

**Mission Statement**

The mission of the Beede Swim and Fitness Center is to ensure community access to a quality personal health facility at a reasonable cost, while imposing no financial burden on Concord taxpayers.

**Beede Center Budget Contents**

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**Beede Center Highlights**

- As of January 2015, a year-round Beede Swim and Fitness membership costs \$915 for an adult individual and \$1,685 for a family (both rates assume Concord residency). *\*See pages 4 through 5 for more details on membership rates.*
- In FY16, the Beede Center is budgeting for negative operating income results due primarily to a depreciation expense of \$511,127.
- The Beede Center ended FY14 with an undesignated fund balance of \$1.55 million. These funds help the Beede Center to weather years of negative net income operating results, such as may occur in FY15 and FY16.
- A proforma projecting out Beede Center options is available on page VII-16, and covers FY13 to FY20.

**Expenditure Summary**

	FY13 Actual	FY14 Actual	FY15 Revised	FY16 Proposed
Operating Income	\$ 18,932	\$ 86,084	\$ (208,836)	\$ (299,962)
Net Income	\$ 217,910	\$ 95,259	\$ 30,164	\$ (266,762)
Fund Balance	\$ 1,370,337	\$ 1,557,876	\$ 1,358,040	\$ 1,091,278

**Description:**

The Beede Swim and Fitness Center, located on the campus of the Concord-Carlisle Regional High School, hosts an 8-lane lap pool, a therapy pool, a children’s pool, a diving well, and pool-side spectator seating.

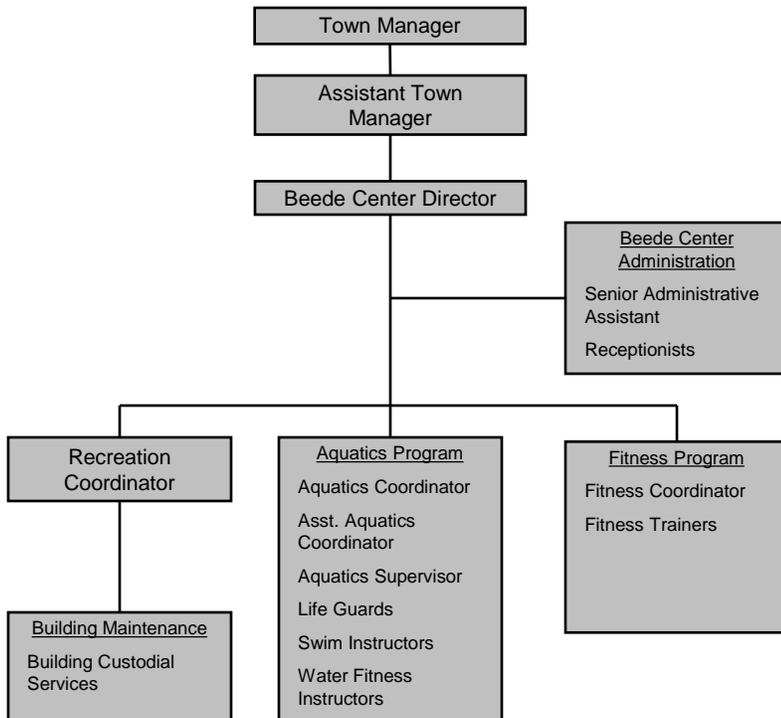
There are two 1,600-square-foot fitness rooms; one for weight training and one for cardiovascular exercise. In addition, the facility includes men’s and women’s locker/shower rooms, family changing rooms, and staff office space.

The facility is open approximately 100 hours each week throughout the year.

The Beede Center opened on April 18<sup>th</sup>, 2006. It was constructed for approximately \$11 million, which was made possible by a \$6 million gift from the Alfred Sawyer Trust and a \$1.8 million gift from the Beede family, as well as through many generous contributions from the community.

The Recreation Department operates the Center as an enterprise fund in accordance with Article 30 of the 2005 Annual Town Meeting.

The Beede Center strives to balance the recreational needs of the community with its obligation to be financially self-supporting and stable.





Current Financial Status:

The Beede Center ended FY14 with an operating income of \$86,084 and a net income of \$95,259. This set the Beede Center’s undesigned fund balance at \$1,557,876 at fiscal year end.

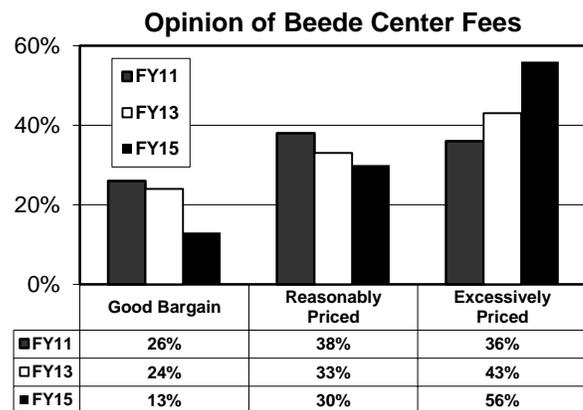
Negative operating income projected for FY16 is a projected (\$308,656) mainly due to an increased depreciation expense. However, this is manageable because the Beede Center has a strong reserve fund. This reserve, totaling \$1.55 million at the beginning of FY15, exists precisely so that the Beede Center does not have to sacrifice its service quality, issue sharp fee increases, or deviate from its long-term plans in order to deal with short-term negative operating results

The Beede Center will also continue to meet its obligation to plan and prepare for the long-term maintenance and replacement of the \$11 million facility by fully funding its depreciation expense at approximately \$511,127. Revenues are expected to be greater in FY16 due to a modest 2-3% increase in membership fees. However, the Beede Center is anticipating increased operating expenditures related to providing a first-class swim and fitness experience

With sound management, the Beede Center continues to weather the difficult economic times without having to compromise on its long-term financial stability or depend on taxpayer support.

Programs and Fees:

To compliment its swim and fitness offerings, the Beede Center offers personal training, various water fitness and swim lessons, nutrition/diet coaching, and, as a convenience to those with children, childcare. All of these programs are available to the general public, and are offered at a discounted fee to members. The Concord Residential Surveys has included a question about the fees charged for by Beede Center for membership. Of those respondents who said that they use the Beede Center, 13% thought it was a “good bargain” and 30% thought it was “reasonably priced”. The Beede Membership fees are carefully balanced with operational overhead to continue to provide a first rate affordable facility without the support of tax dollars. For information about membership fees and services, see pages VI-4 and VI-5 of this budget book.



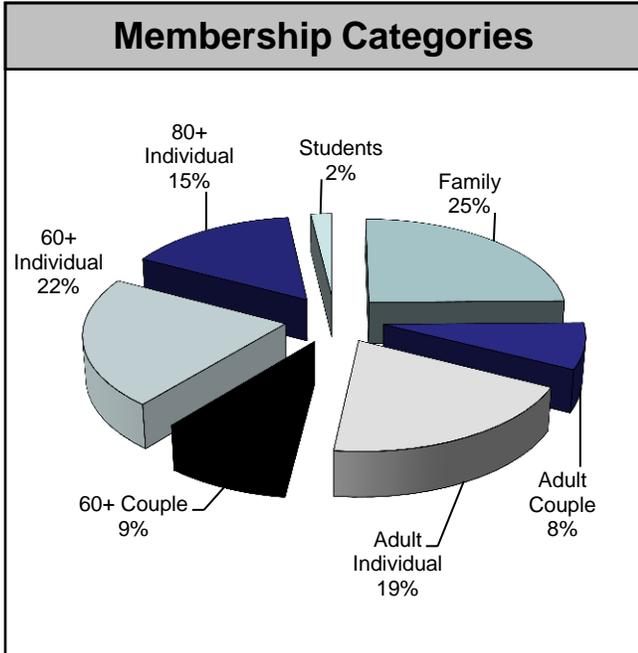
It should be stressed that the Beede Center operates with revenue solely from user fees and **no tax dollars** are contributed to the Center.

Facility Improvements and Upkeep:

The Beede Center has been in operation for nearly nine years. Building maintenance is an important and regular expense for this enterprise. After nine years of operating 100 hours per week, 51 weeks a year, the Beede Center has installed a new dehumidification system to be a more energy efficient facility. Funding for the approximately \$1.5 million project came from the fund balance which has increased over the years from a combination of net income as well as depreciation expense. More detail of the Beede Center capital projects is available on pages VI-12 through VI-14.

**Membership Discussion**

Please note that there is a difference between *members* and *memberships* – memberships often result in multiple members (i.e., one family membership could result in 2, 3, 4, 5, or more resulting new members).

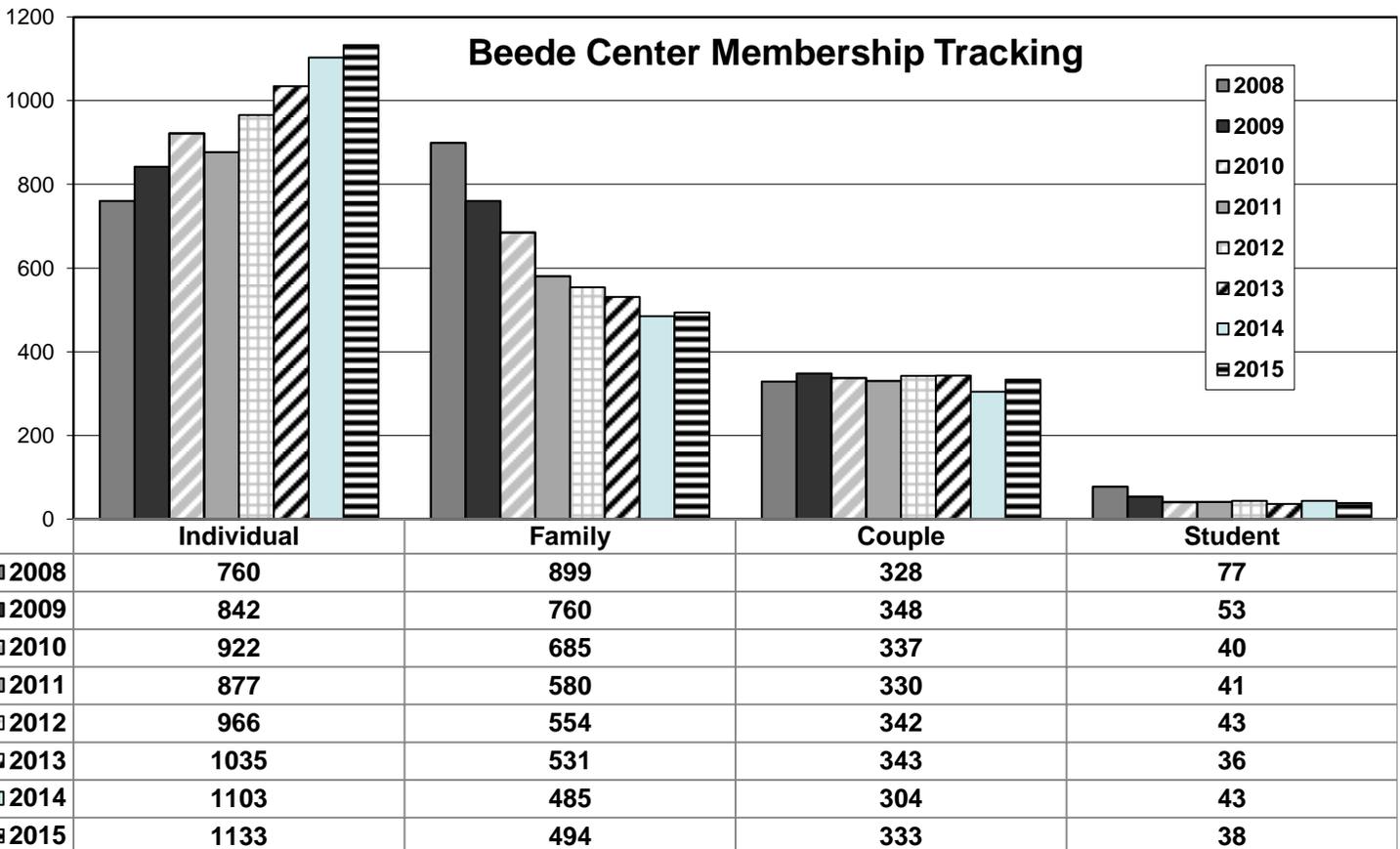


**Membership Trends**

**Beede Center membership, as of January 2015, totals 1,998 with 4,107 members.**

Membership has been stable over the past year from 2014 to 2015.

- Since January 2014, Family Memberships have stabilized with a slight increase from 485 to 494
- Individual Memberships have increased by 30, from 1103 to 1133;
- Couple Memberships have increased by 29, from 304 to 333
- Student Memberships have decreased by 5, from 43 to 38.



**Beede Center Membership Fees**

Membership fees are set on a calendar year basis each January.

For the 2015 calendar year, fees will slightly increase.

The following goals are kept in mind when setting fees:

- Fees should reflect the cost of services provided, allowing the Beede Center to operate as a self-supporting enterprise fund;
- Fees should be set in a way that minimizes “shock” increases;
- Fees should be set to encourage a use of the facility that is appropriate for its capacity.



**Calendar Year 2015 Membership Rates are as follows:**

**Concord and Carlisle Residents**

	<b>Adult</b>	<b>Couple</b>	<b>Family</b>	<b>60+ Adult</b>	<b>60+ Couple</b>	<b>14+ Student</b>
<b>Swim &amp; Fitness</b>	\$915	\$1430	\$1685	\$690	\$1085	\$690
<b>Swim</b>	\$815	\$1290	\$1485	\$630	\$965	\$630
<b>Fitness</b>	\$715	\$1290	\$1485	\$630	\$950	\$630

**Non-Residents**

	<b>Adult</b>	<b>Couple</b>	<b>Family</b>	<b>60+ Adult</b>	<b>60+ Couple</b>	<b>14+ Student</b>
<b>Swim &amp; Fitness</b>	\$1015	\$1525	\$1890	\$790	\$1210	\$790
<b>Swim</b>	\$915	\$1405	\$1575	\$730	\$1065	\$730
<b>Fitness</b>	\$915	\$1405	\$1575	\$730	\$1065	\$730

**All memberships begin the day of purchase and are valid for one year.**

**A \$199 joining fee is applied to all new memberships.**

**Hours of Operation**

Monday through Friday: 5:30 AM – 9:00 PM

Saturday and Sunday: 7:00 AM – 6:00 PM

The Beede Center is closed on the following days:

Patriots Day; Easter; Memorial Day; July 4<sup>th</sup>; Labor Day; and Christmas.

There are limited hours on Thanksgiving Day, Christmas Eve, New Year’s Eve, and New Year’s Day.

## Excerpts From the Beede Center's Membership Brochure

At the Beede Swim & Fitness Center we offer the amenities that make it easy to get in, get out and get on with your life. From the locker rooms to the parking lot, everything is designed to make your experience as convenient and efficient as possible.

### **LOCKER ROOMS**

Each locker room features separate areas for recreational and competitive users. In addition, we offer four private, handicapped-accessible family changing rooms.

### **CHILD CARE**

Do you have little ones at home? Don't sweat it. Please call 24 hours ahead for reservations and then while you work out, your kids can play and be cared for by our childcare professionals.

### **PARKING**

Parking is never a problem with the card-key-accessed lot that's separate from the High School. So there's always a space ready and waiting.

### **SPECTATOR SEATING**

Thanks to a state-of-the-art dehumidification system, people can watch, cheer or just catch up on their reading in remarkable comfort.

### **INSTRUCTION**

Whether you want to improve your strokes, your dives, or your workouts we have group and private lessons for every age and ability.

### **PERSONAL TRAINING**

Every member receives a free equipment orientation and workout plan from one of our fitness experts. However, we realize that many of you are also interested in a more serious training regime. For these individuals, we offer personalized training programs created and supervised by our certified personal trainers.

Whether you're looking for swimming and diving lessons for the kids, or fitness and exercise training for yourself, the Beede Swim & Fitness Center offers a variety of classes and personal instruction to help you achieve your goals.

### **SWIMMING AND DIVING**

From swim and diving lessons for children and adults to water fitness class, the Beede Center has just what you're looking for. Swimming Members are also entitled to the discounted Member Rate and Priority Sign-up Status for all in-house swimming and diving lessons, water fitness programs and other programs. Here is a sampling of the programs available to you:

- American Red Cross Swim Lessons for all ages;
- Water Fitness classes;
- USA/AAU and recreational dive programs are offered for youths;
- Coached workouts for masters and triathletes;
- The Otters Swim Team is offered to those youths who are interested in a recreational swim team atmosphere.
- Swimming with a Porpoise for young swimmers who want a team workout, but are not ready for competitive swimming.
- Aquatic Physical Therapy is available by a licensed physical therapist.

### **FITNESS PROGRAMS**

In addition to on-site personal training, Beede Center members can take advantage of over 30 group exercise classes every week at our other Concord Recreation locations. Just around the corner at 105 Everett Street, the Pilates and Yoga studios have a comfortable feel, conducive to mind-body exercise. At 90 Stow Street, the Hunt Gym offers a hardwood floor and state-of-the-art sound system.

Classes include:

- Indoor Cycling & Rowing
- Pilates
- Step and Low Impact Aerobics
- Reformer Personal Training
- Boot Camp
- Yoga
- Hi Intensity Cross training
- Stability Ball

Program Implementation

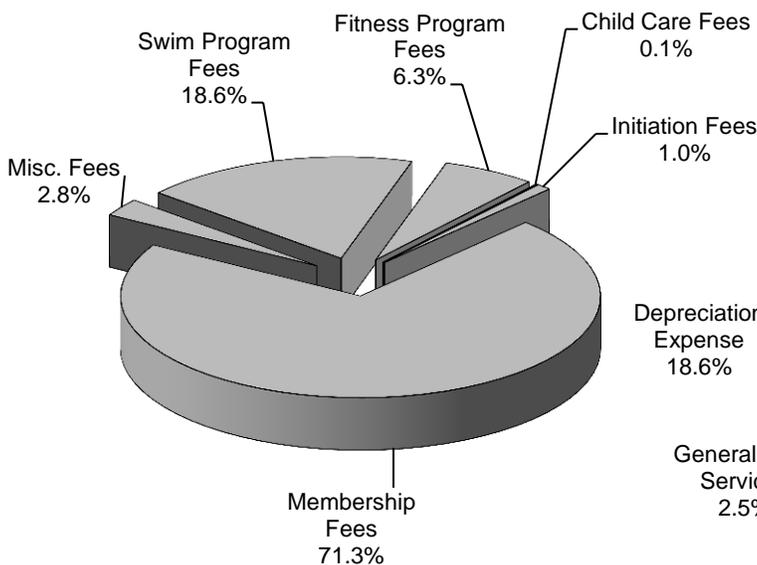
The vast majority of the Beede Center’s operating revenues come from Membership Fees (\$1,740,698 or 71% of the total). Because of this, membership fees are carefully set each year, and membership levels are monitored. As Beede revenues in general are influenced by economic conditions, the Town also works to manage the enterprise in a way that will allow it to maintain the financial reserves necessary to bridge economic downturns.

The three expense categories of greatest magnitude are Personnel Services, Facilities and Maintenance, and Depreciation Expense.

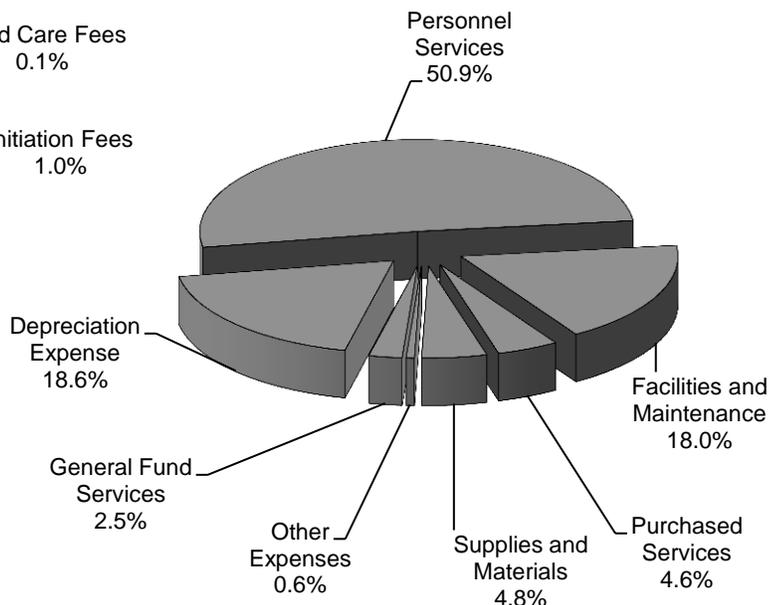
Personnel Services are budgeted to total \$1,395,518 in FY16.

Depreciation expense reflects the cost imposed by the annual use, or wear-and-tear, of the Beede Center. Facility and equipment depreciation expense totals \$511,127 in the FY16 budget and is placed in a *depreciation fund*. This reflects a 31.5% increase over the FY15 depreciation expense to account for the major improvements made to the Center’s mechanical systems.

**FY16 Operating Revenues**  
**Totaling \$2,441,368**



**Operating Expenditures**  
**Totaling \$2,741,330**



Operating Results:

The FY16 budget proposes operating expenditures that are \$299,962 *greater than* operating revenues. This results in an operating loss for the year.

This operating loss is slightly offset by the estimated \$33,200 of investment income, and the results is an estimated net income of negative \$266,762 for FY16.

These negative annual results are an expected occurrence with any enterprise activity, especially one like the Beede Center, which competes in the private market for revenues. The Beede Center has built-up an adequate financial reserve (over \$1.55 million at the end of FY14) with which to bridge times of negative operating results.

**OPERATING REVENUES (\$)**

	FY13 Actual	FY14 Actual	FY15 Revised	FY16 Estimate
Initiation Fees	\$ 33,259	\$ 24,868	\$ 23,124	\$ 23,818
Membership Fees	1,724,258	1,746,248	1,686,135	\$ 1,740,698
Miscellaneous Revenue	73,143	67,337	66,670	\$ 68,670
Swim Program Fees	449,944	456,811	439,892	\$ 453,088
Fitness Program Fees	147,049	152,130	148,416	\$ 152,868
Child Care Fees	1,926	2,784	2,161	\$ 2,226
<b>Operating Revenues Total</b>	<b>\$ 2,429,579</b>	<b>\$ 2,450,179</b>	<b>\$ 2,366,398</b>	<b>\$ 2,441,368</b>

**OPERATING EXPENSES (\$)**

	FY13 Actual	FY14 Actual	FY15 Revised	FY16 Estimate
<b><u>Personnel Services</u></b>				
Personnel Expenses	\$ 1,249,051	\$ 1,238,145	\$ 1,342,092	\$ 1,395,518
Accrued Employee Benefits	12,281	3,270	-	-
Audit Adjustment	19,598	(9,020)	-	-
<b>Subtotal</b>	<b>\$ 1,280,930</b>	<b>\$ 1,232,395</b>	<b>\$ 1,342,092</b>	<b>\$ 1,395,518</b>
<b><u>Non-Personnel Services</u></b>				
Facilities and Maintenance	521,730	502,899	528,500	493,000
Purchased Services	106,139	109,157	128,875	125,000
Supplies and Materials	115,312	107,910	109,200	132,500
Other Expenses	10,143	10,456	3,500	16,900
Audit Adjustment	(19,598)	(8,746)		
<b>Subtotal</b>	<b>\$ 733,725</b>	<b>\$ 721,676</b>	<b>\$ 770,075</b>	<b>\$ 767,400</b>
<b><u>General Fund Services</u></b>				
Human Resources	30,833	30,669	30,988	30,076
Finance Administration	8,438	8,867	9,121	9,196
Treasury	17,694	18,205	18,564	18,845
Accounting	9,595	9,717	9,463	9,168
Recreation Administration	11,809	12,279	6,140	-
<b>Subtotal</b>	<b>\$ 78,369</b>	<b>\$ 79,737</b>	<b>\$ 74,276</b>	<b>\$ 67,285</b>
<b><u>Depreciation Expense</u></b>				
Depreciation Expense	317,622	330,287	388,791	511,127
<b>Subtotal</b>	<b>\$ 317,622</b>	<b>\$ 330,287</b>	<b>\$ 388,791</b>	<b>\$ 511,127</b>
<b>Total Operating Expense</b>	<b>\$ 2,410,646</b>	<b>\$ 2,364,095</b>	<b>\$ 2,575,234</b>	<b>\$ 2,741,330</b>

**AUTHORIZED POSITIONS (\$)**

	FY15 Revised Budget		FY16 Initial Budget	
	Positions/Hours	\$ Amount	Positions/Hours	\$ Amount
<b>5111</b>				
Beede Center Director	1.00	\$ 96,135	1.00	\$ 96,135
Recreation Coordinator	0.75	54,316	0.75	54,316
Aquatics Coordinator	1.00	78,234	1.00	78,234
Fitness Coordinator	0.45	37,621	0.40	33,441
Assistant Aquatics Coordinator	1.00	56,857	1.00	56,857
Aquatics Supervisor	0.00	-	0.00	-
Senior Administrative Assistant	1.00	61,116	1.00	61,116
Recreation Clerk	1.00	47,920	1.00	47,920
Swim and Fitness Specialists	5.00	187,024	5.00	191,117
<b>Subtotal</b>	<b>11.20 FTEs</b>	<b>\$ 619,222</b>	<b>11.15 FTEs</b>	<b>\$ 619,135</b>
<b>5112</b>				
Recreation Clerk	0.65	\$ 29,384	0.65	\$ 29,384
Swim and Fitness Specialists	1.38	51,006	1.38	51,006
<b>Subtotal</b>	<b>2.03 FTEs</b>	<b>\$ 80,390</b>	<b>2.03 FTEs</b>	<b>\$ 80,390</b>
<b>5115</b>				
Lifeguards	8561 hrs.	102,730	8561 hrs.	102,730
Receptionists	5481 hrs.	87,696	5481 hrs.	87,696
Custodians	0 hrs.	-	0 hrs.	-
Fitness Trainers	2088 hrs.	31,320	2088 hrs.	31,320
Aquatics Supervisor	988 hrs.	22,724	988 hrs.	22,724
<b>Subtotal</b>	<b>8.20 FTEs</b>	<b>\$ 244,470</b>	<b>8.20 FTEs</b>	<b>\$ 244,470</b>
<b>5120</b>				
Programming (misc. accts.)				
Fitness Prgramming	4176 hrs.	104,400	4176 hrs.	104,400
Swim Programming	3628 hrs.	85,086	3628 hrs.	85,086
<b>Subtotal</b>	<b>3.74 FTEs</b>	<b>\$ 189,486</b>	<b>3.74 FTEs</b>	<b>\$ 189,486</b>
<b>Employee Benefits</b>				
Health Insurance	N/A	58,750	N/A	70,000
Life Insurance	N/A	250	N/A	250
Dental Insurance	N/A	5,000	N/A	5,000
OPEB	N/A	38,000	N/A	32,700
Retirement Contribution	N/A	58,024	N/A	77,106
<b>Subtotal</b>	<b>N/A</b>	<b>\$ 160,024</b>	<b>N/A</b>	<b>\$ 185,056</b>
<b>Payroll Taxes</b>				
Medicare Tax	N/A	14,000	N/A	15,500
Social Security Contribution	N/A	21,000	N/A	20,000
<b>Subtotal</b>	<b>N/A</b>	<b>\$ 35,000</b>	<b>N/A</b>	<b>\$ 35,500</b>
<b>Other Personnel Costs</b>				
Overtime	N/A	2,500	N/A	2,500
Unemployment Compensation	N/A	10,000	N/A	10,000
Car Allowance	N/A	1,000	N/A	1,000
Salary Reserve	N/A	-	N/A	27,981
<b>Subtotal</b>	<b>N/A</b>	<b>\$ 13,500</b>	<b>N/A</b>	<b>\$ 41,481</b>
<b>Total Personnel Costs</b>	<b>25.16 FTEs</b>	<b>\$ 1,342,092</b>	<b>25.11 FTEs</b>	<b>\$ 1,395,518</b>

**NET INCOME (\$)**

	FY13 Actual	FY14 Actual	FY15 Revised	FY16 Estimate
<b>Statement of Net Income:</b>				
Operating Revenues	\$ 2,429,579	\$ 2,450,179	\$ 2,366,398	\$ 2,441,368
Less Operating Expenses	(2,410,646)	(2,364,095)	(2,575,234)	(2,741,330)
<b>Operating Income</b>	<b>\$ 18,932</b>	<b>\$ 86,084</b>	<b>\$ (208,836)</b>	<b>\$ (299,962)</b>
<b><u>Nonoperating Revenues (Expenses)</u></b>				
Add Investment Income	\$ 9,660	\$ 9,175	\$ 9,000	\$ 33,200
Add Sawyer Trust Contribution	189,318		175,000	
Add Beede Endowment	-		55,000	
<b>Nonoperating Income</b>	<b>\$ 198,978</b>	<b>\$ 9,175</b>	<b>\$ 239,000</b>	<b>\$ 33,200</b>
<b>Net Income</b>	<b>\$ 217,910</b>	<b>\$ 95,259</b>	<b>\$ 30,164</b>	<b>\$ (266,762)</b>

**AVAILABLE RESOURCES (\$)**

<b>Resources Available from Current Operations for Replacement &amp; Renewal of Facility:</b>				
	FY13 Actual	FY14 Actual	FY15 Revised	FY16 Estimate
<b><u>Capital Purposes</u></b>				
Add Depreciation Expense	\$ 317,622	\$ 330,287	\$ 388,791	\$ 511,127
Add Net Income	217,910	95,259	30,164	(266,762)
<b>Net Available for Capital</b>	<b>\$ 535,532</b>	<b>\$ 425,546</b>	<b>\$ 418,955</b>	<b>\$ 244,365</b>

**CASH POSITION AND FORECAST**

<b><u>Cash at Year Opening</u></b>	<b>FY15</b>		<b>FY16</b>	
	Operating Fund	Depreciation Fund	Operating Fund	Depreciation Fund
<b>Cash on July 1st</b>	\$ 4,485,343		\$ 3,281,418	
Less Cash as Unearned Revenue	(882,623)		(909,743)	
Less Cash held for Liabilities	(205,693)		(205,693)	
<b>Fund Balance on July 1st</b>	<b>\$ 3,397,027</b>		<b>\$ 2,165,982</b>	
<b><u>Fund Balance Details (projected)</u></b>				
Fund Balance as of July 1st	1,557,875	1,839,152	1,358,039	807,943
Net Income	30,164	-	(266,762)	-
Capital Outlay (non-borrowing)	(230,000)	(1,420,000)	-	(277,000)
Add Depreciation Expense	-	388,791	-	511,127
Balance Projected at June 30th	1,358,039	807,943	1,091,277	1,042,070
<b>Fund Balance on June 30th</b>	<b>\$ 2,165,982</b>		<b>\$ 2,133,347</b>	
<b><u>Cash at Year End (projected)</u></b>				
Fund Balance on June 30th	2,165,982		2,133,347	
Add Cash as Unearned Revenue	909,743		937,035	
Add Cash Held for Liabilities	205,693		205,693	
<b>Projected Cash at June 30th</b>	<b>\$ 3,281,418</b>		<b>\$ 3,276,075</b>	

**Beebe Center Financial Summary  
Net Income, Net Assets, Fund Balance, and Cash Position**

	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Actual	FY15 Budget	FY16 Proposed
<b>Operating Revenue</b>						
Deferred Revenue Realized	986,889	926,711	\$ 894,965	\$ 910,453	\$ 882,623	\$ 909,743
Current Revenue	2,331,492	2,323,335	2,445,067	2,422,349	2,393,517	2,468,661
Deferred Revenue	(926,711)	(894,965)	(910,453)	(882,623)	(909,743)	(937,035)
Operating Revenue	2,391,670	\$ 2,355,081	\$ 2,429,579	\$ 2,450,179	\$ 2,366,398	\$ 2,441,368
<b>Operating Expense</b>						
Personnel Services	1,248,354	1,193,687	\$ 1,280,930	\$ 1,232,395	\$ 1,342,092	\$ 1,395,518
Non-Personnel Services	696,852	739,379	733,725	721,676	770,075	767,400
Depreciation	285,744	295,954	317,622	330,287	388,791	511,127
General Fund Services	70,773	73,970	78,369	79,737	74,276	67,285
Operating Expense	2,301,723	\$ 2,302,990	\$ 2,410,646	\$ 2,364,095	\$ 2,575,234	\$ 2,741,330
<b>Operating Income</b>	<b>\$ 89,947</b>	<b>\$ 52,091</b>	<b>\$ 18,933</b>	<b>\$ 86,084</b>	<b>\$ (208,836)</b>	<b>\$ (299,962)</b>
<b>Nonoperating Revenues and Expenses</b>						
Interest on Investments	12,385	\$ 11,596	\$ 9,660	\$ 9,175	\$ 9,000	\$ 33,200
Beiknap Gift	20,000	-	-	-	-	-
Sawyer Trust Contribution			189,318	-	175,000	-
Beebe Endowment					55,000	
General Fund Debt Support	103,750	-	-	-	-	-
Capital Contribution	-	-	-	-	-	-
Coding Correction	-	-	-	-	-	-
Interest Expense	(3,750)	-	-	-	-	-
Interfund Loan	-	-	-	-	-	-
Nonoperating Subtotal	\$ 132,385	\$ 11,596	\$ 198,978	\$ 9,175	\$ 239,000	\$ 33,200
<b>Change in Net Assets</b>	<b>\$ 222,332</b>	<b>\$ 63,687</b>	<b>\$ 217,911</b>	<b>\$ 95,259</b>	<b>\$ 30,164</b>	<b>\$ (266,762)</b>
Net Assets Beginning of Year	\$ 10,844,150	\$ 11,066,423	\$ 11,130,110	\$ 11,348,021	\$ 11,443,280	\$ 11,473,444
Net Assets End of Year	\$ 11,066,423	\$ 11,130,110	\$ 11,348,021	\$ 11,443,280	\$ 11,473,444	\$ 11,206,682

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See note on following page.

	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Actual	FY15 Budget	FY16 Proposed
<b>II</b>						
<b>Fund Balance</b>						
Beginning Fund Balance	\$ 2,119,213	\$ 2,489,000	\$ 2,768,477	\$ 3,080,511	\$ 3,397,027	\$ 2,165,982
Add Change in Net Assets	222,273	63,687	217,911	95,259	30,164	(266,762)
Less Capital Contribution	-	-	-	-	-	-
Less Bond Liability Reduction	(100,000)	-	-	-	-	-
Depreciation Expense	285,744	295,954	317,622	330,287	388,791	511,127
Capital Contributions			(189,318)		(230,000)	-
Capital Expenditures	(38,230)	(80,164)	(34,180)	(109,029)	(1,420,000)	(277,000)
End Fund Balance	\$ 2,489,000	\$ 2,768,477	\$ 3,080,511	\$ 3,397,027	\$ 2,165,982	\$ 2,133,347
<b>Fund Balance Detail</b>						
Undesignated Fund Balance	\$ 1,370,338	\$ 1,434,025	\$ 1,462,617	\$ 1,557,875	\$ 1,358,039	\$ 1,091,277
Depreciation Fund Balance	\$ 1,118,662	\$ 1,334,452	\$ 1,617,894	\$ 1,839,152	\$ 807,943	\$ 1,042,070
<b>Cash Position</b>						
Undesignated Fund Balance	\$ 1,370,338	\$ 1,434,025	\$ 1,462,617	\$ 1,557,875	\$ 1,358,039	\$ 1,091,277
Depreciation Fund Balance	1,118,662	1,334,452	1,617,894	1,839,152	807,943	1,042,070
Deferred Revenue	926,771	894,965	910,453	882,623	909,743	937,035
Res. for Short-Term Liabilities	130,016	100,393	100,560	165,216	165,216	165,216
Res. for Long-Term Liabilities	49,492	34,660	46,553	40,477	40,477	40,477
Total Cash	\$ 3,595,279	\$ 3,798,495	\$ 4,138,077	\$ 4,485,343	\$ 3,281,418	\$ 3,276,075

Article 31 of 2005 Annual Town Meeting authorized a tax-supported bond issuance of \$515,000 for the purchase of Beede Center equipment. General Fund Debt Support covers the "interest expense" and the "bond liability reduction" associated with this borrowing (which was retired in FY11).

▲ Reserve for Short-Term Liabilities includes: Warrants Payable, Accrued Liabilities, and Current Accrued Employee Benefits.

Reserve for Long-Term Liabilities includes: Noncurrent Accrued Employee Benefits and Other Post Employment Benefits (OPEB).

## Definition

**Capital Expenditure:** The use of funds to acquire or enhance productive assets, such as structures, land, and equipment (including related plans, designs, and studies), which have a life expectancy of at least 2 years and a cost of at least \$5,000, and procured with the intention of increasing service capacity or efficiency.

### Facility Highlights

- The Beede Center opened its doors on April 18<sup>th</sup>, 2006.
- It has now been in operation for almost nine years.
- Original construction costs were about \$11 million and included:
  - Two 1,600-square-foot fitness rooms (one for weight training and one for cardiovascular exercise);
  - an 8-lane lap pool;
  - a therapy pool;
  - a children's pool;
  - a diving well;
  - pool-side spectator seating;
  - men's and women's locker/shower rooms;
  - family changing rooms; and
  - staff office space.



### Capital Highlights:

**Fitness Equipment:** In FY14, strength machines (\$25,000) were replaced. In FY15, treadmills (60,000) were replaced. In FY16 the Arc Trainers (\$60,000) will be replaced. The fitness equipment is high quality Cybex International products. The Beede Center is committed to keeping the fitness equipment updated and in good working order by replacing equipment every three years.

**Gym Flooring:** In FY11, the carpeting and gym flooring was replaced for \$21,315. It is anticipated that this will be done at five-year increments throughout the Beede Center's life.

**Lighting Improvements:** In FY11, \$9,650 of lighting improvements were made to the natatorium lighting area. In FY13 major improvements to the lighting in the Natatorium were made with the installation of LED lighting and improvements to the lobby lighting through funding from the Sawyer Trust. The lighting improvements saved the Beede Center nearly \$20,000 annually in energy consumption.

**Pool Mechanical Improvements:** In FY13, Variable Frequency Drives were installed on the pumps and motors for all 4 pools. At a cost of \$42,000, with the funding provided by Sawyer Trust. The installation of VFDs along with the lighting improvements helped realize a 17% reduction in energy consumption.

**Computer Software:** In FY11, \$7,265 was expended to cover the Beede Center's portion of the Town's new accounting system. In FY15 online registration software was purchased and implemented. Members can now use the online system to register for programs and memberships.

**Building Improvements:** The mechanical system improvements project will be completed in FY15 utilizing \$1,290,000 from the depreciation fund, \$55,000 from Beede Endowment and \$175,000 from Sawyer Trust Fund to cover the cost without use of tax dollars or impact to membership fees. *\*See page 14 for more details on this project.*

<b>Beede Swim and Fitness Center</b>									
<b>Capital Program</b>									
	<b>FY13 Actual</b>	<b>FY14 Actual</b>	<b>FY15</b>	<b>FY16</b>	<b>FY17</b>	<b>FY18</b>	<b>FY19</b>	<b>FY20</b>	<b>Total FY15-20</b>
<b>Primary Facility</b>									
Building Improvements	\$ -	\$ -	\$ -	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 150,000
Carpets and Flooring	-	-	100,000	50,000	-	-	-	-	\$ 150,000
Dehumidification System	-	94,529	1,230,000	-	-	-	-	-	\$ 1,230,000
VFD Motors	41,218	-	-	-	-	-	-	-	\$ -
Roof Top HVAC Units	-	-	-	-	200,000	-	-	-	\$ 200,000
Sound System	-	-	-	-	-	-	-	-	\$ -
Parking System	-	-	-	12,000	-	-	-	-	\$ 12,000
Parking Lighting	-	-	-	70,000	-	-	-	-	\$ 70,000
Beede Center Lighting	148,100	-	-	-	-	-	-	-	\$ -
Misc. Equipment	-	5,754	10,000	10,000	10,000	10,000	10,000	10,000	\$ 60,000
Subtotal	\$ 189,318	\$ 100,283	\$ 1,340,000	\$ 172,000	\$ 240,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 1,872,000
<b>Pool Facility</b>									
Deck Repairs	-	-	-	15,000	-	-	-	-	15,000
Misc. Equipment-Dive Stands 2018	-	-	20,000	20,000	20,000	20,000	35,000	35,000	150,000
Subtotal	\$ -	\$ -	\$ 20,000	\$ 35,000	\$ 20,000	\$ 20,000	\$ 35,000	\$ 35,000	\$ 165,000
<b>Beede Equipment</b>									
Sidewalk Plow	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fitness Equipment I (treadmills)	-	-	60,000	-	-	-	-	-	60,000
Fitness Equipment II (Ellipticals)	-	-	-	60,000	-	60,000	60,000	60,000	240,000
Fitness Equipment III (Strength Machines)	14,580	-	-	-	-	-	-	-	-
Fitness Equipment IV (Stationary Bikes)	19,600	-	-	-	-	-	-	-	-
Fitness Equipment V (Miscellaneous)	-	-	-	10,000	10,000	10,000	10,000	10,000	50,000
Audit Adjustment	-	8,746	-	-	-	-	-	-	-
Subtotal	\$ 34,180	\$ 8,746	\$ 60,000	\$ 70,000	\$ 10,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 350,000
<b>Total Capital</b>	<b>\$ 223,498</b>	<b>\$ 109,029</b>	<b>\$ 1,420,000</b>	<b>\$ 277,000</b>	<b>\$ 270,000</b>	<b>\$ 130,000</b>	<b>\$ 145,000</b>	<b>\$ 145,000</b>	<b>\$ 2,387,000</b>
<b>Beede Capital Funding</b>									
	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>	<b>FY16</b>	<b>FY17</b>	<b>FY18</b>	<b>FY19</b>	<b>FY20</b>	<b>FY15-20</b>
Capital Appropriation	\$ 34,180	\$ 325,000	\$ 1,190,000	277,000	270,000	130,000	145,000	145,000	2,482,000
Sawyer Trust Fund	189,318	-	175,000	-	-	-	-	-	175,000
Beede Endowment	-	-	55,000	-	-	-	-	-	55,000

**FY14 Appropriation:** Funding for the new dehumidification system that will be installed in FY15 is comprised of \$299,000 from the capital appropriation in FY14, an additional FY14 appropriation of \$1,000,000 from the Beede Center depreciation fund, \$175,000 from the Sawyer Trust, and \$55,000 from the Beede Endowment. Combined these sources of funding cover the estimated \$1.529 million cost of the project.

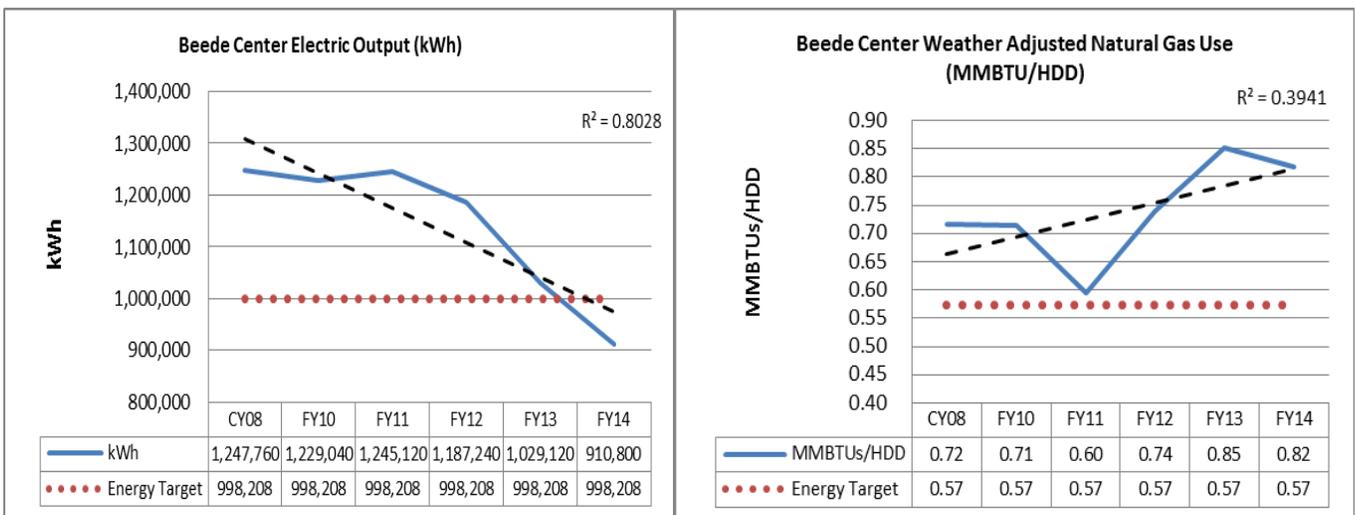
**Dehumidification and Hot Water Project**

Major building repairs and mechanical system replacement have been completed and were funded through the depreciation fund.

The existing dehumidification and hot water systems was worn-out and become a maintenance liability. The existing system provided 2.5 air changes per hour (ACH), as opposed to the 4+ ACH recommended by ASHRAE for a space of these dimensions. Upgrading the dehumidification systems included the installation of two new static plate dehumidification systems. Both systems have been installed. The air exchange in the natatorium meets 2014 recommended industry standards. The new units will reduce energy consumption by 39%

The existing conventional boilers have been replaced with three new high efficiency condensing domestic water heaters, and three high efficiency condensing boilers for pool water heating. The new boilers will reduce natural gas consumption by 13%. A water softener system has also been added to avoid internal corrosion of the mechanical systems.

A direct digital (DDC) automatic temperature control (ATC) web accessible system to tie together the controls for the dehumidification, hot water and HVAC systems has been installed. This enables the Beede Center staff to monitor all of the systems in the building, establish temperature settings and schedules for each of the rooms, and provide a single dashboard which details all aspects of energy consumption in the building.

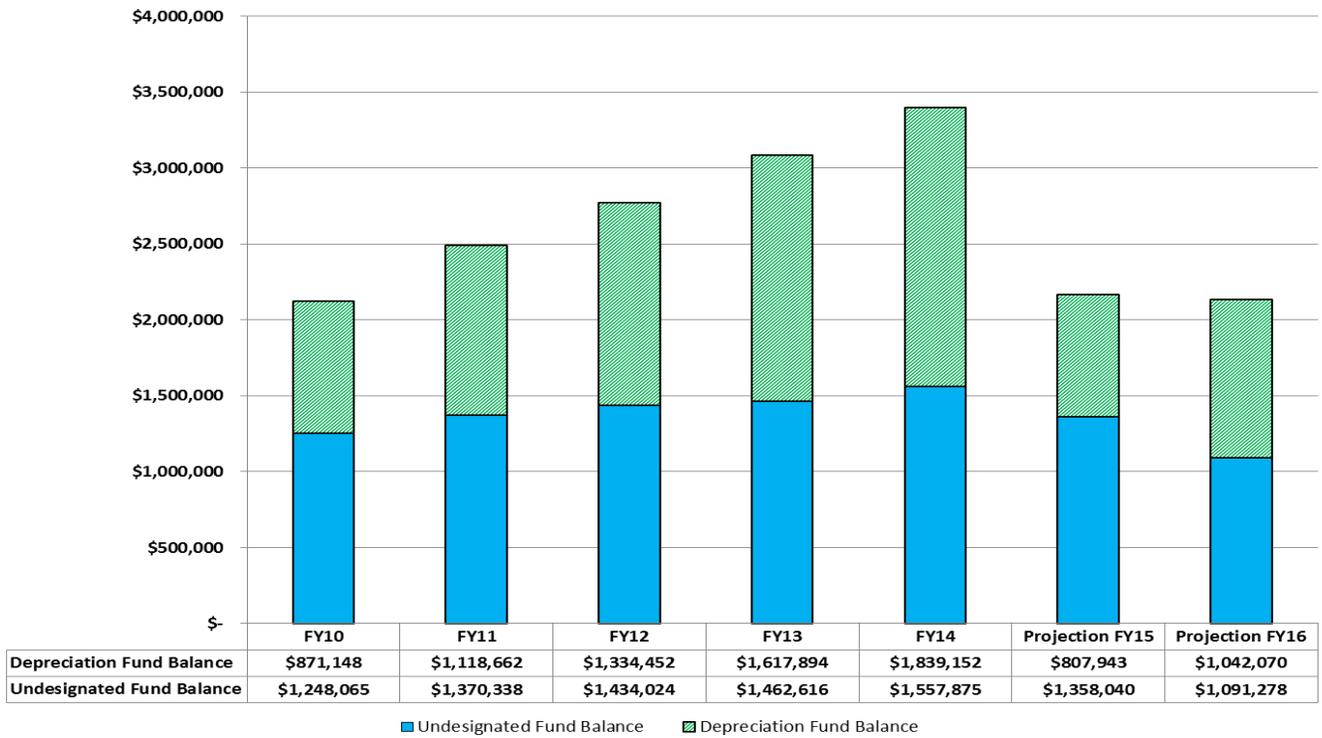


**Analysis:**

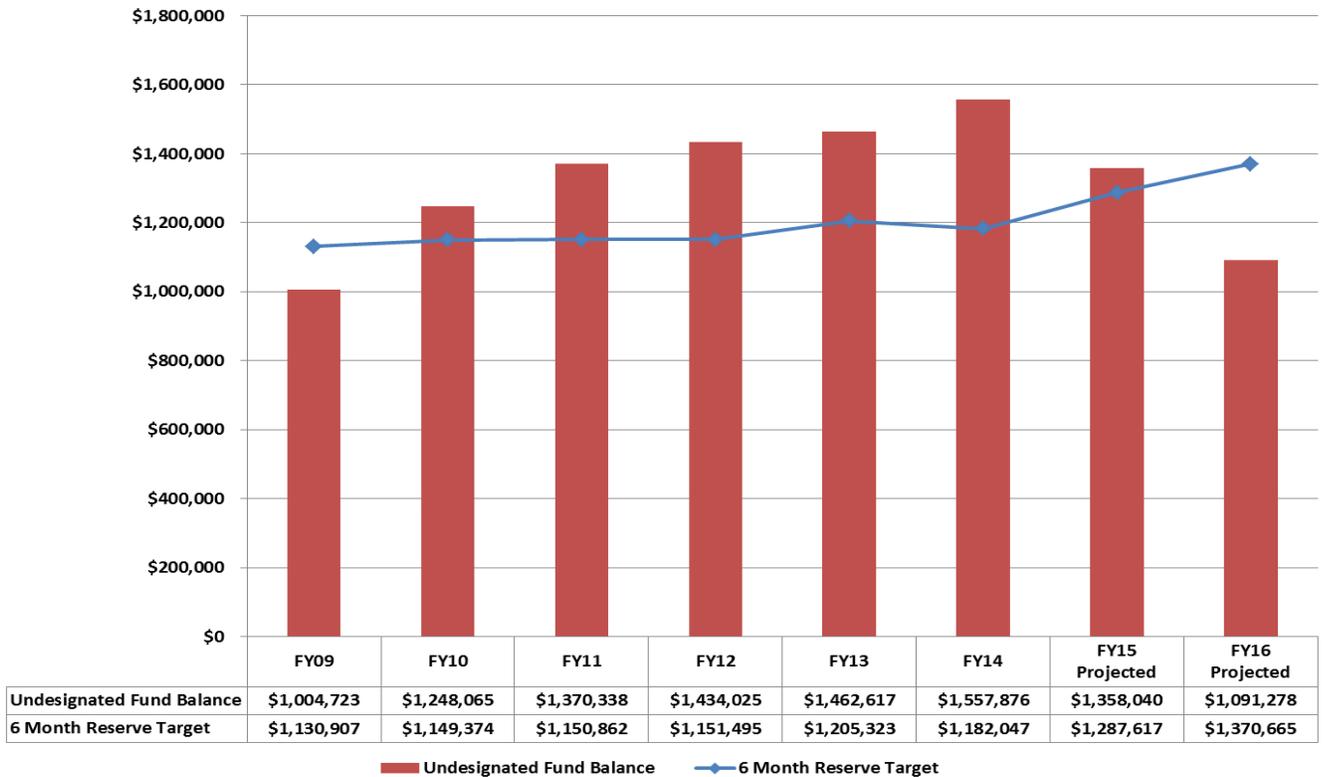
**Electric:** The continued significant reduction in electricity use in FY14 compared to FY13 was likely due to the fact that the new lighting and VFDs were in place for a full year in FY14.

**Gas:** In August 2014, the existing I boilers were replaced with three new high efficiency condensing domestic water heaters, and three high efficiency condensing boilers for pool water heating. The new domestic hot water heaters and boilers will save 5,300 therms of natural gas per year. Also two new dehumidification units installed in the Fall/Winter project to save 88,000 kWh of electricity and 3,900 therms of natural gas per year.

**Beede Center  
Fund Balance**



**Beede Center  
Undesignated Fund Balance vs 6 Months Reserves**



Beebe Center: Plan and Projection	Actual		Actual	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	5 years
	FY 2013	FY 2014	FY 2014	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY16-20
<b>Operating Revenue</b>											
User Fees	2,429,580	2,450,179	2,450,179	2,366,398	2,441,368	2,608,954	2,739,401	2,876,372	3,020,190	3,020,190	13,686,285
Subtotal	2,429,580	2,450,179	2,450,179	2,366,398	2,441,368	2,608,954	2,739,401	2,876,372	3,020,190	3,020,190	13,686,285
<b>Operating Expense</b>											
O & M	2,093,026	2,033,808	2,033,808	2,186,443	2,230,203	2,283,676	2,329,349	2,375,936	2,423,455	2,423,455	11,642,620
Depreciation	317,622	330,287	330,287	388,791	511,127	518,899	519,301	537,898	553,331	553,331	2,640,556
Subtotal	2,410,648	2,364,095	2,364,095	2,575,234	2,741,330	2,802,575	2,848,650	2,913,835	2,976,786	2,976,786	14,283,176
<b>Operating Income</b>	18,932	86,084	86,084	-208,836	-299,961	-193,622	-109,249	-37,463	43,404	43,404	-596,891
ADD: Interest Income	9,660	9,175	9,175	9,000	33,200	58,826	87,920	117,834	133,378	133,378	431,158
Sawyer Trust Contribution	189,318	0	0	175,000	0	0	0	0	0	0	0
Beebe Endowment	0	0	0	55,000	0	0	0	0	0	0	0
LESS: Interest Expense	0	0	0	0	0	0	0	0	0	0	0
Existing Debt	0	0	0	0	0	0	0	0	0	0	0
New Debt	0	0	0	0	0	0	0	0	0	0	0
Bond Anticipation Notes (BANs)	0	0	0	0	0	0	0	0	0	0	0
Issuance expense	0	0	0	0	0	0	0	0	0	0	0
<b>Net Income</b>	217,910	95,259	95,259	30,164	-266,761	-134,795	-21,328	80,370	176,782	176,782	-165,733
<b>Available Resources from:</b>											
Net income	217,910	95,259	95,259	30,164	-266,761	-134,795	-21,328	80,370	176,782	176,782	-165,733
Depreciation expense	317,622	330,287	330,287	388,791	511,127	518,899	519,301	537,898	553,331	553,331	2,640,556
subtotal	535,532	425,546	425,546	418,955	244,365	384,104	497,972	618,269	730,113	730,113	2,474,823
Bond proceeds											
Loan proceeds											
LESS: Principal repayments											
Existing Debt											
New Debt											
BAN Repayment											
<b>Net Available for Capital Purposes</b>	535,532	425,546	425,546	418,955	244,365	384,104	497,972	618,269	730,113	730,113	2,474,823
<b>Capital Plan</b>	34,180	109,029	109,029	1,420,000	277,000	270,000	130,000	145,000	145,000	145,000	967,000
<b>Fund Balance</b>											
Beginning balance	2,768,476	3,080,510	3,080,510	3,397,027	2,165,982	2,133,347	2,247,451	2,615,424	3,088,692	3,088,692	
Net Income	217,910	95,259	95,259	30,164	-266,761	-134,795	-21,328	80,370	176,782	176,782	
Depreciation Expense	317,622	330,287	330,287	388,791	511,127	518,899	519,301	537,898	553,331	553,331	
Capital Contributions	-189,318	0	0	-230,000	0	0	0	0	0	0	
Capital Expenditures	-34,180	-109,029	-109,029	-1,420,000	-277,000	-270,000	-130,000	-145,000	-145,000	-145,000	
Ending balance	3,080,510	3,397,027	3,397,027	2,165,982	2,133,347	2,247,451	2,615,424	3,088,692	3,673,805	3,673,805	
<b>Undesignated Fund Balance</b>	1,462,616	1,557,875	1,557,875	1,358,038	1,091,277	956,482	935,154	1,015,524	1,192,306	1,192,306	
<b>Depreciation Fund Balance</b>	1,617,894	1,839,152	1,839,152	807,943	1,042,070	1,290,970	1,680,270	2,073,169	2,481,500	2,481,500	

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