



The Recreation & Culture Division continues to strive for fiscal accountability while ensuring the delivery of quality services to all residents. These services contribute to the quality of life in our community and the overall health of our residents. Research has proven that recreation contributes to physical and mental health, acts as a protective factor for youth-at-risk and helps improve the circumstances for those living in poverty.

While preparing the recommended fees for 2023, the impact of Covid-19 and the recovery from the pandemic still has to be taken into consideration. The Recreation and Culture Division continues to reopen facilities and re-implement programs and services for Richmond Hill residents. Staff shortages due to the lack of qualified and trained staff continue to have an impact on the ability of the Recreation and Culture Division to deliver programs and services.

Per the direction of the City's Treasurer, the 2023 Tariff of Fees Update will require greater sensitivities as residents and businesses continue to recover from the COVID-19 pandemic. The core principles for the City's user fees continue to be:

- a) justifiable and reasonable for cost recovery;
- b) comparable with neighboring municipalities; and
- c) affordable to citizens/users, yet competitive

Further direction provided from the Treasurer stated to increase fees/charges by CPI (RBC Economics Forecast – 2.1% for 2023), in light of being affordable to users, comparable to neighboring municipalities and provide necessary cost recovery. With respect to Recreation, charges to users for City programs will need to be balanced with COVID-19 recovery and reduced participation levels while there may be opportunities to increase fees to meet anticipated demand for specific recreation programs.

Following these guidelines, staff continued to undertake a market competitive analysis of user fees to determine the City's position against other municipalities as comparators in preparation for the 2023 budget. The mandate has always been to benchmark the City's fees against a minimum of two municipal comparators, City of Markham and the City of Vaughan and others where appropriate, depending on the service provided. Staff focused on rates that were significantly lower than our municipal comparators and assessed the impact of increasing rates on the users. Based on the benchmarking undertaken, and the direction to increase fees by CPI (2.1%), the recommendation is to increase the majority of fees by 2.1% or in some cases the fee increase was rounded up or down. In an effort to generate some additional revenue for the city, staff primarily focused on increasing fees where it was determined that the fees were consistently lower based on municipal benchmarking. Staff also looked at increasing fees in the non-resident and commercial fee categories as well as the semi-private and private fee categories. Fee increases in these categories have only been recommended if the city's current fees were deemed to be lower through the benchmarking exercise.

## OVERVIEW OF PRINCIPLES AND FEE CHANGES

All fees listed in the fee by-law chart are pre-tax.

### General recreation and culture registered and drop-in programs, events and advertising fees

Staff verified that Richmond Hill's user fees are either within the same range of Markham and Vaughan, and per the direction provided by the Treasurer, a 2.1% fee increase is being recommended for the majority of services in these sections. Exceptions to this include:

- Programs delivered by organizations in partnership with the city have some percentage increases that are higher or lower than the 2.1% increase, based on the current agreements in place.
- Drop-in programs in the general program area, including for Adults 55+, were not increased based on municipal benchmarking.
- Some select Heritage Centre Services programs and services were not increased as the market for those services continue to be developed.
- Aquatic Leadership programs increased to cover actual material costs.
- Senior (65+) Public Skating pass (6 month season) increased by 8% to bring the fee to 70% of the adult rate as per the User Fee and Subsidy Policy.
- Private Skating Lessons & Full Day Hockey Camp increased by 5% due to municipal comparison with Markham & Vaughan.
- Shinny Drop-In Fee & Shinny 10-Visit Punch Card increased by 3.5% due to municipal comparison with Markham & Vaughan.
- 3% increase on Small Group Swimming Lessons, due to municipal comparison with Markham & Vaughan.
- 5% increase on Private Swimming Lessons due to municipal comparison with Markham & Vaughan.
- Pool facility rental rates (full and half pool) for community groups have increased by 8.92% and 3.47% respectively. This is to bring the pool rental rates in alignment with the pricing policy and the other affiliated community group rates.
- Staffing costs are being increased to recover costs based on the actual pay rates due to increased minimum wages and a new CUPE agreement.

### Facility Rental Permits – gyms, meeting rooms, sports fields, park permits, Richmond Green Sports Centre and Dome

The fee review with our municipal comparators identified pricing opportunities for both indoor and outdoor (sports field) permits. Staff have recommended a fee increase of 5% for rates within the Indoor Facility section, as well as 5% for rates within the Outdoor Parks and Sports Field section. These recommendations would keep Richmond Hill's fees comparable to Markham and Vaughan and are necessary to accommodate the minimum wage increase.

### Tennis and Pickleball Court Permit Fees

Staff have re-introduced fees for residents, affiliated minor sports groups, and non-resident commercial groups to permit a number of tennis and pickleball courts. This service has been requested by the community and is consistent with a number of comparator municipalities such as Vaughan, Aurora and Burlington. The additional revenue projected as a result is nominal and has been captured within Sports Fields and Parks. Staff will be implementing this fee effective July 1, 2022.



### Richmond Green

Fees for Services that involve additional staff time have been increased between 2% and 11%, strictly due to cost recovery.

### Richmond Hill Centre for the Performing Arts

Staff conducted an analysis of current fees compared to similar sized venues including Markham, Oakville, Milton and Kingston. Each Theatre operation prices their services differently, some including base line costs in the building per day rental charge and others pricing out services separately. In order to remain consistent with the pricing at these theatres, staff have recommended a 2.1% fee increase on the majority of the fees at the Richmond Hill Centre for the Performing Arts and have introduced new flat fee rates to align with other theatres and correct previous By-law submissions. Highlights of these changes are as follows:

- Established an overtime threshold for Stagehands over an 8 hour standard work day
- Introduced a flat fee for the Theatre Technical and Facility Operations Coordinator
- Cleaning fee changed to a flat fee
- Amalgamated smaller cost items into a consumables charge, projector charge and administrative charge to simplify the fee structure
- Elimination of follow spot operator fee
- Entandem replaces SOCAN to reflect the new royalties agency and fee is based on the tariff charged
- Addition of rehearsal day rate for commercial/private producers
- Addition of a plaza suite fee for renters who have rented the mainstage
- Duty manager moves from 5 hour flat fee to hourly
- Removal of all the advertising pertaining to the Theatre since the house program was eliminated

### New Programs and Services

The programs and services delivered each year fluctuate based on community demand. The fee by-law captures new programs and services that either were added in 2022 or are planned to be added in 2023.

### FINANCIAL IMPACT

The 2023 proposed operating budget will include the following revenue impacts as a result of the fee recommendations in this report.

Recreation Program	Estimated Revenues
<b>Aquatics</b>	\$72,600
<b>Fitness</b>	\$14,100
<b>Skating Programs</b>	\$ 8,600
<b>General Programs</b>	\$26,800
<b>Sports Fields and Parks</b>	\$21,500
<b>Indoor Facilities, film and road closure permits</b>	\$50,300
<b>Sports Dome</b>	\$12,100
<b>Ice Rentals</b>	\$69,600
<b>Advertising</b>	\$ 3,000
<b>Cultural Services Programming</b>	\$ 3,100
<b>RHCPA</b>	\$23,300
<b>Total</b>	<b>\$305,000</b>



The additional revenue projections are primarily based on 2019 user statistics, and are based on an assumption that it will take some time to realize regular participation rates and normal operations due to the continued effects of recovery from Covid-19.

**NOTE:** The Recreation and Culture Division will require the flexibility, similar to 2022, to add new fees and to increase rates and fees accordingly in 2023 as we continue to adapt in order to navigate through the pandemic and post-pandemic recovery.

#### **COMMUNICATION**

The City of Richmond Hill User Fees and Charges By-Law for all departments will be posted on the City website. The rate adjustments in recreation and program service delivery is communicated through the Community Recreation Guide.