

Council Agenda Report

Agenda Item No. 09

Date 08-08-2016

Date: August 8, 2016
Submitted by: Sandra Tripp-Jones, City Manager *STJ*
SUBJECT: Governors Hall – Time Extension

Recommendation: That Council:

- A. Receive a staff report on negotiations with representatives from Sailwinds of Cambridge, Inc. regarding possible extension of the current August 16, 2016 termination date of their management contract for Governors Hall;
- B. Hear from the Board of Sailwinds of Cambridge, Inc.; and
- C. Decide whether to the extend the termination date, and if so under what terms.

Discussion:

City Council has set the date of August 16, 2016 as the termination date of the Governors Hall management agreement with Sailwinds of Cambridge, Inc. in order to make the property available for repair of Sailwinds Wharf. The closure is to provide for staging of the repair work and for safety during the work. The City requested the engineer to provide an estimate of cost to work around an open Governors Hall, and that estimate is between \$80,000 and \$100,00. City Council authorized the City Manager to negotiate an amendment to the current management agreement between the City and Sailwinds of Cambridge, Inc. to extend the termination of the contract beyond August 16, 2016 with consideration of a shared cost to keep it open for occupancy during the repair of the wharf. Staff had initially proposed a 50/50 sharing of the cost. At the Council meeting during which the Council authorized staff to negotiate, Sailwinds of Cambridge, Inc. indicated that they cannot make that kind of financial commitment.

Staff met with representatives of Sailwinds of Cambridge, Inc. once since that time. During that discussion, no agreement was reached. Since then staff has sent a letter with a lower offer. The organization has responded with requested financial information and a calendar of events that extends to December, 2016. Their letter of response is attached. As of the writing of this report, staff is seeking to meet with them before the 8-8-16 Council meeting.

At the Council meeting, staff will be prepared to report on the status of negotiations and make recommendations to Council.

Note that the management agreement does not specify a termination notification period.

Attach.

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BY:

RAYMOND H. SIMMONS JR.

MICHAEL R. DODD

July 27, 2016

Mayor and City Council
410 Academy Street
Cambridge, MD 21613

RE: Sailwinds / Governor's Hall

Dear Madam Mayor:

In accordance with the request made from the City, I am herewith enclosing financial documents regarding the operations of Governor's Hall from March 31, 2013 through March of 2016. Additionally, I am enclosing a current Calendar of Events for the Hall.

According to the By-Laws of Sailwinds of Cambridge, Inc., the Board of Directors shall have at least five (5) members. The current members of the Board of Directors are Carlton W. Stanley, Bruce W. Reed, Jerry T. Burroughs, Linda S. Brooks, and Cesar Gonzalez.

Finally, in light of the very limited financial ability of this facility, it is highly unlikely that it will ever reach the operating reserves necessary to make any payments in accordance with the letter provided to us by Mr. Collison.

Representatives of Sailwinds will be available at the City Council meeting of August 8, 2016.

Very truly yours,



Raymond H. Simmons, Jr.

RHS/jrh

Sailwinds
Balance Sheet
As of March 31, 2013

	<u>Mar 31, 13</u>
ASSETS	
Current Assets	
Checking/Savings	
Sun Trust Bank	8,196.65
BB&T--Credit Card Account	2,957.85
PETTY CASH-BANK	<u>1,060.00</u>
Total Checking/Savings	12,214.50
Other Current Assets	
S/T Loan Rec'v	<u>1,200.00</u>
Total Other Current Assets	<u>1,200.00</u>
Total Current Assets	<u>13,414.50</u>
TOTAL ASSETS	<u>13,414.50</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Payroll Liabilities	<u>2,199.89</u>
Total Other Current Liabilities	<u>2,199.89</u>
Total Current Liabilities	2,199.89
Long Term Liabilities	
SMS Loan	<u>8,500.38</u>
Total Long Term Liabilities	<u>8,500.38</u>
Total Liabilities	10,700.27
Equity	
Retained Earnings	8,612.07
Net Income	<u>-5,897.84</u>
Total Equity	<u>2,714.23</u>
TOTAL LIABILITIES & EQUITY	<u>13,414.50</u>

Sailwinds
Profit & Loss
January through March 2013

	<u>Jan - Mar 13</u>
Ordinary Income/Expense	
Income	
LICENSE FEES AND RENTALS	25,720.00
MISC INCOME	-2,350.00
BAR PROCEEDS	510.00
SNACKBAR PROCEEDS	592.50
SWOC EVENTS-YARD SALE	1,706.00
SWOC EVENTS-HUBCAPS	-2,032.70
SALES TAX PAID	-632.56
Total Income	<u>23,513.24</u>
Cost of Goods Sold	
Bartender Compensation	4.00
SUPPLIES - BAR	2,390.50
SUPPLIES - SNACKBAR	198.68
SUPPLIES - EVENT	472.04
Total COGS	<u>3,065.22</u>
Gross Profit	20,448.02
Expense	
GENERAL AND ADMINISTRATIVE	352.13
Cleaning	2,210.40
Credit Card Fees	146.40
Dues and Subscriptions	125.00
Interest Expense	44.00
Licenses and Permits	1,000.00
Miscellaneous	759.09
Payroll Taxes	1,321.42
Printing and Reproduction	75.00
Professional Fees	1,090.00
Repairs	1,720.71
Supplies-Cleaning	540.47
Travel	393.21
Utilities	4,066.71
Wages-Directors	12,000.00
PENALTIES	501.32
Total Expense	<u>26,345.86</u>
Net Ordinary Income	-5,897.84
Net Income	<u>-5,897.84</u>

Sailwinds
Balance Sheet
As of June 30, 2013

	<u>Jun 30, 13</u>
ASSETS	
Current Assets	
Checking/Savings	
Sun Trust Bank	12,248.76
BB&T--Credit Card Account	26.33
PETTY CASH-BANK	<u>1,400.00</u>
Total Checking/Savings	13,675.09
Other Current Assets	
S/T Loan Rec'v	<u>1,200.00</u>
Total Other Current Assets	<u>1,200.00</u>
Total Current Assets	<u>14,875.09</u>
TOTAL ASSETS	<u><u>14,875.09</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Payroll Liabilities	<u>2,164.92</u>
Total Other Current Liabilities	<u>2,164.92</u>
Total Current Liabilities	2,164.92
Long Term Liabilities	
SMS Loan	<u>8,017.15</u>
Total Long Term Liabilities	<u>8,017.15</u>
Total Liabilities	10,182.07
Equity	
Retained Earnings	8,612.07
Net Income	<u>-3,919.05</u>
Total Equity	<u>4,693.02</u>
TOTAL LIABILITIES & EQUITY	<u><u>14,875.09</u></u>

Sailwinds
Profit & Loss
 April through June 2013

	<u>Apr - Jun 13</u>	<u>Jan - Jun 13</u>
Ordinary Income/Expense		
Income		
LICENSE FEES AND RENTALS	17,927.00	43,647.00
DEPOSITS	-200.00	-200.00
MISC INCOME	300.00	-2,050.00
BAR PROCEEDS	29,600.50	30,110.50
SNACKBAR PROCEEDS	4,540.00	5,132.50
SWOC EVENTS-YARD SALE	1,019.25	2,725.25
SWOC EVENTS-HUBCAPS	0.00	-2,032.70
SALES TAX PAID	0.00	-632.56
Total Income	<u>53,186.75</u>	<u>76,699.99</u>
Cost of Goods Sold		
Kitchen-Compensation	1,004.00	1,004.00
Bartender Compensation	2,326.00	2,330.00
SUPPLIES - BAR	9,716.60	12,107.10
SUPPLIES - SNACKBAR	7,059.52	7,258.20
SUPPLIES - EVENT	518.06	990.10
SECURITY	7,141.00	7,141.00
Total COGS	<u>27,765.18</u>	<u>30,830.40</u>
Gross Profit	25,421.57	45,869.59
Expense		
GENERAL AND ADMINISTRATIVE	595.11	947.24
Bank Service Charges	25.00	25.00
Cleaning	2,846.36	5,056.76
Credit Card Fees	214.65	361.05
Dues and Subscriptions	0.00	125.00
Interest Expense	217.20	261.20
Licenses and Permits	44.00	1,044.00
Miscellaneous	0.00	759.09
Payroll Taxes	1,192.95	2,514.37
Printing and Reproduction	0.00	75.00
Professional Fees	820.60	1,910.60
Repairs	415.00	2,135.71
Shrinkage	824.00	824.00
Supplies-Cleaning	684.27	1,224.74
Travel	518.36	911.57
Utilities	3,045.28	7,111.99
Wages-Directors	12,000.00	24,000.00
PENALTIES	0.00	501.32
Total Expense	<u>23,442.78</u>	<u>49,788.64</u>
Net Ordinary Income	<u>1,978.79</u>	<u>-3,919.05</u>
Net Income	<u><u>1,978.79</u></u>	<u><u>-3,919.05</u></u>

Sailwinds
Balance Sheet
As of September 30, 2013

	<u>Sep 30, 13</u>
ASSETS	
Current Assets	
Checking/Savings	
Sun Trust Bank	15,065.42
BB&T-Credit Card Account	189.00
PETTY CASH-BANK	1,400.00
Total Checking/Savings	<u>16,654.42</u>
Other Current Assets	
S/T Loan Rec'v	1,109.00
Total Other Current Assets	<u>1,109.00</u>
Total Current Assets	<u>17,763.42</u>
TOTAL ASSETS	<u>17,763.42</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Sales Tax Payable	402.20
Payroll Liabilities	1,935.78
Total Other Current Liabilities	<u>2,337.98</u>
Total Current Liabilities	<u>2,337.98</u>
Long Term Liabilities	
SMS Loan	7,490.66
Total Long Term Liabilities	<u>7,490.66</u>
Total Liabilities	<u>9,828.64</u>
Equity	
Retained Earnings	8,612.07
Net Income	-677.29
Total Equity	<u>7,934.78</u>
TOTAL LIABILITIES & EQUITY	<u>17,763.42</u>

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 Cash Basis

Sailwinds Profit & Loss July through September 2013

	Jul - Sep 13	Jan - Sep 13
Ordinary Income/Expense		
Income		
LICENSE FEES AND RENTALS	28,462.27	72,109.27
DEPOSITS	-200.00	-400.00
MISC INCOME	500.00	-1,550.00
BAR PROCEEDS	12,410.97	42,521.47
SNACKBAR PROCEEDS	2,785.33	7,917.83
SWOC EVENTS-YARD SALE	622.00	3,347.25
SWOC EVENTS-HUBCAPS	0.00	-2,032.70
CHARITABLE CONTRIBUTION	50.00	50.00
SALES TAX PAID	-3,117.27	-3,749.83
Total Income	41,513.30	118,213.29
Cost of Goods Sold		
Kitchen-Compensation	464.00	1,468.00
Bartender Compensation	1,082.00	3,412.00
SUPPLIES - BAR	2,021.26	14,128.36
SUPPLIES - SNACKBAR	3,405.78	10,663.98
SUPPLIES - EVENT	145.76	1,135.86
SECURITY	4,915.50	12,056.50
Total COGS	12,034.30	42,864.70
Gross Profit	29,479.00	75,348.59
Expense		
GENERAL AND ADMINISTRATIVE	539.44	1,486.68
Bank Service Charges	128.38	153.38
Cleaning	2,954.56	8,011.32
Credit Card Fees	184.55	545.60
Dues and Subscriptions	0.00	125.00
Insurance	592.00	592.00
Interest Expense	134.78	395.98
Licenses and Permits	0.00	1,044.00
Miscellaneous	0.00	759.09
Payroll Taxes	1,049.97	3,564.34
Printing and Reproduction	15.00	90.00
Professional Fees	1,002.50	2,913.10
Repairs	1,118.22	3,253.93
Shrinkage	0.00	824.00
Supplies-Cleaning	1,459.40	2,684.14
Travel	276.30	1,187.87
Utilities	4,747.14	11,859.13
Wages-Directors	12,000.00	36,000.00
PENALTIES	35.00	536.32
Total Expense	26,237.24	76,025.88
Net Ordinary Income	3,241.76	-677.29
Net Income	3,241.76	-677.29

Sailwinds
Balance Sheet
As of December 31, 2013

	<u>Dec 31, 13</u>
ASSETS	
Current Assets	
Checking/Savings	
Sun Trust Bank	9,927.52
BB&T--Credit Card Account	439.08
PETTY CASH-BANK	<u>1,700.00</u>
Total Checking/Savings	12,066.60
Other Current Assets	
S/T Loan Rec'v	<u>1,109.00</u>
Total Other Current Assets	<u>1,109.00</u>
Total Current Assets	<u>13,175.60</u>
TOTAL ASSETS	<u>13,175.60</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Sales Tax Payable	74.65
Payroll Liabilities	<u>1,895.73</u>
Total Other Current Liabilities	<u>1,970.38</u>
Total Current Liabilities	1,970.38
Long Term Liabilities	
SMS Loan	<u>6,950.66</u>
Total Long Term Liabilities	<u>6,950.66</u>
Total Liabilities	8,921.04
Equity	
Retained Earnings	8,612.07
Net Income	<u>-4,357.51</u>
Total Equity	<u>4,254.56</u>
TOTAL LIABILITIES & EQUITY	<u>13,175.60</u>

Sailwinds
Profit & Loss
 October through December 2013

	<u>Oct - Dec 13</u>	<u>Jan - Dec 13</u>
Ordinary Income/Expense		
Income		
LICENSE FEES AND RENTALS	20,694.25	92,803.52
DEPOSITS	0.00	-400.00
MISC INCOME	1,500.00	-50.00
BAR PROCEEDS	1,488.08	44,009.55
SNACKBAR PROCEEDS	318.87	8,236.70
SWOC EVENTS-YARD SALE	959.00	4,306.25
SWOC EVENTS-HUBCAPS	0.00	-2,032.70
Discounts	5.77	5.77
CHARITABLE CONTRIBUTION	600.00	650.00
SALES TAX PAID	0.00	-3,749.83
Total Income	<u>25,565.97</u>	<u>143,779.26</u>
Cost of Goods Sold		
Kitchen-Compensation	260.00	1,728.00
Bartender Compensation	755.50	4,167.50
SUPPLIES - BAR	4,085.68	18,214.04
SUPPLIES - SNACKBAR	601.26	11,265.24
SUPPLIES - EVENT	229.08	1,364.94
SECURITY	140.00	12,196.50
Total COGS	<u>6,071.52</u>	<u>48,936.22</u>
Gross Profit	<u>19,494.45</u>	<u>94,843.04</u>
Expense		
GENERAL AND ADMINISTRATIVE	716.11	2,202.79
Bank Service Charges	4.55	157.93
Cleaning	2,353.50	10,364.82
Credit Card Fees	186.78	732.38
Dues and Subscriptions	0.00	125.00
Insurance	825.90	1,417.90
Interest Expense	100.40	496.38
Licenses and Permits	0.00	1,044.00
Miscellaneous	0.00	759.09
Payroll Taxes	1,025.02	4,589.36
Printing and Reproduction	0.00	90.00
Professional Fees	711.00	3,624.10
Repairs	501.03	3,754.96
Shrinkage	300.00	1,124.00
Supplies-Cleaning	466.47	3,150.61
Travel	348.01	1,535.88
Utilities	3,635.90	15,495.03
Wages-Directors	12,000.00	48,000.00
PENALTIES	0.00	536.32
Total Expense	<u>23,174.67</u>	<u>99,200.55</u>
Net Ordinary Income	<u>-3,680.22</u>	<u>-4,357.51</u>
Net Income	<u><u>-3,680.22</u></u>	<u><u>-4,357.51</u></u>

Sailwinds
Balance Sheet
As of March 31, 2014

	<u>Mar 31, 14</u>
ASSETS	
Current Assets	
Checking/Savings	
Sun Trust Bank	1,266.27
BB&T-Credit Card Account	108.96
PETTY CASH-BANK	<u>1,700.00</u>
Total Checking/Savings	3,075.23
Other Current Assets	
S/T Loan Rec'v	1,109.00
Total Other Current Assets	<u>1,109.00</u>
Total Current Assets	<u>4,184.23</u>
TOTAL ASSETS	<u>4,184.23</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Payroll Liabilities	1,207.00
Total Other Current Liabilities	<u>1,207.00</u>
Total Current Liabilities	1,207.00
Long Term Liabilities	
SMS Loan	6,413.33
Total Long Term Liabilities	<u>6,413.33</u>
Total Liabilities	7,620.33
Equity	
Retained Earnings	4,254.56
Net Income	<u>-7,690.66</u>
Total Equity	<u>-3,436.10</u>
TOTAL LIABILITIES & EQUITY	<u>4,184.23</u>

Sailwinds
Profit & Loss
January through March 2014

	<u>Jan - Mar 14</u>
Ordinary Income/Expense	
Income	
LICENSE FEES AND RENTALS	11,853.65
MISC INCOME	4,034.25
BAR PROCEEDS	349.00
SWOC EVENTS-YARD SALE	530.00
Discounts	0.00
SALES TAX PAID	-18.24
Total Income	<u>16,748.66</u>
Cost of Goods Sold	
Bartender Compensation	351.00
SUPPLIES - BAR	2,931.72
SUPPLIES - SNACKBAR	8.25
SUPPLIES - EVENT	194.65
SECURITY	140.00
Total COGS	<u>3,625.62</u>
Gross Profit	13,123.04
Expense	
GENERAL AND ADMINISTRATIVE	588.44
Bank Service Charges	108.00
Cleaning	1,787.46
Credit Card Fees	184.55
Insurance	1,214.23
Interest Expense	113.10
Payroll Taxes	795.00
Printing and Reproduction	60.00
Professional Fees	647.00
Repairs	563.40
Travel	180.42
Utilities	4,537.10
Wages-Directors	10,000.00
PENALTIES	35.00
Total Expense	<u>20,813.70</u>
Net Ordinary Income	<u>-7,690.66</u>
Net Income	<u><u>-7,690.66</u></u>

Sailwinds
Balance Sheet
As of June 30, 2014

	<u>Jun 30, 14</u>
ASSETS	
Current Assets	
Checking/Savings	
Sun Trust Bank	3,022.62
BB&T--Credit Card Account	18.01
PETTY CASH-BANK	<u>2,730.00</u>
Total Checking/Savings	5,770.63
Other Current Assets	
S/T Loan Rec'v	<u>789.00</u>
Total Other Current Assets	<u>789.00</u>
Total Current Assets	<u>6,559.63</u>
TOTAL ASSETS	<u>6,559.63</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Payroll Liabilities	<u>1,456.00</u>
Total Other Current Liabilities	<u>1,456.00</u>
Total Current Liabilities	1,456.00
Long Term Liabilities	
SMS Loan	<u>5,883.57</u>
Total Long Term Liabilities	<u>5,883.57</u>
Total Liabilities	7,339.57
Equity	
Retained Earnings	4,254.56
Net Income	<u>-5,034.50</u>
Total Equity	<u>-779.94</u>
TOTAL LIABILITIES & EQUITY	<u>6,559.63</u>

Sailwinds
Profit & Loss
 April through June 2014

	<u>Apr - Jun 14</u>	<u>Jan - Jun 14</u>
Ordinary Income/Expense		
Income		
LICENSE FEES AND RENTALS	3,878.50	15,732.15
MISC INCOME	19,314.00	23,348.25
BAR PROCEEDS	5,573.00	5,922.00
SWOC EVENTS-YARD SALE	1,056.80	1,586.80
Discounts	0.00	0.00
SALES TAX PAID	-392.28	-410.52
Total Income	<u>29,430.02</u>	<u>46,178.68</u>
Cost of Goods Sold		
Kitchen-Compensation	350.00	350.00
Bartender Compensation	1,143.00	1,494.00
SUPPLIES - BAR	3,057.79	5,989.51
SUPPLIES - SNACKBAR	863.00	871.25
SUPPLIES - EVENT	267.43	462.08
SECURITY	2,607.50	2,747.50
Total COGS	<u>8,288.72</u>	<u>11,914.34</u>
Gross Profit	21,141.30	34,264.34
Expense		
GENERAL AND ADMINISTRATIVE	599.43	1,187.87
Bank Service Charges	97.23	205.23
Cleaning	2,098.42	3,885.88
Credit Card Fees	90.75	275.30
Insurance	909.61	2,123.84
Interest Expense	120.67	233.77
Licenses and Permits	1,044.00	1,044.00
Payroll Taxes	786.00	1,581.00
Printing and Reproduction	0.00	60.00
Professional Fees	773.50	1,420.50
Repairs	123.79	687.19
Supplies-Paper	431.75	431.75
Travel	73.25	253.67
Utilities	1,336.74	5,873.84
Wages-Directors	10,000.00	20,000.00
PENALTIES	0.00	35.00
Total Expense	<u>18,485.14</u>	<u>39,298.84</u>
Net Ordinary Income	<u>2,656.16</u>	<u>-5,034.50</u>
Net Income	<u>2,656.16</u>	<u>-5,034.50</u>

Sailwinds
Balance Sheet
As of September 30, 2014

	<u>Sep 30, 14</u>
ASSETS	
Current Assets	
Checking/Savings	
Sun Trust Bank	1,570.14
BB&T--Credit Card Account	131.72
PETTY CASH-BANK	<u>4,430.00</u>
Total Checking/Savings	<u>6,131.86</u>
Total Current Assets	<u>6,131.86</u>
TOTAL ASSETS	<u><u>6,131.86</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Payroll Liabilities	<u>1,584.00</u>
Total Other Current Liabilities	<u>1,584.00</u>
Total Current Liabilities	1,584.00
Long Term Liabilities	
SMS Loan	<u>5,183.57</u>
Total Long Term Liabilities	<u>5,183.57</u>
Total Liabilities	6,767.57
Equity	
Retained Earnings	4,254.56
Net Income	<u>-4,890.27</u>
Total Equity	<u>-635.71</u>
TOTAL LIABILITIES & EQUITY	<u><u>6,131.86</u></u>

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 Cash Basis

Sailwinds
Profit & Loss
 July through September 2014

	<u>Jul - Sep 14</u>	<u>Jan - Sep 14</u>
Ordinary Income/Expense		
Income		
LICENSE FEES AND RENTALS	0.00	15,732.15
MISC INCOME	33,701.42	57,049.67
BAR PROCEEDS	0.00	5,922.00
SWOC EVENTS-YARD SALE	0.00	1,586.80
Discounts	0.00	0.00
SALES TAX PAID	0.00	-410.52
Total Income	<u>33,701.42</u>	<u>79,880.10</u>
Cost of Goods Sold		
Kitchen-Compensation	0.00	350.00
Bartender Compensation	715.50	2,209.50
SUPPLIES - BAR	2,843.37	8,832.88
SUPPLIES - SNACKBAR	0.00	871.25
SUPPLIES - EVENT	2,192.94	2,655.02
SECURITY	1,750.00	4,497.50
Total COGS	<u>7,501.81</u>	<u>19,416.15</u>
Gross Profit	26,199.61	60,463.95
Expense		
GENERAL AND ADMINISTRATIVE	1,354.98	2,542.85
Bank Service Charges	588.49	793.72
Cleaning	2,473.60	6,359.48
Credit Card Fees	95.93	371.23
Insurance	944.40	3,068.24
Interest Expense	167.24	401.01
Licenses and Permits	0.00	1,044.00
Payroll Taxes	994.50	2,575.50
Printing and Reproduction	0.00	60.00
Professional Fees	702.00	2,122.50
Repairs	570.24	1,257.43
Supplies-Paper	709.82	1,141.57
Travel	331.55	585.22
Utilities	4,122.63	9,996.47
Wages-Directors	13,000.00	33,000.00
PENALTIES	0.00	35.00
Total Expense	<u>26,055.38</u>	<u>65,354.22</u>
Net Ordinary Income	<u>144.23</u>	<u>-4,890.27</u>
Net Income	<u>144.23</u>	<u>-4,890.27</u>

Sailwinds
Balance Sheet
As of December 31, 2014

	<u>Dec 31, 14</u>
ASSETS	
Current Assets	
Checking/Savings	
Sun Trust Bank	-44.24
BB&T-Credit Card Account	-79.53
PETTY CASH-BANK	4,430.00
Total Checking/Savings	<u>4,306.23</u>
Total Current Assets	<u>4,306.23</u>
TOTAL ASSETS	<u>4,306.23</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Payroll Liabilities	1,035.00
Total Other Current Liabilities	<u>1,035.00</u>
Total Current Liabilities	1,035.00
Long Term Liabilities	
SMS Loan	4,796.36
Total Long Term Liabilities	<u>4,796.36</u>
Total Liabilities	5,831.36
Equity	
Retained Earnings	4,254.56
Net Income	-5,779.69
Total Equity	<u>-1,525.13</u>
TOTAL LIABILITIES & EQUITY	<u>4,306.23</u>

Sailwinds
Profit & Loss
 October through December 2014

	<u>Oct - Dec 14</u>	<u>Jan - Dec 14</u>
Ordinary Income/Expense		
Income		
LICENSE FEES AND RENTALS	0.00	15,732.15
MISC INCOME	19,017.14	76,066.81
BAR PROCEEDS	0.00	5,922.00
SWOC EVENTS-YARD SALE	0.00	1,586.80
Discounts	0.00	0.00
SALES TAX PAID	0.00	-410.52
Total Income	<u>19,017.14</u>	<u>98,897.24</u>
Cost of Goods Sold		
Kitchen-Compensation	250.00	600.00
Bartender Compensation	646.00	2,855.50
SUPPLIES - BAR	3,239.79	12,072.67
SUPPLIES - SNACKBAR	3,369.92	4,241.17
SUPPLIES - EVENT	1,037.75	3,692.77
SECURITY	0.00	4,497.50
Total COGS	<u>8,543.46</u>	<u>27,959.61</u>
Gross Profit	<u>10,473.68</u>	<u>70,937.63</u>
Expense		
GENERAL AND ADMINISTRATIVE	573.86	3,116.71
Bank Service Charges	36.00	829.72
Cleaning	1,823.45	8,182.93
Credit Card Fees	400.13	771.36
Insurance	295.00	3,363.24
Interest Expense	46.41	447.42
Licenses and Permits	0.00	1,044.00
Payroll Taxes	306.00	2,881.50
Printing and Reproduction	0.00	60.00
Professional Fees	358.00	2,480.50
Repairs	0.00	1,257.43
Supplies-Paper	0.00	1,141.57
Travel	210.92	796.14
Utilities	3,313.33	13,309.80
Wages-Directors	4,000.00	37,000.00
PENALTIES	0.00	35.00
Total Expense	<u>11,363.10</u>	<u>76,717.32</u>
Net Ordinary Income	<u>-889.42</u>	<u>-5,779.69</u>
Net Income	<u>-889.42</u>	<u>-5,779.69</u>

Sailwinds
Balance Sheet
As of March 31, 2015

	<u>Mar 31, 15</u>
ASSETS	
Current Assets	
Checking/Savings	
Sun Trust Bank	7,234.72
BB&T--Credit Card Account	-52.77
PETTY CASH-BANK	4,430.00
Total Checking/Savings	<u>11,611.95</u>
Total Current Assets	<u>11,611.95</u>
TOTAL ASSETS	<u>11,611.95</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Payroll Liabilities	-219.00
Total Other Current Liabilities	<u>-219.00</u>
Total Current Liabilities	-219.00
Long Term Liabilities	
SMS Loan	4,271.36
Total Long Term Liabilities	<u>4,271.36</u>
Total Liabilities	4,052.36
Equity	
Retained Earnings	-1,525.13
Net Income	9,084.72
Total Equity	<u>7,559.59</u>
TOTAL LIABILITIES & EQUITY	<u>11,611.95</u>

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Cash Basis

Sailwinds
Profit & Loss
January through March 2015

	<u>Jan - Mar 15</u>
Ordinary Income/Expense	
Income	
MISC INCOME	20,369.00
Discounts	0.00
SALES TAX PAID	-1,251.47
Total Income	<u>19,117.53</u>
Cost of Goods Sold	
Bartender Compensation	350.50
SUPPLIES - BAR	3,190.19
SUPPLIES - SNACKBAR	654.00
SUPPLIES - EVENT	149.64
Total COGS	<u>4,344.33</u>
Gross Profit	14,773.20
Expense	
GENERAL AND ADMINISTRATIVE	577.28
Bank Service Charges	48.00
Cleaning	733.50
Credit Card Fees	195.44
Interest Expense	150.43
Printing and Reproduction	60.00
Professional Fees	250.00
Supplies-Paper	441.86
Travel	90.72
Utilities	3,085.83
PENALTIES	55.42
Total Expense	<u>5,688.48</u>
Net Ordinary Income	<u>9,084.72</u>
Net Income	<u><u>9,084.72</u></u>

Sailwinds
Balance Sheet
As of June 30, 2015

	<u>Jun 30, 15</u>
ASSETS	
Current Assets	
Checking/Savings	
Sun Trust Bank	5,893.91
BB&T--Credit Card Account	1,755.52
PETTY CASH-BANK	<u>4,430.00</u>
Total Checking/Savings	<u>12,079.43</u>
Total Current Assets	<u>12,079.43</u>
TOTAL ASSETS	<u>12,079.43</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Payroll Liabilities	<u>-219.00</u>
Total Other Current Liabilities	<u>-219.00</u>
Total Current Liabilities	<u>-219.00</u>
Long Term Liabilities	
SMS Loan	<u>3,746.36</u>
Total Long Term Liabilities	<u>3,746.36</u>
Total Liabilities	<u>3,527.36</u>
Equity	
Retained Earnings	-1,525.13
Net Income	<u>10,077.20</u>
Total Equity	<u>8,552.07</u>
TOTAL LIABILITIES & EQUITY	<u>12,079.43</u>

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Cash Basis

Sailwinds
Profit & Loss
April through June 2015

	<u>Apr - Jun 15</u>	<u>Jan - Jun 15</u>
Ordinary Income/Expense		
Income		
MISC INCOME	10,565.00	30,934.00
Discounts	0.00	0.00
SALES TAX PAID	0.00	-1,251.47
Total Income	<u>10,565.00</u>	<u>29,682.53</u>
Cost of Goods Sold		
Bartender Compensation	105.50	456.00
SUPPLIES - BAR	197.00	3,387.19
SUPPLIES - SNACKBAR	0.00	654.00
SUPPLIES - EVENT	139.80	289.44
Total COGS	<u>442.30</u>	<u>4,786.63</u>
Gross Profit	10,122.70	24,895.90
Expense		
GENERAL AND ADMINISTRATIVE	608.57	1,185.85
Bank Service Charges	66.91	114.91
Cleaning	1,516.50	2,250.00
Credit Card Fees	136.65	332.09
Interest Expense	150.43	300.86
Licenses and Permits	1,044.00	1,044.00
Printing and Reproduction	0.00	60.00
Professional Fees	468.00	718.00
Repairs	1,303.00	1,303.00
Stipend	1,000.00	1,000.00
Supplies-Paper	396.01	837.87
Travel	213.20	303.92
Utilities	2,177.10	5,262.93
PENALTIES	49.85	105.27
Total Expense	<u>9,130.22</u>	<u>14,818.70</u>
Net Ordinary Income	<u>992.48</u>	<u>10,077.20</u>
Net Income	<u><u>992.48</u></u>	<u><u>10,077.20</u></u>

Sailwinds
Balance Sheet
As of September 30, 2015

	<u>Sep 30, 15</u>
ASSETS	
Current Assets	
Checking/Savings	
Sun Trust Bank	10,133.42
BB&T--Credit Card Account	62.53
PETTY CASH-BANK	5,470.00
Total Checking/Savings	<u>15,665.95</u>
Total Current Assets	<u>15,665.95</u>
TOTAL ASSETS	<u>15,665.95</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Payroll Liabilities	-219.00
Total Other Current Liabilities	<u>-219.00</u>
Total Current Liabilities	-219.00
Long Term Liabilities	
SMS Loan	3,221.36
Total Long Term Liabilities	<u>3,221.36</u>
Total Liabilities	3,002.36
Equity	
Retained Earnings	-1,525.13
Net Income	14,188.72
Total Equity	<u>12,663.59</u>
TOTAL LIABILITIES & EQUITY	<u>15,665.95</u>

Sailwinds
Profit & Loss
 July through September 2015

	<u>Jul - Sep 15</u>	<u>Jan - Sep 15</u>
Ordinary Income/Expense		
Income		
MISC INCOME	25,071.72	56,005.72
Discounts	0.00	0.00
SALES TAX PAID	0.00	-1,251.47
Total Income	<u>25,071.72</u>	<u>54,754.25</u>
Cost of Goods Sold		
Bartender Compensation	1,079.50	1,535.50
SUPPLIES - BAR	6,808.73	10,195.92
SUPPLIES - SNACKBAR	251.20	905.20
SUPPLIES - EVENT	400.62	690.06
SECURITY	842.70	842.70
Total COGS	<u>9,382.75</u>	<u>14,169.38</u>
Gross Profit	15,688.97	40,584.87
Expense		
GENERAL AND ADMINISTRATIVE	794.12	1,979.97
Bank Service Charges	5.00	119.91
Cleaning	1,907.50	4,157.50
Contributions	50.00	50.00
Credit Card Fees	566.61	898.70
Interest Expense	125.43	426.29
Licenses and Permits	0.00	1,044.00
Printing and Reproduction	0.00	60.00
Professional Fees	0.00	718.00
Repairs	295.31	1,598.31
Stipend	1,000.00	2,000.00
Supplies-Paper	1,065.02	1,902.89
Travel	361.28	665.20
Utilities	5,407.18	10,670.11
PENALTIES	0.00	105.27
Total Expense	<u>11,577.45</u>	<u>26,396.15</u>
Net Ordinary Income	<u>4,111.52</u>	<u>14,188.72</u>
Net Income	<u><u>4,111.52</u></u>	<u><u>14,188.72</u></u>

Sailwinds
Balance Sheet
As of December 31, 2015

	<u>Dec 31, 15</u>
ASSETS	
Current Assets	
Checking/Savings	
Sun Trust Bank	13,912.16
BB&T--Credit Card Account	748.36
PETTY CASH-BANK	<u>5,870.00</u>
Total Checking/Savings	<u>20,530.52</u>
Total Current Assets	<u>20,530.52</u>
TOTAL ASSETS	<u>20,530.52</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Payroll Liabilities	<u>-219.00</u>
Total Other Current Liabilities	<u>-219.00</u>
Total Current Liabilities	-219.00
Long Term Liabilities	
SMS Loan	<u>2,493.12</u>
Total Long Term Liabilities	<u>2,493.12</u>
Total Liabilities	<u>2,274.12</u>
Equity	
Retained Earnings	-1,525.13
Net Income	<u>19,781.53</u>
Total Equity	<u>18,256.40</u>
TOTAL LIABILITIES & EQUITY	<u>20,530.52</u>

Sailwinds
Profit & Loss
 October through December 2015

	<u>Oct - Dec 15</u>	<u>Jan - Dec 15</u>
Ordinary Income/Expense		
Income		
MISC INCOME	24,518.40	80,524.12
Discounts	0.00	0.00
CHARITABLE CONTRIBUTION	-321.00	-371.00
SALES TAX PAID	0.00	-1,251.47
Total Income	<u>24,197.40</u>	<u>78,901.65</u>
Cost of Goods Sold		
Kitchen-Compensation	610.00	610.00
Bartender Compensation	1,591.50	3,127.00
SUPPLIES - BAR	4,726.33	14,922.25
SUPPLIES - SNACKBAR	4,417.27	5,322.47
SUPPLIES - EVENT	981.61	1,671.67
SECURITY	456.00	1,298.70
Total COGS	<u>12,782.71</u>	<u>26,952.09</u>
Gross Profit	11,414.69	51,949.56
Expense		
GENERAL AND ADMINISTRATIVE	462.83	2,442.80
Bank Service Charges	2.50	122.41
Cleaning	1,800.50	5,958.00
Credit Card Fees	246.83	1,145.53
Interest Expense	-52.81	373.48
Licenses and Permits	0.00	1,044.00
Printing and Reproduction	0.00	60.00
Professional Fees	0.00	718.00
Repairs	230.00	1,828.31
Stipend	0.00	2,000.00
Supplies-Paper	0.00	1,902.89
Travel	382.51	1,047.71
Utilities	2,749.52	13,419.63
PENALTIES	0.00	105.27
Total Expense	<u>5,821.88</u>	<u>32,168.03</u>
Net Ordinary Income	<u>5,592.81</u>	<u>19,781.53</u>
Net Income	<u>5,592.81</u>	<u>19,781.53</u>

Sailwinds
Balance Sheet
As of March 31, 2016

	<u>Mar 31, 16</u>
ASSETS	
Current Assets	
Checking/Savings	
Sun Trust Bank	1,660.84
BB&T--Credit Card Account	743.31
PETTY CASH-BANK	<u>5,870.00</u>
Total Checking/Savings	8,274.15
Other Current Assets	
Prepaid Expense	<u>1,608.80</u>
Total Other Current Assets	<u>1,608.80</u>
Total Current Assets	<u>9,882.95</u>
TOTAL ASSETS	<u>9,882.95</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Payroll Liabilities	<u>3,134.20</u>
Total Other Current Liabilities	<u>3,134.20</u>
Total Current Liabilities	3,134.20
Long Term Liabilities	
SMS Loan	<u>1,888.23</u>
Total Long Term Liabilities	<u>1,888.23</u>
Total Liabilities	5,022.43
Equity	
Retained Earnings	18,256.40
Net Income	<u>-13,395.88</u>
Total Equity	<u>4,860.52</u>
TOTAL LIABILITIES & EQUITY	<u>9,882.95</u>

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Cash Basis

Sailwinds
Profit & Loss
January through March 2016

	<u>Jan - Mar 16</u>
Ordinary Income/Expense	
Income	
MISC INCOME	12,381.00
Total Income	<u>12,381.00</u>
Cost of Goods Sold	
Bartender Compensation	108.00
SUPPLIES - BAR	2,594.95
SUPPLIES - SNACKBAR	29.60
SUPPLIES - EVENT	2,526.91
Total COGS	<u>5,259.46</u>
Gross Profit	7,121.54
Expense	
GENERAL AND ADMINISTRATIVE	430.62
Cleaning	1,788.56
Credit Card Fees	209.51
Interest Expense	70.54
Licenses and Permits	1,120.00
Payroll Taxes	1,008.00
Professional Fees	900.00
Repairs	395.80
Travel	446.00
Utilities	2,148.39
Wages-Directors	12,000.00
Total Expense	<u>20,517.42</u>
Net Ordinary Income	<u>-13,395.88</u>
Net Income	<u><u>-13,395.88</u></u>

CALENDAR OF EVENTS For 2016

Sailwinds of Cambridge, Inc.

200 Byrn Street

Cambridge, MD 21613.

June 2016

- June 8th thru 11th Ironman 70.3 Eagleman
- June 14th City of Cambridge - Primary Election
- June 21st Celebrate Dorchester Chamber
- June 25th Mexican Dance

July 2016

- July 4th Fourth July Concert
- July 12th City of Cambridge – General Election
- July 16th Mexican Dance - cancelled
- July 30th Spark in Da Pan – Steel Drum Band Concert

AUGUST 2016

- Aug 13th Sea Food Feast-I-Val
- Aug 20th Rude Boyz Bike Club Dance
- Aug 27th Antique Car Show
- Aug 27th Junior Walker's Motown R&B Show

SEPTEMBER 2016

- Sept. 9th Mexican Dance
- Sept 10th Seventh Day Adventist Church Conference
- Sept 17th Cedar Meadow Rod & Gun Club- Crab Feast
- Sept 24th Quniceanera - Birthday Party

OCTOBER 2016

- Oct 8th FOP - City of Cambridge Police Crab Feast
- Oct 9th Hooper's Island VFD - Gun Bash
- Oct 15th Mexican Dance
- Oct 22nd 100 Women of Excellence

NOVEMBER 2016

- Nov 18th Grand National Water Fowl Association

DECEMBER 2016

- Dec 15th Cambridge Rotary Club/
Sailwinds of Cambridge Annual Senior Luncheon