



The Smart Approach to Cost Recovery in Public Parks & Recreation – Virtual Express Cohort

An approach made possible by 110% Inc. an Amilia Company

A Call to Action for Public Parks & Recreation

Among the biggest challenge the public-sector faces are managing historic customer and community expectations that tax dollars foot the bill for most or all governmental services including parks and recreation. The uncharted territory in which many professionals now find themselves includes the reality that subsidy dollars only be directed to services that provide for the greatest public good, and an expectation of heightened cost recovery or excess revenue generation for services that provide more individualized benefit and not a broader impact on the community as a whole.

The business of public parks and recreation (and arguably, government in general) is at a critical crossroad and has been profoundly impacted by a number of key issues including: increased interest in governmental accountability; increased competition from all sectors; stable or declining revenues with increasing costs; rampant arbitrary pricing and antiquated financial accounting processes; rapidly changing demographics; and maintenance backlogs and deteriorating infrastructure that seem far beyond recovery.

Operating from a foundation built upon sound business principles does indeed challenge conventional wisdom in the public sector. It charges employees with being more diligent about their management decisions with the expectation that they justify how resources are used. It requires the establishment of agency cultures that reflect an interest in defensible management practices and justifying how tax dollars are spent. It encourages productivity and the pursuit of opportunities for efficiency and revenue growth knowing that these efforts can help strengthen systems for the long term. And by applying business principles the long-held notion that certain services can continue to be subsidized because they always have been or because there is a demand that they are is challenged.

We are in this together.

Our commitment is to help set your organization up for long-term financial resilience, strength, and vitality with our Smart Approach to Cost Recovery.



The Smart Approach to Cost Recovery

Virtual Express Cohort process at a glance

COVID-19 and the resulting economic and public health crises have prompted the urgency for many agencies to adopt the Smart Approach to Cost Recovery. Today's new realities have presented a limited window of time to complete this critical work along with the added constraint of entirely virtual efforts. In order to meet these challenges, we have created the Smart Approach – Virtual Express Cohort process.

The Virtual Express Cohort process involves multiple agencies within the same geographic region in this collegial yet individualized effort. Agencies are guided through a prescribed mix of collective cohort education sessions as well as specialized consulting designed in response to each individual agency based upon its conditions and realities.

Cohorts:

- Small agency cohort: 4-6 agencies with operational budgets under \$10M
- Mid-sized agency cohort: 3-4 agencies with operational budgets between \$10-\$25M
- Large agency cohort: 2-3 agencies with operational budgets over \$25M

Proposed timeline: ~12 weeks

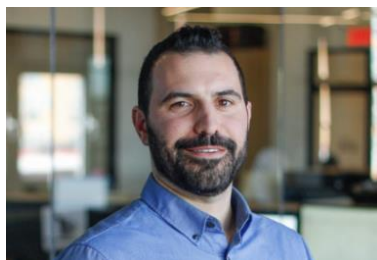
Proposed price: \$5975 per small agency; \$7975 per mid-sized agency; \$9975 per large agency

Included:

- *SmartRec* Cost Recovery online Tool by Amilia
Included for 6 months after project concludes. Renewals are available.

The consulting team

Jamie Sabbach is the founder and CEO of 110% Inc and Amilia Consulting USA, companies that help organizations be more responsible, strategic, and bold amid dynamic social, environmental, and economic change. Over the course of her career, she has served as park and recreation practitioner, university faculty, and as a consultant. Jamie has testified to the United States Congress on the critical importance of parks and public lands and has been recognized on numerous national stages for her work. She was inducted into the American Academy for Park and Recreation Administration in 2008.



Nicolas Venditti is the Cost Recovery Partnerships Manager at Amilia, a Park and Recreation Software Company. Nick specializes in helping agencies organize and sort their data efficiently by guiding them in the use of Amilia's cost recovery tool. He has been involved in the success of cost recovery projects with various sized agencies across the country.

The Smart Approach to Cost Recovery

Detailed Virtual Express Cohort Process

The Smart Approach to Cost Recovery – Virtual Express Cohort process is a program designed in five (5) phases combining educational trainings, recorded webinars, interactive digital work sessions and one-on-one meetings.



Project Kick-off Virtual Meeting with each Agency's Project Team

(scheduled approx. 2-3 weeks prior to Phase #1)

- Project team expectations
- Review of each project phase
- Data and information request
- Review of project timeline
- Expected quality and format of all deliverables
- Preparation of and planning for Phase 1

Phase 1

Staff Education & Training: 1 1/2 -hour Live Virtual Workshop

Education and training on the front end of the process with up to 20 staff per agency provides a comprehensive understanding of the process, why the agency would choose to engage, and how the outcomes are ultimately intended to positively affect operations. Further, it offers an introduction to the topics of financial management and cost recovery in the public sector and enhanced education on the merits of how revenues are and/or may be generated, how to think about spending, and about the importance of a cost recovery philosophy for sustaining parks and recreation systems long term.

Phase 2

Service Category Development: 1-hour Live Virtual Work Session

A team of representative agency staff will be tasked with the development of the agency's initial working draft of service categories. Resources will be provided to the agency to assist in the self-directed development of service categories as well as category definitions.

Phase 3

Cost of Service Analysis

The Cost of Service Analysis is the “heavy lifting” phase of the process. Staff who are needed to assist with this phase of the process include but are not limited to those at an administrator level along with those who are “gatekeepers” of the agency’s financial data.

A Data Import Tool (DIT) and supplemental instructional guide along with support from the consulting team will be provided to assist the agency and ensure there is clarity and understanding regarding data identification and collection. There are three steps to the cost of service analysis.

Step 1 - Data Preparation & Introduction to Cost Recovery Tools – 2-hour live online session

Step 2 - Facility Cost Center Segmentation - 40 min. recorded session

Step 3 - Organizing Indirect Costs - 25 min. recorded session

A total of **ten, one-hour** weekly check-in meetings with each agency’s project team can be scheduled. These meetings will be held until such time that all necessary costs and revenues have been incorporated into the DIT, and there is a high level of confidence in the integrity and accuracy of the data and that all reasonable assumptions have been made and documented.

Phase 4

Beneficiary of Service Workshops

Once the agency’s service categories have been developed and agreed upon, staff, policy makers and/or advisory boards and stakeholder groups will actively participate in determining each service category’s “beneficiary of service”.

Agency staff, council and/or boards can be invited to participate in workshops where participants rank the agency’s service categories starting from services generating the greatest “community benefit” to those services generating the greatest “individual benefit”.

The result of these workshops allows for the agency to begin building their cost recovery model - a visual representation of their strategy. By plotting all service categories on a continuum that illustrates which services provide for the common good in contrast to those services which are more individualized and specialized, the agency begins to see which services should receive the greatest subsidy (community benefit) in contrast to those that may receive little to no subsidy (individual benefit).



Phase 5

Unveil the Cost Recovery Tool and Results of Cost of Service Analysis

After the data collection and importing processes conclude, staff will view the agency's **Cost Recovery Tool** and the results of the cost of service analysis. These data and supplemental reports include the cost to provide (both direct and indirect) each individual service in the system, current cost recovery performance levels and a series of other important information.

Current cost recovery performance results can be used as the baseline from which the agency can justifiably and rationally set cost recovery/subsidy allocation goals and targets that will be placed on their cost recovery model, essentially completing this visual representation of the agency's philosophy. Results will also guide the agency in establishing fees and charges, and making other informed financial decisions moving forward.



To request more information or to get started with the Smart Approach process contact:

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This unique approach is presented to you by:

