

# Operational Summary

*Village of Scarsdale  
Pool Complex Study*

2022

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## *Executive Summary*

As part of the feasibility study process, Ballard\*King & Associates (B\*K) was tasked with the development of an operational plan(s) for a future Village of Scarsdale Pool Complex. As there has been no design work completed for the study, B\*K produced a plan for two options. Option #1 can be described as a seasonal facility with similar components to the existing Pool Complex with some enhancements. Option #2 can be described as a year around indoor operation with two bodies of water and an outdoor seasonal operation with two bodies of water.

- In both scenarios it was assumed that the Village would continue to operate the facility. In both models B\*K proposed that a full-time aquatic professional should be hired, along with additional maintenance support. That full-time staff model expanded for Option #2 to include additional full-time administrative support, maintenance/custodial support, and full-time lifeguards. The part-time staffing model is comparable, in structure, to how the Village currently operates the Pool Complex. Full-time and part-time rates of compensation were vetted with the Village.
- The expense model for both Options were informed by historical data that the Village provided B\*K, plus B\*K's experience operating similar facilities. The hours of operation for Option #1 were slight expanded from the current operation, with the opportunity for increased after-hours rental. The hours of operation for Option #2 were reflective of how a year around pool could operate, with the addition of the summer season pools.
- For both Options B\*K made a recommendation for annual allocation to an improvement fund for the pool. Those dollars would go into a sinking fund that would be solely earmarked for the pool. For Option #1, B\*K recommended an allocation of \$100,000 annually so that by year 5 there would be a balance of \$500,000. For Option #2, B\*K recommended an allocation of \$200,000 annually so that by year 5 there would be a balance of \$1,00,000. The difference is primarily based on the larger infrastructure needs of an indoor facility.
- The fees for programs and rentals are comparable to the most recent fee structure used by the Village. It is the opinion of B\*K that they are consistent with the services that are being offered. As many programs are dependent on staffing those fees should be evaluated on an annual basis to ensure cost recovery for programs meets the Village goals. The fee for pool passes and daily admission were based on feedback that was received from the survey. Based on the fee structure the Village had in place at the time of the study, the increase in the seasonal pool passes equate to approximately a 25% increase. This increase can be justified by expanded pool amenities and projected increases in staffing costs.
- For both Options, B\*K capped the total number of non-resident pool permit holders at 200, which is consistent with the Village's current model. For Option #1 all 200 permit holders would pertain to the seasonal operation. For Option #2 all 200 permit holders were categorized as year around membership. Only residents had the opportunity to

purchase a seasonal pool pass. It is the opinion of B\*K that the demand for non-resident pool permits and more specifically daily admission will be in high demand due to lack of indoor aquatics in the market. As such there could be additional revenue potential.

- The membership penetration is comparable to the data provided by the Village. In Option #1 the household penetration rate is approximately 25.8% for Scarsdale residents. In Option #2 that penetration rate increases to 26.5%.
- It is the opinion of B\*K that the revenue generation associated with programs and rentals is conservative. This means that there is additional revenue potential that could be realized through expanded programming. There are several factors that inform this opinion, but primary factors include consistent (warmer) water temperature in Option #1, and a year around facility in Option #2.

The following comparison is an average of expenses and revenues over the first 5 years of facility operation. Again, it is important to reiterate that these projections are based on the best information B\*K available at the time of the study and our years of consulting and operation experience. Final design of an indoor or outdoor facility could have a significant impact on the cost recovery numbers. Additionally, the seasonal aspect (weather) could have an impact in both options.

5-Year Average	Option #1 5-Year Average	Option #2 5-Year Average
Expenses	\$1,524,864	\$3,666,584
Revenues	\$1,714,105	\$3,514,402
Cost Recovery Percentage	112.4%	95.8%
Surplus/Deficit	\$189,242	(\$152,183)
Annual Imp. Allocation	\$100,000	\$200,000

- It is important to note that the annual improvement allocation is included in the expense line item. B\*K felt it important to call out that figure.
- The expense line item does not include debt service.
- B\*K would characterize the ability to absorb 100% of the operational expenses of a seasonal or year around aquatic facility as unique. These projections are possible because there is a direct correlation between revenue generation and the tolerance for pool permit fees.
- It is not uncommon for municipal facilities to not be able to absorb 100% of operating expenses AND debt service.

### *Facility Description*

It is important to note that while no design work has been completed to this point, B\*K did make some assumptions as to what COULD be in a future Scarsdale Pool Complex. As the Village moves forward in this process, B\*K would strongly recommend that once the Village has a final design, they re-engage a consultant to develop an operational plan.

The two models that B\*K evaluated can be described as follows.

#### Option #1 – Outdoor Seasonal Operation

- Approximately 16 Weeks
- 3 Bodies of Water
  - 50M Pool
    - Integrated Diving Boards
    - Bulkhead
    - Shallow & Deep Water
  - Adult Pool
    - 25Y Lap Lanes
    - Stair Entry
    - Shallow Water (3-4')
  - Activity Pool
    - Zero-Depth Entry
    - Spray & Play Features
    - Current Channel / Lazy River
    - Maximum 3' of Depth
- Multi-Purpose room
- Bath / Locker Rooms
- Sand Volleyball
- Kids Activity Area
- Food Service

#### Option #2 – Year Around Aquatics

- Outdoor Component – Approximately 16 Weeks
  - 2 Bodies of Water
    - Adult Pool
      - 25Y Lap Lanes
      - Stair Entry
      - Shallow Water (3-4')
    - Activity Pool
      - Zero-Depth Entry
      - Spray & Play Features
      - Current Channel / Lazy River
      - Maximum 3' of Depth

- Sand Volleyball
  - Kids Activity Area
  - Food Service
- Indoor Component
  - Bath / Locker Rooms
  - Multi-Purpose Room
  - Administrative Suite
  - Lap Pool
    - 25Y x 25M
    - Diving Boards
    - Shallow & Deep Water
    - Suitable for High School Competition
  - Play / Instructional Pool
    - 4-lane, 25Y Pool
    - 3-4' Deep
    - Warmer (84-86) Water
  
- Neither feature considers a re-use of existing structures or mechanical systems. While some bodies of water may be in a same or similar location, all construction is new.

### *Operational Assumptions*

The following are assumptions that have been incorporated into the operations plan for the Village of Scarsdale. B\*K uses these assumptions, information on the market, the financial goals of the organization, input from the client, industry best practices, and our years of operating similar facilities to develop the operational plan. The plan is based on the best information available at the time of the study and should be updated as the project moves forward to consider changes in the market, facility program, or operational philosophy.

- The Village of Scarsdale will be the operator of the facility. While they may use some contract services most, if not all staff are Village of Scarsdale employees
- The hourly rates of compensation for part-time staff are based on Scarsdale's current rates of compensation. They have been increased with the assumption that the soonest a new pool could be constructed is 2-3 years from the time of the study.
- The rates of compensation, along with percentages used to calculate benefits, for full-time staff have been reviewed by Village staff.
- The operational plans for each scenario are conservative and allow opportunity for growth.
- The presence of other providers in the market will remain the same.
- The operational plan is built from industry standards regarding staffing and best practices associated with aquatic operations.
- Bank charges are calculated at 3% of total revenue generation.
- The plan does not reflect any unique partnerships.
- The plan does not reflect any revenue associated with naming rights.
- The plan does not reflect any revenue generation associated with food and/or alcohol sales.

#### Capital Improvement / Renovation Allocation:

- Option 1 Seasonal - \$100,000 per year
- Option 2 Year Around - \$200,000 per year

B\*K is recommending that in year one the Village begin to allocate the respective dollar amounts into a capital reserve account. This account balance can be used for improvements and replacement of equipment at the Pool Complex. The reason for the discrepancy in the annual allocation is due to the additional infrastructure needs of the indoor year around operation.

#### Multipliers:

- Water – The Pool Complex is charged for water. B\*K used a factor of \$4.00 per 800 gallons as a factor, along with “normal” backwash, evaporation cycles, drain down and re-fill to calculate water usage annually.
- Utilities – B\*K used an average of \$5.00 per square foot to factor costs.



*Staffing Models*

**Full Time Staffing:**

The following staffing numbers are in addition to what the Village currently has in place.

<b>Option #1 Seasonal</b>	<b>Number</b>	<b>Compensation</b>	<b>Total</b>
Aquatics Director	.05	85,000	42,500
Maintenance	.75	75,000	56,250
Sub-Total	1.25		98,750
Benefit Factor	40%		39,500
Total			\$138,250

B\*K would strongly recommend that if the Village were to replace the existing Pool Complex with an outdoor facility, they develop an Aquatics Director position. To meet the needs of the future operation, it would equate to.

- January – Recruitment
- February/March – Programming & Interviews
- April – Interviews, Training (begins), Registration Opens
- May – Interviews, Training (continues), Registration, Rental Opens, De-Winterize Pool
- June – Pool is Operational, Training (finishes), Programming, Rentals, Staff Evaluations
- July/August – Pool is Operational, Programming, Rentals, Staff Evaluations
- September – Pool is Operational (portion), End of Season Staff Evaluations
- October – Winterize Pool, Inventory, Develop Replacement List for Upcoming Season, Invite Eligible Staff to Return Following Season
- November – Year End Report

<b>Option #2 Year Around</b>	<b>Number</b>	<b>Compensation</b>	<b>Total</b>
Aquatics Director	1.5	85,000	127,500
Maintenance	1.5	75,000	112,500
Front Desk	2	70,000	140,000
AM Lifeguards	5	65,000	350,000
Sub-Total	10		730,000
Benefit Factor	40%		292,000
Total			\$1,022,000

The current market for lifeguards, across the country, is challenging at best. B\*K would recommend that the Village consider at least five full-time lifeguards to assist with the operating hours from 5:30A-1:30P.

Notes:

- In both full-time staff models the maintenance positions are not union paid positions. If the Village were to move towards that model, it would likely correlate to an increase in those rates of compensation.
- Security. A common theme during the feasibility study process has been the sale of alcohol at the pool. B\*K acknowledges that this would likely increase sales and correlate to increased revenue generation at the pool. However, with the sale of alcohol comes additional risk. To this end, if alcohol sales were something that the Village pursued, B\*K would strongly encourage the incorporation of security of some variety at the pool. This would likely take the form of a third-party provider and having staff on duty at the pool during normal hours of operation.

**Part Time Staffing:**

Positions	Hourly Rate	Option #1 Seasonal	Option #2 Year Around
Cashier	\$18.00	X	X
Building Supervisor	\$22.00		X
Maintenance	\$16.00	X	X
Lead Lifeguard	\$21.00	X	X
Lifeguard	\$18.00	X	X
Day Porter	\$17.00	X	X
Assistant Director	\$25.00	X	X
Program Staff (aquatics)	Varied	X	X
Program Staff (dry)	Varied	X	X
Part-Time Benefits	15%		

- B\*K factored early arrival, late departure, for part-time staff to allow for setting the pool deck and provide training windows for lifeguards and instructors.
- In developing the operational plan B\*K accounted for lifeguards being present whenever individuals were in the pool, regardless if they were part of a practice, lesson, group exercise, etc.

## *Hours of Operation*

### Option #1

- Monday-Friday
  - 7:00A-12:00P
    - Programming
    - Lap Swimming
    - In-Service
  - 12:00-8:00P
    - Open Swim
    - Limited Program
  - 8:00-10:00P
    - Rental Opportunities
- Saturday
  - 7:00A-12:00P
    - Programming
    - Lap Swimming
    - In-Service
  - 12:00-8:00P
    - Open Swim
    - Limited Program
- Sunday
  - 12:00-8:00P
    - Open Swim
    - Limited Program
- Season – 16 Weeks
- The weeks past Labor Day would have a significantly modified schedule.

## Option #2

- Summer Component – Same as Option #1
- Year Around Component
  - Monday-Friday
    - 5:00A-12:00P
      - Programming
      - Lap Swim
      - Rental Opportunities
    - 12:00-2:00P – CLOSED
    - 2:00-9:00P
      - Programming
      - Rental Opportunities
      - Open Swim Opportunities
  - Saturday
    - 7:00A-12:00P
      - Programming
      - Lap Swim
    - 12:00-8:00P
      - Open Swim
  - Sunday
    - 10:00-12:00P
      - Lap Swim
    - 12:00-8:00P
      - Open Swim
- Outdoor Season – 16 Weeks
- Indoor Season – 50 Weeks
- B\*K is recommending with the indoor option there is a 2-week shut-down for cleaning and maintenance. This is typically conducted sometime in the month of August.

*Program & Rental Fees*

Rental Rates

- 25Y Lap Lane           \$20/hour/lane
- 50M Lap Lane         \$40/hour/lane
- Zero Depth Pool      \$750 – 2-hour rental
- Adult Leisure Pool    \$450 – 2-hour rental

Program Fees

- Aqua Tots / Tiny Bobbers    \$100 per participant
- Diving Clinic                    \$120 per participant
- Early Morning Swim            \$275 per participant
- Learn to Swim                    \$185 per participant
- Lifeguard                         \$550 Course  
   \$200 Re-Certification  
   \$150 CPR
- Pool Birthday Party            \$375 Weekday  
   \$425 Weekend
- Preschool Paddler              \$115 Session I  
   \$165 Session II
- Private Lessons                 \$175   4 Classes  
   \$225   6 Classes  
   \$295   8 Classes
- Splash Camp<sup>1</sup>                 \$250 per participant
- Swim/Dive Team                 \$250 per participant

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<sup>1</sup> This is a program that is currently offered by the Village Recreation Department and is specific to aquatics. All revenues and expenses associated with this program are allocated to aquatics.

*Option #1 – Pool Permit & Daily Rates*

<b>Pool Permit (resident)</b>	
Family	\$750
Individual	\$425
Wk Family	\$565
Wk Individual	\$320
Single use	\$189

Non-Resident Pool Permits would be double the rate of a resident. The operational pro-forma limits the number of non-residents permits at 200. Additionally, the pro-forma did not factor a senior discount or an alumni rate. B\*K would recommend, for both options #1 and #2, to cap non-resident pool permits, senior discounts, and providing an alumni rate opportunity.

<b>Daily Options</b>	
Guest Individual	\$17.00
Single	\$12.00
Weekend	\$12.00
Senior	\$6.00

*Option #2 – Pool Permit & Daily Rates*

For the fee structure in Option #2, B\*K made some important assumptions.

- Non-Residents would only have the option of purchasing an annual permit, with a maximum of 200 permits being sold. The reality is that with the lack of indoor pool facilities that number could likely be double and still not meet the demand.
- Non-Resident annual pool permits would be double that of the resident rate.
- The purchase of an annual pool permit would gain the permit holder access to both the indoor and outdoor facility.
- Residents would have the option of purchasing an annual or seasonal pool permit.

<b>Pool Permit (resident)</b>	<b>Seasonal</b>	<b>Annual</b>
Family	\$750	\$2,200
Individual	\$425	\$1,100
Wk Family	\$565	\$1,650
Wk Individual	\$320	\$825
Single use	\$189	\$550

<b>Daily Options</b>	
Guest Individual	\$17.00
Single	\$12.00
Weekend	\$12.00
Senior	\$6.00

*Projected Expenditures*

The following illustrates a line-item budget for the options outlined on pages 1 and 2. The operational numbers are based on the best information available at the time of the study, combined with B\*K's familiarity with the project type.

<b>Personnel</b>	<b>Option #1</b>	<b>Option #2</b>
Full-Time	138,250	1,022,000
Part-Time	7335,163	1,206,475
Sub-Total	\$873,413	\$2,228,475

	<b>Option #1</b>	<b>Option #2</b>
Equipment	20,000	25,000
Sub-Total	\$20,000	\$25,000

<b>Commodities/Service &amp; Supplies</b>	<b>Option #1</b>	<b>Option #2</b>
Fuel, Light, Power	75,000	420,000
Office Supplies	2,000	3,500
Maintenance Supplies	3,500	7,000
Athletic Supplies	1,500	1,500
Uniforms	25,000	27,500
Trophies	1,000	1,000
Cleaning & Sanitary Supplies	10,000	15,000
Purchase of Water	50,000	75,000
First Aid Supplies	2,000	3,000
Chemicals	35,000	75,000
Miscellaneous Supplies	17,500	20,000
Insurance	70,000	120,000
Repairs to Equipment	10,000	15,000
Repairs to Building	5,000	10,000
Transaction Fees	31,407	63,407
Care of Grounds	25,000	25,000
Professional Development	3,000	3,000
Contractual Expenses	125,000	175,000
Sub-Total	\$491,907	\$1,054,907



	<b>Option #1</b>	<b>Option #2</b>
Annual Cap. Improve. Fund Alloc.	100,000	200,000
Sub-Total	\$100,000	\$200,000

<b>Totals</b>	<b>Option #1</b>	<b>Option #2</b>
Staffing	873,413	2,228,475
Equipment	20,000	25,000
Other	491,907	1,054,907
Annual Cap. Improve. Fund Alloc.	100,000	200,000
<b>Total<sup>2</sup></b>	<b>\$1,485,320</b>	<b>\$3,508,382</b>

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<sup>2</sup> This total does not include debt service.

The following revenue opportunities developed by B\*K, are based on information provided by the Village, familiarity with the market, and experience as facility operators. The projections are what B\*K feels the department could anticipate achieving in year 1 of the operation.

Revenues:

<b>Category</b>	<b>Option #1</b>	<b>Option #2</b>
Fees		
Annual Permit	-	1,578,500
Summer Permit	1,124,675	625,425
Guest Individual	157,250	255,000
Daily	11,700	18,840
Sub-Total	\$1,293,625	\$2,477,765
Summer Programs	234,325	234,325
Fall, Winter, Spring Programs	-	319,850
Sub-Total	\$234,325	\$554,175
Other		
Rentals	\$42,400	\$138,400
<b>Total</b>	<b>\$1,570,350</b>	<b>\$3,170,340</b>

### Option #1 – Five Year Projection

	Year 1	Year 2	Year 3	Year 4	Year 5
Op Expense	\$1,485,320	\$1,500,174	\$1,545,179	\$1,591,534	\$1,639,280
Revenue	\$1,570,350	\$1,648,868	\$1,731,311	\$1,783,250	\$1,836,748
	\$85,030	\$148,694	\$186,132	\$191,716	\$197,468
Cost Recovery	105.7%	109.9%	112.0%	112.0%	112.0%
Imp. Balance	\$100,000	\$200,000	\$300,000	\$400,000	\$500,000

### Option #2 – Five Year Projection

	Year 1	Year 2	Year 3	Year 4	Year 5
Op Expense	\$3,508,382	\$3,543,466	\$3,649,770	\$3,759,263	\$3,872,041
Revenue	\$3,170,340	\$3,392,264	\$3,561,877	\$3,668,733	\$3,778,795
	(\$338,042)	(\$151,202)	(\$87,893)	(\$90,530)	(\$93,246)
Cost Recovery	90.4%	95.7%	97.6%	97.6%	97.6%
Imp. Balance	\$200,000	\$400,000	\$600,000	\$800,000	\$1,000,000

Cost recovery figures for both models do not include debt service.