




# Albany Pool Supplementary Information

Information Compiled  
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and  
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## Does AUSD Subsidize The Pool Today?

- Sports Management Group computes the 2007 annual subsidy could be as high \$184,590
- AUSD estimates that the annual subsidy is closer to \$130,000
- Staff is unable to determine the exact allocation for utilities. Currently the natural gas used to power the AHS co-generation equipment is charged to the pool, this includes all of the high school and central kitchen and can not be broken out.
- The water used by the pool is not separately metered.

## Has the District Subsidized the Pool in Past Years?

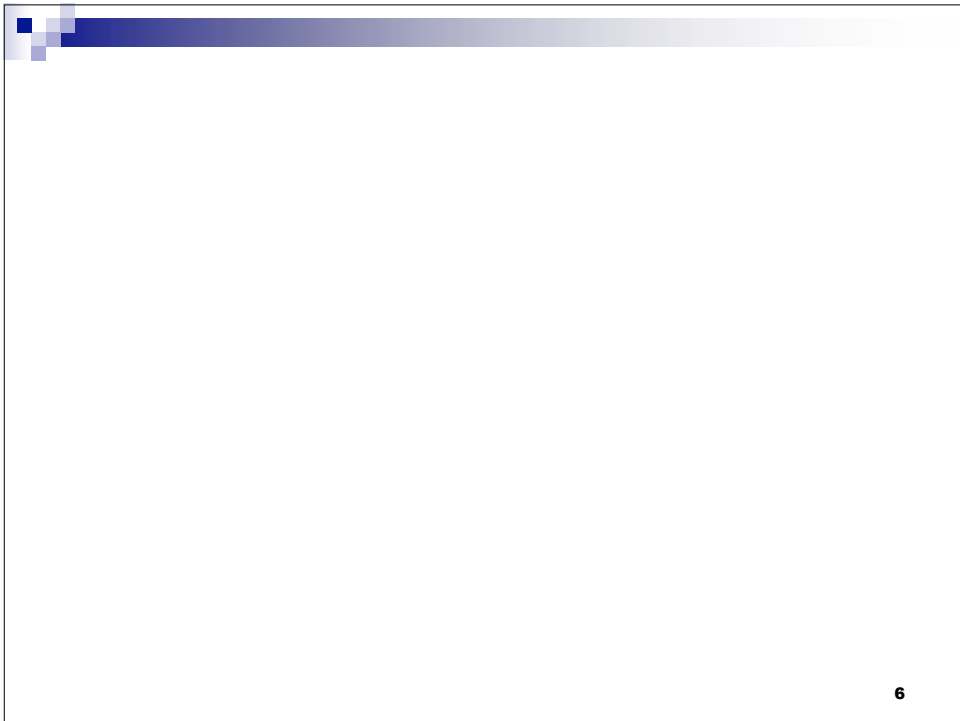
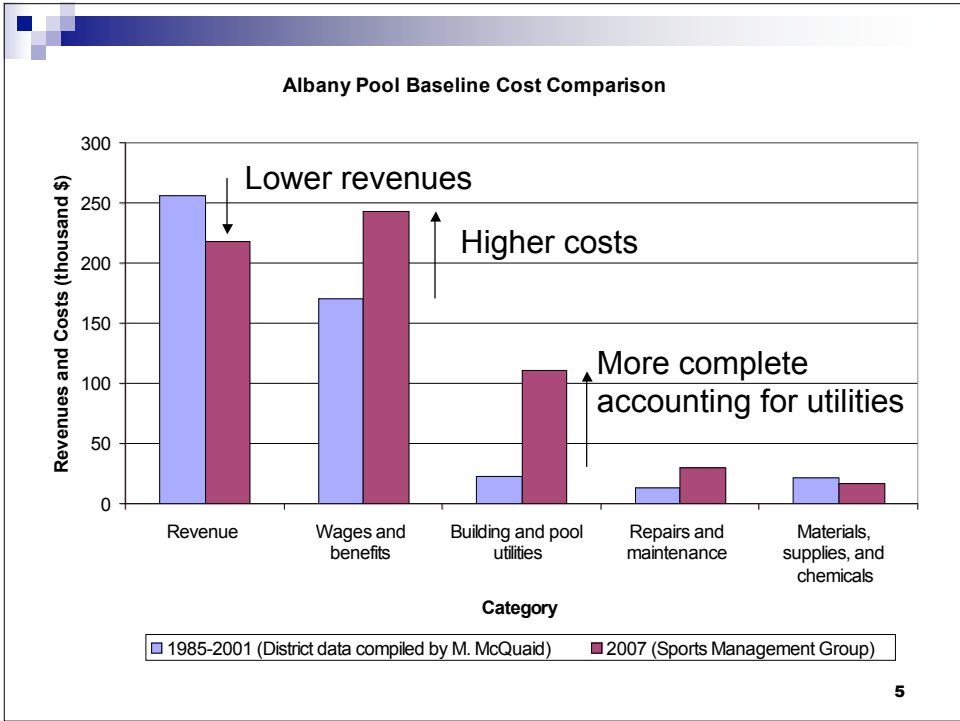
- Historically, Albany Pool was thought to be a “cost-neutral” enterprise operation
- Why the difference?
- PERS reduction, and indirect costs were not routinely calculated in past years.
- Utilities expenses were estimated as there are no separate meters for water, electricity and gas.

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## Does The Pool Cost More Today Than It Did In Past Years?

- Yes, labor costs have gone up especially since minimum wages have increased.
- Utility costs have skyrocketed.
- Revenue has declined.
- Antiquated equipment is in constant “breakdown mode”.
  - It is estimated that the pool is losing 2000 gallons per day through a undetected leak.

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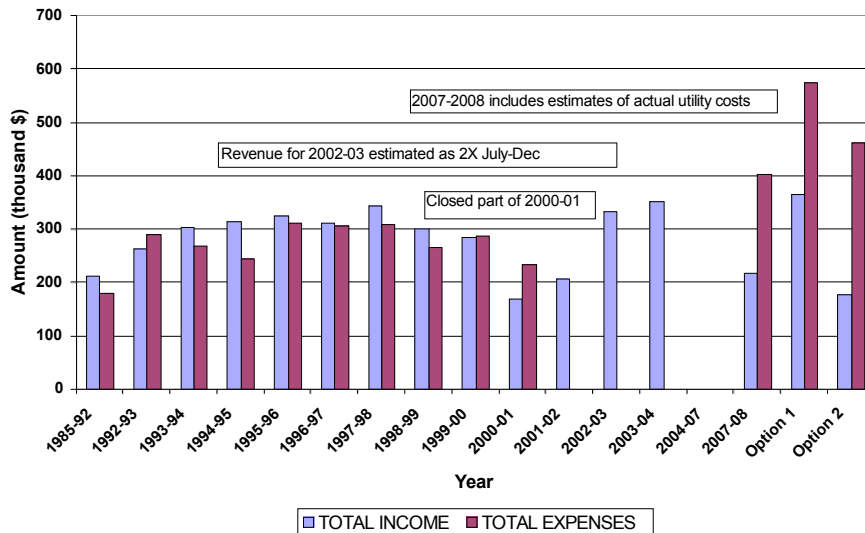


# Are Revenue Projections Realistic?

- Historically, annual revenues exceeded \$300,000 except in years with closures
- Option 1 (two pools): projected revenues are \$327,000 to \$406,000
  - The numbers reflect anticipated greater use of the pools by students during the school day and greater use of the pools by more sports teams after school
- Option 2 (one pool): projected revenues are \$158,000 to \$196,000
  - The numbers reflect anticipated greater use of the pool by students during the school day and greater use of the pool by more sports teams after school
- The difference in revenue projections between the two options is due to reduced community programming in Option 2.

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**Albany Pool Historical and Projected Income and Expenses**



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## Is It Possible To Reduce The Subsidy To The Pool?

- Yes. By reducing “anticipated” student and team use to “actual student and team use. This frees up the pools for additional revenue generating operations.
- THE FOLLOWING SLIDE ILLUSTRATES THE POSSIBILITIES
- Option 1B shows two pools operated for greater revenue.
- Option 2B shows one pool operated with same amount of community programming as in Option 1.

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## Option 1B Details

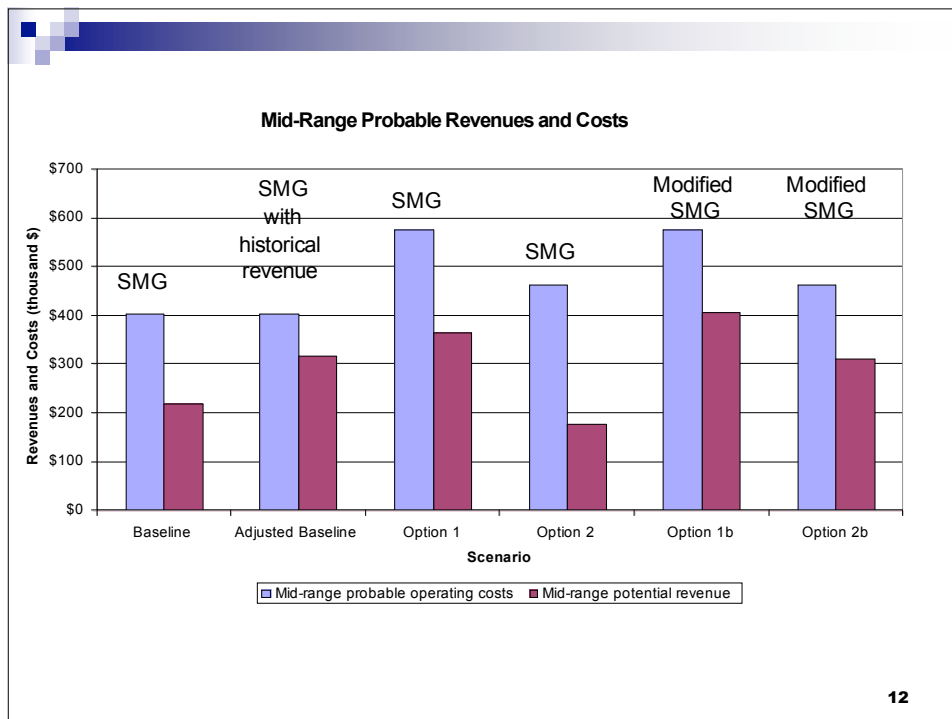
- The costs remain the same as in Option 1
- Enhanced revenue by adding more spring and fall outdoor programming
  - Add 23 weeks F/Sp rec swim
  - Increase F/Sp # lap swim participants
  - Add two sessions children’s classes
  - Increase adult classes from 1 to 6/session
- Feasibility depends on demand


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## Option 2b Details

- The costs remain the same as Option 2
- The revenue remains the same as Option 1 minus revenues from outdoor pool
- Represents indoor-pool programming level as in Option 1, but no outdoor pool
- May result in some loss of current hours for PE and school teams

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## Can The Subsidy Be Eliminated?

- Possibly...
- The Pool management must run a very efficient operation to reduce operating costs while creating a programs and classes that attract more participants to enhance revenue.
- The district could explore a partnership with the City of Albany to create a Mello Roos District to fund operations and maintenance of the pool. The city has interests in improving the Veterans Building, and there are possibilities of other school-recreation partnerships. Staff and the city have begun informal conversation on the possibility of a joint approach on these two fronts.