

RESOLUTION R-5347

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND ESTABLISHING A FISCAL POLICY FOR THE DEPARTMENT OF PARKS AND COMMUNITY SERVICES UTILIZING TAX REVENUES SUPPLEMENTED BY FEES, CHARGES AND OTHER IDENTIFIED SOURCES TO HELP RECOVER COSTS IN SUPPORT OF A SUSTAINABLE SYSTEM THAT MEETS COMMUNITY PARKS AND RECREATION NEEDS.

1 WHEREAS, establishment of a fiscal policy for the Department of
2 Parks and Community Services ("Department") is an extension of
3 current City of Kirkland ("City") fiscal policies adopted with the biennial
4 budget and consistent with previous Department cost recovery studies
5 completed in 1999, 2002 and 2005; and
6

7 WHEREAS, the goal of the fiscal policy is to help ensure a
8 sustainable parks and recreation system into the future by responsibly
9 using tax revenues as well as fees, charges and other identified sources
10 (e.g. grants, donations and commercial sponsorships) in support of
11 carrying out the Department's mission with the goal of meeting the
12 community's health, wellness and recreation needs; and
13

14 WHEREAS, the use of fees, charges and other alternative
15 revenue sources will allow for provision of some services that might not
16 otherwise be possible based on tax revenues alone; and
17

18 WHEREAS, the use of fees, charges and other alternative
19 revenue sources provides financial resources to keep up with growing
20 costs and to help make possible the expansion of services to keep up
21 with growing demand; and
22

23 WHEREAS, the fiscal policy will help residents, businesses and
24 users of the parks and recreation system by providing a formal,
25 transparent, and equitable policy basis for the use of taxes, fees,
26 charges and alternative revenue sources to provide the parks and
27 recreations system assets, programs and services; and
28

29 WHEREAS, the fiscal policy will also help staff establish and
30 achieve financial targets that utilize efficiencies and cost saving
31 measures as well as revenue generation, thereby helping maximize tax
32 revenue support for those service areas identified by the City Council as
33 foundational to community needs and interests, in part by better
34 matching payments for services with the recipients of those services.
35

36 NOW, THEREFORE, be it resolved by the City Council of the City
37 of Kirkland as follows:

38 Section 1. The City Council supports and hereby adopts the
39 following fiscal policy for the Department of Parks and Community
40 Services.

- 41
- 42 i. This fiscal policy is established to help ensure a sustainable parks
43 and recreation system that will meet the community's health,
44 wellness and recreation needs now, and into the future.
- 45
- 46 ii. A sustainable parks and recreation system requires use of both
47 revenue generation and efficiency measures to contribute to the
48 Department's cost recovery level and establish the level of
49 service provided to the community.
- 50
- 51 iii. The Department provides a basic level of programs and services
52 to the public that are fully funded utilizing tax revenues. In
53 addition, the use of fees, charges and other revenue sources
54 (e.g. grants, donations and commercial sponsorships) to recover
55 costs is considered a responsible and necessary means to
56 supplement tax revenues to help ensure a sustainable system.
- 57
- 58 iv. In establishing fees and charges, the Department will determine
59 the direct and indirect costs of providing services and establish
60 goals to recover those costs. The appropriate level of cost
61 recovery will be based on an assessment of who is benefiting
62 from the programs and services provided, along a spectrum
63 ranging from "mostly community benefit" to "mostly individual
64 benefit." Cost recovery ranges will be identified by "community"
65 versus "individual" benefit tier levels guided by the Pyramid
66 Model, which will be periodically updated as a supplement to this
67 fiscal policy.
- 68
- 69 v. If the benefit is to the community as a whole, it is appropriate
70 to use tax revenues to completely or primarily fund the services
71 where practicable. Examples of services that primarily benefit
72 the community as a whole are play areas, parks, trails and large
73 natural areas. The Department may also seek grants, donations
74 and commercial sponsorships for these community benefit
75 services as appropriate to help sustain these services.
- 76
- 77 vi. As the benefit moves along the spectrum towards primarily
78 benefitting an individual or identified group of individuals, it is
79 appropriate to charge fees for the service at an increasing rate
80 of cost recovery. Supervised or instructed programs, facilities
81 that visitors can use exclusively and products and services that
82 may be purchased are examples where user fees are
83 appropriate.

- 84 vii. The Department shall also consider available resources,
85 alternative service providers, public need, the community
86 economic climate and market rate when establishing fees and
87 charges. Fees and charges may utilize a non-resident rate
88 differential in recognition of the taxpayer resources provided by
89 Kirkland residents. Other fee differentiations may be used where
90 appropriate, including, but not limited to, "youth", "adult",
91 "premium" and "non-profit" categories.
92
- 93 viii. Fees and charges can be set to recover costs in excess of direct
94 and indirect costs where appropriate as a method of supporting
95 other parks and recreation services desired by the community.
96 Revenue generated through fees and charges will be returned
97 to the Department to enhance its ability to meet the programs
98 and services desired by the community in accordance with this
99 fiscal policy, unless otherwise allocated during the biennial
100 budget process.
101
- 102 ix. The Department may employ incremental periodic fee increases,
103 typically annually, as a best practice in the parks and recreation
104 industry to help keep up with increasing expenses. Smaller, more
105 frequent increases are less impactful on program participants
106 than larger increases that occur less frequently. When
107 substantial changes are necessary, they may be implemented
108 over a reasonable period of time.
109
- 110 x. The Department will provide transparency on fees and charges
111 for programs and services by notifying the City Council of
112 anticipated changes prior to the semi-annual publication of the
113 recreation program guide. Fee schedules will be posted on the
114 City's website and other designated publicity media. The
115 Department shall utilize key user groups and the City's Park
116 Board to educate and engage the community in developing
117 proposals on fees and partnerships, and to discuss general policy
118 implementation.
119
- 120 xi. The Department may subsidize, in whole or in part, the cost
121 recovery targets for persons with economic need or other
122 appropriately targeted populations through tax-supported fee
123 reductions, scholarships, grants or other methods. The
124 Department Director may also approve lower fees or fee waivers
125 upon determination the fee arrangement will primarily benefit
126 the public interest.
127
- 128 xii. The City shall adopt a scholarship policy to ensure easy access
129 for those in economic need, establishing eligibility requirements,
130 allowable uses, and individual and family limits. User groups,

131
132

133
134
135
136
137
138
139
140
141

contractors, concessionaires and vendors will be encouraged to also adopt scholarship policies.

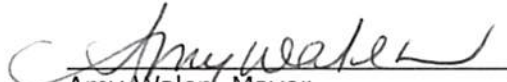
- xiii. The Department may enter into commercial sponsorship or partnership agreements that create a reduced need for taxpayer support of programs and services.
- xiv. The City shall adopt sponsorship and partnership policies to provide guidelines for agreements, approval processes, and operating procedures that create equity and consistency while maximizing and leveraging resources of the Department.

142
143
144
145
146
147
148
149
150

Section 2. This Parks and Community Services Department fiscal policy shall hereafter be included in the City's fiscal policy section of each City biennial budget.

Passed by majority vote of the Kirkland City Council in open meeting this 11th day of December, 2018.

Signed in authentication thereof this 11th day of December, 2018.



Amy Waler, Mayor

Attest:



Kathi Anderson, City Clerk