

PDLG Fitness Center Financial Analysis

Annual Increase for Revenues:

All categories: 2%

Annual Increase for Expenses:

Personnel: 3%

All other categories: 2%

PDLG Population

54,841 (extends beyond La Grange proper)

Membership

%

SRA Avg

Total Revenue

Low

3.00%

1,645

\$21.25

\$419,534

High

4.70%

2,578

\$21.25

\$657,269

Summary

HIGH

	1	2	3	4	5	6	7	8	9	10	Totals
Projected Revenue	\$703,827	\$717,904	\$732,262	\$746,907	\$761,845	\$777,082	\$792,624	\$808,476	\$824,646	\$841,139	\$7,706,711
Projected Expenses	(\$428,561)	(\$421,061)	(\$428,873)	(\$441,497)	(\$449,759)	(\$458,256)	(\$471,866)	(\$480,854)	(\$500,292)	(\$509,111)	(\$4,590,129)
Projected Surplus/(Deficit)	\$275,266	\$296,842	\$303,389	\$305,410	\$312,086	\$318,826	\$320,757	\$327,622	\$324,354	\$332,028	\$3,116,582

	11	12	13	14	15	16	17	18	19	20	Totals
Projected Revenue	\$857,961	\$875,121	\$892,623	\$910,475	\$928,685	\$947,259	\$966,204	\$985,528	\$1,005,238	\$1,025,343	\$17,101,148
Projected Expenses	(\$518,889)	(\$528,946)	(\$544,777)	(\$555,416)	(\$566,360)	(\$583,438)	(\$606,960)	(\$612,006)	(\$630,434)	(\$643,035)	(\$10,380,391)
Projected Surplus/(Deficit)	\$339,072	\$346,174	\$347,846	\$355,059	\$362,325	\$363,820	\$359,243	\$373,522	\$374,804	\$382,309	\$6,720,757

LOW

	1	2	3	4	5	6	7	8	9	10	Totals
Projected Revenue	\$448,948	\$457,927	\$467,086	\$476,427	\$485,956	\$495,675	\$505,589	\$515,700	\$526,014	\$536,535	\$4,915,857
Projected Expenses	(\$428,561)	(\$421,061)	(\$428,873)	(\$441,497)	(\$449,759)	(\$458,256)	(\$471,866)	(\$480,854)	(\$500,292)	(\$509,111)	(\$4,590,129)
Projected Surplus/(Deficit)	\$20,388	\$36,866	\$38,213	\$34,931	\$36,197	\$37,419	\$33,722	\$34,846	\$25,722	\$27,424	\$325,728

	11	12	13	14	15	16	17	18	19	20	Totals
Projected Revenue	\$547,265	\$558,211	\$569,375	\$580,762	\$592,378	\$604,225	\$616,310	\$628,636	\$641,209	\$654,033	\$10,908,260
Projected Expenses	(\$518,889)	(\$528,946)	(\$544,777)	(\$555,416)	(\$566,360)	(\$583,438)	(\$606,960)	(\$612,006)	(\$630,434)	(\$643,035)	(\$10,380,391)
Projected Surplus/(Deficit)	\$28,376	\$29,264	\$24,598	\$25,346	\$26,018	\$20,787	\$9,349	\$16,630	\$10,775	\$10,998	\$527,869

Revenue Assumptions

Direct Revenue (memberships)

Indirect Revenue (all non-membership)

	Low	High	
Net Merchandise Sales	\$1,000	\$2,000	Represents net income/profit
Babysitting	\$4,500	\$9,000	
Room Rentals	\$5,250	\$9,000	
B-day parties	\$0	\$0	Combined with Room Rental Income
Net Program revenue	\$6,000	\$12,000	Represents net income/profit
Personal Training	\$12,500	\$14,300	
Preschool	\$0	\$0	(increases possible but capacity at max)
Total Indirect	\$29,250	\$46,300	

High Model	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Direct Revenue	\$657,269	\$670,415	\$683,823	\$697,500	\$711,450	\$725,679	\$740,192	\$754,996	\$770,096	\$785,498	\$801,208	\$817,232	\$833,577	\$850,248	\$867,253	\$884,598	\$902,290	\$920,336	\$938,743	\$957,517
Sponsorship/Partners																				
Personal Training	\$14,300	\$14,586	\$14,878	\$15,175	\$15,479	\$15,788	\$16,104	\$16,426	\$16,755	\$17,090	\$17,432	\$17,780	\$18,136	\$18,499	\$18,869	\$19,246	\$19,631	\$20,023	\$20,424	\$20,832
Merchandise Sales *	\$2,000	\$2,040	\$2,081	\$2,122	\$2,165	\$2,208	\$2,252	\$2,297	\$2,343	\$2,390	\$2,438	\$2,487	\$2,536	\$2,587	\$2,639	\$2,692	\$2,746	\$2,800	\$2,856	\$2,914
Babysitting	\$9,000	\$9,180	\$9,364	\$9,551	\$9,742	\$9,937	\$10,135	\$10,338	\$10,545	\$10,756	\$10,971	\$11,190	\$11,414	\$11,642	\$11,875	\$12,113	\$12,355	\$12,602	\$12,854	\$13,111
Room Rentals *	\$9,000	\$9,180	\$9,364	\$9,551	\$9,742	\$9,937	\$10,135	\$10,338	\$10,545	\$10,756	\$10,971	\$11,190	\$11,414	\$11,642	\$11,875	\$12,113	\$12,355	\$12,602	\$12,854	\$13,111
Program Revenue *	\$12,000	\$12,240	\$12,485	\$12,734	\$12,989	\$13,249	\$13,514	\$13,784	\$14,060	\$14,341	\$14,628	\$14,920	\$15,219	\$15,523	\$15,834	\$16,150	\$16,473	\$16,803	\$17,139	\$17,482
Security Cards	\$258	\$263	\$268	\$274	\$279	\$285	\$290	\$296	\$302	\$308	\$314	\$320	\$327	\$333	\$340	\$347	\$354	\$361	\$368	\$375
Preschool	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$703,827	\$717,904	\$732,262	\$746,907	\$761,845	\$777,082	\$792,624	\$808,476	\$824,646	\$841,139	\$857,961	\$875,121	\$892,623	\$910,475	\$928,685	\$947,259	\$966,204	\$985,528	\$1,005,238	\$1,025,343
Low Model	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Direct Revenue	\$419,534	\$427,924	\$436,483	\$445,212	\$454,117	\$463,199	\$472,463	\$481,912	\$491,551	\$501,382	\$511,409	\$521,637	\$532,070	\$542,712	\$553,566	\$564,637	\$575,930	\$587,448	\$599,197	\$611,181
Sponsorship/Partners																				
Personal Training	\$12,500	\$12,750	\$13,005	\$13,265	\$13,530	\$13,801	\$14,077	\$14,359	\$14,646	\$14,939	\$15,237	\$15,542	\$15,853	\$16,170	\$16,493	\$16,823	\$17,160	\$17,503	\$17,853	\$18,210
Merchandise Sales *	\$1,000	\$1,020	\$1,040	\$1,061	\$1,082	\$1,104	\$1,126	\$1,149	\$1,172	\$1,195	\$1,219	\$1,243	\$1,268	\$1,294	\$1,319	\$1,346	\$1,373	\$1,400	\$1,428	\$1,457
Babysitting	\$4,500	\$4,590	\$4,682	\$4,775	\$4,871	\$4,968	\$5,068	\$5,169	\$5,272	\$5,378	\$5,485	\$5,595	\$5,707	\$5,821	\$5,938	\$6,056	\$6,178	\$6,301	\$6,427	\$6,556
Room Rentals *	\$5,250	\$5,355	\$5,462	\$5,571	\$5,683	\$5,796	\$5,912	\$6,031	\$6,151	\$6,274	\$6,400	\$6,528	\$6,658	\$6,791	\$6,927	\$7,066	\$7,207	\$7,351	\$7,498	\$7,648
Program Revenue *	\$6,000	\$6,120	\$6,242	\$6,367	\$6,495	\$6,624	\$6,757	\$6,892	\$7,030	\$7,171	\$7,314	\$7,460	\$7,609	\$7,762	\$7,917	\$8,075	\$8,237	\$8,401	\$8,569	\$8,741
Security Cards	\$165	\$168	\$171	\$175	\$178	\$182	\$185	\$189	\$193	\$197	\$201	\$205	\$209	\$213	\$217	\$221	\$226	\$230	\$235	\$240
Preschool	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$448,948	\$457,927	\$467,086	\$476,427	\$485,956	\$495,675	\$505,589	\$515,700	\$526,014	\$536,535	\$547,265	\$558,211	\$569,375	\$580,762	\$592,378	\$604,225	\$616,310	\$628,636	\$641,209	\$654,033

* Represents income net of expense

Expense Assumptions

Personnel	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Manager	\$50,000	\$51,500	\$53,045	\$54,636	\$56,275	\$57,964	\$59,703	\$61,494	\$63,339	\$65,239	\$67,196	\$69,212	\$71,288	\$73,427	\$75,629	\$77,898	\$80,235	\$82,642	\$85,122	\$87,675
Attdt's/front desk	\$110,000	\$113,300	\$116,699	\$120,200	\$123,806	\$127,520	\$131,346	\$135,286	\$139,345	\$143,525	\$147,831	\$152,266	\$156,834	\$161,539	\$166,385	\$171,376	\$176,518	\$181,813	\$187,268	\$192,886
Custodians	\$20,000	\$20,600	\$21,218	\$21,855	\$22,510	\$23,185	\$23,881	\$24,597	\$25,335	\$26,095	\$26,878	\$27,685	\$28,515	\$29,371	\$30,252	\$31,159	\$32,094	\$33,057	\$34,049	\$35,070
Child Care	\$6,000	\$6,180	\$6,365	\$6,556	\$6,753	\$6,956	\$7,164	\$7,379	\$7,601	\$7,829	\$8,063	\$8,305	\$8,555	\$8,811	\$9,076	\$9,348	\$9,628	\$9,917	\$10,215	\$10,521
Valet Parking**	\$11,880	\$12,236	\$12,603	\$12,982	\$13,371	\$13,772	\$14,185	\$14,611	\$15,049	\$15,501	\$15,966	\$16,445	\$16,938	\$17,446	\$17,970	\$18,509	\$19,064	\$19,636	\$20,225	\$20,832
Payroll Taxes	\$15,138	\$15,592	\$16,060	\$16,542	\$17,038	\$17,549	\$18,075	\$18,618	\$19,176	\$19,752	\$20,344	\$20,954	\$21,583	\$22,231	\$22,897	\$23,584	\$24,292	\$25,021	\$25,771	\$26,544
Total Personnel	\$213,018	\$219,408	\$225,991	\$232,770	\$239,754	\$246,946	\$254,355	\$261,985	\$269,845	\$277,940	\$286,278	\$294,867	\$303,713	\$312,824	\$322,209	\$331,875	\$341,831	\$352,086	\$362,649	\$373,528
Current Member Migration	\$7,770																			
Personal Trainers	\$10,000	\$10,200	\$10,404	\$10,612	\$10,824	\$11,041	\$11,262	\$11,487	\$11,717	\$11,951	\$12,190	\$12,434	\$12,682	\$12,936	\$13,195	\$13,459	\$13,728	\$14,002	\$14,282	\$14,568
Marketing/Promotional	\$10,000	\$10,200	\$10,404	\$10,612	\$10,824	\$11,041	\$11,262	\$11,487	\$11,717	\$11,951	\$12,190	\$12,434	\$12,682	\$12,936	\$13,195	\$13,459	\$13,728	\$14,002	\$14,282	\$14,568
Maintenance and Repair	\$5,000	\$5,100	\$5,202	\$5,306	\$5,412	\$5,520	\$5,631	\$5,743	\$5,858	\$5,975	\$6,095	\$6,217	\$6,341	\$6,468	\$6,597	\$6,729	\$6,864	\$7,001	\$7,141	\$7,284
Supplies	\$10,000	\$10,200	\$10,404	\$10,612	\$10,824	\$11,041	\$11,262	\$11,487	\$11,717	\$11,951	\$12,190	\$12,434	\$12,682	\$12,936	\$13,195	\$13,459	\$13,728	\$14,002	\$14,282	\$14,568
Utilities	\$25,000	\$25,500	\$26,010	\$26,530	\$27,061	\$27,602	\$28,154	\$28,717	\$29,291	\$29,877	\$30,475	\$31,084	\$31,706	\$32,340	\$32,987	\$33,647	\$34,320	\$35,006	\$35,706	\$36,420
Security Cards (\$1 per card)	\$2,578	\$258	\$263	\$268	\$274	\$279	\$285	\$290	\$296	\$302	\$308	\$314	\$320	\$327	\$333	\$340	\$347	\$354	\$361	\$368
Leased Cardio	\$75,000	\$75,000	\$75,000	\$79,591	\$79,591	\$79,591	\$84,462	\$84,462	\$84,462	\$89,632	\$89,632	\$89,632	\$95,118	\$95,118	\$95,118	\$100,940	\$100,940	\$100,940	\$107,118	\$107,118
Seller financed Weights*	\$30,258	\$25,258	\$25,258	\$25,258	\$25,258	\$25,258	\$25,258	\$25,258	\$35,452	\$29,594	\$29,594	\$29,594	\$29,594	\$29,594	\$29,594	\$29,594	\$41,538	\$34,674	\$34,674	\$34,674
Amortization of Capital																				
Years	20																			
Rate	3.50%																			
Amount	\$567,600																			
Budget	\$516,000																			
Overage	10%																			
Total	\$567,600																			
Payment	\$39,937	\$39,937	\$39,937	\$39,937	\$39,937	\$39,937	\$39,937	\$39,937	\$39,937	\$39,937	\$39,937	\$39,937	\$39,937	\$39,937	\$39,937	\$39,937	\$39,937	\$39,937	\$39,937	\$39,937
Total Expenses	\$428,561	\$421,061	\$428,873	\$441,497	\$449,759	\$458,256	\$471,866	\$480,854	\$500,292	\$509,111	\$518,889	\$528,946	\$544,777	\$555,416	\$566,360	\$583,438	\$606,960	\$612,006	\$630,434	\$643,035

*Initial purchase includes washer dryer and misc. equip. Replacement after 8 years required. Purchase of fitness equipment financed by seller

** Between the hours of 6 and 9PM on weekdays

Valet's	Hourly	Hours	Days Wk	Wks Yr
2	\$8.25	3	5	48