



CITY OF SANTA BARBARA

PARKS AND RECREATION COMMISSION REPORT

AGENDA DATE: September 22, 2010

TO: Parks and Recreation Commission

FROM: Administration Division, Parks and Recreation Department

SUBJECT: Parks and Recreation Fiscal Year 2011 Budget

RECOMMENDATION: That the Commission receive a report on the adopted Parks and Recreation Fiscal Year (FY) 2011 General Fund Budget, including a summary of the declines in General Fund support and workforce since FY 2009, and current year work priorities.

DISCUSSION:

The Parks and Recreation Department has five divisions: Administration, Parks, Recreation, Creeks, and Golf. Three of the five divisions are funded through the City's General Fund: Administration, Parks, and Recreation. The Creeks Division is a Special Fund, funded through a portion of the Measure B Transit Occupancy Tax (TOT). The Golf Division is an Enterprise Fund, funded solely on revenues generated at the municipal golf course. The Golf Course and Creeks Program do not receive General Fund support. The following table shows the FY 2011 Adopted Budget for each of the three funds. A copy of the adopted Parks and Recreation FY 2011 budget is attached to this report, including General Fund, Creeks Fund and Golf Fund. Each budget contains performance measures for the year as well as a description of the programs and services.

PARKS AND RECREATION FY 2011 ADOPTED BUDGET	
Creeks Fund	\$2,160,280
Golf Fund	\$2,066,593
General Fund	<u>\$12,853,930</u>
Total	\$17,614,803

General Fund Challenges

Over the last two to three years, the City has faced continuing challenges related to the downturn economy and the effect on General Fund revenues. In response, General Fund departments have seen a continuing decline in General Fund support. Last fall for example, the City projected a shortfall of over \$9 million dollars for FY 2011,

approximately 10% of the General Fund operating budget. Similar to the previous year, the City's budget strategy included department budget adjustments, increases in various fees and charges, Citywide labor measures, structural budget changes, and delays to capital improvements. In FY 2010 Parks and Recreation was asked to reduce its General Fund budget by approximately \$1.6M. In August 2009 and again in January 2010 the Department identified approximately \$668K in additional reductions as the City responded to worsening revenue reports.

In developing a budget for FY 2011 the Parks and Recreation Department was asked to submit a budget with reductions totaling \$643,382. In developing the budget, Parks and Recreation used a balancing strategy that prioritized the following:

1. Increasing revenues where possible through new programming and fee increases.
2. Taking advantage of vacancies; restructuring to insure the organization retains sufficient resources to provide quality programs and services.
3. Increasing funding by organizations that use City parks and facilities to offset General Fund maintenance expense.
4. Transferring facilities/services to other service providers where possible with the goal that services to the public would be continued.
5. Protecting critical public services that are either not provided elsewhere in the community or that are less accessible to the underprivileged or low-income.
6. Protecting park and facility resources to the greatest degree possible, above programs where needed, so that the community continues to have access to recreational spaces.

FY 2011 General Fund Budget Reductions

The proposed FY 2011 General Fund Budget included a number of position and service reductions in order to meet the target reduction of \$643,382. Through the budget review process and negotiations with labor unions, some proposed reductions were not implemented by City Council when they adopted the FY 2011 General Fund budget. The following were included with the adopted budget for a total budget savings of \$476,476:

- Delayed replacement of facility rental equipment (\$13,000)
- New revenue: new concessions, increased payment by co-sponsors for use of City parks and facilities (\$48,100)
- Transfer of the Teen Center to PAL (\$44,566) and Las Positas Tennis Facility to Elings Park (\$11,558)
- Elimination of 2.30 FTE and 2,167 hourly staff hours, for a total reduction of 3.3 FTE. (Vacant Business Manager, vacant Teen Center Coordinator, and reduction of two full-time positions to half time - Grounds Maintenance Worker II (filled) and Pool Maintenance Technician (vacant). Not counted in the official FTE reduction but affecting the FY 2011 workforce, the department agreed to eliminate a Administrative Specialist position following an August 2010 retirement, and to retain salary savings from one Administrative Specialist position (-2 FTE). (\$328,252)

The following proposed reductions were not included in the final adopted budget:

- Elimination of vacant GMWII (Council prioritized keeping park restrooms open and not reducing Cabrillo Blvd. maintenance)
- Elimination of a filled .80 FTE Recreation Leader position and reduction of Marketing Coordinator position from full-time to half-time (SEIU labor agreement)
- Recreation Swim at Ortega Park Pool (Council prioritized restoration of this service)

Changes in General Fund Support since FY 2009

General Fund Subsidy

The following table shows the cumulative effect of declining General Fund support or subsidy for the Parks and Recreation Department. Revenue changes are related to fee increases, changes in program participation, and in some cases structural budget changes (i.e., the decision by City Council to have the Waterfront Department cover the cost of the Beach Lifeguard Service, which comes in as revenue to the Recreation Division). The General Fund Subsidy is determined by the expense budget less what is recovered by revenue. Over the last two years the department has seen a 28.4% reduction in General Fund subsidy to support program and services.

PARKS AND RECREATION GENERAL FUND BUDGET REVENUE AND EXPENSE CHANGES FY 2009 TO FY 2011						
	FY 09 Adopted	FY 10 Adopted	% Chg	FY 11 Adopted	% Chg	% Cumm Chg
Revenue	-4,547,417	-4,688,752	3.1%	-4,618,666	-1.5%	1.6%
Expenses	16,055,940	14,092,753	-12.2%	12,853,930	-8.8%	-19.9%
Subsidy	\$11,508,523	\$9,404,001	-18.3%	\$8,235,264	-12.4%	-28.4%

The overall decline in subsidy since FY 2009 is reflected differently in the three divisions:

Parks Division	-25.8%
Administration Division	-31.1%
Recreation Division	-31.8%

Workforce Changes

The Department's 28.4% reduction in General Fund subsidy is primarily reflected in a smaller workforce, including hourly employees and full-time staff. The following table shows General Fund workforce changes since FY 2009. The department has lost the equivalent of 40.4 FTE which is an overall reduction of 25.5%. The greatest reduction in workforce is seen in the Recreation Division with the loss of nearly 55,000 hourly staff hours and 7.5 FTE permanent staff, for an overall reduction of 36.7% compared to 13% in

the Administration Division and 9.4% in the Parks Division. (Administration has the equivalent of 2 additional FTE reductions in FY2011 not included in this table – the elimination of an Administrative Specialist mid-year FY2011 due to an August 2010 retirement, and an agreement to retain salary savings from another position.)

PARKS AND RECREATION WORKFORCE CHANGES					
	FY 2009 Actual	FY 2010 Adopted	FY 2011 Adopted	FTE Change	% Chg FY09 to FY11
HOURLY (hours)*					
Administration	996	200	420	-576	-57.8%
Parks	20,276	18,842	20,498	222	1.1%
Recreation	126,925	76,243	72,132	-54,793	-43.2%
Total	148,197	95,285	93,050	-55,147	-37.2%
PERMANENT FTE					
Administration	8.55	8.45	7.65	-0.90	-10.5%
Parks	47.70	43.70	42.20	-5.50	-11.5%
Recreation	31.10	24.70	23.60	-7.50	-24.1%
Total	87.35	76.85	73.45	-13.90	-15.9%
COMBINED FTE					
Administration	9.03	8.55	7.85	-1.18	-13.0%
Parks	57.45	52.76	52.05	-5.39	-9.4%
Recreation	92.12	61.36	58.28	-33.84	-36.7%
Total	158.60	122.66	118.19	-40.41	-25.5%

* Hourly staff hours are converted as 2,080 hours equaling one full-time equivalent (FTE) position.

Capital Program Funding

A number of the Department's capital projects have either been completely unfunded or had funding reduced to help meet General Fund budget challenges. In FY09, a total of \$405,370 was cut. This eliminated funding for five capital projects and reduced funding for two capital projects. In FY10, midyear reductions to the capital program totaled \$276,723. These reductions eliminated four additional capital projects and further reduced funding for a fifth project. The table on the following page illustrates the funding reductions by project.

As a result of these reductions, the Project Management Team work force was reduced by 1/3 (from three positions to two positions). In the short term, the Department has successfully leveraged outside grant funds from a variety of sources to maintain some funding for capital improvements. These include the Community Development Block Grant (CDBG) Program, Santa Barbara County Coastal Resource Enhancement Fund, U.S. Department of Labor, California Department of Forestry and Fire, California Department of Parks and Recreation, California Community Foundation and the Parma Park Trust. In addition, in FY 10, Redevelopment Agency funds were allocated to remodel three park restrooms, and upgrade the Chase Palm Park lighting and electrical system.

Capital Program Funding Reductions – FY09 and FY10

Project	Reduction	Status
Thousand Steps Beach Access (FY09)	\$50,000	Eliminated
Kid's World Refurbishment (FY09)	\$56,369	Eliminated
Hale Park Dog Fence (FY09)	\$70,000	Eliminated
Ball Field Pole Replacement Fund (FY09)	\$7,107	Eliminated
Tennis Lighting Program (FY09)	\$9,733	Eliminated
Playground Replacement Program (FY09)	\$172,161	Reduced
Bird Refuge Management Plan (FY09 & FY10)	\$65,000	Reduced
Franceschi House Park Improvements (FY10)	\$150,000	Eliminated
Mission Creek Lagoon Management (FY10)	\$45,000	Eliminated
Irrigation System Replacement Program (FY10)	\$56,723	Eliminated
Total	\$682,093	

The Commission will receive a comprehensive report on the Department's capital projects at the November regular meeting.

FY 2011 Work Priorities

While the decline in General Fund support and workforce has affected the scope of services provided by the Parks and Recreation Department, many programs and projects will be a focus for the coming year. Of high priority for the department is monitoring program quality, safety and customer service, to insure that the department provides the best services to the public within our resources. The City's performance management program, summarized in the adopted budget, outlines primary program and project objectives for the year for each department program. Below are some highlights of FY 2011 work efforts by division.

Administration

- Strategy to increase golf rounds and improve the fiscal viability of the golf course
- Prepare 6-year capital program and department budget
- Work with the PARC Foundation to increase fundraising to support parks and programs
- Work with the South Coast Gang Task Force to identify and improve opportunities to engage youth in positive activities
- Provide leadership to the Front Country Trails Multi-Jurisdictional Task Force
- Work with City Administration, the community, and Neighborhood and Outreach Services staff, to develop a phased plan for improving outreach and services to neighborhoods.
- Coordinate multi-department effort to revise City policies, regulations and practices to better manage large special events
- Plan and implement department capital improvement program

Parks

- Prepare reports and mapping related to Vegetative Fuels and Defensible Space Fire Plan Program
- Coordinate City IPM Program and prepare annual report
- Replace two park playgrounds (Hidden Valley and Hilda Ray Park)
- Complete Parma Park improvements, including renovated entrance, picnic area and park restoration with native planting
- Renovate Louise Lowry Davis Center landscape (removing turf surrounding building and installation of xeriscape plant material)
- Prepare and implement annual tree plan, including planting of 150 street trees and trimming of 5,100 street trees
- Plan and coordinate six volunteer work days
- Correct 100% of all reported safety issues within an average of 8 work hours of notification
- Complete Cabrillo Ballfield Fencing Project

Recreation

- Formation of Neighborhood Advisory Council
- Work with PAL and Youth Council for success of teen center transition
- Develop NOS FY11 outreach and project plan
- Recommend and implement CDBG projects related to parks and recreation facilities
- Carrillo Recreation Center Re-opening, including grand opening events, programs, new business plan, and enhancing private facility rental program including changes to the Alcohol ordinance to allow alcohol at private events
- Develop new programs/revenue
- Construct new Franklin Center teen center
- Develop recommendations to improve City event large special events policies
- Evaluate City photo and film permit application and process
- Secure \$250,000 in grants, donation and sponsorships

Creeks

- Complete construction on Mission Creek Restoration and Steelhead Passage Project at Tallant Road
- Prepare City Storm Water Ordinance
Initiate preliminary design on Mission Lagoon/Laguna Channel Restoration Project
- Complete and launch new Creeks Program website design
- Complete citywide installation of Catch Basin Debris Screens Project
- Complete final design of Mission Creek Steelhead Passage Project at the CalTrans Channels

Golf

- Increase rounds and revenue through strategic marketing and promotions.
- Update irrigation software with GPS mapping and labeling.

- Initiate tree pruning campaign for a healthier, more aesthetically pleasing stand of trees and increase golfer satisfaction.
- Eradicate noxious weeds in clubhouse planters and introduce native, drought tolerant plant species.
- Continue to implement old world agronomic practices to promote bentgrass, allowing us to achieve our goal of three or less chemical inputs per year to the putting surfaces.
- Maintain efforts to reach full Audubon Certification by completing a series of environmental reports.

Conclusion

Although there have been significant reductions in funding and workforce, the Parks and Recreation Department continues to provide a broad array of programs and services for the community, and has maintained its emphasis on providing clean and safe parks and facilities, excellent customer service, and safe, well-run, high quality programs.

ATTACHMENT: FY 2011 Parks and Recreation Department Budget

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