

Appendix 1 – Inventory, Regional Context & Inventory Maps

Erie Indoor and Outdoor Parks & Recreation Inventory

Resource Map A: Regional Context

Resource Map B: Existing Park, Open Space & Trail System

- Resource Map B1: Northwest Quadrant
- Resource Map B2: Northeast Quadrant
- Resource Map B3: Southwest Quadrant
- Resource Map B4: Southeast Quadrant

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Town of Erie, Outdoor Facility Inventory

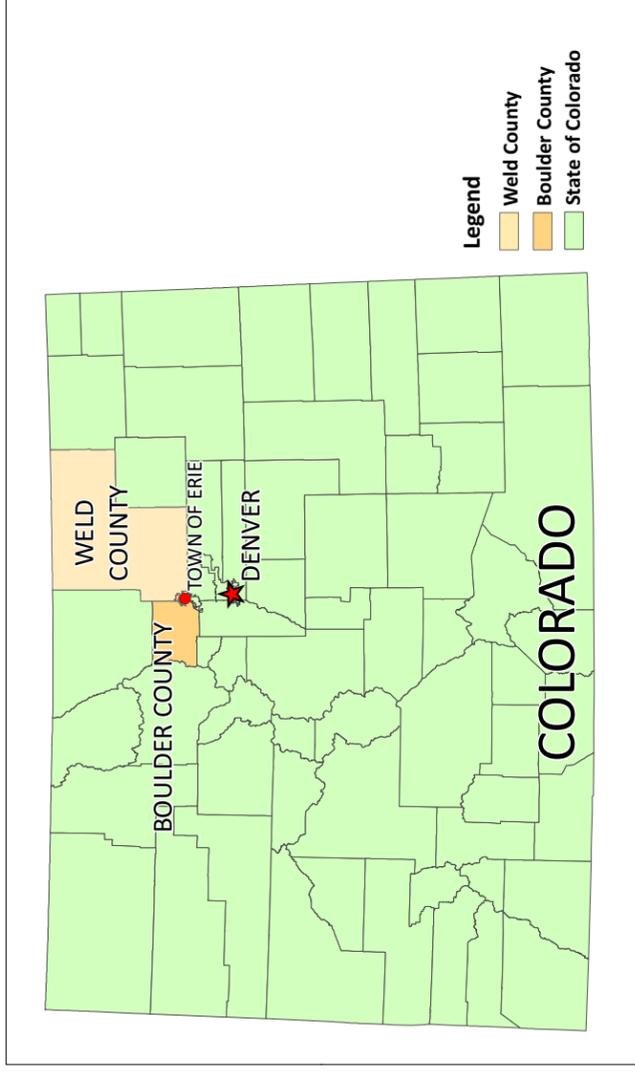
LOCATION	Aqua Feat, Complex	Aqua Feat, Pool	Aqua Feat, Spray	Backstop, Practice	Ballfield	Basketball	Batting Cage	Complex, Ballfield	Complex, Tennis	Educational Experience	Event Space	Exercise Course	Garden, Community	Garden, Display	Golf	Hockey, In-line	Lawn Bowling	Loop Walk	MP Field, Large	MP Field, Small	Multiuse Court	Natural Area	Open Turf	Open Water	Other-Active	Other-Passive	Passive Node	Playground, Destination	Playground, Local	Public Art	Shelter	Shelter, Group	Skate Park	Structure	Tennis	Track, Competition	Volleyball	Water Access, General				
Vista Ridge PP H													1										1					1														
Vista Ridge PP I																							2							1	1											
Vista Ridge PP J																							1				2															
Vista Ridge PP K																							1					1	1	1												
Vista Ridge PP L																							1			1																
Vista Ridge PP M																							1				1						1							1		
Neighborhood Parks																																										
Arapahoe Ridge Park					1														1							1										2						
Arapahoe Ridge Pool		1																																					1			
Coal Creek Park						2													1								1															
Columbine Mine Park						1										1			1				1																			
Columbine Mine Pool		1																																								
Country Fields Park				2	1																		1						1													
Kenosha Farms Park																		1	1			1	1				1															
Lehigh Park			1															1				4		1	2		1															
Lehigh Pool		1																																								
Longs Peak East						0.5												1	1			1	1					1														
Longs Peak West						1												1	1			1																				
Reliance Park						1																						1														
Vista Ridge Clubhouse	1																																									
Community Parks																																										
Erie Community Park					4			1			1								2									1														
Reservoirs																																										
Erie Lake																		1					1	1																2		
Thomas Reservoir																		1			1		1			1															3	
Schools																																										
Black Rock Elementary School					1	2														1		1						1														
Erie Elementary School				1	1															1	1	2		1				1														
Erie High School					4			1	1											2						1																
Erie Middle School																									1																	
School Proposed																																										
School Sports Complex					3		1	1														1																				
Vista Ridge Academy				1																																						
Grand Total	1	4	1	4	20	5	1	3	1	3	1	0	1	4	0	1	1	6	15	1	5.5	9	59	2	8	5	7	6	47	2	26	28	1	8	12	2	5	5				

Town of Erie, Colorado - Inventory of Indoor Recreational Facilities

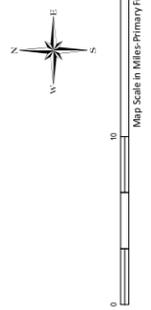
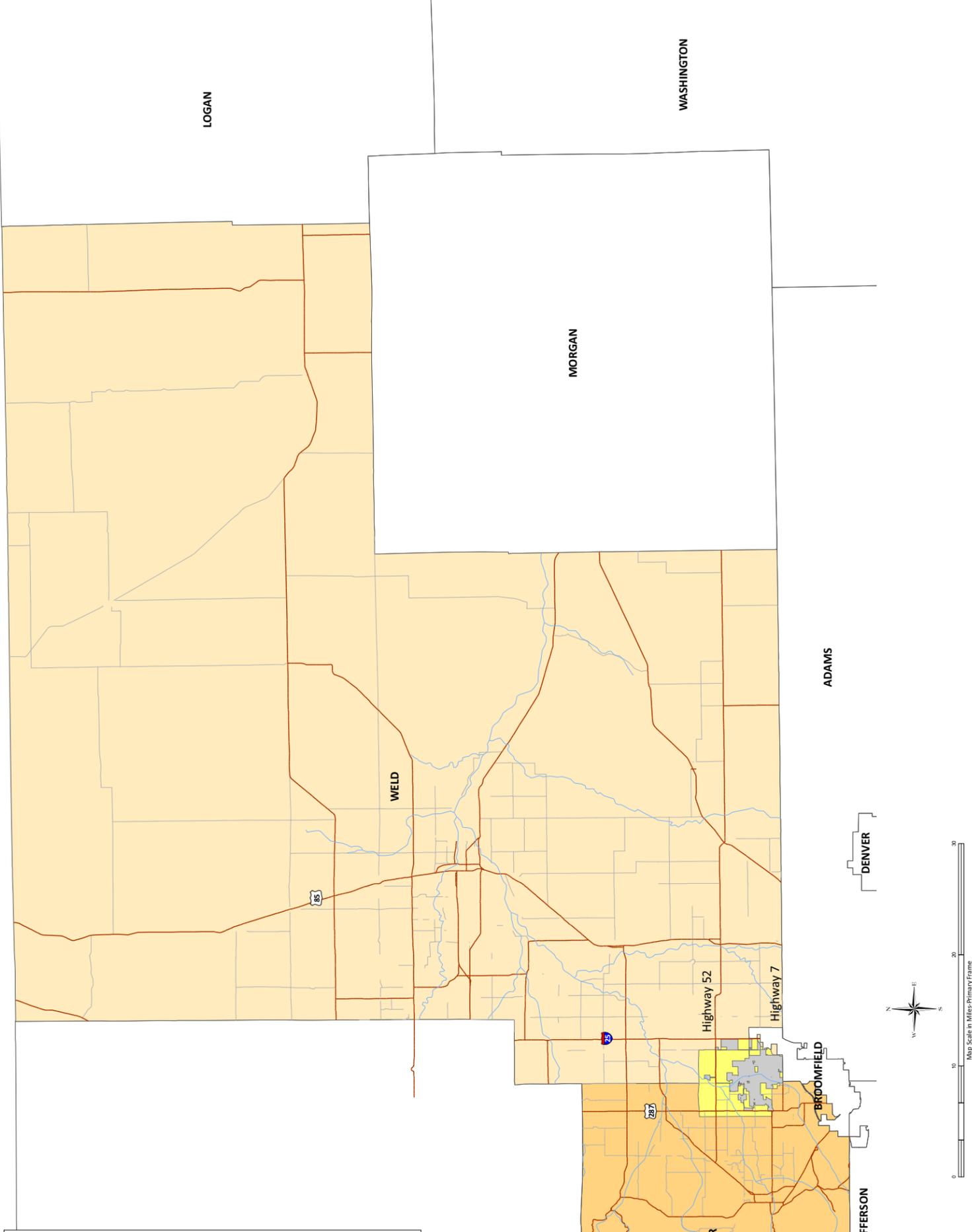
LOCATION	Fitness Dance	Patio/Outdoor Seating	Pool, Lap	Pool, Leisure	Pool, Therapy	Gymnasium	Weight/Cardio Equip	Track - Indoor	Lobby/Entryway	Climbing Wall	Racquetball	Food - Vending	Childcare/Preschool	Multi-Purpose	Kitchen - Kitchenette
Erie Community Center	2	1	1	1	1	1	2	1	1	1	4	1	1	7	1

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RESOURCE MAP A: REGIONAL CONTEXT



INSET

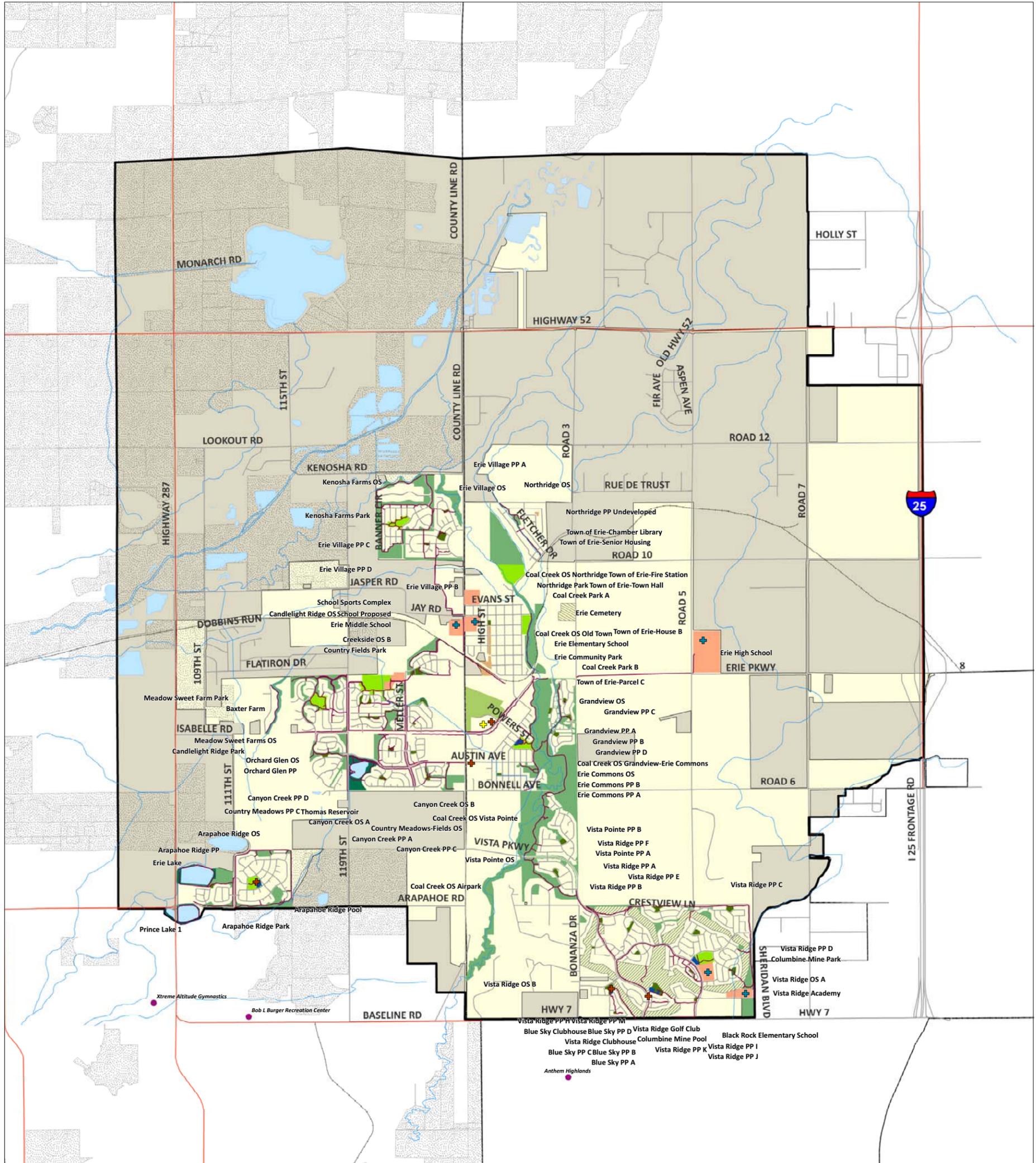


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TOWN OF ERIE

PARKS, RECREATION, OPEN SPACE, AND TRAILS MASTER PLAN

RESOURCE MAP B: EXISTING PARK, OPEN SPACE & TRAIL SYSTEM



- Legend**
- + Town Indoor Facilities
 - + Other Indoor Facilities
 - + School Locations
 - Alternative Providers
 - Existing Trails *
 - Town of Erie Planning Area
 - Town of Erie
 - Boulder County Open Space
 - Cemetery
 - Community Park
 - Golf Course
 - Neighborhood Park
 - Open Space
 - Pocket Park
 - Pool
 - Town Reservoir/OS
 - School property
 - Undeveloped Town Property

* Existing trails include trails that are either constructed or planned and funded.

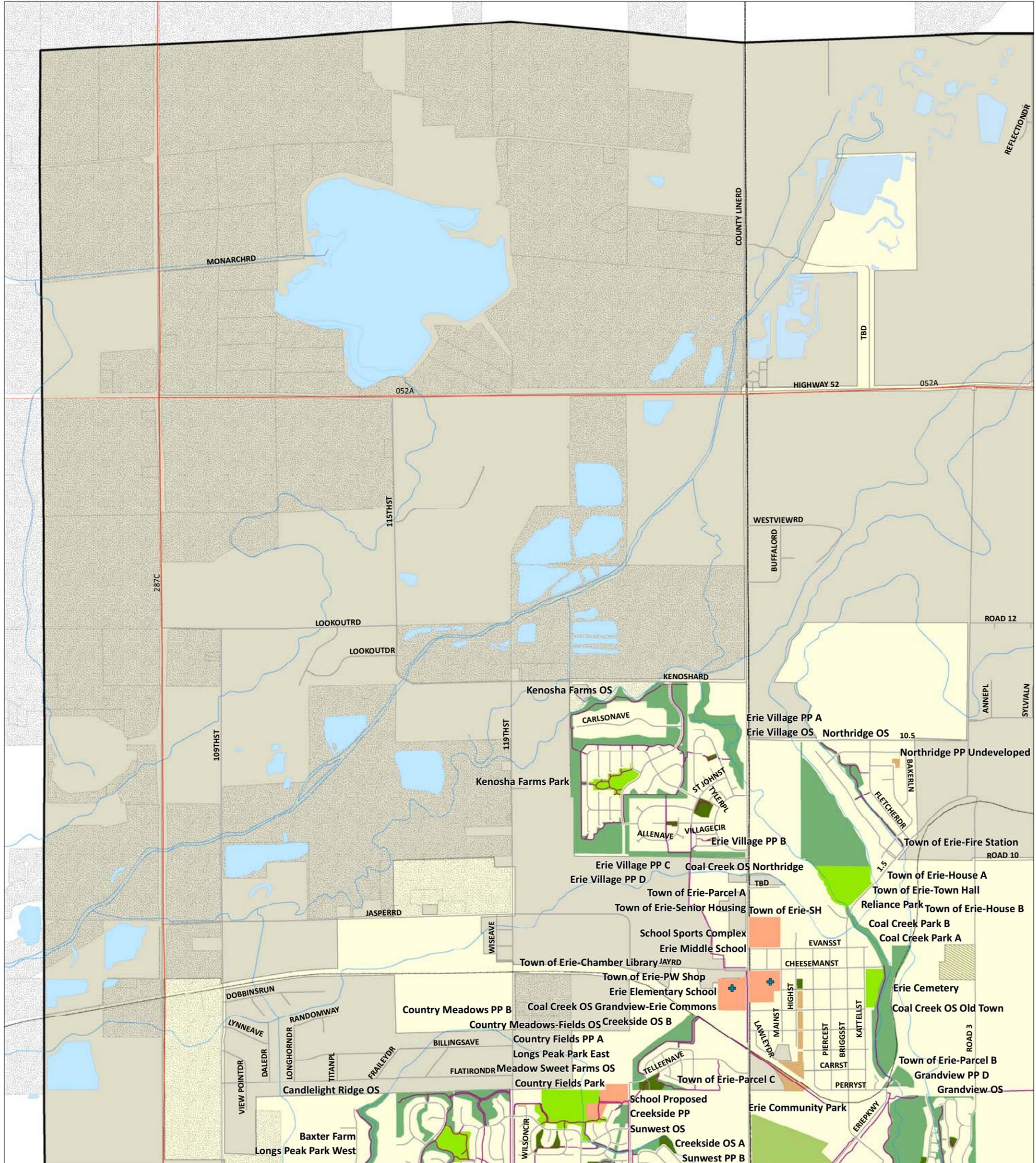
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PARKS, RECREATION, OPEN SPACE, AND TRAILS MASTER PLAN

RESOURCE MAP B1: EXISTING PARK, OPEN SPACE & TRAIL SYSTEM - NORTHWEST QUADRANT



- Legend**
- + Town Indoor Facilities
 - + Other Indoor Facilities
 - + School Locations
 - Alternative Providers
 - Existing Trails*
 - ▭ Town of Erie Planning Area
 - ▭ Town of Erie
 - ▭ Boulder County Open Space
 - ▭ Cemetery
 - ▭ Community Park
 - ▭ Golf Course
 - ▭ Neighborhood Park
 - ▭ Open Space
 - ▭ Pocket Park
 - ▭ Pool
 - ▭ Town Reservoir/OS
 - ▭ School property
 - ▭ Undeveloped Town Property

* Existing trails include trails that are either constructed or planned and funded.

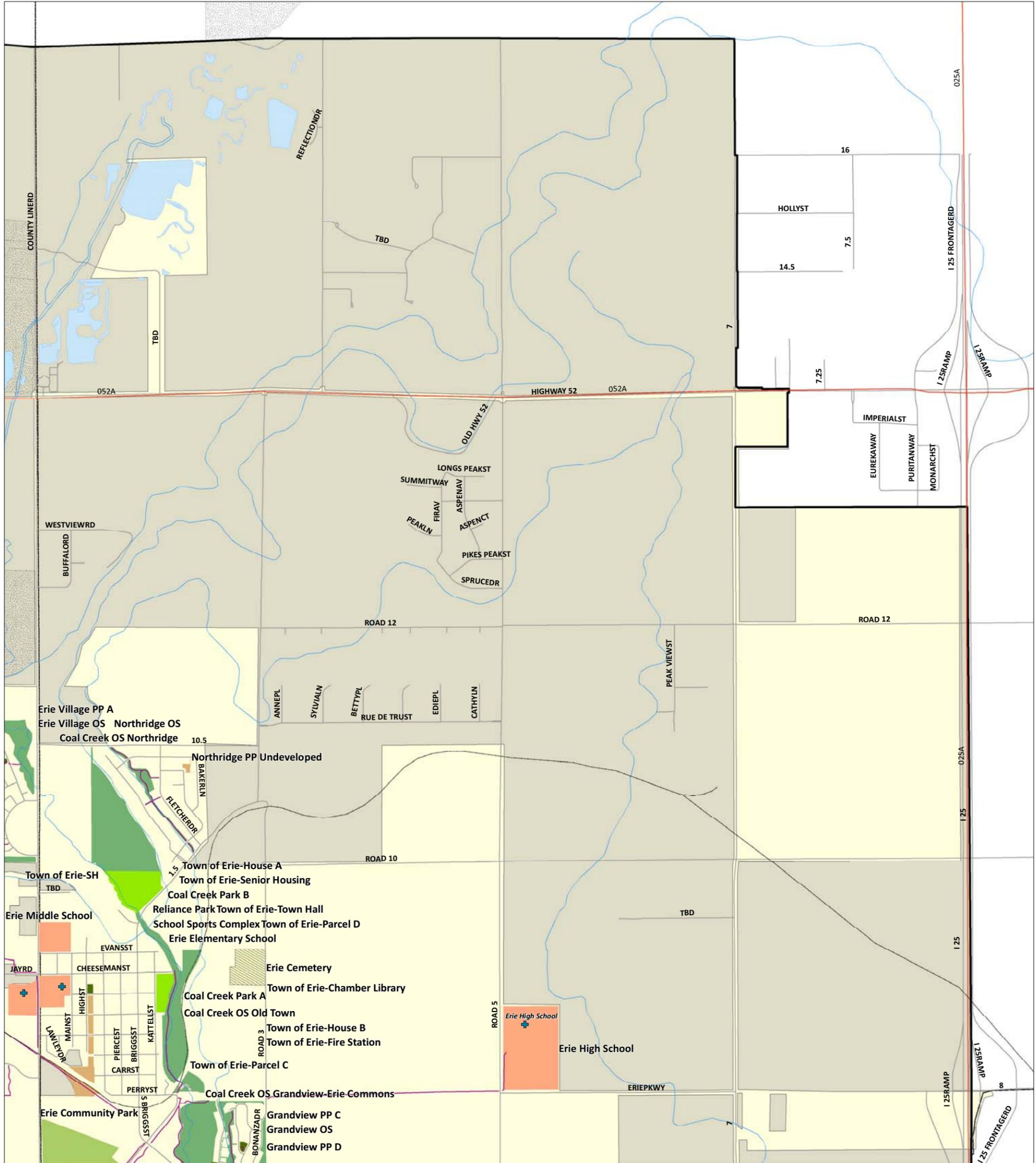
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Map Scale in Miles

TOWN OF ERIE

PARKS, RECREATION, OPEN SPACE, AND TRAILS MASTER PLAN

RESOURCE MAP B2: EXISTING PARK, OPEN SPACE & TRAIL SYSTEM - NORTHEAST QUADRANT



- Legend**
- + Town Indoor Facilities
 - + Other Indoor Facilities
 - + School Locations
 - Alternative Providers
 - Existing Trails*
 - Town of Erie Planning Area
 - Town of Erie
 - Boulder County Open Space
 - Cemetery
 - Community Park
 - Golf Course
 - Neighborhood Park
 - Open Space
 - Pocket Park
 - Pool
 - Town Reservoir/OS
 - School property
 - Undeveloped Town Property

* Existing trails include trails that are either constructed or planned and funded.



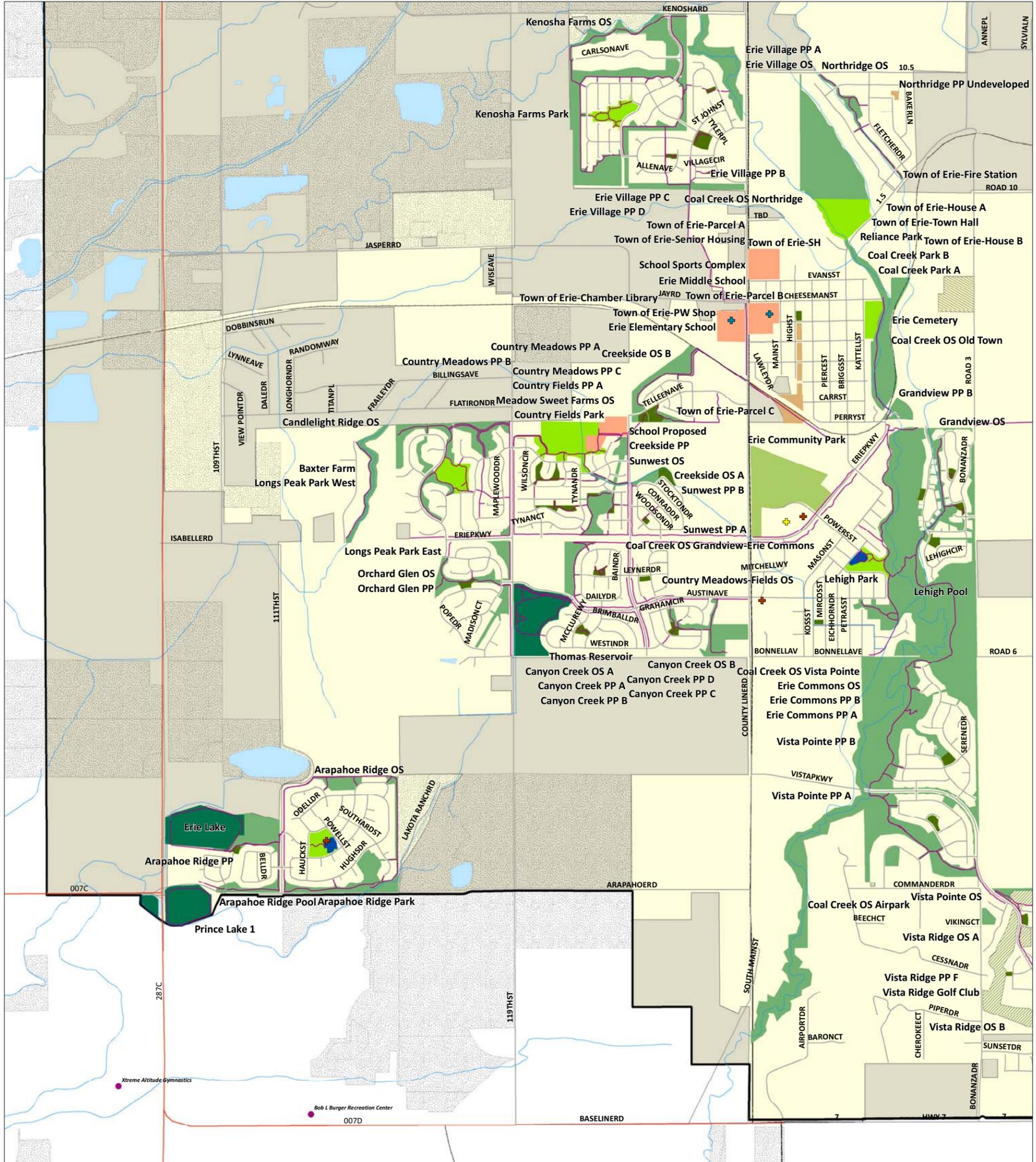
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PARKS, RECREATION, OPEN SPACE, AND TRAILS MASTER PLAN

RESOURCE MAP B3: EXISTING PARK, OPEN SPACE & TRAIL SYSTEM - SOUTHWEST QUADRANT



- Legend**
- + Town Indoor Facilities
 - + Other Indoor Facilities
 - + School Locations
 - Alternative Providers
 - Existing Trails*
 - ▭ Town of Erie Planning Area
 - ▭ Town of Erie
 - ▭ Boulder County Open Space
 - ▭ Cemetery
 - ▭ Community Park
 - ▭ Golf Course
 - ▭ Neighborhood Park
 - ▭ Open Space
 - ▭ Pocket Park
 - ▭ Pool
 - ▭ Town Reservoir/OS
 - ▭ School property
 - ▭ Undeveloped Town Property

* Existing trails include trails that are either constructed or planned and funded.



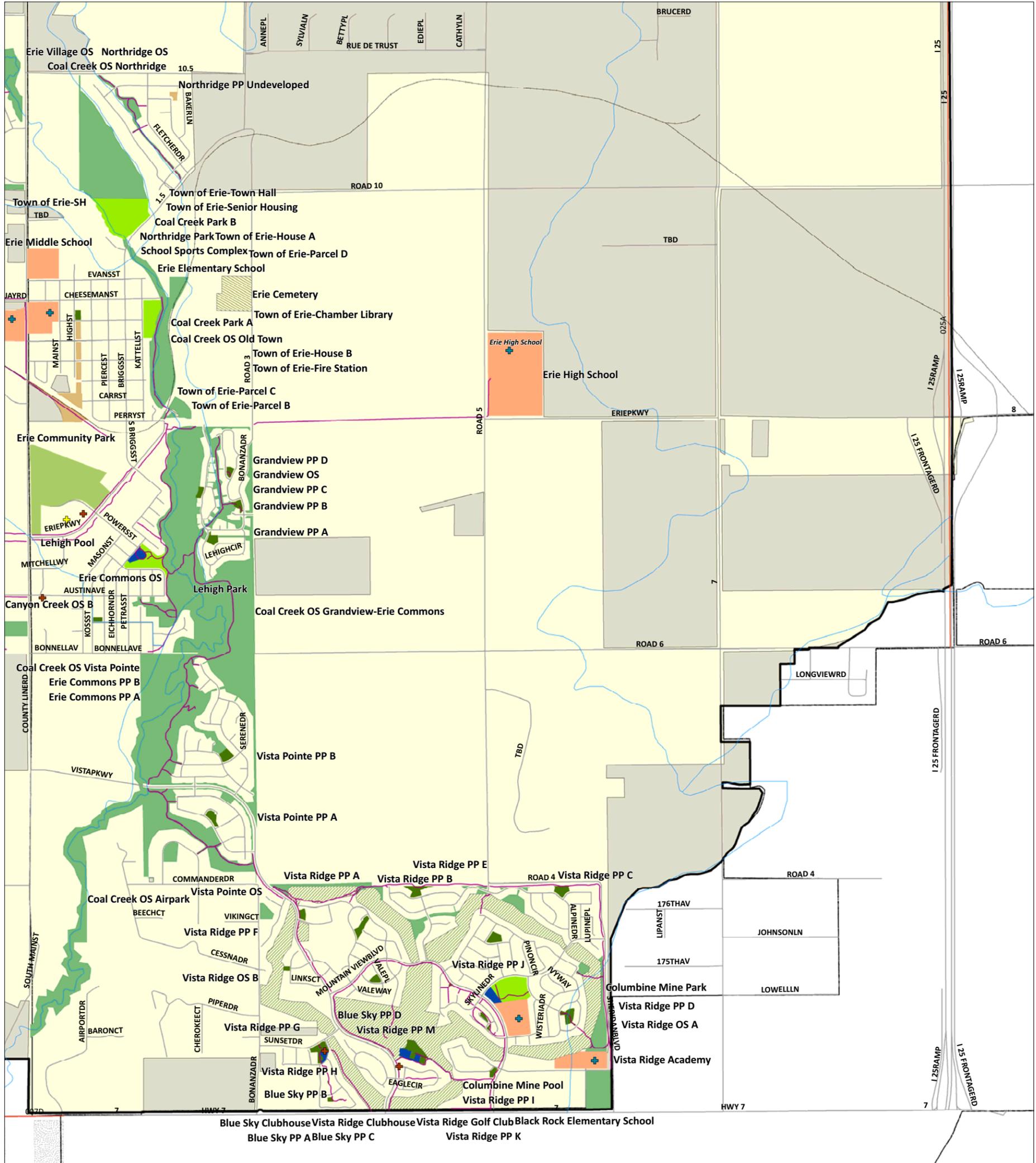
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TOWN OF ERIE

PARKS, RECREATION, OPEN SPACE, AND TRAILS MASTER PLAN

RESOURCE MAP B4: EXISTING PARK, OPEN SPACE & TRAIL SYSTEM - SOUTHEAST QUADRANT



- Legend**
- + Town Indoor Facilities
 - + Other Indoor Facilities
 - + School Locations
 - Alternative Providers
 - Existing Trails*
 - Town of Erie Planning Area
 - Town of Erie
 - Boulder County Open Space
 - Cemetery
 - Community Park
 - Golf Course
 - Neighborhood Park
 - Open Space
 - Pocket Park
 - Pool
 - Town Reservoir/OS
 - School property
 - Undeveloped Town Property

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Appendix 2 –Public Sector Service Assessment

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Public Sector Agency Service Assessment

Based on MacMillan Matrix for Nonprofit agencies from the Alliance For Nonprofit Management. Adapted by GreenPlay, LLC and GP RED for Public Sector Agencies. April 2009.

Public agencies have not traditionally been thought of as organizations needing to be competitively oriented. Unlike private and commercial enterprises, which compete for customers and whose very survival depends on satisfying paying customers, many public and non-profit organizations operate in a non-market, or grants economy - one in which services may not be commercially viable. In other words, the marketplace may not supply sufficient and adequate resources.

In the public sector, our customers (taxpayers) do not decide how funding is allocated and which service gets adequate, ongoing funding. (In fact, many public agencies and non-profits can be considered "sole-source," the only place to get a service, so there is little to no market saturation and therefore, potential for apathetic service enhancement and improvement). Consequently, public and non-profit organizations have not necessarily had an incentive to question the status quo, to assess whether customer needs were being met, or to examine the cost-effectiveness or quality of available services.

The public sector and market environments have changed; funders and customers alike are beginning to demand more accountability. Both traditional (taxes and mandatory fees) and alternative funding (grants and contributions) are getting harder to come by, even as need and demand increase. This increasing demand for a smaller pool of resources requires today's public and non-profit agencies to rethink how they do business, to provide services where appropriate, to avoid duplicating existing comparable services, and to increase collaboration, when possible. In addition, organizations are leveraging all available resources where possible.

An assessment of a **Public Sector Agency Services** is an intensive review of organizational services including activities, facilities, and parklands that leads to the development of an agency's **Service Portfolio**. Additional results indicate whether the service is "**core to the organization's values and vision,**" and provides recommended provision strategies that can include, but are not limited to enhancement of service, reduction of service, collaboration, and advancing or affirming market positions. This assessment begins to provide a nexus relative to which services are central to the organization's purpose. The process includes an analysis of each service's relevance to the organization's values and vision, the organization's market position in the community relative to market, other service providers in the service area including quantity and quality of provider, and the economic viability of the service.

Based on the **MacMillan Matrix for Competitive Analysis of Programs**³, the Public Sector Services Assessment Matrix is an extraordinarily valuable tool that is specifically adapted to help public agencies assess their services. The MacMillan Matrix realized significant success in the non-profit environment and has led to application in the public sector. The **Public Sector Agency Services Assessment Matrix** is based on the assumption that duplication of existing comparable services (unnecessary competition) among public and non-profit organizations can fragment limited resources available, leaving all providers too weak to increase the quality and cost-effectiveness of customer services. This is also true for public agencies.

³ Alliance for Nonprofit Management

The **Public Sector Agency Service Assessment Matrix** assumes that trying to be all things to all people can result in mediocre or low-quality service. Instead, agencies should focus on delivering higher-quality service in a more focused (and perhaps limited) way. The Matrix helps organizations think about some very pragmatic questions.

- Q: Is the agency the best or most appropriate organization to provide the service?**
- Q: Is market competition good for the citizenry?**
- Q: Is the agency spreading its resources too thin without the capacity to sustain core services and the system in general?**
- Q: Are there opportunities to work with another organization to provide services in a more efficient and responsible manner?**

Services Assessment Matrix <small>© 2009 GreenPlay LLC and GP Red</small>		Financial Capacity Economically Viable		Financial Capacity Not Economically Viable	
		Alternative Coverage High	Alternative Coverage Low	Alternative Coverage High	Alternative Coverage Low
Good Fit	Strong Market Position	Affirm Market Position 1	Advance Market Position 2	Complementary Development 5	"Core Service" 6
	Weak Market Position	Divest 3	Invest, Collaborate or Divest 4	Collaborate or Divest 7	Collaborate or Divest 8
Poor Fit	Divest				9

Note: Based on MacMillan Matrix for Nonprofit agencies from the Alliance for Nonprofit Management. Adapted by GreenPlay, LLC and GP RED for Public Sector Agencies. April 2009.

Fit

Fit is the degree to which a service aligns with the agency's values and vision. If a service aligns with the agency's values and vision, and contributes to the overall enhancement of the community, it is classified as "good fit", if not, the service is considered a "poor fit".

- Does the service align with agency values and vision?
- Does the service provide community-wide return on investment (i.e. community, individual, environmental, or economic benefits and outcomes that align with agency values such as crime prevention, improved health and well-being, enhancement of property values)?

Financial Capacity

Financial Attractiveness is the degree to which a service (including a program, facility or land asset) is currently or potentially attractive as an investment of current and future resources to an agency from an economic perspective.

A service that does not align with the agency's values and vision should not be classified as attractive. No program should be classified as "highly attractive" unless it is ranked as attractive on a substantial majority of the criteria below.

- Does the service have the capacity to sustain itself independent of General Fund or taxpayer subsidy/support?
- Is there demand for this service from a significant/large portion of the service's target market?
- Does the target market have the "ability to pay"?
- Does the agency have the ability to generate excess revenues through the assessment of fees and charges for this type of service?
- Are there consistent and stable alternative funding sources for this service?
- Does the agency have the ability to generate alternative funds such as donations, sponsorships, or volunteer contributions for this type of service?
- Can the user self-direct or operate/maintain the service without agency support?
- Does the service promote self-sufficiency of users (does it increase ability and skills necessary to do the activity on their own without supervision or instruction, or does it mitigate dependency on governmental services and/or resources)?

Alternative Coverage

Alternative Coverage is the extent to which like or similar services are provided in the service area to meet customer demand and need. If there are no other large (significant), or very few small agencies producing or providing comparable services in the same region or service area, the service should be classified as "low coverage." Otherwise, coverage is "high."

Market Position

Market Position is the degree to which the organization has a stronger capability and potential to deliver the service than other agencies – a combination of the agency's effectiveness, quality, credibility, and market share dominance. No service should be classified as being in a "strong market position" unless it has some clear basis for declaring superiority over all providers in that service category, and is ranked as affirmative on a substantial majority of the criteria below.

- Does the agency have the adequate resources necessary to effectively operate and maintain the service?
- Is the service provided at a convenient or good location in relation to the target market?
- Does the agency have a superior track record of service delivery?
- Does the agency currently own a large share of the target market currently served?
- Is the agency currently gaining momentum or growing its customer base in relation to other providers? Is there a consistent waiting list for the service?
- Does the agency provide better quality service and/or service delivery than other providers?
- Does the agency have superior skills in service advocacy? Can the agency advocate, or clearly demonstrate and articulate the community, individual, environmental or economic benefits of the service?
- Does agency staff have the superiority of technical skills needed for service provision?
- Does the agency have the ability to conduct necessary research, pre and post participation assessments, and/or properly monitor and evaluate service performance therefore justifying the agency's continued provision of the service?
- Does the agency have superior ability to communicate to and with stakeholders? Are marketing efforts and resources sufficient?
- Is there the capacity for cost effective delivery of service?

Unfair Competition

It has become somewhat challenging to draw a line of demarcation between those services that are recognized to be the prerogative of the private sector and those thought to be the responsibility of the public sector. Overlap of service production and provision are common. A continuing problem today is the lack of clarification between which sector should be producing or providing which services, therefore, developing boundaries. What is needed is the reshaping of how public and private sector agencies work independent of each other or together in a more effective way, becoming complementary rather than duplicative.

Service lines are blurred due to a variety of factors. Whether it is due to the emergence of new services not previously offered, in response to customer demand, or reduced availability of public funds and therefore greater dependence on revenue generation, these blurred lines sometimes result in charges that the public sector engages in unfair competition practices by offering similar or like services to those of the private sector. These charges result from the resource advantages the public sector has over the private sector including but not limited to immunity from taxation and the ability to charge lower fees for similar or like services due to receipt of subsidy dollars.

Recommended Provision Strategies - Defined

Affirm Market Position – a number (or one significant) *alternative provider(s)* exists yet the service has *financially capacity* and the agency is in a *strong market position* to provide the service to customers or the community. **Affirming market position** includes efforts to capture more of the market and investigating the merits of competitive pricing strategies. This includes investment of resources to realize a financial return on investment. Typically, these services have the ability to generate excess revenue.

Advance Market Position– a smaller number or no *alternative providers* exist to provide the service, the service has *financially capacity* and the agency is in a *strong market position* to provide the service. Due primarily to the fact that there are fewer if any alternative providers, **advancing market position** of the service is a logical operational strategy. This includes efforts to capture more of the market, investigating the merits of market pricing, and various outreach efforts. Also, this service may be an excess revenue generator by increased volume.

Divestment – the agency has determined that the service does not fit with the agency's values and vision, and/or the agency has determined it is in a *weak market position* with little opportunity to strengthen its position. Further, the agency deems the service to be contrary to the agency's interest in the responsible use of resources, therefore, the agency is positioned to consider **divestment** of the service.

Investment – **investment** of resources is the agency's best course of action as the service is a *good fit* with values and vision, and opportunity exists to strengthen the agency's current *weak market position* in the marketplace.

Complementary Development – the service is a *good fit*, a number (or one significant) *alternative provider(s)* exist that provide the service, the agency is in a *strong market position* to provide the service, yet it does not have *financially capacity* to the agency. **“Complementary development”** encourages the planning efforts that lead to complementary services rather than duplicative services, broadening the reach of all providers. Although there may be perceived market saturation for the service due to the number or like services of alternative providers, the demand exists justifying the service’s continued place in the market.

Collaboration – the agency determines that the service can be enhanced or improved through the development of a collaborative effort as the agency’s current *market position is weak*.

Collaborations are partnerships with other service providers (can be internal or external) that minimize or eliminate duplication of services while most responsibly utilizing agency resources.

Core Service – these services *fit* with the agency’s values and vision, there are few if any *alternative providers*, yet the agency is in a *strong market position* to provide the service. However, the service does not have *financially capacity*. These services are **“core” to service provision** and typically benefit all community members or are seen as essential to the lives of under-served populations.

This Services Assessment Methodology Outline is provided by:



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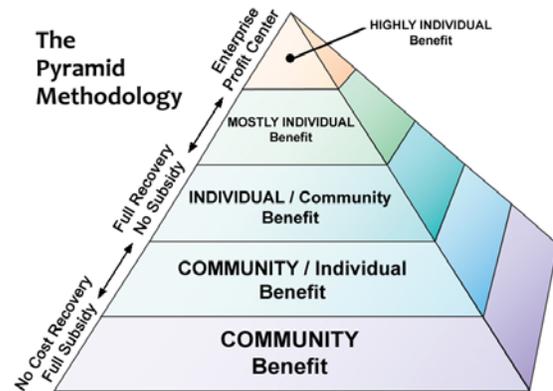
Appendix 3 – Core Services & Resource Allocation: Pyramid Methodology

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CORE SERVICES AND RESOURCE ALLOCATION: THE PYRAMID METHODOLOGY

The creation of a core services identification, resource allocation, and cost recovery philosophy and policy is a key component to maintaining an agency's financial control, equitably priced offerings, and identifying core programs, facilities and services.

Critical to this philosophical undertaking is the support and buy-in of elected officials and advisory boards, staff and ultimately of citizens. Whether or not significant changes are called for, the organization wants to be certain that it is philosophically aligned with its constituents. The development of the cost recovery philosophy and policy is built upon a very logical foundation, using the understanding of who is benefiting from the parks and recreation service to determine how that service should be paid for.



The development of the cost recovery philosophy can be separated into the following steps:

Step 1 – Building on Your Organization’s Values, Vision, and Mission

The entire premise for this process is to align values, core services and resources to fulfill the Community’s vision and mission. It is important that organizational values are reflected in the vision and mission. Often mission statements are a starting point and further work needs to occur to create a more detailed common understanding of the interpretation of the mission. This is accomplished by involving staff in a discussion of a variety of Filters.

Step 2 – Understanding the Pyramid Methodology, the Benefits Filter, and Secondary Filters

Filters are a series of continuums covering different ways of viewing service provision. The **Primary Filters** influence the final positioning of services as they relate to each other and are summarized below. The **Benefits Filter**, however, forms the **foundation** of the **Pyramid Model** and is used in this discussion to illustrate a cost recovery philosophy and policies for parks and recreation organizations. The other filters are explained later.

Filter	Definition
Benefit	Who receives the benefit of the service? (Skill development, education, physical health, mental health, safety)
Access/Type of Service	Is the service available to everyone equally? Is participation or eligibility restricted by diversity factors (i.e., age, ability, skill, financial)?
Organizational Responsibility	Is it the organization’s responsibility or obligation to provide the service based upon mission, legal mandate, or other obligation or requirement?
Historical Expectations	What have we always done that we can’t change?
Anticipated Impacts	What is the anticipated impact of the service on existing resources? On other users? On the environment? What is the anticipated impact to not providing the service?
Social Value	What is the perceived social value of the service by constituents, city staff and leadership, and policy makers? Is it a community builder?

THE BENEFITS FILTER

The principal foundation of all the filters is the **Benefits Filter**. It is shown first as a continuum and then applied to the Core Services and Resource Allocation Pyramid model.

Conceptually, the base level of the pyramid represents the mainstay of a public parks and recreation program. Programs appropriate to higher levels of the pyramid should only be offered when the preceding levels below are full enough to provide a foundation for the next level. This foundation and upward progression is intended to represent the public parks and recreation core mission, while also reflecting the growth and maturity of an organization as it enhances its program and facility offerings.

It is often easier to integrate the values of the organization with its mission if they can be visualized. An ideal philosophical model for this purpose is the pyramid. In addition to a physical structure, *pyramid* is defined by Webster's Dictionary as "an immaterial structure built on a broad supporting base and narrowing gradually to an apex." Parks and recreation programs are built with a broad supporting base of core services, enhanced with more specialized services as resources allow. Envision a pyramid sectioned horizontally into five levels.

COMMUNITY Benefit

The foundational level of the pyramid is the largest, and includes those programs, facilities, and services that benefit the **COMMUNITY** as a whole. These programs, facilities, and services can increase property values, provide safety, address social needs, and enhance quality of life for residents. The community generally pays for these basic services and facilities through taxes. These services are offered to residents at minimal or no fee. A large percentage of the tax support of the agency would fund this level of the pyramid.

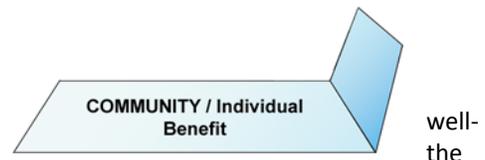
Examples of these services could include the existence of the community parks and recreation system, the ability for youngsters to visit facilities on an informal basis, development and distribution of marketing brochures, low-income or scholarship programs, park and facility planning and design, park maintenance, or others.



NOTE: All examples are generic - your programs and services may be very different based on your agency's mission, demographics, goals, etc.

COMMUNITY / Individual Benefit

The second and smaller level of the pyramid represents programs, facilities, and services that promote individual physical and mental well-being, and provide recreation skill development. They are generally more traditionally expected services and beginner instructional levels. These programs, services, and facilities are typically assigned fees based on a specified percentage of direct and indirect costs. These costs are partially offset by both a tax subsidy to account for the **COMMUNITY** Benefit and participant fees to account for the **INDIVIDUAL** Benefit.



Examples of these services could include the ability of teens and adults to visit facilities on an informal basis, ranger led interpretive programs, and beginning level instructional programs and classes, etc.

INDIVIDUAL / Community Benefit

The third and even smaller level of the pyramid represents services that promote individual physical and mental well-being, and provide an intermediate level of recreational skill development. This level provides more **INDIVIDUAL** Benefit and less **COMMUNITY** Benefit and should be priced accordingly. The individual fee is set to recover a higher percentage of cost than for programs and services that fall in the lower pyramid levels.



Examples of these services could include summer recreational day camp, summer sports leagues, year-round swim team, etc.

MOSTLY INDIVIDUAL Benefit

The fourth and still smaller pyramid level represents specialized services generally for specific groups, and may have a competitive focus. In this level programs and services may be priced to recover full cost, including all direct and indirect expenses.

Examples of these services might include specialty classes, golf, and outdoor adventure programs. Examples of these facilities might include camp sites with power hook-ups.



HIGHLY INDIVIDUAL Benefit

At the top of the pyramid, the fifth and smallest level represents activities that have a profit center potential, and may even fall outside of the core mission. In this level, programs and services should be priced to recover full cost plus a designated profit percentage.

Examples of these activities could include elite diving teams, golf lessons, food concessions, company picnic rentals and other facility rentals, such as for weddings, or other services.



Step 3 – Sorting Services

It is critical that this sorting step be done with staff, and with governing bodies and citizens in mind. This is where ownership is created for the philosophy, while participants discover the current and possibly varied operating histories, cultures, missions, and values of the organization. It is the time to develop consensus and get everyone on the same page, the page you write together. Remember, as well, this effort must reflect the community and must align with the thinking of policy makers.

Sample Policy Development Methodology Language:

XXX community brought together staff from across the department to sort existing programs into each level of the pyramid. This was a challenging step. It was facilitated by an objective and impartial facilitator in order to hear all viewpoints. It generated discussion and debate as participants discovered what different staff members had to say about serving culturally and economically different parts of the community; about historic versus recreational parks; about adults versus youth versus seniors; about weddings and interpretive programs; and the list goes on. It was important to push through the “what” to the “why” to find common ground. This is all what discovering the philosophy is about.

Step 4 – Determining Current Subsidy/Cost Recovery Levels

Subsidy and cost recovery are complementary. If a program is subsidized at 75%, it has a 25% cost recovery, and vice-versa. It is more powerful to work through this exercise thinking about where the tax subsidy is used rather than what is the cost recovery. When it is complete, you can reverse thinking to articulate the cost recovery philosophy, as necessary.

The overall subsidy/cost recovery level is comprised of the average of everything in all of the levels together as a whole. Determine what the current subsidy level is for the programs sorted into each level. There may be quite a range in each level, and some programs could overlap with other levels of the pyramid. This will be rectified in the final steps.

Step 5 – Assigning Desired Subsidy/Cost Recovery Levels

Ask these questions: Who benefits? Who pays? Now you have the answer; who benefits – pays! The tax subsidy is used in greater amounts at the bottom levels of the pyramid, reflecting the benefit to the **Community** as a whole. As the pyramid is climbed, the percentage of tax subsidy decreases, and at the top levels it may not be used at all, reflecting the **Individual** benefit. So, what is the right percentage of tax subsidy for each level? It would be

appropriate to keep some range within each level; however, the ranges should not overlap from level to level.

Again, this effort must reflect your community and must align with the thinking of your policy makers. In addition, pricing must also reflect what your community thinks is reasonable, as well as the value of the offering.

Examples

Many times categories at the bottom level will be completely or mostly subsidized, but you may have a small cost recovery to convey value for the experience. The range for subsidy may be 90-100% - but it may be higher, depending on your overall goals.

The top level may range from 0% subsidy to 50% excess revenues above all costs, or more. Or, your organization may not have any activities or services in the top level.

Step 6 – Understanding the Other Factors and Considerations

Inherent in sorting programs into the pyramid model using the Benefits Filter is the realization that other factors come into play. This can result in decisions to place programs in other levels than might first be thought. These factors also follow a continuum form however do not necessarily follow the five levels like the Benefits Filter. In other words, the continuum may fall totally within the first two levels of the pyramid. These factors can aid in determining core programs versus ancillary programs. These factors represent a layering effect and should be used to make adjustments to an initial placement in the pyramid.

THE COMMITMENT FACTOR: What is the intensity of the program, what is the commitment of the participant?



THE TRENDS FACTOR: Is the program or service tried and true, or is it a fad?



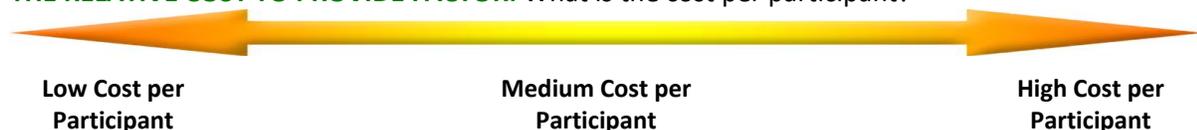
THE POLITICAL FILTER: What is out of our control?

This filter does not operate on a continuum, but is a reality, and will dictate from time to time where certain programs fit in the pyramid

THE MARKETING FACTOR: What is the effect of the program in attracting customers?



THE RELATIVE COST TO PROVIDE FACTOR: What is the cost per participant?



THE ECONOMIC CONDITIONS FACTOR: What are the financial realities of the community?



FINANCIAL GOALS FACTOR: Are we targeting a financial goal such as increasing sustainability, decreasing subsidy reliance?



Step 7 – Adjust Fees and Other Funding Resources to Reflect Your Comprehensive Cost Recovery Philosophy

Across the country, ranges in overall cost recovery levels can vary from less than 10% to over 100%. Your organization sets your target based on your mission, stakeholder input, funding, and/or other circumstances. This exercise may have been completed to determine present cost recovery level. Or, you may have needed to increase your cost recovery from where you are currently to meet budget targets. Sometimes just implementing the policy equitably to existing programs is enough, without a concerted effort to increase fees. Now that this information is apparent, the organization can articulate where it has been and where it is going – by pyramid level and overall - and fees can be adjusted accordingly.

Step 8 – Implementation and One Year Pilot

The process results in implementation of your new philosophy which includes:

- Education and training of all staff on the new philosophy;
- Brainstorming with stakeholders to determine alternative funding option;
- Development of implementation strategies including alternative funding and fee adjustments;
- Continuing to foster “buy-in” from staff, governing bodies and citizens;
- Evaluating the effectiveness of the new philosophy during the next budget cycle; and
- .Making adjustments as necessary.

This Core Services and Resource Allocation: The Pyramid Methodology Outline is provided by:



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