

SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

TO: Finance Committee (Round 1 Budget) – November 25 and 26, 2024

AUTHOR: Jessica Huntington, Manager, Parks Services

SUBJECT: **2025 ROUND 1 BUDGET PROPOSAL FOR COMMUNITY PARKS [650]**

RECOMMENDATION(S)

THAT the report titled 2025 Round 1 Budget Proposal for Community Parks [650] be received for information.

BACKGROUND

As part of the Budget Process staff report potential budget adjustments to the Board. Budget Proposals provide the detail to support the potential adjustment and allow the Board to make informed decisions regarding funding projects or service enhancements, as well as ways to reduce the budget.

Mandatory project, as follows, has been included in the Draft 2025-2029 Financial Plan:

- REGULATORY COMPLIANCE:
 - Noxious Weed Removal at John Daley Park.

DISCUSSION

2025 R1 Budget Proposals

1	<i>Function Number – Project Title:</i>	[650] – Parks Inflationary Expense Increase – Base Budget Lift
	<i>Risk Factor:</i>	MEDIUM: Normal - Service Level Impact
	<i>Category:</i>	Non-Mandatory Base Budget Increase
	<i>Geographic Areas Affected:</i>	A, B, D, E, F.
	<i>2025 Funding Required:</i>	\$192,500 (ongoing)
	<i>Funding Source(s):</i>	Taxation
	<i>Rationale / Service Impacts:</i>	Due to increases resulting from inflation and post-pandemic tendencies, the cost to procure goods and services required to sustain the maintenance and operations of the park facilities has seen a significant rise over the past five

	<p>years. This budget proposal is for an ongoing base budget increase related to contracted services, repairs and maintenance, material and supplies, and fixed costs like water.</p> <p>Currently the operating budget for Contracted Services is only sufficient to fund committed contracts. There is a need to address the backlog of operational projects that should be done annually, through contracted services.</p> <p>The cost of materials and supplies required for maintenance of parks assets and amenities such as halls, trails, fences, stairs, parking lots, furniture, fences/gates, washrooms buildings, septic systems, garbage receptacles, playgrounds, sports field lighting, continues to increase. Failure to address annual repairs and maintenance only decreases the life of an already strained and aged asset.</p> <p>Extreme weather events are also becoming more common, resulting in damage and safety concerns that require action or service level impacts (i.e. closures).</p> <p>Rate charges have continually risen without a corresponding budget lift (i.e. Water rates, fuel).</p> <p>Proposed budget increases include: Contracted Services: \$94,000 Repairs and Maintenance: \$13,000 Materials and Supplies: \$50,000 Fuel: \$10,500 Water: \$25,000</p> <p>The Parks operating budget was in a deficit position in 2023 and is forecasting a similar situation in 2024. Over the years, as costs increased without a corresponding budget lift, non-critical tasks were deferred in order to cover contract increases and/or rising costs of goods and services. This has impacted annual preventative maintenance, created backlogs of projects, and has reduced contingency available for non-fixed costs such emergency and non-critical maintenance and repairs.</p>
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	<i>HR Implications</i>	<input type="checkbox"/> Additional FTE <input type="checkbox"/> Existing FTE <input checked="" type="checkbox"/> No Additional FTE or Resourcing <input type="checkbox"/> Term or Student (TIME)
	<i>Future Financial Implications and Life Cycle Cost Breakdown</i>	2026 Financial Implications: \$192,500 (ongoing) The inflationary base budget increase will provide an operational funding bridge until the recommendations of a park service review are known which will better inform service levels and required resources to meet those defined service levels. A related base budget review at a future date would accompany this service review, if supported by the board.
	<i>Asset Management Implications:</i>	2.0 O&M and Capital Planning
	<i>Climate Action Plan Goal and Impact (if applicable)</i>	n/a

2	<i>Function Number – Project Title:</i>	[650] – Parks Service Review Extraordinary
	<i>Risk Factor:</i>	HIGH RISK: Urgent - Service Level Impact
	<i>Category:</i>	Non-Mandatory Board Directed or Business Continuity
	<i>Geographic Areas Affected:</i>	A, B, D, E, and F
	<i>2025 Funding Required:</i>	\$100,000 (one time)
	<i>Funding Source(s):</i>	Taxation
	<i>Rationale / Service Impacts:</i>	The Parks service delivery area is spread across the mainland Sunshine Coast as well as Gambier, Keats, Thormanby, and Nelson Islands and includes over 1,500 hectares of parkland, over 100 beach accesses and community parks, one campground, five sports fields, five community halls, approximately 71 km of trails, along with other parks amenities such as permanent washroom facilities, parking lots, boat launches, playgrounds, parks furniture, garbage receptacles. The delivery of these services is challenging due to a combination of factors including aging and now failing infrastructure, decades of insufficient asset management, geographical distances,

		<p>regulatory requirements, the impacts of climate change, increased community expectations, lack of defined service levels, and increased costs of repairing and maintaining parks assets and amenities.</p> <p>While the Parks Services staffing complement has increased over the past four years, the backlog of repair and maintenance projects persists.</p> <p>Defined service levels would inform the necessary operational capacity, resources required, manage expectations, as well as help advance the Parks Capital and Operational Plans.</p> <p>This proposal is for a Parks Service Review to be conducted in 2025. The development of clearly defined guidelines, priorities and service levels are required. This would include options for defined Park, trails, and amenities classifications and service Levels; development of annual maintenance schedules and tasks required to achieve service levels; review and recommendations for the resource complement required to support desired service level, development of reporting metrics and evaluation (optional); as well as identify opportunities for department and organizational efficiencies (optional). The recommendations would align with existing Parks Master Plan or Trails Network Plan recommendations OR make recommendations as to why a change may be required.</p>
	<p><i>HR Implications</i></p>	<p><input checked="" type="checkbox"/> Additional FTE <input type="checkbox"/> Existing FTE <input checked="" type="checkbox"/> No Additional FTE or Resourcing <input type="checkbox"/> Term or Student (TIME)</p>
	<p><i>Future Financial Implications and Life Cycle Cost Breakdown</i></p>	<p>Recommendations from the review will inform future service level, FTE requirements, and associated financial implications for Parks Services.</p>
	<p><i>Asset Management Implications:</i></p>	<p>2.0 O&M and Capital Planning</p> <p>Defined Services Levels will help advance the Parks Capital Plan.</p>
	<p><i>Climate Action Plan Goal and Impact (if applicable)</i></p>	<p>n/a</p>

3	<i>Function Number – Project Title:</i>	[650] – Cliff Gilker Bridges and Trail Remediation (Park Recovery) Extraordinary
	<i>Risk Factor:</i>	MEDIUM: Normal - Service Level Impact
	<i>Category:</i>	Non-Mandatory Board Directed or Business Continuity
	<i>Geographic Areas Affected:</i>	D
	<i>2025 Funding Required:</i>	\$1,671,000 (one time)
	<i>Funding Source(s):</i>	Community Works Funds (Area D)
	<i>Rationale / Service Impacts:</i>	<p>As per Board Resolution #177/24, this budget proposal is for the project costs related to the Cliff Gilker Recovery Project.</p> <p>The results of the online survey (community engagement) further confirm the staff report recommendations that the project include:</p> <ul style="list-style-type: none"> • replacement of Upper Waterfall and Gorge bridges • decommissioning and removal of Lower Waterfall and Zig Zag bridges • trail recovery work focused on climate resiliency, ecosystem protection, and accessibility improvements <p>This proposal will maintain trail connectivity, reduce bridge redundancy, focus on reconstruction of durable amenities in locations that will be climate resilient. This option also includes an opportunity to consider service level enhancement by improving accessibility in the park through the development of accessible trails and viewing platforms.</p> <p>The project will be completed in phases and where feasible, will offer opportunity for volunteer participation/contributions to reduce costs.</p>
	<i>HR Implications</i>	<input type="checkbox"/> Additional FTE <input type="checkbox"/> Existing FTE <input checked="" type="checkbox"/> No Additional FTE or Resourcing <input type="checkbox"/> Term or Student (TIME)

<i>Future Financial Implications and Life Cycle Cost Breakdown</i>	2026 Financial Implications: \$1,000 ongoing operational budget lift for associated repairs and maintenance.
<i>Asset Management Implications:</i>	4.0 Understanding the Asset Lifecycle
	Capital Improvements to be documented in the Parks Capital Asset Registry for capital replacement planning.
<i>Climate Action Plan Goal and Impact (if applicable)</i>	Goal 4: Buildings and Infrastructure are resilient to climate change, extreme weather events, wildfires, and sea level rise.

4	<i>Function Number – Project Title:</i>	[650] – Egmont Park Repairs
	<i>Risk Factor:</i>	MEDIUM: Normal - Service Level Impact
	<i>Category:</i>	Non-Mandatory Board Directed or Business Continuity
	<i>Geographic Areas Affected:</i>	A
	<i>2025 Funding Required:</i>	\$184,000 (one time)
	<i>Funding Source(s):</i>	Taxation
	<i>Rationale / Service Impacts:</i>	<p>*Staff recommend deferring to 2025</p> <p>Egmont Park is a 1.48 acre neighborhood park located in central Egmont. The property is owned by School District #46 and leased to the SCRD. The SCRD is responsible for all ongoing maintenance and capital renewal of park infrastructure onsite. Park assets include an aging tennis court, swing set, playground, 2 picnic tables, fencing, and a grass playfield.</p> <p>This budget proposal is related to the renewal of the tennis court (new asphalt pad) and fencing which are in a state of disrepair and at the end of their lifespan.</p>
<i>HR Implications</i>	<input checked="" type="checkbox"/> Additional FTE <input type="checkbox"/> Existing FTE <input type="checkbox"/> No Additional FTE or Resourcing <input type="checkbox"/> Term or Student (TIME)	
	<p><i>*Correction from Pre-Budget Spreadsheet</i> Future Year FTE Request (2026) FTE Count: 0.01 Senior Parks Worker Cost: \$1,000</p>	

	<i>Future Financial Implications and Life Cycle Cost Breakdown</i>	*Correction from Pre-Budget Spreadsheet Total 2026 Financial Implications: \$1,835 Ongoing base budget lift for staffing \$1,000 plus \$835 for related operational expenses.
	<i>Asset Management Implications:</i>	4.0 Understanding the Asset Lifecycle This asset will need to be included in the Parks Capital Asset Management Plan for renewal every 10-15 years.
	<i>Climate Action Plan Goal and Impact (if applicable)</i>	n/a

5	<i>Function Number – Project Title:</i>	[650] – Chaster Park Temporary Access and Parking Enhancements
	<i>Risk Factor:</i>	MEDIUM: Normal - Service Level Impact
	<i>Category:</i>	Non-Mandatory Board Directed or Business Continuity
	<i>Geographic Areas Affected:</i>	E
	<i>2025 Funding Required:</i>	\$143,000 (one time)
	<i>Funding Source(s):</i>	Taxation
	<i>Rationale / Service Impacts:</i>	As per Board Resolution #177/24, this budget proposal is for upgrades to the alternate access to Chaster Park (eastern side of the park) and includes: upgrades to the gravel pathway to better improve safety and durability (e.g. grading, lighting), improvements to accommodate loading and unloading of supplies for booked events, parking improvements to the existing spaces along Ocean Beach Esplanade Road and improved signage. The proposal also includes decommissioning and removal of Chaster pedestrian bridge, concrete abutments and other associated infrastructure, as well as revegetation of impacted areas with native species to restore riparian habitat along Chaster Creek.

<i>HR Implications</i>	<input type="checkbox"/> Additional FTE <input type="checkbox"/> Existing FTE <input checked="" type="checkbox"/> No Additional FTE or Resourcing <input type="checkbox"/> Term or Student (TIME)
<i>Future Financial Implications and Life Cycle Cost Breakdown</i>	2026 Financial Implications - \$150 ongoing operational budget lift for associated repairs and maintenance.
<i>Asset Management Implications:</i>	2.0 O&M and Capital Planning
	Improvements to be documented in the Parks Capital Asset Registry for capital replacement planning.
<i>Climate Action Plan Goal and Impact (if applicable)</i>	n/a

Financial Implications

Five-Year Capital Reserve Plan (or longer, if applicable)
 (use table illustrating capital contributions and expenditures, if available)

	2025	2026	2027	2028	2029
Item	Amount	Amount	Amount	Amount	Amount
Opening Balance in reserve	\$1,248,433	\$1,248,433	\$1,248,433	\$1,248,433	\$1,248,433
Contributions Surplus	\$ -	\$ -	\$ -	\$ -	\$ -
Building	\$ -	\$ -	\$ -	\$ -	\$ -
Other	\$ -	\$ -	\$ -	\$ -	\$ -
Closing Balance in Reserve	\$1,248,433	\$1,248,433	\$1,248,433	\$1,248,433	\$1,248,433

Five-Year Operating Reserve Plan (or longer, if applicable)
 (use table illustrating capital contributions and expenditures, if available)

	2025	2026	2027	2028	2029
Item	Amount	Amount	Amount	Amount	Amount
Opening Balance in Reserve	\$ 42,698	\$ 33,500	\$ 67,000	\$ 100,500	\$ 134,000
2024 Operating Deficit	-\$ 42,698	\$ -	\$ -	\$ -	\$ -
2025 Budget Proposals	\$ -	\$ -	\$ -	\$ -	\$ -
Contribution to Reserve	\$ 33,500	\$ 33,500	\$ 33,500	\$ 33,500	-\$ 29,000
Closing Balance in Reserve	\$ 33,500	\$ 67,000	\$ 100,500	\$ 134,000	\$ 105,000

Reviewed by:			
CAO		Legislative	
CFO		Manager	
GM	X – S. Gagnon	Other Staff	