



# Parks & Recreation

Fiscal Year 2019/2020

Budget Presentation

May 8, 2019

**Town of Oro Valley**

# Big Picture

## Commitment to the General Plan

### ▶ Community Goals

- ▶ A high-quality parks, recreation and open space system that is accessible, comprehensive, connected and serves the community's needs.
- ▶ Diverse, enriching and quality education opportunities, arts and culture experiences and amenities accessible to all residents.
- ▶ Promote Oro Valley as an ideal destination for economic activity, tourism, shopping, cultural attractions, research and development.

### ▶ Environmental Goals

- ▶ The protection and preservation of significant cultural sites, properties and resources that enhance community character and heritage.





Town of Oro Valley

# Strategic Plan Implementation

## Goals Strategic Focus Areas that connect to the Parks and Recreation budget recommendation

1E Economic Vitality	Identify opportunities to increase sustainable tourism investment in the community.
2A Culture and Recreation	Invest in and maintain a high quality parks, recreation and trail system that is accessible, comprehensive, connected and serves the community's needs. <ul style="list-style-type: none"><li>• Conduct a comprehensive, community-wide needs assessment for parks and recreation</li><li>• Implement the Town Council's decision regarding golf course property and Community Center</li><li>• Install a new playground and related amenities at Naranja Park</li><li>• Develop a comprehensive, Town-wide Parks and Recreation master plan</li><li>• Review the Steam Pump Ranch master plan</li></ul>
6A Effective and Efficient Government	Strengthen community engagement and citizen outreach <ul style="list-style-type: none"><li>• Effectively maximize the use of communication tools such as social media, website and other marketing avenues.</li></ul>
6D Effective and Efficient Government	Recruit and retain talented employees to effectively carry out the Town's mission.

# Parks & Recreation Department

## Divisions

- ▶ Administration
- ▶ Aquatics
- ▶ Community Center
- ▶ Park Management
- ▶ Recreation and Cultural
- ▶ Golf



*it's in our nature*

**Town of Oro Valley**  
[www.orovalleyaz.gov](http://www.orovalleyaz.gov)





Town of Oro Valley

## Administration Division

- ▶ Needs Assessment and Master Plan
- ▶ Travel/Training consolidation
- ▶ Marketing and promotions material

### Strategic Plan Focus

- Goal 2A
- Goal 6A





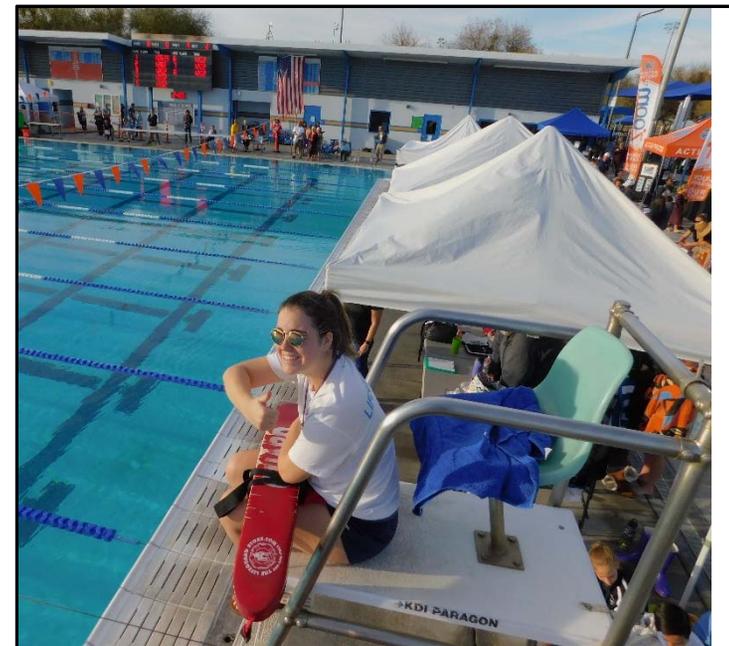
Town of Oro Valley

# Aquatics Division

- ▶ Lifeguard recruitment and retention
- ▶ Swim teams and programming
- ▶ Swim meets, Synchro meets, and Triathlons
- ▶ Improved water quality and filtration system

## Strategic Plan Focus

- Goal 2A
- Goal 6D





Town of Oro Valley

# Community Center

- ▶ Community and Membership events
- ▶ Grow programming
- ▶ Improved site furnishings

## Strategic Plan Goals

- Goal 2A
- Goal 1E





Town of Oro Valley

## Recreation and Culture

- ▶ Community Events
- ▶ Sport and recreation programming
- ▶ Steam Pump Ranch programming
- ▶ Historic Preservation

### Strategic Plan Goals

- Goal 2A
- Goal 1E





Town of Oro Valley

# Park Management

- ▶ Focus on overall park improvements
- ▶ Replacement of site amenities (benches, chairs, water fountains)
- ▶ Continue overseed program

## Strategic Plan Goals

- Goal 2A

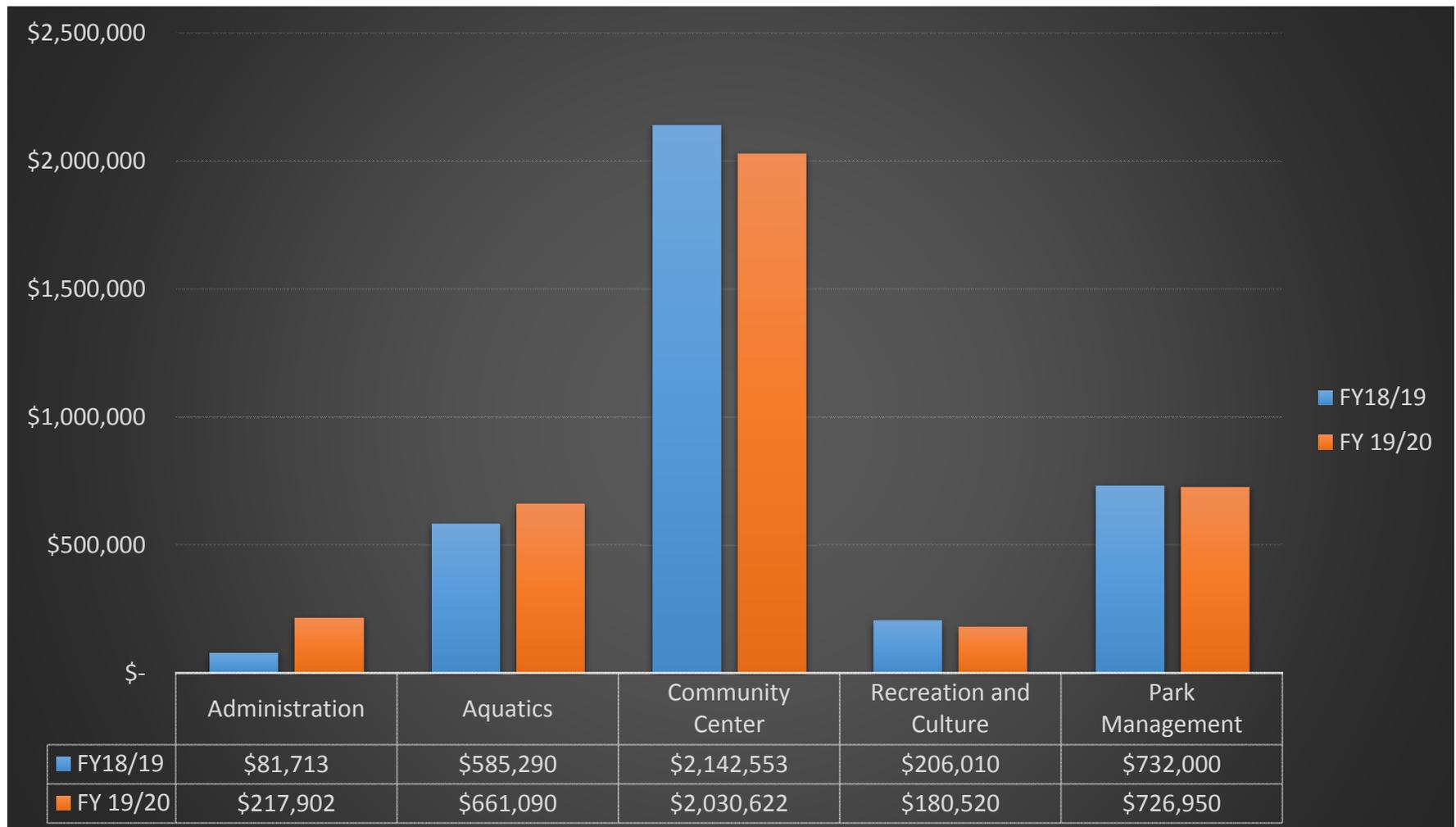




Town of Oro Valley

# Department Comparison

## Comparison FY 18/19 and 19/20





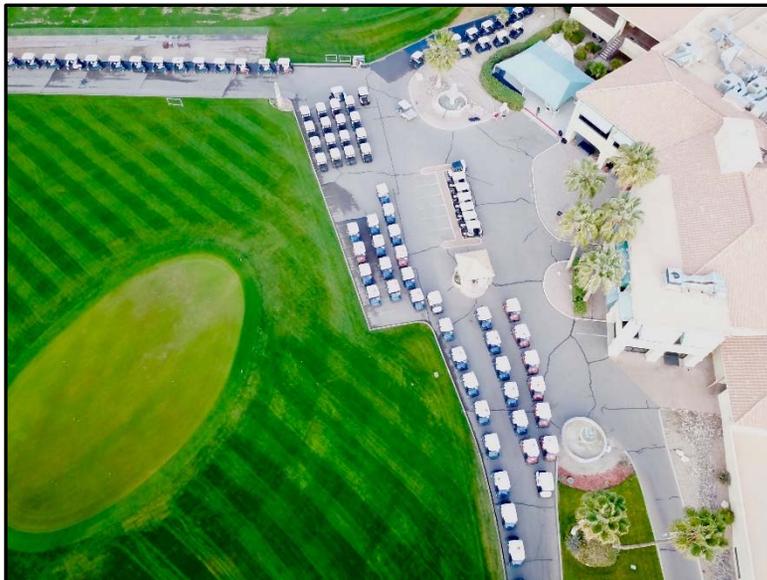
Town of Oro Valley

# Troon Operations

- ▶ Focus on increasing daily fee play
- ▶ Focus on Jr. Golf and youth development
- ▶ Continue marketing efforts

## Strategic Plan Goals

- Goal 2A



## Key Budget Assumptions

- ▶ **Continuance of 45 Holes of Operation for 2019-2020**
  - ▶ DRAFT Budget was completed in March 2019
  - ▶ Represents stable membership levels, continuing overall revenue growth
  - ▶ 236 Members as of April 30, 2019 vs 249 Members projected as of April 30, 2020
  - ▶ Return to normal rainfall levels with water expenses expected to rise approximately \$50,000
  - ▶ Annualized Full Time Equivalent Employees stable at 52.2
  - ▶ Payroll reflects 2.5% annual cost of living increase and minimum wage increases to \$12
  - ▶ First full year of tennis transition to an independent contractor
  - ▶ Key Overall Objective is to continue to provide asset the community is proud of while minimizing expenses



## Evaluation Process – Notable Trends

- ▶ Continued non member golf growth
  - ▶ 90.6% golfnow.com rating from the customer feedback
  - ▶ Non member golf revenue growth will near \$1.2 million in 2019
  - ▶ 2019 YE Net Operating Income will likely eclipse the 2019 budgeted targets by approximately \$200k
  - ▶ Food and beverage revenues remain stable



Town of Oro Valley  
[www.orovalleyaz.gov](http://www.orovalleyaz.gov)





Town of Oro Valley

# Revenue Analysis Analysis

	2016	2017	2018	2019 Act + Fcst	2020 DRAFT Budget
	TOTAL	TOTAL	TOTAL	TOTAL	TOTAL
Member Rounds	26,180	19,676	17,474	17,440	17,302
Non Member Rounds	22,971	23,075	29,717	31,578	33,997
Comp/Trade Rounds	2,859	4,100	4,594	3,593	3,499
<b>TOTAL ROUNDS played</b>	<b>52,010</b>	<b>46,851</b>	<b>51,785</b>	<b>52,611</b>	<b>54,798</b>
<b>Revenues:</b>					
Golf Fees, net of discounts	745,061	730,720	961,260	1,175,260	1,231,063
Trail Fees & Member Cart Fees	148,946	203,407	221,434	202,454	212,428
Golf - Group Services	(2)	2,611	2,957	1,609	2,300
Range, Rentals, Other Golf related	36,555	43,484	75,895	52,790	58,505
Golf Lessons	6,877	7,125	7,693	4,717	4,987
Income - Golf Schools	-	7,125	10,706	6,040	6,005
Total Member Dues	876,133	725,610	784,070	766,394	799,921
Other Member Income	1,074	1,275	1,381	(1,171)	1,026
Swim/Tennis Revenues	273,700	333,317	362,268	77,964	-
Income - Other (non - golf)	6,589	14,754	12,922	16,721	9,873
Merchandise, net of discounts	212,592	197,073	200,504	183,636	212,314
Food and Beverage, net of discounts	606,271	708,591	745,766	650,603	665,849
<b>Total Revenues</b>	<b>2,913,796</b>	<b>2,975,092</b>	<b>3,386,856</b>	<b>3,137,017</b>	<b>3,204,271</b>



Town of Oro Valley

# Expense Analysis

<b>Total Cost of Sales</b>	<b>567,968</b>	<b>655,043</b>	<b>646,861</b>	<b>431,709</b>	<b>339,117</b>
<b>Gross Profit</b>	<b>2,345,828</b>	<b>2,320,049</b>	<b>2,739,995</b>	<b>2,705,308</b>	<b>2,865,154</b>
<b><i>Operating Expenses:</i></b>					
Payroll	1,806,179	1,633,085	1,690,998	1,646,007	<b>1,750,373</b>
Employee Benefits	409,578	393,190	412,042	387,240	<b>390,886</b>
Employee Related	42,092	36,244	31,387	36,586	<b>33,648</b>
Advertising & Marketing	80,045	93,336	134,082	126,167	<b>116,291</b>
Repair & Maintenance	527,443	373,289	360,512	372,057	<b>399,892</b>
Operating Expenses	288,387	300,800	259,975	249,715	<b>240,755</b>
<b>Total Operating Expenses</b>	<b>3,153,724</b>	<b>2,829,944</b>	<b>2,888,996</b>	<b>2,817,772</b>	<b>2,931,845</b>
<b>Operating Profit</b>	<b>(807,896)</b>	<b>(509,895)</b>	<b>(149,001)</b>	<b>(112,464)</b>	<b>(66,691)</b>
Leases - Carts	152,789	99,000	120,330	145,200	<b>186,900</b>
Leases - Equipment	248,939	252,417	251,568	251,568	<b>251,568</b>
Utilities	1,234,439	1,485,475	1,296,110	1,120,871	<b>1,188,556</b>
<b>Fixed Operating Expenses</b>	<b>1,636,167</b>	<b>1,836,892</b>	<b>1,668,008</b>	<b>1,517,639</b>	<b>1,627,024</b>

# Net Operating Income Analysis



	2016	2017	2018	2019 Act + Fcst	2020 DRAFT Budget
<b>Gross Operating Profit</b>	(2,444,063)	(2,346,787)	(1,817,009)	(1,630,103)	(1,693,715)
Insurance	872	1,147	1,175	1,194	1,183
Fees, Permits & Licenses	1,357	390	734	720	525
Base Management Fees	108,000	144,000	144,000	126,000	120,000
Bad Debt, Property Taxes,	8,565	6,915	5,809	1,684	1,500
<b>Total Other Expenses</b>	<b>118,794</b>	<b>152,452</b>	<b>151,718</b>	<b>129,598</b>	<b>123,208</b>
<b>Net Operating Income</b>	<b>(2,562,857)</b>	<b>(2,499,239)</b>	<b>(1,968,727)</b>	<b>(1,759,701)</b>	<b>(1,816,923)</b>





Town of Oro Valley

# Thank You

