

**PARKS AND RECREATION COMMISSION
STAFF REPORT**

MEETING DATE: February 7, 2017

AGENDA ITEM NUMBER: 3F

APPLICANT: Jennifer Budge, CPRP, Parks and Recreation Director

REQUEST: Review, discussion and possible recommendation to staff regarding the Fiscal Year 2017-2018 Parks, Recreation and Open Space Department Budget. Discussion may include operations and maintenance, infrastructure preservation, asset management and Capital Improvement Program needs; Department budget priorities and Carson City budget schedule and timeframes.

GENERAL DISCUSSION:

The Fiscal Year (FY) 2017-2018 budget process is underway. This item is intended to gather feedback and possible direction from the Parks and Recreation Commission on priorities in preparation for the FY18 budget. Exhibits A-C are provided as source documents from the previous FY16 and FY17 budgets to serve as a reference for consideration in preparing next year's budget. Exhibit A covers all budget divisions within the Parks and Recreation Department with the exception of Cemetery and Open Space operations. A summary of salaries/benefits and operation/maintenance (services and supplies) budgets provides for a quick "at a glance" view of how Fiscal Year 2015/16 compares with the Fiscal Year 2016/17 budget. An FY18 projection is not yet available from finance until February 10 per the tentative schedule below:

TENTATIVE Budget Schedule:

Feb. 10: Base budget projections sent to departments; CIP requests due
Feb. 16: BOS meeting-Budget assumptions (proposed property tax rate)
Feb. 20: City's proposed property tax rate due to Dept. of Taxation
Feb. 20-24: Review and ranking of CIP requests
March 3: Budget revisions and supplemental requests due to Finance
March 15: Internal Finance Committee meetings on supplemental requests
March 27: Budget open house
April 4: Parks and Recreation Commission and possible budget recommendations to BOS
April 6: BOS meeting-Presentation of FY18 budget and CIP
April 17: Tentative budget due to department of taxation
May 18: BOS adopts final FY18 budget

The department's strategic planning process has revealed a significant concern from staff about aging parks infrastructure and equipment, as well as limited field personnel to operate and maintain parks and recreation facilities. With an average of 65-112 acres per park maintenance worker of developed park acreage (depending on the time of year), Carson City staff continue to do an amazing job of taking care of the City's parks system with extremely limited resources. Infrastructure preservation is a high priority for the department and is recommended to be at the forefront of any budgetary requests. With this in mind, staff is pro-actively conducting an asset inventory and a condition index as part of efforts to manage park

assets. Unfortunately, the inventory and assessment is still in its early stages and will not be completed in time to guide the budget process for FY18. The goal for next year will be to have a detailed/prioritized short term and long term Capital Improvement Program needs to be used as a tool to guide the budgetary process in future years. Staff has completed an equipment inventory, which includes all rolling stock and equipment with motors, except fleet. Based on discussion and recommendation of the Commission, staff will bring back the proposed FY18 budget at the April meeting.

Reference Documents:

Exhibit A: FY 16-17 Parks and Recreation Department budget comparison

Exhibit B: FY17 Parks and Recreation Department Capital Improvement Program

Exhibit C: Carson City Comprehensive Annual Financial Report (portions)

Parks & Recreation Department Budget Comparison FY15/16 & FY16/17

	<u>FY 15/16</u>	<u>FY 16/17</u>	<u>PARKS 101-5012-452</u>	<u>FY 15/16</u>	<u>FY 16/17</u>	<u>W/SUP.</u>
<u>PARKS ADMIN. 101-5005-452</u>						
SALARIES AND BENEFITS	\$ 617,559.00	\$ 655,862.00	SALARIES AND BENEFITS	\$ 761,199.00	\$ 802,129.00	\$ 904,567.14
SERVICES AND SUPPLIES	\$ 40,482.00	\$ 44,151.00	SERVICES AND SUPPLIES	\$ 524,921.00	\$ 524,177.00	\$ 524,177.00
TOTAL	\$ 658,041.00	\$ 700,013.00	TOTAL	\$ 1,286,120.00	\$ 1,326,306.00	\$ 1,428,744.14
<u>FAIR 101-5050-451</u>						
SALARIES AND BENEFITS	\$ 16,000.00		<u>MAC 101-5054-451</u>			
SERVICES AND SUPPLIES	\$ 178,486.00		SALARIES AND BENEFITS	-	\$ 55,263.00	
TOTAL	\$ 194,486.00	\$ -	SERVICES AND SUPPLIES	\$ 132,200.00	\$ 104,646.00	
			TOTAL	\$ 132,200.00	\$ 159,909.00	
<u>RECREATION/POOL 101-5055-451</u>						
SALARIES AND BENEFITS	\$ 464,585.00	\$ 438,684.00	<u>RECREATION/CC 101-5056-451</u>			
SERVICES AND SUPPLIES	\$ 228,155.00	\$ 228,155.00	SALARIES AND BENEFITS	\$ 221,066.00	\$ 226,738.00	\$ 226,738.00
TOTAL	\$ 692,740.00	\$ 666,839.00	SERVICES AND SUPPLIES	\$ 142,721.00	\$ 142,721.00	\$ 144,721.00
			TOTAL	\$ 363,777.00	\$ 369,459.00	\$ 371,459.00
<u>RECREATION 101-5057-451</u>						
SALARIES AND BENEFITS	\$ 330,543.00	\$ 327,817.00	<u>ICE RINK 101-5059-451</u>			
SERVICES AND SUPPLIES	\$ 86,655.00	\$ 79,740.00	SALARIES AND BENEFITS	\$ 32,961.00	\$ 33,079.00	
TOTAL	\$ 417,198.00	\$ 407,557.00	SERVICES AND SUPPLIES	\$ 44,039.00	\$ 44,039.00	
			TOTAL	\$ 77,000.00	\$ 77,118.00	
<u>RECREATION/SPRT 101-5060-451</u>						
SALARIES AND BENEFITS	\$ 221,246.00	\$ 206,365.00	<u>RECREATION/SP.TN. 275-5061-451</u>			
SERVICES AND SUPPLIES	\$ 165,535.00	\$ 165,535.00	SALARIES AND BENEFITS	\$ 48,154.00	\$ 48,154.00	
TOTAL	\$ 386,781.00	\$ 371,900.00	SERVICES AND SUPPLIES	\$ 22,446.00	\$ 22,446.00	
			TOTAL	\$ 70,600.00	\$ 70,600.00	
<u>Q18 MAINT. 254-5012-452</u>						
SALARIES AND BENEFITS	\$ 108,407.00	\$ 107,399.00	<u>Q18 CAPITAL 254-5046-452</u>			
SERVICES AND SUPPLIES	\$ 306,329.00	\$ 261,942.00	SALARIES AND BENEFITS	\$ 15,272.00	\$ 14,738.00	
TOTAL	\$ 414,736.00	\$ 369,341.00	SERVICES AND SUPPLIES	\$ 58,931.00	\$ 84,491.00	
			TOTAL	\$ 74,203.00	\$ 99,229.00	
<u>RCT</u>						
SALARIES AND BENEFITS	-	-				
SERVICES AND SUPPLIES	\$ 10,225.00	-				
TOTAL	\$ 10,225.00	\$ -	GRAND TOTAL	\$ 4,778,107.00	\$ 4,618,271.00	

CIP FY 16/17 REQUESTS

Note: Parks and Recreation received \$0 in CIP requests in FY 17.

The **highlighted items** are funded through alternate sources and are complete or in progress.

1. Toro Mower – replacement	\$60,000
2. Ice Rink Panels	\$42,500
3. Resurface 50M Pool	\$130,000
4. Replace Wireless Intercom – Bob Boldrick Theater	\$14,800
5. Lone Mountain Cemetery Expansion	\$45,480
6. Replace Wireless Mics – Bob Boldrick Theater	\$115,000
7. Entry Mats & Window Covers - Community Center	\$11,185
8. Load Monitoring System – Bob Boldrick Theater	\$13,000
9. Additional Pool Surveillance Cameras	\$14,500
10. Truck for Recreation Division	\$49,000
11. ADA Room Signs – Community Center	\$5,575
Total	\$501,040

FY 15/16 Carry Overs

QoL Capital \$107,076

1. Thermal Pool Covers	\$25,000
2. MAC Project Add-ons (landscaping, window shades)	\$80,776 (portion)
3. Professional Services	\$1,300

QoL Maintenance \$43,187

1. Artistic Fence Bill	\$4,598
2. Pool Slide Refurbishing	\$15,000
3. Kubota with Snow Conversion Kit	\$18,203
4. Undesignated	\$5,386

RCT \$25,963

1. Ross Gold Improvements	\$25,963
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CARSON CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

Notes Payable. The City issues notes to provide funds for open space, various improvements, and vehicles and to refund Redevelopment debt. Notes payable outstanding at year end are as follows:

<u>Purpose</u>	<u>Interest Rates</u>	<u>Amount</u>
Governmental activities:		
Capital Projects	1.880%	\$ 226,900
Installment purchase agreement	2.650%	969,400
Landfill capital equipment	2.230%	1,416,000
911 Surcharge capital equipment	2.230%	749,000
Business-type activities:		
Stormwater Drainage	1.880%	361,900
Sewer	1.880%	728,900

Pledged Revenues. The City has pledged specific revenues to repay bonds in governmental and business-type activities.

Governmental activities

The City has pledged 15% of the Consolidated tax revenue receipts for the repayment of various General Obligation Revenue bonds consisting of the Refunding Bonds series 2010, Medium Term Capital Improvement Bonds series 2012, 2013 Installment Purchase Agreement, Refunding Bonds Series 2013A, Medium Term Landfill Capital Acquisition Bonds Series 2014, Medium Term 911 Surcharge Capital Acquisition Bonds Series 2014 and the Refunding Capital Improvement Bonds Series 2015C. The total principal and interest remaining to be paid on the bonds is \$45,921,123 payable through fiscal year 2033. For the current year, principal and interest paid for the bonds totaled \$3,267,436 and pledged revenues totaled \$3,727,030.

The City has pledged future 1/4 cent voter approved (Quality of Life) sales tax revenues to repay \$10,549,300 in Park Bonds Series 2005, Parks Refunding Bonds Series 2010, Parks Medium Term Refunding Bonds Series 2012, and Parks Refunding Bonds Series 2013C. Proceeds of the bonds provided financing for new parks facilities, to purchase open space and to improve and equip current parks facilities. The bonds are intended to be paid solely from the 1/4 cent tax revenues and are payable through fiscal year 2030. Annual principal and interest payments on the bonds are expected to require 27% of the pledged revenues. The total principal and interest remaining to be paid on the bonds is \$8,900,996. For the current year, principal and interest paid for the bonds totaled \$647,537 and pledged revenues totaled \$2,363,277.

The City has pledged future 1/8 cent sales tax revenues (NRS 377B), to repay \$15,000,000 in V&T Historical Bonds Series 2005 and \$8,400,000 General Obligation V&T Historical Refunding Bonds Series 2014E. The bonds are intended to be paid solely from the 1/8 cent tax revenues and are payable through fiscal year 2026. Annual principal and interest payments on the bonds are expected to require 89% of the pledged revenues. The total principal and interest remaining to be paid on the bonds is \$10,427,025. For the current year, principal and interest paid for the bonds totaled \$1,053,850 and pledged revenues totaled \$1,181,643.

The City has pledged future 1/8 cent sales tax revenue (NRS 377B), to repay \$13,600,000 in General Obligation Infrastructure Sales Tax Bonds 2014F. The bonds are intended to be paid solely from the 1/8 cent tax revenues and are payable through fiscal year Fiscal Year 2045. Annual principal and interest payments on the bonds are expected to require 53% of the pledged revenues. The total principal and interest remaining to be paid on the bonds is \$22,477,450. For the current year, principal and interest paid for the bonds totaled \$623,845, and pledged revenues totaled \$1,176,414.

The City has pledged room tax to repay \$3,350,000 in Room Tax Refunding Revenue Supported Bonds. The bonds are intended to be paid solely from room tax and are payable through fiscal year 2023. Annual principal and interest payments on the bonds are expected to require 23% of the pledged revenues. The total principal and interest remaining to be paid on the bonds is \$2,723,005. For the current year, principal and interest paid for the bonds totaled \$348,455 and pledged revenues totaled \$1,516,898.

The City has pledged motor vehicle fuel tax revenues to repay \$9,055,000 in Highway Revenue (Motor Vehicle Fuel Tax) Improvement Bonds Series 2008, and \$3,332,300 in Refunding Highway Revenue (Motor Vehicle Fuel Tax) Subordinate Lien Refunding Bonds Series 2012, and \$6,170,000 in Refunding Highway Revenue (Motor Vehicle Fuel Tax) Subordinate Lien Improvement Bonds Series 2015. The bonds are secured solely from motor vehicle fuel tax and are payable through

CARSON CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

	General Fund	Other Governmental Funds	Total Governmental Funds
Restricted for:			
Recorder technology	\$ 22,407	\$ -	\$ 22,407
Court programs and expansion	348,791	75,048	423,839
Health and human services programs	237,840	354,285	592,125
Parks and recreation programs	48,817	-	48,817
Sheriff's programs	60,676	76,883	137,559
Clerk / Recorder programs	2,603	-	2,603
District Attorney programs	73,598	-	73,598
Infrastructure projects	-	7,403,278	7,403,278
Street maintenance	-	1,231,373	1,231,373
Extraordinary maintenance	-	16,067	16,067
Redevelopment	-	835,661	835,661
Public transportation services	-	352,132	352,132
Roadways	-	973,520	973,520
Parks and open space	-	1,632,903	1,632,903
Fire programs	-	3,306	3,306
Juvenile programs	-	58	58
Senior Center	-	47,575	47,575
Cooperative extension	-	224,979	224,979
Indigent programs	-	20,971	20,971
Library	-	74,899	74,899
Emergency communications	-	363,561	363,561
Total Restricted	794,732	13,686,499	14,481,231
Committed to:			
Traffic control	-	6,856	6,856
Assigned to:			
Assessor technology	103,148	-	103,148
Fire programs	8,304	-	8,304
Sheriff's programs	65,654	22,239	87,893
Juvenile programs	4,412	-	4,412
Other programs	6,458	-	6,458
Health and human services programs	254,470	-	254,470
Parks and recreation programs	43,652	-	43,652
Grant programs	-	400,219	400,219
Subsequent year's budget deficit	826,738	-	826,738
Capital improvement projects	-	393,099	393,099
Debt service	-	156,529	156,529
Total Assigned	1,312,836	972,086	2,284,922
Unassigned	6,005,645	-	6,005,645
	\$ 8,181,142	\$ 14,715,124	\$ 22,896,266

**CARSON CITY
OPERATING INDICATORS BY FUNCTION / PROGRAM (Continued)
LAST TEN FISCAL YEARS
(UNAUDITED)**

	FISCAL YEAR ENDED JUNE 30,									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Culture and Recreation (7)										
Number of participants in recreation sports	2,678	2,526	2,463	3,184	7,688	7,557	14,393	5,302	7,950	6,350
Number of participants in sports tournaments (8)	10,629	17,625	17,293	77,164	56,388	57,291	58,000	56,410	56,410	42,429
Average number of children enrolled in summer programs per day	167	175	172	178	165	607	339	265	262	290
Average number of children enrolled in latch key programs per day	259	287	246	239	239	204	202	289	265	275
Utilities (4)										
Sewer:										
Customer count as of June 30	15,500	15,435	15,514	15,476	15,443	15,041	15,376	15,414	15,379	15,312
Total discharge (in thousands of gallons)	1,584,700	1,543,299	1,450,900	1,586,030	1,590,547	1,787,778	1,741,894	1,825,000	1,869,403	1,878,804
Water:										
Customer count as of June 30	17,272	16,962	16,860	16,889	16,862	16,798	16,804	16,828	16,790	16,705
Total consumption (in thousands of gallons)	3,245,845	3,418,789	3,589,085	3,656,071	3,525,553	3,619,591	3,557,248	4,561,914	4,077,837	4,165,842
Development Services (2)										
Building permits issued	1,272	934	1,029	788	818	939	276	242	295	425

NR = Not reported

Sources:

- (1) Carson City Municipal Court
- (2) Carson City Community Development Department
- (3) Carson City Treasurer's Office
- (4) Carson City Public Works
- (5) Carson City Sheriff's Office
- (6) Carson City Fire Department
- (7) Carson City Parks & Recreation
- (8) "Participants" as of fiscal year ended 2014 means players and coaches. In previous years this figure also included estimates for spectators.

**CARSON CITY
CAPITAL ASSETS STATISTICS BY FUNCTION / PROGRAM
LAST TEN FISCAL YEARS
(UNAUDITED)**

FUNCTION / PROGRAM:	FISCAL YEAR ENDED JUNE 30,										
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
General Government											
City owned facilities (1)	105	101	83	81	80	82	82	82	82	82	82
City owned structures (1)	92	85	81	81	81	81	81	81	81	81	81
Number of networked computers (5)	693	717	593	595	595	580	565	550	650	650	517
Public Safety											
Police: (2)											
Marked police vehicles	42	41	41	39	39	40	39	36	37	36	32
Fire: (3)											
Fire stations	4	4	4	4	4	3	3	3	3	3	3
Fire engines	14	14	14	14	14	9	9	9	9	9	9
Public Works (1)											
Paved streets (miles)	273	273	273	273	273	273	257	257	259	259	250
Culture and Recreation (4)											
Parks:											
Acreage of parks - developed	785.1	780.5	780.5	780.5	780.5	780.5	780.5	780.5	780.5	772.5	765.5
Acreage of parks - undeveloped	7,332.0	436.0	436.0	436.0	436.0	436.0	436.0	436.0	436.0	444.0	448.0
Swimming pools - outdoors	1	1	1	1	1	1	1	1	1	1	1
Swimming pools - indoors	3	3	3	3	3	3	3	3	3	3	3
Ball fields - lighted	15	16	16	16	16	16	16	16	16	16	16
Ball fields - unlighted	20	19	19	19	19	19	19	19	19	19	19
Tennis courts - lighted	12	12	12	12	12	12	12	12	12	12	12
Tennis courts - unlighted	4	4	4	4	4	4	4	4	4	3	2
Basketball courts - lighted	0	0	0	0	0	0	0	0	0	0	0
Basketball courts - unlighted	8	8	8	8	8	8	8	8	8	6	4
Community Centers	2	1	1	1	1	1	1	1	1	1	1
Rodeo arenas	1	1	1	1	1	1	1	1	1	1	1
Sand volleyball courts	4	4	4	4	4	4	4	4	4	3	3
Utilities (1)											
Sewer lines (miles)	226.0	228.0	237.2	237.2	237.2	236.0	235.0	216.6	216.6	216.6	213
Storm drains (miles)	93.0	92.0	94.4	94.4	94.4	94.0	93.9	77.0	76.4	76.4	76.4
Water lines (miles)	329.0	323.0	330.0	330.0	330.0	322.0	320.8	297.2	296.0	296.4	235.0

Sources: (1) Carson City Facilities and Public Works Divisions (4) Carson City Parks & Recreation
 (2) Carson City Sheriff's Office (5) Carson City Information Technology Department
 (3) Carson City Fire Department