



# Chapter 6

## Recreation & Parks

### Recommended Rates and Fees and Cost-Revenue Impacts



## 6. Recreation & Parks Recommended Rates and Fees and Cost-Revenue Impacts

### 6.1 Introduction

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This chapter reviews the fee recommendations that have been made, the impacts on the current levels of cost recovery, and further assesses the forecast costs and revenues based on the population forecast to 2031 summarized in Chapter 4 and contained in detail in Appendix C.

Fee recommendations have been made with regard for:

- Demographic and socio-economic trends (Chapter 4);
- Community benefits assessment and pyramid methodology (Chapter 3);
- Market fee comparisons:
  - Market fee comparisons provided for the Town of Oakville, the City of Burlington, the Town of Caledon, the Town of Orangeville, the Town of Milton, the City of Brampton, the City of Guelph, the Town of Aurora, and the Town of Newmarket; and
- Staff input:
  - Adjustments to fee recommendations have been made based on recreation and parks staff recommendations. (e.g. staff have recommended that fees cannot be increased without negatively impacting utilization).

### 6.2 Fee Recommendations and Policy Considerations

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Figure 6-1 summarizes the rationale and rules for making preliminary fee recommendations. Where services were deemed to have a high individual benefit (e.g. fitness classes and sports instruction) fees were preliminarily recommended to be increased to the top end of market unless current fees exceed market comparators. Services deemed to have a balanced individual/community benefit were increased to market average levels unless current fees exceed market averages. Services with a high community benefit were proposed to be increased to the low end of market unless current fees exceed those levels.



Figure 6-1  
Policy Framework Established Targets

Description	Policy Framework Established Targets
MOSTLY INDIVIDUAL BENEFIT	
Fitness Classes	High end of market (or current fees if above market)
Sports Instruction	
CONSIDERABLE INDIVIDUAL BENEFIT	
Health and Wellness	
BALANCED INDIVIDUAL/COMMUNITY BENEFIT	
Leadership and Certification Programs	Average market fees (or current fees if above market average)
Facility Rentals (Including Sportsfields)	
CONSIDERABLE COMMUNITY BENEFIT	
Camp Programs	
Aquatic Instructions	
MOSTLY COMMUNITY BENEFIT	
Drop-In Programs	Low end of market (or current fees if above market)

Subsequent to the development of preliminary fee recommendations, recreation and parks staff have developed updated fee recommendations and implementation policies based on their assessment of fees in municipal comparators and consideration of specific user groups to meet the Town's objectives. The following subsections summarize the fee recommendations that have been made by staff.

Appendix D contains the detailed recreation & parks fee schedule identifying current and proposed fees.

### 6.2.1 Aquatic Instructions

- Assessed as considerable community benefit
- Current fees recover 22% of the full cost of service
- Current fees for group swim lessons are mid-range of market comparison
  - Fees revised to be per class instead of per session per municipal comparators
  - Alignment of learn to swim fees between AIP and GCC



- Fee increases are anticipated to produce \$3,000 in additional revenue at Acton Indoor Pool

### **6.2.2 Camp Programs**

- Assessed as considerable community benefit
- Current fees recover 49% of the full cost of service
- Current fees are generally towards low end of market comparison
  - General Interest, Specialty, March Break and Youth Leadership Scheduled 2% annual increase to maintain considerable community benefit and align with market
  - Theatre Camp phased-in increase over 2 seasons to align with pricing model – 4% in 2020 and 5% in 2021
- Camp program utilization is strong and therefore the Town could potentially consider increasing fees to improve revenue generation without significant impacts on utilization

### **6.2.3 Fitness Classes**

- Assessed as mostly individual benefit
- Current fees recover 27% of the full cost of service
- Fees are towards low end of market comparison (i.e. \$8 per class compared to \$11 per class in the Town of Milton for non-Aquafit classes).
- General and Specialty Fitness pricing model at high end of market to align with mostly individual benefit
- Alignment of aquafit rates between AIP and GCC. Annual increase for drop in aquafit to align with market comparators.
- General and specialty fitness classes 5% increase by 2021 to align with market (2% in spring 2020 and 3% in Fall 2020)
- Fee increases are anticipated to produce \$1,800 in additional annual revenue based on current utilization.

### **6.2.4 Health and Wellness Classes**

- Assessed as considerable individual benefit and health and wellness fitness classes (yoga, tai chi) are defined as specialty fitness in rate schedule



- Other health and wellness classes include specialty programs where user costs are offset by grant funding
- Current fees recover 33% of the full cost of service
- Fees range between mid-high end of market comparison
  - General fitness classes 5% increase by 2021 to align with market (2% in spring 2020 and 3% in Fall 2020)
  - Specialty fitness fee increases of 5% to align with market (2% in Spring 2020 and 3% in Fall 2020) to remain comparable to municipal market but considerably lower than private sector.
  - Fee increases are anticipated to produce \$1,200 in additional annual revenue based on current utilization

### **6.2.5 Leadership and Certification Courses**

- Assessed as balanced community and individual benefit
- Current fees recover 30% of the full cost of service
- First Aid fees are between mid to upper end of market comparison
- Advanced Lifesaving fees are within mid-range of market comparison
  - Hold at mid-market for balanced community benefit; annual 2% increase
  - Alignment of advanced leadership fees between AIP and GCC

### **6.2.6 Drop-In Programs**

- Assessed as mostly community benefit
- Current fees recover 17% of the full cost of service
- Current fees are towards low end of market comparison
  - Alignment of single admission rates for recreational swimming and skating across all facilities while maintaining mostly community benefit
  - Increase of 25% to child rate, 33% to adult rate and 19% to group admission rate at AIP, ACC and MMSP
  - Opportunity to purchase passes or monthly memberships to receive discounted rates, priced at high community benefit (see below)
  - Rates have not been increased in 15+ years and are at low end of market
  - Phased increase for shinny to align with market comparators:
    - 2020 = \$6.00
    - 2021 = \$6.50
    - 2022 = \$7.00



- Fee increase are anticipated to produce \$13,500 in additional annual revenue based on current utilization.

### **6.2.7 Sports Instructions**

- Assessed as mostly individual benefit
- Current fees recover 45% of the full cost of service
- Private Swim Lessons fees are at upper end of market comparison
- Semi-Private Swim Lessons fees are at low end of market comparison
  - Semi-private swim lessons at AIP 14% increase by 2021 to align with market
- Dance classes
  - Current fees are towards low end of market comparison
  - Phase-in increase of 36% by 2021
- Recreational Sports
  - Current fees are between mid-range to upper end of comparison
  - Specialized baseball and soccer phase-in increase of 9% by 2021
- Fee increases are anticipated to produce \$9,700 in additional annual revenue based on current utilization

### **6.2.8 Facilities and Sports fields**

- Assessed as balanced community and individual benefit
- Current fees recover 24% of the full cost of service
- Consideration has been given to high level of volunteer requirements in providing services through facility and sports fields rentals in making moderate fee recommendations (excl. Ice Rates)
- Ice Rates
  - To match municipal comparators recommended:
    - Prime Rate reduced 7.6% to \$250
    - Minor Group (formerly registered rate-name change to reflect industry consistency) reduced 13.4% to \$187.50
    - Non-Prime reduced 39.5% to \$140.65.
  - Fee adjustments are anticipated to result in a revenue reduction of approximately \$256,800 based on current utilization
- Floor Rates



- No changes recommended to prime or non-prime floor rates as current fees are at the top end of the market comparators
  - Introduction of a “non-prime” rate
  - Fee adjustments are anticipated to result in a revenue reduction of \$6,000 based on current utilization
  - Minor Group reduced 6.1% to \$67.00
- Pool Rentals
  - No change recommended to pool rates as current fees are at top end of market comparison
- Meeting Rooms
  - Fees aligned for consistency.
  - Various facility rooms grouped into either a *Small* or *Large* meeting room category based on a number person to be accommodated.
  - Rooms lower than market comparators by 10%-15% but to assist with salability there, no increase or reduction greater than 9% is recommended
  - New licensed event rate
- Theatre
  - No change recommended to theatre rates
  - Bar charge changed to \$200 flat fee: anticipated revenue impact of \$2,000 based on current utilization
- Halls
  - Current fees are at top end of market comparison except Gellert Community Centre (GCC) which is approximately 21% higher.
  - Three different rates aligned for consistency and then phased increase to match GCC rate which will be reduced.
  - Phased approached to GCC reduction and other facility hall increase over 3 year period.
    - GCC (\$92.90)                      Other (\$61.01-\$67.80)
    - 2020 \$78.97    (-16.4%) \$64.41 (2.5%)
    - 2021 \$71.07    (-10%)    \$66.02 (2.5%)
    - 2022 \$67.52    (-5%)     \$67.52 (2%)
  - Introduction of weekday “daytime rate”.
  - Fee adjustments are anticipated to result in a revenue reduction of \$12,800 based on current utilization
- Ball Diamonds
  - Current fees are at low end of market comparison



- Recommend increasing fees by 15% to move towards mid-range of market comparison: recommended 10% as Phase 1 in 2021, 5% in 2022
  - Fee increases are anticipated to produce \$9,000 in additional annual revenue based on current utilization
- Sports fields
  - Current fees are at low end of market comparison
  - Recommend increasing fees by 15% to move towards mid-range of market comparison: recommended 10% as Phase 1 in 2021, 5% in 2022
  - Fee increases are anticipated to produce \$6,100 in additional annual revenue based on current utilization

### **6.2.9 Recreation & Parks Rates and Fees Policy Considerations**

- Seniors Fees
  - Providing services to seniors was determined to have a balanced individual and community benefit based on the outcomes of the public engagement strategy.
  - Reduced fees for seniors could be considered for recreational sports or dance programs which reach or approach full cost recovery based on recommended fee increases.
- Non-Resident Fees
  - Public engagement indicated strong support for higher non-resident fees. 88% of community survey responses indicated “yes” that non-residents should pay higher fees than residents
  - Consideration to be given to imposing non-resident surcharge for all registered programs (currently 20% surcharge for facility rentals)
  - Impact on Acton programming utilization to be considered further by staff before implementing any proposed changes
    - Approximately 15% of participants in programs at the Acton Arena & Community Centre and Acton Indoor Pools are from non-Halton Hills residents
- Registered Groups
  - Recommended that the Town maintain policy of providing 20% discount for registered groups. This policy provides discounts to third-party service providers, including those that have a high level of volunteer involvement.





The Town has an interest in supporting these groups and encouraging community involvement.

- Staff are considering extending policy to non-profit organizations and to commercial service providers offering a high community benefit
  - Staff are currently reviewing eligibility criteria for non-profit organizations and commercial service providers
- Family/Group Rates
  - Recommended that the current policy of providing discounts to groups and families is maintained.
    - This policy aligns with the pyramid methodology as it incentivizes and facilitates the increased usage of services by children/youth. Providing services to this user group was determined to confer considerable community benefits.
- Bulk Purchase Fees (memberships/passes)
  - New range of passes and memberships with reduced per visit rates recommended to provide economies of scale to frequent users of services and increase revenue certainty for the Town
  - **Active Pass (punch passes – limited by program)**
    - No expiry
    - Value-based pricing (larger package = increased savings per visit)
    - Can be purchased in-person or online
    - Increased flexibility for use
    - First come, first serve
    - No need to put on hold for vacations, illness, shutdown, etc.
    - Purchase packages of 10 or 30
    - 4 different Active Pass options – Rec Swim & Skate, Ice Sports, Rec Sports, Aquafit
    - Pricing Formula based on single admission rate:
      - 10 visits = 1 free (buy 9, get 1 free)
      - 30 visits = 5 free (buy 25, get 5 free)



### **Memberships (limited by time)**

- - Expiry date – monthly and annually; no extensions
  - Unlimited access to service purchased within the pass
  - Greater value for fee based on using 3+ times per week
  - Payments can be scheduled for monthly passes only (must have current credit card or provide post-dated cheques); annual must be paid in full up-front
  - No Hold policy
  - Monthly and Annual membership available for recreational swimming, skating and a new Recreation + (rec skate, swim and designated aquafit etc.)
  - Pricing Formula based on attending 3+ times per week:
    - Monthly 30% discount (from equivalent at single admission rate)
    - Annual 50% discount (from equivalent at single admission rate)
  
- **Hillsview Active Living Centre Members (Seniors)**
  - Extend Hillsview membership to include the following:
  - Dedicated 50+ swims and skates (one per week at each location) – included in MOU
  - Retain 25% discount on active living programs offered inside Hillsview
  - SALC – program expansion funding
  - Free to Explore pass offered at each Hillsview location
  - If on Guaranteed Income Supplement receive 50% off any program, service or pass (does not apply to single admissions)
  
- **Cancellation Fees**
  - Town staff is considering imposing cancellation fees where facility bookings are cancelled within a period of time prior to the original booking that would decrease the potential rebooking of the space.



## 6.3 Recommended Recreation & Parks Fees Cost-Revenue Impacts

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Based on the fee recommendations described in Section 6.2, recreation and parks revenue is forecast to decrease by \$221,800 or 4%. Based on the pyramid methodology and the strong positioning of the Town's current fees relative to market, these fee recommendations have been made primarily for services deemed to have a considerable or mostly individual benefit. The decrease in revenue is driven primarily by recommendations to decrease the Town's ice rental rates. These ice rental rate fee recommendations are estimated to decrease revenue by \$256,800. Moreover, the recommended fees will decrease the current cost recovery percentage by 1% from 23.6% to 22.6% based on the full cost of service.

When assessing the cost recovery levels of the recommended fees revenues against the full cost of service, net of unfunded capital costs and indirect Town department support costs, the cost recovery level decreases from 39.2% to 37.5%. The full cost of service, current annual revenue, recommended fee annual revenue, and cost recovery levels are presented for each service category and sub-category in Table 6-1.



Table 6-1  
Annual Revenue and Cost Recovery Impacts  
Recommended Fees

Description		Annual Revenue				Cost Recovery		
	Annual Costs	Current Fees	Recommended Fees	% Increase	\$ Increase	Current Fees	Recommended Fees	Increase
MOSTLY INDIVIDUAL BENEFIT								
Fitness Classes								
Fitness	220,780	73,537	74,653	2%	1,116	33%	34%	0.5%
Aqua Fitness	280,911	45,100	45,784	2%	684	16%	16%	0.2%
Sports Instruction								0.0%
Private Swim Lessons	123,429	42,478	43,327	2%	848	34%	35%	0.7%
Semi-Private Swim Lessons	380,675	101,877	103,921	2%	2,044	27%	27%	0.5%
Dance	45,148	18,700	25,432	36%	6,732	41%	56%	14.9%
Recreational Sports	98,689	83,740	83,850	0%	110	85%	85%	0.1%
CONSIDERABLE INDIVIDUAL BENEFIT								
Health and Wellness								
Health and Wellness Classes	195,755	60,523	61,723	2%	1,200	31%	32%	0.6%
BALANCED INDIVIDUAL/COMMUNITY BENEFIT								
Leadership and Certification Programs								
Advanced Lifesaving	253,508	76,432	75,137	-2%	- 1,295	30%	30%	-0.5%
First Aid	10,232	4,768	4,791	0%	23	47%	47%	0.2%
Halton Hills Lifeguard Club	139,060	25,921	26,893	4%	972	19%	19%	0.7%
Facility Rentals (Including Sportsfields)								
Ice Rentals	6,051,790	2,184,100	1,927,300	-12%	- 256,800	36%	32%	-4.2%
Floor Rentals	899,492	115,500	109,500	-5%	- 6,000	13%	12%	-0.7%
Pool Rentals	409,396	234,727	234,727	0%	-	57%	57%	0.0%
Meeting Rooms	71,125	44,637	44,637	0%	-	63%	63%	0.0%
Halls	1,201,302	152,609	139,809	-8%	- 12,800	13%	12%	-1.1%
Cultural Centre	1,045,655	418,700	420,700	0%	2,000	40%	40%	0.2%
Other Facility Space	343,469	33,400	32,853	-2%	- 547	10%	10%	-0.2%
Ball Diamonds *	939,683	90,000	98,988	10%	8,988	10%	11%	1.0%
Sportsfields *	568,790	61,500	67,662	10%	6,162	11%	12%	1.1%
Parks	3,596,421	32,500	33,475	3%	975	1%	1%	0.0%
CONSIDERABLE COMMUNITY BENEFIT								
Camp Programs								
Camp Programs	719,329	327,900	335,198	2%	7,298	46%	47%	1.0%
Aquatic Instructions								
Group Learn to Swim Lessons	1,787,058	407,524	410,524	1%	3,000	23%	23%	0.2%
MOSTLY COMMUNITY BENEFIT								
Drop-In Programs								
Public Skating	788,199	196,200	207,082	6%	10,882	25%	26%	1.4%
Public Swimming	817,178	47,200	49,818	6%	2,618	6%	6%	0.3%
Miscellaneous Programs	1,566,486	82,500	82,500	0%	-	5%	5%	0.0%
Miscellaneous Revenue		353,865	353,865	0%	-			
Total - Full Cost of Service	22,553,559	5,315,937	5,094,148	-4%	- 221,789	23.6%	22.6%	-1.0%
Total - Less Unfunded Capital Costs & Indirect Costs (\$9.0 million)	13,575,671	5,315,937	5,094,148	-4%	- 221,789	39.2%	37.5%	-1.6%

\* effective March 2021



## 6.4 Forecast Recreation & Parks Cost-Revenue Impacts

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Annual recreation & parks revenues have been forecast to 2031 based on the fee recommendations discussed in Section 6.2 and the forecast population growth to 2031 identified in Section 4.3. User fee revenues are forecast to increase proportionately with population growth. Furthermore, differentiated population growth rates have been applied based on the individual services and the age group for which the service is designed. The following growth rates have been applied from Table 4-1:

- Revenues from programs that are designed specifically for children and youth (e.g. Summer camps) have been forecast to increase by 33% based on the growth rate to 2031 for the 0-19 yr age group;
- Program revenue from services for adults in the 20-64 yrs age range (e.g. Private Adult Swim Lessons) has been forecast to increase by 33%;
- Revenues for seniors' programs (65 yrs+) is forecast to increase by 73% to 2031 (e.g. Aqua fitness)
- Revenues for all other programs are forecast to increase by 38% based on the overall growth rate for the Town to 2031.

Programming costs have been forecast based on the available capacity within current service provisions to accommodate the future growth identified above. The simplistic assumption has been made that where excess capacity exists, programming costs will increase by a nominal 5%. Where excess capacity does not exist in the current provision of services based on current utilization rates, it is assumed that programming costs will increase proportionately with growth above current excess capacity. It is assumed that all growth can be accommodated within current facility space and as such, no increases in capital or operating and maintenance costs have been considered. Should additional facility space be required over the forecast period (e.g. Vision Georgetown Community Centre), there will be additional operating and maintenance and capital replacement costs to be considered.

Table 6-2 summarizes the annual revenue and associated cost recovery based on fee recommendations presented herein, as well as forecast revenue, costs, and associated cost recovery based on the discussion above.



Table 6-2  
Recommended and Forecast Recreation & Parks User Fee Revenue

Description	Recommended Fees					
	Annual Revenue	Cost Recovery	Growth (%) to 2031	Forecast Revenue	2031 Costs	2031 Cost Recovery %
Aquatic Instructions	439,586	25%	34%	577,503	1,823,240	32%
Camp Programs	358,582	50%	33%	469,570	1,109,205	42%
Fitness Classes	128,897	26%	50%	189,333	570,883	33%
Health and Wellness Classes	66,039	34%	38%	89,559	204,883	44%
Leadership and Certification Courses	114,460	28%	34%	150,453	421,284	36%
Recreational Drop-In	274,258	17%	39%	373,190	1,621,426	23%
Sports Instructions	274,130	42%	33%	359,195	999,612	36%
Misc. Programs	88,383	6%	60%	137,682	1,644,810	8%
Facilities and Sports Fields	3,349,813	22%	38%	4,545,905	15,127,123	30%
<b>Subtotal</b>	<b>5,094,148</b>	<b>23%</b>		<b>6,892,391</b>	<b>23,522,466</b>	<b>29%</b>
<b>Budgeted Costs (Net of Capital Costs)</b>	<b>5,094,148</b>	<b>29%</b>		<b>6,892,391</b>	<b>18,405,889</b>	<b>37%</b>
<b>Budgeted Costs (Net of Capital and Indirect Costs)</b>	<b>5,094,148</b>	<b>38%</b>		<b>6,892,391</b>	<b>14,544,578</b>	<b>47%</b>

Annual revenues are forecast to increase by 35% over the period to 2031 (\$1.8 million increase) while costs are forecast to increase by 4% over the same period (\$968,000) improving the overall cost recovery level from 23.6% to 29.3%. As a result of revenues increasing by a greater amount than the full costs of service, funding requirements from other non-user fee sources (e.g. property taxes) are forecast to decrease from \$17.5 million to \$16.6 million.