

RESOLUTION NO. 2014-05

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LEMOORE
ESTABLISHING A COUNCIL POLICY REGARDING THE OPERATION AND
FINANCING OF THE LEMOORE MUNICIPAL GOLF COURSE**

At a Regular Meeting of the City Council of the City of Lemoore duly called and held on February 18, 2014 at 7:30 p.m. on said day, it was moved by Council Member _____, seconded by Council Member _____, and carried, that the following Resolution be adopted:

WHEREAS, the City of Lemoore operates a Lemoore Municipal Golf Course; and

WHEREAS, the Golf Course and its finances are handled as an enterprise fund such that costs, expenses, and revenues of the Golf Course are separately accounted for and separately reported; and

WHEREAS, it is the desire of the Council that the Municipal Golf Course operate in a way such that revenues generated by the Golf Course are the only revenues used to pay for the expenses associated with the Golf Course, including long-term debt associated with the Golf Course; and

WHEREAS, because the Golf Course has not generated sufficient revenue in past years to pay ongoing expenses, the City's General Fund has advanced funds, from time-to-time, to the Golf Course enterprise to pay for Golf Course expenses that exceeded the revenues generated; and

WHEREAS, as of the date of this Resolution, the Golf Course enterprise has incurred 4 debts to the City General Fund and the former Lemoore Redevelopment Agency in the total aggregate amount of approximately \$3,482,941 (according to City Finance Department reports dated October 31, 2013); and

WHEREAS, for the fiscal year ending June 30, 2013, the Golf Course enterprise operated in such a way that its revenues paid for its expenses and no funds were advanced from the City General Fund; and

WHEREAS, the Council desires now to establish a financial policy to limit the amount of monies transferred and loaned from the General Fund to the Golf Course enterprise in the future.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Lemoore, as follows:

1. Beginning in the current fiscal year, the City Council establishes a policy that the City General Fund will not be used to advance monies to fund operating shortfalls in the Golf Course enterprise fund in an amount which exceeds \$100,000 per year.
2. In the event Golf Course expenses, including long-term debt, capital improvements, repairs costs or any other expense is incurred or projected in any fiscal year which will create a need

to transfer or loan more than \$100,000 from the General Fund, the City Manager shall first seek City Council approval.

3. This Resolution shall be reconsidered by the Council at such time as the Golf Course enterprise fund has repaid the full amount of the outstanding balances of the current loans.

Passed and adopted at a Regular Meeting of the City Council of the City of Lemoore held on the 18th day of February 2014, by the following vote:

AYES:
NOES:
ABSTAINED:
ABSENT:

Approved:

William M. Siegel Jr., Mayor

Attest:

Mary J. Venegas, City Clerk

CERTIFICATE

STATE OF CALIFORNIA)
COUNTY OF KINGS) ss.
CITY OF LEMOORE)

I, MARY J. VENEGAS, City Clerk of the City of Lemoore do hereby certify the foregoing Resolution of the City Council of the City of Lemoore was duly passed and adopted at a Regular Meeting of the City Council held on the 18th day of February, 2014

Dated: February 18, 2014

Mary J. Venegas
City Clerk