



CITY OF MELROSE RECREATION DEPARTMENT

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Recreation Director

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MEMORANDUM

To: Melrose City Council

From: Frank Olivieri
Director of Recreation

Re: FY25 Recreation Department Budget

Date: May 1, 2024

FY25 - Melrose Recreation Department

Department Head / Commission Budget Questionnaire

***Please identify any noteworthy changes or events that took place during FY24 in your department (staffing changes, technology upgrades, new regulations or procedures, etc.)**

In FY24, the Recreation Department was able to offer a wide variety of programs and events for the Melrose community. Through our programming, we provide resources and opportunities to strengthen our community while promoting social, cultural, and physical well-being. Our department had over 8,000+ residents participating in programs and events. Some of our largest programs include Melrose Youth Basketball (800+ participants, 200+ volunteers), Melrose Flag Football (250+ participants, 50+ volunteers), and Middle School Afterschool Athletics & Clubs (600+ participants, 25+ volunteers). In total we have 300+ community volunteers and 50+ seasonal/part-time workers helping us make our programs run. Additionally, we provide 60+ scholarships for families who are experiencing financial hardships.

Coordinating a Community Health and Wellness initiative in partnership with the Health & Human Services Department. Over the past year, we have offered increased programming and trainings including Mental Health First Aid, mindfulness, free lunch & food programs, stress reduction, and more. Hundreds of residents and staff have taken advantage of these programs over the past year. These programs were made possible through ARPA funding provided by the City of Melrose and was allocated towards community mental health and wellness.

***Do all of your department's salaries come from the same budget, if not, please identify the split among multiple budgets?**

In FY25, 100% of all salaries will be paid for out of the Recreation Revolving Fund. The Recreation Department will be responsible for covering an additional \$64,130.18. In previous fiscal years, the Recreation Department salaries have come from a split budget between the General Fund and the Recreation Revolving Fund. Between our full-time (2) and part-time (1) staff, our anticipated S&W comes to approximately \$165,000. Of that approximately \$120,000 is paid for by the Recreation Revolving Fund which is generated by the revenue that is created from program offerings. In FY24, \$64,130 comes from the General Fund to support Recreation S&W. All other part-time and seasonal staff are paid for out of the Recreation Revolving Fund and our Teen Programming line. On an annual basis the Recreation Department self-sufficiently covers 85% of its budget. The Recreation Department adds staffing as needed based on what programs are running and covers this expense through registration fees.

***Are there any significant changes to your FY25 budget compared to previous years?**

In FY25, the Recreation Department will not be receiving any financial support from the City's general operating fund as the department plans to operate completely from the Recreation Revolving Fund. This is possible due to a funding surplus that has been built up in the Recreation Revolving Fund over the past 16 years. Over that time the Recreation Dept. has grown tremendously and has added hundreds of successful programs which has aided in a slow buildup of reserve funds. Through many years of responsible financial management, the Rec Dept. is now able to utilize these funds to assist in offsetting our fiscal year expenses, especially towards salary and wages. We do not feel that there will be a reduction in programming or services for this upcoming fiscal year.

It is important to highlight that the Recreation Department will not have the ability to operate solely on the Recreation Revolving Fund long term. These funds will sufficiently cover our department for FY25, but will need to be reevaluated in future fiscal years. Future funding will be needed to keep the department operating at its current levels. Additionally, it is important to understand that funds are collected at the time seasonal brochures are released. For example, if summer registration opens in April we might collect \$225,000 and these funds will be reflected in the Recreation Revolving Fund. However, these funds are needed to cover all expenses for those programs which are paid at the end of the season. The Recreation

Revolving fund will always reflect a higher balance than is actually available as almost all of those funds are earmarked to cover associated expenses. Therefore, this fund should not drop below a certain threshold or there will not be enough funds to cover the department in any given season.

***Are there any significant events or changes you anticipate in your department for FY24?**

The Recreation Department does not anticipate any significant changes at this time.

***Priorities, impacts, and changes reflected in budget, including unfunded needs for FY25?**

The Recreation Department does not anticipate any reduction in programming or services. However, through years of responsible fiscal management of the Revolving Fund the Recreation Department did not spend available funds irresponsibly to fill many of our needs such as additional staffing, vehicles, office space, and/or storage without first gaining approval from City administration and the Park Commission. The Recreation Dept. always wanted to make sure there were future funds earmarked for reoccurring annual expenses. At this time, the department is in need of a full-time administrative assistant (currently 18 hours per week) to assist with the influx of daily communication and administrative tasks required to run the department efficiently. We are also in need of a larger office space and additional storage.

***Recreation Revolving Fund**

Recreation Revolving fund is currently approved for \$450,000 annual cap. In FY25, the Recreation Department will operate 100% from this fund. All revenue and expenses will operate through this fund.