

Lake Geneva Yacht Club							
October 31, 2014							
(\$000's)							
Income Statement							
	Month			Year-to-Date			
	Actual	Budget	Prior Year	Actual	Budget	Prior Year	
Income							
Dues & Initiation Fees	\$ 1.0	\$ -	\$ -	\$ 318.0	\$ 308.0	\$ 302.1	
Boat Storage	-	-	-	81.8	85.4	85.5	
Resale	-	-	0.1	7.3	10.0	10.8	
Other Income	0.1	-	1.8	5.2	3.5	5.0	
Regatta	4.5	-	2.1	39.3	20.8	111.4	
Lease	3.8	3.8	3.8	37.8	37.8	37.8	
Food & Beverage	-	6.0	7.8	134.8	162.0	160.3	
Total	\$ 9.4	\$ 9.8	\$ 15.6	\$ 624.2	\$ 627.5	\$ 712.9	
Expense							
Food & Beverage	\$ -	\$ 0.1	\$ 3.0	\$ 115.2	\$ 140.4	\$ 163.7	
Regatta	3.3	-	-	23.4	12.6	87.4	
Resale	-	-	-	5.1	5.5	7.4	
General	0.5	0.9	2.6	42.2	46.0	47.0	
Race Operations	1.1	2.0	1.0	38.8	37.8	32.4	
Professional Fees	3.0	0.4	-	10.6	13.8	12.3	
Maintenance	13.4	2.0	4.2	74.1	63.7	55.1	
Occupancy	7.0	7.1	7.6	84.6	77.9	77.4	
Salaries & Wages	5.9	7.1	5.2	67.0	74.4	66.7	
Interest	1.2	1.5	1.6	14.7	15.0	18.2	
Lease	3.6	3.6	3.6	36.1	36.2	36.3	
Other Expense (income)	-	(0.1)	-	(2.6)	(0.1)	0.5	
Total	39.0	24.6	28.8	509.2	523.2	604.4	
Net Income (loss)	\$ (29.6)	\$ (14.8)	\$ (13.2)	\$ 115.0	\$ 104.3	\$ 108.5	
Balance Sheet							
	October 31,	December 31,	October 31,				
	2014	2013	2013				
Cash	\$ 503.9	\$ 409.0	\$ 400.4				
Accounts Receivable, net	26.1	13.0	19.2				
Inventory	20.5	28.0	26.3				
Other Current Assets	2.6	2.8	4.0				
PP&E	1,154.4	1,180.8	1,188.5				
Total	\$ 1,707.5	\$ 1,633.6	\$ 1,638.4				
Current Liabilities	\$ 32.5	\$ 39.7	\$ 29.4				
Mortgage	468.7	501.0	508.0				
Lease	722.4	724.0	724.3				
Equity	483.9	368.9	376.7				
Total	\$ 1,707.5	\$ 1,633.6	\$ 1,638.4				

Overview

For the month ended October 31, 2014 revenues were \$9.4 compared to budget of \$9.8 and prior year of \$15.6. Total expenses were \$39.0 vs. budget of \$24.6 and \$28.8 in the prior year. Net loss for the month was \$29.6 compared to budget loss of \$14.8 and \$13.2 in 2013. Club operations effectively ceased at the end of August in preparation for the demolition of the clubhouse.

For the year-to-date, revenues were \$624.2 compared to budget of \$627.5 and prior year of \$712.9. Total expenses were \$509.2 vs. budget of \$523.2 and \$604.4 in the prior year. Net income for the year-to-date was \$115.0 compared to budget of \$104.3 and \$108.5 in 2013.

We have 233 members at October 31, 2014, which is up two from last month. We added two new regular members and one associate member. We had one associate member resignation during the month. We are six favorable to budget and 19 ahead of December 31, 2013.

Revenue

Dues

For the year-to-date, dues were \$313.5 as compared to budget of \$306.0 and \$300.1 last year. The variance to budget and last year reflects the increased membership levels and the dues increase implemented in 2014.

Initiation Fees

For the year-to-date, initiation fees were \$4.5 as compared to budget of \$2.0 and \$2.0 in 2013. We had \$1.0 of initiation fees in October.

Boat Storage

The year-to-date, boat storage revenue was \$81.8 as compared to budget of \$85.4 and \$85.5 last year. 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 in May 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 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.

The Melges24 fall regatta was hosted October 3-5. There were 18 boats in attendance. Revenues were \$4.1. Use of our facilities was extremely limited as a result of the clubhouse construction project. Pier 290 facilities as well as Williams Bay municipal were use for the event. The event was not included in the 2014 budget due the uncertainty of our ability to host the event due to the clubhouse project.

Food & Beverage

Revenue was \$0.0 as compared budget of \$6.0 and \$7.8 last year. Budget and last year amounts were the food & beverage minimums. The minimums were billed in September in 2014 since service stopped at the end of August.

For the year-to-date, revenue was \$134.8 compared to budget of \$162.0 and \$160.3 last year.

Expenses

Food & Beverage

Year-to-date expenses were \$115.2 as compared to budget of \$140.4 and \$163.7. For the year-to-date, gross profit was \$19.6 compared to budget of \$21.6 and a loss of \$3.4 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.

The Melges24 fall regatta expenses were \$3.5, substantially all of which was catered food costs. Other regatta expenses were \$0.4. Profit on the event was \$1.0.

General Expenses

General expenses were \$0.5 for the month as compared to budget of \$0.9 and \$2.6 last year. For the year-to date, general expense was \$42.2 compared to budget of \$46.0 and \$47.0 last year. The variance to budget includes higher insurance expense which was more than offset by lower entertainment and membership development expenses.

Race Operations

Race operation expenses for the month were \$1.1 compared to budget of \$2.0 and \$1.0 last year. Year-to-date expenses were \$38.8 as compared to budget of \$37.8 and \$32.4 last year.

Professional Fees

Year-to-date professional fees were \$10.6 as compared to budget of \$13.8 and \$12.3 in 2013. We are favorable to budget primarily due to lower legal and computer consulting fees. We incurred any professional fees of \$3.0 in the month of October for environmental consulting related to the underground fuel storage tanks. The tanks were removed in 1989. Phase 1 environmental studies were performed in September at the request of our bank in connection with the financing for the new facility. Testing was performed in October to determine the extent, if any, of soil and ground water contamination.

Maintenance

Expenses for October were \$13.4, as compared to budget of \$2.0 and \$4.2 last year. Expenses of \$10.5 were incurred in October for the dredging project which was approved by the Board of Directors in August. The project was not budgeted.

Year-to-date expense was \$74.1 compared to budget of \$63.7 and \$55.1 last year. The variance to last year is primarily due to more extensive pier repairs and the painting of building 4 in 2014. The variance to budget is primarily the dredging project note above.

Occupancy

Occupancy expenses were \$7.0 as compared to budget of \$7.1 and \$7.6 last year. For the year-to-date, occupancy expense was \$84.6 compared to budget of \$77.9 and \$77.4 last year. The variance to budget included \$5.2 of move related costs, of which \$2.5 was budgeted.

Salary, Wages & Benefits

Total expenses were \$5.9 as compared to budget of \$7.1 and \$5.2 in 2013. Year-to-date expense was \$67.0 compared to budget of \$74.4 and \$66.7 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 \$1.2 as compared to budget of \$1.5 for the month and \$1.6 in 2013. For the year-to-date, interest expense was \$14.7 compared to budget of \$15.0 and \$18.2 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 \$503.9 at October 31, 2014, a decrease of \$21.1 compared to September 30, 2014 and an increase of \$103.5 as compared to December 31, 2013. Accounts receivable were \$26.1, a decrease of \$15.0 from last month. Net inventories were \$20.5, unchanged from last month and \$7.5 lower than December 31, 2013.

Construction in progress remains at \$17.6 at October 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 \$37.3 at October 31, 2014, compared to \$39.7 at December 31, 2013 and \$29.4 at October 31, 2013.

The mortgage balance at October 31, 2014 was \$468.7 as compared to \$501.0 at December 31, 2013 and \$508.0 last year.