



August '23 Client Report

To: Toney Tomaso, President LFCC
From: Rob Walls, General Manager
CC: Board of Directors, Morgan Gonzales (KS)
Re: Lincolnshire Fields Country Club

Overview:

August was a solid financial month at the club with revenues outpacing the budget and payroll savings offsetting higher expenses. This led to a roughly \$10k EBITDA gain versus budget. The club finished with an EBITDA of (\$2,251) versus a budget of (\$11,956).

Lincolnshire Fields
 Standard Summary Income Statement
 For the Ten Months Ending August 31, 2023

Actual	MTD Budget	% of Budget	MTD Prior Year	% of PY	Actual	YTD Budget	% of Budget	YTD Prior Year	% of PY	Annual Budget	Rolling 12 Months
REVENUES											
34,595	40,825	85%	28,710	120%	195,738	211,109	93%	173,731	113%	269,094	259,004
18,742	17,500	107%	18,433	114%	132,823	136,100	98%	126,654	109%	187,100	192,724
110	10	1100%	669	16%	1,737	50	3475%	3,988	4%	50	4,948
0	20	0%	0	0%	0	100	0%	20	0%	120	0
120,547	96,425	125%	78,758	152%	923,238	743,311	111%	684,040	120%	874,279	946,046
0	0	0%	0	0%	60	0	0%	0	0%	0	60
167,827	167,254	100%	155,387	108%	1,587,511	1,577,114	101%	1,443,387	109%	1,904,715	1,895,423
9,000	0	0%	4,000	225%	153,050	96,000	159%	87,600	179%	96,000	123,197
(2,815)	5,592	-50%	0	0%	(100,000)	(45,975)	219%	0	0%	(34,082)	(100,893)
2,282	2,300	99%	1,908	119%	29,079	22,600	129%	22,347	116%	22,850	29,251
463	(100)	-463%	(143)	-322%	5,707	(1,000)	-571%	242	235%	(1,200)	9,093
350,731	329,826	106%	285,270	123%	2,825,341	2,738,409	103%	2,642,509	111%	3,317,406	3,368,243
COST OF SALES											
14,908	13,475	111%	13,757	108%	104,712	103,891	101%	87,756	107%	143,231	153,275
54,117	35,853	151%	34,312	158%	316,894	278,232	114%	245,540	129%	327,148	363,176
69,025	49,328	140%	48,069	144%	421,606	381,923	110%	343,296	123%	470,379	516,452
79.8%	77.0%	103.3%	83.7%	95.0%	78.8%	76.8%	102.7%	77.2%	102.1%	76.6%	93.8%
44.9%	37.2%	120.7%	43.6%	103.0%	39.7%	37.4%	106.2%	37.4%	106.2%	37.4%	93.7%
PAYROLL											
53,047	65,535	81%	54,018	98%	414,868	468,828	88%	388,769	107%	597,776	594,584
11,890	18,932	63%	11,335	105%	103,817	131,288	79%	99,828	104%	153,753	130,578
62,403	61,443	102%	63,424	98%	582,831	524,672	111%	517,520	111%	628,867	687,534
11,803	11,852	100%	9,330	128%	74,845	60,989	123%	54,071	138%	66,913	80,385
18,289	21,444	85%	17,253	112%	217,381	186,743	116%	173,875	125%	234,926	247,856
168,830	178,956	89%	165,381	102%	1,393,843	1,402,320	99%	1,233,884	113%	1,682,234	1,641,345
OPERATING EXPENSES											
43,249	38,574	112%	34,741	124%	219,826	268,750	82%	249,953	89%	317,498	276,653
1,594	2,205	72%	1,731	145%	8,468	15,782	54%	10,828	77%	20,192	11,928
1,632	1,350	121%	1,516	108%	14,554	8,400	173%	7,778	187%	11,100	18,236
20,337	12,753	159%	17,818	114%	128,522	100,369	128%	108,618	118%	123,474	153,034
1,810	3,800	48%	2,657	68%	28,736	24,265	119%	27,206	106%	23,465	29,146
56,087	54,718	103%	56,789	99%	535,079	517,147	103%	485,823	110%	621,530	670,312
126,427	113,498	111%	115,233	109%	934,183	935,733	100%	900,072	104%	1,123,279	1,168,709
352,982	341,781	103%	318,662	111%	2,748,631	2,719,976	101%	2,477,262	111%	3,275,892	3,316,506
(2,251)	(11,956)	19%	(2,942)	77%	75,710	18,433	411%	65,267	116%	41,614	41,737
FINANCING ACTIVITY											
(5,557)	(7,900)	70%	(1,284)	433%	(64,252)	(79,000)	81%	(44,308)	145%	(94,800)	(66,897)
(5,327)	(1,875)	284%	(1,602)	332%	(11,772)	(16,750)	70%	(15,470)	76%	(20,100)	(17,346)
918	0	0%	178	510%	6,337	0	0%	1,182	530%	0	6,611
(9,966)	(9,675)	104%	(2,708)	368%	(69,687)	(95,750)	73%	(68,596)	119%	(114,900)	(77,633)
OTHER INCOME (EXPENSE)											
54,158	49,000	111%	50,439	107%	514,458	490,000	105%	475,739	109%	588,000	614,249
1,594	1,000	159%	0	0%	6,530	4,208	155%	0	0%	5,208	6,530
(250)	0	0%	0	0%	144,525	0	0%	0	0%	0	144,525
(37,400)	(34,482)	108%	(34,065)	110%	(336,580)	(344,920)	98%	(340,948)	99%	(413,304)	(410,032)
0	0	0%	0	0%	20,712	0	0%	6,670	311%	0	20,712
0	0	0%	0	0%	(14,127)	0	0%	(5,759)	245%	0	(23,333)
18,101	16,508	110%	16,344	111%	335,516	149,288	225%	135,706	247%	180,304	352,650
5,885	(6,023)	-98%	(19,306)	-30%	341,537	71,972	475%	142,368	240%	106,919	316,755
510	325	157%	350	146%	1,081	1,931	56%	1,347	81%	2,306	1,432
2,024	2,000	101%	1,925	105%	9,368	10,150	92%	9,215	102%	12,600	11,780
0	0	0%	0	0%	3	0	0%	265	1%	0	3
2,534	2,325	109%	2,275	111%	10,462	12,081	87%	10,945	96%	14,906	13,215
688	1,015	68%	816	84%	2,580	1,418	182%	1,888	133%	1,439	245,021
138	142	98%	110	116%	270	227	119%	234	115%	223	243,011
88	82	106%	82	106%	179	109	164%	123	146%	116	2,018
14	18	78%	13	108%	19	17	107%	16	117%	18	368
48	41	115%	35	137%	79	62	128%	63	125%	59	82,144
7	8	88%	7	102%	13	11	118%	12	109%	13	3,953

Financial Performance:

Revenues:

August revenues finished at \$350.8k, outpacing the budget by \$20.8k and the prior year by \$65k.

The dues line contributed \$167.8k, roughly \$600 ahead of the budget. This was the second consecutive month the dues line has outpaced the budget, and we expect this to continue through the end of the fiscal year. Through 10 months, dues sit \$10k above budget at \$1.59M. Membership slowed continued their strong pace in August with three total memberships sold for

\$9,000 in initiation fees. The club has added 61 new members this year and collected \$153,050 in initiation fees. This surpasses the record of \$112,600 from 2021.

Food & Beverage revenues continued their strong trend, finishing the month at \$120.5k versus a budget of \$96.4k and a prior year of \$78.8k. The weather in August was favorable with warm temperatures and modest rain. Traffic at the pool facility slowed during the middle of the month as school started. We decided to open Stingrays in the afternoons only due to limited staffing, but we were open fully on weekends. We continue to see private member event bookings of the new dining space. Wedding showers, baby showers, birthday parties, and even a few fantasy football drafts!

The course saw 2,534 total rounds in August, up 11% versus the 2,275 rounds in 2022. After challenging Matt last month regarding rounds of golf tracking, we saw rounds jump ahead of the prior year for the first time this summer. Rounds are now down roughly 3% for the year. Greens fees missed budget targets by \$5.5k, finishing the month at \$9,073 on a budget of \$14.6k. There were no golf outings in August. Greens fees have continued to trend below budget but are consistent with the prior year. Cart fees finished the month just short of budget at \$25.5k versus a budget of \$26.2k.

Merchandise sales picked up again in August. The total merchandise concession was \$18.7k against a budget of \$17.5k. Merchandise sales are now pacing behind budget by \$2.2k (2%). Special orders are the main culprit as we have lost momentum through fitting day events. Out-of-inventory sales continue to trend well during a solid membership year, and we have a nice inventory assortment heading into credit book season.

Payroll:

Payroll finished 11% under budget at \$158.5k. Course & Grounds, Golf, and Administration provided savings, while Aquatics and Food & Beverage finished the month slightly over budget.

Course & Grounds operated significantly under budget with a payroll of \$53k against a projected \$65.5k. This will be the last month of significant savings in Grounds as it was the final month in which Scott Werner's salary was budgeted. Paul is feeling about his staffing position heading into the fall. We had a few staff go back to school in September, but we were able to hire two fall staffers to fill the gaps.

Golf payroll finished the month at \$11.9k versus a budget of \$18.7k. Our seasonal staff went back to school mid-month and fall sports started. Savings should continue in September. Matt and his staff have now operated \$27.4k under budget for the fiscal year.

Food & Beverage finished the month slightly over budget again in August. The department finished at \$62.4k versus a budget of \$61.4k. We continued to be busy in all areas of the operation in August. We limited the hours of operation at Stingrays to evenings during the week. Staffing was limited mid-month as staff went back to school, but we have hired several new servers as we approach Labor Day. The kitchen has remained fully staffed.

Aquatics came in over budget, but payroll was much improved versus prior months, finishing over budget by \$900. We operated with full staffing through the middle of the month, but we struggled with coverage in the latter half of August. Lifeguard staff has been increasingly difficult to maintain later into the summer. We are exploring all options to close this season and for the future.

Through ten months, total payroll is at \$1,394k on a budget of \$1,402k.

Expenses:

August OPEX ended at \$125.4k versus a budget of \$113.5k.

For the first time this season, Grounds finished the month over budget. Paul used his chemical and fertilizer budget fully in August as we dealt with hot, humid conditions. There were overages in fuel and equipment maintenance and repair. We had a rough mower that went down in the middle of the month and needed some engine work. Paul has saved a significant amount (\$49k) this season. We are budgeted to allow him additional expenses in 2024.

The main overages versus budget related to repair and maintenance of equipment, supplies, and water and electrical utilities. Supplies in food & beverage and for cleaning in the Clubhouse continue to run well over budget. Utilities ran well over budget for the first time this season as temperatures climbed.

The Cost of Goods in Golf was 79.54% on a budget of 77.0%. The Shop is full of inventory, and we anticipate strong sales to continue. Pricing is fixed and there is little room to make up margin at this point in the season. We will run a Labor Day sale and should expect to see slightly elevated cost of goods in September as well.

Food COGS% was 51.46% on a budget of 41.63%. Our main food provider, Gordon Food Services, informed us we had several missed invoices dating back to April. The total was close to \$6,000. These missing invoices were entered as a lump sum into August purchases and drove the cost of goods up from 42%. Inventory did drop by close to \$4.5k for the month as we head into a slower season.

Bar COGS% finished the month at 36.28% against a budget of 31.00%. We ran some bucket specials at steep discounts toward the end of the month in anticipation of the end of season. The bar inventory dropped by \$5.6k from July to August.

Summary:

The club finished the month 6% above revenue targets and saw \$20k in payroll savings. Operating expenses finished the month 11% over budget and cost of goods numbers were poor. The club finished \$9.7k ahead of the budgeted EBITDA at (\$2,251). The club is still positioned well for the fiscal year. We are now sitting with an EBITDA of \$71,710 versus a budget of \$18,433.

September will be another busy month at LFCC. We will host a pool party on Labor Day and the Harvest Beer Festival mid-month. Illinois football season is starting so things will slow down on the weekends. The course will be fully available in September prior to starting our bunker renovation project in October. It has been great to see the support of the membership this season.

Key Performance Highlights:

- Total revenues of \$350,731 on budget of \$329,826 and prior year of \$285,720.
- Dues finished at \$167,827 on a budget of \$167,254.
 - The monthly dues line is currently \$12.4k higher than the prior year.
 - There were 3 membership additions in August.
- Payroll was under budget by \$20.4k in August.
 - Food & Beverage operated \$1k over budget despite significant revenue increases.
 - Aquatics over budget by roughly \$1k.
 - Lifeguards were fully on duty through mid-August. We were much more limited as the month continued.
 - Golf finished the month under budget by \$6.8k.
 - Staff went back to school in August and fall sports started.
 - Course & Grounds saw significant payroll savings (\$12.5K).
 - The department is fully staffed after some anticipated shortages mid-month.
 - This should be the last month of significant savings as Scott Werner's salary will no longer be budgeted.
- OPEX finished at \$125,427 versus a budget of \$113,498.
 - No savings in chemicals/fertilizer for the first time all season.
 - Expensive repair/maintenance in Grounds for a rough mower and several other pieces of equipment.
 - Supplies for Food & Beverage and daily cleaning continue to have increased in cost.
 - Gas, water, and electrical utilities all higher than budgeted.
- COGS numbers in golf were 79.54%. Food COGS finished at 51.46% on a budget of 41.63%. Bar COGS finished at 36.28% versus a budget of 31.0%.
 - Food COGS elevated due to missed invoice payment totaling roughly \$6k and dating back to April.
 - Bar COGS slightly elevated as we ran inventory closeout specials in anticipation of a closed Stingrays.
 - Food & Beverage inventory levels were decreased by \$10.1k in August.

Key Performance Issues:

- August was another great weather month which meant golf and pool season was in full swing.
 - The golf course has been in great condition all season. It has played drier this year than in years past.
- Food & Beverage experienced some short staffing as students went back to school.
 - Hours of operation were adjusted at Stingrays to evenings only during the week.
 - We hired several new servers and are back to fully staffed.
- Golf lost several season staffers to school/fall sports.
 - This was anticipated and we have hired some college students to help us finish out the fall.
- Aquatics staffing has proved difficult. Lifeguard staff went from 28 guards to three available guards. We will staff for Labor Day but will not have staff available in September.

Key Actions to Drive Performance:

- We have hosted more events in the new space with rave reviews.
- Stingrays will be open through Labor Day, but we will close in September.
 - The pool will remain open through the last weekend of the month.
 - Lifeguards will not be on duty.
- Fall League and Nine & Dines are on the calendar for September.
 - We will not host any tournaments and have postponed aerification by a couple weeks to allow the membership to utilize the golf course prior to the bunker renovation starting in October.
- The new website is fully launched and the member app is updated.
 - We are exploring ways to enhance the membership APP for 2024.
- Golf course bunker renovation is scheduled for early October start.

Membership Update:

Current Membership Numbers: 460 Total

Equity	174
Junior	108
Under 35	44
35-37	38
38-39	21
Social	115
Honorary	40
Honorary Social	2
Dining	12
Non-Resident	9

Membership Additions – We are budgeted for 48 membership additions in 2023. We have added 61 memberships with 3 additions in August.

Membership Attrition – We have seen an attrition of 34 on a budget of 41 for the fiscal year.

RESIGNED MEMBERS	MEMBERSHIP TYPE	OFF THE SYSTEM	REMARKS
ANDY WEBB	JUNIOR	12/25/2022	NOT ENOUGH USAGE
STEVE GILBERTZ	EQUITY	12/25/2022	DECEASED
MARK PELOFAS	SOCIAL	12/25/2022	NOT ENOUGH USAGE
CHAD HEMMING	SOCIAL	12/25/2022	NOT ENOUGH USAGE
TRAVIS LANGAN	JUNIOR	1/25/2023	MOVING OUT OF STATE
RYAN HURTH	JUNIOR	1/25/2023	NOT ENOUGH USAGE
SCOTT CLINE	SOCIAL	1/25/2023	FINANCIAL

MAX STUTSMAN	JUNIOR	1/25/2023	NOT ENOUGH USAGE
LAVERNE McFADDEN	HONORARY	1/25/2022	MOVING OUT OF STATE
JIM SCOTT	EQUITY	1/25/2023	DECEASED
AJ WOODYARD	JUNIOR	1/25/2023	PERSONAL CIRCUMSTANCES
LORI BRIAN	SOCIAL	2/25/2023	NO REASON GIVEN
BENJAMIN DAVIS	SOCIAL	2/25/2023	NOT ENOUGH USAGE
BOB TODD	HONORARY	2/25/2023	MOVING
DENNIS DONALDSON	DINING	3/25/2023	NOT ENOUGH USAGE
JASON HOLDREN	JUNIOR	3/25/2023	FINANCIAL
KAYLA ACREE	JUNIOR	3/25/2023	NO REASON GIVEN
TRENT KRAMER	SOCIAL	3/25/2023	JOINED CCC
LINDA CHICZEWSKI	SOCIAL	3/25/2023	NOT ENOUGH USAGE
ROBB CRADDOCK	SOCIAL	4/25/2023	CHILDREN OLDER / NOT ENOUGH USAGE
FALONN MAIER	JUNIOR	4/25/2023	NO REASON GIVEN
CHRISTINA FRYE	SOCIAL	5/25/2023	MARRIED CURRENT MEMBER
JENNIFER SCHMIDT	EQUITY	6/25/2023	MOVING
MAHER AHMAD	SOCIAL	6/25/2023	MOVING
VALERIE SWAIN	JUNIOR	6/25/2023	FINANCIAL
JACKIE SCHWEIGHART	SOCIAL	6/25/2023	NO REASON GIVEN
JOSH HEHN	EQUITY	7/25/2023	NOT ENOUGH USAGE
AMANDA BECKLER	SOCIAL	7/25/2023	MOVING
MARK ROHRIG	SOCIAL	7/25/2023	NEW HOUSE ACROSS TOWN
DAN GAMBILL	EQUITY	9/25/2023	NOT ENOUGH USAGE
JIEKUN HUANG	DINING	9/25/2023	PERSONAL REASONS
NATALIE MILLER	SOCIAL	10/25/2023	NOT ENOUGH USAGE
BILL ARMSTRONG	EQUITY	10/25/2023	MOVING – WIFE HAS NEW POSITION
MAGGIE EVANS	SOCIAL	10/25/2023	MOVED TO NEW HOUSE
CHERYL MAXWELL	SOCIAL	10/25/2023	NOT ENOUGH USAGE
SCOTT MARTIN	HONORARY	11/25/2023	MOVING TO TEXAS PERMANENTLY
ED RIESBERG	SOCIAL	11/25/2023	BUSY SCHEDULE – UNABLE TO USE CLUB