

City of Alexandria, Virginia

MEMORANDUM

**DATE:** JUNE 6, 2012

**TO:** THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

**FROM:** RASHAD M. YOUNG, CITY MANAGER 

**SUBJECT:** CONSIDERATION OF A RESOLUTION TO ADOPT FEE INCREASES FOR THE DEPARTMENT OF RECREATION, PARKS AND CULTURAL ACTIVITIES FOR FISCAL YEAR 2013

**ISSUE:** Consider a Resolution to increase cost recovery through fee increases for the Department of Recreation, Parks and Cultural Activities (RPCA) programs as adopted in the FY 2013 approved budget.

**RECOMMENDATION:** That Council adopt the proposed resolution (Attachment 1) for the recommended fee increase (Attachment 2) of Out of School Time fees, and cost recovery for Sports Field and Program Monitors and Foundation Center Online Grants Subscription, effective July 1, 2012.

**BACKGROUND:** The Department of Recreation, Parks and Cultural Activities regularly adjusts program and activity fees that include, classes, camps, workshops and other programs as needed in order to stay in line with market trends and cost recovery efforts. As part of the FY 2008 budget process, Council provided the City Manager the authority to adjust RPCA non-programmatic fees annually, with a maximum increase equal to the annual rate of inflation (CPI-U). Within this authority, the actual fee may be rounded to an administratively convenient amount to assume efficient assessment and collection of fees. Increases in fees exceeding this amount continue to be considered by Council. No fee increases based on the CPI-U were recommended in the adopted FY2013 approved budget.

**DISCUSSION:** As part of the FY 2013 budget, RPCA staff did not recommended fee changes for non-programmatic fees based on an inflation rate (CPI-U) using the above mentioned authority. The inflation rate, estimated at 2.3%, would have generated negligible revenue increases, but staff will account for these inflation-based fee increases in future year fee recommendations. One proposed fee category falls outside of the authority previously delegated to the City Manager. In addition, staff proposes two cost recovery items.

In summary, the attached Resolution provides:

- To increase Out of School Time fees from \$50 for the school year to \$250 for the school year, and from \$25 for the summer to \$50 for the summer as specified in Attachment 2. New fees will take effect in the fall of 2012. Therefore, the Summer Out of School Time fee for 2012 will remain at \$25. Staff will continue to make available fee assistance programs for qualified applicants.
- To recover 100% of a Sports Field and Program Monitors' program as specified in Attachment 2.
- To recover 33% of the participation in the Foundation Center Online Grants Subscription as specified in Attachment 2.

All FY 2013 RPCA fees will be available on the City's fee compendium for public information.

In addition, the RPCA section of the City's website will post information to notify people's attention to all fee changes that are scheduled to occur.

**FISCAL IMPACT:** The FY 2013 Approved Budget includes an increase of \$287,656 in General Fund revenues in anticipation of the RPCA fee changes described above. In addition, the FY 2013 Approved Budget includes \$70,000 in additional revenue from increased youth class enrollment and rental fees anticipated from the new mobile stage. In total, the programs in the Recreation Department will generate an additional \$357,656 in General Fund fee revenue in FY 2013.

**ATTACHMENTS:**

Attachment 1: Proposed Resolution

Attachment 2: RPCA Fee Increases FY 2013

**STAFF:**

James Spengler, Director, RPCA

RESOLUTION NO. \_\_\_\_\_

**Resolution to Adopt Fees Increases Administered by  
the Department of Recreation, Parks and Cultural Activities for FY 2013**

**WHEREAS**, the last increase to non-programmatic fees collected by the Department of Recreation, Parks and Cultural Activities (RPCA) occurred in Fiscal Year 2011; and

**WHEREAS**, the majority of non-programmatic fees charged by RPCA fell within the Baltimore Washington CPI-U fee adjustment guidelines set forth by City Council in Fiscal Year 2008; and

**WHEREAS**, the costs of providing Leisure Services to the general taxpayer continue to increase and the fees do not cover the entire costs of these programs; and

**NOW, THEREFORE, BE IT RESOLVED** by the Council of the City of Alexandria, Virginia, that the Out of School Time Fee, Cost Recovery for Sports Field and Program Monitor, and Cost Recovery for Foundation Center Online Grants Subscription administered by the Department of Recreation, Parks and Cultural Activities shall be as updated beginning July 1, 2012, as follows:

Section (a) Out of School Time fees are hereby established as contained in Attachment 2.

Section (b) Cost Recovery for Sports Field and Program Monitor is hereby established as contained in Attachment 2.

Section (c) Cost Recovery for Foundation Center Online Grants Subscription is hereby established as contained in Attachment 2.

Adopted: \_\_\_\_\_

\_\_\_\_\_  
William D. Euille, Mayor

Attest:

\_\_\_\_\_  
Jacqueline M. Henderson, City Clerk, CMC

**RPCA FEE INCREASES FOR FY 2013 - EFFECTIVE JULY 1, 2012**

<b>Fee Category</b>	<b>Current Fee</b>	<b>Proposed Fee</b>	<b>Explanation for Change/Other Information</b>
Out of School Time	\$50 School Year \$25 Summer	\$250 School Year \$50 Summer	The projected increase in net revenue is \$260,000, which accounts for a potential decline in program participation due to the increased fees.
Cost Recovery for Sports Field and Program Monitors	None	100 % Cost Recovery	The projected cost of \$24,556 is 100% offset by fees charged for use of the fields and participation in programs.
Cost Recovery for Foundation Center Online Grants Subscription	None	33% Cost Recovery	Cost recovery is approximately 1/3 of the \$9,300 total subscription cost for FY 2013. Cost recovery is proposed to be on a sliding scale based on the percentage of Arts Commission grants funding for FY 2012.

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**RESOLUTION NO. 2505**

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Adopted: June 13, 2012

  
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WILLIAM D. EULLE MAYOR

ATTEST:

  
Jacqueline M. Henderson, MMC City Clerk

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