



VICE-PRESIDENT'S REPORT
JULY, 2017

Finance

- For 10 months ended May the club earned \$42k profit (vs. FY budget goal \$38k)
 - A loss of <\$13k> in June was due to pre-paying Burnaby Open expenses
 - Burnaby Open expenses were \$13k, received revenues of \$20k in July (pending confirmation of final #'s from Glenn) + concession income of over \$1k.
 - Paid \$550 for grade beam appraisal and \$600 for Mediquest supplies.
 - Wrote off \$1k for unsolved cash dues discrepancy from October.
- Ended month with -\$4k in Cash Account pending receipt of \$20k proceeds from Burnaby Open (received in early July).
- For next season we should reduce or stop accepting cash payments. This is creating additional work and internal control / accounting issues that are unnecessary.

Club Manager:

- Eliza Haight was hired as our new CM and began training this past month. She has dived into her role. Immediate priorities are training, staffing plans for next season, office reorganization incl. updating computer systems, and planning for next season, as well as learning our booking system.
- She has also arranged high-speed internet for BTC through Burnaby which is a significant accomplishment since Telus or Shaw refused to service us. All in all off to a great start.

Adjustments for next year:

- Harmonize P&P rules with member rules & move P&P contract bookings to Ct 1
- Move P&P to online booking access and issue a card with key rules, expiry date, etc.
- Stop P&P on Ct 2 after 3pm (already in effect)
- Try opening earlier / later (if staffing or bubble access arrangements can be made)
- Remove staff free booking privileges } these have to be done if we are
- Remove coaching from Ct 5 } going to limit # of members
- Reduce membership limit – 270 (vs. 279 last season).

Technology:

- Jegysoft is in testing and we are going back & forth on fixes. Testing started slowly but Jegy has steadily made fixes; with vacations coming up and season beginning earlier in mid-September we have to decide by the end of August if we will switch.
- Registered BTC with an organization called Tech Soup that offers non-profits like us access to extremely low cost subsidized software from providers such as Microsoft, Adobe, and many others. We were approved. As Eliza updates our computer systems she can acquire legal licenses of Office365 for club use.



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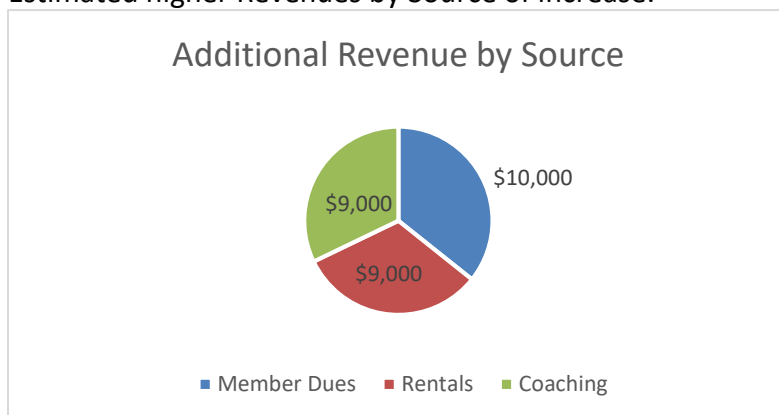
Budget:

- Small changes to draft 2017-2018 Budget from last month.
- Profit, before \$10k non-cash depreciation, is \$48k – limiting dues increase to 6%.
- The main drivers of the dues increase are:
 - New CM, higher insurance premium, office improvements, membership limit.
- Club may be under-estimating future replacement costs for bubble, lights, etc. - TBD
- I will prepare presentation materials for General Meeting to summarize the budget as well as provide input for update of membership brochure (minor changes expected).
- Proposed Membership Dues across all categories will be:

	Adult	Senior	Intermediate Student	Junior	Family	Early Bird	Pay & Play*
Current	910	715	670	495	1,815	495	130
+ increase to pay for F/T CM	55	45	40	30	110	30	0
Total	\$ 965	\$ 760	\$ 710	\$ 525	\$ 1,925	\$ 525	\$ 130

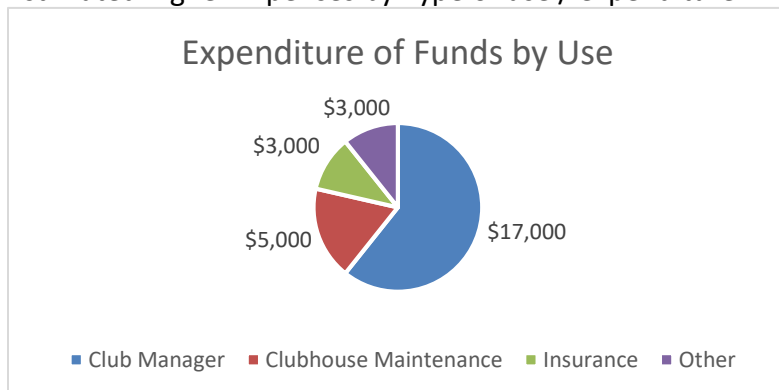
**Early Bird will pay a higher hourly rate in in Prime time*

- Estimated higher Revenues by Source of increase:



Overall dues increase is neutral – just sufficient to offset higher expenses.

- Estimated higher Expenses by Type of use / expenditure:



Burnaby Tennis Club

Income Statement 01/06/2017 to 30/06/2017

REVENUE

Revenue

Membership Dues	11,926.94	
Dues & Fees Total		11,926.94
Pay and Play - Prime & Non prime	23.81	
Guest Fees	60.00	
Court Rentals total		83.81
Mixed Night	68.09	
BBY Open Tournament	-13,097.46	
Sales-Ball & Equipment	15.23	
Miscellaneous	272.58	
Tournament Rev & Misc Sales Total		-12,741.56
Interest Income		77.09
Total Revenue		-653.72

TOTAL REVENUE -653.72

EXPENSE

Expenses

Advertising & Promotion		210.00
Bank Charges		143.57
Dues-Affiliation		344.00
Insurance		2,250.27
Miscellaneous		587.62
Tennis Pro Fees		750.00
Repairs - Maintenance	2,506.45	
Repairs - Janitor & cleaning	202.88	
Total Repairs Expense		2,709.33
Wages & Salaries	3,076.48	
Wage EI Expense	70.11	
Wage CPP Expense	88.77	
Wage WCB	32.34	
Total Wage Expense		3,267.70
Social Events		33.05
Utilities-Bubble -Fortis	1,425.43	
Total Bubble Utilities		1,425.43
Telephone		219.97
Satellite TV		137.87
Total Expense		12,078.81

TOTAL EXPENSE	<u>12,078.81</u>
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NET INCOME	<u><u>-12,732.53</u></u>
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Generated On: 07/07/2017

BURNABY TENNIS CLUB
2017-18 BUDGET

DRAFT / CONFIDENTIAL

Acct	Mgr	Description	2018		2018 vs.	2016	2015	2018 vs.		
			Total							
				2017 ~EST.	2017	Actual	Actual	2013 ACT	2016	
----- REVENUES -----										
4050		Membership Dues	- 209,524	-\$ 200,000	9,524	-\$ 194,151	-\$ 209,617	-\$ 176,295	15,373	5%
4100		Initiation/Instalments Fees	- 900	-\$ 600	300	-\$ 3,190	-\$ 7,924	-\$ 6,165	2,290	50%
4220		Membership Discounts/Refunds	-	\$ -	-	\$ 746	\$ -	\$ -	746	
4250		Pay and Play - Prime & Nonprime	- 50,400	-\$ 45,500	4,900	-\$ 47,634	-\$ 31,986	-\$ 36,819	2,766	11%
4260		Guest Fees	- 15,390	-\$ 15,000	390		-\$ 14,488	-\$ 13,006	15,390	3%
4272		Contract Booking	- 18,200	-\$ 15,000	3,200	-\$ 19,923	-\$ 13,395	-\$ 10,518	1,723	21%
4275		Coaching Court Rental	- 19,500	-\$ 9,873	9,627	-\$ 5,180	-\$ 8,174	-\$ 5,021	14,320	98%
4277		Mixed Night	- 350	-\$ 350	-	-\$ 1,157	-\$ 505	-\$ 439	807	0%
4278		Men's League	- 2,564	-\$ 2,564	-	-\$ 2,212	-\$ 2,486	-\$ 1,398	352	0%
4280		Social	- 775	-\$ 775	-	-\$ 963	-\$ 128	-\$ 1,540	188	0%
4300		Camp	- 1,500	-\$ 1,500	-	-\$ 2,613	-\$ 1,176	\$ 95	1,113	0%
4350		BBY Open Tournament	- 6,000	-\$ 6,000	-	-\$ 6,452	-\$ 5,615	-\$ 4,657	452	0%
4500		Sales-Ball & Equipment	- 950	-\$ 1,050	- 100	-\$ 920	-\$ 1,731	-\$ 879	30	-10%
4520		Ball Machine Rental	-	-\$ 140	- 140	-\$ 96	-\$ 619	-\$ 1,026	96	-100%
4760		Access Cards (FOB)	-	\$ -	-	-\$ 38	-\$ 286	\$ 1	38	
4800		Miscellaneous	-	\$ -	-	-\$ 616	-\$ 652	-\$ 228	616	
4920		Commission On Pop Sales	0	\$ 0	-	\$ 0	\$ 0	-\$ 19	-	0%
4975		Junior Development	- 1,680	-\$ 1,680	-	-\$ 1,764	\$ 145	-\$ 11	84	0%
4994		Interest Income	- 300	-\$ 300	-	-\$ 12,041	-\$ 9,455	-\$ 4,977	11,741	0%
			- 328,032	- 300,331	27,701	- 298,204	- 308,092	- 262,899	29,829	9%
----- EXPENSES -----										
5050	Dave	Accounting	7,950	\$ 7,950	-	\$ 8,190	\$ 7,587	\$ 6,323	240	0%
5080		Legal	-	\$ -	-	\$ -	\$ 2,388	\$ -	-	
5100	Mike	Advertising & Promotion	3,000	\$ 3,000	-	\$ 3,416	\$ 1,893	\$ 1,000	416	0%
5105	David	Web Maintenance	5,800	\$ 5,800	-	\$ 4,213	\$ 5,331	\$ 2,256	1,587	0%
5120		Bad Debts	-	\$ -	-	\$ -	\$ -	\$ -	-	
5150	David	Bank Charges	4,000	\$ 4,000	-	\$ 3,584	\$ 3,289	\$ 3,003	416	0%
5200	David	Dues-Affiliation	5,300	\$ 5,300	-	\$ 5,045	\$ 5,779	\$ 4,958	255	0%
5226		Corporate Income Tax	-	\$ -	-	\$ -	\$ -	\$ -	-	
5250	Dave	Insurance	10,000	\$ 7,000	3,000	\$ 6,976	\$ 7,631	\$ 10,937	3,024	43%
5345		Donation	-	\$ -	-	\$ -	\$ -	\$ -	-	
5350		Miscellaneous	1,200	\$ 1,200	-	\$ 3,705	\$ 3,431	\$ 550	2,505	0%
					-				-	
5400	David	Office Supplies, incl. postage	1,600	\$ 1,600	-	\$ 673	\$ 4,316	\$ 1,587	927	0%
5420	David	Office - Postage	150	\$ 150	-	\$ 128	\$ 85	\$ 298	22	0%
					-				-	
5500	Georg	Tennis Pro Fees	16,000	\$ 16,000	-	\$ 15,244	\$ 16,750	\$ 16,875	756	0%
					-				-	
5600	Graha	Repairs - Maintenance	20,000	\$ 20,000	-	\$ 24,577	\$ 21,306	\$ 25,980	4,577	0%
5610	Graha	Repairs - Janitor & cleaning	13,500	\$ 13,500	-	\$ 16,168	\$ 12,926	\$ 20,714	2,668	0%
5620	Graha	Repair - Bubble Up/Down	23,000	\$ 23,000	-	\$ 23,165	\$ 18,614	\$ 18,927	165	0%
5650	Graha	Repair - Security	480	\$ 480	-	\$ 480	\$ 480	\$ 480	-	0%
					-				-	
5700	Kenny	Repairs - Clubhouse	10,000	\$ 5,000	5,000	\$ -	\$ -	\$ -	10,000	100%
					-				-	
5800	David	Wages & Salaries (incl. Vac.'n pay)	95,230	\$ 79,149	16,081	\$ 67,161	\$ 79,681	\$ 76,610	28,069	20%
5810	David	Wage EI Expense	2,336	\$ 1,985	351	\$ 1,772	\$ 2,176	\$ 1,759	564	18%
5820	David	Wage CPP Expense	4,492	\$ 3,750	742	\$ 2,193	\$ 2,354	\$ 1,510	2,299	20%
5830	David	Wage WCB	898	\$ 850	48	\$ 704	\$ 1,135	\$ 821	194	6%
					-				-	
5840	Bev	Social Events	1,400	\$ 1,200	200	\$ 1,067	\$ 765	\$ 3,249	333	17%
5845	Val	Board Meeting Expense	1,600	\$ 1,600	-	\$ 1,594	\$ 3,020	\$ 3,242	6	0%
					-				-	
5865	Graha	Utilities-Bubble -Fortis	19,756	\$ 19,171	585	\$ 18,760	\$ 17,791	\$ 26,700	996	3%
5866	Graha	Utilities Bubble Hydro	18,781	\$ 18,225	556	\$ 19,211	\$ 18,600	\$ 18,617	430	3%
5880	Graha	Utilities General	2,515	\$ 2,358	157	\$ 1,742	\$ 1,849	\$ 3,067	773	7%
5884	Graha	Utilities City	919	\$ 821	98	\$ 4,374	\$ 2,451	\$ 76	3,455	12%
					-				-	
5870	David	Telecommunications	2,400	\$ 2,400	-	\$ 2,429	\$ 2,992	\$ 3,821	29	0%
5875	David	Satellite	720	\$ 720	-	\$ 909	\$ 136		189	0%
5910		Property Tax	560	\$ 560	-	\$ -	\$ -	\$ 560	560	0%
5920	David	Club Supplies-Balls/Nets	4,800	\$ 4,400	400	\$ 3,391	\$ 4,335	\$ 3,493	1,409	9%
5930		Junior Development - supplies	500	\$ -	500	\$ -	\$ -	\$ -	500	
5940	R/M	League Expenses	900	\$ 350	550	\$ 130	\$ -	\$ -	770	157%
5970		Depreciation	-	\$ -	-	\$ 9,603	\$ 9,928	\$ 12,502	9,603	
			279,789	251,519	28,269	250,604	259,019	269,914	29,185	

BURNABY TENNIS CLUB
2017-18 BUDGET

DRAFT / CONFIDENTIAL

Acct	Mgr	Description	2018 Total	2017 ~EST.	2018 vs. 2017	2016 Actual	2015 Actual	2013 ACT	2018 vs. 2016
			-\$ 48,244	-\$ 48,812		-\$ 47,600	-\$ 49,073	\$ 7,015	
			- 48,244			reviewed	reviewed	loss	
		Calculation of Required Dues:							
		Operating Expenses	279,789						
		- Less: Depreciation (non-cash)	-						
		+ Emergency Reserve	-						
		+ Bubble Contribution	30,000						
		sub-total	309,789						
		Less: Non-Dues Revenue	- 118,508						
		sub-total	191,280						
		Members	270						
		Required MINIMUM Avg Dues / n \$	708	(before GST)					

Mix of Membership Types						
Type	new rate	Net	#			
Adult	\$ 965	919	140		\$ 128,667	
Senior	\$ 760	724	60		43,429	
Intermediate	\$ 710	676	5		3,381	
Early Bird	\$ 525	500	5		2,500	
Junior	\$ 525	500	30		15,000	
Family *	\$ 1,925	1,833	30		12,833	
		# of memberships	270		\$ 205,810	
Pay'n'Play	\$ 130	124	30			
		# of members incl. family members	300		\$ 762	avg
* family memberships are counted as sum of members (7=30)						
						8%

**BURNABY TENNIS CLUB
2017-2018 BUDGET DISCUSSION**

Dues Summary (proposed):

	Adult	Senior	Intermediate Student	Junior	Family	Early Bird	Pay & Play*
Baseline (2017)	910	715	670	495	1815	495	130
+ increase to pay for F/T CM	55	45	40	30	110	30	0
Total	965	760	710	525	1925	525	130

**Pay & Play will pay higher court rental fees in Prime*

Comments (Changes vs. Current Year):

- Budget Model assumes cap of 270 members (vs. 279 this year -\$9k revenue)
- Increase Insurance premium +\$3k
- Increase Clubhouse Improvement Budget +\$5k (Total \$10k)
- Revise coaching court rental rate to Cost+ basis;
Current average rate is <\$9/hr but club's cost per court hour is \$12
- Add Full-Time Club Manager +\$16k
- Increase Prime time court rental fee by \$5/hr for P&P, Public, Guests
- There was a surge in Guest Fees last season; assume this will taper off a bit next season with higher rate and better Guest limit enforcement.

Other Changes to consider:

- Eliminate acceptance of Cash in office
- Eliminate cash discount to simplify renewal form to one rate – defer
- Trial Early Opening at 6am at discounted \$15/hr rate (as we did for SFU last year)

BURNABY TENNIS CLUB 2017-2018 BUDGET DISCUSSION

The club does a good job covering our operating costs and saving for bubble replacement; however, the amount we have saved should be tested against updated replacement costs and get a better understanding of when asset replacement will be required.

High-level illustration of potential gap between Restricted Funds vs. Target Required Funds. The Replacement Cost values indicated below may be under-stated and need to be verified.

<u>Asset</u>	Original Cost	Replacement Cost	Remaining Economic Life	Remaining Useful Life
Bubble	\$223,000	\$250,000	0 yrs (\$0 BV)	TBD } could go on
Lighting	\$55,000	\$75,000	0 yrs (\$0 BV)	TBD } for years
Grade Beam ?	\$-	\$-	0 yrs (\$0 BV)	TBD } with regular
Furnace	\$106,000	\$100,000	4-5 yrs	TBD } maintenance
Target	<u>\$384,000</u>	<u>\$425,000</u>		

Savings NOW

\$405,000

Gap

\$20,000

Years to close gap

1

at \$36k/yr savings (incl. interest)

<u>Other Assets*</u>	Original Cost	Replacement Cost	Remaining Economic Life	Remaining Useful Life
Office Equipment / Furniture	\$52,000	\$52,000	5 yrs ^	horribly obsolete !
Court Equipment	\$21,000	\$21,000	0 yrs (\$0 BV)#	
Computer Equipment	\$8,000	\$8,000	0 yrs (\$0 BV)	obsolete !
Other Improvements	\$5,000	\$5,000	5 yrs	
Total	<u>\$86,000</u>	<u>\$86,000</u>		

**would be paid from General Reserves*

^mostly consists of TV & new access system - furniture is toast

#unknown what this is - court cleaning machine???