



# **PARKS, RECREATION & CULTURAL SERVICES**

## **FEES & CHARGES**

POLICY  
201

### **Purpose for Fees & Charges**

The purpose of the policy is to establish a set of fees and charges that are fair and equitable for the use of the participation in programs sponsored by the Novi Parks, Recreation and Cultural Services (PRCS) Department. Our professional staff plans and provides a variety of enjoyable and cost effective recreation, sports, environmental, and cultural arts programs and services. We acquire, develop, beautify, conserve, and maintain a system of parks, greenways, and recreation facilities which will assure quality leisure opportunities for all participants.

### **Coverage**

This policy, upon adoption by the Novi Parks, Recreation & Cultural Services Director, shall be applicable to all individuals for the participation in programs conducted by the Parks, Recreation & Cultural Services Department until such time as it is altered, modified, or rescinded by the Commission.

### **Policy**

This Novi Parks, Recreation & Cultural Services Commission hereby establishes the following Parks, Recreation and Cultural Services fees and charges policy:

- I. **Statement of Need:** Due to the demand for services, operating and capital cost, and the amount of available tax revenues, meeting of level of Parks, Recreation & Cultural Services requested by Novi citizens is a continuing challenge. Therefore, it is necessary to develop a sound and consistent policy of fees and charges for PRCS services that are both fair and equitable. This policy will enable PRCS to continue to provide quality recreation programs and make necessary program expansions which would not otherwise be possible.
- II. **Statement of Philosophy:** A sound policy provides the guiding principles for managing fees and charges while maintaining flexibility to accommodate with new programs, changing demographics and circumstances. The following guiding principles provide the foundation for PRCS philosophy for Parks, Recreation & Cultural Services Fees and Charges:
  - A. To efficiently manage operations in order to provide affordable and diversified services to ensure all participants equal opportunities.

- B. To enhance the quality of life for each individual through recreation opportunities.
- C. To provide and maintain facilities for use by the general public.
- D. To provide trained and qualified personnel for supervision and instruction in programs and activities.
- E. To welcome and actively seek public input in planning and evaluating programs and activities.
- F. To provide the opportunity for participants to take part in a variety of programs and activities.
- G. To establish revenue recovery rates that consider market conditions and the cost of providing programs and services.
- H. To be fiscally responsible by utilizing tax dollars, grants, donations, sponsorships, scholarships, etc., in the most fiscally prudent manner possible.

### III. Service Level Definitions:

- A. **Basic Services:** Basic Services tend to preserve and promote physical and mental well-being of the community, provide patron safety, and offer an opportunity for PRCS services, facilities, greenways, and open space to be used by the general public. Typically basic services are available to all on an equal basis and there is little consumptive use of services. Basic services and facilities shall be offered at minimal or no charge.
  - i. Basic Services provide general use of parks and outdoor areas, such as open play areas, picnic areas, playgrounds, greenways, sculptures, and comfort stations. indoor amenities include art exhibits, and free special community events.

#### Criteria for Establishing Fees and Charges for Basic Services

- i. Charging a fee aids in the provision of activities of a special interest nature that extends beyond the normal operation. Basic services will continue to support participant's need with none or minimal charges and not on the propensity to generate revenue for services provided.
- ii. When basic services are used, any fees charged shall be viewed as a method to continue to provide basic services.
- iii. Charging an entry or admission fee to a special event allows for revenues collected to be used in expanding or enhancing the special event.
- iv. Charging fees may also serve as an independent function to ration limited activities and aid in discipline or control.

B. **Supplemental Service:** Supplemental Services provide traditional parks and recreation activities that benefit the individual and the community as a whole. Supplemental services are available to participants on an equitable basis; however, participation is limited based on program and space availability. Supplemental services provide an extended level of benefit for users.

- i. Supplemental Services require facilities, supplies, equipment, and/or considerable staff planning and supervision specific to the service. These types of services benefit both the participant and the community due to their educational, cultural, or physical value.
- ii. Some examples of Supplemental Services include but are not limited to instructional programs, summer day camp, senior programs, teen programs, concerts, performances, and youth/adult athletics programs.
- iii. The user shall share in the cost of providing supplemental services to offset tax dollar support.

#### Criteria for Establishing Fees and Charges for Supplemental Services

- i. The determination to assign a fee for a supplemental service shall be based upon one or more of the following conditions:
  - a. The cost per user hour of the service is higher than basic service.
  - b. The service uses consumable materials.
  - c. The service requires added preparation or clean-up.
  - d. The service requires contracted services or instruction at an additional cost.
  - e. A fee supports the provision of activities of a special interest nature that extends beyond the normal basic service.
  - f. Fees shall be charged to recover supply costs directly related to the supplemental services.
  - g. Use of the service tends to be limited to a relatively few individuals or special interest groups of a private nature. Whenever the benefit to the general citizen population is limited, a fee may be assessed.

C. **Special Services and Facilities:** Special Services and Facilities are beyond the scope of traditional leisure services. They primarily provide exclusive benefit to individuals based on public demand and population served.

- i. Special services include but are not limited to organized tournament, trips, private group programs and other operations.
- ii. Special facilities include but are not limited to reserved areas, picnic shelters, soccer/ball field complexes, and amphitheater.
- iii. Fees and charges are often established based on local market demand.
- iv. Special services and facilities shall recover main costs through fees directly related to the special services.

#### Criteria for Establishing Fees and Charges for Special Services and Facilities

- i. The fees charged for use of public recreation facilities shall be comparable to the market rates and current fees being charged for like services in the local area.
- ii. Identify staffing requirements, costs of materials, supplies, contracted services, other City of Novi departmental support and facility operational expenses.
- iii. Identify any incremental revenues that the Special Service or Special Facility generates beyond normal daily operating revenues and expenses.
- iv. Contract Agreement: Special Services and Facilities which are organized, promoted and conducted by an individual, agency, or any other entity shall require a written Agreement outlining the specific services and the responsibilities of the Parks, Recreation and Cultural Services Department and the Contractor. The Contract Agreement will contain fees and charges computed using the department's Activity Based Costing (ABC) worksheets.
- v. Co-Sponsored Event: Services that are organized, promoted and conducted in part by an outside agency, organization, or individual(s) and are the negotiated responsibilities of both parties as defined by a written Contract Agreement. Any fees assessed to the outside group for facility use shall be established according to the written Contract Agreement.
- vi. Economic Impact: Facilities and Special Services attracting events that generate visitor spending and/or media

exposure, or both such as tournaments and championships is a benefit to both the PRCS Department and local economy.

- vii. Facilities which are classified as special facilities will develop and formulate fees and charges relative to the special facility. Agreements entered into by PRCS for operation of any special facility by a private sector entity will specifically address fees and charges within the agreement.
- viii. Fees and charges shall support other resources available to the Parks, Recreation and Cultural Services Department, not replace them or be used to reduce the City's responsibility to provide public open space and leisure opportunities. They provide a means to continue, and expand as necessary, and the ability to offer, basic, special services and special facilities to citizens. Any surplus revenue from one program may be utilized to offset costs for other programs or activities.

**IV. Rental Fees and Usage:**

- A. Special Facilities, when not in use for department sponsored or City sponsored activities, may be reserved by organizations and the general public in accordance with established policies and procedures, specific to each Special Facility.
- B. When not in use for departmental sponsored or City sponsored activities, designated areas and facilities may be reserved by organizations and the general public in accordance with established policies and procedures.

**V. Special Consideration for Fees and Charges Variances:**

- A. Established fees and charges may be waived or reduced by the Director of Parks, Recreation & Cultural Services if in the Director's judgment it would be in the best interest of the individual(s) or specific program.
- B. Entities or individuals shall not be permitted to use park facilities for financial gain or profit except by waiver or approval in writing of the Director, Parks, Recreation and Cultural Services. Park facilities are designed to serve the general public on a non-profit basis.
- C. Non-residents shall pay an additional non-resident fee for participating in most programs and the park shelter reservation program. These fees shall be assessed to those non-resident individuals who use PRCS services, but make no tax contribution to offset the cost of programs or park shelters. There is a \$5 non-resident parking fee per vehicles for those using the Lakeshore Park facilities.

- D. Consistent with the Department's philosophy of ensuring all citizens equal opportunity to participate in recreation, this policy recognizes that paying fees may result in inequities for certain individuals. Therefore, the Department's policy will recognize the administration of the Novi Parks Foundation Scholarship Fund, to be adhered to according to that entities guide lines.

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**VI. Customer Satisfaction:**

The Parks, Recreation and Cultural Services Department continually strives to provide quality programs for participants. After completion, programs are periodically critiqued utilizing various customer satisfaction surveys, picture pages of participants in the event and comments made regarding the program.

**VII. Alternative Sources of Revenue:**

A. Grants

- i. Employees of the department or city are encouraged to investigate the possibilities of securing a grant or sources of outside funding for department facilities and programs.
- ii. The Director of Parks, Recreation and Cultural Services (PRCS) or their designated representative(s) shall act as the initial contact for all grants and funding sources relative to PRCS.
- iii. All grant applications, donations or alternative funding sources must be approved by the Director as required.

B. Unrealized Revenue for Parks, Recreation and Cultural Services

- i. With proper authorization, solicitations, sponsorships, sales, benefits, donations or gifts, may be received in, during, or as a part of the department's sponsored programs.
- ii. Receipt of any non-programmed or unrealized revenue must be previously approved by the Director.
- iii. Funds collected in any manner during a sponsored program or event shall be handled in accordance with established City or departmental policies and procedures. A clear and definite audit trail for handling all funds must be maintained according to policy and procedures.

**VIII. Computation of Fees and Charges:**

For parks, recreation and cultural services activities offered by the department on a fee basis, fees computed on a percentage basis shall be rounded downward to the nearest dollar when the result ends in .01-.49 and upward to the nearest dollar when the result ends in .50-.99.

**IX. Evaluation of Policy and Fees:**

In January of each year, or at intervals deemed appropriate by the Director, administrative fees and charges for the various programs and related fee schedules shall be reviewed. All recommendations for policy changes or fee adjustments shall be approved by the Parks, Recreation and Cultural Services Commission prior to implementation.

**Adopted by Novi Parks, Recreation & Cultural Services Department:**

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**Director Jason S. Mangum**

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**Date**