



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 23, 2014

RE: Saints Golf Course Accrual Based Financial Statements– September 30, 2014

The financial statements presented herein are unaudited.

The attached September 30, 2014 financial statements have been adjusted to include applicable accrual based items. These statements are for all twelve months of Fiscal Year October, 2013 through September, 2014 (Fiscal Year 2014).

For the twelve months of Fiscal Year 2014, there is a year-to-date net loss (before transfers and capital contributions) of \$270,548. 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 \$266,666. The Saints cash and investments balance is \$340,629 as of September 30, 2014.

When comparing the year-over-year accrual based Operating Revenue and Operating Expenses, Operating Revenue is down \$118,165 and Total Operating Expenses are down \$52,663 for a year-over-year accrual based net operating loss increase of \$65,502. The Golf Course was closed for renovations for the months of June and July, and had just reopened on August 18th.

Beginning in Fiscal Year 2014, the Saints started repaying an energy conservation measures (ECM) loan of \$127,781 over 15 years at \$9,177 per year in principal and interest payments. The current loan balance at September 30, 2014 is \$119,846.

enc: a/s

cc: Jeffrey Bremer, 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, 2014

	UNAUDITED	AUDITED	AUDITED	AUDITED
	2014 GOLF <u>COURSE FUND</u> 9/30/2014	2013 GOLF <u>COURSE FUND</u> 9/30/2013	2012 GOLF <u>COURSE FUND</u> As of 9/30/2012	2011 GOLF <u>COURSE FUND</u> As of 9/30/2011
ASSETS				
Current Assets:				
Equity in Pooled Cash and Investments	\$ 340,629	\$ 607,295	\$ 615,559	\$ 536,838
Receivables	13,125	-	-	-
Prepaid Assets	-	7,359	7,316	11,333
Inventories	<u>31,474</u>	<u>28,422</u>	<u>28,262</u>	<u>26,690</u>
Total Current Assets	385,228	643,076	651,137	574,861
Noncurrent Assets:				
Capital Assets (net of accumulated depreciation)	3,756,991	3,695,834	3,931,954	4,182,602
Capital Assets (not depreciated)	<u>2,786,942</u>	<u>2,786,942</u>	<u>2,786,942</u>	<u>2,786,942</u>
Total Noncurrent Assets	6,543,933	6,482,776	6,718,896	6,969,544
TOTAL ASSETS	<u><u>\$ 6,929,161</u></u>	<u><u>\$ 7,125,852</u></u>	<u><u>\$ 7,370,033</u></u>	<u><u>\$ 7,544,405</u></u>
LIABILITIES AND FUND EQUITY				
LIABILITIES				
Current Liabilities:				
Accounts Payable	\$ 166,831	\$ 79,163	\$ 82,124	\$ 70,421
ECM Loan Payable	119,846	127,781	57,590	-
Accrued Salaries and Wages	10,167	9,463	8,457	10,984
Accrued Vacation and Medical Leave Benefits	5,402	5,402	5,356	6,157
Unearned Revenue	<u>21,330</u>	<u>20,877</u>	<u>21,209</u>	<u>24,692</u>
Total Current Liabilities	323,576	242,686	174,736	112,254
Noncurrent Liabilities:				
Accrued Vacation and Medical Leave Benefits	54,618	54,618	54,159	62,255
Accrued OPEB Liability	<u>-</u>	<u>7,033</u>	<u>6,351</u>	<u>7,202</u>
Total Noncurrent Liabilities	54,618	61,651	60,510	69,457
TOTAL LIABILITIES	<u><u>\$ 378,194</u></u>	<u><u>\$ 304,337</u></u>	<u><u>\$ 235,246</u></u>	<u><u>\$ 181,711</u></u>
NET POSITION				
Invested in Capital Assets, net of related debt	6,543,933	6,482,776	6,718,896	6,969,544
Restricted	-	-	-	-
Unrestricted	<u>7,034</u>	<u>338,739</u>	<u>415,891</u>	<u>393,150</u>
TOTAL NET POSITION	<u><u>\$ 6,550,967</u></u>	<u><u>\$ 6,821,515</u></u>	<u><u>\$ 7,134,787</u></u>	<u><u>\$ 7,362,694</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, 2014

	UNAUDITED	AUDITED	AUDITED	AUDITED
	2014 GOLF COURSE FUND For 12 months ended 9/30/2014	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
OPERATING REVENUE				
Services and Operations	\$ 1,319,862	\$ 1,438,027	\$ 1,454,952	\$ 1,564,828
OPERATING EXPENSES				
Personal Services	509,457	540,824	525,445	876,182
Contractual Services	209,395	293,551	252,316	117,513
Depreciation Expense	259,833	259,625	268,755	266,119
Operating Supplies and Expense	764,708	702,056	676,601	683,554
TOTAL OPERATING EXPENSES	1,743,393	1,796,056	1,723,117	1,943,368
OPERATING INCOME (LOSS)	(423,531)	(358,029)	(268,165)	(378,540)
NON-OPERATING REVENUE (EXPENSE)				
Investment Income:				
Interest Income	2,590	2,348	1,307	592
Unrealized Fair Market Value Appreciation	-	12	53	34
Interest Expense	(1,242)	-	-	-
Gain (Loss) on Disposition of Equipment	(958)	-	(18,679)	3,400
Miscellaneous	152,593	42,397	57,577	89,005
TOTAL NON-OPERATING REVENUE (EXPENSE)	152,983	44,757	40,258	93,031
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	(270,548)	(313,272)	(227,907)	(285,509)
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	210,000
Transfers Out	-	-	-	-
Capital Contributions	-	-	-	-
CHANGE IN NET ASSETS	(270,548)	(313,272)	(227,907)	(75,509)
TOTAL NET ASSETS				
Beginning of Year	6,821,515	7,134,787	7,362,694	7,438,203
TOTAL NET ASSETS				
End of Year	\$ 6,550,967	\$ 6,821,515	\$ 7,134,787	\$ 7,362,694

SAINTS GOLF COURSE
Cash Flow Statement
September 30, 2014

CASH FLOWS FROM OPERATING ACTIVITIES

CASH RECEIVED FROM CUSTOMERS	\$1,307,190
CASH PAID TO SUPPLIERS	(\$882,128)
CASH PAID TO EMPLOYEES	(\$515,786)
 NET CASH FROM OPERATING ACTIVITIES	 A <u><u>(\$90,724)</u></u>

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES

ECM LOAN PRINCIPAL REPAYMENT	(\$7,935)
ECM LOAN INTEREST EXPENSE	(\$1,242)
OPERATING TRANSFERS IN (OPEB Retiree Medical Reimb.)	\$0
OPERATING GRANTS	\$0
INSURANCE RECOVERIES	\$0
MISCELLANEOUS (INCLUDES RENTS)	\$152,593
NET CASH PROVIDED BY NONCAPITAL FINANCING ACTIVITIES	<u><u>\$143,416</u></u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

INTEREST PAID	\$0
CONSTRUCTION IN PROGRESS	\$0
PROCEEDS FROM SALE OF ASSETS	\$0
PURCHASE OF FIXED ASSETS	(\$320,990)
INTANGIBLE AMORTIZATION	\$0
GAIN OR LOSS ON DISPOSITION	(\$958)
NET CASH FLOWS FROM CAPITAL & RELATED ACTIVITIES	<u><u>(\$321,948)</u></u>

CASH FLOWS FROM INVESTING ACTIVITIES

PURCHASE OF INVESTMENT SECURITIES	\$0
PROCEEDS FROM SALE AND MATURITIES OF INVESTMENT SECURITIES	\$0
UNREALIZED GAIN CASH ADJUSTMENT	\$0
INTEREST AND DIVIDENDS ON INVESTMENTS	\$2,590
NET CASH FROM INVESTING ACTIVITIES	<u><u>\$2,590</u></u>

NET INCREASE(DECREASE) IN CASH AND CASH EQUIVALENTS **(\$266,666)**

CASH AND CASH EQUIVALENTS @ BEGINNING OF YEAR	\$607,295
CASH AND CASH EQUIVALENTS @ END OF PERIOD	B <u><u>\$340,629</u></u>

RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:	
OPERATING INCOME / <LOSS>	(\$423,531)
ADJUSTMENTS TO RECONCILE OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:	
DEPRECIATION : NON-CASH OPERATING EXPENSE	\$259,833
CHANGE IN ASSETS AND LIABILITIES	
(INCREASE) DECREASE IN ACCOUNTS RECEIVABLE	(\$13,125)
(INCREASE) DECREASE IN DUE FROM OTHER FUNDS	\$0
(INCREASE) DECREASE IN DEFERRED OUTFLOWS	\$7,359
(INCREASE) DECREASE IN INVENTORIES	(\$3,052)
INCREASE (DECREASE) IN ACCOUNTS PAYABLE	\$87,668
INCREASE (DECREASE) IN PAYROLL ACCRUALS	(\$6,329)
INCREASE (DECREASE) IN DEFERRED REVENUES	\$453
NET CASH PROVIDED BY OPERATING ACTIVITIES	A <u><u>(\$90,724)</u></u>
RECONCILIATION OF CASH TO STATEMENT OF NET ASSETS	
EQUITY IN POOLED CASH AND INVESTMENTS	\$340,629
RESTRICTED EQUITY IN POOLED CASH AND INVESTMENTS	\$0
	B <u><u>\$340,629</u></u>