

MINUTES

FOX RUN GOLF ADVISORY BOARD

Tuesday, December 15, 2016
Fox Run Golf Course Clubhouse – 12:00 P.M.

Routine Business

Roll Call:

Present: Terry Carda, Kim Auch, Steve Sager, Jake Hoffner.

Absent: Annette Kohoutek, Carll Kretsinger, and Warren Erickson.

Also present were Golf Operations Manager Tom Jeffers, Course Superintendent Rockie Wampol, Director of Parks and Recreation Todd Larson, City Manager Amy Nelson, and Parks Secretary Chasity McHenry

Public Appearances: Bob Novotny, Monty Goeden, Darrell Sundleaf.

Minutes:

November 8, 2016 minutes approved. Sager motioned, Auch second. Motion carried 3-0.

Old Business

A. None.

New Business

- A. Course financials from City Software. November 2016 revenues were an improvement compared to 2015. December 2016 revenues are also improved from December 2015. Tom and Amanda have been promoting the pro-shop sales and also the food and beverage business. The grill is now open for set hours during the winter months. The kitchen has added soups for the winter menu. The overall 2016 budget will be the largest yearly loss for the course. Tom has met with Todd and Amy to plan for 2017. Tom is confident expenses can be reduced and revenues increased.
- B. Security Cameras for cart sheds, course security, traffic at night from the west entrance. Moved to next board meeting.
- C. Great Life discussion. Tom will contact Great Life to work on an affiliate agreement. This agreement with Great Life would bring in more revenue and rounds played. The course would be reimbursed for rounds played by the Great Life members and would also realize revenue from cart rentals, pro shop sales, and food and beverage sales.
- D. League updates, simulator operations. In the 3rd week of simulator leagues. There are 15 teams, same as last year. New league software program is up and is being used for winter leagues. Tom is also going to run last summer's league scores into the system to see if it runs well with those also. This software has a minimal cost compared to the software used last summer, which was approximately \$2,500. Also discussed creating a tiered fee system to help drive simulator play during slow times. During weekday mornings and afternoons the simulator has openings. Tom and Amanda will be working on a Facebook campaign for 2017.
- E. Course conditions and projects. Greens top dressed with sand. Used extra sand to spread on the tee boxes which help with leveling the tee boxes. Discussed creating a volunteer group to help do some work on the course. The volunteers wouldn't be able to use

machinery or power equipment. Tree trimming could be a winter work group task. Also discussed if the course can find a grader to help with moving the gravel back onto the designated cart path areas. The gravel spreads out and pot holes are created.

Other Business

- A. Next Meeting Date – Thursday, January 19, 2017

Meeting Adjourned

- A. Hoffner motioned, Carda second. Motion carried 3-0.

MINUTES

FOX RUN GOLF ADVISORY BOARD

**Tuesday, November 8, 2016
Fox Run Golf Course Clubhouse – 12:00 P.M.**

Routine Business

Roll Call:

Present: Annette Kohoutek, Terry Carda, Kim Auch, Carll Kretsinger, Jake Hoffner.

Absent: Steve Sager, Warren Erickson.

Also present were Golf Operations Manager Tom Jeffers, Golf Operations Assistant Manager Amanda Schieffer, Course Superintendent Rockie Wampol, Director of Parks and Recreation Todd Larson and Parks Secretary Chasity McHenry

Public Appearances: Charlie Gross, Mayor, Amy Nelson. City Manager, Al Viereck, City Finance Officer, Karol Kittelson, Dick Erickson, Randy Kussman.

Minutes:

October 20, 2016 minutes approved once corrected. Hoffner motioned, Kretsinger second. Motion carried 4-0.

Old Business

A. Proposed golf fees for 2017 discussion.

Kretsinger commented that expenses for people are going up and therefore profits are down for all businesses as people are spending less in all areas. Maybe the course should look at only a 2% adjustment for the 2017 season.

Hoffner commented that the City is still investing in the course even with operational losses. There were staffing adjustments made going from 2015 to 2016 to address the customer service concerns that had been brought forward during 2015. The staff are making adjustments from 2016 to 2017 to address the operational loss and are working to make it less. One question that is always being asked of the Commission is what level of loss can they support at Fox Run? The Golf Advisory Board is the eyes and ears for the Commission when it comes to golf course patrons and so the GAB discussion is important. Hoffner stated the 4% proposal shows good faith by the GAB to work with the staff and commission to keep the operational loss at a minimum.

The board discussed Vermillion and questioned there operation with 2 full-time pros and 1 part-time pro. It is the only course in Vermillion. It is a public, City operated course and it is being subsidized also. Vermillion was a Great Life affiliate in 2016.

The board discussed fall play at the course. If season pass holders are the only ones golfing, the only revenue would be from Food & Beverage, or Pro-Shop sales. Green Fees are very important in the spring and fall seasons to help generate revenue for the course.

The staff will be continuing to recruit outings/tournaments for 2017 to help with revenue generation. 2016 advertising campaign was not successful in terms of generating increased green fee revenue. In 2017 and beyond, need to spend smarter and work to get the return on investment that was not realized in 2016.

Tom discussed the pro-shop operations and is working with the vendors to have 2016 product sent back for credit so in 2017 product can be stocked without cash payouts to the companies. Tom feels there is too many brands for the products carried. He wants to work to get the number of brands down. Tom will work on educating patrons that people can special-order through the pro-shop and get most any product they want with minimal wait times. Pro-shop inventory needs to be kept at a much lower level in future years. Tom has also been speaking with Vermillion to see how they had the GreatLife Golf affiliation set-up to determine if it would be beneficial to Fox Run to have another discussion with Fox Run.

Todd and Amy discussed the GreatLife golf proposals that were brought to the Commission in 2015. The proposals ranged from GreatLife being a management company for the course to just being an affiliate course for GreatLife. In 2015, the Commission voted to not pursue GreatLife proposals and continue to operate the course with City staff.

Kretsinger discussed cart storage and trail fees. With nothing changed in regards to cart sheds, storage areas or trails, he feels the two fees for 2017 should not be increased. Auch makes a motion that all proposed golf fees for 2017 are approved. Kohoutek seconded. Motion passed 4-0.

Kretsinger makes a motion that cart and trail fees only be increased as long as security cameras are added to the cart sheds. Auch seconded. Motion passed 4-0.

New Business

- A. Security Camera for cart sheds. Kretsinger had his cart taken and damage done was equal to \$2300. He would like the Golf Course to put up security cameras on all the sheds to help with the protection of the carts and items kept in the sheds.
- B. Course event re-caps, league updates, simulator operations. The fall events at Fox Run were well received and had large player numbers. Good response on all events in 2016. Comments made about events in 2016 were related to the satisfactory organization by the staff and the events also liked that the bills for the events were handed to them at the end of the event or sent within days. An effort will be made to cut expenses in regards to leagues in 2017. The main expense for leagues being the league software. The Simulator is up and ready to go for the season. Simulator leagues will begin the first week of December. Tom provided the October revenue report from the course software.
- C. General Discussion. Carda asked about the Commission and their analyzing the budget with the 4% rate proposal. The Commission would analyze the budget when the proposal is brought to them at the Commission meeting. They analyze the golf budget in April and May when the budgeting process for the following year is taking place. The Fox Run budget for 2016 will not be finalized until March of 2017. The 2017 budget is adopted and can be found on the City website. This 2017 budget would not include the 4% increase of fees that were proposed and recommended at this meeting. Carda stated the Golf Course and Summit Activities Center both lose money in a given year but are very valuable to the community and are a small price for each property owner in town when realizing the quality of life aspect for current and future residents. The board discussed the three private cart sheds at Fox Run. The golfers at the course donated funds to have the sheds built back when the course was being built. For this donation the rental fees and trail fees were waived for a number of years. The private cart sheds were also built by the donors. Kohoutek wants the GAB to generate ideas that can be passed on to the staff which will generate revenue for the course without involving the normal golf pass fees and increases to course fees. New programs, events, etc.

- D. Course conditions and projects. Rockie was not present for this report. It was reported that the golf course is in great shape. The maintenance staff is blowing out irrigation this week.

Other Business

- A. Next Meeting Date – Thursday, December 15, 2016

Meeting Adjourned

- A. Kretsinger motioned, Carda second. Motion carried 4-0.

12/12/16

Fox Run Golf Course
Statement of Revenues & Expenses

	01Nov2016 30Nov2016	01Nov2015 30Nov2015	01Jan2016 30Nov2016	01Jan2015 30Nov2015	Legal Budget
Direct Revenues:					
Concessions	3,764.50	1,665.40	139,226.79	142,662.20	154,300.00
Pro Shop	7,484.16	4,628.99	81,633.89	124,119.50	164,500.00
Course	4,658.61	3,413.51	456,450.26	472,259.06	483,800.00
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Total Direct Revenues	15,907.27	9,707.90	677,310.94	739,040.76	802,600.00
Direct Expenses:					
Concessions	1,549.89	3,500.77	57,862.63	61,957.70	71,075.00
Pro Shop	6,433.07	15,270.41	84,685.55	119,064.12	114,800.00
Course	960.00	150.00	36,591.81	26,830.81	37,300.00
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Total Direct Expenses	8,942.96	18,921.18	179,139.99	207,852.63	223,175.00
Add Beginning Inventory					
Less Ending Inventory					
Net Direct Income (Loss)					
Indirect Revenues -	.02	9.84	1,163.32	1,784.26	600.00
Indirect Expenses:					
Personal Services	29,053.25	22,399.02	372,611.79	317,985.77	370,992.00
Insurance			6,160.36	6,015.68	6,405.00
Professional Services	2,883.69	730.39	19,096.86	13,703.49	23,400.00
Advertising		413.00	11,566.20	7,469.30	7,000.00
Repair & Maintenance	1,299.81	3,373.76	44,291.46	37,368.69	57,500.00
Supplies & Materials	4,520.67	224.55	57,757.73	45,161.61	60,100.00
Travel, Conference & Dues	40.00		2,597.70	1,147.61	3,500.00
Utilities	2,383.81	2,802.77	27,847.47	27,383.72	36,500.00
Billing and Administration			67,340.00	67,340.00	67,340.00
Depreciation	4,218.78	5,128.69	51,866.04	55,158.24	55,745.00
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Total Indirect Expenses	44,400.01	35,072.18	661,135.61	578,734.11	688,482.00
Net Operating Income	(37,435.68)	(44,275.62)	(161,801.34)	(45,761.72)	(41,117.00)
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Capital Outlay			46,894.57	56,545.91	139,500.00
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12/12/16

Fox Run Golf Course
Statement of Revenues

1

	01Nov2016 30Nov2016	01Nov2015 30Nov2015	01Jan2016 30Nov2016	01Jan2015 30Nov2015	Legal Budget
Concessions					
CASH Long	54.06	30.56	1,046.35	1,744.20	1,000.00
PREPARED FOOD	1,147.40		32,193.61	28,206.89	33,600.00
PRE-PACKAGED FOOD	208.22	187.38	8,132.66	10,705.11	7,700.00
BEER	1,787.46	1,104.70	75,876.62	77,475.06	89,000.00
BOTTLED POP	567.36	342.76	21,977.55	24,530.94	23,000.00
MISCELLANEOUS CONCESSIONS					
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Total Concessions	3,764.50	1,665.40	139,226.79	142,662.20	154,300.00
Pro Shop					
GOLF BALLS	1,663.18	822.66	16,564.95	20,205.42	24,000.00
GLOVES	362.22	193.00	5,670.04	6,996.09	7,000.00
GOLF CAPS/VISORS	531.68	328.55	6,422.14	9,727.31	7,000.00
MERCHANDISE	1,565.96	911.90	14,498.87	30,716.48	38,000.00
MERCHANDISE NON-TAX			156.62	897.05	1,000.00
GOLF EQUIPMENT	2,656.27	2,142.89	29,365.90	42,049.68	70,000.00
MISCELLANEOUS MERCHANDISE			94.34		
CLUB REPAIRS	704.85	229.99	8,541.42	8,059.92	11,000.00
LESSONS			319.61	5,467.55	6,500.00
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Total Pro Shop	7,484.16	4,628.99	81,633.89	124,119.50	164,500.00
Course					
SIMULATOR	201.92	75.70	5,250.42	2,950.36	4,000.00
SIMULATOR NON-TAXABLE			500.00	585.00	1,200.00
SEASON PASS			168,041.21	167,194.95	175,000.00
SEASON PASS NON-TAX			3,446.69	3,521.69	3,500.00
GREEN FEES-WEEKENDS/HOLIDAYS	1,012.19	934.07	51,507.31	51,359.32	59,000.00
GRREN FEES NON-TAX			6,140.20	11,854.85	6,500.00
GREEN FEES - WEEKDAYS	1,706.22	1,062.15	63,117.21	78,721.00	70,000.00
GOLF CAR RENTAL	1,576.94	1,254.49	71,720.70	61,780.63	65,000.00
GOLF CAR STORAGE (NON-TAX)			23,840.95	25,815.09	25,200.00
TRAIL FEES	28.05	28.06	27,775.91	28,632.25	29,000.00
PULL CART RENTAL	33.66		456.28	261.80	300.00
GOLF CLUB RENTAL			881.36	637.14	1,000.00
DRIVING RANGE	99.63	59.04	16,546.72	18,846.42	15,000.00
DRIVING RANGE NON-TAX			1,239.66	568.16	800.00
HANDICAPING			7,973.43	7,053.40	9,000.00
LEAGUES					
JUNIOR GOLF PROGRAM			3,794.00	5,077.00	4,000.00
GOLF CART WRAPS			3,694.61	7,400.00	15,300.00
LEAGUE SOFTWARE ADS					
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Total Course	4,658.61	3,413.51	456,450.26	472,259.06	483,800.00
Total Direct Revenues	15,907.27	9,707.90	677,310.94	739,040.76	802,600.00
	=====	=====	=====	=====	=====

12/12/16

Fox Run Golf Course
Statement of Expenditures

1

	01Nov2016 30Nov2016	01Nov2015 30Nov2015	01Jan2016 30Nov2016	01Jan2015 30Nov2015	Legal Budget
Concessions					
CASH SHORT	68.50	34.45	2,051.86	1,949.28	1,000.00
PREPARED FOODS	705.37	1,682.21	17,256.22	21,126.28	26,000.00
CANDY	15.85	320.35	2,945.75	4,151.72	4,000.00
BEER	504.12	847.65	26,219.29	25,820.85	30,000.00
POP	256.05	616.11	7,971.34	8,909.57	10,000.00
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Total Concessions	1,549.89	3,500.77	57,862.63	61,957.70	71,075.00
Pro Shop					
GOLF BALLS		261.26	33,149.88	34,415.07	24,000.00
GLOVES		1,682.12	3,056.45	2,529.79	3,200.00
GOLF CAPS/VISORS		2,869.88	2,800.01	7,952.08	3,600.00
MERCHANDISE	748.76	7,464.00	14,053.62	31,038.89	23,000.00
GOLF EQUIPMENT	5,684.31	2,950.49	25,217.60	37,757.90	55,000.00
TRADE IN GOLF EQUIPMENT					
CLUB REPAIRS		42.66	6,358.50	5,370.39	6,000.00
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Total Pro Shop	6,433.07	15,270.41	84,685.55	119,064.12	114,800.00
Course					
GOLF CAR RENTAL		150.00	25,305.81	24,930.81	26,000.00
REIMBURSEMENT-GOLF SHED RENTAL			430.00		
PULL CART RENTAL					
DRIVING RANGE			3,276.00	1,750.00	2,500.00
HANDICAPING	460.00		7,080.00		7,800.00
JUNIOR GOLF PROGRAM	500.00		500.00		1,000.00
GOLF CART WRAPS					
LEAGUE SOFTWARE ADS					
	-----	-----	-----	-----	-----
Total Course	960.00	150.00	36,591.81	26,830.81	37,300.00
Total Direct Expenditures	8,942.96	18,921.18	179,139.99	207,852.63	223,175.00
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Fox Run Golf Course

Comparative Sales Summary by Department

Nov 01, '16 - Nov 30, '16 Nov 01, '15 - Nov 30, '15

	<u>Qty</u>	<u>Sales</u>	<u>Qty</u>	<u>Sales</u>	<u>QtyΔ</u>	<u>\$Δ</u>	<u>%Δ</u>
Golf Course Revenue Total:	986	\$3,311.85	635	\$2,963.10	351	348.75	11.77%
Golf Shop Revenue Total:	509	\$7,360.62	373	\$4,548.22	136	2,812.40	61.84%
Food & Beverage Reve Total:	1,038	\$3,496.62	556	\$1,587.84	482	1,908.78	120.21%
Simulator Revenue Total:	34	\$693.85	38	\$514.15	-4	179.70	34.95%
Unrecognized Revenue Total:	131	(\$3,102.51)	68	(\$2,830.16)	63	-272.35	9.62%
Grand Total:	2,698	\$11,760.43	1,670	\$6,783.15	1,028	4,977.28	73.38%

Fox Run Golf Course

Comparative Sales Summary by Department

	Dec 01, '16 - Dec 14, '16		Dec 01, '15 - Dec 14, '15		QtyΔ	\$Δ	%Δ
	Qty	Sales	Qty	Sales			
Golf Course Revenue Total:	53	\$191.38	15	\$913.95	38	-722.57	-79.06%
Golf Shop Revenue Total:	223	\$4,476.67	379	\$4,160.78	-156	315.89	7.59%
Food & Beverage Reve Total:	321	\$971.10	134	\$413.04	187	558.06	135.11%
Simulator Revenue Total:	94	\$1,365.13	91	\$1,348.98	3	16.15	1.20%
Unrecognized Revenue Total:	60	(\$1,203.84)	85	(\$2,694.08)	-25	1,490.24	-55.32%
Accounts Receivables Total:	-1	(\$88.66)	0	\$0.00	-1	-88.66	-100.00%
Grand Total:	750	\$5,711.78	704	\$4,142.67	46	1,569.11	37.88%

2015 included some golf cart wraps sales