



TO: Webb County Commissioner's Court

FR: Doug Harker, Executive Vice President
Brian Melody, Regional Manager
Oscar Urdiales, General Manager, Casa Blanca Golf Course

DA: May 20, 2019

RE: Supplemental Budget June 2019 – September 2019

As discussed in Touchstone's original review of the budget and subsequent meetings, the original golf course budget was not sufficient to operate the golf course in a manner that will produce reasonable playing conditions with adequate staffing. Our goal was to operate as far into the fiscal year as possible without presenting a supplemental budget. Originally, we expected shortfalls to manifest themselves by the end of April. Fortunately, we have been able to stretch the budget through May.

There are several critical components to the total supplemental budget request of \$339,453:

- 1) **Reimbursable Labor.** The main adjustment is for the Golf/Carts/Maintenance budget with a requested increase of \$135,520. Touchstone utilizes a staffing model that focuses on a reasonable staffing allocation, while making sure adequate personnel are available to maintain the golf course properly. We suspect the original budget had fewer workers particularly in maintenance and the overall operation of the golf course, without any significant food and beverage operation was far less active than currently. A small adjustment to the budget for Food & Beverage is requested (\$2,869) and also for G&A (\$17,507). A summary of these changes are found on the attached page. The total requested payroll budget increase requested is \$155,896. It should be noted that without doing a transfer from the F&B department, the Golf/Carts/Maintenance reimbursable labor will fall short for the 1st payroll in June.
- 2) **Cost of Sales.** We had anticipated using an accrual accounting based adjustment so that the cost of sales accounts could be replenished as sales took place. In discussing this with the Auditor's office it is clear we have to have a cash based process for budgeting for cost of sales. As such, we are adding \$50,000 to the Merchandise cost of sales and \$12,000 to the Food & Beverage Department (\$8,000 food, \$4,000 non-alcoholic beverages). Combined the total requested increase in cost of sales is \$62,000.
- 3) **Remaining Expenses.** The remaining expenses are found in the budget detail attached. The larger items include by grouping:
 - a. \$28,000 for various basic repairs and maintenance
 - b. \$17,500 for materials and supplies – this is basically fulfillment of new course amenities including ball washers, trash cans and water dispensers
 - c. \$14,500 primarily for fertilizers and chemicals
 - d. \$11,700 for range supplies (mats, dividers, bag stands, targets)

We appreciate your continued support and we anticipate a significant uptick in revenue for the budget starting 10/1/19 and ending 9/30/20.

**Reimbursable Labor Support
June 2019 - September 2019**

	<u>Jun</u>	<u>Jul</u>	<u>Aug</u>	<u>Sep</u>	<u>Total</u>	<u>Memo Annual</u>
Golf Salaries & Wages						
Golf Shop	6,420	6,420	6,420	6,420	25,680	77,040
Carts	3,360	3,360	3,360	3,360	13,440	40,320
Maintenance	<u>18,453</u>	<u>18,453</u>	<u>18,453</u>	<u>18,453</u>	<u>73,813</u>	<u>221,440</u>
Total Golf	28,233	28,233	28,233	28,233	112,933	338,800
Burden @ 20%	<u>5,647</u>	<u>5,647</u>	<u>5,647</u>	<u>5,647</u>	<u>22,587</u>	<u>67,760</u>
Total Golf Reimbursable Labor	33,880	33,880	33,880	33,880	135,520	406,560
Food & Beverage						
Food & Beverage	10,193	10,193	10,193	10,193	40,773	122,318
Burden @ 20%	<u>2,039</u>	<u>2,039</u>	<u>2,039</u>	<u>2,039</u>	<u>8,155</u>	<u>24,464</u>
Total Golf Reimbursable Labor	12,232	12,232	12,232	12,232	48,927	146,782
Plus: 2nd May Payroll					6,000	
Less: Existing Budget Remaining					<u>52,058</u>	
Incremental Request					2,869	
G&A						
G&A	5,417	5,417	5,417	5,417	21,667	65,000
Burden @ 20%	<u>1,083</u>	<u>1,083</u>	<u>1,083</u>	<u>1,083</u>	<u>4,333</u>	<u>13,000</u>
Total Golf Reimbursable Labor	6,500	6,500	6,500	6,500	26,000	78,000
Plus: 2nd May Payroll					3,000	
Plus: Line Item Transfer to Golf Dept Temporarily to Meet May Payroll					10,000	
Less: Existing Budget Remaining					<u>21,493</u>	
Incremental Request					17,507	
TOTAL INCREMENTAL PAYROLL					155,896	

Account	Description	Jun	Jul	Aug	Sep	Total	Ref
Supplemental Golf Budget - 6080							
443000-035	Repairs & Maintenance Equipment	2,000	2,000	2,000	2,000	8,000	1
443000-075	Repairs & Maintenance Vehicles					-	
443000-135	Repairs & Maintenance Clubhouse	500	500	500	500	2,000	2
443000-140	Repairs & Maintenance Drainage					-	
443000-155	Repairs & Maintenance Irrigation	7,500	2,500	1,000	1,000	12,000	3
443000-160	Repairs & Maintenance Maintenance Barn	2,000	2,000			4,000	4
443000-165	Repairs & Maintenance Tractor	2,000				2,000	5
443000 - Repairs & Maintenance Totals		14,000	7,000	3,500	3,500	28,000	

Comments:

- (1) We continue to need equipment repair to get the fleet fully up and running; new/used equipment also to be purchased with bond funds.
- (2) Miscellaneous anticipated repairs and maintenance for clubhouse.
- (3) Ongoing maintenance and repair of irrigation system to make it as functional as possible.
- (4) Lighting, window repair, hot water heater, painting of restroom, internet service access.
- (5) New bucket needed for tractor.

444001							
444001-005	Trees and Landscaping Chemicals	1,000	1,000	1,000	1,000	4,000	1
444001-010	Trees and Landscaping Fertilizers	2,000	2,000	2,000	2,000	8,000	2
444001-015	Trees and Landscaping Plants	2,500				2,500	3
444001-020	Trees and Landscaping Sand & Gravel					-	
444001-025	Trees and Landscaping Sod/Seeds					-	
444001 - Trees and Landscaping Totals		5,500	3,000	3,000	3,000	14,500	

Comments:

- (1) Routine maintenance.
- (2) Routine maintenance.
- (3) Clubhouse landscaping.

Casa Blanca Golf Course

Supplemental Budget

Jun 2019 - Sep 2019

Account	Description	Jun	Jul	Aug	Sep	Total	Ref
444500	Equipment Rental					-	
456205	Training & Education	250			250	500	1
456305	Uniforms	500				500	2
Other Golf Total		750	-	-	250	1,000	

Comments:
 (1) Training for Andres in Maintenance.
 (2) Uniforms for maintenance crew for summer heat.

457005-005	Reimbursable Reimbursable Labor	33,880	33,880	33,880	33,880	135,520	
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Comments:
 (1) See supporting schedule attached

458000	Administrative Travel					-	
460000	Office Supplies					-	
460028	Janitorial Supplies	250	250	250	250	1,000	1
460105	Minor Tools & Apparatus	250	250	250	250	1,000	2
Other Golf Total		500	500	500	500	2,000	

Comments:
 (1) Routine expense.
 (2) Routine expense.

461000	Materials & Supplies					-	
461000-030	Materials & Supplies Golf	17,500				17,500	1
461000-045	Materials & Supplies Main					-	
461000 - Materials & Supplies Totals		17,500	-	-	-	17,500	

Casa Blanca Golf Course	Supplemental Budget	Jun 2019 - Sep 2019				
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Account	Description	Jun	Jul	Aug	Sep	Total	Ref
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Comments:
 (1) 150 posts, ball washers/trash cans, water stations, ropes, signage, flagsticks, cups, benches, bunker rakes (golf course amenity package).

462605	Fuel & Lubricants					-	
464010	Dues & Memberships	300				300	1
Other Golf Total 3		300	-	-	-	300	

Comments:
 (1) Golf Course Superintendents Association Membership.

Total Supplemental Golf Budget - 6080	72,430	44,380	40,880	41,130	198,820
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Supplemental Budget Carts - 6090

443000	Repairs & Maintenance					-	
443000-115	Repairs & Maintenance Cart Barn	2,000	2,000			4,000	1
443000-130	Repairs & Maintenance Carts	250	250	250	250	1,000	2
443000 - Repairs & Maintenance Totals		2,250	2,250	250	250	5,000	

Comments:
 (1) Repair windows in cart barn, other repairs and painting.
 (2) Sand bottles, tires, minor repairs.
 NOTE: Additional cart fleet to be recommended in FY 2020 budget.

Total Supplemental Cart Budget - 6090	2,250	2,250	250	250	5,000
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Casa Blanca Golf Course	Supplemental Budget	Jun 2019 - Sep 2019			
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Account	Description	Jun	Jul	Aug	Sep	Total	Ref
Supplemental Budget F&B - 6120							
463006	Food & Beverage COS					-	
463006-005	Food & Beverage COS - Food	2,000	2,000	2,000	2,000	8,000	1
463006-010	Food & Beverage COS - Non Alc Beverages	1,000	1,000	1,000	1,000	4,000	1
Food COS Total		3,000	3,000	3,000	3,000	12,000	

Comments:
 (1) Additional capacity needed since accounting is cash basis based on purchases.

463005-020	Groceries Restaurant Supplies	500	500	500	500	2,000	1
Other F&B Total		500	500	500	500	2,000	

Comments:
 (1) Underbudgeted in original F&B plan.

457005-005	Reimbursable Reimbursable Labor	2,869				2,869	1
Total F&B Reimbursable Labor		2,869	-	-	-	2,869	

Comments:
 (1) From Supplemental Schedule.

Total Supplemental F&B Budget - 6120		6,369	3,500	3,500	3,500	16,869	
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Supplemental Budget G&A - 6130

Casa Blanca Golf Course	Supplemental Budget	Jun 2019 - Sep 2019				
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Account	Description	Jun	Jul	Aug	Sep	Total	Ref
432065	Directors Fees/Management					-	
441001	Telephone					-	
441705	Utilities Cable	300	300	300	300	1,200	1
454000	Advertising	1,000	1,000	1,000	1,000	4,000	2
456005	Postage & Courier Services					-	
458000	Administrative Travel	1,500	1,500	1,500	1,500	6,000	3
459009	Bad Debts					-	
459017	Credit Card Fees					-	
460000	Office Supplies	1,000	250	250	250	1,750	4
Total Other G&A		16,907	7,550	7,550	7,550	39,557	

Comments:
 (1) Was not properly budgeted in original budget.
 (2) Replenish advertising used for other more immediate needs.
 (3) Additional travel for Superintendent training (GMS).
 (4) Includes copier purchase in June.

457005-005	Reimbursable Reimbursable Labor	17,507				17,507	1
Total G&A Reimbursable Labor		17,507	-	-	-	17,507	

Comments:
 (1) From Supplemental Schedule.

Total Supplemental G&A Budget - 6130	34,414	7,550	7,550	7,550	57,064	
Grand Total Supplemental Budget	136,163	70,180	64,680	68,430	339,453	