



CITY OF PORT ST. LUCIE



FINANCE DEPARTMENT

Edwin M. Fry, Jr., Finance Director/City Treasurer

"A City for All Ages"

Memorandum

TO: ED FRY, CPA, CGFO, FINANCE DIRECTOR / CITY TREASURER

FROM: TOM O'REILLY, CPA, CGFO, MPA, CITY ACCOUNTANT

DATE: October 14, 2013

RE: Saints Golf Course Accrual Based Financial Statements– September 30, 2013

The financial statements presented herein are unaudited.

The attached September 30, 2013 financial statements have been adjusted to include applicable accrual based items. These statements are for the Fiscal Year October, 2012 through September, 2013 (Fiscal Year 2013).

For Fiscal Year 2013, there is a year-to-date net loss (before transfers and capital contributions) of \$286,018. This net loss on the Statement of Revenue and Expenses is calculated on the accrual basis, which includes non-cash expenses such as depreciation and equipment disposition and does not include cash receipts for deferred membership revenue. Conversely, it does not include cash reductions or expenditures for pre-paid items or accounts payable payoffs for previously expensed items. To account for all cash activity not shown on an accrual based income statement, a Cash Flow Statement is also being provided. The Cash Flow Statement shows a year-to-date cash decrease of \$7,250. The Saints cash and investments balance is \$608,309 as of September 30, 2013.

When comparing the year-over-year accrual based Operating Revenue and Operating Expenses, Operating Revenue is down \$16,925 and Total Operating Expenses are up \$45,655 for a year-over-year accrual based net operating income decrease of \$62,580.

Project-to-date, there is \$127,781 in energy conservation (ECM) project costs being charged to the Saints for Fiscal Years 2012 and 2013. There are simultaneous cash loans to the Saints' cash account to fund the cash usage on these project costs. Starting in Fiscal Year 2014, these cash loans will be repaid by the Saints over 15 years at \$9,180 per year in principal and interest payments.

enc: a/s

cc: Jeffrey Bremer, Interim City Manager
Sherman Conrad, Parks & Recreation Director
Dave Pollard, CGFO, OMB Director
Curtis Wichern, Golf Course Administrator
Charlie Proulx, Staff Accountant

CITY OF PORT ST. LUCIE, FLORIDA

STATEMENT OF NET POSITION
 PROPRIETARY FUND
 September 30, 2013

	UNAUDITED	AUDITED	AUDITED	AUDITED
	2013 GOLF COURSE FUND	2012 GOLF COURSE FUND	2011 GOLF COURSE FUND	2010 GOLF COURSE FUND
	9/30/2013	As of 9/30/2012	As of 9/30/2011	As of 09/30/2010
ASSETS				
Current Assets:				
Equity in Pooled Cash and Investments	\$ 608,309	\$ 615,559	\$ 536,838	\$ 493,145
Receivables	-	-	-	-
Due from Other Funds	-	-	-	-
Due from Other Governmental Units	-	-	-	-
Prepaid Expenses	7,399	7,316	11,333	1,293
Inventories	28,422	28,262	26,690	31,015
Restricted Assets: cash and investments	-	-	-	-
Total Current Assets	<u>644,130</u>	<u>651,137</u>	<u>574,861</u>	<u>525,453</u>
Noncurrent Assets:				
Deferred charges	-	-	-	-
Capital Assets (net of accumulated depreciation)	3,686,703	3,931,954	4,182,602	4,336,534
Capital Assets (not depreciated)	2,786,942	2,786,942	2,786,942	2,786,942
Total Noncurrent Assets	<u>6,473,645</u>	<u>6,718,896</u>	<u>6,969,544</u>	<u>7,123,476</u>
TOTAL ASSETS	<u><u>\$ 7,117,775</u></u>	<u><u>\$ 7,370,033</u></u>	<u><u>\$ 7,544,405</u></u>	<u><u>\$ 7,648,929</u></u>
LIABILITIES AND FUND EQUITY				
LIABILITIES				
Current Liabilities:				
Accounts Payable	\$ 60,328	\$ 82,124	\$ 70,421	\$ 45,497
ECM Loan Payable	127,781	57,590	-	-
Accrued Salaries and Wages	-	8,457	10,984	10,484
Accrued Vacation and Medical Leave Benefits	5,861	5,356	6,157	9,379
Due to Other Funds	-	-	-	-
Deferred Revenue	20,877	21,209	24,692	35,450
Total Current Liabilities	<u>214,847</u>	<u>174,736</u>	<u>112,254</u>	<u>100,810</u>
Noncurrent Liabilities:				
Accrued Vacation and Medical Leave Benefits	54,159	54,159	62,255	94,828
Accrued OPEB Liability	-	6,351	7,202	15,088
Total Noncurrent Liabilities	<u>54,159</u>	<u>60,510</u>	<u>69,457</u>	<u>109,916</u>
TOTAL LIABILITIES	<u><u>\$ 269,006</u></u>	<u><u>\$ 235,246</u></u>	<u><u>\$ 181,711</u></u>	<u><u>\$ 210,726</u></u>
NET POSITION				
Invested in Capital Assets, net of related debt	6,473,645	6,718,896	6,969,544	7,123,476
Restricted	-	-	-	-
Unrestricted	<u>375,124</u>	<u>415,891</u>	<u>393,150</u>	<u>314,727</u>
TOTAL NET POSITION	<u><u>\$ 6,848,769</u></u>	<u><u>\$ 7,134,787</u></u>	<u><u>\$ 7,362,694</u></u>	<u><u>\$ 7,438,203</u></u>

CITY OF PORT ST. LUCIE, FLORIDA

STATEMENT OF REVENUE, EXPENSES, AND
CHANGES IN FUND NET ASSETS
PROPRIETARY FUND
For the Twelve Months Ending
September 30, 2013

	UNAUDITED	AUDITED	AUDITED	AUDITED
	2013 GOLF COURSE FUND For 12 months ended 9/30/2013	2012 GOLF COURSE FUND For 12 months ended 9/30/2012	2011 GOLF COURSE FUND For 12 months ended 9/30/2011	2010 GOLF COURSE FUND For 12 months ended 9/30/2010
OPERATING REVENUE				
Services and Operations	\$ 1,438,027	\$ 1,454,952	\$ 1,564,828	\$ 1,462,364
OPERATING EXPENSES				
Personal Services	524,331	525,445	876,182	939,297
Contractual Services	279,383	252,316	117,513	96,410
Depreciation Expense	268,755	268,755	266,119	253,217
Operating Supplies and Expense	696,303	676,601	683,554	605,151
TOTAL OPERATING EXPENSES	1,768,772	1,723,117	1,943,368	1,894,075
OPERATING INCOME (LOSS)	(330,745)	(268,165)	(378,540)	(431,711)
NON-OPERATING REVENUE (EXPENSE)				
Investment Income:				
Interest Income	2,348	1,307	592	732
Unrealized Fair Market Value Appreciation	12	53	34	113
Interest Expense	-	-	-	-
Gain (Loss) on Disposition of Equipment	-	(18,679)	3,400	564
Miscellaneous	42,367	57,577	89,005	70,703
TOTAL NON-OPERATING REVENUE (EXPENSE)	44,727	40,258	93,031	72,112
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	(286,018)	(227,907)	(285,509)	(359,599)
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	210,000	200,650
Transfers Out	-	-	-	-
Capital Contributions	-	-	-	-
CHANGE IN NET ASSETS	(286,018)	(227,907)	(75,509)	(158,949)
TOTAL NET ASSETS				
Beginning of Year	7,134,787	7,362,694	7,438,203	7,597,152
TOTAL NET ASSETS				
End of Year	\$ 6,848,769	\$ 7,134,787	\$ 7,362,694	\$ 7,438,203

SAINTS GOLF COURSE
Cash Flow Statement
September 30, 2013

CASH FLOWS FROM OPERATING ACTIVITIES

CASH RECEIVED FROM CUSTOMERS	\$1,437,695
CASH PAID TO SUPPLIERS	(\$997,725)
CASH PAID TO EMPLOYEES	(\$538,634)
NET CASH FROM OPERATING ACTIVITIES	A <u>(\$98,664)</u>

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES

ECM LOAN PROCEEDS	\$70,191
OPERATING TRANSFERS IN (OPEB Retiree Medical Reimb.)	\$0
OPERATING GRANTS	\$0
INSURANCE RECOVERIES	\$0
MISCELLANEOUS (INCLUDES RENTS)	\$42,367
NET CASH PROVIDED BY NONCAPITAL FINANCING ACTIVITIES	<u>\$112,558</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

INTEREST PAID	\$0
PROCEEDS FROM SALE OF ASSETS	\$0
PURCHASE OF FIXED ASSETS	(\$23,504)
INTANGIBLE AMORTIZATION	\$0
NET CASH FLOWS FROM CAPITAL & RELATED ACTIVITIES	<u>(\$23,504)</u>

CASH FLOWS FROM INVESTING ACTIVITIES

PURCHASE OF INVESTMENT SECURITIES	\$0
PROCEEDS FROM SALE AND MATURITIES OF INVESTMENT SECURITIES	\$0
UNREALIZED GAIN CASH ADJUSTMENT	\$12
INTEREST AND DIVIDENDS ON INVESTMENTS	\$2,348
NET CASH FROM INVESTING ACTIVITIES	<u>\$2,360</u>

NET INCREASE(DECREASE) IN CASH AND CASH EQUIVALENTS (\$7,250)

CASH AND CASH EQUIVALENTS @ BEGINNING OF YEAR	\$615,559
CASH AND CASH EQUIVALENTS @ END OF PERIOD	B <u>\$608,309</u>

RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:

OPERATING INCOME / <LOSS>	(\$330,745)
ADJUSTMENTS TO RECONCILE OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:	
DEPRECIATION : NON-CASH OPERATING EXPENSE	\$268,755
CHANGE IN ASSETS AND LIABILITIES	
(INCREASE) DECREASE IN ACCOUNTS RECEIVABLE	\$0
(INCREASE) DECREASE IN DUE FROM OTHER FUNDS	\$0
(INCREASE) DECREASE IN PREPAID ITEMS	(\$83)
(INCREASE) DECREASE IN INVENTORIES	(\$160)
INCREASE (DECREASE) IN ACCOUNTS PAYABLE	(\$21,796)
INCREASE (DECREASE) IN PAYROLL ACCRUALS	(\$14,303)
INCREASE (DECREASE) IN DEFERRED REVENUES	(\$332)
NET CASH PROVIDED BY OPERATING ACTIVITIES	A <u>(\$98,664)</u>

RECONCILIATION OF CASH TO STATEMENT OF NET ASSETS

EQUITY IN POOLED CASH AND INVESTMENTS	\$608,309
RESTRICTED EQUITY IN POOLED CASH AND INVESTMENTS	\$0
NET CASH PROVIDED BY OPERATING ACTIVITIES	B <u>\$608,309</u>