



Consulting Report

RE: Review of Certain Aspects of Golf Course
Operations for the City of Moorhead

Report Date: July 12, 2012

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Executive Summary

Overview of Engagement

Eide Bailly LLP was engaged by the City of Moorhead to provide consulting services and perform the following:

- A review of the 10 year financial performance of the golf course operations for The Meadows and Village Green;
- A review of the contracts with the PGA of America professionals employed at The Meadows and Village Green; and
- Summarize the results of the survey conducted by the City of Moorhead with other municipal golf courses located in Minnesota and North Dakota.

Purpose and Use of Report

The consulting report was prepared to assist the City of Moorhead in reviewing its golf course operations and in planning for the future.

Background

The City of Moorhead owns and operates two 18-hole public golf courses in Moorhead, Minnesota: The Meadows and Village Green. The following is a brief description of each facility.

The Meadows – An 18-hole golf course located at 401 34th St. S. in Moorhead, Minnesota was built in 1992 and was designed by Joel Goldstrand (one of the upper Midwest’s top golf course designers). According to the Meadow’s web site (www.moorheadgolf.com/meadows), the course is “fashioned after the traditional Scottish links courses” with almost no trees and consists of three 6-hole loops. Four sets of tee boxes are used that allow the course to play from 5,150 yards to 6,862 yards.

Bent grass is used throughout the course on the tee boxes, fairways and greens and Kentucky Bluegrass in all other areas. The course location does not subject it to annual flooding issues which are common to the Fargo-Moorhead area due to its proximity to the Red River. Todd Grimm is the Superintendent of the grounds at The Meadows and has more than 19 years of experience.

Practice facilities include a driving range, practice bunker and putting green. The Meadow’s driving range is one of only two known golf courses in the area with a launch monitor installed at its driving range. Group and individual lessons are offered at The Meadows through Corey Herlickson, the PGA of America professional contracted by the City of Moorhead.

The Meadows is home to several area golf tournaments each year and offers various leagues to its membership. Course hours are Monday through Friday from 7:00 a.m. to 9:00 p.m. and Saturday and Sunday from 6:30 a.m. to 9:00 p.m. Due to the seasonal weather of the upper Midwest, The Meadows is generally open from mid-April through October 31st. Golf carts are available for use and are equipped with GPS technology. The Meadows is the only known golf course in the area to have and use the GPS technology providing it with a competitive advantage.

Rates for golf at The Meadows vary from \$15 to \$30 depending upon the time of the week and number of holes to be played. Season passes and frequent players cards are also offered through the City of Moorhead for each course or both courses. Discounts are offered for juniors and seniors on golf rates and season passes.

The Meadows clubhouse houses the golf shop, a restaurant, and has two private rooms in the lower level that seat up to 140 people (when combined). The lower level is used assist in tournament events and is available for rent for meetings and special events.

The Meadows offers beverage cart service during the seasons to its customers and the clubhouse houses the Lockwood's Tavern and Grill Restaurant. These services are not owned by the City of Moorhead.

Village Green – An 18-hole golf course located at 3420 30th Ave. S. in Moorhead, Minnesota opened in 1981. According to Village Green's web site (www.moorheadgolf.com/villageGreen), the course started with only 9 – holes with the second 9-holes added in 1994. Three sets of tee boxes are used that allow the course to play from 5,386 yards to 6,763 yards.

Bent grass is used for the greens and Kentucky Bluegrass for all other areas on the course. The course location does not subject it to annual flooding issues which are common to the Fargo-Moorhead area due to its proximity to the Red River. Rick Dauner is the Superintendent of the grounds at Village Green and has more than 21 years of experience.

Practice facilities include a driving range, short game area, practice bunker and putting green. Group and individual lessons are offered at Village Green through Russ Nelson, the PGA of America professional contracted by the City of Moorhead.

Village Green is home to several area golf tournaments each year and offers various leagues to its membership. Course hours are Monday through Friday from 7:00 a.m. to 9:00 p.m. and Saturday and Sunday from 6:30 a.m. to 9:00 p.m. Due to the seasonal weather of the upper Midwest, Village Green is generally open from mid-April through October 31st. Golf carts are available for use.

Rates for golf at Village Green vary from \$15 to \$30 depending upon the time of the week and number of holes to be played. Season passes and frequent players cards are also offered through the City of Moorhead for each course or both courses. Discounts are offered for juniors and seniors on golf rates and season passes.

Village Green's clubhouse houses the golf shop, a restaurant (although much smaller in comparison to The Meadows), and has space to accommodate approximately 60 people for events.

Village Green offers beverage cart service during the seasons to its customers and the clubhouse restaurant is operated by the Lockwood's Tavern and Grill Restaurant. These services are not owned by the City of Moorhead.



Summary of Analysis

- The City of Moorhead's management and structuring of The Meadows and Village Green golf courses is comparable to other area golf courses based on the survey information gathered from other municipal golf courses throughout Minnesota and North Dakota.

Disclaimer on Survey Information: During our review of the survey data, we noted several areas where inconsistencies existed between the survey responses submitted. The information submitted was from budgeted information and not actual financial statements for each respondent golf course. Additionally, some of the respondents are likely to be accounting for specific golf course items differently than the City of Moorhead and may not be captured in the survey responses. This may result in inaccurate comparisons and conclusions should be made with caution.

One example of these inconsistencies is the maintenance budget amounts submitted. Some respondents included labor costs in the maintenance budget amount, others respondents did not. Some included equipment costs in the maintenance budget amount and some respondents did not.

- Based on our review of information pertaining to The Meadows and Village Green, the fundamental weakness from a financial perspective is the annual revenue being generated. The Meadows and Village Green both were near the 25th percentile in terms of revenue and revenue per round in 2011 when compared to the survey respondents and only three respondents had lower revenue per round. The two Fargo respondents both had higher per round revenue than The Meadows and Village Green in 2011. The revenue generating ability of the golf courses has been the primary contributing factor to the negative operating profits in nine of the last 11 years.

An in-depth review of golf course management practices should be performed to identify opportunities to increase revenue. While this was outside of the scope of this consulting report, a few examples include the following items.

- Review the current marketing activities to increase the results from current marketing activities and identify additional marketing activities that result in increased revenue for the golf courses.
- Consider sponsorship opportunities with local businesses on the golf course. Sponsorship revenue may build goodwill within the community and create additional revenue for the golf courses.
- Review green fee rates and membership levels according to player profile data for the last three to five years. Additional membership programs, incentives or discounts may be identified that may increase revenue. Currently, green fee rates are slightly higher at The Meadows and Village Green than the Fargo golf courses. Increasing fee rates may be difficult in the current market.
- Review the pace of play at each golf course. Speeding up the pace of play can increase the potential number of rounds available for golfers and revenue.
- Review tee management practices to identify when the peak play time periods are and when the slowest time periods are. Develop new programs or incentives to increase the number of players and rounds played during the slowest time periods, which will increase revenue.

- The City of Moorhead appears to be controlling costs related to The Meadows and Village Green adequately in both the maintenance and management (or clubhouse) areas.
 - The Meadows and Village Green costs related to chemical and fertilizer were favorable in comparison to the survey respondents. However, this must be balanced with concerns that were noted during our procedures about the quality of the golf courses deteriorating from the reduction of fertilizer and chemicals at The Meadows and Village Green. The quality of the course is an important factor in attracting and retaining golfers to golf courses which drives revenue.
 - The employment and labor costs incurred in both the golf course management and maintenance departments are comparable to slightly favorable to the average when compared to industry benchmarks and area golf courses.
 - The PGA of America golf professionals are receiving total income based on estimates that places them near the average and median in terms of base salary, benefits and total income based on the various resources available to us for comparison.
 - The Superintendents employed at The Meadows and Village Green are near the average and median in terms of salary in comparison to area golf courses.
 - Temporary employee budgets for both clubhouse employees and maintenance employees ranked below average in comparison to area golf courses. This is a favorable factor as it relates to managing costs.

A few recommendations that may lead to further containment of costs include the following items.

- The contracting of the food and beverage service is comparable to other area golf courses with the exception of who pays for utilities, equipment and equipment repairs. Based on the survey responses from area municipal golf courses, a majority of the food and beverage service contractor are responsible for paying equipment, equipment repairs and utility costs. Consider this information when negotiating the next food and beverage service contract.
 - Consider and/or explore a buying co-op with other area municipal golf courses to purchase supplies, fertilizer, chemicals, etc. A buying co-op may result in discounts or purchasing power that the City currently does not have with two golf courses.
 - Consider continuously making capital improvements to The Meadows and Village Green. Capital improvements, in both equipment and the golf course, reduce repair expenses and improve the quality of the course. These improvements result in a better overall player experience and have been proven to attract and retain new players.
- The respondents to the survey were split almost evenly in terms of contracting the food and beverage service component of the golf course operations and the type of facility available. A slight majority contracted the food and beverage service to a third party, which is similar to the arrangement at The Meadows and Village Green. Those that contracted with a third party also had either a full service restaurant or a bar and grill with banquet facilities.

More than 75 percent of the respondents that contracted with a third party for food and beverage service require a lease payment from the contractor, either as a percentage of revenue or a stated amount. The City of Moorhead's contract agreement states that 10 percent of the revenue at both The Meadows and Village Green will be paid as the lease amount. This is in the middle of the range indicated by the respondents that contract based on a percentage of revenue.

- The City of Moorhead should consider obtaining industry operating performance benchmarks from an organization such as the National Golf Foundation. The National Golf Foundation publishes an annual report based on a survey conducted with various golf courses (including municipal golf courses) around the United States to its members. A few examples of key benchmark drivers include revenue per round, revenue per golfer, revenue per capita for a geographic region, and maintenance costs per acre. These should be monitored for comparison and performance on an annual basis.

Respectfully submitted,

A handwritten signature in black ink that reads "Eide Bailly LLP". The signature is written in a cursive, flowing style.

Eide Bailly LLP

Financial Performance

Overview

We performed an analysis of the financial condition and historical earnings of the City of Moorhead's golf course fund. The statement of net assets for December 31, 2007, 2008, 2009, 2010, and 2011 and the statement of select revenues and expenses for the years ended December 31, 2000 through 2011 are presented in Exhibit 1. The common size statement of net assets and common size statement of select revenues and expenses for the same periods of time are presented in Exhibit 2.

For purposes of comparison with industry financial measures available from non-public company sources, we reviewed Integra Information, Inc.'s 5-year industry report for companies operating under Standard Industrial Classification (SIC) code 7922 – Public Golf Courses. The 5-year industry report we obtained included 268 companies whose sales were less than \$1 million dollars per year. We believe that industry financial measures provide limited comparative perspective and strict comparisons should be made with caution.

Statement of Net Assets Analysis

Assets

- The City of Moorhead statement of net assets is concentrated in its investment in capital assets – namely the land, buildings and equipment needed to operate The Meadows and Village Green. Capital assets have represented between 73.2 percent and 77.4 percent of total assets since December 31, 2007. The industry average public golf course has approximately 48.9 percent of its total assets held in capital assets.
- The City of Moorhead held approximately \$1 million in restricted cash and cash equivalents for the operations of The Meadows and Village Green as of December 31, 2011. This represented approximately 13 percent of total assets. Historically, restricted cash and cash equivalents have represented between 10.7 percent and 13 percent of total assets since December 31, 2007. The industry average golf course has approximately 29.9 percent of total assets held in cash, cash equivalents and investments.
- The remainder of the City of Moorhead's golf course fund assets primarily consists of a note receivable. As of December 31, 2011, the note receivable had a balance due of \$1,127,487.
- Total assets in the City of Moorhead's golf course fund were relatively static at approximately \$8.5 million from 2007 through 2009. Total assets have been declining since 2009 as capital assets have been depreciating.

Liabilities

- The City of Moorhead has funded its golf course fund primarily through borrowings from other city funds and bonds. Twelve of the respondents from the City of Moorhead's golf course survey indicated their golf course is servicing debt, while nine respondents indicated they had no debt service.
- Bonds payable has been declining since 2007 as payments have come due. Cash to make these payments appears to have come directly from transfers from other funds rather than profits from the golf course operations. Bonds payable as of December 31, 2011 was approximately \$2.7 million.
- Borrowings from other city funds increased in 2008 and have been slowly declining since. As of December 31, 2011, borrowing from other city funds is approximately \$2.5 million.

Net Assets

- Net assets have increased from a low of approximately \$2.65 million at December 31, 2008 to approximately \$2.9 million as of December 31, 2011. The increase is primarily attributed to a decline in liabilities during the time frame analyzed. As mentioned previously, these liabilities have generally been paid down with funds transferred in from other funds rather than from profitable golf course operations.

Statement of Revenues and Expenses Analysis

Revenues

	Green Fees	Dues	Cart	Driving Range	Other Revenue	Total Revenue	Total Rounds	Revenue per Round
2000	\$ 451,866	\$ 233,428	\$ 159,177	\$ 75,492	\$ 46,775	\$ 966,738	64,213	\$ 15.06
2001	500,824	266,535	186,740	76,625	62,711	1,093,435	67,400	16.22
2002	427,742	225,988	175,822	62,121	37,306	928,979	54,134	17.16
2003	443,740	252,795	182,287	70,931	58,128	1,007,881	56,999	17.68
2004	395,853	257,681	176,826	62,899	77,575	970,834	56,366	17.22
2005	455,620	226,250	208,541	63,970	183,114	1,137,495	55,393	20.53
2006	464,748	241,136	215,174	60,665	170,124	1,151,846	48,908	23.55
2007	434,169	239,189	197,980	60,616	151,916	1,083,870	49,939	21.70
2008	439,299	252,912	198,381	53,770	82,183	1,026,544	51,187	20.05
2009	563,722	304,188	235,304	66,164	85,677	1,255,055	55,897	22.45
2010	508,363	323,498	228,588	58,704	64,336	1,183,490	55,125	21.47
2011	476,014	255,825	246,547	55,278	96,055	1,129,718	49,694	22.73
Compound Annual Growth								
2000-2011	0.5%	0.8%	4.1%	-2.8%	6.8%	1.4%	-2.3%	3.8%
2009-2011	-8.1%	-8.3%	2.4%	-8.6%	5.9%	-5.1%	-5.7%	0.6%
2010-2011	-6.4%	-20.9%	7.9%	-5.8%	49.3%	-4.5%	-9.9%	5.9%

- The number of golf rounds played at The Meadows and Village Green has been declining at an annual compounded rate of 2.3 percent from 2000 through 2011. This is not unusual as the number of golfers in the United States has been declining since 2000 according to the study “Golf Participation in America, 2010 – 2020” published by the National Golf Foundation. The number of rounds played at public golf courses in 2011 also declined 2.4 from 2010 levels.

Since 2006, the total number of rounds played (on a combined basis) has generally been between 48,000 and 52,000 annually for The Meadows and Village Green. 2009 and 2010 were the exception to this trend as the total number of rounds played at The Meadows and Village Green were higher due to the Fargo, ND golf courses being affected from the Red River flooding.

The number of rounds played in 2011, however, was one of the three lowest years in terms of rounds played since 2000 and was a decline of nearly 10 percent from 2010. The Fargo golf courses were also affected by significant flooding in 2011 and the decline is surprising for that reason. However in comparison to state specific data, the decline and trend is comparable. Data from the National Golf Foundation indicated Minnesota saw a decline of 9.9 percent in round played in 2011, while North Dakota and South Dakota experienced a decline of 7.6 percent in 2011.

Annual Change in Rounds Played					
	Municipal Courses	Minnesota	ND,SD	Upper Midwest*	United States
2000-2001	-0.3%	NA	NA	-5.7%	-0.1%
2001-2002	-3.0%	NA	NA	-4.4%	-3.0%
2002-2003	-1.0%	NA	NA	-4.4%	-1.5%
2003-2004	NA	NA	NA	NA	NA
2004-2005	0.1%	NA	NA	0.4%	-0.1%
2005-2006	0.7%	NA	NA	-0.3%	0.8%
2006-2007	-0.3%	1.4%	NA	1.2%	-0.5%
2007-2008	NA	-1.7%	-4.1%	-4.7%	-1.8%
2008-2009	-0.3%	3.5%	1.6%	3.1%	-0.6%
2009-2010	-2.0%	-0.3%	2.8%	-1.9%	-2.3%
2010-2011	-2.4%	-9.9%	-7.6%	-5.5%	-2.5%

Source: National Golf Foundation

The aforementioned study on “Golf Participation in America” forecasted that over the next 10 years “rounds will increase somewhat more, due to the aging of the population, particularly the baby boomers. However, local market conditions will have much more to do with individual course performance than the macroeconomics of the golf business. Additionally, increases in golfers and rounds will not necessarily lead to proportionate increases in revenues, as aggressive pricing will continue to attract bargain-hunting golfers.”

- Revenues from green fees and dues (or season passes) are correlated closely to the total rounds played since 2006. As such, an increase in these revenue categories will likely be linked closely with the number of rounds played and/or the number of players.
- A positive trend is noted in the cart revenue over the last three years and was the only category except for other revenue to see growth in 2011 from 2010 levels.
- Driving range revenue is the only category that saw a decline in revenue on a compounded basis from 2000 through 2011. Additionally, driving range revenue in 2011 was the second lowest annual amount in the last 11 years.
- Overall, revenue has grown by an annual compounded rate of 1.4 percent from 2000 through 2011. We did note that revenue has been relatively stable in recent years (with the exception of 2009 and 2010 which were increased due to flooding issues impacting the Fargo golf courses) and that revenue per round played in 2011 was the second highest in the last eleven years.
- The National Golf Foundation indicated the national average for golf related revenue (daily fees, season passes, tournament revenue, etc.) in 2009 was \$825,300 for a municipal 18-hole golf course and \$1.27 million in total revenue. Total revenue for The Meadows and Village Green (on a combined basis) has historically been between \$1.0 and \$1.25 million. This is an unfavorable comparison and indicates The Meadows and Village Green have opportunities to generate more revenue.

Operating Expenses

	Personal Services	Professional Services	Insurance	Repair and Maint.	Supplies	Utilities	Equipment Rental	Misc. Expense	Total Expense
2000	\$ 480,765	\$ 110,827	\$ 36,449	\$ 24,431	\$ 138,164	\$ 37,532	\$ 81,665	\$ 86,783	\$ 996,616
2001	471,449	66,539	40,578	21,906	109,586	48,657	84,625	97,845	941,185
2002	474,919	62,731	39,928	36,643	146,990	53,704	98,800	82,399	996,114
2003	509,263	23,747	37,433	27,913	133,442	56,938	105,377	98,683	992,796
2004	543,233	28,430	38,704	23,080	123,808	52,354	119,387	110,087	1,039,083
2005	570,234	28,157	38,663	42,695	148,057	57,232	127,054	125,957	1,138,049
2006	665,281	20,604	39,429	68,846	173,839	65,606	124,169	141,174	1,298,948
2007	631,801	25,843	42,765	89,248	175,697	60,472	134,201	154,211	1,314,238
2008	617,987	1,415	44,045	114,295	185,928	70,260	140,483	150,245	1,324,658
2009	619,677	267	44,535	69,855	157,288	67,279	131,592	197,373	1,287,866
2010	635,271	276	47,611	62,721	159,735	76,724	129,376	190,842	1,302,556
2011	630,748	673	44,109	64,279	180,640	68,303	133,822	184,073	1,306,647
	Compound Annual Growth								
2000-2011	2.5%	-37.1%	1.7%	9.2%	2.5%	5.6%	4.6%	7.1%	2.5%
2009-2011	0.9%	58.8%	-0.5%	-4.1%	7.2%	0.8%	0.8%	-3.4%	0.7%
2010-2011	-0.7%	143.8%	-7.4%	2.5%	13.1%	-11.0%	3.4%	-3.5%	0.3%

- Personal services (or salaries, wages, and employee benefits) is the largest single expense category and has increased from the prior year in eight of the last 11 years. Overall, personal costs have only been increasing at a modest 2.5 percent annually since 2000 and have been relatively stable as a percent of revenues ranging between 50 and 60 percent annually.

A more detailed review of personal costs such as PGA of America professional compensation, superintendent compensation, and other employee labor costs is included with the survey results information within this report.

- Repairs and maintenance costs have increased at over nine percent annually since 2000 and is the expense category that has seen the largest percentage increase during that time period. As a result, repairs and maintenance have increase from 2.5 percent of revenues in 2000 to 5.7 percent in 2011.
- Insurance costs, utility costs, and equipment rental costs have all been relatively steady since 2007 in terms of both amount and as a percentage of revenue.
- Similarly, total expenses have remained relatively stable since 2006 at around \$1.3 million. Expenses have grown at an annual compound rate of 2.5 percent which is less than the annual inflationary growth rate experienced in the United States during that time period.

The National Golf Foundation indicated the national average for total golf course expenses in 2009 was \$1.1 million for a municipal 18-hole golf course. Total golf course expenses for The Meadows and Village Green (on a combined basis) has been approximately \$1.3 million since 2006. This is a favorable comparison and indicates The Meadows and Village Green have adequately controlled overall costs.

- Total operating expenses (which exclude interest expense and depreciation expense for the purposes of this analysis) have been higher than revenue in nine of the last 11 years. The industry average for operating expenses for public golf courses is approximately 90 percent. We were unable to obtain any industry benchmarks for individual expense categories.

Operating Expenses as a Percentage of Revenue

	Personal Services	Professional Services	Insurance	Repair and Maint.	Supplies	Utilities	Equipment Rental	Misc. Expense	Total Expense
2000	49.7%	11.5%	3.8%	2.5%	14.3%	3.9%	8.4%	9.0%	103.1%
2001	43.1%	6.1%	3.7%	2.0%	10.0%	4.4%	7.7%	8.9%	86.1%
2002	51.1%	6.8%	4.3%	3.9%	15.8%	5.8%	10.6%	8.9%	107.2%
2003	50.5%	2.4%	3.7%	2.8%	13.2%	5.6%	10.5%	9.8%	98.5%
2004	56.0%	2.9%	4.0%	2.4%	12.8%	5.4%	12.3%	11.3%	107.0%
2005	50.1%	2.5%	3.4%	3.8%	13.0%	5.0%	11.2%	11.1%	100.0%
2006	57.8%	1.8%	3.4%	6.0%	15.1%	5.7%	10.8%	12.3%	112.8%
2007	58.3%	2.4%	3.9%	8.2%	16.2%	5.6%	12.4%	14.2%	121.3%
2008	60.2%	0.1%	4.3%	11.1%	18.1%	6.8%	13.7%	14.6%	129.0%
2009	49.4%	0.0%	3.5%	5.6%	12.5%	5.4%	10.5%	15.7%	102.6%
2010	53.7%	0.0%	4.0%	5.3%	13.5%	6.5%	10.9%	16.1%	110.1%
2011	55.8%	0.1%	3.9%	5.7%	16.0%	6.0%	11.8%	16.3%	115.7%

»»» Survey Results – Overview

The City of Moorhead conducted a survey with area municipal golf courses throughout Minnesota and North Dakota in the spring of 2012. Twenty-one golf courses (excluding The Meadows and Village Green) responded to the survey and are listed below.

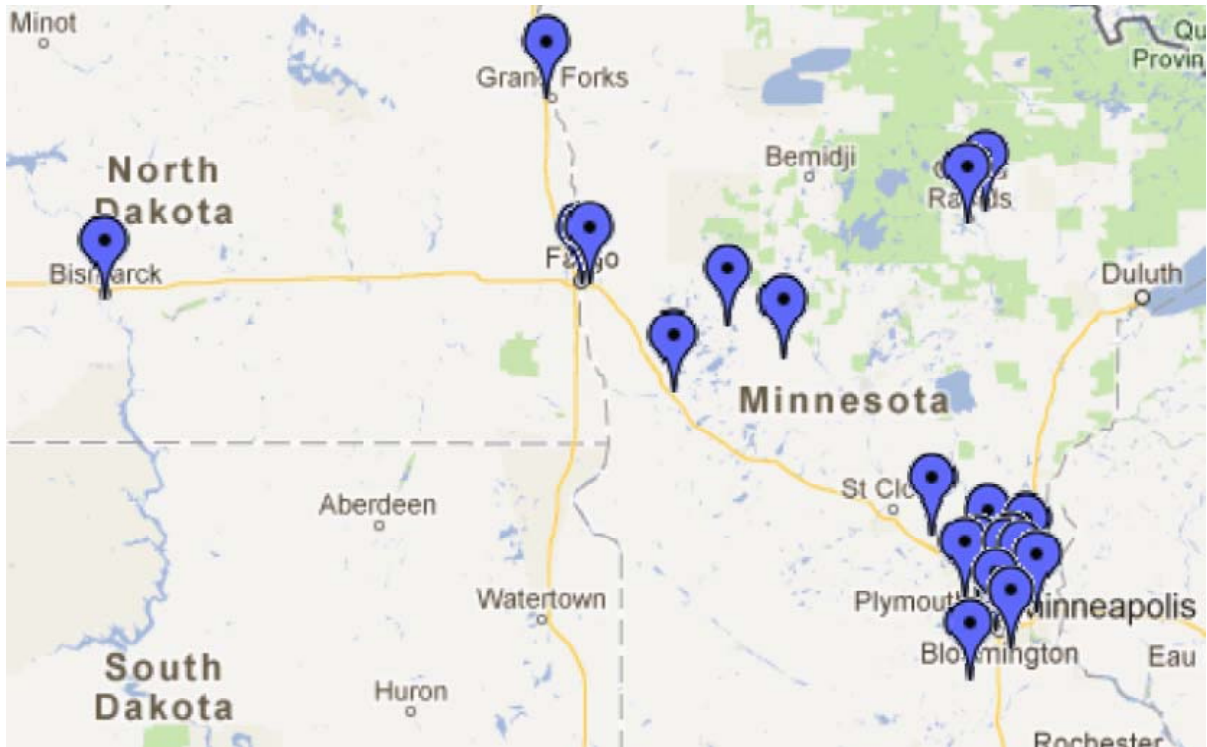
	State	Population	Size (acres)	Number of Holes	Rounds Played Anually	Rounds Played Per Capita
Respondent A	MN	4,000		18	15,000	3.8
Respondent B	MN	14,500	100.00	18	19,000	1.3
Respondent C	MN	11,000	160.00	18	20,000	1.8
Respondent D	MN	1,879	252.00	18	22,000	11.7
Respondent E	MN	7,042	118.00	18	22,000	3.1
Respondent F	MN	3,000	310.00	27	23,000	7.7
Respondent G	MN	22,000	31.00	9	25,000	1.1
Respondent H	MN	36,762	120.00	18	25,000	0.7
Respondent I	MN	5,000	250.00	27	26,000	5.2
Respondent J	MN	33,000	23.00	9	28,000	0.8
Respondent K	MN	80,000	35.00	9	30,000	0.4
Respondent L	MN	17,000	200.00	18	32,000	1.9
Respondent M	MN	55,000	190.00	18	32,000	0.6
Respondent N	MN	18,000	120.00	18	33,000	1.8
Respondent O	MN		221.00	18	35,000	
Respondent P	MN	5,165	200.00	27	45,000	8.7
Respondent Q	MN	87,000	95.00	18	45,000	0.5
Respondent R	ND	105,000	172.00	18	18,000	0.2
Respondent S	ND	60,000	200.00	18	25,000	0.4
Respondent T	ND	105,000	170.00	18	22,476	0.2
Respondent U	ND	65,000	100.00	18	35,000	0.5
Minimum		1,879	23.00	9	15,000	0.2
25th Percentile		6,573	100.00	18	22,000	0.5
Median (50th Percentile)		20,000	165.00	18	25,000	1.2
Mean		36,767	153.35	18	27,499	2.6
75th Percentile		61,250	200.00	18	32,000	3.3
Maximum		105,000	310.00	27	45,000	11.7
The Meadows	MN	38,065	178.16	18	28,000	0.7
Village Green	MN	38,065	163.65	18	29,000	0.8

Overall, the survey respondents provide the basis for a good group of comparables. While the number of holes ranges by facility, The Meadows and The Village Green are very near the mean and median for the survey respondents in terms of rounds played and course size. Further, many of the respondents were located in a metropolitan area (as shown on the map on the following page).

The survey conducted by the City of Moorhead gathered several data points of information. A summary of the results and comparisons to The Meadows and Village Green in these areas are included in the sections of the report to follow. We have broken the survey into four main areas for the purposes of this report.

1. Financial Data
2. Maintenance
3. Management Structure
4. Food and Beverage Service

Location of Survey Respondents



Disclaimer on Survey Information: During our review of the survey data, we noted several areas where inconsistencies existed between the survey responses submitted. The information submitted was from budgeted information and not actual financial statements for each respondent golf course. Additionally, some of the respondents are likely to be accounting for specific golf course items differently than the City of Moorhead and may not be captured in the survey responses. This may result in inaccurate comparisons and conclusions should be made with caution.

One example of these inconsistencies is the maintenance budget amounts submitted. Some respondents included labor costs in the maintenance budget amount, others respondents did not. Some included equipment costs in the maintenance budget amount and some respondents did not.

»»» Survey Results – Financial Data

All but one of the respondents submitted select financial data for the 2011 year. The following are highlights from this information. Detailed survey results pertaining to the financial data is found in Exhibit 3.

Revenues

Golf Course	Rounds Played Anually	2011 Annual Revenue	Revenue Per Round	Number of Outings in 2011	Number of Tournaments hosted in 2011	2011 Operating Budget	Revenue less Operating Budget
Minimum	15,000	\$ 288,000	\$ 10.29	10	3	\$ 300,000	\$ (200,706)
25th Percentile	22,000	508,461	23.69	15	9	442,500	(36,741)
Median (50th Percentile)	25,000	765,735	27.04	20	12	882,478	6,625
Mean	27,499	794,854	29.50	26	13	810,507	30,147
75th Percentile	32,000	975,000	36.55	33	15	1,025,353	92,991
Maximum	45,000	1,736,455	68.07	70	37	1,613,000	375,000
The Meadows	28,000	\$ 544,061	\$ 19.43	52	20	\$ 690,130	\$ (146,069)
Village Green	29,000	555,995	19.17	20	5	606,459	(50,464)

- 16 of the 21 respondents have revenue per round between \$20 and \$41 per round. Three respondents (excluding The Meadows and Village Green) fell below this range and one respondent was above this range. One respondent did not report 2011 annual revenue.
- The Meadows and Village Green both fall near the 25th percentile in terms of revenue and revenue per round in 2011. Only three respondents had lower revenue per round than The Meadows and Village Green. The two Fargo respondents both had higher per round revenue than The Meadows and Village Green.

We did review the green fee rates for The Meadows and Village Green in comparison to the Fargo respondents and noted that The Meadows and Village Green were slightly higher. There may be a variety of reasons for the lower revenue per round at The Meadows and Village Green including, but not limited to, less revenue from golf carts, driving range, corporate events. More detailed analysis and comparisons would need to be performed to reach any conclusions.

Note: While food service revenues do impact the total revenues, we did not note a correlation between the higher revenue per round respondents and those cities with food service included in revenue. Additionally, the Fargo respondents did not have food service revenue included.

- Village Green is near the mean and median group in terms of number of outings held in 2011, but holds slightly fewer golf tournaments. In contrast, The Meadows is in the top quartile for both outings and tournaments in 2011.
- Eight of the 21 respondents (including both Fargo respondents) indicated that they share in the income generated from the pro shop sales. We also noted that generally those respondents that indicated they share in the income from the pro shop sales also owned the inventory. Those respondents that did not share in the income from the pro shop, did not own the inventory. This is comparable to the relationship the City of Moorhead has with its golf professionals.

Operating Budget and Net Profit

Golf Course	2011 Annual Revenue	Maintenance Budget	Clubhouse Budget	2011 Operating Budget	Revenue less Operating Budget
Minimum	\$ 288,000	\$ 50,000	\$ 40,000	\$ 300,000	\$ (200,706)
25th Percentile	508,461	178,000	152,758	442,500	(48,751)
Median (50th Percentile)	765,735	267,480	250,000	882,478	6,625
Mean	794,854	318,571	390,076	810,507	26,182
75th Percentile	975,000	470,000	537,677	1,025,353	92,991
Maximum	1,736,455	616,000	1,080,000	1,613,000	375,000
The Meadows	\$ 544,061	\$ 427,528	\$ 262,602	\$ 690,130	\$ (146,069)
Village Green	555,995	390,199	216,260	606,459	(50,464)

- Eight respondents were budgeted to incur an operating loss in 2011. The Meadows and Village Green also lost money in 2011 and were in the bottom quartile of the respondents. The two Fargo respondents both operated at profits in 2011. However, many of the flood related costs were not included in the amounts submitted by the Fargo respondents.

Note: It is assumed for this analysis that all respondents' actual expenses for 2011 were in line with actual expenses incurred.

- The Meadows and Village Green operating budgets were both below the mean and median for the survey respondents and is a positive factor.

Maintenance Budget

Golf Course	Maintenance Budget	Size (acres)	Number of Holes	Maintenance Budget per Acre	Maintenance Budget per Hole
Minimum	\$ 50,000	23.00	9	\$ 570	\$ 5,444
25th Percentile	178,000	100.00	18	1,647	11,111
Median (50th Percentile)	267,480	165.00	18	2,105	15,278
Mean	318,571	153.35	18	2,777	17,725
75th Percentile	470,000	200.00	18	2,750	23,074
Maximum	616,000	310.00	27	10,143	39,444
The Meadows	\$ 427,528	178.16	18	\$ 2,400	\$ 23,752
Village Green	390,199	163.65	18	2,384	21,678

- There is a very wide disparity in the maintenance budgets for the survey respondents. The minimum maintenance budget was \$50,000 and the highest was \$616,000 for 2011. Six courses had higher maintenance budgets in comparison to The Meadows and Village Green, while 12 had lower maintenance budgets. Two respondents did not include a maintenance budget amount. The Meadows and Village Green were near the middle of the respondents in terms of a maintenance budget on a per acre basis, but were near the 75th percentile in terms of a maintenance budget on a per hole basis.
- The Fargo respondents' maintenance budgets were significantly lower (in the bottom quartile) than those at The Meadows and Village Green. This is the result of the Fargo golf courses dealing with flooding issues in 2011 and the related costs being paid from a different fund that was not included in their survey responses.
- More detailed information on the maintenance components is included in the "Maintenance Structure" section of this report beginning on page 15.

Clubhouse Budget

Golf Course	Clubhouse Budget	Number of Holes	Rounds Played Anually	Clubhouse Budget per Hole	Clubhouse Budget per Rounds Played
Minimum	\$ 40,000	9	15,000	\$ 4,444	\$ 1.60
25th Percentile	152,758	18	22,000	11,237	6.15
Median (50th Percentile)	250,000	18	25,000	19,161	12.38
Mean	390,076	18	27,499	20,153	14.87
75th Percentile	537,677	18	32,000	27,778	17.89
Maximum	1,080,000	27	45,000	42,360	46.96
The Meadows	\$ 262,602	18	28,000	\$ 14,589	\$ 9.38
Village Green	216,260	18	29,000	12,014	7.46

- The clubhouse budget for a majority of the respondents was less than \$400,000 in 2011. Five respondents had budgets higher than this amount and four respondents (which include the Fargo golf courses) did not indicate an amount for a clubhouse budget.
- The Meadows clubhouse budget for 2011 was near the median clubhouse budget of \$250,000, while Village Green's clubhouse budget was between the 25th percentile and the median when compared to the respondents.
- The Meadows and Village Green both were between the 25th percentile and the median compared to the respondents when the clubhouse budget is viewed on a per hole or per round basis. This is a positive factor for the City of Moorhead in terms of managing costs in this area.
- More detailed information on the clubhouse personnel is included in the "Management Structure" section of this report beginning on page 18.

»»» Survey Results – Maintenance Structure

All of the respondents submitted detailed information on their maintenance department for the 2011 year. The following are highlights from this information. Detailed survey results pertaining to the maintenance department is found in Exhibits 3 and 4.

Overall

	Fertilizer Budget	Percent of Maint Budget	Chemical Budget	Percent of Maint Budget	Total Maint. Labor Costs	Percent of Maint Budget	Maint Budget
Minimum	\$ 5,000	2.8%	\$ 3,500	2.6%	\$ 48,500	21.4%	\$ 50,000
25th Percentile	13,275	3.5%	9,750	3.3%	76,000	29.8%	178,000
Median (50th Percentile)	21,000	6.6%	17,250	5.4%	104,700	36.5%	267,480
Mean	23,995	10.7%	18,419	5.4%	111,859	35.6%	318,571
75th Percentile	35,674	11.9%	22,500	6.8%	146,500	38.1%	470,000
Maximum	65,000	40.8%	42,000	10.0%	200,000	58.8%	616,000
The Meadows	\$ 18,000	4.2%	\$ 12,000	2.8%	\$ 119,745	28.0%	\$ 427,528
Village Green	15,000	3.8%	12,000	3.1%	119,745	30.7%	390,199

- As shown in the schedule above, several costs were not captured in the survey as it relates to the entire maintenance budget. To reach the best conclusions, the detailed maintenance budget would need to be obtained from each respondent.
- As mentioned previously, The Meadows and Village Green overall maintenance budgets rank near the top of the respondents to the survey. For each of the detailed line items collected in the survey, The Meadows and Village Green compare favorably in that each category was below the 50th percentile in both actual dollars and percentage of the maintenance budget.

Chemical and Fertilizer

	Size (acres)	Fertilizer Budget	Fertilizer Budget per acre	Percent of Maint Budget	Chemical Budget	Chemical Budget per acre	Percent of Maint Budget
Minimum	23.00	\$ 5,000	\$ 63	2.8%	\$ 3,500	\$ 65	2.6%
25th Percentile	100.00	13,275	111	3.5%	9,750	106	3.3%
Median (50th Percentile)	160.00	21,000	175	6.6%	17,250	123	5.4%
Mean	155.41	23,995	191	10.7%	18,419	152	5.4%
75th Percentile	200.00	35,674	268	11.9%	22,500	188	6.8%
Maximum	310.00	65,000	333	40.8%	42,000	313	10.0%
The Meadows	178.16	\$ 18,000	\$ 101	4.2%	\$ 12,000	\$ 67	2.8%
Village Green	163.65	15,000	92	3.8%	12,000	73	3.1%

- 20 respondents indicated an amount for fertilizer, while only 17 respondents indicated an amount for chemicals. The Meadows and Village Green both were between the 25th percentile and the median when compared to the respondents for both the fertilizer and chemical budgets. This is a favorable factor from a cost containment perspective.
- Additionally, on a per acre basis and as a percentage of the maintenance budget, The Meadows and Village Green were in the bottom quartile of the respondents for both the fertilizer and chemical budgets. This is a positive factor in terms of managing costs in this area.

- The Meadows and Village Green combined fertilizer and chemical budget appeared favorable when compared to the Fargo golf courses. However, we were informed that the maintenance budgets for Fargo’s nine hole golf courses are included in their 18-hole golf course maintenance budget survey responses. Thus, Fargo’s maintenance budgets were inflated due to the inclusion of these other municipal golf course properties and a direct comparison is not meaningful based on the information available.
- While the three previous points related to cost containment, these must be balance with concerns that were noted during our procedures about the quality of the golf courses deteriorating from the reduction of fertilizer and chemicals at The Meadows and Village Green. The quality of the course is an important factor in attracting and retaining golfers to golf courses which drives revenue.

Labor Costs

	Maint Budget	Superindent Salary	Percent of Maint Budget	Temp Emp Budget	Percent of Maint Budget	Total Maint. Labor Costs	Percent of Maint Budget
Minimum	\$ 50,000	\$ 35,000	9.1%	\$ 13,650	8.8%	\$ 48,500	21.4%
25th Percentile	178,000	50,750	11.8%	41,793	13.9%	76,000	29.8%
Median (50th Percentile)	267,480	59,000	16.5%	60,108	17.3%	104,700	36.5%
Mean	318,571	58,730	19.4%	65,247	17.2%	111,859	35.6%
75th Percentile	470,000	68,000	24.1%	91,625	20.0%	146,500	38.1%
Maximum	616,000	78,000	50.0%	140,000	25.5%	200,000	58.8%
The Meadows	\$ 427,528	\$ 59,555	13.9%	\$ 60,190	14.1%	\$ 119,745	28.0%
Village Green	390,199	59,555	15.3%	60,190	15.4%	119,745	30.7%

- Labor costs expressed as a percentage of the maintenance budget for the respondents indicated a median of 36.5 percent and an average of 35.6 percent. The Meadows and Village Green labor costs as a percentage of the maintenance budget were both near the 25th percentile. This is a positive factor in terms of managing costs in this area.
- A direct comparison to the Fargo golf courses was not available on a percentage basis, but overall labor costs were similar to The Meadows and Village Green. We were also informed during our review that the Fargo golf courses do use park maintenance employees at the various golf courses frequently. It is unknown if the park maintenance employee costs were included in the submitted responses by the Fargo golf courses.

Golf Course Superintendent

- All of the respondents to the survey indicated that their golf course had a golf course superintendent. However, the months they were on site varied from a minimum of seven months to year-round. Of those responding, only four superintendents were not year-round employees. The City of Moorhead employs both of its superintendents on a year-round basis.
- Superintendent salaries ranged from a low of \$35,000 to a high of \$78,000 annually. The average salary was \$58,730 and was comparable to the median salary of \$59,000. These benchmarks are comparable to the salaries of the superintendents employed by the City of Moorhead which was slightly below \$60,000. Of note, the City of Moorhead superintendents’ salaries were also comparable to the Fargo golf course superintendents.

Temporary Employees

- 18 of the respondents indicated they hire full-time maintenance employees. Most respondents have one to three full-time maintenance employees. This is comparable to The Meadows and Village Green who both employ two and a half full-time equivalent maintenance employees.

- One-third of the respondents indicated their full-time maintenance employees working during the off-season. The Meadows and Village Green full-time maintenance employees do work during the off-season. Two of the full-time employees transfer to the Street Department for six months during the off-season.
- All of the respondents indicated they hire part-time or temporary employees. For the purposes of our analysis, we combined these two responses as most respondents indicated a count in only one answer. The fewest number of part-time and temporary employees reported was three and the highest was 25. The average and median number of part-time and temporary employees reported was 11. The Meadows and Village Green each hire 11 part-time and temporary employees placing them right at the average and median in comparison to the respondents and in line with the Fargo golf course respondents.
- 18 of the respondents indicated an amount budgeted for the part-time and temporary employees in 2011. The minimum amount budgeted was \$13,650 and the highest was \$140,000. The Meadows and Village Green budgets for part-time and temporary employees were near the median of \$60,108 for all of the respondents and below those of the Fargo golf course respondents.
- In terms of the part-time and temporary employees' budget per employee, the minimum amount per employee was \$3,155 and the maximum amount per employee was \$10,250. The median was \$6,363 which compared to the average of \$6,161 per employee. The Meadows and Village Green per employee costs falls between the 25th percentile and the average when compared to the respondents and below that of both Fargo golf course respondents.

Other Maintenance Details

- All of the respondents indicated that they spray for snow mold. The Meadows and Village Green also spray for snow mold.
- 15 of the 21 respondents (71.4 percent), which included the Fargo golf courses, do not cover their greens for the winter. The Meadows and Village Green do cover their greens in the winter.
- All of the respondents indicated that they aerated their greens and only one indicated that they do not aerate their fairways. The Meadows and Village Green do aerate their greens and fairways.
- 15 of the 21 respondents (71.4 percent) indicated they mow their greens daily or seven times a week. Four respondents indicated they mow their greens three to five times per week. One indicated only one to three times per week and one respondent did not indicate how often they mow their greens. The Meadows and Village Green mow their greens daily or seven times a week.

»» Survey Results – Management Structure

All of the respondents submitted information on their management structure for the 2011 year, which was solely related to labor costs. The following are highlights from this information. Detailed survey results pertaining to the management structure is found in Exhibits 3 and 5.

Labor Costs

	Clubhouse Budget	Mgmt Salary	Percent of Clubhouse Budget	Temp Emp Budget	Percent of Clubhouse Budget	Total Clubhouse Labor Costs	Percent of Clubhouse Budget
Minimum	\$ 40,000	\$ 24,000	5.4%	\$ 15,000	3.9%	\$ 33,000	9.3%
25th Percentile	152,758	45,000	10.5%	38,500	7.5%	75,000	20.0%
Median (50th Percentile)	250,000	57,000	14.2%	55,000	12.1%	112,000	32.1%
Mean	390,076	56,209	17.1%	65,041	15.9%	115,056	32.9%
75th Percentile	537,677	68,000	20.4%	89,500	23.4%	149,000	38.0%
Maximum	1,080,000	85,000	38.0%	185,000	40.4%	270,000	71.0%
The Meadows	\$ 262,602	\$ 25,923	9.9%	\$ 40,000	15.2%	\$ 40,000	15.2%
Village Green	216,260	26,356	12.2%	35,020	16.2%	35,020	16.2%

- Labor costs expressed as a percentage of the clubhouse budget for the respondents indicated a median of 29.3 percent and an average of 31.9 percent. The Meadows and Village Green were both below the 25th percentile in comparison to the respondents.

Note: This information is based on the assumption that all respondents included the labor costs (management salaries and temporary employees' wages) in the clubhouse budget amount. As a result, we did not calculate this for some respondents as they either did not submit information in all of these areas or the labor cost percentage exceeded 100 percent and may not have been meaningful. As a result, this information is only based on data from 13 respondents.

PGA Professional or Golf Course Manager

- All of the respondents to the survey indicated that their golf courses were operated by either a PGA of America professional, a city employee was employed as the "Golf Manager" or it was outsourced to a management company. 19 of the 21 respondents were operated by a PGA of America professional. Additionally, 19 of the 21 respondents were city employees. Only two respondents were employees of a management company. The City of Moorhead contracts with PGA of America professional for both The Meadows and Village Green.
- Salaries ranged from a low of \$24,000 to a high of \$85,000 annually. The average salary was \$56,209 and was comparable to the median salary of \$56,000. These benchmarks are comparable to the salaries of the golf professionals employed by the City of Moorhead in terms of their total compensation.

Additional analysis of the PGA of America golf professional's compensation is included in the review of the "PGA of America Professional Contracts" section of this report beginning on page 29.

- The contract length for the bottom five salary respondents ranged from 7 to 9 months. This was comparable to the golf professionals' contract lengths with the City of Moorhead. Almost all other survey respondents were contracting with their golf professionals or employee on a year-round basis.
- Of note, the survey did indicate only 4 respondents offered health insurance and only 6 respondents offered a dental/vision plan or life insurance to their golf professionals. Additionally, only 7 respondents offered vacation to their golf professionals. Considering that the City of Moorhead does provide health insurance, life insurance, vacation and sick leave benefits to its professionals, the contracts seem to be comparable in terms of both compensation and benefits compared to other golf courses in the area.

Assistant Golf Professional

- 19 of the respondents indicated an assistant golf pro was also on staff and/or how many were on staff. Based on the responses, all of them appeared to also be city employees.
- Hourly wages ranged from \$10 per hour to \$20 per hour with the exception of one respondent. Also of note, two respondents indicated that the assistant golf pro was a salaried position. The City of Moorhead employs an assistant golf professional at both The Meadows and Village Green.

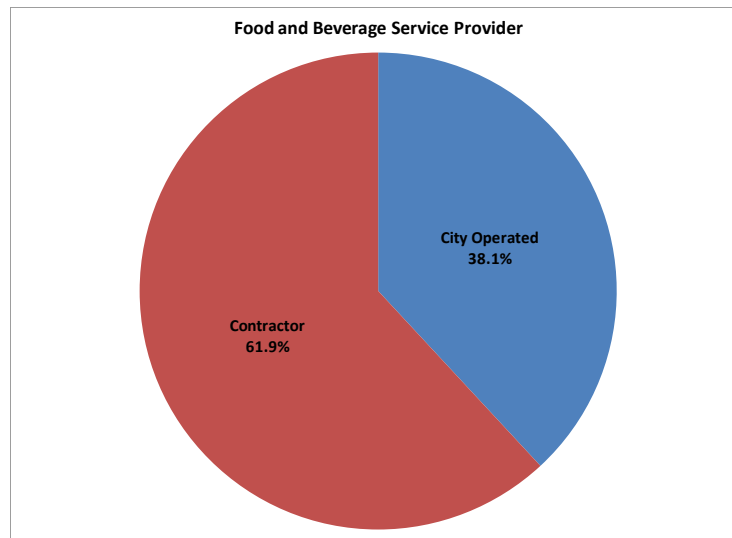
Temporary Employees Budget

- 19 of the respondents indicated a budget amount in 2011 for temporary employees. The Fargo respondents' were the lone respondents that did not include any amounts for its temporary employee budget.
- There is a very wide disparity in the temporary employee budgets for the survey respondents. The minimum temporary employee budget was \$15,000 and the highest was \$185,000 for 2011. The Meadows and Village Green budgets for temporary employees are between the 25th percentile and the median. This is a positive factor in terms of maintaining a low cost for this aspect of the golf operations.
- In terms of a temporary employee budget per round, there is also some disparity in the survey responses. The lowest cost of temporary employees per round was \$1.00 and the highest was \$4.11 per round. The Meadows and Village Green budgets for temporary employees fall below the 25th percentile. This is a positive factor in terms of maintaining a low cost for this aspect of the golf operations.

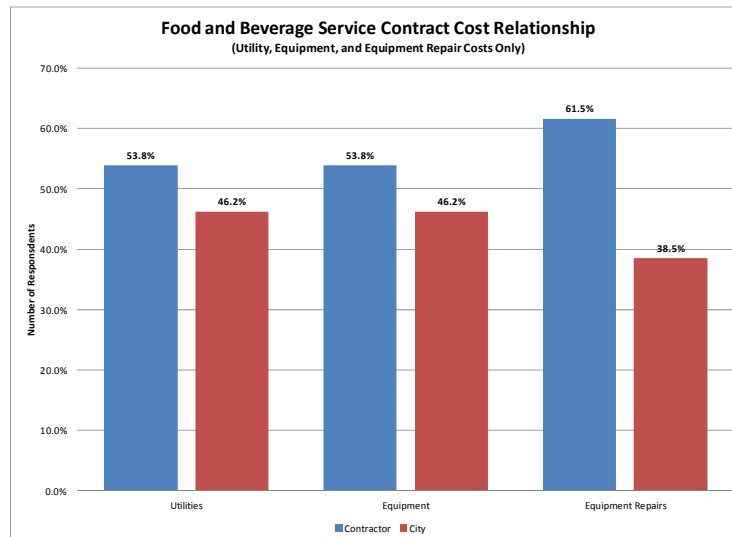
» Survey Results – Food & Beverage Service

All of the respondents submitted detailed information on their food and beverage service for the 2011 year. The following are highlights from this information. Detailed survey results pertaining to the food and beverage service is found in Exhibit 6.

Provider of Food & Beverage Service

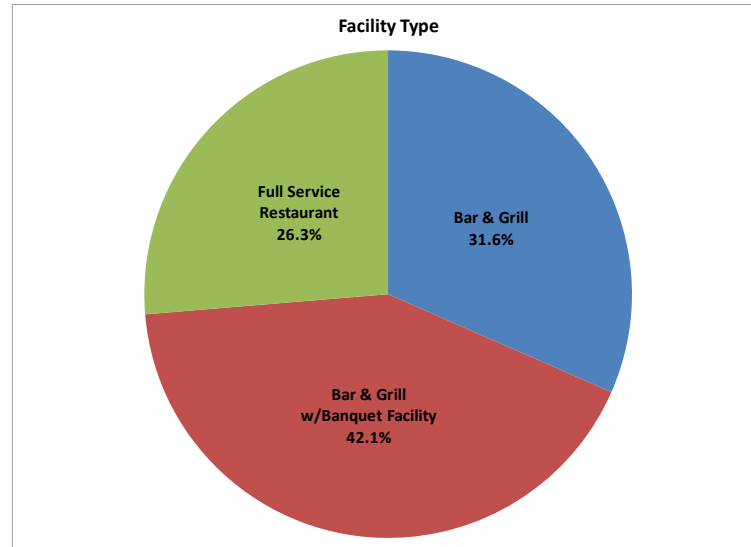


- 13 of the 21 respondents (61.9 percent) indicated that they contract the food and beverage service with a third party. The Fargo golf course respondents and The Meadows and Village Green all contract the food and beverage service with a third party.



- Generally, the utility costs, equipment costs and equipment repairs are the responsibility of the food and beverage provider. However, of the 13 golf courses that contract the food and beverage service with a third party, five respondents (38.5 percent) indicated the city pays for utility costs and equipment repairs and six respondents (46.2 percent) indicated the city pays for the equipment. The City of Moorhead pays for the utility costs, equipment costs, and the equipment repairs at both The Meadows and Village Green.

Type of Facility



- All but two of the respondents indicated that they had a space dedicated to food and beverage service. Of note, one of the respondents indicated that their facility was an outdoor only facility.
- Six of the 19 (31.6 percent) of the respondents indicating they had a food and beverage facility indicated it was a bar and grill only space. Capacities were only provided by four of these respondents and ranged from 40 people to 110 people. Village Green has a bar and grill only facility with seating for approximately 75 people.

We noted that four of the six (66.6 percent) respondents with a bar and grill only facility were managed by the city. This differs from Village Green which does contract with a third party for management purposes.

- Eight of the 19 (42.1 percent) of the respondents indicating they had a food and beverage facility indicated it was a bar and grill with banquet facility. Capacities were provided by all of these respondents and ranged from 60 people to 500 people. The Meadows has a bar and grill with banquet facilities with seating for approximately 160 people.

We noted that six of the eight (75 percent) respondents with a bar and grill with banquet facilities were contracted to a third party for management purposes. This is consistent with The Meadows which does contract with a third party for management purposes.

- Five of the 19 (26.3 percent) of the respondents indicating they had a food and beverage facility indicated it was a full-service restaurant. Capacities were provided by all but one of these respondents and ranged from 140 people to 350 people. Those respondents with a full-service restaurant were all contracted with a third-party for management purposes.

Contractor Relationship

- As indicated previously, 13 of the 21 respondents (61.9 percent) indicated that they contract the food and beverage service with a third party.
- Three of the 13 respondents (23.1 percent) that contract the food and beverage service with a third party do not require a lease payment. One of the Fargo golf course respondents was included in this category.
- Six of the 13 respondents (46.2 percent) that contract the food and beverage service with a third party require a lease payment based on a percentage of sales. The percentages range from two and a half percent to 15 percent of sales. One of the Fargo golf course respondents was included in this category and was at the lower end of the range for the percentage charged for a lease payment.

The City of Moorhead's contract agreement states that 10 percent of the sales at both The Meadows and Village Green will be paid as the lease amount. This is in the middle of the range indicated by the respondents.

- Three of the 13 respondents (23.1 percent) indicated that contract the food and beverage service with a third party require a stated lease amount. The lease amounts were as follows: \$10,000; \$18,000; and \$40,000. It was also noted that the respondent indicating the lease amount was \$40,000 included an additional percentage for sales over \$500,000.
- One respondent did not provide information as to how the lease payment was determined.

»»» PGA of America Professional Contracts

Overview

Founded in 1916, the Professional Golfers’ Association of America (PGA of America) is headquartered in Palm Beach Gardens, Florida and is made up of more than 28,000 men and women golf professional members. As “the experts in the game and business of golf,” the PGA of America’s undertaking has been to establish and elevate the standards of the profession and to grow interest and participation in the game of golf.

Many golf courses, both private and public, employ or contract with a PGA of America professional. These professionals generally complete the PGA’s Professional Golf Management program that enables them to perform a variety of functions including teaching about the game of golf and the golf swing, golf course design, golf course business planning and operations, golf club design and repair, golf cart fleet management, tournament operations and turfgrass management. Completion of this program allows these PGA of America professionals to be knowledgeable about all areas of golf course operations.

City of Moorhead PGA of America Professionals

Russ Nelson – has been the head golf professional at Village Green for 26 years and has been a professional golfer since September of 1981. Mr. Nelson had previously worked for Edgewood Golf Course in Fargo, North Dakota. Russ supervises and works alongside Jay Haug who is currently enrolled in the PGA’s Professional Golf Management program to become a golf professional.

Corey Herlickson – has been the head golf professional at The Meadows for seven years and has been a professional golfer since November 2004. Mr. Herlickson previously worked as an assistant golf professional in Las Vegas, Nevada at various golf facilities.

The City of Moorhead contracts with each PGA of America golf professional for each season. Contracts have historically been for a period of one or two years and are effective from March/April 1 each year through November 15 to adequately cover the golfing season. An overview of the details of the 2011 contract for each PGA of America golf professional as provided by the City of Moorhead is below.

2011				
	Russ Nelson		Corey Herlickson	
Contract Term	7 1/2 Months		8 1/2 Months	
Carts & Driving Range %	10.00%		7.50%	
Base Pay	\$	26,356	\$	25,923
Carts & Driving Range		13,861		10,826
Health Insurance		11,192		11,331
Life Insurance (\$30,000 Term)		58		58
Total from City	\$	51,467	\$	48,138

Review of Compensation

Currently, Mr. Nelson and Mr. Herlickson each receive a base salary, a percentage of cart and driving range revenue, profits from lessons and golf shop sales and health and life insurance benefits. We have excluded the health and life insurance benefits from the compensation shown below to provide a more direct comparison with the benchmark data included on the following pages.

We have estimated the compensation for both PGA of America professionals for calendar years 2011, 2012 and 2013 based on the historical and current contracts and information provided by the City of Moorhead and the current professionals. Detailed information for each line is included in Exhibit 8.

2011		
	Russ Nelson	Corey Herlickson
Base Pay	\$ 26,356	\$ 25,923
Commission Income	13,861	10,826
Total From City of Moorhead	\$ 40,217	\$ 36,749
Estimated Lesson Income	\$ 8,000	\$ 2,500
Estimated Pro Shop Income	6,500	11,500
Subtotal	\$ 14,500	\$ 14,000
Total Income to Professional	\$ 54,717	\$ 50,749

2012		
	Russ Nelson	Corey Herlickson
Base Pay	\$ 26,356	\$ 25,923
Commission Income	14,000	11,000
Total From City of Moorhead	\$ 40,356	\$ 36,923
Estimated Lesson Income	\$ 8,000	\$ 2,500
Estimated Pro Shop Income	6,500	11,500
Subtotal	\$ 14,500	\$ 14,000
Total Income to Professional	\$ 54,856	\$ 50,923

2013		
	Russ Nelson	Corey Herlickson
Base Pay	\$ 27,206	\$ 26,759
Commission Income	14,420	11,330
Total From City of Moorhead	\$ 41,626	\$ 38,089
Estimated Lesson Income	\$ 8,000	\$ 2,500
Estimated Pro Shop Income	6,695	11,845
Subtotal	\$ 14,695	\$ 14,345
Total Income to Professional	\$ 56,321	\$ 52,434

We obtained salary information from various sources including the PGA of America. The PGA of America conducts an annual survey of all golf professionals across the United States. Below is a summary of the comparisons to the estimated 2011 and 2012 compensation for the City of Moorhead's PGA of America professionals.

	2011	2012
Russ Nelson	\$ 54,717	\$ 54,856
Corey Herlickson	50,749	50,923
PGA of America	53,500	53,500
Other Data Source	35,000	35,000

The PGA of America information in the above schedule was the median compensation for a PGA of America Professional in Minnesota during the calendar year 2011. The compensation information from the other data source is based on the median compensation for a golf professional in Moorhead, Minnesota with more than 15 to 20 years of experience.

As shown in the schedule above, the compensation for both Russ Nelson and Corey Herlickson is comparable to the information from the PGA of America and above average compared to the other data sources we obtained.

Based on conversations we had with other industry professionals, it is typical to structure professional golf contracts with a base salary and commissions/incentives for other items. We were unable to obtain commission percentages, but based on conversations we had with industry professionals, the contracts structured by the City of Moorhead were reasonable.

Comparison to City of Moorhead Survey Information

The other source of information reviewed was the survey performed by the City of Moorhead with surrounding golf courses. All of the respondents to the survey indicated that their golf courses were operated by either a PGA of America professional, a city employee was employed as the "Golf Manager" or it was outsourced to a management company (Exhibit 5). 19 of the 21 respondents were operated by a PGA of America professional. Additionally, 19 of the 21 respondents were city employees. Only two respondents were employees of a management company.

Based on the information from the survey, salaries ranged from a low of \$24,000 to a high of \$85,000 annually. The average salary was \$56,209 and was comparable to the median salary of \$56,000. These benchmarks are comparable to the salaries of the golf professionals employed by the City of Moorhead in terms of their total compensation.

We feel the survey provided a good comparison in that many of the respondents did not indicate that those professionals were incentivized by commissions on other services. More specifically, six respondents indicated that the PGA of America professional did receive incentivized compensation in addition to their salary. Of those six respondents, four of them were in the bottom five salaries (which was less than \$40,000 annually) indicated by all respondents. As such, the base salaries of the golf professionals employed by the City of Moorhead were within this range.

Furthermore, the contract length for the bottom five salary respondents ranged from seven to nine months. Again, this was comparable to the golf professionals' contract lengths with the City of Moorhead. Almost all other survey respondents were contracting with their golf professionals or employee on a year-round basis.

Of note, the survey did indicate only four respondents offered health insurance and only six respondents offered a dental/vision plan or life insurance to their golf professionals. Additionally, only seven respondents offered vacation to their golf professionals. Considering that the City of Moorhead does provide health insurance and life insurance benefits to its professionals, the contracts seem to be comparable in terms of both compensation and benefits compared to other golf courses in the area.

Exhibit 1 – Financial Information

CITY OF MOORHEAD GOLF COURSE FACILITIES STATEMENT OF NET ASSETS

	2007	2008	2009	2010	2011
ASSETS:					
Current Assets					
Cash	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts receivable	340	-	21	88	1,604
Due from other city funds	20,442	-	-	-	-
Due from governmental units	200	3,827	4,459	3,827	1,466
Inventory	-	-	-	-	-
Other current assets	-	-	-	-	-
	<u>20,982</u>	<u>3,827</u>	<u>4,480</u>	<u>3,915</u>	<u>3,070</u>
Long-Term Assets					
Restricted cash	913,670	978,602	1,030,647	1,058,408	1,067,493
Notes receivable, net of current	1,002,487	1,002,487	1,127,487	1,127,487	1,127,487
Capital assets, net	6,628,059	6,525,710	6,423,272	6,218,355	6,008,409
Other long-term assets	-	-	-	-	-
	<u>8,544,216</u>	<u>8,506,799</u>	<u>8,581,406</u>	<u>8,404,250</u>	<u>8,203,389</u>
Total Assets	<u>\$ 8,565,198</u>	<u>\$ 8,510,626</u>	<u>\$ 8,585,886</u>	<u>\$ 8,408,165</u>	<u>\$ 8,206,459</u>
LIABILITIES:					
Current Liabilities					
Accounts payable	\$ 9,892	\$ 17,154	\$ 17,709	\$ 19,698	\$ -
Accrued wages payable	8,025	10,618	12,328	13,635	15,124
Due to other city funds	1,438,233	1,691,557	1,693,126	1,647,509	1,666,641
Other liabilities	23,280	22,875	28,655	27,832	30,289
Accrued interest payable	19,078	16,200	15,400	14,490	13,540
Current maturities of long-term debt	170,000	175,000	185,000	195,000	210,000
	<u>1,668,508</u>	<u>1,933,404</u>	<u>1,952,218</u>	<u>1,918,164</u>	<u>1,935,594</u>
Long-Term Liabilities					
Accrued compensated absences	30,833	32,750	32,778	32,254	28,812
Other post-employment benefits	-	2,708	5,416	10,047	13,762
Bonds payable	3,275,706	3,103,870	2,922,034	2,730,198	2,523,362
Advances from other funds	785,768	785,768	785,768	785,768	785,768
	<u>4,092,307</u>	<u>3,925,096</u>	<u>3,745,996</u>	<u>3,558,267</u>	<u>3,351,704</u>
Total Liabilities	<u>5,760,815</u>	<u>5,858,500</u>	<u>5,698,214</u>	<u>5,476,431</u>	<u>5,287,298</u>
NET ASSETS:					
Invested in capital assets, net of related d	5,098,510	5,227,929	3,316,238	3,293,157	3,275,047
Restricted for debt service	913,670	978,602	1,030,647	1,058,408	1,067,493
Unrestricted	(3,207,797)	(3,554,405)	(1,459,213)	(1,419,831)	(1,423,379)
Total Net Assets	<u>2,804,383</u>	<u>2,652,126</u>	<u>2,887,672</u>	<u>2,931,734</u>	<u>2,919,161</u>
Total Liabilities & Net Assets	<u>\$ 8,565,198</u>	<u>\$ 8,510,626</u>	<u>\$ 8,585,886</u>	<u>\$ 8,408,165</u>	<u>\$ 8,206,459</u>

**CITY OF MOORHEAD
GOLF COURSE FACILITIES
REVENUE AND EXPENSE STATEMENT**

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
<u>Rounds of Golf:</u>												
Village Green	29,757	30,418	26,862	27,557	28,113	27,211	29,908	26,963	28,532	31,367	31,604	25,942
Meadows	34,456	36,982	27,272	29,442	28,253	28,182	19,000	22,976	22,655	24,530	23,521	23,752
Total Rounds	64,213	67,400	54,134	56,999	56,366	55,393	48,908	49,939	51,187	55,897	55,125	49,694
<u>Operating Revenue:</u>												
Charges for services	\$ 965,538	\$ 1,085,078	\$ 928,979	\$ 990,756	\$ 900,340	\$ 1,045,223	\$ 1,036,479	\$ 961,791	\$ 940,540	\$ 1,131,978	\$ 1,079,618	\$ 1,030,422
Other	1,200	8,357	36,643	17,125	70,494	92,272	115,367	122,079	86,004	123,077	103,872	99,296
Total Revenue	966,738	1,093,435	928,979	1,007,881	970,834	1,137,495	1,151,846	1,083,870	1,026,544	1,255,055	1,183,490	1,129,718
<u>Operating Expenses:</u>												
Personal services	480,765	471,449	474,919	509,263	543,233	570,234	665,281	631,801	617,987	619,677	635,271	630,748
Professional services	110,827	66,539	62,731	23,747	28,430	28,157	20,604	25,843	1,415	267	276	673
Insurance	36,449	40,578	39,928	37,433	38,704	38,663	39,429	42,765	44,045	44,535	47,611	44,109
Repair and maintenance	24,431	21,906	36,643	27,913	23,080	42,695	68,846	89,248	114,295	69,855	62,721	64,279
Supplies	138,164	109,586	146,990	133,442	123,808	148,057	173,839	175,697	185,928	157,288	159,735	180,640
Utilities	37,532	48,657	53,704	56,938	52,354	57,232	65,606	60,472	70,260	67,279	76,724	68,303
Equipment rental	81,665	84,625	98,800	105,377	119,387	127,054	124,169	134,201	140,483	131,592	129,376	133,822
Miscellaneous	86,783	97,845	82,399	98,683	110,087	125,957	141,174	154,211	150,245	197,373	190,842	184,073
Total Expenses	996,616	941,185	996,114	992,796	1,039,083	1,138,049	1,298,948	1,314,238	1,324,658	1,287,866	1,302,556	1,306,647
Operating Income (Loss)	\$ (29,878)	\$ 152,250	\$ (67,135)	\$ 15,085	\$ (68,249)	\$ (554)	\$ (147,102)	\$ (230,368)	\$ (298,114)	\$ (32,811)	\$ (119,066)	\$ (176,929)

Note: Income excludes interest on investments and expenses exclude depreciation and interest on indebtedness.

Exhibit 2 – Common Size Analysis

**CITY OF MOORHEAD
GOLF COURSE FACILITIES
COMMON SIZE STATEMENT OF NET ASSETS**

	2007	2008	2009	2010	2011	Industry Average
ASSETS:						
Current Assets						
Cash	0.0%	0.0%	0.0%	0.0%	0.0%	15.4%
Accounts receivable	0.0%	0.0%	0.0%	0.0%	0.0%	6.9%
Due from other city funds	0.2%	0.0%	0.0%	0.0%	0.0%	N/A
Due from governmental units	0.0%	0.0%	0.1%	0.0%	0.0%	N/A
Inventory	0.0%	0.0%	0.0%	0.0%	0.0%	2.4%
Other current assets	0.0%	0.0%	0.0%	0.0%	0.0%	5.9%
	0.2%	0.0%	0.1%	0.0%	0.0%	30.6%
Long-Term Assets						
Restricted cash	10.7%	11.5%	12.0%	12.6%	13.0%	14.5%
Notes receivable, net of current	11.7%	11.8%	13.1%	13.4%	13.7%	0.0%
Capital assets, net	77.4%	76.7%	74.8%	74.0%	73.2%	48.9%
Other long-term assets	0.0%	0.0%	0.0%	0.0%	0.0%	6.0%
	99.8%	100.0%	99.9%	100.0%	100.0%	69.4%
Total Assets	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
LIABILITIES:						
Current Liabilities						
Accounts payable	0.1%	0.2%	0.2%	0.2%	0.0%	4.6%
Accrued wages payable	0.1%	0.1%	0.1%	0.2%	0.2%	N/A
Due to other city funds	16.8%	19.9%	19.7%	19.6%	20.3%	10.6%
Other liabilities	0.3%	0.3%	0.3%	0.3%	0.4%	N/A
Accrued interest payable	0.2%	0.2%	0.2%	0.2%	0.2%	N/A
Current maturities of long-term debt	2.0%	2.1%	2.2%	2.3%	2.6%	5.6%
	19.5%	22.7%	22.7%	22.8%	23.6%	20.8%
Long-Term Liabilities						
Accrued compensated absences	0.4%	0.4%	0.4%	0.4%	0.4%	N/A
Other post-employment benefits	0.0%	0.0%	0.1%	0.1%	0.2%	N/A
Bonds payable	38.2%	36.5%	34.0%	32.5%	30.7%	35.0%
Advances from other funds	9.2%	9.2%	9.2%	9.3%	9.6%	3.6%
	47.8%	46.1%	43.6%	42.3%	40.8%	38.6%
Total Liabilities	67.3%	68.8%	66.4%	65.1%	64.4%	59.4%
NET ASSETS:						
Invested in capital assets, net of related d	59.5%	61.4%	38.6%	39.2%	39.9%	N/A
Restricted for debt service	10.7%	11.5%	12.0%	12.6%	13.0%	N/A
Unrestricted	-37.5%	-41.8%	-17.0%	-16.9%	-17.3%	N/A
Total Net Assets	32.7%	31.2%	33.6%	34.9%	35.6%	40.6%
Total Liabilities & Net Assets	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

**CITY OF MOORHEAD
GOLF COURSE FACILITIES
COMMON SIZE REVENUE AND EXPENSE STATEMENT**

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	Industry Average
<u>Rounds of Golf:</u>													
Village Green	46.3%	45.1%	49.6%	48.3%	49.9%	49.1%	61.2%	54.0%	55.7%	56.1%	57.3%	52.2%	
Meadows	53.7%	54.9%	50.4%	51.7%	50.1%	50.9%	38.8%	46.0%	44.3%	43.9%	42.7%	47.8%	
Total Rounds	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	
<u>Operating Revenue:</u>													
Charges for services	99.9%	99.2%	100.0%	98.3%	92.7%	91.9%	90.0%	88.7%	91.6%	90.2%	91.2%	91.2%	
Other	0.1%	0.8%	0.0%	1.7%	7.3%	8.1%	10.0%	11.3%	8.4%	9.8%	8.8%	8.8%	
Total Revenue	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
<u>Operating Expenses:</u>													
Personal services	49.7%	43.1%	51.1%	50.5%	56.0%	50.1%	57.8%	58.3%	60.2%	49.4%	53.7%	55.8%	N/A
Professional services	11.5%	6.1%	6.8%	2.4%	2.9%	2.5%	1.8%	2.4%	0.1%	0.0%	0.0%	0.1%	N/A
Insurance	3.8%	3.7%	4.3%	3.7%	4.0%	3.4%	3.4%	3.9%	4.3%	3.5%	4.0%	3.9%	N/A
Repair and maintenance	2.5%	2.0%	3.9%	2.8%	2.4%	3.8%	6.0%	8.2%	11.1%	5.6%	5.3%	5.7%	N/A
Supplies	14.3%	10.0%	15.8%	13.2%	12.8%	13.0%	15.1%	16.2%	18.1%	12.5%	13.5%	16.0%	N/A
Utilities	3.9%	4.4%	5.8%	5.6%	5.4%	5.0%	5.7%	5.6%	6.8%	5.4%	6.5%	6.0%	N/A
Equipment rental	8.4%	7.7%	10.6%	10.5%	12.3%	11.2%	10.8%	12.4%	13.7%	10.5%	10.9%	11.8%	4.4%
Miscellaneous	9.0%	8.9%	8.9%	9.8%	11.3%	11.1%	12.3%	14.2%	14.6%	15.7%	16.1%	16.3%	N/A
Total Expenses	103.1%	86.1%	107.2%	98.5%	107.0%	100.0%	112.8%	121.3%	129.0%	102.6%	110.1%	115.7%	88.2%
Operating Income (Loss)	-3.1%	13.9%	-7.2%	1.5%	-7.0%	0.0%	-12.8%	-21.3%	-29.0%	-2.6%	-10.1%	-15.7%	11.8%



Exhibit 3 – Survey Results: Financial Data

Revenue Information

Golf Course	Rounds Played Anually	2011 Annual Revenue	Revenue Per Round	Number of Outings in 2011	Number of Tournaments hosted in 2011	2011 Operating Budget	Revenue less Operating Budget
Respondent P	45,000	\$ 1,736,455	\$ 38.59	70	12	\$ 1,550,000	\$ 186,455
Respondent F	23,000	1,565,518	68.07	20	15	1,613,000	(47,482)
Respondent K	30,000	1,200,000	40.00	10	10	1,200,000	-
Respondent Q	45,000	1,187,522	26.39	50	20	1,262,850	
Respondent M	32,000	1,050,000	32.81	20	15	1,000,000	50,000
Respondent S	25,000	950,000	38.00	20	15	904,000	46,000
Respondent N	33,000	902,476	27.35	37	37	952,496	(50,020)
Respondent L	32,000	875,000	27.34	50	10	1,000,000	(125,000)
Respondent I	26,000	850,000	32.69	25	10	1,050,706	(200,706)
Respondent E	22,000	793,470	36.07	12	12	882,478	(89,008)
Respondent T	18,000	738,000	41.00			646,018	91,982
Respondent R	22,476	600,800	26.73			594,175	6,625
Respondent H	25,000	552,000	22.08	20	20	414,000	138,000
Respondent D	22,000	529,000	24.05	12	12	435,000	94,000
Respondent C	20,000	525,000	26.25	15	8	500,000	25,000
Respondent U	35,000	458,843	13.11	25	5	330,904	127,939
Respondent B	19,000	430,000	22.63	10	15	450,000	(20,000)
Respondent A	15,000	375,000	25.00	24	6		375,000
Respondent G	25,000	290,000	11.60	30	3	300,000	(10,000)
Respondent J	28,000	288,000	10.29	15	9	314,000	(26,000)
Respondent O	35,000			35			
Minimum	15,000	\$ 288,000	\$ 10.29	10	3	\$ 300,000	\$ (200,706)
25th Percentile	22,000	508,461	23.69	15	9	442,500	(36,741)
Median (50th Percentile)	25,000	765,735	27.04	20	12	882,478	6,625
Mean	27,499	794,854	29.50	26	13	810,507	30,147
75th Percentile	32,000	975,000	36.55	33	15	1,025,353	92,991
Maximum	45,000	1,736,455	68.07	70	37	1,613,000	375,000
The Meadows	28,000	\$ 544,061	\$ 19.43	52	20	\$ 690,130	\$ (146,069)
Village Green	29,000	555,995	19.17	20	5	606,459	(50,464)

Operating Budget Information

Golf Course	2011 Annual Revenue	Maintenance Budget	Clubhouse Budget	2011 Operating Budget	Revenue less Operating Budget
Respondent P	\$ 1,736,455	\$ 550,000	\$ 1,000,000	\$ 1,550,000	\$ 186,455
Respondent F	1,565,518	616,000	1,080,000	1,613,000	(47,482)
Respondent K	1,200,000	355,000	245,000	1,200,000	
Respondent Q	1,187,522			1,262,850	(75,328)
Respondent M	1,050,000	420,000	530,000	1,000,000	50,000
Respondent S	950,000	450,000	381,000	904,000	46,000
Respondent N	902,476	571,511	137,033	952,496	(50,020)
Respondent L	875,000	608,000	392,000	1,000,000	(125,000)
Respondent I	850,000	490,000	560,706	1,050,706	(200,706)
Respondent E	793,470	267,480	762,478	882,478	(89,008)
Respondent T	738,000	135,850		646,018	91,982
Respondent R	600,800	98,000		594,175	6,625
Respondent H	552,000	210,000		414,000	138,000
Respondent D	529,000	200,000	224,000	435,000	94,000
Respondent C	525,000	250,000	250,000	500,000	25,000
Respondent U	458,843	200,000	111,000	330,904	127,939
Respondent B	430,000	275,000	120,000	450,000	(20,000)
Respondent A	375,000	150,000	250,000		375,000
Respondent G	290,000	50,000	40,000	300,000	(10,000)
Respondent J	288,000	156,000	158,000	314,000	(26,000)
Respondent O					
Minimum	\$ 288,000	\$ 50,000	\$ 40,000	\$ 300,000	\$ (200,706)
25th Percentile	508,461	178,000	152,758	442,500	(48,751)
Median (50th Percentile)	765,735	267,480	250,000	882,478	6,625
Mean	794,854	318,571	390,076	810,507	26,182
75th Percentile	975,000	470,000	537,677	1,025,353	92,991
Maximum	1,736,455	616,000	1,080,000	1,613,000	375,000
The Meadows	\$ 544,061	\$ 427,528	\$ 262,602	\$ 690,130	\$ (146,069)
Village Green	555,995	390,199	216,260	606,459	(50,464)

Maintenance Budget Information

Golf Course	Maintenance Budget	Size (acres)	Number of Holes	Maintenance Budget per Acre	Maintenance Budget per Hole
Respondent F	\$ 616,000	310.00	27	\$ 1,987	\$ 22,815
Respondent L	608,000	200.00	18	3,040	33,778
Respondent N	571,511	120.00	18	4,763	31,751
Respondent P	550,000	200.00	27	2,750	20,370
Respondent I	490,000	250.00	27	1,960	18,148
Respondent S	450,000	200.00	18	2,250	25,000
Respondent M	420,000	190.00	18	2,211	23,333
Respondent K	355,000	35.00	9	10,143	39,444
Respondent B	275,000	100.00	18	2,750	15,278
Respondent E	267,480	118.00	18	2,267	14,860
Respondent C	250,000	160.00	18	1,563	13,889
Respondent H	210,000	120.00	18	1,750	11,667
Respondent D	200,000	252.00	18	794	11,111
Respondent U	200,000	100.00	18	2,000	11,111
Respondent J	156,000	23.00	9	6,783	17,333
Respondent A	150,000		18		8,333
Respondent T	135,850	172.00	18	790	7,547
Respondent R	98,000	170.00	18	576	5,444
Respondent G	50,000	31.00	9	1,613	5,556
Respondent Q		95.00	18		
Respondent O		221.00	18		
Minimum	\$ 50,000	23.00	9	\$ 576	\$ 5,444
25th Percentile	178,000	100.00	18	1,647	11,111
Median (50th Percentile)	267,480	165.00	18	2,105	15,278
Mean	318,571	153.35	18	2,777	17,725
75th Percentile	470,000	200.00	18	2,750	23,074
Maximum	616,000	310.00	27	10,143	39,444
The Meadows	\$ 427,528	178.16	18	\$ 2,400	\$ 23,752
Village Green	390,199	163.65	18	2,384	21,678

Maintenance Budget Information (continued)

Golf Course	Maint Budget	Superindent Salary	Percent of Maint Budget	Temp Emp Budget	Percent of Maint Budget	Total Maint. Labor Costs	Percent of Maint Budget
Respondent J	\$ 156,000	\$ 78,000	50.0%	\$ 13,650	8.8%	\$ 91,650	58.8%
Respondent K	355,000	75,000	21.1%	40,000	11.3%	115,000	32.4%
Respondent L	608,000	70,000	11.5%	96,000	15.8%	166,000	27.3%
Respondent N	571,511	68,000	11.9%	78,500	13.7%	146,500	25.6%
Respondent O		68,000				68,000	
Respondent Q		68,000				68,000	
Respondent R	135,850	67,075	NM	66,515	NM	133,590	NM
Respondent S	450,000	65,000	14.4%	100,000	22.2%	165,000	36.7%
Respondent M	420,000	60,000	14.3%	100,000	23.8%	160,000	38.1%
Respondent P	550,000	60,000	10.9%	140,000	25.5%	200,000	36.4%
Respondent H	210,000	58,000	27.6%	41,000	19.5%	99,000	47.1%
Respondent E	267,480	56,000	20.9%	44,170	16.5%	100,170	37.4%
Respondent F	616,000	56,000	9.1%	76,000	12.3%	132,000	21.4%
Respondent T	98,000	51,018	NM	75,910	NM	126,928	NM
Respondent B	275,000	51,000	18.5%	53,700	19.5%	104,700	38.1%
Respondent I	490,000	50,000	10.2%	100,000	20.4%	150,000	30.6%
Respondent U	200,000	48,500	24.3%			48,500	24.3%
Respondent D	200,000	48,000	24.0%	28,000	14.0%	76,000	38.0%
Respondent A	150,000	42,000	28.0%	26,000	17.3%	68,000	45.3%
Respondent C	250,000	35,000	14.0%	45,000	18.0%	80,000	32.0%
Respondent G	50,000			50,000	NM	50,000	NM
Minimum	\$ 50,000	\$ 35,000	9.1%	\$ 13,650	8.8%	\$ 48,500	21.4%
25th Percentile	178,000	50,750	11.8%	41,793	13.9%	76,000	29.8%
Median (50th Percentile)	267,480	59,000	16.5%	60,108	17.3%	104,700	36.5%
Mean	318,571	58,730	19.4%	65,247	17.2%	111,859	35.6%
75th Percentile	470,000	68,000	24.1%	91,625	20.0%	146,500	38.1%
Maximum	616,000	78,000	50.0%	140,000	25.5%	200,000	58.8%
The Meadows	\$ 427,528	\$ 59,555	13.9%	\$ 60,190	14.1%	\$ 119,745	28.0%
Village Green	390,199	59,555	15.3%	60,190	15.4%	119,745	30.7%

Maintenance Budget Information (continued)

Golf Course	Size (acres)	Maint Budget	Maint Budget per acre	Fertilizer Budget	Fertilizer Budget per acre	Percent of Maint Budget	Chemical Budget	Chemical Budget per acre	Percent of Maint Budget
Respondent J	23.00	\$ 156,000		\$ 5,000	\$ 217		\$ 4,000	\$ 174	
Respondent K	35.00	355,000	\$ 10,143	10,000	286	2.8%	10,000	286	2.8%
Respondent L	200.00	608,000	3,040	20,000	100	3.3%	20,000	100	3.3%
Respondent N	120.00	571,511	4,763	37,697	314	6.6%	37,598	313	6.6%
Respondent O	221.00		-						
Respondent Q	95.00			13,700	144		11,600	122	
Respondent R	172.00	135,850	790	45,000	262	33.1%			
Respondent S	200.00	450,000	2,250	35,000	175	7.8%	42,000	210	9.3%
Respondent M	190.00	420,000	2,211	12,000	63	2.9%	12,500	66	3.0%
Respondent P	200.00	550,000	2,750	65,000	325	11.8%	35,000	175	6.4%
Respondent H	120.00	210,000	1,750	40,000	333	19.0%			
Respondent E	118.00	267,480	2,267	14,500	123	5.4%	14,500	123	5.4%
Respondent F	310.00	616,000	1,987	22,000	71	3.6%	20,000	65	3.2%
Respondent T	170.00	98,000	576	40,000	235	40.8%			
Respondent B	100.00	275,000	2,750	14,000	140	5.1%	9,000	90	3.3%
Respondent I	250.00	490,000	1,960	25,000	100	5.1%	30,000	120	6.1%
Respondent U	100.00	200,000	2,000	24,000	240	12.0%	20,000	200	10.0%
Respondent D	252.00	200,000	794	23,500	93	11.8%			
Respondent A		150,000		5,000		3.3%	5,000		3.3%
Respondent C	160.00	250,000	1,563	20,000	125	8.0%	20,000	125	8.0%
Respondent G	31.00	50,000	1,613	8,500	274	17.0%	3,500	113	7.0%
Minimum	23.00	\$ 50,000	\$ -	\$ 5,000	\$ 63	2.8%	\$ 3,500	\$ 65	2.8%
25th Percentile	100.00	178,000	1,575	13,275	111	4.0%	9,750	106	3.3%
Median (50th Percentile)	170.00	267,480	1,994	21,000	175	7.2%	17,250	123	5.8%
Mean	154.35	318,571	2,400	23,995	191	11.1%	18,419	152	5.6%
75th Percentile	200.00	470,000	2,629	35,674	268	12.0%	22,500	188	6.9%
Maximum	310.00	616,000	10,143	65,000	333	40.8%	42,000	313	10.0%
The Meadows	178.16	\$ 427,528	\$ 2,400	\$ 18,000	\$ 101	4.2%	\$ 12,000	\$ 67	2.8%
Village Green	163.65	390,199	2,384	15,000	92	3.8%	12,000	73	3.1%

Clubhouse Budget Information

Golf Course	Clubhouse Budget	Number of Holes	Rounds Played Anually	Clubhouse Budget per Hole	Clubhouse Budget per Hole
Respondent F	\$ 1,080,000	27	23,000	\$ 40,000	\$ 46.96
Respondent P	1,000,000	27	45,000	37,037	22.22
Respondent E	762,478	18	22,000	42,360	34.66
Respondent I	560,706	27	26,000	20,767	21.57
Respondent M	530,000	18	32,000	29,444	16.56
Respondent L	392,000	18	32,000	21,778	12.25
Respondent S	381,000	18	25,000	21,167	15.24
Respondent C	250,000	18	20,000	13,889	12.50
Respondent A	250,000	18	15,000	13,889	16.67
Respondent K	245,000	9	30,000	27,222	8.17
Respondent D	224,000	18	22,000	12,444	10.18
Respondent J	158,000	9	28,000	17,556	5.64
Respondent N	137,033	18	33,000	7,613	4.15
Respondent B	120,000	18	19,000	6,667	6.32
Respondent U	111,000	18	35,000	6,167	3.17
Respondent G	40,000	9	25,000	4,444	1.60
Respondent Q		18	45,000		
Respondent T		18	18,000		
Respondent R		18	22,476		
Respondent H		18	25,000		
Respondent O		18	35,000		
Minimum	\$ 40,000	9	15,000	\$ 4,444	\$ 1.60
25th Percentile	152,758	18	22,000	11,237	6.15
Median (50th Percentile)	250,000	18	25,000	19,161	12.38
Mean	390,076	18	27,499	20,153	14.87
75th Percentile	537,677	18	32,000	27,778	17.89
Maximum	1,080,000	27	45,000	42,360	46.96
The Meadows	\$ 262,602	18	28,000	\$ 14,589	\$ 9.38
Village Green	216,260	18	29,000	12,014	7.46

Clubhouse Budget Information (continued)

Golf Course	Clubhouse Budget	Mgmt Salary	Percent of Clubhouse Budget	Temp Emp Budget	Percent of Clubhouse Budget	Total Clubhouse Labor Costs	Percent of Clubhouse Budget
Respondent Q		\$ 85,000		\$ 185,000		\$ 270,000	
Respondent N	\$ 137,033	83,180	NM	72,250	NM	155,430	NM
Respondent K	245,000	75,000	30.6%	99,000	40.4%	174,000	71.0%
Respondent M	530,000	75,000	14.2%	100,000	18.9%	175,000	33.0%
Respondent I	560,706	72,000	12.8%	40,000	7.1%	112,000	20.0%
Respondent O		68,000		50,000		118,000	
Respondent P	1,000,000	60,000	6.0%	120,000	12.0%	180,000	18.0%
Respondent J	158,000	60,000	38.0%	37,000	23.4%	97,000	61.4%
Respondent E	762,478	60,000	7.9%	57,527	7.5%	117,527	15.4%
Respondent F	1,080,000	58,000	5.4%	42,000	3.9%	100,000	9.3%
Respondent C	250,000	57,000	22.8%	25,000	10.0%	82,000	32.8%
Respondent U	111,000	56,000	NM	83,000	NM	139,000	NM
Respondent G	40,000	55,000	NM	60,000	NM	115,000	NM
Respondent L	392,000	53,000	13.5%	96,000	24.5%	149,000	38.0%
Respondent A	250,000	51,000	20.4%	15,000	6.0%	66,000	26.4%
Respondent D	224,000	45,000	20.1%	27,000	12.1%	72,000	32.1%
Respondent S	381,000	40,000	10.5%	55,000	14.4%	95,000	24.9%
Respondent R		36,212				36,212	
Respondent H		34,000		41,000		75,000	
Respondent T		33,000				33,000	
Respondent B	120,000	24,000	20.0%	31,000	25.8%	55,000	45.8%
Minimum	\$ 40,000	\$ 24,000	5.4%	\$ 15,000	3.9%	\$ 33,000	9.3%
25th Percentile	152,758	45,000	10.5%	38,500	7.5%	75,000	20.0%
Median (50th Percentile)	250,000	57,000	14.2%	55,000	12.1%	112,000	32.1%
Mean	390,076	56,209	17.1%	65,041	15.9%	115,056	32.9%
75th Percentile	537,677	68,000	20.4%	89,500	23.4%	149,000	38.0%
Maximum	1,080,000	85,000	38.0%	185,000	40.4%	270,000	71.0%
The Meadows	\$ 262,602	\$ 25,923	9.9%	\$ 40,000	15.2%	\$ 40,000	15.2%
Village Green	216,260	26,356	12.2%	35,020	16.2%	35,020	16.2%

Exhibit 4 – Survey Results: Maintenance Structure

Personnel Information

Golf Course	Superintendent employment	Superintendent Salary	Months on Site	FT Maint Employees	Any full-time maintenance emps work during off-season?	PT & Temp Employees	Temp Emp Budget	Budget per PT & Temp Employee
Respondent J	Full-Time Employee	\$ 78,000	12	1	No	3	\$ 13,650	\$ 4,550
Respondent K	Full-Time Employee	75,000		3	No	6	40,000	6,667
Respondent L	Full-Time Employee	70,000	12	3	Yes	15	96,000	6,400
Respondent N	Full-Time Employee	68,000	12	1	No	12	78,500	6,542
Respondent O	Full-Time Employee	68,000	10	3	No	8		
Respondent Q	Full-Time Employee	68,000	12	4	No	10		
Respondent R	Full-Time Employee	67,075	9	3	No	11	66,515	6,047
Respondent S	Full-Time Employee	65,000	12	2	Yes	15	100,000	6,667
Respondent M	Full-Time Employee	60,000	12	2	No	14	100,000	7,143
Respondent P		60,000	12	7	No	25	140,000	5,600
Respondent H	Full-Time Employee	58,000	12	1	No	4	41,000	10,250
Respondent E	Full-Time Employee	56,000	12	2	Yes	14	44,170	3,155
Respondent F	Full-Time Employee	56,000	11	1	Yes	14	76,000	5,429
Respondent T	Full-Time Employee	51,018	9	2	No	12	75,910	6,326
Respondent B	Full-Time Employee	51,000	12	2	Yes	8	53,700	6,713
Respondent I	Full-Time Employee	50,000	12	2	No	15	100,000	6,667
Respondent U	Full-Time Employee	48,500	12	3	No	10		
Respondent D	Full-Time Employee	48,000	12	1	Yes	6	28,000	4,667
Respondent A	Full-Time Employee	42,000	9		No	6	26,000	4,333
Respondent C	Contracted	35,000	7		Yes	12	45,000	3,750
Respondent G	Full-Time Employee		12		No	5	50,000	10,000
Minimum		\$ 35,000	7	1		3	\$ 13,650	\$ 3,155
25th Percentile		50,750		1		6	41,793	4,857
Median (50th Percentile)		59,000		2		11	60,108	6,363
Mean		58,730		2		11	65,247	6,161
75th Percentile		68,000		3		14	91,625	6,667
Maximum		78,000	12	7		25	140,000	10,250
The Meadows	Full-Time Employee	\$ 59,555	12	2.5	Yes	11	\$ 60,190	\$ 5,472
Village Green	Full-Time Employee	59,555	12	2.5	Yes	11	60,190	5,472

Other Maintenance Information

Golf Course	Spray snow mold?	Cover greens in winter?	Aerate the greens?	Aerate the fairways?	Mow the greens times a week?
Respondent J	Yes	Yes	Yes	Yes	7
Respondent K	Yes	No	Yes	Yes	3 - 5
Respondent L	Yes	No	Yes	Yes	7
Respondent N	Yes	No	Yes	Yes	7
Respondent O	Yes	No	Yes	Yes	7
Respondent Q	Yes	No	Yes	Yes	3 - 5
Respondent R	Yes	No	Yes	Yes	7
Respondent S	Yes	Yes	Yes	Yes	7
Respondent M	Yes	No	Yes	Yes	7
Respondent P	Yes	Yes	Yes	Yes	7
Respondent H	Yes	No	Yes	Yes	
Respondent E	Yes	No	Yes	Yes	7
Respondent F	Yes	No	Yes	Yes	7
Respondent T	Yes	No	Yes	Yes	7
Respondent B	Yes	No	Yes	Yes	1 - 3
Respondent I	Yes	Yes	Yes	No	3 - 5
Respondent U	Yes	No	Yes	Yes	7
Respondent D	Yes	Yes	Yes	Yes	7
Respondent A	Yes	No	Yes	Yes	7
Respondent C	Yes	No	Yes	Yes	7
Respondent G	Yes	Yes	Yes	Yes	3 - 5
The Meadows	Yes	Yes	Yes	Yes	7
Village Green	Yes	Yes	Yes	Yes	7



Exhibit 5 – Survey Results: Management Structure

Golf Course Manager/PGA Professional

Golf Course	PGA Pro	City Employee	Mgmt Salary	Months on Site	Offer Health Ins.	Offer Dental/Vision	Offer Life Ins.	Offer Vacation
Respondent Q	Yes	Yes	\$ 85,000	12	No	No	No	No
Respondent N	Yes	Yes	83,180	12	No	Yes	No	No
Respondent K	Yes	Yes	75,000	12	No	No	No	No
Respondent M	Yes	Yes	75,000	12	No	No	No	No
Respondent I	Yes	Yes	72,000	12	No	No	No	No
Respondent O	Yes	Yes	68,000	12	No	No	No	No
Respondent P	Yes	Yes	60,000	12	No	No	No	No
Respondent J	No	Yes	60,000	12: 3/4X	No	No	No	No
Respondent E	No	No	60,000	12	Yes	Yes	Yes	Yes
Respondent F	Yes	No	58,000	12	No	Yes	Yes	No
Respondent C	Yes	Yes	57,000	12	No	No	Yes	No
Respondent U	Yes	Yes	56,000	12	No	Yes	No	No
Respondent G	Yes	Yes	55,000	12	Yes	No	No	No
Respondent L	Yes	Yes	53,000	12	No	No	No	No
Respondent A	Yes	Yes	51,000	10	No	Yes	No	No
Respondent D	Yes	Yes	45,000	8 full 4 p	Yes	No	No	Yes
Respondent S	Yes	Yes	40,000	9	No	Yes	No	Yes
Respondent R	Yes	Yes	36,212	7	No	No	No	Yes
Respondent H	Yes	Yes	34,000	9	No	Yes	Yes	Yes
Respondent T	Yes	Yes	33,000	7	No	No	Yes	Yes
Respondent B	Yes	Yes	24,000	9	Yes	Yes	Yes	Yes
Minimum			\$ 24,000					
25th Percentile			45,000					
Median (50th Percentile)			57,000					
Mean			56,209					
75th Percentile			68,000					
Maximum			85,000					
The Meadows			\$ 25,923	8.5	Yes	Yes	Yes	Yes
Village Green			26,356	7.5	Yes	Yes	Yes	Yes

Assistant Golf Pro and Temporary Employees

Golf Course	Staff Asst		Type	Hourly Wage	Salary	Rounds Played Anually	Temp Emp Budget	Temp Emp Budget / Rounds
	Golf Pro	How Many?						
Respondent Q	No	1	City Employee		\$ 65,000	45,000	\$ 185,000	\$ 4.11
Respondent N	No	2	City Employee	13		33,000	72,250	2.19
Respondent K	No	2	City Employee			30,000	99,000	3.30
Respondent M	No	1	City Employee	11		32,000	100,000	3.13
Respondent I	No	3	City Employee	10		26,000	40,000	1.54
Respondent O	No	1	City Employee	20		35,000	50,000	1.43
Respondent P	No		City Employee	30-50		45,000	120,000	2.67
Respondent J	Yes					28,000	37,000	1.32
Respondent E	Yes				-	22,000	57,527	2.61
Respondent F	No	1	seasonal	12.5		23,000	42,000	1.83
Respondent C	Yes					20,000	25,000	1.25
Respondent U	No	1	City Employee			35,000	83,000	2.37
Respondent G	Yes					25,000	60,000	2.40
Respondent L	No	2	City Employee	12		32,000	96,000	3.00
Respondent A	Yes					15,000	15,000	1.00
Respondent D	No	1	Contract Employee	15		22,000	27,000	1.23
Respondent S	No	2	Hourly	14		25,000	55,000	2.20
Respondent R	Yes					18,000		
Respondent H	Yes					25,000	41,000	1.64
Respondent T	No	2	City Employee			22,476		
Respondent B	No	1	Contract Employee		14,000	19,000	31,000	1.63
Minimum						15,000	\$ 15,000	\$ 1.00
25th Percentile						22,000	38,500	1.48
Median (50th Percentile)						25,000	55,000	2.19
Mean						27,499	65,041	2.15
75th Percentile						32,000	89,500	2.64
Maximum						45,000	185,000	4.11
The Meadows	No	1	City Employee		\$ 9,833	28,000	\$ 40,000	\$ 1.43
Village Green	No	1	City Employee			29,000	35,020	1.21



Exhibit 6 – Survey Results: Food & Beverage Service

Service Provider Information

Golf Course	Service Provider	Employee Type	Who pays facility utility costs	Who pays for equipment	Who pays for equipment repair
Respondent G	City	City Employees			
Respondent P	City	City Employees	City	City	City
Respondent M	City	City Employees	City	City	City
Respondent L	City	City Employees	City	City	City
Respondent A	City	City Employees	City	City	City
Respondent J	City	City Employees	City	City	City
Respondent K	City	City Employees	City	City	City
Respondent Q	City	City Employees	City	City	City
Respondent D	Contractor	Employed by Contractor	Contractor	Contractor	Contractor
Respondent H	Contractor	Employed by Contractor	Contractor	City	City
Respondent B	Contractor	Employed by Contractor	City	City	City
Respondent N	Contractor	Employed by Contractor	Contractor	Contractor	Contractor
Respondent I	Contractor	Employed by Contractor	Contractor	Contractor	Contractor
Respondent O	Contractor	Employed by Contractor	City	Contractor	Contractor
Respondent U	Contractor	Employed by Contractor	City	City	City
Respondent S	Contractor	Employed by Contractor	City	City	City
Respondent R	Contractor	Employed by Contractor	City	City	Contractor
Respondent T	Contractor	Employed by Contractor	Contractor	Contractor	Contractor
Respondent F	Contractor	Employed by Contractor	Contractor	Contractor	Contractor
Respondent E	Contractor	City Employees	City	City	City
Respondent C	Contractor	Employed by Contractor	Contractor	Contractor	Contractor
The Meadows	Contractor		City	City	City
Village Green	Contractor	Employed by Contractor	City	City	City

Facility Type and Capacity Information

Golf Course	Service Provider	Pre-Packaged Food Only	Bar and Grill Only (capacity)	Bar and Grill with Banquet Facility (capacity)	Full Service Restaurant Open to Public (capacity)
Respondent G	City	No		60	
Respondent P	City	Yes	40		
Respondent M	City	Yes	70		
Respondent L	City	Yes		120	
Respondent A	City	No			
Respondent J	City	Yes	65		
Respondent K	City	No			
Respondent Q	City	Yes	X		
Respondent D	Contractor	Yes		175	
Respondent H	Contractor	Yes		75	
Respondent B	Contractor	Yes		150	
Respondent N	Contractor	Yes		500+	
Respondent I	Contractor	Yes			275
Respondent O	Contractor	Yes		35 and 200	
Respondent U	Contractor	Yes	110		
Respondent S	Contractor	Yes			200
Respondent R	Contractor	Yes			X
Respondent T	Contractor	Yes	X		
Respondent F	Contractor	Yes			350
Respondent E	Contractor	Yes		230	
Respondent C	Contractor	Yes			140
The Meadows	Contractor	Yes		160	
Village Green	Contractor	Yes	75		

Contractor Relationship Information

Golf Course	Service Provider	Gross sales %		No Payment
		paid to City	Space Lease \$	
Respondent G	City			Yes
Respondent P	City			Yes
Respondent M	City			Yes
Respondent L	City			Yes
Respondent A	City			Yes
Respondent J	City			Yes
Respondent K	City			Yes
Respondent Q	City			Yes
Respondent D	Contractor			Yes
Respondent H	Contractor	10		
Respondent B	Contractor		10000	
Respondent N	Contractor	5		
Respondent I	Contractor		Yes	
Respondent O	Contractor	12.5		
Respondent U	Contractor	15		
Respondent S	Contractor	9		
Respondent R	Contractor	2.5 - 5.0		
Respondent T	Contractor			Yes
Respondent F	Contractor			No
Respondent E	Contractor			Yes
Respondent C	Contractor		18,000	
The Meadows	Contractor	10		Yes
Village Green	Contractor	10		Yes

Exhibit 7 – Survey Questionnaire



Municipal Golf Course Organization and Operations Survey

We need your help! The City of Moorhead Minnesota is conducting a survey of organizational structure and operations of municipal golf courses in Minnesota and Eastern North Dakota as we look for operating efficiencies for our own municipal golf courses. Your participation is requested. Please note the survey is not intended to be anonymous; aggregate information will be tabulated and some community specific information may also be reported.

The survey information may also interest other Cities. All survey participants will receive a copy of the results once compiled. Please respond by March 15, 2012.

Thank you for your participation!

Golf Course: _____ Size (acres): _____
 City: _____ Population: _____
 Rounds played annually: _____
 Number of Outings in 2011: _____ Number of Tournaments hosted in 2011: _____

Budget 2011

2011 Annual Revenue (Gross): \$ _____
 2011 Total Operating Budget \$ _____
 Maintenance Budget \$ _____
 Clubhouse Budget \$ _____
 Debt Service (if applicable) Yes No

Clubhouse

What type of management structure do you utilize for the clubhouse?

- PGA Professional working as a City Employee
- PGA Professional working under a contract
- Golf Manager - City Employee
- Management Company
- Other (please describe): _____

2011 Base salary for person referenced above \$ _____

How many months is this person on-site annually? _____

Benefits offered (please check all that apply)

- Health
- Dental / Vision
- Life
- Vacation

Additional Incentives offered

- Gas Cart Revenue _____ %
- Driving Range Revenue _____ %
- Pro Shop Revenue _____ %
- Group / Private Lesson Revenue _____ %
- None
- Other (please list) _____

Who owns the inventory in the Pro Shop?

- Club House Manager
- City _____
- Other (please describe) _____

Does the City receive income from the Pro Shop?

- Yes No
- Space Leasing Fee \$ _____
- Percentage of Sales _____ %
- Other (please describe) _____

Do you have an Assistant Golf Professional(s) ?

- Yes (how many?) _____ No
- IF Yes, is that person a:
- City Employee Contract Employee Other (please describe): _____
- Hourly Wage \$ _____ /hour Salary \$ _____ /year

Temporary/Seasonal Employees

2011 Employee Budget: \$ _____

Food / Beverage

Service Provider:

- City Contractor _____
- Other (please describe) _____

Are the Food/Beverage employees: City Employees Employed by Contractor

Services Offered:

- Pre-Packaged Food only
- Bar and Grill only, Seating capacity _____
- Bar and Grill with banquet facility, Seating capacity _____
- Full Service restaurant open to the public, Seating capacity _____
- Other (please describe) _____

If you utilize a contractor, do they pay the City a fee to lease the space or take a percentage of sales?

- Gross sales percentage paid to the City _____ %
- Space Lease \$ _____
- No Payment
- Other arrangement (please describe) _____

- Who pays the facility utility costs? City Contractor
- Who pays for equipment? City Contractor
- Who pays for Equipment Repair City Contractor

Maintenance

Golf Course Superintendent's 2012 annual salary: \$ _____

Is the Golf Course Superintendent a full-time employee or seasonal?

- Full-Time Employee
- Seasonal
- Contracted

Number of months on-site annually: _____

Total number of maintenance employees:

Full-Time: _____ Part-Time: _____ Seasonal/Temporary: _____

2011 Seasonal / Temporary Employee Budget \$ _____

Do any of the full-time golf course maintenance employees work for the City in another capacity during the off-season?

- Yes
- No

Fertilizer Budget \$ _____

Chemical Budget \$ _____

- Do you spray for snow mold? Yes No
- Do you cover the greens in the winter? Yes No
- Do you aerate the greens? Yes No
- Do you aerate the fairways? Yes No

How many times a week do you mow the greens? 1 - 3 3-5 7

Please describe any innovative programs or cost saving initiatives your community has implemented in the past 5 years.

■

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■

Thanks for taking the time to complete this survey.

[Submit Survey](#)

Thank you for your
participation!

»» Exhibit 8 – Detail for Compensation Analysis

Estimated Cart and Driving Range Commission Income

Cart Revenue	Village Green	The Meadows
2009	\$ 106,846	\$ 104,949
2010	104,494	110,387
2011	106,792	120,697
Average (2009-2011)	\$ 106,044	\$ 112,011
Average (2010-2011)	105,643	115,542

Driving Range Revenue	Village Green	The Meadows
2009	\$ 39,262	\$ 26,738
2010	33,526	25,423
2011	32,414	22,864
Average (2009-2011)	\$ 35,067	\$ 25,008
Average (2010-2011)	32,970	24,144

Estimated Commissions	Russ Nelson	Corey Herlickson
Commission Percentage	10.00%	7.50%
2009	\$ 14,611	\$ 9,877
2010	13,802	10,186
2011	13,921	10,767
Average (2009-2011)	\$ 14,111	\$ 10,276
Average (2010-2011)	13,861	10,476

Note: Cart revenue and driving range revenue was provided by the City of Moorhead. Commission percentages were obtained from existing contracts with Russ Nelson and Corey Herlickson.

Estimated Teaching Income

Teaching Income	Russ Nelson	Corey Herlickson
Rate per Lesson	\$ 40	\$ 50
Est. # of Lessons per Year	200	50
Est. Lesson Income	<u>\$ 8,000</u>	<u>\$ 2,500</u>

Note: Information provided by the Russ Nelson and Corey Herlickson.

Estimated Pro Shop Income

Pro Shop Sales	Russ Nelson	Corey Herlickson
2009	\$ 75,028	\$ 102,204
2010	64,905	116,763
2011	63,446	112,335
Average (2009-2011)	\$ 67,793	\$ 110,434
Average (2010-2011)	64,176	114,549

Estimated Profit	Russ Nelson	Corey Herlickson
Profit Margin Percentage	10%	10%
2009	\$ 7,503	\$ 10,220
2010	6,491	11,676
2011	6,345	11,234
Average (2009-2011)	\$ 6,779	\$ 11,043
Average (2010-2011)	6,418	11,455

Note: Pro Shop Sales was provided by the City of Moorhead. Profit margin percentage is based on industry information available and estimates provided by the Russ Nelson and Corey Herlickson.