



MAYORAL MEMO - 9 MARCH 2022

So... at what point does a community benefit outweigh an organisational cost? Let me play a hypothetical with you. Imagine this scenario. Tiger Woods has won golf's major championships fifteen times, second on the all-time list. His net worth sits at \$US800 million. Imagine that Tiger has decided that the best way for him to generate income going forward is to stop playing tournaments and just travel the world and play an exhibition round for a fee of \$US2 million. Any golf club or city or town in the world can promote an event with Tiger as the star. Tiger does what he loves – plays golf – with no pressure to win or perform. He still travels the world and just by playing one round of golf a week, could generate an income of \$US100 million. Not bad work if you can get it.

Going along with my hypothetical, imagine that the golf club of a town called Yanning wants to pay Tiger to play at the Yanning Golf Club. The board of the club sits down to discuss the proposal. On the plus side, board members are arguing that having Tiger visit will be the greatest thing ever for Yanning. People will come from all over Australia to visit, the motels will be booked out, the restaurant and café industry will be inundated, everyone will be talking about Yanning across the nation. What a wonderful promotion for the little old Yanning Golf Club and the town in general.

On the negative side is the not insignificant sum of \$AU2.74 million. The Yanning Golf Club will have more people play the course when they come to town but at \$AU50 per round that would require 54,800 extra rounds of golf to cover the cost! There might be a few other opportunities to generate some income for the club but ultimately it is going to be a cost to the club, or more accurately, a cost to the members. Those against the proposal argue that the main beneficiary will be the town of Yanning not the Yanning Golf Club but the golf club will be paying all the costs.

This hypothetical situation is often not so hypothetical for Councils across the State. There are often situations when a Council has the opportunity to attract or create an event or ongoing attraction which will be fantastic for the overall Council area but to the detriment of the bottom line of the Council. When a Council reports its financial outcome at the end of a financial year, no ratepayer wants to see their Council in the red for the year but attracting visitors and residents helps so many industries.

If you were a board member of the hypothetical Yanning Golf Club, which way would you vote on Tiger? Send your response to me at mayor@dubbo.nsw.gov.au

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