

# *City of Alexandria, Virginia*

## MEMORANDUM

DATE: MARCH 13, 2009

TO: THE HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: JAMES K. HARTMANN, CITY MANAGER

SUBJECT: BUDGET MEMO #28: YOUTH PROGRAMS SUPPLY & MATERIALS FEE

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This memorandum is written in response to Councilman Krupicka's request for additional information on the proposed Out of School Time Program supply fee. It specifically provides background information on and explains the rationale for the proposed supply fee. A table comparing similar fees charged by local jurisdictions is also provided.

The Out of School Time Program consists of two program components – a school year and a summer program for elementary and middle school age youth. The school year program runs a total of 42 weeks and is offered after regular school hours (4 hours per day). The summer program runs 10 weeks and is an all day program (9-9.5 hours per day). If approved, the \$25 supply fee will be implemented for each session (21 weeks per session) of the school year program (\$1.19 per week) and there will be a one-time fee for the summer program (\$2.50 per week).

The estimated total cost to run the after school and summer programs is \$1,403 per child per year. This cost is partially offset by a USDA grant for food which reduces the City funded cost to \$1,270 per child per year. The Recreation Department projects that roughly 1,300 participants will enroll in the 2009 summer and 2009-2010 school year programs. The Department also plans on offering a fee waiver for qualifying low income participants; they expect 30-50 percent of participants to have the fee waived. Assuming the enrollment is 1,300 and that 30-50 percent of participants receive a fee waiver or pay a reduced fee, the \$25 supply fee will generate approximately \$58,181 which will cover 3.5% of the total program cost to the City.

The Department is also considering the use of a sliding fee scale as opposed to the fee waiver. Figure I provides a breakdown of what the supply fee would be for each income level. At the top of the scale are families making \$50,000 and above who would be charged \$25 per program and at the bottom of the scale would be families making less than \$13,999 who would pay \$1.50 per program. The Department expects the revenue from using the fee scale to be similar to the fee waiver at \$58,181. If the fee scale were implemented the Department would request financial information from participants. Currently, the Department lacks the ability to process and store sensitive information and unknown additional costs may be required for the implementation of a sliding fee scale.

The rationale for the supply fee is to maintain the level of service currently provided by the program while at the same time offsetting the program's impact on the general fund. The proposed supplies and materials fee enables the Department to maintain funding levels that allow

Recreation Department staff to have adequate supplies and materials to conduct various activities for children and youth, such as arts and crafts, socials and other special events, educational enrichment activities, etc. The proposed fee is intended to help meet budget reduction requirements as well as directly pass a portion of supply costs on to participants as many other local jurisdictions already do.

Figure II provides a comparison of the fee for similar youth programs charged by local jurisdictions. For most jurisdictions, the supply fee does not cover the total cost of the program. The proposed supply fee, especially during a time of City fiscal constraint, will allow the program to continue at a level of service Alexandria residents have come to rely on.

Figure I:

<b>SLIDING SCALE</b>		
<b>Adjusted Family Income</b>	<b>Percent Reduction</b>	<b>Fee Paid per Program</b>
\$50,000 and over	0%	\$25.00
\$45,000-\$49,999	2%	\$24.50
\$40,000-\$44,999	5%	\$23.75
\$36,000-\$39,999	13%	\$21.75
\$32,000-\$35,999	20%	\$20.00
\$28,000-\$31,999	28%	\$18.00
\$25,000-\$27,999	35%	\$16.25
\$22,000-\$24,999	47%	\$11.75
\$18,000-\$21,999	64%	\$9.00
\$14,000-\$17,999	80%	\$5.00
\$13,999 and below	94%	\$1.50

Figure II:

<b>Alexandria Parks and Recreation</b>	<b>Arlington County Parks and Recreation</b>	<b>Prince William County Parks and Recreation</b>	<b>Fairfax County Community Services</b>	<b>Loudon County Parks and Recreation</b>
Licensed school year program, \$25 supply fee proposed (\$1.19 per week). Summer Program, \$25 supply fee proposed (\$2.50 per week). Fee waived for qualifying low income participants.	Non-licensed school year program is free. Non-licensed summer program requires a \$15 dollar per week fee for the 8 week summer program. A \$25 one-time registration fee is required. The total cost of the summer program is \$145.	Licensed school age child care program offered during the school year requires a \$65 per week fee. Licensed summer program requires a \$125 per week fee. A \$35 application fee is required for both programs	Non-licensed school year program is free. The eleven week non-licensed summer program requires a \$70 per week fee (sliding scale based on income).	Licensed school year program requires a \$300 per child per month fee plus a \$45 household registration fee for the licensed summer program requires a \$125 per week fee and a one-time \$25 registration fee. Free drop in programs are offered at a couple of sites.