

JUNEAU AQUATICS BOARD OPTIONS FOR THE FUTURE



BACKGROUND

Public vote at October 7, 2014 regular election supported the proposal to modify CBJ charter to establish 'a board of directors for the Juneau Pools'

CBJ Assembly adopted Ordinance 2015-23(b) on April 27, 2015 to establish the Aquatics Board

Similar to an empowered board-

- Sets budgets and rates. Establish policies

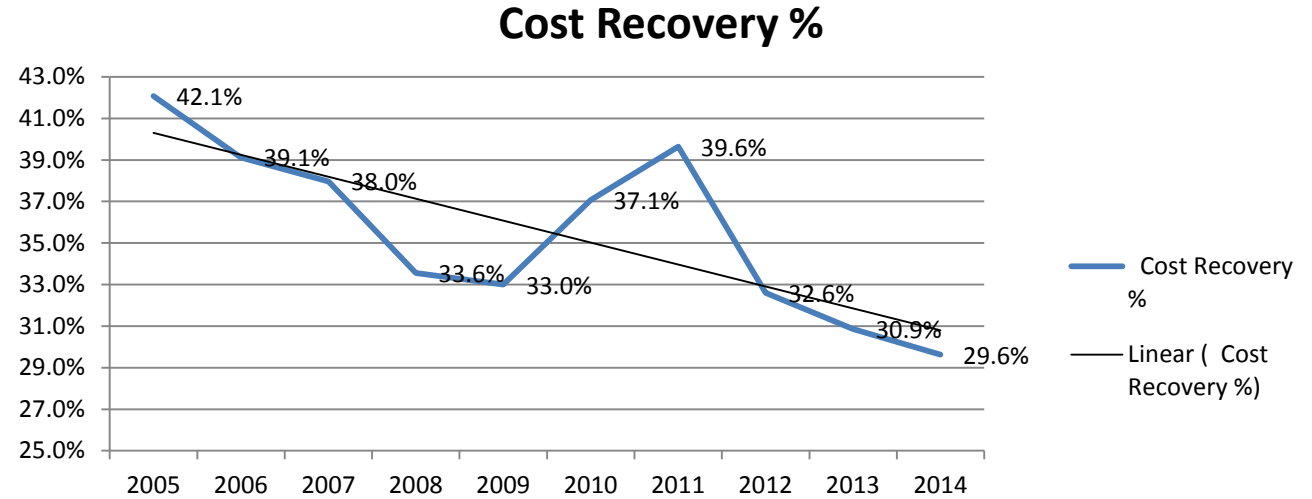
But with an important distinction-

- Parks and Rec Director is the Executive Officer of the Aquatics Board.
- Supervised and evaluated by the CBJ Manager.

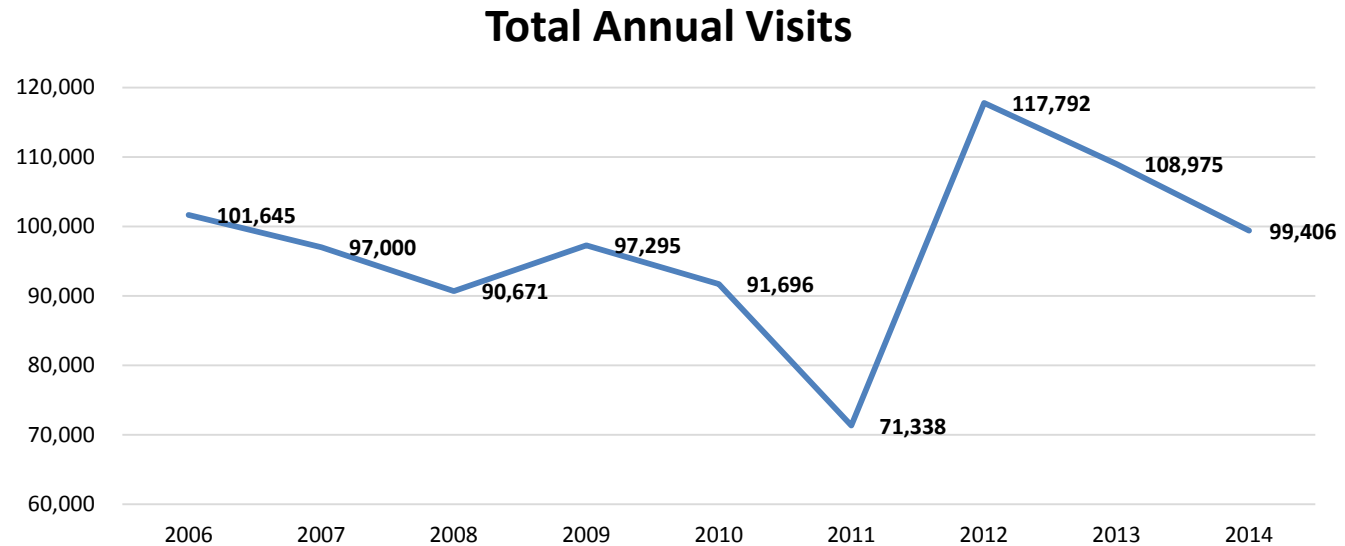
Ordinance for current Board sunsets on May 28, 2018 unless extended by the Assembly.

WHY THE NEED FOR A BOARD?

Cost recovery was declining ...



Along with Use...



WHY THE NEED FOR A BOARD?

Cost Recovery History

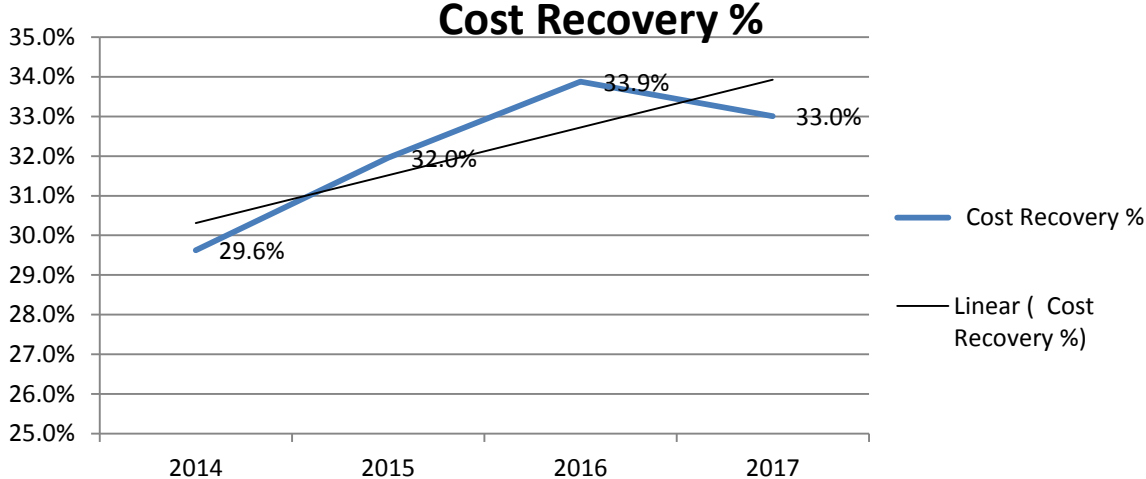
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Revenue	334,961	326,762	317,896	314,142	304,619	328,370	495,313	702,085	630,089	571,614
Expense	796,255	835,239	837,324	936,283	923,169	885,913	1,249,505	2,153,790	2,041,255	1,929,391
Net Support	(461,294)	(508,477)	(519,428)	(622,141)	(618,550)	(557,543)	(754,192)	(1,451,705)	(1,411,166)	(1,357,777)
Cost Recovery %	42.1%	39.1%	38.0%	33.6%	33.0%	37.1%	39.6%	32.6%	30.9%	29.6%

Use History

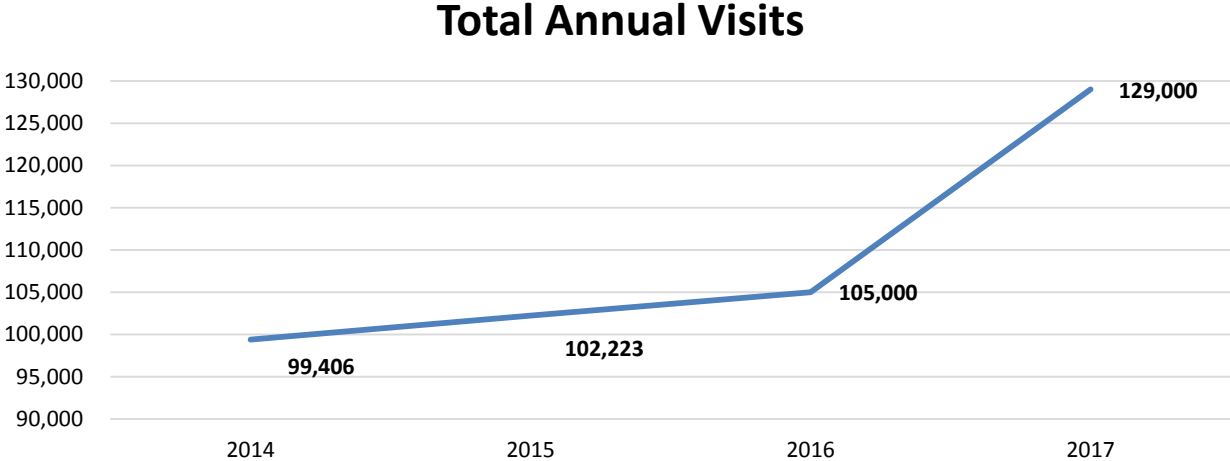
	2006	2007	2008	2009	2010	2011	2012	2013	2014
Total Annual Visits	101,645	97,000	90,671	97,295	91,696	71,338	117,792	108,975	99,406

SINCE THE BOARD WAS FORMED

Cost recovery has stabilized
or is slightly improved...



Along with Use...



SINCE THE BOARD WAS FORMED

Cost recovery has stabilized
or is slightly improved...

	2014	2015	2016	2017
Revenue	571,614	582,641	651,929	655,100
Expense	1,929,391	1,823,022	1,924,330	1,984,814
Net Support	<u>(1,357,777)</u>	<u>(1,240,381)</u>	<u>(1,272,401)</u>	<u>(1,329,714)</u>
Cost Recovery %	<u>29.6%</u>	<u>32.0%</u>	<u>33.9%</u>	<u>33.0%</u>

Along with Use...

	2014	2015	2016	2017
Total Annual Visits	99,406	102,223	105,000	129,000

SINCE THE BOARD WAS FORMED

Improved culture at the Pools. ‘Culture of Yes’

Developed rate policies which includes:

- Single pool “System” with one set of rates
- Simplified rate structure and significantly lowered most user rates

Food service at DPAC

Initiated energy use and efficiency studies

- Working to get Pool Covers installed

Credit card billing implemented – monthly payment option

Worked to obtain remodel funding for Augustus Brown

- \$5 million approved by voters for Augustus Brown Pool from recent 1% CIP renewal.

SINCE THE BOARD WAS FORMED - CONTINUED

Increased offerings of aquatics events for community

Significant Improvements in opportunities for learning to swim

- Improved lesson offerings
- Implemented scholarship program with Gaguine Foundation

Expanded marketing and outreach including Facebook, etc.

Many additional accomplishments by Pool staff

SHOULD THE BOARD CONTINUE? IF SO, HOW?

The Board began to evaluate options last summer

Performed a scoping project to determine options

Met with the Assembly in early November

Identified 4 general options

- Performed extensive work to evaluate the options

Presenting to the public now

- Public input is important in terms of the board's recommendation to the assembly

Will meet with the Assembly on March 14th to discuss results of our work and give recommendation

SUMMARY OF OPTIONS

A. No action – Board Sunsets

B. Extend Term of the existing Board

C. Change board status to an empowered board

- C1 Authorized to hire/supervise Aquatics Director
- C2 All of C1 plus board membership to include P & R Director, School District liaison, and Glacier Swim Club representative as voting members

D. Contract with a non-profit group

- D1 Identify existing local non-profit
- D2 Create a new non-profit
- D3 Create a local branch of the Alaska YMCA

OPTION A – NO ACTION (BOARD SUNSETS)

Pros

Simple – no action required by the Assembly or the Board

No disruption for staff

Key staff have a single boss

Cons

Reverts to pre-board management

Aquatics and swimmers no longer have a designated advocate

Aquatics becomes less of a priority to P&R department as was the case prior to board formation

OPTION B – EXTEND TERM OF EXISTING BOARD WITH NO CHANGE IN STRUCTURE

Pros

Simple – Assembly extends sunset deadline in existing ordinance

Provides continuity of current operations

No disruption for staff

Cons

Continues P&R Director reporting to two bosses

P&R Director has many direct reports – challenge to do all of them

Continues inefficiencies that could be gained by additional autonomy of the pool operations

- Accounting and reporting
- Maintenance
- Operations

OPTION C – BECOME AN EMPOWERED BOARD

C1 AQUATICS BOARD HAS AUTHORITY TO HIRE/SUPERVISE AQUATICS DIRECTOR

C2 SAME AS C1 PLUS BOARD IS EXPANDED TO INCLUDE P&R DIRECTOR, SCHOOL DISTRICT LIAISON & GLACIER SWIM CLUB AS VOTING MEMBERS

Pros

Increases board responsibility

With Option C2, brings more voices into Board's decision making and additional help for handling increased workload

Provides Board more oversight of management

Improves Board's ability to manage indirect and maintenance costs

Little disruption for staff

A Pool 'Fund' balance would be created and tracked separately

OPTION C — BECOME AN EMPOWERED BOARD

Cons

Requires time to transition and modify systems

Some restructuring and/or addition of staff and space necessary to handle tasks previously done by CBJ

Continues inefficiency that could be gained by additional autonomy of the pools

- Accounting and reporting
- Maintenance
- Operations

OPTION D – CONTRACT WITH A NON-PROFIT

- D1 Identify an existing local non-profit to manage the pools
- D2 Create a new non-profit specifically to manage the pools
- D3 Create a local branch of the Alaska YMCA to manage the pools

OPTION D – CONTRACT WITH A NON-PROFIT

Pros

Potentially, greatest benefit to CBJ

Expands opportunities to increase revenue, reduce expenses and reduce CBJ financial support

- Board believes this could result in substantial savings

Potential for streamlining aquatics operations and improved efficiency

Provides flexibility in program offerings leading to increased usage

Improves simplicity and transparency of accounting/admin functions

OPTION D3 – CONTRACT WITH A NON-PROFIT – YMCA OPTION

Y is interested in contracting to manage the pools

Y manages scores of other municipal pools around the country

Provides access to YMCA's knowledge – aquatics programs and design

- extensive resources for management and operation

Local control will remain – local board to which the 'Branch Director' reports

Local Branch Director has administrative and operating support from Y

Existing staff will not be negatively impacted

- Existing salaries of full-time employees will remain intact.
- Y offers competitive retirement and health insurance package

Savings to CBJ is projected to be significant

Provides broader network for staff recruitment

OPTION D – CONTRACT WITH A NON-PROFIT

Cons

D1 The Board is not aware of any local non-profit org that has this capacity

D2 Extensive effort to create a new non-profit for this purpose

D3 More unknowns/uncertainty

All would require longer timeframe to complete transition

NEXT STEPS

Public input –

- Chamber and Rotary Meetings
- Aquatics meetings on 2/20 at 5:30 pm at Assembly Chambers and 2/28 at 5:30pm at DPAC

Board expects to make a recommendation to the Assembly on March 14

Assembly may choose to extend Board beyond May of 2018 to allow for further consideration and implementation.

If B, C, or D board likely to recommend making the School District liaison voting as well as adding GSC as a voting member.

If option C or D, we will also recommend adding P&R Director as a voting member



QUESTIONS?