

*Building on our legacy, illuminating innovation, succeeding beyond borders.  
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# **Public Works/Parks and Recreation Department**

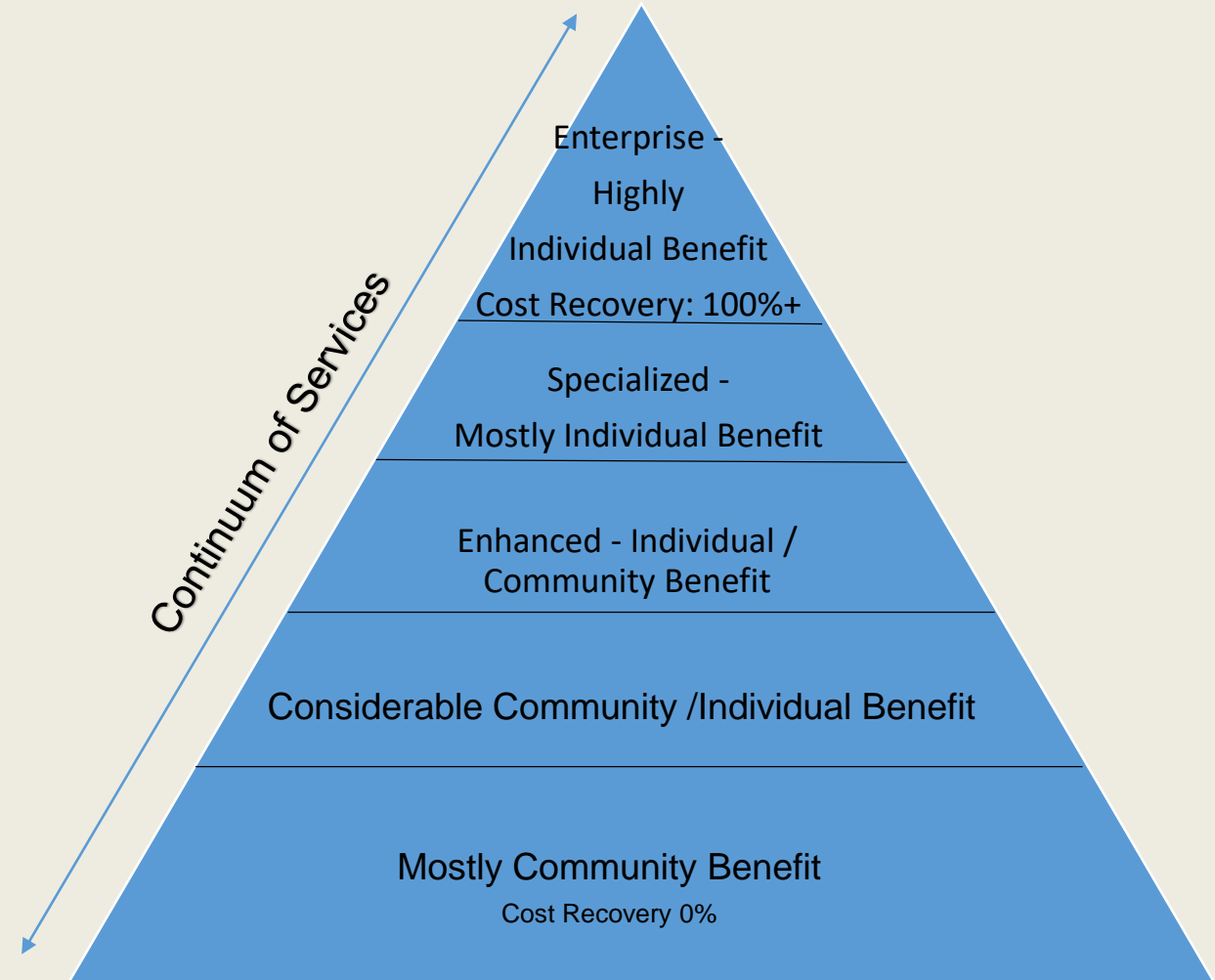
Formula Fee for Programs, Activities and Special Events

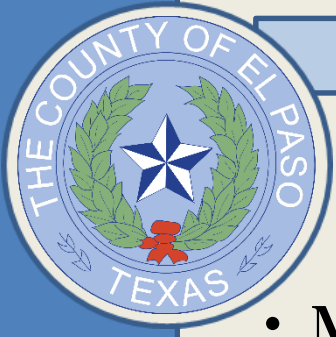
December 17, 2018



# Industry Standard Pyramid Methodology for Cost Recovery

- Identify how fees will be determined for programs and activities.
- National Parks and Recreation Association best practices standard core services model.
- As individual or more enterprise benefit is provided, then the higher the cost recovery.
- Two Overall Goals:
  1. Maximize use of facilities
  2. Increase programming to provide more community benefit.





# Levels of Benefit

- **Mostly Community Benefit** — The foundation, programs and facilities which **MOSTLY** benefit the **COMMUNITY** as a whole. These programs, facilities and services can increase property values, provide safety, address social needs and enhance the quality of life for residents. Use is non-exclusive and on an informal basis.

Ex: Parks, playgrounds, skateparks.

- **Considerable Community Benefit** — Programs, facilities and services that provide recreational skill developmental and promote individual physical and mental well-being primarily in a group setting, Generally benefits the community more than the individual.

Ex: beginning level programs, batting cages, fishing, some special events

- **Enhanced – Individual/Community Benefit** — Services that promote individual physical and mental well-being, and provides beginner and intermediate level of recreational skill development. Equivalent benefit to the individual and community.

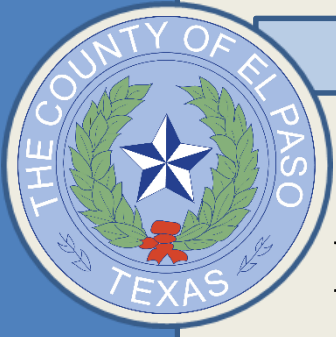
Ex: summer sports leagues, recreational leagues, swim lessons, camps.

- **Specialized – Mostly Individual Benefit** — Specialized services generally for specific individuals and groups, and may have a competitive focus. Primary benefit to the individual, little community benefit.

Ex: adult sports leagues, golf, private swim lessons.

- **Enterprise – Highly Individual Benefit** — Activities that have a profit center potential and may even fall outside the core mission. Programs that compete in the open market: specific uses based on an expressed demand and willingness to pay; use is exclusive; competitive skill levels.

Ex: pavilion and other facility rentals for private/exclusive use, private golf lessons.



## Example: Enhanced- Individual Community Benefit (50%)

**Community Special Event Entry** - Entry fees for special community events, or other periodic events are based on event's expenses and expected number of participants.

**Car Show/Entertainment (on-site)** - Total cost for the program staff, contracted service, supplies, equipment, plus a 50% factor to recover program coordinator costs, divided by the projected number of participants.

### EXAMPLE (Car Show)

Staff	\$192
Trophies	\$175
Entertainment	\$500
T-shirts	\$500
Portable restrooms	<u>\$320</u>
$\$1687 \times 150\% = \$2,530/100 \text{ participants} = \$25/\text{participant}$	



## Example: Considerable Community/Individual Benefit (25%)

**Leisure Interest Classes or Workshops** - Total cost for the program staff, instructor, supplies, equipment, plus a 25% factor to recover program coordinator costs, divided by the number of expected registrations. Note: Senior discounts may apply to this category.

### EXAMPLE

Instructor \$12/hour x 3 times per week for 4 weeks =	\$144
Class supplies	<u>\$25</u>
	\$169 x 125% = \$211/10 registrations = \$21/participant

**Aquatics-Class** - Learn-to-Swim, Water Aerobics, Water Safety Instructor, Lifeguard Training.

Total cost for the program staff, lifeguard, instructor, supplies and equipment, plus a 25% factor to recover program coordinator costs, divided by the minimum number of expected registrations. Red Cross fees are also added to the per person registration fee.

**Sports - Youth Leagues** - Recreational programs for youth ages 8 – 17.

Total cost for the program staff, instructor, officials, supplies, and equipment plus a 25% factor to recover program coordinator costs, divided by the minimum number of expected registrations.

### EXAMPLE: Girl's Softball Tournament

Officials	\$1450
Staff	\$2000
Awards	\$ 500
Equipment	<u>\$ 500</u>
	\$4450 divided by 40 teams = \$111 x 125% = \$139/per team



## **Example: Between Mostly and Considerable Community Benefit (0%)**

### **Youth Enrichment (non-sport) Activity or Program -**

Total cost for the program staff, instructor, supplies and equipment divided by the minimum number of expected registrations.

**Youth - “Character & Skills”**- Developmental and instructional programs for children ages 4-7.

#### EXAMPLE: T-Ball

Equipment	\$2000
T-shirts and Caps	\$ 770
Awards (trophies)	\$ 577
Volunteer coach background checks	\$ 560
Staff	<u>\$ 675</u>
\$4582 divided by 155 participants = \$30/participant	



## Sample Form/Data

### Formula Fee for Special Events (Division) (Program) Car Show FY 2019

Staff	\$192.00					
Trophies	\$175.00					
Entertainment	\$500.00					
Tshirts	\$500.00					
Portable restrooms	\$320.00					
	\$1,687.00					
\$1,687.00 X 150% = \$2,531/100 cars = \$25.31 round to \$25						
Submitted by: <u>Tessa Jimenez, Special Events Coordinator</u>						
Reviewed/Recommendation: Veronica Myers, Parks and Recreation Director _____ Date _____						
Approved: Norma Rivera-Palacios, Public Works Executive Director _____ Date _____						



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# Questions?

*PRIDE = Professional • Results • Innovation • Dedication • Ethical*