

VILLAGE OF GLENCOE
GOLF ADVISORY COMMITTEE
Meeting Minutes
February 17, 2014

1. CALL TO ORDER AND ROLL CALL

The Golf Advisory Committee was called to order at 7:08 p.m. at the Village Hall. The following members were present:

Dale Thomas, Chairman
John Nesbitt
Scott Shore
Mitch Melamed

Committee members Ron Schmidt, Joe Keefe, and Jim Hirsch were absent. Matt Radde, Head Golf Professional and Caesar Noriega, Assistant Golf Professional were also in attendance.

2. APPROVAL OF THE DECEMBER MINUTES

The January Golf Advisory Committee meeting minutes were approved as amended to reflect the following change:

- Dale asked if we are building an indoor “teaching” space in the new clubhouse.

3. PUBLIC COMMENT TIME

None.

4. MANAGERS MONTHLY REPORT

- Stella reviewed the January monthly report.
- Equipment maintenance continued during January which is vital to keep the course condition in top shape during the golf season.
- John Nesbitt asked how many people are currently working in the grounds department. Stella answered that Dave Arden and Lalo De la Garza are the only full-time year round employees, there is a mechanic that works year round but he is not full time.
- Scott Shore asked if Dave will be adding the new senior tee distances to the tee signs. Stella answered that she would look into it although it may be too late for this season if the signs have been reconditioned and painted already.
- Permanent Tee Time contracts were mailed out and we expect to have another successful year.
- Staff installed an indoor simulator in the clubhouse and it is being promoted via email blasts.
- The Village Board has agreed to book but not take the \$40,000 management fee in an effort to help the Club build the capital reserve fund for the new clubhouse.
- Dale stated that his sense is that the Village Board is very positive and supportive of the golf course’s long term plans for a new clubhouse.

5. 2014 BUDGET REVIEW: REVENUE, EXPENSES, AND PAYROLL

- The proposed revenue, payroll and expenses for the 2014 season were presented. Included in the presentation was a comparison of all expense line items to last fiscal year.
- Permanent tee times are projected to be close to \$193,000 next season. The program has been very popular and is growing each year. We have added groups from other courses such as Thunder Hawk, White Deer Run, Pine Meadows, and Palatine.
- Scott asked if any groups from Glenview Club have joined and Stella responded that we have not had anyone from Glenview join our permanent tee time program. Scott suggested we send a mailer to the Glenview Club members that may be interested in permanent tee times.
- Stella reported that she has received inquiries from Glenview residents regarding leagues but they are mostly 9-hole leagues at prime times which would not be financially beneficial for us. Wilmette has offered a great deal to the Glenview residents because of the reciprocity offered to the Wilmette residents at the Glenview course last season.
- Stella pointed out the importance of cart revenues for the course and how much the revenue has increased over the years. This increase is attributed not only to the weather this season but to the drainage work that has been completed on the course that allows the cart to go out more frequently.
- Dale asked if the increase in senior membership sales had anything to do with increased cart rental revenue. Stella answered that the majority of cart rentals come the younger golfers who will not play if they have to walk the course, the majority of senior prefer to walk.
- The budget reflects rounds of almost 31,000 for 2014, this year there were 33,000 rounds recorded.
- Payroll expenses along with monthly hours budgeted were reviewed.
- The benefit expense line item is increasing by 5.7% this year and hourly payroll is being increased to attract and maintain staff.
- The maintenance crew was discussed. Stella explained that finding and retaining skilled labor for the golf course is always a challenge.
- Hourly wage for the maintenance staff will start at \$9.00 this season. Dave is currently looking for maintenance workers which has been difficult to do in the past; hopefully the increase in pay will attract and retain the maintenance crew.
- The course will continue to use raw water from the Northbrook feed to irrigate. The acid injection system that was installed in 2012 is working to keep the pH at an acceptable level.
- Scott asked if the course has ever considered solar energy. Stella answered that she has asked the architect to implement green energy into the clubhouse plan. Solar systems are typically extremely expensive but we will consider all 'green' options that are available.
- Mitch asked what the line item for banking fee expenses covers. Stella answered that they are deposit transaction fees the bank charges. Stella added that out of the \$1.6 million that was collected through the golf shop this year, \$1.1 million were with credit card purchases.

- Scott asked Stella if she has considered eliminating AMEX cards. Stella answered that we had approximately \$250,000 charged using AMEX and we don't want to irritate our customers by not accepting the card.
- Dave Arden has located a spray rig vehicle that was budgeted in this year's capital plan and it will be purchased before the end of the fiscal year. Stella estimated that total capital spending for FY14 will be \$225,000. FY15's capital budget has been set at \$234,000.
- Stella will present the FY15 budget to the Village Board on Thursday.
- Scott Shore moved to approve the FY15 budget as presented, Mitch Melamed seconded the motion, the budget was approved unanimously by the committee.

6. CLUBHOUSE TASK FORCE UPDATE

- Stella is preparing to meet with W.B. Olson to answer some preliminary questions they have in an effort to prepare estimated construction costs for the new clubhouse. Olson will also help negotiate the contract with Partners and Sirny.
- Dale asked when negotiations will begin with the architect. Stella replied the negotiations should begin by mid-April and it would be approximately 4 months after the contract has been signed until we receive plans.
- Stella has received the first draft of the amendment to the County agreement from Vic. The amendment is fairly simple and keeps the original agreement in place with some minor additions. The amendment to the agreement call for 50 year agreement with 10 year renewal periods at the end of the 50 years.
- Stella estimates the Club can comfortably pay back \$4 to \$4.5 million in bonds without having to stretch resources to support payments.
- John asked when we will go to the public for a bond referendum. Stella replied that unless we need more funds than what the course can comfortably pay back there would not be a need for a bond referendum as we would be using alternate revenue bonds.
- Stella added that the earliest we would break ground on the new clubhouse would be September of 2015 but there are a lot of loose ends; the County contract and financing being the largest factors.
- Mitch asked how our cash reserve balance affects the process. Stella responded that the cash reserves will be used to pay the architect fees and capital projects. We also have to maintain a percentage of our cash balance for operating expenses so the overall balance is deceiving. The majority of the funds in the capital reserve fund are earmarked for projects or operating expenses.
- Mitch asked how much interest we earned on our investments. Stella answered that we've earned \$1,857 year to date in interest. The committee responded that the interest number seemed low considering our cash reserve balance. Dale responded that he is going to raise the issue of the investment options with Dave Clark.
- John asked Stella what her guess is on the overall clubhouse budget. Stella answered that there are a lot of variables still up in the air with the

biggest being the maintenance building which could add another \$1 million so she could not give an estimate.

- Scott asked if there are any restrictions to naming the clubhouse. Stella replied that she did not think naming rights were restricted. Scott suggested that the committee explore donations and naming rights.
- Dale mentioned there may be an opportunity for additional donations if the croquet courts are included in the plans.

7. OTHER BUSINESS

- Mitch asked how the free lesson promotion was going. Stella answered that the promotion was tweaked from previous promotions to try and get the golfers interested in buying lessons and continuing their instruction, so the response has not been overwhelming.
- A question was asked as to the frequency of our email blasts. Stella responded that we send general email blasts every three weeks in order to maintain our open rate which is 29%. Sending too many emails will negatively affect the open rate.

8. ADJOURNMENT

There being no further business for discussion, the meeting was adjourned at 8:01 p.m.