



## STAFF REPORT ACTION REQUIRED

### Amendment to the User Fee Schedule for Golf Fees

<b>Date:</b>	July 29, 2010
<b>To:</b>	Executive Committee
<b>From:</b>	Brenda Patterson, General Manager, Parks, Forestry and Recreation
<b>Wards:</b>	All
<b>Reference Number:</b>	P:\2010\Cluster A\PFR\EX46-081610-AFS#12544

#### SUMMARY

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This staff report is to recommend a minor amendment to Chapter 441 – Fees, of the City of Toronto Municipal Code, to show user fees for golf net of taxes, and introduce a new fee option at the Humber Valley golf course for seniors and adults as a pilot to encourage more play during off-peak times.

The current User Fee Schedule shows golf green fees inclusive of GST (5%). Municipal Code section 441-3 stipulates that all fees are to be stated in the User Fee Schedule net of all taxes. Therefore, this report updates the User Fee Schedule to show Golf fees net of taxes and with a minor rounding adjustment. The rounding adjustment has no net financial impact and accounts for the ability to charge a flat dollar fee to the public.

The Division is also proposing a new discounted fee at Humber Valley Golf Course to increase usage during early morning periods. A 10-round package for early morning 18-hole round will be offered at a discount for senior and adult golfers.

#### RECOMMENDATIONS

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**The General Manager of Parks, Forestry and Recreation Division recommends that:**

1. City of Toronto Municipal Code Chapter 441, Fees, be amended to show the golf fees net of taxes and adjusted for rounding as laid out in Attachment 1 to this report; and

2. City Council approve the introduction of a pilot fee option enabling the purchase of a package of 10 sessions of early morning 18-hole round golf for adults and seniors at the Humber Valley Golf Course for \$212.40, and that the City of Toronto Municipal Code Chapter 441, Fees, be amended to add this fee option.

## **FINANCIAL IMPACT**

Amending the User-Fee schedule and all related appendices of City of Toronto Municipal Code Chapter 441, Fees to show the golf fees net of taxes will not have a financial impact since the fees charged to the public will not change, other than a minor rounding adjustment.

The pilot program introduced at the Humber Valley Golf Course will allow patrons to purchase a package of 10 tickets, each for a round of 18 holes at a discounted price per round. The 10-session package will be priced at \$212.40 or \$240, including taxes, which amounts to a \$40 reduction. The pilot program is anticipated to have a favourable financial impact on golf revenues in 2010 which will be taken into consideration and reported on during the 2011 Operating Budget process.

The Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

## **ISSUE BACKGROUND**

The User-Fee schedule incorrectly shows the golf fees for all of the five city-owned golf courses inclusive of GST (5%). As per City of Toronto Municipal Code section 441-3, fees and charges should not include PST and GST and will be subject to taxes where applicable (now in the form of the HST). As a result, the golf fees should be amended to reflect pre-tax amounts. The golf fees charged to the patrons are rounded to the dollar and hence adjusted for the HST rounding factor. This rounding adjustment would amount to +/- 50 cents for no net impact. This amendment does not significantly change the actual amounts paid by golfers at the City courses.

With respect to the proposed pilot option to purchase a package of tickets for early morning golf at Humber Valley Golf Course, we note this location experiences low capacity utilization during the early morning hours. This course is used only to about 25% potential capacity for the first 1½ hours on weekday mornings (Monday through Friday).

In an attempt to increase utilization, a discounted fee package is proposed as a pilot at the Humber Valley Golf Course. The new fee option will allow patrons to purchase a package of 10 tickets, each for a round of 18 holes at a discounted price per round. This package will be available for seniors and adults for use on the golf course between 6:00

AM and 7:30 AM. The 10-session package will be priced at \$240, including taxes, which amounts to a \$40 reduction. The results of this pilot will inform the 2011 Golf user-fees.

As requested by City Council, at its meeting of July 6, 7 and 8, 2010, through a motion relating to Item CD34.5, entitled “Community User Access to City-run Golf Courses,” a companion report will be submitted to the Community Development and Recreation Committee on options for the implementation of a senior’s card.

## **CONTACT**

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## **SIGNATURE**

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Brenda Patterson,  
General Manager, Parks, Forestry and Recreation

## **ATTACHMENTS**

Attachment 1 – Golf Fees – Amendment Request