

2014 Fee Adjustment Process Q & A
FAIRFAX COUNTY PARK AUTHORITY

Q: Why does the Park Authority charge fees?

A: As a part of its mission, the Park Authority offers a broad range of leisure facilities and services desired by those who live in Fairfax County. To support these facilities and services, the Park Authority charges fees that supplement the appropriation received from the County's General Fund.

The Authority's policy of user fees authorizes that "services and facilities supported entirely, or in part, by the Park Authority's Park Revenue Fund may have fees designated and charged, as authorized under the Park Authorities Act, offering a mechanism to increase the availability of programs and services that the General Fund does not provide."

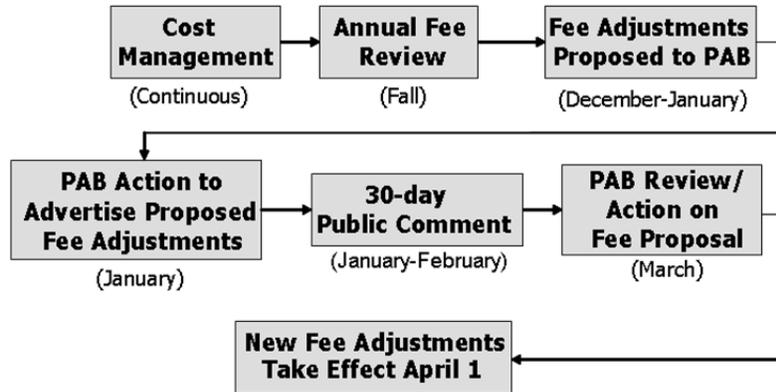
Fee revenues collected by the Park Authority are placed in the Authority's Park Revenue Fund and are used for day-to-day operations of golf courses, RECenters, fee programs and store sales at Resource Management sites, rental facilities, program support at lakefront parks and Revenue Fund support operations. The Park Revenue Fund is managed as a collective enterprise. Its net revenues are used to fund renovation and capital improvements at Revenue Fund sites.

Q: Who can adjust the fees at Fairfax County Park Authority facilities?

A: Staff recommends facility fee adjustments, as needed, after analysis of facility operating and maintenance costs, long term capital repair and replacement needs. Costs and fees are reviewed by staff on a regular basis to minimize fee changes in any one year.

The Fairfax County Park Authority Board (PAB) makes the final decision through approval of the fee schedule, after studying staff recommendations and considering citizen's comments. The Park Authority Director can authorize discounts from approved fees for promotional purposes.

Typically, the PAB considers fee adjustments annually following the process outlined below.



During times of budgetary stress, the PAB also reserves the right to make fee adjustments as needed during other times of the year.

Q: How are fees determined?

A: In general, the Park Authority follows a 4-step process in establishing fees.

1. *Determine the proportion of costs which the price should cover.* Some fees are:
 - a. nominal (don't cover a significant portion of direct operational costs, e.g., carousel rides),
 - b. meant to cover direct operational costs (e.g., RECenter room rentals),
 - c. targeted to cover direct costs plus overhead (e.g., full cost recovery such as RECenter admissions)
 - d. meant to cover direct costs, overhead and some additional marginal cost for future capital needs (e.g., greens fees).

The determination of what degree of cost recovery is appropriate is based on a notion of where a service rests on the continuum of services. Some services are felt to be of general benefit to all and are, therefore, subsidized to some degree. Others are felt to be of benefit only to those who participate. In such instances, full cost recovery is warranted.

Fee adjustments must also keep pace with increases in the cost-of-living and the cost of operations. The Washington-Baltimore consumer price index (CPI) was up 1.5% for the first half of 2013 compared to the same time period the previous year. Cumulative two-year and three-year growth in CPI were 3.7% and 7.0% respectively.

2. *Determine the going rate.* Others offering similar services are surveyed to ensure that Park Authority rates are generally within the range of comparable providers – public and private.

3. *Examine the appropriateness of fee differentials.* Fee differentials are used in a variety of instances including differences based on residency, age, time, quantities purchased and promotional needs.
4. *Consider how patrons will perceive recommended fee changes.* Will patrons feel the recommended fee or fee increase is fair? Is the increase reasonable given costs and market conditions? Will the fee reduce patron participation? Are there alternatives to reduce adverse impacts? Will the service still be perceived as a good value?

Q: Does the Park Authority Board (PAB) pay attention to citizens' comments, or are these changes going to happen no matter what comments are received?

A: The PAB does pay attention to your comments. A 30-day public comment period on the fee proposal runs from January 13, 2014 through February 11, 2014, and a public comment meeting is scheduled for Wednesday, January 29, 2014 at 7:00 p.m. in room 106 of the Herry Building located at 12055 Government Center Parkway in Fairfax, VA. No decision on the proposed fee adjustments will be made until after the PAB has had an opportunity to review public comment. Action on fees is tentatively scheduled for the March 12th PAB meeting, with implementation of fee changes scheduled for April 1, 2014. Written comments are also accepted via letter or e-mail. For details about how to comment in writing see the question "I can't come to the Public Meeting, how can I let the PAB know my views?" below.

Those wishing to register to speak at the public comment meeting should call Judy Pedersen at 703-324-8662.

Directions to the Government Center can be found on the Fairfax County web site at: <http://www.fairfaxcounty.gov/parks/wp-fcpahq.htm#hqmap>

Q: Which fees are included in this list of proposed fee adjustments?

A: Fee adjustments for 2014 are proposed in the following areas:

Golf – In-season and off-season weekday and weekend greens fees (Burke Lake, Jefferson, Oak Marr, Pinecrest, Greendale and Twin Lakes), power cart rental fees (Twin Lakes and Greendale), accessible power cart rental (Jefferson, Pinecrest, Greendale and Twin Lakes), driving range fees (Laurel Hill and Twin Lakes), Twin Lakes Oaks Room facility rental fees;

RECenters – public skating session daily fee – passholders only (Mt. Vernon), indoor swimming pool base rental fees, skate park rental fees (Wakefield and Lake Fairfax), Our Special Harbor Sprayground, non-county group admission (Lee District), gymnasium fees (Spring Hill);

Tennis – court reservation fees;

Lakefront parks – canoe rentals (Lake Fairfax), rowboat rental (Lake Accotink);

Picnic Shelter Reservations – Clemyjontri, Lake Fairfax, Braddock, Burke Lake, Stuart Road;

Business Activity License Fees – language revisions;

Room and Facility Rental Fees – Frying Pan Farm Park, Greens Spring Gardens, nature centers.

Q: Why are fees adjusted?

A: The Park Authority has an obligation to provide public recreation services to the citizens of Fairfax County, so it must ensure the financial stability of its operations. One way to insure this is to require that costs and revenues from operations remain in balance. For example:

- Annual golf course and RECenter operation and maintenance are funded entirely by user fees, not taxes. Fees must be adjusted to insure that operating costs as well as repair and replacement needs can be met.
- Fiscal realities over the past several years have made it impossible to maintain Resource Management facilities solely out of the General Fund (citizens' taxes).
- Extra revenue has funded, and will continue to fund, new programs and services for park patrons.
- In response to Federal health care legislation, the Park Revenue Fund is now responsible for absorbing health care costs for eligible seasonal employees.
- Facilities are aging and renovation/repair needs are increasing. Recent examples of user fee funds being used for facility renovations include spa repairs at Lee District and George Washington RECenters, fitness floor replacement at Audrey Moore and Providence RECenters, ramp repairs at Wakefield Skate Park, mini-golf renovations at Jefferson District Park, partial cart path replacement at Greendale Golf Course and a self-contained on course restroom, upgraded heating/ac unit, competition scoreboard, practice range netting, and course improvements at Laurel Hill Golf Course.

Fee adjustments are proposed to bring fees in line with the cost of providing services, to prevent the Park Authority from undercutting any competitors in the private sector, to provide adequate revenue to maintain the financial health of the Revenue Fund (the repository of user fees) and to provide patrons with affordable recreation services.

Q: When will the fee changes take place?

A: Any fee adjustments approved by the Park Authority Board on March 12, 2014 will take effect on April 1, 2014.

Q: Do fees increase every year?

A: No. Although the fee schedule is reviewed every year, all fees do not necessarily increase annually. Some of the fees that are proposed for adjustment haven't been changed in several years. However, in order to minimize the impact of fee increases on users, the Park Authority Board's adopted Financial Management Plan does advocate employing smaller, more frequent fee adjustments rather than delaying increases for a longer period and then applying larger percentage increases to catch-up to rising costs.

Q: Instead of raising fees, why don't you just cut costs?

A: The Park Authority always looks to minimize cost increases and make programmatic changes before considering fee changes. All divisions regularly monitor their use of seasonal personnel and overtime, for example, as cost cutting initiatives. Fee increases are only considered after cost control measures have been taken in order to maintain the level of quality in service delivery that users expect.

Q: What added benefits will I receive from these adjusted fees?

A: The proposed fee adjustments will help to ensure the stability of the Park Authority's Revenue Fund which finances facilities and programs like golf courses, RECenters, lakefront parks and some services at cultural and historic sites. Revenues obtained from users fees also service the debt on revenue bonds that have been used to fund golf facility and service expansion, including the development of Oak Marr and expansion of Twin Lakes in the 1990s and the development of Laurel Hill in the 2000s. In recent years, the revenue that is generated from user fees has also helped to fund other new service enhancements such as updates to RECenter fitness equipment, bent grass turf conversion at Twin Lakes Golf Course and new aquatic entertainment features at Lake Fairfax's Water Mine. Revenue fund resources also helped the Park Authority retro-fit its pool drain covers to comply with the Virginia Graeme Baker Pool and Spa Safety Act.

Q: I can't come to the Public Meeting, how can I let the PAB know my views?

A: The PAB welcomes written comments (sent via e-mail or letter) received by February 11, 2014.

E-mail comments should be sent to: parkmail@fairfaxcounty.gov

Letters should be addressed to:

Fairfax County Park Authority
12055 Government Center Parkway, Suite #927
Fairfax, Virginia 22035-1118
ATTN: Public Information Office/Fee Comments

Q: How can I get more information?

A: Fee information is posted on the Park Authority's web site at:

<http://www.fairfaxcounty.gov/parks/feemeeting.htm>

Information is also available for review at staffed Park Authority locations, including Park Authority main offices in the Herrity Building, RECenters, golf courses, nature centers and historic sites. Citizen and press inquiries should be made to the Public Information Officer, Judy Pedersen, who can be reached at 703-324-8662.