

*It's Your Money, Its Your Choice, Its Our Future, Let's Talk*

# pricingstudy 2011



## Frequently Asked Questions:

### **What is a Pricing Study?**

The study is a comprehensive review that combines the examination of: current rates and program categories; best practices of other municipalities; and financial data; resulting in recommendations for a new pricing framework that ensures Mississauga can continue to provide, healthy, active recreation programs and services for all residents.

### **Why is the Recreation & Parks Pricing Study necessary?**

In past years, the City updated its fees by adding a routine, annual percentage to cover inflation. The new pricing framework accounts for the actual cost for delivering the program or service including capital replacement costs. This accurate information will help Council better determine what subsidy through taxes is appropriate while also maintaining community access to the benefits of active, healthy living.

### **Is this study similar to the City of Toronto's service review?**

No. The Recreation and Parks Pricing Study is not intended to reduce or eliminate services in order to reduce a budget deficit. Our study's objective is to proactively develop and implement a simplified and streamlined pricing framework that is financially sound and that will ensure financially sustainable services in the future.

### **What are the benefits of the pricing study?**

The new Recreation and Parks pricing framework will enable the City to provide access to recreation programs and services through user fees in balance with funding from taxes. It will also enable the City to set fees in an understandable way and streamline pricing so that the City can more effectively anticipate program demand and meet resident needs for future programs and services. Residents will now be able to more easily compare programs and assess value.

### **What factors were considered in developing the draft recommendations for the new Recreation & Parks Pricing Study?**

As part of the review, staff researched pricing policies in other municipalities and developed a number of key assumptions and principles which include but are not limited to: user fees reduce reliance on taxes to fund programs and services; fees must be set knowing what the full cost of the service is; the method and rationale for setting fees must be clear and understandable for everyone; and fees will be reviewed regularly to ensure that they meet financial targets as well as the City's goal of encouraging active, healthy living for all residents.

### **How will pricing be affected?**

The City has reviewed fees for all Recreation and Parks programs and services and, as a result, is proposing to introduce a pricing structure that will consolidate 256 unique fees to 34 hourly fees providing all residents with an increased ability to compare program price and value. A number of residents will experience a decrease in price while others will experience an increase in the cost of particular programs.

Overall, the pricing study recommendations, based on cost recovery, will result in an average increase of 3.7 per cent in user fees for the programs and services that are within the scope of the review. Please see the Recreation and Parks Pricing Study website ([www.mississauga.ca/pricingstudy](http://www.mississauga.ca/pricingstudy)) for more detail about specific programs or services.

### **Who will be impacted by the proposed new pricing?**

Most users of the City's recreation programs will experience a change in pricing (an increase or decrease). Some specific groups including older adults, persons with disabilities and students/youth will continue to receive a membership discount at a standard rate of 20 per cent. Older adult discounts will be applied to residents 65 years of age or more. Fees for sports fields are proposed to move to an hourly rate affecting groups who use these facilities and meeting room rates will be simplified and consolidated from 80 to 18 hourly rates.

### **When will changes to fees be implemented?**

If approved by Council in December, the report's recommended changes to fees will be considered as part of the City's 2012 and 2013 business planning and budget process and implemented over the course of 2012 and 2013.

### **How can I provide my comments on the proposed new pricing framework and implementation plans?**

"Let's talk" public engagement sessions will provide residents an opportunity to provide feedback on the proposed Recreation and Parks Pricing Study recommendations. Sessions are scheduled in November. Residents are also invited to provide comments online at [www.mississauga.ca/pricingstudy](http://www.mississauga.ca/pricingstudy). or call 905-615-3200, ext. 4773. Also see the website for more detail about the study, public information sessions and background information.

### **What are the next steps and when?**

The project timelines and opportunities to provide input are:

October 26	Council received draft Recreation and Parks Pricing Study recommendations
November 7 to 9	Public engagement sessions
November 16	Study recommendations to Budget Committee
December	Final report to Council
January/February	Sport Field User Information Session