



PENINSULA RECREATION COMMISSION
Thursday, February 25, 2021 at 7:00 pm
Greenglade Community Centre, Room 6
2151 Lannon Way, Sidney, BC

AGENDA

1. Approval of Agenda
2. Adoption of Minutes of January 28, 2021 and February 4, 2021
3. Chair's Remarks
4. Presentations/Delegations
5. Commission Business
 - a) December 2020 Year End Financial Report
 - b) Maintenance Update Report
6. New Business
7. Adjournment

Next Meeting – March 25, 2021



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**REPORT TO PENINSULA RECREATION COMMISSION
MEETING OF THURSDAY, FEBRUARY 25, 2021**

SUBJECT **December 2020 Year End Financial Report**

ISSUE SUMMARY

To inform the Commission of the year-end financial data for 2020

BACKGROUND

At its January 28, 2021 meeting, the Peninsula Recreation Commission approved that a portion of the 2020 operating surplus be transferred to reverses to reinstate 2020 transfers reduced in the amended 2020 budget. At the February 4, 2021 special meeting, the Peninsula Recreation Commission recommended to the Capital Regional District Board that the preliminary 2021 budget be updated for the final 2021 budget to carry over the remaining 2020 operating surplus after 2020 transfers are reinstated, to reduce the increase to the 2021 requisition to 2% and to partially restore 2021 transfers to capital

The final operating surplus for the year ending December 31, 2019 was \$672,983. The year-end financials for 2020 are complete and a summary of the operating revenues and expenses for the year are shown in Appendix A. The transfer of \$413,262 to reinstate transfers to reverses is reflected in the attached summary of operating revenues and expenses. The remaining balance of the 2020 operating surplus is \$259,421 to be carried over to 2021 operating.

The operating surplus was a result of the following:

1. \$291,445 from contribution from direct operations
 - \$285,733 additional direct operating revenues
 - plus underspent direct operating expenses of \$5,712
2. \$345,946 from underspent indirect expenses
3. \$39,314 from additional indirect revenues and interest income

Preliminary balance of reserves at December 31, 2020:

Equipment replacement fund (ERF) \$985,064
Capital Reserves (after transfer of 2020 surplus) \$3,198,092

Ratio 2020 operating funded by:

Total 2020 operations and transfers were 31.31% funded by the users
Excluding debt, 2020 operations and transfers were 34.97% funded by the users

CONCLUSION

Panorama Recreation adapted quickly to changing conditions in 2020 due to the COVID-19 pandemic, with reduced discretionary expenditures and providing programs and services that exceeded forecasted revenue. As a result of the operating surplus, 2020 reverse transfers were reinstated and the remaining surplus balance will be carried forward to 2021 operating. This will

reduce the 2021 requisition increase to 2% and partial restoration of transfers to reserves.

RECOMMENDATION

That the Peninsula Recreation Commission receive this report for information.

Submitted by:	Allison Sharp, CPA, CGA Manager of Administrative Services
Concurrence:	Lorraine Brewster, Senior Manager

ATTACHMENT

Appendix A: December 2019 Statement of Operations

PANORAMA RECREATION - STATEMENT OF OPERATIONS (12 MONTHS ENDED December 31, 2020)

	2020 BUDGET	2020 BUDGET AMENDED	% of Amended Budget Utilized	2020 Year to Date	2020 Amended actual to actual \$ by %	
DIRECT OPERATING REVENUES						
Admissions	331,587	315,926	62%	195,190	(120,736)	-38%
Pass sales	1,136,053	360,189	111%	400,644	40,455	11%
Partnerships /Employee Wellness Program	271,100	46,443	103%	47,622	1,179	3%
Programs	1,711,926	777,439	114%	884,641	107,202	14%
Rentals	916,634	462,449	153%	708,442	245,994	53%
Other (fees, commissions)	130,340	37,379	131%	49,018	11,640	31%
TOTAL DIRECT OPERATING REVENUES	4,497,640	1,999,825	1	2,285,558	285,733	14%
DIRECT OPERATING EXPENSES						
Instructional Services	356,980	146,103	139%	203,203	57,100	39%
Operating supplies	179,042	68,266	70%	47,758	(20,508)	-30%
Repairs & Maintenance (pool, arena, racquet)	201,412	167,117	90%	150,797	(16,320)	-10%
Travel & vehicle costs	17,149	13,149	99%	13,046	(103)	-1%
Wages & Benefits	2,440,238	1,445,941	98%	1,420,302	(25,639)	-2%
Other (Staff training, licences, fees, dues, memberships)	32,449	15,570	98%	15,328	(242)	-2%
TOTAL DIRECT OPERATING EXPENSES	3,227,270	1,856,145	100%	1,850,433	(5,712)	0%
CONTRIBUTION DIRECT OPERATIONS	1,270,370	143,680	3	435,125	291,445	203%
INDIRECT EXPENSES- ADMIN., MAINTENANCE						
Advertising	90,000	35,000	69%	24,113	(10,887)	-31%
Capital	-	-	-	-	-	-
Contract for services & legal	47,990	12,387	146%	18,062	5,675	46%
CRD charges (IT, HR, payroll, finance)	436,587	436,587	100%	435,887	(700)	0%
Insurance	41,980	41,980	100%	41,980	-	0%
Leasehold Improvements	40,000	40,000	100%	40,000	-	0%
Licences, fees & dues	118,248	88,682	95%	84,058	(4,624)	-5%
Rentals - Facilites and Equipment (CSCC & NSMS)	88,495	86,495	154%	133,358	46,863	54%
Repairs & Maint. (general)	82,858	66,658	111%	74,188	7,530	11%
Supplies	145,216	142,779	80%	114,192	(28,587)	-20%
Travel & vehicle costs	24,269	22,846	103%	23,579	733	3%
Utilities (hydro, sewer, water & phone)	819,820	703,729	87%	610,704	(93,025)	-13%
Wages & Benefits	2,759,380	2,381,643	91%	2,171,487	(210,156)	-9%
Other (meetings, printing costs, admin. staff training)	72,630	31,743	72%	22,975	(8,768)	-28%
Contingency	50,000	50,000	0%	-	(50,000)	-100%
TOTAL INDIRECT EXPENSES	4,817,473	4,140,529	92%	3,794,583	(345,946)	-8%
INDIRECT REVENUES						
Payments in lieu of taxes & Recovery	160,875	160,875	100%	160,875	0	0%
Donations & Sponsorships	26,600	16,088	343%	55,108	39,019	243%
Interest income	9,000	9,000	103%	9,294	294	3%
TOTAL INDIRECT REVENUES	196,475	185,963	1	225,277	39,314	21%
NET CONTRIBUTIONS (DEFICIT)	(3,350,628)	(3,810,885)	82%	(3,134,181)	676,705	232%
TRANSFERS & DEBT						
Equipment Replacement Fund	396,000	396,000	100%	396,000	-	0%
Transfers to General Capital Fund	-	-	-	-	-	-
Transfer to Capital Reserve fund	411,204	-	-	411,204	411,204	-
Transfer to Internal Reserve	7,728	5,370	144%	7,728	2,358	44%
Debt-interest payments	323,618	276,923	100%	278,111	1,188	0%
Debt-Principal payments	507,439	507,439	100%	507,438	(1)	0%
MFA Debt Reserve interest	(2,770)	(2,770)	-	(236)	2,534	-91%
TOTAL TRANSFERS & DEBT	1,643,219	1,182,962	135%	1,600,245	417,283	35%
NET BEFORE REQUISITION & PRIOR YEAR SURPLUS	(4,993,847)	(4,993,847)	95%	(4,734,426)	259,421	-5%
Requisition	4,993,847	4,993,847	100%	4,993,847	(0)	0%
NET OPERATIONS	0	(0)		259,421	259,421	



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SUBJECT Maintenance Update

ISSUE SUMMARY

To provide information on the Maintenance Department and current Capital Projects.

LED Lighting Project

This project is aimed at replacing existing non LED lighting throughout the facility and parking lots. Staff are working on a scope of work and are coordinating with BC Hydro for possible incentives and/or rebate programs to support the project.

Roof Renewal Project

The roof fasteners on Panorama’s metal roof areas are due for replacement. The metal roof panels are generally in good condition throughout the facility. Replacing the fasteners and applying new seam coatings will extend the life span of the current roof structures for another 10 years.

Tennis Insulation Project

The tennis building wall insulation is at end of life and due for replacement. The current insulation is original and shows considerable impact damage. More durable options will be sought for its replacement.

CONCLUSION

The above repairs and improvements are part of the capital and long term preventative maintenance plan.

RECOMMENDATION

That the Peninsula Recreation Commission receive this report for information.

Submitted by:	Matt Curtis, Manager of Facilities & Operations
Concurrence:	Lorraine Brewster, Senior Manager