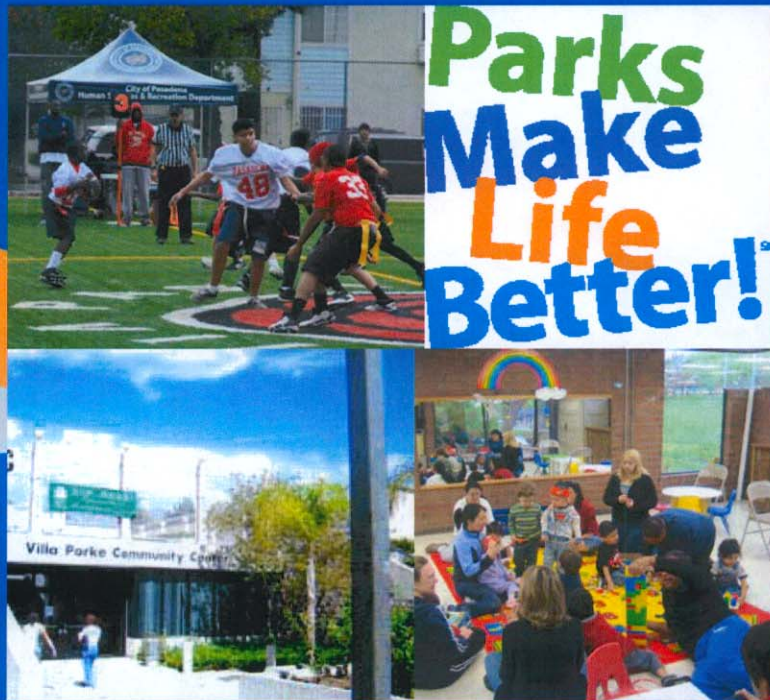




PASADENA

City of Pasadena
COST OF SERVICE
AND PRICING ANALYSIS



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CHAPTER ONE - INTRODUCTION

PROS Consulting is a Managing Consulting Firm that specializes in the Parks and Recreation Industry. PROS Consulting focuses on helping Park and Recreation Agencies in managing their systems in the most cost effective manner and supporting their requirements to become more self-sufficient through effective methods of pricing services and creating earned income. PROS has worked with over 900 park and recreation agencies across the United States in helping them achieve their goals. PROS has worked with similar departments in California and the western United States in similar capacities as is being done for Pasadena. These include the City of San Jose, Roseville, Las Angeles, Long Beach, Sonoma County, Sacramento County, San Francisco, Oakland, and Riverside County in California and the Cities of Las Vegas, North Las Vegas, Henderson, and Tempe in the Southwest over the last ten years. Results of their work have been to help San Jose overcome a \$15 million budget reduction with \$7.5 million in new revenue. The City of San Jose Parks, Recreation and Neighborhood Services Department increased their cost recovery from 19% to 40% in less than four years which allowed the City to continue many programs and services that would have been eliminated. PROS helped the County of Sonoma overcome a \$2 million budget shortfall by evaluating efficiency changes and new revenue sources to incorporate into daily operations. PROS has helped the City of Long Beach achieve 40% cost recovery in the program services.

The Crossroads Village and Huckleberry Railroad of the Genesee County Parks and Recreation Commission (MI) improved their performance from a \$1.6 million annual deficit to becoming self-sufficient.

PROS Consulting completed a strategic plan for Oakland County Parks and Recreation Department (MI) that led to \$4.5 million in new revenue, and reductions in operating expenses by \$1.5 million since the plan was enacted two years ago. This equates to a \$6 million increase in available system funding.

In 2007, the PROS Team completed the Feasibility Study and Business Plan for the Frisco Recreation and Aquatic Center in one of the fastest growing communities in the United States at the time. Upon completion of the plan and construction, the operations of the center were fashioned based upon the PROS recommendations resulting in 110% cost recovery for the facility in the first year of operations. This facility continues to operate at full cost recovery with tremendous community support.

CHAPTER TWO - PASADENA RECREATION COST OF SERVICE ANALYSIS

The recreation cost-of-service analysis summarizes the Department's financial information to understand the cost per unit of service or activity, depending on the particular function. The cost of service analysis was developed in a MS Excel model to allow for future use by the Department in evaluating the effects of changes on cost recovery. The model uses a budget approach to analyze the recovery of costs through user fees for each of the Department's programs (cost center) by major program areas. The model documents recreation fund and general fund costs related to each cost center including: personnel services, materials and supplies, utilities, and overhead allocations.

The major areas included in the analysis are:

- Jackie Robinson Community Center
- Robinson Park Center



- Victory Park Center
- Villa Parke Community Center
- Adaptive Recreation
- Playgrounds & Special Events
- Day Camp
- Youth Sports
- Aquatics
- Contracts
- Villa Parke Recreation
- Villa Parke Summer Enrichment

2.1 SOURCE DATA

The source documents for the analysis include:

- Budget information for the fiscal year ending 2012
- Registration system and revenue reports for fiscal year ending 2011
- Interviews and reviews by key program staff

2.2 RESIDENT DEFINITION

The Human Services and Recreation Department conducted a cost of service study in 2005 and presented a revised general fee schedule to the Parks and Recreation Commission and City Council in 2007. The fee schedule was approved and went into effect on July 1, 2007. As part of this approval process, the City Council accepted the definition of a “resident” to be defined as a person who lives, works, or attends school in Pasadena or attends a PUSD school. The report further defines a “local group” or “resident group” as a commercial or non-profit organization located in Pasadena for which 60% or more of its members/participants are Pasadena residents. The updated fee modifications contained in this report are aligned with this policy. Based on this policy, those meeting the residency requirements are eligible for priority registration, participation in Pasadena’s proposed Passport to Fun Scholarship Program and local group rental rates. For fiscal year ending 2011, the Non-Resident participation by program was:

- Aquatics Open Swim - 1,747 – 10% of total participation
- Aquatics Lessons 333 - Non-residents – 15% total participation
- After-School Program - 169 Non-residents – 16% total participation
- Day Camps - 66 Non-residents – 10% total participation
- Youth Sports - 153 Non-residents – 10% total participation
- Youth Soccer - 700 Non-residents – 34% total participation
- Youth Boxing/Fitness – 5 Non-residents - 11% total participation

2.3 DEPARTMENT INTERIM REPORTING

The Human Services and Recreation Department staff will prepare a six-month report to be presented to the Recreation and Parks Commission and City Council to assess participation, effectiveness of the Passport to Fun survey and overall fee recovery model. Within this timeframe, staff will also conduct community meetings with various user groups.

2.4 SURVEYED CITIES FOR COST-OF-SERVICE ANALYSIS

The cities surveyed for cost-of-service comparison were selected for proximity to the City of Pasadena and based the similarity of programs, services and activities. Lists are presented below:

- After School
 - Burbank
 - Cerritos
 - Fontana
 - Mission Viejo
 - Orange
 - Glendale
 - Santa Barbara
 - Long Beach
 - Sana Monica
 - Arcadia
 - Rancho Cucamonga
- Aquatic
 - West Covina
 - San Dimas
 - Walnut
 - Rancho Simi
 - Sierra Madre
 - Long Beach
 - Carson
 - Burbank
 - Glendale
- Immigration Services
 - Norwalk
 - Bell Gardens
 - Lynwood
 - Santa Ana
- Boxing and Fitness Programs
 - Norwalk
 - Baldwin Park
 - El Monte
 - Santa Ana
- Camps and Sports
 - Long Beach
 - Burbank
 - Glendale
 - South Pasadena
 - Santa Monica
 - Temple City
 - Arcadia
 - PUSD Learns
 - San Gabriel Valley YMCA

2.5 COST-OF-SERVICE ANALYSIS

The cost-of-service and the cost recovery analyses were proposed for each major program area. The cost-of-service models developed with Department staff are in Microsoft Excel workbooks by major program area. PROS has delivered the models to the staff for future updates and pricing policy development.

The cost recovery analysis was performed on the cost center level. Based on the Department's budget categories and knowledgeable guidance provided by staff and management, total budget was allocated to cost centers and analyzed based on the allocation administrative costs. A cost of service analysis had been prepared for each major program cost center.

The direct expenditures, revenues and participants for each major program are shown in **Figure 1**. The direct cost recovery represents the revenues divided by direct program expenditures. Figure 2 presents the total expenditures, revenues and participants for each major program. The total cost recovery represents the revenues divided by total program expenditures. Total program expenditures include an allocation of the Department administration expenditures plus the direct program costs.

The overall cost recovery for the analyzed programs is 9.5%. This is significantly less than similar U.S. recreation systems. Typically, similar recreation systems recover 40% of their cost through user fees and service charges.

Pasadena Human Services & Recreation						
Program	Direct Expenditures	Number of Participants	Revenues	Net Revenues Over (under) Direct Expenditures	Direct Investment Per Participant	Direct Cost Recovery
Jackie Robinson Community Center	\$626,643	61,856	\$6,708	(\$619,935)	\$10.02	1.1%
Robinson Park Center	\$559,261	18,909	\$3,850	(\$555,412)	\$29.37	0.7%
Victory Park Center	\$629,323	12,000	\$9,807	(\$619,516)	\$51.63	1.6%
Villa Parke Community Center	\$694,055	5,352	\$45,457	(\$648,598)	\$121.19	6.5%
Adaptive Recreation	\$229,619	5,021	\$5,565	(\$224,054)	\$44.62	2.4%
Playgrounds & Special Events	\$1,197,849	3,144	\$50,272	(\$1,147,577)	\$365.01	4.2%
Day Camp	\$226,283	480	\$52,381.00	(\$173,902)	\$362.30	23.1%
Neighborhood Park Camp	\$15,560	240	\$0	(\$15,560)	\$64.83	0.0%
Youth Sports	\$291,342	1,600	\$1,045	(\$290,297)	\$181.44	0.4%
Aquatics - General Swim	\$48,225	17,701	\$4,440	(\$43,785)	\$2.47	9.2%
Aquatics - Lessons	\$203,192	3,030	\$75,569	(\$127,623)	\$42.12	37.2%
Contracts	\$230,916	5,087	\$186,943	(\$43,973)	\$8.64	81.0%
Villa Parke Recreation	\$1,053,331	130,849	\$168,606	(\$884,725)	\$6.76	16.0%
Villa Parke Summer Enrichment	\$60,682	100	\$39,000	(\$21,682)	\$216.82	64.3%
Permit/Reservation Desk	\$175,891		\$114,152	(\$61,739)	N/A	64.9%
Other:Department Expenditures	\$1,817,545		\$0	(\$1,817,545)	N/A	0.0%
Total	\$8,059,717	265,369	\$763,794	(\$7,295,923)	\$27.49	9.5%

Note: Other Department Expenditures represents the cost of Department activities not analyzed as a part of this project.

Figure 1 – Direct Cost Analysis by Cost Center FY12 Budgeted Expenditures with FY 11 Actual Revenues and Participants

The total cost recovery analysis in **Figure 2** includes the direct cost for each program plus an allocation of the Department administration costs based on the percent of the direct costs to the total costs. The inclusion of administration costs lowers the overall cost recovery by approximately 1%. The Departments total cost recovery is 8.5%.

Pasadena Human Services & Recreation						
Program	Total Expenditures	Number of Participants	Revenues	Net Revenues Over (under) Direct Expenditures	Total Investment Per Participant	Total Cost Recovery
Jackie Robinson Community Center	\$721,994	61,856	\$6,708	(\$715,286)	\$11.56	0.9%
Robinson Park Center	\$644,359	18,909	\$3,850	(\$640,509)	\$33.87	0.6%
Victory Park Center	\$725,081	12,000	\$9,807	(\$715,274)	\$59.61	1.4%
Villa Parke Community Center	\$799,663	5,352	\$45,457	(\$754,206)	\$140.92	5.7%
Adaptive Recreation	\$264,558	5,021	\$5,565	(\$258,993)	\$51.58	2.1%
Playgrounds & Special Events	\$1,380,115	3,144	\$50,272	(\$1,329,843)	\$422.98	3.6%
Day Camp	\$258,499	480	\$52,381	(\$206,118)	\$429.41	20.3%
Neighborhood Park Camp	\$17,776	240	\$0			
Youth Sports	\$335,673	1,600	\$1,045	(\$334,628)	\$209.14	0.3%
Aquatics - General Swim	\$49,633	17,701	\$4,440	(\$45,193)	\$2.55	8.9%
Aquatics - Lessons	\$209,123	3,030	\$75,569	(\$133,554)	\$44.08	36.1%
Contracts	\$266,053	5,087	\$186,943	(\$79,110)	\$15.55	70.3%
Villa Parke Recreation	\$1,213,607	130,849	\$168,606	(\$1,045,001)	\$7.99	13.9%
Villa Parke Summer Enrichment	\$69,915	100	\$39,000	(\$30,915)	\$309.15	55.8%
Permit/Reservation Desk	\$175,891		\$114,152	(\$61,739)	N/A	64.9%
Other:Department Expenditures	\$1,817,854		\$0	(\$1,817,854)	N/A	0.0%
Total	\$8,949,792	265,369	\$763,794	(\$8,168,222)	\$30.78	8.5%

Figure 2 – Total Cost Analysis by Cost Center FY12 Budgeted Expenditures with FY 11 Actual Revenues and Participants



CHAPTER THREE - PASADENA RECREATION PRICING POLICY RECOMMENDATIONS

The cost recovery for recreation services is significantly below national direct cost experienced by PROS. The preliminary analysis demonstrates a need to implement pricing policies that recover a significantly larger portion of the actual cost and relate the benefits that the participants receive. The Department should consider implementing a scholarship program to assist with resources with continued participations. **Figure 3** compares the preliminary cost recovery amounts to the PROS Typical recovery rates.

Program	Category of Service	Direct Cost Recovery	Total Cost Recovery	PROS Typical Direct Cost Recovery	PROS Typical Total Cost Recovery
Jackie Robinson Community Center	Community Services, Human Services	1.1%	0.9%	5.0%	1.0%
Robinson Park Center	Recreation Services	0.7%	0.6%	50.0%	40.0%
Victory Park Center	Recreation Services	1.6%	1.4%	50.0%	40.0%
Villa Parke Community Center	Community Services, Human Services	6.5%	5.7%	5.0%	1.0%
Adaptive Recreation	Recreation, Human Services	2.4%	2.1%	20.0%	15.0%
Playgrounds & Special Events	Recreation Services	4.2%	3.6%	50.0%	40.0%
Day Camp	Recreation Services	23.1%	20.3%	110.0%	100.0%
Neighborhood Park Camp	Community Services, Human Services	0.0%	0.0%	110.0%	100.0%
Youth Sports	Recreation Services	0.4%	0.3%	80.0%	70.0%
Aquatics					
General Aquatics	Recreation Services	9.2%	8.9%	50.0%	40.0%
Aquatics Lessons	Recreation Services	37.2%	36.1%	110.0%	100.0%
Contracts	Recreation Services	81.0%	70.3%	110.0%	110.0%
Villa Parke Recreation	Recreation Services	16.0%	13.9%	80.0%	70.0%
Villa Parke Summer Enrichment	Recreation Services	64.3%	55.8%	110.0%	100.0%
Department		9.5%	8.5%	50.0%	40.0%

Figure 3 – Comparison of Department Cost Recovery with Typical Anticipated Cost Recovery

The community services and human services programs generally have a low cost recovery. The Department should consider increased partnering with other service providers to help offset a portion of the costs of the social programs.

The establishment of pricing goals should consider the level of benefit the user receives and the identification of core and non-core programs. Suggested benefit levels and service classifications are shown in **Figure 4**.

Pasadena Human Services & Recreation			
Program	Category of Service	Benefit Level	Service Classification
Jackie Robinson Community Center	Community Services, Human Services		Core
Robinson Park Center	Recreation Services	merit	Core
Victory Park Center	Recreation Services		Core
Villa Parke Community Center	Community Services, Human Services	merit	Core
Adaptive Recreation	Recreation, Human Services	merit	Important
Playgrounds & Special Events	Recreation Services	merit	Important
Day Camp	Recreation Services	merit	Important
Neighborhood Park Camp	Community Services, Human Services	merit	Important
Youth Sports	Recreation Services	merit	Core
Aquatics			
General Aquatics	Recreation Services	Merit	Important
Aquatics Lessons	Recreation Services	Private, Some Merit	Important
Contracts	Recreation Services	Private, Some Merit	Important
Villa Parke Recreation	Recreation Services	merit	Important
Villa Parke Summer Enrichment	Recreation Services	Private, Some Merit	Important

Figure 4 – Major Department Programs, Benefit Levels and Service Classifications

3.1.1 LEVELS OF BENEFIT A CUSTOMER RECEIVES

Three general levels of benefit are used to describe the benefits to the users and the community. To maximize the distribution of available parks and recreation resources to the greatest number of residents, the Department shall prioritize the subsidization and funding of programs. To determine the percentage of subsidy allocated; Public, Merit, and Private categories will be used to identify the level of community/public or individual/private benefit a user receives.



3.1.1.1 PUBLIC SERVICES

Public services provide all users the same level of benefit and can be assessed by the broadest cross section of the population; these services typically receive the highest level of subsidization. Examples of public services include clean and accessible public parks and trails.

3.1.1.2 MERIT SERVICES

Merit services provide benefit to both the community and individual. These programs should follow a cost sharing model between subsidy and a fee to the customer. Some portion of the cost of service should be supported by the user thus lowering the general fund contribution. Example of merit services includes swim lessons, youth sports leagues, and youth enrichment programs.

3.1.1.3 PRIVATE SERVICES

Private services provide benefit to the individual, are typically specialized, and provide minimal to no benefit to the community. These services should receive a minimal subsidization (if any) and the fee to participate is the responsibility of the user/customer. Examples of private services include facility rentals, adult sports programs, and specialized fee based classes.

3.1.1.4 SERVICE CLASSIFICATIONS

With current limitations on General Funds, service classification provides a framework to achieve greater financial sustainability by prioritizing services. The three service classifications are:

- Core services – “Essential”
- Core services – “Important”
- Core services – “Value Added”

3.1.1.5 CORE SERVICES – “ESSENTIAL”

Category 1 Core services are those programs, services and facilities the agency must provide and/or are essential in order to capably govern the municipality. The failure to provide a core service at an adequate level would result in a significant negative consequence relative to the City’s health & safety and economic and community vitality. The criteria for a core service -essential are:

- The agency is mandated by law, by the Charter or is contractually obligated by agreement to provide the service.
- The service is essential to protecting and supporting the public’s health and safety.
- The service protects and maintains valuable City assets and infrastructure.
- The City’s residents, businesses customers and partners would generally and reasonably expect and support the City in providing the service, and that service is one that cannot or should not be provided by the private sector, and provides a sound investment of public funds.

3.1.1.6 CORE SERVICES – “IMPORTANT”

Category 2 Core services are those programs, services and facilities the City should provide, and are important to governing the municipality and effectively serving our residents, businesses, customers and partners. Providing Category 2 Core services expands or enhances our ability to provide and sustain our City’s core services, health and safety, and economic and community vitality. The criteria for a core service-important are:

- Service provides, expands, enhances or supports identified core services.
- Services are broadly supported and utilized by the community, and are considered an appropriate, important, and valuable public good. Public support may be conditional upon the manner by which the service is paid for or funded.
- Service generates income or revenue that offsets some or all of its operating cost and/or is deemed to provide an economic, social or environmental outcome or result within the community.

3.1.1.7 CORE SERVICES – “VALUE ADDED”

Category 3 Core services are discretionary programs, services and facilities that the City may provide when additional funding or revenue exists to offset the cost of providing those services. Category 3 Core services provide added value to our residents, businesses, customers and partners above and beyond what is required or expected of a municipality. The criteria for a core service-discretionary are:

- Service expands, enhances or supports Core Services, Category 2 Core services, and the quality of life of the community.
- Services are supported and well utilized by the community, and provide an appropriate and valuable public benefit.
- Service generates income or funding from sponsorships, grants, user fees or other sources that offsets some or all of its cost and/or provides a meaningful economic, social or environmental benefit to the community.



CHAPTER FOUR – ACTIVITY REGISTRATION ANALYSIS

The activity registration analysis is presented for Jackie Robinson Community Center, Villa-Parke Community Center, Robinson Park, Washington Park, La Pintoresca Park, Victory Park, and Jefferson Park.

4.1 ADAPTIVE PROGRAMS ACTIVITY REGISTRATION AT JACKIE ROBINSON COMMUNITY CENTER

The analysis shows the Jackie Robinson Community Center has significant program participation from users living within one mile of the center. Most users live within three miles of the Center. There is some participation from users beyond three miles of the center. The farthest participant lives 13.9 miles from the Center with an estimated 21 minute drive time as shown in **Figure 5**.

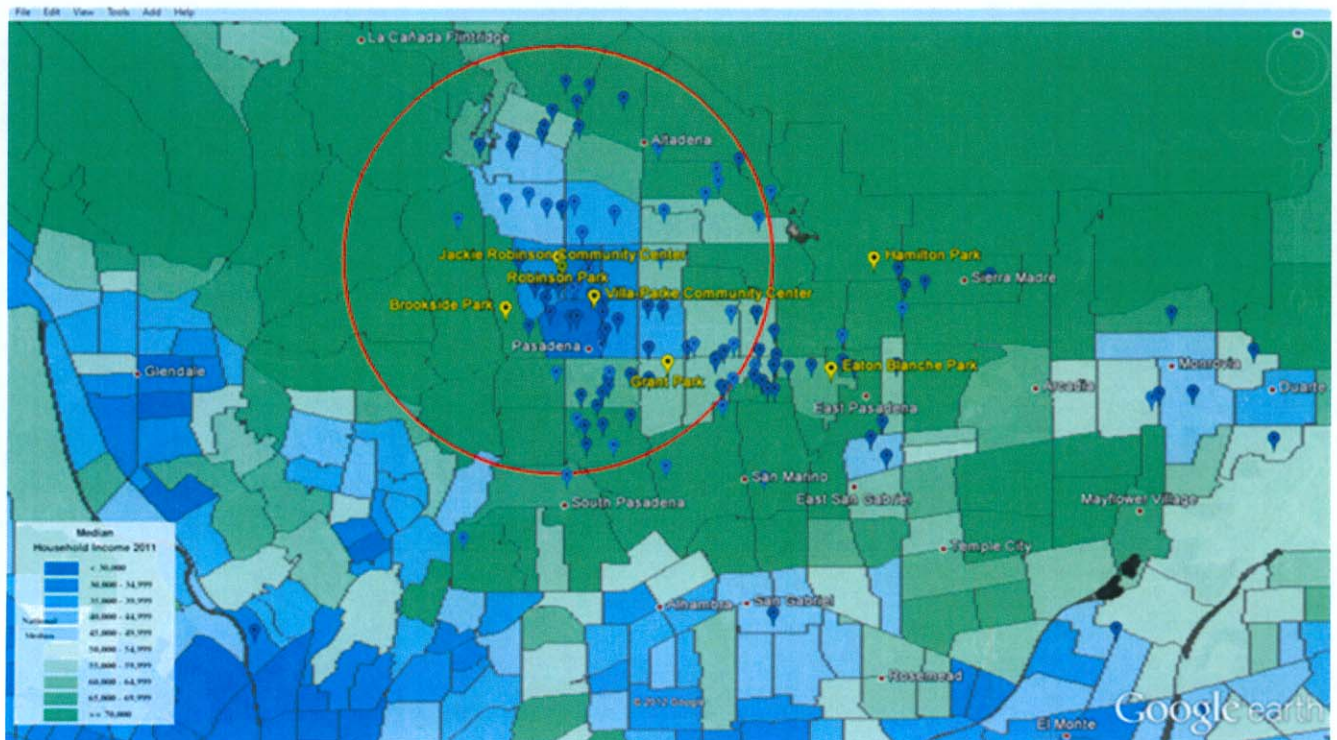


Figure 5 – Jackie Robinson Park Center Adaptive Program Registration showing 3 Mile Radius

4.2 AQUATICS REGISTRATION ANALYSIS

Figure 6 shows the registrant locations for the Aquatics Program. The analysis shows the majority of the Aquatics Program participants live within three miles of the Center. There is approximately 30% participation by users beyond two and a half miles of the Center. The farthest participant lives 8 miles from the Center with an estimated 11 minute drive time.

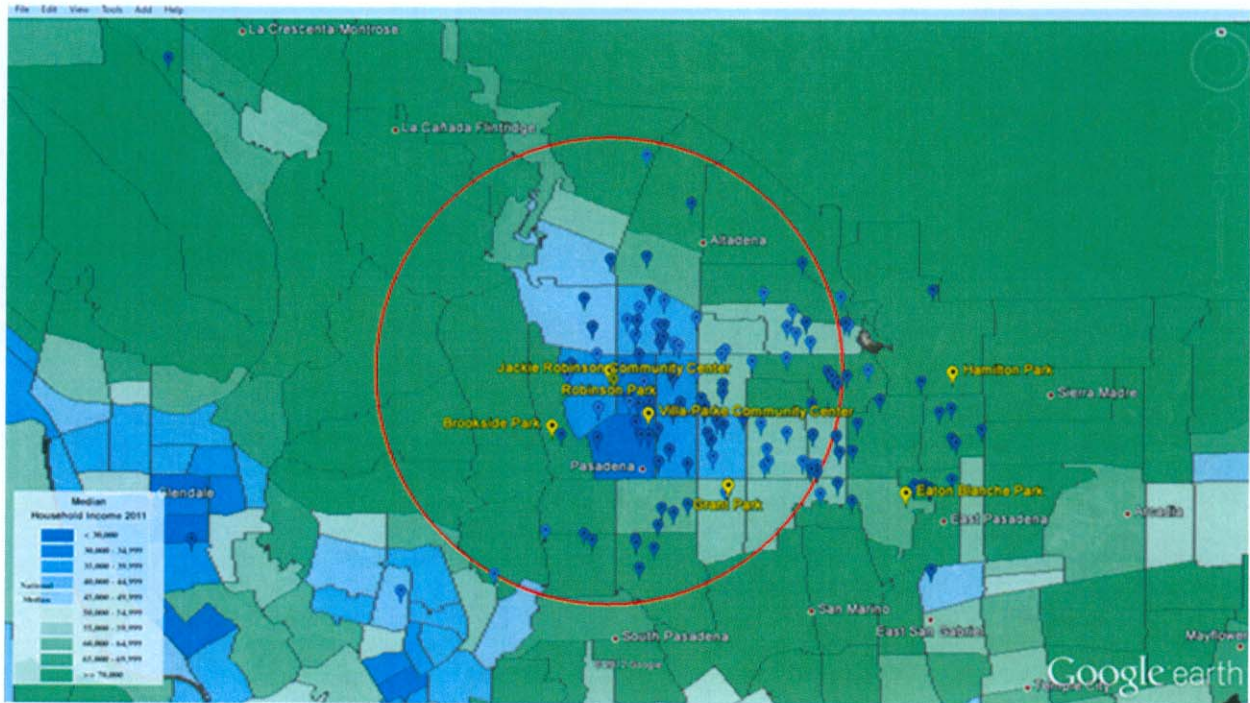


Figure 6 – Aquatics Activity Registration showing 3 Mile Radius



4.3 SUMMER CAMP REGISTRATION ANALYSIS

Registrant residence locations for the Summer Camps are shown in **Figure 7**. The analysis shows the majority of the Summer Camp program participants live within two miles of the Center. There is approximately 35% participation by users beyond three miles of the Center. The farthest participant lives 8.6 miles from the Center with an estimated 14 minute drive time.

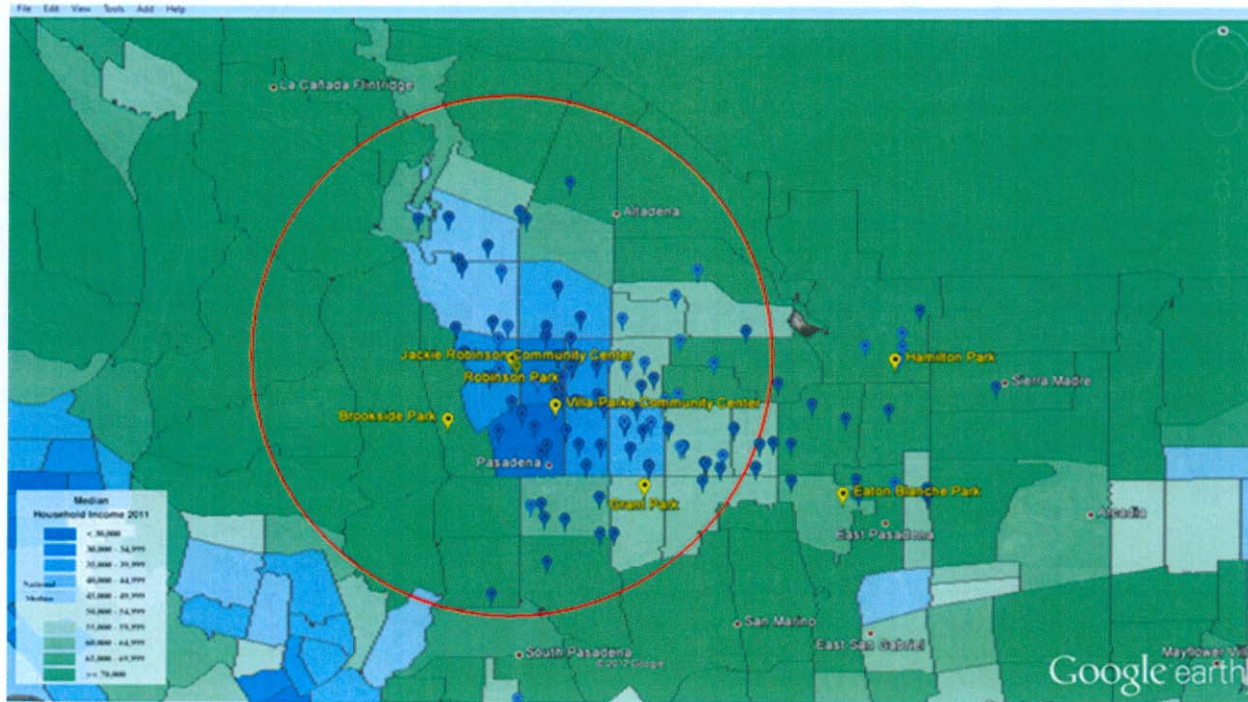


Figure 7 – Summer Camp Registration showing 3 Mile Radius



4.4 SUMMER ACTIVITY REGISTRATION AT ROBINSON PARK

Summer Activity residence locations for the summer analysis registrants at the Robinson Park Center are shown in **Figure 8**. The analysis shows the majority of the Summer Activity Program participants live within two miles of the park. There is approximately 25% participation by users beyond two miles of the Park Center. The farthest participant lives 9.0 miles from the Park with an estimated 14 minute drive time.

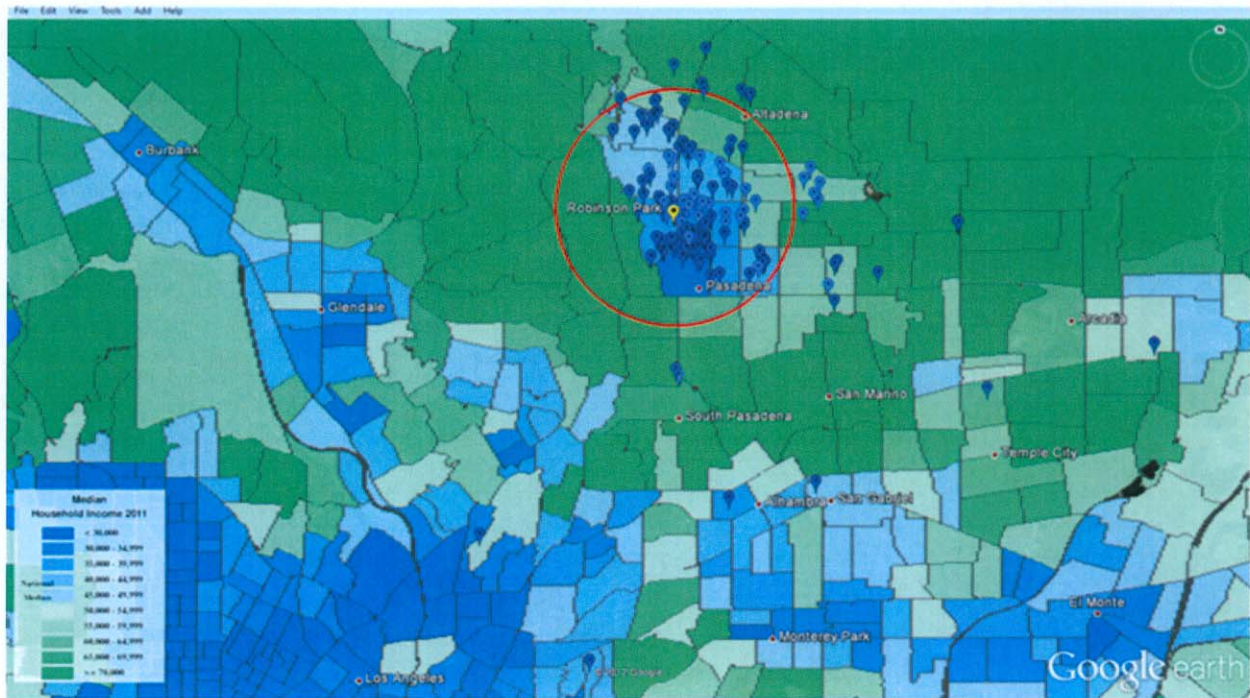


Figure 8 – Summer Activity Registration at Robinson Park showing 2 Mile Radius



4.7 SUMMER CAMP REGISTRATION AT LA PINTORESCA PARK

Registrant residence locations for the summer camps at La Pintoresca Park are shown in **Figure 10**. The analysis shows the majority of the program participants live within two miles of the Park. There is approximately 15% participation by users beyond two miles of the Park. The farthest participant lives 6.2 miles from the Park with an estimated 15 minute drive time.

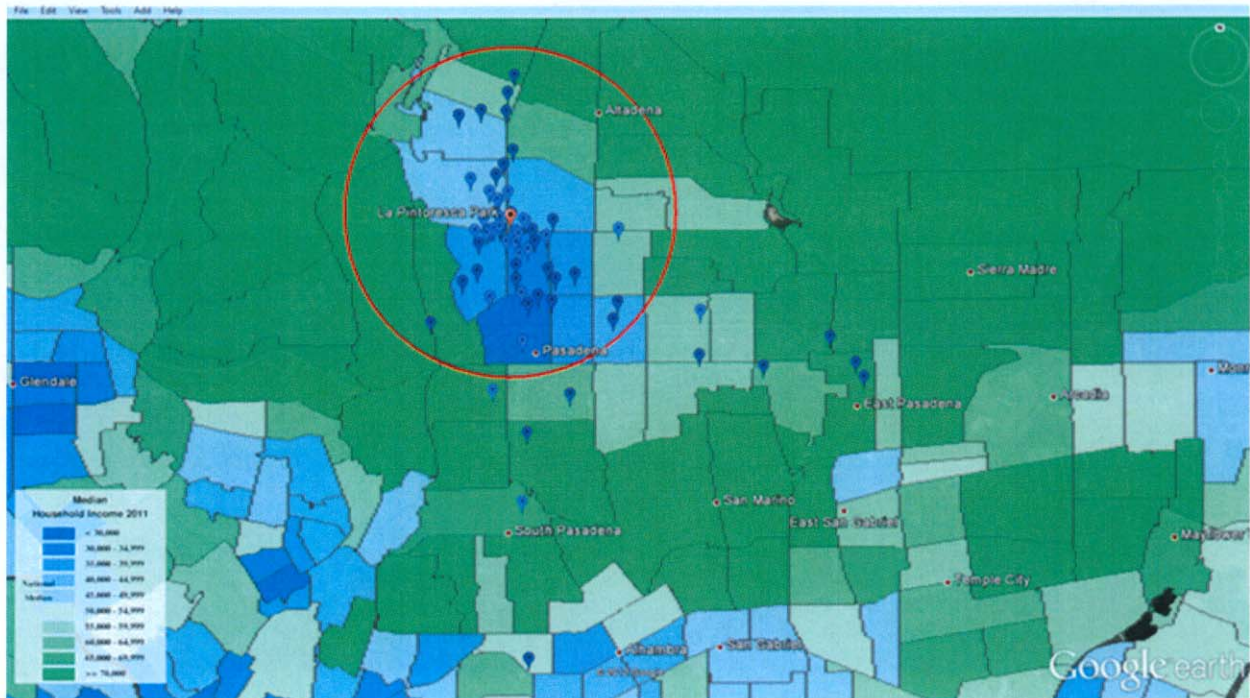


Figure 10 - Summer Camp Registration at La Pintoresca Park showing 2 Mile Radius

4.8 SUMMER CAMP REGISTRATION AT VICTORY PARK

Registrant residence locations for the summer camps at Victory Park are shown in **Figure 11**. The analysis shows about half of the program participants live within two miles of the Park. There is approximately 50% participation by users beyond two miles of the center. The farthest participant lives 8.1 miles from the Park with an estimated 18 minute drive time.

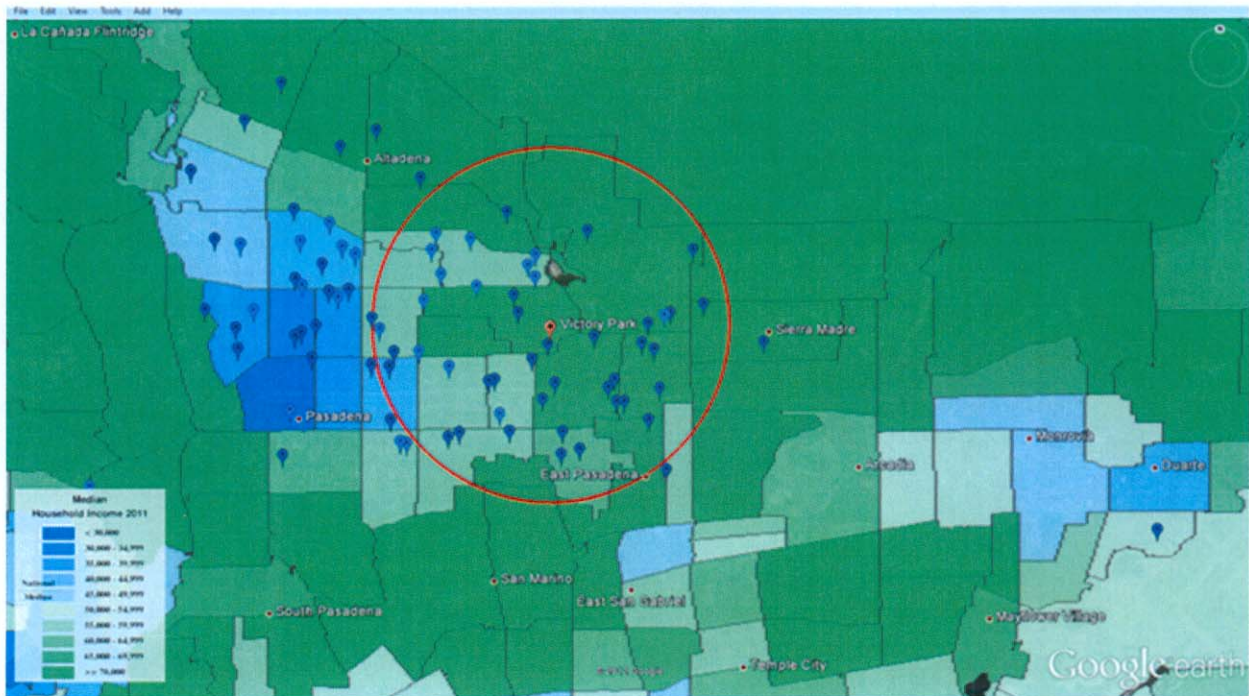


Figure 11 - Summer Camp Registration at Victory Park Showing 2 Mile Radius

4.9 SUMMER CAMP REGISTRATION AT JEFFERSON PARK

Registrant residence locations for the summer camps at Jefferson Park are shown in **Figure 12**. The analysis shows the majority of the program participants live within two miles of the Park. There is approximately 20% participation by users beyond two miles of the Park. The farthest participant lives 5.2 miles from the Park with an estimated 9 minute drive time.

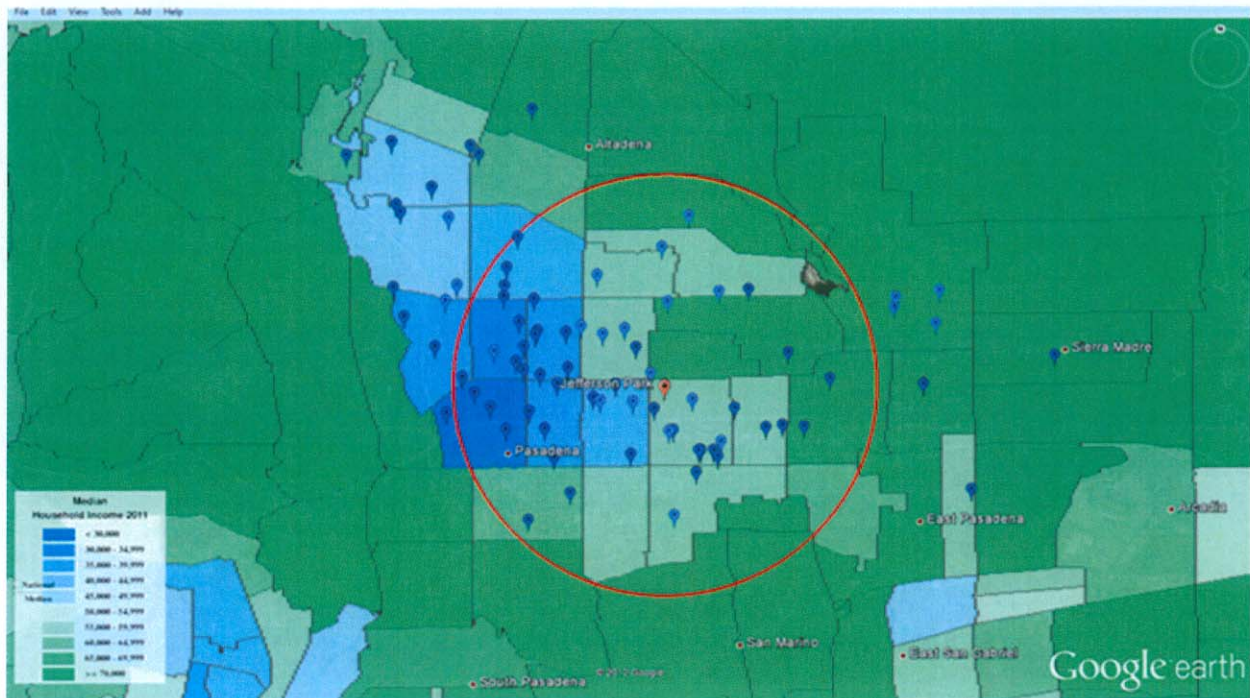


Figure 12 – Summer Camp Registration at Jefferson Park showing 2 Mile Radius

4.10 SPORT AND FITNESS REGISTRATION AT VILLA-PARKE COMMUNITY CENTER

Registrant residence locations for the sport and fitness programs at Villa-Parke Community Center are shown in **Figure 13**. The analysis shows the majority of the program participants live within two miles of the Center. There is approximately 20% participation by users beyond two miles of the Center. The farthest participant lives 17.2 miles from the Center with an estimated 24 minute drive time.

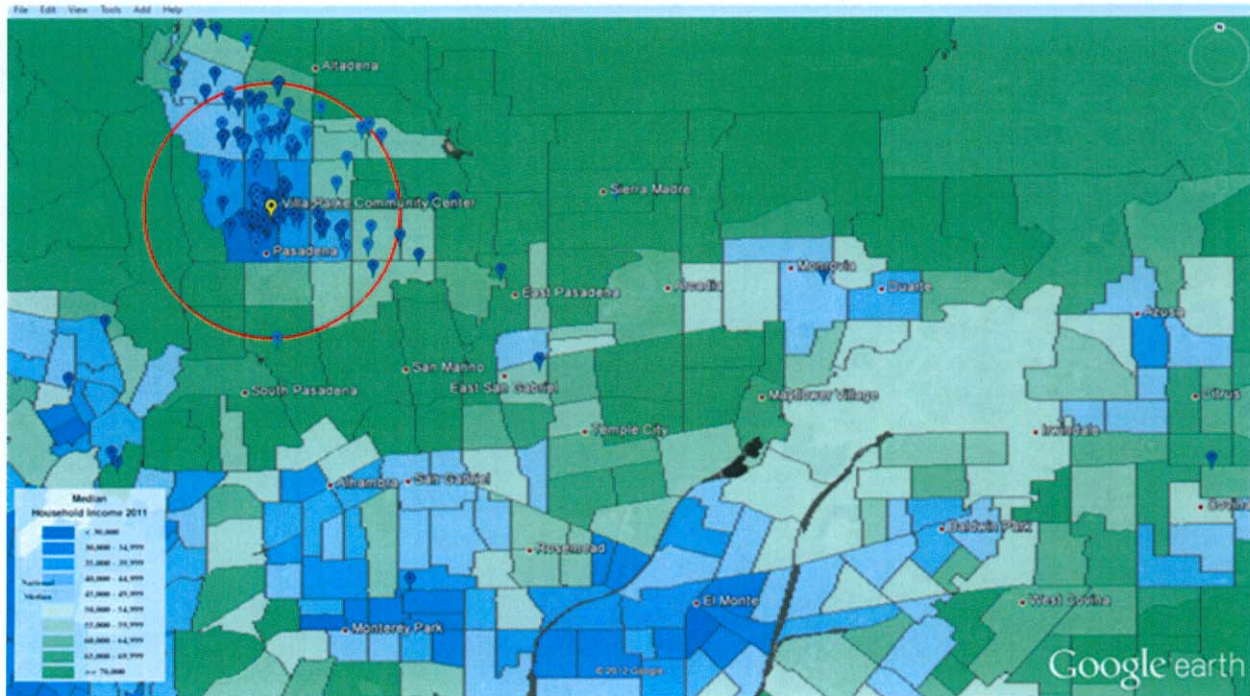


Figure 13 - Sport and Fitness Registration at Villa-Parke Community Center showing 2 Mile Radius

CHAPTER FIVE - PASADENA RECREATION PRICING RECOMMENDATIONS

This section depicts the recommended pricing for selected programs and activities over a four-year implementation period. The cost recovery from current and proposed fees is also presented.

The fee recommendations shown include a four-year implementation. The first year pricing recommendations are introductory prices for phased-in increases over the next four year. The individual fees should be reevaluated and adjusted each year for changes in participation and actual costs to meet the long term cost recovery goals that have been proposed.

The recommendations include a three tier pricing structure. The Third-Tier is full pricing, the Second-Tier is a 50% reduced price based on the participant's needs, and the First-Tier is near-free pricing for those that need the greatest assistance. The 50% scholarship is the current practice for programs and will remain consistent with the recommendations. The practice keeps the prices the same for residents who need and use these programs more. Eligibility for the First-Tier and Second-Tier pricing is based on the Passport to Fun Youth Scholarships Program. The Passport to Fun program details are presented in Section 5.2 of this report. The Passport to Fun program expands the recreational opportunities by extending the benefit to recreation classes.

The Non-Resident pricing is value based to prevent driving away non-resident users while charging a higher price to minimize the subsidizing of non-resident users. As long as the activities have excess capacity the inclusion of non-resident users increase the financial sustainability of the Department. Once programs and activities are at full capacity non-resident subsidies should be eliminated.

5.1 AFTER-SCHOOL PROGRAM

After-School Program

	Current	Proposed
Direct Costs	\$1,197,849	\$1,197,849
Administrative Costs	\$185,274	\$185,274
Total Costs	\$1,383,123	\$1,383,123
Revenues	\$50,272	\$570,641
Participation	3,144	3,144
Cost Recovery	4%	41%
Investment Per Participant	\$424	\$258
Average Regional-Fee	\$54.44 Per Week	
High Regional-Fee	\$271.00 Per Week	
Low Regional-Fee	\$0.00 Per Week	
National Typical Fee	\$50.00 Per Week	

	Current	Proposed
Free - First Tier	\$0.00 Per Week	\$0.25 Per Week
Reduce Fee - Second Tier	\$12.17 Per Week	\$12.50 Per Week
Regular Fee - Third Tier	\$14.32 Per Week	\$25.00 Per Week
Summer After School	\$0.00 Registration	\$25.00 Registration

Additional Discounts are afforded for First Additional Child - 10% discount and for Second Additional Child - 20% discount

Figure 14 – Pricing Recommendations for After-School Program

The After School Program pricing adjustments should be implemented on or after July 1, 2012.

Figure 14 depicts the recommended cost recovery rates for After School Programs. Based on our analysis of the program, it is recommended that the classes be priced at \$25.00 per week. The recommended price increase will improve the cost recovery from the current 4% to 41%. **Figure 15** shows the recommended fee adjustments to attain an approximately 80% cost recovery. The tier pricing ensures all youth have access to safe, quality recreational programs that support academic success and youth development.

Pasadena Phase-in Detail - Per Week										Total Revenues	Cost Recovery at Recommended Fee
Implementation Year	Free - First Tier	Reduce Fee - Second Tier	Regular Fee - Third Tier	Summer After School	First Tier*	Second Tier*	Third Tier*	Summer After School			
First Year	1,509	232	871	532	\$0.25	\$12.50	\$25.00	\$25.00	\$570,640.50	41%	
Second Year	1,816	279	1,049	532	\$0.50	\$15.00	\$30.00	\$30.00	\$801,719.69	58%	
Third Year	1,816	279	1,049	532	\$0.75	\$17.50	\$35.00	\$35.00	\$940,787.97	68%	
Fourth Year	1,816	279	1,049	532	\$1.00	\$20.00	\$40.00	\$40.00	\$1,079,856.25	78%	

Note: Unit distribution base current free, reduced and standard fee collections of school year program participation of 2,612
Tiered rates are average collected fees; e.g. First Tier rate should be \$1 a week to achieve an average of \$0.50 per week
The estimated revenues are above the budget goal due to collection risks. Any actual revenues above the budget goal should be applied to scholarships and facility renewal.
Additional Discounts are afforded for First Additional Child - 10% discount and for Second Additional Child - 20% discount

Figure 15 – Four-Year Pricing Recommendations for After-School Program

5.2 AQUATICS – OPEN SWIM

Aquatics- Open Swim

	Current	Proposed
Direct Costs	\$203,192	\$203,192
Administrative Costs	\$6,028	\$6,028
Total Costs	\$209,221	\$209,221
Revenues	\$4,440	\$5,100
Participation	3,030	3,030
Cost Recovery	2%	2%
Investment Per Participant	\$68	\$67
Average Regional-Fee	\$2.30 Per Week	
High Regional-Fee	\$10.00 Per Week	
Low Regional-Fee	\$0.50 Per Week	
National Typical Fee	\$2.00 Per Week	

	Current	Proposed
Family Swim Pass	\$53.00 Per Season	\$55.00 Per Season
Ages 18-49	\$2.50 Per Visit	\$2.50 Per Visit
Seniors and Youth	\$1.00 Per Visit	\$1.00 Per Visit
School Pass	\$0.00 Per Visit	\$0.00 Per Visit
Non-Resident Surcharge on Pass	\$0.00 Per Season	\$10.00 Per Season

Figure 16 – Pricing Recommendations for Aquatics – Open Swim

Figure 16 depicts the recommended cost recovery rates for Aquatics – Open Swim. Based on our analysis of the program, the Family Swim Pass price classes should be adjusted to \$55.00 per season. The recommended price will maintain the cost recovery of approximately 2%. **Figure 17** shows the recommended fee adjustments.

Pasadena Phase-in Detail - Open Swim							
Implementation Year	Family Swim		Seniors and		Non-Resident Surcharge on Passes	Total Revenues	Cost Recovery at Recommended Fee
	Pass	Ages 18-49	Youth	School Pass			
First Year	\$55.00	\$2.50	\$1.00	\$0.00	\$10.00	\$5,100.00	2%
Second Year	\$60.00	\$3.00	\$1.50	\$0.00	\$10.00	\$5,562.50	3%
Third Year	\$65.00	\$3.50	\$2.00	\$0.00	\$10.00	\$6,025.00	3%
Fourth Year	\$70.00	\$4.00	\$2.50	\$0.00	\$10.00	\$6,487.50	3%

Note: Unit distribution based on 2011 total attendance and total revenues, the distribution of Family

Figure 17 – Four-Year Pricing Recommendations for Aquatics – Open Swim

5.3 AQUATICS – LESSONS

Aquatics- Lessons

	Current		Proposed			
Direct Costs	\$203,192		\$203,192			
Administrative Costs	\$35,136		\$35,136			
Total Costs	\$238,329		\$238,329			
Revenues	\$75,569		\$120,435			
Participation	5,087		5,087			
Cost Recovery	32%		51%			
Investment Per Participant	\$32		\$23			
Average Regional-Fee	\$41.08	Per Session				
High Regional-Fee	\$63.00	Per Session				
Low Regional-Fee	\$20.00	Per Session				
National Typical Fee	\$50.00	Per Session				
	Current		Proposed			
			Tier 1	Tier 2	Tier 3	
Youth	\$ 16.00	Per Lesson	\$2.00	\$15.00	\$30.00	Per Session
Adult	\$ 24.00	Per Lesson	\$2.00	\$15.00	\$30.00	Per Session
Non-Resident Surcharge	\$ 8.00	Per Lesson	NA	NA	\$15.00	Per Session
Youth group	\$ 24.00	Per Session	\$1.00	\$22.50	\$45.00	Per Session
Adult group	\$ 36.00	Per Session	\$1.00	\$30.00	\$60.00	Per Session
Non-Resident Surcharge	\$ 12.00	Per Session	NA	NA	\$15.00	Per Session

NOTE: Tier 1 funding is available through the City's emergency scholarship funding Passport to Fun Program (available in the event of a job loss, homelessness and other family crisis situations).

Figure 18 – Pricing Recommendations for Aquatics – Lessons