

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

Overview:

February was another strong month for LFCC. Revenue finished on budget, and payroll savings offset higher-than-expected operating expenses. The club finished \$7.9K ahead of budget with an EBITDA of \$28.8K.

Lincolnshire Fields
Standard Summary Income Statement
For the Four Months Ending Friday, February 28, 2025

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
REVENUES												
\$0	\$0	0.0%	\$2,276	0.0%	Green Fees & Cart Fees	\$3,659	\$3,565	102.6%	\$5,644	64.8%	\$283,538	\$284,473
2,461	1,200	205.1%	1,143	215.2%	Merchandise	7,391	9,550	77.4%	9,856	75.0%	192,050	196,314
175	0	0.0%	448	39.1%	Other Pro Shop	873	0	0.0%	822	106.2%	0	4,115
41,903	46,800	89.5%	35,806	117.0%	Food and Beverage	227,730	223,040	102.1%	237,523	95.9%	1,180,615	1,128,133
191,544	190,093	100.8%	186,291	102.8%	Membership Dues	768,733	756,749	101.6%	707,589	108.6%	2,363,120	2,318,861
4,000	8,500	47.1%	9,500	42.1%	Initiation Fees	13,250	8,500	155.9%	24,600	53.9%	161,500	142,300
1,275	(3,347)	(38.1%)	(3,303)	(38.8%)	Deferred IFee Rev Adj	7,849	11,845	66.3%	(309)	(2536.8%)	(89,617)	(63,552)
0	0	0.0%	0	0.0%	Other Operating Revenues	0	0	0.0%	0	0.0%	31,500	35,686
3,025	50	6049.5%	2,340	129.3%	Other G&A Income	9,582	(400)	(2395.5%)	7,516	127.5%	(1,950)	17,906
244,381	243,296	100.4%	234,501	104.2%	TOTAL REVENUE	1,039,066	1,012,849	102.6%	993,241	104.6%	4,120,755	4,064,235
COST OF SALES												
1,827	960	190.3%	719	254.2%	Merchandise	6,440	7,486	86.0%	9,253	69.6%	144,906	153,686
17,858	17,315	103.1%	14,124	126.4%	Food & Beverage	80,660	81,257	99.3%	83,570	96.5%	429,014	394,956
19,685	18,275	107.7%	14,842	132.6%	TOTAL COGS	87,100	88,743	98.1%	92,824	93.8%	573,920	548,642
74.2%	80.0%	92.8%	62.8%	118.2%	COGS - Merchandise %	87.1%	78.4%	111.1%	93.9%	92.8%	75.5%	979.9%
42.9%	37.0%	115.9%	39.5%	108.6%	COGS - Food %	39.2%	37.1%	105.7%	38.1%	102.9%	36.5%	446.6%
PAYROLL												
22,366	28,003	79.9%	26,809	83.4%	Course and Grounds	113,579	138,708	81.9%	134,257	84.6%	623,419	548,753
9,304	9,302	100.0%	9,001	103.4%	Pro Shop	42,880	44,784	95.7%	35,345	121.3%	210,403	180,971
50,876	54,263	93.8%	43,303	117.5%	Food and Beverage	225,337	233,446	96.5%	211,422	106.6%	848,498	802,149
0	0	0.0%	0	0.0%	Other Operating Departments	2,998	0	0.0%	(1,037)	(289.0%)	118,250	98,982
22,749	25,508	89.2%	23,520	96.7%	General and Administrative	89,000	93,740	94.9%	89,821	99.1%	298,316	276,072
105,295	117,077	89.9%	102,633	102.6%	TOTAL PAYROLL	473,794	510,678	92.8%	469,808	100.8%	2,098,887	1,906,926
OPERATING EXPENSES												
5,560	9,942	55.9%	5,889	94.4%	Course and Grounds	26,484	33,808	78.3%	31,354	84.5%	287,374	268,588
2,696	2,502	107.8%	2,502	107.7%	Carts, Range, Starters, Etc.	10,397	10,008	103.9%	10,009	103.9%	33,674	30,415
72	700	10.3%	768	9.4%	Pro Shop	2,472	2,795	88.4%	4,115	60.1%	16,170	16,662
15,630	10,385	150.5%	8,936	174.9%	Food and Beverage	52,202	47,890	109.0%	48,184	108.3%	193,410	209,038
80	57	140.5%	57	139.8%	Other Operating Departments	316	246	128.6%	1,403	22.6%	41,067	41,155
66,544	63,452	104.9%	58,283	114.2%	General and Administrative	251,885	222,673	113.1%	209,304	120.3%	786,694	824,840
90,582	87,038	104.1%	76,435	118.5%	TOTAL OPERATING EXPENSES	343,757	317,420	108.3%	304,369	112.9%	1,358,389	1,390,699
215,562	222,389	96.9%	193,910	111.2%	TOTAL EXPENSES	904,651	916,841	98.7%	867,001	104.3%	4,031,196	3,846,267
28,819	20,907	137.8%	40,591	71.0%	EBITDA	134,415	96,008	140.0%	126,240	106.5%	89,560	217,968
FINANCING ACTIVITY												
(12,377)	(10,032)	123.4%	(8,627)	143.5%	Interest Expense - Debt	(60,949)	(40,128)	151.9%	(31,120)	195.9%	(120,384)	(144,539)
(3,953)	(4,800)	82.4%	(4,403)	89.8%	Interest Expense - Leases	(16,215)	(19,200)	84.5%	(18,782)	86.3%	(57,600)	(50,394)
2,340	1,200	195.0%	1,223	191.4%	Interest Income	8,262	5,025	164.4%	4,319	191.3%	13,725	18,945
(13,990)	(13,632)	102.6%	(11,807)	118.5%	TOTAL FINANCING ACTIVITY	(68,902)	(54,303)	126.9%	(45,583)	151.2%	(164,259)	(175,988)
OTHER INCOME (EXPENSE)												
53,686	54,500	98.5%	54,254	99.0%	Dues - Capital Improvement	219,798	218,000	100.8%	217,554	101.0%	654,000	670,631
3,565	3,200	111.4%	2,026	175.9%	Initiation Fees - Capital Improvement	13,896	12,800	108.6%	7,607	182.7%	38,400	38,179
200	0	0.0%	127,625	0.2%	Operating Assessments	2,000	0	0.0%	132,050	1.5%	0	3,000
(48,172)	(39,000)	123.5%	(37,335)	129.0%	Depreciation & Amortization	(191,134)	(156,000)	122.5%	(149,342)	128.0%	(468,000)	(524,344)
0	0	0.0%	0	0.0%	Gain/(Loss) On Disposal Of Assets	0	0	0.0%	0	0.0%	0	8,050

Financial Performance:
Revenues:

Total revenue for February reached \$244.4k, slightly ahead of the budgeted \$243.3k and exceeding the prior year by \$9.9k.

Membership dues remained solid at \$191.5k, ahead of budget by \$1.4k. There were no membership sales in February and four resignations. Weather played a contributing role in the slow sales month, as we had no playable golf days. As the weather improved at the end of the month, membership inquiries started to come through, and we anticipate significant sales in March.

As discussed over the last several months, attrition was higher than anticipated this off-season, and we need to start selling memberships to stay in front of the dues line. We have built a \$12k cushion so far, this fiscal year.

Food & Beverage revenue totaled \$41.9k, slightly under budget at 89.5% of projections but 17% ahead of the prior year.

Merchandise sales finished at \$2.5k, surpassing the budget of \$1.2k and significantly outpacing prior-year sales. We had no golf traffic and recorded no green or cart fee revenue.

Payroll:

Total payroll finished at \$105.3k, under the budgeted \$117.1k, with savings across multiple departments.

Course & Grounds payroll came in \$5.6k under budget, continuing a trend of consistent savings under Paul's leadership.

Food & Beverage payroll finished at \$50.9k, saving \$3.4k. The Food & Beverage team did a great job flexing during a slower month.

Administration payroll remained well-controlled at \$22.7k, contributing to overall savings.

Golf finished right on budget with only two staff members on payroll during the offseason.

Expenses:

Operating expenses (OPEX) totaled \$90.6k, exceeding the \$87k budget due to increased insurance premiums, utilities, supplies, and HVAC repair and maintenance.

Insurance premiums remain elevated due to poor budgeting. Gas and electrical utilities were closer to budget this month, but the water utility led to a \$1,400 overage. Building supply cost ballooned in February after finishing within expectations over the last several months. We did a great job of stocking up on these supplies before the holidays and are now stocking up as we prepare for the season and anticipate pricing increases. Finally, we had our seasonal HVAC maintenance performed and found several repairs that needed to be completed.

Food & Beverage costs finished at 42.9% versus a budget of 37%. We had some waste for our Valentine's Day programming as more members chose the a la carte menu versus the prepared four-course meal. The staff discussed this issue and will adjust pre-event communication accordingly in the future. We generally struggle with COGS% on lower volume during the offseason. I am confident this number will improve as volume increases during the summer months.

Summary:

LFCC closed February with an EBITDA of \$28.8K, outperforming the budgeted \$20.9K. Solid revenues and payroll management helped mitigate increased operating costs.

As we move into March, the focus remains on member engagement and preparing for the season. We are hoping to sell several memberships as we head into the busiest part of our sales season and combat off-season attrition. The upcoming golf season, combined with continued club events, should drive stronger participation and revenue.

The club remains in a strong position with a FY EBITDA of \$134.4k, currently \$38.4k ahead of budget. March and April will be critical months to build momentum and capitalize on increased activity.

Key Performance Highlights:

- Total revenues of \$244,381 on budget of \$243,296 and prior year of \$234,501.
- Dues finished at \$191,544 on a budget of \$190,093.
 - The monthly dues line is currently \$5.3k higher than the prior year.
- Total payroll under budget by \$11.8k.
 - Savings across multiple departments but driven by food & beverage and grounds operations.
- Food & Beverage revenue up 17% year-over-year, despite finishing below budget.

- Controlled cost of goods in Golf finishing at 74.24%.
- 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 \$90,582 versus a budget of \$87,038.
 - Insurance premiums and utilities will finish over budget for the next few months.
 - HVAC seasonal maintenance performed, and several repairs completed.
 - Building supplies ballooned as we stock up for the season and try to get ahead of anticipated price increases.
- Membership attrition has been higher than anticipated this offseason.
 - The dues line is still ahead of budget, but we will need to add members over the next few months to offset the losses and stay ahead of projection.
- Elevated cost of goods in Food & Beverage finishing at 42.9%
 - Lower volume combined with some waste associated with Valentine’s Day.

Key Actions to Drive Performance:

- Continue to host private member events.
 - The March calendar has multiple events booked.
- Maintain a consistent social calendar to drive members to the club during the slower season.
 - We have St. Patrick’s Day, March Madness, Sushi Night, Ladies’ & Kid’s Cooking Classes, and a Wine Dinner on the calendar.
 - King of Clubs continues to drive strong traffic on Thursday nights.
- The racket sports renovation is proceeding with demo starting in March.
 - We expect construction to start in earnest in the first weeks of April.
- 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: 433 Total

Equity	178
Junior	88
Under 35	44
35-37	24
38-39	20
Social	106
Honorary	33
Honorary Social	4
Dining	16
Non-Resident	8

Membership Additions – We are budgeted for 38 membership additions in 2025. There were no new membership sales in February, but we have sold 11 new memberships this fiscal year. There were two budgeted sales in February.

Membership Attrition – There have been significantly more resignations this offseason than the prior year. There were four resignations in February with eight 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 BIRMINGHAM	SOCIAL	3/25/2025	MOVING
LANDON GINGERICH	JUNIOR	3/25/2025	MOVING
CURTIS BOONE	JUNIOR	3/25/2025	NO REASON GIVEN
KYUNGDO MIN	JUNIOR	3/25/2025	GRADUATING U OF I & MOVING
DAN PATKUNAS	JUNIOR	4/25/2025	FINANCIAL
WES STONE	JUNIOR	4/25/2025	NOT ENOUGH USAGE
TIM McHENRY	EQUITY	5/25/2025	JOINING CCC, CLOSER TO HOME