

**CITY OF BOULDER
PARKS AND RECREATION ADVISORY BOARD**

MEETING DATE: February 24, 2014

City of Boulder Parks and Recreation Department (BPRD)
Financial Strategy Study Session

PRESENTERS:

Jeff Dillon, Director, Parks and Recreation
Alice Guthrie, Recreation Superintendent
Abbie Poniatowski, Senior Business Manager
Alison Rhodes, Recreation Facility Manager
Dean Rummel, Recreation Supervisor
Skyler Beck, Recreation Facility Manager
Kady Doelling, Financial Analyst
Matt Hickey, Senior Operations Analyst

EXECUTIVE SUMMARY

The Boulder Parks and Recreation Department (BPRD) is working collaboratively with the Parks and Recreation Advisory Board (PRAB) to ensure that its resources are focused on community priorities via the implementation of the financial sustainability policies of the Boulder Parks and Recreation Department Master Plan (master plan) in a 3-step approach as follows:

1. BPRD shall determine the actual cost of an activity or service using a standardized method that emphasizes consistency of data inputs and analysis methods.
2. BPRD shall categorize services using a recreation priority index based on the organizational mission, target population served, service outcomes, contributions to the Boulder sustainability framework, partnership value and redundancy with services provided by others in the community in order to guide offerings.
3. BPRD shall establish cost recovery rates and associated pricing. Fees shall be based on the recreation priority index, community versus individual benefit, cost to provide services and the prevailing market rate for comparable services.

PRAB's guidance and support on what services are subsidized and at what rates is critical to ensure implementation reflects community values.

BACKGROUND

In January, PRAB and staff focused on understanding the foundation for the BPRD financial strategy, including cost definitions and applications. Understanding and agreement on the cost definitions is a fundamental part of implementing the Total Cost of Facility Ownership (TCFO) approach. PRAB supported the following concepts that will

be utilized for the pilot study of the Reservoir and Athletic Fields (as determined in December 2013):

- The initial cost allocation will include operating expenses only (as defined in Attachment A: Draft Cost Definitions). Capital expenses have been defined and can be included in future analysis.
- Indirect expenses will be applied proportionate to facility or program budgets.

Facility costs were defined, and the question of how they are allocated to programs surfaced. In the past, BPRD has used various methods of apportioning facility expenses to services including square footage, historical data or no cost allocation. In an effort to be consistent across BPRD services, staff is recommending that facility cost allocation be based on facility usage by hour. The hourly facility rate is based on the associated cost, facility hours available and hours scheduled. The hourly facility rate will be applied during the modeling that is presented at the April meeting.

The goal of the February study session is to understand the relationship between community priorities and financial sustainability and will include a discussion of service categories. In the master planning process, the community recognized the limits to public funding and the need to focus on core services as the most effective method of allocating limited funding. To assist the department in identifying which services align most closely with community values, the master plan includes this policy(Attachment B: Financial Sustainability Strategies of the Master Plan):

BPRD shall categorize services using a recreation priority index (RPI) based on the organizational mission, target population served, service outcomes, contributions to the Boulder sustainability framework, partnership value and redundancy with services provided by others in the community in order to guide offerings.

BPRD's partner in the master planning process, The Eppley Institute for Parks and Public Lands (Eppley) is assisting in the development of the RPI. Eppley will use their knowledge of the community and BPRD, coupled with their expertise in recreation planning, to develop the RPI. The RPI is also being developed on the foundation of previous efforts to allocate limited resources through service categorization, including the 2006 Boulder Parks and Recreation Master Plan (Attachment C: Core Services Business Model), the 2007 City Managers Work Group on Recreation Financing (Attachment D: Conceptual Core Services Business Model Scoring Matrix), and the 2010 Recreation Program and Facilities Plan (Attachment E: RPFPP Recreation Programs). The use of the RPI in categorizing services will allow BPRD to objectively prioritize and fund services. The draft service categories are defined below and included as Attachment F.

Community: Non-skill based services that enhance the health, safety and livability of the community and therefore require minimal obstacles to participation.

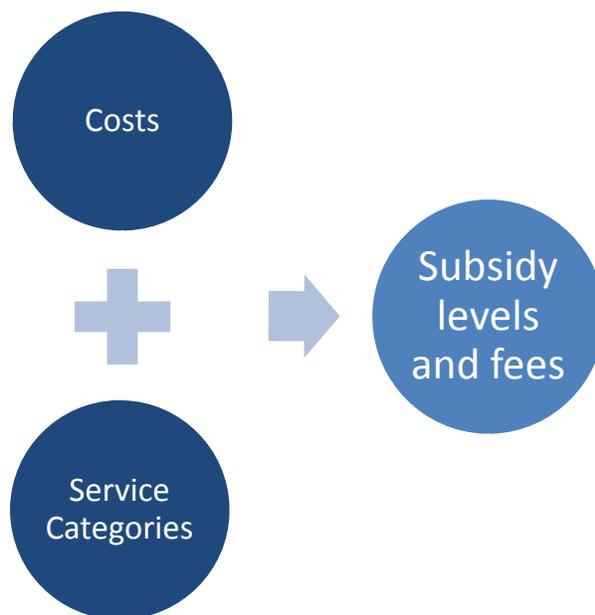
Leisure: Skill based services that benefit a wide range of user groups and are targeted to promote individual physical and mental well-being.

Performance: Skill-based services targeted to specific users or user groups with high individual benefit.

Individual: Services, skill based or non-skill based, targeted to individuals with little or no community benefit.

As the RPI is being developed, the PRAB’s input on the criteria included is critical to ensure the index accurately prioritizes services based upon Boulder values as expressed in the master planning process. The discussion on service categorization at the February study session will inform the development of the RPI.

The implementation of service categorization will allow the department to apply available subsidies to the programs that the community would like to support and establish fees that will recover the appropriate amount of costs. The expected outcomes include support for the implementation of fee standardization in pilot areas and to provide input on the community outreach plan.



QUESTIONS FOR PRAB

1. Are the updated cost definitions (per PRAB input received January 27th) acceptable?
2. Should facility expenses be allocated based on usage (hourly)?
3. Do the service category definitions classify BPRD services?
4. Are the general cost recovery ranges for service categories appropriate? (Highest subsidy is provided to the “community” service category, minimal or no subsidy is provided to the “individual” service category)

NEXT STEPS

Discussion and input received on the BPRD Financial Strategy since December will be incorporated into the following month's meetings.

| Month | Topic | Outcome |
|--------------|--|--|
| March | Preview draft RPI and the benefits filter | Policy guidance on where to allocate subsidy (based on service outcomes/benefits) |
| April | Review data modeling for the Reservoir and Athletic Fields including current costs, current fees and desired fees (based on application of service categories and RPI outputs) | Policy guidance and support for initiative to charge actual costs of providing services to implement master plan goals |
| May | Discuss proposed fee changes and associated community and user group outreach. | Recommendation of fee policy changes |

ATTACHMENTS

Attachment A: Draft Cost Definitions

Attachment B: Financial Sustainability Strategies of the Master Plan

Attachment C: Core Services Business Model

Attachment D: Conceptual Core Services Business Model Scoring Matrix

Attachment E: RPPF Recreation Programs

Attachment F: BPRD Draft Service Categories Chart

**Boulder Parks and Recreation Department
Cost Definitions
2/24/14**

The Department currently utilizes the following definitions when calculating and analyzing costs.

Capital costs include expenses **over \$50,000** for major maintenance and enhancing public infrastructure by correcting current facility deficiencies and constructing new service-delivery infrastructure

Operating costs include expenses to provide community services. There are indirect and direct operating costs.

Indirect costs are those that department incurs regardless of whether or not it provides a specific service to the community. Overhead personnel and non-personnel expenses associated with the day-to-day operation of the department may include:

- Administration
- Business Services
- Internal Support Services (Human Resources, Information Technology, City Attorney, Risk Management, Finance)
- Service Management/Coordination/Supervision

Direct program costs include the personnel and non-personnel expenses specific to a department program. These costs are incurred only when a program is provided and include instructor salaries and program-specific supplies required for participation. These costs adjust according to program participation or demand and are expended as needed

Direct facility costs include the personnel and non personnel expenses including department **R&R (restoration and refurbishment)** associated with the operation and maintenance of the City's parks and recreation facilities. These costs are incurred daily and include: staff; materials and supplies; financial, utilities and water fees; custodial services

Theme 3 Financial Sustainability



Pearl Street Mall

Overview

Stakeholders and community leaders recognize the limits to public funding and the need to focus on core services as the most effective methods of allocating limited funding. Balancing multiple and increasing demands from the public within existing resources is a challenge. Boulder community members support that parks and recreation services contribute to the social welfare of the whole community.

Boulder parks are a source of positive economic benefits; they enhance property values, increase municipal revenue and attract homebuyers, a quality workforce, and retirees. Parks and recreation amenities drive tourism in the community. Parks and recreation facilities offer both community members and visitors unique features and programs, and provide unique experiences such as special events and festivals.

Policies

- BPRD shall categorize services using a recreation priority index based on the organizational mission, target population served, service outcomes, contributions to the Boulder sustainability framework, partnership value and redundancy with services provided by others in the community in order to guide offerings.
- BPRD shall determine the actual cost of an activity or service using a standardized method that emphasizes consistency of data inputs and analysis methods.
- BPRD shall establish cost recovery rates and associated pricing. Fees shall be based on the recreation priority index, community versus individual benefit, cost to provide services and the prevailing market rate for comparable services.

Primary Sustainability Categories for This Theme



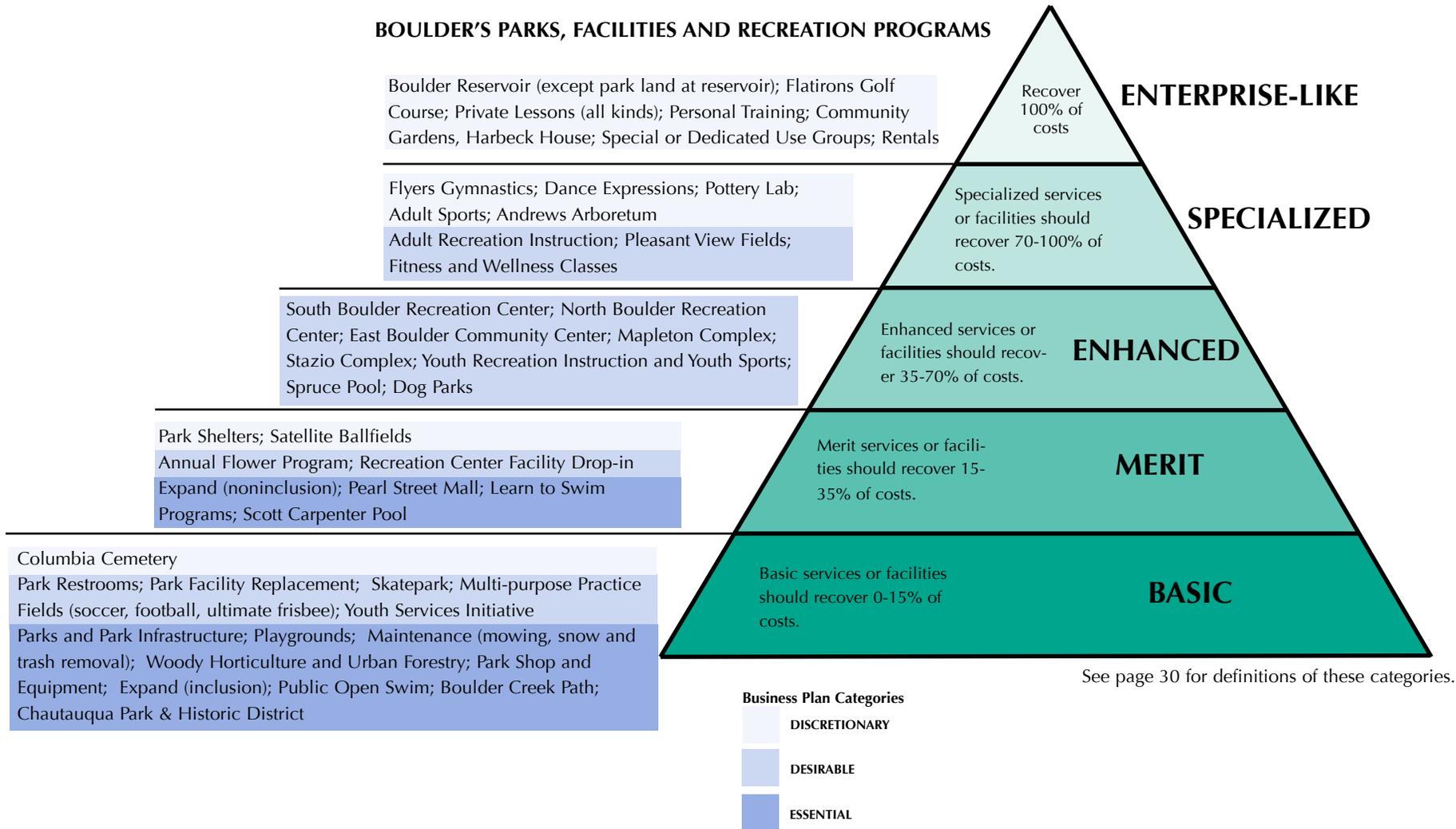
Long-Range Goals

Initiatives

- | | |
|---|--|
| A. Calculate total cost of facility ownership and of providing services and utilize data in resource allocation. | <ol style="list-style-type: none"> 1. Develop business plans for facilities and program areas. 2. Identify direct and indirect costs of providing services. 3. Standardize cost-recovery calculation to include indirect expenditures and consistent application in all areas. |
| B. Develop a Recreation Priority Index (RPI). | <ol style="list-style-type: none"> 1. Establish program objectives to specify the outcome or impact desired by the program or service. 2. Categorize programs depending upon the degree of community or individual benefit provided. 3. Establish cost recovery rates. 4. Identify funding sources and implement service based pricing. |
| C. Determine the appropriate portfolio of services to ensure and promote financial sustainability goals. | <ol style="list-style-type: none"> 1. Define and communicate funding sources of services. 2. Evaluate the existing commercial use program fees. 3. Develop a mechanism to spin-off appropriate programs to partners. 4. Establish a framework for consolidating or ending recreation programs. 5. Develop protocol for ongoing monitoring of the services of other providers to inform decisions about BPRD program and facility offerings. |
| D. Leverage partnerships, including those foundations and nonprofits, to increase funding and optimize service provision. | <ol style="list-style-type: none"> 1. Determine areas of highest-leverage partnership needs. 2. Grow relationships and leverage fundraising with foundations and nonprofit partners. |

CORE SERVICES BUSINESS MODEL

BOULDER'S PARKS, FACILITIES AND RECREATION PROGRAMS





City Business Plan Framework and Parks and Recreation

The city's business plan model provides the framework for developing the department's funding priorities and recommendations. Each city department is required to categorize its programs and services according to whether they are essential, desirable, or discretionary. The city funds programs and services in all three categories. The department's modified definitions of services are:

- o **Essential Services** are basic services, equally available to all residents, at no additional charge. They support the basic operations and maintenance of the system for health and safety purposes.
- o **Desirable Services** benefit a large portion of the community, and are provided to residents at no cost or for an appropriate user fee. They sustain a system derived from significant public investment at parks and recreation industry standards.
- o **Discretionary Services** benefit a wide range of interest groups, age groups, or ability levels. These programs and services develop or enhance the system beyond industry standards. Discretionary programs typically benefit the individual more than the community. In the future, programs and services that fall into the discretionary category and are not meeting cost-recovery targets will be considered for potential reductions or restructuring during times of budget constraints.

Financial Assumptions

The department has developed investment priorities and funding options with the following financial assumptions:

- o Without further reductions or efficiencies, the department's fiscally constrained budget will be balanced only if revenue growth is sufficient to offset future increases in operating expenses.
- o The department must secure additional funding to close the current budget gap and restore programs and services, such as maintenance, to appropriate levels.
- o The department must secure maintenance funding in conjunction with park development to address ongoing needs.
- o The department needs a reliable, adequate funding source to ensure the sustainability of recreation programs and facilities.
- o The department needs to adopt a cost-recovery policy that acknowledges the different cost-recovery capabilities of each recreation program and facility.
- o To improve service levels, the department must continue to seek efficiencies, innovative business practices, partnerships, leverages, and trade-offs.
- o The community will support programs and services that it believes are worthy of investment.

Parks and Recreation Core Services Business Model

Core services models are standard tools for evaluating cost-recovery rates of parks and recreation services. The department adapted a core services business model and cost-

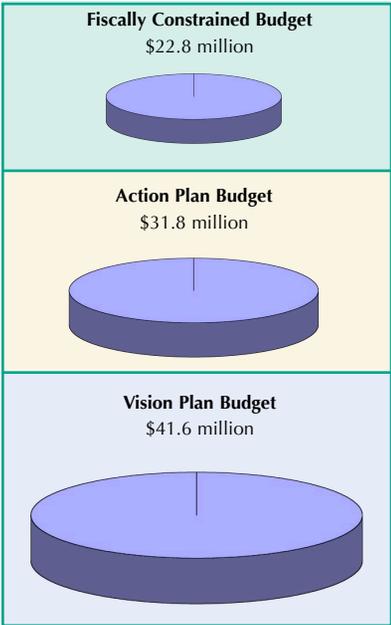
recovery goals that consider factors unique to Boulder. These include the city's business plan approach, the community's high demand for a range of programs, the structure of the Recreation Activity Fund (RAF), and decreased subsidies in recent years from the city's General Fund. The department's cost-recovery levels generally are lower for programs categorized as essential services. The model will be used to ensure equity and the affordability of programs and services that benefit the whole community.

The department is using its Core Services Business Model to evaluate the cost-recovery and subsidy rates of recreation facilities and programs, including, for example, adult sports programs, park shelter rentals, and the annual flower program. The model will be used to determine appropriate fees for specialized and enterprise-like programs to maintain their higher cost-recovery rates. The department intends to evaluate all facilities, programs, and services and adopt a cost-recovery policy in 2007. The model will be reviewed every two years and is intended to be flexible to respond to changing community and department needs.

If the department is directed to achieve a cost-recovery goal that is lower than the identified goal, the department will present a summary during the next annual city budget process that identifies the additional amount of General Fund subsidy that would be needed to meet the new goal. Department staff will also provide options for other program changes or reductions in lieu of receiving the recommended subsidy.



A summer camp at the Pottery Lab.



These pie charts illustrate the relative size of budgets needed to achieve each funding level.

The Core Services Business Model categories:

- o **Basic Services** recover 0-15 percent of costs. Basic services are the foundation of parks and recreation, provide widespread enjoyment, and are central to the department's mission. They generally include providing and maintaining parks and providing programs and services to under-served community members. They may meet legal requirements or enhance public health and safety. Examples: public open swim and turf areas in parks.
- o **Merit Services** recover 15-35 percent of costs. Merit services benefit a large proportion of the community, and both the individual and community benefit. They typically are not offered by other service providers due to the expected level of subsidy. Examples: park shelters, annual flower program, and EXPAND.
- o **Enhanced Services** recover 35-70 percent of costs. Enhanced services benefit a wide range of user groups but are targeted to interest groups, age groups, or ability levels and are most beneficial to individual users. They can take place at parks or facilities with higher operating costs. Examples: recreation centers, general youth recreation instruction, and dog parks.
- o **Specialized Services** recover 70-100 percent of costs. Specialized services benefit and are targeted to specific interest groups or ability levels and generally have fewer participants. They benefit the individual and, to a lesser degree, the community. Examples: Pottery Lab, Pleasant View Fields, and adult sports.
- o **Enterprise-like Services** recover 100 percent of costs. Enterprise-like services compete in the free market and are targeted to specific users based on an expressed demand and willingness to pay. Facilities are typically expensive to build and maintain, may be of high quality, and are capable of attracting special events and promoting tourism. Enterprise-like services

typically fund capital improvements. Examples: Flatirons Golf Course, Boulder Reservoir, and individual and group lessons.

Funding Plans

Master plan recommendations, aligned with the city's business plan, are linked to one of three funding strategies. Each funding scenario assumes that budget allocations will be increased annually to offset inflation pressures and retain current purchasing power.

Fiscally Constrained Plan uses the department's existing budget, but reallocates it to align with the highest priorities for programs and services.

Implications for Parks and Recreation. To some degree, the department currently funds all categories (essential, desirable, and discretionary) of programs and services within the fiscally constrained plan. The plan balances capital development, maintenance, and operations of existing parks, recreation facilities, and programs with the need to provide services for under-served populations. The department's funding structure provides multiple funds for operating and capital functions. The fiscally constrained plan will be maintained only if revenue growth and budget allocations are sufficient to offset future increases in operating expenses. The department will continue to evaluate business practices, make internal improvements, and leverage resources. If revenue growth from sales tax, property tax, user fees, or General Fund support is insufficient, the department may need to reduce programs and services to absorb increases in operating costs due to growth and inflation.

Action Plan allows for the department to restore or expand facilities, programs, and services when funding becomes available.

Implications for Parks and Recreation. The action plan includes

Appendix D Scoring Matrix

| Conceptual Core Services Business Model Scoring Matrix | | | | |
|---|---|--|-------|------------|
| Category | Characteristic | characteristic score | total | category % |
| Basic | <i>Programs and services identified by City Council to meet the needs of under-served community members</i> | Yes/No | 0 | 0% |
| | Meets Legal Requirements | Yes/No | | |
| | <i>Targeted to families</i> | | | |
| | Benefits a large proportion of the community | | | |
| | <i>Targeted to entry or mixed skill levels</i> | | | |
| | <i>Use is non-exclusive</i> | | | |
| Merit | <i>Programs and services identified by Parks & Recreation to meet the needs of under-served community members</i> | Yes/No | 0 | 0% |
| | <i>Generally benefits the community more than the individual</i> | | | |
| | <i>Targeted to children's, youth, or senior groups</i> | | | |
| | <i>Targeted to novice skill level</i> | | | |
| Enhanced | <i>Equivalent benefit to the individual and community</i> | | 0 | 0% |
| | <i>Targeted to child, youth, or senior individuals</i> | | | |
| | <i>Targeted to intermediate skill level</i> | | | |
| Specialized | <i>Primary benefit to the individual, little community</i> | | 0 | 0% |
| | <i>Targeted to adult groups</i> | | | |
| | <i>Targeted to advanced skill level</i> | | | |
| Enterprise-like | <i>Competes in the free market or non-city sponsored program</i> | Yes/No | 0 | 0% |
| | Targeted to specific users based on an expressed demand and willingness to pay | Yes/No | | |
| | <i>Targeted to adult individuals</i> | | | |
| | <i>Targeted to competitive skill level</i> | | | |
| | <i>Use is exclusive</i> | | | |
| <u>sources:</u> master plan CSBM descriptions workgroup suggestions | | <u>scores:</u> 0 - not at all 5 - completely | | |

Scoring matrix process

- A. A cost recovery model like that recommended by the Work Group should be adopted. It is important that the model is rooted in the civic mission of the city yet recognizes the role of market competition.
- B. A systematic approach to place programs into the cost recovery model should be developed based on guiding principles and community values to provide a conceptual basis for broad

goals of cost recovery. Such an approach is proposed by the City Manager's Work Group on Recreation Financing.

- C. A preliminary assessment should be made by the department to determine the workability and budgetary feasibility of the model. This assessment may be made by selecting programs representative of large numbers of classes, then selecting from those a reasonable cross-section of programs, then scoring that subset. Such a process has the potential to illuminate "unintended consequences" and to provide a fairly good check on workability and budgetary feasibility without exhaustive work.
- D. Transition into the model refined through step C above should take place over a period of time that is reasonable from a resource availability perspective of the department. Also, a calibration of scoring, slotting, and setting cost recovery goals across programs should be performed during phase-in and then repeated on an as-needed basis to ensure the model results are sensible and workable, especially from a budgetary perspective.
- E. All programs should be scored on the recommended set of distinctions that reflect community values and City goals. The proposed CSBM revision provides a mechanism to score every recreation program and activity, whether sponsored by the city or not. The resulting scores will determine which CSBM category a program belongs in and provide guidance on where within each cost recovery ranges each program should be placed.
- F. The process used to score programs should be documented. The judgments will be subjective but should be consistent across all programs and activities. The scores should be based on the characteristics of each program and applied with a consistent rating methodology across all programs. The cost recovery goal for programs will be based on the distribution of scores within the designated cost recovery ranges.
- G. The new fee structure based on the revised model should be implemented when the system is ready and ample review has been accomplished. As this may take one to three years, an interim plan will be needed, including implementing fee changes based on updated costs and unfreezing fees. The city should communicate changes to impacted community members and groups whenever program cost recovery goals change.
- H. The new fee system can be implemented all at once or in phases, whichever works best. City Council should consider rescinding the current restriction of 10% increases for codified fees per year to allow fees to reach their appropriate level in a reasonable period of time. Fees generally should not be codified so that they can be responsive to changes. Criteria for fee changes should be set to trigger review by PRAB and/or Council. Such a trigger could be a 10% fee increase, a lesser percent fee increase, or some multiple of the current inflation rate.

- I. The city should communicate the program evaluation process and the program outcomes to stakeholders, using PRAB as a means of review and an opportunity for public input.

Scoring matrix instructions for raters

1. Use the same factors and the same scale to score all recreation programs and activities.
2. Assign Yes/No judgments and scores for every factor in each of the five categories, regardless of whether it is a city-sponsored, non-profit or for-profit program, a class or a drop-in activity.
3. Score each line-item characteristic of the program, other than the Yes/No factors, from 0 to 5, with 0 indicating “not at all” and 5 for “completely.” Create ways to ensure consistency of judgment across raters, programs and time. For example, define the meaning of a score of 1, 3 and 5 for each rating factor. Use the scores in between (2 and 4) when a program does not exactly fit the defined points.
4. Document the systematic approach all raters will use to make judgments.
5. Spreadsheet formulas should automatically total the scores separately in each category.
6. Spreadsheet formulas should automatically normalize the score in the far right column, to account for differences in the number of criteria.
7. Slot the program into a category.
 - a. A program should be placed in the lowest category in which it receives a Yes determination.
 - b. If a program does not receive any Yes determinations, then assign that program to the category in which it has the highest normalized score in the last column.
 - c. If a program’s highest score is duplicated in two neighboring categories then use the scores in the other categories to compare affinity to the upper levels and affinity to the lower levels. The program should be slotted into the category closest to the stronger affinity.
 - d. If a program’s highest score is duplicated in two non-neighboring categories (hopefully a rare case) then the program should be slotted into the category closest to the midpoint between those two non-neighboring categories.
 - e. If a program’s highest score is duplicated in any other manner, then the best balance among all scores should be used to slot the program into a category and the PRAB should provide a recommendation as to the most appropriate category and cost recovery goal for the program.

8. Set the recovery rate for the program within the range defined for the assigned category by comparing the normalized score in the last column for the program's slotted category with that of other categories. Even the scores for programs placed in a category through the Yes/No process should be evaluated to set a cost recovery rate within the given range.
 - a. If the program has a strong affinity to upper levels, then the recovery rate should be set at the high end of the range defined for the category in which the program was slotted.
 - b. If the program has a strong affinity to lower levels, then the recovery rate should be set at the low end of the range defined for the category in which the program was slotted.
 - c. If the program has similar affinities to both upper levels and lower levels, then the recovery rate should be set near the midpoint of the range defined for the category in which the program was slotted.



Core and Desirable Programs

Core programs are the Department’s highest priority and are determined on the basis of the Department’s mission, community need, and community priority interest. The 2009 Recreation Plan Survey indicated the community’s top priorities included supporting programs that improve health and well-being, providing positive activities for children and youth, and offering recreation opportunities for people with disabilities or with low incomes who otherwise might not be able to participate.



Recreation in the Community

The Department provides core programs that fulfill *social responsibilities*, meaning they benefit the

public good, and *financial responsibilities*, meaning they help the Department become economically sustainable. The Department offers numerous programs and facilities, (business core), that help fund the core programs.

City of Boulder Core Programs

Social Core or “Public Good” Programs

Social core or “public good” programs generally include traditional youth programs, programs that target community members with disabilities or low incomes, and activities that enhance the health, safety, and livability of the community. Public good programs may require some level of subsidy to encourage the highest level of participation. They include: **Life/safety and community health programs** that engage youth and the community in healthful activities and help establish positive lifelong habits, such as learn-to-swim classes, introductory sports programs, and basic fitness, health, and wellness classes. In the past, learn-to-swim programs were offered as a partnership between BVSD and the Department, to teach all third graders how to swim. **Programs for people who are disadvantaged** that provide access to recreation programs, such as the Youth Services Initiative (YSI) for children and youth from families who live in low income housing (see Sidebar page 19) and EXPAND for people of all ages with disabilities (see Sidebar page 19).



Business Core or “Business Sustainability” Programs

Business core or “business sustainability” programs meet the needs of the market, and are offered at market rate. They include: Programs that produce revenues for the Department and are able to reduce tax-supported funding. These include golf programs, adult sports leagues, camps and various class offerings.

Desirable Programs

The Department offers a multitude of “desirable” programs that meet community interests and desires. These programs must meet the following criteria to be offered by the City of Boulder:

Required:

1. The program generates sufficient revenues to offset its costs (identified direct and indirect costs, such as instructor fees, class materials, and administrative costs).
2. Physical program space is available at a City of Boulder facility.
3. The program is in demand; classes often fill up and may have a waiting list.
4. The program serves a large population or identified community need.

Desired:

1. The program might provide a partnership opportunity to leverage city resources.
2. The program maximizes facility use; it might use a space that would otherwise be empty.
3. The program contributes to serving a diverse cross-section of the community.

The Department will be focusing on providing “core” mission programs and programs that will reduce the City subsidy as well as desirable programs with a competitive fee structure. Identifying those programs that are “core” to the Department’s mission allows the Department to focus on key recreation programs and determine how they will be funded in a sustainable way. Core and desirable programs will be reviewed during regular plan updates and a phased approach will be used to move the desirable programs into the business core category.

A large majority (84 percent) of 2009 Recreation Plan Survey respondents thought the Department should operate using a human services model, in which parks and recreation is valued for contributing to the physical, emotional, and social welfare of the whole community. The 2006 Parks and Recreation Master Plan notes that parks and recreation departments worldwide, as part of their mission related to human services, are

Scholarship Program

The Department is interested in establishing a scholarship program, which, in conjunction with the reduced-rate program that is currently offered, will greatly expand access to recreation programs and services to people that are economically disadvantaged. The Department will explore various methods for fundraising, such as a direct donation campaign, and create clear guidelines and procedures for applying and using these funds.





working to help young children and youth who are disadvantaged make healthy life choices. It also noted that in recent years society has acknowledged leisure as a right of all citizens and access to recreation as a necessary element for a community to achieve a high quality of life. The Department is committed to reaching out to residents to provide access to programs and services regardless of age, income, ability, or culture.

The human services model provides recreation services that are funded primarily through tax dollars. Given the current economic shift, use of this model is not sustainable either in the current or the anticipated future economic climate. The business model, in contrast, is designed to attract and serve users who can afford to pay for services. This plan recommends a mix of both models and defines which programs and services could receive taxpayer subsidy, as available, and which programs should be self funded (see Chapter 5).

The Program “Portfolio”

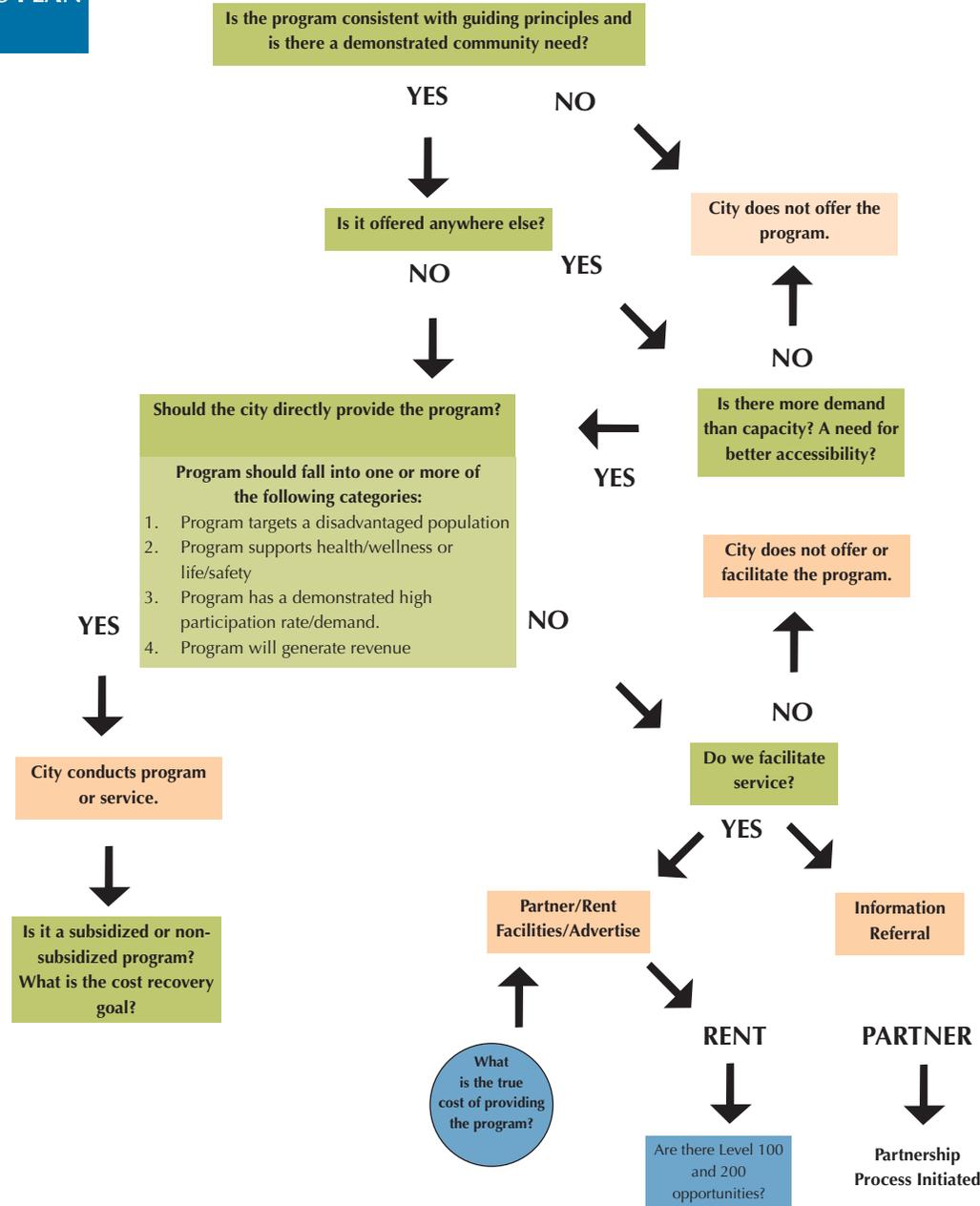
The entire set of Department offerings (the “Portfolio”) should be viewed holistically, with central management oversight that ensures a bal-

anced set of programs and services is being offered to meet the needs and interests of the community and the Department’s mission and financial sustainability goals. Traditionally, the community need and support has been for fitness, aquatics, sports and gymnastics programs. New program proposals and current program evaluations will be reviewed on an ongoing basis. Specific program evaluation criteria are being developed and will include the requirement to be consistent with the Department’s mission, program type (core or desirable), business and economic factors, and community interest and satisfaction. The portfolio will include Department programs that are Department run or contracted, or programs offered by partners and rentals (see page 12 for definitions of Recreation Providers).

The Program Delivery Model (see page 23) shows a series of questions and steps to help determine whether a program or service should be provided by the Department, and if not, whether the Department could facilitate the program or service through a partnership, rental, or clearinghouse opportunity.

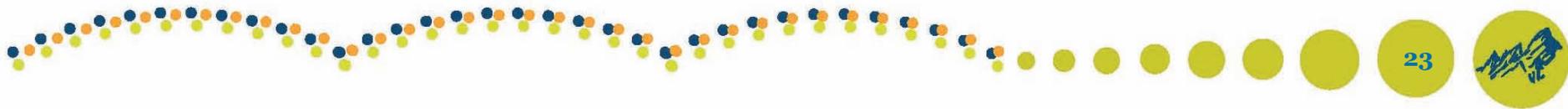


**RECREATION PROGRAM AND FACILITIES PLAN
PROGRAM DELIVERY MODEL**



LEGEND

- Question
- Decision
- Pricing Determination



As part of the RPPF process, the Department inventoried recreation programs to identify service gaps by age group. The Summary of Departmental Age Group Offerings (see chart below) shows that the Department offers a wide variety

of recreation services for various age groups, including seniors. The chart also includes programs offered by the Senior Services Division and identifies an overlap in services and programs for seniors.

Summary of Departmental Age Group Offerings

| | Preschool | | Youth | | Teen | | Adult | Senior | Sr Services |
|--------------------|-----------|---------|----------|-----------|-----------|-----------|-------|--------|-------------|
| | 0-3 yrs | 4-6 yrs | 7-10 yrs | 11-12 yrs | 13-16 yrs | 16-18 yrs | 18+ | 50+ | |
| Art | | X | X | X | X | X | X | X | |
| Athletics | X | X | X | X | X | X | X | X | X |
| Dance | X | X | X | X | X | X | X | | X |
| EXPAND | X | X | X | X | X | X | X | X* | |
| Fitness | X | X | X | X | X | X | X | X | X |
| Golf | | X | X | X | X | X | X | X | X |
| Gymnastic | X | X | X | X | X | X | X | | |
| Pilates | | | | | X | X | X | X* | |
| Pottery | | X | X | X | X | X | X | X* | |
| Reservoir Programs | | X | X | X | X | X | X | X* | |
| Swimming | X | X | X | X | X | X | X | | X |
| Swiss Ball | | | | | X | X | X | X* | |
| Tennis | X | X | X | X | X | X | X | X* | |
| Weight Training | | | | X | X | X | X | | X |
| Yoga | X | X | X | X | X | X | X | | X |
| YSI | | | X | X | X | X | | | |

* There are no specific programs for Seniors in these areas, but Seniors can participate in any adult programs.



Program Management

The Department is committed to a strategic process for determining which programs and services it can offer, recognizing that it cannot offer every program and service the community might desire. The process includes an assessment of all the programs and services now provided by the Department, an analysis of potential new programs and which programs could be offered by other groups or agencies. The Program Delivery Model flow chart (see page 23), combined with the descriptions of core and desirable programs (see page 20), explains how the Department will assess current programs and/or offer new ones.

Recreation programs will have identified goals and objectives in order to provide consistently high-quality programs. The Program Delivery Model will also be used to determine which programs the Department should continue to offer. These programs will be offered using best practices in management, ensuring they meet leisure education standards, and have evaluation goals that specifically assess customer satisfaction and other targets. A community needs assessment or gap analysis will be updated on a regular basis to help guide staff with the evaluation of program offerings.

As part of the program review process, recreation administrators will monitor program offerings and consider the life cycle of each program and modify class offerings accordingly. Class minimums will be set appropriately based on ex-

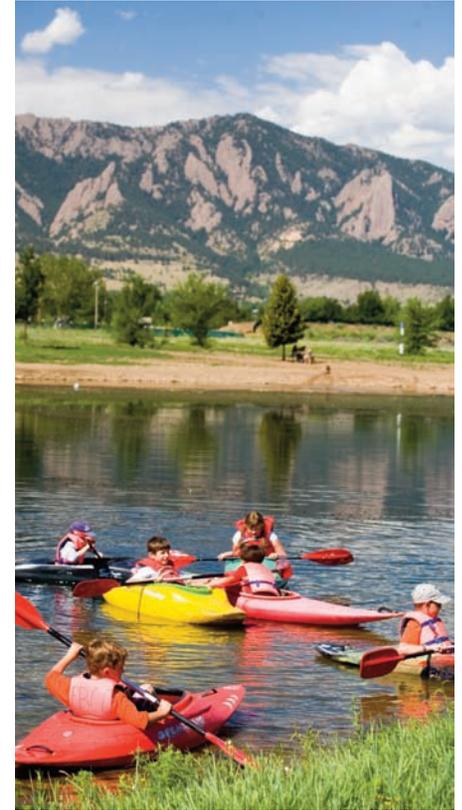
penses and approved cost recovery goals. To encourage efficient operations, staff will continue to promote online registration and will identify barriers that deter customers from using the system.

When the Department is financially sustainable, it could develop an “opportunity fund” during the budget process for use in developing new programs. This would allow for new program ideas related to trends to be tested to increase services and produce offsetting revenue.

New program proposals will be reviewed by staff using the Program Delivery Model and the associated criteria for new programs. The criteria addresses whether the proposed program targets people who are disadvantaged, supports health/wellness or life/safety, has a demonstrated high participant demand, and/or will generate revenue. A proposed program budget will be required to ensure identified cost recovery goals will be met.

Program Evaluation and Life Cycle

Programs, like any product, require periodic evaluation and assessment to maintain quality and relevance to the market. Dynamic instructors, quality equipment and facility space, excellent teaching materials, techniques and marketing all play vital roles in delivering program excellence. The department will be developing and implementing a systematic and consistent approach to program evaluation as a key component of this plan.

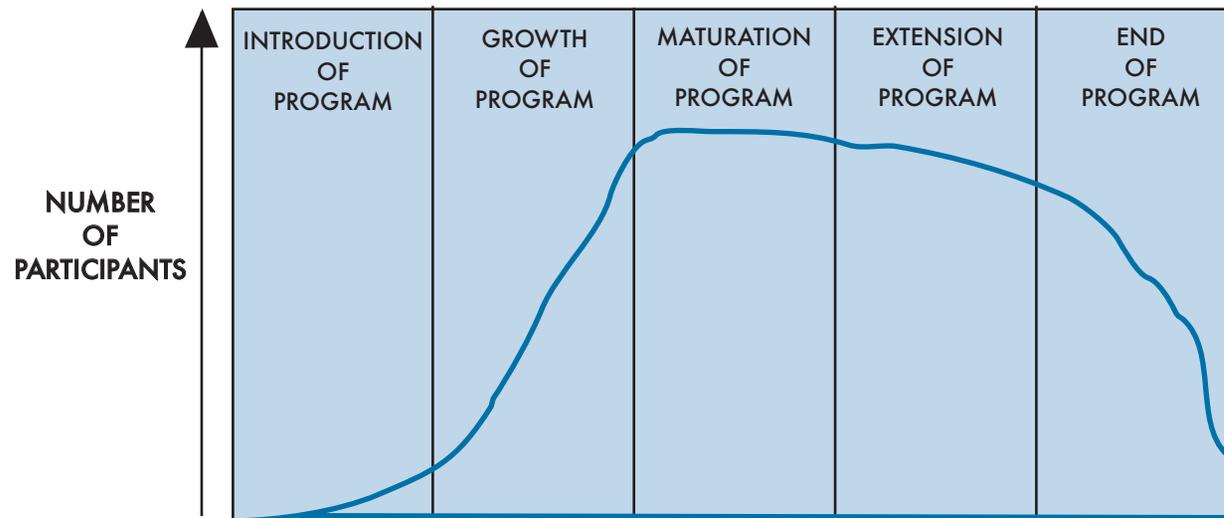


Program evaluation will include participant feedback, course enrollment and revenue trends, and product life cycle criteria. The goal of program evaluation is to ensure delivery of quality programs and optimal utilization of available facilities and resources. Programs that do not meet baseline evaluation criteria will be modified or discontinued.

Recreation programs typically follow a life cycle pattern from start-up, through high interest and participation and into decline. The Department is defining program life cycle stages -

planning and development, market introduction, growth, maturity, extension (or saturation) and decline - to provide useful program evaluation criteria. Ensuring the overall sustainability of recreation programs requires an understanding and assessment of each program's life cycle. Some programs may last only a few sessions or years, while others may last decades. Adjustments to program offerings based on awareness of program life cycle is critical for effective program evaluation.

Program Life Cycle



Source: *Leisure Program Planning and Delivery*. Ruth Russell and Lynn Jamieson. *Human Kinetics*. 2008. p. 132.

This chart is an example of the life cycle of a typical recreation program. There are some programs that have varied life cycles and are adjusted to reflect the market.



Recommendations Chapter 3

Scholarships/Reduced Rate

- 1 Create a formal scholarship program (in addition to the reduced rate program) that includes guidelines, criteria, and procedures. Increase outreach for all reduced rate options.
- 2 Develop a stronger relationship with the PLAY Boulder Foundation and other community groups and agencies to raise money for the scholarship program.
- 3 Implement a direct donation option for the scholarship program, such as a “check the box” idea of a \$5 donation at registration.

New Program Development

- 4 Establish an “opportunity fund” for creating new programs. (See also Chapter 5.)
- 5 Use the Program Delivery Model to determine which programs to include in the Department portfolio.
- 6 Develop incentives for patrons to try new programs.

Program Classification

- 7 Communicate the Department’s program model to provide an understanding of pricing and subsidy levels.
- 8 Continue to offer desirable programs that meet sustainability criteria. (See funding chart in Chapter 5.)

Program Management

- 9 Establish class participation minimums to ensure fees offset defined costs that must be recovered.
- 10 Achieve 90% online registration by the end of 2012 for efficient operations.
- 11 Centralize all programming oversight and evaluation, including program life cycles.
- 12 Create standards to ensure high-quality programs.
- 13 Standardize the ratio of program staff to program hours. (See also Chapter 5.)

Program Evaluation

- 14 Develop a standardized, qualitative process for evaluating programs, and adjust course offerings as appropriate.

Contracted Programs/Partnerships

- 15 Offer all future contracted programs at a City of Boulder facility.
- 16 Develop and pilot a program partnership process.



**Boulder Parks and Recreation Department
DRAFT SERVICE CATEGORIES**

| Benefit | Service Categories | Cost Recovery Targets |
|---|---|---|
|  | <p>Community: Non-skill based services that enhance the health, safety and livability of the community and therefore require minimal obstacles to participation.</p> |  |
| | <p>Leisure: Skill based services that benefit a wide range of user groups and are targeted to promote individual physical and mental well-being</p> | |
| | <p>Performance: Skill-based services targeted to specific users or user groups with high individual benefit.</p> | |
| | <p>Individual: Services, skill based or non-skill based, targeted to individuals with little or no community benefit.</p> | |