BUDGET WORKSHOP
SPRINGFIELD-GREENE COUNTY PARK BOARD
Tuesday, February 9, 2021
Springfield-Greene County Botanical Center,
2400 S. Scenic, Springfield, Missouri

1. ROLL CALL

Ms. Carolyn Gerdes called the Budget Workshop to order at 5:35 p.m.

Members Present: Randy Blackwood, Leslie Carrier, Mike Chiles, Carolyn Gerdes, Curtis Jared, Tammy Mast, Sidney Needem, Heather Noggle, Susie Turner

Members Absent: none

Park Board Staff Present: Bob Belote, Jon Carney, Tim Carpenter, Matt Coats, Mike Crocker, Jenny Edwards, Jim Fisher, Karen Mellinger, Anne-Mary McGrath, Jerry Mitchell, Miles Park, Kim Reser, Diana Tyndall, Lana Woolsey (virtually)

II. REVIEW OF FY 2021-2022 PROPOSED BUDGET DOCUMENT

Mr. Bob Belote, Director of Parks, stated that the Budget Workshop is an opportunity to present the staff's recommendations for the proposed FY 2021-22 Budget Document as required by the City of Springfield Charter, and in conjunction with the Greene County annual budget process. He appreciated our Business Operations staff's assistance, along with each of our divisions, in gathering information to prepare the budget document as the budget process begins in October. Mr. Belote stated that last year's budget process was difficult due to the impact of the minimum wage increase, and we had to make tough choices. With the sales tax revenue remaining relatively strong throughout the pandemic, we are able to restore some of the line items that were cut from the budget last year.

Mr. Belote stated we had some departmental struggles with the onset of the COVID-19 crisis, and numerous Parks facilities had to be closed, a City hiring freeze was implemented, and a variety of programs were cancelled including departmental special events. He recognized the financial support that our department received from the City of Springfield, resulting in no employee layoffs or furloughs. In fact, recently the hiring freeze was lifted, and we have begun to fill vacant positions, and even offer merit raises to our fulltime employees.

Special Emphasis Areas

Mr. Belote reviewed our FY 2021-22 Budget Proposal priority areas, including our number one challenge, for the fifth year in a row, which is to identify a long-term sustainable funding source. As we continue to offer facilities, programs, and services safely in a COVID-19 environment, we will explore expanding partnership opportunities with similar organizations dedicated to the community's health and wellness. This dedicated effort will include continuing our partnership with Springfield-Greene County Health Department, along with mental health providers, environmental groups, area schools, fitness facilities, and other partner organizations. As noted in the Springfield Sports Commission's 2019 Sports Tourism Report, reinvesting in our sports infrastructure is critical in order to remain a viable player in the highly-competitive sports tourism industry.

We will continue to support our trail-building partner, Ozark Greenways. Parks staff has nearly completed the updated standard requirements and evidence of compliance documents for our renewal application through CAPRA. Since 2013, we have made it a priority to restore older and more under-utilized neighborhood parks within the park system. With recent HUD-funded projects and the City's Neighborhood Works Program, we have been fortunate to receive approximately $2.5 million dollars over the last 5-6 years for neighborhood park playgrounds and improvements. We will continue to grow our golf programs as participation has been up significantly in 2020. We currently have all of our Park Ranger positions filled, but as funding grows, we would like to add more Rangers and additional park security measures. As always, the Park Board will continue to seek out new collaborative opportunities wherever possible.

Budget Snapshot

Mr. Belote reviewed the Budget Snapshot document for the FY 2021-22 Proposed Budget. We are required to propose a balanced budget, and the $10,000 increase in revenue is specifically identified for the Golf Enterprise Fund. As directed by the Board several years ago, we continue to contribute a minimum of $100,000 into our Parks Reserve Fund until we achieve an amount that is 8-10 percent of our operating budget.

Organizational Chart

The Organizational Chart presented has not seen any changes, but it outlines our proposed plan should we identify a long-term funding source.

Funded Priorities

Mr. Belote described these priorities, categorized by designated funds, but stated that the priorities have not changed significantly from last year.

Revenue Sources

Mr. Belote reminded the Board that we receive no significant City General Fund allocation and no general operating revenue from Greene County. He discussed that a significant portion of our revenue is from the 2001 and 2006 Countywide Parks Sales tax initiatives. Many new facilities became part of our park system, along with the development of several trails and construction of stormwater projects in several parks, because of these initiatives. A list of the 2001 and 2006 parks sales tax projects was included in the packets for review.

Expenditures

Mr. Belote stated that with approximately 63 percent of our budget allocated to personnel services, we remain significantly low compared to the industry standards of similar park systems. In reviewing the number of contract and full-time employees over the last several years, we have remained fairly constant.

Proposed Program Fees and Charges

Mr. Belote stated for many years, the Board had several committees to review the various divisions individually as part of the budget process. We found that most Board members preferred to participate in the complete budget discussion including the proposed fees and charges for each division.

Mr. Belote stated that as in the past, we reviewed budget requests from our staff in the field, which are submitted to the appropriate Supervisor, Superintendent, and Assistant Director. Additionally, we try to be responsive to citizens' requests when possible. The changes in the proposed fees and charges are further supported through actual costs and market comparisons. Mr. Belote, along with appropriate staff, reviewed the fees and charges recommendations within the document, which includes the following recommendations:

*Increase the cost for a private swim lesson 5-pack at Chesterfield and Doling Family Centers.
*Increase the cost within the current range for birthday parties for Family Center members and non-members, and also increase the party rental allotted time.
*Increase the cost per hour within the current range for personal training at our Family Centers.
*Increase the approved range for indoor and outdoor swim lessons.
*Update the pavilion rental rates in Lake Springfield Park to match similar pavilion rates throughout the park system.
*Add a new program rate range for outdoor and educational activities at Lake Springfield Park.
*Increase the cost of before and after childcare during summer camps at Rutledge-Wilson Farm Park.
*Due to increased material cost, increase the cost of the urban garden plots at Rutledge-Wilson Farm Park.
*We propose a new key replacement fee for urban garden rentals.
*Increase the group admission rate at Dickerson Park Zoo effective March 2021, and propose an increase to individual and youth admission rates by $1.00 each effective March 2022.
*Increase the golf rates by $1.00 for green fees, including junior and senior rates. Our Golf Patron Plan continues to be an attractive way to play golf at a discounted rate, with no expiration date to use money in the patron's account. We currently have over 600 Patron Plan participants. We also propose to slightly increase the rate for the Junior Summer Golf Pass, which still remains a great value and helps introduce youth to golf. We have seen some positive golf activity through seasonal promotions and are hopeful we will soon be able to reinvest in our golf facilities through those revenues generated.

Several Board members asked questions regarding the fees and charges documents. Mr. Randy Blackwood asked if the proposed fees and charges were based on pre-pandemic numbers or current usage, and we indicated that we are forecasting based on "coming out of the pandemic" predictions. Mr. Mike Chiles stated that he noticed that some fees have not been raised in many years. Mr. Curtis Jared suggested that fees that have not been adjusted for several years should be increased a little at a time, rather than a significant increase in one year.

Mr. Belote stated that we generate more revenue from fees and charges than most park systems, but that we are also committed to remain a good value and affordable at a time when our patrons are returning back to some normal activities. We have had to make some tough choices including raising admission gate fees within the last few years and enduring two 5 percent operational budget cuts within the last five years. We have also not built in the impact of the increased minimum wage increases in all divisions, but this impact will be reviewed soon. One area that we have not charged fees is for parking during large tournaments, which is a standard practice at most host facilities. We have not had a policy to raise fees across the board annually, as we consistently review each program individually and determine if it remains relevant and the cost is appropriate.

Mr. Mitchell, Superintendent of Business Operations, stated that sales tax revenue has been up the last seven months, so we are proposing another increase for the coming year. The new proposed changes in fees and charges are estimated to generate $259,000 in increased revenues during the FY 2021-22 budget cycle.

The Board suggested that staff, along with several Board members, discuss a potential rate policy that reviews fees and charges in relation to the annual inflation rates and impacts of the Missouri Minimum Wage.

Funded Priorities for Budget FY 2021-22

Mr. Belote reviewed the Funded Priorities for the proposed FY 2021-22 Budget, which includes mandatory or required items such as the reimbursement payment to the City for Internal Services, funding Parks portion of the City Self-Insurance Plan, the Parks Department software licenses, and funding for the Parks Safety Coordinator position, which was initially a shared cost with the City. We will continue to make our $100,000 investment to the Parks Reserve account, neighborhood park improvements in need of ADA compliance, along with additional safety supplies and equipment for Parks employees, additional costs for umpire services, and restore some of the funding cut from our departmental advertising and marketing budget last year. Funding for personnel items such as prospective cost of living, merit and occupational series increases, the minimum wage increase and nominal wage compression above minimum wage, and the mandatory increase in LAGERS retirement contributions are also included. We propose to add several capital equipment lease to purchase items and convert 10 contract employees to full-time employees with minimal financial impact to our overall budget.

Unfunded Priorities for Budget FY 2021-22

Mr. Belote mentioned a few items from the Unfunded Priorities list were actually completed in the current budget and are highlighted in the document provided for review. With the Dickerson Park Zoo closed for several weeks, Zoo staff was able to complete a variety of repair projects in house, as well. Our Unfunded Priorities list is currently at $85,679,000, and with no long-term sustainable funding source, we will continue to have difficulty funding projects from this list, as we will be unable to raise fees and charges enough to cover the cost of most of these items.

Proposed Budget Cuts from FY 2020-21 to FY 2021-2022 Implications Update

Mr. Belote reviewed the budget cuts made from the current year's budget cycle and indicated the items that we propose to restore in next year's FY 2021-22 budget including funds for capital lease equipment, Snowfest at Jordan Valley Park, as 2021 will be its 20th year for the event, and a portion of our department's advertising and marketing budget. This year, we propose to keep closed only two of our outdoor pools, Meador and Westport. We will need 80 lifeguards for the season, and we are actively recruiting applicants, but there has been limited applicant pool thus far. In fact, we are also having difficulty recruiting applicants for manual labor positions in Park Operations, as well. Mr. Belote stated we may have a leasing opportunity to area swim clubs and colleges for use of Meador Pool; however, we have a major repair at the pool that needs to be completed first. At this time, it appears the interested leasing entity will assist with the repair costs, along with any operational costs occurred during their lease agreement.

Debt Issuance Summary

Overall, we have minimal debt for a park system of our size, and it currently stands at 2.8 percent of our budget. We have capital equipment that we lease at a low interest rate, which is not an ideal way to acquire new equipment but continues to be a reasonable alternative we can afford. Within the next seven years, a significant amount of our debt will be retired, including the Rivercut bridge loan, which will be paid off in the coming FY 2021-22 budget year.

Minimum Wage Impact Analysis

Mr. Belote stated that last year we were proposing an impact of more than $500,000 to our budget due to the increased minimum wage rates. But with the pandemic, many of our facilities were closed and activities cancelled, so our total seasonal employee hours were dramatically reduced as a result. We still propose an impact of $122,407 from the increase of minimum wage that will be $11.15/hour effective January 1, 2022.

The Board concurred that no additional updates or changes were needed for the proposed FY 2021-2022 Budget document in order for it to be adopted at the Board's next meeting on February 12, 2021. Mr. Belote and Mr. Mitchell will meet and provide a Parks overview and budget information to the City Manager's office on February 19.

Other Considerations from the Director's Perspective

Mr. Belote stated that he and the City Manager were recently contacted by the owners of the Fieldhouse Sportscenter facility to see if we might be interested in pursuing a prospective purchase of that facility. Mr. Belote reviewed his initial assessment of the property with the Board based on his recent tour and discussions with the facility ownership. The owners are interested in the property remaining a public sports and recreational facility. Mr. Belote mentioned that acquiring additional indoor recreational space was the single biggest improvement needed in the CVB Huddle Report from one year ago. Mr. Belote discussed possible scenarios on how the Park Board might collectively obtain financial support including possible donors, partnering with other organizations, or perhaps assistance from the City. After further discussion, the Board agreed that staff should continue to pursue a full assessment of this property, including an in-depth review of the facility's financial operations.

III. ADJOURNMENT

Mr. Curtis Jared made a motion to adjourn the workshop; seconded by Mr. Sidney Needem. Motion was approved unanimously. The meeting was adjourned at 8:01 p.m.