



Park and Recreation Commission

City of Arts & Innovation

TO: HONORABLE COMMISSIONERS **DATE: MAY 15, 2023**

FROM: PARKS, RECREATION AND COMMUNITY SERVICES DEPARTMENT

SUBJECT: MID-YEAR BUDGET PRESENTATION FOR FISCAL YEARS 2022-2023 AND 2023-2024

ISSUE:

The issue before the Park and Recreation Commission is a Mid-Year Budget presentation for Fiscal Years 2022-2023 and 2023-2024.

RECOMMENDATION:

That the Park and Recreation Commission provide input as appropriate and receive the report for file.

BACKGROUND:

Per City Charter, the Park and Recreation Commission is to consider the annual budget for the Parks, Recreation and Community Services Department's operations during its preparation, and make recommendations with respect thereto to the City Council and the City Manager. The proposed budget for the Parks, Recreation and Community Services Department (PRCSD) was presented to City Council, following a series of public meetings and internal actions. City Council adopted the Fiscal Years 2022-2023 and 2023-2024 (FY) Budget and FY 2022-2023 Capital Improvement Plan on June 21, 2022.

DISCUSSION:

The PRCSD employs over 200 full-time equivalent positions organized into six sections to provide innovative recreation experiences and social enrichment opportunities to people of all ages and cultures in a variety of safe and attractive parks, trails, landscapes, and facilities, and one division for debt.

Through the Mid-Year Budget Process PRCSD added and upgraded positions and CIP projects to the Department. Additional funds were also added to the Budget for operational, safety and equipment needs.

Fund Summary

The PRCS D administers programs in six funds. A majority of the department’s funding is the General Fund. Other funds that contribute to the department’s budget are Measure Z, two Special District funds, Special Capital Improvement and Special Transportation.

Measure Z funds received by the Parks Division supports a tree trimming grid schedule. Changes to Measure Z funds received, is the reduction in funds for the Public Safety and Engagement Team (PSET), the Parks Division will no longer participate in the program.

The Special District Funds are compiled of revenues collected through property tax assessments and are used to pay for landscape maintenance for the Riverwalk, Loving Homes and Village at Canyon Crest areas.

The Special Capital Improvement Fund pays for debt service previously issued for capital projects. If the user fees are insufficient to pay for the debt service, the General Fund must contribute the amount required to pay the debt.

The Special Transit Fund partners with the Riverside Transportation Authority to provide municipal transit services to the Riverside community.

DEPARTMENT BUDGET SUMMARY BY FUND		
Fund	FY 2022/23 Adopted	FY 2023/24 Proposed
101 - General Fund	\$25,444,817	\$30,041,700
110 - Measure Z Fund	\$898,567	\$260,530
291/292 - Special Districts	\$275,971	\$529,788
411 - Special Capital Improvement	\$1,797,295	\$1,805,590
560 - Special Transit	\$5,424,376	\$6,002,076
Total	\$33,841,026	\$38,639,684

General Fund Budget

The Department’s General Fund proposed budget includes operating costs, charges to and from other departments and debt service. The General Fund operating budget increased in FY 2023/2024 due to City Management approval of requests for increases detailed below under the Change Request portion of this report.

DEPARTMENT GENERAL FUND BUDGET SUMMARY BY DIVISION		
Division	FY 2022/23 Adopted	FY 2023/24 Proposed
520000 – Administration	\$2,369,178	\$2,535,136
520500 - Recreation & Community Services	\$8,307,071	\$9,495,495
521000 - Janet Goeske Center	\$427,888	\$473,026
521500 – Parks	\$11,648,160	\$14,586,827
521540 - Fairmount Park Golf Course	\$722,074	\$847,237

523000 - Youth Innovation Center	\$507,608	\$629,131
529000 - Debt Service	\$1,462,070	\$1,474,080
Total	\$25,444,049	\$30,040,932

*Excludes section 521510 in the amount of \$768

The PRCSD generates revenues to help offset its impact to the General Fund. Due to the Novel Coronavirus (COVID-19) pandemic, revenue has not reached 2019 levels, but has been increasing, since the beginning of the pandemic. It is expected with increased usership and proposed fee increases, by 2024 the Department will reach 2019 levels. The following table summarizes the revenue generating activities of the Department:

DEPARTMENT REVENUE SUMMARY			
Program/Activity	FY 2021/22 Actual	FY 2022/23 Adopted	FY 2023/24 Proposed
Swimming Pool Fees	\$311,368	\$350,163	\$405,000
Special Recreation Programs & Services	\$1,355,272	\$1,127,375	\$1,343,000
Park Rentals	\$981,805	\$979,106	\$1,211,620
Land and Building Rentals	\$199,061	\$215,043	\$219,977
Fairmount Park Golf Course	\$579,913	\$465,000	\$520,125
Non-Resident Use Fee	\$17,640	\$12,300	\$12,546
Miscellaneous	\$293	\$24,200	\$24,275
Youth Innovation Center Special Recreation Programs	\$26,272	\$100,000	\$102,000
Youth Innovation Center Park Rentals	\$0	\$6,000	\$38,380
Total	\$3,471,624	\$3,279,187	\$3,876,923

Fees and Charges

Citywide Fees and Charges will be experiencing a Consumer Price Index (CPI) increase of 7.5% for all fees with the exception of the Golf Course (Attachment 2). The PRCSD has completed a fee study and is preparing to seek Council approval for the golf course. The golf course fees proposed by PRCSD will be incorporated and approved with the Mid-Year Budget process.

Change Requests

The PRCSD submitted multiple requests for additional funding to address deficiencies within the budget and department needs. In addition, positions were added and reclassified through the process. The Department received over \$4.1 million dollars in funding for the approved requests.

Change requests were also used to add CIP projects to the Capital Improvement plan. The tables below outline the actions taken by the Department and approved by City Management.

Personnel

Multiple minor changes were made in relation to position control to assist in addressing the needs of the department. Assistant Recreation Coordinators were upgraded from half time to three quarter time, the increase in hours will allow staff to better address programming needs. Reclassing of an HVAC Specialist to an Electrician to address the needs of the Parks Division. Both were minor changes, and the Department funded the changes. Movement of an Admin

Analyst from Parks to Administration to address additional work taken in relation to contracts and budgeting, there is no cost associated with this action.

DEPARTMENT POSITION CHANGE REQUESTS	
Change Request	Amount
Assistant Recreation Coordinator (1/2-3/4 time)	\$51,000
Reclass HVAC Specialist to Electrician	(\$7,697)
Move Admin Analyst from Parks to Admin (No fiscal Impact)	-
Total	\$43,303

Operational and Programming

The City Manager approved approximately \$4.1 million in change requests for operations and programming, pending City Council final approval. The funding will assist in addressing major short falls related to the 4th of July Show, Sports Park Landscaping, Utilities, and Security at community centers. One-time funding was approved related to equipment and minor maintenance for the Parks Division.

DEPARTMENT OPERATIONAL CHANGE REQUESTS	
Change Request	Amount
4 th of July Show	\$25,075
4 th of July Weed Abatement	\$45,000
Golf Course Maintenance	\$40,000
Riverwalk Landscape Maintenance District Projects	\$250,000
Fuel	\$5,690
Security at Community Centers	\$547,796
Sports Parks Contract	\$500,000
Utilities	\$881,855
Equipment One Time Funding	\$440,000
Maintenance-One Time Funding	\$400,000
Personnel budget refresh, adjustments to administrative charges, and cost allocation plan adjustments.	\$993,885
Total	\$4,129,301

PSET

During the Mid-Year Budget Process, one major organizational change occurred. The Parks Division will no longer be a part of the Public Safety and Engagement Team, and employees in the PSET role were moved over to the Parks Division. As a result, the Parks Division will add one Parks Supervisor, one Parks Lead Worker and a General Service Worker to the employee count and an increase of \$25,000 in service and supply funding. The reduction to the savings to

the City as a result of the change nets to \$361,067.

DEPARTMENT POSITION CHANGE REQUESTS	
Change Request	Amount
Move PSET Workers to Parks General Fund	(\$361,067)

CIP

The CIP projects below are grant funded or the Department is going to Council to request Measure Z Funds. Change Requests were submitted to add projects to the Citywide CIP Plan, but the PRCSD did not receive additional funds.

DEPARTMENT CIP ADDITIONS		
Projects	Amount	Funding Source
BFYIC Flooring	\$40,000	General Fund
Bordwell HVAC Replacement	\$120,000	CDBG 22/23
Bordwell Playground Surface Coating	\$40,000	CDBG 22/23
Cesar Chavez Art Center	\$25,000,000	Grant
Gage Canal Fitness Stations	\$200,000	Measure Z*
Marcy Office Renovations	\$75,000	Measure Z*
Martha McLean Park Vehicular Access Barriers	\$100,000	Measure Z*
Parks Deferred Maintenance	\$10,000,000	ARPA

*Measure Z funding being requested

Deferred Maintenance Funding

On August 15, 2022, the PRCSD presented to the Commission the struggles with funding deferred maintenance as it relates to the budget. The Department would like to update the status of funding options for deferred maintenance and the progress and future steps it will take.

The Department has received an allocation of \$10 million of the American Rescue Plan Act funding to address deferred maintenance. The Department will focus on Playgrounds, HVAC, Parking Lots, and flooring.

The PRCSD is currently in the process of requesting \$3.5 million for deferred maintenance projects of Measure Z funding. On April 13, 2023, the department presented a request for additional funding for deferred maintenance to the Budget Engagement Committee.

STRATEGIC PLAN ALIGNMENT:

This item contributes to **Strategic Priority No. 5 – High Performing Government**, and **Goal 5.3 – Enhance communication and collaboration with community members to improve**

transparency, build public trust and encourage shared decision making.

This action aligns with each of the five Cross-Cutting Threads as follows:

1. **Community Trust** – This item delivers timely and reliable information to the City’s Park and Recreation Commission and promotes transparency to the public.
2. **Equity** –Discussing the budget at the Parks and Recreation Commission meeting offers an accessible forum for all of the community to provide feedback and be included in the budget process.
3. **Fiscal Responsibility** – Discussing the budget through a public forum promotes transparency on how public goods are being utilized.
4. **Innovation** – The response to budget inquiries promotes collaboration between the Department and the Park and Recreation Commission, in ensuring the Department continues to focus on finding innovative ways to fund the changing needs of the community.
5. **Sustainability & Resiliency** – The Park and Recreation Commission’s input on the budget process ensures the Department continues to address community needs and find alternative ways of meeting those needs.

FISCAL IMPACT:

There is no fiscal impact associated with receiving this report for file.

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Attachments:

1. Presentation
2. Proposed Fees and Charges
3. Fiscal Year 2024 Budget