

7070300000—General Services-Parks & Recreation

Parks & Recreation

Expenditure Reimbursements

- \$16,068 Increase CSA tax proceeds.
- \$5,400 Cost Allocation Plan adjustment.

Revenues

- (\$358,888) Decrease in admission, camping, and parking fees based on actual experience.
- (\$195,600) Decrease in transfers from Park Trust Funds for ongoing operations.
- (\$85,271) Decrease in rental fees.

Program Discussion

The 2018-2019 recommended budget for Parks and Recreation totals \$5,323,664, which is a decrease of \$595,673 from 2017-2018. The decrease reflects the deletion of three vacant Park Worker positions, decreases in extra-help, consulting costs, janitorial supplies, fleet services costs, advertising, equipment leases, and small tool and furniture purchases; offset by salary and benefits adjustments, increases in allocated service department costs from General Services Administration, Workers' Compensation insurance costs, and utilities costs.

Rental Facilities

In 2018-2019, Parks and Recreation will continue to provide rental facilities at its regional parks including camping, boat launching, picnic shelters, host park events and activities, building rentals for private functions, and sports field rentals for youth and adults sports leagues. Other programs that will continue to be offered to the public include an urban fishery program, increased park events, and paddle boat rentals at Oak Grove Regional Park. It is recommended that the current fees associated with the operation of the parks remain the same for 2018-2019. The current fee levels are in alignment with other comparable regional parks and facilities.

Woodbridge Wilderness Area

Support from other volunteer groups will continue to enable the Woodbridge Wilderness Area (WWA) volunteers to prepare and maintain trails and firebreaks to meet the requirements of the fire department, creating compartmentalization to help prevent the spread of wildfires in the area. Parks staff will maintain the fire break between the WWA and the adjacent properties.

Cost of Parks Operation

The Division currently operates 21 parks, one of which includes the Micke Grove Zoo. The Net County Cost (NCC) to operate these parks totaled \$2,572,711 in 2016-2017. All County Parks are supported to some extent by NCC. Additional fiscal measures that will be researched, but are not being recommended for inclusion in the budget at this time, include assessments, special taxes, and parcel taxes. The CSA parks currently have a special assessment. A Proposition 218 process may be considered to increase the assessments to cover the cost of maintenance and operations. Staff will evaluate the operational, fiscal, and legal impacts of these measures before recommending implementation. These measures could potentially be structured to generate income to allow the Parks Division to provide additional services to the public, to increase maintenance of underfunded parks, and provide a long-term funding mechanism for the Zoo.

A majority of the County Parks' ongoing maintenance and operations costs are partially funded with General Fund dollars. The only exceptions are CSA 2 - Madison Park, CSA 5 - Raymus Village Park, and CSA 48 - Woodbridge Community Park. These three Parks receive 100% funding from the associated CSAs, which have adequate tax or assessment revenues to maintain and operate the parks. Of the 21 developed and maintained parks in the system, three parks and the Nature Center do not generate revenue in the form of user fees, assessments, or tax revenue.

The four facilities that do not generate revenue are:

1. Gianone Park: 1885 E. Harding Way, Stockton
2. West Jackson Park: Sanguinetti Lane and Orwood Street, Stockton
3. Woodbridge Wilderness Area: 301 River Meadows Drive, Woodbridge
4. Nature Center, located in Oak Grove Regional Park

The 2016-2017 NCC support for each park was as follows:

<u>Park</u>	<u>NCC</u>
<i>Boggs Track Park (CSA 1)</i>	\$4,387
<i>Dos Reis Park (CSA 4)</i>	(49,269)
<i>Eastside/Garden Acres Park (CSA 3)</i>	37,261
<i>Gianone Park</i>	35,981
<i>Harmony Grove Church</i>	14,562
<i>Kennedy Park</i>	67,035
<i>Larch Clover Park (CSA 11)</i>	7,573

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<u>Park</u>	<u>NCC</u>
Madison Park (CSA 2)	8,313
Micke Grove Park	512,935
Micke Grove Zoo	1,029,193
Mossdale Crossing Park	23,091
Nature Center	55,061
Oak Grove Regional Park	486,870
Raymus Village Park (CSA 5)	4,051
Regional Sports Complex	171,962
Stillman L. Magee Park	18,216
Taft Park (CSA 8)	9,900
West Jackson Park	14,513
Westgate Landing	36,321
Woodbridge Community Park (CSA 48)	5,156
Woodbridge Wilderness Area	29,608
Other County Services	49,991
Total	\$2,572,711

The current funding level is 45% from the General Fund, and 55% from operating transfers from the Parks Trust Funds and charges for services. Future increases from the General Fund are needed to support ongoing operations within the Parks system or an external financing mechanism is needed, as recommended by the Assessment Report, to help create a robust County Park System. The Parks and Recreation Division has requested that the Micke Grove Zoological Society provide ongoing annual funding of \$25,000 as an additional funding source. In order to fund operational costs, three vacant positions have been deleted, part-time staff has been reduced, and the Nature Center program will be eliminated. The Nature Center building will be re-purposed as a rental space to host meetings and events. Additionally, there will be a reduction in service levels due to rising utilities and labor costs associated with the maintenance of the parks within the system.

Parks Trust Funds

The County Parks are also supported by revenue from trust accounts established for their maintenance and operation. The recommended budget includes transfers from Parks trust funds totaling \$669,500 for ongoing Parks operations. This is a decrease of \$195,600 from 2017-2018. The income to the trust accounts from all sources is estimated to be approximately \$662,500. The proposed transfers will require the Board of Supervisors to approve use of the Park Endowment Trust principal balance above income, projected to be approximately \$235,000 for 2018-2019.

Overall, the Park trust funds are projected to have an ending balance of \$107,298 by June 30, 2018, and will be reduced by an additional \$69,620 to \$37,678 by June 30, 2019. At this rate, the trust funds will be depleted in 2019-2020 unless additional General Funds are provided, new Parks revenues are generated, or substantial changes are made to Parks operations.

<u>Trust</u>	<u>Est. Bal 6/30/2018</u>	<u>Est. Bal. 6/30/2019</u>
Park Donation Trust	\$3,535	\$3,535
Park Endowment Trust	(6,566)	3,914
Micke Grove Trust	16,785	16,785
Parks & Rec. Activity Trust	<u>93,544</u>	<u>13,444</u>
Total	\$107,298	\$37,678

Efficiency Audit

During 2017-2018, the Division contracted with David Taussig and Associates, Inc. to conduct an efficiency audit of the County Parks system. As of this writing, the audit report has not been finalized. It is anticipated that the report will be finalized and brought before the Board of Supervisors in early 2018-2019.

The following is a partial list of recommendations that are anticipated to be included in the efficiency audit report and implemented in 2018-2019:

- **Expand Volunteer Program** - Volunteers are a crucial resource that the Division currently relies upon, and it is vital that the Division continue outreach efforts to the public for assistance, engaging volunteers where possible to support park maintenance and operations. Micke Grove Zoo currently has 13 active volunteers that assist with Zoo operations, and the Micke Grove Zoological Society (MGZS) is reported to have a pool of 75 volunteers that assist with educational outreach. The number of volunteers currently assisting the Division is relatively low to other benchmarked counties and zoos: Sequoia Park Zoo and Foundation in Eureka, CA, has 255 volunteers who contributed approximately 9,040 service hours in the previous fiscal year; and Happy Hollow Zoo in San Jose, CA has 60 highly dedicated volunteers contributing approximately 10,000 service hours.
- **Revenue Optimization Through Automation** - On-line campground reservations are in the process of being implemented. Improving the on-line automation process will decrease staff workload and increase visibility and convenience to future visitors. The Division is in the planning stage of implementing automated fee collection combined

with physical barriers in order to better track park visitors and optimize entrance fee collection.

- **Explore Public-Private Partnership Opportunities for the Regional Sports Complex** - Although the Regional Sports Complex is the third most costly regional park to maintain, its usership is dwarfed by the number of visitors to the Micke Grove Park and Oak Grove Regional Park. For example, in 2017 the Regional Sports Complex saw an annual usership of less than 12,000, whereas Micke Grove Park saw nearly 80,000 annual visitors, with an additional 13,000 community members engaging in its educational outreach programs. As such, it is worthwhile to explore the possibility of public-private partnerships to support the ongoing operations and maintenance of the Regional Sports Complex. This could free up much needed staffing and resources, while also addressing the issue of any backlogged repairs and upgrades.
- **Re-negotiate Operating Agreement with the Micke Grove Zoological Society** - Better information sharing and communication is needed between Zoo staff and MGZS. The existing division of responsibilities and duties between the Zoo and the MGZS will likely need to be re-visited in order for both organizations to have a clearer understanding and more transparency of their respective goals and objectives.
- **Secure Long-Term Funding** - The Division is currently lacking in long-term funding mechanisms to ensure the organization can sustain the rising costs of operations and maintenance. The tax revenues from various Community Service Areas do not fully cover the expenditures for maintaining non-regional parks. Relying on trust fund deposits and private donations, that vary year to year, creates volatility and unpredictability for budgeting and forecasting. It is important that the County seeks additional public financing to secure long-term funding options for the Division.

Park Revenue Enhancements

In an effort to reduce the reliance on trust funds for ongoing operations, the following revenue enhancements are proposed and the projected impacts have been included in the 2018-2019 budget:

- Continue to improve the Regional Sports Complex fields, including adding fields to allow two fields to be rotated out of use for turf rehabilitation, and improve irrigation systems. Repair and restoration of baseball/softball fields to a safe and playable condition, to increase rentals. Explore public/partnerships and soccer associations to raise funds to add lighting, scoreboards, and additional parking to the Complex that would draw more use and provide adequate facilities for potential tournaments. Increase the marketing of the Complex and encourage use by other sports groups such as lacrosse, rugby, and field hockey.
- Redirect a portion of the current marketing dollars in order to lay the groundwork for expanded events such as Food Truck Days, Easter Egg Hunt, Zoo Lights, Bug/Animal Shows, Car Shows, and Pop-up events (food/merchandise), to increase regional parks usage and improve parking and concession revenues.
- Increase digital marketing of Park and Zoo rentals, programs, and events in conjunction with Micke Grove Zoological Society.
- Implement digital marketing to raise donations to support the County Parks and Zoo, including the potential of selling naming rights.
- Research and implement viable solutions presented in the Parks Assessment Study.
- Explore revenue opportunities from outdoor advertising at Oak Grove Regional Park.
- Implement credit/debit only pay stations and gate automation to eliminate costs at remote sites by reducing labor costs and risks.
- Implement a policy to allow food trucks to use the parks on weekends.
- Examine Parks maintenance and Zoo operations to ensure operational efficiency to increase regional parks usage and rental revenues.
- Explore grant opportunities.
- Update lease and rental agreements and adjust reservation times on available rentals.

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	Workload Data				
	Actual			Est./Act.	Projected
	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
<i>Total Park Visitors</i>	700,300	706,100	850,500	855,200	884,200
<i>Oak Grove Park</i>	123,200	117,100	164,500	155,000	158,500
<i>Micke Grove Park</i>	302,800	308,700	345,000	345,900	349,500
<i>Micke Grove Zoo</i>	80,950	76,200	100,400	117,900	118,400
<i>Stillman Magee Park</i>	15,450	16,750	13,500	17,500	18,000
<i>Westgate Landing</i>	13,200	16,200	17,100	17,900	17,800
<i>Dos Reis Park</i>	43,900	53,250	74,000	84,500	84,000
<i>Mossdale Crossing Park</i>	19,300	18,700	21,000	30,000	30,000
<i>Regional Sports Complex</i>	101,500	99,200	115,000	86,500	108,000