

CC update

GNAGY & JENSEN, INC.

CERTIFIED PUBLIC ACCOUNTANTS

2150 NORTH FINE
FRESNO, CALIFORNIA 93727

TELEPHONE (559) 251-9797

FAX (559) 251-5730

EMAIL GJ@FRESNOCPA.COM

DILLON J. GNAGY, C.P.A. (1924-2002)
LAWRENCE H. JENSEN, C.P.A.

RECEIVED
MAY 29 2009
CC: [Handwritten initials]

May 28, 2009

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 April 31, 2009 and (pages 2-9) the statements of income and schedules related thereto for the one month and year-to-date (ten months) then ended, in accordance with the Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

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
April 30, 2009

Note Pay J. Deere #0052508
JD Credit Contract #102520

16,060.31
35,652.63

Total Long-Term Liabilities

583,964.33

Total Liabilities

657,135.26

Equity

Beginning Equity 121,987.30
Less: Distributions (1,285,000.00)
Subdivision irrig assessments 53,642.00
#14 Lake Improv. Contribution 149,397.00
Retained Earning 1,364,274.43
Net Income 17,482.59

121,987.30
(1,285,000.00)
53,642.00
149,397.00
1,364,274.43
17,482.59

Total Equity

421,783.32

Total Liabilities & Equity

\$ 1,078,918.58

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 Ten Months Ending April 30, 2009

This Month	Budget	Curr Mo Variance		YTD Actual	YTD Budget	YTD Prior Year
Weekday Green Fees						
3,122.00	4,900.00	(1,778.00)	Green fees- Weekday 9 holes	29,606.00	31,360.00	27,706.00
5,390.00	8,600.00	(3,210.00)	Green fees-Weekday 18	49,151.00	62,400.00	59,760.00
1,422.00	2,700.00	(1,278.00)	Green fees-Weekday tourney	16,684.00	26,500.00	30,454.00
454.00	3,220.00	(2,766.00)	Green fees-Military \$11	9,381.00	15,190.00	11,972.00
0.00	0.00	0.00	Green fees-Intramural/Mil \$5	0.00	0.00	0.00
532.00	770.00	(238.00)	Green Fees-Resident	9,597.00	5,138.00	5,644.00
4,679.00	0.00	4,679.00	Green fees-West Hill Coll	16,467.00	0.00	6,527.00
274.00	455.00	(181.00)	Green fees- JR promo rate	4,965.04	4,515.00	4,330.50
1,963.00	2,250.00	(287.00)	Green fees- SR promo rate	20,160.00	18,775.00	17,073.00
7,601.00	650.00	6,951.00	Green Fees-Weekday Special 18	21,855.00	21,710.00	14,486.00
25,437.00	23,545.00	1,892.00	Total Weekday	177,866.04	185,588.00	177,952.50
Weekend Green Fees						
2,805.00	2,210.00	595.00	Green fees-Weekend 9	14,505.00	28,815.00	6,294.00
13,225.00	16,380.00	(3,155.00)	Green fees-Weekend 18	107,683.00	130,390.00	123,222.00
5,486.00	9,100.00	(3,614.00)	Green fees-Weekend tourney	26,446.00	34,320.00	21,517.00
137.00	400.00	(263.00)	Green fees-Wkend JR promo rate	1,298.00	2,250.00	2,013.00
0.00	700.00	(700.00)	Green fees-SR Wkend-promo rate	0.00	5,180.00	0.00
0.00	0.00	0.00	Surcharge-Weekend\Mo Tick Fee	10.00	0.00	0.00
366.00	0.00	366.00	Green fees Weekend Special 18	21,691.00	0.00	17,553.00
22,019.00	28,790.00	(6,771.00)	Total Weekend	171,633.00	200,955.00	170,599.00
Monthly Ticket Fees						
8,800.00	8,800.00	0.00	Monthly fees-Single \$95	65,530.00	77,440.00	72,481.00
3,150.00	3,000.00	150.00	Monthly fees-Family \$125	24,675.00	24,450.00	26,760.00
75.00	1,500.00	(1,425.00)	Monthly fees-Family (3)	480.00	14,875.00	0.00
1,150.00	1,140.00	10.00	Monthly fees-Senior \$57	13,100.00	9,120.00	16,025.00
0.00	0.00	0.00	Monthly fees-JR & SR \$15 promo	0.00	0.00	0.00
0.00	0.00	0.00	Monthly Fees - Military	0.00	0.00	0.00
13,175.00	14,440.00	(1,265.00)	Total Monthly	103,785.00	125,885.00	115,266.00
60,631.00	66,775.00	(6,144.00)	Total Green Fees	453,284.04	512,428.00	463,817.50
Cart Fees						
0.00	0.00	0.00	GPS Income	0.00	0.00	0.00
28,632.93	29,093.00	(460.07)	Income - Carts 18 holes	209,937.93	230,116.00	226,967.00
0.00	0.00	0.00	Income-Monthly cart fees	440.00	0.00	360.00
360.00	0.00	360.00	Income-cart rider 9	4,136.00	0.00	1,969.00
0.00	0.00	0.00	Income-cart rider 18	16.00	0.00	0.00
28,992.93	29,093.00	(100.07)	Total Cart Fees	214,529.93	230,116.00	229,296.00
Other Golf Income						
60.97	0.00	60.97	Income- Club Repair	210.31	0.00	160.27
405.00	0.00	405.00	Income-Rent sets	1,990.00	0.00	2,365.00
146.00	0.00	146.00	Income-Pull carts	1,228.00	0.00	1,656.00
7,029.00	6,422.00	607.00	Income- Range balls	51,646.01	50,795.00	46,618.14
0.00	0.00	0.00	Income-Promotional	0.00	0.00	90.00
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
7,640.97	6,422.00	1,218.97	Total Other Golf	55,074.32	50,795.00	50,889.41
97,264.90	\$ 102,290.00	(5,025.10)	Total Golf Operations	722,888.29	793,339.00	744,002.91

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 Ten Months Ending April 30, 2009

This Month	Budget	Curr Mo Variance		YTD Actual	YTD Budget	YTD Prior Year
REVENUES						
7,857.92	25,429.00	(17,571.08)	Income-Food	57,210.12	201,139.00	61,115.68
7,208.33	0.00	7,208.33	Income-Beer	52,216.41	0.00	56,966.70
6,011.67	0.00	6,011.67	Income-Beverage	49,965.47	0.00	54,333.87
386.04	0.00	386.04	Income-Tobacco	2,746.24	0.00	3,501.63
2,234.58	0.00	2,234.58	Income-Candy & Chips	15,202.24	0.00	14,872.47
<u>23,698.54</u>	<u>25,429.00</u>	<u>(1,730.46)</u>	Total Food & Beverage Revenues	<u>177,340.48</u>	<u>201,139.00</u>	<u>190,790.35</u>
COST OF SALES						
1,100.34	0.00	1,100.34	COS- Other	7,875.89	0.00	6,463.83
4,939.33	10,172.00	(5,232.67)	COS- Food	36,122.46	80,457.00	40,278.55
4,931.81	0.00	4,931.81	COS- Beverage & beer	37,181.64	0.00	43,040.33
<u>10,971.48</u>	<u>10,172.00</u>	<u>799.48</u>	Total Food & Bev Cost of Sales	<u>81,179.99</u>	<u>80,457.00</u>	<u>89,782.71</u>
<u>12,727.06</u>	<u>15,257.00</u>	<u>(2,529.94)</u>	Gross Margin on Food & Beverage	<u>96,160.49</u>	<u>120,682.00</u>	<u>101,007.64</u>
EXPENSES						
Food & Beverage Payroll Expense						
3,146.50	3,700.00	(553.50)	Kitchen	30,622.27	33,100.00	30,940.68
461.00	370.00	91.00	Payroll taxes	3,973.93	3,310.00	4,076.29
94.65	333.00	(238.35)	Workers' comp. insurance	1,085.15	2,979.00	1,509.65
<u>3,702.15</u>	<u>4,403.00</u>	<u>(700.85)</u>	Total Food & Beverage Payroll Exp	<u>35,681.35</u>	<u>39,389.00</u>	<u>36,526.62</u>
Other Food & Beverage Expenses						
125.03	600.00	(474.97)	Kitchen Supplies	2,609.86	5,100.00	5,269.12
405.00	500.00	(95.00)	Beverage supplies	3,440.55	3,880.00	3,824.26
0.00	0.00	0.00	Equipment repairs	75.00	0.00	0.00
0.00	0.00	0.00	Auto mileage	41.64	0.00	0.00
(262.20)	0.00	(262.20)	Cash over & short-food	164.64	0.00	272.24
<u>267.83</u>	<u>1,100.00</u>	<u>(832.17)</u>	Total Food & Beverage Other Exp	<u>6,331.69</u>	<u>8,980.00</u>	<u>9,365.62</u>
<u>3,969.98</u>	<u>5,503.00</u>	<u>(1,533.02)</u>	Total Food & Beverage Expenses	<u>42,013.04</u>	<u>48,369.00</u>	<u>45,892.24</u>
<u>\$ 8,757.08</u>	<u>\$ 9,754.00</u>	<u>(996.92)</u>	Net Food & Beverage Income (loss)	<u>\$ 54,147.45</u>	<u>\$ 72,313.00</u>	<u>\$ 55,115.40</u>
53.70	60.00	53.70	Gross Margin as % of Food & Bev Sal	54.22	60.00	52.94
36.95	38.36	36.95	Net Food & Bev as % of Food & Bev S	30.53	35.95	28.89

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 Ten Months Ending April 30, 2009

This Month	Budget	Curr Mo Variance		YTD Actual	YTD Budget	YTD Prior Year
GOLF OPERATIONS PAYROLL EXPENSES						
5,683.00	\$ 5,683.00	0.00	Golf Professional	56,830.00	56,830.00	54,100.00
1,692.00	3,854.00	(2,162.00)	Assistant professionals	24,793.23	38,540.00	34,486.36
3,715.00	2,400.00	1,315.00	Other payroll	22,539.25	22,500.00	16,450.44
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>11,090.00</u>	<u>11,937.00</u>	<u>(847.00)</u>	Total Golf Oper. Salary and Wages	<u>104,162.48</u>	<u>117,870.00</u>	<u>105,036.80</u>
865.92	1,194.00	(328.08)	Payroll taxes	10,246.89	11,790.00	10,514.79
567.90	1,074.00	(506.10)	Workers' comp. insurance	4,846.00	10,605.00	4,778.40
0.00	0.00	0.00	Health insurance	0.00	0.00	0.00
650.00	650.00	0.00	Employees life insurance	6,620.00	6,500.00	6,500.00
<u>13,173.82</u>	<u>14,855.00</u>	<u>(1,681.18)</u>	Total Golf Oper. Payroll Expenses	<u>125,875.37</u>	<u>146,765.00</u>	<u>126,829.99</u>
OTHER GOLF OPERATIONS EXPENSES						
0.00	0.00	0.00	Trade shows	54.70	0.00	0.00
0.00	50.00	(50.00)	Shop Supplies	152.69	460.00	870.43
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	45.00
0.00	0.00	0.00	Entry fees & dues	0.00	0.00	0.00
0.00	0.00	0.00	Repairs & Maintenance	0.00	300.00	424.94
0.00	0.00	0.00	Reimbursed mileage	0.00	0.00	594.00
0.00	0.00	0.00	Club repair-Outside labor	143.74	0.00	241.99
0.00	100.00	(100.00)	Golf cart rental	233.10	100.00	356.17
0.00	0.00	0.00	Yamaha cart lease	0.00	0.00	0.00
0.00	0.00	0.00	Rental clubs	0.00	1,000.00	0.00
1,178.29	1,200.00	(21.71)	Cart Expense Electricity	9,811.99	10,200.00	9,706.46
0.00	0.00	0.00	GPS Expense	0.00	0.00	0.00
0.00	0.00	0.00	Golf cart rental	1,073.11	0.00	1,590.38
0.00	0.00	0.00	Golf Cart Repair	0.00	0.00	961.45
(175.83)	0.00	(175.83)	Cash over & short-golf op	(2,672.16)	0.00	(2,546.33)
818.00	0.00	818.00	Range balls	4,072.00	3,500.00	4,698.00
0.00	0.00	0.00	Range supplies	600.07	1,200.00	747.29
<u>1,820.46</u>	<u>1,350.00</u>	<u>470.46</u>	Total Golf Oper. Other Expenses	<u>13,469.24</u>	<u>16,760.00</u>	<u>17,689.78</u>
<u>14,994.28</u>	<u>\$ 16,205.00</u>	<u>(1,210.72)</u>	Total Golf Operations Expenses	<u>139,344.61</u>	<u>163,525.00</u>	<u>144,519.77</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 Ten Months Ending April 30, 2009

This Month	Budget	Curr Mo Variance		YTD Actual	YTD Budget	YTD Prior Year
ADVERTISING & PROMOTION EXPENSES						
599.40	\$ 2,000.00	(1,400.60)	Advertising-Newspapers	11,662.00	11,000.00	7,061.06
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	3,000.00	0.00
0.00	500.00	(500.00)	Advertising-Other	1,760.31	5,600.00	764.67
469.93	35.00	434.93	Advertising-Yellow pages	5,145.12	350.00	1,363.15
<u>1,069.33</u>	<u>\$ 2,535.00</u>	<u>(1,465.67)</u>	Total Advertising & Promotion Expen	<u>18,567.43</u>	<u>19,950.00</u>	<u>9,188.88</u>
FIXED EXPENSES						
4,000.00	\$ 4,000.00	0.00	Management fees	40,000.00	40,000.00	40,000.00
698.00	900.00	(202.00)	General insurance	6,440.66	9,000.00	6,739.34
0.00	0.00	0.00	Lease purchase	0.00	0.00	0.00
2,443.96	2,500.00	(56.04)	Interest Expense City of Lemoore	23,921.79	25,000.00	22,274.17
0.00	0.00	0.00	Prior Year Int Exp Adjustment	0.00	0.00	0.00
570.49	450.00	120.49	Interest Expense-Other	5,959.99	4,500.00	4,288.52
0.00	0.00	0.00	Extraordinary Course Repairs	0.00	0.00	0.00
282.51	60.00	222.51	Personal property tax	2,685.21	600.00	891.17
1,830.11	1,831.00	(0.89)	Yamaha cart lease	18,301.10	18,310.00	18,301.10
<u>9,825.07</u>	<u>\$ 9,741.00</u>	<u>84.07</u>	Total Fixed Expenses	<u>97,308.75</u>	<u>97,410.00</u>	<u>92,494.30</u>
DEPRECIATION						
10,671.00	\$ 9,276.00	1,395.00	Depreciation expense	104,341.56	92,760.00	98,102.99
<u>10,671.00</u>	<u>\$ 9,276.00</u>	<u>1,395.00</u>	Total Depreciation Expense	<u>104,341.56</u>	<u>92,760.00</u>	<u>98,102.99</u>
OTHER INCOME (EXPENSES)						
21.99	\$ 0.00	21.99	Interest income	928.74	0.00	4,765.16
236.77	0.00	236.77	Purchase discounts	1,784.36	0.00	4,126.15
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	0.00	0.00	5,512.57
(13.28)	0.00	(13.28)	Miscellaneous income	276.74	0.00	1,742.38
0.00	0.00	0.00	Capital expenditures	0.00	0.00	0.00
<u>245.48</u>	<u>\$ 0.00</u>	<u>245.48</u>	Total Other Income & Expense	<u>2,989.84</u>	<u>0.00</u>	<u>16,146.26</u>

Unaudited - See attached accountants' compilation report.