

C.V. Starr Community Center



Sigrid & Harry Spath Aquatic Facility



# MIDYEAR BUDGET REPORT FY2020-2021

**C.V. STARR COMMUNITY CENTER**

[www.mendocoastrec.org](http://www.mendocoastrec.org)

300 S Lincoln Street, Fort Bragg, CA 95437

The C. V. Starr Community Center (CVSCC) FY2020-2021 Midyear Budget Report is prepared for the Fort Bragg City Council and Mendocino Coast Recreation & Park District (MCRPD) Board in accordance with the operating agreement between the two associated entities.

The Center is operating in accordance with the approved FY2020-2021 budget. The proposed FY2020-2021 midyear budget has been developed to provide the most realistic forecast possible, given the information available to staff at the time.



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# OVERVIEW

## July 2020 – December 2020

The first six months of FY2020-2021 were not as active as they would be in a “typical” year sans the pandemic, however, with the very limited staff, the CVSCC and MCRPD were able to put on and participate in a few events and accomplish some projects.

- Additional staff was brought back in October.
- In October, CVSCC and MCRPD, in collaboration with the City of Fort Bragg and Fort Bragg Unified School District, put on the first Drive-Thru Trick or Treat in Fort Bragg. There were many participants who came to collect candy at various locations on the route.
- In December, CVSCC and MCRPD staff participated in the annual lighted truck parade as well as hosted visits with Santa throughout the month. Participants were able to bring their letters to Santa and those who left a return address received one back from the North Pole.
- Utilities have remained far below the budgeted amounts which have increased savings for first half of the fiscal year.
- The LED Lighting project work has been completed and on-bill financing will be commencing soon.

## January 2021 – June 2021

Anticipating the facility to remain closed through June 2021, CVSCC/MCRPD staff have been planning on what the next six months will look like. The following are objectives that staff have completed or would like to complete by the end of the fiscal year.

- In December, during a storm, one section of the skylight in the middle of the roof had failed and pieces were breaking off creating a hole in the roof. After being unable to find a contractor to fix the section, maintenance staff rented a 130ft boom lift and removed the broken section and replaced it with sheet metal. The entire span of skylights will need to be replaced in the next few years along with work along the entire roof.
- The waterslide stairs need to undergo rust removal and painting.
- The interior of the Starr Center has various painting sections that need to be completed.
- The exterior of the building requires caulking on the siding.
- The front desk area needs to have safety measures installed, such as plexiglass for a barrier between staff and the public.
- Locker room shower heads need to be removed and cleaned, as well as a general deep cleaning of all rooms.
- The Air Handling Unit (AHU) drains need to be cleaned.
- The dog park and skate park fence need to be repaired.
- The parking lot light poles need to undergo rust removal and painting.
- The maintenance shed needs to be organized and re-designed.

# BUDGET SUMMARY

Description	FY18/19 Audited Results	FY19/20 Audited Results	FY20/21 Adopted Budget	FY20/21 Actuals as of 12/31/2020	% Variance at Mid-year	FY20/21 Projection	Variance FY20/21 Adopted Budget vs. FY20/21 Midyear Projection
Operating Revenue							favorable (unfavorable)
General Admission	\$ 571,718	\$ 391,013	\$ 270,738	\$ (426)	0%	\$ (1,000)	\$ (271,738)
Rentals	50,241	34,966	19,231	-	0%	-	(19,231)
Registration	74,977	33,443	24,574	-	0%	-	(24,574)
Merchandise	7,726	4,057	2,874	-	0%	-	(2,874)
Miscellaneous	6,745	2,239	1,769	214	0%	428	(1,341)
Total Operating Revenue	711,407	465,718	319,186	(212)	0%	(572)	(319,758)
Operating Expense							
Wages and Benefits	995,222	858,921	576,693	97,159	17%	288,227	288,466
Utilities	274,452	183,177	196,379	25,583	13%	77,942	118,437
Outreach	32,643	12,218	13,800	-	0%	12,800	1,000
Maintenance	145,095	89,219	62,424	16,381	26%	67,585	(5,161)
Operations	191,503	232,543	141,502	57,324	41%	152,040	(10,538)
Other Expenses	29,265	24,856	14,500	5,000	34%	18,107	(3,607)
Total Operating Expense	1,668,180	1,400,933	1,005,298	201,447	20%	616,702	388,596
Total Expenses	1,668,180	1,400,933	1,005,298	201,447	20%	616,702	388,596
Net Revenue (Expense)	(956,773)	(935,215)	(686,112)	(201,659)		(617,274)	(68,838)
Enterprise Fund Allocation for Operations	956,773	935,215	686,112	201,659		617,274	68,838
Net Operating Income	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -
Capital Improvements							
Prior Year Capital Improvements	12,786	91,234	-	-		-	-
Leisure Pool Boiler	-	-	-	-	0%	20,000	(20,000)
Mens Bathroom Floor	-	-	8,000	-	0%	-	8,000
HVAC Programmer	-	-	8,500	-	0%	15,327	(6,827)
IT System Update	-	-	-	-	0%	15,282	(15,282)
Pool Vacuum	-	-	-	-	0%	5,400	(5,400)
Total Facility Improvements	12,786	91,234	16,500	-	-	56,009	(39,509)
Enterprise Fund Allocation for Facility Improvements	(12,786)	(91,234)	(16,500)	-	0%	(56,009)	39,509
Floor Drains Project	-	-	-	-	0%	-	-
Pool Basin Resurfacing	-	247,490	-	-	0%	-	-
Wattstopper	16,735	-	-	-	0%	69,673	(69,673)
Facility Floor Resurfacing	-	-	-	-	0%	400,000	(400,000)
Enterprise Capital Projects - City Managed	(16,735)	(247,490)	-	-	0%	(469,673)	469,673
Total Capital Improvements	29,521	338,724	16,500	-	0%	525,682	(509,182)

## Enterprise Fund Summary - From City CAFR/Budget

Enterprise Fund	FY18/19 Audited Results	FY19/20 Audited Results	FY20/21 Adopted Budget	FY20/21 Projection	Variance
Beginning Unrestricted Net Position	\$ 874,690	\$ 702,390	\$ 306,884	\$ 306,884	\$ -
Operating Revenue	711,205	465,718	319,185	(572)	(319,757)
Sales Tax Revenue	878,737	944,770	519,000	904,100	385,100
Property Tax Revenue	249,499	236,185	242,000	242,000	-
Non-Operating Revenue	18,024	15,227	10,000	10,000	-
Operating Expense	(1,993,643)	(1,718,682)	(1,005,298)	(616,702)	388,596
Non-Operating Expense	(6,601)	-	-	-	-
Capital Assets Net of Debt payments	(29,521)	(338,724)	(16,500)	(525,682)	(509,182)
Unrestricted Net Position	\$ 702,390	\$ 306,884	\$ 375,271	\$ 320,029	\$ (55,243)
Operating Reserve	\$ 411,140	\$ 498,411	\$ 429,671	\$ 429,671	\$ -
Capital Repair & Equip Reserve	291,251	(191,526)	(54,399)	(109,642)	(55,243)
Unrestricted Net Position	\$ 702,390	\$ 306,884	\$ 375,271	\$ 320,029	\$ (55,243)

# OPERATING REVENUES

## General Admissions

General admission revenue consists of user fees collected through drop-in visits, the sale of memberships and other admissions. Due to the facility closure, only refunds have been issued to patrons requesting them.

## Rentals

Rental revenue is collected for private rentals of facilities, such as birthday party room rentals or pool rentals by swim teams. There is no rental revenue projected for the remainder of the fiscal year.

## Registrations

Registration revenue is collected for registered activities, such as enrichment programs or swimming lessons. There are no registrations projected for the remainder of the fiscal year.

## Merchandise

Merchandise revenue is collected for the sale of retail items or extra staff uniforms. There are no merchandise sales projected for the remainder of the fiscal year.

## Miscellaneous

Miscellaneous revenue includes items such as vending machine commission, COBRA administrative fees and other revenue that does not fall into any of the previous categories.



# OPERATING EXPENSES

## Wages and Benefits

Wages and benefits account for the monetary compensation paid to employees, healthcare benefits, workers compensation insurance, state unemployment insurance, state employment training tax, federal insurance contribution act tax (FICA), and federal Medicare tax. The proposed FY2020-2021 wages and benefits are \$288,227.

Staff is proposing the recruitment of two full time positions as well bringing a current part time staff to full time. The proposed Mid-Year staffing increases from the current 6.50 FTE's to 9.00 FTE's. The two full time additional positions are a Maintenance Worker and a Recreation Coordinator. The Maintenance Worker will be assisting with a list of tasks that are deemed necessary to complete before reopening and are not obtainable with current staffing levels. The Recreation Coordinator will be assisting the Recreation Supervisor with new policies and planning for the reopening of the Center as well as assist in any recreation programming that can be offered during the closure.

<b>MCRPD &amp; CVSCC</b>	<b>CVSCC FTE</b>	<b>MCRPD FTE</b>	<b>TOTAL FTE</b>
<b>Finance Officer</b>	<b>0.50</b>	<b>0.50</b>	<b>1.00</b>
<b>Business Manager/Co-Director</b>	<b>0.50</b>	<b>0.50</b>	<b>1.00</b>
<b>Administrative Services Supervisor/Co-Director</b>	<b>0.50</b>	<b>0.50</b>	<b>1.00</b>
<b>Administrative Coordinator</b>	<b>0.50</b>	<b>0.50</b>	<b>1.00</b>
<b>Recreation Supervisor</b>	<b>0.50</b>	<b>0.50</b>	<b>1.00</b>
<b>Recreation Coordinator</b>	<b>0.70</b>	<b>0.30</b>	<b>1.00</b>
<b>Maintenance Supervisor</b>	<b>0.80</b>	<b>0.20</b>	<b>1.00</b>
<b>Maintenance Worker</b>	<b>1.60</b>	<b>0.40</b>	<b>2.00</b>
<b>Total</b>	<b>5.60</b>	<b>3.40</b>	<b>9.00</b>

## Utilities

Utilities include propane, electricity, water, and sewer service. The proposed FY2020-2021 budget amount for utility expense is expected to be \$77,942, which is decreased from the prior year due to the facility closure. During the facility closure, higher than anticipated savings have come from low utility costs. Utilities are split between MCRPD and CVSCC.

Utilities have been much lower than originally anticipated with the facility being closed.

### Utilities:

Electricity .....0.75% MCRPD and 99.25% CVSCC  
 Propane.....0.75% MCRPD and 99.25% CVSCC  
 Water .....100% CVSCC

## Outreach

Outreach expenditures are for the marketing of the Center, such as advertisements in local publications brochure production, and community sponsorships. The proposed outreach expense for FY2020-2021 is \$12,800. Once the facility begins its reopening a big marketing push will occur.

## Maintenance

Maintenance includes pool chemicals, repair parts, grounds keeping, tools, equipment and other maintenance related supplies and services. The proposed maintenance expense for FY2020-2021 is \$67,585. There are many modifications that need to be made to the facility prior to reopening as a result of COVID-19 prevention and safety measures. New disinfecting tools and equipment are necessary for hosting a safe environment for patrons and staff alike.

## Operations

Operations account for attorney services, engineering services, bank fees, communications, janitorial supplies, insurance, laundry service, office supplies, permits, postage/shipping, program supplies, recruitment, training, and uniforms. Operation expenses for FY2020-2021 are budgeted at \$152,040. The decrease is due removing any travel, training, honorarium, and programming supplies that were deemed not critical for operations.

Dues, memberships and subscriptions .....50% MCRPD; 50% CVSCC  
 Information technology (IT) equipment.....50% MCRPD; 50% CVSCC  
 Information technology (IT) services.....50% MCRPD; 50% CVSCC

## Other Expenses

Other expenses include interest payments, property tax administration, LAFCO, (Local Agency Formation Commission), and COFB administration fee in the amount of \$10,000. For FY2020-2021, the projected amount is \$18,107.

LAFCO expenses .....55% MCRPD and 45% CVSCC





# CAPITAL IMPROVEMENTS

The Center currently requires \$525,682 in capital improvements that will ideally be completed prior to the facility reopening. \$56,009 will be managed by the District and \$469,673 will be managed by the City of Fort Bragg.

## **Leisure Pool Boiler**

The Leisure Pool Boiler needs to be replaced this year. The existing boiler melted a burner tube. After speaking with several technicians, the issue seems to stem from environmental factors; chlorine and salt air are the worst conditions for any type of propane combustion chamber. The anticipated cost of a replacement boiler is \$20,000.

## **HVAC Programmer**

The HVAC Programmer has been found to be nearing the end of its serviceable life. The HVAC programmer controls the heating, ventilation, temperature, and pressure of the building. The cost of replacement for the programmer is expected to be \$15,327.

## **IT System Update**

Provided for the purchase and installation of a new VM Host & UPS to replace the existing ESXi Host (server) for the CV Starr Center's computer system. The replacement schedule for this system has been recommended by KLH, the District's contracted IT Service provider. The replacement server is projected to cost \$15,282 for the CVSCC portion and \$15,282 will be paid by MCRPD. This update will also allow for off-site working capabilities.

## **Pool Vacuum**

The Center currently does not have a functioning pool vacuum, and this is essential for reopening. The pool vacuum is a few years old and has stopped working. The pool vacuum will cost approximately \$5,400.

## **Wattstopper**

The existing wattstopper unit serves as a master lighting control for the entire facility. The current wattstopper is at the end of its dependable life expectancy. There are no longer any replacement parts available nor any IT support offered for the system in place. The projected expense for a new, up to date, wattstopper is \$69,673.

## **Facility Floor Resurfacing**

The two locker rooms and two front restrooms flooring are deteriorating and poses a safety risk to patrons upon reopening. The reason for such a fast decline in the floors is the high groundwater level underneath the facility. Recently, staff have learned that the cement under the locker room may not have been sealed and treated correctly for the high-water level. The degradation of the floors is causing chipping, leaving sharp exposed shard which is potential safety hazard for patrons and staff. The expected cost of this project is \$400,000.

# OTHER REVENUES – CV STARR ENTERPRISE FUND

## Sales Tax

The CVSCC receives from the State Board of Equalization a voter approved half-cent sales tax that is held by the City of Fort Bragg in the CV Starr Enterprise Fund, per the operating agreement between MCRPD and the City. All proceeds from the sales tax are dedicated to operation, maintenance, and capital improvements at the C. V. Starr Community Center in compliance with the Fort Bragg Municipal Code Chapter 3.11 (Ordinance No. 902, passed 03-06-2012). Sales tax revenues are estimated to end the FY2020-2021 at \$904,100 which is drastically higher than originally budgeted.

## Property Tax

Pursuant to the Property Tax Exchange Agreement between the MCRPD and the City of Fort Bragg, property taxes received from the Mendocino County Tax Collector with 45% of the Districts allocable share being entitled to the City to be used solely for parks and recreation purposes with the City (including CVSCC). The property tax revenue is expected to come in at \$242,000 for FY2020-2021.

## Reserves

Given the proposed FY2020-2021 operating budget, capital improvements and estimated tax revenue, the CVSCC Enterprise Fund is projected to end the year with an unrestricted net balance of \$320,029. The Funds are separated as follows; Operating Reserve, is 25% of the prior year projected operating expenditures, and the Capital Reserve which absorbs any excess amount above what goes into the Operating Reserve.

## Capital Improvement Program

The following facility capital improvements have been identified for the next five years for projects that exceed \$50,000.

CV STARR COMMUNITY CENTER CAPITAL IMPROVEMENT PROGRAM	FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25	TOTAL PROJECT COSTS
WATT STOPPER	69,673.00					69,673.00
LOCKER ROOM AND RESTROOM FLOORING	400,000.00					400,000.00
UV SYSTEM - COMP AND LEISURE		160,600.00				160,600.00
HVAC AIR INTAKE PROJECT			160,000.00			160,000.00
FACILITY ROOF REPAIR				375,000.00		375,000.00
WATER SLIDE STAIRCASE					150,000.00	150,000.00
<b>TOTAL</b>	<b>469,673.00</b>	<b>160,600.00</b>	<b>160,000.00</b>	<b>375,000.00</b>	<b>150,000.00</b>	<b>1,315,273.00</b>