

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

	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec to Prior Yr</u>
Revenues:				
Membership Income	\$ 185,701	\$ 185,478	\$ 169,588	9.5%
Golf Income	193,088	222,628	205,047	-5.8%
Other Income	273	3,000	2,407	-88.7%
Total Revenues	\$ 379,062	\$ 411,106	\$ 377,041	0.5%
Expenses:				
Flagstaff Golf Maintenance Company	55,161	54,672	47,022	17.3%
Golf Course Reclaimed Water	31,144	38,688	32,100	-3.0%
Golf Cart Lease	6,438	6,450	6,438	0.0%
Cost of Goods Sold Golf	9,626	11,732	10,565	-8.9%
Wyndham Maintenance & Other Payments	5,500	5,650	5,200	5.8%
Lake Elaine	10,123	5,000	310	3160.9%
Walnut Canyon Lakes Park	11,319	13,545	12,042	-6.0%
Employee Compensation & Benefits	68,320	60,955	62,919	8.6%
Building, Equipment & Grounds	18,796	13,495	14,589	28.8%
Utilities	16,063	18,781	17,186	-6.5%
Legal & Consulting	12,360	23,000	11,270	9.7%
Property Insurance & Taxes	6,137	6,137	5,830	5.3%
Depreciation & Amortization	22,009	22,009	16,754	31.4%
Merchant Services & Bank Fees	4,990	5,100	4,744	5.2%
Advertising & Website Costs	6,423	4,817	4,935	30.2%
All Other Expenses	8,857	3,125	3,754	135.9%
Total Expenses	\$ 293,265	\$ 293,156	\$ 255,659	14.7%
Earnings Before Interest & Taxes	85,796	117,950	121,382	-29.3%
Interest Expense	3,035	3,034	3,376	-10.1%
Pre-tax Income/(Loss)	\$ 82,761	\$ 114,916	\$ 118,007	-29.9%

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

	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec to Prior Yr</u>
Revenues:				
Membership Income	\$ 883,884	\$ 918,498	\$ 894,272	-1.2%
Golf Income	479,094	552,566	521,116	-8.1%
Other Income	3,359	9,500	8,985	-62.6%
Total Revenues	\$ 1,366,338	\$ 1,480,564	\$ 1,424,373	-4.1%
Expenses:				
Flagstaff Golf Maintenance Company	244,640	272,803	241,616	1.3%
Golf Course Reclaimed Water	59,815	100,637	82,871	-27.8%
Golf Cart Lease	19,314	19,350	19,314	0.0%
Cost of Goods Sold Golf	22,638	32,459	30,845	-26.6%
Wyndham Maintenance & Other Payments	28,000	28,900	26,744	4.7%
Lake Elaine	25,342	13,890	4,306	488.5%
Walnut Canyon Lakes Park	30,346	49,164	43,291	-29.9%
Employee Compensation & Benefits	302,586	318,099	287,878	5.1%
Building, Equipment & Grounds	85,009	85,920	74,702	13.8%
Utilities	76,072	86,692	83,013	-8.4%
Legal & Consulting	85,885	127,000	138,428	-38.0%
Property Insurance & Taxes	31,982	36,822	34,960	-8.5%
Depreciation & Amortization	111,035	111,034	100,525	10.5%
Merchant Services & Bank Fees	17,703	19,650	19,293	-8.2%
Advertising & Website Costs	36,801	33,477	39,493	-6.8%
All Other Expenses	23,868	21,924	17,095	39.6%
Total Expenses	\$ 1,201,035	\$ 1,357,821	\$ 1,244,374	-3.5%
Earnings Before Interest & Taxes	165,302	122,743	179,999	-8.2%
Interest Expense	18,241	18,238	20,219	-9.8%
Pre-tax Income/(Loss)	\$ 147,061	\$ 104,505	\$ 159,780	-8.0%

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

	Actual	Budget	Prior Year	%/Inc/Dec to Prior Yr
Revenues:				
Golf Member Income	-	11,550	11,323	-100.0%
Peaks Pass Card	6,732	6,870	6,732	0.0%
Green Fees	98,364	109,000	96,402	2.0%
Cart Fees	42,988	46,688	46,557	-7.7%
Driving Range Income	20,113	21,000	19,389	3.8%
Golf Shop Sales	14,493	16,760	14,721	-1.5%
Pre & Post Season Income	-	-	-	
Other Golf Income	10,398	10,780	9,943	4.6%
Total Revenues	\$ 193,088	\$ 222,628	\$ 205,047	-5.83%
Expenses:				
FGMC Expenses	55,161	54,672	47,022	17.3%
Golf Course Reclaimed Water	31,144	38,688	32,100	-3.0%
Golf Cart Lease	6,438	6,450	6,438	0.0%
Cost of Good Sold Golf	9,626	11,732	10,565	-8.9%
Employee Compensation & Benefits	31,110	25,611	25,552	21.7%
Building, Equipment & Grounds	600	525	87	588.4%
Utilities	4,988	7,160	6,707	-25.5%
Consulting Fees	-	-	-	#DIV/0!
Property Insurance & Taxes	2,065	2,065	1,875	10.1%
Depreciation and Amortization	14,981	14,981	11,256	33.1%
Interest Expense	3,035	3,034	3,376	-10.1%
Merchant Services & Bank fees	2,938	4,000	3,820	-23.1%
Advertising & Website Costs	6,049	3,962	3,538	71.0%
All Other Expenses	3,388	1,075	708	378.8%
Total Expenses	\$ 171,532	\$ 173,955	\$ 153,044	12.1%
Net Income	21,555	48,673	52,002	-58.5%
Less Depreciation	14,981	14,981	11,256	33.1%
Cash Flow	\$ 36,536	\$ 63,654	\$ 63,258	-42.2%
Less Interest	3035	3034	3376	-10.1%
Operating Income	\$ 39,572	\$ 66,688	\$ 66,634	-40.6%
Number of Participants	2019	Budget	2018	%Inc/Dec
Number of Rounds	2939	3356	3055	-3.8%
Cart Rentals	2618	0	2802	-6.6%
Practice Facility	2259	2400	2113	6.9%
Average Dollar Per Round				
Green & Cart Fees	48.10	46.39	46.80	2.8%
Practice Facility	8.90	8.75	9.17	-2.9%
Gross Profit on Golf Shop Sales	34%	30%	28%	19.0%

Confidential Country Club, Inc.
Income Statement - Golf Business Unit
Year to Date June 2019

	Actual	Budget	Prior Year	%/Inc/Dec to Prior Yr
Revenues:				
Golf Member Income	84,748	108,295	103,608	-18.2%
Peaks Pass Card	24,204	22,859	22,859	5.9%
Green Fees	170,944	194,000	176,943	-3.4%
Cart Fees	84,386	95,199	98,285	-14.1%
Driving Range Income	46,119	46,492	44,068	4.7%
Golf Shop Sales	36,625	46,370	42,120	-13.0%
Pre & Post Season Income	17,182	24,233	18,891	-9.0%
Other Golf Income	14,886	14,658	14,343	3.8%
Total Revenues	\$ 479,094	\$ 552,566	\$ 521,116	-8.06%
Expenses:				
FGMC Expenses	244,640	272,803	241,616	1.3%
Golf Course Reclaimed Water	59,815	100,637	82,871	-27.8%
Golf Cart Lease	19,314	19,350	19,314	0.0%
Cost of Good Sold Golf	22,638	32,459	30,845	-26.6%
Employee Compensation & Benefits	92,887	103,049	89,174	4.2%
Building, Equipment & Grounds	4,533	6,900	8,486	-46.6%
Utilities	22,371	29,050	27,396	-18.3%
Consulting Fees	-	-	(73)	-100.0%
Property Insurance & Taxes	11,198	12,390	11,250	-0.5%
Depreciation and Amortization	74,987	74,986	67,536	11.0%
Interest Expense	18,241	18,238	20,219	-9.8%
Merchant Services & Bank fees	8,489	11,100	10,470	-18.9%
Advertising & Website Costs	28,598	25,522	28,536	0.2%
All Other Expenses	7,498	6,000	3,059	145.1%
Total Expenses	\$ 615,208	\$ 712,484	\$ 640,700	-4.0%
Net Income	(136,114)	(159,918)	(119,584)	13.8%
Less Depreciation	74,987	74,986	67,536	11.0%
Cash Flow	\$(61,127)	\$(84,932)	\$(52,048)	17.4%
Less Interest	18241	18238	20219	-9.8%
Operating Income	\$(42,886)	\$(66,994)	\$(31,829)	34.7%
Number of Participants				
Number of Rounds	2019 6007	Budget 6775	2018 6669	%/Inc/Dec -9.9%
Cart Rentals	5397	0	6088	-11.4%
Practice Facility	5538	5574	5772	-4.1%
Average Dollar Per Round				
Green & Cart Fees	42.51	42.69	41.27	3.0%
Practice Facility	8.33	8.34	7.63	9.1%
Gross Profit on Golf Shop Sales	38%	30%	27%	42.7%

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

Tennis				
MTD	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec To Prior Yr</u>
Revenues:				
Total Tennis Revenues	\$ 273	\$ 3,000	\$ 2,407	-88.7%
Expenses:				
Total Tennis Expenses	1,355	1,173	1,342	1.0%
Earnings Before Interest & Taxes	<u>\$ (1,082)</u>	<u>\$ 1,827</u>	<u>\$ 1,065</u>	<u>-201.6%</u>
YTD	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec To Prior Yr</u>
Revenues:				
Total Tennis Revenues	\$ 3,359	\$ 9,500	\$ 8,985	-62.6%
Expenses:				
Total Tennis Expenses	2,017	2,238	2,111	-4.5%
Earnings Before Interest & Taxes	<u>\$ 1,342</u>	<u>\$ 7,262</u>	<u>\$ 6,874</u>	<u>-80.5%</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	\$ 11,360	\$ 20,000	\$ 9,554	18.9%
Accounting & Review	1,000	1,000	1,716	-41.7%
Consulting (Lake Elaine Project)	-	2,000	-	#DIV/0!
Consulting (OB Sports)	-	-	-	#DIV/0!
Total Legal & Consulting Expenses	<u>\$ 12,360</u>	<u>\$ 23,000</u>	<u>\$ 11,270</u>	<u>9.7%</u>
YTD Expenses	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec To Prior Yr</u>
Attorney & Legal Fees	\$ 68,036	\$ 100,000	\$ 124,596	-45.4%
Accounting & Review	14,326	15,000	13,905	3.0%
Consulting (Lake Elaine Project)	3,524	12,000	-	#DIV/0!
Consulting (OB Sports)	-	-	(73)	-100.0%
Total Legal & Consulting Expenses	<u>\$ 85,886</u>	<u>\$ 127,000</u>	<u>\$ 138,428</u>	<u>-38.0%</u>

Continental Country Club, Inc.
Income Statement - Lakes
June 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	243	275	260	-6.4%
Contract Labor/Consulting	-	4,675	-	0.0%
Fish	-	-	-	0.0%
Chemicals	-	-	-	0.0%
Equipment repairs	9,830	-	-	0.0%
Other Expenses	50	50	50	0.0%
Total Expenses	\$ 10,123	\$ 5,000	\$ 310	-3165.6%

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	1,400	1,565	1,471	-4.8%
Contract Labor/Consulting	2,239	12,025	2,535	0.0%
Fish	-	-	-	0.0%
Chemicals	-	-	-	0.0%
Equipment repairs	21,403	-	-	0.0%
Other Expenses	300	300	300	0.0%
Total Expenses	\$ 25,342	\$ 13,890	\$ 4,306	-488.5%

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	\$ 6,110	\$ 6,000	\$ 5,276	15.8%
Utilities	1,278	1,520	1,441	-11.3%
Maintenance contract labor	3,304	3,675	3,000	0.0%
Fish	-	1,000	679	0.0%
Chemicals	537	1,100	872	0.0%
Equipment repairs	40	200	725	-94.5%
Other Expenses	50	50	50	0.0%
Total Expenses	\$ 11,319	\$ 13,545	\$ 12,042	6.0%

YTD Expenses	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>	<u>%Inc/Dec To Prior Yr</u>
Irrigation and lake water	\$ 8,455	\$ 22,334	\$ 19,638	-56.9%
Utilities	5,568	7,305	6,914	-19.5%
Maintenance contract labor	11,256	11,025	9,000	25.1%
Fish	-	3,500	3,219	0.0%
Chemicals	2,088	3,500	3,016	0.0%
Equipment repairs	2,678	1,200	1,203	122.6%
Other Expenses	300	300	300	0.0%
Total Expenses	\$ 30,346	\$ 49,164	\$ 43,291	29.9%

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

YTD thru JUNE 2019

CASH FROM OPERATIONS	JUNE 2019	JUNE 2018
Pre-tax Income/(loss)	\$ 147,060	\$ 159,780
Operating Activities		
Depreciation and amortization	\$ 111,035	\$ 100,525
Receivables - (increase)/decrease	\$ 111,740	\$ 56,184
Inventory - (increase)/decrease	\$ (26,871)	\$ (29,731)
Prepaid Expenses - (increase)/decrease	\$ 2,771	\$ 18,584
Accounts Payable - increase/ (decrease)	\$ (6,456)	\$ (46,807)
Accrued Expenses - increase/ (decrease)	\$ (113,751)	\$ (40,308)
Net Cash Flow from Operations	\$ 225,528	\$ 218,227
Investing Cash Flow		
Contributions to Capital Reserve - Transfers	\$ 59,096	\$ (72,270)
Contributions to Capital Reserve - HOA	\$ -	\$ -
Capital Expenditures - Due From Capital	\$ -	\$ -
Payment of Long-Term Debt	\$ (47,175)	\$ (45,198)
CASH APPLIED TO INVESTING ACTIVITIES	\$ 11,920	\$ (117,468)
NET CHANGE IN CASH	\$ 237,448	\$ 100,758
CASH @ DECEMBER 31	\$ 645,816	\$ 458,142
Cash Operations at End of Period	\$ 883,264	\$ 558,900
CAPITAL RESERVES		
Balance at January 1, 2019	\$ 121,392	\$ 107,839
Additions		
Transfer fees	\$ 61,000	\$ 72,000
HOA contributions	\$ -	\$ -
Interest income	\$ 75	\$ 270
Reductions		
Capital expenditures - CCC	\$ (120,170)	\$ -
Capital expenditures - FGMC	\$ -	\$ -
Reserve Cash at End of Period	\$ 62,296	\$ 180,109
TOTAL COMBINED OPERATIONS/RESERVE	\$ 945,560	\$ 739,009

Continental Country Club, Inc.
Capital Investment Breakdown

<u>June</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			
Pool Locker Rooms	\$ 20,112	\$ -	
Ranger Lift - Pool Chair	7,774	8,000	
Total Pool Improvements	<u>\$ 27,886</u>	<u>\$ 8,000</u>	
Building Upgrades			
Lobby Bathrooms Remodel	\$ 40,927	\$ 35,000	
Marquee Roof Leak	11,870	11,440	
Total Building Upgrades	<u>\$ 52,797</u>	<u>\$ 46,440</u>	
Golf			
#9 Golf Bridge	\$ 1,524	\$ 2,500	
Total Golf	<u>\$ 1,524</u>	<u>\$ 2,500</u>	
FGMC Investment			
Capital Lease	\$ 25,946	\$ 52,456	
Roof Replacement / Roller	12,017	14,500	
FGMC Total	<u>\$ 37,963</u>	<u>\$ 66,956</u>	
Total Purchase of Capital	<u>\$ 120,170</u>	<u>\$ 150,000</u>	

Continental Country Club, Inc. - Month Ended June 2019

ASSETS

	<u>2019</u>	<u>2018</u>
Current assets		
Cash and cash equivalents	\$ 883,264	\$ 558,900
Assessments and trade receivables, net	64,576	74,929
Note receivable, current portion	367	346
Employee advances	-	-
Inventory	70,699	66,426
Prepaid expenses	8,974	8,979
Total current assets	<u>1,027,880</u>	<u>709,580</u>
Property and equipment		
Land	443,619	443,619
Buildings	1,602,336	1,590,466
Equipment	484,544	479,922
Improvements	3,587,625	3,497,837
Office equipment	46,106	46,106
	<u>6,164,229</u>	<u>6,057,949</u>
Less: accumulated depreciation	<u>(4,724,625)</u>	<u>(4,534,529)</u>
Net property and equipment	<u>1,439,604</u>	<u>1,523,420</u>
Other assets		
Restricted cash - Capital Reserves	62,296	180,110
Certificate of deposit - Lake Elaine improvements and maintenance	156,342	156,280
Investment in FGMC	245,426	244,603
Deferred income tax asset	20,000	26,000
Deferred Expenses (Pool Locker Room Insurance Claim)	(7,017)	-
Deposits	-	-
Loan fees, net of accumulated amortization of \$48,667 and \$45,520	7,080	10,227
Note receivable, long-term portion	88,281	88,648
Liquor license	-	-
Right to repurchase license	1,196	851
Total other assets	<u>573,604</u>	<u>706,718</u>
Total assets	<u>\$ 3,041,089</u>	<u>\$ 2,939,717</u>

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Continental Country Club, Inc. - Month Ended June 2019

LIABILITIES AND MEMBERS' EQUITY

	<u>2019</u>	<u>2018</u>
Current liabilities		
Accounts payable	\$ 75,770	\$ 75,089
Accrued expenses	199,953	194,291
Deferred lot assessments	569,567	573,426
Bank line of credit	-	-
Current portion of note payable	95,283	91,272
Current portion of capital lease payable	-	-
Total current liabilities	<u>940,573</u>	<u>934,078</u>
Long-term liabilities		
Note payable, net of current portion	728,156	825,415
Lake Elaine improvements and maintenance	156,342	156,280
Advance deposit	-	3,000
Deferred revenue	-	-
Obligation to repurchase license	1,196	851
Capital lease payable, net of current portion	-	-
Total long-term liabilities	<u>885,694</u>	<u>985,545</u>
Total liabilities	<u>1,826,267</u>	<u>1,919,623</u>
Members' equity		
Undesignated	1,152,526	839,984
Restricted for future repairs and replacements	62,296	180,110
Total members' equity	<u>1,214,822</u>	<u>1,020,094</u>
Total liabilities and members' equity	<u>\$ 3,041,089</u>	<u>\$ 2,939,717</u>

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