

HGMD 12/31/2023 Financial Statement Questions & Comments

Why is the report labeled DRAFT? When will there be a final version?

- Page 3 – D524 – Professional Fees – are these strictly for legal expenses?
- Page 3 – D525.1 – There was an original contract for somewhere around \$23K. Did the contract state “plus additional costs?” If so, what did the additional costs cover? Could an itemized accounting be provided as the total for 2023 is now up to \$62,013.
- Page 8 – CURRENT ASSETS Accounts Receivable Net of Allowance for 11/30/23 shows \$111,058. If these are dues that are to be paid to HGA, one would think a funds transfer could be completed before the end of the month, in order to report an actual figure.
- Page 8 – CURRENT LIABILITIES Due To/From HGA – Why is this labeled To/From? If it is from, figures should be under Current Assets.
- Page 8 – CURRENT LIABILITIES – Deferred Insurance Claims – Is this for the replacement of the golf course gazebo? If so, wouldn't the insurance claim proceeds have covered the claim? If it is for the deductible, shouldn't it be labeled as such?
- Page 8 – CURRENT LIABILITIES – Deferred Revenue PARQ – what is this for? PARQ paid HG \$75,000 several years ago and the money was spent on a Chef's table for Rendezvous and the balance was applied toward the cost of the crosswalk on South Heather Gardens Way. Why do we owe PARQ anything?
- Page 9 – Clubhouse P&L – Trips revenue for current actual was \$1,922 and trips expenses \$8,020 – a loss of \$6,098! Management should take note of this and ensure that the costs for trips not exceed the income.
- Page 9 – Clubhouse P&L – WAGES/BENEFITS – C540 – Payroll Taxes – Is this strictly FICA (7.65%) or does this include other taxes, e.g., federal and state unemployment, etc. I am aware Workman's Compensation is included in the PEO fees.
- Page 9 – Clubhouse P&L – OPERATING EXPENSES – Custodial Hours at \$16,135 for the current month seems to be an error and needs to be verified and substantiated.
- It is noted the Clubhouse YTD Actual loss of \$598,062 is \$86,151 less than the budgeted subsidy of \$684,753, perhaps due to the Clubhouse Manager position being vacant.
- Page 11 – HGMD Golf Usage Report – It is noted under Current Year Rates, not all figures are accurate. For example, 40 Play Punches are not \$8.85 (they are \$8.00) and Golf Bag Storage is shown as \$122.31 whereas it is \$120.00.
- It is noted that Golf YTD actual loss of \$161,222 is \$94,763 less than the budgeted subsidy of \$255,985.
- Page 12 – Restaurant P&L – H651 Uniforms – Actual YTD is almost double (89%) over the budget amount. Is this due to turnover?

- Page 12 – Restaurant P&L - It is interesting that under SUMMARY YTD ACTUAL for Sales is shown as \$612,388 whereas on page 13 Rendezvous summary for the YTD shows Net Sales under 2023 YTD as \$604,178 and on page 13 under Net Sales per hour 2023 YTD Total Net Sales is shown as \$603,738, a \$440 difference. Why are the figures not the same?
- It is noted that net sales for 2023 increased close to 10% and the Restaurant subsidy is only \$19,313 greater than budgeted, taking into consideration the original kitchen equipment was replaced with entirely new equipment.