

MEMORANDUM

October 30, 2009

TO: County Council

Via: Mike Knapp, Chair *MM*  
Planning, Housing, and Economic Development Committee

FROM: Craig Howard, *CH* Legislative Analyst  
Vivian Yao, *VY* Legislative Analyst

SUBJECT: **Report of the Department of Parks and Department of Recreation Joint Workgroup**

On October 8<sup>th</sup>, the PHED Committee held a worksession on a report from the M-NCPPC Department of Parks and County Government Department of Recreation that recommended improvements in the current structure for managing recreation programs across the two agencies (a complete copy of the worksession packet is attached beginning at ©1).

**Background.** In January 2009, the Council received OLO Report 2009-7, which responded to the Council's request to review the organization of recreation programs across the Department of Parks and the Department of Recreation. Between February and April 2009, the PHED Committee held a series of worksessions on the structure and management of recreation programs offered by the two departments.

At its April 2<sup>nd</sup> worksession, the Committee endorsed a plan for the two departments to jointly explore an improved structure for managing recreation programs. The Committee's approach responded to comments from both department directors, which indicated a clear interest in improving and streamlining the structure of County-funded recreation programs. The specific task agreed upon was to examine the consolidation of programs or facilities into the Department of Recreation or into the Department of Parks (or transfer to the Revenue Authority) in order to achieve cost savings and increased programmatic/operational efficiencies, while maintaining or improving service levels.

On October 1<sup>st</sup>, the departments submitted the results of their work to the Council in a written document titled *Joint Workgroup Report and Recommendations*. The report's recommendations included:

- Creating a Joint Parks and Recreation Alliance to guide decisions about which programs should be provided by which agency and ensure consistency for cost recovery and pricing;
- Transferring certain facilities and/or maintenance responsibilities between the two departments, pending final reviews and evaluation; and
- Building a joint web program and facility portal to enable a simultaneous search of both agencies' programs and facilities.

A detailed summary of the Joint Workgroup's main recommendations is attached at ©2.

**Summary of Worksession.** At the October 8<sup>th</sup> worksession, representatives from the Joint Workgroup briefed the Committee on their findings and recommendations. The Committee had detailed discussions with the Joint Workgroup on several topics, including:

- “Institutionalizing” the non-structural recommended changes (specifically those that rely on improved coordination and collaboration) to ensure that improvements are maintained over the long-term, even with inevitable changeover in key staff members. In particular, the Committee discussed with the departments how the proposed Joint Parks and Recreation Alliance would become institutionalized.
- The costs associated with potential technology improvements and a unified program registration system for the departments, along with the potential role of the MC311 system in these efforts. The Joint Workgroup noted that they have additional meetings scheduled during October on these technology issues.
- Periodically reviewing any building, grounds, and athletic field maintenance functions that are contracted out by one or both departments to ensure that this remains the optimal method for providing those services.
- Whether any of the recommended changes may lead to potential budget savings over the long-run due to operational efficiencies, even if savings are not created immediately.

Based on the report and the discussion with the Joint Workgroup, the Committee:

1. Endorsed the set of improvements detailed by the Joint Workgroup and recommended the departments move forward with those ready for immediate implementation.
2. Endorsed the Joint Workgroup’s plans to proceed with resolving the remaining questions and present final recommendations/decisions on facility transfers and technology/registration improvements as part of the agencies respective FY11 budget submissions.
3. Requested that the departments submit an annual report to the Council each year on November 1<sup>st</sup> detailing the implementation status of the *Joint Workgroup Report* recommendations as well as tracking and measuring the progress and improvements. The Committee noted that it will be important for the departments to establish baseline data/measurements at the outset of the implementation period that will allow for meaningful comparisons and analysis in the future.
4. Expressed a preference, where possible, that any immediate costs savings from implementation of the report’s recommendations be used to offset potential one-time cost increases related to technology and registration improvements.

The Committee also expressed their appreciation for the work staff from both departments put into this effort to improve the management and structure of recreation programs in the County, and the expectation that the departments will maintain this level of effort as the recommendations move into the implementation phase.

MEMORANDUM

October 6, 2009

TO: Planning, Housing, and Economic Development Committee

FROM: Craig Howard, <sup>CH</sup> Legislative Analyst  
Marlene Michaelson, <sup>MM</sup> Senior Legislative Analyst  
Vivian Yao, <sup>VY</sup> Legislative Analyst

SUBJECT: **Report of the Department of Parks and Department of Recreation Joint Workgroup**

In January 2009, the Council received OLO Report 2009-7, which responded to the Council's request to review the organization of recreation programs across the M-NCPPC Department of Parks and the County Government Department of Recreation (a summary of OLO Report 2009-7 is attached at ©5). Between February and April 2009, the PHED Committee held a series of worksessions on the structure and management of recreation programs offered by the Department of Parks and the Department of Recreation.

At its April 2<sup>nd</sup> worksession, the Committee endorsed a plan for the two departments to jointly explore an improved structure for managing recreation programs. The Committee's approach responded to comments from both department directors, which indicated a clear interest in improving and streamlining the structure of County-funded recreation programs. The specific task agreed upon was to examine the consolidation of programs or facilities into the Department of Recreation or into the Department of Parks (or transfer to the Revenue Authority) in order to achieve cost savings and increased programmatic/operational efficiencies, while maintaining or improving service levels. The types of recreation programs and facilities to examine included:

- Summer camps;
- Classes and activities;
- Recreational trips and excursions;
- Recreational amenities;
- Event centers and park activity buildings;
- Sports programs and facilities;
- Special events; and
- Athletic field permitting and maintenance.

In approving this next step, the Committee requested that this dual agency study achieve the following tangible benefits to the community:

1. A streamlined and user-friendly system of recreation programs;
2. Consistent pricing and cost recovery practices; and
3. Administrative and staffing efficiencies that result in cost savings.

On October 1, the departments submitted the results of their work to the Council in a written document titled *Joint Workgroup Report and Recommendations*. Committee members received copies under separate cover. The full report is available online at [www.montgomeryparks.org](http://www.montgomeryparks.org) and [www.montgomerycountymd.gov/rec](http://www.montgomerycountymd.gov/rec).

**At today's worksession, representatives from the M-NCPPC Department of Parks and County Government Department of Recreation Joint Workgroup will brief the Committee on their findings and recommendations.** The Executive Summary from the report is attached beginning at ©1.

## A. Summary of Joint Workgroup Report Recommendations

The Joint Workgroup examined potential cost savings, efficiencies, and customer service improvements that could be achieved in four distinct areas: 1) Programming and Pricing; 2) Facilities; 3) Technology, Registration, and Payment; and 4) Marketing and Public Relations.

The Executive Summary lists the report's main recommendations as follows:

- Adopt the recommended program criteria to guide decisions about which programs should be adopted by which agency in the future;
- Approve the creation of a Joint Parks and Recreation Alliance that will apply the program criteria, review and make decisions about new program offerings, ensure consistency for cost recovery and pricing, and facilitate collaboration;
- Transfer the South Germantown Splash Park and Mini-Golf facility from the Department of Parks to the Department of Recreation, pending further Department of General Services review;
- Transfer the permitting and maintenance of nine athletic fields from the Department of Recreation to the Department of Parks;
- Transfer grounds maintenance at Department of Recreation community centers, aquatic complexes, and nine athletic fields from the Department of General Services to the Department of Parks, pending transfer of associated funding;
- Strategically select a number of park activity buildings to transfer to the Department of Recreation to augment the county system of community recreation centers and enhance program service to residents, pending further Department of General Services review;
- Build a joint web program and facility portal to enable a simultaneous search of both agencies' programs and facilities; and
- Establish a marketing function within the Department of Recreation and fund through the limited saving achieved from a lower cost alternative to the current Program Guide, and align the marketing planning efforts within both agencies to support joint promotional efforts.

All 28 recommendations of the Joint Workgroup are listed by subject area on pages 4-5 of this cover memo. Additionally, as it pertains to the three specific benefits the Committee requested the study to achieve, the Executive Summary notes that:

- High-dollar cost savings will not be achieved by the transfer of assets from one agency to the other since there would be no significant reduction in personnel and the revenues and expenditures would remain fairly constant overall;
- The Programming and Pricing workgroup found little overlap among programs, but did recommend some for transfer based on efficiencies to be gained; and
- The Joint Workgroup report leaves the task of developing consistent pricing and cost recovery practices to the proposed Joint Parks and Recreation Alliance.

## B. Discussion Questions/Issues

During its series of workessions on this issue, the PHED Committee discussed several options for the restructuring of recreation programs based on the OLO report, the Committee's ongoing review of activities within the Parks Department's Enterprise Fund, the agencies' responses to Committee follow-up questions, and correspondence received from the public. Much of the Committee discussion focused on whether to consolidate all recreation programming into one agency. It is difficult for staff to judge whether the changes recommended in the Joint Workgroup report will provide greater, the same, or lower benefits as could be potentially achieved through a broader consolidation of recreation programs.

In addition to specific questions individual Committee members may have, OLO and Council staff recommend the following questions for discussion with agency representatives:

1. The *Joint Workgroup Report* does not identify any significant cost savings for FY10,<sup>1</sup> although the report does state that some recommendations are likely to produce modest cost savings over time. Are there specific changes that the Joint Workgroup believes will yield cost savings in FY11, and if so, how much? Is it anticipated that other operational efficiencies will yield additional cost savings over the longer run?
2. The report includes four different options (with associated costs) for developing a joint program registration system, but also notes that the MC311 system could subsume the current program registration software. Additional observations and comments on the technology and registration issue from the Council's Information Technology Advisor, Dr. Costis Toregas, are attached at ©4.

Specific technology questions include:

- What is the current status of the MC311 system as it relates to this issue, and how does the workgroup recommend proceeding given the plans for MC311?
  - How were the cost estimates for the joint program registration system options developed, and what assumptions do they include?
3. The *Joint Workgroup Report* proposes the creation of a Joint Parks and Recreation Alliance as an ongoing structure for coordination and collaboration between the Department of Parks and the Department of Recreation. Staff recommends the Committee establish a mechanism for ongoing reporting from this new Alliance to review the implementation of the Joint Workgroup's recommendations. The Committee should continue to review whether the recommended changes result in improved efficiencies and/or service delivery and whether further changes are warranted.
  4. A consistent set of pricing and cost recovery practices for recreation programs across both agencies was not developed as part of this report, but is recommended as one of the agenda items to be taken up by the Joint Parks and Recreation Alliance in the future. What is the timeframe for developing these practices and how would these efforts be coordinated with each agency's FY11 budget planning?

---

<sup>1</sup> OLO and Council staff note that while each agency separately identified much larger potential savings at the beginning of the Committee's review of recreation programs, these estimates were based on a broad consolidation of all recreation programs into one department or the other.

**List of All Joint Workgroup Recommendations**

<b>Recommendation</b>		<b>Page # in Full Report</b>
<b>PROGRAMMING AND PRICING</b>		
#1	Adopt the recommended program criteria to guide decisions about which programs should be offered by which agency in the future	8
#2	Approve the creation of a Joint Parks and Recreation Alliance (JPRA) that will apply the program criteria, review and make decisions about new program offerings, ensure consistency for cost recovery and pricing, and facilitate collaboration	10
#3	Transfer management of programming wherever "overlap" occurs of efficiencies can be achieved, and develop collaborative programs	12
#4	Update the formal Parks and Recreation Memorandum of Understanding (MOU) to include the JPRA	13
#5	Implement collaborative Parks and Recreation programs	13
#6	Assign financial and legal staff from each agency to examine pricing policy and cost recovery criteria	13
<b>FACILITIES</b>		
#7	Maintain the current operating structure for ice rinks, tennis centers and pools	19
#8	Look for opportunities to jointly contract for supplies, service and maintenance contracts where appropriate	19
#9	Transfer all MCRD grounds maintenance responsibilities to the Department of Parks, M-NCPPC	19
#10	Transfer the South Germantown Splash Playground and Mini-Golf Course from the Department of Parks, M-NCPPC, to Montgomery County Government's Recreation Department	22
#11	Strategically select a number of park activity buildings to transfer to MCRD to augment the county system of community recreation centers and enhance program service to residents	26
#12	Continue planning for and reviewing those park activity buildings not ultimately transferred to MCRD	27
#13	Transfer maintenance and permitting of the nine dedicated and overlay MCRD fields to the Department of Parks, M-NCPPC	29
#14	Expand the existing Quarterly Field Coordination meeting to include MCRD through the transition of field permitting and maintenance	30

(list of recommendations continued on next page)

**Complete List of Joint Workgroup Recommendations, continued**

<b>Recommendation</b>		<b>Page # in Full Report</b>
<b>TECHNOLOGY, REGISTRATION AND PAYMENT</b>		
#15	Build a shared portal using the CLASS PortalLink application to enable a simultaneous search of both agencies' program and facility databases (Option #2 or Option #3 in the Chart of Options)	35
#16	Hire a contractor to define the feasibility, timeline and actual costs associated with Option #3.	40
#17	Develop an easy-to-use, searchable joint website to provide customers with a single point of entry for programs and facility searches	40
#18	Explore the expansion of the PortalLink application to include other program providers in Montgomery County	40
<b>MARKETING AND PUBLIC RELATIONS</b>		
#19	Free up marketing dollars for both agencies by transitioning to a "greener," lower cost format for the Program Guide	47
#20	Establish a centralized marketing function within the Montgomery County Recreation Department with a dedicated marketing budget	48
#21	Align the marketing planning efforts within both departments to support joint promotional efforts	48
#22	Shift marketing emphasis from printed pieces to online and social media	50
#23	Create an easy-to-use, searchable joint website to provide customers with a single point of entry for program and facility searches	50
#24	Explore discount or incentive programs to encourage online registration and reservations	50
#25	Develop common approach, methodology and tools for customer research and evaluations	50
#26	Coordinate presence at and participation in large countywide events	51
#27	Explore sponsorships and partnerships to offset the costs and expand the reach of marketing efforts	51
#28	Explore using the same contractors for any outsourced graphic design or web services	51

## **Executive Summary**

The Department of Parks, M-NCPPC (Parks), and the Montgomery County Government's Recreation Department (MCRD) fully support the PHED Committee's desire to improve and streamline the delivery of county-funded recreation programs. Both agencies have worked diligently over the past five months to examine the possible implications of facility and program transfers and identify opportunities to streamline and enhance customer service through improved technology and marketing. This has been a fully collaborative process, and both agencies now have better insight into how each work program is managed, setting the foundation for more proactive coordination moving forward. We held public meetings and utilized the services of the Recreation Advisory Boards in our analysis. We are positive but realistic, given the present constraints.

Based on direction received from Council members Knapp and Elrich, jointly staffed work groups were created to examine in detail the potential cost savings, efficiencies or customer service improvements that could be achieved in four distinct areas:

- Programming and pricing;
- Facilities review;
- Technology, registration and payment; and,
- Marketing and PR.

### ***Main Recommendations***

This document contains a full report from each work group. Each report outlines specific findings and recommendations. The main recommendations are:

- Adopt the recommended program criteria to guide decisions about which programs should be offered by which agency in the future (Recommendation #1);
- Approve the creation of a Joint Parks and Recreation Alliance that will apply the program criteria, review and make decisions about new program offerings, ensure consistency for cost recovery and pricing, and facilitate collaboration (Recommendation #2);
- Transfer the South Germantown Splash Park and Mini-Golf facility from Parks to MCRD, pending further DGS review (Recommendation #10);
- Transfer athletic field permitting and maintenance of the nine athletic fields now permitted and maintained by MCRD from MCRD to Parks (Recommendation #13);
- Transfer grounds maintenance at MCRD community centers, aquatic complexes, and nine athletic fields from the Department of General Services (DGS) to Parks, pending transfer of associated funding (Recommendations #9);

- Strategically select a number of park activity buildings to transfer to MCRD to augment the county system of community recreation centers and enhance program service to residents, pending further DGS review (Recommendation #11);
- Build a joint web program and facility portal to enable a simultaneous search of both agencies' programs and facilities (Recommendation #16); and,
- Establish a marketing function within MCRD and fund through the limited savings achieved from a lower cost alternative to the current Program Guide, and align the marketing planning efforts within both agencies to support joint promotional efforts (Recommendations #20, #21, #22).

The Programming and Pricing workgroup found little overlap among programs, but did recommend some for transfer based on efficiencies to be gained (see Recommendation #3 in the Programming and Pricing workgroup report). The associated revenues would transfer with the programming. It should be noted that the transfer of some of these programs from Parks to MCRD will result in the loss of a portion of the operating revenue for those facilities administered by the Enterprise Fund.

The Facilities Review workgroup found that no significant savings or efficiencies could be achieved through the transfer of certain unique facilities (ice rinks, pools, or tennis centers) from one agency to another. Instead, agency staff focused on mission-driven areas where there was operational redundancy in order to gain economies of scale and eliminate duplication. For example:

1. MCRD manages four large aquatic facilities which contain splash playgrounds, and the Department of Parks manages one splash playground and no other aquatics facilities;
2. The Department of Parks permits and/or maintains over 500 athletic fields in the county, while MCRD permits and maintains only nine; and,
3. MCRD operates and continues to plan for and build large-scale community recreation centers, whereas the Department of Parks ceased building or adding new recreation centers (aka park activity buildings) to its inventory in the mid-1970s.

High-dollar cost savings will not be achieved by the transfer of assets from one agency to the other: there would be no significant reduction in personnel, and the revenues and expenditures would remain fairly constant overall. The net cost of the transfers recommended in this report should be mostly cost-neutral across the two agencies. Associated revenues and expenditures will likely transfer. In some cases, additional analysis by or discussion with external departments or agencies is needed before the logistical details and a complete list of the specific facilities to transfer can be finalized, but the report contains some preliminary recommendations by name.

Some of the recommendations are likely to produce savings before FY11. Others will require funding before implementation can begin. All will result in efficiencies and/or improved

customer service. We continue to analyze the total net cost or savings from implementing the recommendations in this report.

In most cases, the work begun by the work groups will continue through the establishment of formal committees or regularly scheduled meetings between agency counterparts. The two agencies are already working on a revised Memorandum of Understanding (MOU) to reflect the agreements made through this effort and ensure future collaboration and efficiencies. Co-location of the administrative offices (which include program registration, marketing, customer service, and permitting activities) is being discussed which may lead to greater efficiencies and greatly improve customer service. It would also facilitate continued collaboration between the two agencies.

On behalf of our respective agencies and staff, we would like to recognize the Council for their insight and support. This process has resulted in a proposal we believe will effectively streamline the current system of recreation programs, lead to more consistent pricing and cost recovery practices, achieve significant efficiencies, and improve overall customer service to the residents of Montgomery County.

To: Craig Howard, OLO  
From: Dr. Costis Toregas, Council IT Adviser  
Subject: Reaction to Customer-centric Parks and Recreation strategies  
Date: October 5, 2009

I reviewed the draft you provided me and have the following observations and suggestions:

1. The idea of creating a unified, customer-centric view for the various reservation and resource assignment systems of the Parks and Recreation organizations is on point and, if implemented, would reflect Best Practice.
2. The cost estimates for tying together the systems currently in existence with a web-based front end is difficult to assess from the report itself. I can tell you that four agencies (MCG, MCPS, MC and HOC) did exactly the same thing with their individual vendor registration systems and created a single Centralized Vendor Registration System (CVRS) using a front end web portal. This implementation was completed in less than 6 months, and cost \$50,000 (provided by the Interagency Technology Fund)
3. The MC311 effort is nearing its "soft launch" date (within CY09) and will most certainly include several Information and Referral functions from the Recreation department, as well as provide a new home for several Recreation Department call takers. I am not sure whether there will be a Parks component in MC311. However, the way in which MC311 provides county-wide information to residents and visitors regarding our parks and recreation opportunities will certainly impact this reservation project.
4. I am surprised that interfaces to a GIS element are not more prevalent in the discussion. Many counties and cities are using GIS to organize information in a more robust manner for the client, and we should be in a good position to do the same. It also provides was to reduce administrative problems by linking parks, recreation activities within parks and other activities using geocoded information.
5. The Business re-engineering challenge the two organizations face in providing a uniform system and process should be proceeding now, even before technology discussions are complete. The County experience with the ERP and MC311 projects suggest that human Change Management tasks are complex and challenging, and the opportunities to simplify and streamline processes must proceed early on. OHR has a Change Management unit that can perhaps provide assistance in this regard.
6. This effort to unify processes could be an opportunity to use new contracting vehicles such as outsourcing, concession management or Public Private Partnerships. There seems to be no imperative to develop this system with in-house resources, and asking an external partner not only to develop the system but to consider operating it under some kind of revenue sharing arrangement could reduce up front costs and bring economies of scale and of the market place to an area where the County need not necessarily hold a strategic advantage.

I would be happy to expand these ideas if it would be helpful to the Council as it considers this issue.

(9)

**ORGANIZATION OF RECREATION PROGRAMS ACROSS  
THE DEPARTMENT OF PARKS AND DEPARTMENT OF RECREATION**

**OFFICE OF LEGISLATIVE OVERSIGHT REPORT 2009-7  
JANUARY 13, 2009**

**THE ASSIGNMENT**

The Maryland-National Capital Park and Planning Commission's (M-NCPPC) Montgomery County Department of Parks and Montgomery County's Department of Recreation provide recreation programs for the residents and visitors of Montgomery County. The County Council requested this Office of Legislative Oversight (OLO) study to:

- Identify the array of recreation programs offered by the two departments;
- Determine which of the recreation programs are unique to each department, and which are similar to programs offered by the other department;
- Review how the departments currently coordinate the delivery of recreation programs to County residents; and
- Provide the basis for an informed discussion about options for the possible restructuring of recreation programs across these two departments.

**PROVISION OF RECREATION PROGRAMS**

This OLO study defined recreation programs as: organized recreation activities administered and provided by the Department of Parks or Department of Recreation through career staff, seasonal staff, contract instructors, or trained volunteers.

**Department of Recreation.** The Department of Recreation operates 32 recreation facilities across the County and provides many recreation programs in five categories: sports, summer camps and clinics, classes and activities, trips and excursions, and special events. The Department of Recreation also provides targeted programs for seniors, persons with disabilities, and teens.

**Department of Parks.** The Department of Parks operates and maintains 408 parks on more than 34,000 acres of parkland throughout the County. In addition to a variety of management, planning, and maintenance functions, the Department of Parks provides recreation programs in seven categories: sports, summer camps and clinics, classes and activities, trips and excursions, recreational park amenities, special events, and athletic field permitting and maintenance.

**COMPARISON OF RECREATION PROGRAMS**

OLO compared the array of recreation programs offered by the two departments by grouping the types of programs and identifying which are similar and which are unique. In addition to the type of program, other factors impact the "uniqueness" of an individual program, such as schedule, age range, program fees, program capacity, staffing structure, and location.

In sum, the departments offer a mix of similar and unique recreation programs. Additionally, the Department of Parks and Department of Recreation operate independent administrative structures for program registration, marketing and outreach, and program feedback.

The five categories of recreation programs that are provided by both departments are compared in greater detail on the next page.

**COMPARISON OF RECREATION PROGRAMS**

**Sports Programs.** As shown in Table 1, both the Department of Parks and Department of Recreation offer sports programs, but the specific types of sports do not overlap. Staff from both departments report that the current sports programming split has evolved over time, and the departments have worked to avoid duplicative offerings.

**Summer Camps and Clinics.** As shown in Table 2, both the departments offer summer camps and clinics. Of the ten types of camps/clinics offered, six types are unique and four are similar. During the 2008 summer camp season, the Department of Recreation offered 84 camps and clinics and the Department of Parks offered 69 camps and clinics.

**Table 1. Sports Programs**

Type	Recreation	Parks
Tennis		✓
Ice Skating		✓
Ice Hockey		✓
Soccer	✓	
Basketball	✓	
T-ball	✓	
Field Hockey	✓	
Softball	✓	
Football	✓	
Volleyball	✓	
Fencing	✓	
Martial Arts	✓	
Aquatics	✓	

**Table 2. Summer Camps and Clinics**

Type	Recreation	Parks
Nature/Science/Outdoors	✓	✓
Sports/Fitness	✓	✓
Art	✓	✓
Multi-Dimensional	✓	✓
Cultural/Heritage		✓
Scouting Clinics		✓
Drama	✓	
Dance/Performing Arts	✓	
Therapeutic Recreation	✓	
Other	✓	

**Table 3. Classes and Activities**

Type	Recreation	Parks
Arts and Crafts	✓	✓
Cooking	✓	✓
School Break Programs	✓	✓
Wellness/Exercise/Fitness	✓	✓
Nature/Science/Outdoors		✓
Homeschool Classes		✓
Dance	✓	
Martial Arts	✓	
Music	✓	
Instructional Sports Clinics	✓	
Language	✓	
Dog Obedience	✓	
Age-Specific Programming	✓	
Therapeutic Recreation	✓	
Other	✓	

**Classes and Activities.** As shown in Table 3, both departments offer classes and activities. Of the 15 types of classes and activities offered, 11 are unique and four are similar. During 2008, the Department of Recreation offered over 900 classes and activities and the Department of Parks offered over 750 classes and activities.

**Trips and Excursions.** Both departments offer similar types of trips and excursions. During 2008, the Department of Recreation offered 160 trips and excursions and the Department of Parks offered 170 trips and excursions. The primary difference is the target audience: the Department of Recreation limits its trip programming to seniors, teens, and persons with disabilities while the Department of Parks generally provides its trips and excursions for all adults.

**Special Events.** The departments each offer special events throughout the year that are open to the community and held at various locations and facilities. On certain occasions, the departments also jointly organize and administer special events.

**DEPARTMENT OF RECREATION**

The FY09 operating budget for the Department of Recreation is \$32.4 million and includes around 450 workyears. Table 4 indicates that \$24 million (74%) and 414 workyears (92%) are allocated to the Programs Division and Facilities Division for the direct provision of recreation programs. The Department anticipates receiving around \$11 million in user fee revenue in FY09, recovering 34% of the total Department expenditures and 46% of the Programs and Facilities Divisions' expenditures. The Department's budget is funded primarily through Recreation Tax revenues.

**Table 4. Department of Recreation FY09 Programs and Facilities Divisions Budget Data (\$ in 000s)**

Division and Program Area	Workyears		Budgeted		Cost Recovery %
	Career	Seasonal	Expenditures	Revenue	
<b>Programs Division</b>					
Camps Program	5.5	30.8	\$1,665	\$1,319	79%
Classes Program	7.3	0.9	\$676	\$520	77%
Sports Program	11.0	20.8	\$2,198	\$855	39%
Seniors Team	12.7	14.0	\$1,754	\$304	17%
Teen Team	24.4	35.8	\$4,716	\$546	12%
Therapeutic Recreation Team	6.7	7.7	\$1,009	\$101	10%
<b>Facilities Division</b>					
Aquatics	25.4	115.0	\$5,964	\$6,065	102%
Regions and Community Centers	42.6	53.2	\$5,897	\$1,244	21%
<b>Total</b>	<b>135.4</b>	<b>278.2</b>	<b>\$23,879</b>	<b>\$10,954</b>	<b>46%</b>

**DEPARTMENT OF PARKS**

As shown in Table 5, the FY09 approved operating budget for the Department of Parks includes approximately \$19 million in expenditures and 188 workyears for recreation programs. These totals represent around 20% of the Department's total approved FY09 operating budget and 22% of its workforce. The Department anticipates receiving around \$8 million in user fee revenue in FY09, recovering 42% of recreation program expenditures. The Department's budget for recreation programs is funded from both the tax-supported Parks Fund and the Enterprise Fund, a proprietary fund supported by user fees and other non-tax revenue sources.

**Table 5. Department of Parks FY09 Recreation Programming Budget Data (\$ in 000s)**

Programming Category	Workyears		Budgeted		Cost Recovery %
	Career	Seasonal	Expenditures	Revenue	
<b>Camps, Classes, and Trips</b>					
Nature Centers	20.4	3.8	\$2,057	\$203	10%
Public Gardens	2.6	3.0	\$460	\$180	39%
Enterprise Division	1.0	2.3	\$263	\$165	63%
<b>Other Categories</b>					
Sports Programs	16.9	34.7	\$6,370	\$5,989	94%
Recreational Amenities	6.1	13.2	\$1,303	\$931	71%
Athletic Field Permit./Maintenance		84.4	\$8,762	\$650	7%
<b>Total</b>		<b>188.4</b>	<b>\$19,215</b>	<b>\$8,118</b>	<b>42%</b>

PRICING AND COST RECOVERY

The Department of Recreation and Department of Parks have separate pricing and cost recovery policies and practices. In 2006, the Council adopted Executive Regulation 12-05, "Department of Recreation Fee Procedure," which established a formal user fee and cost recovery policy for the Department of Recreation. The Department of Parks does not have a universal pricing and cost recovery policy; instead policies can vary by program type and funding source.

INTERDEPARTMENTAL COORDINATION

Over the past 20 years, the departments have entered into several formal lease agreements and signed four memorandums of understanding (MOU). In July 2004, the Department of Parks and Department of Recreation entered into an MOU to clarify the working relationship between the departments in 10 functional agreement areas. The MOU also included coordination goals and detailed action steps for each area. To date, however, the implementation has been mixed at best as most of the action steps detailed in the 2004 MOU have not been fully implemented. As a result, while some effort is made by both departments to coordinate activities and administrative functions, in practice, the two departments operate largely as two independent entities.

RESTRUCTURING OPTIONS AND OLO RECOMMENDATION

OLO developed four options for possibly restructuring recreation programs, listed below. The first option proposes consolidating the management of all recreation programs under one department. The other three options maintain the existing two department structure, but provide some of the benefits that would come from consolidation.

- Option A: Consolidate the management of all recreation programs under one department.
  - A1: Consolidate all recreation programs under management of the Montgomery County Recreation Department.
  - A2: Consolidate all recreation programs under management of the Montgomery County Department of Parks.
- Option B: Maintain the two department structure, but assign program responsibilities between the two to eliminate overlap.
- Option C: Maintain the two department structure, but consolidate recreation program registration and marketing under one department.
- Option D: Maintain the two department structure, but press for implementation of the provisions negotiated in the 2004 Memorandum of Understanding (MOU).

Office of Legislative Oversight's Recommendation for Council Action

OLO recommends that the Council endorse consolidation of all recreation programs under one department (Option A1 or A2). Recognizing the multiple staffing and program details that must be worked out with such a change, OLO also recommends the Council assign and establish the deadline for the preparation of a Transition and Implementation Plan.