



THE CITY OF SAN DIEGO
REPORT TO THE CITY COUNCIL

DATE ISSUED: October 26, 2007 REPORT NO: 07-173
ATTENTION: Budget and Finance Committee
Agenda of October 31, 2007
SUBJECT: Park and Recreation Department's Aquatic Program
REFERENCE:

REQUESTED ACTION: INFORMATION ITEM ONLY. No action is required by City Council.

STAFF RECOMMENDATION: None.

SUMMARY:

During the Fiscal Year 2008 budget deliberations, the City Council requested a discussion of the City's Aquatic Program budget. The Aquatic program consists of thirteen permanent swimming pools located in Council Districts 1, 3, 4, 5, 6, 7, and 8. Aquatic programming includes open swim, swim lessons, water fitness, youth swim and water polo teams, rentals, as well as pool guard job training. As in Fiscal Year 2007, four pools will operate year round: Clairemont, Memorial, Ned Baumer and Vista Terrace. The remaining nine pools (Allied Gardens, Bud Kearns, Carmel Valley, City Heights, Colina del Sol, Kearny Mesa, Martin Luther King, Jr., Swanson, and Tierrasanta) will close approximately 3 ½ months during the year, from September through May, on a rotating basis.

Costs are budgeted in two operating divisions in the Park and Recreation Department. The following table reflects the Fiscal Year 2008 budgeted costs. Indirect costs (Division/Department wide administration and supervision, citywide support for purchasing, personnel, attorneys, etc.) are not included. Additional funding of \$240,270 was included in the Fiscal Year 2008 budget to partially offset supplemental hourly pool expenses.

Fiscal Year 2008 Park and Recreation Department Aquatic Budget

Organization/Division	Personnel Expense	Non-Personnel Expense	Total Expense	Total Revenue
Pool Operations (Community Parks II Division, Swimming Pool Operations Group)	\$2,572,951	\$377,660	\$2,950,611	\$1,190,000

Organization/Division	Personnel Expense	Non-Personnel Expense	Total Expense	Total Revenue
Pool Utilities (Community Parks II Division, Energy/Utilities Group)*	\$0	\$1,146,000	\$1,146,000	\$0
Pool Maintenance (Developed Regional Parks, Aquatic Safety, Inspection, Maintenance Group)*	\$479,788	\$518,357	\$998,145	\$0
Total	\$3,052,739	\$2,042,017	\$5,094,756	\$1,190,000

* These budgetary organizations include utility expenses from other facilities and maintenance of other water features (e.g., fountains); amount for pool expenses is estimated.

Although costs are not budgeted at the activity or site level, the Department has reviewed the Fiscal Year 2008 direct pool operating expenditures to provide estimated costs for major activities. Open swim and swim lessons account for approximately 42% and 23% of total direct operational expenses respectively. Swim teams account for approximately 25% of total direct expenses. Rentals (6%), Water Fitness (3%) and American Red Cross Courses (1%) account for the remaining major activity expenses.

The aquatic program has operated with a deficit in the last several fiscal years, primarily due to higher than budgeted hourly staffing levels. Deficits were offset with savings in other programs. The table below reflects direct operational costs for pool operations (Community Parks II Division) from Fiscal Year 2005 through Fiscal Year 2007 (unaudited). Revenue and estimated attendance information is also included.

Direct Aquatic Operations (Organization #2050)	Fiscal Year 2007	Fiscal Year 2006	Fiscal Year 2005
Budgeted Expenditures	\$2,720,612	\$2,671,705	\$2,535,287
Actual Expenditures	\$3,100,761	\$3,120,592	\$3,561,015
Expenditure Deficit	(\$380,149)	(\$448,887)	(\$1,025,728)*
Budgeted Revenues	\$1,575,000	\$1,815,548	\$1,757,505
Actual Revenues	\$1,119,269	\$1,319,452	\$1,596,275
Revenue Deficit	(\$455,731)	(\$496,096)	(\$161,230)
Estimated Attendance	293,300	333,688	473,453

* In Fiscal Year 2005 expenditures were partially offset by a \$901,294 grant from the State of California (Roberti-Z'berg-Harris Per Capita Resources Bond Act). Adjusted deficit is \$124,434.


The Department is currently estimating a deficit of approximately \$100,000 in pool salaries at year end for Fiscal Year 2008. Program reductions are not anticipated as a result of the anticipated deficit. This anticipated deficit will be offset with salary savings from vacancies in other programs. The Department will continue to monitor salary expenses closely.

FISCAL CONSIDERATIONS: N/A


PREVIOUS COUNCIL and/or COMMITTEE ACTION: None

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS: None

KEY STAKEHOLDERS AND PROJECTED IMPACTS: This is an informational report. Key stakeholders will be notified if any future action is taken.



Stacey LoMedigo
Park and Recreation Director



Jay Goldstone
Chief Operating Officer