

DATE: January 30, 2019

FILE: 1700-02/2019/600

TO: Chair and Directors
Committee of the Whole

FROM: Russell Dyson
Chief Administrative Officer

Supported by Russell Dyson
Chief Administrative Officer

R. DYSON

RE: 2019 - 2023 Financial Plan – Recreation Grant Service – Function 600

Purpose

To provide the Committee of the Whole with the proposed 2019 - 2023 Financial Plan and work plan highlights for the Recreation Grant Service, function 600.

Recommendations from the Chief Administrative Officer:

1. THAT the proposed 2019-2023 financial plan for the Recreation Grant Service, function 600, be approved.
2. THAT staff bring forward a report in spring of 2019 to review the Recreation Grant Service function 600 to develop grant criteria.

Executive Summary

Highlights of the financial plan for the Recreation Grant Service include:

- Proposed 2019 tax requisition is \$291,320 or \$0.0155 per \$1,000 of assessed value, representing an increase of \$11,320 over 2018. For a home assessed at \$400,000, this represents a residential tax levy in 2019 of \$6.20;
- Total grant allocations for 2019 is \$273,300 vs 2018 of \$282,900;
- Maximum 2019 tax requisition is \$827,037 or \$0.05 per \$1,000 of assessed value;
- Staff will bring forward a report in the spring with recommendations to improve this service;
- Requests for increases to annual grant funds have been received from United Riders of Cumberland and Mountain Sports Centre which are not included in the proposed financial plan. Both recipients will present to the Committee of the Whole.

Prepared by:

T. Ian Smith

T. Ian Smith, MCE
General Manager of Community Services

Stakeholder Distribution (Upon Agenda Publication)

| | |
|----------------------|---|
| All Grant Recipients | ✓ |
|----------------------|---|

Policy Analysis

Establishment Bylaw No. 2386 being “Comox Valley Recreation Service Conversion Bylaw, 2001” was adopted by the Comox Valley Regional District (CVRD) to provide financial contributions to the cost of recreation programs provided by public authorities, non-profit organizations and the Courtenay outdoor pool.

In addition to Bylaw No. 2386 the following CVRD board motions were passed on November 19, 2013:

THAT the proposed grant criteria and submission requirements for the recreation grant service be adopted by the board;

AND FURTHER THAT the following recreation grant recipients be grandfathered into the service: Denman Island Recreation Programs (recreation programs), Courtenay Recreation Association (special needs), City of Courtenay (outdoor pool – operations), City of Courtenay (skateboard park), Village of Cumberland (recreation grant), Town of Comox (recreation grant), Hornby Island Recreation Programs (recreation programs), Active Comox Valley (paid at year end based on actuals - recreation grant), Special Events/Games Contribution (provision to assist with program costs).

THAT the motion be amended to include the words “and capital” in the brackets in the phrase “City of Courtenay (outdoor pool - operations)”.

At the January 24, 2017 Committee of the Whole meeting the following was adopted:


THAT the proposed 2017 - 2021 financial plan for the recreation grant service, function 600, be approved with a one-time increase of \$4,500 for 2017 to United Riders of Cumberland for a total grant of \$9,000.

Financial Plan Overview

Each year the CVRD prepares an updated five-year financial plan that represents the operation of each service from one budget year to the next.

Table 1 summarizes the 2019 proposed budget as compared to the 2018 adopted budget. Significant variances from 2018 adopted budget will be discussed in the financial plan highlights section below.

Table 1: Financial Plan Highlights

|  | | #600 Recreation Grant | | |
|---|-------------------|-----------------------|----------------------|---------------------|
| | | 2018 Budget | 2019 Proposed Budget | Increase (Decrease) |
| Operating | | | | |
| Revenue | | | | |
| Grants In Lieu | 889 | 889 | - | |
| Requisition | 280,000 | 291,320 | 11,320 | |
| Prior Years Surplus | 30,967 | 0 | (30,967) | |
| | \$ 311,856 | \$ 292,209 | (19,647) | |
| Expenditures | | | | |
| Personnel Costs | 13,540 | 13,022 | (518) | |
| Operating | 298,316 | 277,861 | (20,455) | |
| Contribution to Reserve | | 1,326 | 1,326 | |
| | \$ 311,856 | \$ 292,209 | \$ (19,647) | |

The 2019 - 2023 proposed five-year financial plan for the Recreation Grant Service, including the requisition summary and operating budget, is available within the full proposed budget binder,

provided in both searchable PDF and e-reader formats, located on the CVRD financial plan web page at www.comoxvalleyrd.ca/currentbudget.

Highlights of the 2019 - 2023 proposed financial plan for the service include:

Requests for grant increases in 2019:

| | 2018 | 2019 |
|-----------------------------|--------|------------------|
| United Riders Of Cumberland | \$4500 | \$25,000 |
| Mountain Sports Centre | \$5000 | To be determined |

Revenue Sources

The proposed 2019 requisition is \$291,320, an increase of \$11,320 from 2018. The increase at the proposed budget stage is largely due to less surplus carry forward being available this year. However, this will be revised as part of the recommended budget once the 2018 year end has been finalized, particularly as a carry forward in the amount of \$16,000 will be budgeted related to capital maintenance work at the Courtenay outdoor pool not completed in 2018.

Personnel

A portion of the salaries and benefits for the General Manager of Community Services and the Branch Assistant of Community Services is charged to this service.

Operations

Many of the grant recipients in this service have a long history of participation. A couple of new recipients have been added over the past few years such as Mountain Sports and United Riders of Cumberland. Other than the service establishment bylaw there is no criteria for participation or a formal process to review grant increase requests. Grant recipients have expressed concerns over the lack of clear guidelines and criteria regarding applying for increases or new groups wanting to apply for funding. These factors present challenges to staff for administration of this service. Staff are recommending to bring forward a report to the board in the spring with recommendations to improve delivery of this service and create criteria guidelines.

Table 2 below shows recipients and grant amounts

| Budgeted Recreation Grants 2017-2019 | | | |
|--|----------------|----------------|----------------|
| | 2017 | 2018 | 2019 |
| Active Comox Valley | 32,000 | 32,000 | 32,000 |
| Mountain Sports Centre | 5,000 | 5,000 | 5,000 |
| Special Event/Games Contribution | 10,000 | 0 | 10,000 |
| Dawn to Dawn recreation programs | 3,000 | 3,000 | 3,000 |
| Denman Island Recreation Programs | 4,000 | 4,000 | 4,000 |
| HI Recreation programs | 4,000 | 4,000 | 4,000 |
| Adapted needs project | 80,800 | 82,400 | 84,000 |
| Outdoor pool - operations | 68,000 | 69,200 | 73,000 |
| Capital contribution for outdoor memorial pool | 104,000 | 63,500 | 34,000 |
| Courtenay Comox Skate Board Park | 4,000 | 5,000 | 5,000 |
| Town of Comox | 4,800 | 4,800 | 4,800 |
| Coal Hills BMX Association | 1,500 | 1,500 | 1,500 |
| United Riders of Cumberland | 9,000 | 4,500 | 9,000 |
| Village of Cumberland | 4,000 | 4,000 | 4,000 |
| Total Budgeted Grants | 334,100 | 282,900 | 273,300 |

In 2018 there was a total grant allocation of \$282,900 supporting various recreation facilities and programs in the electoral areas and in the Village of Cumberland (Village), Town of Comox and City of Courtenay (City). For 2019, there is a proposed grant allocation of \$273,300. The difference between the grant allocation amounts for 2018 versus 2019 is a net decrease of \$9,600. This decrease can be attributed to a reduced grant request from the City to support the 2019 memorial pool capital projects being partially funded from 2018 surplus from unfinished projects. Due to the age and condition of this facility, the City may be seeking additional funding assistance in the future from this service to support operations and capital projects. City and CVRD staff have met to discuss the financial challenges of the City's outdoor memorial pool.

As well as the above changes, the CVRD has received the following additional 2019 funding requests from current grant recipients which are not reflected in the 2019-2023 proposed financial plan:

- United Riders of Cumberland \$20,500 additional request
- Mountain Sports has not indicated the amount of their grant request increase.

Capital

There is no capital associated with this service.

Reserves

There is a future expenditure reserve with a balance of \$26,068 as of December 31, 2018. This balance will be confirmed and updated as part of the recommended budget.

Citizen/Public Relations

It is important that the residents in the Comox Valley have access to recreational opportunities that are affordable and in addition promote and maintain a healthy active lifestyle. For 2019, there is a total of \$273,300 in grant funding proposed to be available for supporting community initiatives.

The proposed tax rate for the Recreation Grant Service in 2019 is \$0.0155 per \$1,000 of assessed value which results in a \$6.20 tax levy for a Comox Valley home assessed at \$400,000. In 2018 the tax rate was \$0.0172 per \$1,000 of assessed value. The maximum requisition for this service is \$0.05 per \$1,000 which results in a maximum levy in 2019 of \$827,037. The proposed requisition for 2019 is \$291,320.

Attachments: Appendix A – “UROG Grant Increase Request”

Kristy Morro

Subject: UROC Grant Increase Request

From: manaraski [<mailto:mikemanara@gmail.com>]
Sent: Monday, December 17, 2018 7:38 PM
To: Ian Smith <ismith@comoxvalleyrd.ca>
Cc: Eric Holbek <eholbek@hotmail.com>; Evan Loveless <evanloveless@mac.com>;
Adam.SPEIGEL@bdc.ca; Kevin McPhedran <kevin.mcphedran@gmail.com>; Ryan Coltura
<rcoltura@cumberland.ca>
Subject: [Possible SPAM]
Importance: Low

Hi Ian,

I hope you are well.

It is my understanding that you are seeking grant requests for budgeting purposes. I recently reached out to the CVRD office to present as a delegation, and will be presenting in February 2019. However, given that the budgeting process has begun, I thought it would be prudent to reach out, and start a dialogue with you. For 2019, the United Riders of Cumberland would like to formally request \$25,000 from the CVRD recreation grant fund for annual long term funding to manage the trail network in Cumberland.

Below is the background note that I submitted to the RD office. Some of this information you will be familiar with, however you will see in the data, there has been significant growth in the trail usage, with 50% of those riders residing in Courtenay and Comox. Please let me know if you require further background information on the subject. It should be noted that UROC has requested \$55,000 per annum from the Village of Cumberland, through a long term service agreement to assist with management of the trails.

In 2015 the United Riders of Cumberland (UROC) entered into an access agreement with private land owners, and assumed the responsibility for the management of trails surrounding Cumberland. This agreement has allowed significant improvements to the safety, quality and diversity of this 180km trail network. These trails have become an important recreation asset for residents of the Comox Valley Regional District, as well as, a significant contributor to the regional economy. As non-motorized groups from mountain bikers, to trail runners, to those out for a hike in the woods can enjoy this amenity.

The organization has made significant progress in it's trail management role, by addressing a backlog of maintenance, and management issues. However, existing funding creates challenges to efficiently manage the trail network. Despite maximizing volunteer efforts, there is a struggle to adequately address trail maintenance needs, given the increased demand and participation from Comox Valley residents.

Trail counter data indicates that there will be approximately 127,000 trail visits in 2018 and that trail use has grown by 19% year over year for the last 3 years. The 2018 Trail User Survey indicated that approximately 50% of visits come from Courtenay, Comox, and areas A, B and C, 30% from Cumberland, with the remaining 20% are coming from other parts of the Island, the Lower Mainland and from abroad.

This rapid increase in trail usage, diversity of trail users, changes in technology such as e-bikes, as well as, increased third party events, and the need for strategic planning are just some of the foreseeable challenges in the future. Increased funding will allow UROC to continue to address inherited liabilities, engage in strategic planning to ensure the same challenges aren't perpetuated. Additional benefits of this investment include increased community engagement, which ultimately drive other revenue streams such as membership sales, events and donations. The above contributes to a vibrant user experience, which will ensure trails are maintained to a high standard for all Comox Valley residents to enjoy.

Mike Manara

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