

9. BUDGET

- a. Update on Financial Issues
 - ii. Direction to City Staff Regarding Recreation Center Membership Fees
 - 4. Status of Scholarship Program

MEMORANDUM

DATE: August 11, 2008

TO: City Manager Judith Zimomra

FROM: Recreation Director Chris Deal

SUBJECT: Scholarship Status and Projections

Pursuant to Resolution No. 04-080 City Council established a Scholarship Assistance Program for recreational activities, which includes the After School, Holiday and Summer Recreation Programs. Scholarships are made available to individuals, children and/or families in need. It has also been past practice to award scholarships in financial need for recreation enrichment programming, such as music lessons. These past practices are consistent with City Council direction that no person should be denied access to Recreational Programs due to financial need.

Eligibility for financial assistance is established by proof the child/children are participants in the Free or Reduced School Lunch Program, that the family income falls within the guidelines accepted by the Community Housing Resources Inc. Program "CHR", or a documented economic hardship. (See attached) Please note, the cost of recreation program participation for CHR residents is paid in full directly to the City by CHR and does not require a scholarship. The Recreation Scholarship Program has been historically funded through grants, golf outing proceeds and the Departments General Operating budget.

For all others, an application is submitted to the Scholarship Assistance Committee for review and approval. Based on the guidelines listed above the Scholarship Committee approves or denies the application. To date, one application was denied, it was denied due to lack of support for an economic hardship.

For the 2007 Summer Recreation Program (Youth Day Camp), there were 13 scholarships awarded, which represents approximately \$6,200. In 2008, there were 19 scholarships awarded, which represents approximately \$11,500. This shows a total increase of \$5,300 at current fee schedule. The total scholarship assistance awarded for 2007 was approximately \$11,000. With an incomplete year for 2008, staff does not have the final numbers for other scholarship assistance awarded in other areas such as youth sports and enrichment programs. It is important to point out, that if fee increases are approved, scholarship assistance requests may also increase.

To address the increase demand in Recreation Scholarships, three options have been identified:

- Options #1 Limit the Scholarship Assistance Program awards to the revenue/funds received from outside sources. To date, \$5,000 has been received from the Southwest Florida Community Foundation for the 2008-2009 After School Recreation Program. Once this amount has been awarded, no other applications for assistance would be accepted.

- Option #2 Direct the Parks & Recreation Advisory Committee to establish a Fund Support Action Plan for the purpose of seeking additional non-general fund dollars through outside sources by December 31, 2008. (Potential sources would be, community service organizations scholarship/grants, private donations and/or fundraisers) Continue to process the scholarship applications while the Parks and Recreation Advisory Committee completes this task.

- Option #3 Continue to process scholarship applications while pursuing additional outside funding requests exceeding the \$5,000 received, with supporting revenue from the General Fund. Staff has a request for additional funding from the Southwest Florida Community Foundation in the amount pending.

Your guidance in this matter is greatly appreciated.

CWD/jae

cc: Finance Director Sylvia Edwards