

**OPERATIONAL ASSESSMENT AND ANALYSIS  
FINDINGS AND RECOMMENDATIONS**



Prepared by: Shellito Training and Consulting  
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## TABLE OF CONTENTS

TABLE OF CONTENTS.....	2
INTRODUCTION.....	3
BACKGROUND & OVERVIEW OF THE OPERATION OF THE MENDOCINO COAST RECREATION AND PARK DISTRICT AND THE C. V. STARR COMMUNITY CENTER .....	3
PURPOSE OF OPERATIONAL ASSESSMENT OF THE MENDOCINO COAST RECREATION AND PARK DISTRICT AND C. V. STARR COMMUNITY CENTER .....	5
PRELIMINARY COST OF SERVICE STUDY – MCRPD & CVSCC OPERATIONS .....	6
STAFFING ANALYSIS.....	7
COST RECOVERY POLICY MODEL – PRINCIPLES, DEFINITIONS & CRITERIA.....	9
BENEFIT AND COST RECOVERY POLICY MODEL .....	10
MENDOCINO COAST CATEGORIZED FUNCTIONAL ORGANIZATIONAL CHART .....	11
RECOMMENDED COST RECOVERY BY PROGRAM .....	12
ANNUAL BUDGET AND ANNUAL OPERATIONAL PLAN.....	14
COST ALLOCATION PLAN .....	14
STAFFING/REORGANIZATION.....	17
RECOMMENDATION #1: COST RECOVERY AND PRICING POLICY & BUSINESS PLAN.....	20
RECOMMENDATION #2: CHANGES TO PERMANENT STAFFING.....	20
RECOMMENDATION #3: GOALS AND PERFORMANCE MEASURES .....	21
RECOMMENDATION #4: STRENGTHENING THE BRAND OF THE DISTRICT .....	21

## INTRODUCTION

In November 2014, the Interim Executive Director of the Mendocino Coast Recreation and Park District (District or MCRPD) contracted with Shellito Training and Consulting (Consultant) to provide an operational assessment of the Mendocino Coast Recreation and Park District and the current operation of the C. V. Starr Community Center (CVSCC). The goal of the assessment was to evaluate the cost effectiveness and efficiency of the current organizational structure to operate both the District as a whole, as well as the special circumstances required by agreement with the City of Fort Bragg (City) to operate the C. V. Starr Community Center. Additionally, the MCRPD Board of Directors desired recommendations specifically related to the current operating parameters and structure that required separating the budget, staffing and providing programs and services for the C. V. Starr Community Center and Fort Bragg from the Mendocino Coast Recreation and Park District.

## BACKGROUND & OVERVIEW OF THE OPERATION OF THE MENDOCINO COAST RECREATION AND PARK DISTRICT AND THE C. V. STARR COMMUNITY CENTER

### DEVELOPMENT OF THE C.V. STARR COMMUNITY CENTER

In 1978, using Park Bond Act monies, MCRPD obtained a five acre parcel known as Green Memorial Field in central Fort Bragg, and in 2006, began construction of its new facility at this location. The C.V. Starr Foundation provided more than \$20 million dollars in funding support for the facility, and in August of 2009 the C. V. Starr Community Center and Sigrid and Harry Spath Aquatic Facility opened to the public. It is home to two pools, fitness and dance rooms, multi-purpose rooms and the MCRPD business offices.

### 2009-2011 FINANCIAL CHALLENGES THREATENED THE OPERATION OF THE C.V. STARR COMMUNITY CENTER

In 2011, the District faced insolvency when its debt obligations and operating expenses far exceeded its revenue sources. During the period 2006-2011, the District spent all of its reserve funds, borrowed \$2.3 million to refinance the regional park/golf course property and project costs, and borrowed and spent future property tax revenues. During this period, The District looked at various options for increasing revenues, including formation of a Community Facilities District (CFD) or implementation of a parcel tax. In October 2011, the District Board authorized closure of the C.V. Starr Center as a means of immediately addressing its critical financial situation.

### OCTOBER 2011-MARCH 2012 CITY OF FORT BRAGG & THE MCRPD NEGOTIATE A PLAN AND AGREEMENTS TO PROVIDE FOR THE CONTINUED OPERATION OF THE C.V. STARR COMMUNITY CENTER

In October 2011, the Fort Bragg City Council discussed and authorized the strategy of placing a half-cent sales tax measure before the voters for the purpose of providing a dedicated revenue stream for operation, maintenance and capital improvements at the C.V. Starr Community Center. The City Council appointed an ad hoc committee to work with Mendocino Coast Recreation and Park District representatives and City staff. City staff was directed to begin assembling the necessary documentation to call for an election seeking voter approval of a special sales tax measure. The Council's authorization to proceed was contingent upon the following considerations:

1. The District would need to move with expediency and clear resolve to address, through the bankruptcy process, the fiscal crisis associated with the debt payments on the Regional Park/Golf Course project.
2. The City Council could call for a special election to place a sales tax measure for the CVSCC on the ballot. As a special purpose tax, a 2/3 vote is required for passage.
3. If the ballot measure is successful, the Council will be authorized to levy the tax contingent upon items (a) and (b) below. Items (c) through (g) identify other matters to be addressed by the ordinance:
  - (a) The District would transfer ownership of the CVSCC to the City of Fort Bragg.
  - (b) The District would enter into a tax-sharing agreement with the City which would require it to contribute to the CVSCC a portion of the property tax revenue that it collects from properties served by the Fort Bragg Unified School District.
  - (c) The City would enter into an operating agreement whereby the District (or another non-profit entity) would be responsible for day-to-day operation of the CVSCC.
  - (d) The operating agreement would provide for joint decision-making about key hiring, administrative, and operational decisions for the CVSCC.
  - (e) The City would provide financial oversight, accountability, auditing and transparency to ensure that the sales tax revenues are used solely for the purposes stated in the tax measure.
  - (f) Through the City's annual budgeting process, the sales tax revenues would be allocated to help fund operations and programs, to establish operating, maintenance and capital reserves for the CVSCC, and to leverage grants for construction of the gymnasium.
  - (g) The City would endeavor to reopen the CVSCC as quickly as possible after successful passage of the ballot measure.

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**NOVEMBER 2011 - MEMORANDUM OF AGREEMENT BETWEEN CITY OF FORT BRAGG AND MENDOCINO COAST RECREATION AND PARK DISTRICT FOR PROPOSED C.V. STARR COMMUNITY CENTER SPECIAL SALES TAX MEASURE**

In November 2011, the City Council of Fort Bragg and the Mendocino Coast Recreation and Park District's Board of Directors approved an agreement to the terms and condition of financing the operation of the C.V. Starr Community Center through the Special Sales Tax Measure. The key provisions of this agreement included the following requirements.

- Transfer of Ownership of the CVSCC to the City of Fort Bragg
- Property Tax-Sharing Agreement
- Operating Agreement

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**MARCH 2012 - SALES TAX MEASURE APPROVED, OPERATING & TAX SHARE AGREEMENTS IMPLEMENTED**

In March, 2012 the passage of Measure A, the C. V. Starr Center Operation and Maintenance was fully funded by the half-cent sales tax. The C. V. Starr Center is owned by the City of Fort Bragg and operated by the MCRPD in accordance with an Operating Agreement between the two entities. The C. V. Starr Director, an MCRPD employee who reports directly to the MCRPD Board, is responsible for day-to-day administration of the C. V. Starr Center and the MCRPD Board is responsible for key policy decisions. The Fort Bragg City Council adopts the annual operating budget for the Center and establishes the fee schedule. Together with the MCRPD, the City is responsible for ensuring that the Center operates in a fiscally sustainable manner.

## PURPOSE OF OPERATIONAL ASSESSMENT OF THE MENDOCINO COAST RECREATION AND PARK DISTRICT AND C. V. STARR COMMUNITY CENTER

The findings and recommendations of the operational assessment should guide the MCRPD in operating both the District and the Center in a more successful, efficient and cost effective manner. As a part of the operational assessment of the Mendocino Coast Recreation and Park District and C. V. Starr Community Center, the Consultant reviewed the operational budget, staffing, aquatic program mix & schedule, and pricing. The assessment also included two different visits to Fort Bragg to evaluate the facility during operation and to identify the facility's layout, features, opportunities and constraints and to meet with the Board of Directors, District staff and the Fort Bragg Assistant City Manager.

The goals established for the assessment process include the following objectives:

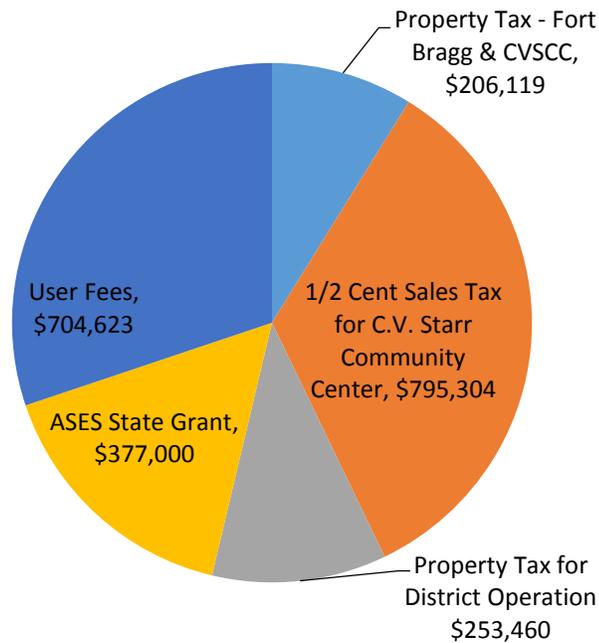
1. Review the overall operations at the C. V. Starr Community Center and the Mendocino Coast Recreation and Park District and compare its operation to industry best practices.
2. Evaluate the current staffing model and employee work program for the current structure that requires two separate operating budgets and staffing structures and recommend changes that would help the District and the CVSCC to operate in a more efficient and cost effective manner.
3. Develop a conceptual proposal to modify the existing operating agreement between the Mendocino Coast Recreation and Park District and the City of Fort Bragg that meets the spirit and intent of the existing provisions to restrict property and sales tax revenues to supporting the operation of the C. V. Starr Community Center, and recreation programs serving Fort Bragg.
4. Determine and evaluate the existing cost recovery of the District's and Center's various programs in relation to operational costs, revenue, utilization, percent of current cost recovery, and net general fund income or subsidy.
5. Establish revenue and cost recovery goals for the MCRPD and the CVSCC to guide the operation of the facility, pricing of programs and services and funding of operation using a combination of general fund tax support, user fees and other revenue sources.
6. Identify strategies, objectives and an operational model that would improve the overall cost effectiveness, efficiency and success of the Mendocino Coast Recreation and Park District in operating the District, the CVSCC and in providing programs and services to Fort Bragg and the other communities served by the District.

**PRELIMINARY COST OF SERVICE STUDY – MCRPD & CVSCC OPERATIONS**

Staff and the Board of Directors worked with the Consultant to prepare an initial analysis of the programs and activities offered by the District and at the C.V. Starr Community Center. This analysis included program expenses versus revenue by program area. The overall cost recovery of the Districts recreation programs and services and the operation of the C.V. Starr Community Center is somewhat low. However, it should be noted that both the MCRPD Board of Directors and the City Council of Fort Bragg have established lower cost recovery goals for programs and the operation of the CVSCC in order to keep program and facility use fees affordable, especially to low income residents.

OPERATION	EXPENSE	REVENUES	TAX SUBSIDY	COST RECOVERY
Admin & Overhead, CVSCC	\$919,896	\$27,628	\$892,628	3%
Admin & Overhead, MCRPD	\$232,985	\$0	\$232,985	0%
CVSCC Programs	\$675,550	\$566,755	\$108,795	84%
MCRPD Fort Bragg Programs	\$93,220	\$71,100	\$22,120	76%
MCRPD Programs Outside of FB	\$39,605	\$39,500	\$105	99%
ASES Grant (Kudos/Assets)	\$377,000	\$377,000	\$0	100%
<b>TOTAL</b>	<b>\$2,338,256</b>	<b>\$1,081,983</b>	<b>\$1,256,633</b>	<b>46%</b>

**FUNDING SOURCES OF DISTRICT OPERATION**

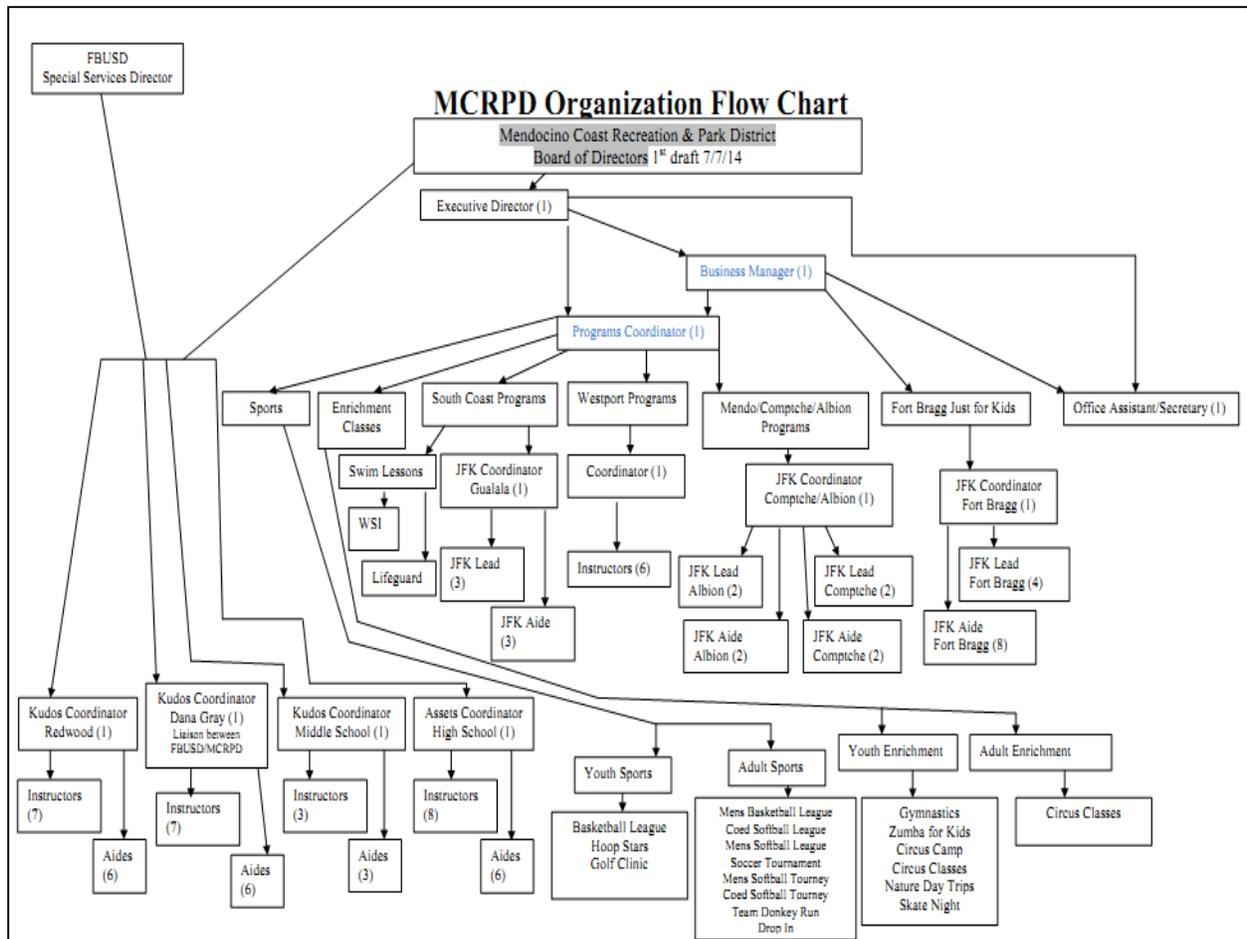


## STAFFING ANALYSIS

### PERMANENT EMPLOYEES – MENDOCINO COAST RECREATION AND PARK DISTRICT

The Consultant evaluated the staffing plan and costs of both permanent and part time employees assigned to the operation of the C. V. Starr Community Center and the Mendocino Coast Recreation and Park District. This comparison indicated that MCRPD has a lower number of permanent employees assigned to operate programs and services in the District outside of Fort Bragg and not associated with the operation of the CVSCC. The current number of permanent employees receiving benefits such as medical insurance, vacation and sick leave for MCRPD operations as are as follows:

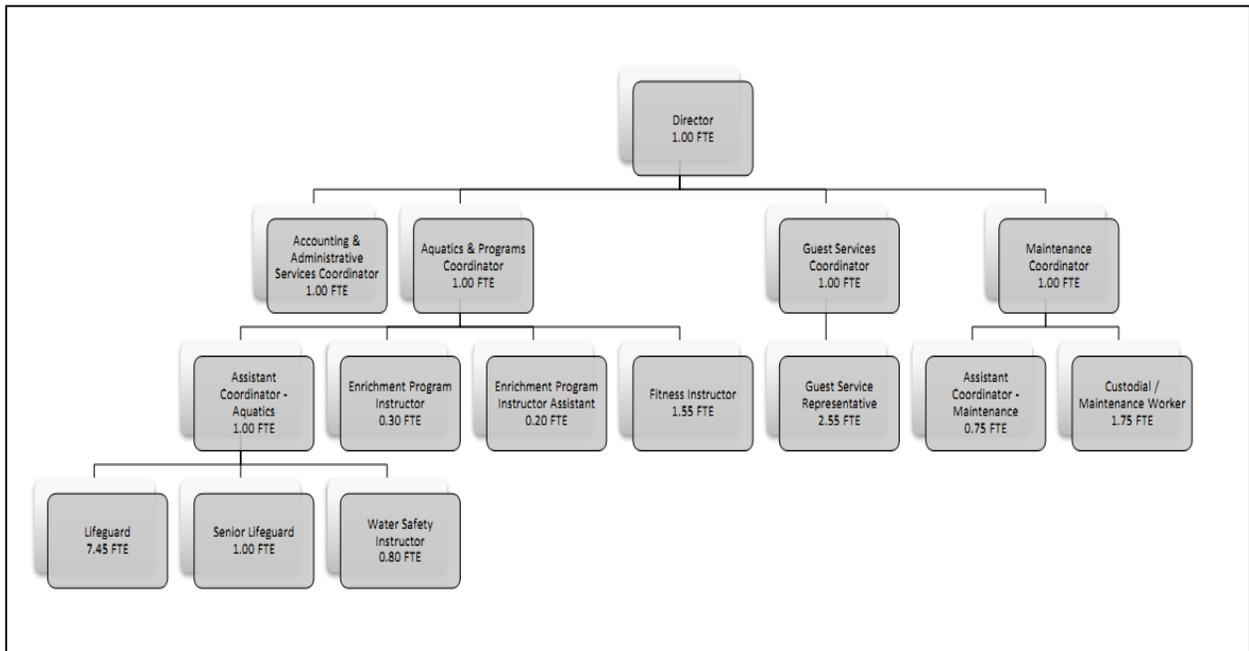
- Executive Director
- Business Manager
- Recreation Specialist (previously Programs Coordinator)



## PERMANENT EMPLOYEES - C. V. STARR COMMUNITY CENTER

The number of permanent employees assigned to the operation of the C. V. Starr Community Center is slightly higher than other staffing structures utilized in the operation of similar size and scope facilities. The current number of permanent employees receiving benefits such as medical insurance, vacation and sick leave for CVSCC operations as are as follows:

- Director
- Accountant/Administrative Services Coordinator
- Aquatics and Programs Coordinator
- Guest Services Coordinator
- Maintenance Coordinator
- Assistant Coordinator - Aquatics
- Senior Lifeguard
- Assistant Coordinator - Maintenance



## PART TIME HOURLY EMPLOYEES

Additionally, the District employs a large number of temporary part time hourly employees to provide classes & camps, supervise the pool, conduct swimming lessons and provide customer support at the front counter at the C. V. Starr Community Center. The MCRPD also employs part-time program staff to provide offsite programs, activities and events in the City of Fort Bragg and in the various communities within the District outside the City of Fort Bragg.

## COST RECOVERY POLICY MODEL – PRINCIPLES, DEFINITIONS & CRITERIA

### DEFINITION OF TERMS:

**Public Services** are those services parks and recreation offer that provide all users the same level of opportunity to access the service. The level of benefit is the same to all users. Examples of public services are open public access to use a park, a playground, a bicycle path or a picnic area that cannot be reserved. Public or recreation swim is typically considered a public service in providing safe access to aquatic recreation. Public Services normally have low level or no user fees associated with their consumption. The cost for providing these services is borne by the general tax base.

**Public and Individual Benefit Services** are services whereby the user receives a higher level of benefit than the general taxpayer. The taxpayer benefits as a whole because the service provides a more livable community and the service has a good public benefit as well. Examples of public & individual services are swim lessons, youth sports, summer camp programs for youth, life skill programs and special events that promote healthy active lifestyles for youth and adults. Public and Individual Services can be priced using either a partial overhead pricing strategy or a variable cost pricing strategy. Partial overhead pricing strategies recover all direct operating costs and some determined portion of fixed indirect costs. The portion of fixed indirect costs not recovered by the price established represents the tax subsidy.

**Individual Benefit Services** primarily benefit the individual program or facility user. For these services, the District should implement a pricing strategy to achieve full cost recovery. The price of this particular service, program or facility rental should recover both direct and indirect costs. Examples of private services are rental of CV Starr Community center space for weddings and business meetings, special interest classes and adult sports programs.

### DIRECT VS. INDIRECT/OVERHEAD EXPENSES

**Direct Expenses** are costs associated with temporary part-time staff, materials & supplies and other resources associated with providing the program, service or operating the facility. Direct expenses are costs that would not be incurred if the associated program or service was not provided.

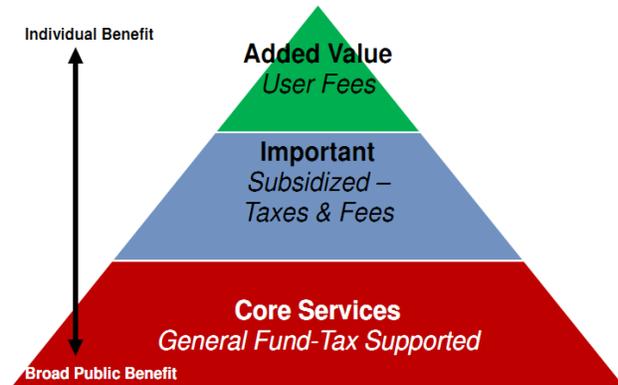
**Indirect/Overhead Expenses** are the costs for overall administration and management including payroll, personnel, accounting, budget, finance, marketing, insurance etc. It also includes costs associated with maintenance and operation C.V. Starr Center including building & grounds maintenance, utilities, custodial service, and supplies. Indirect and overhead expenses are not easily attributable to individual programs outlined in the cost recovery plan.

## BENEFIT AND COST RECOVERY POLICY MODEL

### DEFINITION AND CRITERIA FOR CORE/ESSENTIAL SERVICES

Core/Essential services are those programs, services and facility operational and maintenance responsibilities that MCRPD must provide and/or are essential to the operation of the District and the C.V. Starr Community Center. The failure to provide a Core/Essential service at an adequate level would result in a significant negative consequence relative to the health & safety of facility users. The criteria for a Core/Essential services are:

- The service is mandated by law or is contractually obligated by agreement (ex. MCRPD is obligated to operate the C. V. Starr Community Center per the operating agreement with the City of Fort Bragg.
- The service is essential to protecting and supporting the public's health and safety
- The service protects and maintains assets and infrastructure
- The District's residents, businesses customers and partners would generally and reasonably expect and support the in providing the service, and that the service is one that cannot or should not be provided by the private sector, and provides a sound investment of public funds.



### DEFINITION AND CRITERIA FOR IMPORTANT SERVICES

Important services are those programs, services and facilities the MCRPD should provide, and are important to operating the facility and effectively serving its residents, businesses, customers and partners. Providing important services expands or enhances our ability to provide and sustain our District's core services. The criteria for important services are:

- Service or program provides, expands, enhances or supports identified Core/Essential services.
- Services are broadly supported and utilized by the community, and are considered an appropriate, important, and valuable public good. Public support may be conditional upon the manner by which the service is paid for or funded.
- Service generates income or revenue that offsets some or all of its operating cost and/or is deemed to provide an economic, social or environmental outcome or result within the community.

### DEFINITION AND CRITERIA FOR VALUE ADDED SERVICES

Value Added services are discretionary programs, services and facilities that the District may provide when additional funding or revenue exists to offset the cost of providing those services. These programs and services provide added value to residents, businesses, customers and partners above and beyond what is required or expected of MCRPD. The criteria for a Value Added service are:

- Service expands, enhances or supports Core or Important services, and the quality of life of the community.
- Services are supported and well utilized by the community, and provide an appropriate and valuable public benefit.
- Service generates income or funding from sponsorships, grants, user fees or other sources that offsets some or all of its cost and/or provides a meaningful economic, social or environmental benefit to the community.

## MENDOCINO COAST CATEGORIZED FUNCTIONAL ORGANIZATIONAL CHART

Below is a functional organizational chart that has categorized operational functions, programs and services into **Core (red)**, **Important (blue)** and **Value Added (green)**.

Administration		Recreation & Aquatics Programs		Business Services	
<p><b><u>ADMINISTRATION</u></b>            Budget Administration            Contract Management            Partnership Relationship with COFB            Personnel Administration            Renovation and Rehabilitation Planning            Resource Management            Business Plan Administration            Facility Planning and Development            Facility Rules and Use Policies            Partnership Relationships            Public Information            Strategic Plan Administration            Succession Planning            Metrics and Benchmarking</p> <p><b><u>GOVERNING BODIES</u></b>            Board of Directors            BOD Committees            COFB City Council            Relationships with Governing Bodies of Partners</p> <p><b><u>PLANNING &amp; DEVELOPMENT</u></b>            Facility Planning            Renovation Planning            Capital Improvement Plan            CEQA Compliance            CIP Budgets            Park/Facility Master Plans            Business Plan            Resource Management            Strategic Planning            Consultant Contracts            Succession Planning</p>	<p><b><u>MAINTENANCE</u></b>            Aquatic Systems Management            Fire Alarm System Maintenance            Floors, Painting and Interior Surface Maintenance            HVAC Maintenance            Inspections &amp; Repairs            Irrigation Management            Janitorial Services            Parking Lot Maintenance            Petanque Court Maint.            Picnic Area Maintenance            Roof Maintenance            Safety Program            Safety Repairs            Security Lighting            Skate Park Maintenance            Trash and Litter Removal            Turf Management            Weed Control            Work Order Program            Dog Park Maintenance            Fitness Equipment Maintenance            Solar System Management</p>	<p><b><u>AQUATICS</u></b>            Advanced Aquatic Trainings            Recreation Swims            Fitness Swims            Learn to Swim, General            Learn to Swim, Second Grade            Swim Teams, Clubs Swim Teams, School            Water Fitness Classes            Interactive Underwater Program            Other Aquatic Activities (Kayak, Water Polo, Etc.)</p> <p><b><u>ADULT RECREATION</u></b>            Basketball, Drop-in            Fitness Classes            Fitness Room, GA            Personal Training            Softball Leagues            Volleyball, Drop-in            Enrichment Programs            Soccer Tournament            Softball Tournament</p>	<p><b><u>YOUTH RECREATION</u></b>            Baseball Program            Basketball Program            Circus Program            Gymnastics, Classes and Camps (M = 80%, T = 100%)            Just for Kids            Skate Night            ASSETS (ASES Grant)            Enrichment Programs            Golf Program            Kudos for Kids (ASES Grant)            Soccer Tournament            Specialty Classes and Camps</p> <p><b><u>SPECIAL EVENTS</u></b>            Free Admission Days, CVSCC            Fun Run Event            Fundraising Events</p>	<p><b><u>BUSINESS SERVICES</u></b>            Accounting / Bookkeeping            Certifications, Permits, Licenses and Compliance            Emergency Management            Financial Reporting            Human Resource Management            Information Technologies Management            Legal            Office Support            Payroll            Purchasing Management            Risk Management            Grant Management            Quality Assurance</p> <p><b><u>GUEST SERVICES</u></b>            Activity Registration            Customer Service (internal / external)            Drop-In Visits            Facility Use Agreements            Membership Management            Facility Rentals            Merchandise Sales</p>	<p><b><u>MARKETING</u></b>            Website &amp; Online Presence            Brochure &amp; Promo Materials            Financial Assistance Program            Marketing Plan Management            Positioning Marketing            Product, Place, Price and Promotion            Revenue            Traditional Media            Social Media            Sponsorships</p>

**RECOMMENDED COST RECOVERY BY PROGRAM**

<b>PROGRAM AREA</b>	<b>MINIMUM COST RECOVERY</b>	<b>TARGET COST RECOVERY</b>	<b>FUNDING SOURCE</b>
<b>Adult Recreation</b>			
Basketball-Drop In – Fort Bragg	90%	100%	UF, GF
Fitness Classes – CVSCC	100%	100%	User Fees
Fitness Class – MCRPD	100%	100%	User Fees
Fitness Room Drop In	100%	100%	User Fees
Personal Training	100%	100%	User Fees
Softball Leagues – Fort Bragg	100%	100%	User Fees
Volleyball- Drop-in – Fort Bragg	90%	100%	UF, GF
Enrichment Programs - CVSCC	100%	100%	User Fees
Enrichment Programs – MCRPD	100%	100%	User Fees
Soccer Tournament – Fort Bragg	100%	100%	User Fees
Softball Tournament – Fort Bragg	100%	100%	User Fees
<b>Aquatics</b>			
Advanced Aquatic Trainings CVSCC	0%	25%	UF & GF
Recreation Swim CVSCC	30%	50%	UF & GF
Fitness Swim CVSCC	30%	50%	UF & GF
Learn to Swim-General CVSCC	70%	100%	UF & GF
Learn to Swim General - South Coast	70%	100%	UF & GF
Learn to Swim-Second Grade - FBUSD	0%	0%	JUA & GF
Learn to Swim Second Grade – MUSD	0%	0%	JUA & GF
Swim Teams- Clubs – CVSCC	0%	0%	UF & GF
High School Swim Teams	0%	0%	JUA & GF
Water Fitness Classes – CVSCC	80%	100%	UF & GF
Interactive Underwater Program – CVSCC & Ocean	0%	100%	Volunteers
Other Aquatic Activities (Kayak, Water Polo, Etc. -CVSCC	100%	100%	User Fees
<b>Guest Services</b>			
Facility Rentals – CVSCC & Westport CC	80%	100%	UF & GF
Merchandise Sales - CVSCC	100%	100%	User Fees

<b>PROGRAM AREA</b>	<b>MINIMUM COST RECOVERY</b>	<b>TARGET COST RECOVERY</b>	<b>FUNDING SOURCE</b>
<b>Maintenance</b>			
Dog Park Maintenance - CVSCC	0%	20%	GF
Fitness Equip. Maint. – CVSCC	50%	50%	UF & GF
<b>Youth Recreation</b>			
Baseball Program – FB, Mendocino, SC	60%	80%	JG & GF
Basketball Program – Fort Bragg	80%	100%	UF & GF
Circus Program – Fort Bragg	100%	100%	User Fees
Gymnastic Classes & Camps – Fort Bragg & Westport	80%	100%	UF & GF
Just for Kids – Fort Bragg & South Coast	50%	100%	UF & GF
Skate Night – Fort Bragg	80%	100%	UF & GF
ASSETS – Fort Bragg H.S.	100%	100%)	ASES GRANT
Enrichment Programs – CVSCC & Westport	80%	100%	UF & GF
Golf Program – Mendocino LRGF	100%	100%	User Fees
Kudos for Kids – Redwood Elementary, Fort Bragg MS, Dana Gray Elementary	100%	100%	ASES Grant
Soccer Tournament – Fort Bragg	100%	100%	User Fees
Specialty Classes and Camps – Fort Bragg and MCRPD Communities	100%	100%	User Fees
<b>Special Events</b>			
Free Admission Days- CVSCC	0%	0%	GF
Fun Run Event – Fort Bragg	70%	100%	UF & GF
Fundraising Events - MCRPD	100%	100%	Sponsors
<b>Partnership Agreements</b>			
Mendocino Coast Botanical Garden	100%	100%	Contract
Redwood Coast Recreation Center (Rec Rally, Swim Lessons, Planning)	0%	0%	MCRPD Donation

## ANNUAL BUDGET AND ANNUAL OPERATIONAL PLAN

It is recommended that the District's annual budgeting process included a more detailed plan to outline the specific programs and services proposed for the District. The budget plan should be developed consistent with the cost recovery goals outlined above and the cost allocation plan proposed in this report. At a minimum, the budget and operational plan should outline the specific programs and services proposed for the C.V. Starr Community Center and for other recreation programs for the City of Fort Bragg that will be funded from the sales tax increment and the District's property tax received from Fort Bragg. The budget and operational plan should also include a proposed program plan for the communities served by the District outside of Fort Bragg. The program plan should outline the total cost of each program, function or service, offsetting revenues and net general fund support from taxes. Cost recovery should be consistent with the District's cost recovery plan and the cost allocation plan. Mid-year budget adjustments and updated program plans should be presented to the District Board of Directors and the City Council each year.

## COST ALLOCATION PLAN

It is recommended that the current requirement to separate the budgets of the Mendocino Coast Recreation and Park District and the C. V. Starr Community Center be modified to a cost allocation and accounting plan. This cost allocation and accounting plan would be approved annually by both the District's Board of Directors and the Fort Bragg City Council.

The cost allocation plan would attribute cost on a percentage basis for shared positions. Shared positions would include the Executive Director, Business Manager, Accountant/Administrative Services Coordinator, Program Coordinator and Guest Services Coordinator.

### PRELIMINARY COST ALLOCATION PLAN

The following page is an initial proposal for a cost allocation plan showing how shared positions would be allocated between C V Starr/Fort Bragg and the Mendocino Recreation and Park District. The shared positions and cost allocation based on percentage of time and responsibility are highlighted in green. Positions and costs only associated with the operation of C. V. Starr Community Center and programs in Fort Bragg are highlighted in orange. Positions and program costs associated with serving communities outside of Fort Bragg by the District or associated with the ASES Grant Program (Kudos & Assets) are highlighted in blue.

COST ALLOCATION BY POSITIONS

Position (current)	Position (Proposed)	Salary and Benefits (Total)	Proposed Allocation to MCRPD General Fund	Proposed Allocation to Fort Bragg Taxes Fund	Salary and Benefits (Amount from MCRPD General Fund)	Salary and Benefits (Amount from Fort Bragg Taxes Fund)
Director of CVSCC, Interim Executive	General Manager	119,126	32.20%	67.80%	38,360	80,766
Business Manager	Business Manager	52,556	32.20%	67.80%	16,924	35,632
Accountant and Admin Services Coordinator	Accountant and Admin Services Coordinator	61,052	32.20%	67.80%	19,660	41,392
Administrative Assistant (Temporary 0.50 FTE)	Administrative Assistant (Regular 0.50 FTE)	15,790	32.20%	67.80%	5,085	10,705
Guest Service Coordinator	Guest Service Coordinator	58,323	32.20%	67.80%	18,781	39,542
Assistant Coordinator, Guest Services (Temporary 1.00 FTE)	Assistant Coordinator, Guest Services (Regular 1.00 FTE)	36,439	14.40%	85.60%	5,248	31,190
Guest Service Representatives	Guest Service Representatives	61,389	14.40%	85.60%	8,842	52,547
Aquatics and Programs Coordinator	Aquatics and Programs Coordinator	72,904	32.20%	67.80%	23,476	49,428
Program Staff Assistant Coordinator, Aquatics	Program Staff Assistant Coordinator, Aquatics	110,866	0.00%	100.00%	-	110,866
Senior Lifeguard (Regular 0.75 FTE)	Senior Lifeguard (Regular 0.75 FTE)	49,799	0.00%	100.00%	-	49,799
Aquatics Staff	Aquatics Staff	29,217	0.00%	100.00%	-	29,217
Recreation Specialist (Program Staff (32.2%))	Recreation Specialist (Program Staff (50%))	209,609	0.00%	100.00%	-	209,609
Recreation Specialist (Program Staff (67.8%))	Recreation Specialist (Program Staff (50%))	13,163	100.00%	-	13,163	-
Recreation Specialist	Recreation Specialist	27,285	100.00%	-	27,285	-
Program Staff	Program Staff	27,714	100.00%	-	-	27,714
Maintenance Coordinator	Maintenance Coordinator	27,285	100.00%	-	-	27,285
Maintenance Assistant (Regular 0.75 FTE)	Maintenance Assistant (Regular 0.75 FTE)	58,323	0.00%	100.00%	-	58,323
Maintenance Staff	Maintenance Staff	30,261	0.00%	100.00%	-	30,261
Total	Total	47,960	0.00%	100.00%	-	47,960
		1,109,060			176,824	932,237

COMPLETE COST ALLOCATION PLAN INCLUDING WAGES AND BENEFITS, UTILITIES,  
MAINTENANCE, OPERATIONS, AND OTHER EXPENSES

Below is a proposed cost allocation for all District expenditures based on current budgets and operations. In preparing future budgets, expenditures would be allocated to either the MCRPD General Fund, Fort Bragg Taxes Fund or split proportionally between the two funds. A more detailed breakdown of expenses by specific budget account numbers can be provided to the MCRPD Board of Directors and the City of Fort Bragg if desired.

	Current Allocation to MCRPD	Current Allocation to CVSCC	Current Total	Proposed Amount to General Fund	Proposed Amount to FB Fund	Proposed Total
<b>Expenses</b>						
wages and benefits	225,070	913,250	1,138,320	176,824	932,237	1,109,061
utilities	200	314,483	314,683	3,718	310,965	314,683
outreach	2,000	27,840	29,840	9,608	20,232	29,840
maintenance	-	74,680	74,680	835	73,845	74,680
operations	132,090	158,235	290,325	39,386	250,939	290,325
other expenses	6,000	27,892	33,892	6,000	27,892	33,892
<b>Total</b>	<b>365,360</b>	<b>1,516,380.00</b>	<b>1,881,740</b>	<b>236,371</b>	<b>1,616,110</b>	<b>1,852,481</b>

## STAFFING/REORGANIZATION

### EXISTING STAFFING AND BUDGET OPERATIONAL MODEL

The current management and staffing plan for the C. V. Starr Community Center are outlined in detail in the operating agreement by and between the City of Fort Bragg and the Mendocino Coast Recreation and Park District. These provisions of the operating agreement have required the MCRPD to create two separate operating budgets; one for the District and one for the C. V. Starr Community Center. Additionally, the staffing plan and organizational chart structure also is separated between District wide operations and C.V. Starr Community Center operations.

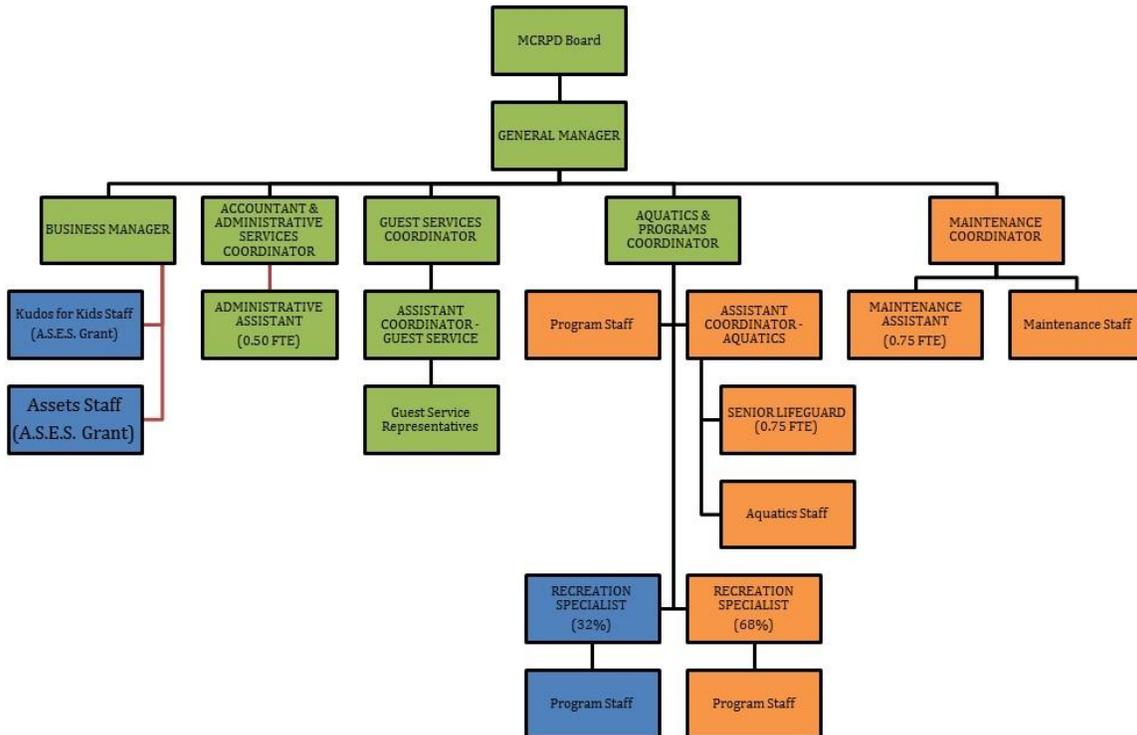
The current dual staffing and budget structure is both inefficient and not cost effective in that services and functions are duplicated or redundant. In many cases, the functions and work programs of full time and part time employees could be optimized through cost allocation and cost accounting versus the requirement to create two concurrent organizational structures, budgets and work programs. The recent resignation of the Executive Director of the Mendocino Recreation and Park District's Executive Director has created an opportunity to revisit the plan by both the City of Fort Bragg and the District.

### PROPOSED MANAGEMENT, STAFFING AND OPERATIONAL MODEL

It is recommended that the current requirement to separate employees, operational costs and revenue into two concurrent organizations be modified to a detailed cost allocation plan. The cost allocation plan would separate staffing and operational costs attributable to the C. V. Starr Community Center & Fort Bragg and those attributable to the other communities served by the District.

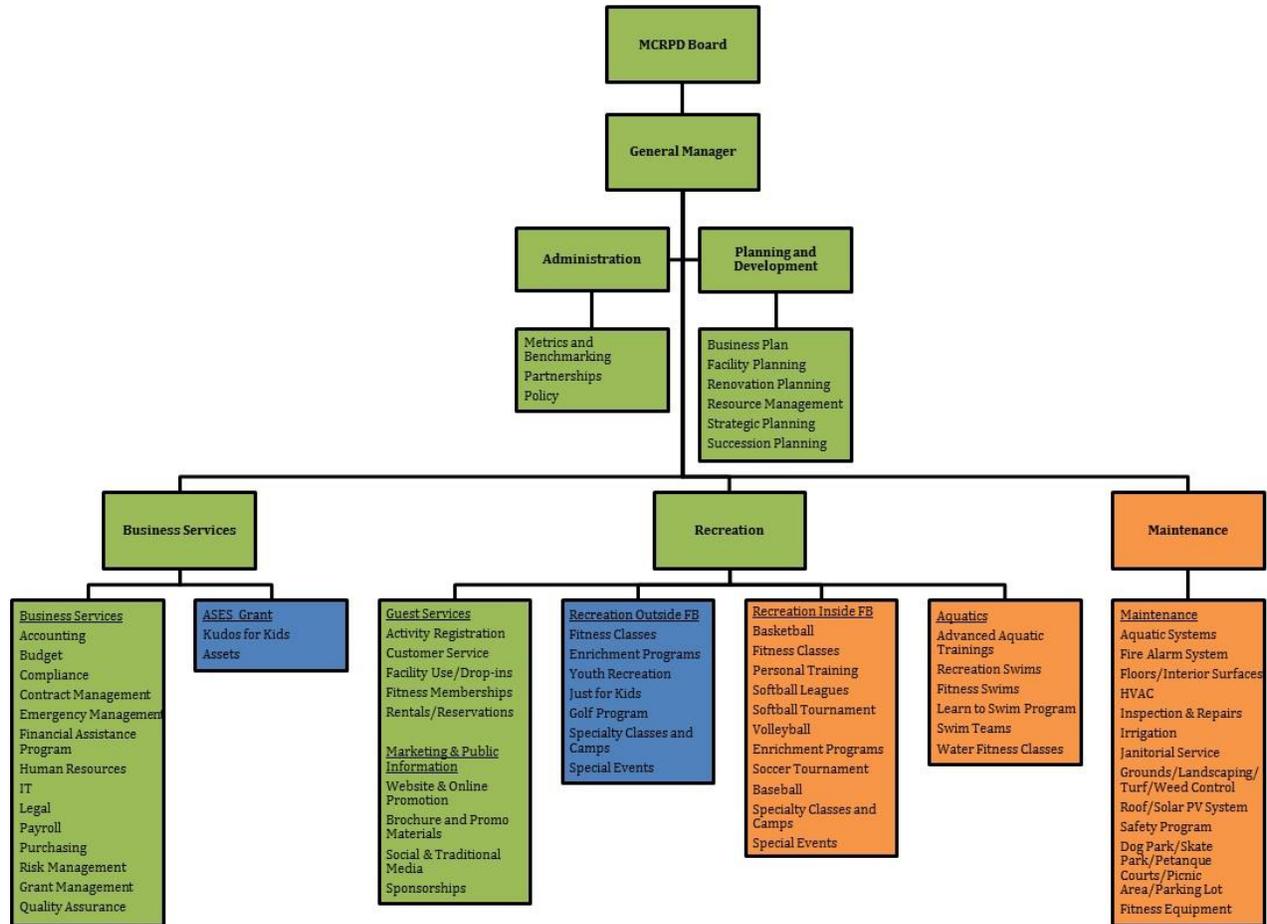
## ORGANIZATIONAL CHART BY EMPLOYEE POSITIONS

In the proposed organizational chart below, shared operational responsibilities between the MCRPD and the CVSCC are highlighted in green. Programs, services and operational costs attributable to the C. V. Starr Community Center and the City of Fort Bragg are highlighted in orange. Programs and services serving District communities outside of Fort Bragg and those funded by the ASES State Grant Program are highlighted in blue.



## ORGANIZATIONAL CHART BY OPERATIONAL FUNCTIONS

The chart below outlines the maintenance and operational functions of the Mendocino Coast Recreation and Park District. The operational functions highlighted in green are shared responsibilities to be budgeted through a cost allocation plan. The functions in orange are those related only to the operation of the C. V. Starr Community Center, and programs serving Fort Bragg. The functions highlighted in blue are those of the District serving communities within the District outside of Fort Bragg or the Kudos for Kids and Assets program funded by the State of California ASES Grant program at eligible schools.



## RECOMMENDATION #1: COST RECOVERY AND PRICING POLICY & BUSINESS PLAN

It is recommended that MCRPD develop a business plan and pricing policy that will serve as a management tool for establishing, implementing and evaluating various fees and revenue options for the operation of the District and the C. V. Starr Community Center. The establishment of a Business Plan and Pricing Policy may allow for additional programs and facilities to be made available that would enhance the level of service or quality of programs. This also allows for the District to provide higher quality of services due to these limited operational dollars.

A Business Plan that establishes a cost recovery and pricing policy is designed to provide staff with consistent guidelines in pricing admissions, use of facilities, and establishing program fees based on the individual benefits a user receives above a general taxpayer. The policy will help the MCRPD address revenue goals to support operational costs, provide greater fairness in pricing services to users, and help support the implementation of future programs, facilities and services.

A cost recovery and pricing policy also allows the facility users; staff and general taxpayers to better understand the philosophy behind pricing of a program or service.

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### BUSINESS PLAN

A Business Plan will help the MCRPD to:

- Establish a sound rationale for determining the appropriate level of general fund tax subsidy of programs, services and facilities based on categories of service and level of public versus individual benefit.
- Reduce general fund tax support of the operation of the C.V. Starr Community Center and recreation programs provided throughout the communities served by the District.
- Increase revenue and cost recovery of programs and services as desired and appropriate.
- Create a methodology for establishing the fair and correct price for a given program, service or facility.
- Provide for accessibility, fairness and affordability based on the category of service and benefit level.
- Identify effective and appropriate funding strategies from Fort Bragg sales tax support, property tax, grants, user fees and other revenue sources.
- Improve efficiency in the cost of providing programs, services and facilities.
- Improve financial sustainability by achieving established cost recovery targets.

## RECOMMENDATION #2: CHANGES TO PERMANENT STAFFING

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### EXECUTIVE DIRECTOR – GENERAL MANAGER

It is strongly recommended that the Mendocino Coast Recreation and Park District hire one employee to serve as the Executive Director/General Manager for both the operation of the District and the C. V. Starr Community Center. The role of the Executive Director to guide and direct the day to day operation of the District is critical. The need to separate costs associated with the C. V. Starr Community Center as

prescribed by the operating agreement between the City of Fort Bragg and the District can be accomplished through a detailed cost allocating and accounting plan and budget. If the current Interim Executive Director of both C. V. Starr Community Center and the District continues to perform at a satisfactory level, it is also recommended that he be selected to fill this position on a permanent basis.

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#### CLASSIFICATION AND SALARY PLAN FOR OTHER PERMANENT POSITIONS

The Mendocino Recreation and Park District employs a number of permanent employees to support the operation of the District's programs and facilities. In comparison to other parks and recreation agencies, the District has an inconsistent approach to the use of position titles, salary ranges and benefits. The District would benefit from a comprehensive classification and compensation plan that would provide consistency and appropriate use of titles such as manager, supervisor, coordinator and assistant coordinator. Titles and salaries should be based on a combination of education, experience and responsibilities.

#### RECOMMENDATION #3: GOALS AND PERFORMANCE MEASURES

It is recommended that detailed performance measures be developed for all major program areas and facility operations. These performance measures should include quantitative and qualitative goals to guide and evaluate the facility. An annual review and update of goals and outcomes will provide a mechanism for the District to adjust and refine its operations, programs and services.

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#### QUANTITATIVE GOAL EXAMPLES:

- Teach 2,000 children in swimming lessons each year  
Generate \$100,000 in program, rental income and memberships at the C. V. Starr Community Center.
- Meet the cost recovery targets for established for each District program.

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#### QUALITATIVE GOAL EXAMPLES:

- Achieve an overall good to excellent satisfaction rating of 85% of swim lesson participants
- 70% of the visitors to CVSCC rate the appearance and cleanliness of the facility as excellent.
- 90% of customers who register for programs rate the process as convenient and easy.

#### RECOMMENDATION #4: STRENGTHENING THE BRAND OF THE DISTRICT

It is strongly recommend that the Mendocino Coast Recreation and Park District develop and implement a marketing campaign to strengthen the brand of the District. Due to a variety of reasons, most notably the financial difficulties associated with the opening and closing of the C.V. Starr Community Center and the bankruptcy, the District has suffered some damage to its identity and credibility. Improved signage at C.V. Starr and at other District facilities would allow residents, visitor and taxpayers to understand and appreciate the programs and services offered by the District. Improvements should be made to the District's website to celebrate the partnerships between the City of Fort Bragg and the Mendocino Coast Recreation and Park District in operating C.V. Starr and other programs in Fort Bragg. A branding campaign should also include the development of a style guide to create a consistent look and feel with publications, flyers, website and use of the District logo.