



Staff Report

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Report To: General Government Committee

Date of Meeting: May 9, 2022

Report Number:

CSD-011-22

Submitted By: George Acorn, Director of Community Services

Reviewed By: Mary-Anne Dempster, CAO

Resolution#:

File Number:

By-law Number:

Report Subject: Extension of Existing Community Services Rates and Fees

Recommendations:

1. That Report CSD-011-22 and any related communication items, be received;
2. That the existing fees as approved through report [CSD-001-21](#) be extended for programs and indoor facility rates, with the exception of ice, floor and indoor turf, to December 31, 2022; and
3. That Council approve an interim increase of 1.75% to all ice, floor, and indoor turf rates from September 1, 2022 to April 30, 2023.

Report Overview

Staff have used the opportunity provided by the pandemic to review several areas of service delivery. Staff is currently completing reviews in the areas of Facility Rentals, Camps, and Fitness Memberships. These reviews are being conducted for various reasons outlined in this report. The key goals are to maximize facility usage to address community demand for multi-purpose space, align camp fees to recover costs and align with other municipal comparators and change fitness membership rates to be more reflective of service delivery costs.

Part of these reviews provided an opportunity to evaluate the implementation and effective dates of current rates. Currently, all rates, except outdoor permit fees, are effective from September 1 to August 31 of each year. Staff is seeking consideration for an extension of the current rates. Specifically, program and some indoor facility rates move to the same schedule as outdoor permits, January 1 to December 31 each year. For ice, floor, and indoor turf rates, we propose moving to a schedule of May 1 to April 30 of each year. The difference between these service areas is related to the sports season they support; changing fees during the peak of ice, floor and indoor turf season would pose unique challenges to the major user groups, thereby supporting a different effective date for these rates.

The newly proposed effective dates would require an extension of the existing rates as previously approved by Council. The current rates are in effect until August 31, 2022. Extensions would be required for programs and some indoor facility rates to December 31, 2022. Ice, floor, and indoor turf are proposed to see a 1.75% increase from September 1, 2022, to April 30, 2023. A full report with the new rates and changes to structures would be proposed through the rates and fees report in September of 2022 for Council's consideration.

1. Background

Improvements to Rates and Fees Process

- 1.1 The process of rates and fees (rates) has undergone improvements over the last number of years. In 2019, program fees were converted to a per-hour rate, providing staff flexibility to offer varying length programs (i.e., 12 weeks vs. 8 weeks depending on the calendar). For the most part, Facility Rates remained unchanged in structure.
- 1.2 Prior to 2021, rates were approved every two years. In 2021, the rate report moved to an annual approval to provide staff with the opportunity to be more responsive to new trends and changing landscapes. Traditionally rates have been approved from September 1 in the year of approval to the following August 31.

- 1.3 Outdoor permits transitioned to Community Services during this period will now be included in future Community Services rates and fees reports, starting in September 2022. Council recently approved structural changes to outdoor sports fees, effective January 1, 2022, to December 31, 2022.
- 1.4 Annually, staff benchmark various municipalities to ensure proposed rates fall in line with our comparators, industry trends, and best practices.
- 1.5 The pandemic provided staff an opportunity to identify areas that should be reviewed for potential service delivery improvements, including the effective dates of rates. As a result of those evaluations, reviews are being conducted in camps, fitness, and facilities. As a result of the work required for these reviews, some extensions of rates are required, as proposed in this report.

2. Rationale for Extending Current Fees

Facility Rates

- 2.1 Over the last number of years (prior to the pandemic) staff has seen an increased community demand for community rental space. This can be for various reasons including social events, community meetings, special events, and community group programming. As a result of the increased demand, Community Services is looking to expand what spaces in current recreation facilities can be made available for booking. This will increase facility use of underutilized space and meet the community demand for booking requests.
- 2.2 To meet the expansion of bookable spaces, a restructuring of facility rates is required. The restructuring will ensure that appropriate rates are charged for each space.
- 2.3 As part of the restructuring, rooms are being categorized and appropriate uses per room are being defined. Spaces previously used solely for programming will now be available for community use, around our planned programs. This will provide an opportunity to maximize facility usage.
- 2.4 Ice, Floor, and Indoor Turf rates operate differently than indoor multi-purpose space, mainly because of the sports season these amenities support. The major sports user groups using these amenities often set their registration fees for the duration of the season. Implementing a rental rate increase in the middle of their season could pose unique challenges to those groups. As a result, staff recommends different effective dates for rates associated with arenas and indoor turf.
- 2.5 Considering the changes staff are working on, the recommendation is to change the effective date for the ice, floor, and indoor turf from September 1 to August 31 of each year, to May 1 to April 30. With inflationary increases, staff is recommending an interim

increase of 1.75% to these rates (Attachment 1). Staff will continue to assess the operating costs in these areas and recommend any additional changes for consideration as part of the rate report to Council in September 2022.

Camp Rates

- 2.6 Staff completed a benchmarking exercise comparing Clarington's camp offerings against other GTHA municipalities and with municipalities to the east. Upon investigation, staff found that there were efficiencies to be found in specialty camps, transportation, purchasing of supplies/materials, camp ratios, and staff qualifications.
- 2.7 To address these areas of potential efficiencies, staff have undertaken a review of the categories for camps, and what is to be included in each category. The goal of this exercise is to align Clarington camps with industry best practices.
- 2.8 Restructuring of the camp rates and definitions allows staff to align fees with the costs for delivery of the program. The new recommendations will be included in the September report. The currently approved fees are effective August 31, 2022, therefore requiring an extension to December 31, 2022.

Fitness and Membership Rates

- 2.9 The pandemic had a significant impact on our fitness service area. Staff has been reviewing the current structure of membership packages and evaluating the level of cost recovery of each current membership. The pandemic saw operating hours impacted, while costs for memberships have remained the same, creating a potential disparity that is important for staff to address.
- 2.10 An area identified regularly by the customer base is the lack of clarity surrounding the differences between the 55+ membership compared to a regular fitness membership. Staff is working to improve the distinction between memberships through this review and improve the information to customers.
- 2.11 Benchmarking across comparable municipalities and private sector fitness providers is part of the review. The benchmarking provides insight into industry standards and best practices. Part of the benchmarking exercise included a survey of current fitness members to assess what is most important to them.
- 2.12 The goal of the membership review is to streamline membership packages making costs representative of the services being provided and continue to provide family-friendly and affordable options that are easy to understand. This will maintain our position with our residents of being seen as a family-friendly option and a viable alternative to the private sector.

- 2.13 The current membership rates will require an extension to December 31, 2022, and the new proposal will be included in the September rate report.

3. Concurrence

- 3.1 Not Applicable.

4. Conclusion

- 4.1 It is respectfully recommended that Council approve an extension of the program and indoor facility multi-purpose rental fees to December 31, 2022. That ice, floor, and indoor turf rates be approved with an increase of 1.75% from September 1, 2022, to April 30, 2023.
- 4.2 These extensions, if approved, will enable staff to complete their reviews and include improvement recommendations to Council in a comprehensive Community Services Rates and Fees Report at the September Joint Committee meeting in September 2022. Approval of these extensions/increases also positions Community Services rates and fees to align with and inform operating budget submissions in future years. This alignment will position services to move toward a cost-recovery model and increase the efficiency of service delivery.
- 4.3 Staff will continue to be mindful of the tax supported needs for our operating costs, while keeping access to our facilities, programs, and services affordable for the members of our community.

Staff Contact: Lee-Ann Reck, Manager, Client Services, at 905-623-3379 ext. 2508 or lreck@clarington.net

Attachments:

Attachment 1 - Ice, Floor, and Indoor Turf Rates September 1, 2022, to April 30, 2023

Interested Parties:

There are no interested parties to be notified of Council's decision.