

Item 23-1343: Reid Golf Course 2024 Rate Policy

Parks and Recreation Committee

Mon, Nov 06, 2023 6:15PM

Aldersperson William Siebers (District 1) 01:26

There's no public hearing or appearances today. So, we'll go to action items 23-1343 Reid golf course 2024 rate policy. Who would like to begin?

Director Dean Gazza (Parks, Recreation, and Facilities) 01:39

Thank you, Chair. I'll just state that each fall, we bring the rates for the upcoming year to committee for approval, and every year, we generally have some amount of changes. Jeffery Plasschaert our golf superintendent and Deputy Director Flick worked on this for the past month, did analysis of neighboring courts and so forth. So, I'm gonna just turn the microphone, if it's okay, over to them guys, and let them answer the question.

Aldersperson William Siebers (District 1) 02:04

Okay. Four? Three? All right.

Deputy Director Tom Flick (Parks and Rec) 02:14

Thank you, chair. Inside the memo we brought to you no changes to the actual policy itself. That's probably the first time in multiple years. So, we feel that we got our policy dialed in perfect right now. But the rates are before you tonight. That's pretty much the primary increases, changes, adjustments, etc.

Deputy Director Tom Flick (Parks and Rec) 02:34

Jeff and his staff does an annual review every year of surrounding courses throughout the Fox Valley and, and even neighboring counties, etc. And we try to position ourselves to be about in the middle. We don't want to be the most expensive. We don't want to be the least expensive. So, it's kind of an internal goal, to stay in the middle. And this year, as compared to past years, we probably only would raise two or three things, maybe a handful we would propose every year. But what we noticed this year, with increases in credit card fees, increases in labor (that's probably one of our largest increases), assisting with capital improvement plans, and just generally utilities and cost of doing business, you know, the cost of food just to run the, you know, the business end on food and beverage—everything's gone up.

Deputy Director Tom Flick (Parks and Rec) 03:22

And when we compared all that with other courses, we were fairly low. So that kind of puts a red flag. You know, we feel that we put together an A plus product out there for the community and residents of Appleton and we want to reflect that on how we operate and position ourselves, you know, for the future. And before you are the increases to assist with everything I mentioned about—just the labor, credit card fees, capital improvements, utilities, cost of food, etc.—to keep us in a position to turn a good profit and then to reinvest in the course in the future. So that's kind of the process that we go through every year. We look at how we're doing, you know income expenses, comparing how we sit with other courses and what we need to do to keep in the positive for revenue.

Aldersperson William Siebers (District 1) 04:16

Okay. Anything else? Questions from committee? Aldersperson Hayden. Four? One. Okay.

Alderson Patrick Hayden (District 7) 04:29

Thank you, Chair. I had one question. You were talking about turning a profit and reinvesting it. What do you see—what's the direction that you see for the golf course moving forward to reinvest that? What kind of development do you kind of see us moving forward to use that money for?

Deputy Director Tom Flick (Parks and Rec) 04:47

You want to answer that, Jeff, or you want me talk about the CIPS? Go ahead.

Jeff Plasschaert (Golf Course Superintendent) 04:53

Yes, that's a good question. Coming up in 2024's budget we have a master plan for the golf course that's going to address a couple primary issues and then kind of the driving range is our biggest issue out there at the moment and cover some of the golf course that wasn't touched during the stormwater project. There's some bunker issues and just overall course conditioning projects. In the future CIPs, we're looking at clubhouse upgrades, just kind of revamping it, upgrading it. Cart pass work on the golf course. So just kind of reinvest in the money. We have a five years CIP plan at the moment. We have some longer-term CIPs in the future, that'll be bigger needs, but we'll wait till we're out of debt for that.

Alderson William Siebers (District 1) 05:39

Alderson Alfheim? [note: he pronounced her last name kind of weird.] Kristine?

Alderson Kristin Alfheim (District 11) 05:42

Was that me?

Alderson William Siebers (District 1) 05:42

Yeah. I'm sorry.

Alderson Kristin Alfheim (District 11) 05:46

I'm not sure who you were referring to. A couple questions. When you look at the increases—which I respect why it's necessary—my question is, it isn't a consistent percentage. It seems to be consistent in terms of numbers. So, for instance, on the annual passes, the juniors went from 250—or 225, up to 250. That's actually a—I mean, that's a decent increase. But then you look at all the way down, it's not it's not ratio wise. Did we find that we were underpricing in some cases and over pricing in others, that we didn't just use a percentage increase? Yeah?

Deputy Director Tom Flick (Parks and Rec) 06:23

So, I would say it's spot on with answering your question that we were underpricing our value and the quality that we have. And Jeff may want to comment on some of it. He brought the spreadsheet tonight when we compared all of our prices for youth, adults, senior, daily play, etc. And it really helps us to put ourselves what we think in a competitive pricing because we're seeing the course maxing out a lot of times on our available tee times.

Alderson Kristin Alfheim (District 11) 06:55

My follow up would be on that. As somebody who's out there and hears a lot of feedback, I mean, it's great. It's awesome. We're filling that course. The revenue is positive. Course is running great. But we do have in terms of the annual passes, I know in the summertime, there are Junior passes out there, and it seems like the kids kind of live on the golf course, which causes a tee time issue. We have a lot of annual passes that stacks up the tee times. So, are we doing anything in the future in terms of limiting potentially what that is? And what are your thoughts on it?

Deputy Director Tom Flick (Parks and Rec) 07:29

I see you comment on what we've been talking about?

Jeff Plasschaert (Golf Course Superintendent) 07:32

Yeah, that's a good question. We've had some internal discussions about only selling annual passes for a certain period of time. And what that period of time is, we're still kind of in initial discussions about that. Just to follow up your first question that Tom answered. The other thing is the volume of passes we sell; we don't sell very many adult summer—or not summer passes—annual passes. So that's one reason we didn't raise the price, because we just don't sell a lot of them, just to try to encourage possibly more people to purchase those passes.

Aldersperson William Siebers (District 1) 08:03

Any other questions? Aldersperson Schultz.

Aldersperson Alex Schultz (District 9) 08:09

Thank you, chair. I don't know where my question is gonna land here, but you know, we're doing really well as an entity and producing sort of record sales and record numbers last couple of years. And, you know, there's been a lot of discussion about getting our rates commensurate, not just at the Reid golf course but across the board—every program, the city runs trying to get us a little bit closer and analyze rate increases more consistently so we're not going 5, 6, 7 years without a rate increase.

Aldersperson Alex Schultz (District 9) 08:45

I guess I'll land the question here. As I look at the track of the rates from '20 to '23 and then there are jumps for '24 it feels like it's a little bit of a flatline, and then it hits a curve. And I'm wondering, yes, we're bringing ourselves a little bit into more competitive stance with our rate increases. Is there any sense that those increases will adversely affect the usage of the golf course that we've seen grow pretty substantially? Or does it feel like, you know, consumers are just gonna absorb this as this is what it costs, and we—"of course, they're going to raise their fees, because as I go somewhere else, it's going to cost me X dollar X amount of dollars, or even more than what this course costs, and it's a great course, so why wouldn't I pay it?"

Aldersperson Alex Schultz (District 9) 09:35

So, I guess I'm curious to know—there's a lot—there's rate increases pretty much all the way up and down the line. And I guess I personally, don't golf. I don't know, what is comfortable, what isn't, but I'm just seeing years and years of like a static rate and then suddenly we're jumping everything. Any sense that that's going to have an adverse effect on usage or participation? Because that's my general question.

Deputy Director Tom Flick (Parks and Rec) 10:02

Go ahead. Yeah.

Jeff Plasschaert (Golf Course Superintendent) 10:04

There's always the chance it will. What we've seen so far, we only have an infinite **[Note: I'm assuming he meant "a finite".]** amount of tee times and weather dictates how long our season is. So, there's always a chance it would deter some play. But also, by the increases, I would offset some of the—if you were to lose a certain percentage, you're probably gonna get it back in the increased revenue. And just the—overall just inflation hitting everything, I don't foresee these new prices being an issue.

Aldersperson Alex Schultz (District 9) 10:34

One of the bigger jumps was the adult and seniors discount cards. What was the rationale, I guess, for that one increasing, a little bit more substantial than maybe some of the others?

Jeff Plasschaert (Golf Course Superintendent) 10:45

So, the discount card provides a 15% discount on all regular green fees. And through the times, it takes about 15 times depending if you're a senior and adult about 15 times it paid itself off. So, over the years with our rate increases, it's actually become less, so we just increased that by a couple dollars to basically keep it the same.

Aldersperson Alex Schultz (District 9) 11:03

Okay, good. Then the last question is I don't see a veteran discount. Is that something that has been offered in the past or consider offering?

Deputy Director Tom Flick (Parks and Rec) 11:12

We don't currently have a veteran discount at Reid Golf Course. Good question.

[Somebody said something off microphone.]

Deputy Director Tom Flick (Parks and Rec) 11:18

On the date—yes, on the holidays.

Jeff Plasschaert (Golf Course Superintendent) 11:21

Right. We don't have designated veteran—

Aldersperson Alex Schultz (District 9) 11:23

You don't have a designated one for—

Jeff Plasschaert (Golf Course Superintendent) 11:24

But they'll play for free on Veterans Day, this Saturday.

Aldersperson Alex Schultz (District 9) 11:27

Is that something you'd consider in the future? A permanent veteran discount card or something along those lines? Okay.

Deputy Director Tom Flick (Parks and Rec) 11:34

Well, we—the recreation department has—don't we have a current veterans policy, Dean? Don't we have—I thought we had something that reflected veterans.

Director Dean Gazza (Parks, Recreation, and Facilities) 11:46

But the golf course is a separate enterprise. It would be different.

Deputy Director Tom Flick (Parks and Rec) 11:51

Definitely, we'll take a look at it. I don't know if we can piggyback on that policy or it has to be separate for the golf course. But great question.

Aldersperson Alex Schultz (District 9) 11:58

Okay. Thank you.

Alderson William Siebers (District 1) 12:02

Any other questions? Alderson Schultz, you can make an amendment to this if you want to. Or you can wait till Council to make it.

Alderson Alex Schultz (District 9) 12:13

Let me give it some thought and talk to staff before I propose any kind of amendment or change.

Director Dean Gazza (Parks, Recreation, and Facilities) 12:20

Yeah, what—if I could on that, rather than doing that without having any information, I'd like to see kind of what other golf courses are doing, what size that discount might be, and then come back and make a recommendation first versus, you know, kind of it just being kind of a number just thrown out there.

Alderson William Siebers (District 1) 12:51

Would you be able to do that by the next Council meeting?

Director Dean Gazza (Parks, Recreation, and Facilities) 12:59

Possibly, I don't want to speak for these guys. But—

Deputy Director Tom Flick (Parks and Rec) 13:01

I'd say maybe.

Alderson William Siebers (District 1) 13:05

Could you try?

Director Dean Gazza (Parks, Recreation, and Facilities) 13:07

Certainly.

Alderson William Siebers (District 1) 13:07

Okay.

Alderson Alex Schultz (District 9) 13:09

Thank you, Chair.

Alderson William Siebers (District 1) 13:11

Yes, Kristin?

Alderson Kristin Alfheim (District 11) 13:12

Another question. On the top of the chart, the week day daily fees, we got the junior nine with restrictions is held solid at \$10, you get the Junior 18 with restrictions is at \$15. They're the only ones that really aren't taking an increase, which I understand they're our future members, right? We want young people in there. And yet, there's a lot of them on the course. I kind of feel bad that the Senior nine on a \$15 round has gone up two bucks, but we're not taking the juniors up from 10. Being the situation that we're in, our seniors—especially the ones that are nine holers—those usually aren't the season passers. I mean, a \$2 doesn't seem that that big of a deal. But \$2 on \$15 is actually a bigger increase than everybody else is getting. And I don't know that I'm super excited about our visiting seniors playing nine holes taking that full increase. Couldn't we split the difference? Give it a buck on them and then a buck on the juniors?

Deputy Director Tom Flick (Parks and Rec) 14:14

You want me to comment on the juniors? So, I'll comment on the junior 9 and 18 with restrictions. It's very seldomly used.

Aldersperson Kristin Alfheim (District 11) 14:25

Okay.

Deputy Director Tom Flick (Parks and Rec) 14:25

So, it's kind of like what Jeff referenced about, you know, the adult annual pass. We don't get a lot of adult annual passes. So, the increase would definitely not assist us in a in a revenue generating, I guess, look.

Director Dean Gazza (Parks, Recreation, and Facilities) 14:40

There is a difference too, because the juniors do have restrictions were the other individuals do not have restrictions. So, they're not apples to oranges—I mean, apples to apples.

Aldersperson Kristin Alfheim (District 11) 14:50

Meaning the timing that they're playing?

Director Dean Gazza (Parks, Recreation, and Facilities) 14:51

Yeah. Yep. So, if the restrictions were also on the seniors, then then it'd be apples to apples but—

Aldersperson Kristin Alfheim (District 11) 14:59

So, the bulk of the juniors we see on the course, are—they have passes?

Director Dean Gazza (Parks, Recreation, and Facilities) 15:04

Yes.

Jeff Plasschaert (Golf Course Superintendent) 15:07

And then finish up just on the senior rate, since I've been here in 2014, is when I started to see your rate has not changed for nine holes.

Aldersperson Kristin Alfheim (District 11) 15:17

So, it's been \$15 for a long time?

Jeff Plasschaert (Golf Course Superintendent) 15:19

Correct.

Aldersperson William Siebers (District 1) 15:26

Any other questions? Aldersperson Wolff.

Aldersperson Nate Wolff (District 12) 15:32

Thank you, Chair. So, have—is it—since we don't sell a lot of adult passes have we thought about reducing the rate for adult pass?

Deputy Director Tom Flick (Parks and Rec) 15:43

I'd say we haven't talked about reducing it. We're right in line with other golf courses for what they charge for adults. And I'd say, you know, every course's business plan is different from the next. I—you know there's probably some courses out there that sell a lot of adult passes. Reid Golf Course is not one of them. So, I—we've

tried that in the past with some other passes by lowering them to entice, and we just haven't seen that to be a motivation to buy the pass. It's really about the clientele that use the course—

Alderson Nate Wolff (District 12) 16:17

Okay.

Deputy Director Tom Flick (Parks and Rec) 16:17

—and we just don't have a lot of that for adults.

Alderson Nate Wolff (District 12) 16:20

Thank you.

[Someone said something that was not picked up well by the microphone.]

Alderson Nate Wolff (District 12) 16:25

Yeah.

Alderson William Siebers (District 1) 16:26

Kristin.

Alderson Kristin Alfheim (District 11) 16:27

One more question, and it is a little bit off topic. But you guys are doing a great job of keeping the course full, keeping it in shape, keeping people on it at a reasonable price. Is it—is it possible for us to get, in terms of revenue, get a little bit more aggressive on the marketing buckets of something? You know, soda and beer we make money on—there's no question about it—and I think our beverage cart people aren't necessarily super salesmen. But is there something that we could do that would—again, this isn't perhaps for today's conversation, but—do some type of program that says "four for whatever," and send them on their way so we can get some of those beverage sales up—beverage and snack sales up during the day? I think that would be a huge line-item win across the board. Just a thought.

Jeff Plasschaert (Golf Course Superintendent) 17:17

Yes, definitely something we'll look into. That's what the six-pack value is. You buy five and get one free. So, it's right along those lines.

Alderson Kristin Alfheim (District 11) 17:24

[Unclear.] Thank you.

Jeff Plasschaert (Golf Course Superintendent) 17:26

We're always looking at our food and beverage operation, especially lately with the cost.

Alderson William Siebers (District 1) 17:33

All right. No other questions. We will vote. We will not vote because we then take a

Alderson Nate Wolff (District 12) 17:41

Motion to approve.

Alderson Kristin Alfheim (District 11) 17:43

Second.

Alderson William Siebers (District 1) 17:44

Thank you. Motion is made and second to approve. All in favor signify by saying aye. All those opposed? Chair votes aye. Five zero.