



JOA Consultation Session 4: July 12, 2016

DRAFT for COMMENT & REVIEW

BUDGET AND FINANCIAL

Operating Budget

- The CCA will, on an annual basis, develop all budgets required for delivery and administration of programs and services, and will share these budgets with the Park Board.
- The parties will work together to develop an MOU setting out a process to review staffing levels at community centres, identify any inequities and options to address.

Revenue

- The CCA will receive all revenue from programs, rentals and special events in the jointly-operated facilities (the “facility-generated revenue”) and any grant, donation, and membership fee revenue.
- As a not-for-profit, the CCA acknowledges that its goal is not to generate large financial surpluses (i.e., for a building fund), but rather to reinvest any surplus funds into the provision of recreation programs, services, and supplies at the community centres.
- Facility-generated revenue will be used to directly benefit the public through the provision of programs and services.
- All facility-generated revenue will be collected by the Park Board using a common recreation and registration management system (currently ActiveNet) which is owned and operated by the City of Vancouver and the Park Board.
- The Park Board will remit all facility-generated revenue less authorized deductions (as defined below), to the CCA.

Capital Budget

- The Park Board will develop annual capital budgets, four year capital plans, and ten year capital outlooks specific to the community centre.
- The Park Board and CCA will work together to forecast priorities for capital investment in the community center network, including community centre renewals and replacements.
- The CCA will develop a plan for the use of any existing retained earnings.
- The CCA may contribute any existing retained earnings to appropriate capital projects, on the understanding that buildings and fixtures will be owned by the City of Vancouver and Park Board, notwithstanding any contribution of funds by the CCA.



Investment Fund

- A city-wide Investment Fund will be created by the CCAs.
- The CCA will contribute 5% of gross CCA facility-generated revenue, calculated on the previous year's audited financial statement, to the Investment Fund on an annual basis.
- The CCA may request a full or partial exemption from contributing to the Investment Fund in a given year if the contribution causes financial hardship.
- The Investment Fund will be allocated to support equitable access to services across the community centre network and to fund system-wide programs, and may be used for operations or capital projects.
- Allocations from the Investment Fund will be approved by Park Board Commissioners on an annual basis.

Authorized Deductions

- Authorized deductions will include:
 - The credit and debit card transaction fee, which is currently 2.1%, and will be reviewed annually;
 - Recovering revenue paid to the CCA in error due to processing or calculating errors which resulted in the CCA receiving revenue which it is not entitled pursuant to the JOA (with prior written notification);
 - Payments that the CCA has committed to make to fund Park Board staff (e.g., Group 1);
 - The CCA's contribution to the Investment Fund;
 - The ActiveNet subscription fee on facility-generated revenue. Currently, the subscription fee is fixed at 1% for the term of the agreement with Active Network Ltd (2014-2019); and
 - Any other deductions from revenue agreed to by the CCA in writing.
- All deductions will be processed on the same schedule as the payment schedule (currently bi-weekly).

Record Keeping and Reporting

- The CCA will provide audited financial statements for each fiscal year within 90 days of the completion of the fiscal year. The CCA will post audited financial statements online. The statements will include reporting on any facility-generated retained earnings, including savings, expenditures, and transfers to foundations or other organizations.
- The Park Board may audit the CCA's books, financial records and accounts regarding operations at the community center, upon request and with reasonable notice.



SYSTEM-WIDE PLANNING AND COMMUNICATION MECHANISM

- The system-wide planning and communication mechanism will include both Park Board and CCA representation to facilitate communication, joint planning and outcomes measurement.
- The purpose of the mechanism would be to develop proposed Park Board policies, share research and demographic information, conduct capital planning, governance training, and any other topics that are of interest to the CCA or Park Board.
- The Park Board proposes meeting twice a year.

OTHER

Co-Branded Messages

- All communication materials relating to the community center, activities, and events offered through the community center will be co-branded to feature both the Park Board and CCA logos. Communication materials include programming brochures, website content, newsletters and all outreach mailings or publications.