

# Rink Task Force 2003 Report

## Table of Contents

Introduction .....	1-2
Guiding Principles .....	2
Background .....	2-5
Ice Allocation .....	6
Ice Allocation Committees ..	6-8
Priority for Ice Allocations .....	8
Program Service Delivery .....	8-10
Ice Location Entitlements .....	10-15
Allocation of Free Ice ..	16-17
Spring/Summer Ice Allocation .....	17-18
Financial Sustainability .....	19-20
Rink Revenue .....	21
Ice Costs and Player Registration .....	21-22
Establishing Rental Rates .....	22-25
Application of Prime/Non Prime Fees .....	25-28
Subsidizers of Adult/Mixed Age Groups .....	28-29
Adult Rentals – Marketing and Pricing .....	29
Summary of Financial Options .....	30-32

## INTRODUCTION

In the fall of 2002, the Park Board established a Task Force to review the procedures for allocating ice time in Park Board rinks. The programming of ice rinks is governed by the Board's Ice Rink Programming Policy (see Appendix A). Originally adopted by the Board in 1989, this Policy outlines a joint ice allocation process between staff and local community associations which includes definitions for allocation entitlements for various user groups and sport associations, eligibility for fee reductions, prime and non prime bookings and a review process.

In 1999, a Rink Task Force was assembled to review ice allocation standards and subsidized ice rental rates. Outcomes of the 1999 review included the graduated increase in rental rates and minor changes to the programming policy. In 2000, a study by PERC Consultants reviewed and subsequently recommended allocation, future requirements and management practices for ice facilities. As a component of the Board's 2003-2005 capital planning process, staff and user groups formulated a Long Range Renewal Strategy for Rinks. All three studies recommended that the Board formally review and update its ice allocation policy. As a result, a Task Force was created to assist with this work.

The 2002 Task Force was guided in its deliberations by terms of reference (see Appendix B). These terms of reference were developed by staff and rink stakeholders. The Task Force's membership consisted of a cross section of ice users and staff. It is recognized that the Task Force only represents the opinions of its members and does not necessarily represent the opinions of a sport or a specific user group.

The goal for the 2002 Ice Allocation Task Force is to update and recommend a comprehensive ice allocation policy for the Park Board's consideration. This policy renewal will enable the Board to achieve the following objectives:

- C operate the ice services and facilities in an equitable, cost-effective and fiscally sustainable manner;
- C balance local services and needs with those of the City as a whole;
- C provide rink users and stakeholders the opportunity to influence policy development;
- C meet current and future demands for both organized and casual participants.

These objectives are in alignment with the Service Delivery, Strategic Alliances and Sustainability initiatives as outlined in the Park Board's Strategic Plan.

The Task Force Report is organized into two sections - ice allocation and financial sustainability. The analysis of ice allocation focuses on a review of the 1989 Ice Programming Policy, current practices, issues and concerns from both the user group's and staff's perspective and best practices from other city's ice allocation policies (Surrey, Richmond, North Vancouver, Prince George and Winnipeg). Topics covered under ice allocation include: priorities for allocation; allocation committees, program service delivery, allocation entitlement including free ice allocations; and the provision of ice surfaces during the spring/summer months.

Given the nature and make up of the Task Force, the financial review focuses primarily on revenue generation. The Park Board will also investigate efficiencies and practices which will enable the rinks to operate within their expenditure allocations. The financial analysis includes a review of “financial” practices outlined in the 1989 Allocation Policy, the current fees and charges schedule for rinks, best “financial” practices from other cities as well as identifying and evaluating possible revenue generation options for rinks. The financial sustainability topics include: establishing rental charges including prime and non prime rates and tiered pricing; defining qualification for subsidized rental rates; and maximizing use/revenue through marketing.

Each section concludes with the Task Force’s recommendation(s) for consideration. Included with the recommended course of action is a description of the agreement among Task Force members (majority to consensus) as well as any potential concerns or issues identified during the deliberations.

## **GUIDING PRINCIPLES**

Prior to reviewing and/or developing policy, the Task Force agreed that the following principles would serve as the framework for policy development and evaluation:

**Access and Equity:** policy to ensure fair and equitable access to ice in terms of allocation as well as in the application of fees and charges.

**Efficiency:** given the limited supply of ice, policy to ensure the effective and efficient use of facilities, both in terms of time and space.

**Diversity:** policy to provide for a wide range of opportunities (balanced program).

**Youth Sport Development:** in recognition of the role municipal rinks play in the development of minor sport, consideration to be given to accommodating youth activities.

**Partnership:** policy to recognize the importance of partnerships in the delivery of rink based activities (minor sport and community associations).

**Financial Sustainability:** fee and charges structure must be within the financial limitations of the Park Board.

## **BACKGROUND**

Vancouver has a long history in providing rink facilities and programs. The Board operates seven “single sheet” rinks throughout the City. Six of the rinks are “regulation” in size – i.e., rinks which can accommodate hockey games. The West End Rink is non regulation in size and was primarily design to accommodate public skating – i.e., smaller ice surface, no change rooms or player’s benches. In addition, the City operates two additional regulation sized ice surfaces at Britannia Community Complex and the Agrodome in Hastings Park.

## Civic Ice Facilities

<b>Park Board Rink</b>	<b>Size</b>
Killarney	Regulation
Kerrisdale	Regulation
Kitsilano	Regulation
Riley	Regulation
Sunset	Regulation
Trout Lake	Regulation
West End	Non Regulation
<b>City Operated Rinks</b>	<b>Size</b>
Agrodome	Regulation
Britannia	Regulation

### Program Delivery

The majority of activity provided in Park Board rinks is organized by rental groups (75%). These rental groups consist of non profit organizations and private rental groups. Non profit groups offer programming for the general public (figure skating, minor hockey, speed skating, etc.) and these programs are offered primarily on a registration basis. Private rental groups offer skating and sport activities for their members (adult sport teams, schools, club groups, etc.).

The Park Board and local community associations primarily offer “public” programming on both a drop-in and registration basis. Drop-in programs include public skating, age specific skates, drop-in hockey, parent and tot, etc. Registration programs offered by the Board/Associations consist of learn to skate programs.

### Demand for Ice

The demand for ice is influenced by time, financial, mobility and organizational constraints of the user group. The demand for adult use is primarily time sensitive followed by price – i.e., adults appear to be willing to pay more to play at prime time. Adult user groups have historically paid similar (market) fees to play in either public or private ice facilities. Organizationally, adult sport leagues have either been organized on a regional basis or through a private multiple rink complexes.

Demand for youth ice sports is equally influenced by time, price and organizational structure. Historically, youth activities have been organized on a community level through local civic rinks. Youth ice sports have not paid market rates but have received ice at a subsidized rate.

Demand for ice by youth sports also varies significantly depending on whether the measure is determined on base requirements for an activity vs. the desired level of play by the participants – e.g., the number of games and practices per week required vs. desired.

## Supply of Ice

As previously mentioned, receiving ice at a subsidized rates is a key component for youth ice sport development while adult demand is influenced more on time available. Subsidized ice for youth is only provided through civic facilities. Private ice facilities primarily provide ice at market rates. Thus, the supply of ice available to youth is restricted primarily to civic ice facilities while the supply available to adults includes both private and public facilities.

## Capacity to Accommodate Play

The capacity for an ice rink can be expressed through hours available for use. In theory, an ice rink could be made available 24 hours per day, seven days per week if demand warrants this scheduling. In reality, a rink's operation is influenced by user preference (historical use) and staff scheduling. Adjusting the available hours for use for these variables gives a more realistic capacity for rink use. The following Table defines the capacity for ice rink by fall/winter and spring/summer sessions.

**CAPACITY FOR AN ICE RINK – HOURS OF USE**

Session	Weekdays Hours	Weekends Hours	Total Hours
Fall – Winter  - 30 weeks (Sept to March)	13 hours per day  - 2 hours before school (6:00 am to 8:00 am) - 2 hours during school (8:00 am to 3:30 pm) - 9 hours after school (3:30 pm to 12:30 am)  30 wks x 13 hrs/day x 5 days/wk = 1,950 hrs	19 hours per day  - 6:00 am to 1:00 am   30 wks x 19 hrs/day x 2 days/wk = 1,140 hrs	3090 hours
Spring –Summer  - 18 weeks (April to August)	11 hours per day  - 2 hours during school (8:00 am to 3:30 pm) - 9 hours after school (3:30 pm to 1:00 am)  18 wks x 11 hrs/day x 5 days/wk = 990 hrs	17 hours per day  - 8:00 am to 1:00 am   18 wks x 17 hrs/day x 2 days/wk = 612 hrs	1,602 hours
<b>Annual Operating Capacity</b>			<b>4692 hours</b>

Note: Calculation accounts for a 4 week maintenance closure. Surrey calculates annual capacity at 5,050 hours based on a 52 week operation.

## Current Demand vs. Operating Capacity

Current demand accommodated in Park Board rinks is captured through a rink's actual hours of use. The accompanying Table compares this figure against a rink's capacity to accommodate play. The percent use to capacity gives an indication of intensity of use for each Park Board rink.

### ICE RINK USE – SUPPLY VS. DEMAND April 1, 2002 to March 31, 2003

Rink	Season	Capacity of Use	Actual Use	Capacity of Use – Percentage
Kerrisdale	Fall – Winter	3090 hrs	1996 hrs	64.6 %
Killarney	Fall – Winter	3090 hrs	2105.25 hrs	68.1%
Kitsilano	Fall – Winter	3090 hrs	2132.5 hrs	69.0 %
Riley	Fall – Winter	3090 hrs	1794.25 hrs	58.1%
Sunset	Fall – Winter	3090 hrs	1846 hrs	59.7 %
Trout Lake	Fall – Winter	3090 hrs	1843.25 hrs	59.7 %
West End	Fall – Winter	3090 hrs	1518.25 hrs	49.1 %
<b>Fall – Winter Total</b>		<b>21630 hrs</b>	<b>13235.5 hrs</b>	<b>61.2 %</b>
Kitsilano	Spring - Summer	1602 hrs	219 hrs	13.7 %
Sunset	Spring - Summer	1602 hrs	724.75 hrs	45.2 %

Note: Kits Rink was closed for an extended period during the spring/summer season in 2002.

Probably the most significant change in the provision of rink services has been the emergence of the private sector in the construction and operation of ice facilities in adjacent municipalities. With the addition of the new “private” rinks, there appears to be excess capacity within the regional supply of ice facilities. This availability of prime ice time has resulted in the loss of historic adult “late night” rentals for Park Board and this has had a significant financial impact on the operating budget for rinks.

The emergence of private rinks has not significantly impacted minor sport use of Park Board facilities. Demand for “subsidized prime time ice” by minor sport groups remains strong within the city. However, minor sport's use of early morning ice time has decreased substantially in recent years. In some instances, minor sport groups have opted to rent ice at private facilities (during prime time) rather than utilize early morning ice at Park Board facilities.

## ICE ALLOCATION

During the 2002/2003 September to March season, approximately 13,250 hours of activity was programmed in the Park Board's seven rinks. The majority of activity was organized by rental groups, with the Park Board and Community Association public programs (drop-in admission, or lesson programs) accounting for only 3,100 hours or 25% of the activities. These rental groups consist of both non profit societies which offer programs open to the public (minor sport programs - 55% of all use) as well as private rentals (adult sport groups – 13 % and schools – 7 %).

### ICE ALLOCATION – FALL 2002/WINTER 2003

Activity	Non Prime Hours	Prime Hours	Hours Allocated	% of Ice Allocated
Minor Hockey	967.5 hrs	3212.5 hrs	4180 hrs	31.6 %
Junior Hockey	0.5 hrs	103.25 hrs	103.75 hrs	0.8 %
Figure Skating	1467.75 hrs	959 hrs	2426.75 hrs	18.3 %
Ringette	26 hrs	281.25 hrs	307.25 hrs	2.3 %
Schools – Public and Private	869 hrs	14.75 hrs	883.75 hrs	6.7 %
Public Skates and Lessons	1084.5 hrs	1576.75 hrs	2661.25 hrs	20.1 %
Association Skates and Lessons	218.5 hrs	323 hrs	541.5 hrs	4.1 %
Speed Skating	71.5 hrs	11 hrs	82.5 hrs	0.6 %
Women's Hockey		186 hrs	186 hrs	1.4 %
Ice Dance Theatre	132 hrs	87 hrs	219 hrs	1.7 %
Adult Rentals	570.5 hrs	1073.25 hrs	1643.75 hrs	12.4 %
<b>Total</b>	<b>5407.75 hrs</b>	<b>7827.75 hrs</b>	<b>13235.5 hrs</b>	

The analysis for ice allocation focuses on a review of the 1989 Ice Programming Policy, current practices, issues and concerns from both the user group's and staff's prospective and best practices from other city's ice allocation policies (Surrey, Richmond, North Vancouver, Prince George and Winnipeg). Topics covered under ice allocation include: allocation committees; priorities for allocation; program service delivery; allocation entitlement including free ice allocations; and the provision of ice surfaces during the spring/summer months.

### ICE ALLOCATION COMMITTEES

Historically, the programming at a Park Board ice rink has been determined through a joint planning process between Park Board staff and a subcommittee of the "complex's" community association. In this model, the local community interests are represented through the community association and the city-wide interests are represented through staff.



## **1989 Allocation Policy**

- Clause 1        The program staff and the Community Association representatives (Joint Planning Committee) shall be responsible for planning all community-oriented programming in the ice rinks.
- Clause 4        The Rink Programmer and Community Association representatives must agree on the sponsorship of various programs before a program commences.

## **Current Practice, Issues and/or Concerns**

Members of the Task Force questioned whether this model best reflects the current programming needs of rink users. Many minor sport and rink activities have shifted from a rink based to a district or city wide organizational structure – i.e., local minor hockey associations have amalgamated into two associations. Although sports such as speed skating or women’s hockey may have started at one rink, their membership is city wide rather than rink based.

There is a perception that the current system favours historical users as new and emerging sports such as speed skating expressed concerns regarding securing ice time. In addition, there is a belief that allocating ice by individual rink has not resulted in the most efficient or effective utilization of ice.

## **Best Practices Review**

Two of the allocation policies investigated by the Task Force included an allocation committee - Richmond and Surrey. Ice allocation in Richmond is done in conjunction with the Arenas Community Association. This Association is made up of representatives from various user groups and makes recommendations/decisions on the use of arenas under Richmond’s jurisdiction. Richmond’s ice allocation policy serves as a guideline for both the Association and staff when allocating facility space.

Surrey has an Ice Allocation Advisory Board which consists of staff and user representatives. The Advisory Board has well defined a terms of reference and operates under a consensus model. The role of the Board is to provide advice on the allocation process; staff are responsible for the allocation of ice in accordance with the allocation policy.

Richmond’s and Surrey’s allocation committees are organized on a city wide level. Both jurisdictions believe that allocating on a multiple rink level:

- maximizes use of the facilities;
- holds stakeholders/staff accountable for implementing and following the allocation policy;
- fosters environment where user groups work together to resolve allocation issues.

## **Task Force Recommendations**

The Task Force recommends that the Park Board switch from rink based to district based allocation committees as this structure better represents the organizational structure of rink users and should result in a more efficient and effective use of rink facilities . The terms of reference for these committees should be developed and approved by the Board and the various ice rink stakeholders but would include membership, term, meeting schedule, chair, etc. The Task Force recommends that these committees operate on a consensus model.

To achieve the most efficient and effective allocation of ice, the Task Force recommends that two ice allocation committees be established – one for Kerrisdale, Kitsilano, Riley and Sunset rinks and the other for Killarney and Trout Lake rinks and if possible Agrodome, Britannia and West End rinks. These district allocation committees would include representation from the local rink community associations.

## **PRIORITY FOR ICE ALLOCATIONS**

### **1989 Allocation Policy**

Clause 1        The program staff and the Community Association representatives (Joint Planning Committee) shall be responsible for planning all community-oriented programming in the ice rinks. For the purpose of this policy, community programming will include the following:

- Minor Sports
- Public Skating
- Skating Lessons
- Community Special Events
- Community Sponsored Adult Programs

All usage not included within community programming will be planned on the basis of evaluation of local and city-wide needs, with the involvement of Association representatives when required.

### **Current Practice, Issues and/or Concerns**

These policy statements focus primarily on defining community-oriented programming and the joint planning process. It does not define a priority for ice allocation programming. The Joint Planning Committee will be further discussed/analyzed in the Allocation Committee review.

### **Best Practices Review**

All other jurisdictions incorporate an allocation priority into their ice allocation policy. The first priority for ice allocations in other policies reviewed is departmental and/or general public sessions. Surrey distinguishes this priority by age group - youth followed by adult sessions. The

second priority for most other policies are associated minor sport programs/children and youth programs. Prince George gives School Board programs second priority followed by minor sport programs. Most policies conclude with adult sport rental groups followed by commercial (for profit) groups.

### **Task Force Recommendations**

The Task Force reached consensus in recommending the following priority for ice allocation:

First	Public Skating and Programs
Second	Minor Sport/Children and Youth Programs
Third	Adult Sport Groups
Fourth	Commercial Groups

The Task Force believed that this priority for allocation matched the principles for allocation as outlined in the preamble - balance of programming, special consideration to youth programs, etc. The rationale for public program receiving the highest priority relates to high level of public funding required to operate the Board's ice rinks.

### **PROGRAM SERVICE DELIVERY**

The Task Force discussed various programming ideas, allocation and marketing strategies and partnership opportunities to encourage more participation in rink activities and in turn to generate additional rink revenues.

### **1989 Allocation Policy**

- Clause 1      The program staff and the Community Association representatives (Joint Planning Committee) shall be responsible for planning all community-oriented programming in the ice rinks.
- Clause 4      The Rink Programmer and Community Association representatives must agree on sponsorship of various programs before a program commences.

### **Current Practices, Issues and/or Concerns**

Both staff and minor sport representatives expressed concern that in some instances, Park Board and minor sport programs appeared to be in competition with one another. In one rink, learn to skate programs are offered by the Park Board, the local community association and the figure skating club. There is not a clear definition of roles each plays in the delivery of rink programs and as a result, there may not be a coordinated delivery of programs.

In addition to impacting the provision of program services, a lack of program coordination can also impact the financial operations of rinks. The most effective and efficient allocation system would coordinate and consolidate the allocation of subsidized rentals so as to maximize non subsidized rental opportunities.

## **Best Practices Review**

Through the allocation committees, other municipalities have established program delivery models which avoid duplication of services between the municipality and minor sport associations. These jurisdictions work in partnership with the sport associations with the municipality offering introductory sessions which “feed into” the minor sport programs.

## **Task Force Recommendations**

The Task Force believes that many of these programming issues and strategies can be addressed through the allocation committees – especially if these committees are established at the district level. These committees should focus on: defining each organization’s role in the provision of services; coordinate programming opportunities to best serve the public; and coordinate and consolidate subsidized rentals so as to maximize non subsidized rental opportunities.

## **ICE ALLOCATION ENTITLEMENTS**

Ice entitlements are used to allocate the ice time required to meet the basic requirements for an activity. Entitlements are expressed through a ratio of ice time per team or number of skaters and differ based on a sport’s activity requirements and caliber/level of play.

### **1989 Allocation Policy**

Clause 2      Community Associations will be entitled to purchase, at subsidized rates, up to 55 hours of prime time per week in blocks of time which include ice cleans. Affiliated minor sport associations will be eligible for subsidized rates through their parent Community Association. Adult sport groups are not eligible for the subsidized rate except those approved through Clause 9 & 10.

Clause 3      The following program standards will be utilized by the ice rink programming committees in preparing program schedules.

- a.      During the following times:  
Monday - Friday, 5:00 p.m. to midnight  
Saturday, Sunday, 8:30 a.m. to midnight

Minor hockey associations will be allowed a maximum of two hours per week for each registered team (12 - 19 players) with the following exceptions:

- 2¼ hours for Pee Wee A and B Division teams
- 2¼ hours for Bantam A and B Division teams
- 2½ hours for Midget and Juvenile Division teams

Such allocations will include all ice cleans required during or between successive games/practices. Where more than one rink is used regularly

by an association, representative teams (A and B Divisions) should be distributed among the rinks used.

- b. Figure skating clubs shall be allocated one hour of prime time per week for every 14 skaters registered.
- c. A minimum of 5 hours per week of prime time community usage will be allocated to public skating.
- d. Five hours per week on weekday evenings should be made available in each rink for adult recreational hockey. Where possible these ice slots will be put into blocks for programming purposes.
- e. Minor hockey associations will submit to the Rink Programmer a list of team rosters by February 15th which represents the players and teams currently registered; figure skating clubs will submit a list of registered skaters. These lists will be used to allocate ice for the upcoming season in September. For hockey, a second list of teams will be required October 15th verifying the numbers for that current year. An adjustment will be made if numbers vary significantly from those submitted in February.

Clause 5 All programs are to be reviewed twice throughout the winter season by the Joint Planning Committee. This review should take place in mid-November and mid-March of each year. Program planning should be completed by June 15th for the following year.

Clause 6 The Vancouver Board of Parks and Recreation reserves the right to cancel programs of user groups for special city-wide events. When this occurs the Board will attempt to provide alternate accommodation. In all cases substantial notice should be given to Community Associations and to field staff.

### **Current Practices, Issues and/or Concerns**

As previously mentioned, there has been a shift from rink based to district or city wide organizational structure for many sporting organizations. The majority of the Task Force believes that the rink based – community association model does not reflect current programming/organizational structure of rink users nor does it necessarily result in the most efficient or effective use of rink facilities. Entitlements should be based on allocation priorities, team or registered participant and not a fixed “55” hours of prime time.

The Allocation Review Table calculates the ice entitlements as per the 1989 Policy for the 2002/2003 season and compares the entitlement with the actual 2002/2003 ice allocation (Vancouver Minor Hockey includes ice time at Britannia and Agrodome Rinks). This analysis indicates that most user groups are receiving the ice entitlements as defined in the 1989 Policy. The exceptions are Thunderbird Minor Hockey and Kerrisdale Figure Skating Club which are entitled to additional ice time and Vancouver Minor Hockey, Kitsilano Figure Skating and

Grandview Figure Skating Clubs are receiving more ice than the 1989 entitlement.

In recent years, a user group's previous year or historical allocation rather than team or participant registration has determined the group's ice allocations - i.e., fluctuations in team/participant have not been incorporated into ice allocations. When registration numbers have decreased, user groups have been reluctant to relinquish any ice time and allocation committees have been reluctant to redistribute the ice time.

**ALLOCATION REVIEW  
1989 POLICY VS. 2002/2003 ALLOCATION**

<b>Organization</b>	<b>Members Teams</b>	<b>1989 Policy Hrs per week</b>	<b>Allocation -1989 Policy</b>	<b>2002/2003 Allocation</b>	<b>Difference - over 1989 Policy + under 1989 Policy</b>	<b>Weekly Difference</b>
Vancouver Minor Hockey	37 teams	2 hrs per team	1924.0 hrs	3053.75hrs	- 1129.75hrs	- 47.1 hrs
Thunderbird Minor Hockey	57 teams	2 hrs per team	2964.0 hrs	2627.75hrs	+ 336.25 hrs	+ 14.0 hrs
Sunset Figure Skating Club	242	1 hr per 14 skaters	449.5 hrs	439.5 hrs	+ 9.9 hrs	+ 0.4 hrs
Grandview Figure Skating Club	117	1 hr per 14 skaters	217.25 hrs	315.5 hrs	- 98.2 hrs	- 4.1 hrs
Kerrisdale Figure Skating Club	409	1 hr per 14 skaters	759.5 hrs	627.5 hrs	+132.1 hrs	+5.5 hrs
Riley Figure Skate Club	126	1 hr per 14 skaters	234.0 hrs	279.25 hrs	-45.3 hrs	- 1.9 hrs
Killarney Figure Skating Club	180	1 hr per 14 skaters	334.25 hrs	403.25 hrs	- 69.0 hrs	- 2.9 hrs
Kits Figure Skating Club	127	1 hr per 14 skaters	236.0 hrs	388.5 hrs	- 152.6 hrs	- 6.4 hrs
Kits Speed Skating Club	30	1 hr per 14 skaters	55.75 hrs	82.5 hrs	- 26.75 hrs	- 1.1 hrs
Van Ringette	6 teams	1.5 hrs per team	234.0 hrs	241.25 hrs	- 7.25 hrs	- 0.25 hrs
Women's Hockey	4 teams	Not Defined		186.0 hrs		

Issues and concerns raised in Task Force discussions included the rationale for the differing entitlements by sport, a better definition for a registered team/participant, accommodating new and emerging sport ice requirements, accommodating tournaments and special events, cancellation of ice time, a method for handling changes in a sport governing body's ice requirements (i.e., length of game time slots for hockey). Minor Hockey indicated that the 1989 Policy allocations per age group and caliber did not meet the sport's current game requirements.

## Best Practices Review

### Allocation Entitlements

The accompanying table outlines the allocation entitlements for Vancouver, Surrey and Richmond. Caution must be exercised when making direct comparisons as the conditions for the entitlement vary significantly between the jurisdictions – e.g., definition of membership, entitlement to prime vs. non prime hours, cost of ice beyond entitlement, handling of ice cleans, etc. In comparing the three city’s entitlements by sport, minor hockey entitlements are lower in Surrey and higher in Richmond. Figure skating entitlements vary whether learn to skate members count towards ice entitlements. On the whole, Vancouver’s ice entitlements for hockey and figure skating appear to be in the middle. No municipality had an entitlement for speed skating.

**ICE ENTITLEMENTS BY SPORT**

<b>Sport</b>	<b>Vancouver – 1989 Policy</b>	<b>Surrey</b>	<b>Richmond</b>
Minor Hockey	Per team	Per team	Per team
Hockey 1 to 4	2.00 hours per week	1.00 hour per week	1.50 hour per week
Atom	2.00 hours per week	1.625 hours per week	2.50 hours per week
Pee Wee	2.00 hours per week	1.625 hours per week	2.50 hours per week
Bantam/Midget	2.50 hours per week	1.75 hours per week	2.75 hours per week
Juvenile	2.50 hours per week	1.75 hours per week	2.75 hours per week
Rep – Atom/Pee Wee	2.25 hours per week	2.25 hours per week	2.75 hours per week
Rep – Bantam	2.25 hours per week	2.50 hours per week	2.75 hours per week
Rep - Midget	2.50 hours per week	2.50 hours per week	2.75 hours per week
Figure Skating	1.0 hours per week per 14 skaters	2.25 hours per week per 20 skaters	1.25 hours per week per 15 skaters
Ringette	Per team	Per team	Per team
Novice and below	NA	1.00 hours per week	1.75 hours per week
Petit and above	NA	1.50 hours per week	1.75 hours per week
Speed Skating	NA	NA	NA

### Priority for Processing Applicants

Surrey assigns the following priority for processing ice allocation requests:

- 1<sup>st</sup> Renewal: existing user requests are reviewed and approved annually based on allocation policy.
- 2<sup>nd</sup> Increased Ice: existing users request for increased ice time will be considered only if ice is available and demand can be demonstrated.
- 3<sup>rd</sup> New: only considered if ice is available and demand can be demonstrated.

## Prime and Non Prime Ice Time Allocations

Richmond and Winnipeg require that a user group's ice entitlement consist of both prime and non prime ice allocations – Richmond requires that entitlements include 20% at non prime time while Winnipeg's entitlements include 45% at non prime time.

## Cancellations and Refunds

All jurisdictions require notice for cancellations and refunds. No cities allow user groups to sublease their entitlements and all require that unused ice time revert back to the city.

## **Task Force Recommendations**

### Ice Entitlements

There is agreement that a group's ice allocation be annually reviewed and match the outlined entitlement and not historical allocations. For the most part, the allocation entitlements for figure skating and speed skating are acceptable. The allocations for minor hockey have been adjusted to account for changes in programming (sharing of practice times) and scheduling (longer game times) requirements. These changes will result in additional 6 to 7 hours per week to the City's two minor hockey associations. This additional ice time will have to be accommodated during non prime time.

It is recognized that these entitlement allocations only meet the basic requirements for the sport and that they may not meet a user group's demand for ice time – i.e., a hockey team may wish to practice or play an extra game per week not covered in their weekly ice allocation. If a group wishes to obtain ice beyond their entitlement, it will be at non prime time only (i.e., early mornings).

It is recommended that entitlements for ringette be included in the entitlement schedule. Youth activities should receive priority when allocating early evening time slots – i.e., women's hockey and adult speed skating should be after 9:00 weeknights. It is recommended that the Board adopt the entitlement schedule as outlined in following Table.



**PROPOSED ICE ENTITLEMENTS BY SPORT**

Sport	Allocation	Definition
Minor Hockey  Hockey 1 to 4 Atom Pee Wee Bantam to Juvenile Rep - Atom/Pee Wee Rep – Bantam Rep - Midget	1.00 hours per week per team 1.75 hours per week per team 2.25 hours per week per team 2.75 hours per week per team 2.50 hours per week per team 2.75 hours per week per team 2.75 hours per week per team	Team defined as 14 players.
Figure Skating	1.00 hours per week per 14 skaters	Skaters registered with Skate Canada
Ringette  Novice to Petit Tween to Open	1.00 hours per week per team 1.625 hours per week per team	Team defined as 11 to 14 players
Speed Skating	1.00 hours per week per 14 skaters	Skaters registered with Sport Governing Organization
Women’s Hockey\ Girl’s Hockey	0.75 hours per week for adult – same allocation ratios as minor hockey divisions	Per team.

There is agreement that a hockey team will be defined by 14 to 16 players while a registered participant will be defined through registration with the sport governing body (i.e., Skate Canada).

Priority for Processing Ice Time Requests

The following priority will be used by staff when processing ice time requests:

- 1<sup>st</sup> Renewal: existing user requests are reviewed and approved annually based on the allocation policy.
- 2<sup>nd</sup> Increased Ice: existing users request for increased ice time will be considered only if ice is available and demand can be demonstrated.
- 3<sup>rd</sup> New: Requests only considered if ice is available and demand can be demonstrated.

Prime and Non Prime Allocation

To ensure a fair and equitable distribution of ice times, a percentage of a group’s entitlement will be at non prime time (10% at minimum). It is recommended that the rink allocation committees

continue to work on this policy.  
Cancellations and Refunds

Groups are required to give two weeks notice in order to receive a refund. No groups are permitted to sublease their ice time (violates insurance coverage) and unused ice reverts back to the Park Board. The Task Force recommends that the allocation committees investigate a financial penalty clause (i.e., double the fee) for “undeclared” unused ice time.

### Tournaments and Special Events

The Task Force recommends that allocation committees review the scheduling of competitions and tournaments. In recent years, a number of these special events have been cancelled at the last minute due to lack of registration. These cancellations are disruptive to other ice users and can have a significant financial impact on rink operations.

## **ALLOCATION OF FREE ICE**

### **1989 Allocation Policy**

Clause 8        Area Recreation Managers may grant up to 60 hours of free ice time each season to Community Associations for special events sponsored by the local Associations

### **Current Practices, Issues and/or Concerns**

Free ice is allocated to community associations for a variety of purposes: tournaments, inner city school use, association daycamps, preschools, etc. The impact of allocating free ice has on rink revenues depends on the time of the booking - 60 hours at the subsidized prime rate equates to a potential loss of \$3,500 per rink or \$21,500 city wide; 60 hours at the subsidized non prime rate equates \$1,750 per rink or \$10,500 city wide. The loss revenue is even greater if the free allocation cancels either public skating sessions and/or non subsidized ice rental groups.

Issues identified by the Task Force centered on clarification regarding the entitlement to the 60 hours – priority for allocating free ice, distribution between user groups and consistent application between rinks.

### **Best Practices Review**

No other jurisdiction included an entitlement to free ice time as a component of their allocation policy. Most commissions and/or Recreation Departments handled requests for free ice on a case by case basis. Free ice time was not generally granted for regular and/or tournament ice use.

### **Task Force Recommendations**

There was consensus that given the financial status for rink facilities, free ice time should not be granted for regular and/or tournament ice use. The criteria for granting of free ice should be

based on economic need (i.e., inner city schools), community benefit (i.e., special event) and/or fund raising opportunities (skatathons). Allocation Committees could assist staff in developing criteria to evaluate free ice requests.

**SPRING/ SUMMER ICE ALLOCATION**

**1989 Allocation Policy**

- Clause 7      Programming of ice usage during a spring and summer period (April 1 to September 15) will be allocated on the following priority basis in the rinks where the Board annually determines that ice will be maintained.
1.      Board or jointly sponsored programs.
  2.      Non-subsidized rentals.

**Current Practices, Issues and/or Concerns**

Historically, the Board has operated Kitsilano and Sunset as ice rinks during the spring-summer months. Compared to the winter season, the summer session does have a higher percentage of non-subsidized rentals (see Table). However, this can be attributed more to demand (minor hockey books limited ice time during this period) rather than to ice allocation priority.

**ALLOCATION OF ICE TIME BY SEASON**  
April 2002 to March 2003

Activity	% of Hours Allocated Fall/Winter Session	% of Hours Allocated Spring/Summer Session
Adult Rental Groups	10.0 %	35.5 %
Figure Skating	20.7 %	38.1 %
Minor Hockey	35.7 %	9.7 %
Public Sessions	16.2 %	13.7 %
Schools	7.5 %	0.6 %
Average Revenue per Hour	\$ 48.21	\$ 82.39

The level of use (actual booking hours vs. potential hours available) for a two rink summer operation is somewhat difficult to gauge as a computerized booking system has only been in place for the past two years. However, in 2002 the Board operated only Sunset Rink during the summer as Kitsilano Rink was closed for maintenance. Even without Kits Rink, Sunset operated only at 45% of its capacity which is significantly lower than its operating capacity during the winter season. In 2001, records are only available for Kitsilano Rink and this rink operated at 40% of its capacity.

**SUMMER ICE USAGE**

Rink	Year Spring - Summer	Hours Available	Hours Allocated	Percent Use
Kitsilano	2002	1602 hrs	219 hrs	13.7 %
Sunset	2002	1602 hrs	724.75 hrs	45.2 %
Kitsilano	2001	1602 hrs	645.75 hrs	40.3 %

Issues raised by Task Force user groups and staff primarily focused on allocation. There appears to be confusion over allocation priority for summer requests; especially for local user vs. city wide requests and for subsidized rental vs. non-subsidized rental requests.

**Best Practices Review**

Most other jurisdictions did not include a specific spring/summer ice allocation policy as most cities did not operate ice facilities during this timeframe. Surrey operates two ice surfaces during the summer and focuses on encouraging the non subsidized user to maximize revenue during this period. Thus, Surrey does not follow their winter allocation policy during the summer.

**Task Force Recommendations**

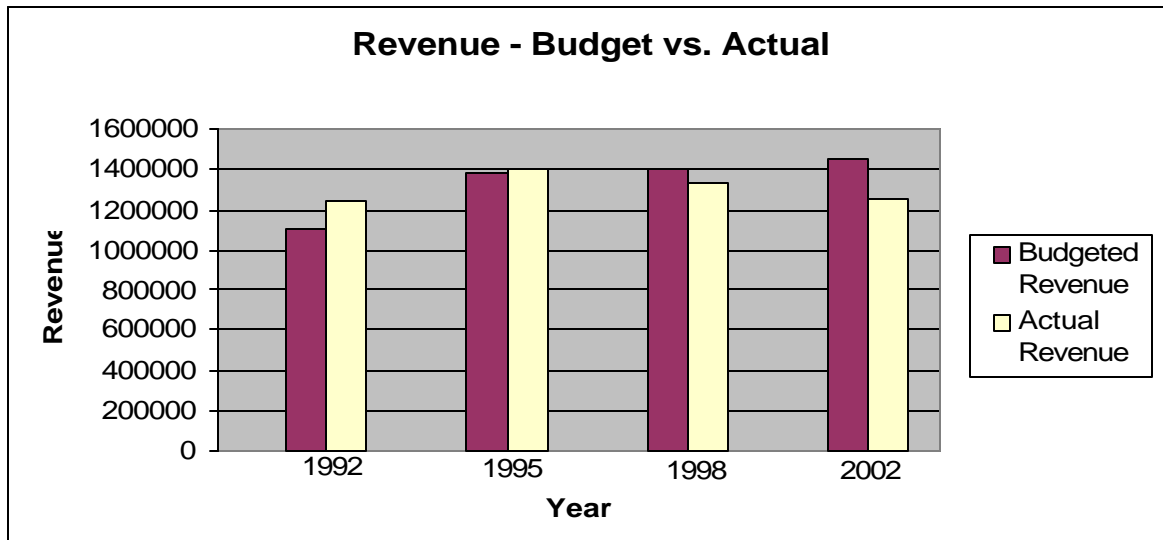
Priority for ice allocation during the off season should differ from that outlined for the winter season. Given that the Board will operate a substantially reduced number of rinks, priority should be given to accommodating city-wide needs rather than local users needs.

It is recommended that the Board annually conduct a cost/benefit analysis for the provision of ice facilities during the spring-summer months. The number of ice surfaces provided would reflect demand, revenue generation and cost of operation during this period. While the cost of operating an ice surface is relatively a “fixed cost”, it is recognized that demand and revenue generation are greatly influenced by allocation policies and fees.

## FINANCIAL SUSTAINABILITY

The costs of operating rink services and facilities are partially offset by revenues from rink rentals and admission fees, with the operating loss for rinks incorporated in the annual Park Board operating budget. The Board can influence rink revenues by encouraging increased use of the facilities through ice allocation and/or by adjusting the fees and charges for rink programs and services. The Board can also ensure that the rinks are operated in a cost efficient manner. Both of these approaches can result in decreased subsidization of the rinks.

The Rink Revenue chart illustrates the trends in rink revenues over the past 10 years. The generally downward revenue trend coincides with the addition of new private rinks in the Lower Mainland, which have increased the supply of prime-time ice for adult use. As a result, many of the lucrative late night rental groups using Board facilities switched to more attractive time slots offered at these rinks. This has had a significant negative impact on revenue and consequently on the net operating budget for Park Board rinks, as current revenues are less than they were 8 years ago.



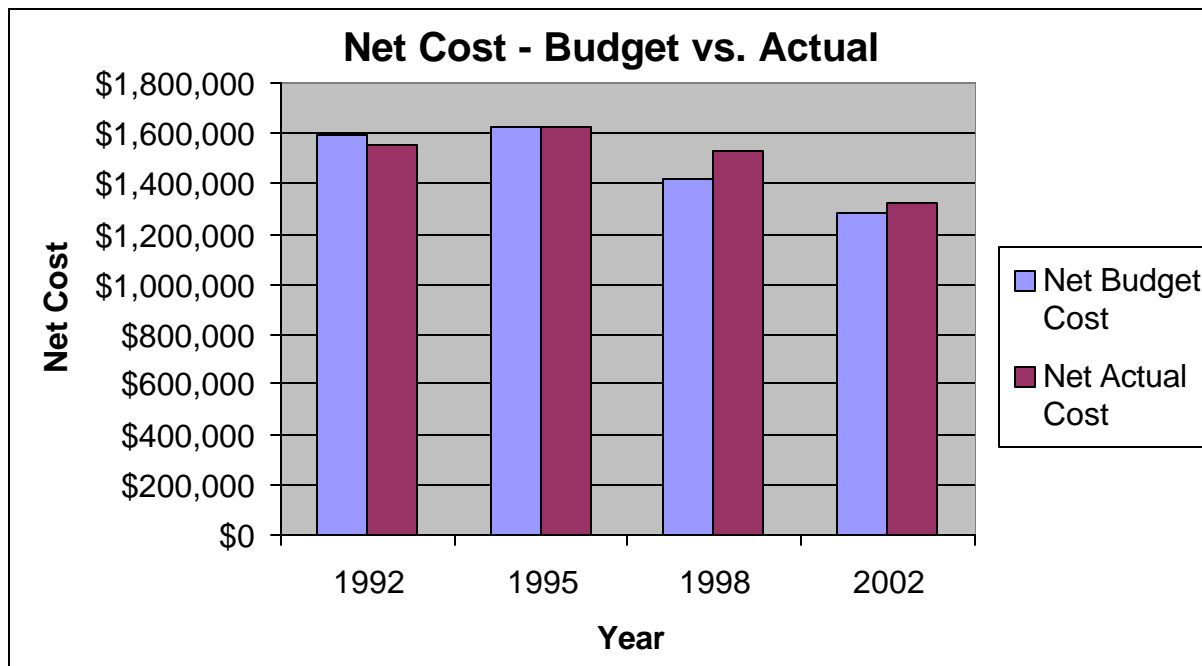
Due to the loss of adult rental groups, the City has twice reduced revenue expectations for Park Board rinks since 1997:

Year	Revenue Expectation	+ Increase/ - Decrease
1997	\$ 1,474,500	
1998	\$ 1,400,600	- 5.0%
1999	\$ 1,505,900	+ 7.5%
2000	\$ 1,531,000	+ 1.7%
2001	\$ 1,448,700	- 5.4 %
2002	\$ 1,480,100	+ 2.2%

Expenditures for Park Board rinks have varied significantly between years. In 1992, rink costs were over budget by \$89,800; in 2001 the over expenditure had increased to \$190,800; and in 2002 expenditures were under spent by \$ 88,000. Reasons for the fluctuating expenditures include utility costs, the requirement to replace aging equipment and staff related costs.

These experiences over the past ten years have meant that there is an increasingly widening gap between the expected cost of rinks and their actual costs to the Park Board. Net Cost Budget vs. Actual chart illustrates this fact by showing the increasing difference between the budgeted net cost and the actual experience. In 1992, rinks costs were \$42,000 less than expected, while in 2002, costs were \$ 42,000 more than expected.

While the ice allocation review will primarily concentrate on the revenue stream, staff will also be investigating efficiencies and practices which will enable the rinks to operate within their budget allocation. The expectation is that rinks will operate within their assigned operating budgets.



The financial analysis includes a review of “financial” policies in the 1989 Allocation Policy as well as the current fees and charges schedule for rinks, best “financial” practices from other cities and identifying and evaluating possible revenue generation options. The financial sustainability topics include: establishing rental charges including prime and non prime rates (tiered pricing); defining qualification for subsidized rental rates; and maximizing use/revenues through marketing. This analysis will determine whether the revenue target of approximately \$ 1,500,000 is achievable or whether the target should be re-evaluated.

## RINK REVENUE

In 2002, the revenue target for rinks was \$ 1,480,100 and \$ 1,349,814 was collected from rink operations – a shortfall of \$ 131,000. The accompanying table breaks down rink revenue by source as well as compares revenue source to allocation. Adult rental groups account for approximately one third of rink revenue although they are allocated less than 15% of the ice time. Public sessions account for 20% of the revenue while using 16% of the allocated ice time. Minor sport and subsidized groups accounted for one quarter of the rink revenue although they are allocated 60% of the ice time. Dry floor (summer) rentals accounted for only 4% of the total rink revenue.

### REVENUE BY SOURCE – 2002 BUDGET YEAR

Activity	Revenue	Percentage of Revenue
Adult Rentals – Non Subsidized	\$ 358,422.28	26.6 %
Association – Subsidized	\$ 429,858.12	31.8 %
Park Board – Public Skate/Lessons	\$ 270,867.95	20.1 %
Skate Shop	\$ 136,842.44	10.1 %
Staff Recovery	\$ 58,735.26	4.4 %
Dry Floor	\$ 51,346.79	3.8 %
Schools	\$ 43,740.96	3.2 %
Total	\$ 1,349,813.78	100.0 %

Note: Budget Year follows the calendar year (January to December) – Allocation Year is September to August. Includes summer dry floor rental revenue.

## ICE COSTS AND PLAYER/SKATER REGISTRATION

Ice time is only one cost included in a sport registration. Registration fees also include administration, equipment and insurance costs. The cost of ice time is obviously dependent on the frequency of use. Since frequency of use varies between sport, age group and caliber, the Task Force reviewed the average cost per player/skater by sport. The average cost per skater is determined by dividing the organization's total ice costs by the registered players/skaters.

**AVERAGE COST PER PLAYER/SKATER  
2002/2003 Winter Season**

Organization	Members	Ice Costs	Average Cost per Member
Vancouver Minor Hockey	771	\$ 79,817	\$ 103.52
T-Bird Minor Hockey	886	\$ 123,090	\$ 138.93
Ringette	103	\$ 11,991	\$ 116.42
Sunset Figure Skating Club	242	\$ 18,302	\$ 75.63
Grandview Figure Skating Club	117	\$ 11,174	\$ 95.50
Kerrisdale Figure Skating Club	409	\$ 23,772	\$ 58.12
Riley Figure Skating	126	\$ 10,297	\$ 81.72
Killarney Figure Skating Club	180	\$ 14,876	\$ 82.64
Kitsilano Figure Skating Club	127	\$ 12,063	\$ 95.02
Kits Speed Skating Club	30	\$ 5,525	\$ 171.74
Women's Hockey	78	\$ 20,209	\$ 259.09

Note: Table only includes Park Board rental costs – Costs for Britannia and Agrodome are not included in Van Minor Hockey.

The wide range in average cost per member between individual minor sport clubs is attributed to allocating ice time under or beyond the club's entitlement.

## **ESTABLISHING RENTAL RATES**

### **Park Board Fees and Charges**

Rink user fees are approved annually by the Park Board. The 1989 Allocation Policy does not specifically reference rink user fees. The general policy for Park Board fees and charges is to establish an adult rate and then discount this rate by 25% (youth) to 50% (child) to determine a subsidized rate. To encourage rink use in off peak time periods, the Board further discounts user fees by 50% during these times.

Historically, the adult rate has been based on an operating cost recovery as well as comparisons with other service providers including other municipalities, other non-profits and the private sector. In 2002, the average operating cost per hour for ice rinks (total expenditures/hours of operation) was estimated at approximately \$ 131.00. The 2002/03 fee schedule for rinks was:



Category	Prime Rate	Non Prime Rate
Minor Sport	\$ 57.29 \$ 54.91 BB	\$ 28.65 \$ 27.45
Junior B	\$ 83.27	\$ 58.74
Mixed Age Group – Association Sponsored	\$ 97.71	\$ 58.74
Adult – Association Sponsored	\$ 146.36	\$ 88.60
Adult Rental	\$ 195.42	\$ 102.06
School	\$	\$ 47.20
Average Operating Cost per Hour for Rinks	\$ 131.00*	

Note: BB – reduced rate to minor sport for block bookings (includes ice cleans).

\* - average calculated on Kitsilano and Sunset Rink Operating Statements

### Current Practices, Issues and/or Concerns

Originally, the minor sport rate for rink use was 50% of the adult rate. Today, the minor sport rate is approximately 30% of the adult rate. The change in this percentage can be attributed to various Board decisions to increase the adult rate proportionately higher than the minor sport rate to help offset higher rink operation costs. Unfortunately many of these adult groups have switched to more attractive time slots offered at private rinks.

In terms of operating cost recovery, only the adult prime time and the Association adult prime time rate recover more than the \$ 131.00 per hour average operating cost per ice rinks. The youth sport rate only recovers 40% in prime and 20% in non prime of the average per hour operating rink costs.

A number of Task Force members expressed concern that the low fee for minor sport is contributing to an inefficient use of ice time – especially during non prime time. This would explain how user groups are able to continue to book historical allocations even when their membership numbers no longer justify the allocation. In addition, minor sport groups have not consistently returned unused ice time to the Park Board, leaving the ice unused rather than receiving a refund.

### Best Practices Review

A survey of fees and charges from rink facilities indicates that the Board's ice fees are at the low end of the scale for subsidized rental fees. The subsidized rental rates range from \$ 60.00 per hour in Richmond to \$ 82.06 per hour in Surrey for prime time and \$ 37.59 per hour in Burnaby to \$ 54.00 per hour in North Van for non prime time. For the adult rate, Vancouver's rates appear to be in the mid-range as fees ranged for \$174.08 per hour in Surrey to \$ 229.00 per hour in North Vancouver for prime time and \$ 85.00 per hour in Richmond to \$ 135.00 per hour in Coquitlam for non prime time.

**COMPARISON OF ICE RENTAL RATES**  
**September 2002 to August 2003**

Category	Vancouver	Burnaby	Coquitlam	North Van	Richmond	Surrey
Community Groups – Prime	\$ 57.29 \$ 54.91 BB	\$ 67.61	\$ 72.00	\$ 81.00	\$ 60.00	\$ 82.06
Community Groups – Non Prime	\$ 28.65 \$ 27.45 BB	\$ 37.59	\$ 50.00	\$ 54.00	\$ 60.00	\$ 49.22
Adult Commercial - Prime	\$ 195.42	\$ 198.49	\$ 220.00	\$ 229.00	\$ 175.00 to \$ 235.00	\$ 174.08
Adult Commercial – Non Prime	\$ 102.06	\$ 97.63	\$ 135.00	\$ 117.00	\$ 85.00 to \$ 100.00	\$ 104.42
Adult Commercial – Off Hours	NA	\$ 87.62	NA	\$ 90.00	NA	NA
Schools	\$ 47.20	\$ 36.62	\$ 24.50	\$ 54.00		Neg.

Note: fees do not include GST – Richmond and Surrey further reduce rates during the spring/summer months.

Determining Fees

The City of Surrey’s method for establishing rental rates is based on an overall operating cost per hour for ice rink facilities. This base rate is determined by dividing the total costs associated with rink operations by the number of operational hours. The base rate for the 2002/03 season is \$151.75. The non subsidized and subsidized rates are determined by multiplying the base rate by 125% for the non subsidized rate and by 63.5% for the subsidized rate. Non prime rates for both categories are established at 60% of the prime rate.

**SURREY MODEL – ESTABLISHING RENTAL RATES**  
**2002/2003**

Rate	City of Surrey	Vancouver using Surrey Model	Park Board 2002/2003 Fees
Base Rate – Operating Costs/Operating Hours	\$ 146.07	\$ 131	NA
Subsidized Rate – Prime 63.5% of Base Rate	\$ 86.07	\$ 83.20	\$ 57.29 \$ 54.91 BB
Subsidized Rate – Non Prime 60% of Subsidized Rate	\$ 51.64	\$ 49.90	\$ 28.65 \$ 27.45 BB
Subsidized Rate – Stats Base Rate	\$ 146.07	\$ 131.00	NA
Adult Rate – Prime 125% of Base Rate	\$182.62	\$ 163.75	\$ 195.42
Adult Rate – Non Prime 60% of Adult Rate	\$ 109.53	\$ 98.25	\$ 102.06
Adult Rate – Stats 175% of Base Rate	\$ 255.65	\$ 229.25	NA

Compared to Vancouver’s current fee structure, Surrey’s fee structure is designed to recover more from subsidized groups and less from non subsidized groups. Implementing Surrey’s fee formula would result in a 50% increase to the subsidized prime rate and a 16% reduction to the adult prime rate.

**Task Force Recommendations**

An alternative approach to establishing rink fees would be to increase the fees to cover the revenue shortfall. In 2002, budget revenue target was \$ 1,480,100 and actual revenues were short by \$130,000 at \$1,349,800. An across the board increase of 10% would potentially cover the shortfall.

Minor ice sport subsidized rentals totaled \$ 430,000 thus a 10% increase in fees has the potential to generate an additional \$435,000 in revenue. A 15% increase could generate an additional \$ 65,000.

Sport Group	Non Prime 10% Inc.	Prime 10% Increase	Ave. Increase Per Member	Non Prime Rate 15% Increase	Prime Rate 15% Increase	Average Increase per Member
Minor Hockey	\$ 31.51 \$ 30.20 BB	\$ 63.02 \$ 60.40 BB	\$ 12 to \$ 14	\$ 32.94 \$ 31.57 BB	\$ 65.88 \$ 63.15 BB	\$ 15 to \$ 20
Figure Skating	\$ 31.51 \$ 30.20 BB	\$ 63.02 \$ 60.40 BB	\$ 7 to \$ 10	\$ 32.94 \$ 31.57 BB	\$ 65.88 \$ 63.15 BB	\$ 9 to \$ 14
Speed Skating	\$ 31.51 \$ 30.20 BB	\$ 63.02 \$ 60.40 BB	\$ 17	\$ 32.94 \$ 31.57 BB	\$ 65.88 \$ 63.15 BB	\$ 26

Given the market fee structure for Lower Mainland ice, it may not be possible to increase adult fee rates and remain competitive. In fact, the adult prime rate may have to be lowered in order to maintain and attract users.

Task Force members were more in agreement with an across the board fee increase rather than adopting the Surrey model. While no one wished to pay more for ice, there was agreement that an increase could be accommodated without significantly impacting registration; especially at the 10 to 15 % level.

**APPLICATION OF PRIME AND NON PRIME RENTAL FEES**

The concept for designating a prime and non prime price structure is to encourage use by discounting rental fees during traditional low demand periods.

## 1989 Allocation Policy

The 1989 Policy defines prime and non prime time for allocation purposes only. The definition for prime/non prime time for fees is included in the Schedule of Fees and Charges. The following Table outlines the Board's current definitions by rental category.

### PRIME TIME – NON PRIME TIME DEFINITIONS

Rental Group	Prime	Non Prime
Non Subsidized	Mon. to Thurs. 5:00 pm to 11:00 pm Friday 5:00 pm to Midnight Saturday/Holiday 7:00 am to Midnight Sunday 7:00 am to 11:00 pm	All other times
Subsidized	Mon. to Thurs. 6:30 pm to 11:00 pm Friday 6:30 pm to Midnight Saturday/Holiday 8:30 am to Midnight Sunday 8:30 am to 11:00 pm	All other times

Clause 2 in the 1989 Policy states that Community Associations will be entitled to purchase, at subsidized rates, up to 55 hours of prime time per week in blocks of time which include ice cleans. Clause 3 outlines prime time for the purposes of allocation as:

Monday - Friday, 5:00 p.m. to midnight;  
Saturday, Sunday, 8:30 a.m. to midnight.

## Current Practices, Issues and/or Concerns

The time definitions for prime and non prime do not appear to match the demand for ice time; especially for subsidized rental groups. There is strong demand for weekday after school and early evening ice time as well as weekend morning time.

For clarification purposes, a consistent definition for prime time should be established for both fees and allocation. Prime and non prime time fees for non subsidized groups will be further discussed under Adult Rentals – Marketing and Tiered Pricing. In terms of subsidized group use, figure skating is the primary user of non prime time, especially during the weekday after school time frame (3:30 pm to 6:30 pm). Thus, any change in prime time designation could have a significant impact on figure skating.

## Best Practices Review

Other jurisdictions apply prime time fees starting between 3:00 pm and 4:30 pm weekdays and between 7:30 am and 8:00 am on weekends.

**PRIME TIME – NON PRIME TIME DEFINITIONS**

<b>City</b>	<b>Weekdays – Prime Time</b>	<b>Weekends – Prime Time</b>
Vancouver	6:30 pm to Midnight	8:30 am to Midnight
Richmond	3:00 pm to 11:00 pm	8:00 am to 11:00 pm
Surrey	4:00 pm to Midnight	8:00 am to Midnight
Prince George	3:00 pm to Closing	All hours
Winnipeg	4:30 pm to 10:00 pm	7:30 am to 10:00 pm

Switching to an early weekday start time for prime time would significantly impact figure skating. The accompanying Table indicates the financial impact to each association if the prime time designation is changed to 4:00 p.m. and 5:00 p.m.

**FINANCIAL IMPACT – 4:00/5:00 PM WEEKDAY PRIME TIME**

<b>Organization</b>	<b>Hrs rented between 4:00 to 6:30 pm</b>	<b>Increased Cost as a Result of Prime Rate</b>	<b>Ave. Increase per Member</b>	<b>Hrs rented between 5:00 to 6:30 pm</b>	<b>Increased Cost as a Result of Prime Rate</b>	<b>Ave. Increase per Member</b>
Killarney Figure Skating Club	156	\$4,680	\$22.50	104	\$3,120	\$15.00
Grandview FS	143	\$4,290	\$42.90	91	\$2,730	\$27.30
Sunset FS Club	178.75	\$5,363	\$29.14	98.75	\$2,963	\$16.10
Kerrisdale FS	220.25	\$6,608	\$18.00	126.5	\$3,795	\$10.34
Riley FS Club	120.25	\$3,608	\$29.57	62.5	\$1,875	\$15.37
Kits FS Club	153.5	\$4,605	\$22.14	73.5	\$2,205	\$10.60
Vancouver Minor Hockey	39	\$1,170	\$1.52	39	\$1,170	\$1.52
T-Bird Minor Hockey	203.75	\$6,113	\$6.84	190.25	\$5,708	\$6.38
Vancouver Ringette	28	\$840	\$8.08	28	\$840	\$8.08
Kits Speed Skating Club	35	\$1,050	\$35.00	35	\$1,050	\$35.00
<b>Total Revenue Increase</b>		<b>\$38,325</b>			<b>\$25,455</b>	

## **Task Force Recommendations**

There is general agreement that prime time designation for subsidized groups should be expanded as the current definitions do not represent demand for ice. The group agreed that prime time could start at 7:00 a.m. on weekends. Although there is agreement that prime time should start earlier on weekdays, the group was aware that this would have a significant financial impact on figure skating. To lessen this impact, the group proposed a tier pricing structure for subsidized rentals :

Weekdays:    3:00 p.m. to 4:30 p.m.  
                  4:30 p.m. to 6:00 p.m.  
                  6:00 p.m. to 9:30 p.m.  
                  9:30 p.m. to 11:00 p.m.

It was acknowledged that a tiered pricing system may result in a higher rate for the most desirable time (6:00 to 9:30 p.m.). However, the Task Force believed that this system better reflects the demand for ice and a fairer application of fees.

## **SUBSIDIZING OF ADULT/MIXED AGE GROUP PROGRAMS**

### **1989 Allocation Policy**

Clause 9        Where the Community Association is prepared to support and sponsor an ice sport program (e.g., women's hockey, women's ringette, speed skating) in which the participants are of a mixed age range and the participation rate of individuals under the age of 21 is equal to or greater than 20 percent of the total number of participants in the program, the subsidization rate of 50 % of the regular adult rate will apply.

Clause 10      The Community Association will be authorized to allocate ice time within their weekly ice time entitlement, described in Clause 2 of this policy, to sport programs which they sponsor. The applicable rental rate will be 75% of the regular adult rate.

### **Current Practices, Issues and/or Concerns**

Currently, these policies are applied to women's hockey, speed skating and figure skating. Women's hockey qualifies under both clauses. Figure skating and speed skating memberships include both youth and adults. Given that the subsidized adult groups account for less than 4 % of ice allocation, the concern with these policies has more to do with equity than financial issues.

The fee schedule for these groups is:

Adult Categories	Prime Rate	Non Prime Rate
Mixed Age Group – Association Sponsored	\$ 97.71	\$ 58.74
Adult – Association Sponsored	\$ 146.36	\$ 88.60
Adult Rental	\$ 195.42	\$ 102.06

Discussion during Task Force deliberations focused on the rationale for subsidizing “adult” programming as well as the allocation of prime time ice to subsidized adult groups. As a matter of policy, economic need not affiliation serves as the rationale for the Park Board’s discounting of adult fees and charges. Age group financial discounts are usually reserved for youth and senior programming. Youth groups also expressed concern that these adult groups were allocated early evening ice time at the expense of their programs.

Other than being sponsored by community association, these activities are similar to those organized by non subsidized adult sport rental groups. Like most adult sport activities, programs such as women’s hockey and adult speed skating are city wide rather than community based programs. Thus, it does not appear to be equitable that adult programming such as women’s and men’s hockey should be eligible for different rates and follow different allocation ice procedures primarily based on their affiliation with community associations.

### **Best Practices Review**

Adult or mixed age group programming does not qualify for subsidization in any other jurisdiction. Subsidized rental rates are reserved for minor sport or youth group activities only and to receive subsidization requires membership in a minor or youth association – e.g., a junior hockey program affiliated with a minor hockey receives subsidized ice time while junior players playing in an adult league would not be eligible for subsidized ice.

### **Task Force Recommendations**

As a general policy, the Task Force recommends that only youth groups qualify for subsidized ice fees. The subsidized fees would apply to programs for youth and affiliated programs for those under the age of 19 years (a special rate for Junior B hockey teams).

Fees for programs which have mixed aged group will be based on the following criteria:

- if a team participates in an adult league or organization, the non subsidized rate will be applied (women’s hockey team with under aged players participates in an adult league – adult fee will be charged);
- if participation is of a mixed age group (adult participation is greater than 20%), the non subsidized rate will be applied to the entitlement hours resulting from the adult membership (e.g., every 14 adult skaters registered will result in the allocation of one hour of ice at the non subsidized rate).

## **ADULT RENTALS - MARKETING AND PRICING**

### **1989 Allocation Policy**

The 1989 Policy does not specifically address marketing strategies for adult rentals. As previously mentioned, the setting of user fees fall under the Board's schedule of fees and charges and these fees are approved annually by the Board. Currently, non-subsidized adult user fees for rinks are limited to two rates - \$ 215 per hour for prime time and \$112.50 per hour for non-prime time.

### **Current Practices, Issues and/or Concerns**

Two issues emerged during the Task Force's deliberations – tiered pricing and centralized booking.

A reduction of 50% between prime and non prime time is too significant a price difference. As a result, many groups do not utilize or book periods just before the prime/non prime time change. In addition, the current fee structure does not recognize differences in demand between the winter and summer sessions.

Booking rink time at Park Board is not consumer friendly. The Board does not have a centralized booking system although rinks in the Queen Elizabeth District are booked on a district level. As a result, potential adult user groups can not phone one number to receive rental information for all Park Board rinks.

### **Best Practices Review**

Both Richmond and Surrey have implemented tiered pricing schedules which adjust fees based on time of day as well as time of year. Richmond fee schedule is adjusted hourly while Surrey differentiates between seasons. Both schedules are designed to encourage use during non prime periods.

All other jurisdictions implemented centralized ice booking systems. Centralized booking systems have resulted in improving customer service and more efficient and effective use of ice – resulting in increased revenues.

### **Task Force Recommendations**

The Task Force recommends that the Board develop a marketing strategy for adult rink usage. This strategy would include centralizing rink bookings, investigating web based booking procedures and tiered pricing.



## SUMMARY OF FINANCIAL OPTIONS

The accompanying table outlines the various financial options considered by the Task Force including a description of the option, the option's impact on revenue as well as the option's financial impact on user groups. The Task Force reached consensus on the allocation of free ice, the subsidizing of adult/mixed groups as well as the marketing of ice – centralized booking and tiered pricing. It was recommended that the Task Force further review a combination of rental fee increases and tiered prime and non prime pricing.

Option	Description - Impact on Revenue	Impact on User Groups
<p>Allocation of Free Ice Time</p> <p>Potential Revenue: \$ 10,000 per year.</p>	<p>Recommendation to exclude regular/tournament play from free ice allocation – free ice allocated on basis of economic need, community benefit or fund raising opportunities.</p> <p>It is estimated that this policy would result in an increase of approximately \$10,000 per year (based on 15 hours prime/15 hours non prime per rink per year).</p>	<p>Impacts primarily minor sport groups as other events may continue to qualify under criteria for allocating free ice.</p>
<p>Rental Rates</p> <p>Potential Revenue: \$ 65,000 per year.</p>	<p>An across the board 15% increase would match revenue target. Subsidized rates would still remain below Lower Mainland average.</p> <p>A 15% increase in minor sport rates would generate approximately \$65,000 per year.</p>	<p>Minor sport could accommodate a 10 to 15% increase (average increase of \$10 to \$20 in ice costs per member). Market conditions suggest a decrease in adult rental fees.</p>
<p>Prime – Non Prime Designation</p> <p>Potential Revenue: \$ 25,000 per year</p>	<p>The current designation does not reflect demand for ice – especially for subsidized groups. In other municipalities, non prime fees apply to early morning or late night times. In addition, the 50% is too much of price reduction. Tiered pricing should be considered.</p> <p>Potential revenue generation is dependent on fee and time structure – could range from \$25,000 to \$35,000 per year.</p>	<p>Any change to prime/non prime designation will significantly impact figure skating. Figure skating is the primary user of after school ice time. The financial impact could be reduced through tiered pricing.</p>
<p>Subsidizing of Adult/Mixed Age Groups</p> <p>Potential Revenue: \$ 7,500 per year.</p>	<p>More of an equity rather than a financial issue – subsidy should be based on economic need not affiliation.</p> <p>Depending on the adult rental rate, no longer subsidizing adult/mixed rental groups could generate approximately \$7,500 per year.</p>	<p>Women's Hockey and speed skating are the primary adult or mixed groups which receive subsidized ice. These groups could still receive priority in the allocation of ice.</p>
<p>Marketing of Ice – Centralized Booking and</p>	<p>Develop a marketing strategy which would include the implementation of centralized booking system and tiered pricing structure so as</p>	<p>Tiered pricing may result in some adult groups receiving a price reduction. However,</p>

Tiered Pricing  Potential Revenue: \$ 36,000 per year.	to encourage more adult (non subsidized) use of rinks.  A target of 10% increase in adult use would generate an additional \$36,000 per year.	the overall goal would be to increase use and thus revenue from adult user groups.
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The analysis indicates that the Board’s revenue target of \$ 1,500,000 is realistic and achievable, especially if the Board were to adopt the financial practices implemented in the surrounding municipalities – rental rates, prime time designation, marketing strategies, etc. Currently, subsidized groups in Vancouver receive ice allocations at substantially reduce rates as compared to their counterparts in surrounding municipalities.

The fee structure for ice rentals has been approved by the Board through August, 2004. It is recommended that the Task Force continue to work the financial options for the Board’s consideration in the 2004 fees and charges schedule. The 2004 fees and charges schedule will be approved in the fall of 2003.

