

City of Carson City
Agenda Report

Item # 10C

Date Submitted: February 22, 2008

Agenda Date Requested: March 6, 2008

Time Requested: 15 minutes

To: Mayor and Supervisors

From: Parks and Recreation Department

Subject Title: Discussion only regarding a "Recreation Center Operations Pro-Forma" developed by Ken Ballard of Ballard*King and Associates for the proposed Multipurpose Indoor Recreation Center to be located at 1870 Russell Way.

Staff Summary: As part of the planning process for the proposed indoor recreation center to be constructed and operated in partnership with the Boys and Girls Club of Western Nevada, staff contracted with Ballard*King and Associates of Denver, Colorado, to conduct an operations pro-forma or business plan. The pro-forma develops probable revenue and expenditure estimates and advises on staff levels, marketing plans, fees and charges, schedules, and operations for the proposed indoor multipurpose recreation center.

Type of Action Requested: (check one)

☐ Resolution

☐ Ordinance - First Reading

☐ Formal Action/Motion

☒ Other - Discussion

Does This Action Require A Business Impact Statement: ☐ Yes ☒ No

Recommended Board Action: Discussion only.

Explanation for Recommended Board Action: As part of the planning of the proposed multipurpose indoor recreation center, staff contracted with Ballard*King and Associates to conduct an operations pro-forma or business plan for the proposed facility. Ballard*King and Associates are the foremost recreation center consulting firm in the nation. Ballard*King and Associates conducts similar operations plans for recreation center facilities across the nation. Many of the facilities that Ballard*King has helped plan have received national awards. The purpose of the pro-forma is to both provide operational advice and to provide estimates regarding the financial expectations including estimated operating costs and revenue generating potential of proposed recreation facilities. The plan incorporates advice regarding staffing levels, marketing, operations, and fees and charges schedules. Estimates are based on conceptual plans developed by Valentin Crane Architects of Salt Lake City, Utah, general demographic characteristics of the Carson City area, and based on similar sized facilities located in similar sized communities. The attached pro-forma estimates a 93% cost recovery rate for the proposed Carson City indoor recreation center. A pro-forma is a basic and essential planning tool when planning recreation centers. This pro-forma was brought to the Parks and Recreation Commission at their February 23, 2008, meeting. The Commission approved an action to forward the pro-forma to the Board of Supervisors for their review.

Applicable Statute, Code, Policy, Rule or Regulation: N/A.

Fiscal Impact: N/A

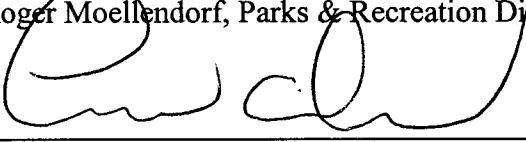
Explanation of Impact: N/A

Funding Source: N/A

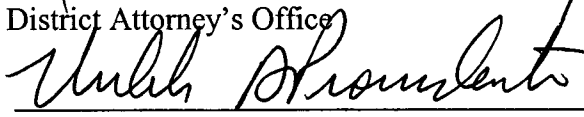
Alternatives:

Supporting Material: Recreation Center Operations Pro-Forma

Prepared By:  **Date:** 2/26/08
Roger Moellendorf, Parks & Recreation Director

Reviewed By:  **Date:** 2/26/08
Larry Werner, City Manager

 **Date:** 2/26/08
District Attorney's Office

 **Date:** 2/26/08
Finance Department

Board Action Taken:

Motion: _____ 1: _____ Aye/Nay
2: _____

(Vote Recorded By)

Recreation Center Operations Pro-Forma

This operations pro-forma is based on the assumptions noted below.

- No revenue is shown from use by the Boys & Girls Club.
- The Boys & Girls Club will share use of the gym space in the center and there may be other opportunities for parks and recreation and the Boys & Girls Club to trade out use of other spaces in each of the facilities.\
- The operations pro-forma is based on the center opening in 2010.
- The operations pro-forma is based on the concept plans for the center as developed by VCBO Architects in January 2008.
- The proposed fee schedule has been developed without the benefit of user fee information from other similar facilities in the Carson City area.
- Use and revenue estimates are based on general demographic characteristics of the immediate Carson City area and a very basic understanding of other providers in the market.
- Sales estimates for 3 month and annual passes are reasonably aggressive and will require a formal marketing plan to promote sales.
- There will be strong rentals of the center especially in the evenings and on the weekends.
- An outdoor skate park, climbing wall and an outdoor splash pad will be potential amenities in a future phase.
- This center may have a financial impact on other existing Carson City recreation facilities.

Operating Expenditures

Expenditures have been formulated based on the costs that are usually included in the operating budget for an indoor recreation 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 country. All expenses were calculated as accurately as possible, but actual costs may be more or less based on the final design, operational philosophy, and programming considerations adopted by staff. A cost scenario has been developed for the facility noted below.

Facility - A center with a gymnasium, fitness center, aerobics/dance studio, elevated track, babysitting room, lobby/lounge/vending area, locker rooms and administrative area. Approximately 35,500 sq.ft.

Operation Cost Model:

<u>Category</u>	<u>Facility Budget</u>
<u>Personnel</u>	
Full-time	274,059
Part-time	<u>371,757</u>
Total	\$645,816
<u>Commodities</u>	
Office supplies (forms, paper, etc.)	4,000
Chemicals (pool/mech.)	0
Maint./repair/mat.	9,000
Janitor supplies	8,000
Rec. supplies	20,000
Uniforms	2,000
Printing/postage	10,000

Carson City Recreation Center Operations Study

<u>Category</u>	<u>Facility Budget</u>
Resale items	3,000
Other	<u>1,000</u>
Total	\$57,000
<u>Contractual</u>	
Utilities*	106,500
(gas & elec.)	
Water/sewer	4,000
Insurance	10,000
(prop. & liab.)	
Communications	5,000
(phone)	
Contract services**	25,000
Rent equip.	2,000
Advertising/Marketing	15,000
Training	2,000
(staff time)	
Conference	1,500
Dues & subscriptions	1,000
Trash Pick-up	3,000
Bank charges (charge cards/EFT)	8,000
Other	<u>2,000</u>
Total	\$185,000
<u>Capital</u>	
Replace. fund	\$10,000
<u>Grand Total</u>	\$897,816

Carson City Recreation Center Operations Study

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 \$3.00 sq.ft. It should be noted that rates for gas and electricity have been very volatile and could result in a substantially higher cost for utilities over time.

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

Carson City Recreation Center Operations Study

Staffing Levels:

Positions

Facility Budget

FULL-TIME

Recreation Superintendent (\$78,000)	.25	Open	1/2 254-5012
Recreation Program Manager (\$68,500)	.05	Open	
Management Assistant (\$55,000)	.25	from 5057	1/2 254-5012
Building Trade Technician (\$57,500)	.40	from Fac.	
Facility/Fitness Coordinator (\$51,500)	1		
Front Desk Supervisor (\$37,000)	1	from 5057?	
Custodian (\$37,000)	1	from Fac.	
Salaries	\$185,175		
Benefits (48% of salary)	\$88,884		
Total Full-Time Personnel	<u>\$274,059</u>		
New F.T.E. (full-time equiv.)	3.95		

Note: Pay rates were determined based on Carson City's job classifications and wage scales. The positions listed are 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 late 2011.** It is assumed that the existing full-time staff salaries are coming from another account but will still have some operational and program responsibilities at the center.

Carson City Recreation Center Operations Study

Positions

Facility Budget

PART-TIME

Front Desk Supervisor (\$10.50hr.)	60hrs/wk
Front Desk Attendant (\$9.00hr.)	100hrs/wk
Gym Attendant* (\$9.50hr.)	37hrs/wk
Fitness Room Attendant (\$9.50hr.)	131hrs/wk
Custodian/Bldg Monitor (\$10.50hr.)	120hrs/wk
Babysitter (\$9.50hr.)	102hrs/wk

Program instructors**

General (rates vary)	\$68,640	> may contract
Salaries	\$337,961	

Benefits (10% of wages)	\$33,796
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Total Part-Time Salaries	<u>\$371,757</u>
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* Position (and hours) is six months (26 weeks) only, due to heavier use of the facility during the winter months.

** Program instructors are paid at several different pay rates and some are also paid per class or in other ways.

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 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. All revenues were calculated using a reasonably conservative approach.

Revenue Projection Model:

<u>Category</u>	<u>Facility Budget</u>
<u>Fees</u>	
Daily Admissions	114,750
10 Punch Passes	19,922
3 Month Passes	72,545
Annuaals*	349,808
Corporate/Group	7,500
Rentals**	<u>14,500</u>
Total	\$579,024
<u>Programs***</u>	
General	103,000
Contract classes/services	<u>2,000</u>
Total	\$105,000

Carson City Recreation Center Operations Study

<u>Category</u>	<u>Facility Budget</u>
<u>Other</u>	
Boys & Girls Club Contribution****	120,000
Resale items	4,000
Babysitting	25,000
Spec. events	2,000
Vending	<u>2,000</u>
Total	\$153,000
<u>Grand Total</u>	<u>\$837,024</u>

* Figures are based on an active program to promote the sale of 3 month and annual passes.

** Rentals are based on the following:

Aerobics room- \$30/hr. x 1 hr/wk x 48 wks= \$1,440

\$15/hr. x 1 hr/wk x 48= \$720

Gym- \$60/hr. x 1 hr/wk x 36 wks= \$2,160

\$30/hr. x 1 hr/wk x 36 wks= \$1,080

Gym- \$90/hr. x 18 hrs= \$1,620

\$45/hr. x 18 hrs= \$810

Full Facility- \$400/hr. x 10hrs/yr = \$4,000

\$200/hr. x 10hrs/yr = \$2,000

Non-Res. \$13,830 x 20% x 25% = \$692

*** Figures are based on assessing fees that are at least 50% higher than the total cost of operating the program.

**** This represents funding to cover a portion of the cost of operations and maintenance for the facility.

Note: No revenue has been shown from the Boys & Girls Club use of the center.

Expenditure - Revenue Comparison

Category	Facility Budget
Expenditures	\$897,816
Revenues	\$837,024
Difference	-60,792
Recovery %	93%

Facility Options

Category	Skate Park	Climb Wall	Splash Pad
Expenditures	\$27,200	\$40,200	\$25,200
Revenues	\$14,400	\$42,000	\$30,600
Difference	-12,800	+1,800	+5,400
Recovery %	53%	104%	121%

This operations proforma 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.

Carson City Recreation Center Operations Study

Facility Options

Skate Park – The center would have an outdoor skate park added to the list of amenities. This facility would be available on a fee to use basis with hours limited to those of the facility. The skate park will be open year round (weather permitting).

Expenses

Personnel	13,200
Pt. Time Attendant ($\$9.50 \times 37 \text{ hrs/wk} \times 34 \text{ wks}$)	
Commodities	2,000
Contractual	10,000
Utilities	5,000
Insurance	5,000
Other	2,000
Capital Replacement	<u>2,000</u>
Total	\$27,200

Revenues

Fees	
$\$2.00 \times 15 \times 250 \text{ days} = \$7,500$	11,400
$\$2.50 \times 5 \times 250 \text{ days} = \$3,125$	
10 visit $38 \times \$15 = \570	
10 visit $12 \times \$15 = \180	
Other	<u>3,000</u>
Rentals/special events	
Total	\$14,400
Difference	-\$12,800

 Note: It is unlikely that the skate park will have a strong appeal based on a fee for use basis.

Carson City Recreation Center Operations Study

Climbing Wall/Bouldering Cave - The center would add an indoor climbing wall and bouldering wall to the list of amenities.

Expenses

Personnel	29,200
Pt. Time Attendant (\$9.50 x 44 hrs/wk)	
Instructors (\$5,200)	
Commodities	2,000
Contractual	7,000
Insurance	5,000
Other	2,000
Capital Replacement	<u>2,000</u>
Total	\$40,200

Revenues

Fees	
\$2.00 x 10 x 360 days = \$7,200	22,000
\$2.50 x 3 x 360 days = \$2,700	
\$4.00 x 5 x 360 days = \$7,200	
\$5.00 x 2 x 360 days = \$3,600	
10 visit 38 x \$15 = \$570 YR	
10 visit 12 x \$19 = \$180 YNR	
10 visit 10 x \$30 = \$300 AR	
10 visit 3 x \$37.5 = \$113 ANR	
Programs	10,000
Other	<u>10,000</u>
Rentals/special events/parties	
Total	\$42,000
Difference	+\$1,800

1
15
x12
38
19
\$228

Note: If just a bouldering wall is built the attendant position could possibly be eliminated.

Carson City Recreation Center Operations Study

Splash Pad - The center would add an outdoor splash pad to the list of amenities. This facility would be available on a fee to use basis. The splash pad will be open from Memorial Day to Labor Day (weather permitting). The splash pad will not have any standing water.

Expenses

Personnel	2,200
Pt. Time Custodial (\$10.50 x 14 hrs/wk x 15wks)	
Commodities	6,000
Chemicals	
Contractual	15,000
Utilities	10,000
Insurance	3,000
Other	2,000
Capital Replacement	<u>2,000</u>
Total	\$25,200

Revenues

Fees	
\$2.00 x 75 x 100 days = \$15,000	26,600
\$2.50 x 25 x 100 days = \$6,250	
\$4.00 x 8 x 100 days = \$3,200	
\$5.00 x 2 x 100 days = \$1,000	
10 visit 38 x \$15 = \$570	
10 visit 12 x \$15 = \$180	
10 visit 10 x \$30 = \$300	
10 visit 3 x \$37.5 = \$113	
Other	<u>4,000</u>
Rentals/special events/parties	
Total	\$30,600
Difference	+\$5,400

Note: The revenue potential of this element is directly related to the magnitude and sophistication of the splash pad.

Fees and Attendance

* **Projected Fee Schedule:** The fee schedule has been figured utilizing an approximate ~~25% fee differential between city residents and non-residents~~. Revenue projections and attendance numbers were calculated from this fee model.

<u>Category</u>	<u>Daily</u>		<u>10 Visit</u>		<u>3 Month</u>		<u>Annual</u>	
	Res. /	N Res.	Res. /	N Res.	Res. /	N Res.	Res. /	N Res.
Adults	\$4.00	\$5.00	\$30.00	\$37.50	\$100	\$125	\$265	\$330
Youth	\$2.00	\$2.50	\$15.00	\$19.00	\$47	\$59	\$125	\$155
(under 18)								
Senior	\$2.00	\$2.50	\$15.00	\$19.00	\$47	\$59	\$125	\$155
(65+)								
Family*		N/A		N/A	\$170	\$210	\$450	\$560

* Up to four members, each additional 3 month pass holder is \$75 for an adult and \$25 for a youth and each additional annual pass holder is \$150 for an adult and \$50 for a youth.

Note: Multiple admissions are 10 admissions at a 25% discount. Annual passes require a monthly automatic withdrawal option from the holder's bank account to encourage sales. With the fee structure that has been proposed, it will be necessary to develop a scholarship program for those individuals that cannot afford the basic rates. Established criteria such as eligibility for the school lunch program should be utilized to determine need rather than spending the time and aggravation of developing and administering a new system.

Carson City Recreation Center Operations Study

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 city limits.

Rentals** \$15/hr \$30/hr aerobics room/class room
 \$30/hr \$60/hr 1/2 gym
 \$45/hr \$90/hr full gym
 \$200/hr \$400/hr full facility (after hours only)

** The first rate is for non-profit resident use and the second for commercial resident.
The non-resident rate would be 25% higher.

Baby-sitting \$2.50/per hour

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 360 days of operation.

<u>Yearly Paid admissions</u>	<u>Facility</u>
Daily (# daily admiss.)	32,400 90
Multiple (# sold annually)	7,000 700
3 Month Passes (# sold annually)	14,560 560
Annual* (# sold annually)	101,920 980
Total Yearly	155,880
Total Daily	433

* Admissions for pass holders were figured based on 26 visits per 3-month and 104 visits per year. Family admissions are counted as one admission.

The 1,540 3-month and annual passes are based on selling passes to approximately 7% of the households (22,000 in 2006) in the Carson City Metropolitan Statistical Area.

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 busiest 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 Carson City Recreation Center are as follows:

Monday - Friday	5:30am to 9:00pm
Saturday & Sunday	8:00am to 7:00pm

Hours per week: 99.5

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.

Appendix

Part-Time Staff Hours

Revenue Worksheet

Part-Time Staff Hours:

Front Desk - 2 scheduled to work any hours that the center is open. The full-time front desk supervisor will handle 40 hours of the front desk schedule (split between evenings and weekends).

<u>Time</u>	<u>Hours</u>	<u>Employees</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.

Fitness Room Attendant

<u>Mon.-Fri.</u>				
6am - 8am	2	1	5	10
8am - 1pm	5	1	5	25
1pm - 4pm	3	1	5	15
4pm - 8pm	4	2	5	40
8pm - 9pm	1	1	5	5
<u>Sat.-Sun.</u>				
8am - noon	4	1	2	8
12pm - 7pm	7	2	2	28
Total				131 hours

Carson City Recreation Center Operations Study

Custodian/Bldg. Monitor

Mon.-Fri.

6am - 4pm	10	1	5	50
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4pm - 9pm	5	1	5	25
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9pm - 12pm	3	1	5	15
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Sat.-Sun.

8am - 11am	3	1	2	6
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11am - 3pm	4	1	2	8
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3pm - 7pm	4	1	2	8
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7pm - 11pm	4	1	2	8
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Total				120 hours
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Baby-sitter

Mon.-Fri.

8am - 1pm	5	2	5	50
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4pm - 8pm	4	2	5	40
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Sat.

10am - 4pm	6	2	1	12
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Total				102 hours
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Carson City Recreation Center Operations Study

Facility Options

Skate Park

Skate Park Attendant (March-October-8 months/34 weeks)

Mon.-Fri.

4pm - 9pm	5	1	5	25
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Sat.-Sun.

12pm - 6pm	6	1	2	12
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Total				37 hours
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Climbing/Bouldering Wall

Climbing Wall Attendant

Mon.-Fri.

3pm - 9pm	6	1	5	30
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Sat.-Sun.

12pm - 7pm	7	1	2	14
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Total				44 hours
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Splash Pad

Custodian

Mon.- Sun.

6am - 8am	2	1	7	14
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Total				14 hours
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Program Staffing

General Programs

Leagues (adult basketball, volleyball, soccer)

These programs will be offered at the center but the expenses and revenues will come out of the sports budget.

Fitness (dry land)

MWF 1 staff (\$20.00/cl.)	18 classes/wk	52 wks	\$18,720
T Th 1 staff (\$20.00/cl.)	12 classes/wk	52 wks	\$12,480
Wknd 1 staff (\$20.00/cl.)	4 classes/wk	<u>52 wks</u>	<u>\$4,160</u>
Total			\$35,360

Personal Trainer

2 staff (\$25.00/sess.)	5 per week	52 wks	\$13,000
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Weight Training

1 staff (\$20.00/cl.)	6 classes/wk	52 wks	\$6,240
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General Interest (use of Boys & Girls Club)

1 staff (\$15.00/cl.)	9 classes/wk	52 wks	\$7,020
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Misc. (dance, martial arts, etc.)

1 staff (\$15.00/cl.)	9 classes/wk	52 wks	\$7,020
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Total General Programs			\$68,640
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Carson City Recreation Center Operations Study

Facility Options

Climbing Wall

1 staff (\$15.00/cl.)	6 classes/wk	52 wks	\$4,680
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Note: Many programs and classes will 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.

Carson City Recreation Center Operations Study

Revenue Worksheets:

Daily

	<u>Fee</u>	<u># per day</u>	<u>Revenue</u>	
Adult	\$4.00	60	\$240	
Youth	\$2.00	10	\$20	
Senior	<u>\$2.00</u>	<u>20</u>	<u>\$40</u>	
Total		90	\$300 x 360 days =	\$108,000
Non. Res. 25% of users with a 25% increase in revenues				\$6,750
Grand Total				\$114,750

10 Visit Passes

	<u>Fee</u>	<u># sold</u>	<u>Revenue</u>	
Adult	\$30.00	550	\$16,500	
Youth	\$15.00	50	\$750	
Senior	<u>\$15.00</u>	<u>100</u>	<u>\$1,500</u>	
Total		700	\$18,750	\$18,750
Non. Res. 25% of users with a 25% increase in revenues				\$1,172
Grand Total				\$19,922

Carson City Recreation Center Operations Study

3 Month Pass

	<u>Fee</u>	<u># sold</u>	<u>Revenue</u>	
Adult	\$100	250	\$25,000	
Youth	\$47	20	\$940	
Senior	\$47	50	\$2,350	
Family	<u>\$170</u>	<u>240</u>	<u>\$40,800</u>	
Total		560	\$69,090	\$69,090
Non.Res. 20% of users with a 25% increase in revenues				\$3,455
Grand Total				\$72,545

Yearly Pass

	<u>Fee</u>	<u># sold</u>	<u>Revenue</u>	
Adult	\$265	460	\$121,900	
Youth	\$125	20	\$2,500	
Senior	\$125	50	\$6,250	
Family	<u>\$450</u>	<u>450</u>	<u>\$202,500</u>	
Total		980	\$333,150	\$333,150
Non.Res. 20% of users with a 25% increase in revenues				\$16,658
Grand Total				\$349,808

Revenue Summary

Daily	\$114,750
10 Visit Passes	\$19,922
3 Month Passes	\$72,545
Annual Passes	<u>\$349,808</u>
Total	\$557,024

Carson City Recreation Center Operations Study

Note: These work sheets were 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.

From: "Ken Ballard" <ken@ballardking.com>
To: "Roger Moellendorf" <RMoellendorf@ci.carson-city.nv.us>
Date: 2/17/2008 9:08:26 PM
Subject: RE: Recreation Center Operations

Roger,

I am concerned that eliminating both of these positions and with the low percentage of existing positions salaries being allocated to the center that there simply is not enough full-time staff coverage. I would propose that we combine the two coordinator positions into one.

I will make the other changes that you have noted and also add the information on the other 3 features. I think that the climbing wall will be a basic wash between expenses and revenues, the splash pad will add revenue and the skate park will cost you money.

The 74% cost recovery rate for the basic facility is not conservative and the revenue numbers (as noted on page one) is reasonably aggressive.

Ken Ballard
President
Ballard*King & Associates
2743 E. Ravenhill Cir
Highlands Ranch, CO 80126
(303) 470-8661
(303) 470-8642 Fax
Ken@Ballardking.com

-----Original Message-----

From: Roger Moellendorf [mailto:RMoellendorf@ci.carson-city.nv.us]
Sent: Friday, February 15, 2008 3:50 PM
To: Ken@ballardking.com
Subject: Re: Recreation Center Operations

Ken:

I reviewed the operations plan, and while I think it is well done, I have a couple of comments as listed below:

1. Page 5 Fulltime staffing levels: I think we will have to be a little "leaner" than what you have listed. I think we should eliminate the Facility Coordinator and Fitness Wellness Coordinator positions at least initially. Also on this page the Benefit ratio should be 48%.
2. Page 8: Delete references to conference room as we won't be building one. We will probably use rooms in the B&G Club for meeting rooms etc., but we won't probably to rent them out, at least we shouldn't count on it. Also the footnote noted with the quadruple* astericks (****) should be deleted as this is a carry over from our partnership from the partnership with the college. However, you can add a line item for \$120,000 from the B&G Club to the Recreation Center as a contribution for "operations and maintenance." The City has pledged as part of our Quality of Life Initiative \$120K a year to the B&G Club. As part of the joint use agreement the B&G Club will be returning this funding to the City for O&M for the facility.

3. Page 11: Again under Rentals, delete reference to conference room.
4. Page 15 The reference to "Weight Room Attendent" does this also include the fitness room?

Ken, the Operations repor looks good. Do you think the added managment costs for sexy extras like the splash pad and climbing wall will be offset by increased participation? Reducing some of the labor costs could improve the bottom line. Gut feeling do you think 74% recovery is on target or conservative?

Thanks.

Roger

>>> "Ken Ballard" <ken@ballardking.com> 2/13/2008 3:51 PM >>>
Vern/Roger:

Attached is my first run through on the basic operations plan for the new center option with the Boys & Girls Club. This does not include the information on adding the climbing wall, spray pad or skate park. I will add this information over the next few days. However, I wanted to be sure that the information that I have is on target. I increased both the full-time and part-time pay rates by approximately 5%, I lowered the fee schedule (with the loss of the pool) and obviously had to recalculate the user numbers.

Let me know what you think of what I have done so far.

Ken Ballard

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