

Resolution No: 15-1286  
Introduced: January 24, 2006  
Adopted: January 24, 2006

**COUNTY COUNCIL  
FOR MONTGOMERY COUNTY, MARYLAND**

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By: County Council

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**SUBJECT:** Executive Regulation 12-05, Department of Recreation Fee Procedure


**Background**

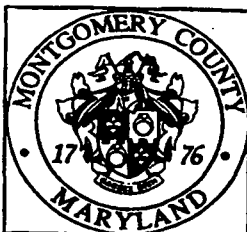
1. On January 4, 2006, the County Council received Executive Regulation 12-05 from the County Executive. This Regulation establishes a procedure for fees for Department of Recreation programs.
2. The Council reviewed the regulation under method (2) of § 2A-15 of the County Code.
3. Under method (2), the regulation takes effect if the Council does not approve or disapprove it within 60 days after the Council receives it.

**Action**

The County Council for Montgomery County, Maryland approves Executive Regulation 12-05.

This is a correct copy of Council action.

  
Linda M. Lauer, Clerk of the Council



# MONTGOMERY COUNTY EXECUTIVE REGULATION

Offices of the County Executive • 101 Monroe Street • Rockville, Maryland 20850

<b>Subject</b> Department of Recreation Fee Procedure	<b>Number</b> 12-05
<b>Originating Department</b> Department of Recreation	<b>Effective Date</b> January 24, 2006

## Montgomery County Regulation on

### DEPARTMENT OF RECREATION FEE PROCEDURE

Issued by: County Executive

Regulation No. 12-05

Authority: Montgomery County Code (1994) Section 41-4

Council Review: Method (2) under Code Section 2A-15

Register Vol. 2.2 No. 4

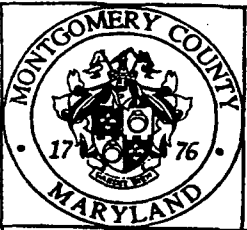
Effective Date: January 24, 2006

Comment Deadline: April 30, 2005

**Summary:** This regulation amends Executive Regulation No. 2-94AM which authorizes the Montgomery County Department of Recreation to establish program and facility fees.

**Staff contact:** Rita Howard  
(240) 777-6810

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12210 Bushey Drive  
Silver Spring, Maryland 20902



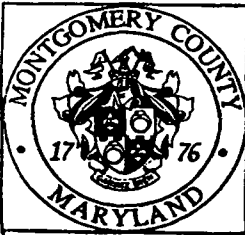
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## 41.10.01.01 Definitions

- 1.1 **COMMUNITY BASED PROGRAMS AND SERVICES** means programs and services reduced in price and utilize tax or other funding support to recover a proportion of costs. These Programs and services are openly available to all residents on an equal basis. Qualification for this category may be one or more of the following:
- Programs/services are not routinely provided by the private sector.
  - Programs/services primary benefit is to the entire community, or a large portion thereof.
  - Programs/services that imposing the full cost recovery would pose a hardship on specific service users.
  - Programs/services that indirectly provide some significant benefit to the community.
- 1.2 **COMPARABLE FEES** means the charges that are being levied by other public or private providers of similar services within the County, nearby jurisdictions, or similar communities.
- 1.3 **COUNCIL/EXECUTIVE INITIATIVES** are programs or services that have been assigned by the County Council or the County Executive.
- 1.4 **DEPARTMENT** means the Department of Recreation.
- 1.5 **DIRECTOR** means the Director of the Department of Recreation or the Director's designee.
- 1.6 **FACILITY** means any space used for a program or service that has a direct operating cost.
- 1.7 **FINANCIAL ASSISTANCE** means a fee reduction or waiver provided to an individual or group for whom the full fee would be a barrier to participation.
- 1.8 **MARKET** means the economic climate which managers consider when comparing themselves to others providing similar services. A **market price** is the prevailing value at which services are provided.
- 1.9 **OPERATING COSTS** means the expenditure the **Department** makes to provide a program or service.
- 1.10 **PARTNERSHIPS** mean programs, services, or facilities jointly sponsored by the **Department** and one or more profit or non-profit corporate entities. A Contract or approved MOU must exist.
- 1.11 **RENTAL** means payment made for the exclusive use of a **facility** or space there-in. **Rental** fees may be charged for specialized use depending on the activity's impact on the **facility**.



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1.12 **SPECIALIZED PROGRAMS AND SERVICES** means programs and services made available by the County whose primary benefits accrue directly to the individual or group with only nominal public benefit. Qualification for this category must be one or more of the following:

- Programs/services that have substantial limitation on space and time.
- Individuals or a group generate the need for the Program/Service.
- Programs/services that require contractor services, and/or leadership, and/or instruction.
- Programs/services that use consumable materials.
- Programs/services that take place in facilities with high capital, operating, or maintenance costs.
- Programs/services that require special preparation and/or conclusion.
- Programs/services that have fees imposed by others.

1.13 **STAFF COSTS** means the salary and fringe benefit expenses associated with all temporary staff, career personnel, and contractors who are directly responsible for the planning and provision of programs or services.

1.14 **SURCHARGE** means an additional fee charged to those who do not reside in the County or the Recreation Tax District, and any extended services charges, and any other costs outside of the fee categories.

#### 41.10.01.02 Statement of Purpose

2.1 The mission of the Department of Recreation is to emphasize Teamwork, Objectivity, Growth, Imagination, Value, and Excellence in providing recreation and leisure services and facilities in everything the Department does for all communities. The acronym "TO GIVE" represents the Department's commitment to achieving this mission.

2.2 To fulfill the mission, the Department offers widely diversified recreation programs and services, striving for maximum citizen participation in the context of a sound fiscal program. Consumer demands for recreation and leisure services are greater than the availability of tax funds to support them; therefore it becomes an economic necessity to charge fees in order to supplement the recreation tax. These fees and charges provide the flexibility to offer services beyond what could be offered based on tax revenues only. Most fees and charges should be adjusted so that their per unit revenues will keep up with inflation.

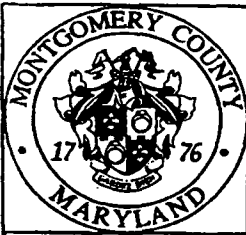


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- 2.3 Pricing for programs/services are to be established on sound cost based and market criteria and integrated into a total revenue process that also includes the Recreation District Tax, the General Fund, investment income, grants, and other sources.
  - 2.4 This regulation is built upon several propositions that together form the philosophical base for an appropriate balance of user fees, tax revenues, and partnerships. These include:
    - 2.4.1 Tax support should be primarily directed toward debt services, special needs, and community based programs.
    - 2.4.2 User fees should be the primary source of revenue for specialized programs, services, and rentals.
    - 2.4.3 User fees and tax support may be used for partnership programs/services.
    - 2.4.4 The cost of constructing facilities should be covered by the Recreation Fund, General Fund, partnerships, grants, state funds, and other outside resources, as they become available.
  - 2.5 The Director of Recreation is authorized to establish programs, services, and facility fees based on a combination of costs, comparable fees, and market factors.
  - 2.6 Anytime a new program is established in the Recreation Department or an existing program undergoes a major revision, the Director will decide the price recovery category and the specific program price.
- 41.10.01.03 Fee Categories
- 3.1 There are five pricing categories. All Recreation Department programs are assigned by the Director to one of these pricing categories.



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PRICE RECOVERY CATEGORIES	MINIMUM STAFF COSTS TO RECOVER	MINIMUM OPERATING COSTS TO RECOVER	MINIMUM SUPPORT STAFF COSTS TO RECOVER
Community Based Programs and Services	25%	50%	none
Specialized Programs and Services	100%	100%	50%
Partnerships	50%	50%	50%
Rentals	100%	100%	100%
Council/Executive Initiatives	0 – 50%	0 – 50%	0 – 50%

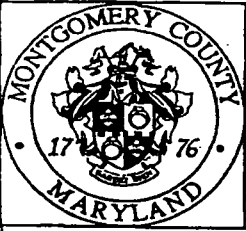
41.10.01.04 Financial Assistance

4.1 The Department recognizes there are families and individuals who do not have the financial ability to pay all or some portion of the fees associated with Recreation programs or facilities. The Director is authorized to waive or reduce fees to respond to situations of financial need.

41.10.01.05 Surcharges

5.1 Recreation District taxes subsidize a portion of Recreation programs and the operation of Recreation facilities. Individuals residing outside of the Recreation Tax District are assessed a surcharge to participate in fee based programs or facilities. Factors that may influence the surcharge include: market factors, overall revenue implications, cost retrieval, partnerships and grants.

5.2 Extended service charges may be applied to cover additional staff and operating costs incurred for participation beyond the initial program and/or service's intent.



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5.3 When there is a surcharge, it should be advertised. It will not always be practical or efficient to check addresses or identification of participants to enforce the surcharge. The "honor" system may be used in such cases.

### 41.10.01.06 Advertisement and Evaluation of Program Fees

- 6.1 The Department will advertise its programs and fees in the *Montgomery County Recreation Guide*, in flyers, brochures, on the Internet, and through other media. A copy of all current program fees authorized by the Director will be maintained and available in Recreation Department Administrative Offices.
- 6.2 The Department will seek input regarding pricing levels from a sampling of program participants and facility users. This information will assist in determining market factors.
- 6.3 The Department will also seek input from the Countywide Recreation Advisory Board regarding pricing. This Board is appointed by the County Executive to represent citizen interests on matters related to recreation and leisure services. The Countywide Recreation Advisory Board will hold a public forum at least once each fiscal year to hear citizens thoughts, viewpoints and concerns about Recreation Department prices and provide advice and recommendations based on this forum to the Director, the County Executive and the County Council.

### 41.10.01.07 Effective Date

- 7.1 This regulation becomes effective immediately after approval by the County Council or 60 days after the Council receives the Regulation if the Council takes no action within 60 days after receipt.

Approved as to Form and Legality  
Office of County Attorney

Approved:

Douglas M. Duncan, County Executive

By   
Date 2/23/05  
Walter E. Wilson