

Appendix 16
Sample Business Plan

Introduction and Instructions

You need to present a solid understanding of the business application process, the specific site requirements and submit a business plan that reflects your financial ability to fully operate the sites being offered in the prospectus.

Because the decision-making process to select a permittee requires considerable review of the application and business plan, the required information should follow the format of this business plan. All applicants must submit the information requested within this business plan. This information must be provided in the format of this business plan so all applications reviewed by the Forest Service will contain consistent information in both content and format.

For assistance in developing your business plan, the Forest Service has provided all available cost and revenue information relevant to this prospectus. This information may also include sources of campground revenue and expenses from historical experience at the sites.

Applicants must furnish a detailed description of their experience relating to operating and maintaining developed recreation sites. The description must include similar types of experience in private business, public service, or any nonprofit or other related enterprises. Applicants are encouraged to contact their local Small Business Development Center (SBDC) if they need assistance in completing their business plans.

SBDC Review of Business Plans

Business plans that are submitted in response to a prospectus may be independently reviewed by a SBDC. SBDC representatives do not review any business plans that they helped the applicant develop.

Cost Recovery.

Review of the submitted business plan as a part of the total application in response to this prospectus is subject to cost recovery. **Additional specific directions and estimated costs are displayed in the prospectus.** The successful applicant may be subject to additional cost recovery fees.

Getting SBDC Assistance with your Business Plan:

The Association of Small Business Development Centers (ASBDC), with over 600 local offices, serves both the private and public sector with small business expertise. The Forest Service National Memorandum of Understanding with the ASBDC provides a strong resource to assist you in developing your business plan.

The Small Business Development Center (SBDC) near you is committed to assisting you in developing strong and sustainable business plan processes. Call your nearest SBDC office, and seek their assistance in preparing your submission. You'll find a directory of local Small Business Development Centers at this website WWW.ASBDC-US.ORG

Campground Concession Business Plan

In Response to the Campground Prospectus for North Kaibab Ranger District Kaibab National Forest

Name of Company _____

Address _____

Company Contact _____

Phone _____

Fax _____

E-Mail _____

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1. The Application Process

Applications and all supporting documents, including the business plan, must be received by 4:30 p.m. on June 25, 2010. Your completed business plan should be returned with your application to:

Send (1) copy to:

Timothy Short
District Ranger, North Kaibab Ranger District
P. O. Box 248, Fredonia, AZ 86022

Send 5) copies to:

Kevin Larkin
Recreation and Lands Staff Officer
North Kaibab Ranger District
P. O. Box 248, Fredonia, AZ 86022

A checklist is used by the Forest Service upon initial receipt of your business plan to verify that all required items are included. A copy of this checklist is included in Section 4.C. of this document. Please be sure to review that checklist prior to submitting your application. An incomplete business plan may result in a lower score.

A. Company Information

The following information is required from the applicant:

- Bank or Investor Letters of Intent to Finance Project
- Copies of face page of all current Forest Service Concession permits
- Business Applicant or Entity Balance Sheet (past three years)
- Income Statement (past three years)
- Company Tax Returns (past two years)
- Current Credit Report from Major Credit Bureau
- Performance Evaluations for past 2 years from all other Forest Service campground concession permits

2. The Business Plan

This section describes the specific nature and purpose of the company, background in the industry and those opportunities the permittee see for additional products and/or services.

A. Business Information

This discussion of your business should include the following information:

- A brief description of the scope and size of your current business (as to the number of current concession permits).
- Provide any current state, federal, local or special certifications or licenses

- Provide names and contact information for key operational staff (organizational structure):
- List the current type of:
 - Legal Structure
 - Tax ID #
 - State Business License #
- State Sales Tax Identification Number (as applicable)
- Appropriate information on shareholders (additional information may be requested)
 - Name
 - Address
 - % Ownership of each member

B. State Business Requirements

Does the operation require a state registration number? YES ___ NO ___ (If “Yes,” include a copy of your registration document.)

C. Experience with Forest Service Concession Permits

1. Prior Forest Service Permits:

This information needs to be provided for each Forest permit previously held during the last five years.

- Permit Administrator Name
- Permit Administrator Address
- Permit Administrator Phone

2. Current Campground Concession Permits

List all current campground concession operations currently permitted:

- Permit Name
- Forest
- Number of campgrounds
- Number of years
- Number of employees

Provide a copy of the face page for each currently held permit plus copies of the last two years year-end evaluations for each permit.

D. The Market and Customers

1. Provide your assessment of the competitors for this permit, to include:

- Company Name
- Location
- # Sites
- Pricing

- Amenities

2. Services Currently Available or Proposed

Describe all services typically available at the site now, plus describe any new or proposed products and services you plan to offer at this site (*see* 4.A. “Additional revenue-producing sales, services or fees”). How will those changes (additional revenue generators) be incorporated in your marketing plan?

E. The Marketing Plan

In the marketing plan, describe any promotional plans for this site that you may anticipate developing for this prospectus. Information you need to provide will include:

- How will you advertise the products and services available at this site.
- How will the required pass be advertised, sold and marketed?
- What media will be used, frequency and estimated cost?
- Does the marketing plan create brand awareness and convey to the client that the operator has experience, expertise and commitment to a quality experience?
- How will on-site changes enhance your business?

If you are not anticipating any promotions plans, state so.

3. The Financial Plan

A. Capital Equipment List

Capital equipment is those assets which have useful lives of more than one year, such as machines, equipment, vehicles, livestock, tack, gear, and computers.

Describe the equipment, the quantity, whether the equipment is new or used (N/U), the expected useful life, and the cost. This includes equipment purchased from an existing business. The capital equipment list should be summarized by “type” as well as “cost”.

The Capital Equipment List format (supplied in Appendix A) is standardized to facilitate analysis and comparison of all the applicants. The content may have to be modified to fit your particular operation, but **do not** change the basic format.

B. Start-Up Expenses

Start-up expenses are the various initial expenses it will take to open the campgrounds for business. Some of these may be only one-time expenditures while others can occur annually.

The start-up expenses format (Appendix B) is standardized to facilitate analysis and comparison of all the applicants. The content may have to be modified to fit your particular operation, but **do not** change the basic format.

C. Balance Sheet

The balance sheet format (supplied in Appendix C) is standardized to facilitate analysis and comparison of all the applicants. The content may have to be modified to fit your particular operation, but **do not** change the basic format. Balance sheets are required for the past three years.

D. Income Statement Projections

The income statement projections format (supplied in Appendix D) is standardized to facilitate analysis and comparison of all the applicants. The content of the Income Statement may have to be modified to fit your particular operation, but **do not** change the basic format.

This prospectus provides a specific list of the additionally approved revenue sources for this permit. In response to the prospectus, you must request and address these additional activities if you want to provide them during any portion of the term of the permit. For additional information, contact the Authorized Officer listed in the prospectus. Note: All approved revenues and anticipated expenses from the prospectus should be included in your Income Statement. For example, if the prospectus allows income from beverage sales, your income statement should show both the income sources and the costs related, such as cost of sales, labor, etc.

Campgrounds having additional anticipating revenues from the sale of food, beverages and other sundry items should provide a more detailed explanation of anticipated sales, cost of goods sold, and gross revenue.

A pro-forma (estimated) Income Statement Projection is required for the first full year on a monthly basis.

Revenues

1. List revenue from all sources approved in the Prospectus.
2. List revenue for additional revenue sources approved in the Prospectus.
3. Reviews the historical revenue's generated in the Prospectus. Show income detail by revenue source.
4. A monthly projection from each revenue source, with annual total, is required. Seasonality of revenue should be reflected.

Expenses

1. List expenses related to revenue sources approved in this prospectus.
2. List expenses incurred due to additional revenue sources approved in the Prospectus.
3. Include all expenses historically realized in sites offered by this Prospectus.
4. Do not list capital expenditures as expenses - these expenses should be noted on your balance sheet or capital asset equipment list.

4. Supporting Documents

A. Additional Revenue-Producing Sales, Services or Fees.

Listed below are potential sources of other revenue sources that could be anticipated for the campgrounds in this prospectus. You must respond by indicating which, if any, of these opportunities you would be interested in providing. The revenues should also be estimated and reflected in the appropriate spreadsheets.

- sale of firewood

- sale of camping supplies
- sale of state hunting licenses
- sale of propane
- sale of miscellaneous food items (ice, soda, bottle water, etc.)
- sale of photographic supplies
- sale of interagency passports
- sale of informational and interpretive materials (ie, books)
- sale of miscellaneous clothing sales
- sale of miscellaneous souvenirs
- fee for concession provided fax services
- fee for concession provided telephone services
- rental of bikes
- advertising on the back of local and/or campground maps
- guided interpretive tours
- recycling services

B. Campground Cost Items Appropriate to this Prospectus

Listed below are possible expenditures for the campgrounds in this prospectus.

- electricity
- sewer
- water testing
- trash removal/contracting
- propane
- telephone/radios
- Granger-Thye offset fees
- prospectus bid expenses
- landlord maintenance
- postage/delivery
- office supplies,
- state business fees/licenses
- employee recruiting
- travel

C. Concession Prospectus Checklist

This checklist is used by the Forest Service upon initial receipt of your application to verify that all required items are included. Please be sure to complete this checklist prior to submitting your application. An incomplete business plan may result in a lower score.

- optional bid sites and services

If a corporation, the following is supplied:

- Yes No --- Evidence of incorporation and good standing
- Yes No --- Name and address of each affiliate of the corporation
- Yes No --- Affiliate share and ownership information

Required information from the applicant:

- Yes No --- Applicant's Name/Name of Company _____
- Yes No --- Address _____
- Yes No --- Company Contact _____
- Yes No --- Phone _____
- Yes No --- Fax _____
- Yes No --- E-mail _____
- Yes No --- Bank or Investor Letters of Intent to Finance Project
- Yes No --- Copies of all Pertinent Existing permits
- Yes No --- Capital Equipment List
- Yes No --- Start-up Expense Costs
- Yes No --- Balance Sheets (past three years)
- Yes No --- Monthly Income Statement Projection for the coming year.
- Yes No --- Tax Returns (past three years)
- Yes No --- Current Credit Report from Major Credit Bureau
- Yes No --- Certifications, licenses and permits required of other agencies
- Yes No --- Performance Evaluations for past 2 years from other concessionaire permits

Appendix B – Start Up Expenses

START-UP EXPENSE COSTS:

| | |
|---|-----------------|
| Annual Granger-Thye fee (annual payment in advance) | _____ |
| Total cost of capital equipment | _____ |
| Beginning inventory of operating supplies | _____ |
| Legal fees | |
| Account fees | |
| Other professional fees | _____ |
| Licenses and permits | _____ |
| Deposits (public utilities, etc.) | _____ |
| Advertising | _____ |
| Insurance | _____ |
| Bonds | _____ |
| Other Expenses | _____ |
| TOTAL START-UP EXPENSES | \$ _____ |

Appendix C – Balance Sheets

Balance sheets are required for the past three years.

Year ()

Assets:

| | |
|-------------------------------|-----------------|
| Cash | \$ _____ |
| A/R | \$ _____ |
| Inventory | \$ _____ |
| Subtotal | \$ _____ |
| | |
| Fixed Assets | \$ _____ |
| Less Accumulated Depreciation | \$ - _____ |
| Other Assets | \$ _____ |
| Intangible Assets | \$ _____ |
| Total Current Assets: | \$ _____ |

Liabilities:

| | |
|------------------------------------|-----------------|
| Accounts payable | \$ _____ |
| Payroll tax payable | \$ _____ |
| Line of Credit | \$ _____ |
| Credits Cards | \$ _____ |
| Total Current Liabilities | \$ _____ |
| | |
| Owner loan to company | \$ _____ |
| SBA Loan to company | \$ _____ |
| Bank loan to company | \$ _____ |
| Total Long Term Liabilities | \$ _____ |
| | |
| Paid in Capital by Owner | \$ _____ |
| Retained earnings | \$ _____ |
| YTD Income (balancer) | \$ _____ |
| Total Liabilities: | \$ _____ |

Appendix D – Income Statement Projections
Pro-Forma Site Specific Income Statement Projections monthly for year 1

Sales and Revenue Sources

1. List revenues from all sources approved and noted in the Prospectus. Whenever possible, note prices charged for services at this site.
2. List revenues for additional revenue sources requested in your Response to Application for this site.
3. Following review of historical revenue's generated at the site (see application for details), plot anticipated monthly revenues. Show income detail by revenue source.
4. Monthly projections from each revenue source, with annual total, are required. Seasonality, in applicable revenue, should be considered.

Expenses

1. List expenses related to revenue sources approved in this site.
2. List expenses incurred due to adding additional revenue sources requested for this site.
3. Include expenses historically realized on this site (found in Prospectus)
4. List all expenses related to the Forest Service.
5. Do not list capital expenditures as expenses - these should be noted on your balance sheet or capital asset equipment list.

Campground Prospectus – Income Statement Projections

| Revenues | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Total |
|------------------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-------|
| Campground fees | | | | | | | | | | | | | |
| Day use fees | | | | | | | | | | | | | |
| Reservation fees | | | | | | | | | | | | | |
| Firewood | | | | | | | | | | | | | |
| Dump station fees | | | | | | | | | | | | | |
| Shower fees | | | | | | | | | | | | | |
| Camping supplies | | | | | | | | | | | | | |
| Fishing supplies | | | | | | | | | | | | | |
| Fishing licenses | | | | | | | | | | | | | |
| Hunting licenses | | | | | | | | | | | | | |
| Propane | | | | | | | | | | | | | |
| Misc. food items | | | | | | | | | | | | | |
| Interagency passports | | | | | | | | | | | | | |
| Interpretive materials | | | | | | | | | | | | | |
| Misc. clothing | | | | | | | | | | | | | |
| Misc. souvenirs | | | | | | | | | | | | | |
| Dump station fees | | | | | | | | | | | | | |
| Fax services | | | | | | | | | | | | | |
| Telephone services | | | | | | | | | | | | | |
| Personal water craft rentals | | | | | | | | | | | | | |
| Fishing equipment rentals | | | | | | | | | | | | | |
| Bike rentals | | | | | | | | | | | | | |
| Canoe/boat rentals | | | | | | | | | | | | | |
| Fishing clinics | | | | | | | | | | | | | |
| Advertising on maps | | | | | | | | | | | | | |
| Guided interpretive tours | | | | | | | | | | | | | |
| Recycling services | | | | | | | | | | | | | |
| Other | | | | | | | | | | | | | |
| Total Revenues | | | | | | | | | | | | | |

Campground Prospectus – Income Statement Projections

| Expenses | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Total |
|------------------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|--------------|
| Forest Service fees | | | | | | | | | | | | | |
| Utility-water | | | | | | | | | | | | | |
| Utility-electrical | | | | | | | | | | | | | |
| Utility-gas | | | | | | | | | | | | | |
| Utility-sewer | | | | | | | | | | | | | |
| Utility-trash | | | | | | | | | | | | | |
| Labor | | | | | | | | | | | | | |
| Employee benefits | | | | | | | | | | | | | |
| Insurance | | | | | | | | | | | | | |
| Legal/accounting | | | | | | | | | | | | | |
| Repairs | | | | | | | | | | | | | |
| Water testing | | | | | | | | | | | | | |
| Propane | | | | | | | | | | | | | |
| Telephones/radios | | | | | | | | | | | | | |
| Supplies | | | | | | | | | | | | | |
| State business licenses/fees | | | | | | | | | | | | | |
| Employee recruiting | | | | | | | | | | | | | |
| Other | | | | | | | | | | | | | |
| Total Expenses | | | | | | | | | | | | | |