

Provide direction for Menlo Park Community Campus operating budget

City Council – November 7, 2023





Recommendation

Provide direction regarding operational expenditures and potential revenue sources to open and operate the MPCC.



Budget request supports programs and services

- Sept. 13, 2022 – City Council reviewed community survey results for desired programs in the MPCC, and received initial confirmation that service level enhancements would be necessary to operate the new center in the manner envisioned by the City Council and community
- April 4 – City Council reviewed MPCC proposed programming plan elements that were developed over the previous several months with robust community input and City Council feedback and direction
- May 23 – City Council reviewed the MPCC programming plan and related staffing, and operational considerations in advance of the FY 2023-24 budget deliberations
- June 27 – City Council received information and analysis related to the MPCC operating budget request, including the staffing needs, workload of existing department staff, and related service impacts.

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MPCC service needs



- Large, complex multiservice public facility -- 37,080 square feet on two levels.
- Will incorporate some current programs, including a senior center, youth center and branch library which are currently operating in other locations and will move to MPCC
- Restore services in the Belle Haven neighborhood that were suspended or substantially reduced during construction
- Expand current services to operate the new facility in the manner envisioned by the City Council and community, and for which the facility was designed
- Support new desired programs which currently do not exist
- New public facilities like the MPCC commonly experience significantly increased usage compared to the old facilities they replace – often 2-3 times higher usage.

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MPCC service needs



- The former community center's closure for construction coincided with the COVID-19 pandemic, widespread facility closures, and personnel reductions made necessary by economic downturn
- LCS staffing capacity has not fully recovered from these personnel reductions yet, meanwhile services that were closed during the pandemic at the Burgess campus have been restored
- Additional staff capacity to deliver services safely, efficiently and effectively, assuming that service levels at the new center are to be comparable or equivalent to current service levels at the Burgess campus.

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MPCC timeline



- There currently are no expenditures or revenues allocated in the City budget specifically to support opening and operating the new facility
- Assuming no additional unforeseen construction delays, the issuance of the temporary certificate of occupancy (TCO) for the new facility is tentatively anticipated during the first quarter of calendar year 2024
- City staff estimates that opening the new facility to the public will occur approximately 60-90 days after issuance of the TCO
- City staff estimates a lead time of 3-6 months is needed to prepare, recruit, hire, onboard and train new/restored staff positions
- With this timeline, it is of critical importance to confirm the operating budget and staffing levels for the new center at the earliest opportunity.





Services overview

- LCS staff are currently working at maximum capacity to meet service demands
- LCS has fewer FTE staff now than before the pandemic
- All services that were reduced/closed during the pandemic have since been restored
 - Except for some services in the Belle Haven neighborhood that were paused during construction
- Adapted to the reduced staffing levels in part because:
 - Major facility has been closed and services in the Belle Haven neighborhood have been reduced during construction
 - By implementing efficiency measures
 - Through increased use of temporary/hourly staffing



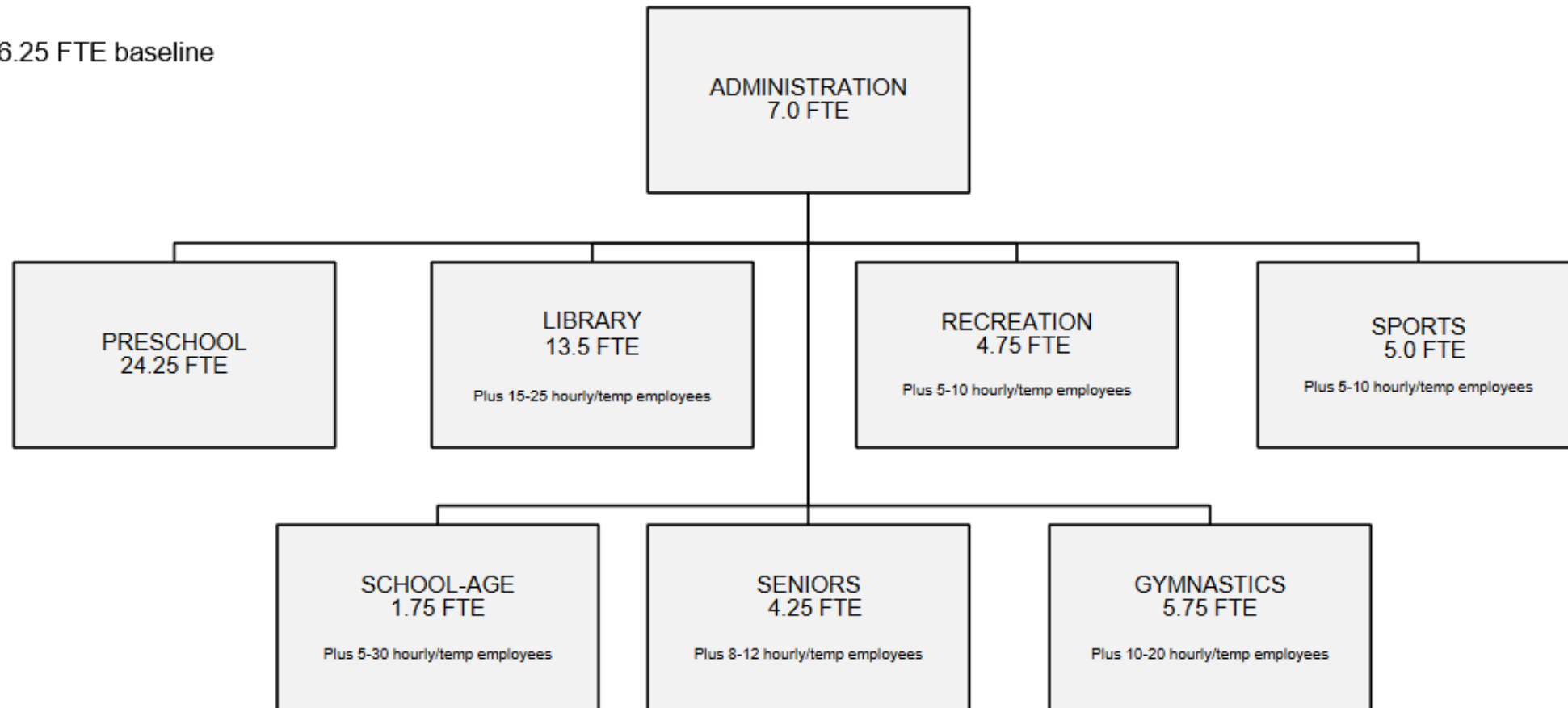
Personnel considerations

- Current staffing, potential new/restored staffing, and new job assignments
- Recruitments and advancements
- Contract instructors
- Vacancy rate



LCS organizational summary chart

66.25 FTE baseline



Numbers of hourly/temp employees vary by season, individual employees' schedule availability, and organizational need. Hourly/temp employees work 8-12 hours per week on average, and do not work more than 1,000 hours in a year.



MAKERSPACE
SECOND FLOOR



CHILDREN'S LIBRARY
FIRST FLOOR



MPCC expenditure scenarios

- To aid City Council's deliberations about the MPCC operating budget, City staff has prepared three expenditure scenarios for consideration and comparison purposes.
- In all three scenarios, operating expenses and revenues are presented in amounts representing a full year of operations; however, it is anticipated that operations at the MPCC facility are likely to begin more than halfway through the fiscal year.

Scenario 1 (Recommended)				Scenario 2 (Alternate)				Scenario 3 (Not recommended)			
MPCC item	FTE	Revenues*	Expenditures*	MPCC item	FTE	Revenues*	Expenditures*	MPCC item	FTE	Revenues*	Expenditures*
Revenues		\$715,000		Revenues		\$715,000		Revenues		\$715,000	
Librarian I/II	1.00		\$147,000	Librarian I/II	1.00		\$147,000	-	-		
Library Assistant I	1.00		\$102,000	-	-			-	-		
Recreation Coordinator	1.00		\$138,000	Recreation Coordinator	1.00		\$138,000	-	-		
Senior Program Assistant	1.00		\$128,000	-	-			-	-		
Nutrition Services Coordinator***	1.00		\$141,000	Nutrition Services Coordinator***	1.00		\$141,000	-	-		
LCS Supervisor	1.00		\$190,000	-	-			-	-		
Temporary staff			\$120,000	Temporary staff			\$156,000	Temporary staff			\$156,000
Non-personnel operating			\$1,021,000	Non-personnel operating			\$969,000	Non-personnel operating			\$918,000
Subtotal*	6.0	\$715,000	\$1,987,000	Subtotal*	3.0	\$715,000	\$1,551,000	Subtotal*	0.0	\$715,000	\$1,125,000
Net impact*			\$1,272,000	Net impact*			\$836,000	Net impact*			\$410,000

* Amounts shown reflect a full 12 months of building operations.

** FTE expenditures reflect fully loaded total compensation, salary plus benefits.

*** Nutrition services coordinator cost is estimated, benchmarked to recreation coordinator compensation, and would require City Council approval to add to the salary schedule.



Scenario 1 (Recommended)

MPCC item	FTE	Description	Revenues*	Expenditures*
Revenues		User fees, rentals, charges, reimbursements, donations	\$715,000	
Librarian I/II	1	Lead staff for expanded library space, makerspace, teen zone, supervision of subordinate personnel including temps		\$147,000
Library Assistant I	1	Support staff for expanded library space, makerspace, teen zone		\$102,000
Recreation Coordinator	1	Lead staff for gymnasium, recreation center, fitness center, movement studio, facility rentals, supervision of subordinate personnel including temps		\$138,000
Senior Program Assistant	1	Support staff for gymnasium, recreation center, fitness center, movement studio, facility rentals		\$128,000
Nutrition Services Coordinator***	1	Lead staff for senior center daily meal service, youth center food service, nutrition/health/wellness education		\$141,000
LCS Supervisor	1	Building supervisor - daily operations, service delivery, quality assurance, athletic field use, and site liaison to aquatics provider		\$190,000
Temporary staff		Front line customer service support, room set up, related tasks. Approx. 5,700 total hrs/year (approx. 7 individuals @ 16hrs/week)		\$120,000
Non-personnel operating		IT support (internal service charges), supplies, contracts, repairs & maintenance, utilities, training		\$1,021,000
		Subtotal*	\$715,000	\$1,987,000
		Net*		\$1,272,000

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Scenario 2 (Alternative)

MPCC item	FTE	Description	Revenues*	Expenditures*
Revenues		User fees, rentals, charges, reimbursements, donations	\$715,000	
Librarian I/II	1	Lead staff for expanded library space, supervision of subordinate personnel including temps, coordinate partners in makerspace, teen zone	-	\$147,000
Recreation Coordinator	1	Lead staff for gymnasium, recreation center, fitness center, movement studio, supervision of subordinate personnel including temps	-	\$138,000
Nutrition Services Coordinator***	1	Lead staff for senior center daily meal service, youth center food service, nutrition/health/wellness education	-	\$141,000
Temporary staff		Front line customer service support, room set up, related tasks. Approx. 7,500 total hrs/year (approx. 9 individuals @ 16hrs/week)	-	\$156,000
Non-personnel operating		IT support (internal service charges), supplies, contracts, repairs & maintenance, utilities, training	-	\$969,000
		Subtotal*	\$715,000	\$1,551,000
		Net*		\$836,000

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Scenario 3 (Not recommended)

MPCC item	FTE	Description	Revenues*	Expenditures*
Revenues		User fees, rentals, charges, reimbursements, donations	\$715,000	
Temporary staff		Front line customer service support, room set up, related tasks. Approx. 7,500 total hrs/year (approx. 9 individuals @ 16hrs/week)	-	\$156,000
Non-personnel operating		IT support (internal service charges), supplies, contracts, repairs & maintenance, utilities, training	-	\$918,000
		Subtotal*	\$715,000	\$1,125,000
		Net*		\$410,000

* Amounts shown reflect a full 12 months of building operations.

If City Council directs staff to pursue this scenario, then City staff will prepare options for potential service level reductions at Burgess campus facilities for City Council review tentatively in December.



Impact on City resources

- The City's general fund resources are finite and there is some economic uncertainty in the City's long-term forecast
- The City's current and forecast economic circumstances are important factors in City Council's decision-making related to resource allocations
- Staff is working on an update to the City's master fee schedule with a goal of bringing it to the City Council for consideration in early December
- One potential non-general fund source that could be applied toward MPCC operational expenditures is the One-Time Developer Payments special revenue fund (Fund 111).



Next steps

- There currently are no expenditures or revenues allocated in the City's operating budget to support opening and operating the new facility
- City Council may direct staff to implement one of the above expenditure scenarios as presented, or to modify a scenario before implementation
- After receiving direction from City Council, City staff will prepare the directed resource allocations for City Council action, which could include resolutions to amend the City operating budget and salary schedule, tentatively in December.



Thank you







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Impact on City resources

Fund 111 – One-Time Developer Payments special revenue fund

- One potential non-general fund source that could be applied toward MPCC operational expenditures is the One-Time Developer Payments special revenue fund (Fund 111)
- The fund's current balance is approximately \$2.8 million, with additional \$1.5 million in revenue payments anticipated in the current fiscal year
- City Council has not yet identified specific expenditures for Fund 111, and the full balance of approximately \$4.3 million remains unencumbered
- City Council could authorize the use of Fund 111 to offset some of the MPCC's operational expenditures in its initial years of operation as one example.