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City of Boulder City Parks and Recreation Department revenue policy and user fee analysis

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City of Boulder City Parks and Recreation Department Revenue Policy and User Fee Analysis



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**Boulder City
Parks and Recreation Department
Revenue Policy and User Fee Analysis**

Executive Summary

Objectives

Recreation user fees and facility rental fees provide sources of revenue for the City that comes directly from the beneficiary of the service instead of from the general fund. The term user fee will be used in this analysis and will refer to all types of fees and use charges paid by participants using recreation services or facilities.

There were four objectives for this analysis. The first was to determine if any Parks and Recreation Departments in the Las Vegas Valley had current revenue policies and to collect and compare user fees in the Las Vegas Valley against Boulder City user fees. The City's Parks and Recreation Director had an interest to see what others in the Vegas Valley were doing as compared to Boulder City.

The second objective was to assist in organizing the City's data for comparison and analysis. The third objective was to research other models for revenue policies for the City's use. The fourth objective was to provide recommendations on user fees.

Summary of Analysis

The evaluation for analyses focuses on four areas, the first is research and examples of revenue policies the City could utilize. The second is on comparing user fees from other municipalities to Boulder City. The third is on user fees and costs related to various City facilities and the fourth is related to the costs and revenues of the aquatic/racquetball facility.

Recommendations

Accounting for Costs

To determine the total costs of a park or facility, an accounting system should be developed that tracks the City's costs by each park or facility. This would provide more complete information to the City to determine the amount of subsidies based on how much the general community benefits.

Revenue Policy

The city could benefit from having a revenue policy that clearly defines how much of the user fees would recover direct and indirect costs. The city could look into developing a policy based on a percentage recovery of costs. To assist in such flexibility, it is recommended that the City Council adopt the revenue policy with cost recovery strategies allowing the Director of the Parks and Recreation Department and the City Manager to set specific fee schedules each year. This would allow for greater flexibility in recovering costs by allowing user fees to be increased as needed.

Internet Registration System

Developing an internet registration system on which citizens can access information regarding activities and facilities would allow for on-line registration. Internet registration would allow 24-hour access to rent facilities and sign-up for activities. Phone registrations using credit cards could also be utilized. Citizens would not need to go in person to the administrative office to register. On-line registration would also allow for improved tracking and reporting methods of registration data. This would allow for additional analysis of the data to analyze for various trends.

Fee Structure Incentives

Ideas for a variety of fee structures include increased costs for non-residents. It appears to be common for cities to have a policy that charges non-residents more user fees since they do not pay any taxes into a cities general fund for support of parks and recreation facilities.

Other incentives could include reduced rates for signing up early (i.e. two weeks prior to the start of a class) for various special interest programs and youth and adult sports. This could induce more participants in programs.

Heavy use periods for specific facilities could warrant higher fees. Analysis of the data in the database from the internet registration could be analyzed to determine these time periods.

**City of Boulder City
Parks and Recreation Department
Revenue Policy and User Fee Analysis**

Background

The city of Boulder City, Nevada is located approximately 25 miles southeast of the city of Las Vegas in Clark County, Nevada. It was established in 1931 as a federal reservation to house dam workers during the construction of Hoover Dam and became an incorporated city government in 1958. It is the Gateway to Hoover Dam and Lake Mead.

The city government is a council-manager form of government with a 5-person city council elected by the residents. The city manager performs executive functions, such as appointing department heads and administering city programs.

The Parks and Recreation Department is a division within the City of Boulder City and has 15-full-time employees and up to 170 part-time employees. The Parks and Recreation Department is responsible for 74 acres of parks, 110,000 square feet of recreation facilities, two golf courses, as well as providing programs such as youth and adult sports, Safe Key, Tiny Tots, and special classes (Appendix A).

The Boulder City Recreation and Parks Commission (Appendix B) is an advisory committee whose members are appointed by the City Council. They make recommendations to the Parks and Recreation Director on all matters concerning recreation and parks within the city limits. The Advisory Committee determines priorities and needs, reviews annual budgets and provides recommendations on long-range park and recreation capital improvements.

The Parks and Recreation Commission members, as well as the Director of Parks and Recreation are interested in the results of this study. Both the Director and the Commission view the evaluation as a tool to justify the increase in user fees to provide additional revenue to the City to offset the costs of the Park and Recreation program. Other stakeholders include the City Council and City Manager, as well, the residents of Boulder City.

The team met with Parks and Recreation Director Roger Hall and established a direction of study. Boulder City (City) has not raised user fees in several years (Roger Hall, Director, personal communication, October 5, 2006). Director Hall wished to evaluate the City's user fees with that of the cities in the Las Vegas Valley. The data, he said, would then be used to prepare a Revenue Policy for the Department that could be followed for establishing user fees for the programs within the department. From October 2006 to May 2007, Director Hall provided various rental fee information, contacts for the other City's Parks and Recreation Departments, costs for power and water for the parks and facilities, ideas for fee increases, etc. In collecting user fees from other cities, the Team also collected existing Revenue Policies. The Team also performed research on revenue policy theories on preparing them as well as general information on operating a Parks and Recreation Department.

In the budget planning process for fiscal year 2006/07 the city obtained feedback from the Cities residents regarding a number of budget related topics through a budget survey they sent to residents early in 2005. Part of the survey was about the City Parks and Recreation Department. The results show the 70 percent of the responses rated the quality of current service levels for the Parks and Recreation Department as Excellent and Very Good (out of a 5 level response from Excellent to Poor). Around 67 percent supported focusing

resources on existing parks (rated as highest and high of the categories). Only about 15 percent of the responses (highest and high) wanted resources expended on new parks. For the Recreation Department, the results showed resources should be focused on programs and facility improvements and less on facility expansion and special interest classes. Over 50 percent of all respondents wanted to see parks and recreation programs self-sustaining, including the municipal golf courses (85 percent), special interests (84 percent), Bootleg Canyon Bike Trails (75 percent), fitness center (73 percent), programs (66 percent) and swimming pool (61 percent) (Boulder City Budget Survey circa 2005).

Being responsive to the citizens suggestions, in September 2006 the City implemented a 10 month Cost Allocation Time Study where employees were asked to divide their time worked based on the percentages of the functions they performed, e.g., “if the Tennis Instructor cleans the tennis courts prior to beginning a lesson period, he could count that as Parks Maintenance and divide up his time accordingly” (Armantrout, 2006). When completed, “the Study will enable the City to allocate utility usage, building and facility depreciation, and fund transfers for each department” (Armantrout, 2006). Results of this study were not available for evaluation performed on the City Parks and Recreation Department.

In the Recommended Budget for the Fiscal Year from July 1, 2007 to June 30, 2008, the City Manager directed fee increases for various Parks and Recreation programs. It is the Team’s hope that this evaluation study will provide assistance in determining future changes to the Cities Parks and Recreation user fees.

Objectives

User fees provide sources of revenue for the City that comes directly from the beneficiary of the service instead of from the general fund. The term user fee will be used in this analysis and will refer to all types of fees and use charges paid by participants using recreation services or facilities.

There were four objectives for this analysis. The first was to determine if any Parks and Recreation Departments in the Las Vegas Valley had current revenue policies and to collect and compare user fees in the Las Vegas Valley against Boulder City user fees. The Cities Parks and Recreation Director had an interest to see what others in the Vegas Valley were doing as compared to Boulder City.

The second objective was to assist in organizing the City's data for comparison and analysis. The third objective was to research other models for revenue policies for the Cities use. The fourth objective was to provide recommendations on user fees. The evaluation of user fees focused on the parks, facilities, and programs listed in Table 1.

Evaluation

The evaluation for analyses focuses on four areas, the first is research and examples of revenue policies the City could utilize. The second is on comparing user fees from other municipalities to Boulder City. The third is on user fees and costs related to various City facilities and the fourth is related to the costs and revenues of the aquatic/racquetball facility.

Revenue Policy

The National Recreation and Park Association encourage park and recreation administrators to develop revenue policies in their respective agencies. A policy explains the need for the charges, offers the philosophy behind charging fees, uses that philosophy to guide pricing strategies, explains the benefits of using non-tax revenues and addresses how those who cannot afford to pay will continue to have access to recreation opportunities. “It

Table 1. The City of Boulder City parks, facilities, and programs included in evaluation.

Parks	Facilities/Programs
ABC Park	Multi-use Building
Frank T. Crowe Memorial Park	Recreation Center – Gymnasium
Bicentennial Park	Swimming Pool/Racquetball Complex
Wilbur Square	Summer Parks
Hemenway Valley Park	Safe Key
Del Prado Park	Nevada Way Recreation Building
Oasis Park	Tiny Tots
Lakeview Park	
Reflections Center	
Xeriscape Park	
Bravo Field	
Whelan Field	
Veterans’ Memorial Park	

projects the image that the public agency manages its revenues and resources wisely and, as a matter of policy, seeks to treat everyone fairly” (Kirsch and Cryder, 1990).

Kirsch and Cryder (1990) describes the process of placing the cities recreation programs and services into three categories of public services, merit services or private services. It is typically not feasible to charge a user fee for public service; these would be defined as parks and playgrounds. Merit services may provide indirect benefit to all residents, and direct benefits to certain residents. The city needs to ascertain how to determine a user fee to recover some of the costs associated with providing the merit services. Private services are benefits provided exclusively for the participating individuals with the user paying most of the costs. The city also needs to determine how to define direct and indirect costs (it is done differently in various municipalities). This determination is very dependent on how data is collected for the cost accounting and budget process.

Once parks and recreation managers have identified all the costs associated with developing and implementing recreation services or programs, the decision of how much of the program costs will be subsidized by the general fund or other resources must be made and are usually identified in the organization’s revenue policy (Bastion, 2003). There are five means of determining how much program costs will be subsidized: 1) charge no fees and subsidize all costs, 2) charge a nominal fee to recover partial costs, 3) charge fees to recover direct expenses, 4) charge fees to recover direct and indirect costs and 5) charge fees to recover all costs plus a profit (Kirsch and Cryder, 1990).

The strategies and ideals identified by Kirsch and Cryder provide the following ten steps as important in the development of a revenue policy 1) Rationale; 2) Revenue Philosophy; 3) Authorization; 4) Citizen Input and Involvement; 5) Programs/services; 6)

Public Benefits; 7) Program Cost Accounting; 8) Pricing methods; 9) Differential pricing; and 10) Evaluation: Impact Assessment (1990, p. 5).

A number of cities have adopted revenue policies that define the services that will be offered at no charge and services where particular user fees will be charged. One example of this is the Cary, North Carolina, Parks, Recreational and Cultural Resources Department (Appendix C). The Cary Town Council has approved the revenue policy with special considerations for senior citizens, persons with disabilities, special interest groups and non-residents. Decisions regarding specific fees and when reduced rates will apply are left to the Director of Parks, Recreation and Cultural Resources.

Other cities, such as Longmont, Colorado use a percentage basis for determining recreation fees. The policy states that recreation fees will be established to self-support the program 70 percent. This excludes capital expenditures in excess of \$5,000, community events, and youth after school programs. Non-resident recreation participants will pay the regular program fee plus an additional 25% non-resident fee. Financial assistance is available for low income residents, which are determined by the Recreation Division (Appendix D).

The city of Portland, Oregon also uses percentages within its revenue policy to establish cost recovery goals. Pricing for youth programs offered outside of low income neighborhoods are set to recover 42 percent of total costs, while in low income neighborhoods pricing is set to recover 23 percent of total costs (Appendix E). Neither of the percent based revenue policies provided information related to the determination of the actual percent charged.

The City of Two Rivers, Wisconsin has developed a revenue policy. It has determined a general definition of direct and indirect costs, as well as a market rate pricing component (Appendix F).

The City of Henderson, Nevada is currently developing a revenue policy based on “Pricing Policy Guidelines” developed by GreenPlay, LLC. These policy guidelines are provided in Appendix G. GreenPlay, LLC provides a “pyramid pricing model which illustrates a pricing philosophy based on establishing fees commensurate with the benefit received” (2003, p. 4). Figure 1 graphically represents this concept. This concept includes program classification and percent recovery. Programs are first classified ranging from those which benefit the community to those which benefit individual people. There are combinations of community and individual benefit in between. Once programs are classified then fees are developed based upon a percent basis. At the time of this evaluation the City was classifying their current programs based upon the pyramid model (see Appendix G for the City of Henderson’s Pyramid Cost Recovery Program as of January 2007).

Fee Comparisons

Interviews were conducted and user fee data gathered from the cities of Henderson, North Las Vegas and the City of Las Vegas. Information was also gathered from the Clark County website. An example of the types of data collected is shown in Table 2.

Data was also collected from various web sites from three Nevada cities including Henderson, Las Vegas, North Las Vegas and Clark County. Research was also done on five additional cities with similar populations to that of Boulder City, these were Frankfort Village Square Park District, Illinois; Vernon Hills Parks District, Illinois, City of North

Figure 1. The pyramid model.

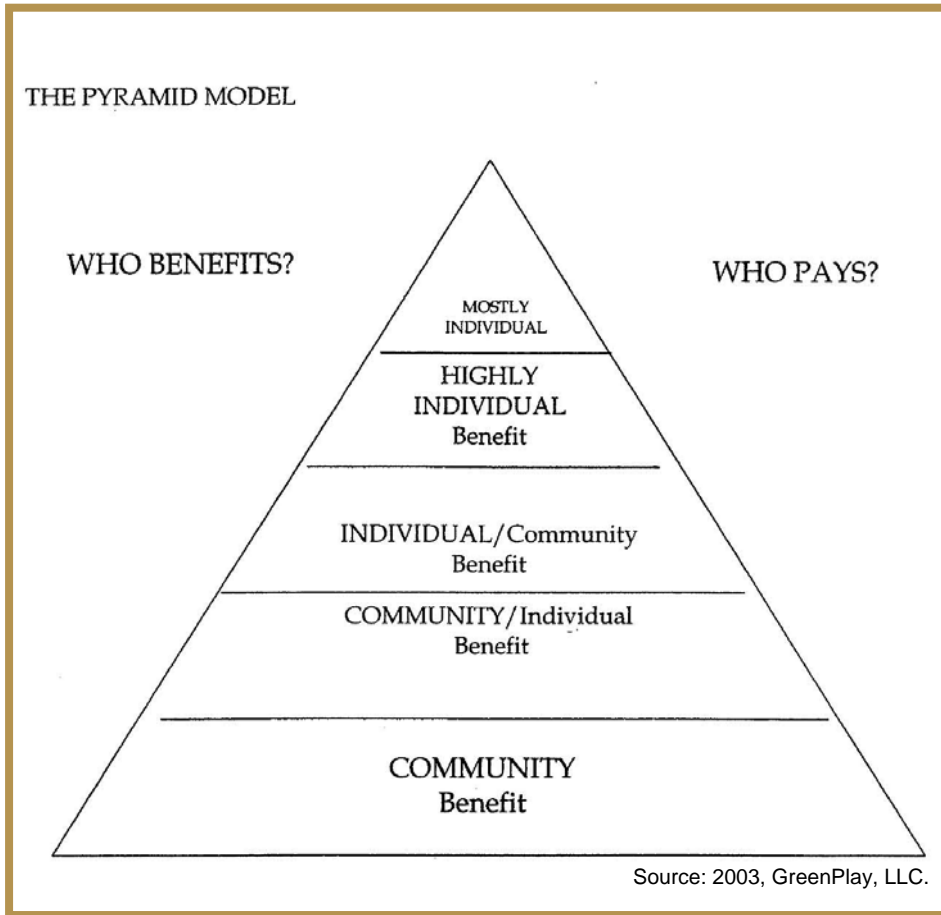


Table 2: Field Rental

	Clark County	Boulder City	Henderson	North Las Vegas
Per Hour Without Lights	\$5	No charge	\$5	\$8
Per Hour With Lights	\$10	No charge	\$10	\$13

Platte, Nebraska; and Moses Lake, Washington. These additional comparisons of user fees and population data are included in Appendix H.

Boulder City Parks and Facility Rental Fees and Costs

Park and facility rental information for 2005 and 2006 was collected from completed “Application for Use of Recreation Facility” Boulder City Parks and Recreation forms. This information was entered into an Excel spread sheet for analysis and is provided in Appendix

I, Table I-1. Information related to the rental of the Pool and Racquetball Complex is discussed in the Aquatic/Racquetball Facility section of this report. The rental of the parks and facilities was largely related to weddings, birthday parties, family or company picnics, company parties, high school reunions, or photography.

Fees vary depending upon resident or non-resident status, private or public event, non-profit or for-profit activity, as well as the facility or park being rented. For example, fees for gazebos 1 and 5 located at Veteran's Memorial Splash Park are double the fees for gazebos 2, 3, and 4. Gazebos 1 and 5 are also larger than gazebos 2, 3, and 4 and may provide a better vantage point to the splash park facility. Fees are only charged for use of these gazebos from May 1 through September 31, during the time that the Splash Park is operational.

Monthly revenue data from Parks and Recreation activities (including adult and youth sports, special events, EBAY sales, etc.) for calendar year 2006 was obtained from the City's proposed fiscal year 2007/2008 budget sheets (see Appendix I, Table I-2). Revenue data pertaining to adult and youth sports and facility rentals were felt to best represent the use of the parks and facilities listed in Table 1 and were extracted and used for comparative purposes (see Appendix I, Table I-3).

Utility costs are included in the Public Works Department's budget and are not considered in the Parks and Recreation current fee schedule. To get an idea of what water and power use costs were for the various facilities and parks, meter readings for both were obtained. Meter data that could be tied to a specific park or facility was included in the assessment of costs. Monthly costs are provided in Appendix I, Tables I-4 and I-5.

Once entered into the spreadsheet, the data was manipulated based upon days of the month rented for each year (2005 and 2006) and revenue generated per month or year (see Appendix I, Tables I-6, I-7, I-8, and I-9). Without having more than two years worth of data it was hard to determine use trends. Figures 2 and 3 show the days rented per month for 2005 and 2006, respectively. By plotting the data the difference in overall facility and park rental between the two years is very apparent. The number of days rented ranged from 0 to 12 days per month for 2005 and from 0 to 7 days per month for 2006 with Hemenway Park, the multi-use building, and gazebos 1 and 5 being the most heavily rented park or facilities for both years. Annual rental revenues for 2005 and 2006 ranged from \$0 to \$888 and from \$0 to \$700, respectively. Monthly and annual revenue data is graphically presented in Appendix I, Figures I-1, I-2, I-3, and I-4.

Figure 2. Park and facility 2005 monthly rental information.

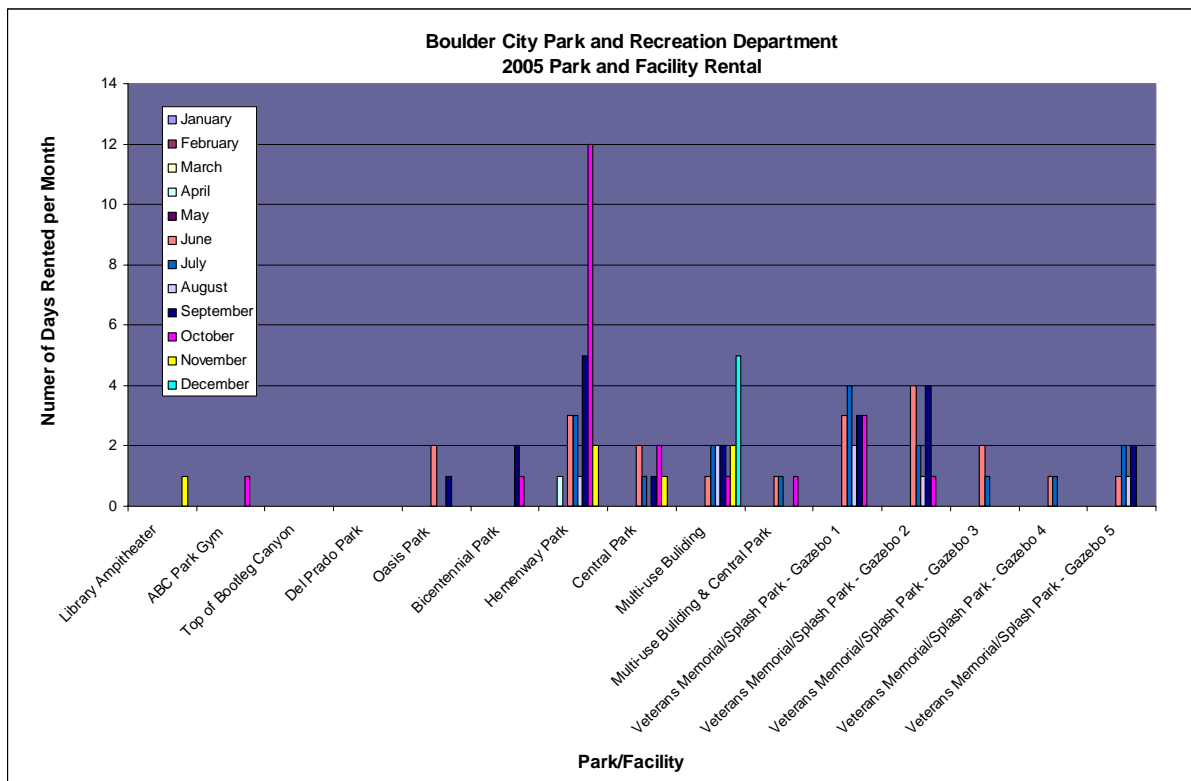
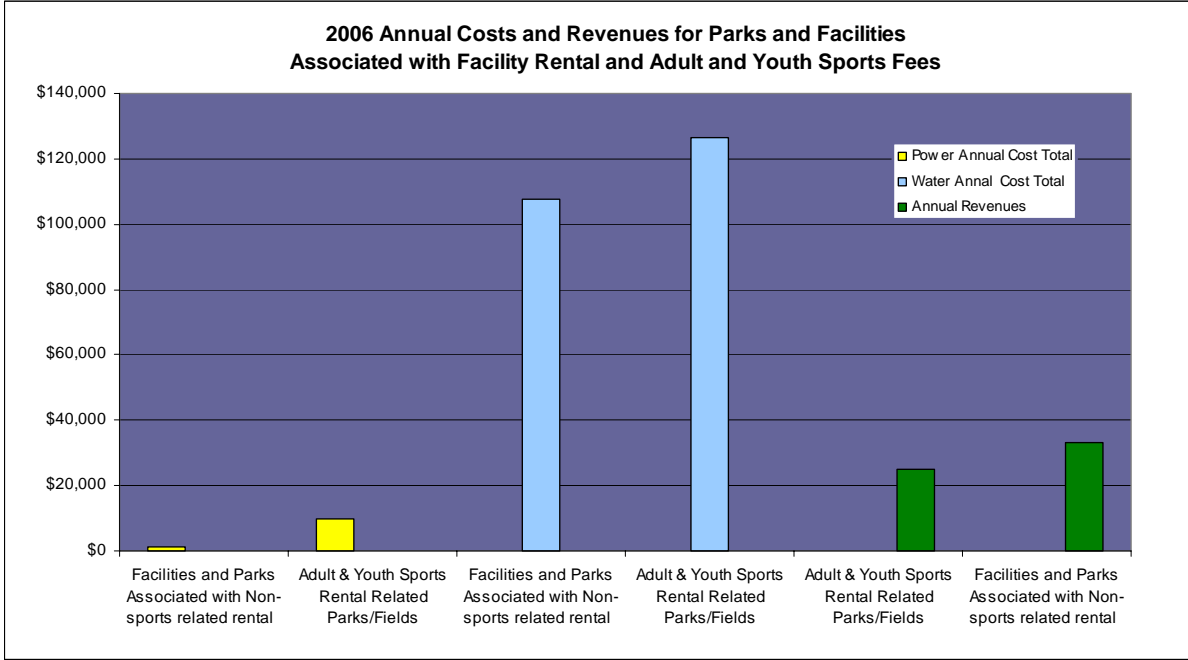
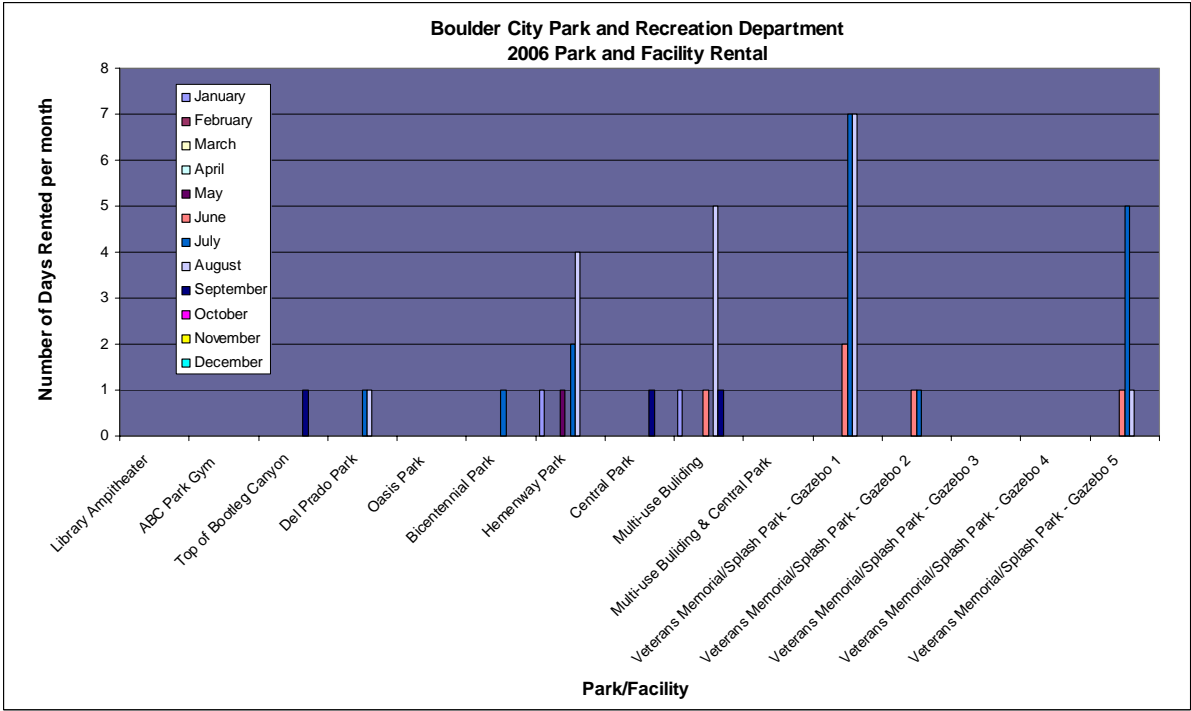


Figure 3. Park and facility 2006 monthly rental information.



Park and facility rental revenues and water and power costs are shown in Figure 4. As expected, revenues generated do not come close to covering utility costs; however, it is important to note that the utility costs are for the entire year and should be weighted

Figure 4. 2006 Annual costs and revenues associated with park and facility rental.



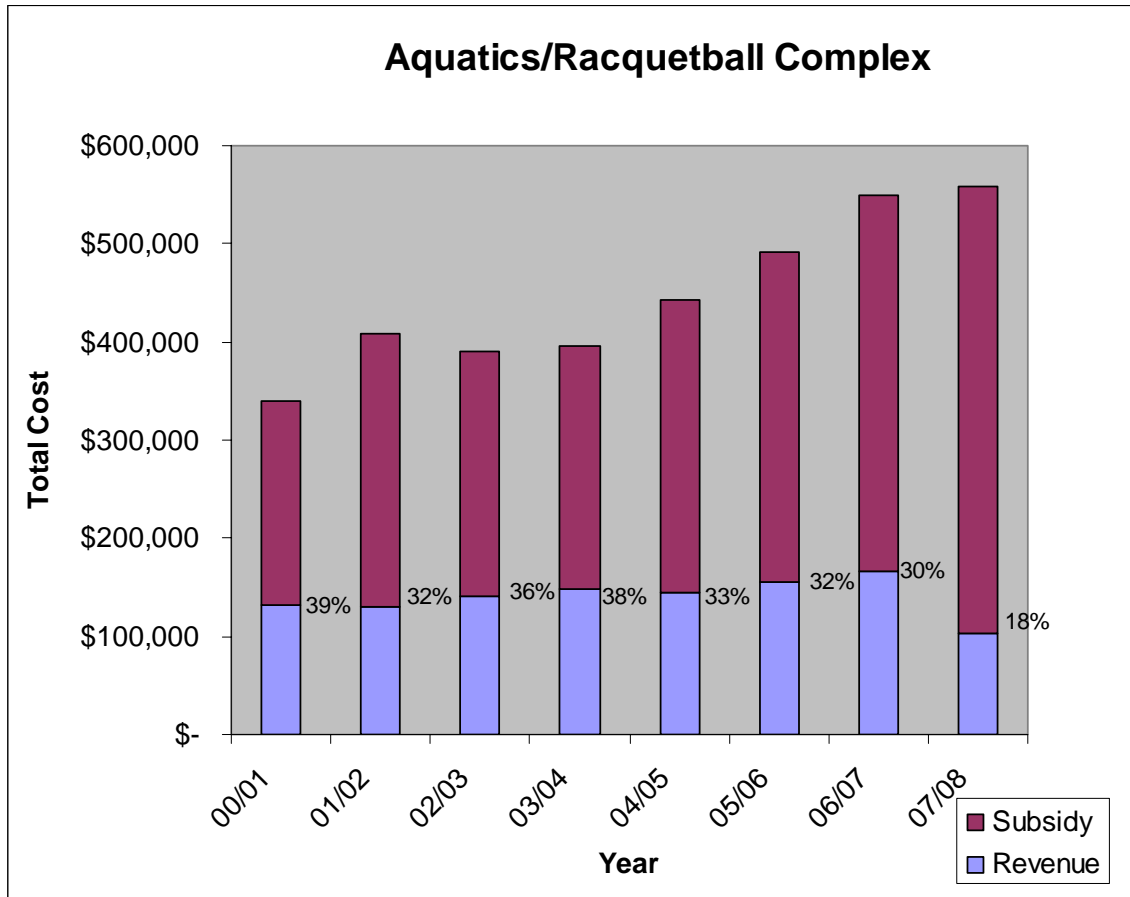
according to park and facility rental use to better capture costs per park or facility rental. Other costs not captured here are custodial costs per park and facility. Custodial costs are paid for through the Parks and Recreation budget; however, they are not identified per park or facility. By identifying utility and custodial costs per park and facility, the Parks and Recreation Department can more accurately track the costs of park and facility rental. This information could then be considered when making decisions related to user fees.

Aquatic/Racquetball Facility

The City of Boulder City adopted a revenue ordinance related to the aquatic/racquetball facility in 2001 (Appendix J). At that time, the city was subsidizing the aquatic/racquetball facility about \$250,000 from the general fund, an amount considered politically acceptable.

Figure 5 shows the percentage of total Parks and Recreation costs recovered by the revenue generated at the facility for each fiscal year. This data was obtained from various years of budget data supplied by the city. The percentage has been slowly declining as the cost to operate the facility has increased over time and the revenue generated has stayed fairly level. The acceptable amount of subsidy in early 2001 was 39 percent. Clearly with the current fee schedule and the total costs for operation of the facility increasing the rate of revenue recovery does not provide the same percentage of subsidy as originally considered when the ordinance was put in place. Two scenarios could be considered, a plan to reduce the total cost of operation and the increase of specific fees related to the aquatic/racquetball facility.

Figure 5. Percent costs recovered by revenue generated for the Aquatics/Racquetball Complex.



Inflation Rates

The Parks and Recreation Director requested we analyze the potential for using the Consumer Price Index (CPI) in a revenue policy to annually establish the user fees.

The inflation rate is calculated from the Consumer Price Index which is compiled by the Bureau of Labor Statistics and is based upon a 1982 Base of 100. A CPI of 195 indicates 95 percent inflation since 1982, the commonly quoted inflation rate of say 3 percent is actually the change in the Consumer Price Index from a year earlier (McMahon, 2007).

To analyze the user fees based on the inflation rate, the average inflation rate from 1996 through 2005 was assumed to start in 2008. The youth soccer user fee for the fall of

2007 of \$32 was the starting point. The results, shown in Table 3 and Figure 6 below, using inflation rates would increase the user fee by about \$1 per year.

Table 3. Youth Soccer User Fee with Inflation

Year	Cost of Youth Soccer	Historical Average Inflation Rate	Historical Inflation Rate Year
2007	\$32		
2008	\$33	2.93	1996
2009	\$34	2.34	1997
2010	\$34	1.55	1998
2011	\$35	2.19	1999
2012	\$36	3.38	2000
2013	\$37	2.83	2001
2014	\$38	1.59	2002
2015	\$39	2.27	2003
2016	\$40	2.68	2004
2017	\$41	3.39	2005

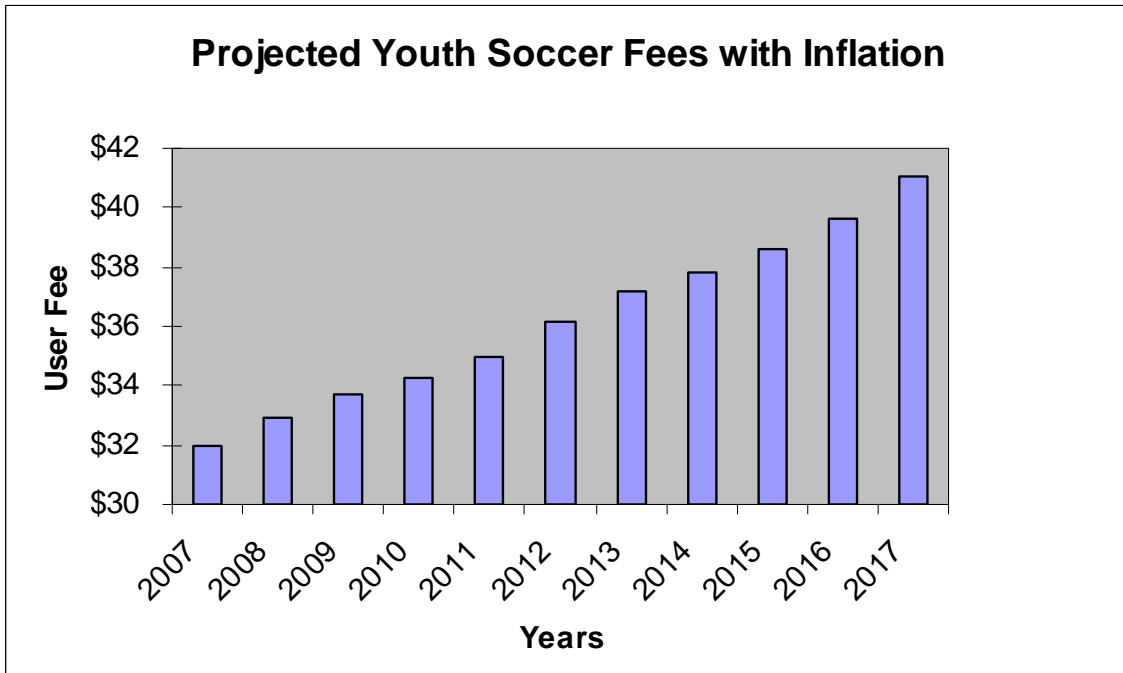
Reducing Subsidies

Besides the use of the CPI to increase fees to offset subsidies, in the case of youth soccer, the City Manager and Parks and Recreation Director could look to increase fees greater than the CPI for the next five years to make up for the gap between subsidies and revenue and then level out fee increases after that with annual CPI increases or as needed.

A variety of ideas were found in various revenue policies to create market incentives to increase user fees. Charging higher fees for non-residents is a common method in other municipalities to derive additional income. In some areas this is advertised as a discount for residents after showing proof of residency.

Early Bird discounts or late fee user fee increases are used in some areas. The early bird discounts (i.e. reduced rates up to two weeks prior to the start of a special program or sporting activity) have some advantages of giving the incentive for citizens to register early. This may help to increase numbers of participants.

Figure 6. Projected youth soccer fees with inflation.



Charging higher facility use fees for heavy use periods is also a way to increase revenue.

Some municipalities create partnerships with businesses and corporations for donations to improve facilities and programs. Others obtain benefits from volunteers and organizations to volunteer for clean-up or facility improvement efforts. For effective use of volunteers a volunteer coordinator, either a paid staff or volunteer, would likely need to be utilized to ensure proper notification and communication with individuals and organizations regarding the needs of the city.

Recommendations

Accounting for Costs

To determine the total costs of a park or facility, an accounting system that cross department boundaries, should be developed that tracks the Cities direct and indirect costs by each park or facility. This would provide more complete information to the City to determine the amount of subsidies based on how much the general community benefits, as well as, necessary adjustments to the Parks and Recreation fee schedule.

Revenue Policy

The city could benefit from having a revenue policy that clearly defines how much of the user fees would recover direct and indirect costs. The city could look into classifying their programs as shown in the “Pyramid Model” and then at developing a policy based on a percentage recovery of costs based on park, facility, or program classification. As quoted in the book *Management of Park and Recreation Agencies*, “A manager must find ways to increase organization flexibility to adapt to changing demands” (2005, p. 6). To assist in such flexibility, it is recommended that the City Council adopt the revenue policy with cost recovery strategies allowing the Director of the Parks and Recreation Department and the City Manager to set specific fee schedules each year. This would allow for greater flexibility in recovering costs by allowing user fees to be increased as needed.

Internet Registration System

Developing an internet registration system on which citizens can access information regarding activities and facilities would allow for on-line registration. Internet registration would allow 24-hour access to rent facilities and sign-up for activities. Phone registrations using credit cards could also be utilized. Citizens would not need to go in person to the

administrative office to register. On-line registration would also allow for improved tracking and reporting methods of registration data. This would allow for additional analysis of the data to analyze for various trends. Cities with good examples of on-line internet registration are shown in Appendix L. The City could include the Boulder City Parks and Recreation map (Appendix A) with hot links to each park and facility which would provide photos of the facility or park, a calendar of events and/or availability, etc.

Fee Structure Incentives

Ideas for a variety of fee structures include increased costs for non-residents. It appears to be common for cities to have a policy that charges non-residents more user fees since they do not pay any taxes into a cities general fund for support of parks and recreation facilities.

Other incentives could include reduced rates for signing up early (i.e. two weeks prior to the start of a class) for various special interest programs and youth and adult sports. This could induce more participants in programs.

Heavy use periods for specific facilities could warrant higher fees. Analysis of the data in the database from the internet registration could be analyzed to determine these time periods.

Future Study Recommendations

Generating data into an automated system through the on-line internet process (that is also used for office registrants) would allow for greater ease in additional analysis that may be useful to the City. Future UNLV Masters projects or Boulder City analysis could provide for more in-depth program evaluations with this valuable data. Additional trend analysis to determine frequency of use of facilities, as well as trends in special programs or adult and

youth sports could be valuable for setting future user fees. Once the revenue policy has been implemented a Masters project could be to evaluate the effectiveness and efficiency of the policy.

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Appendix 1

Parks and Recreation Department Scholarship Assistance Guidelines

There may be instances, due to limited income, where residents of the City of Two Rivers are unable to participate in Parks and Recreation Department programs. In an attempt to alleviate this situation, the following procedures will be utilized for scholarships.

1. Scholarships are available to all individuals and families in some recreation programs.
2. Scholarships will be figured on a sliding scale. The amount given for a qualifying scholarship will be 50% or 100% of the cost of the program and qualification is based on reduced rate school lunch program. Verification of minimum requirements is required.
3. If someone is having a difficult time making payments for a program, arrangements will be made for a manageable payment schedule. People, who abuse this privilege by not paying, or not making legitimate attempts to pay, will not be allowed the chance for a scholarship for two years.
4. Scholarships are available for most **non-contracted** instructional programs.
5. Adult league team fees are exempt from scholarship consideration.
6. Programs or services with a cost of less than \$10.00 per participant and any items for resale are exempt from scholarship consideration.
7. Applications for scholarship assistance will be accepted at any time and must be submitted annually. Approval will be based on the information contained on the application. Upon request, applicant (s) shall be required to substantiate qualifications to reduced lunch program. Letter confirming status from school official is adequate.
8. Applicants are guaranteed that their personal finances will not be discussed outside the department management. It is the primary responsibility of the P&R Director to maintain a strict level of privacy about the applicant's financial status. Class instructors and program leaders will not be informed of participant's scholarship status.
9. All requests for scholarships shall be approved or denied by the P&R Director.



SCHOLARSHIP POLICY SENIOR CENTER

Fees are critical to the success of many programs. The Two Rivers Senior Center recognizes that not all participants have the financial resources available to participate in some of the fee activities at the Center. The Two Rivers Senior Center shall provide scholarship opportunities for those who prove financial need.

Scholarships shall be available for up to one-half of the cost of the program for the following:

1. Memberships (not more than an annual amount of \$500 per year)
2. Program Fees-educational and recreational classes and events (not more than an annual, cumulative amount of \$250 per year)
3. Day Trips (not more than the average of one scholarship trip per day trip)

Funding for these scholarships shall come from money which has been raised by the members of the Two Rivers Senior Center. If enough money has not been raised to support the scholarship program, scholarships will be temporarily suspended.

The Senior Center Supervisor shall make the determination as to eligibility for the scholarships based on financial need.

Financial need is not a measure for the Title III (Nutrition Program) programs, where donations are voluntary.

Appendix 2

Wisconsin's Tax and Spending "Myth"

By Craig Maher

Assistant Professor, Political Science, University of Wisconsin Oshkosh

A major reason state lawmakers have been unable to solve the state's budget woes is the overriding concern they have about constituent reaction to higher taxes.

But while Wisconsin ranks high among states in total taxes, state and local government spending in the state ranks much lower.

U.S. Census data shows that Wisconsin ranked third among all states in terms of taxes per \$1,000 of personal income in 1998-99.

But the same data used to rank taxes does not support the assertion that Wisconsin is a "big-spender." In 1998-99, Wisconsin ranked 20th in state and local direct general expenditures.

Only Wisconsin's spending on K-12 education was higher than it was in most other states. In 1998-99, Wisconsin spent \$55.21 per \$1,000 of personal income on K-12 education – sixth among all states. The national median for spending on K-12 education was \$47.25 per \$1,000 of personal income.

Between 1992-93 and 1998-99, state and local government spending in Wisconsin dropped from \$224 per \$1,000 of personal income to \$205 in 1998-99. Spending dropped in every category except health (\$6.56 to \$6.62), corrections (\$5.56 to \$6.76) and parks and recreation (\$3.35 to \$3.59).

On the other hand, spending rankings in Wisconsin dropped in higher education (down from 9th to 19th), public welfare (10th to 19th) and natural resources (8th to 27th).

Wisconsin's state and local spending in general dropped from 13th in 1992-93 to 20th in 1998-99.

How can Wisconsin be both a "high-tax" state and an average spender? Because we get less revenue than many other states from sources such as the federal government and user fees.

When compared to other states, Wisconsin has historically relied more heavily on taxes than user fees and charges (ranked 30th among states in 1998-99), and federal aids (ranked 35th).

Take the gas tax versus auto registration fees. Wisconsin ranks near the top in per-gallon gas taxation, but it ranks near the bottom in auto registration fees. Combined, the state ranks in the middle of the pack.

The current budget debate in Wisconsin is not taking place in the proper context. The assumption that since Wisconsin is a high-tax state it is also a big spender is not supported by data from the U.S. Census.

In fact, state and local spending relative to income has dropped since 1992-93.

State and local government is not "bloated," as some have argued. Cuts proposed for state agencies, the UW System and local governments raise serious questions about what this will mean for the quality of services provided taxpayers.

Another question that the budget debate should bring into focus is our reliance on taxes rather than user fees and charges. As we focus on cutting taxes, local governments in particular will look more closely at user fees instead of taxes to raise the money needed to provide services such as garbage removal.

Since user fees amount to a flat charge on every user, they fall harder on people who are less well off.

Whatever direction the current budget debate takes, it's important that all the facts are laid on the table first. When those facts are placed on the table, it's clear that while Wisconsin may be a high-tax state, it is not a high-spending state.

Maybe it's time we begin discussing the merits of moving to a greater reliance on user fees in an effort to "control" taxes, rather than lowering the quality of services such as education and local government service in a way that may harm our future ability to attract new businesses and help the state's economy grow in the years ahead.

Appendix 3

Determination of Program Fees from Cost-based Pricing (Staff Use)

The following tasks are the guidelines to establish fees for programs and services:

Task 1: Determine Direct Costs.

Direct Costs are costs, which if the program or service were not offered, would not be expended. Specific P&R direct cost line items include but are not limited to:

- Salaries and benefits (FICA, Medicaid = wage + 8%) of the PT staff involved directly with the program/service.
 - This does NOT include administration time of clerks, Rec Supervisors, Director, etc.
- Other Professional Services
- Food & Beverages
- Materials, Equipment, Supplies, etc.
- Building Rent if not owned by city

Task 2: Multiply the Total Direct Costs by the Program Classification Percentage.

<u>Program Classification</u>	<u>Percentage</u>
Adult Programs	90% - 100+%
Youth Programs	50% - 75%
Special Events	0% - 25%

Task 3: Divide by the Minimum Number of Expected Participants. Staff should be able to justify programs that do not meet program minimums.

Example: Adult Bocce Tournament
 \$156 (direct costs) X 90% (adult programs) ÷ 14 participants = \$10

Task 4: Include sales tax in the price, when applicable. Current tax rates are 5% and paid to the state.

Example: To determine RESIDENT FEE for Adult Bocce for full cost recovery is = \$10.
Multiply \$10 by 1.05 = \$10.50 Resident Fee

To determine NON RESIDENT FEE for Adult Bocce with a resident fee of \$10;

Multiply \$10 by 1.50 = \$15.00

To determine SALES TAX for NR fees Multiply \$15 by 1.05 = \$15.75 (round to the nearest quarter.)

The Adult Bocce fees with sales tax are \$10.50 for Residents and \$15.75 for Non Residents.

Appendix 4
SUBJECT TO CHANGE



CONCESSION 2002 Pricelist
A Parks & Recreation Program

Bottled Soda - 20 oz Mello Yellow, Coke, Diet Coke, Cherry Coke, Vanilla Coke, Sprite, Lemonade	\$1.25
Bottled Water - 20 oz	\$1.25
Slushy - 16 oz cup Cherry, Blue Raspberry, Orange Watermelon Lemon Lime	\$2.00
Iced Latte French Vanilla or Mocha	\$2.00
Cocoa/Coffee - 12 oz cup Instant Hot Beverages	50¢
Candy All candy	75¢
Pizza (1 SLICE)	\$1.50
Wiener (Hillshire Farms)	\$1.50
Nachos w/Cheese	\$1.50
Extra Cheese	50¢
Pretzel w/Sauce Cheese, Marinara or Ranch	\$1.50
Breadsticks (2) w/Sauce Cheese, Marinara or Ranch	\$1.50
Popcorn	50¢
Peanut Buster Parfait	\$1.50
Dilly Bar (Dairy Queen)	\$1.00
Ice Cream Sandwich (Dairy Queen)	\$1.00

Appendix 5

Two Rivers Parks & Recreation Department

Schedule of Fees and Charges

COMMUNITY HOUSE

Pre-Payment Policy: All regular room rentals must be paid at the time of reservation.

Reservation Time Table:

Regular room rentals - Not more than one (1) year in advance.

Special Events - All special events or activities approved by the Director of Parks & Recreation to be reserved not more than 15 months in advance including a renewal. "First Right of Refusal" clause.

Refund Policy: All regular room rentals will be refunded in full if reservation is canceled more than ten (10) calendar days in advance. Cancellations within ten (10) calendar days will require the Parks and Recreation Department to retain a \$10.00 processing fee, with the balance being refunded.

Community House Rentals **RESIDENT** **NON-RESIDENT**

Reservation times should include set up, clean up and take down. If set up, clean up and takes down services are provided by City staff, fees will be billed at an hourly rate of \$12.00 per person per hour.

NOTE: Applicable sales tax will be applied to all reservations, rentals, memberships and / or other charges.

Room 105	\$10.00 / hr.	\$20.00 / hr.
Room 106	8.25 / hr.	16.50 / hr.
Kitchen Charge (charge per day)	20.00 / hr.	40.00 / hr.
Banquet Room	8.25 / hr.	16.50 / hr.
Lobby	8.25 / hr.	16.50 / hr.
Gymnasium	9.00 / hr.	18.00 / hr.
Volleyball (set up / take down charge)	5.00 / hr.	10.00 / hr.
Concession Area (per event)	50.00 / event	100.00 / per event
Racquetball Court	2.00 / hr. per person	2.00 / hr. per person
Racquetball Court Annual Membership	60.00 / per person	
Exercise Room	2.00 / per person	2.00 / per person
Exercise Room Annual Membership	60.00 / per person	
P.A. Charge: (Includes set up & takes down)	25.00/day	50.00/day

PLUS \$100 deposit to be held in case of any damage. Check will be returned once equipment is returned and checked for damage. If repairs are needed, fee will be taken from the deposit and excess returned or additional cost billed.

Audio Visual Equipment (Available ONLY for Community House / Senior Center Scheduling)

Overhead Projector	5.00 / per event	10.00 / per event
Slide Projector	5.00 / per event	10.00 / per event
TV / VCR	10.00 / per event	20.00 / per event

(NO AUDIO VISUAL EQUIPMENT AVAILABLE OUTSIDE OF THE BUILDING)

Santa Suit Rental	6.00 / per day	10.00 / per day
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PARKS AND PLAYFIELDS

Pre-Payment Policy: All regular park shelter rentals must be paid at the time of reservation.

Reservation Time Table:

Park Shelters – Reservations can start December 1st for the following year.

Special Events - All special events or activities approved by the Director of Parks & Recreation can be reserved 15 months in advance including a renewal. “First Right of Refusal” clause.

Refund Policy: All regular park shelter rentals will be refunded in full if reservation is canceled more than ten (10) calendar days in advance. Cancellations within ten (10) calendar days will require the Parks and Recreation Department to retain a \$10.00 processing fee, with the balance being refunded.

<u>Parks and Fields</u>	<u>RESIDENT</u>	<u>NON-RESIDENT</u>
Available Patios - Neshotah New, Neshotah Jaycee, Neshotah Beach Shelter, Zander, Walsh, Vets		
Park Patios:		
Weekdays	\$18.00 / each	\$36.00 / each
Weekends	22.00 / each	44.00 / each
Fields	5.50 / hr.	11.00 / hr.
Field Lighting Charge	8.00 / hr. / per field	16.00 / hr. / per field
Field Lining charged on individual basis		
Set up, clean up and take down and other services provided by City staff will be billed at an hourly rate of \$12.00 per person per hour.		
Picnic tables delivered	5.50 / each	10.00 / each
(For Special Events to City Parks on a table availability basis only.)		
Additional Electrical Service (Neshotah)	\$25 + \$25 = \$50 / per event	\$50 + \$50 = \$100 / per event
(rental fee + deposit / per event)	(rental fee + deposit / per event)	(rental fee + deposit / per event)
P.A. Charge - Park Site	25.00 / per day plus \$100 deposit	50.00 / per day plus \$100 deposit
(Includes set up and take down)		

NOTE: Applicable sales tax will be applied to all reservations, rentals, memberships and / or other charges.

Appendix 6

TWO RIVERS PARKS & RECREATION DEPARTMENT TOURNAMENT/FIELD APPLICATION

LOCATION _____ DATES _____

SPONSORING GROUP _____

CONTACT PERSON _____

ADDRESS _____ HOME PHONE _____ WORK PHONE _____

FEES: Field, lights, concession, field and cleaning supplies, and equipment needed to run the tournament -
The sponsor pays by session - \$50.00 each session (Minimum fee of \$250.00 for all tournaments)

Friday 5-10 PM (one session) Sunday 8 AM-Noon (one session)
Saturday 8AM-Noon (one session) Sunday Noon-5 PM (one session)
Saturday Noon-5 PM (one session) Sunday 5-10 PM (one session)
Saturday 5-10 PM (one session)

Note: Field prep time and field clean up time will be included in the sessions needed.

A SECURITY DEPOSIT OF \$50.00 WILL BE REQUIRED PRIOR TO KEYS BEING ISSUED. This will be deducted from the total payment, provided everything is left in a condition equal to or better than when the tournament begins.

SPECIFICS OF OPERATION

A. The City will prepare the fields Friday, Saturday, and Sunday prior to league play, but if rain prevents the fields from being prepared prior to Friday, 2:30 PM or Saturday/Sunday, 8 AM or rain arrives after that point, the preparation (not including field dragging) or cancellation is the responsibility of the sponsoring group.

Equipment for field prep - rakes, shovels, and diamond dry will be provided. No vehicles are to be used on the field(s) or fill to be added or removed. Field prep on any day due to rain delays will be the tournament sponsor's responsibility to meet with Department staff (Friday, 2:30 PM, Saturday/Sunday, 8AM) to work out schedule for field workup by City Staff and vehicles. It will be the sponsor's responsibility to rake, apply diamond dry, sweep water, or whatever is needed before the Park and Recreation Dept. staff drags field.

Snow fence - "Sponsoring" group is responsible for putting up and taking down of snow fencing. Rec. Dept. staff will be responsible for having fence at the field.

B. Clean up - Department personnel is responsible for the cleaning of restrooms prior to tournament's first game each day. The sponsoring group will be responsible for the up keep of the grounds, press boxes, and restrooms before, during and after each game.
Sponsors will provide dumpster for refuse and is responsible for emptying garbage cans every day.

Garbage Disposal - Removal of garbage on a daily basis will be the responsibility of the sponsoring group.

C. Concession Stand - The operation and cleaning of the concession area will be the responsibility of the sponsoring groups. This includes cleaning of all cooking facilities and disposal of all grease, waste, and garbage. If beer is to be sold, a Class B license must be applied for at the City Clerk's office, 1717 E. Park Street. Please do this one-month in advance of the event to assure proper confirmation.

WE HEREBY AGREE TO THE CONDITIONS LISTED ABOVE AND WILL COMPLY ACCORDINGLY.

Signature _____

Date _____

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