

TUCKAHOE

# Tuckahoe Recreation Club

Annual Meeting – Treasurer's Report

September 19, 2024





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# 2023 Annual Results and 2024 Budget



# 2023 Results and 2024 Budget

	12/31/17A	12/31/18A	12/31/19A	12/31/20A	12/31/21A	12/31/22A	12/31/23A	12/31/24B	'17 - '24 CAGR	'23 - '24 CAGR
General Operations	\$ 1,207,300	\$ 1,228,767	\$ 1,339,185	\$ 1,273,942	\$ 1,313,050	\$ 1,473,582	\$ 1,887,119	\$ 2,293,634	9.6%	21.5%
Tennis	202,350	213,334	242,138	218,509	265,860	282,046	252,005	261,000	3.7%	3.6%
Aquatics	102,616	99,543	125,662	89,540	325,587	280,218	267,454	299,523	16.5%	12.0%
Snack Bar	59,161	93,476	97,868	27,364	107,275	96,944	90,320	90,350	6.2%	0.0%
Programs	1,973	4,219	9,165	1,295	9,375	8,860	5,191	6,050	17.4%	16.6%
Fitness	17,868	17,593	21,278	9,442	5,136	6,936	6,501	6,000	(14.4%)	(7.7%)
<b>Total Income</b>	<b>\$ 1,591,268</b>	<b>\$ 1,656,932</b>	<b>\$ 1,835,295</b>	<b>\$ 1,620,092</b>	<b>\$ 2,026,283</b>	<b>\$ 2,148,586</b>	<b>\$ 2,508,590</b>	<b>\$ 2,956,557</b>	<b>9.3%</b>	<b>17.9%</b>
Year-over-Year Growth Rate		4.1%	10.8%	(11.7%)	25.1%	6.0%	16.8%	17.9%		

	12/31/17A	12/31/18A	12/31/19A	12/31/20A	12/31/21A	12/31/22A	12/31/23A	12/31/24B	'17 - '24 CAGR	'23 - '24 CAGR
General Operations	\$ 1,170,441	\$ 1,326,346	\$ 1,383,357	\$ 1,316,721	\$ 1,456,083	\$ 1,685,869	\$ 1,896,053	\$ 1,904,488	7.2%	0.4%
Tennis	181,927	206,576	212,408	180,056	215,218	169,519	235,899	195,000	1.0%	(17.3%)
Aquatics	118,188	109,336	139,348	107,632	266,188	273,935	276,019	309,619	14.7%	12.2%
Snack Bar	60,007	97,836	106,035	36,294	104,298	56,841	124,106	115,250	9.8%	(7.1%)
Programs	11,597	11,355	13,581	4,073	13,627	12,312	15,062	20,000	8.1%	32.8%
Fitness	14,782	13,159	16,655	8,573	7,855	5,514	8,102	5,000	(14.3%)	(38.3%)
<b>Total Expenses</b>	<b>\$ 1,556,942</b>	<b>\$ 1,764,608</b>	<b>\$ 1,871,385</b>	<b>\$ 1,653,350</b>	<b>\$ 2,063,270</b>	<b>\$ 2,203,990</b>	<b>\$ 2,555,241</b>	<b>\$ 2,549,357</b>	<b>7.3%</b>	<b>(0.2%)</b>
Year-over-Year Growth Rate		13.3%	6.1%	(11.7%)	24.8%	6.8%	15.9%	(0.2%)		

	12/31/17A	12/31/18A	12/31/19A	12/31/20A	12/31/21A	12/31/22A	12/31/23A	12/31/24B	'17 - '24 CAGR	'23 - '24 CAGR
General Operations	\$ 36,859	\$ (97,579)	\$ (44,173)	\$ (42,779)	\$ (143,033)	\$ (212,287)	\$ (8,934)	\$ 389,146	40.0%	n/m
Aquatics	(15,572)	(9,793)	(13,686)	(18,092)	59,399	6,283	(8,565)	(10,096)	(6.0%)	17.9%
Tennis	20,423	6,758	29,730	38,453	50,641	112,527	16,106	66,000	18.2%	309.8%
Snack Bar	(846)	(4,360)	(8,167)	(8,930)	2,977	40,103	(33,786)	(24,900)	62.1%	(26.3%)
Programs	(9,624)	(7,136)	(4,416)	(2,778)	(4,252)	(3,452)	(9,871)	(13,950)	5.4%	41.3%
Fitness	3,086	4,434	4,623	869	(2,719)	1,422	(1,601)	1,000	(14.9%)	n/m
Other Non-Operating	1,130	10,498	16,610	5,557	2,439	2,003	47,595	30,000	59.7%	(37.0%)
<b>Net Inflow/(Burn)</b>	<b>\$ 35,456</b>	<b>\$ (97,178)</b>	<b>\$ (19,480)</b>	<b>\$ (27,701)</b>	<b>\$ (34,547)</b>	<b>\$ (53,401)</b>	<b>\$ 943</b>	<b>\$ 437,200</b>	<b>43.2%</b>	



# Alternative View of Expenses

	12/31/17A	12/31/18A	12/31/19A	12/31/20A	12/31/21A	12/31/22A	12/31/23A	12/31/24A	'17 - '24 CAGR	'23 - '24 CAGR
Club Revenue	\$ 1,591,268	\$ 1,656,932	\$ 1,835,295	\$ 1,620,092	\$ 2,026,283	\$ 2,148,586	\$ 2,508,590	\$ 2,956,557		
Club Expenses										
Staffing Expenses	\$ 729,344	\$ 824,323	\$ 912,757	\$ 873,934	\$ 1,054,031	\$ 1,121,422	\$ 1,203,793	\$ 1,310,663	8.7%	8.9%
Activity-based	260,443	288,629	314,716	205,090	364,748	357,950	392,670	356,137	4.6%	(9.3%)
Administrative	152,964	197,126	188,704	155,955	182,789	199,192	310,762	215,532	5.0%	(30.6%)
Club Maintenance	112,632	165,938	143,752	99,288	147,933	185,629	241,527	221,500	10.1%	(8.3%)
Utilities	91,608	96,143	99,048	113,679	96,670	166,042	162,399	184,411	10.5%	13.6%
Past Improvements	138,385	135,207	135,115	135,115	135,115	135,000	135,115	135,115	(0.3%)	-
Supplies	31,364	32,445	40,858	32,167	41,905	50,426	70,811	83,500	15.0%	17.9%
Taxes	40,202	24,797	36,434	38,123	40,079	40,977	38,164	42,500	0.8%	11.4%
<b>Total Expenses</b>	<b>\$ 1,556,942</b>	<b>\$ 1,764,608</b>	<b>\$ 1,871,385</b>	<b>\$ 1,653,350</b>	<b>\$ 2,063,270</b>	<b>\$ 2,256,638</b>	<b>\$ 2,555,241</b>	<b>\$ 2,549,357</b>	<b>7.3%</b>	<b>(0.2%)</b>
Year-over-Year Growth Rate		13.3%	6.1%	(11.7%)	24.8%	9.4%	13.2%	(0.2%)		



# Deferred Maintenance – Big Ticket Items

- Total maintenance target for 2024-25' is **\$2.3mm**
  - Of the \$2.3mm, \$1.96mm is just catching up on projects that should have been previously completed (deferred maintenance)
- Funding these projects needs to be put in **an operational** context – how many concurrent projects can the club tackle
- If we decide to use some or all of current reserves – it could be years before hitting the same level of savings since the club targets to operate at \$0 excess cash flow

<i>Winter Bath House Utilities</i>	
HVAC	\$ 515,000
HVAC Engineering Study and Review	30,900
Heater, #1 Pool (East Wall)	8,240
Heater, #2 Pool (South West Wall)	8,240
Hot Water Pump	2,575
<i>Winter Bath House Pool</i>	
Deck, Concrete, Drains and Membrane Replacement	\$ 167,268
Ceiling, Steel Joist Roof & Ceiling Replacement	147,805
Diving Board	4,120
<i>Winter Bath House Exterior</i>	
Windows	\$ 115,875
Roof Assembly	98,880
Exterior Door	21,630
<b>Line-Item Raw Cost</b>	<b>\$ 1,120,533</b>
Contingency	224,107
Tax	67,232
<b>Total Cost</b>	<b>\$ 1,411,872</b>
Total Deferred Maintenance	\$ 1,956,583



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# Winter Bath House Air Handlers





# Winter Bath House A/C Units





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# Indoor Pool Deck





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# Winter Bath House Roof and Ceiling Exterior





# Winter Bath House Ceiling, Roof, and Windows





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# Winter Bath House Sauna, Doors, and Windows





# Pools

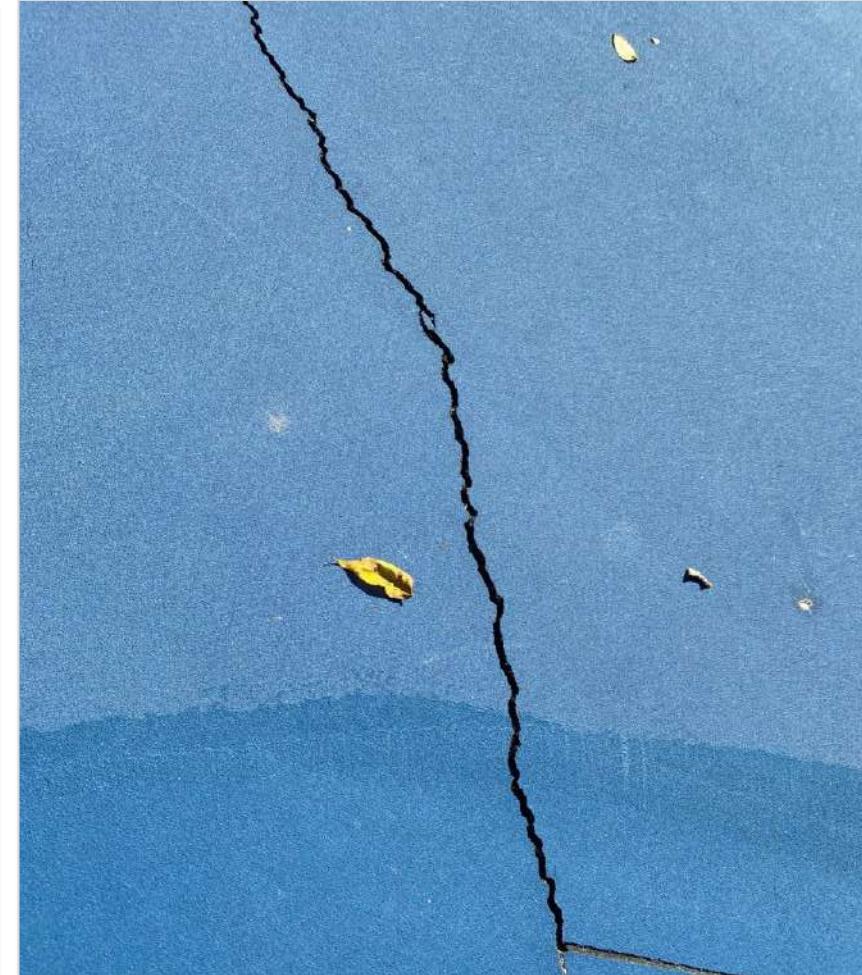




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# Tennis





# 2024 Year-to-Date Performance



# Year-to-Date Performance

	Year-over-Year			Year-to-Date		
	2024	2023	Δ	2024	2023	Δ
General Operations	\$ 91,839	\$ 38,026	\$ 53,813	\$ 2,166,785	\$ 1,752,242	\$ 414,543
Aquatics	31,688	17,817	13,872	184,218	160,961	23,257
Tennis	15,002	9,936	5,066	261,674	212,041	49,632
Snack Bar	34,072	24,238	9,834	101,837	85,432	16,405
Programs	1,380	405	975	8,980	4,617	4,363
Fitness	89	661	(572)	2,046	3,902	(1,856)
<b>Total Income</b>	<b>\$ 174,070</b>	<b>\$ 91,083</b>	<b>\$ 82,987</b>	<b>\$ 2,725,539</b>	<b>\$ 2,219,195</b>	<b>\$ 506,344</b>
<b>Expenses by Area</b>						
General Operations	\$ 198,293	\$ 165,248	\$ 33,045	\$ 1,273,698	\$ 1,256,008	\$ 17,690
Aquatics	43,845	42,270	1,575	237,480	208,165	29,315
Tennis	15,209	2,987	12,222	179,462	118,299	61,164
Snack Bar	40,541	25,366	15,175	146,504	104,858	41,646
Programs	438	1,695	(1,257)	7,979	9,033	(1,053)
Fitness	1,890	1,197	693	13,291	6,754	6,537
<b>Total Expenses</b>	<b>\$ 300,215</b>	<b>\$ 238,762</b>	<b>\$ 61,453</b>	<b>\$ 1,858,415</b>	<b>\$ 1,703,117</b>	<b>\$ 155,299</b>
Interest Income	6,620	6,074	546	39,686	29,935	9,751
<b>Net</b>	<b>\$ (119,525)</b>	<b>\$ (141,605)</b>	<b>\$ 22,080</b>	<b>\$ 906,810</b>	<b>\$ 546,013</b>	<b>\$ 360,797</b>

- YTD topline ahead by \$414k
  - \$363k from annual dues
  - \$49k from contracts
  - \$13k from birthday parties
  - (\$22k) from limited memberships
- Aquatics is up \$23k YTD
  - Up \$41k YoY from private swim lessons, offset by \$20k down from Winter Swim Team
- Tennis expenses are up \$61k, \$13.3k for USTA registration, \$20k for additional coaching, and the rest coming from additional usage
- Snack bar expenses include some one-time expenses (e.g. ice machine, seating pads, flat top grill, and fryer)



# Year-to-Date Performance (Continued)

	Year-over-Year			Year-to-Date		
	2024	2023	Δ	2024	2023	Δ
<b>Expenses by Type</b>						
Staffing Expenses	\$ 148,526	\$ 128,152	\$ 20,374	\$ 965,535	\$ 806,782	\$ 158,753
Activity-based	51,607	28,824	22,783	369,748	261,202	108,545
Administrative	34,839	21,884	12,956	131,369	222,060	(90,691)
Club Maintenance	25,399	16,892	8,507	139,535	151,410	(11,875)
Utilities	8,659	12,853	(4,195)	92,632	124,228	(31,596)
Past Improvements	22,800	22,800	-	75,926	71,171	4,755
Supplies	8,385	7,357	1,028	60,184	50,513	9,672
Taxes	-	-	-	23,486	15,751	7,735
<b>Total Expenses</b>	<b>\$ 300,215</b>	<b>\$ 238,762</b>	<b>\$ 61,453</b>	<b>\$ 1,858,415</b>	<b>\$ 1,703,117</b>	<b>\$ 155,299</b>

	YTD Net Cash Flow		
	2024	2023	Δ
General Operations	\$ 893,087	\$ 496,234	\$ 396,853
Aquatics	(53,262)	(47,204)	(6,058)
Tennis	82,211	93,743	(11,531)
Snack Bar	(44,667)	(19,426)	(25,241)
Programs	1,000	(4,416)	5,416
Fitness	(11,245)	(2,852)	(8,393)

- Staffing expenses are up YoY with the bulk coming from additional operational staffing (e.g. tennis attendant), snack bar and lifeguard staffing
- Activity-based is almost all tennis expenses, coming from the USTA registrations and coaching fees for tennis (\$43k), the rest is timing differences in payments
- Administrative drop is coming from 1-time expenses in 2023



# Balance Sheet

(in \$)	07/31/24	08/31/24
Checking	\$ 132,073	\$ 20,018
Long-term Reserves	2,585,943	2,588,865
CapEx	5,682	5,672
Misc. Cash	28,484	28,198
<b>Cash on Hand</b>	<b>\$ 2,752,182</b>	<b>\$ 2,642,754</b>
Receiveables and Prepaid Expenses	\$ 5,939	\$ 5,939
Near-term Payables	41,668	39,986
<b>Net Receivables</b>	<b>\$ (35,729)</b>	<b>\$ (34,047)</b>
<b>Net Liquid Capital</b>	<b>\$ 2,716,453</b>	<b>\$ 2,608,707</b>
Current Balance on Winter Bath House Loan	\$ 990,260	\$ 982,311



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# Budget Process and Timeline



# Budget Process and Timeline

## September

Mon	Tues	Wed	Thurs	Fri	Sat	Sun
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

## October

Mon	Tues	Wed	Thurs	Fri	Sat	Sun
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

## November

Mon	Tues	Wed	Thurs	Fri	Sat	Sun
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31



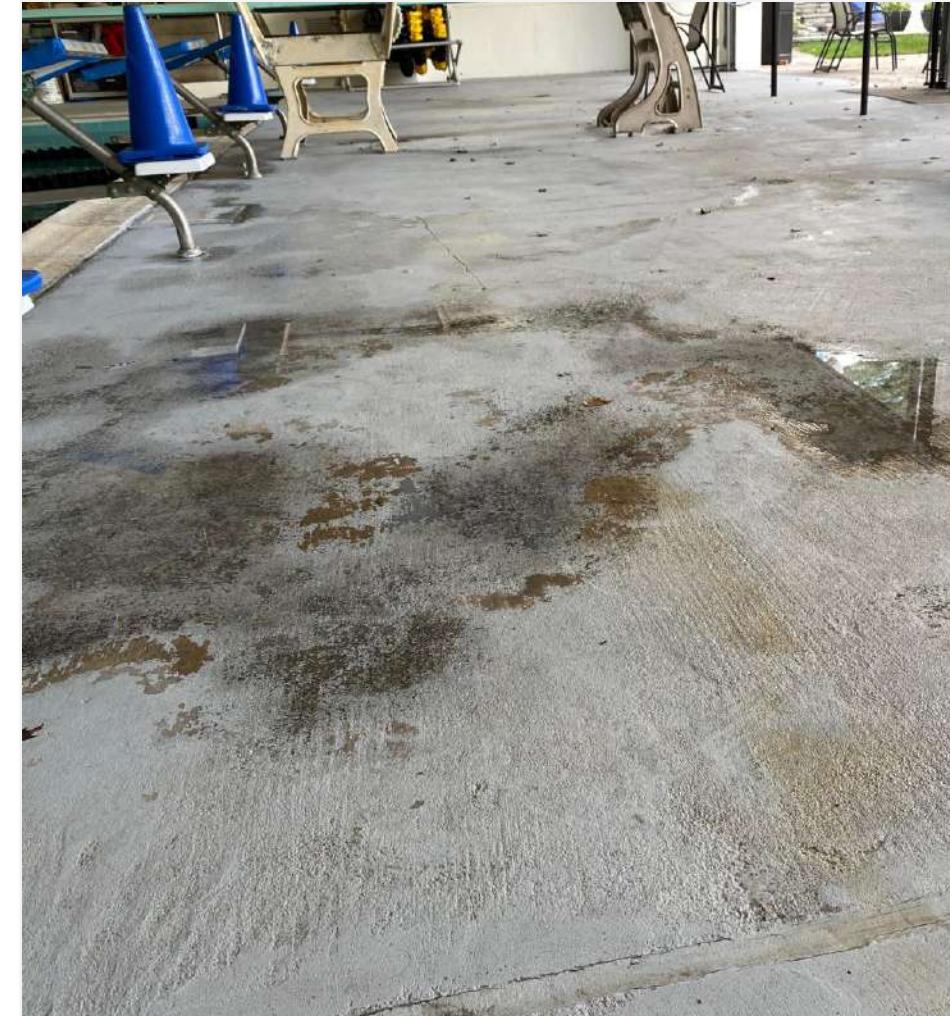
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# Long-term Plan



# 202~~4~~5

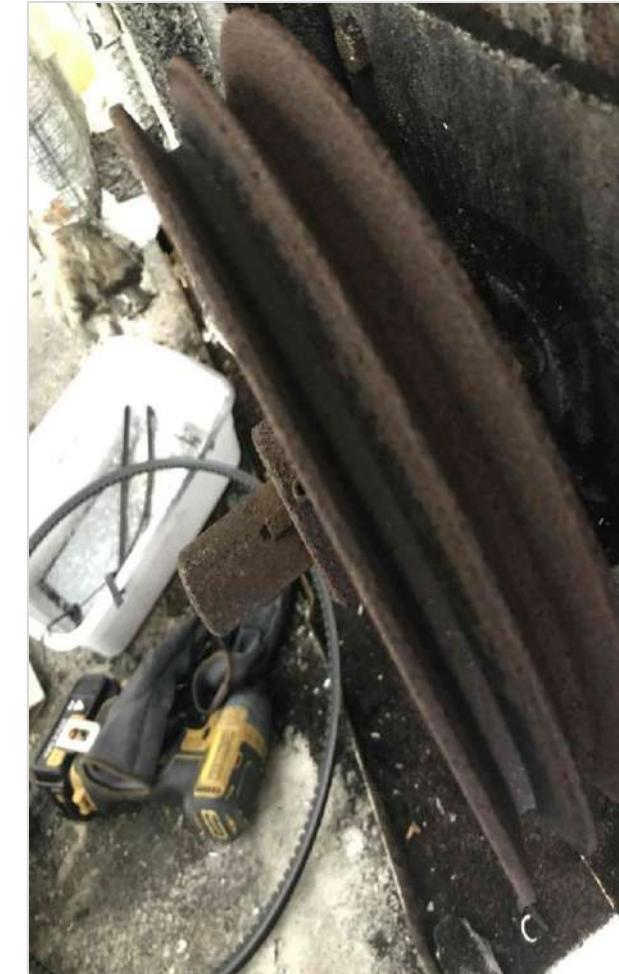
- Indoor Pool Basin, Deck, and Drainage
- **Cost estimate:** ~~\$500,000~~ \$500,000+
- **Rationale:** The existing structure is outdated, improperly constructed, and structurally thin – in addition, it is dilapidated and stained
- **Process:** Replace original weathered and cracked deck with a thicker, rebar-reinforced concrete deck, with additional gravel base and moisture membrane
- **Timeline:** ~~August 2024~~ 2025





## 2025 – 2026?

- Indoor Pool HVAC System
- **Cost Estimate:** \$700,000
- **Rationale:** The existing HVAC system does not provide enough heat during the winter, air circulation for air quality, and dehumidification to protect the exposed metal surfaces on the interior
- **Process:** An initial HVAC engineering assessment report is required to develop which options are available
- **Timeline:** Engineering underway, target mid-2025 for the work





## 2025 – 2026?

- Parking Lot
- **Cost Estimate: \$100,000**
- **Rationale:** The parking lot reveals an increasing number of cracks and potholes that continue to deepen and expand over the course of freeze and thaw cycles over time
- **Process:** repaved, repainted, and resealed
- **Timeline:** TBD





## 2027 – 2030

- Tennis and Pickleball Courts
- **Cost Estimate:** \$675,000
- **Rationale:** The tennis and pickleball courts are built upon a foundation demonstrating weaknesses which cause continuous cracking of the court surfaces and peeling of the court surface paint
- **Process:** A consultation and assessment from an engineering firm is required to develop options on the most cost-effective solution to solidifying the underlying foundation and to reinstall new tennis and pickleball courts
- **Timeline:** TBD





## 2030+

- Summer Bath House
- **Cost Estimate:** TBD
- **Rationale:** Wholistic re-evaluation of the aging Summer Bath House and how it can be revitalized, redesigned, upgraded, reconstructed, and/or repurposed
- **Process:** TBD
- **Timeline:** TBD





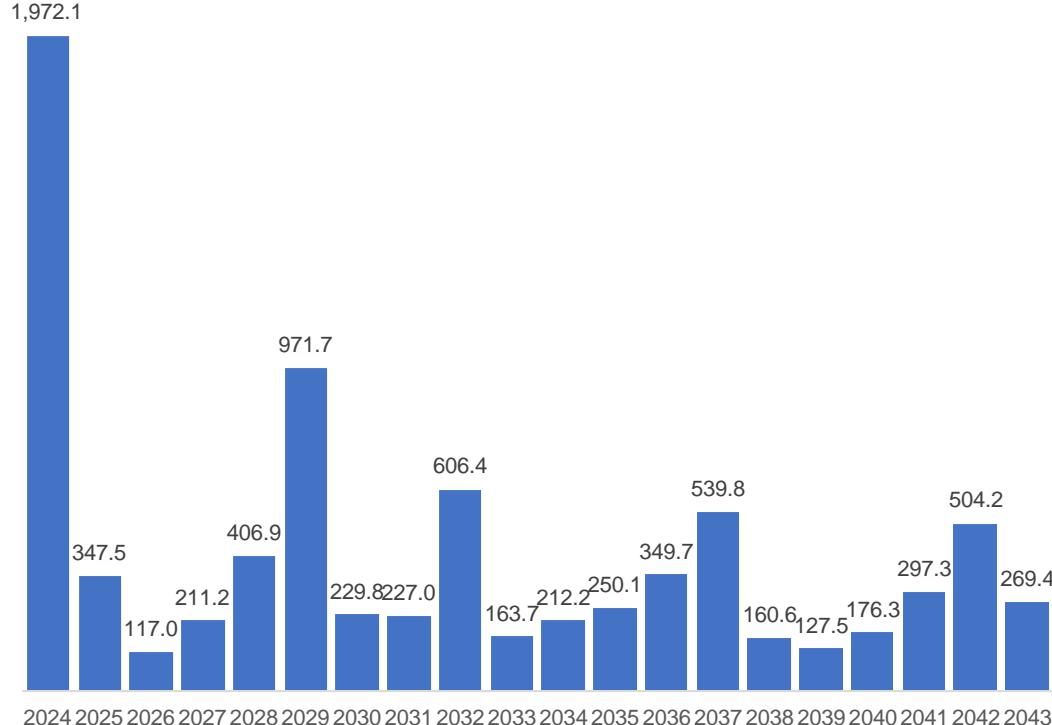
# Financial Considerations

- Each year, the club has 3 general buckets that it can allocate to major projects: excess from the operating budget (if any), capital dues, and initiation fees
  - In 2024, these should total >\$500,000, which is being allocated to the pool resurfacing project
- In time, Initiation fees need to transition away from deferred maintenance – new members are not funding the deferred maintenance enjoyed by current members
- The capital dues budget needs to be more dynamic to reflect the “uneven-ness” of funding maintenance

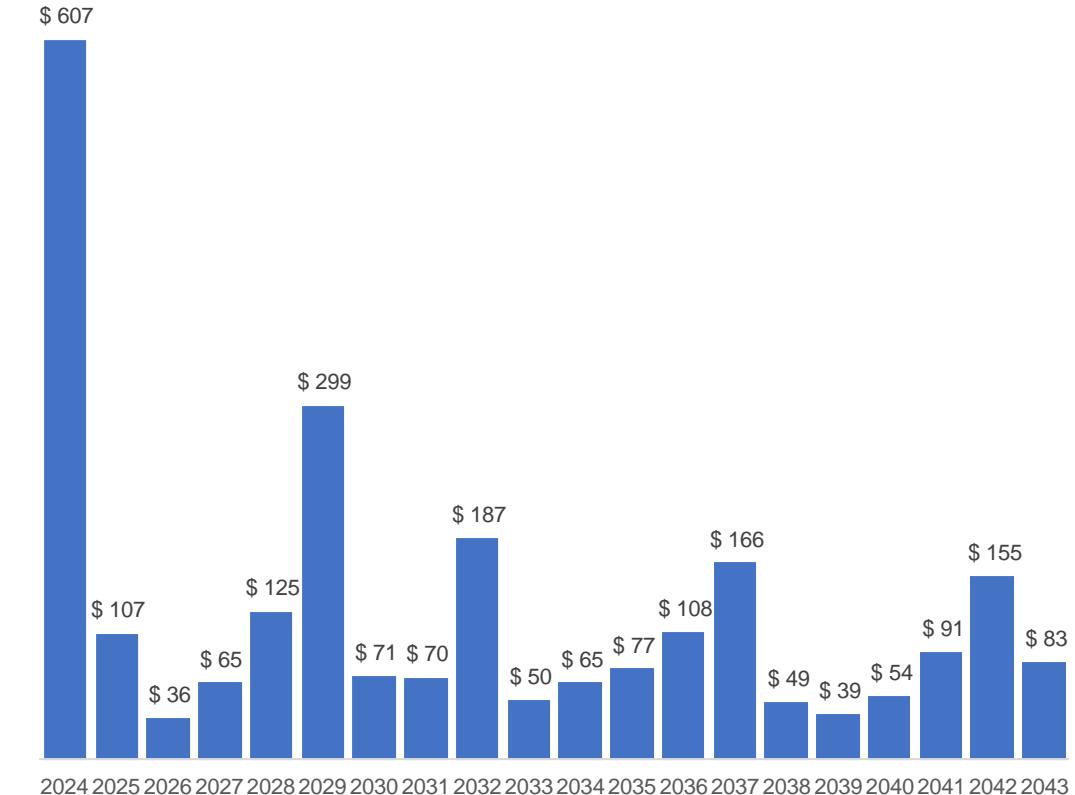


## Defined “Humps” in CapEx over Time

Total Capitalized Expenditures



Capitalized Expenditures per Member





# Example Long-term Financial Forecast

(in \$k)	12/31/17	12/31/18	12/31/19	12/31/20	12/31/21	12/31/22	12/31/23	12/31/24	12/31/25	12/31/26	12/31/27	12/31/28	12/31/29	12/31/30
Total Income	\$ 1,591.3	\$ 1,656.9	\$ 1,835.3	\$ 1,620.1	\$ 2,026.3	\$ 2,148.6	\$ 2,508.6	\$ 2,956.6	\$ 3,015.7	\$ 3,076.0	\$ 3,137.5	\$ 3,200.3	\$ 3,264.3	\$ 3,329.6
Year-over-Year Growth Rate	4.1%	10.8%	(11.7%)	25.1%	6.0%	16.8%	17.9%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Total Expenses	1,556.9	1,764.6	1,871.4	1,653.3	2,063.3	2,256.6	2,547.4	2,549.4	2,676.8	2,810.7	2,951.2	3,098.8	3,253.7	3,416.4
Year-over-Year Growth Rate	13.3%	6.1%	(11.7%)	24.8%	9.4%	12.9%	0.1%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
<b>Operating Budget Surplus</b>	<b>\$ 34.3</b>	<b>\$ (107.7)</b>	<b>\$ (36.1)</b>	<b>\$ (33.3)</b>	<b>\$ (37.0)</b>	<b>\$ (108.1)</b>	<b>\$ (38.8)</b>	<b>\$ 407.2</b>	<b>\$ 338.9</b>	<b>\$ 265.3</b>	<b>\$ 186.3</b>	<b>\$ 101.5</b>	<b>\$ 10.6</b>	<b>\$ (86.8)</b>
% Surplus/(Deficit)	(6.5%)	(2.0%)	(2.1%)	(1.8%)	(5.0%)	(1.5%)	13.8%	11.2%	8.6%	5.9%	3.2%	0.3%	(2.6%)	
Initiation Fees	94.5	180.2	272.9	265.1	279.0	228.8	219.4	200.0	200.0	200.0	200.0	200.0	200.0	200.0
CapEx Dues	162.5	162.5	162.5	162.5	162.5	162.5	162.5	195.0	227.5	260.0	292.5	325.0	325.0	325.0
Regular Maintenance	(162.5)	(162.5)	(162.5)	(162.5)	(162.5)	(160.8)	(214.3)	(158.6)	(129.4)	(117.0)	(211.2)	(406.9)	(287.2)	(229.8)
Deferred Maintenance	-	-	-	-	-	-	-	(500.0)	(100.0)	(700.0)	-	-	(675.0)	-
<b>Net Cash Flow</b>	<b>\$ 128.8</b>	<b>\$ 72.5</b>	<b>\$ 236.8</b>	<b>\$ 231.9</b>	<b>\$ 242.0</b>	<b>\$ 122.4</b>	<b>\$ 128.8</b>	<b>\$ 143.6</b>	<b>\$ 537.0</b>	<b>\$ (91.7)</b>	<b>\$ 467.6</b>	<b>\$ 219.6</b>	<b>\$ (426.6)</b>	<b>\$ 208.4</b>
Aggregate Cash Balance			\$ 851.9	\$ 1,064.1	\$ 1,345.5	\$ 1,387.2	\$ 1,637.4	\$ 1,781.0	\$ 2,318.0	\$ 2,226.3	\$ 2,693.9	\$ 2,913.5	\$ 2,486.9	\$ 2,695.2
Months of Cash in Reserve			5.5	7.7	7.8	7.4	7.7	8.4	10.4	9.5	11.0	11.3	9.2	9.5

- The club will need to structure the deferred maintenance to on-years/off-years schedule
  - The idea is to build up reserves and then tackle a project without relying on external “funding” (e.g. Debt)