

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

Overview:

May was another solid financial month. Revenues exceeded budget and offset elevated expenses. Dues and initiation fees continued their strong trend. The club finished with an EBITDA of \$6,239 against a budget of (\$8,076).

Lincolnshire Fields
Standard Summary Income Statement
For the Seven Months Ending Friday, May 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
REVENUES											
\$42,392	\$46,125	91.9%	\$36,783	115.3%	\$72,848	\$71,624	101.7%	\$63,269	115.1%	\$283,549	\$257,803
20,100	23,500	85.5%	22,622	88.9%	54,158	66,450	81.5%	68,341	78.2%	192,950	181,673
0	0	0.0%	153	6.4%	1,386	0	0.0%	1,668	83.1%	0	4,816
0	0	0.0%	0	0.0%	0	0	0.0%	0	0.0%	0	30
150,562	135,140	111.4%	121,832	123.6%	520,237	462,140	112.6%	373,622	138.2%	999,978	1,096,176
0	0	0.0%	0	0.0%	0	0	0.0%	60	0.0%	0	0
194,557	182,435	106.6%	161,114	120.8%	1,278,191	1,202,537	106.3%	1,086,716	117.6%	2,137,039	2,117,480
35,550	42,500	83.6%	36,000	98.8%	124,100	105,500	117.6%	96,050	128.2%	151,500	198,150
(28,317)	(35,636)	78.5%	(30,408)	93.1%	(79,245)	(63,139)	125.6%	(61,706)	128.4%	(72,800)	(122,570)
1,895	1,200	157.9%	1,420	133.5%	7,570	5,700	132.8%	5,920	127.9%	23,500	28,188
931	0	0.0%	314	296.5%	10,960	0	0.0%	4,281	256.0%	0	14,186
417,681	395,264	105.7%	349,829	119.4%	1,990,206	1,850,811	107.5%	1,638,221	121.5%	3,715,915	3,775,933
COST OF SALES											
16,953	19,270	88.0%	18,453	91.9%	43,172	50,077	86.2%	54,871	78.7%	147,177	146,082
49,115	51,448	95.5%	44,145	111.3%	180,489	175,284	103.0%	146,695	123.0%	380,324	401,062
66,068	70,718	93.4%	62,597	105.5%	223,660	225,361	99.2%	201,566	111.0%	527,500	547,144
84.3%	82.0%	102.8%	81.6%	103.3%	79.7%	75.4%	105.7%	80.3%	99.3%	76.3%	1035.4%
32.7%	38.1%	85.8%	36.2%	90.3%	36.7%	37.9%	96.8%	41.6%	88.2%	38.0%	467.9%
PAYROLL											
60,949	62,492	97.5%	53,363	114.2%	284,633	294,296	96.7%	244,760	116.3%	583,374	557,700
17,418	19,199	90.7%	14,190	122.7%	79,734	77,331	103.1%	53,788	148.2%	168,097	154,887
83,062	73,531	113.0%	69,832	118.9%	403,650	410,842	98.2%	349,341	115.5%	771,201	740,728
11,135	13,015	85.6%	9,511	117.1%	10,813	15,528	69.8%	10,043	107.7%	93,810	83,275
23,814	28,194	84.5%	23,529	101.2%	163,658	164,593	99.4%	144,781	113.0%	277,155	277,513
196,378	196,431	100.0%	170,425	115.2%	942,488	962,590	97.9%	802,712	117.4%	1,893,637	1,814,102
OPERATING EXPENSES											
39,978	50,822	78.7%	38,476	103.9%	105,377	125,404	84.0%	96,376	109.3%	311,264	276,681
2,502	2,502	100.0%	0	0.0%	17,516	17,514	100.0%	3,462	506.0%	33,524	27,525
189	500	37.9%	74	255.2%	6,381	5,300	120.4%	9,012	70.8%	11,675	14,361
26,802	13,501	198.5%	12,088	221.7%	104,393	70,397	148.3%	72,477	144.0%	147,202	194,279
9,221	11,910	77.4%	10,721	86.0%	18,341	14,270	128.5%	17,675	103.8%	32,020	29,424
70,303	56,956	123.4%	61,232	114.8%	396,915	384,929	103.1%	351,306	113.0%	701,443	729,064
148,996	136,191	109.4%	122,591	121.5%	648,923	617,814	105.0%	550,309	117.9%	1,237,128	1,271,334
411,442	403,340	102.0%	355,614	115.7%	1,815,072	1,805,765	100.5%	1,554,587	116.8%	3,658,266	3,632,580
6,239	(8,076)	(77.3%)	(5,785)	(107.9%)	175,134	45,047	388.8%	83,634	209.4%	57,649	143,353
FINANCING ACTIVITY											
(8,834)	(5,227)	169.0%	(4,004)	220.6%	(58,919)	(36,592)	161.0%	(29,441)	200.1%	(62,729)	(104,204)
(3,747)	(4,030)	93.0%	(1,910)	196.2%	(30,805)	(30,780)	100.1%	(13,470)	228.7%	(49,130)	(39,156)
1,385	0	0.0%	76	1822.1%	8,485	0	0.0%	2,452	346.1%	0	14,288
(11,196)	(9,257)	120.9%	(5,838)	191.8%	(81,240)	(67,372)	120.6%	(40,460)	200.8%	(111,859)	(129,072)
OTHER INCOME (EXPENSE)											
56,764	52,000	109.2%	51,846	109.5%	384,459	364,000	105.6%	353,313	108.8%	624,000	654,676
3,063	2,693	113.7%	1,000	306.3%	15,659	13,165	118.9%	2,202	711.1%	28,850	23,426
500	0	0.0%	450	111.1%	133,050	130,000	102.3%	143,700	92.6%	130,000	135,700
(38,353)	(35,828)	107.0%	(32,081)	119.6%	(263,210)	(250,796)	104.9%	(224,568)	117.2%	(429,936)	(448,580)
0	0	0.0%	0	0.0%	8,050	0	0.0%	0	0.0%	0	28,762

Financial Performance:
Revenues:

May revenues finished at \$417.7k, outpacing the budget by \$22.4k and the prior year by \$67.9k.

The dues line contributed \$194.6k, \$12.1k ahead of the budget. The dues line remains healthy. There were eight new membership sales in May with two membership resignations. The club has continued to add new members (35 for the fiscal year) and is below budgeted attrition which has allowed us to outpace the dues budget by \$75.7k through the first half of the fiscal year. The membership spread has been in our favor with more Equity members versus Junior and Social.

Food & Beverage revenues finished May over budget by \$15.4k (11%) and the prior year by \$28.7k (24%). We had nice weather in May and an open pool. The club was consistently busy. We lost a Nine & Dine at the end of the month due to the weather and one Sunday as storms rolled through the area. Overall, food & beverage operations started the season strong and anticipate a strong performance throughout the summer.

The course recorded 2,570 rounds of golf throughout the month. This was ahead of the 1,965 rounds played in May 2023. We hosted two golf outings and had a full complement of league play. We lost one weekend day due to the weather, but the course is in great shape and playing well. Greens fees finished the month at \$15,141 against a budget of \$18,175. The greens fee budget was always going to be the largest lift of the season as we were aggressive in our planning. We are currently pacing 3% behind while up 26% over the prior year. Cart fees were just under budget for the month, finishing at \$27,251 versus a budget of \$27,950.

We had strong out-of-inventory merchandise sales in the golf shop, but our special order sales led to a miss. The out-of-inventory sales totaled \$15.4k but special orders were only 4.5k. Timing may have contributed to the miss as we had several fitting days at the end of the month. Total merchandise sales were \$20,100 against a budget of \$23,500.

Payroll:

Payroll finished right on budget at \$196.4k. Food & Beverage finished well over budget for the first time this season while all other departments provided savings.

The Food & Beverage department finished the month at \$83k against a budget of \$73.5k. Revenues were elevated as well, but the miss to budget was larger than we would like. Adam, Maddie, and I took the approach of overstaffing and making sure our staff was able to ease into the busiest part of our season. We also had additional hours for training as new staff members learned our procedures. I have talked with the management team and given them a tighter budget for June. We are scheduling for a specific number of hours each week and will be more aggressive in cuts as the season continues. The Food & Beverage department is currently \$7.2k (2%) under budget for the year.

Grounds provided modest payroll savings versus budget. Paul continues to do a great job of managing his staff. Golf saw payroll savings of 9% as we used less hourly labor. Administration saved roughly \$4.5k as we paid out fewer commissions than budgeted.

The Aquatics department finished the month well under budget, spending \$8.3k versus an anticipated \$13k. We were working on getting to full staff levels throughout the month. We had adequate coverage, but I anticipate more full payroll usage in June and July. Jasper Criss has done a great job managing our aquatics facility as the season has started.

Expenses:

May OPEX ended at \$149k versus a budget of \$136k.

Dining and cleaning supplies continue to trend well over budget as discussed last month. The supplies have increased in price, and we have had an increased demand as the club has been busier.

We finished the month over budget in fuel and had to adjust our real estate taxes as we had underestimated the accrual amount. We also had several repair and maintenance items which included replacing overhead lightbulbs in the parking lot and pool area, painting the main restaurant area at Stingrays, and toilet replacement in the 19th Hole bathrooms.

Finally, we had our new membership application launch and received the final billing for that work. The total cost for the new membership application refresh was \$3,600.

Grounds provided great savings in chemicals, only spending \$12.5k against an anticipated \$24.5k.

The Cost of Goods in Golf was 84.34% on a budget of 82%. We currently sit at 79.71% versus a budget of 75.36% and a prior year of 80.29%.

Food COGS% was 33.10% on a budget of 40.50%. Employee food expenses were again accounted for this month within expenses. We have a good system of check and balance in place to monitor the GFS invoices. We anticipate lower COGS% this as sales volume remains elevated.

Bar COGS% finished the month at 32.19% against a budget of 33.50%. Our COGS% for the fiscal year sits well under budget at 28.78%. Our inventory jumped as we started the season, and Emilie has been instructed to order less in June to allow us to burn through excess.

Summary:

The club finished the month with revenues of \$417.7k versus a budget of \$395.3k. Payroll finished the month right on budget while OPEX finished the month \$12.8k (9%) over budget. The club finished \$14.3k above the budgeted EBITDA at \$6.2k. Through the first half of the fiscal year, the club has an EBITDA of \$175,134 versus a budget of \$45,047.

The season is here, and we are happy to see our membership using the club. The pool and Stingrays are open. All league play will start by the second week in June, and we have the Captain's Draft and Member-Member on the calendar. In addition, we have a Start to Summer kid's party at the pool, Junior golf, tennis, and swim programming, and our summer band series. The bunker project is complete, and I am happy to report this project will finish under budget.

Key Performance Highlights:

- Total revenues of \$417,681 on a budget of \$395,264 and prior year of \$349,829.
- Dues finished at \$194,557 on a budget of \$182,435.
 - The monthly dues line is currently \$33.4k higher than the prior year.
- Food & Beverage revenue of \$150,562 versus budget of \$135,140 and prior year of \$121,832.
- Controlled payroll across departments.
 - \$4.7k payroll savings in Aquatics.
 - \$4.4k payroll savings in Admin.
- Significant chemical savings from the Grounds department.
- Food & Bar COGS% finished under budget.
 - 33.10% Food COGS versus a budget of 40.50%.
 - Employee meals accounted for in expense lines.
 - Anticipate this number to trend under budget as volume increases during the summer months.
 - 32.19% Bar COGS versus a budget of 33.50%.
 - 28.78% for the fiscal year versus a budget of 33.50%.
- We are fully staffed in all departments.

Key Performance Issues:

- OPEX finished at \$148,996 versus a budget of \$136,191.
 - Cleaning & dining supply expenses continue to trend over budget.
 - Repair and maintenance \$6.4k over budget.
 - Lighting replaced in parking lot and overhead pool.
 - Stingrays painted.
 - New toilets installed in 19th Hole restrooms.
 - New membership application final billing.

Key Actions to Drive Performance:

- Tim Elmore continues to drive private event bookings.
- The bunker renovation project is complete.
 - The construction was substantially completed by Memorial Day weekend.
 - The project is going to finish under budget.
- Jasper Criss is performing admirably as our new Aquatics manager.
 - We have completed hiring.
 - Jasper took on the responsibility of certifying guards.
- New membership application was launched to positive reviews.
- Busy calendar in June with all leagues in full swing.
- Preparing for 4th of July Celebration and the Member Guest Invitational.

Membership Update:

Current Membership Numbers: 472 Total

Equity	183
Junior	113
Under 35	54
35-37	35
38-39	24
Social	113
Honorary	35
Honorary Social	5
Dining	14
Non-Resident	9

Membership Additions – We have sold 35 total memberships this fiscal year on a budget of 46 membership additions in 2024. There were eight sales in May.

Membership Attrition – There were two membership resignations in May with seven more in the resignation window. We are budgeted for an attrition of 35.

RESIGNED MEMBERS	MEMBERSHIP TYPE	OFF THE SYSTEM	REMARKS
SCOTT MARTIN	HONORARY	11/25/2023	MOVING TO TEXAS PERMANENTLY
ED RIESBERG	SOCIAL	11/25/2023	BUSY SCHEDULE – UNABLE TO USE CLUB
CAROLINE BLACKFORD	SOCIAL	11/25/2023	NOT ENOUGH USAGE
CHRIS HARTMAN	EQUITY	11/25/2023	NOT ENOUGH USAGE
VALERIE SWAIN	JUNIOR	12/25/2023	NOT ENOUGH USAGE
BRETT KROENKE	SOCIAL	12/25/2023	NOT ENOUGH USAGE
NATALIE ROBERTS	SOCIAL	12/25/2023	FINANCIAL
SARAH GEIGER	SOCIAL	12/25/2023	TOO BUSY – NOT ENOUGH USAGE
RYAN LOWN	JUNIOR	12/25/2023	INCREASED COST DUE TO AGE
GREG SOPA	SOCIAL	12/25/2023	NOT ENOUGH USAGE
JOHN KISER	SOCIAL	1/25/2024	NO REASON GIVEN
RAY ALEXANDER	SOCIAL	2/25/2024	NO REASON GIVEN
JIM BURGNER	EQUITY	2/25/2024	PREPARING TO MOVE
TAYLOR COX	JUNIOR	3/25/2024	MOVING
MATT/GINI BAIN	SOCIAL	4/25/2024	FINANCIAL
CORY ROBERTS	JUNIOR	4/25/2024	CHANGED JOBS
BRYCE YANTIS	JUNIOR	4/25/2024	FAMILY HEALTH
ROBERT OLTEAN	DINING	4/25/2024	MOVING
ERNEST KWAK	JUNIOR	5/25/2024	NEW JOB REQUIRING TRAVEL
JEFFREY LEE	JUNIOR	5/25/2024	NOT ENOUGH USAGE
LOU LAROS	SOCIAL	5/25/2024	DECEASED
MADLINE HOEFT	EQUITY	6/25/2024	MOVING
JOSHUA KIM	JUNIOR	6/25/2024	NOT ENOUGH USAGE
CHESTER FRAZIER	JUNIOR	7/25/2024	MOVING
ERIC WILSON	JUNIOR	7/25/2024	MOVING
NICOLE DICKERSON	SOCIAL	8/25/2024	NOT ENOUGH USAGE
TOM MURRAY	EQUITY	8/25/2024	NO REASON GIVEN
WILLIAM KING	SOCIAL	8/25/2024	NOT ENOUGH USAGE