

Lake Geneva Yacht Club

May 31, 2014 - Summary

(\$000's)

Income Statement		Month			Year-to-Date		
		Actual	Budget	Prior Year	Actual	Budget	Prior Year
Income							
Dues & Initiation Fees	\$ 36.9	\$ 38.8	\$ 37.4	\$ 197.2	\$ 191.8	\$ 187.5	
Boat Storage	46.9	53.9	52.9	63.3	53.9	54.0	
Resale	0.4	2.0	1.0	1.2	2.0	1.2	
Other Income	0.3	-	2.9	3.7	3.2	3.1	
Regatta	11.9	10.0	11.0	11.9	10.0	11.0	
Lease	3.8	3.8	3.8	18.9	18.9	18.8	
Food & Beverage	13.1	26.3	17.2	15.4	26.3	17.2	
Total	\$ 113.3	\$ 134.8	\$ 126.2	\$ 311.6	\$ 306.1	\$ 292.8	
Expense							
Food & Beverage	\$ 10.9	\$ 23.2	\$ 19.8	\$ 13.5	\$ 28.8	\$ 27.0	
Regatta	6.4	6.0	5.7	6.8	6.0	5.7	
Resale	0.2	1.1	0.9	0.8	1.1	1.0	
General	10.0	6.1	9.8	21.3	19.2	21.3	
Race Operations	4.4	4.3	7.7	4.8	15.5	9.0	
Professional Fees	1.2	1.9	0.1	5.5	10.3	9.9	
Maintenance	11.8	14.6	18.0	32.7	51.2	37.7	
Occupancy	7.1	7.1	7.0	36.8	34.6	34.5	
Salaries & Wages	5.9	7.1	7.3	33.2	38.9	34.4	
Interest	1.5	1.5	1.8	7.8	7.5	9.4	
Lease	3.6	3.6	3.6	18.1	18.1	18.2	
Other Expense (income)	0.1	-	0.2	0.1	-	-	
	63.1	76.5	81.9	181.4	231.2	208.1	
Net Income	\$ 50.2	\$ 58.3	\$ 44.3	\$ 130.2	\$ 74.9	\$ 84.7	
Balance Sheet							
	May 31, 2014	December 31, 2013	May 31, 2013				
Cash	\$ 502.0	\$ 409.0	\$ 378.2				
Accounts Receivable, net	53.2	13.0	47.3				
Inventory	30.7	28.0	27.8				
Other Current Assets	4.1	2.8	4.8				
PP&E	1,173.2	1,180.8	1,202.1				
Total	\$ 1,763.2	\$ 1,633.6	\$ 1,660.2				
Current Liabilities	\$ 57.6	\$ 39.7	\$ 60.7				
Mortgage	483.3	501.0	521.6				
Lease	723.2	724.0	725.0				
Equity	499.1	368.9	352.9				
Total	\$ 1,763.2	\$ 1,633.6	\$ 1,660.2				

Overview

For the month ended May 31, 2014, revenues were \$113.3 compared to budget of \$134.8 and prior year of \$126.2. Total expenses were \$63.1 vs. budget of \$76.5 and \$40.0 in the prior year. Net income for the month was \$50.2 compared to budget of \$58.3 and net income of \$44.3 in 2013.

For the year-to-date, revenues were \$311.6 compared to budget of \$306.1 and prior year of \$292.8. Total expenses were \$181.4 vs. budget of \$231.2 and \$208.1 in the prior year. Net income for the year-to-date was \$130.2 compared to budget of \$74.9 and \$84.7 in 2013.

We have 216 members at May 31, 2014, up one from April. We are 17 below the budget of 233 members for 2014. On a positive note, in June we added nine new members.

Revenue

Dues

May dues were \$36.9 as compared to budget of \$38.3 and \$36.9 last year. The variance to budget and last year reflects the prepayment of dues in January and the lower number of members.

For the year-to-date, dues were \$195.7 as compared to budget of \$191.3 and \$186.5 last year. The variance reflects the prepayment of dues in January and the effect of the dues increase, partially offset by the lower number of members.

Initiation fees were \$0.0 for the month of May as compared to budget of \$0.5 and \$0.5 last year. For the year-to-date, initiation fees were \$1.5 as compared to budget of \$0.5 and \$1.0 in 2013.

Boat Storage

Storage revenue in May was \$46.9, reflecting the initial billing for summer boat and trailer storage. The budget for the month was \$53.9, which included both boat and trailer storage (\$38.5) as well as boat slips (\$15.4). Summer boat and storage revenue is approximately \$8.7 favorable to budget. Boat slips were billed in April (\$15.9) due to the change in the slip regulations approved in April by the Board of Directors.

For the year-to-date, boat storage revenue was \$63.3 as compared to budget of \$53.9 and \$54.0 last year. We do expect some adjustments to the May storage revenue as some boats are removed from the property and others added.

Regatta Income

Revenue from the Spring E Regatta 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 \$13.1 as compared budget of \$26.3 and \$17.2 last year. Weather conditions were not favorable on several of our key dates in May, including Tuesdays and Fridays, with races cancelled. For the year-to-date, revenue was \$17.2 compared to budget of \$26.3.

Expenses

Food & Beverage

Expenses were \$10.9 for the month as compared to budget of \$23.2 and \$19.8 last year. Expenses were significantly lower than budget and were generally in line with the lower revenue generated. We did a good job of adjusting our expenses for the month in view of the lower volume of business.

Year-to-date expenses were \$13.5 as compared to budget of \$28.8 and \$27.0 last year. The 2014 year-to-date period includes a \$0.9 claim for overtime for one our chefs related to 2013. The 2013 period included salary for the chef who was hired in April, and repair costs for the walk-in cooler.

Gross profit from the F&B operation for the month \$2.2 as compared to budgeted loss of \$2.5 and a loss of \$9.8 in 2013. For the year-to-date, gross profit was \$1.9 compared to a budget loss of \$2.5 and a loss of \$9.8 in 2013.

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 \$10.0 for the month as compared to budget of \$6.1 and \$9.8 last year. The variance to budget related \$4.8 of insurance expense that was budgeted in June.

For the year-to date, general expense was \$21.3 compared to budget of \$19.2 and \$21.3 last year. The variance to budget reflects the insurance expense as noted above, partially offset by slightly lower expenses for entertainment, membership development and printing.

Race Operations

Race operation expenses for the month were \$4.4 compared to budget of \$4.3 and \$7.7 last year. In May we had \$3.3 of expenses related to boat 2, \$2.0 of which was budgeted in prior months. Wages were \$2.2 favorable to budget as drivers for both boats were not hired until June.

Year-to-date expenses were \$4.8 as compared to budget of \$15.5 and \$9.0 last year. The variance to budget reflects budgeted expenses for the Flagship of \$7.3 which have not yet been billed and the deferral of wages, as noted above, offset by higher costs incurred on boat 2.

Professional Fees

Professional fees for the month were \$1.2 compared to budget of \$1.9 and \$0.1 last year. The \$1.2 of expenses related to preparation of the 2013 tax return and were slightly favorable to the budget of \$1.5.

Year-to-date professional fees were \$5.5 as compared to budget of \$10.3 and \$9.9 in 2013. We are favorable to budget primarily due to lower legal and computer consulting fees.

Maintenance

Expenses for May were \$11.8, as compared to budget of \$14.6 and \$18.0 last year. Pier install expenses were not billed in May, resulting in a \$10.5 favorable variance for the month. This favorable variance was partially offset by \$5.6 of expenses related to the painting of building 4 which were budgeted in April as well as several other smaller variances for grounds, hoists and contract cleaning.

Year-to-date expense was \$32.7 compared to budget of \$51.2 and \$37.7 last year. The variance to budget is primarily due to the weather related delays in various work to be performed including grounds (\$5.9), piers (\$7.4) and storage building painting (\$2.4), as well as lower hoist repair costs (\$1.5), and lower clubhouse supplies (\$0.9).

Occupancy

Occupancy expenses were \$7.1 as compared to budget of \$7.1 and \$7.0 last year. For the year-to-date, occupancy expense was \$36.8 compared to budget of \$34.6 and \$34.5 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 \$5.9 as compared to budget of \$7.1 and \$7.3 in 2013. Year-to-date expense was \$33.2 compared to budget of \$38.9 and \$34.4 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 \$1.5 as compared to budget of \$1.5 for the month and \$1.8 in 2013. For the year-to-date, interest expense was \$7.8 compared to budget of \$7.5 and \$9.4 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 \$502.0 at May 31, 2014, an increase of \$27.3 compared to April 30, 2014 and \$93.0 as compared to December 31, 2013. Accounts receivable were \$53.2, an increase of \$27.4 from last month. Net inventories were \$30.7, up \$2.7 as compared to December 31, 2013 and \$2.9 as compared to last year.

Construction in progress increased \$4.6, to \$26.8 at May 31, 2014. The increase relates to the installation of the new sprinkling system. The remaining 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 \$57.6 at May 31, 2014, compared to \$39.7 at December 31, 2013 and \$60.7 at May 31, 2013, reflecting the start up of operations in May.

The mortgage balance at May 31, 2014 was \$483.3 as compared to \$501.0 at December 31, 2013 and \$521.6 last year.