



# **City of Grand Island**

**Tuesday, July 9, 2019**  
**Council Session/Budget Work Session**

## **Item S-1**

### **Review Jackrabbit Run Golf Course, Heartland Public Shooting Park (HPSP), and Island Oasis Water Park Financials**

**Staff Contact: Patrick Brown**

# **Council Agenda Memo**

**From:** Patrick Brown, Finance Director

**Meeting:** July 9, 2019

**Subject:** Review Jackrabbit Run Golf Course, Heartland Public Shooting Park (HPSP), and Island Oasis Water Park Financials

**Presenter(s):** Patrick Brown, Finance Director

## **Background**

**Jackrabbit Run Golf Course** - opened to the public in July of 1977. It is a 175-acre, 18-hole championship course that is located northeast of Grand Island or east of the airport. The pro-shop is operated by a Golf Professional under a contract with the City. The course provides about 25,000 rounds of golf each year. The maintenance staff are City employees that consists of three full time employees and 2.5 seasonal FTE's.

**Heartland Public Shooting Park (HPSP)** - The City took over operations of HPSP in 2005 at the request of the Grand Island Skeet and Sporting Clays Club. HPSP consists of 420 acres of land. Improvements to the site include nine skeet ranges, eight trap ranges, a fifteen station sporting clays course, rifle and pistol ranges, a seven acre lake, RV campground and archery venue. The facility has been developed using near 3 million dollars of private funds along with city dollars. HPSP host numerous regional and national shooting sports event which includes the National 4H Championships, Zombies in the Heartland, USPSA Area 3 Championships, and more. Volunteers play a major role in the operation of the facility. HPSP has three full time, employees, one part time customer service representative, and 1.25 seasonal FTE's.

**Island Oasis Water Park** - Island Oasis opened to the public in 1993 replacing a then outdated Pier Park Swimming Pool. The facility features a wave pool, six slides, lazy river, lily pad, log walk, sand volleyball, and a full concession stand. Programming includes swim lessons, open swimming, group parties, and swim team practices. Attendance in recent years averages near 40,000 swimmers each summer.

## **Discussion**

**Jackrabbit Run Golf Course** – The number of rounds have been decreasing the last five years along with revenues. Below is the estimated rounds played based on commission payouts to the golf professional.

- Fiscal Year 2014: 27,181
- Fiscal Year 2015: 25,719
- Fiscal Year 2016: 25,190
- Fiscal Year 2017: 24,751
- Fiscal Year 2018: 21,493
- YTD (May) Fiscal Year 2019: 7,396

Currently the City has a contract with a golf professional for golf management services. It was approved on March 28, 2017 and is automatically renewed for successive terms of one year starting on May 1<sup>st</sup> of each year. In order to not renew requires a 120 day notice to the golf professional from the city. The golf professional is paid on a commission basis. Please see below:

	<b>Golf Professional</b>	<b>City</b>
Green Fees	11%	89%
Driving Range	80%	20%
Carts	25%	75%
Concessions	98%	2%
Alcohol	75%	25%
Lessons	98%	2%
Pro Shop	98%	2%
Sponsor Income	98%	2%

The golf professional is also eligible for bonus commission on rounds played and cart rental revenue. The minimum number of rounds to be played in order to pay out a bonus is 33,500. This bonus has not been paid out in the last five years. Cart revenue bonus has been paid out. In fiscal year 2018, the golf professional received a \$7,000 bonus.

The golf professional pays for any help that is needed at the golf course. The golf professional commission payout for the last three years is below.

- Fiscal Year 2016: \$85,890 (prior to changes made in accounting)
- Fiscal Year 2017: \$210,640
- Fiscal Year 2018: 229,413

A five year financial analysis is attached to this memo. For the last five years, the golf course has lost \$457,069.

**Heartland Public Shooting Park** – A five year financial analysis is attached to this memo. For the last five years, HPSP has lost \$1,092,547. City staff does understand that some of money lost is brought back to us through sales tax collection. How much sales tax collected that is attributed to HPSP is hard to quantify.

**Island Oasis Water Park** – A five year financial analysis is attached to this memo. For the last five years, Island Oasis Water Park has lost \$681,879.

### **Alternatives**

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Direct staff to research alternative business models
2. Refer the issue to a Committee
3. Postpone the issue to future date
4. Take no action on the issue

Revenue minus Expenses						
Jack Rabbit Golf Course, Heartland Public Shooting Park, Island Oasis Water Park						
	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19 Budget
<b>REVENUES</b>						
OTHER REVENUE	52,669	38,215	38,293	33,374	97,977	27,800
FEES & SERVICES	1,289,072	1,308,145	1,242,572	1,455,069	1,400,307	1,454,550
INTERGOVERNMENTAL	-	-	-	-	202,500	-
TRANSFERS IN	497,384	-	-	200,000	-	-
<b>TOTAL REVENUES</b>	<b>1,839,125</b>	<b>1,346,360</b>	<b>1,280,865</b>	<b>1,688,443</b>	<b>1,700,784</b>	<b>1,482,350</b>
<b>EXPENSES</b>						
PERSONNEL	823,641	914,243	965,729	954,163	944,913	993,440
OPERATING	784,683	744,585	792,875	926,410	890,707	914,960
CAPITAL	504,399	35,043	59,845	231,514	514,322	0
<b>TOTAL EXPENSES</b>	<b>2,112,723</b>	<b>1,693,871</b>	<b>1,818,449</b>	<b>2,112,087</b>	<b>2,349,942</b>	<b>1,908,400</b>
<b>PROFIT &lt;LOSS&gt;</b>	<b>(273,598)</b>	<b>(347,511)</b>	<b>(537,584)</b>	<b>(423,644)</b>	<b>(649,158)</b>	<b>(426,050)</b>
<b>5 YEAR PROFIT &lt;LOSS&gt;</b>					<b>(2,231,495)</b>	

Funds Filter **GOLF COURSE**

		2013-14	2014-15	2015-16	2016-17	2017-18	2018-19 Budget	October thru May 2018-19
REVENUES	OTHER REVENUE	13,985	9,148	11,090	1,567	11,723	1,900	1,015
REVENUES	GENERAL TAX REVENUE (74905) SALES TAX	36,189	36,163	34,048	44,805	44,213	41,200	19,998
REVENUES	FEES AND SERVICES (74537) GREEN FEES	303,378	281,463	264,075	323,836	304,362	330,000	152,925
REVENUES	FEES AND SERVICES (74708) EQUIPMENT RENTAL	166,187	166,920	161,723	165,501	164,158	170,000	67,752
REVENUES	FEES AND SERVICES (74738) GOLF IMPROVEMENTS	65,024	71,704	68,331	15,470	-	-	-
REVENUES	FEES AND SERVICES (74743) GOLF PRO COMMISSIONS	26,324	25,807	23,743	143,660	160,080	145,000	62,890
REVENUES	OTHER FINANCING SRC (74805) TRANSFERS IN	497,384	-	-	200,000	Cash infusion from GF	-	-
REVENUES	OTHER FINANCING SRC (74830) SALE OF FIXED ASSETS					-	-	643
<b>TOTAL REVENUES</b>	<b>TOTAL REVENUES</b>	<b>1,108,471</b>	<b>591,205</b>	<b>563,010</b>	<b>894,839</b>	<b>684,536</b>	<b>688,100</b>	<b>305,223</b>
EXPENSES	CAPITAL OUTLAY & CASH INFUSION	499,884	35,043	59,845	200,000	68,888	-	-
EXPENSES	PERSONNEL SERVICES	301,648	312,249	327,505	320,070	309,316	278,721	198,956
EXPENSES	OPERATING EXPENSES	322,039	307,704	345,391	449,012	440,536	437,985	238,380
<b>TOTAL EXPENSES</b>	<b>TOTAL EXPENSES</b>	<b>1,123,571</b>	<b>654,996</b>	<b>732,741</b>	<b>969,082</b>	<b>818,740</b>	<b>716,706</b>	<b>437,336</b>
<b>TOTAL REVENUES MINUS EXPENSES</b>		<b>(15,100)</b>	<b>(63,791)</b>	<b>(169,731)</b>	<b>(74,243)</b>	<b>(134,204)</b>	<b>(28,606)</b>	<b>(132,113)</b>
<b>5 YEAR REVENUES MINUS EXPENSES</b>						<b>(457,069)</b>		

Funds Filter GENERAL FUND  
Organization Filter HEARTLAND PUBLIC SHOOTING PARK

									2018-19 Oct.
YEAR			2013-14	2014-15	2015-16	2016-17	2017-18	2018-19 Budget	thru June
REVENUES	OTHER REVENUE	(74736) DONATIONS & CONTRIBUTIONS	29,210	18,384	14,500	25,332	7,459	20,000	4,962
REVENUES	OTHER REVENUE	(74773) CO-PAY HEALTH INSURANCE	3,390	5,520	6,246	2,729	0	0	0
REVENUES	OTHER REVENUE	(74795) OTHER REVENUE	305	4	200	0	76,953	500	0
REVENUES	OTHER REVENUE	(74799) CREDIT CARD REBATE	0	172	0	0	0	0	0
REVENUES	INTERGOVERNMENTAL	(74323) STATE OF NEBRASKA	0	0	0	0	202,500	0	0
REVENUES	FEES AND SERVICES	(74627) SPORTING CLAY REVENUE-YOUTH	4,121	6,140	5,788	4,477	4,713	6,000	3,010
REVENUES	FEES AND SERVICES	(74595) OTHER FEES AND SERVICES	1,545	0	230	0	0	0	0
REVENUES	FEES AND SERVICES	(74620) SPECIAL EVENTS REVENUE	189,723	250,985	211,054	298,631	286,491	290,000	230,816
REVENUES	FEES AND SERVICES	(74625) SPORTING CLAY REVENUE	12,276	11,417	13,258	17,774	10,159	17,500	5,080
REVENUES	FEES AND SERVICES	(74626) SPORTING CLAY REV-PUNCH CARDS	737	854	1,552	495	709	1,000	785
REVENUES	FEES AND SERVICES	(74630) SPORTING CLAY LEAGUE	0	0	0	0	0	0	0
REVENUES	FEES AND SERVICES	(74635) TRAP REVENUE	5,479	5,017	4,715	6,394	6,909	5,000	3,535
REVENUES	FEES AND SERVICES	(74636) TRAP REVENUE-PUNCH CARDS	1,826	676	527	497	483	500	73
REVENUES	FEES AND SERVICES	(74637) TRAP REVENUE-YOUTH	23,074	5,665	5,624	4,117	7,401	5,000	5,364
REVENUES	FEES AND SERVICES	(74640) TRAP LEAGUE	0	0	0	0	0	0	0
REVENUES	FEES AND SERVICES	(74645) SKEET REVENUE	4,647	3,375	4,620	7,447	4,947	4,000	3,014
REVENUES	FEES AND SERVICES	(74646) SKEET REVENUE-PUNCH CARDS	5,949	4,713	5,315	5,505	3,534	5,000	2,205
REVENUES	FEES AND SERVICES	(74647) SKEET REVENUE-YOUTH	1,779	2,178	2,894	4,262	4,351	4,000	2,418
REVENUES	FEES AND SERVICES	(74650) SKEET LEAGUE	0	0	0	0	0	0	0
REVENUES	FEES AND SERVICES	(74652) 5-STAND REVENUE	272	868	763	56	27	250	0
REVENUES	FEES AND SERVICES	(74654) 5-STAND REVENUE-YOUTH	24	191	76	25	10	100	40
REVENUES	FEES AND SERVICES	(74655) SHOTGUN SHELL REVENUE	2,000	2,438	1,740	2,403	1,285	2,500	1,831
REVENUES	FEES AND SERVICES	(74660) RIFLE-PISTOL LEAGUES	760	190	2,134	4,756	5,023	4,000	3,460
REVENUES	FEES AND SERVICES	(74665) RIFLE-PISTOL REVENUE	20,204	18,765	23,166	19,153	15,757	20,000	12,237
REVENUES	FEES AND SERVICES	(74667) ARCHERY REVENUE	718	362	533	222	206	500	52
REVENUES	FEES AND SERVICES	(74670) MISC MERCHANDISE SALES	2,938	2,170	2,390	2,427	1,545	3,000	1,127
REVENUES	FEES AND SERVICES	(74708) EQUIPMENT RENTAL	6,370	6,322	7,619	5,363	7,352	5,000	7,425
REVENUES	FEES AND SERVICES	(74709) EQUIP OR RV RENTAL	4,389	4,735	5,839	9,526	9,265	9,000	6,900
REVENUES	FEES AND SERVICES	(74715) OTHER RENTAL	3,129	1,723	3,349	500	14,196	3,000	1,401
REVENUES	FEES AND SERVICES	(74742) CONCESSIONS	1,408	2,903	2,680	2,439	2,918	2,500	1,846
<b>TOTAL REVENUES</b>	<b>TOTAL REVENUES</b>		<b>326,273</b>	<b>355,767</b>	<b>326,812</b>	<b>424,530</b>	<b>674,193</b>	<b>408,350</b>	<b>297,581</b>
EXPENSES	CAPITAL OUTLAY		4,515	0	0	31,514	435,884	0	9,145
EXPENSES	PERSONNEL SERVICES		206,674	273,184	311,205	313,593	308,426	332,230	219,697
EXPENSES	OPERATING EXPENSES		275,321	253,009	246,109	273,121	267,567	273,250	186,565
<b>TOTAL EXPENSES</b>	<b>TOTAL EXPENSES</b>		<b>486,510</b>	<b>526,193</b>	<b>557,314</b>	<b>618,228</b>	<b>1,011,877</b>	<b>605,480</b>	<b>415,407</b>
<b>REVENUES MINUS EXPENSES</b>			<b>(160,237)</b>	<b>(170,426)</b>	<b>(230,502)</b>	<b>(193,698)</b>	<b>(337,684)</b>	<b>(197,130)</b>	<b>(117,826)</b>
<b>5 YEAR REVENUES MINUS EXPENSES</b>									

Funds Filter                    GENERAL FUND  
 Organization Filter        **WATER PARK**

			2013-14	2014-15	2015-16	2016-17	2017-18	2018-19 Budget	OCT TO JUNE 2018-19
REVENUES	OTHER REVENUE		5,779	4,987	6,257	3,746	1,842	5,400	430
REVENUES	FEES AND SERVICES	(74540) SWIMMING LESSONS-WATER PARK	13,225	14,000	15,600	16,140	15,405	16,000	14,280
REVENUES	FEES AND SERVICES	(74709) EQUIP OR RV RENTAL	10,379	9,966	8,292	6,980	6,164	8,000	575
REVENUES	FEES AND SERVICES	(74742) CONCESSIONS	92,494	91,088	93,950	85,103	83,142	90,000	13,277
REVENUES	FEES AND SERVICES	(74754) SEASON PASSES - WATER PARK	57,277	50,353	55,698	52,297	43,326	55,000	25,448
REVENUES	FEES AND SERVICES	(74760) ADMISSIONS	195,024	201,698	195,422	181,998	173,239	190,000	20,685
REVENUES	FEES AND SERVICES	(74761) GROUP SALES	24,124	20,767	10,462	15,111	13,042	15,000	3,403
REVENUES	FEES AND SERVICES	(74767) AQUATIC UNIFORM SALES	3,992	4,424	4,069	4,323	3,466	4,000	2,160
REVENUES	FEES AND SERVICES	(74778) SOUVENIR SALES	2,087	2,105	1,293	3,376	2,429	2,500	337
<b>TOTAL REVENUES</b>	<b>TOTAL REVENUES</b>		<b>404,381</b>	<b>399,388</b>	<b>391,043</b>	<b>369,074</b>	<b>342,055</b>	<b>385,900</b>	<b>80,595</b>
<b>EXPENSES</b>	<b>TOTAL CAPITAL OUTLAY</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>9,550</b>	<b>0</b>	<b>0</b>
<b>EXPENSES</b>	<b>TOTAL PERSONNEL EXPENSES</b>		<b>315,319</b>	<b>328,810</b>	<b>327,019</b>	<b>320,500</b>	<b>327,171</b>	<b>382,489</b>	<b>94,028</b>
<b>EXPENSES</b>	<b>TOTAL OPERATING EXPENSES</b>		<b>187,323</b>	<b>183,872</b>	<b>201,375</b>	<b>204,277</b>	<b>182,604</b>	<b>203,725</b>	<b>169,970</b>
<b>TOTAL REVENUES LESS EXPENSES</b>			<b>(98,261)</b>	<b>(113,294)</b>	<b>(137,351)</b>	<b>(155,703)</b>	<b>(177,270)</b>	<b>(200,314)</b>	<b>(183,403)</b>
<b>5 YEAR REVENUES MINUS EXPENSES</b>							<b>(681,879)</b>		