

The background features abstract, overlapping green geometric shapes in various shades of green, creating a modern and dynamic feel. The shapes are primarily located on the left and right sides of the slide, framing the central text.

Future of Municipal Golf Possible Scenarios

Task Force on Municipal Golf in Madison Parks

February 19, 2020

Possible Scenarios

- ▶ Scenario 1a: Close Yahara Hills Golf Course. Remain as an enterprise.
- ▶ Scenario 1b: Close Yahara Hills Golf Course. Eliminate the enterprise fund model, fully incorporating the remaining three courses into the Parks system.
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- ▶ Scenario 2a: Close Yahara Hills and Glenway Golf Courses. Remain as an enterprise.
- ▶ Scenario 2b: Close Yahara Hills and Glenway Golf Courses. Eliminate enterprise fund, fully incorporating remaining courses into the Parks System.
- ▶ -----
- ▶ Scenario 3a: Close Monona Golf Course and eliminate nine holes at Yahara Hills Golf Course. Remain as an enterprise.
- ▶ Scenario 3b: Close Monona Golf Course and eliminate nine holes at Yahara Hills Golf Course. Eliminate the enterprise fund model, fully incorporating the remaining 3 courses into the Parks system.
- ▶ -----
- ▶ Scenario 4a: Close Monona Golf Course and eliminate eighteen holes at Yahara Hills Golf Course. Remain as an enterprise
- ▶ Scenario 4b: Close Monona Golf Course and eliminate eighteen holes at Yahara Hills Golf Course. Eliminate enterprise fund, fully incorporating remaining courses into the Parks System.

Scenario 1a: Close Yahara Hills Golf Course. (36 Hole Reduction)

► Impact to Local Market

- Currently 711 holes of golf within the Madison Metropolitan Area (NGF). Proposed closure results in 5.1 % reduction in holes available
- Approximately 32,600 18 hole equivalent rounds or 33% of all GEP rounds played
- New population per 18 Holes in Madison WI Metropolitan area (NGF): 17,446
 - National Average: 23,737
- Likely increase in demand and cost to players at available courses

► Impacted Customers

- Price conscious golfers
- Approximately 17 weekly leagues
- 4 regular high school teams (LaFollette, East, McFarland, Edgewood)
 - Over 30 other high school matches throughout the season, including the All-City Meet
 - 90% of all City-hosted High School matches are held at Yahara Hills
- Possible decreased space allocation for The First Tee Participants within the system
- Loss of approximately 20 golf events/outings per year with a total of \$47,000.00 in revenue

Scenario 1a: Close Yahara Hills Golf Course. (36 Hole Reduction)

- ▶ Impact to Employment
 - ▶ Layoff of approximately 49% of Golf Enterprise Program staff:
 - ▶ 2.0 Full-Time employees eliminated out of 7.0 current FTE
 - ▶ 23,300 net reduction in hours of seasonal labor
- ▶ Land and Resource Management Impact
 - ▶ 450 acres no longer managed as a golf course, would require reprogramming
 - ▶ Approximately 45-50% reduction in fertilizer and pesticide usage for GEP
 - ▶ Approximately 45-50% reduction in water (irrigation) usage:
 - ▶ 14.9M gallons (Well)
 - ▶ Approximately 40-50% reduction in electrical usage for GEP
 - ▶ Approximately 40-45% reduction in fuel usage for GEP

Scenario 1a: Close Yahara Hills Golf Course. (36 Hole Reduction)

► Golf Program Operating Budget Impacts

- Operating budget will be dependent on future programming requirements
- Anticipated 50% reduction in golf memberships
 - Potential elimination of Unlimited Season Pass and reconfiguration of Loyalty Program
- Anticipated 15% retained purchased services from Yahara's expense
 - Teesnap Point of Sale, mechanic services, potential cart fleet increase at other courses
- Anticipated 20% retained purchased supplies from Yahara's expense
 - Pesticides, equipment supplies, bulk ordering based on 50/25/12.5/12.5 splits with higher costs billed to Yahara
- Anticipated 15% retained inter-departmental charges from Yahara's expense
 - Fleet expense on shared equipment, Shared gas expense

► Overall City Operating Budget Impacts

- Operating budget will be dependent on future programming requirements
- General Fund Liabilities
 - Reduction of PILOT payment to the general fund of approximately \$74,351.80
 - Storm water charges
 - Inter-Departmental overhead charges

Scenario 1a: Close Yahara Hills Golf Course. (36 Hole Reduction)

- ▶ Capital Needs of GEP
 - ▶ Approximately 45-50% reduction in future capital budget grounds equipment needs
 - ▶ Revised total course needs: \$16.4M-\$24.7M (Approximately 44% reduction)
 - ▶ \$21M-\$32M for Yahara Hills Golf Course needs no longer required
 - ▶ Capital needs for land will be dependent on future programming requirements
- ▶ Additional Considerations
 - ▶ Likely increase in rates at all area courses
 - ▶ Mission and purpose need to be defined
 - ▶ Minimal opportunity for growth potential at other three courses
 - ▶ Past experience shows that when Yahara is closed, most customers do not go to other City courses
 - ▶ Some user groups may be displaced based on business model
 - ▶ Leagues, Associations, Outings/Events, High School Teams, The First Tee, Change Golf Instruction
- ▶ Anticipated GEP Net Loss per Year: (\$185,210)

Scenario 1a Budget Illustration

Comparative Analysis of Golf Enterprise Fund Financials SCENARIO 1a					
DESCRIPTION	5 YEAR AVERAGE	YAHARA	SCENARIO 1a	ADJUSTMENTS	NET
REVENUE	\$ (2,873,541)	\$ (938,311.34)	\$ (1,935,229.66)	\$ (143,180.00)	\$ (1,792,049.66)
PERSONNEL	\$ 1,623,017	\$ 654,518.46	\$ 968,498.54	\$ (34,279.00)	\$ 1,002,777.54
SUPPLIES	\$ 528,886	\$ 270,503.56	\$ 258,382.44	\$ (54,100.71)	\$ 312,483.15
UTILITIES	\$ 228,433	\$ 78,216.51	\$ 150,216.49		\$ 150,216.49
SERVICES	\$ 218,226	\$ 99,677.27	\$ 118,548.73	\$ (14,951.59)	\$ 133,500.32
DIRECT ID CHARGES	\$ 230,420	\$ 123,460.70	\$ 106,959.30	\$ (18,519.00)	\$ 125,478.30
Net "As A Park Service"	\$ (44,559)	\$ 288,065	\$ (332,624)	\$ (265,030)	\$ (67,594)
PILOT	\$ 185,876	\$ 74,351.80	\$ 111,524.20		\$ 111,524.20
DEPRECIATION	\$ 200,794	\$ 100,396.71	\$ 100,397.29		\$ 100,397.29
CSA ID CHARGES (MAYOR, TREASURER, GF, CLERK, FINANCE, HR)	\$ 19,636	\$ 9,818.00	\$ 9,818.00		\$ 9,818.00
UNEMPLOYMENT BENEFITS	\$ 53,474	\$ 26,737.10	\$ 26,736.90		\$ 26,736.90
AUDIT SERVICES	\$ 1,630	\$ 650.00	\$ 980.00		\$ 980.00
PRINCIPAL AND INTEREST	\$ 6,695	\$ 3,347.50	\$ 3,347.50		\$ 3,347.50
Enterprise Associated Expenses	\$ 423,546	\$ 503,366	\$ (79,820)	\$ (265,030)	\$ 185,210

Scenario 1b: Close Yahara Hills Golf Course. (36 Hole Reduction)

- ▶ The elimination of the enterprise model would not change any information presented from Scenario 1a
- ▶ It would however, change the dynamics of the Operating and Capital budgetary process compiled by the Parks Division and the City of Madison
- ▶ Anticipated Golf Program Net Gain per Year as a Parks service: \$67,594

Scenario 1b Budget Illustration

Comparative Analysis of Golf Enterprise Fund Financials SCENARIO 1b					
DESCRIPTION	5 YEAR AVERAGE	YAHARA	SCENARIO 1b	ADJUSTMENTS	NET
REVENUE	\$ (2,873,541)	\$ (938,311.34)	\$ (1,935,229.66)	\$ (143,180.00)	\$ (1,792,049.66)
PERSONNEL	\$ 1,623,017	\$ 654,518.46	\$ 968,498.54	\$ (34,279.00)	\$ 1,002,777.54
SUPPLIES	\$ 528,886	\$ 270,503.56	\$ 258,382.44	\$ (54,100.71)	\$ 312,483.15
UTILITIES	\$ 228,433	\$ 78,216.51	\$ 150,216.49		\$ 150,216.49
SERVICES	\$ 218,226	\$ 99,677.27	\$ 118,548.73	\$ (14,951.59)	\$ 133,500.32
DIRECT ID CHARGES	\$ 230,420	\$ 123,460.70	\$ 106,959.30	\$ (18,519.00)	\$ 125,478.30
Net "As A Park Service"	\$ (44,559)	\$ 288,065	\$ (332,624)	\$ (265,030)	\$ (67,594)

Scenario 2a: Close Yahara Hills and Glenway Golf Courses. (45 Hole Reduction)

► Impact to Local Market

- Currently 711 holes of golf within the Madison Metropolitan Area (NGF). Proposed closure results in 6.3% reduction in holes available
- Approximately 49,800 18 hole equivalent rounds or 50% of all GEP rounds played
- New population per 18 Holes in Madison WI Metropolitan area (NGF): 17,682
- Likely increase in demand and cost to players at available courses

► Impacted Customers

- Price conscious golfers
- Approximately 32 weekly leagues
- 6 regular high school teams (LaFollette, East, West, Memorial, McFarland, Edgewood)
- Probable decreased space allocation for The First Tee Participants within the system
- 60% of all college student rounds are played at Yahara and Glenway
- Loss of approximately 27 golf events/outings per year with an average \$54,000 in revenue

Scenario 2a: Close Yahara Hills and Glenway Golf Courses. (45 Hole Reduction)

- ▶ Impact to Employment
 - ▶ Layoff of approximately 56% of Golf Enterprise Program staff:
 - ▶ 4.0 Full-Time employees
 - ▶ 30,400 hours of seasonal labor
- ▶ Land and Resource Management Impact
 - ▶ 492 acres no longer managed as a golf courses, would require reprogramming
 - ▶ Approximately 55-60% reduction in fertilizer and pesticide usage for GEP
 - ▶ Approximately 55-60% reduction in water (irrigation) usage
 - ▶ Approximately 14.9M gallons at Yahara (Well) and 2.7M gallons at Glenway (City)
 - ▶ Approximately 50-55% reduction in electrical usage for GEP
 - ▶ Approximately 50-55% reduction in fuel usage for GEP

Scenario 2a: Close Yahara Hills and Glenway Golf Courses. (45 Hole Reduction)

- ▶ Golf Program Operating Budget Impacts
 - ▶ Operating budget will be dependent on future programming requirements
 - ▶ Anticipated 70% reduction in golf memberships
 - ▶ Potential elimination of Unlimited Season Pass and reconfiguration of Loyalty Program
 - ▶ Anticipated 75% retained purchased services from Yahara's expense
 - ▶ Anticipated 20% retained purchased supplies from Yahara's expense
 - ▶ Anticipated 15% retained inter-departmental charges due to Fleet Services from Yahara's expense
- ▶ Overall City Operating Budget Impacts
 - ▶ Operating budget will be dependent on future programming requirements
 - ▶ General Fund Liabilities
 - ▶ Reduction of PILOT payment to the general fund of approximately \$125,496
 - ▶ Storm Water Charges
 - ▶ Inter-Departmental overhead charges

Scenario 2a: Close Yahara Hills and Glenway Golf Courses. (45 Hole Reduction)

► Capital Needs of GEP

- Anticipated 50-55% reduction in future capital budget grounds equipment needs
- Revised total course needs: \$14.7-\$22.2M (Approximately 60% reduction)
 - \$21M - \$32M for Yahara Hills Golf Course needs no longer required
 - \$1.7M-\$2.5M for Glenway Golf Course needs no longer required
 - Capital needs for land will be dependent on future programming requirements

► Additional Considerations

- Likely increase in rates at all area courses
- Mission and purpose need to be defined
- Minimal opportunity for growth potential at other two courses
- Glenway was originally acquired as a part of the acquisition of Forest Hill Cemetery
- Past experience shows that when Yahara is closed, most customers do not go to other City courses
- Some user groups may be displaced based on business model

► Anticipated GEP Net Loss per Year: (\$190,275)

Scenario 2a Budget Illustration

Comparative Analysis of Golf Enterprise Fund Financials SCENARIO 2a						
DESCRIPTION	5 YEAR AVERAGE	YAHARA	GLENWAY	SCENARIO 2a	ADJUSTMENTS	NET
REVENUE	\$ (2,873,541)	\$ (938,311.34)	\$ (362,062.69)	\$ (1,573,166.97)	\$ (200,452.00)	\$ (1,372,714.97)
PERSONNEL	\$ 1,623,017	\$ 654,518.46	\$ 220,313.39	\$ 748,185.15	\$ 39,246.00	\$ 708,939.15
SUPPLIES	\$ 528,886	\$ 270,503.56	\$ 52,741.47	\$ 205,640.97	\$ (54,100.71)	\$ 259,741.68
UTILITIES	\$ 228,433	\$ 78,216.51	\$ 25,455.74	\$ 124,760.75		\$ 124,760.75
SERVICES	\$ 218,226	\$ 99,677.27	\$ 23,624.82	\$ 94,923.91	\$ (74,758.00)	\$ 169,681.91
DIRECT ID CHARGES	\$ 230,420	\$ 123,460.70	\$ 19,842.42	\$ 87,116.88	\$ (18,519.11)	\$ 105,635.99
Net "As A Park Service"	\$ (44,559)	\$ 288,065	\$ (20,085)	\$ (312,539)	\$ (308,584)	\$ (3,955)
PILOT	\$ 185,876	\$ 74,351.80	\$ 23,233.89	\$ 88,290.31		\$ 88,290.31
DEPRECIATION	\$ 200,794	\$ 100,396.71	\$ 25,099.22	\$ 75,298.07		\$ 75,298.07
CSA ID CHARGES (MAYOR, TREASURER, GF, CLERK, FINANCE, HR)	\$ 19,636	\$ 9,818.00	\$ 2,454.00	\$ 7,364.00		\$ 7,364.00
UNEMPLOYMENT BENEFITS	\$ 53,474	\$ 26,737.10	\$ 6,684.27	\$ 20,052.63		\$ 20,052.63
AUDIT SERVICES	\$ 1,630	\$ 650.00	\$ 265.00	\$ 715.00		\$ 715.00
PRINCIPAL AND INTEREST	\$ 6,695	\$ 3,347.50	\$ 836.87	\$ 2,510.63		\$ 2,510.63
Enterprise Associated Expenses	\$ 423,546	\$ 503,366	\$ 38,488	\$ (118,309)	\$ (308,584)	\$ 190,275

Scenario 2b: Close Yahara Hills and Glenway Golf Courses. (45 Hole Reduction)

- ▶ The elimination of the enterprise model would not change any information presented from Scenario 2a
- ▶ It would however, change the dynamics of the Operating and Capital budgetary process compiled by the Parks Division and the City of Madison
- ▶ Anticipated Golf Program Net Gain per Year as a Parks service: \$3,955

Scenario 2b Budget Illustration

Comparative Analysis of Golf Enterprise Fund Financials SCENARIO 2b						
DESCRIPTION	5 YEAR AVERAGE	YAHARA	GLENWAY	SCENARIO 2b	ADJUSTMENTS	NET
REVENUE	\$ (2,873,541)	\$ (938,311.34)	\$ (362,062.69)	\$ (1,573,166.97)	\$ (200,452.00)	\$ (1,372,714.97)
PERSONNEL	\$ 1,623,017	\$ 654,518.46	\$ 220,313.39	\$ 748,185.15	\$ 39,246.00	\$ 708,939.15
SUPPLIES	\$ 528,886	\$ 270,503.56	\$ 52,741.47	\$ 205,640.97	\$ (54,100.71)	\$ 259,741.68
UTILITIES	\$ 228,433	\$ 78,216.51	\$ 25,455.74	\$ 124,760.75		\$ 124,760.75
SERVICES	\$ 218,226	\$ 99,677.27	\$ 23,624.82	\$ 94,923.91	\$ (74,758.00)	\$ 169,681.91
DIRECT ID CHARGES	\$ 230,420	\$ 123,460.70	\$ 19,842.42	\$ 87,116.88	\$ (18,519.11)	\$ 105,635.99
Net "As A Park Service"	\$ (44,559)	\$ 288,065	\$ (20,085)	\$ (312,539)	\$ (308,584)	\$ (3,955)

Scenario 3a: Close Monona Golf Course and Eliminate 9 Holes at Yahara Hills. (18 Hole Reduction)

► Impact to Local Market

- Currently 711 holes of golf within the Madison Metropolitan Area (NGF). Proposed closure results in 2.5 % reduction in holes available
- Approximately 25,450 18 hole equivalent rounds or 26% of all GEP rounds played
- New population per 18 Holes in Madison WI Metropolitan area (NGF): 16,993
- Unlikely increase in cost to players at available courses

► Impacted Customers

- Approximately 11 weekly leagues from Monona, could be accommodated within system
- 1 regular high school team (LaFollette) from Monona could be accommodated within system
- Decreased space allocation (Monona) for The First Tee Participants. Could be accommodated within system
- Loss of average 7 golf events/outings per year with an average \$4,500 in revenue. Could be accommodated within system

Scenario 3a: Close Monona Golf Course and Eliminate 9 Holes at Yahara Hills (18 Hole Reduction)

- ▶ Impact to Employment
 - ▶ Layoff of approximately 7.5% of Golf Enterprise Program staff:
 - ▶ 1.0 Full-Time employee
 - ▶ 5760 hours of seasonal labor

- ▶ Land and Resource Management Impact
 - ▶ Approximately 185 acres no longer managed as a golf courses, would require reprogramming
 - ▶ Approximately 30-35% reduction in fertilizer and pesticide usage for GEP
 - ▶ Approximately 30-35% reduction in water (irrigation) usage
 - ▶ Approximately 3.7M gallons at Yahara (Well) and 3.2M gallons at Monona (City)
 - ▶ Approximately 30-35% reduction in electrical usage for GEP
 - ▶ Approximately 30-35% reduction in fuel usage for GEP

Scenario 3a: Close Monona Golf Course and Eliminate 9 Holes at Yahara Hills (18 Hole Reduction)

- ▶ Golf Program Operating Budget Impacts
 - ▶ Operating budget will be dependent on future programming requirements
 - ▶ Anticipated 10% reduction in hourly staffing dollars at Yahara Hills
 - ▶ Anticipated 15% reduction in golf memberships
 - ▶ Potential reconfiguration of Loyalty Program
 - ▶ Anticipated 90% retained purchased services from Yahara's expense
 - ▶ Anticipated 90% retained purchased supplies from Yahara's expense
 - ▶ Anticipated 95% retained inter-departmental charges from Yahara's expense
- ▶ Overall City Operating Budget Impacts
 - ▶ Operating budget will be dependent on future programming requirements
 - ▶ General Fund Liabilities
 - ▶ Reduction of PILOT payment to the general fund of approximately \$125,496
 - ▶ Storm Water Charges
 - ▶ Inter-Departmental overhead charges

Scenario 3a: Close Monona Golf Course and Eliminate 9 Holes at Yahara Hills (18 Hole Reduction)

- ▶ Capital Needs of GEP
 - ▶ Anticipated 10-15% reduction in capital budget grounds equipment needs
 - ▶ Revised total course needs: \$29.6M-\$44.9M (Approximately 20% reduction)
 - ▶ \$2.5M - \$3.8M for Monona Golf Course needs no longer required
 - ▶ Approximately \$5.3M - \$8.0M for Yahara Hills Golf Course needs no longer required
 - ▶ Capital needs for land will be dependent on future programming requirements
- ▶ Additional Considerations
 - ▶ Provides opportunity for growth potential
 - ▶ Some user groups may be displaced based on business model
 - ▶ Anticipated 30% of Monona player revenues would move to Yahara
- ▶ Anticipated GEP Net Loss per Year: (\$233,183)

Scenario 3a Budget Illustration

Comparative Analysis of Golf Enterprise Fund Financials SCENARIO 3a						
DESCRIPTION	5 YEAR AVERAGE	YAHARA	MONONA	SCENARIO 3a	ADJUSTMENTS	NET
REVENUE	\$ (2,873,541)	\$ (938,311.34)	\$ (422,331.86)	\$ (2,451,209.14)	\$ 83,745.56	\$ (2,534,954.70)
PERSONNEL	\$ 1,623,017	\$ 654,518.46	\$ 271,083.20	\$ 1,351,933.80	\$ (4,974.85)	\$ 1,356,908.65
SUPPLIES	\$ 528,886	\$ 270,503.56	\$ 59,036.12	\$ 469,849.88	\$ 27,050.36	\$ 442,799.52
UTILITIES	\$ 228,433	\$ 78,216.51	\$ 44,917.21	\$ 183,515.79	\$ -	\$ 183,515.79
SERVICES	\$ 218,226	\$ 99,677.27	\$ 27,772.37	\$ 190,453.63	\$ 9,967.73	\$ 180,485.90
DIRECT ID CHARGES	\$ 230,420	\$ 123,460.70	\$ 29,314.42	\$ 201,105.58	\$ 6,173.04	\$ 194,932.54
Net "As A Park Service"	\$ (44,559)	\$ 288,065	\$ 9,791	\$ (54,350)	\$ 121,962	\$ (176,312)
PILOT	\$ 185,876	\$ 74,351.80	\$ 23,233.89	\$ 162,642.11		\$ 162,642.11
DEPRECIATION	\$ 200,794	\$ 100,396.71	\$ 25,099.22	\$ 175,694.78		\$ 175,694.78
CSA ID CHARGES (MAYOR, TREASURER, GF, CLERK, FINANCE, HR)	\$ 19,636	\$ 9,818.00	\$ 2,455.00	\$ 17,181.00		\$ 17,181.00
UNEMPLOYMENT BENEFITS	\$ 53,474	\$ 26,737.10	\$ 6,684.27	\$ 46,789.73		\$ 46,789.73
AUDIT SERVICES	\$ 1,630	\$ 650.00	\$ 300.00	\$ 1,330.00		\$ 1,330.00
PRINCIPAL AND INTEREST	\$ 6,695	\$ 3,347.50	\$ 836.87	\$ 5,858.13		\$ 5,858.13
Enterprise Associated Expenses	\$ 423,546	\$ 503,366	\$ 68,401	\$ 355,145	\$ 121,962	\$ 233,183

Scenario 3b: Close Monona Golf Course and Eliminate 9 Holes at Yahara Hills (18 Hole Reduction)

- ▶ The elimination of the enterprise model would not change any information presented from Scenario 3a
- ▶ It would however, change the dynamics of the Operating and Capital budgetary process compiled by the Parks Division and the City of Madison
- ▶ Anticipated Golf Program Net Gain per Year as a Parks service: \$176,312

Scenario 3b Budget Illustration

Comparative Analysis of Golf Enterprise Fund Financials SCENARIO 3b						
DESCRIPTION	5 YEAR AVERAGE	YAHARA	MONONA	SCENARIO 3b	ADJUSTMENTS	NET
REVENUE	\$ (2,873,541)	\$ (938,311.34)	\$ (422,331.86)	\$ (2,451,209.14)	\$ 83,745.56	\$ (2,534,954.70)
PERSONNEL	\$ 1,623,017	\$ 654,518.46	\$ 271,083.20	\$ 1,351,933.80	\$ (4,974.85)	\$ 1,356,908.65
SUPPLIES	\$ 528,886	\$ 270,503.56	\$ 59,036.12	\$ 469,849.88	\$ 27,050.36	\$ 442,799.52
UTILITIES	\$ 228,433	\$ 78,216.51	\$ 44,917.21	\$ 183,515.79	\$ -	\$ 183,515.79
SERVICES	\$ 218,226	\$ 99,677.27	\$ 27,772.37	\$ 190,453.63	\$ 9,967.73	\$ 180,485.90
DIRECT ID CHARGES	\$ 230,420	\$ 123,460.70	\$ 29,314.42	\$ 201,105.58	\$ 6,173.04	\$ 194,932.54
Net "As A Park Service"	\$ (44,559)	\$ 288,065	\$ 9,791	\$ (54,350)	\$ 121,962	\$ (176,312)

Scenario 4a: Close Monona Golf Course and Eliminate 18 Holes at Yahara Hills (27 Hole Reduction)

► Impact to Local Market

- Currently 711 holes of golf within the Madison Metropolitan Area (NGF). Proposed closure results in 3.8% reduction in holes available
- Approximately 17,263 18 hole equivalent rounds or 18% of all GEP rounds played
- New population per 18 Holes in Madison WI Metropolitan area (NGF): 17,217
- Likely increase in cost to players within local market area

► Impacted Customers

- Approximately 11 weekly leagues from Monona, could be accommodated within system
- 1 regular high school team (LaFollette) from Monona, could be accommodated within system
- Decreased space allocation (Monona) for The First Tee Participants. Could be accommodated within system
- Loss of average 7 golf events/outings per year with an average \$4,500 in revenue. Could be accommodated within system

Scenario 4a: Close Monona Golf Course and Eliminate 18 Holes at Yahara Hills (27 Hole Reduction)

► Impact to Employment

- Layoff of approximately 20% of Golf Enterprise Program staff:
 - 1.0 Full-Time employees
 - 14,770 hours of seasonal labor

► Land and Resource Management Impact

- Approximately 310 acres no longer managed as a golf courses, would require reprogramming
- Approximately 35-40% reduction in fertilizer and pesticide usage for GEP
- Approximately 30-35% reduction in water (irrigation) usage.
 - Approximately 7.4M gallons at Yahara (Well) and 3.2M gallons at Monona (City)
- Approximately 15-20% reduction in electrical usage for GEP
- Approximately 30-35% reduction in fuel usage for GEP

Scenario 4a: Close Monona Golf Course and Eliminate 18 Holes at Yahara Hills (27 Hole Reduction)

- ▶ Golf Program Operating Budget Impacts
 - ▶ Operating budget will be dependent on future programming requirements
 - ▶ Anticipated 25% reduction in hourly staffing dollars at Yahara Hills
 - ▶ Anticipated 15% reduction in golf memberships
 - ▶ Potential reconfiguration of Loyalty Program
 - ▶ Anticipated 75% retained purchased services from Yahara's expense
 - ▶ Anticipated 75% retained purchased supplies from Yahara's expense
 - ▶ Anticipated 90% retained inter-departmental charges from Yahara's expense
- ▶ Overall City Operating Budget Impacts
 - ▶ Operating budget will be dependent on future programming requirements.
 - ▶ General Fund Liabilities
 - ▶ Reduction of PILOT payment to the general fund of approximately \$125,496
 - ▶ Storm Water Charges
 - ▶ Inter-Departmental overhead charges

Scenario 4a: Close Monona Golf Course and Eliminate 18 Holes at Yahara Hills (27 Hole Reduction)

- ▶ Capital Needs of GEP
 - ▶ Anticipated 30-35% reduction in future capital budget grounds equipment needs
 - ▶ Revised total course needs: \$19.4M-\$36.9M (Approximately 52-65% reduction) \$2.5M-\$3.8M for Monona Golf Course needs no longer required
 - ▶ Approximately \$5.5M-\$16.0M needed for improvements of redesigned Yahara Hills course
 - ▶ Capital needs for land will be dependent on future programming requirements
- ▶ Additional Considerations
 - ▶ Provides opportunity for growth potential
 - ▶ Some user groups may be displaced based on business model
 - ▶ Anticipated 20% of Monona player revenues would move to Yahara
- ▶ Anticipated GEP Net Loss per Year: (\$246,334)

Scenario 4a Budget Illustration

Comparative Analysis of Golf Enterprise Fund Financials SCENARIO 4a						
DESCRIPTION	5 YEAR AVERAGE	YAHARA	MONONA	SCENARIO 4a	ADJUSTMENTS	NET
REVENUE	\$ (2,873,541)	\$ (938,311.34)	\$ (422,331.86)	\$ (2,451,209.14)	\$ (99,232.63)	\$ (2,351,976.51)
PERSONNEL	\$ 1,623,017	\$ 654,518.46	\$ 271,083.20	\$ 1,351,933.80	\$ 103,152.62	\$ 1,248,781.18
SUPPLIES	\$ 528,886	\$ 270,503.56	\$ 59,036.12	\$ 469,849.88	\$ 67,625.89	\$ 402,223.99
UTILITIES	\$ 228,433	\$ 78,216.51	\$ 44,917.21	\$ 183,515.79	\$ -	\$ 183,515.79
SERVICES	\$ 218,226	\$ 99,677.27	\$ 27,772.37	\$ 190,453.63	\$ 24,919.32	\$ 165,534.31
DIRECT ID CHARGES	\$ 230,420	\$ 123,460.70	\$ 29,314.42	\$ 201,105.58	\$ 12,346.07	\$ 188,759.51
Net "As A Park Service"	\$ (44,559)	\$ 288,065	\$ 9,791	\$ (54,350)	\$ 108,811	\$ (163,162)
PILOT	\$ 185,876	\$ 74,351.80	\$ 23,233.89	\$ 162,642.11		\$ 162,642.11
DEPRECIATION	\$ 200,794	\$ 100,396.71	\$ 25,099.22	\$ 175,694.78		\$ 175,694.78
CSA ID CHARGES (MAYOR, TREASURER, GF, CLERK, FINANCE, HR)	\$ 19,636	\$ 9,818.00	\$ 2,455.00	\$ 17,181.00		\$ 17,181.00
UNEMPLOYMENT BENEFITS	\$ 53,474	\$ 26,737.10	\$ 6,684.27	\$ 46,789.73		\$ 46,789.73
AUDIT SERVICES	\$ 1,630	\$ 650.00	\$ 300.00	\$ 1,330.00		\$ 1,330.00
PRINCIPAL AND INTEREST	\$ 6,695	\$ 3,347.50	\$ 836.87	\$ 5,858.13		\$ 5,858.13
Enterprise Associated Expenses	\$ 423,546	\$ 503,366	\$ 68,401	\$ 355,145	\$ 108,811	\$ 246,334

Scenario 4b:
Close Monona Golf Course and Eliminate 18 Holes at Yahara Hills
(27 Hole Reduction)

- ▶ The elimination of the enterprise model would not change any information presented from Scenario 4a
- ▶ It would however, change the dynamics of the Operating and Capital budgetary process compiled by the Parks Division and the City of Madison
- ▶ Anticipated Golf Program Net Gain per Year as a Parks service: \$163,162

Scenario 4b Budget Illustration

Comparative Analysis of Golf Enterprise Fund Financials SCENARIO 4b						
DESCRIPTION	5 YEAR AVERAGE	YAHARA	MONONA	SCENARIO 4b	ADJUSTMENTS	NET
REVENUE	\$ (2,873,541)	\$ (938,311.34)	\$ (422,331.86)	\$ (2,451,209.14)	\$ (99,232.63)	\$ (2,351,976.51)
PERSONNEL	\$ 1,623,017	\$ 654,518.46	\$ 271,083.20	\$ 1,351,933.80	\$ 103,152.62	\$ 1,248,781.18
SUPPLIES	\$ 528,886	\$ 270,503.56	\$ 59,036.12	\$ 469,849.88	\$ 67,625.89	\$ 402,223.99
UTILITIES	\$ 228,433	\$ 78,216.51	\$ 44,917.21	\$ 183,515.79	\$ -	\$ 183,515.79
SERVICES	\$ 218,226	\$ 99,677.27	\$ 27,772.37	\$ 190,453.63	\$ 24,919.32	\$ 165,534.31
DIRECT ID CHARGES	\$ 230,420	\$ 123,460.70	\$ 29,314.42	\$ 201,105.58	\$ 12,346.07	\$ 188,759.51
Net "As A Park Service"	\$ (44,559)	\$ 288,065	\$ 9,791	\$ (54,350)	\$ 108,811	\$ (163,162)

Anticipated Net Gain/Loss Within Each Scenario

	Operated as a Park Service	Operated as an Enterprise Fund
Scenario 1: 36 Hole Operation	\$ 67,594.00	\$ (185,210.00)
Scenario 2: 27 Hole Operation	\$ 3,955.00	\$ (190,275.00)
Scenario 3: 54 Hole Operation	\$ 176,312.00	\$ (233,183.00)
Scenario 4: 45 Hole Operation	\$ 163,162.00	\$ (246,334.00)

Questions?

