



City of Moose Jaw

LETTER OF COMMUNICATION

TITLE: 2020 Parks and Recreation - Rates and Fees

TO: Parks & Recreation Advisory Committee

FROM: Department of Parks & Recreation

DATE: September 18, 2019

PUBLIC: This is a Public Document.

IN-CAMERA: Not applicable to this Report.

RECOMMENDATION

THAT the 2020 Parks and Recreation Rates and Fees be approved substantially in the form attached to this report as Schedule "A"

THAT the rates be made effective April 1, 2020

TOPIC AND PURPOSE

The purpose of this report is to allow the Parks and Recreation Advisory Committee to provide input and feedback on the recommended 2020 Parks and Recreation Rates and Fees prior to forwarding to City Council for final approval.

BACKGROUND

The City of Moose Jaw Parks and Recreation Department conducts a review of the recreation rates and fees on an annual basis and provides a recommendation to the Parks and Recreation Advisory Committee on possible rate changes and how it affects the budget.

The recommended fee increases are based on a review of several factors including:

- Actual previous revenue and expenses for the various facilities.
- Budgeted revenue and expenses for the various facilities.
- Past and current recovery/subsidy rates for recreation facilities – Budgeted and Actual.
- Fees and charges of other Saskatchewan cities.

- Market rate and trend analysis.
- Development of Key Performance Indicators (KPI's) for the Department.
- Consideration of the Framework for Recreation in Canada 2015: Pathways to Wellbeing which include the following goals:
 - Active Living
 - Inclusion and Access
 - Connecting People and Nature
 - Supportive Environments
 - Recreation Capacity

Fees and charges for recreational facilities and sportsgrounds continue to be reviewed on an annual basis. Increases over the past 10 years have been:

2019 – 2%
 2018 – 2%
 2017 – 0%
 2016 – 5%
 2015 – 5%
 2014 – 5%
 2013 – 5%
 2012 – 10%
 2011 – 10%
 2010 – 7%

DISCUSSION:

Current Observations and Trends

A review of the current rates and fees structure determined that:

- The goal of the 2020 Rates and Fees proposal is to continue focusing on increasing revenues through increased attendance while ensuring that any changes do not come at an unsustainable cost to City taxpayers.
- Cost of living or percentage increases should not be the entire focus of a rates review. Revenue targets should be focused on increasing attendance by making facilities more affordable and accessible. Recreational activities are discretionary if you price yourself out of the market it will take many years of fee reductions to re-establish a sustainable customer base and will cost a lot more in the long run.
- Vulnerable populations are a priority and the Department wants to ensure our facilities and programs are more accessible to youth, young families and seniors in Moose Jaw.
- Fees for the rentals of Parks need to be expanded to include all City parks and not just a select few.
- Sometimes less is more. The Department is continuing to review the number of different rates to determine ways to simplify rentals for both internal and external users and customers.

- The cost of operating recreational facilities continues to increase. Utilities continue to rise along with the other costs such as the Carbon Tax, so it is important to continue finding ways to be more efficient.
- The Department should be setting attendance and usage targets based on prior history so that any downward trends can be quickly identified and investigated to determine if rates and fees are having an impact.
- The Department is having great success with the implementation of the Recreation Pass and Online Registrations and we want to keep that momentum going. The Department's new membership pricing and PerfectMind Recreation Software has contributed to a growth in memberships revenues.
- New customer services policies related to monthly payment plans, payment methods, payment fees as well as added benefits to the memberships have increased the overall membership. The closing of the YMCA has also impacted memberships and programming in all areas.
- The transition of the Yara Centre to the Parks and Recreation Department has gone well as it remains a popular multi-sport and fitness venue for the citizens of Moose Jaw.
- It is important that the Department work closely with Mosaic Place when setting ice rates to ensure a consistent proportion between all City funded venues.
- The dissolution of Prairie Edge School of Skating and the Scuba Club in 2019 may negatively impact revenues and the recent closure of the YMCA will influence aquatic related revenues.

Recreation Facility Recovery Rates

Rates and Fees will continue to be set based on the principle of a balance between the direct cost to the facility users and the cost to the taxpayer to operate the facility. To ease the burden on taxpayers, the users of the facilities must continue to cover a portion of the operating costs.

Note: The 2020 revenue budget includes the proposed rate increases and projected expenses as per the preliminary 2020 budget submissions. (subject to change)

AQUATICS	2018 Actual Cost	2018 Cost Recovery %	2019 Budget Cost	2019 Cost Recovery %	2020 Budget Cost	2020 Cost Recovery %
Outdoor Pool	\$244,815	20%	\$238,280	23%	\$252,499	20%
Kinsmen Sportsplex	\$771,302	43%	\$790,736	41%	\$806,977	41%
TOTALS	\$1,016,116	39%	\$1,029,016	38%	\$1,059,476	37%

ARENAS	2018 Actual Cost	2018 Cost Recovery %	2019 Budget Cost	2019 Cost Recovery %	2020 Budget Cost	2020 Cost Recovery %
Kinsmen Arena	\$196,940	51%	\$130,753	61%	\$143,068	59%
Pla-Mor Palace	\$108,118	72%	\$130,296	69%	\$113,777	72%
TOTALS	\$305,058	61%	\$261,049	65%	\$256,845	66%

YARA CENTRE	2018 Actual Cost	2018 Cost Recovery %	2019 Budget Cost	2019 Cost Recovery %	2020 Budget Cost	2020 Cost Recovery %
Yara Centre	X	X	X	X	\$68,378	90%
TOTALS	X	X	X	X	\$68,378	90%

SPORTS GROUNDS	2018 Actual Cost	2018 Cost Recovery %	2019 Budget Cost	2019 Cost Recovery %	2020 Budget Cost	2020 Cost Recovery %
Sports Grounds	\$209,977	18%	\$162,069	22%	\$171,685	21%
TOTALS	\$209,977	\$18%	\$162,069	22%	\$171,685	21%

**The Department considers 50% of expenses involved in maintaining sportsgrounds as park maintenance because sportsgrounds are part of the parks system and are utilized by Moose Jaw residents for leisure activities free of charge.*

Rate Comparisons

As per previous year's reports, the Department measured the current 2019 fees and charges with other Saskatchewan cities. This review is completed as a comparison of Moose Jaw's fees to the fees and charges of other Saskatchewan cities. A few examples are detailed in the table below:

Fee Category	Proposed 2020 Fees - Moose Jaw	Average Small Cities*	Average With Large Cities**
Adult Hourly Ice Rental	\$193.50	\$190.94	\$205.84
Minor Hourly Ice Rental	\$125.78	\$132.05	\$137.47
Adult Admission	\$7.75	\$8.14	\$8.20
Adult – 10 Punch Card	\$62.00	\$67.36	\$67.72
Adult Annual Membership (Rec Pass)	\$474.00	\$476.13	\$496.67
Learn to Swim - 45 min. lesson	\$62.00	\$ 67.36	\$66.00
Minor Organization 3-lane Hourly Pool Rental	\$57.58	\$ 43.69	\$63.99

**Mid-sized cities include: Prince Albert, Yorkton, Swift Current, North Battleford and Lloydminster*

***Includes mid-sized cities plus Regina and Saskatoon*

Moose Jaw's 2020 rates and fees proposal is comparable to the average of other mid-sized cities.

In general, daily aquatic rates tend to be in line with other cities, while membership rates tend to be very competitive in the market. Prime-time arena and minor pool rental rates are generally in the average range. Comparisons regarding ball diamond and athletic field rates are difficult to make, as communities use a variety of methods to apply rates and the quality and maintenance of ball diamonds and athletic fields varies significantly. Pool Rentals and Turf rentals are also difficult to compare however they are high compared to the market.

Proposed Rate Changes

The attached spreadsheets detail the current fees and charges and proposed fees with increases in 2020. Some fees are generated by formulas meaning that there are a few fees that go up slightly more, or slightly less. In addition, single drop in fees utilize rounding to the nearest quarter.

- NEW Adult and Family Drop in Rate, Punch Card Rates and Membership Rates related to market analysis. Many municipalities are having success with setting youth/child rates at 60% of the adult rate and the Department's goal is to achieve that same separation through gradual increase to the adult rate over a 3-year period. The proposed increase in 2020 is .50 cents. (6%)
- NEW Toddler Turf Time Single and Punch Card Rates and Seniors Walking Program Monthly Membership to reflect a market and cost analysis. This reflects a \$1.50 increase to the Toddler Turf Time admission rate and a \$4.00 increase to the Seniors Walking Program Monthly Membership.
- NEW Minor Organizations and Adult Prime Time rates for Winter and Summer Ice have been created based on market analysis and cost of living increases. These two rates drive the other rates. (5% increase over 2019)
- NEW clarity related to fees associated with the track closure at Yara Centre and 50-meter lane rentals at the Outdoor Pool.
- NEW membership rates to address families with more than 6 members.
- NEW clarity related to all Outdoor Spaces rates and the creation of a per hour and per day rate.
- NEW Lease Agreements will be developed for the usage of office and storage rooms by Minor Organization at Recreation Facilities.
- NEW effective date of April 1 instead of June 1 to avoid rate changes during indoor arena season and outdoor field season.

OPTIONS TO RECOMMENDATION

Alternative direction as provided by the Parks and Recreation Advisory Committee.

PUBLIC AND/OR STAKEHOLDER INVOLVEMENT

The proposed 2020 Parks and Recreation Rates and Fees allows for feedback from the Parks & Recreation Advisory Committee prior to being forwarded to City Council for approval during budget deliberations.

COMMUNICATION PLAN

Any approved changes to fees will be directly communicated to impacted user groups. The general public will be advised through the City of Moose Jaw website and the Parks and Recreation guide, published and distributed three times each year. Rate changes are proposed to take effect April 1, 2020 to allow groups and individuals time to adjust their planning accordingly.

STRATEGIC PLAN

This report supports the strategic priority of Community Wellness; to provide all residents with an accessible mix of programs, recreational activities and infrastructure that support health and wellness.

OFFICIAL COMMUNITY PLAN

The report supports the following Parks, Open Space, Community Recreation objective in the Official Community Plan:

To provide parks, open space and recreational program delivery at a level that aids in the attraction and retention of young families to and in the City.

BYLAW OR POLICY IMPLICATIONS

Recreational facilities and sportsgrounds fees and charges are set by resolution of City Council, and as such, rate changes, if approved, will take effect April 1, 2020.

FINANCIAL IMPLICATIONS

Based on initial budget submissions, the proposed rate increases, and projected expenses will have the following effect on the 2020 budget:

- The annual budgeted cost for aquatics will increase by \$30,460 with a 1% decrease in cost recovery. This is mostly attributed to an increase in expenses related to utility increases at both pools. When the \$21,000 in lost revenue from the YMCA is factored, the proposed rates and fees schedule shows a \$26,000 increase over 2019. (4%)
- The annual budgeted cost for arenas will be reduced by \$4,204 with a 1% increase in cost recovery.
- The annual budgeted cost for Sports Grounds will be increased by \$9,616 with 1% decrease in cost recovery. This is mostly attributed to an increase in water and maintenance charges.

- *NEW* The annual budgeted cost for the Yara Centre will be \$68,378 which is 90% cost recovery.

OTHER CONSIDERATIONS/IMPLICATIONS

There are no privacy implications or other considerations.

PUBLIC NOTICE

Public Notice pursuant to the Public Notice Policy as incorporated into the City Administration Bylaw No. 5175 of 2016 is not required.

PRESENTATION

VERBAL: **X**

Representatives of the Parks and Recreation Department will present the report and be available to answer any questions.

ATTACHMENTS

1. Schedule A – 2020 Parks and Recreation Rates and Fees
2. Saskatchewan Recreation Rate Comparisons
3. Parks and Recreation Key Performance Indicators

Respectfully Submitted By,



Scott Osmachenko, Recreation Services Manager

APPROVAL OF REPORT RECEIVED



Derek Blais, Director of Parks & Recreation

COMMENTS RECEIVED

Jim Puffalt, City Manager

To be completed by the Clerk's Department only.

Presented to Regular Council or Executive Committee on _____.

No. _____ Resolution No. _____

[https://citymj.sharepoint.com/sites/Depts/parks/Shared Documents/1. Administration/A-AdminGen/City Council Reports/P&R Advisory Committee/2019/2020 Rates and Fees/2020 Rate Review Report.docx](https://citymj.sharepoint.com/sites/Depts/parks/Shared%20Documents/1.%20Administration/A-AdminGen/City%20Council%20Reports/P&R%20Advisory%20Committee/2019/2020%20Rates%20and%20Fees/2020%20Rate%20Review%20Report.docx)