

Section VI

Swim and Fitness Fund

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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 tax payers.

Highlights

- As of January 1st, 2009, a year-round Beede Swim and Fitness membership costs \$840 for an adult individual and \$1,590 for a family (both rates assume Concord residency). *See pages 4 through 5 for more details on membership rates.
- In FY09, the Beede Center completed repayment of its \$100,000 General Fund loan.
- The Beede Center ended FY08 with an undesignated fund balance of \$722,540. These funds help the Beede Center weather economic downturns or emergency situations.
- In FY10, the Beede Center plans its first notable replacement of fitness equipment. This will include the treadmills, which have taken particular wear.
- Building maintenance and cleanliness remains a top priority.

Beede Center Budget Contents

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Income and Fund Balance Summary				
	FY07 Actual	FY08 Actual	FY09 Revised	FY10 Estimate
Operating Income	\$ 907,582	\$ 178,648	\$ 231,172	\$ (50,000)
Net Income	\$ 992,540	\$ 214,332	\$ 254,665	\$ -
Undesignated Fund Balance	\$ 513,291	\$ 722,540	\$ 977,205	\$ 977,205

*Undesignated Fund Balance generally changes according to Net Income. In FY06 and FY07, audit adjustments led to deviations from this convention.

Description:

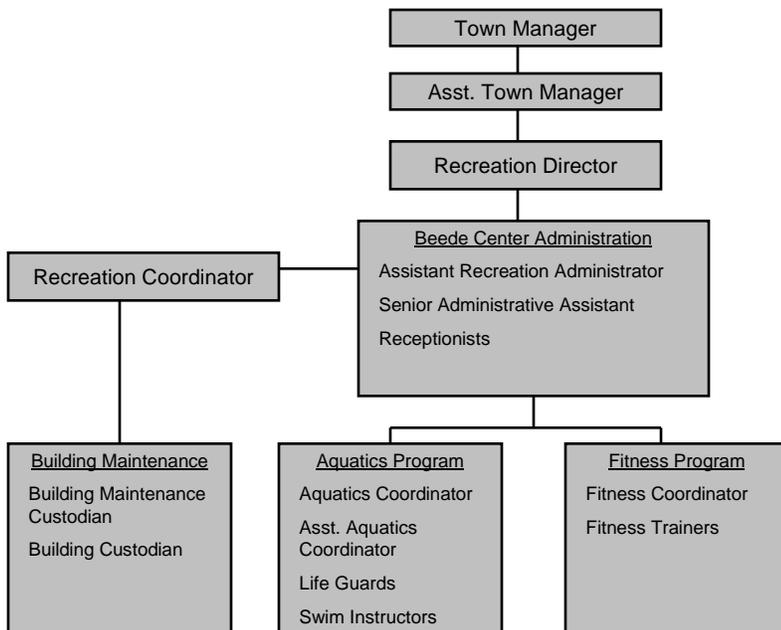
The Beede Swim and Fitness Center, located on the campus of the Concord-Carlisle Regional High School, hosts an 8-lane lap pool, a therapy pool, a children's pool, a diving well, and pool-side spectator seating.

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 18th, 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. As with other Recreation Department activities, the Beede Center strives to balance the recreational needs of the community with its obligation to be financially self-supporting and stable.





Current Status:

The Beede Center ended FY08 with an Operating Income of \$178,648. This set the Beede Center's undesignated fund balance at \$722,540 at fiscal year end.

Fortunately, so far in FY09, the Beede Center's revenues are tracking roughly 7% *above* the levels experienced in FY08. However, membership levels are down by 3% compared to this point last year. *See facing page for more details on Beede Center Membership.*

Because of this slight drop in memberships (not surprising given the wider economic downturn), and a preference for conservative revenue forecasts, both the FY09 Revised Budget and the FY10 Proposed Budget incorporate a 10% *decrease* in revenues moving forward. *See page VI-6 to page VI-11 for a presentation of the Beede Center's revenues, expenditures, fund balance, and cash position.*

Even with these conservative forecasts, and anticipating no significant hike in membership fees, the Beede Center is projected to continue offering its current level of service throughout FY10 *and* to meet its obligation to plan and prepare for the long-term maintenance and replacement of its roughly \$10 million facility.

In other words, it is expected that the Beede Center will weather the economic downturn without having to compromise its long-term financial stability.

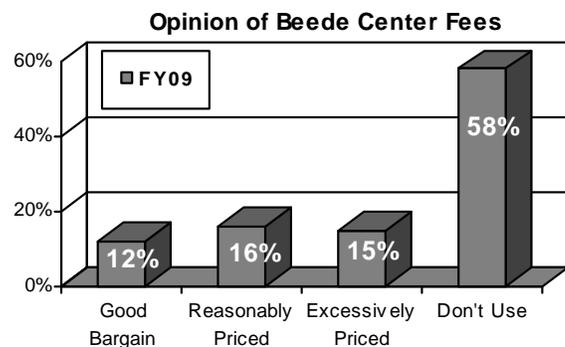
Programs and Fees:

To complement 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. Most of these programs are available to the public, but are offered at a discounted fee to members.

The fall 2008 Concord Resident Survey included a question about the user fees charged for Beede Center services. While the majority of respondents were not Beede Center members, roughly 2/3 of respondents with an opinion felt that fees were at least "reasonable," if not "a good bargain."

See pages VI-4 and VI-5 for more on Beede Center Memberships and Fees.

Those in Town who are not members of the Beede Center should be assured that the Beede Center's continued operations are being supported by user fees and not their tax dollars.



Facility Improvements and Upkeep:

The Beede Center has been in operation for nearly three years. Building maintenance is an important and regular expense for this enterprise. While major renovations are not yet needed, each year, the Beede Center contributes a sizeable amount to its depreciation fund (\$266,932 in FY09). This fund exists to ensure the self-supported upkeep and/or replacement of the \$11 million facility into perpetuity.

See pages VI-12 to VI-13 for details on the Beede Center's recent and planned capital outlays.

Membership Discussion

Beede Center Memberships are down by 61 in total, or 3%, over the past year.

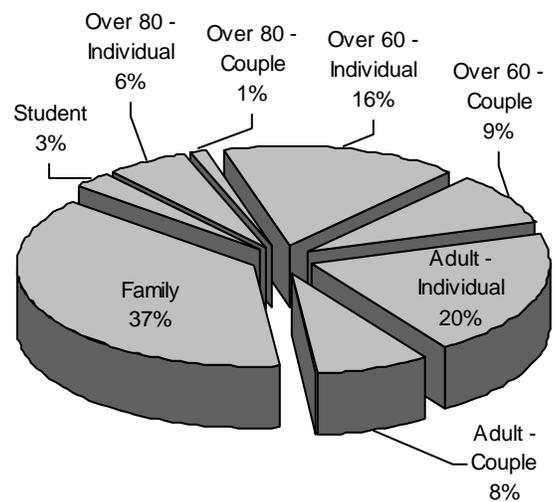
Individual members have decreased by 288, from 5,473 in the Spring of 2008 to 5,185 as of March 16th, 2009.

Given the current economic climate, the above decreases are not surprising. However, the coming months (April, May, and June) generally mark the heaviest membership renewal period of the year, accounting for roughly 50% of the Beede Center's annual cash receipts. It will be important for the Beede Center to monitor new and renewed memberships during this period, and to adapt to any further shift in its customer base.

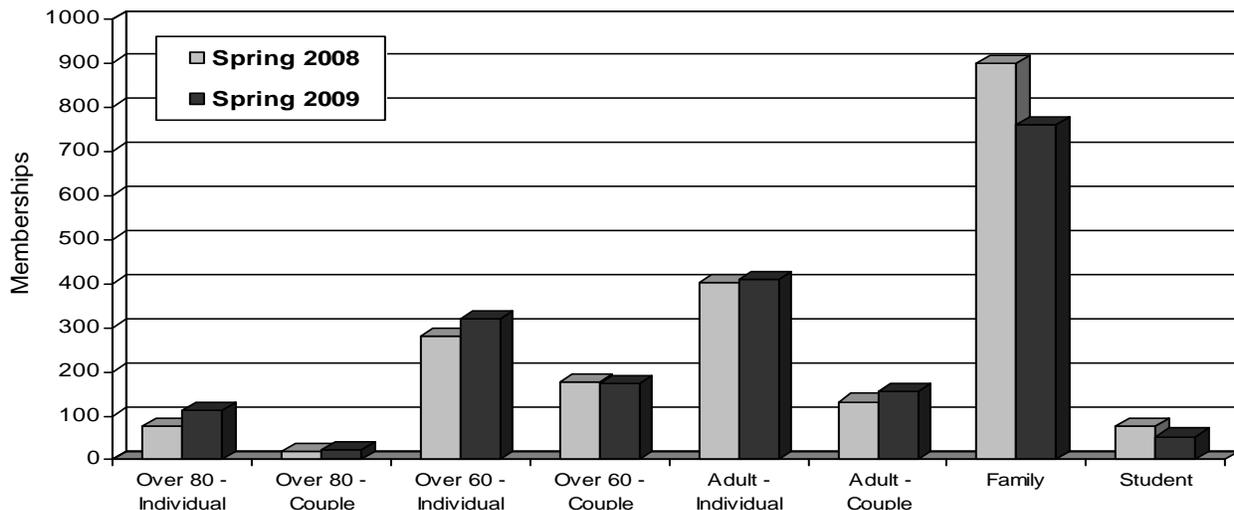
Membership Breakdown by Category

Spring 2009 Beede Membership Data				
Data from 3/16/09	Fitness & Swim	Fitness	Swim	Total
Over 80 - Individual	112	0	0	112
Over 80 - Couple	22	0	0	22
Over 60 - Individual	230	46	45	321
Over 60 - Couple	157	7	8	172
Adult - Individual	284	67	58	409
Adult - Couple	123	21	10	154
Family	673	32	55	760
Student	33	19	1	53
Sub-Total	1634	192	177	2,003

* Does not include employees and college students on break.



Spring 2008 vs. Spring 2009



Spring 2008 Memberships: 2,064

Spring 2009 Memberships: 2,003

Beede Center Membership Fees

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

This past January, most membership fees were increased by \$15, while Charter Membership fees were increase by \$30.

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 2009 Membership Rates are as follows:

Concord and Carlisle Residents

	Adult	Couple	Family	60+ Adult	60+ Couple	14+ Student
Swim & Fitness	\$840	\$1330	\$1590	\$615	\$1005	\$615
Swim	\$740	\$1190	\$1390	\$540	\$880	\$540
Fitness	\$740	\$1190	\$1390	\$540	\$880	\$540

Non-Residents

	Adult	Couple	Family	60+ Adult	60+ Couple	14+ Student
Swim & Fitness	\$940	\$1430	\$1790	\$715	\$1105	\$715
Swim	\$840	\$1290	\$1490	\$640	\$980	\$640
Fitness	\$840	\$1290	\$1490	\$640	\$980	\$640

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 4th; Labor Day; and Christmas.

There are limited AM hours on Thanksgiving 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 lessons for the kids to a water fitness class for yourself, 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;
- Recreational Swim is offered to those youths who are interested in a recreational swim team atmosphere;
- 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
- Pilates
- Step and Low Impact Aerobics
- Reformer Personal Training
- Boot Camp
- Yoga
- Indoor Rowing
- Stability Ball

Program Implementation

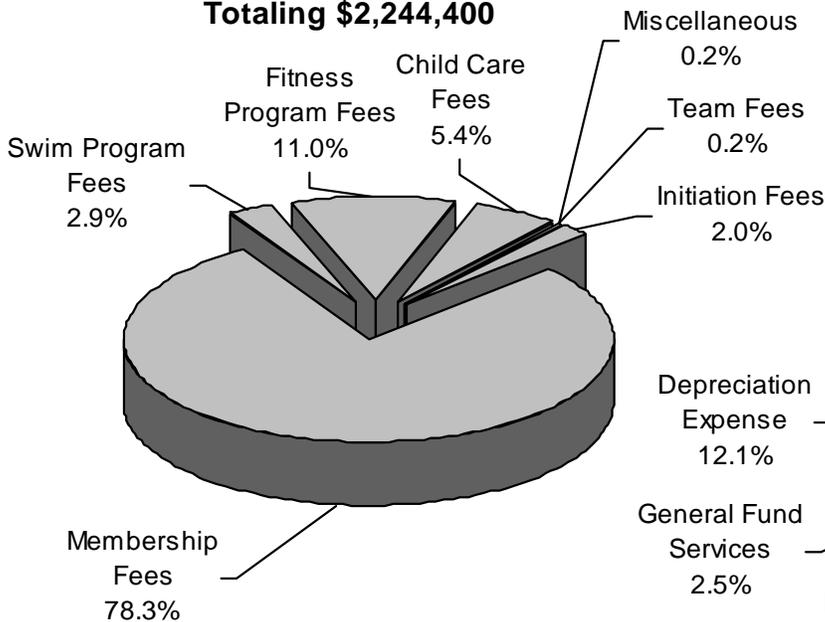
The vast majority of the Beede Center’s revenues come from Membership Fees (\$1,758,400 or nearly 80% of the total). Because of this, membership fees are carefully set each year, and membership levels are monitored. Because Beede revenues in general are effected by economic conditions, the Town also 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, Purchased Services, and Depreciation Expense.

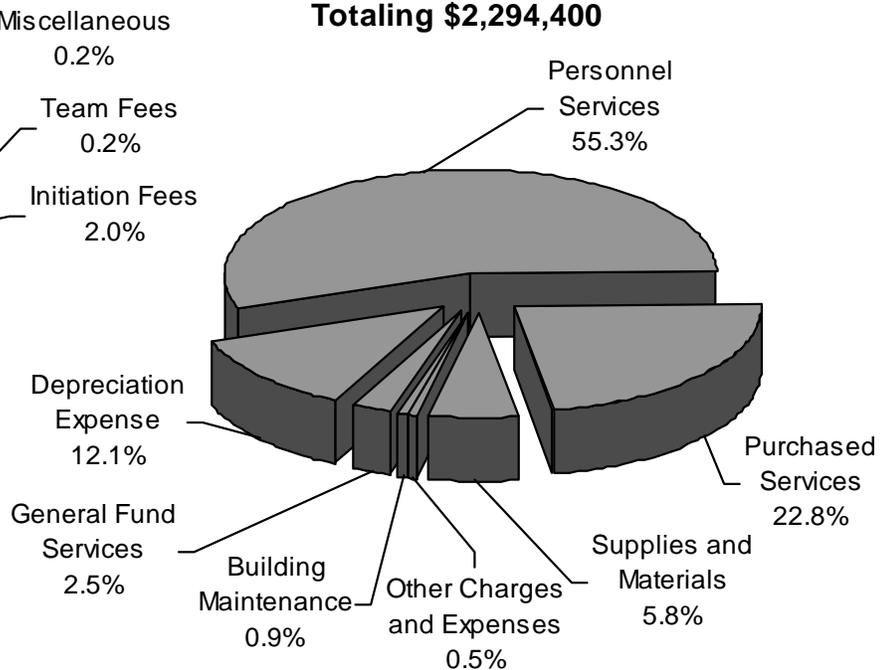
Personnel Services are budgeted to total \$1,269,797 in FY10, a 3.6% increase over the FY09 total of \$1,225,909. This reflects increases to employee benefit costs (i.e. healthcare), and an allowance for salary increases.

Depreciation expense reflects the cost imposed by the annual use, or wear-and-tear, of the Beede Center. Depreciation Expense totals \$277,932 in this FY10 budget and is placed in a *depreciation fund*, and held for the future repairs or replacement of the facility. This helps ensure the financial self-sufficiency of this relatively capital-intensive enterprise operation into perpetuity.

Operating Revenues
Totaling \$2,244,400



Operating Expenditures
Totaling \$2,294,400



Operating Income:

This FY10 Budget calls for Operating Expenditures that are \$50,000 *above* Operating Revenues. This results in an operating loss for the year.

However, this operating loss is negated by the estimated \$30,000 of Investment Income and the \$20,000 Belknap Gift.

Thus, the Beede Center is budgeted to have a Net Income of \$0, or in other words, to break-even for the year.

OPERATING REVENUES (\$)

	FY07 Actual	FY08 Actual	Rev. FY09 Budget	FY10 Estimate
Initiation Fees	\$ 131,746	\$ 61,688	\$ 50,000	\$ 45,000
Membership Fees	2,141,012	1,884,544	1,888,360	1,758,400
Swim Program Fees	63,767	72,394	68,000	65,000
Fitness Program Fees	245,838	273,161	300,000	246,000
Child Care Fees	85,885	131,827	121,000	121,000
Team Fees	3,750	4,296	4,000	4,000
Food Concession Rental Fee	964	-	-	-
Miscellaneous Revenue	4,108	5,346	5,000	5,000
Operating Revenues Total	\$ 2,677,069	\$ 2,433,255	\$ 2,436,360	\$ 2,244,400

OPERATING EXPENSES (\$)

	FY07 Actual	FY08 Actual	Rev. FY09 Budget	FY10 Estimate
<u>Personnel Services</u>				
Personnel Expenses	\$ 1,117,351	\$ 1,338,524	\$ 1,225,909	\$ 1,269,797
Other Liabilities	5,764	10,993	-	-
Subtotal	\$ 1,123,115	\$ 1,349,517	\$ 1,225,909	\$ 1,269,797
<u>Non-Personnel Services</u>				
Purchased Services	425,102	500,125	501,561	523,230
Supplies & Materials	111,493	113,222	138,400	133,900
Other Charges & Expenses	863	7,457	15,950	12,600
Building & Equipment	-	-	18,650	20,000
Contingency Reserve	-	-	5,200	-
Subtotal	\$ 537,457	\$ 620,804	\$ 679,761	\$ 689,730
<u>General Fund Services</u>				
Human Resources	-	7,595	17,330	25,840
Finance Administration	-	-	-	5,000
Treasury	-	13,912	15,256	15,505
Accounting	-	-	-	8,937
Adjustment Allowance (3% EST)	-	-	-	1,659
Subtotal	\$ -	\$ 21,507	\$ 32,586	\$ 56,941
<u>Depreciation Expense</u>				
Building Depreciation Expense	96,954	232,690	232,690	235,690
Equipment Depreciation Expense	11,961	30,089	34,242	42,242
Subtotal	\$ 108,915	\$ 262,779	\$ 266,932	\$ 277,932
Total Operating Expense	\$ 1,769,487	\$ 2,254,607	\$ 2,205,188	\$ 2,294,400

Note: Revised FY09 Budget As of February 2009.
A sum of \$100,000 was appropriated in Article 9 of 2005 Town Meeting for start-up costs.

AUTHORIZED POSITIONS (\$)

	FY09 Revised Budget		FY10 Initial Budget	
	Positions/Hours	\$ Amount	Positions/Hours	\$ Amount
5111				
Assistant Recreation Director	1.00	\$ 77,307	1.00	\$ 77,307
Recreation Coordinator	0.75	43,500	0.75	43,500
Aquatics Coordinator	1.00	63,861	1.00	63,861
Fitness Coordinator	1.00	68,531	1.00	68,531
Assistant Aquatics Coordinator	1.00	50,000	1.00	50,000
Senior Administrative Assistant	1.00	49,235	1.00	49,235
Swim and Fitness Specialists	6.00	217,091	6.00	217,091
Building Systems Custodian	1.00	45,560	1.00	45,560
Building Custodian	1.00	33,074	1.00	33,074
Subtotal	13.75 FTEs	\$ 648,159	13.75 FTEs	\$ 648,159
5112				
Recreation Clerk	1.57	\$ 58,391	1.57	58,391
Swim and Fitness Specialists	1.38	43,038	1.38	43,038
Subtotal	2.94 FTEs	\$ 101,429	2.94 FTEs	\$ 101,429
5115				
Lifeguards	9657 hrs.	\$ 125,541	9657 hrs.	125,541
Receptionists	2882 hrs.	48,994	2882 hrs.	48,994
Fitness Trainers	3550 hrs.	60,344	3550 hrs.	60,344
Personal Training Hours (not FTEs)	2610 hrs.	52,200	2610 hrs.	52,200
Subtotal	7.71 FTEs	\$ 287,079	7.71 FTEs	\$ 287,079
Employee Benefits				
Health Insurance	N/A	\$ 65,300	N/A	42,700
Life Insurance	N/A	300	N/A	300
Dental Insurance	N/A	4,200	N/A	7,000
Retirement Contribution	N/A	25,000	N/A	62,168
Subtotal	N/A	\$ 94,800	N/A	\$ 112,168
Payroll Taxes				
Medicare Tax	N/A	\$ 15,000	N/A	15,000
Social Security Contribution	N/A	25,000	N/A	21,000
Subtotal	N/A	\$ 40,000	N/A	\$ 36,000
Other Personnel Costs				
Overtime	N/A	\$ 18,442	N/A	15,000
Unemployment Compensation	N/A	35,000	N/A	20,000
Car Allowance	N/A	1,000	N/A	1,000
Salary Adjustments	N/A	-	N/A	48,962
Subtotal	N/A	\$ 54,442	N/A	\$ 84,962
Total Personnel Costs	24.40 FTEs	\$ 1,225,909	24.40 FTEs	1,269,797

NET INCOME (\$)

	FY07 Actual	FY08 Actual	Rev. FY09 Budget	FY10 Estimate
Statement of Net Income:				
Operating Revenues	\$ 2,677,069	\$ 2,433,255	\$ 2,436,360	\$ 2,244,400
Less Operating Expenses	(1,769,487)	(2,254,607)	(2,205,188)	(2,294,400)
Operating Income	\$ 907,582	\$ 178,648	\$ 231,172	\$ (50,000)
Nonoperating Revenues (Expenses)				
Add Investment Income	\$ 64,957	\$ 84,243	\$ 45,000	\$ 30,000
Add Belknap Gift	20,000	20,000	20,000	20,000
Less Gen. Fund Loan Repayment	-	(58,493)	(41,507)	-
Less Coding Correction	-	(10,065)	-	-
Nonoperating Income	\$ 84,957	\$ 35,684	\$ 23,493	\$ 50,000
Net Income	\$ 992,540	\$ 214,332	\$ 254,665	\$ -

Note: A sum of \$100,000 was appropriated in Article 9 of 2005 Town Meeting for start-up costs. The Beede Center completed its repayment of the \$100,000 in FY09.

AVAILABLE RESOURCES (\$)

	FY07 Actual	FY08 Actual	Rev. FY09 Budget*	FY10 Estimate
Resources Available from Current Operations for Replacement & Renewal of Facility:				
Capital Purposes				
Add Depreciation Expense	\$ 108,915	\$ 262,779	\$ 266,932	\$ 277,932
Add Net Income	992,540	214,332	254,665	-
Net Available for Capital	\$ 1,101,454	\$ 477,111	\$ 521,597	\$ 277,932

*As of February 2009

CASH POSITION AND FORECAST

Cash at Year Opening	FY09		FY10	
	Operating Fund	Depreciation Fund	Operating Fund	Depreciation Fund
Cash on July 1st	\$ 2,423,711		\$ 2,671,505	
Less Cash as Unearned Revenue	(1,168,360)		(1,080,000)	
Less Cash held for Liabilities	(145,442)		-	
Fund Balance on July 1st	\$ 1,109,908		\$ 1,591,505	
Fund Balance Details (projected)	Operating Fund	Depreciation Fund	Operating Fund	Depreciation Fund
Fund Balance as of July 1st	722,540	387,368	977,205	614,300
Net Income	254,665	-	-	-
Capital Outlay (non-borrowing)	-	(40,000)	-	(140,000)
Add Depreciation Expense	-	266,932	-	277,932
Balance Projected at June 30th	977,205	614,300	977,205	752,232
Fund Balance on June 30th	\$ 1,591,505		\$ 1,729,437	
Cash at Year End (projected)	Operating Fund	Depreciation Fund	Operating Fund	Depreciation Fund
Fund Balance on June 30th		1,591,505		1,729,437
Add Cash as Unearned Revenue		1,080,000		1,017,600
Add Cash Held for Liabilities		-		-
Projected Cash at June 30th	\$	2,671,505	\$	2,747,037

Beede Center: Net Income, Net Assets, Fund Balance, and Cash Position

	FY07 Actual	FY08 Actual	FY09 Revised	FY10 Predicted	FY11 Predicted	FY12 Predicted	FY13 Predicted
I Operating Revenue							
Deferred Revenue Realized	\$ 2,626,684	\$ 1,142,663	\$ 1,168,360	\$ 1,080,000	\$ 1,017,600	\$ 1,048,128	\$ 1,079,572
Current Revenue	1,193,049	2,433,255	2,348,000	2,182,000	2,247,460	2,314,884	2,384,330
Deferred Revenue	(1,142,663)	(1,168,360)	(1,080,000)	(1,017,600)	(1,048,128)	(1,079,572)	(1,111,959)
Subtotal	\$ 2,677,069	\$ 2,433,255	\$ 2,436,360	\$ 2,244,400	\$ 2,216,932	\$ 2,283,440	\$ 2,351,943
Operating Expense							
Personnel Services	\$ 1,117,351	\$ 1,349,517	\$ 1,225,909	\$ 1,269,797	\$ 1,307,891	\$ 1,347,128	\$ 1,387,541
Non-Personnel Services	537,457	620,804	679,761	689,730	710,422	731,735	753,687
General Fund Services	5,764	21,507	32,586	56,941	58,649	60,409	62,221
Depreciation	108,915	262,779	266,932	277,932	280,931	283,931	286,931
Subtotal	\$ 1,769,487	\$ 2,254,607	\$ 2,205,188	\$ 2,294,400	\$ 2,357,893	\$ 2,423,202	\$ 2,490,380
Operating Income	\$ 907,582	\$ 178,648	\$ 231,172	\$ (50,000)	\$ (140,961)	\$ (139,762)	\$ (138,437)
Nonoperating Revenues & Expenses							
Interest on Investments	\$ 64,957	\$ 84,243	\$ 45,000	\$ 30,000	\$ 25,942	\$ 25,955	\$ 25,627
Belknap Gift	20,000	20,000	20,000	20,000	20,000	-	-
* General Fund Debt Support	134,169	115,000	111,250	107,500	103,750	-	-
Capital Contribution	9,135,000	-	-	-	-	-	-
Coding Correction	-	(10,065)	-	-	-	-	-
* Interest Expense	(19,169)	(15,000)	(11,250)	(7,500)	(3,750)	-	-
Interfund Loan	-	(58,493)	(41,507)	-	-	-	-
Nonoperating Subtotal	\$ 9,334,957	\$ 135,684	\$ 123,493	\$ 150,000	\$ 145,942	\$ 25,955	\$ 25,627
Change in Net Assets	\$ 10,242,539	\$ 314,332	\$ 354,665	\$ 100,000	\$ 4,980	\$ (113,807)	\$ (112,810)
Net Assets Beginning of Year	\$ (468,658)	\$ 9,773,881	\$ 10,088,214	\$ 10,442,879	\$ 10,542,879	\$ 10,547,859	\$ 10,434,053
Net Assets End of Year	\$ 9,773,881	\$ 10,088,214	\$ 10,442,879	\$ 10,542,879	\$ 10,547,859	\$ 10,434,053	\$ 10,321,243

* See note on following page.

Beede Center: Net Income, Net Assets, Fund Balance, and Cash Position

	FY07 Actual	FY08 Actual	FY09 Revised	FY10 Predicted	FY11 Predicted	FY12 Predicted	FY13 Predicted
II Fund Balance							
Beginning Fund Balance	\$ (468,658)	\$ 632,797	\$ 1,109,908	\$ 1,591,505	\$ 1,729,437	\$ 1,730,349	\$ 1,708,473
Add Change in Net Assets	10,242,539	314,332	354,665	100,000	4,980	(113,807)	(112,810)
Less Capital Contribution	(9,135,000)	-	-	-	-	-	-
* Less Bond Liability Reduction	(115,000)	(100,000)	(100,000)	(100,000)	(100,000)	-	-
Depreciation Expense	108,915	262,779	266,932	277,932	260,931	263,931	266,931
▲ Capital Expenditures	-	-	(40,000)	(140,000)	(165,000)	(172,000)	(170,000)
End Fund Balance	\$ 632,797	\$ 1,109,908	\$ 1,591,505	\$ 1,729,437	\$ 1,730,349	\$ 1,708,473	\$ 1,692,594
Fund Balance Detail							
Undesignated Fund Balance	\$ 513,291	\$ 722,540	\$ 977,205	\$ 977,205	\$ 882,186	\$ 768,379	\$ 485,569
Depreciation Fund Balance	\$ 119,506	\$ 387,368	\$ 614,300	\$ 752,232	\$ 848,163	\$ 940,094	\$ 1,207,025
III Cash Position							
Undesignated Fund Balance	\$ 513,291	\$ 722,540	\$ 977,205	\$ 977,205	\$ 882,186	\$ 768,379	\$ 485,569
Depreciation Fund Balance	119,506	387,368	614,300	752,232	848,163	940,094	1,207,025
Deferred Revenue	1,142,663	1,168,360	1,080,000	1,017,600	1,048,128	1,079,572	1,111,959
Other Cash Holdings	133,688	145,442	-	-	-	-	-
Total Cash	\$ 1,909,147	\$ 2,423,711	\$ 2,671,505	\$ 2,747,037	\$ 2,778,477	\$ 2,788,045	\$ 2,804,553

* 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 (to be retired in FY11).

▲ Beginning in FY10, the Beede Center is allowing for a \$100,000 "Emergency Reserve" (see capital plan). This reserve will allow the Beede Center to avoid calling a Special Town Meeting (which imposes its own costs) to address a \$100K emergency involving its roughly \$11 million facility. Any reserve not needed will be returned to the depreciation fund at year-end.

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 18th, 2006.
- It has now been in operation for roughly three years.
- Original construction costs were roughly \$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 FY10, the Beede Center plans its first notable replacement of fitness equipment. This will include the treadmills, which have taken particular wear. However the bulk of the original equipment remains in fine condition.

Pool-Deck: The pool-deck tiles have shown degradation above and beyond what would be expected at this point in their life. The original building contractor is currently investigating the issue and it is anticipated that it will be deemed either a manufacturing or installation flaw. In either case, the Beede Center does not expect to use its own funds to fix the issue.

Roof Leaks: The facility's roof has had issues with minor leaks since original construction. It has been discovered that the cause is the lack of structural ladders on the building's roof leading from the main facility's roof to the roof of the natatorium (swimming pool). The lack of structural ladders to span this roughly 5-foot ascent has led to those working on the roof to utilize building vents as footholds for the climb. Unfortunately, this has led to the opening of gaps in these vents, thus allowing the inflow of rainwater. The re-sealing of these gaps and the introduction of two structural ladders is believed to remedy the issue. At this time costs are not known, but anticipated to be under \$5,000 and to occur in FY09.

Lawn Sprinkler System: In FY09, the Beede Center is planning to upgrade its lawn sprinkler system (\$20,000). This is due to the failure and maintenance requirements of the original sprinkler system.

Sidewalk Plow: Also, in FY09, a snow plow is proposed to be purchased (\$20,000) to keep the sidewalks clear, and the facility accessible, during and after winter storm events. The build-up of snow and ice has been a customer safety and convenience issue in the past.

Pool Pump: In FY10, the pool's pumping system is expected to be upgraded (\$20,000). Because of the efficiency savings generated by this project, it is anticipated that it will qualify for Sawyer Trust funding.

Beede Swim and Fitness Center							
FY09-14 Capital Program							
	FY09	FY10	FY11	FY12	FY13	FY14	Total FY09-14
Primary Facility							
Sprinkler System	\$ 20,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,000
Sound System	-	-	-	30,000	-	-	30,000
Parking System	-	-	-	12,000	-	-	12,000
Furnishings	-	-	15,000	-	-	15,000	30,000
Misc. Equipment	10,000	10,000	20,000	10,000	20,000	30,000	100,000
Subtotal	\$ 30,000	\$ 10,000	\$ 35,000	\$ 52,000	\$ 20,000	\$ 45,000	\$ 192,000
Pool Facility							
Misc. Equipment	-	10,000	10,000	10,000	30,000	10,000	70,000
Subtotal	\$ -	\$ 10,000	\$ 10,000	\$ 10,000	\$ 30,000	\$ 10,000	\$ 70,000
Beede Equipment							
Sidewalk Plow	\$ 20,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,000
Fitness Equipment I	-	20,000	20,000	10,000	20,000	20,000	90,000
Subtotal	\$ 20,000	\$ 20,000	\$ 20,000	\$ 10,000	\$ 20,000	\$ 20,000	\$ 110,000
Total Capital	\$ 50,000	\$ 40,000	\$ 65,000	\$ 72,000	\$ 70,000	\$ 75,000	\$ 200,000
▲ Emergency Reserve	\$ -	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 500,000
Capital and Emergency Reserve	\$ 50,000	\$ 140,000	\$ 165,000	\$ 172,000	\$ 170,000	\$ 175,000	\$ 700,000

▲ Emergency Reserve: Beginning in FY10, the Beede Center is allowing for a \$100,000 "Emergency Reserve". This reserve will allow the Beede Center to avoid calling a Special Town Meeting (which imposes its own additional costs on the Town) to address a \$100K capital-related emergency involving its roughly \$11 million facility. Any reserve not needed will be returned to the Beede Center's depreciation fund at year-end.

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