



Making a difference...together

SALT SPRING ISLAND PARKS AND RECREATION COMMISSION

Notice of Meeting on **Tuesday, February 28, 2023 at 2:30 PM**

Salt Spring Island Multi-Space (SIMS) 124 Rainbow Rd, Salt Spring Island, BC V8K 2K3

Gary Holman
Sonja Collombin
Andrea Little (r)

Randy Cunningham
Drew Bodaly

Drew Takahashi
Colin Walde

Sean Norgard

(r) = Regrets

AGENDA

Zoom:

<https://us06web.zoom.us/j/82767030398?pwd=SVZTbGZ6Q0gyc3Q4QXRIMjkrZWICUT09>

7. New Business

7.2 Salt Spring Island Parks and Recreation Year End Revenue and Expenses

1-5

There is no recommendation. This report is for information only.

8. Outstanding Business

8.2 Pool Electrical and Annual Closure December 4, 2023 – January 7, 2024

To ensure quorum, advise Shayla Burnham 250 537 4448 if you cannot attend.



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**REPORT TO SALT SPRING ISLAND PARKS AND RECREATION COMMISSION
MEETING OF TUESDAY, FEBRUARY 28, 2023**

SUBJECT Salt Spring Island Parks and Recreation Year End Revenue and Expenses

ISSUE

To inform the Salt Spring Island Parks and Recreation Commission (PARC) of final year-end financial data for 2022.

BACKGROUND

The 2022 year-end operating revenues and expenses for the Pool, Park Land, Community Parks, Community Recreation and Fernwood Dock are now complete. The combined operating deficit for the year ending December 31, 2022 was – (\$296,652).

2022 Deficits in Pool, Community Parks and Community Recreation that resulted from losses in revenue and higher than budgeted operating expenses have been mitigated by reducing transfers to reserves leaving a combined operating deficit of – (\$113,484). Operating deficits have been carried forward into 2023 and offset by an increase to the 2023 requisition.

The table below details the surplus or deficit of each service and the adjustment to the transfers to reserves to balance.

Operating Budget	2022 Actual Surplus	2022 Actual Deficit	Adjustments	2023 Requisition Increase to Balance
Pool		(\$131,831)	\$10,000 Transfer from ORF, 2022 \$80,000 Reduced transfer to CRF/ERF, 2022 (\$11,323) Increased salary expense, 2023	\$53,154
Park Land		(\$53,327)	\$53,327 Reduced transfer to CRF, 2022 \$43,876 Reduced transfer to CRF, 2023 (\$45,497) Increased costs for SIMS, 2023 (\$5,614) Increased salary expense, 2023	\$7,235
Community Parks		(\$75,757)	\$20,000 Increased rental revenue, 2023 \$35,700 Reduced transfer to ORF, 2023 (\$6,200) Reduced market revenue, 2023 (\$9,528) Increased salary expense, 2023	\$35,785
Community Recreation		(\$35,737)	\$8,000 Transfer from ORF, 2022 \$13,350 Increased program revenue, 2023 (\$2,923) Increased salary expense, 2023	\$17,310
Fernwood Dock	\$7,427		(\$7,427) Increased transfer to CRF, 2022	\$0

Combined operating deficit is a result of the following:

Pool

- Operating expenses higher than budgeted (Water, chemicals, cleaning supplies, auxiliary wages & overtime)
- Salary Expense – CUPE Collective Agreement
- Shortfall in Pool pass and program sales

The Pool Service (Rainbow Recreation Centre) is the most vulnerable to revenue fluctuations as pool expenses remain high even if use is down. Backpay in salary increases due to a new CUPE collective agreement have also contributed to higher than budgeted operating expenses. The Rainbow Recreation Centre will remain closed on Sundays until revenues stabilize and return to 2019 or higher levels.

Park Land

- Operating expenses higher than budgeted (Propane, insurance, water, security)
- Salary Expense – CUPE Collective Agreement
- Software and licensing for SIMS office

The Park Land Service (Administration, playing fields, beach assess, SIMS) has seen higher than budgeted operating expenses in 2022 due to additional costs to manage and operate SIMS. The 2023 SIMS operating budget has been adjusted to reflect this and will be offset by higher room and gym rental revenue in 2023.

Community Parks

- Operating expenses higher than budgeted (lease vehicle, tree removal, fuel)
- Salary Expense – CUPE Collective Agreement
- Shortfall in Market Revenue
- Increased Bylaw enforcement (encampments)

The Community Parks Service (Community parks, market, trails) has seen higher than budgeted operating expenses in 2022 due to higher than budgeted costs for Bylaw enforcement, contracted services, and operating expenses. Market revenue was lower than budgeted in 2022 but we are anticipating market revenue to return to 2019 levels in 2023.

Community Recreation

- Operating expenses higher than budgeted (new program supplies, preschool, matting)
- Salary Expense – CUPE Collective Agreement
- Program revenue lower than projected
- Increased staff support for new programs at SIMS

The Community Recreation Service (Recreation programs, camps, licensed preschool) has seen higher than budgeted operating expenses in 2022 due to higher than budgeted costs for new program supplies, staffing and re-opening the licensed preschool. Program revenue was lower than budgeted in 2022 but we are anticipating program revenue to return to 2019 levels in 2023.

Balance of Reserves on December 31, 2021 vs 2022:

Capital Reserve Fund (CRF)

	<u>2021</u>	<u>2022</u>
101379 Parkland Acquisition	912,498	585,418
102045 Pool	97,461	98,457
101792 Community Parks	77,459	63,699
102030 Community Park Facilities	11,953	3,189
101786 Community Rec Facilities	134,698	138,561
101603 Park Land	263,563	228,847
102111 Fernwood Dock	192,539	215,513
	\$ 1,690,171	\$ 1,333,684

Equipment Replacement Fund (ERF)

101444 Community Parks	101,969	71,534
101412 SSI Pool	34,842	27,101
101445 Community Rec Facilities	10,273	6,212
	\$ 147,084	\$ 104,847

*Operating Reserve Fund (ORF)

105548 Community Parks	0	0
105549 Community Rec Facilities	8,223	451
105550 SSI Pool & Park Land	35,689	18,581
	\$ 43,912	\$ 19,032

**New operating reserves were established in 2020 for four the parks services. Operating reserve funds enable CRD services to set aside operating funds to cover cyclical expenditures, unforeseen operating expenses, and special one-time operating projects, as well as to mitigate fluctuations in revenue.*

PARC received a total of \$691,228 of grant funding in 2022 for capital projects and new initiatives. (Attachment 1). This funding has been allocated to specific project funds and is not reflected in the reserve balances above.

CONCLUSION

There is a combined deficit of – (\$296,652) for Pool, Park Land, Community Parks, Community Recreation and Fernwood Dock. This deficit has been decreased to – (\$145,325) by reducing transfers to reserves and allocating additional funding from Operating Reserves. The combined operating deficit has been carried forward into 2023 and offset by an increase to the 2023 requisition.

RECOMMENDATION

That the Salt Spring Island Parks and Recreation Commission receive this report for information.

Submitted by:	Dan Ovington, Parks and Recreation Manager
Concurrence:	Karla Campbell, Senior Manager, Salt Spring Island Electoral Area
Concurrence:	Lia Xu, CRD Manager, Financial Services

DO/

ATTACHMENTS:

Attachment 1 – Salt Spring Island Parks and Recreation External Grants

Salt Spring Island Parks and Recreation External Grants				
Grant/Contribution	Date Submitted	Project Status	*Applicati on Status	Amount
SSI Foundation - Special Events Coordinator	30-Sept-19	25%	Approved	\$5,685
Centennial Park Plaza and Upgrades	23-Jul-21	25%	Approved	\$561,748
BCRPA - Family Day Grant	01-Feb-22	100%	Approved	\$1,000
Summer Student Grant	03-Feb-22	100%	Approved	\$10,962
SSI Foundation - Program Safety Matting	04-Apr-22	10%	Approved	\$5,000
Country Grocer - Kids Cooking Camp	21-Jul-22	100%	Approved	\$250
Lion's Club - Public Access AED	07/Sept-22	100%	Approved	\$2,268
Bloom Fund Grant – Mt. Maxwell Acquisition	31-Aug-22	100%	Approved	\$100,000
SSI Foundation – Dance Room Improvements	15-Sep-22	5%	Approved	\$10,000
CPRA – Auditory Sensory Youth Programming	10-Nov-22	0%	Denied	\$50,000
			Total Submitted	\$749,913
			Total Approved 2022	\$691,228