



MADRAS CITY COUNCIL WORK SESSION

Monday, February 26, 2024 at 12:00 PM

City Council Chambers, 125 SW "E" Street, Madras, OR 97741

Telephone (541) 475-2344 www.ci.madras.or.us

This meeting is open to the public. However, Council does not take public comments at Work Sessions and no formal decisions will be made.

Join via Zoom:

<https://us02web.zoom.us/j/2912614668?pwd=MIJ3ZzhOYzg0ZkhwOTZ0REgrWTFYdz09>

Passcode: **5414752344**

Join via teleconference:

From a cell phone: **971-247-1195**

From a land line phone: **1-877-853-5257**

Meeting ID: **291 261 4668#**

Participant ID: **#**

Passcode: **541 475 2344#**

AGENDA

- I. Call Work Session to Order**
- II. Roll Call**
- III. Work Session Topic(s)**
 1. Golf Course Presentation
- IV. Additional Discussion**
- V. Adjourn Work Session**

CITY OF MADRAS
Work Session Report

Meeting Date: February 26, 2024

To: Mayor and City Council Members

From: Michele Quinn, Public Works Manager

Through: Jeff Hurd, Public Works Director

Subject: Golf Course Presentation

TYPE OF ACTION REQUESTED:

Discuss

OVERVIEW:

STAFF ANALYSIS:

At the February 26, 2024, City Council Work Session, the Golf Course Supervisor will provide a report to the council on the overall operations of the Desert Peaks Golf Course. The report is intended to inform the council about the operations of the golf course, and future needs and challenges. The staff's intention is to inform the Council about the day-to-day operations at Desert Peaks Golf Course and the long-term maintenance needs and goals.

FISCAL INFORMATION:

Budget Sheets

SUPPORTING DOCUMENTATION:

PowerPoint

STRATEGIC GOAL:

NA

**City of Madras
2023-24 Budget Worksheet
Golf Course Fund
Revenues**

GL Codes	Description	2020-21 Actuals	2021-22 Actuals	2022-23 Actuals	2023-2024 Adopted	2023-2024 Actuals
Beginning Fund Balance						
208-010-301-0101	WORKING CAPITAL CARRYOVER	-	-	-	116,581	158,916
	Total Beginning Fund Balance	-	-	-	116,581	158,916
Charges for Services						
206-206-350-3403	PARK FEES	-	-	-	-	-
208-208-350-1000	MERCHANDISE SALES G.C.	-	-	11,486	8,700	6,274
208-208-350-1001	FOOD AND BEVERAGE SALES	-	-	57,665	50,000	35,080
208-208-350-1002	GIFT CERTIFICATE SALES	-	-	3,111	3,000	1,954
208-208-350-1003	DRIVING RANGE	-	-	7,822	6,500	3,759
208-208-350-1004	POWER CART RENTAL	-	-	51,578	55,000	27,127
208-208-350-1005	POWER CART STORAGE	-	-	17,958	15,000	5,812
208-208-350-1006	PULL CART RENTAL	-	-	170	300	118
208-208-350-1007	CLUB RENTAL	-	-	620	350	411
208-208-350-1008	ELECTRIC FEE	-	-	-	-	-
208-208-350-1009	TRAIL FEE	-	-	726	500	100
208-208-350-1010	GREEN FEES	-	-	81,527	85,000	41,103
208-208-350-1011	TOURNAMENT FEES	-	-	-	1,000	-
208-208-350-1012	DELI SALES	-	-	8,190	15,000	4,098
208-208-350-5400	Cart Barn Advertising Fees	-	-	-	15,000	-
208-208-350-5401	Miscellaneous Revenue	-	-	20,870	500	1,197
	Total Charges for Services	-	-	261,723	255,850	127,031
Use of Money & Property						
208-208-380-8006	MEMBERSHIPS	-	-	82,495	70,000	33,954
208-208-380-8101	INTEREST	-	-	4,113	-	-
208-208-380-8102	Willowbrook Cart Path	-	-	-	20,000	-
	Total Use of Money & Property	-	-	86,608	90,000	33,954
Interfund Transfers - In						
208-208-390-9501	Parks Fund	-	-	535,168	-	-
208-208-390-9502	WW Operations Fund	-	-	-	500,000	-
208-208-390-9503	Tourism/Econ Devel Fund	-	-	-	75,000	-
	Total Interfund Transfers - In	-	-	535,168	575,000	-
	Total Revenues	-	-	883,500	1,037,431	319,901

Golf Course Fund Expenditures

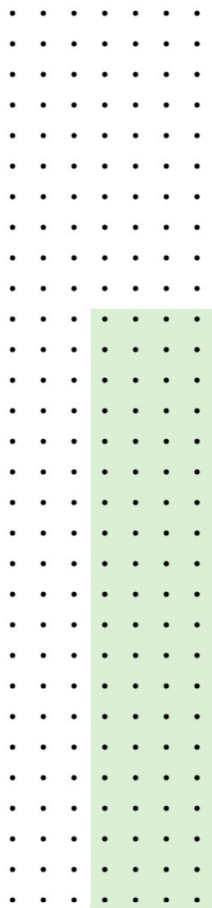
GL Codes	Description	2020-21	2021-22	2022-23	2023-2024	
		Actuals	Actuals	Actuals	Adopted	Yr End Proj.
Materials & Services - Golf Course						
208-208-520-1002	ADVERTISING	-	-	5,455	7,500	365
208-208-520-1101	BUILDING MAINTENANCE	-	-	6,057	15,800	2,610
208-208-520-1200	Temp Services	-	-	-	50,000	92,258
208-208-520-1204	Computer Expense	-	-	6,686	6,996	6,103
208-208-520-1221	CONTRACT SERVICES	-	-	1,879	2,000	1,083
208-208-520-1301	ANNUAL DUES AND LICENSES	-	-	1,340	2,000	820
208-208-520-1401	UTILITIES	-	-	29,958	30,000	18,064
208-208-520-1402	MERCHANDISE EXPENSE	-	-	11,241	9,000	5,231
208-208-520-1403	FOOD AND BEVERAGE EXPENSE	-	-	27,578	25,000	15,289
208-208-520-1404	DELI SUPPLIES	-	-	8,684	13,000	2,480
208-208-520-1801	INSURANCE & SURETY BONDS	-	-	2,944	3,208	3,552
208-208-520-2203	MEETINGS, TRAVEL, EE DEVELOP	-	-	2,517	3,000	89
208-208-520-2206	Bank Service Fees	-	-	8,600	8,500	3,501
208-208-520-2401	OFFICE SUPPLIES	-	-	5,282	6,500	1,348
208-208-520-2503	Professional Services	-	-	-	5,000	-
208-208-520-2701	POWER CART LEASE	-	-	21,167	22,000	12,856
208-208-520-2702	REPAIRS AND MAINT. - GROUNDS	-	-	65,587	54,000	46,476
208-208-520-2703	REPAIRS AND MAINT. - PROSHOP	-	-	15,561	8,000	3,382
208-208-520-2801	SAFETY EMPLOYEE	-	-	100	-	-
208-208-520-2903	NUID	-	-	-	6,600	6,061
208-208-520-3207	INVENTORY USED	-	-	-	-	-
208-208-520-4021	General Fund	-	-	-	86,086	-
208-208-520-4017	ISF Central Services	-	-	64,828	-	-
208-208-520-4018	ISF Public Works	-	-	415,488	413,100	103,275
208-208-520-4022	ISF IT	-	-	3,540	8,902	2,274
	Total Materials & Services	-	-	704,490	786,192	327,116
Capital Outlay						
208-208-540-1305	CART PATH - WILLOWBROOK	-	-	-	40,000	-
208-208-540-1307	CART BARN EXTENSION	-	-	20,094	-	-
	Total Capital Outlay	-	-	20,094	40,000	-
Reserve for Future Expenditure						
208-208-580-6001	Golf Course Irrigation Replace	-	-	-	-	-
	Total Reserve for Future Expenditure	-	-	-	-	-
Operating Contingency						
208-208-590-1010	OPERATING CONTINGENCY	-	-	-	126,840	-
	Total Operating Contingency	-	-	-	126,840	-
Ending Fund Balance						
208-208-595-1010	UNAPPROPRIATED ENDING BALANCE	-	-	158,916	84,399	(7,215)
	Total Ending Fund Balance	-	-	158,916	84,399	(7,215)
	Total Expenditures	-	-	883,500	1,037,431	319,901
	Total Golf Course Revenue	-	-	883,500	1,037,431	319,901
	Total Golf Course Expenditures	-	-	883,500	1,037,431	319,901

DESERT PEAKS GOLF



HISTORY OF DESERT PEAKS GOLF

- 1948 the United States of America deeded the airport/industrial property to Jefferson County and City of Madras
- 2004 February – Jefferson County deeded all its rights and interest to the City of Madras.
- 2004 July – City of Madras executed a contract with Mr. Ditmore to run the golf course.
- 2017 – City of Madras entered into an agreement with Desert Peaks Golf Enterprises ran by Ken Black and Teresa Lindgren.
- 2020 October – the City of Madras took over the operations of the Golf Course.



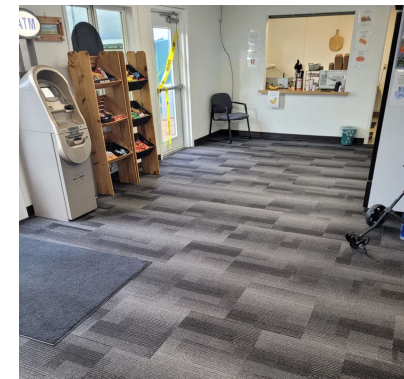
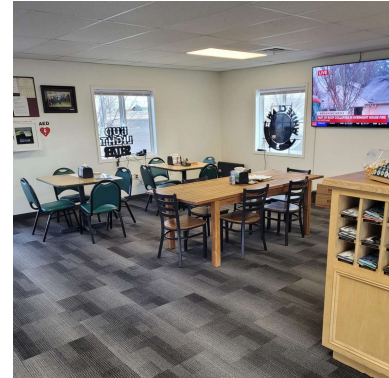
DESERT PEAKS GOLF – PROGRESS & IMPORTANCE

- City owned 9- hole golf course
 - Golf course uses the treated effluent from the North Wastewater Treatment Plant to water the greens. Each year the golf course uses approximately 42 million gallons of the treated effluent from the North Wastewater Treatment Plant.
- Revenues from July 1, 2021, thru June 30, 2022 - \$280,366.00. Revenues for 2020 where \$150,294.00. Prior to City taking over, Revenues in 2019 was \$109,255.
- Revenues for July 1, 2022, thru June 30, 2023, =\$324,825.00
- Revenues from July 1, 2023, thru January 31, 2024, = \$169,624.00 current year
- Actual costs to run the golf course is \$883,500.00
- Raised rates in 2024 for the first time in since 2017.
- Increased promotion through website, Pamplin Media, and Sageland Magazine. Upcoming advertisement will include flyers at local hotels, and Madras Airport.
- Recent Changes in the last year
 - Built and expanded deck
 - Added additional food items and additional alcoholic beverages.
 - Added 50% more tournaments.



IMPROVEMENTS

- New carpet
- Additional seating/ expanded deck
- Added food
- Beverages
- Improvements to the greens and maintenance of the golf course.

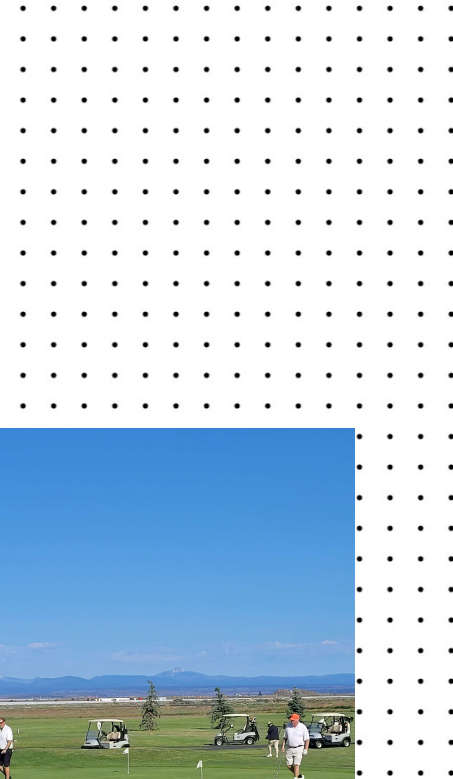
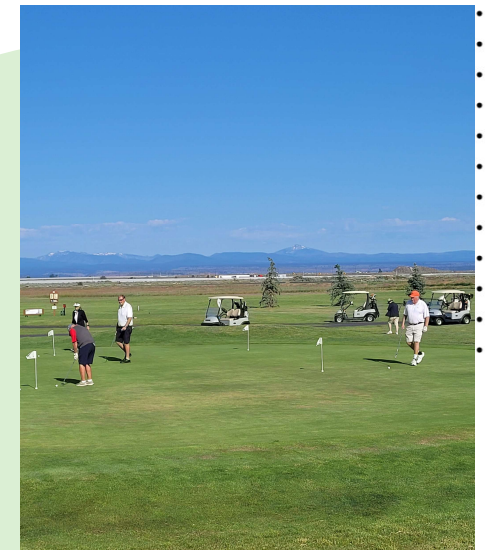


T O U R N A M E N T S

- Partnered with COJGA (central Oregon juniors golf association).
- Duffers and dolls tournament has returned.
- FFA a high school tournament.
- Madras high school golf tea
- Madras high school football tea.
- Men's club championship tournament.
- Madras high school volleyball tournament.
- Humane society tournament

New this year

- Greens keepers revenge tournament
- Glow ball tournament partner with chamber of commerce.



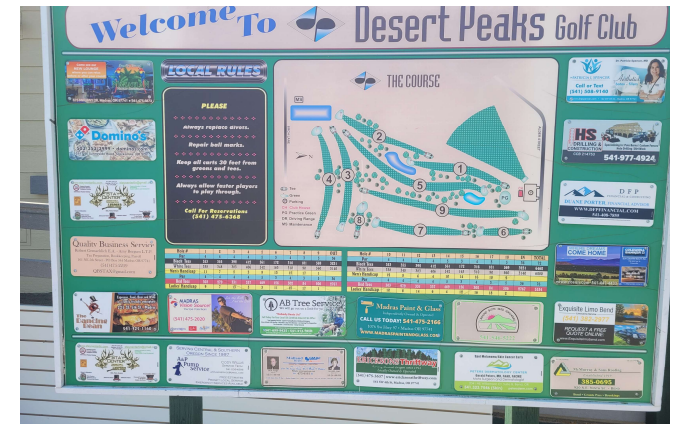
INCREASE PLAY

- Added memberships
- Membership sales \$78,661 in 2022
\$85,532 in 2023. 2024 projected
membership revenues are estimated to be
over \$100,000.00
- We have increased the hours of operation
to adjust with the changes in the season.



GOALS AND FOCUS

- Aerate the fairways and rough (this hasn't been done in 12 years).
- Build new cart path from Willowbrook to the Desert Peaks Club House.
- Build a permanent restroom on hole #4.
- Apply top dressing areas for uneven areas on the course.
- Expand tee boxes on hole #4 and #5.
- Continue to increase yearly memberships.
- Continue to explore ways to improve the condition of the golf course greens.
- Expanding the menu at the club house.
- Increase Lady golfers and Junior golfers.



DESERT PEAKS 5-10 YEAR PLAN

- Irrigation and golf course remodel.
- Pave the cart barn.
- Pavilion for the rental carts to keep them protected from the weather.
- Add on to the current maintenance shop.
- Add additional parking on the north side of Adler to include RV Parking w/hook ups.
- Solar power for the cart barn.
- Club House expansion or rebuild.
- Additional golf attractions to include an additional 9 holes or Par 3 and putt-putt golf.
- Change the driving range into a 24 -hour availability (lights, pay to play golf dispenser).
- Water enhancement features for the water hazards on the golf course.





FINANCIALS

- 2022-2023 fiscal year – top sales
 - Annual Memberships \$56,960.00
 - Cart Rentals \$52,523.00
 - Beer \$37,652.00
 - 9-holes weekday play \$32,250.00
 - Monthly Membership \$25,570
 - Total Sales \$324,825.00**
- 2023-2024 current fiscal year top sales
 - Cart rentals \$ 28,647.00
 - Annual memberships \$22,080.00
 - Beer – 21,129.00
 - 9-holes weekday \$17,637.00
 - Monthly memberships \$13,132.00
 - Total Sales \$169,324.00**



QUESTIONS