

08/01/2022 05:55 PM



Board of Trustees  
**WORK SESSION**  
Wednesday, August 17, 2022, 3:30 pm

**Attend in person:**  
Cedaredge Civic Center, Grand Mesa Room, 140 NW 2<sup>nd</sup> St.

**Attend virtually:**  
On Your Computer: <https://bit.ly/3w6xNxf> | Password: 732333  
On Your Phone: 253-215-8782 | Webinar ID: 845 4190 3547 | Password: 732333

## **AGENDA**

*Please note decisions are not made at Work Sessions*

1. 2023 Draft Budget: Golf Course Enterprise Fund

## MEMO

Date: August 16, 2022  
To: Mayor and Board of Trustees  
From: Kami Collins, Town Administrator



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**Subject: Golf Course Draft 2023 Budget; Fleet Fund/In House Mechanic**

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The Draft 2023 Golf Course Budget is \$275,582 short going into the year.

Staffing is the largest expenditure:

- Director of Golf Operations: \$70,000/year (plus benefits)
- Superintendent: \$70,000/year (plus benefits)
- Assistant Superintendent: \$37,440/year (plus benefits)
- Seasonal Staff:
  - Pro Shop: 35 weeks x 20hr/week x 5 staff x \$15/hour = \$52,500
  - Maintenance: 35 weeks x 32/week x 7 staff x \$15/hour = \$117,600
  - These staff allocations are fewer than the “ideal” staffing plan the Board asked Staff to propose. Would funding allow, the Town would retain 9 maintenance staff for the full season and 6 pro shop staff.
- This still does not allow for a mechanic, unless a seasonal mechanic is found, or unless the new superintendent has mechanical ability. An ideal staffing plan accommodates for a mechanic on staff year round at least part time.

Other budget considerations:

- User fees anticipate a 5% increase over 2022 budgeted fees; fees will increase for 2023 play. Staff recommends the new fees become effective Nov. 1, 2022, in order to capture higher membership fees for those who purchase memberships as Christmas gifts.
- Indirect charges have been added back to the budget, 54-370-655. It’s important the Board and community know the full cost of running the Golf Course. All other funds pay indirect charges, which are administrative costs charged to each fund. This line item has been cut by prior administrations because the Golf Course simply can’t afford it. It has been added back in for a better reflection of the costs of running the golf course business, but it’s important to note that the budgeted amount (\$12,000 or \$1,000/month) is not a true reflection of the actual administrative costs.
- Transfers from other funds have not been assumed in this draft budget.

The Board asked Staff to explore creating a Fleet Fund and hiring one mechanic to do all vehicle and small engine work for the Town. For your consideration:

**Location and set up:**

- Current PW facility is not an option due to space limitations.
- Possible, but not financially feasible, to set up next door in the storage facility

- Will need to add electricity; current electric is not sufficient to meet the needs of a mechanic shop
- Building will need insulated and the roof will need repaired
- Approximately \$40,000 startup costs minimum to get a fleet mechanic operational with equipment, plus a commitment of \$15,000/year investment in equipment upgrades (hoists, lifts, compressors, etc.). This cost assumes the mechanic we hire comes with her own complete tool set.

**Staffing: Vehicle maintenance and repair versus small engine repair:**

- Two completely different skill sets. Easier to find two people; very difficult to find one who can do all, and do it well.
  - If looking at one person, minimum of \$80,000/year salary + benefits
    - Likely have to recruit outside of the county for one person with both skill sets. The salary range may be less competitive outside of Delta County.
  - If looking at two separate positions, each salary approximately \$55,000/year + benefits

**Other considerations:**

- In 2021, the Town spent about \$6,000 at area auto repair shops for PD, PW and GC vehicles and small engine work that could not be done in house.
- PD and PW do not have enough work to keep a vehicle mechanic busy – it’s not 40 hours/week worth of work; probably not even 20 hours/week. Bulk of work is small engine repair at GC.
- It is more cost effective – and better service to taxpayers – to continue taking Town vehicles to established companies for general maintenance and repairs. Given the size of the Town’s fleet, it is too expensive to bring that work in house.
- For Golf Course equipment, the Town can consider:
  - Looking for a superintendent who also has mechanic ability
  - Continuing to use part time seasonal mechanic help
  - Trying to hire a part time mechanic for the golf course
    - Board will need to consider where that salary comes from, given the tight budget in the Golf Course Fund, and in other funds
  - Farm out equipment repairs to area repair shops, similar to what the Town does for vehicle maintenance.

The Board has some serious considerations to make for the 2023 Budget, and a hard look should be taken at staffing, at the positions the Town currently budgets for; seasonal staffing levels; and salaries for the top positions down to seasonal.

The budget allocates funding to pay off two equipment loans; makes an annual lease payment on the golf carts; and allocates \$10,000 for chemical storage. Other than those expenditures, this draft budget makes no allocations for equipment replacement or purchase, and no capital investments at the course. The Board has indicated marketing is a priority, so \$2,900 has been budgeted for that purpose. All other expenditures have been budgeted with the anticipated rise in costs but essentially flat line.

Date of Hire

Status

Step

FTE

Salary

Longevity pay

Salary Total 105

Taxable Benefit 110

Total Salary

Overtime Wages 115

On Call Wages 120

Total Salary/Wages

Social Security 125

w/Medicare

W/Comp Class

W/Comp Rate

Worker's Comp 135

State Unemployment 140

Health Plan 145

Retirement (CRA) 155

Life Insurance 160

Long Term Disab 170

Total Benefits

Total Labor

	<u>Golf Director of Operations</u> vacant	<u>GC Superintendent</u> Vacant	<u>GC Assistant Superintendent</u> [REDACTED]	COLA - 2022 CPI Projections DOLA 4%	2023 Step Increases 0-6% (set @ 4%)	Pro Shop	Maintenance	Snack Bar	Golf
Date of Hire				2/28/2022					
Status	Full Time	Full Time	Full Time			Pro Shop	Maintenance	Snack Bar	Golf
Step	0	0	1						
FTE	1.00	1.00	1.00			NA	NA		
Salary	\$ 70,000	\$ 70,000	\$ 37,440	\$ 7,098	\$ 7,382	\$ 52,500	\$ 117,600	\$ -	\$ 362,019
Longevity pay	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Salary Total 105	\$ 70,000	\$ 70,000	\$ 37,440	\$ 7,098	\$ 7,382	\$ 52,500	\$ 117,600	\$ -	\$ 362,019
Taxable Benefit 110	\$ 300	\$ 300	\$ 300	\$ -	\$ -	\$ 2,100	\$ 900	\$ -	\$ 3,900
Total Salary	\$ 70,300	\$ 70,300	\$ 37,740	\$ 7,098	\$ 7,382	\$ 54,600	\$ 118,500	\$ -	\$ 365,919
Overtime Wages 115	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,000	\$ -	\$ 2,000
On Call Wages 120	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Salary/Wages	\$ 70,300	\$ 70,300	\$ 37,740	\$ 7,098	\$ 7,382	\$ 54,600	\$ 120,500	\$ -	\$ 367,919
Social Security 125	\$ 5,378	\$ 5,378	\$ 2,887	\$ 882	\$ 565	\$ 4,177	\$ 9,218	\$ -	\$ 28,485
w/Medicare									
W/Comp Class	906005	906005	906005	906005	906005	906005	906005	906005	
W/Comp Rate	0.01066	0.01066	0.01066	0.01066	0.01066	0.01066	0.01066	0.01066	
Worker's Comp 135	\$ 749	\$ 749	\$ 402	\$ 76	\$ 79	\$ 582	\$ 1,284	\$ -	\$ 3,921
State Unemployment 140	\$ 211	\$ 211	\$ 113	\$ 21	\$ 22	\$ 164	\$ 362	\$ -	\$ 1,104
Health Plan 145	\$ 17,374	\$ 17,374	\$ 7,464	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 42,211
Retirement (CRA) 155	\$ 2,100	\$ 2,100	\$ 2,246	\$ 426	\$ 443	\$ -	\$ -	\$ -	\$ 7,315
Life Insurance 160	\$ 137	\$ 137	\$ 137	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 410
Long Term Disab 170	\$ 259	\$ 259	\$ 139	\$ 26	\$ 27	\$ -	\$ -	\$ -	\$ 710
Total Benefits	\$ 26,207	\$ 26,207	\$ 13,388	\$ 1,431	\$ 1,136	\$ 4,923	\$ 10,864	\$ -	\$ 84,156
Total Labor	\$ 96,507	\$ 96,507	\$ 51,128	\$ 8,529	\$ 8,517	\$ 59,523	\$ 131,364	\$ -	\$ 452,075

# Golf Course Fund

Account	Account Title	2020 Actual	2021 Actual	2022 Budget	2022 EST	2023 Budget
<b>Golf Course Available Resources</b>						
Available Resources Jan 1		\$ (35,513)	\$ 21,725	\$ 20,317	\$ 20,317	\$ 47,285
Revenue		\$ 532,128	\$ 827,930	\$ 616,250	\$ 582,975	\$ 432,250
Expenditures		\$ 474,890	\$ 829,338	\$ 616,245	\$ 556,007	\$ 751,136
Net Revenue Over (Under) Exp		\$ 57,238	\$ (1,408)	\$ 5	\$ 26,968	\$ (318,886)
Available Resources Dec 31		\$ 21,725	\$ 20,317	\$ 20,323	\$ 47,285	\$ (271,600)
Capital Improvement Committed		\$ 8,481	\$ 1,382	\$ 10,982	\$ 4,382	\$ 3,982
Unrestricted Available Resources		\$ 13,244	\$ 18,936	\$ 9,341	\$ 42,904	\$ (275,582)

Revenue						
Golf Course						
54-370-200	User Fees	\$ 304,813	\$ 354,537	\$ 365,000	\$ 380,000	\$ 384,000
54-370-300	Fees/Licenses	\$ 6,600	\$ 4,775	\$ 400	\$ 1,975	\$ 1,400
54-370-400	Merchant Sales	\$ 22,991	\$ 48,392	\$ 41,000	\$ 20,000	\$ 30,000
54-370-430	Sales of Assets	\$ 500	\$ 8,860	\$ -	\$ -	\$ -
54-370-470	Interest	\$ 155	\$ 25	\$ -	\$ 1,200	\$ 1,000
54-370-600	Grants	\$ 34,655	\$ -	\$ -	\$ -	\$ -
54-370-650	Contributions	\$ 106,000	\$ 250	\$ -	\$ -	\$ -
54-370-655	Transfers From Othe	\$ -	\$ 198,000	\$ 157,000	\$ 157,000	\$ -
54-370-780	Deposits/Reimburse	\$ 18,627	\$ 24,825	\$ 15,000	\$ 8,950	\$ -
54-370-800	Miscellaneous	\$ 298	\$ 1,192	\$ 250	\$ 1,850	\$ 250
54-371-102	Golf Course Improve	\$ 5,748	\$ 11,743	\$ 9,600	\$ 3,000	\$ 9,600
<b>Total Golf Course Revenue</b>		<b>\$ 500,388</b>	<b>\$ 652,600</b>	<b>\$ 588,250</b>	<b>\$ 573,975</b>	<b>\$ 426,250</b>
Snack Bar						
54-375-200	User Fees	\$ 3,750	\$ -	\$ -	\$ 3,500	\$ 5,000
54-375-400	Merchant Sales	\$ 27,706	\$ 102,330	\$ 28,000	\$ 5,500	\$ 1,000
54-375-655	Transfers From Othe	\$ -	\$ 73,000	\$ -	\$ -	\$ -
54-375-780	Deposits/Reimburse	\$ 283	\$ -	\$ -	\$ -	\$ -
<b>Total Snack Bar Revenue</b>		<b>\$ 31,740</b>	<b>\$ 175,330</b>	<b>\$ 28,000</b>	<b>\$ 9,000</b>	<b>\$ 6,000</b>
<b>Total Revenue</b>		<b>\$ 532,128</b>	<b>\$ 827,930</b>	<b>\$ 616,250</b>	<b>\$ 582,975</b>	<b>\$ 432,250</b>

Expenditures						
Golf Course						
54-470-105	Salaries	\$ 199,423	\$ 264,045	\$ 227,196	\$ 216,500	\$ 362,019
54-470-110	Taxable Benefit	\$ 750	\$ 2,184	\$ 3,300	\$ 1,600	\$ 3,900
54-470-115	Overtime	\$ 15	\$ 3,682	\$ 2,000	\$ 200	\$ 2,000
54-470-125	Social Security Tax	\$ 15,072	\$ 20,589	\$ 17,786	\$ 16,500	\$ 28,485
54-470-135	Worker's Compensat	\$ 2,863	\$ 3,028	\$ 5,207	\$ 4,500	\$ 3,921
54-470-140	Unemployment Insu	\$ 593	\$ 808	\$ 697	\$ 625	\$ 1,104
54-470-145	Health Plan	\$ 22,612	\$ 27,276	\$ 27,816	\$ 17,632	\$ 42,211
54-470-155	Retirement	\$ 1,146	\$ 6,583	\$ 7,924	\$ 4,200	\$ 7,315
54-470-160	Life Insurance	\$ 220	\$ 273	\$ 241	\$ 1,080	\$ 410
54-470-170	Death and Disability	\$ 368	\$ 469	\$ 506	\$ 405	\$ 710
54-470-200	Indirect Cost Charge	\$ -	\$ -	\$ -	\$ -	\$ 12,000
54-470-300	Office Supplies	\$ 461	\$ 1,007	\$ 700	\$ 400	\$ 700

## Golf Course Fund

Account	Account Title	2020 Actual	2021 Actual	2022 Budget	2022 EST	2023 Budget
54-470-320	Operating Supplies	\$ 35,725	\$ 24,122	\$ 22,000	\$ 31,000	\$ 22,000
54-470-340	Postage	\$ 13	\$ 148	\$ 50	\$ 150	\$ 100
54-470-380	Public Notice/Publica	\$ 91	\$ 113	\$ 100	\$ 1,200	\$ 6,000
54-470-400	Program Operation S	\$ 26,182	\$ 33,324	\$ 30,000	\$ 27,000	\$ 23,000
54-470-440	Inventory Purchase	\$ 15,537	\$ 43,541	\$ 38,000	\$ 11,000	\$ 25,000
54-470-470	Interest	\$ 602	\$ -	\$ -	\$ 1,688	\$ 1,688
54-470-500	Technology	\$ 2,646	\$ 2,629	\$ 2,500	\$ 1,728	\$ 3,400
54-470-510	Recruitment/Recogn	\$ 1,054	\$ 141	\$ 1,000	\$ 500	\$ 500
54-470-530	Safety	\$ 969	\$ 1,120	\$ 500	\$ 425	\$ 500
54-470-550	Repair/Maintenance	\$ 76,625	\$ 77,159	\$ 80,000	\$ 67,700	\$ 80,000
54-470-570	Renewal/Application	\$ 1,195	\$ 1,819	\$ 1,650	\$ 2,500	\$ 2,500
54-470-603	Cell Phone	\$ 201	\$ 507	\$ 500	\$ 650	\$ -
54-470-609	Electricity	\$ 1,809	\$ 2,301	\$ 2,000	\$ 3,400	\$ 3,700
54-470-612	Internet	\$ 960	\$ 997	\$ 1,100	\$ 1,179	\$ 1,200
54-470-618	Natural Gas	\$ 541	\$ 1,015	\$ 1,000	\$ 1,100	\$ 1,300
54-470-627	Refuse Disposal	\$ 1,891	\$ 2,772	\$ 3,000	\$ 2,400	\$ 2,500
54-470-633	Telephone	\$ 787	\$ 873	\$ 828	\$ 828	\$ 828
54-470-635	Television	\$ 299	\$ 772	\$ 850	\$ 700	\$ 850
54-470-639	Sewer	\$ 716	\$ 772	\$ 800	\$ 550	\$ 756
54-470-642	Water	\$ 452	\$ 465	\$ 500	\$ 700	\$ 605
54-470-700	Contract Services	\$ 3,853	\$ 4,675	\$ 1,000	\$ 7,650	\$ 6,300
54-470-800	Vehicle/Equipment	\$ 25,006	\$ 87,751	\$ 96,000	\$ 96,000	\$ 65,000
54-470-860	Education/Travel	\$ 2,165	\$ -	\$ 4,100	\$ 2,576	\$ 4,500
54-470-890	Insurance/Bonds	\$ 5,427	\$ 5,510	\$ 5,908	\$ 6,068	\$ 5,908
54-470-900	Miscellaneous	\$ (11)	\$ 533	\$ -	\$ 3	\$ 5
54-471-102	Golf Course Improve	\$ -	\$ 18,842	\$ -	\$ -	\$ 10,000
<b>Total Golf Course Expenditures</b>		<b>\$ 448,259</b>	<b>\$ 641,844</b>	<b>\$ 586,760</b>	<b>\$ 532,337</b>	<b>\$ 732,916</b>
Snack Bar						
54-475-105	Salaries	\$ -	\$ 75,450	\$ -	\$ -	\$ -
54-475-110	Taxable Benefit	\$ -	\$ 1,166	\$ -	\$ -	\$ -
54-475-115	Overtime	\$ -	\$ 3,536	\$ -	\$ -	\$ -
54-475-125	Social Security Tax	\$ -	\$ 6,864	\$ -	\$ -	\$ -
54-475-135	Worker's Compensat	\$ -	\$ 1,430	\$ -	\$ -	\$ -
54-475-140	Unemployment Insu	\$ -	\$ 265	\$ -	\$ -	\$ -
54-475-300	Office Supplies	\$ -	\$ 180	\$ -	\$ -	\$ -
54-475-320	Operating Supplies	\$ 3,032	\$ 4,940	\$ 3,000	\$ 100	\$ 100
54-475-400	Program Operation S	\$ -	\$ -	\$ -	\$ 850	\$ -
54-475-440	Inventory Purchase	\$ 16,896	\$ 79,309	\$ 17,000	\$ 2,000	\$ 2,500
54-475-500	Technology	\$ -	\$ 3,249	\$ -	\$ -	\$ -
54-475-550	Repair/Maintenance	\$ -	\$ 1,331	\$ 1,000	\$ 4,800	\$ 3,000
54-475-570	Renewal/Application	\$ -	\$ 485	\$ 485	\$ -	\$ -
54-475-609	Electricity	\$ 2,787	\$ 4,454	\$ 3,500	\$ 5,700	\$ 6,000
54-475-612	Internet	\$ 127	\$ -	\$ -	\$ -	\$ -
54-475-618	Natural Gas	\$ 1,533	\$ 2,378	\$ 2,400	\$ 2,400	\$ 3,000
54-475-627	Refuse Disposal	\$ 1,297	\$ 1,599	\$ 1,300	\$ 2,700	\$ 2,500
54-475-635	Television	\$ 4	\$ -	\$ -	\$ -	\$ -

## Golf Course Fund

Account	Account Title	2020 Actual	2021 Actual	2022 Budget	2022 EST	2023 Budget
54-475-639	Sewer	\$ 320	\$ 311	\$ 350	\$ 330	\$ 330
54-475-642	Water	\$ 432	\$ 547	\$ 450	\$ 540	\$ 540
54-475-700	Contract Services	\$ -	\$ -	\$ -	\$ 4,250	\$ 250
54-475-900	Miscellaneous	\$ 203	\$ -	\$ -	\$ -	\$ -
<b>Total Snack Bar Expenditures</b>		<b>\$ 26,631</b>	<b>\$ 187,494</b>	<b>\$ 29,485</b>	<b>\$ 23,670</b>	<b>\$ 18,220</b>
<b>Total Expenditures</b>		<b>\$ 474,890</b>	<b>\$ 829,338</b>	<b>\$ 616,245</b>	<b>\$ 556,007</b>	<b>\$ 751,136</b>



## Golf Course



### Capital Improvement Vision - Golf:

Provide the best golf facilities for the most reasonable rates. Goal to be known as the Best Western Slope golf course. Promote and maintain sustainability.

### Capital Improvement Vision - Golf Course:

Construct a maintenance facility to remove liability from clubhouse and better manage equipment repair and storage. Maintenance facility construction can be in phases with regards to safety a priority. Improve irrigation electrical system. Improve course drainage system. Improve or renovate clubhouse. Improve safety and energy efficiency.

	2023	2024	2025	2026	2027	5+ years
<b>Equipment</b>						
1 Operations - Cart Lease	\$23,000	\$23,000	\$23,000			\$25,000
2 Used Light Duty Car (1)						
3 Triplex Motors (1)						
4 Fairway Mowers (2)		\$110,000				
5 Fairway Aerator		\$25,000				
6 Fairway Aerator Equipment		\$15,000				
7 Triplex Mowser (3)			\$135,000			
8 Sod cutter						\$3,000
9 Greens Aerator						\$20,000
<b>Irrigation</b>						
10 Pump station and filter						\$150,000
11 Cook Ditch Diversion						
12 Pond Expansion		\$200,000				
13 New Wire Paths			\$75,000			
14 Head Conversion						\$100,000
<b>Grounds</b>						
15 Chip Seal Cart Paths (15, 17, 18)						
16 Rebuild #13 Green						\$25,000
17 Level Tees						\$50,000
18 Rebuild #16 Green						\$10,000
19 Rebuild #15 Green						\$40,000
<b>Safety</b>						
20 Clubhouse Electrical upgrades		\$6,000				
21 Clubhouse Boiler replacement		\$5,000				
22 Chemical Storage	\$10,000					
23 Maintenance Building						
24 Fuel Storage		\$3,000				
25 Fence		\$5,000				
26 Wash Bay			\$2,000			
27 Pole Barn			\$25,000			
28 Dry Storage Bins concrete & concrete pad for future Maintenance building		\$20,000				
29 Maintenance Facility - Shop						\$180,000
30 Maintenance Facility - Equipment and Implement Pole Barn						\$25,000
31 Building and Facilities - Update Clubhouse with ADA Restrooms						\$15,000
32 Building and Facilities - Repave Parking Lot						\$25,000
33 Bridge Replacement						\$150,000
34 Dumpster Enclosure with Concrete Pad		\$4,000				

**Golf Course**



**Capital Improvement Vision - Golf:**

Provide the best golf facilities for the most reasonable rates. Goal to be known as the Best Western Slope golf course. Promote and maintain sustainability.

**Capital Improvement Vision - Golf Course:**

Construct a maintenance facility to remove liability from clubhouse and better manage equipment repair and storage. Maintenance facility construction can be in phases with regards to safety a priority. Improve irrigation electrical system. Improve course drainage system. Improve or renovate clubhouse. Improve safety and energy efficiency.

	2023	2024	2025	2026	2027	5+ years
<b>Total</b>	<b>\$33,000</b>	<b>\$416,000</b>	<b>\$260,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$818,000</b>