

THE TOWN OF MORDEN

POLICY & PROCEDURES MANUAL

<i>Reference</i> Community Services	<i>Classification</i> Policy
<i>Subject</i> Rates and Charges	<i>Pages</i> 6
<i>Authority</i> Council	<i>Effective Date</i> April 10, 2006
<i>Approved</i> October 12, 2004 – Resolution #21 Amended - April 10, 2006 – Resolution #9.2	<i>Index</i> C/S-003

1) PURPOSE:

To establish an appropriate source of funding to the Town of Morden (hereinafter called the “Town”) for the provision of municipal leisure facilities/services. The objectives of this policy are:

- a) To ensure that those who benefit from Town facilities/services pay a fair and equitable share of the costs of such facilities/services.
- b) Notwithstanding a) above, to further ensure access to facilities/services by all residents including the economically disadvantaged and special needs individuals.
- c) To ensure that a system is implemented whereby first priority for the use of Town facilities/services is given to local residents, and to those groups/individuals whose use will provide the greatest possible benefit to the community-at-large.
- d) To recognize that encouraging youth access to structured and unstructured Town facilities/services is a significant benefit to the community-at-large.
- e) To ensure that consideration is given to the impact that approved rates and charges may have on comparable private sector facilities/services, and that further ensures commercial uses of Town facilities/services are not unfairly subsidized by the Town.

2) PRINCIPLES:

In order to facilitate a reasonable rate structure, the following operating principles have been adopted as the foundation for this policy:

- a) Cost recovery of operating expenses shall form the primary basis for the setting of all facility rental rates and program registration fees.

- b) A benefits based approach that allows value judgements to be made regarding the perceived level of public good that will be realized as a result of a specific rental/service shall also be used.
- c) All budgeted expenses attributable to each category shall be considered when establishing rates and charges.

3) DEFINITIONS:

For the purpose of this policy the following definitions shall apply:

- a) Adult – all individuals of age 18 years and over.
- b) Adult Rental Rate (Local) – the rate applied for rental of facilities or provision of services where 50% or more of the group using these facilities/services is comprised of adults, and where 50% or more of the group permanently reside in Morden. In most instances, the Adult Rental Rate (Local) that is applied in each category will be approximately 70% of the approved Base Hourly Rental Rate in that category.
- c) Adult Rental Rate (Non-Local) – the rate applied for rental of facilities or provision of services where 50% or more of the group using these facilities/services is comprised of adults, and where less than 50% of the group permanently reside in Morden. In most instances, the Adult Rental Rate (Non-Local) that is applied in each category will be approximately 80% of the approved Base Hourly Rental Rate in that category.
- d) Base Hourly Rental Rate - a single rental rate which, when applied to a formula, determines all other rates and charges that will be applied within each individual category. Typically the Base Hourly Rental Rate applied in each category is derived from calculations that consider all Fixed Costs attributable to the individual category.
- e) Category – any grouping of similar types of uses, and in similar areas of the Community Services Department facilities, whether they include facility rentals and/or service delivery.
- f) Commercial Rate – the rate applied for rental of facilities or provision of services where the agency using these facilities/services can be defined as being “for profit”. The Commercial Rate that is applied in each category will be 100% of all Fixed Costs in each category.
- g) Drop-in Program - a Community Services Department sponsored activity that allows the participant to pay the general admission rate at the time of the program without pre-registering. The program may be self-directed or require an instructor.
- h) Eleventh-Hour Clause – a clause in this policy that allows last minute or drop in ice renters to book the ice at the applicable “Non-Prime Time” regular rate or the “Non-Prime Time” Youth rate.

- i) Family Skating Pass – a pass that can be purchased and that allows families to pre-pay public skating admission.
- j) Fixed Costs - the fixed hourly operation costs required to provide the rental space i.e.: administration, maintenance of the facility, utilities, insurance and janitorial services.
- k) General Admission Rate - the rate charged for each participant in drop-in activities occurring in one visit per day during open public hours.
- l) Non Prime Time Rate – the rate applied to all ice use during the following times:
 - 1. Monday through Friday between 6:30am and 3:30pm while local schools are in session,
 - 2. Sunday mornings between 6:30am and 12:00noon between the months of September through June,
 - 3. All evening uses that begin at 10:00pm or later.

This rate does not apply during statutory holidays, tournaments and/or development camps, or to Commercial users.
- m) Program Costs - the variable costs of providing the programs of the Community Services Department i.e.: instructors, materials and supplies, administration, advertising and registration services.
- n) Registered Program - a Community Services Department sponsored activity requiring a predetermined minimum number of participants to run, and which requires the participant to commit to their participation by pre- registering and/or paying before the program commences. Usually the program requires an instructor or leader.
- o) School Rental - a school class or classes under the supervision of a teacher during regular school hours that uses recreation facilities as a part of a school program.
- p) Special Event - a large occasional event hosted and sponsored by the Town or an outside not-for-profit organization, and which utilizes Town facilities/services i.e.: tournament, meet, trade show, concert, circus, etc.
- q) Special Event Rate – rates for special events shall be comparable to the Commercial Rate. Groups eligible for this rate may qualify for a grant from the Town of Morden that can be used to offset the costs for hosting the event.
- r) Youth – all individuals under 18 years of age.
- s) Youth Rental Rate (Local) – the rate applied for rental of facilities or provision of services where 50% or more of the group using these facilities/services is comprised of youths, and where 50% or more of the group permanently reside in Morden. In most

instances, the Youth Rental Rate (Local) that is applied in each category will be approximately 45% of the approved Base Hourly Rental Rate in that category.

- t) Youth Rental Rate (Non-Local) – the rate applied for rental of facilities or provision of services where 50% or more of the group using these facilities/services is comprised of youths, and where less than 50% of the group permanently reside in Morden. In most instances, the Youth Rental Rate (Non-Local) that is applied in each category will be approximately 55% of the approved Base Hourly Rental Rate in that category.
 - u) Youth Minor Sport Organization - an organized group that rents facility space to provide sport/recreation opportunities to participants less than 18 years of age, and under adult supervision (usually a coach).
- 4) PROCEDURE:
- a) Rental rates for the arena ice, arena dry floor, and community hall and sports fields shall be determined by establishing a Base Hourly Rental Rate for each category. All approved rental rates shall apply to one-hour time increments, unless otherwise noted.
 - b) Rates and charges for Registered Programs shall be established by:
 - a. determining all applicable Program Costs
 - b. dividing these costs among a minimum number of participants.
 - c) Rates and charges for Drop-In Programs shall be established by conducting market research and identifying what neighboring communities charge for similar services. The rate established shall generally be aligned in the mid range of the survey results.
 - d) All other rates and charges shall be determined on an individual basis.
 - e) In instances where the schools/classes of Western School Division # 47 rent Community Services Department facilities or use Community Services Department services, Western School Division # 47 shall only be invoiced for those costs that are not identified within the content of the Joint Use Agreement that exists between Western School Division # 47 and the Town of Morden.
 - f) In order to remain competitive with local business and non-profit agencies, a combination of Market Value and loading capacity shall be used to establish rental rates where applicable.
 - g) Registered Program fees shall be program specific and these fees shall be set to recover 100% of the expected Program Costs. In setting these fees, consideration is also given to the current market value of the individual program.
 - h) In order to recover some of the replacement costs for equipment and supplies owned by the Town of Morden which are periodically loaned out for community use, i.e. tables, PA

system, stage lighting, photocopying, and faxing services, a series of miscellaneous rates and charges shall be established for use of these equipment/services.

- i) In order to qualify for rental of ice under this “Eleventh-Hour” clause, the ice time being rented must not begin more than:
 - a. 48 hours later than the time that the rental request is made if the request is made from Monday through and including Thursday of each week, or
 - b. 72 hours later than the time that the rental request is made if the request is made on Friday only of each week
- j) All ice time rented under the “Eleventh-Hour” clause must be paid in advance of the intended use.
- k) All facility rentals arrangements are to be made during regular Monday to Friday Recreation Centre office hours only. On-duty maintenance and/or evening staff are not authorized to accept or otherwise authorize facility rental requests.

5) EXCEPTIONS:

In fairness to all Morden residents, the Community Services Department shall not deviate from the approved rates by providing reduced rates or free access for use of facilities for any individuals or groups.

Notwithstanding the above, the Director of Community Services shall have a limited, discretionary authority to establish special promotional rates for the purposes of promoting planned marketing initiatives and/or accommodating unexpected and unusual facility booking requests. The Director shall be responsible for keeping Council apprised of all such occurrences.

6) IMPLEMENTATION:

- a) The Director of Community Services shall recommend the following to Council for their approval on an annual basis:
 - Base Hourly Rental Rate proposals for each rental area, which, once approved, shall automatically trigger adjustments to the related category rates.
 - All other rate proposals that require adjustment.
- b) Rates and Charges recommendations shall be included as part of the annual Community Services Department budget submission in order to ensure that these recommendations can be considered during the budget deliberations. All approved rates shall become effective at the beginning of April, at which time traditional Spring program and rental use cycles begin.

- c) The Director of Community Services shall be responsible for ensuring that all approved rates are properly applied.