

**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**

Overview	p. 1
Operations and Memberships	pp. 2-3
Programs, Features, and Fees	pp. 4-5
Revenues and Expenditures	PP. 6-9
Financial Statement	pp. 10-11
Capital Spending	pp. 12-14

**Beede Center Highlights**

- As of January 2014, a year-round Beede Swim and Fitness membership costs \$895 for an adult individual and \$1,670 for a family (both rates assume Concord residency). *\*See pages 4 through 5 for more details on membership rates.*
- In FY15, the Beede Center is budgeting for negative operating income results due primarily to a \$170,000 increase in depreciation expense.
- The Beede Center ended FY13 with an undesignated fund balance of \$1.44 million. These funds help the Beede Center to weather years of negative net income operating results, such as may occur in FY 14 and FY15.

**Expenditure Summary**

	FY12 Actual	FY13 Actual	FY14 Revised	FY15 Proposed
Operating Income	\$ 52,091	\$ 18,933	\$ (28,978)	\$ (221,636)
Net Income	\$ 63,688	\$ 217,910	\$ (1,978)	\$ 18,364
Fund Balance	\$ 1,370,337	\$ 1,462,616	\$ 1,443,638	\$ 1,232,001

**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.

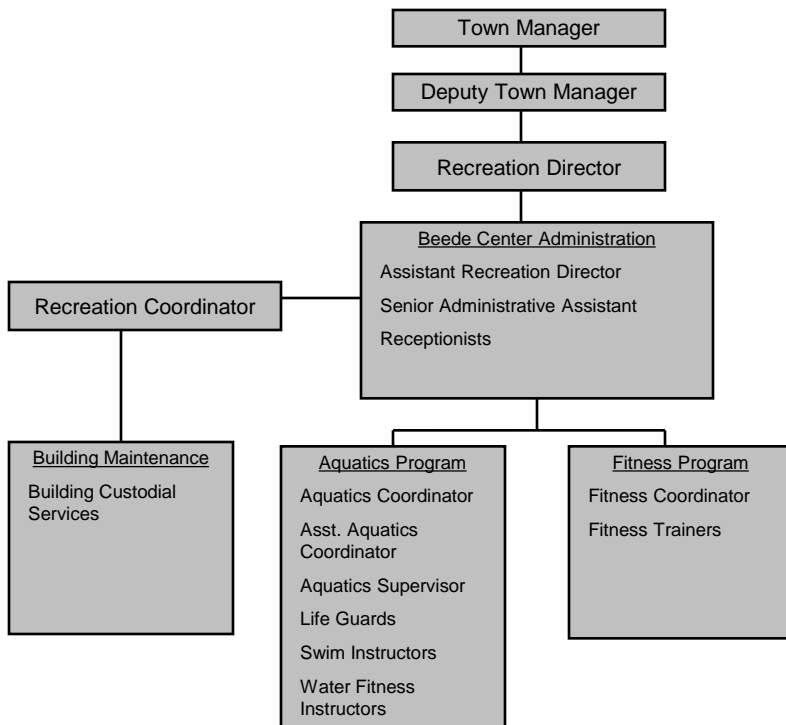
There are two 1,600-square-foot fitness rooms; one for weight training and one for cardiovascular exercise. In addition, the facility includes men's and women's locker/shower rooms, family changing rooms, and staff office space.

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 FY13 with an operating income of \$18,933 and a net income of \$217,910. This set the Beede Center’s undesigned fund balance at \$1,462,616 at fiscal year end.

Negative operating income projected for FY15 poses no immediate concern, due to the fact that Beede Center has accumulating a financial reserve. This reserve, totaling \$1.42 million at the beginning of FY14, 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 \$327,557. Revenues are expected to be greater in FY15 due to a modest 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:**

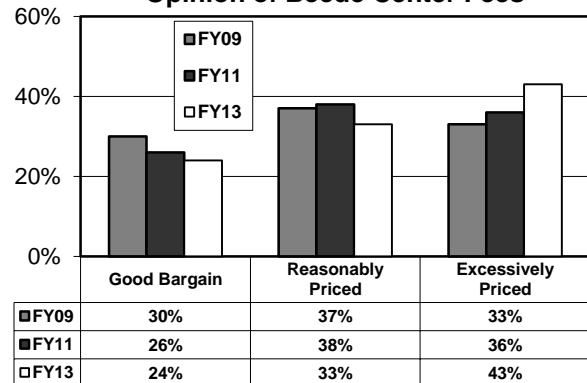
To compliment its swim and fitness offerings, the Beede Center offers personal training, various water fitness and swim lessons, nutrition/diet coaching, and, as a convenience to those with children, childcare. All of these programs are available to the general public, and are offered at a discounted fee to members. The Concord Citizen 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, a quarter thought it was a “good bargain” and a third 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:**

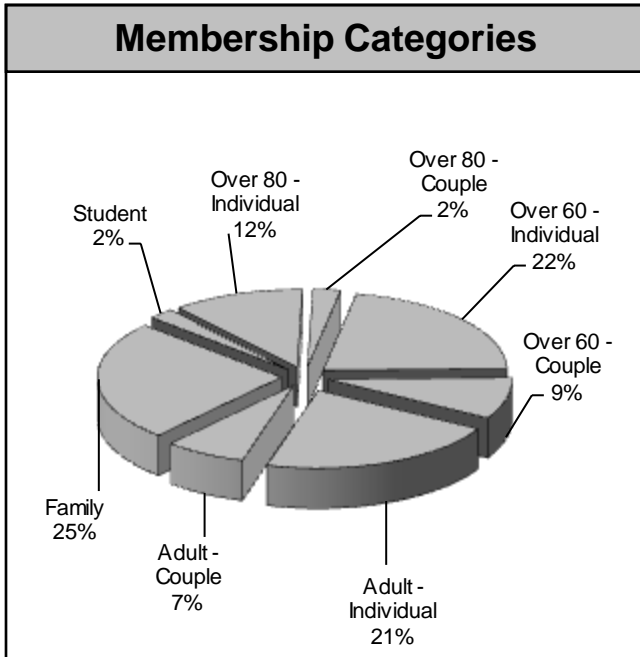
The Beede Center has been in operation for nearly eight years. Building maintenance is an important and regular expense for this enterprise. After eight years of operating 100 hours per week, 51 weeks a year, the Beede Center is planning on a major renovation of its’ mechanical systems. The Beede Center has contributed a sizeable amount to its depreciation fund. This fund exists to ensure the self-supported upkeep and/or replacement of the facility. The renovation project planned for FY15 will be funded by the money accumulated for the past seven years in the depreciation account. See pages VI-12 to VI-13 for details on the Beede Center’s recent and planned capital outlays.

**Opinion of Beede Center Fees**



**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).

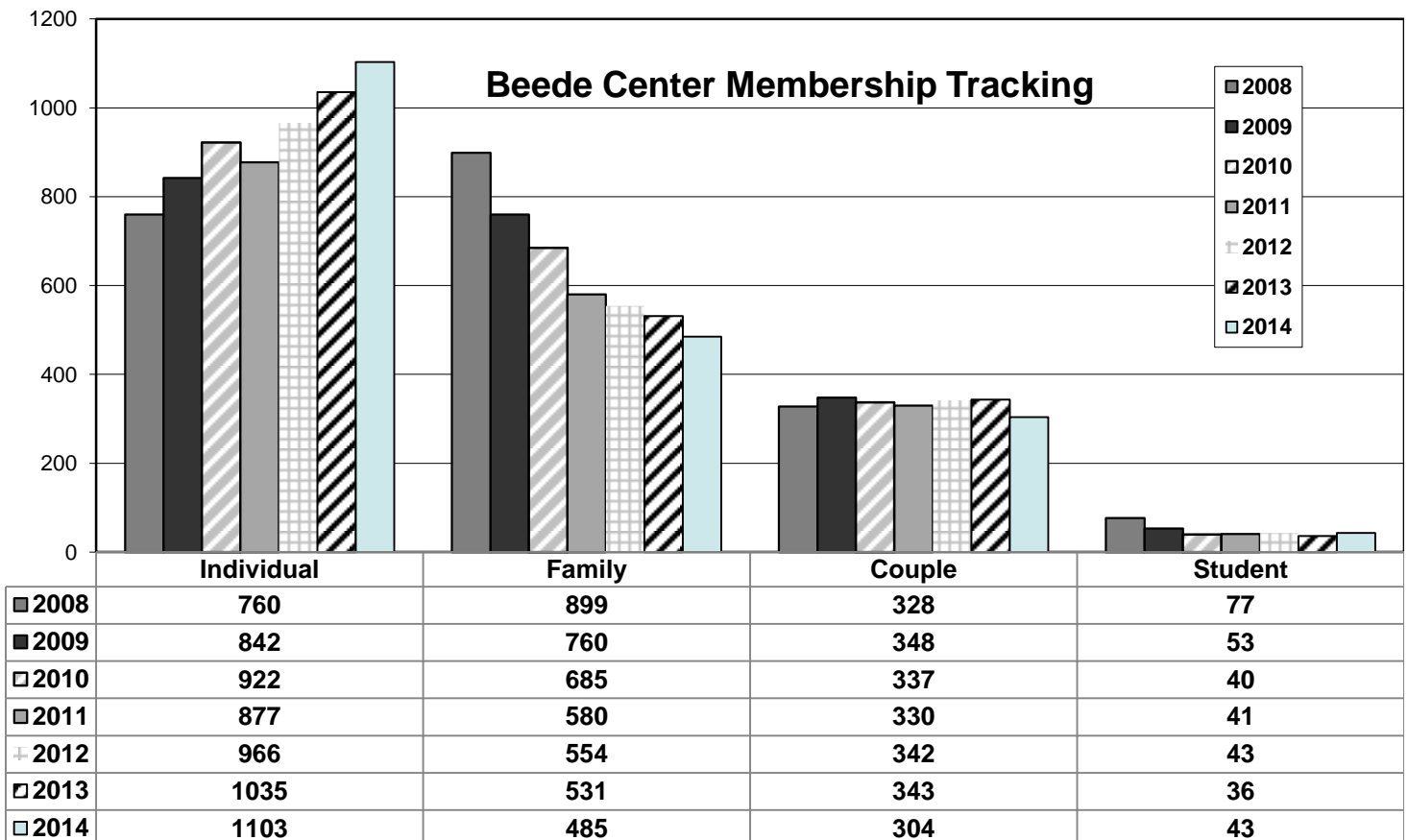


**Membership Trends**

**Beede Center membership, as of January 2014, totals 1,935 with 4,030 members.**

The largest driver having an effect on revenue levels is the drop in Family Memberships from January 2013 to January 2014:

- Since January 2013, Family Memberships have dropped by 45 from 531 to 485 as of January 2014.
- Nearly all other membership categories have held relatively stable over this same time period:
- Individual Memberships have increased by 68, from 1035 to 1103;
- Couple Memberships have decreased by 39, from 343 to 304; and
- Student Memberships have increased by 7, from 36 to 43.



**Beede Center Membership Fees**

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

For the 2014 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 2014 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>	\$895	\$1415	\$1670	\$675	\$1070	\$675
<b>Swim</b>	\$795	\$1275	\$1470	\$615	\$950	\$615
<b>Fitness</b>	\$795	\$1275	\$1470	\$615	\$950	\$615

**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>	\$999	\$1509	\$1876	\$775	\$1193	\$775
<b>Swim</b>	\$895	\$1390	\$1560	\$715	\$1050	\$715
<b>Fitness</b>	\$895	\$1390	\$1560	\$715	\$1050	\$715

**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
- Yoga
- Boot Camp
- Stability Ball
- Hi Intensity Cross training

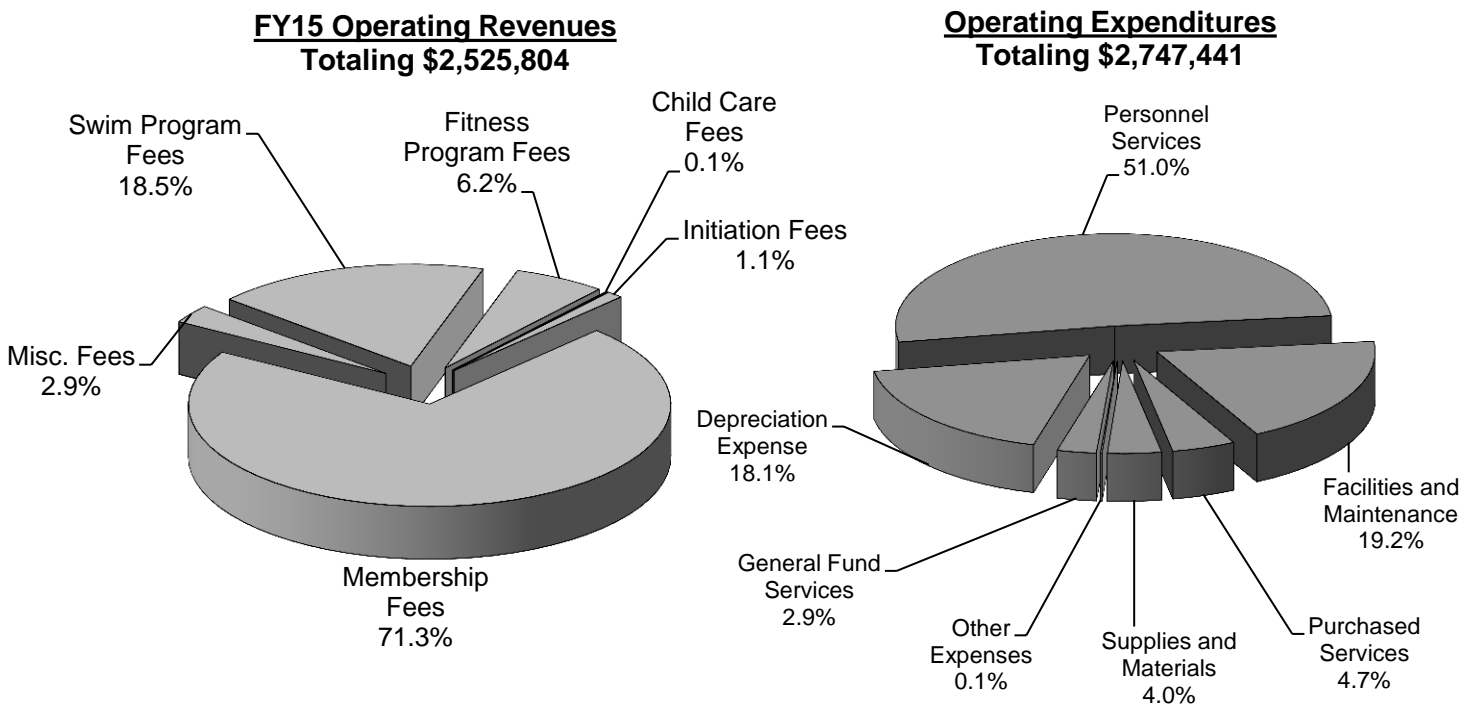
Program Implementation

The vast majority of the Beede Center’s operating revenues come from Membership Fees (\$1,801,419 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 \$1,400,801 in FY15, which is roughly a 1% increase from the FY14 budget of \$1,389,440. This increase is largely the result of increase in salaries.

Depreciation expense reflects the cost imposed by the annual use, or wear-and-tear, of the Beede Center. Facility and equipment depreciation expense totals \$497,263 in the FY15 budget and is placed in a *depreciation fund*. This reflects a 35% increase over the FY 14 depreciation expense to account for the improvements that will be made to the Center’s mechanical systems.



Operating Results:

The FY15 budget proposes operating expenditures that are \$221,637 *greater than* operating revenues. This results in an operating loss for the year.

This operating loss is slightly offset by the estimated \$10,000 of investment income, and the results is an estimated net income of negative \$211,637 for FY15.

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 \$1.46 million at the end of FY13) with which to bridge times of negative operating results.

**OPERATING REVENUES (\$)**

	FY12 Actual	FY13 Actual	FY14 Revised	FY15 Estimate
Initiation Fees	\$ 37,080	\$ 33,259	\$ 27,012	\$ 27,012
Membership Fees	1,744,688	1,724,259	1,752,391	\$ 1,801,419
Miscellaneous Revenue	63,292	73,143	73,187	\$ 73,187
Swim Program Fees	357,603	449,944	466,058	\$ 466,058
Fitness Program Fees	149,183	147,049	155,551	\$ 155,551
Child Care Fees	3,236	1,926	2,577	\$ 2,577
<b>Operating Revenues Total</b>	<b>\$ 2,355,081</b>	<b>\$ 2,429,580</b>	<b>\$ 2,476,776</b>	<b>\$ 2,525,804</b>

**OPERATING EXPENSES (\$)**

	FY12 Actual	FY13 Actual	FY14 Revised	FY15 Estimate
<b><u>Personnel Services</u></b>				
Personnel Expenses	\$ 1,208,099	\$ 1,249,051	\$ 1,389,440	\$ 1,400,801
Changes in Long-Term Liabilities	(14,412)	12,281	-	-
Audit Adjustment	-	19,598	-	-
<b>Subtotal</b>	<b>\$ 1,193,687</b>	<b>\$ 1,280,930</b>	<b>\$ 1,389,440</b>	<b>\$ 1,400,801</b>
<b><u>Non-Personnel Services</u></b>				
Facilities and Maintenance	495,920	521,730	484,234	528,500
Purchased Services	108,824	106,139	117,914	128,875
Supplies and Materials	125,283	115,312	103,373	109,200
Other Expenses	9,351	10,143	3,500	3,500
Audit Adjustment	-	(19,598)	-	-
<b>Subtotal</b>	<b>\$ 739,379</b>	<b>\$ 733,726</b>	<b>\$ 709,021</b>	<b>\$ 770,075</b>
<b><u>General Fund Services</u></b>				
Human Resources	28,017	30,833	30,669	30,384
Finance Administration	8,331	8,438	8,867	8,825
Treasury	16,930	17,694	18,205	18,432
Accounting	9,400	9,595	9,717	9,382
Recreation Administration	11,292	11,809	12,279	12,279
<b>Subtotal</b>	<b>\$ 73,970</b>	<b>\$ 78,369</b>	<b>\$ 79,737</b>	<b>\$ 79,302</b>
<b><u>Depreciation Expense</u></b>				
Depreciation Expense	295,954	317,622	327,557	497,263
<b>Subtotal</b>	<b>\$ 295,954</b>	<b>\$ 317,622</b>	<b>\$ 327,557</b>	<b>\$ 497,263</b>
<b>Total Operating Expense</b>	<b>\$ 2,302,990</b>	<b>\$ 2,410,647</b>	<b>\$ 2,505,755</b>	<b>\$ 2,747,441</b>

**AUTHORIZED POSITIONS (\$)**

	FY14 Revised Budget		FY15 Initial Budget	
	Positions/Hours	\$ Amount	Positions/Hours	\$ Amount
<b>5111</b>				
Assistant Recreation Director	1.00	\$ 90,240	1.00	\$ 90,240
Recreation Coordinator	0.75	51,247	0.75	51,247
Aquatics Coordinator	1.00	75,222	1.00	75,222
Fitness Coordinator	1.00	80,401	1.00	80,401
Assistant Aquatics Coordinator	1.00	54,676	1.00	54,676
Aquatics Supervisor	1.00	43,662	0.00	-
Senior Administrative Assistant	1.00	57,942	1.00	57,942
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>12.75 FTEs</b>	<b>\$ 688,333</b>	<b>11.75 FTEs</b>	<b>\$ 648,764</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	0 hrs.	-	988 hrs.	22,724
<b>Subtotal</b>	<b>7.73 FTEs</b>	<b>\$ 221,746</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	58,750
Life Insurance	N/A	250	N/A	250
Dental Insurance	N/A	5,000	N/A	5,000
OPEB	N/A	36,508	N/A	38,000
Retirement Contribution	N/A	56,477	N/A	58,024
<b>Subtotal</b>	<b>N/A</b>	<b>\$ 156,985</b>	<b>N/A</b>	<b>\$ 160,024</b>
<b>Payroll Taxes</b>				
Medicare Tax	N/A	16,000	N/A	14,000
Social Security Contribution	N/A	23,000	N/A	21,000
<b>Subtotal</b>	<b>N/A</b>	<b>\$ 39,000</b>	<b>N/A</b>	<b>\$ 35,000</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	29,166
<b>Subtotal</b>	<b>N/A</b>	<b>\$ 13,500</b>	<b>N/A</b>	<b>\$ 42,666</b>
<b>Total Personnel Costs</b>	<b>26.24 FTEs</b>	<b>\$ 1,389,440.35</b>	<b>25.71 FTEs</b>	<b>\$ 1,400,801</b>



**NET INCOME (\$)**

	FY12 Actual	FY13 Actual	FY14 Revised	FY15 Estimate
<b>Statement of Net Income:</b>				
Operating Revenues	\$ 2,355,081	\$ 2,429,580	\$ 2,476,776	\$ 2,525,804
Less Operating Expenses	(2,302,990)	(2,410,647)	(2,505,755)	(2,747,441)
<b>Operating Income</b>	<b>\$ 52,091</b>	<b>\$ 18,933</b>	<b>\$ (28,978)</b>	<b>\$ (221,636)</b>
<b>Nonoperating Revenues (Expenses)</b>				
Add Investment Income	\$ 11,596	\$ 9,660	\$ 10,000	\$ 10,000
Add Sawyer Trust Contribution	-	189,318	17,000	175,000
Add Beede Endowment	-	-	-	55,000
<b>Nonoperating Income</b>	<b>\$ 11,596</b>	<b>\$ 198,978</b>	<b>\$ 27,000</b>	<b>\$ 240,000</b>
<b>Net Income</b>	<b>\$ 63,688</b>	<b>\$ 217,910</b>	<b>\$ (1,978)</b>	<b>\$ 18,364</b>

**AVAILABLE RESOURCES (\$)**

<b>Resources Available from Current Operations for Replacement &amp; Renewal of Facility:</b>				
	FY12 Actual	FY13 Actual	FY14 Revised	FY15 Estimate
<b>Capital Purposes</b>				
Add Depreciation Expense	\$ 295,954	\$ 317,622	\$ 327,557	\$ 497,263
Add Net Income	63,688	217,910	(1,978)	18,364
<b>Net Available for Capital</b>	<b>\$ 359,642</b>	<b>\$ 535,532</b>	<b>\$ 325,579</b>	<b>\$ 515,627</b>

**CASH POSITION AND FORECAST**

<b>Cash at Year Opening</b>	<b>FY14</b>		<b>FY15</b>	
	Operating Fund	Depreciation Fund	Operating Fund	Depreciation Fund
<b>Cash on July 1st</b>	\$ 4,138,076		\$ 4,160,621	
Less Cash as Unearned Revenue	(910,453)		(949,420)	
Less Cash held for Liabilities	(147,113)		(147,113)	
<b>Fund Balance on July 1st</b>	<b>\$ 3,080,510</b>		<b>\$ 3,064,089</b>	
<b>Fund Balance Details (projected)</b>	Operating Fund	Depreciation Fund	Operating Fund	Depreciation Fund
Fund Balance as of July 1st	1,462,616	1,617,894	1,443,638	1,620,451
Net Income	(1,978)	-	18,364	-
Capital Outlay (non-borrowing)	(17,000)	(325,000)	(230,000)	(1,260,000)
Add Depreciation Expense	-	327,557	-	497,263
Balance Projected at June 30th	1,443,638	1,620,451	1,232,001	857,714
<b>Fund Balance on June 30th</b>	<b>\$ 3,064,089</b>		<b>\$ 2,089,715</b>	
<b>Cash at Year End (projected)</b>				
Fund Balance on June 30th	3,064,089		2,089,715	
Add Cash as Unearned Revenue	949,420		960,765	
Add Cash Held for Liabilities	147,113		147,113	
<b>Projected Cash at June 30th</b>	<b>\$ 4,160,621</b>		<b>\$ 3,197,594</b>	

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

	FY10 Actual	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Budget	FY15 Proposed
<b><u>Operating Revenue</u></b>						
Deferred Revenue Realized	\$ 1,042,101	986,889	\$ 926,711	\$ 894,965	\$ 910,453	\$ 949,420
Current Revenue	2,448,140	2,331,492	2,323,335	2,445,068	2,515,743	2,537,150
Deferred Revenue	(986,889)	(926,711)	(894,965)	(910,453)	(949,420)	(960,765)
Operating Revenue	\$ 2,503,352	2,391,670	\$ 2,355,081	\$ 2,429,580	\$ 2,476,776	\$ 2,525,804
<b><u>Operating Expense</u></b>						
Personnel Services	\$ 1,301,418	1,248,354	\$ 1,193,687	\$ 1,280,930	\$ 1,389,440	\$ 1,400,801
Non-Personnel Services	668,223	696,852	739,379	733,726	709,021	770,075
Depreciation	273,092	285,744	295,954	317,622	327,557	497,263
General Fund Services	56,014	70,773	73,970	78,369	79,737	79,302
Operating Expense	\$ 2,298,747	2,301,723	\$ 2,302,990	\$ 2,410,647	\$ 2,505,755	\$ 2,747,441
<b>Operating Income</b>	<b>\$ 204,605</b>	<b>\$ 89,947</b>	<b>\$ 52,091</b>	<b>\$ 18,933</b>	<b>\$ (28,978)</b>	<b>\$ (221,636)</b>
<b><u>Nonoperating Revenues and Expenses</u></b>						
Interest on Investments	\$ 18,737	12,385	\$ 11,596	\$ 9,660	\$ 10,000	\$ 10,000
Belknap Gift	20,000	20,000	-	189,318	-	-
Sawyer Trust Contribution					17,000	175,000
Beebe Endowment						55,000
General Fund Debt Support	109,750	103,750	-	-	-	-
Capital Contribution	-	-	-	-	-	-
Coding Correction	-	-	-	-	-	-
Interest Expense	(9,750)	(3,750)	-	-	-	-
Interfund Loan	-	-	-	-	-	-
Nonoperating Subtotal	\$ 138,737	\$ 132,385	\$ 11,596	\$ 198,978	\$ 27,000	\$ 240,000
<b>Change in Net Assets</b>	<b>\$ 343,342</b>	<b>\$ 222,332</b>	<b>\$ 63,687</b>	<b>\$ 217,911</b>	<b>\$ (1,978)</b>	<b>\$ 18,364</b>
Net Assets Beginning of Year	\$ 10,500,808	\$ 10,844,150	\$ 11,066,423	\$ 11,130,110	\$ 11,348,021	\$ 11,346,042
Net Assets End of Year	\$ 10,844,150	\$ 11,066,423	\$ 11,130,110	\$ 11,348,021	\$ 11,346,042	\$ 11,364,406

\* See note on following page.

	FY10 Actual	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Budget	FY15 Proposed
<b>Fund Balance</b>						
Beginning Fund Balance	\$ 1,669,458	\$ 2,119,213	\$ 2,489,000	\$ 2,768,476	\$ 3,080,511	\$ 3,064,089
Add Change in Net Assets	343,342	222,273	63,687	217,911	(1,978)	18,364
Less Capital Contribution	-	-	-	-	-	-
Less Bond Liability Reduction	(100,000)	(100,000)	-	-	-	-
Depreciation Expense	273,092	285,744	295,954	317,622	327,557	497,263
Capital Contributions				(189,318)	(17,000)	(230,000)
Capital Expenditures	(66,679)	(38,230)	(80,164)	(34,180)	(325,000)	(1,260,000)
End Fund Balance	\$ 2,119,213	\$ 2,489,000	\$ 2,768,476	\$ 3,080,511	\$ 3,064,089	\$ 2,089,716
<b>Fund Balance Detail</b>						
Undesignated Fund Balance	\$ 1,248,065	\$ 1,370,338	\$ 1,434,024	\$ 1,462,617	\$ 1,443,638	\$ 1,232,002
Depreciation Fund Balance	\$ 871,148	\$ 1,118,662	\$ 1,334,452	\$ 1,617,894	\$ 1,620,451	\$ 857,714
<b>Cash Position</b>						
Undesignated Fund Balance	\$ 1,248,065	\$ 1,370,338	\$ 1,434,024	\$ 1,462,617	\$ 1,443,638	\$ 1,232,002
Depreciation Fund Balance	871,148	1,118,662	1,334,452	1,617,894	1,620,451	857,714
Deferred Revenue	986,889	926,771	894,965	910,453	949,420	960,765
Res. for Short-Term Liabilities	134,290	130,016	100,393	100,560	100,560	100,560
Res. for Long-Term Liabilities	42,940	49,492	34,660	46,553	46,553	46,553
Total Cash	\$ 3,283,332	\$ 3,595,279	\$ 3,798,494	\$ 4,138,077	\$ 4,160,622	\$ 3,197,594

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III

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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 six 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 FY13, the stationary bikes were replaced, after 61/2 years of service, with Cybex' International's latest model. In FY14, strength machines (\$25,000) were replaced. In FY15, treadmills (60,000) will be replaced.

**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 FY 13 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 FY14, \$8,000 is budgeted for the purchase of a new online registration software package.

**Building Improvements:** The mechanical system improvements project will be undertaken in FY14 utilizing \$1,530,000 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. \*See page 14 for more details on this project.

<b>Beede Swim and Fitness Center</b>									
<b>Capital Program</b>									
	<b>FY12 Actual</b>	<b>FY13 Actual</b>	<b>FY14</b>	<b>FY15</b>	<b>FY16</b>	<b>FY17</b>	<b>FY18</b>	<b>FY19</b>	<b>Total FY14-19</b>
<b>Primary Facility</b>									
Building Improvements	\$ 10,760	\$ -	\$ -	\$ -	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 120,000
Carpets and Flooring	-	-	-	100,000	50,000	-	-	-	\$ 150,000
Dehumidification System	-	-	299,000	1,230,000	-	-	-	-	\$1,529,000
VFD Motors	-	41,218	-	-	-	-	-	-	\$ -
Sprinkler System	-	-	-	-	-	-	-	-	\$ -
Sound System	-	-	-	-	-	-	-	-	\$ -
Parking System	-	-	-	-	12,000	-	-	-	\$ 12,000
Parking Lighting	-	-	-	70,000	-	-	-	-	\$ 70,000
Beede Center Lighting	-	148,100	-	-	-	-	-	-	\$ -
Misc. Equipment	-	-	-	10,000	10,000	10,000	10,000	10,000	\$ 50,000
Subtotal	\$ 10,760	\$189,318	\$ 299,000	\$ 1,410,000	\$102,000	\$ 40,000	\$ 40,000	\$ 40,000	\$1,931,000
<b>Pool Facility</b>									
Clorine System	16,930	-	-	-	-	-	-	-	-
Misc. Equipment	-	-	20,000	20,000	20,000	20,000	20,000	20,000	120,000
Subtotal	\$ 16,930	\$ -	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 120,000
<b>Beede Equipment</b>									
Sidewalk Plow	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fitness Equipment I (treadmills)	-	-	-	60,000	-	-	-	-	60,000
Fitness Equipment II (Elipticals)	52,474	-	-	-	-	-	60,000	60,000	120,000
Fitness Equipment III (Strength Machines)	-	14,580	-	-	-	-	-	-	-
Fitness Equipment IV (Stationary Bikes)	-	19,600	-	-	-	-	-	-	-
Fitness Equipment V (Miscellaneous)	-	-	6,000	-	10,000	10,000	10,000	10,000	46,000
Subtotal	\$ 52,474	\$ 34,180	\$ 6,000	\$ 60,000	\$ 10,000	\$ 10,000	\$ 70,000	\$ 70,000	\$ 226,000
<b>Total Capital</b>	<b>\$ 80,164</b>	<b>\$223,498</b>	<b>\$ 325,000</b>	<b>\$ 1,490,000</b>	<b>\$132,000</b>	<b>\$ 70,000</b>	<b>\$130,000</b>	<b>\$130,000</b>	<b>\$2,277,000</b>
<b>Beede Capital Funding</b>									
	<b>FY12</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>	<b>FY16</b>	<b>FY17</b>	<b>FY18</b>	<b>FY19</b>	<b>FY14-19</b>
Capital Appropriation	\$ 80,164	\$ 34,180	\$ 325,000	\$ 1,260,000	132,000	70,000	130,000	130,000	2,047,000
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.

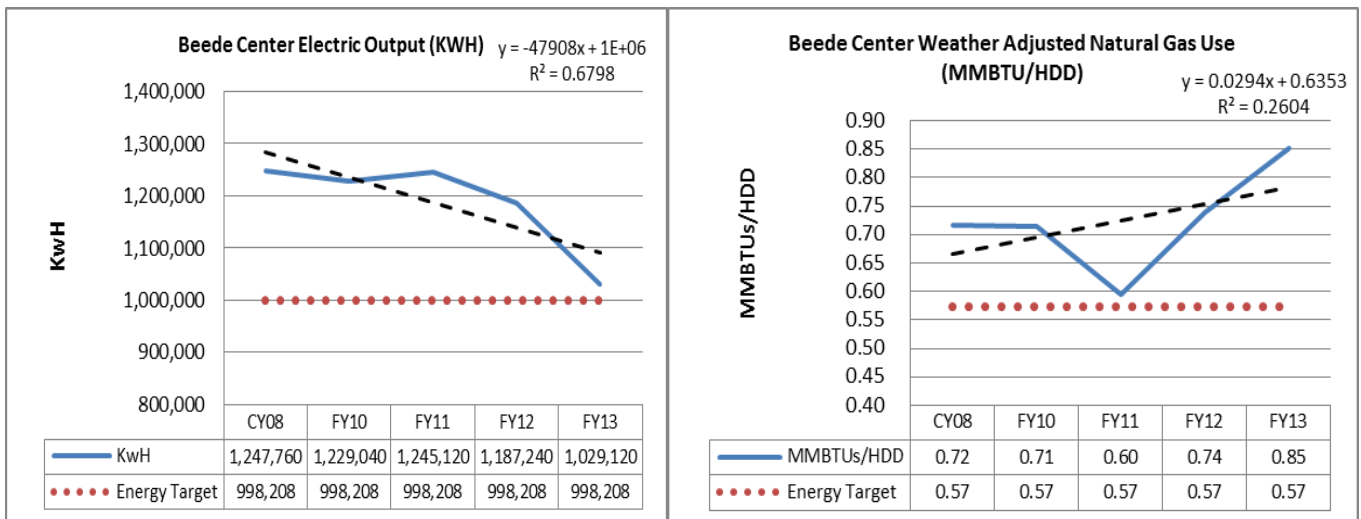
**Dehumidification and Hot Water Project**

The Beede Center staff decided to investigate the possibility of a series of upgrades to the Beede Center’s mechanical systems to optimize energy consumption and reduce operating costs in the facility. Utility bills and system maintenance costs consume a large portion of revenues and the necessity to control costs to remain competitive in the fitness business has grown in importance as the economy tightened after 2008. Major building repairs and mechanical system replacement were planned to be funded through depreciation.

The existing dehumidification and hot water systems are currently worn-out and have become a maintenance liability. The existing system only provides 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 includes the installation of two new static plate dehumidification systems. The first system will replace the existing dehumidification system while the second system will be installed in a new location at the opposite end of the pool. The new units will reduce energy consumption by 39%

Currently, three conventional boilers provide domestic hot water and heat the water for the pools. The existing conventional boilers will be replaced with two 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 direct digital (DDC) automatic temperature control (ATC) web accessible system to tie together the controls for the dehumidification, hot water and HVAC systems will be installed. This will enable the Beede Center staff to monitor all of the systems in the building, to 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.

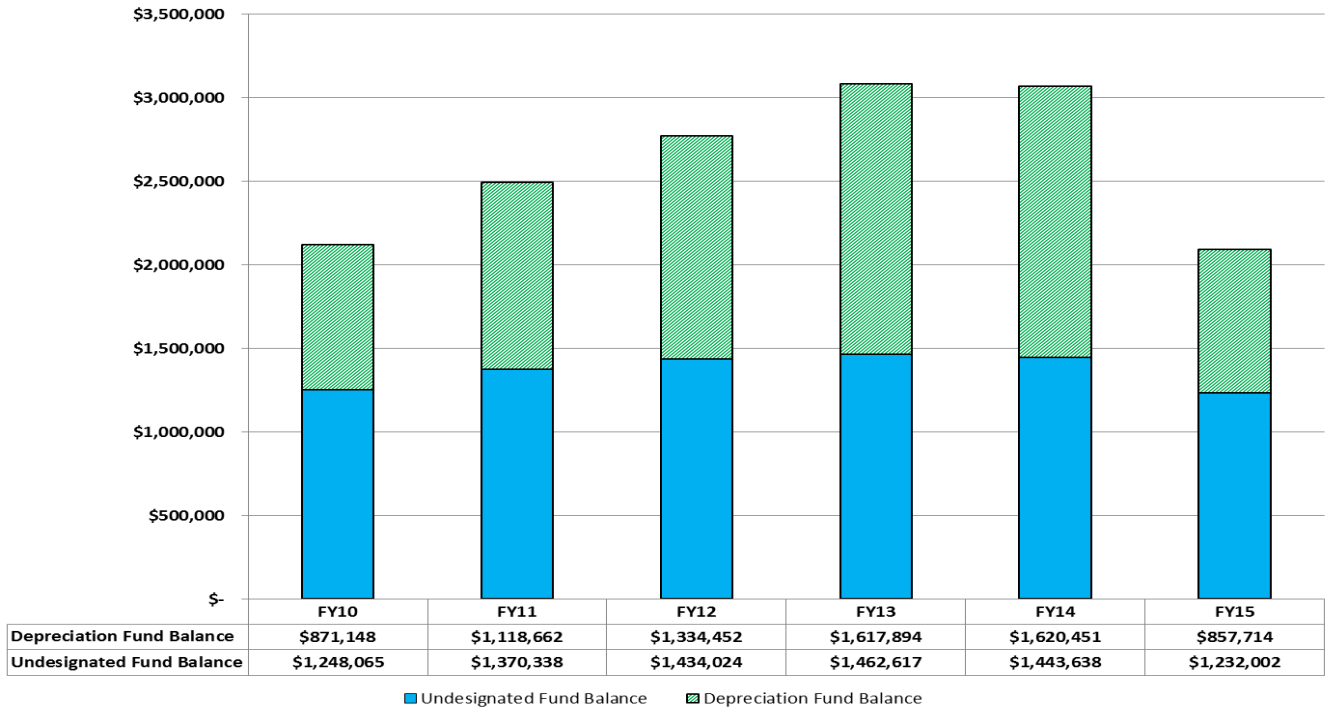


**Analysis:**

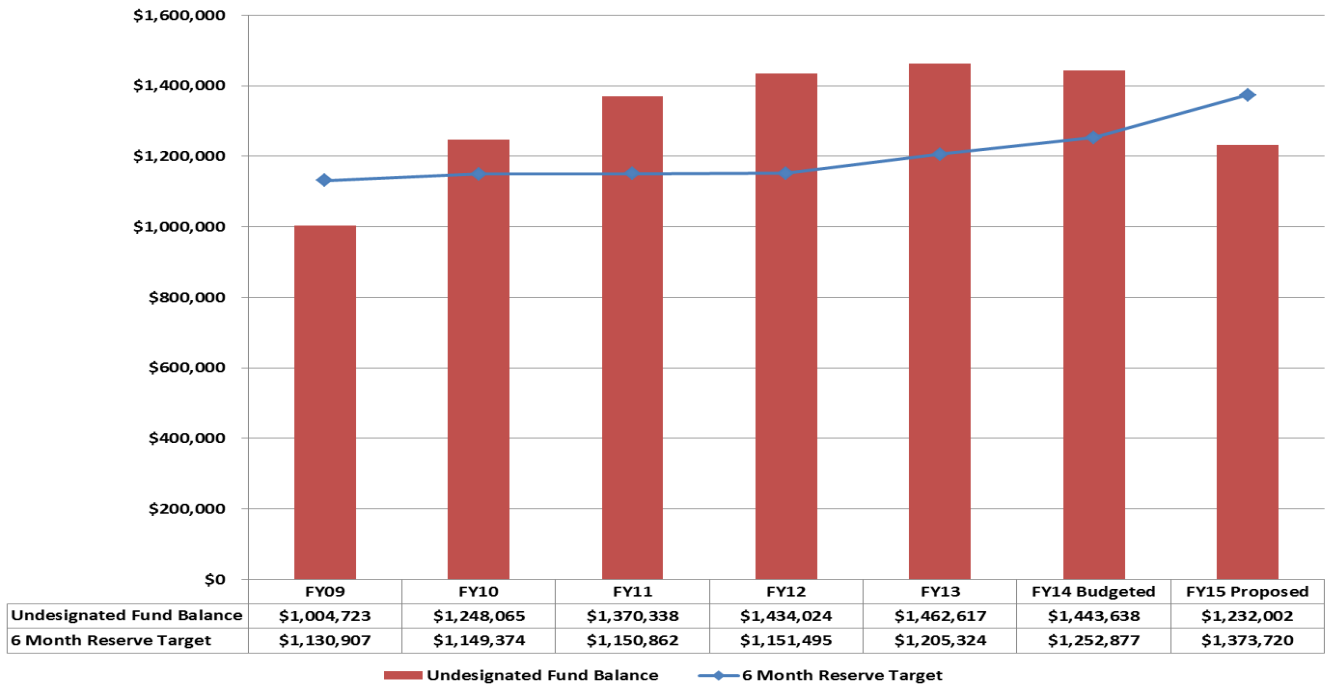
**Electric:** The significant reduction in electricity use in FY13 compared to FY12 would be due to the installation of variable frequency drives on the pool filtration motors, and the LED lighting and day-lighting sensors installed in the natatorium and lobby.

**Gas:** The significant increase in natural gas use in FY13 compared to FY12 may be related to consumption by the Beede Center's boiler to compensate for the poor performance of their dehumidification system. Beede Center staff is currently in the process of getting a new dehumidification system.

**Beede Center Fund Balance**



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



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