

Section III - Operations Analysis

Division I - Expenditures

Expenditures have been formulated based on the costs that are typically included in the operating budget for this type of facility. The figures are based on the size of the center, the specific components of the facility and the projected hours of operation. Actual costs were utilized wherever possible and estimates for other expenses were based on similar facilities in other areas of the west. All expenses were calculated as accurately as possible but the actual costs may vary based on the final design, operational philosophy, and programming considerations adopted by staff. The budget numbers also include figures for existing operations that will not be replaced with a new center.

Facility Description - Recreation center with a gymnasium, leisure and 6 lane lap pool, weight/cardiovascular area, track, group exercise room, childcare room, multi-purpose rooms with kitchen, lobby/lounge area, locker rooms and administrative area. **Approximately 52,000 sq.ft.**

Operation Cost Model:

<u>Category</u>	<u>Facility Budget</u>
<u>Personnel</u>	
Full-time	388,375
Part-time	552,413
Existing Pt. Time Program Staff	40,000
Total	\$980,788
 <u>Commodities</u>	
Office supplies (forms, paper, etc.)	8,000
Chemicals (pool/mech.)	16,000
Maint./repair/mat.	20,000
Janitor supplies	16,000
Rec. supplies	70,000
Uniforms & clothing	3,500
Printing/postage	15,000
Pro Shop	4,000

<u>Category</u>	<u>Facility Budget</u>
Other	3,000
Total	\$155,500
 <u>Contractual</u>	
Utilities* (gas & elec.)	169,000
Water/sewer	14,000
Insurance (prop.& liab.)	N/A
Communications (phone/computer)	10,000
Contract services**	20,000
Rent equip.	3,000
Advertising	5,000
Training (staff time)	4,000
Conference	3,000
Trash pickup	2,000
Dues and subscriptions	2,000
Scholarships	4,000
Bank charges (charge cards, EFT)	10,000
Other	3,000
Total	\$249,000
 <u>Capital</u>	
Replace. fund	\$15,000
 <u>Grand Total</u>	 \$1,400,288

Note: Line items not included in this budget are exterior site maintenance and vehicle costs. These items are being paid from other central sources.

* Rates are \$3.25 sq.ft. It should be noted that at the time of this report utility rates were very volatile and could result in a higher energy rate for the center once it opens.

** Contract services covers maintenance contracts, control systems work, and contract labor.

Staffing Levels:

<u>Positions</u>	<u>Facility Budget</u>
EXISTING FULL-TIME	
Recreation Director (\$56,000)	1
Assistant Director (\$45,000)	1
Office Clerk (\$29,500)	.50
NEW FULL-TIME	
Aqua/Facility Supervisor (\$45,000)	1
Recreation Coordinator (\$30,000)	1
Maintenance Supervisor (\$33,000)	1
Maintenance Worker (\$25,000)	2
Front Desk Supervisor (\$25,000)	1
Salaries	\$298,750
Benefits (30%)	\$89,625
Total	\$388,375
New F.T.E. (full-time equiv.)	6

Note: Pay rates were determined based on the existing job classifications and wage scales for the City of Claremont. The positions listed are the minimum necessary to ensure adequate staffing for the center's operation. **The wage scales for both the full-time and part-time staff positions reflect an anticipated wage for 2006. It is highly advisable that a portion of the existing full-time staff expenditures be assigned to the parks account to better reflect the actual time spent by budget account area.**

Positions	Facility Budget
PART-TIME	
Front Desk Attend. (\$9.00hr.)	200hrs/wk
Lifeguard (\$9.50hr.)	341hrs/wk
Aquatics Asst./Head Lifeguard (\$10.00hr.)	80hrs/wk
Gym Attendant* (\$8.50hr.)	37hrs/wk
Weight Room Attendant (\$8.50hr.)	83hrs/wk
Custodian (\$9.00hr.)	60hrs/wk
Baby-sitter (\$8.50hr.)	102hrs/wk
Program instructors**	
Aquatics (\$10.00hr.)	\$25,695
General (rates vary)	\$54,818
Salaries	\$502,194
Benefits (10%)	\$50,219
Total	\$552,413
Existing General Program Staff	\$40,000

* Position (and hours) is six months (26 weeks) only, due to heavier use of the facility during the winter months. This position will monitor gym and weight room usage.

** Program instructors are paid at several different pay rates and some are also paid per class or in other ways. This makes an hourly breakdown difficult. General programs consist of sports leagues, fitness, instructional classes and other such programs. Aquatics includes learn to swim, aqua fitness, and special classes.

Division II - Revenues

The following revenue projections were formulated from information on the specifics of the project and the demographics of the service area as well as comparing them to state and national statistics, other similar facilities and the competition for recreation services in the area. Actual figures will vary based on the size and make up of the components selected during final design, market stratification, philosophy of operation, fees and charges policy, and priorities of use.

Revenue Projection Model:

<u>Category</u>	<u>Facility Budget</u>
<u>Fees</u>	
Admissions	215,600
Multi. Admiss.	39,844
Annuals*	291,375
Corporate/Group	3,000
Rentals**	<u>20,000</u>
Total	\$569,819
<u>Programs***</u>	
Aquatics	38,000
General	82,500
Contract programs	5,000
Existing General Program Revenue	<u>119,000</u>
Total	\$244,500

<u>Category</u>	<u>Facility Budget</u>
<u>Other</u>	
Pro-shop	5,000
Spec. events	2,000
Vending	5,000
Baby-sitting	<u>20,000</u>
Total	\$37,000
<u>Grand Total</u>	\$851,319

* Figures are based on an active program to promote the sale of annual passes.

** Rentals are for the gym, pool and other areas.

*** Figures are based on assessing fees that are at least 50% higher than the total cost of operating the program. General programs consist of fitness, instructional classes and contractual programs. Aquatics includes learn to swim, aqua fitness, and other programs.

Division III - Expenditure - Revenue Comparison

Category	Facility Budget
Expenditures	\$1,400,288
Revenues	\$851,319
Difference	-\$548,969
Recovery %	61%

Note: Expenditure and revenue projections include existing budget amounts in these areas as well.

Future Years: Expenditure - Revenue Comparison: Expenses for the first year of operation of the center should be slightly lower than projected with the facility being under warranty and new. Revenue growth in the first three years is attributed to increased market penetration and in the remaining years to continued population growth. In most recreation facilities the first three years show tremendous growth from increasing the market share of patrons who use such facilities, but at the end of this time period revenue growth begins to flatten out. Additional revenue growth is then spurred through increases in the population within the market area, a specific marketing plan to develop alternative markets, the addition of new amenities or by increasing user fees.

This operations pro-forma was completed based on the best information available and a basic understanding of the project. However, there is no guarantee that the expense and revenue projections outlined above will be met as there are many variables that affect such estimates that either cannot be accurately measured or are not consistent in their influence on the budgetary process.

Division IV - Fees and Attendance

Projected Fee Schedule: The fee schedule has been figured utilizing an approximate 25% fee differential for non-resident usage of the center. Revenue projections and attendance numbers were calculated from this fee model. The monthly rate listed in parenthesis is the cost of an annual pass broken down into twelve equal payments and does not represent an additional form of admission.

Category	Daily		Multiple		Annual		(Monthly)
	Res./N.	Res.	Res./N.	Res.	Res./N.	Res.	Res./N. Res.
Adults	\$5.00	\$6.50	\$75.00	\$98.00	\$275.00	\$345.00	(\$23 \$29)
Youth (under 18)	\$3.00	\$4.00	\$45.00	\$60.00	\$150.00	\$190.00	(\$13 \$16)
Senior (60+)	\$3.00	\$4.00	\$45.00	\$60.00	\$150.00	\$190.00	(\$13 \$16)
Family*	N/A		N/A		\$500.00	\$625.00	(\$42 \$53)

* A family consists of 2 adults and up to 4 youth/children each additional adult would be \$150 for the annual. Each additional youth/child would be \$50 for an annual.

Corporate* 10% discount 5 or more mult./annuals
 15% discount 10 or more mult./annuals
 20% discount 15 or more mult./annuals
 * Available to businesses located within the area.

Rentals \$20/hr aerobics room/class room (if included in the facility)
 \$40/hr multi-purpose (per section, non-prime time)
 \$450/4hr multi-purpose (all three sections, 4 hour minimum, prime time)
 \$25/hr 1/2 gym
 \$50/hr full gym
 \$450/hr full facility

Leisure Pool	\$50/hr (0-50 persons) \$75/hr (51-100 persons) \$100/hr (101-150 persons)	6-Lane Pool	\$45/hr
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Baby-sitting \$2.00/per hour

Note: Multiple admissions are 20 admissions at a 25% discount. Annual passes require a monthly automatic withdrawal option from the holder's bank account to encourage sales.

Admission Rate Comparisons: The above rates were determined based on the competition in the area.

The Witherell Center

Standard Membership – pool, gym, locker rooms

	1 Month	3 Month	6 Month	Annual
Youth (3-Jr. High)	N/A	N/A	\$43	\$69
High School	N/A	N/A	\$65	\$104
Adult	\$45	\$121	\$216	\$345
Senior (62+)	\$32	\$87	\$155	\$248
Family (1 adult + kids)	\$48	\$135	\$233	\$373
Family (2 adults + kids)	\$83	\$234	\$403	\$645
<i>Add Preferred (PP)</i>	\$14	\$38	\$68	\$108

Preferred Membership – pool, gym, locker rooms, fitness, and aerobic classes

	1 Month	3 Month	6 Month	Annual
Youth (14-18)	N/A	\$48	\$85	\$136
Adult	\$59	\$159	\$283	\$453
Senior (62+)	\$48	\$114	\$204	\$326
Daily Fee				
Youth	\$4			
Adult	\$8			
High School	\$5			
Senior	\$6			

Twisted Fitness

Monthly

Individual \$50

Individual (contract) \$38

20% Discount for Seniors and students

Goodwin Community Center Pool

Youth (-6) \$.50

Youth Res. \$1.00

Senior Res. \$1.00

Adult Res. \$1.50

Youth N. Res. \$2.00

Senior N. Res. \$2.00

Adult N. Res. \$3.00

Exercise Class Fees

Adult Res. \$4.00

Adult N. Res. \$5.00

15 Punch Exercise Card

Adult Res. \$50.00

Adult N. Res. \$65.00

Lap Swim Punch Pass

Adult Res. \$20.00

Adult N. Res. \$40.00

Senior Res. \$12.50

Senior N. Res. \$25.00

Attendance Projections: The following attendance projections are the basis for the revenue figures that were identified earlier in this report. The admission numbers are affected by the rates being charged for residents and non-residents, the facilities available for use and the competition within the service area. The figures are also based on the performance of other similar facilities in other areas of the country. These are averages only and the yearly figures are based on 350 days of operation.

Yearly Paid admissions	Facility
Daily (# daily admiss.)	52,500 150
Multiple (# sold annually)	13,000 650
Annual* (# sold annually)	78,000 750
Total Yearly	143,500
Total Daily	410

* Admissions for pass holders were figured based on 104 visits per year. Family admissions are counted as one admission.

The 750 annual passes are based on selling passes to 6% of the households (12,500) in the primary service area. Daily and multiple visit passes are based on industry standards and would require that 25% of the primary service area population base utilize the facility between 7 and 8 times a year.

Note: Attendance for other events, programs, and spectator functions is more difficult to predict but a best guess estimate is approximately 2.5 times the number of paid admissions. Recreation centers are traditionally the most busy from November to March and mid-June to mid-August and are slow from April to early June and again from mid-August to the end of October. Weekdays between the hours of 5pm and 8pm are the busiest times of the week and weekends are also very busy during the winter months. In contrast mid-morning and early afternoon on weekdays are usually slow as well as weekends during the summer months (especially Sundays).

Hours of Operation: The projected hours of operation of the recreation center are as follows:

Monday - Friday	6:00am to 10:00pm
Saturday	8:00am to 8:00pm
Sunday	Noon to 8:00pm

Hours per week: 100

Hours usually vary some with the season (longer hours in the winter, shorter during the summer), by programming needs, use patterns and special event considerations.

Section IV - Appendix

Part-Time Staff Hours

Revenue Worksheets

Part-Time Staff Hours:

Front Desk - 2 scheduled to work any hours that the center is open.

<u>Time</u>	<u>Hours</u>	<u>Staff</u>	<u>Days</u>	<u>Total Hours Per Week</u>
Gym Attendant				
<u>Mon.-Fri.</u>				
4pm - 9pm	5	1	5	25
<u>Sat.-Sun</u>				
12pm - 6pm	6	1	2	12
Total				37 hours

Note: This position is 26 weeks only during the winter months.

Custodian				
<u>Mon.-Fri.</u>				
4pm - 8pm	4	1	5	20
<u>Sat.</u>				
7am - 11am	4	2	1	8
3pm - 10pm	7	2	1	14
<u>Sun.</u>				
10am - noon	2	2	1	4
3pm - 10pm	7	2	1	14
Total				60 hours

Babysitter				
<u>Mon.-Fri.</u>				
8am - 1pm	5	2	5	50
4pm - 8pm	4	2	5	40
<u>Sat.</u>				
10am - 4pm	6	2	1	12
Total				102 hours

Pool Guards

Summer Season (June, July, August and holidays-15 wks)

<u>Time</u>	<u>Hours</u>	<u>Guards</u>	<u>Days</u>	<u>Total Hours Per Week</u>
<u>Mon.-Fri.</u>				
5:30am - 9am	3.5	2	5	35
9am - 1pm	4	3	5	60
1pm - 6pm	5	5	5	125
6pm - 10pm	4	3	5	60
<u>Sat.</u>				
7:30am - 9am	1.5	2	1	3
9am - 1pm	4	3	1	12
1pm - 6pm	5	5	1	25
6pm - 8pm	2	3	1	6
<u>Sun.</u>				
12pm - 6pm	6	5	1	30
6pm - 8pm	2	3	1	6
Total				362 hours

Fall, Winter & Spring Seasons (September through May-37wks)

<u>Time</u>	<u>Hours</u>	<u>Guards</u>	<u>Days</u>	<u>Total Hours Per Week</u>
<u>Mon.-Fri.</u>				
5:30am - 8am	2.5	2	5	25
8am - 11:30am	3.5	2	5	35
11:30am - 1pm	1.5	2	5	15
1pm - 3pm	2	2	5	20
3pm - 6pm	3	5	5	75
6pm - 8pm	2	5	5	50
8pm - 10pm	2	3	5	30
<u>Sat.</u>				
7:30am - 9am	1.5	2	1	3
9am - 1pm	4	3	1	12
1pm - 6pm	5	5	1	25
6pm - 8pm	2	3	1	6
<u>Sun.</u>				
12pm - 6pm	6	5	1	30
6pm - 8pm	2	3	1	6
Total				332 hours

Note: This schedule is based on a guard rotation concept and on utilizing the Aquatics Assistant/Head Guards in the rotation schedule (approximately 80 hrs. a week additional). Based on the pool's configuration, schedule and estimated use patterns, this level of lifeguard staffing will be necessary to ensure adequate protection for swimmers. This is an estimate of anticipated guard hours only and actual needs could vary depending on actual use patterns, and hours of operation over time.

Program Staffing

Aquatics Programs- New & Existing

Swim Lessons – Classes are ½ hour

Summer- staff (\$5.00/cl.)	12 classes/day 5 days	9 wks	\$2,700
Spring/Fall- staff (\$5.00/cl.)	9 classes/day 3 day	18 wks	\$2,430
Winter- staff (\$5.00/cl.)	9 classes/day 3 day	9 wks	<u>\$1,215</u>
Total			\$6,345

Water Aerobics

Summer- staff (\$15.00/cl.)	15 classes/wk	14 wks	\$3,150
Spring/Fall- staff (\$15.00/cl.)	12 classes/wk	26 wks	\$4,680
Winter- staff (\$15.00/cl.)	12 classes/wk	12 wks	<u>\$2,160</u>
Total			\$9,990

Lifeguard Training

1 staff (\$15.00/cl.)	33 hours/sess.	3 sessions	\$1,485
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Private Swim Lessons

5 lessons/wk (\$15.00/less.)		45 wks	\$3,375
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Misc.

1 staff (\$10.00/hr.)	9 classes/wk	50 wks	\$4,500
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Total New & Existing Aquatics Programs **\$25,695**

General Programs-New

Fitness (dry land)

MWF	1 staff (\$15.00/cl.)	18 classes/wk	52 wks	\$14,040
T Th	1 staff (\$15.00/cl.)	12 classes/wk	52 wks	\$9,360
Wknd	1 staff (\$15.00/cl.)	6 classes/wk	<u>52 wks</u>	<u>\$4,680</u>
Total				\$28,080

Weight Training

1 staff (\$15.00/cl.)	6 classes/wk	52 wks	\$4,680
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Personal Trainer

1 staff (\$25.00/sess.)	5 per week	52 wks	\$6,500
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Birthday Parties

1 staff (\$15.00/cl.)	6/wk	52 wks	\$4,680
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Misc. (martial arts, dance, teen, etc.)

1 staff (\$12.00/cl.)	12 classes/wk	52 wks	\$7,488
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Total New General Programs **\$54,818**

Other Existing Programs* **\$40,000**

Grand Total **\$94,818**

* Includes programs not normally found in this budget such as: summer camp staff, misc. programs, trips, tennis, gymnastics, after school programs, Kinderfest and others.

Note: Some new programs and classes could be on a contractual basis with the center, where the facility will take a percentage of the revenues charged and collected. These programs have not been shown in this budget as a result.

Revenue Work Sheet:

Daily

	<u>Fee</u>	<u># per day</u>	<u>Revenue</u>	
Adult	\$5.00	55	\$275	
Youth	\$3.00	55	\$165	
Senior	\$3.00	40	\$120	
Total		150		\$560 x 350 days = \$196,000
Non. Res. 40% of users with a 25% increase in revenues				\$19,600
Grand Total				\$215,600

Multiple Admission Cards

	<u>Fee</u>	<u># sold</u>	<u>Revenue</u>	
Adult	\$75	275	\$20,625	
Youth	\$45	275	\$12,375	
Senior	\$45	100	\$4,500	
Total		650	\$37,500	\$37,500
Non. Res. 25% of users with a 25% increase in revenues				\$2,344
Grand Total				\$39,844

Yearly Pass

	<u>Fee</u>	<u># sold</u>	<u>Revenue</u>	
Adult	\$275	200	\$55,000	
Youth	\$150	50	\$7,500	
Senior	\$150	100	\$15,000	
Family	\$500	400	\$200,000	
Total		750	\$277,500	\$277,500
Non. Res. 20% of users with a 25% increase in revenues				\$13,875
Grand Total				\$291,375

Revenue Summary

Daily	\$215,600
Punch Tickets	\$39,844
Passes	<u>\$291,375</u>
Total	\$546,819

Note: This work sheet was used to project possible revenue sources and amounts. These figures are estimates only, based on very basic market information and should not be considered as guaranteed absolutes. This information should be utilized as a representative revenue scenario only and to provide possible revenue target ranges.