



C.V. STARR COMMUNITY CENTER

**ANNUAL BUDGET REPORT
FY2022-2023**

May 11, 2022

C.V. STARR COMMUNITY CENTER

www.mendocoastrec.org

300 S Lincoln Street, Fort Bragg, CA 95437

The C. V. Starr Community Center (CVSCC) FY2022-2023 Annual 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 FY2021-2022 budget. The proposed FY2022-2023 annual budget has been developed to provide the most realistic forecast possible, given the information available to staff at the time.



Mendocino Coast Recreation and Park District
Board of Directors and Term Expires:

Barbara Burkey, Board Chair - December 2022
Leslie Bates, Board Vice Chair - December 2022
Angela Dominguez, Board Secretary - December 2024
Bob Bushansky, Board Member - December 2022
John Huff, Board Member - December 2024

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BUDGET SUMMARY

Description	FY18/19 Audited Results	FY19/20 Audited Results	FY20/21 Actuals	FY21/22 Adopted Budget	FY22/23 Proposed Budget	High Level Projection FY23/24	High Level Projection FY24/25	High Level Projection FY25/26	High Level Projection FY26/27
Operating Revenue									
General Admission	\$ 571,718	\$ 391,013	\$ (426)	\$ 310,685	\$ 450,493	\$ 540,591	\$ 567,621	\$ 590,326	\$ 608,036
Rentals	50,241	34,966	(125)	34,787	50,441	53,972	56,670	58,937	60,705
Registration	74,977	33,443	(156)	45,514	65,995	70,615	74,146	77,112	79,425
Merchandise	7,726	4,057	-	6,130	8,889	9,511	9,987	10,386	10,698
Miscellaneous	6,745	2,239	591	2,113	3,064	3,676	3,860	4,015	4,135
Total Operating Revenue	711,407	465,718	(116)	399,229	578,882	678,366	712,284	740,775	762,999
Operating Expense									
Wages and Benefits	995,222	858,921	251,264	952,732	1,181,014	1,228,255	1,277,385	1,328,481	1,381,620
Utilities	274,452	183,177	76,967	350,044	373,100	384,293	391,979	399,818	407,815
Outreach	32,643	12,218	-	17,200	22,200	22,866	23,552	24,259	24,986
Maintenance	145,095	89,219	34,650	161,994	191,424	197,167	203,082	209,174	215,449
Operations	191,503	232,543	132,467	203,625	249,559	257,046	264,757	272,700	280,881
Other Expenses	29,265	24,856	10,000	15,350	15,811	16,285	16,774	17,277	17,795
Total Operating Expense	1,668,180	1,400,933	505,348	1,700,945	2,033,108	2,105,912	2,177,529	2,251,709	2,328,546
Total Expenses	1,668,180	1,400,933	505,348	1,700,945	2,033,108	2,105,912	2,177,529	2,251,709	2,328,546
Net Revenue (Expense)	(956,773)	(935,215)	(505,464)	(1,301,717)	(1,454,227)	(1,427,546)	(1,465,245)	(1,510,933)	(1,565,548)
Enterprise Fund Allocation for Operations	956,773	935,215	505,464	1,301,717	1,454,227	1,427,546	1,465,245	1,510,933	1,565,548
Net Operating Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Improvements									
Capital Improvements	29,521	338,724	36,009	212,875	458,200	405,800	408,000	410,000	157,840
Enterprise Capital Projects	(29,521)	(338,724)	(36,009)	(212,875)	(458,200)	(405,800)	(408,000)	(410,000)	(157,840)
Total Capital Improvements	29,521	338,724	36,009	212,875	458,200	405,800	408,000	410,000	157,840
Enterprise Fund									
Description	FY18/19 Audited Results	FY19/20 Audited Results	FY20/21 Actuals	FY21/22 Adopted Budget	FY22/23 Proposed Budget	High Level Projection FY23/24	High Level Projection FY24/25	High Level Projection FY25/26	High Level Projection FY26/27
Beginning Unrestricted Net Position	\$ 874,690	\$ 702,390	\$ 306,884	\$ 1,139,627	\$ 1,499,070	\$ 1,126,268	\$ 847,843	\$ 544,969	\$ 210,010
Operating Revenue	711,205	465,718	(116)	399,229	578,882	678,366	712,284	740,775	762,999
Sales Tax Revenue	878,737	944,770	1,099,510	1,001,874	1,257,000	1,269,570	1,282,266	1,295,088	1,308,039
Property Tax Revenue	249,499	236,185	262,787	260,000	272,625	275,351	278,105	280,886	283,695
Non-Operating Revenue	18,024	15,227	11,919	10,000	10,000	10,000	10,000	10,000	10,000
CA COVID-19 Funding Revenue	-	-	-	602,160	-	-	-	-	-
Operating Expense	(1,993,643)	(1,718,682)	(505,348)	(1,700,945)	(2,033,108)	(2,105,912)	(2,177,529)	(2,251,709)	(2,328,546)
Non-Operating Expense	(6,601)	-	-	-	-	-	-	-	-
Capital Assets Net of Debt payments	(29,521)	(338,724)	(36,009)	(212,875)	(458,200)	(405,800)	(408,000)	(410,000)	(157,840)
Unrestricted Net Position	\$ 702,390	\$ 306,884	\$ 1,139,627	\$ 1,499,070	\$ 1,126,268	\$ 847,843	\$ 544,969	\$ 210,010	\$ 88,356
Operating Reserve	\$ 411,140	\$ 498,411	\$ 429,671	\$ 126,337	\$ 425,236	\$ 508,277	\$ 526,478	\$ 544,382	\$ 562,927
Capital Repair & Equip Reserve	291,251	(191,526)	709,957	1,372,733	701,032	339,566	18,491	(334,372)	(474,571)
Unrestricted Net Position	\$ 702,390	\$ 306,884	\$ 1,139,627	\$ 1,499,070	\$ 1,126,268	\$ 847,843	\$ 544,969	\$ 210,010	\$ 88,356

OPERATING REVENUES

General Admissions

General admission revenue consists of user fees collected through drop-in visits, the sale of memberships and other admissions. With COVID-19 restrictions lifting and both pools now operating with all the features, we are seeing a steady growth in facility attendance. General admissions are expected to bring in \$450,493.

Rentals

Rental revenue is collected for private rentals of facilities, such as birthday party room rentals or pool rentals by swim teams. The Mendocino Coast Sea Dragons Swim Team, Fort Bragg High School Swim Team, Mendocino High School Swim Team, and Title Waves Swim Team all rent lanes of the Lap Pool during weekday evenings for practice. The Center is also a popular place to have a Birthday Party. Rentals are projected to be \$50,441.

Registrations

Registration revenue is collected for registered activities, such as enrichment programs or swimming lessons. The Center has found that the community is ready to come back to registered programs. The Center offers as many enrichment programs, such as swim lessons, dance classes, and art classes as staffing allows. Programs fill very quickly once registration is open. Swim lessons have been notorious for filling just minutes after registration opens. Registrations are expected to end the year at \$65,995.

Merchandise

Merchandise revenue is collected for the sale of retail items such as goggles, ear plugs, towels, and swim caps. Merchandise sales are expected to end the year at \$8,889.

Miscellaneous

Miscellaneous revenue includes items such as vending machine commissions and other revenue that does not fall into any of the previous categories. Miscellaneous revenues are expected to end the year at \$3,064.

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 projected FY2022-2023 wages and benefits are \$1,181,014.

MCRPD and CVSCC staff allocate their time following the chart below:

MCRPD & CVSCC	CVSCC FTE	MCRPD FTE	TOTAL FTE
Wage Limit			
Finance Officer	0.59	0.41	1.00
Business Manager	0.50	0.50	1.00
District Administrator	0.51	0.49	1.00
Administrative Services Supervisor	0.58	0.42	1.00
Administrative Assistant	1.20	0.30	1.50
Administrative Coordinator	0.93	0.07	1.00
Senior Administrative Assistant	0.80	0.20	1.00
Fitness Instructor	1.05	0.05	1.10
Recreation Instructor I & II	0.50	0.50	1.00
Recreation Leader	0.02	0.88	0.90
Recreation Supervisor	0.78	0.22	1.00
Head Lifeguard	2.00	0.00	2.00
Lifeguard	2.95	0.02	2.97
Recreation Coordinator	0.68	0.32	1.00
Senior Lifeguard	1.00	0.00	1.00
Recreation Score/Time Keeper	0.00	0.20	0.20
Senior Recreation Leader	0.00	0.53	0.53
Custodian	1.25	0.00	1.25
Maintenance Coordinator	0.96	0.04	1.00
Maintenance Supervisor	0.97	0.03	1.00
Maintenance Worker	1.00	0.00	1.00
Fitness Equipment Technician	0.02	0.00	0.02
Total	18.29	5.18	23.47

Utilities

Utilities include propane, electricity, water, and sewer service. The proposed FY2022-2023 budget amount for utility expense is expected to be \$373,100. The cost of utilities has in some instances doubled in price. Staff and the City are currently working on minimalizing the cost of utilities.

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 FY2022-2023 is \$22,200.

Maintenance

Maintenance includes pool chemicals, repair parts, grounds keeping, tools, equipment and other maintenance related supplies and services. Like everything else, the cost pool chemicals are increasing substantially as well as other maintenance related costs. The projected maintenance expense for FY2022-2023 is \$191,424.

Operations

Operations account for professional services, engineering services, bank fees, communications, janitorial supplies, insurance, laundry service, office supplies, permits, postage/shipping, program supplies, recruitment, training, and uniforms. Insurances costs are expected to rise 30% in the next fiscal year. In addition, to increase efficiency and streamline our timekeeping and payroll process, staff is working on outsourcing payroll. Staff is also currently in the process of working with the City of Fort Bragg to secure a local bank which will significantly reduce bank fees and offset the costs of the payroll service. Operation expenses for FY2022-2023 is \$249,599.

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 FY2022-2023, the projected amount is \$15,811.

CAPITAL IMPROVEMENTS

The Center currently requires an array of projects to be completed that is expected to cost \$458,200. Listed below are the capital improvements for the FY2022-2023 budget cycle. Following that is the Capital Improvement Schedule through FY2026-2027.

Domestic Hot Water System

The domestic hot water system consists of two domestic hot water boilers and a 500-gallon storage tank. Both boilers have reached their life expectancy and the storage tank is also showing signs of corrosion. The steel tank will be replaced with a stainless-steel tank to avoid this problem in the future. The new boilers have an internal combustion chamber that should help combat corrosive issues as well. Both these improvements should provide longevity and efficiency. The domestic boilers are expected to be \$67,500 each and the stainless-steel water tank \$5,000 for a total of \$140,000 to repair the system.

Facility Flat Roof Repair

The flat roof of the facility has been having ongoing issues with water beds. Pools of water are collecting under the membrane causing soft spots. Various patch jobs have been done but the location of the leak is unknown and not isolated to one area. The cost is estimated to be \$150,000.

Women's Locker Room Flooring

The women's locker room floor has been chipping and losing its nonskid texture. The original floors did not have a moisture barrier. The new flooring that will be installed at the end of February will have a coat of moisture sealant applied as well as a colored textured paint to prevent slips. This should hold up longer than the last floor. The cost is expected to be \$50,000.

UV System – Leisure and Competition Pool

The UV Systems are responsible for disinfecting the pool water. The UV bulbs kill any unwanted contaminants that it meets. Both the leisure and competition pool UV systems are original with the building and are much more inefficient than the modern models. The replacement parts are becoming scarce for the aging units and before it becomes impossible to find parts, the units need to be replaced. This project is expected to cost \$100,000.

VFD Replacement

There are two Variable Frequency Drives (VFD's). One on the north and one on the south of the facility. One needs to be upgraded. The cost is expected to be \$18,200.

CV STARR COMMUNITY CENTER CAPITAL IMPROVEMENTS	FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-27
FY2022-2023 PROPOSED PROJECTS	458,200.00				
AIR INTAKE PROJECT		360,000.00			
PARKING LOTS SEAL COAT		25,000.00			
FIRE PROGRAMMER BOX		20,800.00			
SKYLIGHTS			250,000.00		
SUMP PUMP			8,000.00		
WATER SLIDE STAIRCASE			150,000.00		
LEISURE POOL BOILER				80,000.00	
COMPETITION POOL BOILER				80,000.00	
SOLAR SYSTEM CONVERSION - POOL HEATER				250,000.00	
FRONT DESK MODIFICATION					150,000.00
LAUNDRY WASHER					7,840.00
TOTAL	458,200.00	405,800.00	408,000.00	410,000.00	157,840.00

OTHER REVENUES – C.V. 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 C.V. 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 FY2022-2023 at \$1,257,000.

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 District's 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 \$272,625 for FY2022-2023.

Reserves

Given the proposed FY2022-2023 operating budget, capital improvements and estimated tax revenue, the CVSCC Enterprise Fund is projected to end the year with an unrestricted net position of \$1,126,268. 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.