



**SENIOR CENTER BUSINESS PLAN  
WORKSHOP ADDENDA**

Tuesday, August 27, 2019

1. Senior Center Business Plan Operating Assumptions PowerPoint
2. Operating Assumptions handout

# Senior Center Business Plan Operating Assumptions

Presented to the Board of Directors  
August 27, 2019

# Business Plan Objectives

- Assist Board with decision making
  - Provide staff direction on program cost recovery target
- Provide documentation for long range forecast
- Ensure wise use of resources
  - Level of service
  - Staffing requirements
  - Funding requirements and source
- Evaluate how new program/service will align with existing programs/services

# Business Plan Development

- Document assumptions
- Prepare financial picture
  - Include varying levels of participation
  - Evaluate revenue levels
    - Fees based on mid-range of market comparisons

# Senior Center Business Plan Assumptions

- Owned and operated by the Metro District
- Target audience 50+
- Center created as centralized resource for programs and services
- Standalone facility designed to be flexible
- Adequate space for proposed programming
- Opportunity to rent facility after hours and weekends

# Assumptions for Expenses

- Based on 20k sq. ft. building
- Staffing assumptions:
  - Three full-time (1 existing position)
  - One part-time maintenance staff
  - Part-time event set-up (10-15 hours/week)
  - Front desk and program volunteers
- Marketing
  - May decrease once facility is more established
- Expenses
  - Personnel
  - Operating
  - Program specific

# Revenue -Types

- Membership Fees: drop-in social use
- Program Fees: classes and luncheons
- Facility Rentals: after hours and weekends
- Non-resident Fees: 15% higher (board direction)

	<b>Market Comparison Range</b>
Annual membership	\$36 - \$207
Drop-in	\$ 0 - \$5
Fitness Pass (10 visits)	\$28 - \$56
Program Fees	\$4 - \$50

# Market Driven - Fees

	Stand Alone Facility		
	Market		
<b>Revenues</b>			
Membership Revenue	\$ 20,000	\$ 40,000	\$ 60,000
<i># of Memberships</i>	<i>200</i>	<i>400</i>	<i>600</i>
Drop In Revenue	\$ 1,250	\$ 3,000	\$ 5,000
Fitness Pass	\$ 30,000	\$ 60,000	\$ 90,000
Programs/Lunch	\$ 15,000	\$ 30,000	\$ 45,000
Facility Rentals	\$ 13,000	\$ 19,500	\$ 26,000
Grants	\$ 25,000	\$ 35,000	\$ 50,000
<b>TOTAL ANNUAL REVENUE</b>	<b>\$ 104,450</b>	<b>\$ 187,900</b>	<b>\$ 276,600</b>
<b>Expenditures</b>			
Staffing	308,200	392,200	392,200
Program Specific Expenses	41,300	81,200	121,100
Building Operating Expenses	128,600	128,600	128,600
<b>Total Expenditures</b>	<b>478,100</b>	<b>602,000</b>	<b>641,900</b>
Net	\$ (373,650)	\$ (414,100)	\$ (365,300)
% Recovered	22%	31%	43%
Net excluding building operation expenses	\$ (245,050)	\$ (285,500)	\$ (236,700)
% recovered	30%	40%	54%



# Cost Recovery

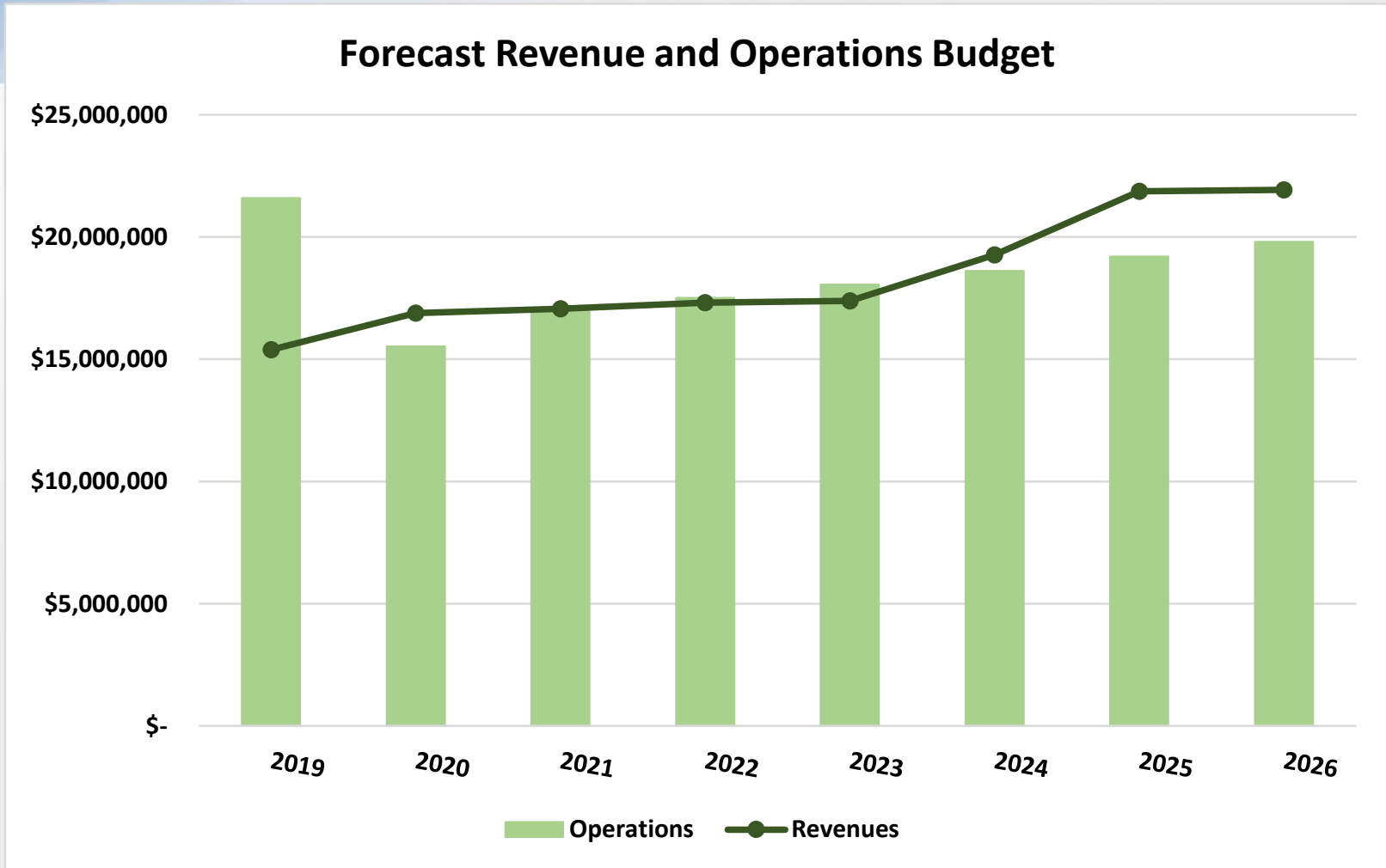
- Senior Center Model 22% to 43%
  - Excluding building operations 30% to 54%
- Board Direction for existing programs
  - Recreation Programs 100%
  - Park Services 70% (2019 budget \$352,276)
  - Mansion 100%
- Other entities
  - Variety of models and levels of cost recovery

# Senior Center Business Plan - Summary

- Standalone Facility
  - Estimated funding requirements

	One-Time	On-going
Capital	\$12,000,000	
Staffing		392,200
Program Expenses		81,200
Operating Expenses		128,600
<b>TOTAL</b>	<b>\$12,000,000</b>	<b>\$602,000</b>
Less revenue sources		(187,900)
Funded by Property Tax		\$414,100

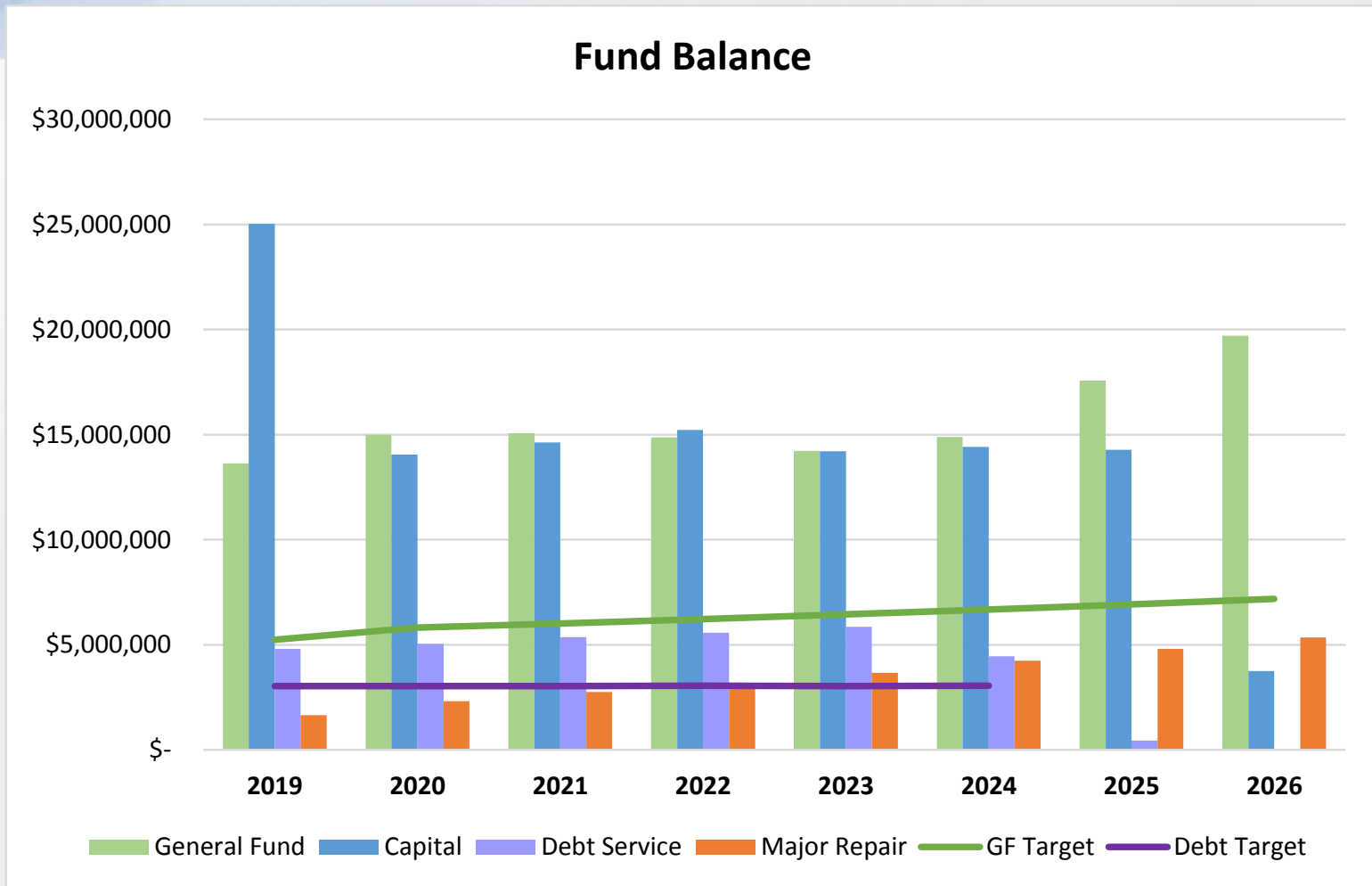
# Impact on Long Range Forecast



## Assumptions:

- Based on 2020 Preliminary AV
- Mill Levy at 11.205
- Assumes Senior Center opens in 2021

# Fund Balance Projections



## Future considerations:

- Fee reductions
- Early Debt Retirement
- Historic Park operating expenses

# Next Steps

- Senior Center Site Evaluation Presentation – September Board Meeting
- 2020 Budget Process
  - Extend long range forecast
  - Review fund balances
  - Discuss revenue sources

**Highlands Ranch Senior Center  
Business Plan  
June 28, 2019**

**Operating Assumptions**

Mission of the Highlands Ranch Senior Center:

To establish an inclusive, vibrant, active community gathering place that provides programs and resources for living well and aging well in Highlands Ranch.

Planning began in 2016 and over the last several years the District has been gathering input from stakeholder groups, partner organizations, other service providers and citizens. Based on the research, study and planning that has been conducted the following assumptions will serve as the basis for the operating plan:

- Senior Center to be owned and operated by the Highlands Ranch Metro District
- Metro District has made long term commitment to lead and coordinate senior services as there must be one lead agency willing to coordinate services and facility that are focused on senior adults
- Senior Center will help to create centralized connection point to access programs and services for seniors
- Standalone facility
- Designed to serve all Highlands Ranch residents, ages 50+
- Designed to serve all and designed to be flexible to meet changing needs of seniors in our community
- Proposed program to provide programs and services in the four areas of:
  1. Socialization opportunities and programs
  2. Health, wellness, fitness and recreation programs
  3. Lifelong learning and enrichment opportunities
  4. Social services: information, resources and referrals

**Programs/Cost Recovery Model**

**Membership Fees**

- Based on mid-range market

**Program Fees**

Fees for programs such as fitness classes, art/crafts classes, trips etc., should cover direct costs of program (instructors, materials and supplies, etc.).

**Facility Rentals**

- Senior programs would have priority use of the facility
- Fee schedule for room rentals will be based on comparable facilities in community and will include resident and nonresident fees.

Marketing

- Formal marketing plan designed to increase marketing and promotion efforts for senior programs and services being offered by District, HRCA, other partners
- Centralized information: on District website, publications, etc.

Business Plan based on:

- First 2-3 years/basic program
- 3-5 years, program offerings, service, operating hours could increase

Use of volunteers

- Would rely heavily on help from volunteers to assist with front desk reception, assisting with drop in events, special events etc.

Fee Assistance/Scholarships:

- Intention to conduct fundraising events, seek sponsors and work with Park and Recreation Foundation to raise money to be able to offer fee assistance/scholarships to people who need help paying membership and/or program fees

Partnership with Douglas County Department of Human Resources

- Maybe

Business Plan Stand Alone Senior Center – Draft Budget

**Expenses**

**Staffing**

Staffing levels are based on the following operating hours:

Monday through Friday 8:30 a.m. – 4:30 p.m.

Two nights per week 5 – 8 p.m.

Saturdays 9 a.m. – noon

Facility Rentals available weeknights (3) until 9 p.m.

Saturdays 1 – 9 p.m.

Sundays 10 a.m. – 9 p.m.

**Center Supervisor**

**one full time**

Plans, organizes, coordinates and supervises all programs and center operations for senior and active adult programs and services. Responsible for budget and management of a senior center and develops and recommends annual budget and community outreach.

**Program Coordinator**

**two full time recommended**

Develops and manages programs, events and associated instructors and program providers. Assists with annual budget.

**Front desk/Volunteer Coordinator**

**one ¾ time**

Coordinates and manages all scheduling for center front desk operations and volunteer opportunities. Develops office procedures and records oversight.

**Event/facility staff**

**780 hours**

Part-time to set up events and program needs for senior programs and oversight of facility rentals.

**Maintenance Staff**

**Allocated 1040 hours**

Allocated funds to support one full time position in the Facility Maintenance section of PROS department.

**Front Desk/Office Volunteers**

**Approx. 3850 hours recommended**

Two volunteers to assist with front desk and office work during all senior center open hours.

**Operational Expenses**

Expenses are based on an approximately 22,000 sq. foot facility and include estimated utilities, communications, office equipment leases and technology. Wifi, cable and virtual visit capabilities are required.



Marketing materials and brochure printing are included as well as anticipated office, custodial and program supplies.

### **Fees & Revenues**

Market fees are based on information of various active adult programs and senior centers within the Denver Metro area. Facility fees are based on market value of local venues. Nonresident fees are calculated at 15% over resident fees, which is the current nonresident fee policy for programs.

**Annual memberships** Annual memberships include access to all drop-in activities (cards, games coffee chats), no-fee social groups/activities, discount luncheons and member group meetings.

**Daily Drop-in Fee** Drop-in fee for non-members or visiting participants for drop-in activities.

**Annual Fitness Pass** Access to all fitness programs including non-silver sneakers programs or if participant is not Silver Sneaker qualified. (All Silver Sneaker endorsed programs are at no fee for eligible Silver Sneaker participants).

**Fitness Pass (20 punch)** Access to all fitness programs for 20 visits as above.

**Fitness Pass (10 punch)** Access to all fitness programs for 10 visits as above.

**Program fees fitness** One day fitness fee for average non Silver Sneaker program/participant

**Program fees arts** Average fee associated with any arts/crafts programs will vary with supplies/instruction

**Program fees education/ life-long learning** Average fee associated with education workshops/programs will vary with speaker/instructor

**Luncheons** Offset fee for expenses associated with monthly luncheons

### **Grants/Fundraising**

\$35,000 target

### **Facility Rentals – classrooms/activity areas**

### **Facility Rentals – event space**