

Continental Country Club, Inc.
Income Statement
for the Month of February 2019

	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec to Prior Yr</u>
Revenues:				
Membership Income	\$ 136,660	\$ 133,132	\$ 132,169	3.4%
Golf Income	1,042	11,647	7,268	-85.7%
Other Income	-	500	215	-100.0%
Total Revenues	\$ 137,701	\$ 145,279	\$ 139,652	-1.4%
Expenses:				
Flagstaff Golf Maintenance Company	25,713	27,813	30,003	-14.3%
Golf Course Reclaimed Water	-	1,459	1,198	-100.0%
Golf Cart Lease	-	-	-	#DIV/0!
Cost of Goods Sold Golf	209	910	795	-73.7%
Wyndham Maintenance & Other Payments	4,500	4,650	4,900	-8.2%
Lake Elaine	2,849	300	285	901.1%
Walnut Canyon Lakes Park	(645)	2,300	1,972	-132.7%
Employee Compensation & Benefits	54,339	40,026	43,927	23.7%
Building, Equipment & Grounds	10,691	11,720	7,553	41.5%
Utilities	10,608	12,195	10,968	-3.3%
Legal & Consulting	20,558	18,525	13,606	51.1%
Property Insurance & Taxes	4,927	6,137	5,826	-15.4%
Depreciation & Amortization	16,754	16,754	16,754	0.0%
Merchant Services & Bank Fees	1,110	4,800	5,261	-78.9%
Advertising & Website Costs	5,049	3,517	8,015	-37.0%
All Other Expenses	2,349	2,629	4,712	-50.1%
Total Expenses	\$ 159,011	\$ 153,735	\$ 155,774	2.1%
Earnings Before Interest & Taxes	(21,310)	(8,456)	(16,122)	32.2%
Interest Expense	3,152	3,150	3,485	-9.5%
Pre-tax Income/(Loss)	\$ (24,462)	\$ (11,606)	\$ (19,607)	24.8%

Continental Country Club, Inc.
Income Statement
Year to Date February 2019

	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec to Prior Yr</u>
Revenues:				
Membership Income	\$ 269,624	\$ 276,394	\$ 275,929	-2.3%
Golf Income	85,999	73,682	68,890	24.8%
Other Income	<u>2,500</u>	<u>3,000</u>	<u>3,191</u>	<u>-21.7%</u>
Total Revenues	\$ 358,123	\$ 353,076	\$ 348,010	2.9%
Expenses:				
Flagstaff Golf Maintenance Company	56,698	58,473	58,617	-3.3%
Golf Course Reclaimed Water	-	2,918	1,480	-100.0%
Golf Cart Lease	-	-	-	#DIV/0!
Cost of Goods Sold Golf	296	1,435	2,354	-87.4%
Wyndham Maintenance & Other Payments	9,000	9,300	8,944	0.6%
Lake Elaine	3,144	620	1,740	80.7%
Walnut Canyon Lakes Park	197	7,630	6,783	-97.1%
Employee Compensation & Benefits	101,066	88,012	72,287	39.8%
Building, Equipment & Grounds	17,475	23,440	17,928	-2.5%
Utilities	22,372	24,824	22,963	-2.6%
Legal & Consulting	26,725	47,050	54,618	-52.9%
Property Insurance & Taxes	9,854	12,274	11,652	-15.4%
Depreciation & Amortization	33,508	33,508	33,508	0.0%
Merchant Services & Bank Fees	6,255	6,600	7,388	-15.3%
Advertising & Website Costs	9,636	10,309	13,450	-28.4%
All Other Expenses	<u>3,840</u>	<u>5,514</u>	<u>6,591</u>	<u>-41.7%</u>
Total Expenses	\$ 299,066	\$ 331,907	\$ 320,303	-6.6%
Earnings Before Interest & Taxes	59,057	21,169	27,707	113.1%
Interest Expense	6,330	6,328	6,997	-9.5%
Pre-tax Income/(Loss)	\$ 52,727	\$ 14,841	\$ 20,710	154.6%

Continental Country Club, Inc.
Income Statement - Golf Business Unit
Month of February 2019

	Actual	Budget	Prior Year	%Inc/Dec. to Prior Yr.
Revenues:				
Golf Member Income	-	8,000	5,383	-100.0%
Peaks Pass Card	178	-	-	#DIV/0!
Green Fees	-	-	-	#DIV/0!
Cart Fees	-	-	-	#DIV/0!
Driving Range Income	-	-	-	-70.0%
Golf Shop Sales	305	1,300	1,019	-53.6%
Pre & Post Season Income	532	2,333	1,146	-109.3%
Other Golf Income	26	14	(280)	-85.67%
Total Revenues	\$ 1,042	\$ 11,647	\$ 7,268	
Expenses:				
FGMC Expenses	25,713	27,813	30,003	-14.3%
Golf Course Reclaimed Water	-	1,459	1,198	-100.0%
Golf Cart Lease	209	910	795	-73.7%
Cost of Good Sold Golf	5,019	7,084	5,769	-13.0%
Employee Compensation & Benefits	201	250	132	53.0%
Building, Equipment & Grounds	2,841	3,481	3,268	-13.1%
Utilities	-	-	-	#DIV/0!
Consulting Fees	1,767	2,065	1,875	-5.8%
Property Insurance & Taxes	11,256	11,256	11,256	0.0%
Depreciation and Amortization	3,152	3,150	3,485	-8.5%
Interest Expense	382	800	557	-31.4%
Merchant Services & Bank fees	4,209	2,662	6,042	-30.3%
Advertising & Website Costs	776	300	425	82.6%
All Other Expenses	-	-	-	-14.3%
Total Expenses	\$ 55,527	\$ 61,240	\$ 64,805	
Net Income	(54,486)	(49,593)	(57,537)	-5.3%
Less Depreciation	11,256	11,256	11,256	0.0%
Cash Flow	(43,230)	(38,337)	(46,281)	-6.6%
Less Interest	3152	3150	3485	-9.5%
Operating Income	(40,077)	(35,187)	(42,796)	-6.4%
Number of Participants	2019	Budget	2018	%Inc/Dec.
Number of Rounds	0	0	0	#DIV/0!
Cart Rentals	0	0	0	#DIV/0!
Practice Facility	0	0	0	#DIV/0!
Average Dollar Per Round	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Green & Cart Fees	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Practice Facility	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Gross Profit/Golf/Shop/Sales	31%	30%	22%	43.0%

Continental Country Club, Inc.
Income Statement - Golf Business Unit
Year to Date February 2019

	Actual	Budget	Prior Year	%Inc/Dec to Prior Yr
Revenues:				
Golf Member Income	84,748	89,245	85,424	29.5%
Peaks Pass Card	267	-	-	#DIV/0!
Green Fees	-	-	-	#DIV/0!
Cart Fees	-	-	-	#DIV/0!
Driving Range Income	406	2,050	2,681	-84.8%
Golf Shop Sales	532	2,333	1,146	-53.6%
Pre & Post Season Income	46	54	(361)	-112.7%
Other Golf Income	-	-	-	-
Total Revenues	\$ 85,999	\$ 73,682	\$ 68,890	24.84%
Expenses:				
FGMC Expenses	56,698	58,473	58,617	-3.3%
Golf Course Reclaimed Water	-	2,818	1,480	-100.0%
Golf Cart Lease	-	-	-	-
Cost of Good Sold Golf	296	1,435	2,354	-87.4%
Employee Compensation & Benefits	10,649	15,282	9,542	11.6%
Building, Equipment & Grounds	201	500	132	53.0%
Utilities	5,967	6,900	6,458	-7.6%
Consulting Fees	-	-	(73)	-100.0%
Property Insurance & Taxes	3,634	4,130	3,750	-5.8%
Depreciation and Amortization	22,512	22,512	22,512	0.0%
Interest Expense	6,330	6,328	6,997	-9.5%
Merchants Services & Bank fees	875	1,300	1,471	-40.5%
Advertising & Website Costs	7,256	8,024	9,501	-23.6%
All Other Expenses	791	300	444	78.0%
Total Expenses	\$ 115,109	\$ 128,102	\$ 123,185	-6.6%
Net Income	(29,110)	(54,420)	(54,295)	-46.4%
Less Depreciation	22,512	22,512	22,512	0.0%
Cash Flow	(6,598)	(31,908)	(31,783)	-79.2%
Less Interest	6330	6328	6997	-9.5%
Operating Income	(267)	(25,580)	(24,786)	-98.9%
Number of Participants	2019	Budget	2018	%Inc/Dec
Number of Rounds	0	0	0	#DIV/0!
Cart Rentals	0	0	0	#DIV/0!
Practice Facility	0	0	0	#DIV/0!
Average Dollar Per Round	-	-	-	-
Green & Cart Fees	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Practice Facility	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Gross Profit on Golf Shop Sales	27%	30%	12%	-28.5%

Continental Country Club, Inc.
Income Statement - Small Business Units
February 2019

Tennis				
MTD	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec To Prior Yr</u>
Revenues:				
Total Tennis Revenues	\$ -	\$ 500	\$ 215	-100.0%
Expenses:				
Total Tennis Expenses	93	98	87	6.3%
Earnings Before Interest & Taxes	<u>\$ (93)</u>	<u>\$ 402</u>	<u>\$ 128</u>	<u>-172.4%</u>

YTD	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec To Prior Yr</u>
Revenues:				
Total Tennis Revenues	\$ 2,500	\$ 3,000	\$ 3,191	-21.7%
Expenses:				
Total Tennis Expenses	185	196	174	6.3%
Earnings Before Interest & Taxes	<u>\$ 2,315</u>	<u>\$ 2,804</u>	<u>\$ 3,017</u>	<u>-23.3%</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	\$ 19,558	\$ 17,525	\$ 12,606	55.1%
Accounting & Review	1,000	1,000	1,000	0.0%
Consulting (Lake Elaine Project)	-	-	-	#DIV/0!
Consulting (OB Sports)	-	-	-	#DIV/0!
Total Legal & Consulting Expenses	<u>\$ 20,558</u>	<u>\$ 18,525</u>	<u>\$ 13,606</u>	<u>51.1%</u>
YTD Expenses	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec To Prior Yr</u>
Attorney & Legal Fees	\$ 22,925	\$ 35,050	\$ 52,690	-56.5%
Accounting & Review	2,000	2,000	2,000	0.0%
Consulting (Lake Elaine Project)	800	10,000	-	#DIV/0!
Consulting (OB Sports)	-	-	(73)	-100.0%
Total Legal & Consulting Expenses	<u>\$ 25,725</u>	<u>\$ 47,050</u>	<u>\$ 54,618</u>	<u>-52.9%</u>

Continental Country Club, Inc.
Income Statement - Lakes
February 2019

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	235	250	235	0.2%
Contract Labor/Consulting	2,239	-	-	0.0%
Fish	-	-	-	0.0%
Chemicals	-	-	-	0.0%
Equipment repairs	325	-	-	0.0%
Other Expenses	50	50	50	0.0%
Total Expenses	\$ 2,849	\$ 300	\$ 285	-901.1%

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	480	520	490	-2.0%
Contract Labor/Consulting	2,239	-	1,150	0.0%
Fish	-	-	-	0.0%
Chemicals	-	-	-	0.0%
Equipment repairs	325	-	-	0.0%
Other Expenses	100	100	100	0.0%
Total Expenses	\$ 3,144	\$ 620	\$ 1,740	-80.7%

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	\$ -	\$ 1,125	\$ 1,048	-100.0%
Utilities	759	925	874	-13.1%
Maintenance contract labor	(1,454)	-	-	0.0%
Fish	-	-	-	0.0%
Chemicals	-	-	-	0.0%
Equipment repairs	-	200	-	#DIV/0!
Other Expenses	50	50	50	0.0%
Total Expenses	\$ (645)	\$ 2,300	\$ 1,972	132.7%

YTD Expenses	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec To Prior Yr</u>
Irrigation and lake water	\$ -	\$ 5,330	\$ 4,977	-100.0%
Utilities	1,551	1,800	1,705	-9.1%
Maintenance contract labor	(1,454)	-	-	#DIV/0!
Fish	-	-	-	0.0%
Chemicals	-	-	-	0.0%
Equipment repairs	-	400	-	#DIV/0!
Other Expenses	100	100	100	0.0%
Total Expenses	\$ 197	\$ 7,630	\$ 6,783	97.1%

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

YTD thru FEBRUARY 2019
CASH FROM OPERATIONS

	FEB 2019	FEB 2018
Pre-tax Income/(loss)	\$ 52,727	\$ 20,710
Operating Activities		
Depreciation and amortization	\$ 33,508	\$ 33,508
Receivables - (increase)/decrease	\$ 413,808	\$ 394,208
Inventory - (increase)/decrease	\$ 296	\$ 2,974
Prepaid Expenses - (increase)/decrease	\$ (10,409)	\$ 1,439
Accounts Payable - increase/ (decrease)	\$ 67,990	\$ 49,641
Accrued Expenses - increase/ (decrease)	\$ (108,564)	\$ (92,301)
Net Cash Flow from Operations	<u>\$ 449,356</u>	<u>\$ 410,179</u>
Investing Cash Flow		
Contributions to Capital Reserve - Transfers	\$ (11,033)	\$ (21,111)
Contributions to Capital Reserve - HOA	\$ -	\$ -
Capital Expenditures - Due From Capital	\$ (41,770)	\$ (8,226)
Payment of Long-Term Debt	\$ (15,475)	\$ (14,808)
CASH APPLIED TO INVESTING ACTIVITIES	<u>\$ (68,278)</u>	<u>\$ (44,145)</u>
NET CHANGE IN CASH	<u>\$ 381,077</u>	<u>\$ 366,034</u>
CASH @ DECEMBER 31	<u>\$ 645,816</u>	<u>\$ 458,142</u>
Cash Operations at End of Period	<u>\$ 1,026,893</u>	<u>\$ 824,176</u>
CAPITAL RESERVES		
Balance at January 1, 2019	\$ 121,392	\$ 107,839
Additions		
Transfer fees	\$ 11,000	\$ 21,000
HOA contributions	\$ -	\$ -
Interest income	\$ 33	\$ 111
Reductions		
Capital expenditures - CCC	\$ -	\$ -
Capital expenditures - FGMC	\$ -	\$ -
Reserve Cash at End of Period	<u>\$ 132,425</u>	<u>\$ 128,950</u>
TOTAL COMBINED OPERATIONS/RESERVE	<u>\$ 1,159,318</u>	<u>\$ 953,126</u>

Continental Country Club, Inc.
Capital Investment Breakdown

<u>February</u>	<u>2019</u> <u>YTD</u>	<u>2019</u> <u>Budget</u>	<u>Notes</u>
Irrigation System	\$ -	\$ -	
Total Irrigation Improvements	<u>\$ -</u>	<u>\$ -</u>	
Pickleball Improvements			
Pickleball Lighting	\$ -	\$ 26,104	
Total Pickleball Improvements	<u>\$ -</u>	<u>\$ 26,104</u>	
Pool Improvements			
Ranger Lift - Pool Chair	\$ 7,774	\$ 8,000	
Total Pool Improvements	<u>\$ 7,774</u>	<u>\$ 8,000</u>	
Building Upgrades			
Lobby Bathrooms Remodel	\$ 25,409	\$ 35,000	
Marquee Roof Leak	-	11,440	
Total Building Upgrades	<u>\$ 25,409</u>	<u>\$ 46,440</u>	
Golf			
#9 Golf Bridge	\$ -	\$ 2,500	
Total Golf	<u>\$ -</u>	<u>\$ 2,500</u>	
FGMC Investment			
Capital Lease	\$ 8,587	\$ 52,456	
Roof Replacement / Roller	-	14,500	
FGMC Total	<u>\$ 8,587</u>	<u>\$ 66,956</u>	
Total Purchase of Capital	<u>\$ 41,770</u>	<u>\$ 150,000</u>	

Continental Country Club, Inc. - Month Ended February 2019

ASSETS

	<u>2019</u>	<u>2018</u>
Current assets		
Cash and cash equivalents	\$ 1,026,893	\$ 824,176
Assessments and trade receivables, net	163,226	137,003
Note receivable, current portion	346	346
Employee advances	-	-
Inventory	43,532	33,722
Prepaid expenses	<u>22,154</u>	<u>26,124</u>
Total current assets	<u>1,256,150</u>	<u>1,021,370</u>
Property and equipment		
Land	443,619	443,619
Buildings	1,590,466	1,590,466
Equipment	490,624	470,042
Improvements	3,556,137	3,472,753
Office equipment	<u>52,682</u>	<u>46,106</u>
	6,133,527	6,022,985
Less: accumulated depreciation	<u>(4,648,064)</u>	<u>(4,477,762)</u>
Net property and equipment	<u>1,485,463</u>	<u>1,545,223</u>
Other assets		
Restricted cash - Capital Reserves	132,425	128,950
Certificate of deposit - Lake Elaine improvements and maintenance	156,321	156,259
Investment in FGMC	259,957	217,659
Deferred income tax asset	18,000	30,000
Lease receivable	-	-
Deposits	-	-
Loan fees, net of accumulated amortization of \$48,667 and \$45,520	8,129	11,276
Note receivable, long-term portion	88,440	88,752
Liquor license	-	-
Right to repurchase license	<u>851</u>	<u>851</u>
Total other assets	<u>664,123</u>	<u>633,746</u>
Total assets	<u>\$ 3,405,736</u>	<u>\$ 3,200,339</u>
	-	-

Continental Country Club, Inc. - Month Ended February 2019

LIABILITIES AND MEMBERS' EQUITY

	<u>2019</u>	<u>2018</u>
Current liabilities		
Accounts payable	\$ 143,038	\$ 171,537
Accrued expenses	82,097	67,144
Deferred lot assessments	970,285	973,449
Bank line of credit	-	-
Current portion of note payable	91,272	91,272
Current portion of capital lease payable	-	-
Total current liabilities	<u>1,286,691</u>	<u>1,303,402</u>
Long-term liabilities		
Note payable, net of current portion	763,868	855,804
Lake Elaine improvements and maintenance	156,321	156,259
Advance deposit	3,000	3,000
Deferred revenue	-	-
Obligation to repurchase license	851	851
Capital lease payable, net of current portion	-	-
Total long-term liabilities	<u>924,040</u>	<u>1,015,914</u>
Total liabilities	<u>2,210,731</u>	<u>2,319,316</u>
Members' equity		
Undesignated	1,062,580	752,074
Restricted for future repairs and replacements	132,425	128,950
Total members' equity	<u>1,195,005</u>	<u>881,024</u>
Total liabilities and members' equity	<u>\$ 3,405,736</u>	<u>\$ 3,200,339</u>