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| Item | 11 |
| Manager's Report No. | 18 |
| Council Meeting | 98/06/22 |

TO: CITY MANAGER

DATE: 1998 JUNE 18

FROM: DIRECTOR PARKS, RECREATION AND CULTURAL SERVICES

SUBJECT: 1998/1999 FACILITY USE FEES & CHARGES FOR
PARKS, RECREATION & CULTURAL SERVICES

PURPOSE: To request Council to bring forward the Burnaby 1998/1999 Facility Fees Bylaw as detailed on Attachment #3 of the attached report.

RECOMMENDATION:

1. THAT the Burnaby 1998/1999 Facility Fees Bylaw as detailed on Attachment #3 of the attached report be brought forward.

REPORT

At its meeting of 1998 June 17, the Parks and Recreation Commission received the attached staff report on the above subject and adopted the three recommendations contained therein.



KATE FRIARS
DIRECTOR PARKS, RECREATION
AND CULTURAL SERVICES

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Attachment

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cc: Director Finance

**SUBJECT: 1998/1999 FACILITY USE FEES & CHARGES
FOR PARKS, RECREATION & CULTURAL SERVICES**

RECOMMENDATIONS:

1. THAT the 1998/1999 Fees & Charges Pricing Guidelines be approved.
2. THAT the 1998/1999 Facility Use Fee Schedule, as outlined in this report, be approved.
3. THAT Council be requested to bring forward the Burnaby 1998/1999 Facility Fees Bylaws as detailed on Attachment #3 of this report.

REPORT

BACKGROUND

Each spring, the Commission ordinarily receives two reports outlining the recommended fee structure for next year's parks, recreation and cultural services. The fees are established at this time to enable staff to not only better project revenues for the upcoming Provisional Budget process, but also in order to meet the deadline for having rates in place for the new fee schedule which commences 1998 September 01.

These reports are as follows:

1. Burnaby Facility Use Fees (Bylaw)

This document is required under the conditions of the Municipal Act. The bylaw covers all fees and charges related to the public use of recreation building and facilities. The bylaw is established and in effect on an annual basis. It does not cover individual program fees.

Due to its size, the proposed 1998/1999 Facility Use Fee schedule has been provided as a separate package (Attachment #3).

2. Burnaby Program Fee Guidelines

Presenting a detailed listing of program fees has not been practical due to the volume, diversity and complexity of services provided. Pricing considerations and guidelines for programs and services are reviewed and approved by the Commission, and rates are set and implemented administratively by staff.

In order to streamline the annual fees and charges process, and due to the similarity of pricing guideline information being presented, this report is being amalgamated with the Facility Use Fees, into one document.

PRICING GUIDELINES

For the most part, increases to the Facility Fee Use Schedule and the Program Fees are limited to inflationary amounts of up to 1.5%. This is meant to assist in offsetting projected inflationary increases to the costs of service provision, for items such as supplies and labor costs.

In service areas such as admissions, a minimum increase to a relatively small admission rate will show as a percentage over 1.5%. This is due in part to the practice of rounding all admission rates to the nearest nickel. Rounded inflationary increases for these types of admission rates may therefore show as a percentage over 2%, but actually only represents an increase to the customer of \$.05.

In 1997, the Commission approved a Value Statements document (Attachment #1) and an Operating Principles document (Attachment #2), in order to provide a framework for fees and charges, as well as guidance to staff for creating rates for programs and services. These documents are used to review new and established rates on an ongoing basis.

Market research on comparable programs and services throughout the Lower Mainland is regularly conducted in order to confirm that Burnaby's prices remain reasonable and competitive.

EXCEPTIONS AND ADJUSTMENTS

In May 1998, the Commission gave approval in principle to the following exceptions to inflation, presented in a staff report.

- Freezing of facility social allotment rates
- New allotment rate for groups under 200 at Bonsor
- Lifeguard charge adjustment at outdoor pools
- New annual adult weight room pass at Eastburn
- Adult, student and senior rates for the Golf Learning Centre at Bonsor
- 2 new Arts children's programs


An adjustment has also been made within the Facility Fee Use Schedule, relating to punch cards. Punch cards are used for admission to services such as racquet courts, fitness, weight rooms, swimming and skating. By pre-buying a punch card of 10 drop-ins, the user receives a 10% discount, or the 11th visit free.

Over the last two years, increases for some weight room punch cards were calculated on an inflationary percentage basis. The separate rounding of these fees resulted in the costs no longer accurately reflecting the intended use of the card. As advertised, the price for each punch card should be based solely on 11 drop-ins for the price of 10. Effected weight room punch card rates have therefore been corrected to accurately reflect the punch card structure, resulting in a distortion to the inflationary percentages shown.

Shadbolt Centre for the Arts continues to use a new cost per square footage formula. A minor reformatting of non-prime daytime rehearsal rates has been instituted, in order to better meet market and user demands.

SUMMARY

At present, the pricing schedule for Facility Fee Use as well as Program Fees generally appears to be appropriately priced in relation to the market and demand. The public continues to have high expectations for convenient, quality services. It is believed that the recommended inflationary increases will assist in providing the best possible service to Burnaby residents at an appropriate price.

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Attachments (3)
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FEES AND CHARGES VALUES STATEMENTS

WHILE IT IS RECOGNIZED THAT ALL RECREATIONAL SERVICES ARE SUPPORTED BY SOME DEGREE OF SUBSIDIZATION, THE FOLLOWING VALUES REFLECT SPECIFIC AREAS WHICH WILL RECEIVE HIGHER LEVELS OF SUBSIDY:

- THE IMPORTANCE OF RECREATIONAL ACTIVITIES TO CERTAIN AGE GROUPS IS RECOGNIZED.
 - There is a great long term benefit to the community when preschoolers, children, and youth are involved in recreational activities.
 - Seniors' mental and physical health is greatly enhanced through their participation in recreational activities.
- THE PROMOTION AND CELEBRATION OF COMMUNITY SPIRIT AND CULTURAL HARMONY THROUGH PARTICIPATION IN RECREATIONAL OPPORTUNITIES IS VERY IMPORTANT TO THE HEALTH OF THE BURNABY COMMUNITY.
 - Services which include the opportunity for involvement of community members in the planning and leading of a recreational activity will receive greater level of subsidization.
- PARKS AND RECREATION PROGRAMS AND SERVICES ARE ESSENTIAL TO THE WELL-BEING OF THE COMMUNITY THEREFORE THEY NEED TO BE AFFORDABLE.
 - Community members will have the opportunity to participate in a range of low cost or no cost recreational activities.
- BEGINNER OR ENTRY LEVEL PROGRAMS HEIGHTEN AWARENESS AND ENCOURAGE INVOLVEMENT IN NEW RECREATIONAL EXPERIENCES.
- GROUP PARTICIPATION PROVIDES OPPORTUNITIES FOR COMMUNITY MEMBERS TO INTERACT, WHICH IN TURN BENEFITS THE COMMUNITY AS A WHOLE.
 - Services which are for groups, rather than individuals, will receive higher levels of subsidization.
- THE PARTICIPATION OF PERSONS WITH ANY TYPE OF DISABILITIES IS VALUED AND ENCOURAGED. FACILITIES, PROGRAMS AND SERVICES WILL BE ACCESSIBLE.
- RECREATIONAL OR CULTURAL ACTIVITIES THAT PROMOTE GOOD HEALTH AND DISEASE PREVENTION THROUGH PHYSICAL ACTIVITY CONTRIBUTE TO THE WELL-BEING OF THE COMMUNITY.

FEEES AND CHARGES OPERATIONAL PRINCIPLES

WHILE IT IS RECOGNIZED THAT THE FEES AND CHARGES VALUE STATEMENTS WILL DETERMINE THE LEVEL OF SUBSIDIZATION WHICH EACH SERVICE AREA WILL RECEIVE, OPERATIONAL PRINCIPLES WILL GUIDE THE ACTUAL IMPLEMENTATION.

- THE ACTUAL COSTS OF A PARKS AND RECREATION SERVICE IS BASED ON AN APPROVED, CONSISTENT FORMULA AND THE COSTS WILL BE REFLECTED IN THE FEE.
- A FEE OR CHARGE WILL BE COMPARED TO OTHER SIMILAR MARKET PRICES TO ENSURE IT IS A FAIR MARKET PRICE. THE MARKET PRICE WILL REFLECT THE EFFECTS OF SUPPLY AND DEMAND ON THE SERVICE AREA.
- DIFFERENT FEES AND CHARGES WILL BE APPLIED DEPENDING ON THE DEMAND AS IT RELATES TO THE TIME OF DAY. NON-PRIME TIME OR PRIME TIME CHARGES WILL BE APPLIED IF THIS IS CONSISTENT WITH THE MARKET.
- CONSIDERATION WILL BE GIVEN TO OFFERING HIGHLY SUBSIDIZED SERVICES IN AREAS WHICH REQUIRE THEM DUE TO THE SOCIO-ECONOMIC CONDITIONS OF THE COMMUNITY.

1997 March 12
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