

UNITE, GROW,



Denton Parks and Rec

Parks & Recreation

SUBSIDY AND RESOURCE

ALLOCATION MODEL

OCTOBER 20, 2022

PURPOSE OF THE MODEL

- ✓ The cost recovery model and policy serve as the **framework for future planning, budgeting, pricing and resource allocation;**
- ✓ To **educate and orient staff, stakeholders and the community about the cost recovery philosophy;**
- ✓ To provide a **foundation for decision making that is fair and equitable to the tax paying community and individual users of programs and services;**
- ✓ To provide an **efficient and effective business tool.**

COST RECOVERY VS SUBSIDY

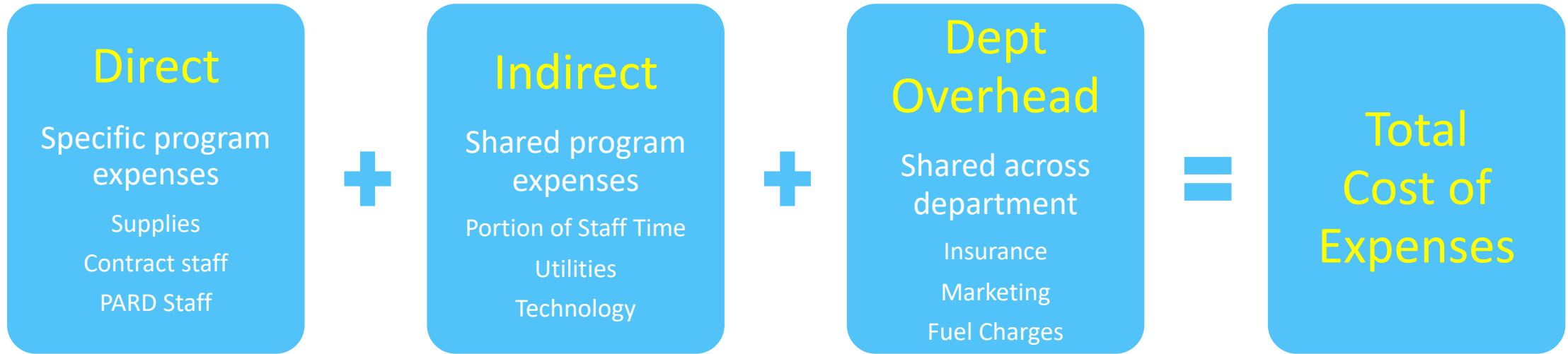
Cost Recovery

Recovering or offsetting the cost (expenses) of delivering a service

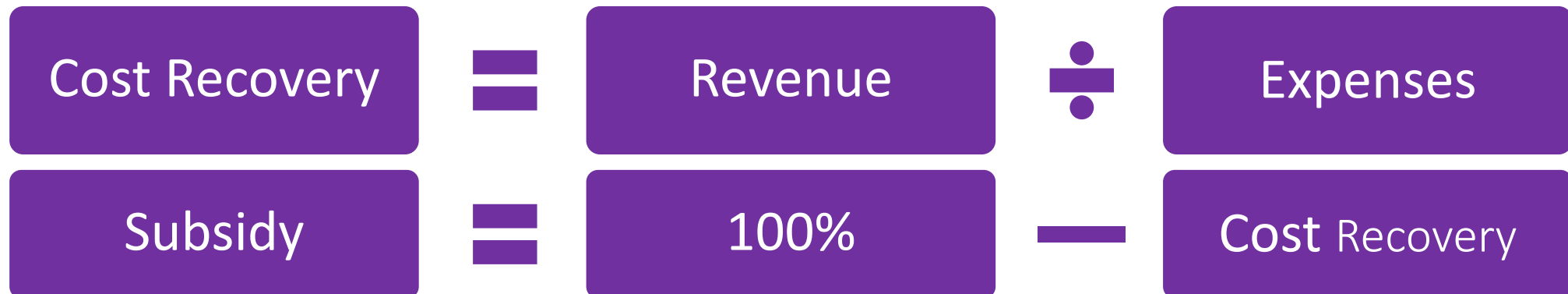
Subsidy

A benefit given by the government; typically to remove some type of burden, and often consider to be the overall interest of the public; given to promote a social good or an economic policy

COMMON LANGUAGE



ALL Expenses are included in calculation of Cost Recovery



SERVICE CATEGORIES

Beginner & Introductory Activities

Activities that introduce a skill/practice or provide a basic understanding of the fundamentals of a skill. These services require little to no experience in order to participate.

[examples: sports clinics, water tots intro swim Level 1 and 2, sports leagues 6-8U, blastball, "learn to" activities like chess, archery, fishing, and arts/crafts, and Dolphins white team]

Community Events

Large-scale events that appeal to a broad portion of the community regardless of age, ability/skill, family composition, etc. These events are highly intensive and typically occur on an annual basis. Registration is generally not required.

[examples: Arts and Jazz Fest, Blues Fest, Cinco De Mayo, Fourth of July Parade and Jubilee, National Night Out, Halloween Carnival and Harvest, Movies in the Park, Juneteenth, Red Bud Festival, Tree Giveaway, Black History Month Celebration, and Martin Luther king Jr. Day Celebration]

Community Outreach Services

Services offered internally or through community partnerships, intended to address life challenges through maintaining quality of life, independence, and connection to the community by linking or providing resources for those in need.

[examples: Meals-on-Wheels, resource seminars (financial, health, support services, etc.), support groups, benefits counseling, job fairs, health fairs, warming shelters, and showers]

Enrichment Activities

Activities designed to develop and/or enhance life skills, self-sufficiency, and promote socialization. These activities are led and/or supervised by staff and/or volunteers.

[examples: tutoring, after school care, day trips (museums, farms/gardens, theaters, hiking, kayaking), computer skills programs, STEM classes/camps, Clear Creek education programs, master naturalists, CPR, and social crafting classes]

SERVICE CATEGORIES

Equity Services

Services that focus on addressing community inequities providing for improved access to leisure opportunities [examples: Play in the Park/Mobile Recreation, and adapted rec]

Intermediate/Advanced/Competitive Level Activities

Activities which provide a structured format in order to advance or master a skill/practice, or to compete.

[examples: sports leagues 10U and Up, Adult Sports Leagues, tennis classes Middle and High School, LTS Level 3 and 4, Dolphins swim team Red and Blue, and specialized fitness programs]

Monitored/Drop-in Access

Parks, recreation facilities, and activities available for drop-in use which do not require registration. Activity is self-directed by the user.

[examples: lap swim, open swim, fitness rooms, rec pass activities like open gym, computer lab, game rooms, and walking track, and woodshop]

Non-Monitored/Open Access

Open access to parks, park amenities, and recreation facilities that does not include staff and volunteer supervision or oversight. Activity is self-directed by the user.

[examples: multi-purpose courts, playgrounds, fishing ponds, trails, airfield, public art, disc golf, community gardens, outdoor athletics courts, and cemeteries]

SERVICE CATEGORIES

Private/Semi-private Activities

Activities conducted in a one-on-one or small group setting designed to ensure maximum gain or benefit related to a specific topic or skill.

[examples: sport private lessons, personal training, and genealogy]

Rentals

Space and facility rentals which provide exclusive use of public spaces and places by an individual or group.

[examples: multipurpose rooms, gyms, parks, pavilions, amphitheaters, athletic fields/courts, pools, cabanas. This also includes contracts and/or short-term leases for concessioners, youth sports associations, and vendor permits]

Resale

Consumable and non-consumable goods for purchase at various parks and/or recreation facilities.

[examples: food sales, beverage sales, and pro shop items like fitness accessories]

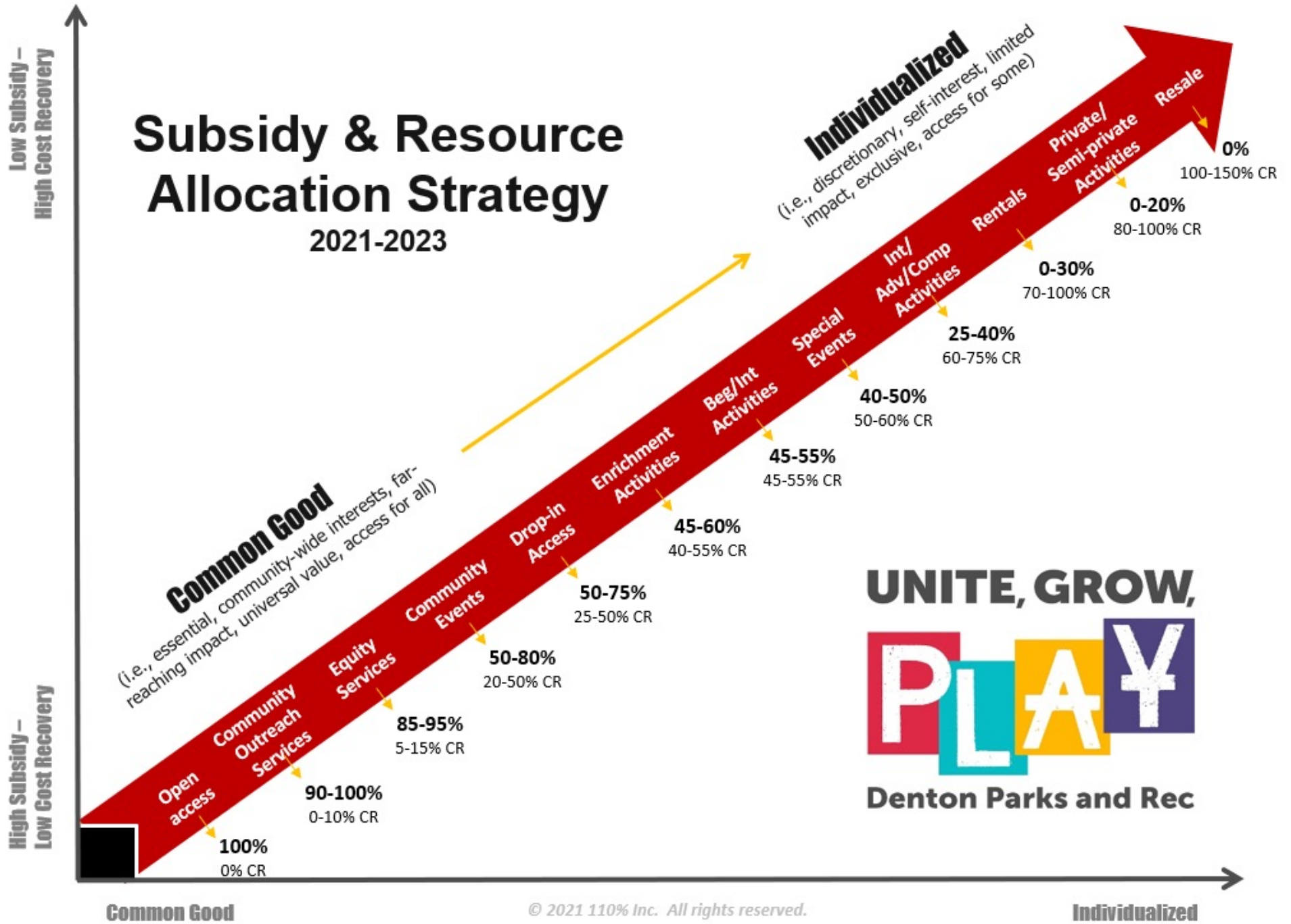
Special Events

Events designed for a target market, market niche', or specific interest. Registration is typically required.

[examples: athletic tournaments (in-house), fun runs, MLV Dance, Extended Trips, Adapted Rec Sweetheart Ball, Family Campout, Kids Fishing Tournament, and Dive-In Movies]



The Cost Recovery Continuum



RESOURCE ALLOCATION LIFE CYCLE

Establish Model

- Staff training
- Identified categories of service and costs
- Sorted categories onto Service Categories
- Compiled and analyzed financial data for each program
- Measured current cost of service and subsidy levels
- Reviewed outliers

Implement

- Implement tools
- Calculate the cost of service for each program and area
- Use as a planning tool for future programs

Evaluate & Analyze

- Are we hitting our targets
- Continue to identify cost savings
- Engagement strategies
 - Participant evaluations
 - Stakeholder focus groups
 - Surveys

Refine & Adjust

- Evaluate existing fees
- Program Enhancements
- New funding ideas
- Program life cycle
- Outsource
- Eliminate

TIMELINE

FY 21/22 Cost of Service

- Due November 18, 2022 to Program Managers
- Program Managers will review data by Dec 1, 2022
- Budget Manger will review data by Dec 9, 2022
- Recommendation for fee adjustments by Dec 9th
- Fee adjustments to council early 2023

FY 22/23 Cost of Service

- Enter as programs are complete
- Department Overhead will be based on budgeted amount, will be updated quarterly

Questions & Comments