

CITY OF SARASOTA, FLORIDA
BOBBY JONES GOLF COURSE

| | Actual 1999-00 | Budget 2000-01 | Estimated 2000-01 | Budget 2001-02 |
|---------------------------|-------------------|-------------------|----------------------|-------------------|
| Available Fund Balance | \$ 170,464 | \$ 116,813 | \$ 63,301 | \$ 134,826 |
| <u>Revenues</u> | | | | |
| Green fees | 1,045,259 | 1,099,518 | 1,018,000 | 1,063,000 |
| Cart rental | 905,576 | 945,631 | 900,000 | 936,600 |
| Annual green fees | 251,678 | 255,100 | 255,126 | 262,882 |
| Restuarant lease | 9,000 | 9,000 | 9,000 | 9,000 |
| Pro shop | 120,461 | 135,000 | 130,286 | 130,000 |
| Range Fees | 39,556 | 37,450 | 37,450 | 37,450 |
| Utilities | 24,604 | 23,000 | 23,000 | 23,000 |
| Equipment rental | 18,650 | 10,000 | 20,000 | 20,000 |
| Other fees | 14,799 | 14,000 | 10,500 | 10,500 |
| Interest Income | 30,846 | 20,000 | 20,000 | 20,000 |
| Miscellaneous revenue | 13,180 | 5,000 | 8,953 | 7,800 |
| Total Revenue | <u>2,473,609</u> | <u>2,553,699</u> | <u>2,432,315</u> | <u>2,520,232</u> |
| Estimated Funds Available | <u>2,644,073</u> | <u>2,670,512</u> | <u>2,495,616</u> | <u>2,655,058</u> |
| <u>Expenditures</u> | | | | |
| Personnel | 488,514 | 495,811 | 509,811 | 510,554 |
| Operating | 1,538,830 | 1,569,085 | 1,549,496 | 1,671,475 |
| Merchandise for resale | 89,462 | 102,500 | 102,500 | 102,500 |
| Capital | 3,884 | - | - | - |
| Total Operating | <u>2,120,690</u> | <u>2,167,396</u> | <u>2,161,807</u> | <u>2,284,529</u> |
| <u>Transfers:</u> | | | | |
| Capital Improvement Fund | <u>439,000</u> | <u>399,000</u> | <u>198,983</u> | <u>254,000</u> |
| Total Expenditures | <u>2,559,690</u> | <u>2,566,396</u> | <u>2,360,790</u> | <u>2,538,529</u> |
| Projected Ending Balance | 84,383 | <u>\$ 104,116</u> | <u>\$ 134,826</u> | <u>\$ 116,529</u> |
| Fund Balance Adjustment | (1,973) | | | |
| Reserved for Carryover | <u>(19,109)</u> | | | |
| | <u>\$ 63,301</u> | | | |

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Description of Operation:

Despite the ever-increasing development and construction of new golf courses in Sarasota County, the 45-hole Bobby Jones Golf Complex remains the only municipal and totally public golf facility in greater Sarasota. This 306 acre green space is located entirely within the Sarasota City limits and continues to fulfill its mission of providing an enjoyable golfing experience on well-maintained courses in a price range that is affordable to all residents and visitors of the City of Sarasota.

Several major improvements and repairs were implemented during Fiscal Year 2000/01, not only for the financial health of the facility, but also to improve the playability of the courses and the overall service to the public.

The Capital Improvement Program (CIP) completed during FY 00/01 includes the replacement of forty-three golf carts; the removal of wooden barriers along #1 and #9 of the British Course and #9 of the American Course and replaced them with limestone rock barriers; ornamental plants and boulders along the creek beds; demolition and removal of the Snack Shack at #1 tee British Course; removal of undesirable pepper trees along #11 American Course and #11 and #14 British Course; enlarged the lake between #10 and #16 British Course; built new championship tee boxes on #5, #12 and #14 British Course; constructed new bunkers on #6 and #16 British Course, #1, #2, #4, #10, #11, #13, #14, #16, #17, #18 American Course; created a defined creek bed across #5 American Course; upgraded ornamental plants at main entrance and renovated the scoreboard/leaderboard adjacent to the locker building. The Complex telephone system was also modernized to interface with the overall City telephone system.

The most visible improvements completed during FY 00/01 focused on aesthetic features such as new granite yardage markers installed on all par 3 tee stations of the American Course; a new concrete bridge with limestone facade on #1 British Course; lake rock revetment around all lakes on the American Course and #9 British Course; new painting and repairs to all water cooler shelters on the Complex and decorative grasses and aquatic plants along creeks and lakes on both the American and British Courses. The computerized tee time system has also been replaced with a new Chelsea System to improve service to the public and decrease down time.

It is anticipated that several other CIP projects will be completed during the slower off-season months of May through September. These projects include additional drainage upgrades, planting more trees and aquatic plants, upgrading the Complex irrigation system controllers; replacing the existing pro shop point of sale computer system; constructing additional tee box curbing and back-sodding for new ladies tees on the British Course; installing rail fencing at #1 tee and #18 green of the British Course and #9 green of the American Course; and expanding the existing irrigation system to accommodate the practice range and the Fruitville Road/British Course perimeter.

Administratively, the Annual Fee Holder (AFH) program is in excellent shape. All 350 AFH slots have been sold again this year and the City resident waiting list from last year has been totally eliminated. A new list of city residents is currently waiting for future vacancies, as well as several people on the non-City waiting list. Our previous plan to fill all vacancies by November 1st to maximize AFH revenues has been an outstanding success with all fees paid by the new deadline.

Financially, Bobby Jones Golf Complex has experienced a second consecutive below average first half of the fiscal year. October volume of play started strong with all categories surpassing the previous October figures. November slowed somewhat with all revenue categories except green fees and miscellaneous income exceeding budget projections. Green fee revenue was down \$10,324 from the Year-To-Date (YTD) budget and 6% from Fiscal Year (FY) 99/00. December continued to produce weak greens fee revenue down 3% from December 1999 and \$5,670 from the month to date budget. Cart rental and merchandise sales were also down for the month, \$5,670 and \$2,429 respectively. January slipped further with all major revenue categories failing to meet budget projections by a total of \$25,496. Despite the shortfall, January total revenues were 1% or \$9,741 better than January 2000. February historically first or second in monthly revenue productivity, did not help the financial picture. Despite an increase of 3% over the previous February in cart usage, green fee revenue continued to fall

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back with a -3% or \$15,633 shortfall from February 2000. Total revenues remained ahead of YTD 99/00 by \$5,448. March continued the disappointing trend of failing to meet projections. Green fees again were the primary culprit. Despite ideal weather conditions for the entire month, greens fee revenue failed to reach the budgeted amount by \$40,830. At the half way point in the 00/01 fiscal year, the continued failure to meet greens fee projections begs the question, Why? It should be noted that greens fee activity has a direct bearing on all other major revenue categories. Usually, a greens fee purchase generates a cart rental, merchandise purchases and miscellaneous spending on range balls, rental clubs, etc. Therefore, when greens fee activity is up or down, the other revenue categories are affected accordingly.

It appears that the dramatic increases in play at Bobby Jones over the past few years has leveled off. Many factors may have contributed to this trend. Several new courses have been constructed in the area, some existing private and semi-private courses have relaxed their open play policies to supplement their membership fees, the recent drought conditions have adversely effected turf health and overall course beautification, stock market and savings issues have given rise to cautious spending and limited travel and, just maybe, people are opting for other forms of leisure activity. Whatever the cause, the management of Bobby Jones must adjust projections and ensure that the financial health of the facility is maintained. These adjustments are reflected in the FY 01/02 budget proposal, particularly for greens fee and cart fee activity and long term CIP projects. These items have been scaled back to more realistic proportions without negatively affecting facility or service quality.

No rate increases had been proposed for green fees, annual fees or tennis fees during the previous five years despite a cumulative increase of 12% in the Consumer Price Index during that same period. It is the recommendation of Bobby Jones management that a 5% rate increase be implemented for FY 01/02 for all greens fee categories, cart fee categories, annual golf and tennis fees, daily tennis fees, cart trackage and locker rentals. As in the past, off-season rates may vary depending on area competition and volume of play May through October. Previously established rates for range balls, club rentals, summer play cards and 9-hole cart and green fee league play are not being considered for any increases at this time.

The new 5-year Maintenance Agreement with OneSource, Inc. that was renewed during FY 99/00 continues unchanged for FY 01/02. No increases in staff or equipment is recommended for the FY 01/02 budget. The Concession Agreement for the food and beverage operation at the Bobby Jones Golf Complex expires on April 30, 2001. Upon the unanimous recommendation of the Bobby Jones Advisory Committee, the non-binding volunteer organization that reviews golf course policy, and concurrence of staff, the food and beverage concession agreement has not been extended. Proposals from any and all interested parties, including the current concessionaire, will be accepted and evaluated by a selection committee. The new concessionaire will commence a 5-year term during the summer of 2001.

The proposed CIP plan for FY 01/02 totals \$254,000, reduced by \$206,000 from the projected \$460,000 stated in the 00/01 budget package. As addressed above, the FY 00/01 CIP fund was reduced by \$200,000 to offset the cart and green fee revenue shortfall. This revised trend is continued to FY 05/06 with a scaled back CIP plan for the next five years. The major expenditures in the FY 01/02 program will be the replacement of 47 golf carts and two utility carts, construction of a wash-water treatment system, bridge renovations on both American and British Courses, completion of tee curbing project, drainage improvements, irrigation expansion and tree and plant additions.

Despite a disappointing winter season regarding the failure to meet some budget projections, the Golf Complex has moved forward with many improvements and made several adjustments to its' financial plan. It is important to recognize that the budget shortfalls do not jeopardize managements' ability to meet operational expenses or the annual cost allocation of \$86,847 to the General Fund. Both revenue projections and CIP funding has been scaled back for the remainder of FY 00/01 and for FY 01/02. It remains the goal of management to keep moving forward with facility improvements while operating within a positive financial plan. On a final note, the Bobby Jones Golf Complex has once again received the 1st place Readers Choice Award from the Herald Tribune for Best Public/Semi-Private Golf course for the sixth time in seven years.

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Goal - Responsible City Government

To generate sufficient revenues to cover all expenses, including the requirements of the CIP.

Objectives

To sustain the maximum level of 350 Annual Fee Holders for FY 01/02.

To maintain a 1 to 2 ratio of annual fee play to daily fee play throughout FY 01/02.

To maintain a 1 to 2.5 ratio of walkers to cart users for FY 01/02.

To annually assess the rate structure for possible increases that will keep the facility competitive in the local market yet absorb necessary cost increases of the ongoing operation.

To increase the May through October volume of play by attracting additional play from leagues, tournaments and privilege cards.

To increase the gross sales of the pro shop, practice range, rental equipment and new locker facility.

Performance Measures

| Description | Unit | FY2000 | FY2001 | FY2002 |
|--|-------------|---------------|---------------|---------------|
| Output Measure | | | | |
| Annual fee holders | Number | 350 | 350 | 350 |
| Annual fee holder rounds-British/America | Number | 30,513 | 30,019 | 30,010 |
| Daily fee rounds-British/American | Number | 75,315 | 72,131 | 75,000 |
| Greens fee - Summer play cards | Number | 12,366 | 14,122 | 13,000 |
| Annual rounds - Executive | Number | 7,354 | 7,374 | 7,743 |
| Daily fee rounds - Executive | Number | 16,666 | 17,460 | 18,333 |
| Effectiveness Measure | | | | |
| Customer survey | Survey | n/a | n/a | 80 |
| Efficiency Measure | | | | |
| Daily resident single rate | Dollars | \$24.21 | \$24.21 | \$25.47 |
| Annual resident single rate | Dollars | \$672.18 | \$672.18 | \$705.79 |

Goal - Attractive, Safe & Environmentally-Friendly City

To make repairs and improvements to the Golf Complex that will positively impact both the quality of the operation and overall revenues.

Objectives

To complete all scheduled capital improvements in each year of the long term Capital Improvement Plan.

To modify and update the Capital Improvement Plan (CIP) annually to maximize fund usage and prioritize needs.

To utilize a maximum of 4,000 community service worker hours annually for ongoing maintenance and repairs not included in the complex maintenance agreement.

Performance Measures

| Description | Unit | FY2000 | FY2001 | FY2002 |
|-------------------------------------|-------------|---------------|---------------|---------------|
| Output Measure | | | | |
| Community service hours | Number | 4,000 | 4,000 | 4,000 |
| Effectiveness Measure | | | | |
| Percent completion for CIP projects | Percent | 74 | 80 | 100 |

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Cost Center Expenditures By Category

| | FY 2000 Actual | FY 2001 Budget | FY 2002 Continuation | FY 2002 Issues | FY2002 Totals |
|---------------------------|-------------------|-------------------|-------------------------|-------------------|------------------|
| Personal Expenditures | 488,513 | 495,811 | 510,554 | 0 | 510,554 |
| Non Personal Expenditures | 1,545,579 | 1,584,738 | 1,683,654 | 0 | 1,683,654 |
| Capital Expenditures | 3,884 | 0 | 0 | 0 | 0 |
| Transfer Expenditures | 521,712 | 485,847 | 344,321 | 0 | 344,321 |
| Totals | \$2,559,688 | \$2,566,396 | \$2,538,529 | \$0 | \$2,538,529 |

Personnel Summary

| | | | |
|------------------|-------|------|-------|
| Actual Positions | 10.00 | 0.00 | 10.00 |
|------------------|-------|------|-------|

Revenue Summary

| | Total |
|----------------------|-------------|
| CHARGES FOR SERVICES | 2,500,232 |
| INTEREST | 20,000 |
| | \$2,520,232 |