



September 27, 2017

To: Mayor Davies and Council Members

From: Administrator Steinbrecher

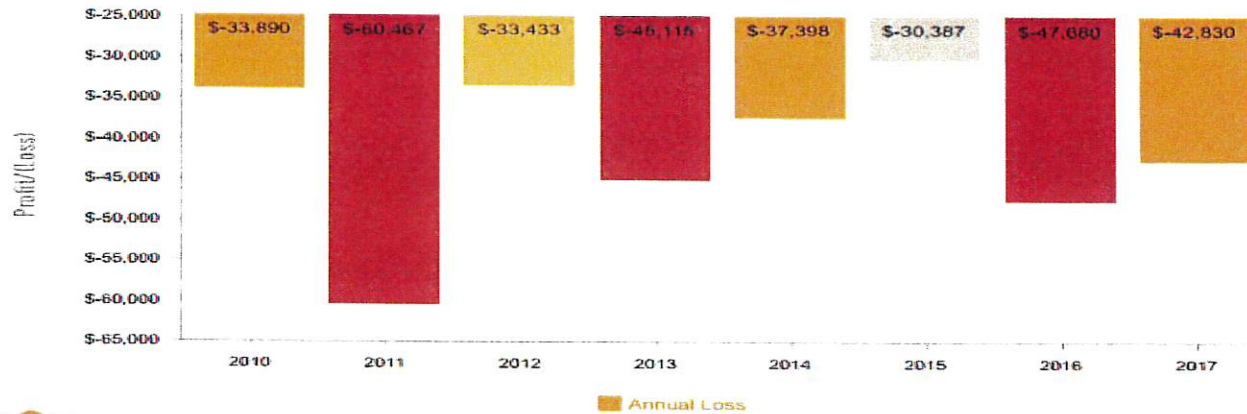
Subject: More Information on Proposed New Outdoor Pool Request

Attached please see the table illustrating the General Fund's support of the municipal swimming pool since FY2011. Over the past eight (8) years, the City has provided over \$330,000 in financial assistance to municipal pool operations to cover the gap between revenues and expenses. Most of these funds are used to support pool operations, primarily salaries and operating supplies. There are no funds presently budgeted to address repairs or upgrades for the pool itself and related pool equipment. For example, once the pool is filled before it is opened to the public, the water supply pump continues to pump almost continuously to replace the water being lost through leaks in the pool walls and floor (bottom). The General Fund budget is not in a financial position to undertake major repairs to this aged and weathered facility, much like other public infrastructure systems such as water distribution pipes and hydrants.

Rather than viewing the YMCA request as a subsidy to a local non-profit organization, please consider this situation as a unique opportunity for the City Council to support a new community outdoor swimming pool complex in a better location for residents to access and use, and an urban redevelopment of an undesirable residential property into a new community asset. It also affords the municipal treasury the favorable chance of no longer financially supporting an outdoor pool operation in 10 years, with absolutely no exposure to costly capital improvements at the municipal pool should there be a major failure at this facility. The City will surely spend much more than \$200,000 over the next ten years to keep the existing municipal pool open. The City is being offered the opportunity to get out of the cost of operating an outdoor pool, yet still supporting the availability of a new community outdoor pool complex.

City of Monmouth
Comparison of Pool Revenue and Expenses

		FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY2015-16	FY 2016-17	FY 2017-18
REVENUE									
Pool Admission	01.00.367	\$ 19,489.17	\$ 25,641.55	\$ 25,814.02	\$ 20,496.38	\$ 16,205.68	\$ 15,156.90	\$ 17,683.50	\$ 15,591.10
Pool Concession	01.00.367.1	7,923.86	9,924.98	10,704.39	7,319.12	5,336.51	6,334.02	8,115.15	7,231.06
Total Revenue		<u>\$ 27,413.03</u>	<u>\$ 35,566.53</u>	<u>\$ 36,518.41</u>	<u>\$ 27,815.50</u>	<u>\$ 21,542.19</u>	<u>\$ 21,490.92</u>	<u>\$ 25,798.65</u>	<u>\$ 22,822.16</u>
EXPENSES									
Salaries	01.60.400	\$ 32,298.45	\$ 37,794.26	\$ 36,572.52	\$ 37,206.73	\$ 30,414.50	\$ 25,938.99	\$ 37,532.68	\$ 36,812.31
Building	01.60.411	1,970.73	2,052.99	1,930.40	3,746.33	3,070.42	3,337.49	5,277.51	839.38
Food for Resale	01.60.412	3,655.01	4,032.53	5,449.63	4,354.53	3,148.89	3,991.43	5,205.83	4,593.30
Operating Supplies	01.60.440	14,718.39	14,581.32	11,476.04	12,911.06	12,602.29	13,175.83	19,384.18	19,469.04
Contingency	01.60.445	229.60	209.00	338.25	237.95	22.80	62.43	34.00	-
Equipment	01.60.455	6,528.08	33,639.77	10,808.63	10,492.50	6,515.69	1,941.20	1,053.55	250.17
Power Bill	01.00.430	1,453.11	3,263.71	2,906.67	3,502.36	2,676.19	2,930.64	4,481.15	3,168.76 to date
Insurance	01.00.448	<u>450.00</u>	<u>460.00</u>	<u>470.00</u>	<u>480.00</u>	<u>490.00</u>	<u>500.00</u>	<u>510.00</u>	<u>520.00</u>
Total Expenses		<u>\$ 61,303.37</u>	<u>\$ 96,033.58</u>	<u>\$ 69,952.14</u>	<u>\$ 72,931.46</u>	<u>\$ 58,940.78</u>	<u>\$ 51,878.01</u>	<u>\$ 73,478.90</u>	<u>\$ 65,652.96</u>
Profit/(Loss) for year		<u>\$ (33,890.34)</u>	<u>\$ (60,467.05)</u>	<u>\$ (33,433.73)</u>	<u>\$ (45,115.96)</u>	<u>\$ (37,398.59)</u>	<u>\$ (30,387.09)</u>	<u>\$ (47,680.25)</u>	<u>\$ (42,830.80)</u>
Cumulative Profit/(Loss)		\$ (33,890.34)	\$ (94,357.39)	\$ (127,791.12)	\$ (172,907.08)	\$ (210,305.67)	\$ (240,692.76)	\$ (288,373.01)	\$ (331,203.81)

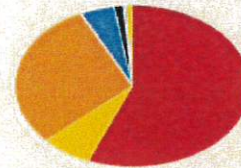


\$ (331,203.81)
Cumulative 8 year
Operating Loss

Forecasted Infrastructure Investments

- Containment wall repair
- Roof replacement
- Fence repair/replacement
- Exterior repair/repainting

2017 Expenses



Salaries	36,812	Food for Resale	4,593
Supplies	19,469	Power	3,168
Building	839	Equipment	250
Insurance	520		

2017 Revenue

\$22,822.16