

Yarmouth Golf Enterprise Committee
Minutes of Meeting
August 9, 2021

Attending Committee Members: Ellen Chapman, Ted Deckel, Frank Fields, Jay Frapie, Andrew Laird and Richard Simon. Chris Hanson absent.

Attending from the Golf Department: Scott Gilmore, Dennis Hoye, Becky White

Attending from the Public: Richard Donovan, Bill MacKenzie, Brian Costello

The GEC meeting had been posted to start at the Bayberry Maintenance Building at 6:00 PM. Due to logistical issues the meeting was moved to the Bayberry Grille (with notice posted at the maintenance building) and was called to order at 6:00 PM.

1. Prior to opening the meeting, Chairperson Ellen Chapman lead the third and final orientation session for new committee members in accordance with the duties of her office as listed on page 10 of the 'Town of Yarmouth Boards, Commissions and Committees Handbook'. Prior topics included a review of the Handbook, with an emphasis on open meeting law requirements, background on 'enterprise funds' in general, Yarmouth's adoption of this legal structure for golf, past financial and operating metrics for Cape municipal golf, comparison of annual and daily fees for Cape municipal golf, and Capital Expense Framework organization, assumptions and implications. This month's topics included:
 - a. the 2019 NGF report to the Board of Selectmen,
 - b. impacts of proposed wastewater recharge at Bass River (circa 2025)
 - c. the 2009 MA Inspector General report on municipal golf operations
 - d. 2015 IJGS article 'Determinates of Golfer Satisfaction'
2. The meeting was opened for public comments with the Chairperson thanking the public for attending and advising them the committee could not respond to their comments but hoped that their concerns would be addressed during the course of the meeting. Mr. Costello asked how the \$1.4m FY2021 surplus was going to be spent, adding he hoped the Bayberry Hills courtesy cart to ferry golfers from the lower parking lots to the bag drop would be reinstated. Mr. MacKenzie, who had served on a Golf Commission in another town, was also interested in how the surplus would be used. Finally, Mr. Donovan posed a series of questions about the high rate fringe benefits and the current/future debt load/amortization. Following these comments, the meeting continued.
3. The minutes for the GEC's July 12th meeting were approved with minor wording changes to paragraph 9 with the committee voting to authorize the Chairperson to approve the final text so it could be posted promptly (approved Aug 10th).
4. The Director's report covered the following topics:
 - a) As noted last month, in advance of the USGA events on August 24th the course will be groomed to the USGA specifications with fertilization and mowing to increase the depth and consistency of the rough and bunker sand levels.

Recent cooler, wetter weather has improved turf conditions. Bayberry Hills will open later (9:00 AM) on Aug 16th & 17th so the maintenance team can complete required grooming tasks. While the course is closed for the USGA event on the 24th (rain date Aug 25th), the Links course will be aerated with the White/Red courses closed for aeration on Aug 26th. Aeration of the Bass River course is scheduled for Aug 23rd. Pre-Covid, the third week of August had the lowest golf demand of the summer season, making it the best time to schedule the critical 2nd aeration of the year.

b) Installation of the cart GPS is going more slowly than promised due to a shortage of required computer chips (delayed by export customs). This delay affects the ability to monitor pace of play and to reduce cart traffic in sensitive areas which has become a problem despite signage, ropes and ranger attention. Carts that have the GPS installed are geo-fenced from these areas.

c) The July edition of the Yarmouth Golf newsletter was not emailed despite a goal to send a monthly edition for the rest of the year. Potential topics for August include: spectator opportunities and prep for USGA event (deeper, thicker rough), August aeration dates, information on new Chelsea tee time customization features (e.g. 'not earlier than or later than' settings), return of cart sand containers for divot repair, delivery of new Cobra rental clubs (prior rental club sets available for purchase), GPS geo-fencing of sensitive areas, fall seasonal job openings and revisions to 2021 Annual Pass Policies & Procedures.

d) The demand for golf remains high. Sales of 2021 annual passes were 1,132 through Aug 9th exceeding the 2020 total (959) with the strongest gains in non-discounted adult passes (+141). Annual pass fees exceeded \$1.0m, ~32% more than 2019 with new pass holders accounting for over 80% of the gain fueled in part by the option to purchase a pass online with a credit card.

e) Fiscal year 2021 (Covid peak) rounds totaled ~90,000 the highest level in several years, but ~25,000 rounds lower than estimated max capacity. Data shows afternoon and twilight rounds in Yarmouth were in much lower demand relative to neighboring muni courses which reported ~50,000 rounds per 18 holes.

f) The Bayberry Hills Fall 2022 master plan should be ready by the September GEC meeting including: 1) overdue Links irrigation & bunker work, 2) expanded wastewater usage from the town's current treatment plant and 3) remediation of undersized parking & hospitality facilities required to host large golf groups.

g) The timing of the Bass River master plan will be discussed at the Aug 17th Selectmen meeting, with the town's consultant (CDMS) recommending installation of the Bass River recharge infrastructure prior to the end of life of the current course irrigation system (2025) which is already starting to show signs of impending failure (esp. 13th hole).

h) The increased pass revenues pushed fiscal FY21 income ~\$1.6 million over last year with expenses ~20% above last year's 50 day closure total, banking a surplus of ~\$1.4 million to fund future pre-ordained capital expenses. At the spring 2021 town meeting, transfer of \$0.2 million of this surplus to the town's general fund was approved. There has been no progress on securing a meeting with the town's finance director to review the Capital Expense Framework and related questions on the allocation methodology for fringe benefit and indirect costs.

i) As students on the seasonal staff make plans to return to school starting the end of August, Yarmouth Golf will be under increasing pressure to maintain a high quality golfer experience. Fall seasonal job openings for all types of positions (maintenance, clubhouse & outside operations) are being advertised on multiple recruiting platforms and to current pass holders. The potential impact of the end of supplemental unemployment benefits (Sep 2nd) is an unknown.

5. The recurring discussion of potential changes to the 2022 Annual Pass options opened with Director Gilmore reiterating his recommendation for a 5% increase on all annual fees with the support of the NGF. He noted most courses (including Yarmouth) are reporting annual pass sales growing by ~18%, substantiating fee increases needed to fund vital capital spending for irrigation, bunker and other essential amenities. With residents accounting for 77% of annual pass revenues, the option to increase annual pass fees for non-residents higher would have a nominal impact. The rate volume variance referenced in 4d above shows growing non-discounted pass holders is the key driver of increased revenues. After discussion, the GEC as a group concluded it would be best to maintain the current fee structure for 2022. On the question of increasing 2022 fees, the GEC decided to defer making a final recommendation until October when three months of actual revenue would help inform members on the relative strength of golf demand, further noting maintaining the current fee level would not require an additional fee hearing.
6. The GEC has been asked to update the Selectmen on Sep 14th. A GEC workshop to review an initial draft of the presentation will be held on Sep 2nd starting at 4 PM in the Bayberry Hills Maintenance Building meeting room.
7. The GEC whole heartily endorsed the Chair's proposal to recognize the contributions of several long-serving former GEC members – details to follow.
8. No additional GEC concerns were raised.
9. The GEC will meet next on Sep 13th at the meeting room in the Bayberry Hills Maintenance Building. The meeting will start at 5 PM.

A motion to adjourn was accepted by unanimous vote about 7:40 PM.