

**RECREATION COMMISSION
MINUTES
SEPTEMBER 26, 2019**

Board or Commission: Recreation
Meeting: Special
Quorum: Yes

Called to Order: 7:01A.M.
Adjourned: 8:18A.M.

MEMBER ATTENDANCE:

Tim O'Shea	Chairman	Present
Rebecca Austin	Commissioner	Excused Absence
Brian Diver	Commissioner	Present
Glen G. Graham	Commissioner	Excused Absence
Alison Park	Commissioner	Present
Mark W. Reinke	Commissioner	Present
Carol Scott	Commissioner	Present
Sophia Hadley	Student Commissioner	Excused Absence

Also, Present:

Jeff Vesevick	General Manager / Staff Liaison	Present
Steve Thompson	Liaison Trustee	Excused Absence
Mark Franz	Village Manager	Excused Absence
Brad Chapple	Food and Beverage Director	Present
Tom Fota	Executive Chef	Excused Absence
Mike Campbell	Golf Professional	Excused Absence
Noel Allen	Director of Golf	Excused Absence
Chris Pekarek	Golf Course Superintendent	Present

1. CALL TO ORDER

The September 26, 2019 special meeting of the Recreation Commission was called to order at 7:01A.M. at the Village Links of Glen Ellyn; 485 Winchell Way; Glen Ellyn, Illinois by Chairman O'Shea.

MOVE TO ALLOW COMMISSIONER DIVER TO TELECONFERENCE INTO THE MEETING.

RESULT: Motion Unanimously Carried
MOVER: Chairman O'Shea
SECONDER: Commissioner Reinke
AYES: Diver, O'Shea, Park, Reinke, and Scott
NAYES: None
ABSENT: Austin and Graham

2. PUBLIC COMMENTS

None.

3. APPROVAL OF MINUTES FROM AUGUST 28, 2019 MEETING

MOVE TO APPROVE MINUTES OF SPECIAL MEETING FROM 8/28/19 AS PRESENTED.

RESULT: Motion Unanimously Carried
MOVER: Commissioner Scott
SECONDER: Commissioner Reinke
AYES: Diver, O'Shea, Park, Reinke, and Scott
NAYES: None
ABSENT: Austin and Graham

4. STANDING REPORTS

A. Manager's Report – General Manager Jeff Vesevick

1. Village Links/Reserve 22 – Manager's Report - August 2019

General Manager Vesevick stated the month of August was excellent for the facility, with below average rainfall and virtually every revenue category was up. The Glen Ellyn Open was canceled in August due to rain and rescheduled for September. Golf outings were down slightly, but green fees increased. The fall membership special will be offered. The Village Links newsletter will no longer be mailed to patrons, but rather emailed. Through emailing the newsletter the Links will save about a couple of thousand per mailing/distribution. Printed newsletters will still be available at the Village Links.

Overall the golf boards were rented a total of 144 times through August with a net loss of about \$2,300. The people who rent the golf boards really enjoy them. Chairman O'Shea recommended that the golf board rental program be discontinued, but noted the Recreation Commission will discuss this at a later time. General Manager Vesevick said overall the course is in good condition. Golf Course Superintendent Pekarek noted the course is being treated for a common disease, which is difficult to control with all the rainfall. Golf Course Superintendent Pekarek noted the cooler weather should improve this. General Manager Vesevick noted September is proving to be an above average month and now the Links has a good solid four (4) months of business behind them and overall are in pretty good shape.

2. Village Links Golf Course Reviews – August 2019

General Manager Vesevick said the course reviews reflect that golfers were relatively happy with the course.

3. Village Links – Grounds Activity Log – August 2019

General Manager Vesevick referenced the Grounds Activity Log which details routine maintenance. Commissioner Reinke inquired about the bunkers and the

number of man hours spent repairing them. Golf Course Superintendent Pekarek replied staff spends more time repairing the bunkers after rainfalls than the greens. Golf Course Superintendent Pekarek added a long-term goal is to consult with an architect to suggest some bunker modifications.

The Recreation Commission concurred to not include the maintenance activity log on future agendas.

B. Reserve 22 – Food and Beverage Director Chapple

1. Reserve 22 – Restaurant Reviews - August 2019

Food and Beverage Director Chapple said overall August was a good month for Reserve 22, while outings were down slightly. Staff is in a transition with all the kids leaving for college. Commissioner Reinke inquired about the Reserve 22 food specials. Food and Beverage Director Chapple said the Steak Night Special is performing well and starting to get a following. Reserve 22 is also pushing Kids-Eat-Free on Mondays through different marketing approaches. General Manager Vesevick noted that 24 out of the 30 reviews received four (4) or five (5) stars on Google. Service levels are improving at Reserve 22, which is reflected in the increased revenues.

C. Financial – Jeff Vesevick

1. Village Links/Reserve 22 – Financial Statements – August 2019

General Manager Vesevick said August was a good month especially considering the three (3) payrolls. Chairman O'Shea asked what the August payroll amount was. General Manager Vesevick replied roughly \$100,000. Chairman O'Shea asked about Reserve 22's back of the house operations. Food and Beverage Director Chapple replied the addition of Sous Chef Katie Sullivan has improved kitchen operations and she works really well with Executive Chef Tom Fota.

2. Village Links/Reserve 22 – Operating Profits & Cash Reserves

General Manager Vesevick noted the Links and Reserve 22 had an operating profit of \$139,811 for August compared to \$145,569 last year. General Manager Vesevick noted under the worst-case scenario projection there will be negative cash in April of 2020, only in the event that the worst fall and spring are experienced. General Manager Vesevick noted overall the facility is healthy and will be able to meet the principal and interest payments obligations in December.

Commissioner Reinke inquired about what if the Village Links could not cover the debt service. General Manager Vesevick responded the Village would have to make a decision to loan the Village Links the money or obtain funding from somewhere else. Chairman O'Shea asked if this has been discussed with the Village. General Manager Vesevick responded yes that informal discussions have been held with Village Manager Franz. General Manager Vesevick said at some

point the Recreation Commission needs to determine whether they want to operate without Village support. Chairman O'Shea expressed concern over the rate at which the facility is burning through cash. General Manager Vesevick noted half of the debt service payments will mature in 2023, while the other half matures in 2033. General Manager Vesevick noted the facility has about \$500,000 to \$700,000 in operating profits if the Links did not have the debt. Commissioner Reinke said the Recreation Commission needs to be prepared for 2021 and they do not want to wait until 2021 is here. Chairman O'Shea asked for a comparison of the lowest cash positions, so we can compare to where we are currently are. General Manager Vesevick will provide this going back to 2014.

Commissioner Diver asked when it the most appropriate time to discuss this matter with the Village Board in the event that the Village Links requires assistance and how much lead time is necessary for budgeting purposes. General Manager Vesevick said this conversation does not to be had unless it is eminent. Chairman O'Shea asked if staff has thought of alternate ways to raise capital for the golf course. Chairman O'Shea said staff needs to think of ways to change operations given the way the golf business is going. Chairman O'Shea suggested closing Reserve 22 during the off-season on days that don't make money. Chairman O'Shea said we should be fine for this year's 2020 budget, but a discussion does need to be had for the 2021 budget. General Manager Vesevick said each year staff gets together to see what revenues will be and then staff looks at ways to cut costs. Staff is very well aware of where golf rounds is going, but revenues are increasing due to price raises and increased activity at Reserve 22. Discussion ensued regarding closing Reserve 22 some weekdays during the off-season. Chairman O'Shea requested past daily sales figures for January, February, and March for Reserve 22. Commissioner Park said the Glen Ellyn Rotary may be looking for options to hold their weekly Thursday meetings.

Commissioner Diver said the business model has changed since 2014. Commissioner Diver suggested a separate breakout meeting with the Village to discuss a five (5) year plan with staff offering several different options. The purpose of the breakout session would be to discuss the options presented in the five (5) year plan so the facility will be the best it can be for the coming years. Commissioner Diver said the Village probably needs to be a more active participant in these discussions. Commissioner Diver said during the workshop, staff can present the different options and ask if there is anything else the Village Board want us to do because changes are most likely coming. The Recreation Commission agreed with Commissioner Diver's suggestion.

Commissioner Reinke said the Recreation Commission does not want to have to go back to the Village. Chairman O'Shea said if the Recreation Commission feels that tax dollars should support the facility then we need to go to the Village Board and request funding for stormwater assistance. Chairman O'Shea said he would have no problem making this recommendation but would need to sound-out all the options before. Commissioner Diver said the Links is a great asset to the Village especially with the stormwater and it looks that by 2021 some sort of

subsidy will be needed from the Village based upon the trends. Commissioner Park said the proposal to the Village has to be well thought-out.

D. Trustee Liaison Report – Steve Thompson

No report.

5. Discussion – Village Links/Reserve 22 Annual Budget (Preliminary)

1. Village Links/Reserve 22 – 2020 Annual Budget (Preliminary)

Chairman O'Shea felt the 2020 revenue assumptions were a little high and would like to have the Village Board see something more aligned with the current scenario. Commissioner Reinke agreed with Chairman O'Shea.

6. OTHER BUSINESS

None.

7. NEXT REGULAR MEETING FRIDAY, OCTOBER 25, 2019

8. ADJOURN

Commissioner Reinke moved and Commissioner Park seconded, to adjourn the meeting. The meeting was adjourned at 8:18a.m.

**Submitted by Aileen Haslett, Recording Secretary
Reviewed by General Manager Jeff Vesevick**