

**RESOLUTION NO. 2002- 204 R**

A RESOLUTION ADOPTING A FEE/REVENUE POLICY FOR THE PARKS AND RECREATION DEPARTMENT; AND DECLARING AN EFFECTIVE DATE.

IT IS RESOLVED BY THE CITY COUNCIL OF THE CITY OF VICTORIA, TEXAS:

1.

The Victoria Parks and Recreation Department Fee/Revenue Policy attached hereto as **Exhibit "A"** and incorporated herein is adopted.

2.

This resolution shall become effective immediately upon adoption.

PASSED, this the 19<sup>th</sup> day of November, 2002.

AYES: 7

NAYS: 0

ABSTENTIONS: 0

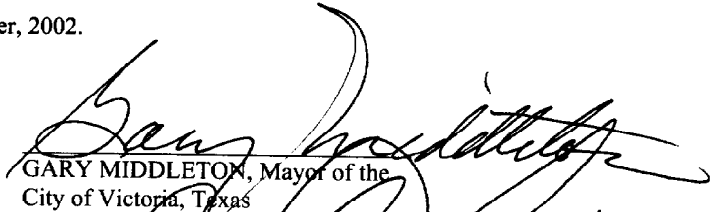
APPROVED AND ADOPTED, this the 19<sup>th</sup> day of November, 2002.



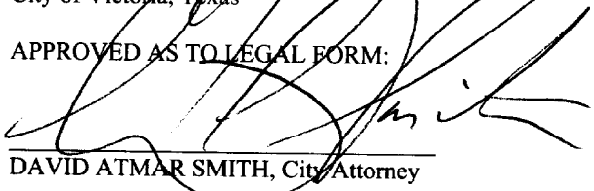
ATTEST:

  
SCARLET SWOBODA, City Secretary

Distribution:   Legal Department  
                  Parks and Recreation Department

  
GARY MIDDLETON, Mayor of the  
City of Victoria, Texas

APPROVED AS TO LEGAL FORM:

  
DAVID ATMAR SMITH, City Attorney

Copies Sent: **NOVEMBER 20, 2002**

**Victoria Parks and Recreation Department  
Fee/Revenue Policy**

Fees shall be charged to the general public, individuals and groups, to recover all, or a portion of, direct and/or indirect cost associated with program delivery, special events and services.

Fees shall be charged to:

1. Reduce the impact on the General Fund
2. Regulate visitation impact on programs
3. Enable the department to offer programs or facilities for which might not otherwise be available
4. Provide sufficient revenue to cover cost and possibly provide a surplus for expansion of programs or services.

The Victoria Parks and Recreation Department offers a number of programs without a fee to the general public; however, certain services will require the recovery of some or all of their operational expenses. Listed herein are the guidelines in which the department will operate when establishing program fees and charges.

Chapter 24 of the Victoria City Code describes the fees to be assessed for various athletic leagues and programs offered by the Parks and Recreation Department. It shall be the policy of the Parks and Recreation Department to evaluate the schedule of fees and charges for those programs and facilities where such revenues are necessary or desirable to support their continuation, or to support the initiation of new programming or services.

All fees shall be reviewed on an annual basis and shall be submitted to the Director of Parks and Recreation for final review and submission to the Parks and Recreation Commission for consideration. The Parks and Recreation Commission shall make recommendations to City Council for implementation.

**General Guidelines:**

- Fees will not be charged for entrance into parks, trails, or playgrounds.
- Current markets in the public and private sectors shall be included for consideration in pricing programs, services and facilities.
- Appropriate direct, indirect and overhead costs shall be considered in the establishment of fees.
- Admission fees may be charged to attend special performances or events, which may include entertainment, access to unique facilities or to events requiring extra supervision or maintenance.
- Residential versus non-residential fees for use of City services will be assessed as an equitable means of recovering costs that is taxpayer supported.
- In determining cost of providing citywide, regional and state events, the economic impact to the community will be considered.
- Establishment of fee structures for commercial versus non-commercial uses.
- Imposition of a fee would serve an independent function such as:
  - Rationing limited facilities among a large number of users;
  - Aiding in discipline and control;
  - Promoting respect for activity and/or service.

The Victoria Parks and Recreation Department's objective is to recover a percentage of direct and/or indirect costs related to particular programs, activities or events. The percentage of cost recovery will vary from program to program. In addition, some programs may require a recovery of indirect costs associated with offering the program or service.

There are many unique variables and situations that have an impact on determining the appropriate level of cost recovery. Some of the variables that influence the level of recovery are:

- Socio-economics
- Ability to pay
- Purpose of the activity or service
- Impact on the community

**EXHIBIT "A"**

- Economic impact to the community
- Market conditions

Whenever possible, the department will seek sponsorships to offset expenses associated with an activity or service.

### **Direct Costs**

Direct Costs are defined as expenditures the department makes to provide a program or access to a facility that, were it not for the program or the facility demand, would otherwise not be made. Direct program and facility costs are evaluated on a case by case basis and shall be one criteria for determining program or facility fees.

- Direct program costs would include: (instructors, equipment, trophies, etc.), materials and supplies, and any other cost associated with the given program.
- Direct facility costs would include custodial, utilities, supplies and any contractual costs associated with the use of the facility.

### **Indirect Costs**

These expenses would still be incurred by the Agency whether or not the program was held. If the program was not offered, the indirect costs would be allocated to another program. These costs are fixed regardless of the level of program. Examples of indirect costs are: salaries of administrative personnel, computer costs, office supplies, phones, general maintenance, etc. This is calculated at 15% of the direct cost of the program.

### **Total Cost Recovery**

This occurs when all direct and indirect costs are recovered for a specific program, event or service.

### **Categories of Cost Recovery Program**

*Basic Services:* No cost recovery. *Basic services* are offered as a-free services to the public with no admission or registration fee. *Basic services* are considered to be minimum essential level of park and recreation opportunities in a municipal environment. Public funds will be used for basic services and to acquire, improve and manage basic parkland and recreational facilities. No effort at cost recovery will be made for the use of basic facilities and services, with the exception of reserved or scheduled use. A reservation fee will be collected according to the schedule of fees in the City Code. Examples of basic services are:

- General park maintenance
- Rose Garden
- Trails
- Playgrounds
- Unreserved use of tennis courts
- Individual picnic tables
- Backstops (Little League and softball fields excluded)

*Special Events:* The public may be charged a partial fee to recover a portion of the costs of *Special Events*, such as parades, festivals, etc when it is deemed that the good or service provides both a substantial public benefit and an individual benefit. The recovery percentage will be established for each event by the Director of Parks and Recreation in a manner that reflects the public benefit provided thereby, available budgeted funds, and priorities established by City Council and the City Manager.

*Adult Sport Leagues:* Adult Sport Leagues funded by the General Fund will have a 100% cost recovery of direct costs and 100% of indirect costs. These leagues are, but not limited to, Flag Football, Baseball, and Basketball.

*Enterprise Facilities/Programs:* The Softball Fund and Community Center Fund are not part of this document and are subject to special conditions set forth by the City Council and the City Manager's office.

*Special Situations:* The Victoria Parks and Recreation Department desires to ensure equal opportunity for all citizens to participate in recreation activities. This policy may result in some inequities for certain individuals, or groups. Therefore the department's policy will be flexible and implemented according to the following guidelines:

- Reduced Program Fees (available only to residents of Victoria)

**EXHIBIT "A"**

When budgeted funds are available and allocated, **reduced fees or scholarships for some programs**, such as the Summer Recreation Program may be available for **City Residents who are economically disadvantaged**. Guidelines for scholarships and reduced fees, if available, will be approved by the Director of Parks and Recreation and other parties as necessary to qualify for grants to be received for such scholarships.

- **Non-Resident Fees**

If a program is supported in part by taxpayer funds, then non-resident fees may be increased for patrons of such program who live outside the city limits of Victoria. Listed below are rates for non-residents:

**Pavilions:**

- Neighborhood Parks- 25% above the resident fee
- Large pavilion- 25% above resident fee.

**Gazebos**

- 25% above the resident fee

**Adult Sports Leagues funded by General Fund**

- 25% above resident fee

**Programs requiring registration**

- Summer Recreation Program – 25% above resident fee. Residents have first registration option.
- Adventure Camp – 25% above resident fee. Residents have first registration option.

**Programs not requiring registration**

- Non-residents may be charged up to 25% above the resident fee.

**Municipal Pool**

- Pool parties - Non-residents 25% above resident fee.
- Swim lessons – Non-residents – 25% above resident fee.

**\*Non-residents are not eligible for scholarships unless equal fees for non-residents are mandated by a grant used for such scholarships.**

This policy shall create no rights for any individuals. Any determination or ordinance by City Council that a fee should be different than is described or permitted by this policy shall automatically repeal the part of this policy that conflicts with such City Council determination or ordinance to the extent of such conflict.

**Program Fee Evaluation Form**

All costs associated with recreation events and programs shall be included in this form for evaluation purposes. Supporting material such as purchase orders, or petty cash should be listed with the appropriate reference number.

Program Name:

Program Date (s):

**Direct Costs**

Expenditures the department makes to provide a program or access to a facility that, if the program or facility is not established, would otherwise not be made. Example of Direct Costs-instructors fee, T-shirts, trophy materials and supplies associated with the activity.

**Indirect Costs**

Expenses that would still be incurred by the agency whether or not the activity occurred. Examples are: administrative costs, computers, office supplies, etc. This is a flat fee calculated at 15% of Direct Costs.

**Direct Cost**

- 1.
- 2.
- 3.
- 4.
- 5.

Total     \$

**Indirect Cost**

1.     15% of Direct Cost

**Total Cost of Program**

**Revenue**

**Profit/<Loss>**     \$

**Recommendation:**