

FUND STATEMENT

FUND:

MUNICIPAL GOLF FUND

In FY1982, 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.

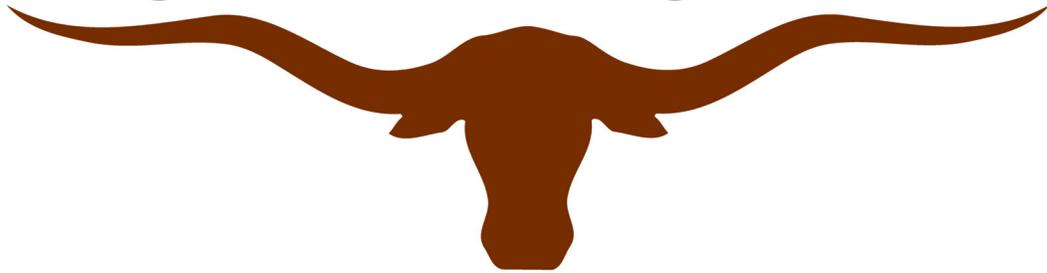
Fort Worth Golf, a division of the Parks and Community Services Department, provides a safe and comprehensive golf program through quality customer service, community involvement and responsible golf course management. The division, which is managed directly by the City, is divided into four sections: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

The City of Fort Worth operates four (4) regulation-length golf courses that promote golf as a lifetime sport: Pecan Valley (two 18-hole courses located in southwest Fort Worth), Meadowbrook (an 18-hole course located on the eastern edge of the City), Rockwood (an 18-hole course with a six-hole practice course and a driving range facility, in partnership with the First Tee of Fort Worth, is located 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, annual passes, interest on investments, revenue from food and beverage sales, golf club rentals and other miscellaneous income. The City's golf program has been negatively impacted by several factors, including a saturated local market for golf courses, little to no growth in the number of area golfers, a sluggish economy, and the age and condition of City-operated courses. In such an environment, the fund has experienced declining revenues, while expenditures continue to rise. In FY2006, the City Council approved a staff recommendation to restructure the golf program to address these issues.

However, due to the continued negative impacts of the other factors noted above, the fund continued to operate at a loss, which created a negative fund balance. Therefore, in September 2014, the City Council approved actions to eliminate the Municipal Golf Fund's negative fund balance. Actions included the transfer of \$8,798,187 from the General Fund to the Municipal Golf Fund. In addition, in FY2015, the fund will be converted to a Special Revenue Fund. In an effort to eliminate future fund deficits, the City Council also committed to an \$850,000 annual General Fund subsidy to the Municipal Golf Fund, beginning in FY2015.

FORT WORTH



**MUNICIPAL GOLF FUND BUDGET SUMMARY
FY2015**

REVENUES:

Non-taxable	\$2,135,829
Taxable	2,024,644
Transfer from General Fund	850,000
Miscellaneous Revenue	<u>9,972</u>

TOTAL REVENUE **\$5,020,445**

Uses/(Source) of Fund Balance \$0

TOTAL REVENUE SOURCES **\$5,020,445**

EXPENDITURES:

Personnel Services	\$2,824,522
Supplies	771,459
Contractual Services	<u>1,413,464</u>

TOTAL RECURRING EXPENSES **\$5,009,445**

DEBT SERVICE AND CAPITAL OUTLAY:

Capital Outlay	\$11,000
Debt Service	<u>\$0</u>

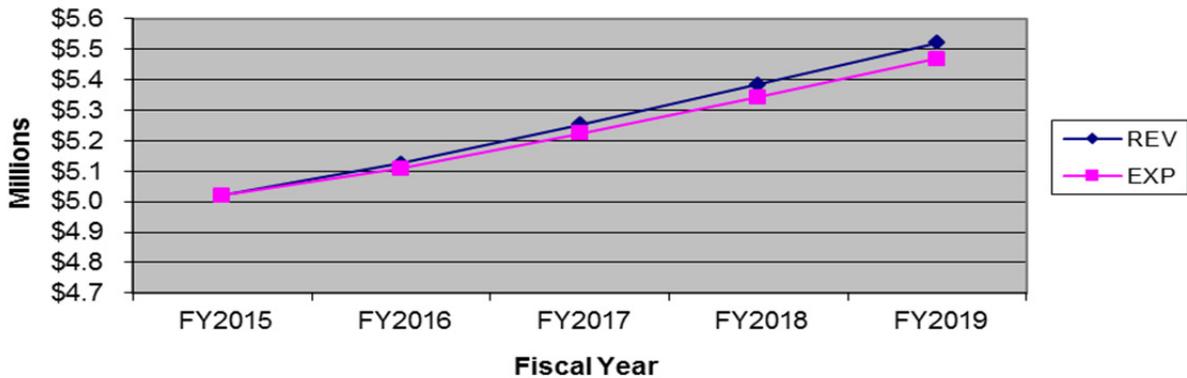
TOTAL DEBT SERVICE AND CAPITAL OUTLAY **\$11,000**

TOTAL EXPENDITURES **\$5,020,445**

**MUNICIPAL GOLF FUND FIVE YEAR FORECAST
FISCAL YEAR 2015 THROUGH 2019**

	FY2015 Adopted	FY2016 Projected	FY2017 Projected	FY2018 Projected	FY2019 Projected
Beginning Cash Balance	\$628,943	\$628,943	\$645,061	\$674,187	\$715,440
Revenues*					
Non-taxable	\$2,135,829	\$2,189,225	\$2,254,901	\$2,322,549	\$2,392,225
Taxable	\$2,024,644	\$2,075,260	\$2,137,518	\$2,201,643	\$2,267,693
Transfer from General Fund	\$850,000	\$850,000	\$850,000	\$850,000	\$850,000
Miscellaneous Revenue	\$9,972	\$10,221	\$10,528	\$10,844	\$11,169
Total Revenue	\$5,020,445	\$5,124,706	\$5,252,947	\$5,385,036	\$5,521,087
Total Resources	\$5,649,388	\$5,753,649	\$5,898,008	\$6,059,223	\$6,236,527
Expenditures					
Personnel Services	\$2,824,522	\$2,858,042	\$2,906,088	\$2,956,848	\$3,010,505
Supplies	\$771,459	\$790,745	\$814,468	\$838,902	\$864,069
Contractual	\$1,413,464	\$1,448,801	\$1,492,265	\$1,537,033	\$1,583,144
Capital	\$11,000	\$11,000	\$11,000	\$11,000	\$11,000
Debt Service	\$0	\$0	\$0	\$0	\$0
Total Expenditures	\$5,020,445	\$5,108,588	\$5,223,821	\$5,343,782	\$5,468,717
Projected Variance	\$0	\$16,118	\$29,126	\$41,253	\$52,370
Projected Cash Balance	\$628,943	\$645,061	\$674,187	\$715,440	\$767,810
(20%)	\$1,001,889	\$1,019,518	\$1,042,564	\$1,066,556	\$1,091,543
Excess/(Deficit)	(\$372,946)	(\$374,457)	(\$368,377)	(\$351,116)	(\$323,733)

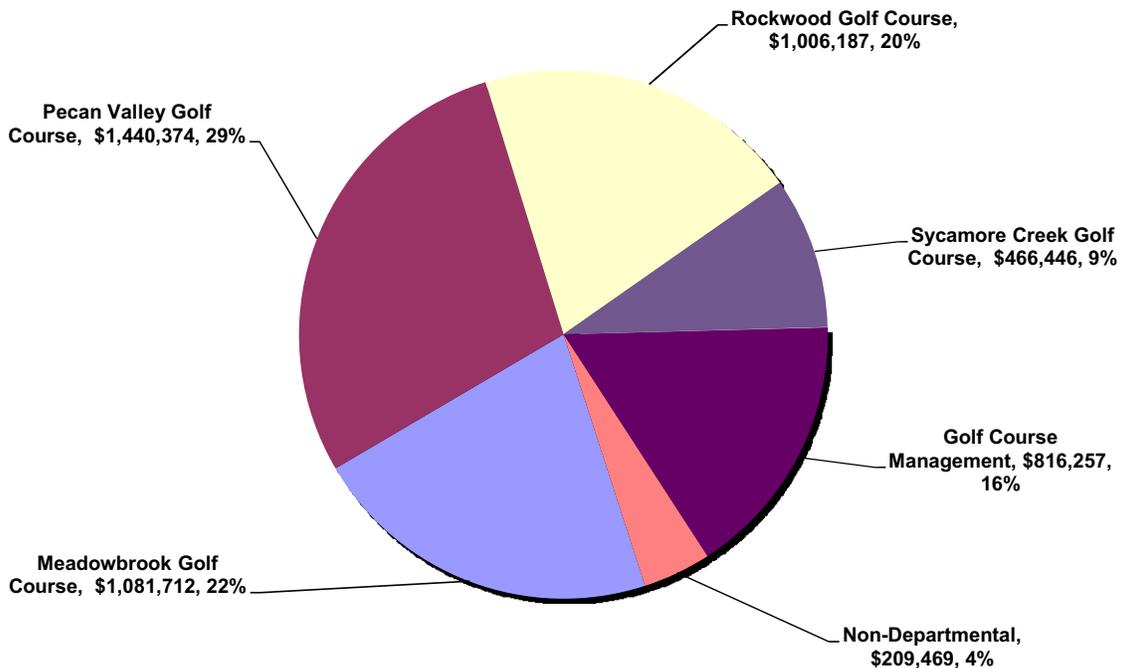
**MUNICIPAL GOLF FUND
PROJECTED REVENUES AND EXPENDITURES**



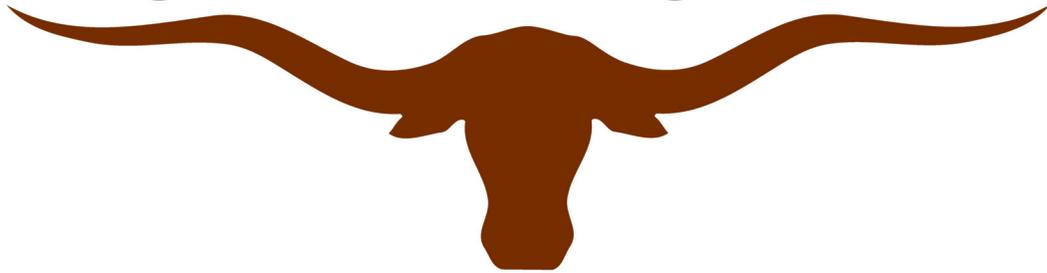
* This model does **not** reflect any rate increases for the next five years.

**COMPARISON OF MUNICIPAL GOLF FUND
EXPENDITURES**

	ACTUAL FY2012	ACTUAL FY2013	BUDGET FY2014	REVISED BUDGET FY2014	ADOPTED FY2015
Meadowbrook Golf Course	\$1,134,965	\$963,389	\$946,185	\$946,185	\$1,081,712
Pecan Valley Golf Course	1,484,549	1,381,539	1,406,496	1,406,496	1,440,374
Rockwood Golf Course	960,919	996,260	994,884	994,884	1,006,187
Sycamore Creek Golf Course	417,943	500,342	464,869	464,869	466,446
Z. Boaz Golf Course	581,472	45,627	0	0	0
Golf Course Management	1,120,662	903,489	724,820	724,820	816,257
Non-Departmental	<u>2,222,810</u>	<u>378,991</u>	<u>451,110</u>	<u>1,248,364</u>	<u>209,469</u>
TOTAL	\$7,923,320	\$5,169,637	\$4,988,364	\$5,785,618	\$5,020,445

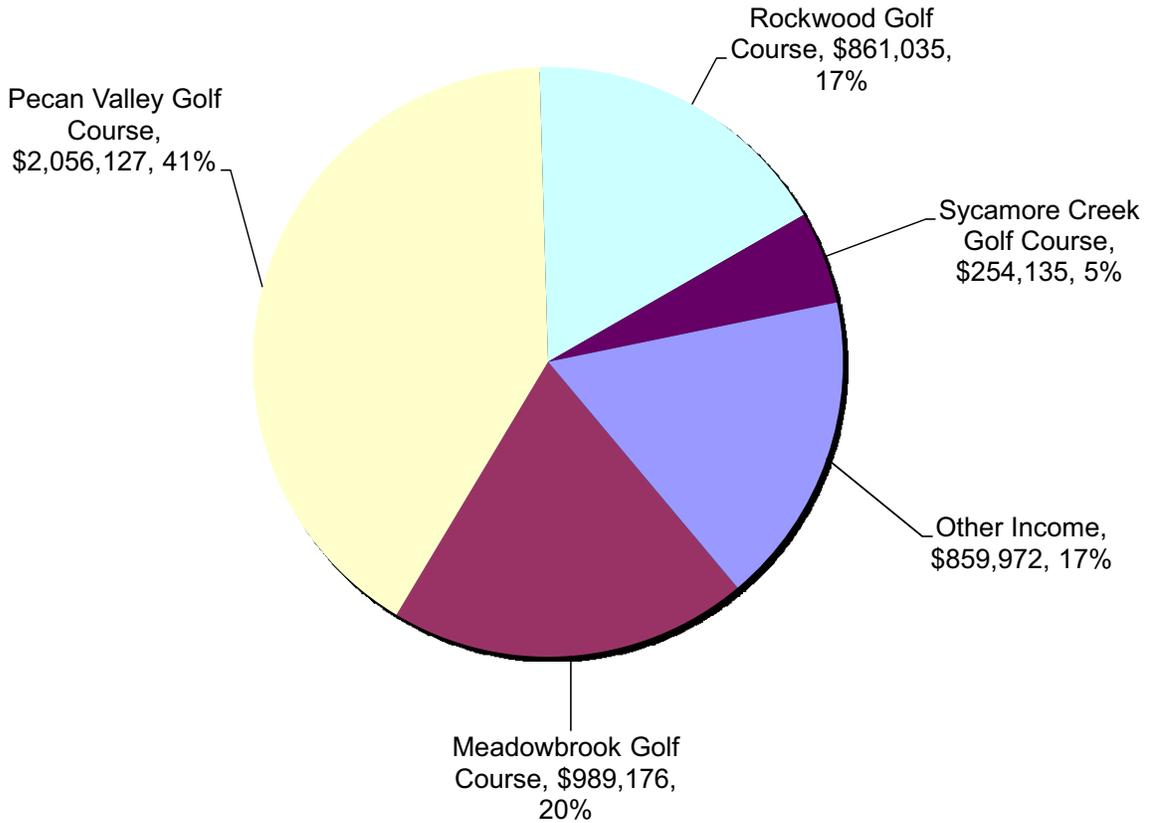


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COMPARISON OF MUNICIPAL GOLF FUND REVENUES

	ACTUAL FY2012	ACTUAL FY2013	BUDGET FY2014	REVISED BUDGET FY2014	ADOPTED FY2015
Meadowbrook Golf Course	\$983,895	\$965,703	\$1,234,678	\$1,234,678	\$989,176
Pecan Valley Golf Course	1,912,880	1,877,251	2,368,411	2,368,411	2,056,127
Rockwood Golf Course	791,182	776,478	1,085,825	1,085,825	861,035
Sycamore Creek Golf Course	156,811	240,197	289,450	289,450	254,135
Z. Boaz Golf Course	502,778	1,369	0	0	0
Other Income	<u>70,840</u>	<u>34,912</u>	<u>10,000</u>	<u>9,605,442</u>	<u>859,972</u>
TOTAL	\$4,418,386	\$3,895,910	\$4,988,364	\$14,583,806	\$5,020,445



FORT WORTH



DEPARTMENTAL BUDGET SUMMARY

DEPARTMENT:

MUNICIPAL GOLF FUND

FUND/CENTER

PE39/0804005:0804530

SUMMARY OF DEPARTMENT RESPONSIBILITIES:

The City of Fort Worth Municipal Golf Fund, managed by the Golf Division of the Parks and Community Services Department, provides enjoyable, safe and comprehensive golf programs through four municipally-owned golf courses: Pecan Valley, 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.

Meadowbrook Golf Course is an 18-hole facility located in the east side of the City. It has fully-equipped pro and snack shops and is equipped with a full snack bar and grill service.

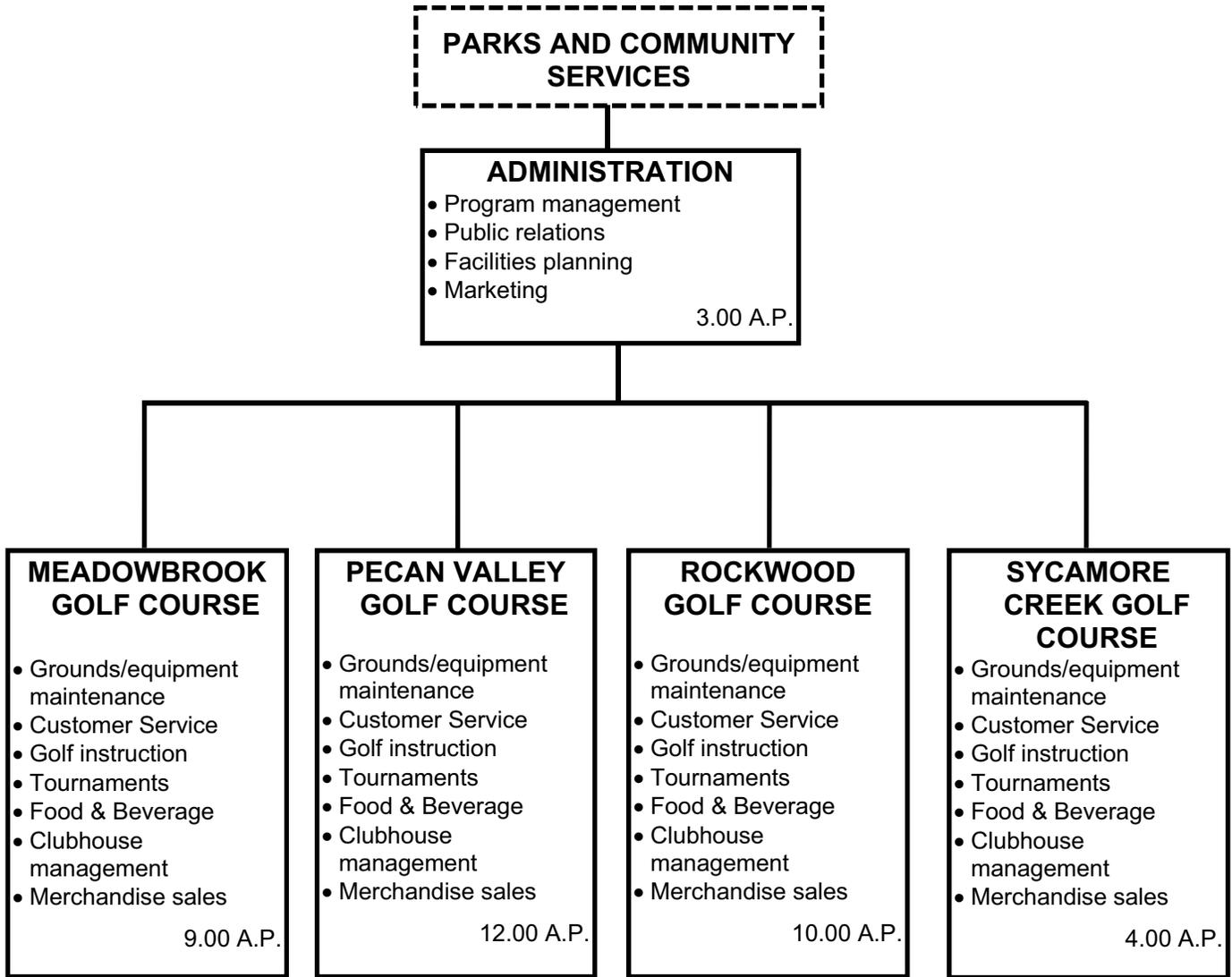
Rockwood Golf Course is an 18-hole facility with a driving range and six-hole practice course, operating in partnership with the First Tee of Fort Worth, and also has pro and snack shops. It is located in the near north-west part of the city.

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.

Municipal Golf Fund expenditures are financed primarily from charges for service, classified as taxable and non-taxable revenue, in the form of green fees, cart rentals, and other fees at all golf courses. In August 2014, the City Council approved a resolution providing an annual subsidy to the Municipal Golf Fund beginning in FY2015.

Allocations	Actual FY2013	Adopted FY2014	Proposed Budget FY2015	Adopted Budget FY2015
Personnel Services	\$ 2,832,901	\$ 2,593,368	\$ 2,824,522	\$ 2,824,522
Supplies	830,428	823,760	771,459	771,459
Contractual	1,270,805	1,335,986	1,413,464	1,413,464
Capital Outlay	0	0	11,000	11,000
Debt Service	235,503	235,250	0	0
Total Expenditures	\$ 5,169,637	\$ 4,988,364	\$ 5,020,445	\$ 5,020,445
Authorized Positions	38.00	38.00	38.00	38.00

MUNICIPAL GOLF FUND – 38.00 A.P.



SIGNIFICANT BUDGET CHANGES

DEPARTMENT:	FUND/CENTER
MUNICIPAL GOLF FUND	PE39/0804005:0804530

CHANGES FROM FY2014 ADOPTED TO FY2015 ADOPTED

FY2014 ADOPTED:	\$4,988,364	A.P.	38.00
FY2015 ADOPTED:	\$5,020,445	A.P.	38.00

A) The adopted budgeted decreases by (\$235,250) for debt service charges since the payment will be transferred from the Golf Debt Service Fund (D102). The payment is paid out of Golf Debt Service Fund for the purposes of improving the net negative position.

B) The adopted budgeted increases by \$150,000 for terminal leave costs associated with anticipated retirement of employees of the Fund.

C) The adopted budget increases by \$85,848 for costs associated with the implementation of a 4% across-the-board salary increase for general employees, plus an additional 1% payroll increase to address specific classifications with recruitment and retention challenges.

D) The adopted budget decreases by (\$47,957) in purchase for resale which provides golf shop merchandise and food/non-alcoholic beverages in the Golf shops. The budgeted merchandise purchases are tied directly to retail sales as a designated cost of goods sold of 61% for golf shop merchandise and 40% in food/non-alcoholic beverages.

E) The adopted budget decreases by (\$29,156) for motor vehicle fuel based on cost projections prepared by the Equipment Services Department.

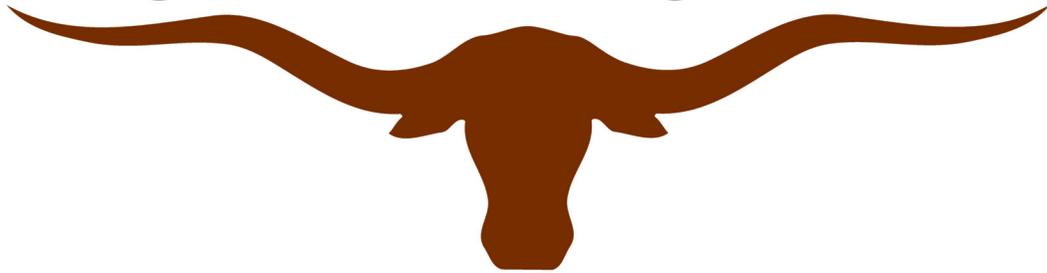
F) The adopted budget increases by \$28,220 for the reinstatement of transfers to the Risk Management Fund for insurance, claims and litigation-related expenses.

G) The adopted budget increases by \$23,931 for scheduled temporaries for strike team maintenance at the golf courses.

H) The adopted budget increases by \$20,921 based on IT allocations related to computing, radio and telephone services.

I) The adopted budget increases by a net of \$15,780 for group health based on plan migration and turnover.

FORT WORTH



DEPARTMENTAL OBJECTIVES AND MEASURES

DEPARTMENT:

MUNICIPAL GOLF FUND

DEPARTMENT PURPOSE

To provide an affordable and accessible golf experience to all levels of golfers.

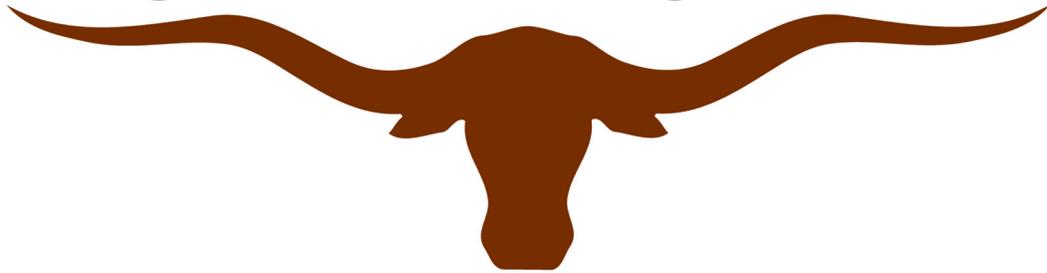
FY2015 DEPARTMENTAL OBJECTIVES

To succeed in regaining a market share in a highly competitive industry by providing quality playing conditions, affordable fee prices, excellent customer service, and a creative marketing plan.

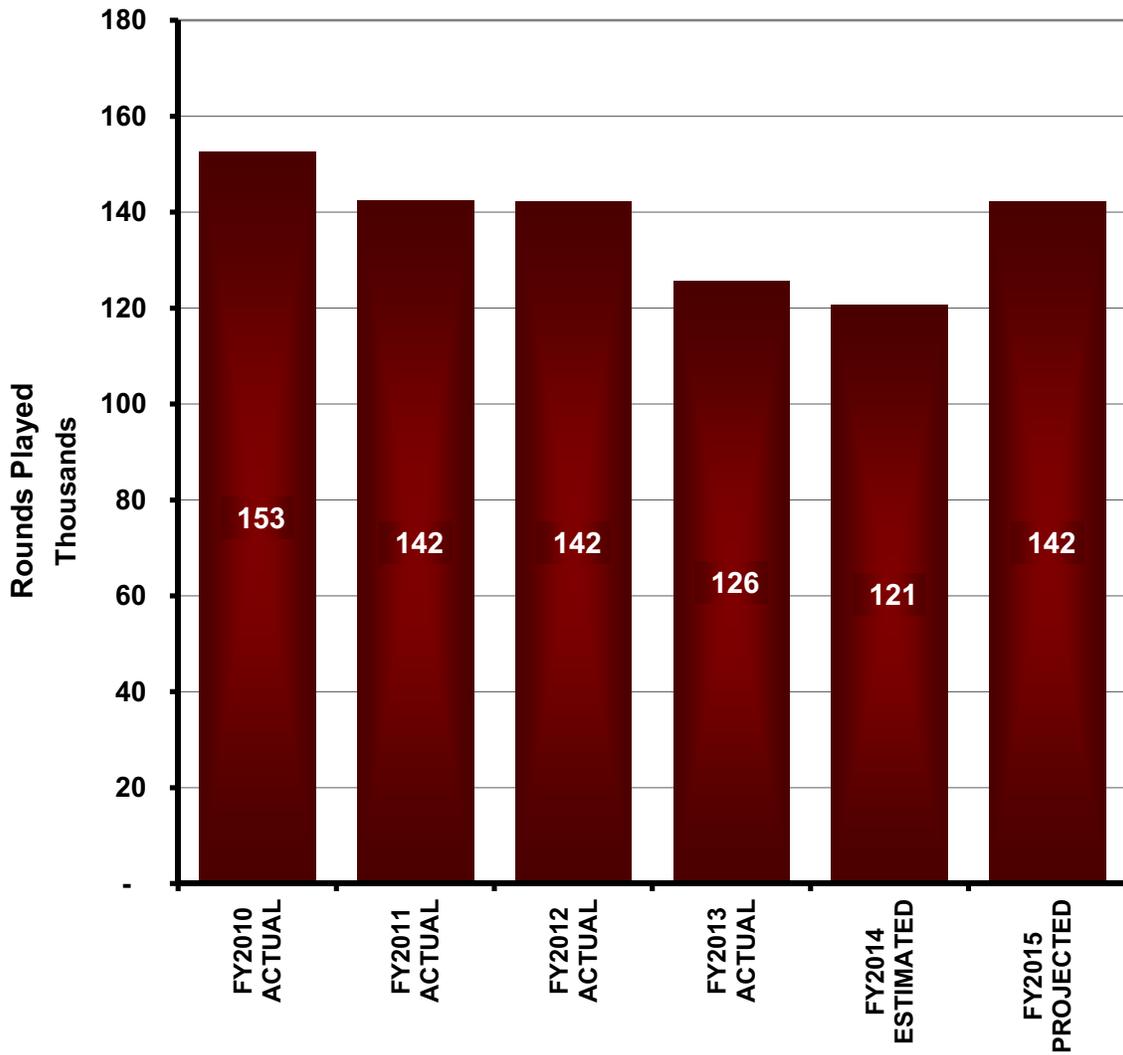
Continuation and expected growth of Fort Worth Junior Golf Tour resulting in 170 tour members and 12 competitive events resulting in 410 total rounds of golf.

DEPARTMENTAL MEASURES	ACTUAL FY2013	ESTIMATED FY2014	PROJECTED FY2015
Total Rounds	125,606	121,664	142,178
Revenue per round	\$31.26	\$29.18	\$35.31
Expenditures per round	\$39.93	\$34.90	\$35.31
Number of City Championships	10	13	12
Number of First Tee Junior Participants	3,000	3,200	3,500
Number of FW Junior Tour Members	156	145	170
Golf Tournament Rounds	220	597	410

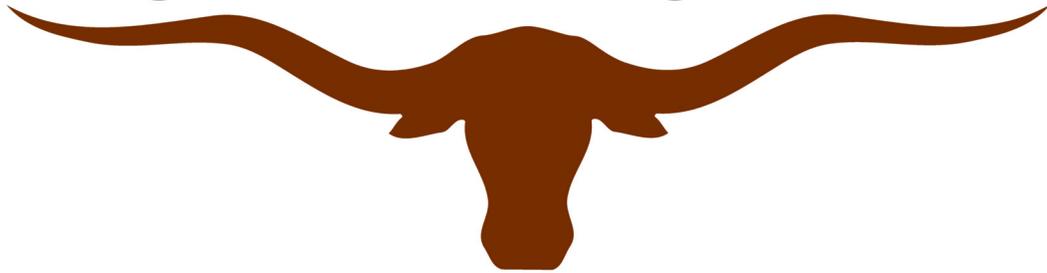
FORT WORTH



Parks and Community Services Golf Division Number of Paid Rounds Played



FORT WORTH



DEPARTMENTAL SUMMARY BY CENTER

DEPARTMENT PARKS & COMMUNITY SERVICES		ALLOCATIONS				AUTHORIZED POSITIONS			
FUND PE39 MUNICIPAL GOLF FUND		Actual Expenditures FY2013	Adopted Budget FY2014	Proposed Budget FY2015	Adopted Budget FY2015	Adopted Budget FY2013	Adopted Budget FY2014	Proposed Budget FY2015	Adopted Budget FY2015
Center	Center Description								
	<u>GOLF & TENNIS</u>								
0804005	GOLF COURSE MANAGEMENT	\$ 903,489	\$ 724,820	\$ 816,257	\$ 816,257	4.00	4.00	3.00	3.00
0804090	NON-DEPARTMENTAL	378,991	451,110	209,469	209,469	0.00	0.00	0.00	0.00
	Sub-Total	<u>\$ 1,282,480</u>	<u>\$ 1,175,930</u>	<u>\$ 1,025,726</u>	<u>\$ 1,025,726</u>	<u>4.00</u>	<u>4.00</u>	<u>3.00</u>	<u>3.00</u>
	<u>PECAN VALLEY GOLF COURSE</u>								
0804110	GREENS MAINTENANCE	\$ 704,983	\$ 742,995	\$ 775,379	\$ 775,379	8.00	8.00	8.00	8.00
0804120	PRO SHOP	500,814	471,783	475,189	475,189	3.00	3.00	3.00	3.00
0804130	SNACK BAR	175,742	191,718	189,806	189,806	1.00	1.00	1.00	1.00
	Sub-Total	<u>\$ 1,381,539</u>	<u>\$ 1,406,496</u>	<u>\$ 1,440,374</u>	<u>\$ 1,440,374</u>	<u>12.00</u>	<u>12.00</u>	<u>12.00</u>	<u>12.00</u>
	<u>Z. BOAZ GOLF COURSE</u>								
0804210	GREENS MAINTENANCE	\$ 28,896	\$ 0	\$ 0	\$ 0	0.00	0.00	0.00	0.00
0804220	PRO SHOP	15,247	0	0	0	0.00	0.00	0.00	0.00
0804230	ZBOAZ SNACK BAR	1,484	0	0	0	0.00	0.00	0.00	0.00
	Sub-Total	<u>\$ 45,627</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>

DEPARTMENTAL SUMMARY BY CENTER

DEPARTMENT PARKS & COMMUNITY SERVICES		ALLOCATIONS				AUTHORIZED POSITIONS			
FUND PE39 MUNICIPAL GOLF FUND		Actual Expenditures FY2013	Adopted Budget FY2014	Proposed Budget FY2015	Adopted Budget FY2015	Adopted Budget FY2013	Adopted Budget FY2014	Proposed Budget FY2015	Adopted Budget FY2015
Center	Center Description								
	<u>MEADOWBROOK GOLF COURSE</u>								
0804310	GREENS MAINTENANCE	\$ 423,681	\$ 417,895	\$ 500,187	\$ 500,187	4.00	4.00	5.00	5.00
0804320	PRO SHOP	374,577	381,954	435,167	435,167	3.00	3.00	3.00	3.00
0804330	SNACK SHOP	165,131	146,336	146,358	146,358	1.00	1.00	1.00	1.00
	Sub-Total	<u>\$ 963,389</u>	<u>\$ 946,185</u>	<u>\$ 1,081,712</u>	<u>\$ 1,081,712</u>	<u>8.00</u>	<u>8.00</u>	<u>9.00</u>	<u>9.00</u>
	<u>ROCKWOOD GOLF COURSE</u>								
0804410	GREENS MAINTENANCE	\$ 501,968	\$ 499,752	\$ 526,835	\$ 526,835	6.00	6.00	6.00	6.00
0804420	PRO SHOP	371,801	347,681	343,659	343,659	3.00	3.00	3.00	3.00
0804430	SNACKSHOP	122,491	147,451	135,693	135,693	1.00	1.00	1.00	1.00
	Sub-Total	<u>\$ 996,260</u>	<u>\$ 994,884</u>	<u>\$ 1,006,187</u>	<u>\$ 1,006,187</u>	<u>10.00</u>	<u>10.00</u>	<u>10.00</u>	<u>10.00</u>
	<u>SYCAMORE GOLF COURSE</u>								
0804510	GREENS MAINTENANCE	\$ 315,514	\$ 269,910	\$ 266,118	\$ 266,118	2.00	2.00	2.00	2.00
0804520	PRO SHOP	171,782	174,381	185,773	185,773	2.00	2.00	2.00	2.00
0804530	SNACK SHOP	13,046	20,578	14,555	14,555	0.00	0.00	0.00	0.00
	Sub-Total	<u>\$ 500,342</u>	<u>\$ 464,869</u>	<u>\$ 466,446</u>	<u>\$ 466,446</u>	<u>4.00</u>	<u>4.00</u>	<u>4.00</u>	<u>4.00</u>

DEPARTMENTAL SUMMARY BY CENTER

DEPARTMENT PARKS & COMMUNITY SERVICES		ALLOCATIONS				AUTHORIZED POSITIONS			
FUND PE39 MUNICIPAL GOLF FUND		Actual Expenditures FY2013	Adopted Budget FY2014	Proposed Budget FY2015	Adopted Budget FY2015	Adopted Budget FY2013	Adopted Budget FY2014	Proposed Budget FY2015	Adopted Budget FY2015
Center	Center Description								
	TOTAL	\$ 5,169,637	\$ 4,988,364	\$ 5,020,445	\$ 5,020,445	38.00	38.00	38.00	38.00

FORT WORTH

