



MAYOR
George B McGill

**ACTING CITY
ADMINISTRATOR**
Jeff Dingman

CITY CLERK
Sherri Gard

BOARD OF DIRECTORS
Ward 1 - Jarred Rego
Ward 2 - Andre' Good
Ward 3 - Lee Kemp
Ward 4 - George Catsavis
At-Large Position 5 - Christina Catsavis
At-Large Position 6 - Kevin Settle
At-Large Position 7 - Neal Martin

AGENDA

Fort Smith Board of Directors STUDY SESSION

March 10, 2026 ~ 6:00 p.m.
Blue Lion
101 North 2nd Street
Fort Smith, Arkansas

THIS MEETING IS BEING TELECAST LIVE AT THE FOLLOWING LINK:
https://fortsmithar.granicus.com/ViewPublisher.php?view_id=1

CALL TO ORDER

ITEMS OF BUSINESS

1. Update regarding South 6th Street and Wheeler Avenue Modifications Project ~ *Rego/Good placed on agenda at the February 17, 2026 regular meeting ~ (Engineering)*
2. Presentation regarding employment and job growth in the city of Fort Smith ~ *Martin/Kemp placed on a future study session agenda at the May 20, 2025 regular meeting ~ (Citizen Services)*
3. Discuss ordinance prohibiting camping on public properties similar to Grants Pass ordinance ~ *Director Martin requested at the January 27, 2026 study session ~ (City Administrator)*
4. Discussion regarding security lighting in alleyways ~ *Rego/Kemp placed on agenda at the February 17, 2026 regular meeting ~ (Public Works)*
5. Review of bids and recommendations for construction of waterslides at Parrot Island Waterpark *(City Administrator)*

6. Discuss management services agreement for the 2026 operating season at Parrot Island Waterpark (*City Administrator*)
7. Review preliminary agenda for the March 17, 2026 regular meeting (*City Clerk*)

CITIZENS FORUM

ADJOURN



MEMORANDUM

TO: Jeff Dingman, Acting City Administrator
CC: Maggie Rice, Deputy City Administrator
FROM: Todd Mittge, P.E., Director of Engineering
DATE: 03/05/26
SUBJECT: 6th Street/Wheeler Avenue Modifications (Project 24-09-C) with Resolution R-87-24

SUMMARY

On May 7th, 2024, the Board of Directors approved an Agreement for Engineering Services with Crafton-Tull for the 6th Street/Wheeler Avenue Modifications (Project 24-09-C) with Resolution R-87-24.

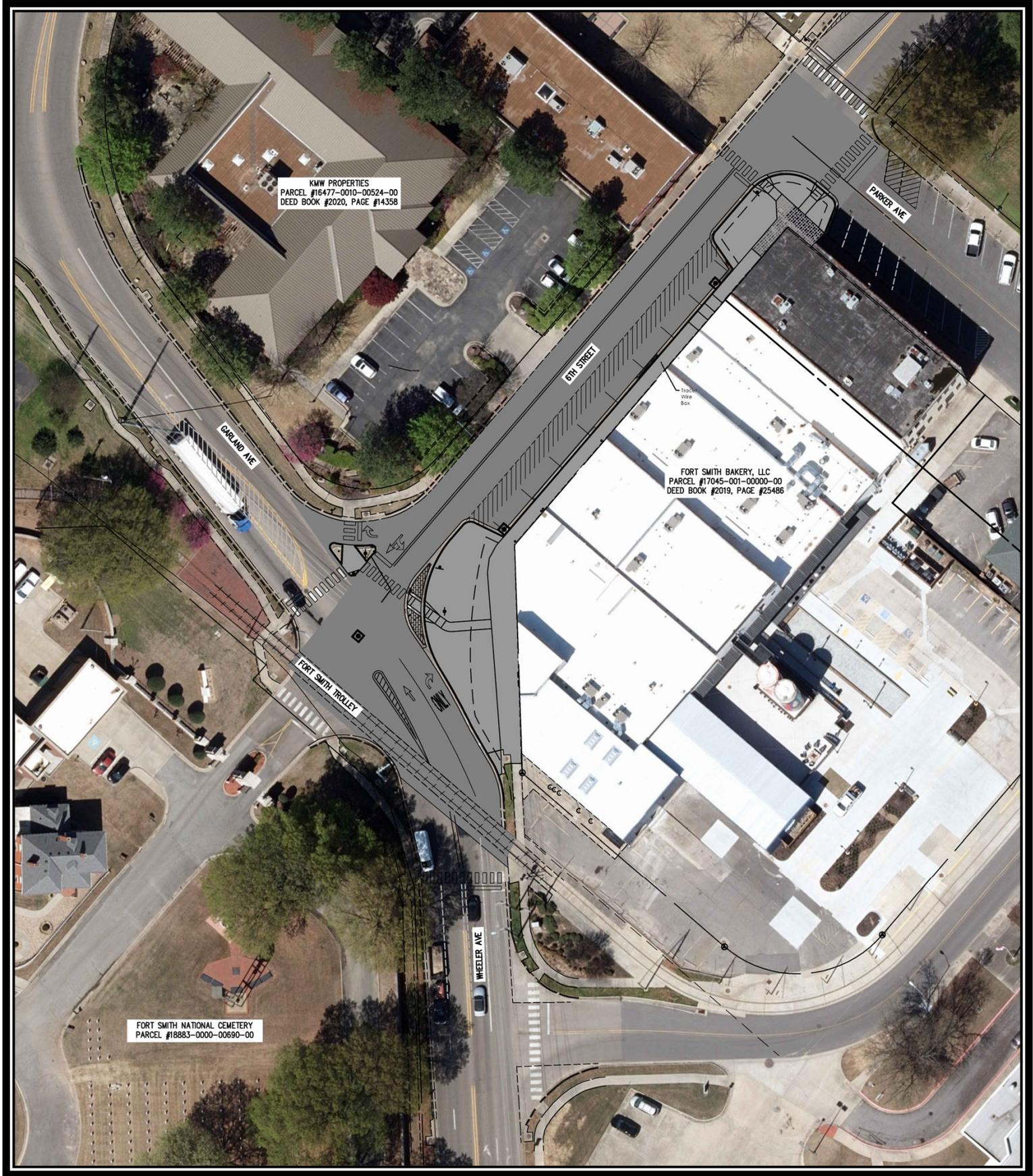
This project includes modifications to South 6th Street just South of Wheeler Avenue as requested by the Bakery District. The project aims to realign the center line of South 6th Street to provide for safer on street parking, increases the parallel parking along South 6th Street, and includes the construction of concrete traffic calming features, drainage modifications, relocation of a traffic signal pole/traffic signal head adjustments. This work will also resurface South 6th Street from Garland Avenue/Wheeler Avenue to Parker Avenue.

During the development of the scope of services for this project, it was also determined the need to replace approximately 300 feet of 10" water line along 6th Street and repair the concrete crossing panels where the trolley crosses Wheeler Avenue. A project location map is attached.

This project will be turnkey with the Crafton Tull completing the design, obtaining the permits/approval from ArDOT for the traffic signal/Wheeler Avenue (Hwy 255) work, coordinating with the various utility companies, bidding of the project and providing the construction inspection/management. The total engineering services fee for this agreement is \$226,245.00.

ATTACHMENTS

1. [6TH Street Study Session Exhibit.pdf](#)



South 6th Street and Wheeler Avenue
Project: 24-09-C



MEMORANDUM

TO: Jeff Dingman, Acting City Administrator
CC: Maggie Rice, Deputy City Administrator
FROM: Joshua D. Robertson, Director of Citizen Services
DATE: March 3, 2026
SUBJECT: Employment and Job Growth in Fort Smith

SUMMARY

At a previous meeting, members of the Board of Directors expressed interest in a study session discussion related to employment and job growth in the City of Fort Smith. While specific discussion topics were not formally outlined, staff coordinated with regional partners to organize a session that provides an overview of current labor market conditions and regional workforce initiatives. Leadership from the University of Arkansas Fort Smith (UAFS) Center for Economic Development and the Western Arkansas Planning and Development District (WAPDD) will present current data, discuss labor market trends, and outline the programs and services their organizations provide to support workforce development. The session is intended to serve as a starting point for discussion and provide the Board an opportunity to hear directly from these partners and ask questions to further the conversation.

Fort Smith's economy is supported by several major industry sectors, including manufacturing, healthcare, retail trade, logistics and transportation, hospitality, and construction. Manufacturing continues to play a significant role in the regional employment base, while healthcare and service-related industries remain key drivers of stability and consumer activity. This session will allow the Board to receive an overview of how these sectors are currently performing and to better understand the broader regional outlook as presented by UAFS and WAPDD.



MEMORANDUM

TO: Honorable Mayor and Members of the Board of Directors
FROM: Jeff Dingman, Acting City Administrator
DATE: March 5, 2026
SUBJECT: Discussion of ordinance prohibiting camping on public properties similar to Grants Pass ordinance

SUMMARY

In November/December, 2024 the Board of Directors reviewed ordinances that would address the issue of persons (homeless persons) camping or sleeping on public properties, such as sidewalks, similar to an ordinance adopted in Grants Pass, Oregon that survived judicial scrutiny related to the Eighth Amendment of the US Constitution by the United States Supreme Court with a judgment rendered in June 2024.

The Board reviewed multiple drafts of a Fort Smith-version of such ordinance, including versions that added provisions suggested by Directors to address additional items, and one version (attached) that directly mirrors the provisions in the Grants Pass ordinance without adding additional language or restriction that might be trigger additional judicial review. Ultimately, a modified Fort Smith version of the ordinance that adjusted provisions in the Grants Pass ordinance was presented at the December 17, 2024 regular meeting and defeated.

While the impact of such an ordinance as it relates to overall homeless activity in the city is questionable, it is generally agreed by staff that such an ordinance would be another tool available to the police department and code enforcement officials as they respond to citizen concerns about homeless individuals sleeping or camping on public sidewalks. Staff agrees that a local ordinance that directly mirrors as closely as possible to the language in the Grants Pass ordinance, like the attached version, would be the most likely to withstand judicial scrutiny.

Ultimately, no version of the ordinance was adopted and to date the city has not taken further action to regulate or restrict sleeping or camping on public properties, including sidewalks. At the January 27 study session, the Board requested that this topic be placed for further study session discussion, and such is scheduled for the March 10 study session.

ATTACHMENTS

1. [20241203_Item_9C_-_Prohibited_Camping_on_Public_Property_-_Mirrored.pdf](#)

ORDINANCE NO. _____

ORDINANCE PROHIBITING CAMPING ON PUBLIC PROPERTIES

NOW, THEREFORE, BE IT ORDAINED AND ENACTED BY THE BOARD OF DIRECTORS OF THE CITY OF FORT SMITH, ARKANSAS, that:

Article IV of Chapter 16 of the Fort Smith Municipal Code is amended as follows.

Sec. 16-98 Camping Prohibited Definitions

(a) Unless context requires otherwise the following definitions apply to this section.

1. "To Camp" means to maintain a campsite in a single location of City property for more than 24 hours.
2. "Campsite" means a location upon City Property where camping materials are placed.
3. "Camping Materials" include, but not limited to, tents, huts, awnings, lean-tos, chairs, tarps, portable stoves, and/or other collections of personal property that are, or reasonably appear to be, arranged and/or used as accommodations to Camp whether or not 24 hours have passed.
4. "City Property" means all property, parks, rights of way, parking lots, easements or other land owned, leased, controlled, or managed by the City of Fort Smith.
5. "Personal Property" means any item that can reasonably be identified as belonging to an individual and that has apparent value or utility.
6. "Relocate" means to move both the individual(s) and personal property off of City Property, or to a different authorized City Property, for at least 24 hours. This definition does not include moving to another portion of the same City Property.

Sec. 16-99 Camping Regulated

- A. No person may occupy a campsite inconsistent with the regulations in this Chapter unless specifically authorized by (i) a formal declaration of the City Administrator in emergency circumstances, or (ii) upon Board resolution, the Board of Directors may exempt a special event from the prohibitions of this Chapter, if the Board finds such exemption to be in the public interest and consistent with Board goals and notices and in accordance with conditions imposed by the Community Development Director. Any conditions imposed will include a condition requiring that the applicant provide evidence of adequate insurance coverage and agree to indemnify the City for any liability, damage or expense incurred by the City as result of activities of the applicant. Any findings by the Board of Directors shall specify the exact dates and location covered by the exemption.
- B. Unless otherwise authorized by law or Sec.16-99(A), the only locations where it is lawful to place Camping Material, or store Camping Materials for any period of time on City property are the locations designated by the City Board of Directors. The City shall maintain an updated description of the designated locations on a public portion of its website and shall make paper copies available at the Fort Smith Police Department.
- C. Where the temporary placement of Camping Materials is authorized, an individual that has placed Camping Materials on City property must relocate according to the time limitations set forth for that location.

Sec. 16-102 Removal of Campsite on Public Property

- A. The City shall remove individuals, Personal Property, Camping Materials, and Campsites from City property consistent with Sec. 1-13.

Sec. 16-103 Disposition and Release of Personal Property

- A. Items having no apparent utility or monetary value and items in an unsanitary condition may be discarded. Weapons, drug paraphernalia, items appearing to be stolen, and evidence of a crime may be retained as evidence by the Police Department until an alternate disposition is determined. All personal property removed from a Campsite which is not, disposed of, or held as evidence (as provided above), shall be stored by the Police Department for a minimum of 30 days, during which time it shall be made reasonably available for and released to an individual confirming ownership.

Sec. 16-104 Mitigation and Penalties

- A. Upon conviction for a violation of this Chapter, in addition to any other factors deemed appropriate by the Court, the Court shall consider in mitigation whether the person immediately removed all personal property and litter, including but not limited to bottles, cans, and garbage from the campsite after being informed they were in violation of the law.
- B. Upon conviction for a violation of this Chapter, if an individual demonstrates that after receiving the citation and before the hearing, they meaningfully engaged with private resources and/or service providers to address the reason(s) that led them to be in violation, the Court shall consider that information determining the appropriate penalty.
- C. Violation of this Chapter is a Violation punishable by a fine of not more than \$50. In the courts discretion, alternative penalties intended to address the reason(s) the individual was in violation of this chapter may be imposed. These alternative penalties may not include a term of imprisonment but are as broad as permissible by Sec. 1-9.

PASSED AND APPROVED THIS _____ DAY OF _____, 2024.

APPROVED:

MAYOR

ATTEST:

CITY CLERK

Approved as to Form:

Publish One Time



MEMORANDUM

TO: Jeff Dingman, Acting City Administrator
CC: Maggie Rice, Deputy City Administrator
FROM: Matt Meeker, PE, Director of Public Works
DATE: March 4, 2026
SUBJECT: Security Lighting in Alleyways

SUMMARY

At the regular meeting of the Board of Directors on February 17, 2026, Director Rego requested a future discussion regarding the installation of security lighting in alleys. Up until the recently approved Alleyway Rehabilitation Project, lighting in alleys has been left to the discretion of individual home owners and tenants. Residents currently have the option to arrange for security lighting installation through their utility provider for a nominal monthly fee added to their electric bill. OG&E currently charges their customers \$6.71 per month for a basic residential LED security light installed on an existing pole. If a new pole has to be installed, charges begin at \$13.11 per month, dependent on pole height. Arkansas Valley Electric charges \$9.45 per month for their basic residential LED security lighting.

If the Board of Directors moves to install public security lighting in all existing City alleys, it would require an expansion of the current lighting network by approximately 2,000 lights. Based on preliminary cost analysis, the estimated annual cost increase is from \$280,000.00 (Assumes one-third of lights installed on existing poles) to \$340,000.00 (Assumes new 35-foot wood poles installed for all lights). For context, the City paid \$1,403,253.62 for all public street lighting in 2025.

If you have any questions or need additional information, please let me know at your earliest convenience.



MEMORANDUM

TO: Honorable Mayor and Members of the Board of Directors
FROM: Jeff Dingman, Acting City Administrator
DATE: March 5, 2026
SUBJECT: Review of bids & recommendations for construction of waterslides at Parrot Island Waterpark

SUMMARY

In October, 2025 the city opened sealed bids for construction components related to the waterslide project. The bids received far exceeded the estimated amount and the budgeted funds available for the project, so no bid was approved. In the weeks that followed staff worked with Director Kemp and a local contractor to review the scope of the project and develop the lowest possible cost for building the project. At the January 20, 2026 regular meeting, the Board of Directors adopted Ordinance No. 5-26 waiving competitive bidding and awarding two construction contracts related to the foundation and pumphouse portions of the waterslide project to the local contractor.

Such action directly led to legal action challenging the appropriateness of waiving competitive bidding for this purpose. Subsequently, during the Officials' Forum at the February 17 regular meeting the Board directed staff to place an ordinance rescinding Ord. No. 5-26 on the next regular meeting agenda and proceed immediately with advertising for bids for this project. The Board approved Ord. No. 10-26 at the March 3 regular meeting rescinding Ord. 5-26.

Following the Board's direction to re-bid this project, staff developed two scopes of work, one for the foundations, structures, and mechanical systems of the project, and one for the aquatics plumbing, pumps and pool equipment required for the project. Advertisement for bids on both scopes of work started on February 22, and bids were opened on Thursday, March 5.

Three bids were received for the construction scope of the project. A bid tabulation is attached. Staff recommends that the Board place a resolution on the March 17 regular agenda accepting the bid and approving award of a contract to SSi Incorporated of Fort Smith for the construction scope of the waterslide project for a bid of \$1,734,564, plus the \$17,346 for P&P Bond for a total cost of \$1,751,910.

Two bids were received for the aquatics components scope of the project. A bid tabulation is attached. Staff recommends that the Board place a resolution on the March 17 regular agenda accepting the bid and approving award of a contract to Clarity Pools, Inc. of Little Rock for the the aquatics component scope of the waterslide project for a bid of \$648,000, plus the \$16,200 for P&P Bond for a total cost of \$664,200.

Both contractors will facilitate the work of CSM Waterworks, who we already have under contract to assemble and install the waterslide components.

The city has appropriated a total of \$2,689,238 for this construction/aquatics equipment portion of the waterslide project. These two bids represent a total combined cost of \$2,416,110. The remaining \$273,128 will be used for third-party inspections as well as other site improvements such as fencing, flat concrete, landscaping, lighting, etc. that are not essential components of the slides themselves. When we are firm with the dollars needed to complete the three major slide installation contracts, we will seek to use those remaining funds on those final items.

Please contact me if there are questions related to this agenda item.

ATTACHMENTS

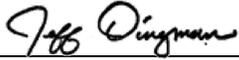
1. [20260305 Copy of Bid Tab - RFP 4301-PIWP2602-BA.pdf](#)
2. [20260305 Copy of Bid Tab - RFP 4301-PIWP2601-BA Aquatics.pdf](#)

Bid Tabulation Sheet

RFP 4301-PIWP2602-BA

Parrot Island Water Park Site Dev, Concrete, Shed, Electrical

Bid Opening				Project Cost	P&P Bond Cost	Bid Total
Date:	3/5/2026	Read By:	Zack Shaver			
Time:	2:30 PM	Witness:	Ann Creekkiller			
Bid Submitted By:						
SSI Incorporated				\$1,734,564.00	\$17,346.00	\$1,751,910.00
Steve Beam Construction				\$1,907,000.00	\$19,070.00	\$1,926,070.00
Royal Ridge Construction				\$1,756,635.00	\$87,831.75	\$1,844,466.75

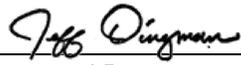


Approved By _____

Bid Tabulation Sheet

RFP 4301-PIWP2601-BA Parrot Island Water Park Aquatics Equipment & Plumbing

Bid Opening				Project Cost	P&P Bond Cost	Bid Total
Date:	3/5/2026	Read By:	Zack Shaver			
Time:	2:30 PM	Witness:	Ann Creekiller			
Bid Submitted By:						
Burton Pools and Spas				\$682,500.00	\$32,500.00	\$715,000.00
Clarity Pools				\$648,000.00	\$16,200.00	\$664,200.00



 Approved By



MEMORANDUM

TO: Honorable Mayor and Members of the Board of Directors
CC: Steve Hotz, Sebastian County Judge
FROM: Jeff Dingman, Acting City Administrator
DATE: March 5, 2026
SUBJECT: Management Agreement for 2026 operating season for Parrot Island Waterpark

SUMMARY

The management agreement for Parrot Island Waterpark between the City/County owners and American Resort Management expired at the end of December, 2025. An interim agreement with ARM to manage the facility through March 31, 2026 was entered. A Request for Proposals was issued in December, and five proposals were received by the January 7 submission deadline. A five-member panel including myself, County Judge Steve Hotz, Human Resources Director Eric Garvin, Chief Financial Officer Andy Richards, and Sebastian County's purchasing official Charity Gregory reviewed the proposals and determined that two proposals were worthy of further consideration, including the proposal submitted by American Resort Management, the park's manager since inception, who seeks to continue managing the park.

After presentation and discussion of the proposal from the other qualified firm, the review panel determined that the timeline for preparation for the 2026 operating season is too tight to effectively facilitate a change in park management before the park opens for the season in May. To that end, Judge Hotz and I have reviewed a proposed agreement from ARM to manage the park from April 1 through the 2026 operating season and are prepared to recommend to both the city's Board of Directors and the Sebastian County Quorum Court that this nine-month agreement be approved. In addition to that recommendation, we will recommend that the City/County conduct a renewed RFP process for park management services no later than July 2026 in order to have a selection made by the time the 2026 operating season ends. That language will be included in the resolution presented to the Board to authorize the 2026 management agreement, a draft is attached.

This recommendation would keep ARM on board through the completion of the audit currently underway by Forvis Mazars and will keep ARM engaged in the waterslide project that they helped initiate. This interim solution for the 2026 management avoids putting even presumed responsibility for the success of that project on a new operator. The other company we interviewed contended that while they could certainly take on management of the park with a short transition period, they recommended in follow-up discussion that we not transition to a new operating team for the 2026 season, saying that regardless of the provider, a constrained transition timeline is likely to be disruptive and will not yield optimal results for the park. We believe that they certainly will participate in a process initiated later this year that would

facilitate a full off-season for transition and preparation time. Publishing an RFP during the operating season will also allow interested parties to observe the park in operation as they prepare their proposals if they so choose.

I've had a discussion with ARM's leadership that assuming approval there will be increased scrutiny of financial performance, reporting and transparency for the park's operating season, and they expect, acknowledge, and welcome that. All indications are that ARM is well prepared for and fully cooperating with the audit process without issue.

The proposed 2026 management services agreement with ARM and a draft of the approval resolution are attached for review and discussion at the March 10 study session. This agreement is similar to the previous agreement, but references to items that contemplate multiple years or renewal have been noted as "intentionally omitted." It provides for a management services fee based on 5% of the gross monthly receipts, the same arrangement as the original agreement. Also attached is the 2026 operating budget for the park.

Judge Hotz intends to present this item to the Quorum Court for approval at their March 17 regular meeting, and I recommend that the Board of Directors also consider this item at its March 17 regular meeting.

ATTACHMENTS

1. [20260310 ARM Agmt Study Session backup.pdf](#)

RESOLUTION NO. _____

RESOLUTION APPROVING AND AUTHORIZING THE MAYOR TO EXECUTE A MANAGEMENT SERVICES AGREEMENT WITH AMERICAN RESORT MANAGEMENT AND SEBASTIAN COUNTY FOR OPERATION OF PARROT ISLAND WATERPARK FOR THE 2026 OPERATING SEASON; DIRECTING A REQUEST FOR PROPOSALS FOR SUCH SERVICES IN SUBSEQUENT YEARS BE CONDUCTED; AND FOR OTHER PURPOSES

WHEREAS, the City of Fort Smith, Arkansas and Sebastian County, Arkansas jointly own and operate the Parrot Island Waterpark; and

WHEREAS, the previous Management Services Agreement with American Resort Management expired after December 31, 2025; and

WHEREAS, the City and the County wish to continue Management Services from American Resort Management through the Parrot Island Waterpark’s 2026 operating season; and

WHEREAS, the City and the County desire to consider proposals for future Management Services beyond the 2026 operating season on a schedule that facilitates an appropriate and successful transition period if a change in management provider is desired.

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CITY OF FORT SMITH, ARKANSAS, THAT:

SECTION 1: The Management Services Agreement with American Resort Management and Sebastian County for the operation of Parrot Island Waterpark from April 1, 2026 through December 31, 2026, incorporated herein by reference, is hereby approved.

SECTION 2: City Administration is hereby directed to initiate a Request For Proposals for professional Aquatic Park Management and Marketing Services no later than July 10, 2026 so as to provide appropriate and adequate time for successful transition before the 2027 operating season if a change in provider is desired.

SECTION 2: The Mayor is hereby authorized to execute the Management Services Agreement referenced herein on behalf of the City of Fort Smith, acknowledging that similar approval by the Sebastian County Quorum Court is also required.

THIS RESOLUTION ADOPTED this _____ day of March 2026.

APPROVED:

Mayor

DRAFT

ATTEST: _____

City Clerk

APPROVED AS TO FORM:

City Attorney

MANAGEMENT SERVICES AGREEMENT

WATER PARK

THIS MANAGEMENT SERVICES AGREEMENT (“Agreement”) is entered into by and between **AMERICAN RESORT MANAGEMENT, a Pennsylvania Limited Liability Company** (“ARM” or “Manager”) and, **CITY OF FORT SMITH ARKANSAS** and **SEBASTIAN COUNTY ARKANSAS** (collectively the “Owner”).

Recitals

WHEREAS, Owner owns an outdoor water park located in Fort Smith, Arkansas (the "Facility"); and

WHEREAS, Manager is in the business of providing management services for water parks, hotels, resorts and facilities which are ancillary thereto, including (but not limited to) restaurants, gift shops and so forth; and

WHEREAS, Owner desires to retain Manager to operate and manage the Facility; and

WHEREAS, Owner and Manager desire to set forth their agreement with respect to the operation and management of the Facility.

NOW THEREFORE, and intending to be legally bound hereby, the Parties agree as follows:

I. Definitions and Related Matters

1. Definitions and Related Matters.

1.1. Definitions. Unless the context requires, for purposes of this Agreement, the terms set forth in Section 1.1.1 through 1.1.14, below, shall have the meanings indicated therein.

1.1.1. Agreement. The term "Agreement" means this Management Services Agreement and any exhibits or schedules thereto. The term "Agreement" also includes any amendments to this Agreement which may be entered into by the parties.

1.1.2. Annual Budget. The term "Annual Budget" means the budget which is approved by Owner and Manager with respect to each Fiscal Year pursuant to the process outlined in Section VI. Financial Matters in this Agreement.

1.1.3. Commencement Date. The term "Commencement Date" means the date on which Manager takes over the management and operation of the Facility, as set forth in Section 2.3, below.



AMERICAN RESORT MANAGEMENT, LLC

1.1.4. Commercial Activities. The term “Commercial Activities” means the operational duties encompassed in this Agreement.

1.1.5. Corporate Employee or CE. The terms “Corporate Employee or “CE” mean a person who is employed or otherwise retained by Manager and who does not render services exclusively with respect to the Property. CEs include but are not limited to: 1) accounting personnel employed by Manager to provide accounting and other financial services to clients of Manager generally; and 2) human resources and relations managers employed by Manager to provide personnel services with respect to facilities managed by Manager for clients of the Manager generally; 3) marketing department employed by Manager to provide marketing and branding development services; and 4) Risk management and legal affairs personnel employed by Manager to provide risk management and legal work for Manager generally.

1.1.6. Effective Date. The term "Effective Date" means the date on which this Agreement is fully executed.

1.1.7. Facility. The term “Facility” refers specifically to the indoor/outdoor waterpark to be constructed in Fort Smith, Arkansas and the subject of this Agreement and may be used interchangeably with the term “Property.”

1.1.8. Fiscal Year. The term "Fiscal Year" means commencing January 1st and ending December 31st . The term "Fiscal Year" also includes a "Short Fiscal Year", as defined in Section 1.1.17, below.

1.1.9. Manager. The term "Manager" means American Resort Management, LLC, limited liability company (ARM), and a party to this Agreement.

1.1.10. Operating Account. The term "Operating Account" means the account established pursuant to Section 4.2, below, into which all revenues generated by the Facility shall be deposited and from which all expenses associated with the operation of the Facility shall be paid.

1.1.11. Owner Employee or OE. The terms “Owner Employee” and “OE” mean a person who is an employee of the Owner.

1.1.12. Parties. The term “parties” means the City Of Fort Smith Arkansas, Sebastian County, and ARM, LLC.

1.1.13. Property. The term "Property" means the outdoor located in Fort Smith, Arkansas and may be used interchangeably with the term “Facility”. The term "Property" does not include any facility or activity of the Owner, which is not described in Section 1.1.7 or the subject of this Agreement.

1.1.14. Property Specific Employee or PSE. The terms "Property Specific Employee" or "PSE" mean a person who is employed by Manager and whose duties relate



AMERICAN RESORT MANAGEMENT, LLC

exclusively to providing services with respect to the Property. PSEs would normally include, but are not limited to, maintenance personnel, aquatics personnel, housekeeping personnel, admissions personnel, restaurant personnel (if applicable), and so forth.

1.1.15. Reimbursable Expenses. The term "Reimbursable Expenses" means budgeted expenses incurred by Manager in performing its duties under this Agreement with respect to the Facility and which are reimbursable to Manager pursuant to the terms of this Agreement, or which are otherwise identified as Reimbursable Expenses in this Agreement. "Reimbursable Expenses" are more specifically described in Article V, below.

1.1.16. Short Fiscal Year. The term "Short Fiscal Year" means those periods of time (1) from the Commencement Date to the beginning of the next Fiscal Year and (2) from the end of the prior Fiscal Year to the termination of this Agreement, and which does not encompass a full Fiscal Year, *i.e.*, a full twelve months.

1.1.17. Term. The term "Term" means the time period that this Agreement is in effect. The term "Term" includes the initial term, as more specifically described in Section 7.1, below.

1.2. Recitals and Schedules. The recitals and schedules to this Agreement shall be considered a part of this Agreement, as if fully set forth herein.

1.3. Number. For purposes of this Agreement, the singular shall include the plural and the plural the singular, as the context may require.

1.4. Entire Agreement. This Agreement constitutes the entire agreement of the parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings, and agreements of the parties with respect thereto. For the sake of clarity and the avoidance of doubt, this Agreement does not relate to any pre-opening or similar services with respect to the Facility, including but not limited to the Design and Construction Consulting Agreement between Owner and ARM.

1.5. Amendment. This Agreement may only be amended by a writing which has been executed by and authorized representatives of each party, as defined in Section 1.1.13.

II. Retention of Manager

2. Retention of Manager.

2.1 Generally. Owner hereby engages Manager on an exclusive basis to operate and manage the Property on behalf of the Owner during the term of this Agreement. Manager hereby accepts such engagement.



AMERICAN RESORT MANAGEMENT, LLC

- 2.2 Retention and Appointment of Manager. Subject to the limitations and terms and conditions of this Agreement, the Owner, hereby appoints Manager to act as the sole and exclusive manager of the Property and as the exclusive agent for the Owner for all non-governmental matters related to the management of the operations of the Property during the term of this Agreement until the expiration or termination of this Agreement.
- 2.3 Commencement Date. The date on which the Manager shall commence to operate and manage the Property as Manager (the "Commencement Date") April 1, 2026.
- 2.4 [Intentionally Omitted].
- 2.5 No Representation or Warranty of Financial Performance. Owner acknowledges and understands that the financial performance of the Property will be affected by many factors which are beyond the reasonable control of the Manager, and which are unpredictable. Accordingly, Owner understands and agrees that: (1) Manager has not made, and Manager cannot make, any representations or warranties as to the financial performance of the Property during the term of this Agreement; and (2) the Agreement of the Owner and Manager as to the Annual Budget, as contemplated by Section 4.1, below, does not and will not constitute a representation or warranty by the Manager as to the financial performance of the Property during the Fiscal Year to which such Annual Budget relates.

III. Management Obligations and Authority of Manager

3. Management Obligations and Authority of Manager.

3.1 Generally. Subject to the terms and conditions of this Agreement, Manager shall have the exclusive right, authority, and discretion to direct, supervise, manage and operate the Property on a day-to-day basis during the term of this Agreement. Such authority shall include, but not be limited to, the authority to contract to purchase such goods and services from third party vendors as may, in the judgment and discretion of the Manager, be reasonable and appropriate to operate the Property in an effective and efficient manner.

3.2 Specific Obligations and Authority.

3.2.1 Operations. Manager shall have the authority to make all determinations relating to the day-to-day operations of the Property. Such operational decisions include but are not limited to: (1) establishing admission rates and policies; (2) establishing rental rates and charges for goods and services provided to guests and other third parties at the Property; and (3) establishing the hours of operation for each facility within the Property.

3.2.2 Collection of Revenues.



AMERICAN RESORT MANAGEMENT, LLC

- 3.2.2.1 Generally. Manager shall use commercially reasonable efforts to collect all revenues due with respect to the Property. Expenses incurred by Manager with respect to such collection efforts shall be a Reimbursable Expense to the extent that such expenses are not paid directly from the Operating Account.
- 3.2.2.2 Certain Tax Obligations. Manager shall have the obligation to collect, account for and remit to the appropriate taxing authorities, on behalf of the Owner, any taxes levied upon the operation of the Property, including, without limitation, sales and use taxes, amusement taxes, franchise tax and so forth. For the sake of clarity and the avoidance of doubt, Manager shall not be responsible for collecting and remitting any income taxes or similar tax obligations of the Owner arising out of or relating to income generated by the Property.
- 3.2.3 Utilities. Manager shall have the authority to contract with electrical, water, gas, sewer, cable/satellite television and other utility providers to provide utilities to the Property.
- 3.2.4 Cleaning and Related Services. To the extent not provided by the Manager directly through PSEs, Manager shall have the authority to contract with third party vendors to provide cleaning, waste management, and related services to the Property.
- 3.2.5 Maintenance. To the extent not provided by the Manager directly through PSEs, Manager shall have the authority to contract with third party vendors to provide maintenance services to the Property.
- 3.2.6 Supplies. Manager shall have the authority to contract with third party vendors to acquire all necessary supplies and related services necessary for the operation of the Property. Such supplies and related services include, but are not limited to, aquatic supplies, linen services, cleaning materials, restroom supplies, and articles normally and customarily furnished to guests as part of the aquatic, food and beverages, tableware, furnishings, restaurant supplies and guest shop inventory.
- 3.2.7 FFE Replacement. Manager shall have the authority to contract with third party vendors to acquire (by purchase and/or lease) furnishings, fixtures, and equipment for use in the operation of the Property in the ordinary course of business; all contemplated FF&E replacement items should be included in the approved annual budget. Owner must approve any FF&E replacement(s) that are not included in the approved annual budget. Such items include but are not limited to: (1) cash registers; (2) kitchen equipment; (3) cleaning equipment; (4) vehicles for guest transportation; (5) furniture and furnishings; and (6) office equipment.
- 3.2.8 Public Relations, Advertising and Promotion. Manager shall have the authority to contract for the provision of advertising and promotional materials and services with respect to the Property. Such advertising and promotional materials and



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services include, but are not limited to: (1) television, radio and other media forms of advertising; (2) participation in reservation services; (3) entering into arrangements with third parties to create promotional packages in which the Property participates; and (4) engaging in or otherwise supporting community and/or charitable activities which promote the image and presence of the Property among potential customers and referral sources. The Manager shall develop, implement and periodically update an on-going marketing program for the Property.

3.2.9 Licenses and Permits. Manager shall obtain and keep in full force and effect on behalf of Owner or in Owner's name, as may be required by applicable law, any and all licenses and permits necessary for the operation of the Property, as and to the extent that such licenses and permits are within the control of the Manager. Owner shall fully cooperate with the Manager in applying for, and maintaining in effect, all such licenses and permits.

3.2.10 Certain Costs and Expenses. The Manager shall have the obligation and authority to oversee and manage the payment of all mortgage and interest payments related directly to the Property, lease payments, insurance premiums, real estate and personal property tax assessments and similar costs and expenses associated with the operation and maintenance of the Property. Such expenses shall be paid from the Operating Account.

3.2.11 Other Duties and Authority. The enumeration of certain specific obligations and authority of the Manager in Sections 3.2.1 through 3.2.10, above, is not intended to limit the generality of Section 3.1, above, but rather is provided for clarity and the avoidance of doubt. Subject to the terms, conditions and limitations of this Agreement, it is intended that the Manger shall have full authority to operate and manage the Property, and to do all things, in the name of and/or on behalf of the Owner, which are reasonably necessary to operate and manage the Property.

3.3 Contracting Authority.

3.3.1 Generally.

3.3.1.1 In the Name of Manager. The Manager may enter into contracts relating to the operation and/or management of the Property in the name of the Manager. In this regard, the Owner and the Manager acknowledge that it may be advantageous to have the Manager contract, in the Manager's name, for goods or services to be provided to the Property. All expenses and financial obligations relating to or arising under such contracts shall be Reimbursable Expenses. To the extent that such contracts may relate to multiple facilities managed by Manager, such expenses and financial obligations will be allocated to the Property on an equitable basis.



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3.3.2 Limitations on Contracting Authority.

3.3.2.1 Monetary Limitation. Notwithstanding any other provision of this Agreement, the Manager shall not enter into any contract relating to the operation and/or management of the Property which reasonably can be expected to exceed, in any Fiscal Year, \$10,000 in value, without the prior written consent of the Owner.

3.3.2.2 Term. Notwithstanding any other provision of this Agreement, the Manager shall not enter into any contract relating to the operation and/or management of Property, the term of which extends beyond the initial term of this Agreement or any renewal term then in effect, or for a term of more than one year, whichever is shortest, without the prior written consent of the Owner. In determining the term of any such contract, the term will be deemed to expire on the earliest date as of which the contract may be terminated by the Owner or Manager (as the case may be), without penalty or other early termination charges.

3.3.2.3 Consent Through Approval of Annual Budget. For purposes of this Section 3.3.2, any required consent of the Owner shall be deemed to have been given if the contract in question has been accounted for and reasonably disclosed in the Annual Budget for the Fiscal Year in question and such Annual Budget has been approved by the Owner.

3.4 Employees.

3.4.1 Generally. Except as otherwise set forth on Schedule 3.4.1 to this Agreement, the Owner and the Manager acknowledge that the Property shall be operated and managed solely by Corporate Employees (CEs) and Property Specific Employees (PSEs), and Owner Employees (OEs) may participate in the operation of the Property, with approval from Manager and without compensation from the Manager. Any Owner Employee involved in the operation of the Property must be subject to Owner's worker's compensation coverage.

3.4.2 Hiring. The Manager shall have the sole authority, in the Manager's sole discretion, to hire, train, promote, supervise, direct the work of and discharge all CEs and PSEs providing services with respect to the Property.

3.4.3 Compensation and Benefits. Consistent with the applicable Annual Budget, Manager shall have the right to fix the terms of compensation, to pay incentive compensation, and to provide employee benefits to all CEs and PSEs providing services with respect to the Property. Such employee benefits may include, but are not limited to, pension plans, health insurance, life insurance, disability insurance and similar employee benefit plans. For the sake of clarity and the avoidance of doubt, the Owner and the Manager expressly acknowledge and agree that it is their intent that such compensation and benefits be reasonably sufficient to attract and retain employees in, and to otherwise remain competitive within, the employee workforce market in which the Property is located.



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3.4.4 Certain Tax Matters Related to Employees. It is expressly understood and agreed that all CEs and PSEs providing services to the Property will be the employees of the Manager for all purposes, including, without limitation, federal, state and local tax and reporting purposes. Owner acknowledges and agrees that Manager, as the employer of all of the CEs and PSEs providing services to the Property, shall be entitled to all federal, state and/or local tax credits or benefits allowed to employers relating to the CEs and PSEs, including, without limitation, the Work Opportunity Tax Credit, The Targeted Jobs Tax Credit, and similar tax credits: *Provided, however,* that Manager shall pay all incremental fees, if applicable, to qualify for such tax credits.

3.4.5 Reimbursement of Expenses Related to PSEs and CEs.

3.4.5.1 Generally. Except as set forth in Section 3.4.5.2, below, with respect to CEs, all expenses incurred by the Manager with respect to CEs and PSEs shall be Reimbursable Expenses. Such expenses include, but are not limited to: (1) wages; (2) benefits of any type, including, without limitation, workers compensation insurance and benefits, pension benefits, health insurance, disability insurance, life insurance, sick benefits, severance pay and vacation pay; (3) the Manager's share of employee trust fund taxes, including (without limitation) FICA, FUTA and similar federal, state and local taxes or impositions paid by the Manager with respect to the CE or PSE; (4) employee expense reimbursement owed by the Manager to CEs and PSEs; and (5) professional expenses, including (without limitation) legal, accounting and actuarial services required by the Manager with respect to any employee matters including (without limitation) workers compensation claims, unemployment compensation claims, other employment based claims and pension administration.

3.4.5.2 CEs. The parties acknowledge that CEs shall normally provide services with respect to multiple facilities managed by the Manager. An allocable portion of all expenses incurred by the Manager with respect to CEs shall be Reimbursable Expenses. Such allocation shall be equitably based upon the amount of time spent by the CE in question providing services to the Property as compared to time spent by such CE with respect to matters unrelated to the Property.

3.4.6 Certain Employee Expenses Related to Termination of this Agreement. The Owner and Manager acknowledge and agree that: (1) the Manager will be required to terminate all PSEs and, potentially, certain CEs, upon termination of this Agreement; and (2) the Manager will incur certain expenses related to the termination of the employment of such PSEs and CEs. The Owner and the Manager agree that such termination-related expenses shall be Reimbursable Expenses. Termination related expenses include, but are not limited to: (1) compensation in lieu of vacation pay and sick leave; (2) reasonable severance pay; (3) unemployment benefit obligations; (4) COBRA liability; (5) WARN Act liability; and (6) such other termination benefits as are due the terminated employee pursuant to law and/or which arise under benefit plans established by the Manager pursuant to Section 3.4.3, above. The provisions of this



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Section 3.4.5.3 shall be applicable regardless of the basis upon which this Agreement is terminated, or the reason(s) therefor.

3.4.7 Manager shall comply with each of the following listed federal and state laws and regulations:

- (1) Title VII of the Civil Rights Act of 1991 (42 U.S.C. §§ 2000(e), et seq);
- (2) The Discrimination in Employment Act of 1967, as amended (29 U.S.C. § 621 et seq.);
- (3) The Civil Rights Acts of 1866, 1871, 1964 and 1991;
- (4) The Americans with Disabilities Act of 1990 (42 U.S.C. § 1211, et seq.);
- (5) The Rehabilitation Act of 1973 (29 U.S.C. § 701, et seq);
- (6) The Fair Labor Standards Act (29 U.S.C. § 201, et seq);
- (7) The Equal Pay Act of 1973 (29 U.S.C. Chapter 8, §§ 206(d), et seq.);
- (8) The Consolidated Omnibus Budget and Reconciliation Act of 1985, (29 U.S.C. § 1161, et seq. as amended);
- (9) The Employee Retirement Income and Security Act (29 U.S.C. § 1001, et seq. as amended);
- (10) The Older Workers' Benefit Protection Act;

IV. Financial Matters

4. Financial Matters

4.1 Annual Budget

4.1.1 Adoption Generally. Not less than 90 days prior to the beginning of each Fiscal Year, Manager shall prepare and submit to Owner for Owner's approval a written budget for such Fiscal Year (the "Annual Budget"). The Annual Budget shall set forth in reasonable detail all revenues projected to be generated and all expenses projected to be incurred in the operation and management of the Facility. The Annual Budget shall also include a capital budget identifying any capital improvements or replacements (such as, but not limited to, fixtures, furnishings, and equipment) to be paid for from operating revenues during the Fiscal Year in question. The Owner shall approve or disapprove the proposed Annual Budget as soon as practicable following its receipt, but in no event later than 45 days following its receipt from the Manager, provided, however, that Owner shall not withhold its approval with respect to costs that are reasonably necessary to comply with Applicable Law. If the Owner fails to approve or disapprove the proposed Annual Budget in writing within 60 days after its receipt, the Owner shall be conclusively deemed to have approved the proposed Annual Budget. If the Owner disapproves of the proposed Annual Budget, the Owner and the Manager will consult for the



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purpose of reaching agreement on the Annual Budget. Owner and Manager shall use commercially reasonable efforts to resolve any such objections. If the Annual Budget is not approved by the Owner after consulting with Manager, then the previous year's budget will apply, subject to reasonable increases in operating costs adjusted per the applicable year's CPI Index as published by the Bureau of Labor Statistics (BLS), unless the Owner adopts a new budget.

4.1.1. Fiscal Year. The Fiscal Year is set from January 1st to December 31st for each year of the Term of this Agreement.

4.1.2. [Intentionally Omitted].

4.1.3. Amendment of Annual Budget. An Annual Budget may be amended at any time upon approval by the Owner.

4.1.4. Adherence to Annual Budget. The Manager will exercise commercially reasonable efforts to adhere to the Annual Budget in the operation and management of the Property. In particular, the Manager will exercise commercially reasonable efforts to hold or reduce costs in the event that revenues do not attain the budgeted levels, so as to maintain the profitability of the Facility to the extent reasonably possible. Notwithstanding the foregoing, Owner acknowledges, understands and agrees that: (1) certain components of the Annual Budget, including, without limitation, overall revenues, utility costs, costs associated with events of *force majeure*, and so forth, are not within the control of Manager; (2) certain expenses are either fixed or are not otherwise subject to the control of the Manager, including, without limitation, Facility related expenses such as loans; and (3) Manager cannot guarantee that, and Manager makes no representation or warranty with respect to, (a) the gross revenues of the Facility, (b) the overall expenses to be incurred in the operation and management of the Facility, and (c) the profitability of the Facility.

4.2. Operating Account.

4.2.1. Establishment. A bank account at a bank agreed upon by the Owner and the Manager which shall be identified as the "Operating Account" for the Facility shall be established. The Operating Account shall be subject to the terms, conditions and limitations set forth in this Agreement. The Operating Account shall be a single account, but may have such sub-accounts (including, but not limited to, reserve accounts for capital repairs and improvements) as may be agreed upon by the Manager and the Owner. The Manager shall have the authority to withdraw funds to fund approved expenditures and contractual obligations from the Operating Account during the term of this Agreement.

4.2.2. Operation of Operating Account.



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4.2.2.1. Revenues. The Manager shall cause all revenues derived from the operation of the Facility to be deposited into the Operating Account: *Provided, however,* that the Manager shall be entitled to keep such petty cash on hand at the Facility as is reasonable and necessary to operate the facilities located at the Facility on a day-to-day basis, including, but not limited to, guest shops, restaurants and so forth.

4.2.2.2. Expenses. The Manager shall cause all expenses incurred in the operation and management of the Facility to be paid from the Operating Account. Such expenses include, but are not limited to: (1) all Reimbursable Expenses; (2) all expenses and payment obligations incurred with respect to contracts for goods and/or services entered into by the Manager in the name of the Owner pursuant to the terms of this Agreement; (3) any expenses which are identified in this Agreement as being payable from the Operating Account; and (4) any expenses which are agreed upon by the Manager and Owner as being payable from the Operating Account. To the extent that any sub-accounts may have been established by agreement of the Manager and the Owner, funds from such sub-accounts shall only be used by Manager for the purposes for which the sub-account in question was established, or as may otherwise be agreed to in writing by the Manager and the Owner.

4.2.2.3. Minimum Balance. The Owner and the Manager agree that the operation of the Facility requires a minimum amount of working capital. Accordingly, unless otherwise agreed upon by the Manager and Owner, there shall at all times be maintained in the Operating Account (exclusive of funds placed in sub-accounts for dedicated purposes) an amount equal to 6 weeks operating expenses as set forth in the Annual Budget. If the balance in the Operating Account (exclusive of funds placed in sub-accounts for dedicated purposes) falls below such minimum balance, the Manager shall so advise the Owner and the Owner shall, within three (3) business days, deposit an amount in the Operating Account sufficient to cause the balance of the Operating Account to be equal to or greater than such minimum required balance.

4.2.2.4. [Intentionally Omitted]

4.2.2.5. [Intentionally Omitted]

4.3. Obligation of Owner to Fund Operations. Under no circumstances shall the Manager be obligated to fund the operations and expenses of the Facility, and Manager shall have no obligation to advance funds for such purposes. The Manager may suspend providing management services under this MSA should funding for the operations and expenses of the water park be unavailable.



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V. Reimbursement of Expenses of Manager

5. Reimbursement of Expenses of Manager.

5.1. Generally. It is the understanding and agreement of the Owner and Manager that the Owner shall reimburse to Manager: (1) all direct, out-of-pocket expenses incurred by the Manager in the performance of the Manager's obligations under this Agreement; and (2) to the extent expressly provided for in this Agreement, indirect expenses (such as, but not limited to, allocations for services provided by CEs) incurred by the Manager in the performance of the Manager's obligations under this Agreement.

5.2. Specific Items Reimbursable.

5.2.1. Generally. The provisions of 5.2 are not intended to limit the application or generality of Section 5.1, above, but rather are set forth herein for the purposes of clarity and the avoidance of doubt.

5.2.2. Property Specific Employer Expenses.

5.2.2.1. Wages, Benefits and Related Items. All expenses incurred by the Manager with respect to PSEs shall be Reimbursable Expenses, as more specifically set forth in Section 3.4.5.1, above.

5.2.2.2. Termination Expenses. All expenses incurred by the Manager in connection with the termination of PSEs, as more specifically described in Section 3.4.5.3, above, shall be Reimbursable Expenses.

5.2.3. Corporate Employee Expenses.

5.2.3.1. Wages, Benefits and Related Items. Subject to the limitations set forth in Section 3.4.5.2, above, all expenses incurred by the Manager with respect to work performed by CEs with respect to the Property shall be Reimbursable Expenses, as more specifically set forth in Section 3.4.5.1, above.

5.2.3.2. Termination Expenses. All expenses incurred by the Manager with respect to the termination of CEs, as more specifically described in Section 3.4.5.3, above, shall be Reimbursable Expenses.

5.2.4. Professional Expenses. The Owner and the Manager acknowledge that the Manager is authorized to retain professional advisors (including, without limitation, legal, accounting, engineering, and environmental advisors) with respect to matters arising out of or



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relating to the operation and management of the Property. It is contemplated that such advisors will be compensated by direct disbursement from the Operating Account. However, to the extent that any such expenses may be paid by the Manager, such expenses shall be Reimbursable Expenses.

5.2.5. Travel. Manager shall be entitled to reimbursement of all reasonable, ordinary, and necessary expenses incurred in the performance of its duties hereunder; including, but not limited to, travel expenses. In the event that the Manager is required to travel on behalf of the Owner, Owner shall reimburse Manager for; (I) mileage at the IRS approved standard rate or airfare; and (II) accommodations and meals at the State per diem rate. The Manager shall provide Owner with an itemized expense report for all reimbursable expenses incurred on behalf of the Owner. Owner may request to examine receipts for any reimbursable expenses.

5.3. Mechanism for Reimbursement.

5.3.1. Generally. The Manager shall be entitled to receive reimbursement for Reimbursable Expenses by making draws directly from the Operating Account. The Manager may make such draws in advance of the actual expenditure in question to the extent that such expenses are reasonably ascertainable and such advance is no more than five (5) business days prior to the date on which such expense shall be paid by the Manager. Such advance draws include, but are not limited to, transfers from the Operating Account to the Manager's payroll account to cover weekly wages for PSEs and Reimbursable Expenses (including, without limitation, the Manager's portion of applicable payroll taxes) associated therewith.

5.3.2. Refund of Excess Reimbursements. In the event that reimbursements for Reimbursable Expenses should exceed the amount of such Reimbursable Expenses, or the Manager makes a recovery (through insurance or otherwise) with respect to Reimbursable Expenses previously reimbursed to the Manager, the Manager shall promptly refund to the Owner any such excess amounts and/or recoveries. Such refunds may be made by the Manager through a deposit thereof in the Operating Account or as may otherwise be agreed upon by the Owner and the Manager.

VI. Compensation to Manager

6.1 Compensation. In consideration for the services rendered by the Manager pursuant to this Agreement, the Owner agrees to pay to the Manager in accordance with the provisions of Schedule 6.1 to this Agreement, Management Services Fee Schedule. The



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Manager shall have the right to withdraw such compensation from the Operating Account.

- 6.2 Nature of Compensation. The compensation described in this Article VI is in consideration for the obligations undertaken and performed by the Manager under this Agreement. Such compensation is in addition to, and not in lieu of, any Reimbursable Expenses and any other monetary obligations of the Owner to the Manager under this Agreement.

VII. Term and Termination

7.1. Term.

7.1.1. Initial Term. The initial term of this Agreement shall begin on the Commencement Date and shall end on the last calendar day of the commencement year, unless earlier terminated pursuant to Section 7.2, below.

7.1.2. Intentionally Omitted.

7.2. Termination.

7.2.1. Mutual Written Agreement. This Agreement may be terminated at any time by mutual written agreement of the parties.

7.2.2. Intentionally Omitted.

7.2.3. Destruction or Loss of the Facility. Either party may terminate this Agreement upon sixty (60) days written notice to the other party if the Facility is substantially destroyed or the Facility is taken by any governmental or other entity pursuant to the power of eminent domain.

7.2.4. By Owner for Cause.

7.2.4.1. Generally. The Owner may terminate this Agreement for cause at any time upon the commission of an event of default by the Manager. For purposes of this Section 7.2.4, an "event of default by the Manager" shall consist of one or more of the following events: (1) an act of fraud by the Manager with respect to the Owner; (2) embezzlement or misappropriation by Manager of funds or Facility of the Owner; and (3) any breach of this Agreement by Manager which remains uncured for a period of sixty (60) days following receipt by Manager of a written notice from the Owner describing such breach in reasonable detail and demanding the cure thereof. Termination pursuant to Section 7.2.4 shall be effectuated by the Owner giving the Manager written notice thereof. Such written notice of termination must be



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separate from any notice given pursuant to clause (3) of the preceding sentence.

7.2.4.2. Theft by Employees of Manager. For the purposes of this Section 7.2.4.2, acts of fraud, embezzlement and/or misappropriation by employees of Manager which are for the personal benefit of the employee in question and are undertaken without the knowledge or consent of the senior management of the Manager, shall not be attributed to the Manager and shall not serve as a basis for terminating this Agreement pursuant to this Section 7.2.4.2 as long as (i) upon learning of such acts of fraud, embezzlement and/or misappropriation, Manager promptly (but no later than ten (10) days) cures such acts, including reimbursing Owner, and (ii) Manager properly terminates such employee and seeks to file criminal charges against the employee. Without limiting the generality of the preceding sentence, the parties acknowledge that the purpose of Section 7.2.4.2 is to exclude petty theft on the part of employees as a basis for terminating the Manager for cause. The provisions of this Section 7.2.4.2 shall not, however, be construed as limiting the obligation of the Manager to take reasonable and appropriate measures to reduce and discourage employee theft.

7.2.5. By Manager for Cause. The Manager may terminate this Agreement for cause at any time upon the commission of an event of default by the Owner. For purposes of this Section 7.2.5, an "event of default by the Owner" shall consist of one or more of the following events: (1) the Owner fails to comply with its obligation under Section 4.2.2.3, above, relating to the maintenance of a minimum balance in the Operating Account; (2) the Owner fails to comply with Section 4.2.2.5, above, relating to the initial funding of the Operating Account; (3) the failure of the Owner to timely pay the Manager pursuant to the payment schedule outlined in Attachment A - Management Services Fee Schedule; and (4) any breach of this Agreement by Owner which remains uncured for a period of sixty (60) days following receipt by the Owner of a written notice from the Manager describing such breach in reasonable detail and demanding the cure thereof. Termination pursuant to Section 7.2.5 shall be effectuated by the Manager giving the Owner written notice thereof. Such written notice of termination must be separate from any notice given pursuant to clause (4) of the preceding sentence.

7.2.6. By the Owner without Cause. The Owner shall have the right to terminate this Agreement without cause at the Owner's discretion at any time, without any reason, upon thirty (30) days prior written notice to the Manager.

7.2.7. By the Manager without Cause. The Manager shall have the right to terminate this Agreement without cause at the Manager's discretion, upon ninety (90) days prior written notice to the Owner.



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7.3. Effect of Termination.

7.3.1 Generally. Except as otherwise provided in this Agreement, upon termination of this Agreement all obligations of the parties under this Agreement shall terminate in their entirety. Notwithstanding the foregoing, those obligations and rights of the parties accruing prior to termination or as a result of the termination, shall survive termination of this Agreement. Those provisions of this Agreement which, by their express terms or by their operation, are intended to survive termination, shall survive termination of this Agreement. Such provisions include, but are not limited to, Article VI, above, this Article VII, and Article X, below.

7.3.2 Obligation of Owner to Pay Compensation and Reimburse Reimbursable Expenses. The obligation of the Owner to pay base and incentive compensation pursuant to Article VI of this Agreement, and to reimburse Reimbursable Expenses, as set forth in Article V Section 3.4.5, above, and any other provisions of this Agreement relating to the reimbursement of Reimbursable Expenses, shall survive termination.

7.3.3 [Intentionally Omitted]

VIII. Insurance

8.1 Insurance Requirements and Limits. See Schedule 8

8.1.1. Insurance Placed by Owner. The Owner shall keep in effect during the term of this Agreement, at Owner's sole expense, those insurance policies and coverages which are described in Schedule 8 to this Agreement. Unless otherwise agreed upon by the Owner and the Manager in writing, the Manager shall not have the responsibility for procuring the insurance policies and coverages described in Schedule 8.1. Such insurance policies and coverages shall provide the following:

- (1) The Manager shall be named as an additional insured and any right of subrogation against the Manager and the Manager's employees shall be waived by the insurer.
- (2) The policies shall not be cancelled except upon thirty (30) days prior written notice to the Manager.
- (3) The loss payees (to the extent applicable) shall be the Owner and the Manager, as their interests may appear.
- (4) The Owner shall, from time to time upon request, provide the Manager certificates of insurance evidencing the



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insurance policies and coverages required by this Section 8.1.

8.1.2. Insurance Placed by Manager. The Manager shall keep in effect during the term of this Agreement those insurance policies and coverages which are described in Schedule 10 to this Agreement. Unless otherwise agreed upon by the Owner and the Manager in writing, the Owner shall not have the responsibility for procuring the insurance policies and coverage described in Schedule 8. Such insurance policies shall provide the following:

- (1) The Owner shall be named as an additional insured and any right of subrogation against the Owner and the Owner's employees shall be waived by the insurer.
- (2) The policies shall not be cancelled except upon thirty (30) days prior written notice to the Owner.
- (3) The loss payees (to the extent applicable) shall be the Owner and the Manager, as their interests may appear.
- (4) The Manager shall, from time to time upon request, provide to the Owner certificates of insurance evidencing the insurance policies and coverages required by this Section 8.1.2. Unless otherwise noted in Schedule 8, the insurance premiums paid by the Manager for such insurance policies and coverages shall be Reimbursable Expenses.

IX. Accounting and Reporting

9.1. Maintenance of Records. The Manager shall maintain accurate, complete, and separate records showing income and expenditures relating to the operation of the Facility, and from which accounts payable and accounts receivable, available cash, and other assets and liabilities pertaining to the Facility can be readily identified, and the amounts determined at any time. The Owner shall have the right at any reasonable time personally or through the Owner's representative(s), to inspect the records kept by the Manager pertaining to the Facility, including, but not limited to, all checks, bills, invoices, contracts, statements, vouchers, cash receipts, correspondence, and all other records dealing with the management and operation of the Facility. The Owner shall have the further right to audit and/or have an audit made at Owner's expense of all account books, financials, and records pertaining to the management and operation of the Facility, including but not limited to all forms of related financial and accounting activity.



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9.2. Reports.

9.2.1. Annual Financial Report. With respect to each Fiscal Year, the Manager will cause an annual financial report to be prepared showing all revenues, costs and expenses in detail. The report will be certified by the Manager as complete and accurate and will be submitted to the Owner no later than ninety (90) days following the Fiscal Year in question.

9.2.2. Intentionally Omitted.

9.2.3. Financial Reports. The Manager will furnish monthly to the Owner a balance sheet and a profit/loss statement detailing all receipts and disbursements for each month, such statement to be furnished on or before the eighteenth (18th) day of each month for the preceding month, or other such date as agreed upon between the parties. Such statement shall show the status of income and expenses and shall be supported by bank statements, canceled checks, vouchers, duplicate invoices, and similar documentation covering all items of income and expense, the originals of which shall be kept in the Manager's office and be available for inspection by the Owner or Owner's representative(s) at all reasonable times.

9.2.4. Operating Statements. The Manager shall provide quarterly operating statements showing income and expense for the Fiscal Year quarter and Fiscal Year to date and for the same period of the preceding year.

9.3. Record Retention. The Manager shall retain all records required to be created and/or maintained by the terms of this Agreement for a period of four (4) years.

9.4. Survival. Except as set forth in this Section 9.4, the provisions of this Article IX shall survive the termination of this Agreement. Sections 9.2.1, 9.2.3 and 9.2.4 shall survive with respect to the last Fiscal Year during the Term of this Agreement, it being the intent of the parties that the Manager shall provide such reports for the periods of time running through the end of the Term of this Agreement. Section 9.2.2 shall not survive termination of this Agreement.

X. Other Provisions

10.1. Intentionally Omitted.

10.2. Representations and Warranties of Manager. Manager represents, warrants and covenants with Owner as of the Effective Date as follows:

10.2.1. Due Organization. Manager is duly organized, validly existing, and in good standing, is duly qualified to do business in the State in which the Management Services are to be performed and has full power, authority, and legal right to execute,



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perform, and timely observe all of the provisions of this Agreement. Manager's execution, delivery and performance of this Agreement have been duly authorized.

10.2.2. Valid and Binding Obligations. This Agreement constitutes a valid and binding obligation of Manager and does not and will not constitute a breach of or default under the corporate documents or bylaws of Manager or the terms, conditions or provisions of any law, order, rule, regulation, judgment, decree, agreement or instrument to which Manager is a party or by which it or any of its assets is bound or affected.

10.2.3. No Third Party Approval Required. No approval of any third party is required for Manager's execution and performance of this Agreement that has not been obtained prior to the execution of this Agreement.

10.2.4. Maintaining Legal Existence. Manager shall, at its own expense, keep in full force and effect throughout the Term of this Agreement its legal existence and the rights required for it timely to observe all of the terms and conditions of this Agreement.

10.2.5. No Litigation. There is no litigation or proceeding pending or, to the knowledge of the Manager, threatened against Manager that could adversely affect the validity of this Agreement or the ability of Manager to comply with its obligations under this Agreement.

10.3. Representations and Warranties of Owner. Owner represents, warrants and covenants to Manager as of the Effective Date and the Commencement Date, as follows:

10.3.1. Due Organization. Owner is duly organized, validly existing, and in good standing and is duly qualified to do business in the state in which the Facility is located, and has full power, authority and legal right to execute, perform and timely observe all of the provisions of this Agreement. Owner's execution, delivery and performance of this Agreement have been duly authorized.

10.3.2. Valid and Binding Obligation. This Agreement constitutes valid and binding obligations of Owner and do not constitute a breach of or default under the corporate documents or bylaws of Owner or the terms, conditions or provisions of any law, order, rule, regulation, judgment, decree, agreement or instrument to which Owner is a party or by which it or any of its assets is bound or affected.

10.3.3. No Third-Party Approval Required. No approval of any third party (including any holder of any Mortgage) is required for Owner's execution and performance of this Agreement that has not been obtained prior to the execution of this Agreement.

10.3.4. Continued Legal Existence. Owner shall, at its own expense, keep in full force and effect throughout the Term of this Agreement its legal existence and the rights required for it timely to observe all the terms and conditions of this Agreement.



AMERICAN RESORT MANAGEMENT, LLC

- 10.3.5. Required Approvals. Owner shall maintain throughout the term of this Agreement all approvals that are required to be in its name and that are necessary to own and operate the Facility, but the foregoing shall not relieve Manager from obtaining permits, licenses, authorizations and other approvals required hereunder.
- 10.3.6. No Adverse Litigation/Condemnation. There is no litigation or proceeding pending or threatened against Owner, or to the knowledge of Owner, against the Facility, that could adversely affect the validity of this Agreement or the ability of Owner to comply with its obligations under this Agreement. Owner is not aware of any condemnation proceeding pending or threatened against the Facility or any portion thereof.
- 10.3.7. Environmental. Except as disclosed by Owner, in writing and added as an attachment to this Agreement, Owner has no actual knowledge that the Facility violates any environmental legal requirement or any law or regulation relating to environmental conditions or safety.
- 10.3.8. Rights to Purchase. Owner has not granted any other person the right to purchase the Facility.
- 10.3.9. No Hazardous Materials. Owner shall not knowingly use or occupy, or knowingly permit the Facility or any part thereof to be used or occupied, for any unlawful, or ultra hazardous use (including the prohibited or unlawful use or storage of hazardous materials, or any disposal of hazardous materials), or operate or conduct the business of the Facility in any manner known to constitute or give rise to a nuisance of any kind.

10.4. Disputes; Governing Law

10.4.1 Governing Law. This Agreement shall be governed by and construed in accordance with the laws and jurisdiction of Arkansas.

10.4.2 Disputes. All disputes in any manner relating to or arising out of this Agreement which the parties cannot resolve themselves will be resolved first through mediation and second through the and under the jurisdiction of the Circuit Court of Sebastian County, State of Arkansas, or the United States District Court for the Western District of Arkansas. (Fort Smith Division) Any final order or award by either court, if not appealed, shall be binding and enforceable by the Parties. All Parties shall be responsible for their own cost and attorney's fees unless otherwise provided by law, regardless of the determination of the prevailing Party to be.



AMERICAN RESORT MANAGEMENT, LLC

- 10.5. Waivers, Modifications, Remedies. No failure or delay by a party to insist on the strict performance of any term of this Agreement, or to exercise any right or remedy consequent on a breach thereof, shall constitute a waiver of any breach or any subsequent breach of such term. Neither this Agreement nor any of its terms may be changed or modified, waived or terminated (unless otherwise provided hereunder) except by an instrument in writing signed by the party against whom the enforcement of the change, waiver or termination is sought.
- 10.6. Severability of Provisions. If any term of this Agreement is invalid or unenforceable to any extent under applicable law, the remainder of this Agreement (and the application of this Agreement to other circumstances) shall not be affected thereby, and each remaining term shall be valid and enforceable to the fullest extent permitted by law.
- 10.7. Notices. Notices, consents, determinations, requests, approvals, demands, reports, objections, directions and all other communications required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given and to be effective on the date on which such communications are delivered by personal delivery, by facsimile transmission (with telephonic confirmation of receipt), DHL, Federal Express or other similar courier service or by the United State Postal Service or its successor after being deposited with the United States Postal Service as Express Mail or as registered or certified matter, postage prepaid, return receipt requested, addressed to the parties at the addresses specified below, or at such other address as the party to whom the notice is sent has designated in accordance with this Section 12.7. All such communications shall be deemed to have been received by the intended recipient (i) in the case of air courier services, on the next Business Day after deposit with such air courier service with a request for next day service; (ii) in the case of a facsimile transmission, on the Business Day such transmission was sent, or if not a Business Day or if transmitted after 4:00 p.m. local time, then on the next Business Day; and (iii) in the case of first-class mail, three Business Days after the deposit with the United States Postal Service. Until a party provides a change in address in accordance with this Section 10.8, notices will be sent to the following addresses:

To Manager: Richard Coleman, CHA
Chief Executive Officer/Co-Founder
3165 S. Carrier Parkway
Grand Prairie, Texas
rcoleman@armpallc.com

To Owner: Jeff Dingman
City Administrator
623 Garrison Avenue



AMERICAN RESORT MANAGEMENT, LLC

Room 315
Fort Smith, Arkansas
jdingman@fortsmithar.gov

Steve Hotz
County Judge
Sebastian County Arkansas
35 South 6th, Room 106
Fort Smith, Arkansas
shotz@sebastiancountyar.gov

- 10.8. Assignment. This Agreement may not be assigned by either party without the prior written consent of the other party, which consent may be withheld in the other party's sole discretion.
- 10.9. Counterparts. This Agreement may be executed in several counterparts, each of which shall be an original, but all of which shall constitute one and the same instrument.
- 10.10. Relationship of the Parties. Manager and Owner acknowledge and agree that they are not joint venturers, partners, or joint owners with respect to the Facility, and nothing contained in this Agreement shall be construed as creating a partnership, joint venture, or similar relationship between Manager and Owner with respect to the Facility or the operation thereof. In operating the Facility, entering into contracts, accepting reservations, and conducting financial transactions for the Facility, Manager acts on behalf of Owner (but subject to the limitations on Manager's authority as set out in this Agreement and subject to the provisions of Section 10.17, below) and assumes no independent contractual liability, nor shall Manager be obligated to extend its own credit with respect to any obligations incurred in operating the Facility or performing its obligations under this Agreement. This Agreement shall not be construed at any time to be an interest in real estate or a lien or security interest of any nature against the Facility or any other land used in connection with the Facility, or any equipment, fixtures, inventory, motor vehicles, contracts, documents, accounts, notes, drafts, acceptances, instruments, chattel paper, general intangibles or other personal Facility now existing or that may hereafter be acquired or entered into with respect to the Facility or the operation thereof. Notwithstanding anything to the contrary in this Agreement or otherwise, in no event shall the Manager have any right to bind the Owner except as expressly set forth in this Agreement.
- 10.11. Confidentiality.



AMERICAN RESORT MANAGEMENT, LLC

- 10.11.1. Generally. Each party agrees to keep confidential all information of a proprietary or confidential nature about or belonging to the other party to which the other party gains or has access by virtue of the relationship between the parties. Except as disclosure may be required to obtain the advice of professionals or consultants, financing for the Facility from a lender or potential lender, or investors or potential investors in the Facility or the Owner, or in furtherance of a permitted assignment of this Agreement, or as may be required by law or by the order of any government, governmental or quasi-governmental unit, tribunal or otherwise to comply with legal requirements (including reporting requirements applicable to public companies), each party shall make every effort to ensure that such information is not disclosed to any other third party or entity without the prior consent of the other party. The obligations set forth in this Section shall survive any termination of this Agreement. In addition (subject to the exceptions set forth above), Manager shall not disclose any specific information regarding financial performance of the Facility (i.e., occupancy, average daily rate, gross operating profit, etc.) to any third party, except Smith Travel Research (STAR Report) or a comparable hospitality industry reporting service, unless approved in writing by Owner.
- 10.11.2. Certain Permitted Disclosures. Notwithstanding anything to the contrary in this Agreement, and any and all of the terms and conditions herein and therein, may be disclosed to investors and potential investors in connection with any financing or sale of the Facility and their legal counsel and other representatives reviewing this Agreement on their behalf, and in connection with any due diligence review conducted by a financial institution as a part of a financial restructuring, reorganization, merger, consolidation, purchase or sale of assets involving the Owner or the Manager.
- 10.12. Limitation on Pledging Owner's Credit. Except as is necessary or advisable for the purchase of goods and services or the extension of credit to customers in the ordinary course of business in the operation and management of the Facility within the scope of this Agreement, Manager shall not borrow any money or execute any credit obligation in the name and on behalf of the Owner, or pledge the credit of the Owner, without the Owner's prior written consent.
- 10.13. Interest. Except as otherwise specifically provided herein to the contrary, any and all amounts that may become due from one party to the other under this Agreement (including the obligation of Owner to pay any unpaid compensation to the Manager) shall bear interest from and after the respective due dates thereof (but in no event earlier than date upon which the party making the claim for payment notifies the other party thereof) until the date on which the amount is paid, **at an annual rate of interest equal to eight percent (8%):** *Provided, however,* that no interest shall be payable on amounts owed by the Owner to the Manager which the Manager is authorized to pay directly to itself under the terms of this Agreement (unless there are insufficient funds in the applicable account(s) therefor and the



AMERICAN RESORT MANAGEMENT, LLC

Owner has failed to provide adequate funds following request by the Manager in accordance with this Agreement).

- 10.14. Further Assurances. The parties shall do and procure to be done all such acts, matters and things and shall execute and deliver all such documents and instruments as shall be required to enable the parties to perform their respective obligations under, and to give effect to the transactions contemplated by, this Agreement.
- 10.15. No Third-Party Beneficiaries. None of the obligations hereunder of either party shall run to or be enforceable by any party other than the party to this Agreement or by a party deriving rights hereunder as a result of an assignment permitted pursuant to the terms hereof. There are no third-party beneficiaries with respect to this Agreement.
- 10.16. **LIMITATIONS ON FIDUCIARY DUTIES.** TO THE EXTENT ANY FIDUCIARY DUTIES ARE INCONSISTENT WITH, OR WOULD HAVE THE EFFECT OF MODIFYING, LIMITING OR RESTRICTING, THE EXPRESS PROVISIONS OF THIS AGREEMENT: (A) THE TERMS OF THIS AGREEMENT SHALL PREVAIL; (B) THIS AGREEMENT SHALL BE INTERPRETED IN ACCORDANCE WITH GENERAL PRINCIPLES OF CONTRACT INTERPRETATION WITHOUT REGARD TO THE COMMON LAW PRINCIPLES OF AGENCY (EXCEPT AS EXPRESSLY PROVIDED FOR IN THIS AGREEMENT); AND (C) ANY LIABILITY BETWEEN THE PARTIES SHALL BE BASED SOLELY ON PRINCIPLES OF CONTRACT LAW AND THE EXPRESS PROVISIONS OF THIS AGREEMENT. FOR PURPOSES OF ASSESSING MANAGER'S FIDUCIARY DUTIES AND OBLIGATIONS UNDER THIS AGREEMENT, THE PARTIES ACKNOWLEDGE THAT THE TERMS AND PROVISIONS OF THIS AGREEMENT AND THE DUTIES AND OBLIGATIONS SET FORTH HEREIN, ARE INTENDED TO SATISFY THE FIDUCIARY DUTIES WHICH MAY EXIST AS A RESULT OF THE RELATIONSHIP BETWEEN THE PARTIES, INCLUDING WITHOUT LIMITATION ALL DUTIES OF LOYALTY, GOOD FAITH, FAIR DEALING, FULL DISCLOSURE OR ANY OTHER DUTY DEEMED TO EXIST UNDER THE COMMON LAW PRINCIPLES OF AGENCY OR OTHERWISE. THE PARTIES HEREBY UNCONDITIONALLY AND IRREVOCABLY WAIVE AND RELEASE ANY RIGHT, POWER OR PRIVILEGE EITHER MAY HAVE TO CLAIM OR RECEIVE FROM THE OTHER PARTY ANY PUNITIVE, EXEMPLARY, STATUTORY OR TREBLE DAMAGES OR ANY INCIDENTAL OR CONSEQUENTIAL DAMAGES WITH RESPECT TO ANY BREACH OF FIDUCIARY DUTIES.
- 10.17. **LIMITATION OF LIABILITY.** IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER PARTY FOR INCIDENTAL, PUNITIVE OR CONSEQUENTIAL DAMAGES ARISING OUT OF OR RELATING TO ANY DISPUTE, CONTROVERSY, CLAIM OR OTHER MATTER ARISING OUT OF OR RELATING TO THE NEGOTIATION, EXECUTION, DELIVERY OR PERFORMANCE OF THIS AGREEMENT, OR THE BREACH THEREOF. SUCH LIMITATION SHALL APPLY



AMERICAN RESORT MANAGEMENT, LLC

REGARDLESS OF WHETHER SUCH DISPUTE, CONTROVERSY, CLAIM OR OTHER MATTER IS CHARACTERIZED AS ARISING IN CONTRACT, TORT (INCLUDING, WITHOUT LIMITATION, FRAUD, FRAUDULENT MISREPRESENTATION, NEGLIGENCE AND/OR NEGLIGENT MISREPRESENTATION), INDEMNITY, CONTRIBUTION, STRICT LIABILITY, STATUTORY LIABILITY OR OTHERWISE. FOR PURPOSES OF THIS AGREEMENT, THE TERM "CONSEQUENTIAL DAMAGES" INCLUDES, BUT IS NOT LIMITED TO, LOST PROFITS, LOSS OF THE USE OF CAPITAL, AND ANY CLAIMS OF THIRD PARTIES ASSOCIATED WITH, OR OTHERWISE DEALING WITH, EITHER PARTY.

10.18. Dispute Resolution. Any dispute, controversy, claim or other matter arising out of or relating to the negotiation, execution, delivery or performance of this Agreement, or the breach thereof, shall be settled as provided in Section 10.4 above.

Signature Page Follows



AMERICAN RESORT MANAGEMENT, LLC

IN WITNESS WHEREOF, the duly authorized representatives of the Owner and Manager have executed this Agreement effective as of the Effective Date.

AMERICAN RESORT MANAGEMENT LLC.

Date: _____

By: _____
Richard P. Coleman, CEO/Co-Founder

CITY OF FORT SMITH ARKANSAS

Date: _____

By: _____
Jeff Dingman, City Administrator

Attest:

City Clerk

SEBASTIAN COUNTY ARKANSAS

Date: _____

By: _____
Steve Hotz, County Judge



AMERICAN RESORT MANAGEMENT, LLC

Attachment A - Management Services Fee Schedule.

Compensation of Manager

In consideration for the services to be rendered by the Manager under this Agreement, the Owner agrees to pay the Manager management fees by the 5th of each month following the month service is rendered.

- Base Management Fee
 - 5% Monthly Gross Revenues .

"Gross Revenues" shall mean all revenues, fees, rentals and receipts of every kind derived from operating the Waterpark and all departments and parts thereof, including, but not limited to, income (from both cash and credit transactions) revenues, fees, rentals and receipts from: admissions, rentals of facility, ancillary revenue center(s) income, telephone charges, stores, offices, exhibit or sales space of every kind; license, and rentals (not including gross receipts of licensees, lessees and concessionaires); income from vending machines; income from parking; admission fees; wholesale and retail sales of merchandise; service charges; and proceeds, if any, from business interruption or other loss of income insurance; provided, however, that Gross Revenues shall not include the following: gratuities paid to employees of the Waterpark; federal, state or municipal excise, sales or use taxes or any other taxes collected directly from customers, patrons or guests or included as part of the sales price of any rentals, goods or services; interest received or accrued with respect to funds in Advertising Accounts, the Reserve Accounts or the Operating Accounts of the Waterpark; any refunds, rebates, discounts and credits of a similar nature, given, paid or returned in the course of obtaining Gross Revenues or components thereof; or insurance proceeds (other than proceeds from business interruption or other loss of income insurance); condemnation proceeds (other than for a temporary taking), or revenues derived through sales of real estate.



AMERICAN RESORT MANAGEMENT, LLC

Schedule 8

Insurance to be Placed by Owner

**FACILITY
BUSINESS INTERRUPTION**



AMERICAN RESORT MANAGEMENT, LLC

Schedule 8.1

Insurance to be Placed by Manager

**GENERAL LIABILITY INSURANCE
WORKER'S COMPENSATION
EXCESS LIABILITY
PROFESSIONAL LIABILITY
BUSINESS AUTO
CRIME INSURANCE**



For property: Parrot Island Waterpark
As of 12/31/2026

Item	Period 1: 1/1/2025 - 1/31/2025	Period 2: 2/1/2025 - 2/28/2025	Period 3: 3/1/2025 - 3/31/2025	Period 4: 4/1/2025 - 4/30/2025	Period 5: 5/1/2025 - 5/31/2025	Period 6: 6/1/2025 - 6/30/2025	Period 7: 7/1/2025 - 7/31/2025	Period 8: 8/1/2025 - 8/31/2025	Period 9: 9/1/2025 - 9/30/2025	Period 10: 10/1/2025 - 10/31/2025	Period 11: 11/1/2025 - 11/30/2025	Period 12: 12/1/2025 - 12/31/2025	YTD Budget
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EXECUTIVE SUMMARY

TOTAL PARK ADMISSIONS	0	0	0	0	12,200	40,332	39,857	19,068	5,240	0	0	0	116,697
TOTAL REVENUE	473	473	3,075	104,540	391,537	744,737	690,500	288,067	74,759	1,223	15,500	20,000	2,334,884
TOTAL EXPENSES	53,824	62,632	82,714	151,674	320,631	500,024	514,455	301,290	138,585	52,698	58,881	51,303	2,288,712
NET GAIN / (LOSS)	(53,351)	(62,159)	(79,639)	(47,134)	70,906	244,713	176,045	(13,223)	(63,826)	(51,475)	(43,381)	(31,303)	46,172

PARK ADMISSIONS

Admissions - DayPass-InPark	0	0	0	0	1,750	7,166	8,429	4,229	1,348	0	0	0	22,922
Admissions - DayPass-Online	0	0	0	0	1,400	5,733	6,743	3,383	1,078	0	0	0	18,337
Admissions - DayPass-Group	0	0	0	0	245	1,003	1,180	592	189	0	0	0	3,209
Admissions - DayPass-Consignment	0	0	0	0	105	430	506	254	81	0	0	0	1,375
Admissions - SeasonPass	0	0	0	0	8,700	26,000	23,000	10,610	2,544	0	0	0	70,854
Admissions - Total	0	0	0	0	12,200	40,332	39,857	19,068	5,240	0	0	0	116,697

REVENUE BY DEPARTMENT

Waterpark Revenue (Net)	473	473	3,075	104,000	337,000	561,000	508,500	213,623	59,531	1,223	15,500	20,000	1,824,398
Food & Beverage Revenue	0	0	0	0	45,000	163,000	165,000	65,000	12,026	0	0	0	450,026
Gift Shop & Rental Revenue	0	0	0	540	9,537	20,737	17,000	9,444	3,202	0	0	0	60,460
Total Department Revenue	473	473	3,075	104,540	391,537	744,737	690,500	288,067	74,759	1,223	15,500	20,000	2,334,884

EXPENSES BY DEPARTMENT

Waterpark Expenses	2,235	2,735	16,568	51,820	157,460	195,935	213,347	125,055	54,534	2,235	2,235	2,235	826,393
Food & Beverage Expenses	0	0	10	3,065	26,803	114,044	97,928	52,326	15,183	0	10	0	309,369
Gift Shop Expenses	0	0	7,500	7,500	1,715	2,859	2,859	1,715	858	0	0	0	25,006
Total Department Expenses	2,235	2,735	24,078	62,385	185,978	312,837	314,134	179,096	70,575	2,235	2,245	2,235	1,160,767

Department Income

Department Income	(1,762)	(2,262)	(21,003)	42,155	205,559	431,900	376,366	108,971	4,184	(1,012)	13,255	17,765	1,174,117
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Undistributed Operating Expenses

Sales & Marketing	3,117	3,924	5,446	9,948	24,435	36,323	50,745	22,282	6,766	3,317	5,378	5,478	177,160
Administration & General	30,076	31,027	32,742	36,554	45,604	54,662	59,719	51,260	40,562	34,703	39,668	31,875	488,453
Maintenance	9,496	15,996	11,323	33,742	34,812	23,829	20,087	13,796	11,662	10,232	8,665	8,565	202,206
Utilities	2,150	2,199	2,375	3,818	10,225	35,136	35,070	20,453	5,282	2,150	2,150	2,150	123,158
Total Undistributed Operating	44,839	53,147	51,887	84,062	115,076	149,950	165,621	107,791	64,273	50,402	55,861	48,068	990,977

Gross Operating Profit

Gross Operating Profit	(46,601)	(55,409)	(72,889)	(41,907)	90,483	281,950	210,745	1,181	(60,088)	(51,414)	(42,606)	(30,303)	183,140
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Other Income / (Expense)

Management Fees	(6,750)	(6,750)	(6,750)	(5,227)	(19,577)	(37,237)	(34,525)	(14,403)	(3,738)	(61)	(775)	(1,000)	(136,793)
Fixed Costs	0	0	0	0	0	0	(175)	0	0	0	0	0	(175)
Other Income	0	0	0	0	0	0	0	0	0	0	0	0	0

EBITDA

EBITDA	(53,351)	(62,159)	(79,639)	(47,134)	70,906	244,713	176,045	(13,223)	(63,826)	(51,475)	(43,381)	(31,303)	46,172
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Interest, Taxes, & Reserves	0	0	0	0	0	0	0	0	0	0	0	0	0
NET INCOME	(53,351)	(62,159)	(79,639)	(47,134)	70,906	244,713	176,045	(13,223)	(63,826)	(51,475)	(43,381)	(31,303)	46,172

WATERPARK DEPARTMENT

Waterpark Revenue:

Season Passes - Sold in Park	0	0	315	21,000	83,000	12,000	21,000	7,000	3,000	0	500	3,000	150,815
Season Passes - Sold Online	473	473	1,260	65,000	95,000	94,000	24,000	1,623	6,781	473	15,000	17,000	321,083
Day Passes - Sold in Park	0	0	0	0	82,000	315,000	345,000	82,000	25,000	0	0	0	849,000

Dav Passes - Sold Online	0	0	0	0	35,000	40,000	25,000	60,000	17,000	0	0	0	177,000
Dav Passes - Birthdays	0	0	0	0	8,000	20,000	30,000	10,500	1,500	0	0	0	70,000
Dav Passes - Group Sales	0	0	0	0	8,000	13,000	15,000	12,000	0	0	0	0	48,000
Dav Passes - Consignment Accounts	0	0	0	0	1,000	4,000	5,000	2,000	250	0	0	0	12,250
Facility Use Fee	0	0	0	0	5,000	28,000	15,000	25,000	3,000	0	0	0	76,000
Rentals - Cabana	0	0	0	0	5,000	30,000	25,000	10,000	3,000	750	0	0	73,750
Sponsorship Contracts	0	0	1,500	18,000	15,000	5,000	3,500	3,500	0	0	0	0	46,500
Total Waterpark Revenue	473	473	3,075	104,000	337,000	561,000	508,500	213,623	59,531	1,223	15,500	20,000	1,824,398

Net Waterpark Revenue	473	473	3,075	104,000	337,000	561,000	508,500	213,623	59,531	1,223	15,500	20,000	1,824,398
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Waterpark Payroll & Related

Director Salaries	0	0	0	0	0	0	0	0	0	0	0	0	0
Manager Salaries	0	0	2,000	4,000	4,000	4,000	4,000	4,000	4,000	0	0	0	26,000
Wages - Aquatics	0	0	3,600	8,604	74,365	91,358	101,323	70,656	24,525	0	0	0	374,431
Wages - Park Services	0	0	1,900	2,900	4,411	13,000	19,000	7,546	1,500	0	0	0	50,257
Wages - Birthday & Cabana Activities	0	0	0	0	2,400	13,000	13,000	7,600	2,000	0	0	0	38,000
Wages - Guest Services	0	0	1,500	5,300	13,000	21,000	30,000	8,500	6,900	0	0	0	86,200
FICA - WP	0	0	689	1,592	7,510	10,890	12,800	7,520	2,978	0	0	0	43,979
FUTA - WP	0	0	581	1,344	6,101	8,955	10,567	6,109	2,274	0	0	0	35,932
SUTA - WP	0	0	63	146	687	997	1,171	688	272	0	0	0	4,024
Health Insurance - WP	0	0	0	0	0	0	0	0	0	0	0	0	0
Worker's Comp - WP	2,235	2,235	2,235	2,235	2,235	2,235	2,235	2,235	2,235	2,235	2,235	2,235	26,820
401K Match - WP	0	0	0	0	0	0	0	0	0	0	0	0	0
Employee Uniforms	0	0	0	200	16,000	2,000	2,000	100	350	0	0	0	20,650
Employee Training Costs	0	500	0	0	4,000	5,000	4,000	100	1,500	0	0	0	15,100
Employee Training & Uniforms	0	0	0	0	0	0	0	0	0	0	0	0	0
Employee Training & Uniform Cost	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Waterpark Payroll & Related	2,235	2,735	12,568	26,320	134,710	172,435	200,097	115,055	48,534	2,235	2,235	2,235	721,393

Other Waterpark Operating

Ticketing - Supplies & Costs	0	0	0	15,000	0	0	0	0	0	0	0	0	15,000
Tubes & Other Flotation	0	0	0	0	10,000	0	0	0	0	0	0	0	10,000
Safety Equipment	0	0	0	2,000	1,000	0	0	0	0	0	0	0	3,000
First Aid Supplies	0	0	0	500	750	500	250	0	0	0	0	0	2,000
Chemicals & Water Conditioning	0	0	4,000	8,000	11,000	23,000	13,000	10,000	6,000	0	0	0	75,000
Total Waterpark Other	0	0	4,000	25,500	22,750	23,500	13,250	10,000	6,000	0	0	0	105,000

Total Waterpark Department	2,235	2,735	16,568	51,820	157,460	195,935	213,347	125,055	54,534	2,235	2,235	2,235	826,393
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Waterpark Department Net	(1,762)	(2,262)	(13,493)	52,180	179,540	365,065	295,153	88,568	4,997	(1,012)	13,265	17,765	998,005
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FOOD & BEVERAGE DEPARTMENT

Food & Beverage Revenues

Food Sales	0	0	0	0	37,000	128,000	130,000	50,000	9,073	0	0	0	354,073
Restaurant - Bev Sales	0	0	0	0	8,000	35,000	35,000	15,000	2,953	0	0	0	95,953
Beer&Wine- Sales	0	0	0	0	0	0	0	0	0	0	0	0	0
F&B Gross Revenue	0	0	0	0	45,000	163,000	165,000	65,000	12,026	0	0	0	450,026
F&B Net Revenue	0	0	0	0	45,000	163,000	165,000	65,000	12,026	0	0	0	450,026

Cost of Sales - Food-20	0	0	0	0	11,840	40,960	41,600	16,000	2,903	0	0	0	113,303
Cost of Sales - Beverage-20	0	0	0	0	2,560	11,200	11,200	4,800	945	0	0	0	30,705
Cost of Sales - Beer&Wine	0	0	0	0	0	0	0	0	0	0	0	0	0
Total F&B COS	0	0	0	0	14,400	52,160	52,800	20,800	3,848	0	0	0	144,008

F&B Gross Margin	0	0	0	0	30,600	110,840	112,200	44,200	8,178	0	0	0	306,018
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F&B Payroll & Related

Managers-Restaurant	0	0	0	0	0	0	0	0	0	0	0	0	0
Wages - Food & Beverage	0	0	0	900	9,000	34,000	34,000	25,000	8,500	0	0	0	111,400
401k-Match	0	0	0	0	0	0	0	0	0	0	0	0	0
FICA-Restaurant	0	0	0	0	1,130	3,042	3,042	2,430	1,107	0	0	0	10,752
Fed Unemployment Taxes-Restaurant	0	0	0	0	954	2,569	2,116	1,636	598	0	0	0	7,873
State Unemployment-Restaurant	0	0	0	0	103	278	278	222	101	0	0	0	984
Worker's Comp-Restaurant	0	0	0	0	403	403	403	403	403	0	0	0	2,015
Total F&B Payroll & Related	0	0	0	900	11,590	40,293	39,840	29,692	10,709	0	0	0	133,024

F&B Other Operating Expenses

Cleaning Supplies-Restaurant	0	0	0	165	0	245	1,000	0	50	0	0	0	1,460
Disposable Supplies-Restaurant	0	0	0	0	0	629	3,324	1,134	175	0	0	0	5,262
Menus-Restaurant	0	0	0	0	150	0	0	0	0	0	0	0	150
Utensils and Supplies-Restaurant	0	0	0	0	178	147	0	0	0	0	0	0	325
Operating Taxes & Licenses-	0	0	10	0	35	0	0	0	0	0	10	0	55
Music and Entertainment-Restaurant	0	0	0	0	450	20,000	450	450	400	0	0	0	21,750
Restaurant Equipment-Restaurant	0	0	0	0	0	70	14	0	0	0	0	0	84
Kitchen Fuel-Restaurant	0	0	0	2,000	0	500	500	250	0	0	0	0	3,250
Equipment Rental-Restaurant	0	0	0	0	0	0	0	0	0	0	0	0	0
Equipment Transportation-Restaurant	0	0	0	0	0	0	0	0	0	0	0	0	0
Meals and Entertainment-Restaurant	0	0	0	0	0	0	0	0	0	0	0	0	0
Temporary Help-Restaurant	0	0	0	0	0	0	0	0	0	0	0	0	0
Total F&B Other Operating	0	0	10	2,165	813	21,591	5,288	1,834	625	0	10	0	32,336

Total F&B Department Expenses	0	0	10	3,065	26,803	114,044	97,928	52,326	15,183	0	10	0	309,369
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F&B Department Net	0	0	(10)	(3,065)	18,197	48,956	67,072	12,674	(3,157)	0	(10)	0	140,657
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GIFT SHOP & RENTAL DEPARTMENT**Gift Shop & Rental Revenues**

Sales - Gift Shop Merchandise	0	0	0	540	7,037	15,737	12,000	5,944	1,702	0	0	0	42,960
Rentals - Lockers	0	0	0	0	2,500	5,000	5,000	3,500	1,500	0	0	0	17,500
Total Gift Shop & Rental	0	0	0	540	9,537	20,737	17,000	9,444	3,202	0	0	0	60,460

Cost of Sales - Gift Shop	0	0	7,500	7,500	0	0	0	0	0	0	0	0	15,000
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Gift Shop Payroll & Related

Wages - Gift Shop	0	0	0	0	1,500	2,500	2,500	1,500	750	0	0	0	8,750
FICA - Gift Shop	0	0	0	0	115	191	191	115	57	0	0	0	669
FUTA - Gift Shop	0	0	0	0	90	150	150	90	45	0	0	0	525
State UE - Gift Shop	0	0	0	0	11	18	18	11	5	0	0	0	61
Total Gift Shop Payroll &	0	0	0	0	1,715	2,859	2,859	1,715	858	0	0	0	10,006

Total Gift Shop Department	0	0	7,500	7,500	1,715	2,859	2,859	1,715	858	0	0	0	25,006
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Total Gift Shop Net Income	0	0	(7,500)	(6,960)	7,822	17,878	14,141	7,729	2,344	0	0	0	35,454
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SALES & MARKETING DEPARTMENT**Marketing Expenses:**

Prep, Prod. & Copy-Advertising	0	0	0	0	0	0	0	0	0	0	0	0	0
Directories-Advertising	0	0	0	0	0	0	0	0	0	0	0	0	0
Yellow Pages-Advertising	0	0	0	0	0	0	0	0	0	0	0	0	0
Exit-Info guide-Advertising	0	0	0	0	0	0	0	0	0	0	0	0	0
Directories - Other-Advertising	0	0	0	0	0	0	0	0	0	0	0	0	0
Print Media (Prior Year)-Advertising	0	0	0	0	0	0	0	0	0	0	0	0	0
Interstate Travel-Advertising	0	0	0	0	0	0	0	0	0	0	0	0	0
Newspapers - Other-Advertising	0	0	0	0	0	0	0	0	0	0	0	0	0
Golden Years Magazine-Advertising	0	0	0	0	0	0	0	0	0	0	0	0	0
Airline/In-Flight Magazine-Advertising	0	0	0	0	0	0	0	0	0	0	0	0	0
Chamber of Commerce-Advertising	0	0	0	0	0	0	0	0	0	0	0	0	0
CVB Guides-Advertising	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Magazines-Advertising	0	0	0	0	0	0	0	0	0	0	0	0	0
Billboards Rent/Production-	0	0	0	0	1,200	3,200	6,000	3,200	0	0	600	600	14,800
Brochures-Advertising	0	0	0	0	3,000	0	0	0	0	0	0	0	3,000
Flyers/Self-Mailers-Advertising	0	0	0	0	0	2,000	7,000	0	0	0	0	0	9,000
Brochure Distribution-Advertising	0	0	0	0	275	275	275	275	0	0	0	0	1,100
Photography-Advertising	0	0	0	0	0	2,000	0	0	0	0	0	0	2,000
Web advertising	0	0	0	500	1,000	4,650	8,000	2,900	0	0	1,000	1,000	19,050
TV/Radio-Advertising	0	0	0	0	1,100	4,700	8,000	3,950	600	0	0	0	18,350
Advertising Other-Advertising	0	0	250	250	500	500	500	250	250	0	0	0	2,500
Meeting Kits-Advertising	0	0	0	0	500	1,500	0	0	0	0	0	0	2,000

Flyers-Advertising	0	0	0	0	400	400	400	400	0	0	0	0	1,600
Production Fees	0	0	0	0	1,800	1,800	4,000	550	0	0	0	0	8,150
Local/Misc. Advertising-Advertising	0	0	0	0	1,400	584	0	0	0	0	0	0	1,984
Agency Fees-Advertising	450	450	750	2,500	3,250	5,000	8,000	3,250	450	450	650	750	25,950
Total Marketing Expenses	450	450	1,000	3,250	14,425	26,609	42,175	14,775	1,300	450	2,250	2,350	109,484

Sales Payroll & Related

Directors-Sales -year round	2,097	2,097	2,097	2,516	3,145	3,495	3,495	3,495	3,145	2,097	2,500	2,500	32,679
Managers-Sales	0	400	1,250	2,800	2,000	2,200	2,800	2,500	1,400	0	0	0	15,350
Sales Representative-Sales	0	0	0	0	0	0	0	0	0	0	0	0	0
Corp Coordinator-Sales	0	0	0	0	0	0	0	0	0	0	0	0	0
Group Coordinator-Sales	0	0	0	0	0	0	0	0	0	0	0	0	0
Office Staff-Sales	0	0	0	0	0	0	0	0	0	0	0	0	0
Training-Sales	0	0	0	0	0	0	0	0	0	0	0	0	0
Bonus-Sales	0	0	0	0	0	0	0	0	0	0	0	0	0
Commissions-Sales	0	0	0	0	0	0	0	0	0	0	0	0	0
Special Pay-Sales	0	0	0	0	0	0	0	0	0	0	0	0	0
Holiday Pay-Sales	0	0	0	0	0	0	0	0	0	0	0	0	0
Vacation Pay-Sales	0	0	0	0	0	0	0	0	0	0	0	0	0
Sick Pay-Sales	0	0	0	0	0	0	0	0	0	0	0	0	0
FICA-Sales	160	191	256	407	394	436	482	459	348	160	191	191	3,674
Fed Unemployment Taxes-Sales	126	150	201	319	309	342	378	360	273	126	150	150	2,882
State Unemployment-Sales	15	17	23	37	36	40	44	42	32	15	18	18	336
Health Insurance-Sales	0	0	0	0	0	0	0	0	0	0	0	0	0
Worker's Comp-Sales	94	94	94	94	94	94	94	94	94	94	94	94	1,128
Employee Meals-Sales	0	0	0	0	0	0	0	0	0	0	0	0	0
401-K Match-Sales	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Benefits-Sales	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Sales Payroll & Related	2,492	2,949	3,921	6,173	5,977	6,606	7,292	6,949	5,291	2,492	2,953	2,953	56,049

Other Sales Operating Expenses

Office Supplies-Sales	25	25	25	25	300	300	50	25	25	25	25	25	875
Printing & Stationary-Sales	0	0	0	0	0	0	0	0	0	0	0	0	0
Uniforms-Sales	0	0	0	0	0	0	0	0	0	0	0	0	0
Postage - Routine Office-Sales	0	0	0	0	0	0	0	0	0	200	0	0	200
Equipment Rental-Sales	0	0	0	0	250	250	500	0	0	0	0	0	1,000
Telephone-Sales	0	0	0	0	0	0	0	0	0	0	0	0	0
Travel-Sales	75	75	75	75	75	75	75	75	75	75	75	75	900
Meals and Entertainment-Sales	0	0	0	0	333	333	333	333	0	0	0	0	1,332
Relocation Expense-Sales	0	0	0	0	0	0	0	0	0	0	0	0	0
Temporary Help-Sales	0	0	0	0	0	0	0	0	0	0	0	0	0
Dues & Subscriptions-Sales	0	0	0	0	3,000	2,000	100	0	0	0	0	0	5,100
AV Rental-Sales	0	0	0	0	0	0	0	0	0	0	0	0	0
Conference & Seminars-Sales	0	0	0	0	0	0	0	0	0	0	0	0	0
Trade Shows-Sales	0	0	0	0	0	0	0	0	0	0	0	0	0
Training Aids-Sales	0	0	0	0	0	0	0	0	0	0	0	0	0
Advertising, Bus. Promo In-Sales	0	350	350	350	0	0	0	0	0	0	0	0	1,050
Bus. Meals & Ent. - Outside-Sales	0	0	0	0	0	0	0	0	0	0	0	0	0
Contributions-Sales	0	0	0	0	0	0	0	0	0	0	0	0	0
Public Relations-Sales	0	0	0	0	0	75	50	50	0	0	0	0	175
Guest Relations-Sales	0	0	0	0	0	0	0	0	0	0	0	0	0
Employee Relations-Sales	0	0	0	0	0	0	0	0	0	0	0	0	0
Guest Amenities-Sales	0	0	0	0	0	0	95	0	0	0	0	0	95
Promo Other-Sales	0	0	0	0	0	0	0	0	0	0	0	0	0
Gift Certificates-Sales	0	0	0	0	0	0	0	0	0	0	0	0	0
CAP Program-Sales	0	0	0	0	0	0	0	0	0	0	0	0	0
Package Coupons-Sales	0	0	0	0	0	0	0	0	0	0	0	0	0
FD & Bev Coupons-Sales	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Operating Expense-Sales	75	75	75	75	75	75	75	75	75	75	75	75	900
Total Sales Other Operating	175	525	525	525	4,033	3,108	1,278	558	175	375	175	175	11,627

Total Sales Expenses	2,667	3,474	4,446	6,698	10,010	9,714	8,570	7,507	5,466	2,867	3,128	3,128	67,676
Total Sales & Marketing Expenses	3,117	3,924	5,446	9,948	24,435	36,323	50,745	22,282	6,766	3,317	5,378	5,478	177,160

ADMINISTRATION & GENERAL

Payroll & Related

Executives-A&G	0	0	0	0	0	0	0	0	0	0	0	0	0
GM-A&G-YEAR ROUND	6,833	6,833	6,833	6,833	6,833	6,833	6,833	6,833	6,833	6,833	6,833	6,833	81,996
AGM-A&G	6,416	6,416	6,416	6,416	6,416	6,416	6,416	6,416	6,416	6,416	6,416	6,416	76,992
Office Staff-A&G	0	0	600	800	1,500	3,800	2,100	600	0	0	0	0	12,900
Personnel Management-A&G	0	0	0	0	0	0	0	0	0	0	0	0	0
Training-A&G	0	0	0	0	0	0	0	0	0	0	0	0	0
Security-A&G	0	0	0	0	0	0	0	0	0	0	0	0	0
Bonus & Commission-A&G	0	0	0	0	0	0	0	0	0	0	0	0	0
Holiday Pay-A&G	0	0	0	0	0	0	0	0	0	0	0	0	0
Vacation Pay-A&G	0	0	0	0	0	0	0	0	0	0	0	0	0
401k-Match	753	753	753	753	753	753	753	753	753	753	753	753	9,036
FICA-A&G	1,071	1,071	1,117	1,132	1,186	1,362	1,339	1,232	1,117	1,071	1,071	1,071	13,841
Fed Unemployment Taxes-A&G	840	840	466	478	520	658	640	556	466	430	430	430	6,756
State Unemployment-A&G	98	98	102	104	109	125	123	113	102	98	98	98	1,266
Health Insurance-A&G	593	617	1,106	828	788	817	659	1,570	630	545	560	545	9,258
Worker's Comp-A&G	327	327	327	327	327	327	327	327	327	327	327	327	3,924
Employee Meals-A&G	0	0	0	0	0	0	0	0	0	0	0	0	0
401-K Match-A&G	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Benefits-A&G	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Admin Payroll & Related	16,931	16,955	17,720	17,671	18,432	21,091	20,590	19,900	17,244	16,473	16,488	16,473	215,969

Other Administrative Expenses

Office Supplies-A&G	50	50	50	100	100	50	50	50	100	50	50	100	800
Printing & Stationary-A&G	247	247	247	247	247	344	348	247	247	175	175	247	3,018
Operating Expense-A&G	0	0	0	0	0	0	0	0	0	0	0	0	0
Uniforms-A&G	0	0	0	0	0	0	0	0	0	0	0	0	0
Postage - Routine Office-A&G	0	50	0	50	100	50	50	50	50	50	0	100	550
Overnight Express-A&G	0	0	0	31	40	0	54	0	0	0	0	0	125
Operating Taxes & Licenses-A&G	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Taxes & Licenses-A&G	0	0	0	0	0	0	0	0	0	0	0	0	0
Security Services-A&G	0	0	0	0	2,500	5,000	5,000	4,500	2,500	0	0	0	19,500
Music Service	0	0	0	0	480	480	480	0	0	0	0	0	1,440
Equipment Rental-A&G	0	0	0	0	0	0	0	0	0	0	0	0	0
Plant Rental-A&G	0	0	0	0	0	0	0	0	0	0	0	0	0
Reader Board-A&G	0	0	0	0	0	0	0	0	0	0	0	0	0
Storage-A&G	0	0	0	0	0	0	0	0	0	0	0	0	0
Armored Car Services-A&G	0	0	0	0	500	500	500	366	366	0	0	0	2,232
Outside Computer Service-A&G	0	0	0	0	0	0	0	0	0	0	0	0	0
Telephone-A&G	300	300	300	300	300	300	300	300	300	300	300	300	3,600
Travel -A&G	0	0	0	2,000	1,000	0	2,000	0	1,000	0	3,000	0	9,000
Meals and Entertainment-A&G	0	0	0	0	500	0	0	0	0	1,000	1,000	0	2,500
Training & Development-A&G	0	0	0	0	0	0	0	0	0	0	0	0	0
Employee Relations-A&G	0	0	0	250	0	500	500	500	100	0	0	0	1,850
Guest Relations-A&G	0	0	0	0	0	0	0	0	0	0	0	0	0
Relocation Expense-A&G	0	0	0	0	0	0	0	0	0	0	0	0	0
Help Wanted Ads-A&G	0	0	0	0	0	0	0	0	0	0	0	0	0
Temporary Help-A&G	0	0	0	0	0	0	0	0	0	0	0	0	0
Outside Payroll Service-A&G	500	1,500	1,500	2,000	6,000	5,000	6,000	3,000	1,500	2,500	2,500	500	32,500
Employment Agency Fee-A&G	0	0	0	0	0	0	0	0	0	0	0	0	0
Credit and Collections-A&G	0	0	0	0	0	0	0	0	0	0	0	0	0
Loss/Damage-A&G	0	0	0	0	0	442	442	442	0	0	0	0	1,326
Cash O/S-A&G	0	0	0	0	0	0	0	0	0	0	0	0	0
Bad Debt-A&G	0	0	0	0	0	0	0	0	0	0	0	0	0
Credit Card Fees-A&G	0	0	1,000	1,500	2,000	6,000	10,000	9,000	5,000	2,000	500	2,000	39,000
Bank Fees-A&G	100	100	100	100	100	100	100	100	100	100	100	100	1,200
Centralized Accounting-A&G	255	255	255	255	255	255	255	255	255	255	255	255	3,060
Professional Fees-A&G	0	0	0	0	0	0	0	0	0	0	0	0	0
Legal Fees-A&G	0	0	0	0	0	0	0	0	0	0	0	0	0
Accounting Fees-A&G	0	0	0	0	0	0	0	0	0	0	0	0	0
Information Technology-A&G	250	250	250	250	250	250	250	250	250	250	250	250	3,000
Insurance General-A&G	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	120,000
Insurance - EPLI / Crime	400	400	400	400	400	400	400	400	400	400	400	400	4,800
Office Lease-A&G	0	0	0	0	0	0	0	0	0	0	0	0	0
Dues & Subscriptions-A&G	900	900	900	900	900	900	900	900	900	900	900	900	10,800
Conference & Seminars-A&G	0	0	0	0	0	0	0	0	0	0	3,500	0	3,500
Other Operating Expense-A&G	143	20	20	500	1,500	3,000	1,500	1,000	250	250	250	250	8,683
Total Other Administrative	13,145	14,072	15,022	18,883	27,172	33,571	39,129	31,360	23,318	18,230	23,180	15,402	272,484
Total Administrative Expenses	30,076	31,027	32,742	36,554	45,604	54,662	59,719	51,260	40,562	34,703	39,668	31,875	488,453

MAINTENANCE EXPENSES

Payroll & Related

Directors-Maintenance	0	0	0	0	0	0	0	0	0	0	0	0	0
Chief Engineer-Maintenance -YEAR ROUND	4,684	4,684	4,684	4,684	4,684	4,684	4,684	4,684	4,684	4,684	4,684	4,684	56,208
Asst. Chief Engineer-Maintenance	0	0	1,100	2,800	4,300	4,600	4,100	3,000	1,400	1,400	0	0	22,700
R&M Waqes-Maintenance	0	0	0	0	0	0	0	0	0	0	0	0	0
Training-Maintenance	0	0	0	0	0	0	0	0	0	0	0	0	0
Bonus & Commission-Maintenance	0	0	0	0	0	0	0	0	0	0	0	0	0
Special Pay-Maintenance	0	0	0	0	0	0	0	0	0	0	0	0	0
Holiday Pay-Maintenance	0	0	0	0	0	0	0	0	0	0	0	0	0
Vacation Pay-Maintenance	0	0	0	0	0	0	0	0	0	0	0	0	0
Sick Pay-Maintenance	0	0	0	0	0	0	0	0	0	0	0	0	0
FICA-Maintenance	358	358	442	573	687	710	672	588	465	465	358	358	6,036
Fed Unemployment Taxes-	281	281	66	168	258	0	0	0	0	0	0	0	1,054
State Unemployment-Maintenance	33	33	40	52	63	65	61	54	43	43	33	33	552
Health Insurance-Maintenance	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	14,400
Worker's Comp-Maintenance	280	280	280	280	280	280	280	280	280	280	280	280	3,360
Employee Meals-Maintenance	0	0	0	0	0	0	0	0	0	0	0	0	0
401-K Match-Maintenance	225	225	225	225	225	225	225	225	225	225	225	225	2,700
Other Benefits-Maintenance	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Maintenance Payroll &	7,061	7,061	8,038	9,982	11,697	11,764	11,222	10,031	8,297	8,297	6,780	6,780	107,011

Other Maintenance Expenses

Cleaning Supplies & Chemical-Printing & Stationary-Maintenance	0	0	0	500	2,500	3,000	2,000	1,000	500	0	0	0	9,500
Uniforms-Maintenance	0	0	0	0	0	0	0	0	0	0	0	0	0
Outside Cleaning-Maintenance	0	0	0	0	0	0	0	0	0	0	0	0	0
Equipment Rental-Maintenance	0	0	0	500	0	0	0	0	500	0	0	0	1,000
Telephones-Maintenance	0	0	0	0	0	0	0	0	0	0	0	0	0
Tools & Equipment-Maintenance	500	0	0	100	100	250	250	250	100	100	100	100	1,850
Light Bulbs	0	0	0	0	2,500	0	0	0	0	0	0	0	2,500
Van Fuel-Maintenance	0	0	0	75	50	50	50	50	50	0	0	0	325
Repairs & Maint - Equipment	100	250	500	5,000	2,500	1,500	500	250	250	250	100	100	11,300
Service Contracts-Maintenance	0	0	0	0	0	0	0	0	0	0	0	0	0
Building-Maintenance	0	0	0	0	0	0	0	0	0	0	0	0	0
Roof Repair-Maintenance	0	0	0	0	0	0	0	0	0	0	0	0	0
Painting & Interior-Maintenance	250	0	0	10,000	0	0	0	0	0	0	0	0	10,250
Furniture & Fixtures-Maintenance	0	7,100	0	0	0	0	0	0	0	0	0	0	7,100
Office Equipment-Maintenance	0	0	0	0	0	0	0	0	0	0	0	0	0
Laundry Equipment-Maintenance	0	0	0	0	0	0	0	0	0	0	0	0	0
Restaurant Equipment-Maintenance	0	0	0	0	0	0	0	0	0	0	0	0	0
Computer Hardware-Maintenance	0	0	0	0	0	0	0	0	0	0	0	0	0
Television-Maintenance	0	0	0	0	0	0	0	0	0	0	0	0	0
Plumbing-Maintenance	0	0	1,000	250	0	1,000	250	0	0	0	0	0	2,500
Electrical & Mechanical-Maintenance	0	0	0	2,500	100	500	500	100	100	0	0	0	3,800
Locks & Keys-Maintenance	0	0	0	50	100	100	50	0	0	0	100	0	400
Refrigeration-Maintenance	0	0	0	0	100	250	100	0	0	0	0	0	450
HVAC-Maintenance	0	0	0	500	0	250	250	250	0	0	0	0	1,250
Floor Covering-Maintenance	0	0	0	0	0	0	0	0	0	0	0	0	0
Window Cleaning-Maintenance	0	0	0	0	0	0	0	0	0	0	0	0	0
Trash Removal-Maintenance	0	0	0	0	0	0	0	0	0	0	0	0	0
Pest Control-Maintenance	85	85	85	85	165	165	165	165	165	85	85	85	1,420
Fire & Safety-Maintenance	0	0	0	0	0	0	0	0	0	0	0	0	0
Sewage and Well-Maintenance	0	0	0	0	0	0	0	0	0	0	0	0	0
Grounds/Landscaping-Maintenance	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000
Signs-Maintenance	0	0	0	2,500	0	0	0	0	0	0	0	0	2,500
Parking Lot Repair-Maintenance	0	0	0	0	1,000	0	0	0	0	0	0	0	1,000
Pool-Maintenance	0	0	0	0	10,500	1,500	1,250	0	0	0	0	0	13,250
Temporary Help-Maintenance	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Operating Expense-	0	0	200	200	2,000	2,000	2,000	200	200	0	0	0	6,800
Total Other Maintenance	2,435	8,935	3,285	23,760	23,115	12,065	8,865	3,765	3,365	1,935	1,885	1,785	95,195
Total Maintenance Expenses	9,496	15,996	11,323	33,742	34,812	23,829	20,087	13,796	11,662	10,232	8,665	8,565	202,206

Utilities													
Gas-Utilities	50	50	50	50	300	500	150	63	50	50	50	50	1,413
Electricity-Utilities	2,000	2,000	2,000	2,000	4,489	30,000	28,660	15,130	2,000	2,000	2,000	2,000	94,279
Sewer & Water-Utilities	100	149	325	1,768	5,436	4,636	6,260	5,260	3,232	100	100	100	27,466
Waste Disposal	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Utilities	2,150	2,199	2,375	3,818	10,225	35,136	35,070	20,453	5,282	2,150	2,150	2,150	123,158

Management Fees													
Management Fee-Fixed	6,750	6,750	6,750	5,227	19,577	37,237	34,525	14,403	3,738	61	775	1,000	136,793
Incentive Fees-Fixed	0	0	0	0	0	0	0	0	0	0	0	0	0
Guarantee Fees-Fixed	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Management Fees	0	6,750	6,750	5,227	19,577	37,237	34,525	14,403	3,738	61	775	1,000	130,043