Agenda - Executive Policy Committee - April 16, 2003

REPORTS

Item No. 6 Proposed Recreation Fee Increases
File PR-2.10 (Vol. 11)

ADMINISTRATIVE RECOMMENDATION:

That, in accordance with the Council-approved 2003 budget, City of Winnipeg Parks and Recreation By-Law No. 3219/82 be amended to reflect a 5% increase in all recreation, leisure and aquatic program and admission fees.

Re: **Proposed Recreation Fee Increases**

For submission to: Executive Policy Committee

Submitted by: Director of Community Services

Report date: April 11, 2003

Recommendation(s):

- That, in accordance with the Council-approved 2003 budget, City of Winnipeg Parks and Recreation By-Law 3219/82 be amended to reflect a 5% increase in all recreation, leisure and aquatic program and admission fees.

Report Summary

Key Issues:

- A local comparative pricing analysis was conducted on similar recreation, leisure and aquatic programs offered within Winnipeg, including Preschool Programs, Children's Programs, Summer Day Camps, Skating Programs, Adult Fitness, Adult Leisure Programs, and Learn-to-Swim and Lifesaving Programs. Key findings of the analysis include:
    - The City of Winnipeg prices for Children's Leisure Programs are all below the sample average prices.
    - In Adult Fitness and Adult Leisure Programs, the City of Winnipeg is at or below the sample average price.
    - City of Winnipeg Aquatic Program fees are generally higher than other organizations within the local market.

- Admission fees, as well as recreation, leisure and aquatic program fees have increased by 5%. In September an additional cost-of-living adjustment will be applied in accordance with Council policy.

- It is recognized that this fee increase may impact on certain demographic profiles. However, it should be noted that the Fees and Charges Policy also provides a mechanism for fee waivers for those individuals and families who are economically disadvantaged.

- The increase will allow the department to meet its budget relative to the associated programming, once annualized. As these increases will not be annualized until 2004, there will be a budgetary shortfall of $136,396 in 2003.

- Amendment to the City of Winnipeg Parks and Recreation By-Law 3219/82 is required.

Implications of the Recommendation(s):

General Implications

	None
	For the organization overall and/or for other departments
X	For the community and/or organizations external to the City of Winnipeg
	Involves a multi-year contract

Comment: Increased user fees.

Policy implications

	No
X	Yes

Comment: Amendment to City of Winnipeg Parks and Recreation By-law 3219/82 is required.

Financial Implications

X	Within approved current and/or capital budget
	Current and/or capital budget adjustment required

Comment: The increase will allow the department to meet its budget relative to the associated programming, once annualized.
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Report

Recommendation(s):

- That, in accordance with the Council-approved 2003 budget, City of Winnipeg Parks and Recreation By-Law 3219/82 be amended to reflect a 5% increase in all recreation, leisure and aquatic program and admission fees.

Reason for the Report:

Council must approve any new fee schedules or changes to fee schedules in excess of CPI increase. All City by-law amendments require Council approval.

History:

The City of Winnipeg's Fees and Charges Policy directs that fees and charges within the fee schedule increase automatically, annually, by at least the rate of inflation unless a review indicates otherwise. To date, fees have been increasing annually by the cost of living in accordance with existing Council Policy.

Discussion:

The Community Services Department has prepared a local comparative analysis of recreation, leisure and aquatic program pricing for organizations that have similar program content and amenities. The key findings indicate that:

- The City of Winnipeg is the lowest priced service provider for all of the Preschool Programs analyzed.
- The City of Winnipeg provided the lowest price in the majority of the Children's Programs analyzed.
- The City of Winnipeg is the lowest priced service provider for all of the Summer Camps programs analyzed.
- The City of Winnipeg is below the average prices charged by competitors for all of the Skating Programs analyzed.
- The City of Winnipeg is below the average prices for two of the six Learn to Swim Programs analyzed.
- The City of Winnipeg offered the highest price for five of the six Lifesaving Programs analyzed.

- The City of Winnipeg offered the lowest price for the majority of the Adult Fitness Programs analyzed.
- The City of Winnipeg offered the lowest price for the majority of the Adult Leisure Programs analyzed.

With the price increase of 5 %, the City of Winnipeg would:

- Remain one of the lowest priced service providers for all of the Preschool Programs analyzed.
- Remain below the average prices charged for all of the Children's Programs analyzed.
- Remain the lowest priced service provider for all of the Summer Camps Programs analyzed.
- Remain below the average price for all of the Skating Programs analyzed.
- Would be the highest priced service provider in four of the six Learn to Swim Programs analyzed.
- Would continue to be one of the highest priced service providers for Lifesaving Programs analyzed.
- Would continue to be one of the lowest priced service providers for Adult Fitness Programs analyzed.
- Would continue to be one of the lowest priced service providers for Adult Leisure Programs analyzed.

Admission fees, as well as recreation, leisure and aquatic program fees have increased by 5%. In September an additional cost-of-living adjustment will be applied in accordance with Council policy.

It is recognized that this fee increase may impact on certain demographic profiles. However, it should be noted that the Fees and Charges Policy also provides a mechanism for fee waivers for those individuals and families who are economically disadvantaged.

The increase will allow the department to meet its budget relative to the associated programming, once annualized. As these increases will not be annualized until 2004, there will be a budgetary shortfall of $136,396 in 2003.

Financial Impact Statement

Date: April 11, 2003

First Year of Program: 2003

Project Name: Program/Admission Proposed Fee Rate Increases

	2003	2004	2005	2006	2007
Capital					
Capital Expenditures Required	$ -	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	-	-	-	-	-
Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal	$ -	$ -	$ -	$ -	$ -
Debt - External	-	-	-	-	-
Grants (Enter Description Here)	-	-	-	-	-
Reserves, Equity, Surplus	-	-	-	-	-
Other - Enter Description Here	-	-	-	-	-
Total Funding	$ -	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Total Additional Debt Required	$ -	$ -	$ -	$ -	$ -
Current Expenditures/Revenues					
Direct Costs	$ -	$ -	$ -	$ -	$ -
Less: Incremental Revenue/Recovery	220,000	356,396	356,396	-	-
Net Cost/(Benefit)	$ (220,000)	$ (356,396)	$ (356,396)	$ -	$ -
Less: Existing Budget Amounts	(356,396)	(356,396)	(356,396)	-	-
Net Budget Adjustment Required	$ 136,396	$ -	$ -	$ -	$ -

Additional Comments: These increases are annualized in 2004.

Clive Wightman, CGA
Manager of Finance & Administration

This Report Submitted By:

Department: Community Services
Division: Community Development and Recreation Services
Strategic & Information Systems Services
Prepared by: Kerry Wilson / Roy Mulligan / Kathy Knudsen / Peter de Graaf
File No.