



**CITY OF
FORT BRAGG**

Fiscal Year **2024** Proposed Budget



CV STARR

C.V. STARR COMMUNITY CENTER

OVERVIEW

The C.V. Starr Community Center and Sigrid & Harry Spath Aquatic Facility (C.V. Starr Center) is a 43,000 square foot facility that includes an indoor water park, fitness, exercise and weight rooms and meeting rooms for community use. Its grounds include a dog park, a skateboard park, petanque courts and picnic and BBQ facilities. The City owns the facility and receives restricted sales tax and property tax revenues to help offset the costs of operation, maintenance and capital improvements at the C.V. Starr Center. These restricted sales and property tax funds are held in the C.V. Starr Enterprise Fund.

SUMMARY OF SERVICES

The City contracts with the Mendocino Coast Recreation and Parks District (MCRPD) for day-to-day operation and maintenance of the C.V. Starr Center.

GOALS AND OBJECTIVES

- Continue to coordinate with the MCRPD to ensure the efficient and effective operation of the C.V. Starr Center in accordance with the Operating Agreement between the City and the MCRPD.
- Continue to ensure that financial procedures and fiscal controls are effectively implemented to address accounting, cash handling, payroll processing, purchasing and procurement, inventory controls, record-keeping, auditing and reporting.
- Coordinate closely with the MCRPD District Administrator to ensure completion of necessary maintenance and repairs and implementation of capital improvement projects.

FY 2022/23 TOP ACCOMPLISHMENTS

- Successful offered several lifeguard training classes, which allowed the C.V Starr Center's pools to remain open at approximately 85% of pre-pandemic hours.
- Offer several fitness classes, both on land and in the water. Fitness classes create a large draw of memberships; 90% of our fitness classes have returned. We have also been able to add several youth dance classes. These classes are new to the center, with attendance near capacity at almost every single class.
- The center was finally able to hire two Spin Instructors, which has allowed live spin classes to resume. These classes are wildly popular.
- The C.V Starr Center ran its first two-day Winter Workshop enrichment class. Both days were filled with children enjoying arts, crafts and of course swimming. We hope to continue to offer more and more enrichment classes as staffing permits.
- Considering the current staffing challenges, we were able to reach our goal of opening the C.V. Starr Center 7 days a week. We were not able to do this in FY2021/2022
- Both the leisure pool and the competition pools aging boilers were replaced

- New chemical/chlorine water balancing equipment was installed.
- We are on track to have the ultraviolet disinfecting equipment installed by the end of fiscal year.

FY 2023/24 Top Priorities

- Increase the number of trained lifeguards, thus allowing the C.V. Starr Center to extend its newly added Friday hours and obtain full pre-pandemic operational hours.
- Work towards adding new memberships to achieve pre-pandemic levels.
- Continue to work with both the City of Fort Bragg and Visit Fort Bragg to increase the visibility of the center and bring awareness of what the C.V. Starr Center has to offer to a larger demographic area. Become more creative with ways to increase memberships; add promotional offerings.
- Off-set the rising cost of day-to-day operations and minimum wage increases, by taking a realistic approach in raising the center's fees.
- Negotiate a higher reimbursement rate with Silver Sneakers.
- Supersede pre-pandemic daily fee passes.
- Complete several much-needed capital improvement projects, such as replacing the facility's flat roof, replacing the facility's air handling system, and resealing the parking lot.



Budget Overview

The CV Starr Proposed Operating Budget for FY 2023/24 is \$2.1 million, an increase of 17% from the prior year. Personnel costs are budgeted to increase by 31%, mainly from adding two senior lifeguard positions at an annual cost of \$60K/each and increasing the employer contribution for health insurance from \$800 to \$1,200. Hiring and retaining lifeguards have been challenging in recent years, which affects operations. The two new positions would allow the center to extend its newly added Friday hours, obtain full pre-pandemic operational hours relying less on part-time lifeguards, which has been a challenge in hiring and retaining

Additionally, worker's compensation insurance is rising by 5%. Non-Personnel costs are also expected to increase by 6% due to utility cost increases in propane and electricity, which have doubled in price in the last few years. The Marketing Budget is proposed to increase by \$14K to help drive an increase in memberships by offering promotions and advertisement campaigns. Training and travel Budgets for Staff are also projected to increase as the center focuses on investing and developing Staff.

The City is actively seeking Grants to fund several of the needed Capital Improvement projects, which include replacing the Flat Roof and resealing the parking lot and the water slide staircase. The Proposed Budget includes \$1.3 million to fund the HVAC Air intake System, funded from the CV Starr Capital reserves. Overall, the fund's reserves are projected to be reduced from \$2.3 million to \$1.1 million by the end of the fiscal year.

A newly proposed Recession reserve is being included in the Budget of \$216K, equivalent to 10% of operating expenditures, to stabilize the delivery of services during periods of severe operational budget deficits and mitigate the effects of significant unforeseen changes in revenues and expenses as typically experienced during times of recession.

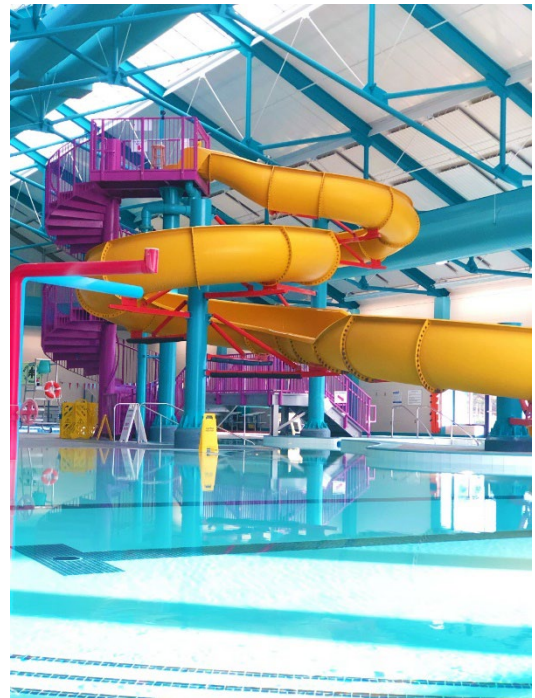
The projected Fund balance for the fund in June, 30, 2024:

Recession Reserves: \$216,071

Operating Reserves: \$974,706

Capital Reserves: -

Revenues projections are conservative with just a 1% increase overall. Charges for services are expected to increase by 3% though, with the planned marketing and promotions campaigns which will likely increase memberships. Additionally, the center will be open on Fridays going into the new fiscal year which will also increase staffing and operating costs.

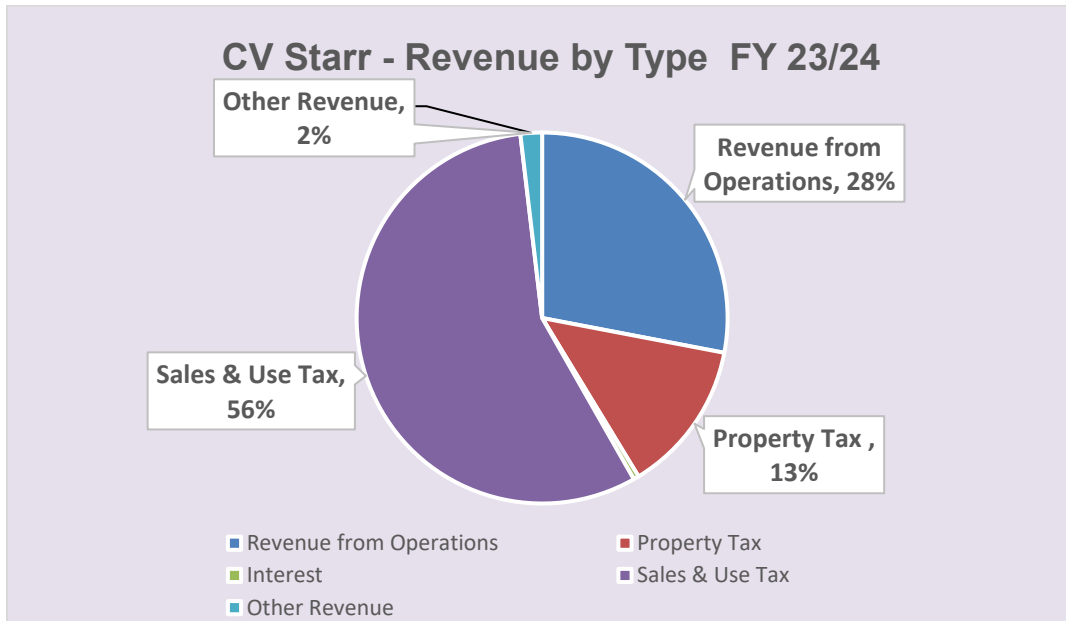


CV STARR ENTERPRISE FUND - OPERATING BUDGET

FUND 810

DEPARTMENT: 4812, 4813, 4814, 4815

Description	22/23 FYE Projected	FY 2023/24 Proposed Budget	% + /-
Expenditure			
Personnel Services	\$ 1,165,880	\$ 1,439,777	23%
Non-Personnel Services	639,696	680,938	6%
Total Departmental Expenditure	1,805,575	2,120,714	17%
Revenue			
Revenue from Operations	578,882	596,248	3%
Property Tax	280,324	283,127	1%
Interest	10,000	10,000	0%
Sales & Use Tax	1,193,693	1,199,769	1%
Other Revenue	40,000	40,000	0%
Total Departmental Revenue	2,102,899	2,129,144	1%
 Net Expenditure	 <u>297,323</u>	 <u>8,430</u>	 -97%



BUDGET EXPENDITURE DETAIL:

Fund #810 CV Starr

Departments: 4812, 4813, 4814, 4815

Object	Description	FY 2023/24		
		22/23 FYE Projected	Proposed Budget	% +/-
0100	Salaries & Wages	\$ 901,312	\$ 1,132,480	26%
0200	Emp Benefits-CV Starr	264,568	307,297	16%
	Personnel Services	1,165,880	1,439,777	23%
	Administrative Expenditures			
0319	Professional Services	17,980	-	-100%
0362	Telephone & Communications	12,000	12,000	0%
0372	Postage	600	600	0%
0373	License & Permits	11,550	5,000	-57%
0375	General Supplies	4,800	5,280	10%
0399	Admin Costs Allocation - CVSC	10,000	10,000	0%
0741	Machinery & Equipment	6,132	-	-100%
4111	IT Services	25,419	25,419	0%
4115	Insurance	24,166	30,208	25%
	Total Administrative Expenditures	151,046	128,618	-15%
	Facilities/Maintenance			
0101	Professional Services	1,000	1,000	0%
0343	Chemicals	32,896	25,000	-24%
0351	Equipment Repair & Maint	35,000	55,000	57%
0210	Travel & Training	2,000	4,000	100%
0312	General Supplies	40,864	35,000	-14%
0351	Uniforms	1,000	2,000	100%
0383	Small Tools & Equipment	1,000	2,000	100%
0319	Utilities	330,000	350,000	6%
	Total Facilities/Maintenance	443,760	474,000	7%

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BUDGET EXPENDITURE DETAIL (CONTINUED):

Fund #810 CV Starr

Departments: 4812, 4813, 4814, 4815

Object	Description	22/23 FYE Projected	FY 2023/24 Proposed Budget	% + /-
Guest Services				
0320	Dues & Membership	1,000	3,100	210%
0365	Copying and Printing	500	500	0%
0366	Travel & Training	-	3,000	100%
0375	General Supplies	500	1,800	260%
0378	Uniforms	700	700	0%
4114	Marketing and Promotions	1,000	15,000	1400%
	Total Guest Services	6,700	29,100	334%
Recreation/Program Expense				
0377	Pool Side Supplies	9,300	9,300	0%
0380	Gym Side Supplies	2,200	2,200	0%
0378	Uniforms	2,200	2,200	0%
0379	Honorarium Expenses	500	4,500	800%
	Total Recreation/Program Expense	38,190	49,220	29%
	Non-Personnel Services	639,696	680,938	6%
Capital Improvements				
0751	Capital Improvements	277,000	1,300,000	369%
	Capital Improvements Total	277,000	1,300,000	369%
	Total CV Starr Enterprise	\$ 2,082,575	\$ 3,420,714	