

STAFF REPORT

City Council Business Agenda Item

DATE: January 18, 2022

TO: Honorable Mayor and Councilmembers

FROM: Cameron Mull, Director of Parks & Recreation

THROUGH: Merritt Perry, City Manager

SUBJECT: Supplemental Budget Request for the Addition of a Playgroup Program in the Recreation Division, and Authorize City Staff to execute a Grant Agreement with First 5 Humboldt

STAFF RECOMMENDATION:

Approve a Supplemental Budget Request (SBR) and authorize City staff to execute a Grant Agreement with First 5 Humboldt to fund a playgroup activity for Fortuna families.

EXECUTIVE SUMMARY:

Currently, recreation activities available for families in Fortuna with children under six years of age are limited. A program that has shown to exhibit many positive outcomes to children in this age-group is an organized playgroup. Children that attend playgroups are generally more prepared for kindergarten, learn about positive social interactions, are taught basic life skills early, and are provided resources in a positive environment for parents and young children to thrive.

Being aware of these positive impacts of a playgroup in communities, one of the Recreation Division's goals is to offer a similar program. The Parks & Recreation Director submitted a grant application to First 5 Humboldt in hopes of fully supporting a future playgroup in Fortuna held at the Firemen's Pavilion twice per week. This playgroup application was approved by First 5 Humboldt in December 2021. For additional background, First 5 California is a state agency that utilizes tobacco tax revenue to support programs for newborns to 5 year olds (such as playgroups), which is then administered in the various counties.

First 5 Humboldt generated the attached Grant Agreement, which is an annual agreement between First 5 Humboldt and the City to financially support the program in the amount of \$7,000 for the first six months which we expect to renew at six months to cover the entire fiscal year. This will pay for staffing costs to facilitate the program (the program is expected to have two staff as facilitators for each session), as well as for purchasing the necessary supplies and materials to operate the program. Thus, a SBR is necessary to increase the Recreation Division budget by \$14,000 to adjust & account for these additional expenses.

Due to the current COVID-19 climate, most playgroups have not met in-person since 2020, so any funds received by First 5 Humboldt to the City may be pro-rated, as they also operate their budget

on a fiscal year. This will give City staff time to plan and prepare the program to open to the public, at a date to be determined.

FISCAL IMPACT:

First 5 Humboldt will provide the City with \$14,000 per fiscal year to operate a playgroup program for two sessions per week, so an SBR is necessary to account for this additional revenue and expenses. Revenue will go into Recreation Program Fees (100-4310-5400) and for expenses, \$12,000 would come out of Part-Time Salaries (100-5165-5400) and \$2,000 from Department Supplies (100-5500-5400). Quarterly invoices will be submitted to First 5 Humboldt by City staff, requesting reimbursement of these funds. Additionally, First 5 Humboldt will provide assistance for up-front costs associated with the necessary supplies & materials needed to kick-off the program (cost TBD).

The current plan is to offer the program free to the public; however, some revenue may be collected if participants make donations.

RECOMMENDED ACTION:

1. Receive staff report and attachments, and review any questions with staff
2. Open Public Comment
3. Close Public Comment
4. Motion to approve a Supplemental Budget Request and to authorize City staff to execute an agreement with First 5 Humboldt to offer a playgroup activity for one year. Roll Call vote.

ATTACHMENTS:

- Supplemental Budget Request (SBR)
- Grant Agreement between First 5 Humboldt and the City of Fortuna