

Wicomico Shores Golf Course Advisory Board
MINUTES
Wednesday, October 15, 2014

MEMBERS PRESENT: Gerald Slagle, Chairperson; Tom Schumacher, Vice-Chairperson; David Phalen, Robert Richardson and Jenny Russell.

ABSENT: Robert Collier and Everett Cooper.

R&P STAFF AND OTHERS PRESENT: Brian Loewe, Director, SMC Department of Recreation and Parks; Patricia Meyers, Golf Course Manager; and James Farren, Golf Course Superintendent.

CALL TO ORDER

The meeting of the Wicomico Shores Golf Course (WSGC) Advisory Board was called to order at 6:00 p.m. at the Wicomico Shores Golf Course Clubhouse.

APPROVAL OF MINUTES

David Phalen motioned, seconded by Tom Schumacher, to approve the minutes of July 9, 2014; motion carried with all in favor.

OLD BUSINESS

Financial Report

Ms. Meyers referred to preliminary reports that were prepared by the Recreation and Parks Fiscal Specialist. She noted that information will be finalized with the County's audit later this year. She provided spreadsheets titled: Seven Year Financial Comparison; WSGC Financial Summary & Rounds of Golf (BOCC Sheet); and 2015 Monthly Report.

The last quarter the rounds of golf were down by just 31 and total revenue is up by \$2,429; however, expenses are also up by \$4,967. Tom Schumacher asked if the Commissioners receive the Financial Summary & Rounds sheet; Ms. Meyers stated she will check on that. Follow up note: the sheet was originally created for a presentation to the Commissioners a few years ago and staff continues to utilize the sheet and sends to the WSGC Advisory Board for comparison. The sheet has not been sent to the Commissioners since that time. Mr. Schumacher referred to the FY2014 projections and referenced the reduction in greens fees, season passes and cart fees; golf operations costs didn't go down by the same percentage. Golf operations include all operations (salaries, OPEB, fleet rental, clubhouse payment, pro-shop supplies, depreciation expense, insurances, supplies, fuel and oil, vehicle maintenance, advertising, utilities, bank charges, etc.), except for the restaurant.

Staff is proposing some rate increases for next golf season. Mr. Slagle asked about the \$25 season pass increase; he was concerned about maintaining the number of pass holders with the increased fees. Increases are also proposed for greens fees and cart fees.

Minimum wage rates will go up to \$8 on January 1, 2015; this will impact ten part-time employees. The Board discussed the issue of hourly employees receiving complimentary greens fees and paying for carts.

Before the new Clubhouse payment, the facility was netting approximately \$80,000 - \$100,000 per year. Now with the costs of the Clubhouse payment, OPEB and other rising costs, the financial situation is not as positive as it was from 2005 through 2008.

Update on Cart Lease

Ms. Meyers provided a handout on options and estimates for the golf cart fleet replacement. The current lease expires on February 28, 2015.

Keeping the current Yamaha fleet (69 carts; 4 work carts; 3 ADA carts) would cost: \$24,336 for a new one-year lease; or \$23,428 for a new two-year lease. Estimated cost for batteries, starters, etc. would be an additional \$14,000. A new Ez-Go fleet under the discounted NIPA contract (63 carts; 3 work carts; 1 ADA cart) would cost: \$56,544 per year for a new five-year lease; \$63,972 for a four-year lease. Cart revenues for 2013 were \$312,000. Staff is evaluating the benefit of extending the current lease by one or two years or entering into a new lease. Another option would be extend the current lease for three years and have the cart company refurbish the carts (new parts, batteries, etc.) for a fee.

Members asked if there were any other negotiating opportunities. Ms. Meyers stated the Procurement office will handle the terms of the new contract. Staff will be meeting with Procurement staff again in the near future to move either a new lease or extension of the current lease forward.

Cart Rate Increase

Staff is recommending a \$1 cart fee increase to help cover the cost of the extension of the current lease (anticipated revenue \$14,500); or \$2 fee for a new cart fleet lease. The cart fee has been \$16 since 2010. Breton Bay's cart fee is \$18; Chesapeake's is \$11 with conditions; and White Plains is \$16. Any price increase would be effective April 1, 2015.

NEW BUSINESS

Kitchen Grill - Mr. Slagle noted some staff members do not like the new grill; Ms. Meyers was not aware of this and will talk to staff in the morning about this issue.

Operating Issues - No issues noted.

Staff Wage Increases - Covered under Financial Report

Outing Minimums - Ms. Meyers noted that outings have gotten smaller; the current minimum is 100. Staff is thinking the minimum needs to be lowered; perhaps to 80. **David Phalen motioned, seconded by Tom Schumacher, to support lowering the outing minimum to 80.**

Riverview Events - Friday night specials are ongoing. Mr. Slagle asked if the microphone is working; Ms. Meyers stated that it is.

Mr. Slagle asked about forwarding the phone lines from the Pro Shop to the Riverview; Ms. Meyers will get the call forwarding before the winter.

Annual Report to the Commissioners of St. Mary's County

The Board reviewed and suggested changes for the calendar year 2013 draft annual report that Mr. Phalen sent to members. Mr. Slagle asked members to submit any additional input to Mr. Phalen, who will update the draft. In addition to mailing in the report, the Board would like to request time to present the report to the Commissioners. **Tom Schmacher moved, seconded by David Phalen, to approve the changes discussed tonight; motion carried.**

WSGC Advisory Board Membership

The following members terms will expire on December 31, 2014: David Phalen (R&P Board representative; can't be reappointed due to term limits); Jerry Slagle (eligible for reappointment); and Robert Collier (eligible for reappointment).

SCHEDULING THE NEXT MEETING

The next regularly scheduled meeting of the WSGC Advisory Board will be held on Wednesday, January 21, 2015.

ADJOURNMENT

The meeting adjourned at approximately 7:30 P.M.

Kathy Bailey, Recorder (from tape recording)