

**Minutes of the Waukegan Park District  
Special Meeting of the Board of Commissioners  
Golf Advisory Meeting  
December 5, 2012**

The Board of Commissioners of the Waukegan Park District met in a special meeting on December 5, 2012 at 7 pm at the Bonnie Brook Clubhouse, 2800 North Lewis Avenue, Waukegan, Illinois.

**I. Call to Order**

The meeting was called to order by Commissioner Duffy at 7:00 pm who directed a call of the roll.

**II. Roll Call**

Present: Commissioners Duffy, Kilkelly and Sarocka. Absent: None. Also present were Greg Petry, Executive Director, Superintendent of Finance and Administration Jim Glogovsky and Tony Tinetti, General Manager/Head Golf Professional, Greg Benson, Mike Steele, Dan Dieck, Sandy Chess, Sandy Bradbury, Walter Lindquist, Jack Bradbury, Mike Trigg and Ed Holm. Senior Management representing GolfVisions were Tim Miles, Sr., Cathy Ralston, Dirk Skelly, Tony Tinetti, Greg Benson and Mike Steele.

**III. Review, Discuss, Decide**

Mr. Petry opened the meeting with an introduction of the GolfVisions group. He noted that the vetting process was extensive, and that there was not a selection until the very end. Golfers were involved in several meetings and we listened and took their comments into account as part of the decision. The employees have their jobs and benefits were bridged where possible. GolfVisions has committed to keeping the course conditions as they are, if not improving to make them better. They talked about no major fee increases and passes will remain. Customer service is expected to be as good if not better. Those were the major points expressed by the golfers and it was ensured that these be incorporated into the contract. I am excited to have GolfVisions as our partner. It is believed this is the best step at this time, given where golf is and will continue to be across the country.

Greg introduced Tim Miles, Sr., President of GolfVisions. He and his team are honored and excited to be here and working with two great courses in Waukegan. He noted that they want to keep the courses at the standard they are now, if not exceed those (weather conditions permitting). He noted that he has over ten years experience working in the public sector and discussed his background, as well as that of his company.

He continued, noting that there is a great team here on site, and he wants to continue and foster that relationship. He stated he enjoys working with park districts and is proud to be here.

People that make it possible for him to be successful include his team Controller, Payroll, account representatives, four Vice Presidents, Cathy Ralston (Director of Communication and Marketing), Dirk Skelly (Vice President of Operations and Chief Liaison). Dirk will be on call at all times for us. They are a hands on company and Tim will take an active role and be here for the first six months of transition. Continuing, he discussed the experience they have with a broad spectrum of courses. In closing, he noted that they are all looking forward to working with us.

Golf Financial Report highlights were presented by Jim Glogovsky. FY 11-12 ended in April, and showed a net loss per the audit of about \$51,000. The audit is available on the website if anyone would like to view it. For calendar year 2012, the weather was very warm in March and April, yet in October when cold and windy, revenues suffered. Rounds increased at Bonnie Brook by 3,133. Cart revenue was up from May 1 through the end of November. Bonnie Brook golf revenues increased about \$40,000, while expenses increased about \$44,000, for a decrease in net about \$4,000.

Food and beverage revenues increased about \$62,000....resulting in a net increase of about \$28,000. Greenshire revenue was very flat, but expenses decreased there, improving the net by about \$26,000. Keep in mind while looking at these numbers that in 2011 there was a lot of storm cleanup and that affected the numbers. This made the numbers this year look better so far. Some of the expense figures may appear high, since we paid additional bills in anticipation of GolfVisions taking over.

At this point, Commissioner Duffy asked Tim Miles to comment. He noted that they are a full service contractor and responsible for all the personnel and accounting related to that. They have set up a separate account and all invoices will be processed through them as will payroll. They do something similar for the Cary Park District, and are an agent for the park district.

Operationally, they have very good systems throughout their organization and do daily recaps, as well as having manuals of information for staff. They will use their methodology as a template and it is more private sector appearing. Reports will show budget variances month and year to date for each area. Everything is very straightforward and he reiterated that he is an agent for the district. He noted that they will facilitate the operation and will be focused on it. They will report trends at the regional and national level as well. They have a passion for the business, and he believes that shows in everything they do.

Tim then noted that Tony has been promoted to General Manager and is responsible onsite for the entire day to day operation. There will be challenges and it will be an opportunity to grow and learn. Tony then stated that the transition will be mostly seamless and that his goals are aligned with those of GolfVisions.

Continuing, he noted that they had a very good March and April, and a very bad October, due to weather. October was down about 1,000 rounds. He noted they had more than 35,000 rounds. He then stated that Greg Benson has done an excellent job with the course, and it is the best it has been and he believes it better than other area courses. He stated that we need to do a better job promoting junior golf, especially for Greenshire. He indicated that it is a great starter course, and gets youth and teens playing golf. He is optimistic about this initiative, and noted that they will offer new programs for junior golf. He then spoke about the rates for 2013, noting that there will be very little change. Tony then talked about the possibility of the course remaining open later into the year, and discussed ways to make this happen without damage to the course. He is excited about the upcoming season, and looking forward to working with Dirk and Tim and the new management company.

Mike Steele then spoke about the food and banquet aspect of the business, noting that they had a good year and surpassed the goals they had set for the past two years. Profits were up in the restaurant along with a good increase in banquet revenue. Looking forward to working with the new company, new goals and growth.

Greg Benson then spoke about the challenging year weather wise, though it was not as bad as last year, despite the record heat. There was ten million more gallons of water used, with a total of 27 million gallons used. Only one day were no carts allowed due to flooding. Improvements made this year include, purchasing carts, new fuel inventory system, upgraded underground storage tank, new fence at maintenance and installed some landscaping. Completed all stump repairs at both courses. Had a little damage at Greenshire this year, second tee and fifth green.

Duffy asked Greg Benson to explain about temporary greens and how the main greens are protected. Greg then explained what is different now than in the past and said that ice and frost damage cannot be tolerated by the turf. They are working toward getting the greens 80-90% bent grass and that should help. Tim Miles noted that playing longer into the year was a suggestion based on the nice fall weather and is not necessarily a company policy nor is a mandate. There are conditions in the winter when the course will not be open and this decision will be up to the staff. He noted that the real conditions are ground conditions, not the weather or what you see in the sky. The key is not to damage the course when conditions are not good. Judgment will be used in determining whether the course will be open or closed.

#### **IV. Questions and Comments**

Commissioner Duffy then opened the meeting for questions. A golfer noted that she has not been able to get on the course at 2 pm and play due to it getting dark at 4 pm. She was also told there were no carts. Tony discussed this noting that the darkness is a safety issue. However, he will talk with staff about the most recent occurrence.

Commissioner Duffy restated that if there are issues or complaints about any area, banquets, grounds; they need to get in touch with Tony.

The duration of the passes was another question that arose. Tony replied that they will likely be good for the calendar year, and Tim Miles noted that is how it is usually done.

Tim was then asked about when he went into the GolfVisions venture, main thought was to make a profit. He noted that there are two types of contracts: one is a lease agreement in which his company takes over full responsibility for the course and pays the owner something whether they win or lose, each agreement is different. The other is a management agreement, where they serve as the agent and which is what they have here and at the Cary Park District. He noted the number of each type of agreement they have. He said that they are paid a fee of \$4,000 per month and at the end of the year, if the course succeeds, they will receive 10% of EBITDA (earnings, before interest, taxes, depreciation and amortization) over \$100,000. This is their compensation, a base fee and an incentive fee based on performance. This contract is for two year and five months, which goes to the beginning of the 2015 fiscal year. It was noted that they report to Greg and Jim, with Dirk Skelly being their liaison. He discussed how invoices will be paid for through a GolfVisions account. A financial statement will then be provided by the 15<sup>th</sup> of each month. He noted that everything is owned by the park district.

He then discussed the success at Heather Ridge course since 1992, among other very positive examples. Every client he has had extended their contract. He does not recruit business, now works entirely on referrals. He is trained in the park district business from being at Elmhurst and Northbrook Park Districts. He has been in business for 25 years.

A question was asked about ideas being planned to promote golf. Tim said these include outings, leagues, functions, etc. There is not a tremendous upside in golf growth but room for banquet growth. Courses usually remain on contract with him while sustaining numbers and not experiencing losses. He believes that as long as the product does not get diminished, things will go well.

A final question was asked pertaining to the Field House at Hinkston Park and its financial performance. Greg Petry reiterated that no park district programs make money. Discussion followed with it being noted that there is no parking at the Field House many times due to the number of people using the building for tournaments, fitness or other activities.

**V. Next Meeting**

**A.** Time and date of the next meeting will be determined at a later date.

**VI. Adjournment**

**Motion by Commissioner Duffy, seconded by Commissioner Sarocka, to adjourn.  
Motion carried. Meeting adjourned at 8:20 p.m.**

Respectfully submitted,

Greg Petry  
Deputy Secretary