Hidden Creek Golf Course Pro Shop Purchasing

Staff Presenter: Jen Basham, Director of Parks and Recreation
City Council: July 10, 2023

Amendment Outline

- Hidden Creek Golf Course Pro Shop purchases merchandise from specific vendors for retail
  - Section 252.022 of the government code exempts goods purchased by a municipality for retail sale by agency

- Hidden Creek anticipates exceeding the budgeted amount for cost of sales due to high sales volume and special orders

Amendment Outline

- Hidden Creek Golf Course cost of sales expenditure budget for FY 23 merchandise sales is $118,650 on $138,090 in revenue. This expenditure amount is based on 75% cost of sales plus enough to cover inventory for October sales which is one of the peak months of tournament season.

- Staff is requesting a budget amendment in the amount of $58,725 for the purchase of merchandise.
  - The adopted budget for merchandise expenditures is $118,650
  - The amended budget for merchandise would be $177,375
  - The projected sales from merchandise is $215,000
  - Net Revenue $37,625

BTX
MADE

Appropriations

The amounts anticipated to be expended with Callaway and Titleist exceed the amount staff is authorized to expend without Council approval. Additional appropriations are required to ensure enough inventory is available during peak season. Merchandise purchased through other vendors is not anticipated to exceed the $50,000 threshold.

- ## Callaway Golf
  - Not to exceed $75,000

- ## Titleist Golf
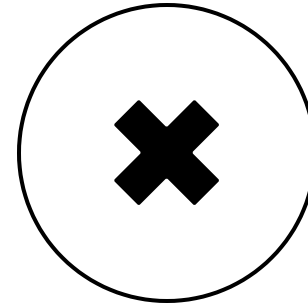 - Not to exceed $100,000

BTX
MADE

Options-Budget Amendment

Staff Recommendation

Budget Amendment

Recommend approval of an amendment to the budget for Hidden Creek Golf Course in the amount of $58,725
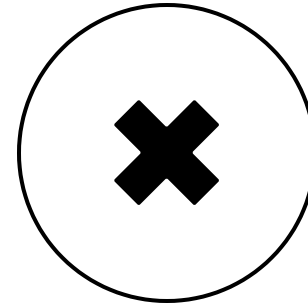
Do not proceed with amendment

BTX
MADE

Options-Titleist Golf

Staff Recommendation

Budget Appropriation

Recommend authorizing staff to purchase from Titleist Golf in an amount not to exceed $100,000

Do not proceed with amendment
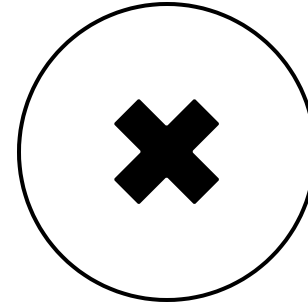
BTX
MADE

Options-Callaway Golf

Staff Recommendation

Budget Appropriation

Recommend authorizing staff to purchase from Callaway Golf in an amount not to exceed $75,000

Do not proceed with amendment