

FUND STATEMENT**FUND:****MUNICIPAL GOLF FUND**

In FY1981-82, the City Council approved the recommendation by staff to operate the golf program as an Enterprise Fund. This action represented a significant policy commitment to the concept of a self-supporting golf program. The establishment of a Municipal Golf Fund offered all citizens of Fort Worth enjoyable, safe, comprehensive and affordable golf programs.

Fort Worth Golf, a division of the Parks and Community Services Department, provides a safe and comprehensive golf program through quality customer service, community involvement and responsible golf course management. The division, which is managed directly by the City, is divided into four sections: Golf Management, Pro Shop Operations, Snack Shop Operations, and Golf Course Maintenance.

The City of Fort Worth operates five regulation-length golf courses that promote golf as a lifetime sport: Pecan Valley (two 18-hole courses located in southwest Fort Worth), Z. Boaz (an 18-hole course in the western sector of the City), Meadowbrook (an 18-hole course located on the eastern edge of the City), Rockwood (a 27-hole course in the near northwest) and Sycamore Creek (a nine-hole course with double tee boxes, which is located in southeast Fort Worth).

As an Enterprise Fund, the Municipal Golf Fund is meant to be financially self-supporting. Revenues to support expenditures come from greens fees, golf cart rentals, merchandise sales at golf course pro shops, annual passes, interest on investments, leases, revenue from concessions, golf club rentals and other miscellaneous income. In recent years the City's golf program has been negatively impacted by several factors including, the closure of the "River" course at Pecan Valley for two years, a saturated local market for golf courses, little to no growth in the number of area golfers and a sluggish economy. In such an environment, the fund has experienced declining revenues, while expenditures continue to rise. To address these challenges, City staff have made recommendations regarding Municipal Golf Fund restructuring and a return to a positive financial position. City Council approved staff's proposed recommendations for the future management of the Fort Worth Municipal Golf Fund effective FY2005-06. As a result, the expectation is that this management restructuring will enable the Municipal Golf fund to return to a positive fund balance by FY2008-09.

FORT WORTH



**MUNICIPAL GOLF FUND BUDGET SUMMARY
FISCAL YEAR
2005-06**

REVENUES:

Taxable Revenue	\$2,197,645
Non-Taxable Revenue	2,426,320
Miscellaneous Revenue	<u>600</u>
TOTAL REVENUE	\$4,624,565

OTHER FINANCING SOURCES:

Interest on Investments	<u>\$0</u>
TOTAL REVENUE AND OTHER FINANCING SOURCES	\$4,624,565

EXPENDITURES:

Personal Services	\$2,421,660
Supplies	689,749
Contractual Services	<u>1,101,669</u>
TOTAL RECURRING EXPENSES	\$4,213,078

DEBT SERVICE AND CAPITAL OUTLAY:

Debt Service	\$411,487
TOTAL DEBT SERVICE AND CAPITAL OUTLAY	\$411,487
TOTAL EXPENDITURES	\$4,624,565

**PROJECTED
UNRESERVED RETAINED EARNINGS
MUNICIPAL GOLF FUND**

Unreserved retained earnings as of 9/30/05 *	(\$3,271,558)
Plus: Projected Revenues	\$4,624,565
Less: Projected Expenditures	(\$4,624,565)
Unreserved retained earnings as of 9/30/06	(\$3,271,558)

* Preliminary fund balance due to pending audit of actual fund balances

**COMPARISON OF MUNICIPAL GOLF FUND
EXPENDITURES**

	ACTUAL 2002-03	ACTUAL 2003-04	BUDGET 2004-05	RE-ESTIMATE 2004-05	ADOPTED 2005-06
Golf Course Management	\$1,352,737	\$685,185	\$703,872	\$605,282	\$488,689
Non-Departmental	510,453	777,410	447,680	447,680	431,314
Pecan Valley Greens Maint.	635,686	504,107	621,413	539,478	580,166
Pecan Valley Pro Shop	438,328	408,768	390,671	408,312	568,230
Z. Boaz Greens Maint.	300,102	280,069	334,877	297,521	304,919
Z. Boaz Pro Shop	307,690	276,133	315,211	297,181	280,364
Z. Boaz Snack Shop	23,437	30,544	0	0	35,208
Meadowbrook Greens Maint.	375,722	293,197	386,189	340,434	378,924
Meadowbrook Pro Shop	367,438	342,804	321,407	316,573	431,861
Rockwood Greens Maint.	442,022	335,870	361,593	375,537	342,966
Rockwood Pro Shop	359,308	312,211	320,177	338,148	400,612
Sycamore Creek Greens Maintenance	227,329	163,195	224,774	183,290	189,798
Sycamore Creek Pro Shop	<u>195,104</u>	<u>192,200</u>	<u>193,780</u>	<u>201,477</u>	<u>191,514</u>
TOTAL	\$5,535,356	\$4,601,693	\$4,621,644	\$4,350,913	\$4,624,565

FORT WORTH



**COMPARISON OF MUNICIPAL GOLF FUND
REVENUES**

	ACTUAL 2002-03	ACTUAL 2003-04	BUDGET 2004-05	RE-ESTIMATE 2004-05	ADOPTED 2005-06
Pecan Valley Golf Course	\$1,596,940	\$1,535,655	\$1,847,535	\$1,592,681	\$1,741,956
Z. Boaz Golf Course	740,758	611,112	801,963	578,749	615,020
Meadowbrook Golf Course	889,260	847,138	691,152	516,913	1,028,703
Rockwood Golf Course	673,278	700,624	963,713	792,641	946,704
Sycamore Creek Golf Course	286,190	281,711	315,331	275,750	291,582
Other Income	<u>40,642</u>	<u>57,577</u>	<u>1,950</u>	<u>1,200</u>	<u>600</u>
TOTAL	\$4,227,068	\$4,033,817	\$4,621,644	\$3,757,934	\$4,624,565

FORT WORTH



FUND BUDGET SUMMARY

DEPARTMENT:

MUNICIPAL GOLF FUND

FUND/CENTER

PE39/0804005:0804520

SUMMARY OF FUND RESPONSIBILITIES:

The City of Fort Worth Municipal Golf Fund, through the Golf Division of the Parks and Community Services Department, provides for enjoyable, safe, and comprehensive golf programs through five municipally-owned golf courses: Pecan Valley, Z. Boaz, Meadowbrook, Rockwood and Sycamore Creek.

Pecan Valley Golf Course is a 36-hole facility located in the southwest part of the City with a fully equipped pro shop, snack shop and driving range. In FY1999-00 and FY2000-01, the "River" course at Pecan Valley was closed for extensive renovations; however, it became fully operational beginning in FY2001-02.

Z. Boaz Golf Course and Meadowbrook Golf Course are 18-hole facilities located on the west and east sides of the City, respectively. Each has fully equipped pro and snack shops; however, Meadowbrook is equipped with a full snack bar and grill service.

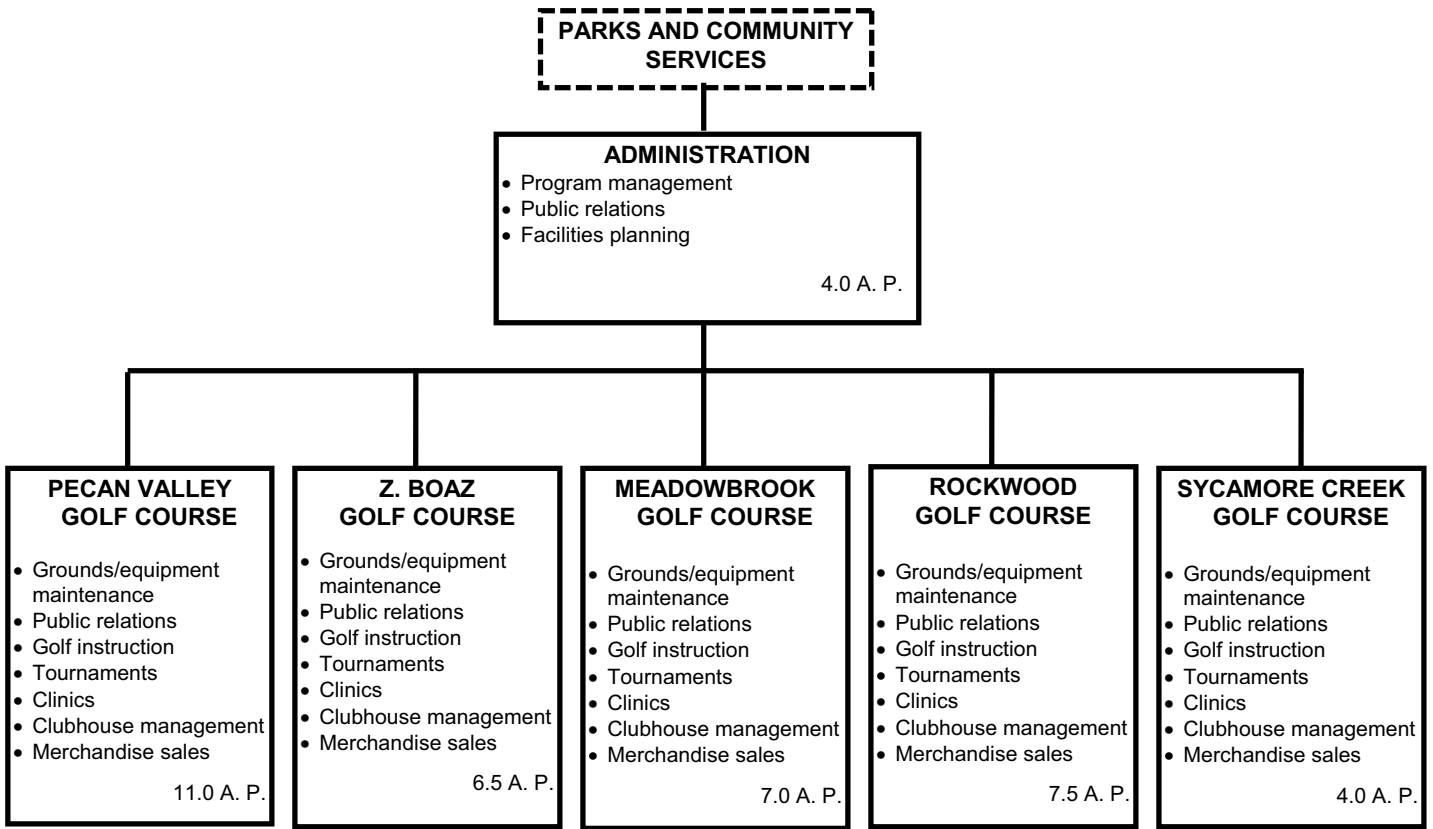
Rockwood Golf Course is a 27-hole facility with pro and snack shops, which is located in the near northwest part of the city.

The Sycamore Creek Golf Course is a nine-hole course with pro and snack shops that is located in the near southeast part of the city. Sycamore Creek was reconstructed during FY1992-93.

FY2005-06 Municipal Golf Fund expenditures are being financed primarily from taxable and non-taxable revenue, in the form of greens fees, cart rentals and other fees at all golf courses. Given current market conditions, no fee increases are proposed for FY2005-06.

Allocations	Actual 2003-04	Adopted 2004-05	Proposed Budget 2005-06	Adopted Budget 2005-06
Personal Services	\$ 1,981,672	\$ 2,240,501	\$ 2,421,660	\$ 2,421,660
Supplies	484,455	482,230	689,749	689,749
Contractual	1,664,427	1,472,710	1,101,669	1,101,669
Capital Outlay	0	0	0	0
Debt Service	471,139	426,203	411,487	411,487
Total Expenditures	\$ 4,601,693	\$ 4,621,644	\$ 4,624,565	\$ 4,624,565
Authorized Positions	40.00	40.00	40.00	40.00

MUNICIPAL GOLF FUND - 40.0 A. P.



SIGNIFICANT BUDGET CHANGES

DEPARTMENT: MUNICIPAL GOLF FUND	FUND/CENTER PE39/0804005:0804520
---	--

CHANGES FROM 2004-05 ADOPTED TO 2005-06 ADOPTED

2004-05 ADOPTED:	\$4,621,644	A.P.	40.00
2005-06 ADOPTED:	\$4,624,565	A.P.	40.00

A) The adopted budget decreases by (\$259,660) for administrative service charges that are absorbed by the General Fund budget for FY2005-06.

B) The adopted budget increases by \$202,802 for scheduled temporaries based on projected expenditure rate anticipated in FY2005-06. This increase will provide for better greens maintenance as emphasized by the Golf Advisory Committee and citizens.

C) The adopted budget decreases by (\$191,063) for equipment maintenance due to the withdrawal from ESD to create cost savings and an enhancement in equipment delivery and service. This is achieved by providing mechanics trained to work on golf course maintenance equipment at a reduced labor and administrative overhead costs.

D) The adopted budget increases by \$125,495 for purchase for resale merchandise due to the creation of a self-operated food and beverage service, which increases revenue and enhances customer service delivery.

E) The adopted budget increases by \$84,791 for other contractual services based on a new management plan to provide better customer service.

F) The adopted budget increases by \$77,218 for minor equipment in order to lease/purchase equipment needed to replace an aging fleet. Staff's plan provides funding for the lease and purchase of needed equipment on an annual basis.

G) The adopted budget decreases by (\$75,038) for motor vehicle repair due to the withdrawal from ESD to create cost savings and an enhancement in equipment delivery and service. This is achieved by providing mechanics trained to work on golf course maintenance equipment at a reduced labor and administrative overhead costs.

H) The adopted budget decreases by (\$30,384) for salaries of regular employees due to the implementation of the City's adopted FY2005-06 compensation plan and the creation of a modified staffing plan to address operational needs by reclassifying some existing positions to a lower grade.

FORT WORTH



DEPARTMENTAL OBJECTIVES AND MEASURES

DEPARTMENT: **MUNICIPAL GOLF FUND**

DEPARTMENT PURPOSE

Working together to provide a safe and comprehensive golf program, through quality customer service, community involvement, and responsible golf course management.

FY2005-06 DEPARTMENTAL OBJECTIVES

To maximize net revenues through increased marketing exposure and special facility access programs. Objectives measured through change in total revenues and expenditures per round played.

To grow the game through number of instructional programs and tournaments offered. Objectives measured through increased participation and satisfaction.

To enhance facility conditions through quarterly inspections and completion of special projects that enhance golfer enjoyment. Measured through increased participation, golfer satisfaction and maintenance expenditures per round played.

To maintain a positive net revenue from year 2009 and thereafter, dissolving the negative balance in the Golf Enterprise Fund. Objectives measured through change in Golf Fund's unrestricted cash levels.

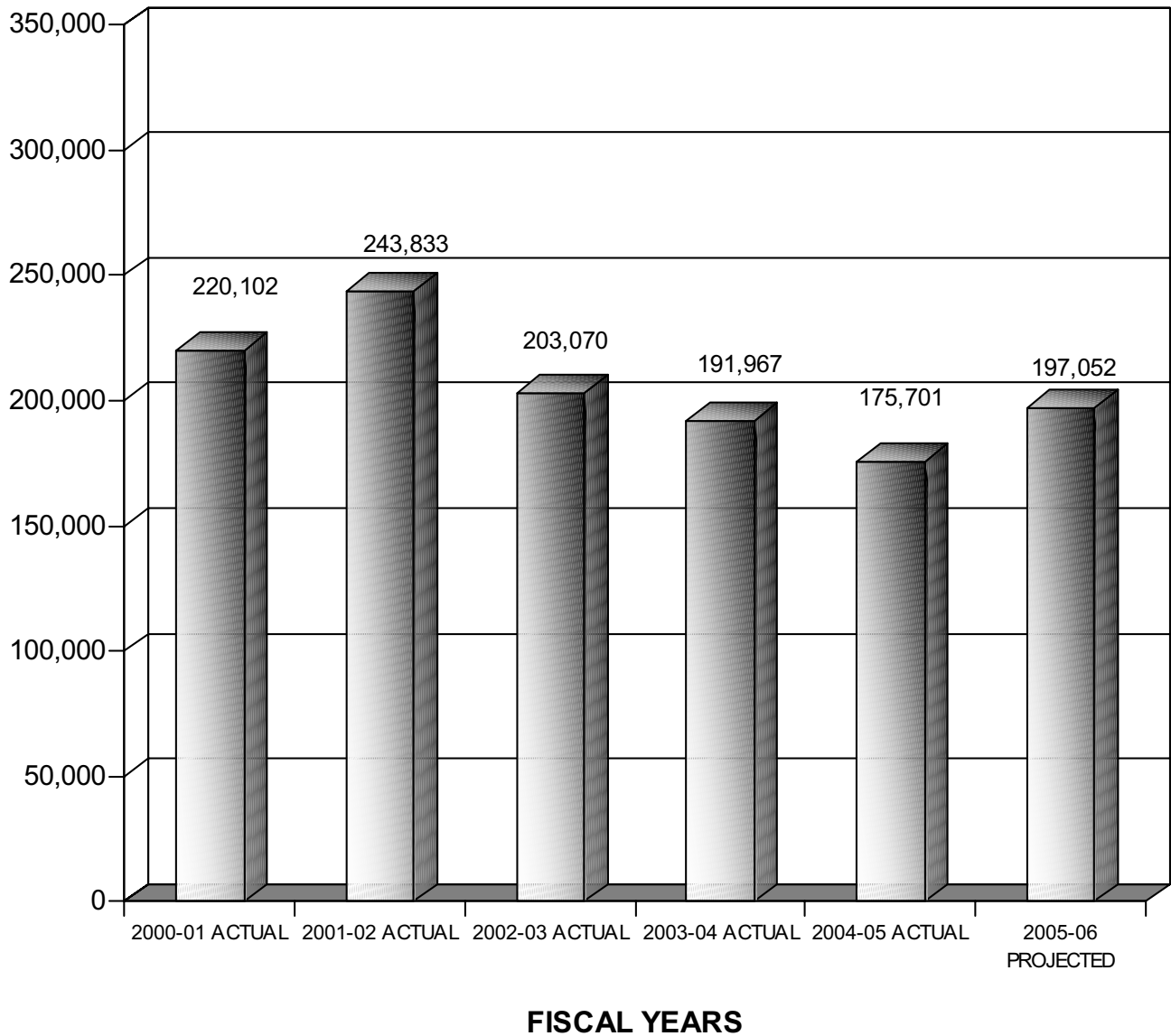
DEPARTMENTAL MEASURES	ACTUAL 2003-04	ESTIMATED 2004-05	PROJECTED 2005-06
Total annual rounds of golf	191,681	193,652	197,052
Revenue/expenditures per round	\$21.18 / \$22.48	\$20.88 / \$22.43	\$23.47 / \$25.27
Number of tournament events / Junior programs	588 / 78	600 / 80	600 / 80
Average score of quarterly inspections	90.0%	90.0%	90.0%
Available cash levels in fund	(\$2,508,648)	(\$2,809,539)	(\$3,164,878)

FORT WORTH



PARKS AND COMMUNITY SERVICES GOLF DIVISION

NUMBER OF ROUNDS PLAYED



FORT WORTH



DEPARTMENTAL SUMMARY BY CENTER

DEPARTMENT PARKS & COMMUNITY SERVICES		ALLOCATIONS				AUTHORIZED POSITIONS			
FUND PE39 MUNICIPAL GOLF FUND		Actual Expenditures 2003-04	Adopted Budget 2004-05	Proposed Budget 2005-06	Adopted Budget 2005-06	Adopted Budget 2003-04	Adopted Budget 2004-05	Proposed Budget 2005-06	Adopted Budget 2005-06
Center	Center Description								
	<u>GOLF & TENNIS</u>								
0804005	GOLF COURSE MANAGEMENT	\$ 685,185	\$ 703,872	\$ 488,689	\$ 488,689	4.00	4.00	4.00	4.00
0804090	NON-DEPARTMENTAL	777,411	447,680	431,314	431,314	0.00	0.00	0.00	0.00
	Sub-Total	<u>\$ 1,462,596</u>	<u>\$ 1,151,552</u>	<u>\$ 920,003</u>	<u>\$ 920,003</u>	<u>4.00</u>	<u>4.00</u>	<u>4.00</u>	<u>4.00</u>
	<u>PECAN VALLEY GOLF COURSE</u>								
0804110	GREENS MAINTENANCE	\$ 504,107	\$ 621,413	\$ 580,166	\$ 580,166	8.00	8.00	7.00	7.00
0804120	PRO SHOP	408,768	390,671	433,195	433,195	3.00	3.00	4.00	4.00
0804130	SNACK BAR	0	0	135,035	135,035	0.00	0.00	0.00	0.00
	Sub-Total	<u>\$ 912,875</u>	<u>\$ 1,012,084</u>	<u>\$ 1,148,396</u>	<u>\$ 1,148,396</u>	<u>11.00</u>	<u>11.00</u>	<u>11.00</u>	<u>11.00</u>
	<u>Z. BOAZ GOLF COURSE</u>								
0804210	GREENS MAINTENANCE	\$ 280,069	\$ 334,877	\$ 304,919	\$ 304,919	4.00	4.00	3.50	3.50
0804220	PRO SHOP	276,133	315,211	280,364	280,364	3.00	3.00	3.00	3.00
0804230	ZBOAZ SNACK BAR	30,544	0	35,208	35,208	0.00	0.00	0.00	0.00
	Sub-Total	<u>\$ 586,746</u>	<u>\$ 650,088</u>	<u>\$ 620,491</u>	<u>\$ 620,491</u>	<u>7.00</u>	<u>7.00</u>	<u>6.50</u>	<u>6.50</u>
	<u>MEADOWBROOK GOLF COURSE</u>								

DEPARTMENTAL SUMMARY BY CENTER

DEPARTMENT PARKS & COMMUNITY SERVICES		ALLOCATIONS				AUTHORIZED POSITIONS			
FUND PE39 MUNICIPAL GOLF FUND		Actual Expenditures 2003-04	Adopted Budget 2004-05	Proposed Budget 2005-06	Adopted Budget 2005-06	Adopted Budget 2003-04	Adopted Budget 2004-05	Proposed Budget 2005-06	Adopted Budget 2005-06
Center	Center Description								
0804310	GREENS MAINTENANCE	\$ 293,197	\$ 386,189	\$ 378,924	\$ 378,924	4.00	4.00	4.00	4.00
0804320	PRO SHOP	342,804	321,407	335,285	335,285	3.00	3.00	3.00	3.00
0804330	SNACK SHOP	0	0	96,576	96,576	0.00	0.00	0.00	0.00
	Sub-Total	<u>\$ 636,001</u>	<u>\$ 707,596</u>	<u>\$ 810,785</u>	<u>\$ 810,785</u>	<u>7.00</u>	<u>7.00</u>	<u>7.00</u>	<u>7.00</u>
	<u>ROCKWOOD GOLF COURSE</u>								
0804410	GREENS MAINTENANCE	\$ 335,870	\$ 361,593	\$ 342,966	\$ 342,966	4.00	4.00	4.50	4.50
0804420	PRO SHOP	312,211	320,177	301,192	301,192	3.00	3.00	3.00	3.00
0804430	SNACKSHOP	0	0	99,420	99,420	0.00	0.00	0.00	0.00
	Sub-Total	<u>\$ 648,081</u>	<u>\$ 681,770</u>	<u>\$ 743,578</u>	<u>\$ 743,578</u>	<u>7.00</u>	<u>7.00</u>	<u>7.50</u>	<u>7.50</u>
	<u>SYCAMORE GOLF COURSE</u>								
0804510	GREENS MAINTENANCE	\$ 163,195	\$ 224,774	\$ 189,798	\$ 189,798	2.00	2.00	2.00	2.00
0804520	PRO SHOP	192,200	193,780	170,978	170,978	2.00	2.00	2.00	2.00
0804530	SNACK SHOP	0	0	20,536	20,536	0.00	0.00	0.00	0.00
	Sub-Total	<u>\$ 355,395</u>	<u>\$ 418,554</u>	<u>\$ 381,312</u>	<u>\$ 381,312</u>	<u>4.00</u>	<u>4.00</u>	<u>4.00</u>	<u>4.00</u>
	TOTAL	\$ 4,601,693	\$ 4,621,644	\$ 4,624,565	\$ 4,624,565	40.00	40.00	40.00	40.00