



## Annual Report/Budget Cover Sheet

*To be completed annually by each department. Please attach Budget Request Forms for each proposed increase.*

**Department:** Recreational Sports

**RSF Account #:** 301790

**Related Accounts #:** 301960, 300420,  
301970, 301180, 808820

**Department Budget History:**

	FY 2014	FY 2015	FY 2016	FY 2017
Total Budget	\$13,535,862	\$14,216,822	\$19,640,423	\$14,667,415
Total Current RSF Revenue	\$11,461,348	\$ 12,156,037	\$12,483,641	
RSF Increases Requested	\$0	\$0	\$0	\$0
RSF Increases Funded	\$0	\$0	\$0	
Total End-of-Year Reserve Balance Across All Operating Accounts	\$8,108,439	\$12,075,743	\$8,347,740	\$9,818,975

**Please provide a reserve spending plan if ending FY15 reserves exceed University requirements.**

*At the close of FY15, as we projected, we have well above the university required reserves. The university reserve requirement is \$2,558,246. Our capital spending plan for FY16 is \$1,850,000. There is \$1,200,000 of that dedicated to the purchase of fixtures, furniture and equipment for the newly expanded Rec Center. The remainder is regularly scheduled capital replacements for the building we are already maintaining. This has been coming in phases and if you recall we had projected we would spend almost \$2,000,000 in furniture, fixtures and equipment; part of that has already occurred in FY15 with the remainder to be expended in FY16.*

*Our original proforma financial statement has been updated continuously throughout this project. The TAMU System Treasury Services was able to take advantage of much lower interest rates causing our new debt payments on the expansion to come a year early. However, the long term savings is so substantial, we all know it was well worth the change in plans. We believe that as the student body grows and our original facility ages, we will have the necessary funds to invest in maintaining a healthy Student Rec Center for years to come.*

*Reserves in the fee account are designated for future debt services payments.*

*All of the funds in the R&M accounts are designated for future R&M expenses which will maintain the useful life of our facilities.*

*The university does not have any requirements for renewal & modifications funds. We have modeled our funding on the recommendations from the NACUBO guidelines which have been adapted to include replacement cost. In the early years of our facilities existence, the funding was not available to meet the requirements of the model.*

**UAF Increase Request History & FY 2017 Summary:**

<i>Program, Service, or Operation Requested</i>	<i>Amount Requested</i>	<i>SAFAB Recommended? (y/n)</i>	<i>VPSA Approved? (y/n)</i>
<b>FY 2015</b>			
<b>FY 2016</b>			
<b>FY 2017 Proposal Summary (Prioritized)</b>			

**Annual Report (cont.)**

**Additional Questions:** *(to assist the Board when informing the student body about stewardship of the University Advancement Fee)*

**Briefly, what recent programs/services have been successful? Which need work? Explain.**

*Since the construction of the Student Rec Center expansion project began, many of our programs have been affected negatively. As early as the summer of 2014, we began to see a huge dip in revenues with the 50 meter pool going off line. The summer of 2015 has continued the trend of depressed revenue generation in many areas department wide. We have strengthened our marketing and increased signage all around the building which has helped to increase usage in our facilities. Still we have many programs that have been quite successful.*

*In the Intramural area we have seen record numbers of flag football and basketball teams signed up as well as many other sports. We have also had record numbers of students taking advantage of the new availability for drop-in recreation activities at the Penberthy Rec Sports Complex on nights & weekends.*

*The TAMU Outdoor Adventures program was forced to move from their home location in the Student Rec Center to the maintenance garage out at the Penberthy Rec Sports Complex. This has given them tremendous exposure and we have seen significant increases in that program; specifically students renting tents, canoes, kayaks and all sorts of camping/outdoor equipment.*

*Due to the weight room expansion, the weight room equipment has all been relocated temporarily to two basketball courts. With the increase in the student body, we have seen this area at full capacity and have had to increase staffing for risk management purposes. This is an extremely popular area with heavy usage at all hours of the day. Personal Training and Massage Therapy continue to be quite successful. Our Fitness program remains strong with most classes reaching capacity. Marathon, Half-Marathon and Boot Camp programs are always filled to capacity.*

*The Aquatics Programs is strong with a full schedule. We have turned down a number of requests for meets because it displaces the Health & Kinesiology classes, swim teams, and regular patrons. Even without swim*

*meets there is a lot of competition for the available space. The addition of the new lap pool will reduce the overcrowding but will not eliminate it.*

*Entry ID card swipes reveal that over 76% of the student body use the Rec Center every semester. However, when asked in a recent survey, 92% of students said they have used the Student Rec Center during their time at Texas A&M University. With such incredibly high numbers of participation, we believe it is wise to be as aggressive as possible to secure the necessary funding to provide and sustain the best facilities possible.*

**What do you see as your department's financial priorities in the next 3 – 5 years (FY17-FY21)?**

At this time we are still in the construction phase of a \$55 million expansion/renovation of the Student Rec Center. We are adding 120,000 square feet for the student body. Our ground breaking for this project was early summer 2014. Our projected date of occupancy will be in April, 2016. One of our top priorities is to open this newly expanded Student Rec Center with more energy and excellence than ever. We feel the anticipation is building for the student body. Many of the current students on campus have not ever seen the weight room in the original location, so it will be an exciting time for the entire Aggie community to rediscover Rec Sports and all we have to offer. In addition as we transition to fully furnish and staff the additional facilities, ensuring financial best practices while maintaining risk and ensuring a safe place for our students to recreate will be another priority for us. And finally, as we look ahead to the future, we will need to continue to evaluate our financial resources along with our facility and programmatic needs. The student body is growing and the recreational desires of these students continues to evolve. We need to be able to adapt to the fitness trends as well as ensure financial stability and efficiency. It will continue to be our top priority to secure adequate funding for our facilities and programs as well as renewal & modifications to prevent deferred maintenance issues.

**How many reclassifications did you have approved in FY15?   0   Total financial impact:   0**

**How many equity adjustments did you have approved in FY15?   0   Total financial impact:   0**

**How many one-time merit increases did you have approved in FY15?   3   Total financial impact: 10,000.00**

**How many hiring adjustments did you have approved in FY15?   4   Total financial impact: 10,400**

**How much money in salary savings did you acquire in FY15? \$32,365.79 received & transferred out to the university.**

**Additional comments, special considerations, etc.**

*SAFAB Comments/Notes:*