



TO: Mayor Laurie A. Jadwin
City Administrator
Director of Finance
Members of City Council
City Attorney
Clerk of Council

FROM: Stephanie Bernard-Ferrell, Director of Parks & Recreation

DATE: February 5, 2020

SUBJECT: Report to Council, February 10, 2020

ACTION ITEMS FROM THE DIRECTOR OF PARKS & RECREATION

ACTION ITEM # 1 – Resolution – P & R Pricing Policy

We are requesting a Resolution for Council to adopt the Department of Parks & Recreation 2020 Pricing Policy.

RECOMMENDATION

REGULAR MEETING OF PARKS & RECREATION BOARD HELD: January 8, 2020
Motion was made by Ross, seconded by Shepherd, to make a recommendation to Council to approve the 2020 Pricing Policy. Motion carried by the following vote:

Yes: 5 – Miller, Ross, Shepherd, Kaminski and Simmons

Absent: - Wright

Chair requested that Director forward this recommendation to Council.

Requested Legislation and Funding

- Legislation Needed: Motion Resolution
- Emergency/Waiver: No
- Name & Address: n/a
- Already Appropriated (Amounts & Accounts Names/Titles): n/a
- Supplemental/Transfer (Amounts & Account Names/Titles): n/a

Attachments

- 2020 Pricing Policy Draft

UPCOMING MEETINGS & EVENTS

Summer Day Camp Registration Opening
Saturday, February 29, 2020, 9am
Gahanna City Hall, 200 S. Hamilton Rd.

Additional information in the Current.



PRICING POLICY

Department of Origin: Parks & Recreation	Total # of Pages: 8
Subject: Pricing Policy	Council's Approval Date:
Scope: Parks & Recreation Department Fees	Effective Date: January 1, 2019 JANUARY 8, 2020

Purpose

Annually the Parks & Recreation Director will present to the Parks & Recreation Board a pricing policy to be reviewed and recommend to City Council. This policy will guide the establishment of charges and membership fees for City recreational programs and City use on an annual basis.

Policy

I. SETTING OF FEES

Per Gahanna Codified Ordinances, Section 153.04, SETTING OF FEES

- (a) Annually the Parks & Recreation Board shall recommend to Council a Pricing Policy that guides the establishment of charges and membership fees for City recreational programs and City use.
- (b) The Pricing Policy would include but not be limited to subsidy rates, nonresident fees, and discounts.
- (c) No permit or fee may be waived without the explicit consent of the Parks & Recreation Board. (ORD. 0026-2009. PASSED 2-17-09.)

II. PHILOSOPHY

The Gahanna Department of Parks & Recreation is tasked with cost recovery goals in accordance with the City's annual budget allocation and financial conditions. To that end, the Department sets fees and charges in relation to these goals, market rate conditions, benchmarking, demand, cost recovery targets, and industry trends. The Department strives to improve quality of life and to offer the most efficient and professional services by:

- Providing and maintaining parks and recreation facilities for use by the general public.
- Providing equal opportunity for all residents to participate in recreational programs and to fully use the facilities of the department.
- Providing trained and qualified personnel for supervision and instruction in recreation programs, and for parks and facility maintenance.
- Welcoming public input into planning and evaluation of recreation programs, facilities, and services.

III. COST RECOVERY MODEL

The following model represents all categories of services currently provided or those which may be provided in the future. The model is based upon the degree of benefit to the community. This model and policy forms the basis for setting fees and charges. Some of these services may be

appropriate for use of alternative funding sources like grants, sponsors, donations, and volunteers.

Services can always perform better than the target level minimal cost recovery goals due to demand and market rate conditions.

Level 1 – Complete Community Benefit. This ~~THE~~ foundation level represents programs, facilities and services that benefit the community as a whole. This level is primarily supported by tax investment with little or no fee support, donations, or volunteers. These programs, facilities, and services increase property values and enhance quality of life for residents. This level targets 0 – 20%+ recovery. Examples include but not limited to:

- Playgrounds
- Open spaces
- Trails

Level 2 – Considerable Community Benefit. This ~~THE~~ second level represents programs, facilities, and services that promote educational, physical, and social skill development. These programs are traditional, mission based services and introductory instructional levels commonly offered by parks and recreation operations. This level is a substantial tax investment with minimal to partial fee support. This level targets 20 – 50%+ recovery. Examples include but not limited to:

- Department led **OUTREACH AND EDUCATIONAL PROGRAMS** programming for seniors, adults, and youth
- ~~Mission based services and programs that are provided by the Ohio Herb Education Center~~
- City sponsored special events
- **COMMUNITY GARDENS**

Level 3 – Individual/Community Balanced Benefit. This ~~THE~~ third level represents programs, facilities, and services that ~~promote educational, physical, and social skill development that may not be offered or readily available in the community at reasonable prices.~~ **BENEFIT MOSTLY THE INDIVIDUAL BUT ALSO THE COMMUNITY. ACTIVITIES AND PROGRAMS ARE INTEREST SPECIFIC AND PROVIDE AN INTERMEDIATE LEVEL OF RECREATIONAL SKILL DEVELOPMENT.** This level is primarily a fee supported services with moderate tax investment. This level targets 50 - 85%+ recovery. Examples include but not limited to:

- ~~Resident and non-profit athletic field, court, and facility rentals~~
- ~~Memberships and daily visits~~
- **YOUTH ATHLETIC PROGRAMS**
- **SWIM LESSONS**
- **DAY CAMP**

Level 4 – Considerable Individual Benefit. This ~~THE~~ fourth level represents specialized services generally for specific groups or features a competitive focus. This level targets 75 – 100%+ recovery. Examples include but not limited to:

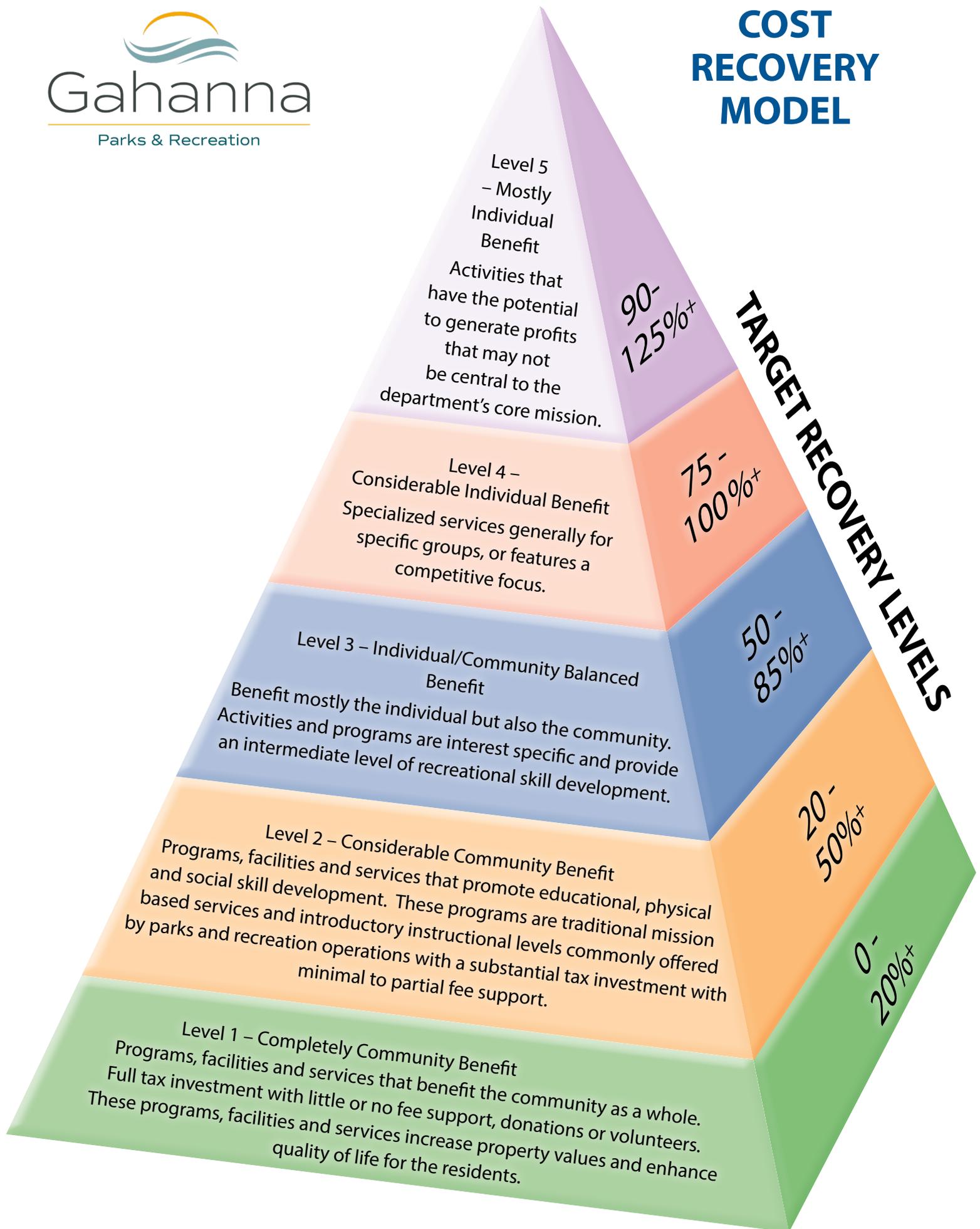
- Private/semi-private lessons,
- ~~Non-resident athletic field, court, and facility rentals~~
- ~~Equipment rentals~~
- ~~Camps~~
- **MEMBERSHIPS AND DAILY VISITS**

Level 5 – Mostly Individual Benefit. This ~~is~~ **THE** fifth level represents activities that have the potential to generate profits that may not be central to the department's core mission. This level targets 90 – 125%+ recovery. Examples include but not limited to:

- Youth and adult tournaments
- ~~Contract programs~~
- Retail sales
- **CONCESSIONS**

DRAFT

COST RECOVERY MODEL



Current Parks & Recreation Services	Target Recovery Level	
Department Community Events	Level 2	20-50%+
Equipment Rental	Level 4	75 – 100%+
Facility Rentals	Level 3 -4	50 75-100%+
Golf Course Operations	Level 4	75 – 100%+
Non-department Special Events	Level 5	90 – 125%+
Ohio Herb Education Center	Level 2	20 – 50%+
Outreach & Education Programs	Level 2	20 – 50%+
Park Development and Maintenance	Level 1	0 – 20%+
Pool Operations	Level 2	20 – 50%+
Recreation Programs	Level 2 – 5	20 – 125%+
Senior Center Operations	Level 2	20 – 50%+

IV. REVENUE SOURCES

The following classifications are intended to guide the department in the development of fees for department programs and services:

- a. Administrative Fees: The fee charged to participants for office and administrative purposes of the program or rental.
- b. Admissions/Drop-Ins: This classification is described as charges to enter a facility or participate in any program on a per-visit basis. Entry and exits are normally controlled and attendance is regulated. Examples include but not limited to adult open gym basketball and volleyball, golf rounds, active senior classes, and open swim time.
- c. Athletic Field/Facility Use: Fees charged for any scheduled or organized use of athletic fields or facilities.
 - i. As described in the athletic field/facility use policy all players are subject to facility fees, player fees and non-resident fees. This includes but is not limited to recreational activities or use related to athletic leagues, clinics, camps, rentals, special events, and tournaments. These fees are set by City Administration and are collected by Gahanna Department of Parks & Recreation.
 - ii. All athletic facility/field use fees will be outlined in either the affiliate annual agreement or athletic field/facility use agreement. The affiliate annual agreement will replace ORD-0209-2005.
- d. Cancellation Fees: A cancellation fee is charged to cover administrative cost and lost revenue that may occur from cancellations.

- e. Contract and Vendor Services: Revenue collected from a contractor or vendor that provides recreation program opportunities or services at City facilities. Examples include but not limited to health and fitness, art, camp, sports programs, food trucks, etc.
- f. Deposit Fee: Fees collected for facility rentals to ensure rental agreement and rules and regulations are followed. Deposit fees will be returned per the terms of the signed agreement.
- g. Facility Rentals: This classification consists of fee payments made for the exclusive use of a facility. Examples include but not limited to golf course clubhouse, shelters, and Senior Center rentals.
- h. Grants: Federal, state, and local grants, as well as funding from various private sector organizations and corporate giving.
- i. Non-Resident Fees: Fees assessed to any individual or organization whose place of residence or business is outside of the Gahanna City limits.
- j. Program Fees: This classification is described as actual fees for taking part in scheduled Parks and Recreation activities or programs. Programs vary according to revenue classification. Examples of these fees include but are not limited to league fees, recreation programs, Camp Friendship, etc.
- k. Sales and Rental Revenue: Revenue from rental equipment which add to the visitor's enjoyment of the recreation area. Examples of sales and rental revenue include but not limited to concessions, golf equipment rentals and sales, rental of paddle boats, Gahanna Mobile Activities Center (GMAC), etc.
- l. Seasonal/Yearly Passes: This classification is described as membership/passes purchased by frequent users to gain admittance to facilities or programs on a seasonal or yearly discounted basis. Examples include but are not limited to aquatics memberships, active senior programs, and golf course memberships.
- m. Sponsorship/Advertisement/Partner: This classification represents revenue collected to sponsor a program or for advertisement. Examples of this include but are not limited to sponsoring community events, programs, or advertisements.

V. NON-RESIDENT FEE POLICY

- a. The Gahanna resident, and those Corporate residents who work within the City limits, make a significant contributions to the financing and operation of the Gahanna Department of Parks & Recreation. The City property tax and income tax are paid whether or not the individual participates in or uses the facilities of the department. The Non-Resident Fees are intended to apportion to non-residents an equalized fee so that they can contribute to the overall financing **AND RECOVERABILITY** of the Department of Parks & Recreation on an equitable basis with the resident. This policy will give not only equitable treatment, but also a better understanding of fees and the total cost of operations to both residents and non-residents.

- b. Non-Resident fee:

GDPR Sports Leagues:	\$20 per non-resident on roster
Recreation Program Fee:	Up to 100% more per person
Senior Memberships:	Up to 50% higher than resident rates
Golf Memberships:	Up to \$50 more per person

Shelter, Pool, and Facility Rentals: 0 – 200% based on safety, best business practices, and market rate comparisons.

VI. DEPARTMENT REFUND POLICY

All refunds will be processed either through the City's Finance Department where a check is issued or through the Department of Parks & Recreation when a credit card is processed. There will be no cash refunds. All cancellation and/or transfers are subject to a cancellation fee. No registration refunds will be made except:

- a. Recreation program cancellation/refunds will be addressed as follows, unless otherwise covered under that specific program's policy:
 - i. When a class is cancelled or closed by the Department of Parks & Recreation due to low enrollment or other circumstances.
 - ii. When a participant becomes ill and/or injured, or experiences an extenuating circumstance, the request for the refund is made in writing to the appropriate Parks & Recreation staff member. Additional documentation may be requested.
 - iii. Cancellation, and refunds for all other requests are at the discretion of the department. This may be made in the form of a full or partial refund and/or household credit.
- b. Refunds for facility rentals, and camps are addressed in their respective refund policies.

VII. SCHOLARSHIP FUNDING POLICY

The Gahanna Department of Parks & Recreation receives scholarship funding through contributions from external non-profit organizations, most notably the Gahanna Parks & Recreation Foundation and GRIN. These funds assist the Department in lowering financial barriers for access to vital youth enrichment services, primarily swim lessons, day camps, and sports programs.

VIII. INCENTIVES AND DISCOUNTS

At the discretion of the Department of Parks & Recreation Director, incentives and discounts such as discount coupons, family discounts, group discounts, etc. may be provided. Reasons for providing incentives or discounts include, but are not limited to:

- a. To introduce new programs or services.
- b. To identify and attract new clients to existing programs or services.
- c. To stimulate more frequent use of programs or services.
- d. To stabilize fluctuations and participation patterns.

IX. ASSESSING COSTS

The Department of Parks & Recreation with the approval of the City Finance Director assesses fees using direct operating cost, contractor pricing, and administrative fees.

Definitions

Corporate Resident: An employee of a business located within the City of Gahanna who pays current Gahanna Income Tax.

Community Event: A City sponsored special event, such as Independence Day Celebration and Creepside Festival.

Direct Costs: Any expenditure which is directly related to the operation of the program. (E.g. instructor fees, materials, facility rental)

Fee Contribution: All or any portion of a service which is paid for by users of the service.

Indirect Costs: All expenditures which have not been applied to direct costs. (E.g. administrative costs, facility maintenance)

Market Rate Fee: A fee based on demand for a service or facility. Once the market is defined by identifying all providers of an identical service, and setting the fee at the highest level the market will bear.

Non-Profit: A business organization that has a current tax-exempt status with the Internal Revenue Service.

Non-Resident: Any individual or organization whose place of residence or business is outside of the Gahanna city limits.

Private Special Events: Is community events, typically partnered with the Department run by outside organizations.

Resident: Any person residing within the Gahanna City limits and pays Gahanna Income Tax. Even if you have a Gahanna mailing address and/or live within the Gahanna-Jefferson School District, you **MAY NOT** be a qualifying resident of the City of Gahanna.

Supplement Level: The portion of a service's direct cost which is paid for by the department.

Responsibilities

Position or Department	Responsibility
Parks & Recreation Director	<ul style="list-style-type: none"> Review pricing policy annually with Department Staff Provide pricing policy to Mayor's Office for review Present pricing policy to Parks & Recreation Board for review Present pricing policy to Council for acceptance
Parks & Recreation Board	<ul style="list-style-type: none"> Review pricing policy annually Make recommendation to City Council
City Council	<ul style="list-style-type: none"> Accept pricing policy by Motion Resolution

History

Original Policy Creation Date: April 5, 2006	Review Frequency: Annually
Revision Date(s): October 4th, 2017 JANUARY 8, 2020	Review Date(s): Fourth Quarter Annually

DRAFT