



DEPARTMENT OF THE ARMY
 Headquarters, U.S. Army Garrison Fort Monmouth
 Fort Monmouth, New Jersey 07703-5101



REPLY TO
 ATTENTION OF

SELFM-MWR

1 October 2002

MEMORANDUM FOR Record

SUBJECT: Policy for Local Fees

1. The first step in establishing local fees is break even analysis. This is when expenses equal income. To calculate the breakeven point you must:

- a. Identify all the costs
- b. Categorize the costs.
 - Total all fixed costs
 - Total all variable costs
- c. Calculate the CMR (Contribution Margin Ratio)
 (CMR = Income – Variable Costs)
- d. Calculate the breakeven point.

$$\text{BREAKEVEN POINT} = \text{Fixed Costs} / \text{CMR}$$

Example: Breakeven Point = Fixed Costs/CMR

$$\$130.00 / .25 = \$520.00 \text{ (Breakeven Point)}$$

2. The second step in establishing local fees comes from Army Regulation 215-1, 7-5 d. which states, “When patrons are charged a fee in a category C MWR activity, including annual dues established for military clubs, prices will ordinarily be established within 25 percent of the average prevailing off-base cost for similar goods or services.”

The following are local surveys completed for the 2003 year.

	Single	Family
Fort Monmouth Physical Fitness Center	\$20	\$25
Bally Total Fitness	\$35	\$70
YMCA	\$30	\$50
WOW	\$75	\$100
Curves	\$50	\$75

	per hour
Fort Monmouth Community Center	\$75
VFW Eatontown	\$100
Ocean Port Fire House	\$175
Howell First Aid	\$125

	per day
Gear To Go Ski Rental	\$15
Brave New World	\$34.95
Princeton Ski Shop	\$37

	per day	Weekend
Gear To Go Canoes	\$15	\$30
Bel Haven Canoe Rentals	\$25	\$50
Mohawk Kayak & Canoe Rental	\$21	\$40
Pine Barrrens' Canoe Kayak Rental	\$18	\$35

	per day	Weekend
Gear To Go Kayaks	\$22	\$44
Island Surf and Sail	\$34	\$65
Fly Hatch	\$30	\$60
Jersey Paddler	\$30	\$55

	16'x16'	20'x40'
Gear To Go Party Canopy	\$85.00	\$140
Party Fair	\$100	\$180
Acme Party Rentals	\$99	\$169
Ocean Tents and Party Rental	\$125	\$200

	2 section	3 section	4 section
Gear To Go Grill	\$50	\$60	\$70
Freehold Rental	\$65	\$70	\$75
American Rentals	\$70	\$80	\$90
Party Towne	\$55	\$65	\$75

	weekend rates	
	5 person	6 person
Gear To Go Pop-Up Campers	\$70	\$80
Cruise America Motorhome Rental	\$100	\$125
Sunbird RV Sales & Rentals	\$85	\$95
Moturis Inc	\$99	\$119

3. Surveys will be completed at the beginning of each fiscal year to ensure compliance with the above referenced regulation.

4. Any proposed price changes for any facility must be approved by the Garrison Commander to become effective.

GLENN PERLAKOWSKI
 Director, Morale, Welfare
 and Recreation