



# Cost Recovery, Resource Allocation & Revenue Enhancement Study

City of Chula Vista



Inspiring communities to lead forward

# Agenda

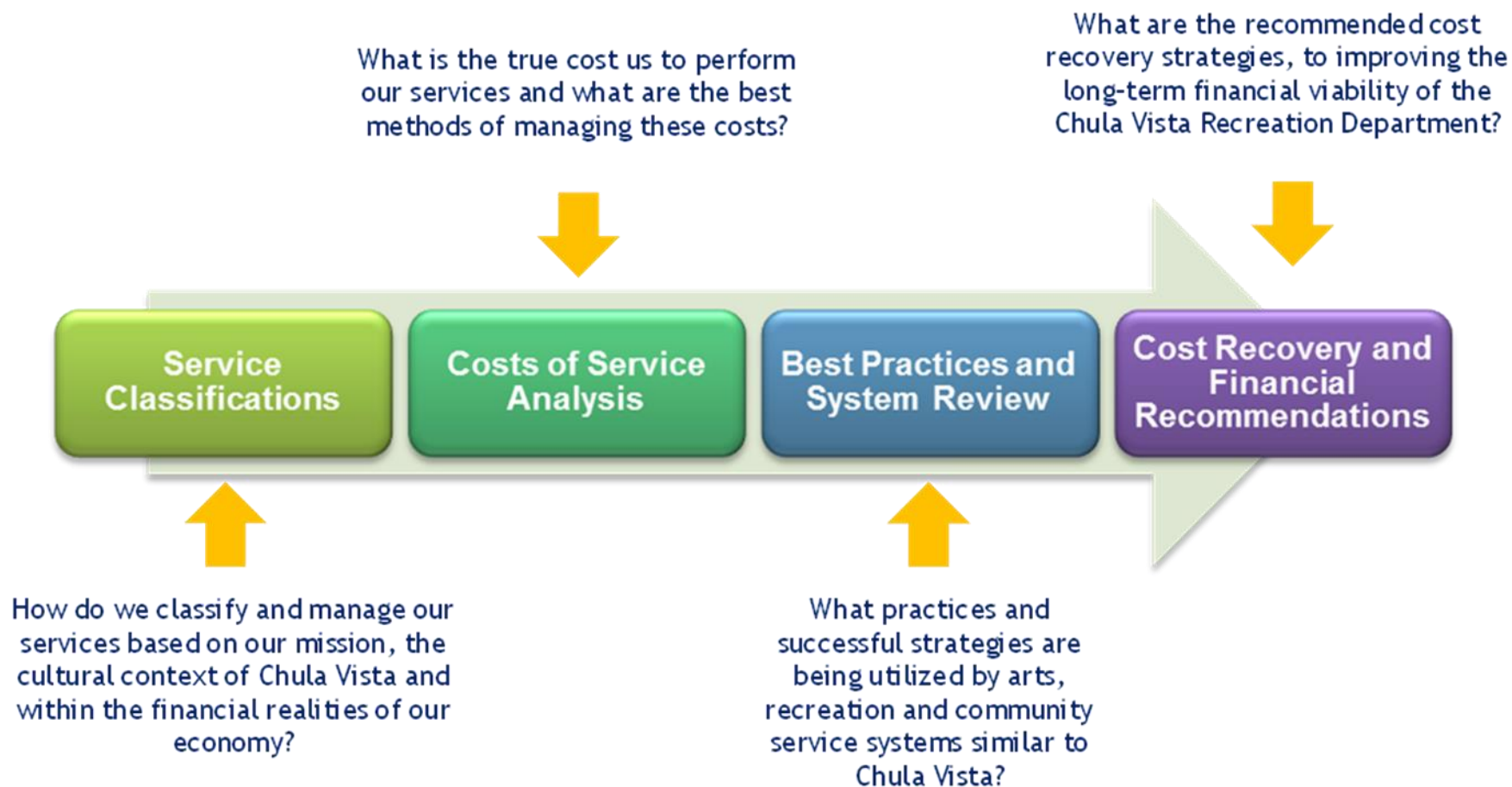
---

- Project Overview
- Program and Service Classification
- Community Engagement Input
- Key Recommendations



# Project Overview

---



# Program and Service Classification

---

Individual  
Benefit



Broad Public  
Benefit

**Value Added**

*User Fees*

**Important**

*Subsidized – Taxes & Fees*

**Core Services**

*Mission Driven – General Fund Tax  
Supported*

# Program and Service Classification

Program/Service	0% -30%
	Core Essential (Must Offer)
Aquatics- Intro. Instructional Levels (Pre-school through LTS)	Yes
ASPIRE (Free After School Program in Recreation Enrichment)	Yes
CV WARN (Water Awareness Residential Neighborhoods)	Yes
Empower Hour (grant funded after-school program in the parks)	Yes
Inclusion Services (ADA)	Yes
Recreational Swim	Yes
Senior Health & Fitness Programs (intro.)	Yes
Senior Programs (Instructional - intro.)	Yes
Senior Programs (Support Services through partnerships - free programs)	Yes
Special Events (Department e.g Movies in the Park)	Yes
Teen Diversionary Activites (6-9 pm)	Yes

# Program and Service Classification

---

Program/Service	31% -70%
	Important (Should Offer)
Lap Swim	Yes
Lifeguard Training	Yes
Pre-school Programs**	Yes
Special Events (Partners)	Yes
Teen Programming (intro)	Yes
Therapeutic Programs & Camps	Yes
Tiny Tot Program	Yes
Youth Instructional Classes - Intro. (Music, Language, Performance, Dance)	Yes
Youth Health & Fitness Programs (including Martial Arts) - Intro	Yes
Youth Sports Instruction	Yes
Recreation Department Youth Sports Leagues	Yes

# Program and Service Classification

---

Program/Service	71% or higher
	Value-Added (Nice to Offer)
Special Events (City-wide e.g. Community Fun Run Fundraiser)	Yes
Teen Programming (advanced / camps etc.)	Yes
Excursions	Yes
Youth Day & Sports Camps	Yes
Youth Instructional Classes - Adv. (Music, Language, Performance, Dance)	Yes
Youth Health & Fitness Programs (including Martial Arts) - Adv.	Yes
Youth Swim Team	Yes
Youth Sports Tournaments	Yes

# Community Engagement Input

---

- Six Open Public Meetings
- Community Online Survey





# Community Meetings Input

Concepts	Community Feedback
Resident / Nonresident pricing	Most would support instituting a higher fee structure for nonresidents who use City Services
Basic / Intermediate Programs	There was a split between those who would and would not support user fee increases based on the advanced/specialized nature of certain programs or services
Administrative Fee	Respondents indicated they would support an administrative fee support if there was assurance that the fees collected would be used towards a specific park or facility, or for maintenance or enhancement of that park or facility
Price Discount (Non-prime time)	Respondents would support a price discount to attend programs at a less convenient location or time but were uncertain about price increase for prime time slots.
Willingness to pay more to create a self-sustaining Scholarship Fund?	Yes, a majority of respondents indicated they would support

# Community Survey Summary

---

- High satisfaction
- Good support for differential pricing
  - Resident / Non-resident
  - Instructor Quality Premium - quality of experience
  - Price discounted rates - quality of experience
- Dedicated maintenance admin fee split results
- Self-sustaining Scholarship fund split results



# Key Recommendations

---

***1. Incorporate Program Based Pricing Philosophy Based on Exclusivity and Levels of (Individual versus Community) Benefit***

***2. Offer Base Prices with Residents and / or Nonprofit Discounted Rates***

# Key Recommendations

---

## 3. Offer Differential Pricing Rates (Timing and Residency Rates)

	Prime Time	Non-Prime Time
Facilities / Pools	Mon – Fri: 5pm – close Saturday all day	Mon – Fri: Open to 5pm Sunday all day

# Key Recommendations

## 4. Annually Update the Cost of Service Model

<b>PROGRAM CATEGORY</b>	<b>Adult Softball League (MSM)</b>
Revenues	108,315
<b>Expenditures:</b>	
Staff	40,957
Outside Services	480
Supplies & Services	17,082
Facility / Field Use	
Cost Per Session	58,519
Number of Sessions	1
Program Cost	58,519
<b>Total Program Costs</b>	58,519
<b>Department Administration</b>	26,169
Park Cost	17,742
Custodial Staff	-
<b>City-Wide Overhead</b>	43,077
<b>Total Expenditures</b>	145,507
<b>Revenues Over (Under) Expenditures</b>	(37,192)
<b>Direct Program Cost Recovery</b>	185%
<b>Program Cost Recovery with Department Overhead</b>	128%
<b>Total Cost Recovery with City overhead</b>	74%

# Key Recommendations

---

***5. Incorporate City's Asset Management Program into Recreation Fees***

***6. Seek Non-Traditional Funding Sources***

# Key Recommendations

---

## ***7. Update Master Fee Schedule***

# Key Recommendations

## Facility Sample

<b>RECREATION PROPOSED</b> <i>(NR - Non.Res / PT - Prime Time / R - Resident / NPT - Non Prime Time)</i> <i>Prime Time = 5pm - close (M-F) / Saturday - All day; Non Prime Time = M-F during the day / Sunday - All day</i>	<b>Base Fees</b>  <i>NR + PT</i>  <b>100%</b>	<b>Resident Discounted Fees</b>  <i>R + PT <u>or</u> NR + NPT</i>  <b>50%</b>	<b>Super-Discounted Fees</b>  <i>R + NPT</i>  <b>25%</b>
<b>Parkway Community Center</b>			
Gymnasium - Large	\$150	\$75	\$38
Gymnasium - Large half	\$95	\$48	\$24
Main Hall / Gym - Small	\$130	\$65	\$33
Kitchchen facilities w/ MH	\$25	\$13	\$6
Classroom	\$75	\$38	\$19
Dance room	\$75	\$38	\$19
Game room	\$45	\$23	\$11
<b>Heritage Community Center</b>			
Main Hall (MH)	\$130	\$65	\$33
Kitchchen facilities w/ MH	\$25	\$13	\$6
Outdoor Stage	\$130	\$65	\$33
Craft room	\$75	\$38	\$19
<b>Norman Park Senior Center</b>			
Cornell Hall Full	\$130	\$65	\$33
Cornell Hall Half	\$75	\$38	\$19
Conference Room	\$25	\$13	\$6
Game room	\$25	\$13	\$6
Kitchen facilities	\$25	\$13	\$6



# Key Recommendations

## Facility Sample



<b>FACILITY</b> <i>(NR - Non.Res / PT - Prime Time / R - Resident / NPT - Non Prime Time)</i> <i>Prime Time = 5pm - close (M-F) / Saturday - All day; Non Prime Time = M-F during the day / Sunday - All day</i>	<b>Base</b>  <i>NR + PT</i>	<b>Resident Discount</b>  <i>R + PT <u>or</u> NR + NPT</i>	<b>Super-Discount</b>  <i>R + NPT</i>
	<b>100%</b>	<b>50%</b>	<b>25%</b>
<b>Outdoor Courts</b>			
Basketball Court	\$55	\$28	\$14
Tennis Court	\$55	\$28	\$14
<b>Salt Creek Community Center</b>			
Soccer Arena	\$115	\$58	\$29
<b>Sunset View Park</b>			
Roller hockey facility	\$115	\$58	\$29

# Key Recommendations

---

## Amphitheaters



Amphitheaters (per hour)		
	Non-Resident/ For-Profit	Resident/ Non-Profit
Memorial Bowl	\$150	\$75
Mountain Hawk Park	\$150	\$75

# Key Recommendations

---

## Shelters

Picnic Shelters		
	Non-Resident/ For-Profit	Resident/ Non-Profit
Small Shelter, Reservation Fee / day	\$150	\$75
Medium Shelter, Reservation fee / day	\$300	\$150
Large Shelter, Reservation Fee / day	\$600	\$300
Cleaning / Damage Deposit	\$100	\$100
Cancellation Fee, all	\$25	\$25

Cancellation Fee, 48-hour minimum notice required all shelter reservations

# Key Recommendations

---

## SUMMARY OF FACILITY FEE UPDATES

- Fee changes exhibit a wide range:
  - Reduction in Fees for Norman Park Senior Center – Cornell Hall rental and Outdoor Courts (for Resident + Non-Prime Time)
  - 10% - 15% increase in what residents have to pay in others (e.g. Salt Creek Gymnasium – Full for Resident + Prime Time increase from \$65 - \$75)
  - New fees instituted e.g. Mountain Hawk Amphitheater rental and Active Recreation Areas

# QUESTIONS?



## Cost Recovery, Resource Allocation & Revenue Enhancement Study

City of Chula Vista



Inspiring communities to lead forward