

OPERATION PLANNING REPORT

Section I – Demographics

Ballard*King & Associates (B*K), as a sub-consultant to Kimmel Bogrette Architecture, has been hired to complete a feasibility study for the long-term use of the Annex property.

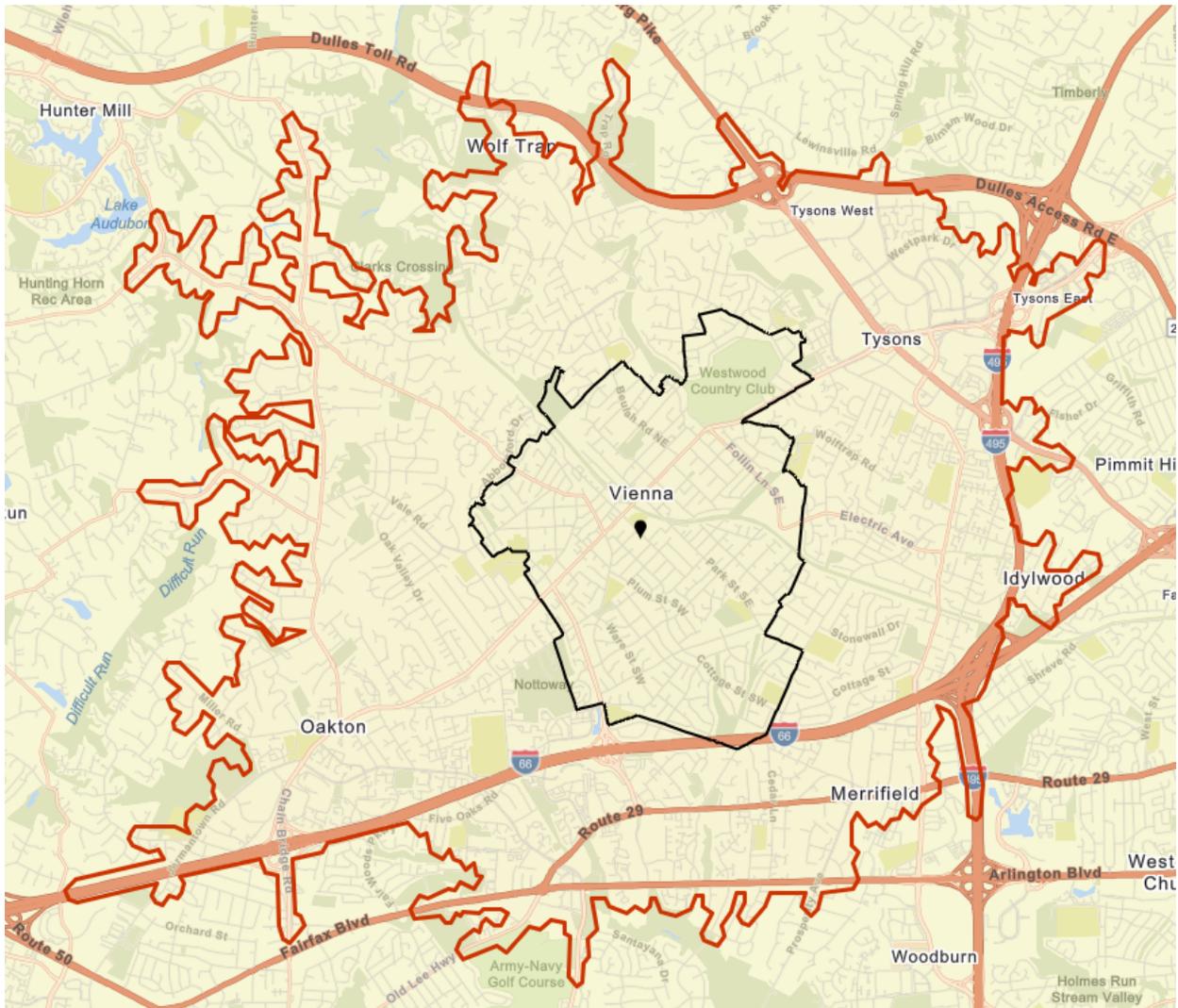
The following is a summary of the demographic characteristics of the service areas.

B*K accesses demographic information from Environmental Systems Research Institute (ESRI) who utilizes 2020 Census data and their demographers for 2023-2028 projections. In addition to demographics, ESRI also provides data on housing, recreation, and entertainment spending and adult participation in activities. B*K also uses information produced by the National Sporting Goods Association (NSGA) to overlay onto the demographic profile to determine potential participation in various activities.

Service Areas: For purposes of this study, B*K is looking at multiple facility types; aquatics (indoor or outdoor), community gathering space, senior programming space, and potentially gymnasium or fitness space. Service areas can expand, or contract based on the types of amenities that are being considered. A senior center typically focuses on serving the needs of the residents of the community would have the community boundaries proper as a primary service area. In contrast a gymnasium or aquatic facility will reach beyond the borders of the community. Given these realities B*K has identified the boundaries of Vienna as the Immediate Service Area and a 10-minute drive time as the Primary Service Area. These data points will be compared with State of Virginia and National figures.

Primary Service Areas are defined as the distance people will travel on a regular basis (a minimum of once a week) to utilize recreation facilities. Use by individuals outside of this area will be much more limited and will focus more on special activities or events.

Service Area Map



- Black Boundary – Immediate Service Area (City of Vienna)
- Red Boundary – Primary Service Area (10-Minute Drive from Annex)

B*K is being tasked with multiple use options for the Annex property that includes seniors, aquatics, fitness, meeting/gathering areas. The identified service areas could be characterized as conservative or moderate based on the components being considered.

Demographic Summary

| | Immediate Service Area | Primary Service Area |
|-----------------------------------|------------------------|----------------------|
| Population: | | |
| 2020 Census | 16,473 ¹ | 103,587 ² |
| 2023 Estimate | 16,412 | 105,952 |
| 2028 Estimate | 16,377 | 108,065 |
| Households: | | |
| 2020 Census | 5,491 | 40,762 |
| 2023 Estimate | 5,482 | 41,901 |
| 2028 Estimate | 5,465 | 42,972 |
| Families: | | |
| 2020 Census | 4,430 | 26,424 |
| 2023 Estimate | 4,098 | 25,772 |
| 2028 Estimate | 4,076 | 26,109 |
| Average Household Size: | | |
| 2020 Census | 2.99 | 2.52 |
| 2023 Estimate | 2.99 | 2.52 |
| 2028 Estimate | 2.99 | 2.51 |
| Ethnicity (2023 Estimate): | | |
| Hispanic | 12.3% | 10.7% |
| White | 63.7% | 54.0% |
| Black | 2.6% | 4.8% |
| American Indian | 0.2% | 0.2% |
| Asian | 17.1% | 26.1% |
| Pacific Islander | 0.1% | 0.1% |
| Other | 5.6% | 4.1% |
| Multiple | 10.8% | 10.8% |
| Median Age: | | |
| 2020 Census | 40.7 | 38.3 |
| 2023 Estimate | 42.6 | 39.6 |
| 2028 Estimate | 43.5 | 40.8 |
| Median Income: | | |
| 2023 Estimate | \$200,001 | \$154,642 |
| 2028 Estimate | \$200,001 | \$166,571 |

¹ From the 2010-2020 Census, the Immediate Service Area experienced a 10.5% increase in population.

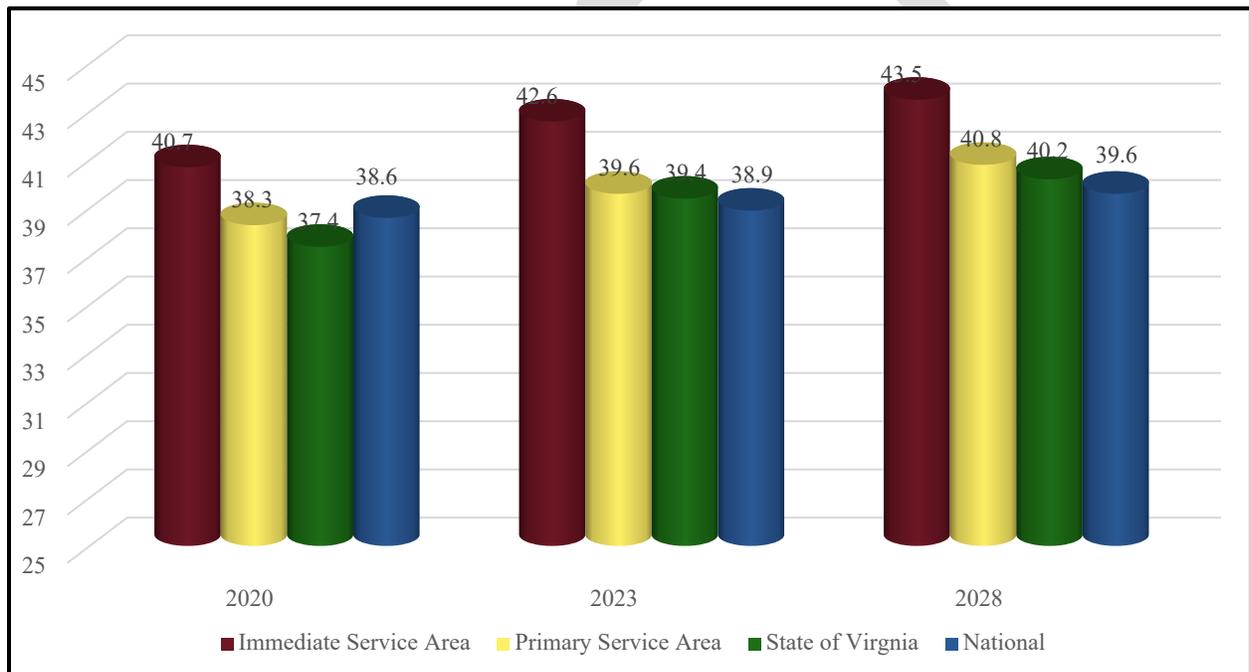
² From the 2010-2020 Census, the Secondary Service Area experienced a 13.5% increase in population.

Age and Income: The median age and household income levels are compared with the national number as both factors are determiners of participation in recreation activities. The lower the median age, the higher the participation rates are for most activities. The level of participation also increases as the median income level goes up.

Table A – Median Age:

| | 2020 Census | 2023 Projection | 2028 Projection |
|------------------------|-------------|-----------------|-----------------|
| Immediate Service Area | 40.7 | 42.6 | 43.5 |
| Primary Service Area | 38.3 | 39.6 | 40.8 |
| State of Virginia | 37.4 | 39.4 | 40.2 |
| Nationally | 38.6 | 38.9 | 39.6 |

Chart A – Median Age:



The median age in the Immediate Service Area is greater than the state and national figures, while the primary service area aligns with the state and national figures.

The following chart provides the number of households and percentage of households in the Primary and Secondary Service Area with children.

Table B – Households w/ Children

| | Number of Households w/ Children | Percentage of Households w/ Children |
|------------------------|---|---|
| Immediate Service Area | 2,409 | 44.4% |
| Primary Service Area | 12,978 | 31.9% |
| State of Virginia | - | 31.1% |

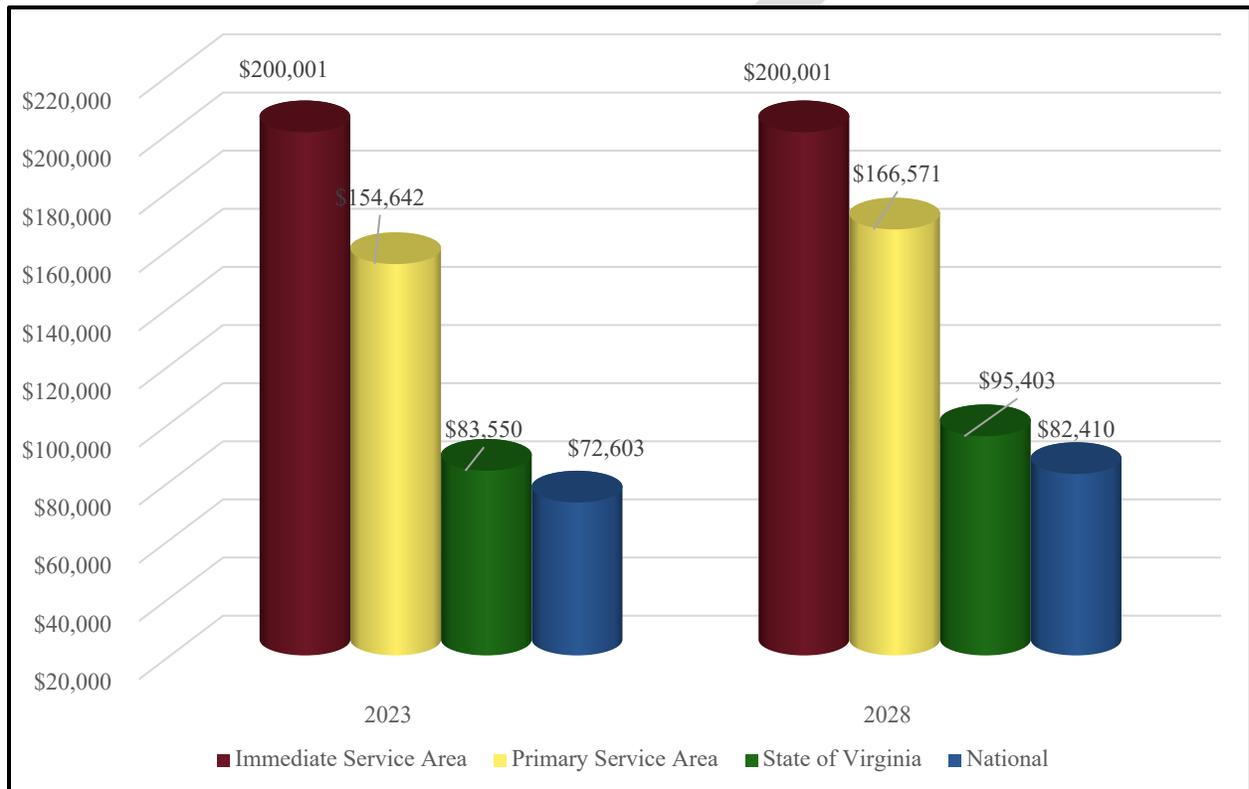
The information contained in Table-B helps further outline the presence of families with children. As a point of comparison in the 2020 Census, 30.7% of households nationally had children present.

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Table C – Median Household Income:

| | 2023 Projection | 2028 Projection |
|------------------------|-----------------|-----------------|
| Immediate Service Area | \$200,001 | \$200,001 |
| Primary Service Area | \$154,642 | \$166,571 |
| State of Virginia | \$83,550 | \$95,403 |
| Nationally | \$72,603 | \$82,410 |

Chart C (1) – Median Household Income:



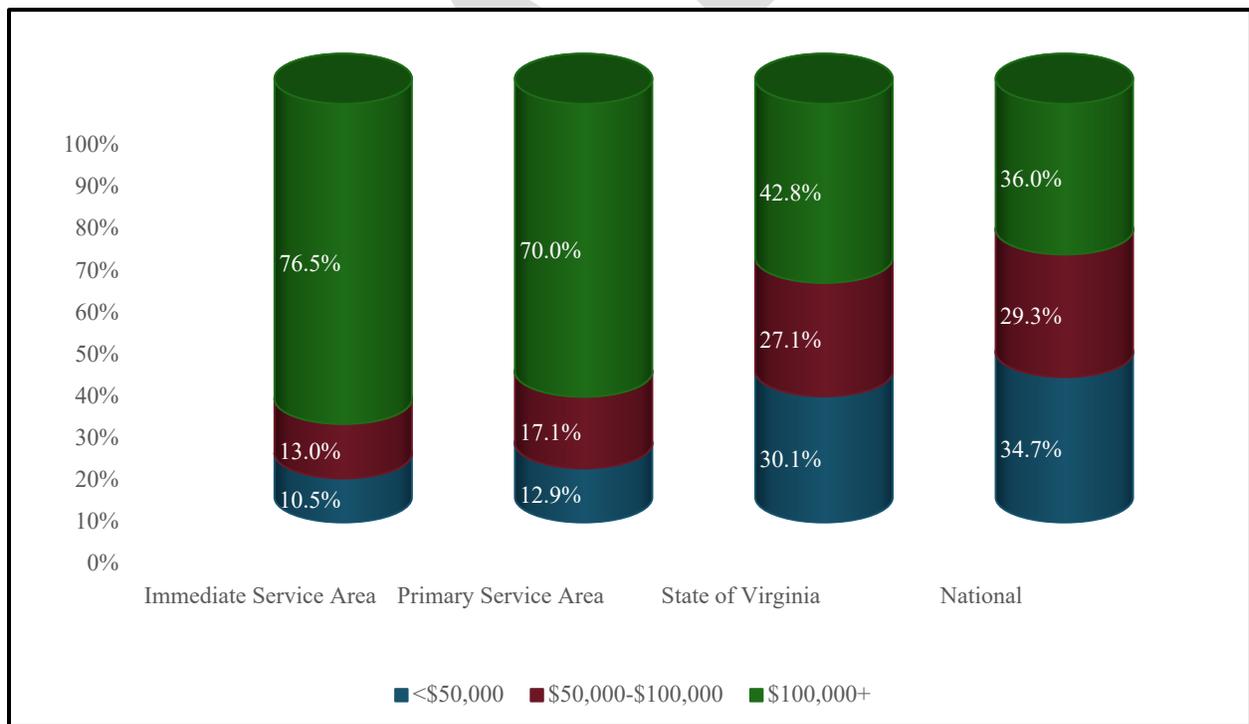
Based on 2023 projections for median household income the following narrative describes the service areas:

In the Immediate Service Area, the percentage of households with a median income over \$100,000 per year is 76.5% compared to 36.0% on a national level. Furthermore, the percentage of households in the service area with median income less than \$50,000 per year is 10.5% compared to a level of 34.7% nationally.

In the Primary Service Area, the percentage of households with a median income over \$50,000 per year is 70.0% compared to 36.0% on a national level. Furthermore, the percentage of households in the service area with median income less than \$50,000 per year is 12.9% compared to a level of 34.7% nationally.

While there is no perfect indicator of use of a recreation or aquatic facility, the percentage of households with more than \$100,000 median income is a key indicator in this portion of the country. Therefore, those numbers are significant and balanced with the overall cost of living.

Chart C (2) – Median Household Income Distribution



In addition to looking at the Median Age and Median Income, it is important to examine Household Budget Expenditures. Reviewing housing information; shelter, utilities, fuel and public services along with entertainment & recreation can provide a snapshot into the cost of living and spending patterns in the services areas. The table below looks at that information and compares the service areas.

Table D – Household Budget Expenditures³:

| Immediate Service Area | SPI | Average Amount Spent | Percent |
|--|-----|----------------------|---------|
| Housing | 237 | \$72,377.53 | 33.6% |
| <i>Shelter</i> | 242 | \$59,893.08 | 27.8% |
| <i>Utilities, Fuel, Public Service</i> | 215 | \$12,484.45 | 5.8% |
| Entertainment & Recreation | 233 | \$8,822.02 | 4.1% |

| Primary Service Area | SPI | Average Amount Spent | Percent |
|--|-----|----------------------|---------|
| Housing | 200 | \$61,276.73 | 33.8% |
| <i>Shelter</i> | 205 | \$50,820.13 | 28.1% |
| <i>Utilities, Fuel, Public Service</i> | 180 | \$10,456.60 | 5.8% |
| Entertainment & Recreation | 192 | \$7,281.72 | 4.0% |

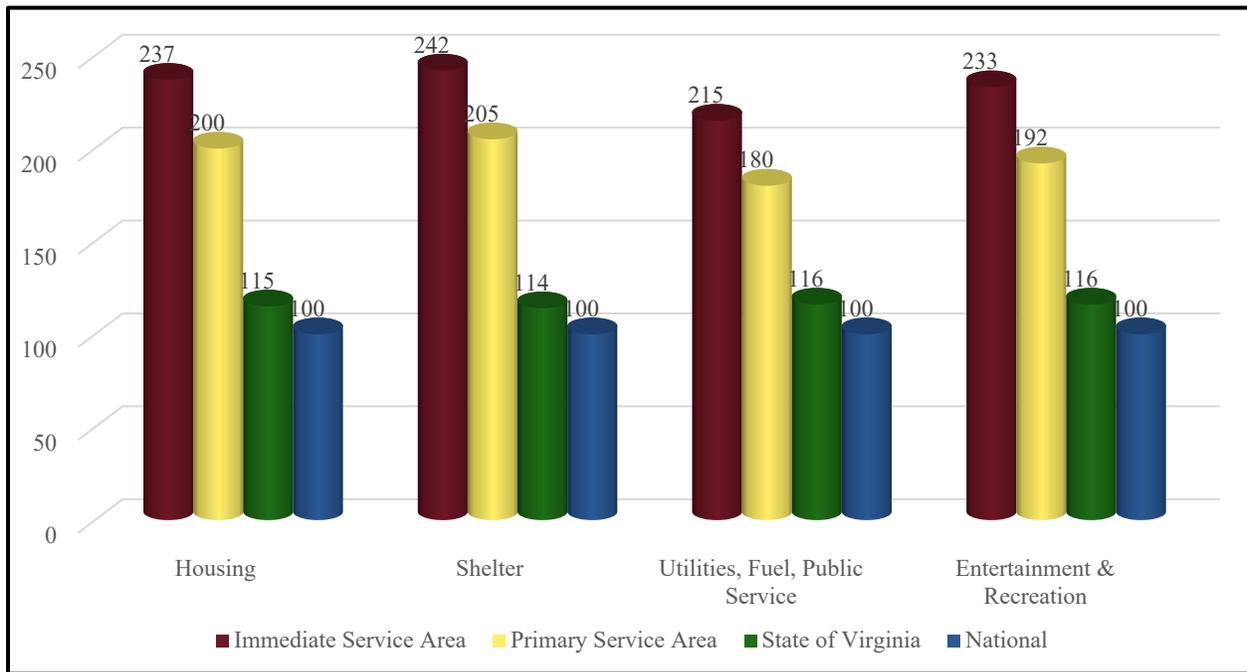
| State of Virginia | SPI | Average Amount Spent | Percent |
|--|-----|----------------------|---------|
| Housing | 115 | \$35,061.65 | 33.0% |
| <i>Shelter</i> | 114 | \$28,345.80 | 26.7% |
| <i>Utilities, Fuel, Public Service</i> | 116 | \$6,715.85 | 6.3% |
| Entertainment & Recreation | 116 | \$4,377.85 | 4.1% |

SPI: Spending Potential Index as compared to the National number of 100.
Average Amount Spent: The average amount spent per household.
Percent: Percent of the total 100% of household expenditures.

Note: Shelter along with Utilities, Fuel, Public Service are a portion of the Housing percentage.

³ Consumer Spending data are derived from the 2018 and 2019 Consumer Expenditure Surveys, Bureau of Labor Statistics. ESRI forecasts for 2023 and 2028.

Chart D – Household Budget Expenditures Spending Potential Index:



The consistency between the median household income and the household budget expenditures is important. It also points to the fact that compared to a National level the dollars available, the money being spent in the Immediate and Primary Service Areas is greater than the State and National figures. This could point to the ability to pay for programs and services offered at a recreation facility of any variety.

Recreation Expenditures Spending Potential Index: Finally, through the demographic provider that B*K utilizes for the market analysis portion of the report, we can examine the overall propensity for households to spend dollars on recreation activities. The following comparisons are possible.

Table E – Recreation Expenditures Spending Potential Index⁴:

| Immediate Service Area | SPI | Average Spent |
|-------------------------------------|------------|----------------------|
| Fees for Participant Sports | 267 | \$319.00 |
| Fees for Recreational Lessons | 307 | \$444.92 |
| Social, Recreation, Club Membership | 271 | \$753.03 |
| Exercise Equipment/Game Tables | 242 | \$236.32 |
| Other Sports Equipment | 212 | \$23.54 |

| Primary Service Area | SPI | Average Spent |
|-------------------------------------|------------|----------------------|
| Fees for Participant Sports | 209 | \$249.89 |
| Fees for Recreational Lessons | 230 | \$333.33 |
| Social, Recreation, Club Membership | 214 | \$595.16 |
| Exercise Equipment/Game Tables | 214 | \$208.72 |
| Other Sports Equipment | 173 | \$19.24 |

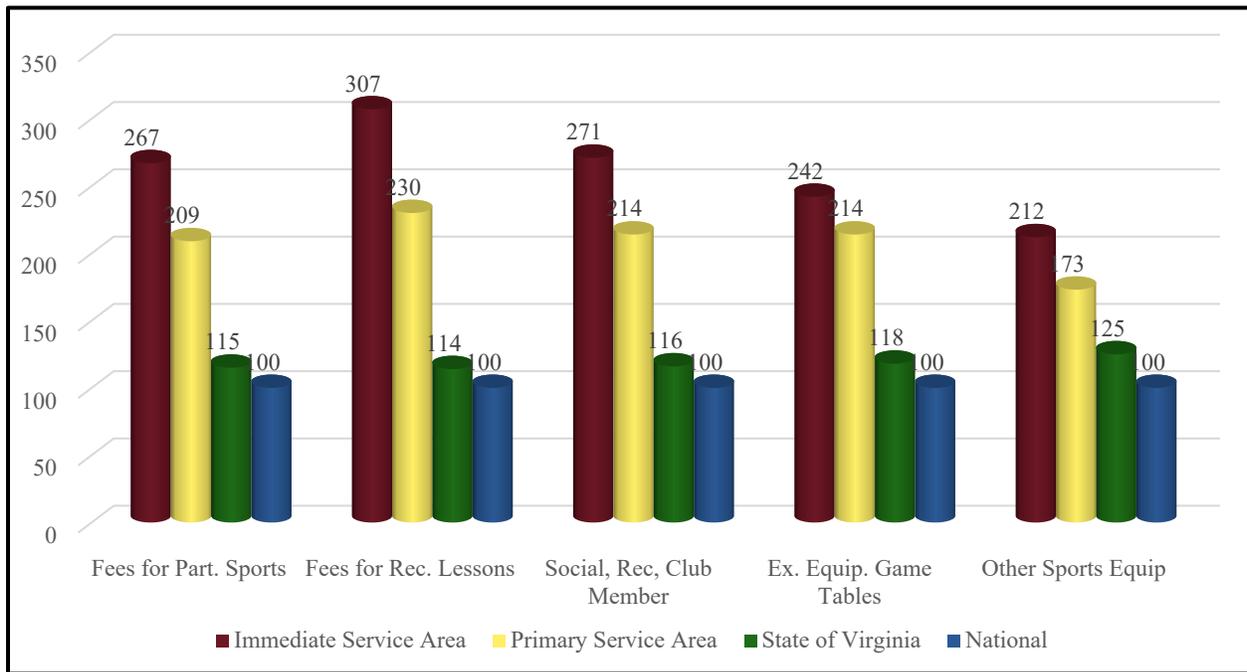
| State of Virginia | SPI | Average Spent |
|-------------------------------------|------------|----------------------|
| Fees for Participant Sports | 115 | \$137.73 |
| Fees for Recreational Lessons | 114 | \$164.85 |
| Social, Recreation, Club Membership | 116 | \$321.45 |
| Exercise Equipment/Game Tables | 118 | \$114.68 |
| Other Sports Equipment | 125 | \$13.90 |

Average Amount Spent: The average amount spent for the service or item in a year.

SPI: Spending potential index as compared to the national number of 100.

⁴ Consumer Spending data are derived from the 2018 and 2019 Consumer Expenditure Surveys, Bureau of Labor Statistics.

Chart E – Recreation Spending Potential Index:



Again, there is a great deal of consistency between median household income, household budget expenditures and now recreation and spending potential.

Population Distribution by Age: Utilizing census information for the Primary Service Area, the following comparisons are possible.

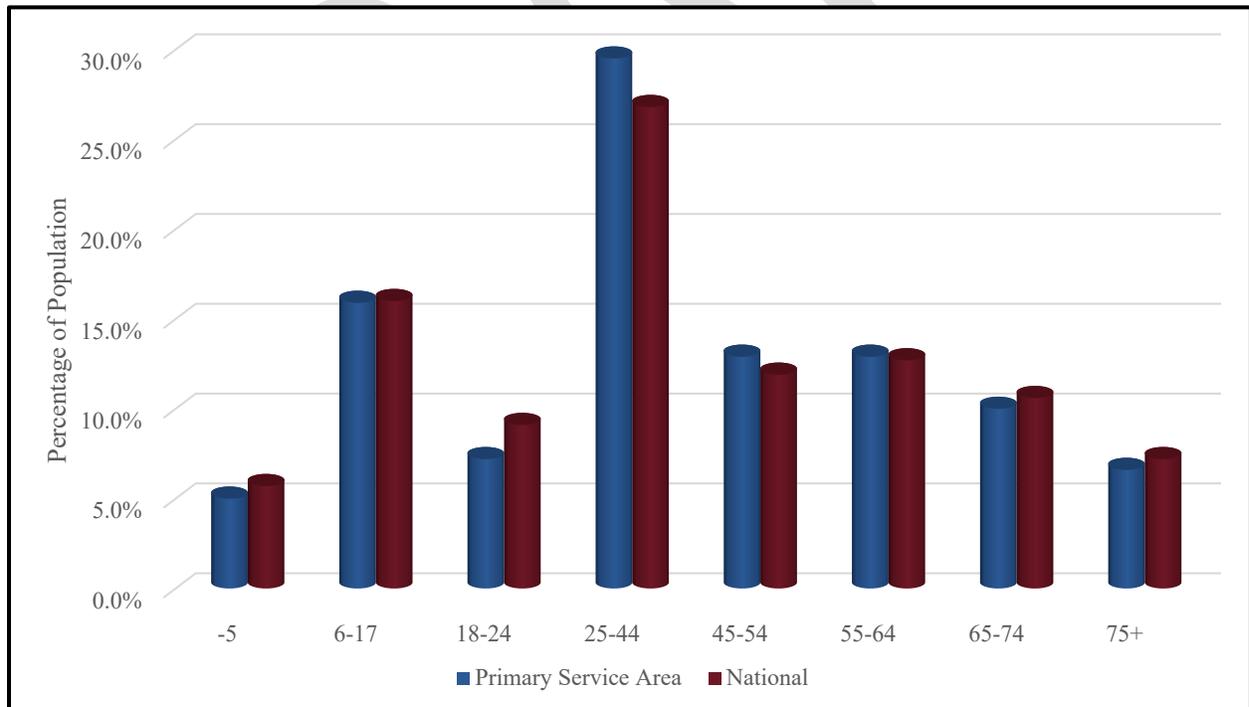
Table F – 2023 Primary Service Area Age Distribution

(ESRI estimates)

| Ages | Population | % of Total | Nat. Population | Difference |
|-------|------------|------------|-----------------|------------|
| 0-5 | 5,279 | 5.0% | 5.7% | -0.7% |
| 5-17 | 16,887 | 15.9% | 16.0% | -0.1% |
| 18-24 | 7,587 | 7.2% | 9.1% | -1.9% |
| 25-44 | 31,283 | 29.5% | 26.8% | +2.7% |
| 45-54 | 13,676 | 12.9% | 11.9% | +1.0% |
| 55-64 | 13,667 | 12.9% | 12.7% | +0.2% |
| 65-74 | 10,572 | 10.0% | 10.6% | -0.6% |
| 75+ | 7,001 | 6.6% | 7.2% | -0.6% |

Population: 2023 census estimates in the different age groups in the Primary Service Area.
% of Total: Percentage of the Primary Service Area population in the age group.
National Population: Percentage of the national population in the age group.
Difference: Percentage difference between the Primary Service Area population and the national population.

Chart F – 2023 Primary Service Area Age Group Distribution



The demographic makeup of the Primary Service Area, when compared to the characteristics of the national population, indicates that there are some differences with a larger population in the

age groups 25-44, 45-54, and 55-64 with the remaining categories having a smaller population. The greatest positive variance is in the 25-44 age group with +2.7%, while the greatest negative variance is in the 18-24 age group with -1.9%.

Population Distribution Comparison by Age: Utilizing census information from the Primary and Secondary Service Areas, the following comparisons are possible.

Table H – 2023 Primary Service Area Population Estimates

(U.S. Census Information and ESRI)

| Ages | 2020 Census | 2023 Projection | 2028 Projection | Percent Change | Percent Change Nat'l |
|-------|-------------|-----------------|-----------------|----------------|----------------------|
| -5 | 6,505 | 5,279 | 5,431 | -16.5% | -8.3% |
| 5-17 | 17,194 | 16,887 | 15,854 | -7.8% | -8.5% |
| 18-24 | 6,971 | 7,587 | 7,854 | +12.7% | -8.9% |
| 25-44 | 31,646 | 31,283 | 31,995 | +1.1% | +3.3% |
| 45-54 | 16,605 | 13,676 | 14,120 | -15.0% | -17.8% |
| 55-64 | 12,628 | 13,667 | 12,758 | +1.0% | +2.5% |
| 65-74 | 6,899 | 10,572 | 11,143 | +61.5% | +58.2% |
| 75+ | 5,148 | 7,001 | 8,912 | +73.1% | +46.3% |

Chart H – Primary Service Area Population Growth

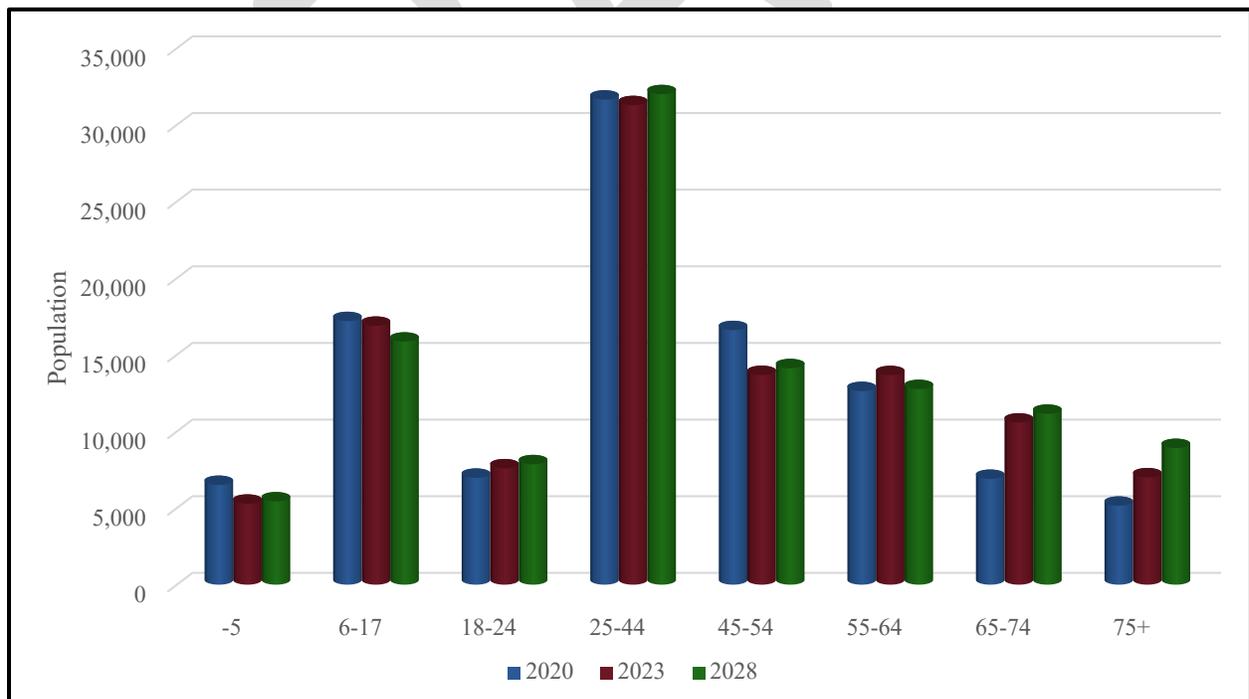


Table-H illustrates the growth or decline in age group numbers from the 2020 census until the year 2028. It is projected that the age categories of -5, 5-17, and 45-54 will see a decrease in population, with the remaining projecting an increase. The population of the United States is aging, and it is not unusual to find negative growth numbers in the younger age groups and significant net gains in the 45 plus age groupings in communities which are relatively stable in their population numbers.

Below is listed the distribution of the population by race and ethnicity for the Primary and Service Area for 2023 population projections. Those numbers were developed from 2020 Census Data.

Table J – Primary Service Area Ethnic Population and Median Age 2023

(Source – U.S. Census Bureau and ESRI)

| Ethnicity | Total Population | Median Age | % of Population | % of VA Population |
|------------------|-------------------------|-------------------|------------------------|---------------------------|
| Hispanic | 11,373 | 32.8 | 10.7% | 11.2% |

Table K – Primary Service Area by Race and Median Age 2023

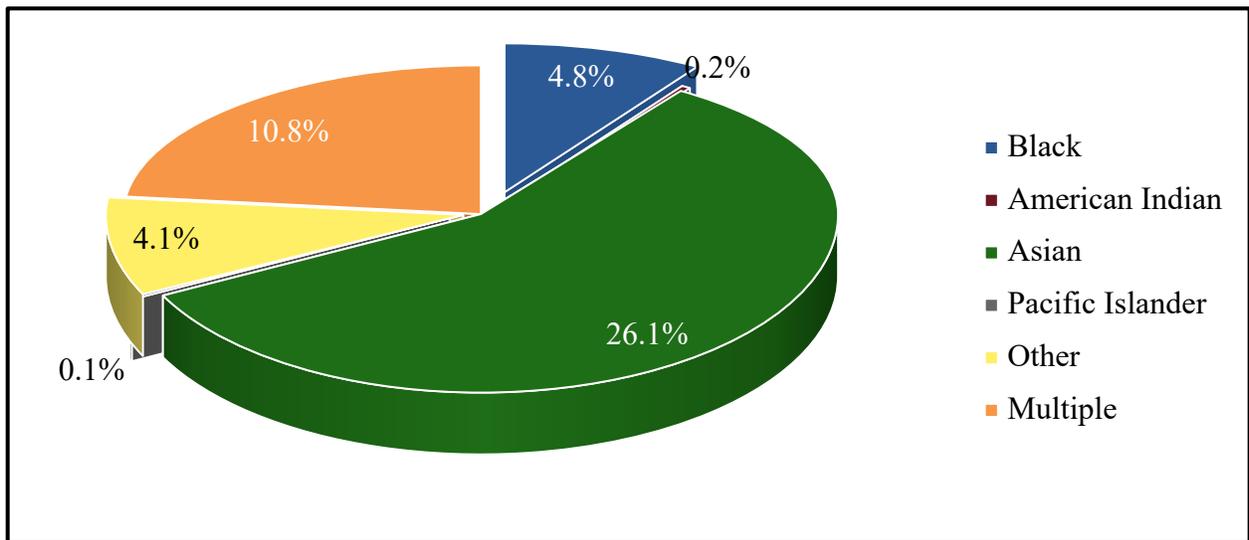
(Source – U.S. Census Bureau and ESRI)

| Race | Total Population | Median Age | % of Population | % of VA Population |
|------------------|-------------------------|-------------------|------------------------|---------------------------|
| White | 57,172 | 45.1 | 54.0% | 59.2% |
| Black | 5,032 | 38.7 | 4.8% | 18.7% |
| American Indian | 250 | 41.0 | 0.2% | 0.5% |
| Asian | 27,679 | 37.9 | 26.1% | 7.5% |
| Pacific Islander | 56 | 43.5 | 0.1% | 0.1% |
| Other | 4,288 | 32.0 | 4.1% | 5.5% |
| Multiple | 11,476 | 25.3 | 10.8% | 8.6% |

2023 Primary Service Area Total Population:

105,952 Residents

Chart K – 2023 Primary Service Area Population by Non-White Race



Tapestry Segmentation

Tapestry segmentation represents the 4th generation of market segmentation systems that began 30 years ago. The 65-segment Tapestry Segmentation system classifies U.S. neighborhoods based on their socioeconomic and demographic compositions. While the demographic landscape of the U.S. has changed significantly since the 2000 Census, the tapestry segmentation has remained stable as neighborhoods have evolved.

There is value including this information for Vienna, VA. The data assists the organization in understanding the consumers/constituents in their service area and supply them with the right products and services.

The Tapestry segmentation system classifies U.S. neighborhoods into 65 unique market segments. Neighborhoods are sorted by more than 60 attributes including income, employment, home value, housing types, education, household composition, age and other key determinates of consumer behavior.

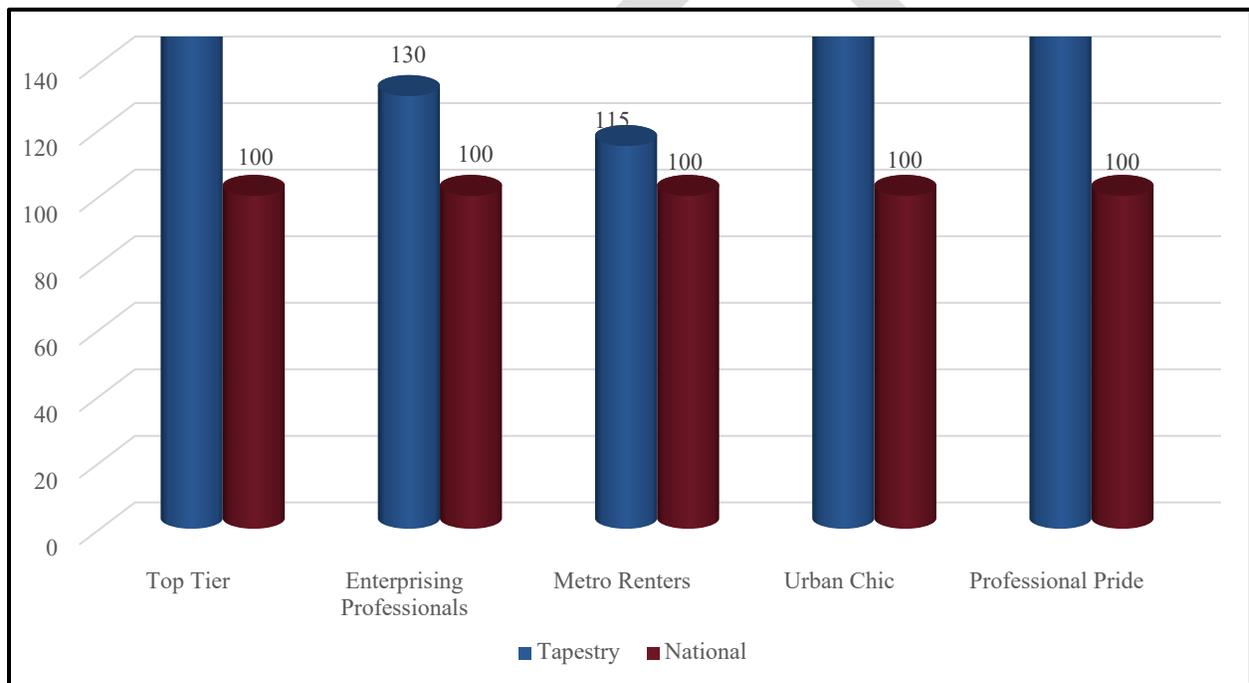
The following pages and tables outline the top 5 tapestry segments in each of the service areas and provide a brief description of each. This information combined with the key indicators and demographic analysis of each service area help further describe the markets that the Primary and Secondary Service Area looks to serve with programs, services, and special events.

Table N – Primary Service Area Tapestry Segment Comparison

(ESRI estimates)

| | Primary Service Area | | Demographics | |
|---------------------------------|----------------------|--------------------|--------------|------------------|
| | Percent | Cumulative Percent | Median Age | Median HH Income |
| Top Tier (1A) | 24.6% | 24.6% | 47.3 | \$173,200 |
| Enterprising Professionals (2D) | 19.8% | 44.4% | 35.3 | \$86,600 |
| Metro Renters (3B) | 19.2% | 63.6% | 32.5 | \$67,000 |
| Urban Chic (2A) | 10.9% | 74.5% | 43.3 | \$109,400 |
| Professional Pride (1B) | 6.7% | 81.2% | 40.8 | \$138,100 |

Chart N – Primary Service Area Tapestry Segment Entertainment Spending:



Top Tier (1A) – Married couples without children or married couples with older children dominate this market. These consumers spend money on themselves which includes spas and exercise at exclusive clubs. They frequent book club meetings, classical music concerts, opera shows and visit art galleries. Vacation often and fill time with charity events and arts.

Enterprising Professionals (2D) – Well educated residents in STEM occupations. Relatively young market that stays youthful by eating healthy, running and yoga. Buy name brands and technology. Work long hours but likes to be active. Enjoy trips to the beach and museums.

Metro Renters (3B) – These residents are highly mobile and educated. Spend large portion of their income on clothes and technology. Willing to take risks. There is a significant Hispanic

(11.1%), Asian and Pacific Islander (12.7%), and Black (10.7%) population in this segment. Socializing and social status is important. Participate in Yoga, Pilates, and skiing.

Urban Chic (2A) – Professionals living an exclusive lifestyle. Environmentally aware and like to live “green.” Embrace city life with museums, arts, culture and sports. 30% are singles. These residents embrace city life by visiting museums and art galleries. In their downtime, they enjoy activities such as yoga, hiking and tennis.

Professional Pride (1B) – Goal oriented couples working long hours. They are well-organized and scheduled with commitment to their children’s activities. Exercise often at health clubs. Consumers take pride in and spend time with their home and upgrading.

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Demographic Summary

The following summarizes the demographic characteristics of the service areas.

- The population within the Immediate Service Area would support the development of a senior center or indoor gathering space. The population within the Primary Service Area would support the development of an indoor gymnasium, fitness area, or aquatic facility.
- The median age in the Immediate Service Area is slightly older than that of the Primary Service Area which aligns with both the State and National figures. Within the Immediate Service Area approximately 18.5% of the population is over 65 years of age and 16.6% of the population in the Primary Service Area. These would be primary users of a senior center. In both service areas there is the presence of families with children, which are significant users of the other spaces that have been identified.
- The number of households with children in the Primary Service Area is consistent with the state and national figures, while the percentage in the Immediate Service Area is almost 12.0% higher. This could indicate that that an aquatic center or gymnasium may be a higher priority to residents.
- Both the Primary and the Primary Service Areas have a significantly higher median household income than the state and national figure. Income level is important when it comes to price point for programs and services, subsequently the cost recovery level of a facility. The income level suggests that the service areas will be able to support a facility, but the facility will likely not recover 100% of its operating expenses.
- The Household Budget Expenditures and the Recreation Spending Potential are consistent with the median household income. Consistency is important for the financial performance of the future facility. It is also important to note, specific to recreation, that those dollars are currently being spent with other providers in the area.
- The age distribution in the Primary Service Area is such that 20.9% are under the age of 18 and 29.5% are over the age of 55. Parks and recreation amenities continue to evolve towards multi-generational facilities. As such when looking at facilities it is important to have amenities and programs that appeal to the full age spectrum.

The demographic data points for the project can be classified as positive.

Participation Statistics

Market Potential Index for Adult Participation: Using ESRI, the consulting team can provide a Market Potential Index number for adult participation in swimming.

Table A – Market Potential Index (MPI) for the Primary Service Area

| Adult Participation | Expected Number of Adults | Percent of Population | MPI |
|-----------------------|---------------------------|-----------------------|-----|
| Aerobic Exercise | 9,017 | 10.8% | 129 |
| Basketball | 5,010 | 6.0% | 104 |
| Bicycle Riding (road) | 12,785 | 15.3% | 127 |
| Jogging/Running | 12,765 | 15.2% | 135 |
| Pilates | 3,349 | 4.0% | 143 |
| Ping Pong | 3,479 | 4.2% | 121 |
| Swimming | 14,010 | 16.7% | 111 |
| Volleyball | 2,055 | 2.5% | 104 |
| Walking for Exercise | 33,180 | 39.6% | 117 |
| Weightlifting | 15,228 | 18.2% | 129 |
| Yoga | 12,204 | 14.6% | 133 |
| Zumba | 9,017 | 10.8% | 129 |

Expected # of Adults: Number of adults, 18 years of age and older, participating in the activity in the Service Area.

Percent of Population: Percent of the service area that participates in the activity.

MPI: Market potential index as compared to the national number of 100.

The rate of participation for adult participation in the above-listed activities is greater than the national figure of 100 in all categories. Active adults point to activities families and active children. These figures suggest that adults are using some type of indoor facility in the area.

On an annual basis, the National Sporting Goods Association (NSGA) conducts an in-depth study and survey of how Americans spend their leisure time. The data is collected in one year and the report is issued in June of the following year. This information provides the data necessary to overlay the rate of participation onto the Primary Service Area to determine market potential.

B*K takes the national average and combines that with participation percentages of the Primary Service Area based upon age distribution, median income, region, and National number. Those four percentages are averaged together to create a unique participation percentage for the service area. This participation percentage when applied to the population of the Primary Service Area then provides an idea of the market potential for swimming or aquatic services.

Table B –Participation Rates for Indoor Activities in the Primary Service Areas

| | Age Distribute | Median Income | Region | National Average | Average |
|------------------------|-----------------------|----------------------|---------------|-------------------------|----------------|
| Aerobic Exercise | 15.9% | 19.5% | 14.5% | 15.8% | 15.9% |
| Basketball | 7.5% | 8.7% | 7.5% | 7.6% | 7.8% |
| Bicycle Riding | 14.5% | 21.5% | 14.9% | 14.6% | 16.4% |
| Billiards/Pool | 7.4% | 7.6% | 7.7% | 7.3% | 7.5% |
| Boxing | 1.5% | 1.5% | 1.2% | 1.5% | 1.4% |
| Dart Throwing | 3.7% | 3.3% | 3.0% | 3.7% | 3.4% |
| Exercise Walking | 37.5% | 45.5% | 35.7% | 37.3% | 39.0% |
| Exercise w/ Equipment | 19.2% | 26.3% | 19.2% | 19.1% | 20.9% |
| Martial Arts/MMA | 1.7% | 1.8% | 1.6% | 1.7% | 1.7% |
| Pickleball | 2.1% | 3.2% | 1.5% | 2.1% | 2.2% |
| Pilates | 2.1% | 2.7% | 2.1% | 2.0% | 2.2% |
| Running/Jogging | 14.8% | 19.4% | 14.3% | 14.8% | 15.8% |
| Swimming | 16.3% | 22.9% | 15.4% | 16.4% | 17.7% |
| Table Tennis/Ping Pong | 4.1% | 5.5% | 3.8% | 4.1% | 4.4% |
| Volleyball | 3.8% | 5.3% | 4.0% | 3.8% | 4.2% |
| Weightlifting | 12.7% | 18.0% | 12.7% | 12.7% | 14.0% |
| Workout @ Clubs | 9.7% | 13.1% | 10.1% | 9.7% | 10.7% |
| Wrestling | 1.0% | 1.0% | 0.7% | 1.0% | 0.9% |
| Yoga | 10.5% | 13.5% | 9.0% | 10.4% | 10.9% |
| Did Not Participate | 20.6% | 13.1% | 20.6% | 20.6% | 18.7% |

Age Distribution: Participation based on individuals ages 7 & Up of the Primary Service Area.
Median Income: Participation based on the 2022 estimated median household income in the Primary Service Area.
Region: Participation based on regional statistics South Atlantic.
National Average: Participation based on national statistics.
Unique Average: Average of the four columns.

Anticipated Participation Number: Utilizing the average percentage from Table-B above plus the 2020 census information and census estimates for 2023 and 2028 (over age 7) the following comparisons are available.

Table C –Participation Growth/Decline for Indoor Activities in the Primary Service Area

| | Average | 2020 Population | 2023 Population | 2028 Population | Difference |
|------------------------|---------|--------------------|--------------------|--------------------|------------|
| Aerobic Exercise | 15.9% | 14,892 | 15,530 | 15,840 | 948 |
| Basketball | 7.8% | 7,163 | 7,470 | 7,619 | 456 |
| Bicycle Riding | 16.4% | 13,761 | 14,351 | 14,637 | 876 |
| Billiards/Pool | 7.5% | 6,880 | 7,175 | 7,319 | 438 |
| Boxing | 1.4% | 1,414 | 1,474 | 1,504 | 90 |
| Dart Throwing | 3.4% | 3,487 | 3,637 | 3,709 | 222 |
| Exercise Walking | 39.0% | 35,156 | 36,664 | 37,395 | 2,238 |
| Exercise w/ Equipment | 20.9% | 18,002 | 18,774 | 19,149 | 1,146 |
| Martial Arts/MMA | 1.7% | 1,602 | 1,671 | 1,704 | 102 |
| Pickleball | 2.2% | 1,979 | 2,064 | 2,105 | 126 |
| Pilates | 2.2% | 1,885 | 1,966 | 2,005 | 120 |
| Running/Jogging | 15.8% | 13,949 | 14,548 | 14,838 | 888 |
| Swimming | 17.7% | 15,457 | 16,120 | 16,442 | 984 |
| Table Tennis/Ping Pong | 4.4% | 3,864 | 4,030 | 4,110 | 246 |
| Volleyball | 4.2% | 3,582 | 3,735 | 3,810 | 228 |
| Weightlifting | 14.0% | 11,970 | 12,483 | 12,732 | 762 |
| Workout @ Clubs | 10.7% | 9,143 | 9,535 | 9,725 | 582 |
| Wrestling | 0.9% | 943 | 983 | 1,003 | 60 |
| Yoga | 10.9% | 9,802 | 10,223 | 10,426 | 624 |
| Did Not Participate | 18.7% | 19,416 | 20,249 | 20,652 | 1,236 |

Note: These figures do not necessarily translate into attendance figures for various activities or programs.

National Summary of Sports Participation: The following chart summarizes participation for the top ten most participated in activities utilizing information from the 2022 National Sporting Goods Association survey.

Table D – Sports Participation Summary

| Sport | Nat'l Rank ¹ | Nat'l Participation (in millions) |
|-------------------------|-------------------------|-----------------------------------|
| Exercise Walking | 1 | 113.9 |
| Cardio Fitness | 2 | 92.9 |
| Strength Training | 3 | 73.4 |
| Exercising w/ Equipment | 4 | 58.2 |
| Swimming | 6 | 50.2 |
| Running/Jogging | 7 | 45.0 |
| Bicycle Riding | 8 | 44.6 |
| Weightlifting | 10 | 38.8 |
| Yoga | 11 | 31.7 |
| Workout @ Club | 13 | 29.6 |
| Basketball | 15 | 23.2 |
| Billiards/Pool | 16 | 22.3 |
| Table Tennis/Ping Pong | 23 | 12.5 |
| Volleyball | 26 | 11.7 |
| Dart Throwing | 28 | 11.2 |
| Pickleball | 38 | 6.4 |
| Pilates | 39 | 6.2 |
| Martial Arts/MMA | 44 | 5.3 |
| Boxing | 48 | 4.6 |
| Wrestling | 52 | 3.1 |

Nat'l Rank: Popularity of sport based on national survey.

Nat'l Participation: Population that participate in this sport on national survey.

These are national figures, and there can be fluctuation.

¹ This rank is based upon the 58 activities reported on by NSGA in their 2021 survey instrument.

National Participation by Age Group: Within the NSGA survey, participation is broken down by age groups. As such B*K can identify the top 3 age groups participating in the activities reflected in this report.

Chart E – Participation by Age Group:

| | Largest | Second Largest | Third Largest |
|------------------------|----------------|-----------------------|----------------------|
| Aerobic Exercise | 35-44 | 25-34 | 45-54 |
| Basketball | 12-17 | 25-34 | 18-24 |
| Bicycle Riding | 55-64 | 45-54 | 12-17 |
| Billiards/Pool | 25-34 | 34-44 | 45-54 |
| Boxing | 25-34 | 18-24 | 35-44 |
| Dart Throwing | 25-34 | 35-44 | 45-54 |
| Exercise Walking | 55-64 | 65-74 | 45-54 |
| Exercise w/ Equipment | 25-34 | 45-54 | 55-64 |
| Gymnastics | 7-11 | 12-17 | 25-34 |
| Martial Arts/MMA | 7-11 | 25-34 | 12-17 |
| Pickleball | 12-17 | 65-74 | 18-24 |
| Pilates | 25-34 | 35-44 | 45-54 |
| Running/Jogging | 25-34 | 35-44 | 45-54 |
| Swimming | 55-64 | 12-17 | 7-11 |
| Table Tennis/Ping Pong | 25-34 | 18-24 | 12-17 |
| Volleyball | 12-17 | 25-34 | 18-24 |
| Weightlifting | 25-34 | 45-54 | 35-44 |
| Workout @ Clubs | 25-34 | 35-44 | 45-54 |
| Wrestling | 12-17 | 25-34 | 7-11 |
| Yoga | 25-34 | 35-44 | 45-54 |
| Did Not Participate | 45-54 | 55-64 | 65-74 |

Largest: Age group with the highest rate of participation.
Second Largest: Age group with the second highest rate of participation.
Third Largest: Age group with the third highest rate of participation.

National Participation History: The following provides a historical perspective on national rates of swimming participation.

Chart F – 10-Year Data Points National Participation

| | Percentage Increase |
|-------------------------|----------------------------|
| Pickleball | +276% |
| Table Tennis/Ping Pong | +27.6% |
| Bicycle Riding | +25.3% |
| Weightlifting | +24.0% |
| Yoga | +22.4% |
| Boxing | +21.1% |
| Exercise Walking | +18.3% |
| Volleyball | +15.8% |
| Billiards/Pool | +14.4% |
| Dart Throwing | +14.3% |
| Pilates | +12.7% |
| Exercising w/ Equipment | +9.6% |
| Running/Jogging | +7.1% |
| Gymnastics | +3.9% |
| Wrestling | +0.0% |

| | Percentage Decrease |
|------------------|----------------------------|
| Basketball | -9.0% |
| Workout @ Club | -13.2% |
| Martial Arts/MMA | -17.2% |

The chart illustrates the growth, or decline, in national participation in the past 10 years.

Non-Sport Participation Statistics: It is important to note that participation rates in non-sport activities. While there is not an abundance of information available for participation in these types of activities as compared to sport activities, there are statistics that can be utilized to help determine the market for cultural arts activities and events.

There are many ways to measure a nation's cultural vitality. One way is to chart the public's involvement with arts events and other activities over time. The NEA's Survey of Public Participation in the Arts remains the largest periodic study of arts participation in the United States. It tracks various arts activities that Americans (aged 18 and over) report having done in a year. It also asks questions about adults' preferences for different kinds of music, and it seeks to understand participation in non-arts leisure events such as sports and exercise, outdoor activities, and civic and social affairs.

The participation numbers for these activities are national numbers and the information falls into the following categories:

- Attending Arts Activities
- Reading Books and Literature
- Consuming Art through Electronic Media
- Making and Sharing Art
- Participating in Arts Learning
- Perceptions of Arts Availability

Attending Arts Activities

Table G – Percentage of U.S. Adult Attending a Performing Arts Activity at Least Once in the Past 12-Months

| Music | 2008 | 2012 | 2017 | Rate of Change | |
|----------------------------------|-------------|-------------|-------------|-----------------------|------------------|
| | | | | 2008-2012 | 2012-2017 |
| Jazz | 7.8% | 8.1% | 8.6% | +0.3% | +0.5% |
| Classical Music | 9.3% | 8.8% | 8.6% | -0.5% | -0.2% |
| Opera | 2.1% | 2.1% | 2.2% | +0.0% | +0.1% |
| Latin Music | 4.9% | 5.1% | 5.9% | +0.2% | +0.8% |
| Outdoor Performing Arts Festival | 20.8% | 20.8% | 24.2% | +0.0% | +3.4% |

| Plays | 2008 | 2012 | 2017 | Rate of Change | |
|-------------------|-------------|-------------|-------------|-----------------------|------------------|
| | | | | 2008-2012 | 2012-2017 |
| Musical Plays | 16.7% | 15.2% | 16.5% | -1.5% | +1.3% |
| Non-Musical Plays | 9.4% | 8.3% | 9.4% | -1.1% | +1.1% |

| Dance | 2008 | 2012 | 2017 | Rate of Change | |
|--------------|-------------|-------------|-------------|-----------------------|------------------|
| | | | | 2008-2012 | 2012-2017 |
| Ballet | 2.9% | 2.7% | 3.1% | -0.2% | +0.4% |
| Other Dance | 5.2% | 5.6% | 6.3% | +0.4% | +0.7% |

- Following a sharp decline in overall arts attendance that occurred from 2002-2008, participation rates held steady from 2008-2012, and have increased into 2017.
- Changes in the U.S. demographic composition appear to have contributed to attendance in performing arts attendance. Still, various subgroups of Americans have maintained or increased attendance rates for individual art forms.

Table H – Percentage of U.S. Adults Attending Visual Arts Activities and Events

| | 2008 | 2012 | 2017 | Rate of Change | |
|-----------------------------|-------|-------|-------|----------------|-----------|
| | | | | 2008-2012 | 2012-2017 |
| Art Museums/Galleries | 22.7% | 21.0% | 23.7% | -1.7% | +2.7% |
| Parks/Historical Buildings | 24.5% | 22.4% | 28.3% | -2.1% | +5.9% |
| Craft/Visual Arts Festivals | 24.9% | 23.9% | 23.8% | -1.0% | -0.1% |

- Visual arts attendance has declined significantly from 2002 to 2012 although has rebounded in 2017.

Reading Books and Literature

Table I – Reading Activity

| | 2008 | 2012 | 2017 | Rate of Change | |
|-----------------------------|-------|-------|-------|----------------|-----------|
| | | | | 2008-2012 | 2012-2017 |
| Read any Book, non-required | 54.3% | 54.6% | 52.7% | +0.3% | -1.9% |
| Literature | 50.2% | 47.0% | 44.2% | -3.2% | -2.8% |
| Novels and Short Stories | 47.0% | 45.2% | 41.8% | -1.8% | -3.4% |
| Plays | 2.6% | 2.9% | 3.7% | +0.3% | +0.8% |
| Poetry | 8.3% | 6.7% | 11.7% | -1.6% | +5.0% |

Consuming Art Through Electronic Media

Table J – Percentage of U.S. Adults Who Used Electronic Media to Consume Books or other Artistic, Arts-Related, and Literary Content Arts: 2017

| | Percentage |
|---|------------|
| Used Electronic Media to Consume Artistic or Arts Related Content | 74% |
| Read Any Books Using Electronic Media | 23% |
| Listen to Any Audiobooks | 16% |

Table K – Percentage of Adults Who Used Electronic Media to Consume Art in the past 12 Months

| | Percentage |
|--|------------|
| Other Music ² | 65% |
| Classical Music or Opera | 21% |
| Jazz | 20% |
| Programs Info. About Book Writers | 19% |
| Latin, Spanish, or Salsa | 19% |
| Theater Productions (musical or stage play) ³ | 16% |
| Paintings, Sculpture, Pottery or Other Visual Art | 16% |
| Dance Performances or programs | 14% |
| Programs and Info. About Visual Arts | 14% |

Making and Sharing Art

Table L – Percentage of American Adults Who Made Art in the Last 12 Months: 2017

| | Percentage |
|------------------|------------|
| Any Art | 54% |
| Performing Arts | 40% |
| Visual Arts | 33% |
| Creative Writing | 7% |

Performing Arts include singing, playing any musical instrument, dancing, or acting.

Visual Arts include painting, drawing, sculpting, or making prints, taking photographs, creating films, creating animations, digital arts, making pottery, ceramics, or jewelry, doing leatherwork, metalwork or woodwork, weaving, crocheting, quilting, knitting, or sewing, scrapbooking, etc.

Creative Writing includes fiction, nonfiction, poetry or plays.

Table M – Percentage of American Adults Who Did Performing Arts

| | Percentage |
|---|------------|
| Singing | 25% |
| Dancing | 24% |
| Playing Musical Instrument | 11% |
| Creating or Performing Music in Other Ways | 3% |
| Acting | 2% |
| Using Electronic Media to Edit or Remix Music | 2% |

² Rock, pop, country, folk, rap or hip-hop

³ Musicals, plays or information about theatre.

Table N – Percentage of American Adults Who Did Visual Arts

| | Percentage |
|---|-------------------|
| Taking Photographs | 14% |
| Painting, Drawing, Sculpting, or Making Prints | 13% |
| Weaving, Crocheting, Quilting, Needleworking, Knitting or Sewing | 12% |
| Editing Photographs | 10% |
| Doing Scrapbooking, Origami, or Other Paper-Based Art | 7% |
| Doing Leatherwork, Metalwork, or Woodwork | 7% |
| Creating Films or Videos | 5% |
| Making Pottery, Ceramics, or Jewelry | 4% |
| Designing or Creating Animations, Digital Art, Computer Graphics or Video Games | 3% |

Table O – Among Adults Who Made Art, Percentage Who Did So At Least Once a Week

| | Percentage |
|--|-------------------|
| Sing | 70.2% |
| Use Electronic Media to Edit or Remix Music | 48.5% |
| Play Any Musical Instrument | 46.6% |
| Take Photographs | 45.2% |
| Edit Photographs | 38.5% |
| Create or Perform Any Music In Other Ways | 37.5% |
| Creating Writing | 34.3% |
| Design or Create Animations, Digital Art, Computer Graphics or Video Games | 32.2% |
| Weave, Crochet, Quilt, Needlework, Knot or Sew | 26.2% |
| Create Films or Videos | 22.9% |
| Dance | 22.6% |
| Paint, Draw, Sculpt, or Make Prints | 22.5% |
| Act | 20.8% |
| Do Leatherwork, Metalwork, or Woodwork | 20.6% |
| Do Scrapbooking, Origami, or Other Paper-Based Art | 14.0% |
| Make Pottery, Ceramics or Jewelry | 9.8% |

Participating in Arts Learning

Table P – Percentage of Adults Who Took Formal Art Lessons or Classes in Past 12 Months

| | Percentage |
|-----------------------------------|-------------------|
| Any Type of Art | 9.5% |
| Visual Arts ⁴ | 3.6% |
| Music | 2.7% |
| Art History or Appreciation | 2.1% |
| Dance | 1.9% |
| Creative Writing | 1.7% |
| Computer Animation or Digital Art | 1.8% |
| Photography or Filmmaking | 1.6% |
| Acting or Theatre | 0.6% |

Table Q – Percentage of Adults Who Took Informal Art Lessons or Classes in Past 12 Months

| | Percentage |
|-----------------------------------|-------------------|
| Any Type of Art | 17.2% |
| Music | 10.3% |
| Visual Arts | 6.3% |
| Photography or Filmmaking | 5.3% |
| Art History or Appreciation | 4.9% |
| Dance | 3.5% |
| Creative Writing | 3.1% |
| Acting or Theatre | 1.8% |
| Computer Animation or Digital Art | N/A |

⁴ Drawing, Painting, Pottery, Weaving or Graphic Design

Town of Vienna Operational Plans

As part of the feasibility study process, B*K has developed an independent third-party operations plan for the options the Town is considering. It is important to note when developing these operational plans, it is based on the market, the cost recovery goals of the client, B*K's familiarity with operating similar facilities, and industry best practices. It is also important to note that B*K takes a conservative approach to the development of each plan. If significant changes were made to the facility program and/or design, the Town should strongly consider updating the operational figures.

The following assumptions have been made in the development of these plans.

- The Town of Vienna will be the operator of the facility in all options considered.
- The operational plan does not reflect 100% capacity regarding programming, admissions, or rentals. Which is to say that revenue generation could increase. From an expense perspective, increases in that line item would be directly offset by program revenue.
- The options assume that maintenance and custodial of the facilities would be in-house, as part of the department. The success of these facilities is tied to them being able to operate in a business-like fashion. The autonomy of an in-house maintenance and custodial staff is part of that business-like fashion.
- Each option does have some contract services built into the plan for specialty items such as HVAC maintenance, UV filtration calibration, etc.
- Each facility has a replacement fund allocation. B*K is strongly recommending that during the first full calendar year of operation dollars are allocated to this sinking fund. If the department were to do that, they would have access to substantial balances in years 3-5 to replacement equipment and make small improvements to the facility.
- The expense and revenue statements assume the first full year of operation. They do not account for a ramp up or partial year operation which could be a reality.
- FTE represents all new staffing and is based on the staffing models B*K has seen be successful in other communities. For each full-time position B*K has assumed a benefit multiplier of 35%.
 - The exception to this statement is the option with outdoor covered space. While the document illustrates one (1) FTE Maintenance I position those responsibilities could be filled via part-time or contract services.
- PTE represents staffing and is based on industry standards.

- Depending on the option, the existence of a new facility would allow for an increase in programming at other locations in the community.

Multiplying Factors:

- Utilities (gas, electricity). B*K used a factor of \$5.50 per square foot to determine utilities for the options that include aquatics, for those that do not include aquatics a factor of \$3.00 per square foot was used.
- Insurance (property & liability). B*K used a factor of \$1.00 per square foot. The Town would need to inquire with their insurance provider as to the accuracy of these figures. These can vary greatly depending on the organization, size of the facility, components, and geographic location.
- Bank Charges (credit card fees). Factored at 3.0% of total revenue generation.
- Software Charges. Factored at 1.0% of total revenue generation.
- Custodial Staff. Factored at 20,000-25,000 square feet per staff member, with part-time supplemental.

Capital Improvement Annual Allocation:

- Aquatic + Fitness #1 \$100,000
- Aquatic + Fitness #2 \$100,000
- Fitness Only \$50,000
- Open Air Pavilion \$25,000

Recommended Hours of Operation (Aquatics & Fitness):

- Monday-Friday 5:30A-9:00P
- Saturday 7:00A-7:00P
- Sunday 10:00A-7:00P

| FTE | A+F 1 | A+F 2 | Fitness | Pavilion |
|-------------------|--------------|--------------|----------------|-----------------|
| Operations Super. | 1 | 1 | 0 | 0 |
| Rec Prog Cord II | 1 | 1 | 1 | .25 |
| Admin Assist II | 1 | 1 | 1 | 0 |
| Lifeguard | 3 | 3 | 0 | 0 |
| Maintenance I | 0 | 0 | 0 | 1 |
| Maintenance II | 1 | 1 | .75 | 0 |
| Custodian I | 1 | 1 | .75 | 0 |
| | | | | |
| Positions | 8 | 8 | 3.5 | 1.25 |
| | | | | |
| | \$841,604 | \$841,604 | \$358,927 | \$113,571 |

Part-Time Staffing & Rates of Compensation (per hour):

- Lead Front Desk \$18.00
- Front Desk \$16.00
- Building Supervisor \$22.00
- Fitness Attendant \$16.00
- Lead Lifeguard \$19.00
- Lifeguard \$17.00
- Hourly Custodial (PT) \$15.00
- Contractual Instruction: \$25.00-\$35.00

The following chart illustrates the part-time hours per week to operate the facility. The (sum) designation is for the summer season, which is factored at 14 weeks. The (sch) designation is for the school-year season, which is factored at 36 weeks. The trend that B*K has observed is that within the framework of the school year high school students work 10-15 hours per week, maximum, with that increasing to 20-30 hours per week during the summer.

| PT Hours¹ | A+F 1 | A+F 2 | Fitness | Pavilion² |
|-----------------------------|--------------|--------------|----------------|-----------------------------|
| Lead Front Desk (sum) | 94 | 94 | 94 | - |
| Lead Front Desk (sch) | 76 | 76 | 76 | - |
| Front Desk (sum) | 98 | 98 | 98 | - |
| Front Desk (sch) | 69 | 69 | 69 | - |
| Building Sup. (sum) | 66 | 59 | 59 | - |
| Building Sup. (sch) | 46 | 44 | 44 | - |
| Fitness Attendant | 60 | 60 | 60 | - |
| Lifeguard (sum) | 244 | 423 | 0 | - |
| Lifeguard (sch) | 183 | 249 | 0 | - |
| Lead Lifeguard (sum) | 70 | 70 | 0 | - |
| Lead Lifeguard (sch) | 54 | 54 | 0 | - |
| Custodian | 60 | 60 | 40 | - |

Recommended Fee Structure (based on annual):

| Membership | A+F 1 | A+F 2 | Fitness | Pavilion |
|-------------------|--------------|--------------|----------------|-----------------|
| Youth | \$480 | \$480 | \$300 | - |
| Adult | \$660 | \$660 | \$360 | - |
| Household | \$840 | \$960 | \$540 | - |
| Senior | \$540 | \$540 | \$300 | - |
| Senior +1 | \$675 | \$675 | \$360 | - |

Non-Resident Rates are a 25% up charge.

Recommended Fee Structure (daily):

| Daily | A+F 1 | A+F 2 | Fitness | Pavilion |
|--------------|--------------|--------------|----------------|-----------------|
| Under 2 | Free | Free | Free | - |
| Youth (2-17) | \$10 | \$10 | \$10 | - |
| Adult | \$12 | \$12 | \$10 | - |
| Senior (65+) | \$10 | \$10 | \$10 | - |

Within the Excel document that contains the detail, B*K broke out weekend attendance.

¹ (sum) reflects weekly summer hours. (sch) reflects weekly school year hours.

² There are part-time hours associated with staffing the proposed summer camp at this location.

Annual Household Membership Penetration Rates (year 1):

- A+F 1 9.58%
- A+F 2 11.40%
- Fitness 10.03%

In addition to the operational plan, B*K completed a market assessment for this study. As part of that study the Town of Vienna was identified as the immediate service area. Individuals and households within the immediate service area are hyper-users of the facility with multiple visits per week. A larger, primary service area was identified which was defined as a 10-minute drive time from the current Annex location. Individuals and households in the primary service area will use facilities and participate in programs on a weekly basis.

The list of activities below is from the market assessment and takes the participation percentage and applies it to the 2023 population (age 7 and up) in the primary service area. This is a good point of cross reference with the penetration rates.

| | Average | 2023 Population |
|-------------------------------|---------|-----------------|
| Aerobic Exercise | 15.9% | 15,530 |
| Basketball | 7.8% | 7,470 |
| Bicycle Riding | 16.4% | 14,351 |
| Billiards/Pool | 7.5% | 7,175 |
| Boxing | 1.4% | 1,474 |
| Dart Throwing | 3.4% | 3,637 |
| Exercise Walking | 39.0% | 36,664 |
| Exercise w/ Equipment | 20.9% | 18,774 |
| Martial Arts/MMA | 1.7% | 1,671 |
| Pickleball | 2.2% | 2,064 |
| Pilates | 2.2% | 1,966 |
| Running/Jogging | 15.8% | 14,548 |
| Swimming | 17.7% | 16,120 |
| Table Tennis/Ping Pong | 4.4% | 4,030 |
| Volleyball | 4.2% | 3,735 |
| Weightlifting | 14.0% | 12,483 |
| Workout @ Private Health Club | 10.7% | 9,535 |
| Wrestling | 0.9% | 983 |
| Yoga | 10.9% | 10,223 |
| Did Not Participate | 18.7% | 20,249 |

The proposed outdoor covered space is significantly larger than the current rentable, outdoor, pavilions in the Town’s inventory. Such a space could be used to support the existing Farmers Market and expand the Town’s Special Event. In addition, it would provide the Town a “home base” for a summer day camp program.

New opportunities for rentals include, but are not limited to:

- Celebration of Life
- Class Reunion
- Yard Sales
- Food Truck Events
- Private Rentals
- Athletic Group Rentals
- Use by Schools

Proposed Rate:

- Full Day Rental³ \$500

Further, B*K would recommend that Monday-Friday the structure support Town programs and activities, with the weekends available for rental. The operational plan is reflective of 40% of weekend days available would be rented.

³ B*K would recommend that for this area there only be a full-day rental opportunity. A full-day rental could be described as a 2-hour block for set-up, a 6-hour block for the rental, and a 1-2 hour block for clean-up. If this facility were to become a reality, the Town Board would need to further evaluate the type and duration of events they would permit at this location.

Expense Model: The following expense model has been based on the best information available at the time of the study. Significant changes in the program or the market would necessitate the information be revisited and updated.

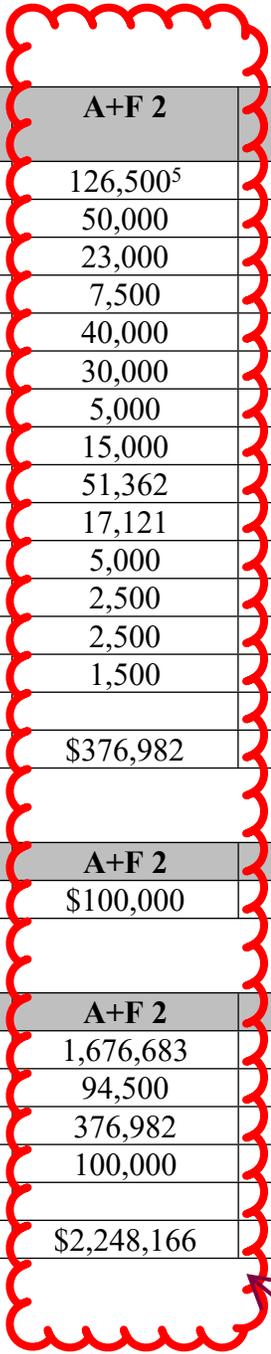
| Staffing | A+F 1 | A+F 2 | Fitness | Pavilion |
|-----------------|--------------|--------------|----------------|-----------------|
| Full-Time | 841,604 | 841,604 | 358,927 | 113,571 |
| Part-Time | 742,787 | 835,080 | 358,901 | 52,299 |
| | | | | |
| Sub-Total | \$1,584,390 | \$1,676,683 | \$717,828 | \$167,870 |

| Commodities | A+F 1 | A+F 2 | Fitness | Pavilion |
|-------------------------|--------------|--------------|----------------|-----------------|
| Office Supplies | 3,000 | 3,000 | 2,000 | 500 |
| Chemicals | 50,000 | 40,000 | - | - |
| Maintenance/Repair/Mat. | 20,000 | 20,000 | 15,000 | 25,000 |
| Janitor Supplies | 15,000 | 15,000 | 10,000 | 2,500 |
| Recreation Supplies | 7,500 | 7,500 | 5,000 | - |
| Uniforms | 4,000 | 4,000 | 2,000 | - |
| Printing/Postage | 2,500 | 2,500 | 2,500 | - |
| Other Misc. Expenses | 1,500 | 1,500 | 1,500 | - |
| Fuel/Mileage | 1,000 | 1,000 | 1,000 | 3,000 |
| | | | | |
| Sub-Total | \$104,500 | \$94,500 | \$39,000 | \$66,000 |

| Contractual Obligations | A+F 1 | A+F 2 | Fitness | Pavilion |
|-------------------------|----------------------|----------------------|---------------------|----------|
| Utilities | 140,250 ⁴ | 126,500 ⁵ | 51,000 ⁶ | 12,000 |
| Water/Sewar | 50,000 | 50,000 | 10,000 | 1,500 |
| Insurance | 25,500 | 23,000 | 17,000 | 12,000 |
| Communications | 7,500 | 7,500 | 5,000 | 1,500 |
| Contract Services | 40,000 | 40,000 | 15,000 | - |
| Outside (mow/trim/etc) | 30,000 | 30,000 | 30,000 | - |
| Rental Equipment | 5,000 | 5,000 | 5,000 | 10,000 |
| Advertising | 15,000 | 15,000 | 15,000 | 5,000 |
| Bank Fees (3%) | 42,107 | 51,362 | 19,380 | - |
| Software Fees (1%) | 14,036 | 17,121 | 6,460 | - |
| Training | 5,000 | 5,000 | 3,000 | - |
| Conference | 2,500 | 2,500 | 2,000 | - |
| Dues/Subscriptions | 2,500 | 2,500 | 2,500 | - |
| Other | 1,500 | 1,500 | 1,500 | 1,500 |
| Sub-Total | \$380,893 | \$376,982 | \$182,840 | \$44,500 |

| | A+F 1 | A+F 2 | Fitness | Pavilion |
|------------------|-----------|-----------|----------|----------|
| Improvement Fund | \$100,000 | \$100,000 | \$50,000 | \$25,000 |

| | A+F 1 | A+F 2 | Fitness | Pavilion |
|-------------------------|-------------|-------------|-----------|-----------|
| Staffing | 1,584,390 | 1,676,683 | 717,828 | 167,870 |
| Commodities | 104,500 | 94,500 | 39,000 | 66,000 |
| Contractual Obligations | 380,893 | 376,982 | 182,840 | 44,500 |
| Improvement Fund | 100,000 | 100,000 | 50,000 | 25,000 |
| Total | \$2,169,783 | \$2,248,166 | \$989,668 | \$303,370 |



1 large pie graph all expenses...

⁴ 25,500 square feet @ \$5.50 per square foot.

⁵ 23,000 square feet @ \$5.50 per square foot.

⁶ 17,000 square feet @ \$3.00 per square foot.

Revenue Model: The following revenue model has been based on the best information available at the time of the study. Significant changes in the program or the market would necessitate the information be revisited and updated.

| | A+F 1 | A+F 2 | Fitness | Pavilion |
|-----------------------|--------------------|--------------------|------------------|------------------|
| Fees | | | | |
| Daily Admission | 74,000 | 206,500 | 67,000 | - |
| Membership | 793,688 | 1,033,313 | 384,740 | - |
| Sub-Total | \$867,688 | \$1,239,813 | \$451,750 | - |
| Programs | | | | |
| Aquatics | 271,393 | 271,393 | - | - |
| Dry Side | 141,000 | 141,000 | 194,250 | 108,500 |
| Sub-Total | \$412,393 | \$412,393 | \$194,250 | \$108,500 |
| Other | | | | |
| Birthday Parties | 27,500 | 52,650 | - | - |
| Park Rentals | - | - | - | \$20,000 |
| Practice Rentals | 96,000 | - | - | - |
| Other Aquatic Rentals | - | 7,200 | - | - |
| Sub-Total | \$123,500 | \$59,850 | - | \$20,000 |
| Sub-Total | \$1,403,580 | \$1,712,055 | \$646,000 | \$128,500 |

Additional Revenue Opportunities (not included):

- Advertising
- Name Rights

CONFIRM ADDITIONAL CLASSROOMS ARE REPRESENTED.

The following is a 5-Year projection for the area. The 5-year projection includes the capital improvement fund.

| Option #1 | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|-------------------|-------------|-------------|-------------|-------------|-------------|
| Expenses | \$2,169,783 | \$2,191,481 | \$2,257,226 | \$2,324,942 | \$2,394,691 |
| Revenue | \$1,403,580 | \$1,543,938 | \$1,621,135 | \$1,669,769 | \$1,719,862 |
| | (\$766,203) | (\$647,543) | (\$636,091) | (\$655,173) | (\$674,829) |
| Percentage w/ Cap | 64.7% | 70.5% | 71.8% | 71.8% | 71.8% |
| Impr. Fund (cum.) | \$100,000 | \$200,000 | \$300,000 | \$400,000 | \$500,000 |

| Option #2 | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|-------------------|-------------|-------------|-------------|-------------|-------------|
| Expenses | \$2,248,166 | \$2,270,647 | \$2,338,767 | \$2,408,930 | \$2,481,197 |
| Revenue | \$1,712,055 | \$1,883,261 | \$2,015,089 | \$2,075,541 | \$2,137,808 |
| | (\$536,111) | (\$387,387) | (\$323,678) | (\$333,388) | (\$343,390) |
| Percentage w/ Cap | 76.2% | 82.9% | 86.2% | 86.2% | 86.2% |
| Impr. Fund (cum.) | \$100,000 | \$200,000 | \$300,000 | \$400,000 | \$500,000 |

| Option #3 | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|-------------------|-------------|-------------|-------------|-------------|-------------|
| Expenses | \$989,668 | \$999,564 | \$1,029,551 | \$1,060,438 | \$1,092,251 |
| Revenue | \$646,000 | \$691,220 | \$725,781 | \$747,554 | \$769,981 |
| | (\$343,668) | (\$308,344) | (\$303,770) | (\$312,883) | (\$322,270) |
| Percentage w/ Cap | 65.3% | 69.2% | 70.5% | 70.5% | 70.5% |
| Impr. Fund (cum.) | \$50,000 | \$100,000 | \$150,000 | \$200,000 | \$250,000 |

| Option #4 | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|-------------------|-------------|-------------|-------------|-------------|-------------|
| Expenses | \$303,370 | \$306,403 | \$315,596 | \$325,063 | \$334,815 |
| Revenue | \$128,500 | \$134,925 | \$141,671 | \$145,921 | \$150,299 |
| | (\$174,870) | (\$171,478) | (\$173,924) | (\$179,142) | (\$184,516) |
| Percentage w/ Cap | 42.4% | 44.0% | 44.9% | 44.9% | 44.9% |
| Impr. Fund (cum.) | \$25,000 | \$50,000 | \$75,000 | \$100,000 | \$125,000 |

The capital improvement line is cumulative and illustrates the balance of that line item. It is called out in the chart but is factored into total expenses.

The following chart illustrates a year 2-5 average of revenues, expenses, and cost recovery for each model.

| | A+F 1 | A+F 2 | Fitness | Pavilion |
|---------------|--------------|--------------|----------------|-----------------|
| Expense | \$2,292,085 | \$2,374,885 | \$1,045,451 | \$320,469 |
| Revenue | \$1,638,676 | \$2,027,925 | \$733,634 | \$143,204 |
| Subsidy | (\$653,409) | (\$346,961) | (\$311,817) | (\$177,265) |
| Cost Recovery | 71.5% | 85.4% | 70.2% | 44.7% |
| Improvement | \$100,000 | \$100,000 | \$50,000 | \$25,000 |

It is important to note that the capital improvement allocation is included in the total expense of building operation. B*K just calls that number out for the readers information.