Agenda – Executive Policy Committee – February 13, 2024

Report – Standing Policy Committee on Community Services – February 6, 2024

Item No. 1 Amendment to the Community Services Department Recreation, Leisure and Library Fees and Charges Policy No. LW-009

STANDING COMMITTEE RECOMMENDATION:

On February 6, 2024, the Standing Policy Committee on Community Services concurred in the recommendation of the Winnipeg Public Service and submitted the following to Council:

1. That amendments to the Community Services Department Recreation, Leisure and Library Fees and Charges Policy No. LW-009, attached as Appendix A, be approved. These amendments will:

    A. Increase the non-resident surcharge for registered recreation and leisure programs from 20 percent to 100 percent;

    B. Include government agencies in the list of organizations that the Director of Community Services can waive or reduce fees if the services of the agency and the request for fee reduction meets all the criteria of the Policy;

    C. Require that non-resident fees established by the Director for use of facilities and equipment, public admissions to facilities or sale of merchandise and supplies are set at an additional 100 percent of the resident fee.

2. That increases to non-resident fees for library and recreation services described in Appendix B be approved, effective July 1, 2024.

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

Agenda – Executive Policy Committee – February 13, 2024

Report – Standing Policy Committee on Community Services – February 6, 2024

DECISION MAKING HISTORY:

STANDING COMMITTEE RECOMMENDATION:

On February 6, 2024, the Standing Policy Committee on Community Services concurred in the recommendation of the Winnipeg Public Service and submitted the matter to the Executive Policy Committee and Council.

ADMINISTRATIVE REPORT

Title: Amendment to the Community Services Department Recreation, Leisure and Library Fees and Charges Policy No. LW-009

Critical Path: Standing Policy Committee on Community Services – Executive Policy Committee - Council

AUTHORIZATION

Author	Department Head	CFO	CAO
K. Lemoine	C. Fernandes	C. Kloepfer	M. Jack

EXECUTIVE SUMMARY

Council increased the surcharge amount non-residents pay when registering for City recreation and leisure programs. The previous surcharge, an additional 20 percent of the program fee, was increased by Council to an additional 100 percent of the program fee on October 26, 2023.

Council approval is now required to amend Policy No. LW-009 to reflect its decision to increase the non-resident surcharge.

This report also recommends that:

- non-resident fees for recreation and library services listed in Appendix B be increased to reflect a surcharge of an additional 100 percent of the resident fee;
- the Policy be amended so that all future non-resident fees established by the Director of Community Services reflect a surcharge of an additional 100 percent of the resident fee; and
- the Policy be amended to include government agencies in the list of organizations that the Director of Community Services can waive or reduce fees if the services of the agency and the request for fee reduction meets all the criteria of the Policy.

RECOMMENDATIONS

1. That amendments to the Community Services Department Recreation, Leisure and Library Fees and Charges Policy No. LW-009, attached as Appendix A, be approved. These amendments will:

    A. Increase the non-resident surcharge for registered recreation and leisure programs from 20 percent to 100 percent;

B. Include government agencies in the list of organizations that the Director of Community Services can waive or reduce fees if the services of the agency and the request for fee reduction meets all the criteria of the Policy;

C. Require that non-resident fees established by the Director for use of facilities and equipment, public admissions to facilities or sale of merchandise and supplies are set at an additional 100 percent of the resident fee.

2. That increases to non-resident fees for library and recreation services described in Appendix B be approved, effective July 1, 2024.

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

REASON FOR THE REPORT

Council approval is required to amend Council policies and to increase fees and charges at a rate in excess of inflation.

IMPLICATIONS OF THE RECOMMENDATIONS

The historic average of registered recreation and leisure program registrations from non-residents has been 2 percent of total registrations. In 2022, actual revenue from the non-resident program registration surcharge was $56,000. The new surcharge rate was in effect with the Winter 2024 Leisure Guide program registration. Registration began December 19, 2023 for residents and December 21, 2023 for non-residents. At the time of writing, non-resident registrations represented 0.3 percent, contributing $9,070 in revenue. Final registration numbers and revenue will not be available until conclusion of the Winter Leisure Guide program.

The financial impact of charging an additional 100 percent of resident fees on future non-resident fees that may be established by the Director of Community Services, or from increasing previously established non-resident fees by rates greater than inflation, as listed in Appendix B, cannot be predicted. Non-residents may continue to utilize services which would result in incremental revenue or they may not resulting in decreased revenue.

Expanding Director delegated authority to waive or reduce fees to provide fee subsidies for departmental recreation, leisure, and library facility rental, equipment rental, program and public admission fees to government agencies does not have financial implications as the Department's authority for all fee waivers and subsidies is subject to limits established in the Department's annual operating budget.

HISTORY/DISCUSSION

Amendment to the Non-Resident Surcharge Rate for Registered Recreation and Leisure Programs

On October 24, 2007, Council approved the establishment of a Community Services Department Fees and Charges Policy to provide the framework and principles for the setting

and administration of fees and charges for applicable recreation, leisure and library services. The Policy included a surcharge of an additional 20 percent of the program fee for departmental registered recreation and leisure programs for non-residents, where non-resident means an individual who resides outside of the City of Winnipeg limits and does not own real property within the City.

On April 27, 2023, Council approved an update to the Policy and adopted the Community Services Department Recreation, Leisure and Library Fees and Charges Policy No. LW-009. The 20 percent surcharge and non-resident definition remained unchanged.

On October 26, 2023, Council concurred in the recommendation of the Standing Policy Committee on Community Services and approved an increase to the surcharge for non-residents from 20 percent to 100 percent of the program fee for departmental registered recreation and leisure programs effective the next Leisure Guide registration event after Council approval of the new rate which was the 2024 Winter Leisure Guide. While Council approved the increase to the surcharge, approval of the required amendment to the Policy was not included with the disposition. Council approval is now required to amend the Policy to reflect its decision to increase the non-resident surcharge.

The historic average of registered recreation and leisure program registrations from non-residents has been 2 percent of total registrations. In 2022, actual revenue from the non-resident program registration surcharge was $56,000. The new surcharge rate was in effect with the Winter 2024 Leisure Guide program registration. Registration began December 19, 2023, for residents and December 21, 2023, for non-residents. At the time of writing, non-resident registrations represented 0.3 percent, contributing $9,070 in revenue. Final registration numbers and revenue will not be available until conclusion of the Winter Leisure Guide program.

Amendment to Establish a Surcharge for Non-Resident Fees Established Under the Delegated Authority of the Director of Community Services:

Under authority delegated in the Policy, the Director of Community Services has established and set fees for recreation and leisure programs, use of facilities and equipment, public admissions to facilities and sale of merchandise and supplies. With the exception of fees for registered recreation and leisure programs, these fees along with all fees charged by City Departments, are published in the City's Fees and Charges Schedule. The City posts the annual Fees and Charges Schedule on its website after Council adoption of the budget.

Within their authority, the Director has established non-resident fees, primarily for room and aquatic rentals, at a fee greater than the corresponding resident fee. The Policy does not include a prescribed surcharge for other non-resident fees established under Director authority. Historically, when non-resident fees were established they were set at a fee that was 20 percent more than the corresponding resident fee. Over time, as changes have been made to fees established in the annual Fees and Charges Schedule, the percentage that non-resident fees are set above resident fees has become inconsistent but are generally around 20 percent.

To address these variations, and consistent with the October 26, 2023, Council decision, this report recommends that where the Director establishes non-resident fees for use of facilities and equipment, public admissions to facilities, or sale of merchandise and supplies, the Policy should require those fees to be set at an additional 100 percent of the corresponding resident fees.

The Public Service also recommends that non-resident fees previously established by the Director be increased by an amount such that the fee is set at an additional 100 percent of the corresponding resident fees, effective July 1, 2024, the established date for the next annual fee increase. Appendix B provides a list of the recommended increases to non-resident fees that would come into effect in 2024. Under the Policy, the Director's authority to increase already established fees is limited to an annual increase by up to the rate of inflation as that rate is determined by the Chief Financial Officer. Council approval is required for increases above the rate determined by the Chief Financial Officer.

On November 30, 2023, the Chief Financial Officer approved fee increases at five percent effective January 1, 2024. It is expected the 2024 Fees and Charges Schedule will be posted on the City's website after Council adopts the 2024 budget.

The average annual revenue from non-resident fees, excluding non-resident fees for registered recreation and leisure programs, for the three years prior to the COVID pandemic (2017-2019) was $28,000.

Amendment to Delegation of Authority to Provide Fee Subsidies:

Subject to limits established in the Department's annual operating budget, the Policy delegates authority to the Director of Community Services to waive or reduce fees and to provide fee subsidies for departmental recreation, leisure, and library facility rental, equipment rental, program, and public admission fees to non-profit groups or organizations and public schools where:

- The use of a department's facility or equipment is for a period of less than one-year; and
- The fee subsidy is necessary in order to remove barriers to participation by at-risk, special needs, or low-income individuals, equity groups as defined in City Policy No. CO-017 Equity, Diversity and Inclusion Policy, or vulnerable or marginalized populations.

The Equity, Diversity and Inclusion Policy defines equity groups to include, but not limited to, women, Indigenous peoples, racialized peoples, persons with disabilities, Newcomers and 2SLGBTQ+ persons.

Additionally, fee subsidies for the use of a department facility, or services may only be provided for recreational, healthy living, cultural, library, educational, food security, or reconciliation focused activities.

The April 2023 update to the Policy included revisions to the definition of "non-profit group or organization" including that a non-profit group or organization "does not include the federal or any provincial, territorial or municipal governments." This was included to simply clarify that governments are not, by definition, non-profit organizations. It was not intended to exclude government agencies from qualifying for fee subsidies where the services of the agency align with and support Council-adopted plans, policies, and strategies including OurWinnipeg 2045, Newcomer Welcome and Inclusion Policy and Strategy, Winnipeg Poverty Reduction Strategy and the Winnipeg Recreation Strategy. For clarity, government agencies and departments will still be charged regular fees when the use does not align with the above-noted strategies.

To correct this unintended interpretation, the proposed amendments to the Policy include the addition of the following language (in bold typeface below) to the introductory paragraph of Section 5.3B:

"Subject to limits established in the department's annual operating budget, authority is delegated to the Director to waive or reduce fees to provide fee subsidies for departmental recreation, leisure, and library facility rental, equipment rental, program, and public admission fees to non-profit groups or organizations, public schools and ***government agencies that provide services that align with and support Council-adopted plans, policies, and strategies,*** *where:…."*

Expanding Director delegated authority to waive or reduce fees to provide fee subsidies to government agencies does not have financial implications as the Department's authority is subject to limits established in the Department's annual operating budget.

FINANCIAL IMPACT

Financial Impact Statement Date: January 11, 2024

Project Name:

Amendment to the Community Services Department Recreation, Leisure and Library Fees and Charges Policy No. LW-009

COMMENTS:

The report Is seeking approval to amend the Recreation, Leisure, and Library Fees and Charges Policy No. LW-009.

There are no financial implications resulting from the recommendations of this report. The financial impact of charging an additional 100% of resident fees on future non-resident fees cannot be reasonably predicted.

Ozzy Garrett CPA, CGA - Jan 11/24

Ozzy Garrett CPA, CGA
Manager of Finance
Community Services Department

CONSULTATION

This Report has been prepared in consultation with:

- Legal Services (as to legal matters)

OURWINNIPEG POLICY ALIGNMENT

Goal: Economic Prosperity
Policy 3.16 - Optimize Facility Access: Maximize the use of existing municipal assets to promote recreation, community development, and social interaction, while optimizing equitable access, infrastructure reinvestments, service delivery methods and resource management.

Goal: Good Health and Well-Being
Policy 4.11 Equitable Service Access: Prioritize equitable access to recreation and parks systems, services, and infrastructure, in order to: enable active living; connect people and nature; create supportive environments; build community capacity; and achieve desired health outcomes, with a focus on children and youth.

WINNIPEG CLIMATE ACTION PLAN ALIGNMENT

Consideration was given as to whether this report connects to the Winnipeg Climate Action Plan (CAP), and it was determined that the CAP is not applicable to this specific report.

WINNIPEG POVERTY REDUCTION STRATEGY ALIGNMENT

The information and recommendations presented in this report align with and advance the Winnipeg Poverty Reduction Strategy (2021 – 2031) as follows:

They align with the following **Goals, Objectives and Actions**:

GOAL 6: All City Services are Equitable, Inclusive and Accessible
Objectives:
A. Residents have equitable access to City services, in particular demographic groups who experience marginalization.
B. Community development models and collaborative approaches are enhanced or initiated for service planning & delivery in areas of higher poverty.
C. Use of City's tools and resources are maximized to reduce systemic inequities

SUBMITTED BY

Department: Community Services
Division: Office of the Director
Prepared by: Kelly Lemoine
Date: January 11, 2024
File No: CMS-2024-1
Attachments:

Appendix A: Amendment to the Community Services Department Recreation, Leisure and Library Fees and Charges Policy No. LW-009

Appendix B: 2024 Increases to Non-Resident Fees