

MEMORANDUM

TO: Mayor and City Council

FROM: Parks Advisory Commission

DATE: April 16, 2019

RE: Park Advisory Commission Resolution on the Fiscal Year 2020 Proposed Budget and Fiscal Year 2021 Budget Plan for Parks and Recreation Services

Attached is the Parks Advisory Commission (PAC) resolution with our recommendations for the FY 2020 Parks and Recreation Budget.

The PAC Budget and Finance sub-committee met with staff to review the proposed budget. The sub-committee shared their work with PAC at the April 16, 2019 regular meeting and developed recommendations on the budget for Fiscal Year (FY) 2020.

The Parks General Fund is tasked with cutting around 1% FY 2020, with no additional reduction anticipated for FY 2021. The target is met through a combination of expense and revenue adjustments.

The Parks Millage Fund does not have a reduction in either year. Tax revenue from the Millage is expected to rise from roughly 5.8 million dollars in FY19 to 6.3 million in FY20.

In the General Fund Revenue Budget FY 2020 recommends raising fees for hourly ice rink rental at Buhr and Veterans Memorial Parks; day camps at Argo, Buhr, Fuller, and Gallup; golf camps at Huron Hills Golf Course; and drop-in hockey fees at Buhr Park. PAC has reviewed the fees 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 fees increases are estimated to generate an additional \$66,200 in revenue.

Expenditure impacts in the General Fund are a mixture of increases and decreases. \$85,151 in General Fund savings are budgeted, with the majority of savings a result of the Park Operations budget now being a part of the overall Parks & Recreation Services budget. Fleet and IT costs were allocated to better reflect actual usage. General Fund expenses are budgeted to increase in a handful of areas, most notably increased funding in the amount of \$20,000 for Community Action Network to manage Bryant and Northside Community

Centers. This increase reflects a growing need for programs and services at the Community Centers. The proposed budget also includes \$40,000 for the three outdoor ice rinks. The outdoor ice rinks are only proposed to be budgeted in FY 2020.

The proposed budget plan for Fund 71, the Parks Maintenance and Capital Improvements Millage, outlines adjustments based on prior years actual budget expenditures. As a result, the Park Operations proposed budget, which covers items such as facility maintenance and general park maintenance is increased, while the Park Operations Forestry budget is decreased, to better reflect the actual practice of past years. Should needs change within the budget year staff have the ability to increase expenses in one area while decreasing in another. The capital budget is slightly higher than in past years and focuses primarily on rehabilitating aging infrastructure. The budget plan for Fund 71 proposes adding an additional Park Planner. At present the Park Planner is involved in approximately 10 -15 projects. They vary in funding size, but all require time and attention. In order to be timely in response to partnership opportunities and grant applications a second planner would provide great benefit. For a historical perspective, prior to FY 2008, Parks always had at least two park planners on staff. During the economic downturn, a position was eliminated. Since that time, the need for capital improvements, partnership opportunities, and grants as well as our numbers of parks have grown to more than one planner can manage.

PAC supports the operating budgets as proposed.

PARKS ADVISORY COMMISSION RESOLUTION ON THE FISCAL YEAR 2020
PROPOSED BUDGET AND FISCAL YEAR 2021 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 2019 budget:

1. Decrease General Fund expenditures and increase Parks Millage expenditures after reallocating IT and Fleet costs to better reflect actual usage,
2. Increase expenditure of \$20,000 in the General Fund for annual Community Action Network funding to reflect increased programs and services at Bryant and Northside Community Centers,
3. Increase revenue of \$34,700 in the General Fund by increasing ice rink rental fees, golf camp fees, and drop-in hockey fees,
4. Increase revenue of \$31,500 in the General Fund by increasing fees for day camps,
5. And the addition of a second Park Planner in the Parks Millage and Capital Improvements Fund to manage increased partnership and grant opportunities, along with additional capital funds.