

**To:** Todd Mayfield, President LFCC  
**From:** Rob Walls, General Manager  
**CC:** Board of Directors, Jon Cheshire (KS)  
**Re:** Lincolnshire Fields Country Club

**Overview:**

December was a solid operating month at LFCC. Revenues slightly exceeded budget expectations, and payroll provided notable savings. While operating expenses were elevated, the club surpassed its EBITDA target, providing a solid financial foundation early in the fiscal year. The club finished \$18.3k ahead of budget with an EBITDA of \$58.6k

Lincolnshire Fields  
 Standard Summary Income Statement  
 For the Two Months Ending Tuesday, December 31, 2024

MTD Actual	MTD Budget	% of Budget	MTD Prior Year	% of PY		YTD Actual	YTD Budget	% of Budget	YTD Prior Year	% of PY	Annual Budget	Rolling 12 Months
<b>REVENUES</b>												
\$115	\$970	11.9%	\$746	15.4%	Green Fees & Cart Fees	\$3,659	\$3,565	102.6%	\$3,368	108.8%	\$283,538	\$286,749
1,721	5,300	32.5%	6,406	26.9%	Merchandise	3,737	7,700	48.5%	7,846	47.8%	192,050	194,670
143	0	0.0%	83	172.3%	Other Pro Shop	625	0	0.0%	231	270.6%	0	4,458
98,843	92,800	106.5%	112,993	87.5%	Food and Beverage	151,979	151,840	100.1%	165,551	91.8%	1,180,615	1,124,354
186,893	186,210	100.4%	168,566	110.9%	Membership Dues	377,710	375,336	100.6%	336,384	112.3%	2,363,120	2,299,042
4,750	0	0.0%	6,054	78.5%	Initiation Fees	7,750	0	0.0%	6,104	127.0%	161,500	155,296
525	5,064	10.4%	0	0.0%	Deferred IFee Rev Adj	2,799	10,128	27.6%	5,942	47.1%	(89,617)	(74,854)
0	0	0.0%	0	0.0%	Other Operating Revenues	0	0	0.0%	0	0.0%	31,500	35,686
2,416	(100)	(2416.3%)	2,136	113.1%	Other G&A Income	3,792	(200)	(1896.2%)	3,279	115.7%	(1,950)	16,354
<b>295,406</b>	<b>290,244</b>	<b>101.8%</b>	<b>296,985</b>	<b>99.5%</b>	<b>TOTAL REVENUE</b>	<b>552,050</b>	<b>548,369</b>	<b>100.7%</b>	<b>528,704</b>	<b>104.4%</b>	<b>4,120,755</b>	<b>4,041,756</b>
<b>COST OF SALES</b>												
1,496	4,134	36.2%	5,418	27.6%	Merchandise	3,665	6,006	61.0%	7,902	46.4%	144,906	152,262
28,734	32,964	87.2%	31,171	92.2%	Food & Beverage	50,224	54,902	91.5%	55,439	90.6%	429,014	392,651
<b>30,230</b>	<b>37,098</b>	<b>81.5%</b>	<b>36,589</b>	<b>82.6%</b>	<b>TOTAL COGS</b>	<b>53,888</b>	<b>60,908</b>	<b>88.5%</b>	<b>63,340</b>	<b>85.1%</b>	<b>573,920</b>	<b>544,913</b>
<b>87.0%</b>	<b>78.0%</b>	<b>111.5%</b>	<b>84.6%</b>	<b>102.8%</b>	<b>COGS - Merchandise %</b>	<b>98.1%</b>	<b>78.0%</b>	<b>125.8%</b>	<b>100.7%</b>	<b>97.4%</b>	<b>75.5%</b>	<b>962.0%</b>
<b>37.2%</b>	<b>37.1%</b>	<b>100.3%</b>	<b>33.7%</b>	<b>110.4%</b>	<b>COGS - Food %</b>	<b>38.6%</b>	<b>37.1%</b>	<b>104.0%</b>	<b>37.7%</b>	<b>102.4%</b>	<b>36.5%</b>	<b>444.4%</b>
<b>PAYROLL</b>												
26,270	40,987	64.1%	28,773	91.3%	Course and Grounds	67,263	81,163	82.9%	78,472	85.7%	623,419	558,221
10,968	12,950	84.7%	9,110	120.4%	Pro Shop	23,095	25,817	89.5%	17,813	129.7%	210,403	178,717
61,323	60,168	101.9%	55,397	110.7%	Food and Beverage	123,317	123,971	99.5%	112,920	109.2%	848,498	798,630
591	0	0.0%	46	1286.6%	Other Operating Departments	2,998	0	0.0%	(1,037)	(289.0%)	118,250	98,982
21,383	21,430	99.8%	19,720	108.4%	General and Administrative	43,998	45,178	97.4%	43,469	101.2%	298,316	277,423
<b>120,534</b>	<b>135,536</b>	<b>88.9%</b>	<b>113,046</b>	<b>106.6%</b>	<b>TOTAL PAYROLL</b>	<b>260,670</b>	<b>276,130</b>	<b>94.4%</b>	<b>251,636</b>	<b>103.6%</b>	<b>2,098,887</b>	<b>1,911,973</b>
<b>OPERATING EXPENSES</b>												
9,227	5,612	164.4%	8,812	104.7%	Course and Grounds	16,958	17,274	98.2%	20,908	81.1%	287,374	269,507
2,502	2,502	100.0%	2,502	100.0%	Carts, Range, Starters, Etc.	5,005	5,004	100.0%	5,005	100.0%	33,674	30,027
143	450	31.8%	999	14.3%	Pro Shop	1,253	1,170	107.1%	2,253	55.6%	16,170	17,305
12,287	14,285	86.0%	13,407	91.6%	Food and Beverage	26,793	29,070	92.2%	30,024	89.2%	193,410	201,789
79	57	138.0%	60	132.3%	Other Operating Departments	156	132	118.2%	901	17.3%	41,067	41,497
61,807	54,359	113.7%	51,107	120.9%	General and Administrative	118,599	105,159	112.8%	98,269	120.7%	786,694	802,589
<b>86,045</b>	<b>77,265</b>	<b>111.4%</b>	<b>76,888</b>	<b>111.9%</b>	<b>TOTAL OPERATING EXPENSES</b>	<b>168,764</b>	<b>157,809</b>	<b>106.9%</b>	<b>157,360</b>	<b>107.2%</b>	<b>1,358,389</b>	<b>1,362,715</b>
<b>236,810</b>	<b>249,898</b>	<b>94.8%</b>	<b>226,523</b>	<b>104.5%</b>	<b>TOTAL EXPENSES</b>	<b>483,322</b>	<b>494,847</b>	<b>97.7%</b>	<b>472,336</b>	<b>102.3%</b>	<b>4,031,196</b>	<b>3,819,602</b>
<b>58,596</b>	<b>40,346</b>	<b>145.2%</b>	<b>70,462</b>	<b>83.2%</b>	<b>EBITDA</b>	<b>68,729</b>	<b>53,522</b>	<b>128.4%</b>	<b>56,368</b>	<b>121.9%</b>	<b>89,560</b>	<b>222,154</b>
<b>FINANCING ACITIVITY</b>												
(12,906)	(10,032)	128.7%	(5,667)	227.7%	Interest Expense - Debt	(34,285)	(20,064)	170.9%	(13,295)	257.9%	(120,384)	(135,700)
(4,085)	(4,800)	85.1%	(1,053)	387.8%	Interest Expense - Leases	(8,248)	(9,600)	85.9%	(9,712)	84.9%	(57,600)	(51,497)
1,953	1,275	153.1%	948	205.9%	Interest Income	3,975	2,575	154.4%	1,890	210.3%	13,725	17,087
<b>(15,039)</b>	<b>(13,557)</b>	<b>110.9%</b>	<b>(5,772)</b>	<b>260.6%</b>	<b>TOTAL FINANCING ACTIVITY</b>	<b>(38,558)</b>	<b>(27,089)</b>	<b>142.3%</b>	<b>(21,116)</b>	<b>182.6%</b>	<b>(164,259)</b>	<b>(170,110)</b>
<b>OTHER INCOME (EXPENSE)</b>												
53,491	54,500	98.1%	54,394	98.3%	Dues - Capital Improvement	109,221	109,000	100.2%	108,995	100.2%	654,000	668,613
3,450	3,200	107.8%	1,833	188.2%	Initiation Fees - Capital Improvement	6,851	6,400	107.0%	3,605	190.0%	38,400	35,135
1,800	0	0.0%	2,925	61.5%	Operating Assessments	1,800	0	0.0%	4,175	43.1%	0	130,675
(47,589)	(39,000)	122.0%	(37,335)	127.5%	Depreciation & Amortization	(95,398)	(78,000)	122.3%	(74,671)	127.8%	(468,000)	(503,278)

**Financial Performance:**
**Revenues:**

December revenues totaled \$295.4k, surpassing the budget of \$290.2k and closely aligned with the prior year's performance of \$297k.

Dues remained robust, contributing \$186.9k, slightly ahead of budget and up 11% compared to the prior year. There were 5 new membership sales in December with nine membership resignations in December which is in line with budgeted attrition.

We have seen more resignations this offseason versus the prior year. Some resignations are related to lack of usage or financial reasons. There have been several members relocating.

Food & Beverage revenues were strong, ending at \$98.8k, exceeding the budget by 7%. We hosted Breakfast with Santa early in the month, with over 300 members served, and never slowed down. The December calendar was filled with private holiday parties. The club hosted multiple events each week, and a la carte dining was consistent throughout the month. Despite the consistent traffic, we did fall short of the prior year's totals. This can be attributed to less a la carte dining traffic.

Golf Operations saw modest activity due to seasonality and weather, with merchandise sales finishing at \$1.7k, representing 32% of the budget. Cart fees and green fees were under budget but consistent with December's seasonal expectations. There were a total of 34 rounds played after totaling 95 rounds in 2023.

### **Payroll:**

December payroll concluded at \$120.5k, under the budgeted \$135.5k. Significant savings were realized across multiple departments.

Course & Grounds efficiently managed staffing levels, achieving savings despite ongoing maintenance needs. The weather contributed as we cut seasonal staff earlier this year. Paul and his team have provided consistent savings throughout his tenure.

Food & Beverage payroll aligned closely with the budget despite elevated activity, demonstrating operational efficiency.

### **Expenses:**

Operating expenses (OPEX) for December totaled \$89k, surpassing the budget of \$77.3k. Key drivers included insurance premiums and utilities. We also had a grounds chemical expense that rolled over from November and an earlier-than-anticipated billing for our annual review process.

It appears we may have elevated insurance premiums and water and electrical utilities over the next several months. The insurance premium was budgeted to increase later in the season in error. While these expense categories will continue to exceed the budget, they will remain manageable within the broader context of the club's financial performance.

Food & Beverage COGS finished at 37.19%, slightly over the budget of 37.12%.

Golf COGS was elevated to 86.95% as we liquidated aged merchandise and had Callaway return restocking fees combine with low sales volume.

### **Summary:**

The club finished the month with an EBITDA of \$58.6k versus a budget of \$40.3k. This was accomplished through slight revenue outperformance and effective payroll management, offsetting elevated operating expenses.

Looking forward, we will focus on continued revenue generation and operational efficiency. We will be closed for the first two weeks of January, but we have several events booked and a heavy social events calendar schedule when we reopen. With a promising start to the fiscal year, the club is well-positioned to build on its successes.

### **Key Performance Highlights:**

- Total revenues of \$295,406 on budget of \$290,244 and prior year of \$296,985.
- Dues finished at \$186,893 on a budget of \$186,210.
  - The monthly dues line is currently \$18.3k higher than the prior year.
- Total payroll under budget by \$15k.
  - Savings across multiple departments but driven by golf and grounds operations.
- Controlled cost of goods in Food & Beverage finishing at 37.19%
- We continue to be fully staffed in all departments.
  - We are actively looking for a Head Swim Team Coach.

### Key Performance Issues:

- Elevated OPEX finishing at \$86,045 versus a budget of \$77,265.
  - Insurance premiums and utilities will finish over budget for the next few months.
  - Grounds chemical expense rolled over from November.
  - Earlier-than-anticipated billing of annual review expenses.
- Golf cost of goods elevated at 86.95% versus a budget of 78.00%.
  - Low sales volume combined with end-of-season liquidation.
  - Callaway restock fees also contributed.

### Key Actions to Drive Performance:

- Continue to host private member events.
  - The January calendar has multiple events booked after the closure in early January.
- Maintain a consistent social calendar to drive members to the club during the slower season.
  - We have Sushi Night, a Wine Dinner, a Kid's Cooking Class, and a Ladies' Pasta Making Night on the calendar.
- The racket sports renovation is still in the architecture stage, but we are making progress and hope to have more to share.
- Conversations with Jonas about enhancing the membership bill pay system
  - Specifically hoping to add online bill payment via checking or credit card.

### Membership Update:

Current Membership Numbers: 447 Total

Equity	<b>185</b>
Junior	<b>95</b>
Under 35	48
35-37	27
38-39	20
Social	<b>105</b>
Honorary	<b>33</b>
Honorary Social	<b>4</b>
Dining	<b>16</b>
Non-Resident	<b>9</b>

Membership Additions – We are budgeted for 38 membership additions in 2025. There were 5 new membership sales in December. The first budgeted sales are in February.

Membership Attrition – There have been significantly more resignations this offseason than the prior year. There were eight membership resignations in December with 16 more in the resignation window. We are budgeted for an attrition of 30.

RESIGNED MEMBERS	MEMBERSHIP TYPE	OFF THE SYSTEM	REMARKS
KENZIE CRABTREE	JUNIOR	11/25/2024	COMBINE ACCOUNTS
WILL CULP	SOCIAL	11/25/2024	NOT ENOUGH USAGE
FRANCESCO BEDINI	SOCIAL	11/25/2024	NOT ENOUGH USAGE
ERICA BELLINA	SOCIAL	11/25/2024	NOT ENOUGH USAGE
KATIE KEMEN	EQUITY	11/25/2024	NOT ENOUGH USAGE
STEVE SNYDER	HONORARY	11/25/2024	HEALTH
DREW ARTEGA	JUNIOR	12/25/2024	NOT ENOUGH USAGE
JON HAWK	SOCIAL	12/25/2024	NOT ENOUGH USAGE

JUAN JIMINEZ	SOCIAL	12/25/2024	NO REASON GIVEN
JONATHAN VELCHEK	SOCIAL	12/25/2024	HEALTH
KYLE WATSON	JUNIOR	12/25/2024	NO REASON GIVEN
GARY HEDGE	DINING	12/25/2024	HEALTH
JASON CURTISS	EQUITY	12/25/2024	NOT ENOUGH USAGE
MICHAEL HEDGE	EQUITY	12/25/2024	MOVING
HUNTER MEILS	JUNIOR	1/25/2025	MOVING
MAX STUTSMAN	JUNIOR	1/25/2025	MOVING
GREG STANEK	EQUITY	1/25/2025	RETIRING
KURT KIBLER	JUNIOR	1/25/2025	FINANCIAL REASONS
LAURA CUPPERNELL	SOCIAL	1/25/2025	FINANCIAL REASONS
GREG WARD	EQUITY	1/25/2025	JOINING A DIFFERENT CLUB
MICHAEL BROWN	SOCIAL	1/25/2025	MOVING
KIRK LOGUE	JUNIOR	1/25/2025	FINANCIAL REASONS
MYLES EDWARDS	JUNIOR	1/25/2025	MOVING
KEVIN RITTER	EQUITY	2/25/2025	FINANCIAL/USAGE
BRANDON HOWARD	JUNIOR	2/25/2025	NOT ENOUGH USAGE
LUKE GRAVES	JUNIOR	2/25/2025	NOT ENOUGH USAGE
SANDRA REIFSTECK	DINING	2/25/2025	NOT ENOUGH USAGE
NATHAN HUBBARD	SOCIAL	3/25/2025	COMPANY NO LONGER PAYING
BEN BERMINGHAM	SOCIAL	3/25/2025	MOVING
LANDON GINGERICH	JUNIOR	3/25/2025	MOVING