



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Sara L. Hensley

**SUBJECT: METHODOLOGY UTILIZED
ON OPERATIONAL AND
MAINTENANCE SAVINGS FOR
COMMUNITY CENTER "HUB" PROPOSAL**

DATE: 05-25-04

Approved /s/ Date 5/28/04

PURPOSE

This Manager's Budget Addendum responds to Council's request for information on the methodology used to evaluate the Parks, Recreation and Neighborhood Services (PRNS) "Hub" Proposal for operational, maintenance and personnel savings used to realize the \$1.9 million budget reduction goal.

BACKGROUND

In order to realize a \$1.9 million budget savings for fiscal year 2004-2005, staff conducted a review of community center operations to identify potential efficiencies. This review included an analysis of community center inventory, annual operational and maintenance costs, and a comparison of staff allocation across the centers. The majority of the \$1.9 million dollar savings came from personnel costs (93%), with minimal Operational and Maintenance (O & M) savings (7%).

ANALYSIS

The personal and non-personal costs associated with center operations were examined by geographic area. Staff considered the following four key points in the allocation of resources:

- Ensure an even distribution of resources by geographic area, not site;
- Consider special and emerging needs in areas throughout the City;
- Develop a strategy for distribution of City-wide resources to address these special and emerging needs, and
- Consider other assets in geographic area and/or identify potential partnerships with schools, non-profit community agencies, county, or others.

Ensure an even distribution of resources by geographic area: The \$1.9 budget reduction goal was realized by considering minimal staffing levels necessary to deliver our core services by geographic area, rather than site by site. After hubs, satellites and proposed center closures were identified, an even distribution of staff by service area throughout the City was determined. A staffing plan of 6.75 FTEs was evenly distributed across the service areas in order to deliver a basic level of community center services across the City.

Consider special needs and emerging needs: After an even distribution of staff was determined, special considerations were examined. For example, senior program sites that required a van driver to ensure access and youth centers that had minimal resources were allocated additional recreation leader hours. Additionally, certain areas in the City of San José experience high gang activity and have special needs based on (1) percentage of youth population; (2) percentage of moderate to low income families, and (3) percentage of criminal incidents. Districts 3, 5, and 7 illustrated the greatest need, with an emerging need in the Cadillac area in District 1. In fact, the three gang abatement ordinances in the City of San José fall in these districts.

Develop a strategy for distribution of City-wide resources: Based on these special and emerging needs affecting the City of San José, the youth intervention programs were re-evaluated. For example, although the Safe School Campus Initiative program will reduce its teams from 8 to 5, we will strategically house our existing 5 teams in Districts 1, 3, 5, and 7. Through these locations, they will be able to respond citywide to requests for service, but will provide added presence at those centers (Alum Rock, Hank Lopez, Solari, Gardner, and Starbird). The STAND gang intervention staff will also be housed strategically throughout the City (Alum Rock, Alma, Solari, Gardner, and Starbird).

Other assets and/or potential partnerships: Increasingly, the City is partnering with local community based organizations (CBO) to provide a greater continuum of services and to leverage resources. This desire for asset identification and greater CBO collaboration, coupled with the need to minimize costs, has led to increased outreach efforts thereby minimizing the reduction proposal impact and reducing duplication in the delivery of neighborhood and recreation services.

Attachment A - Resource Allocation Comparison for 2003-04 and Proposed 2004-2005 – identifies and lists overall staffing and O & M budget as well as budget assigned to each service area. As the vast majority of assets are within personal costs, it is this budget that received the greatest reduction. Staff will continue to monitor O & M costs to ensure that acceptable levels of service are maintained.

CONCLUSION

The Parks, Recreation and Neighborhood Services Department will continue to work with community based partners and schools to maximize existing resources. Additionally, PRNS will

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monitor the implementation of this multi-service delivery “Hub” model on a quarterly, to assess and address any service impacts resulting from this service delivery approach.

/s/

SARA L. HENSLEY
Director of Parks, Recreation
and Neighborhood Services

Attachment A: Resource Allocation Comparison

Hub Staffing Plan:	City Wide Summary					
	Current		Proposed		Change**	
	FTEs	Budget	FTEs	Budget	FTEs	Budget
Community Services Supervisor - *	8.00	\$ 863,616	6.00	\$ 647,712	(2.00)	\$ (215,904)
Supervisor	11.00	\$ 937,530	10.00	\$ 852,300	(1.00)	\$ (85,230)
OSII	12.00	\$ 639,912	10.00	\$ 533,260	(2.00)	\$ (106,652)
Specialist	36.75	\$ 2,461,184	25.00	\$ 1,674,275	(11.75)	\$ (786,909)
Rec Leader PT (Benefitted and unben - center ops) - *	44.08	\$ 1,454,640	26.63	\$ 878,790	(17.45)	\$ (575,850)
Senior Rec Leader (Benefitted and unben) - *	7.38	\$ 356,616	5.25	\$ 253,691	(2.13)	\$ (102,926)
Sub Total for Hub Staffing Plan:	119.21	\$ 6,713,499	82.88	\$ 4,840,028	(36.33)	\$ (1,873,471)
Operations and Maintenance:						
Operational non-personal (controllable expenses) - *		\$ 623,729		\$ 521,230		\$ (102,499)
Facility maintenance (utilities, etc.) - *		\$ 574,564		\$ 515,993		\$ (58,571)
PRNS Sub Total:		\$ 1,198,293		\$ 1,037,223		\$ (161,070)
General Services custodial		\$ 478,513		\$ 367,725		\$ (110,788)
Sub Total for O & M:		\$ 1,676,806		\$ 1,404,948		\$ (271,858)
Grand Total:	119.21	\$ 8,390,305	82.88	\$ 6,244,976	(36.33)	\$ (2,145,329)

* - Some budget is housed at the Division administration level and therefore not represented within Council District allocations

** - Represents full year's savings