

AGENDA
Fiscal Affairs Committee

Date: January 21, 2020

Time: 1:30

Place: East Center Lounge

Call to order

Roll call

Quorum?

Approve FAC December meeting minutes

Committee chair comments:

Old business:

- Report on Credit Card and Banking Fees – Kent
- Update on 2020 Budget format and CEO decision to have separate checking accounts – Kent
 - Cost factors, how do we maximize GVR returns?
- Review CPM changes regarding reserve funding – Carol
- Update plan for producing YE 2019 draft statements and timeline on final statements – Cheryl/Kent
- Discuss reporting format for 2020 monthly financial statements – All

New Business:

- Operating cash management – how are the new JPMorgan accounts working out – Cheryl/Kent
 - How should maximizing the return on cash be measured?
- 4Q2019 Capital purchases – David
- Update from MR&R subcommittee - Marge

Member comments

Adjourn

Next meeting on 2/18/2020 at 1:30 PM in Las Campanas Ocotillo Room .



GVR Mission Statement: *“To provide recreational, social and leisure education opportunities that enhance the quality of our members’ lives.”*

MINUTES

FISCAL AFFAIRS COMMITTEE

Wednesday, December 18, 2019

1:30pm MST – West Center Room 2

Attendees: Carol Crothers (Chair), Kathi Bachelor, Marge Garneau, Mark Kelley, Tom Sadowski, Kent Blumenthal (CEO), Cheryl Moose (CFO), David Webster (Liaison/Accounting Supervisor)

Remote Attendees: Charlie Sieck (ex officio)

Absent: Gene Kasper, Keith Skytta, Steve Wilhelm

Additional Staff: Marie Wilbur (Meeting Scribe)

Guests: 12

CALL TO ORDER: Chair Crothers called the meeting to order at 1:30pm MST.

ROLL CALL: Roll was called and a quorum established.

AMEND AGENDA: M. Garneau made a motion to amend the agenda to add a new Item 3 under New Business. Motion was seconded. Passed: unanimously.

NEW BUSINESS:

➤ **Report on Credit Card and Banking Fees Plus Update on Present Charging Practices**

CEO Kent Blumenthal stated that he will hire an outside consultant to work on this.

➤ **Update on 2020 Budget Format After CEO Decision to Not Have Separate Checking Accounts**

K. Blumenthal reported that he has decided there will be four separate checking accounts and explained the process to reach that decision. The accounts will be set up with Schwab.

➤ **Discuss Timing of Transfers Between Operations and Reserve Accounts**

Motion: T. Sadowski made a motion to transfer new member capital fees to the Initiatives Reserve account each month within ten (10) business days. Motion was seconded. Passed: unanimously.

➤ **Discuss Next Steps in Potential Change to MR&R Funding Targets**

Discussion ensued on funding targets and how to achieve appropriate targets..

C. Sieck left remote at 2:18pm.

Motion: C. Crothers made a motion to form a subcommittee to look at MR&R funding and growth for a better understanding of funding and to formulate a strategy for moving forward. Motion was seconded. Passed: unanimously.

C. Crothers asked for a volunteer to chair this subcommittee. Marge Garneau volunteered and will gather members for this subcommittee. T. Sadowski recommended Roger Myers.

➤ **Review CPM Changes Regarding Reserve Funding**

The Committee reviewed the Exhibit – Subsection 2 Reserve Policy. It was agreed to table this for further discussion and review at the January Committee meeting.

➤ **Review November Financial Statements Including New 4-Budget Format**

D. Webster presented the Financial Report as of November 30, 2019.

Motion: T. Sadowski made a motion to approve the Financial Report as of November 30, 2019. Motion was seconded. Passed: unanimously.

➤ **Review Plan for Producing YE 2019 Draft Statements and Timeline on Final Statements/Discuss Reporting Format for 2020 Monthly Financial Statements**

D. Webster stated that the January 2020 budget will be in seasonality format as requested by the Committee.

C. Moose stated that the year-end statements will be ready by the end of January and will try to have them ready for the BOD meeting on January 29.

MINUTES: T. Sadowski made a motion to approve the minutes for the meetings of October 15, 2019; November 14, 2019; and November 19, 2019. Motion was seconded. Passed: unanimously.

MEMBER COMMENTS: None

ADJOURNMENT: M. Garneau made a motion to adjourn. Motion was seconded. Passed: unanimously. The meeting was adjourned at 2:59pm MST.

SUBSECTION 2 - RESERVE POLICY – updated 10/25/2016

A. Overview

Green Valley Recreation, Inc. (GVR) maintains three (3) financial reserve funds to ensure its long term solvency and sustainability as part of the Corporation's Financial Planning Principles. For each reserve fund, the following information describes the purpose, desired target range, funding source, authorization and investment parameters. In executing its oversight role, the GVR Board of Directors may elect to revise these factors over time, as needs of the Corporation evolve and as opportunities and investment markets may suggest.

B. Reserve Study Policy

To be fiscally responsible, GVR has to answer these basic but critical questions:

1. What will the cost be to maintain, repair and replace its equipment, facilities, and infrastructure to meet member expectations and high standards?
2. When and to what extent will these costs be incurred?
3. Will GVR have sufficient money on-hand to meet these costs?

A reserve study is a planning and budgeting tool which answers these questions by analyzing, quantifying and projecting costs of specific items called Components, in the aggregate called a Component Inventory, over a 30 year period and formulating a Reserve Contribution amount to pay these costs.

There are three (3) types of Reserve Studies:

1. Full Reserve Study – Baseline, vendor evaluates all facilities, equipment and infrastructure
 2. Reserve Study with no onsite visit (NOV) – GVR updates Component Inventory with changes
 3. Reserve Study with an onsite visit (WOV) – Vendor reevaluates Component Inventory & updates
- During the third quarter of the current budget year GVR staff and the Fiscal Affairs Committee shall recommend and the Board shall

approve a reserve study provider and the type of reserve study to be performed during the first quarter of the next budget year.

During the first quarter of each budget year, GVR shall ensure a Reserve Study is performed by a qualified, reputable Reserve Study provider with the final Reserve Study due 90 days prior to the final budget date. The Reserve Contribution amount will be incorporated into GVR's annual budget.

GVR's Percent Funded objective is not less than 85% and not greater than 100%.

The Component Inventory of a Reserve Study is the fundamental data driving Reserve Study results. To maintain Component Inventory integrity, it is imperative that GVR record all maintenance, repairs and replacements to Components as they occur or new Components are added and notify the Reserve Study provider. This is especially true when Reserve Study with no onsite visit is done.

Each Component meets these four (4) criteria:

1. GVR must have a duty to maintain, repair and replace it
2. Limited useful life
3. Predictable remaining useful life
4. Exceeds a minimum dollar threshold.

By planning, budgeting and funding GVR maintenance, repair and replacement expenses, GVR achieves these three (3) goals:

1. Sufficient cash to meet its Reserve Study Component Inventory expenses
2. Achieves a stable Reserve Contribution amount
3. Evenly distributes the cost to current and future members

C. Maintenance of GVR Financial Reserve System

1. Definitions:

Defined terms are capitalized in **Bold** typeface.

Annual Reserve Study is the Reserve Study referred to in Section B. – Reserve Study Policy

A **Reserve Account(s)** is a checking, savings, investment or any other type of account in which reserve monies are deposited.

Board Restricted means the Board of Directors controls the Reserve Accounts and authorizes expenditures from such accounts.

2. **Reserve Contributions and the Annual Budget:**

Reserve Contributions to the Reserve Accounts shall be an integral part of the annual budget.

The annual operating budget shall generate sufficient Excess Revenue-Over-Expenses to make the Reserve Contribution to the Maintenance, Repair and Replacement Reserve Fund called for in the **Annual Reserve Study** unless such Reserve Contribution generates a Percent Funded greater than 100% in which case the Reserve Contribution may be reduced to achieve a Percent Funded not less than 85%.

Reserve Contributions to the Initiatives Reserve Fund shall be funded from a portion of the Property Acquisition Capital Fee and/or from the Initial Fee based on the applicable fee when a GVR member property is sold.

Contributions to the Emergency Reserve Fund shall be recommended by the Chief Financial Officer (CFO) to the Board for consideration and approval.

3. **Paying from reserve accounts or reimbursing operating cash account for reserve expenditures:**

Within sixty (60) days after adoption of this policy by the Board of Directors GVR shall establish a written accounting and internal control policy and procedure based on Generally Accepted Accounting Policies (GAAP) to track and document all withdrawals by check or electronic means and Board approved transfers, electronic or otherwise, between Reserve Funds, pay Board authorized reserve expenditures or transfers to reimburse operating cash for such expenditures. Such policy and procedure shall require written instructions and supporting documentation signed by the Chief Financial officer (CFO) and approved by the Chief Executive

officer (CEO) or, in the CEO's absence, the Chief Operating officer (COO).

4. **Priority of making contributions to Reserve Accounts:**

GVR shall make contributions to Reserve Accounts in this order of priority:

- a. Maintenance, Repair and Replacement Reserve Fund
- b. Initiatives Reserve Fund
- c. Emergency Reserve Fund.

5. **Rebalancing Reserve Accounts:**

A Reserve Account(s) may have a balance greater than the Board's target minimum balance due to a number of factors including returns on investments. The Board may consider rebalancing a Reserve Account(s) by: (1) transferring money between Reserve Accounts, (2) reducing Reserve Contributions or (3) transferring money from a Reserve Account(s) to operating cash.

All rebalancing actions shall be authorized by Board resolution(s).

D. Emergency Reserve Fund (previously the Operating Reserve Fund)

1. **Definitions:**

Major Event(s) is an event causing damage to a facility and/or infrastructure or an emergency safety event costing \$25,000 or more in repairs, renovations or replacements.

2. **Purpose:**

The Emergency Reserve Fund serves these purposes:

- a. An emergency fund to pay for major, unanticipated repairs to, renovation of or replacement of a GVR facility or facilities or infrastructure caused by a **Major Event** or **Events**.
- b. An emergency safety-net should a severe economic downturn or unanticipated event threaten GVR's financial well-being.

3. **Target Balance:**

This fund shall be of sufficient size as determined by the Board of Directors to protect GVR from the following:

- a. Long-term or permanent loss of use of a GVR facility or facilities or infrastructure caused by a **Major Event** or **Events** due to GVR's inability to pay for repairs, renovations or replacement of damaged facility or facilities or infrastructure.
- b. Guarantee payment of the legal obligations of the Corporation for one year.

4. **Funding Source:**

At the close of each fiscal year, the Board of Directors shall determine the amount, if any, to contribute from operational surpluses. Operational Surplus or Deficit is calculated as follows: using the Audit Report (GAAP) as Net Changes in Net Assets without donor restrictions ~~less and without~~ unrealized gains/ losses, Plus Depreciation expense, Less Purchases of Capital Assets before accumulated Depreciation, Plus transfers from Reserves to Operation, ~~Less~~ realized investment income relating to Reserve Accounts, and Less Reserve Accounts (MRR, IR, ER) Funding during the year.

Withdrawals from this reserve shall be repaid from operations as determined by the Board of Directors but not to exceed five (5) fiscal years.

5. **Authorization:**

The Chief Executive officer (CEO) is authorized to access this fund to address critical needs as they arise with written notification within ten (10) business days to the President of the Board of Directors with a copy to the Board. Email is an acceptable form of written communication to the President.

6. **Investment Parameters:** Monies contributed to this fund shall be invested in accordance with GVR's Investment Policy Statement. See Appendix I – Board Policies, Subsection 3 – GVR Investment Policy.

E. Maintenance, Repair & Replacement Reserve Fund (previously the Capital Reserve Fund) (updated 5/22/2019)

1. **Purpose:**

This fund shall be used only to maintain, repair or replace existing equipment and facilities as listed in the Component List of the Annual Reserve Study.

2. Target Balance:

This reserve shall be of sufficient size as to maintain a Percent Funded (as defined in the Reserve Study) of not less than 85% and not more than 100%.

3. Funding Source:

- a. Annually, GVR shall transfer the full year's annual Reserve Contribution as determined by the Annual Reserve Study for the current fiscal year from operations to this reserve within 30 days of the end of the dues collection period (normally January 31, so the full MR&R funding should be transferred by the end of February). Additional contributions can be made with Board approval to meet funding targets.
- b. All MR&R projects will be budgeted for and funded from the MR&R Reserve Account. If actual project cost is substantially different from forecasted cost, a detailed justification will be provided.

4. Authorization:

The Chief Executive officer (CEO) and, in the absence of the CEO, the Chief Operating officer (COO) or Chief Financial officer (CFO) are authorized to commit up to 110% of a Component's Fully Funded Balance for the current fiscal year in the current Annual Reserve Study. Board approval is required before committing more than 110%.

5. Investment Parameters:

Monies contributed to this reserve shall be invested in accordance with GVR's Investment Policy Statement. See Appendix I – Board Policies, Subsection 3 – GVR Investment Policy.

6. Definitions Annual Reserve Study

See GVR's Reserve Study Policy in Section V, Subsection 2B of GVR's Corporate Policy Manual.

Component: The individual line items in the Reserve Study, developed or updated in the Physical Analysis. These elements form the building blocks for the Reserve Study. Components typically are: (1) Association responsibility, (2) with limited Useful Life expectancies, (4) predictable Remaining Useful Life expectancies, (4) above a minimum threshold cost, (5) as required by local codes.

Financial Analysis: This portion of a Reserve Study determines the current status of the Reserves (measured as cash or Percent Funded) and recommends Reserve Contribution rate (Reserve Funding Plan) and the projected Reserve Income and expense over time is presented. The Financial Analysis is one of the two parts of a Reserve Study.

Fully Funded Balance (FFB): An indicator against which Actual (or Projected) Reserve balance can be compared. The Reserve balance that is in direct proportion to the fraction of life "used up" of the current Repair or Replacement cost. This number is calculated for each Component then summed together for an association total. Two formulae can be utilized, depending on the provider's sensitivity to interest and inflation effects. Note: Both yield identical results when interest and inflation are equivalent.

$FFB = \text{Current Cost} \times \text{Effective Age} / \text{Useful Life}$

Or

$FFB = (\text{Current Cost} \times \text{Effective Age} / \text{Useful Life}) +$
 $[(\text{Current Cost} \times \text{Effective Age} / \text{Useful Life}) / (1 + \textit{Interest Rate}) ^ \wedge$
 $\text{Remaining Useful Life}] -$
 $[(\text{Current Cost} \times \text{Effective Age} / \text{Useful Life}) / (1 + \textit{Inflation Rate}) ^ \wedge$
 $\text{Remaining Useful Life}]$

Percent Funded: The ratio, at particular point in time (typically the beginning of the Fiscal Year), of the *actual* (or projected) Reserve Balance divided by the Fully Funded Balance is expressed as a percentage.

Reserve Study: A budget and planning tool which identifies the current status of the Reserve fund and a stable and equitable Funding Plan to offset the anticipated future major common area

expenditures. The Reserve Study consists of two parts: (1) the Physical Analysis and (2) the Financial Analysis.

F. Initiatives Reserve Fund (previously Initiatives & Innovations Reserve Fund) UPDATED (2/26/2019)

1. Purpose:

The fund shall be used to support new initiatives that contribute to meeting GVR Ends.

2. Target Balance:

This fund reserve shall be of sufficient size as determined by the Board of Directors to make value added investments in real property, facilities and infrastructure.

3. Funding Source:

Within ~~10 business~~ 30 days after the end of each ~~month~~ fiscal quarter GVR shall transfer the following to the Initiatives Reserve Fund based on the applicable fee (the "Initiatives Reserve Funding Formula"):

- a. Twenty percent (20%) of the Property Acquisition Capital Fee (NMGFPACF) assessed on each GVR member property sold rounded up to the next \$5.00 and
- b. Twenty-five percent (25%) of the Initial Fee assessed on each GVR member property sold rounded up to the next \$5.00.

At its discretion, the Board of Directors may make an additional Initiatives Reserve contribution from the annual net surplus.

4. Authorization:

The Board of Directors shall authorize any monies spent from this fund.

From the GVR Policy Governance Manual – selective sections and highlighted areas for FAC review
(complete manual can be found on the GVR website under governing documents)

ENDS 1.0

GVR members and guests have an active, healthy, fulfilling lifestyle in a secure and safe environment. These Ends are achieved at a level that justifies the resources invested and is affordable to members.

1.4 Resources invested include staff, volunteers, finances, capital assets (facilities and equipment), and reserve funds. (Resources)

1.5 Dues are commensurate with cost of living, inflation, and operational expenses. (Affordability)

EXECUTIVE LIMITATIONS 2.0

E.L. 2.0 – Global Executive Limitation 2.0 The CEO must not cause or allow any organizational practice, activity, decision, or circumstance which is unlawful, imprudent or in violation of commonly accepted business and professional ethics and practices, GVR governing documents, or Arizona statutes.

E.L. 2.3 – Financial Planning and Budgeting

2.3 Financial planning and budgeting must not deviate materially from Board’s Ends priorities, nor risk the financial health of the organization or noncompliance with policies established by the Board. The CEO must not allow budgeting or financial planning that:

2.3.1 Risks incurring those situations or conditions described as unacceptable in Board policy.

2.3.2 Omits credible projection of revenues and expenses, separation of capital and operational items, cash flow, and disclosure of planning assumptions.

E.L. 2.4 – Financial Condition and Activities

2.4 With respect to the actual, ongoing financial condition and activities, the CEO must not cause or allow the development of fiscal jeopardy or material deviation of actual expenditures from Board priorities established in Ends policies and funding agreement provisions.

The CEO must not:

2.4.2 Use or move any reserves unless approved by the Board.

2.4.7 Allow financial record keeping systems to be inadequate or out of conformity with Generally Accepted Accounting Principles (GAAP).

E.L. 2.6 – Asset Protection

2.6 The CEO must not cause or allow corporate assets to be unprotected, inadequately maintained or unnecessarily risked.

The CEO must not:

2.6.4 Allow purchases: (a) that are uncontrolled or subject to conflicts of interest; and (b) over \$25,000 without having obtained comparative prices, quality and value, and without a documented method of assuring the balance of long-term quality and cost. Orders shall not be split to avoid these criteria

2.6.8 Receive, process or disburse funds under controls that are insufficient to meet the Board-appointed auditor's standards.

2.6.9 Compromise the independence of the Board's audit or other external monitoring or advice.

2.6.10 Hold operating capital in insecure instruments, including uninsured checking accounts, or in non-interest-bearing accounts except where necessary to facilitate ease in short-term operational transactions.

G.P. 3.7 Board Treasurer's Role

3.7 The Treasurer is an officer of the Board whose purpose is to assist the Board with its obligations related to the Board (governance) budget and the governance of GVR finances.

3.7.1 The Treasurer advises the Board regarding compliance with E.L. policies, E.L. 2.4 Financial Condition and Activities, E.L. 2.6 Asset Protection, and E.L. 2.7 Compensation and Benefits.

3.7.2 The Treasurer ensures that the annual Board budget is prepared for Board review and decision in a timely manner.

3.7.3 The Treasurer ensures the Board has the information it needs to know that E.L. 2.3 Financial Planning/Budgeting, E.L. 2.4 Financial Condition and Activities, and E.L. 2.6 Asset Protection are adequate, relevant, necessary, and reasonably interpreted by the CEO

G.P. 3.9 – Board Committee Principles

3.9 Board committees must be assigned for reinforcing the wholeness of the Board's job. Board committees must not interfere with delegation from Board to CEO. Accordingly:

3.9.1 Board committees are to help the Board do its job, not to help or advise the staff. Committees ordinarily must assist the Board by preparing policy alternatives and implications for Board deliberation. In keeping with the Board's broader focus, Board committees normally will not have direct dealings with current staff operations

3.9.2 Board committees may not speak or act for the Board except when formally given such authority for specific and time-limited purposes. Expectations and authority must be carefully stated in order not to conflict with authority delegated to the CEO.

3.9.3 Board committees cannot exercise authority over staff. Since the CEO works for the full Board, he or she must not be required to obtain approval of a Board committee before an executive action.

3.9.4 This policy applies to any group which is formed by Board action, whether it is called a committee and regardless whether the group includes Directors. It does not apply to committees formed under the authority of the CEO.

G.P. 3.10 – Board Committee Structure

3.10 A committee is a Board committee only if its existence and charge come from the Board, regardless whether Directors sit on the committee. The only Board committees are those which are set forth in this policy. Unless otherwise stated, an ad hoc committee ceases to exist as soon as its task is complete.

Accordingly, the following will be the Board standing committees:

The Fiscal Affairs Committee:

3.10.1 The Fiscal Affairs Committee assists the Board in financial matters by reviewing, understanding and recommending for Board approval financial reports, return on financial assets, money transfers and budgets.

Specifically,

3.10.1.1 Review all reports on changes in physical assets and financial assets.


3.10.1.2 Review monthly and annual reports that show Board approved capital and operational budgets verses actual expenses.

3.10.1.4 Assess return on operational accounts and recommend changes if appropriate.

3.10.1.5 Review, approve, and forward to the Board requests for transfers between funds.

3.10.1.6 Review the proposed annual budget to ensure Board policy guidelines were followed.

GVR Budget Worksheet Summary IV ver 1.0

|  2020 Budget | | Operations 2020 Budget | Initiatives 2020 Budget | MRR 2020 Budget | Emergency 2020 Budget | Consolidated 2020 Budget |
|---|-----------------------------------|------------------------------|-------------------------------|-----------------------|-----------------------------|--------------------------------|
| Revenue | Member Dues | 6,717,125 | - | - | - | 6,717,125 |
| | LC, Trans., Crd Fees. | 618,000 | - | - | - | 618,000 |
| | Capital Revenue | 2,535,200 | - | - | - | 2,535,200 |
| | Membership Revenue | 9,870,325 | - | - | - | 9,870,325 |
| | Programs | 336,000 | - | - | - | 336,000 |
| | Instructional | 460,000 | - | - | - | 460,000 |
| | Recreational Revenue | 796,000 | - | - | - | 796,000 |
| | Advertising Income | 110,000 | - | - | - | 110,000 |
| | Coll Tower Lease Inc. | 36,000 | - | - | - | 36,000 |
| | Comm. Revenue | 146,000 | - | - | - | 146,000 |
| | Other Income | 100,500 | - | - | - | 100,500 |
| | Facility Rent/Leases | 100,000 | - | - | - | 100,000 |
| | Marketing Events | 3,000 | - | - | - | 3,000 |
| | Other Revenue | 203,500 | - | - | - | 203,500 |
| Total Operating Revenue | 11,015,825 | - | - | - | 11,015,825 | |
| Transfers to Reserves | | | | | | |
| Transfers In/(Out) | (1,665,482) | 659,540 | 1,005,942 | - | - | |
| Total Transfers to Reserves | (1,665,482) | 659,540 | 1,005,942 | - | - | |
| Investment Income | 70,000 | 78,305 | 207,971 | 21,375 | 377,651 | |
| Total Revenue Available | 9,420,343 | 737,845 | 1,213,913 | 21,375 | 11,393,476 | |
| Expenses | Major Proj.-Rep. & Maint. | 265,148 | - | - | - | 265,148 |
| | Facility Maintenance | 425,004 | - | 279,550 | - | 704,554 |
| | Fees & Assessments | 78,716 | - | - | - | 78,716 |
| | Utilities | 892,031 | - | - | - | 892,031 |
| | Depreciation | - | - | - | - | - |
| | Furniture & Equipment | 246,292 | - | 18,472 | - | 264,764 |
| | Vehicles | 73,624 | - | - | - | 73,624 |
| | Facilities & Equipment | 1,980,815 | - | 298,022 | - | 2,278,837 |
| | Wages, Benfts., PR Exp. | 4,616,520 | - | - | - | 4,616,520 |
| | Conferences & Training | 88,000 | - | - | - | 88,000 |
| | Personnel | 4,704,520 | - | - | - | 4,704,520 |
| | Food & Catering | 45,031 | - | - | - | 45,031 |
| | Recreation Contracts | 632,750 | - | - | - | 632,750 |
| | Bank & Credit Card Fees | 96,146 | - | - | - | 96,146 |
| | Program | 773,927 | - | - | - | 773,927 |
| | Communications | 104,149 | - | - | - | 104,149 |
| | Printing | 94,497 | - | - | - | 94,497 |
| | Advertising | 5,000 | - | - | - | 5,000 |
| | Communications | 203,646 | - | - | - | 203,646 |
| | Supplies | 344,127 | - | - | - | 344,127 |
| | Postage | 18,500 | - | - | - | 18,500 |
| | Dues & Subscriptions | 8,102 | - | - | - | 8,102 |
| | Travel & Entertainment | 16,580 | - | - | - | 16,580 |
| | Other Operating Expense | 71,245 | 26,152 | 73,788 | 7,075 | 178,260 |
| Operations | 458,554 | 26,152 | 73,788 | 7,075 | 565,568 | |
| Information Technology | 114,900 | - | - | - | 114,900 | |
| Professional Fees | 311,749 | - | - | - | 311,749 | |
| Commercial Insurance | 280,000 | - | - | - | 280,000 | |
| Taxes | 18,000 | - | - | - | 18,000 | |
| Provision for Bad Debt | - | - | - | - | - | |
| Corporate Expenses | 724,649 | - | - | - | 724,649 | |
| Total Operating Expenses | 8,846,110 | 26,152 | 371,810 | 7,075 | 9,251,147 | |
| Capital | Capital Expenditures | | | | | |
| | Clubs Capital Projects | 86,000 | - | - | - | 86,000 |
| | Non-Reserve Capital Projects | 305,400 | - | - | - | 305,400 |
| | Initiatives | - | 725,000 | - | - | 725,000 |
| | MRR | - | - | 768,142 | - | 768,142 |
| | Emergencies | - | - | - | - | - |
| Total Capital Expenditures | 391,400 | 725,000 | 768,142 | - | 1,884,542 | |
| Total All Cash Outflows | 9,237,510 | 751,152 | 1,139,952 | 7,075 | 11,135,689 | |
| Net Cash Flow | 182,833 | (13,307) | 73,961 | 14,300 | 257,787 | |