

Capital Project Fund Proposal

The Finance Committee would like to communicate an update to how we view the purpose of the Reserve Capital Fund (previously called Capital Project Fund) to recognize the VUL's changing needs and its strategic priorities. These priorities are viewed as guidelines for operations only, as none of the funds will be reserved specifically for use in these projects.

The Reserve Capital Fund will be used to support three core priorities and a priority dedicated to and funded specifically by youth programming. The Board will review these priorities annually and communicate any changes to the membership.

Priority 1: Unforeseeable Loss of Revenue

Target: \$150,000 to be held in reserve annually.

Project: Funds serve as a 3-month cushion to support staff salaries and core operational costs in the event of catastrophic loss of revenue as experienced during the recent pandemic. Should it be needed, this time will be used to assess the situation impacting operations and determine the best course of action with the information available.

Priority 2: Operating Systems Upgrade/Maintenance

Target: \$275,000 to be available every six years starting Jan 2023.

Project: The VUL's Enterprise Management System (EMS) which manages all of our member registration, payments, scheduling, and a large part of our communications, requires regular overhauls due to operating system changes to maximize efficiencies and services to our members. Funds being available every six years does not, itself, mean there will be an upgrade every six years.

Priority 3: New Initiatives

Target: Excess capital once targets 1 and 2 are funded.

Project: Funds will support new initiatives or projects that align with the VUL's annual strategic initiatives.

The VUL currently has one Project underway. The Surrey School Program is being funded through a donation from the, now dissolved, Surrey Ultimate League. These funds are part of the reserve but are unrestricted.

Priority 4 : Youth Clubs

Target: All revenue generated by youth clubs in excess of their annual predetermined contributions to the VUL for operations.

Projects: This portion of the fund will support initiatives and projects that align with our youth development plan such as grants for youth players, funding for coaching certification costs. These funds are part of the reserve but are unrestricted.