

CITY OF COUNTRYSIDE

*803 Joliet Road
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Meeting Minutes Regular Meeting of the FLAGG CREEK GOLF COURSE ADMINISTRATIVE BOARD MEETING

Tuesday, February 20, 2024

6:00 PM

Council Chambers

Committee Members

Chairman – Michael Natale

Board Members – Alderman Tom Frohlich, Alderman John Finn, Frank Urban, and Brian Remedi

I. CALL TO ORDER.

The Flagg Creek Administrative Board Meeting was called to order at 6:00 p.m.

II. ROLL CALL.

Present:

John Finn, Chairman
Michael Natale, Board Member
Tom Frohlich, Board Member
Frank Urban, Board Member
Brian Remedi, Board Member

Also Present:

Dave Schutter, Finance Director
Patrick Jeter, Golf Course General Manager
Aaron Hill, Golf Course Superintendent

III. APPOINTMENT OF CHAIRMAN OF THE BOARD.

Chairman Finn announced that we have to appoint a Chairman of the Board. Chairman Finn made a motion to name Michael Natale as Chairman of the Board. The motion was seconded by Member Urban.

The motion carried by the following vote:

Aye: 5 Chairman Finn, Member Frohlich, Member Natale, Member Urban, and Member Remedi.

Nay: 0

IV. ADDITIONS/CORRECTIONS TO THE AGENDA.

None.

V. COMMENTS FROM THE PUBLIC.

None.

VI. CONSENT AGENDA.

- A.** Approval of the Regular Meeting Minutes from December 19, 2023.
- B.** Review of the Paid Bills Report for the Period of January 1 – 31, 2024.
- C.** Ratify Donation Requests for February, 2024.

Member Frohlich made a motion to approve the Regular Meeting minutes from December 19, 2023, the Paid Bills Report for the period of January 1 – 31, 2024, and to ratify donation requests for February, 2024, under the consent agenda. Motion was seconded by Member Finn.

The motion carried by the following vote:

Aye: 5 Chairman Natale, Member Frohlich, Member Finn, Member Urban,
and Member Remedi.

Nay: 0

VII. NEW BUSINESS**A. Rounds Report for January, 2024.**

Finance Director Schutter stated that this report shows our year to date rounds, which is May through January. We are still up about 2,600 rounds on the year. The 205 number on the report on January 22nd was the total rounds for the high schools. The low number of rounds for January was due to the weather.

B. Consideration to increase course rates for calendar year 2024.

Finance Director Schutter stated that in 2023 we did not increase the green fee rates from the prior season. Golf Course General Manager Jeter took a look at three other golf courses. Mr. Jeter would like to increase green fees for all categories by about \$2, raise the cart fees by \$1, and raise the replay fees by \$3, and everything else leave at \$2. Out of the three courses, we are below one golf course in pricing, the same pricing in another, and higher in pricing than the third. We have increased the non-resident rates but have not increased the resident rates. This proposal would increase resident and non-resident fees.

Chairman Natale asked if we had a lot of replay rates where people want to play 18 holes since that is the largest increase. Golf Course Superintendent Hill said that there is a lot of people playing replays. Chairman Natale asked if a person goes out and plays 18 holes we don't increase their replay rate do we. As far as the junior rates, I would like to encourage more junior golfers and not increase their rate. Finance Director Schutter stated that we did not raise the junior's or residents rates last year. Member Finn stated that we could comprise and just charge a \$1. Chairman Natale agreed to increase the junior rates \$1.

A motion was made by Member Finn to approve the rate increase suggested with the exception of the juniors being raised only \$1 for each category, seconded by Member Urban.

The motion carried by the following vote:

Aye: 5 Chairman Natale, Member Frohlich, Member Finn, Member Urban,
and Member Remedi.

Nay: 0

C. Presentation of financial report for the period ended January 31, 2024.

Finance Director Schutter stated that YTD green/league fees exceeded the prior year and budget by \$73K and \$88K respectively. Range revenues exceeded the prior year and budget by just over \$23K and \$25K. Concession revenues exceeded the prior year and budget by \$26K and \$30K respectively. Total revenues for the course exceeded the prior year and budget by \$179K and \$196K respectively.

Net income from concessions exceeded the prior year and budget by \$13K/\$10K respectively while running a net margin of 48% of sales. Total personnel costs as a percentage of revenue are running at about 34% through the nine fiscal months ended in January. This shows outperformance to the prior year and budget levels of 36%/38% of revenue respectively.

Capital outlays of just over \$74,000 have been incurred YTD on the deck improvements, preliminary engineering work on the potential cart path restoration work, the purchase of golf cart replacements, and labor and construction costs related to the installation of fiber and a camera at the parking lot entrance. The Police Chief has noted that this project has been instrumental in providing surveillance coverage of the parking lot area as it now captures all vehicles entering and leaving the golf course.

The golf course is showing a surplus of \$577K versus a surplus of \$55K achieved in the prior year and \$460K on a year to date budget basis. The bottom line performance of \$522K and \$118K to the prior year and budget, respectively through the first nine months. The outperformance is reflected at \$117K and \$126K to the prior year and budget respectively.

D. Presentation and discussion on the fiscal year 2025 budget.

Financial Director Schutter stated that the initial budget with the inclusion of a profit sharing projection of \$175,000 and proposed capital improvements of just over \$469,000. The overall budget result is driven primarily from conservative revenues reflected at just over \$32,000 under the 2024 projected results. Conservative margins for the pro shop and concessions, and conservative labor costs as a percentage of revenues at 39%.

A cost of living wage increase is shown for full time employees in the amount of 3.5% and health/dental insurance rates are projected to increase by 7.5% and 5% respectively. Seasonal wages are pegged at the greater of CPI change or the State Minimum wage and provision has been made to fund the costs of the mandated Paid Leave for All Workers Act (PLAWA). The City is allocating salaried personnel costs in the amount of just over \$49K to cover direct cost allocations for management supervision, payroll, accounts payable, and public works/maintenance supervision.

Golf Course Superintendent Hill stated that when they were doing the drive around they noticed that the cart path needed repair. Mr. Jeter and I accompanied the City Engineer Fitzgerald around the golf course to identify areas that need to be replaced or seal coated. The City Engineer Fitzgerald gave us an estimate of about \$195,000. We are looking to contact three companies to survey the cart path and give us an estimate. Mr. Jeter would also like to replace the storage shed because it is at least 20 years old.

For the irrigation and pond improvements the first pond is by the club house and the irrigation is in the back of the club house. We are proposing to put white rock around the club house. We would put three feet of rock on the bank and two feet of rock down into the water.

We also need to control the erosion that is by the #1 tee, you can see the bank beginning to erode. When we had the diver come out to retrieve the golf balls he stated that we have sediment building around our intake valve. When you have this build up you will end up with mud coming through the valves. This fall we are looking to drain the irrigation pond again.

Golf Course General Manager Jeter also is talking about updating the bar area with two new televisions and removing some of the extra cabinets.

E. Consideration to approve the sale of 2 Toro GM1000 walking greens mowers in the amount of \$2,800.00.

Golf Course General Manager Jeter stated that Superintendent Hill has not used the walking greens mowers since he was hired in 2022. We asked about trade in values for the walking greens mowers. For the 2013 mower it would be \$200 and for the 2017 mower it would be \$250.

Golf Course Superintendent Hill stated that he was approached by another local golf course and they wanted to buy the two mowers. Superintendent Hill was able to negotiate a sales price of \$2,800 for both of the mowers.

There is no intended use for these mowers going forward with the new agronomic standards that Superintendent Hill has introduced to the golf course and the staff. The staff requests the consideration to approve the sale of the 2 Toro GM1000 walking greens mowers in the amount of \$2,800.

A motion was made by Member Frohlich to approve the sale of 2 Toro GM1000 walking greens mowers in the amount of \$2,800.00, seconded by Member Urban. The motion carried by the following vote:

Aye: 5 Chairman Natale, Member Frohlich, Member Finn, Member Urban, and Member Remedi.

Nay: 0

F. Staff Reports.

Golf Course General Manager Jeter stated that he has been working on finishing up all the winter service on the machines. He is also cleaning up the fairways, tees, and greens.

G. Next Meeting: Tuesday, March 19, 2024 at the City of Countryside.

VIII. ADDITIONAL ITEMS.

None.

IX. ADJOURNMENT.

A motion was made to adjourn the meeting by Member Frohlich and seconded by Member F. The motion carried by the following vote:

Aye: 5 Chairman Natale, Member Frohlich, Member Finn, Member Urban, and Member Remedi.

Nay: 0

Chairman Finn declared the meeting adjourned at 6:42 PM.

Approved:

Michael Natale, Chairman

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