



**AGENDA**  
**GOLF ADVISORY BOARD**  
**CITY OF PORT ORANGE**

**Meeting Date:** Tuesday, August 1, 2017

**Time:** 5:00 PM

**Type of Meeting:** Regular

**Location:** 2nd Floor Conference Room  
City Hall, 1000 City Center Circle

**A. CALL TO ORDER**

1. Roll Call

**B. PUBLIC COMMENTS**

**C. DISCUSSION/ACTION**

2. Approval of Minutes - June 6, 2017
3. Financial Reports
4. Evaluation Reports
5. Discussion of the future of the golf course property
6. Discussion regarding Cypress Head PUD Documents
7. Agronomics, condition of the golf course
8. Staff Comments
9. Items for Next Agenda

**D. BOARD COMMENTS**

**E. NEXT MEETING DATE**

**F. ADJOURNMENT**

ANY PERSON WHO DECIDES TO APPEAL ANY DECISION MADE BY THE **GOLF ADVISORY BOARD** WILL NEED A RECORD OF THE PROCEEDINGS, AND FOR SUCH PURPOSE HE OR SHE MAY NEED TO ENSURE AT HIS OR HER OWN EXPENSE FOR THE TAKING AND PREPARATION OF A VERBATIM RECORD OF ALL TESTIMONY AND EVIDENCE OF THE PROCEEDINGS UPON WHICH THE APPEAL IS TO BE BASED. NOTE: IF YOU ARE A PERSON WITH A DISABILITY WHO NEEDS AN ACCOMMODATION IN ORDER TO PARTICIPATE IN THIS PROCEEDING, YOU ARE ENTITLED, AT NO COST TO YOU, TO THE PROVISION OF CERTAIN ASSISTANCE. PLEASE CONTACT THE CITY CLERK FOR THE CITY OF PORT ORANGE, 1000 CITY CENTER CIRCLE, PORT ORANGE, FLORIDA 32129, TELEPHONE NUMBER 386-506-5563, [CITYCLERK@PORT-ORANGE.ORG](mailto:CITYCLERK@PORT-ORANGE.ORG), AS FAR IN ADVANCE AS POSSIBLE, BUT PREFERABLY WITHIN 2 WORKING DAYS OF YOUR RECEIPT OF THIS NOTICE OR 5 DAYS PRIOR TO THE MEETING DATE. IF YOU ARE HEARING OR VOICE IMPAIRED, CONTACT THE RELAY OPERATOR AT 7-1-1 or 1-800-8771. UPON REQUEST BY A QUALIFIED INDIVIDUAL WITH A DISABILITY, THIS DOCUMENT WILL BE MADE AVAILABLE IN AN ALTERNATE FORMAT. IF YOU NEED TO REQUEST THIS DOCUMENT IN AN ALTERNATE FORMAT, PLEASE CONTACT THE CITY CLERK WHOSE CONTACT INFORMATION IS PROVIDED ABOVE.

GOLF ADVISORY BOARD MEETING MINUTES  
CITY OF PORT ORANGE  
1000 CITY CENTER CIRCLE, 2<sup>ND</sup> CONFERENCE ROOM  
JUNE 6, 2017 AT 5:00 PM

A Regular Meeting of the Golf Advisory Board was called to order by Chairman John Cameron at 5:02 p.m.

Present: John Cameron, Chairman  
Jane Taylor  
John Cameron, Jr.  
Tony Delmonte  
Richard Lee, Vice Chairman  
Dennis Flesch  
Lance Green

Absent: Scott Stiltner, Council Member (Excused)

Also Present: Susan Lovallo, Parks & Recreation Director  
Robin Fenwick, City Clerk

**PUBLIC COMMENTS**

There were none.

**DISCUSSION/ACTION**

2. Approval of Minutes - April 4, 2017

Vice Chairman Lee asked for more details to explain the promotion he won for a trip to Mexico. The Board agreed there should be more details and the City Clerk will make the necessary changes.

Motion to approve the Minutes from  
April 4, 2017 as amended was made by  
Member Delmonte, and Seconded by  
Vice Chairman Lee. Motion carried  
unanimously by voice vote.

3. KemperSports Contract and Addendums

Susan Lovallo, Parks & Recreation Director, explained the changes being recommended to the Council. The Board will be advised when it is scheduled to be considered by Council. The City Attorney is working on the final renewal documents. The following changes have been discussed based on the recommendations from this Board, City Council, and Staff:

- The Agreement currently provides for a 5-year extension option; however, City Council has elected to extend the Agreement for 3 years with an option to extend for an additional 2 years.
- The Agreement currently requires an annual USGA turf advisory report. The Golf Board has recommended that this report be produced only upon request by the City. This will save the City the expense of a costly report each year, while still preserving the right to request such a report when needed.
- The Golf Board also recommended that the agronomic standards for green maintenance be amended to be consistent with the newly planted greens.
- Finally, the Finance Department, has recommended changes in the accounting methods and procedures set forth in the Agreement to be consistent with current practices.

Member Delmonte asked for details on the changes as to the accounting practices. Ms. Lovallo explained the request is from the Finance Director and is to be consistent with City Policies and their current practices.

Chairman Cameron explained his discussion with Ms. Lovallo on the agronomic plan for the greens.

The contract renewal is expected to go to Council for consideration in August. Ms. Lovallo will provide the draft contract renewal to Board Members prior to Council's consideration. Board Members can reply to Staff with concerns. Robin Fenwick, City Clerk, reminded the Board to be careful regarding potential Sunshine Law violations specifically regarding email replies to each other.

Guests introduced themselves – Trudy Delmonte (citizen), Bob Duquette (KemperSports), Tim Burman (City of Port Orange), Craig Falanga (KemperSports), Jody Graham (KemperSports), Mitchell Snyder (City of Port Orange).

#### 4. Discussion regarding Cypress Head PUD Documents and Special Meeting Request

Ms. Lovallo asked Tim Burman, Planning Manager, to provide information to the Board regarding the zoning requirements of the golf course property. Mr. Burman discussed the MDA and advised a request for an amendment to the zoning would require proper notification, as well as consideration and approval from the Planning Commission and City Council.

Vice Chairman Lee asked for clarification regarding the date the golf course opened. He has seen some confusing statements within the documents. Ms. Lovallo advised the golf course is celebrating 25 years this year, which means it opened in 1992.

Mr. Burman advised the MDA would not need an amendment as long as the golf course remains a golf course, no matter who runs/owns the golf course. There was further discussion regarding open space as stated in the MDA and other agreements.

Ms. Lovallo advised the board that Council is not required to make a decision regarding the golf course prior to 2022. The PUD will move forward as status quo until a request is made to make changes.

Member Flesch asked how they can discuss the options regarding the golf course usage. Ms. Lovallo and Chairman Cameron advised the discussions will occur during properly noticed Golf Advisory Board meetings only due to the Sunshine Law. The Board will provide a recommendation to the Council as to ownership and usage of the course.

The Board agreed to continue this item on each agenda for further discussions until they are comfortable making a recommendation to Council. Member Delmonte suggested and volunteered to record the details of the Board's discussions on this topic.

5. USGA Report and Agronomics

Ms. Lovallo believes this was handled already. The Board agreed.

6. Financial Reports

7. Evaluation Reports

Bob Duquette, General Manager, introduced Mr. Falanga, who discussed the results of the surveys provided to golfers after they play the course. The results were extremely high. The only items that were needed for improvement were (1) pace of play and (2) overall value. They are working on those items but the money invested was worthwhile. He explained other measurements they track to ensure they are in good standing with golfers.

Mr. Duquette provided details from the Financial and Evaluation Reports for April, 2017. Mr. Falanga discussed the agreement with Golf Now relating to start times. Chairman Cameron suggested more herbicides and fertilizer. Mr. Graham advised they are handling the weeds. He's visited the site and believes it looks good.

Member Flesch has heard complaints regarding the grass being cut too short on the fairways.

Vice Chairman Lee asked if the increased expenses on herbicides, insecticides, and fertilizer is needed to maintain the current results of the course. Mr. Graham said yes. Vice Chairman Lee asked what is being done to address the pace of play. Mr. Duquette explained their efforts.

8. Staff Comments/Discussion

Ms. Lovallo reminded the Board of the Mayor's Golf Tournament coming up.

9. Items for Next Agenda

- Discussion regarding Cypress Head PUD Documents
- Agronomics, condition of the golf course

**BOARD COMMENTS**

Vice Chairman Lee commended KemperSports on the condition of the course and asked for better setting of the pins to avoid playing delays. He also asked for a better process to fill divots. Mr. Graham will ensure there is a box of sand available at each par 3 hole.

Member Delmonte agreed with the condition of the course being extremely better than several months ago. He said the "No Chipping" sign is being ignored. He said there were course workers witnessing the occurrence and not handling it. He also expressed a concern with people wandering around the course. Mr. Duquette asks golfers to call in when they see people wandering.

Chairman Cameron noticed the rope controls are gone and he believes they need to be there. Mr. Graham said he has already resolved that issue. Chairman Cameron suggested limiting the number of carts per foursome group. Chairman Cameron would like to see a PGA professional hired to work with Bob Duquette to create more golfers, more rounds, etc.

**NEXT MEETING DATE** – August 1, 2017 at 5:00 p.m.

**ADJOURNMENT:** 6:36 p.m.

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JOHN CAMERON, CHAIRMAN

**The Golf Club at Cypress Head  
Course Cash Flow Report  
June 30, 2017**

|                                        | <u>June</u>                 | <u>YTD</u>                  |
|----------------------------------------|-----------------------------|-----------------------------|
| <b>EBITDA</b>                          | (\$23,693.37)               | \$96,271.60                 |
| <b>Management Fee Expense</b>          | (5,712.85)                  | (51,415.65)                 |
| <b>Depreciation &amp; Amortization</b> | <u>(153.61)</u>             | <u>(1,380.49)</u>           |
| <b>Net Income</b>                      | (29,559.83)                 | 43,475.46                   |
| <b>Working Capital Changes</b>         |                             |                             |
| <b>Inventory</b>                       | (1,954.30)                  | (2,414.60)                  |
| <b>Receivables</b>                     | (9,257.83)                  | 80,209.33                   |
| <b>Payables</b>                        | 3,103.54                    | (31,284.53)                 |
| <b>Due to from the City</b>            | 301.20                      | 806.91                      |
| <b>Prepays</b>                         | (15,530.63)                 | (10,413.66)                 |
| <b>Accrued Liabilities</b>             | 2,243.83                    | (34,651.93)                 |
| <b>Other Liabilities</b>               | (18,490.98)                 | (201,708.43)                |
| <b>Depreciation &amp; Amortization</b> | <u>153.61</u>               | <u>1,380.49</u>             |
| <b>Operating Cash Flow</b>             | (68,991.39)                 | (154,600.96)                |
| <b>Investing Cash Flows</b>            | <u>                    </u> | <u>                    </u> |
| <b>Financing Cash Flow</b>             | <u>                    </u> | <u>                    </u> |
| <b>Net Cash Flows</b>                  | <u>(68,991.39)</u>          | <u>(154,600.96)</u>         |
| <b>Beginning Cash</b>                  | 91,391.53                   | 177,001.10                  |
| <b>Net Cash Flows</b>                  | <u>(68,991.39)</u>          | <u>(154,600.96)</u>         |
| <b>Ending Cash</b>                     | <u>22,400.14</u>            | <u>22,400.14</u>            |

The Golf Club at Cypress Head  
Comparative Income Statement  
For the Nine Months Ending June 30, 2017

|                                     | MTD             | YTD             | Audited          | Percent       | MTD             | YTD              | Annual           | Percent      |
|-------------------------------------|-----------------|-----------------|------------------|---------------|-----------------|------------------|------------------|--------------|
|                                     | Prior Year      | Prior Year      | Prior Year       | of Total      | Actual          | Actual           | Budget           | of Total     |
| <b>REVENUES</b>                     |                 |                 |                  |               |                 |                  |                  |              |
| Green Fees & Cart Fees              | 67,213          | 865,305         | 1,077,267        | 80%           | 68,491          | 952,505          | 1,116,089        | 85%          |
| Merchandise                         | 3,600           | 41,456          | 54,320           | 76%           | 4,651           | 48,901           | 57,514           | 85%          |
| Other Pro Shop                      | 742             | 12,007          | 14,505           | 83%           | 1,452           | 11,956           | 11,540           | 104%         |
| Range                               | 2,187           | 27,472          | 34,150           | 80%           | 2,242           | 29,030           | 34,679           | 84%          |
| Food and Beverage                   | 0               | 0               | 137              |               | 0               | 0                | 0                |              |
| Other Operating Revenues            | 2,573           | 29,747          | 37,806           | 79%           | 2,515           | 32,043           | 39,852           | 80%          |
| <b>TOTAL REVENUE</b>                | <b>76,316</b>   | <b>975,988</b>  | <b>1,218,185</b> | <b>80%</b>    | <b>79,351</b>   | <b>1,074,435</b> | <b>1,259,674</b> | <b>85%</b>   |
| <b>COST OF SALES</b>                |                 |                 |                  |               |                 |                  |                  |              |
| Merchandise                         | 2,032           | 29,055          | 36,189           | 80%           | 2,646           | 28,772           | 40,260           | 71%          |
| <b>TOTAL COGS</b>                   | <b>2,032</b>    | <b>29,055</b>   | <b>36,189</b>    | <b>80%</b>    | <b>2,646</b>    | <b>28,772</b>    | <b>40,260</b>    | <b>71%</b>   |
| <b>COGS - Merchandise %</b>         | <b>56.4%</b>    | <b>70.1%</b>    | <b>66.6%</b>     | <b>105.2%</b> | <b>56.9%</b>    | <b>58.8%</b>     | <b>70.0%</b>     | <b>84.1%</b> |
| <b>PAYROLL</b>                      |                 |                 |                  |               |                 |                  |                  |              |
| Course and Grounds                  | 29,248          | 252,608         | 339,558          | 74%           | 24,641          | 268,425          | 351,366          | 76%          |
| Carts, Range, Starters, Etc.        | 6,424           | 62,526          | 81,091           | 77%           | 6,811           | 67,315           | 92,546           | 73%          |
| Pro Shop                            | 4,944           | 40,691          | 53,209           | 76%           | 4,077           | 33,254           | 55,398           | 60%          |
| General and Administrative          | 10,677          | 95,549          | 127,363          | 75%           | 10,740          | 98,475           | 129,158          | 76%          |
| Marketing                           | 4,203           | 37,094          | 48,834           | 76%           | 4,084           | 38,063           | 49,603           | 77%          |
| <b>TOTAL PAYROLL</b>                | <b>55,496</b>   | <b>488,468</b>  | <b>650,054</b>   | <b>75%</b>    | <b>50,353</b>   | <b>505,533</b>   | <b>678,071</b>   | <b>75%</b>   |
| <b>OPERATING EXPENSES</b>           |                 |                 |                  |               |                 |                  |                  |              |
| Course and Grounds                  | 17,799          | 155,880         | 247,630          | 63%           | 23,423          | 194,239          | 212,591          | 91%          |
| Carts, Range, Starters, Etc.        | 6,299           | 61,871          | 80,708           | 77%           | 6,365           | 61,139           | 85,302           | 72%          |
| Pro Shop                            | 488             | 8,472           | 10,107           | 84%           | 150             | 5,524            | 9,015            | 61%          |
| Food and Beverage                   | 0               | 322             | 322              | 100%          | 0               | 0                | 0                |              |
| General and Administrative          | 14,951          | 149,233         | 197,823          | 75%           | 16,677          | 165,928          | 205,607          | 81%          |
| Marketing                           | 2,669           | 29,760          | 34,250           | 87%           | 3,431           | 17,029           | 33,063           | 52%          |
| <b>TOTAL OPERATING EXPENSES</b>     | <b>42,206</b>   | <b>405,538</b>  | <b>570,840</b>   | <b>71%</b>    | <b>50,046</b>   | <b>443,859</b>   | <b>545,578</b>   | <b>81%</b>   |
| <b>TOTAL EXPENSES</b>               | <b>99,734</b>   | <b>923,061</b>  | <b>1,257,084</b> | <b>73%</b>    | <b>103,044</b>  | <b>978,164</b>   | <b>1,263,909</b> | <b>77%</b>   |
| <b>OTHER INCOME (EXPENSE)</b>       |                 |                 |                  |               |                 |                  |                  |              |
| MANAGEMENT FEES                     | (5,713)         | (53,072)        | (70,211)         | 76%           | (5,713)         | (51,416)         | (69,924)         | 74%          |
| Depreciation & Amortization         | (381)           | (3,429)         | (11,147)         | 31%           | (154)           | (1,380)          | (4,572)          | 30%          |
| <b>TOTAL OTHER INCOME (EXPENSE)</b> | <b>(6,094)</b>  | <b>(56,501)</b> | <b>(81,358)</b>  | <b>69%</b>    | <b>(5,866)</b>  | <b>(52,796)</b>  | <b>(74,496)</b>  | <b>71%</b>   |
| <b>NET INCOME</b>                   | <b>(29,512)</b> | <b>(3,574)</b>  | <b>(120,257)</b> | <b>3%</b>     | <b>(29,560)</b> | <b>43,475</b>    | <b>(78,731)</b>  | <b>-55%</b>  |
| <b>Paid Rounds</b>                  | <b>2,360</b>    | <b>27,574</b>   | <b>34,878</b>    | <b>79%</b>    | <b>2,360</b>    | <b>30,170</b>    | <b>38,696</b>    | <b>78%</b>   |
| <b>Annual Pass Rounds</b>           | <b>590</b>      | <b>6,796</b>    | <b>8,657</b>     | <b>79%</b>    | <b>519</b>      | <b>6,571</b>     | <b>5,051</b>     | <b>130%</b>  |
| <b>Other Rounds</b>                 | <b>210</b>      | <b>1,831</b>    | <b>2,437</b>     | <b>75%</b>    | <b>224</b>      | <b>2,131</b>     | <b>2,812</b>     | <b>76%</b>   |
| <b>Total Rounds</b>                 | <b>3,160</b>    | <b>36,201</b>   | <b>45,972</b>    | <b>79%</b>    | <b>3,103</b>    | <b>38,872</b>    | <b>46,559</b>    | <b>83%</b>   |
| <b>Revenue/Paid Rounds</b>          | <b>32.34</b>    | <b>35.40</b>    | <b>34.93</b>     | <b>101%</b>   | <b>33.62</b>    | <b>35.61</b>     | <b>32.55</b>     | <b>109%</b>  |
| <b>Revenue/Total Rounds</b>         | <b>24.15</b>    | <b>26.96</b>    | <b>26.50</b>     | <b>102%</b>   | <b>25.57</b>    | <b>27.64</b>     | <b>27.06</b>     | <b>102%</b>  |

**The Golf Club at Cypress Head**  
**For the Nine Months Ending June 30, 2017**

|                                            | <u>06/30/17</u>      | <u>09/30/16</u>       | <u>06/30/16</u>       |
|--------------------------------------------|----------------------|-----------------------|-----------------------|
| <b>ASSETS</b>                              |                      |                       |                       |
| <b>CURRENT ASSETS:</b>                     |                      |                       |                       |
| Cash                                       |                      |                       |                       |
| Cash - Depository                          | (3,668)              | 176,360               | 101,915               |
| Cash - Payroll                             | 24,718               | 0                     | 0                     |
| Cash - Manual Checks                       | 850                  | 850                   | 850                   |
| Cash - Housebank & Other                   | 500                  | (209)                 | (22,829)              |
| Total Cash                                 | <u>22,400</u>        | <u>177,001</u>        | <u>79,936</u>         |
| Accounts Receivable                        |                      |                       |                       |
| A/R Member                                 | 12,384               | 92,593                | 5,693                 |
| Total Accounts Receivable                  | <u>12,384</u>        | <u>92,593</u>         | <u>5,693</u>          |
| Other Current Assets                       |                      |                       |                       |
| Inventory - Merchandise                    | 18,648               | 16,234                | 14,350                |
| Prepaid Insurance                          | 19,563               | 10,248                | 17,929                |
| Prepaid Exp - Other                        | 8,137                | 7,038                 | 16,763                |
| Total Other Current Assets                 | <u>46,348</u>        | <u>33,520</u>         | <u>49,042</u>         |
| <b>TOTAL CURRENT ASSETS</b>                | <u>81,133</u>        | <u>303,115</u>        | <u>134,671</u>        |
| <b>PROPERTY, PLANT AND EQUIPMENT:</b>      |                      |                       |                       |
| Buildings & Improvements                   | 30,598               | 30,598                | 54,143                |
| Furniture and Fixtures                     | 0                    | 0                     | 9,045                 |
| Machinery & Equipment                      | 5,550                | 5,550                 | 16,000                |
| Property Plant and Equipment               | 36,148               | 36,148                | 79,187                |
| Accumulated Depreciation                   | (25,617)             | (24,236)              | (59,558)              |
| <b>TOTAL PROPERTY, PLANT AND EQUIPMENT</b> | <u>10,531</u>        | <u>11,911</u>         | <u>19,629</u>         |
| <b>TOTAL ASSETS</b>                        | <u><u>91,664</u></u> | <u><u>315,026</u></u> | <u><u>154,300</u></u> |

**The Golf Club at Cypress Head**  
**For the Nine Months Ending June 30, 2017**

|                                                       | <u>06/30/17</u>          | <u>09/30/16</u>           | <u>06/30/16</u>           |
|-------------------------------------------------------|--------------------------|---------------------------|---------------------------|
| <b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>           |                          |                           |                           |
| <b>CURRENT LIABILITIES:</b>                           |                          |                           |                           |
| Accts Pay - Trade                                     | 43,827                   | 75,111                    | 18,280                    |
| Accts Pay - Other                                     | (109,582)                | (110,389)                 | 10,126                    |
| Accrued Expenses                                      | 354                      | 7,783                     | 0                         |
| Accrued Payroll                                       | 14,235                   | 25,945                    | 15,740                    |
| Accrued Taxes                                         | 3,727                    | 13,903                    | 3,404                     |
| Accrued Interest                                      | 0                        | 5,337                     | 0                         |
| Deferred Revenue                                      | 95,628                   | 297,337                   | 110,324                   |
| <b>TOTAL CURRENT LIABILITIES</b>                      | <u>48,189</u>            | <u>315,027</u>            | <u>157,874</u>            |
| <br><b>TOTAL LIABILITIES</b>                          | <br><u>48,189</u>        | <br><u>315,027</u>        | <br><u>157,874</u>        |
| <br><b>STOCKHOLDER'S EQUITY</b>                       |                          |                           |                           |
| Retained Earnings                                     | <u>43,474</u>            | <u>(1)</u>                | <u>(3,574)</u>            |
| Net Retained Earnings                                 | <u>43,474</u>            | <u>(1)</u>                | <u>(3,574)</u>            |
| Stockholders Equity                                   | <u>43,474</u>            | <u>(1)</u>                | <u>(3,574)</u>            |
| <b>TOTAL STOCKHOLDER'S EQUITY</b>                     | <u>43,474</u>            | <u>(1)</u>                | <u>(3,574)</u>            |
| <br><b>TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY</b> | <br><u><u>91,664</u></u> | <br><u><u>315,026</u></u> | <br><u><u>154,300</u></u> |

The Golf Club at Cypress Head  
Course Cash Flow Report  
For the Year Ended September 30, 2017

|                             | OCT<br>Actual | NOV<br>Actual | DEC<br>Actual | JAN<br>Actual | FEB<br>Actual | MAR<br>Actual | APR<br>Actual | MAY<br>Actual | JUN<br>Actual | JUL<br>Actual | AUG<br>Actual | SEP<br>Actual | TOTAL     |
|-----------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|-----------|
| EBITDA                      | (25,773)      | 1,227         | 3,690         | 28,175        | 49,683        | 44,924        | 28,214        | (10,175)      | (23,693)      | 23,815        | 0             | 0             | 120,087   |
| Management Fee Expense      | (5,713)       | (5,713)       | (5,713)       | (5,713)       | (5,713)       | (5,713)       | (5,713)       | (5,713)       | (5,713)       | 0             | 0             | 0             | (51,416)  |
| Depreciation & Amortization | (154)         | (152)         | (154)         | (154)         | (154)         | (154)         | (154)         | (154)         | (154)         | 0             | 0             | 0             | (1,380)   |
| Net Income                  | (31,640)      | (4,638)       | (2,176)       | 22,308        | 43,817        | 39,058        | 22,348        | (16,042)      | (29,560)      | 23,815        | 0             | 0             | 67,291    |
| Working Capital Changes     |               |               |               |               |               |               |               |               |               |               |               |               |           |
| Inventory                   | (2,093)       | (2,542)       | (2,392)       | 63            | 393           | 2,988         | 705           | 2,418         | (1,954)       | 0             | 0             | 0             | (2,415)   |
| Receivables                 | 88,276        | 1,618         | 2,360         | (282)         | (40)          | (2,905)       | 1,015         | (574)         | (9,258)       | 633           | 0             | 0             | 80,642    |
| Prepaid Expenses            | (1,862)       | 2,690         | (3,230)       | (29,902)      | 10,524        | 20,018        | 3,530         | 3,349         | (15,531)      | 0             | 0             | 0             | (10,414)  |
| Payables                    | (33,493)      | 17,150        | (34,265)      | (4,666)       | 9,232         | (7,714)       | 17,121        | 2,247         | 3,104         | (18,193)      | 0             | 0             | (49,478)  |
| Due to from the City        | 512           | 111           | (123)         | 68            | 82            | (1)           | 133           | (276)         | 301           | 0             | 0             | 0             | 807       |
| Accrued Expenses            | (25,855)      | (15,548)      | 13,018        | 10,207        | (2,391)       | 4,973         | (22,733)      | 1,433         | 2,244         | (6,850)       | 0             | 0             | (41,501)  |
| Deferred Revenues           | (52,262)      | (16,409)      | (13,360)      | (20,779)      | (21,262)      | (19,537)      | (20,065)      | (19,543)      | (18,491)      | (204)         | 0             | 0             | (201,912) |
| Depreciation & Amortization | 154           | 152           | 154           | 154           | 154           | 154           | 154           | 154           | 154           | 0             | 0             | 0             | 1,380     |
| Operating Cash Flow         | (58,263)      | (17,418)      | (40,014)      | (22,829)      | 40,508        | 37,033        | 2,207         | (26,833)      | (68,991)      | (798)         | 0             | 0             | (155,399) |
| Investing Activities        |               |               |               |               |               |               |               |               |               |               |               |               |           |
| Financing Activities        |               |               |               |               |               |               |               |               |               |               |               |               |           |
| Net Cash Flows              | (58,263)      | (17,418)      | (40,014)      | (22,829)      | 40,508        | 37,033        | 2,207         | (26,833)      | (68,991)      | (798)         | 0             | 0             | (155,399) |
| Beginning Cash              | 177,001       | 118,738       | 101,320       | 61,306        | 38,477        | 78,985        | 116,018       | 118,225       | 91,392        | 22,400        | 21,602        | 21,602        | 967,064   |
| Net Cash Flows              | (58,263)      | (17,418)      | (40,014)      | (22,829)      | 40,508        | 37,033        | 2,207         | (26,833)      | (68,991)      | (798)         | 0             | 0             | (155,399) |
| Ending Cash                 | 118,738       | 101,320       | 61,306        | 38,477        | 78,985        | 116,018       | 118,225       | 91,392        | 22,400        | 21,602        | 21,602        | 21,602        | 811,665   |

The Golf Club at Cypress Head  
Summary of All Units  
For the Nine Months Ending June 30, 2017

| MTD<br>Actual      | MTD<br>Budget | % of<br>Budget | MTD<br>Prior Year | % of<br>PY |                            | YTD<br>Actual | YTD<br>Budget | % of<br>Budget | YTD<br>Prior Year | % of<br>PY | Annual<br>Budget |           |
|--------------------|---------------|----------------|-------------------|------------|----------------------------|---------------|---------------|----------------|-------------------|------------|------------------|-----------|
| REVENUES           |               |                |                   |            |                            |               |               |                |                   |            |                  |           |
| 39,879             | 40,664        | 98%            | 35,832            | 111%       | Green Fees                 | 559,618       | 524,537       | 107%           | 499,421           | 112%       | 646,060          | 676,758   |
| 28,611             | 29,975        | 95%            | 31,381            | 91%        | Cart Fee                   | 392,887       | 382,470       | 103%           | 365,884           | 107%       | 470,029          | 487,709   |
| 0                  | 0             | 0%             | 0                 | 0%         | Merchandise                | 0             | 0             | 0%             | 0                 | 0%         | 0                | (137)     |
| 80                 | 20            | 400%           | 40                | 200%       | Handicap Fee               | 4,600         | 4,507         | 102%           | 4,799             | 98%        | 4,567            | 4,690     |
| 1,262              | 250           | 505%           | 512               | 246%       | Lessons                    | 5,156         | 3,181         | 162%           | 4,918             | 105%       | 3,931            | 7,173     |
| 0                  | 0             | 0%             | 0                 | 0%         | Other Pro Shop Revenue     | 0             | 0             | 0%             | 74                | 0%         | 0                | 0         |
| 110                | 200           | 55%            | 190               | 58%        | Rental Clubs               | 2,200         | 2,442         | 90%            | 2,217             | 99%        | 3,042            | 2,590     |
| 4,651              | 4,329         | 107%           | 3,600             | 129%       | Retail                     | 48,901        | 45,314        | 108%           | 41,456            | 118%       | 57,514           | 61,902    |
| 2,242              | 3,085         | 73%            | 2,187             | 102%       | Range                      | 29,030        | 26,901        | 108%           | 27,472            | 106%       | 34,679           | 35,708    |
| 0                  | 0             | 0%             | 0                 | 0%         | Food & Beverage            | 0             | 0             | 0%             | 0                 | 0%         | 0                | 137       |
| 2,515              | 2,566         | 98%            | 2,573             | 98%        | City Surcharge R & R       | 32,043        | 32,081        | 100%           | 29,747            | 108%       | 39,852           | 40,102    |
| 79,351             | 81,089        | 98%            | 76,316            | 104%       | Total Revenues             | 1,074,435     | 1,021,433     | 105%           | 975,988           | 110%       | 1,259,674        | 1,316,632 |
| COST OF GOODS SOLD |               |                |                   |            |                            |               |               |                |                   |            |                  |           |
| 2,646              | 3,030         | 87%            | 2,032             | 130%       | COGS - Merchandise         | 28,772        | 31,720        | 91%            | 29,055            | 99%        | 40,260           | 35,906    |
| 2,646              | 3,030         | 87%            | 2,032             | 130%       | Total COGS                 | 28,772        | 31,720        | 91%            | 29,055            | 99%        | 40,260           | 35,906    |
| 76,706             | 78,059        | 98%            | 74,284            | 103%       | GROSS MARGIN               | 1,045,663     | 989,713       | 106%           | 946,933           | 110%       | 1,219,414        | 1,280,725 |
| 56.88%             | 69.99%        | 81.26%         | 56.43%            | 100.78%    | COGS - Merchandise %       | 58.84%        | 70.00%        | 84.05%         | 70.09%            | 83.95%     | 70.00%           | 694.10%   |
| PAYROLL            |               |                |                   |            |                            |               |               |                |                   |            |                  |           |
| 15,175             | 19,078        | 80%            | 17,523            | 87%        | Gross Payroll - Salaried   | 179,053       | 171,702       | 104%           | 163,357           | 110%       | 228,936          | 247,361   |
| 26,123             | 25,361        | 103%           | 26,449            | 99%        | Gross Payroll - Hourly     | 232,961       | 240,830       | 97%            | 234,153           | 99%        | 318,603          | 301,335   |
| 41,298             | 44,439        | 93%            | 43,972            | 94%        | S/T Wages                  | 412,013       | 412,532       | 100%           | 397,510           | 104%       | 547,539          | 548,696   |
| 3,111              | 3,400         | 91%            | 3,336             | 93%        | Payroll Tax - FICA         | 30,887        | 31,563        | 98%            | 29,896            | 103%       | 41,893           | 41,034    |
| 238                | 247           | 96%            | 250               | 95%        | Payroll Tax - UC           | 3,480         | 4,210         | 83%            | 4,946             | 70%        | 4,953            | 4,275     |
| 752                | 971           | 77%            | 1,359             | 55%        | Payroll Tax - WC           | 7,782         | 8,770         | 89%            | 9,020             | 86%        | 11,719           | 10,026    |
| 4,954              | 6,248         | 79%            | 6,579             | 75%        | Benefits                   | 51,371        | 53,219        | 97%            | 47,096            | 109%       | 71,967           | 63,069    |
| 9,055              | 10,866        | 83%            | 11,524            | 78%        | S/T Adders                 | 93,520        | 97,762        | 96%            | 90,958            | 103%       | 130,532          | 118,424   |
| 50,353             | 55,305        | 91%            | 55,496            | 91%        | TOTAL PAYROLL              | 505,533       | 510,294       | 99%            | 488,468           | 103%       | 678,071          | 667,120   |
| OPERATING EXPENSES |               |                |                   |            |                            |               |               |                |                   |            |                  |           |
| 53                 | 200           | 27%            | 21                | 251%       | Cart Supplies              | 1,367         | 1,906         | 72%            | 1,160             | 118%       | 2,521            | 1,564     |
| 0                  | 392           | 0%             | 151               | 0%         | Course Accessories         | 3,349         | 3,033         | 110%           | 1,856             | 180%       | 3,886            | 3,712     |
| 1,884              | 5,261         | 36%            | 235               | 802%       | Fertilizer                 | 26,201        | 22,623        | 116%           | 20,396            | 128%       | 25,094           | 44,621    |
| 0                  | 0             | 0%             | 0                 | 0%         | Flowers/Decor              | 0             | 274           | 0%             | 607               | 0%         | 399              | 998       |
| 1,168              | 1,325         | 88%            | 0                 | 0%         | Fuel                       | 9,124         | 9,884         | 92%            | 6,402             | 143%       | 13,026           | 14,059    |
| 249                | 800           | 31%            | 0                 | 0%         | Fungicides                 | 4,732         | 2,406         | 197%           | 2,204             | 215%       | 4,045            | 7,751     |
| 0                  | 1,232         | 0%             | 1,247             | 0%         | Herbicides                 | 14,451        | 12,195        | 118%           | 10,226            | 141%       | 15,068           | 24,745    |
| 6,434              | 0             | 0%             | 47                | 13690%     | Insecticides               | 23,433        | 14,076        | 166%           | 7,171             | 327%       | 15,077           | 31,210    |
| 342                | 232           | 147%           | 330               | 104%       | Janitorial Supplies        | 2,291         | 3,168         | 72%            | 3,092             | 74%        | 4,136            | 3,276     |
| 0                  | 92            | 0%             | 0                 | 0%         | Laundry/Uniforms           | 238           | 745           | 32%            | 55                | 433%       | 1,038            | 325       |
| 205                | 284           | 72%            | 298               | 69%        | Office Supplies            | 3,332         | 3,387         | 98%            | 3,717             | 90%        | 4,366            | 4,316     |
| 0                  | 0             | 0%             | 0                 | 0%         | Range Balls                | 2,515         | 3,330         | 76%            | 2,550             | 99%        | 3,330            | 2,515     |
| 0                  | 100           | 0%             | 31                | 0%         | Range Equipment            | 1,149         | 984           | 117%           | 1,258             | 91%        | 1,284            | 1,149     |
| 0                  | 100           | 0%             | 0                 | 0%         | Range Expenses             | 0             | 410           | 0%             | 23                | 0%         | 460              | 0         |
| 1,423              | 3,000         | 47%            | 690               | 206%       | Sand/Topdress              | 6,228         | 5,006         | 124%           | 6,361             | 98%        | 9,011            | 10,947    |
| 0                  | 0             | 0%             | 0                 | 0%         | Seeds/Trees                | 4,400         | 4,069         | 108%           | 3,469             | 127%       | 4,069            | 4,400     |
| 542                | 0             | 0%             | 0                 | 0%         | Small Tools                | 1,203         | 307           | 392%           | 55                | 2175%      | 407              | 1,671     |
| 0                  | 0             | 0%             | 0                 | 0%         | Staff/Volunteer Uniforms   | 0             | 700           | 0%             | 0                 | 0%         | 833              | 41        |
| 0                  | 150           | 0%             | 0                 | 0%         | Supplies                   | 878           | 1,351         | 65%            | 1,489             | 59%        | 1,801            | 1,971     |
| 150                | 200           | 75%            | 244               | 61%        | Tournament Expense         | (388)         | 974           | -40%           | 910               | -43%       | 1,174            | (618)     |
| 134                | 200           | 67%            | 286               | 47%        | Alarm System               | 2,521         | 1,022         | 247%           | 1,490             | 169%       | 1,425            | 3,449     |
| 0                  | 0             | 0%             | 0                 | 0%         | Carpet Cleaning            | 0             | 550           | 0%             | 0                 | 0%         | 890              | 0         |
| 0                  | 200           | 0%             | 77                | 0%         | Cart Repairs               | 33            | 1,255         | 3%             | 1,032             | 3%         | 1,855            | 327       |
| 261                | 260           | 100%           | 371               | 70%        | Computer Service           | 2,094         | 6,136         | 34%            | 2,589             | 81%        | 6,912            | 2,638     |
| 0                  | 0             | 0%             | 0                 | 0%         | Contract Cleaning          | 0             | 130           | 0%             | 130               | 0%         | 130              | 0         |
| 0                  | 0             | 0%             | 85                | 0%         | Guest Relations            | 32            | 0             | 0%             | 135               | 24%        | 0                | 32        |
| 0                  | 0             | 0%             | 0                 | 0%         | Handicap Expense           | 4,174         | 4,289         | 97%            | 4,417             | 94%        | 4,475            | 4,681     |
| 0                  | 0             | 0%             | 0                 | 0%         | Indoor Plant Maint         | 0             | 100           | 0%             | 0                 | 0%         | 100              | 0         |
| 452                | 200           | 226%           | 1,176             | 38%        | Irrigation                 | 5,417         | 4,604         | 118%           | 4,115             | 132%       | 6,392            | 6,488     |
| 0                  | 75            | 0%             | 66                | 0%         | Lesson Expense             | 0             | 740           | 0%             | 885               | 0%         | 965              | 265       |
| 0                  | 0             | 0%             | 0                 | 0%         | Pest Control               | 0             | 230           | 0%             | 0                 | 0%         | 230              | 0         |
| 1,370              | 309           | 443%           | 3,167             | 43%        | Repair & Maint - Equipment | 21,804        | 18,322        | 119%           | 21,294            | 102%       | 22,585           | 31,920    |
| 115                | 928           | 12%            | 413               | 28%        | Repair & Maint - Building  | 2,631         | 3,208         | 88%            | 2,574             | 110%       | 3,208            | 3,609     |
| 5,356              | 5,356         | 100%           | 5,356             | 100%       | Cart Lease                 | 48,201        | 48,204        | 100%           | 48,201            | 100%       | 64,272           | 64,268    |
| 4,886              | 4,886         | 100%           | 4,512             | 108%       | Equipment Lease            | 43,976        | 43,974        | 100%           | 40,605            | 108%       | 58,632           | 57,511    |
| 168                | 162           | 104%           | 178               | 94%        | Off-Site Storage           | 1,512         | 1,488         | 102%           | 1,549             | 98%        | 1,974            | 2,016     |
| 1,200              | 1,108         | 108%           | 1,048             | 114%       | Utilities - Electric       | 9,889         | 10,179        | 97%            | 9,423             | 105%       | 13,383           | 12,939    |
| 5,753              | 3,867         | 149%           | 5,433             | 106%       | Utilities - Other          | 42,097        | 30,687        | 137%           | 34,989            | 120%       | 41,871           | 56,312    |
| 409                | 242           | 169%           | 231               | 177%       | Utilities - Telephone/Fax  | 2,143         | 1,721         | 125%           | 1,992             | 108%       | 2,449            | 2,716     |
| 283                | 199           | 142%           | 236               | 120%       | Utilities - Water          | 2,375         | 2,331         | 102%           | 2,454             | 97%        | 2,897            | 3,099     |

The Golf Club at Cypress Head  
Summary of All Units  
For the Nine Months Ending June 30, 2017

| MTD      | MTD      | % of   | MTD        | % of   |                            | YTD     | YTD     | % of   | YTD        | % of   | Annual   |          |
|----------|----------|--------|------------|--------|----------------------------|---------|---------|--------|------------|--------|----------|----------|
| Actual   | Budget   | Budget | Prior Year | PY     |                            | Actual  | Budget  | Budget | Prior Year | PY     | Budget   |          |
| 3,431    | 650      | 528%   | 495        | 694%   | Advertising & Promotion    | 16,017  | 13,233  | 121%   | 14,742     | 109%   | 16,247   | 20,507   |
| 524      | 32       | 1637%  | (19)       | -2726% | Bank Charges               | 4,629   | 1,297   | 357%   | 1,929      | 240%   | 1,382    | 5,970    |
| (72)     | 0        | 0%     | 261        | -28%   | Cash Short/(Over)          | (400)   | 0       | 0%     | (280)      | 143%   | 0        | 157      |
| 150      | 200      | 75%    | 200        | 75%    | Cell Phone                 | 1,500   | 1,875   | 80%    | 1,675      | 90%    | 2,475    | 2,000    |
| 2,515    | 2,566    | 98%    | 2,573      | 98%    | City Surcharge R & R       | 32,043  | 32,081  | 100%   | 29,747     | 108%   | 39,852   | 40,102   |
| 624      | 88       | 709%   | 87         | 720%   | Copier/Photocopies         | 642     | 495     | 130%   | 619        | 104%   | 671      | 785      |
| 1,850    | 2,500    | 74%    | 1,593      | 116%   | Credit Card Discounts      | 20,728  | 22,110  | 94%    | 19,875     | 104%   | 27,744   | 24,356   |
| 0        | 0        | 0%     | 0          | 0%     | Donations                  | (267)   | 0       | 0%     | 164        | -163%  | 0        | (67)     |
| 534      | 600      | 89%    | 459        | 116%   | Dues & Subscriptions       | 1,039   | 1,009   | 103%   | 609        | 171%   | 1,109    | 1,039    |
| 0        | 0        | 0%     | 0          | 0%     | Education & Training       | 525     | 200     | 263%   | 0          | 0%     | 200      | 525      |
| 0        | 130      | 0%     | 60         | 0%     | Employee Relations         | 1,320   | 1,699   | 78%    | 1,349      | 98%    | 2,122    | 2,317    |
| 0        | 28       | 0%     | 0          | 0%     | Employee Testing           | 409     | 159     | 257%   | 174        | 236%   | 244      | 786      |
| 3,858    | 3,871    | 100%   | 3,414      | 113%   | Insurance Expense          | 34,726  | 34,764  | 100%   | 33,782     | 103%   | 46,377   | 46,655   |
| 0        | 0        | 0%     | 0          | 0%     | Member Relations           | 65      | 396     | 16%    | 131        | 49%    | 649      | 65       |
| 24       | 38       | 62%    | 0          | 0%     | Messenger Service - Fedex  | 215     | 311     | 69%    | 282        | 76%    | 403      | 365      |
| 0        | 500      | 0%     | 0          | 0%     | Miscellaneous              | 864     | 11,591  | 7%     | 13,291     | 7%     | 13,291   | 900      |
| 0        | 0        | 0%     | 0          | 0%     | O/S - Accounting           | 12,000  | 12,000  | 100%   | 12,000     | 100%   | 12,000   | 12,000   |
| 0        | 0        | 0%     | 0          | 0%     | O/S - Legal                | 0       | 0       | 0%     | 0          | 0%     | 80       | 0        |
| 56       | 0        | 0%     | 0          | 0%     | O/S - Legal-Mgmt Contracts | 56      | 0       | 0%     | 0          | 0%     | 0        | 56       |
| 1,800    | 2,000    | 90%    | 3,033      | 59%    | O/S - Other                | 5,750   | 7,218   | 80%    | 8,639      | 67%    | 9,218    | 14,348   |
| 796      | 299      | 266%   | 548        | 145%   | Payroll Processing Fee     | 8,600   | 2,600   | 331%   | 2,887      | 298%   | 3,535    | 12,399   |
| 81       | 0        | 0%     | 0          | 0%     | Postage/Shipping           | 578     | 159     | 364%   | 97         | 595%   | 634      | 616      |
| (30)     | (30)     | 100%   | (30)       | 100%   | Tax/Licenses/Fees          | 345     | (10)    | -3450% | (240)      | -144%  | (100)    | 330      |
| 0        | 0        | 0%     | 0          | 0%     | Theft Loss                 | 0       | 0       | 0%     | 106        | 0%     | 0        | 0        |
| 45       | 0        | 0%     | 49         | 92%    | Travel - Meals             | 1,559   | 683     | 228%   | 1,424      | 110%   | 683      | 2,028    |
| 1,022    | 1,634    | 63%    | 1,432      | 71%    | Travel - Other             | 7,314   | 13,588  | 54%    | 8,639      | 85%    | 16,423   | 10,000   |
| 0        | 0        | 0%     | 2,100      | 0%     | Website Expenses           | 0       | 3,000   | 0%     | 3,000      | 0%     | 4,000    | 0        |
| 0        | 0        | 0%     | 25         | 0%     | Employee Meals             | 0       | 200     | 0%     | 25         | 0%     | 669      | 0        |
| 50,046   | 46,466   | 108%   | 42,206     | 119%   | TOTAL OPERATING EXPENSES   | 443,859 | 430,656 | 103%   | 405,538    | 109%   | 545,578  | 609,160  |
| (23,693) | (23,712) | 100%   | (23,418)   | 101%   | EBITDA                     | 96,272  | 48,763  | 197%   | 52,927     | 182%   | (4,235)  | 4,445    |
| 5,713    | 5,827    | 98%    | 5,713      | 100%   | Management Fee             | 51,416  | 52,443  | 98%    | 53,072     | 97%    | 69,924   | 68,554   |
| 5,713    | 5,827    | 98%    | 5,713      | 100%   | Management Fees            | 51,416  | 52,443  | 98%    | 53,072     | 97%    | 69,924   | 68,554   |
| 37       | 98       | 38%    | 98         | 38%    | Deprec - Mach & Equip      | 332     | 882     | 38%    | 878        | 38%    | 1,176    | 1,381    |
| 117      | 283      | 41%    | 283        | 41%    | Deprec - Buildings         | 1,049   | 2,547   | 41%    | 2,551      | 41%    | 3,396    | 7,718    |
| 154      | 381      | 40%    | 381        | 40%    | S/T DEPR. & AMORT          | 1,380   | 3,429   | 40%    | 3,429      | 40%    | 4,572    | 9,098    |
| (29,560) | (29,920) | 99%    | (29,512)   | 100%   | NET INCOME                 | 43,475  | (7,109) | -612%  | (3,574)    | -1216% | (78,731) | (73,207) |

The Golf Club at Cypress Head  
Course & Grounds  
For the Nine Months Ending June 30, 2017

| MTD<br>Actual             | MTD<br>Budget | % of<br>Budget | MTD<br>Prior Year | % of<br>PY |                            | YTD<br>Actual | YTD<br>Budget | % of<br>Budget | YTD<br>Prior Year | % of<br>PY | Annual<br>Budget |         |
|---------------------------|---------------|----------------|-------------------|------------|----------------------------|---------------|---------------|----------------|-------------------|------------|------------------|---------|
| <b>REVENUES</b>           |               |                |                   |            |                            |               |               |                |                   |            |                  |         |
| 39,879                    | 40,664        | 98%            | 35,832            | 111%       | Green Fees                 | 559,618       | 524,537       | 107%           | 499,421           | 112%       | 646,060          | 676,758 |
| 2,515                     | 2,566         | 98%            | 2,573             | 98%        | City Surcharge R & R       | 32,043        | 32,081        | 100%           | 29,747            | 108%       | 39,852           | 40,102  |
| 42,395                    | 43,230        | 98%            | 38,404            | 110%       | Total Revenues             | 591,661       | 556,618       | 106%           | 529,168           | 112%       | 685,912          | 716,860 |
| 42,395                    | 43,230        | 98%            | 38,404            | 110%       | GROSS MARGIN               | 591,661       | 556,618       | 106%           | 529,168           | 112%       | 685,912          | 716,860 |
| <b>PAYROLL</b>            |               |                |                   |            |                            |               |               |                |                   |            |                  |         |
| 3,709                     | 7,802         | 48%            | 6,648             | 56%        | Gross Payroll - Salaried   | 73,038        | 70,218        | 104%           | 61,315            | 119%       | 93,624           | 106,391 |
| 16,312                    | 15,230        | 107%           | 16,355            | 100%       | Gross Payroll - Hourly     | 142,507       | 139,423       | 102%           | 142,164           | 100%       | 186,129          | 182,879 |
| 20,021                    | 23,032        | 87%            | 23,004            | 87%        | S/T Wages                  | 215,545       | 209,641       | 103%           | 203,480           | 106%       | 279,753          | 289,270 |
| 1,417                     | 1,762         | 80%            | 1,661             | 85%        | Payroll Tax - FICA         | 15,247        | 16,038        | 95%            | 14,486            | 105%       | 21,402           | 20,419  |
| 115                       | 63            | 182%           | 93                | 123%       | Payroll Tax - UC           | 1,843         | 1,853         | 99%            | 2,406             | 77%        | 2,040            | 2,226   |
| 347                       | 503           | 69%            | 664               | 52%        | Payroll Tax - WC           | 3,861         | 4,459         | 87%            | 4,460             | 87%        | 5,990            | 5,019   |
| 2,742                     | 3,664         | 75%            | 3,827             | 72%        | Benefits                   | 31,929        | 31,187        | 102%           | 27,776            | 115%       | 42,181           | 38,442  |
| 4,620                     | 5,992         | 77%            | 6,244             | 74%        | S/T Adders                 | 52,880        | 53,537        | 99%            | 49,128            | 108%       | 71,613           | 66,106  |
| 24,641                    | 29,024        | 85%            | 29,248            | 84%        | TOTAL PAYROLL              | 268,425       | 263,178       | 102%           | 252,608           | 106%       | 351,366          | 355,376 |
| <b>OPERATING EXPENSES</b> |               |                |                   |            |                            |               |               |                |                   |            |                  |         |
| 0                         | 392           | 0%             | 151               | 0%         | Course Accessories         | 3,349         | 3,033         | 110%           | 1,856             | 180%       | 3,886            | 3,712   |
| 1,884                     | 5,261         | 36%            | 235               | 802%       | Fertilizer                 | 26,201        | 22,623        | 116%           | 20,396            | 128%       | 25,094           | 44,621  |
| 0                         | 0             | 0%             | 0                 | 0%         | Flowers/Decor              | 0             | 274           | 0%             | 607               | 0%         | 399              | 998     |
| 1,168                     | 1,325         | 88%            | 0                 | 0%         | Fuel                       | 9,124         | 9,884         | 92%            | 6,402             | 143%       | 13,026           | 14,059  |
| 249                       | 800           | 31%            | 0                 | 0%         | Fungicides                 | 4,732         | 2,406         | 197%           | 2,204             | 215%       | 4,045            | 7,751   |
| 0                         | 1,232         | 0%             | 1,247             | 0%         | Herbicides                 | 14,451        | 12,195        | 118%           | 10,226            | 141%       | 15,068           | 24,745  |
| 6,434                     | 0             | 0%             | 47                | 13690%     | Insecticides               | 23,433        | 14,076        | 166%           | 7,171             | 327%       | 15,077           | 31,210  |
| 1,423                     | 3,000         | 47%            | 690               | 206%       | Sand/Topdress              | 6,228         | 5,006         | 124%           | 6,361             | 98%        | 9,011            | 10,947  |
| 0                         | 0             | 0%             | 0                 | 0%         | Seeds/Trees                | 4,400         | 4,069         | 108%           | 3,469             | 127%       | 4,069            | 4,400   |
| 542                       | 0             | 0%             | 0                 | 0%         | Small Tools                | 1,203         | 307           | 392%           | 55                | 2175%      | 407              | 1,671   |
| 0                         | 0             | 0%             | 0                 | 0%         | Staff/Volunteer Uniforms   | 0             | 700           | 0%             | 0                 | 0%         | 833              | 41      |
| 452                       | 200           | 226%           | 1,176             | 38%        | Irrigation                 | 5,417         | 4,604         | 118%           | 4,115             | 132%       | 6,392            | 6,488   |
| 852                       | 110           | 775%           | 3,167             | 27%        | Repair & Maint - Equipment | 19,178        | 16,711        | 115%           | 20,735            | 92%        | 20,663           | 27,508  |
| 0                         | 505           | 0%             | 0                 | 0%         | Repair & Maint - Building  | 10            | 1,207         | 1%             | 270               | 4%         | 1,207            | 10      |
| 4,886                     | 4,886         | 100%           | 4,512             | 108%       | Equipment Lease            | 43,976        | 43,974        | 100%           | 40,605            | 108%       | 58,632           | 57,511  |
| 243                       | 236           | 103%           | 234               | 104%       | Utilities - Electric       | 2,015         | 1,804         | 112%           | 1,776             | 113%       | 2,703            | 2,786   |
| 3,105                     | 1,529         | 203%           | 2,674             | 116%       | Utilities - Other          | 20,761        | 12,443        | 167%           | 15,645            | 133%       | 16,748           | 27,240  |
| 101                       | 92            | 110%           | 99                | 102%       | Utilities - Telephone/Fax  | 901           | 794           | 113%           | 911               | 99%        | 1,072            | 1,199   |
| 283                       | 199           | 142%           | 236               | 120%       | Utilities - Water          | 2,375         | 2,331         | 102%           | 2,454             | 97%        | 2,897            | 3,099   |
| 0                         | 0             | 0%             | 0                 | 0%         | Education & Training       | 375           | 0             | 0%             | 0                 | 0%         | 0                | 375     |
| 0                         | 0             | 0%             | 0                 | 0%         | Employee Relations         | 0             | 200           | 0%             | 9                 | 0%         | 200              | 533     |
| 0                         | 28            | 0%             | 0                 | 0%         | Employee Testing           | 409           | 159           | 257%           | 174               | 236%       | 244              | 786     |
| 1,800                     | 2,000         | 90%            | 3,033             | 59%        | O/S - Other                | 5,400         | 7,218         | 75%            | 8,639             | 63%        | 9,218            | 13,998  |
| 0                         | 0             | 0%             | 0                 | 0%         | Tax/Licenses/Fees          | 300           | 0             | 0%             | 0                 | 0%         | 0                | 300     |
| 0                         | 100           | 0%             | 300               | 0%         | Travel - Other             | 0             | 1,400         | 0%             | 1,800             | 0%         | 1,700            | 0       |
| 23,423                    | 21,895        | 107%           | 17,799            | 132%       | TOTAL OPERATING EXPENSES   | 194,239       | 167,418       | 116%           | 155,880           | 125%       | 212,591          | 285,988 |
| (5,669)                   | (7,689)       | 74%            | (8,643)           | 66%        | EBITDA                     | 128,997       | 126,022       | 102%           | 120,681           | 107%       | 121,955          | 75,496  |
| (5,669)                   | (7,689)       | 74%            | (8,643)           | 66%        | NET INCOME                 | 128,997       | 126,022       | 102%           | 120,681           | 107%       | 121,955          | 75,496  |

The Golf Club at Cypress Head  
Carts  
For the Nine Months Ending June 30, 2017

| MTD<br>Actual | MTD<br>Budget | % of<br>Budget | MTD<br>Prior Year | % of<br>PY |                          | YTD<br>Actual | YTD<br>Budget | % of<br>Budget | YTD<br>Prior Year | % of<br>PY | Annual<br>Budget |         |
|---------------|---------------|----------------|-------------------|------------|--------------------------|---------------|---------------|----------------|-------------------|------------|------------------|---------|
|               |               |                |                   |            | REVENUES                 |               |               |                |                   |            |                  |         |
| 28,611        | 29,975        | 95%            | 31,381            | 91%        | Cart Fee                 | 392,887       | 382,470       | 103%           | 365,884           | 107%       | 470,029          | 487,709 |
| 28,611        | 29,975        | 95%            | 31,381            | 91%        | Total Revenues           | 392,887       | 382,470       | 103%           | 365,884           | 107%       | 470,029          | 487,709 |
| 28,611        | 29,975        | 95%            | 31,381            | 91%        | GROSS MARGIN             | 392,887       | 382,470       | 103%           | 365,884           | 107%       | 470,029          | 487,709 |
|               |               |                |                   |            | PAYROLL                  |               |               |                |                   |            |                  |         |
| 6,121         | 6,038         | 101%           | 5,666             | 108%       | Gross Payroll - Hourly   | 60,452        | 64,163        | 94%            | 55,509            | 109%       | 82,679           | 77,083  |
| 6,121         | 6,038         | 101%           | 5,666             | 108%       | S/T Wages                | 60,452        | 64,163        | 94%            | 55,509            | 109%       | 82,679           | 77,083  |
| 478           | 462           | 104%           | 445               | 108%       | Payroll Tax - FICA       | 4,750         | 4,907         | 97%            | 4,354             | 109%       | 6,323            | 6,058   |
| 91            | 126           | 72%            | 112               | 81%        | Payroll Tax - UC         | 923           | 1,302         | 71%            | 1,395             | 66%        | 1,588            | 1,252   |
| 108           | 132           | 82%            | 179               | 60%        | Payroll Tax - WC         | 1,120         | 1,363         | 82%            | 1,189             | 94%        | 1,767            | 1,386   |
| 12            | 6             | 207%           | 22                | 56%        | Benefits                 | 69            | 69            | 100%           | 79                | 87%        | 89               | 101     |
| 689           | 726           | 95%            | 758               | 91%        | S/T Adders               | 6,863         | 7,641         | 90%            | 7,017             | 98%        | 9,867            | 8,797   |
| 6,811         | 6,764         | 101%           | 6,424             | 106%       | TOTAL PAYROLL            | 67,315        | 71,804        | 94%            | 62,526            | 108%       | 92,546           | 85,880  |
|               |               |                |                   |            | OPERATING EXPENSES       |               |               |                |                   |            |                  |         |
| 53            | 200           | 27%            | 21                | 251%       | Cart Supplies            | 1,367         | 1,906         | 72%            | 1,160             | 118%       | 2,521            | 1,564   |
| 0             | 200           | 0%             | 77                | 0%         | Cart Repairs             | 33            | 1,255         | 3%             | 1,032             | 3%         | 1,855            | 327     |
| 5,356         | 5,356         | 100%           | 5,356             | 100%       | Cart Lease               | 48,201        | 48,204        | 100%           | 48,201            | 100%       | 64,272           | 64,268  |
| 956           | 872           | 110%           | 814               | 117%       | Utilities - Electric     | 7,874         | 8,375         | 94%            | 7,648             | 103%       | 10,680           | 10,153  |
| 6,365         | 6,628         | 96%            | 6,268             | 102%       | TOTAL OPERATING EXPENSES | 57,475        | 59,740        | 96%            | 58,040            | 99%        | 79,328           | 76,312  |
| 15,435        | 16,583        | 93%            | 18,690            | 83%        | EBITDA                   | 268,097       | 250,926       | 107%           | 245,318           | 109%       | 298,155          | 325,517 |
| 15,435        | 16,583        | 93%            | 18,690            | 83%        | NET INCOME               | 268,097       | 250,926       | 107%           | 245,318           | 109%       | 298,155          | 325,517 |

The Golf Club at Cypress Head  
Range  
For the Nine Months Ending June 30, 2017

| MTD<br>Actual | MTD<br>Budget | % of<br>Budget | MTD<br>Prior Year | % of<br>PY |                            | YTD<br>Actual | YTD<br>Budget | % of<br>Budget | YTD<br>Prior Year | % of<br>PY | Annual<br>Budget |        |
|---------------|---------------|----------------|-------------------|------------|----------------------------|---------------|---------------|----------------|-------------------|------------|------------------|--------|
| 2,242         | 3,085         | 73%            | 2,187             | 102%       | REVENUES                   |               |               |                |                   |            |                  |        |
| 2,242         | 3,085         | 73%            | 2,187             | 102%       | Range                      | 29,030        | 26,901        | 108%           | 27,472            | 106%       | 34,679           | 35,708 |
| 2,242         | 3,085         | 73%            | 2,187             | 102%       | Total Revenues             | 29,030        | 26,901        | 108%           | 27,472            | 106%       | 34,679           | 35,708 |
|               |               |                |                   |            | GROSS MARGIN               | 29,030        | 26,901        | 108%           | 27,472            | 106%       | 34,679           | 35,708 |
|               |               |                |                   |            | OPERATING EXPENSES         |               |               |                |                   |            |                  |        |
| 0             | 0             | 0%             | 0                 | 0%         | Range Balls                | 2,515         | 3,330         | 76%            | 2,550             | 99%        | 3,330            | 2,515  |
| 0             | 100           | 0%             | 31                | 0%         | Range Equipment            | 1,149         | 984           | 117%           | 1,258             | 91%        | 1,284            | 1,149  |
| 0             | 100           | 0%             | 0                 | 0%         | Range Expenses             | 0             | 410           | 0%             | 23                | 0%         | 460              | 0      |
| 0             | 75            | 0%             | 0                 | 0%         | Repair & Maint - Equipment | 0             | 675           | 0%             | 0                 | 0%         | 900              | 0      |
| 0             | 275           | 0%             | 31                | 0%         | TOTAL OPERATING EXPENSES   | 3,664         | 5,399         | 68%            | 3,831             | 96%        | 5,974            | 3,664  |
| 2,242         | 2,810         | 80%            | 2,156             | 104%       | EBITDA                     | 25,366        | 21,502        | 118%           | 23,641            | 107%       | 28,705           | 32,044 |
| 2,242         | 2,810         | 80%            | 2,156             | 104%       | NET INCOME                 | 25,366        | 21,502        | 118%           | 23,641            | 107%       | 28,705           | 32,044 |

The Golf Club at Cypress Head  
F & B Cafe  
For the Nine Months Ending June 30, 2017

| MTD<br>Actual | MTD<br>Budget | % of<br>Budget | MTD<br>Prior Year | % of<br>PY |                            | YTD<br>Actual | YTD<br>Budget | % of<br>Budget | YTD<br>Prior Year | % of<br>PY | Annual<br>Budget |     |
|---------------|---------------|----------------|-------------------|------------|----------------------------|---------------|---------------|----------------|-------------------|------------|------------------|-----|
| 0             | 0             | 0%             | 0                 | 0%         | REVENUES                   |               |               |                |                   |            |                  |     |
| 0             | 0             | 0%             | 0                 | 0%         | Food & Beverage            | 0             | 0             | 0%             | 0                 | 0%         | 0                | 137 |
| 0             | 0             | 0%             | 0                 | 0%         | Total Revenues             | 0             | 0             | 0%             | 0                 | 0%         | 0                | 137 |
| 0             | 0             | 0%             | 0                 | 0%         | GROSS MARGIN               | 0             | 0             | 0%             | 0                 | 0%         | 0                | 137 |
| 0             | 0             | 0%             | 0                 | 0%         | OPERATING EXPENSES         |               |               |                |                   |            |                  |     |
| 0             | 0             | 0%             | 0                 | 0%         | Repair & Maint - Equipment | 0             | 0             | 0%             | 79                | 0%         | 0                | 0   |
| 0             | 0             | 0%             | 0                 | 0%         | Cash Short/(Over)          | 0             | 0             | 0%             | 137               | 0%         | 0                | 0   |
| 0             | 0             | 0%             | 0                 | 0%         | Theft Loss                 | 0             | 0             | 0%             | 106               | 0%         | 0                | 0   |
| 0             | 0             | 0%             | 0                 | 0%         | TOTAL OPERATING EXPENSES   | 0             | 0             | 0%             | 322               | 0%         | 0                | 0   |
| 0             | 0             | 0%             | 0                 | 0%         | EBITDA                     | 0             | 0             | 0%             | (322)             | 0%         | 0                | 137 |
| 0             | 0             | 0%             | 0                 | 0%         | NET INCOME                 | 0             | 0             | 0%             | (322)             | 0%         | 0                | 137 |

The Golf Club at Cypress Head  
Golf Shop  
For the Nine Months Ending June 30, 2017

| MTD<br>Actual      | MTD<br>Budget | % of<br>Budget | MTD<br>Prior Year | % of<br>PY |                           | YTD<br>Actual | YTD<br>Budget | % of<br>Budget | YTD<br>Prior Year | % of<br>PY | Annual<br>Budget |          |
|--------------------|---------------|----------------|-------------------|------------|---------------------------|---------------|---------------|----------------|-------------------|------------|------------------|----------|
| REVENUES           |               |                |                   |            |                           |               |               |                |                   |            |                  |          |
| 0                  | 0             | 0%             | 0                 | 0%         | Merchandise               | 0             | 0             | 0%             | 0                 | 0%         | 0                | (137)    |
| 80                 | 20            | 400%           | 40                | 200%       | Handicap Fee              | 4,600         | 4,507         | 102%           | 4,799             | 96%        | 4,567            | 4,690    |
| 1,262              | 250           | 505%           | 512               | 246%       | Lessons                   | 5,156         | 3,181         | 162%           | 4,918             | 105%       | 3,931            | 7,173    |
| 0                  | 0             | 0%             | 0                 | 0%         | Other Pro Shop Revenue    | 0             | 0             | 0%             | 74                | 0%         | 0                | 0        |
| 110                | 200           | 55%            | 190               | 58%        | Rental Clubs              | 2,200         | 2,442         | 90%            | 2,217             | 99%        | 3,042            | 2,590    |
| 4,651              | 4,329         | 107%           | 3,600             | 129%       | Retail                    | 48,901        | 45,314        | 108%           | 41,456            | 118%       | 57,514           | 61,902   |
| 6,103              | 4,799         | 127%           | 4,342             | 141%       | Total Revenues            | 60,857        | 55,444        | 110%           | 53,464            | 114%       | 69,054           | 76,218   |
| COST OF GOODS SOLD |               |                |                   |            |                           |               |               |                |                   |            |                  |          |
| 2,646              | 3,030         | 87%            | 2,032             | 130%       | COGS - Merchandise        | 28,772        | 31,720        | 91%            | 29,055            | 99%        | 40,260           | 35,906   |
| 2,646              | 3,030         | 87%            | 2,032             | 130%       | Total COGS                | 28,772        | 31,720        | 91%            | 29,055            | 99%        | 40,260           | 35,906   |
| 3,458              | 1,769         | 195%           | 2,311             | 150%       | GROSS MARGIN              | 32,085        | 23,724        | 135%           | 24,409            | 131%       | 28,794           | 40,311   |
| 56.88%             | 69.99%        | 81.26%         | 56.43%            | 100.78%    | COGS - Merchandise %      | 58.84%        | 70.00%        | 84.05%         | 70.09%            | 83.95%     | 70.00%           | 694.10%  |
| PAYROLL            |               |                |                   |            |                           |               |               |                |                   |            |                  |          |
| 3,689              | 4,093         | 90%            | 4,428             | 83%        | Gross Payroll - Hourly    | 30,001        | 37,244        | 81%            | 36,479            | 82%        | 49,795           | 41,373   |
| 3,689              | 4,093         | 90%            | 4,428             | 83%        | S/T Wages                 | 30,001        | 37,244        | 81%            | 36,479            | 82%        | 49,795           | 41,373   |
| 291                | 313           | 93%            | 344               | 85%        | Payroll Tax - FICA        | 2,350         | 2,851         | 82%            | 2,820             | 83%        | 3,812            | 3,228    |
| 33                 | 53            | 62%            | 46                | 72%        | Payroll Tax - UC          | 361           | 573           | 63%            | 638               | 57%        | 728              | 445      |
| 64                 | 89            | 71%            | 127               | 50%        | Payroll Tax - WC          | 543           | 790           | 69%            | 754               | 72%        | 1,063            | 726      |
| 388                | 455           | 85%            | 517               | 75%        | S/T Adders                | 3,253         | 4,214         | 77%            | 4,212             | 77%        | 5,603            | 4,399    |
| 4,077              | 4,548         | 90%            | 4,944             | 82%        | TOTAL PAYROLL             | 33,254        | 41,458        | 80%            | 40,691            | 82%        | 55,398           | 45,772   |
| OPERATING EXPENSES |               |                |                   |            |                           |               |               |                |                   |            |                  |          |
| 0                  | 50            | 0%             | 166               | 0%         | Office Supplies           | 860           | 450           | 191%           | 739               | 116%       | 600              | 860      |
| 0                  | 150           | 0%             | 0                 | 0%         | Supplies                  | 878           | 1,351         | 65%            | 1,489             | 59%        | 1,801            | 1,971    |
| 150                | 200           | 75%            | 244               | 61%        | Tournament Expense        | (388)         | 974           | -40%           | 910               | -43%       | 1,174            | (618)    |
| 0                  | 0             | 0%             | 0                 | 0%         | Handicap Expense          | 4,174         | 4,289         | 97%            | 4,417             | 94%        | 4,475            | 4,681    |
| 0                  | 75            | 0%             | 66                | 0%         | Lesson Expense            | 0             | 740           | 0%             | 885               | 0%         | 965              | 265      |
| 0                  | 0             | 0%             | 12                | 0%         | Repair & Maint - Building | 0             | 0             | 0%             | 31                | 0%         | 0                | 0        |
| 150                | 475           | 32%            | 488               | 31%        | TOTAL OPERATING EXPENSES  | 5,524         | 7,804         | 71%            | 8,472             | 65%        | 9,015            | 7,159    |
| (769)              | (3,254)       | 24%            | (3,122)           | 25%        | EBITDA                    | (6,692)       | (25,538)      | 26%            | (24,754)          | 27%        | (35,619)         | (12,619) |
| (769)              | (3,254)       | 24%            | (3,122)           | 25%        | NET INCOME                | (6,692)       | (25,538)      | 26%            | (24,754)          | 27%        | (35,619)         | (12,619) |

The Golf Club at Cypress Head  
G & A  
For the Nine Months Ending June 30, 2017

| MTD<br>Actual             | MTD<br>Budget | % of<br>Budget | MTD<br>Prior Year | % of<br>PY |                                 | YTD<br>Actual | YTD<br>Budget | % of<br>Budget | YTD<br>Prior Year | % of<br>PY | Annual<br>Budget |           |
|---------------------------|---------------|----------------|-------------------|------------|---------------------------------|---------------|---------------|----------------|-------------------|------------|------------------|-----------|
| <b>PAYROLL</b>            |               |                |                   |            |                                 |               |               |                |                   |            |                  |           |
| 8,106                     | 7,905         | 103%           | 7,511             | 108%       | Gross Payroll - Salaried        | 74,657        | 71,145        | 105%           | 71,628            | 104%       | 94,860           | 99,630    |
| 8,106                     | 7,905         | 103%           | 7,511             | 108%       | S/T Wages                       | 74,657        | 71,145        | 105%           | 71,628            | 104%       | 94,860           | 99,630    |
| 684                       | 605           | 113%           | 643               | 106%       | Payroll Tax - FICA              | 6,287         | 5,445         | 115%           | 6,047             | 104%       | 7,260            | 8,363     |
| 0                         | 0             | 0%             | 0                 | 0%         | Payroll Tax - UC                | 237           | 291           | 82%            | 344               | 69%        | 291              | 237       |
| 175                       | 173           | 101%           | 286               | 61%        | Payroll Tax - WC                | 1,702         | 1,512         | 113%           | 1,982             | 86%        | 2,031            | 2,180     |
| 1,777                     | 2,153         | 83%            | 2,237             | 79%        | Benefits                        | 15,593        | 18,257        | 85%            | 15,548            | 100%       | 24,716           | 19,879    |
| 2,635                     | 2,931         | 90%            | 3,166             | 83%        | S/T Adders                      | 23,819        | 25,505        | 93%            | 23,921            | 100%       | 34,298           | 30,659    |
| 10,740                    | 10,836        | 99%            | 10,677            | 101%       | <b>TOTAL PAYROLL</b>            | 98,475        | 96,650        | 102%           | 95,549            | 103%       | 129,158          | 130,289   |
| <b>OPERATING EXPENSES</b> |               |                |                   |            |                                 |               |               |                |                   |            |                  |           |
| 342                       | 232           | 147%           | 330               | 104%       | Janitorial Supplies             | 2,291         | 3,168         | 72%            | 3,092             | 74%        | 4,136            | 3,276     |
| 0                         | 92            | 0%             | 0                 | 0%         | Laundry/Uniforms                | 238           | 745           | 32%            | 55                | 433%       | 1,038            | 325       |
| 205                       | 234           | 88%            | 131               | 156%       | Office Supplies                 | 2,472         | 2,937         | 84%            | 2,977             | 83%        | 3,766            | 3,456     |
| 134                       | 200           | 67%            | 286               | 47%        | Alarm System                    | 2,521         | 1,022         | 247%           | 1,490             | 169%       | 1,425            | 3,449     |
| 0                         | 0             | 0%             | 0                 | 0%         | Carpet Cleaning                 | 0             | 550           | 0%             | 0                 | 0%         | 890              | 0         |
| 261                       | 260           | 100%           | 371               | 70%        | Computer Service                | 2,094         | 6,136         | 34%            | 2,589             | 81%        | 6,912            | 2,638     |
| 0                         | 0             | 0%             | 0                 | 0%         | Contract Cleaning               | 0             | 130           | 0%             | 130               | 0%         | 130              | 0         |
| 0                         | 0             | 0%             | 85                | 0%         | Guest Relations                 | 32            | 0             | 0%             | 135               | 24%        | 0                | 32        |
| 0                         | 0             | 0%             | 0                 | 0%         | Indoor Plant Maint              | 0             | 100           | 0%             | 0                 | 0%         | 100              | 0         |
| 0                         | 0             | 0%             | 0                 | 0%         | Pest Control                    | 0             | 230           | 0%             | 0                 | 0%         | 230              | 0         |
| 518                       | 124           | 417%           | 0                 | 0%         | Repair & Maint - Equipment      | 2,625         | 936           | 280%           | 479               | 548%       | 1,022            | 4,411     |
| 115                       | 423           | 27%            | 401               | 29%        | Repair & Maint - Building       | 2,820         | 2,001         | 141%           | 2,273             | 124%       | 2,001            | 3,599     |
| 168                       | 162           | 104%           | 178               | 94%        | Off-Site Storage                | 1,512         | 1,488         | 102%           | 1,549             | 98%        | 1,974            | 2,016     |
| 2,648                     | 2,338         | 113%           | 2,759             | 96%        | Utilities - Other               | 21,336        | 18,244        | 117%           | 19,344            | 110%       | 25,123           | 29,071    |
| 308                       | 150           | 205%           | 132               | 233%       | Utilities - Telephone/Fax       | 1,242         | 927           | 134%           | 1,081             | 115%       | 1,377            | 1,516     |
| 524                       | 32            | 1637%          | (19)              | -2728%     | Bank Charges                    | 4,629         | 1,267         | 357%           | 1,929             | 240%       | 1,382            | 5,970     |
| (72)                      | 0             | 0%             | 261               | -28%       | Cash Short/(Over)               | (400)         | 0             | 0%             | (417)             | 96%        | 0                | 157       |
| 150                       | 200           | 75%            | 200               | 75%        | Cell Phone                      | 1,500         | 1,875         | 80%            | 1,675             | 90%        | 2,475            | 2,000     |
| 2,515                     | 2,566         | 98%            | 2,573             | 98%        | City Surcharge R & R            | 32,043        | 32,081        | 100%           | 29,747            | 108%       | 39,852           | 40,102    |
| 624                       | 88            | 709%           | 87                | 720%       | Copier/Photocopies              | 642           | 495           | 130%           | 619               | 104%       | 671              | 785       |
| 1,850                     | 2,500         | 74%            | 1,593             | 116%       | Credit Card Discounts           | 20,728        | 22,110        | 94%            | 19,875            | 104%       | 27,744           | 24,356    |
| 0                         | 0             | 0%             | 0                 | 0%         | Donations                       | (267)         | 0             | 0%             | 164               | -163%      | 0                | (67)      |
| 534                       | 600           | 89%            | 459               | 116%       | Dues & Subscriptions            | 1,039         | 1,009         | 103%           | 609               | 171%       | 1,109            | 1,039     |
| 0                         | 0             | 0%             | 0                 | 0%         | Education & Training            | 150           | 200           | 75%            | 0                 | 0%         | 200              | 150       |
| 0                         | 130           | 0%             | 60                | 0%         | Employee Relations              | 1,320         | 1,499         | 88%            | 1,340             | 99%        | 1,922            | 1,785     |
| 3,858                     | 3,871         | 100%           | 3,414             | 113%       | Insurance Expense               | 34,726        | 34,764        | 100%           | 33,782            | 103%       | 46,377           | 46,655    |
| 0                         | 0             | 0%             | 0                 | 0%         | Member Relations                | 65            | 396           | 16%            | 131               | 49%        | 649              | 65        |
| 24                        | 38            | 62%            | 0                 | 0%         | Messenger Service - Fedex       | 215           | 311           | 69%            | 282               | 76%        | 403              | 365       |
| 0                         | 0             | 0%             | 0                 | 0%         | Miscellaneous                   | (36)          | 1,475         | -2%            | 1,675             | -2%        | 1,675            | 0         |
| 0                         | 0             | 0%             | 0                 | 0%         | O/S - Accounting                | 12,000        | 12,000        | 100%           | 12,000            | 100%       | 12,000           | 12,000    |
| 56                        | 0             | 0%             | 0                 | 0%         | O/S - Legal                     | 0             | 0             | 0%             | 0                 | 0%         | 80               | 0         |
| 0                         | 0             | 0%             | 0                 | 0%         | O/S - Legal-Mgmt Contracts      | 56            | 0             | 0%             | 0                 | 0%         | 0                | 56        |
| 0                         | 0             | 0%             | 0                 | 0%         | O/S - Other                     | 350           | 0             | 0%             | 0                 | 0%         | 350              | 0         |
| 796                       | 299           | 266%           | 548               | 145%       | Payroll Processing Fee          | 8,600         | 2,600         | 331%           | 2,887             | 298%       | 3,535            | 12,399    |
| 81                        | 0             | 0%             | 0                 | 0%         | Postage/Shipping                | 578           | 159           | 364%           | 97                | 595%       | 634              | 616       |
| (30)                      | (30)          | 100%           | (30)              | 100%       | Tax/Licenses/Fees               | 45            | (10)          | -450%          | (240)             | -19%       | (100)            | 30        |
| 45                        | 0             | 0%             | 49                | 92%        | Travel - Meals                  | 1,559         | 683           | 228%           | 1,424             | 110%       | 683              | 2,028     |
| 1,022                     | 1,434         | 71%            | 1,058             | 97%        | Travel - Other                  | 7,201         | 11,288        | 64%            | 6,437             | 112%       | 13,523           | 9,887     |
| 0                         | 0             | 0%             | 25                | 0%         | Employee Meals                  | 0             | 200           | 0%             | 25                | 0%         | 669              | 0         |
| 16,677                    | 15,943        | 105%           | 14,951            | 112%       | <b>TOTAL OPERATING EXPENSES</b> | 165,928       | 163,046       | 102%           | 149,233           | 111%       | 205,607          | 214,518   |
| (27,417)                  | (26,779)      | 102%           | (25,627)          | 107%       | <b>EBITDA</b>                   | (264,404)     | (259,696)     | 102%           | (244,783)         | 108%       | (334,765)        | (344,807) |
| 5,713                     | 5,827         | 98%            | 5,713             | 100%       | Management Fee                  | 51,416        | 52,443        | 98%            | 53,072            | 97%        | 69,924           | 68,554    |
| 5,713                     | 5,827         | 98%            | 5,713             | 100%       | Management Fees                 | 51,416        | 52,443        | 98%            | 53,072            | 97%        | 69,924           | 68,554    |
| 37                        | 98            | 38%            | 98                | 38%        | Deprec - Mach & Equip           | 332           | 882           | 38%            | 878               | 38%        | 1,176            | 1,381     |
| 117                       | 283           | 41%            | 283               | 41%        | Deprec - Buildings              | 1,049         | 2,547         | 41%            | 2,551             | 41%        | 3,396            | 7,718     |
| 154                       | 381           | 40%            | 381               | 40%        | S/T DEPR. & AMORT               | 1,380         | 3,429         | 40%            | 3,429             | 40%        | 4,572            | 9,098     |
| (33,284)                  | (32,987)      | 101%           | (31,721)          | 105%       | <b>NET INCOME</b>               | (317,200)     | (315,568)     | 101%           | (301,284)         | 105%       | (409,261)        | (422,460) |

The Golf Club at Cypress Head  
Marketing  
For the Nine Months Ending June 30, 2017

| MTD<br>Actual | MTD<br>Budget | % of<br>Budget | MTD<br>Prior Year | % of<br>PY |                          | YTD<br>Actual | YTD<br>Budget | % of<br>Budget | YTD<br>Prior Year | % of<br>PY | Annual<br>Budget |          |
|---------------|---------------|----------------|-------------------|------------|--------------------------|---------------|---------------|----------------|-------------------|------------|------------------|----------|
|               |               |                |                   |            | PAYROLL                  |               |               |                |                   |            |                  |          |
| 3,361         | 3,371         | 100%           | 3,364             | 100%       | Gross Payroll - Salaried | 31,358        | 30,339        | 103%           | 30,414            | 103%       | 40,452           | 41,340   |
| 3,361         | 3,371         | 100%           | 3,364             | 100%       | S/T Wages                | 31,358        | 30,339        | 103%           | 30,414            | 103%       | 40,452           | 41,340   |
| 241           | 258           | 94%            | 244               | 99%        | Payroll Tax - FICA       | 2,254         | 2,322         | 97%            | 2,189             | 103%       | 3,096            | 2,966    |
| 0             | 5             | 0%             | 0                 | 0%         | Payroll Tax - UC         | 115           | 191           | 60%            | 163               | 71%        | 206              | 115      |
| 59            | 74            | 80%            | 103               | 57%        | Payroll Tax - WC         | 556           | 646           | 86%            | 635               | 88%        | 868              | 715      |
| 423           | 425           | 100%           | 492               | 86%        | Benefits                 | 3,780         | 3,706         | 102%           | 3,693             | 102%       | 4,981            | 4,667    |
| 723           | 762           | 95%            | 839               | 86%        | S/T Adders               | 6,705         | 6,865         | 98%            | 6,679             | 100%       | 9,151            | 8,464    |
| 4,084         | 4,133         | 99%            | 4,203             | 97%        | TOTAL PAYROLL            | 38,063        | 37,204        | 102%           | 37,094            | 103%       | 49,603           | 49,803   |
|               |               |                |                   |            | OPERATING EXPENSES       |               |               |                |                   |            |                  |          |
| 3,431         | 650           | 528%           | 495               | 694%       | Advertising & Promotion  | 16,017        | 13,233        | 121%           | 14,742            | 109%       | 16,247           | 20,507   |
| 0             | 500           | 0%             | 0                 | 0%         | Miscellaneous            | 900           | 10,116        | 9%             | 11,616            | 8%         | 11,616           | 900      |
| 0             | 100           | 0%             | 74                | 0%         | Travel - Other           | 112           | 900           | 12%            | 402               | 28%        | 1,200            | 112      |
| 0             | 0             | 0%             | 2,100             | 0%         | Website Expenses         | 0             | 3,000         | 0%             | 3,000             | 0%         | 4,000            | 0        |
| 3,431         | 1,250         | 274%           | 2,669             | 129%       | TOTAL OPERATING EXPENSES | 17,029        | 27,249        | 62%            | 29,760            | 57%        | 33,063           | 21,519   |
| (7,515)       | (5,383)       | 140%           | (6,872)           | 109%       | EBITDA                   | (55,092)      | (64,453)      | 85%            | (66,854)          | 82%        | (82,666)         | (71,322) |
| (7,515)       | (5,383)       | 140%           | (6,872)           | 109%       | NET INCOME               | (55,092)      | (64,453)      | 85%            | (66,854)          | 82%        | (82,666)         | (71,322) |

The Golf Club at Cypress Head  
For the Nine Months Ending June 30, 2017

| MTD<br>Actual      | MTD<br>Budget | % of<br>Budget | MTD<br>Prior Year | % of<br>PY |                              | YTD<br>Actual | YTD<br>Budget | % of<br>Budget | YTD<br>Prior Year | % of<br>PY | Annual<br>Budget |           |
|--------------------|---------------|----------------|-------------------|------------|------------------------------|---------------|---------------|----------------|-------------------|------------|------------------|-----------|
| REVENUES           |               |                |                   |            |                              |               |               |                |                   |            |                  |           |
| 68,491             | 70,639        | 97%            | 67,213            | 102%       | Green Fees & Cart Fees       | 952,505       | 907,007       | 105%           | 865,305           | 110%       | 1,116,089        | 1,164,467 |
| 4,651              | 4,329         | 107%           | 3,600             | 129%       | Merchandise                  | 48,901        | 45,314        | 108%           | 41,456            | 118%       | 57,514           | 61,765    |
| 1,452              | 470           | 309%           | 742               | 196%       | Other Pro Shop               | 11,956        | 10,130        | 118%           | 12,007            | 100%       | 11,540           | 14,453    |
| 2,242              | 3,085         | 73%            | 2,187             | 102%       | Range                        | 29,030        | 26,901        | 108%           | 27,472            | 106%       | 34,679           | 35,708    |
| 0                  | 0             | 0%             | 0                 | 0%         | Food and Beverage            | 0             | 0             | 0%             | 0                 | 0%         | 0                | 137       |
| 2,515              | 2,566         | 98%            | 2,573             | 98%        | Other Operating Revenues     | 32,043        | 32,081        | 100%           | 29,747            | 108%       | 39,852           | 40,102    |
| 79,351             | 81,089        | 98%            | 76,316            | 104%       | TOTAL REVENUE                | 1,074,435     | 1,021,433     | 105%           | 975,988           | 110%       | 1,259,674        | 1,316,632 |
| COST OF SALES      |               |                |                   |            |                              |               |               |                |                   |            |                  |           |
| 2,646              | 3,030         | 87%            | 2,032             | 130%       | Merchandise                  | 28,772        | 31,720        | 91%            | 29,055            | 99%        | 40,260           | 35,906    |
| 2,646              | 3,030         | 87%            | 2,032             | 130%       | TOTAL COGS                   | 28,772        | 31,720        | 91%            | 29,055            | 99%        | 40,260           | 35,906    |
| 56.9%              | 70.0%         | 81.3%          | 56.4%             | 100.8%     | COGS - Merchandise %         | 58.8%         | 70.0%         | 84.1%          | 70.1%             | 83.9%      | 70.0%            | 694.1%    |
| PAYROLL            |               |                |                   |            |                              |               |               |                |                   |            |                  |           |
| 24,641             | 29,024        | 85%            | 29,248            | 84%        | Course and Grounds           | 268,425       | 263,178       | 102%           | 252,608           | 106%       | 351,366          | 355,376   |
| 6,811              | 6,764         | 101%           | 6,424             | 106%       | Carts, Range, Starters, Etc. | 67,315        | 71,804        | 94%            | 62,526            | 108%       | 92,546           | 85,880    |
| 4,077              | 4,548         | 90%            | 4,944             | 82%        | Pro Shop                     | 33,254        | 41,458        | 80%            | 40,691            | 82%        | 55,398           | 45,772    |
| 10,740             | 10,836        | 99%            | 10,677            | 101%       | General and Administrative   | 98,475        | 96,650        | 102%           | 95,549            | 103%       | 129,158          | 130,289   |
| 4,084              | 4,133         | 99%            | 4,203             | 97%        | Marketing                    | 38,063        | 37,204        | 102%           | 37,094            | 103%       | 49,603           | 49,603    |
| 50,353             | 55,305        | 91%            | 55,496            | 91%        | TOTAL PAYROLL                | 505,533       | 510,294       | 99%            | 488,468           | 103%       | 678,071          | 667,120   |
| OPERATING EXPENSES |               |                |                   |            |                              |               |               |                |                   |            |                  |           |
| 23,423             | 21,895        | 107%           | 17,799            | 132%       | Course and Grounds           | 194,239       | 167,418       | 116%           | 155,880           | 125%       | 212,591          | 285,988   |
| 6,365              | 6,903         | 92%            | 6,299             | 101%       | Carts, Range, Starters, Etc. | 61,139        | 65,139        | 94%            | 61,871            | 99%        | 85,302           | 79,976    |
| 150                | 475           | 32%            | 488               | 31%        | Pro Shop                     | 5,524         | 7,804         | 71%            | 8,472             | 65%        | 9,015            | 7,159     |
| 0                  | 0             | 0%             | 0                 | 0%         | Food and Beverage            | 0             | 0             | 0%             | 322               | 0%         | 0                | 0         |
| 16,677             | 15,943        | 105%           | 14,951            | 112%       | General and Administrative   | 165,928       | 163,046       | 102%           | 149,233           | 111%       | 205,607          | 214,518   |
| 3,431              | 1,250         | 274%           | 2,669             | 129%       | Marketing                    | 17,029        | 27,249        | 62%            | 29,760            | 57%        | 33,063           | 21,519    |
| 50,046             | 46,466        | 108%           | 42,206            | 119%       | TOTAL OPERATING EXPENSES     | 443,859       | 430,656       | 103%           | 405,538           | 109%       | 545,578          | 609,160   |
| 103,044            | 104,801       | 98%            | 99,734            | 103%       | TOTAL EXPENSES               | 978,164       | 972,670       | 101%           | 923,061           | 106%       | 1,263,909        | 1,312,187 |
| (23,693)           | (23,712)      | 100%           | (23,418)          | 101%       | EBITDA                       | 96,272        | 48,763        | 197%           | 52,927            | 182%       | (4,235)          | 4,445     |

The Golf Club at Cypress Head  
For the Nine Months Ending June 30, 2017

| MTD<br>Actual | MTD<br>Budget | % of<br>Budget | MTD<br>Prior Year | % of<br>PY |                              | YTD<br>Actual | YTD<br>Budget | % of<br>Budget | YTD<br>Prior Year | % of<br>PY | Annual<br>Budget |          |
|---------------|---------------|----------------|-------------------|------------|------------------------------|---------------|---------------|----------------|-------------------|------------|------------------|----------|
| (23,693)      | (23,712)      | 100%           | (23,418)          | 101%       | EBITDA                       | 96,272        | 48,763        | 197%           | 52,927            | 182%       | (4,235)          | 4,445    |
| (5,713)       | (5,827)       | 98%            | (5,713)           | 100%       | MANAGEMENT FEES              | (51,416)      | (52,443)      | 98%            | (53,072)          | 97%        | (69,924)         | (68,554) |
| (154)         | (381)         | 40%            | (381)             | 40%        | OTHER INCOME (EXPENSE)       | (1,380)       | (3,429)       | 40%            | (3,429)           | 40%        | (4,572)          | (9,098)  |
| (154)         | (381)         | 40%            | (381)             | 40%        | Depreciation & Amortization  | (1,380)       | (3,429)       | 40%            | (3,429)           | 40%        | (4,572)          | (9,098)  |
| (29,560)      | (29,920)      | 99%            | (29,512)          | 100%       | TOTAL OTHER INCOME (EXPENSE) | (1,380)       | (3,429)       | 40%            | (3,429)           | 40%        | (4,572)          | (9,098)  |
|               |               |                |                   |            | NET INCOME                   | 43,475        | (7,109)       | -612%          | (3,574)           | -1216%     | (78,731)         | (73,207) |
| 2,360         | 2,900         | 81%            | 2,360             | 100%       | Paid Rounds                  | 30,170        | 29,973        | 101%           | 27,574            | 109%       | 38,696           | 37,474   |
| 519           | 331           | 157%           | 590               | 88%        | Annual Pass Rounds           | 6,571         | 4,143         | 159%           | 6,796             | 97%        | 5,051            | 8,432    |
| 224           | 230           | 97%            | 210               | 107%       | Other Rounds                 | 2,131         | 2,061         | 103%           | 1,831             | 116%       | 2,812            | 2,737    |
| 3,103         | 3,461         | 90%            | 3,160             | 98%        | Total Rounds                 | 38,872        | 36,177        | 107%           | 36,201            | 107%       | 46,559           | 48,643   |
| 34            | 28            | 120%           | 32                | 104%       | Revenue/Paid Rounds          | 36            | 34            | 105%           | 35                | 101%       | 33               | 420      |
| 26            | 23            | 109%           | 24                | 106%       | Revenue/Total Rounds         | 28            | 28            | 98%            | 27                | 103%       | 27               | 321      |

TRIAL BALANCE SUMMARY FOR 2016

The Golf Club at Cypress Head

General Ledger

Ranges: From: To:

Date: 6/1/2017

Account: First Last

Sorted By:

Include:

Print Currency In:

Account Posting, Unit

Functional (Z-US\$)

| Inactive | Account        | Description                          | Beginning Balance | Debit        | Credit       | Net Change    | Ending Balance |
|----------|----------------|--------------------------------------|-------------------|--------------|--------------|---------------|----------------|
|          | 10020-5950-900 | Cash - Course Depository NEW         | \$64,876.89       | \$65,307.84  | \$133,853.05 | (\$68,545.21) | (\$3,668.32)   |
|          | 10050-5950-900 | Cash - Course Payroll BMO            | \$25,164.64       | \$40,661.98  | \$41,108.16  | (\$446.18)    | \$24,718.46    |
|          | 10100-5950-900 | Cash - Course Other                  | \$850.00          | \$0.00       | \$0.00       | \$0.00        | \$850.00       |
|          | 10120-5950-900 | Cash - New Payroll                   | \$0.00            | \$95.00      | \$95.00      | \$0.00        | \$0.00         |
|          | 10180-5950-900 | Cash - Pro Shop Bank                 | \$500.00          | \$0.00       | \$0.00       | \$0.00        | \$500.00       |
|          | 11160-5950-900 | A/R Member                           | \$3,126.30        | \$17,663.87  | \$8,406.04   | \$9,257.83    | \$12,384.13    |
|          | 12000-5950-900 | Inventory - Merchandise              | \$16,693.80       | \$4,753.56   | \$2,799.26   | \$1,954.30    | \$18,648.10    |
|          | 13020-5950-900 | Prepaid Insurance                    | \$3,504.37        | \$22,968.31  | \$6,909.74   | \$16,058.57   | \$19,562.94    |
|          | 13040-5950-900 | Prepaid Exp - Other                  | \$8,665.18        | \$5,712.85   | \$6,240.79   | (\$527.94)    | \$8,137.24     |
|          | 20100-5950-900 | Machinery & Equipment                | \$5,550.40        | \$0.00       | \$0.00       | \$0.00        | \$5,550.40     |
|          | 20160-5950-900 | Buildings and Improvements           | \$30,597.54       | \$0.00       | \$0.00       | \$0.00        | \$30,597.54    |
|          | 22040-5950-900 | Accum. Deprec - Mach & Equip         | (\$3,347.18)      | \$0.00       | \$36.87      | (\$36.87)     | (\$3,384.05)   |
|          | 22080-5950-900 | Accum. Deprec - Buildings            | (\$22,116.15)     | \$0.00       | \$116.74     | (\$116.74)    | (\$22,232.89)  |
|          | 30000-5950-900 | Accts Pay - Trade                    | (\$40,723.39)     | \$116,921.53 | \$120,025.07 | (\$3,103.54)  | (\$43,826.93)  |
|          | 30040-5950-900 | Accts Pay - Other                    | \$109,883.29      | \$10,372.71  | \$10,673.91  | (\$301.20)    | \$109,582.09   |
|          | 31000-5950-900 | Accrued Expenses                     | \$0.00            | \$0.00       | \$354.08     | (\$354.08)    | (\$354.08)     |
|          | 31020-5950-900 | Accrued Payroll                      | (\$10,782.73)     | \$4,618.65   | \$7,720.97   | (\$3,102.32)  | (\$13,885.05)  |
|          | 31080-5950-900 | Accrued Tips Payable                 | \$0.00            | \$220.00     | \$570.00     | (\$350.00)    | (\$350.00)     |
|          | 31220-5950-900 | Accrued Sales Tax                    | (\$5,289.64)      | \$5,289.64   | \$3,727.07   | \$1,562.57    | (\$3,727.07)   |
|          | 31400-5950-900 | Accrued City Surcharge               | \$0.00            | \$2,515.44   | \$2,515.44   | \$0.00        | \$0.00         |
|          | 32000-5950-900 | Deferred Rev - Rainchecks            | (\$2,160.85)      | \$954.96     | \$1,373.68   | (\$418.72)    | (\$2,579.57)   |
|          | 32020-5950-900 | Deferred Rev - Outing Deposits       | (\$1,988.90)      | \$6,326.30   | \$6,219.46   | \$106.84      | (\$1,882.06)   |
|          | 32040-5950-900 | Deferred Rev - Legacy GF Passes      | (\$19,856.57)     | \$4,964.15   | \$0.00       | \$4,964.15    | (\$14,892.42)  |
|          | 32050-5950-900 | Deferred Revenue - Cypress GF Passes | (\$19,386.96)     | \$4,846.73   | \$0.00       | \$4,846.73    | (\$14,540.23)  |
|          | 32060-5950-900 | Deferred Rev - Gift Certificates     | (\$139.14)        | \$10.00      | \$0.00       | \$10.00       | (\$129.14)     |
|          | 32070-5950-900 | Deferred Rev - Gift Cards            | (\$18,432.94)     | \$352.96     | \$1,104.34   | (\$751.38)    | (\$19,184.32)  |
|          | 32100-5950-900 | Deferred Rev - Credit Books          | (\$15,203.34)     | \$844.93     | \$349.18     | \$495.75      | (\$14,707.59)  |
|          | 32120-5950-900 | Deferred Rev - Trail Fee Pass        | (\$36,556.50)     | \$9,139.13   | \$0.00       | \$9,139.13    | (\$27,417.37)  |
|          | 32220-5950-900 | Deferred Rev - Founders Pass         | (\$393.95)        | \$98.48      | \$0.00       | \$98.48       | (\$295.47)     |
|          | 49020-5950-900 | Retained Earnings - Current          | \$1.12            | \$0.00       | \$0.00       | \$0.00        | \$1.12         |
|          | 50000-5950-100 | Green Fees - Annual Pass             | (\$78,760.21)     | \$0.00       | \$9,909.36   | (\$9,909.36)  | (\$88,669.57)  |
|          | 50040-5950-100 | Green Fees - Member                  | (\$411,450.76)    | \$78.35      | \$27,532.91  | (\$27,454.56) | (\$438,905.32) |
|          | 50070-5950-100 | Green Fees - (surcharge)             | (\$29,527.75)     | \$2,515.44   | \$5,030.88   | (\$2,515.44)  | (\$32,043.19)  |
|          | 50500-5950-200 | Cart Fee 18                          | (\$291,432.63)    | \$0.00       | \$19,472.03  | (\$19,472.03) | (\$310,904.66) |
|          | 50520-5950-200 | Cart Fee - Annual Trail              | (\$72,842.92)     | \$0.00       | \$9,139.13   | (\$9,139.13)  | (\$81,982.05)  |
|          | 52090-5950-600 | Handicap Fee                         | (\$4,520.00)      | \$0.00       | \$80.00      | (\$80.00)     | (\$4,600.00)   |
|          | 52150-5950-600 | Lessons                              | (\$3,894.05)      | \$0.00       | \$1,261.93   | (\$1,261.93)  | (\$5,155.98)   |
|          | 52280-5950-600 | Rental Clubs                         | (\$2,090.00)      | \$0.00       | \$110.00     | (\$110.00)    | (\$2,200.00)   |
|          | 52310-5950-600 | Retail                               | (\$44,249.97)     | \$0.00       | \$4,651.32   | (\$4,651.32)  | (\$48,901.29)  |
|          | 53050-5950-220 | Range Pass Revenue                   | (\$26,788.12)     | \$0.00       | \$2,241.90   | (\$2,241.90)  | (\$29,030.02)  |
|          | 56120-5950-100 | City Surcharge R & R                 | (\$29,527.75)     | \$0.00       | \$2,515.44   | (\$2,515.44)  | (\$32,043.19)  |
|          | 60000-5950-600 | COGS - Merchandise - Accessories     | \$26,126.30       | \$2,645.51   | \$0.00       | \$2,645.51    | \$28,771.81    |
|          | 70000-5950-100 | Gross Payroll - Salaried             | \$69,329.44       | \$4,079.67   | \$370.88     | \$3,708.79    | \$73,038.23    |
|          | 70000-5950-900 | Gross Payroll - Salaried             | \$66,551.25       | \$10,973.79  | \$2,868.22   | \$8,105.57    | \$74,656.82    |
|          | 70000-5950-950 | Gross Payroll - Salaried             | \$27,996.64       | \$3,663.72   | \$302.64     | \$3,361.08    | \$31,357.72    |
|          | 70010-5950-100 | Gross Payroll - Hourly               | \$126,195.48      | \$17,951.34  | \$1,639.56   | \$16,311.78   | \$142,507.26   |
|          | 70010-5950-200 | Gross Payroll - Hourly               | \$54,331.00       | \$6,803.41   | \$682.01     | \$6,121.40    | \$60,452.40    |
|          | 70010-5950-600 | Gross Payroll - Hourly               | \$26,311.65       | \$4,013.11   | \$323.71     | \$3,689.40    | \$30,001.05    |
|          | 71000-5950-100 | Payroll Tax - FICA                   | \$13,830.17       | \$1,561.41   | \$144.60     | \$1,416.81    | \$15,246.98    |
|          | 71000-5950-200 | Payroll Tax - FICA                   | \$4,271.27        | \$533.09     | \$54.63      | \$478.46      | \$4,749.73     |
|          | 71000-5950-600 | Payroll Tax - FICA                   | \$2,058.66        | \$316.35     | \$25.44      | \$290.91      | \$2,349.57     |
|          | 71000-5950-900 | Payroll Tax - FICA                   | \$5,603.16        | \$752.23     | \$68.72      | \$683.51      | \$6,286.67     |
|          | 71000-5950-950 | Payroll Tax - FICA                   | \$2,013.21        | \$262.81     | \$21.57      | \$241.24      | \$2,254.45     |
|          | 71010-5950-100 | Payroll Tax - UC                     | \$1,728.45        | \$114.62     | \$0.00       | \$114.62      | \$1,843.07     |
|          | 71010-5950-200 | Payroll Tax - UC                     | \$832.67          | \$90.66      | \$0.00       | \$90.66       | \$923.33       |
|          | 71010-5950-600 | Payroll Tax - UC                     | \$328.05          | \$33.03      | \$0.00       | \$33.03       | \$361.08       |
|          | 71010-5950-900 | Payroll Tax - UC                     | \$237.18          | \$0.00       | \$0.00       | \$0.00        | \$237.18       |

TRIAL BALANCE SUMMARY FOR 2016

The Golf Club at Cypress Head

| Inactive | Account        | Description                      | Beginning Balance | Debit      | Credit     | Net Change | Ending Balance |
|----------|----------------|----------------------------------|-------------------|------------|------------|------------|----------------|
|          | 71010-5950-950 | Payroll Tax - UC                 | \$114.92          | \$0.00     | \$0.00     | \$0.00     | \$114.92       |
|          | 71020-5950-100 | Payroll Tax - WC                 | \$3,514.52        | \$346.72   | \$0.00     | \$346.72   | \$3,861.24     |
|          | 71020-5950-200 | Payroll Tax - WC                 | \$1,012.61        | \$107.84   | \$0.00     | \$107.84   | \$1,120.45     |
|          | 71020-5950-600 | Payroll Tax - WC                 | \$479.12          | \$63.57    | \$0.00     | \$63.57    | \$542.69       |
|          | 71020-5950-900 | Payroll Tax - WC                 | \$1,527.55        | \$174.51   | \$0.00     | \$174.51   | \$1,702.06     |
|          | 71020-5950-950 | Payroll Tax - WC                 | \$496.43          | \$59.08    | \$0.00     | \$59.08    | \$555.51       |
|          | 71030-5950-100 | Benefits                         | \$29,186.27       | \$4,390.08 | \$1,647.82 | \$2,742.26 | \$31,928.53    |
|          | 71030-5950-200 | Benefits                         | \$56.81           | \$54.77    | \$42.35    | \$12.42    | \$69.23        |
|          | 71030-5950-900 | Benefits                         | \$13,816.23       | \$3,223.36 | \$1,446.84 | \$1,776.52 | \$15,592.75    |
|          | 71030-5950-950 | Benefits                         | \$3,357.20        | \$616.68   | \$193.60   | \$423.08   | \$3,780.28     |
|          | 80110-5950-200 | Cart Supplies                    | \$1,313.49        | \$53.31    | \$0.00     | \$53.31    | \$1,366.80     |
|          | 80170-5950-100 | Course Accessories               | \$3,348.91        | \$0.00     | \$0.00     | \$0.00     | \$3,348.91     |
|          | 80230-5950-100 | Fertilizer                       | \$24,317.52       | \$2,534.20 | \$650.40   | \$1,883.80 | \$26,201.32    |
|          | 80270-5950-100 | Fuel                             | \$7,955.83        | \$1,168.02 | \$0.00     | \$1,168.02 | \$9,123.85     |
|          | 80280-5950-100 | Fungicides                       | \$4,483.27        | \$248.55   | \$0.00     | \$248.55   | \$4,731.82     |
|          | 80320-5950-100 | Herbicides                       | \$14,450.52       | \$0.00     | \$0.00     | \$0.00     | \$14,450.52    |
|          | 80370-5950-100 | Insecticides                     | \$16,998.55       | \$6,434.20 | \$0.00     | \$6,434.20 | \$23,432.75    |
|          | 80380-5950-900 | Janitorial Supplies              | \$1,949.26        | \$342.12   | \$0.00     | \$342.12   | \$2,291.38     |
|          | 80420-5950-900 | Laundry/Uniforms                 | \$238.12          | \$0.00     | \$0.00     | \$0.00     | \$238.12       |
|          | 80520-5950-600 | Office Supplies                  | \$860.32          | \$0.00     | \$0.00     | \$0.00     | \$860.32       |
|          | 80520-5950-900 | Office Supplies                  | \$2,267.22        | \$257.05   | \$52.12    | \$204.93   | \$2,472.15     |
|          | 80610-5950-220 | Range Balls                      | \$2,515.00        | \$0.00     | \$0.00     | \$0.00     | \$2,515.00     |
|          | 80620-5950-220 | Range Equipment                  | \$1,149.15        | \$0.00     | \$0.00     | \$0.00     | \$1,149.15     |
|          | 80690-5950-100 | Sand/Topdress                    | \$4,804.62        | \$1,423.41 | \$0.00     | \$1,423.41 | \$6,228.03     |
|          | 80710-5950-100 | Seeds/Trees                      | \$4,400.00        | \$0.00     | \$0.00     | \$0.00     | \$4,400.00     |
|          | 80730-5950-100 | Small Tools                      | \$660.65          | \$542.01   | \$0.00     | \$542.01   | \$1,202.66     |
|          | 80780-5950-600 | Supplies                         | \$877.50          | \$0.00     | \$0.00     | \$0.00     | \$877.50       |
|          | 80810-5950-600 | Tournament Expense               | (\$537.43)        | \$6,334.54 | \$6,184.88 | \$149.66   | (\$387.77)     |
|          | 81010-5950-900 | Alarm System                     | \$2,386.50        | \$134.00   | \$0.00     | \$134.00   | \$2,520.50     |
|          | 81090-5950-200 | Cart Repairs                     | \$33.11           | \$0.00     | \$0.00     | \$0.00     | \$33.11        |
|          | 81130-5950-900 | Computer Service                 | \$1,833.06        | \$261.26   | \$0.00     | \$261.26   | \$2,094.32     |
|          | 81200-5950-900 | Guest Relations                  | \$31.94           | \$0.00     | \$0.00     | \$0.00     | \$31.94        |
|          | 81220-5950-600 | Handicap Expense                 | \$4,173.50        | \$0.00     | \$0.00     | \$0.00     | \$4,173.50     |
|          | 81250-5950-100 | Irrigation                       | \$4,965.26        | \$523.00   | \$71.16    | \$451.84   | \$5,417.10     |
|          | 81350-5950-100 | Repair & Maint - Equipment       | \$18,326.20       | \$852.23   | \$0.00     | \$852.23   | \$19,178.43    |
|          | 81350-5950-900 | Repair & Maint - Equipment       | \$2,107.94        | \$517.50   | \$0.00     | \$517.50   | \$2,625.44     |
|          | 81360-5950-100 | Repair & Maint - Building        | \$10.42           | \$0.00     | \$0.00     | \$0.00     | \$10.42        |
|          | 81360-5950-900 | Repair & Maint - Building        | \$2,704.98        | \$115.31   | \$0.00     | \$115.31   | \$2,820.29     |
|          | 82000-5950-200 | Cart Lease                       | \$42,845.36       | \$5,355.67 | \$0.00     | \$5,355.67 | \$48,201.03    |
|          | 82020-5950-100 | Equipment Lease                  | \$39,090.00       | \$4,886.25 | \$0.00     | \$4,886.25 | \$43,976.25    |
|          | 82060-5950-900 | Off-Site Storage                 | \$1,344.00        | \$168.00   | \$0.00     | \$168.00   | \$1,512.00     |
|          | 83000-5950-100 | Utilities - Electric             | \$1,772.16        | \$243.11   | \$0.00     | \$243.11   | \$2,015.27     |
|          | 83000-5950-200 | Utilities - Electric             | \$6,917.12        | \$956.46   | \$0.00     | \$956.46   | \$7,873.58     |
|          | 83020-5950-100 | Utilities - Other                | \$17,655.90       | \$3,105.45 | \$0.00     | \$3,105.45 | \$20,761.35    |
|          | 83020-5950-900 | Utilities - Other                | \$18,688.04       | \$2,647.96 | \$0.00     | \$2,647.96 | \$21,336.00    |
|          | 83030-5950-100 | Utilities - Telephone/Fax        | \$799.60          | \$100.94   | \$0.00     | \$100.94   | \$900.54       |
|          | 83030-5950-900 | Utilities - Telephone/Fax        | \$934.18          | \$308.04   | \$0.00     | \$308.04   | \$1,242.22     |
|          | 83050-5950-100 | Utillties - Water                | \$2,092.01        | \$283.17   | \$0.00     | \$283.17   | \$2,375.18     |
|          | 84030-5950-950 | Adv/Promo - Local/Regional Print | \$700.00          | \$0.00     | \$0.00     | \$0.00     | \$700.00       |
|          | 84040-5950-950 | Adv/Promo - Mktg/Bus Dev         | \$11,886.54       | \$1,330.57 | \$0.00     | \$1,330.57 | \$13,217.11    |
|          | 84110-5950-950 | Adv/Promo - Website              | \$0.00            | \$2,100.00 | \$0.00     | \$2,100.00 | \$2,100.00     |
|          | 85020-5950-900 | Bank Charges                     | \$4,104.87        | \$523.92   | \$0.00     | \$523.92   | \$4,628.79     |
|          | 85050-5950-900 | Cash Short/(Over)                | (\$327.51)        | \$125.80   | \$197.96   | (\$72.16)  | (\$399.67)     |
|          | 85060-5950-900 | Cell Phone                       | \$1,350.00        | \$150.00   | \$0.00     | \$150.00   | \$1,500.00     |
|          | 85070-5950-900 | City Surcharge R & R             | \$29,527.75       | \$2,515.44 | \$0.00     | \$2,515.44 | \$32,043.19    |
|          | 85110-5950-900 | Copier/Photocopies               | \$17.72           | \$624.26   | \$0.00     | \$624.26   | \$641.98       |
|          | 85120-5950-900 | Credit Card Discounts            | \$18,878.12       | \$1,850.33 | \$0.00     | \$1,850.33 | \$20,728.45    |
|          | 85140-5950-900 | Donations                        | (\$266.95)        | \$57.00    | \$57.00    | \$0.00     | (\$266.95)     |
|          | 85150-5950-900 | Dues & Subscriptions             | \$505.00          | \$534.00   | \$0.00     | \$534.00   | \$1,039.00     |
|          | 85160-5950-100 | Education & Training             | \$375.00          | \$0.00     | \$0.00     | \$0.00     | \$375.00       |
|          | 85160-5950-900 | Education & Training             | \$150.00          | \$0.00     | \$0.00     | \$0.00     | \$150.00       |
|          | 85190-5950-900 | Employee Relations               | \$1,319.87        | \$84.42    | \$84.42    | \$0.00     | \$1,319.87     |
|          | 85200-5950-100 | Employee Testing                 | \$409.40          | \$0.00     | \$0.00     | \$0.00     | \$409.40       |

| Inactive      | Account        | Description                      | Beginning Balance | Debit      | Credit       | Net Change   | Ending Balance |
|---------------|----------------|----------------------------------|-------------------|------------|--------------|--------------|----------------|
|               | 85280-5950-900 | Insurance Expense                | \$30,867.12       | \$7,263.82 | \$3,405.37   | \$3,858.45   | \$34,725.57    |
|               | 85320-5950-900 | Member Relations                 | \$64.50           | \$0.00     | \$0.00       | \$0.00       | \$64.50        |
|               | 85330-5950-900 | Messenger Service - Fedex        | \$191.67          | \$23.69    | \$0.00       | \$23.69      | \$215.36       |
|               | 85340-5950-900 | Miscellaneous                    | (\$35.64)         | \$0.00     | \$0.00       | \$0.00       | (\$35.64)      |
|               | 85340-5950-950 | Miscellaneous                    | \$900.00          | \$0.00     | \$0.00       | \$0.00       | \$900.00       |
|               | 85390-5950-900 | O/S - Accounting                 | \$12,000.00       | \$0.00     | \$0.00       | \$0.00       | \$12,000.00    |
|               | 85420-5950-900 | O/S - Legal-Mgmt Contracts       | \$0.00            | \$56.00    | \$0.00       | \$56.00      | \$56.00        |
|               | 85430-5950-100 | O/S - Other                      | \$3,600.00        | \$1,800.00 | \$0.00       | \$1,800.00   | \$5,400.00     |
|               | 85430-5950-900 | O/S - Other                      | \$350.00          | \$0.00     | \$0.00       | \$0.00       | \$350.00       |
|               | 85480-5950-900 | Payroll Processing Fee           | \$7,803.40        | \$1,012.09 | \$215.82     | \$796.27     | \$8,599.67     |
|               | 85490-5950-900 | Postage/Shipping                 | \$496.65          | \$81.34    | \$0.00       | \$81.34      | \$577.99       |
|               | 85610-5950-100 | Tax/Licenses/Fees                | \$300.00          | \$0.00     | \$0.00       | \$0.00       | \$300.00       |
|               | 85610-5950-900 | Tax/Licenses/Fees                | \$75.00           | \$0.00     | \$30.00      | (\$30.00)    | \$45.00        |
|               | 85710-5950-900 | Travel - Meals                   | \$1,514.95        | \$44.52    | \$0.00       | \$44.52      | \$1,559.47     |
|               | 85720-5950-900 | Travel - Other                   | \$6,179.39        | \$1,021.88 | \$0.00       | \$1,021.88   | \$7,201.27     |
|               | 85720-5950-950 | Travel - Other                   | \$112.32          | \$0.00     | \$0.00       | \$0.00       | \$112.32       |
|               | 90000-5950-900 | Management Fee                   | \$45,702.80       | \$5,712.85 | \$0.00       | \$5,712.85   | \$51,415.65    |
|               | 98020-5950-900 | Deprec - Mach & Equip            | \$294.96          | \$36.87    | \$0.00       | \$36.87      | \$331.83       |
|               | 98040-5950-900 | Deprec - Buildings               | \$931.92          | \$116.74   | \$0.00       | \$116.74     | \$1,048.66     |
|               | RCMWD-5950-100 | Rounds - Complimentary - Weekday | 11,154.00         | 115.00     | 0.00         | 115.00       | 11,269.00      |
|               | REMWD-5950-100 | Rounds - Employee - Weekday      | 17,459.00         | 109.00     | 0.00         | 109.00       | 17,568.00      |
|               | RMBWD-5950-100 | Rounds - Member - Weekday        | 62,756.00         | 519.00     | 0.00         | 519.00       | 63,275.00      |
|               | RPKWD-5950-100 | Rounds - Peak - Weekday          | 329,951.00        | 2,360.00   | 0.00         | 2,360.00     | 332,311.00     |
|               | RPKWE-5950-100 | Rounds - Peak - Weekend          | 5,071.00          | 0.00       | 0.00         | 0.00         | 5,071.00       |
| Grand Totals: |                |                                  | 144               | \$0.00     | \$456,925.47 | \$456,925.47 | \$0.00         |



July 20th, 2017

Robin Fenwick  
City of Port Orange  
100 City Center Circle  
Port Orange, FL 32129

Dear Ms. Fenwick,

The following is the financial and operational summary report for June 2017 at Cypress Head Golf Club.

| FINANCIAL SUMMARY FOR MONTH ENDING June 2017 |             |             |                     |     |              |              |            |                     |
|----------------------------------------------|-------------|-------------|---------------------|-----|--------------|--------------|------------|---------------------|
|                                              | Current     |             |                     |     | Year to Date |              |            |                     |
|                                              | Actual      | Budget      | Variance vs. Budget |     | Actual       | Budget       | Prior Year | Variance vs. Budget |
| Revenue                                      |             |             |                     |     |              |              |            |                     |
| Green Fees                                   | \$ 39,879   | \$ 40,664   | \$ (785)            |     | \$ 559,618   | \$ 524,537   | \$ 499,421 | \$ 35,081           |
| Cart Fees                                    | \$ 28,611   | \$ 29,975   | \$ (1,364)          |     | \$ 392,887   | \$ 382,470   | \$ 365,864 | \$ 10,417           |
| Range                                        | \$ 2,242    | \$ 3,085    | \$ (843)            |     | \$ 29,030    | \$ 26,901    | \$ 27,472  | \$ 2,129            |
| Pro- Shop Revenues                           | \$ 6,103    | \$ 4,799    | \$ 1,304            |     | \$ 60,857    | \$ 55,444    | \$ 53,464  | \$ 5,413            |
| City Surcharge R/R                           | \$ 2,515    | \$ 2,566    | \$ (51)             |     | \$ 32,043    | \$ 32,061    | \$ 29,747  | \$ (18)             |
| Total Revenue                                | \$ 79,350   | \$ 81,089   | \$ (1,739)          |     | \$ 1,074,435 | \$ 1,021,413 | \$ 975,968 | \$ 53,022           |
|                                              |             |             |                     |     |              |              |            |                     |
| Cost of Sales                                | \$ 2,646    | \$ 3,030    | \$ (384)            | 56% | \$ 28,772    | \$ 31,720    | \$ 29,055  | \$ (2,948)          |
| Merchandise                                  | \$ 2,646    | \$ 3,030    | \$ (384)            |     | \$ 28,772    | \$ 31,720    | \$ 29,055  | \$ (2,948)          |
| Gross Margin                                 | \$ 76,704   | \$ 78,059   | \$ (1,355)          |     | \$ 1,045,663 | \$ 989,693   | \$ 946,913 | \$ 55,970           |
|                                              |             |             |                     |     |              |              |            |                     |
| Total Payroll                                | \$ 50,353   | \$ 55,305   | \$ (4,952)          |     | \$ 505,533   | \$ 510,294   | \$ 488,468 | \$ (4,761)          |
|                                              |             |             |                     |     |              |              |            |                     |
| Total Operating Expenses                     | \$ 50,046   | \$ 46,466   | \$ 3,580            |     | \$ 443,859   | \$ 430,656   | \$ 405,538 | \$ 13,203           |
|                                              |             |             |                     |     |              |              |            |                     |
| Net Operating Income                         | \$ (23,693) | \$ (23,712) | \$ 19               |     | \$ 96,272    | \$ 48,763    | \$ 52,927  | \$ 47,509           |
|                                              |             |             |                     |     |              |              |            |                     |
| Other Expenses                               | \$ 5,867    | \$ 6,208    | \$ (341)            |     | \$ 52,796    | \$ 55,872    | \$ 56,501  | \$ (3,076)          |
| Management Fee                               | \$ 5,713    | \$ 5,827    | \$ (114)            |     | \$ 51,416    | \$ 52,443    | \$ 53,072  | \$ (1,027)          |
| Interest Expense                             | \$ -        | \$ -        | \$ -                |     | \$ -         | \$ -         | \$ -       | \$ -                |
| Depreciation                                 | \$ 154      | \$ 381      | \$ 545              |     | \$ 1,380     | \$ 3,429     | \$ 3,429   | \$ (2,049)          |
| Net Cash From Ops                            | \$ (29,560) | \$ (29,920) | \$ 360              |     | \$ 43,476    | \$ (7,109)   | \$ (3,574) | \$ 50,585           |
|                                              |             |             |                     |     |              |              |            |                     |
| Rounds                                       |             |             |                     |     |              |              |            |                     |
| Total Rounds                                 | 3,103       | 3,461       | (358)               |     | 38,872       | 36,177       | 36,201     | 2,695               |
| Avg. Green Fee/Cart Fee                      | \$22.07     | \$20.41     | \$ 1.66             |     | \$24.50      | \$25.07      | \$23.90    | \$ (0.57)           |
| Avg. Merchandise/round                       | \$1.97      | \$1.39      | \$ 0.58             |     | \$1.57       | \$1.53       | \$1.48     | \$ 0.03             |

### **Overview:**

- Overall revenues for June finished at \$79,351 versus a budgeted amount of \$81,089. The range revenue was negative for \$843 relative to the budgeted amount for the month. The pro shop and merchandise sales were \$1,304 over the projected budgeted amount.
- Total payroll for the month was lower than the projected budgeted amount, for a savings of \$4,952.
- Our operating expenses were slightly over the projected budget by \$3,580 for the month.
- The month of June is the ninth month in our fiscal year with the revenues being ahead of budget by \$53,022 as we continue to offer exceptional customer service and outstanding course conditions. Total payroll YTD is under the projected budget by \$4,761 with total expenses being over budget by \$13,203 mostly due to the additional expenses required for herbicides, fertilizers, insecticides and topdressing materials to maintain the conditions of the putting greens.
- The seven month drought for Central Florida ended in June. We received over 9 inches of rain during the month with 7 days of cart path restricted play. Unfortunately, this reduces the amount of players and rounds due to an older population who will not play with limited access to the course.
- We also performed an aerification of the greens which also had an effect with reducing rounds due to top dressed surfaces affecting playing conditions.
- Even with all the challenges for the month we were able to attain 98% of the revenue budget.

### **R&R Projects:**

- There were no projects for the month of June.

### **Tee Sheet Activity:**

- There were 3,103 total rounds for the month which included 2,360 paid rounds, 519 Annual with Cypress Pass member rounds and 224 other rounds. The round type for the month included 2429 eighteen hole rounds and 494 nine hole rounds.
- The Golf staff continues to monitor daily tee sheet activity and they are trained to recognize underutilization of the tee sheet and offer promotional prices through the website to increase the number of potential players.

### **June 2017 and YTD rounds mix:**

| <b>Type</b>         | <b>Actual</b> | <b>Budget</b> | <b>Month- P.Y.</b> | <b>Y.T.D</b> | <b>P.Y-Y.T.D</b> |
|---------------------|---------------|---------------|--------------------|--------------|------------------|
| <b>Paid</b>         | <b>2360</b>   | <b>2900</b>   | <b>2360</b>        | <b>30170</b> | <b>29973</b>     |
| Annual              | 519           | 331           | 590                | 6571         | 4143             |
| Other rounds        | 224           | 231           | 210                | 2131         | 2061             |
| <b>Total Rounds</b> | <b>3103</b>   | <b>3461</b>   | <b>3160</b>        | <b>38872</b> | <b>36177</b>     |

### **Departmental Summaries:**

#### **Course & Grounds/Range**

- In regards to the maintenance department, because of the heavy amount of rain during this month, the regular schedule involving the mowing patterns for the golf course was affected. Some areas that were very wet could not sustain the equipment so to prevent any damage to the course or the equipment there were some locations that were not able to be mowed.
- A foliar application of nutrients was distributed over the entire golf course. A light granular fertilizer and an insecticide were also applied to the greens.

- We performed a large tine aerification of the greens in June which was necessary to help control the buildup of thatch, alleviate soil compaction and promote root growth. This process does require a large amount of topdressing materials and does affect the playability of the golf course for several days.
- The maintenance team is continuing with projects on the golf course including spot spraying for weeds, detailing the edges of cart paths, tee sign beds and bunkers.

### Golf Shop/Carts

- New merchandise continues to arrive and is regularly updated to enhance the professional nature of the golf shop and help promote merchandise sales. Vendors include Horn Legend, Footjoy, Titleist, Callaway, Bridgestone, Bermuda Sands, Ahead headwear and St Andrews products. There was \$1,315 in gift card sales purchased for the month as well as over \$4,651 in pro-shop sales.
- We continue to follow all regular maintenance procedures regarding the cart fleet which includes registering monthly totals for battery amperage and mileage as well as proper watering of all batteries to protect all warranties associated with the fleet. In addition to the monthly process our carts are inspected daily for any damage which may have occurred during normal play. We continue to be committed to providing quality carts for the enjoyment of all our players.
- The staff at Cypress Head Golf Course continues to offer lesson packages for beginners as well as advanced players. In conjunction with the Kemper Sports Player Development initiatives, we offered a Golf Get Ready program for all levels of golfers from beginners to skilled players.
- The MGA, the WGA and our summer leagues continue to play on a weekly basis and continue to be well attended. We also host a weekly Homeowner's Nine & Dine event where the players enjoy nine holes of golf followed by dinner at the Tavern.

## **Marketing and Sales:**

- Ms. Reggie Hunter, our Director of Sales & Marketing, is focusing on booking tournament events and she hosted a “How to run a successful Golf Tournament” seminar which was well attended.
- We are continuing our involvement with Daytona CVB, Golf Pac, and Tee-Times USA along with other National wholesaler and Golf Now to maximize utilization of our tee sheet.
- We continue to maintain our database of emails with over 10,200 unique e-mail addresses. The golf staff continues to register player profiles including residency, phone numbers and proper classifications of all players. This process will allow us an opportunity to offer promotions to our database to experience all that Cypress Head has to offer.
- Ms. Hunter continues to cultivate her relationships in the community by her continued involvement in the POSD Chamber, POSD Ambassadors program, Daytona Beach Chamber, SEV Chamber and the POSD Rotary club.
- During the month of June we hosted the 31<sup>st</sup> Annual Mayor’s Tournament with a full complement of players. All the participants enjoyed the day even though the heavy rains required a cart path only scenario. The event benefitted the Parks & Recreation programs for the city of Port Orange.
- We hosted multiple programs for the month of June in connection with Player Development initiatives from Kemper Sports. There was a great response from new players who took advantage of learning the game of golf as well as enjoying all that Cypress Head has to offer.
- We continue to have our Junior Summer program in place including summer camps, junior clinics and our “Kids Play Free” initiative. The information has been shared with the Parks & Recreation department for distribution by the city of Port Orange. All of us here at Cypress Head are committed to assisting our junior golfers and increasing our presence in the community.
- We continue to increase our visibility on various social media platforms such as Facebook, twitter and Instagram.

## Mindshare Reviews and Comments:

Report run: 7/20/2017 1:19 PM MDT

Data current as of: 7/20/2017 12:40 PM MDT

### REPORT CRITERIA

Date of Survey: 6/1/17 - 6/30/17

Select level: Cypress Head

Number of Surveys: 5

|                     | # | Zip Code | Date Golfer | Date of Survey | Tee Time | Overall Rating | Service Rating | Course Rating | Food Rating | Recommend Rating | NPS          | Overall Rating w/o F&B | Comments                                                                      |  |
|---------------------|---|----------|-------------|----------------|----------|----------------|----------------|---------------|-------------|------------------|--------------|------------------------|-------------------------------------------------------------------------------|--|
| <b>Totals</b>       |   |          |             |                |          | <b>9.5</b>     | <b>9.6</b>     | <b>9.0</b>    | <b>10.0</b> | <b>9.8</b>       | <b>100.0</b> | <b>9.5</b>             |                                                                               |  |
| <b>Cypress Head</b> |   |          |             |                |          | <b>9.5</b>     | <b>9.6</b>     | <b>9.0</b>    | <b>10.0</b> | <b>9.8</b>       | <b>100.0</b> | <b>9.5</b>             |                                                                               |  |
| <b>Golf</b>         |   |          |             |                |          | <b>9.5</b>     | <b>9.6</b>     | <b>9.0</b>    | <b>10.0</b> | <b>9.8</b>       | <b>100.0</b> | <b>9.5</b>             |                                                                               |  |
|                     | 1 | 32701    | 5/26/17     | 6/1/17         | 9:24 AM  | 9.5            | 10             | 8             | 10          | 10               | 100          | 9.3                    |                                                                               |  |
|                     | 2 | 32136    | 5/30/17     | 6/1/17         | 7:36 AM  | 10.0           | 10             | 10            | 10          | 10               | 100          | 10                     | A little costly for non-city players.                                         |  |
|                     | 3 | 32127    | 5/25/17     | 6/1/17         | 2:18 PM  | 8.7            | 8              | 9             |             | 9                | 100          | 8.7                    |                                                                               |  |
|                     | 4 | 32128    | 6/2/17      | 6/4/17         | 1:06 PM  | 9.7            | 10             | 9             |             | 10               | 100          | 9.7                    |                                                                               |  |
|                     | 5 | 32128    | 6/2/17      | 6/5/17         | 7:27 AM  | 9.7            | 10             | 9             |             | 10               | 100          | 9.7                    | Continue to remove Palmetto plants that are in, or to near the place of play. |  |

- There were over 300 questionnaires mailed out to players during the month with an overall rating for the golf course receiving a 9.5. We also received a recommended rating of 9.8 and our service rating is at 9.6.
- We continue to assist all players by helping them to enjoy their experience here at Cypress Head. There were some reviews that had constructive ideas to help us improve in some areas which we will evaluate as a team. The comments returned by the players in this avenue are useful tools in helping our maintenance and golf staff team improve. We also review all negative comments and they are discussed by our team and if required we will contact the individual to help us better understand their concerns. Players also have access to a suggestion box which is located at the clubhouse near the Men's and Ladies bulletin boards.



**Corporate Support:**

- Kemper Sports Center for Excellence – Ongoing resource. We have been participating in monthly webinars designed to share best practices used at Kemper properties throughout the country.

**Insights:**

- Due to the success of the Kemper sponsored player development programs, we will continue to offer junior clinic every Saturday and we have another summer camp clinic scheduled during July. These programs are designed to introduce new players to the game of golf and to experience all that Cypress Head has to offer.
- Cypress Head is very excited about hosting the Volusia Flagler Junior Golf Association tournament in July. We are anticipating 40-60 junior golfers ranging in age from 7-12 to participate in this yearly event.

Respectfully Submitted,

Bob Duquette, PGA

General Manager  
The Golf Club at Cypress Head.

## WORKING DOCUMENT

### Position Paper and Recommendation to the Port Orange City Council Regarding the Cypress Head Golf Course

Prepared by the City of Port Orange Golf Advisory Board

#### **Introduction and Purpose**

The Golf Course Advisory Board was established by the City Council of the City of Port Orange on April 19, 2016. The stated purpose of the board is to advise and assist the City Council on matters related to the municipal golf course (Ordinance No. 2016-4). Based on the Master Development Agreement and the Planned Unit Development agreement for the Cypress Head (formerly Spruce Hammocks) development, the city is obligated to maintain the golf course property within Cypress Head as a golf course until the year 2022. Additionally, the city has entered into a golf course management contract with Kemper Sports, which runs for a period of three years with an optional two year extension. Consequently, the Kemper contract has the potential to run until the same year, 2022, when the city's obligation ends. The purpose of this paper, then, is to provide alternatives and recommendations to the city council regarding the following issues:

1. The future of the golf course property subsequent to 2022.
2. Management of the golf course, should the city decide to retain the property as a municipal golf course into the future.

These issues will be discussed in detail, and recommendations presented, in the following sections of this paper.

#### **Future of the Golf Course Property**

As stated earlier the City of Port Orange is obligated to maintain the Cypress Head golf course until the year 2022. After that time, the advisory board believes there are three options that can be pursued:

**Option 1** – Continue to maintain the golf course as a municipal golf course open to the public. If this option is chosen, follow-on decisions must be made regarding the future management of the course.

#### **Considerations –**

### **Recommendation -**

**Option 2** – Discontinue maintenance of the golf course and let the property go to open space within the Cypress Head community.

### **Considerations –**

### **Recommendation -**

**Option 3** – Discontinue maintenance of the golf course and repurpose the property into an alternate use. The board believes that would require a rezoning (?) effort.

### **Considerations –**

### **Recommendation -**

### **Maintenance of the Golf Course (If Option 1 is Chosen)**

If the Port Orange City Council chooses to continue to maintain the golf course as a municipal course, a decision must be made regarding the continued maintenance and operation of the course. The board believes that there are at least four options which can be pursued:

**Option 1** – Renewal of the Kemper contract

**Option 2** – Submit a request for proposal in order to solicit bids from management companies (including Kemper if they desire to bid).

**Option 3** – Manage the course directly by hiring a director of golf and sufficient staff to perform all of the functions.

**Option 4** – Undertake a hybrid approach of some combination of options 2 and 3