



Legislation Text

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2023 Servus Place Financial Report

Presented by: Daniele Podlubny, Director, Recreation & Parks, and Anne Victoor, Director, Financial & Strategic Services

RECOMMENDED MOTION(S)

That the report entitled “2023 Servus Place Financial Report” dated June 18, 2024 be received as information.

PURPOSE OF REPORT

The purpose of this report is to present the 2023 Servus Place Financial Report.

BACKGROUND AND DISCUSSION

In 2023, Servus Credit Union Place (Servus Place) generated \$7.2 million in revenue against a budget of \$6.3 million, \$839 thousand greater than budgeted revenue.

The two major drivers of the increased revenue were admissions and program revenue.

From an overall admissions perspective, users continue to seek out flexible access options such as monthly memberships or day admissions, both of which ended the year better than budget by a combined \$367 thousand (\$133 thousand and \$234 thousand respectively). These numbers have begun to plateau and are not anticipated to see continued significant increases past 2024.

Programming experienced significant participation due to a record high number of summer program participants and a significant increase in the number of aquatics programs being offered at Servus Place during the Fountain Park Recreation Centre closure, resulting in increased revenue of approximately \$380 thousand. Administration will continue to monitor program patterns in alignment with current planned facility closures.

In 2023, the expenses for Servus Place were \$8.8 million against a budget of \$8.6 million. Variances in several expense areas contributed to the facility ending the year with expenses in line with budget.

This resulted in a \$1.6 million year end deficit which is \$657 thousand better than the originally approved \$2.2 million budget deficit.

The financial breakdowns can be found in the attachment titled *Servus Credit Union Place - Unaudited 2023 Financials*. A more detailed summary of utilization and trending was included in the State of Recreation & Parks report which was provided to Council in June 2024.

For 2024, Servus Place is currently projecting a \$1.8 million budget deficit and will continue to monitor usage patterns and communicate forecast adjustments as part of the quarterly reporting process.

STAKEHOLDER COMMUNICATIONS OR ENGAGEMENT

Feedback provided from the Recreation & Parks department and the Financial & Strategic Services department.

IMPACTS OF RECOMMENDATION(S)

Financial:

None at this time.

Compliance & Legal:

None at this time.

Program or Service:

None at this time.

Organizational:

None at this time.

Risks:

None at this time.

ALIGNMENT TO PRIORITIES IN COUNCIL'S STRATEGIC PLAN

Strategic Priority # 5 - Financial Sustainability.

ALIGNMENT TO LEVELS OF SERVICE DELIVERY

Financial Planning

Stewardship and Development of annual operating and capital budgets for Municipal and Utility operations.

ALIGNMENT TO COUNCIL DIRECTION OR MANDATORY STATUTORY PROVISION

On September 19, 2022, Council passed the following motion:

CM-22-021

That Administration by November 1, 2022, Administration will prepare a Servus Place Financial report covering the period of January to December 2021 as well as a report covering the period of January

to September 2022 and provide that information to Council; and That moving forward, Administration would include the requested Servus Place financial reporting as part of the corporate year end reporting, typically completed in Q2 of each year. The reporting will include the financials from the prior calendar year.

IMPACTS OF ALTERNATIVES CONSIDERED

None at this time.

Financial:

None at this time.

Compliance & Legal:

None at this time.

Program or Service:

None at this time.

Organizational:

None at this time.

Risks:

None at this time.

Report Date: June 18, 2024

Author(s): Stanley Chan, Financial Controller, and Susannah Wood, Supervisor, Analytics & Business Operations

Department: Financial & Strategic Services and Recreation & Parks

Department Director: Anne Victoor & Daniele Podlubny

Managing Director: Diane McMordie & Diane Enger

Chief Administrative Officer: Bill Fletcher