

**MINUTES OF THE COMMITTEE OF THE WHOLE MEETING
OF THE GURNEE VILLAGE BOARD**

**GURNEE VILLAGE HALL
MARCH 27, 2023**

Call to Order

Mayor Hood called the meeting to order at 7:03 p.m.

Other Officials in Attendance

Patrick Muetz, Village Administrator; Ellen Dean, Economic Development Director.

Roll Call

PRESENT: 6- Woodside, Ross, Garner, O'Brien, Balmes, Thorstenson
ABSENT: 0-

Pledge of Allegiance

Mayor Hood led the Pledge of Allegiance.

A. DISCUSSION
ITEMS

1. Lake County, Illinois Convention & Visitors Bureau and "Big Three" report on tourism, business developments and upcoming season operations:

Visit Lake County - Maureen Riedy – President

Maureen Riedy, President of Visit Lake County (VLC) Convention and Visitors Bureau, reviewed a Power Point presentation with the Board. She started by providing an overview of VLC, which includes 14 community partners as well as Lake County. The agency is looking at opportunities to recruit smaller communities during the upcoming year. She stated Gurnee has ample representation on the Board of Directors. VLC serves the entire County and as a regional service provider it is eligible for funding from the State of Illinois.

Ms. Riedy then reviewed digital marketing goals and initiatives related to promoting Gurnee. She discussed banners at Gurnee Mills, the EnjoyIllinois.com website, the Illinois Spring/Summer Travel Guide, and Zartico geolocation data specific to Gurnee.

She next reviewed VisitLakeCounty.org and discussed promotions related to Gurnee. In the past 12 months, 113 events in Gurnee were listed and promoted. Digital marketing included 546 digital posts of Gurnee events, tagging the Village 217 times and 150 blogs that mentioned Gurnee events and businesses.

Next, seasonal campaigns were reviewed including Spooks & Spirits Fall campaign, Holiday campaign, Lake County Restaurant Week and Summer Marketing campaign. Ms. Riedy also stated the Visit Lake County Visitors Map Guide will once again be published and remains very popular.

VLC continues to focus on Group Sales initiatives. This includes recruitment of sports tournaments, meetings, reunions and tour groups. Over the past year there were 46 referrals for Gurnee venues with 21 groups secured. She stated VLC is using Lake County ARPA funding to secure groups through a Business Incentive Program that helps offset hotel costs at Great Wolf Lodge and the Holiday Inn.

Ms. Riedy concluded by thanking the Village of its continued support. She stated Gurnee is a key partner and has been a strong supporter for many years.

Trustee Thorstenson asked about the large map displayed at Gurnee Mills.

Ms. Riedy stated that it will be a floor to ceiling map and is one of three display projects in which VLC and Gurnee Mills are partnering on.

Six Flags Great America – John Krajnak – Park President

John Krajnak, Park President Six Flags Great America, reviewed a PowerPoint presentation with the Board. Mr. Krajnak stated 2022 was a very strong year for the Park. He stated the focus was on elevating the guest experience. The new DC Universe was a highlight in the Park. This newly themed section rebranded and improved the Park and really brightened a previously dark section. In addition, facilities that were previously not used were removed to open up the area and improve the aesthetics.

He discussed the results of Guest Satisfaction Surveys (GSS), stating all scores were up compared to 2021 with the Park leading the entire Six Flags company in multiple categories. This is something the Park and its employees are very proud of.

He stated overall attendance compared to the prior year was down, but resulted in a net improvement to the bottom-line. This is due to increased admission prices, increased in-park spending by attendees and reductions in operational spending.

He continued to state a focus in 2023 will be on new festivals and events. There will be five new festivals in addition to four returning festivals. Mr. Krajnak stated between June and August there will be something different every weekend. He also stated the nightly parade will be making a return. 2023 will also include new food offerings and continuing to focus on elevating the guest experience. This will include introduction of a bar in Orleans Place, remodel and expansion of the Mooseburger patio/biergarten, addition of a biergarten in Southwest Territory and candy-specific retail locations.

He closed by expressing his appreciation for VLC and its dedication. He stated it is innovative and creative. The partnership with VLC has never been more important to the Park than it is now.

Trustee Balmes asked if Holiday in the Park will return.

Mr. Krajnak stated they are working with a contractor on potentially offering a drive-thru event in the parking lot and having the front half of the park open for food and retail.

Gurnee Mills – Randy Ebertowski – General Manager

Randy Ebertowski, General Manager Gurnee Mills, reviewed a PowerPoint presentation with the Board. He started by saying brick and mortar is here to stay and offers experiences that online shopping cannot. He stated brick and mortar are driving awareness for new brands that are finding it harder and more expensive to drive customer acquisition online. He continued to state that industry trends are resulting in consolidated market share with better-positioned centers which will benefit Gurnee Mills.

He next reviewed some statistics regarding Gurnee Mills, including that it provides over 4,300 jobs, is responsible for \$4.7 million in property taxes, had a record year in 2022 for sales surpassing pre & post COVID numbers and is consistently seeing higher traffic numbers than last year.

Mr. Ebertowski next reviewed capital projects completed in 2022 and plans for 2023. He stated the efforts focus on improving aesthetics and increasing facility efficiency. He highlighted the children's play area and the addition of Flock cameras as a few examples of improvements. He stated Gurnee Mills is IREM (Institute of Real Estate Management) and International Well Building Institute certified.

He next reviewed a list of new retailers in 2022 and a few of the expected new retailers in 2023. He stated the Mall has very few vacancies and he expected the 2023 list to expand throughout the year.

Mr. Ebertowski concluded by reviewing events scheduled in 2023 and recognizing VLC. He stated they are a great partner and huge supporter.

Trustee O'Brien stated he loves the Mills.

Mayor Hood asked about the location of Cinnabon.

Great Wolf Lodge Illinois – Jim Franz – Director of Human Resources

Jim Franz, Director of Human Resources Great Wolf Lodge Illinois, reviewed a PowerPoint presentation with the Board. He started off by sharing some information on his history with the company, stating he has worked for Great Wolf for 12 years and has been at the Gurnee property since it opened five years ago. He then shared background information about Great Wolf stating there are currently 19 properties with a 20th opening soon. Additional properties are planned in 2024 both in the US and outside of the United States. He stated the first property was built in Wisconsin Dells 26 years ago and at the time was the only facility with an indoor waterpark.

Mr. Franz stated the focus at Great Wolf has always been on families. He stated 2022 was a very strong year for the property and 2023 has continued with that momentum with February – May between 90 – 99% occupied.

He next shared information about recent improvements at the property in addition to expanded activities, characters and seasonal promotions. Mr. Franz stated the Gurnee location is lucky to serve as a prototype for new offerings thanks to its close proximity to the corporate offices in Chicago.

He concluded by stating the services offered continue to change based on customer wants and expectations. Customer service is instilled in employees, referred to as “pack members.” The property currently has 550 pack member and increases to 650 during peak season.

Trustee Garner asked each presenter to speak about property safety and if the casino is expected to have any impacts.

Mr. Franz stated the property has a great working relationship with the Gurnee Police Department. He stated the infrastructure and protocols are in place when incidents occur. He also stated Great Wolf has installed Flock cameras. He ended by stating as a resident and business operation he believes the Gurnee Police Department addresses issue the right way.

Mr. Krajnak stated on the Guest Satisfaction Survey Six Flags was rated a 9.35 out of 10. This was the highest of any Six Flags park. He iterated the surveys are completed by guests to the property. He stated the number of incidents at the Park in 2022 was half of what it was in 2021. Mr. Krajnak stated the Park is also installing Rekor license plate reader cameras very soon. He concluded by stating he believes guest feel safe in the Park, which was evident by over 11,000 guest present the day after a significant incident last year.

Mr. Ebertowski echoed what Great Wolf and Six Flags stated. He stated the Mall has a very strong relationship with the Gurnee Police Department and the installation of Flock cameras has helped it be more proactive. He stated the three properties attract over 20 million visitors a year. If people did not feel safe, they would not visit. He concluded by stating the impact of the casino is yet to be seen, but he is not concerned.

2. Presentation by Finance Director Brian Gosnell – Fiscal Year 22/23 Third Quarter financial performance

Finance Director Brian Gosnell presented information regarding the 3rd quarter financial status of Fiscal Year 2022/2023 including the following:

Cash & Investments

- Total \$46.2 million (Excludes Pension Funds & NLCC-ETSB)
- 18% Checking
- 49% Money Market
- 32% Investments
- 73% General Fund
- 11% Capital Improvement Fund
- 11% Water & Sewer Funds

110-General Fund Summary

- Total Revenues \$40.3 million
- Total Expenditures \$33.9 million
- Surplus/(Deficit) \$6.4 million
- Notable Negative Variances
 - Liquor Licenses Q4
 - Red Light
 - Liability & Work Comp Insurance Premiums
 - Recapture Agreements

Major Revenues

- 68% of General Fund Revenues
- Annual Budget \$30.8 million
- Year-To-Date \$27.2 million
 - +26.8% vs. 5-Year Average
 - +5.6% vs. Last Year
 - +15.4% vs. Adjusted Budget
- Income Tax – Advanced Corporate Payments

Sales Tax

- Annual Budget \$18.1 million
- Year-To-Date \$15.2 million
 - +19.0% vs. 5-Year Average
 - +1.6% vs. Last Year
 - +12.7% vs. Adjusted Budget
- Flattening
- Inflation
- Consumer Debt

Amusement Tax

- Annual Budget \$3.6 million
- Year-To-Date \$3.4 million
 - +32.7% vs. 5-Year Average
 - +5.7% vs. Last Year
 - +5.9% vs. Adjusted Budget

Food & Beverage Tax

- Annual Budget \$2.1 million
- Year-To-Date \$2.0 million
 - +31.4% vs. 5-Year Average
 - +9.9% vs. Last Year
 - +20.9% vs. Adjusted Budget

Hotel Tax

- Annual Budget \$1.8 million
- Year-To-Date \$1.75 million
 - +61.3% vs. 5-Year Average
 - +13.7% vs. Last Year
 - +30.5% vs. Adjusted Budget

221&223 Water & Sewer Funds

- Total Revenues \$7.4 million
- Total Expenditures \$8.1 million
- Surplus/(Deficit) \$741 thousand
- Notable Negative Variances
 - Connection Fees
 - Workers Comp, Liability Insurance Timing
 - Meter Purchases
 - Debt Service Timing
- Cash Balance \$4.9 Million
 - 67.3% of Budgeted Operating Expenditures

Water Usage

- 2 Month Lag
- Leading Indicator of Revenues
- Usage
 - -14.9% vs. FY2022
- Precipitation
 - +43.9% vs. FY2022

There were no questions for Finance Director Gosnell.

Adjournment

It was moved by Trustee Balmes, seconded by Trustee Garner to adjourn the meeting.

Voice Vote: ALL AYE: Motion Carried.

Mayor Hood adjourned the meeting at 8:29 p.m.

**Andy Harris,
Village Clerk**