

Date: October 11, 1995

SUBJECT: 1996 FEES AND CHARGES

RECOMMENDATION:

THAT the attached Fees and Charges Schedule be approved by the Board for implementation on January 1, 1996.

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 1996 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 September 21, 1995, 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 October 23, 1995, and that anyone wishing to make a presentation could appear as a delegation at that time.

DISCUSSION

The proposed 1996 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.

Whenever possible all increases have been kept to 2.0 to 2.5%. This is the rate of inflation that the City projects for 1996. In some cases, however, either no increase or increases higher than 2.5% 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:

Burrard Marina (page 4)

It is proposed that credit cards (VISA and Mastercard) be accepted in payment for annual moorage charges. As these charges range from \$1,000 to \$3,000 per annum, the need for this service is obvious. It is a service provided by other marinas and has been requested by boat owners. In order to offset the 2% discount that the Board is charged by the credit card companies, the 1996 moorage has been increased by 3%. This is 1% over the predicted inflation rate of 2% and should fully compensate for the discount as it is expected that only 50% of the fees will be paid by credit card.

In regard to the Land Storage Fees an increase of 16% is proposed in order to reach the current market rate being charged at other marinas.

VanDusen Botanical Gardens (page 8)

In 1995 the admission rates were increased by 11% in order to reach market value. At the time it was proposed that these rates remain in effect for two years with no increase in 1996. The VBGA reconfirmed this proposal at their meeting of August 23, 1995. Rental rates have been increased 2.2% plus rounding to the nearest \$5.00.

Golf Courses

A tee times automated reservation system is being proposed for 1996. In order to pay for this system a small charge additional to inflation has been added to the proposed 1996 fees (\$0.50 added to adult fees and \$0.25 added to senior and youth fees).

JUSTIFICATION

The attached 1996 Fees and Charges schedule is consistent with Board Policy and represents in the most part an average of 2.0 to 2.5% increase based on the estimated rate of inflation for the City in 1996. 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, 1996.

FOR A COPY OF THE ATTACHMENT
PLEASE CONTACT BARB/JULIE
AT 257-8448

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

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