



PARKS AND RECREATION BOARD MARCH 27, 2018 GOLF ENTERPRISE FUND OVERVIEW

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Parks & Recreation
Department

Golf ATX Golf Courses

Hancock Golf Course est. 1899

- One of the oldest golf courses West of Mississippi
- Site of original Austin Country Club
- Became City operated in 1951



Lions Golf Course “Muni” est. 1934

- Recently added to the National Register of Historic Places
- Under lease from UT thru May 2019.

Morris Williams Golf Course est. 1964

- Major renovations in 2013



Jimmy Clay Golf Course est. 1974

- Shares club house with Roy Kizer
- Greens renovated in 2015



Roy Kizer Golf Course est. 1994

- Site of former Waste Water Treatment plant
- Shares club house with Jimmy Clay
- Shared driving range and 3 hole short course



Grey Rock Golf & Tennis est. 1992

- Acquired by the City in June 2014
- Operated by Management Contract

Management Contract

Grey Rock Golf & Tennis

- Large member program
- Top tier of fee structure



Other Concession Contracts

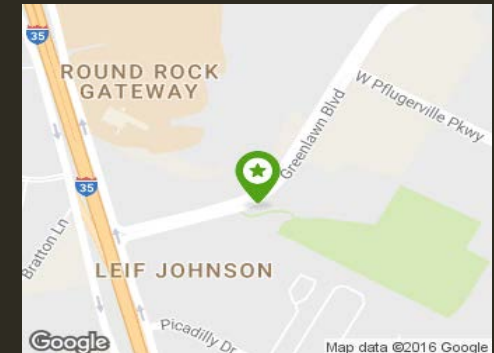
Butler Pitch & Putt



3 - F&B Concession Contracts



Round Rock Range



Golf Enterprise Fund - Recent Challenges



3 Major Floods: Oct 2013, May 2015 and Oct 2015

2013
Morris Williams
Maintenance Barn Fire



Droughts



Construction/
Renovation



Nematode Damage

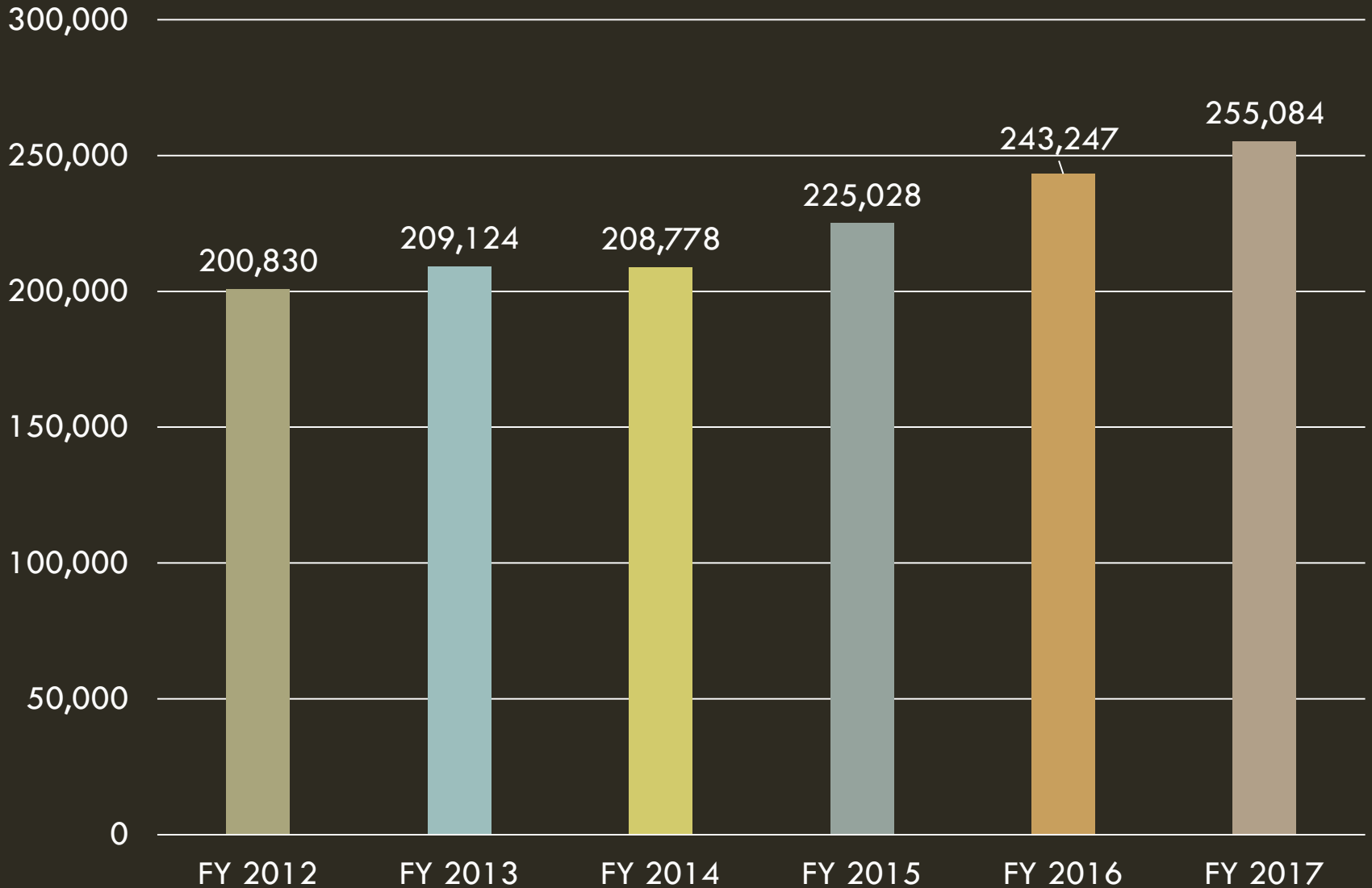
2017 - Selected Revenues vs Expenditures by Course

	<u>Expenditures</u>	<u>Revenues</u>
Golf Administration	\$ 518,769	\$1,028,600
Lions Golf Course	\$1,574,271	\$1,590,264
Morris Williams	\$1,258,239	\$1,248,137
Jimmy Clay/Roy Kizer	\$2,719,035	\$2,757,948
Hancock	\$ 448,281	\$ 326,590
Grey Rock	\$ 100	\$ 225,000
Golf Maintenance Equipment	\$ 200,117	\$0
Transfers/Other Requirements	\$ 450,524	\$0

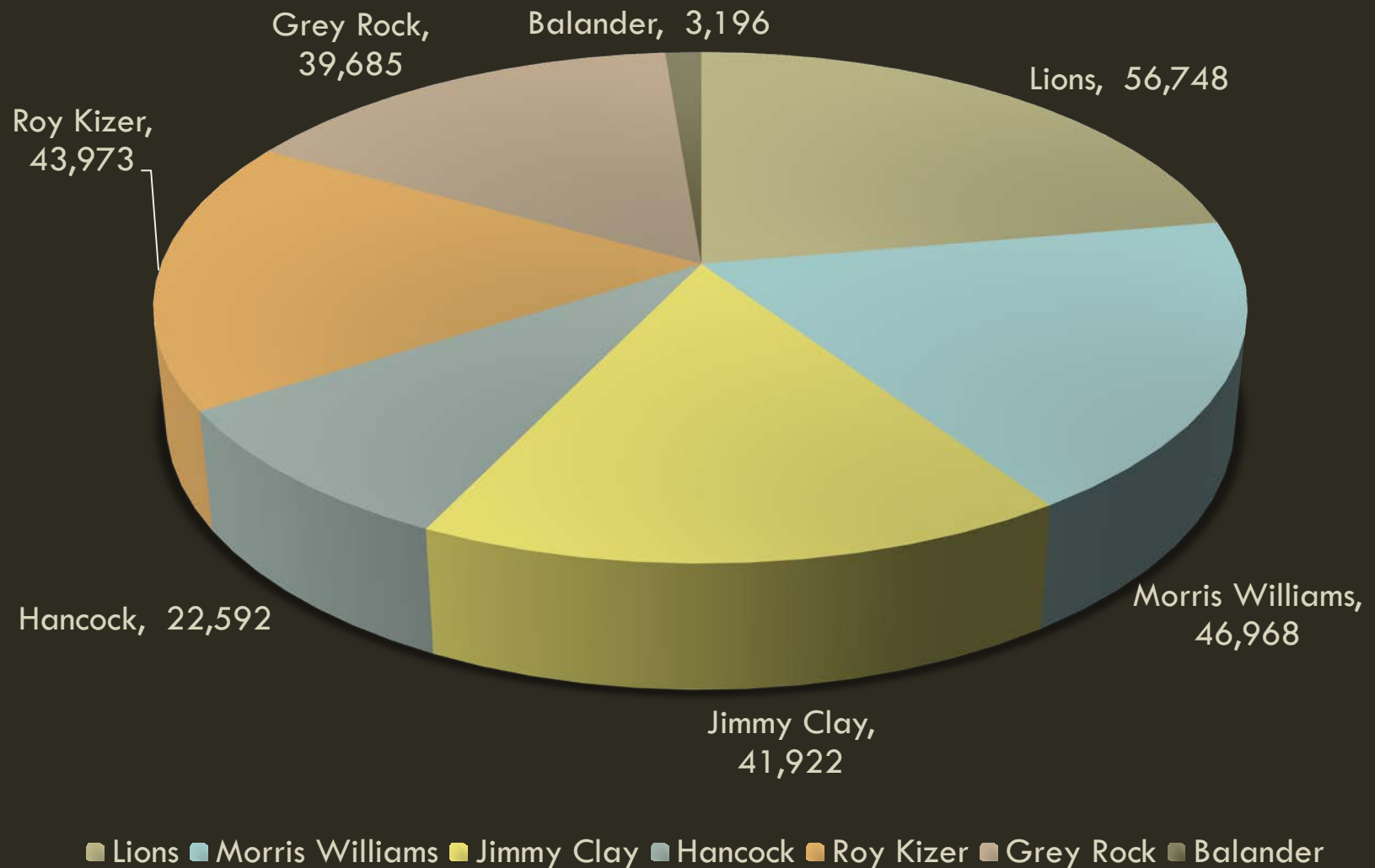
Notes:

1. Golf Administration 2017 revenues includes General Fund transfer to offset Living Wage
2. All revenue and expenditures include both golf course and pro shop operations
3. Grey Rock Golf Course expenditures and revenues are reported separately from the Golf Operating Fund. The course transfers surplus revenues prior to each annual fiscal close.
4. Transfers/Other Requirements Include: Debt Service, Administrative Support, Workers Compensation, Liability Reserve.

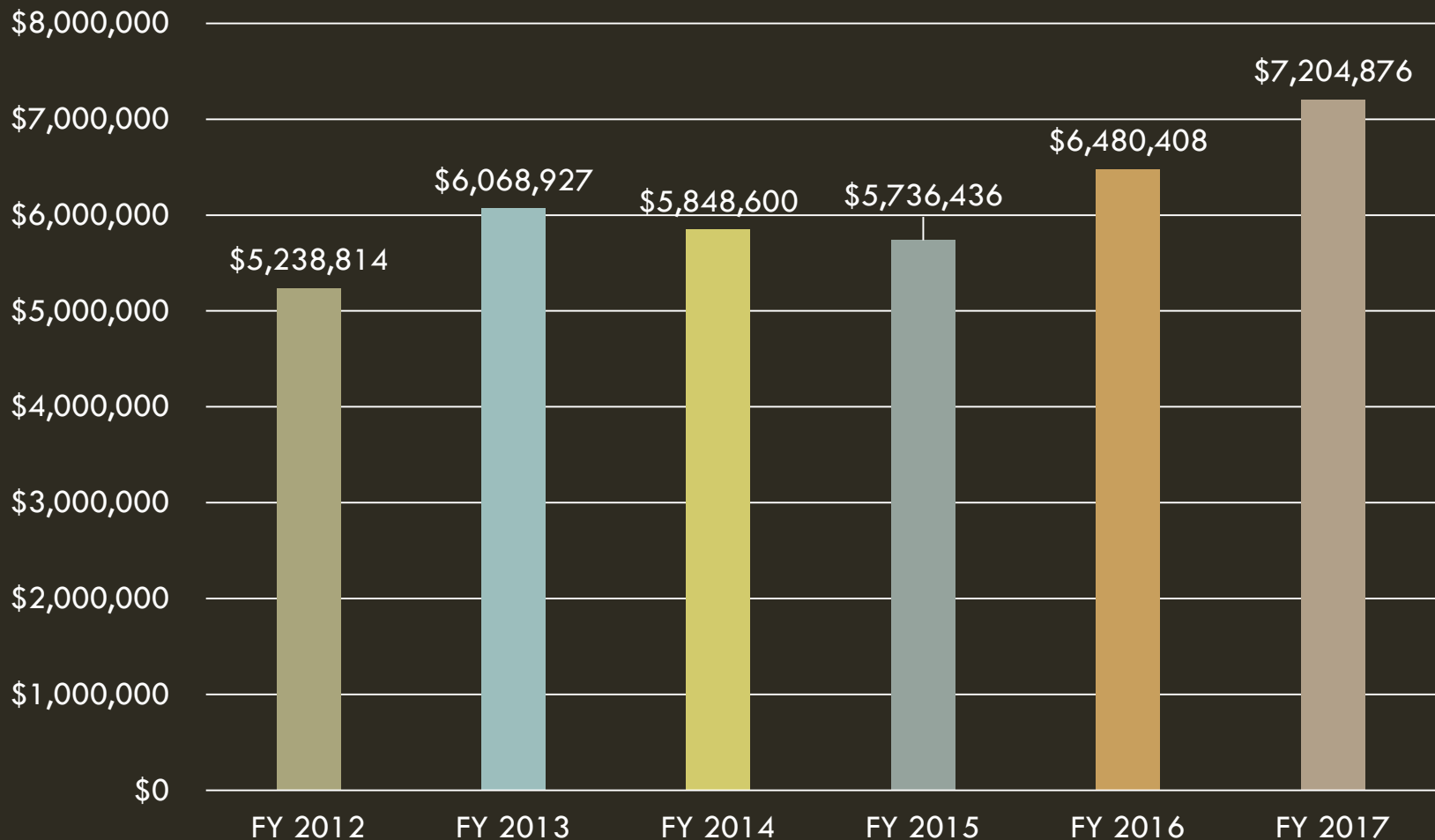
PARD Golf Division Total Rounds



2017 GolfATX rounds - 255,084



PARD Golf Total Revenues



NOTES:

FY 2012/13 — Morris Williams closed for renovations

FY 2014 — City of Austin Purchased Grey Rock Golf Club

FY 2015 — Jimmy Clay Golf Course for greens renovation

FY 2017 — Rounds at Golf ATX grew by 5% compared to 2016. The National Average according to National Golf Foundation is 2%

Rate Comparison to Area Golf Courses

	Weekday	Weekend	Senior Mon-Fri	Junior Mon-Fri
Shadow Glen	\$ 35	\$ 50	\$ 30	\$ 25
Plum Creek	\$ 43	\$ 55	\$ 34	\$ 24
Terra Vista	\$ 49	\$ 69	\$ 36	\$ 25
Riverside	\$ 31	\$ 37	\$ 25	\$ 17
Avery Ranch	\$ 65	\$ 85	\$ 49	\$ 39
Falcon Head	\$ 75	\$ 89	\$ 60	\$ 35
COA Courses	Weekday Mon – Thur	Weekend	Senior Mon-Fri	Junior Mon-Fri
Grey Rock	\$ 70	\$ 84	\$ 50	\$ 35
Roy Kizer	\$ 44	\$ 53	\$ 38	\$ 34
Jimmy Clay	\$ 39	\$ 46	\$ 30	\$ 26
Morris Williams	\$ 39	\$ 46	\$ 30	\$ 26
Lions	\$ 39	\$ 46	\$ 30	\$ 26
Hancock – Pay station Mon-Thur walking only	\$ 15	\$ 34	\$ 13	\$ 13
Note: All fees shown include cart rental except Hancock				

2018 — Increased all Fees
and the Resident Card
Program was created

<u>2017</u>	
<u>Avg COA Green Fee Rev Per Round</u>	
Walking only	
Hancock:	\$9.49
Morris Williams:	\$15.12
Lions:	\$15.78
Jimmy Clay:	\$15.96
Roy Kizer:	\$21.52
Grey Rock:	\$36.89

Excluding Grey Rock and the
other higher end fee-based
sites, City Courses are
slightly higher in cost to
patrons during the week and
slightly lower on weekends

GOLF ENTERPRISE FUND REVENUES VS EXPENDITURES

FY07-FY17

	<u>Revenue</u>	<u>Expenses</u>	<u>Profit/(Loss)</u>
FY07	\$ 4,269,612	\$ 5,014,743	\$ (745,131)
FY08	\$ 5,262,177	\$ 5,094,536	\$ 167,641
FY09	\$ 5,560,344	\$ 5,474,156	\$ 86,188
FY10	\$ 4,879,571	\$ 4,707,946	\$ 171,625
FY11	\$ 5,259,981	\$ 4,941,636	\$ 318,345
FY12	\$ 5,238,814	\$ 5,191,288	\$ 47,526
FY13	\$ 6,068,927	\$ 6,233,314	\$ (164,387)
FY14	\$ 5,848,600	\$ 6,324,003	\$ (475,403)
FY15	\$ 5,736,436	\$ 6,162,380	\$ (425,944)
FY16	\$ 6,480,408	\$ 7,018,587	\$ (538,179)
FY17	\$ 7,180,318	\$ 7,204,876	\$ 24,558

Notes: **2016** Living Wage Impact \$489,000
 2017 Includes General Fund Transfer
 2017 Ending Fund Balance: \$(1,924,449)
 2018 General Fund Transfer

Revenue Generation — Outside the “Tee” Box



Lions Special Events



Jimmy Clay Hosted Big 12
Cross Country

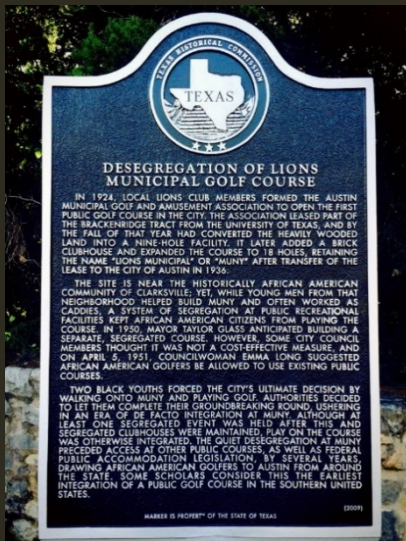


Cross Country Running
Events at Hancock

Golf Operation Challenges

Lions Lease — Expires May 2019

- Historical Significance
- Aging Infrastructure
- Importance of Long Term solution



Golf Operation Challenges

Hancock Golf Operations

- Financial Burden
- Pay Station Operation Monday - Thursday
- Long Term Considerations for Park



	2013	2014	2015	2016	2017
Hancock Green Fee Revenues	\$ 140,069	\$ 159,427	\$ 165,840	\$ 253,055	\$ 214,415
Pro Shop Revenue	\$ 60,572	\$ 65,747	\$ 72,553	\$ 109,420	\$ 112,177
Hancock Total Revenues	\$ 200,641	\$ 225,174	\$ 238,393	\$ 362,475	\$ 326,592
Hancock Course Expenditures	\$ 289,290	\$ 251,068	\$ 269,725	\$ 278,700	\$ 273,904
Hancock Pro Shop Expenditures	\$ 105,891	\$ 118,941	\$ 128,802	\$ 152,396	\$ 174,376
Hancock Total Operating	\$ 395,181	\$ 370,009	\$ 398,527	\$ 431,096	\$ 448,280
Expense vs Revenue	\$(194,540)	\$(144,835)	\$(160,134)	\$ (68,621)	\$(121,688)
Indirect Expenditures					
Mechanics Budget **	\$ 16,802	\$ 12,125	\$ 18,590	\$ 14,203	\$ 25,922
Interfund Transfers **	\$ 78,819	\$ 78,776	\$ 82,127	\$ 73,461	\$ 52,533
Indirect Expenditures Total	\$ 490,802	\$ 460,910	\$ 499,244	\$ 518,760	\$ 526,735
Operating Result	\$(290,161)	\$(235,736)	\$(260,851)	\$(156,285)	\$(200,143)

Golf Operation Challenges (cont'd)

- Major Weather Changes
- Aging Infrastructure
- Living Wage Impact
- Sick Leave Impact
- Concession Contracts — Butler Pitch & Putt
- Cost of Service Increases
- Competitive Pricing



2018/19 Golf Enterprise Fund Focus

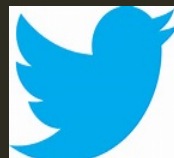
Player Development



Grow the Game Initiative



Expanding Brand Recognition



Small Scale Infrastructure Improvements



QUESTIONS/DISCUSSION