

Date: November 5, 1997

SUBJECT: 1998 FEES AND CHARGES

RECOMMENDATION:

THAT the attached Fees and Charges Schedule be approved by the Board for implementation on January 1, 1998.

BOARD POLICY

It is the Board's policy to consider staff recommendations for the next year's Fees and Charges Schedule after the document has been circulated to all interested parties and groups.

PURPOSE

The purpose of the Fees and Charges report is to recommend a new fee schedule for 1998 that reflects inflationary increases within our own system. It also addresses any proposed new fees and charges that are higher or lower than the rate of inflation.

BACKGROUND

On October 30, 1997, the proposed Fees and Charges schedule was sent to all associations and appropriate groups. A covering letter was attached advising that the Board would be considering the proposed schedule on November 24, 1997, and that anyone wishing to make a presentation could appear as a delegation at that time.

DISCUSSION

The proposed 1998 Fees and Charges schedule is based on a fee structure commensurate with the Board's policy as outlined in the Board's Master Plan:

1. Recreation services catering to a large portion of Vancouver residents will continue to be offered free of charge.
2. Fees will be charged for those services that require a relatively high operating cost or cater to a small group of individuals.
3. Annual increases in user fees will be made to reflect the increases in costs for the delivery of recreation services.

4. Impacts of pricing changes will be tracked to determine the effect on program participation and facility utilization.

Wherever possible all increases have been kept to 1.5%. This is the rate of inflation that the City projects for 1998. In some cases, however, either no increase or increases higher than 1.5% are recommended and these are accompanied by separate justifications.

All fees except those that are exempt, show a further 7% to take into account the Goods and Services Tax. A limited number of fees such as equipment rentals are also incremented by a further 7% to take into account the Provincial Sales Tax.

All fees have been rounded after taking into account the increases and the appropriate taxes. This ensures an easier application of the fees at all the facilities.

The report shows the breakdown of the inflationary increases and the taxes.

There are several recommendations which include increases for factors other than inflation. These are explained at the bottom of the applicable page and include the following:

VanDusen Botanical Gardens (Page 5)

In 1997 the General and Group admissions were increased by 10%. The Association approved these rates based on current market as well as the fact that rates were not increased in 1996. The proposal also recommended that these rates remain in effect for three years. Therefore, the 1998 rates reflect a zero increase.

Golf Courses (Page 8)

Adult regular fees have been increased by \$1.00, resulting in a 3.1% increase. This is in keeping with current market. It also reflects the rates included in our funding projections for repayment of the courses redevelopment loan.

Driving Range rates have not been increased as current rates are in keeping with the local market.

Swim Lessons (Page 21)

Proposed lesson fees have been increased by 5% to reflect market rates charged by other municipalities. Over the past few years, the Board's rates have been significantly lower than those being charged by our neighbouring municipalities.

Ice Rentals (Page 31)

Rate increases beyond inflation are in response to rapidly changing market factors which have had a significant impact on revenues in Vancouver Park Board ice rinks. These increases will be part of a multi year process to bring

rates closer to comparable rates in other facilities in the Lower Mainland.

Pay Parking (Page 41)

No increase in pay parking are being recommended for 1998 as these were increased in 1997.

Bus Parking Fees (Page 42)

On April 1, 1996, as part of the Budget Management Program, the Board approved this new fee structure to be implemented on January 1, 1997. These fees have now been included for the first time.

JUSTIFICATION

The attached 1998 Fees and Charges schedule is consistent with Board Policy and represents for the most part an average of 1.5% increase based on the estimated rate of inflation for the City in 1998.

A review period has been provided to allow public input prior to the Board considering the recommended fees and charges that will be implemented on January 1, 1998.

Prepared by:
Finance Division
Board of Parks and Recreation
City of Vancouver
DH/lw
Attachment.

FOR A COPY OF THE ATTACHMENT

CALL

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