

Lake Geneva Yacht Club

July 31, 2014 - Summary

(\$000's)

Income Statement		Month			Year-to-Date		
		Actual	Budget	Prior Year	Actual	Budget	Prior Year
Income							
Dues & Initiation Fees		\$ 36.4	\$ 38.8	\$ 37.2	\$ 282.8	\$ 269.3	\$ 265.7
Boat Storage		0.6	-	(0.9)	81.5	85.4	84.6
Resale		2.5	2.0	2.6	4.7	6.0	5.7
Other Income		-	-	0.3	4.0	3.4	3.4
Regatta		22.9	10.8	17.0	34.8	20.8	44.3
Lease		3.8	3.8	3.8	26.4	26.4	26.4
Food & Beverage		39.0	43.7	45.7	94.5	103.9	94.1
Total		\$ 105.2	\$ 99.1	\$ 105.7	\$ 528.7	\$ 515.2	\$ 524.2
Expense							
Food & Beverage		\$ 40.7	\$ 36.9	\$ 39.4	\$ 84.2	\$ 97.7	\$ 100.3
Regatta		13.3	6.6	11.0	20.2	12.6	28.5
Resale		1.6	1.1	2.1	3.3	3.3	4.4
General		1.8	3.2	3.0	27.6	29.9	30.0
Race Operations		7.5	4.7	5.6	17.3	25.5	18.7
Professional Fees		-	0.4	-	5.5	11.1	12.3
Maintenance		8.6	2.6	2.0	57.9	57.4	42.9
Occupancy		8.8	8.2	8.5	54.2	51.5	51.4
Salaries & Wages		7.1	7.1	6.4	47.4	53.1	49.9
Interest		1.5	1.5	1.8	10.8	10.5	13.1
Lease		3.6	3.6	3.6	25.3	25.3	25.4
Other Expense (income)		-	(0.1)	-	0.3	0.1	-
Total		94.5	75.8	83.4	354.0	378.0	376.9
Net Income		\$ 10.7	\$ 23.3	\$ 22.3	\$ 174.7	\$ 137.2	\$ 147.3
Balance Sheet							
		July 31,	December 31,	July 31,			
		2014	2013	2013			
Cash		\$ 515.3	\$ 409.0	\$ 369.2			
Accounts Receivable, net		84.4	13.0	106.8			
Inventory		29.1	28.0	34.0			
Other Current Assets		2.6	2.8	4.1			
PP&E		1,165.7	1,180.8	1,199.9			
Total		\$ 1,797.1	\$ 1,633.6	\$ 1,714.0			
Current Liabilities		\$ 54.4	\$ 39.7	\$ 58.8			
Mortgage		476.2	501.0	514.9			
Lease		722.9	724.0	724.7			
Equity		543.6	368.9	415.6			
Total		\$ 1,797.1	\$ 1,633.6	\$ 1,714.0			

Overview

For the month ended July 31, 2014, revenues were \$105.2 compared to budget of \$99.1 and prior year of \$105.7. Total expenses were \$94.5 vs. budget of \$75.8 and \$83.4 in the prior year. Net income for the month was \$10.7 compared to budget of \$23.3 and \$22.3 in 2013.

For the year-to-date, revenues were \$528.7 compared to budget of \$515.2 and prior year of \$524.2. Total expenses were \$354.0 vs. budget of \$378.0 and \$376.9 in the prior year. Net income for the year-to-date was \$174.7 compared to budget of \$137.2 and \$147.3 in 2013.

We have 233 members at July 31, 2014, up four from June. We are at budget and 13 ahead of where we started the year. We have experienced nice activity since June.

Revenue

Dues

July dues were \$36.3 as compared to budget of \$38.3 and \$36.7 last year. The variance to budget and last year reflects the prepayment of dues in January.

For the year-to-date, dues were \$279.8 as compared to budget of \$267.8 and \$263.7 last year. The variance reflects the prepayment of dues in January and the effect of the dues increase.

Initiation Fees

Initiation fees were \$0.0 for the month of July as compared to budget of \$0.5 and \$0.5 last year. For the year-to-date, initiation fees were \$3.0 as compared to budget of \$1.5 and \$2.0 in 2013.

Boat Storage

The year-to-date, boat storage revenue was \$81.5 as compared to budget of \$85.4 and \$84.6 last year. July storage revenue was \$0.6. We are storing fewer boats this year and did not have late fees on storage in 2014 as compared to \$1.8 in 2013.

Regatta Income

Revenue from the Spring E Regatta was \$11.9 as compared to budget of \$8.0 and \$11.0 last year. We had 35 boats participate in the regatta, which was five more than budget and six more than the 2013 event.

The GLSS Dinghyfest regatta was held July 7-10th. The event is a GLSS event, with LGYC providing a tent, race committee boats and drivers, and a few other very

minor items. We did not provide any food and beverage service for the event. Total revenues were \$2.6.

We hosted the ILYA E Invitational Regatta July 11-13. There were 31 boats in attendance, which was nine boats below the budgeted number. Revenues were \$12.0 as compared to budget of \$8.0. Sponsorship revenues received by the ILYA were passed through to LGYC to help support the event.

The ILYA M17 Championship regatta was held July 19-20, with 15 boats registered, as compared to budget of 25. Revenues were \$2.8.

LGYC hosted a PHRF regatta in July for local non-LGYC as well as LGYC members. It was a five race event with one race every Wednesday evening in July. The registration fee was \$100 for non-LGYC members and no charge to LGYC members. A total of 17 boats participated. While we had hoped for more boats, the event drove a good deal of activity on Wednesday evenings and seemed to be well received by the participants. Total revenue was \$5.4, which was primarily food and beverage.

Food & Beverage

Revenue was \$39.0 as compared budget of \$43.7 and \$45.7 last year. For the year-to-date, revenue was \$94.5 compared to budget of \$103.9 and \$94.1 last year. Our regular business was affected by the regattas, with two Fridays lost to "regular" club business on those two days.

Expenses

Food & Beverage

Expenses were \$40.7 for the month as compared to budget of \$36.9 and \$39.4 last year. Expenses were higher than budget, primarily in the labor costs as we struggled with getting wait times to a reasonable level. Food costs were also higher than budget as we attempted to deliver better quality to our members.

Year-to-date expenses were \$84.2 as compared to budget of \$97.7 and \$100.3 last year. Food costs were better than last year and below budget. Labor costs continue to be a challenge for us. Bar costs were favorable to budget for the year-to-date.

Gross profit from the F&B operation for the month was a \$1.7 loss as compared to budgeted profit of \$6.8 and profit of \$6.3 last year. For the year-to-date, gross profit was \$10.3 compared to budget of \$6.2 and a loss of \$6.2 in 2013.

Regatta Expenses

Regatta expenses for the E Spring Regatta were \$6.4 as compared to budget of \$6.0. On a fully allocated basis gross profit from the event was \$4.2 as compared to budget of \$1.7.

The GLSS Dinghyfest regatta expenses were \$1.3. On a fully allocated basis, gross profit was \$0.2 as compared to a budget of \$0.1.

The ILYA E Invitational regatta expenses were \$8.8 as compared to budget of \$5.0 11-13. On a fully allocated basis, gross profit was \$1.4 as compared to budget of \$0.4. The lower number of boats was offset by the additional contribution from the ILYA to help offset the cost of the event.

Expenses for the M17 Championship regatta were \$1.5. This event was not included in the annual budget since it was awarded to LGYC in early spring of 2014. On a fully allocated basis gross profit was \$0.6.

The PHRF regatta expenses consisted primarily of food and beverage costs. The event was also put together after the annual budget process, so it was not included therein. From an operations perspective, we planned a gross profit of \$2.1 with actual coming in at \$3.6. The event expenses did not include race committee boats and drivers, or charges for house usage since the event was run in conjunction with our regular Wednesday night racing program.

General Expenses

General expenses were \$1.8 for the month as compared to budget of \$3.2 and \$3.0 last year. None of the individual account variances were significant.

For the year-to date, general expense was \$27.6 compared to budget of \$29.9 and \$30.0 last year. The variance to budget includes higher insurance expense which was more than offset by lower entertainment expenses and membership expenses.

Race Operations

Race operation expenses for the month were \$7.5 compared to budget of \$4.7 and \$5.6 last year. The variance to budget is due to repair costs for the windlass on the flagship and engine repairs on boat 2 which were incurred in July.

Year-to-date expenses were \$17.3 as compared to budget of \$25.5 and \$18.7 last year. The variance to budget reflects budgeted expenses for the Flagship spring launch work which have not yet been billed and lower fuel costs and boat driver wages.

Professional Fees

Year-to-date professional fees were \$5.5 as compared to budget of \$11.1 and \$12.3 in 2013. We are favorable to budget primarily due to lower legal and computer consulting fees. We did not incur any professional fees in the month of July.

Maintenance

Expenses for July were \$8.6, as compared to budget of \$2.6 and \$2.0 last year. The variance to budget was due to the late receipt of an invoice for tree trimming which was performed in April.

Year-to-date expense was \$57.9 compared to budget of \$57.4 and \$42.9 last year. The variance to last year is primarily due to more extensive pier repairs and the painting of building 4 in 2014.

Occupancy

Occupancy expenses were \$8.8 as compared to budget of \$8.2 and \$8.5 last year. For the year-to-date, occupancy expense was \$54.2 compared to budget of \$51.5 and \$51.4 last year. Utility costs for the first four months of 2014 were higher due to the continued cold temperatures.

Salary, Wages & Benefits

Total expenses were \$7.1 as compared to budget of \$7.1 and \$6.4 in 2013. Year-to-date expense was \$47.4 compared to budget of \$53.1 and \$49.9 last year. Salaries and wages and related payroll taxes are favorable to budget, partially offset by higher workers compensation insurance expense.

Interest Expense

Interest expense was \$1.5 as compared to budget of \$1.5 for the month and \$1.8 in 2013. For the year-to-date, interest expense was \$10.8 compared to budget of \$10.5 and \$13.1 last year. The variance to last year reflects the lower interest rate on the mortgage and the reduced borrowings outstanding.

Balance Sheet

Our cash position was \$515.3 at July 31, 2014, an increase of \$5.9 compared to June 30, 2014 and an increase of \$106.3 as compared to December 31, 2013. Accounts receivable were \$84.4, a decrease of \$2.0 from last month. Net inventories were \$29.1, down \$0.9 as compared to last month but \$1.1 higher than December 31, 2013.

Construction in progress remains at \$17.6 at July 31, 2014. The balance 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 \$54.4 at July 31, 2014, compared to \$39.7 at December 31, 2013 and \$58.8 at July 31, 2013.

The mortgage balance at July 31, 2014 was \$476.2 as compared to \$501.0 at December 31, 2013 and \$514.9 last year.