



Chisenhall Fields: Annual Operating Budget Update

CITY COUNCIL, FEBRUARY 2, 2025

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Background

Council provided direction to pursue the possibility of third-party management of Chisenhall Sports Complex

The RFP was issued January 31, 2025

The RFP closed March 26, 2025

The City received 3 respondents for management services and interviewed 2 companies the week of April 7, 2025

Staff is recommended proceeding with Sports Facilities Companies as our firm

The SFC model allows for the City to retain control of the complex

The City entered into a due diligence contract in the amount of \$45,000 to determine the feasibility of the project that will be included in the mid-year budget adjustments

Over the past month staff has worked with SFC and BYA to determine the feasibility of entering into an agreement

Staff presented the proposal to City Council on August 18 and received a recommendation to proceed with SFC

Council approved the contract with SFM to manage Chisenhall on October 6.



Presentation Purpose

The purpose of this presentation is to provide City Council with an update on first-quarter (Q1) performance and revised budget projections for the remainder of the fiscal year.

Update includes:

- Summary of key operational results
- Program performance metrics
- An overview of projected revenues and expenditures.

Key Goal:

Offer transparency into current performance, highlight trends and variances, and support informed discussion.



Revised Budget

	Pro Forma	Year 1 Budget	\$ Pro Forma vs Year 1 Budget
Revenue	\$979,628	\$1,492,975	\$513,347
Cost of Goods Sold	\$357,972	\$540,674	\$182,702
Total Operating Expenses	\$1,151,412	\$1,374,773	\$223,361
EBITDA	-\$529,757	-\$422,472	\$107,285

- **Tournament Fees and Field Rentals:** The Year One budget projects revenues of **\$636,413**, compared to the approved pro forma of **\$434,173**, representing an increase of **\$201,240**, or **46%**, above the pro forma.
- **Concessions Revenue:** The Year One budget projects concessions revenue of **\$777,563**, compared to the pro forma estimate of **\$447,140**, representing an increase of **\$330,423**, or **73%**, above the pro forma.



Quarterly Review

Includes: Q1 Performance Snapshot (Actuals)

	Q1 Actual (Oct-Dec)	Q2 Budget / Forecast (Jan-Mar)	Q3 Budget / Forecast (Apr-June)	Q4 Budget / Forecast (Jul-Sep)
Revenue	\$148,648	\$197,176	\$681,588	\$535,188
COGS	\$38,673	\$73,909	\$244,980	\$190,272
Expenses	\$197,850	\$332,733	\$410,014	\$399,122
NOI	-\$87,875	-\$209,466	\$26,594	-\$54,206
Concession Revenue	\$81,573	\$106,288	\$364,763	\$279,013
Concession COGS Non Payroll	\$26,455	\$69,255	\$138,610	\$106,025
Concession Gross Profit (non payroll)	\$55,118	\$37,033	\$226,153	\$172,988
Current Tournaments Schedule (ALL)	11	3	13	12

Projected tournaments in pro-forma: 28
Forecast now: 39



Council Approved Budget

Council Approved Funding Framework:

Approved budget amendments:

\$1,947,124 creation of Chisenhall Fund

\$967,496 4B subsidy into Chisenhall Fund

Pro forma was a planning model using:

Market comparables

Industry benchmarks

Startup-stage assumptions

***Operating projections were expected to evolve after launch.**

Contributions to Cost:

Payroll increase:

Primarily due to projected revenue above pro forma

Full coverage

Tournament readiness

Guest services expectations

Consideration:

Additional tournament bookings require additional staffing.



Staffing: The Main Cost Driver

Pro Forma vs Proposed Budget

	Year 1 Budget	Year 1 Pro Forma	Year 1 Forecast vs Pro Forma
Salary Mgrs - Base Salaries	\$365,153	\$375,000	-\$9,847
Salary Mgrs Taxes/Benefits/Incentive	\$91,288	\$86,250	\$5,038
Total Projected Base Salaries	\$456,441	\$461,250	-\$4,809
ALL Hourly Staff Direct Payroll	\$406,290	\$257,126	\$149,165
ALL Hourly Staff Taxes/Benefits	\$60,230	\$25,713	\$34,517
Total ALL Hourly Staff Payroll	\$466,520	\$282,838	\$183,682
Total Total Payroll (Salary & Hourly)	\$771,443	\$632,126	\$139,318
Total Total Payroll Taxes/Benefits/Incentive	\$151,518	\$111,963	\$39,555
Total Total Payroll ALL In	\$922,961	\$744,088	\$178,873

Key Consideration:

*The \$922k represents Fiscal Year 2026 Forecast
Payroll was phased month-to-month due to hiring timing/vacancies
This is the most accurate "true operating year" budget
Additional wages are increased for additional part-time staffing*

Council Decision + Next Steps

Council Action Requested

- Tonight: Provide feedback
- Budget Amendment and SFC Wages will be presented to 4B and Council for approval on February 20, 2026
- * Future budget considerations will be presented through the annual budget process