



CITY OF WILLIAMS LAKE COUNCIL REPORT

DATE OF REPORT: February 12, 2021
DATE & TYPE OF MEETING: February 24, 2021 Joint Committee Meeting
AUTHOR: Ian James, Director of Community Services
SUBJECT: CMRC Revised 2021 Operating Financial Plan
FILE: 7900-10; 2-6-0

Recommendation

That the Central Cariboo Joint Committee receive the revised Cariboo Memorial Recreation Complex 2021 operating financial plan for information and discussion, and approve the \$115,000 deficit target change caused by the extended COVID PHO order and restrictions on Gatherings & Events.

Purpose

On February 8th, 2021, the BC Provincial Health Officer (PHO), Dr. Bonnie Henry, confirmed the COVID-19 order and restrictions for Gatherings & Events will continue throughout 2021. Thereby requiring revisions to the Cariboo Memorial Recreation Complex 2021 financial operating plan, which is presented here for approval.

Background / Discussion

Since late February 2019, the PHO and Interior Health Authority have placed public health orders and restrictions to control the COVID pandemic. The public health orders and restrictions have had a devastating financial impact on the recreation sector.

2019 Impact on Recreation Sector:

1. Facility closure March 18th-July 2nd (three months with no revenue)
2. Reduced facility and program participant numbers due to social distancing requirements
3. No spectators
4. Youth and Adult sports groups limited to practice drills, no games or travel
5. No high intensity activities
6. No adult activities
7. Increase cleaning and disinfecting
8. No private rentals
9. Modified recreation programs and lessons

On February 7, 2021, the Province' media release continued the PHO orders and restrictions throughout 2021.

2021 Q1 (January-March) Ice arena revenue loss forecast:

1. Men Rec Hockey - \$9,533
2. 40 + Mens Intermills - \$2,933
3. Stampeders - \$2,384.61

4. WLMHA - \$41,500
5. Private Ice Rental - \$8,750

Total ice user group Q1 ice loss revenue = \$65,100 not including incidental revenue loss (concession and pro shop lease revenues etc)

2021 Q1 (January-March) Pool & Fitness Centre loss revenue forecast:

1. Swimming Lesson \$44,800
2. Locker Rental - \$10,000
3. Fitness Passes - \$25,000

Total Pool & Fitness Centre Q1 loss revenue forecast = \$79,800

2021 Q1 (January-March) Leisure Services revenue loss forecast:

1. Rec & Roll After School Care - \$16,500
2. Teen Programs - \$5,000
3. Adult Programs - \$10,000

Total Leisure Services Q1 loss revenue forecast = \$31,500

The Total Q1 2021 recreation complex ice revenue loss is forecasted to be \$176,000

The recreation complex 2021 Q1 forecasted labour expenses of \$98,000 over budget is significantly increased due to the additional staff requirements needed to run programs, clean and disinfect the facility.

Therefore, the total forecasted Q1 2021 Operating deficit is anticipated to be \$274,000.

Final Considerations

The current 2021 forecasted operating budget deficit trend for the Cariboo Memorial Recreation Complex is not a positive story. Therefore, staff is recommending a few proactive solutions that will help reduce the forecasted budget deficit without cutting full-time staff jobs while maintaining a high level of service.

Revenue Opportunities:

Maximize the use of the two ice pads by leave one ice pad in this Spring and Summer for recreation ice programs (3 on 3 youth & adult leagues, Parent Tot LTS, LTS, private rentals and hockey skills development). The second dry floor pad can be used for Summer Camps, Roller Derby, Ball Hockey and other private rental activities.

Expense Saving Opportunities:

Reduce the recreation facility operating hours to save on labour and utility costs in Q2. The recreation complex daily facility use patterns support reducing the complex operating hours while maintaining high service levels with limited disruption to residents.

Recreation Complex hours of operation March 15th-June 28th:

Monday-Friday: 11:00am-8:00pm

Saturday-Sunday: 10:00am-6:00pm

Staff has attached a Public Recreation Sector Report which identify the financial and operating impact the COVID PHO order and restrictions Gatherings & Events is having on the sector...Please note the majority of municipalities have already reduced their hours of operation and laid off staff to address their budget deficit.

Financial Considerations (Cost and Resource Allocation)

- Yes
 N/A

Legislative Considerations (Applicable Policies and/or Bylaws)

- Yes
 N/A

This project aligns with the following Strategic Priority Areas:

- Resilient and Diversified Economy
 Strong Community Relationships
 Financial Stability and Sound Asset Management
 Positive Community Image
 Healthy and Inclusive Workplace
 Other

Other Implications (Environmental/Social/Economic)

- Yes
 N/A

This report has been prepared in consultation with:

BC Parks & Recreation Association
Recreation & Facility Association BC
Gary Muraca, CAO, City of Williams Lake
Recreation Complex Staff

Approved for Agenda by:

Gary Muraca, Chief Administrative Officer, City of Williams Lake

Respectfully submitted,

Ian James
Director of Community Services
City of Williams Lake

ATTACHMENTS:

Attachment A – CMRC 2019-20 Actual and 2021 Forecasting

Attachment B – January 2021 Facility Usage Report

Attachment C – BC Public Recreation Sector Response to PHO Restrictions dated February 3, 2021