

**LODI CITY COUNCIL
SHIRTSLEEVE SESSION
CARNEGIE FORUM, 305 WEST PINE STREET
TUESDAY, NOVEMBER 29, 2011**

A. Roll Call by City Clerk

An Informal Informational Meeting ("Shirtsleeve" Session) of the Lodi City Council was held Tuesday, November 29, 2011, commencing at 7:00 a.m.

Present: Council Member Hansen, Council Member Katzakian, Council Member Nakanishi, and Mayor Johnson

Absent: Mayor Pro Tempore Mounce

Also Present: City Manager Bartlam, City Attorney Schwabauer, and City Clerk Johl

B. Topic(s)

B-1 Parks, Recreation, and Cultural Services Department Annual Report for Fiscal Year 2010/11 (PRCS)

Parks, Recreation and Cultural Services Director Jim Rodems provided a PowerPoint presentation regarding the annual report for the department for Fiscal Year 2010/11. Specific topics of discussion included an overview, 2010/11 budget, two-year comparisons, deficit issues, program areas, current challenges, parks highlights, department accomplishments, and goals for 2011/12. City Manager Bartlam and Mr. Rodems also reviewed a memorandum with the City Council outlining mitigating measures for certain departmental challenges.

In response to Council Member Hansen, Mr. Rodems stated the decline in revenue mirrors the economic environment and includes a decrease in the amount of program participants.

In response to Council Member Hansen, Mr. Rodems stated staff makes conservative estimates for the budget and takes into consideration previous year estimates and actuals.

In response to Council Member Hansen, Mr. Rodems stated the 2010/11 two-year comparison numbers include revenues, expenditures, and General Fund transfers.

In response to Council Member Nakanishi, Mr. Bartlam stated the department deficit is paid by the General Fund.

In response to Mayor Johnson, Mr. Bartlam stated currently there is no set formula for the General Fund contribution to the department.

In response to Council Member Hansen, Mr. Rodems stated the department does its best to recover actual costs, including maintenance and operations, with rental fees. A brief discussion ensued amongst the City Council and Mr. Bartlam regarding the joint use agreement between the City and the Lodi Unified School District.

Council Member Nakanishi requested a list of activities and programs covered by the joint use agreement between the City and the School District.

In response to Council Member Hansen, Mr. Rodems stated the increased labor cost numbers also include retirement and medical.

In response to Mayor Johnson, Mr. Rodems stated the Hutchins Street Square Foundation and

staff have been working on a wish list similar to the one used for the Loel Center.

In response to Council Member Hansen, Mr. Rodems stated the adopt-a-park program could include regular cleaning of the park itself, park restrooms, raking leaves, and other non-power tool clean-up activities. Mr. Rodems stated signs would be placed at the parks identifying the adoptee and the program would have to run a few cycles for staff to evaluate the true cost savings with the program.

In response to Council Member Nakanishi, Mr. Rodems stated staff has previously worked with church groups and other organizations for parks programs and will continue to explore those opportunities for partnerships.

In response to Council Member Hansen, Recreation Supervisor Michael Reese confirmed that, with respect to youth basketball, church teams could play both public and private teams and are competitive with the City's programs.

In response to Council Member Hansen, Mr. Rodems stated Roget Park is programmed as a passive park with Bocce ball courts, game tables, circuit training, walking path, and a natural landscape.

In response to Council Member Nakanishi, Mr. Rodems stated Roget Park was funded through the sale of the property to Eden Housing for the development of affordable housing for seniors.

In response to Council Member Hansen, Mr. Rodems stated the new grass at DeBenedetti Park has less of a dormancy level than normal Bermuda grass. Parks Superintendent Steve Dutra confirmed the grass will turn brown for three to four weeks only.

In response to Council Member Hansen, Mr. Rodems stated the tree program at DeBenedetti Park will conclude on Arbor Day.

In response to Mayor Johnson, Mr. Bartlam stated the decision as to whether or not to have a fence at DeBenedetti Park has not yet been made.

A brief discussion ensued between Council Member Hansen and Mr. Rodems regarding resident versus non-resident fees, fee reductions, and previous tier reductions.

In response to Mayor Johnson, Mr. Bartlam stated there are some restrictions on the use of the portion of Hutchins Street Square, which is currently the senior facility.

In response to Council Member Hansen, Mr. Bartlam stated any savings realized from contracting services would go to offset the departmental budget deficiency.

In response to Council Member Katzakian, Mr. Bartlam confirmed that two new parks will create more maintenance needs even though Roget is designed to be a low-maintenance park.

In response to Council Member Nakanishi, Mr. Rodems stated the General Fund equally subsidizes Hutchins Street Square and Parks and Recreation.

In response to Council Member Hansen, Mr. Rodems stated Boosters of Boys and Girls Sports Organization and the Lodi Arts Foundation both still provide scholarships for youth to participate in programs.

A brief discussion ensued amongst the City Council, Mr. Bartlam, and Mr. Rodems regarding the long-term sustainability and need for the programs and public outreach efforts.

In response to Myrna Wetzel, Mr. Rodems stated the department spends approximately \$20,000 annually on vandalism and graffiti abatement at the parks.

In response to Council Member Hansen, Mr. Bartlam stated the Community Development Block Grant funds can only be used for graffiti abatement in certain areas with specific property owners.

Mr. Dutra briefly spoke regarding department challenges, partnerships, volunteerism, maintenance levels, deferred maintenance, self audits, and the option for contract services.

Larry Long, representing the Recreation Commission, commended staff and the City Council for supporting parks and recreation programs in the City and the ongoing need to do so in the future.

C. Comments by Public on Non-Agenda Items

None.

D. Adjournment

No action was taken by the City Council. The meeting was adjourned at 8:27 a.m.

ATTEST:

Randi Johl
City Clerk



**CITY OF LODI
COUNCIL COMMUNICATION**

AGENDA TITLE: Parks, Recreation and Cultural Services Department Annual Report for Fiscal Year 2010/11

MEETING DATE: November 29, 2011

PREPARED BY: Director – Parks, Recreation and Cultural Services

RECOMMENDED ACTION: Receive presentation regarding Parks, Recreation and Cultural Services Department Annual Report for Fiscal Year 2010/11.

BACKGROUND INFORMATION: The Parks, Recreation and Cultural Services Department provides programs and facilities for the residents of the City of Lodi and surrounding communities. The 2010/11 Fiscal Year was the last year that the Parks Department was considered to be completely general fund supported while Recreation and the Community Center function as special revenue units.

The Shirtsleeve Session and related PowerPoint presentation will provide an overview of all three divisions for Fiscal Year 2010/11 and will outline the challenges set forth for 2011/12 and beyond.

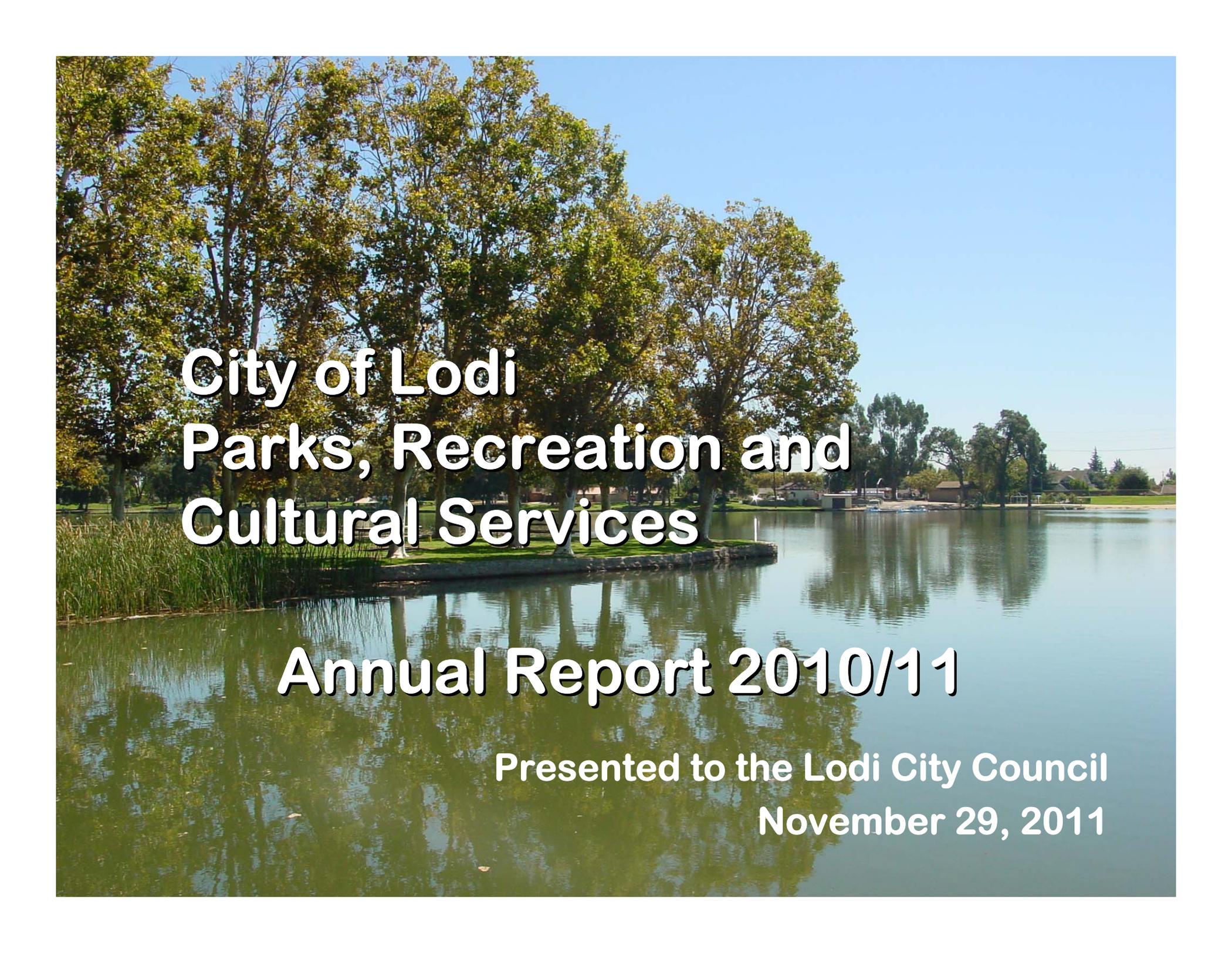
FISCAL IMPACT: Not applicable.

FUNDING AVAILABLE: Not applicable.

James M. Rodems
Director – Parks, Recreation and Cultural Services

APPROVED:

Konradt Bartlam, City Manager

A scenic view of a park with a large body of water, trees, and a clear blue sky. The water is calm and reflects the surrounding greenery. In the background, there are several houses and more trees under a bright blue sky.

City of Lodi Parks, Recreation and Cultural Services

Annual Report 2010/11

**Presented to the Lodi City Council
November 29, 2011**

Overview

The Parks, Recreation and Cultural Services Department provides programs, parks, and facilities for the City of Lodi and surrounding communities.

- The Recreation and Cultural Services divisions function as “special revenue” units
- The Parks division, with the exception of moderate Lighting and Landscape District funds, is fully supported by General Fund transfer funding for FY 2010/11

2010/11 Budget

Target

Revenue:	\$2,101,620
Expenditure:	\$5,400,266

Actual

Revenue:	\$1,802,336
Expenditure:	\$5,397,004

2010/11 Budget Two-Year Comparison

	2009/10	2010/11
Total expenditure:	\$5,494,107	\$5,397,004
General Fund:	\$3,291,173	\$3,286,420
Revenue:	<u>\$1,871,433</u>	<u>\$1,802,336</u>
Operating Deficit	\$ -331,501	\$ -308,248

Deficit issues

- Decreased participation
- Decreased revenues
- Increased costs in Aquatics
- Emergency maintenance
- Increased labor costs with reduced workforce

Program areas

- Aquatics & Special Events
- Youth/Teen Sports
- After-School Programs & Camps
- Specialty Classes
- LUSD Bridge
- Adult Sports
- Lodi Lake
- Arts/Specialty Classes
- Youth Commission
- Senior Information and Referral
- Performing Arts Center
- Rentals & Events

Current challenges

- Decreased participation and revenue
- Reducing programs reduces revenue
- Expanded offerings comes with risks
- No indoor facilities under City control
- Reduced facility maintenance
- Deferred maintenance and outdated facilities
- Increased labor costs with reduced workforce

Parks highlights

- DeBenedetti Park Phase 1 development.
- Construction specifications for Grape Bowl and Roget, Van Buskirk and De Benedetti parks
- Implemented park maintenance standards.
- Implemented Pilot Program for Adopt-A-Park.
- Oversight for seven community service projects
- Nine memorial trees and one memorial bench.

Department accomplishments

- Department operated within 1% of budget
- Park development progress with De Benedetti and Roget parks.

Goals for 2011/12

- Balance the budget
- Realign revenue targets
- Cut Costs
- Increase facility use
- Start Grape Bowl Phase III
- Start Roget Park construction
- Finish Phase I DeBenedetti Park



Parks, Recreation and Cultural Services
Creating community through people, parks & programs

November 28, 2011

To: Konradt Bartlam
City Manager

From: James M. Rodems
Director – Parks, Recreation and Cultural Services

Re: Annual Report Fiscal Year 2010/11

Per your request the following is the Departmental Annual Report for 2010/11.

Department Overview:

The Parks, Recreation and Cultural Services Department provides programs, parks, and facilities for the City of Lodi and surrounding communities. The Recreation and Cultural Services divisions function as “special revenue” units and are required to support two-thirds of the operational revenue for the fiscal year. The Parks division, with the exception of moderate Lighting and Landscape District funds, was fully supported by General Fund transfer funding for FY 2010/11. It is important to note that the combined divisions are now considered a single Special Revenue Department as of Fiscal Year 2011/12.

The department comprises four separate budget areas: General Administration, Parks, Recreation and Hutchins Street Square, each managed by a division head. While the organizational structure is along the lines of a traditional model, this is a new organizational structure for the department. This structure was instituted to reduce costs, increase productivity and help the division meld together through increased communications and resource management/sharing. The structure has also been instrumental in reducing duplication of services while developing a cohesive offering to the community.

While the divisions continue to look for greater operating efficiencies it is evident that department is unable to sustain current operating levels in all divisions. With a reduction in Park labor and an inability for Recreation and Hutchins Street Square to meet revenue targets we are in the position of having to make significant cuts in program and facilities in order to meet budget.

Challenges for Parks, Recreation and Cultural Services:

All three divisions have spent the last two years in some form of flux. Hutchins Street Square has been in continuous evolution for the past three years leading into the complete merging of all three divisions in 2010/11. While this process has been difficult enough, it has been compounded by the economic environment. Both Recreation and Hutchins Street Square face the following issues:

- Current economic condition has decreased participation and revenue
- No way to significantly reduce program offering without adversely impacting revenues
- No way to significantly expand offering without risking capital
- No indoor facilities under the control of the department (Recreation)
- Reduced maintenance on programmable facilities (Recreation)
- Deferred maintenance and outdated facilities
- Increased labor costs with a reduction in workforce

Mitigating Measures:

As a result of many of the issues noted above the department has instituted or is in the process of performing the following corrective measures:

- Combined a Recreation Manager position with a Program Coordinator position that will cover Senior Programs, Lodi Youth Commission, and special events. Annual savings estimated to be \$72,000
- Deleted the part-time LYC liaison. Annual savings: \$18,500
- Reduced full-time Aquatics Coordinator to part-time. Estimated savings: \$35,000
- Deleted one full-time office staff position in Parks and Recreation. Annual savings: \$48,000
- Increase registration fee for all BOBS programs by \$5. Estimated additional revenue: \$35,000
- Instituted a 4- to 5-percent increase in all program fees. Estimated additional revenue: \$28,000
- Proposed: Reduction of Art Specialty Classes Coordinator from full-time to part-time. Estimated savings: \$45,000

Estimated Total Savings: \$281,500

It is important to note that these adjustments are in addition to the employee concessions required to meet budget over the past three fiscal cycles.

Even though these measures will assist in reducing costs for 2011/12 the department is still faced with reductions in the Parks division that have eliminated all part-time staff for the spring and summer season in this fiscal year. Also on the horizon is the opening of De Benedetti and Roget parks for which the department has no maintenance funding. Potential resolutions to this issue are:

- Contracting some level of park maintenance for potential savings
- Significant reduction of maintenance levels for parks
- Significant reduction in park maintenance and or closure of parks
- Realign revenue/expenditure assumptions for program areas

In addition, further reductions could be made in program areas that are falling significantly short of revenue targets or are traditionally not required to generate supporting revenue. These reductions could include but would not be limited to:

- Contracting or eliminating the aquatics program
- Elimination of the Senior Information and Referral program

2010/11 Department Budget:

Budgeted:	Target Revenue	\$2,101,620
	Expenditures	\$5,486,030
Actual:	Revenue	\$1,802,336
	Expenditures	\$5,397,004
	Total	-\$ 308,284

The following is an outline of each division and a synopsis of the operating year for programs for Recreation and Hutchins Street Square. Target revenues are based on the evaluations of 2009/10 and were kept at the same approximate levels of the previous year. We have shown the variance between the targeted revenue and actual revenue for each program area where applicable:

Parks:

Budgeted: \$2,292,770

Expenditure: \$2,268,104

Total +\$24,666

In its last year as a General Fund division, the Parks department was able to operate within budget and generate a savings of \$24,666 or 1.1 percent of its budgeted operating funds. The division was able to provide services in the wake of continued staff and budget cuts. Milestones for the Parks division are as follows:

- Completed two construction projects, Kofu Community Room, Van Buskirk Park playground improvements and playground resurfacing
- Continued oversight of the De Benedetti Park Phase 1 development
- Produced construction specifications for Roget Park, Van Buskirk and De Benedetti parks and Grape Bowl
- Implemented park maintenance standards
- Implemented Pilot Program for Adopt-A-Park
- Coordinated work plans and provided oversight for seven community service projects
- Administered the installation of nine memorial trees and one memorial bench

Recreation Division:

Budgeted: \$1,919,026

Target Revenue: \$1,252,433

Actual Revenue: \$1,229,798 (-2%)

Expenditure: \$1,948,405

The Recreation division comprises six specific program areas. The following outlines these program areas and their performance for 2010/11:

Aquatics & Special Events

Budget: \$ 170,800

Target Revenue: \$ 200,750

Revenue: \$ 163,956 (-19%)

Expenditures: \$ 264,876

Attendance: 7,563 (Swim lessons 505, Public swim 6,620, Summer Swim League 438)
This was the first full budget cycle in which the Hutchins Street Square operation was included in the Recreation budget. We had a drop in sign-ups of 142 participants from

Spring 2010 to Spring 2011. In an effort to increase public swim opportunities, extended hours were offered at both Lodi Lake and Blakely pool, but attendance decreased, likely due to mild summer temperatures. The Hutchins Street Square Pool operations suffered numerous closures due to malfunctions with the newly installed Pool Air Conditioning (PAC) unit.

Youth /Teen Sports

Budget:	\$ 127,430
Target Revenue:	\$ 152,000
Revenue:	\$ 148,184 (-16.25%)
Expenditures:	\$ 130,396

Attendance: 2,964

This category is composed of Flag Football, Softball/Baseball, Jr. Volleyball , Jr. Basketball, Tot Programs, Soccer, T-Ball and Basketball. Expenditures cover all program costs except for the Recreation Manager.

The trend for current programs is showing a decrease in participant numbers along with current trends for all programming. The two largest programs, baseball/softball and soccer, have held consistent in their participation numbers compared to the 2009/10 budget cycle.

After School Programs & Camps (Playgrounds)

Budget:	\$ 253,079
Target Revenue:	\$ 272,350
Revenue:	\$ 248,883 (-8.7%)
Expenditures:	\$ 192,994

Attendance: 2,450

This encompasses all camps and pay-for-use after school programs (non-LUSD Bridge). Attendance for these programs has been consistent over the past two budget cycles. These programs have been broken out into two separate program areas for the 2011/12 Budget. Rental of the Lodi Unified School District facilities is counted as matching funds through the Joint Use Agreement and are not incorporated in the expenditure number.

Specialty Classes

Budget:	\$ 47,760
Target Revenue:	\$ 39,000
Revenue:	\$ 45,822 (+17.5%)
Expenditures:	\$ 46,022

Attendance: 280 (all classes)

The department offers approximately 11 classes (may vary from year to year) ranging from Aikido to Online Drivers Education. We continue to see an annual reduction in

these classes as we shift all of our offerings to the Arts and Specialty Classes program area.

LUSD Bridge

Budget: \$ 365,520
Revenue: \$ 356,333 (+2.6%)
Expenditures: \$ 324,820

Attendance: 7,200

This program is by contract with the LUSD to provide after school services to nine Bridge sites: Victor, Heritage, Lois Borchardt, Beckman, Needham, Washington, Nichols, Woodbridge and Lawrence Elementary schools. Daily attendance at each site is set at 80 students (and is often exceeded). This program has been at maximum capacity for the past two budget cycles.

Adult Sports

Budget: \$ 59,130
Target Revenue: \$ 95,000
Revenue: \$ 70,822 (-25.5%)
Expenditures: \$ 53,096

Total Attendance: 2,536 (Softball 2,144 , Basketball 328, Volleyball 640)

The adult sports activity showed a decrease in participation from the previous year in the traditional sports offerings, but we had 20-percent growth in Late Nite Basketball. This program area best illustrates trends in discretionary spending for adults during current economic conditions.

Lodi Lake Programs

Budget: \$ 94,270
Revenue: \$ 125,235 (-7.6%)
Expenditures: \$ 118,286

Boat and Kayak Rentals: 7,899

Boat House Classes and Trips: 400 participants

River Boat Tours: 500+ participants

Nature Tours: 1,500+ participants

The Boat House operates all but six weeks out of the year when the Woodbridge Irrigation District lowers Mokelumne River levels for maintenance activities. The revenues also include gate receipts for Lodi Lake during spring, summer and fall operations.

Hutchins Street Square

Budgeted:	\$1,193,082
Target Revenue:	\$ 688,000
Revenue:	\$ 569,285 (-17.3%)
Expenditure:	\$1,190,789

The Hutchins Street Square Hutchins Street Square comprises five program areas. The following outlines these program areas and their performance for 2010/11:

Arts Specialty Classes

Budget:	\$ 194,620
Target Revenue:	\$ 688,000
Revenue:	\$ 173,820 (-11%)
Expenditures:	\$ 216,169

Attendance: 14,217

Much like the rest of the recreation program areas, Arts Specialty Classes has had a significant reduction in participants. The program area still continues to do community outreach, which is illustrated by the following milestones:

- Held 8th Annual Arts Open House
- Developed, promoted and facilitated Project Lodi Art; 2nd community art project at Van Buskirk Park. Facilitated daily workshops with the students of Liberty High School as part of their school curriculum
- Developed, promoted and facilitated Take it to the Park, a daily, free, 6 week, outdoor arts & activity camp

Youth Commission

Budget:	\$ 35,080
Target Revenue:	\$ 45,000
Revenue:	\$ 22,443 (-50%)
Expenditures:	\$ 32,405

The Youth Commission started to transition its focus during the fiscal year. Although the program area did not reach historical revenue number, the commission increased opportunities for leadership training as well as attended youth conferences during the year.

Senior Information and Referral

Budget:	\$ 126,070
Target Revenue:	\$ 5,000
Revenue:	\$ 6,318 (+26%)
Expenditures:	\$ 104,970

With the hiring of a new program coordinator, we began to evolve this program area to a more comprehensive offering for our senior community. We managed to start this process as well as reduce costs and increase revenue. Some of the milestones for this area during the fiscal year are as follows:

- In cooperation with UOP School of Pharmacy, offered a day-long Medicare Part D sign up for local seniors
- Brought back "Senior Follies," a 55+ variety show to Hutchins Street Square
- Now receiving a semester site fee from UOP for Osher learning opportunities at Hutchins Street Square

Performing Arts Center

Budget:	\$ 192,558
Target Revenue:	\$ 180,000
Revenue:	\$ 148,932 (-17.25%)
Expenditures:	\$ 191,393

This program area benefited from savings realized by transitional staffing that allowed for the emergency replacement of equipment. This program area also suffered from the economic environment due to a reduction in both act performing in the venue and community ticket sales. However, during this fiscal period, the program area was able to upgrade technical capabilities and increase event diversity in the venue.

Rentals & Events (Arts and Culture)

Budget:	\$ 121,440
Target Revenue:	\$ 260,000
Revenue:	\$ 217,772 (-16.25%)
Expenditures:	\$ 139,865

At the beginning of 2010/11 it became evident that the economy's decline was having an effect on rentals, exemplified by the number of cancellations that occurred at the onset of this time period. The program area responded by investing in and seeking new events for short-term and long-term financial health. Even though this program area is one of the few that exceeded its operating budget, it is started to see returns on the effort and expense late in 2010/11 and into the 2011/12 budget cycle. Milestones for the program area are:

- Coordinated the inaugural Artisan Masters event with the Lodi Arts Foundation. This major event was held at Hutchins Street Square. More than \$20,000, was raised for scholarships for arts and culinary classes
- Continued partnerships with the Sandhill Crane Festival and Lodi Wine Awards to produce successful community based events

- Continued to market the facility for use. Instituted use of Social Network Marketing
- Worked with Lodi Conference & Visitor Bureau in bringing FAM tours to Hutchins Street Square
- Worked with Lodi Chamber of Commerce with their inaugural Leadership Lodi Forum

Number of Youth Served by the Department:

As a result of a council inquiry as to youth population served we have been able to produce the following information:

Recreation Program Youth Registration (K-6):

	Resident	Non-Resident
2010/11	1,738	682
2011/12	1,732	654

Elementary School Enrollment (LUSD)

2010/11 attending schools inside city limits: 6,574

2011/12 attending schools inside city limits: 6,229

Based on these numbers, and factoring for multiple registrations from one participant, the department estimates that it is serving approximately 1,200 individual resident participants and 430 non-resident participants in the youth sports and aquatics programs. In addition to the youth sports and aquatics programs we serve 1,040 participants for all after school programs combined.

Based on residential numbers, programs are utilized by approximately 36 percent of the K-6 residents and approximately 19 percent of the K-6 non-resident LUSD students (attending inside city limits).

It is important to note that these figures will have a variance due to the fact that the LUSD report does not include schools in Stockton, Clements, Lockeford, or Victor. We estimate there are an additional 750 elementary student attending local private schools and another 100 or so students being homeschooled in the same area.

It is difficult to give a comparison beyond the last two years as we have varying methods within the division as to how participants were counted. Some programs counted as single individual registrations and others counted per actual days attended. With the establishment of the Active Net registration system we have been able to apply a consistent methodology throughout the division.

In addition, the Arts Specialty Classes served 5,356 resident registrations and

1,664 non-resident registrations for ages covering K-6 for 2010/11.

Based on our research we believe that the percent of youth served is in concert, if not slightly higher, than the industry norm for similar size rural cities in Northern California.

Synopsis:

It is no surprise that the Parks, Recreation and Cultural Services Department is confronted with many challenges due to economic conditions that originated prior to FY 2010/11. We are disappointed we did not meet the conservative revenue targets.

We are pleased, however, that the department was able to function within 1 percent of budget. This is a substantial improvement over previous years and clearly illustrates that merging the divisions has had a positive impact. Although we believe that measures taken towards the end of that fiscal cycle and the beginning of 2011/12 will greatly assist balancing out departmental operations, we are still faced with a dire dilemma. The department will not be able to continue the level of service it currently provides and not exceed budget without either program and maintenance changes or an increase in funding.