



COUNCIL REPORT

To: Mayor and Council

Date: July 11, 2023

From: Paul Gipps, CAO

Subject: **Fees and Charges Bylaw – Recreation and Culture**

Report Prepared by: Erin Goodwin, Facilities and Recreation Manager

RECOMMENDATION to Consider and Resolve:

THAT Council give first, second, and third reading to the City of West Kelowna Fees and Charges Amendment Bylaw No. 0028.77, 2023 (Schedule 12, 13, 13B, 14).

STRATEGIC AREA(S) OF FOCUS

Foster Safety and Well-Being – We will pursue through direct action, advocacy, and collaboration with local and regional service providers, investments in community health, needs-based housing, emergency preparedness, policing, and other services that foster safety and well-being in West Kelowna.

BACKGROUND

The current fee structure and rental rates for Schedule 12, 13, 13B, and 14 of the CWK Fees and Charges Bylaw, expires August 31, 2023. The purpose of this report is to present the newly proposed 2023-2026 fee schedules for Council's consideration for first, second, and third reading.

Staff is proposing a 3% increase to most schedules, except for a few areas that will be identified later in this report. A larger increase of approximately 10% is being proposed for the Johnson Bentley Memorial Aquatic Centre (Schedule 14).

After all proposed amendments, the City of West Kelowna fees will still be some of the lowest rates in the region. The proposed rates were compared to similar programs, venues, and services offered by other municipalities, including, but not limited to Penticton, Kelowna, Vernon, and Kamloops.

Below is a summary of the proposed amendments related to each Schedule.

CWK Drop-In Program Rates (Schedule 12)

Staff is proposing the following amendments for Schedule 12 to take effect September 1, 2023 and expire August 31, 2026.

- **General increase of 3% on all rates.**
- **Create and merge general admission rates for adult, child, youth, seniors, and family.**

Schedule 12 had multiple categories for adult, youth, and seniors programs, but the fee structure was the same. To clean up the number of categories, a general admission rate for all adult, child, youth, senior, and family programs was created.

- **Remove program pricing formula.**

The pricing formula for registered programs was created to ensure that costs associated with running the program were being recovered. This becomes challenging when trying to offer programs that may be valuable to our community but have low registration numbers. Lower registration can result in higher fees when trying to recover the costs of running a program. Cultural and art programs tend to have lower registration numbers than some of our mainstream programs, such as drop-in sports, yoga, or fitness.

While the pricing formula will still be used to help determine registration fees, staff will also take into consideration revenue generated from the more popular programs to help offset costs associated with some of the lower registration programs. This will allow the City to offer more diverse programs without the increasing registration rates.

Removing the program formula will have little to no impact to City of West Kelowna revenues or costs.

CWK Recreation Facility and Park Rates (Schedule 13)

Staff is proposing the following amendments for Schedule 13 to take effect September 1, 2023, and expire August 31, 2026.

- **General increase of 3% on all rates.**
- **Lakeview Community Hall: Day Rental Rates have been added.**
- **Mount Boucherie Community Hall: Delete from bylaw and bring forward in the future.**

The Mt Boucherie Community Hall rates will need to be established and amended after the building has been converted from a City Hall back into a

Community Centre. This amendment will be brought back to Council for consideration, after renovations to the facility have been completed.

- **Mt Boucherie Arena: Adult Summer Rate**

Adult rates for Mt Boucherie Arena are typically twice the cost of the youth rate. Over the past couple years, the City has seen more requests for summer adult ice programs. As a result, an adult rate has been added to Schedule 13.

- **Mt Boucherie Arena: Event Floor Installation Rate**

The City always charges the renter for the forklift that is required to complete the dry floor installations. The new rate now includes the costs to rent the forklift. This is typical to what other Municipalities are doing with dry floor rentals. Even after the increase, the City dry floor rental rates are still some of the lowest rates in the region.

- **Sport Field Class C Rates**

The City Class C Field rates are slightly higher than other municipalities. As a result, staff is recommending to hold the rate to \$5 over the next 3 years. At the end of the three years, the City should be equal to or lower than other municipal Class C field rates.

- **Multipurpose Sports Dome: Youth Rate added.**

To encourage and support youth programs, the recreational industry typically has a reduced youth rate for most fees and charges. Traditionally the City's youth rate is 50% of the adult rate. To ensure that the Multipurpose Sport Dome is in line with other City fee structures at other recreational facilities, a youth rate has been added.

- **Multipurpose Sport Dome: Commercial Rate added.**

Westbank Lions Community Centre (Schedule 13B)

Staff is proposing the following amendments for Schedule 13B to take effect September 1, 2023 and expire August 31, 2026.

- **General increase of 3% on all rates.**

- **Day Rate Language Added**

Any rental that was 4hrs or more received a maximum lump sum rate. The old language of 3hr+ has been removed and replaced with "day rate".

- **Damage Deposit:**

The damage deposit was \$250 for all rentals, regardless of the number of people attending. Larger events have higher risk of damage. It is being proposed that the damage deposit increase, based on number of people associated with the rental.

Number of People	Damage Deposit
0-49	\$250
50-99	\$350
100-199	\$500
200+	\$750

Johnson Bentley Memorial Aquatic Centre (Schedule 14)

Staff is proposing the following amendments for Schedule 14 to take effect September 1, 2023 and expire August 31, 2026.

- **General increase of approximately 10% on all rates.**

JBMAC is a 6 lane aquatic centre with a hot tub and small fitness centre. It is very unique in the fact that there are very few pools in our region that it can be compared to. One pool that has been used in the past is located in Kamloops. It too is a 6 lane aquatic centre with hot tub and small fitness centre.

The proposed rate increase for Schedule 14 will see JBMAC rates closer to what this Kamloops pool is currently offering. Although this is an increase of approximately 10%, the fees will still be some of the lowest rates in the region.

Operational costs for JBMAC continue to go up and lifeguard wages for JBMAC are some of the lowest in the area. As a result, wage and other budget increases will need to be implemented into future operational budgets to ensure JBMAC can retain staff and keep the facility operational.

The City of West Kelowna currently is using approximately \$56,000 from the Covid 19 subsidization money to help balance JBMAC operational budget. This subsidy will no longer be available, after 2023.

A 10 % increase in fees will result in approximately \$70,000 in additional revenue. This additional revenue will help offset the anticipated increases to wages and other operational costs for the facility. Without the 10% increase in fees, the City would have to subsidize the additional shortfall or make budget cuts to ensure a balanced budget can be achieved.

FINANCIAL IMPLICATIONS

It is anticipated that the proposed schedule rate structures will generate about \$100,000 in additional revenue. Although additional revenue will be generated, operational costs will also increase. As a result, the proposed rate structure will have little to no financial implication to the City.

Alternate Recommendation to Consider and Resolve:

That Council direct staff to amend the bylaw under consideration.

REVIEWED BY

Lisa Siavashi, Financial Services Manager / Deputy CFO

APPROVED FOR THE AGENDA BY

Paul Gipps, CAO

Powerpoint: Yes No

Attachments:

City of West Kelowna Fees and Charges Amendment Bylaw No. 0028.77, 2023