



TOWN OF CORTE MADERA

TOWN PARK AND COMMUNITY CENTER MASTER PLAN

# FINANCIAL ANALYSIS REPORT

September 19, 2006



# TOWN PARK AND COMMUNITY CENTER MASTER PLAN

## FINANCIAL ANALYSIS REPORT

Prepared for

**Town of Corte Madera**



by

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# TOWN PARK AND COMMUNITY CENTER MASTER PLAN FINANCIAL ANALYSIS REPORT

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## **FINANCIAL ANALYSIS**

The financial analysis presents the probable annual costs to operate and maintain the proposed Corte Madera Community Center and the potential revenue that can be derived from the programs, activities, classes, and rentals.

### **PROBABLE OPERATING COSTS**

The Sports Management Group developed probable costs for the operation of the Center based on a series of operating assumptions and with input from Recreation Department staff. The assumptions include hours of operation, staffing requirements, customer service levels, and building maintenance standards. The Recreation Center budgets for the past five were considered in the development of the projected operating costs for the new center. Operating costs for similar public facilities and local rates for utilities, goods and services were also applied to develop the probable costs.

To begin the process of projecting probable expenditures for the annual operation of the Center, detailed schedules for each room were created. Recreation Department Staff and the consultant reference current programming, demand for programs, and the results of the 2006 Community Survey to develop facility schedules responsive to community needs and interests. Consideration was also given to programs and rentals that could generate revenue to help offset operating costs.

Using these schedules, The Sports Management Group identified staffing requirements for full-time and part-time staff and contract instructors. The recommended full-time staffing includes the reinstatement of two staff positions that are currently unfunded in the Recreation Department budget however are deemed necessary to achieve the desired service levels and revenue objectives. These positions are a Facilities Worker and an Administrative Services Clerk.

#### **Current Operating Costs**

The operating budget for the Corte Madera Recreation Center is \$881,200 for fiscal year 2005-2006. This expenditure represents an increase of \$84,000 over fiscal year 2004-2005. Expenses are largely a function of salary and benefits costs, which continue to rise. Staffing reductions have been implemented and as a result the Department is currently understaffed. The other major expense is facilities maintenance and this costs category continues to increase as facilities age and major upgrades are deferred.

#### **New Community Center Operating Costs**

Table I summarizes the projected expenditures for the operation and maintenance of the new Corte Madera Community Center. The expenses include both new and existing costs and are presented in a range from low to high. The "high" is achieved when participation increases, causing both expenses and income to rise. The expenses are expected to fall within the "average" range within a year of the facility opening, assuming aggressive marketing of the facility and its programs. All costs are presented in 2006 dollars and must be adjusted for inflation. The detailed analysis of expenses is provided in the Appendix, Section A.

The total annual operating costs are estimated range between \$1,089,000 to \$1,253,000 in current dollars. A decision by the Town to implement a building and maintenance reserve fund estimated as 1% of construction costs would increase "average" expenses to \$1,333,500 annually.

## PROBABLE OPERATING COSTS

**TABLE I: PROBABLE OPERATING COSTS**

Probable Operating Costs		
All figures are in 2006 dollars and are rounded to the nearest thousand.		
SALARIES AND BENEFITS	Low	High
Current Full-Time Salaries	\$147,000	\$147,000
Additional Full-Time Salaries	\$64,000	\$88,000
Full-Time Employee Benefits	\$74,000	\$82,000
Auto Allowance	\$5,200	\$5,200
Part-Time Salaries	\$165,000	\$179,000
Part-Time Employee Benefits	\$17,000	\$18,000
Training: All Employees	\$3,000	\$5,000
Contract Personnel Services	\$175,000	\$221,000
<b>Subtotal Salaries and Benefits</b>	<b>\$650,000</b>	<b>\$745,000</b>
OPERATING EXPENSES		
Travel and Uniforms	\$4,000	\$4,000
Communication Services	\$9,000	\$11,000
Supplies and Materials	\$33,000	\$40,000
Repair and Maintenance	\$33,000	\$41,000
Marketing and Promotions	\$22,000	\$26,000
Service Agreements / Contract Services	\$39,000	\$50,000
Computer Services	\$5,000	\$8,000
Utilities	\$56,000	\$69,000
Other Expenses	\$58,000	\$65,000
Town Administrative Overhead	\$170,000	\$180,000
Capital Outlay	\$10,000	\$14,000
<b>Subtotal Operating Expenses</b>	<b>\$439,000</b>	<b>\$508,000</b>
<b>Total Probable Operating Costs</b>	<b>\$1,089,000</b>	<b>\$1,253,000</b>

The Corte Madera Recreation Center is designated by the Town as an Enterprise Fund and as such is assigned an administrative overhead charge. The amount of charge, determined by the Finance Director, is based on costs to the Town for accounting and other administrative services provided to support the operation of the Recreation Center and its programs. The charge in fiscal year 2004-2005 was \$150,000 and has not yet been determined for fiscal year 2005-2006. The Town Finance Manager has recommended a \$170,000 to \$180,000 allocation for the recharge for the proposed community center. The addition of the administrative recharge, while justified, is not always implemented in other cities. This "full accounting" will result in greater challenges in achieving the Town's cost recovery objectives.

## REVENUE POTENTIAL

The room schedules developed to project expenses were also used to project revenue potential for the new center. Projections were developed utilizing the market analysis and the 2006 Community Survey were used to develop revenue estimates.

The Recreation Center projected revenues of \$385,000 for fiscal year 2005-2006. Revenue generation is limited by capacity, the program offerings, and the conditions of the existing facility. The current rate structure for programs is comparable to other municipal facilities, many of which have higher quality facilities in which to offer programs. The current rates cannot be increased without decreasing the market share. As the facilities continue to age it is likely revenues will decrease.

The revenue for the proposed Community Center is projected to range between \$714,000 to \$884,000 in 2006 dollars. This represents an 85.5% increase over current revenue at the low range and a 129.6% increase at the upper end of the range. The increase is attributable to: (1) increased participation through greater capacity, (2) increased participation attributable to a wider range of offerings, (3) increased participation and higher rental demand associated with higher quality facilities, and, (4) rental rates for the community hall consistent with the local market for comparable facilities. Table II reports the revenue potential for the proposed new center.

**TABLE II: REVENUE POTENTIAL**

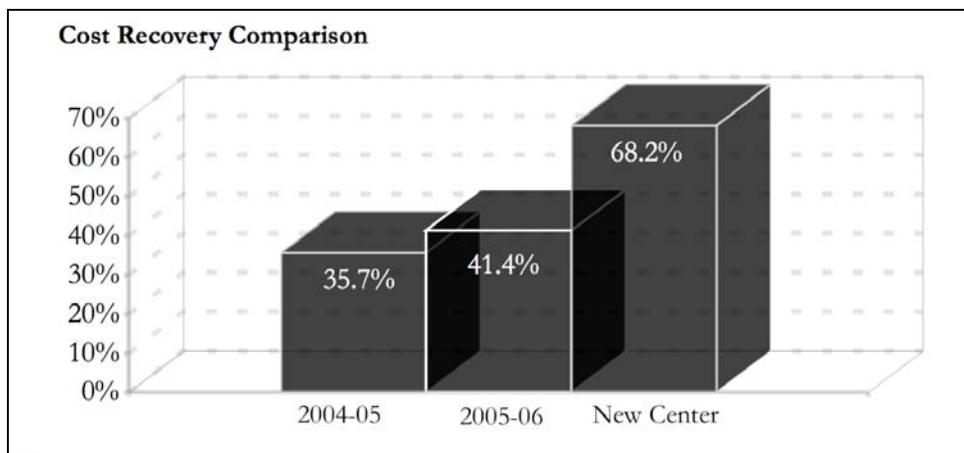
Revenue Potential		
All figures are in 2006 dollars and are rounded to the nearest thousand.		
	Low	High
Community Hall	\$212,000	\$274,000
Kitchen	\$8,000	\$10,000
Wood Floor Studio	\$112,000	\$141,000
After School Room	\$255,000	\$295,000
Multi-Purpose Activity Room	\$102,000	\$132,000
Computer / Small Meeting Room	\$25,000	\$32,000
<b>Total Revenue Potential</b>	<b>\$714,000</b>	<b>\$884,000</b>

## COST RECOVERY

In fiscal year 2004-2005 the Corte Madera Recreation Center achieved a 35.7% cost recovery; requiring an estimated operating subsidy of \$512,500. "Cost recovery" is defined as the difference between the annual operating expense and the revenue earned from the operation of the Recreation Center and its programs. The projected cost recovery for fiscal year 2005-2006 increased to 41.4%, however, because of increased costs, the projected subsidy also increased to \$516,200. The typical cost recovery for a community center ranges between 30% and 60% depending upon the size of the facility, pricing policies, facility spaces, and the population within the service area. Cost recovery in the 60% range is generally considered a high rate of recovery. The current center lacks the size, quality, and space components to adequately serve the needs and interests of Corte Madera residents leading to a low cost recovery.

The following chart shows the cost recovery percentage for the center for the 2004-2005 and 2005-2006 fiscal years. The chart also includes the cost recovery for the new community center without a building maintenance reserve fund.

**CHART I: COST RECOVERY COMPARISON**



The proposed community center would serve significantly more residents and expand offerings to those desired by the community, as expressed in the public survey. The Town's current Recreation Center budget does not include the recommended building and maintenance reserve fund. The projected cost recovery is estimated to range between 57.0% worst case to 81.2% best case. This would require a subsidy ranging between \$539,000 worst case to \$205,000 best case. Even worst case this is less than the subsidy for the existing center and on a per participant basis offers far greater service, participation and value to the community.

## COST RECOVERY

A decision by the Town to implement a building and maintenance reserve fund, estimated as 1% of construction cost, would add approximately \$162,000 if included in the operating budget. This would reduce the cost recovery range to 49.3% to 72.5% as shown on the table below.

**TABLE III: COST RECOVERY POTENTIAL**

Cost Recovery Potential without Building and Maintenance Reserve Fund			
	Low	Average	High
Cost Recovery Potential	57.0%	68.2%	81.2%
Annual Subsidy or Profit	(\$539,000)	(\$372,000)	(\$205,000)

Cost Recovery Potential with Building and Maintenance Reserve Fund			
	Low	Average	High
Cost Recovery Potential	49.3%	59.9%	72.5%
Annual Subsidy or Profit	(\$734,000)	(\$534,500)	(\$335,000)



# **APPENDIX**

*The following assumptions were used to develop the probable operating cost and revenue potential for the operation of the proposed Community Center.*

**OPERATING ASSUMPTIONS**

<b>Hours of Operation</b>	General hours of operation:						
<i>Facility</i>	<table border="0"> <tr> <td>Monday - Friday</td> <td>6:00 AM - 10:00 PM</td> </tr> <tr> <td>Saturday</td> <td>9:00 AM - 10:00 PM</td> </tr> <tr> <td>Sunday</td> <td>9:00 AM - 10:00 PM</td> </tr> </table> <p>Sunday – Thursday:</p> <ul style="list-style-type: none"> <li>• All evening rentals must vacate the building not later than 11pm</li> </ul> <p>Friday &amp; Saturday:</p> <ul style="list-style-type: none"> <li>• Public events: music must end by 11pm and building must be vacated not later than 12 midnight</li> <li>• Private events: music must end by 12 midnight and building must be vacated by 1am</li> </ul>	Monday - Friday	6:00 AM - 10:00 PM	Saturday	9:00 AM - 10:00 PM	Sunday	9:00 AM - 10:00 PM
Monday - Friday	6:00 AM - 10:00 PM						
Saturday	9:00 AM - 10:00 PM						
Sunday	9:00 AM - 10:00 PM						
<b>Employee Salaries</b>	Salaries for the current staffing and the new positions were provided by the Town.						
<b>Indirect Costs &amp; Overhead Charges</b>	The Town Finance Director has estimated an Enterprise Fund overhead charge of \$170,000 to \$180,000 annually.						
<b>Employee Benefits</b>	Employee benefits were provided by the Town and are calculated as 35% of gross annual salaries for full-time employees and 10% for part-time employees.						
<b>Existing Positions</b>	Existing staff will be assigned to the new Community Center have been included in the budget. Employee time is currently allocated as a percentage to various funds within the Recreation budget.						
<b>Instructors</b>	The budget assumes that the classes offered at the facility will be taught by contracted instructors. An allocation of 60% share of the gross revenues of the class taught by the instructor will be paid to the instructor and the Center will receive 40%.						
<b>Uniforms</b>	Center employees will be required to wear a staff shirt. Full-time staff shirts have been calculated at \$35 per shirt and part-time staff shirts at \$15 per shirt.						
<b>Travel</b>	Travel includes the costs associated with the attendance of conferences, seminars, trainings, etc. and have been calculated at 1% of full-time employee's annual salaries.						

<b>Employee Training</b>	Training may include general orientation, classes leading to certification or maintaining certification, i.e. CPR, First Aid, and seminars and workshops designed to enhance skills and performance. A per employee allowance is calculated at \$15 per hour for 20 hours for each new employee per year.
<b>Telecommunications</b>	The actual cost of telecommunications will be charged to the Center's operational budget. Full-time employees will be provided with cell phones. The cost of telecommunications is calculated at \$50 per data/voice line and \$50 per cell phone per month.
<b>Marketing and Promotions</b>	Marketing and Promotions costs represent an aggressive approach to promote overall facility use, program attendance, and general information. This will include printing and mailing costs related to class program flyers, facility brochures, comments cards, fee rate cards, and special promotional advertising media. The cost for marketing is allocated to a range between \$1,800 and \$2,200 per month.
<b>Program Supplies</b>	Costs are based on supplies purchased for classes, merchandise, programs and activities, equipment for check-out, and special events. Costs are calculated at 5% of associated gross revenue.
<b>Office Supplies</b>	Costs are based on general office supplies for staff, copiers, paper for flyers, computer supplies, etc. and are estimated to range from \$400 to \$500 per month.
<b>Postage</b>	General postage costs for administrative purposes have been estimated to a range between \$2,000 to \$3,000 annually.
<b>Facility Maintenance</b>	All facility maintenance during the hours of operation will be performed by full and part-time staff listed within the expense budget.
<b>Building Repair and Maintenance</b>	Costs are based on annual repairs to the building such as broken windows, damaged walls, and carpet and window cleaning. Costs are estimated to a range between \$1,300 to \$1,600 per month.
<b>Major Equipment Repair and Maintenance</b>	Costs are based on annual repairs to major equipment such as wood floors, kitchen equipment, etc. and are estimated to a range between \$1,000 to \$1,300 per month.
<b>Custodial Services</b>	Custodial services will be completed by a contracted service and the associated expense is estimated to range from \$19,000 to \$25,000 annually.
<b>Janitorial Supplies</b>	Janitorial supply costs are based on consumable supplies including paper supplies, cleaning supplies, and janitorial equipment used for custodial purposes. Costs are estimated to range from \$5,000 to \$6,000 annually.

<b>Contractual Services</b>	<p>Costs are based on service agreements for copy machines, HVAC, security systems, and safety equipment. The budget allocates monies for the following contractual services and/or leases.</p> <p style="margin-left: 40px;">Copy Machine:   \$250 to \$300 per month                            HVAC:       \$12,000 to \$15,000 annually          Safety Equipment: \$1,000 to \$2,000 annually          Security Systems: \$300 to \$350 per month</p>
<b>Computer Maintenance and Supplies</b>	<p>Costs are based on annual maintenance agreements and supplies for computers and are estimated at \$200 per computer per year.</p>
<b>Computer Renewal &amp; Replacement</b>	<p>An annual set-aside fund for the replacement and renewal of Center's computer equipment. An allocation of \$3,000 to \$4,000 annually has been made.</p>
<b>Software Service Agreement</b>	<p>Costs are based on the service agreement for reception counter software program, including but not limited to, rental scheduling, class scheduling, and accounting. Estimated at \$4,000 to \$6,000 annually.</p>
<b>Utilities</b>	<p>Utility costs include water, gas and electric. Estimated costs can be refined as the building design and mechanical systems are established.</p> <p style="margin-left: 40px;"><i>Building utility costs are estimated to range between \$2.25 to \$2.75 per square foot.</i></p>
<b>Bank Charges</b>	<p>Bank charges are for credit card charges and are based on the generated revenues. An annual allocation of \$16,000 to \$18,000 has been included within the expense budget.</p>
<b>Dues and Subscriptions</b>	<p>Costs are based on subscriptions to a variety of magazines, professional associations and memberships. An annual allocation of \$500 to \$1,000 has been included in the budget.</p>
<b>Refunds &amp; Reimbursement</b>	<p>Fees returned to patrons for any number of reasons, such as class registration cancellation, family emergency, or schedule change, has been estimated at 1% of gross revenues.</p>
<b>Insurance</b>	<p>A self insurance allocation has been included in the budget and is estimated to range from \$24,000 to \$27,000 annually.</p>
<b>Building and Maintenance Reserve</b>	<p>An annual set-aside for future major building replacement and renewal needs, such as replacing mechanical systems, repairing or replacing the roof, or refinishing the Community Room floor has been estimated at 1% to 1.5% of construction costs.</p>
<b>Capital Outlay</b>	<p>An allocation of \$7,000 to \$10,000 for an annual set-aside for major equipment renewal and replacement needs.</p>

## Probable Operating Costs

All figures are in 2006 dollars and are rounded to the nearest thousand.

### SALARIES AND BENEFITS

	Low	High
<b>Current Full-Time Salaries</b>		
Recreation Center Director (75%)	\$70,950	\$70,950
Recreation Supervisor I (75%)	\$47,025	\$47,025
Recreation Supervisor II (20%)	\$12,540	\$12,540
Recreation Coordinator (30%)	\$16,140	\$16,140
<b>Subtotal Current Full-Time Salaries</b>	<b>\$147,000</b>	<b>\$147,000</b>
 <b>Additional Full-Time Salaries</b>		
Facilities Worker	\$26,000	\$41,000
Administrative Services Clerk	\$38,000	\$47,000
<b>Subtotal Additional Full-Time Salaries</b>	<b>\$64,000</b>	<b>\$88,000</b>
 <b>Full-Time Employee Benefits</b>		
Full-Time Staff Benefits (35%)	\$74,000	\$82,000
<b>Subtotal Full-Time Employee Benefits</b>	<b>\$74,000</b>	<b>\$82,000</b>
 <b>Automobile Allowance</b>		
Automobile Allowance	\$5,200	\$5,200
<b>Subtotal Auto Allowance</b>	<b>\$5,200</b>	<b>\$5,200</b>
 <b>Subtotal Full-Time Salaries and Benefits</b>	<b>\$290,000</b>	<b>\$322,000</b>
 <b>Part-Time Employee Salaries</b>		
Parks and Recreation Commission	\$2,000	\$2,000
After School Program Staff	\$56,000	\$60,000
Summer Kids Club Program Staff	\$44,000	\$48,000
Babysitting Staff	\$20,000	\$24,000
Building Attendants	\$43,000	\$45,000
<b>Subtotal Part-Time Salaries</b>	<b>\$165,000</b>	<b>\$179,000</b>
 <b>Benefits: Part-Time Employees</b>		
Part-Time Staff Benefits (10%)	\$17,000	\$18,000
<b>Subtotal Benefits</b>	<b>\$17,000</b>	<b>\$18,000</b>
 <b>Subtotal Part-Time Salaries and Benefits</b>	<b>\$182,000</b>	<b>\$197,000</b>
 <b>Training: All Employees</b>		
Training	\$3,000	\$5,000
<b>Subtotal Training</b>	<b>\$3,000</b>	<b>\$5,000</b>
 <b>Contract Personnel Services</b>		
General Instructors	\$85,000	\$108,000
Fitness / Dance / Gymnastics Instructors	\$90,000	\$113,000
<b>Subtotal Contract Personnel Services</b>	<b>\$175,000</b>	<b>\$221,000</b>

## Probable Operating Costs

All figures are in 2006 dollars and are rounded to the nearest thousand.

Subtotal Salaries and Benefits	\$650,000	\$745,000
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## Probable Operating Costs

All figures are in 2006 dollars and are rounded to the nearest thousand.

### OPERATING EXPENSES

	<u>Low</u>	<u>High</u>
<b>Travel and Staff Uniforms</b>		
Travel	\$2,000	\$2,000
Staff Uniforms	\$2,000	\$2,000
<b>Subtotal Travel and Uniforms</b>	<b>\$4,000</b>	<b>\$4,000</b>
<b>Communication Services</b>		
Telecommunications	\$7,000	\$9,000
Cell Phones	\$2,000	\$2,000
<b>Subtotal Communication Services</b>	<b>\$9,000</b>	<b>\$11,000</b>
<b>Supplies and Materials</b>		
Office Supplies	\$5,000	\$6,000
Postage	\$2,000	\$3,000
Program and Recreational Supplies	\$26,000	\$31,000
<b>Subtotal Supplies and Materials</b>	<b>\$33,000</b>	<b>\$40,000</b>
<b>Repair and Maintenance</b>		
Facility Repair and Maintenance	\$16,000	\$19,000
Major Equipment Repair and Maintenance	\$12,000	\$16,000
Janitorial and Paper Supplies	\$5,000	\$6,000
<b>Subtotal Repair and Maintenance</b>	<b>\$33,000</b>	<b>\$41,000</b>
<b>Marketing and Promotions</b>		
Marketing and Promotions	\$22,000	\$26,000
<b>Subtotal Marketing and Promotions</b>	<b>\$22,000</b>	<b>\$26,000</b>
<b>Service Agreements / Contract Services</b>		
Copy Machine	\$3,000	\$4,000
Safety Equipment & Alarm Maintenance	\$5,000	\$6,000
HVAC	\$12,000	\$15,000
Janitorial Services	\$19,000	\$25,000
<b>Subtotal Service Agreements / Contract Services</b>	<b>\$39,000</b>	<b>\$50,000</b>
<b>Computer Services</b>		
Software Service Agreements	\$4,000	\$6,000
Maintenance and Supplies	\$1,000	\$2,000
<b>Subtotal Computer Services</b>	<b>\$5,000</b>	<b>\$8,000</b>
<b>Utilities</b>		
Building Utilities	\$56,000	\$69,000
<b>Subtotal Utilities</b>	<b>\$56,000</b>	<b>\$69,000</b>

## Probable Operating Costs

All figures are in 2006 dollars and are rounded to the nearest thousand.

### OPERATING EXPENSES

Other Expenses	Low	High
Dues & Subscriptions	\$1,000	\$1,000
Insurance	\$24,000	\$27,000
Bank Charges	\$16,000	\$18,000
Refunds and Reimbursements	\$7,000	\$9,000
Contingency	\$10,000	\$10,000
<b>Subtotal Other Expenses</b>	<b>\$58,000</b>	<b>\$65,000</b>
<b>Town Administrative Overhead</b>		
Town Administrative Overhead	\$170,000	\$180,000
<b>Subtotal Town Administrative Overhead</b>	<b>\$170,000</b>	<b>\$180,000</b>
<b>Capital Outlay</b>		
Capital Outlay	\$7,000	\$10,000
Computer Renewal and Replacement	\$3,000	\$4,000
<b>Subtotal Capital Outlay</b>	<b>\$10,000</b>	<b>\$14,000</b>
<b>Subtotal Operating Expenses</b>	<b>\$439,000</b>	<b>\$508,000</b>
<b>Total Probable Operating Costs</b>	<b>\$1,089,000</b>	<b>\$1,253,000</b>
<b>Building and Maintenance Reserve Fund</b>		
Building and Maintenance Reserve Fund	\$130,000	\$195,000
<b>Subtotal Building and Maintenance Reserve Fund</b>	<b>\$130,000</b>	<b>\$195,000</b>
<b>Total Probable Operating Costs with Reserve Fund</b>	<b>\$1,219,000</b>	<b>\$1,448,000</b>

## Part-Time Staff Back-Up

	Summer	F/W/S	Total Wages
<b>After School Program Staff</b>			
No. of hours per week		110	
No. of weeks per year		35	
Hourly Rate		\$15.00	
<b>Expense</b>		<b>\$57,750</b>	<b>\$57,750</b>
<b>Summer Kids Club Program Staff</b>			
No. of hours per week	205		
No. of weeks per year	15		
Hourly Rate	\$15.00		
<b>Expense</b>	<b>\$46,125</b>		<b>\$46,125</b>
<b>Babysitting Staff</b>			
No. of hours per week	29	29	
No. of weeks per year	15	35	
Hourly Rate	\$15.00	\$15.00	
<b>Expense</b>	<b>\$6,525</b>	<b>\$15,225</b>	<b>\$21,750</b>
<b>Building Attendants</b>			
No. of hours per week	59	59	
No. of weeks per year	15	35	
Hourly Rate	\$15.00	\$15.00	
<b>Expense</b>	<b>\$13,275</b>	<b>\$30,975</b>	<b>\$44,250</b>

## Contract Staff Back-Up

	<u>Low</u>	<u>High</u>
<b>General Instructors</b>		
Gross Annual Revenue	\$141,160	\$180,440
Percent to Instructor	60%	60%
<b>Expense</b>	<b>\$85,000</b>	<b>\$108,000</b>
<b>Fitness / Dance / Gymnastics Instructors</b>		
Gross Annual Revenue	\$149,520	\$188,580
Percent to Instructor	60%	60%
<b>Expense</b>	<b>\$90,000</b>	<b>\$113,000</b>



# CORTE MADERA TOWN PARK & COMMUNITY CENTER MASTER PLAN

## Probable Operating Costs Detail Back-Up

### REPAIR & MAINTENANCE

Facility Repair and Maintenance			Janitorial and Paper Supplies		
Avg. Cost per Month	\$1,300	\$1,600	Avg. Cost per Month	\$400	\$500
No. of Months per Year	12	12	No. of Months per Year	12	12
<u>Expense</u>	<u>\$15,600</u>	<u>\$19,200</u>	<u>Expense</u>	<u>\$4,800</u>	<u>\$6,000</u>

Major Equipment Repair and Maintenance		
Avg. Cost per Month	\$1,000	\$1,300
No. of Months per Year	12	12
<u>Expense</u>	<u>\$12,000</u>	<u>\$15,600</u>

### MARKETING AND PROMOTIONS

Marketing and Promotions		
Avg. Cost per Month	\$1,800	\$2,200
No. of Months per Year	12	12
<u>Expense</u>	<u>\$21,600</u>	<u>\$26,400</u>

### SERVICE AGREEMENTS / CONTRACT SERVICES

Copy Machine			HVAC		
No. of Copy Machines	1	1	<u>HVAC Maintenance</u>		
No. of Months per Year	12	12	Expense	\$12,000	\$15,000
Cost per Month	\$250	\$300	Janitorial Services		
<u>Expense</u>	<u>\$3,000</u>	<u>\$3,600</u>	Building Gross Square Feet	25,000	25,000
Safety Equipment Allowance			Avg. Cost per Square Foot	\$0.75	\$1.00
Security System Maint. (Alarms, Cameras)			<u>Expense</u>	<u>\$18,750</u>	<u>\$25,000</u>
Fire Sprinkler Maintenance			Alarm / Security System Maintenance		
<u>Expense</u>	<u>\$1,000</u>	<u>\$2,000</u>	No. of Months per Year	12	12
			Cost per Month	\$300	\$350
			<u>Expense</u>	<u>\$3,600</u>	<u>\$4,200</u>

### COMPUTER SERVICES

Software Service Agreements			Computer Maintenance and Supplies		
Annual Allowance	\$4,000	\$6,000	Total No. of Computers	6	8
<u>Expense</u>	<u>\$4,000</u>	<u>\$6,000</u>	Cost per Computer	\$200	\$200
			<u>Expense</u>	<u>\$1,200</u>	<u>\$1,600</u>

# CORTE MADERA TOWN PARK & COMMUNITY CENTER MASTER PLAN

## Probable Operating Costs Detail Back-Up

### UTILITIES

Building Utilities		
Building Gross Square Feet	25,000	25,000
Avg. Cost per Square Foot	\$2.25	\$2.75
Expense	\$56,250	\$68,750

### OTHER EXPENSES

Dues and Subscriptions			Refunds & Reimbursables		
Annual Allowance	\$500	\$1,000	Gross Annual Revenue	\$714,000	\$884,000
Expense	\$500	\$1,000	Percent	1.00%	1.00%
			Expense	\$7,140	\$8,840
Insurance			Contingency		
Annual Allowance	\$24,000	\$27,000	Annual Allowance	\$10,000	\$10,000
Expense	\$24,000	\$27,000	Expense	\$10,000	\$10,000
Bank Charges					
Annual Allocation					
(per Finance Director)	\$16,000	\$18,000			
Expense	\$16,000	\$18,000			

### TOWN ADMINISTRATIVE OVERHEAD

Town Administrative Overhead		
Annual Allowance	\$170,000	\$180,000
Expense	\$170,000	\$180,000

### RESERVE FUNDS

Capital Outlay			Building and Maintenance Reserve Fund		
Annual Allowance	\$7,000	\$10,000	Total Construction Cost	\$13,000,000	\$13,000,000
Expense	\$7,000	\$10,000	Percentage	1.00%	1.50%
			Expense	\$130,000	\$195,000
Computer Renewal and Replacement					
Annual Allowance	\$3,000	\$4,000			
Expense	\$3,000	\$4,000			

After School Program Staff

F/W/S

	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
<b>Time</b>	No. of Staff per hour						
4:30 AM							
5:00 AM							
5:30 AM							
6:00 AM							
7:00 AM							
8:00 AM							
9:00 AM							
10:00 AM							
11:00 AM							
12:00 PM							
1:00 PM		2	2	2	2	2	
2:00 PM		4	4	4	4	4	
3:00 PM		4	4	4	4	4	
4:00 PM		4	4	4	4	4	
5:00 PM		4	4	4	4	4	
6:00 PM		4	4	4	4	4	
7:00 PM							
8:00 PM							
9:00 PM							
10:00 PM							
11:00 PM							
<b>Hours</b>	<b>0</b>	<b>22</b>	<b>22</b>	<b>22</b>	<b>22</b>	<b>22</b>	<b>0</b>

<b>Total Hrs</b>	<b>110</b>
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Summer Kids Club Program Staff

Summer

	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
<b>Time</b>	No. of Staff per hour						
4:30 AM							
5:00 AM							
5:30 AM							
6:00 AM							
7:00 AM							
8:00 AM		4	4	4	4	4	
9:00 AM		4	4	4	4	4	
10:00 AM		4	4	4	4	4	
11:00 AM		4	4	4	4	4	
12:00 PM		4	4	4	4	4	
1:00 PM		4	4	4	4	4	
2:00 PM		4	4	4	4	4	
3:00 PM		4	4	4	4	4	
4:00 PM		4	4	4	4	4	
5:00 PM		4	4	4	4	4	
6:00 PM		1	1	1	1	1	
7:00 PM							
8:00 PM							
9:00 PM							
10:00 PM							
11:00 PM							
<b>Hours</b>	<b>0</b>	<b>41</b>	<b>41</b>	<b>41</b>	<b>41</b>	<b>41</b>	<b>0</b>

<b>Total Hrs</b>	<b>205</b>
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**Babysitting Staff**

*Year Round*

	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
<b>Time</b>	No. of Staff per hour						
4:30 AM							
5:00 AM							
5:30 AM							
6:00 AM							
7:00 AM							
8:00 AM							
9:00 AM		1	1	1	1	1	1
10:00 AM		1	1	1	1	1	1
11:00 AM		1	1	1	1	1	1
12:00 PM							1
1:00 PM							
2:00 PM							
3:00 PM							
4:00 PM							
5:00 PM							
6:00 PM		1	1	1	1	1	
7:00 PM		1	1	1	1	1	
8:00 PM							
9:00 PM							
10:00 PM							
11:00 PM							
<b>Hours</b>	<b>0</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>4</b>

<b>Total Hrs</b>	<b>29</b>
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**Building Attendants**

*Year Round*

	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
<b>Time</b>	No. of Staff per hour						
4:30 AM							
5:00 AM							
5:30 AM							
6:00 AM							
7:00 AM	1						
8:00 AM	1						
9:00 AM	1						
10:00 AM	1						
11:00 AM	1						1
12:00 PM	1						1
1:00 PM	1						1
2:00 PM	1						1
3:00 PM	1						1
4:00 PM	1					1	1
5:00 PM	1					1	1
6:00 PM	1	1	1	1	1	1	1
7:00 PM	1	1	1	1	1	1	1
8:00 PM	1	1	1	1	1	1	1
9:00 PM	1	1	1	1	1	1	1
10:00 PM	1	1	1	1	1	1	1
11:00 PM						1	1
12:00 AM						1	1
<b>Hours</b>	<b>16</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>9</b>	<b>14</b>

<b>Total Hrs</b>	<b>59</b>
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## Revenue Potential

All figures are in 2006 dollars and are rounded to the nearest thousand.

	Low	High
<b>Community Hall</b>		
Facility Rentals	\$148,000	\$196,000
Classes / Programs	\$52,000	\$63,000
Special Events	\$12,000	\$15,000
<b>Subtotal Community Hall Revenue</b>	<b>\$212,000</b>	<b>\$274,000</b>
<b>Kitchen</b>		
Classes and Programs	\$8,000	\$10,000
<b>Subtotal Kitchen Revenue</b>	<b>\$8,000</b>	<b>\$10,000</b>
<b>Wood Floor Studio</b>		
Classes and Programs	\$112,000	\$141,000
<b>Subtotal Wood Floor Studio Revenue</b>	<b>\$112,000</b>	<b>\$141,000</b>
<b>After School Multi-Purpose Room</b>		
Classes and Programs	\$252,000	\$291,000
Rentals	\$3,000	\$4,000
<b>Subtotal After School Room Revenue</b>	<b>\$255,000</b>	<b>\$295,000</b>
<b>Multi-Purpose Activity Room</b>		
Classes and Programs	\$91,000	\$117,000
Rentals	\$11,000	\$15,000
<b>Subtotal Multi-Purpose Activity Room Revenue</b>	<b>\$102,000</b>	<b>\$132,000</b>
<b>Computer Room / Small Meeting Room</b>		
Classes and Programs	\$25,000	\$32,000
<b>Subtotal Computer / Small Meeting Room Revenue</b>	<b>\$25,000</b>	<b>\$32,000</b>
<b>Total Revenue Potential</b>	<b>\$714,000</b>	<b>\$884,000</b>

## Community Hall

Prime Time Rentals (Undivided)	<b>Low</b>	<b>High</b>
Avg. No. of Rentals per Week	1.50	2
No. of Weeks per Year	50	50
Avg. Fee per Rental (8 hours @ \$200 per hour)	\$1,600	\$1,600
Subtotal Revenue	\$120,000	\$160,000

Non-Prime Time Rentals (Undivided)		
Avg. No. of Rentals per Week	1	1.25
No. of Weeks per Year	50	50
Avg. Fee per Rental (3 hours @ \$150 per hour)	\$450	\$450
Subtotal Revenue	\$22,500	\$28,125

Non-Prime Time Rentals (Divided)		
Avg. No. of Rentals per Week	4	5
No. of Weeks per Year	50	50
Avg. Fee per Rental (2 hours @ \$50 per hour)	\$100	\$100
Subtotal Revenue	\$20,000	\$25,000

General Instruction Classes: Adults		
Avg. No. of Classes per Session	3	3
Avg. No. of Sessions per Year	6	6
Avg. No. of Participants per Class	10	12
Avg. Fee per Participant	\$75	\$75
Subtotal Revenue	\$13,500	\$16,200

General Instruction Classes: Children / Youth		
Avg. No. of Classes per Session	3	3
Avg. No. of Sessions per Year	6	6
Avg. No. of Participants per Class	10	12
Avg. Fee per Participant	\$65	\$65
Subtotal Revenue	\$11,700	\$14,040

Adult Dance Classes		
Avg. No. of Classes per Session	2	2
Avg. No. of Sessions per Year	6	6
Avg. No. of Participants per Class	8	10
Avg. Fee per Participant	\$75	\$75
Subtotal Revenue	\$7,200	\$9,000

## Community Hall

Seminars / Workshops	<b>Low</b>	<b>High</b>
Avg. No. of Seminars / Workshops per Month	1	1
No. of Months per Year	12	12
Avg. No. of Participants per Seminar / Workshop	15	20
<u>Avg. Fee per Participant</u>	<u>\$40</u>	<u>\$40</u>
Subtotal Revenue	\$7,200	\$9,600
Special Events		
Avg. No. of Events per Month	0.5	0.5
No. of Months per Year	12	12
Avg. No. of Participants per Event	100	125
<u>Avg. Fee per Participant</u>	<u>\$20</u>	<u>\$20</u>
Subtotal Revenue	\$12,000	\$15,000
Stage Rentals		
Avg. No. of Rentals per Week	1	1.50
No. of Weeks per Year	50	50
<u>Avg. Fee per Rental (2 hours @ \$50 per hour)</u>	<u>\$100</u>	<u>\$100</u>
Subtotal Revenue	\$5,000	\$7,500
<b>Total Potential Revenue</b>	<b>\$219,100</b>	<b>\$284,465</b>

## Kitchen

Adult Culinary Classes	<b>Low</b>	<b>High</b>
Avg. No. of Classes per Session	2	2
Avg. No. of Sessions per Year	6	6
Avg. No. of Participants per Class	8	10
Avg. Fee per Participant	\$40	\$40
Subtotal Revenue	\$3,840	\$4,800
Youth Culinary Classes		
Avg. No. of Classes per Session	2	2
Avg. No. of Sessions per Year	6	6
Avg. No. of Participants per Class	8	10
Avg. Fee per Participant	\$30	\$30
Subtotal Revenue	\$2,880	\$3,600
After School Kids Cooking		
Avg. No. of Classes per Session	2	2
Avg. No. of Sessions per Year	4	4
Avg. No. of Participants per Class	8	10
Avg. Fee per Participant	\$25	\$25
Subtotal Revenue	\$1,600	\$2,000
<b>Total Potential Revenue</b>	<b>\$8,320</b>	<b>\$10,400</b>

## Wood Floor Studio

Yoga	Low	High
Avg. No. of Classes per Session	2	2
Avg. No. of Sessions per Year	6	6
Avg. No. of Participants per Class	15	20
<u>Avg. Fee per Participant</u>	<u>\$100</u>	<u>\$100</u>
Subtotal Revenue	\$18,000	\$24,000

Pilates		
Avg. No. of Classes per Session	2	2
Avg. No. of Sessions per Year	6	6
Avg. No. of Participants per Class	15	20
<u>Avg. Fee per Participant</u>	<u>\$100</u>	<u>\$100</u>
Subtotal Revenue	\$18,000	\$24,000

General Group Exercise Classes		
Avg. No. of Classes per Session	2	2
Avg. No. of Sessions per Year	6	6
Avg. No. of Participants per Class	15	20
<u>Avg. Fee per Participant</u>	<u>\$80</u>	<u>\$80</u>
Subtotal Revenue	\$14,400	\$19,200

Senior Fitness Classes		
Avg. No. of Classes per Session	2	2
Avg. No. of Sessions per Year	6	6
Avg. No. of Participants per Class	10	12
<u>Avg. Fee per Participant</u>	<u>\$50</u>	<u>\$50</u>
Subtotal Revenue	\$6,000	\$7,200

Jazzercise		
Avg. No. of Classes per Session	1	1
Avg. No. of Sessions per Year	6	6
Avg. No. of Participants per Class	12	15
<u>Avg. Fee per Participant</u>	<u>\$150</u>	<u>\$150</u>
Subtotal Revenue	\$10,800	\$13,500

## Wood Floor Studio

Children's Fitness Classes	<b>Low</b>	<b>High</b>
Avg. No. of Classes per Session	2	2
Avg. No. of Sessions per Year	6	6
Avg. No. of Participants per Class	10	12
<u>Avg. Fee per Participant</u>	<u>\$60</u>	<u>\$60</u>
Subtotal Revenue	\$7,200	\$8,640
Kinder Gym / Parent & Tot Classes		
Avg. No. of Classes per Session	1	1
Avg. No. of Sessions per Year	6	6
Avg. No. of Participants per Class	10	12
<u>Avg. Fee per Participant</u>	<u>\$100</u>	<u>\$100</u>
Subtotal Revenue	\$6,000	\$7,200
Ballet		
Avg. No. of Classes per Session	4	4
Avg. No. of Sessions per Year	6	6
Avg. No. of Participants per Class	10	12
<u>Avg. Fee per Participant</u>	<u>\$80</u>	<u>\$80</u>
Subtotal Revenue	\$19,200	\$23,040
Children / Youth Dance Classes		
Avg. No. of Classes per Session	2	2
Avg. No. of Sessions per Year	6	6
Avg. No. of Participants per Class	10	12
<u>Avg. Fee per Participant</u>	<u>\$100</u>	<u>\$100</u>
Subtotal Revenue	\$12,000	\$14,400
<b>Total Potential Revenue</b>	<b>\$111,600</b>	<b>\$141,180</b>

## After School Multi-Purpose Room

Kids Club After School Program	<b>Low</b>	<b>High</b>
Avg. No. of Days per Month	18	18
No. of Months per Year	12	12
Avg. No. of Participants per Day	70	80
Avg. Fee per Participant per Day	\$15	\$15
Subtotal Revenue	\$226,800	\$259,200
General Instruction Classes: Children / Youth		
No. of Classes per Session	4	4
No. of Sessions per Year	6	6
Avg. No. of Participants per Class	8	10
Avg. Fee per Participant	\$65	\$65
Subtotal Revenue	\$12,480	\$15,600
General Instruction Classes: Adults		
Avg. No. of Classes per Session	2	2
Avg. No. of Sessions per Year	6	6
Avg. No. of Participants per Class	8	10
Avg. Fee per Participant	\$75	\$75
Subtotal Revenue	\$7,200	\$9,000
Rentals		
Avg. No. of Rentals per Week	0.75	1
No. of Weeks per Year	50	50
Avg. Fee per Rental (2 hours @ \$35 per hour)	\$70	\$70
Subtotal Revenue	\$2,625	\$3,500
Babysitting		
Avg. No. of Children per Week	60	70
No. of Weeks per Year	50	50
Avg. Fee per Child	\$2	\$2
Subtotal Revenue	\$6,000	\$7,000
<b>Total Potential Revenue</b>	<b>\$255,105</b>	<b>\$294,300</b>

## Multi-Purpose Activity Room

	<u>Low</u>	<u>High</u>
Gymnastics / Tumbling		
Avg. No. of Classes per Session	8	8
Avg. No. of Sessions per Year	6	6
Avg. No. of Participants per Class	8	10
<u>Avg. Fee per Participant</u>	<u>\$80</u>	<u>\$80</u>
Subtotal Revenue	\$30,720	\$38,400

Adult Arts & Crafts Classes		
Avg. No. of Classes per Session	4	4
Avg. No. of Sessions per Year	6	6
Avg. No. of Participants per Class	6	8
<u>Avg. Fee per Participant</u>	<u>\$100</u>	<u>\$100</u>
Subtotal Revenue	\$14,400	\$19,200

Youth Arts & Crafts Classes		
Avg. No. of Classes per Session	5	5
Avg. No. of Sessions per Year	6	6
Avg. No. of Participants per Class	6	8
<u>Avg. Fee per Participant</u>	<u>\$100</u>	<u>\$100</u>
Subtotal Revenue	\$18,000	\$24,000

General Instruction Classes: Children / Youth		
Avg. No. of Classes per Session	2	2
Avg. No. of Sessions per Year	6	6
Avg. No. of Participants per Class	10	12
<u>Avg. Fee per Participant</u>	<u>\$95</u>	<u>\$95</u>
Subtotal Revenue	\$11,400	\$13,680

## Multi-Purpose Activity Room

General Instruction Classes: Adults	<b>Low</b>	<b>High</b>
Avg. No. of Classes per Session	2	2
Avg. No. of Sessions per Year	6	6
Avg. No. of Participants per Class	4	6
<u>Avg. Fee per Participant</u>	<u>\$105</u>	<u>\$105</u>
Subtotal Revenue	\$5,040	\$7,560
Teen Special Events		
Avg. No. of Events per Month	1	1
Avg. No. of Months per Year	12	12
Avg. No. of Participants per Event	35	40
<u>Avg. Fee per Participant</u>	<u>\$10</u>	<u>\$10</u>
Subtotal Revenue	\$4,200	\$4,800
Seminars / Workshops		
Avg. No. of Seminars / Workshops per Month	1	1
No. of Months per Year	12	12
Avg. No. of Participants per Seminar / Workshop	15	20
<u>Avg. Fee per Participant</u>	<u>\$40</u>	<u>\$40</u>
Subtotal Revenue	\$7,200	\$9,600
Birthday Party Rentals		
Avg. No. of Parties per Month	3	4
No. of Months per Year	50	50
<u>Avg. Fee per Party</u>	<u>\$75</u>	<u>\$75</u>
Subtotal Revenue	\$11,250	\$15,000
Rentals		
Avg. No. of Rentals per Week	0.75	1
No. of Weeks per Year	50	50
<u>Avg. Fee per Rental (2 hours @ \$35 per hour)</u>	<u>\$70</u>	<u>\$70</u>
Subtotal Revenue	\$2,625	\$3,500
<b>Total Potential Revenue</b>	<b>\$104,835</b>	<b>\$135,740</b>

## Computer Room / Small Meeting Room

Computer Workshops / Tutorials	<b>Low</b>	<b>High</b>
Avg. No. of Workshops / Tutorials per Month	1	1
No. of Months per Year	12	12
Avg. No. of Participants per Workshop / Tutorial	10	12
<u>Avg. Fee per Participant</u>	<u>\$50</u>	<u>\$50</u>
Subtotal Revenue	\$6,000	\$7,200
Children / Youth Computer Classes		
Avg. No. of Classes per Session	2	2
Avg. No. of Sessions per Year	6	6
Avg. No. of Participants per Class	6	8
<u>Avg. Fee per Participant</u>	<u>\$75</u>	<u>\$75</u>
Subtotal Revenue	\$5,400	\$7,200
Adult Computer Classes		
Avg. No. of Classes per Session	2	2
Avg. No. of Sessions per Year	6	6
Avg. No. of Participants per Class	6	8
<u>Avg. Fee per Participant</u>	<u>\$85</u>	<u>\$85</u>
Subtotal Revenue	\$6,120	\$8,160
Senior Computer Club		
Avg. No. of Classes per Session	1	1
Avg. No. of Sessions per Year	6	6
Avg. No. of Participants per Class	8	10
<u>Avg. Fee per Participant</u>	<u>\$75</u>	<u>\$75</u>
Subtotal Revenue	\$3,600	\$4,500
After School Youth Computer Club		
Avg. No. of Classes per Session	1	1
Avg. No. of Sessions per Year	6	6
Avg. No. of Participants per Class	8	10
<u>Avg. Fee per Participant</u>	<u>\$75</u>	<u>\$75</u>
Subtotal Revenue	\$3,600	\$4,500
<b>Total Potential Revenue</b>	<b>\$24,720</b>	<b>\$31,560</b>

CORTE MADERA TOWN PARK & COMMUNITY CENTER MASTER PLAN

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*The economic analysis is developed in a "low" to "high" range of probable operating costs and revenue potential. The "high" cost recovery is determined by dividing the highest potential revenue by the lowest probable expenses. "Low" is determined by dividing the lowest potential revenue by the highest probable expenses. "Average" cost recovery is determined by dividing the average potential revenue by average probable expenses.*

**Cost Recovery Potential without Building and Maintenance Reserve Fund**

	Low	Average	High
Cost Recovery Potential	57.0%	68.2%	81.2%
Annual Subsidy or Profit	(\$539,000)	(\$372,000)	(\$205,000)

**Cost Recovery Potential with Building and Maintenance Reserve Fund**

	Low	Average	High
Cost Recovery Potential	49.3%	59.9%	72.5%
Annual Subsidy or Profit	(\$734,000)	(\$534,500)	(\$335,000)