

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 DAKOTA RIDGE RECREATION SERVICE AREA [680]**

RECOMMENDATION(S)

THAT the report titled 2025 Round 1 Budget Proposal for Dakota Ridge Recreation Service Area [680] 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.

DISCUSSION

2025 R1 Budget Proposal

1	<i>Function Number – Project Title:</i>	[680] – Piston Bully and Equipment Repair and Maintenance 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>	D
	<i>2025 Funding Required:</i>	\$73,500
	<i>Funding Source(s):</i>	\$58,500 – Operating Reserves \$15,000 - Taxation
	<i>Rationale / Service Impacts:</i>	The operation of Dakota Ridge (DR) Winter Recreation Area requires multiple pieces of specialized equipment and machinery, including the Piston Bully Trail Groomer. DR has 7 other pieces of specialized equipment including a UTV,

		<p>2 snowmobiles, and tow behind grooming equipment.</p> <p>Ensuring the equipment and machinery are kept in a safe and reliable operating condition through regular maintenance and repairs is required to maintain service levels, prolong the life of the equipment and machinery, as well as ensure the safety of volunteers, staff and the Dakota Ridge environment.</p> <p>The SCRD Piston Bully Trail Groomer is 18 years old and is the main piece equipment used for grooming and track setting over 30kms of classic and skate skiing trails on Dakota Ridge almost daily for pre-season preparations, and four days per week during the 4-month winter operational season. It is also utilized for snow clearing around buildings, pathways, staging areas, and the tobogganing hill. The machine is still considered to be in good shape for its year and age and has relatively low operational hours compared to other units at ski areas that get groomed daily, however, it requires midlife maintenance to extend its useful life.</p> <p>Inflationary pressures have increased the cost of specialized parts and contracted labour to maintain the Piston Bully. The current repair and maintenance budget for Dakota Ridge is \$22,000 for all equipment, machinery, and site buildings.</p> <p>To mitigate the impacts of the cost increases for reoccurring repairs and maintenance, adjustments are made annually to the distribution of funds in the 680 base budget to maintain the requested zero increase which reduces contingency available for non-fixed costs such emergency and non-critical maintenance, repairs, and staff training.</p> <p>Staff are proposing a midlife maintenance budget increase of \$58,500 for the Piston Bully in 2025 as well as a base budget lift of \$15,000/yr to the existing repair and maintenance budget to ensure that the existing service level for Dakota Ridge Winter Recreation Area can be maintained.</p>
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<i>HR Implications</i>	<input type="checkbox"/> Additional FTE <input checked="" type="checkbox"/> Existing FTE <input type="checkbox"/> No Additional FTE or Resourcing <input type="checkbox"/> Term or Student (TIME)
<i>Future Financial Implications and Life Cycle Cost Breakdown</i>	\$15,000 base budget lift for annual repairs and maintenance Of note, the Piston Bully will require the completion of additional midlife maintenance in 2028, to ensure it remains safely operational and to extend its useful life. Staff will be returning with a future budget request accordingly.
<i>Asset Management Implications:</i>	4.0 Understanding the Asset Lifecycle
<i>Climate Action Plan Goal and Impact (if applicable)</i>	n/a

Financial Implications

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	\$ 387,994	\$ 375,836	\$ 375,836	\$ 375,836	\$ 375,836
2024 Operating Surplus	\$ 46,342	\$ -	\$ -	\$ -	\$ -
2025 Budget Proposals	-\$ 58,500	\$ -	\$ -	\$ -	\$ -
Contribution to Reserve	\$ -	\$ -	\$ -	\$ -	\$ -
Closing Balance in Reserve	\$ 375,836	\$ 375,836	\$ 375,836	\$ 375,836	\$ 375,836

Reviewed by:			
CAO / CFO		Legislative	
Finance		Manager	
GM		Other Staff	