

SPECIAL CORPORATE AND ADMINISTRATIVE SERVICES COMMITTEE



Thursday, July 30, 2020
SCRD Boardroom, 1975 Field Road

AMENDED AGENDA

CALL TO ORDER: 9:30 a.m.

AGENDA

1. Adoption of Agenda

PRESENTATIONS AND DELEGATIONS

REPORTS

- | | | |
|----|--|------------------------|
| 2. | Ministerial Order M192 – In-Person Participation at Board Meetings
<i>Corporate Officer</i>
(Voting – All Directors) | Annex A
Pages 1-3 |
| 3. | Sunshine Coast Regional District COVID-19 Re-Start Plan
<i>Chief Administrative Officer</i>
(Voting – All Directors) | ⇒INSERT
pp. 3a-3n |
| 4. | BC Energy Step Code Survey Results Update
<i>Chief Building Official</i>
(Voting – A, B, D, E, F and SIGD) | Annex B
pp. 4-26 |
| 5. | Updated Community Recreation Facilities [615] COVID-19 Budget Implications
<i>Manager, Recreation Services</i>
(Voting – B, D, E, F Sechelt, Gibsons, SIGD) | ⇒INSERT
pp. 26a-26h |
| 6. | Long Term Debt as at June 30, 2020
<i>Manager, Financial Services</i>
(Voting – All Directors) | Annex C
pp. 27-31 |
| 7. | Gas Tax Community Works Fund Update
<i>Manager, Financial Services</i>
(Voting – A, B, D, E, F) | Annex D
pp. 32-35 |
| 8. | Director Constituency and Travel Expenses (April to June 2020)
<i>Accounts Payable Technician</i>
(Voting – All Directors) | Annex E
pp. 36-37 |

9. 1st Update for 2020 – Corporate and Administrative Services Department (January to June)
Joint Report
(Voting – All Directors) Annex F
pp. 38-47

COMMUNICATIONS

10. Amanda Girard, Planning Forester, BC Timber Sales
Regarding: BCTS Sunshine Coast 2020-2024 Operational Plan
North Lake Amendment
(Voting – All Directors) Annex G
pp. 48-55
11. Mike Farnworth, Minister of Public Safety and Solicitor General and Selina Robinson, Minister of Municipal Affairs and Housing
Regarding: COVID-19 Related Measures Act (Bill 19)
(Voting – All Directors) Annex H
pp. 56-57
12. Lexa Pomfret, Quartermaster, Royal Canadian Marine Search and Rescue, Station 12, Halfmoon Bay (RCMSAR 12)
Regarding: Grant Application Letter of Support
(Voting – All Directors) Annex I
pp. 58-59

NEW BUSINESS

IN CAMERA

ADJOURNMENT

SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

TO: Special Corporate and Administrative Services Committee - July 30, 2020

AUTHOR: Dean McKinley, Chief Administrative Officer

SUBJECT: SUNSHINE COAST REGIONAL DISTRICT (SCRD) RESTART PLAN

RECOMMENDATION(S)

THAT the report titled Sunshine Coast Regional District (SCRD) Restart Plan be received;

AND THAT the SCRD Restart Plan be adopted as presented;

AND THAT staff be directed to implement the SCRD Restart Plan;

AND FURTHER THAT this recommendation be forwarded to the July 30, 2020 Special Board meeting.

BACKGROUND

The COVID-19 pandemic has caused unprecedented health, social and economic impacts around the world. Local Governments have a critical role to play in maintaining essential services, communicating information in a timely and effective manner, ensuring health directives are followed, and addressing needs within the local community as they arise.

This report has been prepared to address the criteria required to reopen SCRD facilities and to continue or re-instate services.

Consultation with the SCRD's Joint Health and Safety Committees is ongoing. The advice from the Provincial Health Officer, Dr. Bonnie Henry, has also encouraged all organizations and business to take a measured approach to resuming operations to ensure that it is done correctly and does not result in negative consequences. If new advice or guidance are provided, this Plan would be revisited and revised accordingly to be in compliance.

DISCUSSION

The SCRD's Restart Plan (Attachment A) is a coordinated strategy to reopen facilities and restart services impacted by the response to the COVID-19 pandemic following a precautionary approach to ensure the safety of the public and staff.

The reopening of facilities and expansion of services will be a gradual process along a range of four incremental stages from lower risk and less complex services and facilities to higher risk and more complex services and facilities with respect to measures required to comply with guidelines, staffing and resource requirements and public demand.

Decisions to reopen facilities and re-instate service levels will be made by the SCRD Board of Directors with recommendations from SCRD staff. Decisions will be guided by directives of the Provincial Health Officer, Vancouver Coastal Health Authority, BC Center for Disease Control, WorkSafeBC, and stakeholder groups including BC Transit, the BC Recreation and Parks Association, the Lifesaving Society BC and Yukon Branch, and provincial and national sport governing bodies.

The SCRD's Restart Plan has been developed collaboratively by staff from multiple departments and their continued efforts and dedication to ongoing service delivery and restart planning is greatly appreciated.

Financial Implications

The reopening of facilities, the continuation of services, and the resumption of programs and services will have financial implications. Even under normal operations, many of the programs and services offered at SCRD facilities are a net operating expense to the SCRD with a portion of costs recovered through fees and charges.

The closure of facilities and disruption of many programs and services resulted in a considerable reduction in revenues. Many staff associated with the direct delivery of these services have been laid off or given zero-hour schedules in conjunction with the closing of facilities and programs allowing for some cost savings. The SCRD Board took proactive steps to mitigate financial impacts associated with COVID-19 by amending the 2020 budget prior to adoption based on what was known or anticipated at that time (March 31, 2020).

The following financial factors must be considered in reopening facilities and services:

- The reopening of facilities and resumption of services will require recalling staff and incurring the cost (e.g. training, re-orientation) of doing so.
- Revenues are expected to be below normal levels due to factors such as facility capacity limits for physical distancing, reduced hours or service levels, and potentially lower demand.
- There will also be extraordinary costs (both one-time and ongoing) of offering services in a modified manner in order to continue to ensure the safety of the community and staff. This includes, for example, the costs of increased cleaning, installing barriers and the purchase of additional personal protective equipment. These costs can be significant given the level of effort of cleaning required.
- As facilities are reopened, there will be additional operating expenses primarily related to staffing. These additional costs become more significant at Stages 3 and 4. As further details on re-openings are determined, consideration will be given to the incremental costs in the context of the SCRD's approved budget.

The financial implications must also be considered in the context of the public health benefits of providing community recreation services and the broader mandate to provide these services to the public.

Timeline for next steps

The SCRD Restart Plan consists of four stages. The timing of each stage, and the restoration of individual programs and services within each stages, is subject to change as the COVID-19 pandemic and provincial direction evolves. This plan can be modified if there is a setback in the collective societal progress to flatten the curve of infections within the province.

Stage 1	June/July
Stage 2	August
Stage 3	September and beyond
Stage 4	End of Pandemic

Communications Strategy

As programs and services begin to resume fully, the public will need to be informed. The public will also be looking to the SCRD for information to understand their risks and exposure. The public will need clear communication to understand and make decisions for themselves and their families about how to receive and participate in programs and services as health authorities monitor the curve of transmission of COVID-19 on an ongoing basis.

CONCLUSION

The SCRD's Restart Plan is a coordinated strategy to reopen facilities and restart services impacted by the response to the COVID-19 pandemic following a precautionary approach to ensure the safety of the public and staff.

The reopening of facilities and expansion of services will be a gradual process along a range of four incremental stages from lower risk and less complex services and facilities to higher risk and more complex services and facilities with respect to measures required to comply with guidelines, staffing and resource requirements and public demand.

The reopening of facilities, the continuation of services, and the resumption of programs and services will have financial implications; however, they must also be considered in the context of the public health benefits of providing community recreation services and the broader mandate to provide these services to the public.

Staff recommend the SCRD Restart Plan be approved and implemented.

Attachment:

Attachment A – SCRD Restart Plan

Reviewed by:			
Manager		Finance	X – T. Perreault
GM	X – I. Hall	Legislative	X – S. Reid
CAO		HR	X – G. Parker



Sunshine Coast Regional District COVID-19 Restart Plan



Introduction

The COVID-19 pandemic has caused unprecedented health, social and economic impacts around the world. Local Governments have a critical role to play in maintaining essential services, communicating information in a timely and effective manner, ensuring health directives are followed, and addressing needs within the local community as they arise.

In March and April, directives from the federal and provincial governments, along with the regional health authority, resulted in a number of non-essential services traditionally offered by the Sunshine Coast Regional District being put on hiatus or provided in a different manner in an effort to reduce the transmission of COVID-19 and protect the community. This included the cancellation of recreational programs, closure of indoor recreation facilities and some outdoor park amenities, as well as the closure of the Field Road Administration building to the public. Some essential services were also impacted where service levels were reduced such as local Transit. The SCRD Board took proactive steps to manage the financial impact of the pandemic on the community by amending the 2020 annual budget prior to adoption to reflect service changes that were known or that were anticipated based on information available at the time.

Given the current status of COVID-19 in British Columbia, the provincial government recently released [BC's Restart Plan](#), a four-phased plan to resume activities and businesses that were previously restricted by the orders and guidance issued by the Provincial Health Officer.

The SCRD's Restart Plan is a coordinated strategy to not only continue with existing services as modified but to also reopen facilities and restart services impacted by the response to the COVID-19 pandemic following a precautionary approach to ensure the safety of the public and staff.

The reopening of facilities and expansion of services will be a gradual process along a range of four incremental stages from lower risk and less complex services and facilities to higher risk and more complex services and facilities with respect to measures required to comply with guidelines, staffing and resource requirements and public demand.

Decisions to reopen facilities and re-instate service levels will be made by the SCRD Board of Directors with recommendations from SCRD staff. Decisions will be guided by directives of the Provincial Health Officer, Vancouver Coastal Health Authority, BC Center for Disease Control, WorkSafeBC, and stakeholder groups including BC Transit, the BC Recreation and Parks Association, the Lifesaving Society BC and Yukon Branch, and provincial and national sport governing bodies.

The SCRD's Restart Plan has been developed collaboratively by staff from multiple departments and their continued efforts and dedication to ongoing service delivery and restart planning is greatly appreciated.

Criteria to Reopen SCRD Facilities and Continue or Re-Instate Services

The development of this Plan and the criteria to reopen SCRD facilities and to continue or re-instate services continues to be informed by the numerous guidelines noted in the introductory section and most importantly, by WorkSafeBC given the safety of staff and the public is critical.

Ongoing consultation with the SCRD's Joint Health and Safety Committees is critical. The advice from the Provincial Health Officer, Dr. Bonnie Henry, has also encouraged all organizations and business to take a measured approach to resuming operations to ensure that it is done correctly and does not result in negative consequences. If new advice or guidance are provided, this Plan would be revisited and revised accordingly to be in compliance.

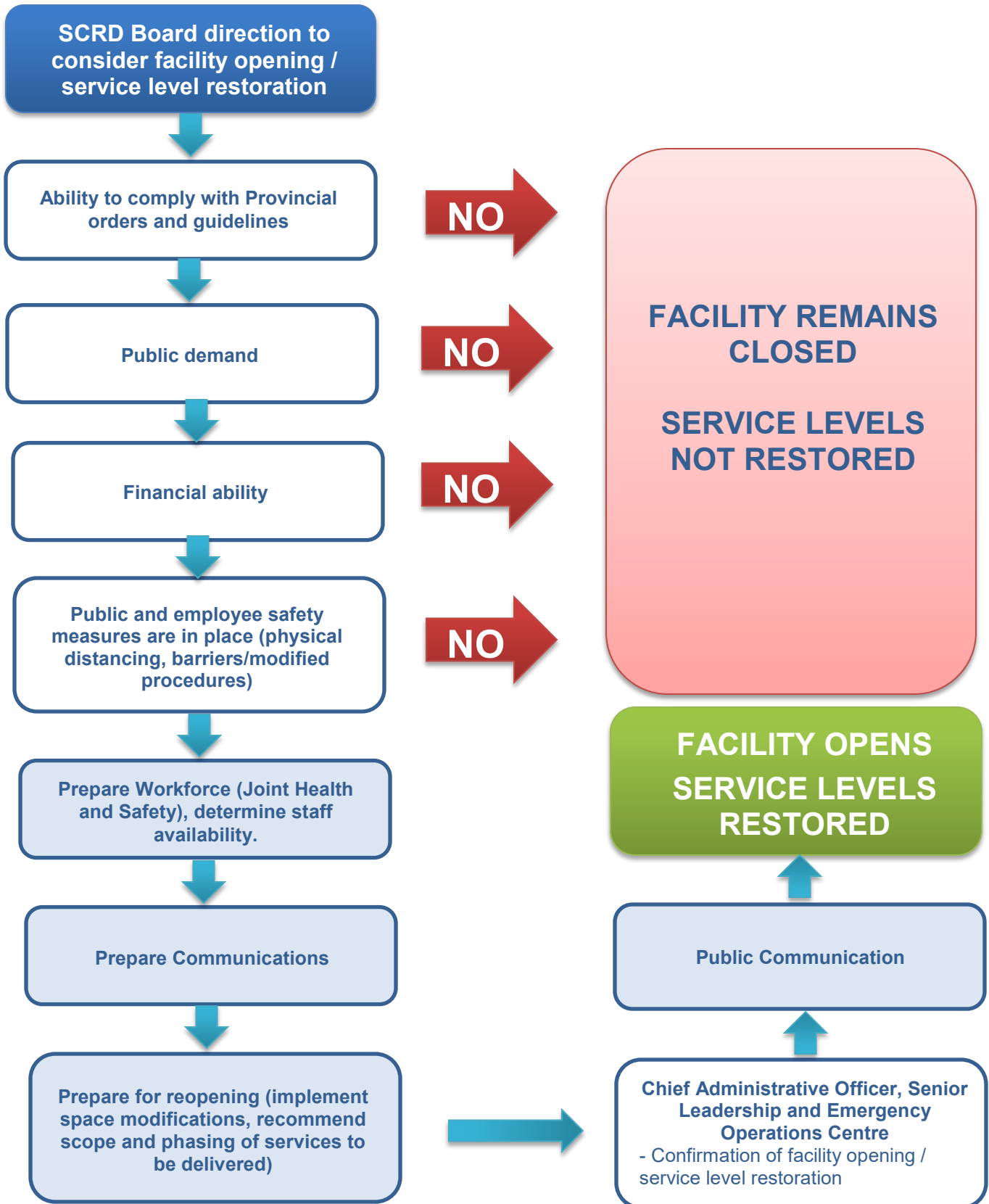
Decision Making Criteria for Reopening

The following criteria must be considered in the decisions to reopen facilities and continue or resume services:

- Ability to comply with Provincial Health Orders, BCCDC, WorkSafeBC guidelines and sector specific enhanced protocols
- Measures to ensure the safety of the public and staff are in place
- Reasonable demand for the facility, service or program
- Appropriate staff resources are available with required training
- Risks can be adequately managed
- Timeline to implement safety measures, training and modifications required for reopening
- Financial implications in the context of approved budgets and Board direction

The following page includes a flow chart showing the decision making criteria.

Decision Making Framework



Health and Safety Measures

The reopening of SCRD facilities and continuation or resumption of programs and services will require changes in the way these services are conducted. Health and safety measures are in place and will expand to include all facilities and work locations to ensure the safety of staff and the public in accordance with WorkSafeBC's framework for COVID-19 safety plans.

The SCRD has a comprehensive COVID-19 Safety Plan that applies to all worksites and is included with this document for reference. The SCRD will provide the opportunity for the public to safely participate in programs and services; however, it is the responsibility of the public to follow the established guidelines which will be clearly communicated to all patrons.

The additional measures to provide safe experiences for the public include:

- Posting this Restart Plan and the COVID-19 Safety Plan on the SCRD website and at facilities that are open to the public.
- Communicating expectations of staff and the public to follow physical distancing protocols and policies such as staying home if they are sick.
- Enhanced cleaning and disinfecting high touch surfaces.
- Installing protective barriers for front counters and other locations, where appropriate.
- Ensuring physical distancing is maintained through program modification and queuing strategies with appropriate signage.
- Promoting high levels of handwashing and personal hygiene as a key preventative measure. This includes providing access to washroom facilities and hand sanitizing stations.
- Encouraging staff and the public to wear face masks if desired.
- Providing public education on maintaining physical distance in park and open spaces through signage and education.
- Ensuring user groups follow facility guidelines and governing body guidelines.
- Reduction of number of participants and/or occupancy limits identified to allow for physical distancing.

Staged Approach to Service Restoration

The SCRD Restart Plan consists of four stages. The timing of each stage, and the restoration of individual programs and services within each stages, is subject to change as the COVID-19 pandemic and provincial direction evolves. This plan can be modified if there is a setback in the collective societal progress to flatten the curve of infections within the province.

The restoration of the SCRD's programs and services will necessitate changes in the way these services are delivered. A number of health and safety measures are in place and will be expanded across all facilities to ensure the safety of staff, elected officials and the public. The Regional District provides the opportunity for the public to safely participate in programs and services; however, it is the responsibility of the public to follow the established guidelines.

Communications

As programs and services begin to resume fully, the public will need to be informed. The public will also be looking to the SCRD for information to understand their risks and exposure. The public will need clear communication to understand and make decisions for themselves and their families about how to receive and participate in programs and services as health authorities monitor the curve of transmission of COVID-19 on an ongoing basis.

Restart Plan Overview

Each stage is subject to compliance with the decision making framework (page 4) and subject to change as new information becomes available and the current level of COVID-19.

Stage 1	June/July
Stage 2	August
Stage 3	September and beyond
Stage 4	End of Pandemic

Stage 1

SCRD Field Road Office re-opened, with limited hours and restrictions.

- Following WorkSafeBC guidelines, front counter services limited and may expand to include dog licenses and drop-off of documents
- Public enquiries via email and phone
- Meetings with applicants via Zoom or telephone by appointment
- Site visits and inspections by appointment
- Development applications - electronic preferred, may expand to appointment-based
- Increased digital engagement including continuation of and/or transition to web-based meetings and public hearings
- Majority of staff working remotely with occasional attendance on site

Transit

Following BC Transit's direction, reduced schedule, additional cleaning, installation of barriers, passengers are encouraged to wear masks, capacity management (40% of conventional transit), and resumption of front door entry.

Fire Halls

Continuation of service provision, resumption of distanced, in-person practices.

Solid Waste

Continuation of service provision with signage, additional cleaning and physical distancing measures in place

Water and Wastewater:

Continuation of service provision, restart of non-critical infrastructure maintenance, repair and maintenance projects

South Pender Office

Re-open on a limited basis.

Parks, Fields, Campground & Halls

- Playgrounds re-opened with signage remaining in place
- Campground re-opened with limited capacity and reserved for BC residents only
- Outdoor fields - for casual drop-in use only (no bookings or club activities).
- Majority washrooms and portable toilets open

Recreation Facilities

Facilities remain closed, with the exception of some washroom/shower services via the Emergency Operations Center

Stage 2

SCRD Field Road

Continued modified service levels

Transit

Following BC Transit's direction, continued cleaning and safety measures for drivers and passengers, limited increase to schedule, passengers are encouraged to wear masks, capacity management (66%-80% of conventional transit)

Fire Halls

Continuation of service provision.

South Pender Office

Re-opened on modified service levels.

Solid Waste

Continuation of service provision

Water and Wastewater:

Continuation of service provision, restart of all regular services

Parks, Fields, campground & Halls

- Playgrounds remain open
- Spray park opens
- Outdoor field bookings where physical distancing can be maintained
- Select 'pilot' hall bookings where physical distancing can be maintained

Recreation Facilities

Facilities remain closed, with the exception of some washroom/shower services via the Emergency Operations Center

Stage 3

SCRD Field Road Office services expanded.

- Limited counter service at scheduled times
- In-person meetings where physical distancing can be maintained
- Appointment based development applications - electronic still preferred
- Moving toward a hybrid of web-based and public meetings and public hearings

Transit

Following BC Transit's direction, continued cleaning and safety measures for drivers and passengers, increase to schedule TBD, capacity management (80% of conventional transit)

Fire Halls

Continuation of service provision.

South Pender Office

Re-open on a limited basis.

Solid Waste

Continuation of service provision

Water and Wastewater:

Continuation of service provision

Parks, Fields, Halls

Schedule limited size/scope activities if appropriate

Recreation Services

- Re-opening of SCRDR recreation centres with modified service levels, following Board direction

- Indoor recreation programming where physical distancing can be maintained
- Indoor facility bookings where physical distancing can be maintained

Stage 4

Full restart of all services (End of Pandemic)

All services return to regular service levels, some in modified form.

Financial Impact

The reopening of facilities, the continuation of services, and the resumption of programs and services will have financial implications. Even under normal operations, many of the programs and services offered at SCRD facilities are a net operating expense to the SCRD with a portion of costs recovered through fees and charges.

The closure of facilities and disruption of many programs and services resulted in a considerable reduction in revenues. Many staff associated with the direct delivery of these services have been laid off or given zero-hour schedules in conjunction with the closing of facilities and programs allowing for some cost savings. The SCRD Board took proactive steps to mitigate financial impacts associated with COVID-19 by amending the 2020 budget prior to adoption based on what was known or anticipated at that time (March 31, 2020).

The following financial factors must be considered in reopening facilities and services:

- The reopening of facilities and resumption of services will require recalling staff and incurring the cost (e.g. training, re-orientation) of doing so.
- Revenues are expected to be below normal levels due to factors such as facility capacity limits for physical distancing, reduced hours or service levels, and potentially lower demand.
- There will also be extraordinary costs (both one-time and ongoing) of offering services in a modified manner in order to continue to ensure the safety of the community and staff. This includes, for example, the costs of increased cleaning, installing barriers and the purchase of additional personal protective equipment. These costs can be significant given the level of effort of cleaning required.
- As facilities are reopened, there will be additional operating expenses primarily related to staffing. These additional costs become more significant at Stages 3 and 4. As further details on re-openings are determined, consideration will be given to the incremental costs in the context of the SCRD's approved budget.

The financial implications must also be considered in the context of the public health benefits of providing community recreation services and the broader mandate to provide these services to the public.

Reference Document: SCRD's COVID-19 Safety Plan

This COVID-19 Safety Plan outlines the policies, guidelines, and procedures the SCRD has put in place to reduce the risk of COVID-19 transmission.

General Safety Measures

Business Transactions	<ul style="list-style-type: none">• Non-essential in-person interaction between employees and visitors is prohibited.• Necessary business is guided by the stages of the Restart plan and where possible is encouraged to take place through telephone, email or other electronic means.• Physical distancing is required for necessary in-person business and appointments
Public Access	<ul style="list-style-type: none">• Persons exhibiting COVID-like symptoms are strictly prohibited from entering SCRD Facilities.• Signage is posted onsite to inform persons of the protocols in place.• Persons are required to wash or sanitize their hands before and after entry to the building.• The use of hand sanitizer is required by persons and provided at all points of entry and high touch points.• Persons must enter and exit facilities maintaining a two metre distance from all others.• Capacity of persons permitted in facilities is limited to adhere to physical distancing requirements.• Floor markings are provided identifying traffic flow and directing visitors where to stand when approaching service counters.• Waiting areas have been arranged to maintain physical distancing requirements.• Barriers have been installed between employees and visitors at Field Rd.• Non-essential communal items, such as brochures, magazines, etc. have been removed from the facilities and only to be provided upon request.
Public Meetings	<ul style="list-style-type: none">• Capacity of persons permitted in meeting rooms are limited to adhere to physical distancing requirements.• SCRD Board and Committee meetings continue to be held electronically, enabling the public to watch, hear and participate in meetings in real time through electronic or other communication facilities. Meetings are also live-streamed to YouTube and archived on SCRD's YouTube channel.• Best efforts are being made to contemplate resuming in-person meetings with the public physically present that are compliant with provincial public health orders and health and safety requirements.• Public Hearings are being held electronically in compliance with Provincial Ministerial Orders and in accordance with the <i>Local Government Act</i>.

Employee Measures

Policies	<ul style="list-style-type: none"> • Policies are in place to manage the workplace, address illnesses that arise at the workplace, and to keep workers safe in adjusted working conditions.
Health and Safety	<ul style="list-style-type: none"> • Identify areas where there may be risks, either through close physical proximity or through contaminated surfaces. • Complete risk assessments and implement control measures • Include the Joint Health and Safety Committees in the development of the safety plan • Staff are to contact their supervisor first and, if need be, the Joint Health and Safety Committee should they have any health and safety concerns • Ensure that staff are aware that they may wear non-medical masks if they so choose. • Ensure that staff who can perform their work remotely are working remotely • Stagger work schedules to reduce occupancy limits in work areas • Follow health authority guidelines for increased cleaning measures for all work and common areas and surfaces. • Establish procedures for wearing, removing and cleaning Personal Protection Equipment • Establish and post occupancy limits for common areas such as break rooms, meeting rooms, change rooms, and washrooms. • Install barriers where workers can't keep physically distant from co-workers, customers, or others.
Training and Education	<ul style="list-style-type: none"> • Provide Personal Protection Equipment training to all workers • Staff are trained in physical distancing requirements and ensure that 2 metre separation is present at all times • Ensure that staff are trained in hand washing, cleaning, disinfecting and coughing procedures • Ensure that supervisors are trained on monitoring workers and the workplace to ensure policies and procedures are being followed.

SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

TO: Special Corporate and Administrative Services Committee – July 30, 2020

AUTHOR: Ian Hall, General Manager of Planning and Community Development
Adrianne O'Donohue, Acting Manager, Recreation Services

SUBJECT: RECREATION RESTART – UPDATED FINANCIAL IMPLICATIONS

RECOMMENDATION(S)

THAT the report titled Recreation Restart - Updated Financial Implications be received.

BACKGROUND

On July 23, 2020 the Corporate and Administrative Services Committee recommended:

Recommendation No. 11 *Community Recreation Facilities [615] Budget Implications*

The Corporate and Administrative Services Committee recommended that staff provide updated Community Recreation Facilities [615] Budget Implications to the July 30, 2020 Special Corporate and Administrative Services Committee, reflecting the restart options recommended by the July 23, 2020 Corporate and Administrative Services Committee;

AND THAT staff provide options for deficit mitigation strategies and report to a future Committee.

Staff proceeded with the first part of the recommendation.

DISCUSSION

Staff presented a report at the Corporate and Administrative Services Committee on July 23, 2020 titled Community Recreation Facilities [615] COVID-19 Budget Implications which outlined considerations for Recreation Restart, Service Level options and budget implications.

The Committee made a number of restart recommendations, the implications of which are reported on here. Services can be expanded or retracted following Board direction and/or if public health recommendations change in response to the pandemic.

Financial Analysis

The 2020-2024 Financial Plan Bylaw No. 724 was originally approved on March 12, 2020. In response to the COVID-19 pandemic the SCRD Board made several proactive amendments to the Financial Plan including drastic changes to the Community Recreation Facilities Budget [function 615]. The purpose was to make reductions to property taxes for residents however user fee revenues were also reduced, therefore further reductions to expenses would be

needed to balance the budget. The overall budget and expenses were reduced by approximately \$1.2 million as summarized below:

	Budget adopted @ March 12, 2020	Amended Budget @ March 31, 2020	Amended Budget up to June 30 (\$)	Actuals YTD up to June 30 (\$)	Variance (\$)	Actuals Budget (%)
Revenues						
Grants in Lieu of Taxes			0	202		
Tax Requisitions	5,414,158	4,874,173	2,437,087	2,437,086	-1	100%
Frontage & Parcel Taxes	1,629,089	1,629,089	814,545	814,572	27	100%
User Fees & Service Charges	1,757,406	1,101,358	550,679	377,314	-173,365	69%
Investment Income	419,481	419,481	209,741	209,756	15	100%
Other Revenue	17,858	17,858	8,929	55,566	46,637	622%
Total Revenues	9,237,992	8,041,959	4,020,978	3,894,497	-126,481	97%
Expenses						
Administration	904,101	841,043	420,522	420,522	0	100%
Wages and Benefits	3,424,953	3,222,271	1,611,135	1,460,421	-150,714	91%
Operating	1,851,670	1,143,177	571,589	621,437	49,848	109%
Debt Charges - Interest	924,662	924,662	462,331	462,331	0	100%
Amortization of Tangible Capital Assets	951,368	951,368	475,684	517,776	42,092	109%
Total Expenses	8,056,754	7,082,521	3,541,266	3,482,484	-58,782	98%
Other						
Capital Expenditures (Excluding Wages)	(1,627,537)	(1,627,537)	813,768	227,742	-586,026	28%
Debt Principal Repayment	(1,123,908)	(1,123,908)	561,954	561,953	-1	100%
Transfer to/(from) Reserves	618,839	840,639	-420,320	149,658	569,978	-36%
Unfunded Amortization	951,368	951,368	-475,684	-517,776	-42,092	109%
Total Other	(1,181,238)	(959,438)	479,718	421,580	-58,138	88%
615 Community Recreation Facilities						
Surplus/(Deficit)	-	-	0	(9,567)	(9,567)	

There are operational overhead (fixed costs) associated with the entire Community Recreation Facilities [615] function. These costs total approximately \$687,650 for the August through December period. This figure includes, but is not limited to:

- Support service levy (approximately \$350,000)
- Portions of salaries for positions which have partial or full allocations to Community Recreation such as the General Manager, Manager(s) and Program Coordinators (approximately \$250,000, relating to about 8.4FTE)
- Insurance (\$28,000)
- Utilities – electricity and natural gas based on reduced usage (\$60,000)
- Other – staff certifications, software licensing, fuel, and telecommunications (\$27,650)

Included in the budget which are recovered through taxation are the ongoing debt principle and interest payments totaling \$2,048,570 toward the Gibsons & Area Community Centre and Sechelt Pool. Debt re-payments are unavoidable and account for 42% of the 2020 tax requisition. There is also approximately \$750,000 for the purpose of capital renewal which is taxed annually. The capital renewal component is discussed further in the report as it relates to addressing mitigation options.

As per the June 30 variance analysis, the Community Recreation budget has a minor deficit of (\$9,567) due to reductions made to wages and operational expenses during the closures.

Some of the operational fixed costs were mitigated (reduced) through the Annual Budget amendments made prior to adoption. Without any further mitigating work (see below) and without considering restart of SAC, the resulting forecast, taking into account current financial position, is a year-end deficit of approximately \$857,000. This figure is the sum of the three facility-level deficits shown in the table above and the Community Recreation Facilities [615] overhead.

For comparison, if all facilities were to remain closed for the remainder of 2020 (SL0), the year-end deficit is forecast at \$820,150 (again, this is without any further mitigating work as discussed below). This figure is the sum of the facility-level deficits shown in the July 23, 2020 report for SL0 and the Community Recreation Facilities [615] overhead.

Implications of Recommendations made July 23, 2020:

The following revenues are based on 50% and 30% of 2019 revenues for the same time period for service level 2 (SL2) and service level 1 (SL1) respectively. The exception to these revenue calculations is for the Sunshine Coast Arena (SCA) where revenue potentials were calculated based on projections for dry floor use versus ice use, as ice is typically installed at the SCA at the end of September. The estimated expenditures include the base cost of the facility plus the cost to offer the associated service level at that facility (facility staff, utilities, operating materials).

The figures below apply the same parameters as used in the July 23, 2020 report but have been adjusted to an early September start date.

Facility	Service Level	Potential Revenue	Estimated Expenditure	Service level related Deficit
GACC	SL2 – Sep to Dec	\$147,100	\$249,800*	(\$102,800)
SCA	SL1 – Sep to Dec	\$10,000	\$47,200	(\$37,200)
GDAF	SL0 – remain closed	N/A	\$19,500	(\$19,500)

**Includes the partner program expenses that were listed in the previous report*

Note re: Partner Programs: the GACC expenditures include partner program expenses such as the youth centre, childminding, preschool and family resource drop in, ElderCollege, adapted programs for those with developmental disabilities and the communities' cardiac rehabilitation program known as Happy Hearts. These programs are provide in partnership with various community non-profit organizations. The revenue contribution ranges from none (e.g. youth centre), to a small amount, to full cost recovery. See further note under Expense Mitigation below.

As mention earlier, SCA revenues were calculated differently to more accurately forecast based on opening as a dry floor facility. The majority of this new revenue comes from public programing in the form of pickleball (3 days a week) and fitness classes (3 days a week). Staff reached out to the pickleball group to gauge the interest and potential need for space, the response was positive given that currently the community use of schools is not available.

Tax Implications to various scenarios:

Taxation for the Community Recreation is recovered through improvements only. Scenarios on the various deficit impacts from 2020 and or new taxation required for 2021 are as follows:

Rates are per \$100K of Assessment (Improvements Only)						
Community Recreation (function 615)	2020 Actual Tax Rates	2021 (estimated \$250,000 Deficit or new taxation)	2021 (estimated \$500,000 Deficit or new taxation)	2021 (estimated \$750,000 Deficit or New Taxation)	2021 (estimated \$1,000,000 Deficit)	
Tax Rate (Property)	95.26	100.15	114.81	109.92	114.81	
Parcel Tax (Flat rate per property)	112.34	112.00*	112.00*	112.00*	112.00*	
*2021 estimated						
Estimated cost per residential property based on:	250,000 of improvements	Estimated Difference from 2020	500,000 of improvements	Estimated Difference from 2020	750,000 of improvements	Estimated Difference from 2020
2020	\$ 350.50		\$ 588.66		\$ 826.82	
2021 with \$250K deficit	\$ 362.38	\$ 11.87	\$ 612.75	\$ 24.09	\$ 863.13	\$ 36.30
2022 with \$500K deficit	\$ 399.02	\$ 48.52	\$ 686.05	\$ 97.38	\$ 973.07	\$ 146.25
2023 with \$750K deficit	\$ 386.80	\$ 36.30	\$ 661.60	\$ 72.94	\$ 936.40	\$ 109.58
2024 with \$1 million deficit	\$ 399.03	\$ 48.52	\$ 686.05	\$ 97.39	\$ 973.08	\$ 146.25

These are for analysis purposes only and are subject to change as a result of the revised BC Assessment values for 2021.

Additional Analysis

Recommendation No. 11 from the July 23, 2020 CAS meeting sought a report back on deficit mitigation opportunities. A separate recommendation (No. 9) sought community feedback. While Board direction has not yet been provided on these items and staff have not had time to action them, early work on deficit mitigation is already underway and unsolicited community feedback has been provided to staff and forwarded to the Board. Preliminary analysis is provided below as information and, pending Board direction, staff are prepared to report to a future Committee with complete research, analysis and recommendations.

Expense Mitigation:

Additional **right-sizing of staffing levels** to match service levels will take place following board direction.

This process of laying off or scheduling staff for zero hours has been underway since spring when COVID-19 first impacted services. The pre-COVID staffing complement for Community Recreation facilities was a head count of 89. Currently, 18 staff are working in the division (exclusive of staff being paid by BC Housing to provide shower and washroom service), plus the General Manager and departmental Administrative Assistant. Some of these staff are allocated 100% to Community Recreation Facilities [615], many have partial allocations (e.g. General Manager is 25%).

Based on the recommendations of July 23, further hour reductions in several classifications have been identified that could be actioned after restart. These changes to hours are estimated to total about \$22,000 for positions considered within the global overhead figure. If all facilities remain closed, this figure could be increased; the amount would depend on how and when 2021 restart is planned.

A second expense mitigation concept would be to **reduce partner programs** to those programs who meet cost recovery through revenue alone, with a commensurate drop in service level. This would reduce expenditures by \$27,200:

- \$19,000 Youth Centre
- \$4,400 Childminding
- \$3,800 Cardiac Rehabilitation Program – Happy Hearts

This is identified here only as an option. Further research and community feedback is needed for staff to form a recommendation.

Additionally, staff will **restrict expenditures to essential supplies only** as a matter of course.

Additional Revenue:

Staff will continue to scan for grants and to invite donations to support business continuity and community wellness.

Pending Board direction on the Committee recommendation of July 23, staff will research a potential surcharge to address unique COVID-19 operating costs, including a pass-through of new booking fees. A report will be provided to a future Committee.

Deficit Mitigation:

Staff have reviewed the Recreation Capital Renewal plan to identify items that could be deferred. The capital plan is limited to critical building systems and caution is advised when deferring replacement for items that are at end of life. However, some equipment has not been run as many hours as planned and other items remain in serviceable condition and there is high confidence that a limited deferral will not have an immediate negative consequence on operations or finances.

There are financial implications in the form of future costs and harder-to-quantify values such as increased risk of breakdown. Deferring capital maintenance is a policy decision.

Staff require further time to conduct an analysis of implications, but to inform the Committee of findings to date: **it would be possible to fund a portion of the 2020 year-end deficit (in 2021) of up to \$500,000 on a one-time basis, with potential future costs and service level impacts through a redeployment of capital moneys for operating purposes.** This is not an insignificant policy decision, nor is it a replicable solution for future year(s). Pending Board direction, staff will report to a future Committee with comprehensive analysis.

Considerations for Sechelt Aquatic Centre:

On July 23, 2020, the Committee recommended to consider restart of SAC in September. Staff have heard from patrons and user groups since the July 23 meeting that SAC offers a unique amenity in a 25-metre lap pool and that some seniors rely on the pool for hydrotherapy needs and are unable to travel to Pender Harbour Aquatic and Fitness Centre.

Projections for SAC using parameters reported on in July 23 report, and prorated for Sep-Dec and Oct-Dec periods are:

Facility	Service Level	Potential Revenue	Estimated Expenditure	Deficit
SAC	SL1 Sep to Dec	\$102,100*	\$279,900	(\$177,800)
	SL2 Sep to Dec	\$170,200	\$325,200	(\$155,000)
	SL1 Oct to Dec	\$67,000	\$223,900	(\$156,900)
	SL2 Oct to Dec	\$111,500	\$279,500	(\$168,000)

*Projection revised from July 23, 2020 forecast.

As well, staff have begun analysis of a very limited opening of just the lap pool, Service Level 0.5 (SL0.5). This scenario would see the lap pool only opened (no fitness room, no community room, no leisure pool or play features, no front desk services) opened for approximately 15 hours/week, with an emphasis on lane rentals.

SAC	SL0.5 Sep to Dec	\$39,100	\$170,200	(\$131,100)
	SL0.5 Oct to Dec	\$28,300	\$136,600	(\$108,300)

Staff will continue with analysis to be ready to address Board directives in September.

Implications of Operating One Ice Sheet:

Another area where staff have heard from user groups is about the impact of only having one sheet of ice available on the Sunshine Coast.

		2019-2020 GACC Aug 6 to Mar 15 SCA Sep 29 to May 31	2020-2021 (as recommended July 23, 2020 and assuming ice install at SCA Jan to May 2021)	Notes re: 2020-2021 Proposed
Hours of ice available	GACC	4,000	3,000**	Public programs could be reduced to 19.5hr/week with one ice sheet, down from 34hr/week with two ice sheets. Hours assume facility close at 11 p.m.; could be extended
	SCA	4,000*	3,000	
	Total	8,000*	6,000	
Hours of ice rented	GACC	2,069	TBD	2020-2021 allocation would occur after service level is determined.
	SCA	1,772*	TBD	
	Total	3,841*	TBD	

*These figures reflect that spring ice was not provided due to COVID-19. There were hours of ice planned which were not delivered as SCA (and all recreation facilities were) closed and sport bodies discontinued play.

**Ice could be extended at GACC past mid-March, adding to total ice hours available.

In theory all rental needs could be met with one ice sheet at GACC and ice installation at SCA in 2021, however typically user groups seek conflicting times so staff would work with users to maximize ice usage for the various users. Scheduling of public programs takes precedence over rental bookings, per SCRD's allocation policy.

Analysis and Financial Implications

Forecasting based on the July 23 recommendation, and taking into account expense mitigation measures that would be undertaken as a matter of course:

Item	Surplus/(Deficit)
Projection based on restart recommendations of July 23	(\$857,000)
Expense mitigation measures*	\$22,000
December 31, 2020 year-end forecast	(\$835,000)

*These measures reflect schedule right-sizing which would be enacted as a matter of course. Additional expense mitigation could be realized through partner program changes.

Deficit management approaches could reduce the impact of a deficit on future taxation. If a one-time deferral of capital replacement of critical system components is directed following further staff analysis and Board direction, the projected 2021 impact on taxation could be reduced (by up to \$500,000, on a one-time basis).

Timeline for next steps or estimated completion date

Staff are prepared to proceed with Board direction relating to restart of Community Recreation.

Communications Strategy

Information and updates related to restart will be posted to the SCRD website, social media, and through communications to user groups.

STRATEGIC PLAN AND RELATED POLICIES

N/A

CONCLUSION

Staff were recommended to report to the July 30, 2020 Special Corporate and Administrative Services meeting with updated Community Recreation Facilities [615] Budget Implications based on the recommendations made July 23, 2020.

The projected year-end deficit for Community Recreation Facilities [615] based on the recommended restart service level is \$857,000 which can be reduced to \$835,000 through aligning staff scheduling with service levels.

Further expense mitigation options can be explored.

Deficit mitigation through one-time redeployment of capital funds to address operating costs is an option. While this could substantially offset the impact to 2021 taxation, there are associated future costs and further analysis is needed.

Staff have heard from user groups and patrons that Sechelt Aquatic Centre is a valued facility offering a unique lower-Coast amenity. Operating deficits for various service levels are presented as information.

Staff have heard from ice user groups that one ice sheet will constrain programming. High-level analysis of hours available is provided as information.

Staff are scanning for potential grants and SCRD is open to donations to facilitate delivery of recreation services. Research on a surcharge to address special costs will proceed on Board direction.

Reports to future Committees following Board direction relating to recreation restart are planned.

Reviewed by:			
A/Manager	X – A. O'Donohue X – A. Van Velzen	CFO/Finance	X – T. Perreault
GM	X – I. Hall	Legislative	
CAO	X – D. McKinley	Other	