

**Lake Geneva Yacht Club**  
**June 30, 2012 - Summary**  
(\$000's)

	Month			Year-to-Date		
	Actual	Budget	Prior Year	Actual	Budget	Prior Year
<b>Income</b>						
Dues & Initiation	\$ 41.3	\$ 41.6	\$ 39.7	\$ 242.5	\$ 252.8	\$ 262.4
Boat Storage	5.3	9.5	9.1	81.4	78.9	78.3
Other Income	0.2	(0.2)	1.9	16.0	1.6	2.4
Regatta	-	-	-	9.6	10.0	8.0
Resale	0.7	1.5	0.7	1.3	2.5	1.6
Lease	3.8	3.8	3.8	22.7	22.7	22.7
Food & Beverage	38.9	39.3	52.2	56.4	49.3	64.1
Total	<u>\$ 90.2</u>	<u>\$ 95.5</u>	<u>\$ 107.4</u>	<u>\$ 429.9</u>	<u>\$ 417.8</u>	<u>\$ 439.5</u>
<b>Expense</b>						
Food & Beverage	\$ 32.3	\$ 35.3	\$ 35.5	\$ 60.3	\$ 65.8	\$ 58.8
Regatta	-	-	-	5.2	7.5	5.5
Resale	0.5	1.0	0.4	0.8	1.6	0.9
Lease	3.6	3.6	3.6	21.8	21.8	21.9
General	3.4	6.1	5.9	25.7	29.6	24.5
Race Operations	4.7	5.0	3.7	23.0	23.6	10.2
Professional Fees	2.3	2.2	1.6	15.0	8.0	2.5
Maintenance	1.4	4.2	4.4	31.7	45.0	40.4
Occupancy	7.5	8.3	8.0	41.0	43.2	42.1
Salaries & Wages	5.8	5.1	6.1	34.4	41.4	21.5
Interest	2.0	2.7	2.9	15.5	16.1	17.1
Other Expense (Income)	-	-	-	0.1	0.2	-
Total	<u>63.5</u>	<u>73.5</u>	<u>72.1</u>	<u>274.5</u>	<u>303.8</u>	<u>245.4</u>
Net Income	<u>\$ 26.7</u>	<u>\$ 22.0</u>	<u>\$ 35.3</u>	<u>\$ 155.4</u>	<u>\$ 114.0</u>	<u>\$ 194.1</u>
<b>Balance Sheet</b>						
	<b>June 30,</b>	<b>December 31,</b>	<b>June 30,</b>			
	<b>2012</b>	<b>2011</b>	<b>2011</b>			
Cash	\$ 316.3	\$ 279.0	\$ 298.4			
Accounts Receivable, net	87.7	11.5	77.6			
Inventory	20.4	14.7	22.1			
Other Current Assets	7.1	8.7	6.9			
Property & Equipment	1,215.3	1,185.3	1,189.3			
Total	<u>\$ 1,646.8</u>	<u>\$ 1,499.2</u>	<u>\$ 1,594.3</u>			
Current Liabilities	\$ 50.9	\$ 42.6	\$ 66.2			
Mortgage	557.5	572.8	587.0			
Lease	726.6	727.4	728.2			
Equity	311.8	156.4	212.9			
Total	<u>\$ 1,646.8</u>	<u>\$ 1,499.2</u>	<u>\$ 1,594.3</u>			

## Overview

For the month ended June 30, 2012, revenues were \$90.2 compared to budget of \$95.5 and prior year of \$107.4. Total expenses were \$63.5 vs. budget of \$73.5

and \$72.1 in the prior year. Net income was \$26.7 compared to budget of \$22.0 and \$35.3 in 2011. The variance to budget and last year relate to the lower number of members and lower revenue from the food and beverage operations, offset by lower expenses.

Year-to-date revenues were \$429.9 compared to budget of \$417.8 and \$439.5 in the prior year. As compared to budget, the 2012 period included a donation of \$13.0 received from GLSS, higher food and beverage revenue, partially offset by the lower number of members. As compared to 2011, revenues were lower due to the reduced number of members, the charging of dues over eight months in 2012 as compared to seven in 2011 and lower food and beverage revenue, partially offset by the above mentioned donation. Expenses were \$274.5 compared to budget of \$303.8 and \$245.4 last year. The variance to budget is primarily due to lower food and beverage expenses, maintenance and salary and wage expenses, partially offset by higher legal fees related to the clubhouse project. As compared to 2011, expenses were higher in 2012 due to higher salary and wage expense, Flagship maintenance expenses which were billed in July in 2011 and legal expenses associated with the new clubhouse facility. Net income was \$155.4 compared to budget of \$114.0 and \$194.1 last year for the above noted reasons. Our cash position was \$316.3 as compared to \$279.0 at December 31, 2011.

We have 241 members at June 30, 2012, including five temporary members. We had a net increase of seven members in June, including three regular, one non-resident, two junior and one temporary. Excluding temporary members, we are down eight members as compared to December 31, 2011 and down 14 as compared to budget.

## **Revenue**

### *Dues and Initiation Fees*

Dues for the month of June were \$39.8, compared to budget of \$40.6 and \$39.7 last year. The decrease compared to budget reflects the lower number of members. The variance to 2011 reflects the billing of dues over eight months in 2012, as compared to seven months in 2011 and the lower number of members. For the year-to-date, dues were \$240.5, compared to budget of \$248.8 and \$261.4 last year. The variance resulted primarily from the lower number of members in 2012 and the change in the 2012 billing period. Year-to-date initiation fees were \$2.0 compared to budget of \$4.0.

### *Boat Storage*

Storage revenue was \$5.3 for the month as compared to budget of \$9.5 and \$9.1 in 2011. The difference is primarily timing, with more billings in May than expected. Year-to-date storage revenue for 2012 was \$81.4 compared to budget of \$78.9 and \$78.3 last year.

### *Other Income*

Year-to-date 2012 was \$16.0 as compared to budget of \$1.6 and \$2.4 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*

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*

Revenues were \$38.9 for the month compared to budget of \$39.3 and \$52.2 in 2011. Revenues from regular operations were up compared to budget, but we were below budget and last year for private parties. Expenses for the month were \$32.3 compared to budget of \$35.3 and \$35.5 in 2011. The F&B operation had a gross profit of \$6.6 for the month as compared to a budget of \$4.0 and \$16.7 last year. The variance to last year reflects the impact of the highly profitable private party business. For the year-to-date, we incurred a loss of (\$6.1) compared to a budget loss of (\$15.5). The 2011 year-to-date period had gross profit of \$5.3, again reflecting the effect of the private party business in 2011.

## **Expenses**

### *General Expenses*

General expenses were \$3.4 for the month of June as compared to budget of \$6.1 and \$5.9 last year due to lower entertainment and bad debt expense. For the year-to-date, general expenses were \$25.7 as compared to budget of \$29.6 and \$24.5 last year. The variance to budget is primarily due to the above noted entertainment and bad debt expense.

### *Race Operations*

Race operation expenses were \$4.7 for the month as compared to budget of \$5.0 and \$3.7 last year. For the year-to-date, race operations expenses were \$23.0 as compared to budget of \$23.6 and \$10.2 in 2011. In 2011 year-to-date, expenses for the flagship were not billed until July, so the comparison is not meaningful.

### *Professional Fees*

Professional fees for the month were \$2.3 as compared to budget of \$2.2, and \$1.6 in 2011. Year-to-date expenses were \$15.0 compared to budget of \$8.0 and \$2.5 last year. The increase in expenses is due to costs related to the development of the new website and legal fees associated with the clubhouse project.

### *Maintenance*

Expenses for June were \$1.4, as compared to budget of \$4.2 and \$4.4 last year. Clubhouse and grounds maintenance accounted for most of the variance. For the year-to-date, maintenance expenses were \$31.7 as compared to budget of \$45.0 and \$40.4 last year. The variance to budget is primarily the lower pier, clubhouse and grounds maintenance expenses.

### *Occupancy*

Occupancy expenses were \$7.5 as compared to budget of \$8.3 and \$8.0 last year. For the year-to-date, occupancy expenses were \$41.0, as compared to budget of \$43.2 and \$42.1 last year.

### *Salary, Wages & Benefits*

Total expenses were \$5.8 as compared to budget of \$5.1 and \$6.1 in 2011. The variance is due to higher expense for the new office manager as we incurred more time than budgeted for training, duplicate costs and transition costs associated with the club manager leaving during the month. The club manager savings only partially offset the office manager cost increase. Year-to-date expenses were \$34.4 as compared to budget of \$41.4 and \$21.5 last year. The 2011 expense for the first three months of the year did not include salary expense for the club manager.

### *Interest Expense*

Interest expense was \$2.0 as compared to budget of \$2.7 for the month. For the year-to-date, interest expense was \$15.5 compared to budget of \$16.1. The variance to budget reflects the lower interest rate on the mortgage which was refinanced in February 2012.

### **Balance Sheet**

Our cash position was \$316.3, an increase of \$37.3 as compared to December 31, 2011. Accounts receivable were \$87.7, up \$76.2 from December 31, 2011 and up \$12.0 from last month. Net inventories were \$20.4, up \$5.7 from December 31, 2011, but essentially unchanged from last month.

Construction in progress remains at \$50.4 at June 30, 2012, unchanged from last month. The account includes payments of \$32.8 for the roof on building one and \$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 \$50.9 at June 30, 2012, compared to \$42.6 at December 31, 2011. The increase reflects costs associated with the opening of the facility in the month of May.

Our mortgage with M&I Bank was \$557.5 at June 30, 2012.