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.

Sherri Gard

Sherri Gard, City Clerk

623 Garrison Avenue
P.O. Box 1908
Fort Smith, Arkansas 72902
(479) 784-2208
FAX (479) 784-2256
E-mail: cityclerk@fortsmithar.gov

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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**

# 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**

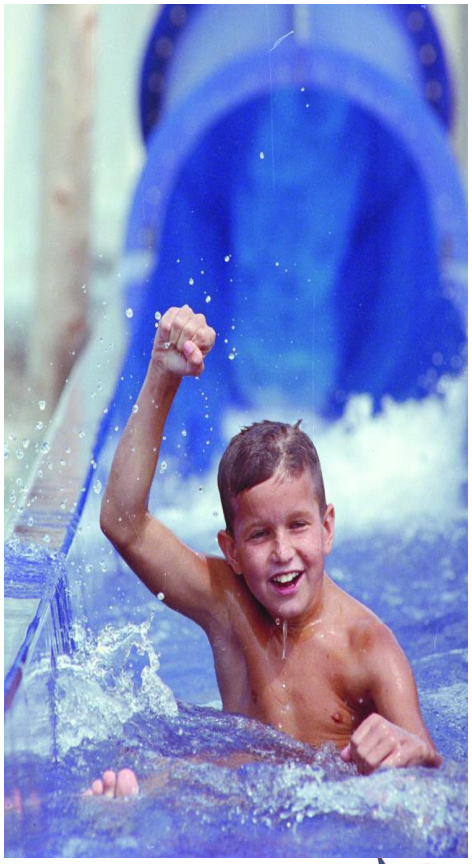
# 2017 Proposed Operating Budget

- 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**

# 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

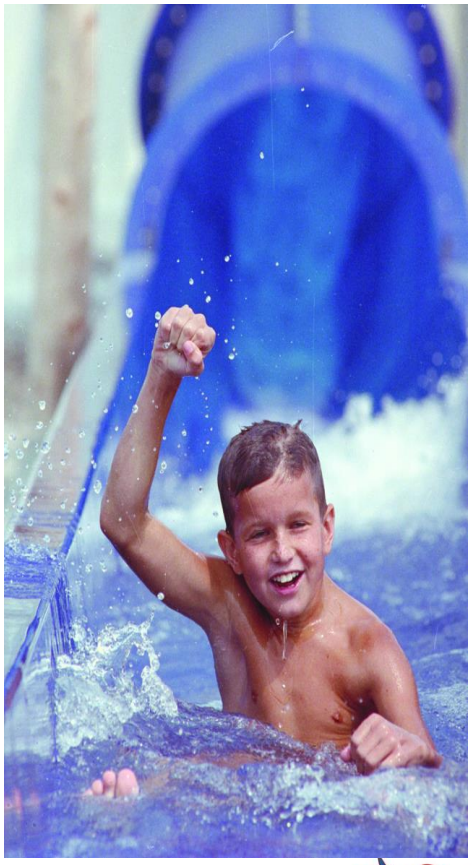


- Impacts on Expenses
  - Increase in Minimum Wage
  - Additional Landscape Expenses

**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 |
|---|---|
| **EXECUTIVE SUMMARY** | |
| **TOTAL PARK ADMISSIONS** | **135,090** |
| **TOTAL REVENUE** | **1,586,601** |
| **TOTAL EXPENSES** | **1,391,032** |
| **NET GAIN / (LOSS)** | **195,569** |

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

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

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

| Item | Total Budget |
|---|---|
| **WATERPARK DEPARTMENT** | |
| **Waterpark Revenue:** | |
| 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 |
| **Total Waterpark Revenue** | **1,293,454** |
| **Revenue Offsets:** | |
| **Total Revenue Offsets** | **0** |
| **Net Waterpark Revenue** | **1,293,454** |
| **Waterpark Payroll & Related Expenses** | |
| Director Salaries | 36,000 |
| Manager Salaries | 11,500 |
| Wages - Aquatics | 196,721 |
| Wages - Park Services | 35,459 |
| Wages - Birthday & Cabana Acitvities | 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 |
| **Total Waterpark Payroll & Related** | **414,655** |
| **Other Waterpark Operating Expenses** | |
| Ticketing - Supplies & Costs | 9,800 |
| Safety Equipment | 2,375 |
| First Aid Supplies | 367 |
| Chemicals & Water Conditioning | 48,000 |
| **Total Waterpark Other Operating Expenses** | **60,542** |
| **Total Waterpark Department Expenses** | **475,197** |
| **Waterpark Department Net** | **818,257** |

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

| Item | Total Budget |
|---|---|
| **FOOD & BEVERAGE DEPARTMENT** | |
| **Food & Beverage Revenues** | |
| Food Sales | 241,022 |
| **F&B Gross Revenue** | **241,022** |
| **F&B Revenue Allowances** | **0** |
| **F&B Net Revenue** | **241,022** |
| Cost of Sales - Food-20 | 77,127 |
| **Total F&B COS** | **77,127** |
| **F&B Gross Margin** | **163,895** |
| **F&B Payroll & Related** | |
| 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 |
| **Total F&B Payroll & Related** | **65,389** |
| **F&B Other Operating Expenses** | |
| Cleaning Supplies-Restaurant | 575 |
| Disposable Supplies-Restaurant | 2,900 |
| Uniforms-Restaurant | 500 |
| Menus-Restaurant | 125 |
| Utensils and Supplies-Restaurant | 325 |
| Restaurant Equipment-Restaurant | 575 |
| **Total F&B Other Operating Expenses** | **5,000** |
| **Total F&B Department Expenses** | **147,516** |
| **F&B Department Net** | **93,506** |

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

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

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

| Item | Total Budget |
|---|---|
| **SALES & MARKETING DEPARTMENT** | |
| **Marketing Expenses:** | |
| 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 |
| **Total Marketing Expenses** | **86,675** |
| **Sales Payroll & Related** | |
| 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 |
| **Total Sales Payroll & Related** | **83,134** |
| **Other Sales Operating Expenses** | |
| 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 |
| **Total Sales Other Operating Expenses** | **8,170** |
| **Total Sales Expenses** | **91,304** |
| **Total Sales & Marketing Expenses** | **177,979** |

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

| Item | Total Budget |
|---|---|
| **ADMINISTRATION & GENERAL** | |
| **Payroll & Related** | |
| 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 |
| **Total Admin Payroll & Related** | **107,489** |
| **Other Administrative Expenses** | |
| 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 |
| **Total Other Administrative Expenses** | **159,717** |
| **Total Administrative Expenses** | **267,206** |

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

| Item | Total Budget |
|---|---|
| **MAINTENANCE EXPENSES** | |
| **Payroll & Related** | |
| 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 |
| **Total Maintenance Payroll & Related** | **92,980** |
| **Other Maintenance Expenses** | |
| 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 |
| **Total Other Maintenance Expenses** | **50,992** |
| **Total Maintenance Expenses** | **143,972** |

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

| Item | Total Budget |
|---|---|
| **Utilities** | |
| Gas-Utilities | 1,200 |
| Electricity-Utilities | 57,000 |
| Sewer & Water-Utilities | 8,650 |
| Waste Disposal | 6,400 |
| **Total Utilites** | **73,250** |
| **Management Fees** | |
| Management Fee-Fixed | 79,330 |
| **Total Management Fees** | **79,330** |
| **Fixed Costs** | |
| **Total Fixed Costs** | **0** |
| **Interest, Taxes, & Reserves** | |
| **Total Interest, Taxes, & Reserves** | **0** |

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
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At Large Position 5 – Tracy Pennartz
At Large Position 6 – Kevin Settle
At Large Position 7 – Don Hutchings

# *AGENDA ~ Summary*

## 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**

- All present, except Directors Lau, Lorenz, Catsavis, Pennartz & Hutchings
- Mayor Sandy Sanders presiding

1. Presentation of 2016 year end review and 2017 proposed budget for Parrot Island Waterpark
   Report only. Presentation by Richard Coleman, American Resort Management, Inc.

**ADJOURN**

6:29 p.m.