

# GNAGY & JENSEN, INC.

DILLON J. GNAGY, C.P.A. (1924-2002)  
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12/21/06  
cc: JJB  
JJB  
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December 21, 2006

City of Lemoore / Sierra Golf Management, Inc.  
dba Lemoore Municipal Golf Course  
Lemoore, California

We have compiled the accompanying balance sheet (page 1) of the City of Lemoore / Sierra Golf Management, Inc. dba, Lemoore Municipal Golf Course as of November 30, 2006 and (pages 2-9) the statements of income and schedules related thereto for the one month and year-to-date (five months) then ended, in accordance with the Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants; in addition, as requested, we have compiled the accompanying (page 10) proforma summary statement of income for the one month and year-to-date (five months).

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Management has elected to omit substantially all of the disclosures required by generally accepted accounting principles. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Company's financial position, results of operations and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

A statement of cash flows has not been presented. Generally accepted accounting principles require that such a statement be presented when financial statements purport financial position and results of operations.



GNAGY & JENSEN, INC.

City of Lemoore/Sierra Golf Mgmt, Inc.  
 dba Lemoore Municipal Golf Course  
**BALANCE SHEET**  
 November 30, 2006

Current Assets	ASSETS	
Change fund		\$ 1,440.00
Checking acct-Sierra Golf		98,040.48
Capital Improvement Fund-W/F		42,678.36
Premier Savings Acct WFB		231,887.74
Prepaid insurance		781.50
Prepaid Workers Comp Ins		3,710.50
Inventory-Food & Beverage		4,600.73
Inventory-Merchandise		80,192.22
Reimb due from Sierra Golf		842.77
Blue Shields Refund Due		729.00
Payroll clearing-biweekly		240.00
		<hr/>
<b>Total Current Assets</b>		<b>465,143.30</b>
<b>Property and Equipment</b>		
Office furniture and equip.		20,251.81
Kitchen Equipment		14,906.84
Golf Shop Equipment		20,717.27
Driving range equipment		9,459.57
Maintenance equipment		205,255.51
Pumps		21,347.05
Improvements--Golf Course		858,062.59
Golf Carts		196,639.66
Accumulated depreciation		<575,567.61>
		<hr/>
<b>Net Property and Equipment</b>		<b>771,072.69</b>
		<hr/>
<b>Total Assets</b>		<b>\$ 1,236,215.99</b>

Current Liabilities	LIABILITIES & EQUITY	
Trade accounts payable		\$ 12,825.25
Sales tax payable		2,214.96
Accrued Interest		25,204.54
End of mo. addl ap items		5,589.00
A/P SGM- J. Deere #0052508		768.82
Deferred income		450.00
Unredeemed gift certificates		3,730.56
Unredeemed sweeps		4,294.67
		<hr/>
<b>Total Current Liabilities</b>		<b>55,077.80</b>
<b>Long-Term Liabilities</b>		
NP-City of Lemoore: \$300m		358,890.76
Note Pay City of Lemoore-Barn		163,453.99
Note Payable John Deere #001		11,760.35
Note Pay C & J Leasing		9,093.52
Note Pay J. Deere #0052508		29,810.31
		<hr/>
<b>Total Long-Term Liabilities</b>		<b>573,008.93</b>
		<hr/>
<b>Total Liabilities</b>		<b>628,086.73</b>

Equity

Unaudited - See attached accountants' compilation report.

**City of Lemoore/Sierra Golf Mgmt, Inc.**  
**dba Lemoore Municipal Golf Course**  
**BALANCE SHEET**  
**November 30, 2006**

Beginning Equity	121,987.30	
Less: Distributions	<810,000.00>	
Subdivision irrig assessments	53,642.00	
#14 Lake Improv. Contribution	149,397.00	
Retained Earning	968,210.96	
Net Income	124,892.00	
	<hr/>	
<b>Total Equity</b>		<b>608,129.26</b>
		<hr/>
<b>Total Liabilities &amp; Equity</b>	<b>\$</b>	<b>1,236,215.99</b>
		<hr/> <hr/>

**City of Lemoore/Sierra Golf Mgmt, Inc.**  
**dba Lemoore Municipal Golf Course**  
**SUMMARY STATEMENT OF INCOME**  
**For the Five Months Ending November 30, 2006**

This Month	Budget	Curr Mo Variance		YTD Actual	YTD Budget	YTD Prior Year
<b>REVENUES</b>						
44,925.00	43,535.00	1,390.00	Green fees & mo. fees pg3	264,837.78	235,035.00	213,745.00
19,891.00	20,039.00	<148.00>	Cart fees pg3	130,643.00	106,123.00	111,212.00
4,240.98	4,928.00	<687.02>	Other Golf income pg	25,179.99	26,098.00	26,021.62
<b>69,056.98</b>	<b>68,502.00</b>	<b>554.98</b>	<b>Subtotal Golf Operations</b>	<b>420,660.77</b>	<b>367,256.00</b>	<b>350,978.62</b>
15,479.59	19,382.00	<3,902.41>	Merchandise pg4	99,181.33	102,643.00	97,337.58
16,786.71	19,710.00	<2,923.29>	Food & beverage pg5	118,270.29	104,382.00	111,123.12
945.90	0.00	945.90	Other Income (exp) pg9	5,232.58	0.00	1,089.77
<b>102,269.18</b>	<b>107,594.00</b>	<b>&lt;5,324.82&gt;</b>	<b>Total Revenues</b>	<b>643,344.97</b>	<b>574,281.00</b>	<b>560,529.09</b>
<b>COST OF SALES</b>						
11,421.94	13,955.00	<2,533.06>	COS-Merchandise pg4	71,243.70	73,903.00	71,602.12
8,379.13	7,884.00	495.13	COS-Food & beverage p	50,587.99	41,753.00	43,356.86
<b>19,801.07</b>	<b>21,839.00</b>	<b>&lt;2,037.93&gt;</b>	<b>Total Cost of Sales</b>	<b>121,831.69</b>	<b>115,656.00</b>	<b>114,958.98</b>
<b>82,468.11</b>	<b>85,755.00</b>	<b>&lt;3,286.89&gt;</b>	<b>Gross Margin</b>	<b>521,513.28</b>	<b>458,625.00</b>	<b>445,570.11</b>
<b>EXPENSES</b>						
3,827.64	4,927.00	<1,099.36>	Food & beverage pg5	25,199.61	29,475.00	28,907.20
4,159.76	4,180.00	<20.24>	General & administrative p	23,135.35	23,850.00	22,830.94
755.86	2,208.00	<1,452.14>	Clubhouse pg6	11,933.92	14,190.00	14,395.08
14,746.47	13,881.00	865.47	Golf Operation pg7	72,145.28	77,996.00	69,448.63
24,497.11	27,083.00	<2,585.89>	Course Maintenance pg8	170,538.07	171,043.00	173,186.06
64.93	2,550.00	<2,485.07>	Advertising & promotion	5,647.07	12,850.00	10,387.07
8,285.73	9,350.00	<1,064.27>	Fixed expenses pg9	41,596.48	46,750.00	38,078.64
9,285.10	8,870.00	415.10	Depreciation	46,425.50	44,350.00	49,561.70
<b>65,622.60</b>	<b>73,049.00</b>	<b>&lt;7,426.40&gt;</b>	<b>Total Expenses</b>	<b>396,621.28</b>	<b>420,504.00</b>	<b>406,795.32</b>
<b>16,845.51</b>	<b>\$ 12,706.00</b>	<b>4,139.51</b>	<b>Net Income (loss)</b>	<b>124,892.00</b>	<b>38,121.00</b>	<b>38,774.79</b>
<b>This Month</b>	<b>Budget</b>	<b>Curr Mo Variance</b>		<b>YTD Actual</b>	<b>YTD Budget</b>	<b>YTD Prior Year</b>

Unaudited - See attached accountants' compilation report.

**City of Lemoore/Sierra Golf Mgmt, Inc.**  
**dba Lemoore Municipal Golf Course**  
**GOLF OPERATIONS INCOME**  
**Supporting Schedule to the Summary Statement of Income**  
**For the Five Months Ending November 30, 2006**

This Month	Budget	Curr Mo Variance		YTD Actual	YTD Budget	YTD Prior Year
<b>Weekday Green Fees</b>						
1,534.00	975.00	559.00	Green fees- Weekday 9 holes	15,466.28	12,350.00	10,903.00
4,068.00	3,600.00	468.00	Green fees-Weekday 18	18,502.00	21,960.00	21,377.00
1,644.00	360.00	1,284.00	Green fees-Weekday tourney	15,037.00	9,540.00	9,915.00
1,296.00	840.00	456.00	Green fees-Military \$11	7,048.00	4,980.00	5,066.00
0.00	0.00	0.00	Green fees-Intramural\Mil \$5	0.00	0.00	0.00
264.00	420.00	<156.00>	Green Fees-Resident	1,493.00	2,616.00	2,520.00
0.00	0.00	0.00	Green fees-West Hill Coll	7,060.50	0.00	3,429.00
119.00	120.00	<1.00>	Green fees- JR promo rate	3,232.00	2,724.00	3,256.00
1,248.00	960.00	288.00	Green fees- SR promo rate	6,714.00	5,140.00	4,940.00
4,746.00	10,660.00	<5,914.00>	Green Fees-Weekday Special 18	34,955.00	47,580.00	30,715.00
<b>14,919.00</b>	<b>17,935.00</b>	<b>&lt;3,016.00&gt;</b>	<b>Total Weekday</b>	<b>109,507.78</b>	<b>106,890.00</b>	<b>92,121.00</b>
<b>Weekend Green Fees</b>						
1,035.00	1,350.00	<315.00>	Green fees-Weekend 9	4,267.00	5,550.00	5,340.00
16,992.00	13,680.00	3,312.00	Green fees-Weekend 18	70,306.00	59,880.00	58,786.00
1,424.00	1,920.00	<496.00>	Green fees-Weekend tourney	17,830.00	12,240.00	12,836.00
155.00	300.00	<145.00>	Green fees-Wkend JR promo rate	944.00	1,350.00	1,187.00
0.00	0.00	0.00	Green fees-SR Wkend-promo rate	0.00	4,225.00	0.00
10.00	0.00	10.00	Surcharge-Weekend\Mo Tick Fee	10.00	0.00	15.00
1,320.00	0.00	1,320.00	Green fees Weekend Special 18	9,088.00	0.00	2,800.00
<b>20,936.00</b>	<b>17,250.00</b>	<b>3,686.00</b>	<b>Total Weekend</b>	<b>102,445.00</b>	<b>83,245.00</b>	<b>80,964.00</b>
<b>Monthly Ticket Fees</b>						
6,580.00	5,200.00	1,380.00	Monthly fees-Single \$95	34,810.00	27,300.00	25,050.00
1,215.00	2,025.00	<810.00>	Monthly fees-Family \$125	10,800.00	12,150.00	9,340.00
0.00	0.00	0.00	Monthly fees-Junior \$57	140.00	0.00	1,195.00
1,275.00	0.00	1,275.00	Monthly fees-Senior \$57	6,975.00	0.00	5,075.00
0.00	1,125.00	<1,125.00>	Monthly fees-JR & SR \$15 promo	160.00	5,450.00	0.00
0.00	0.00	0.00	Monthly Fees - Military	0.00	0.00	0.00
<b>9,070.00</b>	<b>8,350.00</b>	<b>720.00</b>	<b>Total Monthly</b>	<b>52,885.00</b>	<b>44,900.00</b>	<b>40,660.00</b>
<b>44,925.00</b>	<b>43,535.00</b>	<b>1,390.00</b>	<b>Total Green Fees</b>	<b>264,837.78</b>	<b>235,035.00</b>	<b>213,745.00</b>
<b>Cart Fees</b>						
0.00	0.00	0.00	GPS Income	0.00	0.00	0.00
19,891.00	20,039.00	<148.00>	Income - Carts 18 holes	127,553.00	106,123.00	109,618.00
0.00	0.00	0.00	Income-Monthly cart fees	325.00	0.00	350.00
0.00	0.00	0.00	Income-cart rider 9	2,420.00	0.00	231.00
0.00	0.00	0.00	Income-cart rider 18	345.00	0.00	1,013.00
<b>19,891.00</b>	<b>20,039.00</b>	<b>&lt;148.00&gt;</b>	<b>Total Cart Fees</b>	<b>130,643.00</b>	<b>106,123.00</b>	<b>111,212.00</b>
<b>Other Golf Income</b>						
0.00	0.00	0.00	Income- Club Repair	0.00	0.00	46.62
295.00	0.00	295.00	Income-Rent sets	1,590.00	0.00	1,165.00
164.00	0.00	164.00	Income-Pull carts	696.00	0.00	100.00
3,781.98	4,928.00	<1,146.02>	Income- Range balls	22,848.99	26,098.00	24,710.00
0.00	0.00	0.00	Income-Promotional	45.00	0.00	0.00
0.00	0.00	0.00	Income-Lessons	0.00	0.00	0.00
0.00	0.00	0.00	Income-cart rider 9	0.00	0.00	0.00
0.00	0.00	0.00	Income-cart rider 18	0.00	0.00	0.00
<b>4,240.98</b>	<b>4,928.00</b>	<b>&lt;687.02&gt;</b>	<b>Total Other Golf</b>	<b>25,179.99</b>	<b>26,098.00</b>	<b>26,021.62</b>
<b>69,056.98</b>	<b>\$ 68,502.00</b>	<b>554.98</b>	<b>Total Golf Operations</b>	<b>420,660.77</b>	<b>367,256.00</b>	<b>350,978.62</b>

Unaudited - See attached accountants' compilation report.

**City of Lemoore/Sierra Golf Mgmt, Inc.**  
**dba Lemoore Municipal Golf Course**  
**GOLF MERCHANDISE INCOME & COST OF SALES**  
**Supporting Schedule to the Summary Statement of Income**  
**For the Five Months Ending November 30, 2006**

This Month	Budget	Curr Mo Variance		YTD Actual	YTD Budget	YTD Prior Year
<b>REVENUES</b>						
1,622.21	19,382.00	<17,759.79	Income-Accessories	8,451.39	102,643.00	9,917.64
889.19	0.00	889.19	Income-gloves	5,510.85	0.00	5,482.91
3,967.69	0.00	3,967.69	Income new balls	23,633.54	0.00	21,626.77
0.00	0.00	0.00	Income-used balls	91.92	0.00	1,060.05
347.89	0.00	347.89	Income-bags	3,832.30	0.00	4,475.14
5,259.30	0.00	5,259.30	Income-clubs	35,876.89	0.00	37,550.35
239.99	0.00	239.99	Income-putters	1,490.41	0.00	2,613.39
139.99	0.00	139.99	Income-Wedges & chippers	684.94	0.00	1,506.16
922.93	0.00	922.93	Income-shoes	5,633.92	0.00	3,757.70
1,396.30	0.00	1,396.30	Income-Men's softgoods	8,068.60	0.00	4,315.04
678.12	0.00	678.12	Income-Hats & caps	5,611.72	0.00	4,584.99
15.98	0.00	15.98	Cigars	294.85	0.00	447.44
<b>15,479.59</b>	<b>19,382.00</b>	<b>&lt;3,902.41&gt;</b>	<b>Total Golf Merchandise Revenue</b>	<b>99,181.33</b>	<b>102,643.00</b>	<b>97,337.58</b>
<b>COST OF SALES</b>						
796.47	13,955.00	<13,158.53	COS-Accessories	5,802.98	73,903.00	6,830.13
710.89	0.00	710.89	COS-gloves	3,453.40	0.00	3,805.84
3,191.20	0.00	3,191.20	COS-New Balls	16,987.61	0.00	13,462.18
121.96	0.00	121.96	COS-Bags	3,136.42	0.00	3,534.55
3,556.41	0.00	3,556.41	COS-Clubs	24,544.63	0.00	30,135.93
260.62	0.00	260.62	COS-Putters	2,894.64	0.00	3,455.58
518.29	0.00	518.29	COS-Wedges and chippers	1,082.64	0.00	1,530.53
805.97	0.00	805.97	COS-Shoes	3,572.98	0.00	2,246.14
8.00	0.00	8.00	COS-cigars	180.81	0.00	70.21
988.49	0.00	988.49	COS-Men's softgoods	5,649.86	0.00	2,885.34
414.31	0.00	414.31	COS-Hats and caps	3,815.74	0.00	3,515.05
49.33	0.00	49.33	COS-Shipping & handling	121.99	0.00	130.64
<b>11,421.94</b>	<b>13,955.00</b>	<b>&lt;2,533.06&gt;</b>	<b>Total Cost of Sales</b>	<b>71,243.70</b>	<b>73,903.00</b>	<b>71,602.12</b>
<b>\$ 4,057.65</b>	<b>\$ 5,427.00</b>	<b>&lt;1,369.35&gt;</b>	<b>Gross Margin on Golf Mdse Sales</b>	<b>\$ 27,937.63</b>	<b>\$ 28,740.00</b>	<b>\$ 25,735.46</b>
<u>26.21</u>	<u>28.00</u>	<u>26.21</u>	<b>Gross Margin as % of Mdse Sales</b>	<u>28.17</u>	<u>28.00</u>	<u>26.44</u>

Unaudited - See attached accountants' compilation report.

**City of Lemoore/Sierra Golf Mgmt, Inc.**  
**dba Lemoore Municipal Golf Course**  
**FOOD & BEVERAGE OPERATIONS**  
**Supporting Schedule to the Summary Statement of Income**  
**For the Five Months Ending November 30, 2006**

This Month	Budget	Curr Mo Variance		YTD Actual	YTD Budget	YTD Prior Year
<b>REVENUES</b>						
5,621.17	19,710.00	<14,088.83	Income-Food	34,675.42	104,382.00	37,014.35
5,507.90	0.00	5,507.90	Income-Beer	38,903.31	0.00	34,818.51
3,906.58	0.00	3,906.58	Income-Beverage	35,082.07	0.00	31,241.45
335.55	0.00	335.55	Income-Tobacco	1,664.83	0.00	1,981.32
1,415.51	0.00	1,415.51	Income-Candy & Chips	7,944.66	0.00	6,067.49
<u>16,786.71</u>	<u>19,710.00</u>	<u>&lt;2,923.29&gt;</u>	<b>Total Food &amp; Beverage Revenues</b>	<u>118,270.29</u>	<u>104,382.00</u>	<u>111,123.12</u>
<b>COST OF SALES</b>						
981.14	7,884.00	<6,902.86>	COS- Other	4,464.56	41,753.00	4,245.99
4,060.60	0.00	4,060.60	COS- Food	19,048.05	0.00	15,646.31
3,337.39	0.00	3,337.39	COS- Beverage & beer	27,075.38	0.00	23,464.56
<u>8,379.13</u>	<u>7,884.00</u>	<u>495.13</u>	<b>Total Food &amp; Bev Cost of Sales</b>	<u>50,587.99</u>	<u>41,753.00</u>	<u>43,356.86</u>
<u>8,407.58</u>	<u>11,826.00</u>	<u>&lt;3,418.42&gt;</u>	<b>Gross Margin on Food &amp; Beverage</b>	<u>67,682.30</u>	<u>62,629.00</u>	<u>67,766.26</u>
<b>EXPENSES</b>						
<b>Food &amp; Beverage Payroll Expense</b>						
2,447.63	2,700.00	<252.37>	Kitchen	15,375.85	17,100.00	16,551.59
281.31	270.00	11.31	Payroll taxes	1,871.03	1,710.00	1,458.87
178.86	257.00	<78.14>	Workers' comp. insurance	894.30	1,625.00	1,722.95
<u>2,907.80</u>	<u>3,227.00</u>	<u>&lt;319.20&gt;</u>	<b>Total Food &amp; Beverage Payroll Exp</b>	<u>18,141.18</u>	<u>20,435.00</u>	<u>19,733.41</u>
<b>Other Food &amp; Beverage Expenses</b>						
489.29	1,400.00	<910.71>	Kitchen Supplies	2,545.64	7,000.00	7,109.24
451.40	300.00	151.40	Beverage supplies	1,824.32	1,590.00	1,917.18
0.00	0.00	0.00	Equipment repairs	2,201.04	0.00	40.00
<20.85>	0.00	<20.85>	Cash over & short-food	47.43	0.00	<332.63>
0.00	0.00	0.00	Liquor fees & permits	440.00	450.00	440.00
<u>919.84</u>	<u>1,700.00</u>	<u>&lt;780.16&gt;</u>	<b>Total Food &amp; Beverage Other Exp</b>	<u>7,058.43</u>	<u>9,040.00</u>	<u>9,173.79</u>
<u>3,827.64</u>	<u>4,927.00</u>	<u>&lt;1,099.36&gt;</u>	<b>Total Food &amp; Beverage Expenses</b>	<u>25,199.61</u>	<u>29,475.00</u>	<u>28,907.20</u>
<u>\$ 4,579.94</u>	<u>\$ 6,899.00</u>	<u>&lt;2,319.06&gt;</u>	<b>Net Food &amp; Beverage Income (loss)</b>	<u>\$ 42,482.69</u>	<u>\$ 33,154.00</u>	<u>\$ 38,859.06</u>
50.08	60.00	50.08	Gross Margin as % of Food & Bev Sal	57.23	60.00	60.98
27.28	35.00	27.28	Net Food & Bev as % of Food & Bev S	35.92	31.76	34.97

Unaudited - See attached accountants' compilation report.

**City of Lemoore/Sierra Golf Mgmt, Inc.**  
**dba Lemoore Municipal Golf Course**  
**GENERAL AND ADMINISTRATIVE & CLUBHOUSE EXPENSES**  
**Supporting Schedule to the Summary Statement of Income**  
**For the Five Months Ending November 30, 2006**

This Month	Budget	Curr Mo Variance		YTD Actual	YTD Budget	YTD Prior Year
<b>GENERAL &amp; ADMINISTRATIVE EXPENSES</b>						
<b>Payroll Expenses</b>						
1,317.34	\$ 1,200.00	117.34	Salary and wages	6,539.75	6,000.00	4,681.95
100.80	120.00	<19.20>	Payroll taxes	500.33	600.00	409.78
7.09	24.00	<16.91>	Worker's comp. insurance	35.45	120.00	68.35
<u>1,425.23</u>	<u>1,344.00</u>	<u>81.23</u>	<b>Total G &amp; A Payroll Expenses</b>	<u>7,075.53</u>	<u>6,720.00</u>	<u>5,160.08</u>
<b>Other G &amp; A Expenses</b>						
0.00	0.00	0.00	Outside printing	0.00	400.00	163.78
28.32	240.00	<211.68>	Office Supplies	658.04	1,200.00	1,142.06
115.02	120.00	<4.98>	Payroll services	614.80	600.00	540.00
29.05	60.00	<30.95>	Postage	307.25	300.00	305.10
40.49	0.00	40.49	Office equipment rental	202.45	0.00	202.45
176.15	475.00	<298.85>	Telephone	1,566.42	2,375.00	1,790.13
0.00	0.00	0.00	Dues & subscriptions	41.27	300.00	41.27
0.00	0.00	0.00	Repairs & Maintenance	0.00	100.00	0.00
57.95	180.00	<122.05>	Bank charges	638.05	900.00	684.78
20.00	20.00	0.00	Returned checks	<86.73>	100.00	158.78
1,267.55	700.00	567.55	Credit Card Discounts	6,786.68	4,400.00	5,218.93
0.00	0.00	0.00	Licenses	0.00	450.00	0.00
0.00	0.00	0.00	Employee expenses	91.59	300.00	173.15
1,000.00	1,000.00	0.00	Accounting	5,000.00	5,500.00	5,640.00
0.00	41.00	<41.00>	Outside services	240.00	205.00	1,610.43
<u>2,734.53</u>	<u>2,836.00</u>	<u>&lt;101.47&gt;</u>	<b>Total G &amp; A Other Expenses</b>	<u>16,059.82</u>	<u>17,130.00</u>	<u>17,670.86</u>
<u>4,159.76</u>	<u>\$ 4,180.00</u>	<u>&lt;20.24&gt;</u>	<b>Total General &amp; Admin. Expenses</b>	<u>23,135.35</u>	<u>23,850.00</u>	<u>22,830.94</u>
<b>CLUBHOUSE EXPENSES</b>						
299.55	\$ 900.00	<600.45>	Electricity	6,272.00	7,700.00	7,634.00
159.31	300.00	<140.69>	Natural gas	862.78	1,050.00	1,205.96
210.00	170.00	40.00	Clubhouse repairs	1,483.90	850.00	720.03
15.00	400.00	<385.00>	Clubhouse supplies	2,315.36	2,000.00	2,470.15
0.00	400.00	<400.00>	Janitorial services	400.00	2,000.00	2,000.00
72.00	38.00	34.00	Pest Control	210.00	190.00	170.00
0.00	0.00	0.00	Alarm system	389.88	400.00	194.94
<u>755.86</u>	<u>\$ 2,208.00</u>	<u>&lt;1,452.14&gt;</u>	<b>Total Club House Expenses</b>	<u>11,933.92</u>	<u>14,190.00</u>	<u>14,395.08</u>

Unaudited - See attached accountants' compilation report.

**City of Lemoore/Sierra Golf Mgmt, Inc.**  
**dba Lemoore Municipal Golf Course**  
**GOLF OPERATIONS EXPENSE**  
**Supporting Schedule to the Summary Statement of Income**  
**For the Five Months Ending November 30, 2006**

This Month	Budget	Curr Mo Variance		YTD Actual	YTD Budget	YTD Prior Year
<b>GOLF OPERATIONS PAYROLL EXPENSES</b>						
5,150.00	\$ 5,150.00	0.00	Golf Professional	25,750.00	25,750.00	24,500.00
1,385.50	2,250.00	<864.50>	Assistant professionals	5,371.15	11,250.00	10,750.00
2,746.51	2,400.00	346.51	Other payroll	18,902.86	15,900.00	13,914.18
0.00	0.00	0.00	Commissions	0.00	0.00	0.00
0.00	0.00	0.00	Lessons	0.00	0.00	0.00
0.00	0.00	0.00	Incentive Bonus	0.00	0.00	0.00
<u>9,282.01</u>	<u>9,800.00</u>	<u>&lt;517.99&gt;</u>	<b>Total Golf Oper. Salary and Wages</b>	<u>50,024.01</u>	<u>52,900.00</u>	<u>49,164.18</u>
849.67	980.00	<130.33>	Payroll taxes	4,742.27	5,290.00	4,380.23
553.05	931.00	<377.95>	Workers' comp. insurance	2,765.25	5,026.00	5,327.45
0.00	0.00	0.00	Health insurance	0.00	0.00	0.00
650.00	650.00	0.00	Employees life insurance	3,250.00	3,250.00	3,250.00
<u>11,334.73</u>	<u>12,361.00</u>	<u>&lt;1,026.27&gt;</u>	<b>Total Golf Oper. Payroll Expenses</b>	<u>60,781.53</u>	<u>66,466.00</u>	<u>62,121.86</u>
<b>OTHER GOLF OPERATIONS EXPENSES</b>						
0.00	0.00	0.00	Trade shows	0.00	0.00	17.28
0.00	20.00	<20.00>	Shop Supplies	79.32	130.00	0.00
0.00	0.00	0.00	Cards & pencils	0.00	0.00	0.00
0.00	0.00	0.00	Education	0.00	0.00	0.00
0.00	0.00	0.00	Entry fees & dues	0.00	0.00	0.00
0.00	0.00	0.00	Repairs & Maintenance	21.73	0.00	0.00
0.00	0.00	0.00	Reimbursed mileage	0.00	0.00	185.79
0.00	0.00	0.00	Club repair-Outside labor	70.94	0.00	128.93
1,740.25	0.00	1,740.25	Golf cart rental	2,452.05	3,600.00	876.64
0.00	0.00	0.00	Yamaha cart lease	0.00	0.00	784.00
0.00	0.00	0.00	Rental clubs	0.00	0.00	0.00
1,047.07	900.00	147.07	Cart Expense Electricity	5,683.54	5,200.00	5,644.07
0.00	0.00	0.00	GPS Expense	0.00	0.00	0.00
0.00	0.00	0.00	Golf cart rental	0.00	500.00	200.00
0.00	0.00	0.00	Golf Cart Repair	311.75	0.00	0.00
<160.99>	0.00	<160.99>	Cash over & short-golf op	<1,228.32>	0.00	<2,203.31>
432.00	600.00	<168.00>	Range balls	2,793.36	1,800.00	1,460.96
353.41	0.00	353.41	Range supplies	1,179.38	300.00	232.41
<u>3,411.74</u>	<u>1,520.00</u>	<u>1,891.74</u>	<b>Total Golf Oper. Other Expenses</b>	<u>11,363.75</u>	<u>11,530.00</u>	<u>7,326.77</u>
<u>14,746.47</u>	<u>\$ 13,881.00</u>	<u>865.47</u>	<b>Total Golf Operations Expenses</b>	<u>72,145.28</u>	<u>77,996.00</u>	<u>69,448.63</u>

Unaudited - See attached accountants' compilation report.

**City of Lemoore/Sierra Golf Mgmt, Inc.**  
**dba Lemoore Municipal Golf Course**  
**COURSE MAINTENANCE EXPENSE**  
**Supporting Schedule to the Summary Statement of Income**  
**For the Five Months Ending November 30, 2006**

This Month	Budget	Curr Mo Variance		YTD Actual	YTD Budget	YTD Prior Year
<b>COURSE MAINTENANCE PAYROLL EXPENSES</b>						
3,250.00	\$ 3,250.00	0.00	Superintendent	16,250.00	16,250.00	16,564.00
6,254.50	8,000.00	<1,745.50>	Greenskeepers	48,585.88	43,372.00	43,155.84
0.00	0.00	0.00	Part-time help	0.00	0.00	0.00
2,024.00	1,995.00	29.00	Mechanic	10,819.61	9,975.00	17,063.63
<u>11,528.50</u>	<u>13,245.00</u>	<u>&lt;1,716.50&gt;</u>	<b>Total Course Maint Salary &amp; Wages</b>	<u>75,655.49</u>	<u>69,597.00</u>	<u>76,783.47</u>
881.91	1,325.00	<443.09>	Payroll taxes	7,023.57	6,961.00	6,789.72
680.51	1,258.00	<577.49>	Workers' com. insurance	3,402.55	6,610.00	6,555.40
689.00	815.00	<126.00>	Health insurance	4,134.00	4,075.00	3,278.00
0.00	0.00	0.00	Employee life-Prudential	0.00	0.00	0.00
<u>13,779.92</u>	<u>16,643.00</u>	<u>&lt;2,863.08&gt;</u>	<b>Total Course Maint. Payroll Expense</b>	<u>90,215.61</u>	<u>87,243.00</u>	<u>93,406.59</u>
<b>COURSE MAINTENANCE OTHER EXPENSES</b>						
0.00	0.00	0.00	Fertilizer	0.00	2,500.00	706.00
1,738.06	2,000.00	<261.94>	Chemicals	11,321.42	13,000.00	12,653.53
0.00	0.00	0.00	Seed & sod	225.22	0.00	565.13
0.00	0.00	0.00	Top dressing & sand	7,299.54	5,000.00	6,348.49
0.00	0.00	0.00	Trees, flowers & shrubs	401.12	500.00	171.39
0.00	0.00	0.00	Greens Rpr\Replacement	0.00	0.00	0.00
1,961.57	2,500.00	<538.43>	Equipment repair	11,437.48	12,500.00	14,413.08
0.00	0.00	0.00	Vehicle repairs	0.00	0.00	0.00
0.00	0.00	0.00	Cart path maintenance	0.00	0.00	0.00
39.73	300.00	<260.27>	Irrigation maintenance	2,374.42	4,100.00	1,687.92
0.00	0.00	0.00	Drainage maintenance	0.00	0.00	0.00
0.00	0.00	0.00	Tree Care Maintenance	0.00	0.00	0.00
0.00	0.00	0.00	Equipmant rental	0.00	0.00	0.00
954.65	1,300.00	<345.35>	Gas & oil	7,755.12	8,100.00	9,260.15
0.00	0.00	0.00	Course accessories	6,856.53	2,000.00	0.00
0.00	0.00	0.00	Small tools	1,035.88	800.00	1,452.20
583.46	800.00	<216.54>	Course supplies	4,058.19	4,000.00	5,377.95
0.00	0.00	0.00	Office supplies	42.00	0.00	0.00
0.00	100.00	<100.00>	Protective clothing	0.00	200.00	0.00
197.22	140.00	57.22	Laundry & towels	722.53	700.00	777.27
0.00	0.00	0.00	Dues & subscriptions	0.00	200.00	0.00
0.00	0.00	0.00	Education	0.00	100.00	0.00
0.00	0.00	0.00	Superintendant expense	0.00	100.00	60.00
0.00	0.00	0.00	Reimbursed mileage	0.00	0.00	0.00
0.00	0.00	0.00	Building maintenance	0.00	0.00	0.00
0.00	0.00	0.00	Irrigation relocation	0.00	0.00	0.00
5,242.50	3,300.00	1,942.50	Electricity	25,307.76	27,000.00	25,116.36
0.00	0.00	0.00	Canal water	1,485.25	3,000.00	1,190.00
0.00	0.00	0.00	telephone	0.00	0.00	0.00
<u>10,717.19</u>	<u>10,440.00</u>	<u>277.19</u>	<b>Total Other Course Maint. Expenses</b>	<u>80,322.46</u>	<u>83,800.00</u>	<u>79,779.47</u>
<u>24,497.11</u>	<u>\$ 27,083.00</u>	<u>&lt;2,585.89&gt;</u>	<b>Total Course Maintenance Expenses</b>	<u>170,538.07</u>	<u>171,043.00</u>	<u>173,186.06</u>

Unaudited - See attached accountants' compilation report.

City of Lemoore/Sierra Golf Mgmt, Inc.  
 dba Lemoore Municipal Golf Course  
**ADVERTISING & PROMOTION, FIXED EXPENSES, AND OTHER INCOME (EXPENSE)**  
 Supporting Schedule to the Summary Statement of Income  
 For the Five Months Ending November 30, 2006

This Month	Budget	Curr Mo Variance		YTD Actual	YTD Budget	YTD Prior Year
<b>ADVERTISING &amp; PROMOTION EXPENSES</b>						
0.00	\$ 1,900.00	<1,900.00>	Advertising-Newspapers	2,880.00	9,500.00	5,072.56
0.00	0.00	0.00	Advertising Radio	0.00	0.00	0.00
0.00	0.00	0.00	Advertising Television	0.00	0.00	0.00
0.00	0.00	0.00	Advertising-Direct mail	0.00	0.00	0.00
0.00	200.00	<200.00>	Advertising-Other	645.00	1,100.00	3,112.23
64.93	450.00	<385.07>	Advertising-Yellow pages	2,122.07	2,250.00	2,202.28
<u>64.93</u>	<u>\$ 2,550.00</u>	<u>&lt;2,485.07&gt;</u>	<b>Total Advertising &amp; Promotion Expens</b>	<u>5,647.07</u>	<u>12,850.00</u>	<u>10,387.07</u>
<b>FIXED EXPENSES</b>						
4,000.00	\$ 4,000.00	0.00	Management fees	20,000.00	20,000.00	18,000.00
781.50	950.00	<168.50>	General insurance	3,907.50	4,750.00	4,644.78
0.00	900.00	<900.00>	Lease purchase	0.00	4,500.00	0.00
3,128.79	3,300.00	<171.21>	Interest Expense City of Lemoore	15,463.76	16,500.00	14,422.34
348.15	200.00	148.15	Interest Expense-Other	2,088.77	1,000.00	1,011.52
0.00	0.00	0.00	Extraordinary Course Repairs	0.00	0.00	0.00
27.29	0.00	27.29	Personal property tax	136.45	0.00	0.00
0.00	0.00	0.00	Yamaha cart lease	0.00	0.00	0.00
<u>8,285.73</u>	<u>\$ 9,350.00</u>	<u>&lt;1,064.27&gt;</u>	<b>Total Fixed Expenses</b>	<u>41,596.48</u>	<u>46,750.00</u>	<u>38,078.64</u>
<b>DEPRECIATION</b>						
9,285.10	\$ 8,870.00	415.10	Depreciation expense	46,425.50	44,350.00	49,561.70
<u>9,285.10</u>	<u>\$ 8,870.00</u>	<u>415.10</u>	<b>Total Depreciation Expense</b>	<u>46,425.50</u>	<u>44,350.00</u>	<u>49,561.70</u>
<b>OTHER INCOME (EXPENSES)</b>						
499.70	\$ 0.00	499.70	Interest income	2,020.74	0.00	631.55
422.36	0.00	422.36	Purchase discounts	1,699.90	0.00	983.98
0.00	0.00	0.00	Expired gift certificates	0.00	0.00	0.00
0.00	0.00	0.00	Workers' comp. dividend	0.00	0.00	0.00
0.00	0.00	0.00	Sales of assets-carts	900.00	0.00	0.00
23.84	0.00	23.84	Miscellaneous income	611.94	0.00	<525.76>
0.00	0.00	0.00	Capital expenditures	0.00	0.00	0.00
<u>945.90</u>	<u>\$ 0.00</u>	<u>945.90</u>	<b>Total Other Income &amp; Expense</b>	<u>5,232.58</u>	<u>0.00</u>	<u>1,089.77</u>

Unaudited - See attached accountants' compilation report.

City of Lemoore/Sierra Golf Mgmt, Inc.  
 dba Lemoore Municipal Golf Course  
**PROFORMA SUMMARY STATEMENT OF INCOME**  
 Adjusted for Accruing Unpaid Interest Exp Depreciation Exp  
 For the Five Months Ending November 30, 2006

This Month	Budget	Curr Mo Variance		YTD Actual	YTD Budget	YTD Prior Year
<b>REVENUES</b>						
44,925.00	43,535.00	1,390.00	Green fees & mo. fees	264,837.78	235,035.00	213,745.00
19,891.00	20,039.00	<148.00>	Cart fees	130,643.00	106,123.00	111,212.00
4,240.98	4,928.00	<687.02>	Other Golf income	25,179.99	26,098.00	26,021.62
<b>69,056.98</b>	<b>68,502.00</b>	<b>554.98</b>	<b>Subtotal Golf Operations</b>	<b>420,660.77</b>	<b>367,256.00</b>	<b>350,978.62</b>
15,479.59	19,382.00	<3,902.41>	Merchandise	99,181.33	102,643.00	97,337.58
16,786.71	19,710.00	<2,923.29>	Food & beverage	118,270.29	104,382.00	111,123.12
945.90	0.00	945.90	Other Income (exp)	5,232.58	0.00	1,089.77
<b>102,269.18</b>	<b>107,594.00</b>	<b>&lt;5,324.82&gt;</b>	<b>Total Revenues</b>	<b>643,344.97</b>	<b>574,281.00</b>	<b>560,529.09</b>
<b>COST OF SALES</b>						
11,421.94	13,955.00	<2,533.06>	COS-Merchandise	71,243.70	73,903.00	71,602.12
8,379.13	7,884.00	495.13	COS-Food & beverage	50,587.99	41,753.00	43,356.86
<b>19,801.07</b>	<b>21,839.00</b>	<b>&lt;2,037.93&gt;</b>	<b>Total Cost of Sales</b>	<b>121,831.69</b>	<b>115,656.00</b>	<b>114,958.98</b>
<b>82,468.11</b>	<b>85,755.00</b>	<b>&lt;3,286.89&gt;</b>	<b>Gross Margin</b>	<b>521,513.28</b>	<b>458,625.00</b>	<b>445,570.11</b>
<b>EXPENSES</b>						
3,827.64	4,927.00	<1,099.36>	Food & beverage	25,199.61	29,475.00	28,907.20
4,159.76	4,180.00	<20.24>	General & administrative	23,135.35	23,850.00	22,830.94
755.86	2,208.00	<1,452.14>	Clubhouse	11,933.92	14,190.00	14,395.08
14,746.47	13,881.00	865.47	Golf Operation	72,145.28	77,996.00	69,448.63
24,497.11	27,083.00	<2,585.89>	Course Maintenance	170,538.07	171,043.00	173,186.06
64.93	2,550.00	<2,485.07>	Advertising & promotion	5,647.07	12,850.00	10,387.07
8,285.73	9,350.00	<1,064.27>	Fixed expenses	41,596.48	46,750.00	38,078.64
9,285.10	8,870.00	415.10	Depreciation	46,425.50	44,350.00	49,561.70
<b>65,622.60</b>	<b>73,049.00</b>	<b>&lt;7,426.40&gt;</b>	<b>Total Expenses</b>	<b>396,621.28</b>	<b>420,504.00</b>	<b>406,795.32</b>
<b>16,845.51</b>	<b>12,706.00</b>	<b>4,139.51</b>	<b>Net Inc (Loss)</b>	<b>124,892.00</b>	<b>38,121.00</b>	<b>38,774.79</b>
<b>Proforma adjustments for Accruing Unpaid Interest Exp &amp; Depreciation Exp</b>						
.....Add back:						
9,285.10	8,870.00	415.10	Non Cash Deprec Exp	46,425.50	44,350.00	49,561.70
3,128.79	3,300.00	<171.21>	CofL Int Exp Accr\Unpaid	15,463.76	16,500.00	14,422.34
<b>12,413.89</b>	<b>12,170.00</b>	<b>243.89</b>	<b>Total Adjustments</b>	<b>61,889.26</b>	<b>60,850.00</b>	<b>63,984.04</b>
<b>29,259.40</b>	<b>24,876.00</b>	<b>3,895.62</b>	<b>Proforma After Adj.</b>	<b>186,781.26</b>	<b>98,971.00</b>	<b>102,758.83</b>
This Month	Budget	Curr Mo Variance		YTD Actual	YTD Budget	YTD Prior Year

*12/10/10*