

# RECREATION CENTERS OF SUN CITY WEST, INC.

## POLICY STATEMENT Fi15

### Preparation of the Annual Financial Plan

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Reference: Articles of the 3.A.3j, 5.3 d Amended and Restated Bylaws of the Recreation Centers of Sun City West, Inc. dated June 27, 2002.

#### **1.0 General:**

In accordance with the Association's Governing Documents, the General Manager is required to prepare an Annual Financial Plan for the Governing Board. The Budget & Finance Committee is charged with the responsibility of reviewing the Annual Financial Plan.

#### **2.0 Purpose:**

The purpose of this policy is to create a framework for the preparation of the Annual Financial Plan allowing adequate time for all parties to complete the steps for which they are responsible.

#### **3.0 Guidelines:**

The General Manager shall determine the methodology to be used for developing the Annual Financial Plan and begin implementation of this process by November 1. The format of the presentation shall be reviewed by the Budget & Finance Committee and should contain the previous two years' actual figures and the budget for the current fiscal year. The General Manager and the Budget & Finance Committee shall meet to establish a schedule which should include the following tasks:

- 3.1 Budget format forms shall be distributed to staff by November 1.
- 3.2 Budget format forms shall be returned to General Manager by December 1.
- 3.3. Committee Chairs' (Bowling, Golf, and Properties) recommendations for capital equipment and projects shall be submitted to General Manager by December 1.
- 3.4 Capital projects recommendations from staff shall be submitted to the General Manager by December 15.
- 3.5 The General Manager shall prepare an organization chart along with a projection of the Full Time Equivalent (FTE) positions for each Division.
- 3.6 A draft financial plan shall be presented to the Budget & Finance Committee by the end of February.
- 3.7 The draft financial plan shall be provided to Governing Board Directors by the end of March.

#### **4.0 Proposed Financial Plan Submittal to the Membership:**

- 4.1 At his discretion, the General Manager may hold various community forums to present the proposed financial plan. In addition, there shall be a community-wide open forum to present the proposed financial plan at least one week prior to the May Governing Board meeting.
- 4.2 The proposed financial plan shall be published in the May issue of the Recreation Center News.

#### **5.0 Governing Board Approval:**

- 5.1 The Governing Board shall conduct a Workshop to discuss the proposed financial plan by the second week of April.
- 5.2 The Governing Board shall vote on the proposed financial plan at the regular Board meeting in May.

#### **6.0 Components of Annual Financial Plan:**

6.1 The following components shall be included in the review of the Annual Financial Plan:

- 6.1.1 Full Time Equivalent (FTE) plan;
- 6.1.2 Changes in anticipated hours of operation of all facilities;
- 6.1.3 Use of volunteers and associated costs/savings;
- 6.1.4 Utility rates;
- 6.1.5 Communication costs;
- 6.1.6 Lease or buy decisions and related costs (Fi 10);
- 6.1.7 Use of sub-contractor vs. in-house;
- 6.1.8 Personal Property Tax;
- 6.1.9 Real Estate Tax;
- 6.1.10 Special events costs;
- 6.1.11 Tour commissions;
- 6.1.12 Allocation of overhead costs;
- 6.1.13 Allocation of facilities maintenance costs (Fi 19);
- 6.1.14 Legal and Professional Fees;
- 6.1.15 Miscellaneous items such as: Overseeding plan, conversion to desert landscaping plan, water usage, etc;
- 6.1.16 Contingency projections;
- 6.1.17 Insurance costs;
- 6.1.18 Fee structures and reserve allocations;
- 6.1.19 Capital budget;
- 6.1.20 The General Manager shall address any variances for the prior year's budget over \$20,000 or 15%, whichever is greater.
- 6.1.21 Annual update of the Five-Year Plan (By law 5.3e)

Approved: 01-22-04

Approved: 01-26-06

**RECREATION CENTERS OF SUN CITY WEST, INC.  
 REVISED ANNUAL PLAN GUIDELINES  
 DECEMBER 1, 2005  
 POLICY Fi15**

<b>Dates in this schedule are for FY 05/06</b>							
<b>TASK</b>	<b>November</b>	<b>December</b>	<b>January</b>	<b>February</b>	<b>March</b>	<b>April</b>	<b>May</b>
0-Based budget forms to staff	Nov 1						
0-Based budget forms returned		Dec 1					
Committee Chairs' recommendations		Dec 1					
Capital projects to GM		Dec 15					
Compensation plan (H.R. Mgr)			Jan 10				
Draft budget to Budget & Finance				Feb 28			
Draft budget provided to Governing Board					Mar 28		
GB Workshop presentation of Draft						Apr 13	
Presentations to community groups						Apr 14 thru May 12	
Publish in Rec Center News						prepare for	May issue
Governing Board approval							May 25

Approved: 01-22-04

Approved: 01-26-06