

Financial Reserve Policy  
of the  
Ventura Unit Bridge Clubs

Issued by the Board of Directors, May 3, 2018.

The 2017 annual expenses of the Ventura Unit Bridge Clubs (VUBC) are \$55,000. It is the fiduciary responsibility of the Board of Directors to ensure these expenses are paid and to provide sufficient cash reserves to cover payments prior to receiving anticipated income. The Board must also anticipate meeting our obligations in the event our projected income is not met. (Note: Income for 2017 is \$56,000.)

During the course of a year, the Board commits the Club to certain fixed expenses. These include Personnel Fees (Director & Manager), Rent (for our facility), Up-Front costs for our Sectionals (Strawberry/ two 499er), and Insurance (E&O). In 2017, these fixed expenses totaled \$42,000; 76.0% of our annual expenses.

At the start of 2018, our Bank Balance is \$31,000; effectively, our Cash Reserves. These Reserves represents 56% of our anticipated 2018 Total Expenses and 74% of our 2018 Fixed Expenses. Many healthy, non-profit, organizations have sufficient reserves to cover a full year of operating expenses. Although all of our 2018 Fixed Expenses are not covered by reserves, the Board feels they are sufficient to cover immediate costs while expense adjustments are made to respond to a major loss of income.