



CITY OF SANTA BARBARA

PARKS & RECREATION COMMISSION REPORT

AGENDA DATE: April 24, 2013

TO: Parks and Recreation Commission

FROM: Administration Division, Parks and Recreation Department

SUBJECT: Parks and Recreation Recommended Fiscal Years 2014-2015 Budget

RECOMMENDATION: That the Commission recommends City Council approval of the Recommended Fiscal Year 2014-2015 Parks and Recreation Department Budget, including the General Fund, Creeks Fund, Golf Fund, Capital Program, and Fees and Charges.

DISCUSSION:

On April 16, 2013, the City Administrator presented the Recommended Fiscal Year (FY) 2014-2015 Budget to the City Council and initiated public review. The Recommended Budget is available at the City Clerk's Office and on the City's website at: www.SantaBarbaraCA.gov. During April and May, City departments will present their budgets to City Council with a tentative date of adopting the budget on June 18, 2013.

Parks and Recreation Department Budget Overview

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. Through a separate fund, the Department holds miscellaneous grants from outside organizations that are intended for a specific project or program. In addition, capital project funds are held in a designated Capital Outlay Fund and therefore not reflected in the annual operating budget.

The Creeks Division is a Special Fund, funded through a portion of the Transit Occupancy Tax (TOT) collected by the City. The Golf Division is an Enterprise Fund, funded solely by revenues generated at the Municipal Golf Course. The Golf Course and Creeks Division do not receive General Fund support.

Although the proposed budget has a two-year cycle, this staff report is primarily focused on the FY 2014 proposed budget since the City Council adopts the budget on an annual

basis. The Commission received the Department's proposed budget, performance measures, and fees and charges at its special meeting on April 17, 2013.

General Fund Overview

The Department is recommending a FY 2014 General Fund Operating Budget of \$14,023,127. The proposed budget includes revenue of \$5,137,762, which represents 36 percent (%) of the total budget. Total expenditures have adjusted by \$874,510 over the FY 2013 plan. The FY 2014 proposed revenue has increased by \$506,329 over FY 2013. This increase includes 2% allocated increase for all revenues, and additional new revenue proposed by the Department. The recommended revenue is based on Department projections that the higher revenues projected for FY 2013 will continue in FY 2014, as well as new sources of revenue. Recent increases in revenue are largely the result of increased recreation program participation and facility rentals.

Department Priorities and Funding Strategies

To develop the proposed budgets for FY 2014 and FY 2015, the Department evaluated existing programs and services, current revenue growth and potential additional revenue growth, as well as new sources of revenue, opportunities to increase program efficiencies and better support existing services, and other key objectives. Key consideration was given to making sure that the Department has the right resources in the right places for the longer term. As a result, the Department realigned programs and reallocated existing staff resources to better reflect services and initiatives. The proposed budgets include two new full-time positions, a Park Project Technician and a Park Ranger, as well as an increase of a Grounds Maintenance Worker I from 0.8 PPT to full-time, for a total increase of 2.2 FTE.

In addition to the new positions, the Department identified opportunities to address equipment and deferred maintenance needs and address long-term planning objectives. The Department also identified a number of additional priorities that could not be included in the proposed FY 2014 and FY 2015 budgets. These include expanded park maintenance services, increases in hourly staff to support facility reservation and recreation program registration, and resources to address the Department's expanding technology needs.

General Fund Expenditure Budgets by Division

Division	FY 2014	FY 2015
Administration	\$999,385	\$1,031,753
Parks and Forestry	\$6,890,176	\$7,038,398
Recreation	\$6,133,566	\$6,288,006
Total	\$14,023,127	\$14,358,157

General Fund Capital Program

The recommended FY 2014 capital program budget includes \$1.095 million in FY 2014 and \$483,000 in FY 2015. Proposed capital funds represent a significant increase over recent years and a return to investment in City facilities and infrastructure. The focus of the Department's capital program for the next two years is focused on addressing park safety and infrastructure needs, deferred maintenance, and responding to community priorities. Proposed capital projects include:

Project	FY 2014	FY 2015
Cabrillo Ball Field Renovation	\$75,000	\$183,000
Park Infrastructure Safety Program	\$100,000	\$100,000
Park Restroom Renovation Program	\$150,000	\$0
Parks and Recreation Facility Sign Replacement	\$100,000	\$50,000
Playground Replacement Program	\$350,000	\$0
Pool ADA Regulatory Improvements	\$150,000	\$70,000
Shoreline Park Safety Improvements	\$30,000	\$0
Neighborhood Enhancement Program	\$20,000	\$20,000
Total	\$1,025,000	\$483,000

Creeks Fund

The recommended Creeks Restoration and Water Quality Division (Creeks Division) FY 2014 budget is \$4,089,379. The FY 2014 budget includes \$2,414,379 for operating expenses and \$1,675,000 for the capital program. Projected Measure B, interest, and other revenues will fund \$3,367,572 of the FY 2014 budget, and \$721,807 will be funded through the Creeks Fund reserve. The most significant change from the FY 2013 budget is the addition of the new City overhead allocated cost of \$181,200.

Creeks Fund Capital Program

As in FY 2013, the largest expenditures in the proposed FY 2014 and FY 2015 budgets are the capital outlay transfers. The proposed FY 2014 capital transfer is \$1,675,000, representing a \$350,000 increase from the FY 2013 budget. The proposed capital transfer for FY 2015 is \$1,475,000. Proposed capital program funding will be used for project grant matches, planning, design, and construction. All of the projects included in the FY 2014 capital program have received funding in prior budget years, except for the Lower Mission Creek Restoration Project. Some of the projects have also received grant funding.

As shown in the table on the following page, the Creeks FY2014 and FY 2015 capital program proposed funds include:

Creeks Capital Fund Projects

Project	FY 2014	FY 2015
Las Positas Valley Restoration Project	\$300,000	\$300,000
Storm Water Treatment Retrofit Projects	\$150,000	\$150,000
Bacterial Reduction Program	\$50,000	\$50,000
Lower Mission Creek Restoration Project	\$250,000	\$250,000
Lower Arroyo Burro Restoration	\$300,000	\$300,000
Capital Replacement for Water Quality Facilities	\$25,000	\$25,000
Mission Creek Restoration at Oak Park	\$50,000	\$50,000
Laguna Channel/Mission Lagoon Restoration	\$400,000	\$200,000
Andree Clark Bird Refuge	\$150,000	\$150,000
Total	\$1,675,000	\$1,475,000

Creeks Advisory Committee Recommendation

The Creeks Restoration and Water Quality Improvement Program Citizens Advisory Committee (Committee) heard the proposed Creeks Division budget presentation at its regularly scheduled meeting on April 17, 2013. The Committee's recommendations on the budget will be presented to the Parks and Recreation Commission at the April 24, 2013 meeting.

Golf Fund

Development of the proposed FY 2014 and FY 2015 Golf Fund budgets was based on a number of factors. Golf rounds and revenues have been gradually increasing since the lowest point in FY 2010, and are projected to increase again in the next two years. Strategic decisions in marketing, pricing, refinancing debt and cost reductions over the last few years have been successful in providing a greater financial stability for the golf course. This has also positioned the course to begin restoring Golf Fund reserves to policy level and to address deferred maintenance and capital needs in a more comprehensive way over the coming years. Golf course conditions have continued to garner positive comments from golfers, which is key to attracting and retaining golfers to the Santa Barbara Golf Club.

The April 2013 closure of the Ocean Meadows golf course will have a positive benefit for the Santa Barbara Golf Club. The budget assumes that 20% of Ocean Meadows play is anticipated to come to "Muni" as players seek alternative affordable options to play golf. Most fees are proposed to increase by \$2, see discussion below. A comprehensive 16-year Equipment Replacement Program and updated 10-year Capital Improvement Program are key features of the proposed FY 2014 and FY 2015 Golf Fund budgets. Only minor changes to the golf maintenance budget are proposed.

Proposed Golf Fund FY 2014 and FY 2015 Revenue and Expense Budgets

	FY 2013 Amended	FY 2013 Projected	FY 2014 Proposed	FY 2015 Proposed
Rounds	61,900	62,863	65,530	65,530
Revenue	\$1,872,903	\$1,871,512	\$2,081,059	\$2,087,009
Expenditures	\$1,923,510	\$1,939,033	\$2,049,523	\$2,008,841
Net	\$ (50,607)	\$ (67,521)	\$ 31,536	\$ 78,168

Fee Changes

Most golf fees are proposed to increase \$2 in FY 2014 (\$1 for Juniors) and remain flat in FY 2015. Half of that increase will go to the proposed Player Course Improvement Fund. Proposed early in the budget development process by the Golf Advisory Committee (GAC), \$1 of each paid greens fee will go to a fund dedicated to specific projects identified by golfers to improve the golfer experience, and as recommended by the GAC each year. Funds will be accrued from year to year. Examples of projects include re-building tee boxes, bunkers, and greens.

Golf Advisory Committee Recommendation

At their regular meeting of April 10, 2013, the Golf Advisory Committee voted unanimously to recommend the proposed Fiscal Years 2014 and 2015 operational and capital budgets for the Golf Fund. They approved the proposed fee changes with the following recommendations related to Junior fees.

1. Increase the Resident and Non-Resident 9 Hole & 18 Holes Junior rates from \$12 to \$13.
2. Add a Resident and Non-Resident Super Twilight Junior rate of \$7 dollars.

The Department agrees that these changes should be included with the Commission's recommendation to City Council.

Golf Fund Capital Program

The \$214,686 Capital Transfer Outlay for FY 2014 includes \$57,600 for Turf Equipment Replacement, \$70,000 for Golf Course Improvements, \$62,582 for Players' Course Improvement Fund, \$352 for City Website Upgrade, and \$24,152 for City FMS Replacement. The \$135,182 Capital Transfer Outlay for FY 2015 includes \$57,600 for Turf Equipment Replacement, \$15,000 for Golf Course Improvements and \$62,582 for Players Course Improvement Fund.

ATTACHMENT: Golf Advisory Committee Budget Recommendation

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

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



City of Santa Barbara
Parks and Recreation Department

Memorandum

DATE: April 18, 2013
TO: Parks and Recreation Commission
FROM: Golf Advisory Committee
SUBJECT: Fiscal Year 2014 and 2015 Proposed Golf Fund Budget

At their regular meeting of April 10, 2013, the Golf Advisory Committee voted unanimously to recommend the proposed Fiscal Years 2014 and 2015 operational and capital budgets for the Golf Fund.

In particular, the Committee noted with appreciation the comprehensive work by staff to address capital planning and turf equipment replacement in the proposed budget.

With regard to proposed Fiscal Year 2014 and 2015 Fees and Charges, the Committee unanimously supports increasing most fees by \$2 (Juniors \$1). Half of that increase will go to the new Player Course Improvement Fund. The Committee spent a great deal of time developing the proposed Player Course Improvement Fund with staff, and believes that golfers will support the \$1 fee increase for golf course improvements (such as tee boxes, bunkers, greens), which will specifically improve the player golf experience. The Committee looks forward to working with the golfing public to identify and fund projects in the coming years.

In reviewing the proposed Fiscal Year 2014 and 2015 Fees and Charges, the Committee makes the following recommendations:

1. Increase the Resident and Non-Resident 9 Hole & 18 Holes Junior rates from \$12 to \$13.
2. Add a Resident and Non-Resident Super Twilight Junior rate of \$7 dollars.

In reviewing the proposed rate structure, the Committee realized that previous direction given to staff in the Juniors rates for 9 Hole and 18 Holes was not included. In further discussion, the Committee determined that the Juniors should have a discounted Super Twilight rate to promote increased play for that age group.