



Date: June 28, 2013

To: Sally Bagshaw, Chair of Parks and Neighborhoods Committee

From: Christopher Williams, Acting Superintendent

Subject: 2013 Budget for Volunteer Park Conservatory Staffing
Response to Green Sheet 110-1-A-1

In adopting the 2013 Budget, the Seattle City Council approved Green Sheet 110-1-A-1. This Council action restored a gardener position at Volunteer Park Conservatory that the Executive had proposed cutting, but did not provide funding for the restored position. Instead, the Council requested that “the Executive monitor admissions revenues in 2013 and that the Executive report on the status of revenues from the new fee to the Council by June 30, 2013. If a mid-year review of 2013 fee revenues concludes the 1 FTE gardener position can be supported with higher than anticipated fee revenue, the position would be funded in a supplemental ordinance.”

Recommendation

At this time, Parks is projecting that revenue from the new Volunteer Park Conservatory admission fees will be slightly in excess of the projected \$104,000 target but will not be sufficient to fund the position.

Background

In 2012, Seattle Parks and Recreation retained a consultant to study different ways to improve the financial sufficiency of the Volunteer Park Conservatory. The consultant recommended a mandatory entrance fee to generate revenue. The consultant also recommended eliminating one gardener position to bring staffing levels in line with peer institutions.

The 2013 Adopted Budget authorized a new admissions fee with estimated revenues of \$104,000. The budget also reduced the gardener staffing from 4.5 to 3.5 FTE leading to a

savings of \$73,000. Combined, the two measures moved the Conservatory from complete reliance on General Fund revenue to being 37% self-sufficient.

Parks started charging a \$4 entrance fee for adults in February 2013. Parks also developed fees for youth (\$2) as well as family passes, annual passes, and annual passes which include membership in the Friends of the Conservatory. Parks installed a “people-counter” at the Conservatory to track the total number of visitors to the facility. One gardener position was reduced per the budget.

Actual and Projected Revenues

In the 90-day period from February to April of 2013, 6,659 adults and 413 youth visited the Conservatory and purchased tickets at the admission machines, totaling \$27,462. In addition, various passes and memberships sold through the Friends of the Conservatory gift shop totaled \$6,196. Total revenues through this period were nearly \$33,000 – or a monthly average of \$11,000.

Based on a straight-line projection, and using the monthly average of \$11,000, the new fee will generate \$121,000 in 2013. This straight-line projection does not take into account the seasonal aspect of visitation as well as the fact that the more expensive annual passes may have been purchased more during the first three months. As a result, it is difficult to precisely predict overall revenue in this first year of operation, but it does seem very likely that the Conservatory will meet the revenue target of \$104,000.

At this time, Parks is conservatively estimating total revenue to fall somewhere between the \$104,000 target and \$114,000 in 2013. As such, Parks will not exceed the revenue target by the \$70,000 necessary to restore funding for the unfilled gardener position.

Attached is data from the first 90 days that the admissions fees were in use.

Should you have any questions on this matter, please feel free to contact Kevin Stoops, Finance Division Director at phone 684-7053 or by e-mail kevin.stoops@seattle.gov/

Conservatory Revenue Report thru April

Parks Admission Machines (10am-4pm)

Month	Sales	Estimated Adults	Estimated Youth	Estimated Total	People-counter
February	\$8,370	2,023	139	2,164	5,849
March	\$9,050	2,189	146	2,338	6,373
April	\$10,043	2,447	128	2,577	6,419
Grand Total	\$27,462	6,659	413	7,079	18,641

People-counter data counts include paying customers, staff, working volunteers, free days, people who come in and stay, people who come in and turn away, and annual pass holders (see below).

Friends of Conservatory (FOC) Gift Shop

Description	Unit Value	Passes Sold	Total Revenue	Parks Unit Revenue	Parks Revenue	FOC Unit Revenue	FOC Revenue
<i>Parks Annual Pass</i>							
Individual Pass	\$20	67	\$1,340	\$15	\$1,005	\$5	\$335
Family Pass	\$30	98	\$2,940	\$25	\$2,450	\$5	\$490
Day Pass Upgrade to Annual Pass	\$16	7	\$112	\$11	\$77	\$5	\$35
2 Day Passes Upgraded to Family Pass	\$22	4	\$88	\$17	\$68	\$5	\$20
subtotal		176	\$4,480		\$3,600		\$880
<i>Friends of Conservatory Membership and Parks Annual Pass Combo</i>							
Individual Membership with Annual Pass	\$55	34	\$1,870	\$15	\$510	\$40	\$1,360
Family Membership with Annual Pass	\$85	25	\$2,125	\$25	\$625	\$60	\$1,500
\$100 level Members with Annual Pass	\$100	19	\$1,900	\$15	\$285	\$85	\$1,615
subtotal		78	\$5,895		\$1,420		\$4,475
<i>Day Passes sold at Gift Shop</i>							
Adult Passes sold at Gift Shop	\$4	292	\$1,168	\$4	\$1,168	\$-	\$-
Youth Passes sold at Gift Shop	\$2	4	\$8	\$2	\$8	\$-	\$-
subtotal		296	\$1,176		\$1,176		\$0
TOTAL			\$11,551		\$6,196		\$5,355