



Park and Recreation Commission

City of Arts & Innovation

TO: HONORABLE COMMISSIONERS **DATE: MARCH 15, 2021**
FROM: PARKS, RECREATION AND COMMUNITY SERVICES DEPARTMENT
SUBJECT: FISCAL YEAR 2021-2022 BUDGET PRESENTATION

ISSUE:

Receive a presentation on the upcoming Fiscal Year 2021-2022 budget.

RECOMMENDATION:

That the Park and Recreation Commission receive a presentation on the upcoming Fiscal Year 2021-2022 budget 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's (PRCSD) operations during its preparation, and make recommendations with respect thereto to the City Council and the City Manager. The proposed budget for the Parks, Recreation and Community Services Department (PRCSD) will be presented to City Council, following a series of public meetings and internal actions. City Council is scheduled to adopt the Fiscal Year (FY) 2021-2022 Budget and FY 21-22 Capital Improvement Plan on June 22, 2021.

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. The table on page 2 provides a summary of the Department's total budget by section and funding source.

Fund Summary

The PRCSD administers programs in five 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 programming at the Bourns Family Youth Innovation Center and

the city-wide Public Safety Engagement Team (PSET) 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 requested when grants are applied for and awarded, separately from the biennial budget process. PRCSD capital projects are largely contingent upon grant funding including Community Development Block Grant funding and Proposition 68 funding, which if applications awarded, will be appropriated prior to the receipt of funds.

DEPARTMENT BUDGET SUMMARY BY FUND				
Fund	FY 2018/19 Actual	FY 2019/20 Actual	FY 2020/21 Proposed	FY 2021/22 Proposed
101 - General Fund	24,292,412	22,702,111	23,251,479	24,449,397
110 - Measure Z Fund	-45,833	60,415	290,595	616,245
292 - Special Districts	24,405	17,099	54,847	55,012
411 - Special Capital Improvement	2,551,905	2,481,039	2,474,588	1,808,717
560 - Special Transit	3,538,372	3,784,961	5,221,644	5,413,094
Total	30,361,261	29,045,625	31,293,153	32,342,465

Department General Fund Budget

The Department's proposed General Fund 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. Total funding allocated to Personnel is \$10.2 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 2022, Non-Personnel is budgeted at \$9.8 million.

DEPARTMENT GENERAL FUND BUDGET SUMMARY BY DIVISION				
Division	FY 2018/19 Actual	FY 2019/20 Actual	FY 2020/21 Proposed	FY 2021/22 Proposed
520000 – Administration	2,191,739	2,109,977	2,104,191	2,268,919
520500 - Recreation & Community Services	4,953,790	4,790,853	7,102,511	8,011,101
521000 - Janet Goeske Center	438,907	441,103	421,167	408,088
521500 – Parks	10,957,347	10,550,111	10,940,557	11,197,600
521540 - Fairmount Park Golf Course	702,181	587,237	702,353	729,727
522500 - Community Services	2,017,827	1,264,701	-	-
523000 - Youth Innovation Center	-	-	-	386,387

529000 - Debt Service	3,029,762	2,957,365	1,980,700	1,955,630
Mandated Vacancy Savings				-508,055
Total	24,291,533	22,701,347	23,251,479	24,449,397

The PRCSD also generates revenues to help offset its impact to the General Fund. Due to the Novel Coronavirus (COVID-19), a reduction in revenue is estimated for FY 2022. A contra revenue account was set up in FY 2019-2020 to capture refunds to customers due to cancellations as a result of COVID-19.

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 Actual	FY 2020/21 Adopted	FY 2021/22 Proposed
Swimming Pool Fees	405,022	177,733	258,423	278,479
Special Recreation Programs & Services	1,478,958	928,151	1,104,900	1,016,880
Park Rentals	1,245,365	827,764	919,397	856,269
Fairmount Park Golf Course	361,067	294,392	317,861	433,033
Non-Resident Use Fee	12,522	8,561	9,874	8,610
Miscellaneous		7,040	112,080	107,879
Youth Innovation Center Special Recreation Programs	0	0	112,000	30,000
Youth Innovation Center Park Rentals	0	0	30,400	12,000
Special Assessment Revenue	67,613	70,171	55,000	55,000
Park Rentals/Special Recreation Programs Refunds		-124,475		
Total	3,570,547	2,189,337	2,919,935	2,798,150

Significant Changes to the Budget

Non-Personnel and Revenues

Significant changes to the non-personnel and revenue have been made to address the budgetary needs of the department and challenges associated with COVID-19. Below is a list of these changes:

1. Request to restore funding to the 4th of July Fireworks Show in the non-personnel budget.
 - a. In 2017, funding for the show was eliminated from the department budget.
 - b. Requesting a supplemental increase of \$67,000 to restore funding to produce the show or approval to utilize salary savings generated to fund the show.
 - c. Funding the show from the FY 21-22 budget would require cuts from Senior programming, Friendly Stars and Project Bridge.
2. Addition of the Bourns Family Youth Innovation Center to the General Fund Budget
 - a. Facility is temporarily funded through Measure Z funding.
 - b. The General fund budget will fund facility when Measure Z funding is no longer available.
 - c. Revenues generated by the facility and interest generated by a special endowment fund will assist in offsetting costs of the facility.

3. Reallocation in Maintenance of Building and improvements from \$690k to \$225k to balance contract increases.
 - a. The reallocation was needed to address contract increases but will put a strain on maintenance of facilities.
 - b. Department has requested a supplemental increase for \$465k to address reallocation of resources.

FISCAL IMPACT:

There is no fiscal impact associated with receiving this report for file. The total amount of the Parks, Recreation and Community Services Department budget is \$32.3 million dollars.

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

Attachment: Presentation