




## Madison Parks Division

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*play*  
**MADISON  
PARKS**

TO: David Schmiedicke, Finance Department

FROM:  Eric Knepp, Parks Superintendent

DATE: July 19, 2018

**RE: 2019 Golf Enterprise Fund Requested Operating Budget**

The 2019 requested operating budget for the Golf Enterprise includes a request for no levy support for the operations of the four courses. The Golf Enterprise operates as a fully competitive enterprise within a competitive marketplace with no subsidy. The two goals for Golf in 2019 are:

- Provide quality and affordable golf recreational opportunities to residents and visitors.
- Work to achieve operational profitability and long term financial sustainability.

The golf enterprise must evolve and innovate constantly to remain competitively positioned in the marketplace. In 2018, the Golf Enterprise will continue to work on opportunities for revenue enhancements. Golf will also continue to work with The First Tee to improve the lives and opportunities of hundreds of Madison's youth who participate in their developmental (both golf and life) programming.

We will continue to work with stakeholders to develop an actionable plan to ensure the mission of the Golf Enterprise is met for years to come. It is my intention to have a plan in place before the end of 2018. It is my belief at this time that without subsidy the Golf Enterprise Fund cannot sustain operating 4 courses and 72 holes of golf. I am hopeful that with stakeholder and policymaker input we can develop a plan that can be enacted in time to provide a potential for a long-term financially sustainable Golf Enterprise.

**Agency: Golf**

**Proposed Budget**

	Cost to Continue	Proposed	Change
Revenue	-\$3,241,101	-\$3,201,506	\$39,595
Expenditures	<u>\$3,241,101</u>	<u>\$3,201,506</u>	<u>-\$39,595</u>
Net	\$0	\$0	\$0
	2018	Proposed	Change
FTEs	8	8	0

**Request Analysis**

*2017 Budget*

Overbudget	Yes
2017 Analysis	Revenue was under budget \$350,000.

*2018 Projection*

Deficit	Yes
Projection Analysis	Revenue is projected to be under budget \$368,000. Revenue was decreased \$45,000 in the 2019 request. The revenue budget is still overstated by potentially \$350,000.

*2019 Request*

Budget Request Changes	Revenue is reduced by \$45,000. Overtime was increased by \$7,000 however, based on the 2nd quarter projection, will still be short \$26,000. The requested budget reduced payments to IT (\$2,400), Fleet (\$12,000) and PILOT (\$29,000) from the cost to continue budget.
Change in Service	No
Service Impact	
Staffing Levels & Payroll Allocations	None.

# Golf Courses

Function: Public Works & Transportation

Position Summary

	2018			Request		2019		Adopted	
	CG	FTEs	Amount	FTEs	Amount	FTEs	Amount	FTEs	Amount
GOLF CLUB OPER SUPV	18	1.00	66,098	1.00	69,474	-	-	-	-
GOLF PROGRAM SUPV	18	1.00	63,307	1.00	65,935	-	-	-	-
GREENSKEEPER	16	4.00	240,919	4.00	243,601	-	-	-	-
MAINT MECH	16	1.00	64,620	1.00	65,408	-	-	-	-
PKS EQUIP MECH	16	1.00	61,933	1.00	62,510	-	-	-	-
<b>TOTAL</b>		<b>8.00</b>	<b>\$ 496,877</b>	<b>8.00</b>	<b>\$ 506,928</b>	-	\$ -	-	\$ -

Salary amounts recorded on this page are for total budgeted salaries; this amount may differ from budgeted permanent wages as presented in the Line Item Detail due to payroll allocations to other funding sources (capital projects, grants, etc.) or inter-agency services are not reflected in this summary page.

## 2019 Operating Budget: Service Proposals

### SERVICE IDENTIFYING INFORMATION

SELECT YOUR AGENCY:

Golf Enterprise

SELECT YOUR AGENCY'S SERVICE:

Golf Operations

SERVICE DESCRIPTION:

This service oversees the operation and maintenance of the Yahara Hills, Odana Hills, Monona and Glenway Golf Courses, which provide a total of 72 holes of play.

### SERVICE BUDGET - ALL FUNDS

	2017 Budget	2018 Budget	2019 Cost to Continue	2019 Request	Change
Revenue	-3,257,656	-3,245,313	-3,241,101	-3,201,506	39,595
Expense	3,257,656	3,245,313	3,241,101	3,201,506	-39,595
Net Budget	-0.37999999988...	0	0	0	0

### 2019 PROPOSAL

1. Explain the budgetary changes proposed from 2019 Cost to Continue to the 2019 Request.

#### Revenues

A 1.2% decrease in budget revenues based on actuals from 2015, 2016, and 2017. Expense budget reductions offset the decrease in revenues.

#### Expenses

A \$2,682 decrease in budgeted lease rental of equipment (golf carts) based on existing contract.

A \$36,913 reduction in interest and pilot budgeted payments based on prior year payments and future expectations.

2. Explain the operational impact of the proposed changes from 2019 Cost to Continue to 2019 Request.

Having a larger inventory budget will allow Golf to continue to purchase concessions, food and beverage items if the courses stay open later than usual into November or December.

### SERVICE GOALS

1. Who is the recipient of this service?

Madison-area and Dane County-area golfing public of all ages and backgrounds, including junior golfers in youth golf programs. The courses and clubhouses are used by individuals, golf leagues, private groups and fund-raising groups for outings and play.

2. What activities are you responsible for providing under this service?

Golf Enterprise provides access to all people in the community and surrounding areas for the game of golf. Golf Enterprise's performance is based on providing high-quality courses and customer service while keeping prices affordable. This provides an avenue for golfers of all ages and skill levels to enjoy the game of golf. Golfing provides lessons in healthy habits and core life values.

3. How do you define success within this service?

A golf enterprise fund that is fully self-sustaining and provides affordable, accessible, and quality golfing opportunities. Measurable indicators include rounds played and revenue per round.

4. What strategies are planned for 2019?

Maintaining the high level of customer service. The popular loyalty benefits program will remain as an incentive for repeat business. Instructional programs will be offered to golfers of all ages and skill levels. The successful winter golf simulator program, opened in 2017, will be refined and continued.