



December 16, 2024

POOL UTILITY STUDY UPDATE

TOWNSHIP OF VERONA

PRESENTATION TO THE MAYOR AND COUNCIL



PRESENTATION AGENDA



Review Key Study Elements



Review Timeline and Developments



Pool Member Survey Results



Revised Cash Flow Forecast



Revised Membership Fee Forecast



REVIEW OF KEY STUDY ELEMENTS

KEY STUDY ELEMENTS

- The 2024 Pool Utility budget required the use of \$200,000 of American Rescue Plan Act (ARPA) funds to balance the budget.
 - ARPA funds are no longer available for this purpose in 2025 and beyond.
- NewGen was tasked with developing forecasts regarding membership fees and other sources of revenue (or cost savings) to achieve a self-liquidating Pool Utility.
 - Consistent with recommended policy updates.
 - Resulting in appropriate operating and capital reserves within the Pool Fund.

STUDY TIMELINE AND DEVELOPMENTS

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- NewGen presented draft results to the Recreation Advisory Committee on October 15th and to the Mayor and Council on October 21st.
- Direction was given to re-evaluate key study assumptions, conduct pool membership survey, and provide revised results based on feedback from Recreation Advisory Committee.
- Pool Membership survey distributed, closed on December 8th.
- Recreation Advisory Committee met on December 10th to review survey results and provide recommendations.

SUMMARY OF MEMBER SURVEY

SUMMARY OF REVISED FORECAST SCENARIOS

	Scenario 1	Scenario 2	Scenario 3
Outside Memberships?	None	None	75
Outside Membership Fee	N/A	N/A	\$1,600
3-Year Use of Fund Balance	\$0	\$140k	\$86k
3-Year % Increase	32%	30%	11%
2024 Family Membership	\$605	\$605	\$605
2025 Family Membership	\$800	\$695	\$635
2026 Family Membership	\$800	\$765	\$654
2027 Family Membership	\$800	\$790	\$674

SURVEY RESPONSE SUMMARY

Key Takeaways:

Responses are from a large majority of members, and mostly family members.

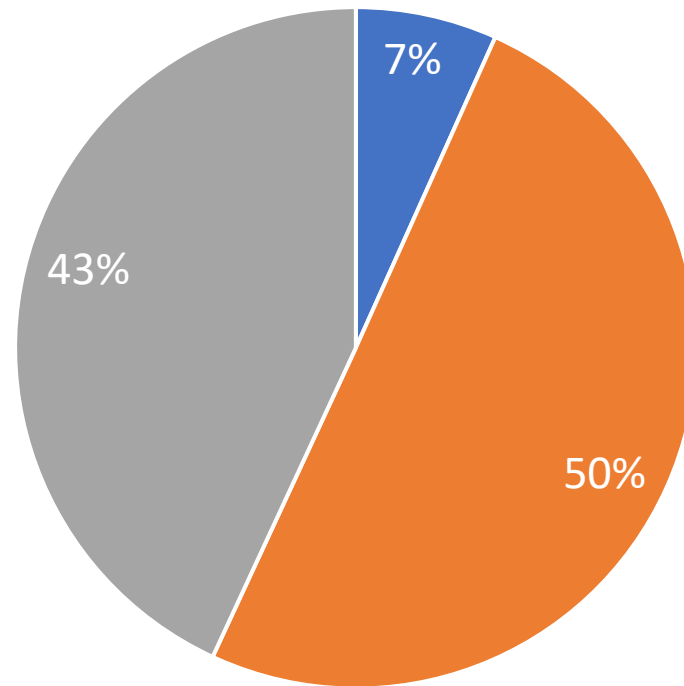
Over 63% of respondents have been members for 4 years or more.

Type	Respondents	% of Respondents	% of Member Type
Family	653	81.9%	80.4%
Couple	21	2.6%	38.2%
Parent/Child	21	2.6%	19.3%
Individual	16	2.0%	38.1%
Twilight	2	0.3%	15.4%
Senior	84	10.5%	29.7%
Total	797	100.0%	60.7%

Time as a Member	Respondents	% of Respondents
New in 2024	56	7.0%
2 - 3 Years	214	26.9%
4 - 6 Years	174	21.8%
7 - 10 Years	132	16.6%
10+ Years	221	27.7%
Total	797	100.0%

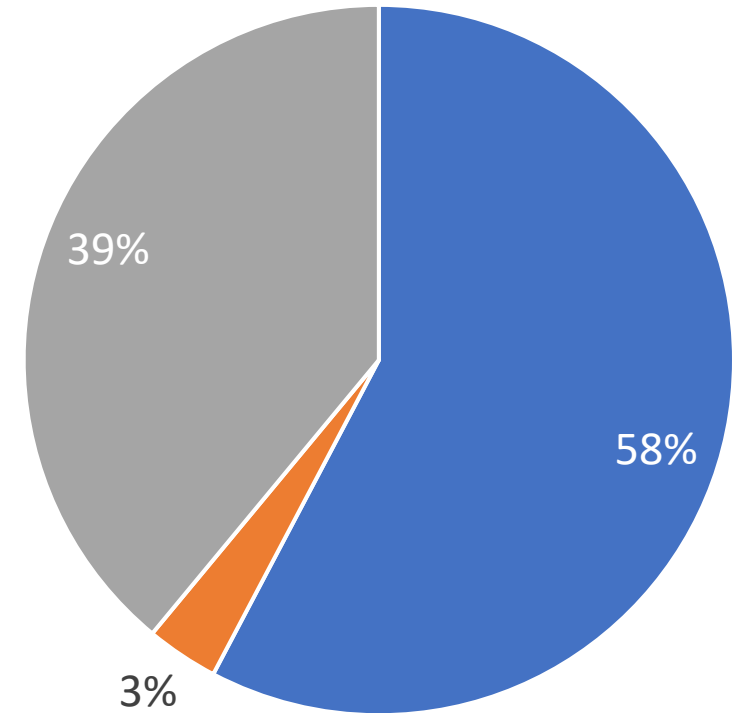
FUNDING OPTION RESPONSES

Preferred Funding Option



- 32% Increase, No Use of Fund Balance, No OOT
- 30% Increase, Use Fund Balance, No OOT
- 5% Increase, Use Fund Balance, Allow OOT

Influences Decision Not to Join



Key Takeaways:

- Option 1 least preferred.
- Options 2 and 3 have similar preference.
- Options 1 and 3 create large risk of losing members.

REVISED CASH FLOW FORECAST

REVISED FORECASTING ASSUMPTIONS – SCENARIO 2

Items impacting NewGen’s 2025 Cash Flow:

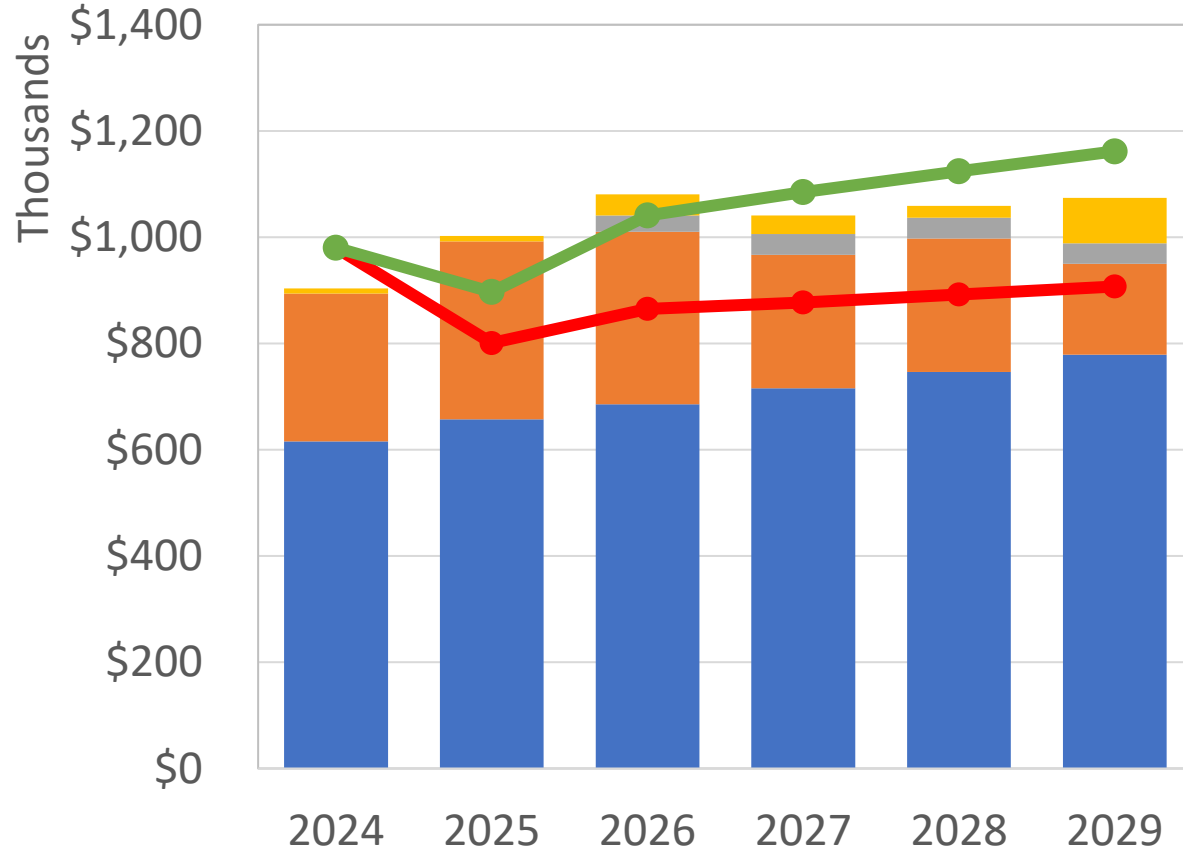
- 15% Membership Increase across the board in Summer 2025.
- No Non-Resident Families.

Items not in 2025 that may impact 2026 and beyond:

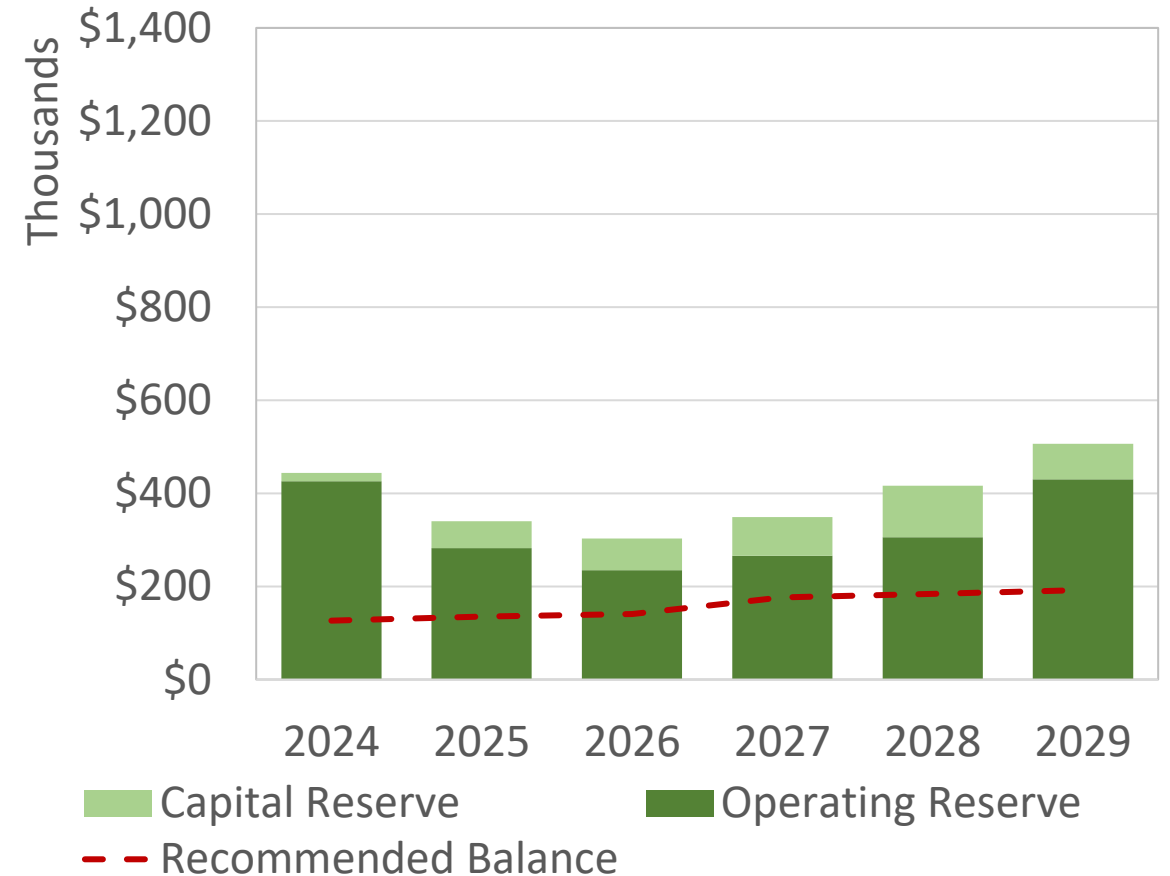
- Firefighter/Rescue Squad “Free” Membership Rate covered by the Township or sponsorship.
- Family Nights being eliminated.
- Increases in annual marketing to obtain new memberships.
- Increases in corporate or local sponsorship revenue.
- Booking additional events & parties.
- Prioritizing programming & capital projects to retain current members.

NEWGEN'S FORECAST: SCENARIO 2

Expenses vs. Revenues



Pool Utility Fund Balance



Key Takeaways:

Includes additional fee increases beyond 2025.

Use of approximately \$140k of Fund balance through 2026

Some capacity for loss of members (revenues exceed expenses in 2027 - 2029)

REVISED MEMBERSHIP FEE FORECAST

FEE FORECAST – SCENARIO 2

	2024	2025	2026	2027	2028	2029
Percent Change	15%	15%	10%	3%	3%	3%
Dollar Change (Family)	\$85	\$90	\$70	\$25	\$25	\$25
<u>Membership Fee</u>						
Couple	\$547	\$630	\$695	\$715	\$735	\$755
Family	\$605	\$695	\$765	\$790	\$815	\$840
Caregiver	\$150	\$175	\$195	\$200	\$205	\$210
Firefighter	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Parent and Child	\$518	\$595	\$655	\$675	\$695	\$715
Individual	\$397	\$455	\$500	\$515	\$530	\$545
Twilight	\$236	\$270	\$295	\$305	\$315	\$325
Senior Citizen	\$195	\$225	\$250	\$260	\$270	\$280



THANK YOU!

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