

ATTACHMENT A

Key terms of the Management Agreement

1. Term

The term of the Management Agreement is 10 years.

2. Management Fee

The City will pay to PIEP (Polar Ice Enterprises Pasadena) a Base Management Fee of \$150,000 for the operation and management of the ice rink facility. The Management fee consists of Base Management fee, and an annual adjustments up or down based on financial performance. If the operator does not generate the gross revenue approved in the annual budget the fee is reduced. The reduction will be the percentage difference between actual gross revenues and budget approved gross revenues. The minimum management fee is \$110,000.

The Base Management fee may be increased if the operator exceeds the projected gross revenue approved in the annual budget. The maximum base management fee is capped at \$180,000. The minimum base fee and the maximum management fee shall be increased annually by the percentage change in the Consumer Price Index.

3. Naming Rights and Participation in Gross Sponsorship Revenue

The Los Angeles Kings, through a license agreement, are willing to grant to PIEP the rights to use the Kings trademark, service marks and other proprietary rights as it relates to managing the Pasadena ice rink facility. In exchange, PIEP would grant to the Los Angeles Kings the exclusive rights to sell naming rights, advertising, and sponsorship sales. The income from naming rights, advertising and sponsorship sales shall be included in the calculation of actual gross revenue. The pro forma estimates the annual net revenue to be \$150,000. PIEP will pay the Los Angeles Kings a commission on the sale of sponsorship and naming rights in amount of 20% of the first \$200,000 for Gross Sponsorship Revenue and 50% of Gross Sponsorship in excess of \$200,000.

4. Public Benefit

PIEP will provide a public benefit program including but not limited to making the facility available to Pasadena Unified School District and other local area schools, Pasadena City College, and local non-profits organizations serving the Pasadena community to maximize participation in ice programs by persons unable to afford them. The public benefit

program is valued at approximately \$138,000 annually. This cost has already been factored into the financial analysis.

5. Local Hiring Program

PIEP has agreed to recruit Pasadena residents and the employees who are currently working at the Pasadena Ice Skating Center for any positions available at this new facility.

6. Marketing Program

PIEP shall submit a marketing plan to the City annually. The media and techniques that will be employed as part of the marketing plan include print (newspapers, magazines, programs etc.), direct mail, advertising at the new facility, radio and Cable TV. The Los Angeles King will also provide promotional opportunities through the Los Angeles Kings Hockey Club at the Staple Center. This effort is included in the financial analysis at an annual cost of \$100,000.

7. Community Outreach

PIEP will provide a community outreach program which will provide information about priority for local residents and promote opportunities to participate in Facility activities to limited income Pasadena households and other local residents who might otherwise have access to the Facility. Sample outreach will include of printed material through Pasadena community organizations, neighborhood schools and associations, City community centers and libraries, resource directories. PIEP also intends to provide printed material through direct mail to appropriate individuals and groups.

8. Annual Budget Review

PIEP will submit an annual operating budget to the Finance Director on March 1st of each year for the term of the Management Agreement. The budget will be subject to City review and City Council approval, consistent with the City's operating and capital budget processes and timetable. Key terms of the Management Agreement

ATTACHMENT B

	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15
ON ICE REVENUES	4%	4%	4%	4%	4%	4%	4%	4%
General Adm	317,127	329,812	343,005	356,725	370,994	385,834	401,267	417,318
Skate Rental	101,463	105,521	109,742	114,132	118,697	123,445	128,383	133,518
Skate School	616,200	640,849	666,482	693,142	720,867	749,702	779,690	810,878
Youth Hockey	671,499	698,359	726,293	755,345	785,559	816,981	849,660	883,647
Adult Hockey	862,051	896,533	932,394	969,690	1,008,477	1,048,817	1,090,769	1,134,400
Group Sales	117,998	122,718	127,627	132,732	138,041	143,563	149,305	155,278
Contract Ice	642,005	667,685	694,392	722,168	751,055	781,097	812,341	844,835
Stick Time	46,007	47,847	49,761	51,752	53,822	55,974	58,213	60,542
Pick Up Hockey	40,495	42,115	43,800	45,551	47,374	49,268	51,239	53,289
Free Style	124,297	129,269	134,440	139,818	145,410	151,227	157,276	163,567
Classes/Clinics	39,370	40,945	42,583	44,286	46,058	47,900	49,816	51,809
Camps	94,826	98,619	102,564	106,666	110,933	115,370	119,985	124,785
Birthday Parties	103,487	107,627	111,932	116,409	121,066	125,908	130,945	136,182
Lockers/Skate Repair	-	-	-	-	-	-	-	-
	3,776,826	3,927,900	4,085,016	4,248,416	4,418,353	4,595,087	4,778,890	4,970,046
NET OFF-ICE REVENUES								
Retail Sales - Net	96,162	100,009	104,009	108,170	112,496	116,996	121,676	126,543
Food/Beverage income	54,668	56,855	59,129	61,495	63,954	66,512	69,173	71,940
Vending Machine Income	30,215	31,424	32,681	33,988	35,347	36,761	38,232	39,761
Game Area Income	76,941	80,018	83,219	86,548	90,010	93,610	97,355	101,249
Advertising	188,977	196,536	204,398	212,574	221,077	229,920	239,116	248,681
	446,964	464,842	483,436	502,773	522,884	543,800	565,552	588,174
TOTAL REVENUE	4,223,790	4,392,742	4,568,451	4,751,189	4,941,237	5,138,886	5,344,442	5,558,220
	3%	3%	3%	3%	3%	3%	3%	3%
COST OF SERVICES EXPENSE								
COS - Sport Shop	-	-	-	-	-	-	-	-
COS Admiss & Packages	20,332	20,942	21,571	22,218	22,884	23,571	24,278	25,006
COS Skate School	89,789	92,483	95,258	98,115	101,059	104,090	107,213	110,430
COS Adult Coaches/Officials	136,986	141,096	145,329	149,689	154,179	158,805	163,569	168,476
COS Adult Hockey Supplies	546	563	580	597	615	630	652	672
COS Youth Coaches/Officials	159,110	163,883	168,800	173,864	179,079	184,452	189,985	195,685
COS Youth Hockey Supplies	14,424	14,857	15,302	15,761	16,234	16,721	17,223	17,740
COS Camps/Clinics	2,950	3,039	3,130	3,224	3,321	3,420	3,523	3,629
COS Birthday Parties	45,239	46,596	47,994	49,434	50,917	52,444	54,018	55,638
COS Event Sales	13,755	14,168	14,593	15,031	15,482	15,946	16,424	16,917
Subtotal	483,133	497,627	512,556	527,932	543,770	560,083	576,886	594,192
Net Revenue After COS	3,740,657	3,895,115	4,055,896	4,223,257	4,397,467	4,578,803	4,767,556	4,964,027
OTHER OPERATING EXPENSE								
Payroll - Salary	715,440	736,903	759,010	781,781	805,234	829,391	854,273	879,901
Payroll - Bonus	16,937	17,445	17,969	18,508	19,063	19,635	20,224	20,831
Payroll - Commission	29,930	30,828	31,753	32,705	33,686	34,697	35,738	36,810
Payroll - Taxes	55,034	56,685	58,386	60,137	61,941	63,800	65,714	67,685
Employee Benefits	38,551	39,708	40,899	42,126	43,390	44,692	46,032	47,413
Advertising	78,676	81,037	83,468	85,972	88,551	91,207	93,944	96,762
Promotions	3,169	3,264	3,362	3,463	3,567	3,674	3,784	3,897
Fees - Credit Card & Bank	40,358	41,568	42,815	44,100	45,423	46,786	48,189	49,635
Fees - Payroll Service	13,113	13,506	13,911	14,329	14,758	15,201	15,657	16,127
Insurance	123,260	126,957	130,766	134,689	138,730	142,892	147,178	151,594
Office Expense	49,828	51,323	52,863	54,449	56,082	57,765	59,498	61,283
Postage Expense	8,742	9,004	9,274	9,552	9,839	10,134	10,438	10,751
Professional Fees	13,113	13,506	13,911	14,329	14,758	15,201	15,657	16,127
Repairs & Maintenance	91,789	94,543	97,379	100,300	103,309	106,409	109,601	112,889
Service Contracts	26,225	27,012	27,823	28,657	29,517	30,402	31,315	32,254
Supplies	62,941	64,829	66,774	68,777	70,841	72,966	75,155	77,410
Taxes	-	-	-	-	-	-	-	-
Telephone Expense	26,225	27,012	27,823	28,657	29,517	30,402	31,315	32,254
Trash Removal	3,868	3,984	4,104	4,227	4,354	4,484	4,619	4,757
Travel/Training	13,113	13,506	13,911	14,329	14,758	15,201	15,657	16,127
Uniforms	2,623	2,701	2,782	2,866	2,952	3,040	3,131	3,225
Utilities (w/6% growth Yr 6 on)	311,617	330,314	350,133	371,141	393,410	417,014	442,035	468,557
Capital Cost Allowance	38,100	25,500	191,000	35,870	47,246	48,663	50,123	51,627
Base Mgt Fee (w/ 3% growth)	184,481	190,016	195,716	201,587	207,635	213,864	220,280	226,888
Misc Expense	-	-	-	-	-	-	-	-
Contingent Reserve	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000
TOTAL OTHER OPERATING EXP	1,971,134	2,025,153	2,259,832	2,186,551	2,262,562	2,341,521	2,423,557	2,508,805
TOTAL EXPENSES	2,454,267	2,522,780	2,772,388	2,714,484	2,806,332	2,901,605	3,000,443	3,102,998
NET INCOME	1,769,523	1,869,961	1,796,063	2,036,706	2,134,905	2,237,282	2,343,999	2,455,222
SCE License & Lease	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)
Annual Bonus Fee	-	-	-	-	-	-	-	-
Net Net Income	1,729,523	1,829,961	1,756,063	1,996,706	2,094,905	2,197,282	2,303,999	2,415,222
Bond Debt Service	1,856,622	1,854,644	1,855,851	1,855,039	1,852,410	1,852,969	1,856,411	1,852,417
Remaining After Debt Svc	(127,099)	(24,683)	(99,788)	141,667	242,495	344,313	447,588	562,805
Cumulative Cash Flow	(3,207,387)	(3,232,070)	(3,331,857)	(3,190,191)	(2,947,696)	(2,603,383)	(2,155,796)	(1,592,991)

	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23
	4%	4%	4%	4%	4%	4%	4%	4%
ON ICE REVENUES								
General Adm	434,011	451,371	469,426	488,203	507,731	528,040	549,162	571,128
Skate Rental	138,859	144,413	150,190	156,197	162,445	168,943	175,701	182,729
Skate School	843,313	877,045	912,127	948,612	986,557	1,026,019	1,067,060	1,109,742
Youth Hockey	918,992	955,752	993,982	1,033,742	1,075,091	1,118,095	1,162,819	1,209,331
Adult Hockey	1,179,776	1,226,967	1,276,046	1,327,088	1,380,171	1,435,378	1,492,793	1,552,505
Group Sales	161,489	167,948	174,666	181,653	188,919	196,476	204,335	212,508
Contract Ice	878,628	913,773	950,324	988,337	1,027,870	1,068,985	1,111,745	1,156,215
Stick Time	62,964	65,482	68,102	70,826	73,659	76,605	79,669	82,856
Pick Up Hockey	55,420	57,637	59,943	62,340	64,834	67,427	70,124	72,929
Free Style	170,110	176,914	183,991	191,350	199,004	206,964	215,243	223,853
Classes/Clinics	53,881	56,036	58,278	60,609	63,033	65,554	68,177	70,904
Camps	129,776	134,967	140,366	145,980	151,820	157,892	164,208	170,776
Birthday Parties	141,630	147,295	153,187	159,314	165,687	172,314	179,207	186,375
Lockers/Skate Repair								
	5,168,848	5,375,602	5,590,626	5,814,251	6,046,821	6,288,694	6,540,241	6,801,851
NET OFF-ICE REVENUES								
Retail Sales - Net	131,605	136,869	142,344	148,038	153,959	160,117	166,522	173,183
Food/Beverage income	74,817	77,810	80,923	84,159	87,526	91,027	94,668	98,455
Vending Machine Income	41,351	43,005	44,726	46,515	48,375	50,310	52,323	54,415
Game Area Income	105,299	109,511	113,891	118,447	123,185	128,112	133,236	138,566
Advertising	258,628	268,973	279,732	290,922	302,559	314,661	327,247	340,337
	611,701	636,169	661,615	688,080	715,603	744,227	773,996	804,956
TOTAL REVENUE	5,780,548	6,011,770	6,252,241	6,502,331	6,762,424	7,032,921	7,314,238	7,606,807
	3%	3%	3%	3%	3%	3%	3%	3%
COST OF SERVICES EXPENSE								
COS - Sport Shop								
COS Admiss & Packages	25,756	26,529	27,325	28,145	28,989	29,859	30,755	31,677
COS Skate School	113,742	117,155	120,669	124,289	128,018	131,859	135,814	139,889
COS Adult Coaches/Officials	173,530	178,736	184,098	189,621	195,310	201,169	207,204	213,420
COS Adult Hockey Supplies	692	713	734	756	779	802	826	851
COS Youth Coaches/Officials	201,556	207,602	213,830	220,245	226,853	233,658	240,668	247,888
COS Youth Hockey Supplies	18,272	18,820	19,385	19,966	20,565	21,182	21,818	22,472
COS Camps/Clinics	3,737	3,850	3,965	4,084	4,207	4,333	4,463	4,597
COS Birthday Parties	57,307	59,027	60,797	62,621	64,500	66,435	68,428	70,481
COS Event Sales	17,425	17,947	18,486	19,040	19,612	20,200	20,806	21,430
Subtotal	612,018	630,379	649,290	668,769	688,832	709,497	730,782	752,705
Net Revenue After COS	5,168,530	5,381,392	5,602,951	5,833,562	6,073,592	6,323,424	6,583,456	6,854,102
OTHER OPERATING EXPENSE								
Payroll - Salary	906,298	933,487	961,492	990,336	1,020,046	1,050,648	1,082,167	1,114,632
Payroll - Bonus	21,456	22,099	22,762	23,445	24,148	24,873	25,619	26,388
Payroll - Commission	37,914	39,052	40,223	41,430	42,673	43,953	45,271	46,630
Payroll - Taxes	69,716	71,807	73,961	76,180	78,465	80,819	83,244	85,741
Employee Benefits	48,836	50,301	51,810	53,364	54,965	56,614	58,312	60,062
Advertising	99,665	102,655	105,734	108,906	112,174	115,539	119,005	122,575
Promotions	4,014	4,135	4,259	4,387	4,518	4,654	4,793	4,937
Fees - Credit Card & Bank	51,124	52,658	54,237	55,864	57,540	59,267	61,045	62,876
Fees - Payroll Service	16,611	17,109	17,622	18,151	18,696	19,256	19,834	20,429
Insurance	156,142	160,826	165,651	170,620	175,739	181,011	186,441	192,034
Office Expense	63,121	65,015	66,965	68,974	71,043	73,175	75,370	77,631
Postage Expense	11,074	11,406	11,748	12,101	12,464	12,838	13,223	13,619
Professional Fees	16,611	17,109	17,622	18,151	18,696	19,256	19,834	20,429
Repairs & Maintenance	116,276	119,764	123,357	127,058	130,869	134,795	138,839	143,004
Service Contracts	33,222	34,218	35,245	36,302	37,391	38,513	39,668	40,858
Supplies	79,732	82,124	84,588	87,125	89,739	92,431	95,204	98,060
Taxes	-	-	-	-	-	-	-	-
Telephone Expense	33,222	34,218	35,245	36,302	37,391	38,513	39,668	40,858
Trash Removal	4,900	5,047	5,199	5,355	5,515	5,681	5,851	6,027
Travel/Training	16,611	17,109	17,622	18,151	18,696	19,256	19,834	20,429
Uniforms	3,322	3,422	3,524	3,630	3,739	3,851	3,967	4,086
Utilities (w/6% growth Yr 6 on)	496,671	526,471	558,059	591,543	627,035	664,658	704,537	746,809
Capital Cost Allowance	53,176	54,771	56,414	58,107	59,850	61,645	63,495	65,400
Base Mgt Fee (w/ 3% growth)	233,695	240,706	247,927	255,365	263,026	270,917	279,044	287,416
Misc Expense	-	-	-	-	-	-	-	-
Contingent Reserve	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000
TOTAL OTHER OPERATING EXP	2,597,406	2,689,508	2,785,268	2,884,848	2,988,419	3,096,163	3,208,268	3,324,932
TOTAL EXPENSES	3,209,424	3,319,887	3,434,558	3,553,616	3,677,251	3,805,660	3,939,049	4,077,637
NET INCOME	2,571,124	2,691,883	2,817,683	2,948,714	3,085,173	3,227,261	3,375,188	3,529,170
SCE License & Lease	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)
Annual Bonus Fee								
Net Net Income	2,531,124	2,651,883	2,777,683	2,908,714	3,045,173	3,187,261	3,335,188	3,489,170
Bond Debt Service	1,856,523	1,852,953	1,852,065	1,853,545	1,852,154	1,852,670	1,854,748	1,853,133
Remaining After Debt Svc	674,601	798,930	925,618	1,055,169	1,193,019	1,334,591	1,480,440	1,636,037
Cumulative Cash Flow	(918,390)	(119,460)	806,158	1,861,328	3,054,347	4,388,938	5,869,378	7,505,416

	Year 24	Year 25	Year 26	Year 27	Year 28	Year 29	Year 30	Year 31
	4%	4%	4%	4%	4%	4%	4%	
ON ICE REVENUES								
General Adm	593,973	617,732	642,442	668,139	694,865	722,660	751,566	751,566
Skate Rental	190,038	197,639	205,545	213,767	222,317	231,210	240,458	240,458
Skate School	1,154,132	1,200,297	1,248,309	1,298,242	1,350,171	1,404,178	1,460,345	1,460,345
Youth Hockey	1,257,705	1,308,013	1,360,333	1,414,747	1,471,337	1,530,190	1,591,398	1,591,398
Adult Hockey	1,614,605	1,679,189	1,746,357	1,816,211	1,888,859	1,964,414	2,042,990	2,042,990
Group Sales	221,008	229,849	239,043	248,604	258,549	268,891	279,646	279,646
Contract Ice	1,202,463	1,250,562	1,300,584	1,352,607	1,406,712	1,462,980	1,521,499	1,521,499
Stick Time	86,170	89,617	93,202	96,930	100,807	104,839	109,033	109,033
Pick Up Hockey	75,847	78,880	82,036	85,317	88,730	92,279	95,970	95,970
Free Style	232,807	242,119	251,804	261,876	272,351	283,245	294,575	294,575
Classes/Clinics	73,740	76,689	79,757	82,947	86,265	89,716	93,304	93,304
Camps	177,607	184,712	192,100	199,784	207,776	216,087	224,730	224,730
Birthday Parties	193,830	201,583	209,647	218,033	226,754	235,824	245,257	245,257
Lockers/Skate Repair								
	7,073,925	7,356,882	7,651,157	7,957,204	8,275,492	8,606,512	8,950,772	8,950,772
NET OFF-ICE REVENUES								
Retail Sales - Net	180,110	187,315	194,807	202,600	210,704	219,132	227,897	227,897
Food/Beverage income	102,393	106,489	110,748	115,178	119,785	124,577	129,560	129,560
Vending Machine Income	56,592	58,556	61,210	63,658	66,205	68,853	71,607	71,607
Game Area Income	144,108	149,873	155,868	162,102	168,587	175,330	182,343	182,343
Advertising	353,951	368,109	382,833	398,146	414,072	430,635	447,861	447,861
	837,154	870,641	905,466	941,685	979,352	1,018,526	1,059,267	1,059,267
TOTAL REVENUE	7,911,080	8,227,523	8,556,624	8,898,889	9,254,844	9,625,038	10,010,039	10,010,039
	3%	3%	3%	3%	3%	3%	3%	3%
COST OF SERVICES EXPENSE								
COS - Sport Shop								
COS Admiss & Packages	32,627	33,606	34,615	35,653	36,723	37,824	38,959	40,128
COS Skate School	144,086	148,408	152,860	157,446	162,170	167,035	172,046	177,207
COS Adult Coaches/Officials	219,823	226,418	233,210	240,207	247,413	254,835	262,480	270,355
COS Adult Hockey Supplies	877	903	930	958	987	1,016	1,047	1,078
COS Youth Coaches/Officials	255,325	262,984	270,874	279,000	287,370	295,991	304,871	314,017
COS Youth Hockey Supplies	23,146	23,841	24,556	25,293	26,051	26,833	27,638	28,467
COS Camps/Clinics	4,734	4,877	5,023	5,173	5,329	5,489	5,653	5,823
COS Birthday Parties	72,595	74,773	77,016	79,327	81,706	84,158	86,682	89,283
COS Event Sales	22,073	22,735	23,417	24,120	24,844	25,589	26,356	27,147
Subtotal	775,286	798,545	822,501	847,176	872,592	898,769	925,733	953,504
	-	-	-	-	-	-	-	-
Net Revenue After COS	7,135,793	7,428,978	7,734,122	8,051,712	8,382,253	8,726,269	9,084,307	9,056,535
OTHER OPERATING EXPENSE								
Payroll - Salary	1,148,071	1,182,513	1,217,989	1,254,528	1,292,164	1,330,929	1,370,857	1,411,983
Payroll - Bonus	27,179	27,995	28,835	29,700	30,591	31,508	32,454	33,427
Payroll - Commission	48,029	49,469	50,953	52,482	54,057	55,678	57,349	59,069
Payroll - Taxes	88,314	90,963	93,692	96,503	99,398	102,380	105,451	108,615
Employee Benefits	61,864	63,720	65,631	67,600	69,628	71,717	73,868	76,085
Advertising	126,252	130,040	133,941	137,959	142,098	146,361	150,752	155,275
Promotions	5,085	5,238	5,395	5,557	5,723	5,895	6,072	6,254
Fees - Credit Card & Bank	64,762	66,705	68,706	70,767	72,890	75,077	77,330	79,649
Fees - Payroll Service	21,042	21,673	22,324	22,993	23,683	24,394	25,125	25,879
Insurance	197,795	203,729	209,841	216,136	222,621	229,299	236,178	243,263
Office Expense	79,960	82,359	84,829	87,374	89,996	92,695	95,476	98,341
Postage Expense	14,028	14,449	14,882	15,329	15,789	16,262	16,750	17,253
Professional Fees	21,042	21,673	22,324	22,993	23,683	24,394	25,125	25,879
Repairs & Maintenance	147,295	151,713	156,265	160,953	165,781	170,755	175,877	181,154
Service Contracts	42,084	43,347	44,647	45,986	47,366	48,787	50,251	51,758
Supplies	101,002	104,032	107,153	110,368	113,679	117,089	120,602	124,220
Taxes	-	-	-	-	-	-	-	-
Telephone Expense	42,084	43,347	44,647	45,986	47,366	48,787	50,251	51,758
Trash Removal	6,207	6,394	6,585	6,783	6,986	7,196	7,412	7,634
Travel/Training	21,042	21,673	22,324	22,993	23,683	24,394	25,125	25,879
Uniforms	4,208	4,335	4,465	4,599	4,737	4,879	5,025	5,176
Utilities (w/6% growth Yr 6 on)	791,618	839,115	889,462	942,830	999,399	1,059,363	1,122,925	1,190,301
Capital Cost Allowance	67,362	69,382	71,464	73,608	75,816	78,091	80,433	82,846
Base Mgt Fee (w/ 3% growth)	296,038	304,919	314,067	323,489	333,193	343,189	353,485	364,089
Misc Expense	-	-	-	-	-	-	-	-
Contingent Reserve	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,001
TOTAL OTHER OPERATING EXP	3,446,364	3,572,783	3,704,420	3,841,517	3,984,327	4,133,119	4,288,173	4,449,787
TOTAL EXPENSES	4,221,650	4,371,328	4,526,922	4,688,693	4,856,919	5,031,888	5,213,906	5,403,292
NET INCOME	3,689,429	3,856,194	4,029,702	4,210,195	4,397,925	4,593,150	4,796,134	4,606,748
SCE License & Lease	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)
Annual Bonus Fee	-	-	-	-	-	-	-	-
Net Net Income	3,649,429	3,816,194	3,989,702	4,170,195	4,357,925	4,553,150	4,756,134	4,566,748
Bond Debt Service	1,852,548	1,853,168	1,854,783	1,852,199	1,855,272	1,853,525	1,851,942	1,855,214
Remaining After Debt Svc	1,796,881	1,963,026	2,134,919	2,317,996	2,502,653	2,699,625	2,904,192	2,711,534
Cumulative Cash Flow	9,302,297	11,265,323	13,400,242	15,718,239	18,220,892	20,920,517	23,824,708	26,536,242

	Year 32
ON ICE REVENUES	
General Adm	751,566
Skate Rental	240,458
Skate School	1,460,345
Youth Hockey	1,591,398
Adult Hockey	2,042,990
Group Sales	279,646
Contract Ice	1,521,499
Stick Time	109,033
Pick Up Hockey	95,970
Free Style	294,575
Classes/Clinics	93,304
Camps	224,730
Birthday Parties	245,257
Lockers/Skate Repair	-
	8,950,772
NET OFF-ICE REVENUES	
Retail Sales - Net	227,897
Food/Beverage income	129,560
Vending Machine Income	71,607
Game Area Income	182,343
Advertising	447,861
	1,059,267
TOTAL REVENUE	10,010,039
	3%
COST OF SERVICES EXPENSE	
COS - Sport Shop	-
COS Admiss & Packages	41,332
COS Skate School	182,523
COS Adult Coaches/Officials	278,465
COS Adult Hockey Supplies	1,111
COS Youth Coaches/Officials	323,437
COS Youth Hockey Supplies	29,321
COS Camps/Clinics	5,997
COS Birthday Parties	91,961
COS Event Sales	27,962
Subtotal	982,110
	-
Net Revenue After COS	9,027,930
OTHER OPERATING EXPENSE	
Payroll - Salary	1,454,342
Payroll - Bonus	34,430
Payroll - Commission	60,841
Payroll - Taxes	111,873
Employee Benefits	78,367
Advertising	159,933
Promotions	6,442
Fees - Credit Card & Bank	82,039
Fees - Payroll Service	26,655
Insurance	250,561
Office Expense	101,291
Postage Expense	17,770
Professional Fees	26,655
Repairs & Maintenance	186,588
Service Contracts	53,311
Supplies	127,946
Taxes	-
Telephone Expense	53,311
Trash Removal	7,863
Travel/Training	26,655
Uniforms	5,331
Utilities (w/6% growth Yr 6 on)	1,261,719
Capital Cost Allowance	85,332
Base Mgt Fee (w/ 3% growth)	375,012
Misc Expense	-
Contingent Reserve	24,002
TOTAL OTHER OPERATING EXP	4,618,271
TOTAL EXPENSES	5,600,381
NET INCOME	4,409,659
SCE License & Lease	(40,000)
Annual Bonus Fee	-
Net Net Income	4,369,659
Bond Debt Service	1,852,900
Remaining After Debt Svc	2,516,759
Cumulative Cash Flow	29,053,001

ATTACHMENT C

	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21
	3%	3%	3%	3%	3%	3%	3%
ON ICE REVENUES							
General Adm	378,884	390,250	401,958	414,016	426,437	439,230	452,407
Skate Rental	121,221	124,858	128,604	132,462	136,436	140,529	144,745
Skate School	736,197	758,283	781,032	804,463	828,597	853,455	879,058
Youth Hockey	802,264	826,332	851,122	876,656	902,956	930,044	957,946
Adult Hockey	1,029,924	1,060,821	1,092,646	1,125,425	1,159,188	1,193,964	1,229,783
Group Sales	140,977	145,206	149,562	154,049	158,671	163,431	168,334
Contract Ice	767,027	790,038	813,739	838,151	863,295	889,194	915,870
Stick Time	54,966	56,615	58,314	60,063	61,865	63,721	65,632
Pick Up Hockey	48,381	49,832	51,327	52,867	54,453	56,087	57,769
Free Style	148,503	152,958	157,547	162,273	167,141	172,155	177,320
Classes/Clinics	47,037	48,448	49,902	51,399	52,941	54,529	56,165
Camps	113,292	116,691	120,192	123,797	127,511	131,337	135,277
Birthday Parties	123,640	127,350	131,170	135,105	139,158	143,333	147,633
Lockers/Skate Repair							
	4,512,313	4,647,683	4,787,113	4,930,727	5,078,649	5,231,008	5,387,938
NET OFF-ICE REVENUES							
Retail Sales - Net	114,889	118,335	121,885	125,542	129,308	133,188	137,183
Food/Beverage income	65,314	67,274	69,292	71,371	73,512	75,717	77,989
Vending Machine Income	36,099	37,182	38,297	39,446	40,630	41,849	43,104
Game Area Income	91,924	94,682	97,522	100,448	103,461	106,565	109,762
Advertising	225,778	232,551	239,528	246,714	254,115	261,739	269,591
	534,004	550,024	566,525	583,520	601,026	619,057	637,628
TOTAL REVENUE	5,046,317	5,197,707	5,353,638	5,514,247	5,679,675	5,850,065	6,025,567
	3%	3%	3%	3%	3%	3%	3%
COST OF SERVICES EXPENSE							
COS - Sport Shop							
COS Admiss & Packages	25,006	25,756	26,529	27,325	28,145	28,989	29,859
COS Skate School	110,430	113,742	117,155	120,669	124,289	128,018	131,859
COS Adult Coaches/Officials	168,476	173,530	178,736	184,098	189,621	195,310	201,169
COS Adult Hockey Supplies	672	692	713	734	756	779	802
COS Youth Coaches/Officials	195,685	201,556	207,602	213,830	220,245	226,853	233,658
COS Youth Hockey Supplies	17,740	18,272	18,820	19,385	19,966	20,565	21,182
COS Camps/Clinics	3,629	3,737	3,850	3,965	4,084	4,207	4,333
COS Birthday Parties	55,638	57,307	59,027	60,797	62,621	64,500	66,435
COS Event Sales	16,917	17,425	17,947	18,486	19,040	19,612	20,200
Subtotal	594,192	612,018	630,379	649,290	668,769	688,832	709,497
Net Revenue After COS	4,452,125	4,585,689	4,723,259	4,864,957	5,010,906	5,161,233	5,316,070
OTHER OPERATING EXPENSE							
Payroll - Salary	879,901	906,298	933,487	961,492	990,336	1,020,046	1,050,648
Payroll - Bonus	20,831	21,456	22,099	22,762	23,445	24,148	24,873
Payroll - Commission	36,810	37,914	39,052	40,223	41,430	42,673	43,953
Payroll - Taxes	67,685	69,716	71,807	73,961	76,180	78,465	80,819
Employee Benefits	47,413	48,836	50,301	51,810	53,364	54,965	56,614
Advertising	96,762	99,665	102,655	105,734	108,906	112,174	115,539
Promotions	3,897	4,014	4,135	4,259	4,387	4,518	4,654
Fees - Credit Card & Bank	49,635	51,124	52,658	54,237	55,864	57,540	59,267
Fees - Payroll Service	16,127	16,611	17,109	17,622	18,151	18,696	19,256
Insurance	151,594	156,142	160,826	165,651	170,620	175,739	181,011
Office Expense	61,283	63,121	65,015	66,965	68,974	71,043	73,175
Postage Expense	10,751	11,074	11,406	11,748	12,101	12,464	12,838
Professional Fees	16,127	16,611	17,109	17,622	18,151	18,696	19,256
Repairs & Maintenance	112,889	116,276	119,764	123,357	127,058	130,869	134,795
Service Contracts	32,254	33,222	34,218	35,245	36,302	37,391	38,513
Supplies	77,410	79,732	82,124	84,588	87,125	89,739	92,431
Taxes	-	-	-	-	-	-	-
Telephone Expense	32,254	33,222	34,218	35,245	36,302	37,391	38,513
Trash Removal	4,757	4,900	5,047	5,199	5,355	5,515	5,681
Travel/Training	16,127	16,611	17,109	17,622	18,151	18,696	19,256
Uniforms	3,225	3,322	3,422	3,524	3,630	3,739	3,851
Utilities (w/6% growth Yr 6 on)	468,557	496,671	526,471	558,059	591,543	627,035	664,658
Capital Cost Allowance	51,627	53,176	54,771	56,414	58,107	59,850	61,645
Base Mgt Fee (w/ 3% growth)	226,888	233,695	240,706	247,927	255,365	263,026	270,917
Misc Expense	-	-	-	-	-	-	-
Contingent Reserve	24,000	24,000	24,000	24,000	24,000	24,000	24,000
TOTAL OTHER OPERATING EXP	2,508,805	2,597,406	2,689,508	2,785,268	2,884,848	2,988,419	3,096,163
TOTAL EXPENSES	3,102,998	3,209,424	3,319,887	3,434,558	3,553,616	3,677,251	3,805,660
NET INCOME	1,943,320	1,988,283	2,033,751	2,079,689	2,126,058	2,172,814	2,219,907
SCE License & Lease	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)
Annual Bonus Fee	-	-	-	-	-	-	-
Net Net Income	1,903,320	1,948,283	1,993,751	2,039,689	2,086,058	2,132,814	2,179,907
Bond Debt Service	1,852,417	1,856,523	1,852,953	1,852,065	1,853,545	1,852,154	1,852,670
Remaining After Debt Svc	50,903	91,760	140,798	187,624	232,513	280,660	327,237
Cumulative Cash Flow	(4,140,923)	(4,049,163)	(3,908,366)	(3,720,741)	(3,488,228)	(3,207,569)	(2,880,332)

	Year 22	Year 23	Year 24	Year 25	Year 26	Year 27	Year 28
	3%	3%	3%	3%	3%	3%	3%
ON ICE REVENUES							
General Adm	465,979	479,958	494,357	509,188	524,464	540,197	556,403
Skate Rental	149,087	153,559	158,166	162,911	167,799	172,833	178,018
Skate School	905,430	932,593	960,571	989,388	1,019,069	1,049,641	1,081,131
Youth Hockey	986,684	1,016,284	1,046,773	1,078,176	1,110,521	1,143,837	1,178,152
Adult Hockey	1,266,676	1,304,677	1,343,817	1,384,131	1,425,655	1,468,425	1,512,478
Group Sales	173,384	178,585	183,943	189,461	195,145	200,999	207,029
Contract Ice	943,346	971,647	1,000,796	1,030,820	1,061,745	1,093,597	1,126,405
Stick Time	67,601	69,630	71,718	73,870	76,086	78,369	80,720
Pick Up Hockey	59,503	61,288	63,126	65,020	66,971	68,980	71,049
Free Style	182,640	188,119	193,762	199,575	205,563	211,729	218,081
Classes/Clinics	57,850	59,585	61,373	63,214	65,110	67,064	69,076
Camps	139,335	143,515	147,821	152,255	156,823	161,528	166,373
Birthday Parties	152,062	156,624	161,323	166,162	171,147	176,282	181,570
Lockers/Skate Repair							
	5,549,576	5,716,064	5,887,546	6,064,172	6,246,097	6,433,480	6,626,484
NET OFF-ICE REVENUES							
Retail Sales - Net	141,299	145,538	149,904	154,401	159,033	163,804	168,718
Food/Beverage income	80,328	82,738	85,220	87,777	90,410	93,123	95,916
Vending Machine Income	44,397	45,729	47,101	48,514	49,969	51,468	53,013
Game Area Income	113,055	116,446	119,940	123,538	127,244	131,061	134,993
Advertising	277,678	286,009	294,589	303,427	312,529	321,905	331,563
	656,757	676,460	696,754	717,656	739,186	761,362	784,203
TOTAL REVENUE	6,206,334	6,392,524	6,584,299	6,781,828	6,985,283	7,194,842	7,410,687
	3%	3%	3%	3%	3%	3%	3%
COST OF SERVICES EXPENSE							
COS - Sport Shop							
COS Admiss & Packages	30,755	31,677	32,627	33,606	34,615	35,653	36,723
COS Skate School	135,814	139,889	144,086	148,408	152,860	157,446	162,170
COS Adult Coaches/Officials	207,204	213,420	219,823	226,418	233,210	240,207	247,413
COS Adult Hockey Supplies	826	851	877	903	930	958	987
COS Youth Coaches/Officials	240,668	247,888	255,325	262,984	270,874	279,000	287,370
COS Youth Hockey Supplies	21,818	22,472	23,146	23,841	24,556	25,293	26,051
COS Camps/Clinics	4,463	4,597	4,734	4,877	5,023	5,173	5,329
COS Birthday Parties	68,428	70,481	72,595	74,773	77,016	79,327	81,706
COS Event Sales	20,806	21,430	22,073	22,735	23,417	24,120	24,844
Subtotal	730,782	752,705	775,286	798,545	822,501	847,176	872,592
	-	-	-	-	-	-	-
Net Revenue After COS	5,475,552	5,639,819	5,809,013	5,983,283	6,162,782	6,347,665	6,538,095
OTHER OPERATING EXPENSE							
Payroll - Salary	1,082,167	1,114,632	1,148,071	1,182,513	1,217,989	1,254,528	1,292,164
Payroll - Bonus	25,619	26,388	27,179	27,995	28,835	29,700	30,591
Payroll - Commission	45,271	46,630	48,029	49,469	50,953	52,482	54,057
Payroll - Taxes	83,244	85,741	88,314	90,963	93,692	96,503	99,398
Employee Benefits	58,312	60,062	61,864	63,720	65,631	67,600	69,628
Advertising	119,005	122,575	126,252	130,040	133,941	137,959	142,098
Promotions	4,793	4,937	5,085	5,238	5,395	5,557	5,723
Fees - Credit Card & Bank	61,045	62,876	64,762	66,705	68,706	70,767	72,890
Fees - Payroll Service	19,834	20,429	21,042	21,673	22,324	22,993	23,683
Insurance	186,441	192,034	197,795	203,729	209,841	216,136	222,621
Office Expense	75,370	77,631	79,960	82,359	84,829	87,374	89,996
Postage Expense	13,223	13,619	14,028	14,449	14,882	15,329	15,789
Professional Fees	19,834	20,429	21,042	21,673	22,324	22,993	23,683
Repairs & Maintenance	138,839	143,004	147,295	151,713	156,265	160,953	165,781
Service Contracts	39,668	40,858	42,084	43,347	44,647	45,986	47,366
Supplies	95,204	98,060	101,002	104,032	107,153	110,368	113,679
Taxes	-	-	-	-	-	-	-
Telephone Expense	39,668	40,858	42,084	43,347	44,647	45,986	47,366
Trash Removal	5,851	6,027	6,207	6,394	6,585	6,783	6,986
Travel/Training	19,834	20,429	21,042	21,673	22,324	22,993	23,683
Uniforms	3,967	4,086	4,208	4,335	4,465	4,599	4,737
Utilities (w/6% growth Yr 6 on)	704,537	746,809	791,618	839,115	889,462	942,830	999,399
Capital Cost Allowance	63,495	65,400	67,362	69,382	71,464	73,608	75,816
Base Mgt Fee (w/ 3% growth)	279,044	287,416	296,038	304,919	314,067	323,489	333,193
Misc Expense	-	-	-	-	-	-	-
Contingent Reserve	24,000	24,000	24,000	24,000	24,000	24,000	24,000
TOTAL OTHER OPERATING EXP	3,208,268	3,324,932	3,446,364	3,572,783	3,704,420	3,841,517	3,984,327
TOTAL EXPENSES	3,939,049	4,077,637	4,221,650	4,371,328	4,526,922	4,688,693	4,856,919
NET INCOME	2,267,284	2,314,887	2,362,649	2,410,500	2,458,362	2,506,149	2,553,768
SCE License & Lease	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)
Annual Bonus Fee	-	-	-	-	-	-	-
Net Net Income	2,227,284	2,274,887	2,322,649	2,370,500	2,418,362	2,466,149	2,513,768
Bond Debt Service	1,854,748	1,853,133	1,852,548	1,853,168	1,854,783	1,852,199	1,855,272
Remaining After Debt Svc	372,536	421,754	470,101	517,332	563,579	613,950	658,496
Cumulative Cash Flow	(2,507,795)	(2,086,041)	(1,615,940)	(1,098,608)	(535,029)	78,920	737,417

