



Parks & Recreation Commission STAFF REPORT

**Item 4
June 2, 2022
Regular Business**

AGENDA ITEM INFORMATION

TITLE:	2021 Recreation Division Annual Report	<input checked="" type="checkbox"/> Discussion Only <input type="checkbox"/> Action Needed: <input type="checkbox"/> Motion <input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution
RECOMMENDED ACTION:	Receive Report	

STAFF:	Ryan Daly (Recreation Manager) Eleanor Knight (Recreation Coordinator- Administration and Business Systems)
COUNCIL LIAISON:	Craig Reynolds
EXHIBITS:	1. 2021 Recreation Division Annual Report

SUMMARY

The purpose of this staff report is to introduce the 2021 Recreation Division Annual Report (Exhibit 1). With the reestablishment of the Recreation Division, staff committed to providing an annual report to the Parks and Recreation Commission and Arts Council each year. The annual report is designed to remain high-level and to provide information on overall Division services offered, the cost recovery of the Division as a whole, and the recovery of direct costs by program tier. This report is not intended to provide a detailed account at the program level, but rather a broad overview and highlights.

BACKGROUND

In 2021 the Recreation Division successfully completed the *Strategy for Mercer Island Community and Event Center and Recreation Programs and Services* ([Reset Strategy](#)) in 2021. The Division has been dedicated to following the Reset Strategy as a roadmap for restoring and establishing services, and to providing transparency to the public on Division operations. The Reset Strategy was endorsed by both the Parks and Recreation Commission and City Council.

2021 RECREATION DIVISION ANNUAL REPORT

The Reset Strategy is used as guidance for reestablishing Division services. In 2021 staff developed a division framework and implemented the Immediate Action Plan and Phase 1 services (identified in the Strategy). Some resources were shifted throughout the year due to pandemic restrictions and to prioritize community gathering and events over some administrative functions and community center rentals. This decision was made to encourage and immediately support community welfare and needs. Other factors such as hiring challenges required the Division to be nimble and flexible in its approach.

The Recreation Division measures success in enjoyment, participation, and cost recovery. The attached report synthesizes the data collected during Phase 1 of the reset strategy, including documented revenue, participation, and continued actions for reopening.

It is important to note that, per the Reset Strategy, Division services and programs offered in 2021 are different in capacity, planning, policy, and goals than during previous years. Due to this, the way programs and services were offered in 2021 makes them (often) no longer comparable to pre-pandemic offerings. Staff is dedicated to providing this information to the Commission and would like to emphasize that comparisons between 2021 offerings and 2019 offerings would be impractical, but this Annual Report will be useful as the Recreation division moves forward to provide comparable information annually.

Due to challenges in how the 2021 budget was developed (and past budgets), staff had to estimate cost recovery elements, specifically some expenditures. For example, direct costs and indirect costs are combined in how budgets were previously developed, making extrapolation extremely challenging. Conversely, Division revenues are much more accurately provided for cost recovery compilation. Staff began to address these issues with development of the 2022 budget and will continue to refine this process as future budgets are developed to provide the most accurate depiction. Additionally, this will provide the opportunity to compare year over year beginning in 2022.

RECOMMENDED ACTION

Receive Report