



City of Gainesville Agenda Item Report

File Number: 2023-841

Agenda Date: September 7, 2023

Department: City Manager

Title: 2023-841 Ironwood Golf Course Budget-to-Actual Analysis for Fiscal Year 2023 Third Quarter (B)

Department: Office of the City Manager

Description: Budget-to-actual analysis for the Ironwood Golf Course for FY 2023 third quarter which ended June 30, 2023. This update is directly responsive to Finding 11: Transparency of Golf Course Operations, of the State Auditor General's Operational Audit of the City of Gainesville.

Fiscal Note: Based on unaudited financial data as of the third quarter of FY 2023 (period ended June 30, 2023), the Ironwood Golf Course operations are experiencing an estimated operational deficit of \$118,237.62.

Explanation: Operational Audit Report No. 2022-087 of the City of Gainesville conducted by the State of Florida Auditor General and published in January 2022 included an analysis of the financial transparency of the Ironwood Golf course. Specifically, the report found that beginning in the 2019-20 fiscal year the City began reporting Ironwood financials within the General Fund subsequent to the close out of the golf course's enterprise fund. As a result of this action, the operations of the golf course are no longer discretely presented in the City's audited financial statements, and Ironwood's financial position is less transparent per Finding 11 of the Auditor General's report.

The audit report recommendation is for the City to provide periodic financial reports of Ironwood's operations to the City Commission for discussion which would allow the City Commission to periodically assess Ironwood's financial activity and provide information necessary to make informed decisions about Ironwood's operations. In addition, discussion of such financial reports at public meetings would provide transparency of Ironwood's operations to members of the public.

To that end, staff from the City Manager's office has been periodically providing financial reports each quarter on the performance of the Ironwood Golf Course to the Finance Committee and City Commission throughout this year. The attached report also includes the program balance for the Ironwood capital surcharge account.

Based on unaudited financial data, as of the third quarter of FY 2023 (period ended June 30, 2023), the Ironwood Golf Course operations is currently experiencing an estimated operational deficit of \$118,237.62. Staff will continue to monitor operational performance and provide quarterly updates to the Finance Committee.

The Finance Committee on August 31, 2023 approved this item for recommendation to the City Commission.

Strategic Connection:

- Goal 1: Equitable Community
- Goal 2: More Sustainable Community
- Goal 3: A Great Place to Live and Experience
- Goal 4: Resilient Local Economy
- Goal 5: "Best in Class" Neighbor Services

Recommendation: The City Commission receive a budget-to-actual analysis for the Ironwood Golf Course for the third quarter of FY 2023 (period ended June 30, 2023).