



TOWN OF BROOKLINE RECREATION DEPARTMENT POLICY

SECTION: GENERAL

SUBJECT: COST RECOVERY PHILOSOPHY

DATE: JANUARY 2014

COST RECOVERY POLICY FOR TOWN RECREATION PROGRAMS

Non-Binding Commission Policy

With an interest in financial sustainability and per recommendation in the 2007 Parks and Open Space Master plan, the **Town of Brookline Recreation Department** began an extensive process to create a **Cost Recovery Model and Pricing Philosophy**. The intent of the Cost Recovery Policy is to provide a logical framework for future financial planning including resource allocation for the Town of Brookline's Recreation Department.

The purpose of the policy is to:

- Ensure a healthy, sustainable recreation department that makes Brookline a better place to live, work, and play
- Support the mission of Brookline Recreation, which is:
“To enhance the quality of life through enriching experiences that support the Brookline Community in developing and maintaining healthy lifestyles.”
- Promote positive community values such as:
 - Lifelong learning
 - Health and a sense of well being
 - A sense of community
 - Respect for the natural environment

In addition, the Commission created the policy to:

- Acknowledge that Brookline's citizens have made a significant investment in parks and recreation facilities and that all citizens should have access to a broad range of positive leisure activities, and all Brookline citizens benefit when the community has recreation sites that are clean, safe, and accessible to all
- Recognize that public recreation programs also bring benefits to the entire community such as increased community involvement and cooperation, a more attractive location for businesses and

employees, better educated and more responsible youth, improved public safety and health, stronger and more cohesive neighborhoods, and greater respect for the environment

- Ensure access to public recreation for individuals experiencing physical or financial barriers to participation
- With multiple benefits accruing to both personal and public interests, acknowledge that it is appropriate for public recreation programs to be supported by a blend of participant fees and taxpayer funding, and that the annual Town budget determines the amount of taxpayer support that is available for organized public recreation opportunities
- Create the responsibility to balance the availability of recreation programs with their affordability
- Recognize that recreation programs exist in a voluntary market place where citizens have complete choice about whether to participate, and where consumer choices are sensitive to the prices charged and the selection of offerings

POLICY

Brookline Recreation has prepared a cost of service study that identifies current cost recovery levels for the various types of recreation programs. The following policy is intended to identify the areas of programs and services that the Department will allocate subsidies with priority given to services that are perceived to benefit the Brookline community.

- 1) Public Interest** – The public has an interest in the availability of a broad range of organized recreation opportunities that encourage good health, lifelong learning, respect for the environment, and a sense of community.
- 2) Balance of benefits** – Benefits of participation in public recreation accrue to both the participant and to the public and, therefore, it is appropriate that recreation be funded by a balance of participant fees and public resources.
- 3) Focus of cost recovery goals** – The mission and goals for public recreation activities and programs apply to citizens of Brookline and interests in particular activities are determined by individual participants. The cost recovery goals are expressed in broad demographic groups in a range from Highly Community benefit to Highly Individual benefit. There is significant public interest to encourage community participation and reduce barriers to access of public recreation with specific groups identified as:
 - Citizens experiencing economic hardship: in order to ensure access and mitigate financial barriers to participation.
 - Citizens with special needs: in order to improve opportunities for inclusion and participation.
- 4) Cost recovery goals** – Cost recovery goals express a balance of community and individual benefits defined in terms of the broad demographic groups identified as follows:
 - **Programs and services that are Highly Community Based are set to recover 0-60% of costs**

- **Programs and services that are Community/Individual Based are set to recover 60-80% of costs**
- **Programs and services that are Individual/Community Based are set to recover 80-100% of costs**
- **Programs and services that are Mostly Individual Based are set to recover 100-120% of costs**
- **Programs and services that are Highly Individual Based are set to recover 120+% of costs**

5) Targeted recreation programs – Brookline Recreation will provide recreation programs that include all populations. Inclusion programs and services may have lower cost recovery rates than general recreation programs because of the higher fixed costs of organizing these programs.

6) Pricing – Prices are to be set by recreation staff under the authority of the Director of Brookline Recreation and the approval by the Park and Recreation Commission. In setting prices, the agency will balance the goals of program availability and affordability within the constraints of budget allocations, market economics, and cost recovery goals outlined herein.

7) Financial assistance - Brookline Recreation will follow cost recovery pricing strategies outlined herein, but will seek to ensure affordability of recreation activities through scholarships, certain free community activities, and by cultivating volunteers, partnerships, and fundraising activities.

8) Cross-subsidization – Cost recovery goals, as determined by this policy, are intended to be averages across the recreation programs.

- The projected aggregate cost recovery for Brookline Recreation programs and services is **(73%)** in FY13, based on current budget analysis formulas, and shall be reviewed each year thereafter.

9) Waivers of Fees and Charges – Waiving or reducing certain fees and charges for recreation activities, permits, and rentals is within the public interest in order to reduce barriers to participation, or optimize utilization and revenue generation of existing facilities. The department will track the amount in the annual budget process.

10) Updating of goals – Cost recovery levels should be updated annually, and cost recovery goals should be reviewed and updated at least once every five years.

11) Compliance with budget – Notwithstanding the policy goals for cost recovery described above, the department's first responsibility in organizing and pricing recreation programs is to operate within the budget set by the Town.

12) Golf Enterprise Fund – The Robert T. Lynch Municipal Golf Course shall continue as an enterprise operation and should continue to recover 100% of the full operational costs, based on current budget analysis formulas. The process will be reviewed and updated at least once every five years.