

GRAND JUNCTION CITY COUNCIL
ADDITIONAL WORKSHOP
APRIL 3, 2006, 11:30 A.M.
ADMINISTRATIVE CONFERENCE ROOM
2ND FLOOR, CITY HALL
250 N. 5TH STREET

11:30 a.m. **Parks and Recreation Fees:** Joe Stevens, Parks and Recreation Director, will present information regarding resident versus non-resident recreation fees. [Attach 1](#)

**Attach 1
Recreation Fees**

CITY OF GRAND JUNCTION

CITY COUNCIL AGENDA						
Subject	Standardized Fees & Charges Policy					
Meeting Date	April 3, 2006					
Date Prepared	March 23, 2006				File #	
Author	Joe Stevens			Parks & Recreation Director		
Presenter Name	Joe Stevens			Parks & Recreation Director		
Report results back to Council		No	X	Yes	When	
Citizen Presentation		Yes	X	No	Name	
X	Workshop		Formal Agenda		Consent	X Individual Consideration

Summary: On December 7, 2005 City Council adopted 2006-2007 Fees & Charges for the Parks & Recreation Department. Since City Council adopted the Fees & Charges resolution, City Council reserved the right and opportunity to re-visit resident discounts and referred the matter to the Parks & Recreation Advisory Board for additional consideration. The Parks & Recreation Advisory Board reviewed their initial recommendation and has again recommended that the City Council make no changes to the resident/non-resident fee and charges structure in the Parks & Recreation Department. Their recommendation was based, in part, on City residents having to pay an additional sales tax on major purchases (e.g. autos, appliances, furniture) and a desire to see the County participate financially in supporting recreation programs that benefit residents that reside in the County but not in the City. The Parks & Recreation Advisory Board did not believe it appropriate or fair for City residents to subsidize County participation in City recreation programs.

Most recently the City Manager, at City Council's direction, broached the subject of again discussing one standardized fee structure for participants in recreation programs. If City Council wishes to amend the current fees & charges structure, it is recommended that the effective date be January 1, 2007. Current policy identifies a 50%-70% cost recovery for most youth recreation programs and 100% cost recovery for most adult programs and golf courses. If City Council wishes to maintain the current cost recovery ratio, resident and non-resident fees will have to be blended and/or a new funding source(s) will have to be identified for the recreation, aquatics and golf divisions.

Budget: Presently residents generally enjoy a 20% discount over non-residents when registering for most recreation programs with exceptions including aquatic activities at Orchard Mesa Community Center Pool (per agreement with Mesa County), walk-up

swimming at Lincoln Park – Moyer Pool, and daily green fees at Lincoln Park and Tiara Rado Golf Courses. For example, the registration fee for "Biddy Basketball" is currently \$35.00. The City resident fee for "Biddy Basketball" is \$28.00 or is discounted 20%. A non-resident "Flag Football" team currently pays \$525.00 and a resident team currently pays \$420.00.

Options:

1. Adopt one fee structure effective January 1, 2007. The non-resident fee will be eliminated and residents will not receive a 20% discount. The resident discount and the regular fee will be blended. This will result, in most cases, in an average increase, to city residents of approximately \$4.00-\$5.00 more per recreation class and a reduction of approximately \$4.00-\$5.00 for non-city residents. Adult sports leagues will increase an average of \$50.00-\$60.00/team for city residents and decrease by an average \$50.00-\$60.00 for non-city resident teams. In 2007 an unlimited golf season pass will increase \$27.00, from \$311.00 to \$338.00 for city residents, and will decrease \$44.00 for non-city residents.
2. Adopt one fee structure effective January 1, 2007. The resident discount will be extended to every Mesa County resident and will become the standardized fee for all program participants. This alternative is contingent upon Mesa County agreeing to contribute \$50,000 annually, to the City of Grand Junction, and subject to biennial review and adjustment by the County and the City.
3. Adopt the current fees and charges system and eliminate the resident discount effective January 1, 2007.
4. Adopt the existing resident fee, effective January 1, 2007 for all program registrations and eliminate the "non-resident" fee. Under this alternative, the general fund will be required to increase tax support for the recreation division and incur a new tax burden for the golf division. Non-resident golf revenues would decrease an estimated \$14,000 in 2007 and non-resident adult sports revenue would decrease an estimated \$17,350 in 2007.
5. Adopt a two (2) year phase in reducing the non-resident fee by 10% annually and phasing it out entirely on January 1, 2009.
6. Adopt a four (4) year phase in reducing the resident discount 5% annually and phasing it out entirely on January 1, 2011.
7. Do not take any action on the currently adopted fee structure and schedule. Should City Council wish to take under advisement, it is suggested that staff work with the Parks & Recreation Advisory Board and engage focus groups over the next few months and bring their recommendation to City Council on or before October 1, 2007.

Background Information: A fees and charges resident policy preference has been in place for over thirty (30) years and, especially, with sports leagues and golf passes has been a nightmare to effectively administer. It has been suggested that authenticating actual addresses and residency requirements is not dissimilar to trying to halt unlawful immigration. Staff acknowledges that there are issues and in several cases, some of the "honest" perpetrators are caught, but others use work or "significant others" addresses, or phony addresses. One justification for the continued resident discount has been described as an incentive for annexation. In some respects, it has encouraged deception or at least become a contest between staff and the person(s) signing up. The current policy does not encourage team web based registrations because of the department's trust but verify policy on residency.

If resident discounts are eliminated and participation does not decline, revenue will increase. If everyone receives a "resident discount" participation may increase but revenue may not. If the two fees are blended, some facilities, such as the golf course, may exceed current revenue projections. Of course, the Department and City could also see a temporary boycott of facility and program participation, especially by City residents. I suppose one question may be "is the two-tiered fee structure an effective tool today?"

Under a blended scenario and without additional City or County fiscal support, a program like "Biddy Basketball" that has a \$35.00 fee and a \$28.00 non-resident fee will cost all program participants \$31.00 and an adult "Flag Football" team will be charged a standard fee of \$472.00. With regards to golf, the green fee would be the same regardless of residency. An unlimited season ticket is projected to cost \$382.00 for a non-resident in 2007 and \$311.00 for a resident. By blending these two fees, the unlimited season ticket will be \$338.00 in 2007, which would be \$27.00 more than the adopted 2007 resident fee and \$44.00 less than the adopted 2007 non-resident fee. According to survey data, golf would remain a bargain within the Rocky Mountain Region. Regardless, green fees would not be impacted because residents and non-residents currently pay the same fee.

The Parks & Recreation Department's Fees & Charges policy is a smorgasbord of menus designed to best serve the broader community interests. Over the years, the Recreation Division has developed successful scholarship programs and has worked closely with the Mesa County Human Resources Department to integrate service delivery to qualifying individuals and families throughout the Grand Valley. The City has developed a standardized fees & charges system for sport field rentals from Fruita to Palisade and even occasionally to Glenwood Springs and Meeker, along with standardized fees for Two Rivers Convention Center, the Avalon Theatre, park shelters, athletic field light rentals, daily green fees, daily swimming pool admissions, Senior Center activities, Orchard Mesa Community Center Pool and Lincoln Park-Moyer Pool rentals, Barn rentals, etc.

In summary, the Parks & Recreation Department endeavors to try and follow City policy and collected an estimated \$17,350 from adult sports leagues, \$14,000 from golf season ticket sales, and an estimated \$12,000 from general recreation and aquatic programs or a total estimate of \$43,350 via the adopted non-resident Fees & Charges policy in 2005. Grand Junction's residents are the stewards of the amenities that they enjoy and it is staff's responsibility to implement policy. Historically, elected City officials have determined that one of the benefits of "city life" is a 20% resident discount for residents. Should the policy continue as adopted? Should the policy be modified? Should Mesa County be encouraged to contribute \$50,000/annually to help support the recreation programs that are available to all residents of the Grand Valley at the same fee afforded City residents?