

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

	Month			Year-to-Date		
	Actual	Budget	Prior Year	Actual	Budget	Prior Year
Income						
Dues & Initiation	\$ 35.7	\$ 41.6	\$ 43.4	\$ 201.3	\$ 211.2	\$ 222.8
Boat Storage	75.7	69.4	68.5	76.1	69.4	69.2
Other Income	(0.1)	(0.2)	-	15.8	1.7	0.4
Regatta	9.6	10.0	8.0	9.6	10.0	8.0
Resale	0.5	1.0	0.6	0.6	1.0	0.9
Lease	3.8	3.8	3.8	18.9	18.9	18.9
Food & Beverage	17.5	10.0	10.0	17.4	10.0	12.0
Total	<u>\$ 142.7</u>	<u>\$ 135.6</u>	<u>\$ 134.3</u>	<u>\$ 339.7</u>	<u>\$ 322.2</u>	<u>\$ 332.2</u>
Expense						
Food & Beverage	\$ 17.6	\$ 16.8	\$ 15.3	\$ 28.0	\$ 30.5	\$ 23.3
Regatta	5.3	7.5	5.3	5.3	7.5	5.4
Resale	0.3	0.6	0.4	0.3	0.7	0.5
Lease	3.6	3.6	3.6	18.2	18.2	18.2
General	6.8	7.8	6.1	22.3	23.4	18.5
Race Operations	6.4	3.2	4.1	18.3	18.6	6.6
Professional Fees	3.7	1.8	0.3	12.7	5.8	0.9
Maintenance	4.7	3.7	7.2	30.3	40.9	36.0
Occupancy	7.1	7.3	7.7	33.4	35.0	34.2
Salaries & Wages	5.3	5.6	3.9	28.6	36.1	15.5
Interest	2.0	2.7	2.8	11.5	13.5	14.3
Other Expense (Income)	(0.1)	-	-	0.1	-	-
	<u>62.7</u>	<u>60.6</u>	<u>56.7</u>	<u>209.0</u>	<u>230.2</u>	<u>173.4</u>
Net Income	<u>\$ 80.0</u>	<u>\$ 75.0</u>	<u>\$ 77.6</u>	<u>\$ 130.7</u>	<u>\$ 92.0</u>	<u>\$ 158.8</u>
Balance Sheet						
	May 31,	December 31,	May 31,			
	2012	2011	2011			
Cash	\$ 321.3	\$ 279.0	\$ 263.9			
Accounts Receivable, net	75.6	11.5	62.0			
Inventory	20.6	14.7	19.0			
Other Current Assets	7.6	8.7	7.4			
Property & Equipment	1,218.8	1,185.3	1,188.5			
Total	<u>\$ 1,643.9</u>	<u>\$ 1,499.2</u>	<u>\$ 1,540.8</u>			
Current Liabilities	\$ 66.0	\$ 42.6	\$ 45.5			
Mortgage	564.0	572.8	589.4			
Lease	726.7	727.4	728.3			
Equity	287.2	156.4	177.6			
Total	<u>\$ 1,643.9</u>	<u>\$ 1,499.2</u>	<u>\$ 1,540.8</u>			

Overview

For the month ended May 31, 2012 revenues were \$142.7 compared to budget of \$135.6 and prior year of \$134.3. Total expenses were \$62.7 vs. budget of \$60.6

and \$56.7 in the prior year. Net income was \$80.0 compared to budget of \$75.0 and \$77.6 in 2011. Most of the variance to budget and last year relate to the lower number of members, higher storage revenue, higher revenue from the food and beverage operations and the timing of expenses related to boat two.

Year-to-date revenues were \$339.7 compared to budget of \$322.2 and \$332.2 in the prior year. January 2012 included a donation of \$13.0 received from GLSS, higher storage and food and beverage revenue, partially offset by the lower number of members. Expenses were \$209.0 compared to budget of \$230.2 and \$173.4 last year. The variance to budget is primarily due to lower maintenance and salary and wage expenses, partially offset by higher legal fees related to the clubhouse project. Net income was \$130.7 compared to budget of \$92.0 and \$158.8 last year for the above noted reasons. Our cash position was \$321.3 as compared to \$249.0 at December 31, 2011.

We have 234 members at May 31, 2012, including four temporary members. The four temporary members were added in May. Excluding temporary members, we are down eight members as compared to December 31, 2011.

Revenue

Dues and Initiation Fees

Dues for the month of May were \$35.7, compared to budget of \$40.6 and \$43.0 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 \$200.7, compared to budget of \$208.2 and \$221.8 last year. The variance resulted primarily from the number of members prepaying dues in each of the periods, the lower number of members in 2012 and the change in the 2012 billing period. The expected shortfall in dues for the year is approximately \$25.0 based on current membership level. Year-to-date initiation fees were \$0.5 compared to budget of \$3.0.

Boat Storage

Storage revenue was \$75.7 for the month of May as compared to budget of \$69.4 and \$68.5 in 2011. The difference is primarily timing, with more billings in May than expected. We expect below budget billings in June.

Other Income

In January, 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 2012.

Regatta

Regatta revenue for the Spring E regatta 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 \$17.5 for the month compared to budget of \$10.0 and \$10.0 in 2011. Successful Ladies Spring Lunch event and the Memorial Day kickoff party contributed to the higher revenue. Expenses for the month were \$17.6 compared to budget of \$16.8. The F&B operation had a loss of \$0.1 for the month as compared to a budget loss of \$6.8. The losses are attributed to the costs and expenses related to opening the operation for the season.

Expenses

General Expenses

General expenses were \$6.8 for the month of May as compared to budget of \$7.8 and \$6.1 last year. The variance to budget is primarily timing differences. For the year-to-date, general expenses were \$22.3 as compared to budget of \$23.4 and \$18.5 last year.

Race Operations

For the year-to-date, race operations expenses were \$6.4 as compared to budget of \$3.2. The variance is primarily related to boat 2 repairs which were budgeted in the prior month. For the year-to-date, expenses were \$18.3 as compared to budget of \$18.6. In 2011 year-to-date, expenses for the flagship were not billed until mid-year, so the comparison is not meaningful.

Professional Fees

Professional fees for the month were \$3.7 as compared to budget of \$1.8, and \$0.3 in 2011. Year-to-date expenses were \$12.7 compared to budget of \$5.8 and \$0.9 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 March were \$4.7 as compared to budget of \$3.7 and \$7.2 last year. For the year-to-date, maintenance expenses were \$30.3 as compared to budget of \$40.9 and \$36.0 last year. The variance to budget is primarily the lower pier and

clubhouse maintenance expenses. Pier expenses are substantially completed for the spring season.

Occupancy

Occupancy expenses were \$7.1 as compared to budget of \$7.3 and \$7.7 last year. For the year-to-date, occupancy expenses were \$33.4, as compared to budget of \$35.0 and \$34.2 last year.

Salary, Wages & Benefits

Total expenses were \$5.3 as compared to budget of \$5.6 and \$3.9 in 2011. The variance is due to higher expense for the new office manager as we incurred more time than budgeted for training and duplicate costs. This was partially offset by a return of premiums for workers compensation insurance related 2011. Year-to-date expenses were \$28.6 as compared to budget of \$36.1 and \$15.5 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 \$11.5 compared to budget of \$13.5. The variance to budget reflects the lower interest rate on the mortgage which was refinances in February 2012.

Balance Sheet

Our cash position was \$321.3, an increase of \$42.3 as compared to December 31, 2011. Accounts receivable were \$75.6, up \$64.1 from December 31, 2011 and up \$59.1 from April 30, 2012. The increase reflects the May billing for summer storage and opening of the club during May. Net inventories were \$20.6, up \$5.9 from December 31, 2011.

Construction in progress is \$50.4 at May 31, 2012, and 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 \$66.0 at May 31, 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 \$564.0 at May 31, 2012.