

**CITY OF SARASOTA, FLORIDA  
BOBBY JONES GOLF COURSE**

	Actual 2001-02	Budget 2002-03	Amended Budget 2002-03	Estimated 2002-03	Budget 2003-04
Available Fund Balance	\$ 595,808	\$ 390,582	\$ 491,505	\$ 491,505	\$ 333,796
<u>Revenues</u>					
Green fees	905,713	1,020,000	1,020,000	950,000	1,027,000
Cart rental	953,268	996,000	996,000	925,000	1,006,665
Annual green fees	274,343	275,000	275,000	278,000	280,000
Restaurant lease	9,000	9,000	9,000	9,000	9,000
Pro shop	121,816	118,000	118,000	130,000	130,000
Range Fees	28,265	37,162	37,162	28,500	33,000
Utilities	16,447	17,500	17,500	17,000	17,500
Equipment rental	16,310	20,000	20,000	16,500	20,000
Other fees	7,928	8,500	8,500	7,100	8,500
Investment Income	35,626	23,000	23,000	19,000	19,000
Miscellaneous revenue	22,684	20,000	20,000	22,000	22,426
<b>Total Revenue</b>	<b>2,391,400</b>	<b>2,544,162</b>	<b>2,544,162</b>	<b>2,402,100</b>	<b>2,573,091</b>
<b>Estimated Funds Available</b>	<b>2,987,208</b>	<b>2,934,744</b>	<b>3,035,667</b>	<b>2,893,605</b>	<b>2,906,887</b>
<u>Expenditures</u>					
Personnel	489,219	527,819	527,819	503,857	553,545
Operating	1,675,874	1,738,602	1,742,049	1,726,090	1,738,642
Merchandise for resale	99,825	99,500	99,500	97,500	92,500
Capital	231,109	174,000	232,362	232,362	200,000
<b>Total Expenditures</b>	<b>2,496,027</b>	<b>2,539,921</b>	<b>2,601,730</b>	<b>2,559,809</b>	<b>2,584,687</b>
Projected Ending Balance	\$ 491,181	<u>\$ 394,823</u>	<u>\$ 433,937</u>	<u>\$ 333,796</u>	<u>\$ 322,200</u>
Fund Balance Adjustment	324				
	<u>\$ 491,505</u>				

# **BOBBY JONES GOLF COURSE**

## **Mission Statement**

To provide an enjoyable golfing experience on well-maintained courses in a price range that is both affordable to all residents and visitors of the City of Sarasota and is a financially self sustaining enterprise account operation.

## **Description of Operations**

Despite the ever-increasing development and construction of new golf courses in Sarasota County, the 45-hole Bobby Jones Golf Complex (BJGC) 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 upgrades were implemented during Fiscal Year 2002/03, not only for the overall appearance of the facility, but also to improve the playability of the courses and sustain the financial health of the operation.

The Capital Improvement Program (CIP) partially completed during FY 02/03 included the replacement of thirty-nine golf carts and one workhorse and an upgraded beverage cart at a net cost of \$66,114, repairs to the clubhouse roof, the addition of several drainage lines around American greens, rebuilding a wooden cart bridge on #6 American Course and the largest unexpected expenditure of the year, the rebuilding of a fiberglass and wood retention wall that surrounds the peninsular green #6 American at a cost of \$62,280.

The most visible improvements completed during FY 02/03 focused on such aesthetic features as renovating on-course water stations, painting granite signage on all 45 holes of the Complex, creating ornamental beds at all tee stations of the American and British Courses, redesigning the practice range area, renovating the Complex signage on Fruitville Road and 17th Street, creating a railroad tie and shell walkway to the blue tees on #5 American Course and adding new sand to all bunkers of the American and British Courses.

As previously stated, an unexpected bulkhead failure required the transfer of \$62,000 in CIP funds to an emergency rebuilding project. This substantial outlay of funds caused the postponement of several projects scheduled for completion during the summer of 02/03. It is anticipated that several of these CIP projects will be completed during this year's slower off-season months of May through September. These projects include drainage swale rebuilding, planting trees and flowering shrubs, constructing additional tee box curbing and back-sodding for the 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, expanding the existing irrigation system to accommodate the practice range and the Fruitville Road/British Course perimeter, and rebuilding the pump and electrical control devices at the #6 pump station on the British Course.

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 34 city residents is currently waiting for future vacancies, as well as 76 people on the non-City waiting list. The strategy is to fill all vacancies by November, 2003, to maximize AFH revenues. This accelerated payment plan has resulted in an increase of \$4,252 over FY 01/02.

Financially, Bobby Jones Golf Complex has experienced another below average first half of the fiscal year. BJGC strongly believes that the uncertainty of peace around the world and the threats of terrorism coupled with the weak economy and the unusually cold and wet conditions have negatively impacted Florida tourism and specifically golf play in Sarasota during the first half of FY 02/03. For the first quarter of FY 02/03, volume of play was down 10.5% in rounds played and 14.8% in cart usage when compared to the first quarter of FY 01/02, resulting in a decrease of \$41,784 in revenue. This was primarily due to the record cold and wet month of December. The second quarter improved somewhat with volume of play up 2.5% with corresponding green fee revenue up 6.6% or \$34,592 and cart usage up 6.8% and cart fee revenue up 6.4% or \$18,311. At the halfway point of FY 02/03, the BJGC was below the green fee and cart fee revenue projection by a combined total of \$108,834. This revenue shortfall is somewhat offset by overall expenditures being \$57,671 less than projected for the same period. The net differential is 44% or \$51,163 in unrealized greens fee and cart income as of 3/31/03. It

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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 during the decade of the 1990's has leveled off. Many factors may have contributed to this trend. Many new development courses have been constructed in the area, several existing private and semi-private courses have relaxed their open play policies to supplement their membership fees, the unusual weather conditions have adversely effected turf health and overall course beautification, stock market and savings issues have given rise to cautious spending and terrorism and war severely inhibits travel and tourism. 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 03/04 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.

The City Commission approved a 5% rate increase for all greens fee categories, cart fee categories, annual golf and tennis fees, daily tennis fees, cart trackage, and locker rental during the FY 01/02 budget process. Bobby Jones management is therefore not recommending any rate increase for the upcoming fiscal year. As in the past, off-season rates may vary depending on area competition and volume of play May through October. Previously existing rates for range balls, club rentals, summer play cards and 9-hole cart and greens fee league play are also not being considered for any increases at this time.

The Maintenance Agreement was renewed for a 5-year period during FY 99/00 and continues unchanged for FY 03/04. No increase in staff or equipment is recommended in this area for the FY 03/04 budget. The Concession Agreement for the food and beverage operation at the Bobby Jones Golf Complex was awarded effective September 4, 2001. Problems existed from the beginning with the terrorist attack of 9/11/01 and the deteriorating relations with Middle Eastern countries. Despite a sincere effort by the concessionaire, the cultural differences and lack of understanding of golfers sometimes created an unfriendly and strained atmosphere in the clubhouse food and beverage operation.

At the urging of the Bobby Jones Advisory Committee, Complex management created and distributed a comprehensive Customer Satisfaction Survey evaluating all aspects of the golf complex operation. Results clearly showed dissatisfaction with the restaurant concessionaire and after considerable debate the City Attorney recommended exercising the no-fault six-month termination of the Concession Agreement, effective August 28, 2003. Management will work on a Request for Proposal document in the off season period. It is hoped that a new Concession Agreement can be finalized prior to the start of the new 03/04 fiscal cycle.

The proposed CIP plan for FY 03/04 totals \$200,000, reduced by \$22,000 from the projected \$222,000 stated in the 02/03 budget package. The FY 02/03 CIP fund was reduced by \$65,000 to offset the cart and greens fee revenue shortfall that occurred during the first six months of the fiscal year. This revised trend is continued to FY 07/08 with a scaled back CIP plan for the next five years. The major expenditures in the FY 03/04 program will be the replacement of approximately 40 golf carts, renovation of on-course water coolers, renovation of irrigation pump stations, cart path repairs, manager's residence renovations, drainage improvements, irrigation expansion, tree and plant additions, finalization of ADA renovations and establishment of a time table for major clubhouse renovations.

Despite an up and down 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 management's' ability to meet operational expenses or the annual cost allocation of \$92,127 to the General Fund. Both revenue projections and CIP funding has been scaled back for the remainder of FY 02/03 and for FY 03/04. It remains the goal of management to keep moving forward with facility improvements while operating within a positive financial plan.

On a positive note, the Bobby Jones Golf Complex has once again received the 1st place Readers Choice Award

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from the Herald Tribune for Best Public/Semi-Private Golf Course for the seventh time in eight years. The ADP Architectural Group is currently contracted to evaluate the existing clubhouse structure and determine the feasibility of renovation or new construction. A decision should be reached before the end of FY 02/03. Bobby Jones Golf Complex has been nominated for a beautification award from the Keep Sarasota Beautiful Program. The Michelob Light Amateur Golf Tour has agreed to hold events at the Complex and become a Co-Sponsor of the City of Sarasota Men's Golf Championships and finally the City of Sarasota has allowed T-Mobile to construct a 100 ft. lighted flagpole that houses a variety of cellular antennae at the golf complex. The General Fund will realize a monthly rental fee of \$2,350 for use of the site.

### **Goal - Responsible City Government**

To generate sufficient revenue to cover all expenses, including the requirements of the Capital Improvement Plan (CIP).

#### **Objectives**

To sustain the maximum level of 350 Annual Fee Holders for FY 03/04.

To maintain a 1 to 2.5 ratio of annual fee play to daily fee play throughout FY 03/04.

To maintain a 1 to 2.5 ratio of walkers to cart users for FY 03/04.

To annually assess the rate structure for possible increases/decreases 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**

<b>Description</b>	<b>Unit</b>	<b>FY2001</b>	<b>FY 2002</b>	<b>FY 2003</b>	<b>FY 2004</b>
<b>Output Measure</b>					
Annual fee holders	Number	350	350	350	350
Annual fee holder rounds-British/America	Number	30,493	29,103	29,250	29,500
Daily fee rounds-British/American	Number	70,366	63,986	64,250	64,250
Greens fee - Summer play cards	Number	18,752	18,731	18,950	19,250
Annual fee holder rounds - Executive	Number	6,451	5,664	6,150	6,450
Daily fee rounds - Executive	Number	16,778	16,645	16,750	16,750
<b>Effectiveness Measure</b>					
Customer survey responses	Percent	n/a	n/a	43	50
Ratio of annual fee play to daily play	Ratio	1:2.6	1:2.8	1:3.0	1:3.0
Ratio of walking players to cart users	Ratio	1:2.9	1:2.8	1:3.2	1:3.0
<b>Efficiency Measure</b>					
Daily resident single rate	Dollars	\$24.21	\$25.47	\$25.47	\$25.47
Annual resident single rate	Dollars	\$672.18	\$705.79	\$705.79	\$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 5,000 community service worker hours annually for ongoing maintenance and repairs not included in the complex maintenance agreement.

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### Performance Measures

Description	Unit	FY2001	FY 2002	FY 2003	FY 2004
<b>Output Measure</b>					
Community service hours	Number	4,000	4,500	5,000	5,000
<b>Effectiveness Measure</b>					
Completion of CIP projects	Percent	74	80	45	100

### Cost Center Expenditures By Category

	FY 2002 Actual	FY 2003 Budget	FY 2004 Continuation	FY 2004 Issues	FY 2004 Totals
Personal Expenditures	489,218	527,819	553,545	0	553,545
Non Personal Expenditures	1,685,057	1,745,975	1,736,711	0	1,736,711
Capital Expenditures	231,108	174,000	200,000	0	200,000
Transfer Expenditures	90,645	92,127	94,431	0	94,431
Totals	\$2,496,028	\$2,539,921	\$2,584,687	\$0	\$2,584,687

### Personnel Summary

Actual Positions	10.00	10.00	0.00	10.00
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### Revenue Summary

	Total
CHARGES FOR SERVICES	2,551,165
INTEREST	19,000
OTHER MISCELLANEOUS REVENUES	2,926
	\$2,573,091