

Memorandum



PROJECT: Jefferson County Parks Master Plan
DATE: September 18, 2015
PREPARED
BY: Ann Toole (TRP)
To: Jennifer Myers (JCPRC) and Project Steering Committee
cc: Sean Garrigan (SGA), Matt Ward (S2), Logan Yeingst (SGA), Jessica Kartes (SGA)
SUBJECT: Finance Report

INVESTING IN PARKS AND RECREATION

The Jefferson County Parks and Recreation Commission provides crucial services and facilities that contribute to the county's economy, improves the quality of life here, and preserves the scenic character of the area. The Commission's budget comes from a combination of investment from public and private resources. The purpose of the financing assessment is to review how the financial aspects of parks and recreation are supported, managed, and directed toward meeting community goals and with respect to the Jefferson County Park and Recreation Commission's resources as well as support from alternative means such as fees and charges, rentals, grants, gifts, and donations.

FINANCING: OPERATING BUDGET AND CAPITAL IMPROVEMENT BUDGET

The two major areas to be considered in financing are operations and capital improvements.

- The operating budget supports the daily operation of parks and recreation. The largest category is personnel covering salaries, wages, and benefits. The Jefferson County Parks and Recreation Commission operating budget is funded through the hotel and motel tax; an allocation of the county's general fund; user fees & charges; grants; and sponsorships.
- The capital improvement budget is used for improvements that cost more than \$10,000 and last more than five years. Such improvements include park and recreation facility development, purchase of major equipment such as trucks, or the rehabilitation of existing facilities. It is also include land acquisition. Ways to fund capital improvements include county funds, grants and gifts, fundraising, donations, bond issues, partnerships, (placeholder for potential fees-in-lieu of dedication of parkland based upon findings from our research), and loans.

Operating Budget

The operating budget includes both revenues and expenditures as reported in Tables 1 and 2.

Note: The Tables are a work in progress. We are collaborating on the synthesis of data in order to present summary information and trends over the last five years. This requires deriving additional reports from existing data. This is underway.

Table 1 Jefferson County Parks and Recreation Commission Parks and Recreation Expenditures Fiscal Years 2014 - 2015					
	2015 – 2016 Budget	2014 – 2015 Actual	2013 – 2014 Actual	2012 – 2013 Actual	2011 – 2012 Actual
Recreation					
Administration & Programming					
Commission Salaries					
Commission Benefits					
Worker’s Compensation	36,984		16,329		
Program Staff Compensation	49,774	133,066	114,785	162,272	78,855
Community Center Payroll				101	
Staff Compensation					497
Payroll Expenses				427,874	
Brochure Printing	0	6,663		2,729	3,152
Program Supplies	47,000	56,622	97,863	72,138	59,510
Facilities Supplies	0	1,604			
Community Center & Facilities Supplies				,833	4,770
Swimming – Jefferson Park	0	596	3,747	3,945	5,294
Transportation	5,000	7,495	5,345	4,648	3,015
Insurance	0	60,459	102,998	100	
Public Information Ads	17,525	11,504	9,177	10,853	3,337
Concessions	11,500	5,664	1,200	5,301	1,477
Cost of Goods Sold	2,215	14,538	10,330	12,197	18,614
Office Expense	38,700	35,900	36,456	24,910	19,188
Facility/Office Other			30,219		
Cell & Telephone service	1,100	1,300	95	612	1,400
Bad check and Bank feed	0	0	398	385	946
Audit Fees	5,000	5,000	8,740	4,520	21,230
Dues	500	500	555	764	150
Continuing Education	5,000	1,000	2,164	1,575	1,049
Bookkeeping	3,000	0	300	1,300	4,600
Background Check	2,000	2,000	1,797	505	265
Pre-School	35,200	29,500	15,502	2,788	3,697
Unencumbered expenses			1,920	72,017	
Other			8,077	1,300	1,212
Total Administration & Programs					
Parks					
Salary (Full-Time)			20,498		
Benefits (Full-Time)					
Worker’s Compensation (Full- Time)		14,580			
Seasonal Maintenance Staff Compensation	96,500	82,136	37,860		
Equipment Maintenance	11,000	46,671	10,502	11,975	
Park Expenses	132,514		?	46,458	

Park Maintenance	-	-	-	-	14,763
DMV Checks		0	20	5	37
Fuel	10,000	4,899	9,048	4,749	6,804
Electric	1,110	0	2,451	877	
Grants			1,233	15,054	25,480
Total Parks					
TOTAL					

Table 2 presents the revenues for the Jefferson County Parks and Recreation Commission for fiscal years 2008 through 2011 as budgeted. The Township derives revenues from the municipal taxes, program fees, contributions, concessions, and rentals. The Township generates funds for capital improvements through bonds.

Table 2 Jefferson County Parks & Recreation Commission Operational Revenues Fiscal Years 2011 - 2012 through 2015 - 2016					
	2015 – 2016 Budgeted	2014 – 2015 Actual	2013 - 2014	2012 - 2013	2011 - 2012
Hotel/Motel Tax	247,500	270,497	224,509	231,542	256,915
Audit Fees	0	0	10,000	5,000	0
P-Card Rebates	3,000	2,617	2,336	2,374	181
County Commission Staff Allocation	249,111	249,329	270,789	222,041	210,056
Hite Road Project Manager	0	0	0	65,000	0
Impact Fee Reimbursement	0	4,000	69,148	0	0
Park Use	110,000	70,480	143,570	57,757	54,344
Community Center Use	0	23,501	25,571	28,802	32,122
Programs	375,000	380,897	354,243	391,625	356,026
Concessions & T-Shirt Sales	18,000	18,348	12,148	20,794	22,347
Banner/Sponsorship	5,000	3,795	2,950	1,410	2,035
Donations	51	0	391	530	114
Scholarship Fund	2,500	43	5,000	3,000	2,925
Grant Work	36,910	3,394	15,450	15,551	34,614
Interest	338	4,059	1,370	823	1,007
Miscellaneous	0	0	0	50	211
Fringe Benefits Income	0	5,103	6,807	1,701	0
TOTAL DEPARTMENTAL INCOME	1,047,410	1,036,063	1,144,282	1,048,000	972,897

Grants

Table 3 presents the grants that the Jefferson County Parks and Recreation Commission Director obtained. As shown in the table, the grants were for a wide range of Commission purposes ranging from support for children with disabilities to trees, tennis equipment, trails, and ballfields.

Table 3 Jefferson County Parks and Recreation Commissions Grants Secured 2012 - 2015			
Grant	Award	Park/Program	Year
Land & Water Conservation Fund	\$90,000	Moulton Park	2012
Land & Water Conservation Fund	\$200,000	James Hite Park/Soccer Fields	2012/2015
Let's All Play National Inclusion Grant	\$7,000	Summer Play Camps: Aides fir children with disabilities	2012
CommuniTree Fall Grant	\$1,200	Sam Michael's Park Dog Park	2013
Eastern WV Community Foundation	\$1,200	Summer Play Camps/Garden	2013
Let's All Play National Inclusion Grant	\$6,000	Summer Play Camps: Aides fir children with disabilities	2013
Community Participation Grant	\$20,000	Jefferson County Community Center/Storage Addition	2013
Land & Water Conservation Fund	\$80,000	Sam Michael's Park: Picnic Pavilion & Handicapped Play Equipment	2013
Land & Water Conservation Fund	\$60,029	South Jefferson Park: Expansion & replacement of play equipment	2015
CommuniTree Spring Grant	\$1,200	South Jefferson Park: 16 Trees	2014
Chesapeake Bay Community Grant	\$10,000	Sam Michael's Park: 100+ Trees	2014/15
Community Participation Grant	\$4,000	Jefferson County Community Center/Program Equipment	2014
Community Participation Grant	\$6,000	Veteran's Memorial Pavilion: Medallions & Plaques	2014
USTA	\$1,500	Tennis Program Supplies & Equipment	2015
Eastern Area Health Education Grant	\$40,000	James Hite Park: Trail	2015
TOTAL	\$531,329		

Capital Budget

The Jefferson County Parks and Recreation Commission invests in parks and recreation improvements annually. A new five year capital budget was established in 2015. The Commission funds the capital budget with 15 percent of the hotel tax, up from 10 percent in the previous four years, county allocations, and grants. In 2015-2016, that percentage equates to \$37,125. The Director has been very successful in securing grants to improve the parks or build a new park such as Hite Road.

Table 4. Jefferson County Parks and Recreation Commission Capital Improvement Budget 2015 - 2020									
PROJECT NAME & DESCRIPTION	ESTIMATED TOTAL COST	PRIOR ALLOC, SOURCE	CURRENT REQUEST FY 2015	CURRENT ALLOC, OTHER SOURCES	EXPECTED FIVE-YEAR FUTURE PROGRAM REQUESTS				
					FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Hite Road Park Development	\$1,000,000	\$600,000	\$400,000	0	0	0	0	0	0
Maintenance Vehicle	\$35,000	0	0	0	\$35,000	0	0	0	0
Mowing Equipment	\$32,500	0	\$32,500	0	0	0	0	0	0
Park System Master Plan	\$85,000	\$63,750	\$21,250	0	0	0	0	0	0
TOTAL	\$1,152,500	\$663,750	\$455,765	0	\$35,000	0	0	0	0

MAJOR FINDINGS

The following list presents major findings of the analysis to date. This is a work in progress and requires additional information to be included, refinement of numbers, and discussion with Jennifer and Brenda to refine the information for accuracy. Brenda has been working on modifying the budget format for several years in order to serve the Commission's Administration and Board best.

- A review of the Jefferson County Budget shows major significant downward trends in revenues from the loss of the impact fee and decreases in casino revenues. The Fiscal year 2015-16 county budget is \$21,459,488.
- The Jefferson County Parks and Recreation Commission's budget of \$1,013,329 for fiscal year 2015-16 is about 4.7 percent of the county budget. However if the non-tax revenues are not included in the ratio, then the Commission would have about 3.3 percent of the county budget. Nationwide the average is about three percent and public parks and recreation departments with highly regarded systems have five percent or greater of their jurisdiction's budget.
- While the ratio of the county budget is positive, another benchmark shows a less favorable comparison. Jefferson County invests \$18.80 per capita in public parks and recreation. The nationwide average is \$80. This discrepancy supports the finding that the county budget is austere.
- The Jefferson County Parks and Recreation Commission raises 53 percent of its budget from non-tax sources such as fees and charges and property rentals. This is very positive as a more typical rate is about 35 percent. Most notable is that this parentage also covers the maintenance

budget. Many departments do not include maintenance in this comparison as maintenance skews revenues to be a lower percentage of the budget.

- The maintenance budget was \$319,371 in fiscal year 2014 – 2015. With a total of 571.93 acres of parkland to maintain, the Commission spends about \$558 per acre. This is an extremely low per acre cost. The national average is more in the \$8,000 per acre range. In fact, \$558 per acre is more consistent with the rate for the maintenance of unimproved nature based parks. If we were to reduce the more typical cost of \$8,000 by 75 percent to \$2,000, that would mean the maintenance budget would be about \$1,143, 860 annually. Currently the Commission operates with one full-time maintenance position and several seasonal part-time employees.

While these figures alone are disconcerting, the imminent opening of Hite Road Park further complicates matters with its additional 119 acres. While the park has a master plan, planning for maintenance was not included in the park master plan despite the fact that over the next 40 – 50 years 70 – 80 percent of its cost will be for maintenance. Furthermore, the development of this site includes maintenance intensive facilities: soccer fields which require a sports turf management program. The annual cost of maintaining a soccer field annually ranges from 9,000 upwards to tens of thousands of dollars per field. The higher costs are associated with tournament quality facilities and facilities used for sports tourism. In these cases, the investment in maintenance has a return in the form of tourism and the spending in the local economy that sports tourism generates in the form of overnight stays, money spent on food, shopping, and related recreation. Sports tourism is a major component of the tourism program in recreation based counties elsewhere simply because sports are powerful for economic development.