

Lake Geneva Yacht Club
December 31, 2012 - Summary
(\$000's)

	Month			Year to Date		
	Actual	Budget	Prior Year	Actual	Budget	Prior Year
Income						
Dues & Initiation Fees	\$ -	\$ -	\$ -	\$ 311.6	\$ 334.0	\$ 300.9
Boat Storage	5.4	7.5	5.8	127.8	129.4	123.8
Resale	0.1	-	0.4	3.8	7.0	7.6
Other Income	0.1	-	(0.3)	19.7	3.6	3.7
Regatta	-	-	-	27.2	46.2	46.6
GLSS Lease Income	3.8	3.8	3.8	45.3	45.3	45.3
Food & Beverage	(0.1)	-	1.6	171.4	190.0	201.6
Total	\$ 9.3	\$ 11.3	\$ 11.3	\$ 706.8	\$ 755.5	\$ 729.5
Expense						
F&B	\$ (0.2)	\$ 3.4	\$ 4.7	\$ 154.9	\$ 178.0	\$ 167.0
Regatta	-	-	-	14.3	34.2	30.7
Resale	-	-	0.3	2.2	4.5	5.0
General	6.5	4.9	2.8	56.4	61.9	49.0
Race Operations	3.1	-	-	45.2	47.7	50.4
Professional Fees	9.6	0.2	-	49.7	12.0	4.2
Maintenance	3.2	1.8	0.5	52.3	71.4	63.2
Occupancy	6.8	7.0	5.9	89.1	90.5	89.4
Salaries & Wages	6.2	13.4	8.6	62.2	86.0	51.8
Interest	1.9	2.6	2.7	25.2	31.9	34.0
GLSS Lease Expense	3.6	3.6	3.6	43.6	43.6	43.7
Other Expense	-	-	3.8	(0.1)	-	3.4
Total	40.7	36.9	32.9	595.0	661.7	591.8
Net Income	\$ (31.4)	\$ (25.6)	\$ (21.6)	\$ 111.8	\$ 93.8	\$ 137.7

	December 31,	
	2012	2011
Balance Sheet		
Cash	\$ 315.3	\$ 279.0
Accounts Rec, net	18.2	11.5
Inventory	16.3	14.7
Other Current Assets	4.1	8.7
PP&E	1,215.7	1,185.3
Total	\$ 1,569.6	\$ 1,499.2
Current Liab	\$ 37.5	\$ 42.6
Mortgage	538.1	572.8
Lease	725.7	727.4
Equity	268.3	156.4
Total	\$ 1,569.6	\$ 1,499.2

Overview

For the month ended December 31, 2012, revenues were \$9.3 compared to budget of \$11.3 and prior year of \$11.3. Total expenses were \$40.7 vs. budget of \$36.9 and \$32.9 in the prior year. Net loss was \$31.4 compared to the budget loss of

\$25.6 and a loss of \$21.6 in 2011. The variance to budget and last year were due to lower storage fees and higher expenses, primarily legal, during the month.

For the year, revenues were \$706.8 compared to budget of \$755.5 and \$729.5 in the prior year. Expenses were \$595.0 compared to budget of \$661.7 and \$591.8 last year. Net income was \$111.8 compared to budget of \$93.8 and \$137.7 last year.

We have 234 members at December 31, 2012, including five temporary members. We had two resignations during the month, one regular and one associate. Excluding temporary members, we are down 21 members as compared to December 31, 2011 and budget.

Revenue

Dues and Initiation Fees

For the year, dues were \$309.1, compared to budget of \$330.0 and \$299.9 last year. The variance resulted primarily from the lower number of members in 2012, partially offset by the 7.5% dues increase. Initiation fees were \$2.5 compared to budget of \$4.0 and \$1.0 in 2011.

Boat Storage

Winter storage revenue was \$5.4 for the month as compared to budget of \$7.5 and \$5.8 in 2011. Winter storage revenue for 2012 was \$47.8 compared to budget of \$47.5 and \$43.8 last year. The improvement was due to the return of some storage business that was lost in 2010. Total storage revenue for the year was \$127.8 compared to budget of \$129.4 and \$123.8 last year. The improvement as compared to last year was due the business we won back in 2012, partially offset by lower summer storage and boat slip rental fees.

Other Income

For the year other income was \$19.7 as compared to budget of \$3.6 and \$3.7 last year. In January 2012, we received \$13.0, which is included in *Donations*, from GLSS related to a boat that was contributed to LGYC and GLSS. The boat was subsequently sold in prior years by GLSS and the funds remitted to LGYC in January 2012.

Regatta

In 2012 the M24 regatta was held in October with revenue of \$8.2 as compared to budget of \$20.0. Expenses were \$5.3 as compared to budget of \$15.0. Net profit on the event was \$2.9. 24 boats attended the event, which was reduced from the 2011 championship regatta.

We held two regattas during July, the traditional GLSS Regatta and also the ILYA C Invitational Regatta. The C regatta was very poorly attended, with only 18 boats participating. The GLSS regatta was fairly typical and was on budget. Regatta income for the July was \$9.4 as compared to budget of \$11.7 and \$1.9 last year. Regatta expense for the month was \$5.6 as compared to budget of \$16.2 and \$4.2 last year. Gross profit from the July regattas was \$3.8 as compared to budget of \$4.5. The C regatta gross profit was \$1.0 below budget.

Regatta revenue for the Spring E regatta in May was \$9.6 vs. budget of \$10.0. 29 boats attended this year's event, which was below the anticipated number of 35. Spending by the participants was favorable to the budget resulting in revenue slightly below budget. Total expense for the event, including allocated costs was \$6.7, resulting in a profit of \$2.9 for the event which was favorable to budget and last year.

Food and Beverage Operations

For the year, gross profit was \$16.5 compared to a budget of \$12.0. In 2011 gross profit was \$34.6, reflecting the effect higher level of private party business in 2011 as well as the higher volume levels in the base business in 2011 as compared to 2012.

Expenses

General Expenses

General expenses were \$6.5 for the month as compared to budget of \$4.9 and \$2.8 last year. Awards given at November Recognition Dinner were billed in December (\$0.7). In addition, we recorded \$2.0 of bad debt expense during the month.

For the year, general expenses were \$56.4 as compared to budget of \$61.9 and \$49.0 last year. The variance to budget is primarily due to lower expenses related to the Volunteer Recognition Dinner, which was not held in 2011 and higher bad debt expenses.

Race Operations

Race operation expenses were \$3.1 for the month as compared to zero for budget and last year. The storage expenses related to the Flagship were budgeted in November but remain unbilled at this time. We accrued \$1.4 for this expense in December. Boat 2 charges of \$1.7 included costs for repairs, buff and wax, and winterizing. The repairs and buff and wax are normally billed in late winter, but were completed in the fall this year. For the year, race operations expenses were \$45.2 as compared to budget of \$47.7 and \$50.4 in 2011. 2011 included the Race Committee Recognition Dinner (\$2.8) which was included in general expenses in 2012 as part of the broader Volunteer Recognition Dinner.

Professional Fees

Professional fees for the month were \$9.6 as compared to budget of \$0.2, and zero in 2011. Total year expenses were \$49.7 compared to budget of \$12.0 and \$4.2 last year. The increase in expenses is due to costs related to the development of the new website and \$44.0 of legal fees associated with the clubhouse project.

Maintenance

Expenses for December were \$3.2, as compared to budget of \$1.8 and \$0.5 last year. The variance to budget is primarily related to \$2.1 of grounds expense for landscape clean-up done in November and December due to the mild weather. For the year, maintenance expenses were \$52.3 as compared to budget of \$71.4 and \$63.2 last year. The variance to budget is primarily the lower pier, clubhouse and grounds maintenance expenses.

Occupancy

Occupancy expenses were \$6.8 as compared to budget of \$7.0 and \$5.9 last year. For the year, occupancy expenses were \$89.1, as compared to budget of \$90.5 and \$89.4 last year.

Salary, Wages & Benefits

Total expenses were \$6.2 as compared to budget of \$13.4 and \$8.6 in 2011. The variance is due to higher wage expense for the executive secretary, \$2.9 as compared to budget of \$1.5, offset by \$2.6 of savings cost associated with moving the operations manager to a part time position during the winter months, and \$0.3 of savings by having the operations manager handle boat storage. Total expenses for the year were \$62.2 as compared to budget of \$86.0 and \$51.8 last year. 2012 does not include expense related to the club manager for July thru October. In addition, 2011 expense did not include manager expense for the first three months of the year.

Interest Expense

Interest expense was \$1.9 as compared to budget of \$2.6 for the month. For the year, interest expense was \$25.2 compared to budget of \$31.9. The variance to budget reflects the lower interest rate on the mortgage which was refinanced in February 2012.

Balance Sheet

Our cash position was \$315.3, an increase of \$36.3 as compared to December 31, 2011. Accounts receivable were \$18.2, up \$6.7 from December 31, 2011, but down \$22.2 from last month. Net inventories were \$6.3, up \$1.6 as compared to December 31, 2011 and up \$1.4 as compared last month. Approximately \$0.7 of the increase was related to inventory reserve adjustments.

Construction in progress was \$17.6 at November 30, 2012. The account includes \$7.6 for design work on the new clubhouse and \$10.0 of advances to GLSS for preliminary services provided by the general contractor for the new clubhouse facility.

Current liabilities were \$37.5 at December 31, 2012, compared to \$42.6 at December 31, 2011 and \$41.6 last month.

Our mortgage with M&I Bank was \$538.1 at December 31, 2012.