



Corporate Report

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BUDGET COMMITTEE

DEC 07 2009

DATE: November 20, 2009

TO: Chair and Members of Budget Committee
Meeting Date: December 7, 2009

FROM: Paul A. Mitcham, P.Eng., MBA
Commissioner of Community Services

SUBJECT: **Recreation Program Fees**

RECOMMENDATION: That a by-law be enacted incorporating the revisions to the Recreation Program Fees from the start of Spring 2010 through to Winter of 2011 as outlined in Appendix 1, of the corporate report dated November 20, 2009 from the Commissioner of Community Services.

BACKGROUND: On an annual basis, fees charged for recreation programs offered by the City are reviewed and in accordance with the Municipal Act, adjustments for the next year's spring, summer and fall fees, as well as the following year's winter fees are recommended.

COMMENTS: The rates in the schedule include fees for registered programs, memberships, pay as you go, golf, museums and the Mississauga Senior Centre. The annual review of Recreation Program Fees has resulted in revisions to most fees.

Recreational Swim and Skate Fees

In May 2009 the City introduced adult recreational swim and skate fees for Seniors. The introduction of the recreational swim and skate fees for Seniors was accompanied by *Active Assist*, a fee assistance program for residents in economic need.

Over the last six months staff has monitored feedback from the community on the introduction of these fees and at the same time have initiated a pricing review of Recreation and Parks services. The latter is an ongoing project focused on a number of key areas including;

1. Pay As You Go/ Admission fees for Drop-in programs
2. Membership Fees
3. Rental Rates for Facilities, Ice and Sport Fields
4. Program Fees

The Recreation and Parks budget includes \$46 million in fee revenues that enhance service delivery and balance user fees with tax support. The purpose of the pricing review is to simplify the listing of current fees, reduce the number fees listed within the Recreation and Parks Program Fee by-law and to bring forward new price points that will continue to support the existing user fee/ tax funding balance within Recreation and Parks. It is anticipated in 2010 that reports in each of the four areas noted above will be brought forward to the Leadership team and Council for discussion.

The introduction of recreational swim and skate fees for Seniors this past May resulted in feedback and ongoing dialogue with a number of residents. As a result of this discussion staff recommend that for April 1, 2010;

- The City introduce a 100 visit pass for \$100 (excluding tax) to Adults born in 1945 or before providing this demographic an additional purchase point at a price attractive option.
- Pro-rate current annual fees for recreational swim/ skate to allow for a monthly purchase. Eliminate the 3 month pass.

These changes are recommended to provide increased flexibility to access these programs and streamline current pricing.

Benchmarking indicates that it is common for Seniors to pay program fees for recreational swim and skate admissions across the Greater

Toronto area. The amount of the fee and the discount provided does vary. The largest discounts and the best value in the proposed Mississauga fees are built into the number of visits, similar to past practice.

Summary

Every effort is made to minimize fee increases, in general fee adjustments of 3.0% are being recommended. Recommended program fee increases have been reflected in the budgeted revenues between the beginning of April 2010 and the end of March, 2011 and are required to offset increased labour costs and program supplies required to deliver these programs.

The recreation programs offered by Recreation and Parks during spring 2010 the winter 2011 are outlined in Appendix "1". This listing contains the current approved fees, and the recommended fees. The program fees listed in Appendix "1" exclude any applicable tax to ease the transition and impact of the HST where it might be applicable

The majority of fee increases range from 1% to 3%, depending on the level of previous increases, fee placement in the marketplace, and/or changes in the cost to run the program. There are exceptions including;

- The existing daily pay as you go admission for recreational swim/ skate has been maintained, the Group admission rate has been increased by \$0.50 and a 100 visit pass has been introduced.
- Pro-rate current annual fees for recreational swim/ skate to allow for a monthly purchase. Eliminate the 3 month pass.
- Golf fees have been maintained at 2009 prices in anticipation that the HST will increase these fees in July 2010.

In the event that new programs or promotional opportunities are developed, the Director of Recreation and Parks will continue to establish interim fees for these services, as in past years.

FINANCIAL IMPACT: The recommended increases have been reflected in the 2010 budgeted revenues and the 2011 budgeted revenue forecast, which are required

to help offset increased annual operating costs of labour, supplies and materials required for the operation of the programs.

CONCLUSION:

The proposed program fees contained in this report have been increased by an average of 3% due to increased labour and materials costs, and to ensure they remain competitive in the marketplace.

ATTACHMENTS:

Appendix 1: Recreation Program Fees from Spring 2010 through Winter 2011

Appendix 2: Recreational Swim / Skate Fees April 2010 versus April 2009



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Commissioner of Community Services

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