
REPORT TO THE HEALTH AND WELLNESS FOUNDATION BOARD



DATE: August 29, 2013

TITLE: Three Year Health and Wellness Center Operations Budget (Draft)

RECOMMENDATION

Review and Discuss

DISCUSSION

The Desert Hot Springs Health and Wellness Foundation Board was presented the Fiscal Year 13/14 Budget for the Health and Wellness Center operations at the meeting of August 20, 2013. Board Members discussed their concerns over ongoing operations in succeeding years. Specifically, the Board directed staff to prepare a three (3) year operational budget (Draft) to be presented, reviewed and discussed at this meeting (August 29, 2013). Attached, to this report, is the 'Draft' Three Year budget for the Board's review. Staff will be available to elaborate on any and all items listed in the Budget document.

FISCAL IMPACT

The Fiscal Impacts to the Health and Wellness Center will be discussed at this meeting.

EXHIBIT

1. Three Year 'Draft' Operations Budget for the DHS Community Health and Wellness Center

City of Desert Hot Springs
Budget Worksheet Report
Health and Wellness Fund - 211-44-xx-xxxx

PROPOSED CITY MANAGER BUDGET

ESTIMATED FUND BALANCE	\$ 221,553.63	\$ 217,406	\$ -
Description - Revenues			
NMTC INTEREST REIMBURSEMENT - OFFSET RENTAL PAYMENT (PAID QUARTERLY)	\$ 75,600	\$ 75,600	\$ 75,600
SWIMMING POOL REVENUES BASED ON 3.5 MONTHS OPERATION (Memorial Day - Labor Day)	\$ 3,500	\$ 4,950	\$ 4,950
NMTC DEVELOPER FEE BALANCE NMTC	\$ 692,589		
PSUSD - OPERATION CONTRIBUTION AQUATIC FACILITY			
BORREGO SHARED COST REIMBURSEMENTS	\$ 25,675	\$ 25,675	\$ 25,675
DONATIONS			
GENERAL FUND TRANSFER			
INTEREST INCOME	\$ 800	\$ 400	\$ 400
TOTAL REVENUES - ALL DIVISIONS	\$ 1,019,718	\$ 324,031	# \$ 106,625

Description - Expenditures	FY 13-14 Approved Budget	FY 14-15 Proposed Budget	FY 15-16 Proposed Budget
211-44-53 AQUATIC CENTER			
OPERATIONS & MAINTENANCE			
4200 UTILITIES	\$ 97,500	\$ 97,500	\$ 97,500
WATER			
ELECTRICITY			
NATURAL GAS			
4205 COMMUNICATIONS	3,200	4,802	4,802
INTERNET ACCESS			
PHONE LINE			
ALARM MONITORING SERVICE			
4210 ADVERTISING	5,500	5,500	5,500
4220 OFFICE SUPPLIES	2,200	2,200	2,200
4225 POSTAGE	5,500	5,500	5,500
4230 TRAVEL & TRAINING	1,650	-	-
4235 DUES AND SUBSCRIPTIONS	550	550	550
4245 SUPPLIES	-	3,000	3,000
4250 UNIFORMS	2,750	2,750	2,750
4265 REPAIR & MAINT-BUILDINGS	20,500	24,400	24,400
4270 SMALL TOOLS & EQUIPMENT	4,400	4,400	4,400
4275 INSURANCE PREMIUMS	22,000	-	-
4285 ADMINISTRATIVE SERVICES	160,000	160,000	164,800
4320 CONTRACT SERVICES	170,260	160,260	160,260
Water Quality Compliance - contract annually is \$152,940.00	87,600		
Increase in budget - increase to annual contract amount \$152,940.00	65,340		
Landscape Maintenance - shared equally \$14,400.00 annually	4,800		
Post Operations Assessment Report - not required in future years	10,000		
Pest Control estimated at 350.00 per month for 12 month - same split as utilities	2,520		
Total: OPERATIONS & MAINTENANCE	\$ 496,010	\$ 470,862	\$ 475,662
Division Total: AQUATIC CENTER	\$ 496,010	\$ 470,862	# \$ 475,662

Note: The Aquatic Center is seasonal

Utilities were left at original estimates since building occupants moved in at different times during the year - 40% to Aquatic/40% to B & G Club and 20% to Borrego.

Communications increased based on (7) months actual and additional monitoring for microphone at \$15.00 per month

Insurance premium was moved to Community Health and Wellness department

Repair and Maintenance was increased to cover the quarterly change out of a/c filters at 975.00 per quarter

Administrative Services increase in 2015-2016 by 3% CPI

Contract Services - Water Compliance full year is \$152,940.00 if paid out at full contract - running less at this point in time/Landscape Maintenance is shared equally

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NMTC DEVELOPER FEE BALANCE NMTC	\$ 692,589		
PSUSD - OPERATION CONTRIBUTION AQUATIC FACILITY			
BORREGO SHARED COST REIMBURSEMENTS	\$ 25,675	\$ 25,675	\$ 25,675
DONATIONS			
GENERAL FUND TRANSFER			
INTEREST INCOME	\$ 800	\$ 400	\$ 400
TOTAL REVENUES - ALL DIVISIONS	<u>\$ 1,019,718</u>	<u>\$ 324,031</u>	<u># \$ 106,625</u>

Description - Expenditures	FY 13-14 Approved Budget	FY 14-15 Proposed Budget	FY 15-16 Proposed Budget
211-44-54 BOYS AND GIRLS CLUB			
OPERATIONS & MAINTENANCE			
4200 UTILITIES	\$ 62,625	\$ 62,625	\$ 62,625
WATER			
ELECTRICTY			
NATURAL GAS			
4265 REPAIR & MAINT-BUILDINGS	4,000	4,000	4,000
4320 CONTRACT SERVICES	7,320	7,320	7,320
Landscape Maintenance - shared equally \$14,400.00 annually	4,800		
Pest Control estimated at 350.00 per month for 12 months - same split as utilities	2,520		
Youth Violence and Gang Intervention Programs	250,000		
Youth Violence and Gang Intervention Programs - reversal 13-14 budget	(250,000)		
Total: OPERATIONS & MAINTENANCE	<u>\$ 73,945</u>	<u>\$ 73,945</u>	<u># \$ 73,945</u>
Division Total: BOYS & GIRLS CLUB	<u>\$ 73,945</u>	<u>\$ 73,945</u>	<u># \$ 73,945</u>

Note: Utilities were left at original estimates since building occupants moved in at different times during the year - 40% to Aquatic/40% to b & G Club and 20% to Borrego.

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Description - Expenditures	FY 13-14 Approved Budget	FY 14-15 Proposed Budget	FY 15-16 Proposed Budget
211-44-55 HEALTH CENTER			
OPERATIONS & MAINTENANCE			
4200 UTILITIES - 20% is recorded in this department until monitor is installed	\$ 20,875	\$ 20,875	\$ 20,875
WATER			
ELECTRICITY			
NATURAL GAS			
4320 CONTRACT SERVICES	4,800	\$ 4,800	\$ 4,800
Pest Control Services estimated at \$350.00 per month for 12 months - same split at utilities	840	\$ 840	\$ 840
Landscape Maintenance - Shared equally at \$14,400 annually	4,800		
Total: OPERATIONS & MAINTENANCE	<u>\$ 26,515</u>	<u>\$ 26,515</u>	<u># \$ 26,515</u>
Division Total: HEALTH CENTER	<u>\$ 26,515</u>	<u>\$ 26,515</u>	<u># \$ 26,515</u>

Note: Utilities were left at original estimates since building occupants moved in at different times during the year - 40% Aquatic/40% B & G Club and 20% Borrego.

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GENERAL FUND TRANSFER			
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TOTAL REVENUES - ALL DIVISIONS	\$ 1,019,718	\$ 324,031	# \$ 106,625

Description - Expenditures	FY 13-14 Approved Budget	FY 14-15 Proposed Budget	FY 15-16 Proposed Budget
211-44-56 COMMUNITY HEALTH & WELLNESS CENTER			
SALARIES AND BENEFITS			
4100 SALARIES (no increase proposed in salary)	\$ 66,552	\$ 66,552	\$ 66,552
4140 EMPLOYEE BENEFITS - insurance based on single individual	5,972 (1)	5,972	5,972
4150 PERS RETIREMENT	4,992 (2)	4,992	4,992
4160 TAXES	12,826 (3)	12,826	12,826
Total: SALARIES AND BENEFITS	90,342	90,342	90,342
4220 OFFICE SUPPLIES	500	\$ 2,000	\$ 2,000
4230 TRAVEL AND TRAINING		\$ 6,000	\$ 6,000
4275 INSURANCE PREMIUMS		\$ 25,000	\$ 25,000
4281 ANNUAL LEASE PAYMENT - DESERT HOT SPRINGS FOUNDATION	104,000	\$ 104,000	\$ 104,000
4320 CONTRACT SERVICES	11,000	\$ 20,000	\$ 20,000
Compliance Reporting (2012-2013/2013-2014/2014-2015)	6,000		
Health Assessment Resource Center (2012-2013 only)	5,000		
Fundraising and Event Planning (2013-2014 and 2014-2015 only)	14,000		
Division Total: COMMUNITY HEALTH & WELLNESS CENTER	205,842	247,342	247,342
TOTAL: HEALTH AND WELLNESS FUND	\$ 802,312	\$ 818,664	# \$ 823,464

(1) Includes a 7.5% increase in health care costs - first year only no increases in future years

(2) Includes PERS rate of 19.48%; FY 12/13 PERS rate was 18.08% - first year only no increases in future years

(3) Includes Workers Comp rate of 14.864%; FY 12/13 WC rate was 11.162% - first year only no increases in future years

Office Supplies were increased due to fundraising for printing/photographs etc.

Travel and Training added to accommodate any travel for funding

Contract Services increased in 2014-15 and 2015-16 - added fund raising costs and Event Planning costs

Insurance Premiums - There was an increase in the costs of the insurance premium as the building is now complete - limits of property coverage increased

NET REVENUE OVER EXPENSES - REVENUE SHORTFALL	\$ 217,406	\$ (494,633)	\$ (716,839)
		(A)	(B)

A & B = A total of \$1,211,572.00 will need to be identified as Operation Funding for 2014-15 & 2015-16

Salary and benefits were reduced to cover a lower position Facility Co-coordinator