

Notes from May 2022 Financials

P&L

- a. Unrestricted gifts include the \$25K Grant (\$20K for pool/park restoration, \$5K for gymnastics/martial arts) from the Degenstein Foundation. Part of this money needs to be used for scholarships. We must document and record all items for which this money is used as part of the grant process.
- b. Pool memberships are running at only about ½ the rate of 2021 (when that was low and we thought it was because of slow return after Covid). Remember that this report is for May and we didn't get into full swing until early June, so hopefully June numbers will look a bit better.
- c. Camps are not filling as quickly as we expected. As a result, we are managing expenses; i.e., reduced the number of counselors needed. We continue to advertise. Parents can register for just a week at a time.
- d. Gymnastics and Martial Arts are recovering nicely. John reminds us, however, that the summer months do slow down and we will expect some lower revenue numbers over the next few months. Martial Arts is at the budget that we had set for the year, which is exciting for the program to be growing more quickly than anticipated. (Added expenses are tracking with additional revenue). We continue to work with Greenspace on renting some additional program space.
- e. Acct #6125 IT computer service – We are over budget for the year. This is primarily due to a \$3K Max Galaxy bill left over from 2021.
- f. Acct # 6147 Office Phone and Internet Expense: The YTD actual includes a \$1.8K unexpected bill from Greenspace for Internet which we had not budgeted.
- g. Acct# 6160 PIRMA WC liability insurance – we paid a \$10K annual PIRMA bill. ½ of it is recorded as a pre-paid liability.
- h. Note: Depreciation Expense is recorded quarterly.
- i. Balance sheet shows ~ \$67K in our General Fund. Although this may seem like a lot, as of June 15, this was down to \$22K. A 2-week summer payroll is about \$20K. We are paying about 50 people (mostly part-time) during the summer months. We should receive the 2nd quarter EBT contribution of about \$30K in June, which will help with cash flow. We need to continue to advertise our great pool facility, as well as the open slots in summer camps to try to increase revenue.
- j. Loan payments to EBT and the Borough offset the liability on the balance sheet.

Wages – summer payroll will double with the additional of camp counselors and lifeguards. We will be paying about 50 people each cycle. As noted earlier, we had to advertise and pay hourly rates for our summer positions at a higher rate than we had budgeted. Looking at the first payroll in June with the summer part-time staff – lifeguards, camp counselors, park maintenance - we are paying about \$1000 more than we had budgeted. Over the 12-week summer cycle, that is an additional \$6000. It may not seem like a lot, but it will have an impact on cash flow. For the gymnastics year-round staff, a payroll is about \$375 more each pay cycle than originally budgeted due to wage increases prompted by the market. Ouch.