



## **CITY OF WILLIAMS LAKE COUNCIL REPORT**

**DATE OF REPORT:** May 12, 2023  
**DATE & TYPE OF MEETING:** May 24, 2023 Joint Committee Meeting  
**AUTHOR:** Stacey Miranda, Director of Community Services  
**SUBJECT:** CMRC 2023 BUDGET FORECAST  
**FILE:** 2280-20-01

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### **Recommendation**

That the Central Cariboo Joint Committee receive this report for information; and further, that the Joint Committee direct staff how to mitigate the \$206,038.00 expected difference outlined in the 2023 Budget Forecast for the operation of the Cariboo Memorial Recreation Complex.

### **Purpose**

To share the forecasted overage in operations for 2023 Cariboo Memorial Recreation Complex to the Central Cariboo Joint Committee. The Central Cariboo Joint committee can begin discussions on how best to adjust operations to mitigate the anticipated shortfall.

### **Background / Discussion**

The post-pandemic world has had some impacts on the cost of supplies, equipment, shipping as well the increases in the cost of doing business. The Cariboo Memorial Recreation Complex budget from 2022 is an example of some of the expected increases for 2023 and 2024. These increases, along with some of the costs increasing 150% (chlorine for the pool) will continue to affect the operations of the facility, programs, and services.

The current agreement started in 2018 and is to be in place for five years. This agreement was in place without the ability to predict and forecast the future. Several types of emergent trends, cost increases, health impacts have been demonstrated in 2022, and will continue to be demonstrated in future operations.

There are several options for consideration regarding managing the differences noted in the 2023 budget. Some options are listed for consideration and discussion:

### **OPTIONS for Discussion**

1. With the expiration of the current management agreement, and the review of the Fees and Charges Bylaw, both expiring at the end of this year, future consideration be given to adjust for the additional costs of operating the Cariboo Memorial Recreation Complex in 2024. The CCJC can consider the amount and accept that this increase cost in operations is reflective of the increased costs of doing business in 2023. Wages, Supply Chain, Materials, Chemicals and Utilities have all risen beyond the 3% increase in membership and the 1.75% increase in the current management contract.

2. The CCJC can look to amending the current Fees and Charges Bylaw before December 31, 2023, increasing memberships in July or August (or another future date in 2023), including ice user fees, dry floor fees, Gibraltar room rental rates. This would require an amendment to the Fees and Charges Bylaw.
3. The CCJC can look at extending the annual pool shutdown by 14 days, making it August 21 to September 24, 2023 (5 weeks in length instead of 3) for a cost savings of \$98,000 in wages plus utilities.
4. The CCJC can consider reducing the operational hours of the facility, from opening later to closing earlier, however this is not recommended in combination with option 2. This will also affect the budgeted revenues. This could include opening later in the day, closing earlier in the evening. Adjustments to the operating schedule could include closing one day per week.

#### Financial Considerations (Cost and Resource Allocation)

☒ Yes (see below)

Budget Expectations for 2023

Revenue		Expenses	
Pool	(730,600)	Leisure Services	612,513
Arena	(396,000)	Complex Admin	614,716
Gibraltar Room	(46,000 )	Pool	883,140
Leisure Services	<u>(40,0000)</u>	Arena	1,707,419
		Gibraltar Room	<u>48,588</u>
<b>Total</b>	<b>(\$1,572,600)</b>	<b>Total</b>	<b>\$3,866,376</b>
<b>Net</b>	2,293,776.00		
<b>CRD Amount</b>	<u>2,087,738.00</u> (2023 Compensation)		
<b>Difference</b>	<b>\$206,038.00</b>		

#### Legislative Considerations (Applicable Policies and/or Bylaws)

☒ Yes (see below)

1. There is a Management agreement with the Cariboo Regional District and the City of Williams Lake, the "Central Cariboo Recreation and Leisure Services Facility Management Agreement", which indicates the amount of the 2023 Operations to be \$2,087,738.00.
2. Fees and Charges Bylaw restricts the adjustment of fees beyond 3% annually on the first (1<sup>st</sup>) of each year of the Bylaw.

**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 (see below)

Reductions in services levels will impact the community;

- decreased access to fitness in the pool, arena, and fitness area
- decreased options for social engagement
- decreased opportunities for families to participate in recreation activities
- decreased user group access for their clubs to rent
- decreased access to instructional programs that assist in life skills

**This report has been prepared in consultation with:**

Chief Administrative Officer  
Chief Financial Officer  
Finance Manager

**Approved for Agenda by:**

Chief Administrative Officer

Respectfully submitted,

Stacey Miranda  
Director of Community Services