

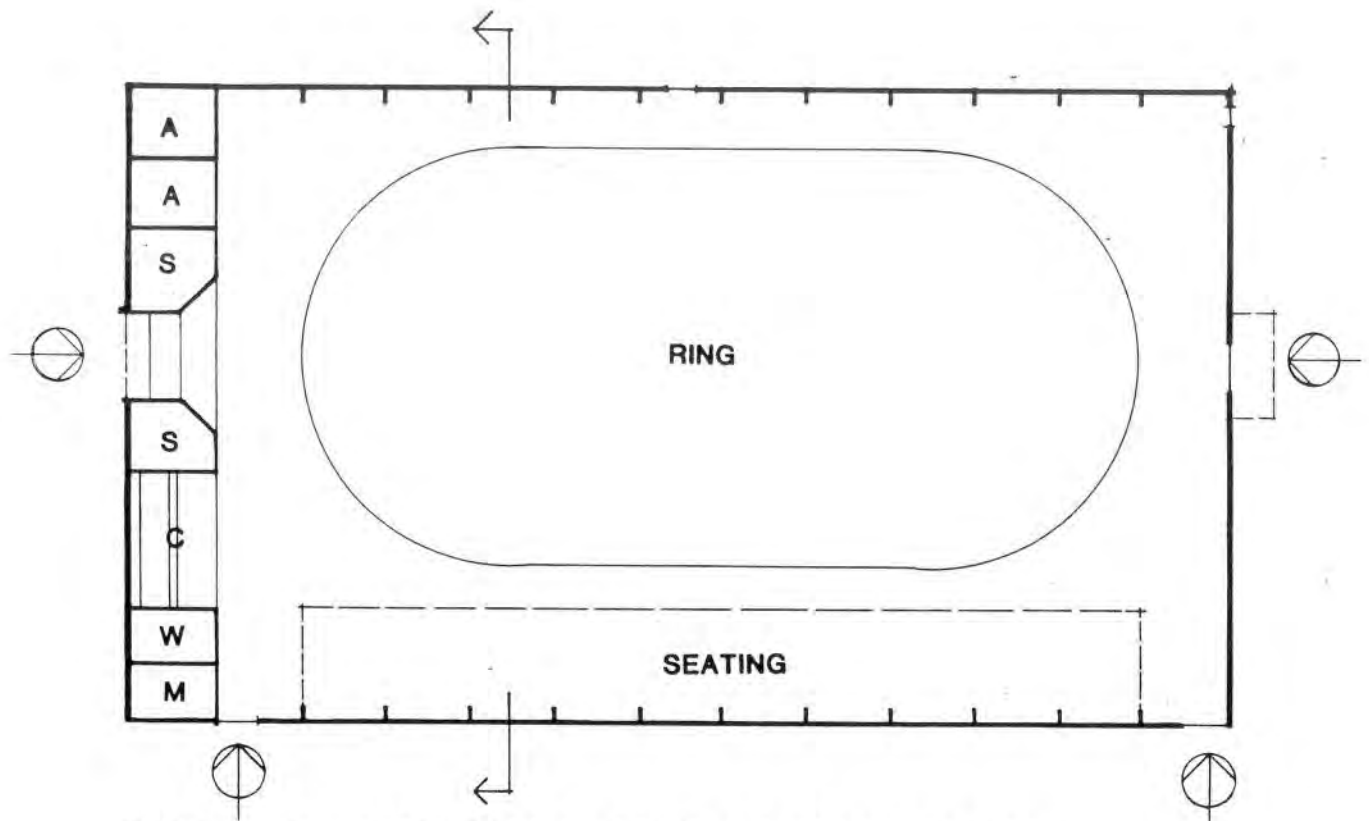
The original plan as submitted by Maynard & Parch has been adjusted and revised to better serve community needs and allow for more serviceable circulation within the facility. (Please note Figure 1.)

The plan has been divided into two phases; the initial phase consisting of indoor competition/training ring, stabling, and parking, and the second phase to accommodate two outside competition/training rings, one lunging ring and additional stabling and parking. It is this committee's recommendation that upon completion of Phase 1 development, any remaining monies be allocated to incorporate one of the outside competition/training rings into the Phase 1 development.

PHASE I

INDOOR COMPETITION/TRAINING RING

The Indoor Competition/Training Ring Building (please note Figure 2) is to be the major building within the Equestrian Center providing an indoor all weather, year-round facility for show and training purposes. The building will be approximately 55,360 square feet in area (approximately 180' x 312') containing one 120' x 240' metal 6' high portable fenced ring with the flexibility to be divided into two smaller rings. The building would also contain support facilities consisting of restrooms,



**INDOOR TRAINING AND SHOW RING
PLAN**

FIGURE 2

MANAGEMENT

In order to comply with the Municipal policy of contracting for management services, a non-profit corporation will be formed for the purpose of entering into a management contract with the Municipality.

This corporation will be comprised of representatives of all interested activity groups, e.g., the Alaska State Horsemen Inc., the rodeo association, breed organizations, and teachers, trainers, and stable owners actively engaged in the horse industry. A board of directors will be elected annually. That board will be responsible for setting policy, hiring and firing management personnel, and financial and budgeting controls. The board will consist of a minimum of seven persons. To assure adequate representation of different interests the following groups must be represented on the board: Alaska State Horsemen, 4-H, rodeo association, professional trainers and instructors, private boarding facility owners, and private horse owners who keep their horses at home.

The board shall be responsible for seeing that fair and reasonable access is available to all horse owners and groups, the intent being to provide those services which cannot be provided by private enterprise, not to compete with private facilities.

It will be the policy of the board to assign priorities in the use of the facility and to settle any disputes which shall occur in the implementation of the board's policies.

It will be the responsibility of the board to employ as many people as necessary to provide for safe, supervised use of the facility during such hours of operation as it deems appropriate.

A manager will be responsible for day-to-day operation and scheduling of events. Priorities will be given to traditional horse show and rodeo dates, with clinics, lessons, and open riding times scheduled so as not to conflict or create safety hazards. However, general public riding time must be available in at least one-half of the indoor arena during prime riding time, not less than two days per week. The manager will report to the board on a monthly basis.

The board and the manager will be responsible for seeing that the facility operates in such a manner as to cover all of its operating expenses. The following pro-forma income statements indicate that the facility should go into the black by year three, and generate enough of a surplus to pay off previous deficits and begin paying for additional improvements and expansion as warranted.

We have projected two scenarios: 1) expected revenues with reasonably expected usage over the first three years and 2) a worst case situation based on ultraconservative premises. Scenario 1, based on the expected rapid acceptance and utilization of the facility by all use groups, shows operating profit in excess of \$100,000 the first year. Scenario 2, the worst case scenario, shows a loss of \$13,459 in the first year, building to a profit of \$14,000 in the second year and \$66,000 in the third year.

FEE SCHEDULES

Category	Year		
	1	2	3
Horse Shows (\$ per day)	\$250	\$350	\$500
Rodeos (\$ per day)	250	350	500
Open Riding (\$ per hour)	5	5	5
(\$ per month)	60	60	60
Clinics (percentage of fee schedule--minimum charge \$5 per ride per day)	20%	20%	20%
Lessons (percentage of fee schedule--minimum charge \$4 per rider per hour)	20%	20%	20%
Gate (percentage of admissions charges--minimum admission \$5 per person)	10%	10%	10%
Concession: Rental of Concession space (lesser of percentage of sales or daily fee)	10%/\$100	10%/\$100	10%/\$100
Stall Rental (\$ per day)	\$10	\$10	\$10

SCENARIO ONE -- EXPECTED REVENUE PROJECTIONS

Revenue Sources	First Year	Second Year	Third Year
Competitive Events	\$ 7,750	\$ 14,700	\$ 26,000
Horse Show Fees	26,040	39,984	58,240
Stall Fees	4,650	6,300	7,800
Gate (10%)	3,000	6,300	12,000
Rodeo Ring Fees	6,000	9,000	12,000
Rodeo Stall Fees (50)	20,000	30,000	40,000
Rodeo Gate (10%)	<u>67,440</u>	<u>99,984</u>	<u>156,040</u>
Non-Competitive Uses			
Open Stall Rental	72,128	84,000	95,760
Riding Fees-monthly	72,000	108,000	144,000
-hourly	16,100	30,000	42,750
Clinics	3,600	4,800	6,000
Concessions (10%)	4,300	9,000	15,200
Lessons	<u>12,880</u>	<u>24,000</u>	<u>45,600</u>
Total Revenue--All Sources	181,008	259,800	349,310
	248,448	359,784	505,350
Expenses			
Wages and Salaries	58,000	100,000	140,000
Electricity	12,000	15,000	18,000
Gas	20,000	22,000	24,000
Repair and Maintenance	4,000	20,000	25,000
Insurance	20,000	20,000	22,000
Snowplowing	3,000	3,600	4,000
Office and Janitorial	7,200	10,000	15,000
Accounting	6,000	15,000	20,000
Legal	2,000	-0-	-0-
Misc.	3,000	15,000	25,000
Subtotal	<u>135,200</u>	<u>220,600</u>	<u>293,000</u>
Net Operating Profit	\$113,248	\$139,184	\$212,350

SCENARIO TWO -- WORST CASE SITUATION
REVENUE PROJECTIONS

Revenue Source	First Year	Second Year	Third Year
<u>Competitive Events</u>			
Horse Show Fees	\$ 6,000	\$10,850	\$18,000
Stall Fees	20,160	31,248	40,320
Gate (10%)	3,800	8,000	11,250
Rodeo Ring Fee (6x250)	1,500	2,800	6,000
Rodeo Stall Rental (50)	3,000	4,000	6,000
Rodeo Gate (10%)	7,500	10,000	15,000
	<u>\$41,960</u>	<u>\$66,898</u>	<u>\$96,570</u>
<u>Non-Competitive Uses</u>			
Open Stall Rental	53,256	53,256	53,256
Riding Fees (\$60/mo.)	14,400	28,800	72,000
Rid.Fees(\$5/hr,5/day)	7,925	12,000	20,000
Clinics (15 riders aver. \$40/hr,10 days)	1,200	2,400	3,600
Concession (10% of gross)	600	1,200	3,000
Lessons (20%)	2,400	4,800	8,000
	<u>79,781</u>	<u>102,456</u>	<u>159,856</u>
Total Revenue--All Sources	121,741	169,354	248,426
<u>Expenses</u>			
Wages and Salaries	58,000	65,500	72,000
Electricity	12,000	13,000	14,000
Gas	20,000	22,000	24,000
Repair and Maintenance	4,000	8,000	10,000
Insurance	20,000	20,000	22,000
Snowplowing	3,000	3,600	4,000
Office and Janitorial	7,200	8,000	8,500
Accounting	6,000	7,000	8,000
Legal	2,000	-0-	-0-
Misc.(veh.exp.,manure removal, etc.)	3,000	8,000	20,000
Subtotal	<u>135,200</u>	<u>155,100</u>	<u>182,500</u>
Net Operating Profit (Loss)	\$ (13,459)	\$ 14,254	\$ 65,926