

Civic Partners Annual Report- Parks Foundation, Calgary

1. **Organization Name: Parks Foundation, Calgary**
2. **Fiscal Year: January 1 – December 31**
3. **Latest Annual Report available and web address: 2015/16 Fiscal Year – not available until April 27th, 2016**
4. **Current Vision, Mission and Mandate.**

Mission

We make Calgary a great city for its residents and guests by enhancing healthy lifestyle enjoyment through providing easily accessible, unique, recreational, sport and green spaces in our community.

Vision and Mandate

Parks Foundation Calgary (PFC) is a non-profit organization dedicated to improving the lives of all Calgarians. Since its establishment in 1985, as an agent for The City of Calgary, PFC has been the guardian of our community's natural environment by making true the dreams of individuals, organizations and communities that wish to create and enhance the City's parks and green spaces. With an emphasis on communities of lesser means, our focus is on preserving Calgary's heritage and natural beauty, ensuring that new parks and open spaces are developed, amateur sport is encouraged and our ecologically significant river valleys are preserved.

GOVERNANCE

5. **Identify any Board or senior management positions that will be vacant in 2016. Describe succession plans that are in place.**

Any changes in our Board or senior management positions will be announced at Parks Foundation, Calgary's Annual General Meeting on Wednesday, April 27th, 2016 at 4:00 p.m.

Board governance, depth as well as succession plans for Board and senior management positions were the topic of a Board retreat in 2015. This is a key agenda item at Board meetings and a revised plan is being developed. It will be the subject of many meetings in 2016.

6. **Describe any structural changes to your organization's governance model in the past year.**

As referenced in questions 5 above, Parks Foundation, Calgary's Board is conducting on-going discussion and a revised governance model for our organization is being developed.

7. **Summarize any activities in 2015 that increased your Board's knowledge and awareness about industry trends, impact of changing economic conditions, risks faced by the organization, or other information needed to make informed decisions.**

The current economic climate is well-known to Board members of Parks Foundation, Calgary. Our Board is populated with individuals across a wide spectrum of occupations. Included are Oil and Gas Executives, Land/Residential Home Development Executive, City of Calgary Parks Director, Alberta Environment Director, Chamber of Commerce VP, lawyers, and business people representing Rotary. Each one of

these are aware of the risks faced by our organization and many others whose business model relies to a large extent on fundraising. Extreme caution is exercised on any expenditures and frugality is encouraged to realize a surplus in operation budget proformas.

2015 was another successful year for Parks Foundation, Calgary with revenue for operations exceeding expenses. This marks the seventh consecutive year of a balanced operations budget at year-end.

While in previous years Parks Foundation, Calgary increased staff salaries by the amount of inflation in a given year, in 2016 salaries remained flat as an extra precaution in these challenging times.

RISK MANAGEMENT

8. Describe the processes and structures your organization uses to identify and manage operational and strategic risks.

- 1) The Board of Governors meet ten times through the year and presentations from management on risks and funding issues are given and discussed.
- 2) The Board met for a strategic planning session to discuss both current and possible future organizational risks. A second follow-up session is being planned for the spring of 2016.
- 3) The Finance Committee meets at least quarterly to discuss operational and financial risks and how these risks are being mitigated by management.
- 4) The annual budget process includes discussion of variance analysis and development of several model scenarios to develop possible effect of risks.
- 5) Finance – the Committee Chair and Controller are in the process of developing a rolling or cascading calendar budgeting and financial projection tool.

9. What are your organization's top 3-5 strategic risks? For example, financial, governance, business risks, liability, talent management, reputation, or risks related to economic conditions.

Strategic Risks:

- 1) Replace major project:- Parks Foundation, Calgary's business model is predicated on 7.5% administration and management fees on capital projects that are realized in a given year. The majority of this revenue is generated from our organization's major capital project, which currently is the Rotary/Mattamy Greenway. The Greenway is 93% complete with June 2017 set as the target completion date. A project to replace the Greenway is our number one strategic risk.
- 2) Financial – Currently Parks Foundation, Calgary is healthy financially. Sustainability depends on 1) above as well as continued funding for operations from the City of Calgary.
- 3) Talent Management – the succession plan for Board Chairman, Board members and for chief executive must be in place to ensure smooth transition of authority positions. This plan must be in place as accountability is directed by the Board Chairman and the CEO.
- 4) The Parks Foundation business model depends on management and administrative fee revenues from ongoing projects. With the downturn in the economy, many of our community-based projects are having trouble securing funding. The result may be reduction in size, deferral or cancellation of projects. This will in turn effect the funds available for operational administration and staffing.

2015 YEAR IN REVIEW

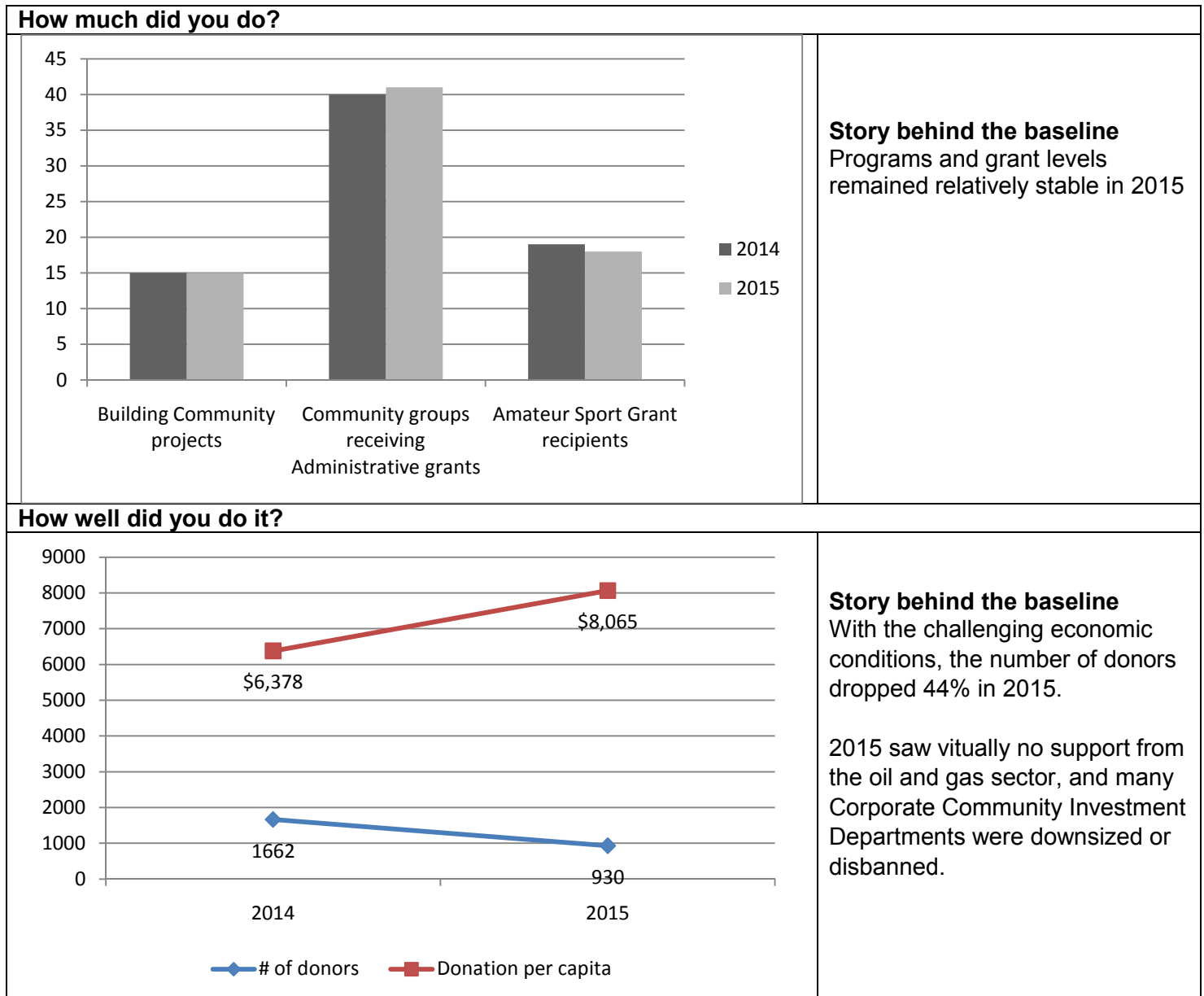
10. What accomplishments in 2015 contributed to Action Plan's goals of building a prosperous economy, inspiring neighbourhoods, and a healthy and green city?

2015 was another successful year for Parks Foundation, Calgary with milestones reached in the Rotary/Mattamy Greenway major capital project and in each of our core programs:

- The 138 km Greenway park and pathway network was completed to 93% in 2015, leaving only 10 km to be built. **Parks Foundation, Calgary's largest project ever, turns dormant land into green amenities providing free, accessible recreational opportunities for all Calgarians 365 days a year. Recreation contributes to health and wellness.**
- Through our Building Communities Program template, another 11 playground projects were completed valued at more than \$2 million. Since 2009, 111 projects have been constructed under this grant program. **The Program is a catalyst that brings together residents of a community or school organization to effectively improve playgrounds and natural areas in their respective communities. Neighbourhoods are inspired and new community capacity is built through this process.**
- Our Amateur Sport Grant Program, a partnership with the Calgary Flames and the Saddledome Foundation awarded over \$1 million to amateur sport organizations in Calgary. **This Program contributes funds for capital elements in volunteer-led sport organizations providing better equipment and supplies for residents to participate in healthy sporting activity.**
- Parks Foundation, Calgary's Bench Dedication Program facilitated 68 memorial benches sponsored in City parks and along pathways. **The Program is an outlet for Calgarians to pay tribute to a loved one and generally to a deceased relative, thereby bringing another level of peace in a troubled time. This serves as an inspiration to those involved.**
- The Conceptual Drawing Grant Program awarded \$5 K as seed money to seven community organizations. **This Program supports projects that will enhance Calgary's park spaces, once again providing opportunity for volunteer community groups to enhance their surroundings. It makes for a more beautiful city with projects that do not require municipal funding.**
- Parks Foundation, Calgary's Project Gift Administration Program supported 41 community-driven projects in 2015, providing free administration services. **This inspires strong neighborhoods where community residents come together to improve their area, thereby creating further community capacity.**

11. Using your organization's existing performance measurement data, please provide selected 2015 performance measures that describe how much you did, how well you did it, and how Calgarians are better off. If needed, provide a brief description why these measures are meaningful.

Performance measure highlights



Detailed measures

Performance Measure	2014 results	2015 results	What story does this measure tell about your work? Why is it meaningful?
Number of Building Communities Projects	15	15	Catalyst for community-driven organizations to improve their areas
Number of project administration grant participating community groups	40	41	Free administration service provides right-hand assistance and structure to volunteer community groups to assist them in improving their community
Number of Amateur Sport Grant recipients	19	18	Assists amateur sport groups to improve their facilities and service to Calgary's amateur athletes
Number of benches sponsored through Bench Dedication Program	49	68	Provides solace to grieving relatives and a way to acknowledge loved ones
Number of donors to programs and capital projects under Parks Foundation, Calgary's leadership	1662 donors on 61 on-going projects =\$6378 per capita	930 donors on 53 on-going projects =\$8065 per capita	Increased spending per donor on projects and programs

FINANCES

12. What resources were leveraged to support operational activities in 2015?

The \$200,000 grant received from the City represents 20% – 25% of the \$880,000 administrative operations budget of the Parks Foundation Calgary. The administration and operations staff in turn supported over \$20 million of direct investment in the community. Some of the successes of 2015 that we helped support include:

- The Building Communities Program (formally Building Playgrounds and Communities) took \$83,000 in Parks Foundation Endowment grants and \$240,000 in-kind support from the City and completed community-based projects of \$2.4 million.
- The Amateur Sport Grant Program administered by the Parks Foundation, Calgary distributed \$1.1 million in funding which in turn resulted in community and sporting organization project spends of \$13.8 million.
- With the help of the City, the Parks Foundation installed 68 memorial benches and continues to fund the maintenance of more than 1000 of these strategically located, high quality parks benches.
- Additional construction of \$3.3 million in value was completed in 2015 by the Parks Foundation on the Rotary/Mattamy Greenway pathways. In addition, the Foundation coordinated completion of key segments done in-kind by our corporate partners. At this time the project is 93% complete.

13. Do you anticipate any changes to plans and/or budget projections for 2016-2018?

At this time there is no expectation to reduce administration operations other than to adjust for inflation. However, as stated previously, if funding shortfalls continue throughout 2017-18, fiscal years changes may be identified and made as required.

From a project standpoint, the Parks Foundation is only planning/budgeting for projects on an "as funded"

basis. Currently, the level of funded project work for 2016 will provide enough revenues to the Foundation to support operations.

14. What would be the operational impact if your grant(s) from The City were reduced?

The \$200,000 grant received from the City represents 20% – 25% of the \$880,000 administrative operations budget of the Parks Foundation, Calgary. Since receipt of the Grant for Operations from the City, Parks Foundation, Calgary has had a balanced budget. Should these grants be reduced, the Foundation would experience a deficit operations budget. This would be further impacted by the current poor economic environment, which is leading to reduced funds raised from both the private and public sectors. The result would be reduced construction on capital projects, and thereby our business model would not generate sufficient management and administration fees to supplement operational expenses.

Parks Foundation, Calgary is currently positioned to weather such a storm in the short run, but extended deficit spending beyond 2018 may be problematic.

A deficit operations budget would result in reduction of staff, as 80% of our budget for operations funds staff salaries and benefits. With the reduction of staff, our current successful programs would be restricted and possibly completely discontinued.

15. Please describe the impact, if any, of the economic downturn on your organization's operations or revenues.

Fundraising for both our Rotary/Mattamy Greenway and the many playgrounds and parks under development through Parks Foundation, Calgary programs is reduced in the current economic downturn. Specifically, oil and gas companies have been a reliable source of new revenue each year until now. There are virtually no dollars coming from this sector, as well as many Community Investment Departments of major corporations have been downsized or disbanded.

This causes us to turn to public programs to raise funds, and at that, the amount received is often diminished as many organizations find themselves in the same situation.

LOOKING FORWARD

16. Based on your business plans for 2015-2018, what are your priorities and deliverables for 2016-2017?

Goals – 2016 - 2017

Rotary/Mattamy Greenway

2016 Goals: Work plan includes Tourmaline Fitness Park and two dog agility parks, CN Rail pathway connection and 12 Mile Coulee in partnership with the City; Tender and award Copperfield Wetland Boardwalk & pathway, NE/NW Connection (TUC area). Continue planning of 2017 grand opening celebration, subject to funding.

Finance

2016 Goals: Maintain balanced budget. Build operating fiscal stability fund. Define the allocation of the surplus funds of the Operating Endowment and Parks Endowment. Separate the maintenance & fiscal stability funds from the PartnerParks Endowment and General Trust Fund.

Building Playgrounds and Communities Program

2016 Goals: Program name to be changed to "Building Communities" to expand the playground mandate to

include more diverse community projects. Working with the City to develop at least one adventure playground. Plan to complete ten projects subject to grant funding.

Amateur Sport Grant Program

2016 Goals: Finalize policy discussion in concert with the Flames. Engage and pursue additional applications, as well as contacting previous grant recipients who are eligible to re-apply (applicants can apply every three years). Increase total applications from 29 (2015) to 33.

Bench Program

2016 Goals: Secure sponsorship of 40 benches. Continue working with the City to gain full access to their bench mapping system to give definitive bench locations in the city. Tender the maintenance contract for benches.

Communications

2016 Goals: Increase social media followers by a further 100%. Market the Agents of Discovery app. Update November 2014 Marketing Booklet. Market the “Building Communities” program expansion. Market bench program. Re-do AMSPP, banner and PFC banner for tradeshow/community events.

Next Major Capital Project

2016 Goal: Research and identify possible future capital project to replace the Rotary/Mattamy Greenway once completed. Pursue the idea of using public land to reduce food insecurity in our community.

17. Are there any additional projects or initiatives in 2016-17 that may require further discussion or decisions by Council?

The Parks Foundation Calgary is working with Calgary Rocky Mountain Baseball Association (CRMBA) through Project Gift Administration (PGA) Program to facilitate funding for the Stanley Park Diamond Reconstruction Project. The goal is to transform the ballpark that was damaged in the 2013 flood into a sought-after and highly-used facility for little league baseball. The project would include:

- Construction of bull pens, batting cages and a new backstop
- Removal of current concrete seating structure
- Construction of new wrap-around seating for 200 spectators, announcers’ box and dugouts
- Installation of electronic scoreboard
- Optional expansion to include lighting for evening play.

This \$2.4 million fully-funded project is shovel-ready, and is only awaiting final approval by the City. Funding for the project has been 100% secured from a private anonymous donor.

18. Identify any specific opportunities/projects that would directly stimulate the Calgary economy if supported by a strategic investment by The City.

Parks Foundation Calgary is urgently in need of a strategic investment by The City for three shovel-ready projects:

- 1) \$2 million is needed to match the \$2.3 million Parks Foundation Calgary has on-hand and committed to construct the last 10 km of the Rotary/Mattamy Greenway pathway. This would complete the 138 km loop of this iconic made-in-Calgary initiative.
- 2) \$225 K is one-third of the funds needed to construct the David Richardson Memorial Disc Golf Park on the Greenway in northwest Calgary. Designed to be the “best” disc golf park in Canada, this is deemed

to be the signature amenity on the Greenway. The remainder of the funding required for this \$680 K facility will be secured from the private sector, \$75 K has already been committed.

- 3) \$250 K is one-third of the \$750 K funding required for the Manmeet Singh Bhullar Park in northeast Calgary at the east end 64th Avenue NE on the Rotary/Mattamy Greenway pathway. This park is in the constituency of Calgary Greenway, signifying Manmeet's commitment to the Greenway project from its first inception. Manmeet's family is thrilled with this park concept as it is designed to symbolize the "Five Ks" that reflect Sikh discipline and spirituality. Manmeet was a devote Sikh, so it is fitting the park is built around the Sikh K – Kara – the steel bracelet, which symbolizes strength and integrity. The five large bands of steel in the concept will represent Bhullar's strength and integrity and his leadership in defending the weak and disadvantaged.

The three noted above shovel ready projects will stimulate the economy by creating jobs and private investment in the community. All three will provide public-access recreation and park facilities.