

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

	Month			Year-to-Date		
	Actual	Budget	Prior Year	Actual	Budget	Prior Year
Income						
Dues & Initiation	\$ 0.5	\$ -	\$ -	\$ 311.6	\$ 334.0	\$ 300.9
Boat Storage	-	-	-	79.6	81.9	80.6
Resale	0.4	-	0.3	3.7	7.0	7.2
Other Income	3.1	1.2	1.4	19.4	3.5	3.6
Regatta	8.2	-	0.6	27.2	46.2	46.6
Lease	3.8	3.8	3.8	37.8	37.8	37.8
Food & Beverage	(0.1)	5.0	10.6	171.6	190.0	199.7
Total	<u>\$ 15.9</u>	<u>\$ 10.0</u>	<u>\$ 16.7</u>	<u>\$ 650.9</u>	<u>\$ 700.4</u>	<u>\$ 676.4</u>
Expense						
Food & Beverage	\$ 4.5	\$ 2.5	\$ 8.5	\$ 152.4	\$ 172.7	\$ 160.7
Regatta	3.6	-	0.3	14.3	34.2	30.7
Resale	0.2	-	0.2	2.1	4.6	4.6
General	4.9	3.9	3.0	44.4	53.3	41.8
Race Operations	-	1.3	7.6	42.3	45.4	46.5
Professional Fees	3.0	0.8	0.4	40.1	11.0	4.0
Maintenance	4.6	8.8	2.1	42.5	65.4	54.3
Occupancy	8.8	7.3	7.2	75.0	76.4	76.4
Salaries & Wages	3.5	7.8	5.8	50.8	64.6	38.0
Interest	1.9	2.6	2.7	21.4	26.6	28.4
Lease Interest	3.6	3.6	3.6	36.4	36.4	36.5
Other Expense (Income)	0.2	-	-	-	-	-
	<u>38.8</u>	<u>38.6</u>	<u>41.4</u>	<u>521.7</u>	<u>590.6</u>	<u>521.9</u>
Net Income	<u>\$ (22.9)</u>	<u>\$ (28.6)</u>	<u>\$ (24.7)</u>	<u>\$ 129.2</u>	<u>\$ 109.8</u>	<u>\$ 154.5</u>
Balance Sheet						
	October 31,	December 31,	October 31,			
	2012	2011	2011			
Cash	\$ 310.0	\$ 279.0	\$ 276.2			
Accounts Receivable, net	29.3	11.5	30.2			
Inventory	14.7	14.7	15.8			
Other Current Assets	6.4	8.7	3.9			
Property & Equipment	1,222.1	1,185.3	1,192.1			
Total	<u>\$ 1,582.5</u>	<u>\$ 1,499.2</u>	<u>\$ 1,518.2</u>			
Current Liabilities	\$ 26.3	\$ 42.6	\$ 39.6			
Mortgage	544.6	572.8	577.6			
Lease	726.0	727.4	727.7			
Equity	285.6	156.4	173.3			
Total	<u>\$ 1,582.5</u>	<u>\$ 1,499.2</u>	<u>\$ 1,518.2</u>			

Overview

For the month ended October 31, 2012, revenues were \$15.9 compared to budget of \$10.0 and prior year of \$16.7. Total expenses were \$38.8 vs. budget of \$38.6 and \$41.4 in the prior year. Net loss was \$22.9 compared to budget loss of \$28.6 and \$24.7 in 2011. The variance to budget and last year relate primarily to the

timing of the Melges24 regatta. The regatta was budgeted in September, but was actually held in October.

Year-to-date revenues were \$650.9 compared to budget of \$700.4 and \$676.4 in the prior year. Expenses were \$521.7 compared to budget of \$590.6 and \$521.9 last year. Net income was \$129.2 compared to budget of \$109.8 and \$154.5 last year.

We have 235 members at October 31, 2012, including four temporary members, unchanged from last month. Excluding temporary members, we are down nineteen members as compared to December 31, 2011 and budget.

Revenue

Dues and Initiation Fees

For the year-to-date, 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. Year-to-date initiation fees were \$2.5 compared to budget of \$4.0 and \$1.0 in 2011.

Boat Storage

Year-to-date storage revenue for 2012 was \$79.6 compared to budget of \$81.9 and \$80.6 last year.

Other Income

Year-to-date 2012 was \$19.4 as compared to budget of \$3.5 and \$3.6 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, but was budgeted in September, consistent with 2011. Revenue from the event was \$8.2 as compared to the September budget of \$20.0. Expenses were \$5.3 as compared to the September budget of \$15.0. Net profit on the event was \$2.9. The net profit budgeted for September 2012 for this event was \$5.0. 24 boats attended the event and was significantly 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

The F&B operation had a loss of \$4.6 for the month as compared to a budgeted income of \$2.5 and \$2.1 income in 2011. The budget for 2012 included \$5.0 for food minimums, which was billed in September.

For the year-to-date, gross profit was \$19.2 compared to a budget of \$17.3. The 2011 year-to-date period had gross profit of \$39.0, reflecting the effect of the private party business in 2011 as well as the higher volume levels in the base business.

Expenses

General Expenses

General expenses were \$4.9 for the month as compared to budget of \$3.9 and \$3.0 last year. The October included \$1.5 for the trophy dinner. Other income includes \$1.5 of revenue related to the event. For the year-to-date, general expenses were \$44.4 as compared to budget of \$53.3 and \$41.8 last year. The variance to budget is primarily due to lower entertainment expenses and the timing of the recognition dinner, which was budgeted in August, but was not actually held until November.

Race Operations

Race operation expenses were \$11.0 for the month as compared to budget of \$10.5 and \$4.8 last year. For the year-to-date, race operations expenses were \$42.3 as compared to budget of \$45.4 and \$46.5 in 2011.

Professional Fees

Professional fees for the month were \$3.0 as compared to budget of \$0.8, and \$0.4 in 2011. Legal fees related to the new facility project created the variance to budget. Year-to-date expenses were \$40.1 compared to budget of \$11.0 and \$4.0 last year. The increase in expenses is due to costs related to the development of the new website and \$34.4 of legal fees associated with the clubhouse project.

Maintenance

Expenses for October were \$4.6, as compared to budget of \$8.8 and \$2.1 last year. For the year-to-date, maintenance expenses were \$42.5 as compared to budget of \$65.4 and \$54.3 last year. The variance to budget is primarily the lower pier, clubhouse and grounds maintenance expenses.

Occupancy

Occupancy expenses were \$8.8 as compared to budget of \$7.3 and \$7.2 last year. For the year-to-date, occupancy expenses were \$75.0, as compared to budget of \$76.4 and \$76.4 last year.

Salary, Wages & Benefits

Total expenses were \$3.5 as compared to budget of \$7.8 and \$5.8 in 2011. The variance is due to higher wage expense for the executive secretary, \$2.8 as compared to budget of \$1.5, offset by not having \$4.3 of cost associated with the club manager. Year-to-date expenses were \$50.8 as compared to budget of \$64.5 and \$38.0 last year. 2012 does not include expense related to the club manager for July thru October and 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-to-date, interest expense was \$21.4 compared to budget of \$26.6. The variance to budget reflects the lower interest rate on the mortgage which was refinanced in February 2012.

Balance Sheet

Our cash position was \$310.0, an increase of \$31.0 as compared to December 31, 2011. Accounts receivable were \$29.3, up \$17.8 from December 31, 2011, but down \$24.5 from last month. Net inventories were \$14.7, consistent with December 31, 2011, but \$down \$2.1 from last month.

Construction in progress was \$21.0 at October 31, 2012. The account includes payments of \$3.4 for siding and doors on building one, \$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 \$26.3 at October 31, 2012, compared to \$42.6 at December 31, 2011 and \$35.2 last month.

Our mortgage with M&I Bank was \$544.6 at October 31, 2012.