



Park and Recreation Commission

City of Arts & Innovation

TO: HONORABLE COMMISSIONERS **DATE: MARCH 16, 2020**
FROM: PARKS, RECREATION AND COMMUNITY SERVICES DEPARTMENT
SUBJECT: FISCAL YEAR 2020-2022 BIENNIAL BUDGET UPDATE

ISSUE:

Receive an update regarding the two-year budget for Fiscal Years 2020-2022.

RECOMMENDATION:

That the Park and Recreation Commission receive an update regarding the two-year budget for Fiscal Years 2020-2022 and provide input as appropriate.

BACKGROUND:

Per City Charter, the Park and Recreation Commission is to consider the annual budget for the Parks, Recreation and Community Services Department (PRCSD) operations during the budget preparation, and make recommendations with respect thereto to the City Council and the City Manager. The proposed budget for the PRCSD will be presented to the City Council, following a series of public meetings and internal actions. City Council is scheduled to adopt the Fiscal Year 2020-2022 Biennial Budget and 2020-2022 Capital Improvement Plan on June 16, 2020.

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.

Fund Summary

The PRCSD 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, Special Districts, Special Capital Improvement and Special Transportation.

Measure Z funds are used for the furniture, fixtures and equipment and programming for the Youth Innovation Center at Arlington Park. Measure Z also funds the city-wide Public Safety Engagement Team that PRCSD participates in. Previously, Measure Z funded extended hours at

pool sites for recreation swim.

The Special District Funds are compiled of revenues collected through property tax assessments and are used to pay landscape maintenance for the Loving Home 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.

The PRCSD 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. PRCSD capital projects are largely contingent upon grant funding including California Development Block Grant funding and Proposition 68 funding, which, if applications are awarded, will be appropriated at a later date.

DEPARTMENT BUDGET SUMMARY BY FUND				
Fund	FY 2018/19 Actual	FY 2019/20 Adopted	FY 2020/21 Proposed	FY 2021/22 Proposed
101 - General Fund	28,418,282	25,576,435	24,279,200	25,245,400
110 - Measure Z Fund	50,000	650,000	595,000	632,800
291 - Special Districts	24,393	14,232	45,400	45,500
411 - Special Capital Improvement	2,051,000	2,488,885	2,477,400	1,810,500
560 - Special Transit	3,358,372	4,742,676	5,306,200	5,499,600
Total	33,902,047	33,472,228	32,703,200	33,233,700

Department 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 remained flat and only increased for costs of utilities and personnel related increases were approved. Total funding allocated to Personnel is \$10.1 million in Fiscal Year (FY) 2021 and \$10.5 million in FY 2022. Personnel funds employ approximately 270 individuals in part time and full-time positions. Non-Personnel funds include, but are not limited to, programming supplies and services, maintenance contracts, community center operations, special events, and vehicle maintenance. In FY 2021 Non-Personnel is budgeted at \$9.7 million and \$10.1 million in FY 2022.

DEPARTMENT GENERAL FUND BUDGET SUMMARY BY DIVISION				
Division	FY 2018/19 Actual	FY 2019/20 Adopted	FY 2020/21 Proposed	FY 2021/22 Proposed
520000 - Administration	2,183,269	2,258,439	2,427,756	2,548,740
520500 - Recreation & Community Services	5,076,248	5,573,515	7,573,850	7,909,326
521000 - Janet Goeske Center	436,449	435,754	422,029	423,321
521500 - Parks	11,198,271	11,457,646	11,169,242	11,431,541
521540 - Fairmount Park Golf Course	702,631	851,337	705,781	716,460
522500 - Community Services	1,788,930	2,042,379	-	-
523000 - Youth Innovation Center	-	-	-	266,776
529000 - Debt Service	3,029,762	2,957,365	1,980,700	1,955,630
Total	24,415,560	25,576,435	24,279,358	25,251,784

The PRCSD also generates revenues to help offset its impact to the General Fund. The Youth Innovation Center is a new facility that will generate revenue. The revenue generated from the Youth Innovation Center will be used for operations and programming, specifically for the center. The following table summarizes the revenue generating activities of the Department:

DEPARTMENT REVENUE SUMMARY				
Program/Activity	FY 2018/19 Actual	FY 2019/20 Adopted	FY 2020/21 Proposed	FY 2021/22 Proposed
Swimming Pool Fees	405,022	338,947	345,726	352,640
Special Recreation Programs & Services	1,478,958	1,533,878	1,480,000	1,480,000
Facility Rentals	1,245,365	1,213,752	1,230,000	1,254,600
Fairmount Park Golf Course	361,067	472,781	424,900	433,398
Miscellaneous/Non-Resident	12,522	12,100	12,342	12,589
Youth Innovation Center Special Recreation Programs	0	0	140,000	142,800
Youth Innovation Center Park Rentals	0	0	38,000	38,760
Total	3,502,934	3,571,458	3,670,968	3,714,787

Department Challenges and Unfunded Needs

Specific department challenges in this budget cycle included:

1. Maintaining service levels and quality while maintaining a flat budget and accounting for increases from contracts, insurance, etc.; and
2. Identifying funding for critical equipment replacement and repair, deferred maintenance and programming needs.

The PRCSD will experience increases for park maintenance contracts, fireworks show contract, and security services for one community center site. The increase in costs while operating on a flat budget poses negative impacts to quality of services, service levels, and maintenance of parks and facilities. The identified increases require an additional \$270,000.

To fully fund the Department, an additional \$2,323,850 is needed. This is approximately a 7% increase of the total budget. The \$2,323,850 is comprised of costs for deferred maintenance, programming costs, staff costs, and community center operations. In order to maintain the parks system and facilities regular maintenance schedule, \$1,629,750 is necessary for items such as playgrounds, gym floors, lighting, and tree trimming. A total of \$85,100 is needed for programming for Snow Day, the teen basketball program, aquatics program, senior programming and Time for Tots programming. Community center operations requires \$50,000 for repair and replacement of fitness equipment, furniture and computer equipment and accessories. Additional staffing is required to perform administrative functions, expand programming and to provide better customer service to the community and volunteer groups. Positions include an Accounting Technician, Senior Office Specialist, Innovation and Technology Technician, Instructors, Recreation Leaders and Aquatics staff.

FISCAL IMPACT:

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

Prepared by: Gabriella Garcia, Senior Management Analyst
Approved by: Adolfo Cruz, Parks, Recreation and Community Services Director
Approved by: Rafael Guzman, Assistant City Manager

Attachments:

1. Presentation
2. Budget Justification by Section
3. Unfunded Needs List