



Agenda Item

City Council

Item #: 3.9.

6/24/2025

File #: 25-0346

TO: Honorable Mayor and Members of the City Council

THRU: Tom Kisela, City Manager

FROM: Leslie Hardy, Community and Library Services Director

1. SUBJECT

Acceptance of \$159,470.52 in revenue received from the Recreation class program and 2024 Special Events donations; and appropriation of \$51,196.88 of the revenue to support corresponding programs.

2. SUMMARY

Collected revenues of \$159,470.52 are recommended to be accepted for Fiscal Year 2024-2025, including payments for contract class instructors for the City's Recreation class program and donations for the 2024 Special Events. Staff is recommending the City Council appropriate a total of \$51,196.88 of this revenue into expenditure accounts to support the corresponding programs.

3. RECOMMENDED ACTION

1. Accept into the City's General Fund revenue budget \$159,470.52 in Recreation class program revenue and 2024 Special Event donations to:

100.7001.46540.00000	Recreation Classes	\$ 73,138.40
105.7015.48380.17552	Other Misc Revenue - Tree Lighting	\$ 86,332.12
2. Authorize the appropriation of \$ 51,196.88 to the General Fund:

100.7011.51670.00000	Other Prof & Consulting Services	\$ 51,196.88
----------------------	----------------------------------	--------------

4. FISCAL IMPACT

The revenue received from these programs will offset or fund the costs of programs, projects, and services.

5. STRATEGIC PLAN GOALS

Goal 2: Enhance Economic Development and Achieve Fiscal Sustainability

6. DISCUSSION AND BACKGROUND

Recreation Class Program Revenue

The City offers recreational classes to the community through quarterly sessions conducted by contract instructors. Each contract instructor sets their class rates and agrees to a revenue sharing model (percentage split), wherein the City retains a portion of the revenue generated by class registration. Contract Class instructors are paid their revenue share through the General Fund (100) after the quarter is completed.

Staff periodically request that the City Council accept unbudgeted revenue generated through the Recreation class program into the budget and appropriate a percentage of that revenue into the expenditure budget to pay the contract class instructors. This allows the City to use program revenue to pay the contract class instructors, better linking the revenue to the corresponding expenditure and minimally impacting the existing General Fund (100) balance.

The second and third quarters of contract classes encompass the months of October, November, December, January, February and March. The revenue received in quarters two and three of Fiscal Year 2024-2025 (FY25) was \$73,138.40. Staff is requesting that this revenue be accepted into the City's FY25 budget. Additionally, staff is requesting 70% or (\$51,196.88) of the revenue be appropriated into the corresponding expenditure account to compensate the instructors for the applicable quarters.

Special Event Donations

The Community Foundation of Orange (CFO) previously took on the role of accepting donations for the 2024 Tree Lighting and Candlelight Choir Procession event on behalf of the Orange Community Master Chorale. The CFO made a series of progress payments to the City for the cost of the event, which need to be appropriated as revenue. Therefore, staff is requesting a total of \$86,332.12 be accepted as revenue and appropriated into the corresponding Reimbursable (105) expenditure account. This is in addition to the prior \$19,610.00 payment received and appropriated.

7. ATTACHMENTS

- None