

**LODI CITY COUNCIL
SHIRTSLEEVE SESSION
CARNEGIE FORUM, 305 WEST PINE STREET
TUESDAY, NOVEMBER 17, 2009**

A. Roll Call by City Clerk

An Informal Informational Meeting ("Shirtsleeve" Session) of the Lodi City Council was held Tuesday, November 17, 2009, commencing at 7:02 a.m.

Present: Council Member Hitchcock, Council Member Johnson, Mayor Pro Tempore Katakian, Council Member Mounce, and Mayor Hansen

Absent: None

Also Present: City Manager King, City Attorney Schwabauer, and City Clerk Johl

B. Topic(s)

B-1 Receive Operational/Financial Report for the Hutchins Street Square Community Center (COM)

City Manager King briefly introduced the subject matter of the operational/financial report for Hutchins Street Square.

Community Center Director Jim Rodems provided a PowerPoint presentation regarding the operational/financial report for Hutchins Street Square (HSS). Specific topics of discussion included HSS background, three-year budget comparison, 2008/2009 budget target, 2008/2009 budget actuals, deficit items, corrective fiscal measures, program areas, facility visits and uses, revenue comparison by area, art and specialty classes, art and event coordination, performing arts center, senior center, senior center programs, Lodi Memorial Hospital programs, pool, pool programs, challenges for 2009/2010, and goals for 2009/2010.

In response to Council Member Hitchcock, Mr. Rodems stated the reasoning for the one-third split for the director position to parks, recreation, and community center is because there are three divisions and this is mainly for budget allocation purposes. Mr. King stated parks is funded by the General Fund, recreation is funded partially by fee generation, and there is also an ability to charge a quarter each to parks and recreation and one-half to HSS.

In response to Mayor Hansen, Mr. Rodems stated the workload is consistent with the two-thirds divide on the parks and recreation side versus one-third at HSS. Mr. King stated it is also consistent with where revenue is available and there is less impact on the General Fund.

In response to Council Member Hitchcock, Mr. Rodems stated there is additional fee generation for the pool operations to cover costs associated with shifting pool operations to the recreation side. Mr. King stated the option to the pool operation losing money is to cut services or provide a greater allocation to those services from the General Fund.

In response to Mayor Hansen, Mr. Rodems stated most cities have one aquatics coordinator to manage the pool operations. Mr. Rodems stated there are multiple uses of the pool through classes and rentals and the pool operations are becoming more cost effective.

In response to Council Member Johnson, Mr. King stated the programs and uses of the pool at HSS have stayed the same and the primary difference is efficiency in costs mainly with the aquatics positions.

In response to Mayor Pro Tempore Katzakian, Mr. Rodems stated the current debt service is \$662,520.

In response to Mayor Hansen, Mr. Rodems stated the 11,000 figure reflects about 5,000 to 6,000 people who utilize multiple classes and programs.

In response to Council Member Hitchcock, Mr. Rodems stated of the 607 figure 242 are City uses and usage is generally not down but more level.

In response to Council Member Johnson, Mr. Rodems stated departments are charged a set-up fee, which covers the basic costs incurred for the event. Mr. King stated his understanding is that the way information is kept on City uses has changed and City usage has not increased per se. Mr. King stated the Sandhill Crane Festival is an example of a partnership event that would be considered a City use. He stated the City Council may want to establish some sort of a formula with specific criteria for future City usage.

In response to Council Member Mounce, Mr. Rodems stated entities that use the facility without being charged include the Arts Foundation, various committees and commissions, and departments. Council Members Mounce and Hitchcock requested a copy of a list showing paying and non-paying entities that use the HSS facility.

In response to Council Member Hitchcock, Mr. Rodems stated the marketing and advertising is done through the Arts Coordinator position.

Discussion ensued between Mayor Hansen, Mr. King, and Mr. Rodems regarding the balance between City needs, community needs, paying customers, and maximizing uses for all in accordance with timing and space available.

In response to Council Member Hitchcock, Mr. Rodems stated class uses are generally booked four months out and Mondays through Wednesdays are the lower use days to allow for additional classes. He stated the contracts reflect that there is some flexibility with classes being moved based on events in the building.

In response to Mayor Hansen, Mr. Rodems stated the 11,000 number is closer to the single person user with respect to the Senior Center usage.

In response to Mayor Hansen, Senior Services Coordinator Ann Areida-Hintz stated the 20 volunteers include health insurance counselors, volunteer instructors, group facilitators, tax consultants, and others.

In response to Mayor Hansen, Mr. Rodems stated Camp Hutchins is offered before, during, and after school hours. Mr. King stated there is a contract with Lodi Memorial Hospital for the space and the program has evolved into a subsidized daycare program for three-year olds. He stated the Council may wish to consider the purpose of the evolved program and the costs associated with the same. Mr. Rodems stated it is a break-even program offered primarily as a service and the program does not make money.

In response to Mayor Hansen, Mr. Rodems stated the HSS facility is fairly competitive with other venues in the area and the City is well-positioned for the next few years for usage.

In response to Council Member Johnson, Mr. Rodems stated the fundraiser for the pool renovations is based on a capital outlay of \$190,000 for the pool, the fundraiser will recapture that amount, and the Foundation's goal is to address the needs of the facility on a individualized need basis.

In response to Mayor Hansen, Mr. King stated that, with respect to the Geweke electronic sign board usage for advertising purposes, staff can follow-up with the ability to use the same.

In response to Council Member Hitchcock, Mr. Rodems stated cable television advertising is cost prohibitive based on the seating numbers in the facility.

In response to Council Member Hitchcock, Mr. Rodems stated the numbers are reflective of actual costs and the issue is one of moving the numbers to make the financials work while continuing to provide the service.

Myrna Wetzel spoke in favor of continued advertising in newspapers and suggested advertising on the less expensive television channels.

C. Comments by Public on Non-Agenda Items

None.

D. Adjournment

No action was taken by the City Council. The meeting was adjourned at 8:24 a.m.

ATTEST:

Randi Johl
City Clerk



**CITY OF LODI
COUNCIL COMMUNICATION**

AGENDA TITLE: Receive Operational/Financial Report for the Hutchins Street Square Community Center

MEETING DATE: **November 17, 2009**

PREPARED BY: James M. Rodems, Director

BACKGROUND INFORMATION: The Hutchins Street Square Community Center provides programs and facilities for the City of Lodi and surrounding communities. As of FY 2008109, Hutchins Street Square became a special revenue department with the goal of generating enough revenue to cover two-thirds of its operating budget.

The Shirtsleeve Session and related PowerPoint presentation will provide an overview of the operation for Fiscal Year 2008109.

FISCAL IMPACT: The total annual budget for the Hutchins Street Square Community Center was \$1,304,301 for FY 2008-09.


James M. Rodems
Interim Director, Parks and Recreation

APPROVED: 
Blair King, City Manager

Hutchins Street Square Community Center

Operational/Financial Report
November 17, 2009





Hutchins Street Square

- ❑ Community Center established in 1990
- ❑ Provides myriad community programs/services
- ❑ Partnerships with various organizations
- ❑ Liaisons for commissions and organizations

Budget

□ 2006/07

- \$1,485,678 budget

- Target Revenue: \$521,000

- Actual Revenue: \$529,124

□ 2007/08

- \$1,462,957 budget

- Target Revenue: \$565,425

- Actual Revenue: \$658,844

□ 2008/09

- \$1,304,301 budget

- Target Revenue: \$628,800

- Actual Revenue: \$682,171



2008/09 Budget Target

HSS is targeted to generate revenue of approximately 34% of its total budget

Total funding:	\$1,966,816
■ Debt Service:	\$662,520
■ General Fund:	\$643,096
■ Revenue Target:	\$661,200



2008/09 Budget Actuals

Total Expenditure:	\$1,510,131
General Fund:	\$610,272
Revenue:	<u>\$682,171</u>
Deficit	-\$217,688



Deficit Items

- ❑ Expenditures did not properly reflect the shared costs of the Director position between departments
- ❑ Increase in expenditures through the replacement of equipment due to failure



Corrective Fiscal Measures

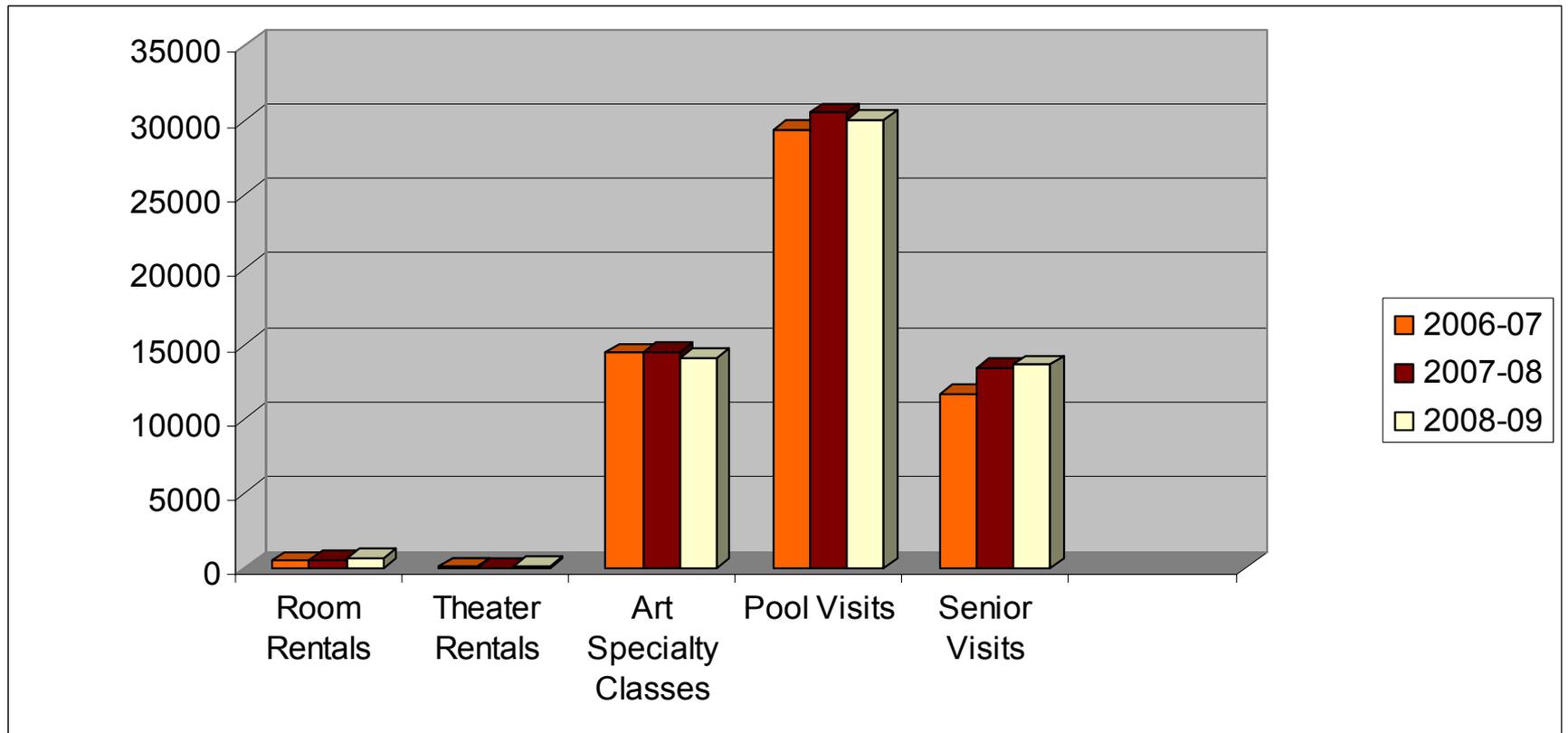
- ❑ Properly distributed Director costs for FY 2009/10
- ❑ Centralized maintenance functions and moved one maintenance worker to Public Works
- ❑ Moved pool operations to Recreation Division



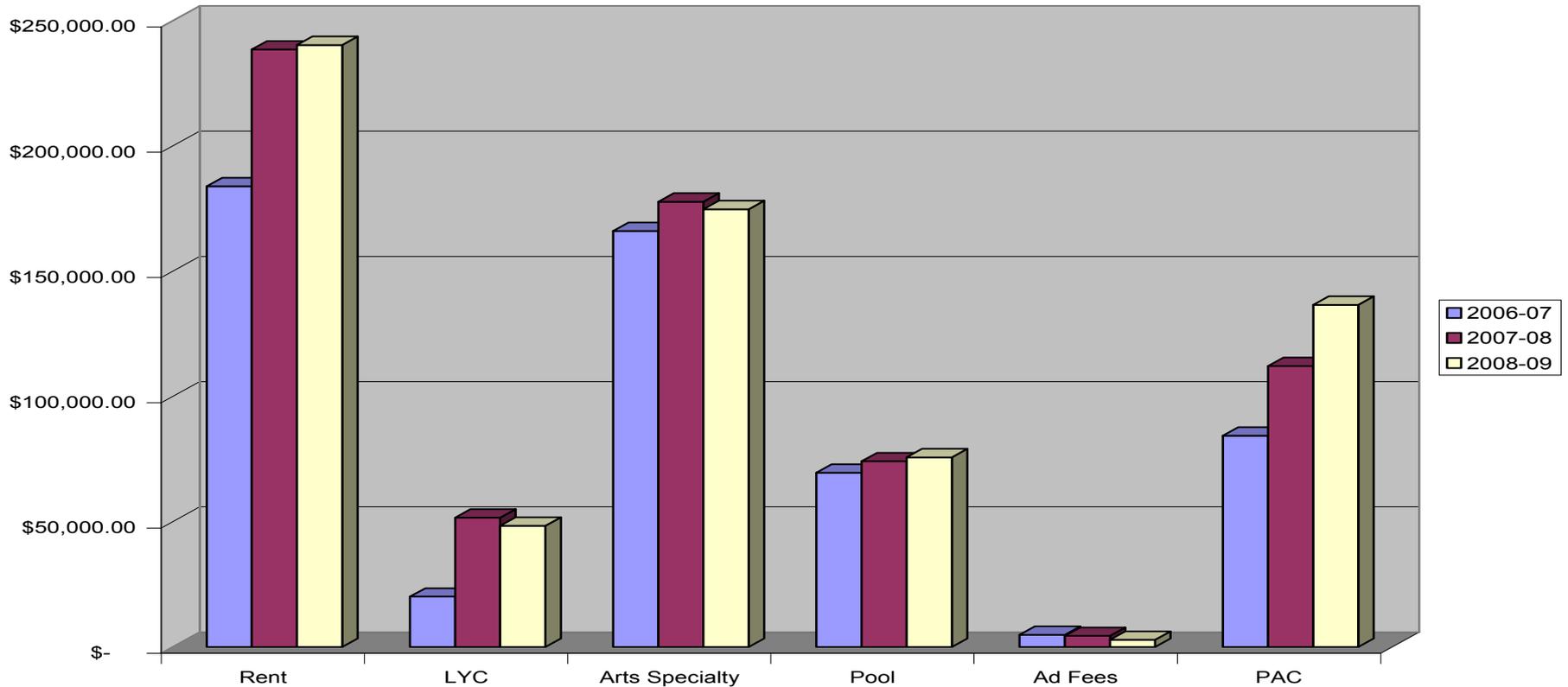
Program Areas

- Arts and Specialty Classes
- Art and Event Coordination
- Performing Arts Center
- Senior Center
- Pool

Facility Visits and Uses



Revenue Comparison by Area





Art and Specialty Classes

- **2006/07:**

Class revenue: \$166,052

Attendance: 14,420

- **2007/08:**

Class revenue: \$197,697

Attendance: 14,469

- **2008/09:**

Class revenue: \$174,760

Attendance: 14,050



Art and Specialty Classes

- 6th Annual Arts Open House
- Combined Camp Programs with Parks and Recreation
- Offering free mosaic art classes in conjunction with Project Lodi Art
- Presented two live theater performances for children for over 450 students



Art and Event Coordination

- **2006/07 Uses:494** (79 city uses)
- **2007/08 Uses:530** (42 city uses)
- **2008/09 Uses:607** (242 city uses)*

- Increased advertising for rental of the facility
- 2640 separate uses of rooms within the facility
- Maintained revenue from 07/08 and exceeded target by 4.5%
- Now provide a complete service

*This year the number includes uses by Commissions, Council, and other affiliated non-paying organizations



Performing Arts Center

- ❑ **2006/2007:** 71 uses
- ❑ **2007/2008:** 56 uses
- ❑ **2008/2009:** 116 uses

- ❑ Event uses 63, Class uses 53
- ❑ Increased revenue from 06/07 by 21.80%
- ❑ Moved staffing of part time labor from outside contract to City part time staff
- ❑ Renovated HSS Website with emphasis on event advertising and ticketing



Senior Center

Senior Center operates with one full time, one part time staff and 20 volunteers

□ **2006/07**

- Served: 11,632
- Volunteer Hours: 2,170.5

□ **2007/08**

- Served: 13,412
- Volunteer Hours: 2,268.75

□ **2008/09**

- Served: 13,624
- Volunteer Hours: 2,009.5



Senior Center Programs

- ❑ Information and referral services
- ❑ Health Insurance Counseling and Advocacy (HICAP)
- ❑ Legal Services for Seniors
- ❑ Computer Classes
- ❑ Income Tax Assistance (AARP trained staff)
- ❑ Brain Builders – Program to assist individuals with early memory loss
- ❑ Older Adult Learning classes
- ❑ Health screenings in cooperation with LMH



Lodi Memorial Hospital Programs

- Adult Day Care – clients served
 - 2006/07: 4,931
 - 2007/08: 5,291
 - 2008/09: 5,123

- Camp Hutchins – clients served
 - 2006/07: 13,741
 - 2007/08: 13,943
 - 2008/09: 13,452

Pool

- **2006/07** Visits: 29,406 Revenue: \$69,640
- **2007/08** Visits: 30,510 Revenue: \$72,874
- **2008/09** Visits: 29,992 Revenue: \$74,197

- Operation runs a deficit of approximately \$60k per year
- This operation was shifted to the Recreation Division in order to maximize utilization and to defray costs to a healthier program budget
- Pool is now staff by one collective lifeguard program



Pool Programs

- ❑ Arthritis Foundation Certified classes
- ❑ Private lessons
- ❑ Physical Therapy in partnership with LMH
- ❑ Lap Swim
- ❑ Family Swim
- ❑ Disabled/Senior Swim
- ❑ Baby and Me Swim
- ❑ Conditioning Classes
- ❑ Cardio Exercise Classes



Challenges for 2009/10

- ❑ Facility maintenance
- ❑ Deferred maintenance
- ❑ Space constraints
- ❑ Cost control
- ❑ Economy's effect on discretionary income



Goals for 2009/10

- Increase general use of the facility
- Maintain two to one revenue generation to general fund dollars
- Find new ways to advertise the facility and programs