

1. **Call the Meeting to Order** – The meeting was called to order at 6:30 pm.

2. **Roll Call**

**Board Members Present:**

Dorothy Lange – President  
Georgia Schroeder – Vice President  
Greg Stimpson – Treasurer  
Denice Sbertoli – Secretary  
Rick Pokorny - Commissioner

**Staff:**

Matthew Ellmann – Executive Director  
Karin Johns – Director of Administration & Finance  
Ben Appler – Director of Parks & Facilities  
Frank Bonanno – Director of Golf Operations  
Michele Silver – Director of Recreation & Projects

**Also Present:**

Carolyn Mondlock – Recording Secretary  
Mark Goode – Safety Coordinator  
Sarah Griffin – Summer Intern

**Visitors:**

Joseph Julius, Auditor, Joseph Julius & Associates  
Richard Singer, Senior Director of Consulting, National Golf Foundation (NSF)

3. **Pledge of Allegiance**

4. **Additions/Changes to Agenda**

Agenda items 7E and 8C were moved to after Agenda #15.

5. **Approval of Consent Agenda Items**

A. Approval of the monthly expenditures: Totaling \$496,801.66, covered by check nos. 79464 through 799657 (\$297,232.30) and payrolls 4/22/16 (\$78,451.13); 4/28/16 (\$54,256.67) and 5/6/16 (\$66,861.56).

It was moved by Commissioner Stimpson, seconded by Commissioner Pokorny, to approve the Consent Agenda as presented. *ROLL CALL VOTE, ALL IN FAVOR, MOTION CARRIED.*

6. **Written & Public Communication**

Director Ellmann and Frank Bonanno received letters of appreciation from NEDSRA in cooperation and collaboration of the 100-Hole Challenge at Salt Creek Golf Club They also appreciated the customer service and favored the course conditions.

7. **New Business**

A. Introduction of Summer Intern Sarah Griffin (*Michele Silver*) – Michele Silver told the Board that the district has an ongoing relationship with colleges and universities for students that need to attain internship hours, particularly in the field of recreation. She introduced Sarah Griffin, a junior at Western Illinois University, majoring in facility management (specifically aquatics) with a minor in occupational safety. Director Ellmann added that Sarah will be shadowing staff in recreation, administration, golf and parks as part of her internship experience. She has already spent time at the pool. The Board enthusiastically welcomed Sarah.

B. Recognition of Mark Goode, Safety Coordinator (*Matthew Ellmann*) – Director Ellmann recognized Mark Goode's nearly 11 years of service as safety coordinator and person in charge of risk management in unison with three other agencies. He said Mark has served the district by bringing forth new initiatives, handling large projects, maintaining agency accreditation. He was doing everything he could to make sure staff and patrons enjoyed a safe environment. With the demands of safety tasks through PDRMA at all four agencies increasing, Mark is leaving the Wood Dale Park District. President Lange presented him with two personalized gifts. Mark said a few words in appreciation.

- C. Presentation of National Golf Association Study for Salt Creek Golf Club (*Richard Singer, NGF*) – Director Ellmann introduced Richard Singer, who has been working for the past six months to develop an in-depth study of the district's entire golf operations. The Park District has received the full report. Richard highlighted the findings, adding that the reports goal is to give insight and understanding into the district's golf operations, capabilities, and potential.

Richard said Salt Creek Golf Club is classified as an 18-hole executive golf course. It's a small but unique property of 75 acres, which presents challenges in operations and maintenance. Salt Creek is a low fee provider of public golf in the area, with most players being non-residents. The clubhouse is a key aspect of the operation which accounts for about half of the total revenue. Richard also expressed how it is unique for TopGolf to be sharing property with a municipal public sector golf facility. He noted that all operations of Salt Creek Golf Club are run in-house by employees of the Wood Dale Park District, which differs from many communities that privatize operations with contract agreements.

Richard wants the Board to think of the golf facility as a business, since that's what it essentially is. This business is in a very competitive market, with a traditionally low margin of profit, but it does provide a good service and recreational amenity to the community.

Richard made some recommendations from the study:

- Upgrades to physical conditions of the facility both in terms of golf course and clubhouse maintenance, which have been deferred and should be addressed. Turf conditions and drainage issues should be on high list of priorities.
- The customer interface with the clubhouse – carpets, restrooms, general appearance – should be kept at the highest level. A replacement schedule for all these things should be in place going forward.
- NSF has estimated about \$800K worth of recommended upgrades to both course and clubhouse, with about \$86K per year to be added to the budget for the appropriate staff and amenities.

The financials done in review of this do not include revenue received from the lease the district has with TopGolf. In recent fiscal years, funds received from the TopGolf lease, were partially put back into golf operations, with the remainder assisting capital projects in other areas of the District.

#### Review of the facility

Richard said it is hard for NGF to imagine other uses for the property because of utilities easements and TopGolf. The asset is fixed, and there is not a lot of room to do different things. Drastic changes are not recommended.

Staffing is found to be top heavy without enough maintenance workers to maintain the facility properly. Normally three to eight full-time people maintain golf courses. The lack of staffing reflects on some of the condition issues identified. When NGF benchmarked Salt Creek and compared it to what works in the industry, they saw that more maintenance support is needed.

Richard further noted that \$1.2M in revenue is close to standard for an 18-hole municipal golf course. What's unique about Salt Creek is that half of that is coming from the food and beverage operation, which is not common. This offers Salt Creek with opportunities for growth. If you don't include the TopGolf income, the golf course is losing money, which is common in public sector golf. Two-thirds of all municipal golf courses in the country lose money.

Marketing the facility is changing with the involvement of social media and email campaigns that allow the business to stay in touch with customers, which is really important. Salt Creek is an active facility with clubs, leagues, organized events – and that's a strength. It's great to have a

core of customers that use the facility regularly. Attracting new people to the game, particularly in the younger demographic, and the female demographic, will be key to any operation going forward. Growth opportunities are in the beginner golf segment because of size, length and general ease of play.

Some external factors:

Richard reported that the metro area and overall ratio is favorable. Accessibility and visibility from a major road way is a key to success in public golf and the tollway is a huge opportunity to expand the market. The inclusion of TopGolf on this property is a draw itself, but both businesses need better coordination between each other to attract new people to the game. For example, have clinics at TopGolf. People coming to TopGolf who are beginners, should be encouraged to transition to Salt Creek. Cooperative efforts should be made by both businesses with golf and food and beverage.

The TopGolf facility is unique. The company is growing in golf and getting better facilities. They are constructed for a specific purpose. Richard stated that the Park District needs to think about how this amenity fits in with Salt Creek. Also, despite at least twenty more years on the lease, TopGolf could select to vacate early. The Park District needs to be prepared to either run it or find a new lease partner. NGF gathered from the review that Salt Creek and TopGolf don't interact together that much. It would help both businesses to develop opportunities with beginners. Placing marketing materials for your events at each other's facility could benefit both parties. Their increased revenue increases your lease payments. We feel Salt Creek and TopGolf fit together really well.

Weather is an issue. That's the reality of an outdoor activity. It's a revenue-based outdoor activity and will be affected by weather.

Recommendations:

- NGF doesn't see the operation needing to be contracted out. However, they recommend some organizational change with the existing structure and operations. In the report they did review other options for Salt Creek in terms of management contracts, leases, and maintenance contracts.
- The business is a tough one to be in and will always be challenged economically. Improving marketing and focusing on non-golf opportunities – banquets, parties, weddings – all bring revenue to the facility.
- Modify staffing. NGF recommends some additional hours for part-time staff and the addition of a new assistant greens superintendent be added to your operations.
- Make sure the property and facility is being maintained by increasing some annual expenditures. Irrigation and drainage is the lifeblood of the facility. Both need attention. There is equipment being used to maintain Salt Creek that is out of date and should be replaced over the next five years, as well as tee boxes, bunkers and trees.
- Make improvements to the clubhouse, including the restrooms and other amenities.
- Create a cart path system. Cart paths equal money in a public operation. You can still send carts out when it is wet and people want to play. It is a worthwhile investment.
- Good turf quality brings golfers back. The condition of the greens is most important and drives golfer demand at public golf courses.
- Invest in technology and a good POS system. Capture customer information as it comes to you and communicate with them. The real opportunity is in younger people and women. They are more socially oriented than traditional golfers. They want to see more programming, such as a wine and dine or other social event and then play together.
- NGF recommends adding \$86K a year to the Salt Creek budget.
- Current rounds are low at 30K. The break-even number is 39K rounds, which can be a realistic expectation, but don't expect big earnings from the operation as a low-price provider. It is a service to the community. Two-thirds of municipalities that operate golf courses do not make revenue. If revenue is made, set aside for future improvements.

Overall summary:

- Put good foot forward. This is what you're selling, and it should be as good as it can be. Maximize use of technology.
- Maximize TopGolf. They are golf entertainment but can help with beginner programs that help both parties.
- Should TopGolf leave early, consider an outright lease, similar to what is being done now, but package the whole operation. You may not benefit from a management company or a concession agreement if some of the economics are not working. A lease partner should bring capital to make repairs; otherwise you'd be spending money to benefit a leasee. The most sense here is to continue your self-operation.
- Embrace the new people you bring in. There is something for everyone at Salt Creek. Enhance or create new activities to capture the younger and female demographic.

Questions/comments from the Board and staff:

President Lange – Food and beverage is higher than the average. So if we improve the golf and keep the food and beverage as is we'd be doing decent?

Richard – Yes, in terms of benchmarking and standards we showed you the food and beverage is doing better than most municipal golf courses, and the golf is doing lower than what we typically see. However, this is a smaller property and is the lower price provider in the area. There was a time when this was a busy place and you could make it up on volume.

Commissioner Stimpson – How disruptive would repair of the irrigation and drainage operations be? Would we have to shut down the course for a year?

Richard – You might, but what NGF has determined for this study is just adding some channels and various things to move water off the property, in addition to some pump systems and computerized controls will enhance your irrigation system. At some point in the future, you may consider a full re-irrigation, and that would be a disruption; but if you do it at the end of the season, it may only take a few months.

Commissioner Stimpson – There's been a bit of discussion about the relationship between Salt Creek and TopGolf. I am wondering if we offer TopGolf customers a discount to play nine holes, would that be enough to draw some people over?

Richard – Yes, there are many ways you can work together, and I would agree with that. Remember that TopGolf draws people who aren't familiar with golf and there's a huge intimidation factor to go to the golf course for the first time. The more welcoming it is, the more impact you will see.

Frank Bonanno – We do see some TopGolf customers when the wait at TopGolf is long. Customers will come and play nine holes of golf. We are working on a partnership with TopGolf and their beginners and juniors where the graduating step would be to come and play a few holes to introduce them to the game. Perhaps, we can also introduce them to FootGolf. It may not be as intimidating.

Richard – TopGolf did not envision when they first opened that so many customers would be non-golfers. They realize now that this is their market. Many come out to have fun in a nightclub type atmosphere and are not golfers, but if there is enough of a percentage of them that are interested, it could impact you.

Commissioner Pokorny – Obviously the offer has to be reciprocal, and we should bring things to the table that benefit them as well.

Richard – They are also a corporate chain with different locations, all having a guidebook to follow. The TopGolf facility here is not equipped to handle large parties, so if you let them know they can use Salt Creek when available and that you would work something out with them, they may think about selling to larger parties. This is the only TopGolf location that has a golf course next door. Put your brand image out there to make sure visitors to TopGolf are aware of you, that you're a public golf course. Patrons come over anytime to try Salt Creek. Place your marketing materials in their facility and vice versa.

President Lange – You talk about Salt Creek being a community golf course, yet more non-residents use it than residents. Is there a way to attract people who live here to golf?

Director Ellmann – The ethnic diversity in Wood Dale is just not golf driven. The term “community” is being used broadly and interchangeably in the region. We do have residents using the clubhouse and restaurant amenities.

Commissioner Pokorny – One of the numbers that caught my eye is “while the total expense to operate the facility is in line with the industry averages, proportionate labor expenses are over 67% versus 50% for the industry” – is that measured against municipal golf courses or all golf courses?

Richard – That number is measured against all public golf courses, not necessarily municipal.

Joe Julius – What are some ideas on how to save salary dollars? Do we just work with part-time people who don't qualify for IMRF or medical?

Richard – Yes, we do see more part-time staff at public golf facilities and less full-time benefits people.

Joe Julius – When we talk about expertise such as for a greenskeeper, for a facility of this size, do we have enough expertise and can we pay someone enough money? Or can we share a greenskeeper with other golf courses?

Richard – Because Salt Creek is one facility, it may be difficult to find a shared greenskeeper. There are districts that have multiple courses and they do share a greenskeeper.

Joe Julius – He asked about the food and beverage profit margins and whether they meet industry standards.

Frank Bonanno – We are making money in the food and beverage operation, but we are not making the profit markups and not making the industry standards. This is the reason why we've created a full time food and beverage position.

Richard – My sense of this is the vast majority of municipal golf operations are revenue-challenged as opposed to expense-challenged. You have probably cut the expense side as far as you can. Any additional cuts will impact the quality and integrity of the product. You need to focus on the revenue side to gain economic value as opposed to cutting expenses. It's a quicker path to success than cutting expenses.

Director Ellmann thanked Richard Singer for coming and presenting the National Golf Foundation Study. He said what is important, is what direction the park district takes with this information to make sure it is meaningful and produces positive outcomes. He continued, that staff has already started to implement the recommendations and is making changes to improve the bottom line. What we are planning to do is to prioritize this information into a format to be used as a tool now

and in the future, such as an action plan with individual action steps that will be reported regularly to the Board.

*Richard Singer left the meeting at 7:47 pm.*

- D. Granting Wood Dale Baseball Association permission to have limited alcohol on park district property (Franzen Grove) for their annual association picnic on Saturday, July 9 (Michele Silver)

It was moved by Commissioner Pokorny, seconded by Commissioner Stimpson, to grant Wood Dale Baseball Association permission to have limited alcohol (beer and wine) on park district property (Franzen Grove) for their annual association picnic on Saturday, July 9, 2016. *ROLL CALL VOTE, ALL IN FAVOR, MOTION CARRIED.*

- E. Annual Election of Board Officers (President Lange) – Moved to after Agenda #15.
- F. Rescheduling of Budget & Appropriations Public Hearing for June 28, 2016 at 6:30 pm (Karin Johns) -- The notice of the Budget & Appropriations Public Hearing was posted in the newspaper six days ahead, instead of seven, so Karin had it reposted for June 14. The Hearing is proposed to be scheduled for June 28, the next Board meeting.

It was moved by Commissioner Stimpson, seconded by Commissioner Schroeder, to reschedule the Budget & Appropriations Public Hearing to Tuesday, June 28, 2016, at 6:30 pm. *VOICE VOTE, ALL IN FAVOR, MOTION CARRIED.*

## 8. Unfinished Business

- A. Approval of the 2016/2017 Annual Operating & Capital Budget (Karin Johns)

It was moved by Commissioner Pokorny, seconded by Commissioner Sbertoli, to approve the Operating and Capital Budget for Fiscal Year 2016/2017. *ROLL CALL VOTE, ALL IN FAVOR, MOTION CARRIED.*

*Joe Julius left the meeting at 7:54 pm.*

- B. Selection of firm to perform a White Oaks Park Re-development Concept Plan (Commissioner Pokorny)

It was moved by Commissioner Pokorny, seconded by Commissioner Schroeder, to select Altamanu Inc. for engagement in the development of a White Oaks Park Re-development Concept Plan and to have staff contact them to begin the process.

Discussion: Director Ellmann reminded the Board that at the last Special Meeting, there was a concern about Altamanu's experience working with water reclamation and storm water in DuPage County. They shared that they have direct experience working in DuPage County on two projects – The Downers Grove Central Business District Master Plan and the Wheaton Metro Station Landscape Plan. The consultant they hired for specific engineering has extensive experience in DuPage County with projects to include the Naperville Country Club, the 75<sup>th</sup> Street Road Widening and the York Center Park District. He's also worked with the MWRD Storm water Regulations that were passed in 2014 that are very similar to DuPage County.

Director Ellmann asked if the fee could be lowered, and he would be open for some change in scope as a result. They have lowered their fee by \$2,000, eliminating one of the community meetings. Current proposal is for a total estimated fee with reimbursables of \$13,450.

*ROLL CALL VOTE, ALL IN FAVOR, MOTION CARRIED.*

C. Discussion and Approval of Executive Director's Work Goals for FY 2016/2017 (*President Lange*)  
– Moved to after Agenda #15.

D. Items removed from Consent Agenda (*none*)

**9. Executive Director's Report** (*Matthew Ellmann*)

A. Update on Central Park Design & Development Project – Director Ellmann informed the Board that the district is required to obtain a Special Use Permit for this project. The application has been prepared and will be submitted prior to the deadline. It then goes to the City Community and Development Commission on June 20; the Planning, Zoning and Building Committee meeting on July 14; and then the City Council on July 21.

He explained the permit is required because there will be a bit of earth moving, impervious pavement added, landscape changes; and water needs to be brought in for the drinking fountain. He distributed a copy of the plan, highlighting Phase 2, which will be a decision to be made in the future. He also passed out the Central Park Plan budget. He said at this time the district is on schedule going out to bid in August and for Phase 1 construction in September.

**10. NEDSRA Report**

Director Ellmann reported that there is a NEDSRA Special Meeting on May 26 for personnel. The application for the Reach for the Stars event has been submitted, and the district has a table of ten.

**11. Salt Creek Golf Club Report** (*Frank Bonanno*)

- Frank thanked Director Ellmann for the opportunity given to him at Salt Creek Golf Club.
- He reported that Bill Krueger has accepted the position of part-time and seasonal Golf Course Coordinator and starts June 1. He brings much experience and knowledge of golf and customer service.
- Numerous applications have been received for the Food and Beverage Manager position, and Frank is confident a good candidate will come out of the process.
- A film shoot took place on Friday, May 20, that will be on Golf Scene, which is a Comcast sports station that airs after Cubs and Sox games. The segment will be aired six to eight times for two to four minutes, and 30 to 40 commercial spots will be shown over the course of the summer.

**12. Parks Department Report** (*Ben Appler*)

- Ben reminded the Board of the Memorial Day Parade and said they need to do mower training. The Board decided to attend mower training on May 25.
- The infield on ball field 5 at Community Park was re-established to assist the youth baseball association.

**13. Business Department Report** (*Karin Johns*)

- Karin reported the annual audit is scheduled for mid-July.
- She received five applications for the Accounting Coordinator position, three of which she is interested in.
- The district received TopGolf's financial report late today. It has yet to be reviewed.

**14. Recreation Department Report** (*Michele Silver*)

- Michele reported that the Starburst Gymnastics Team placed in the DuPage Gymnastics State Meet. The trophies were on display in the conference room.
- The pool is fully staffed and training is underway. The pool is scheduled to open on Saturday, June 4.
- The district is seeking a camp director and a bus driver. Michele is looking for an opportunity to possibly share a bus driver with another district.

- The Funshine Camp that was cancelled last year is running this year. Michele has seen growth in the early childhood age group.

*Staff Appler, Bonanno and Silver left the meeting at 8:40 pm.*

## 15. Commissioner Comments & Future Agenda Items for Consideration

There were no additional comments or requests for future agenda items.

### Items relocated from within agenda

#### 7E. Annual Election of Board Officers (*President Lange*) – Moved from Agenda #7.

It was moved by Commissioner Schroeder, seconded by Commissioner Stimpson, to nominate Commissioner Lange to serve as President.

It was moved by Commissioner Stimpson, seconded by Commissioner Pokorny, to nominate Commissioner Schroeder to serve as Vice President.

It was moved by Commissioner Stimpson, seconded by Commissioner Sbertoli, to nominate Commissioner Pokorny as Treasurer.

It was moved by Commissioner Stimpson, seconded by President Lange, to nominate Commissioner Sbertoli as Secretary.

It was moved by Commissioner Stimpson, seconded by President Lange, to close and accept the slate of nominations. The slate of officers is Dorothy Lange as President, Georgia Schroeder as Vice President, Rick Pokorny as Treasurer and Denice Sbertoli as Secretary, starting with the June Board Meeting.

*VOICE VOTE, ALL IN FAVOR, MOTION CARRIED.*

#### 8C. Discussion and Approval of Executive Director's Work Goals for FY 2016/2017 (*President Lange*) – Moved from Agenda #8.

Commissioner Schroeder pointed out that two of Director Ellmann's goals are identical. Director Ellmann acknowledged that this is an error on his part and will remove #3 of the five goals. She also would like to see the goals still in progress listed along with the new work goals. It was agreed also that Director Ellmann would give the goals a target completion date.

Director Ellmann will also add the ongoing comprehensive program portfolio and an action plan for park redevelopment spanning five to ten years, in conjunction with the results of the comprehensive master plan.

Other Commissioner Comments - Commissioner Schroeder would like to revisit before the budget next year how the new coordinators are performing. President Lange agreed and thought a review of all coordinators should take place. Director Ellmann will put this review on the Board Action Calendar for next January.

## 16. Adjournment

It was moved by Commissioner Schroeder, seconded by Commissioner Sbertoli, to adjourn this General Meeting at 8:55 pm. *VOICE VOTE, ALL IN FAVOR, MOTION CARRIED.*

Board Member Signatures:

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President

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Secretary