



City of
Peterborough

TO: Members of the Arenas Parks and Recreation Advisory Committee

FROM: Rob Anderson, Recreation Division Coordinator

MEETING DATE: November 16, 2010

SUBJECT: Report APRAC10-034
Recreation Program and Membership Fee Subsidies

PURPOSE

A report to inform the Arenas Parks and Recreation Advisory Committee of the City's fee subsidies available for children's Recreational Programming and for the Peterborough Sport and Wellness Centre Memberships, and to request input regarding proposed amendments to the eligibility requirements and maximum subsidy levels.

RECOMMENDATIONS

That the Arenas Parks and Recreation Advisory Committee endorse the recommendations outlined in Report APRAC10-034 dated November 16, 2010, of the Recreation Division Coordinator, as follows:

- a) That the eligibility criteria and maximum subsidy levels for the Recreation Program Fee Subsidy and Peterborough Sport and Wellness Centre Membership Fee Subsidy be amended, as follows:
 - i) That low-income cut-off levels be established based on family size; and
 - ii) That maximum subsidy levels be determined based on a combination of family size and the associated low-income cut-off level, as identified in Report APRAC10-034.
- b) That input be provided to staff regarding the proposed amendments.

BUDGET AND FINANCIAL IMPLICATIONS

The anticipated increased costs associated with the endorsement of the recommendations of Report APRAC10-034 can be accommodated within the Recreation Administration Division and the Peterborough Sport and Wellness Centre approved operating budgets.

BACKGROUND

The Community Services Department offers the following two types of recreation fee subsidies:

- A Recreation Program Fee Subsidy to provide opportunities for children of low-income families to participate in organized community recreation and sport activities.
- A Membership Fee Subsidy for the Peterborough Sport and Wellness Centre (PSWC), to assist low-income families and individuals (including adults) with the cost of various types of memberships offered at the PSWC.

Recreation Program Fee Subsidy History:

The Recreation Program Fee Subsidy was established in 1999, and was funded 100% through the National Child Benefit Supplement (NCBS) reinvestment strategy. The Recreation Program Fee Subsidy offered opportunities for children of low-income families to participate in recreational activities and lessons. Subsidy was issued to a maximum of \$150 per child per year.

To be eligible, the applicant had to meet the following eligibility criteria:

- The applicant and their qualifying child(ren) had to be a resident of the City or County of Peterborough, and;
- The family's annual income had to fall within the low-income cut-off of \$39,000, and;
- The applicant must be able to pay a minimum parental contribution.

In 2002, the annual NCBS contribution of \$61,000 ceased. In response, City Council approved a budget of \$50,000 to ensure the continuation of the Recreation Program Fee Subsidy. The maximum subsidy was reduced to \$100.00 per year per child, with the flexibility to increase the maximum subsidy to \$200, on a case-by-case basis.

The eligibility criteria was amended as follows:

- The applicant and their qualifying child(ren) must be a resident of the City of Peterborough. County residents were no longer eligible.
- The requirement for parents to prove they could make a minimum contribution was removed, as it was posing a barrier to participation.
- The low-income cut-off remained at \$39,000.

NCBS funds became available again from 2004 to 2008, in the amount of \$15,000 annually. During this time period, the NCBS funds enhanced the approved municipal Recreation Program Fee Subsidy budget. Qualifying low-income families from the County of Peterborough could access subsidy through the available NCBS funds only.

In 2005, the municipal Recreation Program Subsidy budget was reduced to \$40,000, while the maximum recreation subsidy per year per child was increased to \$300. That year, the City of Peterborough became a chapter member of the Canadian Tire Jumpstart recreation subsidy program. Funds from Jumpstart enhanced the existing subsidy program by \$1,900. The eligibility criteria for Jumpstart are the same as those of the municipal Recreation Program Fee Subsidy. By 2007, the Canadian Tire Jumpstart funding had surpassed the \$6,000 mark. By 2010, the funding reached \$11,524.

Beginning in 2006, and continuing to present day, the maximum Recreation Program Fee subsidy per year per child is \$200. The eligibility criteria have remained unchanged since 2002.

PSWC Membership Fee Subsidy Program History:

The PSWC opened in 2005. In 2006, the recreation subsidy policy was amended to include a PSWC Membership Fee Subsidy. The Membership Fee Subsidy budget was approved at \$50,000, and was designed to provide a 50% membership fee subsidy to low-income residents of the City of Peterborough. The eligibility criteria for the Membership Fee Subsidy are the same as for the Recreation Program Fee Subsidy.

Eligibility Criteria and Maximum Subsidy:

There are only two eligibility criteria to receive a Recreation Program or PSWC Membership fee subsidy. Applicants must be residents of the City of Peterborough and have a gross annual family income that falls within the low-income cut-off of \$39,000.

Recreation Division Staff have reviewed the two eligibility criteria, and recommend that the low-income cut-off be amended from a flat rate of \$39,000 to a sliding scale model, based on family size. This approach would be consistent with how Statistics Canada determines the low-income cut-off levels. (*Reference: Statistics Canada. Income Research Paper Series, Low Income Cut-offs for 2006 and Low Income Measures for 2005. Statistics Canada Catalogue no. 75F0002MIE, no. 004.*)

Using the Statistics Canada 2006 Low-income Cut-offs for an urban region with a population of 30,000 to 99,999, it would be reasonable to establish the qualifying low-income cut-off levels and related maximum subsidy effective 2011, as follows:

| FAMILY SIZE | LOW-INCOME CUT-OFF | MAXIMUM PROGRAM SUBSIDY (Per child Per yr) | MAXIMUM PSWC MEMBERSHIP SUBSIDY |
|--------------------|---------------------------|---|--|
| Up to 5 | Up To \$39,000 | \$200 | 50% |
| | \$39,001 - \$42,300 | \$100 | 25% |
| 6 | Up To \$42,300 | \$200 | 50% |
| | \$42,301 - \$47,100 | \$100 | 25% |
| 7+ | Up To \$47,100 | \$200 | 50% |
| | \$47,101 - \$51,900 | \$100 | 25% |

Impact On The Municipal Budget:

Amending the eligibility criteria as identified above will increase the number of families and individuals who are eligible to receive subsidies. Since 2007, the net municipal cost to provide the subsidies has been well under the approved budgets. Even with the elimination of the NCBS funding at the end of 2008, and increased advertising in 2010, the Program and Membership subsidy budgets have been under spent.

It appears the currently approved budget levels can support the anticipated increased costs related to amending the subsidy eligibility criteria and maximum subsidy levels. Staff would be pleased to receive input from the Arenas Parks and Recreation Advisory Committee at this time.

SUMMARY

The Recreation Program Fee Subsidy and the PSWC Membership Fee Subsidy provides opportunities for low-income individuals and families to participate in sport, recreation and fitness activities. The eligibility criteria related to defining low-income has been in place since 1999. Amending the eligibility criteria to consider family size when determining low-income cut-off levels and the related maximum subsidy will provide opportunities for a broader range of families, whom require assistance in order to participate in sport, recreation, and fitness activities.

Submitted by,

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