



City of Culver City

Staff Report Details (With Text)

File #: 21-649 **Version:** 1 **Name:** Review & Discuss the PRCS Dept. Annual Budget
Type: Minute Order **Status:** Action Item
File created: 1/29/2021 **In control:** PARKS, RECREATION AND COMMUNITY SERVICES COMMISSION
On agenda: 2/2/2021 **Final action:**
Title: PRCS - (1) Review the Parks, Recreation and Community Services Department Fiscal Year 2020-2021 Budget, including Grants and Capital Improvement Projects; and, (2) [If Desired] Discuss Potential Topics for the PRCS Commission's Fiscal Year 2021-2022 Budget Recommendations to the City Council.
Sponsors:
Indexes:
Code sections:
Attachments: 1. 2021-02-02 - ATT 1 PRCS Commission FY 2020-21 Budget Recommendations, 2. 2021-02-02 - ATT 2 PRCS Dept. Pages from the FY 2020-2021 Adopted City Budget, 3. 2021-02-02 - ATT 3 PRCS Dept. FY 2020-2021 Capital Improvement Projects

| Date | Ver. | Action By | Action | Result |
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PRCS - (1) Review the Parks, Recreation and Community Services Department Fiscal Year 2020-2021 Budget, including Grants and Capital Improvement Projects; and, (2) [If Desired] Discuss Potential Topics for the PRCS Commission's Fiscal Year 2021-2022 Budget Recommendations to the City Council.

Meeting Date: February 2, 2021

Contact Person/Dept: Armando Abrego/PRCS

Phone Number: (310) 253-6724

Fiscal Impact: Yes No

General Fund: Yes No

Public Hearing:

Action Item:

Attachments:

Public Notification: (Email) Meetings and Agendas - Parks, Recreation and Community Services Commission (01/29/2021); (Email) Parks, Recreation & Community Service Department Updates (01/29/2021)

Department Approval: Armando Abrego, Interim PRCS Director (01/28/2021)

RECOMMENDATION

Staff recommends that the Parks, Recreation and Community Services (PRCS) Commission (1) review the Parks, Recreation and Community Services Department Fiscal Year 2020-2021 Budget, including Grants and Capital Improvement Projects; and, (2) [if desired] discuss potential topics for the PRCS Commission's Fiscal Year 2021-2022 budget recommendations to the City Council.

BACKGROUND

The City's official budget process typically begins in March of each year. However, preparations and discussions regarding the budget often take place earlier. For the Fiscal Year 2020-2021 PRCS Department Budget, the Commission began discussions in December 2019, continued the discussion at the January meeting and finalized the budget recommendations to the City Council at the February 4, 2020 meeting. The correspondence containing the PRCS Commission Fiscal Year 2020-2021 budget recommendations to the City Council is provided as Attachment 1. On May 18, 2020, PRCS staff gave the Department's Fiscal Year 2020-2021 Budget presentation to the City Council. On June 22, 2020, the City Council adopted the Fiscal Year 2020-2021 Budget.

DISCUSSION

Staff has not received any information yet regarding the Fiscal Year 2021-2022 budget process. Due to the present state of the economy, it is likely that a very limited number of enhancements will be recommended by the City Manager for next fiscal year. PRCS management's primary focus will be on retaining personnel.

None of the PRCS Commission's Fiscal Year 2020-2021 budget recommendations were recommended by the City Manager or adopted by the City Council. However, the City Council did add back \$53,000 in General Funds for on-site case management services in the PRCS Community Services budget. All Fiesta La Ballona projected revenue was eliminated and the operating budget was cut dramatically.

Here is a brief overview of the Fiscal Year 2020-2021 PRCS Department Budget:

- EXPENDITURES
 - Adjusted Budget = \$9,950,107
 - Expended / Encumbered = 45.3% (July - December 2020)

- REVENUE
 - Adjusted Budget = \$4,039,189
 - Actual Received = 15.5% (July - December 2020)

- REDUCTIONS
 - Other Contractual Services
 - Administration
 - *Culver City Living Design*
 - Special Events
 - *Inflatables & Snow*
 - Veterans Memorial Complex
 - *Image Event Service Workers*
 - Community Services
 - *ASI Security Guard Services*
 - Parks
 - *PT Landscape Architect for CIPs*
 - *PT Landscape Architect Associate*
 - *Marina Landscape Services*
 - Part-Time Salaries
 - Veterans Memorial Complex
 - *Administrative Clerk*
 - Senior & Social Services

– *Fitness Room Monitor*

- Maintenance and Operations
 - Across Divisions
 - *Office Expense & Special Supplies*
 - *R&M Equipment*
 - *Conferences & Conventions*
 - *Training & Education*
 - *Membership & Dues*
- ONGOING ENHANCEMENTS = Net Zero
 - \$30,000 increase in percentage of City Cost for ActiveNet registration fees
 - \$30,000 offset by increase in Active Net Fees collected due to fee increase
- ONE-TIME SAVINGS = \$36,000
 - Substitute one Recreation & Community Services Supervisor for one Special Events Coordinator

More detail regarding the Fiscal Year 2020-2021 PRCS Department Budget is contained in the Adopted Budget Book, which is available on the City's website. The first six PRCS Department pages from the City Council Adopted Fiscal Year 2020-2021 Budget are provided as Attachment 2.

Grants for Capital Improvement Projects

In the past, PRCS has received two main types of grant awards to fund CIPs:

(1) Competitive/Discretionary Grants - an award of financial assistance to an eligible grantee, usually made on the basis of a competitive review process.

Staff continually researches all competitive grant opportunities to evaluate their eligibility criteria and project scope. PRCS does not have any open competitive grant agreements at this time. Currently, many of the competitive grants available from federal, state, and county agencies have median household income thresholds that render Culver City either ineligible or only marginally competitive.

(2) Entitlement Grants - broad intergovernmental transfer of funds or assets by federal, state, or county government to city governments for specific activities. Entitlement grants are distributed according to legal formulas defining broad functional areas. PRCS examples are Prop 68 Per Capita, Measure A Per Capita and Measure A Maintenance and Servicing Funds.

**Prop 68: California Drought, Water, Parks, Climate, Coastal Protection
& Outdoor Access for All Act of 2018**

General Per Capita Program: Funds are available for local park rehabilitation, creation, and improvement grants to local governments on a per capita basis. Grant recipients are encouraged to utilize awards to rehabilitate existing infrastructure and to address deficiencies in neighborhoods lacking access to the outdoors.

- Culver City's one-time per capita allocation is **\$202,505**
- Application deadline is December 31, 2021
- Projects that do not serve severely disadvantaged communities (median household income less than 60% of the statewide average) must include 20% match from the grantee.
- Applicants must prove land tenure for project location site
- Applicants must do community outreach per specific grant guidelines
- Eligible projects include, but are not limited to:
 - Pool, aquatic center, splash pad
 - Trails or walking paths

- Landscaping or irrigation
- Group picnic, outdoor classrooms, other gathering spaces
- Play equipment, outdoor fitness equipment
- Sports fields, sports courts, court lighting
- Community center, gym, other indoor facilities
- Restroom, concession stand

Measure A: Safe, Clean Neighborhood Parks & Beaches Protection Measure of 2016

Community-Based Park Investment Program: Funds will be allocated to each Study Area in the County using the Per Capita and Structural Improvements Formula. These funds are available on an annual basis for expenditure on projects that comply with requirements. Grant recipients are encouraged to utilize awards to create or improve community and local parks, including pocket parks, playgrounds, playground equipment, dog parks, and picnic areas, especially those that connect and restore underutilized spaces.

- Culver City gets approximately \$147,000 annually for eligible capital improvement projects
- Annual funds may be accumulated for up to five years before expenditures must be made
- The City's account balance has accumulated for the past three years and is **\$466,763.88**.
- Applications may be submitted at any time
- Applicants must prove land tenure for project location site
- Applicants must do community outreach per specific grant guidelines
- Eligible projects include but are not limited to:
 - Community and senior recreational centers;
 - Park safety, graffiti removal, facility safety lighting, safe routes to schools, and other safety improvements;
 - Greenspace and greenway development;
 - Gardens;
 - Urban canopy development to reduce the heat island effect, especially in heavily urbanized, tree-poor areas of the County;
 - Refurbishment, updating, or expansion of current parks and park amenities;
 - Planning and design related projects.

Maintenance and Servicing Funds (M&S): M&S funds may only be used by recipients to offset the increased maintenance and servicing costs resulting from projects that received funding from the Los Angeles County Regional Park and Open Space District's Measure A or Proposition A. An agency may not apply for M&S funds until the project has been completed and the grant has been closed.

- For Measure A, Culver City gets approximately \$35,000 annually in Maintenance & Servicing Funds
- The dollar amount of funds available is updated annually based on the revenue received by September 15th of each year
- The City's Measure A M&S account balance has accumulated for three years and is **\$112,237.02**
- The City also has an account balance from Proposition A of 1996 which is **\$73,223.20**
- These account balances and future M&S funds have been earmarked for the Janitorial Services expense at the Culver City Senior Center
- Reimbursement requests should be submitted not less than annually

Maintenance and Servicing Excess Funds (M&SE): This is an annual program that makes excess funds available to eligible projects upon application. Since the funds are divided between agencies, a prorated amount of the original application request is typically approved. For Fiscal Year 2020-2021, staff requested \$80,000 for Senior Center Janitorial Services. The award was \$27,388.97. These funds will be recorded and allocated by the City Council during the Mid-Year Budget process.

Entitlement Grant Project List

1. El Marino Park Playground for Children Ages 2 to 5 - Using all of the Prop 68 Per Capita and Measure A Per Capita as Matching Funds
2. Lindberg Park Stone House Air Conditioning Retro-Fit - Using Measure A Per Capita

3. Resurface and Modify 2-3 Paddle Tennis Courts at Various Parks to include Pickle Ball Play - Using Measure A Per Capita

PRCS Department Capital Improvement Projects

Culver City's total Fiscal Year 2020-2021 Adopted Capital Improvement (CIP) Budget is \$9,266,857. The funds typically used by PRCS for CIPs are the Capital Improvements and Acquisition Fund (420 and 420R Funds; 19.8% of the total CIP budget) and the Park Facilities (Quimby) Fund (419 Fund; 1.1% of the total CIP budget).

During the Fiscal Year 2020-2021 budget process, all City Departments were called upon to relinquish their previously allocated Capital Improvements and Acquisition funds to the fullest extent possible so those monies could be transferred back to the General Fund. Over \$610,000 of 420 Funds previously allocated for PRCS-initiated CIPs was transferred back to the General Fund. Approximately \$167,000 in 420 Funds was carried over to fund outstanding invoices and projects that were under contract such as the Skate Park Office Building. No new requests from this funding source were submitted by PRCS.

For 419 Funds, it was estimated that approximately \$500,000 in previously allocated funds would be carried over to Fiscal Year 2020-2021. Two new requests totaling \$100,000 were made and both were approved. One request was for \$75,000 for ongoing replacement of park amenities and park facility rental furniture and equipment. The other request was for \$25,000 for the Booster Pump Replacement Project (managed by Public Works/Engineering).

The list of Fiscal Year 2020-2021 PRCS Department Capital Improvement Projects (CIPs) is provided as Attachment 3. Parks Manager / City Landscape Architect Patrick Reynolds will provide CIP 2020-2021 updates and answer questions regarding the CIPs.

FISCAL ANALYSIS

There is no fiscal impact associated with this discussion.

ATTACHMENTS

1. 2021-02-02 - ATT 1 PRCS Commission FY 2020-2021 Budget Recommendations
2. 2021-02-02 - ATT 2 PRCS Dept. Pages from the FY 2020-2021 Adopted City Budget
3. 2021-02-02 - ATT 3 PRCS Dept. FY 2020-2021 Capital Improvement Projects

MOTION

None required for a Discussion Item.