

Kim Whatley CPRP, CPO
Facilities and
Operations Manager
City of Decatur Parks
and Recreation

Cost
Recovery-
It's not what
you think

What are we going to cover



LEARN COST RECOVERY TERMS



**LEARN WHAT COSTS ARE AND HOW
TO TAKE THEM INTO ACCOUNT FOR
YOUR CALCULATIONS**



**LEARN HOW TO USE A COST
RECOVERY WORKSHEET**

Your Lemonade.....

- Sugar cost is \$.15 per cup
- Lemons cost is \$.35 per cup
- Water Cost is \$.05 per cup
- Cup cost is \$.10 per cup
- Ice Cost is \$.25 per cup

Total to make is \$ \$.90 per cup cost

**How much would you charge
and Why???**



Cost
Recovery
DOES NOT
MEAN....

100% all the Time...



What is Cost Recovery Plan

A plan made that defines the goals of the agency for programs and services and there recovery levels

Cost Recovery Plan

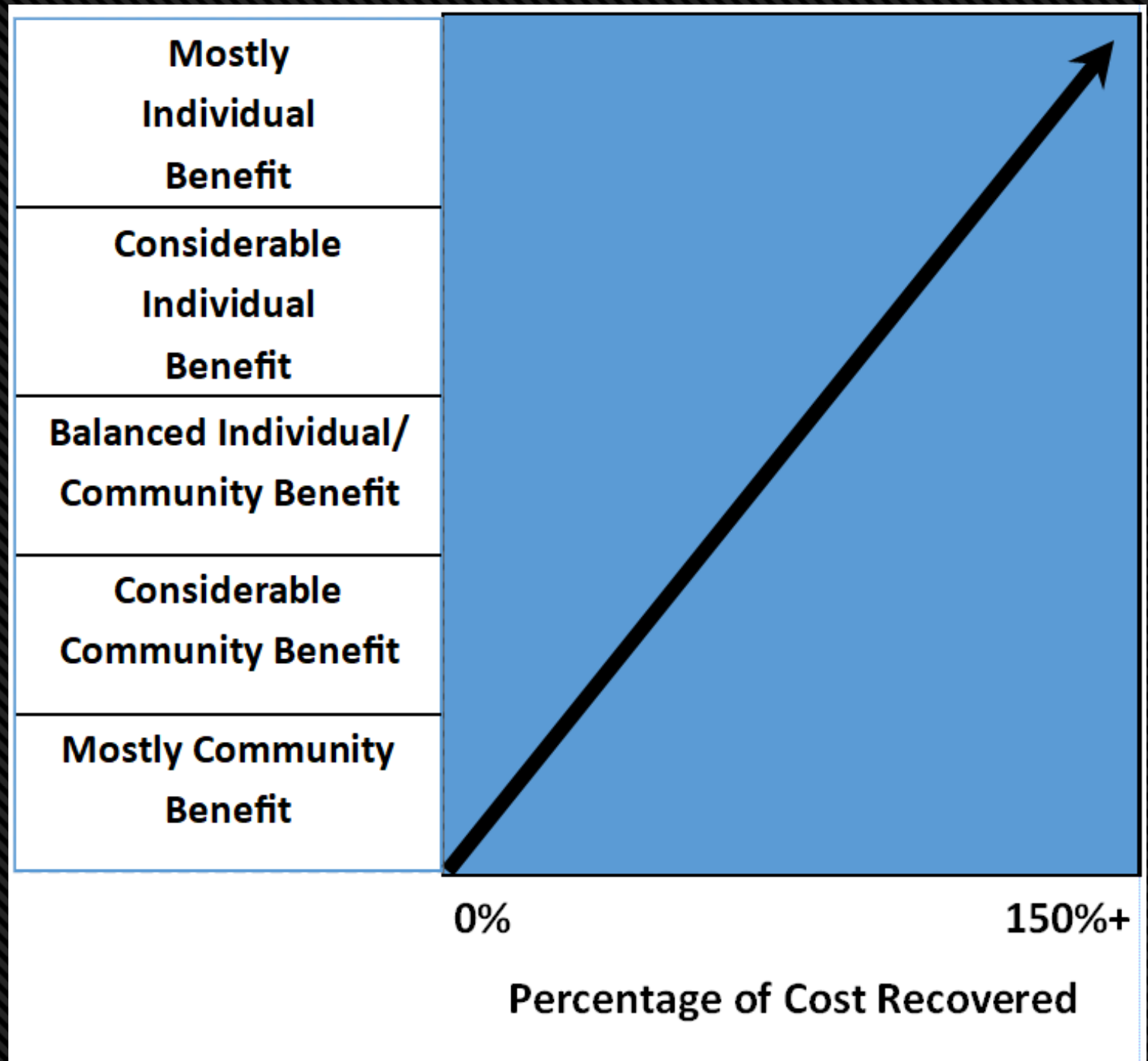
Agency must decide where programs fall on the recovery scale

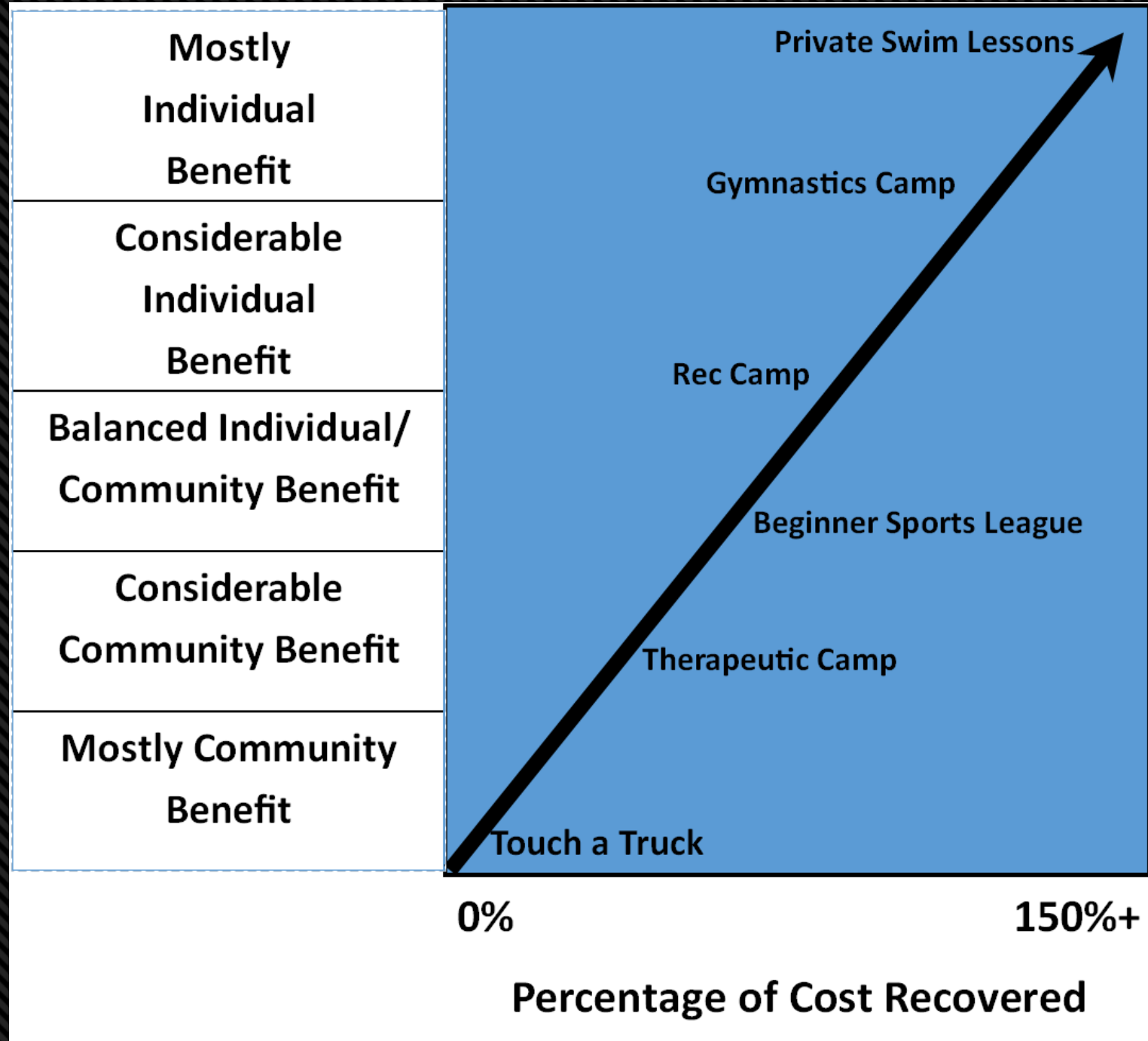
% recovery based on community expectations- citizens and governing bodies

**What does
your Cost
Recovery %
need to
be???**

**There is no right or
wrong answer**

**Depends on agency-
and subsidy
standards**





**What goes
into Costs go
into Cost
Recovery????**



Indirect Costs

Costs that exist whether you have a program or not

- **Electricity**
- **Water**
- **Gas**
- **Field Maintenance**
- **Facility Maintenance**
- **Agency Leadership**
- **Front Desk/Guest Services**
- **If pool- Pool chemicals, Lifeguards**
- **Any Other??**

Facility Costs

- Do you have a facility rental fee that you already charge for spaces??
- You can also use the cost recovery sheet to determine costs for fields, rooms, courts, etc..

Direct Costs- Overall

Costs that exist because the program does

- Coordinator Pay
- Instructor/Coach/ Etc.
- Equipment/Supplies
- Officials/Referees
- Transportation (Vehicle/Gas)
- Marketing
- Program Fee (ex. Red Cross Fee)
- Any Other??

Facility & Equipment Fee Reference Worksheet

Recreation Center

Room Name	Cost per 8 hours	Cost per 6 hours	Cost per 4 hours	Cost per 2 hours
Multipurpose Studio	\$570.00	\$470.00	\$370.00	\$270.00
Dance Studio	\$460.00	\$380.00	\$300.00	\$220.00
Multipurpose Studio A & B	\$410.00	\$290.00	\$230.00	\$170.00
Multipurpose Studio A or B	\$275.00	\$215.00	\$155.00	\$95.00
Meeting Room	\$220.00	\$180.00	\$140.00	\$100.00
Lounge	\$320.00	\$260.00	\$200.00	\$140.00
Activity Center	\$280.00	\$220.00	\$160.00	\$100.00
Gymnasium	\$70.00/hour			
Kitchen	\$60/hour			
Mini Bus	.52 per mile			

Coordinator Salary Calculator		Program Name	% of time doing program	% of salary for program	# of sessions assigned	cost per session of Coordinator time
Total Yearly Salary	48000	Swim Lessons	60	28800	1000	28.8
Cost per day	184.61	Swim Team	20	9600	9	1066.666667
# of days	5	PNO	5	2400	24	100
Total for Program	923.05	Camp	10	4800	26	184.6153846
		Special Events	5	2400	4	600
		TOTAL	100	48000		

Rec Magazine			Cost of page	# of sessions advertised on page	Cost per session/Class
Full Page	\$375		375	7	53.57142857
1/2 page	188				
1/4 page	93.8				

Direct Costs- Individual

These are costs that are per participant and only based on if that participant attends

- **Trips for camps, seniors, etc.**
- **Uniforms**
- **T-Shirt**
- **Meal/Snacks**
- **Certification Fee (ARC)**
- **Any other ???**

Setting your #'s for participation

Use the minimum # of participants that you would run the class with- this will assure you cover all your costs with your minimum, and anyone above that to the max is bonus

Use the maximum # of participants- this will assure all costs covered by max and helps to reduce the overall cost to participant

How to choose participation number?

Is it a new program, changing program, where does it fall on your scale of recovery?

It is it established program, does it have a high demand, where does it fall on your scale of recovery?

Cost Recovery Worksheet



**This is to learn – not to say you
are succeeding or failing**



This is to know your true costs

Cost Recovery Worksheet can tell me....

- How much program costs to run
- If a program is at keep or drop
- If there are opportunities to help a program
 - Reduce operating costs

Program: Parent's Night Out

○ Costs:

- Instructors: 1:10 ratio for PNO, pay rate of \$12 per hour- shift is 5pm-10pm
- Marketing: PNO gets 1/2 page ad that has 10 PNO's on it
- Coordinator time: Look at PNO cost on Chart
- Supplies: Spend \$400 a year on craft supplies for all of PNO (there are 24 a year)
- Location Aquatic Center- Space: Pool for 2 hours (Rec Pool), Classroom for 4.5 hours
- Meal- each participant gets pizza, drink, plate, and napkins total cost \$5
- % of cost recovery is 110%

Reminders



Knowing your actual costs for a program is just knowledge



Having a cost recovery plan makes your agency more responsible with your \$\$\$\$



Do a cost recovery sheet for every program



Use the information to make the best decisions you can for your community and programs

Questions/Feedback



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Facebook-
[kimwrecpro](#)

Linked In-
[kim-whatleyrecpro](#)

Email-
Kim.Whatley@deaturga.com

