

**SUGAR CREEK GOLF COURSE  
ADMINISTRATIVE BOARD MEETING  
AGENDA**

**Tuesday June 26<sup>th</sup>, 2018  
6:00 P.M. Sugar Creek Clubhouse**

1. Call meeting to Order
2. Roll Call
3. Additions and/or Corrections To Agenda
4. Approval of Minutes of May 22<sup>nd</sup>, 2018 Meeting
5. Public Participation

**OLD BUSINESS**

- None

**NEW BUSINESS**

- Sugar Creek shoreline and creek renovation - Concept plan presentation  
Ted Gary, Living Waters Consultants, Inc.
- Managers' Report – June
- Superintendent Report – June

**FINANCIAL REPORTS**

- 2017 Year-End Audit Review
- Income Statement for Period 5 – May 2018

**Schedule Next Meeting**

Tuesday July 24<sup>th</sup>, 2018

**MEETING LOCATED AT  
SUGAR CREEK GOLF COURSE  
500 E. VAN BUREN  
VILLA PARK, ILLINOIS 60181**

SUGAR CREEK ADMINISTRATIVE BOARD MINUTES

May 22, 2018

Mr. McDermott called the meeting at 6:00 P.M. The roll was called.

PRESENT: Mark Exiner, Greg Gola, Brian McDermott, and Gary Schiefer,

ALSO PRESENT: Dave Anderson, Manager, Kevin Goss, Superintendent, and Jean Paprocki,

Recording Secretary

ABSENT: Joe Colmone, Don Kase, and Carolyn Ubriaco

INTRODUCTION OF NEW MEMBERS: Don Kase will be representing Villa Park and

replacing Charlie Van Slyke from Elmhurst

ADDITIONS AND /OR CORRECTIONS TO THE AGENDA:

None

APPROVAL OF MINUTES FOR APRIL 24, 2018

A motion to approve the minutes was made by **Gary Schiefer** and seconded by

**Greg Gola**. All were in favor and the motion was passed.

PUBLIC PARTICIPATION

None

OLD BUSINESS

None

NEW BUSINESS

MONTHLY MANAGER'S REPORT

Although both rounds and revenues were up this month, inconsistent weather has impacted play. Golfers have not been able to fully commit to their usual golf schedules with intermittent weather patterns of several nice days interrupted by 2-3 rainy days. There has been a slight increase of 137 more rounds over the same time period as last year due to ½ more playable days. However, despite the small increase in rounds, total revenues for this month through May 20 have increased by \$13,581 compared to the same time period last year. Several factors which contributed to this sizable revenue increase include the driving range revenues which are up \$1,900 over last year. This difference can be attributed to rate increases on the driving range since sales of baskets and passes have remained static. Cart ridership has also increased from 40% to 44% compared to last May with revenues up about \$1,300, and alcohol sales show an increase in revenues of \$1,700 over last May. Banquet rentals have also increased with four total events last May while this month, we hosted ten banquets and three golf outings with an increase of \$1,700 in revenues. The course now becomes very busy with 20% of the season behind us and the next four months representing 70% of our business. Junior Golf Camp begins June 11 with almost 400 participants, and June will have 10 golf outings and 11 banquets.

## SUPERINTENDENT'S REPORT

The extreme weather conditions continue to affect the course as April ended up being the 4<sup>th</sup> coldest April. May is currently the 3<sup>rd</sup> wettest May, and the addition of another .28" of precipitation will make it the wettest May on record. However, the rain has been spaced out so while the creek has overflowed its banks a few times, there has not been any long-lasting flooding. The warm temperatures in May and all this moisture have caused the turf to grow very quickly which required a lot of time devoted to mowing. Other projects included rebuilding the gravel path near with clubhouse deck with decomposed granite, patching the asphalt near the clubhouse entrance, replacing the jockey pump in the pumphouse, and meeting with Ted Gray of Living Waters to review the concept plan for the creek and pond. Two ongoing projects include the addition of guardrails to the bridge on the #5 hole which was postponed due to the deck project, and the repair and replacement of about 60 feet of a large drain on the west side of the first fairway which has been crushed by tree roots. This drain is responsible for carrying all of the water from the streets south of the golf course to the creek.

## APPROVAL OF BUDGET COMPARISON REPORT

The Board considered the Budget Comparison Report through Period 4. **Brian McDermott** gave a short recap of the budget clarifying the changes in how salaries are now budgeted. A motion to accept the income statement was made by **Mark Exiner** and seconded by **Greg Gola** and the motion was carried.

## NEXT MEETING

The next meeting will be scheduled for Tuesday, June 26 at 6:00 p.m.

## ADJOURNMENT

A motion to adjourn was made by **Mark Exiner** and seconded by **Gary Schiefer**. The meeting was adjourned at 6:25 p.m.

Respectfully submitted,

Jean Paprocki

# Income Statements

## Fund 80 - Sugar Creek Golf Course

### Fiscal Year 2018 Through Period 5

## Revenues

GL number	Acct Title	Budget	YTD	Variance	Percent Collected/Used	Last Yr Actual
80.00.3000.0000	Revenues & Sales	\$0.00	\$0.00	\$0.00	0.00%	\$0.00
80.00.3030.0000	Grants-Capital	\$0.00	\$0.00	\$0.00	0.00%	\$0.00
80.00.3040.0000	Advertising Revenues	\$0.00	\$0.00	\$0.00	0.00%	\$0.00
<b>x.x.x.0000</b>	<b>TOTALS</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>0.00%</b>	<b>\$0.00</b>
80.00.3200.1813	Driving Range Instruction	\$15,000.00	\$14,196.00	\$804.00	94.64%	\$11,053.00
80.00.3200.1816	Jr. Golf	\$93,225.00	\$127,229.07	(\$34,004.07)	136.48%	\$130,355.00
80.00.3200.1818	Private Lessons	\$750.00	\$1,980.00	(\$1,230.00)	264.00%	\$125.00
<b>x.x.x.1800</b>	<b>TOTALS</b>	<b>\$108,975.00</b>	<b>\$143,405.07</b>	<b>(\$34,430.07)</b>	<b>131.59%</b>	<b>\$141,533.00</b>
80.00.3300.0000	Equipment Rentals	\$0.00	\$0.00	\$0.00	0.00%	\$0.00
<b>x.x.x.0000</b>	<b>TOTALS</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>0.00%</b>	<b>\$0.00</b>
80.00.3300.1801	Pull Cart Rental	\$8,100.00	\$1,548.00	\$6,552.00	19.11%	\$1,938.00
80.00.3300.1802	Club Car Rental	\$114,000.00	\$18,707.00	\$95,293.00	16.41%	\$21,758.00
80.00.3300.1803	Golf Club Rental	\$1,500.00	\$252.00	\$1,248.00	16.80%	\$360.00
<b>x.x.x.1800</b>	<b>TOTALS</b>	<b>\$123,600.00</b>	<b>\$20,507.00</b>	<b>\$103,093.00</b>	<b>16.59%</b>	<b>\$24,056.00</b>
80.00.3341.0000	Indoor Facility Rentals	\$31,500.00	\$13,358.00	\$18,142.00	42.41%	\$9,522.00
<b>x.x.x.0000</b>	<b>TOTALS</b>	<b>\$31,500.00</b>	<b>\$13,358.00</b>	<b>\$18,142.00</b>	<b>42.41%</b>	<b>\$9,522.00</b>
80.00.3341.1804	Employee Housing	\$15,600.00	\$6,500.00	\$9,100.00	41.67%	\$6,500.00
<b>x.x.x.1800</b>	<b>TOTALS</b>	<b>\$15,600.00</b>	<b>\$6,500.00</b>	<b>\$9,100.00</b>	<b>41.67%</b>	<b>\$6,500.00</b>
80.00.3430.0000	Daily Use Fees	\$505,542.00	\$78,960.08	\$426,581.92	15.62%	\$103,797.44
<b>x.x.x.0000</b>	<b>TOTALS</b>	<b>\$505,542.00</b>	<b>\$78,960.08</b>	<b>\$426,581.92</b>	<b>15.62%</b>	<b>\$103,797.44</b>
80.00.3430.1813	Driving Range	\$120,000.00	\$33,484.00	\$86,516.00	27.90%	\$36,667.00
<b>x.x.x.1800</b>	<b>TOTALS</b>	<b>\$120,000.00</b>	<b>\$33,484.00</b>	<b>\$86,516.00</b>	<b>27.90%</b>	<b>\$36,667.00</b>
80.00.3431.0000	Punch Card Fees	\$8,100.00	\$8,200.00	(\$100.00)	101.23%	\$7,450.00
80.00.3453.0000	Season Passes	\$8,300.00	\$5,640.00	\$2,660.00	67.95%	\$6,300.00
80.00.3454.0000	Permanent Tee Times	\$6,700.00	\$5,775.00	\$925.00	86.19%	\$7,125.00
80.00.3600.0000	Merchandise Sales	\$0.00	\$0.00	\$0.00	0.00%	\$0.00
<b>x.x.x.0000</b>	<b>TOTALS</b>	<b>\$23,100.00</b>	<b>\$19,615.00</b>	<b>\$3,485.00</b>	<b>84.91%</b>	<b>\$20,875.00</b>
80.00.3600.1807	Pro Shop	\$40,000.00	\$9,963.98	\$30,036.02	24.91%	\$11,158.02
80.00.3600.1808	Beer/Wine Sales	\$73,332.00	\$14,874.65	\$58,457.35	20.28%	\$13,961.53
80.00.3600.1809	Food Sales	\$21,000.00	\$1,434.08	\$19,565.92	6.83%	\$2,134.78
80.00.3600.1810	Soft Drink Sales	\$20,000.00	\$4,721.08	\$15,278.92	23.61%	\$4,624.87
80.00.3600.1814	Liquor Sales	\$12,500.00	\$6,813.18	\$5,686.82	54.51%	\$3,818.19
<b>x.x.x.1800</b>	<b>TOTALS</b>	<b>\$166,832.00</b>	<b>\$37,806.97</b>	<b>\$129,025.03</b>	<b>22.66%</b>	<b>\$35,697.39</b>
80.00.3900.0000	Operating Interfund Transfers	\$0.00	\$0.00	\$0.00	0.00%	\$0.00
80.00.3960.0000	Interest Income	\$0.00	\$76.35	(\$76.35)	0.00%	\$171.35
80.00.3990.0000	Miscellaneous Revenues	\$0.00	\$0.00	\$0.00	0.00%	\$2,654.23
<b>REVENUES TOTALS</b>		<b>\$1,095,149.00</b>	<b>\$353,712.47</b>	<b>\$741,436.53</b>	<b>32.30%</b>	<b>\$381,473.41</b>

## Expenses

GL number	Acct Title	Budget	YTD	Variance	Percent Collected/Used	Last Yr Actual
80.00.4000.0000	Salaries & Wages	\$0.00	\$0.00	\$0.00	0.00%	\$0.00
80.00.4001.0000	Full-Time Employees Salary & Wages	\$203,236.00	\$71,090.30	\$132,145.70	34.98%	\$44,284.10

80.12.4001.0000 Full-Time Employees Salary & Wages	\$0.00	\$0.00	\$0.00	0.00%	\$0.00
80.14.4001.0000 Full-Time Employees Salary & Wages	\$0.00	\$0.00	\$0.00	0.00%	\$0.00
80.92.4001.0000 FT Salary & Wages - MIS Chargeback	\$0.00	\$0.00	\$0.00	0.00%	\$0.00
80.00.4240.0000 Operations Staff Wages	\$78,760.00	\$22,376.78	\$56,383.22	28.41%	\$18,199.49
80.00.4280.0000 Program Staff Wages	\$0.00	\$0.00	\$0.00	0.00%	\$0.00
80.92.4280.0000 Program Staff Wages	\$0.00	\$0.00	\$0.00	0.00%	\$0.00
<b>x.x.x.0000 TOTALS</b>	<b>\$281,996.00</b>	<b>\$93,467.08</b>	<b>\$188,528.92</b>	<b>33.14%</b>	<b>\$62,483.59</b>
80.00.4280.1805 Cashier/Greens Fees	\$41,300.00	\$6,484.45	\$34,815.55	15.70%	\$5,603.07
80.00.4280.1809 Food Preparation Wages	\$3,600.00	\$81.35	\$3,518.65	2.26%	\$164.18
80.00.4280.1811 Administrative Staff	\$330.00	\$0.00	\$330.00	0.00%	\$0.00
80.00.4280.1813 Driving Range	\$10,292.00	\$1,031.80	\$9,260.20	10.03%	\$2,077.92
80.00.4280.1814 Bar Wages	\$12,219.00	\$2,298.45	\$9,920.55	18.81%	\$2,236.95
80.00.4280.1816 Program Wages-JR Golf	\$12,000.00	\$47.50	\$11,952.50	0.40%	(\$256.50)
80.00.4280.1817 Utility/Cleaning	\$6,000.00	\$494.31	\$5,505.69	8.24%	\$230.38
80.00.4280.1818 Private Lessons	\$1,125.00	\$0.00	\$1,125.00	0.00%	\$0.00
<b>4000 TOTALS</b>	<b>\$368,862.00</b>	<b>\$103,904.94</b>	<b>\$264,957.06</b>	<b>28.17%</b>	<b>\$72,539.59</b>

GL number	Acct Title	Budget	YTD	Variance	Percent Collected/Used	Last Yr Actual
<b>x.x.x.1800 TOTALS</b>		<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>0.00%</b>	<b>\$0.00</b>
80.00.5000.0000 Services		\$0.00	\$0.00	\$0.00	0.00%	\$0.00
80.00.5020.0000 Health Care Expenses		\$11,907.00	\$6,093.40	\$5,813.60	51.17%	\$11,487.61
80.12.5020.0000 Health Care Expenses		\$0.00	\$0.00	\$0.00	0.00%	\$0.00
80.14.5020.0000 Health Care Expenses		\$0.00	\$0.00	\$0.00	0.00%	\$0.00
80.92.5020.0000 Health Insurance Exp.-MIS Chargebacks		\$0.00	\$0.00	\$0.00	0.00%	\$0.00
80.00.5040.0000 Illinois Muncipal Retirement Fund		\$27,189.00	\$9,488.06	\$17,700.94	34.90%	\$9,583.47
80.12.5040.0000 IMRF Expense		\$0.00	\$0.00	\$0.00	0.00%	\$0.00
80.14.5040.0000 IMRF Expense		\$0.00	\$0.00	\$0.00	0.00%	\$0.00
80.92.5040.0000 IMRF-MIS Chargebacks		\$0.00	\$0.00	\$0.00	0.00%	\$0.00
80.12.5050.0000 Business Insurance		\$15,000.00	\$0.00	\$15,000.00	0.00%	\$0.00
80.00.5060.0000 FICA-Employer Portion		\$28,218.00	\$8,018.17	\$20,199.83	28.42%	\$7,311.58
80.12.5060.0000 FICA		\$0.00	\$0.00	\$0.00	0.00%	\$0.00
80.14.5060.0000 FICA		\$0.00	\$0.00	\$0.00	0.00%	\$0.00
80.92.5060.0000 FICA-MIS Chargebacks		\$0.00	\$0.00	\$0.00	0.00%	\$0.00
80.00.5102.0000 Consulting Services		\$500.00	\$6,000.00	(\$5,500.00)	1,200.00%	\$0.00
80.92.5102.0000 Consulting - MIS Chargebacks		\$0.00	\$0.00	\$0.00	0.00%	\$0.00
80.00.5141.0000 Internet Connectivity		\$0.00	\$0.00	\$0.00	0.00%	\$0.00
80.92.5141.0000 Internet Connectivity-MIS Chargebacks		\$0.00	\$0.00	\$0.00	0.00%	\$0.00
80.12.5160.0000 Auditing Expense		\$4,500.00	\$4,500.00	\$0.00	100.00%	\$4,500.00
80.12.5180.0000 Finance/Bank Charges		\$22,300.00	\$6,538.80	\$15,761.20	29.32%	\$8,201.34
80.00.5190.0000 Bad Debt Expense		\$0.00	\$0.00	\$0.00	0.00%	\$0.00
80.00.5300.0000 Dues		\$1,755.00	\$690.00	\$1,065.00	39.32%	\$720.00
80.92.5300.0000 Dues		\$0.00	\$0.00	\$0.00	0.00%	\$0.00
80.92.5310.0000 Books & Subscriptions		\$0.00	\$0.00	\$0.00	0.00%	\$0.00
80.00.5320.0000 Occupational Health		\$1,814.00	\$368.00	\$1,446.00	20.29%	\$814.00
80.00.5340.0000 Continuing Education		\$1,000.00	\$605.21	\$394.79	60.52%	\$334.00
80.92.5340.0000 Continuing Education		\$0.00	\$0.00	\$0.00	0.00%	\$0.00
80.00.5380.0000 Mileage		\$2,000.00	\$1,538.55	\$461.45	76.93%	\$1,663.26
80.92.5380.0000 Mileage-MIS Chargebacks		\$0.00	\$0.00	\$0.00	0.00%	\$0.00
80.00.5500.0000 Ads & Notices		\$7,000.00	\$920.42	\$6,079.58	13.15%	\$1,104.84
80.13.5500.0000 Ads & Notices		\$0.00	\$0.00	\$0.00	0.00%	\$0.00
80.00.5520.0000 Licenses & Permits		\$1,000.00	\$1,229.00	(\$229.00)	122.90%	\$720.00
80.00.5540.0000 Postage & Shipping		\$500.00	\$0.00	\$500.00	0.00%	\$0.00
80.00.5560.0000 Printing		\$0.00	\$0.00	\$0.00	0.00%	\$0.00

80.12.5560.0000 Printing	\$0.00	\$0.00	\$0.00	0.00%	\$0.00
80.00.5580.0000 Equipment Rental	\$32,060.00	\$6,044.35	\$26,015.65	18.85%	\$5,739.70
<b>x.x.x.0000 TOTALS</b>	<b>\$156,743.00</b>	<b>\$52,033.96</b>	<b>\$104,709.04</b>	<b>33.20%</b>	<b>\$52,179.80</b>
80.00.5580.1815 Banquets/Outings	\$4,500.00	\$1,078.36	\$3,421.64	23.96%	\$539.12
<b>x.x.x.1800 TOTALS</b>	<b>\$4,500.00</b>	<b>\$1,078.36</b>	<b>\$3,421.64</b>	<b>23.96%</b>	<b>\$539.12</b>
80.00.5601.0000 Telephone	\$1,980.00	\$297.03	\$1,682.97	15.00%	\$863.58
80.92.5601.0000 Telephone-MIS Chargeback	\$0.00	\$0.00	\$0.00	0.00%	\$0.00
80.00.5602.0000 Cellular Phones & Service	\$600.00	\$185.22	\$414.78	30.87%	\$15.02
80.92.5602.0000 Cellular Phones & Service-MIS Chargeback	\$0.00	\$0.00	\$0.00	0.00%	\$0.00
80.00.5603.0000 Cellular & Paging	\$0.00	\$0.00	\$0.00	0.00%	\$0.00
80.00.5650.0000 Alarm Expenses	\$3,000.00	\$1,273.26	\$1,726.74	42.44%	\$777.36
80.00.5720.0000 Electricity	\$22,500.00	\$5,159.59	\$17,340.41	22.93%	\$6,109.29
80.00.5721.0000 Electricity-House	\$0.00	\$0.00	\$0.00	0.00%	\$0.00
80.00.5740.0000 Natural Gas	\$5,000.00	\$2,731.32	\$2,268.68	54.63%	\$2,053.14
80.00.5741.0000 Natural Gas-House	\$0.00	\$0.00	\$0.00	0.00%	\$0.00
80.00.5760.0000 Water & Sewer	\$6,500.00	\$2,015.66	\$4,484.34	31.01%	\$937.08
80.00.5761.0000 Water & Sewer-House	\$0.00	\$0.00	\$0.00	0.00%	\$0.00
80.00.5780.0000 Cable TV Expenses	\$1,800.00	\$732.35	\$1,067.65	40.69%	\$795.43
80.00.5881.0000 Computer & Hardware Services	\$700.00	\$0.00	\$700.00	0.00%	\$396.27
80.92.5881.0000 Computer & Hardware Services	\$0.00	\$0.00	\$0.00	0.00%	\$0.00
80.00.5882.0000 Custodial Maintenance	\$0.00	\$0.00	\$0.00	0.00%	\$0.00
80.00.5883.0000 Contract Services	\$11,270.00	\$3,978.46	\$7,291.54	35.30%	\$3,898.91
80.00.5900.0000 Public Relations	\$0.00	\$0.00	\$0.00	0.00%	\$0.00
80.00.5960.0000 Employee Relations	\$0.00	\$0.00	\$0.00	0.00%	\$0.00
<b>5000 TOTALS</b>	<b>\$214,593.00</b>	<b>\$69,485.21</b>	<b>\$145,107.79</b>	<b>32.38%</b>	<b>\$68,565.00</b>

GL number	Acct Title	Budget	YTD	Variance	Percent Collected/Used	Last Yr Actual
80.00.6000.0000 Repairs & Maintenance		\$0.00	\$0.00	\$0.00	0.00%	\$0.00
80.00.6020.0000 Building Repairs		\$4,000.00	\$1,268.68	\$2,731.32	31.72%	\$0.00
80.00.6060.0000 Plumbing Systems Repair		\$4,205.00	\$985.00	\$3,220.00	23.42%	\$1,200.00
80.00.6200.0000 Vehicle Repairs		\$1,000.00	\$1,442.57	(\$442.57)	144.26%	\$0.00
80.00.6340.0000 Equipment Repairs		\$0.00	\$0.00	\$0.00	0.00%	\$0.00
80.00.6500.0000 Electrical Repairs		\$0.00	\$0.00	\$0.00	0.00%	\$0.00
80.00.6990.0000 Miscellaneous		\$0.00	\$0.00	\$0.00	0.00%	\$0.00
<b>6000 TOTALS</b>		<b>\$9,205.00</b>	<b>\$3,696.25</b>	<b>\$5,508.75</b>	<b>40.15%</b>	<b>\$1,200.00</b>

GL number	Acct Title	Budget	YTD	Variance	Percent Collected/Used	Last Yr Actual
80.00.7000.0000 Supplies		\$0.00	\$0.00	\$0.00	0.00%	\$0.00
80.00.7001.0000 Office Supplies		\$1,000.00	\$377.67	\$622.33	37.77%	\$66.98
80.12.7001.0000 Office Supplies		\$0.00	\$0.00	\$0.00	0.00%	\$0.00
80.00.7020.0000 Equipment & Furniture		\$3,000.00	\$0.00	\$3,000.00	0.00%	\$1,675.36
80.92.7020.0000 Equipment & Furniture		\$0.00	\$0.00	\$0.00	0.00%	\$0.00
80.00.7030.0000 Computer Supplies		\$0.00	\$0.00	\$0.00	0.00%	\$0.00
80.92.7030.0000 Computer Supplies-MIS Chargebacks		\$0.00	\$0.00	\$0.00	0.00%	\$0.00
80.92.7031.0000 Computer Software-MIS Chgbk		\$0.00	\$0.00	\$0.00	0.00%	\$0.00
80.92.7032.0000 Computer Hardware-MIS Chargebacks		\$0.00	\$0.00	\$0.00	0.00%	\$0.00
80.00.7040.0000 Custodial Supplies		\$1,000.00	\$0.00	\$1,000.00	0.00%	\$0.00
80.00.7070.0000 Grounds Supplies		\$33,636.00	\$16,139.88	\$17,496.12	47.98%	\$9,536.58
80.00.7090.0000 Building Supplies		\$5,950.00	\$3,350.44	\$2,599.56	56.31%	\$2,408.10
80.00.7100.0000 Fuel		\$8,382.00	\$1,563.00	\$6,819.00	18.65%	\$1,310.19
80.00.7140.0000 Vehicle Parts		\$18,595.00	\$6,989.18	\$11,605.82	37.59%	\$8,600.52
80.00.7400.0000 Horticultural Supplies		\$0.00	\$0.00	\$0.00	0.00%	\$0.00
80.00.7520.0000 Chemicals		\$22,858.00	\$7,563.60	\$15,294.40	33.09%	\$11,849.08

80.00.7600.0000 Program Supplies	\$5,600.00	\$688.00	\$4,912.00	12.29%	\$1,439.72
<b>x.x.x.0000 TOTALS</b>	<b>\$100,021.00</b>	<b>\$36,671.77</b>	<b>\$63,349.23</b>	<b>36.66%</b>	<b>\$36,886.53</b>
80.00.7600.1813 Driving Range	\$14,000.00	\$12,906.36	\$1,093.64	92.19%	\$9,513.12
80.00.7620.1807 Pro Shop	\$30,000.00	\$7,805.87	\$22,194.13	26.02%	\$6,887.59
80.00.7620.1812 Concession Merchandise	\$54,000.00	\$13,257.44	\$40,742.56	24.55%	\$11,763.86
<b>x.x.x.1800 TOTALS</b>	<b>\$98,000.00</b>	<b>\$33,969.67</b>	<b>\$64,030.33</b>	<b>34.66%</b>	<b>\$28,164.57</b>
80.00.7680.0000 Uniforms	\$2,000.00	\$0.00	\$2,000.00	0.00%	\$841.66
80.00.7700.0000 First Aid Supplies/Pers. Protect. Equip.	\$500.00	\$45.45	\$454.55	9.09%	\$0.00
<b>7000 TOTALS</b>	<b>\$200,521.00</b>	<b>\$70,686.89</b>	<b>\$129,834.11</b>	<b>35.25%</b>	<b>\$65,892.76</b>

<b>GL number</b>	<b>Acct Title</b>	<b>Budget</b>	<b>YTD</b>	<b>Variance</b>	<b>Percent Collected/Used</b>	<b>Last Yr Actual</b>
80.00.8000.0000 Capital		\$0.00	\$0.00	\$0.00	0.00%	\$0.00
80.00.8910.0000 Capital Purchases		\$45,000.00	\$0.00	\$45,000.00	0.00%	\$0.00
80.00.8930.0000 Depreciation Expense		\$0.00	\$0.00	\$0.00	0.00%	\$0.00
80.00.8931.0000 Depreciation Expense-Land Improvements		\$0.00	\$14,028.30	(\$14,028.30)	0.00%	\$21,641.10
80.00.8932.0000 Depreciation Expense-Bldg. & Improvement		\$0.00	\$9,112.47	(\$9,112.47)	0.00%	\$14,702.16
80.00.8933.0000 Depreciation Expense-Machinery & Equip.		\$0.00	\$4,316.22	(\$4,316.22)	0.00%	\$7,144.15
80.00.8940.0000 Amortization Expense		\$0.00	\$0.00	\$0.00	0.00%	\$0.00
<b>8000 TOTALS</b>		<b>\$45,000.00</b>	<b>\$27,456.99</b>	<b>\$17,543.01</b>	<b>61.02%</b>	<b>\$43,487.41</b>

<b>GL number</b>	<b>Acct Title</b>	<b>Budget</b>	<b>YTD</b>	<b>Variance</b>	<b>Percent Collected/Used</b>	<b>Last Yr Actual</b>
80.00.9000.0000 Transfers & Debt Payments		\$0.00	\$0.00	\$0.00	0.00%	\$0.00
80.00.9910.0000 Operating Interfund Transfers		\$103,550.00	\$6,150.00	\$97,400.00	5.94%	\$7,500.00
80.00.9921.0000 Interest Expense-Installment Contract		\$125,675.00	\$0.00	\$125,675.00	0.00%	\$0.00
<b>9000 TOTALS</b>		<b>\$229,225.00</b>	<b>\$6,150.00</b>	<b>\$223,075.00</b>	<b>2.68%</b>	<b>\$7,500.00</b>
<b>EXPENSES TOTALS</b>		<b>\$1,067,406.00</b>	<b>\$281,380.28</b>	<b>\$786,025.72</b>	<b>26.36%</b>	<b>\$259,184.76</b>

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## COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE

May 30, 2018

Members of the Administrative Board  
Sugar Creek Golf Course  
Villa Park, Illinois

We have audited the financial statements of **Sugar Creek Golf Course, Illinois (Sugar Creek)** for the year ended December 31, 2017, and have issued our report thereon dated May 30, 2018. Professional standards require that we provide you with the following information related to our audit.

### Our Responsibility Under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter dated January 3, 2018, our responsibility, as described by professional standards, is to express an opinion about whether the financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. The financial statements are the responsibility of management with your oversight. Our audit of the financial statements does not relieve you or management of your responsibilities.

### Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated to management prior to field work beginning on March 19, 2018, and in our engagement letter dated January 3, 2018.

We address significant risks of material misstatement, whether due to error or fraud, by performing analytical procedures, making inquiries of those charged with governance, by observation and inspection, and by brainstorming with our audit team members. We use judgment to determine what a user of the financial statements would consider to be material in assessing the risk of misstatement. We also use judgment to determine our approach to internal control and further audit procedures relevant to significant audit areas. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control over financial reporting. Accordingly, we express no such opinion.



## **Significant Audit Findings**

### ***Qualitative Aspects of Accounting Practices***

Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by Sugar Creek are described in Note I to the financial statements. There were no new accounting policies adopted and the application of existing policies did not change during the year ended December 31, 2017.

As discussed in Note IV to the financial statements, the Elmhurst Park District allocated a portion of its net pension liability computed in accordance with Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68* in the current year.

We noted no transactions entered into by the Golf Course during the year for which there is a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

Accounting estimates are an integral part of the financial statements prepared by management, and are based on management's knowledge and experience about past and current events and assumptions about future events.

The disclosures in the financial statements are neutral, consistent, and clear.

### ***Difficulties Encountered in Performing the Audit***

We encountered no significant difficulties in dealing with management in performing and completing our audit.

### ***Corrected and Uncorrected Misstatements***

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. There was two adjusting journal entries that are included in Exhibit 1. Management has corrected these misstatements. There were no uncorrected adjusting journal entries.

### ***Disagreements With Management***

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

### ***Management Representations***

We have requested certain representations from management that are included in the management representation letter dated May 30, 2018.

## **Significant Audit Findings (cont'd)**

### ***Management Consultations With Other Independent Accountants***

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the organization's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. Sugar Creek is accounted for as an enterprise fund of the Elmhurst Park District. The Elmhurst Park District has engaged another audit firm to audit their financial statements.

### ***Other Audit Findings or Issues***

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as Sugar Creek's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

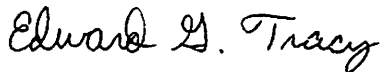
### ***Other Matters***

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

This information is intended solely for the use of the Administrative Board and management of Sugar Creek, the Board of Commissioners and management of the Elmhurst Park District, and the Board of Trustees and management of the Village of Villa Park, and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

SELDEN FOX, LTD.



Edward G. Tracy  
Vice President

EGT/cr

## Exhibit 1

**Sugar Creek Golf Course, Illinois**  
**Adjusting Journal Entries**  
**For the Year Ended December 31, 2017**

Account	Description	Debit	Credit	P&L Increase (Decrease)
<b>Adjusting Journal Entry JE # 1</b>				
Client entry to record net pension liability under GASB Statement 68.				
80.00.1990.0000	Deferred Outflows - Pension	\$ 51,431.00	\$ -	\$ -
80.00.2900.0000	Retained Earnings	79,005.00		
80.00.5040.0000	Illinois Municipal Retirement Fund	33,456.00		
80.00.2804.0000	Net Pension Liability		13,165.00	
80.00.2890.0000	Deferred Inflows - Pension		150,727.00	(33,456.00)
<b>Adjusting Journal Entry JE # 2</b>				
Record construction in progress at December 31, 2017.				
80.00.1840.0001	Construction In Progress	12,295.74		
80.00.6020.0000	Building Repairs		5,788.91	
80.00.7090.0000	Building Supplies		6,506.83	<u>12,295.74</u>
				<u>\$ (21,160.26)</u>



ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED DECEMBER 31, 2017

# SUGAR CREEK GOLF COURSE, ILLINOIS

## **Annual Financial Report**

For the Year Ended December 31, 2017

**Sugar Creek Golf Course, Illinois  
Annual Financial Report  
For the Year Ended December 31, 2017**

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## **INDEPENDENT AUDITOR'S REPORT**

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## INDEPENDENT AUDITOR'S REPORT

Members of the Administrative Board  
Sugar Creek Golf Course  
Villa Park, Illinois

We have audited the accompanying financial statements of net position, revenues, expenses and changes in net position – budget and actual, and cash flows of **Sugar Creek Golf Course, Illinois**, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of Sugar Creek Golf Course as of December 31, 2017, and the respective changes in financial position and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.



### **Emphasis of a Matter**

As discussed in Note IV.B. to the financial statements, the Park District determined a portion of its pension liability under GASB Statement No. 68 should be allocated and recognized by Sugar Creek Golf Course.

### **Other Matters**

#### **Other Information**

Management has omitted the management's discussion and analysis, the schedules of changes in the net pension liability and related ratios and the schedule of contributions that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not modified with respect to this matter.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise Sugar Creek Golf Course's basic financial statements. The comparative schedule of operating revenues – budget and actual, and the schedule of operating expenses – budget and actual (collectively referred to as “supplementary information”) are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of operating revenues – budget and actual, and the schedule of expenses – budget and actual are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The statistical information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

### **Prior Year Comparative Information**

We have previously audited the Sugar Creek Golf Course's 2016 financial statements, and we expressed an unmodified opinion on those financial statements in our report dated May 26, 2017. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2016, is consistent, in all material respects, with the audited financial statements from which it is derived.

*Selden Fox, Ltd.*

May 30, 2018

## **BASIC FINANCIAL STATEMENTS**

**Sugar Creek Golf Course, Illinois**  
**Statement of Net Position**  
**December 31, 2017**

	<b>Business-type Activities</b>
<b>Assets and Deferred Outflows</b>	
Current assets:	
Cash	\$ 41,105
Accounts receivable	495
Inventories/prepaid expenses	14,116
Deposits	3,600
<b>Total current assets</b>	<b>59,316</b>
Noncurrent assets:	
Other receivable	5,423
Capital assets not being depreciated	1,878,649
Capital assets, net of accumulated depreciation	1,527,000
<b>Total noncurrent assets</b>	<b>3,411,072</b>
<b>Total assets</b>	<b>3,470,388</b>
Deferred outflows - pensions	51,431
<b>Total assets and deferred outflows</b>	<b>3,521,819</b>
<b>Liabilities and Deferred Inflows</b>	
Accounts payable	77,606
Accrued payroll	4,338
<b>Total current liabilities</b>	<b>81,944</b>
Noncurrent liabilities:	
Due within one year	206,892
Due in more than one year	2,166,082
<b>Total noncurrent liabilities</b>	<b>2,372,974</b>
<b>Total liabilities</b>	<b>2,454,918</b>
Deferred inflows - pensions	150,727
<b>Total liabilities and deferred inflows</b>	<b>2,605,645</b>
<b>Net Position</b>	
Net position:	
Net investment in capital assets	1,074,048
Unrestricted deficit	(157,874)
<b>Total net position</b>	<b>\$ 916,174</b>

See accompanying notes.

**Sugar Creek Golf Course, Illinois**  
**Statement of Revenues, Expenses and Changes in**  
**Net Position - Budget and Actual**  
**For the Year Ended December 31, 2017**

	<b>2017</b>		2016
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Operating revenues:			
Charges for services	\$ 1,038,272	\$ 1,007,561	\$ 983,570
Miscellaneous	-	19,596	332
Rental income	44,600	47,023	44,040
<b>Total operating revenues</b>	<u>1,082,872</u>	<u>1,074,180</u>	<u>1,027,942</u>
Operating expenses:			
General and administration	273,934	281,222	269,000
Concessions	58,205	52,186	59,367
Operations	437,588	433,830	450,659
Pro shop	49,600	45,554	60,092
Depreciation	-	109,828	105,534
<b>Total operating expenses</b>	<u>819,327</u>	<u>922,620</u>	<u>944,652</u>
<b>Operating income</b>	<u>263,545</u>	<u>151,560</u>	<u>83,290</u>
Nonoperating revenue (expense):			
Interest income	-	1,130	1,313
Interest expense	(123,563)	(44,456)	(42,455)
<b>Total nonoperating revenue (expense)</b>	<u>(123,563)</u>	<u>(43,326)</u>	<u>(41,142)</u>
<b>Income before transfers</b>	<u>139,982</u>	<u>108,234</u>	<u>42,148</u>
Transfers out	<u>(105,000)</u>	<u>-</u>	<u>-</u>
<b>Changes in net position</b>	<u>\$ 34,982</u>	<u>108,234</u>	<u>42,148</u>
Net position, beginning of year		<u>807,940</u>	<u>765,792</u>
Net position, end of year		<u>\$ 916,174</u>	<u>\$ 807,940</u>

See accompanying notes.

**Sugar Creek Golf Course, Illinois**  
**Statement of Cash Flows**  
**For the Year Ended December 31, 2017**

	<b>Business-type Activities</b>
Cash flows from operating activities:	
Received from customers and users	\$ 1,073,685
Paid to suppliers for goods and services	(401,359)
Paid to employees for services	(365,217)
<b>Net cash flows from operating activities</b>	<b>307,109</b>
Cash flows from capital and related financing activities:	
Purchase of capital assets	(65,108)
Principal paid on intergovernmental agreement obligation	(195,000)
Interest paid on intergovernmental agreement obligation	(33,562)
<b>Net cash flows from capital and related financing activities</b>	<b>(293,670)</b>
Cash flows from investing activities - interest income	1,130
<b>Net change in cash</b>	<b>14,569</b>
Cash, beginning of the year	26,536
Cash, end of the year	<b>\$ 41,105</b>
Reconciliation of operating income to net cash flows from operating activities:	
Operating income	\$ 151,560
Adjustments to reconcile operating income to net cash flows from operating activities:	
Depreciation	109,828
Changes In:	
Receivables	(495)
Inventories/prepaid expenses	(34)
Deposits	(1,000)
Accounts payable	8,900
Accrued payroll and compensated absences	4,894
Net pension liability	33,456
	<b>\$ 307,109</b>

See accompanying notes.

## **Sugar Creek Golf Course, Illinois Notes to the Financial Statements**

---

### **I. Summary of Significant Accounting Policies**

#### **A. General**

The Sugar Creek Golf Course was created to account for the financing, construction, operation and maintenance of a nine-hole golf course facility under terms of an agreement dated February 1, 1975, between the Elmhurst Park District and the Village of Villa Park. The agreement provides that the Elmhurst Park District and the Village of Villa Park share equally in the costs of developing the facility, in the ownership of the property, and in any profits or deficits resulting from the Golf Course operations. The Board of Commissioners of the Elmhurst Park District and the Board of Trustees of the Village of Villa Park have established an Administrative Board to direct the operations of the facility.

The financial statements are prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant of the Golf Course's accounting policies established in GAAP and used by the Golf Course are described below.

#### **B. The Reporting Entity**

In determining the financial reporting entity, the Golf Course complies with the provisions of GASB Statement No. 61, "The Financial Reporting Omnibus – An Amendment of GASB Statements No. 14 and No. 34," and includes all component units that have a significant operational or financial relationship with the Golf Course. Based upon the criteria set forth in GASB Statement No. 61, there are no component units included in the reporting entity.

#### **C. Basis of Presentation**

**Financial Statements** – The financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Golf Course's net position is recognized in three parts: net investment in capital assets, restricted and unrestricted. The Golf Course first utilizes restricted resources to finance qualifying activities. The Golf Course functions as a single proprietary fund.

**Proprietary Funds** – The focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position and cash flow. The generally accepted accounting principles applicable are similar to the private sector. The following is a description of the proprietary fund of the Golf Course.

**Sugar Creek Golf Course, Illinois**  
**Notes to the Financial Statements (cont'd)**

---

**I. Summary of Significant Accounting Policies (cont'd)**

**C. Basis of Presentation (cont'd)**

Enterprise Funds are required to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) establishes fees and charges based on a pricing policy designed to recover similar costs. The Golf Course is accounted for as an enterprise fund.

**D. Measurement Focus, Basis of Accounting and Basis of Presentation**

The financial statements are reported using the economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets/deferred outflows and liabilities/deferred inflows (whether current or noncurrent) associated with the activities are reported. Proprietary fund equity is classified as net position.

The financial statements are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when a liability/deferred inflow is incurred or the economic asset used. Revenues, expenses, gains, losses, assets/deferred outflows, and liabilities/deferred inflows resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenue and expense generally result from providing services and producing and delivering goods in connection with the principal ongoing operations. The principal operating revenues of the Golf Course's enterprise fund are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**E. Assets/Deferred Outflows, Liabilities/Deferred Inflows and Net Position or Equity**

**1. Cash and Investments**

For purposes of the statement of net position, the Golf Course's cash is considered to be cash on hand, demand deposits and cash with a fiscal agent. Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on national exchanges are valued at the last reported sales price. Investments that do not have an established market, if any, are reported at estimated fair value. There were no investments held at December 31, 2017.

**Sugar Creek Golf Course, Illinois**  
**Notes to the Financial Statements (cont'd)**

---

**I. Summary of Significant Accounting Policies (cont'd)**

**E. Assets/Deferred Outflows, Liabilities/Deferred Inflows and Net Position or Equity (cont'd)**

**2. Prepays/Inventories**

Prepays/inventories are valued at cost, which approximates market, using the first-in first-out (FIFO) method. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepays in the financial statements.

**3. Capital Assets**

Capital assets purchased or acquired with an initial cost of more than \$5,000 and an estimated useful life in excess of two years are recorded at historical cost or estimated historical cost. Donated capital assets are recorded at their estimated fair value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset, or materially extend assets' lives, are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Land development	15 - 40 years
Building and improvements	7 - 45 years
Machinery and equipment	3 - 20 years

**4. Compensated Absences**

The liability for compensated absences consists of unpaid, accumulated vacation balances for Golf Course employees who have completed one year of employment. The liability has been calculated based on the employee's current salary.

In accordance with the provisions of GASB Statement No. 16, *Accounting for Compensated Absences*, no liability is recorded for nonvesting accumulating rights to receive sick pay benefits.

**5. Deferred Outflows and Inflows of Resources**

Deferred outflows of resources are defined as a consumption of net assets by the government that is applicable to a future reporting period; they increase net position, similar to assets. Note IV provides further detail on the components of deferred outflows of resources in the statement of net position.

Deferred inflows of resources are defined as an acquisition of net assets by the government that is applicable to a future reporting period; they decrease net position, similar to liabilities. Note IV provides further detail on the components of deferred outflows of resources in the statement of net position.



**Sugar Creek Golf Course, Illinois**  
**Notes to the Financial Statements (cont'd)**

---

**I. Summary of Significant Accounting Policies (cont'd)**

**E. Assets/Deferred Outflows, Liabilities/Deferred Inflows and Net Position or Equity (cont'd)**

**6. Net Position**

Net position is displayed in three components as follows:

**Net Investment in Capital Assets** – This consists of capital assets, net of accumulated depreciation, less the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

**Restricted** – This consists of net position that is legally restricted by outside parties or by law through constitutional provisions or enabling legislation.

**Unrestricted** – This consists of net position that does not meet the definition of “restricted” or “net investment in capital assets.”

**7. Use of Estimates**

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**II. Stewardship, Compliance and Accountability**

**Budgetary Information**

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriations are adopted. All annual appropriations lapse at year end. The budget is prepared by function and activity and includes information on the past year, current year estimates, and requested appropriations for the next fiscal year. The proposed budget is presented to the governing bodies for review. The governing bodies hold public hearings and may add to, subtract from, or change appropriations, but may not change the form of the budget. The governing body may amend the budget. Expenses may not legally exceed appropriations at the fund level. During the year, no supplementary appropriations were necessary. The Golf Course does not budget for depreciation expense. Actual expenses, net of depreciation, did not exceed budgeted expenses at the fund level.

**Sugar Creek Golf Course, Illinois**  
**Notes to the Financial Statements (cont'd)**

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**III. Detailed Notes for All Activities and Fund Types**

**A. Deposits and Investments**

**Permitted Deposits and Investments** – Statutes authorize the Golf Course to make deposits/invest in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, obligations of states and their political subdivisions, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least standard rating services, and the Illinois Funds.

Illinois Funds is an investment pool managed by the State of Illinois, Office of the Treasurer, which allows governments within the state to pool their funds for investment purposes. Illinois Funds is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2(a)(7) of the Investment Company Act of 1940. Investments in Illinois Funds are valued at Illinois Funds' share price, which is the price the investment could be sold for. Illinois Funds have a weighted average maturity of less than one year.

At year end, the carrying amount of the Golf Course's deposits was in an overdraft position of \$32, and the bank balances totaled \$2,216. In addition, the Golf Course had \$39,737 invested in the Illinois Funds with a maturity of less than one year. The Golf Course also had cash on hand of \$1,400.

**Interest Rate Risk** – This is the risk that changes in the market interest rates will adversely affect the fair value of an investment. The Golf Course does not have a formal investment policy, but limits its exposure by investing only in deposits and investments with maturities of one year or less.

**Credit Risk** – Generally, credit risk is the risk that an issuer of a debt-type instrument will not fulfill its obligation to the holder of the investment. State law limits investments in commercial paper, corporate bonds and mutual bond funds to the top two ratings issued by nationally recognized statistical rating organizations. The Golf Course does not have an investment policy that would further limit its investment choices. As of December 31, 2017, the Golf Course's investment in Illinois Funds is rated AAAM by Standard and Poor's.

**Concentration of Credit Risk** – This is the risk of loss attributed to the magnitude of the Golf Course's investment in a single issuer. The Golf Course does not have a formal written policy with regards to concentration of credit risk for investments. At December 31, 2017, the Golf Course has 97% of total cash and investments invested in Illinois Funds.

**Sugar Creek Golf Course, Illinois**  
**Notes to the Financial Statements (cont'd)**

**III. Detailed Notes for All Activities and Fund Types (cont'd)**

**A. Deposits and Investments (cont'd)**

**Custodial Credit Risk** – For deposits, this is the risk that, in the event of a bank failure, a government will not be able to recover its deposits. At December 31, 2017, the entire bank balance was covered by federal depository insurance. For investments, this is the risk that in the event of the failure of the counterparty, the Golf Course will not be able to recover the value of its investment or collateral securities that are in the possession of another party. Although the portfolios of the Illinois Funds may contain insured or guaranteed deposits and investments, the Funds' shares are not insured or guaranteed. The degree of risk depends on the Funds' underlying portfolio. The Golf Course does not have a formal policy for custodial credit risk.

**B. Capital Assets**

Capital asset activity for the year ended December 31, 2017, was as follows:

	Balance, January 1, 2017	Additions	Retirements/ Adjustments	Balance, December 31, 2017
<b>Business-type activities</b>				
Nondepreciable capital assets:				
Land	\$ 1,866,353	\$ -	\$ -	\$ 1,866,353
Construction in progress	-	12,296	-	12,296
	<u>1,866,353</u>	<u>12,296</u>	<u>-</u>	<u>1,878,649</u>
Capital assets, being depreciated:				
Land development	2,030,272	72,601	-	2,102,873
Building and improvements	1,705,809	-	-	1,705,809
Machinery and equipment	460,116	52,810	-	512,926
<b>Total capital assets</b>	<u>4,196,197</u>	<u>125,411</u>	<u>-</u>	<u>4,321,608</u>
Less accumulated depreciation for:				
Land development	1,631,180	56,113	-	1,687,293
Building and improvements	672,473	36,450	-	708,923
Machinery and equipment	381,127	17,265	-	398,392
<b>Total accumulated depreciation</b>	<u>2,684,780</u>	<u>109,828</u>	<u>-</u>	<u>2,794,608</u>
Depreciable capital assets, net	<u>1,511,417</u>	<u>15,583</u>	<u>-</u>	<u>1,527,000</u>
Business-type activities' capital assets, net	<u>\$ 3,377,770</u>	<u>\$ 27,879</u>	<u>\$ -</u>	<u>\$ 3,405,649</u>

**Sugar Creek Golf Course, Illinois**  
**Notes to the Financial Statements (cont'd)**

**III. Detailed Notes for All Activities and Fund Types (cont'd)**

**C. Changes in Long-term Debt**

A summary of changes in long-term debt follows:

	Balance, January 1, 2017	Additions	Deletions	Balance, December 31, 2017	Amounts Due in One Year
Elmhurst Park District loan	\$ 1,029,013	\$ 106,700	\$ 97,500	\$ 1,038,213	\$ -
Village of Villa Park loan	166,595	197,856	123,563	240,888	-
Elmhurst Park District debt certificates	572,500	-	90,000	482,500	110,000
Village of Villa Park debt certificates	675,000	-	105,000	570,000	91,250
Net pension liability	156,010	-	142,845	13,165	-
Accrued compensated absences	23,715	9,337	4,844	28,208	5,642
	<u>\$ 2,622,833</u>	<u>\$ 313,893</u>	<u>\$ 563,752</u>	<u>\$ 2,372,974</u>	<u>\$ 206,892</u>

Golf Course improvements were financed through \$1,120,000 debt certificates issued by the Village of Villa Park and \$927,500 debt certificates issued by Elmhurst Park District. The Village of Villa Park \$1,120,000 debt certificates are due in annual installments of \$100,000 to \$120,000 plus interest through maturity on December 15, 2022. The Elmhurst Park District \$927,500 debt certificates are due in annual installments of \$87,500 to \$101,250 plus interest through maturity on November 1, 2022. Future principal and interest payments on the debt certificates and notes payable are as follows:

Year	Principal	Interest	Totals
2018	\$ 201,250	\$ 27,975	\$ 229,225
2019	205,000	22,212	227,212
2020	211,250	17,050	228,300
2021	213,750	11,722	225,472
2022	221,250	6,338	227,588
	<u>\$ 1,052,500</u>	<u>\$ 85,297</u>	<u>\$ 1,137,797</u>

**Sugar Creek Golf Course, Illinois**  
**Notes to the Financial Statements (cont'd)**

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**III. Detailed Notes for All Activities and Fund Types (cont'd)**

**C. Changes in Long-term Debt (cont'd)**

In prior years, the Park District and Village have made loans to the Golf Course to cover operational and debt service shortfalls. In 2017, Sugar Creek Golf Course paid both entities the full current year principal and interest due on the debt instruments. As a result, the Elmhurst Park District paid \$97,500 and the Village of Villa Park paid \$123,563 in principal and interest on behalf of the Sugar Creek Golf Course. In 2017, the Golf Course accrued interest of \$9,200 on the outstanding loan from the Elmhurst Park District of \$1,029,013 and \$1,693 on the outstanding loan from the Village of Villa Park of \$239,195. During 2017, the Village of Villa Park paid \$72,600 for repavement of the golf course parking lot. The amount paid was added to the balance of the note with Villa Park.

**D. Net Position Classifications**

Net investment in capital assets was comprised of the following at December 31, 2017:

Capital assets, net of accumulated depreciation	\$ 3,405,649
Less capital-related debt:	
Loans from Elmhurst Park District and Village of Villa Park	(1,279,101)
Elmhurst Park District debt certificates	(482,500)
Village of Villa Park debt certificates	<u>(570,000)</u>
Net investment in capital assets	<u>\$ 1,074,048</u>

**E. Operating Leases**

At December 31, 2017, the Golf Course was obligated under operating leases for golf operations equipment. The future minimum lease payments are summarized as follows:

2018	\$ 24,050
2019	24,050
2020	<u>24,050</u>
	<u>\$ 72,150</u>

Rent expense under operating leases totaled \$25,340 during 2017.

**Sugar Creek Golf Course, Illinois**  
**Notes to the Financial Statements (cont'd)**

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**IV. Other Information**

**A. Risk Management**

The Golf Course is covered by the Elmhurst Park District's membership in the Park District Risk Management Agency (PDRMA). Risks covered include general liability, property, automotive liability, crime, boiler and machinery, public officials and workers' compensation. Premiums have been displayed as an expense as they expire.

There has been no reduction in insurance coverage for any programs since the prior fiscal year. Settlements have not exceeded insurance coverage in the last three years.

**B. Employee Retirement Plan**

**General Information About the Pension Plan**

**Plan Description** – The Golf Course's defined benefit pension plan, the Illinois Municipal Retirement Fund (IMRF), provides pensions for all full-time employees of the Golf Course. IMRF is an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for local governments and school districts in Illinois. The types of benefits, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes and can only be amended by the Illinois General Assembly. IMRF issues a publicly available financial report that includes financial statements and required supplementary information (RSI). That report may be obtained on-line at [www.imrf.org](http://www.imrf.org). The Golf Course participates in IMRF through the Elmhurst Park District.

**Benefits Provided** – IMRF provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. Participating members hired before January 1, 2011, who retire at or after age 60 with 8 years of service, are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3 percent of their final rate (average of the highest 48 consecutive months' earnings during the last 10 years) of earnings, for each year of credited service up to 15 years, and 2 percent of each year thereafter. Employees with at least 8 years of service may retire at or after age 55 and receive a reduced benefit. For participating members hired on or after January 1, 2011, who retire at or after age 67 with 10 years of service, are entitled to an annual retirement benefit, payable monthly for life in an amount equal to 1-2/3 percent of their final rate (average of the highest 96 consecutive months' earnings during the last 10 years) of earnings, for each year of credited service, with a maximum salary cap of \$112,408 at January 1, 2017. The maximum salary cap increases each year thereafter. The monthly pension of a member hired on or after January 1, 2011, shall be increased annually, following the later of the first anniversary date of retirement or the month following the attainment of age 62, by the lesser of 3% or ½ of the consumer price index.

**Sugar Creek Golf Course, Illinois**  
**Notes to the Financial Statements (cont'd)**

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**IV. Other Information (cont'd)**

**B. Employee Retirement Plan (cont'd)**

**General Information About the Pension Plan (cont'd)**

**Benefits Provided (cont'd)** – Employees with at least 10 years of credited service may retire at or after age 62 and receive a reduced benefit. IMRF also provides death and disability benefits.

**Contributions** – Employees participating in the plan are required to contribute 4.50 percent of their annual covered salary to IMRF. The employees' contribution rate is established by state statute. The Golf Course is required to contribute the remaining amount necessary to fund the IMRF plan as specified by statute. The employer contribution and annual required contribution rate for calendar year 2017 was 10.90 percent. The Golf Course's contribution to the Plan totaled \$28,607 in the fiscal year ended December 31, 2017, which was equal to its annual required contribution.

**Net Pension Liability**

The Golf Course is a component unit of the Elmhurst Park District. Park District management has allocated approximately 4.9% of the Park District's pension responsibility to the Golf Course. The Park District's net pension liability was measured as of December 31, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

**Actuarial Valuation and Assumptions** – The actuarial assumptions used in the December 31, 2017, valuation were based on an actuarial experience study for the period January 1, 2014 – December 31, 2016, using the entry age normal actuarial cost method. The total pension liability in the December 31, 2016, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary increases	3.39% to 14.25%
Investment rate of return	7.50%
Post-retirement benefit increase:	
Tier 1	3.0%-simple
Tier 2	lesser of 3.0%-simple or ½ increase in CPI

The actuarial value of IMRF assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20% corridor between the actuarial and market value of assets. IMRF's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at December 31, 2017, was 23 years.

**Sugar Creek Golf Course, Illinois**  
**Notes to the Financial Statements (cont'd)**

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**IV. Other Information (cont'd)**

**B. Employee Retirement Plan (cont'd)**

**Net Pension Liability (cont'd)**

**Mortality Rates** – For non-disabled lives, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF projection experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that was applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

**Long-term Expected Rate of Return** – The long-term expected rate of return is the expected return to be earned over the entire trust portfolio based on the asset allocation of the portfolio, using best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) developed for each major asset class. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Equities	37%	6.85%
International equities	18%	6.75%
Fixed income	28%	3.00%
Real estate	9%	5.75%
Alternatives:	7%	
Private equity		7.35%
Hedge funds		5.05%
Commodities		2.65%
Cash equivalents	1%	2.25%



**Sugar Creek Golf Course, Illinois**  
**Notes to the Financial Statements (cont'd)**

**IV. Other Information (cont'd)**

**B. Employee Retirement Plan (cont'd)**

**Net Pension Liability (cont'd)**

**Discount Rate** – The discount rate used to measure the total pension liability, computed for the Elmhurst Park District as a whole, was 7.50%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that Golf Course contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees for the next 99 years. Therefore, the long-term expected rate of return on pension plan investments (7.50%) was applied to the next 99 periods of projected benefit payments, and then the tax-exempt municipal bond rate (3.31%) (based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date), was utilized, resulting in a single discount rate of 7.50 being used to determine the total pension liability.

Additional Information regarding the change in the net pension liability and discount rate sensitivity for the Elmhurst Park District as a whole may be found in the Elmhurst Park District Comprehensive Annual Financial Report. Such information has not been determined separately for the Golf Course.

**Net Pension Liability, Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – Golf Course**

At December 31, 2017, the Golf Course's portion of the Elmhurst Park District's net pension liability is \$13,165. For the year ended December 31, 2017, the Golf Course recognized pension expense of \$62,063 in the government-wide financial statements. At December 31, 2017, the Golf Course reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows of Resources
Differences between expected and actual experience	\$ 9,870	\$ 16,277	\$ 6,407
Changes in assumptions	2,373	35,500	33,127
Net difference between projected and actual earnings on pension plan investments	39,188	98,950	59,762
Total	\$ 51,431	\$ 150,727	\$ 99,296

**Sugar Creek Golf Course, Illinois**  
**Notes to the Financial Statements (cont'd)**

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**IV. Other Information (cont'd)**

**B. Employee Retirement Plan (cont'd)**

**Net Pension Liability, Pension Expense and Deferred Outflows of Resources and  
Deferred Inflows of Resources Related to Pensions – Golf Course (cont'd)**

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending December 31,</u>		
2018	\$	(12,389)
2019		(26,247)
2020		(35,923)
2021		<u>(24,737)</u>
Total	\$	<u>(99,296)</u>

## **SUPPLEMENTARY FINANCIAL INFORMATION**

**Sugar Creek Golf Course, Illinois**  
**Schedule of Operating Revenues - Budget and Actual**  
**For the Year Ended December 31, 2017**

	<b>2017</b>		<b>2016</b>
	<b>Budget</b>	<b>Actual</b>	<b>Actual</b>
Charges for services:			
Equipment rentals:			
Pull cart rental	\$ 10,800	\$ 7,968	\$ 8,082
Club car rental	108,000	111,436	105,964
Golf club rental	2,100	1,851	1,500
Greens fees	509,542	493,682	469,676
Punch rounds	8,100	7,750	8,200
Season passes	10,240	8,115	10,050
Permanent tee times	6,700	7,325	6,525
Driving range	107,015	104,424	107,840
Driving range instruction	110,775	105,674	100,605
Sales:			
Pro shop	45,000	39,904	46,756
Beer/wine/liquor	76,000	76,840	73,781
Food	24,000	21,464	23,076
Soft drink	20,000	21,128	21,515
<b>Total charges for services</b>	<b>1,038,272</b>	<b>1,007,561</b>	<b>983,570</b>
Miscellaneous	-	19,596	332
Rental income	44,600	47,023	44,040
	<b>\$ 1,082,872</b>	<b>\$ 1,074,180</b>	<b>\$ 1,027,942</b>

**Sugar Creek Golf Course, Illinois**  
**Schedule of Operating Expenses - Budget and Actual**  
**For the Year Ended December 31, 2017**

	<b>2017</b>		2016
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
General and administration:			
Salaries and wages:			
Administration	\$ 196,504	\$ 212,498	\$ 201,892
Administrative staff	330	440	330
Facility and program staff	41,300	36,178	36,747
	<u>238,134</u>	<u>249,116</u>	<u>238,969</u>
Services:			
Audit	4,500	4,500	4,500
Credit card/finance charges	22,000	21,567	21,339
Occupational health	1,300	1,464	1,073
	<u>27,800</u>	<u>27,531</u>	<u>26,912</u>
Repairs and maintenance:			
Building repairs	8,000	4,575	3,119
<b>Total general and administration</b>	<u>273,934</u>	<u>281,222</u>	<u>269,000</u>
Concessions:			
Repairs and maintenance:			
Plumbing and building repairs	4,205	4,175	4,580
Supplies:			
Concession merchandise	54,000	48,011	54,787
<b>Total concessions</b>	<u>58,205</u>	<u>52,186</u>	<u>59,367</u>
Operations:			
Salaries and wages:			
Driving range staff	7,487	10,342	10,085
Operations staff	116,283	110,653	106,349
	<u>123,770</u>	<u>120,995</u>	<u>116,434</u>

(cont'd)

**Sugar Creek Golf Course, Illinois**  
**Schedule of Operating Expenses - Budget and Actual (cont'd)**  
**For the Year Ended December 31, 2017**

	<b>2017</b>		<b>2016</b>
	<b>Budget</b>	<b>Actual</b>	<b>Actual</b>
Operations (cont'd):			
Services:			
Healthcare	\$ 27,981	\$ <b>23,407</b>	\$ 20,642
IMRF	26,828	<b>62,063</b>	67,787
FICA	27,686	<b>26,707</b>	26,204
Insurance	14,050	<b>14,050</b>	13,900
Legal and consulting	10,500	<b>2,650</b>	-
Dues and subscriptions	1,755	<b>1,704</b>	1,663
Continuing education	1,000	<b>351</b>	793
Ads and notices	7,000	<b>7,215</b>	5,856
Licenses and permits	1,000	<b>861</b>	1,000
Postage and shipping	500	<b>508</b>	51
Equipment rental	29,100	<b>29,547</b>	29,408
Banquet/outings	3,000	<b>2,955</b>	3,579
Travel	2,000	<b>2,402</b>	1,978
Telephone	4,400	<b>1,870</b>	5,262
Cable TV	2,150	<b>1,818</b>	1,941
Alarms	4,000	<b>2,051</b>	8,204
Electricity	18,000	<b>21,430</b>	21,046
Natural gas	6,000	<b>5,197</b>	3,563
Water and sewer	6,000	<b>7,017</b>	5,643
Contractual services	11,970	<b>11,198</b>	17,378
	<b>204,920</b>	<b>225,001</b>	235,898
Repairs and maintenance:			
Equipment and truck repairs	1,000	<b>2,667</b>	-
Supplies:			
Office	4,000	<b>3,322</b>	953
Custodial	1,000	-	739
Grounds	36,700	<b>25,748</b>	35,866
Building	11,450	<b>5,439</b>	6,378
Fuel	8,882	<b>7,702</b>	6,789
Vehicle parts	18,595	<b>16,456</b>	21,014
Chemicals	24,771	<b>23,623</b>	24,487

(cont'd)

**Sugar Creek Golf Course, Illinois**  
**Schedule of Operating Expenses - Budget and Actual (cont'd)**  
**For the Year Ended December 31, 2017**

	<b>2017</b>		2016
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Operations (cont'd):			
Supplies (cont'd):			
Uniforms	\$ 2,000	\$ 2,491	\$ 2,021
First aid	500	386	80
	<u>107,898</u>	<u>85,167</u>	<u>98,327</u>
<b>Total operations</b>	<u>437,588</u>	<u>433,830</u>	<u>450,659</u>
Pro shop:			
Supplies:			
Pro shop merchandise	30,000	25,919	41,673
Driving range supplies	14,000	14,381	12,896
Golf/clubhouse supplies	5,600	5,254	5,523
	<u>49,600</u>	<u>45,554</u>	<u>60,092</u>
<b>Total pro shop</b>	<u>49,600</u>	<u>45,554</u>	<u>60,092</u>
Depreciation	<u>-</u>	<u>109,828</u>	<u>105,534</u>
<b>Total operating expenses</b>	<u>\$ 819,327</u>	<u>\$ 922,620</u>	<u>\$ 944,652</u>





**Sugar Creek Golf Course, Illinois**  
**Schedules of Revenue By Source - Last Ten Fiscal Years**  
**For the Year Ended December 31, 2017**

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Operating revenues:										
Greens fees	\$ 520,278	\$ 537,170	\$ 499,876	\$ 437,566	\$ 503,978	\$ 443,906	\$ 437,879	\$ 478,139	\$ 469,676	\$ 493,682
Membership	14,257	22,490	29,456	22,725	20,830	21,550	20,820	21,500	24,775	23,190
Driving range	73,402	85,647	75,185	68,624	84,427	101,597	102,354	111,534	107,840	104,424
Cart and club rental	84,717	81,687	74,904	60,967	82,770	79,404	87,585	111,329	115,546	121,255
Pro shop equipment sale	64,809	51,382	50,565	56,448	69,685	55,966	45,421	43,997	46,756	39,904
Concessions	151,248	153,205	152,435	120,533	134,728	117,880	110,960	131,709	118,372	119,432
Golf lessons	37,866	49,050	56,165	59,910	62,670	70,358	83,369	95,767	100,605	105,674
Miscellaneous	8,483	14,704	5,385	7,432	14,707	25,322	39,304	238	332	19,596
Rental income	23,288	20,538	30,232	31,212	35,555	36,109	38,656	50,373	44,040	47,023
Nonoperating revenues:										
Grants	-	-	-	-	-	-	3,044	-	-	-
Interest	1,353	395	100	54	151	71	46	87	1,313	1,130
<b>Total</b>	<b>\$ 979,701</b>	<b>\$ 1,016,268</b>	<b>\$ 974,303</b>	<b>\$ 865,471</b>	<b>\$ 1,009,501</b>	<b>\$ 952,163</b>	<b>\$ 969,438</b>	<b>\$ 1,044,673</b>	<b>\$ 1,029,255</b>	<b>\$ 1,075,310</b>

See independent auditor's report.

**E L M H U R S T   P A R K   D I S T R I C T**  
**B O A R D   O F   P A R K   C O M M I S S I O N E R S**  
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**DATE:**     June 11, 2018

**TO:**             Board of Park Commissioners

**FROM:**     Finance Committee - Commissioners Ubriaco and Graf

**RE:**             **AUDIT FOR THE YEAR ENDING DECEMBER 31, 2017 - SUGAR CREEK GOLF COURSE**

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**ISSUE**

The Board of Park Commissioners has been presented with the audited financial statements of Sugar Creek Golf Course for 2017. This audit is required by state statute, the Illinois Compiled Statutes (volume 50), paragraph 310/1-11.

**DISCUSSION**

Sugar Creek's independent audit firm, Selden Fox, along with District personnel, has completed the audit for the fiscal year ended December 31, 2017. Selden Fox was selected as the auditor for Sugar Creek for the years ending 2015, 2016, and 2017. Selden Fox completed their audit fieldwork at the beginning of March and issued a final report on May 29, 2018.

The audit opinion letter on page one of the audit report indicates that we received an unqualified or "clean" opinion. This opinion indicates that the statements are free of material misstatement, prepared in conformity with Generally Accepted Accounting Principles (GAAP) and that the auditor's opinion is based upon their audit, which was conducted in conformity with Generally Accepted Auditing Standards (GAAS).

The financial statements are prepared using accrual accounting and the Golf Course functions as a single proprietary fund. Similar to private sector accounting, the focus of proprietary fund measurement is on the determination of operating income, changes in net position, financial position and cash flow. Included with the annual audit is the management letter prepared by Selden Fox.

The Finance Committee will be meeting with the firm's principle, Ed Tracy, to review the 2017 audit on June 11, 2018. The financial statements report that the Sugar Creek Golf Course reported net assets of \$916,174, an increase of \$108,234 from the prior year.

According to Illinois Compiled Statutes (Vol. 50), paragraph 310/1-11, the audited financial statements must be accepted by the Board of Park Commissioners and filed with the appropriate State and local agencies within six (6) months of the end of the fiscal year.

**RECOMMENDATION**

That the Board of Park Commissioners accepts the audited financial statements, pending earlier Finance Committee review and approval for Sugar Creek Golf Course.

Attachment:     Sugar Creek Golf Course 2017 Audited Financial Statements