

RedGate Golf Fund Five-Year Forecast

TABLE 4-21. RedGate Golf Fund Revenues / Sources

| | Note | Actual FY07 | Actual FY08 | Actual FY09 | Actual FY10 | Modified FY11 | Proposed FY12 | Estimated FY13 | Estimated FY14 | Estimated FY15 | Estimated FY16 |
|---------------------------------|------|------------------|------------------|------------------|----------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Golf Course Fees | A | 869,521 | 887,553 | 827,324 | 738,180 | 779,580 | 863,150 | 934,918 | 962,966 | 991,855 | 1,021,611 |
| Cart Rentals | | 252,324 | 265,553 | 230,766 | 206,248 | 219,830 | 237,950 | 252,441 | 260,014 | 267,815 | 275,849 |
| Driving Range Fee | | 1,480 | 1,635 | 1,651 | 1,982 | 1,600 | 8,570 | 15,914 | 16,391 | 16,883 | 17,389 |
| Concessions / Other | | 20,073 | 11,664 | 12,159 | 12,251 | 13,910 | 34,340 | 55,697 | 57,368 | 59,089 | 60,862 |
| Pro Shop Rental | | 4,250 | 4,250 | 4,250 | 2,750 | 2,790 | 13,470 | 24,864 | 25,611 | 26,379 | 27,170 |
| Transfers In - Operating | B | - | - | - | - | 2,390,645 | 426,000 | 490,000 | 490,000 | 490,000 | 490,000 |
| Transfers In - Capital | | 114,500 | 165,000 | 93,000 | - | - | 204,000 | - | 300,000 | - | - |
| Total Revenues / Sources | | 1,262,148 | 1,335,655 | 1,169,150 | 961,411 | 3,408,355 | 1,787,480 | 1,773,834 | 2,112,350 | 1,852,021 | 1,892,882 |
| Percent Increase | | 16.5% | 5.8% | -12.5% | -17.8% | 254.5% | -47.6% | -0.8% | 19.1% | -12.3% | 2.2% |

TABLE 4-22. RedGate Golf Fund Expenses

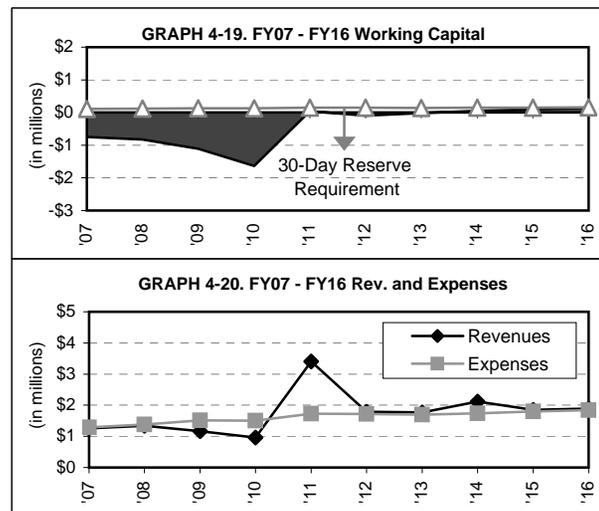
| | Note | Actual FY07 | Actual FY08 | Actual FY09 | Actual FY10 | Modified FY11 | Proposed FY12 | Estimated FY13 | Estimated FY14 | Estimated FY15 | Estimated FY16 |
|---------------------------------|------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Personnel | C | 664,098 | 732,933 | 805,091 | 835,559 | 873,200 | 405,840 | - | - | - | - |
| Contract Services | | 127,751 | 136,022 | 138,743 | 130,339 | 182,690 | 814,800 | 1,507,620 | 1,546,369 | 1,586,280 | 1,627,388 |
| Commodities | | 226,227 | 240,513 | 261,032 | 244,494 | 288,360 | 147,790 | - | - | - | - |
| Capital Outlay | | 33,210 | 42,404 | 86,239 | 68,936 | 110,200 | 19,750 | - | - | - | - |
| Admin. Charge | D | 89,500 | 92,200 | 95,000 | 97,900 | 165,750 | 197,400 | 60,000 | 60,000 | 60,000 | 60,000 |
| Debt Service (Interest) | E | 12,330 | 12,208 | 11,944 | 11,335 | 10,900 | 10,200 | 9,418 | 8,674 | 7,930 | 7,156 |
| Other | F | 139,190 | 125,791 | 110,139 | 119,177 | 100,100 | 125,100 | 125,100 | 125,100 | 150,100 | 150,100 |
| Total Operating Expenses | | 1,292,306 | 1,382,071 | 1,508,188 | 1,507,740 | 1,731,200 | 1,720,880 | 1,702,138 | 1,740,143 | 1,804,310 | 1,844,644 |
| Percent Increase | | 8.3% | 6.9% | 9.1% | 0.0% | 14.8% | -0.6% | -1.1% | 2.2% | 3.7% | 2.2% |

TABLE 4-23. RedGate Golf Fund Working Capital and Reserve

| | | | | | | | | | | |
|----------------------------------|------------------|------------------|--------------------|--------------------|----------------|-----------------|-----------------|----------------|----------------|----------------|
| Working Capital, Beginning | (713,432) | (749,503) | (827,807) | (1,108,828) | (1,633,347) | 43,808 | (93,592) | (21,896) | 50,311 | 98,022 |
| Net Change | (36,071) | (78,304) | (281,021) | (524,519) | 1,677,155 | 66,600 | 71,696 | 372,207 | 47,711 | 48,238 |
| Working Capital, Ending * | (749,503) | (827,807) | (1,108,828) | (1,633,347) | 43,808 | (93,592) | (21,896) | 50,311 | 98,022 | 146,260 |
| Minimum 30-Day Reserve | 107,692 | 115,173 | 125,682 | 125,645 | 144,267 | 143,407 | 141,845 | 145,012 | 150,359 | 153,720 |

* Proposed FY12 and Estimated FY14 Working Capital, Ending balances were adjusted down by \$204,000 and \$300,000 respectively to reflect the funds that will be spent in the capital budget for high priority capital projects as identified in the NGF Report.

The RedGate Golf Fund is used to account for the financial activity associated with the City's public golf course. In FY 2011 the Mayor and Council directed staff to issue a request for proposal (RFP) for a private management firm. Pending completion of the RFP and further direction by the Mayor and Council, FY 2012 assumes the same Course management for the first half of the year, and a management agreement consistent with the National Golf Foundation Study for the second half of FY 2012 and future years.



NOTES:

- A. FY12 revenues represent 6 months of in-house Course management and 6 months of management by an outside firm. Management firm estimates are consistent with Option 3 of the NGF Report. All revenues for FY13 through FY16 are consistent with Option 3 of the NGF Report.
- B. Refers to the transfer from the General Fund to help fund annual operating expenses and to support capital improvements to the course. FY12 amounts are consistent with Mayor and Council direction on 2/28/11 (*Note: In FY11 the Mayor and Council directed staff to transfer approximately \$2.39 million from the General Fund to eliminate the accumulated deficit and FY11 annual operating deficit.)
- C. FY12 expenses represent 6 months of in-house Course management and 6 months of management by an outside firm. Management firm estimates are consistent with Option 3 of the NGF Report. All expenses for FY13 through FY16 are consistent with Option 3 of the NGF Report.
- D. Refers to the transfer to the General Fund. FY12 includes 6 months consistent with adopted CAP and 6 months consistent with Option 3 of the NGF Report (*Note: as part of the five-year business plan this charge was reduced by half from FY 2007 through FY 2011 for a total RedGate savings of \$540,350).
- E. Debt Service amounts represent interest payments based on current debt.
- F. Includes depreciation, which will increase in FY15 by \$25,000 to reflect the capital projects that are recommended in the NGF Study.