

MEMORANDUM

TO: Mayor and City Council

FROM: Parks Advisory Commission

DATE: April 20, 2021

RE: Park Advisory Commission Resolution on the Fiscal Year 2022 Proposed Budget and Fiscal Year 2023 Budget Plan for Parks and Recreation Services

Attached is the Parks Advisory Commission (PAC) resolution with recommendations for the FY 2022 Parks and Recreation Budget and FY 2023 Parks and Recreation Budget Plan.

PAC reviewed budget information and fee proposals at the April 20, 2021 regular meeting.

The Parks General Fund is tasked with cutting 5% in FY 2022, with no additional reduction anticipated for FY 2023. The target is met primarily through revenue generation as a result of fee increases, along with some expenditure reductions.

The Parks Millage Fund does not have a reduction in either year.

In the General Fund Revenue Budget for FY 2022 PAC recommends fee increases for boat rentals at Argo and Gallup Liveries, various swimming fees, weekend golf fees at Leslie Park Golf Course, stall rentals at the Farmers Market, rental room rates at the Senior Center and Gallup Livery, rental rates at Cobblestone Farm, ice skating lessons at Veterans Memorial Ice Arena, public skate admissions at Buhr and Veterans Memorial Ice Arenas, and rental fees of athletic fields.

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 fee increases are estimated to generate an additional \$298,029 in revenue. An additional increase in revenue of \$48,787 is projected based on increased demand and a new eParks commerce store.

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. \$112,681 in General Fund savings are budgeted, with the majority of savings a result of reallocating approximately 10% of the Recreation Supervisors cost to Fund 71 for operations and maintenance responsibilities.

General Fund expenses are budgeted to increase in a handful of areas, most notably increased funding in the amount of \$4,635 for Community Action Network to manage Bryant and Northside Community Centers. There is also an increase in temporary seasonal staffing expenses at the Market to manage pandemic operations.

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 a decrease in the standing contracted services amount for Park Forestry in the amount of \$104,152 and an increase of the same amount for a portion of recreation supervisor staff time dedicated to maintenance to better reflect practice.

PAC supports the operating budgets as proposed.

PARKS ADVISORY COMMISSION RESOLUTION ON THE FISCAL YEAR 2022
PROPOSED BUDGET AND FISCAL YEAR 2023 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 2021 budget:

1. Increase in revenue of \$298,029 in the General Fund by increasing various program and admission fees,
2. Increase in revenue of \$48,787 in the General Fund to reflect increased demand and a new eCommerce Parks store,
3. Decrease in General Fund expenditures in the amount \$104,512 through the reallocation of a portion of Recreation Supervisor costs to Fund 71, to better reflect practice.