REVISED AGENDA

GOLF COURSE BOARD OF DIRECTORS

CITY OF PORT ORANGE

Meeting Date: Tuesday, March 1, 2016

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. DISCUSSION/ACTION

2. Consideration of Minutes - December 1, 2015
3. FY2015 Audit
4. Financial Reports
5. Evaluation Reports
6. Proposed Ordinance Establishing the Golf Course Advisory Board

C. PUBLIC COMMENTS

D. ADJOURNMENT

ANY PERSON WHO DECIDES TO APPEAL ANY DECISION MADE BY THE **GOLF COURSE BOARD OF DIRECTORS** 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 ANY 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, 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 1-800-955-8771.

GOLF COURSE BOARD OF DIRECTORS REGULAR MEETING MINUTES
CITY MANAGER'S CONFERENCE ROOM
1000 CITY CENTER CIRCLE
PORT ORANGE, FL
DECEMBER 1, 2015

The Regular Meeting of the Golf Course Board of Directors was called to order by Chairman Ford at 5:00 p.m.

Present:	Bob Ford, Councilman/Board Member Jake Johansson, City Manager/Board Member
Also Present:	Tracey Riehm, Finance Director Susan Lovallo, Parks & Rec Director Bob Duquette, KemperSports Matthew Jones, Assistant City Attorney Theresa Gutierrez, Deputy City Clerk

B. APPROVAL OF MINUTES

2. Regular Meeting – November 3, 2015

Motion was made by Mr. Johansson, and seconded by Chairman Ford, to approve the minutes from the November 3, 2015 meeting. Motion carried unanimously by voice vote.

3. Financial Report – October 2015

Bob Duquette, KemperSports, provided the financial report for October 2015. Mr. Duquette said the year to date numbers are exactly the same since that was the first month. There were 270 rounds for the month of October which included the grand reopening.

Motion to approve the financial report by Mr. Johansson, and seconded by Chairman Ford. Motion carried unanimously by voice vote.

4. Evaluation Report –October 2015

Mr. Duquette said the restaurant/bar, banquet room, kitchen, restrooms and hallway are all the responsibility of the restaurant. KemperSports does not have keys/access to those specific areas. Discussion ensued regarding whether to pull the tavern out as a separate entity. Chairman Ford stated that he will bring this issue to the Council's attention for discussion.

Chairman Ford mentioned the consolidated reporting. Mr. Noftall asked why the golf course does not have cash flows with regard to credit cards. Chairman Ford said they had suggested a unified report.

Tracey Riehm, Finance Director, explained the process of credit cards and stated that after the 451 Fund is closed and the fiscal year is closed it will be together and reconciled. The 450 fund will take care of the activities at the golf course.

All the new lighting was discussed which was hoped to create more interest in the evenings; however, the activity is more for the breakfast and lunch crowds.

GOLF ADVISORY BOARD DISCUSSION

Chairman Ford discussed altering the nature of this Board to broaden the appeal and change its direction and opened the floor for discussion; stating that it was an advisory board back in 1992.

Matthew Jones, Assistant City Attorney, discussed the possibility of making the Board an Advisory Board, now that the issues of the liquor license are over. Discussion ensued regarding the liquor license in the past. Chairman Ford thinks there needs to be representation which the Board of Directors may wish to do in the future. Chairman Ford thinks there is a lack of input from the community and golfers, and believes that we would prosper by opening up a larger Advisory Board so concerns could be addressed.

Mr. Johansson said there are people that live outside of Cypress Head that feel like they have limited say to public cost. He thought by having an advisory board of people from the community, a cross-section of Port Orange – not a Council member or the City Manager, it would show them who is advising, and would ask this idea be entertained.

Chairman Ford stated that this discussion needs time, thought and Council participation.

Alan Angelone, citizen, asked how large the Board would be, how much empowerment they would have, and how it is different than what they have now. Discussion ensued regarding size and cross section of the community and how the community has a voice.

Ms. Lovallo explained that an advisory board goes to Council to make recommendations, approval of expenditures, and how the Advisory Board as a group decides on how the golf course is run.

Chairman Ford brought up the issue with the Sunshine Law and the inability to discuss the subject with the City Manager. By setting up the Advisory Board, it does have impact upon communication patterns, and he would like to see a traditional seven member board with a member of Council and suggested Ms. Lovallo being a member, and said it is valuable to hear upfront about the golf course, and if Staff will be a Board member or just support. He suggested due to sunshine that they are support.

Mr. Jones discussed Ms. Lovallo becoming an Ex-Officio member to the board.

Mr. Angelone would like to have the golf board goals established and that they are very clearly understood so that the board knows.

Bob White, citizen, agreed with Mr. Angelone with clearly defining responsibilities.

Mr. Johansson mentioned the passes and that they will probably still happen. Coming up with a good idea, staff is not ever going to shy away from good work to make an idea stick. He thinks having a council member will provide direction.

Chairman Ford asked about the awning. Ms. Lovallo said the City was responsible for it.

Mr. Angelone asked if there is enough money in the budget for some rangers actively out there. Mr. Duquette said the biggest issue is that some people feel as if they can drive right up to the green due to being disabled. He has spoken to staff about proper markings displaying the right locations and to keep the rangers out so that they know what to do and what not to do. Rangers are currently out on Fridays, Saturdays and Sundays. Mr. Angelone said that he has seen a lot of violators.

Mr. Jones said they will leave this Board as-is while creating an advisory board and will come back with a sample ordinance.

Mr. Noftall suggested the board create its own schedule of meeting times.

Ms. Lovallo recommended going quarterly with special meetings called if needed. City Manager Johansson agreed. There will be no gap between this Board and the Advisory Board.

Chairman Ford suggested the process will take a couple of months – probably until March.

C. PUBLIC COMMENTS: There were none.

D. ADJOURNMENT: 4:47 p.m.

____
Bob Ford, Chairman

James Moore
Certified Public Accountants and Consultants

December 11, 2015

To the Golf Board, Honorable Mayor,
and City Council of the City of Port Orange, Florida

We have audited the financial statements of Agreement for Golf Course Management Services at Cypress Head ("the Golf Course") as of and for the year ended September 30, 2015, and have issued our report thereon dated December 11, 2015. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated April 3, 2015, our responsibility, as described by professional standards, is to form and express an opinions about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in conformity with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the Golf Course solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

We have provided our findings regarding significant control deficiencies over financial reporting and material noncompliance, and other matters noted during our audit in a separate letter to you dated December 11, 2015.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

121 Executive Circle
Daytona Beach, FL 32114-1180
Telephone: 386/257-4100
Fax: 386/255-3261
dab@jmco.com

5931 NW 1st Place
Gainesville, FL 32607-2063
Telephone: 352/378-1331
Fax: 352/372-3741
gnv@jmco.com

2477 Tim Gamble Place, Suite 200
Tallahassee, FL 32308-4386
Telephone: 850/386-6184
Fax: 850/422-2074
tlh@jmco.com

Compliance with All Ethics Requirements Regarding Independence

The engagement teams, others in our firm, as appropriate, and our firm have complied with all relevant ethical requirements regarding independence. We have applied various safeguards to eliminate identified threats to independence or reduce them to an acceptable level

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the Golf Course is included in Note 1 to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during the year ended September 30, 2015. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimate affecting the financial statements is depreciation expense. Management's estimate of depreciation expense is based on the Golf Course's estimate of useful lives of capital assets. We evaluated the key factors and assumptions used to develop the estimate and determined that it is reasonable in relation to the basic financial statements taken as a whole and in relation to the applicable opinion units.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the Golf Course's financial statements relate to note 3 due to disclosure of related party transactions with the City of Port Orange, Florida and Kempers Sport Management.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole. The attached schedule summarizes uncorrected financial statement misstatements whose effects in the current and prior periods, as determined by management, are immaterial, both individually and in the aggregate, to the financial statements taken as a whole and each applicable opinion unit.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. None of the misstatements identified by us as a result of our audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole or applicable opinion units.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the Golf Course’s financial statements or the auditor’s report. No such disagreements arose during the course of the audit.

Representations Requested from Management

We have requested certain written representations from management, which are included in a letter dated December 11, 2015.

Management’s Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with the Golf Course, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the Golf Course’s auditors. In addition, during our audit we became aware of several matters that are an opportunity for strengthening internal polices and operating efficiency. The following is our comments and suggestions concerning these matters:

PRIOR YEAR COMMENTS

Journal Entry Documentation – ***Corrective Action Taken***

Documentation for Cash Disbursements – ***Corrective Action Taken***

CURRENT YEAR COMMENTS

Management Agreement Modification

Kemper Sport's management agreement with the City of Port Orange expires in October 1, 2017, to operate the golf course, clubhouse, pro shop and restaurant. Effective October 1, 2015, the City contracted with a third party vendor to operate the restaurant. We noted there was an amendment to the management agreement to reflect this change in operations and a reduction in the fixed management fee by 24%. However, the amendment did not address the incentive management fee in section 3B.

The Golf Course's response to the findings identified in our audit is included in the body of this report. We did not audit the Golf Course's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the Board of Directors and management of the Agreement for Golf Course Management Services at Cypress Head and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

James Moore & Co., P.L.

JAMES MOORE & CO., P.L

Proposed JE # 3			
To reverse prior year PAJE 4. No other PAJE''s from PY have a current year effect.			
49020-5950-900	Retained Earnings - Current	1,877.00	
71030-5950-100	Benefits		1,486.00
85720-5950-100	Travel - Other		391.00
Total		**1,877.00**	**1,877.00**

Proposed JE # 4			
To reverse O/S-Accounting expenses not accrued in PY			
49020-5950-900	Retained Earnings - Current	3,000.00	
30000-5950-900	Accts Pay - Trade		3,000.00
Total		**3,000.00**	**3,000.00**

AGREEMENT FOR GOLF COURSE MANAGEMENT SERVICES AT CYPRESS HEAD

FINANCIAL STATEMENTS

SEPTEMBER 30, 2015

AGREEMENT FOR GOLF COURSE MANAGEMENT SERVICES AT CYPRESS HEAD
TABLE OF CONTENTS
SEPTEMBER 30, 2015

INDEPENDENT AUDITORS' REPORT

To the Golf Board, Honorable Mayor, and City Council of the
City of Port Orange, Florida:

Report on the Financial Statements

We have audited the accompanying financial statements of the Agreement for Golf Course Management Services at Cypress Head (Cypress Head Golf Club) as of and for the year ended September 30, 2015, and the related notes to the financial statements, which collectively comprise Cypress Head Golf Club's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Cypress Head Golf Club's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

121 Executive Circle
Daytona Beach, FL 32114-1180
Telephone: 386/257-4100
Fax: 386/255-3261
dab@jmco.com

5931 NW 1st Place
Gainesville, FL 32607-2063
Telephone: 352/378-1331
Fax: 352/372-3741
gnv@jmco.com

2477 Tim Gamble Place, Suite 200
Tallahassee, FL 32308-4386
Telephone: 850/386-6184
Fax: 850/422-2074
tlh@jmco.com

Member of AGN International with offices in principal cities worldwide

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of Cypress Head Golf Club as of September 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1, the financial statements present only the Agreement for Golf Course Management Services at Cypress Head and do not purport to, and do not, present fairly the financial position of City of Port Orange, Florida, as of September 30, 2015, and the changes in its financial position and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 11, 2015, on our consideration of Cypress Head Golf Club's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Cypress Head Golf Club's internal control over financial reporting and compliance.

James Moore & Co., P.L.

Daytona Beach, Florida
December 11, 2015

AGREEMENT FOR GOLF COURSE MANAGEMENT SERVICES AT CYPRESS HEAD
STATEMENT OF ASSETS, LIABILITIES, AND NET POSITION
SEPTEMBER 30, 2015

ASSETS

Current assets		
Cash and cash equivalents	$	50,114
Accounts receivable		161,607
Inventories		15,170
Prepaids and other current assets		34,536
Total current assets		261,427
Capital assets		
Building improvements		54,143
Furniture and fixtures		9,045
Machinery and equipment		16,000
Accumulated depreciation		(56,129)
Capital assets, net		23,059
Total Assets	$	284,486

LIABILITIES AND NET POSITION

Current liabilities		
Accounts payable and accrued liabilities	$	64,468
Unearned revenue		211,798
Due to the City of Port Orange, Florida		8,220
Total current liabilities		284,486
Net position		
Net investment in capital assets		23,059
Unrestricted		(23,059)
Total net position		-
Total Liabilities and Net Position	$	284,486

The accompanying notes to the financial statements
are an integral part of this statement.

AGREEMENT FOR GOLF COURSE MANAGEMENT SERVICES AT CYPRESS HEAD
STATEMENT OF REVENUE, EXPENSES, AND TRANSFERS
FOR THE YEAR ENDED SEPTEMBER 30, 2015

Operating Revenue	
Charges for Services:	
Green fees and membership charges	$ 418,340
Cart rentals and trail fees	288,715
Pro-shop sales and merchandise	64,648
Food and beverage sales	182,967
Surcharges	49,600
Total operating revenue	1,004,270
Operating Expenses	
Personal services	630,547
Cost of sales	121,797
Materials and supplies	133,146
Utilities	66,737
Maintenance and repairs	65,808
Depreciation	9,405
Management fees	66,226
Other expenses	164,772
Total operating expenses	1,258,438
Operating deficit to City of Port Orange, Florida before transfers	(254,168)
Transfers from (to) the City of Port Orange, Florida	
For loss from operations	405,394
For maintenance and usage of equipment	(126,325)
For debt service	-
For renewal and replacement surcharges	(24,901)
Total transfers from (to) the City of Port Orange, Florida	254,168
Net income after transfers	$ -

The accompanying notes to the financial statements
are an integral part of this statement.

AGREEMENT FOR GOLF COURSE MANAGEMENT SERVICES AT CYPRESS HEAD
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED SEPTEMBER 30, 2015

Cash flows from operating activities	
Cash received from customers	$ 941,464
Cash paid for personal services	(630,690)
Cash paid to suppliers	(566,049)
Net cash used in operating activities	(255,275)
Cash flows from noncapital and related financing activities	
Net cash payments from (to) the City of Port Orange, Florida	230,710
Net decrease in cash and cash equivalents	(24,565)
Cash and cash equivalents, beginning of year	74,679
Cash and cash equivalents, end of year	$ 50,114
Reconciliation of operating deficit to net cash used in operating activities	
Operating deficit	$ (254,168)
Adjustments to reconcile operating deficit to net cash used in operating activities:	
Depreciation	9,405
Decrease (increase) in current assets:	
Accounts receivable	(117,888)
Inventories	40,845
Prepaids and other current assets	(2,980)
Increase (decrease) in current liabilities:	
Accounts payable and accrued liabilities	14,429
Unearned revenue	55,082
Net cash used in operating activities	$ (255,275)

The accompanying notes to the financial statements
are an integral part of this statement.

(1) **Summary of Significant Accounting Policies:**

The following is a summary of the significant accounting policies of the Agreement for Golf Course Management Services at Cypress Head, which affect significant elements of the financial statements:

(a) **Organization and nature of activities—**The Cypress Head Golf Club (the "Golf Course") is an 18-hole championship course, with lighted practice facility, driving range, maintenance barn, cart barn, clubhouse, pro shop, restaurant, banquet room, and other related facilities wholly owned and operated by the City. Golf Club at Cypress Head, Inc. was incorporated on August 31, 2001, under the laws of the State of Florida and is the successor of Cypress Head Golf Course, Inc. which was incorporated on October 10, 1991. Golf Club at Cypress Head, Inc. is engaged primarily in holding the license authorizing the sale of alcoholic beverages at the Golf Course and is wholly owned by the City of Port Orange, Florida (the “City”). The City has agreed to operate and maintain these facilities for a period of 30 years after the Golf Course opened in 1992. At the completion of this term, the City may continue to operate the Course, or simply allow the property to revert to open space. These financial statements provide a separate accounting for the revenues and expenses generated from player fees, pro-shop sales, restaurant sales, and other related financial activities of the Golf Course. The Golf Course is managed by an independent sports management company as described in Note 3. The accompanying financial statements were prepared to present only those financial activities of the Golf Course which is managed pursuant to the Agreement for Golf Course Management Services at Cypress Head. Other real and other personal property associated with the Golf Course and related revenues and expenses are recorded only on the City’s accounting records. Therefore, these financial statements are not intended to be a complete presentation of the Golf Course's assets, liabilities, revenue, and expenses.

(b) **Basis of accounting—**The financial statements are prepared on the accrual basis of accounting. The use of this method of accounting identifies revenues and expenses with specific periods of time. Revenues are recorded when earned and expenses are recorded as incurred, without regard to the date of receipt or payment of cash.

(c) **Use of estimates—**The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts and disclosures. Accordingly, actual results could vary from those estimates.

(d) **Cash and cash equivalents—**For the purposes of the statement of cash flows, the Golf Course considers all cash, demand deposit accounts, and highly liquid investments with original maturity dates of three months or less to be cash equivalents. The carrying value of cash and cash equivalents approximates fair value because of the short maturities of those financial instruments.

(e) **Accounts receivable—**Accounts receivable are reported at net realizable value. The receivables are stated net of an allowance for uncollectible accounts which has been provided based upon management's analysis of historical trends. Accounts deemed worthless are written off in the year they are determined to be worthless. At September 30, 2015, management has determined no allowance is required.

(f) **Revenue recognition—**Annual golf passes are recognized as revenue in the applicable membership period which is based on the fiscal year. Prepaid play cards are recognized as revenue as the prepaid rounds are played. Amounts billed in advance are appropriately recorded and captioned as "Unearned revenue" in the financial statements.

(1) **Summary of Significant Accounting Policies:** (Continued)

(g) **Inventories—**Inventories are stated at lower of cost (average cost) or market value. Inventories consist of retail golf merchandise, food, and beverages.

(h) **Capital assets—**Capital assets are accounted for and capitalized at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method over the assets' estimated useful lives. The estimated useful lives of the major classes of capital assets are as follows:

Assets	Years
Building improvements	20 - 40
Furniture and fixtures	5 - 7
Machinery and equipment	7 - 20

(i) **Operating revenue and expenses—**Operating revenue and expenses are distinguished from non-operating revenue. Operating revenue and expenses generally result from providing services and delivering goods in connection with ongoing operations. The principal operating revenue of the Golf Course is charges for services. The Golf Course also charges a $1.00 surcharge for every 9 holes of golf as authorized by City of Port Orange, Florida Resolution 12-44.

(j) **Accrued payroll and accumulated unpaid vacation pay—**The portion of employees' payroll costs paid subsequent to year-end attributable to services performed prior to year-end is recorded and recognized as a current liability.

(k) **Income taxes—**The City of Port Orange, Florida, is exempt from income taxes as a state or subdivision thereof. Since the Golf Club at Cypress Head, Inc. acts as an agent for the City of Port Orange, Florida, and therefore has no assets, liabilities, revenue, or expenses, the corporation has no corporate income tax liability.

(l) **Subsequent events—**The Course has evaluated events and transactions for potential recognition of disclosure in financial statements through December 11, 2015, the date through which the financial statements were available to be issued. See Note 7 for disclosure of a subsequent event.

(2) **Cash and Investments:**

(a) **Interest rate risk—**Generally, the Golf Course limits its exposure to fair value losses arising from increases in interest rates by limiting the investment of its operating funds in investments with maturities of less than one year. Substantially all of the Golf Course's surplus funds are invested in non-interest bearing demand deposit accounts.

(b) **Credit risk—**The provisions of Section 218.415, Florida Statutes, require that the investment activity of the Golf Course be conducted in accordance with a written investment plan adopted by the governing body. Under that plan, allowable investment instruments include: bonds, notes, certificates of indebtedness, treasury bills, or other securities which are guaranteed by the full faith and credit of the United States of America, interest bearing savings accounts, interest bearing certificates of deposit, and interest bearing time deposits, including those held with the Florida State Board of Administration investment pool.

(2) **Cash and Investments:** (Continued)

(c) **Custodial credit risk—**Custodial credit risk is the risk that in the event of a bank failure, the Golf Course's deposits may not be returned to it. Pursuant to the applicable provisions of Chapter 280, Florida Statutes, The Florida Security for Public Deposits Act ("the Act"), the State of Florida, Department of Financial Services, Division of Treasury, Bureau of Collateral Management have established specific requirements relative to the security and collateralization for public deposits. Accordingly, banks qualifying as a public depository in the State of Florida must adopt the necessary procedures outlined in these statutes and meet all of the requirements of this chapter to be designated by the State's Chief Financial Officer as eligible to receive deposits from municipal depositors. Collateral having a market value equal to 50% of the average daily balance for each month of all public deposits in excess of any applicable depository insurance is required to be pledged or deposited with the State's Chief Financial Officer to secure such deposits. Additional collateral, up to a maximum of 125% may be required if deemed necessary under the conditions set forth in the Act. Securities eligible to be pledged as collateral are generally limited to obligations of the United States government and any state thereof and are held in the name of the State Chief Financial Officer's office. Compliance with the provisions of Chapter 280, Florida Statutes, is monitored by a Qualified Public Depository Oversight Board with members appointed by the State Chief Financial Officer.

At September 30, 2015, the carrying amount of the Golf Course's deposits was $50,114, all of which was covered by collateral securities in accordance with the Act. Also included in the Golf Course's cash position at year end was $1,350 of cash on hand used for daily operational purposes, not included in the Golf Course's cash deposits described above.

(3) **Related Party Transactions:**

(a) **Kemper Sports Management—**Effective October 1, 2012, the City of Port Orange, Florida entered into a five year management agreement for operation of the Golf Course with an independent sports management company. Under the terms of the agreement, the management company is paid $86,700 per year, payable in advance in twelve monthly installments on the first business day of each month. There was an addendum to the agreement during the year ended September 30, 2015, to drop the management fee to zero during the period of May through July 2015, during a portion of the renovation. The base management fee is increased by two percent of the management fee for the preceding twelve month period. In addition to the base management fee, the management company is entitled to an incentive fee equal to five percent of all gross receipts in excess of $1,800,000 per annum, if any, plus five percent of all gross receipts attributable to sales of food and beverages in excess of $350,000, if any. The total incentive fee cannot exceed $85,000. The agreement may be renewed for an additional five year period, solely at the City's option and with the mutual acceptance of Kemper Sports Management.

Management fees incurred for the year ended September 30, 2015, are as follows:

Golf Course management fee	$ 66,226
Incentive management fee	-
Total Management Fees	$ 66,226

(3) **Related Party Transactions:** (Continued)

(b) **City of Port Orange, Florida—**Throughout the fiscal year, the City requires the Golf Course to manage and finance its operational affairs from its own cash funds. As surplus funds accumulated exceed, or do not meet, amounts historically needed to provide for its ongoing seasonal operations, cash funds are transferred to and from the City, respectively, as cash and operating reserves dictate.

During the year ended September 30, 2015, the following related party transactions occurred between the Golf Course and the City:

Golf Course expense incurred by the City for:		
Golf Course use of golf carts, equipment, and rolling stock	$	126,325
Repayment of interfund capital loan		-
Golf Course operating expenses incurred by the City		15,738
Surcharge for restricted renewal and replacement reserve collected and paid to the City		24,901
Temporary net cash transfers from City		241,919

(4) **Retirement Plan:**

Kemper Sports Management employs all personnel of the Golf Course and sponsors a defined contribution plan which covers employees, over 21 years of age, with a minimum of one year of service, and who work at least 1,000 hours during the plan year. The plan allowed for an employer matching contribution of 25% of the first 5% of employee salaries contributed by employees. For the year ended September 30, 2015, the Golf Course contributed $1,595 to the plan.

(5) **Risk Management:**

The Golf Course is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Golf Course carries commercial insurance.

(6) Capital Assets and Depreciation:

Capital asset activity of the Golf Course for the 2015 fiscal year was as follows:

	Balance September 30, 2014	Increases	Decreases	Balance September 30, 2015
Capital assets				
Building improvements	$ 64,835	$ -	$ (10,692)	$ 54,143
Furniture and fixtures	26,625	-	(17,580)	9,045
Machinery and equipment	17,712	-	(1,712)	16,000
Total capital assets	109,172	-	(29,984)	79,188
Accumulated depreciation				
Building improvements	(37,542)	(8,660)	10,693	(35,509)
Furniture and fixtures	(26,624)	-	17,579	(9,045)
Machinery and equipment	(12,542)	(745)	1,712	(11,575)
Total accumulated depreciation	(76,708)	(9,405)	29,984	(56,129)
Capital assets, net	$ 32,464	$ (9,405)	-	$ 23,059

Depreciation expense for the year ended September 30, 2015 was $9,405.

(7) Subsequent Event:

The management company for the Golf Course, KemperSports, will no longer operate the restaurant located on the Golf Course’s premises effective October 1, 2015. The City of Port Orange has entered into a lease agreement with Cypress Greens, LLC to operate the restaurant.

COMPLIANCE SECTION

James Moore
Certified Public Accountants and Consultants

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Golf Board, Honorable Mayor, and City Council of the
City of Port Orange, Florida:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Agreement for Golf Course Management Services at Cypress Head (Cypress Head Golf Club) as of and for the year ended September 30, 2015, and the related notes to the financial statements, which collectively comprise the Cypress Head Golf Club's basic financial statements, and have issued our report thereon December 11, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Cypress Head Golf Club's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Cypress Head Golf Club's internal control. Accordingly, we do not express an opinion on the effectiveness of Cypress Head Golf Club's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify a certain deficiency in internal control, described below, that we consider to be a significant deficiency.

121 Executive Circle
Daytona Beach, FL 32114-1180
Telephone: 386/257-4100
Fax: 386/255-3261
dab@jmco.com

5931 NW 1st Place
Gainesville, FL 32607-2063
Telephone: 352/378-1331
Fax: 352/372-3741
gnv@jmco.com

2477 Tim Gamble Place, Suite 200
Tallahassee, FL 32308-4386
Telephone: 850/386-6184
Fax: 850/422-2074
tlh@jmco.com

Member of AGN International with offices in principal cities worldwide

2015-01 Cash Receipts

During our testing of cash receipts, we noticed 7 out of the 25 items tested there was no evidence of direct approval by the General Manager related to cash receipts and allocation of revenue. This approval is accomplished by the General Manager reviewing a journal entry summary sheet and placing his signature or initials directly on the summary. We recommend the Golf Course more closely follow their direct approval process for cash receipts.

Management Response: Management will more closely follow its internal procedures in regards to cash receipts approval.

The Cypress Head Golf Club's response to the findings identified in our audit is included in the body of this report. We did not audit the Golf Course's response and, accordingly, we express no opinion on it.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Cypress Head Golf Club's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of the Cypress Head Golf Club in a separate letter dated December 11, 2015.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

James Moore & Co., P.L.

Daytona Beach, Florida
December 11, 2015

The Golf Club at Cypress Head
Course Cash Flow Report
January 31, 2016

	January	YTD
EBITDA	$16,428.69	($71,468.74)
Management Fee Expense	(5,712.85)	(24,508.15)
Depreciation & Amortization	(381.00)	(1,524.00)
Net Income	10,334.84	(97,500.89)
Working Capital Changes		
Inventory	1,917.40	(525.38)
Receivables	3,157.54	161,247.85
Payables	1,129.51	(9,192.55)
Due to from the City	10,018.00	40,072.00
Prepaids	3,750.09	17,133.11
Accrued Liabilities	6,296.29	(14,500.82)
Other Liabilities	(21,990.14)	4,141.49
Depreciation & Amortization	381.00	1,524.00
Operating Cash Flow	14,994.53	102,398.81
Investing Cash Flows		
Financing Cash Flow		
Net Cash Flows	14,994.53	102,398.81
Beginning Cash	137,518.33	50,114.05
Net Cash Flows	14,994.53	102,398.81
Ending Cash	152,512.86	152,512.86

The Golf Club at Cypress Head
Comparative Income Statement
For the Four Months Ending January 31, 2016

	MTD Prior Year	YTD Prior Year	Audited Prior Year	Percent of Total	MTD Actual	YTD Actual	Annual Budget	Percent of Total
REVENUES								
Green Fees & Cart Fees	112,269	345,763	714,869	48%	100,423	312,625	1,023,426	31%
Merchandise	4,476	19,547	53,694	36%	4,884	16,400	61,281	27%
Other Pro Shop	951	2,042	10,198	20%	1,214	2,460	10,769	23%
Range	1,959	8,544	16,885	51%	2,877	9,107	35,044	26%
Food and Beverage	21,470	109,506	182,967	60%	0	0	0	
Membership Initiation Fees	0	0	750		0	0	0	
Other Operating Revenues	3,777	12,329	24,901	50%	3,243	10,636	35,106	30%
Other G&A Income	0	0	(866)		0	0	0	
TOTAL REVENUE	144,902	497,731	1,003,396	50%	112,641	351,227	1,165,626	30%
COST OF SALES								
Merchandise	2,568	12,959	44,543	29%	3,581	13,662	33,672	41%
Food & Beverage	6,468	42,931	72,592	59%	0	0	0	
TOTAL COGS	9,035	55,891	117,135	48%	3,581	13,662	33,672	41%
COGS - Merchandise %	57.4%	66.3%	83.0%	79.9%	73.3%	83.3%	54.9%	151.6%
COGS - Food %	30.1%	39.4%	39.8%	99.0%				
PAYROLL								
Course and Grounds	25,918	96,726	291,280	33%	28,053	119,062	302,225	39%
Carts, Range, Starters, Etc.	6,366	21,584	39,741	54%	6,797	24,050	73,469	33%
Pro Shop	4,852	18,756	33,566	56%	4,388	20,243	53,508	38%
Food and Beverage	13,338	58,023	94,245	62%	0	0	0	
General and Administrative	11,403	41,797	126,613	33%	11,139	42,684	127,761	33%
Marketing	4,663	17,956	45,103	40%	3,896	16,322	45,604	36%
TOTAL PAYROLL	66,540	254,843	630,548	40%	54,272	222,360	602,567	37%
OPERATING EXPENSES								
Course and Grounds	13,504	72,710	220,151	33%	13,029	65,407	194,632	34%
Carts, Range, Starters, Etc.	11,174	37,662	113,365	33%	6,599	29,471	85,831	34%
Pro Shop	210	2,650	10,087	26%	416	990	11,155	9%
Food and Beverage	2,055	15,055	30,128	50%	0	185	0	
General and Administrative	18,788	78,252	182,159	43%	16,122	71,644	197,717	36%
Marketing	1,113	6,517	29,588	22%	2,192	18,976	39,686	48%
TOTAL OPERATING EXPENSES	46,843	212,846	585,477	36%	38,359	186,673	529,021	35%
TOTAL EXPENSES	122,419	523,579	1,333,159	39%	96,212	422,696	1,165,260	36%
OTHER INCOME (EXPENSE)								
MANAGEMENT FEES	(7,370)	(29,378)	(66,226)	44%	(5,713)	(24,508)	(65,296)	38%
Depreciation & Amortization	(535)	(2,140)	(9,405)	23%	(381)	(1,524)	(6,420)	24%
TOTAL OTHER INCOME (EXPENSE)	(7,904)	(31,518)	(75,631)	42%	(6,094)	(26,032)	(71,716)	36%
NET INCOME	14,578	(57,366)	(405,394)	14%	10,335	(97,501)	(71,350)	137%
Paid Rounds	3,879	13,005	25,909	50%	2,908	9,691	38,507	25%
Annual Pass Rounds	496	1,634	2,970	55%	866	2,581	4,295	60%
Other Rounds	255	1,055	1,772	60%	196	663	2,819	24%
Total Rounds	4,630	15,694	30,651	51%	3,970	12,935	45,621	28%
Revenue/Paid Rounds	37	38	39	99%	39	36	30	120%
Revenue/Total Rounds	31	32	33	97%	28	27	26	106%

The Golf Club at Cypress Head

For the Four Months Ending January 31, 2016

	01/31/16	09/30/15	01/31/15
ASSETS			
CURRENT ASSETS:			
Cash			
Cash - Operating	152,959	49,118	111,025
Cash - Manual Checks	850	750	750
Cash - Housebank & Other	(1,296)	246	(3,443)
Total Cash	152,513	50,114	108,332
Accounts Receivable			
A/R Member	359	161,607	2,583
Total Accounts Recievable	359	161,607	2,583
Other Current Assets			
Inventory - Merchandise	15,696	11,682	40,312
Inventory - Food & Beverage	0	3,488	15,655
Prepaid Insurance	10,761	18,108	11,259
Prepaid Exp - Other	6,641	11,428	1,414
Total Other Current Assets	33,098	44,706	68,641
TOTAL CURRENT ASSETS	185,970	256,426	179,556
PROPERTY, PLANT AND EQUIPMENT:			
Land	54,143	54,143	64,835
Furniture and Fixtures	9,045	9,045	26,625
Machinery & Equipment	16,000	16,000	17,712
Property Plant and Equipment	79,187	79,187	109,171
Accumulated Depreciation	(57,653)	(56,129)	(78,848)
TOTAL PROPERTY, PLANT AND EQUIPMENT	21,534	23,058	30,324
OTHER ASSETS:			
Deposits (in ST section of chart)	0	5,000	5,000
TOTAL OTHER ASSETS	0	5,000	5,000
TOTAL ASSETS	207,504	284,485	214,879

The Golf Club at Cypress Head

For the Four Months Ending January 31, 2016

	01/31/16	09/30/15	01/31/15
LIABILITIES AND STOCKHOLDERS' EQUITY			
CURRENT LIABILITIES:			
Accts Pay - Trade	8,615	17,808	33,452
Accts Pay - Other	48,292	8,220	119,290
Accrued Expenses	2,710	14,437	0
Accrued Payroll	20,175	20,979	17,987
Accrued Taxes	9,274	47	3,777
Accrued Interest	0	11,197	0
Deferred Revenue	215,939	211,797	97,738
TOTAL CURRENT LIBILITIES	305,005	284,485	272,245
TOTAL LIABILITIES	305,005	284,485	272,245
STOCKHOLDER'S EQUITY			
Retained Earnings	(97,501)	0	(57,366)
Net Retained Earnings	(97,501)	0	(57,366)
Stockholders Equity	(97,501)	0	(57,366)
TOTAL STOCKHOLDER'S EQUITY	(97,501)	0	(57,366)
TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY	207,504	284,485	214,879

The Golf Club at Cypress Head
Course Cash Flow Report
For the Year Ended September 30, 2016

	OCT Actual	NOV Actual	DEC Actual	JAN Actual	FEB Actual	MAR Actual	APR Actual	MAY Actual	JUN Actual	JUL Actual	AUG Actual	SEP Actual	TOTAL
EBITDA	(98,875)	11,091	(114)	16,429	24,330	0	0	0	0	0	0	0	(47,138)
Management Fee Expense	(7,370)	(5,713)	(5,713)	(5,713)	(5,713)	0	0	0	0	0	0	0	(30,221)
Depreciation & Amortization	(381)	(381)	(381)	(381)	0	0	0	0	0	0	0	0	(1,524)
Net Income	(106,625)	4,998	(6,208)	10,335	18,618	0	0	0	0	0	0	0	(78,883)
Working Capital Changes													
Inventory	(5,361)	1,910	1,009	1,917	0	0	0	0	0	0	0	0	(525)
Receivables	133,706	18,846	5,539	3,158	670	0	0	0	0	0	0	0	161,918
Prepaid Expenses	290	6,243	6,850	3,750	0	0	0	0	0	0	0	0	17,133
Payables	34,124	(25,368)	(19,078)	1,130	(3,437)	0	0	0	0	0	0	0	(12,630)
Due to from the City	10,018	10,018	10,018	10,018	0	0	0	0	0	0	0	0	40,072
Accrued Expenses	(2,045)	(21,210)	2,458	6,296	(11,238)	0	0	0	0	0	0	0	(25,739)
Deferred Revenues	54,717	(15,136)	(13,450)	(21,990)	(356)	0	0	0	0	0	0	0	3,785
Depreciation & Amortization	381	381	381	381	0	0	0	0	0	0	0	0	1,524
Operating Cash Flow	119,204	(19,318)	(12,482)	14,995	4,256	0	0	0	0	0	0	0	106,655
Investing Activities													
Financing Activites													
Net Cash Flows	119,204	(19,318)	(12,482)	14,995	4,256	0	0	0	0	0	0	0	106,655
Beginning Cash	50,114	169,318	150,000	137,518	152,513	156,769	156,769	156,769	156,769	156,769	156,769	156,769	1,756,847
Net Cash Flows	119,204	(19,318)	(12,482)	14,995	4,256	0	0	0	0	0	0	0	106,655
Ending Cash	169,318	150,000	137,518	152,513	156,769	156,769	156,769	156,769	156,769	156,769	156,769	156,769	1,863,502

The Golf Club at Cypress Head
Summary of All Units
For the Four Months Ending January 31, 2016

MTD Actual	MTD Budget	% of Budget	MTD Prior Year	% of PY		YTD Actual	YTD Budget	% of Budget	YTD Prior Year	% of PY	Annual Budget	
					REVENUES							
58,719	70,552	83%	69,170	85%	Green Fees	183,008	170,367	107%	204,492	89%	604,248	404,669
41,704	43,961	95%	43,099	97%	Cart Fee	129,616	115,341	112%	141,271	92%	419,178	277,060
0	0	0%	0	0%	Initiation Fees	0	0	0%	0	0%	0	750
480	545	88%	540	89%	Handicap Fee	620	727	85%	740	84%	4,516	4,272
540	297	182%	47	1154%	Lessons	1,150	923	125%	302	381%	3,029	1,255
74	0	0%	0	0%	Other Pro Shop Revenue	74	0	0%	0	0%	0	3,617
120	468	26%	364	33%	Rental Clubs	617	1,060	58%	1,000	62%	3,224	1,472
4,884	4,621	106%	4,476	109%	Retail	16,400	15,497	106%	19,547	84%	61,281	50,547
2,877	2,598	111%	1,959	147%	Range	9,107	8,313	110%	8,544	107%	35,044	17,447
0	0	0%	11,327	0%	Food & Beverage	0	0	0%	64,782	0%	0	39,268
0	0	0%	5,957	0%	Beer	0	0	0%	22,309	0%	0	22,254
0	0	0%	3,559	0%	Liquor	0	0	0%	17,015	0%	0	9,913
0	0	0%	627	0%	Wine	0	0	0%	4,800	0%	0	2,026
0	0	0%	0	0%	F&B Other	0	0	0%	600	0%	0	0
3,243	3,853	84%	3,777	86%	City Surcharge R & R	10,636	8,790	121%	12,329	86%	35,106	23,208
0	0	0%	0	0%	Miscellaneous G&A	0	0	0%	0	0%	0	(866)
112,641	126,895	89%	144,902	78%	Total Revenues	351,227	321,018	109%	497,731	71%	1,165,626	856,892
					COST OF GOODS SOLD							
3,581	2,539	141%	2,568	139%	COGS - Merchandise	13,662	8,514	160%	12,959	105%	33,672	45,246
0	0	0%	4,310	0%	COGS - Food & Beverage	0	0	0%	29,600	0%	0	17,468
0	0	0%	1,959	0%	COGS - Beer	0	0	0%	8,405	0%	0	8,474
0	0	0%	(130)	0%	COGS - Liquor	0	0	0%	2,614	0%	0	3,044
0	0	0%	329	0%	COGS - Wine	0	0	0%	2,312	0%	0	674
3,581	2,539	141%	9,035	40%	Total COGS	13,662	8,514	160%	55,891	24%	33,672	74,906
109,060	124,356	88%	135,867	80%	GROSS MARGIN	337,565	312,504	108%	441,840	76%	1,131,954	781,986
73.32%	54.94%	133.45%	57.36%	127.84%	COGS - Merchandise %	83.31%	54.94%	151.64%	66.30%	125.65%	54.95%	1332.43%
0.00%	0.00%	0.00%	38.05%	0.00%	COGS - Food & Beverage %	0.00%	0.00%	0.00%	45.69%	0.00%	0.00%	139.64%
0.00%	0.00%	0.00%	32.89%	0.00%	COGS - Beer %	0.00%	0.00%	0.00%	37.68%	0.00%	0.00%	116.35%
0.00%	0.00%	0.00%	-3.66%	0.00%	COGS - Liquor %	0.00%	0.00%	0.00%	15.37%	0.00%	0.00%	92.04%
0.00%	0.00%	0.00%	52.53%	0.00%	COGS - Wine %	0.00%	0.00%	0.00%	48.17%	0.00%	0.00%	78.25%
0.00%	0.00%	0.00%	30.12%	0.00%	COGS - All Food & Bev	0.00%	0.00%	0.00%	39.42%	0.00%	0.00%	8202.02%
					PAYROLL							
18,150	18,072	100%	19,992	91%	Gross Payroll - Salaried	72,508	72,288	100%	76,698	95%	216,864	215,376
0	0	0%	3,480	0%	Gross Kitchen Payroll - Salaried	0	0	0%	13,736	0%	0	10,762
25,184	22,972	110%	19,639	128%	Gross Payroll - Hourly	107,697	84,800	127%	78,621	137%	264,129	231,344
0	0	0%	6,501	0%	Gross Kitchen Payroll - Hourly	0	0	0%	32,542	0%	0	18,847
43,333	41,044	106%	49,612	87%	S/T Wages	180,205	157,088	115%	201,597	89%	480,993	476,329
3,283	3,139	105%	3,738	88%	Payroll Tax - FICA	13,576	12,015	113%	15,640	87%	36,789	36,225
1,069	1,383	77%	2,178	49%	Payroll Tax - UC	2,380	1,917	124%	5,912	40%	6,837	6,887
1,093	825	133%	1,468	75%	Payroll Tax - WC	4,178	3,157	132%	4,818	87%	10,066	11,503
5,494	5,408	102%	9,545	58%	Benefits	22,021	21,632	102%	26,876	82%	67,882	67,120
10,939	10,755	102%	16,928	65%	S/T Adders	42,155	38,721	109%	53,246	79%	121,574	121,736
54,272	51,799	105%	66,540	82%	TOTAL PAYROLL	222,360	195,809	114%	254,843	87%	602,567	598,065
					OPERATING EXPENSES							
0	0	0%	265	0%	Bar Supplies	0	0	0%	1,055	0%	0	1,110
18	0	0%	0	0%	Cart Supplies	856	473	181%	468	183%	590	909
4	1,752	0%	1,735	0%	Course Accessories	748	3,988	19%	3,949	19%	4,676	1,059
0	0	0%	0	0%	Dining Room Supplies	0	0	0%	92	0%	0	0
1,050	1,081	97%	1,071	98%	Fertilizer	7,242	3,936	184%	3,650	198%	10,531	33,016
0	100	0%	0	0%	Flowers/Decor	74	200	37%	0	0%	400	74
1,300	1,384	94%	1,271	102%	Fuel	3,632	4,517	80%	4,175	87%	13,010	10,134
0	383	0%	379	0%	Fungicides	1,635	937	174%	532	308%	2,461	3,636
160	184	87%	182	88%	Herbicides	3,373	1,509	224%	1,494	226%	12,141	19,014
45	225	20%	223	20%	Insecticides	2,454	2,643	93%	2,617	94%	14,046	14,654
398	500	80%	800	50%	Janitorial Supplies	812	2,062	39%	2,362	34%	4,739	2,786
0	0	0%	495	0%	Kitchen Supplies	0	0	0%	3,057	0%	0	758
0	0	0%	429	0%	Laundry/Linens	0	0	0%	2,664	0%	0	1,108
0	0	0%	0	0%	Laundry/Uniforms	0	2,338	0%	2,038	0%	2,651	0
487	756	64%	556	88%	Office Supplies	2,124	1,918	111%	1,624	131%	4,186	3,045
0	0	0%	0	0%	Printing	0	100	0%	0	0%	100	72
0	0	0%	0	0%	Range Balls	1,530	3,712	41%	3,675	42%	3,712	1,530
190	0	0%	0	0%	Range Equipment	987	450	219%	0	0%	724	1,159
0	0	0%	0	0%	Range Expenses	10	718	1%	463	2%	938	10
754	0	0%	0	0%	Sand/Topdress	3,445	753	458%	746	462%	2,640	9,605
0	0	0%	0	0%	Seeds/Trees	3,469	16,286	21%	16,125	22%	16,286	5,909
0	0	0%	0	0%	Small Tools	0	128	0%	127	0%	211	59
0	0	0%	0	0%	Staff/Volunteer Uniforms	0	986	0%	283	0%	1,419	0
213	600	35%	0	0%	Supplies	213	2,696	8%	2,076	10%	4,085	282

The Golf Club at Cypress Head
Summary of All Units
For the Four Months Ending January 31, 2016

MTD Actual	MTD Budget	% of Budget	MTD Prior Year	% of PY		YTD Actual	YTD Budget	% of Budget	YTD Prior Year	% of PY	Annual Budget	
0	0	0%	0	0%	Tournament Expense	574	51	1125%	50	1145%	701	3,071
91	91	99%	91	100%	Alarm System	452	992	46%	490	92%	2,159	1,480
0	0	0%	0	0%	Carpet Cleaning	0	300	0%	300	0%	1,190	0
218	200	109%	2,936	7%	Cart Repairs	1,455	800	182%	3,846	38%	2,400	22,445
332	582	57%	582	57%	Computer Service	773	1,459	53%	1,458	53%	3,526	2,268
0	0	0%	549	0%	Contract Cleaning	130	500	26%	2,196	6%	500	2,193
0	0	0%	0	0%	Guest Relations	49	0	0%	0	0%	0	49
192	212	91%	210	91%	Handicap Expense	192	212	91%	210	91%	4,495	4,644
0	0	0%	0	0%	Indoor Plant Maint	0	100	0%	0	0%	200	0
762	0	0%	0	0%	Irrigation	1,277	1,266	101%	1,253	102%	6,794	7,350
11	0	0%	0	0%	Lesson Expense	11	243	5%	240	5%	524	90
0	230	0%	230	0%	Pest Control	0	575	0%	575	0%	1,495	345
2,027	3,738	54%	3,976	51%	Repair & Maint - Equipment	10,340	8,264	125%	10,937	95%	22,374	27,915
410	797	51%	797	51%	Repair & Maint - Building	496	3,346	15%	2,842	17%	5,372	730
0	0	0%	0	0%	Repair & Maint - Other	0	0	0%	0	0%	0	907
0	0	0%	0	0%	Security	0	600	0%	0	0%	600	0
5,356	5,356	100%	6,032	89%	Cart Lease	21,424	21,424	100%	24,129	89%	64,266	69,682
4,512	4,512	100%	4,362	103%	Equipment Lease	18,048	18,047	100%	18,580	97%	54,144	54,257
168	157	107%	157	107%	Off-Site Storage	672	628	107%	628	107%	1,727	2,116
1,002	1,305	77%	1,292	78%	Utilities - Electric	4,125	5,569	74%	5,514	75%	15,256	11,990
0	0	0%	642	0%	Utilities - Gas	0	0	0%	3,611	0%	0	2,415
3,714	3,161	117%	3,150	118%	Utilities - Other	13,395	14,219	94%	14,158	95%	41,992	38,493
264	269	98%	268	99%	Utilities - Telephone/Fax	1,018	1,013	100%	1,009	101%	2,914	2,785
244	190	128%	188	129%	Utilities - Water	1,235	769	161%	762	162%	2,409	3,168
2,192	1,474	149%	1,113	197%	Advertising & Promotion	6,229	15,182	41%	6,517	96%	23,866	26,966
74	18	412%	18	415%	Bank Charges	832	69	1205%	70	1190%	746	1,479
35	0	0%	(42)	-85%	Cash Short/(Over)	138	0	0%	(94)	-146%	0	226
175	175	100%	375	47%	Cell Phone	750	700	107%	700	107%	2,100	1,700
3,243	3,853	84%	3,777	86%	City Surcharge R & R	10,636	8,790	121%	12,329	86%	35,106	23,208
0	75	0%	75	0%	Copier/Photocopies	166	535	31%	535	31%	1,291	586
1,727	2,757	63%	1,757	98%	Credit Card Discounts	9,796	8,154	120%	7,368	133%	25,500	23,641
0	0	0%	0	0%	Donations	0	0	0%	0	0%	0	1,989
0	100	0%	100	0%	Dues & Subscriptions	150	250	60%	250	60%	1,125	1,093
210	210	100%	210	100%	Education & Training	210	210	100%	210	100%	410	535
114	238	48%	238	48%	Employee Relations	667	1,012	66%	1,012	66%	2,050	1,471
0	0	0%	0	0%	Employee Testing	131	0	0%	0	0%	113	276
3,796	3,987	95%	3,987	95%	Insurance Expense	15,184	15,304	99%	15,303	99%	45,074	45,953
0	100	0%	100	0%	Member Relations	131	100	131%	100	131%	659	314
7	0	0%	0	0%	Messenger Service - Fedex	91	184	49%	183	49%	447	257
669	0	0%	0	0%	Miscellaneous	13,291	10,000	133%	0	0%	10,000	13,332
1,200	1,200	100%	0	0%	O/S - Accounting	13,200	13,200	100%	12,000	110%	13,200	13,200
0	0	0%	0	0%	O/S - Legal	0	80	0%	80	0%	160	2,568
0	0	0%	0	0%	O/S - Other	325	3,991	8%	3,952	8%	7,627	325
56	371	15%	371	15%	Payroll Processing Fee	845	1,094	77%	1,094	77%	4,009	3,530
0	0	0%	0	0%	Postage/Shipping	39	92	43%	92	42%	560	406
0	0	0%	0	0%	Professional Dues	0	0	0%	0	0%	0	565
(30)	(30)	100%	(30)	100%	Tax/Licenses/Fees	(90)	(120)	75%	(150)	60%	(130)	2,076
0	0	0%	82	0%	Theft Loss	106	0	0%	1,168	9%	0	5,047
520	0	0%	0	0%	Travel - Meals	612	0	0%	0	0%	0	665
447	1,859	24%	1,509	30%	Travel - Other	4,066	4,567	89%	3,463	117%	13,128	15,734
0	0	0%	0	0%	Website Expenses	900	1,000	90%	0	0%	5,000	3,000
0	336	0%	336	0%	Employee Meals	0	605	0%	604	0%	2,396	840
38,359	44,488	86%	46,843	82%	TOTAL OPERATING EXPENSES	186,673	215,726	87%	212,846	88%	529,021	559,305
16,429	28,069	59%	22,483	73%	EBITDA	(71,469)	(99,031)	72%	(25,848)	276%	366	(375,384)
5,713	5,601	102%	7,370	78%	Management Fee	24,508	20,488	120%	29,378	83%	65,296	61,356
5,713	5,601	102%	7,370	78%	Management Fees	24,508	20,488	120%	29,378	83%	65,296	61,356
0	154	0%	154	0%	Deprec - Office F,F&E	0	616	0%	616	0%	1,848	(616)
98	98	100%	98	100%	Deprec - Mach & Equip	390	390	100%	390	100%	1,171	746
283	283	100%	283	100%	Deprec - Buildings	1,134	1,134	100%	1,134	100%	3,401	8,659
381	535	71%	535	71%	S/T DEPR. & AMORT	1,524	2,140	71%	2,140	71%	6,420	8,789
10,335	21,933	47%	14,578	71%	NET INCOME	(97,501)	(121,659)	80%	(57,366)	170%	(71,350)	(445,529)

The Golf Club at Cypress Head
Course & Grounds
For the Four Months Ending January 31, 2016

MTD Actual	MTD Budget	% of Budget	MTD Prior Year	% of PY		YTD Actual	YTD Budget	% of Budget	YTD Prior Year	% of PY	Annual Budget	
					REVENUES							
58,719	70,552	83%	69,170	85%	Green Fees	183,008	170,367	107%	204,492	89%	604,248	404,669
3,243	3,853	84%	3,777	86%	City Surcharge R & R	10,636	8,790	121%	12,329	86%	35,106	23,208
61,962	74,405	83%	72,947	85%	Total Revenues	193,644	179,157	108%	216,821	89%	639,354	427,878
61,962	74,405	83%	72,947	85%	GROSS MARGIN	193,644	179,157	108%	216,821	89%	639,354	427,878
					PAYROLL							
6,826	6,679	102%	6,679	102%	Gross Payroll - Salaried	27,382	26,716	102%	23,548	116%	80,148	81,691
15,236	13,240	115%	12,231	125%	Gross Payroll - Hourly	68,284	52,533	130%	51,985	131%	155,890	165,524
22,061	19,919	111%	18,910	117%	S/T Wages	95,667	79,249	121%	75,533	127%	236,038	247,215
1,595	1,524	105%	1,362	117%	Payroll Tax - FICA	6,855	6,063	113%	5,543	124%	18,058	17,386
526	671	78%	793	66%	Payroll Tax - UC	1,111	750	148%	1,796	62%	2,899	3,120
534	400	134%	538	99%	Payroll Tax - WC	2,163	1,592	136%	1,672	129%	4,936	5,668
3,337	3,204	104%	4,315	77%	Benefits	13,267	12,816	104%	12,182	109%	40,294	40,227
5,992	5,799	103%	7,009	85%	S/T Adders	23,395	21,221	110%	21,193	110%	66,187	66,401
28,053	25,718	109%	25,918	108%	TOTAL PAYROLL	119,062	100,470	119%	96,726	123%	302,225	313,616
					OPERATING EXPENSES							
4	1,752	0%	1,735	0%	Course Accessories	748	3,988	19%	3,949	19%	4,676	1,059
1,050	1,081	97%	1,071	98%	Fertilizer	7,242	3,936	184%	3,650	198%	10,531	33,016
0	100	0%	0	0%	Flowers/Decor	74	200	37%	0	0%	400	74
1,300	1,384	94%	1,271	102%	Fuel	3,632	4,517	80%	4,175	87%	13,010	10,134
0	383	0%	379	0%	Fungicides	1,635	937	174%	532	308%	2,461	3,636
160	184	87%	182	88%	Herbicides	3,373	1,509	224%	1,494	226%	12,141	19,014
45	225	20%	223	20%	Insecticides	2,454	2,643	93%	2,617	94%	14,046	14,654
754	0	0%	0	0%	Sand/Topdress	3,445	753	458%	746	462%	2,640	9,605
0	0	0%	0	0%	Seeds/Trees	3,469	16,286	21%	16,125	22%	16,286	5,909
0	0	0%	0	0%	Small Tools	0	128	0%	127	0%	211	59
0	0	0%	0	0%	Staff/Volunteer Uniforms	0	986	0%	283	0%	1,419	0
762	0	0%	0	0%	Irrigation	1,277	1,266	101%	1,253	102%	6,794	7,350
2,027	2,637	77%	2,611	78%	Repair & Maint - Equipment	9,782	6,661	147%	6,595	148%	19,876	24,583
0	0	0%	0	0%	Repair & Maint - Building	0	319	0%	316	0%	1,026	346
4,512	4,512	100%	4,495	100%	Equipment Lease	18,048	18,047	100%	17,980	100%	54,144	54,007
185	179	103%	177	105%	Utilities - Electric	915	1,550	59%	1,535	60%	3,343	2,550
1,361	1,091	125%	1,080	126%	Utilities - Other	6,094	6,075	100%	6,014	101%	16,807	19,019
114	93	123%	92	124%	Utilities - Telephone/Fax	418	387	108%	383	109%	1,036	1,114
244	190	128%	188	129%	Utilities - Water	1,235	769	161%	762	162%	2,409	3,168
210	0	0%	0	0%	Education & Training	210	0	0%	0	0%	0	440
0	0	0%	0	0%	Employee Relations	0	0	0%	0	0%	92	145
0	0	0%	0	0%	Employee Testing	131	0	0%	0	0%	113	276
0	0	0%	0	0%	O/S - Other	325	3,914	8%	3,875	8%	7,550	325
0	0	0%	0	0%	Professional Dues	0	0	0%	0	0%	0	565
300	300	100%	0	0%	Travel - Other	900	1,203	75%	300	300%	3,621	1,800
13,029	14,111	92%	13,504	96%	TOTAL OPERATING EXPENSES	65,407	76,074	86%	72,710	90%	194,632	212,848
20,881	34,576	60%	33,525	62%	EBITDA	9,175	2,613	351%	47,385	19%	142,497	(98,587)
20,881	34,576	60%	33,525	62%	NET INCOME	9,175	2,613	351%	47,385	19%	142,497	(98,587)

The Golf Club at Cypress Head
Carts
For the Four Months Ending January 31, 2016

MTD Actual	MTD Budget	% of Budget	MTD Prior Year	% of PY		YTD Actual	YTD Budget	% of Budget	YTD Prior Year	% of PY	Annual Budget	
					REVENUES							
41,704	43,961	95%	43,099	97%	Cart Fee	129,616	115,341	112%	141,271	92%	419,178	277,060
41,704	43,961	95%	43,099	97%	Total Revenues	129,616	115,341	112%	141,271	92%	419,178	277,060
41,704	43,961	95%	43,099	97%	GROSS MARGIN	129,616	115,341	112%	141,271	92%	419,178	277,060
					PAYROLL							
6,128	5,861	105%	5,544	111%	Gross Payroll - Hourly	21,340	19,295	111%	18,833	113%	65,049	37,297
6,128	5,861	105%	5,544	111%	S/T Wages	21,340	19,295	111%	18,833	113%	65,049	37,297
365	448	82%	415	88%	Payroll Tax - FICA	1,566	1,476	106%	1,422	110%	4,975	2,780
153	198	77%	236	65%	Payroll Tax - UC	656	538	122%	918	71%	2,081	1,271
138	118	117%	141	98%	Payroll Tax - WC	449	388	116%	377	119%	1,364	792
13	0	0%	30	42%	Benefits	39	0	0%	35	110%	0	66
669	764	88%	822	81%	S/T Adders	2,710	2,402	113%	2,751	99%	8,420	4,909
6,797	6,625	103%	6,366	107%	TOTAL PAYROLL	24,050	21,697	111%	21,584	111%	73,469	42,206
					OPERATING EXPENSES							
18	0	0%	0	0%	Cart Supplies	856	473	181%	468	183%	590	909
218	200	109%	2,936	7%	Cart Repairs	1,455	800	182%	3,846	38%	2,400	22,445
5,356	5,356	100%	6,032	89%	Cart Lease	21,424	21,424	100%	24,129	89%	64,266	69,682
817	1,126	73%	1,115	73%	Utilities - Electric	3,210	4,019	80%	3,979	81%	11,913	9,440
6,409	6,682	96%	10,084	64%	TOTAL OPERATING EXPENSES	26,945	26,716	101%	32,421	83%	79,169	102,475
28,498	30,654	93%	26,650	107%	EBITDA	78,621	66,928	117%	87,266	90%	266,540	132,379
28,498	30,654	93%	26,650	107%	NET INCOME	78,621	66,928	117%	87,266	90%	266,540	132,379

The Golf Club at Cypress Head
Range
For the Four Months Ending January 31, 2016

MTD Actual	MTD Budget	% of Budget	MTD Prior Year	% of PY		YTD Actual	YTD Budget	% of Budget	YTD Prior Year	% of PY	Annual Budget	
					REVENUES							
2,877	2,598	111%	1,959	147%	Range	9,107	8,313	110%	8,544	107%	35,044	17,447
2,877	2,598	111%	1,959	147%	Total Revenues	9,107	8,313	110%	8,544	107%	35,044	17,447
2,877	2,598	111%	1,959	147%	GROSS MARGIN	9,107	8,313	110%	8,544	107%	35,044	17,447
					OPERATING EXPENSES							
0	0	0%	0	0%	Range Balls	1,530	3,712	41%	3,675	42%	3,712	1,530
190	0	0%	0	0%	Range Equipment	987	450	219%	0	0%	724	1,159
0	0	0%	0	0%	Range Expenses	10	718	1%	463	2%	938	10
0	1,101	0%	1,090	0%	Repair & Maint - Equipment	0	1,114	0%	1,103	0%	1,288	0
190	1,101	17%	1,090	17%	TOTAL OPERATING EXPENSES	2,526	5,994	42%	5,241	48%	6,662	2,699
2,686	1,497	179%	869	309%	EBITDA	6,580	2,319	284%	3,304	199%	28,382	14,748
2,686	1,497	179%	869	309%	NET INCOME	6,580	2,319	284%	3,304	199%	28,382	14,748

The Golf Club at Cypress Head
F & B Cafe
For the Four Months Ending January 31, 2016

MTD Actual	MTD Budget	% of Budget	MTD Prior Year	% of PY		YTD Actual	YTD Budget	% of Budget	YTD Prior Year	% of PY	Annual Budget	
					REVENUES							
0	0	0%	11,327	0%	Food & Beverage	0	0	0%	64,782	0%	0	39,268
0	0	0%	5,957	0%	Beer	0	0	0%	22,309	0%	0	22,254
0	0	0%	3,559	0%	Liquor	0	0	0%	17,015	0%	0	9,913
0	0	0%	627	0%	Wine	0	0	0%	4,800	0%	0	2,026
0	0	0%	0	0%	F&B Other	0	0	0%	600	0%	0	0
0	0	0%	21,470	0%	Total Revenues	0	0	0%	109,506	0%	0	73,461
					COST OF GOODS SOLD							
0	0	0%	4,310	0%	COGS - Food & Beverage	0	0	0%	29,600	0%	0	17,468
0	0	0%	1,959	0%	COGS - Beer	0	0	0%	8,405	0%	0	8,474
0	0	0%	(130)	0%	COGS - Liquor	0	0	0%	2,614	0%	0	3,044
0	0	0%	329	0%	COGS - Wine	0	0	0%	2,312	0%	0	674
0	0	0%	6,468	0%	Total COGS	0	0	0%	42,931	0%	0	29,660
0	0	0%	15,002	0%	GROSS MARGIN	0	0	0%	66,575	0%	0	43,801
0.00%	0.00%	0.00%	38.05%	0.00%	COGS - Food & Beverage %	0.00%	0.00%	0.00%	45.69%	0.00%	0.00%	139.64%
0.00%	0.00%	0.00%	32.89%	0.00%	COGS - Beer %	0.00%	0.00%	0.00%	37.68%	0.00%	0.00%	116.35%
0.00%	0.00%	0.00%	-3.66%	0.00%	COGS - Liquor %	0.00%	0.00%	0.00%	15.37%	0.00%	0.00%	92.04%
0.00%	0.00%	0.00%	52.53%	0.00%	COGS - Wine %	0.00%	0.00%	0.00%	48.17%	0.00%	0.00%	78.25%
0.00%	0.00%	0.00%	30.12%	0.00%	COGS - All Food & Bev	0.00%	0.00%	0.00%	39.42%	0.00%	0.00%	8202.02%
					PAYROLL							
0	0	0%	3,480	0%	Gross Kitchen Payroll - Salaried	0	0	0%	13,736	0%	0	10,762
0	0	0%	6,501	0%	Gross Kitchen Payroll - Hourly	0	0	0%	32,542	0%	0	18,847
0	0	0%	9,981	0%	S/T Wages	0	0	0%	46,278	0%	0	29,609
0	0	0%	767	0%	Payroll Tax - FICA	0	0	0%	3,940	0%	0	2,518
0	0	0%	455	0%	Payroll Tax - UC	0	0	0%	2,090	0%	0	1,052
0	0	0%	306	0%	Payroll Tax - WC	0	0	0%	1,298	0%	0	741
0	0	0%	1,829	0%	Benefits	0	0	0%	4,417	0%	0	2,302
0	0	0%	3,357	0%	S/T Adders	0	0	0%	11,745	0%	0	6,613
0	0	0%	13,338	0%	TOTAL PAYROLL	0	0	0%	58,023	0%	0	36,222
					OPERATING EXPENSES							
0	0	0%	265	0%	Bar Supplies	0	0	0%	1,055	0%	0	1,110
0	0	0%	0	0%	Dining Room Supplies	0	0	0%	92	0%	0	0
0	0	0%	495	0%	Kitchen Supplies	0	0	0%	3,057	0%	0	758
0	0	0%	429	0%	Laundry/Linens	0	0	0%	2,664	0%	0	1,108
0	0	0%	0	0%	Office Supplies	0	0	0%	57	0%	0	0
0	0	0%	275	0%	Repair & Maint - Equipment	79	0	0%	2,751	3%	0	2,226
0	0	0%	(133)	0%	Equipment Lease	0	0	0%	601	0%	0	250
0	0	0%	642	0%	Utilities - Gas	0	0	0%	3,611	0%	0	2,415
0	0	0%	0	0%	Tax/Licenses/Fees	0	0	0%	0	0%	0	2,343
0	0	0%	82	0%	Theft Loss	106	0	0%	1,168	9%	0	5,047
0	0	0%	2,055	0%	TOTAL OPERATING EXPENSES	185	0	0%	15,055	1%	0	15,258
0	0	0%	(391)	0%	EBITDA	(185)	0	0%	(6,504)	3%	0	(7,679)
0	0	0%	(391)	0%	NET INCOME	(185)	0	0%	(6,504)	3%	0	(7,679)

The Golf Club at Cypress Head
Golf Shop
For the Four Months Ending January 31, 2016

MTD Actual	MTD Budget	% of Budget	MTD Prior Year	% of PY		YTD Actual	YTD Budget	% of Budget	YTD Prior Year	% of PY	Annual Budget	
					REVENUES							
480	545	88%	540	89%	Handicap Fee	620	727	85%	740	84%	4,516	4,272
540	297	182%	47	1154%	Lessons	1,150	923	125%	302	381%	3,029	1,255
74	0	0%	0	0%	Other Pro Shop Revenue	74	0	0%	0	0%	0	3,617
120	468	26%	364	33%	Rental Clubs	617	1,060	58%	1,000	62%	3,224	1,472
4,884	4,621	106%	4,476	109%	Retail	16,400	15,497	106%	19,547	84%	61,281	50,547
6,097	5,931	103%	5,428	112%	Total Revenues	18,860	18,207	104%	21,589	87%	72,050	61,163
					COST OF GOODS SOLD							
3,581	2,539	141%	2,568	139%	COGS - Merchandise	13,662	8,514	160%	12,959	105%	33,672	45,246
3,581	2,539	141%	2,568	139%	Total COGS	13,662	8,514	160%	12,959	105%	33,672	45,246
2,516	3,392	74%	2,860	88%	GROSS MARGIN	5,198	9,693	54%	8,629	60%	38,378	15,917
73.32%	54.94%	133.45%	57.36%	127.84%	COGS - Merchandise %	83.31%	54.94%	151.64%	66.30%	125.65%	54.95%	1332.43%
					PAYROLL							
0	0	0%	1,922	0%	Gross Payroll - Salaried	0	0	0%	7,448	0%	0	5,869
3,820	3,871	99%	1,865	205%	Gross Payroll - Hourly	18,073	12,972	139%	7,803	232%	43,190	24,062
3,820	3,871	99%	3,787	101%	S/T Wages	18,073	12,972	139%	15,251	118%	43,190	29,930
398	296	135%	277	144%	Payroll Tax - FICA	1,492	992	150%	1,113	134%	3,304	2,360
96	130	74%	163	59%	Payroll Tax - UC	319	245	130%	283	113%	1,067	716
73	78	94%	106	69%	Payroll Tax - WC	359	261	138%	383	94%	906	611
0	408	0%	519	0%	Benefits	0	1,632	0%	1,726	0%	5,041	1,436
568	912	62%	1,065	53%	S/T Adders	2,170	3,130	69%	3,505	62%	10,318	5,123
4,388	4,783	92%	4,852	90%	TOTAL PAYROLL	20,243	16,102	126%	18,756	108%	53,508	35,053
					OPERATING EXPENSES							
0	200	0%	0	0%	Office Supplies	0	424	0%	74	0%	584	104
0	0	0%	0	0%	Printing	0	100	0%	0	0%	100	72
213	600	35%	0	0%	Supplies	213	2,696	8%	2,076	10%	4,085	282
0	0	0%	0	0%	Tournament Expense	574	51	1125%	50	1145%	701	3,071
192	212	91%	210	91%	Handicap Expense	192	212	91%	210	91%	4,495	4,644
11	0	0%	0	0%	Lesson Expense	11	243	5%	240	5%	524	90
0	0	0%	0	0%	Repair & Maint - Building	0	500	0%	0	0%	666	164
416	1,012	41%	210	198%	TOTAL OPERATING EXPENSES	990	4,226	23%	2,650	37%	11,155	8,427
(2,287)	(2,403)	95%	(2,202)	104%	EBITDA	(16,035)	(10,635)	151%	(12,776)	126%	(26,285)	(27,563)
(2,287)	(2,403)	95%	(2,202)	104%	NET INCOME	(16,035)	(10,635)	151%	(12,776)	126%	(26,285)	(27,563)

The Golf Club at Cypress Head
G & A
For the Four Months Ending January 31, 2016

MTD Actual	MTD Budget	% of Budget	MTD Prior Year	% of PY		YTD Actual	YTD Budget	% of Budget	YTD Prior Year	% of PY	Annual Budget	
					REVENUES							
0	0	0%	0	0%	Initiation Fees	0	0	0%	0	0%	0	750
0	0	0%	0	0%	Miscellaneous G&A	0	0	0%	0	0%	0	(866)
0	0	0%	0	0%	Total Revenues	0	0	0%	0	0%	0	(116)
0	0	0%	0	0%	GROSS MARGIN	0	0	0%	0	0%	0	(116)
					PAYROLL							
8,197	8,333	98%	7,751	106%	Gross Payroll - Salaried	31,763	33,332	95%	31,005	102%	99,996	92,803
0	0	0%	0	0%	Gross Payroll - Hourly	0	0	0%	0	0%	0	4,461
8,197	8,333	98%	7,751	106%	S/T Wages	31,763	33,332	95%	31,005	102%	99,996	97,264
698	637	110%	653	107%	Payroll Tax - FICA	2,699	2,548	106%	2,552	106%	7,644	8,398
222	281	79%	374	59%	Payroll Tax - UC	222	281	79%	566	39%	527	578
289	167	173%	264	109%	Payroll Tax - WC	933	668	140%	792	118%	2,088	2,783
1,733	1,388	125%	2,360	73%	Benefits	7,067	5,552	127%	6,882	103%	17,506	18,477
2,942	2,473	119%	3,651	81%	S/T Adders	10,921	9,049	121%	10,792	101%	27,765	30,236
11,139	10,806	103%	11,403	98%	TOTAL PAYROLL	42,684	42,381	101%	41,797	102%	127,761	127,500
					OPERATING EXPENSES							
398	500	80%	800	50%	Janitorial Supplies	812	2,062	39%	2,362	34%	4,739	2,786
0	0	0%	0	0%	Laundry/Uniforms	0	2,338	0%	2,038	0%	2,651	0
487	556	88%	556	88%	Office Supplies	2,124	1,494	142%	1,494	142%	3,602	2,941
91	91	99%	91	100%	Alarm System	452	992	46%	490	92%	2,159	1,480
0	0	0%	0	0%	Carpet Cleaning	0	300	0%	300	0%	1,190	0
332	582	57%	582	57%	Computer Service	773	1,459	53%	1,458	53%	3,526	2,268
0	0	0%	549	0%	Contract Cleaning	130	500	26%	2,196	6%	500	2,193
0	0	0%	0	0%	Guest Relations	49	0	0%	0	0%	0	49
0	0	0%	0	0%	Indoor Plant Maint	0	100	0%	0	0%	200	0
0	230	0%	230	0%	Pest Control	0	575	0%	575	0%	1,495	345
0	0	0%	0	0%	Repair & Maint - Equipment	479	489	98%	489	98%	1,210	1,106
410	797	51%	797	51%	Repair & Maint - Building	496	2,527	20%	2,526	20%	3,680	221
0	0	0%	0	0%	Repair & Maint - Other	0	0	0%	0	0%	0	907
0	0	0%	0	0%	Security	0	600	0%	0	0%	600	0
168	157	107%	157	107%	Off-Site Storage	672	628	107%	628	107%	1,727	2,116
2,353	2,070	114%	2,070	114%	Utilities - Other	7,301	8,144	90%	8,144	90%	25,185	19,474
150	176	85%	176	85%	Utilities - Telephone/Fax	600	626	96%	626	96%	1,878	1,671
74	18	412%	18	415%	Bank Charges	832	69	1205%	70	1190%	746	1,479
35	0	0%	(42)	-85%	Cash Short/(Over)	138	0	0%	(94)	-146%	0	226
175	175	100%	375	47%	Cell Phone	750	700	107%	700	107%	2,100	1,700
3,243	3,853	84%	3,777	86%	City Surcharge R & R	10,636	8,790	121%	12,329	86%	35,106	23,208
0	75	0%	75	0%	Copier/Photocopies	166	535	31%	535	31%	1,291	586
1,727	2,757	63%	1,757	98%	Credit Card Discounts	9,796	8,154	120%	7,368	133%	25,500	23,641
0	0	0%	0	0%	Donations	0	0	0%	0	0%	0	1,989
0	100	0%	100	0%	Dues & Subscriptions	150	250	60%	250	60%	1,125	1,093
0	210	0%	210	0%	Education & Training	0	210	0%	210	0%	410	95
114	238	48%	238	48%	Employee Relations	667	1,012	66%	1,012	66%	1,958	1,326
3,796	3,987	95%	3,987	95%	Insurance Expense	15,184	15,304	99%	15,303	99%	45,074	45,953
0	100	0%	100	0%	Member Relations	131	100	131%	100	131%	659	314
7	0	0%	0	0%	Messenger Service - Fedex	91	184	49%	183	49%	447	257
669	0	0%	0	0%	Miscellaneous	1,675	0	0%	0	0%	0	1,675
1,200	1,200	100%	0	0%	O/S - Accounting	13,200	13,200	100%	12,000	110%	13,200	13,200
0	0	0%	0	0%	O/S - Legal	0	80	0%	80	0%	160	2,568
0	0	0%	0	0%	O/S - Other	0	77	0%	77	0%	77	0
56	371	15%	371	15%	Payroll Processing Fee	845	1,094	77%	1,094	77%	4,009	3,530
0	0	0%	0	0%	Postage/Shipping	39	92	43%	92	42%	560	406
(30)	(30)	100%	(30)	100%	Tax/Licenses/Fees	(90)	(120)	75%	(150)	60%	(130)	(267)
520	0	0%	0	0%	Travel - Meals	612	0	0%	0	0%	0	665
147	1,509	10%	1,509	10%	Travel - Other	2,934	3,164	93%	3,163	93%	8,687	13,510
0	336	0%	336	0%	Employee Meals	0	605	0%	604	0%	2,396	840
16,122	20,058	80%	18,788	86%	TOTAL OPERATING EXPENSES	71,644	76,334	94%	78,252	92%	197,717	175,551
(27,261)	(30,864)	88%	(30,191)	90%	EBITDA	(114,327)	(118,715)	96%	(120,049)	95%	(325,478)	(303,167)
5,713	5,601	102%	7,370	78%	Management Fee	24,508	20,488	120%	29,378	83%	65,296	61,356
5,713	5,601	102%	7,370	78%	Management Fees	24,508	20,488	120%	29,378	83%	65,296	61,356
0	154	0%	154	0%	Deprec - Office F,F&E	0	616	0%	616	0%	1,848	(616)
98	98	100%	98	100%	Deprec - Mach & Equip	390	390	100%	390	100%	1,171	746
283	283	100%	283	100%	Deprec - Buildings	1,134	1,134	100%	1,134	100%	3,401	8,659
381	535	71%	535	71%	S/T DEPR. & AMORT	1,524	2,140	71%	2,140	71%	6,420	8,789

The Golf Club at Cypress Head
G & A
For the Four Months Ending January 31, 2016

MTD Actual	MTD Budget	% of Budget	MTD Prior Year	% of PY		YTD Actual	YTD Budget	% of Budget	YTD Prior Year	% of PY	Annual Budget	
(33,355)	(37,000)	90%	(38,096)	88%	NET INCOME	(140,360)	(141,343)	99%	(151,567)	93%	(397,194)	(373,312)

The Golf Club at Cypress Head
Marketing
For the Four Months Ending January 31, 2016

MTD Actual	MTD Budget	% of Budget	MTD Prior Year	% of PY		YTD Actual	YTD Budget	% of Budget	YTD Prior Year	% of PY	Annual Budget	
					PAYROLL							
3,127	3,060	102%	3,639	86%	Gross Payroll - Salaried	13,363	12,240	109%	14,697	91%	36,720	35,014
3,127	3,060	102%	3,639	86%	S/T Wages	13,363	12,240	109%	14,697	91%	36,720	35,014
226	234	97%	264	85%	Payroll Tax - FICA	965	936	103%	1,069	90%	2,808	2,783
72	103	70%	156	46%	Payroll Tax - UC	72	103	70%	260	28%	263	151
59	62	95%	112	52%	Payroll Tax - WC	274	248	110%	296	92%	772	908
412	408	101%	492	84%	Benefits	1,647	1,632	101%	1,633	101%	5,041	4,613
768	807	95%	1,024	75%	S/T Adders	2,958	2,919	101%	3,259	91%	8,884	8,455
3,896	3,867	101%	4,663	84%	TOTAL PAYROLL	16,322	15,159	108%	17,956	91%	45,604	43,469
					OPERATING EXPENSES							
2,192	1,474	149%	1,113	197%	Advertising & Promotion	6,229	15,182	41%	6,517	96%	23,866	26,966
0	0	0%	0	0%	Miscellaneous	11,616	10,000	116%	0	0%	10,000	11,657
0	50	0%	0	0%	Travel - Other	232	200	116%	0	0%	820	424
0	0	0%	0	0%	Website Expenses	900	1,000	90%	0	0%	5,000	3,000
2,192	1,524	144%	1,113	197%	TOTAL OPERATING EXPENSES	18,976	26,382	72%	6,517	291%	39,686	42,048
(6,088)	(5,391)	113%	(5,776)	105%	EBITDA	(35,298)	(41,541)	85%	(24,473)	144%	(85,290)	(85,516)
(6,088)	(5,391)	113%	(5,776)	105%	NET INCOME	(35,298)	(41,541)	85%	(24,473)	144%	(85,290)	(85,516)

The Golf Club at Cypress Head

For the Four Months Ending January 31, 2016

MTD Actual	MTD Budget	% of Budget	MTD Prior Year	% of PY		YTD Actual	YTD Budget	% of Budget	YTD Prior Year	% of PY	Annual Budget	
					REVENUES							
100,423	114,513	88%	112,269	89%	Green Fees & Cart Fees	312,625	285,708	109%	345,763	90%	1,023,426	681,730
4,884	4,621	106%	4,476	109%	Merchandise	16,400	15,497	106%	19,547	84%	61,281	50,547
1,214	1,310	93%	951	128%	Other Pro Shop	2,460	2,710	91%	2,042	120%	10,769	10,616
2,877	2,598	111%	1,959	147%	Range	9,107	8,313	110%	8,544	107%	35,044	17,447
0	0	0%	21,470	0%	Food and Beverage	0	0	0%	109,506	0%	0	73,461
0	0	0%	0	0%	Membership Initiation Fees	0	0	0%	0	0%	0	750
3,243	3,853	84%	3,777	86%	Other Operating Revenues	10,636	8,790	121%	12,329	86%	35,106	23,208
0	0	0%	0	0%	Other G&A Income	0	0	0%	0	0%	0	(866)
112,641	126,895	89%	144,902	78%	TOTAL REVENUE	351,227	321,018	109%	497,731	71%	1,165,626	856,892
					COST OF SALES							
3,581	2,539	141%	2,568	139%	Merchandise	13,662	8,514	160%	12,959	105%	33,672	45,246
0	0	0%	6,468	0%	Food & Beverage	0	0	0%	42,931	0%	0	29,660
3,581	2,539	141%	9,035	40%	TOTAL COGS	13,662	8,514	160%	55,891	24%	33,672	74,906
73.3%	54.9%	133.5%	57.4%	127.8%	COGS - Merchandise %	83.3%	54.9%	151.6%	66.3%	125.7%	54.9%	1332.4%
0.0%	0.0%	0.0%	30.1%	0.0%	COGS - Food %	0.0%	0.0%	0.0%	39.4%	0.0%	0.0%	8202.0%
					PAYROLL							
28,053	25,718	109%	25,918	108%	Course and Grounds	119,062	100,470	119%	96,726	123%	302,225	313,616
6,797	6,625	103%	6,366	107%	Carts, Range, Starters, Etc.	24,050	21,697	111%	21,584	111%	73,469	42,206
4,388	4,783	92%	4,852	90%	Pro Shop	20,243	16,102	126%	18,756	108%	53,508	35,053
0	0	0%	13,338	0%	Food and Beverage	0	0	0%	58,023	0%	0	36,222
11,139	10,806	103%	11,403	98%	General and Administrative	42,684	42,381	101%	41,797	102%	127,761	127,500
3,896	3,867	101%	4,663	84%	Marketing	16,322	15,159	108%	17,956	91%	45,604	43,469
54,272	51,799	105%	66,540	82%	TOTAL PAYROLL	222,360	195,809	114%	254,843	87%	602,567	598,065
					OPERATING EXPENSES							
13,029	14,111	92%	13,504	96%	Course and Grounds	65,407	76,074	86%	72,710	90%	194,632	212,848
6,599	7,783	85%	11,174	59%	Carts, Range, Starters, Etc.	29,471	32,710	90%	37,662	78%	85,831	105,174
416	1,012	41%	210	198%	Pro Shop	990	4,226	23%	2,650	37%	11,155	8,427
0	0	0%	2,055	0%	Food and Beverage	185	0	0%	15,055	1%	0	15,258
16,122	20,058	80%	18,788	86%	General and Administrative	71,644	76,334	94%	78,252	92%	197,717	175,551
2,192	1,524	144%	1,113	197%	Marketing	18,976	26,382	72%	6,517	291%	39,686	42,048
38,359	44,488	86%	46,843	82%	TOTAL OPERATING EXPENSES	186,673	215,726	87%	212,846	88%	529,021	559,305
96,212	98,826	97%	122,419	79%	TOTAL EXPENSES	422,696	420,049	101%	523,579	81%	1,165,260	1,232,276
16,429	28,069	59%	22,483	73%	EBITDA	(71,469)	(99,031)	72%	(25,848)	276%	366	(375,384)

The Golf Club at Cypress Head

For the Four Months Ending January 31, 2016

MTD Actual	MTD Budget	% of Budget	MTD Prior Year	% of PY		YTD Actual	YTD Budget	% of Budget	YTD Prior Year	% of PY	Annual Budget	
16,429	28,069	59%	22,483	73%	EBITDA	(71,469)	(99,031)	72%	(25,848)	276%	366	(375,384)
(5,713)	(5,601)	102%	(7,370)	78%	MANAGEMENT FEES	(24,508)	(20,488)	120%	(29,378)	83%	(65,296)	(61,356)
					OTHER INCOME (EXPENSE)							
(381)	(535)	71%	(535)	71%	Depreciation & Amortization	(1,524)	(2,140)	71%	(2,140)	71%	(6,420)	(8,789)
(381)	(535)	71%	(535)	71%	TOTAL OTHER INCOME (EXPENSE)	(1,524)	(2,140)	71%	(2,140)	71%	(6,420)	(8,789)
10,335	21,933	47%	14,578	71%	NET INCOME	(97,501)	(121,659)	80%	(57,366)	170%	(71,350)	(445,529)
2,908	3,918	74%	3,879	75%	Paid Rounds	9,691	10,445	93%	13,005	75%	38,507	22,595
866	501	173%	496	175%	Annual Pass Rounds	2,581	1,285	201%	1,634	158%	4,295	3,917
196	258	76%	255	77%	Other Rounds	663	827	80%	1,055	63%	2,819	1,380
3,970	4,677	85%	4,630	86%	Total Rounds	12,935	12,557	103%	15,694	82%	45,621	27,892
39	32	120%	37	104%	Revenue/Paid Rounds	36	31	118%	38	95%	30	250
28	27	105%	31	91%	Revenue/Total Rounds	27	26	106%	32	86%	26	204

TRIAL BALANCE SUMMARY FOR 2015

The Golf Club at Cypress Head

General Ledger

Ranges: From: To:
Date: 1/1/2016 1/31/2016
Account: First Last

Sorted By: Account
Include: Posting, Unit
Print Currency In: Functional (Z-US$)

Inactive	Account	Description	Beginning Balance	Debit	Credit	Net Change	Ending Balance
	10060-5950-900	Cash - Operating New	$140,410.34	$101,846.67	$89,297.79	$12,548.88	$152,959.22
	10100-5950-900	Cash - Course Other	$850.00	$0.00	$0.00	$0.00	$850.00
	10120-5950-900	Cash - New Payroll	($4,242.01)	$45,678.21	$43,232.56	$2,445.65	($1,796.36)
	10180-5950-900	Cash - Pro Shop Bank	$500.00	$0.00	$0.00	$0.00	$500.00
	11160-5950-900	A/R Member	$3,516.50	$410.00	$3,567.54	($3,157.54)	$358.96
	12000-5950-900	Inventory - Merchandise	$17,613.06	$1,696.05	$3,613.45	($1,917.40)	$15,695.66
	13020-5950-900	Prepaid Insurance	$14,556.76	$0.00	$3,795.92	($3,795.92)	$10,760.84
	13040-5950-900	Prepaid Exp - Other	$6,595.46	$833.34	$787.51	$45.83	$6,641.29
	20040-5950-900	Furniture & Fixtures	$9,044.50	$0.00	$0.00	$0.00	$9,044.50
	20100-5950-900	Machinery & Equipment	$15,999.94	$0.00	$0.00	$0.00	$15,999.94
	20160-5950-900	Land	$54,142.76	$0.00	$0.00	$0.00	$54,142.76
	22020-5950-900	Accum. Deprec - Office F,F&E	($9,044.50)	$0.00	$0.00	$0.00	($9,044.50)
	22040-5950-900	Accum. Deprec - Mach & Equip	($11,867.82)	$0.00	$97.55	($97.55)	($11,965.37)
	22080-5950-900	Accum. Deprec - Buildings	($36,359.63)	$0.00	$283.45	($283.45)	($36,643.08)
	30000-5950-900	Accts Pay - Trade	($7,485.51)	$36,393.93	$37,523.44	($1,129.51)	($8,615.02)
	30040-5950-900	Accts Pay - Other	($38,273.56)	$0.00	$10,018.00	($10,018.00)	($48,291.56)
	31000-5950-900	Accrued Expenses	($151.81)	$151.81	$2,710.00	($2,558.19)	($2,710.00)
	31020-5950-900	Accrued Payroll	($16,012.84)	$6,477.63	$10,639.87	($4,162.24)	($20,175.08)
	31220-5950-900	Accrued Sales Tax	($6,216.99)	$6,216.99	$6,030.67	$186.32	($6,030.67)
	31400-5950-900	Accrued City Surcharge	($3,481.29)	$3,481.29	$3,243.47	$237.82	($3,243.47)
	32000-5950-900	Deferred Rev - Rainchecks	($802.29)	$309.31	$1,052.01	($742.70)	($1,544.99)
	32020-5950-900	Deferred Rev - Outing Deposits	($793.03)	$793.03	$0.00	$793.03	$0.00
	32040-5950-900	Deferred Rev - Legacy GF Passes	($51,143.22)	$5,682.58	$0.00	$5,682.58	($45,460.64)
	32050-5950-900	Deferred Revenue - Cypress GF Passes	($53,820.00)	$6,130.00	$1,350.00	$4,780.00	($49,040.00)
	32060-5950-900	Deferred Rev - Gift Certificates	($4,639.14)	$793.03	$793.03	$0.00	($4,639.14)
	32070-5950-900	Deferred Rev - Gift Cards	($23,574.73)	$2,093.79	$804.83	$1,288.96	($22,285.77)
	32100-5950-900	Deferred Rev - Credit Books	($17,595.41)	$1,024.61	$343.14	$681.47	($16,913.94)
	32120-5950-900	Deferred Rev - Trail Fee Pass	($84,700.69)	$9,411.18	$0.00	$9,411.18	($75,289.51)
	32220-5950-900	Deferred Rev - Founders Pass	($860.58)	$95.62	$0.00	$95.62	($764.96)
	50000-5950-100	Green Fees - Annual Pass	($23,243.67)	$0.00	$11,908.20	($11,908.20)	($35,151.87)
	50040-5950-100	Green Fees - Member	($93,970.80)	$495.67	$44,062.96	($43,567.29)	($137,538.09)
	50070-5950-100	Green Fees - (surcharge)	($7,074.91)	$3,243.47	$6,486.94	($3,243.47)	($10,318.38)
	50500-5950-200	Cart Fee 18	($69,321.40)	$0.00	$32,293.00	($32,293.00)	($101,614.40)
	50520-5950-200	Cart Fee - Annual Trail	($18,590.70)	$0.00	$9,411.18	($9,411.18)	($28,001.88)
	52090-5950-600	Handicap Fee	($140.00)	$0.00	$480.00	($480.00)	($620.00)
	52150-5950-600	Lessons	($610.00)	$0.00	$540.00	($540.00)	($1,150.00)
	52220-5950-600	Other Pro Shop Revenue	$0.00	$0.00	$73.61	($73.61)	($73.61)
	52280-5950-600	Rental Clubs	($496.63)	$212.99	$332.99	($120.00)	($616.63)
	52310-5950-600	Retail	($11,515.83)	$0.00	$4,883.83	($4,883.83)	($16,399.66)
	53050-5950-220	Range Pass Revenue	($6,229.84)	$0.00	$2,876.70	($2,876.70)	($9,106.54)
	56120-5950-100	City Surcharge R & R	($7,392.63)	$0.00	$3,243.47	($3,243.47)	($10,636.10)
	60000-5950-600	COGS - Merchandise - Accessories	$10,081.21	$3,581.05	$0.00	$3,581.05	$13,662.26
	70000-5950-100	Gross Payroll - Salaried	$20,556.70	$7,706.35	$880.73	$6,825.62	$27,382.32
	70000-5950-900	Gross Payroll - Salaried	$23,565.94	$11,293.70	$3,097.08	$8,196.62	$31,762.56
	70000-5950-950	Gross Payroll - Salaried	$10,236.15	$3,530.80	$403.52	$3,127.28	$13,363.43
	70010-5950-100	Gross Payroll - Hourly	$53,048.55	$17,656.77	$2,420.96	$15,235.81	$68,284.36
	70010-5950-200	Gross Payroll - Hourly	$15,211.27	$6,854.52	$726.20	$6,128.32	$21,339.59
	70010-5950-600	Gross Payroll - Hourly	$14,253.08	$4,361.03	$541.26	$3,819.77	$18,072.85
	71000-5950-100	Payroll Tax - FICA	$5,259.77	$1,840.01	$245.05	$1,594.96	$6,854.73
	71000-5950-200	Payroll Tax - FICA	$1,200.53	$423.35	$58.09	$365.26	$1,565.79
	71000-5950-600	Payroll Tax - FICA	$1,093.93	$441.42	$43.30	$398.12	$1,492.05
	71000-5950-900	Payroll Tax - FICA	$2,000.16	$799.47	$101.10	$698.37	$2,698.53
	71000-5950-950	Payroll Tax - FICA	$739.43	$258.15	$32.28	$225.87	$965.30
	71010-5950-100	Payroll Tax - UC	$584.57	$525.95	$0.00	$525.95	$1,110.52
	71010-5950-200	Payroll Tax - UC	$503.31	$152.73	$0.00	$152.73	$656.04
	71010-5950-600	Payroll Tax - UC	$222.90	$96.48	$0.00	$96.48	$319.38
	71010-5950-900	Payroll Tax - UC	$0.00	$222.18	$0.00	$222.18	$222.18

Inactive	Account	Description	Beginning Balance	Debit	Credit	Net Change	Ending Balance
	71010-5950-950	Payroll Tax - UC	$0.00	$71.84	$0.00	$71.84	$71.84
	71020-5950-100	Payroll Tax - WC	$1,628.51	$534.13	$0.00	$534.13	$2,162.64
	71020-5950-200	Payroll Tax - WC	$311.11	$138.31	$0.00	$138.31	$449.42
	71020-5950-600	Payroll Tax - WC	$285.67	$73.37	$0.00	$73.37	$359.04
	71020-5950-900	Payroll Tax - WC	$644.00	$288.91	$0.00	$288.91	$932.91
	71020-5950-950	Payroll Tax - WC	$215.04	$58.76	$0.00	$58.76	$273.80
	71030-5950-100	Benefits	$9,930.67	$5,445.01	$2,108.48	$3,336.53	$13,267.20
	71030-5950-200	Benefits	$26.29	$54.74	$42.07	$12.67	$38.96
	71030-5950-900	Benefits	$5,334.92	$3,227.93	$1,495.43	$1,732.50	$7,067.42
	71030-5950-950	Benefits	$1,235.49	$600.51	$188.68	$411.83	$1,647.32
	80110-5950-200	Cart Supplies	$837.59	$17.98	$0.00	$17.98	$855.57
	80170-5950-100	Course Accessories	$743.93	$4.20	$0.00	$4.20	$748.13
	80230-5950-100	Fertilizer	$6,192.22	$1,050.20	$0.00	$1,050.20	$7,242.42
	80250-5950-100	Flowers/Decor	$73.96	$0.00	$0.00	$0.00	$73.96
	80270-5950-100	Fuel	$2,332.44	$1,300.00	$0.00	$1,300.00	$3,632.44
	80280-5950-100	Fungicides	$1,634.77	$0.00	$0.00	$0.00	$1,634.77
	80320-5950-100	Herbicides	$3,213.03	$160.27	$0.00	$160.27	$3,373.30
	80370-5950-100	Insecticides	$2,408.64	$45.40	$0.00	$45.40	$2,454.04
	80380-5950-900	Janitorial Supplies	$413.76	$468.01	$69.99	$398.02	$811.78
	80520-5950-900	Office Supplies	$1,636.53	$513.04	$26.00	$487.04	$2,123.57
	80610-5950-220	Range Balls	$1,530.00	$0.00	$0.00	$0.00	$1,530.00
	80620-5950-220	Range Equipment	$796.12	$190.39	$0.00	$190.39	$986.51
	80630-5950-220	Range Expenses	$9.90	$0.00	$0.00	$0.00	$9.90
	80690-5950-100	Sand/Topdress	$2,691.65	$753.77	$0.00	$753.77	$3,445.42
	80710-5950-100	Seeds/Trees	$3,468.51	$0.00	$0.00	$0.00	$3,468.51
	80780-5950-600	Supplies	$0.00	$212.99	$0.00	$212.99	$212.99
	80810-5950-600	Tournament Expense	$573.63	$0.00	$0.00	$0.00	$573.63
	81010-5950-900	Alarm System	$361.50	$90.50	$0.00	$90.50	$452.00
	81090-5950-200	Cart Repairs	$1,237.25	$218.06	$0.00	$218.06	$1,455.31
	81130-5950-900	Computer Service	$440.50	$332.01	$0.00	$332.01	$772.51
	81140-5950-900	Contract Cleaning	$130.00	$0.00	$0.00	$0.00	$130.00
	81200-5950-900	Guest Relations	$49.30	$0.00	$0.00	$0.00	$49.30
	81220-5950-600	Handicap Expense	$0.00	$192.00	$0.00	$192.00	$192.00
	81250-5950-100	Irrigation	$515.06	$761.52	$0.00	$761.52	$1,276.58
	81270-5950-600	Lesson Expense	$0.00	$86.15	$75.00	$11.15	$11.15
	81350-5950-100	Repair & Maint - Equipment	$7,754.47	$2,027.35	$0.00	$2,027.35	$9,781.82
	81350-5950-540	Repair & Maint - Equipment	$78.90	$0.00	$0.00	$0.00	$78.90
	81350-5950-900	Repair & Maint - Equipment	$479.45	$0.00	$0.00	$0.00	$479.45
	81360-5950-900	Repair & Maint - Building	$86.13	$410.00	$0.00	$410.00	$496.13
	82000-5950-200	Cart Lease	$16,068.00	$5,356.00	$0.00	$5,356.00	$21,424.00
	82020-5950-100	Equipment Lease	$13,536.00	$4,512.00	$0.00	$4,512.00	$18,048.00
	82060-5950-900	Off-Site Storage	$504.00	$168.00	$0.00	$168.00	$672.00
	83000-5950-100	Utlities - Electric	$729.63	$185.23	$0.00	$185.23	$914.86
	83000-5950-200	Utilities - Electric	$2,393.45	$816.66	$0.00	$816.66	$3,210.11
	83020-5950-100	Utlities - Other	$4,733.08	$1,361.06	$0.00	$1,361.06	$6,094.14
	83020-5950-900	Utilities - Other	$4,947.96	$2,353.05	$0.00	$2,353.05	$7,301.01
	83030-5950-100	Utlities - Telephone/Fax	$303.83	$114.14	$0.00	$114.14	$417.97
	83030-5950-900	Utilities - Telephone/Fax	$450.00	$150.00	$0.00	$150.00	$600.00
	83050-5950-100	Utlities - Water	$991.37	$243.77	$0.00	$243.77	$1,235.14
	84030-5950-950	Adv/Promo - Local/Regional Print	$1,322.00	$0.00	$0.00	$0.00	$1,322.00
	84040-5950-950	Adv/Promo - Mktg/Bus Dev	$2,714.27	$2,265.88	$73.42	$2,192.46	$4,906.73
	85020-5950-900	Bank Charges	$757.48	$74.21	$0.00	$74.21	$831.69
	85050-5950-900	Cash Short/(Over)	$102.69	$232.17	$196.78	$35.39	$138.08
	85060-5950-900	Cell Phone	$575.00	$175.00	$0.00	$175.00	$750.00
	85070-5950-900	City Surcharge R & R	$7,392.63	$3,243.47	$0.00	$3,243.47	$10,636.10
	85110-5950-900	Copier/Photocopies	$166.08	$0.00	$0.00	$0.00	$166.08
	85120-5950-900	Credit Card Discounts	$8,069.49	$1,726.62	$0.00	$1,726.62	$9,796.11
	85150-5950-900	Dues & Subscriptions	$150.00	$0.00	$0.00	$0.00	$150.00
	85160-5950-100	Education & Training	$0.00	$210.00	$0.00	$210.00	$210.00
	85190-5950-900	Employee Relations	$552.79	$114.30	$0.00	$114.30	$667.09
	85200-5950-100	Employee Testing	$130.75	$0.00	$0.00	$0.00	$130.75
	85280-5950-900	Insurance Expense	$11,387.76	$3,795.92	$0.00	$3,795.92	$15,183.68
	85320-5950-900	Member Relations	$131.18	$0.00	$0.00	$0.00	$131.18

TRIAL BALANCE SUMMARY FOR 2015

The Golf Club at Cypress Head

Inactive	Account	Description	Beginning Balance	Debit	Credit	Net Change	Ending Balance
	85330-5950-900	Messenger Service - Fedex	$83.24	$7.40	$0.00	$7.40	$90.64
	85340-5950-900	Miscellaneous	$1,005.92	$669.00	$0.00	$669.00	$1,674.92
	85340-5950-950	Miscellaneous	$11,616.12	$0.00	$0.00	$0.00	$11,616.12
	85390-5950-900	O/S - Accounting	$12,000.00	$1,200.00	$0.00	$1,200.00	$13,200.00
	85430-5950-100	O/S - Other	$325.00	$0.00	$0.00	$0.00	$325.00
	85480-5950-900	Payroll Processing Fee	$789.95	$316.05	$260.51	$55.54	$845.49
	85490-5950-900	Postage/Shipping	$39.20	$0.00	$0.00	$0.00	$39.20
	85610-5950-900	Tax/Licenses/Fees	($60.00)	$0.00	$30.00	($30.00)	($90.00)
	85660-5950-540	Loss/Theft	$105.82	$0.00	$0.00	$0.00	$105.82
	85710-5950-900	Travel - Meals	$91.47	$520.20	$0.00	$520.20	$611.67
	85720-5950-100	Travel - Other	$600.00	$300.00	$0.00	$300.00	$900.00
	85720-5950-900	Travel - Other	$2,787.65	$146.55	$0.00	$146.55	$2,934.20
	85720-5950-950	Travel - Other	$231.59	$0.00	$0.00	$0.00	$231.59
	85730-5950-950	Website Expenses	$900.00	$0.00	$0.00	$0.00	$900.00
	90000-5950-900	Management Fee	$18,795.30	$5,712.85	$0.00	$5,712.85	$24,508.15
	98020-5950-900	Deprec - Mach & Equip	$292.65	$97.55	$0.00	$97.55	$390.20
	98040-5950-900	Deprec - Buildings	$850.35	$283.45	$0.00	$283.45	$1,133.80
	RCMWD-5950-100	Rounds - Complimentary - Weekday	9,077.00	116.00	0.00	116.00	9,193.00
	REMWD-5950-100	Rounds - Employee - Weekday	15,659.00	80.00	0.00	80.00	15,739.00
	RMBWD-5950-100	Rounds - Member - Weekday	49,762.00	866.00	0.00	866.00	50,628.00
	RPKWD-5950-100	Rounds - Peak - Weekday	274,046.00	2,908.00	0.00	2,908.00	276,954.00
	RPKWE-5950-100	Rounds - Peak - Weekend	5,071.00	0.00	0.00	0.00	5,071.00

	Accounts	Beginning Balance	Debit	Credit	Net Change	Ending Balance
Grand Totals:	**142**	**$0.00**	**$348,893.04**	**$348,893.04**	**$0.00**	**$0.00**

KemperSports™

February 20th, 2016

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 January 2016 at TGC at Cypress Head.

FINANCIAL SUMMARY FOR MONTH ENDING January 2016									
	Current				Year to Date				
Revenue	Actual	Budget	Variance vs. Budget		Actual	Budget	Prior Year	Variance vs. Budget	
Green Fees	$ 58,719	$ 70,552	$ (11,833)		$ 183,008	$ 170,367	$ 204,492	$ 12,641	
Cart Fees	$ 41,704	$ 43,961	$ (2,257)		$ 129,616	$ 115,341	$ 141,271	$ 14,275	
Range	$ 2,877	$ 2,598	$ 279		$ 9,107	$ 8,313	$ 8,544	$ 794	
Pro- Shop Revenues	$ 6,098	$ 5,931	$ 167		$ 18,861	$ 18,207	$ 21,589	$ 654	
City Surcharge R/R	$ 3,243	$ 3,853	$ (610)		$ 10,636	$ 8,790	$ 12,329	$ 1,846	
Total Revenue	**$ 112,641**	**$ 126,895**	**$ (14,254)**		**$ 351,228**	**$ 321,018**	**$ 388,225**	**$ 30,210**	
Cost of Sales	$ 3,581	$ 2,539	$ 1,042		$ 13,662	$ 8,514	$ 12,959	$ 5,148	
Merchandise	$ 3,581	$ 2,539	$ 1,042	73%	$ 13,662	$ 8,514	$ 12,959	$ 5,148	83%
Gross Margin	**$ 109,060**	**$ 124,356**	**$ (15,296)**		**$ 337,566**	**$ 312,504**	**$ 375,266**	**$ 25,062**	
Total Payroll	$ 54,272	$ 51,799	$ 2,473		$ 222,360	$ 195,809	$ 196,820	$ 26,551	
Total Operating Expenses	$ 38,359	$ 44,488	$ (6,129)		$ 186,673	$ 215,726	$ 197,791	$ (29,053)	
Net Operating Income	**$ 16,429**	**$ 28,069**	$ (11,640)		**$ (71,467)**	**$ (99,031)**	**$ (19,345)**	$ 27,564	
Other Expenses	**$ 6,094**	**$ 6,136**	**$ (42)**		**$ 26,032**	**$ 22,628**	**$ 31,518**	**$ 3,404**	
Management Fee	$ 5,713	$ 5,601	$ 112		$ 24,508	$ 20,488	$ 29,378	$ 4,020	
Interest Expense	$ -		$ -					$ -	
Depreciation	$ 381	$ 535	$ 545		$ 1,524	$ 2,140	$ 2,140	$ (616)	
Net Cash From Ops	**$ 10,335**	**$ 21,933**	**$ (11,598)**		**$ (97,499)**	**$ (121,659)**	**$ (50,863)**	**$ 24,160**	
Rounds									
Total Rounds	**3,970**	**4,677**	**(707)**		**12,935**	**12,557**	**15,694**	**378**	
Avg. Green Fee/Cart Fee	**$25.30**	**$24.48**	**$ 0.81**		**$24.17**	**$22.75**	**$22.03**	**$ 1.42**	
Avg. Merchandise/round	**$1.54**	**$1.27**	**$ 0.27**		**$1.46**	**$1.45**	**$1.38**	**$ 0.01**	

Food & Beverage totals have been removed from 14/15 Actuals in Total Revenues and Payroll expenses to properly reflect comparisons to fiscal year 2015/2016.

KemperSports™

Overview:

- The month of January has proven to be very challenging for Cypress Head golf course. As the rest of the country has struggled with record cold and snow, we here in Florida have faced record amounts of rainfall mixed in with multiple days of cold weather and frost. In January we received over 7 inches of rain when normally we would average 2 inches or less. We also experienced heavy winds and potential tornadic activity on several occasions. The weather has had a major effect on the golf course with 6 days being completely closed due to storms and multiple days being cart path restricted. Unfortunately, many of our players will not golf due to the cart path restriction and that will reduce the number of rounds. The number of rounds loss averaged over 150 per day which reduced our monthly totals by over 900 rounds. The total revenue lost due to the weather with an average of $28.00 per round was approximately $25,000.00.

- On a more positive note we were able to accomplish 88% towards our projected revenue totals for the month with a 16% reduction of operating expenses. We were still able to host 3970 rounds with an average of $28.00 per round.

Key Performance Highlights:

- Total revenues for the month of January were under budget by 12% due to the weather difficulties mentioned above. Our operating expenses were reduced by 16% which allowed us to attain a Net Operating Income of $16,429.00 with over 3970 rounds for the month.

- Cypress Head Golf Course was also involved in hosting multiple clinics designed for ladies & juniors to help bring new players to Cypress Head golf course to experience all that the club has to offer. The ladies clinics were sold out immediately and we will be adding more dates as well as adding several men's clinics to the schedule.

- We also hosted some smaller groups such as the Nelson group, the Girouard group, and the Grose and Robish groups. All of these groups continue to play regularly throughout the winter season since they have enjoyed the course conditions and customer service.

- Ms. Reggie Hunter, our Director of Sales & Marketing, has been able to showcase to every group that plays at Cypress Head, that this is the best place to host their event. The positive publicity generated by all the guests who are either playing golf, taking lessons, practicing at our lighted range or enjoying the new menus from the Tavern restaurant has helped make Cypress Head the place to play in Port Orange and Volusia county.

Recognition and Awards:

- We will be hosting the City Championship at Cypress Head on March 12th & 13th which is an event open to the public with multiple divisions for both men and women. We will be presenting trophies and prizes for the Men's, the Senior Men's and the Women's Championship division as well as various handicap flights for other groups.

R&R Projects pending:

- There were no R & R projects outlined for the month of January.

Tee Sheet Activity:

- We had over 2908 paid rounds for the month as well as 866 Annual and Cypress Pass member rounds.

- The Golf staff continues to monitor daily tee sheet activity and is trained to recognize underutilization of the tee sheet and offer promotional prices to increase the number of potential players.

January 2016 and YTD rounds mix:

Type	Actual	Budget	Month- P.Y.	Y.T.D	P.Y-Y.T.D
Paid	**2908**	**3918**	**3879**	**9691**	**10445**
Annual	866	501	496	2581	1285
Other rounds	196	258	255	663	827
Total Rounds	**3970**	**4677**	**4630**	**12935**	**12557**

KemperSports™

Departmental Summaries:

Course & Grounds/Range

- The maintenance team continues to do a tremendous job in maintaining the golf course even though we have experienced several days of cart path only conditions due to the large amounts of rainfall. Dennis and his team continue to work diligently in preparing the course for all the players and is following all guidelines for turf management.
- The range has been receiving a large amount of play due to the much improved drainage as a result of the renovations. The lights are operational on several evenings and both conditions has helped to increase our range revenues as well.

Food and Beverage

- No Food and Beverage sales for the month of January. The management team of the Tavern continues to work with Ms. Hunter and I by coordinating all the details involved for any events held at Cypress Head. We are very committed to offering the best in class service to all tournament groups, individual golfers and non-golfers alike.

Golf Shop/Carts

- The golf shop continues to receive and display new merchandise to help enhance the professional nature of the golf shop and increase merchandise sales. Vendors include Footjoy, Titleist, Callaway, Bridgestone, Page & Tuttle, Nancy Lopez, Bermuda Sands, Ahead headwear and St Andrews products. We hold weekly specials promoting different manufacturers to compete with the large box stores locally. We had over $1292.00 in gift card sales for the month as well as over $4699.00 in merchandise 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 new fleet. In addition to the monthly process our carts are inspected daily for any damage which may have occurred during normal play. We are committed to providing quality carts for the enjoyment of all our players.

- Our team has also been involved with a new national program called GLF which stands for Giant Leap Forward. This program is designed to help promote the game of golf to young golfers throughout the school system beginning in the elementary level all the way to high school. We are excited about promoting this program to all skill levels of junior golfers and this is a tremendous benefit for the City of Port Orange. We are currently scheduled to begin the program at Cypress Creek Elementary school on February 15th with other schools being incorporated throughout February and March.

Marketing and Sales:

- We have received inquiries by some individuals regarding joining the new Cypress Pass membership. Promotions continued to be offered during the month of January highlighting the benefits of joining the membership program with pro-rated and reduced rates. We are expecting more memberships to be purchased as we see our friends arriving from the north taking advantage of this great opportunity.

- The Sales & Marketing director has been very busy responding to all guest inquiries and she has booked multiple events for the month of February as well as the throughout April, May and June. Ms. Hunter continues her involvement with the POSD Chamber, POSD Ambassadors program, Daytona Beach Chamber, SEV Chamber and the POSD Rotary club promoting the course as well as keeping Cypress Head Golf Course “Top of Mind” in the community.

- 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 have increased our database of emails to over 8500 unique e-mail addresses which were accomplished by the golf team by properly registering player profiles including residency, phone numbers and proper classifications of all players. This process will allow better understanding of who our players are and where they come from.

- The team is very active on social media including Facebook, Twitter, and Instagram as well as email blasts promoting all the events and programs offered at Cypress Head.

- The city of Port Orange is also involved with promoting the golf course through the POG channel and the Parks & Recreation department has been helpful in posting golf clinics at their facilities.

Mindshare Reviews and Comments:

Summary Report

Report run: 2/13/2016 12:08 PM MST

Data current as of: 2/13/2016 12:08 PM MST

Key: Poor | Acceptable | Excellent

REPORT CRITERIA	
Date of Survey	1/1/16 - 1/31/16
Select level:	Cypress Head

KemperSports | TrueReview™

	NPS	Overall Rating	Service Rating	Course Rating	Food Rating	Recommend Rating	# of Surveys
Goal Index	70.0 70.0						
Totals	70.8	8.8	9.3	8.1	8.5	9.2	72
Cypress Head	70.8	8.8	9.3	8.1	8.5	9.2	72

- There were over 1,200 questionnaires mailed out to players during the month with an overall rating for the golf course receiving an 8.8 with a recommended rating of 9.2. Many of the comments were related to the conditioning of the course as well the friendliness of the golf staff. 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.

KemperSports™

Corporate Support:

- Kemper Sports Center for Excellence – Ongoing resource.

Summary:

- The entire team here at Cypress Head including all the managers, the maintenance workers and members of the golf staff have been excited about the positive feedback received from our golfing friends. It has been a pleasure for the entire staff to showcase the investment made by the city for its residents as we continue to offer the best possible experience for all players and guests.

- Our plan for the month of February involves the continuation of family golf clinics, junior golf programs and individual lessons to bring more Port Orange residents to the club to experience the benefits and services that we have to offer. We have also added two series of Ladies Clinics for February due to popular demand.

- We will be promoting the Cypress Head Club Championship which is going to going to be held during the weekend of March 12th & 13th. This event is open to the public and we expect a large turnout for this challenging event on the newly renovated golf course.

Respectfully Submitted,

Bob Duquette, PGA

General Manager
The Golf Club at Cypress Head.

<u>ORDINANCE NO. 2016-</u>

AN ORDINANCE OF THE CITY OF PORT ORANGE, VOLUSIA COUNTY, FLORIDA, ESTABLISHING GOLF COURSE ADVISORY BOARD; AMENDING CHAPTER 50, CODE OF ORDINANCES, CITY OF PORT ORANGE FLORIDA, ENTITLED "PARKS AND RECREATION"; CREATING DIVISION 2 OF ARTICLE IV OF CHAPTER 50 TO BE ENTITLED "GOLF COURSE ADVISORY BOARD"; CREATING SECTION 50-106 TO PROVIDE FOR ESTABLISHMENT OF GOLF COURSE ADVISORY BOARD; CREATING SECTION 50-107 TO PROVIDE FOR PURPOSE, DUTIES AND FUNCTIONS OF THE BOARD; CREATING SECTION 50-108 TO PROVIDE FOR COMPOSITION AND QUALIFICATIONS OF MEMBERS; CREATING SECTION 50-109 TO PROVIDE FOR APPOINTMENTS AND TERMS; CREATING SECTION 50-110 TO PROVIDE FOR VACANCIES AND REMOVAL OF MEMBERS; CREATING SECTION 50-111 TO PROVIDE FOR ORGANIZATION AND PROCEDURES OF THE BOARD; PROVIDING FOR REPEAL OF CONFLICTING ORDINANCES; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF PORT ORANGE, VOLUSIA COUNTY, FLORIDA:

<u>Section 1.</u> Chapter 50 of the Code of Ordinances, City of Port Orange, Florida, is hereby amended to create a new Division 2 of Article IV, comprised of Sections 50-106 through 50-111, inclusive, and entitled as follows:

<u>DIVISION 2. – GOLF COURSE ADVISORY BOARD</u>

<u>Section 2.</u> Section 50-106 of the Code of Ordinances, City of Port Orange, Florida, is hereby created to read as follows:

<u>Sec. 50-106. - Establishment of golf course advisory board.</u>

There is hereby created and established a golf course advisory board of the City of Port Orange, Florida.

Section 3. Section 50-107 of the Code of Ordinances, City of Port Orange, Florida, is hereby created to read as follows:

Sec. 50-107. - Purpose, duties and functions.

(a) The purpose of the golf course advisory board shall be to advise and assist the city council on matters relating to the municipal golf course.

(b) The golf course advisory board shall make recommendations to the city council concerning operation of the municipal golf course. In this regard the golf course advisory board shall exercise specific responsibilities as enumerated herein. In addition, the city council may refer other golf course related matters to the golf course advisory board for review and recommendation. To accomplish these goals, the specific responsibilities of the golf course advisory board shall include, but not be limited to, the following:

(1) Review the budget for the municipal golf course and make recommendations to the city council regarding the budget and fees for the municipal golf course.

(2) Review financial statements and reports to ensure that the municipal golf course is operating within budgetary parameters established by the city council and submit findings and recommendations to the city council regarding the financial status of the municipal golf course.

(3) Review and make recommendations to the city council regarding maintenance, equipment and capital facilities of the municipal golf course.

(4) Serve as liaison between the city council and individuals and organizations using the municipal golf course.

(5) Serve as liaison between the city staff or contractors responsible for operation of the municipal golf course and individuals or organizations using the municipal golf course.

(6) Review and make recommendations to the city council regarding the performance of contractors responsible for operation, management, maintenance, marketing, and other aspects of the municipal golf course.

(7) Make reports to the city council, as necessary, regarding financial statements, physical condition, capital facilities and other matters relating to the municipal golf course.

However, nothing in this article shall prohibit the city council from acting upon any matter not previously referred to or reviewed by the golf advisory board.

Section 4. Section 50-108 of the Code of Ordinances, City of Port Orange, Florida, is hereby created to read as follows:

Sec. 50-108. - Composition and qualifications of members.

(a) The golf course advisory board shall consist of seven (7) members appointed by the city council and consisting of at least one representative from each of the following organizations: Cypress Head Homeowners Association, Men's Golf Association and Women's Golf Association. However, In the event that one or more of the organizations mentioned above fails to appoint a representative to serve on the board, the seat may be filled by appointment of an otherwise qualified candidate by city council. Members shall not hold any elective public office. Members may serve on other advisory boards, pension boards or nonappointive boards.

(b) Members of the board shall have knowledge of golf course operations. They should be guided by a sincere interest in developing and promoting the operation of the municipal golf course for the city and in accomplishing the purposes and goals set forth herein.

(c) Appointments shall be made on the basis of experience or interest in the areas of finance, insurance, golf course management, engineering, architecture, golf course maintenance, and construction.

Section 5. Section 50-109 of the Code of Ordinances, City of Port Orange, Florida, is hereby created to read as follows:

Sec. 50-109. - Appointments and terms.

The initial appointments to the board shall be as follows:

(a) Two (2) members shall be appointed for a term expiring April 1, 2017.

(b) Two (2) members shall be appointed for a term expiring April 1, 2018.

(c) Three (3) members shall be appointed for a term expiring April 1, 2019.

Thereafter all appointments shall be made for a term of three (3) years. All terms shall expire on April 1 in the year of their given expiration. A board member may be reappointed for any number of consecutive terms.

Section 6. Section 50-110 of the Code of Ordinances, City of Port orange, Florida, is hereby created to read as follows:

Sec.50-110. - Vacancies and removal of members.

Any member who fails to attend two (2) of three (3) successive meetings without good cause shall forfeit his or her appointment, and the city council may determine a vacancy to exist which shall be promptly filled by the city council. A member of the board may be removed from the board by the city council for cause upon written charges and after a public hearing before the city council. Appointments to fill any vacancy shall be for the remainder of the unexpired term of the former member.

Section 7. Section 50-111 of the Code of ordinances, City of Port Orange, Florida is hereby created to read as follows:

Sec. 50-111. - Organization and procedures.

(a) *Election of officers*. The member of the board shall elect a chairman and a vice-chairman to preside in the absence of the chairman. Such election shall take place at the first meeting of the board of each calendar year.

(b) *Responsibilities of chairman*. The chairman shall be responsible for the orderly running of all meetings, shall direct the preparation of all reports and shall make all necessary reports to the city council.

(c) *Minutes*. The city recording secretary shall be responsible for keeping and recording minutes. A copy of the minutes of each meeting shall be kept on file in the city clerk's office.

(d) *Quorum; rules of order*. The presence of four (4) or more members shall constitute a quorum of the board necessary to take action or conduct business. The board shall adopt Robert's Rules of Order (latest edition) or such other written rules and procedures as may be desirable and necessary to promote and effectuate the purposes, objectives and business of the board in an orderly, timely and productive manner.

(e) *Compensation*. Members of the board shall serve without compensation but may be reimbursed for such travel, mileage, per diem or other expenses as may be authorized by city council.

Section 8. All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed to the extent of such conflict.

Section 9. If any provision of this ordinance or the application thereof to any person or circumstance is held invalid, the invalidity shall not affect other provisions or applications of this ordinance which can be given effect without the invalid provision or application, and to this end the provision of this ordinance are declared severable.

Section 10. This Ordinance shall become effective upon adoption.

____
MAYOR ALLEN GREEN

ATTEST:

____
Robin L. Fenwick, CMC, City Clerk

Passed on first reading this ______ day of ___________________

Passed and adopted on second reading and final reading on the ____ day of ____________________

Reviewed and approved: ______________________________
Margaret T. Roberts, City Attorney

ORDINANCE NO. 1992-17

AN ORDINANCE OF THE CITY OF PORT ORANGE, VOLUSIA COUNTY, FLORIDA, ESTABLISHING GOLF COURSE ADVISORY BOARD; AMENDING CHAPTER 14, CODE OF ORDINANCES, CITY OF PORT ORANGE, FLORIDA, ENTITLED "PARKS AND RECREATION"; CREATING ARTICLE V OF CHAPTER 14 TO BE ENTITLED "GOLF COURSE ADVISORY BOARD"; CREATING SECTION 14-51 TO PROVIDE FOR ESTABLISHMENT OF GOLF COURSE ADVISORY BOARD; CREATING SECTION 14-52 TO PROVIDE FOR PURPOSE, DUTIES AND FUNCTIONS OF BOARD; CREATING SECTION 14-53 TO PROVIDE FOR COMPOSITION AND QUALIFICATIONS OF MEMBERS; CREATING SECTION 14-54 TO PROVIDE FOR APPOINTMENTS AND TERMS; CREATING SECTION 14-55 TO PROVIDE FOR VACANCIES AND REMOVAL OF MEMBERS; CREATING SECTION 14-56 TO PROVIDE FOR ORGANIZATION AND PROCEDURES OF BOARD; PROVIDING FOR REPEAL OF CONFLICTING ORDINANCES; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF PORT ORANGE, VOLUSIA COUNTY, FLORIDA:

Section 1. Chapter 14 of the Code of Ordinances, City of Port Orange, Florida, is hereby amended to create a new Article V, comprised of Sections 14-51 through 14-56, inclusive, and entitled as follows:

Article V. GOLF COURSE ADVISORY BOARD.

Section 2. Section 14-51 of the Code of Ordinances, City of Port Orange, Florida, is hereby created to read as follows:

Sec. 14-51. Establishment of golf course advisory board.

There is hereby created and established a golf course advisory board of the City of Port Orange, Florida.

(ORD. NO. 1992-17)

Section 3. Section 14-52 of the Code of Ordinances, City of Port Orange, Florida, is hereby created to read as follows:

Sec. 14-52. Purpose, duties and functions.

(a) The purpose of the golf course advisory board shall be to advise and assist the city council on matters relating to the municipal golf course.

(b) The golf course advisory board shall make recommendations to the city council concerning operation of the municipal golf course. In this regard the golf course advisory board shall exercise specific responsibilities as enumerated herein. In addition, the city council may refer other golf course related matters to the golf course advisory board for review and recommendation. To accomplish these goals, the specific responsibilities of the golf course advisory board shall include, but not be limited to, the following:

(1) Review the budget for the municipal golf course and make recommendations to the city council regarding the budget and fees for the municipal golf course.

(2) Review financial statements and reports to ensure that the municipal golf course is operating within budgetary parameters established by the city council and submit findings and recommendations to the city

council regarding the financial status of the municipal golf course.

(3) Review and make recommendations to the city council regarding maintenance, equipment and capital facilities of the municipal golf course.

(4) Serve as liaison between the city council and individuals and organizations using the municipal golf course.

(5) Serve as liaison between the city staff or contractors responsible for operation of the municipal golf course and individuals or organizations using the municipal golf course.

(6) Review the by-laws of organizations and associations formed at the municipal golf course and make recommendations to the city council regarding adoption and amendment of the by-laws.

(7) Review and make recommendations to the city council regarding the performance of contractors responsible for operation, management, maintenance, marketing and other aspects of the municipal golf course.

(8) Make reports to the city council, as necessary, regarding financial statements,

Section 5. Section 14-54 of the Code of Ordinances, City of Port Orange, Florida, is hereby created to read as follows:

Sec. 14-54. Appointments and terms.

The initial appointments to the board shall be as follows:

(a) Two (2) members shall be appointed for a term expiring June 1, 1993.

(b) Two (2) members shall be appointed for a term expiring June 1, 1994.

(c) Three (3) members shall be appointed for a term expiring June 1, 1995.

Thereafter all appointments shall be made for a term of three (3) years. All terms shall expire on June 1 in the year of their given expiration. A board member may be reappointed for any number of consecutive terms.

Section 6. Section 14-55 of the Code of Ordinances, City of Port Orange, Florida, is hereby created to read as follows:

Sec. 14-55. Vacancies and removal of members.

Any member who fails to attend two (2) of three (3) successive meetings without good cause shall forfeit his appointment, and the city council may determine a vacancy to exist which shall be promptly filled by the city council. A member of the board may be removed from the board by the city council for cause upon written charges and after a public hearing before the city council.

Section 5. Section 14-54 of the Code of Ordinances, City of Port Orange, Florida, is hereby created to read as follows:

Sec. 14-54. Appointments and terms.

The initial appointments to the board shall be as follows:

(a) Two (2) members shall be appointed for a term expiring June 1, 1993.

(b) Two (2) members shall be appointed for a term expiring June 1, 1994.

(c) Three (3) members shall be appointed for a term expiring June 1, 1995.

Thereafter all appointments shall be made for a term of three (3) years. All terms shall expire on June 1 in the year of their given expiration. A board member may be reappointed for any number of consecutive terms.

Section 6. Section 14-55 of the Code of Ordinances, City of Port Orange, Florida, is hereby created to read as follows:

Sec. 14-55. Vacancies and removal of members.

Any member who fails to attend two (2) of three (3) successive meetings without good cause shall forfeit his appointment, and the city council may determine a vacancy to exist which shall be promptly filled by the city council. A member of the board may be removed from the board by the city council for cause upon written charges and after a public hearing before the city council.

Appointments to fill any vacancy shall be for the remainder of the unexpired term of the former member.

Section 7. Section 14-56 of the Code of Ordinances, City of Port Orange, Florida, is hereby created to read as follows:

Sec. 14-56. Organization and procedures.

(a) Election of officers. The members of the board shall elect a chairman and a vice-chairman to preside in the absence of the chairman. Such election shall take place at the first meeting of the board of each calendar year.

(b) Responsibilities of chairman. The chairman shall be responsible for the orderly running of all meetings, shall direct the preparation of all reports and shall make all necessary reports to the city council.

(c) Minutes. The city recording secretary shall be responsible for keeping and recording minutes. A copy of the minutes of each meeting shall be kept on file in the city clerk's office.

(d) Quorum; rules of order. The presence of four (4) or more members shall constitute a quorum of the board necessary to take action or conduct business. The board shall adopt Robert's Rules of Order (latest edition) or such other written rules and procedures as may be desirable and necessary to promote and effectuate the purposes, objectives and business of the board in an orderly, timely and productive manner.

(e) Compensation. Members of the board shall serve without compensation but may be reimbursed for such travel, mileage, per diem or other expenses as may be authorized by the city council.

Section 8. All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed to the extent of such conflict.

Section 9. If any provision of this ordinance or the application thereof to any person or circumstance is held invalid, the invalidity shall not affect other provisions or applications of this ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this ordinance are declared severable.

Section 10. This ordinance shall become effective as provided by general law.

James E. Ward
MAYOR JAMES E. WARD

ATTEST:
Kenneth W. Parker
Kenneth W. Parker, City Manager

Passed on first reading the 2ND day of JUNE, 1992.

Passed and adopted on second and final reading on the 7TH day of JULY, 1992.

Reviewed and Approved: Maureen S. Sikora
City Attorney