



To: Dave Jones, President LFCC
 From: Justin Waffle
 CC: Board of Directors, Frank Merkel
 Re: Lincolnshire Fields Country Club

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

Lincolnshire Fields
 Standard Summary Income Statement
 For the Five Months Ending March 31, 2018

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											
791	2,675	30%	1,274	60%	3,809	6,575	59%	6,296	61%	296,920	236,269
5,672	15,900	36%	3,543	160%	17,840	26,550	67%	22,887	79%	190,050	175,273
692	215	320%	805	86%	1,818	1,050	173%	671	271%	2,425	7,338
0	35	0%	35	0%	45	135	33%	128	35%	1,620	1,623
50,848	60,215	84%	50,141	101%	240,858	253,708	95%	220,690	100%	959,513	826,920
0	140	0%	0	0%	0	700	0%	3,558	0%	1,680	0
115,374	118,192	98%	270,946	43%	576,862	541,973	106%	637,628	90%	1,379,622	1,389,649
-1,000	2,000	50%	(42,633)	-2%	1,000	42,000	2%	1,467	85%	75,800	23,022
16	70	23%	68	24%	248	235	106%	175	142%	20,905	18,450
4,273	3,229	132%	1,879	227%	16,034	13,633	118%	5,003	100%	27,706	31,392
178,666	202,671	88%	286,057	62%	858,514	886,558	97%	898,503	96%	2,926,241	2,709,936
COST OF SALES											
2,468	11,925	21%	36,439	7%	12,939	19,913	65%	53,702	24%	142,538	95,341
21,247	19,494	109%	20,390	104%	36,677	91,859	40%	93,274	104%	362,419	331,583
23,715	31,419	75%	56,829	42%	109,616	111,772	98%	146,976	75%	504,957	426,925
43.5%	75.0%	98.0%	1028.3%	4.2%	72.9%	75.0%	96.7%	234.6%	30.9%	75.0%	740.1%
53.8%	38.0%	141.7%	50.9%	106.6%	46.9%	40.0%	117.3%	46.8%	100.2%	40.0%	531.0%
PAYROLL											
25,362	26,250	87%	22,467	113%	121,102	125,588	96%	115,771	105%	443,393	400,802
7,507	9,296	81%	6,418	117%	29,194	33,251	88%	30,041	97%	138,255	114,356
34,600	36,286	95%	19,062	182%	148,755	177,401	84%	129,727	115%	458,788	439,064
72	202	36%	(1,591)	-2%	414	593	70%	(1,163)	-30%	72,199	64,809
21,247	24,596	86%	27,324	70%	98,774	110,366	89%	113,268	87%	277,607	199,879
88,778	96,630	92%	73,681	120%	398,240	447,190	89%	387,643	103%	1,300,242	1,218,910
OPERATING EXPENSES											
7,134	12,840	56%	6,399	111%	32,773	42,051	78%	34,033	94%	296,763	332,948
0	2,162	0%	2,163	0%	4,304	10,610	40%	10,473	41%	28,944	21,081
5,653	954	594%	1,385	406%	4,291	5,279	81%	6,389	67%	18,467	12,902
8,043	8,488	95%	8,517	94%	52,861	53,022	98%	42,473	124%	157,346	163,483
702	80	876%	78	904%	1,306	447	292%	8,205	18%	33,354	32,802
30,732	27,406	112%	31,252	98%	156,995	146,498	114%	162,920	103%	386,691	476,659
52,265	51,631	101%	49,793	105%	262,552	259,008	101%	264,901	99%	921,486	1,039,876
164,758	179,680	92%	180,302	91%	770,408	817,778	94%	790,121	96%	2,816,665	2,685,710
13,908	22,990	60%	105,755	13%	88,106	68,780	128%	99,382	80%	109,576	24,226
0,000	0,000	100%	0	0%	(45,000)	(45,000)	100%	0	0%	(108,000)	(66,194)
FINANCING ACTIVITY											
(5,181)	(9,830)	53%	(9,238)	56%	(41,139)	(52,944)	78%	(50,216)	82%	(121,248)	(106,345)
(72)	0	0%	(592)	12%	(1,062)	0	0%	(2,726)	39%	0	(3,152)
63	132	48%	132	48%	266	321	83%	321	83%	616	575
(5,191)	(9,698)	54%	(9,698)	54%	(41,935)	(52,623)	80%	(52,622)	80%	(120,632)	(108,923)
OTHER INCOME (EXPENSE)											
47,565	94,518	50%	94,518	50%	240,014	265,502	90%	265,502	90%	608,123	587,605
(32,714)	(31,671)	103%	(31,791)	103%	(163,568)	(158,355)	103%	(158,957)	103%	(380,052)	(397,175)
0	0	0%	0	0%	0	0	0%	0	0%	0	(27,028)
14,851	62,847	24%	62,726	24%	76,446	107,147	71%	106,544	72%	228,071	163,402
14,568	67,139	22%	158,783	9%	77,616	78,304	99%	153,305	51%	109,015	12,511

Overview:

Approaching end of quarter two, Lincolnshire Fields Country Club continues to have a financially sound year. In March we encountered our first month missing budgeted EBITDA, missing by roughly \$9K. Even with this small set back, year to date we are roughly \$20K over budgeted EBITDA and down \$700 to budgeted net income. The miss was contributed to terrible weather resulting in only a few days of golf resulting in less patronage in the restaurant. Across each revenue line, we experienced a down month to budget missing by 12%. However, the EBITDA miss was minimized by the team's conscious effort to reduce payroll and keep expenses close to budget. The energy and momentum are extremely optimistic moving into the golf and pool season which should yield more positive results.

Financial Performance:

Revenues: Revenues continues to be our largest hurdle to overcome. For the second consecutive month we missed total revenues, missing March's budgeted revenues by roughly \$24K and currently down 3% YTD. We experienced misses in all revenue departments. Weather was the main contribution to the miss, limiting golf usage (Course open 8 days and rounds down 80% to prior year) and patronage in the restaurants. As a result, we encountered moderate merchandise and cart / green fee revenue. With no golf traffic and a canceled demo day we missed our merchandise budget by \$10K. Green & Cart fee revenue were down 70% to budget and 40% to prior year.

Food and Beverage was also down to budget missing by \$9k however, experienced similar revenues to prior year. Without golf we had no beverage cart sales and experienced less patronage during lunch and weekend vs prior year. Our staple of events such as Host with the Most, King of Clubs and Family Nights helped to mitigate the miss in revenues.

Lastly, we saw a 2% miss in budgeted membership revenues and we are down 2% budget YTD. Throughout the winter months we encountered attrition as a result we saw our largest amount of departures in April. Moving forward, resignation will be at a minimum, and we will see significant memberships adds helping us to become more aligned with the budget.

Payroll: The team had another successful month FLEXing payroll which helped us to minimize our EBITDA miss. Overall the team was able to save roughly \$15k or 18%. Again, it was a collective and conscious effort to help make up for the miss in revenues. Overall for the year the team is down 11% or \$49k to budget.

Expenses: Expenses were over budget by roughly \$650. Each department did an excellent job managing their controllable expenses. We did have two expense anomalies that were not budgeted which caused us to be over budget. First, there was a \$3K recruiting expense and second, \$4K in rental sets which we will offset with a credit later this year. Beside those two anomalies each department held their expenses in-line with budget. YTD we are \$3k over budget however \$2k under prior year.

Summary: Overall the club is performing strong, outpacing budgeted EBITDA by \$19K YTD. Membership confidence is high in Food and Beverage as the department has outpaced prior year by over \$20k. The membership referral program has gained momentum and has started to produce several qualified leads. Also, our Swing into Spring promotion has been very successful closing four new memberships in March. We are estimating another six to eight new memberships for April. With the weather turning for the best and pool / Stingrays opening we are extremely optimistic that we will continue outpace budget.

Key Performance Highlights:

- ❖ Saved \$15K in payroll expenses for the month and \$64k YTD
- ❖ Expenses flat to budget beside two expense anomalies (\$3k recruiting expense & \$4K Titleist demo sets that were not budgeted)
- ❖ Renegotiated dish machine lease with GFS, saving club \$912 annually
- ❖ St. Patrick's Day specials hugely successful; selling 200+ lbs. of Corned Beef over the weekend
- ❖ Host with the Most successful yet again, generating \$4,000 in revenue despite taking place during a winter storm
- ❖ Acquired four new members and have over 10 hot leads going into April

Key Performance Issues:

- ❖ Kitchen Prep Cooler went down and will cost roughly \$900 to repair. Carefully considering replace or repair options.
- ❖ Hot Water Heater- Ignition ignitor broke and was replaced. Water heater is 30+ years old and may need replacing soon. Receiving quote from Lan's Plumbing for replacement options.
- ❖ Employment: Labor pool in the Champaign market is scarce for qualified seasonal help. At the moment we need to hire in all seasonal departments. Grounds department are short several employee partners and working on obtaining new seasonal help. Lastly, we are trying to procure talent F&B department for cooks and servers. Hired two cooks to lead Stingrays team however one cook did not think it would be a good fit quitting after their first day and the other was just in serious car accident. As a result, we are 2-3 people shorthanded.

Key Actions to Drive Performance:

- ❖ Begin cleaning, troubleshooting and organizing Stingrays
- ❖ Hosting second True Service training April 23rd
- ❖ Hired Pool Manager- she's creating and documenting seasonal pool opening procedures, staff training and orientation guides.
- ❖ Finalizing dining membership with Carle
- ❖ Updating House and Ground Rules
- ❖ Renegotiating contracts with Aramark, electric and trash company. Analyzing the retention of window cleaning and bathroom maintenance services. Potential yearly savings of \$3k.
- ❖ Developing targeted Member for Week direct mail campaign
- ❖ Safety National: Kemper program to ensure detailed processes and produces are in place to make sure members, guests and employees are safe

Membership Count:

	Current	Budgeted		Adds	Subs	Dues Add / Lost	Budget Dues Add
Membership Category							
1/2 Junior	21	23		1	1	0	667.70
3/4 Junior	7	3				0	
3/4 junior ass.	41	64		2	7	(1,214.00)	242.80
Equity	161	169		1	6	(2,953.00)	0
Honorary	40	41		0	1	(303.50)	0
Honorary social	3	1				0	0
Social	87	84		3	6	(934.50)	(623.00)
Dining	27	26			3	(339.00)	339
Non-Res	7	5		1		142	0
U of I	5	6				0	0
Total	399	422		10	24	(5,602.00)	626.50

Membership Highlights:

(Stephen Dunn Progress Report)

Membership Status as of March 31, 2018

- ❖ **4 new members**, 7 resignations, **Net -3 members** for March
-6/25 towards Membership Madness
Total club membership = 399
- ❖ **2 out of the 4 membership sales** this month came from **LFCC Referrals**.

Sales & Marketing:

- ❖ **Prospect Meetings:** Attended 5 prospect meetings. Sold 1 new membership to John & Karen Bothwell, parents of current member Dane Bothwell. I anticipate they will be beneficial in bring further prospects and attention to the club. Sold 1 new membership to Cindy & Art Warren. They live in Arizona, but Art is back frequently during the summer months. Sold 1 new membership to Nick Bayer. He just moved to Champaign and will be a Junior member. Sold 1 new membership to Gordy & Pam Hulten. They have been here before as pool guests and enjoyed their visits each time.
- ❖ **Instagram:** Instagram posts go out every Thursday. We don't have as many followers as I would hope right now. Instagram will allow us to attract a new audience and benefit from linked postings to multiple social media outlets.
- ❖ **Facebook:** Facebook posts go out at least twice a week (Wednesdays & Fridays) for upcoming events.
- ❖ **In Process:** Worden Martin, Health Alliance (Meeting in April)
- ❖ **Swing into Spring:** Loyalty Program. Getting more referrals now from members.
- ❖ **Carle Meeting:** Met with Lauren Schmid and she said Carle is very interested in doing the proposed Dining Partnership (\$1,500 annual for employees). Carle has agreed to do a Dining Partnership.
- ❖ **Worden Martin Meeting:** Met with Mark Pelafas, GM of Worden Martin and member of LFCC. He said he would be interested in trying to work on some sort of partnership. He said he will think more about what he would like to see from us that would help benefit them.
- ❖ **Golden Ticket:** Starting to pass these out. Hopefully this will drive the Membership Referral program stronger.

Member Relations:

- ❖ Introduced Golden Ticket Referral program to membership
- ❖ Posted weekly referral drawing on Facebook

Banquets & Events:

- ❖ **Sororities & Fraternities:** Missed out on hosting anything this year. I've been informed that they commit to locations for events by the end of the Fall Semester. The big obstacle will be the underage members of fraternities and sororities.
- ❖ **Business Meetings:** Have discussed with **Dave Janson**, from SFM about hosting a celebratory event to thank his employees for the successful selling season. Hopefully he can do that soon.

April Expectations:

- ❖ Sign up at least 8 new memberships
- ❖ 15-20 More referrals from members
- ❖ Start seeing our Golden Tickets being turned in

Restaurant Service Focus (Matt Flottmann):

March Focus and Results

Three Focuses

- ❖ Consistency- Provide members / guest with a more uniformed dining experience
 - Completed:
 - Provided staff with steps of service handout and reviewed multiple times in lineup. Will continue to use document during new employee orientations.
 - Provided staff feedback through email and text message reinforcing good behaviors.
 - Food quality and presentation continues to be more consistent
 - In Progress:
 - Bar Mixology: Need to revise drink list and create recipe book to ensure consistency from bartender to bartender.
 - Member Names: Continue to improve server's knowledge of member names. Quiz during lineup and provide servers with newsletter with new member names.
- ❖ Tableside Experience- Create an entertaining and unique experience for members
 - Completed:
 - Communicated expectations of entertaining tableside experience with emphasis on menu item descriptions.
 - Tested part of the service staff through roll playing and will continue this focus in April.
- ❖ Suggestive Selling:
 - Completed:
 - Educated staff on daily basis of offerings
 - In Progress:
 - Incentive program for service staff
 - Consistent social media posts

April Focus

- ❖ Member Ready
 1. Review detailed check list with entire front of house staff
 2. Bartender meeting setting closing expectations and holding accountable for staff checkout
 3. Provide staff daily with pre-shift checklist with action items ensuring facility it member ready
- ❖ Tableside Experience
 1. Continue to have all servers present their tableside greeting at lineup
 2. Collect and provide servers with Member preferences to ensure a more personalized experience
 3. Spend more time coaching one on one with servers
- ❖ Incentive Program
 1. Implement a rewards program promoting an excellent service culture. Focused on providing above and beyond service and help to members, guest and employees, name recognition, facility member readiness and upselling.

Course & Grounds:

Weather: March was another miserable month for weather. The first weekend in March we encountered a couple good days. However, most of the month was cold and experienced higher than normal snow precipitation (two snow events totaling 8”).

Course & Grounds:

- ❖ Completed all cleanup and brush/log hauling from the tree removal project.
- ❖ Began normal spring raking/cleanup of whole course.
- ❖ Rolled greens once to prepare for a mowing that did not happen in March due to weather.
- ❖ Removed old practice mats from the practice tee paved strip and prepared for installation of the new artificial hitting area.
- ❖ Performed a purge of old scrap, old tires, old motor oil, and other accumulated refuse from outside shop area.
- ❖ Performed leaf and debris cleanup around clubhouse areas when weather permitted.
- ❖ Began cleanup of swimming pool for eventual drain and refill.
- ❖ Performed seasonal maintenance and fluid change on various mowing equipment.
- ❖ Snow and ice removal.

Issue: Burning debris will not be allowed till further notice

A couple March photos of the course a few days apart reflect how the weather pattern in March was not very conducive to golf or golf course maintenance.



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