

PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY

Meeting Date: July 10, 2012

[] Consent [X] Regular
[] Ordinance [] Public Hearing

Department: Facilities Development & Operations

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to approve: Option Agreement ("Agreement") with NewKita Group Inc., ("NewKita") for the donation of an 11.8 acre parcel of County-owned land ("Parcel") adjacent to the Palm Glades Apartment Complex in unincorporated Belle Glade for the development of a multi-use recreational and community center complex ("Complex").

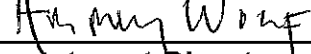
Summary: The County owns the vacant Parcel adjacent to Palm Glades Apartment Complex in unincorporated Belle Glade. NewKita is a not-for-profit organization with a mission to enhance personal enrichment and community unity through recreational activities, sports, health, fitness, entertainment and education. NewKita has submitted a proposal to develop a multi-use complex which would consist of a two-part 50,000 square foot building which will house 3,400 to 4,000 theatre style seats, two (2) full size multi-purpose courts to accommodate tennis, basketball, volleyball, soccer, dance, skating, arena football as well as a hospitality area, fitness center, conference rooms, youth activity center, and two full service locker rooms. The estimated construction cost for the Complex is \$5,385,250 with total project costs of approximately \$6,507,250. NewKita's proposal is extremely aggressive, but due to the lack of indoor recreational and public assembly facilities in the Western Communities, the budget limitations which prevent the County or City from providing such facilities at any time in the future combined with low probability of a sale of the property for anywhere near its assessed value; Staff believes that it is in the community's best interest to allow NewKita the opportunity to reach its goal. The key milestones require: 1) NewKita to submit annual status reports in their fundraising efforts until such time that the Purchase Agreement is executed, 2) NewKita to demonstrate that it has raised \$2,100,000 represented by receipts and guaranteed pledges by the second anniversary of this Agreement, and 3) County to enter into a Purchase and Sale Agreement ("Purchase Agreement") for the Parcel at such time that NewKita raises \$4,000,000 within four (4) years of the effective date of this Agreement. In the event that any of these milestones are not met, the County has the right to terminate the Option Agreement. The Purchase Agreement will convey the Parcel for \$0, making this a donation by the County. The Purchase Agreement will require NewKita to demonstrate that it has raised 100% of projected construction costs prior to closing (at which time title will be conveyed) and commencement of construction must begin construction within two (2) years of the execution of the Purchase Agreement. The Purchase Agreement will also have a reverter in favor of the County in the event that construction is not timely commenced or thereafter the Parcel is not used for Complex purposes only or for failure to commence construction by the milestone. The appraisal of the property assigned a market value of \$195,000 to the Parcel. **This Option Agreement must be approved by supermajority vote (5 Commissioners).** (FDO Admin) District 6 (HJF)

Background & Policy Issues: The County acquired this property in 1979 as part of a 250 acre acquisition for Glades Pioneer Park. The Park was developed on approximately 61 acres, and portions of the excess property were sold off over time, including 33 acres which were sold to Briscoe Enterprises in 1988 for development of the Palm Glades Apartment Complex which is now known as Glades Glen. The subject 11.8 acre parcel was originally planned to be developed as part of the Palm Glades Project, but was never purchased by Housing and Community Development or Briscoe Enterprises for that purpose.

(Continued on page 3)

Attachments:

- 1. Location Map
- 2. Option Agreement
- 3. NewKita Proposal

Recommended by:  6/17/12
Department Director Date

Approved by:  7/12/12
County Administrator Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2012	2013	2014	2015	2016
Capital Expenditures	\$ -0-	-0-	-0-	-0-	-0-
Operating Costs	-0-	-0-	-0-	-0-	-0-
External Revenues	-0-	-0-	-0-	-0-	-0-
Program Income (County)	-0-	-0-	-0-	-0-	-0-
In-Kind Match (County)	-0- <i>see below</i>	-0-	-0-	-0-	-0-
NET FISCAL IMPACT	\$ -0-	-0-	-0-	-0-	-0-

ADDITIONAL FTE POSITIONS (Cumulative)

Is Item Included in Current Budget? Yes No

Budget Account No: Fund _____ Department _____ Unit _____ Object _____
Reporting Category

B. Recommended Sources of Funds/Summary of Fiscal Impact:

* There is no fiscal impact to this item. In the event that the Option Agreement results in a donation of the Parcel, the County will be donating an asset with a market value of \$195,000 for the construction of privately owned facilities for the community/public benefit with an estimated construction cost of \$5,385,250 and other start-up costs valued at \$360,000; not including staffing or utilities.

C. Departmental Fiscal Review: _____

III. REVIEW COMMENTS:

A. OFMB Fiscal and/or Contract Development & Control Comments:

[Signature]
OFMB
6/25/12

[Signature] 6/29/12
Contract Dev. and Control
6-25-12 B.W.H.

B. Legal Sufficiency:

[Signature] 6/21/12
Assistant County Attorney

C. Other Department Review:

Background & Policy Issues (Cont'd):

The property has remained vacant and unimproved since it was acquired in 1979. There has been little interest expressed in utilizing the property for development since the time that Briscoe Enterprises developed Palm Glades. Palm Glades/Glades Glen recently went into foreclosure for the second time. Based upon the severely depressed economic conditions in the Glades area, Staff believes that there is little chance that the County will be able to sell the property for a reasonable price in the foreseeable future.

The purchase price of the Parcel is \$0. NewKita is agreeing that 1) it will not seek any other funding or monetary support from the County or any Federal and State funds allocated to, managed and/or distributed through the County, for the development of the Complex, and 2) that the County Parks and Recreation Department may schedule the Complex for conduct of its programs at any time that NewKita does not have previously scheduled events/uses at a cost equal only to NewKita's out of pocket expenses.

NewKita's proposal to use this property for development of a multi-use complex would, if built, provide much needed recreational and public assembly facilities for the western communities at no cost to the County. This is the third time that the Board considered an option agreement for the donation of a County-owned property for development for community purposes by a not for profit. The first was for 5 acres of property adjacent to the North County Courthouse for an International Children's Museum and the second was in 2002 for 11 acres adjacent to Lake Lytal Park for the Science Museum.

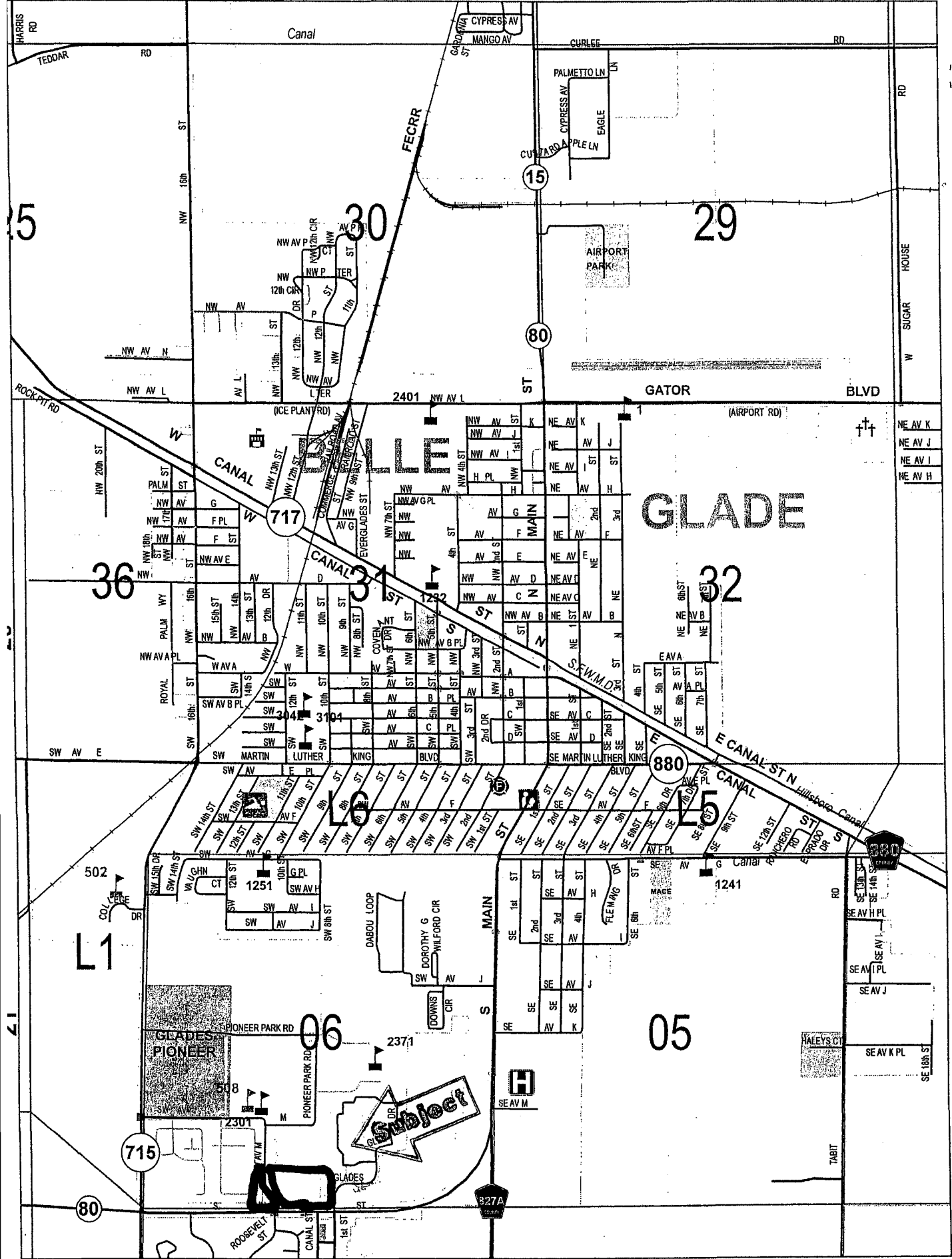
The PREM ordinance requires an appraisal of any property intended to be sold which has an assessed value of greater than \$25,000. There is no definition of whether a donation to a charitable organization constitutes a sale. However, in this instance, given the \$373,000 value placed upon the property by the Property Appraiser's Office, Staff obtained an appraisal to clearly disclose the value of the proposed donation. The appraisal identified the Parcel as having a market value of \$195,000. Review by the Property Review Committee is not required as the appraised value is less \$250,000.

Location Map

R 37
00

See pg 140

R 37
NN



T 43

13

T 44

7

00

See pg 150

NN

OPTION AGREEMENT

THIS AGREEMENT made and entered into this ____ day of _____, 2012 by and between PALM BEACH COUNTY, a political subdivision of the State of Florida (the "County"), and the NEWKITA GROUP, INC., a 501(C)(3) not for profit Florida corporation (the "Group").

WITNESSETH

WHEREAS, the County is the owner of an approximately 11.8 acre property, generally located on SR 80 commonly known as Palm Glade PUD – West (PCN 00-37-44-06-00-000-5020) in unincorporated Belle Glade, Florida; and

WHEREAS, the Group is a not-for-profit organization to which tax deductible contributions can be made; and

WHEREAS, the Group's mission is to enhance personal enrichment and community unity through recreational activities, sports, health and fitness, entertainment and education by the development and operation of the Glades Multi-Use Complex (the "Complex"); and

WHEREAS, the Complex is proposed to consist of a two-part 50,000 square foot building which will house 3,500 to 4,000 theater style seats, two (2) full size multi-purpose courts to accommodate indoor tennis, basketball, volleyball, soccer, dance, skating, arena football, as well as a hospitality area, fitness center, conference rooms, youth activity center, and two full service locker rooms; and

WHEREAS, the Complex will be a public facility that will create a living, sustainable, enduring space that allows people of all ages and abilities to gather together and share their lives, ideas and experiences, creating a sense of belonging and a deeper commitment to the community; and

WHEREAS, the Complex will create a stimulating educational and economic environment for children, adults and families while promoting the City's favorite sport which is football; and

WHEREAS, the Group is to raise the funds required to construct and operate the Complex; and

WHEREAS, the Group has requested that the County commit to donate the property to the Group under the general conditions set forth in this Agreement and as may be agreed to at a later date, in order to enhance the Group's ability to fund-raise and seek grants from various sources for the development and operation of the Complex.

NOW THEREFORE, for and in consideration of the mutual covenants set forth and various other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1.0 Recitals

1.01 The recitals set forth above are true and correct.

2.0 General Terms

2.01 The Group hereby agrees to conduct a fund-raising campaign and seek sufficient public and private funds to develop the land currently owned by the County as depicted on the site plan attached hereto as Exhibit A and identified as the Complex Parcel ("Parcel") and construct the Complex. The County agrees to reserve the Parcel and grant the Group an option for future acquisition of the Parcel upon the general terms and conditions set forth below, which are intended to set forth the general parameters of the parties' understanding and agreement. The underlying intent of this Agreement is to provide the Group four (4) years to raise 75% the construction funding necessary to cause the County to enter into an agreement for the acquisition of the Property. The purchase and sale agreement ("Purchase Agreement") will set forth all of the terms and conditions with respect to the sale and purchase of the Parcel as well as operation of the Complex on this property. The parties shall enter into such a Purchase Agreement at such time that the Group can demonstrate that it has raised \$4,000,000 for the construction of Complex as represented by receipts and guaranteed pledges. In the event that the Group fails to raise \$4,000,000 within four (4) years of this Agreement, the County shall have the right to terminate this Agreement and thereafter the parties shall be relieved of all further obligations hereunder.

2.02 On each anniversary of this Agreement through the time that a Purchase Agreement is executed, the Group shall provide the County with a status report on its fund raising efforts. No later than the second anniversary of this Agreement, the Group shall be able to demonstrate that it has raised \$2,100,000 represented by receipts and guaranteed pledges or the County shall have the right to terminate this Agreement.

2.03 The County understands that the Group may provide copies of this Agreement to anyone at any time to document the agreement between the County and the Group. Other than specifically referencing the existence of this Agreement and/or providing a copy of this Agreement, the Group agrees that it shall not use the name of Palm Beach County in any manner without the written consent of the County in each instance. The Group shall ensure that the County's name or logo does not appear in any promotional and fund raising media whether communicated in writing or orally.

3.0 Purchase and Sale Agreement

The Purchase Agreement shall, at a minimum contain the following terms and conditions reasonably acceptable to both parties.

3.01 The purchase price of the property shall be \$0 in exchange for the Group agreeing; 1) that it will not seek any other funding or monetary support from the County, or any Federal and State funds allocated to, managed and/or distributed through the County, for the development of the Complex, and 2) that the County Parks and Recreation Department may schedule the Complex for the conduct of its programs at any time that the Group does not have previously scheduled events/uses at a cost equal only to the Group's out of pocket expenses. The Group may use the value of the Parcel as a local match or contribution in any grant application that the Group may seek, but may not execute or accept such grant until the County has had an opportunity to review and approve the grant conditions to ensure that they are; 1) consistent with the use restrictions in this Agreement, and 2) do not result in any financial obligations or encumbrances to the County. The County's approval shall be timely and not be unreasonably withheld.

3.02 The Purchase Agreement will require that the Group demonstrate that it has 100% of the projected construction costs represented by receipts and guaranteed pledges as a condition of closing and prior to commencement of construction. The Purchase Agreement will require the Group to submit copies of the completed and permitted design to the County as well as a statement of probable cost for the Complex certified by an Architect or Engineer registered in the State of Florida and including a 10% contingency. This statement of probable cost will be basis for the Group demonstrating that it has achieved the above condition to closing.

3.03 Title to the property shall be conveyed at closing subject to a reverter in favor of the County in the event that the Group fails to commence construction of the Complex within two (2) years of the execution of the Purchase Agreement.

3.04 Included in the Purchase Agreement shall be the form of the County Deed to be used to convey the Parcel and containing a reverter clause which restricts the use of the property to Complex purposes only.

3.05 If at any time from commencement of construction to the point at which the Complex is completed to a stage where the structure can be secured from the natural elements and occupied by persons, no construction activity occurs for 360 consecutive days, the Parcel, at the County's option, will revert to County together with title to all improvements and County shall have the right, to demolish any above ground improvements at the County's sole cost.

3.06 Prior to closing, the Group shall be responsible for obtaining, at its sole cost and expense, all zoning and land use approvals which are necessary or required to

permit the design, construction and operation of the Complex and shall further be responsible for all conditions which may be imposed in connection with said approvals. The Group acknowledges and agrees that the County is entering into this Option Agreement in its proprietary capacity as the owner of the Parcel and that nothing contained herein shall be construed to constitute any form of approval by County in its governmental capacity or alter the Group's obligation to comply with all governmental regulations.

3.07 The Group agrees to purchase the property in "AS IS" condition. The County makes no representations as the suitability of this property for the Group's use.

3.08 The County shall maintain the property until such time that the Purchase Agreement is executed. Immediately after execution of the Purchase Agreement, the Group will become responsible for the maintenance of the property.

3.09 The Group shall maintain liability, fire and extended coverage, workers compensation, builders risk and such other insurance coverage as may be required by the County from the date upon which the Purchase Agreement is executed until the time of closing. The intent of this provision is that County shall be completely insured and indemnified against any and all risk of accident, injury or loss of any kind or nature arising out of or in any manner connected with the Purchase Agreement.

3.10 Prior to closing, the message, graphics, etc of any site signage shall be subject to the prior written approval of the County, which approval shall be limited to ensuring consistency with the terms of this Agreement and shall not be unreasonably withheld.

3.11 If, at any time after the Complex is constructed, the Group chooses to sell the Complex, the County shall have the first right of refusal to purchase the Complex at appraised value, less the value of the land.

3.12 In the event of any type of emergency situation or disaster, including but not limitation, a hurricane or other extreme weather event, the County Administrator may determine that the County's use of the Complex is necessary to protect the health, safety and welfare of the residents of Palm Beach County. Upon that determination (which determination shall be in the sole and absolute discretion of the County Administrator and shall be based on the best information and knowledge regarding the particular emergency that the County Administrator has available at the time of making such a determination) and upon verbal or written notice, the Group shall promptly cede use of the complex, or any portion thereof, for County use, without rent, use fee or other payment of compensation; provided however that the County shall reimburse the Group the actual direct operational costs incurred by the Group as a result of such use, during the pendency of the emergency event, including without limitation, the time period(s) immediately preceding and following the actual occurrence of the event. The

Group further agrees to not offer the Complex for use to any other governmental entity or organization without first having the County Administrator make a determination that it is not required for County use.

4.0 Other

4.01 Any notices, demands or correspondence by either party to the other given pursuant to or by virtue of this Agreement must be given by Certified Mail, Return Receipt Requested, addressed to the receiving party at the following addresses:

If to the County:

Property and Real Estate Management Division
2633 Vista Parkway
West Palm Beach, FL 3 3411

With a copy to:

Palm Beach County Attorney's Office
ATTN: County Attorney
301 North Olive Avenue
West Palm Beach, FL 33401

If to the Group:

NewKita Group
P.O. Box 964
Belle Glade, FL. 33430

4.02 This Agreement, including any memorandum or short form thereof, shall not be recorded in the public records without the prior written consent and joinder of the County.

4.03 This Agreement constitutes all agreements, conditions, and understandings between the parties concerning the Parcel. Except as herein provided, no subsequent alteration, waiver, change or addition to this agreement shall be binding upon the parties unless reduced to writing and signed by them.

IN WITNESS WHEREOF, this Agreement has been executed by parties hereto on the day and year first written above.

ATTEST:

SHARON R. BOCK
CLERK & COMPTROLLER

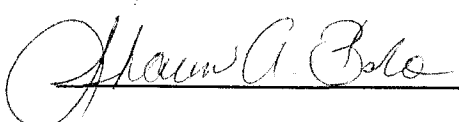
PALM BEACH COUNTY, FLORIDA a
political subdivision of the State of Florida


BY ITS BOARD OF COUNTY COMMISSIONERS

By: _____
Deputy Clerk

By: _____
Shelley Vana, Chair

WITNESS:





NEWKITA GROUP, INC.
a not for profit Florida corporation

By: 
Rondell Newson

Title: President and CEO

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY

APPROVED AS TO TERMS
AND CONDITIONS

By: _____
Assistant County Attorney

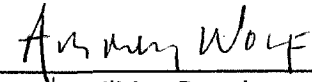
By: 
Dir., Facilities Development & Opns

Exhibit A
Parcel



00-37-44-06-00-000-5020

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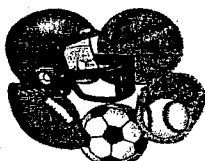


Palm Glade PUD - West



N

NewKita Group, Inc.



Strategic & Tactical Business Plan

For

NewKita Group, Inc

DBA

The Glades

Multi-Use Complex

141 SE Avenue C

Belle Glade, Florida 33430

Web: www.newkitagroup.org

Email: enhancing@newkitagroup.org



Confidentiality Agreement

The undersigned reader acknowledges that the information provided by _____ in this business plan is confidential; therefore, reader agrees not to disclose it without the express written permission of _____.

It is acknowledged by reader that information to be furnished in this business plan is in all respects confidential in nature, other than information which is in the public domain through other means and that any disclosure or use of same by reader, may cause serious harm or damage to _____.

Upon request, this document is to be immediately returned to _____.

Signature

Name (typed or printed)

Date

This is a business plan. It does not imply an offering of securities.

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1.0 Executive Summary

The Glades Multi-Use Complex is NewKita Group Inc's first community development. The Center will serve more than 17,000 children, youth and families in Belle Glade, Florida. The Belle Glade area has been disfranchised during both economic booms and busts. However, this recent economic bust fractured the community the most. The city ranks number seven (7) of "Top 101 cities with the largest city-data.com crime index per police officer, it ranks number twenty seven (27) on the list of "Top 101 cities with the most people below 50% of the poverty, and it ranks number thirty three (33) on the list of "Top 101 cities with the highest number of rapes in 2006 per 10,000 residents.

The programs such as youth development, childcare, adult learning, healthy leaving, and education can help strengthening citizens of all ages. In an addition to the aforementioned programs, the center will include an indoor football area. While American football is one of the nation greatest pastimes, it is Belle Glade's citizens only pastime. The indoor football arena will be the first of its kind in the Glades Region. The ultimate mission of the center is to enhance personal enrichment and community unity through recreational activities, sports, health and fitness, entertainment and education.

Newkita Group Inc was founded in 2008 by Rondell Newson and Jerkita McClorin. The two NewKita founders and a motivated management team will launch The Glades Multi-Use Complex. The board of directors will be composed of a group of accomplished nonprofit industry experts. The resulting combination of professional management and an experienced and certified team is well-positioned to pursue this opportunity. The Glades Multi-Use Complex will have a staff of approximately 46 full and part-time employees and it will also utilize several volunteers who will play a vital role in the organization's success.

There is a great need in the city of Belle Glade for economic development, job creation and a place where its citizens of all ages and backgrounds can come together and safely enjoy recreational activities, sports, entertainments, health and fitness, and personal development opportunities. The city does not have a community center that is equipped to meet the needs of its citizens. The Glades Multi-Use Complex and its indoor arena football team will provide an avenue where teens and young adults can channel their energy positively.

The total amount needed to fully fund this project will be 6,507,000 dollars. NewKita Group already identified 3 primary ways to raise the startup capital:

- \$3,000,000 USDA loan
- \$2,000,000 Capital Campaign (naming rights)
- \$1,507,000 Federal, State, and local municipal grants

NewKita Group believes that the Glades Multi-Use Complex will generate \$70,000 net surplus on average over the next 3 years and the organization will generate about \$100,000 on average thereafter. Although NewKita Group Inc forecast that the center will end up with 7 percent net surplus for the first year, large initial outlay might push that percentage over negative territory. Besides the land and construction costs, the capital will be used for infrastructural, facility programs, pre/post construction services, indoor arena football team, and employment training.

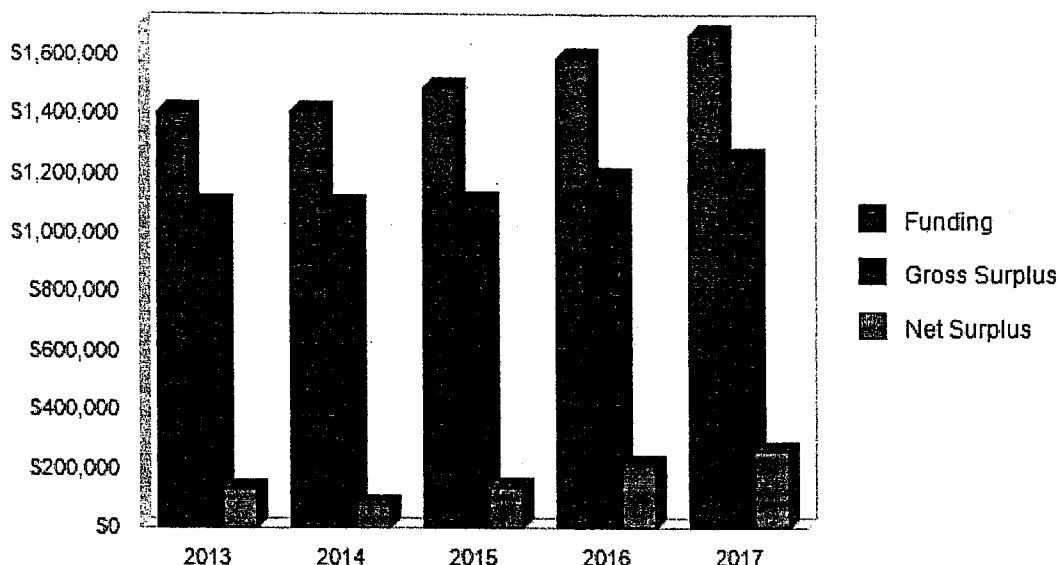
The Glades Multi-Use Complex will include two full-size multi-purpose courts that will accommodate indoor tennis, basketball, volleyball, soccer, dance, skating, and an indoor football arena. The center will also have offices, conference rooms, classrooms, two full-service locker rooms that can host a variety of community events and more.

NewKita prides itself on its diversity of funding sources that make for a fiscally strong organization. Agency revenues come from governmental contracts, charitable gifts and fees for service.

NewKita Group's ultimate goal is to:

- Remove Belle Glade from the "Top 101 cities with the largest crime index" where the city currently ranks number 7.
- Remove Belle Glade from the "Top 101 cities with the most people below 50% of the poverty level" where the city currently ranks number 27.
- Reduce crime and eradicate poverty in the city of Belle Glade through education, health, and entertainment.

Highlights



Glades Multi-Use Complex



1.1 Objectives

The Glades Multi-Use Complex will be a public facility that will create a living, sustainable, enduring space that allows people of all ages and abilities to gather together and share their lives, ideas and experiences, creating a sense of belonging and a deeper commitment to the community. The Glades Multi-Use Complex will create a stimulating educational and economic environment for children, adults, and families while promoting the City's favorite sport which is football. The Glades Multi-Use Complex will have four different goals:

- **Education:** Helping children, teens and young adults reach their full potentials
- **Health:** Improving the health of children, teens and adults by providing a myriad of personal fitness activities for a nominal fee or at no cost to Belle Glade citizens.
- **Economic Stability:** Promoting personal finance education and financial independence. Increasing the economic footprint within the area.
- **Fun:** Providing a fun and vibrant environment with activities such as indoor football games and entertainment events at a nominal fee or at no cost to all Belle Glade citizens.

1.2 Mission

To enhance personal enrichment and community unity through recreational activities, sports, health and fitness, entertainment, and education.

1.3 Keys to Success

1. Utilizing the indoor arena football team to promote the facility's programs and community activities.
2. Establishing a strong network of support with business managers, certified and knowledgeable professionals to help with the daily operations of the facility and its various programs and activities
3. Launching a series of fundraising activities that will successfully fund the current and future programs.
4. Recruiting corporate support for the indoor arena football team.
5. Operating the facility with a laser focus on customer service and overall cost.

2.0 Organization Summary

NewKita Group is a nonprofit organization. The Glades Multi-Use Complex will be NewKita Group's first facility. The facility will provide health, academic, personal development and finance education to the citizens of Belle Glade. NewKita Group will establish a strong network of supports with business managers, certified and knowledgeable professionals to help with the daily operations of the facility and its various programs and community activities.

NewKita Group's mission is to enhance personal enrichment and community unity through recreational activities, sports, health and fitness, entertainment, and education. Newkita Group will prepare the residents in the greater Glades area to become productive citizens by providing a healthy and learning environment where they feel challenged, respected, and accountable as they strive to survive the current economic landscape. The funding for most of the programs will come from the indoor football team, entertainment events, corporate sponsors, private donations, revenues from football season tickets, grants, and low-yield loans. Some of the facility programs that will be offered are below:

- **Adventure** - *One-on-one parent child creative activities which will include music, dance, arts, and crafts.*
- **Childcare** - *The affordable and safe childcare center will create a warm, active, and fun learning environment for toddlers and young kids.*
- **Youth Mentoring** - *Parenting and life skills instruction for pregnant and parenting teens through the Teen Parent Program.*
- **Tutoring** - *Comprehensive career and basic skills assessment Basic skills instruction (reading, writing, and math) Credit recovery toward a high school diploma. General Education Development (GED) instruction.*
- **Job Training** - *Basic computer skills instruction, Pre-Employment skills training and job search assistance and placement, Work-based learning opportunities Access to community resources.*
- **Healthy Cooking Program** - *Fun nutritional class sessions taught by certified Nutritionists.*
- **Senior Club** - *A place where seniors can socialize with their peers and other members from the community.*
- **Family Night** - *Designed to strengthen family bonds*
- **Community Outreach Programs** - *The Glades Multi-Use Complex will have many programs and services designed to benefit local residents, including food pantry, entertainment and mentoring.*
- ***Eligibility:** *Citizens from any age group will have at least one program that fits their needs.*
- ***Staff:** *All programs will be staffed by experienced, or certified or both employees and volunteers.*

2.1 Legal Entity

NewKita Group is a 501(c)(3) tax-exempt not-for-profit organization that provides health, Academic, personal development and finance education to the Belle Glade community. Created in 2008, NewKita Group is committed to serving the citizens of the Glades area while offering innovative programs that span the field of health, economic employment, and education. NewKita Group will provide quality services to all of its clients, regardless of age, sex, race, color, religion, national origin, sexual orientation, mental or physical disabilities or ability to pay for services. This will be displayed by providing the following to every visitor, vendor and patron of the Glades Multi-Use Complex;

- Showing sensitivity and caring.
- Being accountable and responsive.
- Pursuing professional excellence.
- Offering a fulfilling work experience and professional development for its employees.

NewKita's goal is to obtain the reputation for being a leader in the nonprofit sector with its state-of-the-art services and business-like operations. NewKita Group and its affiliates are eager to play an important role in the life of every single citizen of the Glades community.

2.2 Start-up Summary

NewKita's start-up cost comes to **\$6,750,250.00**, which is primarily building and construction costs, real estate land, the indoor football team purchase, marketing materials, and the services of business consultants. The assumptions are shown in the following table and chart. Because NewKita Group does not have any existing assets, start-up expenses will be up in the early stages of operation. However, lean operations will allow the organization to self-sustain and to recoup initial outlay within 5 years.

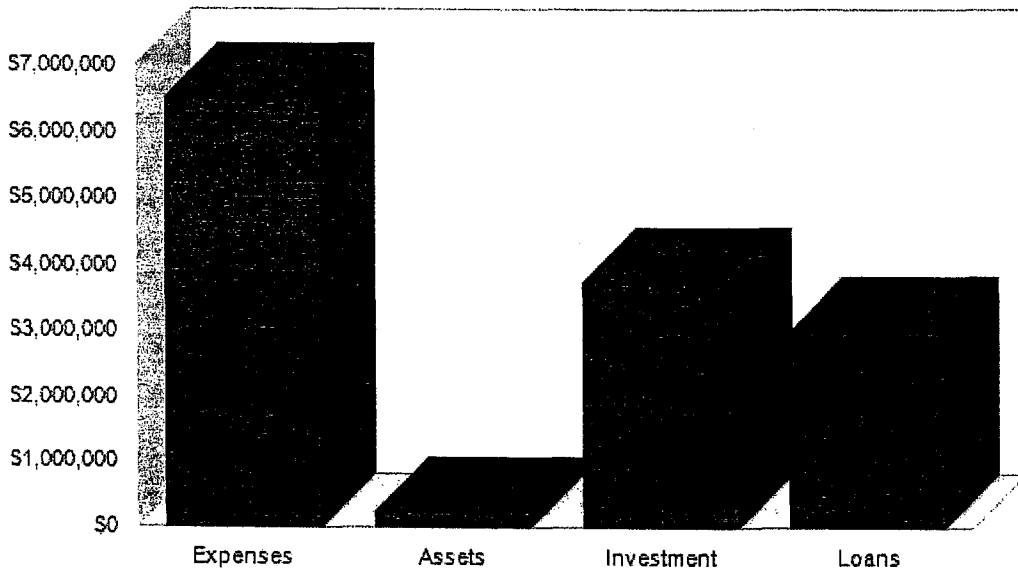
Table: Start-up

Start-up Requirements	
Start-Up Expenses	
Building/Construction (incl. 5% contingency)	\$5,385,250
Land Purchase	\$550,000
Indoor Arena Team Purchase	\$100,000
Football Equipment/Program	\$50,000
Community Center Equipment	\$75,000
Advertising	\$50,000
Concession Equipment	\$20,000
Office Equipment	\$20,000
Employment Training	\$20,000
Insurance	\$15,000
Inventory Purchase	\$10,000
Pre-Construction	\$50,000
Accounting/Legal Fees	\$20,000
Taxes, License & Fees	\$25,000
Payroll/Salaries	\$70,000
Utilities (Gas, Electric, Water, Sewer)	\$20,000
Payroll Taxes	\$7,000
Other	\$20,000

Start-up Assets	
Cash Required	\$243,000
Other Current Assets	\$0
Long-term Assets	\$0
Total Assets	\$243,000

NewKita Group

Start-up



Glades Multi-Use Complex



3.0 Products and Services

NewKita Group will offer various sporting and entertainment events during the year and it will also provide various economic and personal development programs such as job training, tutoring, and childcare that will empower the community. Some of the events are:

- Indoor Arena Football Games
- Concerts
- Trade Shows
- Graduations
- Church Events
- Arts and Crafts Events

Other Services will include but not limited to:

Adventure - *One-on-one parent child creative activities which will include music, dance, arts, and crafts Childcare. The affordable and safe childcare center will create a warm, active, and fun learning environment for toddlers and young kids.*

Youth Mentoring - *Parenting and life skills instruction for pregnant and parenting teens through the Teen Parent Program.*

Tutoring - *Comprehensive career and basic skills assessment, Basic skills instruction (reading, writing, and math), Credit recovery toward a high school diploma General Education Development (GED) instruction.*

Job Training - *Basic computer skills instruction, Pre-Employment skills training and job search assistance and placement, Work-based learning opportunities, Access to community resources.*

Healthy Cooking Program - *Fun nutritional class sessions taught by certified nutritionists.*

Senior Club - *A place where seniors can socialize with their peers and other members from the community.*

Family Night - *Designed to strength family bonds*

Outreach *(Community service and outreach programs)*

The Glades Multi-Use Center will have many programs and services designed to benefit local residents, including a food pantry, entertainment, and mentoring.

4.0 Market Analysis Summary

Through The Glades Multi-Use Complex, NewKita Group Inc will provide programs that will be in direct response to the growing number of children, teens and young adults who are becoming the casualties of an economic war. NewKita will provide the citizens of Belle Glade the opportunity to make a dramatic change in their lives.

Belle Glade is a rural city in Palm Beach County, Florida on the southeastern shore of the Lake Okeechobee with a population of 17,051 according to the most recent census. Belle Glade combined with the surrounding area is often referred to as "Muck City". Although Belle Glade is part of Palm Beach County, its economic, its educational and its personal development problems are disproportional compared to the county and the state of Florida.

Belle Glade compared to Florida state average

- Median household income below state average
- Unemployed percentage above state average
- Number of college students below state average.
- #7 on the list of "Top 101 cities with the largest city-data.com crime index per police officer in 2005-2006"
- #27 on the list of "Top 101 cities with the most people below 50% of the poverty
- Black race population percentage significantly above state average
- Hispanic race population percentage significantly above state average

City of Belle Glade Demographic Break Down

Total population	17,051	100.0%
Male	8,538	50.1%
Female	8,513	49.9%
Under 5 years	1,562	9.2%
5 to 9 years	1,585	9.3%
10 to 14 years	1,076	6.3%
15 to 19 years	1,415	8.3%
20 to 24 years	1,677	9.8%
25 to 34 years	2,035	11.9%
35 to 44 years	2,339	13.7%
45 to 54 years 1	1,897	11.1%
55 to 59 years	895	5.2%
60 to 64 years	744	4.4%
65 to 74 years	951	5.6%
75 to 84 years	615	3.6%
85 years and over	260	1.5%

City of Belle Glade Economic Break Down

Percent Unemployed	16%
Median household income (dollars)	\$28,409
PERCENTAGE OF FAMILIES AND PEOPLE WHOSE INCOME IN THE PAST 12 MONTHS IS BELOW THE POVERTY LEVEL	
All families	29.5%
With related children under 18 years	37.4%
With related children under 5 years only	35.7%

Because of the city low median age (29.8) and lack of economic and personal development opportunities, Belle Glade needs a place like the Glades Multi-Use Complex where its young citizens can channel their energy positively.

4.1 Market Segmentation

Every Belle Glade citizen is a potential consumer of the programs and services offered by The Glades Multi-Use Complex. However; to maintain its goal of being self-sustained, NewKita Group Inc segmentizes the market to better forecast revenues. NewKita will serve three primary groups of customers (children and teens, young adults and adults, and senior and elderly). The aforementioned segments cover the Glades' overall population. As business grows, NewKita will begin serving surrounding communities according to the following target markets:

Children and Teens

The city of Belle Glade has 4223 children and teenagers according to the 2010 census data. The center is looking forward to serve every single one of those kids. About 37 percent of the aforementioned segment is living below the poverty level. Our childcare, tutoring, and family engagement programs will benefit the group a great deal.

Young adults and Adults

The city of Belle Glade has 9363 adolescence and adults. Because the segment is the city main economic backbone, the center will generate most its revenues from it. Based on extensive research, NewKita Group believes that the indoor football team will be admired by the young and adult segment.



Senior and Elderly

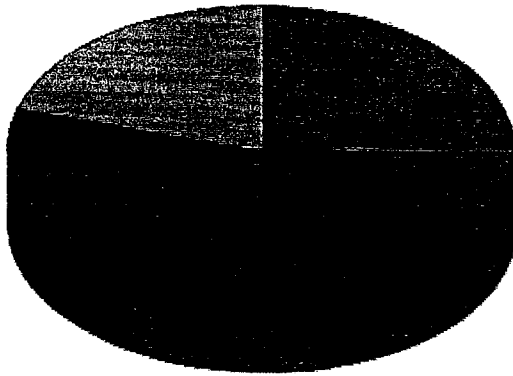
The city of Belle Glade has 3465 seniors and elderly. Because of steady income from this segment, NewKita Group forecast to generate revenues from this group, but not as much as revenues forecasted to generate from the young and adult segment. Domestic donations will most likely come from this segment.

NewKita's strategic plan is to establish a foothold within the Belle Glade market and create brand awareness for the unique and high-quality programs it is offering. We will need to focus on our initial marketing efforts on a smaller market segment. The initial marketing effort will extend through our first twelve months of operation and target a market segment within the surrounding areas. By any measure, Belle Glade remains a richly populated market. As a result of scaling our initial efforts in this manner, we are able to leverage our strong ties within the local community, local media, and educational institutions. To drive awareness, we will supplement the support we receive from local institutions with a broad sweeping outreach program, focused direct mail campaigns, and media placement.

Table: Market Analysis

Market Analysis		2013	2014	2015	2016	2017	CAGR
Potential Customers	Growth						
Children and Teens	6%	4,223	4,455	4,700	4,959	5,232	5.50%
Young adults and Adults	4%	9,363	9,709	10,068	10,441	10,827	3.70%
Senior and Elderly	3%	3,465	3,552	3,641	3,732	3,825	2.50%

Market Analysis (Pie)



- Kids and Young Teens
- Young adults and Adults
- Senior & Elderly

4.2 Target Market Segment Strategy

Because Newkita Group believes that every citizen of Belle Glade can and will benefit from the Glades Multi-Use Complex, it does not rule out any specific group. NewKita will put together a promotional mix that will appeal to children, young adults and seniors. The senior and adult segments expect to be the organization's cash cows.

Tentative strategies that NewKita will implement to bring in targeted markets:

Locals into the Arts Scene: NewKita will try to engage local filmmakers, video artists, photographers, designers, magazines, and local newspapers into its mission and vision.

Locals from Other Areas: Outreach to Palm Beach State College and other academic institutions by marketing directly to them, advertising in their publications, and sponsoring their events.

Corporate Groups: Solicit targeted businesses for meeting space and contact hotel group sales personnel.

Upscale Tourists: Contact hotel concierge, Chamber of Commerce and museums on a regular basis to keep flow of the segment and offer concierge incentive program.



4.3 Service Providers Analysis

There is no organization in Belle Glade that currently provides the services and programs that NewKita Group will provide the citizens of Belle Glade. Organizations such as the Boys & Girls Club, Belle Glade Alliance Church and *Church of God of Prophecy* are providing limited programs to the children and teenage segment.

We intend to form cooperative relationships with these aforementioned venues, especially the Boys & Girls Club to fill program gaps. Instead of seeing these venues as competitors, we see them as strategic partnerships which can facilitate NewKita Group's goals to strengthen the Glades community.

NewKita Group vs. Other Glades Non-profit Organizations

<i>Glades Multi-Use Complex</i>	<i>Boys & Girls Club</i>	<i>Belle Glade Alliance Church</i>	<i>Church of God of Prophecy</i>
Serves all youth including the 87 percent that is not served by other youth organizations	Serves 39 percent of children that are in non-traditional or single parent households	Provides limited resources to church members	Provides limited resources to church members
Provides a variety of programs, activities, and employment opportunities that are geared towards the youth, adults, and senior and elderly			
First of its kind in the Glades region			

4.3.1 Alternatives and Usage Patterns

Even as a nonprofit organization, NewKita Group will strive to provide quality services, activities and programs to both its external and internal customers and we want our customers to look for the qualities in the services that we provide to them.



5.0 Web Plan Summary

The Glades Multi-Use Complex website will be the virtual business card and portfolio for the company, as well as its online "home." The website will feature all our programs as well as program participant testimonial stories. The facility's website will not be a brochure. The site will be filled with interactive games, chat rooms and other online activities. Donors will be able to make donations on the site using PayPal and other payment methods.

5.1 Website Marketing Strategy

The concept and design of the website will be representative of the quality of design seen at various social websites. We will strive to make the website as interactive as possible. The site will be linked with popular social websites such as, Twitter, Facebook, LinkedIn, and Quepasa.

5.2 Development Requirements

NewKita Group will work with its website manager to develop a simple, classy, focused site. The management team will work with a graphic artist to come up with the website logo and website graphics that fully represent the organization's mission and vision.

The maintenance of the site will be done by an independent contractor, but it will be NewKita Group's management responsibility for ensuring that the site remains updated with current programs and activities.

6.0 Strategy and Implementation Summary

Through our plural focus on education, health and entertainment programs to target segments, we are positioned as a premier source of arts, education, enrichment and enjoyment for the entire Glades area. Our offerings will include a diverse range of programs and activities on a rotated calendar basis, ensuring a fresh experience for even the most frequent visitors.

A key marketing strategy for NewKita Group is the growth of the indoor arena football team as a means to drive recurring revenue. By extending a value proposition to our target market in the form of comprehensive membership benefits, we expect to quickly expand our membership. Closely related to membership are fees from general admissions. Targeted advertising and networking throughout a very active local community will allow us to focus on continually bringing first time attendees to the facility. Once inside, we will visually and graphically express our dynamic environment and staff to spark interest in our programs and workshops.

Print advertising during our first year will be limited. We plan to distribute flyers through local community groups and specific child-oriented groups that directly reach our initial target market. As we expand our presence in the Belle Glade area, we will scale our advertising accordingly.

On-site marketing for workshops and special events is an economical and effective way to generate revenues. By reaching attendees, we anticipate a high degree of interest and participation in activities such as workshops and special events.

A strong Internet presence is an opportunity to extend our market reach. Initially, our direct marketing efforts will be locally focused, but we will rely upon a dynamic and informative website to support our efforts, while broadcasting our message to a much larger audience.

Building and maintaining a solid database of potential customers will be critical to the success of our outreach programs. We are planning direct mail and telemarketing campaigns, and will offer general informational on-site outreach to all interested groups.

NewKita Group has begun an extensive fundraising campaign to provide our initial start-up costs. Our current work includes the development of prospect lists of persons who may be interested in providing a financial donation, the solicitation of support from corporations and the local business community, the writing of grant proposals, soliciting funds from many Florida foundations, and the temporary hiring of a professional fundraising consultant.

Approximately 40% of NewKita's annual revenue will be generated by a combination of ticket and merchandise sales, admissions, programming, and related activities. The remainder of our funding will be generated by:

- The writing of proposals to secure grants from foundations.
- The solicitation of individuals, corporations, and small businesses.
- An annual large scale benefit concert, family benefits, and special events.
- A variety of small scale fundraising activities.

We anticipate that we will be able to manage our consumable expenses through the pursuit of in-kind donations from businesses and individuals, the creative use of various funding vehicles, and inexpensive means of purchasing bulk items.

6.1 SWOT Analysis

Strength

NewKita Group believes that its volunteers will be its greatest strengths. With diverse management skills, the founders will formulate and implement a strategic plan that can shield the organization from economic shocks. The group of certified and experienced volunteers will help NewKita Group provide quality service to customers.

Weaknesses

As a nonprofit organization, NewKita Group expects demand for its services and programs to outstrip the money available to support its causes and it knows that many foundations will only fund organizations that have been in existence for awhile. So, NewKita identifies the "dependence" on federal funding and donations as the greatest threats.

Opportunities

NewKita Group believes that there is a demonstrated need for the service it will provide to the citizens of Belle Glade and NewKita has identified untapped fundraising as the greatest opportunity. Because of its current economic landscape, it believes that federal, state, and local governments will support the community overwhelmingly. NewKita's management will also have great opportunities to set up strategic partnerships with organizations that are currently providing limited resources to specific segments within Belle Glade and surrounding areas.

Threats

NewKita Group recognizes that a double-dip recession as the greatest threat to the organization. As the US and global economies worsen, people make less donations to nonprofit organizations. If donations dramatically declined, it could have disastrous impacts on NewKita's mission and vision.

6.1.1 Strengths

- Wide range of program
- Dedicated, passionate staff and volunteers
- Accreditations, qualifications, certifications
- Management team/founders

6.1.2 Weaknesses

- Dependence on federal funding and donations
- Geographic concentration (Belle Glades overall population is 17051)
- Small volunteer base
- Staffs and Volunteers burnout

6.1.3 Opportunities

- First-mover advantage
- Untapped fundraising constituencies
- Developing partnerships with other programs
- Partnerships, agencies and distributions

6.1.4 Threats

- Economic declined
- Intense competition
- Certain programs losing funding sources
- Hard to measure impact of certain programs

6.2 Competitive Edge

NewKita Group has the ability to provide internal and external customers with high-quality activities and programs year-round, but its management team and certified/experienced volunteers will be its competitive edge. A dedicated passionate staff and volunteers will be inimitable. NewKita Group's activities and programs will help strengthen the community and provide every Belle Glade citizen the opportunity to succeed.

There is no organization in Belle Glade that currently provides the services and programs that NewKita Group will provide. Organizations such as the Boys & Girls Club, Belle Glade Alliance Church and Church of God of Prophecy are providing limited programs to specific segments.

We intend to form cooperative relationships with these aforementioned venues, especially the Boys & Girls Club to fill program gaps. Instead of seeing these venues as competitors, we see them as strategic partnerships which can facilitate NewKita Group's goals to strengthen the glades community.

6.3 Marketing Strategy

NewKita Group will strive to make The Glades Multi-Use Complex a premier provider of effective and relevant programs to the citizens of Belle Glade.

The marketing strategy attempts to successfully communicate the unique value the center will offer to external and internal customers. The marketing strategy will continue to identify the needs of Belle Glade citizens and communicate with this audience in the most effective and positive manner possible.

Ongoing efforts to continually support and understand how NewKita Group can maintain the quality and integrity of the programs and activities within the finite financial resources of customers and the costs of supplies and labor. This challenge is increasing. As costs continue to increase in a number of areas, the demands and expectations of the customers do as well. NewKita Group will constantly work to better its service through improvement and changes in its structure and implementation. Quality and efficiency are just two goals of these changes. Although a nonprofit organization, it will strive to run its operations as lean as possible. As shown by the Sales Forecast table and chart, the major sources of funding will have its own strategic plan:

- The indoor arena football will be marketed to private businesses and individuals throughout Belle Glade and its surrounding areas.
- The community programs and activities will be marketed to single and working families throughout the Belle Glade area.

The business center and conference rooms will be marketed to domestics and non-domestic businesses. We believe that social media will allow NewKita Group to promote its business center inexpensively to companies beyond the border of the state of Florida.

6.4 Fundraising Strategy

NewKita Group is committed to balancing its operating budget and operating on a solid financial foundation. These efforts are based on a mixture of revenues from the indoor arena football team, fundraising, partnerships with local businesses and charitable gifts. Just as revenues are tracked, internal expenses will be closely monitored.

With a double-dip recession looming, NewKita is intentionally emphasizing the need to reduce reliance on donation-based revenues and looks toward revenues from the entertainment events and indoor arena football ticket holders to support the facility programs and activities. Indeed, our goal is to become self-sustaining, involving our citizens in the process of maintaining a profitable and competitive entrepreneurial venture that benefits our community. This is a considerable challenge, due to the current financial situation of many of the Belle Glade residents.

Because of the level of needy programs that NewKita Group will provide to the community, we expect to generate additional capital through a combination of SBA grants, low-yield loans, and municipalities' empowerment zone grants. Even with Federal and State grants, revenues from the entertainment events and indoor arena football ticket holders; capital will be major building block to allow NewKita Group to achieve its mission.

6.4.1 Funding Forecast

The City of Belle Glade is a sport-oriented community especially known for the game of football. Belle Glade and the surrounding areas have produced 48 NFL players as of 2008. Fred Taylor of the Jacksonville Jaguars, Anquan Boldin of the Arizona Cardinals, and Santonio Holmes of the Pittsburg Steelers are among notable players who are from the area. Because of the community's obsession with the sport, NewKita believes that the sales forecast for the indoor arena football team are conservative. We plan to increase ticket sales by 5 percent in the next 5 years and 3 percent in perpetuity thereafter as the Belle Glade population grows.

Table: Funding Forecast

	2013	2014	2015	2016	2017
Units					
Indoor Football Ticket Sales	22,398	22,398	23,518	24,694	25,928
Team T-Shirts	1,344	1,344	1,411	1,482	1,556
Team Hats	1,344	1,344	1,411	1,482	1,556
Team Sweaters	900	900	945	992	1,042
Team Original Footballs	444	444	466	490	514
Team Jerseys	444	444	466	490	514
Team Bags	444	444	466	490	514
Travel Mugs	444	444	466	490	514
Wrist Bands	444	444	466	490	514
Key Chains	444	444	466	490	514
Car Signs	228	228	239	251	264
Private Donations	12	12	13	13	14
Federal & State Contracts	12	12	13	13	14
Business Sponsors	12	12	13	13	14
Fundraising Campaigns	12	12	13	13	14
Private Foundations	12	12	13	13	14
Special/Entertainment Events	15,346	15,348	16,155	16,924	17,767

NewKita Group

Indoor Football Ticket Sales	\$13.00	\$13.00	\$13.00	\$13.00	\$13.00
Team T-Shirts	\$15.00	\$15.00	\$12.00	\$12.00	\$12.00
Team Hats	\$17.00	\$17.00	\$12.00	\$12.00	\$12.00
Team Sweaters	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00
Team Original Footballs	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00
Team Jerseys	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00
Team Bags	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00
Travel Mugs	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00
Wrist Bands	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00
Key Chains	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00
Car Signs	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00
Private Donations	\$10,000.00	\$10,000.00	\$10,300.00	\$10,609.00	\$10,609.00
Federal & State Contracts	\$30,000.00	\$30,000.00	\$30,900.00	\$31,827.00	\$31,827.00
Business Sponsors	\$5,000.00	\$5,000.00	\$5,150.00	\$5,304.50	\$5,304.50
Fundraising Campaigns	\$5,000.00	\$5,000.00	\$5,150.00	\$5,304.50	\$5,304.50
Private Foundations	\$10,000.00	\$10,000.00	\$10,300.00	\$10,609.00	\$10,609.00
Special/Entertainment Events	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00

Indoor Football Ticket Sales	\$291,174	\$291,174	\$305,733	\$321,019	\$337,070
Team T-Shirts	\$20,160	\$20,160	\$16,934	\$177,481	\$18,670
Team Hats	\$22,848	\$22,848	\$16,934	\$177,481	\$18,670
Team Sweaters	\$22,500	\$22,500	\$23,625	\$24,806	\$26,047
Team Original Footballs	\$888	\$888	\$932	\$979	\$1,028
Team Jerseys	\$11,100	\$11,100	\$11,655	\$12,238	\$12,850
Team Bags	\$6,660	\$6,660	\$6,993	\$7,343	\$7,710
Travel Mugs	\$2,220	\$2,220	\$2,331	\$2,448	\$2,570
Wrist Bands	\$1,332	\$1,332	\$1,399	\$1,469	\$1,542
Key Chains	\$2,220	\$2,220	\$2,331	\$2,448	\$2,570
Car Signs	\$2,280	\$2,280	\$2,394	\$2,514	\$2,639
Private Donations	\$120,000	\$120,000	\$129,780	\$140,357	\$147,375
Federal & State Contracts	\$360,000	\$360,000	\$389,340	\$421,071	\$442,125
Business Sponsors	\$60,000	\$60,000	\$64,890	\$70,179	\$73,687
Fundraising Campaigns	\$60,000	\$60,000	\$64,890	\$70,179	\$73,687
Private Foundations	\$120,000	\$120,000	\$129,780	\$140,357	\$147,375
Special/Entertainment Events	\$306,918	\$306,960	\$322,308	\$338,423	\$355,345

Glades Multi-Use Complex

NewKita Group

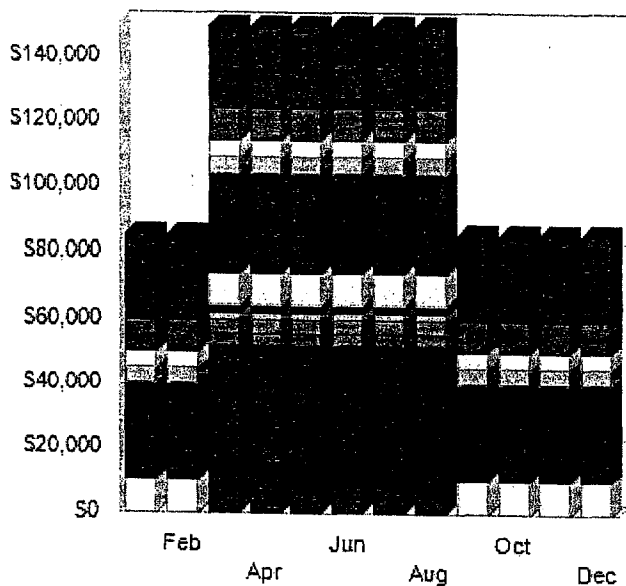
	2015	2016	2017	2018	2019
Indoor Football Ticket Sales	\$0.00	\$0.00	\$2.68	\$2.68	\$2.68
Team T-Shirts	\$0.05	\$0.05	\$0.04	\$0.04	\$0.04
Team Hats	\$5.95	\$5.95	\$4.20	\$4.20	\$4.20
Team Sweaters	\$8.75	\$8.75	\$8.75	\$8.75	\$8.75
Team Original Footballs	\$0.60	\$0.60	\$0.60	\$0.60	\$0.60
Team Jerseys	\$8.75	\$8.75	\$8.75	\$8.75	\$8.75
Team Bags	\$5.25	\$5.25	\$5.25	\$5.25	\$5.25
Travel Mugs	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75
Wrist Bands	\$0.75	\$0.75	\$0.75	\$0.75	\$0.75
Key Chains	\$1.25	\$1.25	\$1.25	\$1.25	\$1.25
Car Signs	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50
Private Donations	\$5.00	\$5.00	\$5.15	\$5.30	\$5.30
Federal & State Contracts	\$15.00	\$15.00	\$15.45	\$15.91	\$15.91
Business Sponsors	\$2.50	\$2.50	\$2.58	\$2.65	\$2.65
Fundraising Campaigns	\$2.50	\$2.50	\$2.58	\$2.65	\$2.65
Private Foundations	\$5.00	\$5.00	\$5.15	\$5.30	\$5.30
Special/Entertainment Events	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00
Total NewKita Group	\$71.60	\$71.60	\$80.57	\$84.60	\$88.83

Indoor Football Ticket Sales	\$0	\$0	\$63,028	\$66,179	\$69,488
Team T-Shirts	\$71	\$71	\$59	\$62	\$65
Team Hats	\$7,997	\$7,997	\$5,927	\$6,223	\$6,535
Team Sweaters	\$7,875	\$7,875	\$8,269	\$8,682	\$9,116
Team Original Footballs	\$266	\$266	\$280	\$294	\$308
Team Jerseys	\$3,885	\$3,885	\$4,079	\$4,283	\$4,497
Team Bags	\$2,331	\$2,331	\$2,448	\$2,570	\$2,698
Travel Mugs	\$777	\$777	\$816	\$857	\$899
Wrist Bands	\$333	\$333	\$350	\$367	\$385
Key Chains	\$555	\$555	\$583	\$612	\$642
Car Signs	\$570	\$570	\$599	\$628	\$660
Private Donations	\$60	\$60	\$65	\$70	\$74
Federal & State Contracts	\$180	\$180	\$195	\$211	\$221
Business Sponsors	\$30	\$30	\$32	\$35	\$37
Fundraising Campaigns	\$30	\$30	\$32	\$35	\$37
Private Foundations	\$60	\$60	\$65	\$70	\$74
Special/Entertainment Events	\$75,730	\$75,740	\$80,577	\$84,606	\$88,836

Glades Multi-Use Complex

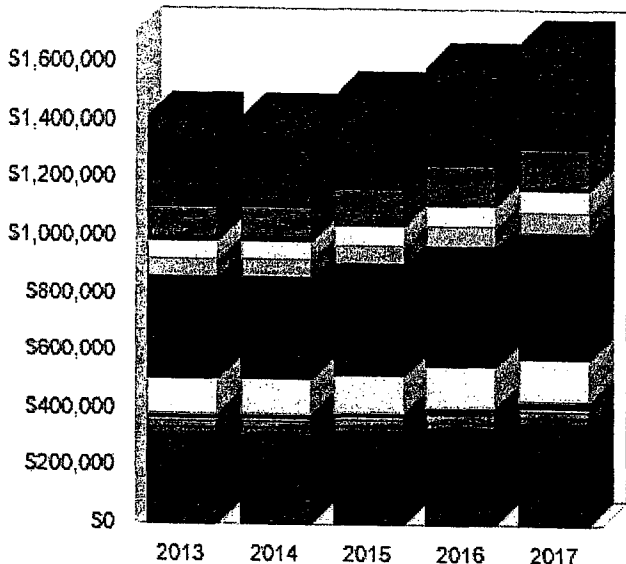


Funding Monthly



- Indoor Football Ticket Sales
- Team T-Shirts
- Team Hats
- Team Sweaters
- Team Original Footballs
- Team Jerseys
- Team Bags
- Travel Mugs
- Wrist Bands

Funding by Year



- Indoor Football Ticket Sales
- Team T-Shirts
- Team Hats
- Team Sweaters
- Team Original Footballs
- Team Jerseys
- Team Bags
- Travel Mugs
- Wrist Bands



6.5 Milestones

The pre-launch promotion will build awareness and the more grants, donations, and sponsorships the organization can get at the beginning, the better. Also, it normally takes much longer and much more focus to perform marketing when the organization is new and unknown. That is why NewKita will allocate 1/3 of its marketing budget to pre-launch campaign. The strategic plan before the launch of the center will include blog, press releases and publications.

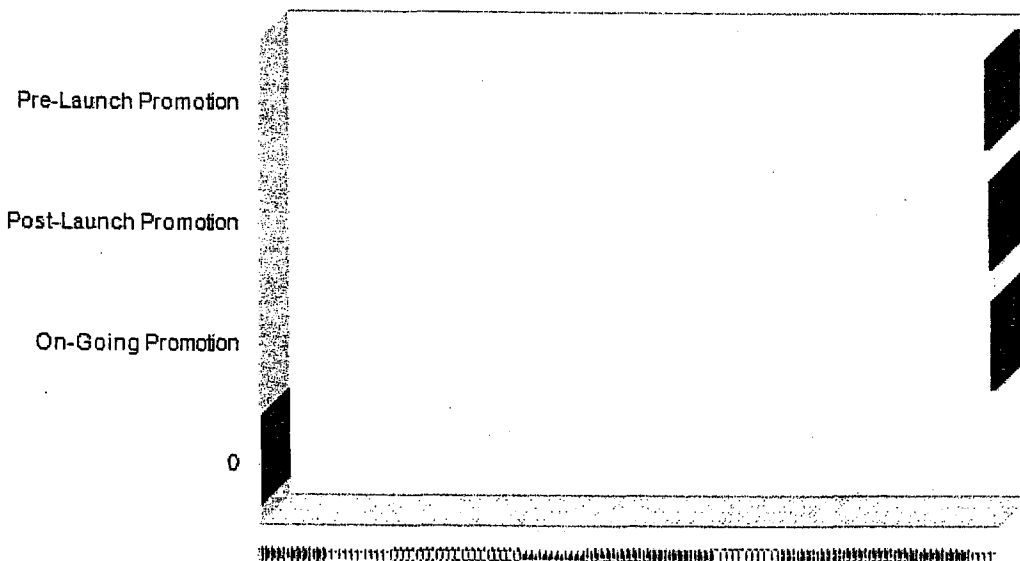
The post-launch promotion will allow NewKita to keep the organization momentum going for at least 6 months.

On-going promotions will keep reminding citizens about the facility's great programs and activities which will prevent donations from drying up.

Table: Milestones

Milestone	Start Date	End Date	Budget	Manager	Department
Pre-Launch Promotion	6/1/2012	12/21/2012	\$16,667	Senior Manger	NewKita Group
Post-Launch Promotion	1/1/2013	6/12013	\$16,667	Senior Manger	NewKita Group
On-Going Promotion	6/1/2013	12/31/2013	\$16,667	Senior Manger	NewKita Group
Totals			\$50,001		

Milestones



7.0 Management Summary

NewKita Group's management team will consist of a Board of Directors, a Program Executive Director and other middle-level managers. A team of certified and experienced professionals and fundraisers will be assembled to manage and to grow the organization.

7.1 Personnel Plan

The following table summarizes our personnel expenditures (executive director, football players and other employees) for the first 5 years. All compensations will stay stable for the first two years and increase by the average inflation rate thereafter. We believe this plan is a good compromise between fairness and expedience, and meets the commitment of our mission statement.

Table: Personnel

	2013	2014	2015	2016	2017
Arenafootball Personnel					
Football Players (20)	\$105,000	\$105,000	\$108,150	\$111,395	\$114,736
Equipment Manager	\$15,360	\$15,360	\$15,821	\$16,295	\$16,784
Head Coach	\$8,400	\$8,400	\$8,652	\$8,912	\$9,179
Ticket Sales Attendant	\$14,400	\$14,400	\$14,832	\$15,277	\$15,735
Merchandise Shop Attendant	\$14,400	\$14,400	\$14,832	\$15,277	\$15,735
Concession Attendant	\$28,800	\$28,800	\$29,664	\$30,554	\$31,471
Athlete/Activity Coordinator	\$17,280	\$17,280	\$17,798	\$18,332	\$18,882
Defensive Coach	\$7,704	\$7,704	\$7,935	\$8,178	\$8,433
Subtotal	\$211,344	\$211,344	\$217,684	\$224,215	\$230,940
Contractors Personnel					
Commentator	\$504	\$504	\$519	\$535	\$551
DJ	\$1,500	\$1,500	\$1,545	\$1,591	\$1,639
Family Counselor	\$3,000	\$3,000	\$3,090	\$3,183	\$3,278
Accountant	\$996	\$996	\$1,026	\$1,057	\$1,088
Attorney	\$1,008	\$1,008	\$1,038	\$1,069	\$1,101
Nutritionist	\$5,004	\$5,004	\$5,154	\$5,309	\$5,468

NewKita Group

Recreation Program					
Director	\$54,996	\$54,996	\$56,646	\$58,345	\$60,096
Assistant Program Director	\$45,000	\$45,000	\$46,350	\$47,741	\$49,473
Book-Keeper	\$24,996	\$24,996	\$25,746	\$26,518	\$27,314
Executive Secretary	\$24,996	\$24,996	\$25,746	\$26,518	\$27,314
Community					
Relation/Outreach	\$24,000	\$24,000	\$24,720	\$25,462	\$26,225
Health and Fitness					
Supervisor	\$24,996	\$24,996	\$25,746	\$26,518	\$27,314
Childcare Manager	\$18,000	\$18,000	\$18,540	\$19,096	\$19,669
Health and Fitness					
Instructor	\$11,520	\$11,520	\$11,866	\$12,222	\$12,588
Receptionist	\$15,360	\$15,360	\$15,821	\$16,295	\$16,784
Total					

Facility Manager	\$23,280	\$23,280	\$23,978	\$24,698	\$25,439
Facility Crew Leader	\$16,320	\$16,320	\$16,810	\$17,314	\$17,833
Permanent Janitor (2)	\$28,800	\$28,800	\$29,664	\$30,554	\$31,471
Temp Janitor (2)	\$14,004	\$14,004	\$14,424	\$14,857	\$15,303
Football Assistants (6 volunteers)	\$0	\$0	\$0	\$0	\$0
Subtotal	\$82,404	\$82,404	\$84,876	\$87,423	\$90,046
Total People	54	54	54	54	54

8.0 Financial Plan

NewKita's premier goal is to finance growth through cash flow. However from the first 5 years, NewKita Group will depend on cash flow, grants, donations, entertainment events and indoor arena football ticket sales to finance growth. We recognize that dependence on grants and donations might slow growth down.

The most important factor in our case is attention to details and to the fiscal plan. Therefore, we need to develop a permanent system of communication and accountability between the executive director and the board of directors and officers.

The basis for our financial planning has been looking forward with conservative estimates for revenues and expenses. We are committed to consistent growth of our cash balances through prudent management of our expenses. Our focus will be on remaining profitable year to year, while also building adequate cash reserves.

8.1 Start-up Funding

The start-up costs of The Glades Multi-Use Complex will consist primarily of The Complete the Dream Capital Campaign (Naming Rights), federal and state loans and grants. Federal, states, local municipals will contribute approximately \$1,507,000 worth of grants. NewKita Group will secure an USDA loan in the amount of \$3,000,000 to be paid back on a 30-year amortization.

NewKita Group's start-up funds are summarized in the following table:

- \$3,000,000 USDA loan
- \$2,000,000 Complete the Dream Capital Campaign (naming rights)
- \$1,507,000 Federal, State, and local municipal grants

The additional capital is needed to fund salaries, inventory lags and other costs during the first months of the business year.

Table: Start-up Funding

Start-up Funding	
Start-up Expenses to Fund	\$6,507,250
Start-up Assets to Fund	\$243,000
Assets	
Non-cash Assets from Start-up	\$0
Cash Requirements from Start-up	\$243,000
Additional Cash Raised	\$0
Cash Balance on Starting Date	\$243,000
Liabilities and Capital	
Liabilities	
Current Borrowing	\$0
Long-term Liabilities	\$3,000,000
Accounts Payable (Outstanding Bills)	\$0
Other Current Liabilities (Interest-free)	\$0
Capital	
Planned Investment	
Grants & Donations	\$3,750,250
Low-Yield SBA Loans	\$0
Additional Investment Requirement	\$0
Total Planned Investment	3,750,250
Loss at Start-up (Start-up Expenses)	\$6,507,250
Total Capital	\$(2,757,000)
Total Capital and Liabilities	\$243,000



8.2 Important Assumptions

The financial plan depends on important assumptions, most of which are shown in the following table. The key underlying assumptions are:

- We assume that there are no unforeseen changes in government grant funding availability.
- We assume a continued interest in indoor arena football and other programs by students of the Belle Glades area and its surrounding areas. Football has proved to be a highly popular program in the past and we have no reason to believe this situation will change.
- We assume a slow-growth economy, with slow recovery after a national catastrophe, and have therefore set income levels substantially lower than capacity allows.
- We anticipate a very popular success rate!
- The rural economy is growing at anemic .8%, much less than the 3-3.5% growth expected for urban areas.
- Due to the nonprofit status, no taxes are required.

8.3 Break-even Analysis

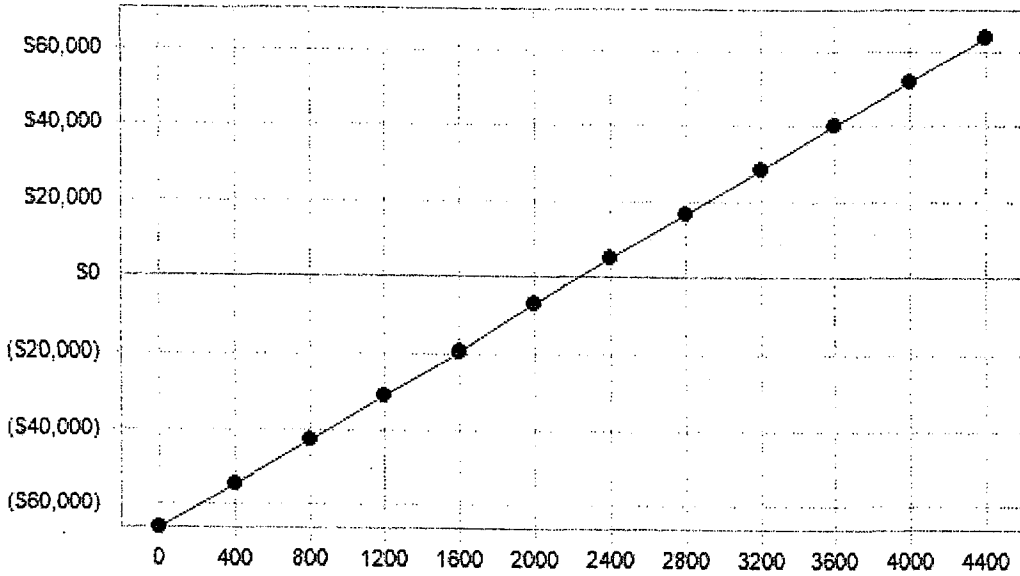
Our break-even analysis is based on the ongoing costs we incur to keep the Glades Multi-Use Complex operational. NewKita Group's fixed costs including the overhead for all programs, activities including the indoor arena football team, the payroll cost includes the salary for administrative and non-administrative employees and marketing expenses will be kept to a minimum, primarily employing word-of-mouth and other inexpensive means. Our assumptions on the average unit revenue are based on the average price we will charge for the entertainment events, indoor arena football tickets, merchandise sales, and other exclusive activities and events.

The result of this analysis offers a general insight regarding the number of tickets we must sell in order to maintain uninterrupted operation of the Glades Multi-Use Complex each month.

Table: Break-even Analysis

Break-even Analysis	
Monthly Units Break-even	2,245
Monthly Revenue Break-even	\$71,511
Assumptions	
Average Per-Unit Revenue	\$31.85
Average Per-Unit Variable Cost	\$2.30

Break-even Analysis



8.4 Projected Surplus or Deficit

The surplus indicates positive revenues flowing into The Glades Multi-Use Complex. Expenses will be minimal as we are able to rely on existing resources, including equipment and staff. Again, our goal is to run the leanest of operations that will be materialized within the first 5 years.

Table: Surplus and Deficit

Surplus and Deficit					
	2013	2014	2015	2016	2017
Funding	\$1,410,300	\$1,410,342	\$1,492,250	\$1,591,390	\$1,670,960
Direct Cost	\$101,749	\$107,760	\$167,403	\$175,785	\$184,574
Arena Football Payroll	\$211,344	\$211,344	\$217,684	\$224,215	\$230,941
Other Costs of Funding	0				
Total Direct Cost	\$313,093	\$319,104	\$385,087	\$400,000	\$415,515
Gross Surplus	\$1,097,207	\$1,091,238	\$1,107,163	\$1,191,390	\$1,255,445
Gross Surplus %	77.80%	77.37%	74.19%	74.86%	75.13%
Operating Expenses					
Contractors Expenses					
Contractors Payroll	\$12,012	\$12,012	\$12,372	\$12,744	\$13,126
Advertising/Promotion	\$25,002	\$50,004	\$25,752	\$26,525	\$2,730
Other Contractors Expenses	\$0	\$0	\$0	\$0	\$0

NewKita Group

General and Administrative Expenses

General and Administrative Payroll	\$243,864	\$243,864	\$251,180	\$258,715	\$266,477
Marketing/Promotion	\$0	\$0	\$0	\$0	\$0
Depreciation	\$0	\$0	\$0	\$0	\$0
Rent	\$287,160	\$287,160	\$287,160	\$287,160	\$287,160
Utilities	\$30,000	\$32,500	\$30,900	\$31,827	\$32,782
Insurance	\$15,000	\$15,000	\$0	\$0	\$0
Payroll Taxes	\$82,444	\$82,444	\$84,917	\$87,464	\$90,088
Other General and Administrative Expenses	\$0	\$0	\$0	\$0	\$0
Total General and Administrative Expenses	\$658,468	\$680,968	\$654,157	\$665,166	\$676,507
General and Administrative %	46.69%	48.28%	43.84%	41.80%	40.49%

Other Expenses:

Other Payroll	\$82,404	\$82,404	\$84,876	\$87,422	\$90,045
Consultants	\$18,337	\$0	\$18,887	\$19,454	\$20,037
Other Expenses	\$0	\$0	\$0	\$0	\$0
Total Other Expenses	\$100,741	\$82,404	\$103,763	\$106,876	\$110,082
Other %	7.14%	5.84%	6.95%	6.72%	6.59%

Total Operating Expenses	\$796,223	\$825,388	\$796,044	\$811,311	\$802,445
Surplus Before Interest and Taxes	\$300,984	\$271,851	\$311,118	\$380,079	\$428,409
EBITDA	\$300,984	\$271,851	\$311,118	\$380,079	\$428,409
Interest Expense	\$172,500	\$195,000	\$172,500	\$172,500	\$172,500
Taxes Incurred	\$0	\$0	\$0	\$0	\$0
Other Income					
Other Income Account Name	\$0	\$0	\$0	\$0	\$0
Other Income Account Name	\$0	\$0	\$0	\$0	\$0
Total Other Income	\$0	\$0	\$0	\$0	\$0
Other Expense					
Other Expense Account Name	\$0	\$0	\$0	\$0	\$0
Other Expense Account Name	\$0	\$0	\$0	\$0	\$0
Total Other Expense	\$0	\$0	\$0	\$0	\$0
Net Other Income	\$0	\$0	\$0	\$0	\$0

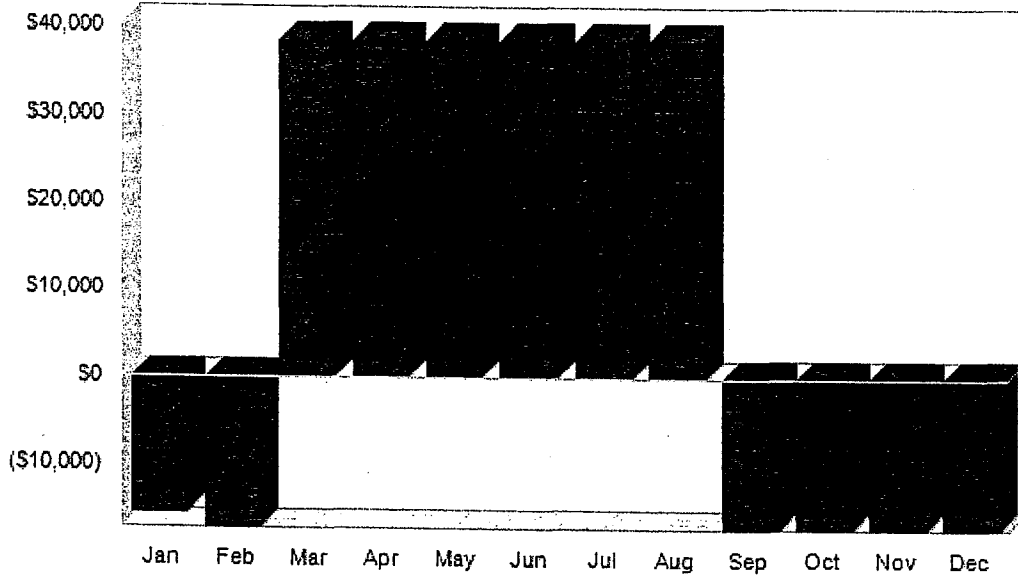
Net Surplus	\$138,284	\$176,447	\$138,618	\$173,203	\$158,364
Net Surplus/Revenue	11.1%	12.45%	11.29%	11.04%	10.27%

Glades Multi-Use Complex

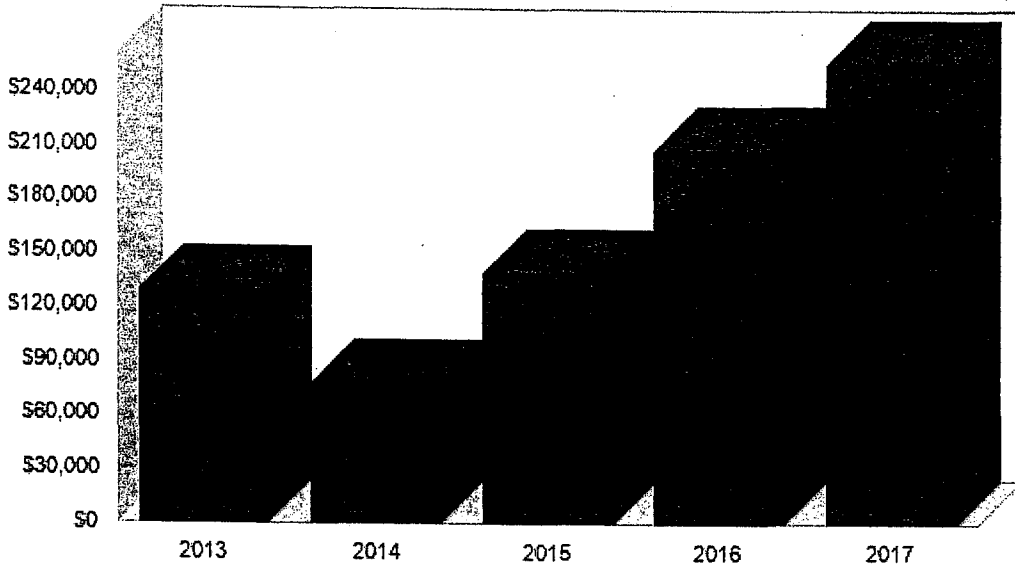


NewKita Group

Surplus Monthly



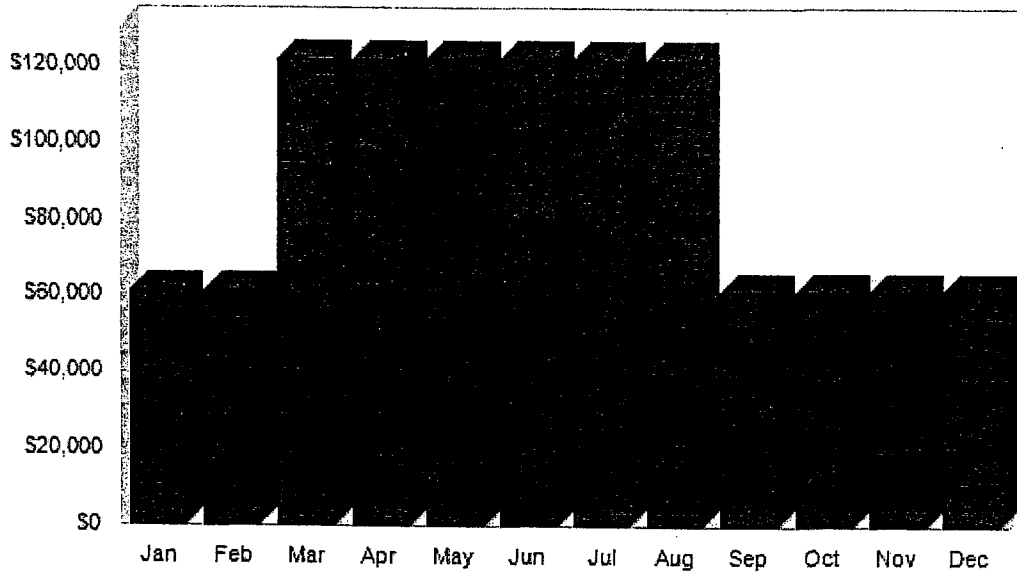
Surplus Yearly



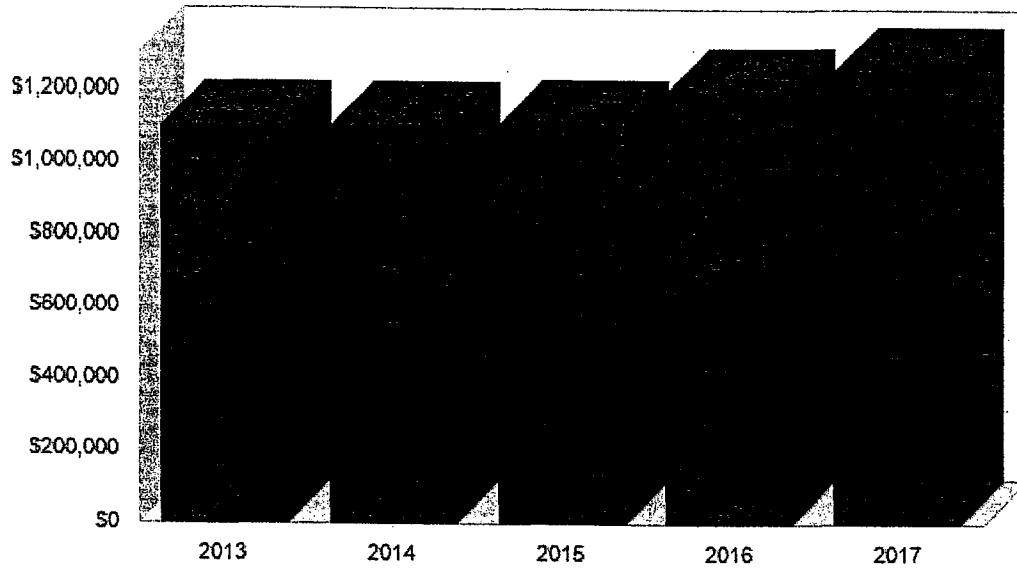
Glades Multi-Use Complex



Gross Surplus Monthly



Gross Surplus Yearly



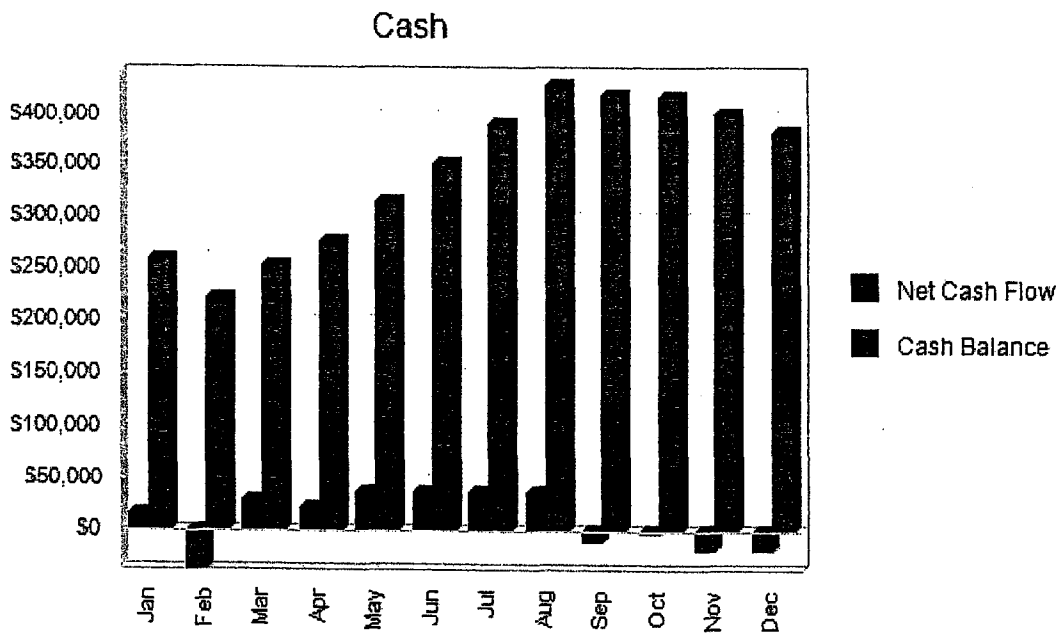
8.5 Projected Cash Flow

Management of cash flow is critical to our success. The monthly cash flow is shown in the illustration, with the red bar representing the cash flow per month, and the green bar representing the monthly balance. The annual cash flow figures are included here and the more important detailed monthly numbers are included in the appendix. Should our monthly cash flows fail to meet expectations; executives' salaries may be reduced. If further action is required, we will utilize revolving credit facilities.

Notice that the net cash flow is of course, typically low of non-profit organizations in the first few years of such an expansion.

Table: Cash Flow

	2013	2014	2015	2016	2017
Cash Received					
Cash from Operations					
Cash Funding	\$1,057,725	\$1,057,757	\$1,115,187	\$1,193,187	\$1,253,220
Cash from Receivables	\$310,500	\$352,584	\$370,619	\$394,890	\$415,366
Subtotal Cash from Operations	\$1,368,225	\$1,410,341	\$1,485,806	\$1,588,077	\$1,668,586
Additional Cash Received					
Non Operating (Other) Income	\$0	\$0	\$0	\$0	\$0
Sales Tax, VAT, HST/GST Received	\$917	\$917	\$970	\$1,034	\$1,086
New Current Borrowing	\$0	\$0	\$0	\$0	\$0
New Other Liabilities (Interest-free)	\$0	\$0	\$0	\$0	\$0
New Long-term Liabilities	\$0	\$0	\$0	\$0	\$0
Sales of Other Current Assets	\$0	\$0	\$0	\$0	\$0
Sales of Long-term Assets	\$0	\$0	\$0	\$0	\$0
New Investment Received	\$0	\$0	\$0	\$0	\$0
Subtotal Cash Received	\$1,369,142	\$1,411,258	\$1,486,776	\$1,589,111	\$1,669,672
Expenditures					
Expenditures from Operations					
Cash Spending	\$549,624	\$549,624	\$566,113	\$583,096	\$600,589
Bill Payments	\$677,076	\$779,637	\$782,137	\$799,630	\$813,332
Subtotal Spent on Operations	\$1,226,700	\$1,329,261	\$1,348,250	\$1,382,726	\$1,413,921
Additional Cash Spent					
Non Operating (Other) Expense	\$0	\$0	\$0	\$0	\$0
Sales Tax, VAT, HST/GST Paid Out	917	917	970	\$1,034	1086
Principal Repayment of Current Borrowing	\$0	\$0	\$0	\$0	\$0
Other Liabilities Principal Repayment	\$0	\$0	\$0	\$0	\$0
Long-term Liabilities Principal Repayment	\$0	\$0	\$0	\$0	\$0
Purchase Other Current Assets	\$0	\$0	\$0	\$0	\$0
Purchase Long-term Assets	\$0	\$0	\$0	\$0	\$0
Dividends	\$0	\$0	\$0	\$0	\$0
Subtotal Cash Spent	\$1,227,617	\$1,330,178	\$1,349,220	\$1,383,760	\$1,415,007
Net Cash Flow	\$141,525	\$81,080	\$137,556	\$205,351	\$254,665



8.6 Projected Balance Sheet

The following balance sheet shows our projected financial position during the next 5 years. The monthly estimates are included in the appendix.

NewKita Group

Table: Balance Sheet

	2013	2014	2015	2016	2017
Assets					
Current Assets					
Cash	\$384,525	\$486,578	\$632,162	\$837,868	\$1,092,538
Accounts Receivable	\$42,075	\$42,077	\$44,521	\$47,478	\$49,852
Other Current Assets	\$0	\$0	\$0	\$0	\$0
Total Current Assets	\$426,600	\$528,655	\$676,682	\$885,347	\$1,142,389
Long-term Assets					
Long-term Assets	\$5,935,250	\$5,935,250	\$5,935,250	\$5,935,250	\$5,935,250
Accumulated Depreciation	\$0	\$0	\$0	\$0	\$0
Total Long-term Assets	\$5,935,250	\$5,935,250	\$5,935,250	\$5,935,250	\$5,935,250
Total Assets	\$6,361,850	\$6,463,905	\$6,611,932	\$6,820,597	\$7,077,639
Liabilities and Capital					
Current Liabilities					
Accounts Payable	\$55,116	\$55,318	\$64,728	\$65,812	\$66,942
Current Borrowing	\$0	\$0	\$0	\$0	\$0
Other Current Liabilities	\$0	\$0	\$0	\$0	\$0
Subtotal Current Liabilities	\$55,116	\$55,318	\$64,728	\$65,812	\$66,942
Long-term Liabilities	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000
Total Liabilities	\$3,055,116	\$3,055,318	\$3,064,728	\$3,065,812	\$3,066,942
Paid-in Capital	\$9,685,500	\$9,685,500	\$9,685,500	\$9,685,500	\$9,685,500
Accumulated Surplus/Deficit	(\$6,507,250)	(\$6,378,766)	(\$6,276,813)	(\$6,138,295)	(\$5,930,716)
Surplus/Deficit	\$128,484	\$107,853	\$138,618	\$207,579	\$255,909
Total Capital	\$3,306,734	\$3,408,567	\$3,547,205	\$3,754,784	\$4,010,683
Total Liabilities and Capital	\$6,361,850	\$6,463,905	\$6,611,932	\$6,820,597	\$7,077,639

8.7 Standard Ratios

Standard business ratios are included in the table. The ratios show a plan for balanced, healthy and lean operations.

Table: Ratios

	2013	2014	2015	2016	2017
Funding Growth	0.00%	0.00%	5.81%	6.64%	5.00%
Percent of Total Assets					
Accounts Receivable	0.66%	0.65%	0.67%	0.70%	0.70%
Other Current Assets	0.00%	0.00%	0.00%	0.00%	0.00%
Total Current Assets	6.71%	8.18%	10.23%	12.98%	16.14%
Long-term Assets	93.29%	91.82%	89.77%	87.02%	83.86%
Total Assets	100.00%	100.00%	100.00%	100.00%	100.00%
Current Liabilities	0.67%	0.86%	0.98%	0.96%	0.95%
Long-term Liabilities	47.16%	46.41%	45.37%	43.98%	42.39%
Total Liabilities	48.02%	47.27%	46.35%	44.95%	43.33%
Net Worth	51.98%	52.73%	53.65%	55.05%	56.67%
Percent of Funding					
Funding	100.00%	100.00%	100.00%	100.00%	100.00%
Gross Surplus	77.80%	77.80%	74.19%	74.86%	75.13%
Selling, General & Administrative Expenses	68.69%	70.58%	64.90%	61.82%	59.82%
Advertising Expenses	1.77%	1.77%	1.73%	1.67%	1.64%
Surplus Before Interest and Taxes	21.34%	21.05%	20.85%	23.88%	25.64%
Main Ratios					
Current	7.74	9.56	10.45	13.45	17.07
Quick	7.74	9.56	10.45	13.45	17.07
Total Debt to Total Assets	48.02%	47.27%	46.35%	44.95%	43.33%
Pre-tax Return on Net Worth	3.89%	2.99%	3.91%	5.53%	6.38%
Pre-tax Return on Assets	2.02%	1.58%	2.10%	3.04%	3.62%
Additional Ratios	2013	2014	2015	2016	2017
Net Surplus Margin	9.11%	7.22%	9.29%	13.04%	15.32%
Return on Equity	3.89%	2.99%	3.91%	5.53%	6.88%
Activity Ratios					
Accounts Receivable Turnover	8.38	8.38	8.38	8.38	8.38
Collection Days	58	44	42	42	43
Accounts Payable Turnover	13.28	13.72	12.17	12.17	12.17
Payment Days	27	27	28	30	30
Total Asset Turnover	0.22	0.22	0.23	0.23	0.24
Debt Ratios					
Debt to Net Worth	0.92	0.90	0.86	0.82	0.76
Current Liab. to Liab.	0.02	0.02	0.02	0.02	0.02
Liquidity Ratios					
Net Working Capital	\$371,484	\$473,337	\$611,955	\$819,534	\$1,075,443
Interest Coverage	1.74	1.52	1.80	2.20	2.48
Additional Ratios					
Assets to Funding	4.51	4.58	4.43	4.29	4.24
Current Debt/Total Assets	1%	1%	1%	1%	1%
Acid Test	6.98	8.80	9.77	12.73	16.32
Funding/Net Worth	0.43	0.41	0.42	0.42	0.42
Dividend Payout	0.00	0.00	0.00	0.00	0.00

8.8 Long-term Plan

NewKita Group envisions a community where all citizens and families achieve their full potential through healthy lives, education and entertainment.

NewKita Group's employees and experienced/certified volunteers will work every day with the organization's mission and vision in mind.

We will work extremely hard to remove Belle Glade from the "Top 101 cities with the largest crime index" where the City currently ranks number 7.

We will work extremely hard to remove Belle Glade from the "Top 101 cities with the most people below 50% of the poverty level" where the City currently ranks number 27.

Our ultimate goal is to reduce crime and eradicate poverty in the City of Belle Glade through education, health, fitness, sports and entertainment.

Appendix

Appendix

Table: Funding Forecast

Funding Forecast												
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Units												
Indoor Football Ticket Sales			3,733	3,733	3,733	3,733	3,733	3,733				
Team T-Shirts			224	224	224	224	224	224				
Team Hats			224	224	224	224	224	224				
Team Sweaters			150	150	150	150	150	150				
Team Original Footballs			74	74	74	74	74	74				
Team Jerseys			74	74	74	74	74	74				
Team Bags			74	74	74	74	74	74				
Travel Mugs			74	74	74	74	74	74				
Wrist Bands			74	74	74	74	74	74				
Key Chain			74	74	74	74	74	74				
Car Signs			38	38	38	38	38	38				
Private Donations	1	1	1	1	1	1	1	1	1	1	1	1
Federal & State Contracts	1	1	1	1	1	1	1	1	1	1	1	1
Business Sponsors	1	1	1	1	1	1	1	1	1	1	1	1
Fundraising Campaigns	1	1	1	1	1	1	1	1	1	1	1	1
Private Foundations	1	1	1	1	1	1	1	1	1	1	1	1
Special/Entertainment Events	1,279	1,279	1,279	1,279	1,279	1,279	1,279	1,279	1,279	1,279	1,279	1,279
Total Units	1,284	1,284	6,097	6,097	6,097	6,097	6,097	6,097	1,284	1,284	1,284	1,284
Unit Prices												
Indoor Football Ticket Sales	\$13.00	\$13.00	\$13.00	\$13.00	\$13.00	\$13.00	\$13.00	\$13.00	\$13.00	\$13.00	\$13.00	\$13.00
Team T-Shirts	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00
Team Hats	\$17.00	\$17.00	\$17.00	\$17.00	\$17.00	\$17.00	\$17.00	\$17.00	\$17.00	\$17.00	\$17.00	\$17.00
Team Sweaters	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00
Team Original Footballs	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00
Team Jerseys	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00
Team Bags	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00
Travel Mugs	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00
Wrist Bands	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00
Key Chain	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00
Car Signs	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00
Private Donations	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00
Federal & State Contracts	\$30,000.00	\$30,000.00	\$30,000.00	\$30,000.00	\$30,000.00	\$30,000.00	\$30,000.00	\$30,000.00	\$30,000.00	\$30,000.00	\$30,000.00	\$30,000.00
Business Sponsors	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00
Fundraising Campaigns	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00
Private Foundations	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00
Special/Entertainment Events	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00
Funding												
Indoor Football Ticket Sales	\$0	\$0	\$48,529	\$48,529	\$48,529	\$48,529	\$48,529	\$48,529	\$0	\$0	\$0	\$0
Team T-Shirts	\$0	\$0	\$3,360	\$3,360	\$3,360	\$3,360	\$3,360	\$3,360	\$0	\$0	\$0	\$0
Team Hats	\$0	\$0	\$3,808	\$3,808	\$3,808	\$3,808	\$3,808	\$3,808	\$0	\$0	\$0	\$0
Team Sweaters	\$0	\$0	\$3,750	\$3,750	\$3,750	\$3,750	\$3,750	\$3,750	\$0	\$0	\$0	\$0
Team Original Footballs	\$0	\$0	\$148	\$148	\$148	\$148	\$148	\$148	\$0	\$0	\$0	\$0

Appendix

Team Jerseys	\$0	\$0	\$1,850	\$1,850	\$1,850	\$1,850	\$1,850	\$1,850	\$1,850	\$0	\$0	\$0	\$0
Team Bags	\$0	\$0	\$1,110	\$1,110	\$1,110	\$1,110	\$1,110	\$1,110	\$1,110	\$0	\$0	\$0	\$0
Travel Mugs	\$0	\$0	\$370	\$370	\$370	\$370	\$370	\$370	\$370	\$0	\$0	\$0	\$0
Wrist Bands	\$0	\$0	\$222	\$222	\$222	\$222	\$222	\$222	\$222	\$0	\$0	\$0	\$0
Key Chain	\$0	\$0	\$370	\$370	\$370	\$370	\$370	\$370	\$370	\$0	\$0	\$0	\$0
Car Signs	\$0	\$0	\$380	\$380	\$380	\$380	\$380	\$380	\$380	\$0	\$0	\$0	\$0
Private Donations	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
Federal & State Contracts	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000
Business Sponsors	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
Fundraising Campaigns	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
Private Foundations	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
Special/Entertainment Events	\$25,577	\$25,577	\$25,577	\$25,577	\$25,577	\$25,577	\$25,577	\$25,577	\$25,577	\$25,577	\$25,577	\$25,577	\$25,577
Total Funding	\$85,577	\$85,577	\$149,474	\$149,474	\$149,474	\$149,474	\$149,474	\$149,474	\$149,474	\$85,577	\$85,577	\$85,577	\$85,577

Direct Unit Costs		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Indoor Football Ticket Sales	0.00%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Team T-Shirts	0.35%	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05
Team Hats	35.00%	\$5.95	\$5.95	\$5.95	\$5.95	\$5.95	\$5.95	\$5.95	\$5.95	\$5.95	\$5.95	\$5.95	\$5.95
Team Sweaters	35.00%	\$8.75	\$8.75	\$8.75	\$8.75	\$8.75	\$8.75	\$8.75	\$8.75	\$8.75	\$8.75	\$8.75	\$8.75
Team Original Footballs	30.00%	\$0.60	\$0.60	\$0.60	\$0.60	\$0.60	\$0.60	\$0.60	\$0.60	\$0.60	\$0.60	\$0.60	\$0.60
Team Jerseys	35.00%	\$8.75	\$8.75	\$8.75	\$8.75	\$8.75	\$8.75	\$8.75	\$8.75	\$8.75	\$8.75	\$8.75	\$8.75
Team Bags	35.00%	\$5.25	\$5.25	\$5.25	\$5.25	\$5.25	\$5.25	\$5.25	\$5.25	\$5.25	\$5.25	\$5.25	\$5.25
Travel Mugs	35.00%	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75
Wrist Bands	25.00%	\$0.75	\$0.75	\$0.75	\$0.75	\$0.75	\$0.75	\$0.75	\$0.75	\$0.75	\$0.75	\$0.75	\$0.75
Key Chain	25.00%	\$1.25	\$1.25	\$1.25	\$1.25	\$1.25	\$1.25	\$1.25	\$1.25	\$1.25	\$1.25	\$1.25	\$1.25
Car Signs	25.00%	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50
Private Donations	0.05%	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00
Federal & State Contracts	0.05%	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00
Business Sponsors	0.05%	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50
Fundraising Campaigns	0.05%	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50
Private Foundations	0.05%	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00
Special/Entertainment Events	25.00%	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00

Direct Cost of Funding		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Indoor Football Ticket Sales		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Team T-Shirts		\$0	\$0	\$12	\$12	\$12	\$12	\$12	\$12	\$0	\$0	\$0	\$0
Team Hats		\$0	\$0	\$1,333	\$1,333	\$1,333	\$1,333	\$1,333	\$1,333	\$0	\$0	\$0	\$0
Team Sweaters		\$0	\$0	\$1,313	\$1,313	\$1,313	\$1,313	\$1,313	\$1,313	\$0	\$0	\$0	\$0
Team Original Footballs		\$0	\$0	\$44	\$44	\$44	\$44	\$44	\$44	\$0	\$0	\$0	\$0
Team Jerseys		\$0	\$0	\$648	\$648	\$648	\$648	\$648	\$648	\$0	\$0	\$0	\$0
Team Bags		\$0	\$0	\$389	\$389	\$389	\$389	\$389	\$389	\$0	\$0	\$0	\$0
Travel Mugs		\$0	\$0	\$130	\$130	\$130	\$130	\$130	\$130	\$0	\$0	\$0	\$0
Wrist Bands		\$0	\$0	\$56	\$56	\$56	\$56	\$56	\$56	\$0	\$0	\$0	\$0
Key Chain		\$0	\$0	\$93	\$93	\$93	\$93	\$93	\$93	\$0	\$0	\$0	\$0
Car Signs		\$0	\$0	\$95	\$95	\$95	\$95	\$95	\$95	\$0	\$0	\$0	\$0
Private Donations		\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$5
Federal & State Contracts		\$15	\$15	\$15	\$15	\$15	\$15	\$15	\$15	\$15	\$15	\$15	\$15
Business Sponsors		\$3	\$3	\$3	\$3	\$3	\$3	\$3	\$3	\$3	\$3	\$3	\$3
Fundraising Campaigns		\$3	\$3	\$3	\$3	\$3	\$3	\$3	\$3	\$3	\$3	\$3	\$3
Private Foundations		\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$5

Appendix

Special/Entertainment Events	\$6,394	\$6,394	\$6,394	\$6,394	\$6,394	\$6,394	\$6,394	\$6,394	\$6,394	\$6,394	\$6,394	\$6,394
Subtotal Direct Cost of Funding	\$6,424	\$6,424	\$10,534	\$10,534	\$10,534	\$10,534	\$10,534	\$10,534	\$6,424	\$6,424	\$6,424	\$6,424

Appendix

Table: Personnel

Personnel Plan	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Arena Football Personnel												
Football Players (20)	\$8,750	\$8,750	\$8,750	\$8,750	\$8,750	\$8,750	\$8,750	\$8,750	\$8,750	\$8,750	\$8,750	\$8,750
Equipment Manager	\$1,280	\$1,280	\$1,280	\$1,280	\$1,280	\$1,280	\$1,280	\$1,280	\$1,280	\$1,280	\$1,280	\$1,280
Head Coach	\$700	\$700	\$700	\$700	\$700	\$700	\$700	\$700	\$700	\$700	\$700	\$700
Ticket Sales Attendant	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200
Merchandise Shop Attendant	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200
Concession Attendant	\$2,400	\$2,400	\$2,400	\$2,400	\$2,400	\$2,400	\$2,400	\$2,400	\$2,400	\$2,400	\$2,400	\$2,400
Athlete/Activity Coordinator	\$1,440	\$1,440	\$1,440	\$1,440	\$1,440	\$1,440	\$1,440	\$1,440	\$1,440	\$1,440	\$1,440	\$1,440
Defensive Coach	\$642	\$642	\$642	\$642	\$642	\$642	\$642	\$642	\$642	\$642	\$642	\$642
Subtotal	\$17,612	\$17,612	\$17,612	\$17,612	\$17,612	\$17,612	\$17,612	\$17,612	\$17,612	\$17,612	\$17,612	\$17,612
Contractors Personnel												
Commentator	\$42	\$42	\$42	\$42	\$42	\$42	\$42	\$42	\$42	\$42	\$42	\$42
DJ	\$125	\$125	\$125	\$125	\$125	\$125	\$125	\$125	\$125	\$125	\$125	\$125
Family Counselor (2)	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250
Accountant	\$83	\$83	\$83	\$83	\$83	\$83	\$83	\$83	\$83	\$83	\$83	\$83
Attorney	\$84	\$84	\$84	\$84	\$84	\$84	\$84	\$84	\$84	\$84	\$84	\$84
Nutritionist	\$417	\$417	\$417	\$417	\$417	\$417	\$417	\$417	\$417	\$417	\$417	\$417
Subtotal	\$1,001	\$1,001	\$1,001	\$1,001	\$1,001	\$1,001	\$1,001	\$1,001	\$1,001	\$1,001	\$1,001	\$1,001
General and Administrative Personnel												
Recreation Program Director	\$4,583	\$4,583	\$4,583	\$4,583	\$4,583	\$4,583	\$4,583	\$4,583	\$4,583	\$4,583	\$4,583	\$4,583
Assitant Program Director	\$3,750	\$3,750	\$3,750	\$3,750	\$3,750	\$3,750	\$3,750	\$3,750	\$3,750	\$3,750	\$3,750	\$3,750
BookKeeper	\$2,083	\$2,083	\$2,083	\$2,083	\$2,083	\$2,083	\$2,083	\$2,083	\$2,083	\$2,083	\$2,083	\$2,083
Executive Secretary	\$2,083	\$2,083	\$2,083	\$2,083	\$2,083	\$2,083	\$2,083	\$2,083	\$2,083	\$2,083	\$2,083	\$2,083
Community Relation/Outreach	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000
Health and Fitness Supervisor	\$2,083	\$2,083	\$2,083	\$2,083	\$2,083	\$2,083	\$2,083	\$2,083	\$2,083	\$2,083	\$2,083	\$2,083
Childcare Manager	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500
Health and Fitness Instructor	\$960	\$960	\$960	\$960	\$960	\$960	\$960	\$960	\$960	\$960	\$960	\$960
Receptionist	\$1,280	\$1,280	\$1,280	\$1,280	\$1,280	\$1,280	\$1,280	\$1,280	\$1,280	\$1,280	\$1,280	\$1,280
Subtotal	\$20,322	\$20,322	\$20,322	\$20,322	\$20,322	\$20,322	\$20,322	\$20,322	\$20,322	\$20,322	\$20,322	\$20,322
Other Personnel												
Facility Manager	\$1,940	\$1,940	\$1,940	\$1,940	\$1,940	\$1,940	\$1,940	\$1,940	\$1,940	\$1,940	\$1,940	\$1,940
Facility Crew Leader	\$1,360	\$1,360	\$1,360	\$1,360	\$1,360	\$1,360	\$1,360	\$1,360	\$1,360	\$1,360	\$1,360	\$1,360
Permanent Janitor (2)	\$2,400	\$2,400	\$2,400	\$2,400	\$2,400	\$2,400	\$2,400	\$2,400	\$2,400	\$2,400	\$2,400	\$2,400
Temp Janitor (2)	\$1,167	\$1,167	\$1,167	\$1,167	\$1,167	\$1,167	\$1,167	\$1,167	\$1,167	\$1,167	\$1,167	\$1,167
Football Assistants (6 volunteers)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal	\$6,867	\$6,867	\$6,867	\$6,867	\$6,867	\$6,867	\$6,867	\$6,867	\$6,867	\$6,867	\$6,867	\$6,867
Total People	0	0	0	54*	54*	54*	54*	54*	54*	54*	54*	54*
Total Payroll	\$45,802	\$45,802	\$45,802	\$45,802	\$45,802	\$45,802	\$45,802	\$45,802	\$45,802	\$45,802	\$45,802	\$45,802

Appendix

Table: Surplus and Deficit

Surplus and Deficit												
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Funding	\$85,577	\$85,577	\$149,474	\$149,474	\$149,474	\$149,474	\$149,474	\$149,474	\$85,577	\$85,577	\$85,577	\$85,577
Direct Cost	\$6,424	\$6,424	\$10,534	\$10,534	\$10,534	\$10,534	\$10,534	\$10,534	\$6,424	\$6,424	\$6,424	\$6,424
Arena Football Payroll	\$17,612	\$17,612	\$17,612	\$17,612	\$17,612	\$17,612	\$17,612	\$17,612	\$17,612	\$17,612	\$17,612	\$17,612
Other Costs of Funding	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Direct Cost	\$24,036	\$24,036	\$28,146	\$28,146	\$28,146	\$28,146	\$28,146	\$28,146	\$24,036	\$24,036	\$24,036	\$24,036
Gross Surplus	\$61,540	\$61,540	\$121,327	\$121,327	\$121,327	\$121,327	\$121,327	\$121,327	\$61,540	\$61,540	\$61,540	\$61,540
Gross Surplus %	71.91%	71.91%	81.17%	81.17%	81.17%	81.17%	81.17%	81.17%	71.91%	71.91%	71.91%	71.91%
Operating Expenses												
Contractors Expenses												
Contractors Payroll	\$1,001	\$1,001	\$1,001	\$1,001	\$1,001	\$1,001	\$1,001	\$1,001	\$1,001	\$1,001	\$1,001	\$1,001
Advertising/Promotion			\$4,167	\$4,167	\$4,167	\$4,167	\$4,167	\$4,167				
Other Contractors Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Contractors Expenses	\$1,001	\$1,001	\$5,168	\$5,168	\$5,168	\$5,168	\$5,168	\$5,168	\$1,001	\$1,001	\$1,001	\$1,001
Contractors %	1.17%	1.17%	3.46%	3.46%	3.46%	3.46%	3.46%	3.46%	1.17%	1.17%	1.17%	1.17%
General and Administrative Expenses												
General and Administrative Payroll	\$20,322	\$20,322	\$20,322	\$20,322	\$20,322	\$20,322	\$20,322	\$20,322	\$20,322	\$20,322	\$20,322	\$20,322
Marketing/Promotion	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Depreciation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Rent	\$23,930	\$23,930	\$23,930	\$23,930	\$23,930	\$23,930	\$23,930	\$23,930	\$23,930	\$23,930	\$23,930	\$23,930
Utilities	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500
Insurance	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250
Payroll Taxes	15%	\$6,870	\$6,870	\$6,870	\$6,870	\$6,870	\$6,870	\$6,870	\$6,870	\$6,870	\$6,870	\$6,870
Other General and Administrative Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total General and Administrative Expenses	\$54,872	\$54,872	\$54,872	\$54,872	\$54,872	\$54,872	\$54,872	\$54,872	\$54,872	\$54,872	\$54,872	\$54,872
General and Administrative %	64.12%	64.12%	36.71%	36.71%	36.71%	36.71%	36.71%	36.71%	64.12%	64.12%	64.12%	64.12%
Other Expenses:												
Other Payroll	\$6,867	\$6,867	\$6,867	\$6,867	\$6,867	\$6,867	\$6,867	\$6,867	\$6,867	\$6,867	\$6,867	\$6,867
Consultants	\$0	\$1,667	\$1,667	\$1,667	\$1,667	\$1,667	\$1,667	\$1,667	\$1,667	\$1,667	\$1,667	\$1,667
Other Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Other Expenses	\$6,867	\$8,534	\$8,534	\$8,534	\$8,534	\$8,534	\$8,534	\$8,534	\$8,534	\$8,534	\$8,534	\$8,534
Other %	8.02%	9.97%	5.71%	5.71%	5.71%	5.71%	5.71%	5.71%	9.97%	9.97%	9.97%	9.97%
Total Operating Expenses	\$62,740	\$64,407	\$68,574	\$68,574	\$68,574	\$68,574	\$68,574	\$68,574	\$64,407	\$64,407	\$64,407	\$64,407
Surplus Before Interest and Taxes	(\$1,200)	(\$2,867)	\$52,753	\$52,753	\$52,753	\$52,753	\$52,753	\$52,753	(\$2,867)	(\$2,867)	(\$2,867)	(\$2,867)
EBITDA	(\$1,200)	(\$2,867)	\$52,753	\$52,753	\$52,753	\$52,753	\$52,753	\$52,753	(\$2,867)	(\$2,867)	(\$2,867)	(\$2,867)
Interest Expense	\$14,375	\$14,375	\$14,375	\$14,375	\$14,375	\$14,375	\$14,375	\$14,375	\$14,375	\$14,375	\$14,375	\$14,375

Appendix

Taxes Incurred	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Income												
Other Income Account Name	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Income Account Name	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Other Income	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Expense												
Other Expense Account Name	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Expense Account Name	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Other Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Other Income	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Surplus	(\$15,575)	(\$17,242)	\$38,378	\$38,378	\$38,378	\$38,378	\$38,378	\$38,378	(\$17,242)	(\$17,242)	(\$17,242)	(\$17,242)
Net Surplus/Funding	-18.20%	-20.15%	25.68%	25.68%	25.68%	25.68%	25.68%	25.68%	-20.15%	-20.15%	-20.15%	-20.15%

Appendix

Table: Cash Flow

Pro Forma Cash Flow												
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Cash Received												
Cash from Operations												
Cash Funding	\$64,182	\$64,182	\$112,105	\$112,105	\$112,105	\$112,105	\$112,105	\$112,105	\$64,182	\$64,182	\$64,182	\$64,182
Cash from Receivables	\$0	\$713	\$21,394	\$21,927	\$37,368	\$37,368	\$37,368	\$37,368	\$37,368	\$36,836	\$21,394	\$21,394
Subtotal Cash from Operations	\$64,182	\$64,896	\$133,499	\$134,032	\$149,474	\$149,474	\$149,474	\$149,474	\$101,551	\$101,018	\$85,577	\$85,577
Additional Cash Received												
Non Operating (Other) Income	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sales Tax, VAT, HST/GST Received	0.07%	\$56	\$56	\$97	\$97	\$97	\$97	\$97	\$56	\$56	\$56	\$56
New Current Borrowing	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
New Other Liabilities (interest-free)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
New Long-term Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sales of Other Current Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sales of Long-term Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
New Investment Received	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal Cash Received	\$64,238	\$64,951	\$133,596	\$134,129	\$149,571	\$149,571	\$149,571	\$149,571	\$101,606	\$101,074	\$85,632	\$85,632
Expenditures												
Expenditures from Operations												
Cash Spending	\$45,802	\$45,802	\$45,802	\$45,802	\$45,802	\$45,802	\$45,802	\$45,802	\$45,802	\$45,802	\$45,802	\$45,802
Bill Payments	\$1,845	\$55,405	\$57,292	\$65,293	\$65,293	\$65,293	\$65,293	\$65,293	\$65,017	\$57,016	\$57,016	\$57,016
Subtotal Spent on Operations	\$47,647	\$101,207	\$103,094	\$111,095	\$111,095	\$111,095	\$111,095	\$111,095	\$110,819	\$102,818	\$102,818	\$102,818
Additional Cash Spent												
Non Operating (Other) Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sales Tax, VAT, HST/GST Paid Out	\$56	\$56	\$97	\$97	\$97	\$97	\$97	\$97	\$56	\$56	\$56	\$56
Principal Repayment of Current Borrowing	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Liabilities Principal Repayment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Long-term Liabilities Principal Repayment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Purchase Other Current Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Purchase Long-term Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Dividends	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal Cash Spent	\$47,703	\$101,263	\$103,191	\$111,193	\$111,193	\$111,193	\$111,193	\$111,193	\$110,875	\$102,874	\$102,874	\$102,874
Net Cash Flow	\$16,535	(\$36,311)	\$30,405	\$22,936	\$38,378	\$38,378	\$38,378	\$38,378	(\$9,269)	(\$1,800)	(\$17,242)	(\$17,242)
Cash Balance	\$259,535	\$223,224	\$253,629	\$276,565	\$314,943	\$353,321	\$391,700	\$430,078	\$420,809	\$419,009	\$401,767	\$384,525

Appendix

Table: Balance Sheet

Pro Forma Balance Sheet													
Assets	Starting Balances	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Current Assets													
Cash	\$243,000	\$259,535	\$223,224	\$253,629	\$276,565	\$314,943	\$353,321	\$391,700	\$430,078	\$420,809	\$419,009	\$401,767	\$384,525
Accounts Receivable	\$0	\$21,394	\$42,075	\$58,049	\$73,491	\$73,491	\$73,491	\$73,491	\$73,491	\$57,517	\$42,075	\$42,075	\$42,075
Other Current Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Current Assets	\$243,000	\$280,930	\$265,299	\$311,678	\$350,056	\$388,434	\$426,813	\$465,191	\$503,569	\$478,326	\$461,084	\$443,842	\$426,600
Long-term Assets													
Long-term Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Accumulated Depreciation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Long-term Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Assets	\$243,000	\$280,930	\$265,299	\$311,678	\$350,056	\$388,434	\$426,813	\$465,191	\$503,569	\$478,326	\$461,084	\$443,842	\$426,600
Liabilities and Capital													
Current Liabilities													
Accounts Payable	\$0	\$53,504	\$55,116	\$63,117	\$63,117	\$63,117	\$63,117	\$63,117	\$63,117	\$55,116	\$55,116	\$55,116	\$55,116
Current Borrowing	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Current Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal Current Liabilities	\$0	\$53,504	\$55,116	\$63,117	\$63,117	\$63,117	\$63,117	\$63,117	\$63,117	\$55,116	\$55,116	\$55,116	\$55,116
Long-term Liabilities													
Long-term Liabilities	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000
Total Liabilities	\$3,000,000	\$3,053,504	\$3,055,116	\$3,063,117	\$3,063,117	\$3,063,117	\$3,063,117	\$3,063,117	\$3,063,117	\$3,055,116	\$3,055,116	\$3,055,116	\$3,055,116
Capital													
Paid-in Capital	\$3,750,250	\$3,750,250	\$3,750,250	\$3,750,250	\$3,750,250	\$3,750,250	\$3,750,250	\$3,750,250	\$3,750,250	\$3,750,250	\$3,750,250	\$3,750,250	\$3,750,250
Accumulated Surplus/Deficit	(\$6,507,250)	(\$6,507,250)	(\$6,507,250)	(\$6,507,250)	(\$6,507,250)	(\$6,507,250)	(\$6,507,250)	(\$6,507,250)	(\$6,507,250)	(\$6,507,250)	(\$6,507,250)	(\$6,507,250)	(\$6,507,250)
Surplus/Deficit	\$0	(\$15,575)	(\$32,817)	\$5,561	\$43,939	\$82,317	\$120,696	\$159,074	\$197,452	\$180,210	\$162,968	\$145,726	\$128,484
Total Capital	(\$2,757,000)	(\$2,772,575)	(\$2,789,817)	(\$2,751,439)	(\$2,713,061)	(\$2,674,683)	(\$2,636,304)	(\$2,597,926)	(\$2,559,548)	(\$2,576,790)	(\$2,594,032)	(\$2,611,274)	(\$2,628,516)
Total Liabilities and Capital	\$243,000	\$280,930	\$265,299	\$311,678	\$350,056	\$388,434	\$426,813	\$465,191	\$503,569	\$478,326	\$461,084	\$443,842	\$426,600
Net Worth	(\$2,757,000)	(\$2,772,575)	(\$2,789,817)	(\$2,751,439)	(\$2,713,061)	(\$2,674,683)	(\$2,636,304)	(\$2,597,926)	(\$2,559,548)	(\$2,576,790)	(\$2,594,032)	(\$2,611,274)	(\$2,628,516)