

AGENDA
SPECIAL OPEN COMMITTEE OF THE WHOLE MEETING
BOARD ROOM, SERVICE AND RESOURCE CENTRE,
411 DUNSMUIR STREET, NANAIMO, BC
THURSDAY, 2013-OCT-31, AT 9:00 A.M.

1. **CALL THE SPECIAL OPEN COMMITTEE OF THE WHOLE MEETING TO ORDER:**
2. **ADOPTION OF AGENDA:**
3. **PRESENTATIONS:**
 - (a) Mr. R. J. Harding, Director of Parks, Recreation and Culture, to provide a presentation regarding the 2014-2018 Financial Plan for Parks, Recreation and Culture. Council discussion regarding the Financial Plan to follow the presentation. *Pg. 2-16*
4. **OTHER BUSINESS:**
5. **QUESTION PERIOD:** *(Agenda Items Only)*
6. **ADJOURNMENT:**

ACTING MAYOR: COUNCILLOR MCKAY

2013-OCT-21 to 2013-DEC-01

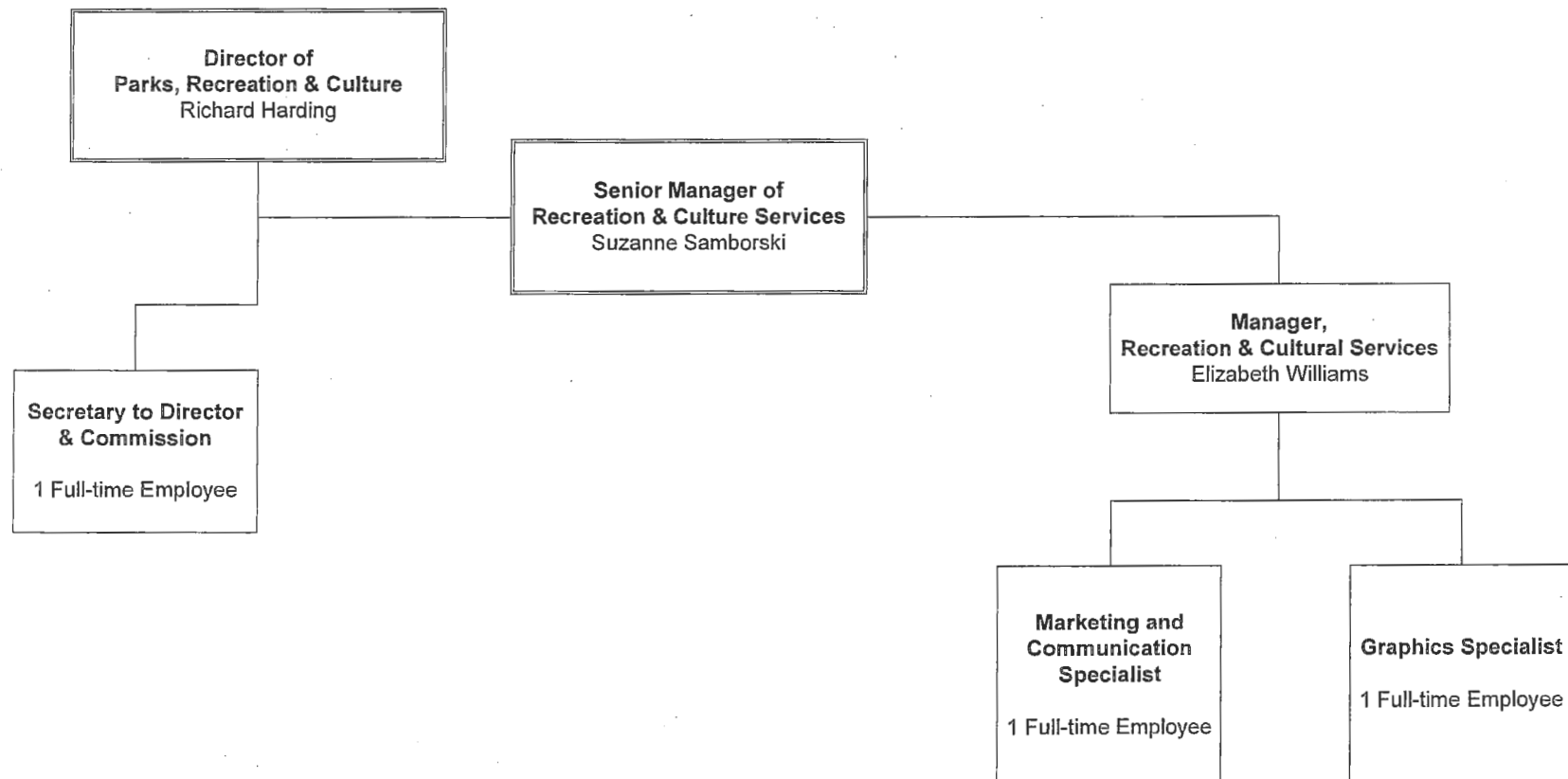


**COUNCIL BUDGET REVIEW PILOT
PARKS, RECREATION AND CULTURE
ADMINISTRATION
October 31, 2013**

DEPARTMENT OF PARKS, RECREATION AND CULTURE



ADMIN



Parks, Recreation and Culture - Administration - Current Level of Service

Financial and Operational Planning includes:

Annual operating and maintenance activities to provide current service levels

Identify specific projects, supported by a long range asset management plan, for renewal of current facilities. Renewal projects focus on replacing major components of each facility.

Identify specific projects for upgrades to current facilities.

Significant Events

Athletic Commission was disbanded in 2013

Current Level of Service

Under Administration resides the Director, Senior Manager of Recreation and Cultural Services, Secretary, the Parks, Recreation and Culture Commission, sports and tourism and the marketing function for Parks, Recreation and Culture.

Parks, Recreation and Culture Commission

The objective of the Parks, Recreation and Culture Commission (PRCC) is to advise Council on maintaining and improve the quality of life and leisure in our community by fostering creativity, pride and community involvement in the provision of cost effective leisure opportunities and the management of public lands and facilities. Several sub-committees report back to the PRCC. They also distribute monies as part of the VIP program. The sub-committees are:

Culture Committee

Evaluate and report back to PRCC on VIP Public Art projects, Culture Awards, Permanent and Temporary Art, Culture Forum, Poet Laureate, Cultural Operating Grants, Culture and Event Grants and Culture Plan

Parks Committee

Evaluate and report back to PRCC on Volunteers in the Park, Dogs in the Parks, Park Issues, Parks & Trail Master Plan

Recreation Committee

Evaluate and report back to PRCC on Fees & Charges, Sport Tournament Grants and Recreation and Sport Issues

Sports & Tourism

The City liaisons with organizations hosting sports or tourism events at City facilities/properties. The amount of involvement varies based on expected public attendance, set up of event, amenities required and needs of organizing group. It may include ensuring required permits are in place, event insurance, site plans, vendor information, site visits and special event applications.

They are also the City liaison for the BC Summer Games

Sample of Events

- CIBC Run for the Cure	- Cinema Under the Stars	- Run for Life
- Nanaimo 5K Run/Walk	- Swing into Spring Jazz Festival	- Paddlefest
- Hub City Triathlon Club - Splash N Dash	- Speedy Sunday	- Snowbirds
- Dragon Boat Festival	- Vanisle Fiddlers Community Concert	- Art in the Park
- Cultural Awareness Week	- National Aboriginal Day	- Marine Festival

Annual Utilization	# of Events	Attendance
Community Events	110 - 125	65,000 - 95,000
Sport Events	25 - 30	36,250
2014 BC Summer Games		36,000 over four days

Marketing

Parks, Recreation and Culture develops and implements a marketing plan to market and promote Parks, Recreation and Culture, some of the functions include:

- Develop, design and distribute print marketing material including (all production takes place in-house):
 - BI-annual Activity Guide - production, proofing, content, ad sales, distribution, printing (outside company) and evaluation
 - In excess of 800 marketing collateral pieces annually such as plans, brochures, flyers, newsletters, ads and PowerPoint presentations
- Daily maintenance of Social media posts and maintaining these mediums (Facebook & Twitter)
- Negotiation and maintenance of media outlets (radio, print and on-line)
- Communication development/writing; media releases, speakers notes, newsletters, social media
- Purchase and distribution of City marketing swag

Parks, Recreation and Culture - Administration - Annual Operating and Maintenance Revenues and Expenditures
2014 - 2018 Financial Plan Review

Annual Operating and Maintenance Budget

Oversees the operations of the Parks, Recreation and Cultural department. Supports the Parks, Recreation and Cultural Commission. Liaisons with sports and tourism event organizers. Production of the semi-annual activity guide.

Annual operating and maintenance budgets include:

- Staffing: Director, Senior Manager, Manager, Secretary, Marketing and Communications Specialist, Graphics Specialist
- Equipment Maintenance:

Indirect costs that are incurred to support the Administration operations such as payroll, accounts payable, human resources and senior management resources are not included in Administration actuals/budget.

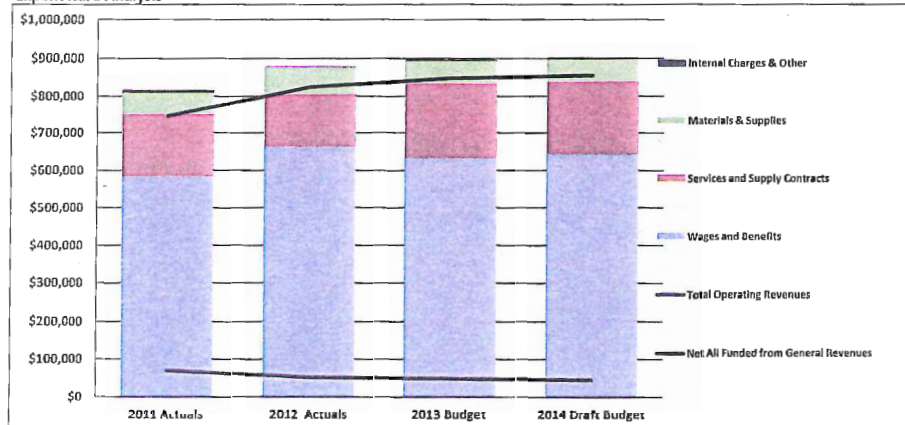
Caution: CUPE contract expires December 31 2013

2013 - 2017 Financial Plan includes inflationary increases for years 2 to 5 (2% increase for wages and benefits)

2014 Draft Budget does not include an increase for wages and benefits, a contingency is used for wages increases

Administration	2013 - 2017 Financial Plan				
	2011 Actuals	2012 Actuals	2013 Budget	2014 Budget	2014 Draft Budget
Private Contributions	-	1,500	-	-	-
Other Revenues	69,699	50,768	49,000	49,490	46,000
Total Operating Revenues	69,699	52,268	49,000	49,490	46,000
Wages and benefits	582,230	662,069	632,046	644,687	642,249
Services and Supply Contracts	166,135	140,925	199,780	198,676	194,250
Materials & Supplies	60,108	73,450	62,100	63,342	61,200
Internal Charges & Other	6,440	335	2,280	2,280	2,880
Total Operating and Maintenance Expenditures	814,913	876,779	896,206	908,985	900,579
Net - Funded from General Revenues	745,214	824,511	847,206	859,495	854,579
Funded from General Revenue	91%	94%	95%	95%	95%
Cost per Capita	\$ 8.57	\$ 9.42	\$ 9.54	\$ 9.55	\$ 9.49
Budgeted FTEs			6.0		

Expenditure Analysis



Parks Recreation & Culture - Administration - Service Level Changes and Projects
2014 - 2018 Financial Plan Review

Notes:

- 1) Projects are identified for expenditures that do not occur every year or vary from year to year.
- 2) Most projects are related to asset management of current facilities.
- 3) Projects are either classified as operating or capital to comply with accounting standards. Larger cost projects are classified as capital.
- 4) Projects can be funded from the reserves, grants and general taxation funding.

Asset Renewal Project	New Asset Project	Asset Upgrade Project	Strategic Projects
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#	Description	2014		2015	2016	2017	2018	Future Years
		\$	% - 1% taxation					
9	Service Level Changes							
		-	0.0%	-	-	-	-	



**COUNCIL BUDGET REVIEW PILOT
PARKS, RECREATION AND CULTURE
CIVIC PROPERTIES
October 31, 2013**

Parks, Recreation and Culture - Civic Properties - Current Level of Service

Financial and Operational Planning includes:

Annual operating and maintenance activities to provide current service levels

Identify specific projects, supported by a long range asset management plan, for renewal of current facilities. Renewal projects focus on replacing major components of each facility.

Identify specific projects for upgrades to current facilities.

Current Level of Service

The City owns and maintains a variety of civic properties under Parks, Recreation and Culture - Civic Properties:

- Harewood Activity Centre, the Community Services Building and the Military Museum are leased to tenants
- Centre for the Arts (150 Commercial Street), Nanaimo Centre Stage (25 Victoria Crescent) and Chase River Fire Hall (1400 Cranberry Ave) have lease agreements for the use of the facility
- The City maintains a variety of recreation and cultural buildings including the Bastion, two Miner's Cottage, two caretaker's homes - Neck Point Park and Westwood Lake, Protection Island Museum and Community Centre and a train shed
- The City is responsible for the mechanical maintenance/repair of the HVAC units that service the Nanaimo District Museum at their location with the Port of Nanaimo Centre
- The Port Theatre is operated by the Port Theatre Society under an operating agreement with the City. The operating funding is provided under Community Development. The City is responsible for maintenance of the exterior, structure and the major components of the mechanical system (i.e. chiller, boilers, AHU's, elevator) which is budgeted in Civic Properties
- Maintenance of the grounds of City Hall and the Service and Resource Centre

Military Museum Building
Tenants:
Vancouver Island Military Museum Society Nanaimo & District Museum Society
Projected 2014 Revenues: \$48,900
Projected Net Profit Transferred to Reserve: \$7,600

Harewood Activity Centre
Tenant:
Nanaimo Search & Rescue
Projected 2014 Revenues: \$24,000
Projected 2014 Net Operating Profit: \$18,250

Community Services Building
Tenants:
John Howard Society Mid Island Intergroup Society Mid Island Métis Nation Association Nanaimo 7-10 Club Nanaimo Brain Injury Society Nanaimo Citizens Advocacy Association Nanaimo Supportive Lifestyles Program Options for Sexual Health Semi Independent Living Vancouver Island Vocational & Rehab Svc
Projected 2014 Revenues: \$97,789
Projected 2014 Net Operating Profit: \$16,195

Use Agreements
CVI Centre for the Arts Nanaimo Society - 25 Victoria Road Nanaimo Boys' & Girls' Club - Chase River Fire Hall CVI Centre for the Arts (Managing Society) - 150 Commercial Street

Tenants - 150 Commercial Street
CVI Centre for the Arts Nanaimo Art Gallery MISTIC Theatre One Assembly of BC Arts Councils British Columbia Boys Choir Vancouver Island Symphony Nanaimo Community Archives Crimson Coast Dance Society

As noted in the Asset Management Plan, the construction or upgrades of these facilities that are not included in the 2014 - 2018 draft financial plan, may need Council's consideration in the next 10 years:

- Port Theatre - addition of small performing theatre

**Parks, Recreation and Culture - Civic Properties - Annual Operating and Maintenance Revenues and Expenditures
2014 - 2018 Financial Plan Review**

Annual Operating and Maintenance Budget

The operation and maintenance of a number of properties owned by the City and maintenance of City Hall and SARC grounds.

Annual operating and maintenance budgets include:

- Staffing: No dedicated staffing positions but a variety of City employees provide ongoing repair and maintenance to a number of the properties.
- Utilities
- Equipment Maintenance:

Indirect costs that are incurred to support the Civic Properties operations such as payroll, accounts payable, human resources and senior management resources are not included in Civic Properties actuals/budget.

Transfer to Facility Reserve - Net profit from the rental of 100 Cameron Road is transferred to reserve. Property is rented to V.I. Military Museum Society and Nanaimo & District Museum

Notes: CUPE contract expires December 31 2013

2013 - 2017 Financial Plan includes inflationary increases for years 2 to 5 (2% increase for wages and benefits)

2014 Draft Budget does not include any increase for wages and benefits

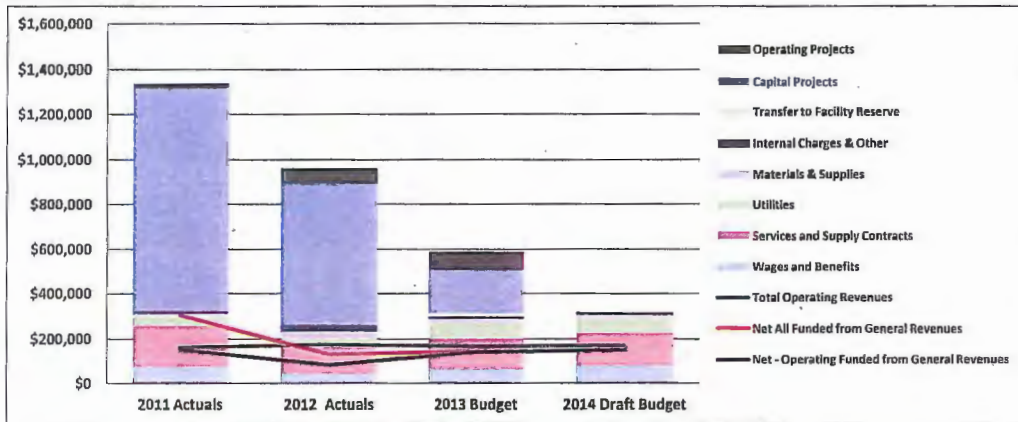
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	2013 - 2017 Financial Plan				
	2011 Actuals	2012 Actuals	2013 Budget	2014 Budget	2014 Draft Budget
Civic Properties					
City Property Rentals	112,044	160,988	134,739	135,846	147,689
Other Revenues	51,928	14,332	33,000	33,330	23,000
Total Operating Revenues	163,972	175,320	167,739	169,176	170,689
Wages and benefits	71,371	39,363	60,500	61,710	75,500
Services and Supply Contracts	181,635	119,877	137,300	140,036	146,350
Utilities	44,443	43,640	69,885	71,178	58,144
Materials & Supplies	13,661	29,344	21,000	21,420	24,300
Internal Charges & Other	6,997	25,833	6,448	6,577	9,864
Total Operating and Maintenance Expenditures	318,106	258,058	295,133	300,921	314,158
Net Excluding Tsf to Facility Reserve	154,134	82,738	127,394	131,744	143,469
Transfer to Facility Reserve	-	-	14,400	14,688	7,600
Net Operating Funded from General Revenues	154,134	82,738	141,794	146,432	151,069
Transfers from Reserves	273,593	578,318	276,344	-	-
Other Project Funding	600,000	78,345	2,000	-	-
Total Project Funding	873,593	656,663	278,344	-	-
Capital	1,000,247	635,946	195,925	-	-
Operating	20,969	67,512	82,419	-	-
Total Project Expenditures	1,021,216	703,458	278,344	-	-
Net - Funded from General Revenues	301,757	129,533	141,794	146,432	151,069
Funded from General Revenue	23%	13%	24%	46%	47%
Cost per Capita \$	3.47 \$	1.48 \$	1.60 \$	1.63 \$	1.68

Budgeted FTEs

Parks, Recreation and Culture - Civic Properties - Annual Operating and Maintenance Revenues and Expenditures

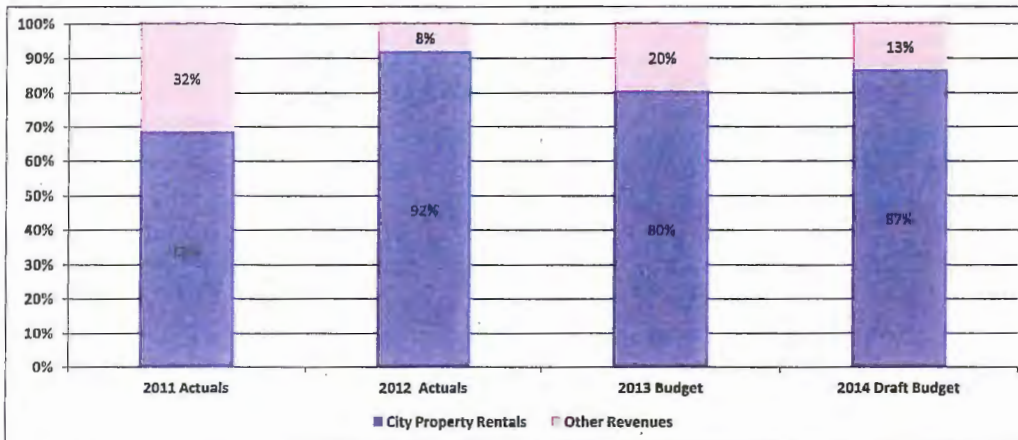
Expenditure Analysis



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Revenue Analysis

	2011 Actuals	2012 Actuals	2013 Budget	2014 Draft Budget
City Property Rentals	68%	92%	80%	87%
Other Revenues	32%	8%	20%	13%
Total Revenues	100%	100%	100%	100%



Parks Recreation & Culture - Civic Properties - Service Level Changes and Projects
2014 - 2018 Financial Plan Review

Notes:

- 1) Projects are identified for expenditures that do not occur every year or vary from year to year.
- 2) Most projects are related to asset management of current facilities.
- 3) Projects are either classified as operating or capital to comply with accounting standards. Larger cost projects are classified as capital.
- 4) Projects can be funded from the DCC Parks Reserve, other reserves, grants and general taxation funding.

Asset Renewal Projects	New Assets Projects	Asset Upgrade Projects	Strategic Projects
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#	Description	2014		2015	2016	2017	2018	Future Years
		2014	% of taxes					
1	Service Level Changes							
	25 Victoria - Nanaimo Centre Stage							
	25 Victoria - Sloped Portion of Roof			50,000				
	25 Victoria - Siding (excludes Nicol Street side in 2013 budget)			480,000				
	25 Victoria - HVAC (roof top unit)						25,000	
40121	25 Victoria - Upgrade HVAC			30,000				
40120	25 Victoria - Upgrade Lighting			15,000				
	Chase River Fire Hall							
	Seismic Upgrade to Building*	295,000	0.3%					
	150 Commercial Street - CIBC Nanaimo Arts Centre							
	Back Entrance - Replace Glazed Wall			100,000				
40115	CIBC Art Gallery - Upgrade Lighting			10,000				
40114	Nanaimo Art Gallery - Capital Improvements Grant	50,000	0.1%					
	Port Theatre							
40117	Port Theatre - Control Values	26,500	0.0%					
40119	Port Theatre - Controller (NCM-350)	8,000	0.0%					
	Port Theatre - Interior Flooring (lino/carpet)				227,500			
40116	Port Theatre - New Controls Air Compressor	6,400	0.0%					
40118	Port Theatre - Pneumatic Controller	10,000	0.0%					
	Port Theatre - Windows	25,000	0.0%	25,000				
	Total Expenditures	420,900	0.5%	710,000	227,500	-	25,000	

* Contingent on discussions and cost share with Nanaimo Boys and Girls Club



**COUNCIL BUDGET REVIEW PILOT
PARKS, RECREATION AND CULTURE
COMMUNITY DEVELOPMENT
October 31, 2013**

Parks, Recreation and Culture - Community Development - Current Level of Service

Financial and Operational Planning includes:

- Annual operating and maintenance activities to provide current service levels
- Identify specific projects, supported by a long range asset management plan, for renewal of current facilities. Renewal projects focus on replacing major components of each facility.
- Identify specific projects for upgrades to current facilities.

Current Level of Service

Nanaimo Art Gallery

The City provides an annual operating grant to the Nanaimo Art Gallery which currently operates two locations in Nanaimo: a campus Gallery at Vancouver Island University and a downtown location on Commercial Street. Parks, Recreation and Cultural has submitted a report to Council for a 10 year Management Agreement with the Nanaimo Art Gallery which increases the annual operating grant starting in 2014 and provides capital costs. The increase in operating funding is reflected in the 2014 budget presented here and the capital costs are included with the projects presented in the Civic Properties presentation.

Port Theatre Society

The Port Theatre Society operates the Port Theatre under an operating agreement with the City. The operating agreement provides for an annually operating grant from the City. The theatre offers over 250 events annually attracting more than 100,000 people.

Nanaimo & District Museum Society

The City provides an annual operating grant to the Nanaimo & District Museum Society to operate the Nanaimo Museum located in the Port of Nanaimo Centre. In addition to the museum the Society also operates the Bastion, an icon in the community. The museum attracted almost 57,000 visitors last year, offered 78 school programs, more than 80 other events and tours and 11 feature and temporary exhibits.

Cultural Grants

On an annual basis the City offers cultural operating grants to cultural groups and organization based on a eligibility criteria. The awarding of grants is overseen by the Cultural Committee, PRC Commission and Council. Funding for this program is based on a per capita rate of \$2.30 and is projected to be \$207,050 for 2014.

Art & Culture Events Grants

Each year the City provides 10 - 15 grants to local cultural/event groups that host community special events. \$27,573 is budgeted for this program in 2014.

Travel Grants

Travel grants are awarded to eligible applicants to provide assist to local groups with travel expenses to provincial or national sport or cultural competitions. The awarding of grants is approved by PRC Commission and Council. \$7,500 is budgeted for this program in 2014.

Sport Tournament Grants

Each year the City provides 25 - 30 grants to local groups that host tournaments in Nanaimo. Grants are awarded bi-annually and are approved by PRC Commission and Council. \$21,498 is budgeted for this program in 2014.

Live Site Operations

The City operates and maintains the Live Site (giant TV) located in Diana Krall Plaza.

PacificSport

The City provides an annually operating grant to PacificSport a not-for-profit organization providing services and programs to meet the needs of high performance athletes, coaches and volunteers.

McGirr Sports Society

The City has an agreement with the McGirr Sports Society for the management of McGirr Sports Field and provides an annual operating grant. This park hosts 72 local teams that use McGirr to practice on a regular basis with approx. 2,500 participants in league play. On average McGirr hosts 30 - 35 tournaments annually with an estimated 12,000 individuals.

Vancouver Island Exhibition Association

The City provides an annually operating grant for the Vancouver Island Exhibition.

BC Summer Games

In 2008 the City bid and was awarded the 2014 BC Summer Games to be hosted July 17 -20. This event will bring 3,200 athletes, coaches and officials to participate. \$45,000 has been budgeted in 2014 for this event.

Vancouver Island Regional Library

The City provides annual funding for the operation of the Vancouver Island Regional Library. The Vancouver Island Regional Library is the fourth largest library system in British Columbia and services over 430,000 people on Vancouver Island, Haida Gwaii and the Central Coast through 38 branches, eLibrary and books by mail.

RDN - Sports Field & Recreation Services Agreement

The City of Nanaimo receives annual funding as per our agreement with the Regional District of Nanaimo for providing access to Sports Fields and recreational services to members of the public residing outside of the boundaries of Nanaimo and within the boundaries of the District of Lantzville and Electoral Areas A, B and C.

**Parks, Recreation and Culture - Community Development - Annual Operating and Maintenance Revenues and Expenditures
2014 - 2018 Financial Plan Review**

Annual Operating and Maintenance Budget

Grants to community organizations for arts, cultural and sports, as well as the operation of the Live Site in Diana Krall Plaza.

Annual operating and maintenance budgets include:

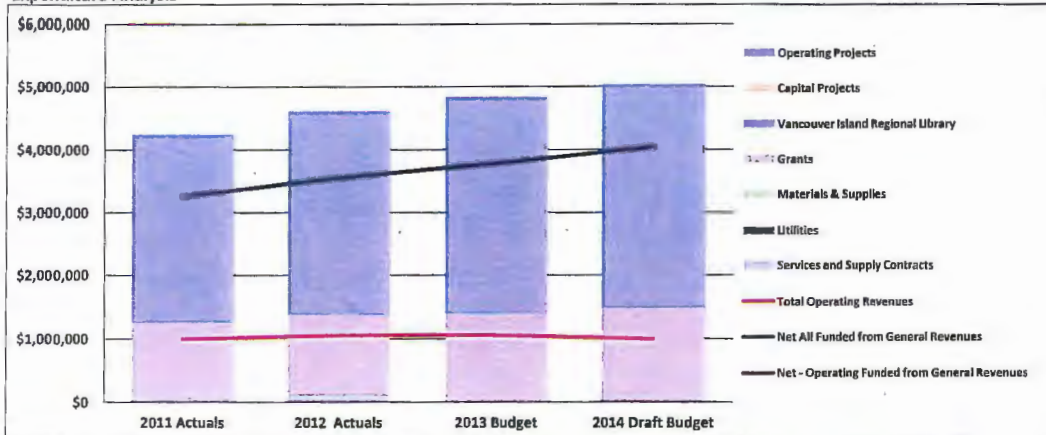
- Operation of the Live Site in Diana Krall Plaza

Indirect costs that are incurred to support the Community Development operations such as payroll, accounts payable, human resources and senior management resources are not included in Community Development actuals/budget.

Community Development	2013 - 2017 Financial Plan				
	2011 Actuals	2012 Actuals	2013 Budget	2014 Budget	2014 Draft Budget
RDN - Sports Field & Recreation Services Agreement	976,295	1,038,760	1,038,760	1,038,760	982,029
Other Revenues	10,475	3,150	1,398	-	-
Total Operating Revenues	986,770	1,041,910	1,040,158	1,038,760	982,029
Services and Supply Contracts	41,700	106,445	6,600	6,732	6,600
Utilities	5,354	5,655	6,000	6,120	6,000
Materials & Supplies	388	60	-	-	500
Grants	1,211,978	1,266,457	1,382,845	1,412,310	1,465,763
Vancouver Island Regional Library	2,977,668	3,206,236	3,424,172	3,544,018	3,544,018
Total Operating and Maintenance Expenditures	4,237,089	4,584,853	4,819,617	4,969,180	5,022,881
Net Operating Funded from General Revenues	3,250,319	3,542,943	3,779,459	3,930,420	4,040,852
Transfers from Reserves	-	3,931	-	-	-
Other Project Funding	-	-	-	-	-
Total Project Funding	-	3,931	-	-	-
Capital Operating	-	10,120	-	-	-
Total Project Expenditures	-	10,120	-	-	-
Net - Funded from General Revenues	3,250,319	3,549,132	3,779,459	3,930,420	4,040,852
Funded from General Revenue	77%	77%	78%	79%	80%
Cost per Capita \$	37.38	\$ 40.55	\$ 42.58	\$ 43.66	\$ 44.89
Budgeted FTEs					

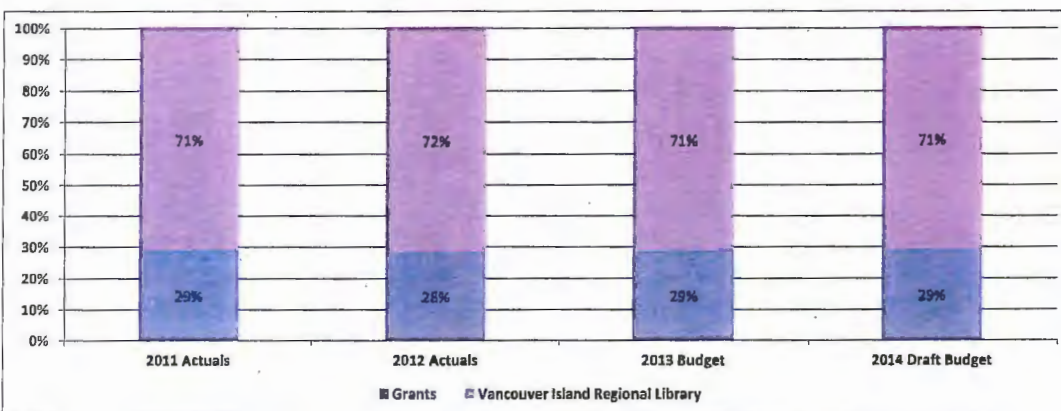
Parks, Recreation and Culture - Community Development - Annual Operating and Maintenance Revenues and Expenditures

Expenditure Analysis



Grants Analysis

	2011 Actuals	2012 Actuals	2013 Budget	2014 Draft Budget
Grants	29%	28%	29%	29%
Vancouver Island Regional Library	71%	72%	71%	71%
Total Grants	100%	100%	100%	100%



Parks Recreation & Culture - Community Development - Service Level Changes and Projects
2014 - 2018 Financial Plan Review

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Asset Renewal Projects	New Assets Projects	Asset Upgrade Projects	Strategic Projects
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#	Description	2014		2015	2016	2017	2018	Future Years
		2014	% of taxes					
16	Service Level Changes							
	PacificSport	(15,000)	0.0%	(15,000)	(15,000)	(15,000)	(15,000)	
	VIEX Operating Grant	(12,000)	0.0%	(12,000)	(12,000)	(12,000)	(12,000)	
	Projects							
	Total Expenditures	(27,000)	0.0%	(27,000)	(27,000)	(27,000)	(27,000)	0