

Date: June 20, 2006



TO: Board Members – Vancouver Park Board
FROM: General Manager – Parks and Recreation
SUBJECT: Changes in Fees and Charges for 1% GST reduction effective July 1, 2006

RECOMMENDATION

THAT the Board approve the revised Fees and Charges schedule as attached.

POLICY

The Board's policy on user fees and charges are summarized as follows:

- User fees and charges will be levied to recover all or a portion of overall operating costs.
- All rates and charges will be adjusted to accommodate the changes in operating and maintenance costs and the marketplace.
- A fee structure will generally be maintained that charges adults, youth, children and seniors in a ratio of 1, 3/4, 1/2 and 7/10 for recreation services.
- Reduction in fees may be made for families, groups, people with accessibility issues, frequent users (strip tickets & passes), low priority times, promotions and marketing strategies.
- Each rink and indoor pool will schedule at least four hours of low-cost public sessions each week. A Leisure Access Card will allow free access to public swimming and skating and a 50% reduction in other basic Park Board services for people meeting the assistance eligibility criteria. Further reductions will be available to Leisure Access Card holders for Flexipass, swim lessons and skate lessons only.
- The General Manager will have the authority to waive or reduce fees and alter fees for services, promotion purposes and to quickly establish fees for experimental services.
- User classifications are as follows:
 - Pre-school 5 years of age and under
 - Child 6 to 12 years inclusive
 - Youth 13 to 18 years inclusive
 - Adult 19 to 64 years inclusive
 - Seniors 65+
 - Family 1-2 adults of the same household and their children
To encourage more family participation, each person of the family pays the Child rate, with a two person minimum.

To meet inflationary costs increases, it is the Board's practice to consider staff recommendations to set fees and charges for next year.

BACKGROUND

When the 2006 Fees and charges were established in October, the new fee schedule reflected inflationary increases, market rates and feedback received from residents; at that time the GST was 7%.

On May 2, 2006 the federal government announced a 1% reduction in the GST effective July 1, 2006.

DISCUSSION

Fees and charges are set annually at rates to meet annual inflation increases and other adjustments. As outlined for the Board in October when the initial 2006 schedule of Fees and Charges was approved, in some cases the previous year's fees were adjusted downward, kept the same or increased below inflation due to special circumstances.

To provide the public with a simple fee structure, the Park Board includes GST in its posted rates. By doing so, the Board takes responsibility for passing on the appropriate GST to the federal government. When the GST rates change effective July 1, 2006, the Board has the option to leave its fees unchanged and submit the lower amount of GST or to decrease its fees to reflect the lower GST and pass the savings on to its customers.

In order to encourage active healthy living, an across-the-board downward adjustment of 1% for 2006 fees and charges is being recommended and is detailed in Appendix A. The only fees that have not been adjusted downward are parking rates at dispensers or meters which do not give change and fees which do not have a GST component (e.g. children's swimming lessons). In keeping with past practices and to ensure an easier application of fees at facilities, the admission rates were rounded after taking into account the decrease in taxes.

SUMMARY

The Finance Committee reviewed this report at its meeting of June 19, 2006 and recommended that the Board adopt the attached schedule of revised 2006 Fees and Charges. The proposed reduction to the 2006 Fees and Charges is consistent with the Board policy and supports active, healthy living by lowering barriers to participation at fee collecting facilities. The recommended changes are not expected to affect Board revenues, as the fee reduction reflects the lower GST charged on fees, which is returned to the federal government.

Prepared by:

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