



MEMORANDUM

PARKS & RECREATION

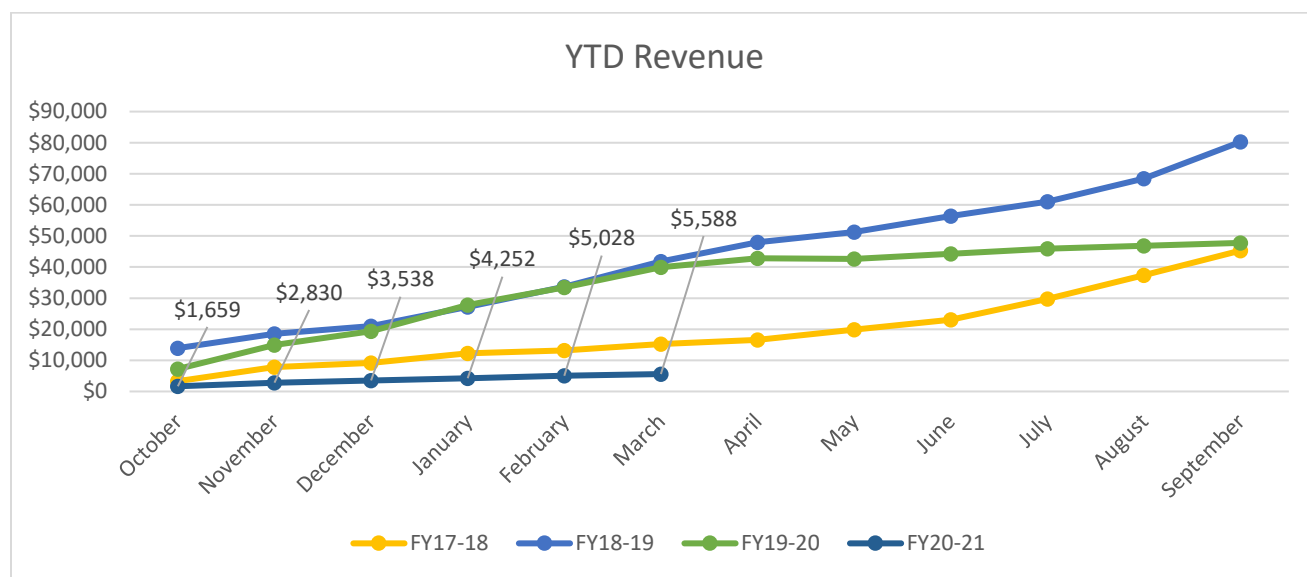
To: Rachael Arroyo, Superintendent of Recreation
From: Jackie Byles, The Branch Connection Manager
Date: May 13, 2021
Subject: The Branch Connection Quarterly Report

The Branch Connection

The City's fiscal year (FY) runs from October through September. This report includes year-to-date (YTD) information for the October through March time frame. Numbers have not been audited and are subject to adjustment. Due to the COVID-19 pandemic and subsequent stay-at-home order, The Branch Connection closed the doors beginning at noon Friday, March 13th, 2020, and re-opened with a phased approach on Monday, March 15th, 2021. With the re-opening, current activities and specific programs resumed indoors with capacity limits, a temporary guideline policy is in effect, and masks are required at all City facilities. We anticipate a slow, gradual increase for all categories included in our quarterly reports moving forward through the safe and planned re-opening process.

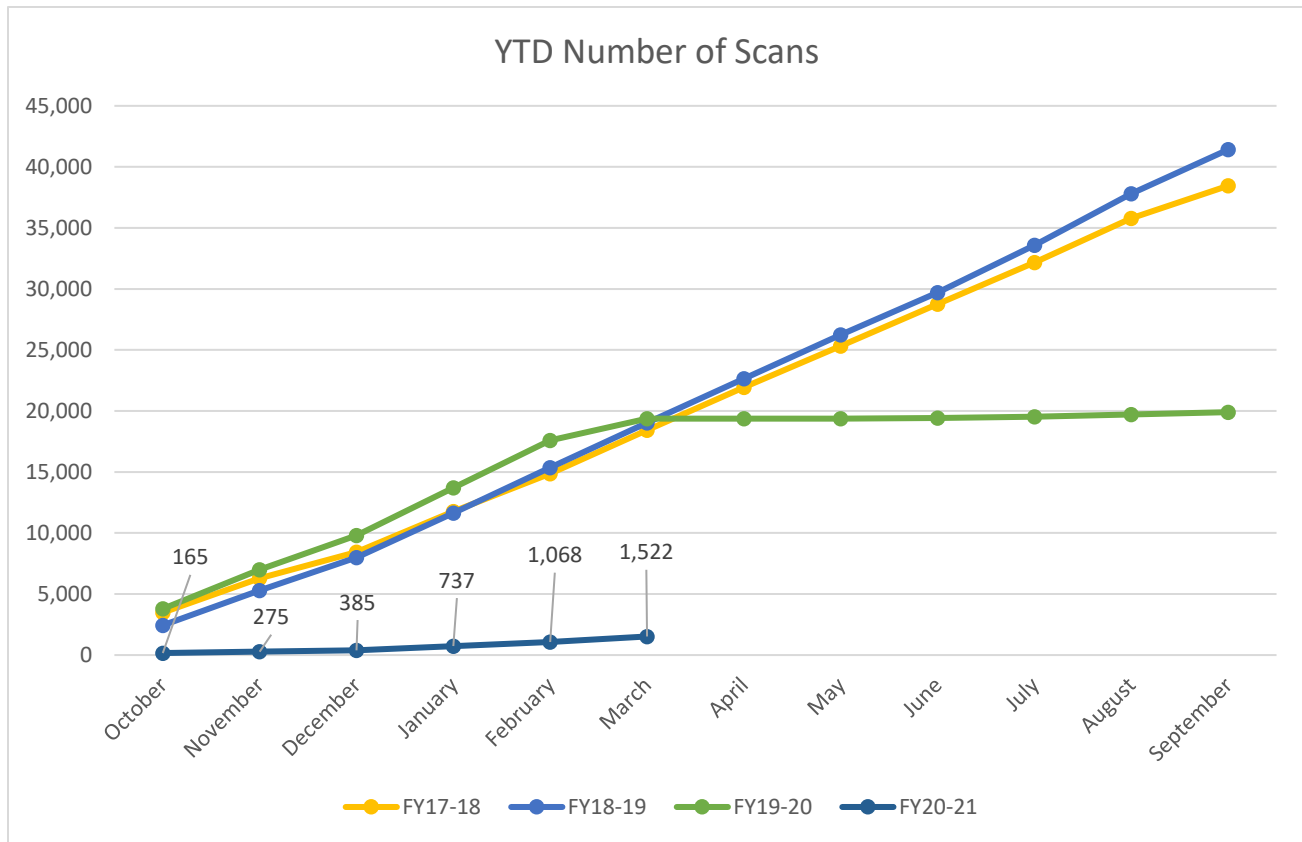
Revenue

Overall Revenue for The Branch Connection



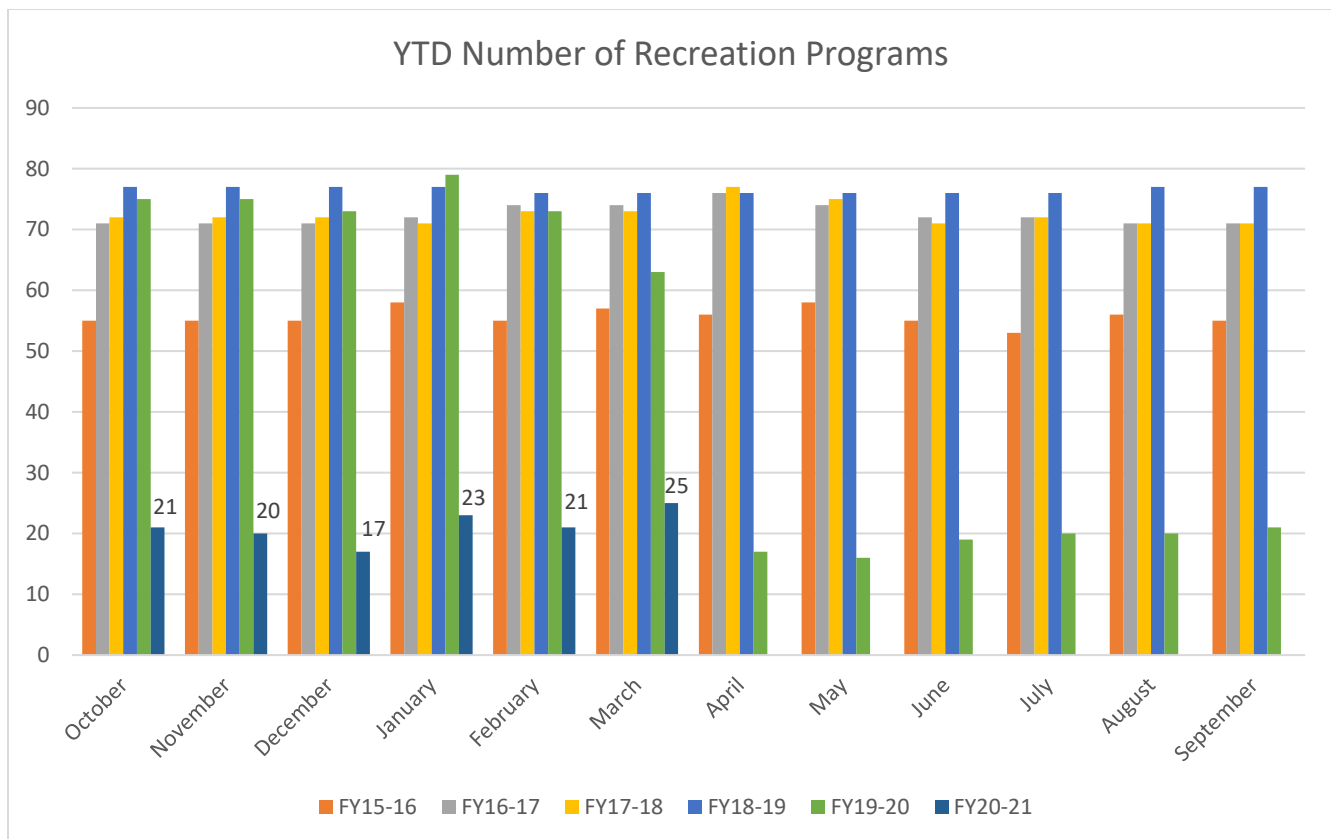
In the second quarter of FY21, The Branch Connection was able to re-open with temporary guidelines in place. For most of the quarter, the facility was closed and unable to increase revenue at the same rate as under normal operations. As the facility re-opened, it allowed rentals to resume along with new memberships. The second quarter revenue totaled \$2,051, a 90% decrease from last year's second-quarter revenue. We are continuing to honor previous memberships due to the closure and are extending expired memberships, which will continue to impact revenue generated from membership renewals.

Membership Scans



Due to the closure of The Branch Connection, our membership scans have been impacted. Before the facility closure, we reflected an increase in membership scans and trending upwards to deliver a higher projection of scans than FY19. Prior to our facility re-opening in March, and with a lot of creativity, we offered alternative off-site programs that allowed us to continue recording membership scans during the closure. It is essential to note that we were still limited to a ten-person max capacity with each program offered during this quarter. All in-person programs strictly followed CDC recommendations and guidelines. In the second quarter of FY21, we recorded 1,137 membership scans for our programs. In comparison to FY20, our second quarter membership scans decreased by 88%. It is essential to emphasize that last year, our facility was still open during our second quarter, and in comparison to the differences from our first quarter and last FY, this is an increase of 8%.

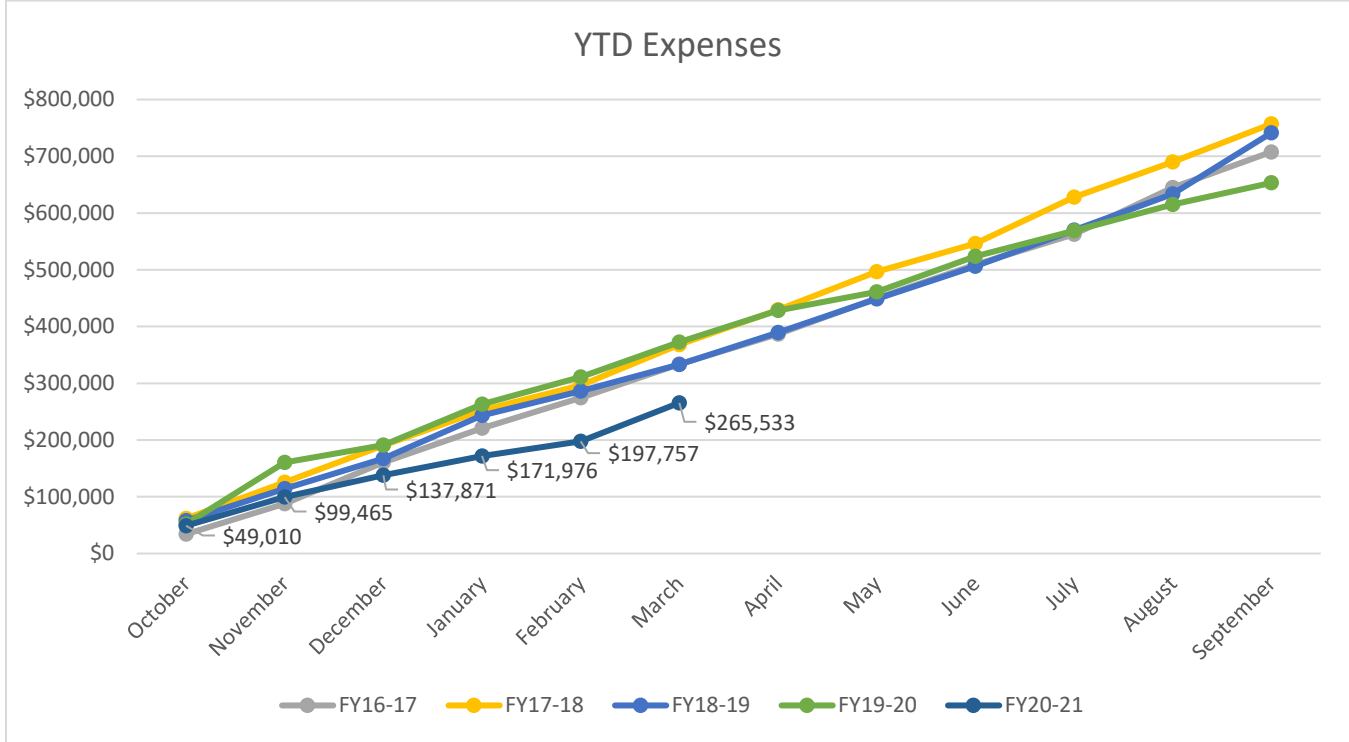
Programs



This category accounts for all programs offered YTD. Each month, under normal circumstances, programs usually range from 70-75 individual programs provided. With the impact of COVID-19, there is a decrease for the second quarter of FY21. We continued with our programs like drive-through activities, virtual classes, off-site programs, events for our community, and recording third-party memberships with Renew Active and Silver and Fit. For the second quarter, we offered 69 programs; this is a 68% decrease in programs provided in FY20. During this quarter, we offered a drive-through Valentine's Day program and a drive-in movie, with CDC guidelines and safety measures implemented, resulting in approximately 200 participants. The Branch Connection also coordinated a vaccine registration day for members of our community, where we were able to assist 175 participants in registering for their COVID-19 vaccination. This number would have likely been higher; however, we had to cancel the second day of registrations due to the extreme cold weather week.

We recorded 2,454 participants in our programs for the second quarter of FY21. Our second quarter decreased 76% in comparison to FY20's program participants. Our drive-through activities, our off-site programs, and the events have continued to keep our community engaged with The Branch Connection during this closure. We are continuing with Bumper Bingo and a monthly Branch Bazaar and developing additional alternative programming that our members would be interested in attending either in-person or virtually.

Expenses



Expenses this quarter are associated with programs, program supplies, staff hours, instructor pay, and cleaning supplies. This quarter's expenses decreased by 30% compared to this time last year. Year-to-date expenditures will continue to be monitored due to the flexibility for COVID-19 and providing for our community.

Summary

For the second quarter of FY21, we had a 2% cost recovery, with a typical year at 8%. With the closure from COVID-19, the second quarter could not generate the expected revenue income than in years past while still obtaining expenses. However, quarter two has shown a \$53,967 decrease in costs due to the extended facility closure during this quarter. With The Branch Connection's re-opening, the third quarter of FY21 will trend upwards with revenue and other categories, including program participants, membership scans, and rentals. However, as we progress to a fully operational status and consider the health and safety of The Branch Connection's demographics, the increases we will see in the coming months will be a slow, gradual process.

Providing outstanding customer service and quality programs to the community is a priority for The Branch Connection. Our customer service philosophy is reflected by our Net Promoter Score (NPS)* of 77. Staff will continue to provide quality programs and outstanding service to all guests. For reference, this score is up from a 65 this time last year, and moved from excellent to exceptional.

*Net Promoter Score (NPS) is a management tool used to gauge an organization's customer relationships' loyalty. It allows us to gather real-time feedback to help improve operations, retain customers who may be at risk of leaving and can be associated with revenue growth. An NPS of 50 or greater is considered excellent, and anything over 70 is exceptional.