



## CITY OF SANTA BARBARA

### PARK AND RECREATION COMMISSION REPORT

**AGENDA DATE:** April 25, 2007

**TO:** Park and Recreation Commission

**FROM:** Administrative Division, Parks and Recreation Department

**SUBJECT:** Creeks Division Fiscal Year 2008/09 Budget

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**RECOMMENDATION:** That the Commission hear a report on the Proposed Fiscal Year 2008 and Fiscal Year 2009 budget for the Creeks Restoration and Water Quality Division, and provide comments and direction to staff.

#### **DISCUSSION:**

This memo provides a detailed review of the proposed Fiscal Year (FY) 2008 budget and a more general overview for the FY 2009 budget for the Creeks Restoration and Water Quality Division (Creeks Division). The attached budget table provides additional details.

#### **Summary of Budget and Programmatic Changes for FY 2008**

With projected revenues of \$2,716,300 and interest income of \$201,087, the total projected revenue is \$2,917,387. The proposed FY 2008 Creeks Division budget of \$2,726,556 is within projected Measure B and interest revenues. Unspent revenue will be placed in an unappropriated reserve account.

Highlights of the proposed FY 2008 Creeks Division budget include the addition of a Creeks Supervisor position, reallocation of professional services funds to expand water quality monitoring and research, increases to non-contractual services for a public opinion survey and community outreach programs, and \$635,000 in transfers to the capital program.

#### Salaries and Benefits

The Creeks Division is proposing the addition of a Creeks Supervisor position, which results in a projected expenditure of \$817,461. In the last 3 years, the Creeks Division has grown significantly, and the Creeks Division Manager needs support for staff oversight and program development and administration. The Creeks Supervisor will be responsible for the capital and water quality improvement programs, and oversee 3 staff, including the Creeks Restoration Planner and 2 Water Resources Specialists.

The Creeks Advisory Committee concurred with this recommendation at its February 2007 regular meeting. With the addition of a Creeks Supervisor, the Creeks Division would have 7 full-time permanent staff and 2 part-time permanent staff. In addition, the Creeks Division hires 2-4 part-time interns each year to assist with special projects, such as water quality data analysis, integrated pest management research, and the creeks stewards program.

#### Professional Services

The Creeks Division is proposing professional services in the amount of \$240,000. The water quality research and monitoring program is largely funded with the professional services category and includes outside laboratory costs, microbial source tracking research, and benthic macro-invertebrate monitoring. It is anticipated that some of the funds proposed for microbial source tracking research will be offset by a grant from the State Water Resources Control Board.

#### Non-Contractual Services

The Creeks Division is proposing expenditures of \$727,150 for non-contractual services for FY 2008. Non-contractual expenditures include the maintenance of creek restoration and water quality treatment projects, creek clean-ups, in-school youth education programs, creek stewards projects, clean water business projects, print and radio advertising, among others. New expenditures are proposed for FY 2008, including the preparation of a public opinion survey to assess progress in public knowledge about sources of storm water pollution, maintenance of the Arroyo Burro Estuary and Mesa Creek Restoration Project, and the implementation of an after-school/neighborhood community outreach program.

#### Capital Outlay

In FY 2008, the Creeks Division is proposing a capital outlay of \$635,000 for 7 capital improvement projects. Four of the 7 projects are new, including:

- Installation of new Catch Basin Filters/Debris Screens: \$110,000 (Westside neighborhood)
- Mission Creek Watershed Restoration: \$75,000 (match for grant funding)
- Invasive Plant Removal Program: \$75,000 (plan development, grant match)
- Capital Replacement for Water Quality Facilities: \$25,000.

Three projects would receive additional funds. These include the:

- Bacterial Reduction Program: \$100,000 (match for grant funding)
- Las Positas Storm Water Project: \$100,000 (construction funding)
- Old Mission Creek at West Figuroa Storm Water Project: \$150,000 (permitting/final design/grants).

## **Summary of Budget and Programmatic Changes for FY 2009**

With projected revenues of \$2,852,100 and interest income of \$201,087, total projected revenue is \$3,053,187. The proposed FY 2009 Creeks Division budget of \$2,767,479 is within projected Measure B and interest revenues. There are few changes proposed for the FY 2009 budget from the FY 2008 budget. As an example, fewer funds are budgeted for contractual services because one-time projects such as the follow-up public opinion survey will be complete in FY 2008. Additional funds (\$90,000) are budgeted in the capital program.

### Unappropriated Reserves

Due to the acquisition of a number of grants, the Creeks Division has over 3 million in unappropriated reserves. During the FY 2008-FY2009 budget development process, it was determined that there should be an unappropriated reserve account specific to the Creeks Division Operating Budget as well as the Creeks Division Capital Program. Similar to the policy for Enterprise Funds, beginning in FY 2008, 25 percent of the Creeks Division Operating Budget will be placed in an unappropriated reserve account and the remaining funds will be placed in an unappropriated reserve capital account. Appropriation of these funds requires City Council action, either through the annual budget process, or during the fiscal year.

### Grants

As a matter of practice, actual or anticipated grant funds are not shown in either the operating or capital annual budgets. While the Creeks Division has been very successful in acquiring large grants for its capital projects, grant sources and great competitiveness varies from year to year. It is anticipated that in FY 2007, the Creeks Division will be awarded approximately \$900,000 in grants for 2 capital projects and 1 research project. These funds will be appropriated in FY 2007 and over three years, from FY 2007-FY2009.

**ATTACHMENT:** Creeks Division Proposed FY08 & FY09 Budget

**SUBMITTED BY:** Jill E. Zachary, Assistant Parks and Recreation Director

**APPROVED BY:** Nancy L. Rapp, Parks and Recreation Director