



City Council Memorandum

City of Arts & Innovation

TO: HONORABLE MAYOR AND CITY COUNCIL **DATE: OCTOBER 1, 2019**

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

SUBJECT: VENDING MACHINE REVENUES FOR FISCAL YEAR 2018-19 FROM BOBBY BONDS, BORDWELL, BRYANT, AND ORANGE TERRACE PARKS – INCREASE REVENUE IN THE AMOUNT OF \$3,051.41 – SUPPLEMENTAL APPROPRIATION

ISSUE

Authorize an increase of revenue for Fiscal Year 2018-2019 in the amount of \$3,051.41 from vending machines located at Bobby Bonds, Bordwell, Bryant and Orange Terrace Parks.

RECOMMENDATIONS

That the City Council:

1. Authorize an increase in revenue in the amount of \$3,051.41 to Recreation Vending Machine Revenue Account;
2. Approve a supplemental appropriation in the amount of \$2,514.87 (from Bordwell, Bryant and Orange Terrace Parks) to Recreation Professional Services Account; and,
3. Approve a supplemental appropriation in the amount of \$536.54 (from Bobby Bonds Park) to the Recreation Supplies Account Number.

BACKGROUND

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

On December 1, 2009, 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. The agreement is currently on a month-to-month contract.

On November 10, 2015, City 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, Bryant and Orange Terrace 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 Park does not have an Advisory Board. Funds will be deposited to its Recreation Supplies Account to support its programming.

Fiscal Year 2018-19 vending machine revenue were 7% lower as compared with Fiscal Year 2017-18. The decline in revenue is due to the healthier snacks that youth at the community centers do not crave. The table below represents vending machine revenues generated during Fiscal Year 2018-19 as compared to Fiscal Year 2017-18 at each site.

Vending Machine Site	FY 2017-18 Amounts	FY 2018-19 Amounts
Bobby Bonds Park	\$589.29	\$536.54
Bordwell Park	\$470.60	\$338.22
Bryant Park	\$586.65	\$598.04
Orange Terrace Park	\$1,656.41	\$1,578.61
Total	\$3,302.95	\$3,051.41

FISCAL IMPACT

The fiscal impact of this action is an increase in revenue in the amount of \$3,051.41 to Recreation Vending Machine Revenue account 0000101-343635. Funds will be appropriated to accounts 5205000-421000 (\$2,514.87) and account 5225000-426500 (\$536.54) and will be used to benefit the respective community centers in which the revenue was generated.

Prepared by: Adolfo Cruz, Parks, Recreation and Community Services Director
 Certified as to
 availability of funds: Edward Enriquez, Chief Financial Officer/City Treasurer
 Approved by: Rafael Guzman, Assistant City Manager
 Approved as to form: Gary G. Geuss, City Attorney