

REPORT OF GENERAL MANAGER

**APPROVED**  
OCT 18 2006

NO. 06-292

DATE October 4, 2006

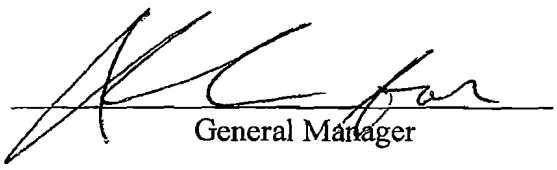
**BOARD OF RECREATION  
and PARK COMMISSIONERS**

C.D. Various

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: FIVE (5) YEAR GOLF FACILITIES IMPROVEMENT PLAN FOR FISCAL YEARS 2006-2007 THROUGH 2010-2011 AND TRANSFER OF FUNDS TO IMPLEMENT THE GOLF CAPITAL IMPROVEMENTS EXPENDITURE PLAN FOR FISCAL YEARS 2006-2007 AND 2007-2008

*J. Combs	<u>                    </u>	H. Fujita	<u>                    </u>
B. Jensen	<u>                    </u>	S. Huntley	<u>                    </u>
F. Mok	<u>                    </u>	J. Kolb	<u>                    </u>
K. Regan	<u>                    </u>	M. Shull	<u>                    </u>

  
General Manager

Approved                     

Disapproved                     

Withdrawn                     

RECOMMENDATION:

That the Board:

1. Approve and adopt the attached five (5) year Golf Facilities Improvement Plan for Fiscal Year 2006-2007 through Fiscal Year 2010-2011;
2. Authorize the Chief Accounting Employee to transfer funds within the Golf Surcharge Account 932 sub-accounts to fund Golf capital improvements for the Fiscal Year 2006-2007 and the Fiscal Year 2007-2008, as described below; and
3. Authorize the Chief Accounting Employee to establish Sub-Accounts 932 WC and 932 GI for Water Conservation and Golf Course Electronic Irrigation Upgrade.

SUMMARY:

Since the mid-1960s, the Department of Recreation and Parks has had in place a surcharge on golf course green fees. Funds obtained by way of the surcharge are used to renovate and improve existing facilities and to construct new facilities at the Department's thirteen (13) golf courses. No funds from the City's Capital Improvement Program or from the City General Fund are used to improve the Golf Courses.

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As of July 31, 2006, the total balance of the Golf Surcharge Account was \$15,816,350. The Golf Surcharge Account currently generates approximately \$4.3 million per year. Based on this rate, it is estimated that the surcharge will generate approximately \$17.0 million in Fiscal Year 2006-2007 through Fiscal Year 2009-2010 (surcharge revenues received in Fiscal Year 2010-2011 will be utilized to fund projects in Fiscal Year 2011-2012, and therefore have been excluded for purposes of this five (5) year Golf Facilities Improvement Plan).

Given the current and projected Golf Surcharge Account total amount of \$32.8 million, a five (5) year Golf Facilities Improvement Plan for Fiscal Year 2006-2007 through Fiscal Year 2010-2011 has been developed by Golf Division staff (Attachment A). The proposed five (5) year plan was developed after consultation with the Department's Golf Advisory Committee (GAC) and other Golf Division operations and maintenance staff. Included are major development and redevelopment projects, as well as capital improvement activities.

Upon Board approval of the above described Golf Facilities Improvement Program, the FY 2006-2007 and the FY 2007-2008 Golf Capital Improvement Expenditure Plans will be established as described in Attachments B-1 and B-2.

### FISCAL IMPACT STATEMENT:

There is no fiscal impact since funds are paid from the Golf Surcharge Account 932, Fund 302, Department 89. No funds from the City's Capital Improvement Program or from the City General Fund are used.

Report prepared by James N. Ward, Golf Manager.