

Response to Questions on the FY 2011 Budget

Request By: Supervisor Cook

Question: What is the revenue loss due to senior citizen discounts, by program, and what loss of participation would be expected from eliminating or reducing the discount?

Response: The Park Authority and Fairfax CONNECTOR are the only agencies identified as offering specific senior discounts. Other agencies offer senior programs and sliding fees for elderly and disabled depending on income levels.

Park Authority

The Park Authority offers senior discounts for individuals residing in the County and who are ages 65 and older. These seniors receive a discount of 35 percent off at golf courses and off program fees at all Park Authority RECenters, so seniors can take advantage of reduced-cost entrances fees for use of the swimming pool, work out rooms, and group fitness classes. However, it should be noted that the revenue from all these entry fees and programs is deposited in Fund 170, Park Revenue Fund, the fund that supports the related expenditures. The Park Authority establishes fee levels to fully recover all operating costs. Fund 170 is a non-appropriated fund, fully self supporting and there is no transfer of General Fund dollars to this fund. As such, **there is no General Fund subsidy for the senior discount program.**

Seniors represent a significant portion of patrons. A 2007 survey found that approximately 53 percent of responding seniors ages 60 and older use Park Authority RECenters annually. Data for FY 2009 on the number of senior patrons is as follows:

	Number of Seniors
Classes	5,025
RECenter Passes	5,609
Golf Passes	2,115
Seniors Paying Daily Admission to Golf Courses	9,122
Total	21,871

Based on FY 2007 data, it is estimated that approximately \$700,000 in annual revenue is not received due to the discount. While the age and discount rate is currently set at age 65 and a 35 percent discount, this was not always the case. Five years ago, there was a 50 percent discount and 60 year-old age limit, before the Park Authority Board adjusted this rate to a more sustainable level. For FY 2004, prior to the enactment of the five-year plan to reduce the senior discount from 50 percent to the current 35 percent and increase the eligible age from 60 to the current 65, the Park Authority had calculated the annual senior "subsidy" to be \$1.75 million. Each subsequent 5 percent reduction in the discount was estimated to reduce the subsidy by \$175,000 and each one-year increase in the age eligibility was estimated to reduce the subsidy by \$100,000. Now that the five-

year program is fully implemented, the senior subsidy has effectively been reduced by \$1,025,000 annually. The current estimated senior subsidy of approximately \$700,000 represents less than 2 percent of the total revenue of \$38 million in Fund 170.

A further adjustment to lower the discount rate may deter senior use and participation. Since seniors make up a crucial demographic, Park Authority revenues in support of Fund 170, Park Revenue Fund, activities could also be affected.

Fairfax CONNECTOR

Disabled persons and their companions who hold a “no fare” MetroAccess Card ride free on the Fairfax CONNECTOR. Out of environmental concerns, this CONNECTOR policy was implemented to minimize the number of MetroAccess vehicles on the road. In addition, a CONNECTOR senior/disabled fare is offered to any individual with the proper ID. Any senior over the age of 65 qualifies. The CONNECTOR current senior fare of \$0.60 is a discount of \$0.65 from the regular CONNECTOR fare of \$1.25. The senior fare, like all CONNECTOR fares, is aligned with the WMATA fare structure. The CONNECTOR system tracks senior/disabled passengers. In FY 2009, total tracked boardings for the senior/disabled were approximately 240,000 trips, but some of these trips relate to free transfers. Because any given bus trip may involve using free transfers, it is not possible to estimate the revenue loss that relates to this discount.

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