

Golf Enterprise Fund

The Golf Division operates within the Department of Public Works and oversees the Town's 18 hole golf course and its grounds. This includes mowing for the grass, greens, repairing divots, keeping up the general grounds, outhouse, driving range, golf carts, water around the course, concessions, simulators, dining area, many golf events, training, competition, and many other duties. Currently the focus has been on using our expanded facility as best we can, getting a new liquor license year round, getting the simulators placed for the winter, getting more functions and cafeteria use, a future upgrade of the sprinkler system when possible and routine updates as needed.

The funding of this division has improved greatly with a new concessions facility, simulators and events.

The following is a history of greens fees and golf cart revenues:

- FY17--\$1,181,429.23
- FY18--\$1,209,017.42
- FY19--\$1,138,417.50
- FY20--\$1,070,257.81

To date, for Fiscal Year 2021, greens fee and golf cart revenue totals \$1,415,783.83. With two months remaining in the fiscal year, revenues have already surpassed Fiscal Year 2018, where the golf course had the highest revenues in the last 5 years, by \$206,766.42. When compared to Fiscal Year 2020, the revenues are already \$345,526.02 higher.

Simulator revenue has seen a similar increase in FY21.

- Between December 2019 and March 2020, total simulator revenue was \$71,497.25, with food and beverage revenue for the same period coming in at \$29,068.81.
- Between December 2020 and March 2021, total simulator revenue was \$95,506.50, with food and beverage revenue for the same period coming in at \$42,373.09.

In total, the simulator and food and beverage revenue for this time period was up by \$37,713.53.

Golf Questions and Answers

- Why is the budget transfer from Golf \$93,499 in the summary, but \$102,629 in the Golf Department Budget?
- 596101: transfer to general fund is \$102,629, but in the summary \$93,499. Why is there a \$9,100 delta?

The revised budget transfer from Golf to the General Fund is \$93,499. The value of the transfer is calculated each year based on an allocation of current year budgeted expenses and a charge off for a portion of Town costs (i.e., payroll processing, accounting costs and administration to the various enterprise funds). The value of the indirect costs supported by the transfer is based on the overall DPW budget and this year's decrease in corresponds to the decrease in the DPW budget.

Mower repairs--\$130,000 was included in the Capital Budget for a triplex mower. Are we anticipating \$30,000 will be needed to repair a brand new mower?

- Why the \$8,000 increase in mower repairs (7163003-524004)? I know a new tri-plex mower was requested and approved from the capital plan this year.

The Golf Course has 30+ different types of mowers, golf utility vehicles, a full size front-end loader and tractors. Most of the mowers are used on a daily basis and are becoming aged, requiring more repairs and upkeep. The funds are necessary to cover an increase in cost for spare parts and shipping likely resulting from the pandemic.

- What kind of animals does the golf course maintain for \$4,000?
- What is animal maintenance (7163004-538011) and why the budget this year?

The Golf Course has 7 goats, 1 border collie and a bee hive that require maintenance. Historically, other accounts have been used to cover the costs and this line has been created to more appropriately account for the spending. Additionally, we are in the process of pursuing Audubon Cooperative Sanctuary Certification and will require additional funding for wildlife maintenance as part of that program.

- What are the planned "improvements" that are costing \$50,000?
- Why are improvements (7163004-580000) being increased to \$50K this year? Are there particular plans in the work?

Yes. The funding will be used to address landscaping concerns around the clubhouse, to reconstruct bunkers and tees and to address elements of the drainage system. Additionally, this fund is used in the event of unforeseen damage that requires repair.

- Please explain the professional staff expense. What professional staff does it support?

The Professional Staff account is used to pay the golf course Starters, Rangers, Golf Cart Cleaning Staff, and Pro Shop Clerks behind the counter. These are all part-time seasonal employees that work directly under the Golf Pro.

- Since food & drink is becoming a revolving fund, once we fund it this year in the budget, should we expect this item to drop from the enterprise budget next year?
- Now that F&B is being moved to a revolving fund, will this department be zeroed out for the FY22 budget request?

Revised documentation will be provided to reflect the removal of the Food and Beverage Program from the Enterprise Fund for FY22. The operation will be fully funded from the newly established revolving fund.

- Will there be any increase in golf rates?

Rates were adjusted prior to the start of the 2021 season and are not likely to change during the year.

- Where is the amortized payment to the general fund for the COVID-19 FY21 deficit?
- \$345,958 that the TC adopted (motion 20-077): my understanding was Golf would reimburse the General Fund \$115,319 in the FY22 budget. If this is correct, where is this amount captured?

The deficit is recorded separately in the golf enterprise fund and does not require any further appropriation prior to payment of the debt. Rather than reflect the payment in the budget, it will be transferred at year end from net activity or retained earnings.

- It seems odd that group life & medical insurance (7163001-517005) and pension fund (7163001-517006) would go down from the prior year. Does this have anything to do with F&B being moved to a revolving fund?

The life and medical insurance costs have been reduced in large part due to the creation of the Food and Beverage Revolving Fund and the removal of those costs from the Enterprise Fund. The pension fund amount decreased as a result of the elimination of 2 full time positions in the FY21 budget and the delay in the reflection of the savings in the payments.

- What specifically does the simulator operations (7163005-550002) budget consist of (\$8K request this year)? If costs were incurred in prior years, where were these costs charged to?

After 3 years of use, the simulators require new screens and hitting mats. This is to be expected based on normal wear and tear after a record revenue year. Additionally, the funding would be used to complete minor upgrades and improvements to other aspects of the simulator room for use during the winter months.