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**TO:** GENERAL COMMITTEE


**SUBJECT:** RECREATION REACCESS SUBSIDY PROGRAM REVIEW

**WARD:** ALL

**PREPARED BY AND KEY CONTACTS:** S. LEE YOUNG, MANAGER OF RECREATION PROGRAMS, EXT 5166  
T. TURNER, MANAGER OF BUSINESS SERVICES, EXT 5187

**SUBMITTED BY:** B. ROTH, DIRECTOR OF RECREATION SERVICES, EXT 4510 

**GENERAL MANAGER APPROVAL:** P. ELLIOTT-SPENCER, GENERAL MANAGER OF COMMUNITY & CORPORATE SERVICES, CPA, CMA 

**CHIEF ADMINISTRATIVE OFFICER APPROVAL:** C. LADD, CHIEF ADMINISTRATIVE OFFICER 

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**RECOMMENDED MOTION**

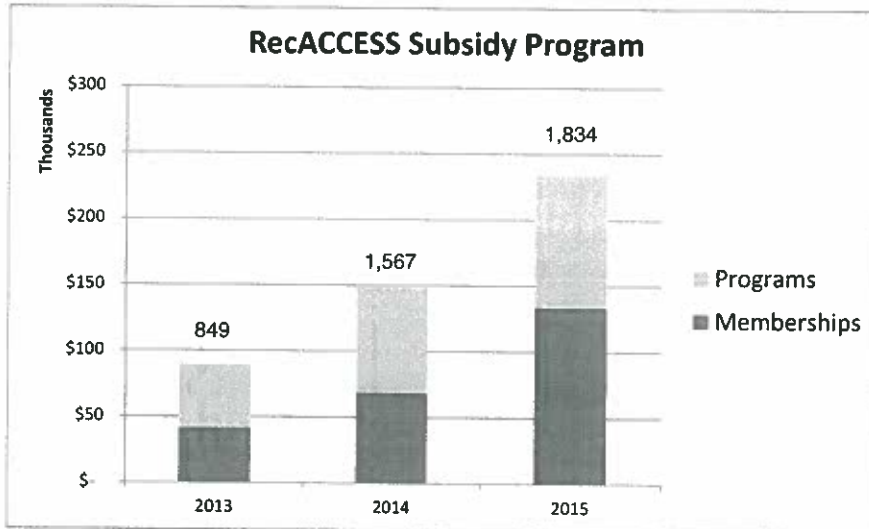
1. That the RecACCESS subsidy program be revised for 2017 to provide the following subsidies to fully qualified and partially qualified participants.
  - a) Fully qualified participants – RecPASS membership (\$424.80 value per individual or \$658.40 per family) if desired, plus an additional \$150.00 subsidy for youth, to be used for qualified registered programs.
  - b) Partially qualified participants – RecPASS membership (\$424.80 value) if desired, plus an additional \$75.00 subsidy for youth, to be used for qualified registered programs.
2. That the City set an annual upset limit of \$135,000 of RecACCESS subsidy awarded for registered programs for RecACCESS participants, on a first come first serve basis.

**PURPOSE & BACKGROUND**

3. The RecACCESS subsidy program was introduced in 2013 as an outcome of the 2012 Recreation Programs and Facilities Service Review outlined in Staff Report LTF004-12 with the intent of utilizing excess capacity spots with no direct cost to the City. RecACCESS is a fee assistance program that provides support to low-income families and individuals in the City of Barrie, and provides the opportunity for all residents to access recreation programs and activities, regardless of their financial situation.
4. Since its inception in 2013 the program has grown significantly, resulting in the following review and analysis being completed to ensure the program is functioning as intended with sufficient excess capacity available to allow RecACCESS participants to enrol in registered programs without displacing paying customers.
5. If a RecACCESS participant enrolls in a membership or registered program, the associated revenue and subsidy expense are recognized, with a net zero impact to the City and the tax base. However, if a RecACCESS participant enrolls in a registered program and takes a spot from a paying customer, the City has lost the revenue opportunity. To ensure the City mitigates against the risk of lost revenue, the following review and analysis has been completed.

**ANALYSIS**

6. The following chart illustrates the growth of the RecACCESS program since 2013.



7. Usage of the RecACCESS program over the period of 2013 – 2015 indicates that 53.0% has been used towards RecPASS memberships, and 47.0% towards registered programs. Memberships are deemed to be true excess capacity as the expenses to operate the fitness centres and drop-in programs are already incurred to provide service to all RecPASS holders. There is currently no risk of additional RecPASS members resulting in additional costs to the City.

8. Alternatively, the increase in registered program usage (\$47,782 in 2013 to \$100,036 in 2015) has resulted in the increased risk of RecACCESS participants displacing paying customers. In addition, registered program utilization has increased since 2013, resulting in less excess capacity spots available.

9. The following represents utilization for registered programs from 2013 – 2015.

	Q1	Q2	Q3	Q4	Total
2013	68.1%	68.3%	75.3%	82.0%	73.6%
2014	79.5%	78.4%	83.2%	69.4%	78.7%
2015	80.3%	79.5%	81.8%	74.3%	79.2%

10. The combination of increased participation in the RecACCESS program and increased utilization in registered programs overall has resulted in the increasing potential of lost revenue for the City. To minimize this risk, the RecACCESS program will need to be adjusted to shift subsidies being utilized for registered programs towards RecPASS memberships and maintain the initial intent of the program to provide recreation activities within excess capacity at no additional cost to the City.

11. Therefore, it is recommended to provide every fully and partially qualified RecACCESS participant with a RecPASS membership (\$424.80 value per individual or \$658.40 per family) if desired, plus an additional \$150.00 for fully qualified, and \$75.00 for partially qualified youth participants to use towards qualified registered programs.

The total subsidy provided to RecACCESS participants will be of a greater value than the current program, and allow all participants to have unlimited access to our fitness centres and drop-in programs. Also, youth participants will continue to have subsidies available to be used towards qualified registered programs.

12. In addition, it is recommended the City set an annual upset annual limit of \$135,000 of RecACCESS subsidy awarded for registered programs to ensure that the City limits the risk of displacing paying customers as the program continues to grow.
13. In 2015, RecACCESS participants used \$100,036 in subsidies towards registered programs. With the proposed changes subsidies for registered programs are reduced and restricted to youth, as both adults and youth will have unlimited access to drop-in programs through the RecPASS membership. This is anticipated to contain subsidies awarded for registered programs to the cap of \$135,000.
14. The \$135,000 award limit for registered programs is not expected to impact current eligible participants. However, it will ensure the City stays within the original prescribed commitment to the program as identified in the annual budget if the subsidy program grows significantly in the future.
15. If the annual limit is reached, qualified RecACCESS participants will be awarded in the following calendar year. The annual limit will be monitored and reviewed annually to determine if further revisions to the cap and subsidy program are required.
16. No annual restriction is recommended to be placed on the award of RecPASS memberships as the recreation centres currently have capacity to accommodate all participants.

#### Additional Measures

17. Through the review of the RecACCESS subsidy program, the following measures have also been identified and corrected.
  - a) Eligible supporting documentation through the application process was updated to ensure family income verification. Previously, the T4 Notice of Assessment was accepted as proof of income, however did not confirm total family income. This document is still accepted, but additional documents must be provided to verify total family income.
  - b) All RecACCESS participants must provide a payment method for taxes on HST eligible RecPASS memberships or registered programs (over 14 years).
  - c) Low Income Cut-Off (LICO) limits have been updated to reflect the correct levels as provided by Statistics Canada for the population of the City of Barrie in the 100,000 – 500,000 grouping. This has resulted in minimal changes to the previous LICO amounts.

#### ENVIRONMENTAL MATTERS

18. There are no environmental matters related to the recommendation.

#### ALTERNATIVES

19. The following alternatives are available for consideration by General Committee:

**Alternative #1**

General Committee could continue with the current RecACCESS program and awarded subsidies.

This alternative is not recommended as the risk of displacing paying customers would be increased resulting in additional pressure on the tax base.

**FINANCIAL**

20. There are no direct financial implications as a result of the proposed recommendation; however the Recreation Services department has intended to minimize the potential risk of lost revenue opportunities through the administration of the RecACCESS subsidy program.

**LINKAGE TO 2014-2018 STRATEGIC PLAN**

21. The recommendation(s) included in this Staff Report support the following goals identified in the 2014-2018 Strategic Plan:
- Responsible Spending
  - Inclusive Community
22. The adjustments to the RecACCESS subsidy program are intended to continue providing the opportunity for all residents to access recreation activities, and maintain fiscal responsibility to our taxpayers.