Agenda - Executive Policy Committee - October 17, 2007

Report - Standing Policy Committee on Protection and Community Services - October 12, 2007

Item No. 2 Community Services Department - Fees and Charges Policy
File PR-2.10

STANDING COMMITTEE RECOMMENDATION:

On October 12, 2007, the Standing Policy Committee on Protection and Community Services concurred in the recommendation of the Winnipeg Public Service and submits the following to Council:

1. That the Community Services Department's Fees and Charges Policy, as outlined in Appendix A in the report from the Director of Community Services dated October 3, 2007, be approved and implemented effective October 24, 2007.

2. That the Proper Officers of the City be authorized to do all things necessary to implement the foregoing.

Agenda - Executive Policy Committee - October 17, 2007

Report - Standing Policy Committee on Protection and Community Services - October 12, 2007

DECISION MAKING HISTORY:

STANDING COMMITTEE RECOMMENDATION:

On October 12, 2007, the Standing Policy Committee on Protection and Community Services concurred in the recommendation of the Winnipeg Public Service and submitted the matter to the Executive Policy Committee and Council.

RE: Community Services Department Fees and Charges Policy

FOR SUBMISSION TO:	**Standing Policy Committee on Protection and Community Services**
ORIGINAL REPORT SIGNED BY:	**Clive Wightman, Director Community Services**
REPORT DATE:	**October 3, 2007**

RECOMMENDATION:

1. That Council approve the proposed Community Services Department's Fees and Charges Policy, as attached in Appendix A, to be implemented effective October 24, 2007.

2. That the Proper Officers of the City be authorized to do all things necessary to implement the foregoing.

Report Summary

Key Issues:

- This report proposes the establishment of a Community Services Department Fees and Charges Policy that will provide the framework and principles for the setting and administration of fees and charges for applicable recreation, leisure and library services.

- The proposed Community Services Department Fees and Charges Policy contained within this report is reflective of the intent of the Final Report of the Mayor's Red Tape Commission in that it proposes common sense guidelines for better regulation, as well as enabling a streamlined approach to the setting and increasing of departmental recreation, leisure and library fees and charges.

- This report seeks approval for the Director of the Community Services Department to have the delegated authority to set, in accordance with market conditions, the following recreation, leisure and library fees:
    - Recreation and leisure programs (Leisure Guide programs)
    - Use of facilities and equipment (rental fees)
    - Public admissions to recreation and leisure facilities
    - Sale of recreation and leisure merchandise and supplies
    - Administrative services (eg: processing of cancellation requests)

- This delegation of authority would not apply to the following Community Services Department programs and services:

    - Fees established by or pursuant to By-Laws (regulatory and related fees)
    - Fully subsidized programs, services, and facilities including:
        - Assiniboine Park open space and gardens
        - Assiniboine Park Conservatory general admission
        - Assiniboine Park designated cross-country trails
        - Use of Library book materials (circulation and reference books)
        - Designated outdoor pools
        - Designated Play, Youth and Seniors Drop-in Programs
        - Designated Public Swimming
        - Designated Public Skating
        - Designated Wading Pools

- The proposed Community Services Department Fees and Charges Policy further outlines that the Director of Community Services' authority to establish departmental fees and charges be limited, to increases up to the annual rate of inflation or a cumulative inflationary increase to a maximum of 4 years, for the following programs and facility admissions:

    - Assiniboine Park Zoo
    - Public Swimming
    - Public Skating
    - Learn to Swim
    - Learn to Skate
    - casual use of recreation and leisure facilities excluding programs
    - adaptive programming for persons with disabilities

- Delegated authority to the Director of Community Services is also recommended in considering reduced rental requests for groups or organizations. Currently, these requests are heard by Community Committee and/or Standing Policy Committee. In the last two years, there have been approximately five requests for fee waivers for rentals for an estimated total fee waiver amount of $14,225 in 2005 and $13,618 in 2006.

- Subject to limits established in the Department's annual operating budget, the Director may provide fee waivers or reduced rates for recreation and leisure programs and public admissions to residents of Winnipeg who demonstrate a financial need in order to assist these individuals to access recreation and leisure programs and public admissions offered by the Department.

Implications of the Recommendation(s):

General Implications

( ) None

(x) For the organization overall and/or for other departments

(x) For the community and/or organizations external to the City

( ) Involves a multi-year contract

Comment(s): This proposes the establishment of a Community Services Department Fees and Charges Policy.

Policy Implications

( ) No

(x) Yes

Comment(s): This report proposes the establishment of a Fees and Charges policy for the Community Services Department, including the delegation of authority to the Director of Community Services to set fees and charges for the following recreation, leisure and library services:

- Recreation and leisure programs (Leisure Guide programs)
- Use of facilities and equipment (rental fees)
- Public admissions to recreation and leisure facilities
- Sale of recreation and leisure merchandise and supplies
- Administrative services (i.e., processing of cancellation requests)

Regulatory Implications

( ) None

(X) Eliminates or reduces regulatory impact

( ) Proposes regulatory impact

Comment(s): This report requests delegated authority for the Director of Community Services Department to set recreation, leisure and library fees as outlined, as well as the authority to consider fee waivers and reduced rental requests. As such, fee approval processes will be streamlined resulting in more efficient systems and enhanced customer service.

Environmental Implications

(x) No

( ) Yes

Comment(s):

Human Resources Implications

(x) No

( ) Yes

Comment(s):

Financial Implications

(x) Within approved current and/or capital budget

( ) Current and/or capital budget adjustment required

Comment(s):

Report

REASON FOR THE REPORT:

Clause 3(1)(c) of the *City of Winnipeg Organization By-Law* states that City of Winnipeg Council is the final authority on the fixing of prices, rates, fees and charges for all civic services and facilities except as specifically delegated.

Council approval is required to delegate to the Director of Community Services the authority to set recreation, leisure and library fees and charges as proposed in this report.

HISTORY:

In 1982, Council approved the first City of Winnipeg Parks and Recreation Department Fees and Charges Policy and Fee Schedule. This document contained the policies, fees, charges, and recovery rates relevant to facilities, parks, programs and services provided by the Parks and Recreation Department.

In October 1997, Council approved an organizational restructuring and the functions of the former Parks and Recreation Department were split between three departments. Recreation and leisure programming were allocated to the Community Services Department, parks planning functions to the Planning, Property and Development Services Department, with parks and open space functions, as well as Building services being assigned to the Public Works Department. In 2000, Golf Services was realigned from the Community Services Department to the Planning, Property, and Development Services Department.

DISCUSSION:

This report proposes the establishment of a Community Services Department Fees and Charges Policy which would provide an overall framework and guiding principles for the setting and administration of fees and charges for recreation, leisure and library services that are within the mandate of the Community Services Department. The following principles are identified within the proposed policy:

- The City of Winnipeg is committed to providing affordable recreation, leisure and library services and programs, which meet the needs of its residents.
- The City of Winnipeg is committed to ensuring that recreation, leisure and library programs and services are accessible to residents regardless of their ability to pay.
- The City of Winnipeg is committed to pursuing cost effective approaches to ensure availability and sustainability of recreation, leisure and library services and programs. User fees and charges shall be levied in order to recover all or a portion of costs, where appropriate.

In the preparation of this report, the Public Service conducted a review of various Fees and Charges Policies, both within the organization as well as across several Canadian local government jurisdictions including Vancouver, Edmonton, Calgary, Regina, Toronto, Ottawa, Hamilton and Halifax. The intent of this review was to establish a Community Services Department Fees and Charges Policy that meets community need and that incorporates best practices.

The proposed Community Services Department Fees and Charges Policy is attached as Appendix A. The policy has been developed in accordance with the intent of the

Final Report of the Mayor's Red Tape Commission, in that it proposes common sense guidelines for better regulation, as well as enabling a streamlined approach to the setting and increasing of departmental recreation, leisure and library fees and charges.

Delegation of Authority to the Director of Community Services:

A significant highlight of the proposed policy includes the recommendation for the delegation of authority to the Director of Community Services to set, in accordance with market conditions, the following recreation, leisure and library fees:

- Recreation and leisure programs (Leisure Guide programs)
- Use of facilities and equipment (rental fees)
- Public admissions to recreation and leisure facilities
- Sale of recreation and leisure merchandise and supplies
- Administrative services (i.e., processing of cancellation requests)

This delegation of authority would not apply to the following Community Services Department programs and services:

- Fees established by or pursuant to By-Laws (regulatory and related fees)
- Fully subsidized programs, services, and facilities including:
    - Assiniboine Park open space and gardens
    - Assiniboine Park Conservatory general admission
    - Assiniboine Park designated cross-country trails
    - Use of Library book materials (circulation and reference books)
    - Designated outdoor pools
    - Designated Play, Youth and Seniors Drop-in Programs
    - Designated Public Swimming
    - Designated Public Skating
    - Designated Wading Pools

The proposed Community Services Department Fees and Charges Policy further outlines that the Director of Community Services' authority to establish departmental fees and charges be limited, to increases up to the annual rate of inflation or a cumulative inflationary increase to a maximum of 4 years, for the following programs and facility admissions:

- Assiniboine Park Zoo
- Public Swimming
- Public Skating
- Learn to Swim
- Learn to Skate
- casual use of recreation and leisure facilities excluding programs
- adaptive programming for persons with disabilities

The cumulative inflationary increase to a maximum of 4 years is intended to facilitate the rounding off of public admission fees (i.e., Zoo Admissions). Any fees increase for these facilities and services over and above the rate of inflation would require Council approval.

Rationale for the Proposed Delegation of Authority:

Delegating to the Director of Community Services Department the authority to establish and increase recreation, leisure and library fees would streamline fee approval processes resulting in more efficient processes and enhanced customer service. As a result, the department would also be able to adjust to changing market conditions and consumer demand more quickly. For example, if significant changes to costs occurred, adjustments to fee schedules based on sound market and economic analyses could be readily and efficiently achieved. Furthermore, when a new program is developed or an existing program is modified, the associated fees could be established in a more streamlined fashion.

Free Services:

The Community Services Department will maintain the following fully subsidized programs, services, and facilities for the general public:

- Assiniboine Park open space and gardens
- Assiniboine Park Conservatory general admission
- Assiniboine Park designated cross-country trails
- use of library circulation and reference books by residents
- designated outdoor pools
- designated play, youth and seniors drop-in programs
- designated public swimming
- designated public skating
- designated wading pools

In this context, it is important to reference Subsection 210(3) of the City of Winnipeg Charter which states that “Despite any other provision of this Act, the City must permit residents of the city to have free use of the circulating and reference books of every public library and branch that it maintains”.

Special Rates - Fee Waivers and Reduced Rates for Individuals, Groups, and Organizations

In addition to free services, for some programs, facilities, and services for all Winnipeg residents, Community Services currently offers reduced rates and fee waivers for individuals, groups, and organizations. The intent of these special rate policies is to

provide access to recreation programs and facilities for individuals (and for agencies responsible for providing services to individuals) that are in economic need.

Table 1.0 - Community Services Department Fee Waivers/Reduced Fees Program Value (2004 to 2006)

	2004			2005			2006		
	Individual	Group	Total	Individual	Group	Total	Individual	Group	Total
Aquatics	$ 48,412.64	$ 27,412.60	$ 75,825.24	$ 68,017.58	$ 38,887.80	$ 106,905.38	$ 46,560.35	$ 31,223.49	$ 77,783.84
Recreation Services	$ 12,573.83	$ 4,681.49	$ 17,255.32	$ 14,441.24	$ 5,393.53	$ 19,834.77	$ 17,352.87	$ 6,613.20	$ 23,966.07
Sub Total	$ 60,986.47	$ 32,094.09	$ 93,080.56	$ 82,458.82	$ 44,281.33	$ 126,740.15	$ 63,913.22	$ 37,836.69	$ 101,749.91
Assiniboine Park Zoo	$ 75,231.54	$ 9,823.60	$ 85,055.14	$ 61,111.00	$ 13,222.99	$ 74,333.99	$ 83,424.36	$ 18,845.05	$ 102,269.41
Departmental Total	$ 136,218.01	$ 41,917.69	$ 178,135.70	$ 143,569.82	$ 57,504.32	$ 201,074.14	$ 147,337.58	$ 56,681.74	$ 204,019.32

*The fee waiver/reduced fee statistics in Table 1does not include free programs.

The proposed Community Services Department Fees and Charges Policy also includes a recommended delegation of authority to the Director of Community Services to be able to consider reduced rental rates for groups and organizations. This would enable a more streamlined approach than previously existed where such requests would need to be directed to the appropriate Community Committee of Standing Policy Committee for consideration. In the last two years, there have been five requests for fee waivers for rentals for a total fee waiver amount of $14,225 in 2005 and $13,618 in 2006.

Financial Impact Statement **Date:** October 3, 2007

Project Name: Community Services Department Fees and Charges Policy

COMMENTS: **There are no financial impacts associated with this report.**

Cindy Fernandes
Manager of Finance & Administration

IN PREPARING THIS REPORT THERE WAS:

Internal Consultation With and Concurrence By:

Legal Services

THIS REPORT SUBMITTED BY:

Community Services Department
Strategic and Information Systems Services Division
Prepared by: Peter de Graaf, Research and Marketing Coordinator
Kathy Knudsen, Manager, Strategic and Information Systems Services
File No.

Appendix A

The City of Winnipeg

Community Services Department Fees and Charges Policy

Part 1 – Introduction

Policy Statement

Recreation, leisure, and library services are important municipal services that contribute significant personal, social, literacy, education, economic, and healthy living benefits, and which enhance the quality of life of Winnipeg citizens and contribute to safe, viable and sustainable communities.

Legislative Basis for Fees and Charges

The City of Winnipeg Charter authorizes the Winnipeg City Council to set fees for the services it offers. There is one significant exception; subsection 210(3) of *The City of Winnipeg Charter* states that, "Despite any other provision of this Act, the city must permit residents of the city to have free use of the circulating and reference books of every public library and branch that it maintains."

Clause 3(1)(c) the *City of Winnipeg Organization By-Law* states that City of Winnipeg Council is the final authority on "the fixing of prices, rates, fees and charges for all civic services and facilities except as specifically delegated".

Even where the authority to establish prices, rates, fees and charges has been delegated to the Public Service, as this Policy does, Council retains the authority to override the price, rate, fee or charge set by the Public Service.

City of Winnipeg Policy Context

Final Report of the Mayor's Red Tape Commission

The Community Services Department Fees and Charges Policy has been developed in accordance with the intent of the *Final Report of the Mayor's Red Tape Commission.* That is, the policies proposed in this document reflect common sense guidelines for better regulation in the City of Winnipeg as well as enabling a more efficient and streamlined approach for the setting and approval of certain fees and charges.

Plan Winnipeg 2020 Vision

In *Plan Winnipeg 2020 Vision*, adopted by City Council in December 2001, the City of Winnipeg acknowledges its commitment to recreation, leisure, and library services through policy statements 4D-02 (Provide High-Quality Library Services), 5D-01 (Promote Active Living), 5D-02 (Provide Leisure Facilities), and 5D-03 (Support Unique Attractions).

The City of Winnipeg also acknowledges its commitment to accessibility to programs and services through policy statement 2A-02 (Promote Equitable Access to Facilities and Services) "….ensuring all citizens have access to essential community services and facilities and facilitating access to financial support where there is an inability to pay…."

Fees and Charges Principles

The City of Winnipeg is committed to providing affordable recreation, leisure, and library services and programs, which meets the needs of its residents.

The City of Winnipeg is committed to ensuring that recreation, leisure, and library programs and services are accessible to residents regardless of their ability to pay.

The City of Winnipeg is committed to pursuing cost effective approaches to ensure availability and sustainability of recreation, leisure, and library services and programs. User fees and charges are levied in order to recover all or a portion of costs, where appropriate.

Definitions

"administrative services" includes services associated with processing NSF cheques, refunds, cancellations, damage deposits, replacement of lost or stolen passes or cards, replacement of unreturned borrowed items, facility use agreements where no rental or user fee is charged, library late fees, reservation of items, equipment, or materials.

"costs" includes both direct and indirect costs. Direct costs are generally easily and conveniently traceable and may typically include but are not limited to staff labour, materials, facility rentals, etc. Indirect costs can not be easily and conveniently traceable to a program or service and may typically include but are not limited to depreciation, insurance, salary overhead, etc.

"demand" means the quantity of a good or service that consumers will buy at a given fee, taking into account the factors that determine consumer's willingness and ability to pay for goods and services.

"Department" means the City of Winnipeg Community Services Department

"designated" when referring to a program, service or facility, means designated by the Director of Community Services.

"Director" means the Director of the Community Services Department or designate.

"*equipment and facility use fees*" includes rental and use fees for:

(a) departmental recreation and library facilities, such as Assiniboine Park space, supervised tennis courts, ice skating facilities, swimming pools, and rooms within facilities;

(b) garden plots; and

(c) equipment, such as recreational equipment, photocopiers and other microform equipment, etc.

"inflation rate" means the forecasted increase for the following year in the consumer price index forecasted for Winnipeg by the Conference Board of Canada.

"*merchandise fees*" includes departmental fees charged for book sales, as well as the sale of aquatic, and other merchandise.

"non-profit group or organization" means a group or organization:

(a) that operates solely for the benefit of its membership community or for a charitable cause;

(b) whose membership and activities are open to the general public or, where the organization exists to serve a specific client group or community (e.g. sport organizations), the group's membership is open to that entire client group or community; and

(c) that does not permit an individual who has controlling authority within the organization to receive regular personal monetary gain or compensation for their efforts on behalf of the organization as if relates to that organization's use of a Department park, facility, or service.

"non-resident" means an individual who resides outside the City of Winnipeg limits and does not own real property within the City.

"public admission fees" means fees for admissions to recreation and leisure facilities and activities within those facilities that are open to the general public without the need for registration and includes admissions for public swimming, public skating and the Assiniboine Park Zoo.

"recreation and leisure programs" includes registered and drop-in programs administered by the Community Development and Recreation Services Division (e.g., learn to swim, learn to skate, leisure, gymnastics, sport, sport camps, active living, dance, yoga, Pilates, program oriented passes, etc.)

Part 2 – Policy Criteria

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1.0 Delegation of Authority to Set Fees

1.1 Subject to this section, the Director has the authority to establish recreation, leisure, and library fees and charges for the following program, facilities and services provided, operated or administered by the department:

- recreation and leisure programs
- use of facilities and equipment
- public admissions to facilities
- sale of merchandise and supplies
- administrative services

1.2 Without restricting the authority granted in subsection 1.1, the Director may establish fees based on:

- the age of the participant;
- the volume of use;
- particular facility amenities;
- the time of use (i.e., prime or non-prime);
- the for-profit or non-profit status of the organization to which the fee applies; and
- the desire to promote participation in a particular activity or program or the use of facilities, equipment or services.

1.3 The authority under 1.1 and 1.2 does not apply to the following Community Services Department programs and services:

- fees established by or pursuant to By-Laws

- fully subsidized programs, services, and facilities including
  - Assiniboine Park open space and gardens
  - Assiniboine Park Conservatory general admission
  - Assiniboine Park designated cross-country trails
  - Use of library circulation and reference books by residents
  - designated outdoor pools
  - designated play, youth and seniors drop-in programs
  - designated public swimming
  - designated public skating
  - designated wading pools

1.4 Subject to 1.5, the Director's authority to increase fees and charges for the following programs and facility admissions is limited to an annual increase by up to the rate of inflation over the amount charged on the date this policy comes into effect.

- Assiniboine Park Zoo
- Public Swimming
- Public Skating
- Learn to Swim
- Learn to Skate
- Casual use of recreation and leisure facilities excluding programs
- Adaptive programming for persons with disabilities

1.5 Where the Director does not exercise or has not exercised his or her authority under subsection 1.4 to increase a fee by the rate of inflation in any year or years, the Director may apply a cumulative inflationary increase to the fee in a subsequent year, retroactive to a maximum of 4 years.

1.6 In exercising his or her authority under subsection 1.1, the Director shall consider consumer demand for and costs of the program, service, or facility, and fees charged by comparable service providers.

2.0 <u>Special Rates – Fee Waivers and Reduced Rates</u>

2.1 Special Rates for Individuals

Subject to limits established in the Department's annual operating budget, the Director may provide fee waivers or reduced rates for recreation and leisure programs and public admissions to residents of Winnipeg who demonstrate a financial need in order to assist these individuals to access recreation and leisure programs and public admissions offered by the Department.

2.2 Special Rates for Groups and Organizations

Subject to limits established in the Department's annual operating budget, the Director may reduce or waive departmental recreation, leisure, and library facility rental, program, and public admission fees for

(a) groups and organizations offering services in partnership with the City; or

(b) non-profit groups and organizations if:

(i) the fee waiver or reduction is necessary in order to remove barriers to participation by at-risk, special needs, or low-income individuals; and

(ii) the group's or organization's use of a Department park, facility, or service is for a recreational, healthy living, cultural, library, or educational purpose.

3.0 Non-Resident Fees

Non-residents must pay a surcharge of an additional 20% of the program fee for departmental registered recreation and leisure programs.

Non-residents must pay an annual non-resident fee established by the Director for the use of the circulating and reference books of libraries.

4.0 Waiver of Library Late Fees and Charges

That the Director may waive library late fees and charges in exceptional and special circumstances where doing so would result in demonstrably unfair consequences.