



# Park and Recreation Commission

City of Arts & Innovation

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**TO: HONORABLE COMMISSIONERS** **DATE: AUGUST 17, 2020**  
**FROM: PARKS, RECREATION AND COMMUNITY SERVICES DEPARTMENT**  
**SUBJECT: FISCAL YEAR 2020-21 ANNUAL BUDGET UPDATE**

**ISSUE:**

Receive an update regarding the annual budget for Fiscal Year 2020-21.

**RECOMMENDATION:**

That the Park and Recreation Commission receive and file an update on the Parks, Recreation and Community Services Department budget for Fiscal Year 2020-21 and provide input as appropriate.

**BACKGROUND:**

Per City Charter, the Park and Recreation Commission is to consider the biennial budget for Parks, Recreation and Community Services' operations during its preparation, and make recommendations with respect thereto to the City Council and the City Manager.

Due to the Coronavirus Pandemic (COVID-19), the City switched to a one-year budget for Fiscal Year 2020-21 in order to navigate the financial uncertainties resulting from the economic impacts of COVID-19. All commission and committee meetings were cancelled for safety concerns and the Fiscal Year 2020-21 budget could not be presented during the preparation phase. The Parks, Recreation and Community Services Department's (PRCSD) budget was approved by City Council 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.

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

**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. Personnel related increases were approved and total funding allocated is \$10.1 million. Personnel funds 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 Fiscal Year 2020-21 Non-Personnel is budgeted at \$9.7 million.

<b>DEPARTMENT GENERAL FUND BUDGET SUMMARY BY DIVISION</b>			
<b>Division</b>	<b>FY 2018/19 Actual</b>	<b>FY 2019/20 Adopted</b>	<b>FY 2020/21 Proposed</b>
520000 – Administration	2,183,269	2,258,439	2,427,756
520500 - Recreation & Community Services	5,076,248	5,573,515	7,573,850
521000 - Janet Goeske Center	436,449	435,754	422,029
521500 – Parks	11,198,271	11,457,646	11,169,242

<b>DEPARTMENT GENERAL FUND BUDGET SUMMARY BY DIVISION</b>			
<b>Division</b>	<b>FY 2018/19 Actual</b>	<b>FY 2019/20 Adopted</b>	<b>FY 2020/21 Proposed</b>
521540 - Fairmount Park Golf Course	702,631	851,337	705,781
522500 - Community Services	1,788,930	2,042,379	-
523000 - Youth Innovation Center	-	-	-
529000 - Debt Service	3,029,762	2,957,365	1,980,700
<b>Total</b>	<b>24,415,560</b>	<b>25,576,435</b>	<b>24,279,358</b>

The PRCSD also generates revenues to help offset its impact to the General Fund. The Youth Innovation Center (YIC) is a new facility that has generated revenue through naming rights and sponsorship opportunities, which will be used to fund operations and programming specifically for the center. Going forward, the YIC will continue to bring in additional revenue from annual memberships, contract classes and tenant revenue. The following table summarizes all revenue generating activities for the Department:

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

### ***Department Challenges and Unfunded Needs***

Specific department challenges in this budget cycle include:

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 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 \$245,000.

COVID-19 has also created a unique challenge for the department affecting revenue, personnel and expenditures in Fiscal Year 2019-20 and will continue to affect Fiscal Year 2020-21. In September 2020, the PRCSD will provide a detailed financial update and presentation to the Park and Recreation Commission on the affects of COVID-19 on the department budget.

To fully fund the Department, a total of \$1,973,850 in additional funding is needed. This is an approximately 6% increase of the total budget. The \$1,973,850 is comprised of costs for deferred maintenance, programming, personnel costs, and community center operations. In order to maintain the parks system and facilities, additional maintenance funding in the amount of

\$1,279,750 is necessary to maintain items such as playgrounds, gym floors, lighting, and tree trimming. An additional \$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 also requires an additional \$50,000 for repair and replacement of fitness equipment, furniture and computer equipment and accessories. Additional staff funding 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. A complete list of the department's unfunded needs is provided in Attachment 2.

If funding is not available for unfunded needs, services would be reduced to pay for contract increases related to parks maintenance. The PRCSD continually pursues grants to assist with maintenance for needed items such as playground resurfacings, gym floors and facility renovations.

**FISCAL IMPACT:**

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

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Attachments: 1. Presentation  
2. Unfunded Needs List