

# PRNS PRICING & REVENUE Plan

The City of San Jose Department of Parks, Recreation and Neighborhood Services (PRNS) is developing a 5-year Pricing & Revenue Plan for the programs and services offered by PRNS. The objectives of the Plan are to:

- Determine the actual costs for us to provide services,
- Assess the value of our services & programs to our residents
- Develop strategies to increase Department revenue
- Provide a Scholarship Program to city residents to ensure equal access

This Pricing & Revenue Plan is particularly crucial as we prepare for a difficult 2009-10 budget. In order to continue to provide services to our residents we must develop a pricing and revenue strategy that is sustainable, fair and serves the public need. We need your input as we move forward on this project. We are holding community meetings throughout the month of February. This fact sheet addresses strategies and outcomes of the Pricing & Revenue Plan we discuss at those meetings including an overview of the Plan, review and discussion of costs and pricing methods for services, alternative methods to increase revenue and strategies to ensure fairness. Please see the Pricing & Revenue Plan calendar and join us at community meeting in your area.

## WHAT IS THE PROJECTED BUDGET SHORTFALL?

2009 - 2010	\$65M
2010 - 2011	\$37.0 M
2011 - 2012	\$0.1 M
2012 - 2013	\$3.6 M
2013 - 2014	\$5.8 M

\* PRNS projected budget reduction for 2009 – 2010 is \$9 - \$12 Million

## HOW DO WE COMPARE TO OTHER CITIES?

The PRNS cost recovery rate is approximately 10%.

Other comparable cities:

City of Morgan Hill	78%
City of Denver	33%
City of Los Angeles	30%
City of Dallas	28%

## WHAT STRATEGIES ARE WE CONSIDERING?

- Focus on priority programs and services
- Ensure service excellence in programs and services we do provide
- Price programs based upon the level of benefit a person receives (Public, Merit Private)
- Develop partnerships, sponsorships, volunteer opportunities...

## WHAT NEW PRICING METHODS ARE WE CONSIDERING?

- Prime time and Non prime time
- Season vs. Off Season
- Benefits based pricing (facility amenities)
- Length of stay
- Develop Scholarship policy to ensure fair and equitable access.

## WHAT ARE PUBLIC – MERIT – PRIVATE BASED SERVICES?

### PUBLIC SERVICES:

Everyone is equal and the benefits are the same for all users. The services are funded through taxpayer monies. (services funded through taxpayer monies)

Examples:

- Picnic in a neighborhood park
- Community parade
- Nature Trails

### MERIT SERVICES:

There is public benefit and individual benefit. The cost for services shared by users and taxpayers.

Examples:

- Swim lessons
- After school programs
- After school programs

### PRIVATE SERVICES:

User receives the majority or all of the benefit. There is little or no general tax payer benefit. The services funded solely by the user/benefiter.

Examples:

- Pilates class
- Guitar Lessons
- Reserve a room for a birthday party

## WHAT IS CREATED INCOME?

Created Income is additional revenue (outside of pricing) that helps keep program fees to the user low.

Examples include:

- Sponsorships
- Partnerships
- Grants
- Foundations

### MORE INFO

<http://www.SANJOSECA.GOV/PRNS/PRICING-REVENUE/>

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To request an accommodation or alternative format for City-sponsored meetings, events or printed materials, please call Katie Crowder at 408 793-5590 or 408-294-9337 (TTY) as soon as possible, but at least three business days before the meeting/event.