



Staff Report

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**File #:** 23-0325

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**REQUEST FOR CITY COUNCIL ACTION**

**DATE:** 04/19/2023

**TO:** Honorable Mayor and City Council Members

**FROM:** Community Services Department

**SUBJECT:**

RESOLUTION REVISING THE CITYWIDE MASTER FEE RECOVERY SCHEDULE TO ADJUST THE KIDS CLUB AFTER SCHOOL RECREATION PROGRAM FEE EFFECTIVE MAY 19, 2023

**EXECUTIVE SUMMARY:**

This staff report asks Council to consider approving a fee adjustment for the Kids Club after school recreation program starting in the 2023-2024 school year.

**RECOMMENDED ACTION:**

**That the City Council:**

- a. Approve the updated fee of \$65 per week for the Kids Club Program (Fee No. LARS-016 on the Citywide Master Fee Recovery Schedule), effective May 19, 2023.
- b. Approve an estimated revenue increase of \$243,650 for Fiscal Year 2024 bringing the total projected revenue to \$793,650 in the General Fund for the Community Services Department.
- c. Adopt Resolution No. 2023-023 to update the Citywide Master Fee Recovery Schedule.

**BACKGROUND & HISTORY:**

The Kids Club Afterschool Program is a longstanding City-operated recreation program that serves grades one through six at ten different school sites in the Corona Norco Unified School District (CNUSD). Each of the ten school sites currently serves an average of 33 youth, over 38 weeks (August - June), at \$52 per week per kid enrolled. Kids Club provides support and age-appropriate activities to youth after school each day from the time the last bell rings until 6:00 pm. This is a very popular program, with waiting lists maintained throughout the year. Kids Club registration for the 2023-2024 school year opens to the public on May 1, 2023.

Currently, services are charged at \$52 per week based on budgetary numbers from Fiscal Year 2018. In 2019, staff rolled out new registration software with updated transaction fees and elected not to increase program fees so as not to create undue burden on participating families. In 2020, the pandemic forced the program to halt and redefine its operation model. In anticipation of the Fiscal Year 2024 budget, staff is recommending updating the cost for this program to reflect the current market and sustained operations costs for the City.

**ANALYSIS:**

Kids Club is operated on a subsidized cost recovery model to keep prices low and ensure accessible and consistent afterschool recreation services for families who need these types of services. Program fees are adjusted each year to compensate for increased administrative and part-time staff costs. However, fees for this program have not been adjusted since 2018, out of consideration for the families impacted by the pandemic and modified operational challenges.

Annually, staff conducts an internal survey asking participating families to rate the value of services provided by the Kids Club program. In the most recent survey, 89% of families enrolled in the program ranked the services as a "Good Value". To ensure programs are operated with site level cost recovery, staff is recommending a modest fee increase in anticipation of the next school year as part of the City's Fiscal Year 2024 budget.

Staff is requesting that Council approve a fee increase to \$65 per week (from \$52 per week) for the Kids Club Program participants to help offset the increased staff and administrative costs associated with providing this service. This increased assessment is in line with the Consumer Price Index increases of 2.7% each year. The \$65 per kid per week is still below the market rate for similar afterschool services, which are often more than double what the City currently charges.

Staff are making this request at this time to ensure that staff will have enough time to communicate fee changes with families planning for the new school year. Registration for the Kids Club program is slated to start May 1, 2023.

**FINANCIAL IMPACT:**

Approval of the recommended actions will result in an estimated revenue increase in the amount of \$243,650 in Fiscal Year 2024 bringing the total projected revenue to \$793,650 in the General Fund. Expenditures for Fiscal Year 2024 Kids Club Program are anticipated at \$854,530. This program traditionally operates with a moderate subsidy from the City (\$60,800) to help affordable after school recreation options for Corona families at participating school sites. The Kids Club Program fee will become effective thirty (30) calendar days after Council approval, or May 19, 2023.

**ENVIRONMENTAL ANALYSIS:**

This action is exempt pursuant to Section 15061(b)(3) of the Guidelines for the California Environmental Quality Act (CEQA), which states that a project is exempt from CEQA if the activity is covered by the commonsense exemption that CEQA applies only to projects that have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. This action is a financial transaction between the State of California

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Department of Parks and Recreation and the City of Corona, and there is no possibility that adopting this resolution will have a significant effect on the environment. Therefore, no environmental analysis is required.

**PREPARED BY:** BAILEY WARD, MANAGEMENT ANALYST I

**REVIEWED BY:** ANNE K. TURNER, COMMUNITY SERVICES DIRECTOR

**Attachments:**

1. Exhibit 1 - Resolution No. 2023-023