

Klahaya Swim and Tennis Club

2021 Budget

	<u>2020 Actuals</u>	<u>2021 Budget</u>
Concessions	-	14,000
Popcycle		7,300
Guest Scrip	-	10,000
Initiation Fees	69,000	36,000
Membership Dues	88,200	137,200
Pool Rentals	-	6,000
Special Assessments	107,800	107,800
<u>Swimming:</u>		
Swim Team	16,940	19,500
Swim Lessons	-	7,000
Other Swim	50	2,700
<u>Tennis:</u>		
Tennis Team	10,230	12,000
Tennis Lessons	12,380	15,000
Other	1,230	2,500
Volunteer Hour Fees	-	6,000
Wait List	2,925	3,000
Other Income	1,720	3,000
Total Income	310,475	389,000
Insurance	13,788	15,000
Interest Expense	41,083	38,489
Transfer Fees	19,272	12,000
<u>Maintenance and Repair:</u>		
Carbon Dioxide	4,587	6,500
Chlorine	5,759	6,500
Yard and Grounds	3,874	3,500
Other Maint.	7,759	7,000
<u>Taxes:</u>		
Employment	10,525	14,000
Property	13,000	13,000
Sales Tax	2,513	4,000
<u>Wages:</u>		
Asst Managers	5,696	8,000
Swim Coaches	19,376	22,000
Tennis Coaches	8,500	8,500
Lifeguard Hourly	26,131	44,000
Swim Lessons Hourly	-	3,000
Maintenance Hourly	-	2,000
Tennis Coaching Staff	14,816	14,500
Manager	19,250	18,500
Other Wages	-	1,000
Activities	-	3,000
Concessions	-	11,000
Swimming Supplies	2,234	6,800
Tennis Supplies	2,207	5,000
Other Supplies	144	2,500
Utilities	18,731	25,000
Bookkeeping	14,400	14,400
Accounting Software	2,095	2,100
Web	1,650	2,000
Popcycle		2,700
Other Expense	3,499	5,000
Total Expenses	260,889	320,989
Other Income	217	200
Net Income	49,804	68,211
Less:		
LT Capital Reserve	-	20,000
Principal on debt	40,226	42,793
Capital Projects		3,500
Net Cash Flow	9,578	1,917

2021 PROPOSED BUDGET COMMENTARY:

Budget Process:

- All board members and the club manager provide input
- Treasurer consolidates input and prepares a draft budget
- The budget is discussed at the September board meeting
- Treasurer makes changes based on input from the meeting
- The board votes to approve the budget
- The budget is sent out to the membership for approval

Prior Year (2020) Key Points:

1. Covid restrictions resulted in a reduction of services offered at Klahaya
2. Membership dues were reduced by \$200, those who paid in full will have a credit transferred to 2021
3. We experienced a year when there were more memberships sold than usual, which helps cover expenses. Any surplus cash flow is used in our budgeting process for the next year (capital needs)

Next Year (2021) Assumptions:

The 2021 budget has been prepared to be similar to 2019 (pre-COVID). At this time it is the goal of the board to return to normal operations. If that is not possible the board will make adjustments based on the current restrictions similar to how they did this year.

Income:

1. Concession income assumes four home swim meets
2. Guest scrip and volunteer hour income are based on 2019 invoices
3. Initiation fees assume the sale of 12 memberships at \$3,000 each
4. Dues and special assessment income is based on 245 memberships at \$1,000 each (\$560 dues, \$440 special assessment) *Note: Dues and special assessments can be paid on a monthly basis during the off-season (for the next season) up until the due date (May 1st). A late fee of \$200 will be assessed the day after the official Klahaya opening.*
5. Swim team income assumes 150 swimmers at \$130 per swimmer
6. Tennis team income assumes 109 players at \$110 per player
7. Swim and tennis lesson participation is expected to remain consistent with 2019

Expense:

- A. Insurance costs are assumed to be consistent with last year (2020)
- B. Principal and interest expense paid on debt is based on the Heritage Bank loan amortization schedule
- C. Repair and Maintenance expense is expected to remain consistent with 2019
- D. Total payroll assumes no increase in staffing levels over 2019 and factors in increases in minimum wage. *Note: Hourly scale for lifeguards: 0.25 cents over minimum wage for 1st year + \$1 each year returning up to 4 years (cap at \$4.25 over minimum wage)*
- E. Concession expense assumes four home swim meets
- F. Activities to remain consistent with 2019
- G. Program expenses to run swim and tennis teams are expected to remain consistent with 2019
- H. Transfer fees due sellers is budgeted based on the return of 12 memberships at ~\$1,000 each
- I. Budgeted total utilities expense is based on the 2019 actuals
- J. The long term capital reserve of \$20,000 is to meet the board decision to place \$20,000 in a LT capital fund each year. In 2020, \$20,000 of this was used on a much needed and recommended resurfacing of the tennis courts

Cash on Hand (September 30, 2020):

- Checking account: \$128,000
- Money market account: \$71,000

Loan Balance:

Loan Balance 10/1/2019	\$744,000
Principal Payments	(\$40,000)
Loan Balance 9/30/2020	\$704,000

Proposed 2021 Repairs and Maintenance Needs:

- Ground Maintenance \$1,500

Proposed 2021 Capital Expenditures:

- Budgeted for FY2021
 - Chemtrol System: \$2,500
 - Swim Equip: \$1,000
- To be paid from current reserves (items were budgeted in previous years)
 - 2 iPads: \$1,000
 - 2 New BBQs: \$1,800
 - Software: \$2,000
 - Block top replacements: \$1,500
 - Clocks: \$1,100

Proposed Long Term Capital Plan:

Balance as of 9/30/20: \$40,000

- Note: in 2020, \$20,000 LT capital reserve will be spent on a needed resurfacing of the tennis courts. (invoice hasn't been paid yet)

Long-term Projects:

- Tennis court concrete improvmenet and refinancing of debt in around 2026
- Improve parking lot and basketball sport court