



AGENDA ITEM SUMMARY FORM

MEETING DATE: 4/21/2025

PREPARED BY: Jason O'Mara, Interim Director of Parks & Recreation

AGENDA CONTENT: Discussion on preliminary budget priorities for Parks and Rights of Way, Recreation, Angleton Recreation Center, and Angleton Better Living Corporation division budgets for fiscal year 2025-2026.

AGENDA ITEM SECTION: Regular Agenda

BUDGETED AMOUNT: None

FUNDS REQUESTED: None

FUND: None

EXECUTIVE SUMMARY:

Staff has prepared a preliminary proposed budget for the Parks and Rights of Way, Recreation, Angleton Recreation Center, and Angleton Better Living Corporation (ABLC) divisions for fiscal year 2025–2026. The proposed budget reflects strategic adjustments in revenues and expenditures based on historical trends, current needs, and future priorities identified in the Parks & Recreation Master and Strategic Plans.

Notable Budget Highlights by Division:

Parks & Rights of Way

- **Revenues:** 18.75% increase, primarily due to projected increases in field and pavilion rentals, along with the addition of Bates Park multipurpose field and pickleball court rentals. The new fee schedule is also expected to generate increased revenue.
- **Expenses:** 17.6% overall decrease, driven by staff vacancies and a current hiring freeze. Per the City Manager's direction, staff submitted staffing and priority decision packages, which are reflected in the attached spreadsheet notes. Most other budget areas remained flat due to cuts initiated in early FY 2024–2025. Notable adjustments include:
 - Reductions in regular earnings and benefits due to unfilled/frozen positions.
 - Reclassification of funds to account for increased needs in areas such as fuel, which has exceeded budget consistently over the past three years.
 - Continued investment in park maintenance and repairs, including infrastructure improvements, and ballfield upkeep.
 - Ongoing Enterprise lease payments for park vehicles.

Recreation Division

- **Revenues:** 23.99% increase, driven by expanded programming in youth camps, leagues, and community events. This also reflects the implementation of a new cost recovery policy, effective October 1, 2025, designed to recoup indirect costs.
- **Expenses:** 10.18% overall decrease. Key adjustments include:
 - Increases in part-time staffing to support seasonal camps and events.
 - Reduction in health insurance costs based on current staffing levels.
 - Expansion of senior programming, including additional capacity and transportation resources.
 - Continued investment in staff development, certifications, and employee appreciation.
 - Decrease in travel and training expenses.
 - Increase in scholarship funding to support community members potentially affected by the cost recovery policy.
 - Reduction in lease payments due to the purchase of a Tahoe and senior bus in FY 2024–2025.

Angleton Recreation Center (ARC)

- **Revenues:** 2.47% increase, attributed to enhanced membership offerings, in-house swim lesson programming, and a revised fee schedule that introduces resident/non-resident membership rates and increases day pass fees.
- **Expenses:** 2.47% overall increase. Key budget highlights include:
 - Implementation of year two of the ARC staff retention plan and increased lifeguard staffing to address risk management needs. (Consideration is also being given to adding a part-time Aquatic Assistant position to support aquatic operations and swim instruction.)
 - Reduction in health insurance costs based on current staffing levels.
 - Increase in worker's compensation expenses based on HR projections.
 - Significant increase in building maintenance costs to address recurring HVAC system issues.
 - Higher credit card transaction fees due to increased usage.
 - Notable reduction in building insurance premiums based on updated rates for property, wind/hail, and flood coverage.

Angleton Better Living Corporation (ABLC)

- **Revenues:** Projected increase in sales tax based on the average of the past three fiscal years.
- **Expenses:** 7.65% decrease. Key highlights include:
 - Proposed reduction in the transfer to the General Fund, based on a 30% calculation.
 - Continued transfers to support ARC and Recreation Center operational budgets.
 - Ongoing debt service payments.
 - Decreased contingency and design expenses, as future capital project design will be funded through designated bond accounts.

RECOMMENDATION:

Staff recommends ABLC discuss and provide input on budget priorities for FY 2025–2026 related to the Parks and Rights of Way, Recreation, Angleton Recreation Center, and ABLC division budgets, ensuring alignment with the Parks & Recreation Master and Strategic Plans.