



CITY COUNCIL REPORT

April 30, 2010

TO: Honorable Mayor and City Council

FROM: John Szerlag, City Manager
John M. Lamerato, Assistant City Manager/Finance and Administration
Carol K. Anderson, Parks and Recreation Director

SUBJECT: Financial Assistance for Community Center Passes and Recreation Programs

Background

- On November 5, 2001, Troy City Council approved a Financial Aid Policy for Troy residents with low income to receive a discount for an annual pass for the new Troy Community Center Recreation areas – fitness room, gym, and pool.
- Financial assistance for recreation and senior programs have been offered for many years.
- Assistance is based on low-income status and any extenuating circumstances. The income guidelines of the Oakland County Community Development Block Grant Program are attached.
- Financial assistance income levels are – low (10%), very low (25%), and extremely low (50%).
- Financial assistance for those residents with a permanent disability and seniors also can qualify for a 10% discount on an annual recreation pass.
- Only one discount can be provided per individual/household.
- Proposed financial assistance discounts for Community Center passes will be amended as follows:

Income Level	Current	Proposed
Extremely Low Income	50%	25%
Very Low Income	25%	15%
Low Income	10%	10%
Disability	10%	10%

- There are two other financial assistance programs currently offered for Troy residents – 1) residents age 60 and over (senior citizens) who wish to register for a program; 2) residents under age 18 who wish to register for a program. Both are limited to one scholarship per individual, per term.
- The proposed change to financial aid is as follows:

	Income Level	Current Discount	Proposed Discount
Youth	Extremely Low	100%	50%
Youth	Very Low	75%	25%
Youth	Low Income	25%	10%
Senior	Very Low/Extremely Low	50%	25%

Financial Considerations

This fiscal year 41 recipients have qualified for Recreation Pass financial aid discounts totaling \$2973. It is estimated that the total expense of these discounts will be \$3400 for the fiscal year.

Year-to-date discounts for 2009-10

50% discount: Adults – 17; Youth – 7

25% discount: Adults – 11; Youth – 4

10% discount: Adults – 2

There have been 12 senior scholarships awarded this fiscal year totaling \$329. It is estimated that approximately \$400 in total scholarships will be granted at the end of the fiscal year.

In the past, senior recreation programs have been subsidized, however, with the 2010-11 budget, programs will not be subsidized. Financial assistance will be offered to those qualifying based on income levels.

There have been 20 youth scholarships awarded this fiscal year totaling approximately \$1900 in financial assistance. It is estimated that \$2500 in financial assistance will be granted for the fiscal year.

Legal Considerations

- No legal considerations are involved in the financial assistance program.

Policy Considerations

- As previously authorized, the City Manager can establish fees for services in the Recreation Program Division (Resolution #2003-11-596).
- Staff will implement the revised financial assistance percentages effective June 1, 2010.

Attachment 1

Community Development Block Grant Income Guidelines

Low income is defined as follows (effective for all applications received on or after May 14, 2009):

Persons/Household	Extremely Low Income	Very Low Income	Low Income
1	< \$14,900	\$24,850	\$39,750
2	< \$17,050	\$28,400	\$45,450
3	< \$19,150	\$31,950	\$51,100
4	< \$21,300	\$35,500	\$56,800
5	< \$23,000	\$38,350	\$61,350
6	< \$24,700	\$41,200	\$65,900
7	< \$26,400	\$44,000	\$70,450
8	< \$28,100	\$46,850	\$75,000