

To: Mayor and Council Members
From: Nate Burkett, Assistant City Administrator
CC: Bill Reynolds, City Administrator
Date: June 14, 2018
Subject: Parks and Recreation Departmental Reorganization

Whenever major staffing changes happen in a department it is a best practice to analyze the operations and performance of the department against expectations. Given the transition between directors in the parks and recreation department now is an opportune time to look at expectations for the department, and to make some adjustments in preparation for a new director.

If approved, the positions established in this memorandum will be filled as needed, and as programs, services and areas of responsibility are transferred to ensure a smooth transition.

Summary of Request

- Establish three new positions: Recreation Manager – Community Center at Grade 180, Recreation Manager – Ice Arena at Grade 180 and Recreation Manager – Programming and Services at Grade 180.
 - Council action is required to create new positions.
- Administration will eliminate three Recreation Supervisor positions to be replaced by the three recreation manager positions created.
 - Council action is not required to eliminate positions or leave them unfilled.
- Review plans for reorganization of the Parks and Recreation Department.
 - Council action is not required to adjust the alignment of the department.

Financial Impacts

The following shows the financial impact of the reorganization proposal. A couple of important points to note in this analysis are:

- Only those line items that will be impacted by the proposed reorganization are included in the analysis. The reorganization is not expected to directly impact supplies, materials, services or capital budgets. Thus, the bottom lines shown here are not indicative of total budget.
- Revenue increases that are expected due to improved customer service and improved service offerings because of this reorganization are not included.
- Efficiency increases expected due to streamlining of operations are not included in this analysis.
- The column “2018 Budget” is the budget as approved for 2018 by the Council.
- The column “2019 Budget Proj AS IS” is a projection for 2019 based on no changes to the organization, and the presumption that the Council will approve salary adjustments for non-union staff commensurate with union staff. Since at this time, no new full time

staff are being proposed, health insurance adjustments are not included as such a projection would be extremely preliminary.

- The column “2018 Budget Amend” is an estimate of where 2018 salary and benefit line items will end the year based on current operations.
- The column “2019 Budget w Reorg” is an estimate of the impacts that approving the proposed re-organization will have on the proposed budget for 2019. This column is not inclusive of additional requests that may be made as a part of the 2019 budget process and noted below in the section “Future Ideas for Improvement”
- This projection is intended to demonstrate that reorganizing the department will have a likely neutral or net positive (decreased expenditure) impact on the 2019 budget and no impact on general levy dollars requested from the department as part of the 2019 budget process.

Reorganizing the department is expected to have a net positive (decreased expenditure) impact on the 2019 budget from the as is projection in the amount of approximately \$42,054.

	2018 Budget	2019 Budget Proj AS IS	2018 Budget Amend	2019 Budget w Reorg
Full Time Staff	1,275,080	1,294,220	1,213,354	1,276,604
Part Time Staff	814,600	839,038	814,600	814,600
	2,089,680	2,133,258	2,027,954	2,091,204
Compare 2019 AS IS to Reorg Projections				(42,054)

Why Reorganize the Department?

- Align the department’s organization with the customer experience. Under the proposed organization three managers have responsibility for a service line(s) in accordance with the way our customers experience them. For example, if a customer is in the community center, there is one manager who is responsible and empowered to resolve customer concerns, give direction to staff in the building, and ensure communications throughout. It provides very clear lines of authority for staff to follow and helps ensure a more positive customer experience.
- Empower managers to make plans, implement solutions and resolve problems that arise. The job descriptions for the manager positions makes clear that they have a level of authority in their area of responsibility sufficient to handle the great majority of customer concerns. This empowers them to resolve issues quickly, and to act to improve customer service delivery. It also makes clear that managers are accountable for efficient and effective operations in their area of responsibility.
- Streamlines the organization so a manager can focus on their *closely related* areas of responsibility. Under the current structure, supervisors have some significantly diverse areas of responsibility. This results in inefficient time management. The proposed structure allows for each manager to focus on areas of responsibility that are related.

- Incorporates aquatics under the management of the community center manager. One of the challenges under the existing structure is that aquatics (which is one of the greatest draws to the community center) was under separate supervision. Customers should not have to distinguish that the aquatics area is under different supervision than the remainder of the community center. This will also allow for front desk personnel to resolve concerns throughout the building more quickly as they arise.
- Focuses the director on leading the department, working with administration, other departments and partners and overseeing departmental improvements. Since managers will have a greater level of authority to handle day-to-day operations, the director will be focused on establishing and administering long range strategy and planning, overseeing process improvements and efficiency, and ensuring communications outside the department.
- Consolidates facilities maintenance under Administration. Several years ago facilities maintenance services were under the direction of administration. At the request of the former parks and recreation director facilities services were split between parks and recreation, and all other facilities. The plan is to put all facilities maintenance staff back under administration so that there is a greater efficiency and opportunity to move staff to where they are needed depending on demands. There will still be full time staff housed at each location, but there will be an expectation of a higher level of cooperation between all facilities maintenance staff.

Summary of Operational Analysis

Expectations

To effectively evaluate the department, we established some organizational principles that we want the department to adhere to and strive for. For the purposes of this analysis we chose the following expectations.

- Exceptional customer service at all parks and recreation facilities and programs.
- Revenue enhancement and process efficiency. Increase non-levy revenues and ensure processes are efficient.
- Right services/programs, right place, right time. Ensure that our service offerings are what our customers want, are held in the right place and our schedules are set appropriately.

Current Status

- *Strengths*
 - Supportive culture among full time and permanent part time employees. The staff that work in the department support each other well. Staff maintain positive personal and professional relationships among themselves.
 - Solutions focus. When a problem is acknowledged, staff focus on finding solutions instead of placing blame for the problem itself.
 - Desire to improve. Staff does want Shakopee Parks and Recreation to be as good as we possibly can be. They seek creative solutions working within financial and operational parameters that are provided.

- Passion for services and customers. Staff work in the parks and recreation field because they have a passion for the people they serve and the services we provide and it shows.
- **Challenges**
 - Communications between elements of the organization. It has proven difficult to communicate important information to all elements of the operation in an effective and timely manner. A good example would be ensuring that part time front desk staff at the community center have all the information they need to provide exceptional customer service.
 - Centralization of authority. Under the current structure authority is centralized at the director level. Supervisory staff have somewhat limited authority to make decisions that are apparent and justified without approval from higher up.
 - Unclear and meandering lines of responsibility. Some areas of responsibility are not entirely logical, and staff are shifting between operational areas that are very different. Further, there is some difficulty presented because it is not clear to our customers (and sometimes to part time staff) who is responsible for what.

Future Ideas for Improvement

The following are ideas that are under consideration for proposal to Council in the 2019 budget. Staff has not determined if these recommendations will actually be made to the Council.

- Increase fitness coordinator position from .8 FTE to 1 FTE.
 - Background: When the aquatics coordinator left in May 2018 the duties for fitness class coordination were split out from the aquatics coordinator job description. A part time fitness coordinator has been hired to fulfill those duties. Comments from customers have been that there is a need to improve fitness offerings, offer more diverse classes, ensure that when classes are scheduled they are actually held. Staff anticipates that improving fitness offerings will help to improve community center memberships and retain community center members; ultimately maintaining and improving revenue.
 - Preliminary cost analysis: budget neutral, funds will be shifted from part time wages line items to full time and the fitness coordinator will teach more classes. Expected revenue will increase due to personal training revenues and increased/maintained memberships.
- Increase recreation coordinator – community center from .8 FTE to 1 FTE.
 - Background: When the aquatics coordinator left in May 2018 the duties of the recreation coordinator were expanded to coordinate all birthday parties and rentals in the building. Party revenue has generally been outstanding, with ALL birthday party time slots in the winter being taken, there is still room to improve revenues through improved customer service and better marketing. The recreation coordinator also oversees the child care facility and the teen center. Comments from members are that the child care facility hours should be lined up better with fitness offerings so that parents can attend classes.
 - Preliminary cost analysis: up to \$15,000 annual expenditure increase with a commensurate increase in potential revenue from facility rentals and child care use.

- Increase senior coordinator from .8 FTE to 1 FTE.
 - Background: The senior coordinator coordinates senior programs in the community center as well as field trips for seniors. Seniors are increasingly a presence in the community center as more and more of the seniors in the community are looking for active and social options. Increasing the time of the senior coordinator could result in more senior offerings and potential revenue. The senior coordinator may also be asked to help with programming in our parks for families, so we can even further expand our already great slate of offerings in that area.
 - Preliminary cost analysis: up to \$20,000 in annual expenditure increase with a potential revenue increase up to \$10,000.
- Add FT ice arena worker
 - Background: The Shakopee Ice Arena is a premier facility with exceptional service. An additional ice arena worker will help keep the facility in top notch condition and ready for events and activities of all types.
 - Preliminary cost analysis: Up to \$60,000 in annual expenditure increase with a potential decrease in part time wages of up to \$30,000.
- Eliminate one FT lead lifeguard
 - Background: the Council added two FT lifeguard positions to the budget to recognize the difficulty in retaining lifeguards and ensuring pool hour operations. The new supervisor of the aquatics team and the community center manager may consider eliminating one of the lead lifeguard positions in favor of a greater part time lifeguard staff. Any change in this staffing will occur after careful consideration to ensure we are not damaging service in aquatics.
 - Preliminary cost analysis: Savings of up to \$50,000 in annual expenditures.