Memorandum

Date: November 3, 2025

To: Ron Smith, Director Parks and Recreation

From: Susie Hergenrader, Assistant Director - Recreation

Subject: Plano Aerobats Gymnastics Program

Background
The Plano Aerobats Gymnastics Program was established in 1976. During the 1990s and early 2000s, the program experienced significant success, averaging 600–700 participants annually. At that time, limited private gymnastics options in the region supported strong enrollment and consistent profitability. Aerobats became well known for providing a high-quality and affordable gymnastics experience within a supportive and community-oriented environment.

Current Environment
The gymnastics industry has changed substantially over the past several decades. In the 1990s, most Texas Amateur Athletic Federation (TAAF) gymnastics programs were municipally operated. Today, only one city-sponsored program remains, as private gymnastics clubs now dominate the market and are better positioned to attract both participants and qualified coaches.

Currently, at least 17 private gymnastics clubs operate in Plano and the surrounding communities of Allen, Frisco, McKinney, Murphy, and Richardson, offering athletes several location options.

These market conditions have increasingly affected the Aerobats Program. Declining enrollment and challenges in retaining and recruiting coaches have resulted in reduced revenue. While small annual deficits were previously offset by other programs within the Recreation Revolving Fund, recent losses have grown unsustainable.

To mitigate financial impact, staff consolidated operations to a single location at Oak Point Recreation Center and eliminated one full-time position through attrition. Despite these measures, by the start of the fourth quarter of FY 2024–25, the program faced a projected loss of $98,000. This deficit exceeded the Fund's ability to absorb it.

As a program operating within the Recreation Revolving Fund, a fund responsible for full cost recovery, staff determined that continuing the Aerobats Program at this level of loss would compromise the department's fiduciary responsibility. During the fourth quarter, staff evaluated multiple options to sustain the program, including increasing fees, reducing expenses, and restructuring operations. However, these measures were not supported by coaching staff and were not projected to achieve long-term financial stability.

Decision to Sunset the Program
Given the continued decline in participation and revenue, and with the competitive season scheduled to begin January 1, staff communicated the decision to conclude the program effective October 31.

Following feedback from participants and City Council regarding the decision to sunset the program, staff were directed to continue operating the Aerobats Program at Oak Point Recreation Center through May 2026.

The community response to this extension has been positive and appreciative. However, staff estimate a net loss of approximately $78,000 through May 30, 2026.

Given the significant number of private gymnastics clubs in Plano and surrounding communities, and the City's obligation to maintain full cost recovery within the Recreation Revolving Fund, staff recommends sunsetting the Aerobats Gymnastics Program effective May 31, 2026, and exploring alternative uses for the space at the recreation center.