

Lake Geneva Yacht Club								
September 30, 2011 - Summary								
(\$000's)								
			Month			Year to Date		
			Actual	Budget	Prior Year	Actual	Budget	Prior Year
Income								
Dues & Init			\$ -	\$ -	\$ -	\$ 300.9	\$ 297.9	\$ 265.6
Boat Storage			-	-	(0.4)	80.6	80.9	80.0
Other Inc			0.5	-	0.5	2.2	1.1	2.4
Regatta			33.8	(0.2)	(1.0)	46.0	13.5	96.0
Resale			0.9	1.0	0.1	6.9	6.5	3.0
Lease			3.8	3.8	3.8	34.0	34.0	34.0
F&B			16.7	9.2	11.6	189.1	178.4	165.3
Total			<u>\$ 55.7</u>	<u>\$ 13.8</u>	<u>\$ 14.6</u>	<u>\$ 659.7</u>	<u>\$ 612.3</u>	<u>\$ 646.3</u>
Expense								
F&B			\$ 12.7	\$ 17.9	\$ 17.4	\$ 152.2	\$ 177.5	\$ 179.3
Regatta			23.1	-	1.6	30.4	10.5	70.8
Resale			0.8	0.8	-	4.5	4.9	5.6
Lease			3.6	3.6	3.3	32.8	32.8	32.9
General			4.8	8.3	3.6	38.8	47.1	38.1
Race Ops			4.8	8.9	4.5	38.9	43.2	30.4
Prof Fees			0.8	0.9	0.3	3.7	11.4	3.4
Maintenance			4.1	5.5	2.5	52.2	71.7	68.3
Occupancy			9.7	8.3	11.1	69.1	69.8	66.6
Sal & Wages			3.9	4.4	9.9	32.2	50.3	56.5
Interest			2.8	2.9	2.9	25.6	26.5	26.8
Tax			-	-	-	-	0.3	0.4
			<u>71.1</u>	<u>61.5</u>	<u>57.1</u>	<u>480.4</u>	<u>546.0</u>	<u>579.1</u>
Net Income			<u>\$ (15.4)</u>	<u>\$ (47.7)</u>	<u>\$ (42.5)</u>	<u>\$ 179.3</u>	<u>\$ 66.3</u>	<u>\$ 67.2</u>
			September 30,	Dec 31,	September 30,			
Balance Sheet			2011	2010	2010			
Cash			\$ 304.9	\$ 131.0	\$ 130.3			
Accounts Rec, net			41.6	20.6	41.2			
Inventory			17.6	16.1	20.8			
Other Current Assets			5.9	4.2	6.3			
PP&E			1,195.7	1,205.2	1,252.3			
Total			<u>\$ 1,565.7</u>	<u>\$ 1,377.1</u>	<u>\$ 1,450.9</u>			
Current Liab			59.9	28.5	29.8			
Mortgage			580.0	601.0	607.8			
Lease			727.8	729.0	730.3			
Equity			198.0	18.6	83.0			
Total			<u>\$ 1,565.7</u>	<u>\$ 1,377.1</u>	<u>\$ 1,450.9</u>			

Overview

For the month ended September 30, 2011, revenues were \$55.7 vs. budget of \$13.8 and prior year of \$14.6. Net loss was \$15.4 compared to the budgeted loss of \$47.7, and a loss of \$42.5 in 2010. For the year-to-date, revenues were \$659.7, which was \$47.4 favorable to budget and \$13.4 favorable to last year. Year-to-date net income was \$179.3 compared to budget of \$66.3 and \$67.2 last year. The month of September 2011 includes the Melges24 regatta, which was included in the month of October last year. The 2010 year-to-date period include the ILYA Championship regatta which was held at LGYC, and as such, the 2011 and 2010 periods are not comparable. Year-to-date, expenses were \$65.6 favorable to the budget due to lower expenses in the F&B operation, pier repair expense, clubhouse maintenance and compensation expense.

Our cash position was \$304.9, up \$173.9 compared to December 31, 2010. The increase is partially due to the lower expense levels to date and the 2011 dues increase.

There was one new trial member in September. We have 12 trial members under the trial membership program initiated during June. Conversion of the trial members to regular or associate members in 2012 will determine the real success of the program. Excluding trial members, we have 240 members at the end of September. As compared to budget, we are exactly on budget, but down seven from December 31, 2010.

Revenue

Dues and Initiation Fees

For the year-to-date, dues were \$300.9 compared to budget of \$297.9 and \$265.6 last year. The increase over last year reflects the effect of the 2011 dues increase, partially offset by the lower number of members. Year-to-date initiation fees were \$1.0 compared to budget of \$5.0 due to the lower than planned new regular members.

Boat Storage

For the year-to-date, storage revenue was \$80.6, which was essentially on budget and last year.

Regatta

Regatta income for the month of \$33.8 relates to the Melges24 national championship event, which exceeded last year's event and budget. Year-to-date regatta revenue was \$12.7 as compared to budget of \$13.5. The variance to budget was due to the cancellation of the M17 regatta (\$3.5) and poor weather conditions for the E Spring regatta, offset by the GLSS Dinghyfest event, which was

originally included in the F&B budget, and the success of this year's Melges24 event.

Food & Beverage

F&B revenue was \$16.7 for the month as compared to budget of \$17.9 and \$17.4 last year. The 2010 ILYA regatta held at LGYC skews the comparisons with F&B from the actual regatta being included in regatta revenue.

Expenses

Food & Beverage

F&B expense for the month was \$12.7 as compared to budget of \$39.0 and \$30.8 in the prior year. For the year-to-date, expenses were \$152.2 as compared to budget of \$177.5 and \$179.3 last year. The lower expenses for the year-to-date reflect improved control over expenses. Gross profit for the month was \$4.0 as compared to a budget loss of \$8.7 and a loss of \$5.8 last year. Year-to-date gross profit was \$36.9 as compared to budget of \$0.9 and a loss of \$14.0 last year.

Regatta

Regatta expenses for the month were \$23.1, which relate to the Melges24 regatta. This regatta was budgeted in October in the amount of \$8.0. Year-to-date expenses were \$30.4 as compared to the budget of \$10.5. The Melges24 regatta was much larger than prior years and had more entries, resulting in the higher expense level. The smaller than expected E Spring regatta, the cancellation of the M17 regatta, partially offset by expenses related to the 2011 Dinghyfest all contributed to the variance to budget. Year-to-date regatta gross profit was \$15.4 as compared to budget of \$3.5.

General Expenses

General expenses were \$4.8 for the month as compared to budget of \$8.3. For the year-to-date, general expenses were \$38.8 as compared to budget of \$47.1 and \$38.1 last year.

Race Operations

Race operations expense was \$4.8 compared to budget of \$8.9 for the month. For the year-to-date, race operations expenses were \$38.9 as compared to budget of \$43.2.

Professional Fees

Professional fees were \$0.8 for the month and \$3.7 for the year-to-date, compared to budget of \$0.9 and \$11.4 for the month and year-to-date budgets. We have incurred only website fees and tax return preparation fees to date. We have not incurred any expenses for legal services during this year.

Maintenance

Maintenance expense was \$4.1 for the month, as compared to budget of \$5.5. For the year-to date, expenses were \$52.2 as compared to budget of \$71.7. For the year-to-date, clubhouse maintenance was \$10.5 favorable to budget, pier expenses \$5.3 favorable and contract cleaning \$7.6 favorable. Grounds maintenance is \$5.1 over budget for the year-to-date with the numerous small projects that have been undertaken.

Salary & Wages

Salary and wage expense for the month was \$3.9, as compared to budget of \$4.4. For the year-to-date, actual was \$32.2 vs. budget of \$50.3. Approximately \$13.0 of the year-to-date variance was due to savings from not having a club manager rehired until March 15, 2010.

Balance Sheet

Our cash position was \$304.9, an increase of \$173.9 as compared to December 31, 2010. Accounts receivable were \$41.6, up \$21.0 from December 31, and \$0.4 higher than September 30, 2010. Net inventories were \$17.6 as compared to \$16.1 at December 31, 2010, but \$3.2 favorable to September 2010.

Current liabilities were \$59.9 at September 30, 2011, compared to \$28.5 at December 31, 2010 and \$29.8 at September 30, 2010.