

2015 Golf Enterprise Plan

Wichita Public Golf Courses

January 26, 2016



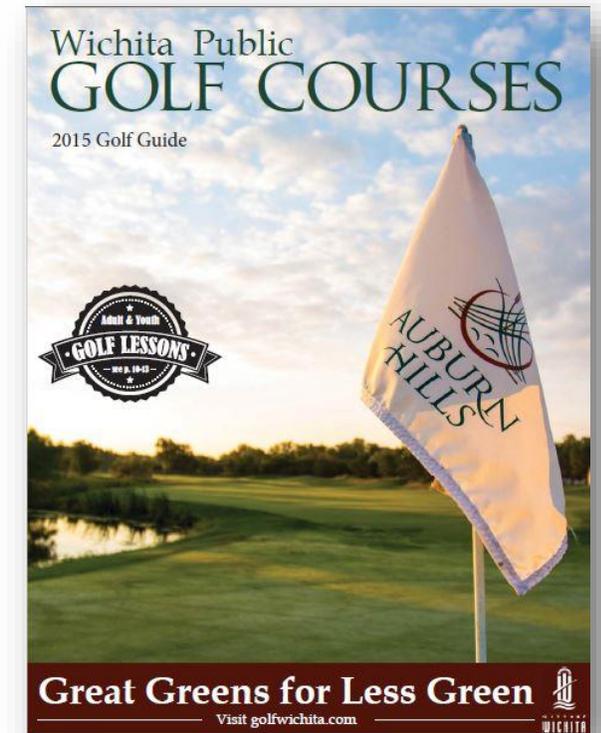
Golf Division Mission Statement

“It is the goal of the City of Wichita's Golf Division to provide high quality golfing opportunities to every citizen, to provide golf at a cost that is a value for our patrons, to provide excellent customer service, and to support the youth and senior golfers of our community.”



Accomplishments

- Launched New Point of Sale system
- Redesigned Website
- Published First Golf Guide
- Stay & Play Packages
- Golf Wichita Mobile App
- Web Store



Accomplishments

Rounds increased 5% over 2014

	2010	2011	2012	2013	2014	2015
Arthur B. Sim	38,878	37,141	41,493	36,478	36,072	38,945
MacDonald	31,837	30,683	33,244	29,626	29,622	31,358
L.W. Clapp	26,176	24,508	26,452	23,150	23,915	24,542
Tex Consolver	35,796	35,699	43,209	38,418	38,715	41,451
Auburn Hills	28,492	30,093	34,488	27,788	30,715	30,240
Total	161,179	158,124	178,886	155,460	159,039	166,536



Accomplishments

Revenue increased 4% over 2014

	2010	2011	2012	2013	2014	2015
Revenue	\$4,155,310	\$4,052,046	\$4,729,200	\$4,223,229	\$4,300,436	\$4,635,727

*Inclusive of all revenue activities such as rentals and sponsorships



Background

This 2015 Golf Enterprise Plan Includes:

- Review of the 2013 Wichita Golf Enterprise Plan
- Plan updated in 2015
- Update includes strategies employed and outcomes achieved



Focus Points Since 2013

- Maintain high quality golf courses
- Enhance customer experience and expand customer base
- Aggressively market quality and value of golf courses
- Assure fiscal accountability and sustainability



Maintain High Quality Golf Courses

- \$1.1 million in GO Bonds approved for capital improvements
- Staff identified \$5 million for additional improvements
- Equipment replacement cost total \$1.6 million



Improved Infrastructure

1.1 Million Dollar - Capital Improvement Status for Golf Facilities				
Golf Courses	Year	Description	Cost	Status
Clapp	2012	Roof and siding equipment	\$100,000	Completed
Tex	2012	ADA improvements and club house restroom upgrades	\$200,000	Completed
Tex, Clapp, AH	2013	Parking lot repairs, sealing, striping	\$250,000	Completed
Clapp	2014	ADA improvements	\$50,000	Completed
Sim, Mac	2014	Parking lot repairs, sealing, striping	\$150,000	Deferred
Clapp, Mac, Auburn	2016	Cart bridge maintenance	\$150,000	Fall 2015
Sim, Auburn	2016	Club house restoration	\$250,000	In process

Refer to page 30 in Business Plan

Potential CIP Projects

Potential CIP Projects 2017-2022		
2017	MacDonald Driving Range, 6-Hole Pitch & Putt Course	\$500,000
	L.W. Clapp Short Game Area	\$20,000
	Stormwater-MacDonald Retention Pond Improvements	\$280,000
	Tex Consolver Bunker Renovations	\$500,000
	Tex Consolver Cart Path Repairs	\$260,000
2018	Sim Fencing along Amidon	\$90,000
	Sim Kitchen Expansion	\$50,000
	Other projects to be identified	\$85,000

Potential CIP Projects 2017-2022		
2019	Sim Fuel Tanks	\$30,000
	Tex Consolver Fuel Tanks	\$30,000
	L.W. Clapp Fuel Tanks	\$30,000
	MacDonald Fuel Tanks	\$30,000
	L.W. Clapp Pump House	\$120,000
2020	Sim Cart Storage Expansion	\$125,00
2021	Sim Maintenance Building	\$100,000
	MacDonald Maintenance Parking	\$150,000
	L.W. Clapp Perimeter Fence	\$100,000
2022	New MacDonald Clubhouse	\$2,500,000
	Total	\$5,000,000

Refer to page 31 in Business Plan

Maintain High Quality Golf Courses

Equipment Replacement – \$1.6 million

- 9 - Fairway mowers
- 15 - Greens mowers
- 10 - Rough mowers
- 3 - Tee mowers
- 3 - Trim mowers
- 2 - Fairway aerifiers
- 2 - Greens aerifier
- 3 - Verticut units
- 3 - Troddressers
- 17 - Cushmans
- 5 - Spray rigs
- 6 - Trap rake
- 1 - Vertidrain

Refer to page 32 in Business Plan



Enhanced Customer Experience and Expand Customer Base

12

- Continue commitment to customer service training  **COMPLETED**
- Maintaining communication with stakeholders (Park Board, Golf Advisory Committee, Golf Associations)  **COMPLETED**
- Implement a Pace of Play Plan  **COMPLETED**
- Improve player development opportunities  **COMPLETED**
- Expand league business  **COMPLETED**



Successful Marketing Strategies

- Redesign Golf website
- Continue to expand e-mail blasts
- Develop a new golf guide
- Initiated a new golf app
- Implemented a new point of sale system
- Initiated customer appreciation events
- Early Bird special and Twilight special
- Continue to modify and promote season passes
- FootGolf

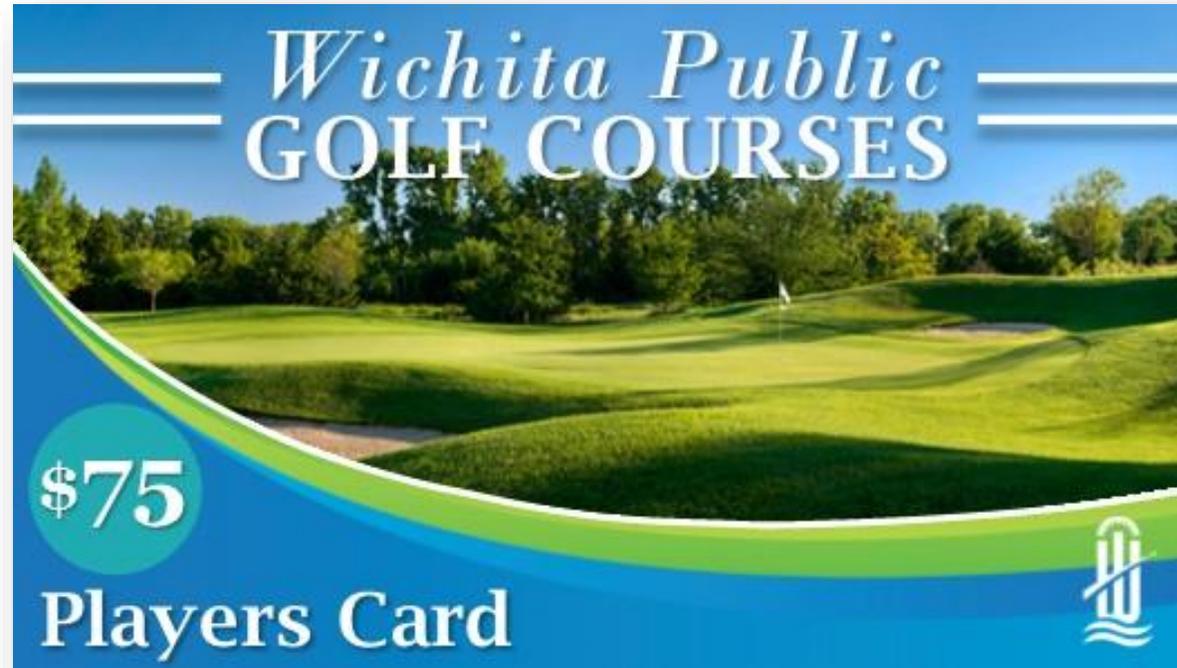


Refer to page 21-22 in Business Plan

Successful Marketing Strategies

Plan for 2016:

- Television & Radio
- Web Store
- Mobile App
- Youth Golf
- Players Card



Assure Fiscal Accountability and Sustainability

- Follow cash handling, accounting purchasing policies
- Created a pro forma to model the Golf Fund



Refer to page 28-29 in Business Plan

Revenue By Major Categories

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Cart Rental	\$931,159	\$831,821	\$822,706	\$870,433	\$847,880	\$851,574	\$914,499	\$781,493	\$915,142	\$1,005,057
Concessions	\$550,741	\$510,573	\$540,866	\$517,310	\$469,306	\$471,422	\$566,641	\$516,336	\$490,994	\$506,687
Driving Range	\$124,517	\$122,273	\$130,014	\$143,376	\$117,709	\$106,284	\$118,815	\$108,391	\$106,053	\$119,449
Green Fees	\$2,504,159	\$2,229,737	\$2,379,175	\$2,444,410	\$2,337,635	\$2,242,709	\$2,747,972	\$2,417,773	\$2,441,545	\$2,599,369
Grand Total	\$4,110,577	\$3,694,405	\$3,872,760	\$3,975,529	\$3,772,530	\$3,671,989	\$4,347,928	\$3,823,993	\$3,953,735	\$4,230,562



Rounds Played

The decline in rounds, both locally and nationally, is characteristic of an industry that is stagnant, as well as the effects of economic recession. Understanding and reversing the trend in rounds played is critical.

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	Avg
Sim	46,071	41,072	40,446	41,421	38,878	37,141	41,193	36,478	36,072	38,945	39,772
Mac	36,263	29,753	30,203	31,576	31,837	30,683	33,244	29,626	29,622	31,358	31,417
Clapp	29,409	24,846	25,654	26,299	26,176	24,508	26,452	23,150	23,915	24,542	25,495
Tex	46,608	39,409	40,070	43,770	35,796	35,699	43,209	38,418	38,715	41,451	40,315
AH	30,531	28,933	27,767	29,030	28,492	30,093	34,488	27,788	30,715	30,240	29,808
Total	188,882	164,013	164,140	172,096	161,179	158,124	178,586	155,460	159,039	166,536	166,806

Refer to page 6 in Business Plan

Challenges

- Golf Enterprise still has outstanding debt of \$5.7 million for the construction of Auburn Hills
- No CIP dollars budgeted for improvements to golf courses
- New equipment needed to maintain and operate golf courses
- Maintaining and growing revenues is difficult – market for new golfers is soft



Refer to page 34 in Business Plan and weather handout

Options To Increase Revenue

- Increase green fees and season pass fees
- Utilize CIP dollars for equipment and improvements to the golf courses
- Consider closure of a golf course
- Initiate a partnership with Storm Water to finance drainage improvements at MacDonald Golf Course
- Forgive Debt Service Repayment

Refer to page 53 in Business Plan



Commitment to the Future

- Continue to maximize revenues through a diverse marketing program
- Continue to manage employee, operations and maintenance costs
- Continue to use best practices to meet/exceed performance measure
- Continue to improve customer service to create RAVING FANS!



2015 Golf Enterprise Plan

Wichita Public Golf Courses

Serving You, In Many Ways, Every Day

