



Committee of the Whole Presentation

August 22, 2024

Financial Sustainability Strategy

A process made possible by 110% Inc.



Agenda

- 1. HOW & WHAT - Smyrna Parks & Recreation Financial Sustainability Strategy**
- 2. Financial Sustainability Policy - Overview & Next Steps**
- 3. Thoughts, Comments, Questions**



REALITY



POLICY



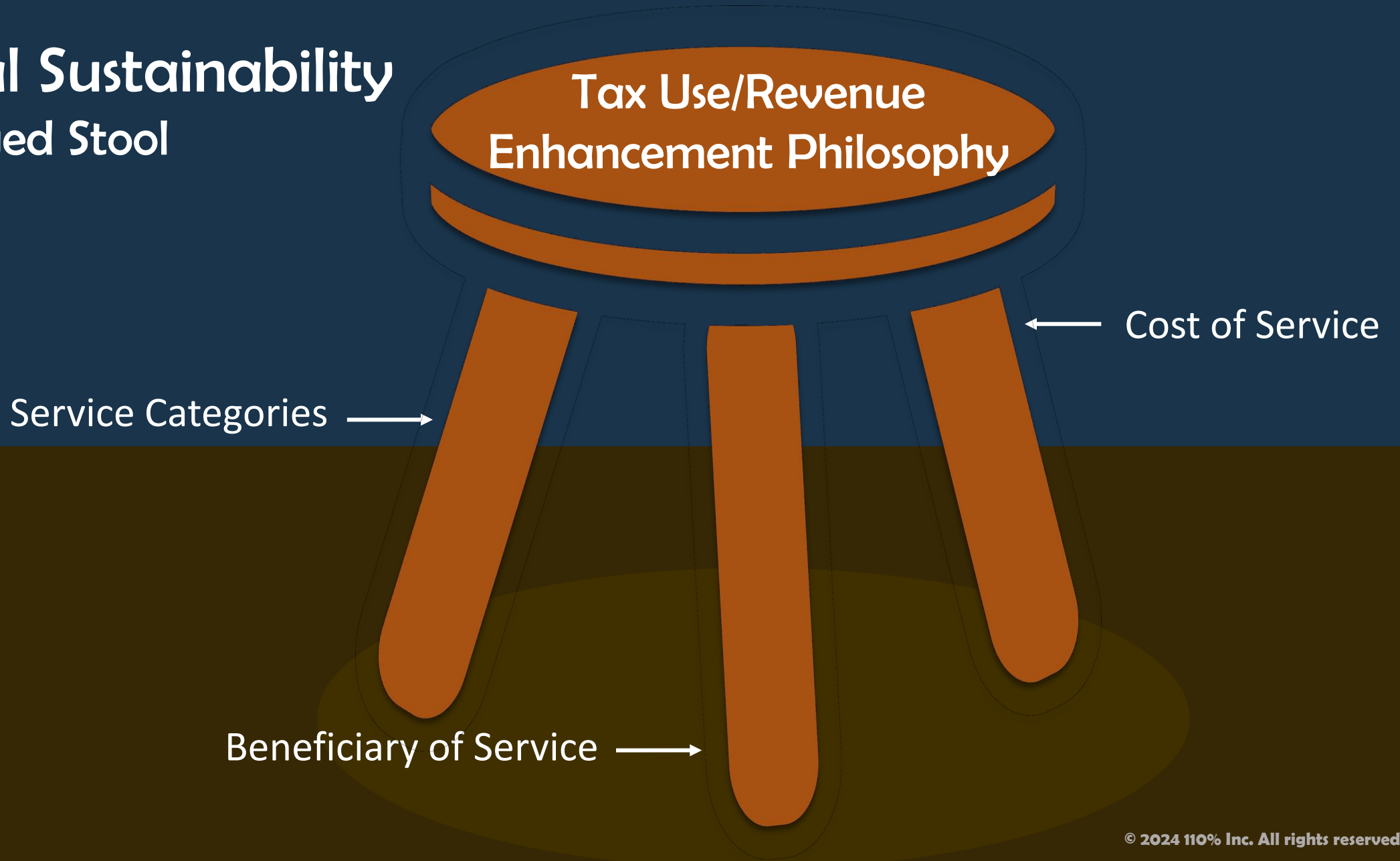


Parks & Reconomics[©]

How we manage our finite resources.



Financial Sustainability Three-legged Stool





Service Categories

Beginner/Intro Level Activities

Activities in which fundamental skills are taught by an instructor/coach and designed to limit an emphasis on competition. Beginner/Intro Level Activities include classes, clinics, workshops, and leagues designed for participants to learn basic skills.

Examples: Pre-School Session Gymnastics, Twinkle Toes, Beginning Tae Kwon Do, 20-20-20 Fitness, Beginner Yoga

Community Events

Events offered to the community as a whole and not specific to a certain demographic or area of interest. Often, these events require continual or long-term planning due to their size and scope. Registration is typically not required.

Examples: Concert Series, Home for the Holidays, Lunch on the Lawn, Markets (Handmade Holiday Market, Kris Kringle Market), College Football Saturdays, and Easter After Dark

Competitive Level Activities

Activities and leagues in which participants develop skills in a competitive environment. These activities tend to include designated coaches and/or instructors who work to further develop participant skills. These skills are then applied through regularly scheduled competitions with officials and scorekeepers.

Examples: Youth Sports Leagues, Adult Athletic Leagues, Tae Kwon Do (advanced), Dance Teams

Drop-In Activities

Self-directed activities which may or may not require registration and/or membership depending upon the location of the activity. These services may not require specific instruction but do involve supervision by staff and/or volunteers.

Examples: Open gym, therapy pool, racquetball courts, senior social activities, recreation room

Educational and Enrichment Activities

Classes, courses, trips, or other activities led by an instructor or guide and designed to enhance knowledge and personal development through education-based instruction.

Examples: Photography Class, Cooking Class, Defensive Driving Course, Day Camps, Educational Senior Trips (museum trips, historic site tours)

Open Access Activities

Self-directed activities in parks and in or on park amenities. These services do not include supervision by staff and/or volunteers.

Examples: Use of Playgrounds, Parks, Bike Trails, Fitness Courts

Private/Semi-private Activities

Activities in which participants receive individualized instruction and guidance in a private or small group environment. These activities are designed to focus on the unique needs and/or interests of individuals.

Examples: Piano Lessons, Santa Stops By, Swim lessons

Rentals

Exclusive use of spaces and places by an individual or group restricting public and open access use.

Examples: Facility Rentals, Park Rentals, Room Rentals, Gymnasium Rentals, Pavilion Rentals, Sports Field Rentals, Vendor Booth Spaces at Markets

Resales

Food, beverages, and other goods available for purchase at various parks, facilities, and events.

Examples: Concession Items, Vending Items

Special Events

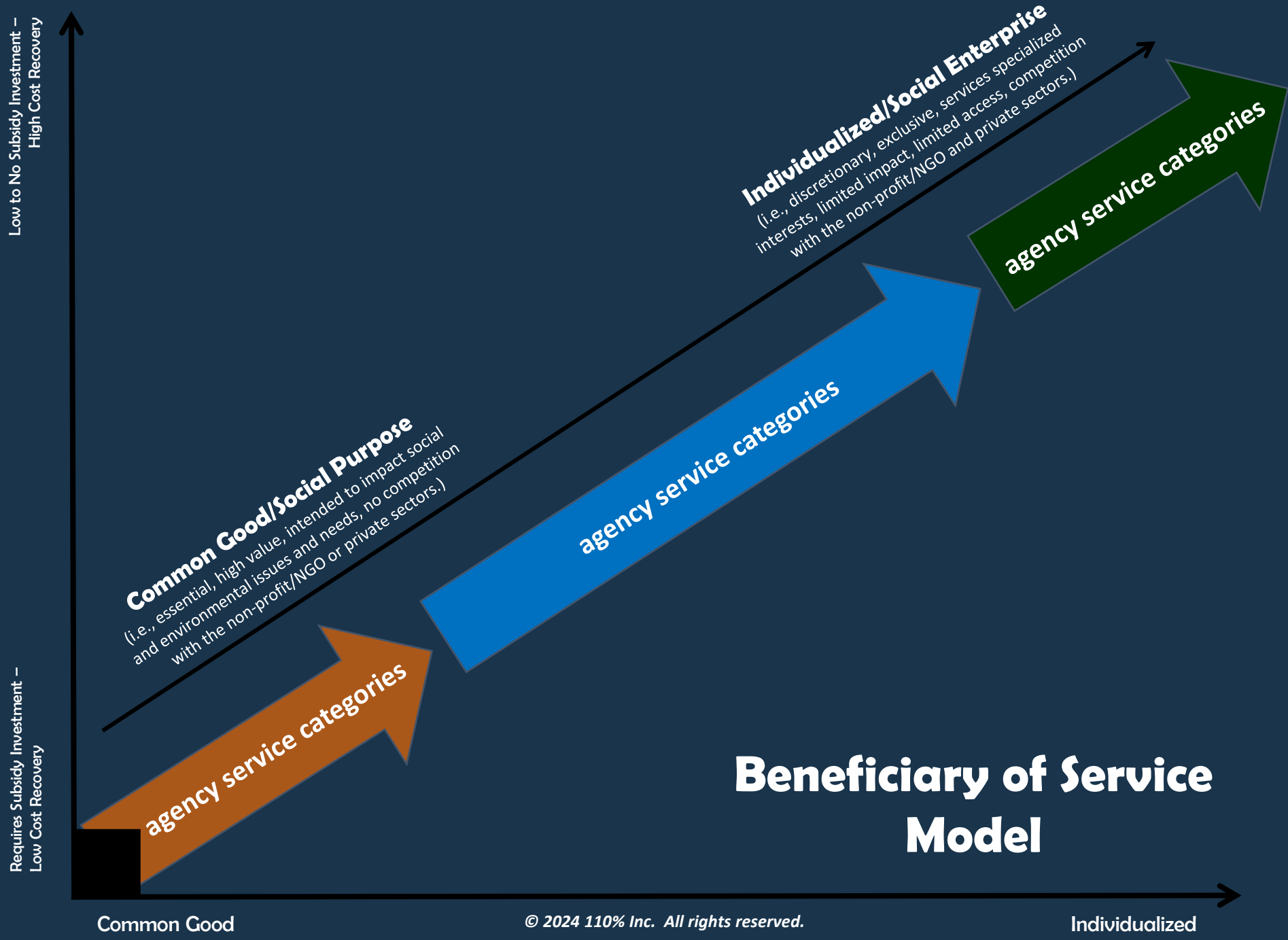
Events designed for a specific target market or market niche' and include consideration of age, gender, skill, and/or personal interests. Special events require registration or tickets and often have a maximum number of participants.

Examples: Daddy Daughter Dance, Mother Son Nerf Wars, Galentine's Day, Senior Casino Trips, Girls Night Out, Parents' Night Out, Spooky Festival, 12 Cocktails of Christmas



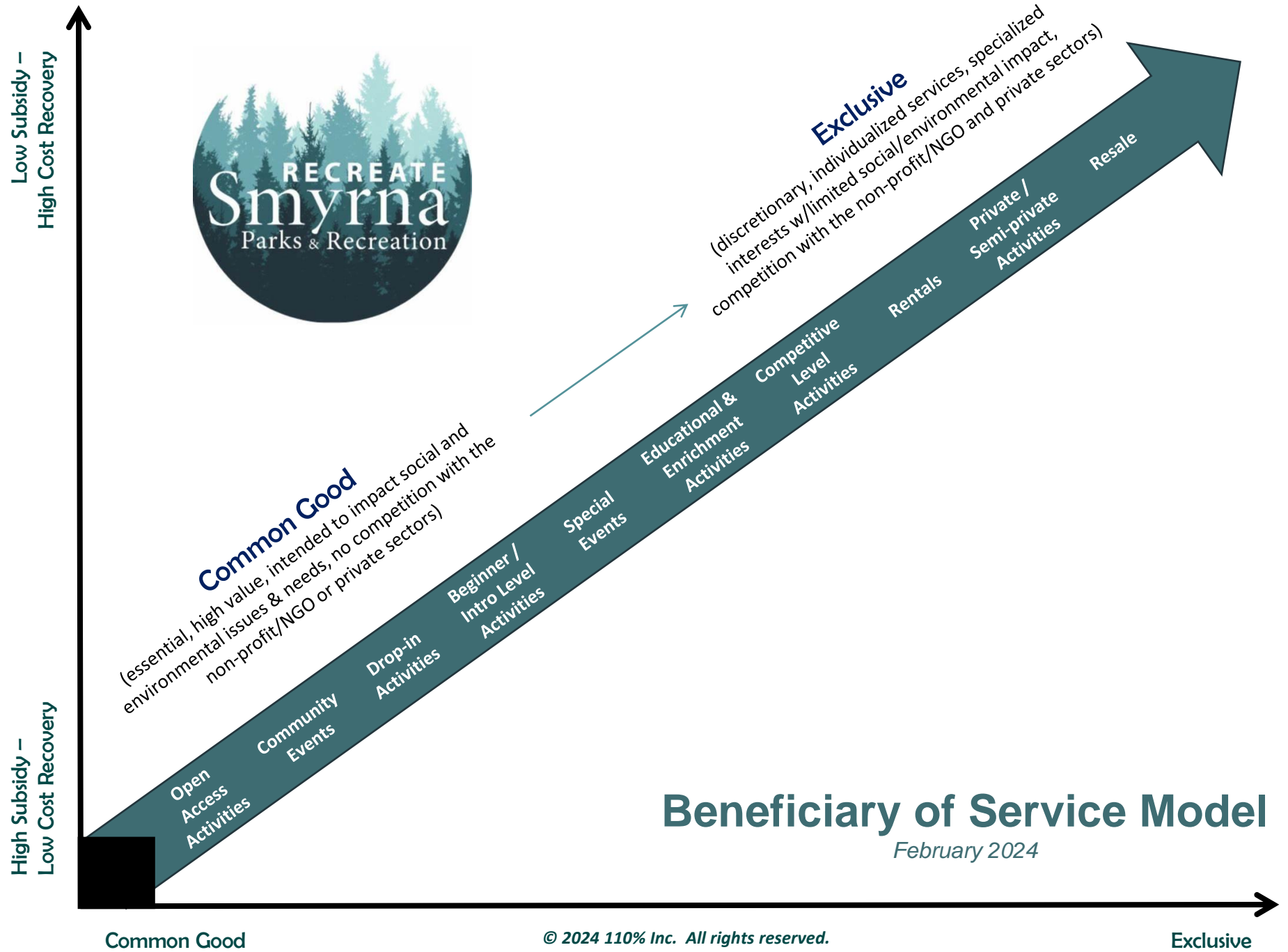


Financial Sustainability Continuum



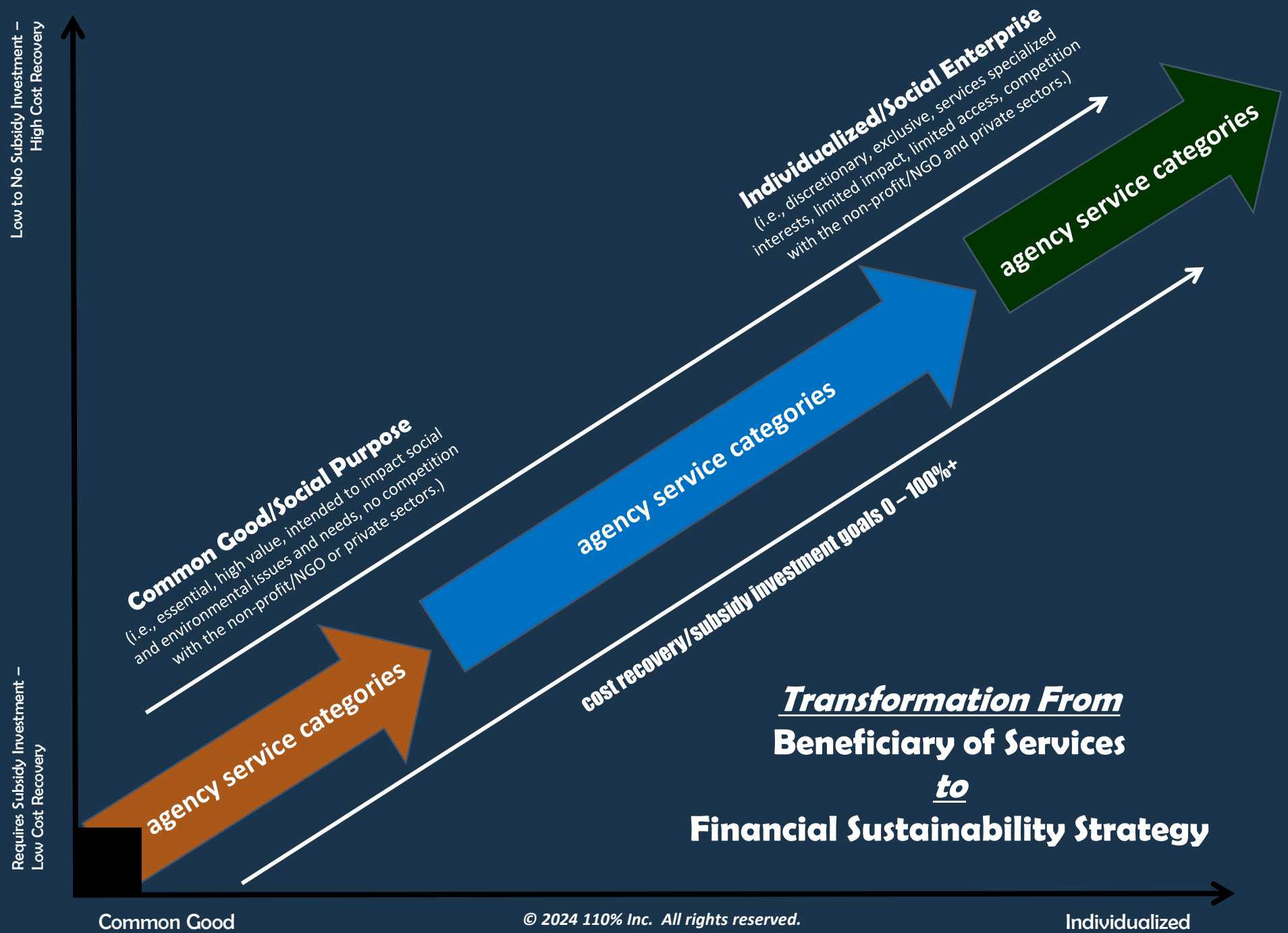


Financial Sustainability Continuum



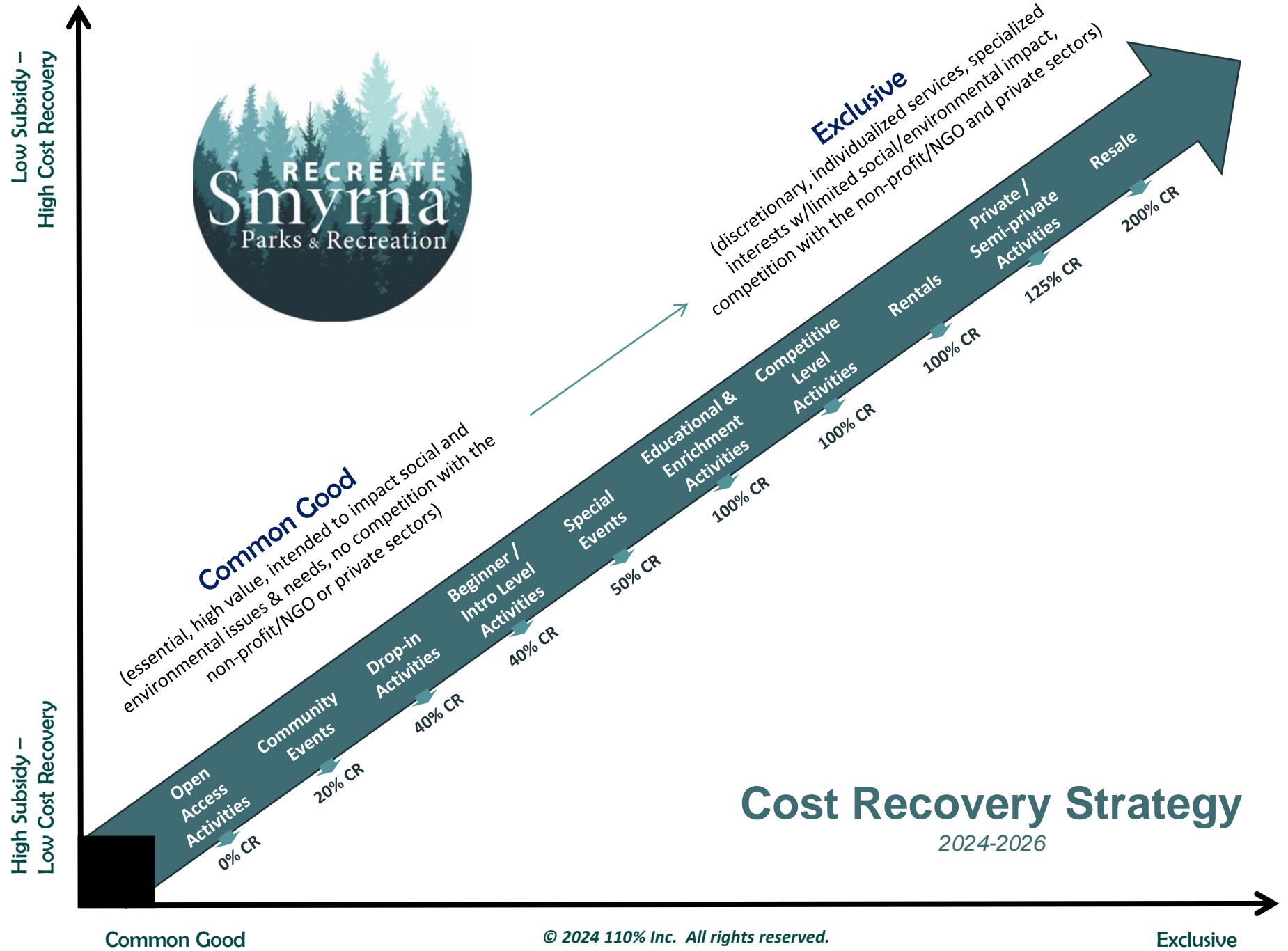


Financial Sustainability Continuum





Financial Sustainability Continuum





COST RECOVERY POLICY

Purpose

Smyrna Parks and Recreation's Cost Recovery Policy intends to create organizational resilience by way of logical, intentional, and thoughtful guidelines for investment and spending decisions. The strategy encourages tax investment and revenue generation strategies and practices that are fair, equitable, and responsible. This policy is necessary to ensure the department's financial stability in both the near and long term.

The Cost Recovery Policy will guide investment and spending choices as the department responds to economic realities, growth expectations, competing priorities, demographic shifts, evolving community needs and interests, and climate impacts.

Policy Statement

Smyrna Parks and Recreation's Cost Recovery Policy grounds cost recovery expectations and the spending of taxpayer dollars in a philosophical underpinning that affirms a commitment to equitable investment, financial discipline, and long-term fiscal health.

The department's annual budget ultimately determines the amount of taxpayer support that can be made available for park and recreation services which results in understanding the degree to which subsidy investment can be made and to which services, and the degree to which user fees will be assessed and to which services.

Cost Recovery/Subsidy

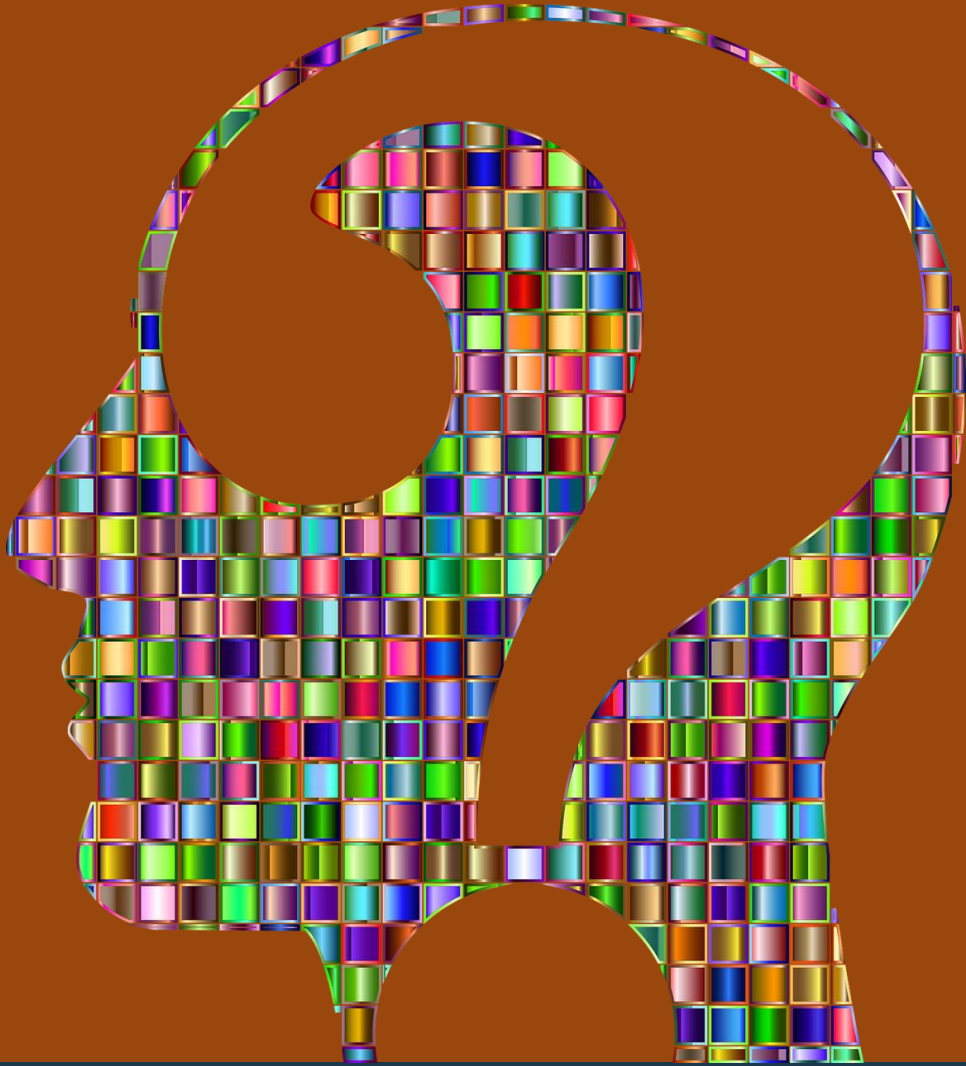
Cost recovery refers to offsetting the costs (expenses) of delivering services by way of revenues generated from fees and charges, sponsorships, donations, grants, and other alternative revenue streams. Alternatively, subsidy represent a tax source. It is granted by a governmental entity; typically to remove some type of burden, and often considered to be in the overall interest of the public. It is also given to promote a social good or an economic policy.

For example, a cost recovery level of 75% simply means that for each dollar spent on a service, 75-cents are generated from a revenue source (i.e., fees) with the remaining 25-cents covered by subsidies (i.e., taxes).



Cost Recovery Policy





Thoughts? Comments? Questions?

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