



# REPORT

## THE CITY OF SAN DIEGO TO THE PARK AND RECREATION BOARD

---

DATE ISSUED: February 12, 2019 REPORT NO: 106

ATTENTION: Park and Recreation Board  
Agenda of February 21, 2019

SUBJECT: Fiscal Year 2020 Recreation Center Fund Budgets

### SUMMARY

Issue – Should the Park and Recreation Board recommend approval of the Fiscal Year 2020 Recreation Center Fund Budgets (RCF)

Director's Recommendation – Recommend approval of the proposed Fiscal Year 2020 Recreation Center Fund Budgets

Other Recommendations – Staff presented the Fiscal Year 2020 proposed budgets for the RCFs to the appropriate recreation advisory groups as outlined in the draft Administrative Guidelines for Implementation of Council Policy 700-42. The proposed budgets are presented in this report for Park and Recreation Board approval.

Fiscal Impact – This action would support the appropriation of the Recreation Center Funds in Fiscal Year 2020 as detailed on Attachment 1: Proposed Fiscal year 2020 Recreation Center Funds Budgets.

Funds generated by recreation classes and permit surcharges exceeded \$3,900,955 million in calendar year 2018. RCF's began collecting revenue January 1, 2018.

### BACKGROUND

On December 13, 2017, the City Council approved City Council Resolution R-311478 (Attachment 2) to modify recreation council and Department operations to comply with City Charter and San Diego Municipal Code (SDMC) requirements. The actions taken included amending the Department Fee Schedule; authorizing the Chief Financial Officer to appropriate and expend RCFs; designating that funds collected within a geographical area shall be used for recreation programs within that area; assuming recreation council contractor agreements; and allowing recreation councils that hold non-profit status to retain grants, donations, and fund-raising revenue not associated with the Department Fee Schedule.

### DISCUSSION

Upon approval of City Council Resolution R-311478, the Department implemented changes to the City of San Diego's (City) relationship with recreation councils; addressed City Charter and SDMC requirements; and continued recreation programs, maintenance, and events previously sponsored by recreation councils uninterrupted.

Since the transition began in January 2018, the Department has established 60 Recreation Center Funds, developed the FY 2018, FY 2019, and FY 2020 budgets for these RCF's, created monthly financial reports in SAP, entered into 174 new service and supply contracts, transitioned over 70 existing recreation programs, and added 100 new programs and events at 31 recreation centers. Additionally, the Department has established a list of more than 80 qualified vendors that continues to grow, allowing for the continued expansion of programs and events.

This action requests City Council approval of the Fiscal Year 2020 proposed budget for the RCFs, developed by Department staff considering the recommendations of the recreation advisory groups. Funds within the RCFs are primarily generated from permit surcharges and class registration fees established by the Department Fee Schedule.


ALTERNATIVES

The alternative is to not approve this amendment to Council Policy 700-42.

Respectfully submitted,



Shelly Stowell, Recreation Program Manager,  
Parks and Recreation Administration Division



Approved by: Herman D. Parker  
Director, Parks and Recreation

(ss)

- Attachment 1 Proposed Fiscal Year 2020 Recreation Center Funds Budgets
- Attachment 2 City Council Resolution R-311478, December 20, 2017
- Attachment 3 City Council Resolution R-311785, June 14, 2018