

MEDS 49  
Rev August 1973

MARINE ECONOMICS DATA - 150-SLIP CONNECTICUT MARINA<sup>a/</sup>

Description \$338,000 investment, 150 wood/styrofoam fingers; electric, water, and ice service; fuel dock and automobile parking. <sup>b/</sup>

	<u>Number<sup>c/</sup></u>	<u>Rate</u>	<u>Occupancy &amp; sales</u>		
			<u>Low</u>	<u>Medium</u>	<u>High</u>
Rentals.....	150 slips	\$15/foot	80%	90%	100%
Fuel sales.....	---	\$0.40/gal.	40,000 gals.	45,000 gals.	50,000 gals.
<u>(1) Gross returns.....</u>			\$64,600	\$72,675	\$80,750

Variable costs<sup>d/</sup>

	<u>Season total with:</u>		
	<u>Low occup. &amp; sales</u>	<u>Med. occup. &amp; sales</u>	<u>High occup. &amp; sales</u>
Fuel.....	\$12,000	\$13,500	\$15,000
Hired labor.....	12,600	13,300	14,000
Dock and slip repair.....	3,500	3,500	3,500
Utilities.....	2,070	2,185	2,300
Parking lot maintenance.....	1,100	1,100	1,100
Ice.....	900	950	1,000
Advertising.....	400	400	400
<u>(2) Total variable costs.....</u>	\$32,570	\$34,935	\$37,300

Fixed costs<sup>e/</sup>

Property tax.....	\$ 5,660	\$ 5,660	\$ 5,660
Office.....	4,500	4,500	4,500
Depreciation.....	4,150	4,150	4,150
Dredging.....	4,000	4,000	4,000
Insurance.....	2,700	2,700	2,700
Accounting and legal.....	100	100	100
Miscellaneous.....	300	300	300
<u>(3) Total fixed costs.....</u>	\$21,410	\$21,410	\$21,410

<u>Opportunity costs</u> <sup>f/</sup>	<u>Low occup. &amp; sales</u>	<u>Med. occup. &amp; sales</u>	<u>High occup. &amp; sales</u>
(4) Operator's labor.....	\$ 2,400	\$ 2,400	\$ 2,400
(5) Operator's management.....	5,601	6,300	7,000
(6) Total investment.....	30,420	30,420	30,420

Summary

Return to labor, management, and investment (1 less 2 and 3).....	\$10,620	\$16,330	\$22,040
Return to labor and management (1 less 2, 3, and 6).....	-19,800	-14,090	-8,380
Return to investment (1 less 2, 3, 4, and 5).....	2,619	7,630	12,640

<sup>a/</sup> Original data developed by selected New Haven, Connecticut, Marina Operators, January 1972, in cooperation with the University of Rhode Island and Oregon State University. The data is representative of an above-average marina.

<sup>b/</sup> Although the marina may be part of a boat sales, storage, and service business, only the costs and returns attributable to the marina are included.

<sup>c/</sup> Average rental length of slips is 27 feet.

<sup>d/</sup> Costs that vary with rentals and sales. May include otherwise unpaid family labor.

<sup>e/</sup> Costs that do not vary with rentals and sales.

<sup>f/</sup> Opportunity cost of labor is the estimated value of this operator's time, or what could have been earned working for someone else. Opportunity cost of management is the estimated value of this operator's management (decision-making and risk), or what could have been earned managing another similar business. Opportunity cost of investment is the estimated fair return to total investment in the business, regardless of the actual amount of debt.