

Continental Country Club, Inc.
Income Statement
for the Month of May 2018

	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec to Prior Yr</u>
Revenues:				
Membership Income	\$ 183,810	\$ 168,162	\$ 161,254	14.0%
Golf Income	122,196	128,725	127,018	-3.8%
Other Income	1,229	1,000	1,421	-13.5%
Total Revenues	\$ 307,236	\$ 297,887	\$ 289,693	6.1%
Expenses:				
Flagstaff Golf Maintenance Company	58,699	51,748	52,899	11.0%
Golf Course Reclaimed Water	26,656	21,175	19,724	35.1%
Golf Cart Lease	6,438	6,450	6,438	0.0%
Cost of Goods Sold Golf	6,781	7,200	11,905	-43.0%
Wyndham Maintenance & Other Payments	4,200	7,500	3,500	20.0%
Lake Elaine	295	33,299	316	-6.7%
Walnut Canyon Lakes Park	13,492	11,400	4,074	231.2%
Employee Compensation & Benefits	60,083	69,272	65,882	-8.8%
Building, Equipment & Grounds	16,610	26,605	20,952	-20.7%
Utilities	15,284	19,009	17,059	-10.4%
Legal & Consulting	30,699	14,000	38,883	-21.0%
Property Insurance & Taxes	5,974	5,826	7,713	-22.5%
Depreciation & Amortization	16,754	17,725	16,754	0.0%
Merchant Services & Bank Fees	4,205	3,700	2,268	85.4%
Advertising & Website Costs	5,594	5,971	8,157	-31.4%
All Other Expenses	1,596	4,450	3,561	-55.2%
Total Expenses	\$ 273,361	\$ 305,330	\$ 280,085	-2.4%
Earnings Before Interest & Taxes	33,875	(7,443)	9,609	252.5%
Interest Expense	3,292	3,262	3,607	-8.7%
Pre-tax Income/(Loss)	\$ 30,582	\$ (10,705)	\$ 6,002	409.6%

Continental Country Club, Inc.
Income Statement
Year to Date May 2018

	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>% Inc/Dec to Prior Yr</u>
Revenues:				
Membership Income	\$ 724,684	\$ 715,635	\$ 687,157	5.5%
Golf Income	316,070	308,900	309,160	2.2%
Other Income	6,578	5,000	5,741	14.6%
Total Revenues	\$ 1,047,332	\$ 1,029,535	\$ 1,002,058	4.5%
Expenses:				
Flagstaff Golf Maintenance Company	194,594	200,501	186,238	4.5%
Golf Course Reclaimed Water	50,770	35,255	33,070	53.5%
Golf Cart Lease	12,876	12,900	13,001	-1.0%
Cost of Goods Sold Golf	26,142	20,820	20,423	28.0%
Wyndham Maintenance & Other Payments	21,544	33,500	43,705	-50.7%
Lake Elaine	3,996	79,495	1,823	119.2%
Walnut Canyon Lakes Park	31,248	32,550	21,348	46.4%
Employee Compensation & Benefits	224,959	266,093	246,483	-8.7%
Building, Equipment & Grounds	60,113	86,595	66,299	-9.3%
Utilities	65,828	81,915	77,589	-15.2%
Legal & Consulting	128,620	82,000	113,410	13.4%
Property Insurance & Taxes	27,669	29,130	35,224	-21.4%
Depreciation & Amortization	83,771	88,625	83,771	0.0%
Merchant Services & Bank Fees	14,549	11,100	17,233	-15.6%
Advertising & Website Costs	34,558	26,985	21,766	58.8%
All Other Expenses	13,341	23,605	28,285	-52.8%
Total Expenses	\$ 994,577	\$ 1,111,069	\$ 1,009,667	-1.5%
Earnings Before Interest & Taxes	52,755	(81,534)	(7,609)	-793.3%
Interest Expense	16,843	16,579	18,288	-7.9%
Pre-tax Income/(Loss)	\$ 35,913	\$ (98,113)	\$ (25,897)	-238.7%

Continental Country Club, Inc.
Income Statement - Golf Business Unit
Month of May 2018

	Actual	Budget	Prior Year	%Inc/Dec to Prior Yr
Revenues:				
Golf Member Income	10,283	6,000	2,772	271.0%
Peaks Pass Card	7,514	6,900	7,173	4.8%
Green Fees	51,602	58,000	62,147	-17.0%
Cart Fees	27,458	25,000	24,247	13.2%
Driving Range Income	13,750	18,000	16,413	-16.2%
Golf Shop Sales	9,457	12,000	12,423	-23.9%
Pre & Post Season Income	-	-	-	#DIV/0!
Other Golf Income	2,132	2,825	1,845	15.6%
Total Revenues	\$ 122,196	\$ 128,725	\$ 127,018	-3.80%
Expenses:				
FGMC Expenses	58,699	51,748	52,899	11.0%
Golf Course Reclaimed Water	26,656	21,175	19,724	35.1%
Golf Cart Lease	6,438	6,438	6,438	0.0%
Cost of Good Sold Golf	6,781	7,200	11,905	-43.0%
Employee Compensation & Benefits	23,530	28,092	24,041	-2.1%
Building, Equipment & Grounds	560	1,840	991	-43.5%
Utilities	6,212	4,885	5,337	16.4%
Consulting Fees	-	390	2,072	-100.0%
Property Insurance & Taxes	1,875	1,875	1,992	-5.9%
Depreciation and Amortization	11,256	11,305	11,256	0.0%
Interest Expense	3,292	3,262	3,607	-8.7%
Merchant Services & Bank fees	3,158	2,600	1,207	161.6%
Advertising & Website Costs	3,944	4,706	3,868	2.0%
All Other Expenses	278	1,250	195	42.5%
Total Expenses	\$ 152,679	\$ 146,778	\$ 145,533	4.9%
Net Income	(30,483)	(18,053)	(18,514)	64.6%
Less Depreciation	11,256	11,305	11,256	0.0%
Cash Flow	(19,227)	(6,748)	(7,258)	164.9%
Less Interest	3292	3262	3607	-8.7%
Operating Income	(15,935)	(3,486)	(3,652)	336.3%
Number of Participants	2018	Budget	2017	%Inc/Dec
Number of Rounds	2109	1964	2153	-2.0%
Cart Rentals	1674	1600	1569	6.7%
Practice Facility	1804	2173	1698	6.2%
Average Dollar Per Round				
Green & Cart Fees	37.49	42.26	40.13	-6.6%
Practice Facility	7.62	8.28	9.67	-21.1%
Gross Profit on Golf Shop Sales	28%	40%	4%	579.0%

Continental Country Club, Inc.

Income Statement - Golf Business Unit

Year to Date May 2018

	Actual	Budget	Prior Year	%Inc/Dec to Prior Yr
Revenues:				
Golf Member Income	92,285	67,700	61,520	50.0%
Peaks Pass Card	16,127	22,900	20,939	-23.0%
Green Fees	80,541	86,000	87,649	-8.1%
Cart Fees	51,728	41,000	38,739	33.5%
Driving Range Income	24,699	31,000	29,376	-15.9%
Golf Shop Sales	27,400	24,700	26,199	4.6%
Pre & Post Season Income	18,891	28,900	38,177	-50.5%
Other Golf Income	4,400	6,700	6,560	-32.9%
Total Revenues	\$ 316,070	\$ 308,900	\$ 309,160	2.24%
Expenses:				
FGMC Expenses	194,594	200,501	186,238	4.5%
Golf Course Reclaimed Water	50,770	35,255	33,070	53.5%
Golf Cart Lease	12,876	12,900	13,001	-1.0%
Cost of Good Sold Golf	26,142	20,820	20,423	28.0%
Employee Compensation & Benefits	63,622	73,263	85,304	-25.4%
Building, Equipment & Grounds	8,399	12,210	5,665	48.3%
Utilities	20,690	24,095	20,262	2.1%
Consulting Fees	(73)	2,160	10,362	-100.7%
Property Insurance & Taxes	9,375	9,375	9,960	-5.9%
Depreciation and Amortization	56,280	56,525	56,280	0.0%
Interest Expense	16,843	16,579	18,288	-7.9%
Merchant Services & Bank fees	6,650	5,600	10,564	-37.0%
Advertising & Website Costs	24,997	19,880	12,131	106.1%
All Other Expenses	2,352	5,310	6,470	-63.7%
Total Expenses	\$ 493,516	\$ 494,473	\$ 488,018	1.1%
Net Income	(177,447)	(185,573)	(178,858)	-0.8%
Less Depreciation	56,280	56,525	56,280	0.0%
Cash Flow	(121,167)	(129,048)	(122,578)	-1.2%
Less Interest	16843	16579	18288	-7.9%
Operating Income	(104,324)	(112,469)	(104,290)	0.0%
Number of Participants	2018	Budget	2017	%Inc/Dec
Number of Rounds	4059	3886	4187	-3.1%
Cart Rentals	3286	3361	3296	-0.3%
Practice Facility	3659	5090	3978	-8.0%
Average Dollar Per Round				
Green & Cart Fees	32.59	32.68	30.19	8.0%
Practice Facility	6.75	6.09	7.38	-8.6%
Gross Profit on Golf Shop Sales	5%	16%	22%	-79.2%

Continental Country Club, Inc.
Income Statement - Small Business Units
May 2018

Tennis				
MTD	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec To Prior Yr</u>
Revenues:				
Total Tennis Revenues	\$ 1,229	\$ 1,000	\$ 1,421	-13.5%
Expenses:				
Total Tennis Expenses	87	1,140	800	-89.1%
Earnings Before Interest & Taxes	<u>\$ 1,142</u>	<u>\$ (140)</u>	<u>\$ 621</u>	<u>84.0%</u>
YTD	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec To Prior Yr</u>
Revenues:				
Total Tennis Revenues	\$ 6,578	\$ 5,000	\$ 5,741	14.6%
Expenses:				
Total Tennis Expenses	770	1,800	1,883	-59.1%
Earnings Before Interest & Taxes	<u>\$ 5,808</u>	<u>\$ 3,200</u>	<u>\$ 3,858</u>	<u>50.6%</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	\$ 29,699	\$ 13,000	\$ 35,811	-17.1%
Accounting & Review	1,000	1,000	1,000	0.0%
Consulting (Lake Elaine Project)	-	-	-	#DIV/0!
Consulting (OB Sports)	-	-	2,072	-100.0%
Total Legal & Consulting Expenses	<u>\$ 30,699</u>	<u>\$ 14,000</u>	<u>\$ 38,883</u>	<u>-21.0%</u>
YTD Expenses	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec To Prior Yr</u>
Attorney & Legal Fees	\$ 115,042	\$ 65,000	\$ 60,503	90.1%
Accounting & Review	13,650	17,000	5,000	173.0%
Consulting (Lake Elaine Project)	-	-	37,544	-100.0%
Consulting (OB Sports)	(73)	-	10,362	-100.7%
Total Legal & Consulting Expenses	<u>\$ 128,620</u>	<u>\$ 82,000</u>	<u>\$ 113,410</u>	<u>13.4%</u>

Continental Country Club, Inc.
Income Statement - Lakes
May 2018

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	\$ -	\$ -	\$ -	#DIV/0!
Utilities	245	315	266	-7.9%
Contract Labor/Consulting	-	32,334	-	0.0%
Fish	-	-	-	0.0%
Chemicals	-	600	-	0.0%
Equipment repairs	-	-	-	0.0%
Other Expenses	50	50	50	0.0%
Total Expenses	\$ 295	\$ 33,299	\$ 316	6.7%

YTD Expenses

	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec To Prior Yr</u>
Irrigation and lake water	\$ -	\$ -	\$ -	#DIV/0!
Utilities	1,211	1,575	1,573	-23.0%
Contract Labor/Consulting	2,535	74,670	-	0.0%
Fish	-	-	-	0.0%
Chemicals	-	3,000	-	0.0%
Equipment repairs	-	-	-	0.0%
Other Expenses	250	250	250	0.0%
Total Expenses	\$ 3,996	\$ 79,495	\$ 1,823	-119.2%

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	\$ 5,611	\$ 3,300	\$ -	#DIV/0!
Utilities	1,327	1,250	1,024	29.6%
Maintenance contract labor	3,000	3,600	3,000	0.0%
Fish	2,540	-	-	0.0%
Chemicals	645	1,200	-	0.0%
Equipment repairs	319	2,000	-	#DIV/0!
Other Expenses	50	50	50	0.0%
Total Expenses	\$ 13,492	\$ 11,400	\$ 4,074	-231.2%

YTD Expenses

	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec To Prior Yr</u>
Irrigation and lake water	\$ 14,362	\$ 7,350	\$ 8,777	63.6%
Utilities	5,473	6,250	6,320	-13.4%
Maintenance contract labor	6,000	7,200	6,000	0.0%
Fish	2,540	1,500	-	0.0%
Chemicals	2,145	6,000	-	0.0%
Equipment repairs	478	4,000	-	#DIV/0!
Other Expenses	250	250	250	0.0%
Total Expenses	\$ 31,248	\$ 32,550	\$ 21,348	-46.4%

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

CASH FROM OPERATIONS

Pre-tax Income/(loss)	\$ 35,913
 Operating Activities	
Depreciation and amortization	\$ 83,771
Receivables - (increase)/decrease	\$ 158,264
Inventory - (increase)/decrease	\$ (28,517)
Prepaid Expenses - (increase)/decrease	\$ 15,575
Accounts Payable - increase/ (decrease)	\$ (31,327)
Accrued Expenses - increase/ (decrease)	\$ (27,841)
Net Cash Flow from Operations	\$ 205,838

Investing Cash Flow

Contributions to Capital Reserve - Transfers	\$ (61,251)
Contributions to Capital Reserve - HOA	\$ -
Capital Expenditures - Due From Capital	\$ -
Payment of Long-Term Debt	\$ (37,671)

CASH APPLIED TO INVESTING ACTIVITIES	\$ (98,922)
NET CHANGE IN CASH	\$ 106,916
CASH DECEMBER 31, 2017	\$ 458,142
Cash Operations at End of Period	\$ 565,058

CAPITAL RESERVES

Balance at January 1, 2018	\$ 107,839
Additions	
Transfer fees	\$ 61,000
HOA contributions	\$ -
Interest income	\$ 251
Reductions	
Capital expenditures - CCC	\$ (19,181)
Capital expenditures - FGMC	\$ (40,190)
Reserve Cash at End of Period	\$ 109,719

TOTAL COMBINED OPERATIONS/RESERVE	\$ 674,776
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Continental Country Club Capital Investment Breakdown

<u>May</u>	<u>2018</u> <u>YTD</u>	<u>2018</u> <u>Budget</u>	<u>Notes</u>
Purchase of Capital Equipment (Net)			
Irrigation System			
Walnut Canyon Irrigation Repairs	3,221		
Total Irrigation Improvements	<u>\$ 3,221</u>	<u>\$ -</u>	
Equipment			
Treadmill	3,800		
Total Equipment Investments	<u>\$ 3,800</u>	<u>\$ -</u>	
Pool Improvements			
Pool improvements			
Total Pool Improvements	<u>\$ -</u>	<u>\$ -</u>	
Building Upgrades			
Upstairs Meeting Rooms/Lobby	6,080	5,500	
Oakmont Patio	<u>\$ 6,080</u>		
Total Building Upgrades	<u>\$ 12,160</u>	<u>\$ 5,500</u>	
Golf			
Repair 5 tee boxes		15,000	
Total Golf	<u>\$ -</u>	<u>\$ 15,000</u>	
FGMC Investment			
Capital Lease	20,676	35,000	
Equipment - Backhoe	19,515	15,000	
FGMC Total	<u>\$ 40,190</u>	<u>\$ 50,000</u>	
Total Purchase of Capital	<u>\$ 59,371</u>	<u>\$ 70,500</u>	

Continental Country Club, Inc. - Month Ended May 2018

ASSETS

	<u>2018</u>	<u>2017</u>
Current assets		
Cash and cash equivalents	\$ 505,687	\$ 610,031
Assessments and trade receivables, net	72,779	119,162
Note receivable, current portion	346	326
Employee advances	82	39
Inventory	65,212	57,373
Prepaid expenses	11,913	39,167
Total current assets	<u>656,018</u>	<u>826,098</u>
Property and equipment		
Land	443,619	443,619
Buildings	1,590,466	1,590,466
Equipment	479,922	429,882
Improvements	3,482,054	3,462,652
Office equipment	46,106	46,953
	<u>6,042,166</u>	<u>5,973,571</u>
Less: accumulated depreciation	<u>(4,520,337)</u>	<u>(4,337,487)</u>
Net property and equipment	<u>1,521,829</u>	<u>1,636,084</u>
Other assets		
Restricted cash - Capital Reserves	169,090	-
Certificate of deposit - Lake Elaine improvements and maintenance	156,275	156,213
Investment in FGMC	242,723	223,859
Deferred income tax asset	27,000	25,000
Lease receivable	-	-
Deposits	-	-
Loan fees, net of accumulated amortization of \$48,667 and \$45,520	10,489	13,635
Note receivable, long-term portion	88,674	89,019
Liquor license	-	-
Right to repurchase license	851	525
Total other assets	<u>695,102</u>	<u>508,251</u>
Total assets	<u>\$ 2,872,948</u>	<u>\$ 2,970,433</u>
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Continental Country Club, Inc. - Month Ended May 2018

LIABILITIES AND MEMBERS' EQUITY

	<u>2018</u>	<u>2017</u>
Current liabilities		
Accounts payable	\$ 89,658	\$ 106,371
Accrued expenses	129,362	191,803
Deferred lot assessments	673,363	678,335
Bank line of credit	-	-
Current portion of note payable	91,272	78,855
Current portion of capital lease payable	-	-
Total current liabilities	<u>983,655</u>	<u>1,055,364</u>
Long-term liabilities		
Note payable, net of current portion	832,942	923,372
Lake Elaine improvements and maintenance	156,275	156,213
Advance deposit	3,000	3,000
Deferred revenue	-	-
Obligation to repurchase license	851	525
Capital lease payable, net of current portion	-	-
Total long-term liabilities	<u>993,067</u>	<u>1,083,110</u>
Total liabilities	<u>1,976,722</u>	<u>2,138,473</u>
Members' equity		
Undesignated	727,136	831,959
Restricted for future repairs and replacements	169,090	-
Total members' equity	<u>896,226</u>	<u>831,959</u>
Total liabilities and members' equity	<u>\$ 2,872,948</u>	<u>\$ 2,970,433</u>

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