

CVRD Regional Recreation Services

Phase 3 Report

Submitted by Regional Recreation Select Committee
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Introduction

As Board members may recall, a four-phased approach to reviewing all aspects of current and future regionally funded recreation services commenced in 2015 and a Committee has been working with a consultant on each of the phases since mid 2017.

Phase One of the process, which involved a significant amount of public engagement, identified a wide range of current and future needs for indoor and outdoor recreation services. It also identified some issues and concerns. That report was presented to the Board of Directors on January 24th, 2018.

Phase Two of the process, which focused on determining where users of nine regionally significant recreation facilities reside, resulted in a report which was presented to the Board of Directors on January 24th, 2018.

Phase Three of the process is the subject of this report. It focuses on what changes need to be made to the delivery of regional services in the near and long-term future.

To produce this report the Committee used the results of the first two phases of work to inform discussions within three workshops over the past three months. The report is divided into three sections as follows:

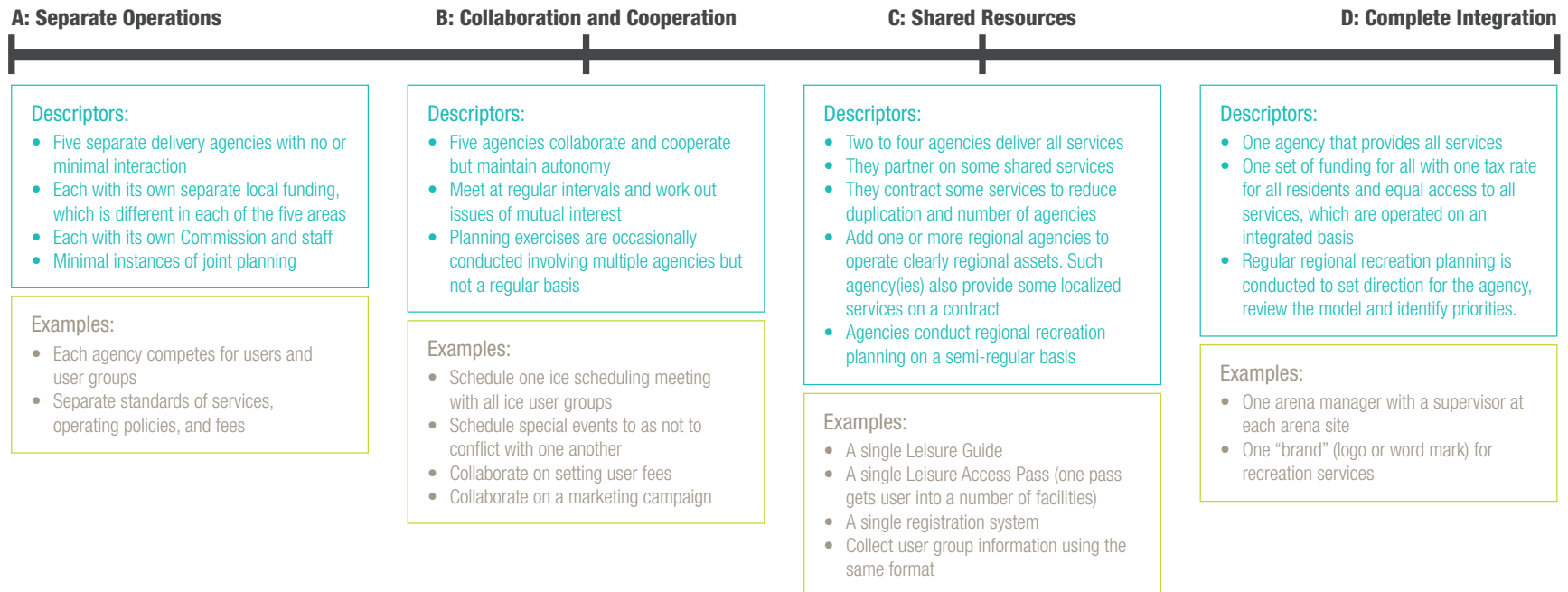
- Current and Future Recreation Service Delivery;
- Required Changes to how Recreation Services are Funded;
- Required Changes to the Structure and Governance of the regional recreation delivery system.

Meanwhile, **Phase Four** of the process, preparation of a Regional Recreation Master Plan, will continue either immediately or after a fall referendum, and will take a few months to complete.

SECTION TWO

Current and Future Recreation Service Delivery

The Committee reviewed a discussion paper about a continuum of regional collaboration and cooperation. It is summarized below.



The Committee identified that our region is currently somewhere between point B and point C on the continuum. A significant amount of collaboration and cooperation occurs, but it is reliant on individual relationships and personalities rather than formal agreements and by-laws. After much discussion on where we need to go in the future, the Commission came to a consensus on the following:

- Satisfaction levels for existing service levels are relatively high, so we could live with a situation where few changes are made to how services are organized and delivered. We are currently in a reasonably good place.
- However, the Phase One Report lists several outstanding issues and needs that we can address in Phase Four of this process to improve how services are delivered. They include:
 - » Increased interest in outdoor recreation and more need for outdoor recreation opportunities and resources, especially coordinated regionally;
 - » Resident preference for increased levels of regional collaboration and cooperation; and
 - » Long term need to reinvestment in aging infrastructure.
- Also, even though satisfaction levels are relatively high, the good place that we are in depends on the continued good will and cooperation of and by the elected officials within the Cowichan Region and their staff;
- There is an opportunity to move further to the right on the Cooperation and Collaboration Continuum, in a number of areas that will enhance the existing services and deliver them in a more cost-effective way;
- At this point, moving to the right might require some minor fine tuning of our existing structure and delivery system, but much can be accomplished in the short term without wholesale change;
- While total integration of regional recreation services might be considered at some point in the more distant future, in the short term, we can lock in the existing benefits and increase the benefits of regional collaboration and cooperation without changing the structure in major ways;
- A few formalized agreements, contracts or by-laws are all that is necessary in the short term to lock in some benefits;
- From a programmatic and service delivery standpoint, a new regional model must allow for local needs to be prioritized.
- Examples of such benefits of more collaboration and cooperation include:
 - » A more seamless user experience (e.g. one point of contact for users to find out about recreation opportunities, register for any of interest, and book required spaces);
 - » Increased operational efficiencies;
 - » Reduced gaps and areas of overlap in program design and service delivery;
 - » Better utilization of indoor and outdoor spaces;
 - » More and better large special events; and
 - » Increased cooperation on larger scale sports events.
- Phase Four, which is scheduled to proceed immediately and will take a few months to complete, will focus on the details of how to move forward on a number of fronts by creating a Master Plan that will deal with a variety of issues including those above.

Therefore, nothing needs to be decided by the Board at this point in terms of how services can and should be delivered.



Changes to the Structure and Governance of Recreation Agencies

The Committee is in agreement that a relatively few major changes are needed to the structure or governance of service delivery. However, a few changes are necessary in concert with any changes to the funding recommended in the next section. Therefore, the Committee recommends that the Board endorse the following principles and task staff with developing the details to bring the various agencies into compliance with them.

1. **Whichever jurisdictions are involved in financing a specific facility or service must be involved in a meaningful way in the governance of that facility or service.** Traditionally, in the CVRD, as in most other Regional Districts in BC, the Board has appointed Recreation Commissions to govern specific recreation facilities or services. Good local examples include the Island Savings Centre Commission and the Kerry Park Recreation Centre Commission. In the future, commissions or comparable structures need to ensure that if a jurisdiction contributes to the operation of the regionally significant facility or service, it has one or more voting seats on the Commission that governs it. To the extent that implementing the recommendations changes which jurisdictions are involved in funding a specific regional function, changes in the structure of the Commission will be required. In the case of the Frank Jameson Community Centre and the Fuller Lake Arena, a new Commission would be required. In the case of the Cowichan Sportsplex, seats on the Society Board of Directors may need to be ensured. In other cases, seats on existing Commissions would need to be added.
2. **Whichever jurisdictions authorize debt for regionally significant recreation infrastructure, those jurisdictions need to assume it.** While jurisdictions can contribute to the operation of a specific regional recreation function, they will only participate in the funding of the debt service charges associated with that function if they agreed to participate initially. They can't be forced to participate after the fact, once others have voted to borrow the debenture.
3. **Committing to fund the operation of a specific regionally significant recreation amenity should not obligate a jurisdiction to future changes to the function or any future long term debt.** Any new debentures will require new authorization.

SECTION FOUR

Changes to How Regionally Significant Recreation Services are Funded

The Phase Two Report has convinced the Committee that the status quo is not an option in terms of how existing and future services are funded. There is a significant “disconnect” between which residents benefit from publicly funded recreation services and which jurisdictions are paying for those services. In our Phase Three workshops, we initially reviewed the status quo and five alternative funding models (labelled Options A through E in attached Addendum A). While there were advantages and disadvantages to each, no single option brought committee members to a consensus. The consultant then prepared several approaches to Option F (see Addendum B) and these were discussed in a third workshop. However, while the Committee found a combination of proximity and use more palatable than any of the Options A through E, it could not come to a consensus.

In the absence of select Committee consensus or a recommendation to the Board, the consultant has provided the following option as the one that received more support than all the others. This is provided simply to inform the Board about the types of discussions that were held.

The consultant suggested that a **combination of proximity and proportion of use be applied to fund all regionally significant recreation facilities**. Phase Two showed reasonably clearly that all residents of the region generally use all the facilities. However, those furthest away were much less likely to use a few of them. While residents are likely to use many arenas, they generally use the nearest indoor pool, community centre, the Cowichan Performing Arts Centre, and the Cowichan Sportsplex. The fairest and most equitable approach, and the one that is indicated and justified by the analysis of where users reside, is to generally have residents pay for the closest of each of the facility types. Also, they should generally not pay for more than one of each type. However, the largest and most populace jurisdiction, the District of North Cowichan, would pay for two arenas; one for the north half and one for the south half. One caveat to the “pay for the closest facility” model would be that if a jurisdiction constituted less than 2% of total annual visits to a facility, it would not be required to contribute to that facility.

The approach described on the previous page represents but one alternative to funding the nine regionally significant recreation service centres. If it were implemented, and phased in over three or four years, there would be little or no change to five of the facilities. The only significant changes would be for the four facilities which have been the focus of much debate over the past several years. Those changes would be as follows:

- **Frank Jameson Community Centre:** Operating support for this facility would be spread more equitably over its user base. Electoral Areas G and H would pay proportionately more than they pay now to Ladysmith. It is the closest Community Centre and Indoor Pool to all three jurisdictions and all use it extensively. At present Electoral Areas G and H make a small grant to assist with the operation of the Frank Jameson Community Centre, but in the new funding model, they would pay in proportion to their taxable assessment. One alternative to this approach would be for the net public subsidy to be shared partially on the basis of use and partially on the basis of taxable assessment. That would have the effect of reducing the totals paid by the two Electoral Areas.
- **Cowichan Aquatic Centre:** The significant debenture debt for this facility would continue to be paid by the jurisdictions which initially authorized it. However, the annual capital and operational support would be broadened to include all jurisdictions in the CVRD except for the three that contribute to the Frank Jameson Community Centre and Electoral Areas F and I which constitute less than 2% of its total annual visits. The remaining eight jurisdictions would share the costs on the basis of taxable assessment or a combination of taxable assessment and use. If only taxable assessment, the tax shifts would be more substantial. If costs were shared on a combined basis, the shifts would be less significant.
- **Shawnigan Lake Community Centre:** While the original jurisdictions that authorized debt would continue to service that debt, the annual capital and operating costs would be shared within Electoral Areas A, B and C as this amenity as the closest Community Centre to all three Electoral Areas. It is worth noting that there is already an agreement in place that Electoral Areas A and C would contribute to the Shawnigan Lake Community Centre pending public referendum support.
- **Fuller Lake Arena:** Operating support for this facility would be broadened to reflect its user base. Electoral Area G and the Town of Ladysmith would be added to North Cowichan in the funding of this amenity. This arena is the closest amenity to all of these jurisdictions and they all use it extensively. While it is also the closest arena to Electoral Area H, that area has demonstrated that its use is less than 2% of the total annual visits.

As the four facilities listed above would have significant tax shifts, they would be phased in over a three or four year period to reduce the impact of the changes. If the Board felt there was merit in this approach, and that the tax shifts were going in the right direction, but that the tax shifts were still too significant, even if phased over four years, the Board could adopt the approach, but “cap” the shifts at a portion of the total change over four years. For example, if it wished, it could cap the tax shifts at 30% or 50% of the total shift, which would still signal a move toward more equitable funding but not fully implemented within this term.

The following table shows what the impacts of this approach could potentially be.



Recommended Funding Scenario: Funding is apportioned through a combination of hierarchy (primarily) and use (secondarily).

* All breakdown figures are in \$1,000's.

Regionally Significant Facility		CVRD Jurisdiction														
		Electoral Area A	Electoral Area B	Electoral Area C	Electoral Area D	Duncan	Electoral Area E	Electoral Area F	First Nations	Electoral Area G	Electoral Area H	Electoral Area I	Lake Cowichan	Ladysmith	North Cowichan	Total
Cowichan Aquatic Centre	Currently Pay	280	45.0	27.0		254.0	24.0	5.0	63.0			5.0	4.0		1,716.0	\$2.171M
	Proposed Pay	194.0	308.0	183.0	114.0	145.0	137.0	0.0	63.0			0.0	74.0		953.0	100%
	Difference	166.0	263.0	156.0	114.0	-109.0	113.0	-5.0	0.0			-5.0	70.0	0.0	-763.0	0
	% funding	9.2	14.6	8.7	5.4	6.9	6.5		0.3				3.5		45.2	100%
Cowichan Lake Recreation	Currently Pay							940.0				917.0	560.0			\$2.417M
	Proposed Pay							938.0				916.0	563.0			100%
	Difference							-2.0				-1.0	3.0			0
	% funding							38.8				37.9	23.3			100%
Cowichan Sportsplex	Currently Pay	19.0	8.0	18.0	11.0	63.0	14.0	3.0		3.0	4.0	3.0	2.0	6.0	352.0	\$.506M
	Proposed Pay	14.0	22.0	13.0	8.0	27.0	10.0						14.0	45.0	178.0	\$\$.331M
	Difference	-5.0	16.0	-5.0	-3.0	36.0	-4.0	-3.0		-3.0	-4.0	-3.0	12.0	39.0	-174.0	\$\$.175M
	% funding	4.2	6.6	3.9	2.4	8.2	3.0						4.2	13.6	53.8	100%
Cowichan Performing Arts Centre	Currently Pay	40.0	65.0	76.0	95.0	121.0	114.0							50.0	671.0	\$1.232M
	Proposed Pay	40.0	65.0	76.0	95.0	121.0	114.0							50.0	671.0	100%
	Difference	0.0	0.0	0.0	0.0	0.0	0.0							0.0	0.0	0
	% funding	3.2	5.3	6.2	7.7	9.8	9.3							4.1	54.5	100%
Frank Jameson Community Centre	Currently Pay									40.0	91.0			1,337.0		\$1.468M
	Proposed Pay									358.0	395.0			715.0		100%
	Difference									318.0	304.0			-622.0		0
	% funding									24.4	26.9			48.7		100%
Fuller Lake Arena	Currently Pay														1,041.0	\$1.041M
	Proposed Pay									96.0				191.0	755.0	100%
	Difference									96.0				191.0	-286.0	0
	% assessment									9.2				18.3	72.5	100%
Island Savings Centre	Currently Pay				275.0	471.0	429.0								2,030.0	\$3.204M
	Proposed Pay				272.0	471.0	429.0								2,031.0	100%
	Difference				-3.0	0.0	0.0								1.0	0
	% funding				8.5	14.7	13.4								63.4	100%
Kerry Park Recreation Centre	Currently Pay	669.0	1,055.0	633.0	393.0											\$2.750M
	Proposed Pay	668.0	1,056.0	633.0	393.0											100%
	Difference	-1.0	1.0	0.0	0.0											0
	% funding	24.3	38.4	23.0	14.3											100%
Shawnigan Lake Community Centre	Currently Pay	0.0	671.0	0.0												\$\$.671M
	Proposed Pay	190.0	301.0	180.0												100%
	Difference	190.0	-370.0	180.0												0
	% funding	28.3	44.8	26.8												100%
Total of All Regional Facilities	Currently Pay	756.0	1,844.0	754.0	774.0	909.0	581.0	948.0	63.0	43.0	95.0	925.0	566.0	1,393.0	5,810.0	\$15.460M
	Proposed Pay	1,106.0	1,752.0	1,085.0	882.0	764.0	690.0	938.0	63.0	454.0	395.0	916.0	651.0	1,001.0	4,588.0	\$15.285M
	Difference	350.0	-92.0	331.0	108.0	-145.0	109.0	-10.0	0.0	411.0	300.0	-9.0	85.0	-392.0	-1,222.0	-175
	% funding now	4.9	11.9	4.9	5.0	5.9	3.8	6.1	0.4	0.3	0.6	6.0	3.7	9.0	37.6	100%
	% funding proposed	7.2	11.5	7.1	5.8	5.0	4.5	6.1	0.4	3.0	2.6	6.0	4.3	6.5	30.0	100%
Go only 1/3 of the way toward above recommendation	Proposed Pay	873	1,814	864	810	861	617	945	63	180	195	922	595	1,265	5,403	\$15.404M
	Difference	117	-30	110	36	-48	36	-3	0	137	100	-3	29	-131	-407	\$0.057M

Discussion Backgrounder for Second Committee Phase Three Workshop

Please Note: Some notes in this Addendum were added after discussion at the workshop and they are presented in a different **color**.

Information for the Regional Recreation Select Committee

Background for March 13th Workshop

In preparation for our March 13th workshop I have done some analysis on the status quo and five options. I provide this analysis for your consideration before the workshop and discussion during the workshop. Please note that I am not recommending any option, just providing information.

The options that I have done some background work on include:

1. **Status Quo.** This is simply a summary of how all net costs for the nine regionally significant recreation facilities were financed in 2017.
2. **Option A: Apportioning Costs on the Basis of Use.** This analysis shows how the funding would have been financed in 2017 if the costs were apportioned on the basis of use as determined in the Phase Two report on sources of use for 2017.
3. **Option B: Apportioning Costs on the Basis of Population.** This analysis shows how the funding would have been financed if the net costs were apportioned instead on the basis of population as determined in the 2016 Canada Census.
4. **Option C: Apportioning Costs on the Basis of Taxable Assessment.** This analysis shows how the funding would have been financed if the net costs were apportioned on the basis of 2017 taxable assessment (except for no funding from the First Nations, as taxable assessment is not available for this group).
5. **Option D: Apportioning Costs on the Basis of Proximity.** This analysis shows how the funding would have been financed if the net costs were apportioned on the basis of dividing the CVRD into four subregions and financing the costs within each subregion for the facilities located in each. The four would be as follows:
 - a. North: Ladysmith and Electoral Areas G and H;
 - b. Central: North Cowichan, Duncan and Electoral Areas D and E;
 - c. West: Lake Cowichan and Electoral Areas F and I; and
 - d. South: Electoral Areas A, B, and C.
6. **Option E: Apportioning Costs on the Basis of a Hierarchy of Facility Types.** This analysis shows how the funding would have been financed if three of the nine facilities were designated as “regional” and financed by all taxpayers, and the remaining ones were financed as follows:
 - a. All taxpayers paid for the closest Community based Arena and Indoor Pool; and
 - b. All taxpayers pay for the closest of the five Community Centres (i.e. Frank Jameson Community Centre, Cowichan Recreation—net of arena; Island Savings Centre Community Centre and Library functions only; the Kerry Park Recreation Centre—net of arena; or the Shawnigan Lake Community Centre).

For each option, a breakdown for each facility has been provided which shows what would happen if that option were implemented for that facility, in case the Committee wants to take a “facility by facility” approach to the option and deal with each facility separately. However, a summary of what the approach would mean if it were implemented in its entirety is also provided at the end of each option in case the Committee wishes to adopt a more comprehensive, system wide approach to the option.



Status Quo

Regionally Significant Facility		CVRD Jurisdiction														
		Electoral Area A	Electoral Area B	Electoral Area C	Electoral Area D	Duncan	Electoral Area E	Electoral Area F	First Nations	Electoral Area G	Electoral Area H	Electoral Area I	Lake Cowichan	Ladysmith	North Cowichan	Total
Cowichan Aquatic Centre	Currently Pay	28.0	45.0	27.0		254.0	24.0	5.0	63.0			5.0	4.0		1,716.0	\$2.171M
	% funding	1.3	2.1	1.2		11.7	1.1	0.2	2.9			0.2	0.2		79.0	100%
	% use	3.8	11.6	7.1	3.6	8.1	7.4	0.7	3.2	0.2	1.0	0.4	2.2	0.6	50.1	100%
Cowichan Lake Recreation	Currently Pay							940.0				917.0	560.0			\$2.417M
	% funding							38.9				37.9	23.2			100%
	% use	3.9	4.1	3.7	0.7	6.4	3.4	4.8	3.8	0.7	0.2	12.3	18.5	2.3	35.4	100%
Cowichan Sportsplex	Currently Pay	19.0	8.0	18.0	11.0	63.0	14.0	3.0		3.0	4.0	3.0	2.0	6.0	352.0	\$506M
	% funding	3.8	1.6	3.6	2.2	12.5	2.8	0.6		0.6	0.8	0.6	0.4	1.2	69.6	100%
	% use	5.1	7.6	3.8	4.2	4.4	7.5	1.3	4.3	1.0	0.9	1.1	4.1	6.1	48.8	100%
Cowichan Performing Arts Centre	Currently Pay	40.0	65.0	76.0	95.0	121.0	114.0							50.0	671.0	\$1.232M
	% funding	3.2	5.3	6.2	7.7	9.8	9.3							4.1	54.5	100%
	% use	5.6	7.2	7.3	6.1	7.8	7.8	1.3	2.0	1.4	0.6	0.9	0.8	3.2	48.3	
Frank Jameson Community Centre	Currently Pay									40.0	91.0			1,337.0		\$1.468M
	% funding									2.7	6.2			91.1		100%
	% use	0.3	1.0	0.2	1.1	0.3	0.6	0.3	0.9	6.0	11.5	0.2	1.3	62.6	13.4	100%
Fuller Lake Arena	Currently Pay														1,041.0	\$1.041M
	% funding														100.0	100%
	% use	0.2	1.0	0.5	2.1	2.3	9.4	1.3	0.3	3.9	1.0	0.3	2.5	19.0	55.8	100%
Island Savings Centre	Currently Pay				296.0	509.0	465.0								2,203.0	\$3.473M
	% funding				8.5	14.7	13.4								63.4	100%
	% use	6.3	10.2	6.5	7.1	7.2	8.6	1.0	1.4	0.4	0.1	0.6	0.8	1.7	48.6	100%
Kerry Park Recreation Centre	Currently Pay	669.0	1,055.0	633.0	393.0											\$2.750M
	% funding	24.3	38.4	23.0	14.3											100%
	% use	18.9	34.1	15.2	9.8	2.0	2.9	0.2	1.6		0.1	0.2	0.1	0.3	14.8	100%
Shawnigan Lake Community Centre	Currently Pay		735.0													\$735M
	% funding		100.0													100%
	% use	8.3	73.4	3.4	2.2	2.1	0.7	0.1	1.2	0.6		0.2	0.2		7.6	100%
Total of All Regional Facilities	Currently Pay	756.0	1,908.0	754.0	795.0	947.0	617.0	948.0	63.0	43.0	95.0	925.0	566.0	1,393.0	5,983.0	\$15.793M
	% funding	4.8	12.1	4.8	5.0	6.0	3.9	6.0	0.4	0.3	0.6	5.9	3.6	8.8	37.9	100%

* All breakdown figures are in \$1,000's.

It is worth noting that while \$15.793 M represents all the public funds invested in the nine regionally significant facilities in 2017, \$332,000 of that total was needed for servicing debt. The remainder was required for current capital and operating support.

Status Quo

In the status quo table, there are a great many separate inequities. Those where the current proportion of use is different than the current proportion of funding by more than 5% are in **bold**.

In terms of the nine regionally significant facilities, the most dramatic inequity occurs at Cowichan Lake Recreation (where there is a 34% difference between what Electoral Area F pays and its proportion of use and a corresponding difference between what North Cowichan uses and what it pays), the Frank Jameson Community Centre (where there is a 29% difference between what Ladysmith pays and its proportion of use), the Cowichan Aquatic Centre (where there is almost a 29% difference between what North Cowichan pays and its proportion of use), Shawnigan Lake Community Centre (with almost a 27% difference between what Electoral Area B pays and its proportion of use) and the Cowichan Sportsplex (where there is a 21% difference between what North Cowichan pays for that facility and its proportion of use).

Option A: What if funding were apportioned on the basis of use?

Regionally Significant Facility		CVRD Jurisdiction														
		Electoral Area A	Electoral Area B	Electoral Area C	Electoral Area D	Duncan	Electoral Area E	Electoral Area F	First Nations	Electoral Area G	Electoral Area H	Electoral Area I	Lake Cowichan	Ladysmith	North Cowichan	Total
Cowichan Aquatic Centre	Currently Pay	28.0	45.0	27.0		254.0	24.0	5.0	63.0			5.0	4.0		1,716.0	\$2.171M
	Proposed Pay	82.0	252.0	154.0	78.0	176.0	161.0	16.0	69.0	4.0	22.0	9.0	48.0	13.0	1,088.0	100%
	Difference	54.0	207.0	127.0	78.0	-78.0	137.0	11.0	6.0	4.0	22.0	4.0	44.0	13.0	-628.0	
	% use	3.8	11.6	7.1	3.6	8.1	7.4	0.7	3.2	0.2	1.0	0.4	2.2	0.6	50.1	100%
Cowichan Lake Recreation	Currently Pay							940.0				917.0	560.0			\$2.417M
	Proposed Pay	94.0	99.0	89.0	17.0	155.0	82.0	116.0	92.0	17.0	5.0	297.0	447.0	56.0	856.0	100%
	Difference	94.0	99.0	89.0	17.0	155.0	82.0	-824.0	92.0	17.0	5.0	-620.0	-113.0	56.0	856.0	
	% use	3.9	4.1	3.7	0.7	6.4	3.4	4.8	3.8	0.7	0.2	12.3	18.5	2.3	35.4	100%
Cowichan Sportsplex	Currently Pay	19.0	8.0	18.0	11.0	63.0	14.0	3.0		3.0	4.0	3.0	2.0	6.0	352.0	\$.506M
	Proposed Pay	26.0	38.0	19.0	21.0	22.0	38.0	7.0	22.0	5.0	5.0	6.0	21.0	31.0	247.0	100%
	Difference	7.0	30.0	1.0	10.0	-41.0	24.0	4.0	22.0	2.0	1.0	3.0	19.0	25.0	-105.0	
	% use	5.1	7.6	3.8	4.2	4.4	7.5	1.3	4.3	1.0	0.9	1.1	4.1	6.1	48.8	100%
Cowichan Performing Arts Centre	Currently Pay	40.0	65.0	76.0	95.0	121.0	114.0			40.0	91.0			50.0	671.0	\$1.232M
	Proposed Pay	69.0	89.0	90.0	75.0	96.0	96.0	16.0	25.0	17.0	7.0	11.0	10.0	39.0	595.0	100%
	Difference	29.0	24.0	14.0	-20.0	-25.0	-18.0	16.0	25.0	17.0	7.0	11.0	10.0	-11.0	-76.0	
	% use	5.6	7.2	7.3	6.1	7.8	7.8	1.3	2.0	1.4	0.6	0.9	0.8	3.2	48.3	100%
Frank Jameson Community Centre	Currently Pay									40.0	91.0			1,337.0		\$1.468M
	Proposed Pay	4.0	15.0	3.0	16.0	4.0	9.0	4.0	13.0	88.0	169.0	3.0	19.0	919.0	197.0	100%
	Difference	4.0	15.0	3.0	16.0	4.0	9.0	4.0	13.0	48.0	78.0	3.0	19.0	-418.0	197.0	
	% use	0.3	1.0	0.2	1.1	0.3	0.6	0.3	0.9	6.0	11.5	0.2	1.3	62.6	13.4	100%
Fuller Lake Arena	Currently Pay														1,041.0	\$1.041M
	Proposed Pay	2.0	10.0	5.0	22.0	24.0	98.0	14.0	3.0	41.0	10.0	3.0	26.0	197.0	581.0	100%
	Difference	2.0	10.0	5.0	22.0	24.0	98.0	14.0	3.0	41.0	10.0	3.0	26.0	197.0	-460.0	
	% use	0.2	1.0	0.5	2.1	2.3	9.4	1.3	0.3	3.9	1.0	0.3	2.5	19.0	55.8	100%
Island Savings Centre	Currently Pay				296.0	509.0	465.0								2,203.0	\$3.473M
	Proposed Pay	219.0	354.0	226.0	247.0	250.0	299.0	35.0	49.0	14.0	3.0	21.0	28.0	59.0	1,688.0	100%
	Difference	219.0	354.0	226.0	-49.0	-259.0	-166.0	35.0	49.0	14.0	3.0	21.0	28.0	59.0	-515.0	
	% use	6.3	10.2	6.5	7.1	7.2	8.6	1.0	1.4	0.4	0.1	0.6	0.8	1.7	48.6	100%
Kerry Park Recreation Centre	Currently Pay	669.0	1,055.0	633.0	393.0											\$2.750M
	Proposed Pay	509.0	938.0	418.0	270.0	55.0	80.0	6.0	44.0		3.0	6.0	3.0	8.0	407.0	100%
	Difference	-160.0	-117.0	-215.0	-123.0	55.0	80.0	6.0	44.0		3.0	6.0	3.0	8.0	407.0	
	% use	18.9	34.1	15.2	9.8	2.0	2.9	0.2	1.6		0.1	0.2	0.1	0.3	14.8	100%
Shawnigan Lake Community Centre	Currently Pay		735.0													\$.735M
	Proposed Pay	61.0	539.0	25.0	16.0	15.0	5.0	1.0	9.0	4.0		1.0	1.0		56.0	100%
	Difference	61.0	-196.0	25.0	16.0	15.0	5.0	1.0	9.0	4.0		1.0	1.0		56.0	
	% use	8.3	73.4	3.4	2.2	2.1	0.7	0.1	1.2	0.6		0.2	0.2		7.6	100%
Total of All Regional Facilities	Currently Pay	756.0	1,908.0	754.0	795.0	947.0	617.0	948.0	63.0	43.0	95.0	925.0	566.0	1,393.0	5,983.0	\$15.793M
	Proposed Pay	1,066.0	2,334.0	1,029.0	762.0	797.0	868.0	215.0	326.0	190.0	224.0	357.0	603.0	1,322.0	5,715.0	100%
	Difference	310.0	426.0	275.0	-33.0	-150.0	251.0	-733.0	263.0	147.0	129.0	-568.0	37.0	-71.0	-268.0	
	% funding now	4.8	12.1	4.8	5.0	6.0	3.9	6.0	0.4	0.3	0.6	5.9	3.6	8.8	37.9	100%
	% funding proposed	6.7	14.8	6.5	4.8	5.0	5.5	2.1	2.1	1.2	1.4	2.3	3.8	8.4	36.2	100%

* All breakdown figures are in \$1,000's.

Option A: What if funding were apportioned on the basis of use?

In the above table, all differences in funding of more than \$50,000 are in **bold** as well as total percentage differences of more than 100% tax increase or decrease.

In the above scenario, where net public subsidy for each of the nine facilities is apportioned to jurisdictions based on their proportionate use, there would be many substantial shifts for all facilities except for the Cowichan Performing Arts Centre and the Cowichan Sportsplex; both of which are currently funded across the region closely aligned with proportionate use.

The facilities that would require the most dramatic and broad-based shifts of funding in dollar terms (i.e. the rows labelled Difference with the most cells over \$50,000 difference) include Cowichan Lake Recreation (which also includes some of the biggest single tax shifts) followed by the Cowichan Aquatic Centre, the Island Savings Centre and the Kerry Park Recreation Centre.

The jurisdictions which would realize the largest tax decrease both in dollar terms and in percentage terms would be Electoral Area F and I. The jurisdictions which would experience the largest tax increases in dollar terms would be Electoral Area B followed by Electoral Area A. However, while modest in dollar magnitude, the jurisdictions that would experience the largest percentage increase in their recreation taxes would be Electoral Areas G and H.

In the final set of rows, twelve of the fourteen jurisdictions would experience changes in excess of \$50,000 and nine of those would be of \$150,000 or more.

One of the impacts of implementing this option would be to shift taxation away from the large segments of non-residential assessment (in Electoral Areas F and I) and onto the residential tax base.

At the workshop, the Committee members felt that apportioning costs on the basis of use might be the easiest option to explain to the general public and therefore might be the most palatable option. However, none felt that the entire package would be acceptable and many referred to the practical problem of continuously measuring usage with sufficient accuracy that it would be a valid basis for apportioning costs.

Option B: What if funding were apportioned on the basis of population?

Regionally Significant Facility		CVRD Jurisdiction														
		Electoral Area A	Electoral Area B	Electoral Area C	Electoral Area D	Duncan	Electoral Area E	Electoral Area F	First Nations	Electoral Area G	Electoral Area H	Electoral Area I	Lake Cowichan	Ladysmith	North Cowichan	Total
Cowichan Aquatic Centre	Currently Pay	28.0	45.0	27.0		254.0	24.0	5.0	63.0			5.0	4.0		1,716.0	\$2.171M
	Proposed Pay	124.0	221.0	130.0	85.0	128.0	106.0	41.0	106.0	61.0	63.0	30.0	85.0	221.0	769.0	100%
	Difference	96.0	176.0	103.0	85.0	-126.0	82.0	36.0	43.0	61.0	63.0	25.0	81.0	221.0	-947.0	
	% population	5.7	10.2	6.0	3.9	5.9	4.9	1.9	4.9	2.8	2.9	1.4	3.9	10.2	35.4	100%
Cowichan Lake Recreation	Currently Pay							940.0				917.0	560.0			\$2.417M
	Proposed Pay	137.0	246.0	145.0	94.0	143.0	118.0	46.0	118.0	68.0	70.0	34.0	94.0	247.0	856.0	100%
	Difference	137.0	246.0	145.0	94.0	143.0	118.0	-894.0	118.0	68.0	70.0	-883.0	-466.0	247.0	856.0	
	% population	5.7	10.2	6.0	3.9	5.9	4.9	1.9	4.9	2.8	2.9	1.4	3.9	10.2	35.4	100%
Cowichan Sportsplex	Currently Pay	19.0	8.0	18.0	11.0	63.0	14.0	3.0		3.0	4.0	3.0	2.0	6.0	352.0	\$.506M
	Proposed Pay	29.0	52.0	30.0	20.0	30.0	25.0	10.0	25.0	14.0	15.0	7.0	20.0	52.0	179.0	100%
	Difference	10.0	44.0	12.0	9.0	-33.0	11.0	7.0	25.0	11.0	11.0	4.0	18.0	46.0	-173.0	
	% population	5.7	10.2	6.0	3.9	5.9	4.9	1.9	4.9	2.8	2.9	1.4	3.9	10.2	35.4	100%
Cowichan Performing Arts Centre	Currently Pay	40.0	65.0	76.0	95.0	121.0	114.0							50.0	671.0	\$1.232M
	Proposed Pay	70.0	126.0	74.0	48.0	73.0	60.0	23.0	60.0	34.0	36.0	17.0	48.0	126.0	436.0	100%
	Difference	30.0	61.0	-2.0	-47.0	-48.0		23.0	60.0	34.0	36.0	17.0	48.0	76.0	-235.0	
	% population	5.7	10.2	6.0	3.9	5.9	4.9	1.9	4.9	2.8	2.9	1.4	3.9	10.2	35.4	100%
Frank Jameson Community Centre	Currently Pay									40.0	91.0			1,337.0		\$1.468 M
	Proposed Pay	84.0	150.0	88.0	57.0	87.0	72.0	28.0	72.0	41.0	43.0	21.0	57.0	150.0	520.0	100%
	Difference	84.0	150.0	88.0	57.0	87.0	72.0	28.0	72.0	1.0	-48.0	21.0	57.0	-1,187.0	520.0	
	% population	5.7	10.2	6.0	3.9	5.9	4.9	1.9	4.9	2.8	2.9	1.4	3.9	10.2	35.4	100%
Fuller Lake Arena	Currently Pay														1,041.0	\$1.041M
	Proposed Pay	59.0	106.0	62.0	41.0	61.0	51.0	20.0	51.0	29.0	30.0	15.0	41.0	106.0	369.0	100%
	Difference	59.0	106.0	62.0	41.0	61.0	51.0	20.0	51.0	29.0	30.0	15.0	41.0	106.0	-672.0	
	% population	5.7	10.2	6.0	3.9	5.9	4.9	1.9	4.9	2.8	2.9	1.4	3.9	10.2	35.4	100%
Island Savings Centre	Currently Pay				296.0	509.0	465.0								2,203.0	\$3.473M
	Proposed Pay	198.0	354.0	208.0	135.0	205.0	170.0	66.0	170.0	97.0	101.0	49.0	135.0	354.0	1,229.0	100%
	Difference	198.0	354.0	208.0	-161.0	-304.0	-295.0	66.0	170.0	97.0	101.0	49.0	135.0	354.0	-974.0	
	% population	5.7	10.2	6.0	3.9	5.9	4.9	1.9	4.9	2.8	2.9	1.4	3.9	10.2	35.4	100%
Kerry Park Recreation Centre	Currently Pay	669.0	1,055.0	633.0	393.0											\$2.750M
	Proposed Pay	157.0	281.0	165.0	107.0	162.0	135.0	52.0	135.0	77.0	80.0	39.0	107.0	281.0	974.0	100%
	Difference	-512.0	-774.0	-468.0	-286.0	162.0	135.0	52.0	135.0	77.0	80.0	39.0	107.0	281.0	974.0	
	% population	5.7	10.2	6.0	3.9	5.9	4.9	1.9	4.9	2.8	2.9	1.4	3.9	10.2	35.4	100%
Shawnigan Lake Community Centre	Currently Pay		735.0													\$.735M
	Proposed Pay	42.0	75.0	44.0	29.0	43.0	36.0	14.0	36.0	21.0	21.0	10.0	29.0	75.0	260.0	100%
	Difference	42.0	-660.0	44.0	29.0	43.0	36.0	14.0	36.0	21.0	21.0	10.0	29.0	75.0	260.0	
	% population	5.7	10.2	6.0	3.9	5.9	4.9	1.9	4.9	2.8	2.9	1.4	3.9	10.2	35.4	100%
Total of All Regional Facilities	Currently Pay	756.0	1,908.0	754.0	795.0	947.0	617.0	948.0	63.0	43.0	95.0	925.0	566.0	1,393.0	5,983.0	\$15.793M
	Proposed Pay	900.0	1,611.0	948.0	616.0	932.0	774.0	300.0	774.0	442.0	458.0	221.0	616.0	1,611.0	5,591.0	100%
	Difference	144.0	-297.0	194.0	-179.0	-15.0	157.0	-648.0	711.0	399.0	363.0	-704.0	50.0	218.0	-392.0	
	% funding now	4.8	12.1	4.8	5.0	6.0	3.9	6.0	0.4	0.3	0.6	5.9	3.6	8.8	37.9	100%
	% funding proposed	5.7	10.2	6.0	3.9	5.9	4.9	1.9	4.9	2.8	2.9	1.4	3.9	10.2	35.4	100%

* All breakdown figures are in \$1,000's.

Option B: What if funding were apportioned on the basis of population?

In the above table, all differences in funding of more than \$50,000 are in **bold** as well as total percentage differences of more than 100% tax increase or decrease.

In Option B, where net public subsidy for each of the nine facilities is apportioned to jurisdictions based on their proportion of the total population, there would be many substantial shifts for all facilities, including twelve cells with changes over \$500,000. However, the least amount of shifting of costs would be for the Cowichan Performing Arts Centre and the Cowichan Sportsplex; both of which are currently funded across the region more proportionately to the total population.

Cowichan Lake Recreation would have the most dramatic shift in funding, with all jurisdictions having significant changes, and some of the highest amounts of change. It is followed closely by the Island Savings Centre and then the Cowichan Aquatic Centre in terms of the breadth and depth of shifts in funding amounts.

In terms of dollar amounts, the group that would have the most dramatic increase in overall taxation would be the local First Nations. More modest increases would be required of Electoral Areas G and H. However, in percentage terms, all three of these jurisdictions would have quite dramatic tax increases.

The jurisdictions that would experience the most dramatic tax decrease would be Electoral Areas I and F. They are followed by more modest decreases in North Cowichan and Electoral Area B.

Overall, there would be quite a dramatic degree of change in funding in all jurisdictions except for Duncan and Lake Cowichan.

No Committee members favoured this option at the workshop. It was not perceived to be palatable.

Option C: What if funding were apportioned on the basis of total taxable assessment?

Regionally Significant Facility		CVRD Jurisdiction														Total
		Electoral Area A	Electoral Area B	Electoral Area C	Electoral Area D	Duncan	Electoral Area E	Electoral Area F	First Nations	Electoral Area G	Electoral Area H	Electoral Area I	Lake Cowichan	Ladysmith	North Cowichan	
Cowichan Aquatic Centre	Currently Pay	28.0	45.0	27.0		254.0	24.0	5.0	63.0			5.0	4.0		1,716.0	\$2.171M
	Proposed Pay	148.0	234.0	141.0	87.0	111.0	104.0	96.0		91.0	102.0	93.0	56.0	185.0	727.0	100%
	Difference	120.0	189.0	114.0	87.0	-143.0	80.0	91.0	-63.0	91.0	102.0	88.0	52.0	185.0	-989.0	
	% assessment	6.8	10.8	6.5	4.0	5.1	4.8	4.4		4.2	4.7	4.3	2.6	8.5	33.5	100%
Cowichan Lake Recreation	Currently Pay							940.0			917.0	560.0				\$2.417M
	Proposed Pay	164.0	261.0	157.0	97.0	123.0	116.0	106.0		102.0	114.0	104.0	63.0	205.0	810.0	100%
	Difference	164.0	261.0	157.0	97.0	123.0	116.0	-834.0		102.0	114.0	-813.0	-497.0	205.0	810.0	
	% assessment	6.8	10.8	6.5	4.0	5.1	4.8	4.4		4.2	4.7	4.3	2.6	8.5	33.5	100%
Cowichan Sportsplex	Currently Pay	19.0	8.0	18.0	11.0	63.0	14.0	3.0		3.0	4.0	3.0	2.0	6.0	352.0	\$506M
	Proposed Pay	34.0	55.0	33.0	20.0	26.0	24.0	22.0		21.0	24.0	22.0	13.0	43.0	170.0	100%
	Difference	15.0	47.0	15.0	9.0	-37.0	10.0	19.0		18.0	20.0	19.0	11.0	37.0	-182.0	
	% assessment	6.8	10.8	6.5	4.0	5.1	4.8	4.4		4.2	4.7	4.3	2.6	8.5	33.5	100%
Cowichan Performing Arts Centre	Currently Pay	40.0	65.0	76.0	95.0	121.0	114.0							50.0	671.0	\$1.232M
	Proposed Pay	84.0	133.0	80.0	49.0	63.0	59.0	54.0		52.0	58.0	53.0	32.0	105.0	413.0	100%
	Difference	44.0	68.0	4.0	-46.0	-58.0	-55.0	54.0		52.0	58.0	53.0	32.0	55.0	-258.0	
	% assessment	6.8	10.8	6.5	4.0	5.1	4.8	4.4		4.2	4.7	4.3	2.6	8.5	33.5	100%
Frank Jameson Community Centre	Currently Pay									40.0	91.0			1,337.0		\$1.468M
	Proposed Pay	100.0	159.0	95.0	59.0	75.0	70.0	65.0		62.0	69.0	63.0	38.0	125.0	492.0	100%
	Difference	100.0	159.0	95.0	59.0	75.0	70.0	65.0		22.0	-22.0	63.0	38.0	-1,212.0	492.0	
	% assessment	6.8	10.8	6.5	4.0	5.1	4.8	4.4		4.2	4.7	4.3	2.6	8.5	33.5	100%
Fuller Lake Arena	Currently Pay														1,041.0	\$1.041M
	Proposed Pay	71.0	112.0	68.0	42.0	53.0	50.0	46.0		44.0	49.0	45.0	27.0	88.0	349.0	100%
	Difference	71.0	112.0	68.0	42.0	53.0	50.0	46.0		44.0	49.0	45.0	27.0	88.0	-692.0	
	% assessment	6.8	10.8	6.5	4.0	5.1	4.8	4.4		4.2	4.7	4.3	2.6	8.5	33.5	100%
Island Savings Centre	Currently Pay				296.0	509.0	465.0								2,203.0	\$3.473M
	Proposed Pay	236.0	375.0	226.0	139.0	177.0	167.0	153.0		146.0	163.0	149.0	90.0	295.0	1,163.0	100%
	Difference	236.0	375.0	226.0	-157.0	-332.0	-298.0	153.0		146.0	163.0	149.0	90.0	295.0	-1,040.0	
	% assessment	6.8	10.8	6.5	4.0	5.1	4.8	4.4		4.2	4.7	4.3	2.6	8.5	33.5	100%
Kerry Park Recreation Centre	Currently Pay	669.0	1,055.0	633.0	393.0											\$2.750M
	Proposed Pay	187.0	297.0	179.0	110.0	140.0	132.0	121.0		116.0	129.0	118.0	72.0	234.0	921.0	100%
	Difference	-482.0	-758.0	-454.0	-283.0	140.0	132.0	121.0		116.0	129.0	118.0	72.0	234.0	921.0	
	% assessment	6.8	10.8	6.5	4.0	5.1	4.8	4.4		4.2	4.7	4.3	2.6	8.5	33.5	100%
Shawnigan Lake Community Centre	Currently Pay		735.0													\$735M
	Proposed Pay	50.0	79.0	48.0	29.0	37.0	35.0	32.0		31.0	35.0	32.0	19.0	62.0	246.0	100%
	Difference	50.0	-656.0	48.0	29.0	37.0	35.0	32.0		31.0	35.0	32.0	19.0	62.0	246.0	
	% assessment	6.8	10.8	6.5	4.0	5.1	4.8	4.4		4.2	4.7	4.3	2.6	8.5	33.5	100%
Total of All Regional Facilities	Currently Pay	756.0	1,908.0	754.0	795.0	947.0	617.0	948.0	63.0	43.0	95.0	925.0	566.0	1,393.0	5,983.0	\$15.793M
	Proposed Pay	1,074.0	1,705.0	1,027.0	632.0	805.0	757.0	695.0		665.0	743.0	679.0	410.0	1,342.0	5,291.0	100%
	Difference	318.0	-202.0	273.0	-163.0	-142.0	141.0	-253.0	-63.0	620.0	647.0	-246.0	-155.0	-51.0	-692.0	
	% funding now	4.8	12.1	4.8	5.0	6.0	3.9	6.0	0.4	0.3	0.6	5.9	3.6	8.8	37.9	100%
% funding proposed	6.8	10.8	6.5	4.0	5.1	4.8	4.4		4.2	4.7	4.3	2.6	8.5	33.5	100%	

* All breakdown figures are in \$1,000's.

Option C: What if funding were apportioned on the basis of total taxable assessment?

In the above table, all differences in funding of more than \$50,000 are in **bold** as well as total percentage differences of more than 100% tax increase or decrease.

This option would result in the same tax rate across the region for the nine regionally significant facilities. In other words, if one resident paid \$x dollars per thousand dollars of taxable assessment, all other residents would be the same rate.

In Option C, where net public subsidy for each of the nine facilities is apportioned to jurisdictions based on their proportion of the converted taxable assessment (except for the local First Nations) there would be many substantial shifts for all facilities. Indeed, for three of the nine facilities, there is substantial change for all 13 jurisdictions. The Cowichan Sportsplex would exhibit the least depth and breadth of tax shift in funding. But most other facilities would experience quite significant shifts.

However, overall, when all pluses and minuses cancel each other out, the net total differences for all but three jurisdictions are relatively modest. Overall, Electoral Areas G and H would experience the most significant tax increases in both dollar and percentage terms. North Cowichan would experience the most significant tax decreases in dollar terms. On an overall basis, while there is still significant change in funding, this option exhibits less in the way of dramatic change for most jurisdictions than Options A and B would create.

Several Committee members favoured this option but the very dramatic tax shifts in the total rows at the bottom of the option were seen as too much change to easily adopt this option. If debt service charges are deleted from the total public support for the facilities, it might make this option more palatable.

Option D: What if funding were apportioned on the basis of proximity?
(i.e. four sub-regions paying for what is in each sub-region)

Regionally Significant Facility		CVRD Jurisdiction														
		Electoral Area A	Electoral Area B	Electoral Area C	Electoral Area D	Duncan	Electoral Area E	Electoral Area F	First Nations	Electoral Area G	Electoral Area H	Electoral Area I	Lake Cowichan	Ladysmith	North Cowichan	Total
Cowichan Aquatic Centre	Currently Pay	28.0	45.0	27.0		254.0	24.0	5.0	63.0			5.0	4.0		1,716.0	\$2.171M
	Proposed Pay				185.0	232.0	219.0								1,535.0	100%
	Difference	-28.0	-45.0	-27.0	185.0	-22.0	195.0	-5.0	-63.0			-5.0	-4.0		-181.0	
	% funding				8.5	10.7	10.1								70.7	100%
Cowichan Lake Recreation	Currently Pay							94.0			91.0	560.0				\$2.417M
	Proposed Pay							938.0			916.0	563.0				100%
	Difference							-2.0			-1.0	3.0				
	% funding							38.8			37.9	23.3				100%
Cowichan Sportsplex	Currently Pay	19.0	8.0	18.0	11.0	63.0	14.0	3.0		3.0	4.0	3.0	2.0	6.0	352.0	\$,506M
	Proposed Pay				43.0	54.0	51.0								358.0	100%
	Difference	-19.0	-8.0	-18.0	32.0	-9.0	37.0	-3.0		-3.0	-4.0	-3.0	-2.0	-6.0	6.0	
	% funding				8.5	10.7	10.1								70.7	100%
Cowichan Performing Arts Centre	Currently Pay	40.0	65.0	76.0	95.0	121.0	114.0							50.0	671.0	\$1.232M
	Proposed Pay				105.0	132.0	124.0								871.0	100%
	Difference	-40.0	-65.0	-76.0	10.0	11.0	10.0							-50.0	200.0	
	% funding				8.5	10.7	10.1								70.7	100%
Frank Jameson Community Centre	Currently Pay									40.0	91.0			1,337.0		\$1.468M
	Proposed Pay									358.0	395.0			715.0		100%
	Difference									318.0	304.0			-622.0		
	% funding									24.4	26.9			48.7		100%
Fuller Lake Arena	Currently Pay														1,041.0	\$1.041M
	Proposed Pay				88.0	111.0	105.0								736.0	100%
	Difference				88.0	111.0	105.0								-305.0	
	% funding				8.5	10.7	10.1								70.7	100%
Island Savings Centre	Currently Pay				296.0	509.0	465.0								2,203.0	\$3.473M
	Proposed Pay				295.0	372.0	351.0								2,455.0	100%
	Difference				-1.0	-137.0	-114.0								252.0	
	% funding				8.5	10.7	10.1								70.7	100%
Kerry Park Recreation Centre	Currently Pay	669.0	1,055.0	633.0	393.0											\$2.750M
	Proposed Pay	778.0	1,232.0	737.0												100%
	Difference	109.0	177.0	104.0	-393.0											
	% funding	28.3	44.8	26.8												100%
Shawnigan Lake Community Centre	Currently Pay		735.0													\$,735M
	Proposed Pay	208.0	329.0	197.0												100%
	Difference	208.0	-406.0	197.0												
	% funding	28.3	44.8	26.8												100%
Total of All Regional Facilities	Currently Pay	756.0	1,908.0	754.0	795.0	947.0	617.0	948.0	63.0	43.0	95.0	925.0	566.0	1,393.0	5,983.0	\$15.793M
	Proposed Pay	986.0	1,561.0	934.0	716.0	901.0	850.0	938.0		358.0	395.0	916.0	563.0	715.0	5,955.0	100%
	Difference	230.0	-347.0	180.0	-79.0	-46.0	233.0	-10.0	-63.0	315.0	300.0	-9.0	-3.0	-678.0	-28.0	
	% funding now	4.8	12.1	4.8	5.0	6.0	3.9	6.0	0.4	0.3	0.6	5.9	3.6	8.8	37.9	100%
	% funding proposed	6.2	9.9	5.9	4.5	5.7	5.4	5.9		2.3	2.5	5.8	3.6	4.5	37.7	100%

* All breakdown figures are in \$1,000's.

Option D: What if funding were apportioned on the basis of proximity? (i.e. four sub-regions paying for what is in each sub-region)

In the above table, all differences in funding of more than \$50,000 are in **bold** as well as total percentage differences of more than 100% tax increase or decrease.

In Option D, the region is divided into four market areas, and net public subsidy for each of the nine facilities is apportioned to jurisdictions based on which of the facilities is located within their market area (except for the local First Nations). The overall change narrows the funding base of the more regional of the facilities (e.g. Island Savings Centre, the Cowichan Performing Arts Centre and the Cowichan Sportsplex) while spreading costs of a few of the more localized facilities within their respective market area (e.g. the Frank Jameson Community Centre and the Shawnigan Lake Community Centre). The degree of shift for any one facility is moderated in this option, with the highest individual shift less than \$630,000.

Overall, Electoral Areas G and H would experience the most significant tax increases both in dollar terms and in percentage terms. Ladysmith would experience the most significant tax decrease. While the individual facilities show significant shifts, once the pluses and minuses are cancelled out in the Total section at the bottom, no one jurisdiction experiences a net shift in total funding of more than 2% of the total. Therefore, overall, this option represents the least amount of overall change in funding when compared to the other four options.

At the workshop, the Committee generally liked this option. However, there were a few issues of concern:

- a. Some jurisdictions would have to pay for two arenas (one Fuller Lake and the Island Savings Centre), while others would have to pay for only one arena.**
- b. In the South Area (i.e. Electoral Areas A, B and C) the tax shifts would be quite dramatic.**
- c. Current funding from First Nations would be eliminated, while the analysis of usage suggests that funding from First Nations should be increased.**

The Committee asked that debt service charges be taken out of this option to see what impact that would have on tax shifts. It also wondered about redrawing boundaries so that each of the four sub areas had one arena to support. And, the Committee asked to leave in the current contribution from First Nations.

Option E: What if funding were apportioned on the basis of a hierarchy of facility types?

Regionally Significant Facility		CVRD Jurisdiction														Total
		Electoral Area A	Electoral Area B	Electoral Area C	Electoral Area D	Duncan	Electoral Area E	Electoral Area F	First Nations	Electoral Area G	Electoral Area H	Electoral Area I	Lake Cowichan	Ladysmith	North Cowichan	
Cowichan Aquatic Centre	Currently Pay	28.0	45.0	27.0		254.0	24.0	5.0	63.0			5.0	4.0		1,716.0	\$2.171M
	Proposed Pay	173.0	274.0	164.0	103.0	129.0	122.0	112.0	63.0			110.0	67.0		854.0	100%
	Difference	145.0	229.0	137.0	103.0	-125.0	98.0	107.0				105.0	63.0		-862.0	
	% funding	8.2	13.0	7.8	4.9	6.1	5.8	5.3				5.2	3.2		40.5	100%
Cowichan Lake Recreation	Currently Pay							940.0				917.0	560.0			\$2.417M
	Proposed Pay							938.0				916.0	563.0			100%
	Difference							-2.0				-1.0	3.0			
	% funding							38.8				37.9	23.3			100%
Cowichan Sportsplex	Currently Pay	19.0	8.0	18.0	11.0	63.0	14.0	3.0		3.0	4.0	3.0	2.0	6.0	352.0	\$506M
	Proposed Pay	34.0	55.0	33.0	20.0	26.0	24.0	22.0		21.0	24.0	22.0	13.0	43.0	170.0	100%
	Difference	15.0	47.0	15.0	9.0	-37.0	10.0	19.0		18.0	20.0	19.0	11.0	37.0	-182.0	
	% funding	6.8	10.8	6.5	4.0	5.1	4.8	4.4		4.2	4.7	4.3	2.6	8.5	33.5	100%
Cowichan Performing Arts Centre	Currently Pay	40.0	65.0	76.0	95.0	121.0	114.0							50.0	671.0	\$1.232M
	Proposed Pay	84.0	133.0	80.0	49.0	63.0	59.0	54.0		52.0	58.0	53.0	32.0	105.0	413.0	100%
	Difference	44.0	68.0	4.0	-46.0	-58.0	-55.0	54.0		52.0	58.0	53.0	32.0	55.0	-258.0	
	% funding	6.8	10.8	6.5	4.0	5.1	4.8	4.4		4.2	4.7	4.3	2.6	8.5	33.5	100%
Frank Jameson Community Centre	Currently Pay									40.0	91.0			1,337.0		\$1.468M
	Proposed Pay									358.0	395.0			715.0		100%
	Difference									318.0	304.0			-622.0		
	% funding									24.4	26.9			48.7		100%
Fuller Lake Arena	Currently Pay														1,041.0	\$1.041M
	Proposed Pay					87.0	82.0			73.0	80.0			145.0	574.0	100%
	Difference					87.0	82.0			73.0	80.0			145.0	-467.0	
	% funding					8.4	7.9			7.0	7.7			13.9	55.1	100%
Island Savings Centre Community Centre	Currently Pay				229.0	288.0	272.0								1,905.0	\$2.695M
	Proposed Pay					315.0	299.0								2,081.0	100%
	Difference				-229.0	27.0	27.0								176.0	
	% funding					11.7	11.1								77.2	100%
Island Savings Centre Arena	Currently Pay					197.0	180.0								406.0	\$778M
	Proposed Pay	53.0	84.0	51.0	31.0	40.0	37.0	34.0		33.0	37.0	33.0	20.0	66.0	261.0	100%
	Difference	53.0	84.0	51.0	31.0	-157.0	-143.0	34.0		33.0	37.0	33.0	20.0	66.0	-145.0	
	% funding	6.8	10.8	6.5	4.0	5.1	4.8	4.4		4.2	4.7	4.3	2.6	8.5	33.5	100%
Kerry Park Recreation Centre	Currently Pay	669.0	1,055.0	633.0	393.0											\$2.750M
	Proposed Pay	668.0	1,056.0	633.0	393.0											100%
	Difference	-1.0	1.0	0.0	0.0											
	% funding	24.3	38.4	23.0	14.3											100%
Shawnigan Lake Community Centre	Currently Pay		735.0													\$735M
	Proposed Pay	208.0	329.0	197.0												100%
	Difference	208.0	-406.0	197.0												
	% funding	28.3	44.8	26.8												100%
Total of All Regional Facilities	Currently Pay	756.0	1,908.0	754.0	795.0	947.0	617.0	948.0	63.0	43.0	95.0	925.0	566.0	1,393.0	5,983.0	\$15.793M
	Proposed Pay	1,220.0	1,931.0	1,158.0	596.0	660.0	623.0	1,160.0	63.0	537.0	594.0	1,134.0	695.0	1,074.0	4,353.0	100%
	Difference	464.0	23.0	404.0	-199.0	-287.0	6.0	212.0		494.0	499.0	209.0	129.0	-319.0	-1,630.0	
	% funding now	4.8	12.1	4.8	5.0	6.0	3.9	6.0	0.4	0.3	0.6	5.9	3.6	8.8	37.9	100%
	% funding proposed	7.7	12.2	7.3	3.8	4.2	3.9	7.3	0.4	3.4	3.8	7.2	4.4	6.8	27.6	100%

* All breakdown figures are in \$1,000's.

Option E: What if funding were apportioned on the basis of a hierarchy of facility types?

In the above table, all differences in funding of more than \$50,000 are in **bold** as well as total percentage differences of more than two percentage points of tax increase or decrease.

In Option E, the net public subsidy for each of the nine facilities is apportioned to jurisdictions based on their scope of use. The Island Savings Centre Arena and the Cowichan Performing Arts Centre were originally designed and scaled to serve the entire Regional District and use generally shows that this potential has been realized. So, the costs of these two facilities and the costs of the Cowichan Sportsplex would be shared within the entire region.

After that, everyone would pay for the closest indoor pool and arena, which are generally all used by all of the region. That would mean that Electoral Areas G and H would fund their proportionate share of the Ladysmith Pool and the remainder of the region would fund the Cowichan Aquatic Centre. That also means that if a third pool were ever added in the region, the funding formulae would change. Ladysmith and Electoral Areas G and H would pay their proportionate share of the Fuller Lake Arena and all jurisdictions pay for only one pool and one arena each.

Each jurisdiction would pay for “their” portion of one of the five Community Centres.

In this option, some facilities would be financed the way they would in Option D and some would not change from the way they are currently funded.

Overall, Electoral Areas G and H would experience the most significant tax increases both in dollar terms and in percentage terms. But, Electoral Areas A and C would also experience substantial tax increases in dollar terms. North Cowichan would experience the most significant tax decrease in dollar terms.

Many Committee members liked this option but some argued that the Cowichan Sportsplex and the Island Savings Centre Arena should not be designated as regional in nature. Committee members wanted to see what this option would look like if debt service charges were taken out of the funds to be distributed differently.

Summary

For all of the options the most significant tax increases would be experienced by Electoral Areas G and H. it is hard to imagine an option where they would not be required to pay significantly more taxes.

Setting aside Electoral Areas G and H, in all options there are some significant “winners” and some “losers.” North Cowichan would experience a significant tax decrease in most options.

Options D and E would result in more moderate tax shifts than other options and therefore may offer more opportunity for support.

Of course, other options can be pursued, and changes to some of the options herein can also be considered.

Additional Funding Option
for Third Committee
Phase Three Workshop

Option F: What if funding were apportioned through a combination of proximity (primarily) and use (secondarily)?

Regionally Significant Facility		CVRD Jurisdiction														
		Electoral Area A	Electoral Area B	Electoral Area C	Electoral Area D	Duncan	Electoral Area E	Electoral Area F	First Nations	Electoral Area G	Electoral Area H	Electoral Area I	Lake Cowichan	Ladysmith	North Cowichan	Total
Cowichan Aquatic Centre	Currently Pay	280	45.0	27.0		254.0	24.0	5.0	63.0			5.0	4.0		1,716.0	\$2.171M
	Proposed Pay	194.0	308.0	183.0	114.0	145.0	137.0	0.0	63.0			0.0	74.0		953.0	100%
	Difference	166.0	263.0	156.0	114.0	-109.0	113.0	-5.0	0.0			-5.0	70.0	0.0	-763.0	0
	% funding	9.2	14.6	8.7	5.4	6.9	6.5		0.3				3.5		45.2	100%
Cowichan Lake Recreation	Currently Pay							94.0				917.0	560.0			\$2.417M
	Proposed Pay							938.0				916.0	563.0			100%
	Difference							-2.0				-1.0	3.0			0
	% funding							38.8				37.9	23.3			100%
Cowichan Sportsplex	Currently Pay	19.0	8.0	18.0	11.0	63.0	14.0	3.0		3.0	4.0	3.0	2.0	6.0	352.0	\$506M
	Proposed Pay	14.0	22.0	13.0	8.0	27.0	10.0						14.0	45.0	178.0	\$331M
	Difference	-5.0	16.0	-5.0	-3.0	36.0	-4.0	-3.0		-3.0	-4.0	-3.0	12.0	39.0	-174.0	\$1.175M
	% funding	4.2	6.6	3.9	2.4	8.2	3.0						4.2	13.6	53.8	100%
Cowichan Performing Arts Centre	Currently Pay	40.0	65.0	76.0	95.0	121.0	114.0							50.0	671.0	\$1.232M
	Proposed Pay	40.0	65.0	76.0	95.0	121.0	114.0							50.0	671.0	100%
	Difference	0.0	0.0	0.0	0.0	0.0	0.0							0.0	0.0	0
	% funding	3.2	5.3	6.2	7.7	9.8	9.3							4.1	54.5	100%
Frank Jameson Community Centre	Currently Pay									40.0	91.0			1,337.0		\$1.468M
	Proposed Pay									358.0	395.0			715.0		100%
	Difference									318.0	304.0			-622.0		0
	% funding									24.4	26.9			48.7		100%
Fuller Lake Arena	Currently Pay														1,041.0	\$1.041M
	Proposed Pay									96.0				191.0	755.0	100%
	Difference									96.0				191.0	-286.0	0
	% assessment									9.2				18.3	72.5	100%
Island Savings Centre	Currently Pay				275.0	471.0	429.0								2,030.0	\$3.204M
	Proposed Pay				272.0	471.0	429.0								2,031.0	100%
	Difference				-3.0	0.0	0.0								1.0	0
	% funding				8.5	14.7	13.4								63.4	100%
Kerry Park Recreation Centre	Currently Pay	669.0	1,055.0	633.0	393.0											\$2.750M
	Proposed Pay	668.0	1,056.0	633.0	393.0											100%
	Difference	-1.0	1.0	0.0	0.0											0
	% funding	24.3	38.4	23.0	14.3											100%
Shawnigan Lake Community Centre	Currently Pay	0.0	671.0	0.0												\$671M
	Proposed Pay	190.0	301.0	180.0												100%
	Difference	190.0	-370.0	180.0												0
	% funding	28.3	44.8	26.8												100%
Total of All Regional Facilities	Currently Pay	756.0	1,844.0	754.0	774.0	909.0	581.0	948.0	63.0	43.0	95.0	925.0	566.0	1,393.0	5,810.0	\$15.460M
	Proposed Pay	1,106.0	1,752.0	1,085.0	882.0	764.0	690.0	938.0	63.0	454.0	395.0	916.0	651.0	1,001.0	4,588.0	\$15.285M
	Difference	350.0	-92.0	331.0	108.0	-145.0	109.0	-10.0	0.0	411.0	300.0	-9.0	85.0	-392.0	-1,222.0	-175
	% funding now	4.9	11.9	4.9	5.0	5.9	3.8	6.1	0.4	0.3	0.6	6.0	3.7	9.0	37.6	100%
	% funding proposed	7.2	11.5	7.1	5.8	5.5	5.0	6.1	0.4	3.0	2.6	6.0	4.3	6.5	30.0	100%

* All breakdown figures are in \$1,000's.

Option F: What if funding were apportioned through a combination of proximity (primarily) and use (secondarily)?

In the above table, all differences in funding of more than \$50,000 are in **bold** as well as percentage differences of more than two percentage points of tax increase or decrease.

In Option F capital debt has been taken out of the operating and annual capital amounts allocated for recreation amenities at the Island Savings Centre and Shawnigan Lake Community Centre. This brings the total annual investment for the nine facilities down to \$15.460 million. Readers should assume that this debt is still being paid by the jurisdictions which authorized it. Also, the contributions for Cowichan Sportsplex have been reduced to a more typical annual amount and assume that the agreement from 2014 for funding that amenity is in place (including a contribution from Electoral Area B).

In this option the net public subsidy for each of the nine facilities is apportioned to jurisdictions based on their proximity to each. Therefore, each jurisdiction pays for the closest community centre, indoor pool, arena, and the Performing Arts Centre and Cowichan Sportsplex. However, if the use measured in Phase Two was less than 2% of the total annual visits, the jurisdiction was exempt from contributing. In the case of the District of North Cowichan, the largest jurisdiction in terms of population, it pays for the two closest arenas; one for the north half of the District and one for the south half.

In this option there would be no change to how five of the facilities are being financed. They include Cowichan Lake Recreation, the Cowichan Sportsplex, the Cowichan Performing Arts Centre, the Island Savings Centre and the Kerry Park Recreation Centre. Only changes to the four remaining facilities (what the Committee has termed as “pinch points”) are recommended to be phased in over four years.

Overall, four of the jurisdictions would have significant tax increases that represent a shift of more than 2% of the total investment. They are Electoral Areas A, C, G, and H. But two of those (i.e. A and C) are already covered by an agreement that is in place to effect the increases pending public approval. The remaining two (i.e. G and H) have not yet been authorized. The District of North Cowichan and the Town of Ladysmith would have significant tax decreases. The remaining seven jurisdictions would have smaller increases or decreases of less than 2% of the total funding.

