

REPORT OF GENERAL MANAGER

PG. 2 NO. 06-292

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.