



## Staff Report

**Date:** 8/23/2024

**Subject:** *Evolutions Fitness & Wellness Center Update*

Our leadership team has continued to focus on enhancing operational efficiency, improve financial performance, and continue providing exceptional service to our members.

### 1. FY2025 Review and Budgeting:

- **Financial Review:** In July, we initiated a comprehensive review of Evo's financials as part of the FY2025 budgeting process. A key challenge we're facing is the lack of sufficient historical data to fully understand the correlation between our operational decisions and their impact on monthly financials. Despite this, we are focused on creating more accurate financial projections and aligning our budget with our strategic goals.
- **Revenue and Expense Management:** Recent cleanup efforts in the CSI system have led to an increase in monthly revenue. We are now focusing on reducing departmental expenses where appropriate to strengthen our financial position.

### 2. Operational Improvements:

- **Towel Theft and Supply Management:** We have recently encountered an influx of towel theft, leading to an unexpected shortage and additional unanticipated supply costs. In response, we secured a new towel vendor who offers significantly lower prices than our previous vendor. We are also in the process of implementing measures to reduce towel theft, which should help control costs moving forward.
- **Facility Cleanup and Surplus Property Disposal:** Our facility cleanup initiatives continue, including the disposal of recently approved surplus property. These efforts have improved the overall environment and functionality of the center.
- **Work Order System Implementation:** A new work order system has been implemented to streamline the workflow for our Facilities Director in managing repairs and maintenance. This system is already proving effective in enhancing our operational efficiency.

### 3. Contract and Service Review:

- **Service Contracts:** We have continued review and renegotiating of all service contracts, including a key change in the Evo Marketing Services contract. This adjustment is expected to enhance our community presence and allow us to redefine our brand kit to better reflect our mission and values.



#### 4. Staff Development and Training:

- **Ongoing Training Initiatives:** Continuing education and training for our staff remain a priority, ensuring that our team is equipped with the latest skills and knowledge to provide top-tier service to our members. This re-training is anticipated to continue throughout the transition to the MindBody software, as it will impact staff workflows in Childcare, GroupX, Front Desk and Fit Desk departments.

#### 5. Data and Technology Integration:

- **KPI Reporting:** The integration of KPI reporting is ongoing and is now actively used to inform departmental decision-making. This approach is helping us optimize our strategies and improve performance across the board.
- **MindBody Software Migration:** The data migration process to the MindBody software began on August 21, 2024, with an anticipated go-live date of November 1, 2024. This transition will enable us to fully utilize the new member outreach and marketing features, enhancing our ability to engage with current and prospective members.

#### 6. Membership Promotions and Events:

- **Labor Day Promotion:** We are offering free enrollment on Labor Day to attract new members and increase our member base.
- **Yoga Week Promotion (September 3-6):** We are hosting a Yoga Week promotion where anyone who signs a new 12-month contract will receive their first full month free. This initiative is designed to boost long-term membership.
- **Member Appreciation Promotion:** We are planning a member appreciation event to gather updated contact information from members who are willing to participate. Participants will have the opportunity to win 3 months of free membership applied to their current contract. This promotion will be vital in ensuring we can fully utilize the new features of the MindBody software, improving our member engagement efforts.

**7. Conclusion:** Our recent activities and initiatives underscore our commitment to continuous improvement and member satisfaction. While we have faced many challenges, our proactive measures are positioning Evolutions Fitness and Wellness Center for sustained growth and success.

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The information presented in this report has been gathered/produced by District staff, and reviewed by/with the following consultant(s):

- Legal Review
- Financial Review
- Other: