds., Grds., Admin
		7400--Operating Supplies	Printed Check	332.71	cleaning & Paper	200--Burnt Onion / Wacootah	10--Legend
		7500--Postage	Printed Check	9.88	postage	200--Burnt Onion / Wacootah	10--Legend
		7110--Employee Uniforms	Printed Check	314.35	uniforms	200--Burnt Onion / Wacootah	10--Legend
		7400--Operating Supplies	Printed Check	775.68	us foods fuel	200--Burnt Onion / Wacootah	10--Legend
		7020--Payroll Taxes	Printed Check	970.25		100--Operations	30--Recreation
		7000--Payroll Gross	Printed Check	5,137.49		100--Operations	30--Recreation
		7040--Medical/Dental	Printed Check	534.89		100--Operations	30--Recreation
		7170--Other Employee Related	Printed Check	100.00	Employee Business	100--Operations	30--Recreation
		7050--401k Costs	Printed Check	324.57	401K	100--Operations	30--Recreation
		7000--Payroll Gross	Printed Check	150,512.79	ski	400--Maintenance	30--Recreation
		7020--Payroll Taxes	Printed Check	14,012.58		400--Maintenance	30--Recreation
		7040--Medical/Dental	Printed Check	8,984.47		400--Maintenance	30--Recreation
		7050--401k Costs	Printed Check	53.79		400--Maintenance	30--Recreation
		7170--Other Employee Related	Printed Check	550.00	car & phone	400--Maintenance	30--Recreation
		7140--Recruiting & Relocation	Printed Check	55.84	conte background checks	400--Maintenance	30--Recreation
		7400--Operating Supplies	Printed Check	885.06	misc & office	100--Operations	30--Recreation
		7500--Postage	Printed Check	16.33		100--Operations	30--Recreation
		7160--Travel Expense	Printed Check	1,405.50		100--Operations	30--Recreation
		5500--COS-Food	Printed Check	4,058.87		200--Burnt Onion / Wacootah	10--Legend
		7000--Payroll Gross	Printed Check	1,922.59		210--Snack Bar	10--Legend
		7020--Payroll Taxes	Printed Check	10.55		200--Burnt Onion / Wacootah	20--Quarry
		Applied Total:		**392,324.16**			
		Total:		**392,324.16**			

Created on: 04/30/2018, 1:44 PM PDT

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EXHIBIT E – Model Management Incentive Fee Agreement

Management Incentive Fee FY21 Sample for Contract
FY21 Sample Agreement

B43BDGR only

	Actuals FY21 Projected
Revenue- without GR tax	5,805,451
Expenses without 600 dept.	(8,521,273)
Net Operational Cost	(2,715,822) < est at 8/6/21

Adjustments to Operations		Net Operational Goal	Actual Net Operations	difference	% change	Revenue
Net Operational Cost from above		2,936,921	2,715,822	221,099	-7.5%	5,805,451
Adjustments	add / (subtract)					
No FY21 adjustments needed						
	Incentive %	-	-	-	-	-
Adjusted Net Operational Cost		2,936,921	2,715,822	221,099	-7.5%	5,805,451
						0.5%
					Incentive =>	**29,027**

Notes:

1. FY21 600 dept. was fully analyzed - Done 8/9/21
2. This may change slightly through the ACFR process. Any agreed upon difference will be adjusted in FY22.
3. Payment should be from FY21 budget.
4. FY20 subsidy agreed to was $3,136,921 fo the management incentive.

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AMENDMENT #1 TO MANAGEMENT AGREEMENT

THIS AMENDMENT #1 TO THE MANAGEMENT AGREEMENT ("Agreement") is made by and between the State of Minnesota, acting by and through its Department of Iron Range Resources and Rehabilitation (the "State" or "DIRRR"), and Guest Services Management, LLC, a limited-liability company duly organized and existing under the laws of the State of Delaware, and wholly-owned by Guest Services, Inc. ("Manager").

RECITALS

WHEREAS, the parties entered into the Agreement on March 22, 2022, by which Manager agreed to manage and operate the Giants Ridge Golf and Ski Resort on behalf of DIRRR pursuant to the terms and conditions contained in the Agreement; and

WHEREAS, during the 2023 Minnesota legislative session, pursuant to *2023 Laws of Minnesota Chapter 72, Article 1, Section 22*, the State received $12,229,000 in general obligation (GO) bond financing to acquire, upgrade, construct, and install a snowmaking infrastructure system, including associated equipment, that will replace aging water lines at Giants Ridge and aid in fire suppression; and

WHEREAS, the Minnesota Department of Management and Budget (MMB) is the State of Minnesota agency responsible for ensuring GO bond monies used for capital projects are in compliance with all federal and state laws and regulations to protect the tax-exempt status of all GO bonds issued by the State of Minnesota; and

WHEREAS, MMB requires all public entities receiving GO bond funds for facilities that are owned by the public entity but managed by a non-public entity to include certain provisions in any management agreement with the non-public entity to ensure compliance with the Order of the Commissioner of MMB as a condition to receipt of GO bond funds; and

WHEREAS, IRRR has statutory authority under Minnesota Statutes Section 298.22 to enter into this Agreement and operate and maintain the Giants Ridge Recreation Area; and

WHEREAS, the parties now desire to amend the Agreement so that it is compliant with the Commissioner's Order referred to above to ensure the DIRRR may receive and use the GO bond funds for the purposes prescribed in the session law.

NOW, THEREFORE, in consideration of the foregoing, the parties hereto agree to amend the Agreement as follows:

AMENDMENT #1

In this Agreement added terms will be underlined.

Docusign Envelope ID: 068AEC68-4EF5-4862-AA97-C9DC4CAEB40D

1. Paragraph 5.5 of **Financial Terms**, is deleted in its entirety and replaced with the following:

   5.5 An incentive compensation fee shall be payable annually for Manager's revenues in excess of the budgeted revenue if that revenue goal is achieved. This will result in Guest Services receiving an incentive of five percent (5%) of revenues in excess of budgeted revenues (for example, if budget revenue is $7,500,000 and actual revenue is $8,000,000, Manager shall receive an incentive compensation fee of $25,000).

2. Paragraph 12.1, **Option to Extend,** is amended as follows:

   12.1 **Option to Extend.** Within 60 days after the fourth anniversary of the Commencement Date, IRRR and Manager may agree through a written and duly executed amendment to extend this Agreement for an additional five-year term. This provision creates no obligation on the IRRR to renew this Agreement, and upon lapse of the Agreement the IRRR may assume responsibility for the Project or contract with a different managing entity. Under no circumstance may this Agreement be extended beyond March 21, 2032.

3. Paragraph 12.2, **Surrender of Agreement,** is amended as follows:

   12.2 **Surrender of Agreement**. In the event Manager should default under this Agreement and this Agreement is canceled and terminated, Manager agrees to surrender possession of the Premises peaceably and promptly to the IRRR in as good condition as prevailed at the time it was put in full possession thereof, loss by fire or other casualty covered by insurance, ordinary wear and tear, acts of Manager, obsolescence and acts of god excepted. This provision shall also apply, and IRRR shall have the right to terminate this Agreement, in the event the IRRR's underlying authority to own or operate the Premises is terminated by legislative or executive branch action.

4. A new section 12.19, **MMB Authority**, is added as follows:

   12.19 **MMB Authority.** Manager agrees to follow any directives from the Commissioner of MMB and take such actions or furnish such documents as the Commissioner determines to be necessary to ensure that the interest to be paid on GO bonds by the State of Minnesota is exempt from federal taxation. IRRR agrees to ensure any additional amendments to this Agreement will be in compliance with the Order of the Commissioner, and will seek the Commissioner's written consent should a proposed amendment address any matter in the Order of the Commissioner.

5. A new section 12.20, **Amendment, Modification, and Waiver,** is added as follows:

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12.20 **Amendment, Modification, and Waiver**. No amendment, modification, or waiver of any condition, provision, or term of this Agreement shall be valid or of any effect unless made in writing, signed by the party or parties to be bound or its duly authorized representative, and approved in writing by the Commissioner of Minnesota Management and Budget, and specifying with particularity the extent and nature of such amendment, modification, or waiver. Any waiver by any party of any default of another party shall not affect or impair any right arising from any subsequent default.

This Amendment #1 shall become effective on the date on which it is executed by the last party whose signature is required below and may be executed in any number of counterparts and by the parties hereto on separate counterparts, each of which counterparts when so executed and delivered shall be deemed to be an original, and all of which counterparts when taken together shall constitute but one and the same Amendment.

Except as amended herein, the terms and conditions of the original Agreement are reaffirmed and remain in full force and effect.

Docusign Envelope ID: 068AEC68-4EF5-4862-AA97-C9DC4CAEB40D

IN WITNESS WHEREOF, the parties hereby acknowledge their assent to this amendment and agree to be bound by its terms through the signatures entered below:

1. STATE AGENCY: Fiscal Unit (Agency signatory certifies that funds have been encumbered as required by MS 16A.15)

BY: Signed by: Bob Scuffy 518D7E7F3FD9463...
TITLE: ROBERT J. SCUFFY, JR., ACCOUNTING DIRECTOR
DATE: 8/20/2024

2. MANAGER: GUEST SERVICES MANAGEMENT, LLC, a Delaware limited liability company

BY: DocuSigned by: 945A7479CFA945E...
TITLE: CEO
DATE: 8/20/2024

3. DIRRR: STATE OF MINNESOTA ACTING BY AND THROUGH ITS DEPARTMENT OF IRON RANGE RESOURCES AND REHABILITATION

BY: Signed by: Ida Rukavina 8EA830ADD7BE451...
TITLE: IDA RUKAVINA, COMMISSIONER
DATE: 8/20/2024

Docusign Envelope ID: 582142CC-4A39-4E15-84A8-05F8D2D0B579

AMENDMENT #2 TO MANAGEMENT AGREEMENT

THIS AMENDMENT #2 TO THE MANAGEMENT AGREEMENT ("Agreement") is made by and between the State of Minnesota, acting by and through its Department of the Commissioner of Iron Range Resources and Rehabilitation (the "State" or "DIRRR"), and Guest Services Management, LLC, a limited-liability company duly organized and existing under the laws of the State of Delaware, and wholly-owned by Guest Services, Inc. ("Manager").

RECITALS

WHEREAS, the parties entered into the Agreement on March 22, 2022, by which Manager agreed to manage and operate the Giants Ridge Recreation Area ("GRRA"), on behalf of IRRRB pursuant to the terms and conditions contained in the Agreement; and,

WHEREAS**,** in 2024 construction began on the Giants Ridge Pool and Sauna Haus, which will be 9,700 square feet and will consist of a 2,100 square foot swimming pool; an indoor hot tub/ spa; two outdoor saunas; a great room/ lobby area; locker rooms; and mechanical electrical rooms; and

WHEREAS, the parties now desire to amend the Agreement for their mutual benefit to expand the managerial duties performed by the Manager to include management of the Giants Ridge Pool and Sauna Haus.

NOW, THEREFORE, in consideration of the foregoing, the parties hereto agree to amend the Agreement as follows:

AMENDMENT #2

In this Agreement added terms will be underlined.

1. Paragraph 3.15, **Management of the Giants Ridge Pool and Sauna Haus**, is added as follows:

   3.15 Managing the Giants Ridge Pool and Sauna Haus in a manner that keeps facilities competitive and comparable with destination facilities that include a swimming pool, sauna, hot tub, and locker rooms.

Docusign Envelope ID: 582142CC-4A39-4E15-84A8-05F8D2D0B579

This Amendment #2 shall become effective on the date on which it is executed by the last party whose signature is required below and may be executed in any number of counterparts and by the parties hereto on separate counterparts, each of which counterparts when so executed and delivered shall be deemed to be an original, and all of which counterparts when taken together shall constitute but one and the same Amendment.

Except as amended herein, the terms and conditions of the original Agreement are reaffirmed and remain in full force and effect.

Docusign Envelope ID: 582142CC-4A39-4E15-84A8-05F8D2D0B579

IN WITNESS WHEREOF, the parties hereby acknowledge their assent to this amendment and agree to be bound by its terms through the signatures entered below:

1. STATE AGENCY: Fiscal Unit (Agency signatory certifies that funds have been encumbered as required by MS 16A.15)

BY: Signed by: Bob Scuffy 518D7E7F3FD9463...

TITLE: ROBERT J. SCUFFY, JR., ACCOUNTING DIRECTOR

DATE: 11/1/2024

2. MANAGER: GUEST SERVICES MANAGEMENT, LLC, a Delaware limited liability company

BY: DocuSigned by: 945A7479CFA945E...

TITLE: CEO

DATE: 11/1/2024

3. IRRRB: STATE OF MINNESOTA ACTING BY AND THROUGH ITS OFFICE OF THE COMMISSIONER OF IRON RANGE RESOURCES AND REHABILITATION

BY: Signed by: Ida Rukavina 8EA830ADD7BE451...

TITLE: IDA RUKAVINA, COMMISSIONER

DATE: 11/1/2024

Docusign Envelope ID: DE272AD5-959D-87A4-832A-8F6FD0F2DD13

AMENDMENT #3 TO MANAGEMENT AGREEMENT

THIS AMENDMENT #3 TO THE MANAGEMENT AGREEMENT ("Agreement") is made by and between the State of Minnesota, acting by and through its Department of Iron Range Resources and Rehabilitation (the "State" or "DIRRR"), and Guest Services Management, LLC, a limited-liability company duly organized and existing under the laws of the State of Delaware, and wholly-owned by Guest Services, Inc. ("Manager").

RECITALS

WHEREAS, the parties entered into the Agreement on March 22, 2022, by which Manager agreed to manage and operate the Giants Ridge Golf and Ski Resort on behalf of DIRRR pursuant to the terms and conditions contained in the Agreement; and,

WHEREAS**,** the parties have previously amended this Agreement two times and now desire to further amend the Agreement for their mutual benefit by extending its term to a date that is in the best interest of Giants Ridge Golf and Ski Resort's operations; and

NOW, THEREFORE, in consideration of the foregoing, the parties hereto agree to amend the Agreement as follows:

AMENDMENT #3

1. Section 1.1.23 of the Agreement is deleted in its entirety and replaced with the following:

   1.1.23. Term. The term of this Agreement, commencing as of the date set forth above and ending on April 30, 2027, unless terminated earlier or extended for an additional agreed upon amount of time.

This Amendment #3 shall become effective on the date on which it is executed by the last party whose signature is required below and may be executed in any number of counterparts and by the parties hereto on separate counterparts, each of which counterparts when so executed and delivered shall be deemed to be an original, and all of which counterparts when taken together shall constitute but one and the same Amendment.

Except as amended herein, the terms and conditions of the original Agreement and all previous amendments are reaffirmed and remain in full force and effect.

Docusign Envelope ID: DE272AD5-959D-87A4-832A-8F6FD0F2DD13

IN WITNESS WHEREOF, the parties hereby acknowledge their assent to this Amendment #3 and agree to be bound by its terms through the signatures entered below:

1. STATE AGENCY: Fiscal Unit (Agency signatory certifies that funds have been encumbered as required by MS 16A.15)

BY: Signed by: Dave Kallio D6DD3E0AD9374DC...
TITLE: DAVE KALLIO., ACCOUNTING DIRECTOR
DATE: 8/14/2026

2. MANAGER: GUEST SERVICES MANAGEMENT, LLC, a Delaware limited liability company

BY: Nico J. Foris (Aug 5, 2026 14:01:05 EDT)
TITLE: NICO FORIS, CHIEF EXECUTIVE OFFICER
DATE: Aug 5, 2026

3. DIRRR: STATE OF MINNESOTA ACTING BY AND THROUGH ITS DEPARTMENT OF IRON RANGE RESOURCES AND REHABILITATION

BY: Signed by: Ida Rukavina 85A830ADD7BE454...
TITLE: IDA RUKAVINA, COMMISSIONER
DATE: 8/14/2026

Docusign Envelope ID: DE272AD5-959D-87A4-832A-8F6FD0F2DD13

Giants Ridge - IRRR - Management Agreement Amendment #3_jcr initials

Final Audit Report 2026-08-05

Created:	2026-08-05
By:	Jeff Ritter (jeff.ritter@guestservices.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAAT1EqiFAo9bJvyJTnqdCW3krsX6Tm5mm2

"Giants Ridge - IRRR - Management Agreement Amendment #3 _jcr initials" History

Document created by Jeff Ritter (jeff.ritter@guestservices.com)
2026-08-05 - 5:29:40 PM GMT

Document emailed to nico.foris@guestservices.com for signature
2026-08-05 - 5:30:05 PM GMT

Email viewed by nico.foris@guestservices.com
2026-08-05 - 6:00:20 PM GMT

Signer nico.foris@guestservices.com entered name at signing as Nico J. Foris
2026-08-05 - 6:01:03 PM GMT

Document e-signed by Nico J. Foris (nico.foris@guestservices.com)
Signature Date: 2026-08-05 - 6:01:05 PM GMT - Time Source: server - Signature Appearance Selected: DRAW

Agreement completed.
2026-08-05 - 6:01:05 PM GMT

Adobe Acrobat Sign

2026/2027 Giants Ridge Events Calendar

November Events

- November 28th Ridge Reels Movie Premier/contest

DECEMBER EVENTS

- December 11th Rock Ridge Invite
- December 11-13th FIS Alpine Race
- December 25th Santa Skis Free
- December 31st New Years Eve Celebration

JANUARY EVENTS

- January Safety Month – Month Long
- January 7th Hibbing Invite Alpine
- January 9th Mesabi East Nordic Invite
- January 16th MLK Alpine Invite
- January 23-24th Midwest Collegiate Alpine Race
- January 31st Northland Junior Race Series - Alpine

FEBRUARY EVENTS

- February 2nd Section 7 alpine
- February 3rd Section 7 Nordic
- February 6 – 7th Us Ski and Snowboard Scored/Non-Scored
- February 9th MSHSL State Alpine
- February 10th-11th MSHSL State Nordic
- Feb 26th –Feb 28th Alpine Ski Challenge/Midwest Masters
- February 27th 41st Annual Pepsi Challenge Nordic Race

Schedule subject to change

MARCH EVENTS

- March 14th – 17th Western Region High School National Championships – Alpine
- March 28th Easter Buffet – Modified indoor operations

APRIL EVENTS

- April 3th Slush Cup/Spring Carnival
- April 9th – 10th MESC Snowmobile Event

June EVENTS

- June tbd Gear up For Summer

July EVENTS

- July tbd Giant Luau

August EVENTS

- August 21st The GRIND

September EVENTS

- September 25th Honktoberfest
- September TBD King of the North Disc Golf Tournament

October EVENTS

- October 1st-3rd Minnesota Cycling Assn HS MTB Race – Tentative
- October 22nd &23rd Warm up to Winter/Ski Swap

Schedule subject to change

Questions: 45, 74
FY27 Repairs and Maintenance Budget

FY27 Repairs and Maintenance Budget	
R&M Equipment	92,300.00
R&M Groomers	98,927.00
R&M Snowmobiles	7,500.00
R&M Tuckers	8,000.00
R&B Charilifts	290,000.00
R&M ATVs & UTVs	24,827.00
R&M Road Vehicles	19,600.00
R&M Excavating/Lifting Equip	16,721.00
R&M Snowguns	25,000.00
R&M Mowers	33,500.00
R&M Pump Station	76,000.00
R&M Snow Removal	5,000.00
R&M Terrain Park Features	6,000.00
R&M MTB Trails	8,000.00
R&M Rental Equipment	89,700.00
R&M Radios	6,971.00
R&M Irrigation	14,500.00
R&M Drainage	-
R&M Office Equipment	-
R&M Building	525,500.00
R&M Heating	109,000.00
R&M Roofing	-
R&M Electrical	38,400.00
R&M Cooling	-
R&M Infrastructure	70,000.00
R&M Parking Lot/Roads	-
R&M Lighting	221,000.00
R&M Golf Cars	6,250.00
R&M Sprayers/Spreaders	4,500.00
R&M Tractors	1,600.00
R&M Aeration Equipment	36,000.00
R&M Utility Vehicles	157,000.00
R&M Course Care/Implements	92,500.00
R&M Signage	8,000.00
R&M Beverage Cars	-
Sod	600.00
Seed & Mulch	10,500.00
Sand & Gravel	90,500.00
Landscapting	18,500.00
Gas, Diesel, Oil, Lubricants	220,500.00
Small Tools & Equipment	65,469.00
Fertilizers	95,500.00
Chemicals-Herbicide	1,000.00
Chemicals-Insecticides	8,600.00
Chemicals-Fungicides	150,000.00
Chemicals-Other	124,150.00
R&M Pool	12,000.00
R&M Spa	6,000.00
R&M Sauna	1,000.00
Total R&M	**2,896,615.00**

GOLF COURSE SUBCONTRACT

This Subcontract is made this 9th Day of May, 2022 between Guest Services Management, LLC ("GSM"), a Delaware limited liability company, and Indigo Sports, LLC ("Indigo"), a Virginia limited liability company, based on the following:

WHEREAS, the Giants Ridge Resort in Biwabik, Minnesota ("Giants Ridge") is a recreational area open to the public and owned by the Department of Iron Range Resources & Rehabilitation ("IRRR"); and

WHEREAS, Giants Ridge contains numerous recreational amenities, including two 18-hole golf courses (known as the "Legend" course and the "Quarry" course); and

WHEREAS, the IRRR has entered into a management contract with GSM ("Management Contract") which provides for GSM to manage Giants Ridge on behalf of the IRRR; and

WHEREAS, Indigo has formed a wholly-owned single-purpose subsidiary entity registered to do business in the state of Minnesota, Giants Ridge Golf Management, LLC, ("GRGM") for the purpose of performing some or all of the services outlined herein. Indigo acknowledges and agrees that the formation and performance of GRGM shall not relieve Indigo from any of their respective duties, obligations, and responsibilities set forth herein; and

WHEREAS, because of Indigo's experience and knowledge in operating golf courses, GSM wishes to subcontract the operation and maintenance of the two golf courses and their ancillary facilities at Giants Ridge to Indigo; and

WHEREAS, Indigo Sports, LLC is a wholly owned subsidiary of Troon Golf, LLC ("Troon") and GSM acknowledges that some of Indigo Activities referenced herein may be performed by another entity controlled by, controlling or under common control with Troon (collectively, "Troon Affiliate"), as applicable; and

Now, THEREFORE, Indigo and GSM agree as follows:

1. **Subordination**. The Subcontract is subordinate to the Management Contract, and any other IRRR and State of Minnesota laws, rules, and regulations.

2. **Indigo Activities**. Commencing May 1, 2022, Indigo shall operate and maintain the Quarry and Legends golf courses at Giants Ridge, the golf pro shop, and all ancillary facilities in a manner similar to other first-class golf courses in the United States. During the term of this Subcontract Indigo shall be responsible for all grounds care, maintenance and replacement of equipment, all facility maintenance, collection of fees and other revenue associated with the golf courses and the hiring, employment, and firing of senior salaried personnel employed at the golf courses and associated facilities. Other personnel shall be provided by GSM. A more detailed list of Indigo's obligations under this Subcontract appears in Exhibit A of this Subcontract. All Indigo's activities pursuant to this Subcontract are collectively referred to as "Indigo Activities."

3. **Employees**. If applicable, Indigo agrees to comply with the Affirmative Action requirements of Minn. Stat. 63.6 A .36 and Minn. R. 5000. 3400-5000. 3600, and if covered, provide certification of its compliance as required by law.

4. **Budget**. Indigo shall provide timely assistance to GSM in preparing the golf activities portion of the Giants Ridge annual budget ("Budget"). Indigo's efforts in preparing that portion of the Budget shall enable GSM to meet the IRRR's timeline for submission of a complete Budget. Indigo Activities shall adhere to the Budget as approved by the IRRR.

5. **Prices**. Indigo shall only charge prices at Giants Ridge for which it has received prior written approval by GSM. Any Indigo request for price changes shall be accompanied by relevant information supporting the request. GSM shall respond to such properly supported request within 30 days.

6. **Purchasing**. Indigo shall, to the extent practicable, provide opportunities to do business with small business, and businesses owned by women, minorities, people with physical disabilities and veterans. Indigo shall also comply with the Minnesota state regulations for purchasing equipment, supplies, and services to be utilized in connection with Indigo Activities as set forth in more detail in section 3.13 of the Management Contract.

7. **Accounting Records**. All revenue collected by Indigo from golf course and pro shop related activities shall be deposited daily by Indigo into accounts designated by GSM and the IRRR. Indigo shall maintain records of revenue and expenses related to Indigo Activities for a period of 72 months after such transactions occurred. All such records shall be maintained in accordance with generally accepted accounting principles. GSM, the IRRR, and their agents shall have the right to audit the books and records of Indigo related to Indigo Activities during the term of this Subcontract and for six years thereafter.

8. **Account Statements**. By the 15th of each month, Indigo shall provide GSM with a summary of Indigo's revenue and expenses (including detail such as invoices for all expenditures) in conducting Indigo Activities during the prior calendar month. Such statement shall, among other details, indicate in separate line items Indigo's revenue at Giants Ridge from greens fees, golf cart rental, and retail items sold during the prior month, less taxes and refunds. For all Indigo employees at Giants Ridge, Indigo shall provide detail to GSM for each such Indigo employee as to hours worked, rate of pay, and such other detail as GSM shall reasonably require. Indigo acknowledges that GSM and/or the IRRR may reasonably request additional accounting reports from time to time and Indigo will comply with such requests.

   The parties recognize that certain events may generate revenue for both GSM and Indigo. For example, a third-party business booking a golf event with catered food service will generate both golf revenue which will be accounted for by Indigo, and catering revenue which will be accounted for by GSM. The parties agree to work together to equitably divide such revenue in their respective accounting for such activities.

9. **Marketing**. Indigo shall use its best efforts to actively market and promote sales for golfing and ancillary activities at Giants Ridge. Such efforts shall include, but not be limited to, advertising, public relations, social media, and internet publicity for Giants Ridge.

10. **Management Fee**. Within 40 days of the end of each month, GSM shall pay Indigo a management fee as full compensation for conducting Indigo Activities. The management fee shall be equal to five percent (5%) of the gross revenue from greens fees, golf cart rental, and retail sales (less taxes and refunds) at Giants Ridge during the preceding month.

11. **Incentive Fee**. For all years in which GSM is paid an incentive fee by the IRRR, Indigo shall be paid a pro rata share of such incentive fee based on the net savings compared to the projected operational subsidy for the golf-related portion of the Budget. Such payment shall be made within 30 days of GSM's receipt of the incentive fee from the IRRR.

12. **Expiration**. This Subcontract shall expire on March 20, 2027, one day before the expiration of the initial five-year term of the Management Contract.

13. **Default**. In the event either GSM or Indigo defaults in its obligations hereunder, the non-defaulting party may give written notice specifying the default to the defaulting party. If such default is not remedied within 20 days of receipt of such default notice, the non-defaulting party may declare this Subcontract terminated by giving written notice to the defaulting party at least five days prior to the effective termination date.

14. **Termination for Convenience**. Notwithstanding any provision of this Agreement to the contrary, beginning on May 1, 2025 and ending May 31, 2025 either party shall have the right to terminate this Agreement, without cause, in accordance with the provisions of this Section. The terminating party shall exercise this right by providing written notice thereof to the other party during the time period described above, which notice shall specify a termination date of not less than ninety (90) days after the date notice is given. If a party provides such notice, then this Agreement shall, subject to the remaining terms and provision of this Agreement, automatically terminate at midnight on the specified date of termination. As a condition to such termination by GSM, GSM shall pay to Indigo all Management Fees, Incentive Fees, and other amounts due Indigo under this Agreement for the period of time prior to the termination date. In no event, however, shall either party be required to pay any penalty or termination fee upon any termination under this Section.

15. **Indemnification**. Each party hereby agrees to indemnify and save harmless the other party (and its employees, officers, directors, members, managers, or agents) from and against any liability to third parties for damages, costs and expenses, including reasonable attorneys' fees, for the administration of such party's duties under this Subcontract, or from injury to any person or property in and about, or in connection with the golf courses and ancillary facilities from any cause whatsoever, if such loss or injury shall be caused by the negligence or willful misconduct of such party, its employees, officers, directors, members, managers, or agents.

16. **Insurance**. Indigo shall obtain insurance covering Indigo Activities. Such insurance shall remain in force throughout the term of this Subcontract. Indigo's insurance coverage shall meet the requirements set forth in Exhibit B to this Subcontract.

17. **Assignment**. Except with respect to an assignment by Indigo to a Troon Affiliate, it shall not assign its rights and interests under this Agreement without the prior written consent of GSM, which consent may not be unreasonably withheld.

18. **Waiver**. No waiver of a breach of any of the covenants contained in this Subcontract shall be construed to be a waiver of any succeeding breach of the same or any other covenant.

19. **Excusable Delay**. In the event that GSM or Indigo shall be delayed, hindered in or prevented from the performance of any act required under this Subcontract by reason of

strikes, lock outs, labor troubles, inability to procure materials, failure of power, restrictive governmental laws or regulations, riots, insurrection, war, act of God, pandemic disease, or any other reason beyond that party's control, then performance of such act shall be excused for the period of the delay, and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay.

20. **Attorney's Fees**. In the event any party initiates action to enforce its rights hereunder, the prevailing party shall recover from the non-prevailing party or parties its reasonable expenses, court costs and reasonable attorneys' and paralegals' fees, whether suit be brought or not. As used herein, expenses, court costs and attorneys' and paralegals' fees include expenses, court costs and attorneys' fees incurred at trial and in any and all appellate, bankruptcy and probate proceeding. All such expenses shall bear interest at the highest rate allowable under the laws of the State of Minnesota, or 1.5% a month, whichever is less, from the date the prevailing party pays such expenses until the date the non-prevailing party repays such expenses. Expenses incurred in enforcing this paragraph shall be covered by this paragraph.

21. **Notices**. All notices and other communications required by this Subcontract shall be in writing and shall be deemed duly given or made: (i) three (3) days after being deposited, postage prepaid, in the U.S. mail, certified or registered mail with a return receipt requested, addressed to the party at the address shown below; (ii) when delivered personally to the party at the address specified below; (iii) when delivered by a reliable overnight courier service, fee prepaid, with receipt of confirmation requested, addressed to the party as specified below; or (iv) when delivered by facsimile or email transmission with confirmed receipt of transmission. Notices to the respective parties shall be sent to addresses set forth below or at such other addresses as the respective parties may have specified theretofore by notice delivered in accordance with this paragraph:

If to Indigo:
Indigo Sports, LLC
Attn: Jeff Hansen, Secretary
15044 N. Scottsdale Road, Suite 300
Scottsdale, AZ 85254
Telephone: (703) 506-2050
Facsimile: (703) 506-2051

If to GSM:
Guest Services Management, LLC
Attn: Laura Sherman, VP
3055 Prosperity Avenue
Fairfax, VA 22031-2216
Phone: (703) 849-9300
Email: Laura.Sherman@GuestServices.com

With Copies to:
Guest Services, Inc
Attn: Nico Foris, CEO
3055 Prosperity Avenue
Fairfax, VA 22031-2216
Phone: (703) 849-9300
Email: Nico.Foris@GuestServices.com

Guest Services, Inc.

Attn: General Counsel
3055 Prosperity Avenue
Fairfax, VA 22031-2216
Phone: (703) 849-9363
Email: Compliance@GuestServices.com

22. **Governing Law**: Jurisdiction and Venue. THIS SUBCONTRACT SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF MINNESOTA. THE PARTIES HEREBY WAIVE ANY RIGHT THEY MAY HAVE UNDER ANY APPLICABLE LAW TO A TRIAL BY JURY WITH RESPECT TO ANY SUIT OR LEGAL ACTION WHICH MAY BE COMMENCED BY OR AGAINST THE OTHER CONCERNING THE INTERPRETATION, CONSTRUCTION, VALIDITY, ENFORCEMENT OR PERFORMANCE OF THIS SUBCONTRACT OR ANY OTHER AGREEMENT OR INSTRUMENT EXECUTED IN CONNECTION WITH THIS SUBCONTRACT. IN THE EVENT ANY SUCH SUIT OR LEGAL ACTION IS COMMENCED BY EITHER PARTY, THE OTHER PARTY HEREBY AGREES, CONSENTS AND SUBMITS TO THE PERSONAL JURISDICTION OF THE STATE OR FEDERAL COURTS IN AND FOR OR HAVING JURISDICTION OVER ST. LOUIS COUNTY MINNESOTA ("COURTS"), WITH RESPECT TO SUCH SUIT OR LEGAL ACTION, AND EACH PARTY ALSO HEREBY CONSENTS AND SUBMITS TO AND AGREES THAT VENUE IN ANY SUCH SUIT OR LEGAL ACTION IS PROPER IN SAID COURTS, AND EACH PARTY HEREBY WAIVES ANY AND ALL PERSONAL RIGHTS UNDER APPLICABLE LAW OR IN EQUITY TO OBJECT TO THE JURISDICTION AND VENUE OF THE COURTS. SUCH JURISDICTION AND VENUE SHALL BE EXCLUSIVE OF ANY OTHER JURISDICTION AND VENUE.

23. **Entire Agreement**. This Subcontract constitutes the complete and final expression and agreement between the parties relating to the terms of the Subcontract, and supersedes all previous contracts, agreements, and understandings of the parties, either oral or written. This Subcontract cannot be modified, or any of the terms of this Subcontract waived, except by an instrument in writing (referring specifically to this Subcontract) executed by the party against whom enforcement of the modification or waiver is sought.

24. **Severability**. If any one or more of the provisions of this Subcontract, or the applicability of any such provision to a specific situation, shall be held invalid or unenforceable, such provision shall be modified to the minimum extent necessary to make it or its application valid and enforceable, and the validity and enforceability of all other provisions of this Subcontract and all other applications of any such provision shall not be affected thereby.

25. **Compliance with Laws**. In performing its duties pursuant to this Subcontract, Submanager shall comply with all laws, statutes, ordinances, and rules of all appropriate governmental authorities.

26. **Counterparts**. This Subcontract may be executed in two or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument. This Subcontract will become effective when each party to this Subcontract has received counterparts hereof executed by the other party to this Subcontract. Copies (whether facsimile, photostatic, pdf or otherwise) of signatures to this Subcontract shall be deemed to be originals and may be relied on to the same extent as originals.

27. **Noncompete; non-hiring**. GSM and Indigo agree that during the term of this Subcontract, and for 12 months thereafter, neither shall: a) bid, or participate in a bid for any IRRR-owned facility which has golf facilities, for which the other party is not bidding or participating, without such other party's prior written consent; or b) hire or make an offer of employment to any employee or officer of the other party without such other party's prior written consent.

IN WITNESS WHEREOF, the parties have executed this Subcontract the day and date first above written.

Indigo Sports, LLC

By: _____

Jeff Hansen
Printed Name

Secretary
Title

Guest Services Management, LLC

By: _____ JR

Nico J. Foris
Printed Name

CEO
Title

EXHIBIT A
Indigo Activities

1. Deploy a system for making tee time reservations for both golf courses by telephone, internet, and other means generally used to make such reservations.

2. Employ well-trained, friendly staff to welcome and assist golfers and visitors to the golf courses and pro shop. Indigo employees shall adhere to all hospitality standards set by GSM, and Indigo shall remove any of its employees who fail to follow such standards.

3. Designate an employee to report regarding all golf-related activities to GSM's designated Giants Ridge general manager.

4. Stock and display at the pro shop items similar to pro shops at first-class golf courses in the United States.

5. Deploy systems to maximize the number of golf rounds which can be played at the two courses, while maintaining the ambiance of first-class golf courses in the United States.

6. Provide sufficient quantity and quality of push carts, rental golf clubs, and other rental items and services as are offered at first-class golf courses in the United States. Indigo shall not be obligated to provide powered golf carts; powered golf carts will be provided by IRRR or GSM.

7. Provide appropriate Indigo employee(s) at appropriate Giants Ridge-related marketing and public relations events, as requested by GSM. As an example, GSM may request that Indigo send the head golf pro at Giants Ridge to the Minnesota State Golf show.

8. Assist GSM in developing services to offer the public to generate additional revenue, such as special events featuring the golf amenities at Giants Ridge.

9. Maintain the two golf courses in their historical condition and similar to other first-class golf courses in the United States. This shall include, but not be limited to, application of all fertilizers, herbicides, and pesticides as necessary, in an environmentally responsible manner; cutting and trimming all vegetation; removal of weeds and invasive plants; cleaning bunkers and other obstacles; keeping cart paths, signage, sprinkler heads, and after course amenities in good condition; and maintaining all golf course related structures and facilities in a sound, and clean condition.

10. Collect all revenue from the above-listed activities and any ancillary activities, at prices approved by GSM and the IRRR.

11. Indigo shall make available Troon's centralized purchasing programs and/or other group buying techniques in connection with the purchase of operating supplies, operating equipment, inventories and services the Giants Ridge golf courses. Troon may receive and retain a fee or other compensation from vendors and service providers, in exchange for Troon's services in making the benefit of volume purchases available to Giants Ridge or negotiating and implementing the arrangements with such vendors or providers. Any fee or

other compensation that Troon may receive from vendors is not tied to the annual volume of purchases at Giants Ridge and any discount/rebate tied to purchases at Giants Ridge shall be directly stated on the invoice and as a credit to Giants Ridge (which will then be passed on to the IRRR in accordance with Giants Ridges' accounting practices). Notwithstanding the foregoing, in accordance with its approval of the annual Budget, GSM shall notify Indigo in writing whether it elects to opt out of Troon's purchasing procurement services and/or other group buying techniques and, if GSM elects not to participate, whether in whole or in part, GSM shall be solely responsible for directing Indigo to which vendors and service providers shall be used for the purchase of all operating supplies, operating equipment, inventories and services used at Giants Ridge. Indigo shall provide original invoices for such equipment and material at the request of GSM or the IRRR.

12. Comply with all reasonable rules which the IRRR and GSM may promulgate from time to time for the safe, efficient, and enjoyable use of the golf courses and related facilities.

EXHIBIT B

Insurance Policy Requirements

1. Workers' Compensation Insurance
   - A. Statutory Compensation Coverage
   - B. Coverage B - Employers Liability with limits of not less than:
     $100,000 Bodily Injury by Disease per Employee
     $500,000 Bodily Injury by Disease Aggregate
     $100,000 Bodily Injury by Accident

2. Automobile Liability Insurance
   - A. Minimum Limits of Liability:
     $500,000 - Per Occurrence - Bodily Injury and Property Damage Combined Single Limit
   - B. Coverage
     X Owned Automobile
     X Non-owned Automobile
     X Hired Automobile

3. General Liability Insurance
   - A. Minimum Limits of Liability
     $500,000 - Per Occurrence
     $500,000 - Annual Aggregate
     $500,000 - Annual Aggregate applying to Products/Completed Operations
   - B. Coverage:
     X Premises and Operations Bodily Injury and Property Damage
     X Personal & Advertising Injury
     X Blanket Contractual
     X Products and Completed Operations
     X Other; Contractor's Pollution Legal Liability for application of any fertilizers, pesticides and/or herbicides
     X IRRR and GSM named as Additional Insureds

4. Professional Liability/Miscellaneous Liability Insurance
   Coverage for negligent acts, errors or omissions arising out of the performance of professional services included in the contract.
   - A. Minimum Limits of Liability
     $500,000 - Per claim or event
     $500,000 - Annual Aggregate
   - B. Any deductible will be the sole responsibility of Indigo and may not exceed $50,000 without the approval of GSM.
   - C. The retroactive or prior acts date of such coverage shall not be after the effective date of this contract.

5. Comprehensive Crime Insurance (including third-party coverage), including computer fraud, for any Indigo employees or contractors involved in the operation and/or management of the golf course or having access to or responsibility for handing of funds or accounts of GSM and Indigo (and including a Third-Party Crime Endorsement in favor of GSM and Indigo) in amounts satisfactory to Indigo, but not less than:
   (i) Employee Theft - $1,000,000;
   (ii) Computer Fraud - $1,000,000;
   (iii) Funds Transfer Fraud - $1,000,000;
   (iv) Money & Securities (Inside the premises) - $50,000;
   (v) Money & Securities (Outside the premises) - $50,000;
   (vi) Theft of Client Property - $100,000;
   (vii) Credit Card Fraud - $1,000,000

   The comprehensive crime deductible shall not exceed Twenty-Five Thousand Dollars ($25,000), and any applicable deductible shall be the responsibility of Indigo and shall not be reimbursable by GSM. The limits provided in the commercial crime policy shall not limit Indigo's responsibility or liability under this Subcontract or otherwise.

6. Employment Practices Liability Insurance covering Indigo employees, in an amount not less than One Million Dollars ($1,000,000) with a deductible no greater than Fifty Thousand Dollars ($50,000). Such insurance shall be endorsed to include third-party discrimination coverage.

7. All Risk Property Insurance covering powered golf carts, push carts, rental golf clubs, other rental items and any other property owned and/or leased by Indigo brought onto the premises for use in the operation of IRRR' s golf courses.

Additional Insurance Conditions

- Indigo's policy(ies) shall be primary insurance to any other valid and collectible insurance available to GSM with respect to any claim arising out of Indigo's performance under this Subcontract.
- Indigo's policy(ies) will provide GSM with thirty (30) days advance written notice of cancellation.
- Indigo is responsible for payment of contract related insurance premiums and deductibles.
- If Indigo is self-insured, a Certification of Self-Insurance must be attached.
- Indigo's policy(ies) shall include legal defense fees in addition to the liability policy limits.
- Indigo shall obtain insurance policy(ies) from insurance company(ies) having an "AM Best" rating of A-(minus), Financial Size Category of VII or better, and authorized to do business in the State of Minnesota.
- An Umbrella or Excess liability insurance policy may be used to supplement the Manager's policy limits to satisfy the full policy limits required by this Subcontract.

Question: 72
Green Fee Revenue Per Round

Green Fee Revenue Per Round					
	FY25	**FY24**	**FY23**	**FY22**	**FY21**
Legend	$ 95.10	$ 85.58	$ 85.01	$ 80.69	$ 72.18
Quarry	$ 90.29	$ 90.97	$ 85.27	$ 79.53	$ 70.20