

MEMORANDUM

TO: Mayor and City Council

FROM: Parks Advisory Commission

DATE: April 18, 2023

RE: Park Advisory Commission Resolution on the Fiscal Year 2024 Proposed Budget and Fiscal Year 2025 Budget Plan for Parks and Recreation Services

Attached is the Parks Advisory Commission (PAC) resolution with recommendations for the FY 2024 Parks and Recreation Budget and FY 2025 Parks and Recreation Budget Plan.

PAC reviewed budget information and fee proposals at the April 18, 2023 regular meeting.

Neither the Parks General Fund and Millage Fund had any required reductions for FY 2024 or FY 2025. This meant that staff could focus on right sizing the budget as we move further from the COVID pandemic. This included some reductions of revenue such as adult hockey and rink rentals as well as some programs that have seen continued growth such as golf and day camps. Staff also worked to increase or decrease expenses based on the revenue changes.

In the General Fund Revenue Budget for FY 2024 PAC recommends fee increases boat rentals at Argo and Gallup Liveries, various golf fees at Leslie Park and Huron Hills Golf Courses.

PAC has reviewed the fee proposals and comparative data and finds the proposed fee changes reasonable when considering the length of time that has passed since their last increase and in the context of fees for comparable services in the area. The adjustments to revenue expectations along with fee increases are estimated to generate an additional \$219,200 in revenue for FY24 and \$494,200 in FY25.

PAC encourages Parks & Recreation Services to continue to promote the scholarship program for income eligible Ann Arbor resident families. Scholarships are awarded based on need and there is not a limit on the number awarded. The scholarships provide for reduced or free program and admission fees.

Expenditure impacts in the General Fund are a mixture of increases and decreases. An estimated increase of expenditure of \$222,724 in General Fund is budgeted, with most of the expense because of adding a full-time employee to support livery operations in the summer and various parks in the off season.

The proposed budget plan for Fund 71, the Parks Maintenance and Capital Improvements Millage, is similar to the existing budget. The only notable impact is an increase for a portion of the new full-time employee which will be dedicate to maintenance to be consistent with similar full-time roles.

PAC supports the operating budgets as proposed.

PARKS ADVISORY COMMISSION RESOLUTION ON THE FISCAL YEAR 2024
PROPOSED BUDGET AND FISCAL YEAR 2025 BUDGET PLAN

Whereas, a vibrant, extensive, and healthy parks system is part of every great town and city;

Whereas, Ann Arbor residents value their parks, natural areas and recreational facilities and support these amenities through their taxes and patronage;

Whereas, the Parks Advisory Commission (PAC) commends staff for their continued efforts to engage PAC members in the budget process, and in producing a budget draft that follows PAC's recommended budget priorities to sustain facilities and activities for all residents, but especially children, low income residents, and seniors, particularly where these services are not otherwise available;

RESOLVED, That PAC recommends that City Council approve the Administrator's recommended budget for Parks and Recreation Services developed by staff highlighting the following items and noting the following changes from the FY 2023 budget:

1. Increase in revenue of \$219,200 in the General Fund due to various program budget adjustments along with increasing various fees at the liveries and golf courses,
2. Increase in the General Fund in the amount of \$222,724, which is primarily the result of adding a full-time employee to support livery operations in the summer and various parks in the off season.