



TO: Parks & Recreation Advisory Committee
FROM: George Schaaf, Parks & Recreation Director
DATE: January 3, 2025
RE: Parks & Recreation Department FY26 Operating Budget

As the Parks & Recreation Department finalizes its FY2026 operating budget, it is important for the Parks & Recreation Advisory Committee to understand significant changes in funding and services for the coming year. This review also provides the Committee with an opportunity to make recommendations to the Department and the Assembly regarding the operating budget.

While the total FY26 operating budget for Parks & Recreation is over \$18 million, core services within the PRAC's mandate (excluding Facilities Maintenance, Downtown Parking Program, and Centennial Hall) total \$12.7 million. Salaries and benefits represent about 67% of total expenditures. The General Fund supports about two-thirds of these operations, while grants and earned revenue will generate over \$4.2 million in FY26.

Significant changes for FY26 include:

- Increased Facilities Maintenance costs for the former JSD Administration Building (\$22,600) and Floyd Dryden Middle School Gymnasium (\$63,350), both of which were acquired in 2024.
- A one-time expenditure to conduct a market study and explore the feasibility of adding a second sheet of ice at Treadwell Arena (\$50,000).
- Expanded after-school programs at Cedar Park (\$271,000), fully grant-funded.
- Consolidation of all printing and advertising costs under Areawide Recreation.
- Significant overtime costs (\$98,700) due to ongoing vacancies, especially among part-time positions in the Aquatics Division.

The FY26 budget does not include proposed increments funded through Commercial Use Fee revenue, which will be discussed separately. If approved by the City Manager and Assembly, these increments will be added to the budget later in the process. Attached to this memo is a complete breakdown of revenues and expenditures by division, with expenses further divided into personnel services and commodities and services.