



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

### Overview:

November was an inefficient operating month at LFCC. Revenues exceeded budget, but large misses in both payroll and OPEX led to a \$14k miss in EBITDA. The club finished with an EBITDA of (\$14,094) versus a budget of \$206.

Lincolnshire Fields  
 Standard Summary Income Statement  
 For the Month Ending November 30, 2023

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
<b>REVENUES</b>												
2,621	1,665	157%	3,201	80%	Green Fees & Cart Fees	2,621	1,665	157%	3,201	80%	293,549	247,564
1,440	5,300	27%	5,536	26%	Merchandise	1,440	5,300	27%	5,536	26%	192,850	191,760
148	0	0%	679	22%	Other Pro Shop	148	0	0%	679	22%	0	4,567
0	0	0%	0	0%	Range	0	0	0%	0	0%	0	30
52,558	49,500	106%	37,788	130%	Food and Beverage	52,558	49,500	106%	37,788	130%	999,978	984,332
0	0	0%	0	0%	Food and Beverage Gratuity Income	0	0	0%	0	0%	0	60
167,817	161,810	104%	148,543	113%	Membership Dues	167,817	161,810	104%	148,543	113%	2,137,039	1,945,280
50	0	0%	0	0%	Initiation Fees	50	0	0%	0	0%	151,500	170,150
5,942	5,765	103%	4,592	120%	Deferred IFee Rev Adj	5,942	5,765	103%	4,592	120%	(72,600)	(103,691)
0	0	0%	0	0%	Other Operating Revenues	0	0	0%	0	0%	25,600	26,536
1,143	0	0%	(263)	-434%	Other G&A Income	1,143	0	0%	(263)	-434%	0	9,814
<b>231,720</b>	<b>224,040</b>	<b>103%</b>	<b>200,155</b>	<b>116%</b>	<b>TOTAL REVENUE</b>	<b>231,720</b>	<b>224,040</b>	<b>103%</b>	<b>200,155</b>	<b>116%</b>	<b>3,715,915</b>	<b>3,455,614</b>
<b>COST OF SALES</b>												
2,483	3,604	69%	4,219	59%	Merchandise	2,483	3,604	69%	4,219	59%	147,177	156,048
24,268	18,731	130%	16,624	146%	Food & Beverage	24,268	18,731	130%	16,624	146%	380,324	374,812
<b>26,751</b>	<b>22,335</b>	<b>120%</b>	<b>20,843</b>	<b>128%</b>	<b>TOTAL COGS</b>	<b>26,751</b>	<b>22,335</b>	<b>120%</b>	<b>20,843</b>	<b>128%</b>	<b>627,500</b>	<b>630,868</b>
<b>172.6%</b>	<b>68.0%</b>	<b>263.6%</b>	<b>76.2%</b>	<b>226.3%</b>	<b>COGS - Merchandise %</b>	<b>172.6%</b>	<b>68.0%</b>	<b>263.6%</b>	<b>76.2%</b>	<b>226.3%</b>	<b>76.3%</b>	<b>104.0%</b>
<b>44.3%</b>	<b>37.8%</b>	<b>117.2%</b>	<b>44.0%</b>	<b>100.8%</b>	<b>COGS - Food %</b>	<b>44.3%</b>	<b>37.8%</b>	<b>117.2%</b>	<b>44.0%</b>	<b>100.8%</b>	<b>38.0%</b>	<b>611.4%</b>
<b>PAYROLL</b>												
49,699	39,263	127%	33,992	146%	Course and Grounds	49,699	39,263	127%	33,992	146%	593,374	533,544
8,703	8,097	107%	9,429	132%	Pro Shop	8,703	8,097	107%	9,429	135%	189,097	131,214
57,523	57,940	99%	46,048	129%	Food and Beverage	57,523	57,940	99%	46,048	129%	771,201	697,894
(1,083)	0	0%	65	-1677%	Other Operating Departments	(1,083)	0	0%	65	-1677%	93,810	81,257
23,749	22,122	107%	18,167	131%	General and Administrative	23,749	22,122	107%	18,167	131%	277,155	264,217
<b>138,690</b>	<b>127,421</b>	<b>109%</b>	<b>104,691</b>	<b>132%</b>	<b>TOTAL PAYROLL</b>	<b>138,690</b>	<b>127,421</b>	<b>109%</b>	<b>104,691</b>	<b>132%</b>	<b>1,893,637</b>	<b>1,708,226</b>
<b>OPERATING EXPENSES</b>												
12,096	9,622	126%	8,548	142%	Course and Grounds	12,096	9,622	126%	8,548	142%	311,264	271,228
2,502	2,502	100%	1,731	145%	Carts, Range, Starters, Etc.	2,502	2,502	100%	1,731	145%	33,524	14,242
1,255	1,325	95%	1,326	95%	Pro Shop	1,255	1,325	95%	1,326	95%	11,675	18,920
16,817	8,101	206%	6,921	240%	Food and Beverage	16,817	8,101	206%	6,921	240%	147,262	172,659
941	80	1402%	59	1415%	Other Operating Departments	941	80	1402%	59	1415%	32,020	29,540
47,161	52,488	90%	50,009	94%	General and Administrative	47,161	52,488	90%	50,009	94%	701,443	690,608
<b>80,472</b>	<b>74,078</b>	<b>109%</b>	<b>68,594</b>	<b>117%</b>	<b>TOTAL OPERATING EXPENSES</b>	<b>80,472</b>	<b>74,078</b>	<b>109%</b>	<b>68,594</b>	<b>117%</b>	<b>1,237,128</b>	<b>1,184,697</b>
<b>245,814</b>	<b>223,834</b>	<b>110%</b>	<b>194,128</b>	<b>127%</b>	<b>TOTAL EXPENSES</b>	<b>245,814</b>	<b>223,834</b>	<b>110%</b>	<b>194,128</b>	<b>127%</b>	<b>3,658,266</b>	<b>3,423,781</b>
<b>(14,094)</b>	<b>206</b>	<b>-6844%</b>	<b>6,027</b>	<b>-234%</b>	<b>EBITDA</b>	<b>(14,094)</b>	<b>206</b>	<b>-6844%</b>	<b>6,027</b>	<b>-234%</b>	<b>57,649</b>	<b>317,333</b>
<b>FINANCING ACTIVITY</b>												
(7,628)	(5,227)	146%	(5,298)	144%	Interest Expense - Debt	(7,628)	(5,227)	146%	(5,298)	144%	(62,728)	(77,057)
(8,659)	(4,780)	181%	(1,372)	631%	Interest Expense - Leases	(8,659)	(4,780)	181%	(1,372)	631%	(49,130)	(29,109)
942	0	0%	146	644%	Interest Income	942	0	0%	146	644%	0	9,051
<b>(15,345)</b>	<b>(10,007)</b>	<b>153%</b>	<b>(6,622)</b>	<b>235%</b>	<b>TOTAL FINANCING ACTIVITY</b>	<b>(15,345)</b>	<b>(10,007)</b>	<b>153%</b>	<b>(6,622)</b>	<b>235%</b>	<b>(111,859)</b>	<b>(97,114)</b>
<b>OTHER INCOME (EXPENSE)</b>												
54,601	52,000	105%	48,559	112%	Dues - Capital Improvement	54,601	52,000	105%	48,559	112%	624,000	629,571
1,771	1,594	111%	0	0%	Initiation Fees - Capital Improvement	1,771	1,594	111%	0	0%	28,650	11,740
1,250	0	0%	0	0%	Operating Assessments	1,250	0	0%	0	0%	130,000	147,600
(37,335)	(35,828)	104%	(32,081)	116%	Depreciation & Amortization	(37,335)	(35,828)	104%	(32,081)	116%	(428,938)	(415,193)
0	0	0%	0	0%	Gain(Loss) On Disposal Of Assets	0	0	0%	0	0%	0	20,712
49	0	0%	0	0%	Other Expenses / Capital Reserve / Impairment	49	0	0%	0	0%	0	(14,127)
<b>20,286</b>	<b>17,766</b>	<b>114%</b>	<b>16,478</b>	<b>123%</b>	<b>TOTAL OTHER INCOME (EXPENSE)</b>	<b>20,286</b>	<b>17,766</b>	<b>114%</b>	<b>16,478</b>	<b>123%</b>	<b>352,914</b>	<b>380,304</b>
<b>(9,152)</b>	<b>7,965</b>	<b>-115%</b>	<b>15,983</b>	<b>-57%</b>	<b>NET INCOME</b>	<b>(9,152)</b>	<b>7,965</b>	<b>-115%</b>	<b>15,983</b>	<b>-57%</b>	<b>298,704</b>	<b>314,922</b>
53	15	353%	35	151%	Paid Rounds	53	15	353%	35	151%	2,235	1,728
249	200	125%	334	75%	Member Rounds	249	200	125%	334	75%	12,600	11,111
0	0	0%	0	0%	Other Rounds	0	0	0%	0	0%	0	3
302	215	140%	369	82%	Total Rounds	302	215	140%	369	82%	14,835	12,842
4,372	14,836	29%	5,719	76%	Revenue/Paid Rounds	4,372	14,836	29%	5,718	76%	1,663	242,615
767	1,942	39%	542	141%	Revenue/Total Rounds	767	1,942	39%	542	141%	250	243,401
49	111	45%	94	53%	Green Fees / Cart Fees per Paid Rounds	49	111	45%	94	53%	127	1,718
9	8	112%	9	98%	Green Fees / Cart Fees per Total Rounds	9	8	112%	9	98%	19	368
174	230	76%	102	170%	F&B Revenue/Total Rounds	174	230	76%	102	170%	67	62,231
5	25	19%	15	32%	Merchandise Revenue/Total Rounds	5	25	19%	15	32%	13	3,967

### Financial Performance:

#### Revenues:

November revenues finished at \$231.7k, outpacing the budget by \$7.7k and the prior year by \$31.6k.

The dues line contributed \$167.8k, roughly \$6,000 ahead of the budget. The dues line remains healthy. There were no membership sales in November. There were four membership resignations in November which is in line with budgeted attrition.

Food & Beverage revenues finished November 6% ahead of budgets, ending at \$52.5k against a budget of \$49.5k and a prior year of \$37.8k. November was a great weather month with warmer temperatures and little precipitation. We hosted 100 members for Thanksgiving Brunch and had roughly 25 to-go orders on Thanksgiving Day. The club also continues to see an increase in private event bookings since the clubhouse renovations were completed in June. We anticipate a great December fueled by multiple holiday event bookings each week.

The course saw 302 total rounds in November, just behind the 369 rounds in 2022. Despite great weather, the ongoing bunker renovation has had some impact on play this fall. Greens fees finished the month at \$890 on a budget of \$375. Cart fees finished ahead of budget with \$1,731 in total sales versus a budget of \$1,290. Both greens and cart fees were budgeted lower than prior year in anticipation of the bunker project.

Merchandise sales were slow in November. The shop sold \$1,440 in total against a budget of \$5,300. Inventory is beginning to dwindle after credit book expired in October. There are several pending special orders that will be processed and billed in December.

### **Payroll:**

Payroll finished \$11.2k over budget at \$138.6k. Course & Grounds accounted for \$10.4k of the overall miss with several other departments finishing slightly over budget.

We anticipated an increase in payroll for Course & Grounds with the bunker renovation continuing, but Paul and I did not expect the project to require so much attention. The construction project combined with warmer temperatures in November meant we needed to retain more staff and had far more hours than anticipated. The crew is working to keep sod alive and helping with hauling, irrigation, and other needs. We now anticipate an overage in December as well. Our seasonal staff has been terminated for the season, and we are moving into the offseason with one additional staffer versus budgeted. Overall, the department finished with a payroll of \$49.7k against a projected \$39.3k.

Despite increased revenues, Food & Beverage operated efficiently, finishing the month 1% under budget at \$57.5k. Golf finished the month \$606 over budget while Administration finished \$1,627 over budget. The accrual in November was based on some bonused payroll, and I anticipate these numbers correcting in December.

This was not the start to the fiscal year that we wanted from a payroll perspective. The management team is aware of the need to adjust in December.

### **Expenses:**

November OPEX ended at \$80.5k versus a budget of \$74.1k.

The main overages versus budget are related to supplies. Our main food & supplies provider, Gordon Food Service, let us know mid-November that we had outstanding invoices, totaling \$10,025.49, dating back to July. These were invoices we never received and were not showing on our statements. We had a long back and forth with GFS about this issue. The invoices affected both our supplies and food COGS line in November. We have reached an agreement with GFS to review our outstanding invoices every Wednesday morning so that we have no surprises moving forward.

Fuel usage was also higher in November than budgeted. The nicer weather and bunker project had the crew using both diesel and regular. Both tanks were filled in November. This timing should lead to savings later in the year.

The Cost of Goods in Golf was 172.46% on a budget of 68%. The percentage is inflated due to low sales volume, but this was a cause for concern. I spoke with Matt when he first completed inventory, and several factors contributed to the miss. We had a large shoe and equipment return that was processed mid-month. The shoes had restocking fees. This contributed \$300 to the total. We ran an inventory liquidation sale with deep discounting where we were selling under cost. Finally, our credit book expired at the end of October. Members were required to use their credit before the expiration date. The Golf Shop made a billing mistake when they processed one of these transactions. The credit book was never applied and was cleared to revenue at the end of October. This meant that we took a \$500 hit to inventory this month as we had to return the merchandise to the member's account. We have several special orders that will be processed in December. We should see higher sales volume and better overall costing moving forward.

Food COGS% was 45.48% on a budget of 40.50%. This miss can be attributed to the Gordon Food Service issues highlighted earlier. The invoices added \$3k (7%) to our purchasing and resulted in elevated COGS. Inventory dropped by \$2k, and we anticipate a significant decrease in inventory in December. We have a lot of private events scheduled which should lead to great costing as well.

Bar COGS% finished the month at 41.25% against a budget of 33.50%. We need to be more consistent with this number as well. I think our count has been inconsistent, and Adam and I will be auditing all counts over the next few months. We are working on a new inventory sheet this offseason. We will also be ordering the minimum product in December to reduce inventory as we approach January.

### **Summary:**

The club finished the month with revenues of \$231.7k versus a budget of \$224k. We saw significant overages in both payroll and OPEX leading to a miss to budget. The club finished \$14.3k below the budgeted EBITDA at (\$14,094).

December will be another busy month at LFCC. We will host Breakfast with Santa on the first Saturday of the month. We will also have the Ladies' Holiday Luncheon, Sushi Night, and the Men's League Holiday party. December is booked solidly with member private events. The progress on the bunker renovation continues, and we hope to have the front nine completed by the end of the year. We look forward to seeing all of you in December. Happy Holidays!

### **Key Performance Highlights:**

- Total revenues of \$237,720 on budget of \$224,040 and prior year of \$200,155.
- Dues finished at \$167,817 on a budget of \$161,810.
  - The monthly dues line is currently \$19.3k higher than the prior year.
- November was a nice weather month which meant golf season was extended.
- Food & Beverage continues to be fully staffed both in the kitchen and in the front of the house.

### **Key Performance Issues:**

- Payroll was over budget by \$11,169 in November.
  - Food & Beverage operated under budget with increased revenues.
  - Golf & Admin finished the month slightly over budget.
  - Course & Grounds over budget by \$10.4k.
    - The construction project combined with warmer temperatures in November meant we needed to retain more staff and had far more hours than anticipated.
    - The crew is working to keep sod alive and helping with hauling, irrigation, and other needs.
    - We now anticipate an overage in December as well.
  - OPEX finished at \$80,472 versus a budget of \$74,078.
    - Overage in supplies due to invoicing error by GFS.
    - Fuel expenses high due to bunker project.
  - Supplies for Food & Beverage and daily cleaning continue to increase in cost.
- COGS numbers in golf were 172.68% versus budget of 68%.
- Food COGS finished at 45.48% on a budget of 40.50%.
- Bar COGS finished at 41.25% versus a budget of 33.50%.

### **Key Actions to Drive Performance:**

- We continue to host private member events in the new spaces.
  - The December calendar is full with multiple events per week.
- The bunker renovation project started and the construction is progressing on schedule.
  - Currently projecting to have the front 9 completed by January 1, 2024.
  - The crew will continue working on the back nine as long as conditions are favorable.
- Breakfast with Santa, Ladies' Holiday Luncheon, and Men's League Holiday all on the calendar in December.
- Conversations with Jonas about enhancing the membership phone app in 2024 continue.

## Membership Update:

Current Membership Numbers: 451 Total

Equity	<b>172</b>
Junior	<b>104</b>
Under 35	47
35-37	33
38-39	24
Social	<b>112</b>
Honorary	<b>35</b>
Honorary Social	<b>5</b>
Dining	<b>14</b>
Non-Resident	<b>9</b>

Membership Additions – We are budgeted for 46 membership additions in 2024. There were sales in November. The first budgeted sales are in March.

Membership Attrition – There were 4 membership resignations in November with seven more in the resignation window. We are budgeted for an attrition of 35.

<b>RESIGNED MEMBERS</b>	<b>MEMBERSHIP TYPE</b>	<b>OFF THE SYSTEM</b>	<b>REMARKS</b>
SCOTT MARTIN	HONORARY	11/25/2023	MOVING TO TEXAS PERMANENTLY
ED RIESBERG	SOCIAL	11/25/2023	BUSY SCHEDULE – UNABLE TO USE CLUB
CAROINE 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	1/25/2023	NO REASON GIVEN