

STAFF REPORT

City Council Business Item

DATE: November 7, 2022

TO: Honorable Mayor and Councilmembers

FROM: Cameron Mull, Director of Parks & Recreation

THROUGH: Merritt Perry, City Manager

SUBJECT: **Supplemental Budget Request for Recreation Division to Increase the Budget for Part-Time Employees by \$26,329 and Increase to the Recreation Program Revenue Budget by \$30,000**

STAFF RECOMMENDATION:

Approve the Supplemental Budget Request (SBR) increasing the budget for part-time Recreation Division labor by \$26,329, and increase the Recreation Program Revenue Budget by \$30,000 to include anticipated program revenue.

EXECUTIVE SUMMARY:

A goal of the Recreation Division is to offer a variety of programs to community. The Recreation Supervisor position changed from a part-time to a full time position in 2021, with the intention of being able to provide new and improved recreation program opportunities, including the addition of new programs, expansion of existing programs, and improving the overall quality of the programs. Some of the new or expanded programs added within the last year and a half include:

- Three Roller Skate sessions per week since 2021 (previously only one session per week)
 - Participation increased from an average estimated 30 skaters/session in 2018 to 65 thus far in 2022
- Hot Shots participation went up 21% in 2022 from 2019 (last pre-pandemic year: highest previously recorded: 362 participants vs. 285)
- Drop-in Volleyball Program was added
- Paint & Sip Nights added
- Bike Rodeo (May)
- Scavenger Hunt (May)
- Spook-A-Thon (October)
- Kids playgroup (funded in-full by First 5 Humboldt)

In addition to the staff hours needed for the new or expanded programs above, it was identified that more training was necessary for our recreation staff to reduce risk to participants, and improve safety and professionalism. New trainings added for Recreation staff included CPR, First Aid, Vigilance, Dealing with Difficult Behaviors, Ideal Customer Service Practices, and Anti-harassment. This training was timely and important as staff are dealing with more children's

behavioral issues than ever before, as our youth are dealing with the impacts of isolation and lack of socialization experienced during the COVID safety protocols put in place during the pandemic.

Both the expenditures and the revenues increased with the additional and expanded programs. Facilitating the programs required more staff time for our Recreation Coordinators and our Recreation Leaders. The amount of hours budgeted for Recreation Leaders and Coordinators has remained unchanged for the past several years, with 7550 total hours allocated to those positions. Last Fiscal Year (FY21-22), the Recreation Department exceeded the 7,550 budgeted hours by approximately 800 hours, ending with a total of 8,246 hours. The cost of this overage was approximately \$16,165.

The revenue from the Skate Program in FY 21-22 increased significantly, however revenue from Kiddie Camp and Summer Fun were down approximately \$30,000 from prior years due to pandemic related impacts (camp closures, required COVID pay, etc.) Skate Program revenue in FY 21-22 was \$46,788 which is \$26,912 over the highest pre-pandemic year which was FY18-19, in which the Skate Program revenue was \$19,866. Overall, revenues were down approximately \$3,000 in FY 21-22. This shortfall resulted from camps being shut down due to COVID cases and there being only nine weeks instead of ten weeks due to school schedules being adjusted (estimated to be a \$20,000 minimum total loss of revenue).

It is anticipated that the current year Recreation Division budget will be similar to what was experienced last fiscal year, however the budget does not accurately reflect the amount of revenue or expenses that are expected for FY 22-23. Staff's request is to increase the expense budget and the revenue budget by increasing the budget amount of each. The requested expense increase is \$26,329 and would be used for part-time employee salaries for Recreation Program Coordinators and Leaders. The requested revenue increase is \$30,000.

The City of Fortuna spends less per capita in Parks and Recreation compared to other similarly sized Cities. For example, The City of Fortuna's population is 12,135, and the Recreation Division's total budget is \$428,168 with \$132,537 of that allocated for part-time staffing. The City of Arcata (population of 18,266) has five full-time employees in the Recreation Division and their total overall budget for Recreation is \$689,747, with a part-time staffing budget of \$237,053. The City of Healdsburg (population of 11,275) has a total overall budget for Recreation of \$625,487 with a part-time staffing budget of \$202,500. The McKinleyville Community Services District (population of 16,645) had an overall budget for Recreation of \$518,265, with a part-time staffing budget of \$193,300. The per capita amount spent for each city is shown below:

City	Population	Recreation Division Budget	Part-Time Employee Budget	Recreation Budget per Capita
Fortuna	12,135	\$428,168	\$132,537	\$35.28
Arcata	18,266	\$689,747	\$237,053	\$37.76
Healdsburg	11,275	\$625,487	\$202,500	\$55.47
McKinleyville	16,645	\$518,265	\$193,300	\$31.13

As one can see from the examples provided, Fortuna spends less than other similar sized cities, and the requested changes are well within what other similar cities budget for their recreation divisions.

FISCAL IMPACT:

If approved, the Fiscal Year 202-/2023 budget would be revised to increase the recreation budget by \$26,329 to be used for part time recreation hours and added to account 100-5165-5400. This amount will provide an additional 1,450 hours per year and increase the number of budgeted hours from 7,550 to 9,000 hours per year. Program revenue would be increased to include \$30,000 of additional revenue to reflect the anticipated revenues from the City's Skate Program. The additional revenue would be added to Recreation Program Revenue account (100-4310) and increase the budgeted amount from \$120,000 to \$150,000. The net impact of this change would result in an increase of General Funds in the amount of \$3,671.

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 the Supplemental Budget Request (SBR) increasing the budget for part-time Recreation Division labor by \$26,329, and increase the Recreation Program Revenue Budget by \$30,000 to include anticipated Skate Program revenue. Voice vote.

ATTACHMENTS:

- Supplemental Budget Request (SBR)
- Summary of Projected Staff Hours
- Skate participation in 2021 and (to-date) 2022
- Summary of Program Revenue in FY21-22 (Quarters 1-4) and Quarter 1 of FY22-23