

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

Overview:

September was a solid financial month. Revenues exceeded budget and offset elevated expenses. Dues continued their strong trend and Food & Beverage and Golf revenues finished ahead of budgeted expectations. The club finished with an EBITDA of \$15,632 against a budget of \$7,361.

Lincolnshire Fields
Standard Summary Income Statement
For the Eleven Months Ending Monday, September 30, 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												
\$39,132	\$32,550	120.2%	\$31,418	124.6%	Green Fees & Cart Fees	\$257,562	\$262,774	98.0%	\$227,156	113.4%	\$283,549	\$278,630
34,636	24,500	141.4%	34,143	101.4%	Merchandise	158,926	162,950	97.5%	166,966	95.2%	192,950	187,816
206	0	0.0%	2,020	10.2%	Other Pro Shop	3,087	0	0.0%	3,757	82.1%	0	4,427
0	0	0.0%	30	0.0%	Range	0	0	0.0%	30	0.0%	0	0
72,901	68,700	106.1%	86,858	83.9%	Food and Beverage	1,074,369	942,290	114.0%	910,097	118.0%	999,978	1,113,834
0	0	0.0%	0	0.0%	Food and Beverage Gratuity Income	0	0	0.0%	60	0.0%	0	0
195,387	187,253	104.3%	168,991	115.6%	Membership Dues	2,062,651	1,949,786	105.8%	1,756,502	117.4%	2,137,039	2,232,154
6,500	0	0.0%	7,050	92.2%	Initiation Fees	147,650	151,500	97.5%	160,100	92.2%	151,500	157,650
978	7,343	13.3%	(669)	(146.2%)	Deferred I/Fee Rev Adj	(73,251)	(79,944)	91.6%	(101,272)	72.3%	(72,600)	(77,010)
895	200	447.3%	459	194.9%	Other Operating Revenues	33,556	23,500	142.8%	26,538	126.4%	23,500	33,556
1,885	0	0.0%	854	220.8%	Other G&A Income	13,608	0	0.0%	6,561	207.4%	0	14,555
352,520	320,546	110.0%	331,155	106.5%	TOTAL REVENUE	3,678,158	3,412,856	107.8%	3,156,495	116.5%	3,715,915	3,945,612
COST OF SALES												
28,864	18,375	157.1%	27,283	105.8%	Merchandise	125,366	124,077	101.0%	131,995	95.0%	147,177	151,153
26,834	26,235	102.3%	32,129	83.5%	Food & Beverage	377,037	358,409	105.2%	349,022	108.0%	380,324	395,283
55,698	44,610	124.9%	59,411	93.7%	TOTAL COGS	502,403	482,485	104.1%	481,017	104.4%	527,500	546,435
83.3%	75.0%	111.1%	79.9%	104.3%	COGS - Merchandise %	78.9%	76.1%	103.7%	79.1%	99.7%	76.3%	1035.7%
38.2%	38.2%	100.0%	38.4%	99.5%	COGS - Food %	36.3%	38.0%	95.5%	39.6%	91.7%	38.0%	458.2%
PAYROLL												
51,823	54,690	94.8%	56,917	91.0%	Course and Grounds	505,943	529,162	95.6%	471,786	107.2%	583,374	551,984
15,178	14,486	104.8%	12,742	119.1%	Pro Shop	158,602	157,484	100.7%	116,658	136.0%	168,097	170,885
59,734	59,775	99.9%	54,053	110.5%	Food and Beverage	725,851	714,769	101.6%	636,885	114.0%	771,201	775,385
7,660	6,389	119.9%	4,506	170.0%	Other Operating Departments	93,632	90,950	102.9%	79,351	118.0%	93,810	96,786
21,290	21,030	101.2%	19,723	107.9%	General and Administrative	255,941	256,125	99.9%	237,104	107.9%	277,155	277,472
155,685	156,369	99.6%	147,941	105.2%	TOTAL PAYROLL	1,739,969	1,748,490	99.5%	1,541,784	112.9%	1,893,637	1,872,512
OPERATING EXPENSES												
34,135	29,272	116.6%	25,215	135.4%	Course and Grounds	242,822	290,042	83.7%	245,041	99.1%	311,264	265,461
2,502	2,502	100.0%	2,502	100.0%	Carts, Range, Starters, Etc.	27,525	31,022	88.7%	10,969	260.9%	33,524	30,027
765	1,200	63.7%	678	112.8%	Pro Shop	11,222	10,475	107.1%	15,231	73.7%	11,675	12,982
16,679	15,141	110.2%	10,770	154.9%	Food and Beverage	176,064	136,111	129.4%	140,292	126.5%	147,202	198,135
2,760	1,700	162.4%	592	466.6%	Other Operating Departments	39,262	31,420	125.0%	27,328	143.7%	32,020	40,693
68,663	62,390	110.1%	63,025	108.9%	General and Administrative	676,988	630,184	107.4%	598,104	113.2%	701,443	762,340
125,505	112,205	111.9%	102,782	122.1%	TOTAL OPERATING EXPENSES	1,173,883	1,129,254	104.0%	1,036,965	113.2%	1,237,128	1,309,637
336,888	313,185	107.6%	310,134	108.6%	TOTAL EXPENSES	3,416,255	3,360,230	101.7%	3,059,765	111.7%	3,658,266	3,728,584
15,632	7,361	212.4%	21,020	74.4%	EBITDA	261,903	52,626	497.7%	96,730	270.8%	57,649	217,027
FINANCING ACITIVITY												
(6,835)	(5,227)	130.8%	(5,194)	131.8%	Interest Expense - Debt	(94,850)	(57,502)	165.0%	(69,446)	136.6%	(62,729)	(100,130)
(4,048)	(3,550)	114.0%	(5,209)	77.7%	Interest Expense - Leases	(48,980)	(45,700)	107.2%	(16,981)	288.4%	(49,130)	(53,820)
1,200	0	0.0%	943	127.2%	Interest Income	13,598	0	0.0%	7,281	186.8%	0	14,572
(9,683)	(8,777)	110.3%	(9,459)	102.4%	TOTAL FINANCING ACTIVITY	(130,233)	(103,202)	126.2%	(79,147)	164.5%	(111,859)	(139,378)
OTHER INCOME (EXPENSE)												
56,571	52,000	108.8%	54,474	103.8%	Dues - Capital Improvement	612,076	572,000	107.0%	568,930	107.6%	624,000	666,676
3,307	3,172	104.2%	1,594	207.5%	Initiation Fees - Capital Improvement	28,520	25,678	111.1%	8,124	361.1%	28,850	30,365
0	0	0.0%	575	0.0%	Operating Assessments	133,050	130,000	102.3%	145,100	91.7%	130,000	134,300
(55,689)	(35,828)	155.4%	(37,530)	148.4%	Depreciation & Amortization	(434,989)	(394,108)	110.4%	(374,111)	116.3%	(429,936)	(470,817)

Financial Performance:
Revenues:

September revenues finished at \$352.5k, outpacing the budget by \$32k and the prior year by \$21.4k.

The dues line contributed \$195.4k, \$8.1k ahead of the budget. There were four new membership additions in September with one membership resignation. Early sales combined with below-budget attrition, have allowed us to outpace the dues budget by \$112.9k year to date.

Food & Beverage revenues finished September over budget by \$4.2k (6%). The month started with a Labor Day celebration at the pool. Stingrays closed after the first weekend in September, but the Clubhouse remained busy. We moved the Harvest Beer Festival to October this season. Despite the shift in revenue, we were able to close out the month ahead. We are currently 14% ahead of the budget and 18% ahead of the prior year.

The course recorded 1,875 rounds of golf throughout the month. This was ahead of the 1,715 rounds played in September 2023. Rounds of golf are currently up 21.4% over the prior year. The club hosted one golf outing in September and several high school events.

Greens fees finished the month at \$14.3k against a budget of \$9k. We have hit our greens fee budget for the second straight month. As discussed throughout the season, the budget was too aggressive this season. Greens fees are up \$17.5k (24%) for the year, but we are currently trailing the budget by \$16.2k (15%). Cart fees finished the month at \$24.8k versus a budget of \$23.6k.

Merchandise sales finished ahead of budget. Total merchandise sales were \$34.6k against a budget of \$24.5k. Total merchandise sales for the year are at \$158.9k against a budget of \$163k. We have \$20k outstanding credit book that will need to be spent in October. I anticipate merchandise sales finishing close to the \$193k budget.

Payroll:

Payroll finished right on the budget. Small overages in Aquatics and Golf were offset by savings in Grounds.

The Food & Beverage department finished the month right on target after finishing over budget in July and August. Golf finished \$500 over budget and Aquatics finished \$1,500 over budget

Grounds provided \$3k payroll savings versus budget. The department has saved \$23k for the fiscal year.

We anticipate payroll overages in Aquatics and Golf in October. We did not budget for Cordale Kerns as a full-time assistant during budget creation last season. We made the decision to extend the pool season in October which will require some additional staffing.

Expenses:

September OPEX ended at \$125k versus a budget of \$112.2k.

We purchased a few new computers for Administration and Golf to replaced aged units. The other large overage was due to \$6,500 in repair and maintenance for Grounds equipment. As we began the aerification process, we had multiple issues with the hydraulic lift on the tractor. This halted the process, and we spent both time and money diagnosing the issue and getting it fixed. We had a used aerification unit delivered in September, but it immediately had issues. It is currently being diagnosed by the manufacturer that sold the unit.

Grounds continues to provide savings in chemicals and fertilizers. We have currently saved \$47k versus the budget for the fiscal year. Paul does have some pre-emergent herbicides and wetting agents he plans to experiment with this fall. These products would stop broad-leaf weeds and poa annua from developing in the Spring.

The Cost of Goods in Golf was 83.33% on a budget of 75%. We currently sit at 78.88% versus a budget of 76.14% and a prior year of 79.06%. We did see approximately \$1,000 in inventory shrink in September which is higher than average. There were several women's tops and bottoms unaccounted for, and we believe there might have been a POS error as we ran a buy one, get one deal on Labor Day weekend.

Food COGS% was 37.87% on a budget of 40.50%. Bar COGS% finished the month at 38.72% against a budget of 33.50%. The overall food & beverage COGS% is 36.26% versus a budget of 38.04%. Inventory in both departments was reduced significantly, but there is further inventory reduction needed as we approach the offseason.

Summary:

The club finished the month with revenues of \$352.5k versus a budget of \$320.6k. Payroll finished the month right on budget at \$155.7k and OPEX finished the month \$13.3k (12%) over budget. The club finished \$8.3k above the budgeted EBITDA at \$15,632. Through the first eleven months of the fiscal year, the club has an EBITDA of \$261.9k versus a budget of \$52.6k.

The club continues to be busy. We have a few more golf events in October. The pool will officially close after the first weekend in October. We have the Harvest Beer Festival coming up. We are looking forward to a great fall filled with activity.

Key Performance Highlights:

- Total revenues of \$352,520 on a budget of \$320,546 and prior year of \$331,155.
- Dues finished at \$195,387 on a budget of \$187,253.
 - The monthly dues line is currently \$26.4k higher than the prior year.
- Food & Beverage revenue of \$72,901 versus budget of \$68,700 and prior year of \$86,858.
- Golf revenue ahead of budget in greens fees, cart fees, and merchandise sales.
- Payroll finished right on budget targets at \$155,685 despite increased revenue.
 - \$3k savings from Grounds.
- Food & Bar COGS% finished under budget.
 - 38.19% versus a budget of 38.40%.

Key Performance Issues:

- Elevated OPEX
 - Total OPEX of \$125,505 on a budget of \$112,205.
 - Savings from chemical and fertilizer.
 - Grounds equipment repair of \$6,500.
 - Cost of supplies continues to trend well over budget.

Key Actions to Drive Performance:

- Preparing for Fall Member Guest & Mean 18
- We will operate the pool for one additional week based on forecast and membership feedback.
- League programming has concluded for the season.
- King of Clubs continues during the offseason.
- Harvest Beer Festival, a Wine Dinner, the Tailgate on the Driving Range, and Halloween are on the social calendar for October.
- Fall aeration process still needs to be completed after delays due to equipment failure.

Membership Update:

Current Membership Numbers: 466 Total

Equity	185
Junior	98
Under 35	48
35-37	27
38-39	23
Social	111
Honorary	34
Honorary Social	4
Dining	15
Non-Resident	9
U of I Foundation	10

Membership Additions – We have sold 48 total memberships this fiscal year on a budget of 46 membership additions in 2024. There was four sales in September.

Membership Attrition – There was one membership resignations in September with six more in the resignation window. We are budgeted for an attrition of 38. A total of 38 resignations have been processed or are in the pipeline.

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
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	1/25/2024	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
MADELINE HOEFT	EQUITY	6/25/2024	MOVING
JOSHUA KIM	JUNIOR	6/25/2024	NOT ENOUGH USAGE
PHIL NORFLEET	EQUITY	6/25/2024	EXPELLED
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
DALE HENDERSHOT	EQUITY	9/25/2024	NEW BOAT, NOT ENOUGH USAGE
TRAVIS SPOHR	SOCIAL	10/25/2024	NOT ENOUGH USAGE
ANTHONY BRUNO	JUNIOR	10/25/2024	FINANCIAL
CAIN KISER	JUNIOR	10/25/2024	NO REASON GIVEN
MATT DAVIS	SOCIAL	10/25/2024	NOT ENOUGH USAGE
JASON SAKOWSKI	SOCIAL	10/25/2024	NO REASON GIVEN
TRAVIS SPOHR	SOCIAL	10/25/2024	NOT ENOUGH USAGE
KEITH HOWARD	SOCIAL	10/25/2024	MOVING
TOM MALEE	HONORARY	10/25/2024	HEALTH