



# Staff Report

## Finance and IT Services

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**Report To:** Committee of the Whole  
**Meeting Date:** October 23, 2017  
**Report Number:** FAF.17.112  
**Subject:** Subsidies for all Community Services Facilities  
**Prepared by:** Sam Dinsmore, Deputy Treasurer/Manager of Accounting and Budgets

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### A. Recommendations

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THAT Council receive Staff Report FAF.17.112 entitled “Subsidies for all Community Services Facilities”; and

THAT Council direct staff to explore and report back in 2018 potential revenue streams for the Parks and Trails division of Community Services; and

THAT Council reallocate the funding in Special Events Subsidy to the Grants and Donations budget of \$8,000 starting in 2019 and advise the organizations of the application process.

### B. Overview

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This report outlines the funding splits between taxation and self-generated revenues for the Community Services division. The Harbour has been excluded as it is 100% self-sustaining, Transit has also been excluded as the program is operated by the Town of Collingwood.

### C. Background

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During the 2017 Special Committee of the Whole Budget Meetings, Council passed the following motion:

Moved by: John McGee                      Seconded by: Gail Ardiel

THAT Council direct staff to bring a staff report forward on the percentage of subsidy on all Community Services facilities, Carried.

This report uses audited 2016 financial information as well as 2016 statistics for information on the Community Services ice rentals, ball games, etc.

## D. Analysis

### Beaver Valley Community Centre

	2016 Actuals
Operating Expenses	\$495,845
Revenue Generated	\$184,952
Taxation Required	\$310,893
Percentage of Expenses funded by Taxation	63%
Percentage of Expenses funded by Revenues	37%

The Beaver Valley Community Centre (BVCC) ended 2016 with a 2/3, 1/3 funding split and 2017 is forecasting to end with a similar split. Reducing the Revenue Generated line is \$50,978 of subsidies given to the local Minor Sports teams.

If the Town did not offer this subsidy the BVCC would have a funding split of almost 50/50. At this time staff are not recommending any changes to the fees and charges for ice or hall rentals at the BVCC.

Not included in the above chart and statistics is \$12,000 of in kind donations given through the Annual Grants and Donations Program in the form of a subsidy to multiple community groups. If the Annual Grants and Donations program did not exist, this \$12,000 would be collected as revenue.

### Thornbury-Clarksburg Union Cemetery

	2016 Actuals
Operating Expenses	\$112,544
Revenue Generated	\$33,521
Taxation Required	\$79,023
Percentage of Expenses funded by Taxation	70%
Percentage of Expenses funded by Revenues	30%

For 2016 the Cemetery ended the year with a 70/30 split, and 2017 is forecasted to be similar, much like the Beaver Valley Community Centre. At this time staff are not recommending any changes to the Cemetery fees and charges for 2018.

### Baseball Diamonds

	2016 Actuals
Operating Expenses	\$14,669
Revenue Generated	\$2,313
Taxation Required	\$12,356
Percentage of Expenses funded by Taxation	85%
Percentage of Expenses funded by Revenues	15%

For 2016 the Baseball Diamonds ended the year with an 85/15 split. In 2016 118 games were played on the diamonds which represents a cost of \$124 per game and \$20 per game collected in revenues.

Reducing the Revenue Generated line is \$1,146 of subsidies given to the local Minor Sports teams. If the Town did not offer this subsidy, the Baseball Fields would have a split of 75/25. At this time staff are not recommending any changes to the fees and charges for the Baseball Diamonds. 2017 is forecasting to end the year with similar costs and breakdown.

### Soccer Pitches

	2016 Actuals
Operating Expenses	\$17,647
Revenue Generated	\$2,661
Taxation Required	\$14,986
Percentage of Expenses funded by Taxation	85%
Percentage of Expenses funded by Revenues	15%

Similar to the Baseball Diamonds, Soccer Pitches ended 2016 with an 85/15 split. In 2016 104 games were played, representing a \$170 cost per game and \$26 of revenue collected per game.

Reducing the Revenue Generated line is \$919 of subsidies given to the local Minor Sports teams. If the Town did not offer this subsidy the split for the Soccer Pitches would be 80/20. At this time staff are not recommending any changes to the fees and charges for the Soccer Pitches. 2017 is forecasting to end the year with similar costs and breakdown.

### Parks and Trails

	2016 Actuals
Operating Expenses	\$610,199
Revenue Generated	\$33,289
Taxation Required	\$576,910
Percentage of Expenses funded by Taxation	95%
Percentage of Expenses funded by Revenues	5%

Parks and Trails are almost 100% funded through taxation as currently there are very few revenue streams available. For 2018 staff are not recommending any fee changes. However, staff are recommending that Council direct staff to explore and report back to Council in 2018 any potential revenue streams that could help offset the amount of taxation required. These streams could include but are not limited to paid parking and vendor licenses. 2017 is forecasting to end the year with similar costs and breakdown.

**Special Events**

	<b>2016 Actuals</b>
Operating Expenses	\$52,853
Revenue Generated	\$0
Taxation Required	\$52,853
Percentage of Expenses funded by Taxation	100%
Percentage of Expenses funded by Revenues	0%

The Special Events division effectively collects no revenue although there are fees for event applications; this is due to the fact that subsidies are offered to other groups which completely offset the small amount of revenue generated. In 2016 Special Events collected \$2,841 in Fees and Charges but this was more than offset by the \$7,803 given in subsidies to small organizations. If the Town were to stop offering the subsidy to these organizations the split would be reduced from 100% taxation to 94/6%.

At this time staff are recommending that the subsidized groups be required to submit annual Grants and Donations application and that the funding be reallocated to Grants and Donations of \$8,000 to cover these costs starting in 2019.

**Tomahawk**

	<b>2016 Actuals</b>
Operating Expenses	\$110,074
Revenue Generated	\$45,205
Taxation Required	\$64,869
Percentage of Expenses funded by Taxation	59%
Percentage of Expenses funded by Revenues	41%

Tomahawk ended 2016 with the lowest percentage of taxation among any division in the Community Services Department and staff are forecasting a similar end to 2017. Staff estimate that 6,072 rounds were played in 2016, and this does not include the rounds that golfers did not pay for. The presents an \$18 per round cost to the municipality with \$8 being covered by the golfer. Staff are not recommending any changes to the Fees and Charges for 2018 at Tomahawk golf course.

**Ravenna Hall**

	<b>2016 Actuals</b>
Operating Expenses	\$29,027
Revenue Generated	\$4,109
Taxation Required	\$24,918
Percentage of Expenses funded by Taxation	86%
Percentage of Expenses funded by Revenues	14%

The Ravenna Hall saw similar splits to the Baseball Diamonds and Soccer Pitches in 2016. The 86/14 split represents a cost of \$20 per rented hour (1,417 rented hours in 2016) while generating \$3 per rented hour of revenue. At this time staff are not recommending any changes to the fees and charges for the Ravenna Hall.

### **Craigleith Community Centre**

	<b>2016 Actuals</b>
Operating Expenses	\$13,281
Revenue Generated	\$2,974
Taxation Required	\$10,307
Percentage of Expenses funded by Taxation	78%
Percentage of Expenses funded by Revenues	22%

The Craigleith Community Centre (CCC) saw slightly better splits than the Ravenna Hall at 78% taxation and 22% self-generated revenue. These costs represent a \$17 per rented hour (788 rented hours in 2016) while generating \$4 of revenue per rented hour. At this time staff are not recommending any changes to the fees and charges for the CCC.

## **E. The Blue Mountains' Strategic Plan**

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Goal #4: Promote a Culture of Organizational and Operational Excellence  
Objective #4: To Be a Financially Responsible Organization

## **F. Environmental Impacts**

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N/A

## **G. Financial Impact**

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After reviewing the fees and charges for similar rentals in Collingwood and Meaford staff are recommending that no current fees be changed for the 2018 budget. The two neighbouring municipalities have similar charges. If the Town were to increase the current fees, rentals could easily go next door for ice rentals or community centers.

Staff are recommending that more revenue streams be researched and considered during 2018 to be presented in the 2019 budget. As stated in the body of the report, these streams could include paid parking or additional licensing fees for street vendors.

## **H. In consultation with**

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Shawn Everitt, Acting CAO/Director of Community Services  
Ruth Prince, Director of Finance & IT Services  
Ryan Gibbons, Manager of Harbour/Cemetery & Building Maintenance Coordinator  
Aaron McMullen, Facilities Manager  
Wanda Robertson, Account Analyst

**I. Attached**

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None.

Respectfully Submitted,

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Sam Dinsmore  
Deputy Treasurer/Manager of Accounting and Budgets

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Ruth Prince  
Director of Finance and IT Services

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