

To the Mayor and Members of the City Council**January 8, 2013**

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**SUBJECT: MANAGEMENT AND OPERATIONAL REVIEW OF LOG CABIN VILLAGE**

The purpose of this Informal Report is to inform the City Council of the findings and recommendations adopted by the Parks and Community Services Advisory Board regarding the future management of the Log Cabin Village. The Board's review was in response to the recommendations made by the 2011 City Manager's Citizens Review Committee for the Library and Parks and Community Services Department. The Committee was charged with finding ways of improving the efficiency and delivery of Parks and Library services.

The Committee adopted its final recommendations on May 19, 2011 and the final report was forwarded to City Manager on May 25, 2011. One of the twenty four (24) recommendations made by the Committee related to the management and operation of cultural, historic and educational venues operated by the City including the service delivery structure. Specifically the Committee recommended that the City Manager consider risks and benefits of shifting management of the Botanic Garden, Nature Center & Refuge, Log Cabin Village and the Cowboy Santas program from the City to their respective non-profit support groups. The recommended management review should include the following elements:

1. Review the current role of all support groups.
2. Study any possible changes that would enhance the operation for the benefit of the public.
3. In conducting the Review/Study for each facility the following criteria should be considered:
 - a. Evaluate the financial benefit potential including increased revenue from fundraising, private foundations, corporations, trusts, memberships and fees for programs, special events, rentals, admissions and parking while maintaining accessibility across diverse social and economic levels.
 - b. If the City decides to engage in any contracts, ensure that development of the facilities is consistent with a publicly adopted master plan.
 - c. Conduct appropriate market studies to understand origin of patrons and willingness to pay for services.
4. Forward the document submitted to the Committee from the Log Cabin Heritage Foundation, Inc. to the Parks and Community Services Advisory Board for their review.

Performance Measurement

A general assessment of the operational and financial performance of the Log Cabin Village (LCV) concluded that the LCV is efficiently operated under its current City of Fort Worth management structure as measured by benchmarking the LCV with museums nationwide, paying particular attention to similar facilities. The comparable performance measures reviewed include the following:

- The LCV's operating budget (\$429,215 in FY2011) is well below the median for all museums (\$1,116,139), and slightly below the median for municipal and county museums (\$484,358)
- Cost per user (excluding offsetting revenue) falls in the 25th percentile (\$16.46 in FY2011)

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- The LCV enjoys higher than average total visitation and school group visits (26,081 in FY2011)
- The staffing level of the LCV is on par with similar historical museum facilities
- As a measure of the effectiveness of the curatorship of facilities and artifacts, the quality of programs and the level of management performance and effectiveness, the LCV has achieved industry recognition for both its preservation oversight and visitor experience

Non Profit Agency Support

As communicated in a May 17, 2011 letter to the Review Committee the Log Cabin Heritage Foundation affirmed that the Foundation has no interest in assuming management of Log Cabin Village. The Foundation highlighted the importance of the administrative infrastructure and support services that currently exist under the City's umbrella, which subsidize indirect administrative costs of the museum's operations. The Foundation views the indirect support as a critical element of ongoing operational success of the Log Cabin Village. Moreover, even if the City guaranteed the current Log Cabin Village budget allocation to the Log Cabin Heritage Foundation in perpetuity, the current Village operations would have to be drastically reduced in order to absorb the greater cost of operating without the City's administrative and operational support.

Secondly, the Foundation highlighted concerns about the current climate for museums and non-profits observing traditional challenges of sustainability for museums, the current economic crisis and the domino effect on quality of life programs in general and museums specifically.

The Foundation concluded that either individually or combined, the two factors above are not conducive to better success or efficiencies in an alternate management structure.

A report regarding the Log Cabin Village's management and operational review, which included benchmark comparisons and programs performance data was presented to the Parks and Community Services Advisory Board as an Information Item on November 16, 2011. On December 14, 2011 the Parks and Community Services Advisory Board adopted a motion recommending that Log Cabin Village remain under the management of the City.

Should you have any questions regarding this report, please contact Richard Zavala, Parks and Community Services Department Director or Susan Alanis, Assistant City Manager.

**Tom Higgins
City Manager**