

7/18/11

**CITY OF BROOKSVILLE
FINANCIAL WORKSHOP
COUNCIL CHAMBERS
201 HOWELL AVENUE
MINUTES**

April 12, 2011

6:00 P.M.

Brooksville City Council met in workshop session with Mayor Frankie Burnett, Vice Mayor Joseph E. Johnston, III, Council Members, Joe Bernardini, Lara Bradburn and Emory Pierce present. Also present were Thomas S. Hogan, Jr., City Attorney; T. Jennene Norman-Vacha, City Manager; Janice L. Peters, City Clerk; Steve Baumgartner, Finance Director; Mike Walker, Parks and Recreation Director; Bill Geiger, Community Development Director; Richard Radacky, Interim Director of Public Works; George Turner, Police Chief and Tim Mossgrove, Fire Chief. Members of the Hernando Today and Hernando Times were also present. Council Member Pierce was not able to attend the meeting.

The meeting was called to order by Mayor Burnett.

FINANCIAL WORKSHOP

Opening Presentation/Introductions

City Manager Norman-Vacha welcomed the Parks and Recreation Board Members and Quarry Golf Course founders who were in attendance. She stated this is a continuance from the February 22nd Financial Workshop in which Council discussed General Fund expenditures and other means for revenue formulation. She indicated this year was a very difficult budget year and it is expected to continue for this next fiscal year budget 2011-2012.

She indicated improving efficiencies is in a new age given the economy and turn of events in revenues to make budgets work. We are now living in the age of how to rethink, recreate and reinvent the resources with limited dollars. Last year, discussions began on the Quarry Golf Course and Council chose to have further discussions early on and should focus on how to do business, how to recreate or reinvent the wonderful asset in the course, or is it time to change direction in different types of services or products that we provide. At the approval of Council, staff proceeded in contacting the Bobby Weed Group with Chris Monty giving a presentation of his report this evening. As experts in golf management and golf course resources, they have analyzed the City's revenues to reinvent, improve and readjust services. She anticipates a creative discussion tonight on how to do better.

City of Brooksville Financials

General Fund Revenue Sources

Quarry Golf Course

Director of Parks, Facilities and Recreation Mike Walker introduced Chris Monty of the Bobby Weed Golf Design. Mr. Monty reviewed the assessment provided and advised any recreational program is not for profit.

Mr. Monty pointed out the risk is always balanced by the reward and indicated two (2) choices. The first is to continue with a 9-hole course, which will require improvements with a commitment to continually review the impact of those changes. The second choice is to reduce amenities, which will bring down the risk and reward.

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He said there is a balancing point with a certain level of golf offered that will cost the same amount to maintain as closing the facility as a golf course and opening it as a park because there is always a fixed expense on property.

Mayor Burnett noted that some recommendations in the report are worth trying and he was in favor of measuring time and usage.

Founding Parks and Recreation Board Chair Charles Price indicated usage of the Quarry cannot be compared to other public courses in the area and stated it was built to provide a public service not in competition with any other entity and pleaded that it be kept.

Parks and Recreation Board Chair Alan Garman indicated he has been a part of the area since he was fifteen (15) years old. The big problem he has is the comparison of the Quarry to private courses. He recommended allowing the sale of alcohol at the course as well as hotdogs, potato chips, snacks and fountain drinks. He also recommended better defined targets on the driving range, contests and lighting the course, as well as youth tournaments, teaching professionals for lessons and volunteer labor. Some comments he got from other players were that this is the only facility that they use. It is valuable to area youth and for tournament play, therefore worth keeping. He felt it would be a shame for the City to lose it. He commended previous Parks and Recreation Director David Pugh Sr. for being a strict administrator of the course.

Parks and Recreation Member Jim Brooks has also been on the board a long time and feels it to be an asset to the City and a benefit to the youth. He stated it was initially funded by the Bronson and McKethan families and hardworking volunteers and now only requires maintenance. He recommended lighting the driving range and a ball dispenser for nighttime play. Parks Director Walker indicated a ball dispenser would cost approximately \$7,500. Mr. Brooks also recommended lighting three (3) holes of the golf course for nighttime play. His concern is that if it is taken away it is more than likely not to come back.

Gail Samples advised she attended the last Parks and Recreation Board meeting and mentioned \$39,000 in annual losses compared to \$129,000 in losses when it was closed. City Manager Norman-Vacha clarified it was not consistent losses and reviewed from 2002/2003 as follows:

- 2002/2003 \$57,617
- 2003/2004 \$43,516
- 2004/2005 \$21,000
- 2006/2007 \$85,295

Council Member Bernardini asked for a copy, which she distributed to Council. She pointed out the losses are greater in those years where there were Capital Improvements and/or expenses.

Ms. Samples advised utilizing more volunteers and felt the driving range needs to be promoted more, as well as Glow Golf and tournaments. She did not agree with having the Pro Shop on the second floor of the Enrichment Center and suggested a committee be formed to work with the Parks and Recreation Board on golf course improvements. She did not feel it was financially feasible to light the course at this time but supports promoting afternoon play with league competitions as long as there are refreshments available. Parks Director Walker confirmed there is a plan in place for undercover storage of golf carts. She welcomed Council feedback as to whether or not it is their desire is to move forward with the golf course. Mayor Burnett clarified Council does not make official decisions during workshops but assured the public would be clear as to what direction they are taking from comments and questions.

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Charles Price asked why there is only \$778 generated in revenue if 80% of play uses carts. Director Walker stated that figure is generated from non-players usage of golf carts and indicated the fee is included in the greens fees for players. Mr. Price suggested separating the fee from the greens fees and increasing the cart use fee to generate more revenue.

Parks and Recreation Board Member Jill Allen concurred with all suggestions made tonight and was curious on the amount of revenue generated from ball fields, tennis courts and the walking trail compared to cost. She spoke of the advantages and uniqueness of golf course recreation for youth by learning self-accountability and also as a multi-generation family sport. She stated positive financial impact to local businesses should also be taken into consideration. Charles Price emphasized the impact on local businesses.

Lionel Louis volunteers at the Sheriff's Office and spoke favorably of the course as well. He wondered about the cost of supporting youth in jail versus the cost of providing recreation for youth. He recommended promoting more volunteerism and announced that he would donate golf clubs for youth who could not afford them or make them available to rent from the Pro Shop.

Alan Garman advised the ISA softball tournaments at the park have been positive and suggested also promoting the golf course to those patrons. He stated The First Tee Program promotes teaching values and life lessons for children.

Council Member Bradburn reviewed a few points in the report and read from page 11 of 18 which states "We did not observe any areas of the course that are currently being maintained that could be eliminated from maintenance to achieve savings. We believe a significant danger exists if additional cuts are made to the maintenance resources at the course." She stated there have been discussions on streamlining maintenance but Mr. Monty stated he believes maintenance is at its minimum right now. She went on reading, "Further, we do not believe that closing the course seasonally (i.e. during the summer) would be prudent." and pointed out summertime has the lowest usage so it is the greatest expense. Mr. Monty indicated it is not feasible to let the grass go during down periods then maintain it when in use, advising it is a year-round maintenance issue. She asked why the fairways need so much attention when courses, say in Scotland, only maintain the greens. Mr. Monty indicated it has to do with the climate and the best turf for the region being used.

Mr. Monty offered that the cost to play is in line for this particular course experience with no justification for raising fees. The cost of marketing was discussed in regards to adding to the losses. Mr. Monty pointed out \$126K of revenue indicated on page 7 of 18 was based on the course's 2007/2008 total revenue produced and stated operating cost should be based on Council desire and how much is acceptable to be invested in this facility.

Council Member Bradburn asked Mr. Monty's opinion of how much loss is acceptable for a golf course. He replied enough to produce a satisfactory financial performance for the facility. He gave an example; the Bobby Weed Group manages the City of Palatka's golf course which had a long history of operating losses. Their golf course is the only golf facility within a thirty (30) minute radius of any type of golf facility. They had similar financial issues; market differently, golf course needs to be in better condition, adjust price points for off-peak hours and increase revenue by reaching to outside markets. They committed to trying all of those things without pre-determining what was an acceptable loss and advised that is what this Council needs to do as well, if it chooses to keep the course open.

Council Member Bradburn reviewed the suggested revenue raising ideas, such as allowing the sale of alcohol and hotdogs, attracting afternoon play, a user fee in exchange for a cart fee, lighting the full golf course is not feasible in her opinion, youth tournaments on weekends and during summers. She inquired as to the knowledge and time of staff, golf and club repair. She would like to see cost of lighting three (3) holes for certain days of the week. Raising cart fees should be reviewed, and she

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favors marketing by mobile signs, but feels it would be more effective with personal contacts and word-of-mouth by offering services that entice participation. She suggested further discussion to narrow down this list.

Council Member Bernardini remarked on the per capita issue, serving alcohol and hotdogs and lighting of the driving range and three (3) holes. He suggested maintaining the course and implementing as many of the recommendations as possible.

Vice Mayor Johnston agrees the Quarry is a jewel and wants to see it continue. He also agreed with recommendations for improvement but nothing has been done before and it is prudent to do it now because in this economy the City cannot afford to keep losing money.

Mayor Burnett realizes there are risks with any business. He suggested determining the want for the service and implementing the suggestions for lowering costs. He is in favor of keeping the Quarry as well.

Council Member Bradburn would rather a committee not be appointed by Council and she asked what an appropriate time period for implementing suggestions would be. Mr. Monty advised it would probably take a couple years to see results of implementing the suggested programs and advised finances might get worse before they get better. There is a raw cost to maintain acreage and he advised discussing how to produce an operational pro forma that at least equates to the cost of simply maintaining that area as park land.

Vice Mayor Johnston referenced page 10 of 18 paragraph d. and asked what F&B is. Mr. Monty stated it is food and beverage.

Council Member Bradburn suggested enhancing the driving range with lighting and token machines and asked how long it would take to do a cost analysis and implement approved changes. Parks Director Walker estimated three (3) to four (4) months to implement with preliminary costs already started. City Manager Norman-Vacha agreed and stated it would have to go out to bid then it would need Council approval and funding allocated. Parks Director Walker pointed out with several large projects going on at the moment his department will do their best to get it all done.

Jim Brooks felt the driving range should be optimized even if at the expense of the volley ball courses. City Manager Norman-Vacha advised the volley ball courts are already in process and advised Council to not waiver from approved projects.

Council Member Bradburn would like to see a cost analysis and time frame of implementing the recommendations.

Gail Samples stated these changes cannot be implemented overnight and require strategic planning and did not agree with changing projects in progress. She suggested Parks Director Walker be given time to put a program together to present to Council.

Charles Price suggested looking at this as a business and allowing the Parks and Recreation Board to form a committee that meets regularly to review expenses and to eventually implement changes. City Manager Norman-Vacha stated advisory board members' authority has been determined by City Council but could be changed and she would welcome volunteerism or golf play on their part. She advised discussions between committee members and the Parks and Recreation Board members need to stay within the Sunshine Law.

Council Member Bradburn stated City Council has a judiciary responsibility to maintain the City's assets and financial stability with tax burden relief. The millage rate has been reduced by 20% in the last few years and pointed out it is the highest reduction over any City in Florida. She supports

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reaching full potential for the golf course if possible but questioned the loss-to-benefit ratio and advised there will be further discussion starting with July budget workshops on this matter.

City Manager Norman-Vacha commended Chairman Garman for encouraging board members to comment or give recommendations to City Council. Alan Garman specified board members were asked to give cost savings or ideas to increase revenue. City Manager Norman-Vacha advised Mr. Garman to contact staff if there is any information the Parks and Recreation Board needs for their review of this matter.

City Manager Norman-Vacha indicated there is a volunteer for the full-time greens keeper position and encouraged volunteers for the pro shop during extended hours of operation. Gail Samples suggested the Enrichment Center staff could run the pro shop. Council Member Bradburn stated that has been discussed and will be pursued.

Council consensus was to keep the Quarry and to move forward with plans to promote and to get volunteers. The issue will be revisited during the budget process.

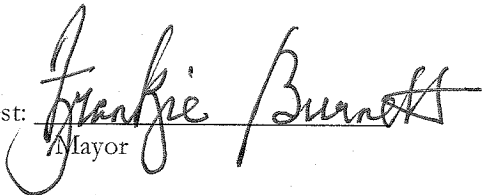
Mayor Burnett thanked Director Walker for organizing the Professional Baseball Players event.

City Manager Norman-Vacha stated, with Council approval, the remainder of agenda items will be rescheduled for a later date; Pension Expenses, Utilities and Fuel Costs.

ADJOURNMENT

There being no further business to bring before Council, the meeting adjourned at 8:20 p.m.

Attest:


Mayor


City Clerk

