



**Financial Sustainability Strategy and Operational Analysis
for Public Parks & Recreation**

Agenda

- ✓ **Project update**
- ✓ **Review process**
- ✓ **Next Steps**



Serving the park and recreation industry
Ethics · Leadership · Financial Sustainability

Key Project Objectives

- ✓ **Remain Financially Stable**
- ✓ **Review current practices to ensure “best practices” for the Parks and Recreation Department**



ENGAGEMENT

Parks and Recreation Department Staff

Parks and Recreation Advisory Board

Senior Advisory Board

City Council

Interviews with City Council

- ✓ Sustainable funding and equitable practices
- ✓ Resident and Non-Resident comparison
- ✓ Reporting data
- ✓ Facility utilization/duplication of services



Parks & Reconomics

How parks and recreation manages finite resources.

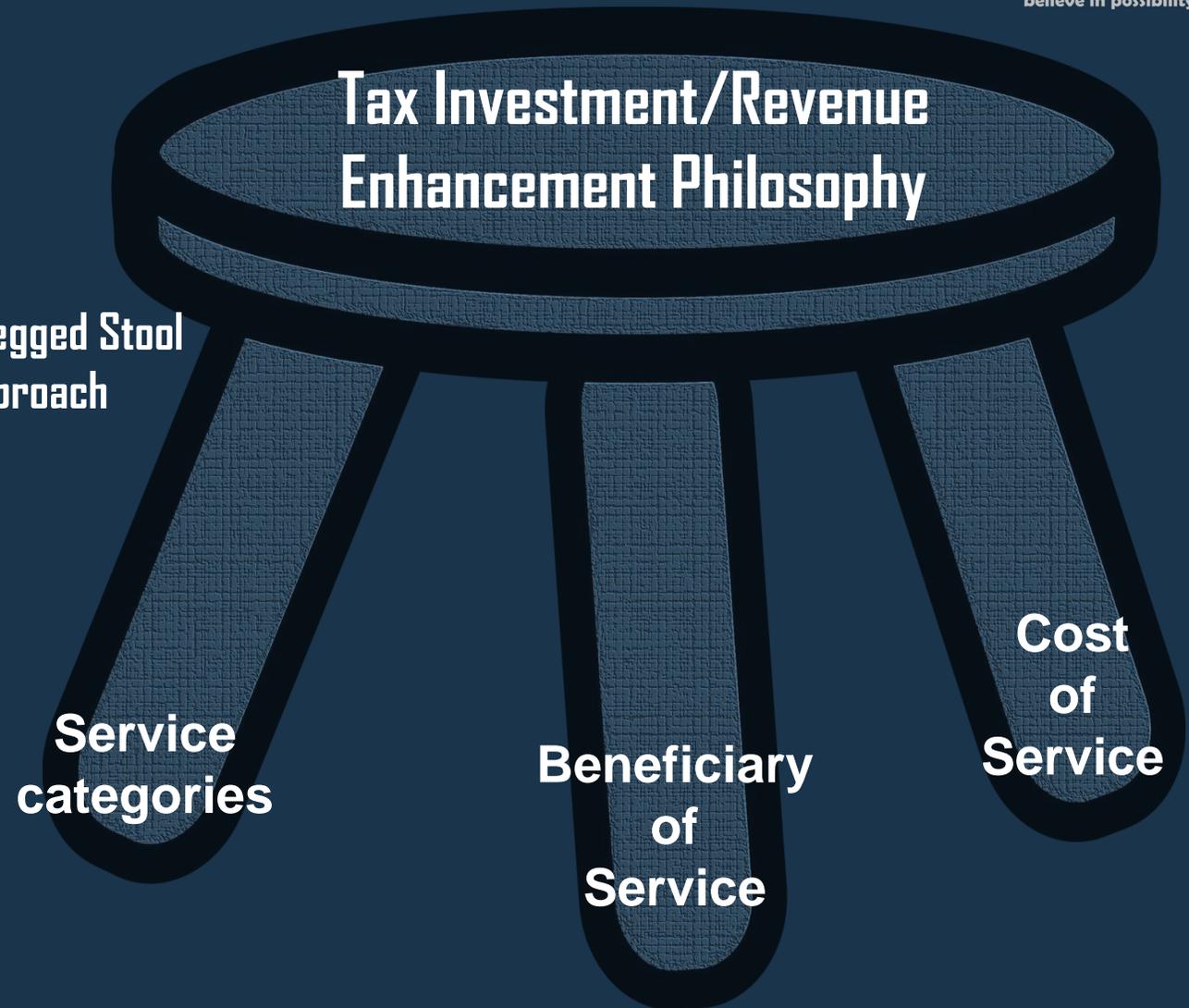
Cost
Recovery
= 25%

Subsidy =
75%

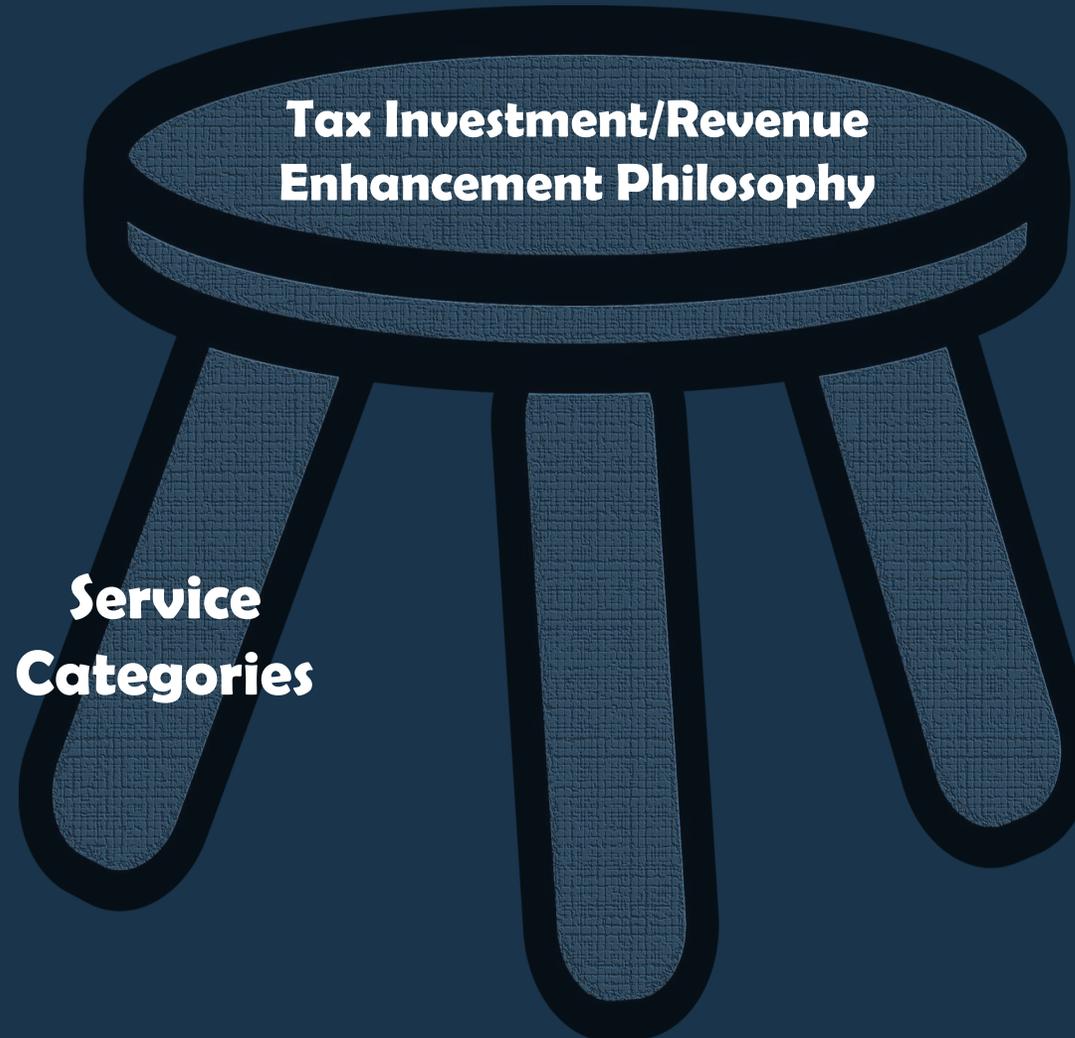
**A path towards
financial sustainability
STARTS HERE**



The 3-legged Stool
Approach



The 3-legged Stool



Service Category:

Beginner Level Activities

Focus on :

Similar purpose = Same Cost Recovery Goal

Youth Sports

(beginner sports)

Cost recovery goal = 50%?



&

Seniors

(intro to fitness)

Cost recovery goal = 25%?



&

Dance

(learn to dance)

Cost recovery goal = 75%?



Service Category:
Beginner Level Activities

Benefit:
Diminish Social Value Debates

Youth Sports
(beginner sports)
Cost recovery goal = 50%?



Vs.

Seniors
(intro to fitness)
Cost recovery goal = 50%?



Vs.

Dance
(learn to dance)
Cost recovery goal = 50%?





Service Categories (final draft 2/22/23)

Advance Level - Classes, clinics, workshops, leagues, and other led and/or instructed activities in which the primary intent is to master a skill and/or participate in a competitive environment. [Youth Swim Fit, Junior Elites, Senior Spanish Classes, etc.]

Beginner/Introductory - Classes, clinics, workshops, leagues, and other led and/or instructed activities which include instruction with the primary goal of introducing participants to a skill at a “learn to” level. [Beginner Swim, Budding Ballet, Beginner Watercolor, Beginner Drawing, etc.]

Community Events - Annual events planned to be appealing and accessible to a majority of, or the entire community regardless of age, ability/skill, family composition, etc. [Party on Patio, Full Moon Fest, Polar Bear Pool Party, Outdoor Event Series, Senior Father's Day and Christmas Concerts, Comedy Night, etc.]

Drop-In Activity - Activities which do not require registration, are non-instructed, and include staff/volunteer supervision or oversight. [Open Swim, Racquetball Reservation, Open Weight Room, Senior Game Day, Mah-Jongg, Chair Volleyball, Pickleball, etc.]

Education/Enrichment - Classes, clinics, workshops, and other led/or supervised activities in which the primary intent is to provide socialization, interaction, and life skills development with a focus on education and lifelong learning. [Officer Wilson Programs, Camps, Senior Guest Lectures, Shakespeare, Art Room, etc.]



Human Services - Services which focus on preventing and remediating life challenges and maintaining independence and connection to community by linking and/or providing resources for those in need. These services may be provided in response to climate emergencies as well. [Trips to Store for Senior, Transportation Program, Good Neighbor Team, etc.]

Open Access Activities - Access to parks, park amenities, and/or recreation facilities which does not include supervision or oversight by staff and activity is self-directed by the user or participant. [Tennis Courts, Park Usage, etc.]

Personalized Services - Private or semi-private activities and instruction. [Private/Semiprivate Swim, Pickleball Lessons, Senior Private Tai Chi and Personal Training, etc.]

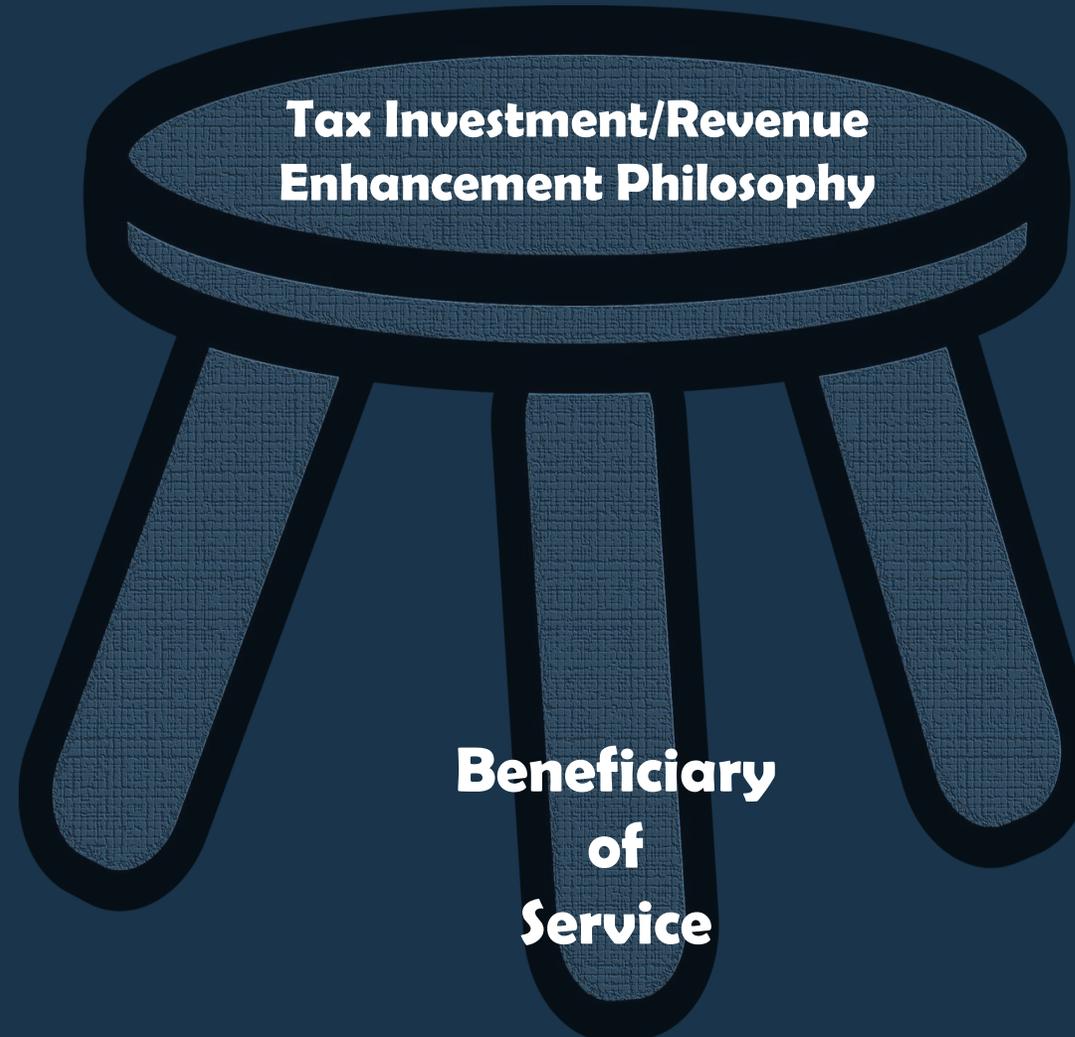
Rentals - Space and facility reservations for exclusive use by an individual or group. [Colonial Pool, Scout House, Library Story Time, Tri-Sports, National Charity League, etc.]

Resales - Consumable goods and non-consumable goods and services available for purchase. [Concessions, Vending, Swim Diapers, etc.]

Special Events - Events designed for a niche market or a specific interest. [Members Only Pool Party, Fathers & Flashlights, Marathon 5k, Brenham Field Trip, Senior Trips, and “wacky holiday”, etc.]

Wellness – Classes, clinics, workshops, and other led/or supervised activities in which the primary intent and focus is to improve individuals’ overall physical fitness and where registration is required. [Yoga, Aqua Cross Fit, Pilates, Jazzercise, Sr. Yoga, Early Risers, Total Body, etc.]

The 3-legged Stool



Common Good  **Individual Benefit**

Service Area:
Aquatics

Private Swim

Learn to Swim

&



Service Area:
Aquatics

The Smart Approach to Financial Sustainability



Service Category:
Beginner Level
Activities

Service Category:
Private/Semi-
Private Activities



&



BENEFICIARY OF SERVICE

A financial resource allocation philosophy provides a foundation for differentiating services based on “who benefits” and “who should pay”. Economists have differentiated goods and services in the economy in this manner for decades.

Determining the “beneficiary of services” becomes a primary driver in how public parks and recreation organizations can begin to make informed and defensible taxpayer investment decisions. Following this concept, each of the organization’s service categories have a set of specific characteristics that provide a rationale for who should pay (e.g., taxpayers, the individual, or both) and to what degree. Ultimately, this aligns how an organization will choose to spend taxpayer dollars with the “beneficiary of service”.

Common Good: These services are accessible, of benefit to all in a community, and provide universal value. Essentially, these are services that contribute to the “common good” and can be characterized as essential (“must-haves”) having community-wide interest and far-reaching impacts.

Individualized: These services provide exclusive benefit to the individual(s) and can include constraints or barriers to access. Essentially, these services benefit the individual more than the community as a whole and can be characterized as discretionary (“nice to haves”) with less of a community-wide impact.



Please rank the Department’s Service Categories starting from the category that aligns most with the “Common Good” (#1) to the category that most provides for an “Individualized” benefit (#12). During this exercise, avoid any discussion involving funding, fees, etc. *Focus ONLY on beneficiary of service.*

- | | |
|----------|-----------|
| 1. _____ | 7. _____ |
| 2. _____ | 8. _____ |
| 3. _____ | 9. _____ |
| 4. _____ | 10. _____ |
| 5. _____ | 11. _____ |
| 6. _____ | 12. _____ |

BENEFICIARY OF SERVICE – glossary of relevant terms

Accessible services

Park and recreation services that can be easily reached or used by anyone who resides in a community (district, city, etc.). These services have no/few constraints or barriers to access.

Barriers/constraints to access

Constraints to full access can include: age, ability/skill, mobility, senses, gender, language, culture (race/ethnicity), family composition, geography, transportation, technology, socio-economic conditions, etc. which can inhibit, limit and/or prevent full access, interest, and opportunity.

Community need

Discrepancies between a present state or condition and a desired state. These discrepancies inflict undue hardship on member(s) of a community. These discrepancies and inequities include but are not limited to poverty, poor health indicators, unemployment, educational attainment, etc.

Community interests/wants

Desires for something outside the scope of “need”. The wants, demands, and expectations of an individual or group often come on behalf of those interested in a particular service and may not be focused on a broader community need and impact.

Discretionary services

Park and recreation services that are non-essential. These discretionary services are luxuries and/or can be classified as lifestyle choices and “wants” or “nice to haves”. Discretionary services are in contrast to essential services which respond to deficiency “needs”.

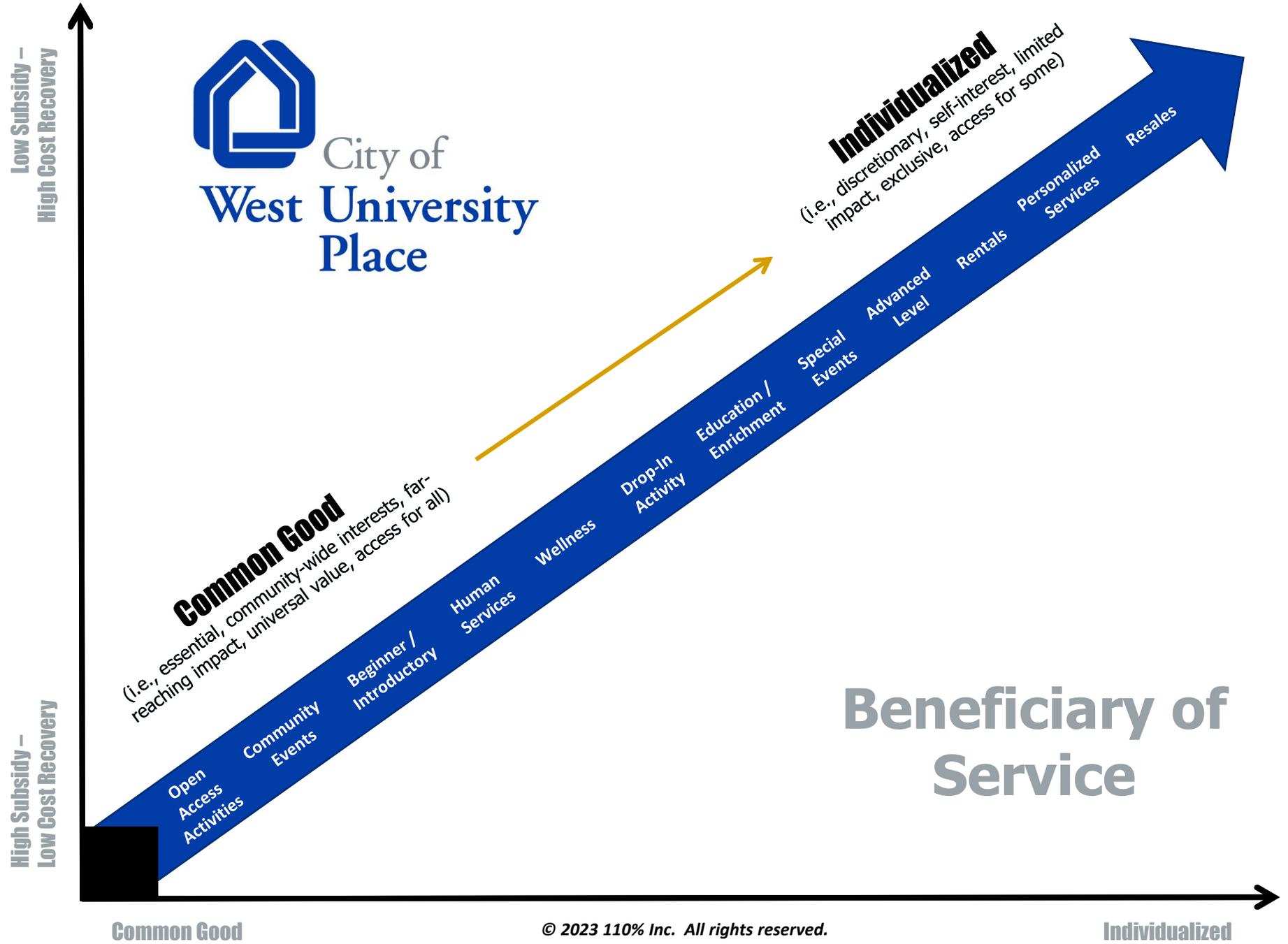
Essential services

Park and recreation services that are absolutely necessary to community quality of life. These services are critical to preserving life, health, and basic social function and if interrupted, would endanger life, personal safety, and/or the physical and mental health of our community. Essential services are considered “must haves”.



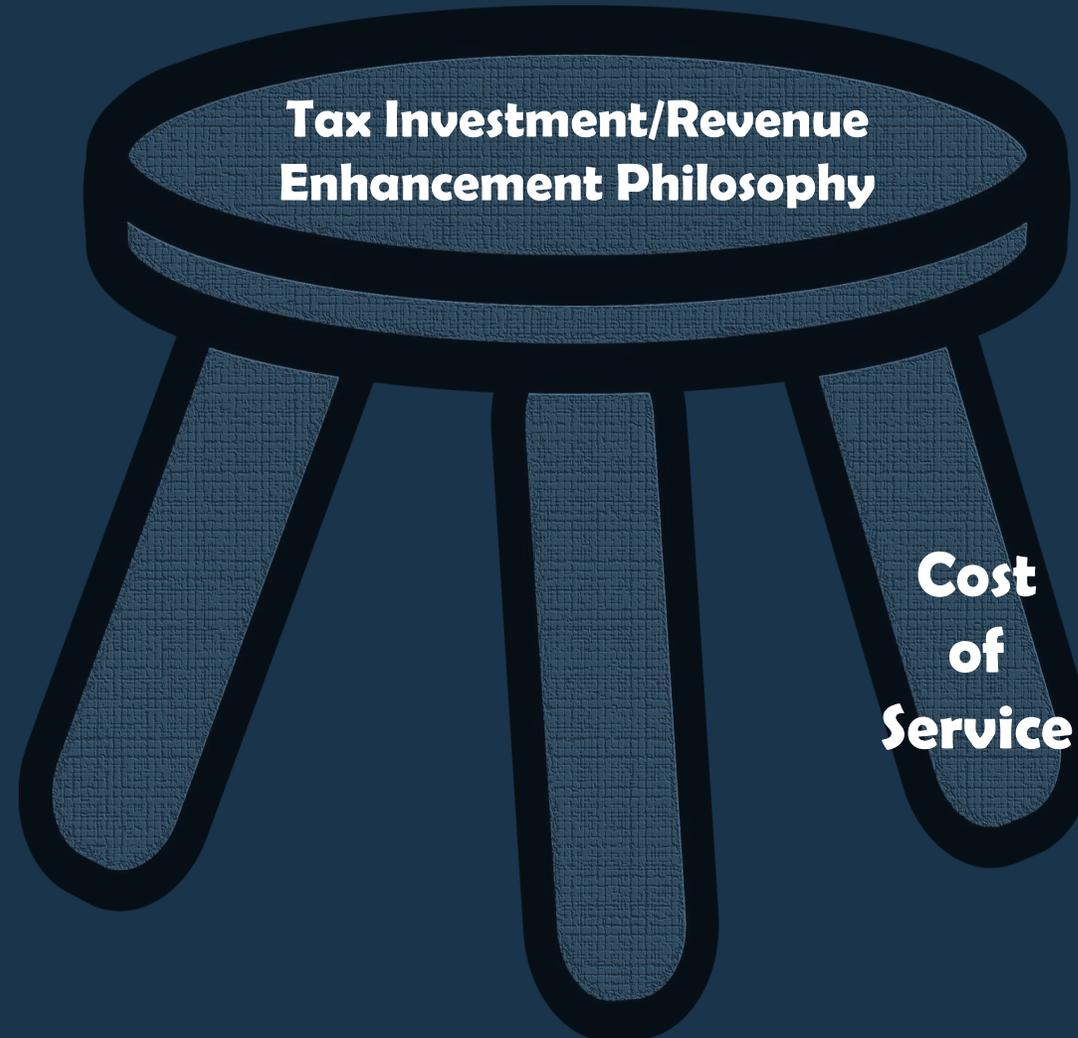
believe in possibility

Financial Sustainability Continuum



City of
West University Place

The 3-legged Stool







West University Place Cost Recovery CY22

- Home
- Dashboard
- Service details
- Service categories
- Expenses



Dashboard

The Smart Approach to Financial Sustainability

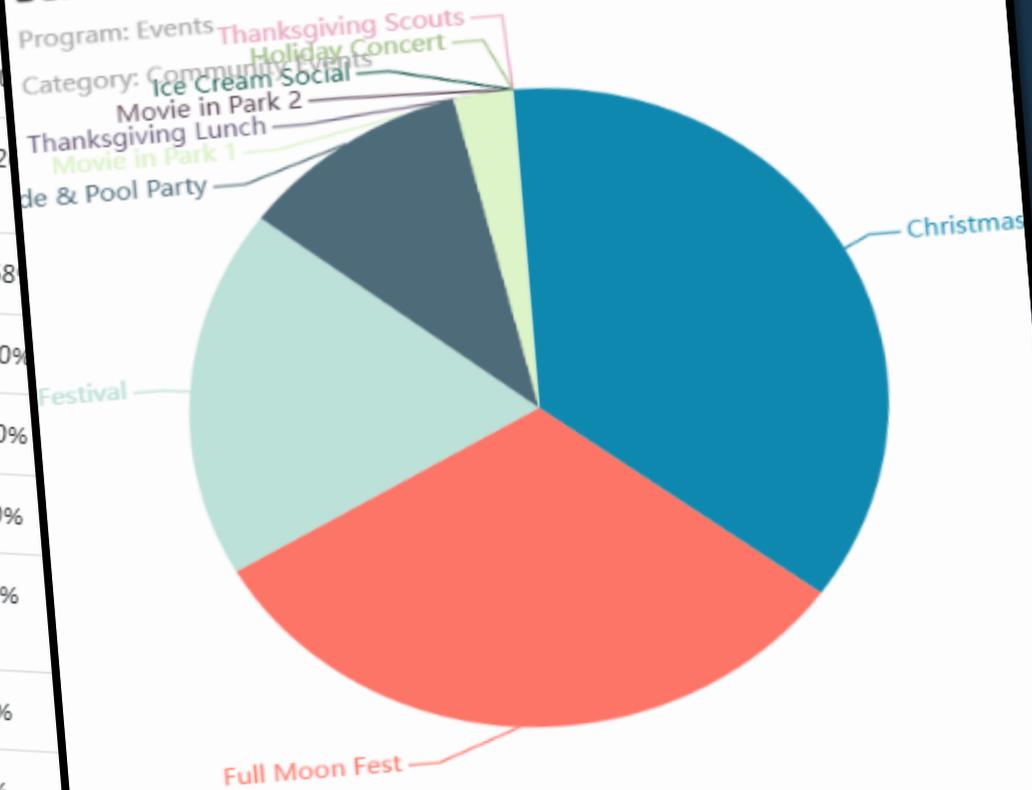


15 services that are the furthest from their cost recovery target

Revenue to meet service category targets:

Subcategory	Revenue	Net revenue
Thanksgiving Scouts	\$ 0	0.00%
Christmas Tree Lighting and Laser Show	\$6,600	36.20%
Easter Spring Festival	\$3,400	18.68%
Full Moon Fest	\$5,753	31.60%
Holiday Concert	\$ 0	0.00%
Ice Cream Social	\$ 0	0.00%
Independence Day Parade & Pool Party	\$1,950	10.71%
Movie in Park 1	\$500	2.75%
Movie in Park 2	\$ 0	0.00%
Thanksgiving Lunch	\$ 0	0.00%

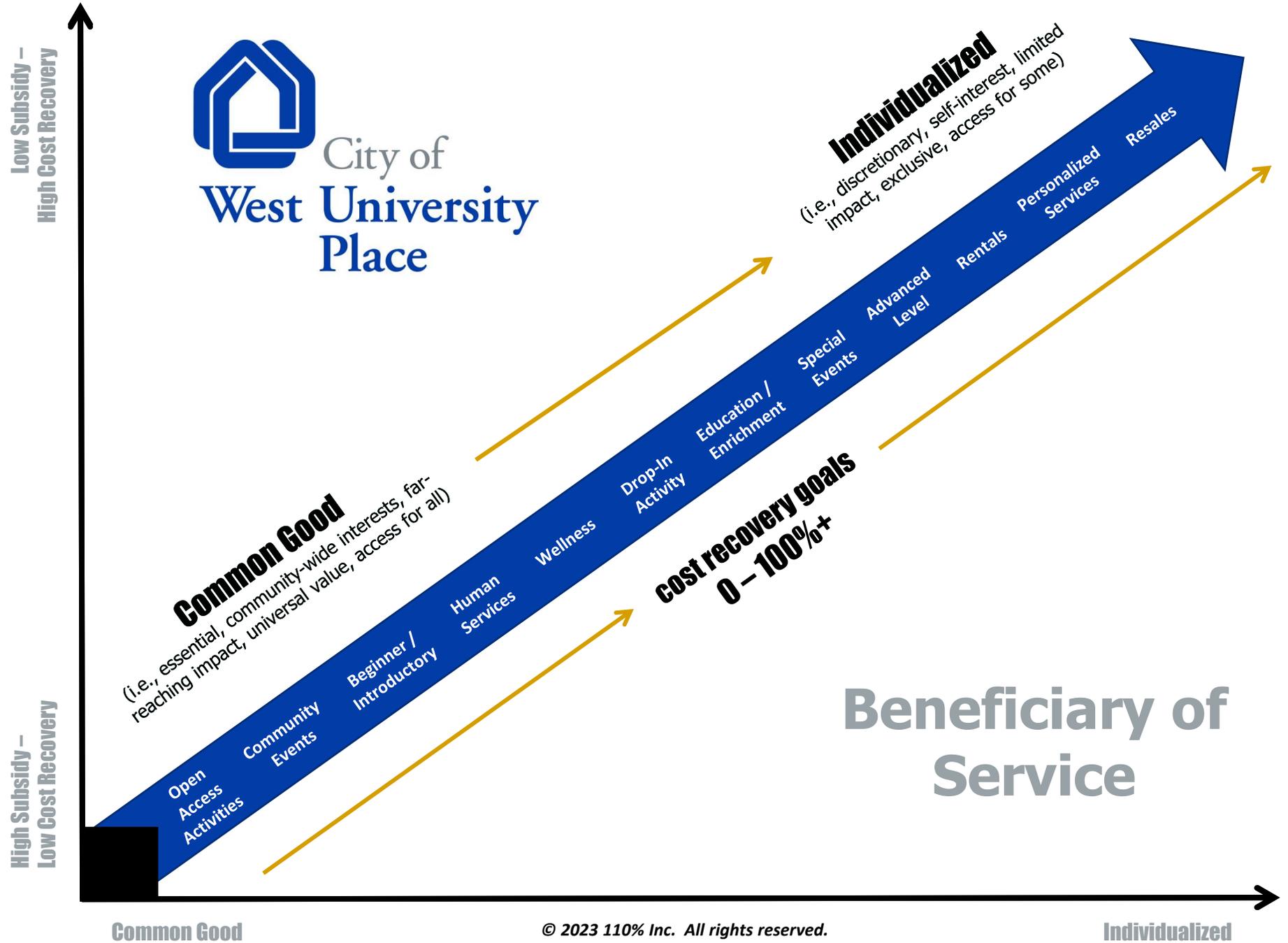
Service category: Community Events by revenue





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Financial Sustainability Continuum



What's
Next?

- ❑ Establish recommended Resident and Non-Resident cost recovery goals
- ❑ Complete operational and program analysis
- ❑ Identify recommended strategies



**Thoughts?
Comments?
Questions?**

**Financial Sustainability Strategy and Operational Analysis
for Public Parks & Recreation**