



## LONG TERM FINANCIAL STABILITY

### SUMMARY

Play Sharity Gallup's Board of Directors is diligently working to establish an equitable children's museum for accessibility, quality, and sustainability. Similar to other museums and nonprofits, Play Sharity is pursuing fundraising events, foundations, state, and federal grants, and private donors to ensure we reach our mission. When we secure a building, a team of experts will lay out a feasibility study and provide a budget for the entire project. This document provides estimations and projections based on reports and surveys from other emerging small children's museums. These benchmarks help us plan for the implementation of the museum.

*Source: Children's Museum of Rock County Campaign - Long Term Financial Stability*

### EARNED REVENUE

Most children's museums rely on admission revenue to sustain normal operations. However, Play Sharity Gallup has committed to free admission for McKinley County residents to diminish educational and well-being barriers for children. To provide this, Play Sharity Gallup relies on federal, state, and local funding to implement day-to-day operations.

But there is other smaller forms of income Play Sharity will receive:

- Annual optional memberships
- Gift shop
- Birthday parties
- Field trips
- Facility rentals
- Educator Trainings

From benchmark museums, annual fundraising efforts help bolster operations. Play Sharity will develop strong annual development initiatives to support the budget.

- Day of Play (Fall Initiative)
- Color Run (Spring Initiative)
- Special Events (Galas)
- Parents Night Out



# Play Sharity

GALLUP CHILDREN'S MUSEUM

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### OPERATING EXPENSES FOR GALLUP BRANCH

#### *Estimated Operational & Initial Expenditures*

	Total
<b>Expenditures</b>	
Personnel- Salaries	205,440.00
Personnel- Taxes & Fringe	41,088.00
Personnel- Background Checks	227.21
Exhibit - Reinvestment & Maintance	12,709.47
Exhibit- General Supplies	1,890.02
Exhibit- Technology	500.00
Fundraising - Color Run	3,000.00
Fundraising - Day of Play	5,000.00
Advertisement - Website	300.00
Advertisement - Dues & Subscriptions	749.00
Programs - Pop-up Musuem Supplies	200.00
Programs - Arts Crawl Supplies	200.00
Administrative - Internet / Telecommunications	100.00
Administrative - Utilities	10,000.00
Administrative - Insurance	2,500.00
Administrative - Quickbooks Accounting	1,890.00
Administrative - Banking Charges & Fees	50.00
Administrative - Taxes & Licenses	50.00
Facility Operations - MISC	2,000.00
Building- Mortgage / Rental	1,750.00
Building- Restoration Costs	10,000.00
<b>Total Annual Expenses</b>	<b>299,643.70</b>
Exhibits - Initial Exhibit Costs	135,505.57
Building - Restoration Costs	500,000.00
Building - Outdoor Playground	200,000.00
Building - Splash Pad	100,000.00
<b>Initial Expenses</b>	<b>935,505.57</b>

- Personnel salaries cover four full time employees and 8 part time employees. This allows the museum to be open Wednesday-Sunday from 8:00am - 6:00pm.

- Most of the expenses are based on Play Sharity Luna's operations but taking in consideration a different size building and serving a larger population size.

- These initial costs are all approximations and will have exact expenses when working with consulting teams.



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### MUSEUM TRENDS & APPROXIMATIONS

Size Category	Total Operating Expenses	Building Size	Annual Attendance	Staff
Small	Less than \$487,326	Less than 12,000 sq ft	Less than 50,000	<14
Medium	\$487,326-2.3 million	12,000-44,040 sq ft	50,000-148,667	14-41
Large	More than 2.3 million	More than 44,040	More than 148,667	>41

Source: Association of Children's Museums ACM Trend Report, 2018.

#### Attendance Patterns and Market Capture Rates at Selected Benchmarks

Benchmark	Metro Area	Attendance	2020 Population	Total Expenses	Salary
<b>Small Children's Museums</b>					
<a href="#">Raven Hill Discovery Center</a>	Boyne City, MI	10,000	3,760	\$154,398	\$61,274
<a href="#">Northwoods Children's Museum</a>	Eagle River, MI	27,000	1,400	\$334,177	\$230,537
<a href="#">Upper Peninsula Children's Museum</a>	Marquette, MI	40,000	20,500	\$361,165	\$232,953
<a href="#">Discovery Depot Children's Museum</a>	Galesburg, IL	40,000	31,000	\$308,390	\$118,685
<b>Medium Children's Museums</b>					
<a href="#">Children's Museum of South Dakota</a>	Brookings, SD	>100,000	22,000	\$1,400,00	\$697,111
<a href="#">Kidscommons: Columbus' Community Children's Museum</a>	Columbus, IN	44,000	82,294	\$458,747	51% to salary
<b>Large Children's Museums</b>					
<a href="#">Explora Science Center &amp; Children's Museum</a>	Albuquerque, NM	200,000	562,599	\$3,568,364	\$1,195,061

Source: Quincy Children's Museum Strategic Plan 2021-2023



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### MUSEUM TRENDS & APPROXIMATIONS

*Closest Children's Museums to Gallup, NM*

Museum	Area	Attendance	City Population
Twirl Taos	Taos, NM	7,000 kids	6,595
Play Sharity Deming	Deming, NM	10,000	14,835
E3 Children's Museum and Science Center	Farmington, NM	N/A	46,422
Santa Fe Children's Museum	Santa Fe, NM	54,457	88,193
Explora Science Center and Children's Museum	Albuquerque, NM	200,000	562,599
Play Sharity Gallup	Gallup, NM	N/A	21,495

### STABILIZED ATTENDANCE POTENTIAL

Based on Museum Trends following similar sized children's museums, Play Sharity Gallup projects attendance to be 30,000-40,000 attendees in the first year of opening. The museum is in Gallup, NM which has a population of 21,495 people but Gallup is a metropolitan area for many who live in McKinley County. In McKinley County, there are 71,780. The projected attendance 42%-55% market capture rate. Considering that 29% of the population in McKinley County is children, the market capture considers factors like multiple visits, free admission, and adult visitors as well. Based on the "Attendance Patterns and Market Capture Rates at Selected Benchmarks" graph, this market capture is a median average for children's museums. The Octavia Fellin Children and Youth Library had a door count of 41,000 in 2023. The attendance projection mirrors the Kidcommon Musuem in Indiana where reports showed 19% of admissions were visitors from out of state. Considering Play Sharity Gallup's location off of I-40 and route 66, the percentage of out-of-town visitors may mirror similar numbers.



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### GENERATED REVENUE TO SUBSIDIZE

Play Sharity Gallup strives to provide a free museum experience to McKinley County residence. This section displays the projected revenue we would expect if we charged attendance fees. We provide these projections for foundations or other funding streams to consider for subsidized purposes. The museum relies on entities to share in the vision that educational resources are for all children and are contributors to the mission. This graph allows us specific trajectories on what the value of subsidization is depending on the projected attendance at the museum.

	Low Attendance	Mid Attendance	High Attendance
Attendance	30,000 a year	40,000 a year	50,000 a year
Generated Revenue	\$90,000	\$120,000	\$150,000
% of Operational Costs	30%	40%	50%