

**MOORPARK CITY COUNCIL
AGENDA REPORT**

TO: Honorable City Council

FROM: Stephanie Anderson, Recreation Superintendent 

DATE: November 8, 2013 (Meeting of December 18, 2013)

SUBJECT: Consider Recreation Programs Cost Recovery Summary Fiscal Year 2012-2013

BACKGROUND

On January 18, 2012, the City Council approved the Recreation Programs and Services Cost Recovery Policy (Policy). The Policy defines costs, revenue sources, program categories, and recovery levels. Costs currently reported include direct costs (costs charged to the programs line item budget and part-time staff costs) and indirect costs (full-time staff costs and overhead costs such as facility use and general department supplies).

Each program offered by the Recreation Division is assigned a program category, based on factors including type, purpose, and program structure. Program categories are each placed into a recovery level. There are five recovery levels, ranging from level 1 (high subsidy) to level 5 (minimal subsidy). The Policy establishes both the minimum cost recovery and target cost recovery requirements for each program category. Both the minimum and target amounts are noted in the cost recovery summaries in this report.

Programs are expected to reach their minimum recovery goal within a period not to exceed one year. Programs that are unable to meet the minimum cost recovery will be reviewed for consideration of appropriate action, including restructuring or eliminating the program. The City Manager is also authorized to exclude individual programs from the requirements of the Cost Recovery Policy.

The Policy requires an annual reporting to the Parks and Recreation Commission and Moorpark City Council on Recreation Programs and whether those programs met their cost recovery goals. Attached for reference is the Cost Recovery Policy, which establishes minimum and target cost recovery percentages for recreation programs.

DISCUSSION

This report serves as a financial summary of Recreation Division programs for the fiscal year 2012-2013. The seasons included in the report are Summer 2012, Fall 2012, Winter 2013, and Spring 2013.

The report was presented to the Parks and Recreation Commission on November 4, 2013. The Parks and Recreation Commission provided feedback on the report and concurred with staff recommendations for programs not meeting their minimum recovery goals.

Included in this report is a summary listing of programs based on their status of meeting cost recovery goals; financial summaries for each program; and staff recommended action plans for those programs not meeting their minimum recovery goals.

Cost Recovery Goal Summaries

Programs meeting target cost recovery goal	Programs meeting minimum cost recovery goal	Programs not meeting minimum cost recovery goal
3 rd of July Fireworks Extravaganza Camp Moorpark	Trick or Treat Village Breakfast with Santa Easter Egg Hunt Moorpark Arts Festival Teen Band Events Get a Job Workshop Recreation Classes Adult Softball Leagues Youth Basketball Leagues	Moorpark Has Talent General Teen Events Teen Skate Events The Hang Out Adult Basketball Leagues Adult Soccer Leagues

Financial and Cost Recovery Summaries for Recreation Division Programs

EVENTS

3rd of July Fireworks Extravaganza

Tuesday 7/3/12 from 4:00 to 9:30 p.m. at AVCP; admission \$4.00

Fireworks Extravaganza Financial Summary	
Attendance	12,100
Revenue	\$53,494
Direct Costs	\$40,317
Indirect Costs	
<i>F/T Staff*</i>	\$14,499
<i>Overhead Costs</i>	\$1,693
Total Costs	\$56,509
Gross Profit / (Loss)	\$13,177
Net Profit / (Loss)	(\$3,015)

Cost Recovery summary (Category: Community Event):

	<u>Recovered</u>	<u>Minimum</u>	<u>Target</u>
Percent Direct Costs Recovered:	100%	25%	100%
Percent Division Indirect Costs Recovered:	81%	0%	25%
Minimum Recovery Met:	Yes		
Target Recovery Met:	Yes		

**Includes estimates for full-time competitive service parks and public works staff.*

Trick or Treat Village

Saturday, 10/27/12 from 4:00 to 7:00 p.m. at AVRC; admission \$5.00/\$10.00/\$15.00

Trick or Treat Village Financial Summary	
Attendance	575
Revenue	\$1,725
Direct Costs	\$2,124
Indirect Costs	
F/T Staff	\$5,965
Overhead Costs	\$611
Total Costs	\$8,700
Gross Profit / (Loss)	(\$399)
Net Profit / (Loss)	(\$6,975)

Cost Recovery summary (Category: Special Event):

	<u>Recovered</u>	<u>Minimum</u>	<u>Target</u>
Percent Direct Costs Recovered:	81%	50%	100%
Percent Division Indirect Costs Recovered:	0%	0%	50%
Minimum Recovery Met:	Yes		
Target Recovery Met:	No		

Breakfast with Santa

Saturday, 12/22/12 from 8:00 a.m. to 12:00 noon at AVRC; registration fee \$0 to \$15

Breakfast with Santa Financial Summary	
Enrollments	116
Revenue	\$1,268
Direct Costs	\$1,592
Indirect Costs	
F/T Staff	\$3,056
Overhead Costs	\$257
Total Costs	\$4,906
Gross Profit / (Loss)	(\$324)
Net Profit / (Loss)	(\$3,637)

Cost Recovery summary (Category: Special Event):

	<u>Recovered</u>	<u>Minimum</u>	<u>Target</u>
Percent Direct Costs Recovered:	80%	50%	100%
Percent Division Indirect Costs Recovered:	0%	0%	50%
Minimum Recovery Met:	Yes		
Target Recovery Met:	No		

Easter Egg Hunt

Saturday, 3/30/13 from 10:00 a.m. to 1:00 p.m. at AVCP; admission \$5.00/\$10.00

Easter Egg Hunt	
Attendance	1,260
Revenue	\$3,355
Direct Costs	\$2,103
Indirect Costs	
F/T Staff	\$3173
Overhead Costs	\$390
Total Costs	\$5,666
Gross Profit / (Loss)	\$1,252
Net Profit / (Loss)	(\$2,311)

Cost Recovery summary (Category: Special Event)

	<u>Recovered</u>	<u>Minimum</u>	<u>Target</u>
Percent Direct Costs Recovered:	100%	50%	100%
Percent Division Indirect Costs Recovered:	35%	0%	50%
Minimum Recovery Met:	Yes		
Target Recovery Met:	No		

Moorpark Has Talent

Saturday, 3/22/13 at 7:00 p.m. at HSAC; entry fee \$10.00; show tickets \$10.00/\$12.00

Moorpark Has Talent	
Attendance	212
Revenue	\$4,881
Direct Costs	\$1,710
Indirect Costs	
<i>F/T Staff</i>	\$3,479
<i>Overhead Costs</i>	\$454
Total Costs	\$5,643
Gross Profit / (Loss)	\$3,171
Net Profit / (Loss)	(\$762)

Cost Recovery summary (Category: Other Event)

	<u>Recovered</u>	<u>Minimum</u>	<u>Target</u>
Percent Direct Costs Recovered:	100%	100%	100%
Percent Division Indirect Costs Recovered:	81%	100%	100%
Minimum Recovery Met:	No		
Target Recovery Met:	No		

Moorpark Arts Festival

Saturday, 4/27/13 from 10:00 a.m. to 4:00 p.m. on High Street; free admission

Moorpark Arts Festival	
Attendance	3,500
Revenue	\$1,700
Direct Costs	\$2,645
Indirect Costs	
<i>F/T Staff</i>	\$8,377
<i>Overhead Costs</i>	\$826
Total Costs	\$11,848
Gross Profit / (Loss)	(\$945)
Net Profit / (Loss)	(\$10,148)

Cost Recovery summary (Category: Community Event)

	<u>Recovered</u>	<u>Minimum</u>	<u>Target</u>
Percent Direct Costs Recovered:	64%	25%	100%
Percent Division Indirect Costs Recovered:	0%	0%	25%
Minimum Recovery Met:	Yes		
Target Recovery Met:	No		

General Teen Events

Twilight Movie Night: Saturday, 6/9/12 from 8:00-10:00 p.m. at AVRC; admission \$3.00

Game Night: Saturday, 9/8/12 from 6:00-9:00 p.m. at AVRC; admission \$5.00

Teen Movie Night: Saturday, 10/20/12 from 4:30-10:00 p.m. at AVRC; admission free

Holiday Movie Marathon: Friday, 12/28/12 from 1:00-8:00 p.m. at HSAC; admission \$5.00-\$15.00

Game Night: Friday, 1/18/13 from 6:00-9:00 p.m. at AVRC; admission \$5.00

Sports Day: Saturday, 2/2/13 from 1:00-4:00 p.m. at AVRC; admission \$5.00

Cupcake Challenge: Friday, 2/8/13 from 5:00-8:00 p.m. at MCC; entry fee \$10.00

Pi Day: Thursday, 3/14/13 at 3:30 p.m. at Tierra Rejada park; admission \$3.00
 (canceled day of event due to no attendance)

Movie Night: Saturday, 3/9/13 from 5:30-10:00 p.m. at AVRC; admission free

General Teen Event Financial Summaries	Summer 2012	Fall 2012	Winter 2013	Spring 2013	Total FY 12-13
Attendance (Total)	21	46	110	20	197
Revenue	\$78	\$110	\$501	\$5	\$694
Direct Costs	\$94	\$332	\$1,654	\$88	\$2,168
Indirect Costs					
<i>F/T Staff</i>	\$1,451	\$2,176	\$3,482	\$1,741	\$8,850
<i>Overhead Costs</i>	\$327	\$544	\$896	\$435	\$2,202
Total Costs	\$1,872	\$3,052	\$6,032	\$2,264	\$13,220
Gross Profit / (Loss)	(\$16)	(\$222)	(\$1,153)	(\$83)	(\$1,474)
Net Profit / (Loss)	(\$1,794)	(\$2,942)	(\$5,530)	(\$2,259)	(\$12,525)

Cost Recovery summary (Category: Special Event)

	<u>Recovered</u>	<u>Minimum</u>	<u>Target</u>
Percent Direct Costs Recovered:	32%	50%	100%
Percent Division Indirect Costs Recovered:	0%	0%	50%
Minimum Recovery Met:	No		
Target Recovery Met:	No		

Teen Band Events

Battle of the Bands: Saturday, 7/21/12 from 6:00-10:00 p.m. at AVRC; Admission \$5.00

ArroyoPalooza: Saturday, 8/4/12 from 1:00-5:00 p.m. at AVRC; Admission free

Band Jam: Saturday, 11/10/12 from 7:00-10:00 p.m. at AVRC; Admission \$5.00

Band Jam: Friday, 12/7/12 from 7:00-10:00 p.m. at AVRC; Admission \$5.00

Battle of the Bands: Saturday, 4/6/13 from 7:00-10:00 p.m. at AVRC: Admission \$5.00 (canceled due to lack of bands)

Band Events	Summer 2012	Fall 2012	Winter 2013	Spring 2013	Total FY 12-13
Attendance	267	43	28	0	338
Revenue	\$760	\$142	\$56	\$0	\$958
Direct Costs	\$804	\$200	\$177	\$0	\$1,181
Indirect Costs					
<i>F/T Staff</i>	\$2,901	\$1,088	\$870	\$870	\$5,729
<i>Overhead Costs</i>	\$678	\$254	\$238	\$208	\$1,378
Total Costs	\$4,383	\$1,542	\$1,285	\$1,078	\$8,288
Gross Profit / (Loss)	(\$44)	(\$58)	(\$121)	\$0	(\$223)
Net Profit / (Loss)	(\$3,623)	(\$1,400)	(\$1,229)	(\$1,078)	(\$7,330)

Cost Recovery summary (Category: Special Event):

	<u>Recovered</u>	<u>Minimum</u>	<u>Target</u>
Percent Direct Costs Recovered:	81%	50%	100%
Percent Division Indirect Costs Recovered:	0%	0%	50%
Minimum Recovery Met:	Yes		
Target Recovery Met:	No		

Teen Skate Events

Skate Fest: Saturday, 5/11/13 from 10:00 a.m.-1:00 p.m. at Poindexter Park; admission \$3.00 to enter contest (2 teens entered contest, other attendees observed)

Skate Fest	Spring 2013	Total FY 12-13
Attendance (Total)	32	32
Revenue	\$6	\$6
Direct Costs	\$152	\$152
Indirect Costs		
<i>F/T Staff</i>	\$870	\$870
<i>Overhead Costs</i>	\$208	\$208

Total Costs	\$1,280	\$1,280
Gross Profit / (Loss)	(\$146)	(\$146)
Net Profit / (Loss)	(\$1,224)	(\$1,224)

Cost Recovery summary (Category: Special Event)

	<u>Recovered</u>	<u>Minimum</u>	<u>Target</u>
Percent Direct Costs Recovered:	04%	50%	100%
Percent Division Indirect Costs Recovered:	0%	0%	50%
Minimum Recovery Met:	No		
Target Recovery Met:	No		

Teen Enrichment Programs

Get a Job Workshop: Thursday, 4/11/13 from 3:30-4:30 p.m. at AVRC; free admission

General Teen Events	Spring 2013	Total FY12-13
Attendance	8	8
Revenue	\$0	\$0
Direct Costs	\$0	\$0
Indirect Costs		
<i>F/T Staff</i>	\$870	\$870
<i>Overhead Costs</i>	\$214	\$214
Total Costs	\$1,084	\$1,084
Gross Profit / (Loss)	\$0	\$0
Net Profit / (Loss)	(\$1,084)	(\$1,084)
Net Profit / (Loss) Per Participant	(\$135.50)	(\$135.50)

Cost Recovery summary (Category: Vital Services)

	<u>Recovered</u>	<u>Minimum</u>	<u>Target</u>
Percent Direct Costs Recovered:	100%	25%	100%
Percent Division Indirect Costs Recovered:	0%	0%	25%
Minimum Recovery Met:	Yes		
Target Recovery Met:	No		

Teen Dances

No teen dances were held during the 2012/2013 fiscal year.

Other Teen Programs

The Hang Out: Wednesday, 9/26/12 from 9:00 a.m.-3:00 p.m. at AVRC; \$20 registration fee.

General Teen Events	Fall 2012	Total FY12-13
Attendance	0	0
Revenue	\$0	\$0
Direct Costs	0	0
Indirect Costs		
<i>F/T Staff</i>	\$1,088	\$1,088
<i>Overhead Costs</i>	\$254	\$254
Total Costs	\$1,342	\$1,342
Gross Profit / (Loss)	0	0
Net Profit / (Loss)	(\$1,342)	(\$1,342)
Net Profit / (Loss) Per Participant	N/A	N/A

Cost Recovery summary (Category: Day Camps)

	<u>Recovered</u>	<u>Minimum</u>	<u>Target</u>
Percent Direct Costs Recovered:	100%	100%	100%
Percent Division Indirect Costs Recovered:	0%	50%	75%
Minimum Recovery Met:	No		
Target Recovery Met:	No		

Recreation Classes

Summer 2012: June through August

Fall 2012: September through November

Winter 2013: December through January

Spring 2013: March through April

Summer Classes	Summer 2012	Fall 2012	Winter 2013	Spring 2013	Total FY12-13
Classes Offered	144	105	124	112	485
Classes Run	88	63	73	76	300
Classes Canceled	56	42	51	36	185
Cancelation Rate	38.9%	40%	41%	32%	38%
Enrollments	663	656	553	607	2479
Revenue	\$57,692	\$59,761	\$58,460	\$60,572	\$236,485
Direct Costs	\$39,762	\$41,182	\$41,813	\$ 42,325	\$165,082
Indirect Costs					

<i>F/T Staff</i>	\$16,231	\$16,231	\$16,231	\$ 16,231	\$64,924
<i>Overhead Costs</i>	\$4,523	\$5,112	\$4,877	\$ 5,380	\$19,892
Total Costs	\$60,516	\$62,525	\$62,921	\$ 63,936	\$249,898
Gross Profit / (Loss)	\$17,930	\$18,579	\$16,647	\$18,247	\$71,403
Net Profit / (Loss)	(\$2,824)	(\$2,764)	(\$4,461)	(\$3,364)	(\$13,413)

Cost Recovery summary (Category: Recreation Classes):

	<u>Recovered</u>	<u>Minimum</u>	<u>Target</u>
Percent Direct Costs Recovered:	100%	100%	100%
Percent Division Indirect Costs Recovered:	84%	75%	100%
Minimum Recovery Met:	Yes		
Target Recovery Met:	No		

Camp Moorpark

Summer Camp: Monday through Friday, 6/4/12 through 8/28/12 from 7:00 a.m. to 6:00 p.m. at AVRC; daily registration fees \$25.00-\$46.00; annual registration fees \$23.00-\$110.00

Adventure Camp: Ages 10 to 15

Camp Moorpark: Ages 6 to 10

Mini-Camp Moorpark: Ages 4 years 9 months to 7

Winter Camp: Wednesday through Friday 12/26 to 12/28/2012 and 1/2 to 1/4/2013 from 8:00 a.m. to 6:00 p.m. at AVRC; daily registration fees \$23.00-\$36.00; annual registration fee \$35.00 (if did not attend summer 2012)

Spring Camp: Monday through Friday, 3/25/12 through 3/29/12 from 8:00 a.m. to 6:00 p.m. at AVRC; daily registration fees \$23.00 - \$36.00; annual registration fee \$35.00 (if did not attend summer 2012)

Camp Moorpark Financial Summary	Summer 2012	Winter 12/13	Spring 2013	Total FY 12-13
Participants (unduplicated)	329	39	61	429
Total Enrollments	6,806	163	190	7,159
Average Daily Attendance	113.4	27.2	38	
Revenue	\$212,028	\$4,307	\$5,380	\$221,715
Direct Costs	\$141,596	\$2951	\$2,471	\$147,018
Indirect Costs				
<i>F/T Staff</i>	\$57,006	\$2,522	\$3,312	\$62,840
<i>Overhead Costs</i>	\$18,029	\$1,206	\$1,223	\$20,458
Total Costs	\$216,631	\$6,679	\$7,006	\$230,316
Gross Profit / (Loss)	\$70,432	\$1,356	\$2,909	\$74,697
Net Profit / (Loss)	(\$4,603)	(\$2,372)	(\$1,626)	(\$8,601)

Cost Recovery summary (Category: Day Camps):

	<u>Recovered</u>	<u>Minimum</u>	<u>Target</u>
Percent Direct Costs Recovered:	100%	100%	100%
Percent Division Indirect Costs Recovered:	90%	50%	75%
Minimum Recovery Met:	Yes		
Target Recovery Met:	Yes		

Adult Sports Leagues

Adult Softball Leagues

Summer 2012: Thursdays and Fridays, games at AVCP and PHP; 28 teams; registration \$410.00

Fall 2012: Thursdays and Fridays, games at AVCP and PHP; 26 teams; registration \$410.00

Spring 2013: Thursdays and Fridays, games at AVCP and PHP; 27 teams; registration \$410.00

Adult Softball	Summer 2012	Fall 2012	Spring 2013	Total FY12-13
Enrollments	355	337	433	1125
Revenue	\$11,480	\$10,660	\$11,096	\$33,236
Direct Costs	\$4,838	\$5,104	\$5,267	\$15,209
Indirect Costs				
<i>F/T Staff</i>	\$4,113	\$4,113	\$4,113	\$12,339
<i>Overhead Costs</i>	\$4,083	\$4,226	\$3,541	\$11,850
Total Costs	\$13,034	\$13,443	\$12,921	\$39,398
Gross Profit / (Loss)	\$6,642	\$5,556	\$5,829	\$18,027
Net Profit / (Loss)	\$(1,554)	\$(2,783)	\$(1,825)	\$(6,162)

Cost Recovery summary (Category: Adult Sports Programs):

	<u>Recovered</u>	<u>Minimum</u>	<u>Target</u>
Percent Direct Costs Recovered:	100%	100%	100%
Percent Division Indirect Costs Recovered:	75%	75%	100%
Minimum Recovery Met:	Yes		
Target Recovery Met:	No		

Adult Basketball Leagues

Summer 2012: Mondays and Thursdays, games at AVRC; 16 teams; registration \$365.00

Fall 2012: Mondays and Thursdays, games at AVRC; 12 teams; registration \$365.00

Winter 2013: Mondays and Thursdays, games at AVRC; 14 teams; registration \$300.00

Spring 2013: Mondays and Thursdays, games at AVRC; 14 teams; registration \$365.00

Adult Basketball	Summer 2012	Fall 2012	Winter 2013	Spring 2013	Total FY12-13
Enrollments	116	90	106	119	431
Revenue	\$5,840	\$4,380	\$4,260	\$5,170	\$19,650
Direct Costs	\$2,781	\$2,260	\$2,869	\$2,568	\$10,478
Indirect Costs					
<i>F/T Staff</i>	\$2,464	\$2,464	\$2,464	\$2,464	\$9,856
<i>Overhead Costs</i>	\$1,883	\$1,498	\$1,569	\$1,725	\$6,675
Total Costs	\$7,128	\$6,223	\$6,902	\$6,757	\$27,010
Gross Profit / (Loss)	\$3,059	\$2,120	\$1,391	\$2,602	\$9,172
Net Profit / (Loss)	(\$1,288)	(\$1,842)	(\$2,642)	(\$1,587)	(\$7,359)

Cost Recovery summary (Category: Adult Sports Programs):

	<u>Recovered</u>	<u>Minimum</u>	<u>Target</u>
Percent Direct Costs Recovered:	100%	100%	100%
Percent Division Indirect Costs Recovered:	55%	75%	100%
Minimum Recovery Met:	No		
Target Recovery Met:	No		

Adult Soccer Leagues

Summer 2012 (7 on 7): Tuesdays and Wednesdays, games at PHP; 16 teams; registration \$325.00

Fall 2012 (7 on 7): Tuesdays and Wednesdays, games at AVCP; 12 teams; registration \$345.00

Winter 2013 (Futsal): Wednesdays, games at AVRC; 8 teams; registration \$340.00

Spring 2013 (7 on 7): Tuesdays and Wednesdays, games at AVRC; 15 teams; registration \$345.00

Adult Soccer	Summer 2012	Fall 2012	Winter 2013	Spring 2013	Total FY12-13
Enrollments	153	247	99	219	718
Revenue	\$5,200	\$6,210	\$2,840	\$5,255	\$19,505
Direct Costs	\$2,642	\$3,474	\$1,096	\$2,865	\$10,077
Indirect Costs					
<i>F/T Staff</i>	\$2,975	\$2,975	\$1,700	\$2,975	\$10,625
<i>Overhead Costs</i>	\$1,407	\$2,416	\$875	\$1,969	\$6,667
Total Costs	\$7,024	\$8,865	\$3,671	\$7,809	\$28,069

Gross Profit / (Loss)	\$2,558	\$2,736	\$1,744	\$2,390	\$9,428
Net Profit / (Loss)	(\$1,824)	(\$2,655)	(\$831)	(\$2,554)	(\$7,864)

Cost Recovery summary (Category: Adult Sports Programs):

	<u>Recovered</u>	<u>Minimum</u>	<u>Target</u>
Percent Direct Costs Recovered:	100%	100%	100%
Percent Division Indirect Costs Recovered:	55%	75%	100%
Minimum Recovery Met:	No		
Target Recovery Met:	No		

Youth Basketball League

Summer 2012: Saturdays games with weekly practice, games at AVRC; registration fee \$68.00/ \$78.00

Fall 2012: Saturdays games with weekly practice, games at AVRC; registration fee \$68.00/ \$78.00

Winter 2013: Saturdays games with weekly practice, games at AVRC; registration fee \$68.00/ \$78.00

Spring 2013: Saturdays games with weekly practice, games at AVRC; registration fee \$68.00/ \$78.00

Youth Basketball	Summer 2012	Fall 2012	Winter 2013	Spring 2013	Total FY12-13
Enrollments	124	127	152	154	557
Revenue	\$9,132	\$9,275	\$10,495	\$11,048	\$39,950
Direct Costs	\$4,398	\$4,388	\$4,472	\$5,345	\$18,603
Indirect Costs					
<i>F/T Staff</i>	\$3,803	\$3,803	\$3,803	\$3,803	\$15,212
<i>Overhead Costs</i>	\$3,027	\$3,581	\$4,250	\$4,389	\$15,247
Total Costs	\$11,228	\$11,772	\$12,525	\$13,537	\$49,062
Gross Profit / (Loss)	\$4,734	\$4,887	\$6,023	\$5,703	\$21,347
Net Profit / (Loss)	(\$2,096)	(\$2,497)	(\$2,030)	(\$2,489)	(\$9,112)

Cost Recovery summary (Category: Youth Sports Programs):

	<u>Recovered</u>	<u>Minimum</u>	<u>Target</u>
Percent Direct Costs Recovered:	100%	100%	100%
Percent Division Indirect Costs Recovered:	70%	50%	75%
Minimum Recovery Met:	Yes		
Target Recovery Met:	No		

Staff Recommended Actions for Programs Not Meeting Minimum Cost Recovery Goals:

Moorpark Has Talent

The event is held at the High Street Arts Center, and helps promote that venue. It has received positive response from event participants and attendees. This event is currently categorized as "Other Event" because it requires participants to register and audition in advance, and substantial donated financial prizes are distributed to winners. This event is required to recoup 100% of indirect costs, and only recouped 81%. Although this is an improvement over last year (when only 29% of indirect costs were recouped) the program did not meet the minimum cost recovery requirement.

Financial donations are used to pay for the prizes awarded to the event winners. Unless additional large sponsorships are received to supplement direct costs, it is unlikely this event will be able to meet its cost recovery minimum. This is primarily due to the fact that the venue can only accommodate a defined number of participants and attendees. Staff recommends that the event be excluded from the cost recovery requirements, as allowed by the Recreation Programs and Services Cost Recovery Policy Right of Exclusion.

General Teen Events

Providing recreation programming to the City's teen population is a priority for the City. These events are categorized as "Special Event" and are required to recoup at least 50% of direct costs. Over the course of this fiscal year, these events recouped only 32%, a decrease from last year's 45.9%. This is the second year these programs have not been able to meet the required minimum cost recovery. Staff recommends eliminating those specific events which have generally not met the minimum recovery, including movie nights, the Holiday Movie Marathon, Sports Day, and Pi Day. Staff will focus on events that have met or are close to meeting the minimum cost recovery, including game nights and cupcake challenges, and will continue to explore new teen events that will both draw larger numbers of teens and meet the minimum cost recovery requirements.

Teen Skate Events

As described for General Teen Events, providing recreation programming to the City's teen population is a priority. Teen Skate Events are also categorized as "Special Event" and are required to recoup at least 50% of direct costs. Over the course of this fiscal year, these events recouped only 4%, a significant decrease from last year's 31.9%. Due to poor attendance and issues with enforcement of safety gear rules, staff recommends discontinuing these events.

The Hang Out

This program was offered to provide activities for older middle school youth on a school free day. Due to a lack of interest in the program, it has not been offered again.

Adult Basketball League

This adult sports league is required to recoup 75% of indirect costs. Over the course of the fiscal year, it recouped 55% of indirect costs, a decrease from last year's 68%. Staff recommends continuing the program. In order to meet the minimum cost recovery requirement, enrollment in the program must be increased.

Adult Soccer League

This adult sports league is required to recoup 75% of indirect costs. Over the course of the fiscal year, it recouped 55% of indirect costs. Last year, this program did meet its minimum cost recovery requirement. Although participation and revenue in this program increased this year, compared to last year, the increase was not enough to keep pace with increases in both direct and indirect costs. Staff recommends continuing the program. In order to meet the minimum cost recovery requirement next year, staff will look for creative ways to reduce overall program costs and increase revenue (through increased enrollment and/or fee increases).

STAFF RECOMMENDATION

Receive and file report.

Attachment 1 – Recreation Programs and Services Cost Recovery Policy

Attachment 2 – Full Time Staff Cost Estimates

Policy 6.16 Recreation Programs and Services Cost Recovery Policy

1. Purpose

The purpose and intent of the City Council in adopting the Recreation Programs and Services Cost Recovery Policy is to provide direction to staff in calculating and establishing fees and charges for recreation programs, to establish a process to recover the appropriate portion of cost based on the recovery goals of the program, to provide a framework to modify or eliminate programs that do not meet the minimum cost recovery goals, and to determine the extent to which the General Fund will fund above the amount collected in fees recreation programs and services.

2. Program Costs

Costs for each program shall be divided into three categories: 1. direct costs; 2. division indirect costs; and 3. other indirect costs. Each cost category shall have established minimum and target cost recovery percentages. Costs for programs shall be defined as follows:

“Direct Costs” shall mean all costs directly associated with a program and charged to the program’s budget, and all part-time staff costs associated with direct staffing of a program.

“Division Indirect Costs” shall mean all division costs associated with the program and charged to the division budget, facility costs, and staff costs associated with planning and administration of the program.

“Other Indirect Costs” shall mean department overhead costs for the department director and his/her administrative staff and city-wide overhead costs associated with the operation of the division.

3. Revenue Sources

A variety of revenue sources may be used to meet a program’s designated cost recovery goal. The City Manager or his/her designee shall determine the most appropriate revenue sources to assign to a program. Revenue sources include the following:

User Fees: Fees charged to the individual or team participating in a program, including admission fees and registration fees.

Sponsorships and Donations: Contributions in support of a specific program or service given to the City by private businesses or organizations.

Vendor Fees: Fees charged to vendors (such as food booths and arts and crafts booths) to participate in recreation programs.

Grants: Funding received by the City from a public, private, or non-profit grant or subvention program.

Advertising and Promotional Fees: Fees charged for advertisements placed in recreation publications, temporary program or facility naming rights, providing program or service equipment or supplies bearing the promoter's name or logo, and providing ancillary items or printed materials bearing the promoter's name or logo.

4. Program Categories

Each recreation program and service offered by the Recreation Division shall be placed in a Program Category. A program shall be placed in the category that best defines the type, purpose, and structure of the program. Program Categories shall be defined as follows:

- A. "Community Event" shall mean a community-wide event that meets all of the following criteria: 1) benefits the community as a whole; 2) appeals to broad segments of the community; 3) is traditionally offered by a public agency; 4) does not require advance registration to attend. *Examples: Fireworks Extravaganza, Moorpark Arts Festival.*
- B. "Special Event" shall mean an event that meets the following criteria: 1) benefits a large segment of the community; 2) appeals to a specific demographic or population; 3) is typically offered by a public agency. *Examples: Easter Egg Hunt, Trick or Treat Village, Teen events.*
- C. "Other Event" shall mean all other events that do not fall into Community or Special event categories. *Example: Visits from Santa.*
- D. "Day Camp" shall mean a general camp program for youth that does not focus on a specific activity type or topic. *Examples: Camp Moorpark, Adventure Camp.*
- E. "Recreation Classes and Specialty Camps" shall mean any class, workshop, or specialty camp that focuses on a specific activity type or topic and is instructional or developmental in nature. *Examples: Beginning Ballet, Lego Engineering Camp, Tot Sports classes, Yoga.*
- F. "Adult Sports Program" shall mean an intra-community sports program which is offered for individuals ages 18 and older, is recreational in nature, and is open to a variety of playing abilities. *Examples: Adult softball league, soccer league.*

- G. “Youth Sports Program” shall mean an intra-community sports program which is offered for individuals ages 17 and younger, is recreational in nature, and is open to all playing abilities. *Example: Youth Basketball League.*
- H. “Tournaments and Competitions” shall mean an activity that offers a higher level of competition than typical recreation level programs. Sports tournaments, extreme challenge events, and timed bicycle or running events are included under this definition. *Example: Softball tournament sponsored by the City.*
- I. “Vital Services” shall be defined as services or activities that are essential to the health and well-being of the individual or community, are typically offered by a public agency, and are not generally available to the public through other sources. *Example: Women’s assault prevention clinic.*
- J. “Special Interest Groups” shall be defined as social gatherings that do not have a paid instructor or supervisor at which the group will: 1. Discuss topics of interest; 2. Provide emotional or social support to group members; or 3. Work together on or participate in a common activity. *Example: Book club.*

5. Definition of Recovery Levels

Program Categories will be placed into recovery levels establishing the percentage of required minimum and target cost recovery the program. Levels are defined as follows:

- A. Level One: Programs that are of a benefit to the whole community or are essential to the health and well-being of a target segment of the community, are typically provided by public agencies and not typically available through other providers, and require minimal commitment from participants (minimal time or financial investment is required, performance of program would not be altered by the absence of a single participant, and/or advance registration is not required.)
- B. Level Two: Programs that provide a benefit to a targeted segment of the community, are often offered by public agencies, are limited in availability from other providers, and require minimal commitment from participants.
- C. Level Three: Programs that provide both a community and individual benefit, are often offered by public agencies and may be available through other providers; and require some level of commitment from participants.

- D. Level Four: Programs that have a greater individual than community benefit, may be offered by public agencies or private businesses or other providers, are instructional or recreational in nature, and require a strong commitment from the participant (substantial time or financial investment is required, performance of program may be altered by the absence of a participant, and/or advance registration is required.)
- E. Level Five: Programs that provide primarily an individual benefit and are specialized or competitive in nature.

6. Cost Recovery Matrix

In accordance with the Cost Recovery Levels, the following matrix has been developed. The minimum recovery indicates the percentage of costs that must be recovered in order to continue offering the program without modification. The target recovery indicates the percentage of costs that staff will attempt to recover through program fees and other revenue sources.

Programs and Levels	Direct Costs		Division Indirect Costs		Other Indirect Costs	
	Minimum Recovery	Target Recovery	Minimum Recovery	Target Recovery	Minimum Recovery	Target Recovery
Level One: Includes: Community Events (A) Vital Services (I)	25%	100%	0%	25%	0%	0%
Level Two: Includes: Special Events (B) Special Interest Groups (J)	50%	100%	0%	50%	0%	0%
Level Three: Includes: Day Camps (D) Youth Sports Programs (G)	100%	100%	50%	75%	0%	0%
Level Four: Includes: Recreation Classes and Specialty Camps (E) Adult Sports Programs (F)	100%	100%	75%	100%	0%	25%
Level Five: Includes: Other Events (C) Tournaments and Competitions (H)	100%	100%	100%	100%	50%	100%

7. Cost Recovery Implementation and Management

Division staff will establish, and the Department Director will approve, strategies for achieving cost recovery goals. Strategies will be implemented based on the best interests of maintaining a strong program and reaching the designated recovery goals within a period not to exceed one year. The process for cost recovery shall be as follows:

- A. Each recreation program or service will be assigned to the appropriate Program Category, establishing the recovery level for the program.
- B. Staff will determine appropriate revenue source(s) for the program and establish user fees, sponsorships/donations, vendor fees, and/or grant amounts necessary to meet minimum cost recovery.
- C. Programs will be reviewed annually to determine if they are meeting the minimum cost recovery percentage.
- D. Programs that are unable to meet the minimum cost recovery will be reviewed by the Department Director for consideration of appropriate action, including restructuring or eliminating the program.
- E. Programs that meet minimum cost recovery and do not exceed target recovery will not require action.
- F. Programs that exceed target cost recovery will be reviewed to determine whether or not fees should be decreased, the program should be placed in a different Program Category or Recovery Level, or other action is needed.
- G. An annual report will be presented to the Parks and Recreation Commission by October 31 and to the City Council by December 31 each year summarizing the programs offered during the prior fiscal year and whether cost recovery goals for each program were met.

8. Right of Exclusion

The City Manager is authorized to exclude individual programs from the Cost Recovery Policy. Said programs shall be budgeted as approved by the City Council. Said programs shall not be required to meet Cost Recovery requirements and may operate below recovery levels for the program category, or without revenue sources.

Full-Time Staff Cost Estimates

Year Round Programs	Recreation Classes		Adult Soccer		Adult Softball		Adult Basketball		Youth Basketball		Park Rentals & YSO		Facility Rentals		Teen Programs		
	Hourly Cost	Approx Hours	Approx. Cost	Approx Hours	Approx. Cost	Approx Hours	Approx. Cost	Approx Hours	Approx. Cost	Approx Hours	Approx. Cost	Approx Hours	Approx. Cost	Approx Hours	Approx. Cost		
Recreation Assistant	\$ 27.14	1011.5	\$ 27,452.11	27.75	\$ 753.14	41.75	\$ 1,133.10	29.75	\$ 807.42	41	\$ 1,112.74	115.42	\$ 3,132.50	83.5	\$ 2,266.19	0	\$ -
Recreation Superintendent	\$ 63.54	241.00	\$ 15,313.14	53.25	\$ 3,383.51	65.75	\$ 4,177.76	44.00	\$ 2,795.76	70.50	\$ 4,479.57	311.50	\$ 19,792.71	35.75	\$ 2,271.56	58.00	\$ 3,685.32
Recreation Supervisor	\$ 45.44	287.00	\$ 13,041.28	1.00	\$ 45.44	1.75	\$ 79.52	1.00	\$ 45.44	4.25	\$ 193.12	104.50	\$ 4,748.48	35.75	\$ 1,624.48	101.75	\$ 4,623.52
Coordinator - Sports	\$ 37.70	193.25	\$ 7,285.53	158.50	\$ 5,975.45	174.00	\$ 6,559.80	153.50	\$ 5,786.95	232.50	\$ 8,765.25	416.25	\$ 15,692.63	158.75	\$ 5,984.88	0.00	\$ -
Coordinator - Events	\$ 30.69	59.75	\$ 1,833.73	15.25	\$ 468.02	16.75	\$ 514.06	13.75	\$ 421.99	21.50	\$ 659.84	22.50	\$ 690.53	1.00	\$ 30.69	296.50	\$ 9,099.59
TOTAL PER PROGRAM			\$ 64,925.78		\$ 10,625.55		\$ 12,464.23		\$ 9,857.55		\$ 15,210.52		\$ 44,056.84		\$ 12,177.79		\$ 17,408.43

25% summer	28% summer	33% summer	25% summer	25% summer	30% summer	25% summer
25% fall	28% fall	33% fall	25% fall	25% fall	30% fall	25% fall
25% winter	16% winter	0% winter	25% winter	25% winter	15% winter	25% winter
25% spring	28% spring	33% spring	25% spring	25% spring	25% spring	25% spring

Events	Fireworks Event		Trick or Treat Village		Breakfast with Santa		Easter Egg Hunt		Moorpark Has Talent		Moorpark Arts Festival		
	Hourly Cost	Approx Hours	Approx. Cost	Approx Hours	Approx. Cost	Approx Hours	Approx. Cost	Approx Hours	Approx. Cost	Approx Hours	Approx. Cost		
Recreation Assistant	\$ 27.14	16.75	\$ 454.60	9.25	\$ 251.05	16.25	\$ 441.03	3.75	\$ 101.78	4.25	\$ 115.35	8.25	\$ 223.91
Recreation Supervisor	\$ 45.44	21.50	\$ 976.96	2.50	\$ 113.60	1.25	\$ 56.80	1.50	\$ 68.16	1.75	\$ 79.52	3.50	\$ 159.04
Recreation Superintendent	\$ 63.54	146.25	\$ 9,292.73	26.50	\$ 1,683.81	11.50	\$ 730.71	15.00	\$ 953.10	20.75	\$ 1,318.46	42.27	\$ 2,685.84
Coordinator - Events	\$ 30.69	32.25	\$ 989.75	127	\$ 3,897.63	59.25	\$ 1,818.38	66.5	\$ 2,040.89	63.75	\$ 1,956.49	172.66	\$ 5,298.94
Coordinator - Sports	\$ 37.70	11.25	\$ 424.13	0.50	\$ 18.85	0.25	\$ 9.43	0.25	\$ 9.43	0.25	\$ 9.43	0.25	\$ 9.43
TOTAL PER PROGRAM			\$ 12,138.16		\$ 5,964.94		\$ 3,056.34		\$ 3,173.35		\$ 3,479.23		\$ 8,377.14

Day Camp	Camp Moorpark		Adventure Camp		Mini Camp		Winter Camp Moorpark		Spring Camp Moorpark		
	Hourly Cost	Approx Hours	Approx. Cost	Approx Hours	Approx. Cost	Approx Hours	Approx. Cost	Approx Hours	Approx. Cost		
Recreation Assistant	\$ 27.14	249.25	\$ 6,764.65	63.5	\$ 1,723.39	63	\$ 1,709.82	16.25	\$ 441.03	7.9	\$ 214.41
Recreation Supervisor	\$ 45.44	294.25	\$ 13,370.72	151.75	\$ 6,895.52	150.50	\$ 6,838.72	8.75	\$ 397.60	48.50	\$ 2,203.84
Recreation Superintendent	\$ 63.54	117.25	\$ 7,450.07	49.50	\$ 3,145.23	46.75	\$ 2,970.50	22.25	\$ 1,413.77	12.50	\$ 794.25
Coordinator - Events	\$ 30.69	51.75	\$ 1,588.21	19.5	\$ 598.46	17.25	\$ 529.40	3.25	\$ 99.74	2	\$ 61.38
Coordinator - Sports	\$ 37.70	67.00	\$ 2,525.90	12.00	\$ 452.40	11.75	\$ 442.98	4.50	\$ 169.65	1.00	\$ 37.70
TOTAL PER PROGRAM			\$ 31,699.54		\$ 12,815.00		\$ 12,491.41		\$ 2,521.78		\$ 3,311.58

Hours based on actual reported hours plus estimate of administrative hours

All hours rounded to the nearest quarter-hour