

Lake Geneva Yacht Club
June 30, 2014 - Summary
(\$000's)

Income Statement		Month			Year-to-Date		
		Actual	Budget	Prior Year	Actual	Budget	Prior Year
Income							
Dues & Initiation Fees	\$ 49.3	\$ 38.8	\$ 41.0	\$ 246.5	\$ 230.5	\$ 228.5	
Boat Storage	17.7	31.5	31.5	80.9	85.4	85.5	
Resale	1.0	2.0	1.8	2.3	4.0	3.0	
Other Income	0.1	-	-	3.8	3.3	3.1	
Regatta	-	-	16.3	11.9	10.0	27.3	
Lease	3.8	3.8	3.8	22.7	22.7	22.7	
Food & Beverage	40.0	33.9	31.3	55.4	60.1	48.4	
Total	\$ 111.9	\$ 110.0	\$ 125.7	\$ 423.5	\$ 416.0	\$ 418.5	
Expense							
Food & Beverage	\$ 30.1	\$ 32.0	\$ 33.8	\$ 43.5	\$ 60.8	\$ 60.8	
Regatta	-	-	11.9	6.8	6.0	17.6	
Resale	0.9	1.1	1.3	1.7	2.2	2.3	
General	4.5	7.5	5.7	25.8	26.7	27.0	
Race Operations	5.0	5.3	4.1	9.8	20.8	13.1	
Professional Fees	-	0.4	2.3	5.5	10.7	12.3	
Maintenance	16.6	3.6	3.2	49.4	54.8	40.9	
Occupancy	8.6	8.8	8.3	45.4	43.3	42.8	
Salaries & Wages	7.2	7.1	9.0	40.4	46.0	43.5	
Interest	1.6	1.5	1.9	9.3	9.0	11.3	
Lease	3.6	3.6	3.6	21.7	21.7	21.8	
Other Expense (income)	-	-	0.2	0.2	-	-	
Total	78.1	70.9	85.3	259.5	302.0	293.4	
Net Income	\$ 33.8	\$ 39.1	\$ 40.4	\$ 164.0	\$ 114.0	\$ 125.1	
Balance Sheet							
	June 30,	December 31,	June 30,				
	2014	2013	2013				
Cash	\$ 509.1	\$ 409.0	\$ 360.3				
Accounts Receivable, net	86.2	13.0	98.9				
Inventory	31.7	28.0	32.0				
Other Current Assets	3.2	2.8	4.1				
PP&E	1,169.4	1,180.8	1,203.7				
Total	\$ 1,799.6	\$ 1,633.6	\$ 1,699.0				
Current Liabilities	\$ 63.9	\$ 39.7	\$ 62.5				
Mortgage	479.8	501.0	518.3				
Lease	723.0	724.0	724.9				
Equity	532.9	368.9	393.3				
Total	\$ 1,799.6	\$ 1,633.6	\$ 1,699.0				

Overview

For the month ended June 30, 2014, revenues were \$111.9 compared to budget of \$110.0 and prior year of \$125.7. Total expenses were \$78.1 vs. budget of \$70.9 and \$85.3 in the prior year. Net income for the month was \$33.8 compared to budget of \$39.1 and net income of \$40.4 in 2013.

For the year-to-date, revenues were \$423.5 compared to budget of \$416.0 and prior year of \$418.5. Total expenses were \$259.5 vs. budget of \$302.0 and \$293.4 in the prior year. Net income for the year-to-date was \$164.0 compared to budget of \$114.0 and \$125.1 in 2013.

We have 229 members at June 30, 2014, up 13 from May, representing the largest monthly change we have seen in many years. During June, we added six regular, three associate and five junior members and lost one honorary member. We are four below the budget of 233 members for 2014.

Revenue

Dues

June dues were \$47.8 as compared to budget of \$38.3 and \$40.5 last year. For the year-to-date, dues were \$243.5 as compared to budget of \$229.5 and \$227.0 last year. The variance to budget and last year reflects primarily the increased membership in June.

Initiation fees were \$1.5 for the month of June 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 \$1.0 and \$1.5 in 2013.

Boat Storage

Storage revenue in June was \$17.7, reflecting the billing for summer boat and trailer storage. The budget for the month was \$31.5. Summer boat and storage revenue for the month was \$13.8 unfavorable to budget, which more than offset the favorable variance of \$8.7 in May. There are some additional boats that will be billed in July, but we do in fact have lower storage numbers in the junior fleets.

For the year-to-date, boat storage revenue was \$80.9 as compared to budget of \$85.4 and \$85.5 last year. We do expect some further adjustments in July.

Regatta Income

Revenue from the Spring E Regatta in May was \$11.9 as compared to budget of \$10.0 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.

Food & Beverage

Revenue was \$40.0 as compared budget of \$33.9 and \$31.3 last year. Weather conditions were improved from May. Food and bar revenues from our base business were on budget. Revenues were enhanced in June by private parties, with the largest event being a special function for Holiday Home.

For the year-to-date, revenue was \$55.4 compared to budget of \$60.1 and \$48.4 in 2013. The shortfall from budget was due to the poor weather conditions in May, resulting in poor sailing conditions and cancelation of the Memorial Day party.

Expenses

Food & Beverage

Expenses were \$30.1 for the month as compared to budget of \$32.0 and \$33.8 last year. Expenses were slightly lower than budget and were generally in line with the lower revenue generated.

Year-to-date expenses were \$43.5 as compared to budget of \$60.8 and \$60.8 last year. The 2013 period included salary for the chef who was hired in April, and repair costs for the walk-in cooler. In 2014 we have not hired a chef and have not incurred and large repair costs in the F&B operation.

Gross profit from the F&B operation for the month \$9.9 as compared to budget of \$1.9 and a loss of \$2.5 in 2013. For the year-to-date, gross profit was \$11.9 compared to a budget loss of \$0.7 and a loss of \$12.4 in 2013. Gross profit in 2014 was helped significantly by the Holiday Home private party in June, which contributed approximately \$5.1 on a fully allocated basis.

Regatta Expenses

Regatta expenses for the E Spring Regatta were \$6.4 as compared to budget of \$6.0 and \$5.7 last year. On a fully allocated basis gross profit from the event was \$4.2 as compared to budget of \$1.7. (See separate schedule in the May financial package for fully allocated expenses and gross profit).

General Expenses

General expenses were \$4.5 for the month as compared to budget of \$7.5 and \$5.7 last year. The variance to budget related primarily to the payment of insurance expense that was budgeted in June but paid in May.

For the year-to date, general expense was \$25.8 compared to budget of \$26.7 and \$27.0 last year.

Race Operations

Race operation expenses for the month were \$5.0 compared to budget of \$5.3 and \$4.1 last year.

Year-to-date expenses were \$9.8 as compared to budget of \$20.8 and \$13.1 last year. The variance to budget reflects budgeted expenses for the Flagship of \$7.3 which have not yet been billed and lower wages for boat drivers who were not hired until later in the season than planned.

Professional Fees

Year-to-date professional fees were \$5.5 as compared to budget of \$10.7 and \$9.9 in 2013. We are favorable to budget primarily due to lower legal and computer consulting fees. We did not incur any professional fees in June.

Maintenance

Expenses for June were \$16.6, as compared to budget of \$3.6 and \$3.2 last year. Pier install expenses were billed in June (\$11.0), resulting in a \$11.0 favorable variance for the month. In addition, \$1.4 of costs related to the painting of building 4 were moved to expense in June.

Year-to-date expense was \$49.4 compared to budget of \$54.8 and \$40.9 last year. The variance to budget is primarily due to lower grounds expenses (\$6.7), storage building painting (\$1.5), as well as lower hoist repair costs (\$1.5) partially offset by higher pier expenses (\$3.7).

Occupancy

Occupancy expenses were \$8.6 as compared to budget of \$8.8 and \$8.3 last year. For the year-to-date, occupancy expense was \$45.4 compared to budget of \$43.3 and \$42.8 last year. Utility costs for the first four months of 2014 were higher due to the cold temperatures.

Salary, Wages & Benefits

Total expenses were \$7.2 as compared to budget of \$7.1 and \$9.0 in 2013. Year-to-date expense was \$40.4 compared to budget of \$46.0 and \$43.5 last year. Salaries and wages as well as related payroll taxes are favorable to budget, partially offset by higher workers compensation insurance expense.

Interest Expense

Interest expense was \$1.6 as compared to budget of \$1.5 for the month and \$1.9 in 2013. For the year-to-date, interest expense was \$9.3 compared to budget of \$9.0 and \$11.3 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 \$509.1 at June 30, 2014, an increase of \$7.6 compared to last month and \$100.1 as compared to December 31, 2013. Accounts receivable were \$86.2, an increase of \$32.9 from last month, reflecting the seasonal build of member accounts. Net inventories were \$31.7, up \$3.7 as compared to December 31, 2013, but down \$0.3 as compared to last year.

Construction in progress decreased \$9.3, to \$17.68 at June 30, 2014. The decrease relates to the transfer of the new sprinkling system to improvements following completion of the project. The remaining balance of CIP 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 \$63.9 at June 30, 2014, compared to \$39.7 at December 31, 2013 and \$62.5 at June 30, 2013, reflecting the start up of operations in May.

The mortgage balance at June 30, 2014 was \$479.8 as compared to \$501.0 at December 31, 2013 and \$518.3 last year.