

Executive Summary

Previous Solution:

- QuickBooks

Results with Sage Intacct:

- Saved \$140,000 in anticipated salary costs
- Shortened monthly closes by 20 days
- Cut several days of manual work every month
- Saved \$250,000 in EBITDA value

“As a result of all our productivity improvements, my team has been able to keep up with Mountainside’s expansion without adding the 5-6 employees we originally anticipated – saving us of approximately \$140,000 in corporate payroll costs.”

–Tracy Taylor, CFO,
Mountainside Fitness

Gaining Support for Multiple Club Locations

Over the past two decades, Mountainside Fitness Centers expanded to eleven fitness centers and more than \$30 million in revenues. The company expects to double in size during the next two years, and recognized a need for a flexible and scalable financial management system. Mountainside’s previous QuickBooks accounting software couldn’t manage separate financials or produce cash flow reports for the organization’s multiple fitness clubs, and had virtually no financial controls.

In addition, the company managed its income with an industry-specific club management system called CSI Spectrum, which didn’t integrate with QuickBooks. As a result, Mountainside’s finance team was spending a full day each month hand-keying revenue details from CSI into a spreadsheet, checking balances, and then manually inputting journal entries into QuickBooks.

“We’re paving a path towards a \$100 million company, and in order to support this goal we knew we needed a powerful cloud-based financial management application,” said Tracy Taylor, CFO of Mountainside Fitness. “We ultimately chose Sage Intacct over NetSuite and Microsoft Dynamics because it was the most user-friendly, affordable system that provided deep financial capabilities.”

Improving Processes to Facilitate Future Growth

Sage Intacct now helps Mountainside easily manage and consolidate financials across 22 separate entities. Thanks to the system’s multi-entity architecture, the finance team can easily produce a full set of financials for each of its fitness clubs in half the time it took previously. The company has shortened its monthly close by at least twenty days, despite adding nine more locations since deploying Sage Intacct.

The system eliminated numerous spreadsheets that were previously used to manage budgeting, purchasing, and expenses across the club locations. Mountainside’s entire purchasing approval workflow is automated because all entities share the same vendor and customer records in Sage Intacct. This cuts in half the time that both club managers and corporate accounting spend tracking and approving POs and invoices, and allows for real-time feedback on spending and cash flow.

Using Sage Intacct's open integration framework, Mountainside downloads revenue data directly from CSI Spectrum into Sage Intacct, and imports payroll reports from its vendor's system within minutes of each payroll run. This saves days that the team used to spend hand keying data into its old accounting software every month. Now they can upload hundreds of invoices into the system in minutes, and managers can easily use Sage Intacct to drill-down into any transaction to research expense details, rather than requesting them from accounting.

Strengthening Strategic Decision-Making with Greater Insight

With the ability to view cash by entity, Mountainside can closely monitor the health of each club's cash flow and course-correct as needed. And the company also has greater visibility into the viability of new ventures. For example, it quickly saw that a new service selling advertising in clubs wasn't generating enough cash to warrant the effort, and made the decision to terminate the program, which saved the company approximately \$250,000 in EBITDA value.

"Sage Intacct's multi-dimensional general ledger allows us to capture the right information and have it at our fingertips at the right time," shared Taylor. "We can now slice and dice our expenses and revenues by location, by department, by vendor or by customer, and our managers can view a number of different reports that help them make better operational decisions for our future."

Mountainside's corporate executives can also see just the information they need via Sage Intacct dashboards with key performance indicators, which deliver more data-driven insights for reviewing or forecasting any segment of the business. For example, management can compare location-specific expenses to identify areas where the company might need to cut costs.

"Sage Intacct's amazing reporting capabilities let us look at so much more than just basic bookkeeping numbers," said Taylor. "The system allows us to bring in important non-financial data – like our active membership base and facility square footage – so we can see a holistic picture that includes key operational metrics like revenue per member or per square foot."

About Mountainside Fitness

Mountainside Fitness Centers is the largest locally owned health club chain in Arizona with 11 locations, 45,000 active members and 900 employees. Founded in 1991, Mountainside Fitness is the only health club ever physically located inside a professional sports arena – Chase Field, the home of the Arizona Diamondbacks.



www.sageintacct.com



877.437.7765



AICPA[®] Business Solutions
Preferred Provider of Financial Applications

sage Intacct