

**FINANCIAL MANAGEMENT COMMITTEE**

**TO:**            *MAYOR AND COUNCILLORS*

**SUBJECT: SU: PARKS, RECREATION AND CULTURE ENTERPRISE SERVICES**

**RECOMMENDATION:**

**THAT** the report titled “SU: Parks, Recreation and Culture Enterprise Services” dated May 8, 2025, of the Financial Management Committee meeting, be received for information.

**REPORT**

The Financial Management Committee, at its meeting held on May 8, 2025, received and adopted the attached report providing Council with a status update (SU) regarding ongoing initiatives within the Parks, Recreation and Culture Enterprise Services.

On behalf of the Financial Management  
Committee,

Councillor S. Dhaliwal  
Chair

Councillor A. Gu  
Vice Chair

**TO:** FINANCIAL MANAGEMENT COMMITTEE (FMC)  
**FROM:** DEPUTY GENERAL MANAGER PARKS, RECREATION AND CULTURE  
**SUBJECT:** **SU: PARKS, RECREATION AND CULTURE ENTERPRISE SERVICES**  
**PURPOSE:** To provide Council with a status update (SU) regarding ongoing initiatives within the Parks, Recreation and Culture Enterprise Services.

## RECOMMENDATION

**THAT** the report titled “SU: Parks, Recreation and Culture Enterprise Services” dated May 8, 2025, be received for information.

## EXECUTIVE SUMMARY

Since 2023, Parks, Recreation & Culture (PRC) has strategically consolidated its revenue-supported services into a single Enterprise Services Division to enhance efficiency, profitability, and alignment with the City’s Benefit Based Approach. This unified model has strengthened the City’s ability to deliver high-quality services while generating revenues that offset the need for tax funding. As costs continue to rise and growth potential plateaus, staff’s focus is on sustaining success through strategic cost management, reinvestment planning, and exploring financial models that ensure long-term viability and resilience of these enterprise services.

### 1.0 POLICY SECTION

These strategic efforts align with the following Council-adopted policies: Corporate Strategic Plan (2017), Social Sustainability Strategy (2011), Economic Development Strategy (2007), Benefits Based Approach (2024) and the Official Community Plan (1998).

### 2.0 BACKGROUND

Since 2023, (PRC) has been working to better align its services that generate profitability – golf, food, and film – under a single Enterprise Services Division to ensure consistency and focus on services that help generate profit and revenue for the city. While these services were previously dispersed across three different divisions, bringing them together under one Directorate has enabled the achievement of better efficiencies and enhanced offerings, which has improved overall profitability, while at the same time responding to evolving community needs. The information provided below is intended to

provide Council with an update regarding each service area and outline staff's plans to maintain the success.

### 3.0 GENERAL INFORMATION

#### 3.1 Golf Services

Since 2020, the demand at the City's golf services has grown significantly with annual rounds of golf played increasing by 37%, specifically at Riverway and Burnaby Mountain Golf Course locations. At the same time revenues have grown by 64% since 2020 and profit has increased by 72% from 2020 to 2024. This is due a combination of factors including improved business processes, enhanced productivity, better facility utilization and the introduction of new fees and programs as outlined further below.

- **Extended Driving Range Hours:** In 2024, staff piloted extending the golf courses' driving range hours from 11pm to midnight during the summer months. Given the success of this pilot, staff plan to permanently change the operating hours in 2025.
- **Recreational Golf Enhancements:** In 2023, Golf Burnaby began expanding its golf academy and recreational program offerings. These classes and lessons were subsequently integrated into the City's recreation program software – WebReg. Streamlining the registration process has improved the golf reach and created access for more individuals to learn how to play golf. Additionally, camps focused on women have also been recently introduced to foster greater access, equity, and participation in the sport.
- **Advanced Booking:** The success and increasing popularity of the golf courses have also created challenges and, at times, frustration for those looking to book tee times. In 2024, a new advance booking software was implemented, which allows participants to book their tee time up to 1 month in advance for a non-refundable fee of \$10, up to 15 days in advance for a non-refundable fee of \$5, or up to 5 days at no charge at both Riverway and Burnaby Mountain Golf Course locations.
- **Enhanced Use of Pitch & Putts:** During the 2024 winter season, staff piloted the use of Central Park Pitch & Putt for Disc Golf, which was successful. The course was one of the busiest disc golf courses in Canada during this time. Given the success, staff intend to extend this pilot and allow disc golf one evening per week at both Central Park and Kensington Pitch & Putts in 2025. This ensures ongoing community access to pitch & putt, while expanding the recreational value of these park assets to more users.

As the profitability of Golf Services has grown and improved between 2020-2025, these changes have been captured in the city's budget, adding approximately \$2.5 million in annual profit directly reducing the overall tax draw. Both golf courses are at/beyond their playable capacity making continued increases to profitability challenging. While there is room to increase some green fees, this would reduce volumes resulting in only an incremental increase in profit.

As the budgeted profit reflects actual achieved in recent years, staff's focus moving forward is to maintain this level of profitability and the success golf has seen in recent years. This will require a continued focus on the business model and controlling costs in an environment where costs continue to rise.

Recently, staff have also begun investigating financial models utilized by other municipalities to maintain revenue levels. Some examples include golf reserves that allow a portion of profits to be directly reinvested in golf facilities, recognizing the importance of maintaining courses to a certain standard to remain competitive and sustain revenues. This allows golf courses to prioritize capital investments rather than competing with all other city capital priorities. Staff are also working to understand the overhead required by other support departments such as Finance, People & Culture and Marketing & Communications that are not currently captured in golf's profitability figures.

### 3.2 Food Services

While Food Services has seen success and improved profitability in the past few years, it has not been to the same extent as golf. Since 2020, staff have been able to improve profitability and reduce the budget from a small subsidy of \$0.2M to breakeven. This is despite various challenges such as temporary service reductions and significantly rising food and staffing costs as noted below.

- **Temporary Service Reductions:** The expansion of the enclosed patio at Mintara has been initiated and will provide enhanced service and revenue opportunities. In the meantime, there will be temporary service reductions while the restaurant is closed for renovations from October 2025 to July 2026. Additionally, the café at the old Shadbolt Theatre is closed while the theatre is being replaced.
- **Mulligan's House/Restaurant Reopening:** This restaurant located above the driving range at Riverway Golf Course has been closed since Covid. To provide additional restaurant and even space with the closure of Mintara, staff are preparing to reopen this restaurant as a Japanese-influenced Asian restaurant by mid-June 2025. This will allow Food Services to retain trained staff from Mintara, who will be reallocated strategically to support operations.

- **Burnaby Lake Pavilion:** Renovations to this facility have been completed in early 2025 including an upgrade to the interiors and an expanded Grandstand that can accommodate small scale events and expands the facilities revenue potential.
- **Increasing Costs:** Food costs have continued to rise exponentially since Covid and in recent months these escalations have continued due to multiple factors including tariffs. Staff are seeing individual food prices rising anywhere from 5-50% and are working to make menu changes to maximize purchasing power. Additionally, wage costs in Food Services have risen at a higher rate than other areas as several positions fall under the city's living wage policy.

Over the past two years, Food Services has overachieved on its budget targets, delivering a surplus that has helped to offset cost overages in other services areas within PRC such as parks. This higher revenue achievement was captured in the 2025 budget and recognizing continued cost increases, future revenue growth is likely to be limited. Currently, the City's 3 full scale restaurants at Burnaby Mountain and Riverway Golf Courses and Mintara, and liquor licence revenues at Deer Lake, help to subsidize the concessions and cafes at other City facilities, which operate at a loss.

Food Services staff are currently planning for new cafes and concessions at the newly planned recreation centres in Cameron and Burnaby Lake, while looking at ways to streamline services in other existing cafes. Staff plan to bring forward the staffing and budget requirements as part of broader operational planning for these new expanded facilities for Council's consideration.

### 3.3 Film Office

While the film and television industry has been an important contributor to the local economy, recent challenges – including heightened competition, rising production costs, technological advancements, and the impacts of the pandemic and industry strikes – have led to declines in production. The global production landscape remains difficult, with studios and streaming services operating on tighter budgets. Given this, the Burnaby Film Office continues to adapt its operations to remain competitive and responsive to the evolving industry dynamics within its current staff capacity.

Despite these challenges, the Film Office has been able to achieve increased revenues from approximately \$0.3 million in 2023 to over \$0.9 million in 2024; this figure includes permitting fees and charges for necessary City services such as RCMP, Fire and Engineering along with site/venue rentals. While the Film Office operates on limited capacity with a single employee, additional resources in the future could help to expand revenue opportunities in this area. Recent highlights in this area are outlined below.

- **Fees & Charges Updates:** In 2024, staff transitioned the setting of filming location fees away from a set fee to one set by quote. This has allowed staff to set more appropriate fees based on impact on the site and community and to better align with the Benefits Based Approach.
- **Business Process Improvements:** Film staff have been working to improve coordination with other city departments to streamline workflows and create efficiencies, both internally and externally for productions. Simplifying payment and permitting processes are also crucial to boosting Burnaby's competitiveness in the production landscape. They have also improved marketing efforts to promote Burnaby as a film destination, including an industry event recently held at Riverway Golf Course.

The film industry is shifting from traditional film and television productions to a broader range of multimedia content, including content creators, drone productions, entertainment, social media, Podcast & Audio Production, and other digital platforms. Recognizing this, the Film Office also needs to adapt and consider developing a different strategy that would shift from a sole focus on film to more multi-production services. This will require additional and focused discussions with Council that staff intend to bring forward in the future.

#### **4.0 COMMUNICATION AND COMMUNITY ENGAGEMENT**

Not applicable.

#### **5.0 FINANCIAL CONSIDERATIONS**

In 2024, Enterprise Services recorded a profit of \$3.5 million and in 2025, the profit is budgeted for \$3.1 million.

PRC's Enterprise Services represent an important balance between offering critical recreational services and enhancing visitors' experiences to many PRC facilities while supporting the Benefit Based Approach. Many of these services provide revenues and operate profitability which helps to offset the cost of critical services to the community.

Over the past several years, Enterprise Services has continually increased its budgeted revenues, directly offsetting tax increases that would otherwise be required. However, with increasing costs and limited ability to expand services future increases may be limited, particularly within Golf Services. Staff will continue to pursue new revenue opportunities, while actively managing costs accordingly. Based on this, staff are also investigating the actual cost of delivering these services, including overhead costs, as well as other financial models utilized by other municipalities with the goal of creating a sustainable way to manage and enhance this area's profitability.

Respectfully submitted,

Carmen Gonzalez, Deputy General Manager Parks, Recreation and Culture

**ATTACHMENT**

Not applicable.

**REPORT CONTRIBUTORS**

This report was prepared by Bob Farahani, Director PRC Enterprise Services and Carmen Gonzalez, Deputy General Manager Parks, Recreation and Culture.