

2014
ANNUAL REPORT
GOLF & CEMETERY DEPARTMENT
City of Mitchell, SD

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CEMETERY STATISTICS

2014 Interments:	Full Size	115	
	Cremations	41	25.7% (7 in columbarium)
	Infant	3	
	Disinter-Reinterment	1	
		Total 2014 interments	160
2013	128		
2012	125		

Vital Statistics

As you can see the number of interments has started its predictable march forward. This has been expected as the largest population of Baby Boomers in history reaches their golden and twilight years. The numbers will continue to climb for the next fifteen to twenty years.

The last peak we saw was around the end of the century as children of WWI Veterans reached the end of the vital statistic chart. The baby boomers born after WWI born from 1918 to 1925 were also reaching their golden and twilight years. During a 20 year span from 1980 to 2000 , the interments in Mitchell were a variable from 145 to 160 annually. The last ten years low numbers are from end tables of those statistics when birth rates were lower during the 30s.

With the largest population in history (late 40s boomers) currently reaching the end of the life expectancy scale, annual interment numbers will be all time highs in the range of 170+.

As you can see by the above numbers, cremation numbers continue to climb. This will also continue as education, tradition and acceptance by the younger generations changes. As I have indicated in the past, many areas close to South Dakota are already over 50% cremation and as high as 65%.

The Zero Growth Culture of the late 60s and 70s will be the next cycle of mortality statistics. This reduced the average number of children in US families to 2.1. These numbers will be buffered by the mass immigration numbers in the last three decades. A short window for the effects from the Zero Growth movement was quickly offset by a growing number of immigrants to the United States.

FYI: Population of the USA grew 22.5% from 1990 to 2010. This pales in comparison to United Arab Emirates and Qatar that grew 315% and 271% respectively. Pakistan 55.3% India 40%. The Middle East collectively +51%, Mexico 36% These figures are a stark contrast to the Soviet Union at -3.6% and Japan at 5% For the same time period.

CEMETERY OPERATIONS 2014

Irrigation

With the help of Public Works and Utility Division we installed about 1,500 feet of new eight inch irrigation trunkline. The old trunkline was installed in the early 1900s and was a common steel pipe. The old pipe ran through a wooded area in a bay and was quite deep in the ground. Some parts of the pipe were under water. Access was almost impossible to access repair some areas of the pipe.

This pipe was possibly installed when Lake Mitchell was quite low during the 30s or when the Dam broke in the late 40s. I am betting it was a WPA project during the 30s drought.

The old pipe had many small breaks in it and the interior was scaled full of rust. This scale plugged sprinklers and reduced flow considerably. In doing so, it caused a lot of extra work to remove the rust and unplug sprinklers. A lot of the fittings were so rusted they just broke off when we tried to fix them.

We now have a trunkline that will handle the water needed for the eventual expansion of the Cemetery into the 26 acres of hayland when the time comes.

Maintenance

Enforcement of the decorations policy has made a big improvement in efficiency. Mowing and trimming time has been reduced. The mowing staff spent a lot less time getting off the mowers to move and replace decorations.

The growing season for 2014 was longer than normal because of well-timed and adequate moisture for growth. There were extra weeks of mowing in 2014 that normally are not seen. This typically would have forced us to over spend seasonal wage funds.

A normal year also has a mini drought period in July and August as rain tapers off or completely stops. This usually reduces the mowing for a period of 4 to 6 weeks in late summer. This allows us in a normal year to redirect staff efforts to tree trimming and leveling sunken areas. We were able to do the extra mowing, seed irrigation trunkline, fill sunken areas and do seasonal tree maintenance in 2014.

Growth Regulator Program

We expanded the use of growth regulator in 2014. We have been experimenting with it the last few years. We were able to reduce growth by 50% for a period of 4 to 5 weeks in about 50% of the Cemetery. This eliminated mowing these areas twice other than a clean-up pass.

We were also able to reduce the number of times this area of the cemetery had to be weeded. Trimming of the stones was reduced by two complete cycles! When you estimate that we have 9,000 monuments, that's a significant change. We will expand this in 2015 to more of the cemetery.

The last few years fuel prices had continued to creep up as have seasonal wages to remain competitive and retain quality laborers. I have tried to take steps to offset this and anticipate that we can save more money going forward.

Decoration Policy

Citizens as a rule were very happy with the exception of a very few that we were enforcing the decoration rules. A large majority totally understood what we were trying to do. Many commented that Mitchell is much more lenient than other cemeteries. Working and interacting with families on this has been positive. Overall, the policy has been a big success.

We started to drill holes in monument bases at no charge for families. This allowed decorations to be held in place away from the mowing area and upright instead of leaning.

Every family we helped was very happy that we did this for them. Almost to a person they agreed that it looked better than it had. This extra effort and the PR had a positive effect.

We tagged all decorations removed with the names and location. When families inquired about them, we took the time to drill in the decoration and explain to them why and what we were doing to improve the appearance of the cemetery and the efficiency of maintenance.

In visiting with staff, we estimate that 40 to 45% of decorations previously left lying on the ground for extended periods have been eliminated with no inquiries into what happened to them. These are decorations that do not have to be moved to mow and trim around and are not left to blow around and look unsightly after weathering and sun fading.

There are always going to be decorations to move. Keeping it at a workable level to the budget is our goal. There are of course those individuals that are understandably grief stricken that need more time.

Working with bereaved families is a delicate art. Sometimes it is very stressful for us. We are interacting with them at the lowest point in their lives. If we are not sensitive to that there is something wrong with us. However there is still work that must be done in the best interest of the City and we need do it professionally by not playing favorites and do it with compassion.

LAKEVIEW GOLF COURSE

Overview of 2014 Weather

The slow start to the 2014 golf season because of cooler than normal temperatures, had us concerned well into June. Many area courses were reporting rounds down 20 to 30% by early June. In addition loss of putting greens were widespread across not only the Mid-west and far South, but across the entire eastern USA also. Seed was scarce and at a premium price. Thank God I had a supplier that gave me the previous year prices before the seed crunch hit.

We did not lose any putting surfaces. However we did experience some ice damage to several fairways from water ponding in low spots during the many winter thaws and late winter rains we experienced. We also experienced some loss due to snowmobile damage to two fairways. This was due to direct contact with turf grass when frozen solid without snow cover. Cell walls in the crowns of the plants were crushed by the skis and tracks of the snowmobiles. Plants were then desiccated (freeze dried) in the windy spring weather.

Fairway damage was immediately worked on in April and May with seeding projects. Unfortunately we had to spend about \$ 6,000.00 on seed that was not budgeted for. This also took extra labor and fuel money that we had not planned on. Abnormally cool soil temperature slowed recovery. Regardless the course was in great condition for all the major events.

A positive weather pattern arrived in mid-June and stayed until late August. Moderate temperatures and timely rains alleviated a normal annual turf stress pattern for July and August. Then we experienced a drier than normal September and October. This also helped recoup any rounds we had lost in the spring.

Events

A busy event schedule helped us alleviate some of the concern of lost spring rounds. Rounds were picked up because of major SDGA and SDHSAA events we hosted. We also hosted quite a few SDHSAA and College events that kept the greens fees trickling in. Dan did a good job of scheduling. Many courses in the area rounds were down as much as 25 to 30%. These local events kept golfers teeing it up kept us very busy into late fall.

The SDGA also selected Lakeview for the 2015 Men's and Ladies Match Play. JULY 9TH TO 13TH. This is a major achievement for a Municipal course. This tournament is always held at the top facilities in the State so it is a feather in our hat. It was largely selected by player requests.

2014 Major Events:	SDGA Two Man	Region A
	SDGA Junior Tour	Pre-Region A
	DWU Invite	Region A
	Pre Region A	Pre-Region 2B Girls
	Region B Girls	Parkston Invite
(4)	State B Girls SDHSAA	Many other outings & tournaments

MEMBERSHIP STATISTICS

<u>Year</u>	<u>Single</u>	<u>Family</u>	<u>Couple</u>		<u>Youth</u>
2010	228	24 (119 ind)	38 (74)		77
2011	217	18 (81)	51 (102)		65
2012	210	25 (115)	42 (84)	Youth Split in 2012 Youth/College Age 51/27	78
2013	185	27 (129)	40 (80)	42/21	63
2014	172	27 (122)	40 (80)	37/17	54

Annual Range Passes: 24 family 54 Single Adult

Range buckets used: 10,515 Total balls hit 2014= 630,900

Rounds estimate: 27,200

Irrigation System

The irrigation control system has needed replacing for several years. Exorbitant replacement cost quoted by Rainbird has had me searching for alternative controls.

Dakota Pump has guaranteed that they can replace the existing controls without losing a lot of the bells and whistle features of our current system for a lot less money.

Once we decided on a course of action, we were hit with a problem. One of the suppliers for control parts had indicated that it would be six to eight weeks for parts to arrive. It was misread by the contractor as six to eight days. When things did not fall into place I started to get quite concerned since we had already been delayed several times.

We had already been delayed from Early August to September. Then it was delayed from early September to early October and we then found out about the delay. It would have been late October by the time we received the delayed control parts. We needed to winterize the system as soon as the weather changed.

After much discussion, it was decided to work on the computer program this winter to assure that all glitches would be out of it. Install it in March and be ready for the 2015 season. This was a good choice since in mid-October weather was quickly fading on us and we had to winterize the system before the end of the month. If we had started installing the controls, we would have had to stop to winterize. Delaying the install was the best option.

The only headache we had was a system that was not dependable and required a lot of nighttime babysitting. This created a lot of extra hours for weeks on end the last three seasons. It reminded me of the old days when we had the worst irrigation system in the region. I am looking forward to working with Dakota Pump and getting back into controls that are dependable. Again, for a lot less money than Rainbird wanted. This little journey may have had its misgivings the last three years, but I feel it will be worth it in the end.

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Our closest Rainbird Tech was Fargo, ND. Travel time and scheduling was a problem a lot of the time. We will have local technicians and product support with Dakota Pump. This will reap benefits moving forward.

Security Systems

Midsummer vandalism and attempted break-ins created some issues that we had been dodging the bullet on for several years. As more housing and apartment buildings developed the last ten years around the Golf Course and Cemetery vandalism had dropped off significantly. The Community Garden traffic also helped monitor unwanted traffic.

This came to an end in 2014. Cemetery vandalism was sickening since it targeted the infant section. A string of broken cemetery decorations was followed back towards the housing area and it stopped there. Thefts of small items around the buildings also started to increase.

The Golf & Cemetery Board along with support from the City Council had us installing security cameras in the cemetery, maintenance facility and clubhouse areas.

Although this was an unexpected expense, it was needed. We now have cameras monitoring money handling at the clubhouse, pro shop area, exterior clubhouse and parking lot, the maintenance buildings and surrounding areas including the community garden.

Unfortunately it is a sign of the times.

Clubhouse

Dan Sabers and his Wife Jackie have been doing a good job for us the last six years. After back surgery Dan was gone about six weeks in September and October. Jackie ran the clubhouse as we wound down the last few events and closed the season with snow and cold weather in late October.

Dan decided in December to apply for the Corn Palace job after it opened the second time. It was a tough decision for him after 25 years in the golf business.

If he delayed a decision, the opening for Corn Palace would be filled and he might have missed a great opportunity.

In the end, I wish Dan and his Family well. He may now have his dream job! Not many can say they managed the World's ONLY Corn Palace!

Golf Industry 2014 Review

Currently, alarming statistics are putting Clubhouse Managers on notice across the Nation. Of the 23 million golfers in the USA 19% are over age 70 and 5% are under age 30! These are some of the scariest statistics I have seen in my 33 years in the business.

Many of the large sports industries i.e. camping, fishing, hiking, biking, hunting, running and softball realized that the women and children were a key part of their survival. After all, Women in recent decades have more control over the household finances and are getting out of the house and enjoying new found freedoms. These businesses such as Gander Mountain, Browning, Cabela's, Bass Pro Shops, Nike, to name a few drastically expanded their women's clothing and youth programs 15 years ago. Golf was a little slower to catch on.

There is a difference between giving youth lessons and the key- Younger Player development Many programs are being developed to reach younger players and get them on the course. It is a well-known fact that by the age of 12, children have already chosen other sports that by years of practice and social interaction with friends, they are doing well with and competing.

Additionally, giving youth lessons without making time for them on the course sees them moving on to other activities since they are uncomfortable in traffic on busy courses. Granted, starting youth too young in a golf program can be little more than a babysitting program but the effort must still be made.

These things considered there are variations that are being tried. Foot Golf, Larger Cups, and Frizbee Golf, Larger 15 inch Cups etc.

Traditional golfers are reluctant to have the larger cups on the golf course they play. These cups have even caused clubhouse confrontations between traditional golfers and “experimental” golfers. Having a nine hole course specifically for these cups has been a suggestion. Contrary to supporters claims, speed of play is not significantly improved.

Interestingly enough, 81% of the courses have not tried larger cups. Of the 19% of those that have 8% have gone away from them already for various reasons, the biggest is maintenance.

Labor intensive, maintenance problems and interfering with normal play were some of the cited reasons. Getting such a large area level without damage has been an issue. It is hard enough to get a 4 inch cup level when it has to be accurate within less than an eighth (1/8th) of an inch. It also takes two people from 7 to 9 hours to install the large cups properly each time so they are not moved as often as the other cup. After a few days they look tough.

There is more support for it to be a “special event” type of thing. Some courses are having special 6 and 8 inch cup events with some success.

Attempted Game Variations

The “Foot Golf” overture to the soccer crowd has gained a little interest and even garnered a little more revenue at some facilities. However it also creates some issues when golfers meet “others” vying for the same playing space at different speeds of play and with different rules.

At the present time, many experts are saying “be careful what you wish for” in the chasing of new variations on the sport of golf. Many are concerned that trying to cloud the waters with quick this fix approach is diluting the real reason revenues are down.

Personally I feel it is also complicating the issue at hand and that is...**“Go back to developing Youth, Women and Family Golfers!” Get them on the course at a young age and work to retain them.** There is no quick fix when something has been ignored for decades. In the recent past, everyone was content to ride the wave without consideration of the future. When the “core golfers” were filling the tee sheets and tournament rosters at the peak of the Tiger Effect there wasn’t much concern. There was also little planning as the numbers of the older generation disappeared no one worried about the void being left. The industry is finally realizing We must DEVELOP players and RETAIN THEM!

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Various reasons for this player decline were quickly dismissed by many Pros. After all, the USGA was preaching at this same time that ONE to TWO new golf courses a day had to be opened for the next ten years to keep up with the growing demand. This resulted in no one cultivating the new generations of players. Also few new people showed up at the tee-boxes. The economic crisis that started in 1998 further decimated new players picking up the game.

What quickly followed were several years of more Golf Courses closing than were opening all across the USA. Golf was in a slump that had few signs of recovery. Banks were becoming reluctant to fund combination golf/housing projects. Courses were being bought in some areas for 50% of value on top of quickly dropping housing markets. Indicators are that this is behind us with the housing recovery.

The bright side now is:

- a. Golf being reintroduced to the 2016 Olympics
- b. Impact sports losing parental support (football, soccer, hockey etc.)
- c. Golf being looked at for what it is, a truly "lifetime" sport
- d. Golf is one of the few family sports that can be played together

The sum of it all

The golf industry has a lot of long term work to do and needs to forget the "quick fixes". The fact that golf has been brought back to the 2016 Olympics will help renew interest in the sport. Rebuilding the number of players is going to be a long up and down process that needs to be vigilantly attended to for years to come. A younger generation of Clubhouse Managers working to build membership numbers is going to be the long term answer. They did not experience the heyday of golf at the turn of the century so they have nowhere to build but up.

(NGF) Total Rounds Played Down in 2014, but Utilization on Playable Days Trends Higher

Poor weather bunkered golfers during the early and latter portion of 2014, but total rounds played finished the year with a sunnier-than-expected disposition due in good measure to increased demand when Mother Nature decided to cooperate.

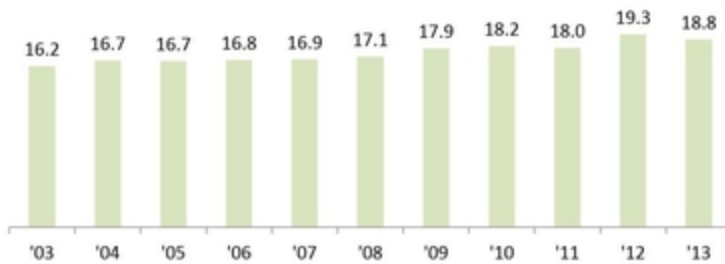
According to the rounds played "coalition" (comprised of Golf Datatech, NGF, PGA of America and the NGCOA) total rounds played finished 1.7% shy of 2013 numbers. Much of the drop can be attributed to poor weather that affected nearly half of the country during multiple stretches of the year. That was especially true in the first quarter where rounds played lagged 4.5% behind the same period in 2013. Likewise, playable days dipped 12% through March, according to PGA PerformanceTrak.

Improved weather during the late spring and much of summer helped rounds played rebound, but a dip in the latter part of the year—once again largely due to weather—erased a portion of those gains. Days open were down in both October and November, which alone saw more than a 10% drop in playable days (PGA PerformanceTrak).

Ultimately, this poor weather bookend caused 2014 to finish at a nine-year low in playable days. It also marked the second consecutive year that days open were down following an incredible weather year in 2012 that delivered a boost in total rounds played.

Golfers, however, remained resilient in their commitment to playing the game. Despite the unfavorable weather, rounds played per day open were up 1% over 2013, representing the second consecutive year of growth in utilization.

AVERAGE ROUNDS PER GOLFER



Source: NGF golf participation study

NGF

Equally encouraging to operators, the average rounds played per golfer in 2014 will likely be similar to 2013 (18.8), and has been rising slowly for much of the past decade (see chart). While this doesn't represent a rise in total rounds played, it indicates that the majority of golfers lost since participation peaked were infrequent and less committed than those that have stayed with the game.

THE SKY IS NOT FALLING FOR GOLF (NGF)

Golf continued its macro trend toward stabilization in 2014, in contrast with the sensational negative perceptions of the game and business portrayed by many in the mainstream media. Rather than balanced coverage of the big picture in participation and course supply, last year's headlines promoted a "falling off a cliff" view of golf.

Sociodemographic, financial and cultural headwinds certainly persist for recreational golf, and it remains highly competitive for golf-related businesses. Golf's pay-for-play greens fee revenues and spending on the sport will always be vulnerable to outside forces including weather and the economy, but the game remains incredibly popular and fortunate to have a deep well of interested prospects to activate. The sky is not falling on golf, despite the gloomy scenarios portrayed by multiple media outlets and some industry pundits during the past 12 months.

Positive economic indicators, stabilization in participation and rounds played, an increase in weather-adjusted utilization, and the return of private equity funding to the industry are just a few of the under-reported developments in golf that tell the current story of the industry.

Much was written about the course closures that continued in 2014, absent the acknowledgement that they remain part of a positive trend—the ongoing, natural correction in total course supply. Expect that trend to continue as we move toward a healthier balance between supply and demand. It's important to note that closures continue to represent a very small percentage of the overall U.S. supply.

That supply correction notwithstanding, the industry saw the most active year in golf course acquisitions in recent memory. Four prominent 2014 portfolio deals involved some of the largest owner/operator groups in the country, and were backed by well-funded private equity firms. These deals not only demonstrate a bullish attitude toward golf by savvy investment groups, but are also likely to result in substantial investments in course infrastructure and amenities at facilities involved in the deals.

Despite poor weather that suppressed first-quarter play in 2014, rounds played finished the year only 1.7% behind 2013, according to the rounds played coalition (comprised of NGF, Golf Datatech, PGA of America and the NGCOA). On a positive note, average rounds per day open were up in 2014 despite a decrease in overall playable days, according to PGA PerformanceTrak. The increase in rounds played per day open is an encouraging indicator of demand and utilization.

The golfer number (participation) appears to be continuing a stabilization trend. 2014 was the fourth consecutive year at approximately 25 million golfers that played at least one round of golf in the past 12 months. The number of core golfers (eight or more rounds per year) also appears to have held steady with 2013 figures.

The golf industry has many unique segments, so one's perspective on the year clearly would depend on the type of business they are in. Yet all things considered, 2014 may well be remembered as the year golf found its post-recession footing and turned a corner toward a future at least a little brighter than its recent past.

COMMUNITY GARDEN

2014 Spaces available: 100 @ \$ 35.00 each

Spaces Rented 100

Total Revenue \$ 3,500.00

The Community Garden has been going very well. Renters have been very happy. Response has been so good that in 2015 the garden will be expanded from 100 spaces to 130 or 40 depending on available space. After notifying the Public that we would expand, most of the expansion spaces have already been spoken for.

One rented garden had to be tilled after planting in 2014 because it had been neglected. Weeds quickly grew to five foot tall. One week after notifying the renter that we had complaints from neighboring gardeners and that the spot would be tilled up if not cared for we had no choice but to pull the weeds and till it. Renters that do not care for their spaces are taken off the renter list and not allowed back on the waiting or renting list. We have a renter agreement and rules contract that we have renters sign each year. This is an exception. We have had very few risk losing their spots by poor maintenance.

One change we made for 2014 that is that weeds pulled from renters gardens are no longer allowed in the dumpsters. We let them pile them up in one spot and then we haul them out with our 1-ton dump truck. Often times the dumpsters were full of weeds almost daily and that took up a lot of space in the garbage trucks. This is working well for everyone including the Sanitation Dept.

