 <b>ADMINISTRATIVE PROCEDURE</b>	<b>AP X-XX</b>
	Category: General
<b>TITLE:</b> General Fund Fee-Based Services Pricing and Fees	Departments: PARKS AND RECREATION; NEIGHBORHOOD AND HUMAN SERVICES; ARTS, CULTURE AND LIBRARY SERVICES
	Approved:

A. Purpose

The City of Peoria provides unique and varied General Fund fee-based services to meet the needs of the citizens of Peoria by using creativity, innovative leadership and foresight to maintain fun, safe, cost-effective and diverse offerings and attractive, quality facilities. Per City Council Policy 1-11, it is the desire of the City Council to offer efficient, professional services that improve the quality of life for the residents of Peoria and the community as a whole by:

1. Developing, implementing and maintaining quality services.
2. Providing trained and qualified full-time personnel for supervision and instruction in services.
3. Maintaining responsiveness to citizen input regarding the planning, execution and evaluation of services.

The City provides General Fund fee-based services that are priced competitively in the market. Cost recovery shall be based upon full costs (direct and indirect). User fees and cost recovery will be reviewed and adjusted on an annual basis through the budget process utilizing the Principles of Sound Financial Management (POSFM) adopted by City Council, this Administrative Procedure and in adherence to Council Policy 1-11.

B. Administrative Procedure

1. User fees in this administrative procedure shall be reviewed and adjusted annually to be consistent with the target cost recovery of the service as outlined in Council Policy 1-11 and adjustments will be recommended by the applicable department director.

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2. Changes in General Fund fee recommendations for the City of Peoria will be made as part of the annual budget process. Recommendations for new services will comply with the Pricing Policy Considerations, Pyramid Pricing Model and Cost Recovery Goals referenced herein before the service is instituted.
3. An updated fee schedule will be posted publicly prior to updating the City Code on an as-needed annual basis.
4. Refunds will be managed in adherence with Council Policy 1-11. For payments received by credit or debit card, refunds will be credited to the same account. For payment by cash or check, refunds will take approximately four (4) weeks to process and will be mailed to the address on the registration form. Refund checks will be made payable to the head of household unless otherwise directed. No refunds, credits or transfers will be issued after service has concluded. Department directors reserve discretionary authority for allowable exceptions to this policy.
5. Returned Check Policy: A transaction fee will apply to each returned check.

## C. Definitions

### 1. User Fee

Fees for the use of a facility or participation in an activity or program and include:

- a. Admission Fees - to enter an event or activity open to the public.
- b. Membership Fees - to use the amenities in a venue during open hours.
- c. Rental Fee - for the privilege of exclusive use of property of any kind.

### 2. Direct Costs

All the specific, identifiable expenses or resources associated with providing a service or offering a program. These expenses include, but are not limited to, wages and benefits, contracted services, purchased equipment and supplies, rental of facilities and equipment directly related to the service or program, and fleet related maintenance and supplies.

### 3. Indirect Costs

Department overhead including internal service charges from other departments that are necessary to maintain offices, staff and computers and overall services to the public (e.g. facilities, information technology, insurance reserves). Includes General Fund Service Charges calculated by the Budget

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Office and not appearing in base budgets for divisions in the General Fund. These costs are incurred in joint usage and are typically assigned on a percentage basis using reasonable assumptions.

4. Full Costs

Direct Costs and Indirect Costs. Cost recovery goals are to be based on 100% of the direct costs with variable recovery of indirect costs.

5. Full Cost Fee

A fee that recovers the total cost of a service; or the sum of all direct costs, indirect costs and general fund service charges for that service.

6. Service

Any General Fund fee-based program, amenity or facility provided by the City such as classes, events, activities, sales or rentals.

7. Resident

Any person permanently residing within the corporate limits of the City of Peoria and/or paying property taxes to the City.

8. Non-Resident

Any person permanently residing outside the corporate limits of the City of Peoria and/or not paying property taxes to the City.

9. Youth

Ages 18 and below. Child: under the age of 13. Teen: ages 13 through 18.

10. Adult

Ages 19 and up.

11. Senior

Ages 50 and up (Community Center); ages 62 and up (Rio Vista Recreation Center).

D. Pricing Policy Considerations

When establishing user fees, the Pyramid Pricing Model and Cost Recovery Goals for establishing fees outlined in City Council Policy 1-11 will be taken into consideration.

1. Who benefits from the service – the community in general or only the individual or group receiving the service?

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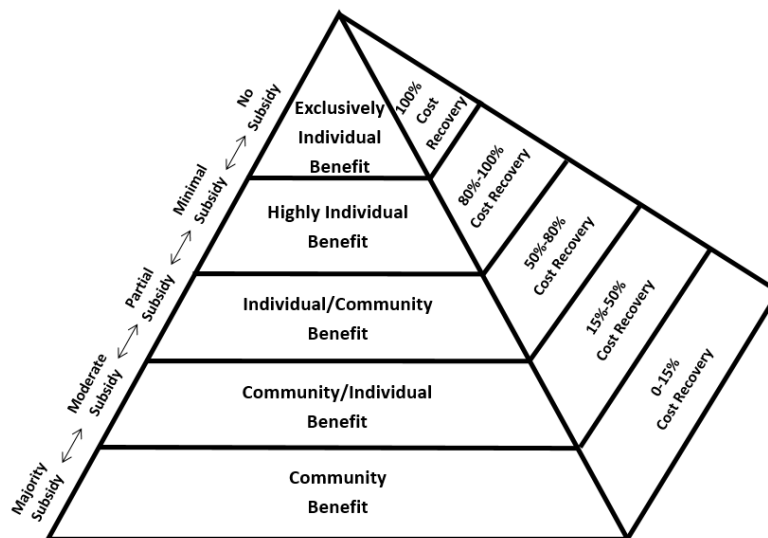
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2. Did the individual or group receiving the service generate the need and therefore the cost of providing the service (e.g., a permitted activity in the park that requires police presence exceeding normal expectations)?
3. Will imposing the full cost fee pose a hardship on specific users? Should this affect the fee set or should there be another avenue for these users to pay the full cost fee (e.g., youth scholarship fund)?
4. What is the cost recovery for individuals with special needs (e.g., people with disabilities or low-income)?
5. Does a cost of service study support the user fee?
6. What are the cost recovery goals relating to the user fee? Do they support establishing the fee at the proposed rate?
7. Will the level of the fee affect the demand for the service?
  - a. Is it possible and desirable to manage demand for a service by changing the level of the fee?
  - b. Are there competing providers of the service in the public or private sector? What does the market data show?

#### E. Pyramid Pricing Model



#### F. Cost Recovery Goals

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1. Annual fee adjustments for services are evaluated and determined during the budget process.
2. Specific programs within each service division may fall within different service categories and recovery ranges, but are also evaluated and determined within the construct of the overall recovery goal of its service division.

<b>Budget Division</b>	<b>Service Category</b>	<b>Pyramid Range</b>	<b>Recovery Goal</b>
Aquatics	Community/Individual	15%-50%	50%
Sports – Youth	Community/Individual	15%-50%	50%
Sports – Adult	Highly Individual	80%-100%	100%
Enrichment – Youth	Individual/Community	50%-80%	80%
Enrichment – Adult	Highly Individual	80%-100%	100%
Rio Vista Recreation Center	Individual/Community	50%-80%	60%
Parks	Community	0%-15%	0%
Senior Programs	Community/Individual	15%-50%	25%
Adaptive Recreation	Community/Individual	15%-50%	25%
Teens	Community/Individual	15%-50%	25%
Community Center	Community	0%-15%	0%
Adult Day Program	Highly Individual	80%-100%	100%
AM/PM	Highly Individual	80%-100%	100%
Little Learners	Highly Individual	80%-100%	100%
Summer Recreation	Community/Individual	15%-50%	40%
Summer Camp	Highly Individual	80%-100%	100%
Outdoor Adventure Rec	Community/Individual	15%-50%	25%
Special Events	Community	0%-15%	15%

APPROVED:

Adopted: \_\_\_/\_\_\_/23, CC# \_\_\_\_\_ [Completed by CMO]