

Continental Country Club, Inc.
Income Statement
for the Month of Jul, 2017

	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec to Prior Yr</u>
Revenues:				
Membership Income	\$ 137,214	\$ 151,845	\$ 144,640	-5.1%
Golf Income	201,947	227,406	225,815	-10.6%
Other Income	965	-	1,083	-10.9%
Total Revenues	\$ 340,125	\$ 379,251	\$ 371,538	-8.5%
Expenses:				
Flagstaff Golf Maintenance Company	41,066	43,186	44,895	-8.5%
Golf Course Reclaimed Water	8,451	14,960	14,750	-42.7%
Golf Cart Lease	6,438	6,837	6,763	-4.8%
Cost of Goods Sold Golf	8,617	11,849	12,665	-32.0%
Wynndham Maintenance & Other Payments	8,456	10,115	4,240	99.4%
Lake Elaine	570	50	31,860	-98.2%
Walnut Canyon Lakes Park	8,504	10,250	10,621	-19.9%
Employee Compensation & Benefits	62,888	62,243	64,220	-2.1%
Building, Equipment & Grounds	19,079	10,834	9,673	97.2%
Utilities	14,343	18,958	17,807	-19.5%
Legal & Consulting	34,624	29,100	9,225	275.3%
Property Insurance & Taxes	4,769	6,409	6,630	-28.1%
Depreciation & Amortization	16,754	16,640	16,754	0.0%
Merchant Services & Bank Fees	8,223	6,000	5,267	56.1%
Advertising & Website Costs	3,720	5,965	6,691	-44.4%
All Other Expenses	14,918	4,956	5,058	194.9%
Total Expenses	\$ 261,419	\$ 258,352	\$ 267,119	-2.1%
Earnings Before Interest & Taxes	78,706	120,899	104,419	24.6%
Interest Expense	3,350	3,527	5,894	-43.2%
Pre-tax Income/(Loss)	\$ 75,356	\$ 117,372	\$ 98,525	-23.5%

Continental Country Club, Inc.
Income Statement
Year to Date Jul, 2017

	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec to Prior Yr</u>
Revenues:				
Membership Income	\$ 979,463	\$ 975,060	\$ 955,411	2.5%
Golf Income	695,933	724,718	691,691	0.6%
Other Income	7,666	-	9,948	-22.9%
Total Revenues	\$ 1,683,062	\$ 1,699,778	\$ 1,657,050	1.6%
Expenses:				
Flagstaff Golf Maintenance Company	285,534	281,787	270,902	5.4%
Golf Course Reclaimed Water	72,172	60,830	59,659	21.0%
Golf Cart Lease	25,877	27,348	33,816	-23.5%
Cost of Goods Sold Golf	32,567	45,088	35,444	-8.1%
Wynndham Maintenance & Other Payments	60,617	69,325	52,481	15.5%
Lake Elaine	2,844	2,575	108,474	-97.4%
Walnut Canyon Lakes Park	36,829	54,575	42,692	-13.7%
Employee Compensation & Benefits	374,790	368,608	314,229	19.3%
Building, Equipment & Grounds	108,672	100,764	94,538	15.0%
Utilities	111,513	95,241	94,856	17.6%
Legal & Consulting	204,268	202,925	88,792	130.1%
Property Insurance & Taxes	48,364	44,863	46,107	4.9%
Depreciation & Amortization	117,279	116,480	117,279	0.0%
Merchant Services & Bank Fees	31,672	28,000	32,124	-1.4%
Advertising & Website Costs	28,855	31,084	42,693	-32.4%
All Other Expenses	49,709	34,709	29,037	71.2%
Total Expenses	\$ 1,591,552	\$ 1,564,202	\$ 1,463,122	8.8%
Earnings Before Interest & Taxes	91,510	135,576	193,929	-52.8%
Interest Expense	25,138	25,233	42,556	40.9%
Pre-tax Income/(Loss)	\$ 66,371	\$ 110,343	\$ 151,373	-56.2%

Continental Country Club, Inc.
Income Statement - Golf Business Unit
Month of Jul, 2017

	Actual	Budget	Prior Year	%Inc/Dec to Prior Yr
Revenues:				
Golf Member Income	1,836	2,600	4,068	0.0%
High Country Card	114,449	121,977	125,234	-54.9%
Green Fees	50,123	54,430	48,274	-8.6%
Cart Fees	19,433	25,200	23,279	3.8%
Driving Range Income	13,537	19,749	18,274	-16.5%
Golf Shop Sales	-	-	18,274	-25.9%
Pre & Post Season Income	-	-	-	0.0%
Other Golf Income	2,570	3,450	6,666	-61.6%
Total Revenues	\$ 201,947	\$ 227,406	\$ 225,815	-10.57%
Expenses:				
FGMC Expenses	41,066	43,186	44,895	-8.5%
Golf Course Reclaimed Water	8,451	14,960	14,750	-42.7%
Golf Cart Lease	6,438	6,837	6,763	-4.8%
Cost of Good Sold Golf	8,617	11,849	12,665	-32.0%
Employee Compensation & Benefits	24,724	27,547	30,728	-19.5%
Building, Equipment & Grounds	4,790	400	2,090	129.1%
Utilities	2,143	7,366	6,693	-68.0%
Consulting Fees	2,072	3,080	2,083	-0.5%
Property Insurance & Taxes	1,992	2,032	1,992	0.0%
Depreciation and Amortization	8,956	11,340	11,266	-20.4%
Interest Expense	3,350	3,527	5,894	-43.2%
Merchant Services & Bank fees	5,310	5,000	3,245	63.6%
Advertising & Website Costs	2,339	4,805	4,974	-53.0%
All Other Expenses	6,672	2,106	765	772.6%
Total Expenses	\$ 126,920	\$ 144,035	\$ 148,793	-14.7%
Net Income	75,026	83,371	77,022	-2.6%
Less Depreciation	8,956	11,340	11,256	-20.4%
Cash Flow	\$ 83,983	\$ 94,711	\$ 88,278	-4.9%
Less Interest	3350	3527	5894	-43.2%
Operating Income	\$ 87,333	\$ 98,238	\$ 94,172	-7.3%
Number of Participants	2017	Budget	2016	%Inc/Dec
Number of Rounds	3347	3325	3552	-5.8%
Cart Rentals	3154		3230	-2.4%
Practice Facility	2115		2503	-15.5%
Average Dollar Per Round				
Green & Cart Fees	49.17	53.05	48.85	0.7%
Practice Facility	9.19	#DIV/0!	9.30	-1.2%
Gross Profit on Golf Shop Sales	36%	40%	31%	18.4%

Continental Country Club, Inc.
Income Statement - Golf Business Unit
Year to Date Jul, 2017

	Actual	Budget	Prior Year	%Inc/Dec to Prior Yr
Revenues:				
Golf Member Income	66,442	53,601	40,090	65.7%
High Country Card	28,967	35,100	35,246	-17.8%
Green Fees	297,757	316,108	304,153	-2.1%
Cart Fees	129,102	152,853	126,302	2.2%
Driving Range Income	74,382	84,625	77,890	-4.5%
Golf Shop Sales	49,663	67,480	50,255	-1.2%
Pre & Post Season Income	38,177	-	42,923	-11.1%
Other Golf Income	11,444	14,952	14,832	-22.8%
Total Revenues	\$ 695,933	\$ 724,719	\$ 691,691	0.61%
Expenses:				
FGMC Expenses	285,534	281,787	270,902	5.4%
Golf Course Reclaimed Water	72,172	60,830	59,659	21.0%
Golf Cart Lease	25,877	27,348	33,816	-23.5%
Cost of Good Sold Golf	32,557	45,088	35,444	-8.1%
Employee Compensation & Benefits	134,391	142,880	134,536	-0.1%
Building, Equipment & Grounds	10,914	17,300	40,610	-73.1%
Utilities	29,229	30,757	31,791	-8.1%
Consulting Fees	14,506	21,320	15,122	-4.1%
Property Insurance & Taxes	13,944	14,224	13,944	0.0%
Depreciation and Amortization	62,692	79,380	78,792	-20.4%
Interest Expense	25,138	25,233	42,556	-40.9%
Merchant Services & Bank fees	18,987	15,500	23,392	-18.8%
Advertising & Website Costs	16,894	20,239	22,034	-23.3%
All Other Expenses	14,958	18,489	7,324	104.2%
Total Expenses	\$ 757,792	\$ 800,375	\$ 809,924	-6.4%
Net Income	(61,859)	(75,656)	(118,232)	47.7%
Less Depreciation	62,692	79,380	78,792	-20.4%
Cash Flow	\$ 833	\$ 3,724	\$ (39,440)	102.1%
Less Interest	25138	25233	42556	40.9%
Operating Income	\$ 25,972	\$ 28,957	\$ 3,116	-733.5%
Number of Participants	2017	Budget	2016	%Inc/Dec
Number of Rounds	9783	10179	10302	-5.0%
Cart Rentals	9014	#DIV/0!	9475	-4.9%
Practice Facility	8017	#DIV/0!	9051	-11.4%
Average Dollar Per Round				
Green & Cart Fees	43.63	46.07	41.78	4.4%
Practice Facility	9.28	#DIV/0!	8.61	7.8%
Gross Profit on Golf Shop Sales	34%	33%	29%	16.9%

Continental Country Club, Inc.
Income Statement - Small Business Units
July, 2017

Tennis				
MTD	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec To Prior Yr</u>
Revenues:				
Total Tennis Revenues	\$ 965	\$ -	\$ 1,083	-10.9%
Expenses:				
Total Tennis Expenses	1,479	980	979	51.1%
Earnings Before Interest & Taxes	<u>\$ (514)</u>	<u>\$ (980)</u>	<u>\$ 104</u>	<u>594.5%</u>

YTD	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec To Prior Yr</u>
Revenues:				
Total Tennis Revenues	\$ 7,666	\$ -	\$ 9,948	-22.9%
Expenses:				
Total Tennis Expenses	4,099	7,660	3,329	23.1%
Earnings Before Interest & Taxes	<u>\$ 3,567</u>	<u>\$ (7,660)</u>	<u>\$ 6,619</u>	<u>-46.1%</u>

Legal & Consulting Fees Detail				
MTD Expenses	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec To Prior Yr</u>
Attorney & Legal Fees	\$ 21,552	\$ 5,500	\$ 7,143	201.7%
Accounting & Review	1,000	-	-	0.0%
Consulting (Lake Elaine Project)	10,000	20,000	-	0.0%
Consulting (OB Sports)	2,072	2,600	2,083	-0.5%
Total Legal & Consulting Expenses	<u>\$ 34,624</u>	<u>\$ 28,100</u>	<u>\$ 9,225</u>	<u>275.3%</u>
YTD Expenses	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec To Prior Yr</u>
Attorney & Legal Fees	\$ 133,971	\$ 29,800	\$ 19,907	573.0%
Accounting & Review	7,000	7,925	7,925	-11.7%
Consulting (Lake Elaine Project)	48,544	140,000	45,838	5.9%
Consulting (OB Sports)	14,506	18,200	15,122	-4.1%
Total Legal & Consulting Expenses	<u>\$ 204,021</u>	<u>\$ 195,925</u>	<u>\$ 88,792</u>	<u>129.8%</u>

Continental Country Club, Inc.
Income Statement - Lakes
July, 2017

Lake Elaine

MTD Expenses	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec To Prior Yr</u>
Irrigation and lake water	\$ -	\$ -	\$ 24,897	-100.0%
Utilities	520	-	1,129	-54.0%
Maintenance contract labor	-	-	-	0.0%
Fish	-	-	-	0.0%
Chemicals	-	-	5,709	-100.0%
Equipment repairs	-	-	75	-100.0%
Other Expenses	50	50	50	0.0%
Total Expenses	\$ 570	\$ 50	\$ 31,860	-98.2%

YTD Expenses	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec To Prior Yr</u>
Irrigation and lake water	\$ -	\$ 2,000	\$ 75,091	-100.0%
Utilities	2,494	-	6,000	-58.4%
Maintenance contract labor	-	225	225	-100.0%
Fish	-	-	5,195	-100.0%
Chemicals	-	350	14,338	-100.0%
Equipment repairs	-	-	7,275	-100.0%
Other Expenses	350	-	350	0.0%
Total Expenses	\$ 2,844	\$ 2,575	\$ 108,474	-97.4%

Walnut Canyon Lakes

MTD Expenses	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec To Prior Yr</u>
Irrigation and lake water	\$ 2,110	\$ -	\$ 1,431	47.5%
Utilities	3,344	2,700	1,338	149.9%
Maintenance contract labor	3,000	3,000	3,000	0.0%
Fish	-	-	-	0.0%
Chemicals	-	4,500	4,541	-100.0%
Equipment repairs	-	-	261	-100.0%
Other Expenses	50	50	50	0.0%
Total Expenses	\$ 8,504	\$ 10,250	\$ 10,621	-19.9%

YTD Expenses	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec To Prior Yr</u>
Irrigation and lake water	\$ 2,110	\$ 12,000	\$ 9,001	-76.6%
Utilities	22,369	6,000	5,553	302.8%
Maintenance contract labor	12,000	16,725	15,138	-20.7%
Fish	-	-	1,896	-100.0%
Chemicals	-	1,500	9,244	-100.0%
Equipment repairs	-	-	1,510	-100.0%
Other Expenses	350	18,350	350	0.0%
Total Expenses	\$ 36,829	\$ 54,575	\$ 42,692	-13.7%

Continental Country Club, Inc.
Statement of Cash Flows
YTD Total

<u>July</u>	<u>2017</u> <u>YTD</u>	<u>2016</u> <u>YTD</u>
Cash Flow from Operations:		
Operating Income	\$ 66,371	\$ 151,373
Adjustments to Reconcile Operating Income to Cash Flow:		
Depreciation & Amortization	117,279	117,279
Receivables - (Up)/Down	43,173	54,913
Inventory - (Up)/Down	(23,503)	(16,631)
Prepaid Expenses - (Up)/Down	34,528	(36,791)
Payables - Up/(Down)	14	663
Accrued Expenses - Up/(Down)	63,371	95,130
Net Cash Flow from Operations	\$ 301,233	\$ 365,935
Investing Cash Flows:		
Purchase of Capital Equipment (Net)	(73,084)	(101,934)
Investment in FGMC	(20,291)	(38,444)
Other Investing Cash Flows	(1,738)	-
Investing Cash Flow	\$ (95,113)	\$ (140,378)
Financing Cash Flows:		
Advance on Bank Line of Credit	-	-
Payment on Bank Line of Credit	-	-
Release of Restricted Funds	-	-
Payment of Bank Term Loan	(40,278)	(43,055)
Financing Cash Flow	\$ (40,278)	\$ (43,055)
Net Change in Cash	\$ 165,842	\$ 182,502
Cash at Beginning of Period	\$ 462,562	\$ 366,564
Cash at End of Period	\$ 628,405	\$ 549,066
Cash Flow Inc/Dec over prior year	\$ 79,338	14%

Continental Country Club Capital Investment Breakdown

<u>July</u>	<u>2017</u> <u>YTD</u>	<u>2017</u> <u>Budget</u>	<u>Notes</u>
Purchase of Capital Equipment (Net) Equipment			
Treadmill/Equipment	1,738	3,000	
Total Equipment Investments	<u>\$ 1,738</u>	<u>\$ 3,000</u>	
Pool Improvements			
Pool improvements	25,241	18,000	
Total Pool Improvements	<u>\$ 25,241</u>	<u>\$ 18,000</u>	
Building Upgrades			
Maintenance Shack floor	5,291	5,000	
Fitness center remodel	11,563	12,000	
Lobby ceiling	1,036		
Conference Room	-	-	
Total Building Upgrades	<u>\$ 17,890</u>	<u>\$ 17,000</u>	
Golf			
Cart Path	29,952	15,000	
Total Golf	<u>\$ 29,952</u>	<u>\$ 15,000</u>	
FGMC Investment			
Capital Lease Equipment	20,291	30,000	
FGMC Total	<u>\$ 20,291</u>	<u>\$ 30,000</u>	
 Total Purchase of Capital	 <u>\$ 95,113</u>	 <u>\$ 83,000</u>	

Continental Country Club, Inc.

Balance Sheet

July 2017

ASSETS

Current Assets

Petty Cash	2,240.00
Sunwest Bank CD	89,102.28
Chase- Credit Card Account	85,142.95
Sunwest Bank Checking	164,347.24
Sunwest Bank Savings	287,572.29
Receivables	66,119.29
Golf Shop Receivables	5,536.57
Allowance for doubtful A/R	(3,000.00)
Deposits in Transit	(170.00)
Deposits	(275.00)
Golf Shop Inventory	58,001.95

TOTAL Current Assets

754,617.57

Fixed Assets

Land	443,618.81
Reclaimed Water Line	147,703.08
Accum. Depr. - Reclaimed Water Line	(147,703.08)
Irrigation System	1,462,014.30
Buildings	1,590,465.55
Building Remodel	1,354,165.98
Parking Lot Paving	214,226.00
Tennis Courts Improvements	62,695.98
Accum. Depr. - Improvements	(1,193,045.58)
Accum. Deprec.- Club House	(1,569,820.43)
Accum. Dep. - Irrigation System	(1,035,593.67)
Pools	125,560.88
Accum. Deprec.- Pools	(38,526.11)
Office Equipment	46,105.88
Accum. Deprec.- Office Equip.	(39,508.48)
Equipment	426,619.32
Accum. Deprec.- Equipment	(326,645.71)
A/D-Other	5,000.00
Golf Course Improvements	94,193.89
Leasehold Improvements - Other	(5,000.00)

TOTAL Fixed Assets

1,616,526.61

Other Assets

Lake Elaine Acct - Bank One (Restricted)	156,223.08
Note Receivable - Oakmont	306.67
Pre-Paid Insurance	58,890.46
Pre-paid Reclaimed Water	(42,721.22)
Capital Investment - FGMC	237,397.06
Note Receivable - LT portion	89,287.74
Note Receivable -CP-Contra	(306.67)
Deferred Tax Asset	21,000.00
Orig. fees and pts - Irrig loan	29,000.00
Accumulated Amortization	(29,000.00)

Right to Repurchase License	218.26	
Closing Costs - Irrig Loan	31,467.00	
Acc. Amortization - Closing Costs	(18,355.97)	
TOTAL Other Assets		<u>533,406.41</u>
TOTAL ASSETS		<u>2,904,550.59</u>

LIABILITIES

Current Liabilities		
Trade Payables	46,280.60	
Tree Donation Program	2,162.00	
Tennis Improvement	3,145.48	
Pickleball Improvement	13,183.61	
Handicap Fees Payable	540.00	
Advance Deposit	4,500.00	
Accrued expenses Reclaimed water	11,524.95	
Accrued Expenses - FGMC	54,397.62	
Payable to Wyndham (Pool)	17,494.61	
Current Portion - LTD	(73,638.59)	
Current portion - note payable	73,638.59	
Salaries Payable	13,901.78	
Federal Tax Withheld	2,150.99	
State Tax Withheld	571.07	
FICA	3,623.36	
FUTA	590.02	
SUTA	1,886.51	
Health Insurance	(1,024.24)	
Dental Insurance	(106.56)	
Supplemental Ins. (AFLAC)	97.76	
Real Estate Tax	15,337.00	
Sales Tax	18,392.15	
Lot Assessment Accrual	505,348.00	
Golf Shop Credits	(749.00)	
Rain Checks	2,836.45	
Gift Cards	3,964.23	
TOTAL Current Liabilities		<u>720,048.39</u>
Long-Term Liabilities		
Future Maintenance- Lake Elaine	156,223.08	
Note Payable - Sunwest Bank	998,174.58	
Obligation to Repurchase License	218.26	
TOTAL Long-Term Liabilities		<u>1,154,615.92</u>
TOTAL LIABILITIES		<u>1,874,664.31</u>

CAPITAL

Capital Reserves	132,242.00	
Contributed Capital	2,556,498.00	
Fund Balance, Prior Periods	(1,725,225.06)	
Year-to-Date Earnings	66,371.34	
TOTAL CAPITAL		<u>1,029,886.28</u>
TOTAL LIABILITIES & CAPITAL		<u>2,904,550.59</u>