

<b>Title:</b> Regulatory Policy Parks Department Fees and Cost Recovery Policy	<b>Policy No.</b> Part 6 Management and Use of County Property, Chapter 4, Open Space, Section 3
	<b>Effective Date</b> May 26, 2020
<b>Policy Custodian</b> Parks Department	<b>Adoption/Revision Date</b> May 26, 2020

**Adopting Resolution(s):** CC20-122

**References (Statutes/Resos/Policies):** None

**Purpose:** To establish guidelines for determining fees for programs and services provided by the Parks Department using a cost recovery model.

**Policy:** Fees and Cost Recovery for Programs and Services

A. Definitions

1. Services is defined as the programs and services provided by the Parks Department.
2. Cost Recovery is defined as the amount of revenue generated from fees to offset the expenditures to provide a Service.

B. Cost Recovery Model

The cost recovery model is based on the philosophy that tax funding should be used to support broad community benefit services with low or no fees and cost recovery, while at the other end of the spectrum, individual benefits services should receive little or no tax funding support with higher fees and cost recovery.

C. Establishing Fees and Cost Recovery Based on the Level of Benefit

1. The following categories and criteria shall be used to determine the level of benefit of a Service and evaluate the appropriate level of cost recovery and tax investment:
  - a. Broad Community Benefit – Low or No Cost Recovery/High or Full Tax Investment:
    - o Fees are generally not charged for these Services.
    - o The Service is equally available to everyone in the community with universal access and benefit.
    - o The Service is primarily provided by the public sector.
  - b. Considerable Community Benefit – Partial Cost Recovery/Partial Tax investment
    - o Fees may recover partial cost for those Services.
    - o The Service benefits those who participate but the community at large also benefits.
    - o The Service may be provided by the public sector but may also be provided by the private sector.

- c. Balanced Community/Individual Benefit – Partial Cost Recovery/Partial Tax investment:
  - o Fees may recover approximately half the cost for those Services.
  - o The Service benefits those who participate but the community at large also benefits.
  - o The Service may be provided by the public sector but may also be provided by the private sector.
  
- d. Considerable Individual Benefit – Substantial Cost Recovery/Minimal tax investment:
  - o Fees should recover the substantial cost of a Service benefiting specific groups or individuals.
  - o The individual or group using the Service is the primary beneficiary.
  - o The Service is usually provided by the private sector but may also be provided by the public sector.
  
- e. Mostly Individual Benefit – Full Cost Recovery/No Tax Investment
  - o Fees should recover the full cost or more for a Service in order to subsidize other Services provided to the community or to account for opportunity/displacement costs for offering the Service.
  - o Individuals or groups benefit from the Service and there is little community benefit.
  - o There is excess demand for the Service; therefore, allocation of limited resources is required.
  - o The Service is provided at market price by the private sector.

#### D. Other Considerations

When determining the appropriate level of cost recovery for a Service, other factors may influence fees for services. These factors include, for example, partnership agreements, sponsorships and grants, relative cost to provide the Service (cost per participant), market conditions and service goals that may include reducing fees to encourage participation. Fees may be adjusted to address these and other considerations.

#### E. Program Evaluation

1. On an as-needed basis, but no less than once per year during the annual budget cycle, Fees and Cost Recovery Program will be evaluated to ensure alignment with the County's annual budget process and funding conditions.
2. The fees for Services shall be determined on an annual basis.
3. Periodic resident surveys shall be conducted to help prioritize needs and assess community or individual benefit levels for Services.

#### F. Authorization

1. The Board of County Commissioners authorizes the Parks Director to develop Procedures to implement this Policy.
2. The Board of County Commissioners authorizes the Parks Director to establish fees for Services that are consistent with this Policy.