

Legislative Budget Analysis
Proposed FY 2024 Operating and Capital Budgets
Office of the County Auditor
Baltimore County, Maryland
HEARING DATE: May 1, 2023



Department of Recreation and Parks

Acting Director: Robert Smith

Budget Office Analyst: Nichole Henderson

Legislative Analyst: Jodi Baldwin

Questions to Department Sent	Monday, April 17
Responses Received	Friday, April 21
Analysis considers all agency responses.	

BALTIMORE COUNTY
FISCAL YEAR 2024 BUDGET ANALYSIS

DEPARTMENT OF RECREATION AND PARKS (039)

BUDGET SUMMARY

\$ in Thousands

PROPOSED CHANGE	GENERAL	SPECIAL	TOTAL	% Change Prior Year
FY 2023 - 2024 Change	\$ 792.7	\$ (11.0)	\$ 781.7	3.9%

BUDGET TRENDS

FY 2022 Actual	\$ 11,997.8	\$ 2,245.8 ⁽¹⁾	\$ 14,243.7	
FY 2023 Approp.	15,270.9	4,814.1	20,085.0	41.0%
FY 2024 Request	16,063.6	4,803.1	20,866.6	3.9%
FY 2024 Budget Analysis	16,063.6	4,803.1	20,866.6	3.9%

POTENTIAL REDUCTION	TBD	\$ -	TBD
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For Information Only:

Recreational Facilities Fund⁽²⁾

	<u>Total</u>	<u>Net Change from Prior Year</u>
FY 2022 Actual	\$ -	-
FY 2023 Approp.	753.2	753.2
FY 2024 Request	738.2	(15.0)

⁽¹⁾ Reflects audited expenditures \$62,090 more than the amount reflected in the Executive's budget documents.

⁽²⁾ Recreational Facilities Fund is presented for information only. The Recreational Facilities Fund was designed to be financially self-supporting (i.e., an enterprise fund) and is not subject to County Council appropriation.

PERSONNEL

PROPOSED CHANGE	GENERAL		SPECIAL	
	FULL-TIME	PART-TIME	FULL-TIME	PART-TIME
FY 2023 - 2024 Change	11	(2)	0	0

BUDGET TRENDS

FY 2022 Actual	80	108	0	0
FY 2023 Approp.	124	47	0	0
FY 2024 Request	135	45	0	0
FY 2024 Budget Analysis	135	45	0	0

POTENTIAL REDUCTION	TBD	TBD	0	0
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For Information Only:

Recreational Facilities Fund

	FULL-TIME	PART-TIME
	1	43

VACANCY DATA

Positions Vacant as of 3/31/2023 ^{(A)(B)}	28	11	0	0
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^(A) Provided by the Office of Budget and Finance.

^(B) Vacancy data does not include Recreational Facilities Fund positions.

For further information contact: Office of the County Auditor

Phone: (410) 887-3193

DEPARTMENT OF RECREATION AND PARKS (039)

BUDGET SUMMARY:

The proposed FY 2024 budget for the Department of Recreation and Parks totals \$20.9 million, an increase of \$782 thousand, or 3.9% over the FY 2023 budget, excluding \$738 thousand in the Revenue Producing Facilities Program in the Recreational Facilities (Enterprise) Fund (which the Council does not appropriate).

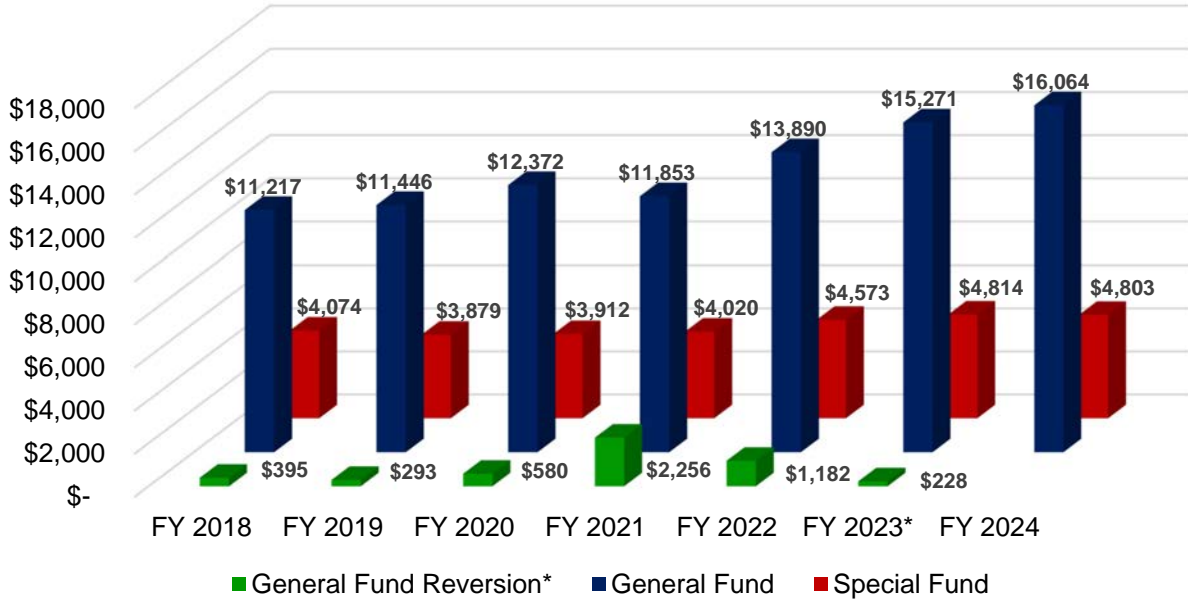
	General Fund	Special Fund	Total
	(\$ in thousands)		
2024 Request	\$ 16,064	\$ 4,803	\$ 20,867
2023 Appropriation	15,271	4,814	20,085
\$ Increase/(Decrease)	\$ 793	\$ (11)	\$ 782
% Increase/(Decrease)	5.2%	-0.2%	3.9%
<u>For Information Only: Recreational Facilities Enterprise Fund</u>			
	(\$ in thousands)		
2024	\$ 738		
2023	753		
\$ (Decrease).....	\$ (15)		
% (Decrease).....	-2.0%		

- **General Fund** – The budget increase is due primarily to personnel expenses (e.g., 12 positions previously ARPA funded, and COLAs, partially offset by a decrease in monthly salaries), building and construction supplies, the new non-County park maintenance grants, and equipment.
- **Special Fund** – The budget reflects a slight decrease.
- **Enterprise Fund** – The budget reflects a slight decrease; however, program revenues are falling short to a greater extent in FY 2023 (see Issue 5).

See Exhibit 1 for a budget history, and Exhibits 2A and 2B for the distribution of expenses across programs and expenditures, respectively.

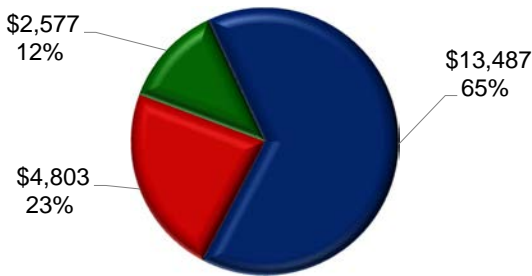
DEPARTMENT OF RECREATION AND PARKS (039)

**Exhibit 1: Total Budget History
(\$ in thousands)**



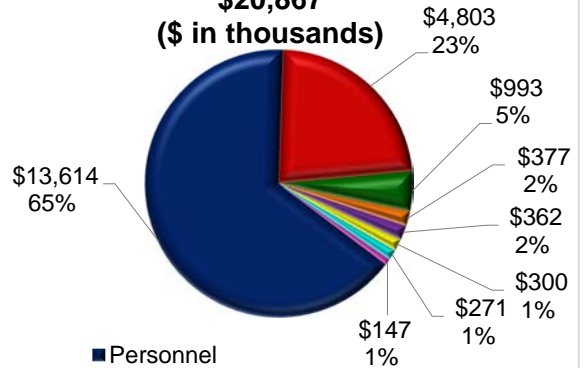
* FY 2023 General Fund Reversion is an estimate from the Office of Budget and Finance.

**Exhibit 2A: Total FY 2024 Budget
(excl. \$738k Rev. Fac. Fund)
\$20,867
(\$ in thousands)**



- Recreation Services Program
(151 County pos. and 1,300+ activity leaders)
- Recreation and Parks Grant Programs
(Including Group Leadership Grant)
- Administration Program (29 positions)

**Exhibit 2B: Total FY 2024 Budget
by Expenditure
(excl. \$738k Rev. Fac. Fund)
\$20,867
(\$ in thousands)**



- Personnel
- Special Fund
- Supplies & Materials
- Equipment, Bldg, Improvements
- Contracts & Services
- Grants/Subsidies/Contributions
- Rents & Utilities
- Other Charges (incl. Travel)

DEPARTMENT OF RECREATION AND PARKS (039)

POTENTIAL BUDGET REDUCTIONS:

Proposed new expenditures and/or significant increases total \$762 thousand and include:

- \$545 thousand – 12 positions previously funded via the American Rescue Plan Act (ARPA) (see #1 and #2 for details);
- \$117 thousand – building and construction supplies related to capital maintenance (see #4 for details); and
- \$100 thousand – new initiative to provide grants to nonprofit organizations to maintain non-County owned parks and open spaces (see #2 for details).

As of March 31, 2023, the Office of Budget and Finance advised that of the 171 authorized positions (all General Fund), there were 39 vacant positions (including 12 Activity Coordinators), up from 26 vacancies in April 2022; the proposed budget's turnover assumption reflects increased savings of \$39 thousand (a 0.1 percentage point increase to 4.1%). Current estimated turnover for FY 2023 exceeds 10%.

To the extent that the Council deems less General Funds than proposed to be necessary for the Department's initiatives and vacant positions, budget reductions would be viable.

DEPARTMENT OF RECREATION AND PARKS (039)

OPERATING BUDGET HIGHLIGHTS:

General Fund

1. **Personnel Expenses** totaling \$13.6 million reflect 85% of the General Fund budget and account for **nearly half of the Department's General Fund increase for FY 2024, as follows:**

- **12 new General Fund positions previously funded with grant funds** (\$545 thousand):
 - 11 Recreation Activity Center (RAC) Recreation Leaders (\$465 thousand – see #2, below) and 1 Recreation & Parks Capital Project Coordinator (\$80 thousand) – both moving from the ARPA program.
- **Salary Enhancements** (\$490 thousand):
 - Two 2% COLAs effective July 1, 2023 and January 1, 2024 (\$347 thousand); and
 - Fully-funded increments and longevities (\$143 thousand).
- **Offsetting savings from 4 transfers** to other departments (\$196 thousand decrease):
 - 3 positions (2 Farm Livestock Specialists and 1 Farm Park Manager) to the Department of Economic and Workforce Development; and
 - 1 Human Resources Analyst II to the Office of Human Resources.
- **Offsetting savings from internal budgetary assumptions** (\$368 thousand decrease):
 - Increased turnover assumption (\$39 thousand) – from 4.0% to 4.1%; and
 - Decrease in assumed reliance on Monthly and Alternate Bi-weekly Salaries (\$329 thousand) to reflect actual spending.
- **Other notable changes:**
 - 1 FY 2023 mid-year non-merit position addition (\$24 thousand): Management Assistant PT
 - Additional Employee Development (\$21 thousand) – for conferences and staff training.
 - Additional Overtime (\$18 thousand) – primarily for staffing at Oregon Ridge Lodge during large events.
 - Additional Substitution Pay (\$13 thousand) – for cases where an employee is serving in an acting capacity due to vacancies.

The Department should be prepared to discuss its personnel costs, including new General Fund positions, additional costs to send employees to conferences, the types of large events at Oregon Ridge Lodge responsible for the increase in overtime costs,

DEPARTMENT OF RECREATION AND PARKS (039)

and any strategies it utilizes to minimize the need to pay overtime.

2. **Departmental Initiatives** include the following:

- **Grants to Maintain Small Neighborhood Parks and Open Spaces (\$100,000):** The proposed FY 2024 budget includes \$100 thousand to provide grants to nonprofit organizations to maintain non-County owned small neighborhood parks and open spaces. (The proposed FY 2024 Capital Budget also includes \$100,000 to NeighborSpace, which the Department advised oversees many such sites.) The Department advised by seeking assistance from the nonprofit community to maintain green space, it will enable the County to leverage resources and workload. ***The Department should be prepared to discuss its timeframe for establishing this program's eligibility, selection, and award criteria, and how it plans to leverage available resources to enable a meaningful impact.***

- **Online Access (\$80,000):** The proposed FY 2024 budget includes \$80 thousand related to new online registration and electronic point-of-sale (POS) systems, CivicRec and Forte Payment Systems, primarily for increased credit card processing fees, hardware, and cabling equipment. The Department advised that:
 - CivicRec will replace the older POS systems that currently are in 5 locations (Agriculture Center and Oregon Ridge Lodge to be replaced in August 2023, and Miami Beach, Rocky Point Beach, and the Loch Raven Fishing Center to be replaced after the end of the outdoor summer season).
 - It expects to install business/welcome desks at the aforementioned 5 locations and 21 other locations, including Recreation Activity Centers (RACs) (formerly Police Athletic League (PAL) Centers, see below), nature centers, regional recreation centers, and other high-volume sites after camp has ended with public online access available shortly thereafter.
 - The business/welcome desks will allow the Department to track attendance at these facilities and provide registration access to patrons without computer access.
 - Once active, the online access will allow citizens to view recreation programs across the County, register for Department directed programs, submit permit and rental requests, and make online payments.

The Department should be prepared to discuss its procurement process for selecting new systems, as well as implementation timelines for the improvements.

DEPARTMENT OF RECREATION AND PARKS (039)

- **Recreation Activity Centers (\$465 thousand):** The Department advised that it is “rebranding” the existing PAL centers and has launched the concept of Recreation Activity Centers (RACs) utilizing the same funding level. However, the proposed FY 2024 budget includes 11 RAC Recreation Leader positions that were previously ARPA funded. According to the Department’s website, the former PAL centers were limited to programming aimed at youth from 8 to 17 years old, whereas RACs will serve both youth and adults and provide a broader range of recreational activities while retaining after-school programming, including meals and snacks for youth, and athletic programming. ***The Department should be prepared to discuss the rebranding and launching of Recreation Activity Centers, the planned changes to programming, the anticipated increase in participants, and the timeframe for filling vacant RAC Recreation Leader positions.***
3. **Reduced Funding for Background Checks (\$46 thousand decrease):** The proposed FY 2024 budget includes \$140 thousand, a decrease of \$46 thousand, for background checks and fingerprinting. The Department contracts with Sports Engine (NCSI) to provide background checks, and in FY 2023, had planned to start scanning and submitting applicants’ fingerprints to the Criminal Justice Information Services-Central Repository. However, the Department advised that the volunteer fingerprinting has not started to date due to hiring challenges associated with the position created to coordinate this effort. The Department also advised that the decrease is reflective of the number of background checks that can be realistically accomplished in a year. The Department estimates that 4,200 volunteers will undergo a background check and another 2,500 will be fingerprinted in FY 2024. ***The Department should be prepared to discuss its hiring plans or alternative plans in order to implement the fingerprinting process to ensure compliance with Bill 20-14.***
4. **County Park Maintenance (\$232 thousand):** The proposed FY 2024 budget includes \$232 thousand for the Department’s Capital Maintenance Team. Funding provides for building and construction supplies (\$117 thousand), two Carpenter II positions (\$87 thousand), motor pool for two work vans (\$18 thousand), and various tool rentals, supplies, and licensing (\$10 thousand). The Department advised:
- Since the onset of COVID, County parks have experienced dramatic increases in general

DEPARTMENT OF RECREATION AND PARKS (039)

public usage, and the increased foot traffic has accelerated wear and deterioration;

- The proposed budget will allow the Capital Maintenance Team to make needed repairs and to facilitate infrastructure improvements (e.g., signage, lighting, picnic tables), as well as to address a number of deferred maintenance issues;
- Property Management currently utilizes on-call contractors to make these repairs and therefore expects the change to result in significant cost savings; and
- The County has not yet had success in filling the two positions (funded in the FY 2023 budget) due to a lack of qualified candidates.

The Department should be prepared to discuss whether the budgeted salaries are sufficient to attract qualified candidates, and its plans to fill these positions (e.g., timing of recruitment) in order to achieve the anticipated savings. The Office of Budget and Finance should be prepared to discuss the amount of anticipated savings, as well as which budget accounts will see savings when the positions are filled.

ADDITIONAL TOPICS FOR DISCUSSION:

5. **Revenue Producing Facilities: Loch Raven Fishing Center, Rocky Point Park, and Miami Beach Park (Recreational Facilities Enterprise Fund - *Council does not appropriate*)**

The proposed FY 2024 Enterprise Recreational Facilities Fund budget includes \$738 thousand, a decrease of \$15 thousand, or 2.0%, from the FY 2023 budget. The program provides financial support to recreational activities for the Loch Raven Fishing Center, Rocky Point Park, and Miami Beach from fees collected by the facilities' operations. The Department advised that the FY 2023 revenue projection is lower than anticipated, and that General Funds will be used to address the shortfall. The Department further advised that it is prioritizing strategies to increase revenues in FY 2024. ***The Department should be prepared to discuss planned revenue-generating strategies, including any changes to operating hours, fees, etc., to make the Fund self-sustaining. The Office of Budget and Finance should be prepared to explain what financial assumptions (e.g., for which facility) have not been met to result in a Fund deficit.***

6. **Minimum Wage Increases**

The FY 2023 budget included \$551 thousand to support raising the minimum wage to \$15 per hour for certain Department employees. The Department advised that the impact of the wage increase on its recruitment efforts is not fully known since the positions it mostly impacts (e.g.,

DEPARTMENT OF RECREATION AND PARKS (039)

summer and occasional staff) already had been hired. The Department further advised that the data will be available once the hiring cycle for summer 2023 is complete. ***For information only.***

CAPITAL BUDGET HIGHLIGHTS:

The proposed FY 2024 Capital Budget includes \$57.6 million for the following projects, excluding recreation and parks projects assigned to the Property Management Division (athletic field construction/renovation totaling \$6.0 million).

- **Community Neighborhood Park Development** (\$37.9 million) for 15 parks, park enhancement program, kayak and canoe launches, etc.
 - **Parks** (\$32.2 million)
 - **Oregon Ridge Park Renovations & Enhancements** (\$4.3 million)*
 - **Mount Vista Park Enhancements** (\$2.8 million)
 - **Holt Park Renovations & Enhancements** (\$2.5 million)*
 - **Banneker Historical Park & Museum Renov. & Enhancements** (\$2.0 million)*
 - **Cromwell Valley Park Enhancements** (\$2.0 million)*
 - **Northwest Regional Park Splash Pad/Sprayground** (\$2.0 million)*
 - **Cloverland Park Renovations & Enhancements** (\$2.0 million)*
 - **Day's Cove Park Design & Development** (\$2.0 million)*
 - **Marshy Point Park Pavilion & Utilities Extension** (\$1.7 million)*
 - **Bedford Road Park Site Development** (\$1.5 million)*
 - **Cheverly Road Park Site & Department of Recreation and Parks Headquarters** (\$1.0 million)
 - **Lake Roland Park - Falls Road Red Trail Parking Improvement** (\$750 thousand)
 - **Gerst Road Park Site Design** (\$600 thousand)
 - **Fort Howard Park Renovations & Enhancements** (\$600 thousand)
 - **Miami Beach Park Drainage Renovations** (\$250 thousand)
 - **Multiple Sites - Regional Park Enhancements & Renovations** (\$1.0 million)
 - **General Community and Neighborhood Park Development** (\$5.3 million)
 - **Local Park Comprehensive Enhancement Program** (\$3.2 million)*
 - **Boat Ramp and Pier Renovations, including Kayak and Canoe Launches** (\$1.0 million)*
 - **Other County-Owned Facilities** (\$1.5 million)
 - **Lurman Woodland Theater Renovations & Enhancements** (\$500 thousand)

DEPARTMENT OF RECREATION AND PARKS (039)

- **Multipurpose Sports Complex** (\$400 thousand)
- **Eastern Baltimore County Exercise Pavilion & Stations** (\$400 thousand)
- **Dunfield Regional Activity Center** (\$150 thousand)
- **Park & Recreation Facility Acquisition** (\$10.3 million)*
- **Recreation Facility Renovations** (\$7.1 million)* – for renovations to existing sport courts, gymnasiums, parking lots, etc.
- **Park & Recreation Facility Accessibility** (\$1.7 million)* – for new construction or renovation of recreation facilities, including for the **Rosedale Park Accessibility Enhancements** (\$1.5 million)*
- **Greenways, Stream Valleys and Trails Development** (\$525 thousand)*
- **NeighborSpace** (\$100 thousand)*

*Denotes projects with prior authorized funds totaling \$35 million.

Program Open Space

The Office of Budget and Finance advised that the County's Program Open Space program began FY 2023 with a balance of approximately \$21.2 million, including \$11.2 million designated for acquisitions and \$10.0 million for development. The Office further advised that 3 projects (Leadership Through Athletics Property Acquisition, Belfast Road Park Site Development, and Dogwood Road Property Acquisition) totaling \$8.5 million have been approved during FY 2023 and an application for Cromwell Valley Park Enhancements (\$2.0 million) has been submitted.

American Rescue Plan Act (ARPA)

The Office of Budget and Finance anticipates \$4.1 million in ARPA funding to be used on the following capital and/or equipment related projects for the Department in FY 2024:

- Middle River Recreation Activity Center (\$1.0 million) – bicycle and pedestrian projects
- Ripken Foundation Renaissance Field (\$750 thousand) - synthetic turf field with lighting system (County and Ripken Foundation working together for additional funding)
- Multipurpose Court Renovations (\$550 thousand) - evaluation, design, and construction to repair, replace, and enhance recreational and multipurpose courts (primarily at public elementary schools)
- Rocky Point Path Renovations (\$500 thousand) – site development and path renovations

DEPARTMENT OF RECREATION AND PARKS (039)

- Carriage Hill Park basketball court, playground, and pavilion repair and/or replacement (\$450 thousand) - design and construction of new improvements (additional consultation with the surrounding communities is needed before deciding on which amenities to add to the park)
- Playground Renovations (\$300 thousand) – evaluation, design, and construction
- NeighborSpace (\$280 thousand) – Bear Creek Heritage Trail (\$250 thousand) and Powhattan Trail repair (\$30 thousand)
- Data Processing Equipment (\$150 thousand) - comprehensive recreation management software to be utilized across the entire County
- Electric-powered utility vehicles (\$88 thousand) - to eight of the County's largest parks to reduce the Department's overall carbon footprint and aligning with our green practices and sustainability objectives

The Department should be prepared to discuss plans and timelines for commencing and completing these projects and its use of Program Open Space funds.

BALTIMORE COUNTY
FISCAL YEAR 2024 BUDGET ANALYSIS

DEPARTMENT OF RECREATION AND PARKS (039)

APPROPRIATION DETAIL						
		FY 2022 ACTUAL	FY 2023 APPROP	FY 2024 REQUEST	NET CHANGE	
					AMOUNT	%
<u>General Fund</u>						
	General Administration	\$ 1,415,331	\$ 2,030,893	\$ 2,577,242	\$ 546,349	26.9%
	Recreation Services	<u>10,582,489</u>	<u>13,240,011</u>	<u>13,486,337</u>	<u>246,326</u>	<u>1.9%</u>
	General Fund Total	<u>11,997,820</u>	<u>15,270,904</u>	<u>16,063,579</u>	<u>792,675</u>	<u>5.2%</u>
<u>Special Fund</u>						
GR-1085	Group Leadership Grant Program	2,159,449	4,031,284	3,998,756	(32,528)	-0.8%
GR-1196	After School Programs	2,098	-	-	-	0.0%
GR-1197	Recreation Council Donations	9,503	100,000	116,000	16,000	16.0%
GR-1335	Therapeutic Recreation Summer Programs	56,155	125,835	127,573	1,738	1.4%
GR-1372	Special Events	-	-	-	-	0.0%
GR-1390	Department Directed Programs	<u>18,635</u>	<u>556,958</u>	<u>560,739</u>	<u>3,781</u>	<u>0.7%</u>
	Special Fund Total	<u>2,245,840</u> ^(A)	<u>4,814,077</u>	<u>4,803,068</u>	<u>(11,009)</u>	<u>-0.2%</u>
	Total All Funds	<u>\$ 14,243,660</u>	<u>\$ 20,084,981</u>	<u>\$ 20,866,647</u>	<u>\$ 781,666</u>	<u>3.9%</u>

^(A) Reflects audited expenditures \$62 thousand more than the amount reflected in the Executive's budget documents.

BALTIMORE COUNTY
FISCAL YEAR 2024 BUDGET ANALYSIS

DEPARTMENT OF RECREATION AND PARKS (039)

RECREATIONAL FACILITIES FUND					
	FY 2022 ACTUAL	FY 2023 APPROP	FY 2024 REQUEST	NET CHANGE	
				AMOUNT	%
General Administration	\$ -	\$ 753,174	\$ 738,172	\$ (15,002)	-2.0%

NOTE: For informational purposes only.

BALTIMORE COUNTY
FISCAL YEAR 2024 BUDGET ANALYSIS

DEPARTMENT OF RECREATION AND PARKS (039)

PERSONNEL DETAIL									
		FY 2022 ACTUAL		FY 2023 APPROP		FY 2024 REQUEST		NET CHANGE	
		FULL	PART	FULL	PART	FULL	PART	FULL	PART
<u>General Fund</u>									
	General Administration	14	7	19	5	23	6	4	1
	Recreation Services	<u>66</u>	<u>101</u>	<u>105</u>	<u>42</u>	<u>112</u>	<u>39</u>	<u>7</u>	<u>(3)</u>
	General Fund Total	<u>80</u>	<u>108</u>	<u>124</u>	<u>47</u>	<u>135</u>	<u>45</u>	<u>11</u>	<u>(2)</u>
<u>Special Fund</u>									
GR-1085	Group Leadership Grant Program	0	0	0	0	0	0	0	0
GR-1196	After School Programs	0	0	0	0	0	0	0	0
GR-1197	Recreation Council Donations	0	0	0	0	0	0	0	0
GR-1335	Therapeutic Recreation Summer Programs	0	0	0	0	0	0	0	0
GR-1372	Special Events	0	0	0	0	0	0	0	0
GR-1390	Department Directed Programs	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	Special Fund Total	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	Total All Funds	<u>80</u>	<u>108</u>	<u>124</u>	<u>47</u>	<u>135</u>	<u>45</u>	<u>11</u>	<u>(2)</u>
<i>For Information Only:</i>									
	Revenue Producing Facilities ^(A)	<u>0</u>	<u>0</u>	<u>1</u>	<u>43</u>	<u>1</u>	<u>43</u>	<u>0</u>	<u>0</u>

^(A) Revenue Producing Facilities program is 100% funded by the Recreational Facilities Fund; presented for informational purposes only.