



Mayor – Sandy Sanders

City Administrator – Carl Geffken

City Clerk – Sherri Gard

**Board of Directors**

Ward 1 – Keith D. Lau

Ward 2 – Andre’ Good

Ward 3 – Mike Lorenz

Ward 4 – George Catsavis

At Large Position 5 – Tracy Pennartz

At Large Position 6 – Kevin Settle

At Large Position 7 – Don Hutchings

# **AGENDA**

## **Fort Smith Board of Directors SPECIAL STUDY SESSION**

*Jointly with the Sebastian County Quorum Court*

**October 27, 2016 ~ 6:00 p.m.**

**Ben Geren Safe Shelter**

**7700 South Zero Street**

*Dinner available at 5:30 p.m.*

### **CALL TO ORDER**

1. Presentation of 2016 year end review and 2017 proposed budget for Parrot Island Waterpark

### **ADJOURN**



OFFICE OF THE CITY CLERK  
Sherri Gard, CMC, City Clerk  
Heather James, Assistant City Clerk

## **MEDIA RELEASE**

**October 20, 2016**

As announced at the October 18, 2016 regular meeting, the City of Fort Smith Board of Directors will hold a special study session, jointly with the Sebastian County Quorum Court, which is set for 6:00 p.m. (*dinner will be available at approximately 5:30 p.m.*), Thursday, October 27, 2016, Ben Geren Safe Shelter, 7700 South Zero Street. The purpose of the special study session is provided as follows:

- ▶ Review financial and operations reports for the 2016 operating season and budget for the upcoming year for Parrot Island Waterpark

An agenda packet will be posted to the City's website; however, for additional information, please contact the City of Fort Smith Administration Department at 784-2201.

A handwritten signature in blue ink that reads "Sherri Gard".

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Sherri Gard, City Clerk

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# 2016 Year End Review 2017 Proposed Budget

# Season Performance

## Employment

4 Year Round Full Time  
120 Seasonal Employees

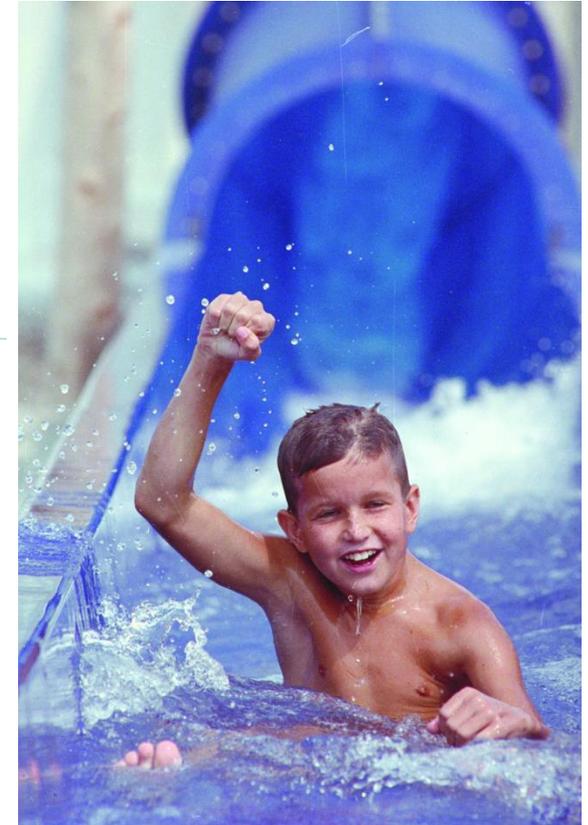
On Track To Have Positive Cash Flow To  
Carry Off Season Expenses  
& Contribute to Reserve Funds

## Hosted 2 Major Community Events

- First Responders Day
- Military Appreciation Day

2 Successful Life Safety Audits  
Including Our First “Exceeds”

35% Increase In  
Private Groups / Functions



**Something Very Exciting Is Happening in Fort Smith**

# Guest Satisfaction

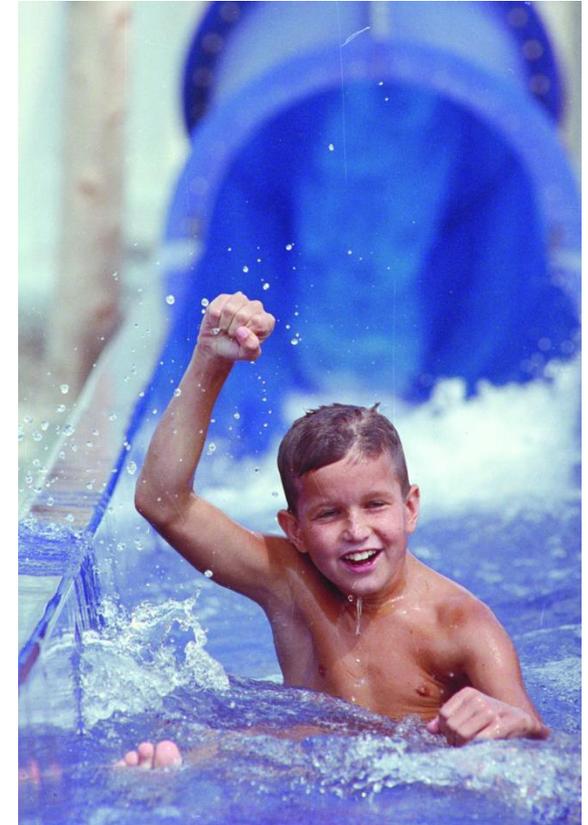
Results From Online & In Park Surveys:

Overall Satisfaction:	89 %
Overall Guest Service Experience:	88 %
Overall Cleanliness:	91 %

Winner of Best Family Outing Award  
Best of the Best Fort Smith

4.5 Rating and  
# 5 of 24 Attractions on Trip Advisor

4.1 Rating On Google



**Something Very Exciting Is Happening in Fort Smith**

# Guest Feedback

“Fun place for a hot summer day.”

5 of 5 bubbles Reviewed 1 week ago

This ended up being really fun. Being an adult with no children, my adult friends convinced me to go along while we took one of their children to the park. They were in town visiting. I was pleasantly surprised how much fun we could have as adults at the waterpark. They had 4 slides targeted towards larger children and adults, they were really fun. When you are used to just one slide its really awesome. The wave pool was fun and the child that we took to the park loved it (she was accompanied at all times by an adult while in the wave pool). She also loved the kiddie waterslides and had so much fun. The lazy river was pretty awesome, somewhat smaller than what I'm used to, but a lot of fun for just relaxing and floating around. We had went just after a rain storm so the park wasn't very crowded at all. A little girl that went to the waterpark often said that it was usually very crowded and long lines for the slides. Visited July 2016

“safe and fun park that the kids will love”

Reviewed September 5, 2016

It's a tad expensive for what you get, but we liked it enough to get a season pass for next year. The life guards do an excellent job - very polite and they don't miss a thing. Plenty of shade and the water is not too cold. If the kids like it - and mine love it - then it's worth it. Visited August 2016

“Could Be Better”

Reviewed August 1, 2016 [via mobile](#)

A nice water park for how small it is. There is only 4 body slides for 48" and taller. 1 drop slide, 2 tubes, and an open one. No raft slides? Small wave pool with tons of people in it, makes for a crowded and bumpy swim. Lazy river is nice, but also very crowded and the teens can be a bit rough while playing in it. The pool is only 3.6 feet deep. While that is nice for smaller kids, it's not much fun if you actually want to swim without scraping the bottom. Toddler section is nice, but parents can't take their kiddos down the slides. Can be a scary situation for little ones to attempt to go it alone. Could use some more shaded seating areas and better misters from the palm trees. Overall, I would have to say this park is far too small for the population of the River Valley and desperately needs to expand. Also, more diverse attractions like raft slides, an avalanche slide, a royal flush slide, raging river, a couple more open body slides and a deeper swimming pool would be ideal. The owners should check out what other water parks have to offer as far as the attractions and get some ideas from them. Parrot Island is fun for what it is, but much too crowded and way too small.

Visited July 201

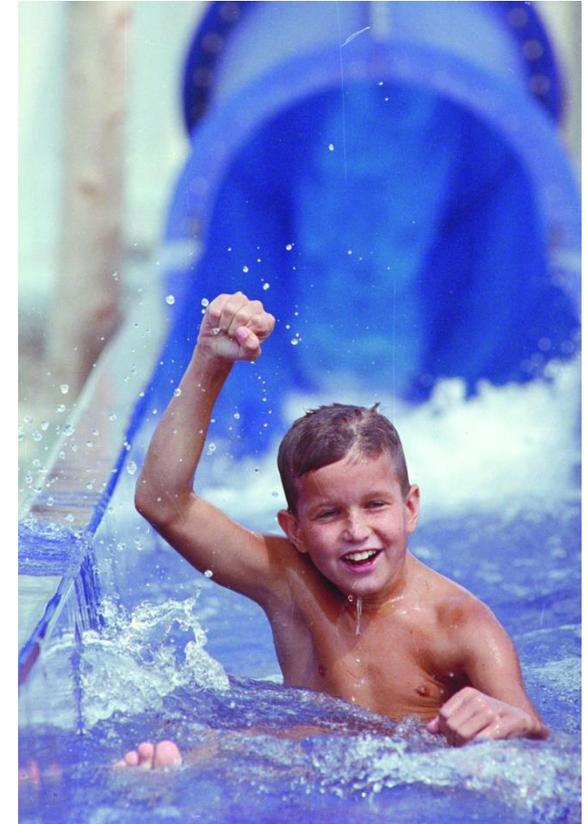
**Something Very Exciting Is Happening in Fort Smith**

October 27, 2016 Regular Meeting



# 2016 Year End Review

- NOI (Through End of Season)
  - Actual - \$ 92,571
- Revenues
  - Actual - \$ 1,222,557
- Expenses
  - Actual - \$ 1,129,986
- Additional Comments



**Something Very Exciting Is Happening in Fort Smith**

October 27, 2016 Regular Meeting



# 2017 Proposed Operating Budget

- NOI
  - 2017 Budget - \$ 195,569
- Revenues
  - 2017 Budget -\$ 1,586,601
- Expenses
  - 2017 Budget - \$ 1,391,032



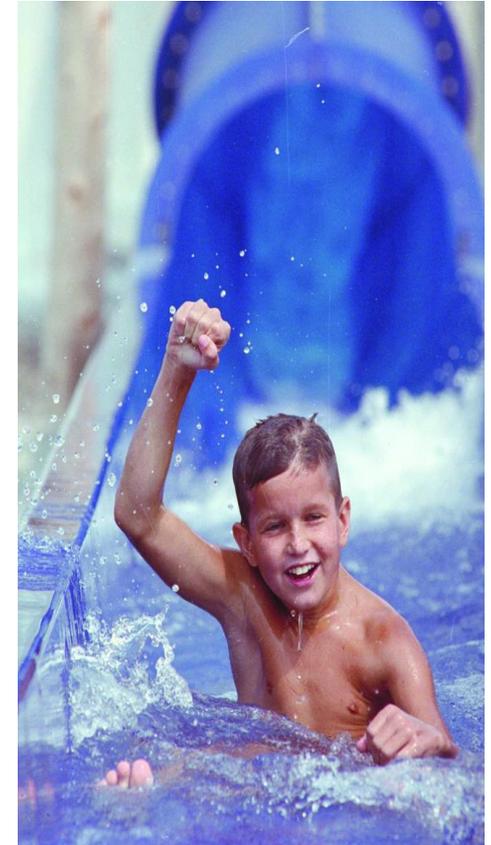
**Something Very Exciting Is Happening in Fort Smith**

October 27, 2016 Regular Meeting



# 2017 Proposed Budget

- Impacts On Revenues
  - No increases in daily fees
  - Tiered Pricing for Private Events
  - Multiple special event weekends
    - First Responders
    - Military Appreciation
    - Educators
  - Additional in park programming
  - Increased direct sales & marketing efforts
  - Shaved Ice Stand
  - Swim Lessons



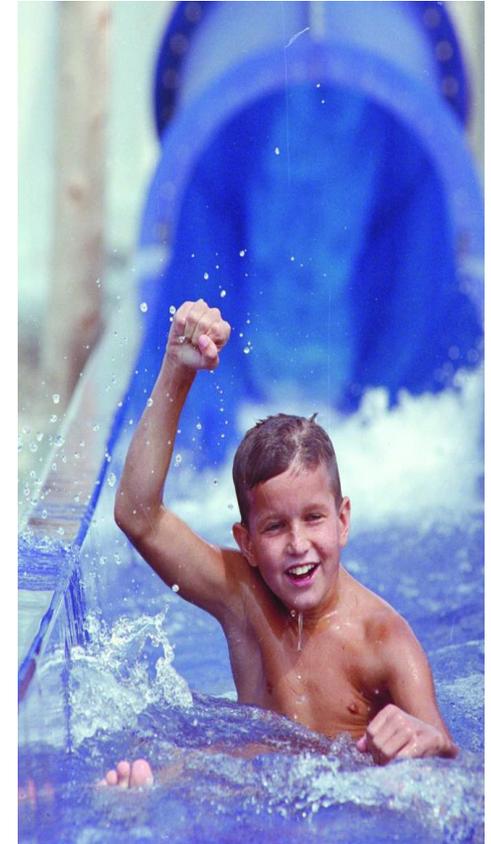
- Impacts on Expenses
  - Increase in Minimum Wage
  - Additional Landscape Expenses

**Something Very Exciting Is Happening in Fort Smith**

# Current Financial Position

As of 10/13/2015

- Reserve Improvements     \$ 130,000.00
- Reserve Maintenance     - \$ 40,000.00
- Current Operating         - \$ 140,000.00



**Something Very Exciting Is Happening in Fort Smith**



**For Property: Parrot Island Waterpark  
As of 12/31/2017**

Item	Total Budget
<b><u>EXECUTIVE SUMMARY</u></b>	
<b>TOTAL PARK ADMISSIONS</b>	<b>135,090</b>
<b>TOTAL REVENUE</b>	<b>1,586,601</b>
<b>TOTAL EXPENSES</b>	<b>1,391,032</b>
<b>NET GAIN / (LOSS)</b>	<b>195,569</b>



**For Property: Parrot Island Waterpark**  
**As of 12/31/2017**

Item	Total Budget
<b>PARK ADMISSIONS</b>	
Admissions - DayPass-InPark	79,550
Admissions - DayPass-Group	18,760
Admissions - SeasonPass	36,780
<b>Admissions - Total</b>	<b>135,090</b>
<hr/>	
<b>REVENUE BY DEPARTMENT</b>	
Waterpark Revenue (Net)	1,293,454
Food & Beverage Revenue	241,022
Gift Shop & Rental Revenue	52,125
<b>Total Department Revenue</b>	<b>1,586,601</b>
<hr/>	
<b>EXPENSES BY DEPARTMENT</b>	
Waterpark Expenses	475,197
Food & Beverage Expenses	147,516
Gift Shop Expenses	26,582
<b>Total Department Expenses</b>	<b>649,295</b>
<hr/>	
<b>Department Income</b>	<b>937,306</b>
<hr/>	
<b>Undistributed Operating Expenses</b>	
Sales & Marketing	177,979
Administration & General	267,206
Maintenance	143,972
Utilities	73,250
<b>Total Undistributed Operating Expenses</b>	<b>662,407</b>
<hr/>	
<b>Gross Operating Profit</b>	<b>274,899</b>
<hr/>	
Management Fees	79,330
<hr/>	
Fixed Costs	0
<hr/>	
<b>EBITDA</b>	<b>195,569</b>
Interest, Taxes, & Reserves	0
<hr/>	
<b>NET INCOME</b>	<b>195,569</b>
<hr/>	



**For Property: Parrot Island Waterpark**  
**As of 12/31/2017**

Item	Total Budget
<b>WATERPARK DEPARTMENT</b>	
<b><u>Waterpark Revenue:</u></b>	
Season Passes - Sold in Park	351,750
Day Passes - Sold in Park	678,374
Day Passes - Birthdays	49,930
Day Passes - Group Sales	40,000
Facility Use Fee	96,500
Rentals - Cabana	17,900
Sponsorship Contracts	59,000
<b>Total Waterpark Revenue</b>	<b>1,293,454</b>
<b><u>Revenue Offsets:</u></b>	
<b>Total Revenue Offsets</b>	<b>0</b>
<b>Net Waterpark Revenue</b>	<b>1,293,454</b>
<b><u>Waterpark Payroll &amp; Related Expenses</u></b>	
Director Salaries	36,000
Manager Salaries	11,500
Wages - Aquatics	196,721
Wages - Park Services	35,459
Wages - Birthday & Cabana Activities	23,500
Wages - Guest Services	37,762
Training	2,500
Vacation Pay - WP	3,976
Sick Pay - WP	3,976
FICA - WP	26,273
FUTA - WP	2,061
SUTA - WP	13,738
Health Insurance - WP	14,400
Worker's Comp - WP	4,990
Employee Uniforms	1,800
<b>Total Waterpark Payroll &amp; Related</b>	<b>414,655</b>
<b><u>Other Waterpark Operating Expenses</u></b>	
Ticketing - Supplies & Costs	9,800
Safety Equipment	2,375
First Aid Supplies	367
Chemicals & Water Conditioning	48,000
<b>Total Waterpark Other Operating Expenses</b>	<b>60,542</b>
<b>Total Waterpark Department Expenses</b>	<b>475,197</b>
<b>Waterpark Department Net</b>	<b>818,257</b>



**For Property: Parrot Island Waterpark  
As of 12/31/2017**

Item	Total Budget
<b>FOOD &amp; BEVERAGE DEPARTMENT</b>	
<b><u>Food &amp; Beverage Revenues</u></b>	
Food Sales	241,022
<b>F&amp;B Gross Revenue</b>	<b>241,022</b>
<b>F&amp;B Revenue Allowances</b>	<b>0</b>
<b>F&amp;B Net Revenue</b>	<b>241,022</b>
<hr/>	
Cost of Sales - Food-20	77,127
<b>Total F&amp;B COS</b>	<b>77,127</b>
<hr/>	
<b>F&amp;B Gross Margin</b>	<b>163,895</b>
<hr/>	
<b><u>F&amp;B Payroll &amp; Related</u></b>	
Managers-Restaurant	6,500
Wages - Food & Beverage	47,551
Training-Restaurant	1,000
Holiday Pay-Restaurant	1,000
Vacation pay-Restaurant	737
Sick Pay-Restaurant	737
FICA-Restaurant	4,401
Fed Unemployment Taxes-Restaurant	345
State Unemployment-Restaurant	2,301
Worker's Comp-Restaurant	817
<b>Total F&amp;B Payroll &amp; Related</b>	<b>65,389</b>
<hr/>	
<b><u>F&amp;B Other Operating Expenses</u></b>	
Cleaning Supplies-Restaurant	575
Disposable Supplies-Restaurant	2,900
Uniforms-Restaurant	500
Menus-Restaurant	125
Utensils and Supplies-Restaurant	325
Restaurant Equipment-Restaurant	575
<b>Total F&amp;B Other Operating Expenses</b>	<b>5,000</b>
<hr/>	
<b>Total F&amp;B Department Expenses</b>	<b>147,516</b>
<hr/>	
<b>F&amp;B Department Net</b>	<b>93,506</b>
<hr/>	



**For Property: Parrot Island Waterpark  
As of 12/31/2017**

Item	Total Budget
<b>GIFT SHOP &amp; RENTAL DEPARTMENT</b>	
<b><u>Gift Shop &amp; Rental Revenues</u></b>	
Sales - Gift Shop Merchandise	36,057
Rentals - Lockers	16,068
<b>Total Gift Shop &amp; Rental Revenue</b>	<b>52,125</b>
<hr/>	
Cost of Sales - Gift Shop	14,423
<hr/>	
<b><u>Gift Shop Payroll &amp; Related</u></b>	
Wages - Gift Shop	10,697
FICA - Gift Shop	818
FUTA - Gift Shop	64
State UE - Gift Shop	428
Worker's Comp - Gift Shop	152
<b>Total Gift Shop Payroll &amp; Related</b>	<b>12,159</b>
<hr/>	
<b>Total Gift Shop Department Expenses</b>	<b>26,582</b>
<hr/>	
<b>Total Gift Shop Net Income</b>	<b>25,543</b>
<hr/>	



**For Property: Parrot Island Waterpark  
As of 12/31/2017**

Item	Total Budget
<b>SALES &amp; MARKETING DEPARTMENT</b>	
<b><u>Marketing Expenses:</u></b>	
Newspapers - Other-Advertising	2,400
Other Magazines-Advertising	3,565
Billboards Rent/Production-Advertising	12,000
Rack Cards-Advertising	1,500
Other Brochures-Advertising	1,000
Brochure Distribution-Advertising	1,000
Web advertising	3,425
TV/Radio-Advertising	39,735
Advertising Other-Advertising	800
Flyers-Advertising	1,000
Giveaways-Advertising	3,000
Local/Misc. Advertising-Advertising	800
Agency Fees-Advertising	16,450
<b>Total Marketing Expenses</b>	<b>86,675</b>
<b><u>Sales Payroll &amp; Related</u></b>	
Managers-Sales	50,000
Sales Representative-Sales	2,750
Group Coordinator-Sales	2,700
Office Staff-Sales	12,551
Vacation Pay-Sales	984
Sick Pay-Sales	984
FICA-Sales	5,353
Fed Unemployment Taxes-Sales	420
State Unemployment-Sales	2,799
Health Insurance-Sales	3,600
Worker's Comp-Sales	994
<b>Total Sales Payroll &amp; Related</b>	<b>83,134</b>
<b><u>Other Sales Operating Expenses</u></b>	
Office Supplies-Sales	300
Printing & Stationary-Sales	1,700
Postage - Routine Office-Sales	300
Travel-Sales	4,300
Dues & Subscriptions-Sales	1,045
Trade Shows-Sales	525
<b>Total Sales Other Operating Expenses</b>	<b>8,170</b>
<b>Total Sales Expenses</b>	<b>91,304</b>
<b>Total Sales &amp; Marketing Expenses</b>	<b>177,979</b>



**For Property: Parrot Island Waterpark**  
**As of 12/31/2017**

Item	Total Budget
<hr/> <b>ADMINISTRATION &amp; GENERAL</b>	
<b><u>Payroll &amp; Related</u></b>	
Directors-A&G	68,000
Office Staff-A&G	6,000
Vacation Pay-A&G	780
Sick Pay-A&G	780
FICA-A&G	5,780
Fed Unemployment Taxes-A&G	453
State Unemployment-A&G	3,022
Health Insurance-A&G	21,600
Worker's Comp-A&G	1,073
<b>Total Admin Payroll &amp; Related</b>	<b>107,489</b>
<hr/>	
<b><u>Other Administrative Expenses</u></b>	
Office Supplies-A&G	4,107
Postage - Routine Office-A&G	285
Security Services-A&G	2,449
Music Service	3,209
Equipment Rental-A&G	2,750
Armored Car Services-A&G	1,200
Outside Computer Service-A&G	8,600
Telephone-A&G	5,700
Travel -A&G	12,700
Meals and Entertainment-A&G	3,801
Outside Payroll Service-A&G	7,950
Credit Card Fees-A&G	22,914
Bank Fees-A&G	1,450
Centralized Accounting-A&G	3,000
Professional Fees-A&G	2,185
Information Technology-A&G	462
Insurance General-A&G	62,754
Insurance - EPLI / Crime	4,400
Dues & Subscriptions-A&G	1,537
Other Operating Expense-A&G	8,264
<b>Total Other Administrative Expenses</b>	<b>159,717</b>
<hr/>	
<b>Total Administrative Expenses</b>	<b>267,206</b>
<hr/>	



**For Property: Parrot Island Waterpark**  
**As of 12/31/2017**

Item	Total Budget
<b>MAINTENANCE EXPENSES</b>	
<b><u>Payroll &amp; Related</u></b>	
Chief Engineer-Maintenance	49,000
R&M Wages-Maintenance	31,282
Vacation Pay-Maintenance	758
Sick Pay-Maintenance	758
FICA-Maintenance	6,258
Fed Unemployment Taxes-Maintenance	491
State Unemployment-Maintenance	3,272
Worker's Comp-Maintenance	1,162
<b>Total Maintenance Payroll &amp; Related</b>	<b>92,980</b>
<b><u>Other Maintenance Expenses</u></b>	
Cleaning Supplies & Chemical-Maintenance	2,325
Uniforms-Maintenance	500
Tools & Equipment-Maintenance	1,980
Light Bulbs	604
Repairs & Maint - Equipment	3,200
Painting & Interior-Maintenance	1,000
Plumbing-Maintenance	2,100
Electrical & Mechanical-Maintenance	2,500
Locks & Keys-Maintenance	850
HVAC-Maintenance	1,250
Pest Control-Maintenance	413
Grounds/Landscaping-Maintenance	16,800
Signs-Maintenance	3,500
Parking Lot Repair-Maintenance	3,300
Pool-Maintenance	7,000
Other Operating Expense-Maintenance	3,670
<b>Total Other Maintenance Expenses</b>	<b>50,992</b>
<b>Total Maintenance Expenses</b>	<b>143,972</b>



**For Property: Parrot Island Waterpark  
As of 12/31/2017**

<u>Item</u>	<u>Total Budget</u>
<b><u>Utilities</u></b>	
Gas-Utilities	1,200
Electricity-Utilities	57,000
Sewer & Water-Utilities	8,650
Waste Disposal	6,400
<b>Total Utilites</b>	<b>73,250</b>
<b><u>Management Fees</u></b>	
Management Fee-Fixed	79,330
<b>Total Management Fees</b>	<b>79,330</b>
<b><u>Fixed Costs</u></b>	
<b>Total Fixed Costs</b>	<b>0</b>
<b><u>Interest, Taxes, &amp; Reserves</u></b>	
<b>Total Interest, Taxes, &amp; Reserves</b>	<b>0</b>