

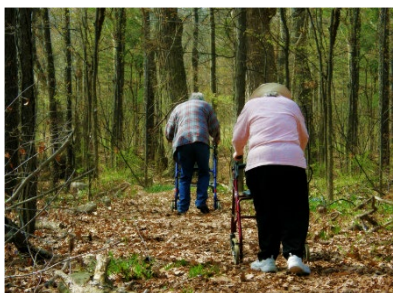


FINANCIAL SUSTAINABILITY STRATEGY PROCESS

**Work Plan & Approach
2024**

110% Inc.

We're in this together.



Our commitment is to help your organization position itself for long-term financial resilience, strength, and vitality.

A Call to Action for Public Parks & Recreation

High-performing park and recreation organizations seek out and embrace responsible financial and service management practices. They actively understand the cost of doing business, seek out opportunities to best use finite fiscal resources, and generate revenues where appropriate to reinvest in services and relieve pressure on taxpayer resources. Ultimately, they possess a financial sustainability philosophy which provides a foundation from which all investment and spending decisions and funding strategies are built.

Getting all public parks and recreation organizations to function this way will require a cultural shift. This can be realized by having more professionals prepared to equip their teams with solid financial management competencies and compel them to use data to inform decisions and cultivate fiscal responsibility at all levels of their organizations. This is our collective call to action.

Parks & Reonomics©

There are few approaches to creating cost recovery or financial sustainability strategies for public parks and recreation organizations which exist today - and none quite like **110%'s Financial Sustainability Strategy process**. This game-changing approach builds on the philosophy of Parks & Reonomics© - how parks and recreation organizations manage finite resources - and an interest in every park and recreation professional being able to confidently say, "We responsibly manage our financial resources".

The Differentiator in Parks and Recreation

110% has become synonymous with cost recovery and financial sustainability efforts in public parks and recreation across the U.S. Our unique and comprehensive approach and methodology positions organizations to create effective and actionable financial sustainability philosophies and strategies.

The Financial Sustainability Community

Developed in 2021, **the Financial Sustainability Community** provides all park and recreation organizations with which we have worked the chance to connect on a periodic basis building a national network of professionals who understand the importance of financial sustainability and giving them the platform to learn from one another's successes and challenges.



FINANCIAL SUSTAINABILITY STRATEGY in PARKS & RECREATION 3 FOCUS AREAS

Focus Area #1 EDUCATION & TRAINING

- Financial Sustainability 101 Workshop(s)
- Service Category Development Workshop
- Beneficiary of Service Work Sessions

Focus Area #2 FINANCIAL ANALYSIS

- Cost of Service Analysis - Operating
- Historic Financial Trends Analysis
- Performance Metrics

Focus Area #3 STRATEGIES & RECOMMENDATIONS

- Cost Recovery/Subsidy Goal Setting
- Financial Sustainability Strategy & Alternatives
- Financial Insights
- Financial Sustainability Policy
- Insights Into Action
- Continuous Improvement Recommendation

FINANCIAL SUSTAINABILITY STRATEGY PROJECT MANAGEMENT TASKS

Project Kick-off Meeting with your organization's pre-determined Project Team

- Review each project task and timeline.
- Discuss intended outcomes of the process.
- Preparation and planning of first steps in the process and other considerations.

Project check-ins, updates, and review meetings with your organization's Project Team

- Convene regular check-ins and process updates.



FOCUS AREA #1 - EDUCATION & TRAINING

Financial Sustainability 101 – Staff, Advisory Groups & Policy Maker Workshops

Virtual training offers a comprehensive overview of the *Financial Sustainability Strategy Process*, an explanation about why your organization would choose to engage in this effort, and how the outcomes will positively affect service delivery and quality. An introduction to financial management and cost recovery, the merits of revenue generation, how to think differently about spending/investing taxpayer dollars, and the importance of a sound financial sustainability strategy are among the topics covered.

[NOTE: A total of 3 (three) workshops will be provided. Proposal pricing can be adjusted in the event your organization would like to have these workshops be held in person.]

Service Category Development Workshop

Your pre-determined Service Category Development Team will work alongside our consulting team to develop service categories which represent all organizational services. A workshop will be led offering information and insights about service category development, the differences between services, service areas, and service categories as well as resources to support the development of categories will be provided to the team to assist in the development of categories and definitions. This is a critically important step in the development of a financial sustainability strategy that has a heightened opportunity for effectiveness.



Beneficiary of Service – Staff, Advisory Groups & Policy Maker Work Sessions

These interactive virtual work sessions allow staff, advisory groups, and policy makers an opportunity to rank your organization’s service categories starting from those determined to align most with the “common good” to services which are more “exclusive”. By ranking all service categories from “common good services” in contrast to those providing the “exclusive benefit”, your organization will begin to connect the dots between those services that should receive the greatest subsidy (common good services) in contrast to those that may receive little to no subsidy (exclusive services). *[NOTE: A total of 3 (three) work sessions will be provided. Proposal pricing can be adjusted in the event your organization would like to have these workshops be held in person.]*



FOCUS AREA #2 – FINANCIAL CONDITIONS ANALYSIS

The financial conditions analysis is a comprehensive and uniquely customized approach designed to provide invaluable insights and data-driven recommendations. The analysis includes three components and a useful tool, enabling your agency to make informed financial decisions, establish cost recovery/subsidy investment goals, and optimize operational efficiencies.

Cost-of-Service Analysis - Operating

The cost-of-service analysis includes a thorough review of revenues and expenses (both direct and indirect), as well as participation and use data. The primary objective is to determine the total cost of doing business, with revenues and expenses attributed appropriately to each service area and service category to account for the uniqueness of each service offered by your agency. Insights garnered from the analysis will serve as a foundation for determining cost recovery/subsidy investment goals and will inform fees and charges decisions. Additionally, it serves as a guide for your organization to make well-informed financial decisions, ensuring sustainable fiscal health. A pre-determined data gathering team from your organization will assist and inform this analysis.

Historical Financial Trends Analysis

Historical analysis provides important context for current data by examining financial trends spanning the past three to five years. This comprehensive review, encompassing both operational and capital investments, contributes to a holistic understanding of your organization's fiscal landscape. These historical insights play a pivotal role in forecasting future performance and capital investment requirements, guiding strategy and policy development, and ultimately elevating your decision-making processes.

Performance Metrics

To further enhance operational efficiency and data-driven decision-making, we will develop a set of performance metrics tailored to your organization's specific needs. These metrics, paired with relevant data and insights from other assessment areas offer a deeper understanding of your organization's operational efficiency and financial performance (e.g., cost per acre, cost per square foot, resident vs. non-resident usage). These performance metrics may encompass a range of key indicators, dependent on the availability and quality of data.

FOCUS AREA #3 – STRATEGIES & RECOMMENDATIONS

Cost Recovery/Subsidy Goal Setting

Once the financial analyses work is complete, your organization will determine cost recovery/subsidy investment goals based upon current performance, analysis insights, and budget projections. This is the point at which the Financial Sustainability Strategy begins to take shape.

Financial Sustainability Strategy & Alternatives

Your organization’s financial sustainability strategy is the foundation from which the organization builds its commitment to financial discipline. Strategy alternatives are valuable when performance deficiencies or alternative revenue generating opportunities exist. Options might include strategies designed for specific service areas like enterprise or business operations such as a golf course or water park. Alternatively, strategies might be based upon short term (2-3 years) performance expectations in contrast to a longer-term timeframe (3-5 years or beyond).



Financial Insights Snapshot

By consolidating and organizing the collection of data and information gathered and analyzed throughout the process into insightful and telling illustrations for educational and informational purposes, these financial insights snapshots will assist your organization in telling its story and will serve as helpful resources to inspire and take action and implement the new financial sustainability strategy.

Financial Sustainability Policy

Designing a financial sustainability policy can position your organization to address not only short-term financial challenges but long-term financial interests (e.g., a commitment to investing in infrastructure). Alternatively, current policies can be revised to become more relevant based upon the interests and/or needs of your organization. *[NOTE: A presentation can be made to an advisory group and/or policy makers upon request. Proposal pricing can be adjusted in the event your organization would like to have this presentation conducted in person.]*



Insights Into Action Work Session

A project team work session will offer methods and strategies for turning insights into action, providing guidance and suggested ways to use the data and information resulting from the overall process. Financial insights will assist staff in taking the steps needed for implementation such as a pricing tutorial, cost reduction options, exploration of partnership opportunities, capital investment considerations, opportunities for continuing education for staff, advisory and policy making bodies, and other actions that may lead to greater community impacts and increased revenues.

Continuous Improvement Recommendations

Your organization's financial wellbeing is the principal interest of this process. As such, a series of recommendations resulting from what was learned, observed, and heard throughout the process will be provided to your organization at the conclusion of the process. Recommendations for improvement may include incremental changes intended to improve performance over a period of time as well as breakthrough changes that are expected to create immediate and profound improvement in a more abbreviated timeframe.

OPTIONAL ADD-ON SERVICE: Program Pricing Worksheet

The Program Pricing Worksheet is an invaluable resource that simplifies setting fees and serves as an essential planning tool for district programs and services. Staff from every level of your organization, from front line programmers to executive level decision makers, can easily leverage the worksheet to make informed, data-driven pricing decisions in a consistent and accurate manner ensuring precise alignment with your organization's goals and objectives.

Throughout this task, we will work with staff to evaluate essential service details and components that will be used as inputs in the Program Pricing Worksheet (such as service dates, times, locations, minimum/maximum participant counts, cost recovery goals, resident/non-resident policies, direct and indirect expenses, etc.). From there, we will teach all staff how to utilize the worksheet with confidence and help establish a system of continuity in making pricing-related decisions.

DELIVERABLES

Comprehensive, detailed information will be provided based upon all project work as identified in this proposal and confirmed in the project kick-off meeting. A final financial sustainability strategy report will be delivered to close out the project, providing key summaries and findings discovered throughout the process. Deliverables can include your organization's logo and other branding guidelines, as requested and provided.

Note: The Consulting Team will provide each of the deliverables listed above to your organization's Project Lead/Team for review and comment prior to any deliverable being presumed complete or acceptable. Deliverables will be presented for initial comment, adjustment, and/or approval during biweekly check-in meetings.

FINANCIAL SUSTAINABILITY STRATEGY PRICING

Please contact us for pricing by emailing us at info@110percent.net.

PROPOSED TIMELINE

Our typical process takes between 4-5 months to complete and varies depending on each organization. For more information, please contact us by emailing us at info@110percent.net.

