

COMMITTEE OF THE WHOLE , SEPTEMBER 17, 2002

RECREATION AND CULTURE 2001 ACTUAL OPERATING RESULTS

Recommendation

The Commissioner of Community Services in consultation with Director of Recreation and Culture recommends:

That the following report be received for information.

Purpose

The purpose of the report is to provide the Budget Sub-Committee with information as to the over expenditures in the Recreation and Culture 2001 operating budget.

Background - Analysis and Options

The year end analysis of the Department of Recreation and Culture's budget showed that there was a an unfavourable variance of \$651,000 in expenditures from the budget. Due to the size and complexity of the Department's budget, it took some time to determine the reasons for the variances in the different sections.

Administration: Unfavourable variance \$45,700. Explanation: Bank Charges were up \$25,000. An additional brochure was printed for the winter season, rather than one fall/winter, impact was \$20,700.

Special Events: This section appears to be over budget by \$153,148, however when all the special event account lines are included, the result is a favourable amount of \$48,773.

Programmes Administration: Unfavourable variance \$67,566. Due to three full time staff being off for medical/accident reasons, the part time salary line was very high, as their positions had to be filled.

Pre-school/Children's programmes: Unfavourable variance \$149,681, however revenue was up \$165,733. Due to the demand for pre-school programmes, new sections were added.

Aquatics: Unfavourable variance \$67,542, revenue up \$91,993. This was due to the many additional lessons added due to demand, mostly at Maple Community Centre.

Youth/Adult/Seniors: Unfavourable variance \$166,539. There was an additional unanticipated expenditure to provide part time staff at the seniors centre at Chancellor C.C. There was also a need to provide additional part time staff to deal with the hundreds of youth at Chancellor. The largest increase was in the area of After School programmes. The schools raised their permit fees by \$20,000, after the budget had been set. The revenues were \$85,000 greater than the budget, however did not cover all the additional costs.

Fitness/Health/Sports: Unfavourable variance \$177,413. The budget for this section was improperly prepared. The 2000 actuals were \$352,801, yet the budget amount for 2001 was set at \$202,975. This has been brought to the attention of the staff involved and will not happen again!

Fitness Centres: Unfavourable variance \$67,281. This variance is due in large part to additional part time salaries, specifically personal trainers. The demand for personal training has increased, and the City makes considerable revenue on this service. The overall fitness revenues were up more than \$100,000.

Specialty Camps: Unfavourable variance: \$92,971. There were a number of items, which caused the camp expenditures to go over budget. After the budget was approved, the schools raised their permit fees, TRCA raised their fee for Boyd Park by \$3,000, and Thornhill Public School was unavailable, requiring the rental of Holy Trinity Church. Additional bussing costs of \$15,000 were incurred due to demand. Extra first aid training was provided for staff due to a series of emergencies during the first week of camp, at a cost of \$4,500. Many operating costs were higher than anticipated, and expenditures were not as closely monitored, as they should have been, largely due to the fact that the Supervisor was off for many months as the result of a serious car accident, and then worked part time for several months.

Conclusion

Throughout the Recreation and Culture Department's budget there are offsetting favourable variances resulting in a net unfavourable expenditure variance of \$651,000. This was due to a combination of many factors, some uncontrollable, some not. For the 2003 budget staff will be analyzing the budget line by line to bring costs into line and to adjust fees to better reflect costs.

Attachments

None

Report prepared by:

G. Doris Haas

Respectfully submitted,

G. Doris Haas
Commissioner of Community Services