

You are correct that including the \$9 million payment in the total amount spent for Scenario 2 is necessary for a complete financial picture from the club's perspective. However, when trying to convince the members, it's crucial to distinguish between the club's overall financial outlay and the payments made by the members themselves. The reserve fund is the club's asset, not the members' direct contribution.

To present this clearly, the analysis needs to separate the sources of funding. Here is a revised breakdown and graphic that reflects this distinction, maintaining a factual basis while focusing on the members' savings.

## Revised Financial Analysis for Members

### Total Club Outlay Comparison

This revised table includes all financial movements for the club, including the initial \$9 million from the reserve fund.

	Scenario 1: Standard Payments	Scenario 2: Immediate \$9M Payment
Initial Payment	\$0	\$9,000,000 (from reserve fund)
Total Member Payments	\$14,964,812	\$3,209,827
Total Club Outlay	\$14,964,812	\$12,209,827

**Total Club Savings: \$14,964,812 - \$12,209,827 = \$2,754,985**

### Individual Member Savings Comparison

This is the most relevant information for the members, as it directly addresses their financial obligation. The graphic below illustrates the difference in their personal costs.

	Scenario 1	Scenario 2	Member Savings
Loan Payoff Period	7 years	< 2 years	~5 years sooner
Payment per Member	\$37,412	\$8,025	\$29,387

## Revised Graphics for Member Presentation

### 1. Member Payments over Time

This visual clearly distinguishes between the source of funds, highlighting that the **members only contribute to the annual payments**.

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
Scenario 1: Members Pay	\$5,500	\$5,500	\$5,500	\$5,500	\$5,500	\$5,500	\$4,412
Scenario 2: Members Pay	\$5,500	\$2,525	\$0	\$0	\$0	\$0	\$0
Scenario 2: Club Pays	\$9,000,000 (from reserves)						

## 2. Financial Summary for Members

This chart combines the key financial takeaways in a simple, easy-to-understand format.

	Scenario 1	Scenario 2	Why Scenario 2 is a better choice
Payoff Duration	7 Years	< 2 Years	Members stop paying 5 years sooner.
Total per Member	\$37,412	\$8,025	Each member saves \$29,387.

## Talking Points for the Members

The revised presentation focuses on what is most important to the members: their personal financial contribution and the duration of those payments.

- **Focus on Member Savings:** The primary message is the significant, concrete savings of nearly \$30,000 per member.
- **Emphasize Time Horizon:** The difference between contributing for 7 years versus less than 2 years is a powerful motivator.
- **Explain Reserve Fund Use:** Clearly state that the \$9 million payment comes from the club's reserves, not from an additional special assessment on members. This prevents any confusion or concern about added costs.
- **Address Liquidity Concerns (if necessary):** Mention the unused line of credit to reassure members that the club will not be at a disadvantage financially by using its cash reserves for this purpose.

By using these revised figures and focusing on the direct benefit to the members, the proposal for Scenario 2 becomes much more compelling and transparent.

**\$5500 was used as an average annual assessment to account for some members who pay a lesser amount because of various prepayments or membership categories. Prepared by Gemini.**