



Committee of the Whole Report For the Meeting of November 4, 2021

To: Committee of the Whole **Date:** October 25, 2021
From: Thomas Soulliere, Director, Parks Recreation and Facilities
Subject: Proposed Amendments to Recreation Fees Bylaw (06-056)

RECOMMENDATION

That Council direct staff to amend the *Recreation Fees Bylaw* (No. 06-056) effective February 1, 2022, as outlined in Appendix A.

EXECUTIVE SUMMARY

The purpose of this report is to seek Council direction on proposed changes to the Recreation Fees Bylaw effective February 1, 2022.

User fees account for approximately 56% of total revenues for the Recreation division. These fees are reviewed on an annual basis in accordance with the City Financial Sustainability Policy:

Fees and charges will be reviewed annually and adjusted where appropriate. Departments should consider a minimum increase equal to inflation (CPI). The users will be provided with no less than two months' notice of those changes. Fee bylaws should when appropriate, include an annual increase equivalent to the Consumer Price Index for Victoria.

Through each review of potential updates, primary consideration is given to supporting access to affordable recreation and services, in a fiscally responsible manner.

The most recent amendment to the Recreation Fees Bylaw, was in 2020. Staff did not propose changes for 2021 due to the maintenance closure of the Crystal Pool and Fitness Centre and the service disruptions associated with the COVID-19 pandemic. For 2022, staff recommend a 2% increase to fees based on financial considerations including the fees charged by public recreation providers within the region, the local inflation rate, and operating cost pressures. The proposed fee adjustments are listed in Appendix A (attached).

ISSUES & ANALYSIS

Staff recommend an adjustment to the fees within this bylaw to ensure that current rates are reflective of projected operating costs, while maintaining low financial barriers to access.

Key operating cost considerations include the following.

- The Consumer Price Index for Victoria increased by 3.2% between August 2020 and August 2021, and the average for the year to August 2021, is 2.25%.
- Labour costs are a primary investment in delivering services. Staff wage rates increased by 2% in 2020 and a further 2% in 2021.
- The building maintenance budgets at the City's two largest and aging recreation facilities, Crystal Pool and Fitness Centre and Royal Athletic Park, have increased by 13% over the last two years.

Compared with the recreation fees applied in other jurisdictions, the City rates remain among the lowest in the region. Attached to this report (Appendix B) is a summary of current recreation fees in the region.

To address potential financial barriers that residents may face in accessing recreation programs, the City promotes and administers the Leisure Involvement for Everyone (L.I.F.E.) Program. This program offers funding support for eligible individuals and families. The Draft 2022 Financial Plan includes approximately \$100,000 in subsidy for the L.I.F.E. program which covers registration in recreation programs offered through City-operated facilities and neighbourhood-based community and senior centres. Nearly 3,000 patrons access services at the Crystal Pool and Fitness Centre through the L.I.F.E. program each year. In addition, the City seeks external grant funding opportunities to further reduce financial barriers. In 2021, \$100,000 in grant funding was secured to support no-cost programs including support for children in recreation programs and outreach for seniors.

OPTIONS & IMPACTS

That Council direct staff to amend the Recreation Fees Bylaw (No. 06-056), effective February 1, 2022, as outlined in Appendix A.

This approach is intended to limit impacts to access for residents, while providing additional revenues to help off-set increasing operational costs associated with the delivery of programs and services. The projected operating cost increases have been included in the Draft 2022 Financial Plan, however, the proposed revenue increases have not. Pending Council's direction, the Financial Plan will be updated accordingly.

Accessibility Impact Statement

The proposed changes in fees and charges are not anticipated to have a measurable impact on accessibility. To assist patrons facing financial barriers, the City administers the Leisure Involvement for Everyone (L.I.F.E.) Program. As outlined above, this program is designed to provide access to recreational programs and services with funding support for eligible individuals and families.

2019 – 2022 Strategic Plan

This report relates to 2019-2022 Strategic Plan Objective 5 (*Health, Well-Being and a Welcoming City*), and Objective 8 (*Strong, Liveable Neighbourhoods*).

Impacts to Financial Plan

The proposed recreation fee adjustments would result in approximately \$27,000 in incremental revenue that will help to off-set a portion of the projected operating costs. If approved, staff will update the projected revenues for impacted service areas, in the 2022 Financial Plan.

CONCLUSION

User fees are a primary tool for facility operators to manage a sustainable model of programs and services. Staff recommend that Council approve the amendments to the Recreation Fees Bylaw, as outlined in this report. Pending Council support, staff will initiate the necessary communication process to advise individuals and community groups of the upcoming changes.

Respectfully submitted,

Jeff Brehaut
Manager of Recreation Services

Thomas Soulliere
Director

Report accepted and recommended by the City Manager.

List of Attachments:

Appendix A – Schedules A-I, 2022 Proposed Fees and Increase Amount

Appendix B – Regional Comparison of drop-in rates