

City of Calistoga

MEMO

TO: CPAC
FROM: Olivia Lemen, Aquatic and Recreation Manager
DATE: July 21, 2010
SUBJECT: 2010/2011 General Fund Operational Budget Impact on the Calistoga Community Pool

1 The preliminary forecast for the 2010/2011 General Fund Operational Budget was presented to the City
 2 Council in April. At that time, it was estimated that the expenditures would be higher than revenues next
 3 fiscal year and there would be a shortfall of approximately \$444,000. Staff worked on reducing that
 4 shortfall over the past several months. To successfully accommodate that shortfall each department was
 5 required to present options reduction options while keeping in mind the goals of the council which are as
 6 follows:

- 7 • Avoid staff layoffs if possible
- 8 • Develop and implement efficiencies
- 9 • Maintain basic city service levels
- 10 • Continue to encourage economic sustainability
- 11 • Evaluate revenue enhancement opportunities
- 12 • Encourage all city personnel to participate in the solution
- 13 • Welcome constructive thoughts for solving the deficit
- 14 • Fix as much of the current year shortfall in the current year as possible
- 15 • Maintain adequate reserves

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 17 After much work and several meetings with City Council, a balanced General Fund budget was presented
 18 and approved on June 29th, 2010. The following are the direct budget cutbacks specifically to the pool
 19 budget and the actions taken to date:

- 20 • Reduction of \$8850 – There was a budget contingency to cover staffing in the event that City
 21 Council requested a season extension. This occurred in the fall of 2009. The elimination of these
 22 contingency funds means that the pool will close on September 6th, 2010 and there are no funds
 23 available to extend the season this year.
- 24 • Reduction of \$4150 – This is the net gain from eliminating the snack bar from the pool. In an
 25 attempt to save the snack bar, pricing was explored but given the current facility set up, the snack
 26 bar still operates at a deficit. By reducing and re-configuring the staffing schedule there was a net
 27 savings as mentioned above. We will continue to sell items on a very limited basis which will be
 28 determined on the capacity of a single staff and the space available in the office. The revenue
 29 from these sales is not factored into the budget reduction but is expected to be minimal. Staff will
 30 explore other outside vendor options in the upcoming weeks to off-set any community needs.
 31 This change takes effect July 19th, 2010.
- 32 • Reduction of \$700 – This reduction was in the miscellaneous categories of Training, Meetings and
 33 Advertising and reduced an already lean budget. There is now only \$600 for the year in
 34 advertising and \$400 to cover any training, meetings or other in-service events.

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 36 These reductions allow us to continue to provide the basic services as well as the special events that the
 37 pool offers and forces staff to operate lean.