

**DATE:** January 18, 2023

**TO:** Parks and Recreation Commission

**FROM:** Lindsay Wong, Senior Management Analyst  
John R. Marchant, Community Services Director

**SUBJECT: Community Services Department Proposed Budget Requests for Fiscal Year 2023-24**

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**RECOMMENDATION**

Review and provide input on the Community Services Department's proposed budget for Fiscal Year 2023-24.

**BACKGROUND**

The budget process for each fiscal year starts in November with instructions to departments for preparation of budget requests. A summary of the City's budget development and adoption timeline is as follows:

**November**

- Budget instructions and timeline distributed to departments.
- Fiscal Year 2022-23 Q1 Budget Update provided to City Council.

**December**

- Department budget requests due to the Finance and Administrative Services Department.

**February**

- Department budget meetings with Budget Review Team to review December submissions.
- Midyear Budget Status Report (Q2 Budget Update) provided to City Council.

**April**

- Q3 Budget Update provided to City Council.

**June**

- Public hearing on following fiscal year's Recommended Budget
- Second hearing of the Recommended Budget with adoption scheduled immediately following the second public hearing.

Staff provides two updates each year on the Department's operational budget requests to the Parks and Recreation Commission (PRC). The first update is typically in December or January and allows the PRC an opportunity to provide input or support for budget requests as they go through the budget process. The second update is typically in the spring and informs the PRC of which department budget requests have been recommended by the City Manager to the City Council for approval.

This memo reviews the budget items that Community Services Department (CSD) intends to request to the Budget Review Committee and City Manager for consideration for Fiscal Year 2023-24. It focuses on funds the Forestry, Parks, Recreation, and Shoreline Divisions utilize for operations. Those funds are the General Operating Fund (GOF), Shoreline Regional Park Community Fund (Shoreline Fund), and Tree Mitigation Fund (TMF). This memo does not focus on the Performing Arts Division since the Performing Arts Committee (PAC) is the advisory body for that Division.

## **ANALYSIS**

At the start of the budget process, all departments, including CSD, were provided direction to avoid significant ongoing net budget increases where possible because of the uncertainty around the City's revenues due to COVID-19 impacts. Budget increases should be limited to those of the highest priority for the Department based on current and projected long-term workload, the furthering of a Council goal, safety, a need for new regulations, or providing operational efficiencies preferably resulting in cost savings. Departments are also instructed to incorporate an equity lens while developing budget requests in order to identify potential disparate impacts to communities of color and/or low-income residents. This memo provides the PRC with a summary of the requests that the Department intends to make.

## **Nondiscretionary Requests**

CSD is requesting \$43,600 in nondiscretionary, ongoing increases from the General Operating Fund and Shoreline Fund. Nondiscretionary budget requests are ongoing increases for items that are necessary for continued operations such as contractual increases or increased costs of goods and services. The first nondiscretionary request for Fiscal Year 2023-24 is for \$40,000 to cover increased transaction fees from the Department's registration software system, ActiveNet. CSD uses ActiveNet online software to process class and camp registrations, facility reservations, deposits through point of sale, and various other financial transactions for the Department. ActiveNet charges the City transaction and processing fees and increases their transaction and processing fees annually. CSD's second nondiscretionary request is for \$3,600 to cover increased salary costs related to a recent Citywide adjustment to the Office Assistant classification.

| <b>Fiscal Year 2023-24 Nondiscretionary Requests</b> |  |                 |
|--|--|-----------------|
| <b>Division</b>                                      | <b>Budget Item</b>                           | <b>Request</b>  |
| Multiple   | ActiveNet Contract Increase                  | \$40,000        |
| Recreation   | Office Assistant Reclassification Adjustment | 3,600           |
| <b>TOTAL</b>   |  | <b>\$43,600</b> |

### **Discretionary Requests**

CSD is requesting a total of \$603,300 in discretionary, ongoing expenditures from the General Operating Fund. Discretionary budget requests are requests that are not deemed mandatory for the City Council to approve in order to continue current operations. However, staff is only requesting items that staff believes are necessary for operations to provide the highest-quality facilities and services to residents that further a Council goal or create ongoing programs and services from pilots.

The Parks Division is requesting \$20,000 to continue gopher and rodent control services at Cuesta Park and to expand the services to other City parks. In Fiscal Year 2022-23, CSD used one-time funds to pilot the use of a professional contract service to perform rodent control services, starting at Cuesta Park. The gopher population in parks throughout the City has increased over the last several years due to new construction and drought conditions forcing these animals to find new food sources. The pilot at Cuesta Park has shown that the contract services are helping to alleviate the situation and that continued treatment through a professional is needed to maintain control of the gopher population.

The Recreation Division is requesting \$24,700 in expenses to cover the increased scale and costs of current special events and to fund the Multicultural Festival on an ongoing basis. The Recreation Division, in coordination with multiple City departments, produces a variety of free special events for the community to enjoy, including large-scale events such as Monster Bash, Tree Lighting, and Concerts on the Plaza. Since the City has reinstated special events following the pandemic, attendance at events has significantly increased. In order to keep up with increased costs of supplies and contractors for existing special events, and to continue to expand and offer new elements, CSD is requesting additional nonpersonnel funds. The Multicultural Festival, held on Civic Center Plaza, celebrates the City's diverse community and includes performances and booths representing different cultures and provides resources, arts and crafts, and games. The event previously occurred on a biannual basis and was funded through the City Manager's Office budget. In Fiscal Year 2021-22, the event was absorbed by CSD's budget. Moving forward, the Human Relations Commission has requested to move this to an annual event; therefore, CSD is requesting nonpersonnel funds to continue to run this event. Staff anticipates this request will be offset by new sponsorship revenue.

*Rengstorff Park Aquatics Center*

With the new Rengstorff Park Aquatics Center opening in Fiscal Year 2023-24, CSD is requesting additional funds in both personnel and nonpersonnel services to support the newer and larger facility while also keeping Eagle Park pool in year-round operation. The new Rengstorff Park Aquatics Center replaces the existing 5,200 square foot building and two pools with a new 8,200 square foot aquatics building, which includes a multi-purpose room, as well as a 25-yard by 25-meter lap pool with 3-meter and 1-meter diving boards and a zero-depth entry recreation pool with four shallow 25-yard lap lanes, and a water slide. This project utilizes the latest in green building design features, including an all-electric system of innovative solar panels to heat the nearly 500,000 gallons of pool water.

The Rengstorff Park Aquatics Center will become a year-round aquatics facility providing recreation aquatics programs to the community. With two large pools, staff intends to expand existing aquatics programs with concurrent programming. Through discussions with Masters and Los Altos Mountain View Aquatics Club (LAMVAC), staff believes there is an opportunity to keep Eagle Park Pool activated year-round not only for Masters' and LAMVAC's use but to also utilize the facility for additional pool rentals and/or to move programming from Rengstorff Park Aquatics Center to Eagle Park Pool when maintenance or emergency repairs are required.

Staff is requesting an additional \$1,084,200 in expenditures, which will be partially offset by new expected revenue and department salary savings from hourly wages. The total net request for Fiscal Year 2023-24 is \$558,600.

A summary of this request is included in the table below:

| <b>Summary of Aquatics Budget Request</b> |                    |
|---|--------------------|
|   | <b>Amount</b>      |
| Personnel Services                        | \$ 696,900         |
| Nonpersonnel Services                     | 387,300            |
| <b>Total Expense</b>                      | <b>\$1,084,200</b> |
| Revenue offset                            | -425,600           |
| Wages savings offset                      | -100,000           |
| <b>TOTAL NET REQUEST</b>                  | <b>\$ 558,600</b>  |

New expenditures for the Rengstorff Park Aquatics Center include a full-time Recreation Coordinator position, who will work hand-in-hand with the existing Senior Recreation Coordinator for Aquatics to supervise hourly staff, oversee the facilities, and organize and implement aquatics programs and special events. Other new staff include an hourly Laborer I/II to work with the existing Parks Maintenance Worker III to support the maintenance and emergency repairs of the facility and ensure that both pools will have consistent maintenance

coverage. Finally, staff is requesting increased hours for other part-time positions such as Lifeguards and Pool Attendants due to the layout of both pools and the need for additional supervision to ensure the health and safety of pool users. Nonpersonnel requests for the new Rengstorff Park Aquatics Center include chemicals to treat the increased volume of water, electricity to heat the pool, increased maintenance, and program supplies and advertising.

To better align with surrounding agencies, CSD is proposing fee modifications to pool rentals, Lifeguard fees, swim lesson rates, and fees associated with LAMVAC and Master's facility use. New fees are also proposed for reservations of the new Multi-Purpose Room associated with the new facility, as well as fees for a Party Rental Package associated with the Recreation Swim program. Based on the proposed fees and operating both pools on a year-round basis, staff is projecting new revenues totaling \$425,600.

A summary of CSD's Discretionary budget requests is included in the table below:

| <b>FY 2023-24 Discretionary Requests</b> |   |                  |
|--|---|------------------|
| <b>Division</b>                          | <b>Budget Item</b>                        | <b>Request</b>   |
| Parks                                    | Gopher Control                            | \$ 20,000        |
| Recreation                               | Special Events and Multicultural Festival | 24,700           |
| Recreation                               | Rengstorff Park Aquatics Center           | 558,600          |
| <b>TOTAL</b>                             |   | <b>\$603,300</b> |

### **Master Fee Schedule**

The Recreation Division is requesting to increase multiple tennis fees for reservations and lessons. The increases are in response to the increase in minimum wage in Mountain View. Mountain View Tennis and CSD are recommending a \$1.00 increase to court reservation fees, which were last updated in 2019. For lesson fees, Mountain View Tennis and CSD are recommending a \$3.50 increase to the top end of the range for Juniors and Adult Cuesta Court Lessons. This fee was last updated in 2021 and is a range where the amount charged per class depends on the skill level and size of the class.

The Recreation Division is also proposing multiple fee modifications associated with the opening of the new Rengstorff Park Aquatics Center. Staff completed a benchmarking survey of local agencies and found that some fees such as swim lesson fees were significantly lower than other agencies. Staff is proposing some fee increases in addition to other modifications related to the new pool. All proposed Aquatics fee modifications are included in Attachment 1.

**NEXT STEPS**

Staff will review and incorporate the PRC's input on these budget requests into staff's presentation to the Budget Review Team in February. Following that, CSD's requests will be reviewed along with all other requests from departments throughout the City. The City Manager's recommendations for budget items will be presented to the City Council as part of the Q3 budget update in the spring.

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Attachment: 1. Proposed Aquatics Fees