



BRAINTREE DEPARTMENT OF PUBLIC WORKS

Golf Course Division

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FY21 Budget Questions:

- 1. Why the large increase in salaries for the Department Head (6.52%) and Administrative Clerk (12.19%)?**
The Assistant Dept. Head is getting a step increase and cost of living adjustment (COLA)
The Administrative Clerk position was reclassified and is getting a Step increase and COLA
- 2. Why is Advertising only \$1,500.00 when we have consistently run over \$2,000 for past two years?**
In prior years the Golf Course has experimented with different types of marketing campaigns at various costs. All of our advertising will now be through Facebook and we feel that \$1,500 is enough for this budget year.
- 3. What are Other Charges and?**
This Account covers expenditures that don't necessarily fit into other accounts and/or other small unforeseen expenses, including for example payment of veterinary bills and food for the course dog and goats.
- 4. What is the large insurance increase for?**
The Town receives a quote for Town-wide Insurance needs and the golf course is assigned a percentage portion determined by the Finance Director. The Town has negotiated a reduction in the rate increase for FY21 from what was originally anticipated so the actual expenditures from this account are likely to decrease when the new rates take effect.
- 5. What caused the \$26,360.31 costs in building repairs? The budget for this line has consistently exceeded the budgeted for three years – why is it still at \$15,000**
In each of the last 3 years, the Golf Course heating/AC systems failed and needed to be replaced. The 3 systems were each over 25 years old and the one original unit left should remain in operation for a few more years. With the exception of the new addition to the Golf Course, all of our buildings are 30+ years old so this line covers basic maintenance and small improvements on the property.
- 6. The water has been over \$4,000 for the past 2 years – why did we only increase it to \$4,000?**
The Golf Course used to use Town water for some equipment needs and is now utilizing the irrigation system water, which should result in a decrease of Town water use. The Golf Course also had some minor water system leaks that have been repaired. Additionally, the Golf Course just finished its first full season operation of the Food & Beverage Department and we may see a small increase in water use because of a newly added dishwasher and ice machine.
- 7. Mower repair have had an average of \$29,000 for the past three years – why is the budget on at \$22,000?**

Over the last few years this line has been used to refurbish some of the older pieces of equipment, which should result in less spending on repairs over the next year. As we finish up our bond payments on past equipment purchases we hope to replace our oldest pieces as funding permits.

8. What are improvements (page110)

This account is for small improvements and projects for the golf course such as irrigation upgrades, sod work, new sand bunkers and upgrading other course features.

9. Why the increase in the working foreman of 5.4%?

Step increase and Cost of Living increase for our Golf Course Foreman position.

10. Why 8.43% increase in golf pro pay?

Step increase and Cost of Living increase for our Golf Professional.

11. What is the stipend for (page111)

The stipend was a one-time payment given to the Golf Pro because the Beer & Wine License for the golf course was put in his name due to his prior experience before coming to Braintree.

12. Provide salary breakdown of professional staff – there is none in the salary section. Is it one person and so why 11.32% increase?

This account pays for all the part-time seasonal staff for the Pro Shop, including Starters, Rangers, and Pro Shop Clerks. They are all hourly employees that consist of retirees and college students. All are minimum wage except the Pro Shop Clerks. This covers the minimum wage increase and extra Staffing for Covid-19 management.

13. Provide some detail of the breakdown of cost for the cart operations. Do we subcontract this out, is it salary or material costs?

The golf course has a 5-year lease for 64 golf carts. The annual lease payment is \$53,500 along with a service contract for \$5,700. We also utilize these accounts for replacement parts and minor repairs outside of the service agreement. The additional \$5,000 increase is to bring in extra rental carts when we have outside tournaments with more than 114 golfers. We have seen a big increase in the number of large tournaments we host because of our new clubhouse addition and the new Food & Beverage Department. The revenue brought in from these events is greater than the cost associated with the rental of additional carts.

14. Why the 5.4% increase for food beverage manager.

Step increase and Cost of Living increase for our Food & Beverage Manager.

15. How many part time staff and why the increase by 25%. Is this for more part time staff – additional hours or combination of both? Please provide a breakdown.

The Food & Beverage Department only has one full-time employee which is the Food & Beverage Manager. We have approximately 12 part-time seasonal employees making minimum wage or slightly above which this line account is for. They consist mostly of retirees and college students. Last year was the first budget year for this program with a “guesstimate” budget number and it was under budgeted. We also added extra funding because of the minimum wage increase and expected increase in private catering events and tournaments.

16. Is the food supply increase due to expected increase in sales?

Yes, the golf course has become a very popular location for residents to host private catering events. Last season we hosted about 20 events, including our large tournaments. We have hosted full tournament lunches and dinners for 150+ people as well as small family gatherings, baby showers, memorial lunches, and graduation parties.

17. Provide a breakdown of operation expenses.

This Food & Beverage account covers our commercial dishwasher lease, purchasing of small kitchen accessories, and decorations for events. We also pay our Liquor Liability Insurance policy (\$5,000) out of this account.

Additional Questions

1. Is the clothing allowance part of an agreement in the latest contract negotiations?

Yes

2. Can you explain the dramatic increase in administrative expenses since 2020 and the dramatic decrease in groundskeeping expenses for 2021?

The Administration Program (63001) increase is due in large to non-discretionary items, including contractual increases, insurance increases, health insurance/pension costs and credit card fees.

The line for "Labor/Custodians" within the Turf Maintenance Program (63004) was reduced as a result of the decision to not fill 2 full time positions and instead utilize seasonal staff. This is consistent with the trends in the industry for Golf Course Operations.

3. Are any tee times, cart rentals meals, or other benefits ever provided without charge?

The Golf Course donates two free 120+ golfer tournaments each year—one for the Braintree High Athletic Association and the second to the Braintree Special Needs program fundraiser. We also do not charge any greens fees to Braintree High School Golf Team members for practice or the School matches that play at the course.

4. Is revenue for 2019 and 2020 available?

See attached for a summary of golf cart and greens fee revenue for FY15-FY20 (to date).

5. Is there any historical information on total use by year by rate for tee times, cart use, simulator use, dining, etc. for residents/non-residents?

The Golf Course has Resident/Non-Resident Data for most of the Greens Fee revenue and Membership Revenue. We do not have different Resident Rates for Golf Carts, Simulators and Food & Dining.

6. What are the "Captains" referred to on the golf course web site under course rates?

The "Captain" is an online Tee Time Booking System term. It refers to the golfer who actually books the tee time online and is financially responsible for payment of the fees.

7. Should more money be budgeted for cleaning, given new expectations and potential requirements?

Staff at the Golf Course has been working diligently to ensure that the club house and golf course property is properly cleaned and sanitized to ensure a safe environment for visitors when we are able to reopen. The funds budgeted for cleaning should allow us to maintain this high level of cleanliness/safety in FY21.

8. Are we able to hedge/buy gasoline now and store it to get the extremely favorable price?

Gas is purchased through the Norfolk County Consortium. Typically, the Town locks in a rate and notifies the consortium of estimated purchase quantities. If the Town exceeds the estimated amount, we pay the market rate for the duration of the time frame. We are not currently locked into a rate, but are in the process of gathering the necessary information to provide the consortium for gas purchases.

Explanations

Program	Account Title	FY2020 Appropriation	FY2021 Request	Difference
63-63001	ADMINISTRATION			
5121	Part-Time Labor	80000	85000	5000
5175	Group Life & Med Insurance	\$101,500.00	\$115,710.00	\$14,210.00
5177	Pension Fund	\$123,354.00	\$146,784.00	\$23,430.00
5280	Credit Card Fees	\$18,000.00	\$26,000.00	\$8,000.00
5306	Advertising	\$800.00	\$1,500.00	\$700.00
5730	Dues/Member/Subscription	\$1,500.00	\$1,800.00	\$300.00
5747	Insurance	\$28,000.00	\$42,602.00	\$14,602.00
5961	Trans General Fund	\$94,809.00	\$100,126.00	\$5,317.00

Minimum Wage Increase
 Fixed Costs
 Food & Beverage added revenue
 Increase in Facebook Marketing Campaign
 Golf Industry Memberships needed for Employee and Facility certifications
 Apportioned by the Town
 Based on Formula from Finance Department

Program	Account Title	FY2020 Appropriation	FY2021 Request	Difference
63-63002	BUILDING MAINTENANCE			
5230	Water/Sewer	\$3,000.00	\$4,000.00	\$1,000.00

Increase in use due to Food & Beverage Dept.

Program	Account Title	FY2020 Appropriation	FY2021 Request	Difference
63-63004	TURF MAINTENANCE			
5104	Labor/Cusodians/Mechanics	\$265,474.96	\$167,639.00	-\$97,835.96
5467	Eyeglasses Allowance	\$975.00	\$1,175.00	\$200.00
5495	Safety Shoes	\$1,250.00	\$1,375.00	\$125.00
5497	Work Clothes	\$1,500.00	\$1,750.00	\$250.00

(2) AFCME W-3 & W-5 vacancies not filled w/ additional savings on Benefits
 AFCME Contract Obligations

Program	Account Title	FY2020 Appropriation	FY2021 Request	Difference
63-63005	GOLF PRO			
5111	Golf Pro	\$83,197.32	\$90,213.00	\$7,015.68
5187	Professional Staff Expense	\$103,300.00	\$115,000.00	\$11,700.00

Step Increases and Cost of Living Increases
 Minimum Wage Increases

Program	Account Title	FY2020 Appropriation	FY2021 Request	Difference
63-63006	GOLF CART OPERATIONS			

5914	Golf Cart Leases	\$55,000.00	\$60,000.00	\$5,000.00
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Increase to lease additional carts for increase in the number of large Tournament bookings

Program	Account Title	FY2020 Appropriation	FY2021 Request	Difference
63-63007	FOOD and BEVERAGE			
5120	Part-time Staff	\$60,000.00	\$75,000.00	\$15,000.00
5264	Food Supplies	\$25,000.00	\$50,000.00	\$25,000.00
5700	Operation Expenses	\$6,000.00	\$15,000.00	\$9,000.00

Large increase in bookings of Private Functions & Tournaments

\$5,000 is for Liquor Liability policy and Decorations for Private events

Golf Cart & Greens Fee Revenue Combined

Cart & Greens Fee	FY15	FY16	FY17	FY18	FY19	FY20	Difference
July	\$199,971.44	\$234,275.42	\$231,628.50	\$216,478.00	\$214,196.00	\$207,435.70	-\$6,760.30
August	\$223,529.70	\$225,905.68	\$221,732.73	\$216,596.00	\$188,740.00	\$242,315.92	\$53,575.92
September	\$164,181.76	\$152,597.00	\$150,283.00	\$151,073.00	\$135,966.43	\$175,300.00	\$39,333.57
October	\$85,769.00	\$101,237.39	\$93,175.00	\$103,827.00	\$69,070.50	\$89,657.41	\$20,586.91
November	\$25,742.24	\$49,903.00	\$42,924.00	\$32,846.00	\$3,837.00	\$20,830.00	\$16,993.00
December	\$2,913.00	\$22,531.93	\$6,934.00	\$5,512.00	\$11,880.00	\$27,118.90	\$15,238.90
January	\$0.00	\$0.00	\$0.00	\$0.00	\$11,846.00	\$18,722.42	\$6,876.42
February	\$0.00	\$0.00	\$0.00	\$0.00	\$16,383.25	\$18,255.00	\$1,871.75
March	\$0.00	\$30,527.21	\$0.00	\$0.00	\$25,929.04	\$29,348.67	\$3,419.63
April	\$52,277.00	\$100,608.34	\$75,666.00	\$68,053.00	\$66,749.96		
May	\$206,998.00	\$177,389.61	\$151,872.00	\$187,469.28	\$163,538.55		
June	\$196,802.00	\$233,886.56	\$207,214.00	\$227,163.14	\$230,280.77		
Total Annual Revenue	\$1,158,184.14	\$1,328,862.14	\$1,181,429.23	\$1,209,017.42	\$1,138,417.50	\$828,984.02	151,135.80

End of the Fiscal Year Surplus and Deficits

FY15	\$94,379
FY16	\$256,038
FY17	-\$99,000.00
FY18	-\$194,000
FY19	-\$90,217

GOLF BUDGET UPDATE

5.18.20

The Golf Course was authorized to reopen on May 8, 2020, with restrictions including tee times 15 minutes apart, no food or beverage and limited golf cart rentals. With these restrictions in place, the Golf Course has brought in a total of \$97,400.00 in revenue in its first 10 days of operation since the COVID-19 closure. Also, a review of revenue from the food and beverage program from March 2019 to March 2020 (when the club house was required to close) showed a total revenue earned in the amount of \$321,000 for the 12 month period. The club house had 12 events scheduled and was projecting a profit in the \$60-\$80,000 range for FY20 prior to the COVID-19 closure. The two largest events have rescheduled for September 2020. The addition of the food and beverage program has been incredibly successful and we anticipate that this revenue will continue to grow once the club house is authorized to reopen and events can proceed as originally scheduled. This anticipated success is reflected in the increase to the food and beverage program, including increased staff, operating and food supply costs totaling \$44,000.

The Golf budget is unlike the other department budgets in that it is set up as an enterprise fund. An enterprise fund is one that provides good or services to the public, for a fee, that makes the entity self-supporting. In this case, the golf course brings in revenue through various forms including, greens fees, memberships, pro shop sales, lessons and food and beverage. As a result of its status as an enterprise fund, the Golf budget program also carries certain costs that are not included in individual department budgets and instead are carried by the Town through the Human Resources or Finance programs. These include the following expenses in the FY21 budget request: Pension Fund (\$146,784.00); Group Life & Medical (\$115,710.00); Insurance (\$38,069.00); and OPEB Liability (\$23,100.00) [NOTE—THIS HAS BEEN REDUCED TO \$0 IN THE TOWNWIDE PROGRAM BUT REMAINS FUNDED IN THE ENTERPRISE ACCOUNTS]. Additionally, the Golf budget includes a transfer back to the general fund valued at \$100,126.00, which is unique to the enterprise funds.

Upon further review the Golf Course was able to make additional reductions to the budget without impacting operations. These reductions total \$20,753 and were made in the following programs/lines:

63001—Administration

Workers Compensation—Reduce to \$6,000

Office Supplies—Reduce to \$4,000

Meetings/Seminars—Reduce to \$1,000

Insurance—Reduce to \$38,069

63003-Equipment Maintenance

Gasoline—Reduce to \$16,000

Diesel—Reduce to \$8,000

63004—Turf Maintenance

Prescription Eye Glasses—Reduce to \$705

Safety Shoes—Reduce to \$825

Work Clothes—Reduce to \$1050

63007—Food and Maintenance

Part-Time Staff—Reduce to \$70,000

These reductions bring the total increase from FY20 down to 1.6%.

Town of Braintree
 Golf Enterprise Fund Revenue and Expense History
 Per Department of Revenue Annual Schedule A
 5/18/2020

<u>Project</u>	<u>FY 2019</u>	<u>FY 2018</u>	<u>FY 2017</u>	<u>FY 2016</u>	<u>FY 2015</u>	<u>FY 2014</u>	<u>FY 2013</u>	<u>FY 2012</u>	<u>FY 2011</u>	<u>FY 2010</u>
Revenue										
Chargers for services	1,582,140	1,520,577	1,573,134	1,672,962	1,490,600	1,381,020	1,335,964	1,393,579	1,334,190	1,204,501
Other	5,544	3,335	2,010	3,348	3,289	3,649	5,992	3,391	2,805	
Interest Income										
Other Financing Sources	342,793	36,303	97,000	22,763		206,729			6,060	
			18,609						61,364	
Total Revenue	1,930,477	1,560,215	1,690,753	1,699,073	1,493,889	1,591,398	1,341,956	1,396,970	1,404,419	1,204,501
Expenditures										
Salary and Wages	732,495	745,330	740,283	715,518	704,912	642,851	675,900	669,966	647,908	551,942
Expenditures	923,811	843,329	846,250	725,931	682,572	791,723	697,445	623,415	613,797	512,152
Other										
Capital	10,287	56,565	247,883	-	-	-	78,794	105,589	80,312	110,573
Debt Service	83,632									
Transfer to Other Funds	86,216	84,113	78,485	73,807	71,156	71,275	56,390	41,032	43,026	64,074
	1,836,441	1,729,337	1,912,901	1,515,256	1,458,640	1,505,849	1,508,529	1,440,002	1,385,043	1,238,741
Net Revenue over (under) Expenditures	94,036	(169,122)	(222,148)	183,817	35,249	85,549	(166,573)	(43,032)	19,376	(34,240)
Fund Balance Beginning	(122,754)	33,645	255,793	71,976	36,727	(48,822)	117,751	160,783	141,407	175,647
Adjustment		12,723								
Fund Balance Ending	(28,718)	(122,754)	33,645	255,793	71,976	36,727	(48,822)	117,751	160,783	141,407