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CITY OF SACRAMENTO

DEPARTMENT OF PARKS AND COMMUNITY SERVICES

ROBERT P. THOMAS
Director

G. ERLING LINGGI
Assistant Director

CROCKER ART MUSEUM DIVISION
GOLF DIVISION
METROPOLITAN ARTS DIVISION
MUSEUM AND HISTORY DIVISION
RECREATION DIVISION
PARKS DIVISION
ZOO DIVISION

May 22, 1986

Budget and Finance Committee
Sacramento, California

Honorable Members in Session:

Subject: Golf Division Enterprise Fee Proposal

SUMMARY

This report recommends that the City Council approve, by resolution, a user rate increase for Golf Services provided by the City of Sacramento at five municipal courses effective July 1, 1986. New revenue from the increased user fees is estimated at \$250,000.

BACKGROUND INFORMATION

The five City golf courses are supported by user fees and revenue derived from concession agreements. These revenue sources provide funds for the annual operations and the Golf Division Capital Improvement program. Attachment I provides a display of the Division's operations.

The Golf Division is in the fourth year of its Council approved ten-year Capital Improvement program. As a result of the success of this program, the Division has gained the respect of its peers in the golf industry as well as its constituents.

The purpose of the program is to rebuild greens, tees and support structures (bridges/restrooms) that in many cases are over 50 years old. The program also allows for the Feasibility Study, Environmental Impact Reports and conceptual plans for the 9-hole expansion of Bing Maloney Golf Course and for the development of Hansen Ranch Golf Course and Regional Park. The Golf Division has programmed expenditures of \$2,155,000 over the next five years for necessary on-going capital improvements for both the Bing Maloney expansion and the Hansen Golf Course development.

The ever-increasing population growth coupled with the fact that the Sacramento area has fewer public golfing facilities than it did three years ago has created an over-demand on our present facilities. It is of the utmost

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importance that the Division continue with its Capital Improvement program and make every effort to provide additional golfing facilities for its constituents.

It is imperative that an adequate fund balance be maintained in the Golf Division to allow for capital improvements and to protect from fluctuating attendance due to prolonged inclement weather or unforeseen maintenance problems.

The revenue needs of the Golf Division can be met through an across-the-board increase of \$0.50 per 9-hole and \$1.00 per 18-hole round. A golf course fee comparison is provided in Attachment II. Attachment III compares the existing golf fee rates to proposed rates which will produce sufficient revenues to continue to balance the Enterprise Fund budget.

The Sacramento Golf Council approves of the user fee increase.

FINANCIAL DATA

Without the recommended fee increase, it is projected that the Golf Enterprise Fund will have a deficit of \$200,000 in FY 1987-88. The FY 1986-87 Golf Division Budget projects this proposed fee increase.

RECOMMENDATION

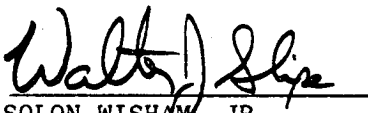
It is recommended that the Budget and Finance Committee approve this report for referral to the full City Council for action. Further, it is recommended that the City Council, by resolution, approve the across-the-board rate increase for golf services effective July 1, 1986.

Respectfully submitted,



ROBERT P. THOMAS, Director
Parks and Community Services

Recommendation Approved:



SOLON WISHAM, JR.
Assistant City Manager

FOR

RPT:ja

June 10, 1986
All Districts

RESOLUTION NO.

ADOPTED BY THE SACRAMENTO CITY COUNCIL ON DATE OF

RESOLUTION AMENDING FEES AND CHARGES FOR
PARKS AND COMMUNITY SERVICES - GOLF DIVISION

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

1. That Resolution No. 82-181, which established the Community Services Golf Division fees and charges, is hereby amended, effective July 1, 1986, as set forth in Exhibit A, attached hereto and incorporated herein by reference.
2. That the City of Sacramento Comprehensive Fee and Charge Report, page 43a, is hereby amended to reflect the changes as set forth in Exhibit A.

MAYOR

ATTEST:

CITY CLERK

GOLF FEES

I. MONDAYS THROUGH FRIDAYS, INCLUSIVE

FEES AND CHARGES

Adult - 18 holes	\$ 8.00
*** Junior - 18 holes	5.00
* Play Card	40.00
Sundown Rate	4.00
** Senior	5.00

II. SATURDAYS - SUNDAYS - HOLIDAYS

18 holes	\$ 9.00
Sundown Rate	4.50

III. MONDAYS THROUGH FRIDAYS, INCLUSIVE

Adult - 9 holes	\$ 4.00
*** Junior - 9 holes	2.50
** Senior	2.50

IV. SATURDAYS - SUNDAYS - HOLIDAYS

9 holes	\$ 4.50
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V. ADVANCED RESERVATIONS

Per foursome	\$ 1.00
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*Play cards good on weekdays only and may be used on all courses:

FEES AND CHARGES

a) Charge per card	\$40.00
b) Service charge per 18 holes	2.00
c) Service charge per 9 holes	1.00

LIMITATION: Play Card expires 120 days from issue.

** To qualify for the Senior Rate, persons must be 65 years of age and reside within the City or County of Sacramento or own property within the City or County of Sacramento. A golf card, issued by the Department of Parks and Community Services, is first required.

*** To qualify for this reduced rate, persons 17 years and under must complete a training course provided by the Department of Parks and Community Services. A card is required.

RESOLUTION NO.

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GOLF FEES

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Adult - 18 holes	\$ 8.00
*** Junior - 18 holes	5.00
* Play Card	40.00
Sun-down Rate	4.00
** Senior	5.00
II. SATURDAYS - SUNDAYS - HOLIDAYS	
18 holes	\$ 9.00
Sun-down Rate	4.50
III. MONDAYS THROUGH FRIDAYS, INCLUSIVE	
Adult - 9 holes	\$ 4.00
*** Junior - 9 holes	2.50
** Senior	2.50
IV. SATURDAYS - SUNDAYS - HOLIDAYS	
9 holes	\$ 4.50
V. ADVANCED RESERVATIONS	
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GOLF FINANCIAL HISTORY & PROJECTIONS	ACTUAL 1984-85	BUDGET 1985-86	PROJ 1986	PROJECTED 1987-88	PROJECTED 1988-89	PROJECTED 1989-90	PROTECTED 1990-91
Average Increase in Greens Fees	7.23%	(5.78%)	17.65%	.00%	.00%	.00%	.00%
18-Hole Green Fee (weekdays)	\$7.00	\$7.00	\$8.00	\$8.00	\$8.00	\$8.00	\$8.00
Average Green Fee Per Round of Golf	\$4.51	\$4.25	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00
Total Rounds Played	400,112	440,000	410,000	410,000	410,000	410,000	410,000
Operating Revenues:							
User Fees and Charges	\$1,804,872	\$1,870,000	\$2,050,000	\$2,050,000	\$2,050,000	\$2,050,000	\$2,050,000
Rents & Concessions	430,376	260,000	260,000	269,000	278,000	287,000	297,000
Total Operating Revenues	2,235,248	2,130,000	2,310,000	2,319,000	2,328,000	2,337,000	2,347,000
Operating Expenses:							
Employee Services	1,160,727	1,244,916	1,333,817	1,407,177	1,484,572	1,566,223	1,652,365
Other Services and Supplies	604,149	841,860	933,376	980,045	1,029,047	1,080,499	1,134,524
Depreciation	30,855	31,164	31,475	31,790	32,108	32,429	32,753
Total Operating Expenses	1,795,731	2,117,740	2,298,668	2,419,012	2,545,727	2,679,151	2,819,643
NET OPERATING INCOME (LOSS)	439,517	12,260	11,332	(100,012)	(217,727)	(342,151)	(472,643)
Nonoperating Revenues (Expenses):							
Interest Income	147,938	180,000	159,281	0	0	0	0
Other Misc. Income (Net of Expense)	2						
Interest Expense							
Operating Transfers In (Out)	(8,333)						
Net Nonoperating Revenue (Expense)	139,607	180,000	159,281	0	0	0	0
NET CHANGE TO RETAINED EARNINGS	579,124	192,260	170,613	(100,012)	(217,727)	(342,151)	(472,643)
Retained Earnings (Deficit) Beginning	1,196,036	1,775,160	1,967,420	2,138,033	2,038,021	1,820,295	1,478,143
Prior Period Adjustments							
Equity Transfers In (Out)							
Retained Earnings (Deficit) Ending	\$1,775,160	\$1,967,420	\$2,138,033	\$2,038,021	\$1,820,295	\$1,478,143	\$1,005,500
Sources of Working Capital							
Net Change to Retained Earnings	579,124	192,260	170,613	(100,012)	(217,727)	(342,151)	(472,643)
Depreciation	30,855	31,164	31,475	31,790	32,108	32,429	32,753
Increase in Long-Term Liabilities							
Total Sources of Working Capital	609,979	223,424	202,088	(68,222)	(185,619)	(309,723)	(439,890)
Uses of Working Capital:							
Acquisition of Property/Plant/Equipment	141,368	373,000	707,000	357,000	383,000	408,000	426,000
Decrease in Long-Term Liabilities	40,273	40,273	40,273				
Increase in Restricted Assets							
Prior Period Adj. (vaca/sick lv accrual)							
Total Uses of Working Capital	181,641	413,273	747,273	357,000	383,000	408,000	426,000
Working Capital Balance - Beginning	685,816	783,920	594,071	48,886	(376,336)	(944,955)	(1,662,677)
Net Change to Working Capital	428,338	(189,849)	(545,185)	(425,222)	(568,619)	(717,723)	(865,890)
Current Operating Encumbrances	(36,187)						
Prior Year Operating Encumbrances	36,630						
Current Year CIP Carryover	(626,309)						
Prior Year CIP Carryover	295,632						
WORKING CAPITAL BALANCE - ENDING	783,920	594,071	48,886	(376,336)	(944,955)	(1,662,677)	(2,528,567)

	18 HOLES				9 HOLES				ADULT PLAY CARD	SENIOR PLAY CARD
	M-F		S-S-H		M-F		S-S-H		\$45.00 PER MONTH M-F UNLIMITED	\$34.00 PER MONTH M-F UNLIMITED
	ADULT	JUNIOR	ADULT	JUNIOR	ADULT	JUNIOR	ADULT	JUNIOR		
LIVERMORE	\$9.00	\$5.00	\$12.00	\$7.00	\$6.00	\$5.00	\$8.00	\$5.00	\$7.00 SR; RATE MONDAY ONLY (\$6.00 9HOLES)	
SACRAMENTO - CITY	\$7.00	\$4.00	\$8.00	\$8.00	\$3.50	\$2.00	\$4.00	\$4.00	\$30.00 M-F LIMITED (5) \$2.00 SRCHGE - 18 HOLE \$1.00 SRCHGE - 9 HOLE	65 YEARS OLD (1) \$4.00/18 HOLES \$2.00/9 HOLES
SACRAMENTO - COUNTY	\$7.50	JR./SR. \$4.00	\$8.50	\$8.00	\$4.50	\$4.00	\$4.50	\$4.50	\$20.00 10-18 HOLE ROUNDS \$4.00 SRCHGE	N/A
ROSEVILLE, DIAMOND OAKS	\$5.50	\$3.00	\$6.50	\$6.50	\$3.50	\$3.00	\$4.00	\$4.00	ADULT MONTHLY \$32.00 JUNIOR MONTHLY \$15.00	65 YEARS OLD (2) \$25.00
BRODERICK, RIVERBEND	\$11.00	\$3.00 MEMBERS \$4.00 NON-MEMBERS	\$13.00	\$13.00	\$6.00 AFTER 2 P.M.	\$3.00 NON-MEMBERS \$1.50 MEMBERS	\$6.00 AFTER 2 P.M.	\$6.00 AFTER 2 P.M.	\$90.00 UNLIMITED WEEKDAY PLAY IF A MEMBER, MEMBER- SHIP \$60.00 PER YEAR	NO SENIOR PROGRAM
DRY CREEK	\$9.00 (3)	\$9.00	\$12.00	\$12.00	\$5.00	\$5.00	\$7.00	\$7.00	NO	NO SENIOR PROGRAM
PLUMAS LAKE (4)	\$12.00	\$7.00	\$15.00	\$15.00	NO 9 HOLE RATE				NO	NO SENIOR PROGRAM
STOCKTON, VAN BUSKIRK	\$5.75	\$3.50 AFTER 11 A.M.	\$6.75	\$6.75	\$4.75	JR./SR. \$3.50	\$6.75	\$6.75	\$47.00 SINGLE \$70.00 FAMILY UNLIMITED M-F \$3.50 SRCHG SSH	\$25.00 UNLIMITED M-F NO SSH
DAVIS	\$7.00	\$4.00	\$7.00	\$7.00	\$4.00	\$4.00	\$4.00	\$4.00	\$30.00 UNLIMITED M-F \$500 PER YEAR UNLIMITED M-F	\$4.00 M-F NO SSH PROGRAM

- NOTES: (1) RESTRICTED TO COUNTY OF SACRAMENTO RESIDENTS
(2) CANNOT RESERVE A TEE TIME IF YOU USE A MONTHLY PLAY CARD: NO SSH
(3) IF YOU PAY \$12.00 BEFORE YOU PLAY, UNLIMITED PLAY THAT DAY
(4) TWILIGHT FEES HALF OF GREEN FEES AFTER 5 P.M.
(5) 20 - 9 HOLE OR 10 - 18 HOLE OR COMBINATION OF THE TWO

GOLF FEES

	<u>Existing</u>	<u>Proposed</u>	<u>Change</u>
I. MONDAYS THROUGH FRIDAYS, INCLUSIVE			
Adult - 18 holes	\$ 7.00	\$ 8.00	\$ 1.00
*** Junior - 18 holes	4.00	5.00	1.00
* Play Card	30.00	40.00	10.00
Sundown Rate	3.50	4.00	.50
** Senior	4.00	5.00	1.00
II. SATURDAYS - SUNDAY - HOLIDAYS			
18 holes	\$ 8.00	\$ 9.00	\$ 1.00
Sundown Rate	4.00	4.50	.50
III. MONDAYS THROUGH FRIDAYS, INCLUSIVE			
Adult - 9 holes	\$ 3.50	\$ 4.00	\$.50
*** Junior - 9 holes	2.00	2.50	.50
Senior - 9 holes	2.00	2.50	.50
IV. SATURDAYS - SUNDAYS - HOLIDAYS			
9 holes	\$ 4.00	\$ 4.50	\$.50
V. ADVANCE RESERVATIONS			
Per foursome	\$ 1.00	\$ 1.00	\$ n/c
* Play cards good on weekdays only and may be used on all courses:			
	<u>Existing</u>	<u>Proposed</u>	<u>Change</u>
a) Charge per card	\$30.00	\$40.00	\$10.00
b) Service charge per 18 holes	2.00	2.00	-0-
c) Service charge per 9 holes	1.00	1.00	-0-

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