

FY 2017-2018 Budget Report

Overview

The Mendocino Coast Recreation and Park District FY 2017/2018 Budget Report is prepared for the Mendocino Coast Recreation & Park District Board of Directors in accordance with the District’s bylaws.

To deliver a more rounded picture of district activities, services and events, changes have been made to the format of the budget summary sheet.

In the past, the district budget sheets and income statements have been divided up among regions: north, central and south. However, since MCRPD staff has been making great strides to serve all regions of the district, it is suggested that instead of focusing on each area independently, a better approach would be to focus our energy and reporting methods based on the types of services that are offered, rather than where they are offered.

Due to the budget format being changed, and revisions to MCRPD’s role in the Kudos and Assets program, the budget summary sheet may look puzzling. It is important to keep in mind that the Available Net Assets line is the most useful for comparing the proposed budget to previous fiscal years. It provides the information necessary to understand the Districts financial position. In the coming years forward, the line item comparison will become clearer between fiscal years. This proposed budget, however, is in the transition phase.

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Summary of Revenue and Expenditures

Description	FY 15/16 Actuals	FY 16/17 Adopted	FY 16/17 Projected	Proposed Description	FY 17/18 Proposed
Operating Revenue				Operating Revenue	
Kudos and Assets	\$ 439,097	\$ 459,998	\$ 459,998	Enrichment	37,940
Program: Fort Bragg	107,091	92,550	92,300	Youth Sports	8,425
Program: Mendocino	1,810	1,300	-	Special Events	20,600
Program: North	5,005	4,880	4,089	Adult Sports	34,100
Program: South	8,705	6,000	5,000	Drop In	14,100
Miscellaneous	13,211	26,340	26,340	Miscellaneous	23,050
Total Operating Revenue	574,919	591,068	587,727	Total Operating Revenue	138,215
Other Revenue				Other Revenue	
Property Tax	268,280	265,145	265,145	Kudos and Assets	352,600
				Cal Recycle Grant	41,525
				Property Tax	266,190
Total Other Revenue	268,280	265,145	265,145	Total Other Revenue	660,315
Total Revenues	843,199	856,213	852,872	Total Revenues	798,530
Operating Expense				Operating Expense	
Wages and Benefits	555,565	654,449	657,307	Wages and Benefits	265,974
Administrative	13,877	97,471	100,756	Programs	9,705
Kudos and Assets	11,100	12,395	12,395	Sports	10,620
Operations Fort Bragg	116,357	50,120	42,808	Marketing	8,120
Operaiaon Mendocino	16,250	6,100	5,450	Operations	69,821
Operations North	7,040	5,675	2,634	Events	7,807
Operations South	14,214	3,000	3,760	Other Expenses	7,730
Other Expenses	8,354	4,491	4,400		
Total Operating Expense	742,757	833,701	829,510	Total Operating Expense	379,777
Other Expenses				Other Expenses	
Classification/Comp. Plan	10,000	2,020	2,343	Kudos and Assets	352,600
Website Design	-	-	800	Area Funding Grant	1,500
Loan Principal Payments	20,000	25,000	20,000	Cal Recycle Grant	41,525
				Website Design	3,075
Total Other Expenses	30,000	27,020	23,143	Loan Principal Payments	20,000
Total Expenses	772,757	860,721	852,653	Total Expenses	798,477
Net Revenue/(Expense)	70,442	(4,508)	219	Net Revenue/(Expense)	53
Beginning Avail. Net Assets	105,021	175,463	170,955	Beginning Avail. Net Assets	171,174
Net Revenue/(Expense)	70,442	(4,508)	219	Net Revenue/(Expense)	53
Available Net Assets	175,463	170,955	171,174	Available Net Assets	171,227
Operating Reserve	39,204	45,804	45,804	Operating Reserve	94,944
Unrestricted Net Assets	136,259	125,151	125,370	Unrestricted Net Assets	76,283
Available Net Assets	175,463	170,955	171,174	Available Net Assets	171,227

Operating Revenue

Operating revenue is generated from collecting fees and sponsorships through enrichment programs, youth sports, special events, adult sports and other miscellaneous sources. Due to the restructuring of the budget sheet presentation, it is difficult to compare line items with past fiscal years. One of the major changes is within the kudos program line item. Rather than being included in the Operating Revenue, it has moved into the Other Revenue section of the budget. Staff believes this separation provides a better illustration of District budget. Operating Revenue is anticipated to be \$138,215.

Enrichment

Enrichment includes programs and classes such gymnastics classes, art classes and the Just for Kid's Day Camp offered both in the summer time and during the Fort Bragg Unified School District school breaks. This day camp offers children a supervised place to be during non-school hours. Children get the opportunity to do arts and craft, play games, swim at the C.V Starr Community Center as well as take educational field trips to different community locations. During the beginning of summer, in partnership with the Redwood Coast Recreation Center, swim lessons are offered to kids on the south coast at the Sea Ranch swimming pool. Enrichment revenue is projected to be \$37,940.

Youth Sports

Youth sports are offered throughout the year. They offer a supportive setting in which children can learn sportsmanship, teamwork and the rules of the game. Currently, the District offers both Hoopstars and the Coast Youth Basketball League. Hoopstars is now being offered on the South Coast in Point Arena, in addition to Fort Bragg. In addition to youth basketball, a Youth Golf Clinic is also offered at the Little River Golf Course the third week in June after the school year ends. Youth Sports revenue is expected to be \$8,425.

Special Events

The District hosts a variety of events throughout the year. In the summer, MCRPD hosts two softball tournaments: the Ricky Del Fiorentino Coed Softball Tournament and the Jesse Ales Men's Softball Tournament. At the end of the summer the Steam Donkey Fun Run takes place during Labor Day weekend. In the fall, the Westport Disc Golf Tournament takes place followed later in the year by the annual Silent Auction and Aquathon, which has been the districts longtime fundraiser. The funds raised at this event help fund the Second Grade Learn to Swim program. In the past year, the swim lessons have increased their range to include all schools in the District, including charter schools. Previously, the lessons had been offered exclusively to Fort Bragg and Mendocino students. Special Events revenue is projected to be \$20,600.

Adult Sports

Adult sports include men's basketball, men's softball, and coed softball. The Men's Basketball League season runs from January through March. As basketball concludes, the Coed Softball League begins in the beginning of April and running through June. During the Coed Softball League season, Men's Softball League gears up at the end of May going through the beginning of August. Adult Sports revenue is expected to be \$34,100.

Drop In

Drop in programs and classes that ensue in the northern part of the district include yoga, Tai Chi and Zumba fitness which are all offered at the Community Recreation in Westport. The central part of the District offers Adult Drop- in Basketball, Adult Drop-in Volley Ball, a newly added Drop-in Bike Kitchen, as well as the popular Family Skate Night. Drop-in revenue is expected to be \$14,100.

Miscellaneous

Miscellaneous revenues include funds collected Administrative fees from the C.V. Starr Community Center and the Kudos and Assets program. Other types of miscellaneous revenue include sponsorships for programs and events as well as fees collected for renting out skating equipment and bounce houses for parties and events. Miscellaneous revenue is expected to be \$23,050.

Other Revenue

Kudos and Assets

Kudos and ASSETS revenue consists of California Department of Education After School Education and Safety (ASES) Program grant funds and 21st Century Community Learning Centers grant funds, both of which are managed and reimbursed by the Fort Bragg Unified School District. ASES funding supports the Kudos for Kids afterschool program and the 21st Century Community Learning Centers funding supports the After-School Safety and Enrichment for Teens (ASSETS) program.

This year differs from previous years as the budgeted items are only related to the staffing of the Instructors and Aides. Previously, the Site Coordinators and program materials were included in the budget. The revenue and expense line are the same as there are no associated costs with the programs.

Cal-Recycle Grant

The State of California, Cal Recycles Grant Program provides financial assistance in the form of reimbursement grants up to \$500,000 to help public entities accelerate the pace of cleanup, restore sites. Eligible applicants for this program include public entities, including counties, cities, districts, state agencies, and Joint Powers Authorities. Eligible projects include solid waste cleanup project sites where cleanup is needed to protect public health and safety and/or the environment within the applicant's jurisdiction. The MCRPD Regional Park property located on Highway 20 is an excellent candidate for this grant program.

On July 19, 2017 at a Regular Board of Directors meeting, the MCRPD District Board of Directors unanimously approved a Cal Recycles Grant application in the amount of \$20,000 to help fund the remaining clean-up effort at the Regional Park property on Highway 20. On July 26, 2017 during a Special Meeting of the MCRPD District Board of Directors the Board unanimously approved a recommendation from the AD Hoc Regional Park Committee to consider increasing the Cal Recycle Grant application amount from \$20,000 to \$41,525. If approved, the additional grant funding would help provide the necessary funding to purchase and install a security camera system at the Regional Park property.

Property Tax

The District collects property tax to support recreation and park activities. A tax sharing agreement allocates 45% of the property tax and 100% of Redevelopment Agency Pass-Through funds to the City of Fort Bragg to support C.V. Starr Community Center and Fort Bragg recreation. The remaining 55% of collected property tax supports the District's general fund. It is expected that the District will receive \$266,190 in property tax revenue

Operating Expenses

Operating expenses are any costs associated with providing day to day district programs and services. Operating Expenses are projected to be \$379,777.

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. This year, because of the Compensation and Classification Study, positive adjustments to wages have been identified and are included in the budget to better retain qualified personnel and increase morale among employees. Wages and Benefits expenses are expected to be \$265,974.

Programs

Program expenses include a wide array of items for the enrichment and drop in programs. These types of supplies vary from mats, aerial silks, fun hoppers, roller skates, pads, arts and craft supplies, music playing systems and anything else required for program offerings. Program expenses are expected to be \$9,705.

Sports

Sports expenses include the costs in administering the youth basketball programs, men's basketball, coed and men's softball and youth golf. Items typically consist of balls, hoops, participant t-shirts and anything else needed to provide a safe environment with quality equipment during sports events. Sports expenses are expected to be \$10,620.

Marketing

Marketing expenses include the costs of the brochure design and printing, promotional supplies, banners and equipment needed at events that feature MCRPD branding. Marketing expenses are expected to be \$8,120.

Operations

Operations expenses include a large portion of the Operating Expenses. The following are items that are necessary to the District's functionality, but do not fall into specific categories relating to services offered: uniforms, office supplies, IT equipment, IT services, resources and subscriptions, bank fees, propane, electric, communications, postage and shipping, professional services, insurance, licenses and permits, dues and memberships, training, travel, recruitment and medical supplies. Operations expenses are expected to be \$69,821.

Events

Events expenses include softball tournament supplies, steam donkey supplies, disc golf tournament supplies, and the silent auction and aquathon supplies. Events expenses are expected to be \$7,807.

Miscellaneous

Miscellaneous Expenses include Property Tax Administration Fees, LAFCO, Hwy 20 Property Supplies and the election of officers, which is not a cost included in the budget this fiscal year. Miscellaneous expenses are expected to be \$7,730

Other Expenses

Kudos and Assets

Kudos and ASSETS expenditures include supplies and services that support the Kudos and ASSETS program. The Kudos for Kids afterschool program supports up to 120 children at each of the three school sites: Redwood Elementary School, Dana Gray Elementary School, and Fort Bragg Middle School. The After-School Safety and Enrichment for Teens (ASSETS) program supports approximately 150 students at the Fort Bragg High School. As mentioned above, the financial activity associated with this line item is expected to balance out at year end due to 100% reimbursement from the Fort Bragg Unified School District.

Cal-Recycle Grant

Information regarding the Cal-Recycle grant is mentioned above.

Area Funding Grant

A new grant program is being proposed this year. The goal is to offer a systematic approach to selecting and offering financial assistance to other groups or entities within the District that do not need assistance with administering programs, but require some financial assistance to execute their own. The maximum grant amount to be rewarded will be \$1,500.

Website Design

Shared cost for website merger with the C. V. Starr Community Center. This will allow for a broader reach with the potential for e-commerce functionality. The website design expense is expected to \$3,075 this fiscal year.

Loan Principle Payments

The District executed note with Ray Roeder Living Trust in 2010. The district will make a principal payment for \$20,000 and will continue to pay monthly interest payments (10% per annum).

Net Revenue/(Expense)

Due to the revamping of the District, this year the net revenue will come in at under \$100. However, with the new staff organization and improved compensation, a new grant program that will fulfill our area funding requests, a new website that will increase our reach throughout the District and new programs being planned, it is expected that these costs will pave the way to a positive and beneficial future to all District residents.

Net Assets

The Operating Reserve, which is 25% of the projected FY17/18 operating expenditures is \$94,944. The remainder, \$76,283 goes to the Unrestricted Net Assets. This year MCRPD is expected to end the year with \$171,227 in net assets which is close to the previous year projections. (Due to the reformatting of the budget summary, previous FY 16-17 projected expenditures were not used.)

Other

West America Bank

The District executed an unsecured lease with West America Bank. This capital lease is currently in default in the amount of \$2,173,130. The District filed for Chapter 9 bankruptcy to resolve this debt which has been appealed by West America Bank and has yet to be resolved. Repayment of this debt has not been included in the proposed FY 17/18 budget.