

Financial Management Philosophy and Cost Recovery Model

Lewisville Parks &
Recreation Department

City Council Workshop
August 20, 2018



WHAT

- **Build an effective model for resource allocation**
 - Park acquisition and development
 - Park and facility management
 - Recreation programming
- **Develop defensible management practices**
 - Establishment of fees and charges
 - Subsidization of services
 - Access to places and programs
 - Priorities for asset management
- **Create philosophy to guide financial decisions**
 - Balancing needs with wants
 - Investing in existing infrastructure
 - Demand for growth and development



WHY

- **Lack of current philosophy/strategy**
 - We've always done it this way
 - Our neighbors are doing it
 - We could make money on this service
 - Protected populations
 - Outdated trends
 - We will cross that bridge when we come to it
- **Uncertainty of local control of traditional revenue sources**
- **Limited evaluation of revenue trends**
- **Fiscal responsibility**
 - Accountability
 - Responsiveness
- **"Extending the Green" to Thrive**

A large green speech bubble graphic with a tail pointing towards the bottom left. The word "WHO" is written in white, bold, sans-serif capital letters inside the bubble.

WHO

- 110%, Inc.
 - Leading parks & recreation industry in conversation
 - Conducting nation-wide collaborative process
 - PARD Agencies, Amilia, Penn State University
- City Staff
 - Parks & Recreation
 - Marketing and Tourism
 - Finance and Budget
 - City Manager's Office
 - Department Directors
- Elected and Appointed Officials
 - City Council
 - 2025 Committee
 - Parks & Recreation Advisory Board

HOW

- **Analysis of current conditions in Lewisville**
 - Attributes of current park system and funding mechanisms
 - Long range goals for city and park system
 - Community and various markets (populations) served
 - Finance conditions and forecasts
 - Identification of key issues and opportunities
- **Establish Financial Management Philosophy statement**
 - Mirror mission and goals of organization
 - *2025: Lewisville will be a community characterized by diversity, connectivity, resource management and growth*

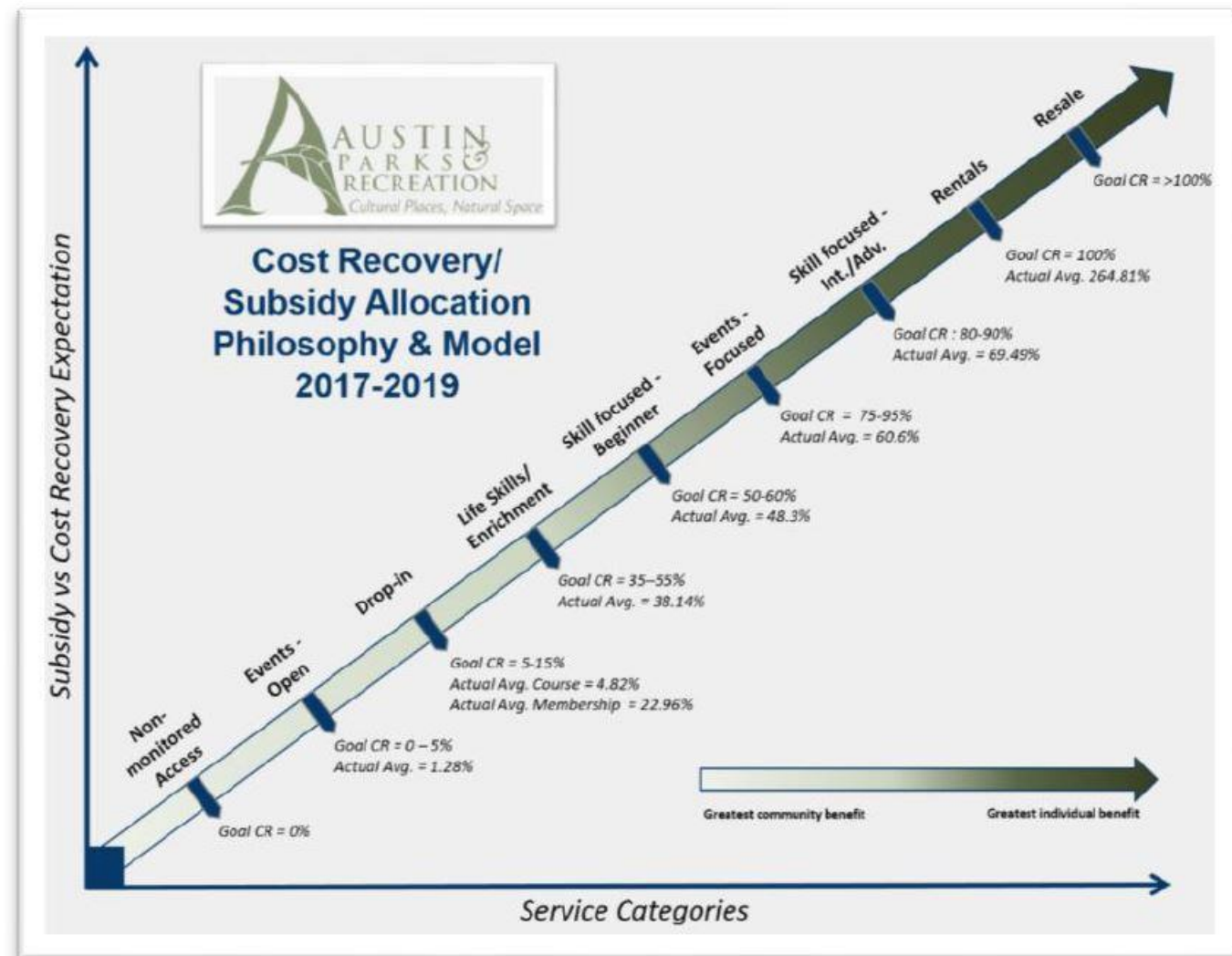
HOW

- **Three legs of Financial Management Philosophy**
 - **Service Categories:** what type of services are offered
 - Move away from historic designation: aquatics, seniors, etc.
 - Consider broader view: beginners, advanced, etc.
 - **Common Good vs. Individual Benefit:** who is the beneficiary of service
 - **Understanding Complete Cost of Service Delivery**
 - Direct costs
 - Indirect costs

DELIVERABLES

COST RECOVERY MODEL

Example



The background features a series of concentric, curved lines in a light gray color, creating a sense of motion and depth. These lines are more prominent on the left side and fade towards the right.

DELIVERABLES

POLICIES AND PROCEDURES

- Fees and Charges
- Social Equity (scholarship/reduced rates)
- Capital Investment
- Property, Acquisition, Development or Divestment
- Asset Prioritization

Task	Team	3Q 2018	4Q 2018	1Q 2019	2Q 2019
Kick off Meeting	110%, Project Team	✓ August 1			
Education & Training	110%, Project Team, Staff & Elected, Appointed Officials	✓ August 29			
Evaluation & Analysis of Current Condition	110%, Project Team	✓	✓		
Identify Key Issues & Opportunities	110%, Project Team		✓	✓	
Design Financial Management Philosophy	110%, Project Team			✓	✓
Policy Development and Deliverables	110%, Project Team, Staff & Elected, Appointed Officials			✓	✓

WHEN

The background of the slide features several thin, curved lines in a light gray color, some solid and some dashed, creating a sense of motion or a stylized globe. On the left side, there is a large green speech bubble shape with a small tail pointing downwards.

NEXT STEPS

- August 29 at 6:30 pm: education and training workshop, Community Room at City Annex
- September 10 City Council: appoint two members to serve on sub-committee

A green speech bubble with a small tail pointing downwards and to the left. Inside the bubble, the word "QUESTIONS?" is written in white, uppercase, sans-serif font. The background of the slide is white with faint, light gray curved lines in the top-left and bottom-right corners.

QUESTIONS?