



City Council Memorandum

City of Arts & Innovation

TO: HONORABLE MAYOR AND CITY COUNCIL **DATE: NOVEMBER 28, 2017**

FROM: PARKS, RECREATION AND COMMUNITY SERVICES DEPARTMENT **WARDS: ALL**

SUBJECT: VENDING MACHINE REVENUES FOR FISCAL YEAR 2016/17 FROM BOBBY BONDS, BORDWELL, BRYANT, AND ORANGE TERRACE PARKS – SUPPLEMENTAL APPROPRIATION IN THE AMOUNT OF \$4,586.16

ISSUE

Authorize an increase in revenue of \$4,586.16 from vending machines located at Bobby Bonds, Bordwell, Bryant, and Orange Terrace Parks and approve supplemental appropriations totaling the same amount.

RECOMMENDATIONS

That the City Council:

1. Authorize an increase in revenue of \$4,586.16 to Recreation Vending Machine Revenue Account Number 0000101-343635;
2. Approve a supplemental appropriation in the amount of \$1,733.80 (from Bordwell and Bryant Parks) to Recreation Professional Services Account Number 5205000-421000;
3. Approve a supplemental appropriation in the amount of \$994.44 (from Bobby Bonds Park) to the Recreation Supplies Account Number 5225000-426500; and
4. Approve a supplemental appropriation in the amount of \$1,857.92 (from Orange Terrace Park) to the Recreation Supplies Account Number 5205000-426500.

BACKGROUND

On September 9, 2003, the City Council authorized an annual distribution of revenue collected from vending machines to the Park Advisory groups to benefit the respective community centers where the vending machines are located.

On February 1, 2010, Council approved an agreement with First Class Vending Company to provide refreshments and snacks at various facilities throughout the City; they are still the only vending machine vendor at City parks.

On November 10, 2015, Council adopted the Healthier Food and Beverage Guidelines to offer healthier choices, specifically at City-managed vending machines.

DISCUSSION

Proceeds from vending machines are used by Park Advisory Boards at Bordwell and Bryant Parks to purchase a variety of goods and services for the benefit of their respective community center, such as: sports equipment, uniforms, t-shirts, youth excursions, youth tournament entry fees, special event supplies, admission tickets, and bus transportation.

Bobby Bonds and Orange Terrace Parks do not have an Advisory Board. Funds will be deposited to their respective Recreation Supplies Account Number 5225000-426500 and 5205000-426500 to support programming specifically at their sites.

Fiscal Year 2016/17 vending machine revenue was 35% lower as compared with Fiscal Year 2015/16. The decline in revenue is due to the healthier snacks that youth at the community centers do not crave. Table 1 below represents vending machine revenue generated during Fiscal Year 2016/17 as compared to Fiscal Year 2015/16 at each program site.

TABLE 1: Vending Machine Revenue

Program Site	FY 2015-16 Amounts	FY 2016-17 Amounts
Bobby Bonds Park	\$ 1,090.31	\$ 994.44
Bordwell Park	\$ 655.22	\$ 477.46
Bryant Park	\$ 2,210.41	\$ 1,256.34
Orange Terrace Park	\$ 3,150.28	\$ 1,857.92
TOTAL	\$ 7,106.22	\$ 4,586.16

FISCAL IMPACT

The total fiscal impact of this action is \$4,586.16. The funds will be deposited into Recreation Vending Account Number 0000101-343635 and supplemental appropriations will be made into the following accounts: \$1,733.80 to Recreation Professional Services Account Number 5205000-421000; \$944.44 to Recreation Supplies Account Number 5225000-426500; and \$1,857.92 to Recreation Supplies Account Number 5205000-426500.

Prepared by: Adolfo Cruz, Parks, Recreation and Community Services Director
 Certified as to
 availability of funds: Adam Raymond, Chief Financial Officer / City Treasurer
 Approved by: Al Zelinka, FAICP, Assistant City Manager
 Approved as to form: Gary G. Geuss, City Attorney