



MUNICIPAL BUILDING
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Groveport, OH 43125
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To: Mayor, Members of Council and City Administrator

From: Jason Carr, CPA, Finance Director

Date: April 23, 2025

RE: Recreation Memberships Rate Increase Analysis

Ordinance No. 2025-002 provides for establishing membership fees for the Recreation Center thereby amending the existing fee schedule set forth in Ordinance No. 2019-018. Historically, both the Recreation Center and the Aquatic Center operate at a loss, whereas receipts from operations (i.e. memberships, daily pass sales, fitness classes, etc.) are not sufficient to cover operating expenses (i.e. salaries and benefits, materials and supplies, contractual services). The City has not performed a review of Recreation Center membership fees for over fifteen (15) years and based on annual inflation, operating losses have increased significantly since 2016.

The Administration has provided analysis as it pertains to the referenced operating losses and the proposal that has been provided per Ordinance 2025-002 includes an automatic 30-day renewals for monthly memberships, reducing the number of membership rate categories, and based on combining membership rate categories and implementing rates competitive with competitor's, an average rate increase of 72.58% and 49.36% is proposed for non-residents and residents, respectively (the combination of membership rate categories skews the increase amongst all categories).

Council members have requested an option to show the proposed 2025 increase not all in one year, but over two (2) and three (3) years. Below is a summary of the projected receipts and increases over a five (5) year period:

NON-RESIDENT MEMBERSHIP RATES – TOTAL AVERAGE INCREASE							
Percentage Rate Increase	2025	2026	2027	2028	2029	Avg. Five Year Increase	
Original Proposal	72.58%	5.00%	5.00%	5.00%	5.00%	18.52%	
Two-Year Increase, 5% After	36.29%	36.29%	5.00%	5.00%	5.00%	17.52%	
Three-Year Increase, 5% After	24.19%	24.19%	24.19%	5.00%	5.00%	16.51%	

Town Hall 648 Main Street, Groveport, OH 43125
Groveport Recreation & Aquatic Center 7370 Groveport Road, Groveport, OH 43125
Public Works Facility 7400 Groveport Road, Groveport, OH 43125
Groveport Municipal Golf Course 1005 Richardson Road, Groveport, OH 43125
Police Department 5690 Clyde Moore Drive, Groveport, OH 43125

RESIDENT MEMBERSHIP RATES – TOTAL AVERAGE INCREASE							
Percentage Rate Increase	2025	2026	2027	2028	2029	Avg. Five Year Increase	
Original Proposal	49.36%	5.00%	5.00%	5.00%	5.00%	13.87%	
Two-Year Increase, 5% After	24.68%	24.68%	5.00%	5.00%	5.00%	12.87%	
Three-Year Increase, 5% After	16.45%	16.45%	16.45%	5.00%	5.00%	11.87%	

ESTIMATED REVENUE INCREASES – TOTAL RESIDENT AND NON-RESIDENT – ALL CATEGORIES							
Estimated Revenue Increase	2025	2026	2027	2028	2029	Avg. Five Year Increase	
Original Proposal	\$227,605	\$238,985	\$250,935	\$263,481	\$276,655	\$251,532	
Two-Year Increase, 5% After	171,946	171,946	180,543	189,570	199,048	182,611	
Three-Year Increase, 5% After	130,834	130,834	130,834	137,376	151,457	138,949	

CONCLUSION: The tables above provide an estimate of the percentage increases and estimated revenue increases assuming the adoption of the Administration’s original proposal and smoothing the one-time large increase between 2024 and 2025 over a two-year or three-year period. The estimates above are based on membership information and analysis provided by the Director of Recreation.