



Legislation Details (With Text)

File #: 2021-757 **Version:** 1 **Name:**

Type: Consent **Status:** Agenda Ready

File created: 9/28/2021 **In control:** City Council

On agenda: 10/5/2021 **Final action:**

Title: CONSIDER APPROVING RESOLUTION NO. 21-131 AMENDING THE FISCAL YEAR 2021-22 BUDGET IN THE COMMUNITY SERVICES DEPARTMENT, RECREATION DIVISION FOR YOUTH SPORTS OPERATIONS (CITY COUNCIL)

Sponsors:

Indexes:

Code sections:

Attachments: 1. Exhibit No. 1 - Reso No. 21-131, 2. Exhibit No. 2 SMP 3.4 - Cash Receipts Policy

Date	Ver.	Action By	Action	Result
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Report to Mayor and City Council

Tuesday, October 05, 2021

Consent

SUBJECT:

CONSIDER APPROVING RESOLUTION NO. 21-131 AMENDING THE FISCAL YEAR 2021-22 BUDGET IN THE COMMUNITY SERVICES DEPARTMENT, RECREATION DIVISION FOR YOUTH SPORTS OPERATIONS (CITY COUNCIL)

I. SUMMARY

During the Fiscal Year 2021-2022 budget workshops, City Council reviewed the Community Services Department’s Budget Increase Proposal (BIP) for a supplemental expenditure allocation to accommodate in-house purchasing and management of Youth Sports League amenities for participants. Members of the City Council expressed an interest in this being a volunteer driven activity, allowing each park’s association the flexibility to select team uniforms for their park. Ultimately City Council encouraged staff to recruit additional volunteers to assist with the operations in the upcoming year. Since then, two of the volunteer associations have approached Department staff with a proposal for City managed uniforms, trophies, and pictures procurement and operations as a part of the full-service Youth Sports league programs. Staff has refined that proposal, more fully explained below, that aims to achieve the objectives of the City Council while at the same time providing an additional level of support to the volunteer associations.

If this meets the City Council’s expectations, staff is requesting adoption of the attached

resolution (Exhibit No. 1) amending the Fiscal Year 2021-22 Community Services, Recreation Division budget to cover anticipated expenditures related to the procurement of uniforms, trophies, and pictures; and revenues related to the collecting of adjusted league registration fees. These costs are to be reimbursed through the collection of registration fees from program participants.

II. RECOMMENDATION

1. WAIVE further reading and ADOPT Resolution No. 21-131, "A RESOLUTION OF THE CARSON CITY COUNCIL AMENDING THE FISCAL YEAR 2021-22 BUDGET IN THE COMMUNITY SERVICES DEPARTMENT, RECREATION DIVISION FOR YOUTH SPORTS OPERATIONS."

III. ALTERNATIVES

TAKE another action the City Council deems appropriate.

IV. BACKGROUND

The Community Services Department has traditionally operated youth sports leagues with staff coordinating aspects of league management, player/team assignments, officiating, and game scheduling. Registration fees for each sport season have been capped at \$25 per participant as the City Council has approved a substantial subsidy to ensure lower income youth residents can participate. This model has omitted the cost of uniforms, trophies, and player pictures from the registration package. Instead, park volunteer associations have been involved in facilitating these transactions outside of the City managed league registration process. Over time, City staff at the park sites have helped the volunteer associations with the collection of fees for uniforms, trophies, and pictures as well as sizing participants and placing orders with vendors for these functions. Families were required to submit two or more separate fees for league registration, uniforms, trophies, etc. The league fee was remitted to the City and the other fees to the respective volunteer associations; albeit collected often by City staff.

Although well intentioned, City staff collection of fees for services and items not officially part of an approved fee schedule or program component is not authorized by the City. Specifically, City Standard Management Procedure (SMP) 3.4 sets regulations on Cash Receipts (Exhibit No. 2) to ensure that "all funds collected be properly receipted and recorded to the City's general ledger". Additionally, "City funds are not to be co-mingled with non-city funds. The collection or safekeeping of non-city funds by City employees is strictly prohibited". Staff may consider the feasibility of amending this SMP to allow City staff to collect specified non-City funds, but this will not be considered or possible for the upcoming winter sports season, which begins in late December - early January.

During the Fiscal Year 2021-2022 budget workshops, City Council reviewed the Community Services Department's Budget Increase Proposal (BIP) for a supplemental expenditure allocation to accommodate in-house purchasing and management of Youth Sports League amenities for participants. The City Council declined the request at that time and encouraged staff to recruit additional volunteers to assist with the operations in

the upcoming year.

Since then, two volunteer associations have approached Community Services staff with a proposal for City managed uniforms, trophies, and pictures procurement and operations as a part of the Youth Sports league programs. In short, the proposal recommends that the City manage all youth sports league components under one general registration fee and collaborate with volunteer associations on the selection of uniforms, trophies, and picture vendors and specifications. As an example, the registration fee structure could resemble the table below, although staff predicts a much lower cost due to volume purchasing on uniforms and materials through a competitive bidding process.

SAMPLE ONLY

Sport	Current Reg Fee Res	Uniform	Trophy	Picture	Total Res	Total Non-Res
Baseball	\$25	\$65	\$10	\$10	\$110	\$135
Soccer	\$25	\$35	\$10	\$10	\$80	\$105
Football	\$25	\$40	\$10	\$10	\$85	\$110
Basketball	\$25	\$50	\$10	\$10	\$95	\$120

Of importance to the volunteer associations is the ability for these materials to maintain the same quality and availability they have come to expect during prior seasons of play. As such, staff is committed to including the associations in the selection of vendors and establishment of specifications for each item. From the onset, this will include involvement in the Invitation for Bids (IFB) process, vendor evaluation, and product quality expectations. Thereafter, City staff would meet regularly (seasonal, quarterly, etc.) to ensure that the associations can remain involved in the process, giving the opportunity to choose between multiple uniform packages (based upon quality) each season. This will allow each volunteer association to select distinctive uniforms for each of their teams. Furthermore, the volunteer associations will also assist in advising on a uniform policy for participants that may register late or join league play from a registration waitlist. Due to the advance notice required for ordering uniforms, this unique group of participants may need some accommodation for temporary uniforms, with the volunteer associations providing support and guidance to outfit them.

City staff has met multiple times with the volunteer associations and the Parks, Recreation and Cultural Arts Ad-hoc Committee on Youth Sports to discuss the proposal and receive feedback. As an outcome of these discussion, the associations were asked to vote on two options as follows:

Option 1: City staff full operations

- City to assume all tasks and responsibilities associated with the management of youth

- sports programs, to include collection of all fees essential to core operations (league registration, uniforms, pictures, trophies)
- Volunteer Associations (VAs) to fundraise for enhancements to sports season experience for youth (amenities for banquets, scholarships for low-income players, etc.)
- City to host end of season banquets in park (use of facilities and existing city equipment)
- City to procure vendor for goods and services related to all materials and supplies in a formal bidding process consistent with municipal procurement policies
- City to consult with VAs in the selection of trophies, uniforms, and pictures for consensus on base packages with emphasis on quality of product and responsiveness of vendor
- City to assume responsibilities with the launch of the **Winter sports season (Basketball/January) to allow time for bidding procurement and selections** with VAs' input
- City to utilize new registration platform (ActiveNet) to accept payments online or in-person at any city facility (targeting winter sports registrations in Oct/Nov)

Option 2: Hybrid Operations

- City to collect only league registration fee (\$25)
- City staff to manage league operations only (officials, player/team assignments, etc.)
- Volunteer Associations to collect fees for uniforms, trophies, and pictures
- City staff are not authorized to collect store or deposit fees for uniforms, trophies, and pictures
- Volunteer associations to place orders for uniforms, trophies, and pictures
- Volunteer associations to store, sort, and distribute uniforms, trophies, and pictures
- City to host end of season banquets in park (use of facilities and existing city equipment)

While there may be a status quo third option, the City's current cash receipting policy, at this time, does not allow for city staff to continue handling funds that are not part of the City's approved fee schedule and budget operations. The status quo procedures also included city staff placing orders to vendors, retrieving material orders from vendors, and storing materials on city property with funds that have not been approved in the City's operating budget or fee schedule. As such this status quo operation is not consistent with the City's policies and was not proposed as a viable option in these voting proceedings.

Voting was conducted via email yielding the following results from all 12 staffed park sites:

Vote	Option 1	Option 2
Yes	10	0
No	1	11
Non-Responsive	1	1
Total	12	12

Mills Park was the only non-responsive vote as the park does not currently have an active volunteer association.

Should the City Council support the Option 1 recommendation and majority vote of the volunteer associations, there will need to be an interim transition during the fall season (already in progress) where hybrid operations are necessary. That will include the volunteer

associations continuing to collect fees for uniforms, trophies, and pictures. However, staff will be temporarily authorized to assist with measuring participants for sizing, distribution of uniforms once they arrive, and storing of said materials during that period. Volunteer association members will still need to be responsible for placing orders with uniform vendors for the fall with city staff assisting with logistics of distributing those uniforms. Again, this would be temporary until the start of winter season whereafter all operations and fees would be managed by the City as outlined in Option 1.

Also, important to note is that any volunteer association that may not desire to participate in the City managed Option 1, would be required to take on these responsibilities in full, without assistance from City staff in the collection of payments as well as the procurement, storage, and distribution of items.

On August 26, 2021, the Parks, Recreation, and Cultural Arts Commission considered these proposals and unanimously recommended City Council approve the in-house management of Youth Sports uniforms, trophies, and pictures.

Staff is seeking support from the City Council via a budget amendment, to fund operations beginning with the winter 2021 youth sports basketball season. To meet this timeline, a budget amendment would need to be considered in early October to allow staff the necessary time to prepare bidding specifications, meet with Volunteer Associations to review, and bring purchase agreements forward to City Council before the start of the winter season. Registration for the basketball season will begin in mid-October with league play commencing at the start of January 2022.

V. FISCAL IMPACT

Should the City Council support the in-house management of youth sports uniforms, trophies, and pictures; the budget amendment will increase the fiscal year expenditure budget by \$200,000 for the procurement of these line items. Additionally, staffs' recommendation includes a matching increased revenue projection to fully offset the anticipated expenditure for these tasks as all registration funds collected will fully reimburse the City within the Fiscal Year. Annually this expense/revenue is estimated at \$250,000-\$270,000, for all seasons and all sports.

Staff will be returning in November to present and propose the Citywide comprehensive fee study. At that time, the Youth Sports fees will be updated.

VI. EXHIBITS

1. Resolution No. 21-131 (pgs. 6-7)
2. Exhibit No. 2 SMP 3.4 - Cash Receipts Policy (pgs. 8-16)

Prepared by: Robert Lennox, Community Services Director