

Board Policy 1330 – Community Relations

June 10, 2020

Issues Related to Civic Center Use in the Hart District

- Hart Civic Center Rates have not been adjusted in two decades
 - Currently not in line with the California Department of Education Calculated Rates
- External Use of Hart District Facilities
 - More than 20,000 hours
 - 13.5% of District's Direct Cost Recovered
 - 86.5% of Hart District facility wear and tear based on external use is being paid for by the Hart District.

Gap Analysis

	Hours	Facility Fees Recovered	100% Direct Cost to District	Subsidized by District
Football Stadium	1,169	\$ 8,723.43	\$ 291,307.43	\$ 282,584.00
Theater	513	\$ 40,055.35	\$ 109,520.82	\$ 69,465.47
Gym	4,674	\$ 11,845.41	\$ 478,629.29	\$ 466,783.88
MPR/ Cafeteria	1,238	\$ 43,159.33	\$ 129,691.65	\$ 86,532.33
Library	44	\$ 80.51	\$ 3,033.48	\$ 2,952.97
Classrooms	5,276	\$ 63,533.13	\$ 76,060.79	\$ 12,527.66
Grass Fields	7,006	\$ 4,421.95	\$ 251,270.41	\$ 246,848.46
Track	103	\$ 3,838.57	\$ 7,427.48	\$ 3,588.91
Quad / Ampitheater	308	\$ 8,802.50	\$ 5,549.82	\$ (3,252.68)
Parking Lot	374	\$ 2,345.00	\$ 26,681.32	\$ 24,336.32
Tennis Courts	24	\$ -	\$ 533.86	\$ 533.86
	20,726	\$ 186,805.18	\$ 1,379,706.34	\$ 1,192,901.17

Cost Recovery Overview

- Pairing utilization data with financial expense and square footage data provides the District with an accurate cost per hour to operate various buildings and grounds
- Cost or expense data includes operational expenses, program and capital costs
- Cost analyses provide a real-data baseline from which to base operational decisions and policies for recovering costs from outside groups

Cost Analysis

- Operational Costs—Utilities, maintenance & operations salaries and benefits, campus security costs, supplies and equipment, property insurance and specialized facility management costs
- Program Costs—Administrative and secretarial salaries and benefits, facility use management system costs
- Capital Costs—Amortized replacement & construction cost for a facility, building construction costs, depreciation schedule for a facility

Impact of Revised Board Policy, Administrative Regulations, and Exhibit

- Adjustment of Rates

- Adjust current Fair Rental Value rates to 100% of Direct Cost
 - Higher in most cases, lower in others
 - This category is for commercial users who are making a profit from their activities
- Adjust current Direct Cost rates upward by 30%

- Adjustment of Rate Groups

- Adjust our Board policy to be more in line with other California school districts
 - State guidelines allow the distinction between youth sports teams charging more than \$60 per month and up to \$60 per month
 - Move youth sports teams charging more than \$60 per month from the Minimum Cost Rate Group to the Direct Cost Rate Group

Adjusting the Rates

- We are currently charging:
 - Direct Cost users approximately 37% of what the State calculator allows
 - 45 users in this category in 2018-19
 - 6,331 hours in this category in 2018-19
 - Average per hour cost change based on 1% increase: \$0.52/hour
 - Average per hour cost change based on 10% increase: \$5.20/hour
 - Fair Rental Value users approximately 59% of what the State calculator allows
 - 27 users in this category in 2018-19
 - 1,044 hours in this category in 2018-19
 - Average per hour cost change based on 1% increase: \$1.01/hour
 - Average per hour cost change based on 10% increase: \$10.10/hour

Adjusting the Rate Groups

- Number of participants in different rate groups in 2018-19:
 - Minimum Cost → 67 users for 13,239 hours of use
 - Direct Cost → 45 users for 6,331 hours of use
 - Fair Rental Value → 27 users for 1,044 hours of use