

Analysis of Accountant and Management Accounts for Belle Terre Swim and Racquet Club

VARIATIONS IN REPORTING INCOME AND EXPENSES

DR. DOUGLAS COURTNEY

Summary Accounting and Management Revenue and Expenses Reports 2017-2021

	2017-18	2017-18	2018-2019	2018-19	2019-2020	2019-2020	2020-2021	2020-2021	2021-2022	2021- 2022	Averages based on Request and Presentation except 7.19	Projected Budget under ILA only contribution	Projected Budget under ILA all contributions
	2.6.22	9.21.21	2.6.22	9.21.21	2.6.22	9.21.21	2.6.22	9.21.21	2.6.22	7.19.22		2023-2024	2023-2024
	Accountant	Management	Accountant	Management	Accountant	Management	Accountant	Management	Accountant	Presentation		ILA Budget	ILA Projected Budget
					Pool Filter Broke Closed 2 months	Pandemic Closed 3 months		No manager 2 months	No yearly 9 months, no manager 1 month, hours cut	Presented by Freeman and Walker			
Income													
Description													
Membership Fees	\$167,225.49	\$167,225.49	\$174,780.10	\$174,780.10	\$137,930.98	\$137,930.88	\$122,184.71	\$122,184.71	\$125,956.28	\$ 60,896.00		\$ 63,000.00	\$ 90,000.00
Insurance Fees										\$ 62,108.00		\$ 75,000.00	\$ 90,000.00
Yearly On-Site Fees												\$ 16,450.00	\$ 22,000.00
Monthly Fees												\$ 1,750.00	\$ 2,500.00
Daily Fees												\$ 50,000.00	\$ 75,000.00
Other Courses and Classes				\$ 17,144.24		\$ 49,468.23		\$ 75,060.08				\$ 15,600.00	\$ 25,000.00
Cash Receipts												\$ 25,000.00	\$150,000.00
County Contribution	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00			\$ 50,000.00	\$ 50,000.00	\$ 25,000.00	\$ 25,000.00		\$ 25,000.00	\$150,000.00
Total Revenue	\$192,225.49	\$192,225.49	\$199,780.10	\$216,924.34	\$137,930.98	\$187,399.11	\$172,184.71	\$247,244.79	\$150,956.28	\$148,004.00	\$184,487.53	\$246,800.00	\$454,500.00
Expenses													
Description													
Labor													
Other Support Personnel	\$ 94,534.34	\$ 94,534.34	\$ 66,371.37	\$ 66,371.37	\$ 33,121.58	\$ 34,129.58	\$ 30,939.89	\$ 34,579.89	\$ 38,878.98				
Custodians	\$ 14,420.00	\$ 18,746.64	\$ 14,646.00	\$ 19,040.08	\$ 10,773.00	\$ 14,004.96	\$ 11,335.00	\$ 13,497.06	\$ 12,221.00				
Other Personal Services	\$ 64,344.98	\$ 64,344.98	\$ 68,900.16	\$ 75,987.66	\$ 44,099.20	\$ 59,002.13	\$ 67,452.85	\$ 81,778.85	\$ 84,454.00				
Total Labor	\$173,299.32	\$177,625.96	\$149,917.53	\$161,399.11	\$ 87,993.78	\$107,136.67	\$109,727.74	\$129,855.80	\$135,553.98		\$136,945.54	\$164,564.00	\$170,000.00
Benefits													
Retirement	\$ 6,301.25	\$ 6,301.25	\$ 5,796.67	\$ 5,796.67	\$ 3,078.48	\$ 3,163.86	\$ 3,578.80	\$ 3,946.88	\$ 4,342.70				
Social Security	\$ 3,763.65	\$ 3,763.65	\$ 3,950.29	\$ 3,950.29	\$ 1,752.17	\$ 1,810.36	\$ 1,809.68	\$ 2,020.90	\$ 2,007.58			\$ 15,631.12	\$ 16,000.00
Medicare	\$ 1,801.10	\$ 1,801.10	\$ 1,913.93	\$ 2,016.70	\$ 1,039.00	\$ 1,268.53	\$ 1,401.09	\$ 1,657.84	\$ 1,694.35				
Insurance	\$ 7,319.08	\$ 7,319.08	\$ 3,212.95	\$ 3,212.95	\$ 3,083.86	\$ 3,083.86	\$ 186.22	\$ 186.22	\$ 4,177.82				
Insurance Protection	\$ 204.54	\$ 204.54	\$ 211.57	\$ 211.57	\$ 78.14	\$ 78.14	\$ 81.14	\$ 81.14	\$ 93.63				
Worker Compensation			\$ 500.00	\$ 500.00	\$ 550.00	\$ 550.00	\$ 411.00	\$ 411.00	\$ 435.00			\$ 500.00	\$ 500.00
Unemployment Compensation							\$ 1521.04	\$ 1,943.52				\$ 2,000.00	\$ 2,000.00
Total Benefits	\$ 19,389.62	\$ 19,389.62	\$ 15,585.41	\$ 15,688.18	\$ 9,581.65	\$ 9,954.75	\$ 8,988.97	\$ 10,247.50	\$ 12,751.08		\$ 13,508.53	\$ 18,131.12	\$ 18,500.00
Materials/Supplies													
Insurance Bond	\$ 4,400.91	\$ 4,400.91	\$ 4,600.00	\$ 4,600.00	\$ 4,825.00	\$ 4,825.00	\$ 1,071.00	\$ 1,071.00	\$ 1,200.00		\$ 3,443.76	\$ 4,000.00	\$ 4,000.00
Travel Out of County	\$ 229.78	\$ 229.78				\$ 800.00		\$ 94.00			\$ 338.39	\$ -	\$ -
Travel In County	\$ 80.01	\$ 80.01	\$ 29.96	\$ 29.96							\$ 54.99	\$ -	\$ -
Repair and Maintenance	\$ 4,093.70	\$ 4,093.70	\$ 4,114.67	\$ 4,114.67	\$ 5,121.95	\$ 5,121.95	\$ 2,470.00	\$ 2,470.00	\$ 1,928.15		\$ 3,725.42	\$ 5,000.00	\$ 7,000.00
Copier Maintenance Agreement	\$ 908.30	\$ 908.30	\$ 1,215.61	\$ 1,215.61	\$ 1,410.00	\$ 1,410.00	\$ 682.87	\$ 682.87	\$ 100.00		\$ 948.17	\$ -	\$ -
Copier Maintenance Fees	\$ 25.32	\$ 25.32	\$ 4.27	\$ 4.27	\$ 27.01	\$ 27.01	\$ 103.56	\$ 103.56	\$ 50.00		\$ 41.15	\$ -	\$ -
Communications	\$ 2,864.32	\$ 2,864.32	\$ 2,708.31	\$ 2,708.31	\$ 1,290.41	\$ 1,290.41					\$ 2,287.68	\$ -	\$ -
Postage	\$ 50.00	\$ 50.00	\$ 20.10	\$ 20.10					\$ 50.00		\$ 55.74	\$ -	\$ -
Telephone/Data Commun							\$ 1,627.37	\$ 1,627.37	\$ 1,807.10		\$ 1,687.28	\$ 2,500.00	\$ 3,500.00
Water, Sewage, Garbage	\$ 11,887.75	\$ 11,887.75	\$ 17,650.90	\$ 17,650.90	\$ 25,590.00	\$ 25,590.00	\$ 28,207.95	\$ 28,207.95	\$ 20,996.37		\$ 20,852.17	\$ 21,000.00	\$ 21,000.00
Other Purchased Services	\$ 19,778.28	\$ 19,778.28	\$ 18,029.47	\$ 18,029.47	\$ 17,481.97	\$ 17,676.97	\$ 15,192.49	\$ 15,192.49	\$ 16,596.96		\$ 17,528.49	\$ 18,000.00	\$ 20,000.00
Bottled Gas	\$ 3,007.43	\$ 3,007.43	\$ 4,259.12	\$ 4,259.12	\$ 4,722.42	\$ 4,722.42	\$ 6,434.19	\$ 6,434.19	\$ 10,172.44		\$ 5,224.31	\$ 6,000.00	\$ 7,000.00
Electricity	\$ 30,830.47	\$ 30,830.47	\$ 30,917.94	\$ 30,917.94	\$ 27,397.49	\$ 27,397.49	\$ 25,572.85	\$ 25,572.85	\$ 28,388.94		\$ 28,647.38	\$ 25,000.00	\$ 25,000.00
Gasoline	\$ 247.21	\$ 247.21				\$ 100.00					\$ 198.14	\$ -	\$ -
Supplies	\$ 11,078.80	\$ 11,078.80	\$ 11,329.53	\$ 12,423.03	\$ 4,526.98	\$ 5,041.98	\$ 6,601.00	\$ 7,669.42	\$ 5,496.45		\$ 8,360.67	\$ 8,500.00	\$ 9,500.00
Repair Parts	\$ 10.20	\$ 10.20									\$ 10.20	\$ -	\$ -
Other Materials & Supplies	\$ 1,487.21	\$ 1,487.21	\$ 325.10	\$ 325.10	\$ 916.05	\$ 916.05	\$ 247.07	\$ 247.07	\$ 881.87		\$ 759.19	\$ 800.00	\$ 1,500.00
Equip over \$1,000			\$ 2,486.10	\$ 2,486.10							\$ 2,486.10	\$ -	\$ -
Equip below \$1,000					\$ 803.60	\$ 803.60					\$ 803.60	\$ -	\$ -
Dues & Fees	\$ 3,048.43	\$ 3,048.43	\$ 4,362.78	\$ 9,208.98	\$ 3,723.06	\$ 21,026.64	\$ 4,665.93	\$ 28,404.22	\$ 3,692.26		\$ 9,020.08	\$ 1,500.00	\$ 1,500.00
Marketing												\$ 20,000.00	\$ 20,000.00
Reserve fund for Capital Expense													\$100,000.00
Miscellaneous Expense	\$ 237.50	\$ 237.50									\$ 237.50	\$ 250.00	\$ 250.00
Total Materials/Supplies	\$ 94,265.62	\$ 94,265.62	\$102,053.86	\$107,993.56	\$ 97,835.94	\$116,749.52	\$ 92,976.28	\$117,876.99	\$ 91,360.54		\$106,710.41	\$112,550.00	\$220,250.00
Total Expenses	\$286,954.56	\$291,281.20	\$267,556.80	\$285,080.85	\$195,411.37	\$233,840.94	\$211,692.99	\$257,980.29	\$239,665.60	\$317,031.00	\$252,162.73	\$295,245.12	\$408,750.00
Net Income/(Loss)	-\$94,729.07	-\$99,055.71	-\$67,776.70	-\$68,156.51	-\$57,480.39	-\$46,441.83	-\$39,508.28	-\$10,735.50	-\$88,709.32	-\$169,027.00		-\$48,445.12	\$45,750.00

Income Belle Terre As Presented by Accountant vs Management

					Pool Filter Broke Closed 2 months	Pandemic Closed 3 months		No manager 2 months	No yearly 9 months, no manager 1 month, hours cut	Presented by Freeman and Walker
	2017-18	2017-18	2018-2019	2018-19	2019-2020	2019-2020	2020-2021	2020-2021	2021-2022	2021- 2022
	2.6.22	9.21.21	2.6.22	9.21.21	2.6.22	9.21.21	2.6.22	9.21.21	2.6.22	7.19.22
Income	Accountant	Management	Accountant	Management	Accountant	Management	Accountant	Management	Accountant	Management
Description										
Membership Fees	\$ 167,225.49	\$ 167,225.49	\$ 174,780.10	\$ 174,780.10	\$ 137,930.98	\$ 137,930.88	\$ 122,184.71	\$ 122,184.71	\$ 125,956.28	\$ 60,896.00
Insurance Fees										\$ 62,108.00
Yearly On-Site Fees										
Monthly Fees										
Daily Fees										
Other Courses and Classes				\$ 17,144.24		\$ 49,468.23		\$ 75,060.08		
Cash Receipts										
County Contribution	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00			\$ 50,000.00	\$ 50,000.00	\$ 25,000.00	\$ 25,000.00
Total Revenue	\$ 192,225.49	\$ 192,225.49	\$ 199,780.10	\$ 216,924.34	\$ 137,930.98	\$ 187,399.11	\$ 172,184.71	\$ 247,244.79	\$ 150,956.28	\$ 148,004.00

Observations

- Except for 2017-18 fiscal years Management and Accounting never agree on income amounts.
- From 2018 – 19 until 2020-21 fiscal years only Management had Other Courses and Classes income. This is account ID number 3479 that was only included in the 9/21/21 Management Presentation and not in either the Accounting or Management 7/19/22 presentations. This Other income refers to the Fluid Accounts, Synchro Bells, Silver Splash classes, and other income sources that can only be created at Belle Terre and should be credited to Belle Terre.
- The factors illustrated at the top effected income for those years;
 - In 2019 the pool was closed for 2 months because the ‘new’ pump ceased operating and had to be repaired. A back up was never on the shelves
 - In 2020 the entire facility was closed for 3 Months because of the Pandemic. It was opened with limited service the rest of the year. Interestingly enough according to Management it was one of the better income years. Begg the questions how and why? If true shouldn't the other years be more productive?
 - In November, December and January of 2020-21 fiscal year there was no manager.
 - In January 2021 the tennis courts were closed costing \$2520.00 in income with no real expense offset
 - In February 2021 there were no longer annual memberships available significantly reducing income from renewals.
 - In February 2021 hours at the facility were cut from 86 hours per week to 64 per week. Subsequent reduction in income resulted.
- Management looks at Belle Terre as sections like Tennis, gym, classes, and pool instead of one homogenous entity where all parts contribute to whole.
- All Management and Accounting income reports fail to list Cash Receipts which are numerous and easily observed by members and attendants.

Budget Income Averages vs ILA Budget with Current County vs ILA with Full Contributions

Observations

- Placing everything in Membership Fees hides the productivity of the facility. Accurate counts of members is impossible. Yearly members create more revenue and show interest. Monthly members are transient by nature cannot be sure of yearly income.
- Placing everything in one account prohibits understanding of where to focus sales.
- Belle Terre has 6 distinct income sources. Insurance, purchased yearly memberships, monthly memberships, daily fees, offered courses and classes, cash sales of products and memberships
- Based on Management Reports of 9/21/21 there are/were 197 yearly members. The estimate in the ILA current projected budget estimates only 250 yearly paying members. Easily achievable.
- Based on all Management Reports and Accountant \$63,000 is actual current income for insurance.
- Monthly fees in projected budgets are based on the 9/21/21 Management Report that shows 900 member swipes in February 2021 subtracting 200 yearly members, then dividing that number by 2. Then multiplying that number by \$47.00. Creates a conservative but educated guess of reliable monthly fees.
- Other course and classes based on 9/21/21 Management Report showing fees from Synchro Bells, Silver Splash, and Fluid accounts among others.
- Cash Receipts is based on a visual observation of attendants receiving \$5.00 cash payments for daily fees that don't get recorded in normal check or credit card receivables. There is an average of \$300 a week collected, possibly more. That was all that was observed. It is collected for 52 weeks.
- Based on observations, management reports, and accountant reports Belle Terre projected budget without additional income from the City and only the current \$25,000 income from the county should be \$62,313.00 more than the average reported by all management and accounting reports of income for Belle Terre. The projected budget should be \$98,796.00 more than the Management report for 7/19/21.
- It appears line item and accounting number 3479 has somehow been forgotten in the reports or funds have been diverted to other accounts/line items.
- Fully incorporating the ILA should provide with little effort gross revenue of \$454,500.00. This means having yearly memberships of 300 members, increasing insurance swipes to 2016 levels, ensure monthly fees increase by 10 per month, increase daily fees by 2 per day, increase other courses and classes by one third, and register all cash receipts.

	Averages based on Request and Presentation except 7.19	Projected Budget under ILA only current county contribution	Projected Budget under ILA all contributions
		2023-2024	2023-2024
		ILA Budget	ILA Projected Budget
Income			
Description			
Membership Fees			
Insurance Fees		\$ 63,000.00	\$ 90,000.00
Yearly On-Site Fees		\$ 75,000.00	\$ 90,000.00
Monthly Fees		\$ 16,450.00	\$ 22,000.00
Daily Fees		\$ 1,750.00	\$ 2,500.00
Other Courses and Classes		\$ 50,000.00	\$ 75,000.00
Cash Receipts		\$ 15,600.00	\$ 25,000.00
County Contribution		\$ 25,000.00	\$ 150,000.00
Total Revenue	\$184,487.53	\$246,800.00	\$454,500.00

Current Labor Cost for Belle Terre

	2017-18	2017-18	2018-2019	2018-19	2019-2020	2019-2020	2020-2021	2020-2021	2021-2022	2021- 2022
	2.6.22	9.21.21	2.6.22	9.21.21	2.6.22	9.21.21	2.6.22	9.21.21	2.6.22	7.19.22
	Accountant	Management	Accountant	Management	Accountant	Management	Accountant	Management	Accountant	Management
Expenses										
Description										
Labor										
Other Support Personnel	\$ 94,534.34	\$ 94,534.34	\$ 66,371.37	\$ 66,371.37	\$ 33,121.58	\$ 34,129.58	\$ 30,939.89	\$ 34,579.89	\$ 38,878.98	
Custodians	\$ 14,420.00	\$ 18,746.64	\$ 14,646.00	\$ 19,040.08	\$ 10,773.00	\$ 14,004.96	\$ 11,335.00	\$ 13,497.06	\$ 12,221.00	
Other Personal Services	\$ 64,344.98	\$ 64,344.98	\$ 68,900.16	\$ 75,987.66	\$ 44,099.20	\$ 59,002.13	\$ 67,452.85	\$ 81,778.85	\$ 84,454.00	
Total Labor	\$173,299.32	\$177,625.96	\$149,917.53	\$161,399.11	\$ 87,993.78	\$107,136.67	\$109,727.74	\$129,855.80	\$135,553.98	

Observations

1. There is no delineation between the hourly or salaried workers.
2. Other Personal Services fluctuates constantly from a low of \$44,099.20 to a high of \$84,454.00 and remains high even in the Pandemic.
3. Other Support Personnel fluctuates constantly from a low of \$31,939.89 to a high of \$95,534.00. Without delineation of personnel cannot provide budgetary control
4. Management and accounting never match in labor costs. Makes all labor costs suspect.

Labor Costs for ILA County Only vs ILA Full Contributions vs Budget Averages

		2023-2024	2023-2024
		ILA Budget	ILA Projected Budget
Expenses			
Description			
Labor			
Other Support Personnel			
Custodians			
Other Personal Services			
Total Labor	\$136,945.54	\$164,564.00	\$170,000.00

Observations

1. Total Labor costs are based on averages of all Management and Accounting Reports. There is no income from the 7/19/21 report. None was give although a loss of \$169,027.00 was projected because of increase requirements of minimum wage.
2. ILA Budget uses 86 hours per week as opposed to the current 64 hours. Is already set for the minimum wage requirements of 2023-2024.
3. Unclear how ILA can have higher labor costs than Management and Accounting reports.
4. Going to 86 hour week only increases costs by \$27,619.00.

Current Expenses for Belle as Presented By Accountant vs. Management

	2017-18 2.6.22 Accountant	2017-18 9.21.21 Management	2018-2019 2.6.22 Accountant	2018-19 9.21.21 Management	2019-2020 2.6.22 Accountant	2019-2020 9.21.21 Management	2020-2021 2.6.22 Accountant	2020-2021 9.21.21 Management	2021-2022 2.6.22 Accountant	2021- 2022 7.19.22 Presentation
Benefits										
Retirement	\$ 6,301.25	\$ 6,301.25	\$ 5,796.67	\$ 5,796.67	\$ 3,078.48	\$ 3,163.86	\$ 3,578.80	\$ 3,946.88	\$ 4,342.70	
Social Security	\$ 3,763.65	\$ 3,763.65	\$ 3,950.29	\$ 3,950.29	\$ 1,752.17	\$ 1,810.36	\$ 1,809.68	\$ 2,020.90	\$ 2,007.58	
Medicare	\$ 1,801.10	\$ 1,801.10	\$ 1,913.93	\$ 2,016.70	\$ 1,039.00	\$ 1,268.53	\$ 1,401.09	\$ 1,657.84	\$ 1,694.35	
Insurance	\$ 7,319.08	\$ 7,319.08	\$ 3,212.95	\$ 3,212.95	\$ 3,083.86	\$ 3,083.86	\$ 186.22	\$ 186.22	\$ 4,177.82	
Insurance Protection	\$ 204.54	\$ 204.54	\$ 211.57	\$ 211.57	\$ 78.14	\$ 78.14	\$ 81.14	\$ 81.14	\$ 93.63	
Worker Compensation			\$ 500.00	\$ 500.00	\$ 550.00	\$ 550.00	\$ 411.00	\$ 411.00	\$ 435.00	
Unemployment Compensation							1521.04	\$ 1,943.52		
Total Benefits	\$ 19,389.62	\$ 19,389.62	\$ 15,585.41	\$ 15,688.18	\$ 9,581.65	\$ 9,954.75	\$ 8,988.97	\$ 10,247.50	\$ 12,751.08	
Materials/Supplies										
Insurance Bond	\$ 4,400.91	\$ 4,400.91	\$ 4,600.00	\$ 4,600.00	\$ 4,825.00	\$ 4,825.00	\$ 1,071.00	\$ 1,071.00	\$ 1,200.00	
Travel Out of County	\$ 229.78	\$ 229.78				\$ 800.00		\$ 94.00		
Travel In County	\$ 80.01	\$ 80.01	\$ 29.96	\$ 29.96						
Repair and Maintenance	\$ 4,093.70	\$ 4,093.70	\$ 4,114.67	\$ 4,114.67	\$ 5,121.95	\$ 5,121.95	\$ 2,470.00	\$ 2,470.00	\$ 1,928.15	
Copier Maintenance Agreement	\$ 908.30	\$ 908.30	\$ 1,215.61	\$ 1,215.61	\$ 1,410.00	\$ 1,410.00	\$ 682.87	\$ 682.87	\$ 100.00	
Copier Maintenance Fees	\$ 25.32	\$ 25.32	\$ 4.27	\$ 4.27	\$ 27.01	\$ 27.01	\$ 103.56	\$ 103.56	\$ 50.00	
Communications	\$ 2,864.32	\$ 2,864.32	\$ 2,708.31	\$ 2,708.31	\$ 1,290.41	\$ 1,290.41				
Postage	\$ 50.00	\$ 50.00	\$ 20.10	\$ 20.10			\$ 100.00	\$ 100.00	\$ 50.00	
Telephone/Data Commun							\$ 1,627.37	\$ 1,627.37	\$ 1,807.10	
Water, Sewage, Garbage	\$ 11,887.75	\$ 11,887.75	\$ 17,650.90	\$ 17,650.90	\$ 25,590.00	\$ 25,590.00	\$ 28,207.95	\$ 28,207.95	\$ 20,996.37	
Other Purchased Services	\$ 19,778.28	\$ 19,778.28	\$ 18,029.47	\$ 18,029.47	\$ 17,481.97	\$ 17,676.97	\$ 15,192.49	\$ 15,192.49	\$ 16,596.96	
Bottled Gas	\$ 3,007.43	\$ 3,007.43	\$ 4,259.12	\$ 4,259.12	\$ 4,722.42	\$ 4,722.42	\$ 6,434.19	\$ 6,434.19	\$ 10,172.44	
Electricity	\$ 30,830.47	\$ 30,830.47	\$ 30,917.94	\$ 30,917.94	\$ 27,397.49	\$ 27,397.49	\$ 25,572.85	\$ 25,572.85	\$ 28,388.94	
Gasoline	\$ 247.21	\$ 247.21				\$ 100.00				
Supplies	\$ 11,078.80	\$ 11,078.80	\$ 11,329.53	\$ 12,423.03	\$ 4,526.98	\$ 5,041.98	\$ 6,601.00	\$ 7,669.42	\$ 5,496.45	
Repair Parts	\$ 10.20	\$ 10.20								
Other Materials & Supplies	\$ 1,487.21	\$ 1,487.21	\$ 325.10	\$ 325.10	\$ 916.05	\$ 916.05	\$ 247.07	\$ 247.07	\$ 881.87	
Equip over \$1,000			\$ 2,486.10	\$ 2,486.10						
Equip below \$1,000					\$ 803.60	\$ 803.60				
Dues & Fees	\$ 3,048.43	\$ 3,048.43	\$ 4,362.78	\$ 9,208.98	\$ 3,723.06	\$ 21,026.64	\$ 4,665.93	\$ 28,404.22	\$ 3,692.26	
Marketing										
Reserve fund for Capital Expense										
Miscellaneous Expense	\$ 237.50	\$ 237.50								
Total Materials/Supplies	\$ 94,265.62	\$ 94,265.62	\$102,053.86	\$107,993.56	\$ 97,835.94	\$116,749.52	\$ 92,976.28	\$117,876.99	\$ 91,360.54	
Total Expenses	\$286,954.56	\$291,281.20	\$267,556.80	\$285,080.85	\$195,411.37	\$233,840.94	\$211,692.99	\$257,980.29	\$239,665.60	\$317,031.00

Observations

1. Management and Accounting match on almost all expenses as opposed to labor costs and income reports. Curious one set can match but there is discrepancies in the other accounts.
2. Only on 2019-20 and 2020-21 accounting and management reports do the figures widely diverge from each other. Cost is in Dues and Fees. Does not delineate so hard to understand discrepancy.
3. Management and Accounting do not have any line items for Marketing or Reserves for Future Expenses.

Profits vs Losses Accounting/Management vs ILA

Observations

1. Even with inserting a Marketing line item and only using a \$25,000.00 contribution from the county the ILA program will lose only \$48,445.12 in a year.
2. ILA program will create \$43,000 more in income even with additional hours.
3. ILA program with full funding will provide a \$100,000 reserve for capital projects and a yearly \$45,750 in income.

		2023-2024 ILA Budget	2023-2024 ILA Projected Budget
Income			
Marketing		\$ 20,000.00	\$ 20,000.00
Reserve fund for Capital Expense			\$100,000.00
Miscellaneous Expense	\$ 237.50	\$ 250.00	\$ 250.00
Total Materials/Supplies	\$106,710.41	\$112,550.00	\$220,250.00
Total Expenses	\$252,162.73	\$295,245.12	\$408,750.00
Net Income/(Loss)		-\$48,445.12	\$45,750.00

Goals of School Management vs ILA

School Management

1. No plans for facility. No educational plans, no community plans, no plans for any operation save maintaining facility or organizing its closure.
2. Only goal is to contain costs and avoid losses and not to use taxpayer funds for operation. There is no focus on any result as no goal has been created.
3. There are no plans for expansion, addition, or future use. No plans for inclusion of community or educational benefits.
4. All reports skew towards highlighting losses in any and all manner as if Management feels it is meeting board member's expectations.

Belle Terre Advisory Committee ILA

1. Create a Community Life Center available to all ages and areas of Palm Coast. Part of a park/community center system for Flagler County.
2. Working to keep facility open and control costs while maintaining its mature garden like atmosphere.
3. Goals are far beyond just keeping facility open:
 - a. New classroom/cafeteria/meeting room building.
 - b. Walking/running track.
 - c. Basketball court
 - d. Integrate senior citizens, students and community members to create a "Life Center."
 - e. Pickleball courts
 - f. New locker rooms
 - g. Refurbished sauna
 - h. Community Garden
4. Create donation/grant system to build and add to facility with limiting government expenditures.
5. Wean facility from all government contributions. Allow facility to stand on own income.
6. Create reserve fund for maintaining repairs on capital assets and contribute to new facilities.
7. Integrate learning in schools with Belle Terre programs for real world experiences for students.
8. Ensure that while meeting goals the center does not exceed its environment and remains a wanted part of its neighborhood.
9. Keep a fully heated pool available for the entire community and guests.
10. Add canopies on pool, tennis and pickleball courts.

Summary

The accounting and accounts for Belle Terre leave a lot more questions than they provide answers. Combined with the management reports periodically provided to the school board for evaluations it does appear that management 'moves the goalposts' whenever a set of financial requirements is met. Noted in the report and highlighted often is the fact that management reports supposedly created using accounting information rarely if ever match accounting records. In fact, the account number and line item 3479 disappear entirely from the accounting records while appearing then disappearing from the management records. This line item alone can add tens of thousands of dollars in revenue to the income for the facility operations. The line item apparently refers to the classes, swim and otherwise, organizations, and club revenues that utilize the facility. As the income is expected to appear in some form in school books curiosity wonders if it has not been utilized to justify other programs within the district. Not an uncommon practice that has been observed in more than a few instances. However, these funds can only be generated by Belle Terre as it has the only swim facility. Therefore, such funds should be found and returned to the income revenue for evaluation purposes.

To further confuse the reporting of the accountant, when compared to management reporting of the expenses for the same fiscal years both generally match, as they should. If expenses match then why doesn't the income? This adds to the suspicion that a reliable reporting method for income does not exist as there are multiple income streams for Belle Terre while expenses are fixed. In addition, while cash receipts have always been an income stream and easily observable in daily operations cash receipts never seem to be reported in any record, accounting or management. Suspicious assumed it was in the general all encompassing fund of 'Membership Fees. However an analysis of fees reported by the management to the board particularly the management report of 7/19/2022 very closely matched the accounting income for that line item. That management report never included cash receipts as a distinct line item. It only reported those fees from actual memberships and actual insurance receipts. The same can be said for analysis of the other management reports. As at a minimum cash income is generally \$300 a week probably much more analysis suggests cash income is not being reported at all. To report the cash income would be to reduce the membership fees below the levels of memberships being reported by management. This conundrum needs to be addressed. At the least more cash controls need to be introduced in the workplace.

There are also too many 'general' accounts with no explanation. Fund 0162 is listed as 'Other Support Personnel' with no description of the meaning. Are other support personnel the attendants and lifeguards at the pool and gym? Does it include the management? The general nature of the account leaves too much room for speculation and manipulation. The same applies to the fund 0162, object 0750. What are 'other personal services'? What is the criteria for being placed in other personal services? Is this the account where a percentage of other management personnel are assigned to Belle Terre costs? If so who and what are these percentages? Are the percentages properly applied and who decides? If they are not percentages of personnel what are these personal services? Ne has to assume they are part of the labor for maintaining Belle Terre as subtraction of these funds from labor reduces labor costs below that which can sustain Belle Terre's daily requirements. In any event use of these general accounts allows for too much manipulation of costs for any organization including Belle Terre. It is as if it was a glorified 'miscellaneous' account.

Most disturbing in this analysis is there are no goals for Belle Terre. The school board, district staff, and management have no goals or plans at all for the facility. There aren't even any plans to keep and maintain the facility in a self-sustaining and permanent state. This has led district staff and management to believe the goal of the facility is to use it as a dumping ground or close it. The feeling has become systemic in the school operations. Even in the face of solutions the district staff and management work to sabotage these plans in order to sustain the inherited idea of closure. It is disappointing. Because even with the poor financial reporting and failed management Belle Terre remains a garden like facility that retains hundreds of thousands of dollars in yearly income. Obviously the citizens wish to maintain and keep the facility. It is in the heart of the city and county and has great potential for all ages from infant to the aged. It can sustain itself with a little help, enthusiasm, and ideas. It is and can be a solid contributor to the community and school system. It needs the owners to get out of the way.