
2019 Business Plan and Budget Review Options – Inquiry - Funding for the Recreation and Parks Facilities Game Plan

Recommendation

That the report of the General Manager, Community Services Department, dated October 15, 2018, be received as information.

Topic and Purpose

This report is in follow up to an inquiry from the August 20, 2018 Governance and Priorities Committee meeting regarding the report on 2019 Business Plan and Budget Review options. The report provides a brief overview of the impact of decreasing the funding contribution of \$250,000 to the Recreation and Parks Master Plan – Facilities Game Plan funding plan.

Report Highlights

1. Any reduction in the contribution to the Recreation and Parks Master Plan – Facilities Game Plan (Game Plan) funding plan has implications to the timing of the completion of the projects identified as priorities within the Game Plan.

Strategic Goals

Under the City of Saskatoon's (City) Strategic Goal of Quality of Life, this report relates to the long-term strategies of supporting community building through direct investment, as well as ensuring existing and future leisure centres and other recreational facilities are accessible, physically and financially, and meet community needs.

The Game Plan funding plan supports the priority of developing funding strategies for expenses related to new capital expenditures under the Strategic Goal of Asset and Financial Sustainability.

Background

At its Regular Business meeting held on November 20, 2017, City Council approved the establishment of the Recreation, Sport, Culture, and Parks Partnership Reserve (Partnership Reserve). The purpose of the Partnership Reserve is to provide a source of funding for both major and minor partnership project opportunities for recreation, sport, culture, and parks capital projects. Partnerships will form a critical aspect of future construction of recreation and culture amenities. The funding required to support the Partnership Reserve was to be included as part of a future report on the Game Plan funding plan.

At its Regular Business meeting held on March 26, 2018, City Council considered the report of the Standing Policy Committee on Planning, Development and Community Services, along with a report of the General Manager, Community Services Department,

on the Recreation and Parks Master Plan – Facilities Game Plan – Proposed Funding Plan (see Attachment 1) and resolved, in part:

- “1. That the funding plan for the Facilities Game Plan, already approved partner-led capital projects of \$11.0 million, as outlined in the March 5, 2018 report of the General Manager, Community Services Department, be approved in principle, for inclusion in the 2019 and future Business Plan and Budget Reviews;
2. That the Recreation and Parks Master Plan Facilities Game Plan, proposed 2019 to 2023 City-led capital priorities and proposed funding plan, as outlined in the March 5, 2018 report of the General Manager, Community Services Department, be approved in principle, subject to future budget approvals;
3. That additional proposed incremental funding of \$250,000 per year be phased in over five years, starting in 2019, to establish a Partnership Reserve, be approved in principle, for inclusion in the 2019 Business Plan and Budget Review, subject to future budget approvals;”

Subsequent to these approvals, the Administration prepared the 2019 Business Plan and Budget Review report, with the consideration for \$250,000 as the first year of a five-year phase in to establish a Partnership Reserve.

At its meeting of August 20, 2018, when considering a report from the CFO/General Manager, Asset and Financial Management Department, on the 2019 Business Plan and Budget Options, the Governance and Priorities Committee requested additional information regarding the impact of decreasing the funding contribution of \$250,000 to the Game Plan funding plan.

Report

The Game Plan funding plan report in Attachment 1 provides an overview of how the funding identified is to be allocated to the priority projects over the years beginning in 2018 to 2024. The plan and projects identified for funding have all be vetted through the Recreation and Parks Master Plan of 2016 and subsequently updated in October 2017 during the process of establishing the Game Plan, which is the long-range capital plan for recreation, sport, culture, and leisure facilities and amenities.

The Game Plan funding plan represents a total of three approved partner-led projects with \$11.0 million in capital funding, and eight City-led capital projects with \$7.03 million in funding required. The breakdown on these can be found in the spreadsheets attached to the report in Attachment 1.

Given the magnitude of the funding required for the Game Plan capital projects, the funding plan for these projects included a wide variety of funding sources, such as:

- i) Neighbourhood Land Development Fund Dividend;

- ii) Parks and Recreation Levy – for University Rink;
- iii) Dedicated Lands;
- iv) Reallocation of New Building Canada Fund;
- v) Parks Enhancement Reserve; and
- vi) Mill rate contribution - a portion of the phased in Partnership Reserve fund.

The Partnership Reserve fund is the component of the funding plan that requires a mill rate contribution and is currently in question. The Game Plan Funding Plan laid out the strategy to phase in \$250,000 per year, beginning in 2019, to establish a base of \$1.25 million over five years. Knowing that partnerships will form a critical aspect of future construction of recreation and culture amenities, it is increasingly important for the City to begin planning for these future projects. Phasing in of the funding has been incorporated into the Game Plan Funding Plan.

The \$250,000 requested in 2019 is proposed to support the development of an indoor playground at one of the leisure centres and the formalization of an outdoor pickleball facility in Father Basil Markle Park.

In 2020, the proposed Game Plan Funding Plan requires the second phase of an additional \$250,000 for a base level funding of \$500,000, which is proposed to be allocated to the boat launch/river access project. Further, a partnership project with Shakespeare on the Saskatchewan has identified \$750,000 for support amenities such as a new washroom facility along the Meewasin Trail, as well as trail and parking lot upgrades that will require funding allocation in 2020 or 2021 and has been identified as eligible for funding from the Partnership Reserve fund.

Any consideration for a reduction in the budget allocation for 2019 would have an impact on the completion of the projects identified for funding in 2019, and would have additional impacts for either the request for funding in 2020 (which is currently identified as the second phase of \$250,000 and would need to be increased proportionately to any reduction in the allocated base funding in 2019) and/or the deferral of projects identified for the funding in 2020 and beyond. In general terms, if the amount of funding is decreased (and depending on the amount it is decreased), the City would need to revisit the Game Plan and associated projects. Committee input would be required in order to reprioritize projects as some would need to be deferred or reduced in scope.

Financial Implications

The financial implications are as noted in the report above.

Due Date for Follow-up and/or Project Completion

Follow-up is not required at this time.

Other Considerations/Implications

There are no options, policy, environmental, privacy, CPTED, or stakeholder input considerations or implications related to the recommendation that this report be received as information; a communication plan is not required at this time.

Public Notice

Public notice pursuant to Section 3 of Policy No. C01-021, Public Notice Policy, is not required.

Attachment

1. Report – Recreation and Parks Master Plan – Facilities Game Plan – Proposed Funding Plan

Report Approval

Written by: Lynne Lacroix, Director of Recreation and Community Development
Reviewed by: Randy Grauer, General Manager, Community Services Department
Approved by: Jeff Jorgenson, City Manager

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