

**BOARD OF REGENTS**  
EASTERN MICHIGAN UNIVERSITY

SECTION: **23**

DATE:

November 15, 2005

**RECOMMENDATION**

**2004-05 EAGLE CREST MANAGEMENT CORPORATION ANNUAL REPORT**

**ACTION REQUESTED**

It is recommended that the FY 2005 Eagle Crest Management Corporation Annual Report be received and placed on file.

**STAFF SUMMARY**

Eagle Crest Management Corporation (ECMC) is a wholly owned, for-profit subsidiary of the Eastern Michigan University Foundation. ECMC provides management services for the University's Golf Course and Conference Center assets. In addition, ECMC provides food and beverage services, media and business services, and housekeeping/maintenance services to the Golf Course and Conference Center.

Eagle Crest Management returned a net profit for the year ending June 2005 of \$34,013 with a profit margin of 3%. Eagle Crest Conference Center realized net earnings of \$28,369 for the year ending June 2005. Eagle Crest Golf Club resulted in net earnings of (\$229,396) for the year ending June 2005. The Golf Club experienced improved course patronage again this year, reflected in the 5% increased rounds from the previous fiscal year.

Kathryn Vachon, Executive Director of Eagle Crest Management Corporation, will provide a report on the FY 2005 business activities.

**FISCAL IMPLICATIONS**

Eagle Crest Management Corporation will retain all of its 2005 net earnings to reinvest in capital improvements for the company as approved by its Board of Directors.

**ADMINISTRATIVE RECOMMENDATION**

The proposed Board action has been reviewed and is recommended for Board approval.

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University Executive Officer

\_\_\_\_\_  
Date

**Eagle Crest Management Corporation**  
**Year-To-Date Income Statement**  
**June 30, 2005**

**Eagle Crest Management Consolidated**

	YTD Actuals Jun-05	% Rev	YTD Budget Jun-05	% Rev	Variance	Var %	Last YTD Jun-04	% Rev	Variance	Var %
Food & Beverage	1,177,559	89%	1,314,593	93%	(137,034)	-10%	1,266,073	93%	(88,514)	-7%
Media & Business Center	359,400	27%	368,507	26%	(9,107)	-2%	329,350	24%	30,050	9%
Management Fees	69,878	5%	68,990	5%	888	1%	68,359	5%	1,519	2%
<b>Total Sales</b>	<b>1,606,837</b>	<b>122%</b>	<b>1,752,090</b>	<b>124%</b>	<b>(145,253)</b>	<b>-8%</b>	<b>1,663,782</b>	<b>122%</b>	<b>(56,945)</b>	<b>-3%</b>
Cost of Goods Sold	289,445	22%	334,542	24%	45,097	13%	302,543	22%	13,098	4%
<b>Net Revenue</b>	<b>1,317,392</b>	<b>100%</b>	<b>1,417,548</b>	<b>100%</b>	<b>(100,156)</b>	<b>-7%</b>	<b>1,361,239</b>	<b>100%</b>	<b>(43,847)</b>	<b>-3%</b>
Salaries, Wages & Taxes	564,057	43%	615,914	43%	51,857	8%	618,234	45%	54,177	9%
Benefits & 401K	99,527	8%	122,413	9%	22,886	19%	111,711	8%	12,184	11%
Contracted Services	28,005	2%	29,109	2%	1,104	4%	25,136	2%	(2,869)	-11%
Operational Expenses	226,813	17%	231,458	16%	4,645	2%	242,988	18%	16,175	7%
Allocated Expenses	395,976	30%	454,750	32%	58,774	13%	404,988	30%	9,012	2%
<b>Total Expenses</b>	<b>1,314,378</b>	<b>100%</b>	<b>1,453,644</b>	<b>103%</b>	<b>139,266</b>	<b>10%</b>	<b>1,403,057</b>	<b>103%</b>	<b>88,679</b>	<b>6%</b>
Housekeeping & Maint	(165,290)	-13%	(225,719)	-16%	60,429	-27%	(227,538)	-17%	62,248	-27%
Depreciation	60,278	5%	78,998	6%	18,720	24%	79,344	6%	19,066	24%
Personal/Property Tax	35,057	3%	28,296	2%	(6,761)	-24%	30,884	2%	(4,173)	-14%
Interest Income/ Expense	12,703	1%	16,934	1%	4,231	25%	14,890	1%	2,187	15%
<b>Total Other Expenses</b>	<b>(57,252)</b>	<b>-4%</b>	<b>(101,491)</b>	<b>-7%</b>	<b>(44,239)</b>	<b>44%</b>	<b>(102,420)</b>	<b>-8%</b>	<b>(45,168)</b>	<b>44%</b>
<b>Net Income</b>	<b>60,266</b>	<b>5%</b>	<b>65,395</b>	<b>5%</b>	<b>(5,129)</b>	<b>-8%</b>	<b>60,602</b>	<b>4%</b>	<b>(336)</b>	<b>-1%</b>
Federal Income Tax	12,560	1%	12,000	1%	(560)	-5%	5,800	0%	(6,760)	-117%
SBT Tax	13,693	1%	21,600	2%	7,907	37%	24,815	2%	11,122	45%
<b>*Total Net Income*</b>	<b>34,013</b>	<b>3%</b>	<b>31,795</b>	<b>2%</b>	<b>2,218</b>	<b>7%</b>	<b>29,987</b>	<b>2%</b>	<b>4,026</b>	<b>13%</b>
Dividend	-	0%	-	0%	-	-	20,000	1%	20,000	100%
<b>Net After Dividend</b>	<b>34,013</b>	<b>3%</b>	<b>31,795</b>	<b>2%</b>	<b>2,218</b>	<b>7%</b>	<b>9,987</b>	<b>1%</b>	<b>24,026</b>	<b>241%</b>

**Food and Beverage**

	YTD Actuals Jun-05	% Rev	YTD Budget Jun-05	% Rev	Variance	Var %	Last YTD Jun-04	% Rev	Variance	Var %
Sales-Food	875,057	95%	996,685	99%	(121,628)	-12%	949,372	96%	(74,315)	-8%
Sales-Beverage	139,599	15%	144,418	14%	(4,819)	-3%	143,097	14%	(3,498)	-2%
Service Chgs & Misc Banquet	162,903	18%	173,490	17%	(10,587)	-6%	173,604	18%	(10,701)	-6%
<b>Total Sales</b>	<b>1,177,559</b>	<b>128%</b>	<b>1,314,593</b>	<b>130%</b>	<b>(137,034)</b>	<b>-10%</b>	<b>1,266,073</b>	<b>128%</b>	<b>(88,514)</b>	<b>-7%</b>
Cost of Good-Food	219,536	24%	269,103	27%	49,567	18%	241,915	24%	22,379	9%
Cost of Goods-Beverage	35,248	4%	37,549	4%	2,301	6%	36,100	4%	852	2%
<b>Net Revenue</b>	<b>922,775</b>	<b>100%</b>	<b>1,007,941</b>	<b>100%</b>	<b>(85,166)</b>	<b>-8%</b>	<b>988,058</b>	<b>100%</b>	<b>(65,283)</b>	<b>-7%</b>
Salaries, Wages & Taxes	355,993	39%	377,994	38%	22,001	6%	382,100	39%	26,107	7%
Benefits & 401K	53,139	6%	60,980	6%	7,841	13%	55,704	6%	2,565	5%
Operational Expenses	178,666	19%	173,555	17%	(5,111)	-3%	188,592	19%	9,926	5%
Allocated Expenses	251,908	27%	303,611	30%	51,703	17%	310,443	31%	58,535	19%
<b>Total Expenses</b>	<b>839,706</b>	<b>91%</b>	<b>916,140</b>	<b>91%</b>	<b>76,434</b>	<b>8%</b>	<b>936,839</b>	<b>95%</b>	<b>97,133</b>	<b>10%</b>
<b>*Total Net Income*</b>	<b>83,069</b>	<b>9%</b>	<b>91,801</b>	<b>9%</b>	<b>(8,732)</b>	<b>-10%</b>	<b>51,219</b>	<b>5%</b>	<b>31,850</b>	<b>62%</b>

**Eagle Crest Management Corporation**  
**Year-To-Date Income Statement & Expense Statements**  
**June 30, 2005**

**Media and Business Center**

	YTD Actuals Jun-05	% Rev	YTD Budget Jun-05	% Rev	Variance	Var %	Last YTD Jun-04	% Rev	Variance	Var %
Audio Video	329,135	101%	344,789	101%	(15,654)	-5%	310,531	102%	18,604	6%
Computer Lab	12,250	4%	2,600	1%	9,650	371%	2,030	1%	10,220	503%
Video Conference	2,600		2,100				1,300		1,300	900%
Business Center	14,495	4%	19,018	6%	(4,523)	-24%	15,489	5%	(994)	-6%
Service Charges	920									
<b>Total Sales</b>	<b>359,400</b>	<b>111%</b>	<b>368,507</b>	<b>108%</b>	<b>(9,107)</b>	<b>-2%</b>	<b>329,350</b>	<b>108%</b>	<b>30,050</b>	<b>9%</b>
Cost of Goods Sold	34,661	11%	27,890	8%	(6,771)	-24%	24,528	8%	(10,133)	-41%
<b>Net Revenue</b>	<b>324,739</b>	<b>100%</b>	<b>340,617</b>	<b>100%</b>	<b>(15,878)</b>	<b>-5%</b>	<b>304,822</b>	<b>100%</b>	<b>19,917</b>	<b>7%</b>
Salaries, Wages & Taxes	87,839	27%	86,310	25%	(1,529)	-2%	85,302	28%	(2,537)	-3%
Benefits & 401K	24,210	7%	27,030	8%	2,820	10%	22,939	8%	(1,271)	-6%
Operational Expenses	36,942	11%	45,353	13%	8,411	19%	40,291	13%	3,349	8%
Allocated Expenses	143,579	44%	151,139	44%	7,560	5%	95,034	31%	(48,545)	-51%
<b>Total Expenses</b>	<b>292,570</b>	<b>90%</b>	<b>309,832</b>	<b>91%</b>	<b>17,262</b>	<b>6%</b>	<b>243,566</b>	<b>80%</b>	<b>(49,004)</b>	<b>-20%</b>
<b>*Total Net Income*</b>	<b>32,169</b>	<b>10%</b>	<b>30,785</b>	<b>9%</b>	<b>1,384</b>	<b>4%</b>	<b>61,256</b>	<b>20%</b>	<b>(29,087)</b>	<b>-47%</b>

**Housekeeping/Maintenance**

	YTD Actuals Jun-05	% Rev	YTD Budget Jun-05	% Rev	Variance	Var %	Last YTD Jun-04	% Rev	Variance	Var %
Sales	165,290	100%	225,719	100%	(60,429)	-27%	227,538	100%	(62,248)	-27%
<b>Total Sales</b>	<b>165,290</b>	<b>100%</b>	<b>225,719</b>	<b>100%</b>	<b>(60,429)</b>	<b>-27%</b>	<b>227,538</b>	<b>100%</b>	<b>(62,248)</b>	<b>-27%</b>
Cost of Goods Sold	-	0%	-	0%	-	0%	-	0%	-	0%
<b>Net Revenue</b>	<b>165,290</b>	<b>100%</b>	<b>225,719</b>	<b>100%</b>	<b>(60,429)</b>	<b>-27%</b>	<b>227,538</b>	<b>100%</b>	<b>(62,248)</b>	<b>-27%</b>
Salaries, Wages & Taxes	101,578	61%	151,610	67%	50,032	33%	150,424	66%	48,846	32%
Benefits & 401K	22,178	13%	34,403	15%	(12,225)	-36%	33,068	15%	10,890	33%
Contracted Cleaning	24,405	15%	26,040	12%		0%	25,136	11%	731	3%
Operational Expenses	11,205	7%	12,550	6%	1,345	11%	14,105	6%	2,900	21%
<b>Total Expenses</b>	<b>159,366</b>	<b>96%</b>	<b>224,603</b>	<b>100%</b>	<b>65,237</b>	<b>29%</b>	<b>222,733</b>	<b>98%</b>	<b>63,367</b>	<b>28%</b>
<b>*Total Net Income*</b>	<b>5,924</b>	<b>4%</b>	<b>1,116</b>	<b>0%</b>	<b>4,808</b>	<b>431%</b>	<b>4,805</b>	<b>2%</b>	<b>1,119</b>	<b>23%</b>

**Eagle Crest Management Corporation**  
**Year-To-Date Income Statement**  
**June 30, 2005**

**Eagle Crest Conference Center**

	YTD Actuals Jun-05	% Rev	YTD Budget Jun-05	% Rev	Variance	Var %	Last YTD Jun-04	% Rev	Variance	Var %
Room Rentals	575,634	99%	727,587	118%	(151,953)	-21%	613,440	99%	(37,806)	-6%
Office Services	12,910	2%	3,945	1%	8,965	227%	8,091	1%	4,819	60%
<b>Total Sales</b>	<b>588,544</b>	<b>102%</b>	<b>731,532</b>	<b>118%</b>	<b>(142,988)</b>	<b>-20%</b>	<b>621,531</b>	<b>101%</b>	<b>(32,987)</b>	<b>-5%</b>
Cost of Good Sold	9,213	2%	3,306	1%	(5,907)	-179%	3,243	1%	(5,970)	-184%
<b>Net Revenue</b>	<b>579,331</b>	<b>100%</b>	<b>728,226</b>	<b>118%</b>	<b>(148,895)</b>	<b>-20%</b>	<b>618,288</b>	<b>100%</b>	<b>(38,957)</b>	<b>-6%</b>
Salaries, Wages & Taxes	80,361	14%	124,352	20%	43,991	35%	118,754	19%	38,393	32%
Benefits & 401K	26,147	5%	51,991	8%	25,844	50%	41,770	7%	15,623	37%
Operational Expenses**	165,537	29%	182,732	30%	17,195	9%	123,539	20%	(41,998)	-34%
Allocated Expenses	278,917	48%	342,388	55%	63,471	19%	303,744	49%	24,827	8%
<b>Total Expenses</b>	<b>550,962</b>	<b>95%</b>	<b>701,463</b>	<b>113%</b>	<b>150,501</b>	<b>21%</b>	<b>587,807</b>	<b>95%</b>	<b>36,845</b>	<b>6%</b>
<b>*Total Net Income*</b>	<b>28,369</b>	<b>5%</b>	<b>26,763</b>	<b>4%</b>	<b>1,606</b>	<b>6%</b>	<b>30,481</b>	<b>5%</b>	<b>(2,112)</b>	<b>-7%</b>

**Eagle Crest Golf Club**

	YTD Actuals Jun-05	% Rev	YTD Budget Jun-05	% Rev	Variance	Var %	Last YTD Jun-04	% Rev	Variance	Var %
Greens Fees	720,467	68%	921,254	69%	(200,787)	-22%	747,186	69%	(26,719)	-4%
Cart Rentals	241,293	23%	278,080	21%	(36,787)	-13%	238,871	22%	2,422	1%
Sales Pro Shop	86,609	8%	145,553	11%	(58,944)	-40%	102,622	9%	(16,013)	-16%
Equipment Rental	5,293	0%	6,950	1%	(1,657)	-24%	5,178	0%	115	2%
Driving Range	41,724	4%	50,225	4%	(8,501)	-17%	39,314	4%	2,410	6%
Pro Services/Lessons	315	0%	0	0%	315	#DIV/0!	-	0%	315	0%
Room Rental	18,879	2%	28,350	2%	(9,471)	-33%	23,214	2%	(4,335)	-19%
<b>Total Sales</b>	<b>1,114,580</b>	<b>105%</b>	<b>1,430,412</b>	<b>107%</b>	<b>(315,832)</b>	<b>-22%</b>	<b>1,156,385</b>	<b>107%</b>	<b>(41,805)</b>	<b>-4%</b>
Cost of Good-Pro Shop	51,717	5%	94,608	7%	42,891	45%	70,937	7%	19,220	27%
<b>Net Revenue</b>	<b>1,062,863</b>	<b>100%</b>	<b>1,335,804</b>	<b>100%</b>	<b>(272,941)</b>	<b>-20%</b>	<b>1,085,448</b>	<b>100%</b>	<b>(22,585)</b>	<b>-2%</b>
Salaries, Wages & Taxes	185,604	17%	167,138	13%	(18,466)	-11%	134,343	12%	(51,261)	-38%
Benefits & 401K	12,810	1%	5,460	0%	(7,350)	-135%	3,225	0%	(9,585)	-297%
Direct Expenses	809,558	76%	823,050	62%	13,492	2%	850,629	78%	41,071	5%
Operational Expenses**	147,557	14%	148,841	11%	1,284	1%	93,436	9%	(54,121)	-58%
Allocated Expenses	136,730	13%	195,523	15%	58,793	30%	202,473	19%	65,743	32%
<b>Total Expenses</b>	<b>1,292,259</b>	<b>122%</b>	<b>1,340,012</b>	<b>100%</b>	<b>47,753</b>	<b>4%</b>	<b>1,284,106</b>	<b>118%</b>	<b>(8,153)</b>	<b>-1%</b>
<b>*Total Net Income*</b>	<b>(229,396)</b>	<b>-22%</b>	<b>(4,208)</b>	<b>0%</b>	<b>(225,188)</b>	<b>5351%</b>	<b>(198,658)</b>	<b>-18%</b>	<b>(30,738)</b>	<b>15%</b>

**Eagle Crest Management Corporation**  
**Balance Sheet Statements as of**  
**June 30, 2005**

**Eagle Crest Management Consolidated**

**ASSETS**

	YTD Jun-05	Last YTD Jun-04	Variance	Var %
<b><u>Current Assets</u></b>				
Total Cash	154,017	183,192	(29,175)	-16%
Total Investments	-	52,469	(52,469)	-100%
Accounts Rec-Trade	327,018	356,033	(29,015)	-8%
Less: Doubtful Accounts	(14,562)	(14,717)	155	-1%
Due From Conference Center	55,003	95,323	(40,320)	-42%
Due From Golf Club	255,638	54,265	201,373	371%
Inter-Company Clearing	-	-	-	#DIV/0!
Inventory	26,515	29,179	-	0%
<b>**Total Current Assets**</b>	<b>803,629</b>	<b>755,744</b>	<b>47,885</b>	<b>6%</b>
<b><u>Fixed Assets</u></b>				
Land	682,000	682,000	-	0%
Equipment	943,059	963,209	21,585	2%
Accum Depreciation	(884,786)	(861,606)	(23,180)	3%
Land Improvement	50,383	50,383	-	0%
<b>**Total Fixed Assets**</b>	<b>790,656</b>	<b>833,986</b>	<b>(1,595)</b>	<b>0%</b>
<b><u>Other Assets</u></b>				
Note Receivable-ECGC	-	-	-	-
Prepays Expenses	28,712	29,892	(1,180)	-4%
<b>**Total Other Assets**</b>	<b>28,712</b>	<b>29,892</b>	<b>(1,180)</b>	<b>-4%</b>
<b>TOTAL ASSETS</b>	<b>1,622,997</b>	<b>1,619,622</b>	<b>3,375</b>	<b>0%</b>

**LIABILITIES**

	YTD Jun-05	Last YTD Jun-04	Variance	Var %
<b><u>Current Liabilities</u></b>				
Customer Deposits	(5,364)	-	5,364	0%
Gift Certificates	-	-	-	-
Accounts Payable	30,561	39,295	8,734	22%
Due To Conference Center	78,602	87,939	9,337	11%
Due To Golf Club	66,175	81	(66,094)	#####
Due To Marriott	143,307	159,686	16,379	10%
PR Withholding Payable	2,626	1,999	(627)	-31%
Sales Tax Payable	9,171	10,857	1,686	16%
Accrued PR, Vacation	82,825	63,142	(19,683)	-31%
Accrued Lease Payment	9,806	13,437	3,631	27%
Accrued Insurance	-	-	-	0%
Accrued China, Glass & Silver	-	-	-	#DIV/0!
Accrued Rent to EMUF	-	-	-	#DIV/0!
Taxes Payable	6,000	5,642	(358)	-6%
EMUF Dividend Payable	-	20,000	20,000	100%
Reserve, Marketing Fund	-	-	-	#DIV/0!
<b>Total Current Liabilities</b>	<b>423,709</b>	<b>402,078</b>	<b>(21,631)</b>	<b>-5%</b>
<b><u>Long Term Liabilities</u></b>				
Notes Payable - Equipment	-	26,616	26,616	100%
Mortgage Payable- Bank AA	223,974	249,627	25,653	10%
<b>Total Long term Liabilities</b>	<b>223,974</b>	<b>276,243</b>	<b>52,269</b>	<b>19%</b>
<b><u>Capital</u></b>				
Shareholder's Equity	1,000	1,000	-	0%
Dividends Paid	-	(20,000)	20,000	-100%
Retained Earnings	940,301	930,314	9,987	1%
Net Income - YTD	34,013	29,987	4,026	13%
<b>Total Capital</b>	<b>975,314</b>	<b>941,301</b>	<b>34,013</b>	<b>4%</b>
<b>TOTAL LIABILITIES &amp; CAPITAL</b>	<b>1,622,997</b>	<b>1,619,622</b>	<b>3,375</b>	<b>0%</b>

**Eagle Crest Management Corporation**  
**Balance Sheet Statements as of**  
**June 30, 2005**

**Eagle Crest Conference Center**

<b>ASSETS</b>	<b>YTD</b>	<b>Last YTD</b>		
	<b>Jun-05</b>	<b>Jun-04</b>	<b>Variance</b>	<b>Var %</b>
<b>Current Assets</b>				
Total Cash	4,904	59,151	(54,247)	-92%
Transfer to University	(50,000)	(50,000)	-	0%
Accounts Rec-Trade	84,407	69,286	15,121	22%
Less: Doubtful Accounts	(7,162)	(7,163)	1	0%
Due From Eagle Crest	77,262	87,939	(10,677)	-12%
Prepays/Splits	1,099	-	1,099	
<b>**Total Current Assets**</b>	<b>110,510</b>	<b>159,213</b>	<b>(48,703)</b>	<b>-31%</b>
<b>TOTAL ASSETS</b>	<b>110,510</b>	<b>159,213</b>	<b>(48,703)</b>	<b>-31%</b>
<b>Current Liabilities</b>				
Accounts Payable	587	9,937	9,350	94%
Due To Eagle Crest	46,767	86,900	40,133	46%
Due to Golf Club	5,925	2,932		0%
Sales Tax Payable	8	109	101	-2200%
Accrued Building Maintenance	-	-	-	
Accrued Wages & Taxes	-	-	-	2847%
Accrued Mgmt Fees	-	-	-	51609%
Accrued Marketing	-	-	-	#DIV/0!
Accrued Classroom Supplies	-	-	-	#DIV/0!
<b>Total Current Liabilities</b>	<b>53,287</b>	<b>99,878</b>	<b>46,591</b>	<b>47%</b>
<b>Capital</b>				
Retained Earnings	239,245	208,764	30,481	15%
Transfer to Reserve (JOR)	(210,391)	(179,910)	(30,481)	-118229%
Net Income - YTD	28,369	30,481	(2,112)	-7%
<b>Total Capital</b>	<b>57,223</b>	<b>59,335</b>	<b>(2,112)</b>	<b>-4%</b>
<b>TOTAL LIABILITIES &amp; CAPITAL</b>	<b>110,510</b>	<b>159,213</b>	<b>48,703</b>	<b>31%</b>

**Eagle Crest Golf Club**

<b>ASSETS</b>	<b>YTD</b>	<b>Last YTD</b>		
	<b>Jun-05</b>	<b>Jun-04</b>	<b>Variance</b>	<b>Var %</b>
<b>Current Assets</b>				
Total Cash	43,625	23,360	20,265	87%
Transfer to University	100,000	100,000	-	0%
Accounts Rec-Trade	70,323	69,905	418	1%
Less: Doubtful Accounts	(3,426)	(3,426)	-	0%
Due From Eagle Crest	64,835	81	64,754	79943%
Due From Conference Center	5,925	2,932		
Inventory	29,400	34,711	(5,311)	-15%
Direct Billing	-	-	-	#DIV/0!
Prepaid Expenses	9,800	-	9,800	
<b>**Total Current Assets**</b>	<b>320,482</b>	<b>227,563</b>	<b>92,919</b>	<b>41%</b>
<b>TOTAL ASSETS</b>	<b>320,482</b>	<b>227,563</b>	<b>92,919</b>	<b>41%</b>
<b>Current Liabilities</b>				
Accounts Payable	113,960	121,528	7,568	6%
Due To Eagle Crest	243,842	43,693	(200,149)	-458%
Sales Tax Payable	972	1,048	76	7%
Deposits and Gift Cert	26,754	31,944	5,190	16%
Accrued Building Maintenance	-	-	-	0%
Accrued Bond & Equip Pays	-	-	-	0%
Accrued Marketing	-	-	-	#DIV/0!
Accrued Pay-UBIT	18,000	18,000	-	0%
<b>Total Current Liabilities</b>	<b>403,528</b>	<b>216,213</b>	<b>(187,315)</b>	<b>-87%</b>
<b>Capital</b>				
Retained Earnings	(304,545)	(105,887)	(198,658)	188%
Transfer with JOR	450,895	315,895		
Net Income - YTD	(229,396)	(198,658)	(30,738)	15%
<b>Total Capital</b>	<b>(83,046)</b>	<b>11,350</b>	<b>(94,396)</b>	<b>-832%</b>
<b>TOTAL LIABILITIES &amp; CAPITAL</b>	<b>320,482</b>	<b>227,563</b>	<b>(92,919)</b>	<b>-41%</b>

**Eagle Crest Management Financial Report Summary**  
**All Owned and Managed Divisions**  
**as of June 30, 2005**

**Eagle Crest Management Corporation**

ECMC's Net Income for the month of June was \$108,205 against a budget of \$77,229 - a gain of \$30,976. This resulted in a fiscal year-end Net Income of \$34,013 - \$2,218 ahead of budget. Depreciation Expense costs were \$18,000 less than budgeted due to postponed equipment purchases. The 2004-05 Small Business Tax calculated \$8,000 less than budget, mostly due to decreased salary levels.

<u>NET INCOME YTD</u>	<u>Company</u>	<u>Food &amp; Beverage</u>	<u>Media Services</u>	<u>Housekeeping</u>	<u>Administration</u>
Actual	\$ 34,013	\$ 83,069	\$ 32,169	\$ 5,924	\$ (87,150)
Budget	\$ 31,795	\$ 91,801	\$ 30,785	\$ 1,116	\$ (91,908)
Variance to Budget	\$ 2,218	\$ (8,732)	\$ 1,384	\$ 4,808	\$ 4,758
Var to Last Year (Before Dividend)	\$ 4,026	\$ 31,850	\$ (29,087)	\$ 1,119	\$ 144

Food & Beverage sales for the year tracked 10% below budget - 7% below last year's levels. Media sales fell 2% short of budget but increased 9% over last year's levels.

<u>SALES REVENUE YTD</u>	<u>Company</u>	<u>Food &amp; Beverage</u>	<u>Media Services</u>
Actual	\$ 1,536,959	\$ 1,177,559	\$ 359,400
Budget	\$ 1,683,100	\$ 1,314,593	\$ 368,507
Variance to Budget	\$ (146,141)	\$ (137,034)	\$ (9,107)
Variance to Last Year	\$ (58,464)	\$ (88,514)	\$ 30,050

YTD Cost of Food = 25%
YTD Cost of Beverage = 25%

**Eagle Crest Conference Center**

**NET INCOME YTD**

Actual	\$ 28,369
Budget	\$ 26,763
Variance to Budget	\$ 1,606
Variance to Last Year	\$ (2,112)

Conference Center Net Income at year-end was \$28,369 - slightly ahead of budget. Expense savings and postponed maintenance projects offset the loss in revenue.

**SALES REVENUE YTD**

Actual	\$ 588,544
Budget	\$ 731,532
Variance to Budget	\$ (142,988)
Variance to Last Year	\$ (32,987)

Conference Center room revenue was 20% lower than budget for the year and 5% lower than last year's levels. Sluggish business volumes in June pulled year-end sales numbers lower than projected.

**Eagle Crest Golf Club**

**NET INCOME YTD**

Actual	\$ (229,396)
Budget	\$ (4,208)
Variance to Budget	\$ (225,188)
Variance to Last Year	\$ (30,738)

Year-end Net Income for the Golf Club was (\$229,396) - \$30,738 lower than the previous year. Expenses tracked at historic lows but these savings were unable to offset the sales deficit for the year.

**SALES REVENUE YTD**

Actual	\$ 1,114,580
Budget	\$ 1,430,412
Variance to Budget	\$ (315,832)
Variance to Last Year	\$ (41,805)

Sales in June were just slightly higher than the previous year but fell \$77,064 short of June's budget. Greens fees were \$200,000 below budget at year-end and, of that amount, Outing Green Fees were short \$127,000 to budget. Cart Rental fees came in \$59,000 under budget and Pro Shop revenues were \$37,000 under budget.

**Eagle Crest Management Corporation**  
**Owned and Managed Entities**  
**Report of Related Party Transactions as of June 2005**

<u>Source</u>	<u>Recipient</u>	YTD June 2004-2005	YTD June 2003-2004	YTD June 2002-2003	YTD June 2001-2002	YTD June 2000-2001
<b>CONFERENCE CENTER</b>						
Net Income	JOR	28,369	30,481	60,681	118,230	132,988
Management Fees	ECMC	41,018	40,711	53,435	75,322	84,732
	<b>ECCC Total</b>	<b>\$ 69,387</b>	<b>\$ 71,192</b>	<b>\$ 114,116</b>	<b>\$ 193,552</b>	<b>\$ 217,720</b>
<b>GOLF CLUB</b>						
Net Income	JOR	(229,396)	(198,658)	(160,895)	(188,076)	(5,288)
Management Fees	ECMC	28,860	27,648	27,000	5,495	54,661
	<b>ECGC Total</b>	<b>\$ (200,536)</b>	<b>\$ (171,010)</b>	<b>\$ (133,895)</b>	<b>\$ (182,581)</b>	<b>\$ 49,373</b>
<b>EAGLE CREST MGMT</b>						
Net Income	Retained Earnings	34,013	9,987	34,892	34,524	126,397
Dividend	EMUF	-	20,000	58,000	50,000	58,512
Admin Office Space Lease	EMUF	39,000	39,000	39,000	39,000	31,500
F&B/Media Space Lease	JOR/ECCC/ECGC	74,748	74,748	74,748	74,748	30,570
2% of Income F&B/Media Lease	JOR/ECCC/ECGC	30,864	32,068	34,222	57,191	37,323
	<b>ECMC Total</b>	<b>\$ 178,625</b>	<b>\$ 175,803</b>	<b>\$ 240,862</b>	<b>\$ 255,463</b>	<b>\$ 284,302</b>
<b>TOTALS**</b>		<b>\$ 47,476</b>	<b>\$ 75,985</b>	<b>\$ 221,083</b>	<b>\$ 266,434</b>	<b>\$ 551,395</b>

<u>Income by Company</u>	YTD June 2004-2005	YTD June 2003-2004	YTD June 2002-2003	YTD June 2001-2002	YTD June 2000-2001
JOR	\$ (95,415)	\$ (61,361)	\$ 8,756	\$ 62,093	\$ 195,593
EMU FOUNDATION	\$ 39,000	\$ 59,000	\$ 97,000	\$ 89,000	\$ 90,012
EAGLE CREST MGMT	\$ 103,891	\$ 78,346	\$ 115,327	\$ 115,341	\$ 265,790
CONFERENCE CENTER	-	-	-	-	-
GOLF CLUB	-	-	-	-	-
<b>TOTALS</b>	<b>\$ 47,476</b>	<b>\$ 75,985</b>	<b>\$ 221,083</b>	<b>\$ 266,434</b>	<b>\$ 551,395</b>