

**Golf Courses****Function: Public Works & Transportation***Budget Overview*

## Agency Budget by Fund

	<b>2018 Actual</b>	<b>2019 Adopted</b>	<b>2019 Actual</b>	<b>2020 Adopted</b>	<b>2021 C2C</b>	<b>2021 Request</b>
Golf Courses	3,323,661	3,312,981	3,133,012	3,370,320	3,366,422	3,307,654
<b>TOTAL</b>	<b>\$ 3,323,661</b>	<b>\$ 3,312,981</b>	<b>\$ 3,133,012</b>	<b>\$ 3,370,320</b>	<b>\$ 3,366,422</b>	<b>\$ 3,307,654</b>

## Agency Budget by Service

	<b>2018 Actual</b>	<b>2019 Adopted</b>	<b>2019 Actual</b>	<b>2020 Adopted</b>	<b>2021 C2C</b>	<b>2021 Request</b>
Golf Operations	3,323,661	3,312,981	3,133,012	3,370,320	3,366,422	3,307,654
<b>TOTAL</b>	<b>\$ 3,323,661</b>	<b>\$ 3,312,981</b>	<b>\$ 3,133,012</b>	<b>\$ 3,370,320</b>	<b>\$ 3,366,422</b>	<b>\$ 3,307,654</b>

## Agency Budget by Major-Revenue

	<b>2018 Actual</b>	<b>2019 Adopted</b>	<b>2019 Actuals</b>	<b>2020 Adopted</b>	<b>2021 C2C</b>	<b>2021 Request</b>
Charges For Services	(2,435,189)	(3,173,640)	(2,729,105)	(3,176,709)	(3,176,709)	(3,259,654)
Investments & Other Contributions	-	(966)	-	-	-	-
Misc Revenue	(19,627)	(26,900)	(40,041)	(48,000)	(48,000)	(48,000)
Other Financing Source	(863,320)	(111,475)	(363,867)	(145,611)	-	-
Transfer In	(5,525)	-	-	-	-	-
<b>TOTAL</b>	<b>(3,323,661)</b>	<b>(3,312,981)</b>	<b>(3,133,012)</b>	<b>(3,370,320)</b>	<b>(3,224,709)</b>	<b>(3,307,654)</b>

## Agency Budget by Major-Expenses

	<b>2018 Actual</b>	<b>2019 Adopted</b>	<b>2019 Actuals</b>	<b>2020 Adopted</b>	<b>2021 C2C</b>	<b>2021 Request</b>
Salaries	1,325,355	1,400,934	1,337,091	1,462,119	1,484,752	1,468,906
Benefits	341,839	242,333	391,479	265,868	270,893	270,893
Supplies	549,026	599,100	476,366	599,600	599,600	564,766
Purchased Services	456,236	493,973	424,930	475,321	474,649	471,561
Debt & Other Financing	213,652	46,352	33,107	46,348	46,348	251,348
Inter Depart Charges	239,539	320,289	273,791	311,064	280,180	280,180
Inter Depart Billing	-	-	-	-	-	-
Transfer Out	198,015	210,000	196,250	210,000	210,000	-
<b>TOTAL</b>	<b>\$ 3,323,661</b>	<b>\$ 3,312,981</b>	<b>\$ 3,133,012</b>	<b>\$ 3,370,320</b>	<b>\$ 3,366,422</b>	<b>\$ 3,307,654</b>

TO: David Schmiedicke, Finance Department

FROM: Eric Knepp, Parks Superintendent

DATE: July 10<sup>th</sup>, 2020

**RE: 2021 Golf Enterprise Requested Operating Budget**

The 2021 Operating Budget request for the Golf Enterprise includes a continuation of existing service levels. This budget is balanced on very optimistic revenue projections that are highly unlikely to be realized. In addition, depreciation is not included in the budget request (per the historic, problematic) norm. In sum total, it is very unlikely that the Golf Enterprise can achieve a positive Comprehensive Net Income in 2021. I have not made major changes or modifications to the request from 2020, however, due to the pending final report of the Task Force on Municipal Golf in Madison Parks. Their report is due to the Council by July 31<sup>st</sup>. Though I am not certain they will achieve that goal, I do think it will be completed in August. The Task Force is contemplating many potential changes and most of those will have a financial impact.

### **Major Goals**

The Golf Enterprise focuses on providing quality, affordable, and accessible municipal golf while covering all costs related to the operation. Though lacking in significant data, Madison's courses are key to promoting affordable golfing opportunities and our courses are used by a diverse group of residents and visitors. Golf plans to work with the Parks Equity Team to incorporate elements of the Equity Action Plan into marketing and outreach strategies in 2021.

Pending final approval of the Task Force's report, it is anticipated that there will be a recommendation to work with the University of Wisconsin to plan and implement innovative Integrated Pest Management practices on at least one course in 2021. This, along with the continued focus on mowing reductions and natural landscape enhancements, are the primary sustainability goals for Golf in 2021.

### **COVID Response & Recovery**

The Golf Enterprise has been working through a significant COVID response since late March. Golf has worked to develop a phased approach for opening that has positioned the Enterprise well in the local golf market as both open and available, but well-managed and a safe place to recreate. Program-wide modifications and changes have been made to enhance safety and reduce touch points. Some of these modifications have been instructive for potential long term adaptation. Others have just driven more cost, such as portable toilets and additional carts to reduce capacity on a cart to one rider. The reduced staffing levels in the early season also contributed to higher than normal overtime rates once the courses were opened.

As of July 8, 2020 rounds played are up 10.3% and total revenue is up 5.1% year over year from 2019. This is certainly a positive, but given the lag in revenue generation due to COVID-related lighter than normal concessions sales and cart rentals, the actual revenue is up around \$74K. This is far from making up the \$500K loss from 2019. We have not yet completed a 2<sup>nd</sup> quarter projection, but even with reduced expenses from lower staffing and inventory spending, it is highly unlikely that the comprehensive net income for 2020 will be better than a loss of \$400,000. I recognize this will put us in the position of having more debt to manage and require new authorization for an extension of the existing loan from the general fund.

### **Major Changes in 2021 Operating Request & Summary of Reductions**

The 2021 Requested Operating Budget does not include any substantial changes from existing budgeted service levels. The submission for the Golf Enterprise does not include specific reductions. It is anticipated that the Task Force's recommendations will have significant financial and budgetary implications for the Enterprise. I look forward to working with the Finance Department and policymakers on appropriately modifying the budget during the formulation and adoption stages of the process.

c.c. Deputy Mayors  
Budget & Program Evaluation Staff  
Lisa Laschinger, Assistant Parks Superintendent  
January Vang, Parks Financial and Administrative Coordinator

# 2021 Operating Budget Service Budget Proposal

## IDENTIFYING INFORMATION

SELECT YOUR AGENCY:

Golf Enterprise

SELECT YOUR AGENCY'S SERVICE:

Golf Operations

SERVICE NUMBER:

811

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.

## Part 1: Base Budget Proposal

### BUDGET INFORMATION

		2018 Actual	2019 Adopted	2019 Actual	2020 Adopted	2021 C2C	2021 Request
<i>Budget by Fund</i>							
	General-Net	\$863,320	\$0	\$0	\$0	\$0	\$0
	Other-Expenditures	\$3,323,661	\$3,312,981	\$3,133,012	\$3,370,320	\$3,366,422	\$3,307,654
	<i>Total</i>	<i>\$4,186,981</i>	<i>\$3,312,981</i>	<i>\$3,133,012</i>	<i>\$3,370,320</i>	<i>\$3,366,422</i>	<i>\$3,307,654</i>
<i>Budget by Major</i>							
	Revenue	\$863,320	\$0	\$0	\$0	\$0	\$0
	Personnel	\$1,667,194	\$1,643,267	\$1,728,569	\$1,727,987	\$1,755,645	\$1,739,799
	Non-Personnel	\$1,416,929	\$1,349,425	\$1,130,652	\$1,331,269	\$1,330,597	\$1,287,675
	Agency Billings	\$239,539	\$320,289	\$273,791	\$311,064	\$280,180	\$280,180
	<i>Total</i>	<i>\$4,186,982</i>	<i>\$3,312,981</i>	<i>\$3,133,012</i>	<i>\$3,370,320</i>	<i>\$3,366,422</i>	<i>\$3,307,654</i>
	FTEs		8.00		8.00	8.00	8.00

### PRIORITY

Citywide Element Culture and Character

Describe how this service advances the Citywide Element:

Provide quality and affordable golf recreational opportunities to residents and visitors.

### ACTIVITIES PERFORMED BY THIS SERVICE

Activity	% of Effort	Description
Golf course maintenance	55%	Maintain the 4 golf courses in excellent playing condition. Irrigate and mow the greens and fairways, repair and care for mowing equipment and vehicles, provide tee and green supplies.
Golf clubhouses	45%	Provide clubhouses for golfers to set up tee times, check in, rent golf carts and pay green fees. Opportunities to purchases concession at the snack bars and golf accessories at the pro shops.

Insert item

### SERVICE BUDGET CHANGES

Service Impact

What is the proposed change to the service's budget from cost to continue to agency request?  
2021 Operating Budget: Agency Reuquests

58768

227

What are the service level impacts of the proposed funding changes?

Revenue decreased by \$58,768

Personnel decreased by \$15,846

Non-personnel decreased by \$42,922

**Personnel-Permanent Positions**

Are you proposing an allocation change to the FTEs for this service?

Type	Fund	Amount	Description
Perm Wages	<input type="text"/>	<input type="text"/>	<input type="text"/>
Benefits	<input type="text"/>	<input type="text"/>	<input type="text"/>
<b>Total</b>		\$0	

Explain the assumptions behind the allocation change.

What is the justification behind the allocation change?

**Personnel-Other Personnel Spending**

Are you requesting additional personnel spending for non-annualized pay?

Type	Fund	Amount	Description
Overtime	Other	\$9,855	Increase in hourly overtime
Premium Pay	Other	(\$4,273)	Decrease in potential need to pay premium pay
Hourly	Other	(\$1,268)	Decrease in potential need for hourly pay
<b>Total</b>		\$4,314	

Explain the assumptions behind the requested funding.

What is the justification behind the increased funding?

**Revenue**

Are you proposing a change to the service's budgeted revenue?

Are you proposing an increase or a decrease to the budgeted revenue?

Fund	Major	Amount	Description
Other	43, 48	\$58,768	Catering concessions, facility rentals, golf courses, fund balance applied

**Insert item**

Explain the assumptions behind the change to budgeted revenue.

A projected increase in golf course revenue due to a more efficient POS systems will be offset by reduction in catering concessions, facility rental, and fund balance.

What is the justification behind the proposed change?

Increases in golf courses anticipated in 2021 offset by a reduction in catering concessions, facility rentals and fund balance applied.

**Non-Personnel**

Are you requesting additional non-personnel funding for this service?

Fund	Major	Amount	Description
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Other

53,54, 56,59

(\$42,922)

Decrease in Transfer out to General offset partially by increase in payment in lieu of taxes and supplies, and services.

Insert item

Explain the assumptions behind the requested funding.

What is the justification behind the increased funding?

**Part 2: Proposed Budget Reduction**

What is 5% of the agency's net budget?

\$0

What is the proposed reduction to this service's budget?

\$0

Explain how you would change the activities and the level of service as a result of implementing the funding decrease to this service. List changes by service activity identified above. Add a separate line for each reduction.

Activity	\$Amount	Description

Insert item

<b>Total</b>	\$0	
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Explain the changes by major expenditure category that your agency would implement as a result of the funding decrease to this service.

Name	\$ Amount	Description
Personnel		
Non-Personnel		
Agency Billings		
Total	\$0	

Is the City mandated to perform the activities of this service? If so, explain the mandate and mandated service level. If not, are there other local organizations also involved in performing these activities.

Has this reduction been proposed in prior years?

Select... ▼

Does the proposed reduction result in eliminating permanent positions?

Select... ▼

If yes, what is the decrease in FTEs:

Does the proposed reduction impact other agencies (i.e. Fleet Services)?

Select... ▼

If yes, which agencies:

Describe why the proposed reduction was chosen.

Explain the impacts of the proposed reduction on the end user of the service. How can impacts of this reduction be mitigated?

Submit