



**HealthFitness.**  
A Trustmark Company

**5 YEAR PRO FORMA**  
**5/26/2017**

**REVENUE PROJECTION**

1. Registration Fees <sup>1</sup>	
2. Membership Dues <sup>1</sup>	
3. Visitor Passes <sup>2</sup>	
4. Land Based Program Services <sup>3</sup>	
5. Aquatic Based Program Services <sup>4</sup>	
6. Facility Rentals <sup>5</sup>	
7. Special Events <sup>6</sup>	
8. Direct Sales to the Public <sup>7</sup>	
9. Community Contributions/Gifts <sup>8</sup>	
10. Scholarships <sup>9</sup>	
<b>SUB-TOTAL</b>	

YEAR 1 - 2018/2019 PROJECTED REVENUE
\$ 56,672.00
\$ 1,739,658.00
\$ 18,774.00
\$ 300,000.00
\$ 225,000.00
\$ 25,000.00
\$ 5,000.00
\$ 10,000.00
\$ 75,000.00
\$ -
<b>\$ 2,455,104.00</b>

YEAR 2 - 2019/2020 PROJECTED REVENUE
\$ 59,616.00
\$ 1,827,642.00
\$ 20,136.00
\$ 315,000.00
\$ 236,250.00
\$ 26,250.00
\$ 5,250.00
\$ 10,500.00
\$ 78,750.00
\$ -
<b>\$ 2,579,394.00</b>

YEAR 3 - 2020/2021 PROJECTED REVENUE
\$ 62,856.00
\$ 1,919,292.00
\$ 21,498.00
\$ 330,750.00
\$ 248,062.50
\$ 27,562.50
\$ 5,512.50
\$ 11,025.00
\$ 82,687.50
\$ -
<b>\$ 2,709,246.00</b>

YEAR 4 - 2021/2022 PROJECTED REVENUE
\$ 66,096.00
\$ 2,017,710.00
\$ 22,698.00
\$ 347,287.50
\$ 260,465.63
\$ 28,940.63
\$ 5,788.13
\$ 11,576.25
\$ 86,821.88
\$ -
<b>\$ 2,847,384.00</b>

YEAR 5 - 2022/2023 PROJECTED REVENUE
\$ 69,984.00
\$ 2,122,896.00
\$ 23,898.00
\$ 364,651.88
\$ 273,488.91
\$ 30,387.66
\$ 6,077.53
\$ 12,155.06
\$ 91,162.97
\$ -
<b>\$ 2,994,702.00</b>

5 YEAR GRAND TOTAL
\$ 315,224.00
\$ 9,627,198.00
\$ 107,004.00
\$ 1,657,689.38
\$ 1,243,267.03
\$ 138,140.78
\$ 27,628.16
\$ 55,256.31
\$ 414,422.34
\$ -
<b>\$ 13,585,830.00</b>

**ITEMIZED OPERATING EXPENSES<sup>1</sup>**

**HEALTHFITNESS CORE SERVICE SUMMARY**

PERSONNEL SALARIES, WAGES, AND BENEFITS <sup>2</sup>	FTE COUNT	HEAD COUNT	HOURS PER WEEK
<b>Full-Time Staff</b>			
1. General Manager	1.0	1.0	40.0
2. Program Manager, Recreation and Aquatics	1.0	1.0	40.0
3. Membership Manager	1.0	1.0	40.0
4. Marketing and Outreach Coordinator	1.0	1.0	40.0
5. Administrative Assistant	1.0	1.0	40.0
6. Fitness Manager	1.0	1.0	40.0
7. Recreation Manager	1.0	1.0	40.0
8. Wellness Manager	1.0	1.0	40.0
9. Aquatic Supervisor	1.0	1.0	40.0
10. Front Desk Supervisor #1	1.0	1.0	40.0
11. Front Desk Supervisor #2	1.0	1.0	40.0
12. Facility Maintenance Manager	1.0	1.0	40.0
<b>FULL-TIME STAFF COMPENSATION SUB-TOTAL</b>	<b>12.0</b>	<b>12.0</b>	<b>480.0</b>
13. Full-Time Benefits (30%) <sup>3</sup>			<b>FULL-TIME BENEFITS SUB-TOTAL</b>

YEAR 1 - 2018/2019 SCOPE OF WORK
\$ 80,000.00
\$ 60,000.00
\$ 50,000.00
\$ 50,000.00
\$ 35,000.00
\$ 50,000.00
\$ 50,000.00
\$ 50,000.00
\$ 45,000.00
\$ 35,000.00
\$ 35,000.00
\$ 50,000.00
<b>\$ 590,000.00</b>
<b>\$ 177,000.00</b>

YEAR 2 - 2019/2020 SCOPE OF WORK
\$ 82,400.00
\$ 61,800.00
\$ 51,500.00
\$ 51,500.00
\$ 36,050.00
\$ 51,500.00
\$ 51,500.00
\$ 51,500.00
\$ 46,350.00
\$ 36,050.00
\$ 36,050.00
\$ 51,500.00
<b>\$ 607,700.00</b>
<b>\$ 182,310.00</b>

YEAR 3 - 2020/2021 SCOPE OF WORK
\$ 84,872.00
\$ 63,654.00
\$ 53,045.00
\$ 53,045.00
\$ 37,131.50
\$ 53,045.00
\$ 53,045.00
\$ 53,045.00
\$ 47,740.50
\$ 37,131.50
\$ 37,131.50
\$ 53,045.00
<b>\$ 625,931.00</b>
<b>\$ 187,779.30</b>

YEAR 4 - 2021/2022 SCOPE OF WORK
\$ 87,418.16
\$ 65,563.62
\$ 54,636.35
\$ 54,636.35
\$ 38,245.45
\$ 54,636.35
\$ 54,636.35
\$ 54,636.35
\$ 49,172.72
\$ 38,245.45
\$ 38,245.45
\$ 54,636.35
<b>\$ 644,708.93</b>
<b>\$ 193,412.68</b>

YEAR 5 - 2022/2023 SCOPE OF WORK
\$ 90,040.70
\$ 67,530.53
\$ 56,275.44
\$ 56,275.44
\$ 39,392.81
\$ 56,275.44
\$ 56,275.44
\$ 56,275.44
\$ 50,647.90
\$ 39,392.81
\$ 39,392.81
\$ 56,275.44
<b>\$ 664,050.20</b>
<b>\$ 199,215.06</b>

5 YEAR GRAND TOTAL
\$ 424,730.86
\$ 318,548.15
\$ 265,456.79
\$ 265,456.79
\$ 185,819.75
\$ 265,456.79
\$ 265,456.79
\$ 265,456.79
\$ 238,911.11
\$ 185,819.75
\$ 185,819.75
\$ 265,456.79
<b>\$ 3,132,390.13</b>
<b>\$ 939,717.04</b>

Part-Time Staff	FTE COUNT	HEAD COUNT	HOURS PER WEEK
14. Fitness Specialists	2.675	6.0	107.0
15. Gymnasium Attendants	1.100	2.0	44.0
16. Senior Lifeguards	1.675	6.0	107.0
17. Lifeguards	5.350	12.0	214.0
18. Group Class Instructors <sup>4</sup>	1.550	20.0	62.0
19. Active Older Adult Group Class Instruction <sup>4</sup>	0.650	12.0	26.0
20. Water Workout Class Instruction <sup>4</sup>	0.350	7.0	14.0
21. Swim Lesson Instruction <sup>4</sup>	2.025	20.0	81.0
22. Personal Trainers <sup>5</sup>	0.000	10.0	80.0
23. Front Desk Attendants	3.350	8.0	134.0
24. Child Care Attendants	3.825	12.0	153.0
25. Facility Maintenance Attendant/Custodians	1.575	4.0	63.0
<b>PART-TIME STAFF WAGE SUB-TOTAL</b>	<b>24.125</b>	<b>119.0</b>	<b>1,085.0</b>
26. Part-Time Benefits (20%) <sup>6</sup>			<b>PART-TIME BENEFITS SUB-TOTAL</b>
<b>ALL-STAFF COMPENSATION AND BENEFITS EXPENSE SUB-TOTAL</b>			

\$ 82,307.69
\$ 17,600.00
\$ 82,307.69
\$ 154,326.92
\$ 124,000.00
\$ 52,000.00
\$ 28,000.00
\$ 162,000.00
\$ -
\$ 87,100.00
\$ 99,450.00
\$ 40,950.00
<b>\$ 930,042.31</b>
<b>\$ 186,008.46</b>
<b>\$ 1,883,050.77</b>

\$ 83,953.85
\$ 17,952.00
\$ 83,953.85
\$ 157,413.46
\$ 126,480.00
\$ 53,040.00
\$ 28,560.00
\$ 165,240.00
\$ -
\$ 88,842.00
\$ 101,439.00
\$ 41,769.00
<b>\$ 948,643.15</b>
<b>\$ 189,728.63</b>
<b>\$ 1,928,381.78</b>

\$ 85,632.92
\$ 18,311.04
\$ 85,632.92
\$ 160,561.73
\$ 129,009.60
\$ 54,100.80
\$ 29,713.20
\$ 168,544.80
\$ -
\$ 90,618.84
\$ 103,467.78
\$ 42,604.38
<b>\$ 967,616.02</b>
<b>\$ 197,393.67</b>
<b>\$ 1,974,849.52</b>

\$ 87,345.58
\$ 18,677.26
\$ 87,345.58
\$ 163,772.97
\$ 131,589.79
\$ 55,182.82
\$ 29,713.82
\$ 171,915.70
\$ -
\$ 92,431.22
\$ 105,537.14
\$ 43,456.47
<b>\$ 986,968.34</b>
<b>\$ 201,341.54</b>
<b>\$ 2,022,483.61</b>

\$ 89,092.49
\$ 19,050.81
\$ 89,092.49
\$ 167,048.42
\$ 134,221.59
\$ 56,286.47
\$ 30,308.10
\$ 175,354.01
\$ -
\$ 94,279.84
\$ 107,647.88
\$ 44,325.60
<b>\$ 1,006,707.70</b>
<b>\$ 201,341.54</b>
<b>\$ 2,071,314.50</b>

\$ 428,332.54
\$ 91,591.11
\$ 428,332.54
\$ 803,123.51
\$ 645,300.98
\$ 270,610.09
\$ 145,713.12
\$ 843,054.51
\$ -
\$ 453,271.90
\$ 517,541.79
\$ 213,105.44
<b>\$ 4,839,977.52</b>
<b>\$ 967,995.50</b>
<b>\$ 9,880,080.19</b>

**ACCOUNT MANAGEMENT EXPENSES**

27. Member Management System and Annual Support <sup>7</sup>	
28. Professional Liability Insurance <sup>8</sup>	
29. Management Fee <sup>9</sup>	
<b>ACCOUNT MANAGEMENT EXPENSE SUB-TOTAL</b>	
<b>HEALTHFITNESS CORE OPERATING EXPENSES SUB-TOTAL</b>	

\$ 24,000.00
\$ 62,251.52
\$ 192,000.00
<b>\$ 278,251.52</b>
<b>\$ 2,161,302.29</b>

\$ 24,000.00
\$ 63,784.25
\$ 197,760.00
<b>\$ 285,544.25</b>
<b>\$ 2,213,926.04</b>

\$ 24,000.00
\$ 65,356.27
\$ 203,692.80
<b>\$ 293,049.07</b>
<b>\$ 2,267,898.59</b>

\$ 24,000.00
\$ 66,968.62
\$ 209,803.58
<b>\$ 300,772.20</b>
<b>\$ 2,323,255.81</b>

\$ 24,000.00
\$ 68,622.37
\$ 216,097.69
<b>\$ 308,720.06</b>
<b>\$ 2,380,034.56</b>

\$ 120,000.00
\$ 326,983.03
\$ 1,019,354.08
<b>\$ 1,466,337.10</b>
<b>\$ 11,346,417.29</b>

**VARIABLE PROGRAM EXPENSE PROJECTIONS<sup>10</sup>**

30. Office and General Administrative Supplies <sup>11</sup>	
31. Computer Equipment <sup>12</sup>	
32. Program Supplies <sup>13</sup>	
33. Staff Uniforms <sup>14</sup>	
34. Merchandise/Softgoods <sup>15</sup>	

\$ 10,000.00
\$ 2,000.00
\$ 30,000.00
\$ 2,500.00
\$ 5,500.00

\$ 10,500.00
\$ 2,100.00
\$ 31,500.00
\$ 2,625.00
\$ 5,775.00

\$ 11,025.00
\$ 2,205.00
\$ 33,075.00
\$ 2,756.25
\$ 6,063.75

\$ 11,576.25
\$ 2,315.25
\$ 34,728.75
\$ 2,894.06
\$ 6,366.94

\$ 12,155.06
\$ 2,431.01
\$ 36,465.19
\$ 3,038.77
\$ 6,685.28

\$ 55,256.31
\$ 11,051.26
\$ 165,768.94
\$ 13,814.08
\$ 30,390.97

35. Postage and Shipping <sup>16</sup>	\$ 3,500.00	\$ 3,675.00	\$ 3,858.75	\$ 4,051.69	\$ 4,254.27	\$ 19,339.71
36. Marketing and Promotions <sup>17</sup>	\$ 35,000.00	\$ 36,750.00	\$ 38,587.50	\$ 40,516.88	\$ 42,542.72	\$ 193,397.09
37. Travel <sup>18</sup>	\$ 2,000.00	\$ 2,100.00	\$ 2,205.00	\$ 2,315.25	\$ 2,431.01	\$ 11,051.26
38. Staff Continued Education, Development, and Meetings <sup>19</sup>	\$ 6,000.00	\$ 6,300.00	\$ 6,615.00	\$ 6,945.75	\$ 7,293.04	\$ 33,153.79
39. Staff Recognition and Bonus Program <sup>20</sup>	\$ 10,000.00	\$ 10,500.00	\$ 11,025.00	\$ 11,576.25	\$ 12,155.06	\$ 55,256.31
40. Membership Dues <sup>21</sup>	\$ 1,000.00	\$ 1,050.00	\$ 1,102.50	\$ 1,157.63	\$ 1,215.51	\$ 5,525.63
41. Dues/Revenue Processing (Bank/Credit Card Fees) <sup>22</sup>	\$ 27,000.00	\$ 28,350.00	\$ 29,767.50	\$ 31,255.88	\$ 32,818.67	\$ 149,192.04
42. Program Contingency <sup>23</sup>	\$ 5,000.00	\$ 5,250.00	\$ 5,512.50	\$ 5,788.13	\$ 6,077.53	\$ 27,628.16
<b>VARIABLE PROGRAM EXPENSE SUB-TOTAL</b>	<b>\$ 139,500.00</b>	<b>\$ 146,475.00</b>	<b>\$ 153,798.75</b>	<b>\$ 161,488.69</b>	<b>\$ 169,563.12</b>	<b>\$ 770,825.56</b>
<b>VARIABLE FACILITY EXPENSE PROJECTIONS<sup>24</sup></b>						
43. Contract Services <sup>25</sup>	\$ 100,000.00	\$ 105,000.00	\$ 110,250.00	\$ 115,762.50	\$ 121,550.63	\$ 552,563.13
44. Custodial and Locker Room Amenity Supplies <sup>26</sup>	\$ 30,000.00	\$ 31,500.00	\$ 33,075.00	\$ 34,728.75	\$ 36,465.19	\$ 165,768.94
45. Pool Chemicals and General Supplies <sup>27</sup>	\$ 24,000.00	\$ 25,200.00	\$ 26,460.00	\$ 27,783.00	\$ 29,172.15	\$ 132,615.15
46. Cell Phone and Voice/Data Service <sup>28</sup>	\$ 11,000.00	\$ 11,550.00	\$ 12,127.50	\$ 12,733.88	\$ 13,370.57	\$ 60,781.94
47. Licenses and Permits <sup>29</sup>	\$ 2,000.00	\$ 2,100.00	\$ 2,205.00	\$ 2,315.25	\$ 2,431.01	\$ 11,051.26
48. Electrical Service <sup>30</sup>	\$ 115,000.00	\$ 120,750.00	\$ 126,787.50	\$ 133,126.88	\$ 139,783.22	\$ 635,447.59
49. Gas Service <sup>31</sup>	\$ 55,000.00	\$ 57,750.00	\$ 60,637.50	\$ 63,669.38	\$ 66,852.84	\$ 303,909.72
50. Garbage Service <sup>32</sup>	\$ 4,000.00	\$ 4,200.00	\$ 4,410.00	\$ 4,630.50	\$ 4,862.03	\$ 22,102.53
51. Water and Sewer Services <sup>33</sup>	\$ 29,000.00	\$ 30,450.00	\$ 31,972.50	\$ 33,571.13	\$ 35,249.68	\$ 160,243.31
52. Building and Grounds Maintenance <sup>34</sup>	\$ 12,000.00	\$ 12,600.00	\$ 13,230.00	\$ 13,891.50	\$ 14,586.08	\$ 66,307.58
53. Building Insurance <sup>35</sup>	\$ 25,000.00	\$ 26,250.00	\$ 27,562.50	\$ 28,940.63	\$ 30,387.66	\$ 138,140.78
54. Equipment Rental <sup>36</sup>	\$ 33,000.00	\$ 34,650.00	\$ 36,382.50	\$ 38,201.63	\$ 40,111.71	\$ 182,345.83
55. Miscellaneous Equipment Replacement <sup>37</sup>	\$ 2,000.00	\$ 2,100.00	\$ 2,205.00	\$ 2,315.25	\$ 2,431.01	\$ 11,051.26
56. Equipment Maintenance <sup>38</sup>	\$ 12,000.00	\$ 12,600.00	\$ 13,230.00	\$ 13,891.50	\$ 14,586.08	\$ 66,307.58
57. Capital Equipment Improvements <sup>39</sup>	\$ 75,000.00	\$ 78,750.00	\$ 82,687.50	\$ 86,821.88	\$ 91,162.97	\$ 414,422.34
58. Facility Contingency <sup>40</sup>	\$ 10,000.00	\$ 10,500.00	\$ 11,025.00	\$ 11,576.25	\$ 12,155.06	\$ 55,256.31
<b>VARIABLE FACILITY EXPENSE SUB-TOTAL</b>	<b>\$ 539,000.00</b>	<b>\$ 565,950.00</b>	<b>\$ 594,247.50</b>	<b>\$ 623,959.88</b>	<b>\$ 655,157.87</b>	<b>\$ 2,978,315.24</b>
<b>OPERATING EXPENSE GRAND TOTAL</b>	<b>\$ 2,839,802.29</b>	<b>\$ 2,926,351.04</b>	<b>\$ 3,015,944.84</b>	<b>\$ 3,108,704.38</b>	<b>\$ 3,204,755.55</b>	<b>\$ 15,095,558.10</b>
<b>NET CONTRIBUTION (REVENUE MINUS EXPENSES)</b>	<b>\$ (384,698.29)</b>	<b>\$ (346,957.04)</b>	<b>\$ (306,698.84)</b>	<b>\$ (261,320.38)</b>	<b>\$ (210,053.55)</b>	<b>\$ (1,509,728.10)</b>
<b>RECOVERY</b>	<b>86%</b>	<b>88%</b>	<b>90%</b>	<b>92%</b>	<b>93%</b>	<b>90%</b>



**CITY OF SHERWOOD RECREATION AND AQUATIC FACILITY - FOOTNOTE KEY  
REVENUE PROJECTIONS**

<sup>1</sup> Revenue projections for membership registration and monthly dues per year are developed using an average of the resident and non-resident membership enrollment and monthly dues rates listed in the table below. Our Assumption is that we would continue with this current rate structure, at least initially in the moving forward operating plan. See below for a summary of rates and the averages utilized in the 5 Year Pro Forma. **For itemized annual membership unit totals along with associated enrollment and monthly dues revenue projections please refer to Tab 3.**

Type of Membership	Resident Monthly Due	Non-Resident Monthly Due	Enrollment Fee
Youth 3-14	\$20	\$23	\$26
Young Adult 15-22	\$26	\$29	\$25
Adult 23+	\$35	\$38	\$50
2 Adults	\$58	\$64	\$75
1 Adult/Children	\$60	\$66	\$75
Family	\$70	\$77	\$75
<b>Average</b>	<b>\$47</b>		<b>\$54</b>

<sup>2</sup> Visitor Pass revenue assumes the recommended structure in the table below. **For itemized annual Visitor Pass projections and associated revenue projections please refer to Tab 3.**

Temporary Pass	Resident	Non-Resident
Day Pass	\$12	\$15
3-Pack Day Pass	\$29	\$36
5-Pack Day Pass	\$48	\$60

\* Table above provides a 20% discount when purchasing in quantity.

\* Residents provided discounted rates vs. Non Resident rates.

\* With the table above, the existing weekly pass option can be eliminated because we are offering a discounted 5-day pack.

\* We recommend keeping the existing policy where youth ages 0-2 are Free.

<sup>3</sup> Assumes revenue projection from fee-based/land based programming (e.g., recreation leagues/tournaments, specialty group classes, personal training, etc.).

<sup>4</sup> Assumes revenue projection from fee-based/aquatic based programming (e.g., swim lessons, water workout classes, lifeguard training, etc.).

<sup>5</sup> Assumes revenue projection from facility rentals (e.g., birthday parties, corporate events, community events, etc.).

<sup>6</sup> Assumes revenue projection from special events (e.g., seasonal, holiday, and or thematic events that may occur annually).

<sup>7</sup> Assumes revenue projection from direct sales to the public.

<sup>8</sup> Assumes revenue projection from local annual community contributions. Our objective moving forward will be to continue with promoting and managing local community contributions and gifts along with the accounting of such contribution in the overall budget accordingly. We will also look to continue with the promotion and management of In-Kind donations and manage all donations of this sort (e.g., donations of goods, services, time, etc.), and report/account for these donations on an annual basis.

<sup>9</sup> Assumes revenue projection from annual scholarships. Note we have shown a Zero-based (\$0) revenue line item at the time of the proposal submittal. We recommend further discussion with the City to develop a preferred scholarship model moving forward. In summary of a potential approach, our objective would be to drive enough new membership and other revenue generating centers where we would be able to continue with a comparable scholarship program in relation to past history with such a program. We are confident that with our moving forward program plan that we could achieve this goal after further discussion with the City Liaison(s) in regards to the design of the scholarship program.

**HEALTHFITNESS CORE SERVICE AREAS**

<sup>1</sup> The itemized annual operating scope of work and associated expense categories has been developed in consideration of the known project scope to date. **Note**, the staff compensation rates per position have been developed based on our experience in the industry for each position, along with the information provided in the City's RFP and Feasibility Study. We are open to making any adjustments necessary after further interaction with the City Liaison(s).

<sup>2</sup> Assumes annual salaries, wages, and benefits for the proposed on-site staff. The scope of work provides a full-time equivalency of 36.125 (including 12.0 regular full-time staff and an equivalency of 24.125 part-time staff). See itemized headcount and FTE count on the 5-Year Pricing Summary. Staff compensation rates assume a 3% increase in years 2 through 5 of the contract term for full-time staff merit increases, and 2% for part-time staff. **Additionally, See Tab #4 for a detailed itemization of the proposed full and part-time staff, along with individual positional salary and wage rates.** We are open to adjustments and/or modifications to the proposed staff scope and compensation rates should our assumptions be in-correct and/or the City has desired edits.

<sup>3</sup> Personnel Benefits total for the full-time staff assumes cost for benefits, taxes, and payroll administration at 30% of full-time staff salaries each year.

<sup>4</sup> For the initial scope of work HealthFitness proposes transitioning the class schedule in its current state and volume of classes being delivered at the time of transition. Our understanding of current instructional classes is that there is four main instructional class categories including 1) Land-based group exercise/activity class programming (62 per week), 2) Active Older Adult Programming (23 land-based and 3 aquatic), 3) Water Workouts (14 per week), and 4) Swim Lessons (81 lessons per week). Our approach will be to work with the City Liaison(s) during program transition to identify the current class schedule (types and times) that will need to be transitioned. For purposes of projecting group class cost we utilized an average per class rate multiplied by the weekly amount of classes. The group class instructor cost assumes a 2% increase in class wage rates in years 2 through 5 of the contract term. **For an itemization of class types including proposed wage rates, classes per week, and weeks per year, please refer to Tab #4 for proposed detail.**

<sup>5</sup> The Personal Trainer line item is to acknowledge that personal trainers will be needed in the moving forward program plan. The cost center for this line item is zeroed out given that we propose a model where revenue generated from the delivery of personal training will be applied to off-set the labor expense for the personal training staff. Should there be a positive net revenue after the personal trainers expense is realized then HealthFitness is open to a sharing of positive net revenue that the City would deem appropriate. If this approach/model does not fit the City's moving forward objectives then HealthFitness is open to a varied approach after further interaction with City Liaison(s).

<sup>6</sup> Personnel Benefits total for the part-time staff assumes cost for taxes, and payroll administration at 20% of part-time staff wages each year.

<sup>7</sup> Assumes expense for HealthFitness to provide the Member Management System moving forward. Note this cost will be incurred at the time the system is implemented at an annual rate of \$20,000.00. HealthFitness has experience with several well-performing systems and recommends further discussion with the City Liaison(s) in regards to the best system to utilize for the moving forward operations.

<sup>8</sup> Assumes annual cost for insurance including liability and property/casualty insurance coverage at 3% of all staff compensation and management fee each year.

<sup>9</sup> Assumes cost for HealthFitness fixed management fee. The fixed management fee assumes a 3% increase in years 2 through 5 of the contract term. This fee includes annual account management support; staff training and development; access to the HealthFitness marketing resource library; and to the staff delivered programming menu including motivational challenges, multi-session class programming, and the Mind Your Health Seminar Series. In comparison, this line item fee is comparable to the YMCA "Associate Support" line item.

**VARIABLE PROGRAM EXPENSES**

<sup>10</sup> Variable program expense projections assume proposed scope of work and projected costs for listed items. Many components of the variable program expense budget are geared towards membership growth and retention. HealthFitness recommends further discussion with the City Liaison(s) regarding the scope of this section to develop a final budget for these variable program expense categories.

<sup>11</sup> Assumes projected expense budget for general office and administrative supplies (e.g., papers, pens, poster board, batteries, miscellaneous food for events, photo's, etc.).

<sup>12</sup> Assumes projected expense budget for minor equipment hardware upgrade needs on an annual basis (e.g., new printer, laptop, etc.). This budget assumes that all existing computer hardware and connectivity within the facility is operational and will remain in the center moving forward.

<sup>13</sup> Assumes projected expense budget for miscellaneous supplies and materials for various program events (e.g., office supplies, refreshments, program materials, etc.).

<sup>14</sup> Assumes projected expense budget for staff uniforms (polo's, t-shirts, button-downs, etc.).

<sup>15</sup> Assumes projected expense budget for Softgoods and apparel for sales (active wear, socks, miscellaneous exercise gear, etc.).

<sup>16</sup> Assumes projected expense budget for annual postage and shipping expenses.

<sup>17</sup> Assumes projected expense budget for annual marketing, advertising, printing, and general promotions of facility and programs.

<sup>18</sup> Assumes projected budget for annual expenses for senior site staff to travel to various meetings and conferences.

<sup>19</sup> Assumes projected budget for annual expenses for site staff continued education, training, and participation in staff meetings and conferences.

<sup>20</sup> Assumes projected budget for annual staff recognition and bonus program. HealthFitness recommends further interaction with the City Liaison(s) to develop a bonus and recognition program that is motivating while also allowing for some challenge in order for the staff to earn said bonuses.

<sup>21</sup> Assumes projected budget for miscellaneous expenses related to membership dues collection.

<sup>22</sup> Assumes cost for the Merchant and Credit Card fees charged during the dues collection process.

<sup>23</sup> Assumes projected contingency budget for annual variable program needs.

**VARIABLE FACILITY EXPENSES**

<sup>24</sup> Variable facility expense projections assume proposed scope of work and projected costs for listed items. The variable expense components in this category support the efficient annual operations of the facility. HealthFitness recommends further discussion with the City Liaison(s) regarding the scope of this section to develop a final budget for these variable facility expense categories.

<sup>25</sup> Assumes projected expense budget for annual contract services with third party providers (e.g., towel service, janitorial, mechanical, etc.).

<sup>26</sup> Assumes projected expense budget for annual custodial and locker room amenity supplies (e.g., custodial/janitorial supplies, locker room amenities, paper products, etc.).

<sup>27</sup> Assumes projected expense budget for annual pool chemicals and general supplies.

<sup>28</sup> Assumes projected annual expense budget for cell phone and voice/data services.

<sup>29</sup> Assumes projected annual expense budget for related facility licenses and permits (covering pool and other facility areas, along with music, cable, apps, etc.)

<sup>30</sup> Assumes projected annual expense budget for facility electrical service.

<sup>31</sup> Assumes projected annual expense budget for facility gas service.

<sup>32</sup> Assumes projected annual expense budget for facility garbage service.

<sup>33</sup> Assumes projected annual expense budget for facility water and sewer service.

<sup>34</sup> Assumes projected annual expense budget for facility and grounds maintenance service.

<sup>35</sup> Assumes projected budget for annual building insurance.

<sup>36</sup> Assumes expense for annual equipment rental/lease.

<sup>37</sup> Assumes expense for annual miscellaneous equipment replacement (e.g., yoga mats).

<sup>38</sup> Assumes expense for annual equipment maintenance.

<sup>39</sup> Assumes expense for annual capital equipment and or facility improvement.

<sup>40</sup> Assumes projected contingency budget for annual variable facility needs.



	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
<b>Staff Wages Markup %</b>					
1 Full-time wage markup %	30.00%	30.00%	30.00%	30.00%	30.00%
2 Part-time wage markup %	20.00%	20.00%	20.00%	20.00%	20.00%
<b>Liability Insurance %</b>					
3 Liability insurance - % of wages & management fee	3.00%	3.00%	3.00%	3.00%	3.00%
<b>Member Management System Solution</b>					
4 Annual Member Management System	\$ 24,000.00	\$ 24,000.00	\$ 24,000.00	\$ 24,000.00	\$ 24,000.00
<b>Management Fees</b>					
5 Annual Fixed Management Fee	\$ 192,000.00	\$ 197,760.00	\$ 203,692.80	\$ 209,803.58	\$ 216,097.69

**Staff Utilization and Wages**

			YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	ANNUAL HEADCOUNT	HOURS PER WEEK
6 Full Time Staff	<b>ADMINISTRATION</b>	General Manager	1,000	1,000	1,000	1,000	1,000	1	40
		Program Manager, Recreation and Aquatics	1,000	1,000	1,000	1,000	1,000	1	40
		Membership Manager	1,000	1,000	1,000	1,000	1,000	1	40
		Marketing and Outreach Coordinator	1,000	1,000	1,000	1,000	1,000	1	40
		Administrative Assistant	1,000	1,000	1,000	1,000	1,000	1	40
	<b>PROGRAMMING</b>	Fitness Manager	1,000	1,000	1,000	1,000	1,000	1	40
		Recreation Manager	1,000	1,000	1,000	1,000	1,000	1	40
		Wellness Manager (youth -senior)	1,000	1,000	1,000	1,000	1,000	1	40
		Aquatic Supervisor (Senior Lifeguard)	1,000	1,000	1,000	1,000	1,000	1	40
		<b>FACILITY</b>	Front Desk Supervisor #1	1,000	1,000	1,000	1,000	1,000	1
		Front Desk Supervisor #2	1,000	1,000	1,000	1,000	1,000	1	40
		Facility Maintenance Manager	1,000	1,000	1,000	1,000	1,000	1	40
		<b>FULL-TIME STAFF SUB-TOTAL</b>	<b>12,000</b>	<b>12,000</b>	<b>12,000</b>	<b>12,000</b>	<b>12,000</b>	<b>12</b>	<b>480</b>
	7 Part Time Staff	<b>PROGRAMMING</b>	Fitness Specialists	2,675	2,675	2,675	2,675	2,675	6
Gymnasium Attendants			1,100	1,100	1,100	1,100	1,100	2	44
Senior Lifeguards			1,675	1,675	1,675	1,675	1,675	6	107
Lifeguards			5,350	5,350	5,350	5,350	5,350	12	214
Group Class Instruction			1,550	1,550	1,550	1,550	1,550	20	62
Active Older Adult Group Class Instruction			0,650	0,650	0,650	0,650	0,650	12	26
Water Workout Class Instruction			0,350	0,350	0,350	0,350	0,350	7	14
Swim Lesson Instruction			2,025	2,025	2,025	2,025	2,025	20	81
Personal Trainers			0,000	0,000	0,000	0,000	0,000	10	80
<b>FACILITY</b>			Front Desk Attendants	3,350	3,350	3,350	3,350	3,350	8
		Child-Care Attendants	3,825	3,825	3,825	3,825	3,825	12	153
		Maintenance Attendant	1,575	1,575	1,575	1,575	1,575	4	63
		<b>PART-TIME STAFF SUB-TOTAL</b>	<b>24,125</b>	<b>24,125</b>	<b>24,125</b>	<b>24,125</b>	<b>24,125</b>	<b>119</b>	<b>1,085</b>

8 Full-Time Staff Compensation	<b>ADMINISTRATION</b>	General Manager	\$ 80,000.00	\$ 82,400.00	\$ 84,872.00	\$ 87,418.16	\$ 90,040.70
		Program Manager, Recreation and Aquatics	\$ 60,000.00	\$ 61,800.00	\$ 63,654.00	\$ 65,563.62	\$ 67,530.53
		Membership Manager	\$ 50,000.00	\$ 51,500.00	\$ 53,045.00	\$ 54,636.35	\$ 56,275.44
		Marketing and Outreach Coordinator	\$ 50,000.00	\$ 51,500.00	\$ 53,045.00	\$ 54,636.35	\$ 56,275.44
		Administrative Assistant	\$ 35,000.00	\$ 36,050.00	\$ 37,131.50	\$ 38,245.45	\$ 39,392.81
	<b>PROGRAMMING</b>	Fitness Manager	\$ 50,000.00	\$ 51,500.00	\$ 53,045.00	\$ 54,636.35	\$ 56,275.44
		Recreation Manager	\$ 50,000.00	\$ 51,500.00	\$ 53,045.00	\$ 54,636.35	\$ 56,275.44
		Wellness Manager (youth -senior)	\$ 50,000.00	\$ 51,500.00	\$ 53,045.00	\$ 54,636.35	\$ 56,275.44
		Aquatic Supervisor (Senior Lifeguard)	\$ 45,000.00	\$ 46,350.00	\$ 47,740.50	\$ 49,172.72	\$ 50,647.90
		<b>FACILITY</b>	Front Desk Supervisor #1	\$ 35,000.00	\$ 36,050.00	\$ 37,131.50	\$ 38,245.45
		Front Desk Supervisor #2	\$ 35,000.00	\$ 36,050.00	\$ 37,131.50	\$ 38,245.45	\$ 39,392.81
		Facility Maintenance Manager	\$ 50,000.00	\$ 51,500.00	\$ 53,045.00	\$ 54,636.35	\$ 56,275.44
		<b>FULL-TIME SALARY SUB-TOTAL</b>	<b>\$ 590,000.00</b>	<b>\$ 607,700.00</b>	<b>\$ 625,931.00</b>	<b>\$ 644,708.93</b>	<b>\$ 664,050.20</b>
		<b>FULL-TIME EB SUB-TOTAL</b>	<b>\$ 177,000.00</b>	<b>\$ 182,310.00</b>	<b>\$ 187,779.30</b>	<b>\$ 193,412.68</b>	<b>\$ 199,215.06</b>
	<b>FULL-TIME GRAND-TOTAL</b>	<b>\$ 767,000.00</b>	<b>\$ 790,010.00</b>	<b>\$ 813,710.30</b>	<b>\$ 838,121.61</b>	<b>\$ 863,265.26</b>	

9 Part-Time Staff Compensation	<b>PROGRAMMING</b>	Fitness Specialist #1	Hourly Wage	\$ 15.38	\$ 15.69	\$ 16.01	\$ 16.33	\$ 16.65
			Hours per Week	24.00	24.00	24.00	24.00	24.00
			Weeks per Year	50.00	50.00	50.00	50.00	50.00
			Amount per Year	\$ 18,461.54	\$ 18,830.77	\$ 19,207.38	\$ 19,591.53	\$ 19,983.36
		Fitness Specialist #2	Hourly Wage	\$ 15.38	\$ 15.69	\$ 16.01	\$ 16.33	\$ 16.65
	Hours per Week		20.00	20.00	20.00	20.00	20.00	
	Weeks per Year		50.00	50.00	50.00	50.00	50.00	
	Amount per Year		\$ 15,384.62	\$ 15,692.31	\$ 16,006.15	\$ 16,326.28	\$ 16,652.80	
		Fitness Specialist #3	Hourly Wage	\$ 15.38	\$ 15.69	\$ 16.01	\$ 16.33	\$ 16.65
	Hours per Week		20.00	20.00	20.00	20.00	20.00	
	Weeks per Year		50.00	50.00	50.00	50.00	50.00	
	Amount per Year		\$ 15,384.62	\$ 15,692.31	\$ 16,006.15	\$ 16,326.28	\$ 16,652.80	
		Fitness Specialist #4	Hourly Wage	\$ 15.38	\$ 15.69	\$ 16.01	\$ 16.33	\$ 16.65
	Hours per Week		20.00	20.00	20.00	20.00	20.00	
	Weeks per Year		50.00	50.00	50.00	50.00	50.00	
	Amount per Year		\$ 15,384.62	\$ 15,692.31	\$ 16,006.15	\$ 16,326.28	\$ 16,652.80	
		Fitness Specialist #5	Hourly Wage	\$ 15.38	\$ 15.69	\$ 16.01	\$ 16.33	\$ 16.65
Hours per Week	13.00		13.00	13.00	13.00	13.00		
Weeks per Year	50.00		50.00	50.00	50.00	50.00		
Amount per Year	\$ 10,000.00		\$ 10,200.00	\$ 10,404.00	\$ 10,612.08	\$ 10,824.32		
	Fitness Specialist #6	Hourly Wage	\$ 15.38	\$ 15.69	\$ 16.01	\$ 16.33	\$ 16.65	
Hours per Week		10.00	10.00	10.00	10.00	10.00		
Weeks per Year		50.00	50.00	50.00	50.00	50.00		
Amount per Year		\$ 7,692.31	\$ 7,846.15	\$ 8,003.08	\$ 8,163.14	\$ 8,326.40		
	\$ 82,307.69							
	Gymnasium Attendant #1	Hourly Wage	\$ 15.38	\$ 15.69	\$ 16.01	\$ 16.33	\$ 16.65	
Hours per Week		24.00	24.00	24.00	24.00	24.00		
Weeks per Year		26.00	26.00	26.00	26.00	26.00		
Amount per Year		\$ 9,600.00	\$ 9,792.00	\$ 9,987.84	\$ 10,187.60	\$ 10,391.35		

Gymnasium Attendant #2	Hourly Wage	\$ 15.38	\$ 15.69	\$ 16.01	\$ 16.33	\$ 16.65
	Hours per Week	20.00	20.00	20.00	20.00	20.00
	Weeks per Year	26.00	26.00	26.00	26.00	26.00
	Amount per Year	\$ 8,000.00	\$ 8,160.00	\$ 8,323.20	\$ 8,489.66	\$ 8,659.46
		\$ 17,600.00				
Senior Lifeguard #1	Hourly Wage	\$ 15.38	\$ 15.69	\$ 16.01	\$ 16.33	\$ 16.65
	Hours per Week	24.00	24.00	24.00	24.00	24.00
	Weeks per Year	50.00	50.00	50.00	50.00	50.00
	Amount per Year	\$ 18,461.54	\$ 18,830.77	\$ 19,207.38	\$ 19,591.53	\$ 19,983.36
Senior Lifeguard #2	Hourly Wage	\$ 15.38	\$ 15.69	\$ 16.01	\$ 16.33	\$ 16.65
	Hours per Week	20.00	20.00	20.00	20.00	20.00
	Weeks per Year	50.00	50.00	50.00	50.00	50.00
	Amount per Year	\$ 15,384.62	\$ 15,692.31	\$ 16,006.15	\$ 16,326.28	\$ 16,652.80
Senior Lifeguard #3	Hourly Wage	\$ 15.38	\$ 15.69	\$ 16.01	\$ 16.33	\$ 16.65
	Hours per Week	20.00	20.00	20.00	20.00	20.00
	Weeks per Year	50.00	50.00	50.00	50.00	50.00
	Amount per Year	\$ 15,384.62	\$ 15,692.31	\$ 16,006.15	\$ 16,326.28	\$ 16,652.80
Senior Lifeguard #4	Hourly Wage	\$ 15.38	\$ 15.69	\$ 16.01	\$ 16.33	\$ 16.65
	Hours per Week	20.00	20.00	20.00	20.00	20.00
	Weeks per Year	50.00	50.00	50.00	50.00	50.00
	Amount per Year	\$ 15,384.62	\$ 15,692.31	\$ 16,006.15	\$ 16,326.28	\$ 16,652.80
Senior Lifeguard #5	Hourly Wage	\$ 15.38	\$ 15.69	\$ 16.01	\$ 16.33	\$ 16.65
	Hours per Week	13.00	13.00	13.00	13.00	13.00
	Weeks per Year	50.00	50.00	50.00	50.00	50.00
	Amount per Year	\$ 10,000.00	\$ 10,200.00	\$ 10,404.00	\$ 10,612.08	\$ 10,824.32
Senior Lifeguard #6	Hourly Wage	\$ 15.38	\$ 15.69	\$ 16.01	\$ 16.33	\$ 16.65
	Hours per Week	10.00	10.00	10.00	10.00	10.00
	Weeks per Year	50.00	50.00	50.00	50.00	50.00
	Amount per Year	\$ 7,692.31	\$ 7,846.15	\$ 8,003.08	\$ 8,163.14	\$ 8,326.40
		\$ 82,307.69				
Lifeguards	Hourly Wage	\$ 14.42	\$ 14.71	\$ 15.01	\$ 15.31	\$ 15.61
	Hours per Week	214.00	214.00	214.00	214.00	214.00
	Weeks per Year	50.00	50.00	50.00	50.00	50.00
	Amount per Year	\$ 154,326.92	\$ 157,413.46	\$ 160,561.73	\$ 163,772.97	\$ 167,048.42
Group Class Instruction	Hourly Wage	\$ 40.00	\$ 40.80	\$ 41.62	\$ 42.45	\$ 43.30
	Hours per Week	62.00	62.00	62.00	62.00	62.00
	Weeks per Year	50.00	50.00	50.00	50.00	50.00
	Amount per Year	\$ 124,000.00	\$ 126,480.00	\$ 129,009.60	\$ 131,589.79	\$ 134,221.59
Active Older Adult Group Class Instruction Scope includes 23 dry and 3 wet classes.	Hourly Wage	\$ 40.00	\$ 40.80	\$ 41.62	\$ 42.45	\$ 43.30
	Hours per Week	26.00	26.00	26.00	26.00	26.00
	Weeks per Year	50.00	50.00	50.00	50.00	50.00
	Amount per Year	\$ 52,000.00	\$ 53,040.00	\$ 54,100.80	\$ 55,182.82	\$ 56,286.47
Water Workout Classes	Hourly Wage	\$ 40.00	\$ 40.80	\$ 41.62	\$ 42.45	\$ 43.30
	Hours per Week	14.00	14.00	14.00	14.00	14.00
	Weeks per Year	50.00	50.00	50.00	50.00	50.00
	Amount per Year	\$ 28,000.00	\$ 28,560.00	\$ 29,131.20	\$ 29,713.82	\$ 30,308.10
Swim Lessons	Hourly Wage	\$ 40.00	\$ 40.80	\$ 41.62	\$ 42.45	\$ 43.30
	Hours per Week	81.00	81.00	81.00	81.00	81.00
	Weeks per Year	50.00	50.00	50.00	50.00	50.00
	Amount per Year	\$ 162,000.00	\$ 165,240.00	\$ 168,544.80	\$ 171,915.70	\$ 175,354.01
		\$ 366,000.00				
<b>FACILITY</b>						
Front Desk Attendants	Hourly Wage	\$ 13.00	\$ 13.26	\$ 13.53	\$ 13.80	\$ 14.07
	Hours per Week	134.00	134.00	134.00	134.00	134.00
	Weeks per Year	50.00	50.00	50.00	50.00	50.00
	Amount per Year	\$ 87,100.00	\$ 88,842.00	\$ 90,618.84	\$ 92,431.22	\$ 94,279.84
Child Care Attendants	Hourly Wage	\$ 13.00	\$ 13.26	\$ 13.53	\$ 13.80	\$ 14.07
	Hours per Week	153.00	153.00	153.00	153.00	153.00
	Weeks per Year	50.00	50.00	50.00	50.00	50.00
	Amount per Year	\$ 99,450.00	\$ 101,439.00	\$ 103,467.78	\$ 105,537.14	\$ 107,647.88
Maintenance Attendant/Custodians	Hourly Wage	\$ 13.00	\$ 13.26	\$ 13.53	\$ 13.80	\$ 14.07
	Hours per Week	63.00	63.00	63.00	63.00	63.00
	Weeks per Year	50.00	50.00	50.00	50.00	50.00
	Amount per Year	\$ 40,950.00	\$ 41,769.00	\$ 42,604.38	\$ 43,456.47	\$ 44,325.60
	<b>PART-TIME WAGE SUB-TOTAL</b>	\$ 930,042.31	\$ 948,643.15	\$ 967,616.02	\$ 986,968.34	\$ 1,006,707.70
	<b>PART-TIME EB SUB-TOTAL</b>	\$ 186,008.46	\$ 189,728.63	\$ 193,523.20	\$ 197,393.67	\$ 201,341.54
	<b>PART-TIME GRAND-TOTAL</b>	\$ 1,116,050.77	\$ 1,138,371.78	\$ 1,161,139.22	\$ 1,184,362.00	\$ 1,208,049.24
10 % annual wage increase for staff	Full-Time Staff	0.00%	3.00%	3.00%	3.00%	3.00%
	Part-Time Staff	0.00%	2.00%	2.00%	2.00%	2.00%
	<b>ALL STAFF COMPENSATION GRAND-TOTAL</b>	\$ 1,520,042.31	\$ 1,556,343.15	\$ 1,593,547.02	\$ 1,631,677.27	\$ 1,670,757.90
	<b>ALL STAFF EB GRAND-TOTAL</b>	\$ 363,008.46	\$ 372,038.63	\$ 381,302.50	\$ 390,806.35	\$ 400,556.60
	<b>GRAND TOTAL</b>	\$ 1,883,050.77	\$ 1,928,381.78	\$ 1,974,849.52	\$ 2,022,483.61	\$ 2,071,314.50