



FINANCIAL MANAGEMENT

Off-Highway Vehicle Modeling



TASK

Financial modeling is utilized in a wide range of asset management services and is an important component of decision-making.

APPROACH

CHM-GS staff focus on understanding their clients decision criteria in developing their financial modeling tools.

KEY RESULTS

CHM-GS staff provided the federal agency with a flexible decision making tool which can assist them in evaluating the opportunities and costs associated with OHV trail systems.

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For several years, a state-based unit of a large federal land management agency had been asked to construct a network of off-highway-vehicle (OHV) trails on federal land. The agency was concerned about the related costs and financial sustainability of additional OHV trails. The project team desired a financial model which would assist the agency in making management decisions regarding the financial impact of OHV trails.

The engagement included facilitating a two-day meeting with local agency members, OHV trail development experts, and representatives of the user group requesting construction of the new trail. We collected development costs and detailed operating revenue and expense information for existing OHV trails. Expense information collected included operation and maintenance costs of the trail, as well as expenses associated with volunteer, grant, and other administrative tasks. Using this information, we developed a financial model that can test the financial impact of additional OHV trails.

- Identified key expense categories for operation of OHV areas
- Developed clarity in leverage models available for OHV programs through use of volunteer labor
- Developed method to estimate both cyclic and component repair and maintenance estimates for OHV trail programs
- Supported the agency in facilitating discussions with internal and external stakeholders in the development of the financial model components.

CHM Government Services partners with public agencies in the U.S. who are responsible for visitor-based facilities and services to develop and implement sustainable strategies to operate, maintain and improve these hospitality and recreation assets and programs. We achieve this result by applying our private sector experience, skills, tools and networks and our understanding of policy and funding frameworks.