

STAFF REPORT

City Council Consent Item

DATE: February 21, 2023

TO: Honorable Mayor and Councilmembers

FROM: Cameron Mull, Director of Parks & Recreation

THROUGH: Merritt Perry, City Manager

SUBJECT: Supplemental Budget Request for the Addition of the Playgroup Program in the Recreation Division Budget

STAFF RECOMMENDATION:

Approve the Supplemental Budget Request (SBR) and adjust the FY22/23 budget to include the annual grant agreement with First 5 Humboldt to offer the playgroup activity to families.

EXECUTIVE SUMMARY:

The Recreation Division has offered a First-5 Humboldt sponsored & subsidized playgroup program for families with children aged newborn to 5 years of age since October 2022. A budget adjustment/ increase was made in FY21/22, but since the program will continue to be a staple of the City's Recreation programs, an adjustment to the FY22/23 budget needs to be made. The Recreation Division's grant application and current MOU was approved by City Council and secured in January 2022.

The MOU is an annual agreement between First 5 Humboldt and the City to financially support the program in the amount of \$14,000 per fiscal year by offering this playgroup session to families twice per week (Thursdays and Sundays 10:00am-12:30pm). This grant will pay the staffing costs to facilitate the program (which has two staff as facilitators for each session), as well as for purchasing the necessary supplies and materials to operate the program. Thus, a SBR is necessary to increase the Recreation Division budget by \$14,000 to adjust & account for these additional expenses.

For background, First 5 California is a state agency that utilizes tobacco tax revenue to support programs for newborns to 5 year olds (such as playgroups), which is then administered in the various counties. Recreation activities available for families in Fortuna with children under six years of age were limited, so the Recreation Division offered the program in 2022, which has proven to exhibit many positive outcomes for children in this age demographic. Children that attend playgroups are generally more prepared for kindergarten, learn about positive social interactions, are taught basic life skills early, and are provided resources in a positive environment for parents and young children to thrive.

FISCAL IMPACT:

First 5 Humboldt will continue to provide the City with \$14,000 per fiscal year to operate the playgroup program for two sessions per week, so an SBR is necessary to account for this additional revenue and expenses. Revenue will go into Recreation Program Fees (100-4310-5400) and for expenses; \$12,000 would come out of Part-Time Salaries (100-5165-5400) and \$2,000 from Department Supplies (100-5500-5400). Quarterly invoices are submitted to First 5 Humboldt by City staff.

Some additional revenue is also collected; the program is free to the public (subsidized by First 5 Humboldt), but there is a suggested donation of \$1 per session by families to assist with any additional operation and maintenance costs of administering it.

RECOMMENDED ACTION:

Approve the SBR and adjust the FY22/23 budget to reflect the addition of \$14,000 to continue to offer Recreation's playgroup activity. Consent agenda vote.

ATTACHMENTS:

- Supplemental Budget Request