



CITY OF BATTLE CREEK
CITY MANAGER

**Binder Park Golf Course
Operational Review Committee**

Wednesday, February 28, 2024

10:00 a.m.

Room 302A City Hall

AGENDA

- I. Call to Order**
- II. Public Comment**
- III. Approval of Minutes from August 24, 2023**
- IV. Operations Update**
 - a. Operational review**
 - i. Proposed fee increase**
- V. Member Comments**
- VI. Adjourn**

Attachments:

- Meeting agenda
- Minutes from August 24, 2023
- Golf Course pricing memo

BINDER PARK GOLF COURSE OPERATIONAL REVIEW COMMITTEE
Meeting Minutes

Thursday, August 24, 2023 at 3:00pm – Room 302A, City Hall

MEMBERS PRESENT: Duska Brumm, Ted Dearing, Ryan Dingman, Aaron Kuhn, Commissioner Patrick O'Donnell, Ron Osborne

ABSENT: Commissioner Jim Lance, Commissioner Carla Reynolds, Commissioner Chris Simmons and Mayor Behnke

OTHERS PRESENT: Patti Worden – Executive Assistant

Call to Order: Chair Dearing called the meeting to order at 3:04pm, noting a quorum was present.

Public Comment: There were no Public Comments.

Approval of Minutes: Mr. Osborne moved to approve the August 30, 2022 Binder Park Golf Course Operational Review Committee Minutes. Commissioner O'Donnell supported the motion. All in favor, none opposed. Motion passed.

Operations Update

A. Financial Review

i. FY 23 Financial Review

Mr. Dearing reviewed the FY 23 Budget Performance Report, stating that from a revenue perspective, it was a very successful year. He credited the good work of the golf course and recreation staff. Mr. Dearing noted that golf course revenue was nearly \$1.5M in FY 2023 and after operating expenses, the course netted \$18,947.

ii. FY 24 Budget

Mr. Dearing presented the FY 24 Budget, noting they are taking a conservative approach. It was noted that for Fiscal Year 2024, the golf course is already ahead of the FY 2023 pace.

iii. Extended Financial Projection

Mr. Dearing reviewed the multi-year performance projections, noting 2025 is a key year as it represents the retirement of the golf course debt. Mr. Dearing presented financial projections to year 2035.

B. Operational Review

i. FY 23 Summary and FY 24 Program/Events

Mr. Osborne presented the Binder Park Golf Course Fiscal Year End Report '23-'24. He noted July 2023 revenues exceeded July 2022 revenues and he is optimistic about FY 2024.

Member Comments: There were no Member Comments.

Adjournment: Mr. Dearing adjourned the meeting at 3:23pm.

Memo



To: Binder Park Golf Course Review Committee

From: Ron Osborne, Golf Course Manager

Copy: Duska Brumm, Recreation Director

Date: February 23, 2024

Re: Proposed increase in fees

To the Committee Members

Since 2018, Binder Park has only increased rates 5.3%. In that same period of time, the consumer price index has gone up 22.1%. Based on that information our recommendation would be to increase rates by 10% to keep up with our increasing expenses. As expenses exponentially increase, we feel as though we need to adjust our pricing to keep up with those expenses.

We want to be sure we can continue to provide our best customer service to our community and help with the typical wear and tear at the course (i.e. Golf Carts, Clubhouse, Maintenance). With Binder being a place so many choose to play on a regular basis, it is imperative we are able to keep everything in as good of shape as we can.

This increase means we are able to maintain fair wages to our staff, and maintain the high standard that Binder has in the golf community.

Proposal

The original Binder Park Golf Course was built in 1963. It was an 18-hole golf course. Binder Park Golf Course was an extremely busy golf course, and The City of Battle Creek did a golf course expansion in 2000. The city invested \$3.5 million into a new Clubhouse, a new nine holes, three practice holes and a driving range, which is by far the best practice facility in the city. In my opinion, The City did a fantastic job with redesigning the golf course to provide a 30-hole golf facility for the citizens of Battle Creek and out of town Patrons. Since the expansion of the golf course, it has struggled to pay for the bond payment associated with the expansion (\$237,000 annually). But to be clear it has always been able to operate at a positive net income. Since the expansion took place, there has been little or no capital improvements since 2000, other than what was completely necessary. I've compiled a list of capital improvements that are going to be necessary in the near future. With that in mind, the only way to pay for these improvements is to increase our user fees to keep up with inflation. Since 2018 the golf course has increased prices 5.3%. During that period of time the consumer price index has increased 22.8%.

Maintenance/Capital Needs

Irrigation system: The original 18-hole golf course was built in 1963 with the original irrigation. It desperately needs to be replaced. If the irrigation system fails – you will lose the turf & and your revenues will take a major hit.

Estimated cost 2.5 million.

Cart Paths: The cart paths are old and beat up and they also are very rough on our golf carts, which causes damage and additional costs. If there are ever any complaints from our customers at Binder Park, they are usually regarding the cart paths.

Estimated cost \$750,000.

Maintenance Equipment: Ryan Dingman, our 23-year golf course superintendent, who does an incredibly good job here at Binder Park, and has done everything he can to keep our old maintenance equipment running. But at some point, we need to start upgrading some of our equipment.

Estimated cost for some equipment replacement, \$250,000.

Re-shingle the roofs on all three buildings: The main clubhouse, the junior golf building and the original clubhouse. All are at least 23 years old.

Estimated cost \$65,000.

Carpet in the main clubhouse and in the junior golf building.

Estimated cost \$35,000.

The good news is that the bond payment will be paid for in 14 months. The last payment is February 2025.

Binder Park Golf Course

Proposed Fee Increase 2024

Price Comparison (Summary)

	Binder Park (Proposed Rates)	Average Local-market	Average Regional-market
9 Hole Green Fee	\$ 17.50	\$ 15.70	\$ 22.83
18 Hole Green Fee	\$ 31.00	\$ 23.80	\$ 39.83
Sr. 9 Hole Green Fee	\$ 10.00	\$ 12.20	\$ 18.83
Sr. 18 Hole Green Fee	\$ 16.50	\$ 19.20	\$ 28.83
9 Hole Cart Fee	\$ 9.50	\$ 10.90	\$ 15.00
18 Hole Cart Fee	\$ 19.00	\$ 17.60	\$ 30.17
Sr. 9 Hole Cart Fee	\$ 8.50	\$ 9.20	\$ 12.67
Sr. 18 Hole Cart Fee	\$ 16.50	\$ 15.80	\$ 22.67
<u>Totals:</u>			
9 Holes w/ Cart	\$ 27.00	\$ 26.60	\$ 37.83
18 Holes w/ Cart	\$ 50.00	\$ 41.40	\$ 70.00
Sr. 9 Holes w/ Cart	\$ 18.50	\$ 21.40	\$ 31.50

Binder Park Golf Course
Proposed Fee Increase 2024
Price Comparison (Detail)

All Weekend Rates

	Cedar Creek Golf Course	Riverside Golf Course	Marywood	Emerald Hills	Marshall Country Club	Binder Park (Proposed Rates)
9 Hole Green Fee	\$ 15.00	\$ 15.00	\$ 14.00	\$ 18.00	\$ 16.50	\$ 17.50
18 Hole Green Fee	\$ 24.00	\$ 23.00	\$ 22.00	\$ 25.00	\$ 25.00	\$ 31.00
Sr. 9 Hole Green Fee	\$ 12.00	\$ 12.00	\$ 8.00	\$ 17.00	\$ 12.00	\$ 10.00
Sr. 18 Hole Green Fee	\$ 20.00	\$ 20.00	\$ 12.00	\$ 24.00	\$ 20.00	\$ 16.50
9 Hole Cart Fee	\$ 11.00	\$ 12.00	\$ 10.00	\$ 9.00	\$ 12.50	\$ 9.50
18 Hole Cart Fee	\$ 18.00	\$ 18.00	\$ 14.00	\$ 18.00	\$ 20.00	\$ 19.00
Sr. 9 Hole Cart Fee	\$ 11.00	\$ 12.00	\$ 8.00	\$ 7.00	\$ 8.00	\$ 8.50
Sr. 18 Hole Cart Fee	\$ 18.00	\$ 18.00	\$ 12.00	\$ 16.00	\$ 15.00	\$ 16.50
Totals:	Cedar Creek Golf Course	Riverside Golf Course	Marywood	Emerald Hills	Marshall Country Club	Binder Park
9 Holes w/ Cart	\$ 26.00	\$ 27.00	\$ 24.00	\$ 27.00	\$ 29.00	\$ 27.00
18 Holes w/ Cart	\$ 42.00	\$ 41.00	\$ 36.00	\$ 43.00	\$ 45.00	\$ 50.00
Sr. 9 Holes w/ Cart	\$ 23.00	\$ 24.00	\$ 16.00	\$ 24.00	\$ 20.00	\$ 18.50
Sr. 18 Holes w/ Cart	\$ 38.00	\$ 38.00	\$ 24.00	\$ 40.00	\$ 35.00	\$ 33.00

	The Grand Golf Course	Calderone Golf Club	Medalist (Dynamic Pricing)	Angels Crossing (Vicksburg)	Gull Lake View (Dynamic Pricing)	Milham Park (Kalamazoo)
9 Hole Green Fee	\$ 20.00	\$ 20.00	\$ 25.00	\$ 25.00	\$ 29.00	\$ 18.00
18 Hole Green Fee	\$ 40.00	\$ 35.00	\$ 45.00	\$ 40.00	\$ 50.00	\$ 29.00
Sr. 9 Hole Green Fee	\$ 28.00	\$ 12.00	\$ 20.00	\$ 20.00	\$ 20.00	\$ 13.00
Sr. 18 Hole Green Fee	\$ 35.00	\$ 23.00	\$ 30.00	\$ 40.00	\$ 23.00	\$ 22.00
9 Hole Cart Fee	\$ 15.00	\$ 10.00	\$ 20.00	\$ 15.00	\$ 20.00	\$ 10.00
18 Hole Cart Fee	\$ 32.00	\$ 20.00	\$ 35.00	\$ 39.00	\$ 35.00	\$ 20.00
Sr. 9 Hole Cart Fee	\$ 20.00	\$ 8.00	\$ 12.00	\$ 16.00	\$ 10.00	\$ 10.00
Sr. 18 Hole Cart Fee	\$ 30.00	\$ 12.00	\$ 25.00	\$ 29.00	\$ 20.00	\$ 20.00
Totals:	The Grand Golf Course	Calderone Golf Club	Medalist	Angels Crossing (Vicksburg)	Gull Lake View	Milham Park
9 Holes w/ Cart	\$ 35.00	\$ 30.00	\$ 45.00	\$ 40.00	\$ 49.00	\$ 28.00
18 Holes w/ Cart	\$ 72.00	\$ 55.00	\$ 80.00	\$ 79.00	\$ 85.00	\$ 49.00
Sr. 9 Holes w/ Cart	\$ 48.00	\$ 20.00	\$ 32.00	\$ 36.00	\$ 30.00	\$ 23.00
Sr. 18 Holes w/ Cart	\$ 65.00	\$ 35.00	\$ 55.00	\$ 69.00	\$ 43.00	\$ 42.00

BINDER PARK GOLF COURSE

2023 FEES

	2023	2024	Proposed Percent Increase	Overall increase	10.63
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GREEN FEES:

RANGE:

WEEKDAYS:				Regular Bucket	\$5.00	\$ 5.50	10.00%
9 Holes	\$14.00	\$ 15.50	10.71%	Large Bucket	\$8.50	\$ 9.50	11.76%
18 Holes	\$25.00	\$ 27.50	10.00%	Jumbo Bucket	\$12.00	\$ 13.50	12.50%
27 Holes	\$36.00	\$ 39.00	8.33%	Range & Practice Holes - Non Members			
9 Hole League	\$14.00	\$ 15.50	10.71%	Single	\$290	\$ 320.00	10.34%
				Couple	\$340	\$ 375.00	10.29%
				Family	\$395	\$ 435.00	10.13%
WEEKENDS:				Range - Members	\$175	\$ 195.00	11.43%
9 Holes	\$16.00	\$ 17.50	9.38%	Single	\$235	\$ 260.00	10.64%
18 Holes	\$28.00	\$ 31.00	10.71%	Couple	\$290	\$ 320.00	10.34%
27 Holes	\$39.00	\$ 42.00	7.69%	Family			

SENIORS/ JUNIORS:

CARTS:

(M-F before 2pm, Sat/Sun after 4pm)				3 Hole	\$3.75	\$ 4.50	20.00%
9 Holes	\$9.00	\$ 10.00	11.11%	9 Holes	\$8.50	\$ 9.50	11.76%
18 Holes	\$15.00	\$ 16.50	10.00%	18 Holes	\$17.00	\$ 19.00	11.76%
27 Holes	\$19.50	\$ 21.50	10.26%	27 Holes	\$22.50	\$ 25.00	11.11%
				9 Holes Sr/Jr	\$7.50	\$ 8.50	13.33%
THREE HOLE COURSE:				18 Holes Sr/Jr	\$15.00	\$ 16.50	10.00%
3 Hole	\$3.50	\$ 4.00	14.29%	27 Holes Sr/Jr	\$21.00	\$ 23.00	9.52%
				(M-F before 2pm, Sat/Sun after 4pm)			

MEMBERSHIPS:

Single	\$595	\$ 660.00	10.92%
Couples	\$830	\$ 920.00	10.84%
Senior	\$490	\$ 540.00	10.20%
Senior Couples	\$695	\$ 770.00	10.79%
Family	\$950	\$ 1,055.00	11.05%
Junior	\$240	\$ 265.00	10.42%
School	\$335	\$ 370.00	10.45%
*Ltd. Single	\$370	\$ 410.00	10.81%
*Ltd. Couple	\$570	\$ 630.00	10.53%
One Day Membership	\$285	\$ 315.00	10.53%
*(M-F before 2pm)			