



City of Courtenay

RECREATION FEES AND CHARGES FRAMEWORK

PREPARED BY RC STRATEGIES
FINAL - JUNE 2022



TABLE OF CONTENTS

1	Introduction	1
2	Context	4
3	The Benefits Based Approach to Setting Fees and Charges	9
4	Review of Current Fees	17
	Benchmarking Comparison	20
5	A Process for Setting Fees and Charges	21
6	Recommendations	29
	Programming, Membership and Drop-In Fee Considerations	31
Appendices		32
	Public Questionnaire	33
	Public Questionnaire: Results	39
	User Group Questionnaire	45
	User Group Questionnaire: Results	50
	Benefits of Recreation	56



GLOSSARY OF TERMS

For clarity, a number of terms used in this report are defined below.

City: Refers to the City of Courtenay.

Services: Refers to the City's overall provision of recreation opportunities (activities and facilities).

Activities: Any type of recreation pursuit provided or supported by the City. There are a number of sub-categories of activities, including:

- **Programs** - Programs are recreation activities with a defined purpose and tenure (e.g. a fitness or sports program with a defined season or session)
- **Events** - Social gatherings, competitions or tournaments that occur one-time or infrequently (e.g. annually or bi-annually)
- **Spontaneous / Unstructured Activity** - Those pursuits undertaken by an individual or small group of individuals on their own volition and not as part of an organized program (e.g. fitness centre use, "shooting hoops" in a gym, etc.)

Subsidy - An investment by the City that is tied to the amount of public benefit that is realized.

Fees and Charges: This overarching term encompasses all monies collected by the City in exchange for providing a recreation service (e.g. program or access to a space for an activity). There are a number of sub-categories of fees and charges.

Rental Fees: Fees paid to access facility space for an activity offered by an organization external to the City (e.g. soccer club booking a sports field).

User Fees: Fees paid by an individual to access space and/or programming (e.g. registration fee for a fitness program or facility membership). For the purposes of this document, user fees only relate to City provided activity space or programming (recognizing that organizations that book space set their own program user fees by factoring in other costs).

In this document the term Fees and Charges is sometimes changed to simply User Fees.

Benefits Based Approach: Refers to the recommended approach outlined in this document for setting fees and charges. This approach fundamentally suggests that fees and charges should be aligned with the level of broad-based public benefit provided (the higher the public benefit, the lower the level of cost recovery (% of expenses recouped through revenue)).



1 INTRODUCTION

About the Project

Recreation services in the City of Courtenay are paid for by a combination of individual and group user fees and charges and tax support. Finding an appropriate balance between the two requires a comprehensive understanding of how much it costs to provide services coupled with a clear and consistent rationale for setting fees and charges and subsidy levels.

The City retained RC Strategies, an independent consulting firm, to review and recommend updates to its recreation fees and charges framework. The purpose of the review was to ensure a practical, transparent, consistent, and fair approach to setting fees and charges for recreation services. A philosophical approach to setting fees and charges is described herein as well as a process for practical implementation. Supplementary recommendations are provided to support ongoing implementation and monitoring.

Once this framework is complete and endorsed, the City staff will engage in implementing the framework to prepare specific new fees and charges for consideration by City Council.



Importance of a Structured Approach to Setting Fees

Unfortunately, many municipalities are unable to succinctly explain the reasoning behind their price points for recreation services. If a municipality is able to justify their rates, common explanations include “we just raise prices by 2% each year” or “we look at the rates charged by neighbouring municipalities and we set ours somewhere in the middle.” These practices aren’t necessarily bad; however, they do not provide enough rigor to ensure that fees are appropriate.

Experimental or makeshift approaches, like the examples provided above, become habitual practices that get repeated year after year. They become so ingrained that they are believed to be adequate, are rarely questioned, and are difficult to change. “This is the way we’ve always done it.” Many practices conducted within the public recreation sector are based on tradition like this. However, as services become more complex and as municipalities become more sophisticated, recreation departments need to examine and rethink their practices.

Defining and implementing a structured approach to setting fees and charges for recreation is a great way to ensure that user fees are set upon a solid foundation, are logical and equitable, and can be justifiably explained. It also provides guidance on how to monitor operating costs, utilization rates, and ability to pay.

To ensure that all residents have access to recreation services, regardless of their ability to pay, it is imperative to continue to build upon programs and initiatives that the City supports to ensure that costs are not a barrier to participation. Ongoing communication with stakeholders and community groups is also critical for successful implementation.

A structured approach enables a municipality to get the most out of its investment in public services and facilities, treats community groups and users equitably, and is transparent, defensible and understandable to all involved.

Stakeholders Involved in the Process

The following chart outlines the key tasks and stakeholders involved in the update process. Results from the engagement are referred to throughout the report where appropriate; please refer to the appendices to view the complete questionnaire results.

Stakeholder	Method and Purpose
Council	Workshop conducted in November 2019 to explain and receive feedback on the proposed approach to setting fees and charges. Workshop conducted in February 2022 to review proposed subsidy levels and recommended fees.
Public	An online survey was conducted in August 2020 to gather the thoughts and perspectives of local residents. In total, 266 households responded to the survey representing 524 individuals.
User Groups	An online survey was emailed directly to 40 user groups in August 2020 to inform them about the review process and to provide an opportunity for facility/space users to provide input. 16 responses were submitted to the online survey.
Administration and Staff	Ongoing communication between Administration and consultants to review current fees, identify current subsidy levels, and to draft the proposed approach.

Subsequent to the above noted engagement the consultants prepared this draft report and submitted it in April of 2022. The draft was posted on the City’s website with a request to review and comment. Two organizations submitted comments which have been considered and addressed in this now final report.

Outline of this Document

Section	Brief Description
Context	This section highlights a variety of background materials and research inputs that helped inform the development of the report.
The Benefits Based Approach to Setting Fees and Charges	This section describes the Benefits Based Approach, including definitions and explanations of related concepts.
Review of Current User Fees	This section summarizes the expenses required to provide each recreation space as well as subsidy levels based on current fees. Benchmarking comparisons from nearby municipalities are also presented.
A Process for Setting Fees and Charges	This section explains how to apply the Benefits Based Approach to set fees in the City of Courtenay. The process is outlined utilizing a series of steps.
Recommendations	To supplement the process of setting fees and charges, a series of recommendations from the consulting team are provided to help the Administration with implementation and monitoring.
Appendices	The appendices include: <ul style="list-style-type: none">• The public questionnaire utilized for the project.• Results from the public questionnaire.• The user group questionnaire utilized for the project.• Results from the user group questionnaire.• Descriptions of the 20 recreation benefits that can be referred to when setting subsidy levels.



2 CONTEXT

Any review of and recommendations on a Recreation Fees and Charges Framework must be done with consideration of current high level plans, policies and priorities of the City of Courtenay. They are used to direct and underpin any recommended changes.

The following are relevant excerpts from key background materials to summarize the context for this Recreation Fees and Charges Review.

City of Courtenay Mission Statement and Core Values

The City of Courtenay proudly serves our community by providing a balanced range of sustainable municipal services.



Strategic Priorities 2019-2022

We proactively plan and invest in our natural and built environment: Focus on asset management for sustainable service delivery.

We continually invest in our key relationships: Support improving accessibility to all City services.

We focus on organizational and government excellence.

We provide service levels which people are willing to pay.

We communicate with our community in all decisions we make.

Parks and Recreation Master Plan

Vision



Parks and recreation in Courtenay support a healthy, engaged, and inclusive community with a high quality of life. Key features are the diverse parks, interconnected trails for all ages and abilities, natural areas throughout the City, and multi-use and accessible spaces for indoor and outdoor recreation. The City is forward-thinking and addresses trends and emerging needs in parks and recreation.

Goals and Objectives

PROVIDE ACCESS FOR ALL

- Provide access to parks, facilities and programs for all ages, abilities, genders, and cultures
- Create awareness of opportunities for involvement in recreation
- Make affordable programs available based on need
- Recognize the specific needs of all age groups, including children, youth, and older seniors
- Provide equitable access for all users
- Accommodate growing and emerging recreation activities and changing demographics

PRACTICE SOUND FINANCIAL MANAGEMENT

- Maximize efficiencies in the use of existing facilities, parks and trails
- Manage fiscal resources to balance needs, budgets, affordability, and the public's willingness to pay
- Implement asset management to support sustainable service levels
- Make funding parks and recreation a priority based on the social, environmental and economic benefits derived

Official Community Plan

In the current draft OCP, two of the five objectives have some relevance to a Fees and Charges Review. They are provided below along with the policies under each. Both the Objectives and the policies need to be considered when future direction is recommended later in this report.

PR2. Recreation amenities, services, and programming are expanded and enhanced to support increased health, wellness, and social connections for all residents

Policies

Maintain and invest in the Lewis Recreation Centre, Lewis and Simms Parks as a centralized, high-intensity regional recreation destination intended to serve the indoor and outdoor recreation needs of the community.

Continue to review plans for expansion or renovation of existing recreational facilities in accordance with the Parks and Recreation Master Plan and in particular within the Town and Neighbourhood Centres and Corridors.

Conduct a recreational needs assessment to define appropriate measures and supply of recreational services to match population growth.

Regularly review programs fee structure and seek opportunities to offer more affordable or no-cost activities for those who have limited access to regular programs.

Explore opportunities for mobile recreation services and 'pop-up' programming for greater outreach in parks and public open spaces, schools, and community facilities, in particular within the Town and Neighbourhood Centres and Corridors.

Ensure key recreational areas are supported with adequate sanitary facilities, particularly during peak periods.

Provide programming that reflects the directions of the OCP: reconciliation, climate action, equity, and community well-being.

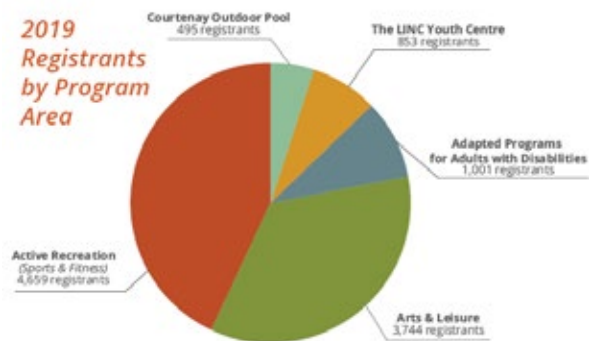
PR5. Partnerships are in place to achieve parks and recreation objectives

Policies

Seek out partnerships to achieve the goals and objectives of the Parks and Recreation Master Plan including, but not limited to:

- a) Working with School District 71 to increase access to school facilities after hours for community uses and City programs;
- b) Working with neighbouring jurisdictions to explore regional greenway connectivity opportunities;
- c) Working with community agencies to provide more programs in/around the neighbourhood centres;
- d) Working with non-profit and private sector organizations to expand sport and physical activity options, and expand recreation opportunities for all residents;
- e) Working with neighbouring jurisdictions and other government agencies and community groups, to coordinate recreation and park services and to consider alternative service delivery methods including maintenance agreements; and
- f) Working with citizens to foster resident-driven solutions and involvement in park use and community involvement.

Recreation Programming



13,365 program registrations  **1,909** activities offered 

56,022 Wellness Centre drop-ins



Program fees are currently set by forecasting the production (e.g. instructor, supplies) and promotional non-facility costs which is then divided by the minimum number of participants (generally 6 to 8 participants to create a fee set to recover all those costs). Exceptions can be made to this such as when delivering a new or specialized program.

Facility Allocation Priorities

Lewis Centre, Tsolum, Salish, and LINC Youth Centre

1. Civic uses (e.g. election polling station)
2. City Recreation programs and events
3. Rentals
4. City Internal Department Bookings

Native Sons Hall, Florence Filberg Centre Upper Floor and Florence Filberg Centre Lower Floor (after 4:30PM)

1. Civic uses (e.g. election polling station)
2. Rentals
3. City Recreation programs and events
4. Courtenay Recreational Association Evergreen Club
5. City Internal Department Bookings

Florence Filberg Centre Lower Floor (7AM -4:30PM)

1. Civic uses (e.g. election polling station) and multi-day large rentals
2. Courtenay Recreational Association Evergreen Club
3. City Recreation programs and events
4. Rentals
5. City Internal Department Bookings

Bill Moore Park Clubhouse, Valleyview Clubhouse, and Lawn Bowling Club

1. User Groups with Licences or Lease Agreements detailing use
2. Rentals and Courtenay Recreational Association Evergreen Club
3. City Recreation programs and events
4. City Internal Department Bookings

Recreation Access Program

The City has a Recreation Access Program to provide healthy lifestyle opportunities to residents who live below Statistics Canada low income thresholds. The program consists of a fee reduction for programs and memberships as well as a variety of free drop-in opportunities. According to Statistics Canada, 2,600 Courtenay residents are considered low income (LICO-AT); however, only 640 individuals on average are signed up for the Recreation Access Program annually.

The City is currently planning to work with surrounding partners to merge their Recreation Access Program into a regional service which will replace the old LICO-AT threshold for access with Statistics Canada's newer Low Income Measure (LIM¹).

Public Survey



74% believe that the City's fees and charges are fair.

27% understand how much facilities and spaces are subsidized by taxes.

Current Rental Categories

Community: Non-Profit Organization, Any Municipal, Territorial, Provincial or National Government Organization, Official City Clubs, Commissions, Groups or Boards of the City of Courtenay.

Private: A private citizen(s) or event.

Commercial: Individuals, companies or organizations engaged in the pursuit of business for profit through the use of City of Courtenay facilities.

Minor: Participants are predominantly under 19

Adult: Participants are predominantly over 19

Recreation, Culture and Community Services Budget

Annual Report 2019	
Revenue	2,261,974
Expenses	9,761,840
Net Subsidy	7,499,866

Census Statistics (2016)

Statistic	Courtenay	BC
Population	25,599	4,648,055
0 to 14 years	14%	15%
65+ years	26%	18%
Median Household Income	57,463	69,995
Low Income ²	10.4%	11.0%

Sport for Life



User fees and subsidies need to reflect community taxpayer support, and the rationale should be shared with sport organizations.

National Recreation Framework

Approved by the Federation of Canadian Municipalities, this framework supports the development and implementation of strategies and policies to ensure that no families or individuals in Canada are denied access to public recreation opportunities as a result of economic disadvantage.



1 Low Income Measure based on incomes below half of the population median adjusted for household size.

2 LICO-AT: Prevalence of low income based on the Low-income cut-offs, after tax.



3

THE BENEFITS BASED APPROACH TO SETTING FEES AND CHARGES

The Benefits Based Approach to setting fees and charges sets the underlying philosophy that “those who benefit from a good or service should pay in proportion to the benefit they receive.” Therefore, if the activity in question only benefits the user, then the user should pay for the service. Alternatively, if the activity in question also benefits the community, then justification exists to subsidize the service to some extent with tax support. This section describes the approach along with related concepts to enhance understanding. A step-by-step process to implement the approach is described in the following section.



Benefits of Recreation

Recreation opportunities provide many benefits. The delivery of public recreation fosters the health and wellness of the community as well as individuals. At an individual level, such activities contribute to the social, emotional, moral, academic, and physical growth of each member of the community. Building upon this, the community as a whole also benefits first through establishing a broadly felt community identity and then developing a widely held community spirit and, finally, to the evolution of a community culture.

At a November 2019 workshop with Council, a number of public benefits were identified as a basis for this review. The accompanying 20 specific benefits are an attempt to articulate and categorize the many benefits that can be delivered through recreation services. These benefits can be referred to when applying ideal subsidy levels to services (explained in the following section). Please refer to the appendix for descriptions of each of these 20 benefits. This list has been used in dozens of parks and recreation planning studies over the past three decades and has become a default detailed list of public benefits in the industry.

Public Good

A “public good” can be defined as a product or service that provides indirect benefit to all citizens. Through this lens, a rationale is created to collect and utilize tax support for municipal services that benefit everyone in the community; even if not everybody uses the service directly.



Community Benefits

1. Special Events
2. Support to Local Groups
3. Exposure to Sporting Events
4. Exposure to Culture
5. Social Functions
6. Protecting Community Natural Resources
7. Beautify the Community
8. Family Oriented Leisure Services
9. Integrating Generations and other Sub Groups of Citizens



Individual Benefits

10. Physical Activity
11. Pre-School Leisure Opportunities
12. Basic Leisure Skill Development for School Aged Children
13. Advanced Leisure Skill Development for School Aged Children
14. Social and leadership Opportunities for Youth
15. Basic Leisure Skill Development for Adults
16. Advanced Leisure Skill Development for Adults
17. Opportunities for Seniors
18. Interpreting the Environment
19. Reflection/Escape
20. Leisure Education

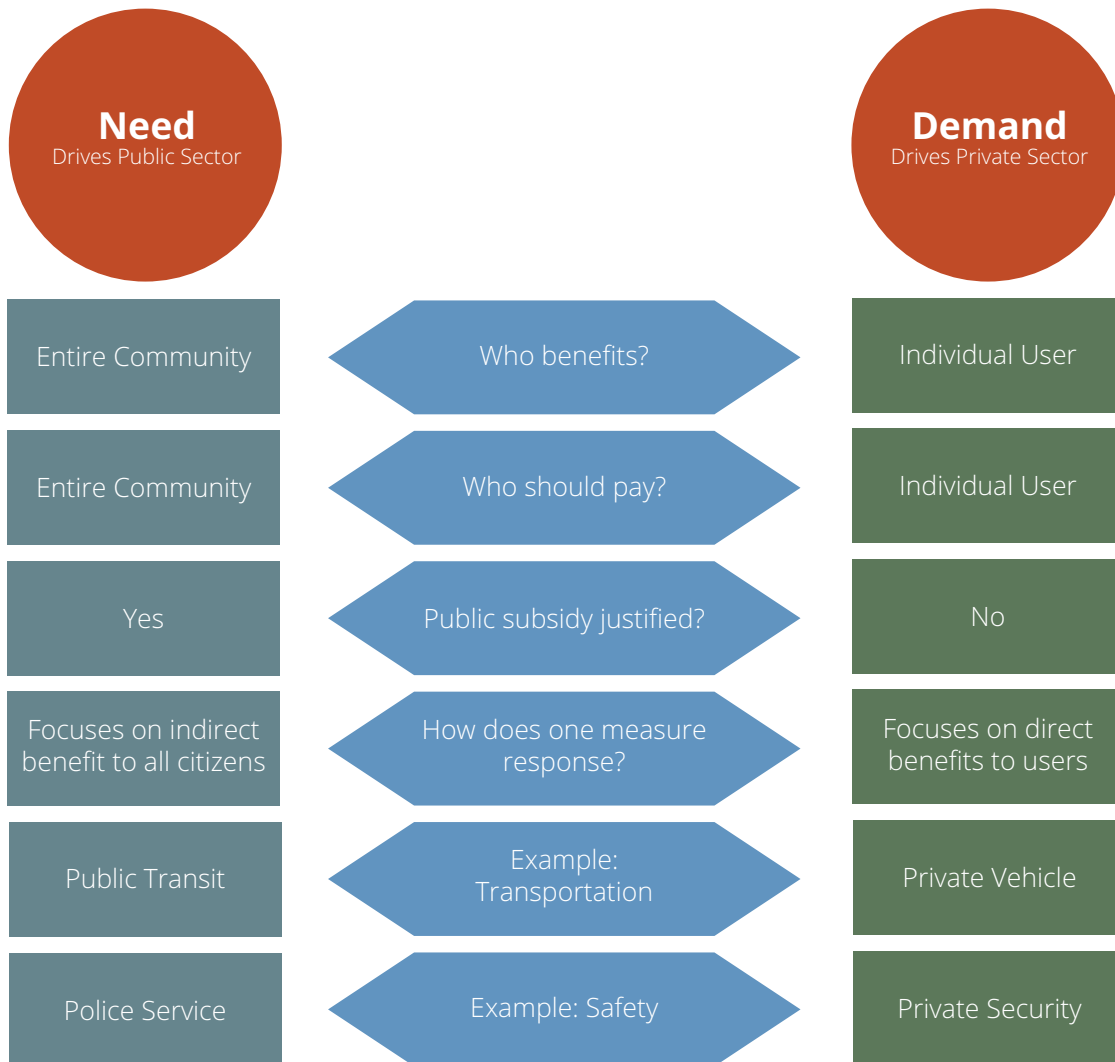
Demand vs. Need

In the private sector, demand is defined as the amount of a good or service that is purchased or consumed at a particular price. Demand is always a function of price.

There is growing understanding that demand is not an appropriate basis for making decisions about publicly supported services, such as municipal recreation. Demand essentially focuses on direct benefits to users of a service and the value that is placed on those benefits by the user.

Need is a subset of demand. In order for there to be a need, there must first be some demand for a service. But in order for that service to also be a need, there must be some form of indirect benefit to all citizens (in other words, a public good). This public benefit is recognized by taxpayers and a value is placed on it by them.

The private sector is always demand driven. If there is enough demand for something, the private sector will respond and provide services consistent with the demand. The public sector is always needs driven as the service must also have some benefit to the entire community. There must be a public good that results. If a service does not provide benefit to the broader community, it should be left to the private sector to provide.



User Pay and Tax Support

Recreation services are often paid for through a combination of user fees and tax subsidies. It could be argued that recreation services in general are a public good and therefore should be completely paid for through taxes, however, demand exists for more specialized facilities and activities in which individuals are willing to pay for in addition to their property taxes. Residents don't pay user fees to access local park spaces but if someone wants exclusive access to a particular park space, then a user fee is justified.

The extent of user fees covering the cost of a given service should depend on the amount of benefit to the individual user (user pay) versus indirect benefit to the community (tax support).

Unit Costs

Unit costs are the expenses required to provide a given service (e.g. the cost to provide an hour of gym time; the cost to provide a drop-in swim). Unit costs also depend on level of use; if a facility receives an increasing amount of use, then the cost per each use decreases and vice versa. Unit costs are calculated by dividing annual expenses by the number of uses. $\text{Expenses} / \text{utilization} = \text{unit cost}$. For example, if it costs \$100,000 to provide a space and it is used for 500 hours, then the unit cost is \$200 per hour on a rental basis. And, if it is used in drop in mode, and 50 people use that space for the hour, the cost per use would be \$4. Unit costs must first be understood in order to determine fees and charges based on cost recovery and subsidy level. Unit costs must be recalculated on a recurring basis to ensure that recent expenses and utilization rates are informing them.

Cost Recovery and Subsidy Levels

Once unit costs are known, subsidy levels and cost recovery rates can be assigned to help determine fees.

Subsidy levels are the amounts to which a service is paid for by taxes whereas, inversely, cost recovery is the amount to which a service is paid for by user fees. Something that is paid for completely by taxes is 100% subsidized and has 0% cost recovery. Alternately, if something is paid for completely by user fees then it has 0% subsidy and 100% cost recovery. There may also be some cases where the recovery rate is greater than 100%. More on such cases in a subsequent section.



Assigning Subsidy or Cost Recovery Levels

Before fees are determined, each service should be discussed and appropriately placed somewhere along the benefits continuum. The 20 benefits previously outlined can be used to help inform and guide such placement. Either subsidy or cost recovery percentages can be assigned as they are inversely related.

To support and facilitate the placement of services on the Benefits Consultants solicited input from the general public and organized groups and the results of that effort is summarized in the next section.

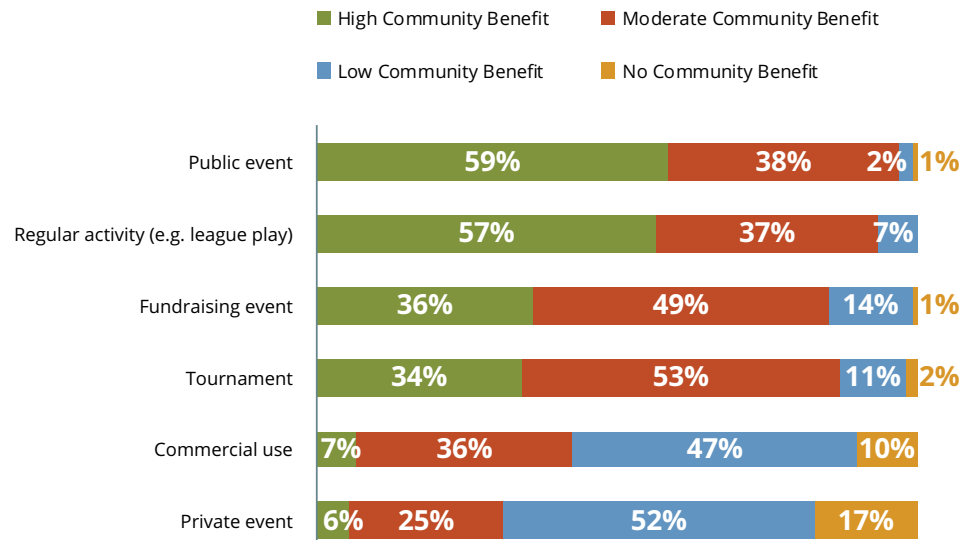


Types of Users and Uses

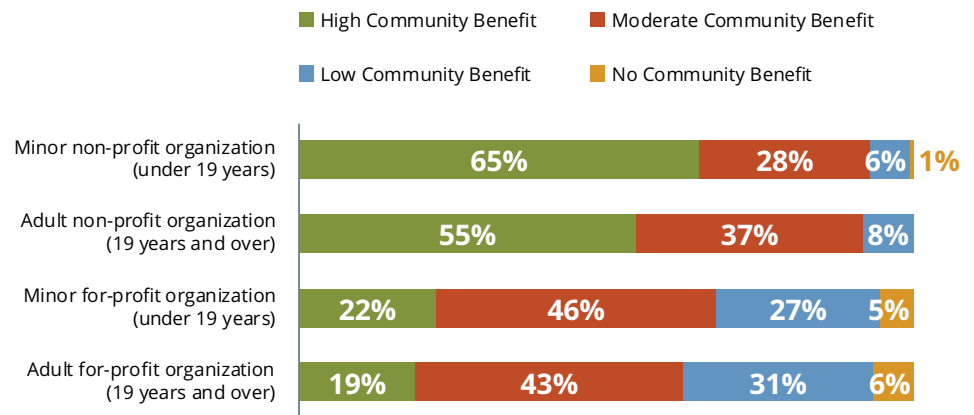
Fees often vary for a given service depending on the type of user (e.g. minor, adult) or use (e.g. community, private, commercial); the variations should be justified and consistent across different types of recreation services.

The graphs from the public survey show local residents' perceived level of community benefit for different types of recreation users and uses. Public input like this can help justify having a variety of subsidy levels. For example, the public generally agrees that regular activity (e.g. provided by a community group) and public events provide a higher level of community benefit than commercial use or private events, which helps justify assigning different levels of subsidy.

Level of Community Benefit: Type of Use Public Survey



Level of Community Benefit: Rental Group Users Public Survey



Implementation Strategies

Once unit costs are known and subsidy or cost recovery levels are applied, then preliminary fees can be calculated. To ensure successful implementation of new fees, a variety of implementation strategies can be used instead of just setting fees based on the initial calculation. A series of strategies are discussed in a subsequent section.

Financial Access

It is important to ensure that everyone in the community has access to recreation services regardless of their ability to pay. Strategies can be employed to ensure that affordable and accessible opportunities are available for all residents, especially for those who may face participation barriers. The Recreation Access Program is an example of a financial access strategy provided directly by the City and Regional District. Partner-provided programs are promoted and supported by in the region as well; examples include KidSport and Jumpstart.

Strategies can also ensure that financial access by members of groups renting space in City facilities. For example, as part of the rental contracting process, the City can request from a group applying for space its policy on ensuring that anyone who wishes to participate gets an opportunity to participate. As part of this process the City can ensure that any subsidy the group gets when renting the space is passed on to the members of the group.





4 REVIEW OF CURRENT FEES

In order to adequately review existing fees and charges, it is important to understand the costs required to provide each level of service. For example, if a fee is charged for an hourly rental, then the cost to provide one hour of that space should be known. This is referred to as a “unit cost”. This type of analysis is useful because fees and unit costs can be compared to calculate cost recovery and subsidy levels, showing the balance between user fees and tax support. In a November 2019 workshop with council, the topic of what should be included in unit costs was discussed. Councillors expressed an interest in ensuring unit costs include all operating and maintenance costs as well as some measure of the capital cost to provide the spaces.

Based on Council’s input, as part of the implementation of the Recreation Fees and Charges Framework, staff will be assembling a working group to discuss and benchmark what costs are to be included in the unit costs so all future fees are consistently calculated. Unit costs should also be determined using up to date current operating and maintenance costs. The unit costs in the next section were base on 2019 costs.

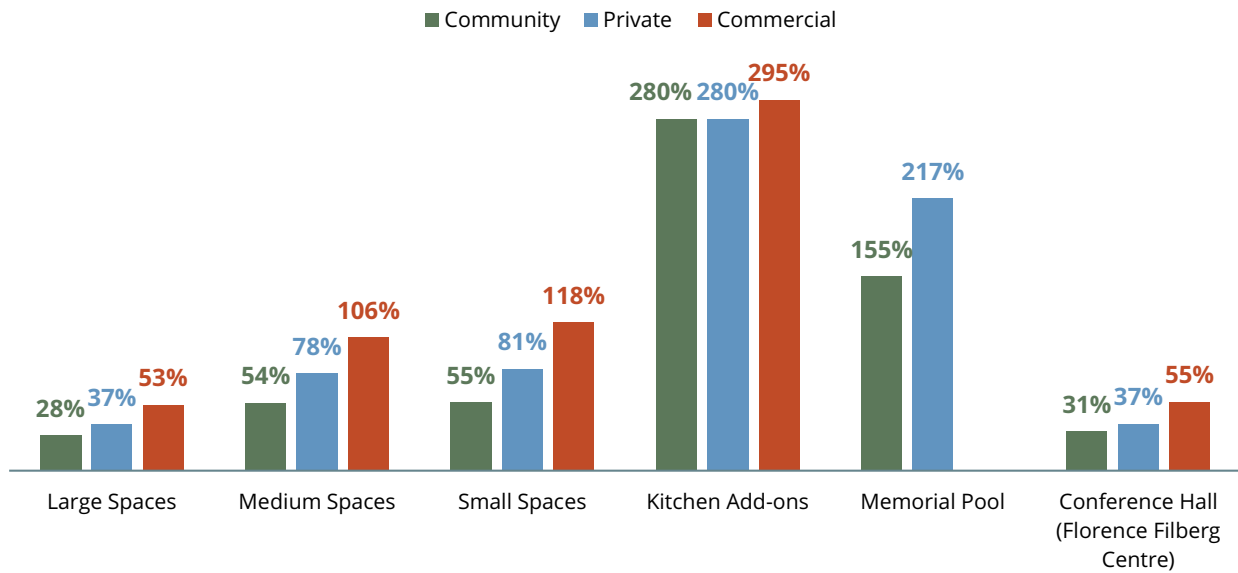


In order to comment on the current fees and charges the consultants worked with the staff on some preliminary unit costing. Several spaces were then aggregated and averaged as they were similar. For example, nine large clear span indoor multipurpose spaces were amalgamated into a category referred to as "Large Spaces". Similarly several medium sized multipurpose spaces and several other smaller spaces were amalgamated and averaged so that general unit costs could be determined based on actual 2019 expenditures with 2% of replacement cost added as a proxy for capital costs (assuming a building would be amortized over 50 years) and a portion of senior management and administrative staff in the department were included. This total cost to provide spaces was then compared with current revenues to clarify a picture of current recovery rates. That work is summarized in the following table and the related two bar charts.

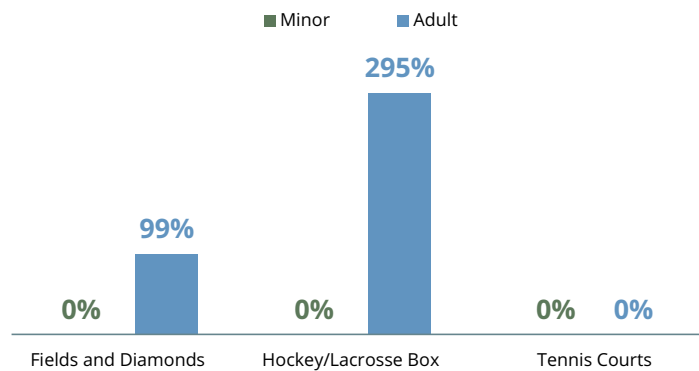
Space	Expenses	Hours Used	Unit Cost
Large Spaces	\$1,759,745	21,616	\$81.41
Medium Spaces	\$623,077.95	17,215	\$36.19
Small Spaces	\$218,650.74	7,970	\$27.43
Kitchen Add-ons	\$107,031.89	6,716	\$15.94
Memorial Pool	\$326,747	1,437	\$227.42
Conference Hall (Florence Filberg Centre)	\$458,198.90	2,532	\$180.96
Fields and Diamonds	\$91,071.24	3,152	\$28.90
Hockey/Lacrosse Box	\$2,403.69	239	\$10.08
Tennis Courts	\$1,602.46	275	\$5.83
Total	\$3,588,528.88	61,151	\$58.68

This exercise showed a very significant variance in recovery rates from one space to another and also significant variance in recovery rates from one category of user to another across spaces. For example, for some types of space, commercial renters were being subsidized and in other types of spaces they were paying much more than the costs to provide the service. Such variances are problematic as they have no rationale behind them. Indeed, this lack of a rationale for variance is the foundation for why this review was initiated.

Cost Recovery Levels: Average by Space Type



Cost Recovery Levels: Average by Space Type



Benchmarking Comparison

Comparing fee price points for similar services provided by comparable municipalities is another way of reviewing current fees. Communities were chosen that had similar types of spaces and services as Courtenay and other similarities. Please note that it is not possible to conduct an “apples to apples” comparison as the quality of services and spaces likely differ in each community. Similarly, it is not appropriate to helpfully compare other types of drop-in or program fees as communities differ so significantly in program configuration and categories of uses.

Indoor Dry Floor Spaces

For indoor dry floor spaces, Courtenay’s fees are relatively low in each size category compared to the benchmarking communities.

Municipality	Large	Medium	Small
Comox	\$31.50	\$17.00	\$15.75
Campbell River	\$48.00	\$21.00	\$15.00
Saanich	\$60.25	\$49.25	\$36.50
Parksville	\$29.00	\$23.00	\$21.00
Oak Bay	\$51.00	\$40.80	\$39.00
Average	\$43.95	\$30.21	\$25.45
Courtenay	\$29.00	\$16.50	\$16.50

Fields and Diamonds

In regard to fields and diamonds, Comox does not charge for youth but the other municipalities do. Adult rates are fairly similar even though the units (e.g. per hour or per game) differ. None of the benchmarking communities charge different rates for fields versus diamonds.

Municipality	Unit	Youth	Adult
Comox	Game	\$0.00	\$32.50
Campbell River	Hour	\$5.00	\$20.00
Saanich	Game	\$14.25	\$27.75
Duncan	Hour	\$18.00	\$25.00
Oak Bay	4 Hours	\$53.00	\$53.00
Average		\$18.05	\$31.65
Courtenay	Game	\$0.00	Fields: \$33.75 Diamonds: \$21.50



5 A PROCESS FOR SETTING FEES AND CHARGES



This section lays out a recommended six step process of setting fees and charges.

1

Calculate Unit Costs

Gather all associated costs and utilization data to calculate the cost per unit required to provide each service.

2

Assign Subsidy Levels

Assign subsidy levels to each type of use and user based on identified benefits.

3

Calculate Preliminary Fees

Calculate preliminary fees based on the unit costs and assigned subsidy levels.

4

Apply Implementation Strategies

Compare preliminary fees to existing fees. Determine appropriate implementation strategies based on the comparison.

5

Adjust for Practicality

Adjust further if necessary for practical reasons. This allows flexibility in the process; however, any changes must be explained and justified.

6

Ensure Financial Access

Review, and enhance if necessary, existing financial access initiatives to ensure that all residents can access services regardless of income.

More detail on how to how to implement each of the six steps is provided below.

1

Calculate Unit Costs

Gather all associated costs and utilization data to calculate the cost per unit required to provide each service.

Unit costs are the expenses required to provide a given service. For example, the cost to provide an hour of gymnasium time or the cost to provide a drop-in swim. The unit cost for an hourly rental space would be calculated by dividing the total annual expenses required to operate that type of space by the total number of hours they are used in a year. If that space has some drop in uses, the hourly cost would be divided by the average number of users to get a cost per use. If the space is used for a program, the cost of the space per hour would be added to the direct program costs (e.g. instructor and supply costs) to get a full cost of operating the program and that cost would be divided by the minimum or average number of registrants.

The following steps are required to calculate unit costs.

- A. Establish a staff working group to determine which recreation spaces unit costs need to be calculated for and amalgamate similar spaces (e.g. all large clear span, dry floor spaces of similar size).
- B. Gather all annual operating expenses relating to each of the spaces. Add in some capital costs and apportion any management and administration costs that need to be added to get a full picture of the costs of providing the space.
- C. If a space is part of a larger recreation facility, gather costs for the whole facility and then assign and apportion annual expense figures to the specific space (assumptions may have to be made; a cost per square could be calculated).
- D. Collect utilization data for the spaces. For rental spaces, the number of hours the space was used for. For drop-in spaces, the number of visits it accommodated.
- E. Where gaps in utilization data exist, consider the number of operational hours to develop informed utilization assumptions (e.g. for aquatics, fitness centres, etc.).
- F. Divide annual expense figures for each amenity by the utilization figures such as hours used to determine unit costs.

Hypothetical Example: Gymnasium

Expenses / utilization = unit cost

Per hour unit cost:

- Annual expenses: \$300,000
- Annual utilization: 2,500 hours
- $\$300k / 2,500 \text{ hours} = \120 per hour
- Unit cost: \$120 per hour

Per visit unit cost:

- Let's say that 500 of those hours were for drop-in programs and there were 8,000 visits (16 people per hour)
- Annual expenses: 500 hours x \$120 per hour = \$60k
- $\$60k / 8,000 \text{ visits} = \7.50
- Unit cost: \$7.50 per visit



2

Assign Subsidy Levels

Assign subsidy levels to each type of use and user based on identified benefits.

Before fees can be calculated, subsidy levels must first be assigned based on where a specific type of use or user falls on the Benefits Continuum. Cost recovery levels could be utilized instead of subsidy levels; this may be more practical if it is expected that some types of users or uses will be assigned a cost recovery level over 100%. The table below can be used as a template. The consultants have provided an initial starting point by inserting subsidy levels suggested in part by the engagement process as well as best practices.

This step begins with clarifying a set of categories of users (e.g. youth, adult, senior) and uses (e.g. community benefit, commercial) by which to vary fees. The smallest number of categories by which benefit varies will yield the most practical and transparent result.

Based on identified proportion of benefits, each type of user and use is assigned a subsidy level based on the benefits continuum (e.g. 0%, 25%, 50%, 75%, 100%).

	Community Minor/Senior	Community Adult	Private	Commercial
Subsidy	75%	50%	25%	0%
Cost Recovery	25%	50%	75%	100% or cost recovery plus*

*The City is justified to set commercial fees at a cost recovery plus rate (>100%) based on the following rationale:

- Market rates for the type of space exceed what the City requires in revenues to achieve 100% cost recovery (if the City capped fees at 100% it would undercut other providers of the space);
- The entity booking space is accruing significant profit for accessing the City provided space;
- Surpluses accrued by the City renting the space at a cost recovery plus rate can help offset costs for activities with a high level of public benefit and subsidy requirement;
- Providing access to commercial uses reduces access for community uses that provide public benefit.



An important sub-step of #2 requires the City to further define each of the types of uses and users outlined in the previous table. The following table provides high-level definitions that can be used as a starting point.

Type of Use and User	Description	Potential Examples
Community Minor / Senior	Activities offered by not for profit community based organizations that primarily serve children, youth and teens (18 and under) and older adults (60+). These programs should demonstrate alignment with best practices where applicable (e.g. physical literacy and Long Term Athlete Development).	<ul style="list-style-type: none"> • Minor sports organizations • Performing and visual arts clubs and organizations geared towards minors and seniors • Outdoor education programs and organizations • Older adult social clubs and recreation / leisure focused organizations
Community Adult	Activities offered by not for profit community based organizations geared towards working age adults (~18 to 60 years).	<ul style="list-style-type: none"> • Adult recreational sport • Adult fitness and wellness programming offered by not for profit entities external to the City • Arts and cultural clubs
Private	Private social functions that serve primarily local residents across all ages. Activities provided by a private entity that achieve public benefit by addressing gaps or supplementing what is publicly provided may also fit into this category (if the benefit can be sufficiently demonstrated).	<ul style="list-style-type: none"> • Sports academies and higher-level training programs* • Private social functions (weddings, reunions, etc.) • Farmers' markets in a park
Commercial	Events and activities provided with the intention of driving profit to the user of space.	<ul style="list-style-type: none"> • Trade shows • Commercial markets • Sports academies and higher-level training programs* • Commercial entertainment

It is important to note that some ambiguity will exist between the types of use and users, therefore requiring the City to make the best determination as booking requests are made. For example (and as identified in the above table with an *asterisks), sports academies and higher-level training programs could be deemed as “private” or “commercial” depending on the level of public support and intent of the provider.

Flexibility is also needed when looking at certain types of activities that clearly achieve a high-level of public benefit but may not cleanly fit into the four types of use and user categories. **Multi-generational and adaptive programs are examples of activities that likely justify the highest possible level of subsidy regardless of their age composition.**

There will be other candidates for flexibility. In each case one would clarify whether the intent is commercial or political nature (where public good cannot be justified), what the intent of the use/user is (e.g. is there any public good sought), who benefits (e.g. can an organizer be identified that receives substantial direct benefit) and how public the event is (e.g. can anyone attend) in order to place the use/user on the Benefits Continuum. For example, a spontaneous outdoor parade or march for a clearly public benefit that everyone can attend at no cost might qualify for maximum level of public subsidy).

3

Calculate Preliminary Fees

Calculate preliminary fees based on the unit costs and assigned subsidy levels.

Based on the unit costs and assigned subsidy levels, preliminary fees can be calculated. In theory, a fee would simply be calculated by multiplying the unit cost of a given amenity with the recovery rate (opposite of subsidy level). The Benefits Continuum provides a philosophical justification for these initial or preliminary fees. However, practical issues and strategies to phase in changes may adjust these fees or require they be phased in.

Hypothetical Example: Gymnasium

Per hour unit cost: \$120

- Community minor preliminary: \$30 (25% recovery rate)
- Community adult preliminary: \$60 (50% recovery rate)
- Private preliminary fee: \$90 (75% recovery rate)
- Commercial preliminary fee: \$120 (100% recovery rate)

Per visit unit cost: \$7.50

- Minor and senior preliminary fee: \$1.88 (25% recovery rate)
- Adult preliminary fee: \$3.75 (50% recovery rate)



4

Apply Implementation Strategies

Compare preliminary fees to existing fees. Determine appropriate implementation strategies based on the comparison.

The preliminary fees are then compared to existing fees. Based on the comparison, the most appropriate implementation strategies can be assigned. If a given fee is to be raised, it could gradually be phased in over a few years to help users get acclimated with the increase. Alternatively, if a preliminary fee is only slightly lower than the existing fee, it could be maintained as is since expenses tend to increase annually with inflation.

Circumstance	Potential Implementation Strategy
If preliminary fee is slightly higher than or equal to existing fee.	Apply preliminary fee.
If preliminary fee is moderately higher than existing fee.	Phase in the preliminary fee over a planned timeframe (e.g. 4 years). Work with community groups to ensure affordability.
If preliminary fee is significantly higher than existing fee.	Strive to increase utilization while gradually phasing in increased fees.
If preliminary fee is slightly lower than existing fee.	Keep existing fee fixed until the unit cost increases.
If preliminary fee is moderately lower than existing fee.	Either keep existing fee fixed until the unit cost increases or lower the fee. However, this strategy could vary by category of use or user. For example, if the use is commercial, it might be raised immediately.
If preliminary fee is significantly lower than existing fee.	Lower the fee. If lowering does occur for rental fees, work with community groups to explore options for decreasing participant fees. However, this strategy could vary by category of use or user. For example, if the use is commercial, it might be raised immediately.

5

Adjust for Practicality

Adjust further if necessary for practical reasons. This allows flexibility in the process; however, any changes must be explained and justified.

Further adjustments can be made if necessary for practical reasons. While this allows flexibility in the process, it is not meant to circumvent the integrity of it; there must be justification for any adjustment at this point. This is where non-prime rates could be reduced to encourage use during under-utilized times of the day. There may also be other practical reasons to adjust fees. If a fee is really low, perhaps the fee

might be waived due to the impractical staffing costs of collecting fees. As previously noted under Step 2, the City will additionally need to further define the types of use and users and ensure practical consideration is given towards highly beneficial specialized types of activities (e.g. adaptive programming, multi-generational activities, etc.).

6

Ensure Financial Access

Review, and enhance if necessary, existing financial access initiatives to ensure that all residents can access services regardless of income.

It is important to ensure that all residents can access public recreation services; especially those who face financial barriers. The financial access strategies may include any or all of the following elements which represent industry “best practices”:

- Allowing low income families to apply for discounted membership rates such as the Recreation Access Program that is currently provided. This helps ensure that if fees are increased, low-income residents still have the opportunity to access services.
- Working with local community organizations that rent space from the City to ensure they each have policies for including potential participants that have an interest and/or ability to participate but no financial means to do so. For example, for a sports group to have subsidized access to a public space to run its league, it may be required to show how it waves a membership fee for families in financial hardship. The overall provision of recreation services is a collaborative effort with all stakeholders such as community groups and non-profit organizations contributing to the end goal of universal access. Encouraging all stakeholders to provide their own subsidy initiatives can help ensure that a variety of people access the activities they enjoy even if cost is a barrier to them.
- Another way of reducing participation fees through community groups is by supporting groups with grant opportunities. This line of thinking allows the City to invest in local organizations and initiatives that support participation in recreational opportunities. This funding could potentially have an overall greater benefit because of the organization’s ability to match through sponsorships, donations, and other grants.
- Adding more free opportunities for basic services such as swimming and then measuring the impact of those sessions to ensure they result in increased access by those who cannot afford full fees rather than displacement by those who are already paying for them. If utilization increases, it is important to understand whether the increase is mostly due to current users coming more often or completely new users gaining some access. More emphasis should be placed on attracting new users than increasing use by existing users.
- Developing a specific program to assist and support participants for whom their financial situation is a barrier to participation. This could include free access to facilities and programs during under-utilized hours such as early afternoon on weekdays (matinee).
- Work with schools to increase student access which is often a significant “equalizer” when it comes to ability to pay. If school transportation costs are charged to parents then this might not be practical, but some initiatives might still warrant consideration such as swimming lessons and other critical life skills development. The City might consider working with the school authorities to ensure it has ways of encouraging students who can’t afford the transportation costs for school use.
- Increase the number of free community events and free drop-in opportunities which are also often seen as barrier-free services, bringing together all segments of a community.
- Develop a sponsorship policy to guide appropriate sponsorships and scope appropriate level of service for sponsorship levels.



6 RECOMMENDATIONS

A series of recommendations were developed by the consulting team. These recommendations are intended to enhance the process and to help the City of Courtenay meet its objective of providing a practical, transparent, and fair approach to setting all forms of fees and charges.

1. Benefits Based Approach

Endorse the Benefits Based Approach to setting fees and charges.

2. Process to Setting Fees

Adopt the process outlined herein to set fees and charges.

1. Calculate unit costs
2. Assign subsidy levels
3. Calculate preliminary fees
4. Apply implementation strategies
5. Adjust for practicality
6. Ensure financial access

3. Phase in Significant Changes

Implement significant changes over a multiple-year timeframe to reduce the stress of change where appropriate.

4. Community Engagement

Continue to engage the community during the implementation of fee changes.

5. Unit Costs

Categorize spaces that are similar in size and type as they should have the same set of fees. A combined unit cost can be calculated for all the spaces in a given category and fees won't vary among like spaces.

Monitor unit costs and adjust every four years.

6. Cost Recovery Levels

Review and adjust subsidy levels as warranted every four years.

In between the four year adjustments, use the Consumer Price Index to adjust fees annually.

7. Public Education

Educate community organizations and the public on the costs to provide facilities and services. Also ensure that any subsidy embedded in rental rates is being passed on to the members of those rental groups.

8. Financial Access Strategies

Implement and monitor the effectiveness of strategies such as the Recreation Access Program. Spreading awareness of these initiatives is important.

Explore free access to some amenities targeting underserved demographics or underutilized spaces.

9. Introducing Fees for Fields

Introduce "Minor" fees for fields and diamonds. If the City wishes to keep the practice of not charging minors for fields and diamonds, then a rationale should be articulated for why a different approach is applied to this category of space.

10. Lowering Fees to Increase Participation

Fees can be discounted to encourage behavior which is desirable to the City. For example, off peak or non-prime use can be encouraged through incentive pricing. Significant discounts are not encouraged to help increase participation among those who are already regular users. Discounts should focus on getting more people active and increasing the use of under-utilized spaces.

11. Programming, Membership, and Drop-In Fees

The same fundamental Benefits Based Approach recommended for rental spaces should be applied to setting program, membership and drop-in fees. However, some flexibility and adaptability will be required given the fluidity and dynamic nature of providing fitness, wellness, and recreation programming and other activities in a municipal setting. **Provided on the following page are additional considerations pertaining to programming, membership, and drop-in fees.**

Programming, Membership and Drop-In Fee Considerations

Provided as followed are a number of suggested tactics for applying the fee setting approach outlined in this document to programming, memberships, and drop-in fees while also ensuring sufficient flexibility and considering practical factors.

Setting Program Fees

Step 1: Categorize programming using the types of use and users outlined in Section 5, Step 2.

Step 2: Determine a high level cost recovery target for each programming category in general alignment with the recommended model outlined in Section 5, Step 2.

Step 3: Where appropriate, align fees for each category of programming with the subsidy / cost recovery targets but develop some rules / parameters that justify some deviation. These rules / parameters should include:

- Market area considerations (e.g. rates charged for similar programming by other public and private providers)
- The ability to drive revenues from selected in-demand programs that can help offset other highly beneficial programming
- The ability to pilot new types of programming and address gaps

The goal of the City should be to achieve the overall cost recovery targets for each category of programming, while recognizing that achieving these targets will occur through an overall averaging process (e.g. if a cost recovery target of 50% is set, this is likely to be achieved with some programs in the category having 0 - 25% cost recovery while others achieve 75% or better cost recovery).

Setting Membership and Drop-In Fees

Drop in fees begin with taking the hourly cost of a space (e.g. Memorial Outdoor Pool) and dividing it by the average number of users per hour. Then the fee can be calculated using same subsidy levels as with rental fees.

Memberships are not a separate fee category but rather a way of packaging or bundling drop in fees. Membership fees are used to encourage more frequent leisure access behaviour by providing a discount to frequent users. They can also reduce labour costs at control points in a building. However, care must be taken in setting membership fees that the deepest discounts are not provided mostly to those most able to afford individual drop in fees.

The setting of facility membership and drop-in fees should be aligned with the Benefits Based Approach wherever possible. This can be achieved by generally trying to align fees for different age categories with the cost recovery approach outlined in this document. However, the nature of setting membership and drop-in fees also requires other considerations to be factored in, including:

- Fitness and wellness pricing in the market area (ensuring that the City is generally within an acceptable range of what other private and public sector options charge);
- Financial inclusivity and accessibility; and
- Financial and budgetary impacts (ensuring sufficient revenues are generated to meet service delivery needs and reduce the impact of the tax payer).



Appendices



Public Questionnaire

City of Courtenay

Recreation Fees and Charges Review

PUBLIC SURVEY

How do you think the City of Courtenay should set user fees for Courtenay Recreation facilities, programs and services?

This fee structure is under review, and the City is inviting the public and user groups to provide input. Recreation programs and services help meet the social, physical, and mental health needs of the community. The goal is to ensure fees for using these important community services are fair, practical, and consistent, while ensuring that the process for establishing these fees is transparent.

Last fall, under the guidance of City Council, the City of Courtenay retained the services of RC Strategies to conduct a recreation fees and charges study. The intent is to develop a policy that aligns fees and subsidy levels with the amount of benefit the community and individuals receive from the services. This is known as a “benefits-based approach”.

Initially, public engagement was to occur in March 2020, however due to the COVID-19 pandemic, public consultation process was postponed until all involved were more prepared to engage. Organizations who use Courtenay Recreation facilities will be consulted separately through a User Group Survey. Courtenay Recreation facilities were closed in March due to the COVID-19 pandemic. Staff are working on a gradual phased reopening of programs and facilities.

Please share your thoughts about recreation fees and charges by completing this survey by August 31, 2020.

There will be opportunity to provide feedback on a draft report before the review process is finalized. This will likely occur in fall 2020.

For any questions regarding the project, please feel free to contact the City of Courtenay Recreation and Cultural Services Department at rscs@courtenay.ca. If you have any questions or technical issues with the survey, please contact Ryan Schwartz (RC Strategies+PERC) at schwartz@rcstrategies.ca.

Section 1: Current Fees & Charges

1. Have you (or anyone in your household) paid to use City of Courtenay recreation spaces in the past year? Select all that apply.

Yes, through drop-in access

Yes, through membership access (e.g. 3-month membership)

Yes, through registered programs (e.g. swim lessons)

Yes, through the Recreation Access program

Yes, through community group rentals (e.g. minor sport use)

Yes, through individual rental (e.g. park booking)

No (please go to question 3)

2. If yes, please identify which facilities or spaces your household has used in the past year.

Indoor Spaces

- Gymnasiums (e.g. Lewis Centre)
- Multi-purpose hall spaces (e.g. Florence Filberg Centre Conference Hall, Native Sons Grand Hall, Lewis Centre Multi-Purpose Hall)
- Multi-purpose rooms (e.g. craft room, meeting room, LINC Youth Centre, Native Sons Hall Lower Lodge Room, dining room and parlour room)
- Park buildings (e.g. Lawn Bowling Building, Tsolum Building, Salish Building, Bill Moore Fieldhouse, Valley View Clubhouse)
- LINC Indoor Skatepark
- Other (please specify) _____

Outdoor Spaces

- Memorial Pool
- Ball diamonds
- Fields (soccer, football, rugby)
- Lacrosse box
- Tennis courts
- Horseshoe pits
- Pickleball courts
- Rotary Centennial Pavilion
- Knights of Columbus BBQ
- Other park booking (non-playing field)
- Other (please specify) _____

3. Please check the box that matches how you feel about the below listed items.

Statement	Strongly Agree	Somewhat Agree	Neither Agree Nor Disagree	Disagree
I believe that City of Courtenay fees and charges are fair.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
I know how much it costs the City to operate facilities and spaces.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
I know how much facilities and spaces are subsidized by taxes.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The City sets its fees and charges openly and they are communicated to the community.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

4. Please share any comments you may have about the City's current recreation fees and charges.

Potential Individual Benefit	Very Important	Somewhat Important	Not Important
Physical wellbeing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mental wellbeing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Nature education and appreciation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Skill and social development for toddlers and children	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Skill and social development for youth	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Skill and social opportunities for adults	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Skill and social opportunities for seniors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Advanced or elite level skill development	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

6. The following is a list of potential categories of recreation program and drop-in users as well as facility rental users. For each category of user, please indicate the amount of community benefit you believe would be achieved if such a user type rented time at a facility or space.

Recreation Program and Drop-in Users

Category	High Community Benefit	Moderate Community Benefit	Low Community Benefit	No Community Benefit
0 – 2 years	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 – 5 years	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 – 12 years	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13– 18 years	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19 – 54 years	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
55+ years	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Person with a disability	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Family	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Student	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Facility Rental Users

Category	High Community Benefit	Moderate Community Benefit	Low Community Benefit	No Community Benefit
Minor non-profit organization (under 19 years)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Adult non-profit organization (19 years and over)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Minor for-profit organization (under 19 years)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Adult for-profit organization (19 years and over)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

7. The following is a list of potential categories of uses. For each category of use, please indicate the amount of community benefit you believe would be achieved if such use occurred at a facility or space.

Category	High Community Benefit	Moderate Community Benefit	Low Community Benefit	No Community Benefit
Regular activity (e.g. league play)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commercial use	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Tournament	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Public event	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Private event	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Fundraising event	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

8. The following is a list of potential outcomes of the Recreation Fees and Charges Review. Please select your three (3) most important outcomes that you want to see achieved in this process.

- | | |
|---|--|
| <input type="checkbox"/> Equitable and fair user fees (consistent across all groups and activity types) | <input type="checkbox"/> Greater transparency in City decision making |
| <input type="checkbox"/> Affordable recreation opportunities for children and youth | <input type="checkbox"/> Greater public understanding of how fees are set |
| <input type="checkbox"/> Affordable recreation opportunities for adults | <input type="checkbox"/> Prevent commercial users from benefiting from facilities and spaces subsidized by taxpayers |
| <input type="checkbox"/> Affordable recreation opportunities for seniors | <input type="checkbox"/> Justifying tax support for recreation |
| <input type="checkbox"/> Increased use of under-used facilities and spaces | <input type="checkbox"/> Other (please specify) _____ |

9. A Benefits Based Approach aligns fees and subsidy levels with the amount of benefit the community and individuals receive from the services. To what level do you support this approach as a philosophical foundation to setting user fees in the City of Courtenay?

- Very supportive
- Somewhat supportive
- Neither supportive nor unsupportive
- Unsupportive

10. Please share any comments you may have about the proposed approach to setting fees and charges.

Section 3: Household Profile

11. Where do you live?

- City of Courtenay
- Town of Comox
- Comox Valley Regional District
- Cumberland
- Other (please specify) _____

12. Please describe your household by identifying the number of members in each of the following age groups. (Please include yourself!)

_____ 0 - 4 yrs	_____ 5 - 9 yrs	_____ 10 - 14 yrs	_____ 15 - 19 yrs
_____ 20 - 29 yrs	_____ 30 - 39 yrs	_____ 40 - 49 yrs	_____ 50 - 59 yrs
_____ 60 - 69 yrs	_____ 70 - 79 yrs	_____ 80+ yrs	

Thank you for your input!

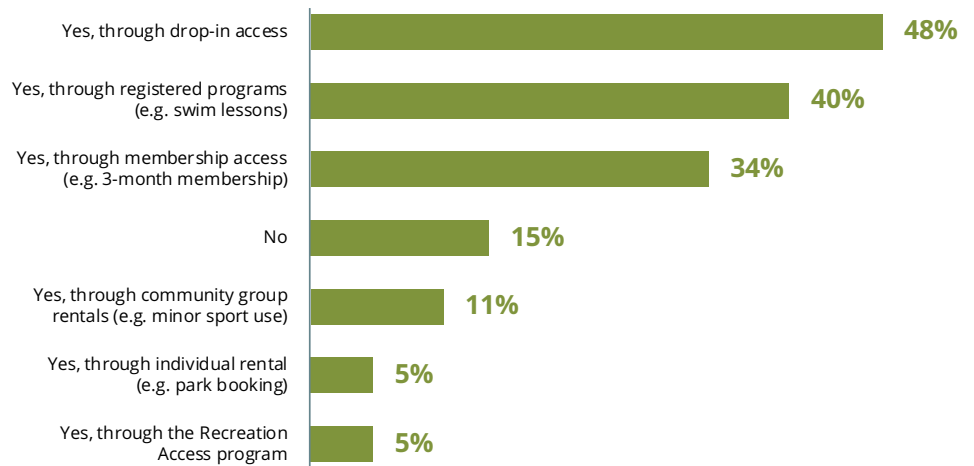
Public Questionnaire: Results

A public survey was conducted to gather the thoughts and perspectives of local residents. The survey was promoted through the City’s social media channels and was posted on the City’s website. Respondents were asked to answer the questions on behalf of all members of their household. In total, 266 responses were gathered representing 524 people.

Use of City Spaces

Nearly half of respondents used City spaces via drop-in access and one-third through memberships.

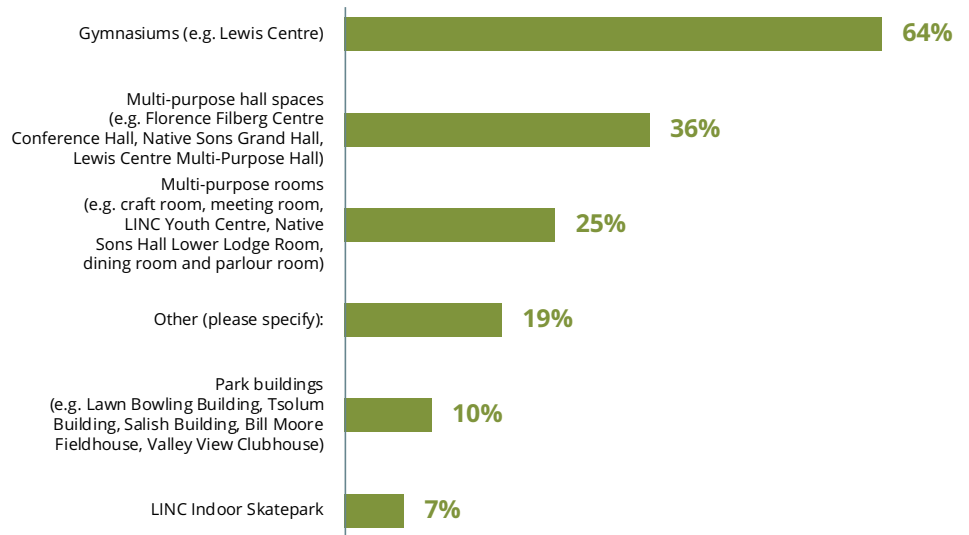
Have you (or anyone in your household) paid to use City of Courtenay recreation spaces in the past year?



Use of Indoor Spaces

Of those who responded “yes” to using City spaces, 64% indicated using the Lewis Centre gymnasium and 36% used hall spaces.

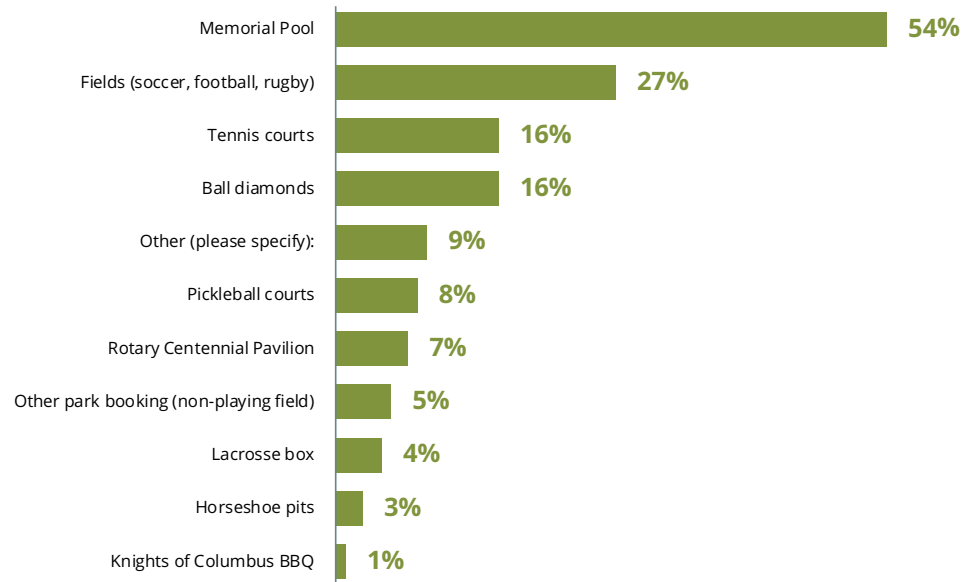
INDOOR Facilities Used by Survey Respondents



Use of Outdoor Spaces

In regard to outdoor spaces, over half visited Memorial Pool in the past year while over a quarter utilized sports fields.

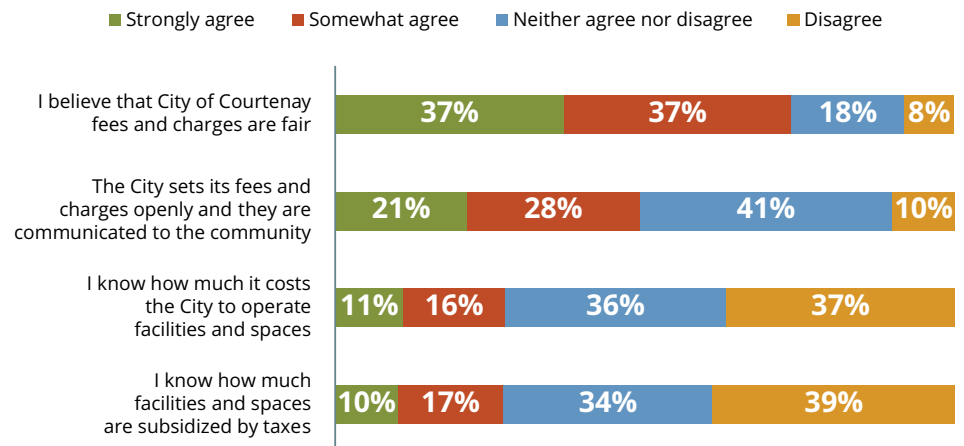
OUTDOOR Facilities Used by Survey Respondents



Level of Agreement Statements

Respondents were asked to identify their level of agreement with four statements relating to the opinion of current fees and their knowledge of costs to provide recreation spaces. Nearly three-quarters agree to some extent that the City's fees and charges are fair while only 27% understand to some extent how much facilities and spaces are subsidized by taxes.

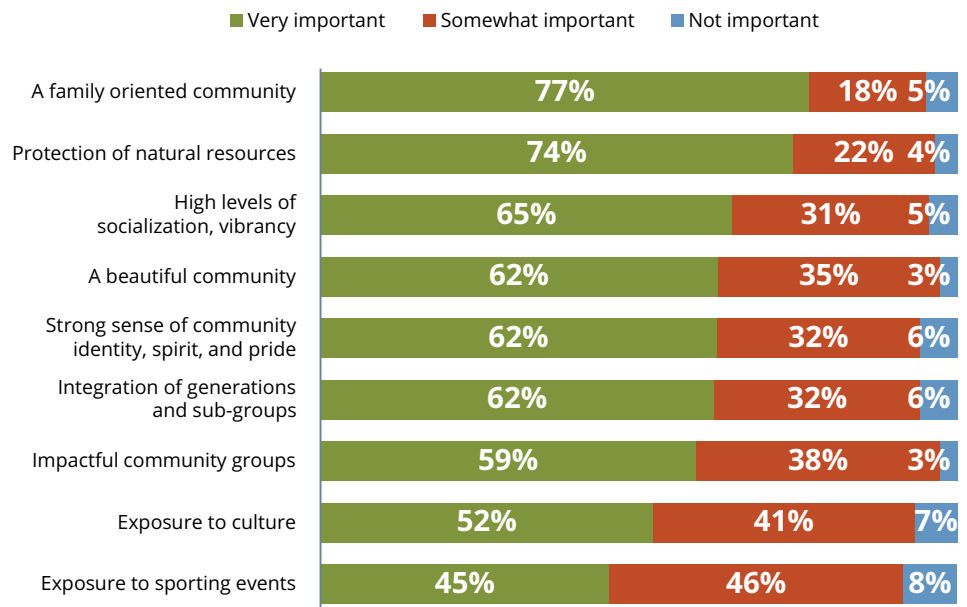
Level of Agreement Statements



Perceived Importance of Community Benefits

Lists of potential community and individual benefits that public recreation services can strive to achieve were presented and respondents were asked to indicate a level of importance for each. A family oriented community was identified as a very important community benefit by 77% of respondents. Protection of natural resources is also considered a very important community benefit by three-quarters of respondents.

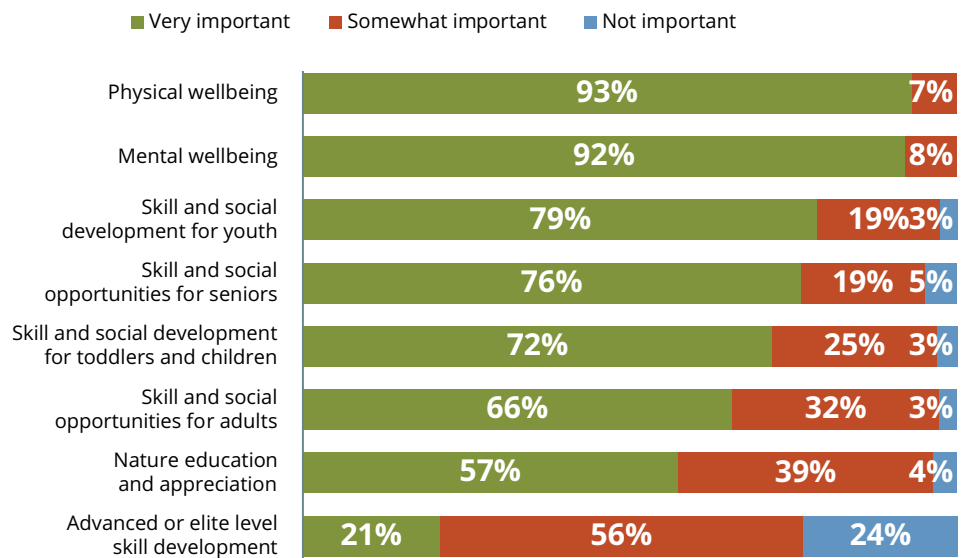
Perceived Importances of Community Benefits



Perceived Importance of Individual Benefits

Physical and mental wellbeing were considered very important individuals by over 90% of respondents. Advanced or elite level skill development was only seen as very important by 21%.

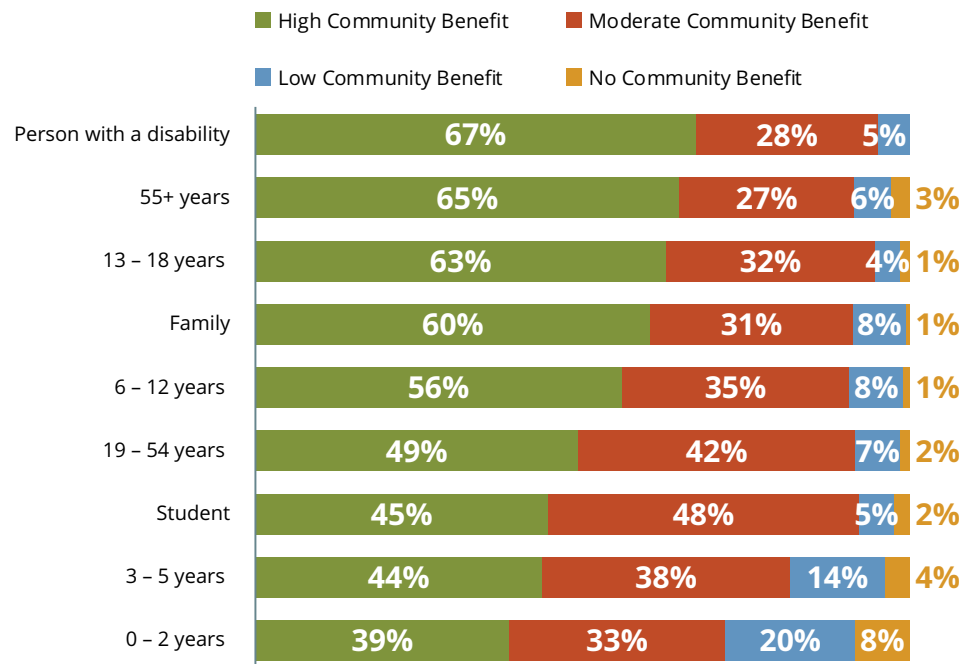
Perceived Importances of Individual Benefits



Level of Community Benefit: Program and Drop-in Users

Respondents were provided a list of potential categories of drop-in users and were asked to indicate the amount of community benefit they believe would be achieved if such a user type rented time at a facility or space. At least 60% of respondents indicated that a high amount of community benefit would be accrued from program and drop-in usage by people with disabilities, seniors, teenagers, and families.

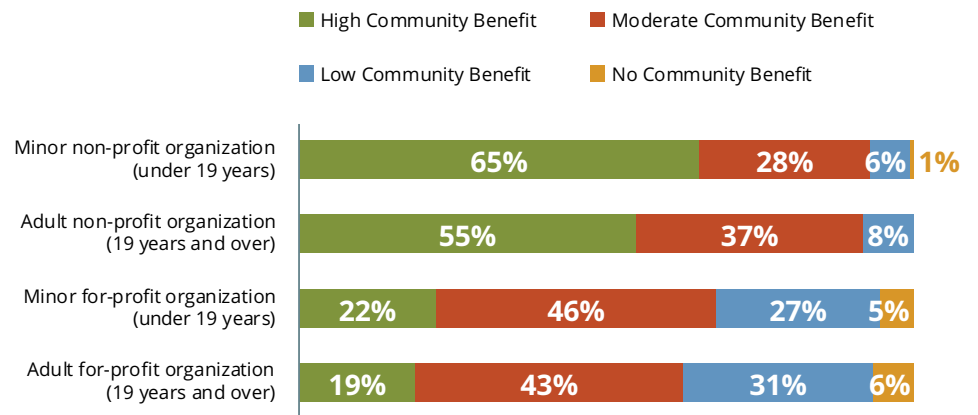
Level of Community Benefit: Program and Drop-in Users



Level of Community Benefit: Facility Rental Users

In regard to rental groups, it is perceived that non-profit groups would provide higher levels of community benefit than for-profit organizations. Groups providing programs for people under the age of 19 were regarded as providing slightly higher benefit than adult groups.

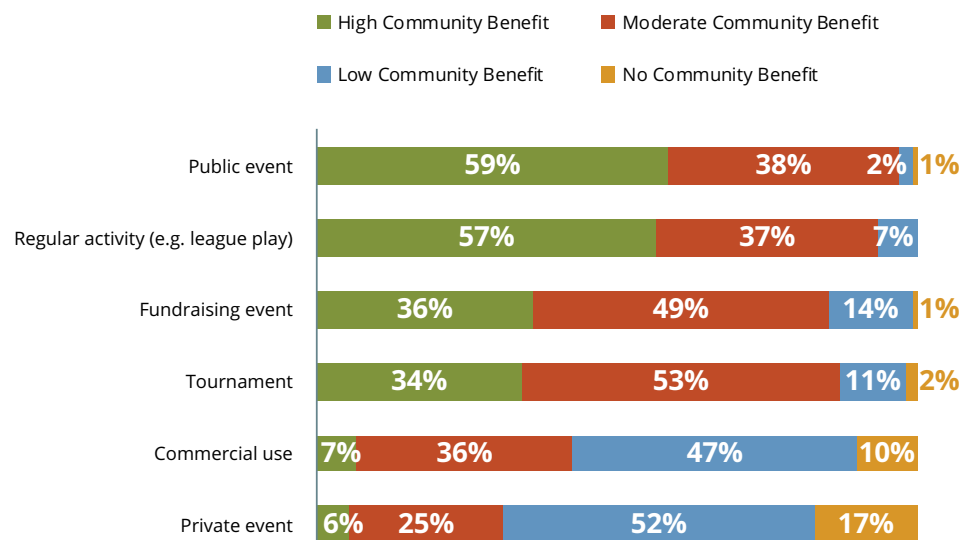
Level of Community Benefit: Rental Group Users



Level of Community Benefit: Type of Use

Respondents were provided with a list of potential categories of uses for a recreation facility or space. For each category of use, respondents were asked to indicate the amount of community benefit they believe would be achieved if such use occurred at a facility or space. These results can be used to help determine differences in subsidy levels. Public events and regular activity are believed to provide higher levels of community benefit than commercial (for-profit) use and private events. Fundraising events and tournaments were in between.

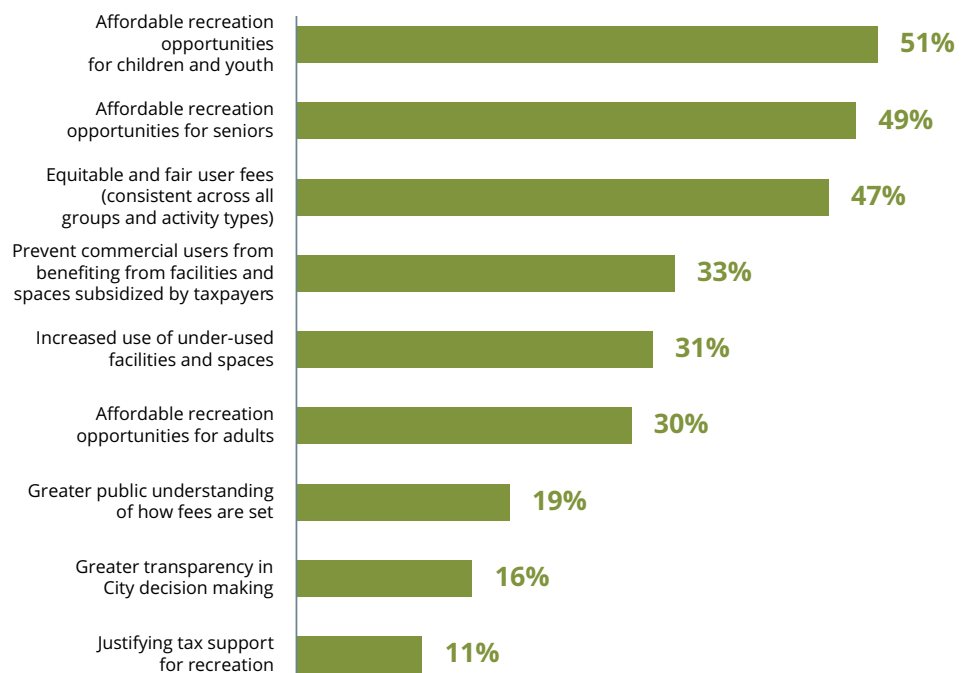
Level of Community Benefit: Type of Use



Outcomes for this Review Process

Respondents were presented a list of potential outcomes for the Recreation Fees and Charges Review and were asked to select the three that are most important to them. Approximately half of respondents selected affordable opportunities for children and youth (51%) as well as seniors (49%), and equitable and fair fees (47%).

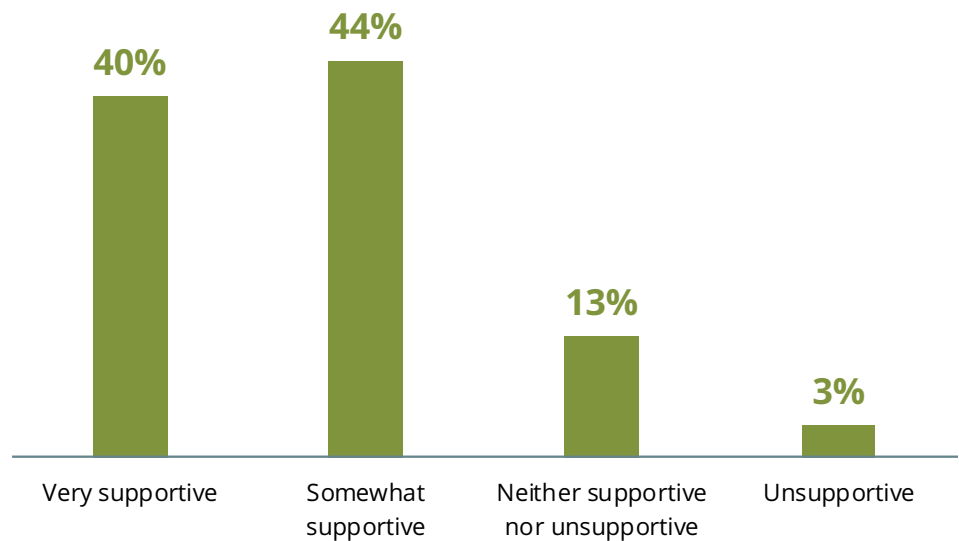
Outcomes that Respondents want to see Achieved through the Fees and Charges Review



Benefits Based Approach

The Benefits Based Approach was briefly presented to respondents and they were asked to indicate the level in which they support the approach as a philosophical foundation to setting user fees in the City of Courtenay. Eighty-four percent (84%) were supportive to some extent while only 3% were unsupportive.

Agreement with the Benefits Based Approach



Respondent Profile

Location of Residence	Percent
City of Courtenay	67%
Valley Regional District Comox	19%
Town of Comox	9%
Cumberland	2%
Other	2%

Household Age Composition	Percent
0 - 4 years	3%
5 - 9 years	7%
10 - 14 years	6%
15 - 19 years	5%
20 - 29 years	4%
30 - 39 years	9%
40 - 49 years	15%
50 - 59 years	13%
60 - 69 years	21%
70 - 79 years	15%
80+ years	2%

User Group Questionnaire

City of Courtenay

Recreation Fees and Charges Review

USER GROUP QUESTIONNAIRE

How do you think the City of Courtenay should set user fees for Courtenay Recreation facilities, programs and services?

This fee structure is under review, and the City is inviting the public and user groups to provide input. Recreation programs and services help meet the social, physical, and mental health needs of the community. The goal is to ensure fees for using these important community services are fair, practical, and consistent, while ensuring that the process for establishing these fees is transparent.

Last fall, under the guidance of City Council, the City of Courtenay retained the services of RC Strategies to conduct a recreation fees and charges study. The intent is to develop a policy that aligns fees and subsidy levels with the amount of benefit the community and individuals receive from the services. This is known as a "benefits-based approach".

Initially, public engagement was to occur in March 2020, however due to the COVID-19 pandemic, public consultation process was postponed until all involved were more prepared to engage. Individuals who use Courtenay Recreation facilities and services will be consulted separately through a public survey. Courtenay Recreation facilities were closed in March due to the COVID-19 pandemic. Staff are working on a gradual phased reopening of programs and facilities.

Please share your group's perspective about recreation fees and charges by completing this survey by August 31, 2020. Only one response per group is requested. There will be opportunity to provide feedback on a draft report before the review process is finalized. This will likely occur in fall 2020.

For any questions regarding the project, please feel free to contact the City of Courtenay Recreation and Cultural Services Department at rsc@courtenay.ca. If you have any questions or technical issues with the survey, please contact Ryan Schwartz (RC Strategies+PERC) at schwartz@rcstrategies.ca.

Section 1: Organization Profile

1. Please provide the following information.

Organization Name: _____

Contact Name: _____

Contact Email: _____

2. Please indicate which age groups your organization provides services for. Select all that apply.

0 – 2 years

13 – 18 years

3 – 5 years

19 – 54 years

6 – 12 years

55+ years

Section 2: Current Fees & Charges

3. Does your organization use City of Courtenay facilities or spaces?

- Yes
- No (please go to question 5)

4. If yes, please identify which facilities or spaces your organization uses. Select all that apply.

Indoor Spaces

- Gymnasiums (e.g. Lewis Centre)
- Multi-purpose hall spaces (e.g. Florence Filberg Centre Conference Hall, Native Sons Grand Hall, Lewis Centre Multi-Purpose Hall)
- Multi-purpose rooms (e.g. craft room, meeting room, LINC Youth Centre, Native Sons Hall Lower Lodge Room, dining room and parlour room)
- Park buildings (e.g. Lawn Bowling Building, Tsolum Building, Salish Building, Bill Moore Fieldhouse, Valley View Clubhouse)
- LINC Indoor Skatepark
- Other (please specify) _____

Outdoor Spaces

- Memorial Pool
- Ball diamonds
- Fields (soccer, football, rugby)
- Lacrosse box
- Tennis courts
- Horseshoe pits
- Pickleball courts
- Rotary Centennial Pavilion
- Knights of Columbus BBQ
- Other park booking (non-playing field)
- Other (please specify) _____

5. Please check the box that matches how you feel about the below listed items.

Statement	Strongly Agree	Somewhat Agree	Neither Agree Nor Disagree	Disagree
I believe that City of Courtenay fees and charges are fair.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
I know how much it costs the City to operate facilities and spaces.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
I know how much facilities and spaces are subsidized by taxes.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The City sets its fees and charges openly and they are communicated to the community.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Potential Individual Benefit	Very Important	Somewhat Important	Not Important
Physical wellbeing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mental wellbeing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Nature education and appreciation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Skill and social development for toddlers and children	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Skill and social development for youth	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Skill and social opportunities for adults	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Skill and social opportunities for seniors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Advanced or elite level skill development	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

8. The following is a list of potential categories of users. For each category of user, please indicate the amount of community benefit you believe would be achieved if such a user type rented time at a facility or space.

Category	High Community Benefit	Moderate Community Benefit	Low Community Benefit	No Community Benefit
0 – 2 years	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 – 5 years	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 – 12 years	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13– 18 years	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19 – 54 years	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
55+ years	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Individuals with diverse abilities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Non-profit organization	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
For-profit organization	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

9. The following is a list of potential categories of uses. For each category of use, please indicate the amount of community benefit you believe would be achieved if such use occurred at a facility or space.

Category	High Community Benefit	Moderate Community Benefit	Low Community Benefit	No Community Benefit
Regular activity (e.g. league play)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commercial use (for profit)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Tournament	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Public event	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Private event	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Fundraising event	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

10. The following is a list of potential outcomes of the Recreation Fees and Charges Review. Please select your three (3) most important outcomes that you want to see achieved in this process.

- | | |
|---|--|
| <input type="checkbox"/> Equitable and fair user fees (consistent across all groups and activity types) | <input type="checkbox"/> Greater transparency in City decision making |
| <input type="checkbox"/> Affordable recreation opportunities for children and youth | <input type="checkbox"/> Greater public understanding of how fees are set |
| <input type="checkbox"/> Affordable recreation opportunities for adults | <input type="checkbox"/> Prevent commercial users from benefiting from facilities and spaces subsidized by taxpayers |
| <input type="checkbox"/> Affordable recreation opportunities for seniors | <input type="checkbox"/> Justifying tax support for recreation |
| <input type="checkbox"/> Increased use of under-used facilities and spaces | <input type="checkbox"/> Other (please specify) _____ |

11. A Benefits Based Approach aligns fees and subsidy levels with the amount of benefit the community and individuals receive from the services. To what level do you support this approach as a philosophical foundation to setting user fees in the City of Courtenay?

- Very supportive
- Somewhat supportive
- Neither supportive nor unsupportive
- Unsupportive

12. Please share any comments you may have about the proposed approach to setting fees and charges.

Thank you for your input!

User Group Questionnaire: Results

An email with a link to an online survey was sent to 40 local community groups. Only one response per group was requested. Each organization indicated that they use City of Courtenay facilities or spaces.

Participating Groups

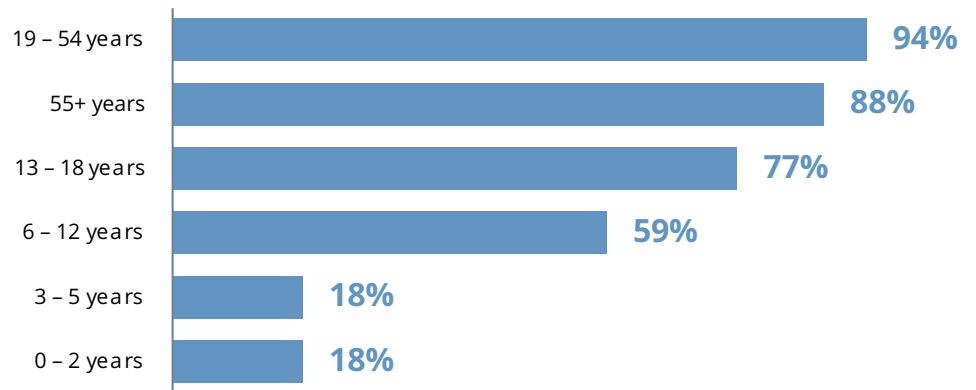
The following sixteen community organizations provided a response.

- Baby Talk
- Blue Devils
- Comox Valley Family Services Association
- Comox Valley Martial Arts and Fitness
- Comox Valley Pickleball Association
- Comox Valley Raiders Youth Football
- Comox Valley Soccer Club
- Comox Valley Sports & Social Club
- Comox Valley Tennis Club
- Comox Valley Toastmasters
- Courtenay Lawn Bowling Club
- Eckankar
- Eckankar Canada
- Forbidden Plateau Obedience and Tracking Club
- Larry Street
- Parks and Recreation Advisory Commission

Age of Participants

Nearly all (94%) of responding groups provide recreation opportunities for adults, 88% serve adults over the age of 54, 77% provide programming for teenagers, and over half (59%) have offerings for children between the ages of 6 and 12.

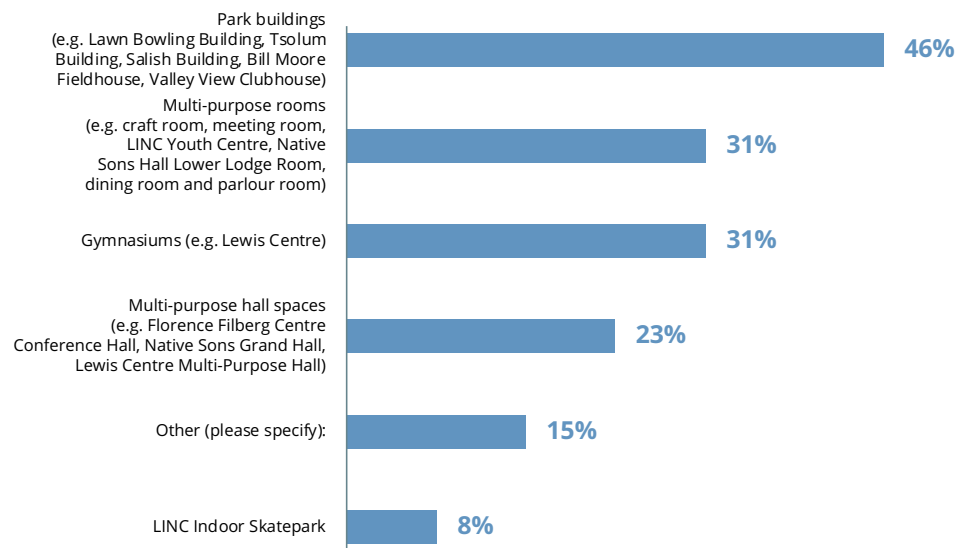
Age Groups Served by Questionnaire Respondents



Use of Indoor Spaces

Nearly half (46%) of responding groups use park buildings.

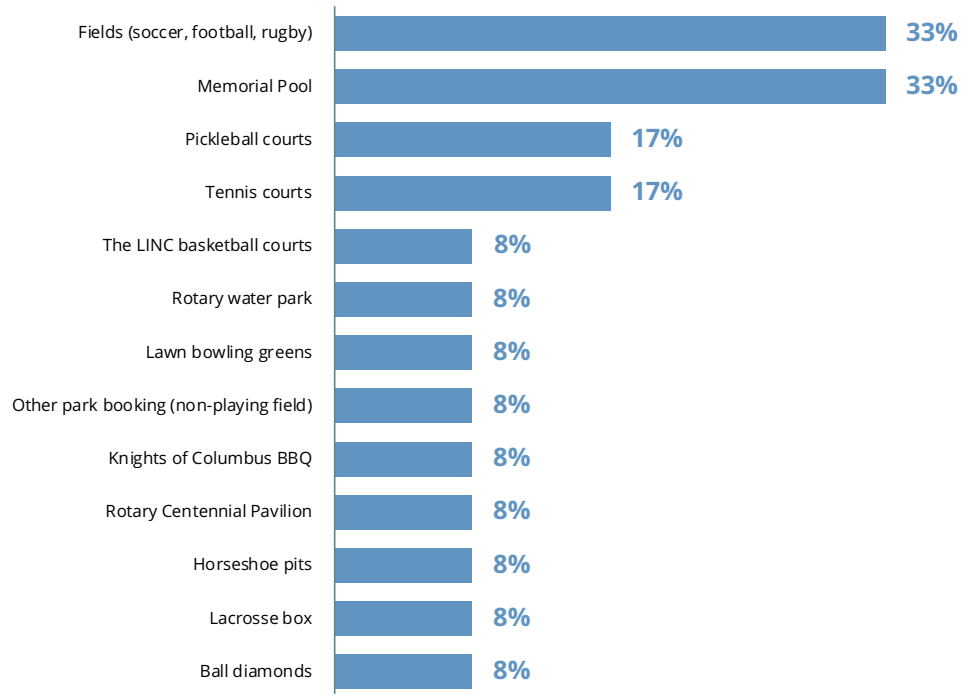
INDOOR Facilities Used by Responding Groups



Use of Outdoor Spaces

One-third of responding groups use fields (33%) as well as Memorial Pool (33%).

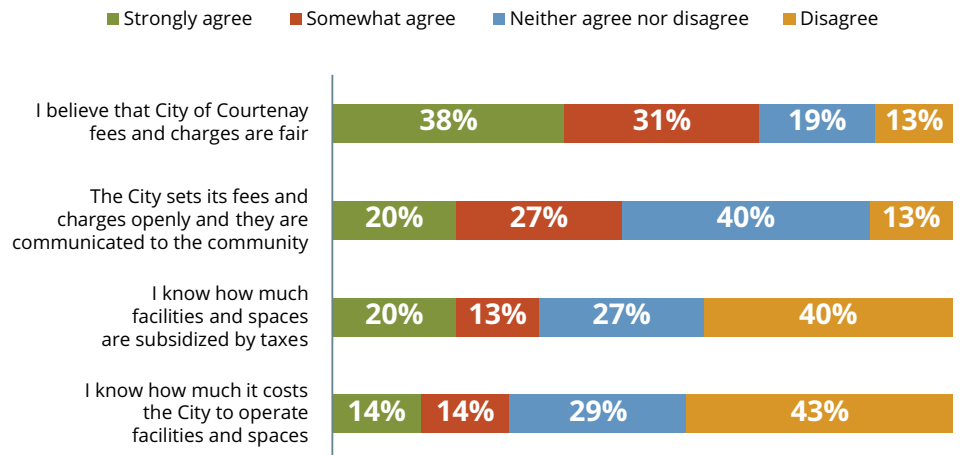
OUTDOOR Facilities Used by Responding Groups



Level of Agreement Statements

Over two-thirds (69%) of groups believe to some extent that the City's fees are fair. Forty-three percent (43%) do not know how much it costs the City to operate facilities and spaces.

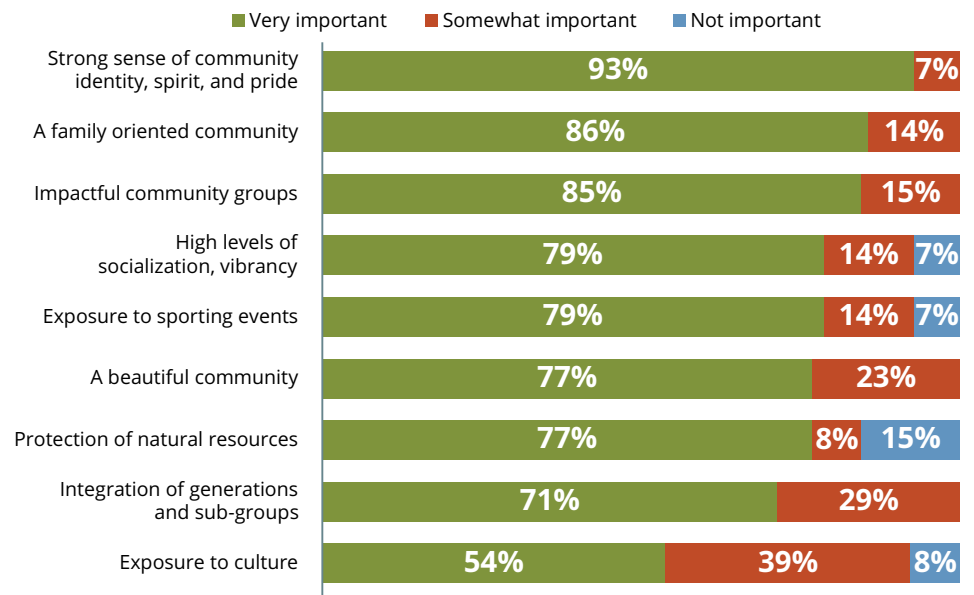
Level of Agreement Statements



Perceived Importance of Community Benefits

All the community benefits were identified as being very important by over half the groups. A strong sense of community identity, spirit, and pride surfaced as being very important by 93% of respondents.

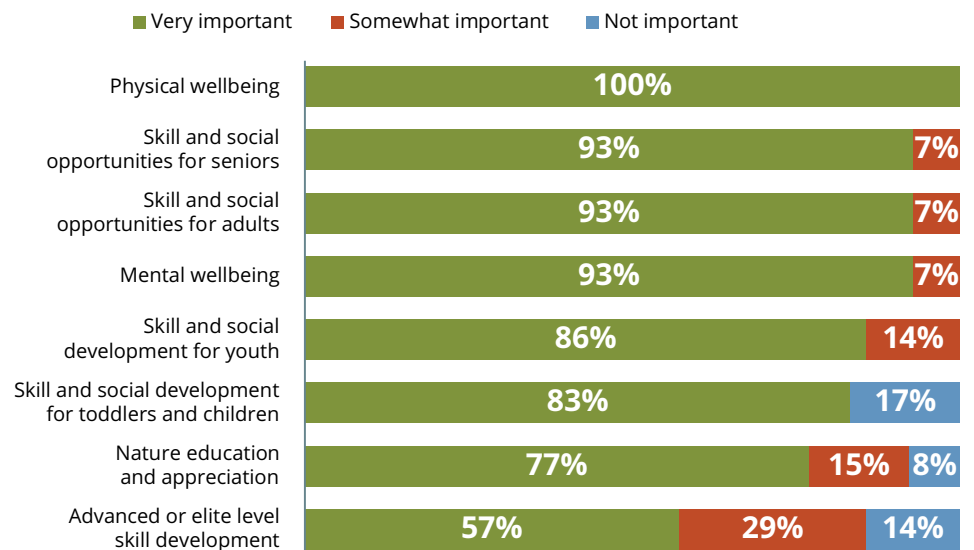
Perceived Importances of Community Benefits



Perceived Importance of Individual Benefits

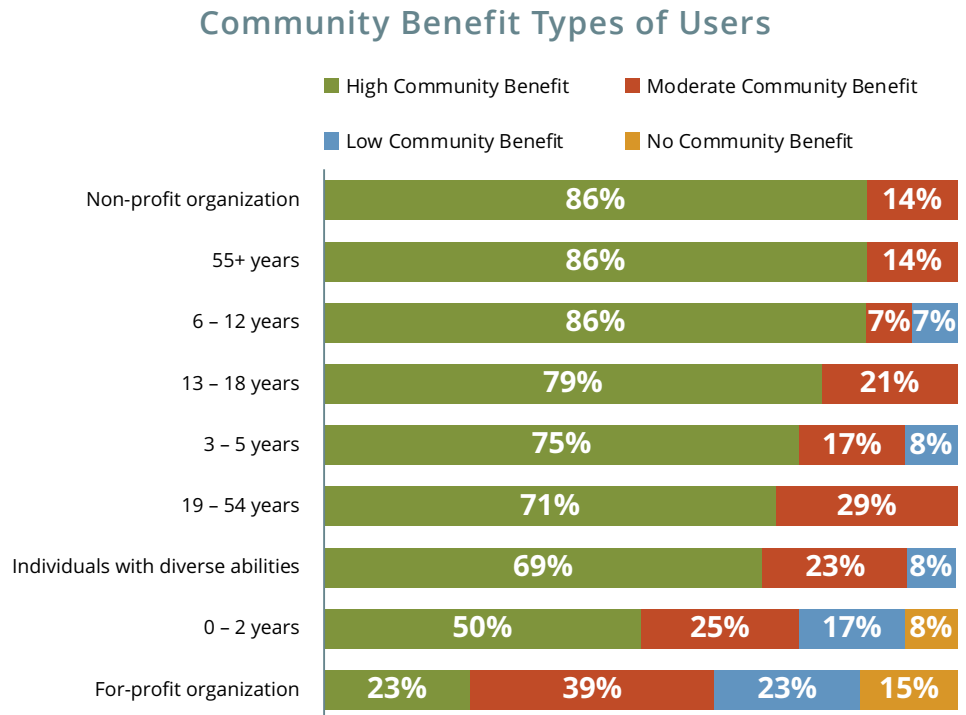
Every group indicated that physical wellbeing is a very important individual benefit. Advance and elite skill development was regarded as being very important to over half of respondents.

Perceived Importances of Individual Benefits



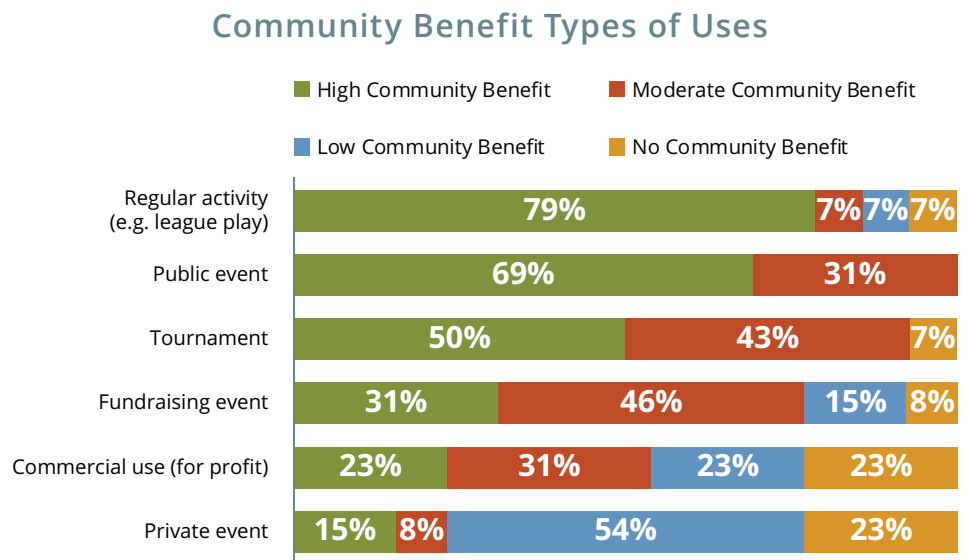
Level of Community Benefit: Type of User

Responding groups were provided a list of potential categories of user types. They were asked to indicate the amount of community benefit that they believe would be achieved if such a user type rented time at a facility or space.



Level of Community Benefit: Type of Use

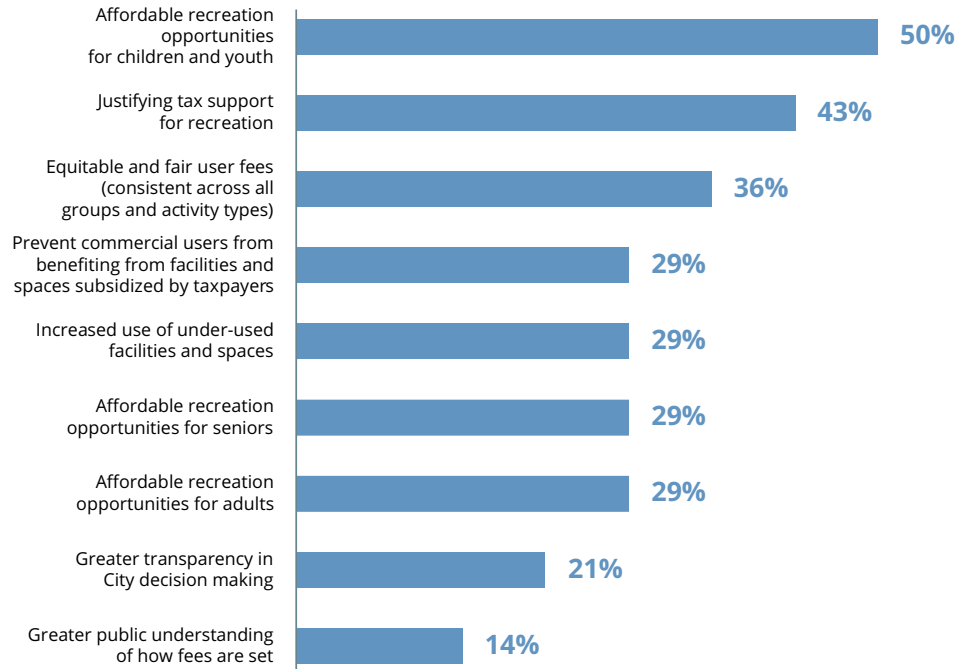
Regular activity (79%) and public events (69%) were seen as providing high levels of community benefit.



Outcomes for the Review Process

Groups were asked to select the three most important outcomes that they want to see achieved in this review process. While responses were fairly spread out, affordable opportunities for children and youth was selected by half the groups.

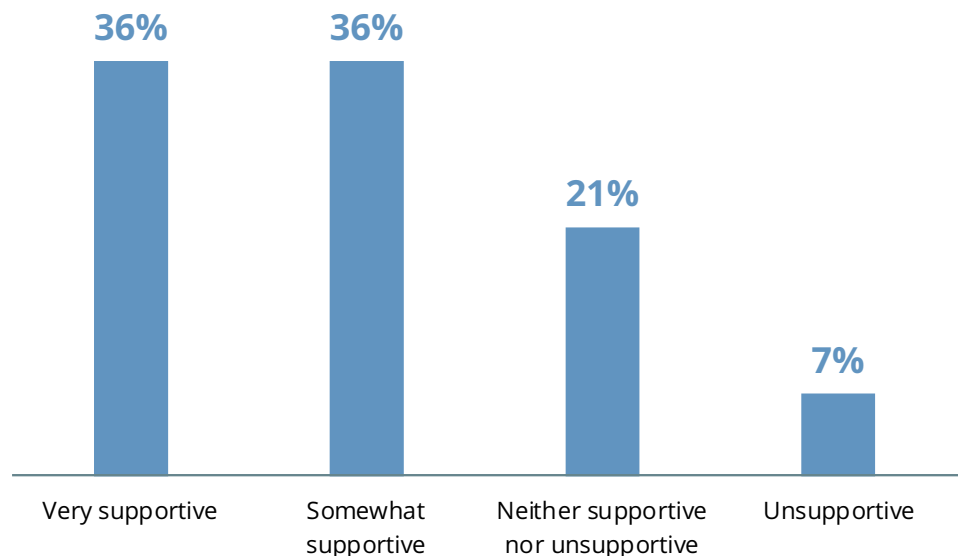
Outcomes that Respondents want to see achieved through the Fees and Charges Review



Benefits Based Approach

The Benefits Based Approach was explained on the questionnaire and then respondents were asked to indicate their level of support for the approach to be used as a philosophical foundation to setting user fees in the City. Nearly three-quarters (72%) were supportive to some extent; one group was not.

Agreement with the Benefits Based Approach



Benefits of Recreation

Community Benefits

1. Special Events

Special events (e.g. carnivals, markets, fairs, etc.) can contribute to a feeling of community identity and spirit. Therefore, the local authority should be involved in sponsoring special events to the extent necessary to ensure promotion of this objective.

2. Support to Local Groups

Local clubs, groups and agencies are and will be organizing and sponsoring leisure opportunities. The “people doing things for themselves” aspect of such groups is socially worthwhile and desirable. The community recreation agency should support such groups in their efforts. Support may occur in a number of ways, including subsidized access to facilities, assistance in leadership training, provision of specialized equipment or the provision of operating grants.

3. Exposure to Sporting Events

Community identity, spirit and culture can be fostered through the environment generated by spectators at athletic events. In such events, sport can be closely linked with community identity and pride. Because of this, opportunities should be provided for spectator experiences at athletic events.

4. Exposure to Culture

Artistic endeavors (both performing and visual) represent one of the most significant aspects of developing a culture in any community. Through exposure to the arts, local residents should develop a better understanding and appreciation of the cultural aspects of a community.

5. Social Functions

Because social functions are a valuable vehicle to use in developing community cohesion and identity, the public sector should ensure that such opportunities exist.

6. Protecting Community Natural Resources

The protection of natural aesthetic features, vistas, natural phenomenon and features of historic significance and the provision of public access to such features will contribute to a greater understanding of and pride in the community and, therefore, contribute to community growth.

7. Beautify the Community

The extent to which a community is seen by its residents as being visually pleasing is directly related to the potential for creating community identity, spirit and culture. Therefore, to make a community more beautiful is a worthwhile social objective worthy of tax support.

8. Family Oriented Leisure Services

The family unit is an integral building block of community growth. Opportunities should be provided for families to pursue leisure as a family unit.

9. Integrating Generations and Sub Groups

Community growth can be fostered through increased contact between people of varying age groups within the community. The more contact and interchange between seniors and younger adults and children, the greater the potential for community growth. Therefore, in the provision of leisure services, attempts should be made to provide such contact and interchange between seniors and younger residents with a view toward transmitting cultural heritage across the generations.

Community growth can further be fostered through an integrative mixing of various ethnic groups so that each better understands and appreciates the differences and strengths of the other. Multicultural recreation services can be used as a vehicle in making the community more cohesive.

Community growth can also be fostered by integrating various groups of people with special needs into mainstream programming. Whether individuals have physical, emotional or mental special needs, recreation can be used as a leveling and integrative force.

Individual Benefits

10. Fitness (Well Being)

Fitness, in this context, is used broadly as a synonym for wellness, and refers to mental and emotional, as well as physical fitness. The fitness level of every resident of the community should be increased at least to a pre-determined minimum level with opportunities available for progress beyond this point.

11. Pre-School Leisure Opportunities

An opportunity should exist for every pre-school aged child to participate with other children in a variety of leisure experiences, in order to:

- a) Expose the child to social settings
- b) Foster gross motor development
- c) Provide a generally happy and satisfying atmosphere where growth can occur
- d) Teach basic safety skills and attitudes.

12. Basic Leisure Skill Development for School Aged Children

A wide variety of leisure pursuits in such areas as sport, performing arts, visual arts, outdoor nature-oriented skills, and hobbies, should be identified, and basic skill level instruction in each should be provided for school aged children in order to:

- a) Provide exposure to skills which may form the basis for enjoying lifetime leisure activities
- b) Contribute to gross motor and fine motor physical development
- c) Provide social settings in which social, moral and emotional growth can be fostered
- d) Provide the basis for leisure education (i.e. the teachings of the benefits of and wise use of leisure time).

13. Advanced Leisure Skill Development for School Aged Children

Opportunities should be provided for those children who wish to further develop their interest and skills in a wide variety of leisure pursuits beyond the basic level.

14. Social Opportunities for Youth

The maturing from youth to adult which occurs during teenage years is often a critical time in the life of an individual. It is also a time when individual difficulties may result in severe social problems. Hence, opportunities should be provided for teens to:

- a) Learn about themselves and how they will react to various social settings and pressures
- b) Develop positive social/emotional/moral skills, principles and convictions
- c) Develop positive leisure lifestyle patterns which will remain with them through adulthood.

15. Basic Leisure Skill Development for Adults

Opportunities should be provided in a wide range of leisure endeavors and hobbies for adults who wish to be exposed to such endeavors and learn some basic skills in each.

16. Advanced Leisure Skill Development for Adults

Opportunities should be provided for those adults who wish to further develop their interests or abilities in a wide variety of leisure pursuits.

17. Opportunities for Seniors

Opportunities should be provided for senior citizens to participate in the leisure activities of their choice in order to:

- a) Maintain overall fitness levels
- b) Maintain social contacts and continue to be involved in social environments
- c) Provide a continuing sense of worth and meaning of life through continuing personal growth.

18. Interpreting the Environment

Opportunities should be provided for every local resident to learn about, understand, relate to and experience all aspects of his/her environment.

19. Reflection/Escape

Often growth can occur through escape, reflection, contact with nature and relaxation in a serene natural environment. Because of this, opportunities should be provided for residents to experience nature.

20. Leisure Education

All residents should be generally educated as to the best use of leisure time and the benefits (e.g. growth and fulfillment) that accrue therefrom.

