

2013 Cost Recovery and Fee Changes

Board of Supervisors

April 16, 2013

Work Session Presentation Summary

BOS Comment	Staff Response/Recommendation
<p>Deferred Maintenance & Facility Depreciation. Is the cost of deferred maintenance and/or facility depreciation included in the cost recovery goals?</p>	<p>Neither the costs of deferred maintenance or facility depreciation are included in the cost recovery targets or rental fees.</p>
<p>Facility Fee. If a facility fee is being collected and so designated, that fee should be held to off-set or pay for facility operations and maintenance and repair and replacement needs. There should be a direct connection between ‘facility fees’ or ‘participant fees’ and their expenditure for this purpose. A protected account could be set up to hold these funds thus ensuring they are available to go back into maintaining facilities. Another possibility could be for revenue over 100% cost recovery being set aside for this purpose. In either case, this is a larger issue that would need to be addressed during the County/department’s budget development.</p>	<p>Staff agrees and will discuss with the Budget Office.</p>
<p>Indirect Costs. Do the cost recovery targets include indirect and repair and replacement costs?</p>	<p>No, the proposed fees and cost recovery targets do not include Parks and Recreation Department’s indirect costs or funding for repair and replacement of facilities and equipment.</p>
<p>Percentage of Alcohol. The percentage of alcohol being proposed (15% of gross with a \$1,000 per day cap) is shortsighted. There are social, public safety, and hard costs associated with the sale and consumption of alcohol. For large events that serve alcohol and have a large number of attendees, the \$1,000 per day cap is a very small return for dealing with the above mentioned costs. It was suggested to stay with the current fee schedule which provides for no daily cap and states 30% of gross alcohol sales shall be paid to the County.</p>	<p>Staff recommends keeping the alcohol percentage at 30% of gross and no cap.</p>
<p>Cost to Rent Chairs. There are two different costs for renting folding chairs. The cost to rent chairs at the amphitheater is \$2 per chair while elsewhere it is \$4 per chair.</p>	<p>Staff recommends changing the \$4 per chair rental to \$2 so that it is consistent throughout the fee schedule.</p>
<p>Private Event Rental Cost for Amphitheater. Proposing a lower fee for private use of the amphitheater is a good idea, however, the lower</p>	<p>Staff recommends lowering the initial rental fee period to 4 hours versus 8.</p>

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<p>fee should be for a shorter period of time – 4 hours instead of the proposed 8 hours of use.</p>	
<p>Race Track Rental. It should be made clear that the cost of race track as being proposed may change based on cost of service deliver and cost recovery targets. As it is currently being presented, one could interpret the fee to be in effect until such time the 2013 Fort Tuthill County Park Master Plan is implemented.</p>	<p>It is not staff’s intent to propose that the fee for renting the race track be in effect until the 2013 Fort Tuthill County Park Master Plan is implemented. A cost analysis and fee evaluation for renting the race track will be conducted every two years per the Cost Recover Policy. Fee adjustments will be proposed as determined by the said evaluation.</p>
<p>Stables. Being that the condition of stalls varies throughout the stables, should the stalls be priced based on their condition?</p>	<p>There are currently two fees for stall rentals. One for covered stalls and a lesser fee for uncovered stalls. As each annual budget permits, staff conducts repairs and improvements to stalls. In order to simplify the reservation system and management of this facility, staff recommends keeping with the existing fees while continuing to make improvements as able.</p>