



To: Dave Jones, President LFCC  
 From: Justin Waffle  
 CC: Board of Directors, Morgan Gonzales (KS)  
 Re: Lincolnshire Fields Country Club

The following is Lincolnshire Fields Country Club's financial and operational summary report for November.

Lincolnshire Fields  
 Standard Summary Income Statement  
 For the Month Ending November 30, 2021

Actual	MTD Budget	% of Budget	MTD Prior Year	% of PY		Actual	YTD Budget	% of Budget	YTD Prior Year	% of PY
<b>REVENUES</b>										
3,397	8,600	40%	8,646	39%	Green Fees & Cart Fees	3,397	8,600	40%	8,646	39%
4,320	4,350	99%	5,588	86%	Merchandise	4,320	4,350	99%	6,588	86%
37	0	0%	1,189	3%	Other Pro Shop	37	0	0%	1,189	3%
0	0	0%	0	0%	Range	0	0	0%	0	0%
35,850	34,425	104%	29,415	122%	Food and Beverage	35,850	34,425	104%	29,415	122%
139,354	143,262	97%	129,739	107%	Membership Dues	139,354	143,262	97%	129,739	107%
4,000	6,000	67%	800	500%	Membership Initiation Fees	4,000	6,000	67%	800	500%
0	0	0%	0	0%	Other Operating Revenues	0	0	0%	0	0%
(173)	0	0%	637	-27%	Other G&A Income	(173)	0	0%	637	-27%
<b>186,785</b>	<b>196,637</b>	<b>95%</b>	<b>177,013</b>	<b>106%</b>	<b>TOTAL REVENUE</b>	<b>186,785</b>	<b>196,637</b>	<b>95%</b>	<b>177,013</b>	<b>106%</b>
<b>COST OF SALES</b>										
3,303	2,958	112%	4,910	67%	Merchandise	3,303	2,958	112%	4,910	67%
16,548	13,825	120%	10,876	152%	Food & Beverage	16,548	13,825	120%	10,876	152%
<b>19,850</b>	<b>16,783</b>	<b>118%</b>	<b>15,786</b>	<b>126%</b>	<b>TOTAL COGS</b>	<b>19,850</b>	<b>16,783</b>	<b>118%</b>	<b>15,786</b>	<b>126%</b>
76.5%	68.0%	112.4%	74.5%	102.6%	COGS - Merchandise %	76.5%	68.0%	112.4%	74.5%	102.6%
46.2%	40.2%	114.9%	40.0%	115.4%	COGS - Food %	46.2%	40.2%	114.9%	40.0%	115.4%
<b>PAYROLL</b>										
31,171	34,640	90%	33,485	93%	Course and Grounds	31,171	34,640	90%	33,485	93%
9,568	9,475	101%	9,062	106%	Pro Shop	9,568	9,475	101%	9,062	106%
39,496	42,766	92%	31,814	124%	Food and Beverage	39,496	42,766	92%	31,814	124%
0	0	0%	0	0%	Other Operating Departments	0	0	0%	0	0%
16,103	26,143	62%	23,238	69%	General and Administrative	16,103	26,143	62%	23,238	69%
<b>96,338</b>	<b>113,025</b>	<b>85%</b>	<b>97,599</b>	<b>99%</b>	<b>TOTAL PAYROLL</b>	<b>96,338</b>	<b>113,025</b>	<b>85%</b>	<b>97,599</b>	<b>99%</b>
<b>OPERATING EXPENSES</b>										
10,070	9,925	101%	9,981	101%	Course and Grounds	10,070	9,925	101%	9,981	101%
1,731	1,731	100%	1,731	100%	Carts, Range, Starters, Etc.	1,731	1,731	100%	1,731	100%
619	291	212%	1,306	47%	Pro Shop	619	291	212%	1,306	47%
5,264	6,716	78%	4,440	119%	Food and Beverage	5,264	6,716	78%	4,440	119%
324	75	431%	(544)	-60%	Other Operating Departments	324	75	431%	(544)	-60%
51,038	46,157	111%	36,284	141%	General and Administrative	51,038	46,157	111%	36,284	141%
<b>69,045</b>	<b>64,896</b>	<b>106%</b>	<b>53,199</b>	<b>130%</b>	<b>TOTAL OPERATING EXPENSES</b>	<b>69,045</b>	<b>64,896</b>	<b>106%</b>	<b>53,199</b>	<b>130%</b>
<b>185,232</b>	<b>194,703</b>	<b>95%</b>	<b>166,583</b>	<b>111%</b>	<b>TOTAL EXPENSES</b>	<b>185,232</b>	<b>194,703</b>	<b>95%</b>	<b>166,583</b>	<b>111%</b>
<b>1,553</b>	<b>1,934</b>	<b>80%</b>	<b>10,430</b>	<b>15%</b>	<b>EBITDA</b>	<b>1,553</b>	<b>1,934</b>	<b>80%</b>	<b>10,430</b>	<b>15%</b>
<b>FINANCING ACTIVITY</b>										
(5,581)	(9,575)	58%	(6,372)	88%	Interest Expense - Debt	(5,581)	(9,575)	58%	(6,372)	88%
(1,407)	0	0%	(1,362)	103%	Interest Expense - Leases	(1,407)	0	0%	(1,362)	103%
51	0	0%	25	204%	Interest Income	51	0	0%	25	204%
<b>(6,938)</b>	<b>(9,575)</b>	<b>72%</b>	<b>(7,710)</b>	<b>90%</b>	<b>TOTAL FINANCING ACTIVITY</b>	<b>(6,938)</b>	<b>(9,575)</b>	<b>72%</b>	<b>(7,710)</b>	<b>90%</b>
<b>OTHER INCOME (EXPENSE)</b>										
46,464	46,566	100%	43,008	108%	Dues - Capital Improvement	46,464	46,566	100%	43,008	108%
0	0	0%	0	0%	Operating Assessments	0	0	0%	0	0%
(34,095)	(34,492)	99%	(36,036)	95%	Depreciation & Amortization	(34,095)	(34,492)	99%	(36,036)	95%
6,670	0	0%	0	0%	Gain/(Loss) On Disposal Of Assets	6,670	0	0%	0	0%
(2,520)	0	0%	0	0%	Other Expenses / Capital Reserve / Impairment	(2,520)	0	0%	0	0%
<b>16,519</b>	<b>12,074</b>	<b>137%</b>	<b>6,972</b>	<b>237%</b>	<b>TOTAL OTHER INCOME (EXPENSE)</b>	<b>16,519</b>	<b>12,074</b>	<b>137%</b>	<b>6,972</b>	<b>237%</b>
<b>11,135</b>	<b>4,433</b>	<b>251%</b>	<b>9,692</b>	<b>115%</b>	<b>NET INCOME</b>	<b>11,135</b>	<b>4,433</b>	<b>251%</b>	<b>9,692</b>	<b>115%</b>

## **Overview:**

November was filled with a solid event calendar. The club hosted our popular craft cocktail night, chef dinners and Harvest Brunches. In addition, we added Bingo on Wednesdays and all you can eat soup, salad and breadsticks on Thursdays which drove additional traffic to the club. As a result, F&B revenue experienced a significant increase to prior years. Golf was much less fortunate, with poor weather conditions, rounds were significantly down to the prior year. The club produced just over 300 rounds compared to 800 rounds last year.

Lincolnshire Fields was flat to budgeted EBITDA and down roughly \$9k to prior year. The difference to prior year can be contributed primarily to a difference in expense. The team did a good job generating revenue and flexing on payroll expenses, saving roughly 15% to budget, ensuring the club met the EBITDA expectations.

## **Financial Performance:**

### **Revenues:**

November was another solid month for revenue. Overall revenues were \$186.8k on a budget of \$196.6k and prior year of \$177k. A solid event calendar and participation led the Food and Beverage department leading the way and exceeding revenues. Overall, the F&B revenues were just under \$35.9k on a budget of \$34.4k and prior year of \$29.4k. Food revenues were up by roughly 22% to prior year (Note last year there were Covid restrictions limiting indoor dining). Event participation continued to be steady, and we are hopeful that trend will continue in a busy December. Poor weather caused golf rounds to be significantly less than prior year. As a result, revenues suffered in the golf department. Only \$3.4k of cart and green fees were generated on roughly 300 rounds of golf compared to \$8.6k and 800 rounds of golf in the year prior. Cart and green fees missed budget and prior year by approximately \$4.2k. Merchandise revenues however were on par with budget and missed prior year by roughly \$2k. Lastly, the membership dues line off to budget for couple of reasons. First, the planned operating dues increase did not go into effect until December and second there were several resignations that were accounted for. The dues lined missed budget by roughly \$4k; however, was significantly improved over the prior year. The club has seen a \$10k improvement year over year.

### **Payroll:**

The team was under the payroll budget by roughly \$17k and was to the prior year. The F&B department combined to save roughly \$3k in payroll. Grounds department was very similar saving an additional \$3k. Golf was flat to budget while the Admin department saved roughly \$10k. Weather and staff availability contributed to the savings. Total estimated payroll is \$96.3k on a budget of \$113k and prior year of \$97.6k.

### **Expenses:**

Overall, we were over operating expenses by 6% or \$4.1K in expenses. The majority of OPEX overage came from Admin department, with roughly \$4.9k in extra spending. The majority of the overage can be contributed to decoration, repairs, and higher utilities. The rest of the departments were flat to budget with a slight savings recognized in the Food and Beverage department. COS sales were over in budget for both F&B and Golf departments. Over the next few months, we should see these numbers decline and become closer to budget.

### **Summary:**

The club is off to a solid financial start to the new fiscal year. EBITDA was \$1.6k for November, on a budget of \$1.9k. The team has prepared well to drive revenues in December, helping to build momentum for the upcoming year. Our major focuses for the upcoming year are to build the membership while preventing attrition and continuing to improve upon the Food and Beverage experience. These goals will help us to meet and exceed our budget.

## Key Performance Highlights:

- Membership Dues Revenue was \$139.4 on a budget of \$143.3K and prior year of \$129.7k.
- Total revenues \$186.8k on budget of \$196.6k and prior year of \$177k.
- Payroll was under budget by \$17k and under \$1.3k to prior year for the month of November.
- Expenses were \$4.1K over budget and over \$15.8k to prior year for the month of November.
- COS finished at 76.5% for merchandise on budget of 68% and prior year of 74.5% and Food and Beverage will finish at 46.2% on budget of 40.2% and prior year of 40%.
- Roughly had 140 covers for Thanksgiving inhouse and takeout options generating \$6k in sales. This was almost double to the year prior.
- Round were under prior year by roughly 500.

## Key Actions to Drive Performance:

- Finalized Operation and Capital Budget and all preparation for Annual Meeting
- Developed club calendar through end of December- Moved several events to virtual gatherings.
- Food and Beverage Manager is refining staff training manual to increase consistency and quality of our training program.
- New menu development- Chef has analyzed the menu and will introduce several new items that will replace non-selling items.
- Calling members to provide them information about their food minimum, curbside options, and upcoming events.

2022 Membership Pace



### Monthly Sales/Budget

Member Categories	FY21 End	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	FY21 End	▲
Equity	154		1	1		2	2	2	2					164	10
Junior 35	34	2	1	3		1	2	3	2	1				49	15
Junior 35-37	38			2		1	2	1	1					45	7
Junior 38-39	17	1		1				1	1					21	4
Honorary	36													36	0
Social	109					1	5							115	6
Dining	13													13	0
Non Resident	13													13	0
														0	0
<b>Total</b>	<b>414</b>	<b>3</b>	<b>2</b>	<b>7</b>	<b>0</b>	<b>5</b>	<b>11</b>	<b>7</b>	<b>6</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>456</b>	<b>42</b>

### Monthly Sales/Actual

Member Categories	Tot Goal	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	TOT YTD	▲
Equity	164													0	-164
Junior 35	49	3												3	-46
Junior 35-37	45													0	-45
Junior 38-39	21													0	-21
Honorary	36													0	-36
Social	115													0	-115
Dining	13													0	-13
Non Resident	13													0	-13
	0													0	0
<b>Total</b>	<b>456</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>-453</b>
<b>Net Member #/Budget/Mo</b>		<b>0</b>	<b>-2</b>	<b>-7</b>	<b>-4</b>	<b>-2</b>	<b>-9</b>	<b>-6</b>	<b>-4</b>	<b>1</b>	<b>1</b>	<b>5</b>	<b>1</b>		
<b>Gross Sales/Budget/Mo</b>		<b>0</b>	<b>-2</b>	<b>-7</b>	<b>0</b>	<b>-5</b>	<b>-11</b>	<b>-7</b>	<b>-6</b>	<b>-1</b>	<b>0</b>	<b>0</b>	<b>0</b>		
<b>Net Member #/Budget/MTD</b>		<b>0</b>	<b>-2</b>	<b>-9</b>	<b>-13</b>	<b>-15</b>	<b>-24</b>	<b>-30</b>	<b>-34</b>	<b>-33</b>	<b>-32</b>	<b>-27</b>	<b>-26</b>		
<b>Gross Sales/Budget/MTD</b>		<b>0</b>	<b>-2</b>	<b>-9</b>	<b>-9</b>	<b>-14</b>	<b>-25</b>	<b>-32</b>	<b>-38</b>	<b>-39</b>	<b>-39</b>	<b>-39</b>	<b>-39</b>		

### Monthly Attrition/Actual (Entered as a Positive)

Member Categories	Budget	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	YTD	▲
Equity	10			1	3									4	6
Junior 35	7			1	1									2	5
Junior 35-37	3													0	3
Junior 38-39			1											1	-1
Honorary			1											1	-1
Social	5		1	1	2									4	1
Dining														0	0
Non Resident														0	0
														0	0
<b>Total</b>		<b>0</b>	<b>3</b>	<b>3</b>	<b>6</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>12</b>	<b>-12</b>
<b>Attrition Budget</b>	<b>25</b>	<b>0</b>	<b>3</b>	<b>3</b>	<b>2</b>	<b>3</b>	<b>2</b>	<b>1</b>	<b>2</b>	<b>2</b>	<b>1</b>	<b>5</b>	<b>1</b>	<b>25</b>	

## **Golf Department Recap: Rob Walls, Head Golf Professional**

November was a slow start to the new fiscal year for the golf department. The weather was nice early in the month, but we saw a significant drop in course availability and play as the month progressed. The course saw 336 rounds for the month after seeing a record total of 798 rounds in 2020. The weather in November 2020 was a banner month for rounds of golf. The weather was significantly warmer, and we were in the midst of another Covid shutdown. For reference, there were a total of 77 rounds in 2019 and 63 rounds played in 2018.

For the month, the golf department finished significantly behind budget in both greens and cart fees. There were a total of 36 guest rounds versus 106 guest rounds in 2020. Cart fees finished at \$1,642 versus a budget of \$5,600. Greens fees came in at \$1,755 versus a budget of \$3,000. These combined revenue totals trailed budget by \$5,203 or 60%. These numbers are very weather and rounds dependent. The budget was based on record totals in November 2020 versus much more modest totals in 2019 and 2018. This month's revenue results ended up short of expectations, but higher than any other previous year on record. We will hope to make up some ground with nice weather this offseason and early next spring.

Merchandise sales were solid in November. There was a total of \$4,320 sold versus a budget of \$4,350. Out-of-inventory sales finished at \$2,314.29 versus a budget of \$1,600. Special orders totaled \$2,005.50 on a budget of \$2,750. Special orders continue to lag as we are waiting on product to arrive. December should see a significant number of special orders realized as product is starting to ship. Out-of-inventory sales, while solid in November, have been hurt by low inventory numbers. The Shop inventory is lower than it has been in several seasons. This is due to difficulty in receiving fall inventory and the record number of sales throughout the 2021 fiscal year. We will hope to see the apparel inventory thinned during the holiday season. The buying plan for 2022 includes more apparel for both men and women. Overall, it was a solid merchandising month with room for improvement.

Some additional notes regarding golf activity:

- The golf department has limited flexibility with payroll as we are not utilizing any hourly staff.
- The golf calendar for 2022 is being created and will be approved in January.
- We are working on improvements to GolfGenius offerings for the 2022 season.
  - o Hoping to make sign-up easier.
  - o Getting live scoring and formats updated in our system.
- Outreach to golf outings from 2021 season has begun.

Thank you for all your support! Happy Holidays!

## Course & Grounds Recap: Scott Werner, Golf Course Superintendent

There were a few nice golf days scattered throughout the month of November, but the weather was mostly on the cool/cold side with some freezing temperatures at night. Golf and outdoor work slowed during the month.

All types of winterizations, leaf cleanup, and the annual outdoor Christmas lighting project were the primary activities for the grounds staff during November. Seasonal staff has slowly diminished throughout the fall, leaving just a few to finish leaf cleanup and other outdoor projects. The Equipment Manager position continues to be vacant with no current leads or progress toward having it filled. This continues as our primary staffing issue as we begin the offseason. I would anticipate expenses to be close to budget projections for the month.

### Grounds projects during Nov:

- Applied final scheduled fungicide/plant health applications to all greens.
- Applied final scheduled fungicide/herbicide application to all fairways and approaches.
- Winterized irrigation system and pumphouse.
- Removed otterbine fountain aerators from lakes and ponds and stored for the winter.
- Installed outdoor Christmas lights around all clubhouse areas.
- Assisted contractor with removal of one large tree near #8 tee that had become a safety hazard.
- Continued limbing-up and other pruning of many trees around the course.
- Continued fall clean up and pruning of landscape beds.
- Continued removal and mulching of leaves on course and around clubhouse areas.

### Nov Photos:



Irrigation blowout underway



Christmas lighting

The data in this report is compiled by utilizing the best information available from our operational reports for the outlined month of operations. All information gathered is taken from the Jonas point of sale, internal departmental checkbooks/invoice logs and accounting package provided by our home office accounting team.

Justin Waffle, PGA  
General Manager  
Lincolnshire Fields Country Club