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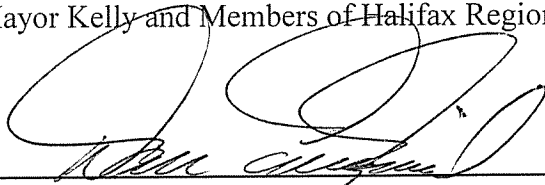


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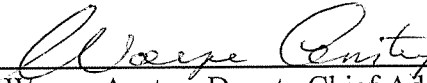
Halifax Regional Council
April 18, 2006

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY:



Dan English, Chief Administrative Officer



Wayne Anstey, Deputy Chief Administrative Officer

DATE: January 18, 2006

SUBJECT: Increase to User Fees on Sport Fields

ORIGIN

Staff and the Sport Field Advisory Committee.

RECOMMENDATION

It is recommended that :

Council approve an increase to the user fees charged for access to HRM sport fields as per the terms and conditions outlined in the body of this report.

BACKGROUND

In 1999 Council approved the implementation of user fees for the use of sport fields and ball diamonds in an effort to support an increase in maintenance service levels on these HRM outdoor facilities. At the request of Council, an Athletic Advisory Committee was also created to work cooperatively with staff and to represent the interests of the sport community.

In 2003, Real Property Operations introduced a servicing plan for sport fields. The plan focussed primarily on improving the condition of the sport field infrastructure as well as to maintaining HRM facilities to specified service standards. In addition to this commitment, resources were realigned, staff were trained, grass cutting services were outsourced, specialized equipment purchased, turf rehabilitation program for fields was developed, and a new work order system to record, schedule and action work requests was introduced.

As a result, there has been a marked improvement in the condition of HRM sport field facilities and an improvement in the delivery of service. Users have indicated their approval through their responses to customer feedback surveys and through several meetings held with soccer club representatives. Staff reestablished a Sport Field Advisory Committee to represent the interests of the soccer community, the primary use group of HRM sport fields. The committee is made up of 13 members; 4 HRM staff who play supporting roles in the delivery of service to sport fields and 9 members who are representative of various soccer clubs/leagues within HRM.

The current level of service provided is funded through both the operating and capital budgets of Transportation and Public Works Services with only a small offset offered through the collection of user fees. In order to continue to provide the enhanced services needed to properly maintain the sport field infrastructure additional funding is needed. The Sport Field Advisory Committee has been consulted and supports the need to increase user fees.

DISCUSSION

HRM has demonstrated to the users of the sport fields its commitment to maintenance and improvement of the sport field infrastructure. In order to continue to support the servicing strategy, HRM needs to bring the user fees more in line with actual service delivery costs. The Mainland Common All-Weather facility has a fee structure that generates appropriate revenues in order to sustain the operational costs as well as to manage the capitalization costs of the facility. The recommended increase in user fees will provide additional revenue to support the overall servicing strategy of natural field turf improvement through improved sustainable maintenance practices such as topdressing and over seeding.

Total revenue generated from the soccer community in 2005, with the existing fee structure, was approximately \$40,600 based on approximately 17,440 hours of total use. This represents a very small percentage of the servicing costs to HRM's sport field inventory based on current service standards.

The Sport Field Advisory Committee recommends and supports the implementation of a user fee rate increase structured over a three year period provided that the revenue generated is used to support field maintenance. This phased in approach will allow the various users the appropriate amount of time to make the necessary budgetary preparations.

The new fees would be implemented as follows:

Year 1 (2006)	An introduction to user fees on "D" classified sport fields of \$3.00/hr for minor users and \$6.00/hr for adult users. All other classified fields receiving a \$3.00/hr increase to existing rates.
Year 2 (2007)	An increase of \$3.00 applied across the board to all sport fields.
Year 3 (2008)	An increase of \$3.00 applied across the board to all sport fields.

In 2008, the Sport Field Advisory Committee and HRM staff will reassess the fee structure and make additional recommendations for the future.

The Sport Field Advisory Committee is prepared to support the recommended increase and address concerns that may arise from the clubs they represent. The Committee feels that the fee increase will be generally accepted in order to continue to support the overall servicing plan for HRM sport fields.

BUDGET IMPLICATIONS

The increased revenue generated will support existing operational budget expenditures for service delivery to sport fields. The increased revenue will be adjusted in the 2006/07 operating budget for Transportation and Public Works W181 - Sport Fields, Playground and Green Belts. The revenues will offset increased operational costs to section including labour and materials. Please refer to the attached table for detailed revenue calculations.

Gross revenue will increase from \$59,769.00 in 2005/06 to \$115,120.50 in year one, 2006/07
Gross revenue in year two (2007/08) will increase to \$170,131.50
Gross revenue in year three (2008/09) will increase to \$225,142.50

FINANCIAL MANAGEMENT POLICIES / BUSINESS PLAN

This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating, Capital and Reserve budgets, policies and procedures regarding withdrawals from the utilization of

Capital and Operating reserves, as well as any relevant legislation.

ALTERNATIVES

1. Council could instruct staff to continue with the existing fee structure.

This is not the recommended alternative as maintaining the current fee structure will not provide the needed funds to continue to provide the servicing strategy. This would increase the time line for HRM to achieve the goal of infrastructure improvements. Over time the reduced level of maintenance services that would result from decreased available funds would result in an increase to the capitalization costs for our facilities.

2. Council could instruct staff to consult further with the Sport Field Advisory Committee to recommend a different fee structure.


This is not the recommended alternative as staff believe there would be no additional tangible benefit that could be negotiated over the proposed fee structure.

ATTACHMENTS

Fee Structure Table
Gross Revenue Calculations Table

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/cagenda.html> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

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USER FEE STRUCTURE TABLE

SPORT FIELD CLASSIFICATION	2005 FEES (HST included)		2006 FEES (HST Included)		2007 FEES (HST Included)		2008 FEES (HST included)	
	Adult	Minor	Adult	Minor	Adult	Minor	Adult	Minor
A	\$9.00/hr	\$ 4.50/hr	\$12.00/hr	\$ 7.50/hr	\$15.00/hr	\$10.50/hr	\$18.00/hr	\$ 13.50/hr
B	\$8.00/hr	\$ 4.00/hr	\$11.00/hr	\$ 7.00/hr	\$14.00/hr	\$10.00/hr	\$17.00/hr	\$13.00/hr
C	\$7.00/hr	\$ 3.50/hr	\$10.00/hr	\$ 6.50/hr	\$13.00/hr	\$ 9.50/hr	\$16.00/hr	\$12.50/hr
D	No charge	No charge	\$ 6.00/hr	\$ 3.00/hr	\$ 9.00/hr	\$ 6.00/hr	\$12.00/hr	\$ 9.00/hr

January 10/06
/amw



REVENUE CALCULATIONS TABLE

***Includes all sport field usage (Soccer, Football, Touch Football, Rugby, etc)*

Classification Level	2005 Minor Hours of Use	2005 Adult Hours of Use	2005 Total Revenue
A	\$4.50 /hr x 852 hours = \$ 3,834.00	\$9.00/hr x 142 hours = \$1,278.00	\$5,112.00
B	\$4.00/hr x 8,173 hours = \$32,692.00	\$8.00/hr x 468 hours = \$3,744.00	\$36,436.00
C	\$3.50/hr x 4,993 hours = \$1,7476.50	\$7.00/hr x 105 hours = \$ 735.00	\$18,211.50
D	\$ 0.00 x 3,487 hours = \$ 0.00	\$ 0.00 x 117 hours = \$ 0.00	\$0.00
Total Revenue	\$ 54,002.50	\$ 5,757.00	\$ 59,759.50

Classification Level	2006 Minor Hours of Use	2006 Adult Hours of Use	2006 Total Revenue
A	\$7.50 /hr x 852 hours = \$ 6,390.00	\$12.00/hr x 142 hours = \$1,704.00	\$8,094.00
B	\$7.00/hr x 8,173 hours = \$57,211.00	\$11.00/hr x 468 hours = \$5,148.00	\$62,359.00
C	\$6.50/hr x 4,993 hours = \$32,454.50	\$10 .00/hr x 105 hours = \$1,050.00	\$33,504.50
D	\$3.00/hr x 3,487 hours = \$1,0461.00	\$ 6.00/hr x 117 hours = \$ 702.00	\$11,163.00
Total Revenue	\$ 106,516.50	\$ 8,604.00	\$115,120.50

Classification Level	2007 Minor Hours of Use	2007 Adult Hours of Use	2007 Total Revenue
A	\$10.50 /hr x 852 hours = \$ 8,946.00	\$15.00/hr x 142 hours = \$2,130.00	\$11,076.00
B	\$10.00/hr x 8,173 hours = \$81,730.00	\$14.00/hr x 468 hours = \$6,552.00	\$88,282.00
C	\$ 9.50/hr x 4,993 hours = \$47,433.50	\$13.00/hr x 105 hours = \$1,365.00	\$48,798.50
D	\$ 6.00/hr x 3,487 hours = \$20,922.00	\$ 9.00/hr x 117 hours = \$1,053.00	\$21,975.00
Total Revenue	\$ 159,031.50	\$11,100.00	\$170,131.50

Classification Level	2008 Minor Hours of Use	2008 Adult Hours of Use	2008 Total Revenue
A	\$13.50 /hr x 852 hours = \$ 11,502.00	\$18.00/hr x 142 hours = \$2,556.00	\$14,058.00
B	\$13.00/hr x 8,173 hours = \$106,249.00	\$17.00/hr x 468 hours = \$7,956.00	\$114,205.00
C	\$12.50/hr x 4,993 hours = \$ 62,412.50	\$16.00/hr x 105 hours = \$1,680.00	\$64,092.50
D	\$ 9.00/hr x 3,487 hours = \$ 31,383.00	\$12.00/hr x 117 hours = \$1,404.00	\$32,787.00
Total Revenue	\$ 211,546.50	\$13,596.00	\$225,142.50