

Broadmoor Recreation Complex Asset Management**Report Purpose**

To advise Council of a proposed asset management strategy for Broadmoor Recreation Complex to be considered for the 2017 budget.

Recommendation

THAT the recommended change in strategy for asset management at Broadmoor Recreation Complex for consideration through the 2017 Budget process be approved.

Council History

November 24, 2015 - In-Camera Recreation, Parks and Culture presented background information to Council.

Strategic Plan Priority Areas**Economy:**

The maintenance of infrastructure to County standards enables the economic benefits of the golf course to the community and ensures long-term sustainable municipal infrastructure. Aligns with Strategic Plan Goal 1.

Governance:

Strathcona County staff provides the maintenance services at the Broadmoor Recreation Complex. It is essential to manage these staff to the same standards of practice as other County facility staff; and to ensure public safety. Aligns with Strategic Plan Goal 6.

Social:

County infrastructure provides important opportunities for County residents to interact and be active. Aligns with Strategic Plan Goal 3.

Culture: n/a**Environment:** n/a**Other Impacts****Policy:** n/a**Legislative/Legal:** n/a

Interdepartmental: Financial Services, Facility Services, Utilities, Transportation and Agriculture Services

Summary

As part of the 2015 budget, Recreation, Parks and Culture (RPC) identified to Council the emerging challenges for achieving a break-even budget for the Broadmoor Recreation Complex in 2015. RPC implemented operational changes for the 2015 golf season. Council approved operational changes for the 2015 golf fee structure.

RPC evaluated outcomes of the changes at the end of the season for future budget strategy. The 2016 budget was submitted under the current financial model, with a budgeted deficit to cover asset management costs. In November 2015, RPC informed Council of a proposed asset management strategy for 2017 budget planning.

The Broadmoor Recreation Complex has traditionally operated in a self-funding financial model for golf course operations. Annual surpluses were transferred to a reserve to fund future needs including capital equipment, infrastructure, course improvements and other golf related costs. This model has evolved over time, and was successful prior to the major

infrastructure retrofits in 2012. As a result of these costs, the model needs to be realigned with the management philosophy of other County recreation facility infrastructure.

Our objective is to implement a financial model that will ensure the sustainability of the Broadmoor Recreation Complex, while maintaining valuable County infrastructure within County standards. This model would mirror the budget philosophy of other Strathcona County facilities in which the asset management is separated from the operational responsibility. Examples include: Festival Place, Millennium Place, Broadmoor Tennis Club, curling clubs at the Glen Allan Recreation Complex, Strathcona Olympiette Centre, Ardrossan Recreation Complex, Centennial Park baseball, and other facilities licensed to our community groups.

The financial model will ensure:

- Operating profits from golf operations will be sufficient to fund future operating needs. Golf operations will continue to be 100% golf user-funded.
- Infrastructure will be maintained to County standards.

Enclosure

1 Broadmoor Recreation Complex Asset Management (Document: 8737001)