



Park and Recreation Commission

City of Arts & Innovation

TO: HONORABLE COMMISSIONERS **DATE: MAY 21, 2018**

FROM: PARKS, RECREATION AND COMMUNITY SERVICES DEPARTMENT

SUBJECT: FISCAL YEAR 2018-2020 BIENNIAL BUDGET UPDATE

ISSUE:

Receive and provide input on an update regarding the Fiscal Year 2018-2020 Biennial Budget.

RECOMMENDATION:

That the Park and Recreation Commission provide input as appropriate, and receive an update on the Fiscal Year 2018-2020 Biennial Budget.

BACKGROUND:

Per City Charter, the Park and Recreation Commission is to consider the annual budget for Parks, Recreation and Community Services' operations during its preparation, and make recommendations to the City Council and the City Manager. The proposed budget for the Parks, Recreation and Community Services Department (PRCSD) was presented to the City Council on May 1, 2018, and May 8, 2018, following a series of public meetings and internal actions. City Council is scheduled to adopt the Fiscal Year 2018-20 Biennial Budget and 2018-23 Capital Improvement Plan on June 12, 2018.

DISCUSSION

The PRCSD employs over 200 full-time equivalent positions organized into five 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. The table below provides a summary of the Department's total budget by section and funding source:

DEPARTMENT BUDGET SUMMARY BY DIVISION				
Division	FY 2016/17 Actual	FY 2017/18 Adopted	FY 2018/19 Proposed	FY 2019/20 Proposed
520000 - Administration	1,937,600	1,644,775	1,899,496	2,040,923
520011 - Plan & Des-Park Project	1,811,781	1,451,001	1,451,000	1,380,366
520012 - Plan & Des-Regional Prk Dev	109,708	-	-	-
520020 - Special Transit Services	4,465,308	3,484,851	4,148,538	4,346,157
520500 - Park & Recreation-Recreation	4,206,619	4,168,873	4,666,598	4,953,618
521000 - Janet Goeske Center	409,661	403,590	403,919	404,165

521500 - Parks	9,957,331	9,878,405	10,581,975	10,995,161
521520 - Spec District Park Maint	-	-	43,100	43,100
521540 - Fairmount Park Golf Course	347,730	403,805	435,149	459,326
522500 – Community Services	2,208,194	1,615,390	1,654,426	1,772,594
529900 - PR-Managed Savings	-	(400,000)	-	-
Total	25,453,932	22,650,690	25,284,201	26,395,410

DEPARTMENT BUDGET SUMMARY BY FUND				
Fund	FY 2016/17 Actual	FY 2017/18 Adopted	FY 2018/19 Proposed	FY 2019/20 Proposed
101 - General Fund	19,080,726	17,714,838	19,641,563	20,625,787
291 - Special Districts	-	-	43,100	43,100
411 - Special Capital Improvement	1,451,000	1,451,001	1,451,000	1,380,366
413 - Regional Park Special Cap Imp	456,898	-	-	-
560 - Special Transit	4,465,308	3,484,851	4,148,538	4,346,157
Total	25,453,932	22,650,690	25,284,201	26,395,410

The PRCSO continually seeks grant funding opportunities to supplement City funds, including funding for personnel. Appropriations related to grants are sought when grants are applied for and awarded separately of the biennial budget process. PRCSO capital projects are contingent upon California Development Block Grant funding, which will be awarded at a later date; therefore, no capital funding is requested for PRCSO projects in the Fiscal Year 2018-20 budget.

Operating Budget Summary

Specific department challenges in this budget cycle included:

- Maintaining service levels and quality while identifying necessary balancing measures; and
- Identifying funding for critical equipment, maintenance and repair.

The PRCSO administers programs in four City funds. The Special Capital Improvement Fund receives user fees, which supplement capital project funding or pay 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 PRCSO administers the landscape maintenance for the Loving Home and Village at Canyon Crest; the revenues are collected through property tax assessments and are used to pay landscape maintenance in those areas. The Special Transit Fund partners with the Riverside Transportation Authority to provide municipal transit services to the Riverside community.

Within the General Fund, the Department's balancing measures total \$485,532 in Fiscal Year 2018-19 and \$513,620 in Fiscal Year 2019-20. Approximately 41% of these amounts are expected to be realized through vacancy savings; other proposed balancing measures include delayed equipment replacement at community centers, a reduction in part-time personnel funding, and the consolidation of positions. New sponsorship funding will be sought for events such as the Mariachi Festival and Winter Wonderland.

The Department's General Fund proposed core operating budget (including balancing measures and excluding debt and charges to/from) is \$19.6 million for Fiscal Year 2018-19 and \$20.6 million for Fiscal Year 2019-20. Increases in planned spending is mainly due to increase in cost for existing personnel associated with either MOU or minimum wage adjustments and anticipated utility rate increases.

The PRCSD also generates revenues to help offset its impact to the General Fund. The following table summarizes the revenue generating activities of the Department:

DEPARTMENT REVENUE SUMMARY				
Program/Activity	FY 2016/17 Actual	FY 2017/18 Adopted	FY 2018/19 Proposed	FY 2019/20 Proposed
Swimming Pool Fees	318,666	360,680	330,680	333,987
Fee Based Programs & Services	1,451,987	1,452,880	1,496,466	1,533,878
Facility Rentals	1,197,909	1,127,760	1,184,148	1,213,752
Fairmount Park Golf Course	393,470	384,048	461,250	472,781
Miscellaneous/Non-Resident	13,462	10,000	11,000	12,100
Total	3,375,494	3,335,368	3,483,544	3,566,498

FISCAL IMPACT:

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

Prepared by: Mario Lara, Deputy Director
 Approved by: Adolfo Cruz, Parks, Recreation and Community Services Director
 Approved by: Al Zelinka, FAICP, Assistant City Manager

Attachment: PowerPoint Presentation