

MEMORANDUM NO. M17-095

TO: A&F Committee
FROM: Dean R. Bostrom, Executive Director
Craig Talsma, Deputy Director/Director A&F
Mike Kies, Director of Recreation
Brian Bechtold, Director Golf Operations
Gary Buczkowski, Director Planning & Development
Dustin Hugen, Director Parks & Facilities Services
RE: Balanced Scorecard
DATE: August 16, 2017

Background

According to the definition from Wikipedia, “*the **Balanced Scorecard (BSC)** is a strategy performance management tool - a semi-standard structured report, supported by design methods and automation tools, that can be used by managers to keep track of the execution of activities by the staff within their control and to monitor the consequences arising from these actions*”

The phrase 'Balanced scorecard' is commonly used in two broad forms:

- 1. As individual scorecards that contain measures to manage performance, those scorecards may be operational or have a more strategic intent; and*
- 2. As a Strategic Management System, as originally defined by Kaplan & Norton.*

Key components in utilizing the Balanced Scorecard methodology

- its focus on the strategic agenda of the organization concerned*
- the selection of a small number of data items to monitor*
- a mix of financial and non-financial data items.”*

Implications

The District continues to refine our Balanced Scorecard and have made certain adjustments to ensure that the measurement values that we utilize are relevant and functional. The goal is to provide a snapshot view of these key components at a specific point in time and to have an annual year to year comparison. This allows us to determine on a very broad spectrum the direction in which the District is moving.

These key components are not being analyzed on a valuation to current budgets or forecasts as much as to the same time period in previous years. Those types of evaluations are provided in the monthly Recreation Committee participation reports and the financial statements in the A&F Committee reports. The Balanced Scorecard comparison gives us a broad overview as to the direction the District is moving with regard to our overall mission, values and goals. The Balanced Scorecard has been updated to report quarterly numbers and compare these numbers to previous quarters. This is then done for the year to date (YTD) totals as well.

Provided below is a small note on comparatives that reflect a significant change:

Number of programs/sessions/participants:

Fewer sessions or programs are being offered in 2017 vs. 2016 with approx. 2% less overall participants, however, the number of participants per class is 1.3% higher in 2017 vs. 2016.

Facility Memberships:

The facility memberships were determined to be broken down by facility beginning in 2017 to provide additional comparison. This reduction in passes is primarily due to the loss of GE at PSSWC. The loss of this corporate account resulted in a loss of 435 memberships.

Daily Paid Facility Usage:

The 2017 YTD through June 30, 2017 is primarily lower due to Seascape daily fees. In 2016 that YTD 06/30/16 revenue was \$65,272 while YTD 06/30/17 revenue is reported at \$47,436, a reduction of \$17,836.

Number of Partnerships:

Beginning 2017 we did an extensive analysis of partnership agreements and also began including marquee, event and in-kind sponsors. If you only value partnerships and intergovernmental agreements, the 2016 value is 36 while the 2017 value is 32.

Increase in Digital Marketing:

Active Mobile App Users as of 6/30/17: 249 (The number went down in 2017 as we changed the metric. We were previously counting all installs on mobile devices, now we only track active users. We do not count anyone who previously installed the app but no longer use it.)

Social Media/FB Likes as of 6/30/17: 6,892 (This number is significantly higher than last year because it now includes ALL Facebook fans for all pages owned by HE Parks, including PSSWC and BPC.) Now that we have a mobile friendly website, the mobile app has become an unnecessary expense/tool, therefore, the mobile app will be phased out.

Grant Revenue:

In 2017, the TC Ice department received a grant/donation from a resident and the Jewel Foods in the amount of \$20,000.

Percentage of Assets to Liabilities:

This information is presented at the conclusion of the audit for the prior audited fiscal year. This information will always be 1 year behind in reporting.

Recommendation

Staff recommends the Board approve the Balanced Scorecard for the 2nd Quarter 2017.