

**CITY COUNCIL AGENDA ITEM**  
CITY OF SHORELINE, WASHINGTON

<b>AGENDA TITLE:</b>	Adoption of Resolution No. 394 - Establishing Recreation Program Refund Policies and Procedures
<b>DEPARTMENT:</b>	Parks, Recreation, and Cultural Services
<b>PRESENTED BY:</b>	Mary Reidy, Recreation Superintendent
<b>ACTION:</b>	<input type="checkbox"/> Ordinance <input checked="" type="checkbox"/> Resolution <input type="checkbox"/> Motion <input type="checkbox"/> Discussion <input type="checkbox"/> Public Hearing

**PROBLEM/ISSUE STATEMENT:**

To date the Parks, Recreation and Cultural Services (PRCS) Department has not had a refund policy, but rather a broad refund philosophy which allowed for differing interpretations and potentially inconsistent application. Proposed Resolution No. 394 (Attachment A) establishes a formal Refund Policy and Procedure based on the current PRCS practices for offering refunds.

**RESOURCE/FINANCIAL IMPACT:**

Proposed Resolution No. 394 does not have a financial impact. PRCS revenue projections accounts for a certain amount of refunds. It is not anticipated that the new policy will result in a change in the number or amount of refunds granted.

**RECOMMENDATION**

Staff recommends that the City Council adopt Resolution No. 394 establishing a Recreation Program Refund Policy and Procedures.

Approved By:            City Manager **DT**    City Attorney **MK**

## **BACKGROUND**

To date the Parks, Recreation and Cultural Services (PRCS) Department has not had a refund policy, but rather a broad refund philosophy which allowed for differing interpretations and potentially inconsistent application of how refunds were administered. In an effort to formalize the PRCS Department's financial management and monitoring around refunds, as well as standardize customer service, the Recreation Program Refund Policy and Procedures (Exhibit A) was developed. The PRCS Board of Commissioners reviewed the proposal at its September 2015 meeting and recommends its adoption. Adoption of proposed Resolution No. 394 would enact this policy.

## **DISCUSSION**

The purpose of the proposed Recreation Program Refund Policy and Procedures is to describe under what circumstances refunds will be awarded and describe the necessary steps to refund payment for services and use of facilities. The policy addresses several types of reasons customers request refunds, including cancellation of events, programs, or classes by the City; weather-related cancellations; customer decisions to withdraw from a class; refund of a damage deposit; and refunds for facility rental cancellation outside of renter control; among other issues. The policy also defines how much of a refund the customer is entitled to, based on when the cancellation request is made or when notice is given for withdrawal from a class or program, and describes the mechanism by which a refund will be made.

The policy is a combination of effective historical practice with new modifications, which bring the policy in-line with business practices. PRCS staff worked with the Administrative Services Department (ASD) on developing effective procedures and a system that is efficient for the City's business practices. While PRCS and ASD staff have processed refunds based on general guidance published in the Recreation Guide, this guide is not the appropriate place to establish financial policies. The proposed policy and procedures would provide the legal basis for processing refunds. Staff will also be able to rely on the policy and procedures to make decisions and have a document to provide customers when questioned about refunds.

## **RESOURCE/FINANCIAL IMPACT**

Proposed Resolution No. 394 does not have a financial impact. PRCS revenue projections accounts for a certain amount of refunds. It is not anticipated that the new policy will result in a change in the number or amount of refunds granted.

## **RECOMMENDATION**

Staff recommends that the City Council adopt Resolution No. 394 establishing a Recreation Program Refund Policy and Procedures.

## **ATTACHMENTS**

Attachment A: Proposed Resolution No. 394, including Exhibit A

**RESOLUTION NO. 394**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHORELINE, WASHINGTON, ADOPTING A RECREATION PROGRAM REFUND POLICY AND PROCEDURES**

WHEREAS, the Parks, Recreation and Cultural Services Department collects revenue in the form of fees and charges for services and use of facilities; and

WHEREAS, from time-to-time it is appropriate to refund revenue to customers for a variety of reasons; and

WHEREAS, a policy and procedure is necessary to outline under what circumstances and through what process refunds would be given;

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SHORELINE, WASHINGTON, HEREBY RESOLVES AS FOLLOWS:**

**Section 1. Adoption of Recreation Program Refund Policy and Procedures.** The City Council hereby adopts those policies and procedures set forth in the “Shoreline Policy and Procedure Recreation Program Refunds” attached as Exhibit A.

**ADOPTED BY THE CITY COUNCIL ON OCTOBER 3, 2016.**

\_\_\_\_\_  
Mayor Christopher Roberts

**ATTEST:**

\_\_\_\_\_  
Jessica Simulcik Smith, City Clerk

Shoreline Policy and Procedure  
**Recreation Program Refund Policy and Procedures**

<b>Category and Number:</b>	<b>Receiving Number:</b>
<b>Code and statutory authority:</b> Resolution No. 394	<b>Authorized:</b>
<b>Supersedes:</b>	Effective Date: By:

**1.0 PURPOSE**

The purpose of this Recreation Program Refund Policy and Procedures is to describe under what circumstances refunds will be awarded and describe the necessary steps to refund payment for services and use of facilities.

**2.0 DEFINITIONS**

- 2.1 Cancellation** – City notification of class, camp, program or event being cancelled.
- 2.2 Damage Deposit** – Any payment received in addition to the facility rental fee required to compensate for damage to City facilities incurred during the rental period.
- 2.3 Late Payment** – Payments received or owed after the deadline set by the rental agreement, or as otherwise noted in Facility Rental Policy and Procedures.
- 2.4 League** - Organized on-going rental with scheduled games.
- 2.5 Membership** – A purchased amount of time that allows for entrance to specified drop-in activities.
- 2.6 Point of Sale Item** – Any product sold for purchase that is not a program or service.
- 2.7 PRCS Director** – The Director of the City of Shoreline Parks, Recreation and Cultural Services Department.
- 2.8 Refund** - Any money once received by City of Shoreline and then returned to a customer per this policy.
- 2.9 Registration** – The process by which the rental of a facility is secured including receipt of full payment and confirmation of completed Rental Use Permit or the process of paying for and receiving confirmation of acceptance to participate in a class, trip/workshop or special event by the City of Shoreline.
- 2.10 Rental Use Permit** – Signed agreement governing the use of City of Shoreline facilities, including both indoor and outdoor spaces.
- 2.11 Renter** – Person(s) or party on the signature line of a Rental Use Permit who is legally obligated to terms and conditions of agreement.

### 3.0 REFERENCES AND FORMS

- 3.1 Facilities Rental Policies and Procedures
- 3.2 Code of Conduct for Use of City Facilities

### 4.0 DEPARTMENTS AFFECTED

- 4.1 Parks, Recreation and Cultural Services Department
- 4.2 Administrative Services Department

### 5.0 PROCESS

- 5.1 **Refund Due to City Cancellation.** Classes, camps, programs, trips or workshops/special events cancelled by the City of Shoreline will result in a 100% Refund of the program fee paid.
- 5.2 **Cancellation Due to Weather.** Refunds will not be issued for reasons of inclement weather, unless it results in the closure of the City facility hosting the event during the time of session or rental.
- 5.3 **Refund Request Deadlines.**
  - 5.3.1 **Class fee first day.** Program fees may be refunded in full for any reason after the first day of class, as long as the refund is requested prior to the second day of class. Participant must contact the registration desk and make a formal written request. Aquatics programs requests must be made at the pool registration desk. All other recreation program requests must be made at the Spartan Recreation Center registration desk.
  - 5.3.2 **Class fee second day.** After the second day of class, but prior to the third, requested refunds will be pro-rated per the registration fee paid and the total number of classes.
  - 5.3.3 **Class fee third day.** Refunds will not be issued after the third day of class, unless an exception is granted. Requests for an exception to this policy must be submitted in writing prior to the fourth class and must be approved by the PRCS Director. The City has sole discretion to decide whether or not to grant this exception.
  - 5.3.4 **Single trips/workshops/special events.** Refunds may be issued if requested at least three (3) calendar days prior to (not including) the event date.
  - 5.3.5 **Point of sale admissions.** Refund requests must be made in writing and submitted to the registration desk prior to leaving the facility on the day of use. All requests are at the discretion of the PRCS Director.
  - 5.3.6 **Day camp cancellation.** Weekly camp sessions require a cancellation request at least three (3) calendar days prior to (not including) the first day of camp for a full refund. No refunds will be issued after three days prior to the first day of camp.

**5.3.7 Facility rental cancellation.** Rentals cancelled by the Renter seven (7) or more calendar days before the event will be refunded in full. Rentals cancelled by the Renter less than seven (7) days, but before 24 hours prior to the date/time of reservation, will be issued a 50% refund of the fees already collected or \$50, whichever is less. Reservations cancelled 24 hours or less prior to the rental will not receive a refund. Any Damage Deposit received associated with this rental will be 100% refunded.

**5.4 Waitlist and Pro-rated Refunds.**

**5.4.1 Waitlist refunds.** For those that are on a class waitlist that attend after the start date, requests for refund shall be treated as if the first day of attendance is the first day of class.

**5.4.2 Pro-rated refunds.** Class fee refunds will not be pro-rated when registering after the start date except for those entering from the waitlist.

**5.5 Refund of Damage Deposits.** The City will inspect the permitted area in the Rental Use Permit after usage to determine if any damage occurred. If damage occurred, the City will assess a cost to fix the damage and retain that amount from the Damage Deposit. Any remainder of the Damage Deposit will be refunded. Should no damage occur, 100% of Damage Deposit will be refunded

**5.6 Facility Rental Cancellation Outside of Renter Control.** The City may, at its sole discretion, cancel a rental anytime due to an emergency, severe weather which merits either School District or City facility closures, power outage, or situations that may result in facility damage or personal injury as determined by the PRCS Director. In such instances, the Renter will be entitled to a 100% refund. If a field is deemed unusable by City staff on the day of the rental, a credit will be issued to the Renter's account. If a field is deemed unusable on the day of rental by a League official, the Renter must notify the City in writing so that the City receives such notice within five (5) calendar days of event cancellation in order to have a credit issued on their account.

**5.7 No Pro-Rated Membership Refunds.** All memberships are for the specified amount of time from purchase date. Pro-rated refunds are not permitted for unused portion of purchased time.

**5.8 Refund for Defective Products.** Point of Sale Items may be returned for a full refund within one week of purchase if product has a manufacturing defect.

**5.9 Exemptions.** Requested exemptions from this policy may be submitted in writing to the Recreation Superintendent and require approval by the PRCS Director.

## **6.0 PROCEDURE AND METHOD FOR ISSUING REFUNDS**

- 6.1** Debit/credit card payments will be refunded to the debit/credit account from which the payment was made.
- 6.2** If paid in cash or check, the City of Shoreline will issue, remit and mail a refund check within six (6) weeks to the customer who made payment.
- 6.3** No cash refunds will be made.
- 6.4** Any standing credit on accounts will be refunded after six (6) months by a City of Shoreline issued check.
- 6.5** Damage Deposits may be refunded in full or part after completion of the activity and inspection of the facility by City staff for assessed any damage. Rentals paid via credit card shall be refunded with a credit to the Renter's card. If paid by cash or check, the City of Shoreline Finance Department will issue, remit, and mail a refund check to Renters within six (6) weeks. No cash refunds will be made.
- 6.6** Fees paid through scholarship funds are not refunded in cash. They are reassigned to account per City of Shoreline Scholarship Policy.
- 6.7** Any payment made via State of Washington Department of Social and Health Services (DSHS) shall not be refunded to an individual but rather will be taken off prior to billing balance sent to State quarterly.