

SUGAR CREEK ADMINISTRATIVE BOARD MINUTES

OCTOBER 27, 2020

**Mr. McDermott** called the meeting at 6:09 P.M. Before the roll was called, **Mr. McDermott** explained that the Board had the official ability to have this virtual meeting because of the gubernatorial disaster proclamation due to the Coronavirus 19.

PRESENT: Joe Colmone, Greg Gola, Brian McDermott, Christine Murphy, Gary Schiefer, Tim Sheehan and Charlie Van Slyke

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

APPROVAL OF MINUTES FOR SEPTEMBER 22, 2020

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:

The public was invited to join but would have to email that request prior to the meeting, and no requests were received.

OLD BUSINESS

None

NEW BUSINESS

MONTHLY MANAGER'S REPORT:

October continues to be another outstanding month for golf participation as golf is one of the few outdoor activities suited to social distancing, and ideal weather conditions have led to more playable days. Through October 25<sup>th</sup>, we recorded 13 ½ playable days which is 5 more than last year and 2 ½ days more than the 5 -year average. As demand for golf continues, online rates have remained the same with no fall discounts which leads to higher average revenue per greens fee. Last year greens fee and cart revenue for October was \$25,744 with an average of \$19.68 per round while this year for the same time period, greens fee and cart revenue were \$56,060 with an average of \$26.68 per round. Sugar Creek has been impacted by Pandemic guidelines with limitations on large group gatherings and indoor activities with consequences on revenues from alcohol sales, large outings, some leagues and the Jr. Golf Camp. However, revenues from just greens fees, cart rentals and driving range have soared with total facility revenues from June 1<sup>st</sup> through October 25<sup>th</sup>. Looking at the Total Facility Revenues for the prior 5 years: 2020 - \$684,707, 2019 - \$604,826, 2018 - \$576,069, 2017- \$622,469, 2016 - \$589,149, 2015 - \$612,089. Although closed for about 6 weeks from mid-March until May 1<sup>st</sup>, we are only 1 ½ playable days less than last year through October 25<sup>th</sup>. Since May 1<sup>st</sup>, 22,690 rounds of golf have been played as well as 7,297 range baskets/passes have been purchased- a minimum of almost 30,000 visits to Sugar Creek, and we have not received any notice of guests or staff contracting the Covid-10 virus while at Sugar Creek.

## SUPERINTENDENT'S REPORT

October was fairly typical with average temperatures and precipitation slightly over average by 25%. Most of the daily work this month included mulching leaves and blowing goose debris. Otherwise, the two large projects, which were discussed last meeting, were researched and resolved with permission to do the well replacement in 2020 with the money coming from the operating expense. This will be done either during a drought or when the ground is frozen to accommodate the weight of the machinery. The underground storage tanks will also be removed by early 2021 as it was decided that repairing it wasn't an option due to its age. Still more research will be done as bids come in for the above ground replacement. Kevin then presented a short synopsis of the condition of his equipment instead of the customary individual descriptions. The basic facts on his fleet includes the average age of his equipment is 19.5 years old, 10 pieces out of 27 rolling equipment needs replacement or major repairs, 21 of these 27 pieces are over 10 years old, and the total cost today of replacing this equipment is \$629,000. Actually, in 2009, the Board approved the Maintenance Equipment Replacement Plan to replace equipment, but the money wasn't always available. The consequences are reduced productivity on the course as time is spent on repairs and maintenance, safety hazards can occur, parts and maintenance cost have doubled, and declining conditions on the course. **Mr. Schiefer** requested why the members of this Board weren't notified about the decision involving the replacement of the well which led to a discussion about the function of this Board and all decision making which is the function of the Parent Bodies.

## APPROVAL OF BUDGET COMPARISON REPORT

The Board considered the Budget Comparison Report through September. **Brian McDermott** reviewed that the revenues were impacted by the closing of banquets and limited outings with revenues \$172,00 less than last year at this time. The motion to accept the September `Income Statement was made by **Joe Colmone** and seconded by **Charlie Van Slyke**. All were in favor and the motion was passed.

## 2021 PROPOSED BUDGET PRESENTATION

Due to unusual circumstances, this 2021 budget was developed with the assumption that all golf operations would continue under the Phase 4 guidelines of the Restore Illinois Plan. Therefore, golfers will continue to book and pay for tee times online which has created a simple check-in at the course and allowed for prepaid email confirmations. Using this year's actual online payment pricing along with the percentage of weekday vs. weekend rounds played, revenue calculations were determined for the 2021 budget. The estimated total number of budgeted rounds for 2021 are 27,000 rounds which is a conservative estimate as we used the previous 3 years average 2017-2019. For the 2021 budget, 86% of revenue will stem directly from outdoor, golf related activities including greens fees, cart rentals, driving range and instruction. The three areas greens fees, cart rentals, and driving range are anticipated to grow by \$133,615 (19%) compared to the 2020 budget while all other revenues in the 2021 budget are expected to decrease by \$106,097 as a result of loss of business due to the Pandemic. The debt obligations will be met with a payment of \$225,472 with the final payment due in 2022. The total capital for the 2021 budget is projected at \$70,000 with \$30,000 allocated to the addition of the above ground fuel storage tanks and removal of the aged underground fuel

storage tanks and \$40,000 for replacement of maintenance equipment. Almost every revenue stream has been affected by the pandemic although the one noticeable increase for golfers is \$1.00 per person rate increase for riding carts. A motion to approve the Proposed 2021 Sugar Creek Budget was made by **Joe Colmone** and seconded by **Tim Sheehan**. All were in favor and the motion passed. **Mr. McDermott** reminded the board that the Proposed Budget will be presented to the Parent Bodies for final approval.

#### NEXT MEETING

The next meeting will be scheduled for Tuesday, November 24 at 6:00 p.m.

#### ADJOURNMENT

A motion to adjourn was made by **Gary Schiefer** and seconded by **Greg Gola**. All were in favor, and the meeting was adjourned at 7:30 p.m.

Respectfully submitted,