

March/2024

Good evening, Mayor Blair and County Councillors. My name is Dwight Giddens and I am here tonight representing the Scotia Pool Society, and with me to my immediate right is our treasurer, Terry French, and to my far-right co-treasurer, Ian Trefry. I first would like to thank the mayor and all the Councillors in person for all their support and guidance in regards to the operation of Scotia Pool.

Scotia Pool is the only warm water pool that we know of in N.S. and has been endorsed by many doctors in the area as a great addition to the therapeutic recovery programs that are needed by many people in the community. The aqua programs, Aqua Fit, Aqua Therapy, Aqua Zumba and Aqua Yoga form one of the backbones of what we offer at Scotia Pool, the others being our general swim programs and what I feel may be the greatest programs of all, our Lifesaving Society – Swim to Survive, Lifeguard and Water Safety Instructor programs.

**Please see Appendix 1**

The impact of lives saved by this training is important and needs to continue. We cannot allow ourselves to

underestimate the value this brings to the community. The swimming and lifesaving skills learned here will save lives down the road.

We are here this evening because 12 years ago it was announced that Scotia Pool would be closing, but the citizens of Colchester County, the patrons of the pool, rallied and had protests on Pictou Road, they organized, they fundraised and with the funding support from Colchester County the pool has remained open. Without your support we would not have been able to accomplish all that has been done in the last twelve years. The building and pool have undergone a complete revitalization and has become a welcome addition to the community.

### **Financial Impact**

In the year ending March 31, 2023 Scotia Pool returned \$235,659.00 in wages back into the local economy and if we include all expenses for the pool including wages this number swells to \$397,551.00 with the vast majority of this money being spent in Colchester County.

**Please see Appendix 2**

Annual expenditures for the year ending March 31, 2023

were \$397,551.00 broken down as follows:

59.3% Staff Wages – 100% paid to residents of Colchester County

29.2% Funds paid to local Colchester businesses

11.5% Balance of Expenses are mostly paid to NS companies such as NS Power

YTD to February 29, 2024 Scotia Pool has returned \$235,898.00 in wages back into the local economy and if we include all expenses for the pool including wages this number increases to \$372,043.00. Projecting forward using March 2023 figures, the total wages paid back to the community could be \$255,628.00 and total expenses \$419,298.00

As you can see by the attendance numbers on Appendix 2, Covid has been extremely detrimental to pool operation. The pre-Covid attendance for 2018-2019 of 31,281 and the following year 2019-2020 of 30,949 which was cut short by the closing of the pool as of March 16, 2020 gives us the target to aim for. It continues to be a slow climb to return to these numbers but we are gaining. As you can see in the

above chart, in a normal pre-Covid year Scotia Pool returns somewhere in the \$400K - \$450K back to the economy, the majority being spent in Colchester County. The concern is that at today's cost of operation we are back into the \$400K – \$450K total expenses but we do not have the revenue to support these numbers.

### **Fundraising/Donations**

2022/2023 \$13,850

2023/2024 Feb.29/24 YTD \$22,474

This year has been one of our best if not the best year for our fundraising efforts.

Fundraising in Colchester County is extremely challenging going forward as most all businesses that contribute to these efforts are being put under a great strain due to Covid, Covid fallout and the increased ask from the community.

### **Financial Reports**

We have provided a copy of the year ending March 31, 2023 financial statements that are being filed with the Nova Scotia Registry of Joint Stocks as per requirements with them.

There is always more to the numbers on the financial statements and we will endeavour to provide a further insight.

**Please see Appendix 3**

NS Registry of Joint Stock Companies report of March 31, 2023

**Please see Appendix 4**

Angie's Year End Report

**Please see Appendix 5**

Terry's Analysis

**Please see Appendix 6**

Bather and District Number

**It came to our attention by several of our board members that we may have not been capturing all of the data that we could, to present the most accurate numbers to the Mayor and Councillors. We have undertaken a training program for all of our employees and this chart shows a significant change for the month of February 2024 in the Town & District numbers.**

**Previously we had only used program registration data to populate this chart, we did not include activities such as open and lane swims, rentals, parent & tot, school swim lessons etc. By including all activities at the pool, it gives a much more accurate picture of the usage of the pool by district. In the past Councillors were concerned that there were very few patrons of Scotia**

**Pool from their district. Our new, more complete tracking of these numbers, should answer any concerns going forward from Councillors.**

### **Reporting and Accounting**

Our complete accounting function is performed by the Village of Bible Hill including the payables, receivables, verification of monthly bank statements, statutory deductions to the federal government, and Nova Scotia Workers Compensation, along with monthly and annual statements, HST annual returns for the Registry of Joint stocks. The value of these services is calculated in the area of \$ 24,000 per annum.

Our board, with management input, preforms a monthly analysis of operations and trends.

The annual Federal charity report as per our charitable status designation is done by the treasurer.

### **Recovery and Changes**

Recovery from the COVID -19 pandemic could take several years to return to pre pandemic levels. We have not sat idle waiting for this recovery to happen, we increased our fees during July 2021, July 2023 and will be again April 2024.

Our new web site and social media presence came online in the third quarter targeting our senior, inclusion for all and mobility challenged population. These are all growth areas that we feel are being underserved and we look forward to the challenge of increasing our exposure to them. In the third quarter of 2023 we started a rack card program. We now have these cards available in many locations, multiple Doctors offices, Village of Bible Hill office even as far away as the hip and knee clinic in New Glasgow. I personally delivered cards to 100+ home owners in Colchester County.

Additionally, Scotia Pool has a lift that enables wheelchair bound people to be lifted into the pool, stairs into the pool to allow mobility challenged patrons access to the water, along with traditional ladders. To attract more children to the pool we added a climbing wall, funded through a grant and money from our Capital account. Our Capital account is funded by donations from pool patrons for upgrades to the facility.

On Oct.26 2024 we celebrated the 50-year anniversary of Scotia Pool. We welcomed Mayor Blair, Deputy Mayor Stewart and Councilor Boutilier who took time out of their day to join us. At that time, we announced two new sponsors

for the pool – Village of Bible Hill will sponsor a twice a month family swim for 1 year and CIBC – Wood Gundy – Scott Joudry will sponsor a weekly toonie swim for kids on Friday evenings for the next year.

In 2023 we initiated a marketing campaign with Truro Buzz with has shown an increase in traffic, and we are extending this into 2024. We are also working with Visual Voice to further identify marketing opportunities for the pool.

## **Going Forward**

The cost concerns going forward of operating Scotia Pool are as follows.

### Wage Increases

The Nova Scotia minimum wage increase scheduled for April 1 2024 was moved up to Oct. 1 2023 and the new April 1 2024 increase will increase our costs going forward as these increases are also applied to our manager's contract which took effect April 1/2022 for a three-year term.

### Staff Shortages

Staffing is becoming an issue that we are not immune from. The lack of lifeguards, and for us especially, water safety



instructors in the area, is a limiting factor in increasing the programs on offer. We now find ourselves in competition with other businesses in the area for the worker pool that is available and have lost employees to fast food restaurants etc. that have continued to raise their compensation for employees. In the fall we had discussions with the RECC in regards to staff/training and it appears that we both have lost employees to the Victoria Park Pool.

### Heating Costs

We have had a favorable year in our heating costs in comparison with our projections but in conversation with our supplier this is short lived. We have budgeted for a return to more normal propane prices in the upcoming year.

### Power Costs

Electricity costs have increased 6.9% for 2023 and another 6.5% in 2024, 2025 increases unknown at this time.

### Insurance Costs

Our insurance cost in 2024 is up 7.4% from 2023.

## Building Repairs & Maintenance

For 2023/2024 our budget projection was \$10,754 and the actual Feb.29 2024 YTD expense comes in at \$18,124 which may easily exceed \$20,000 for the year.

These are not insignificant increases going forward as we budget for 2024/2025 and beyond. The dramatic rise in energy and other expenses are affecting the consumer as well, and we will see a further constriction on the consumer wallet. Given the increased rate of inflation in 2022-2024 and beyond, and that our operation is a discretionary item which has/will get squeezed in inflationary times, consumers must decide between fuel/heat/groceries and necessities to survive.

The Covid relief money of 2020-2022 and a small amount in 2023 has done for us, exactly what it was intended to do, to bridge the gap till full reopening and business returning to normal. The start/stop nature of Covid reopening's, combined with the Covid relief money, has masked how quickly the effects of increased wages, heat, power, insurance etc. has had a detrimental effect to our operations bottom line. The key takeaway from this statement is "business returning to normal". We are not alone in that we

too are still working towards business returning to normal, or are there some segments of the economy that will be experiencing a new normal? It has been a perfect storm which has not worked in our favor, rapidly increasing labor, heating, power and insurance costs plus increased expenses due to supply chain issues and inflation.

Our hope was that the past year ending March 31 2023 we would have seen a recovery to 26-28,000 visits but as the numbers show we reached 21,489 as inflationary pressures still hold back our recovery. For Feb.29 2024 our YTD attendance was 21,547 and if we use the March 2023 attendance to estimate our March 31 2024 year end it comes out to 23,605 patrons. The only lever we have to pull is to increase fees, which we have done in July 2021, July 2023 and are about to implement again in April 2024 and our continued effort to increase traffic through the door. At additions and deletions last year concern was expressed by several Councillors that our prices were possibly too high. This concern echo's ours, but pricing and number of patrons through the door, plus fundraising, is our only way to increase revenue. Donations to the pool when they happen are wonderful but not a source of reliable funding.

## **Budget Projections Going Forward**

**April 1, 2024 – March 31 2025**

**Please see Appendix 7**

These budget projections were prepared in January - February, amended March 14, 2024

When I first appeared before council, February/2019 the numbers I based my request on were from 2018/2019, a \$50,000 grant and a \$23,349 loss so my ask was a \$75.000 grant. Was this the right amount? Given the economic conditions that exist since it would appear drastically low in hindsight.

The \$100,000 in annual funding we received from 2012/2018 equates to \$125,000 - \$135,00 in today's money. Would this be enough in the future? Time will tell. The rate of return to pre-Covid attendance numbers combined with the rate increases implemented in July 2021, July 2023 and April 2024, are barely able to keep pace with the increases in the cost of operation.

At this time, we are asking for an increase in funding of \$100,000 for the year 2024-2025. On the revenue side, we have presented numbers that we believe are attainable, but as stated these are projections and subject to many outside influences. The cost side expenses are more problematic as it only requires a pen stroke from Federal or Provincial governments or the private sector, for wages, heat, power, insurance and building maintenance costs to change drastically.

While the timing of the additional funding can be debated, there is an absolute demonstrated and apparent need for the funding requested for the next fiscal year. At some point in the future the annual funding grant of Scotia Pool needs to be addressed. It is becoming clearly apparent the existing grant is not sufficient nor realistic given the nature and business world that the pool operates in today versus funding put in place in 2019. While the business operations model for the pool is simple, it is significantly influenced by several independent but related factors that have an impact but are not in the control of Scotia Pool. These are, but not limited to, inflation, minimum wage increases, supply chain issues, power increases, propane price increases, competition pricing, the pandemic fallout and lastly the

economy. At the end of the day, we are a discretionary spending item, and when people have to choose between food/shelter/transportation for themselves and their families, the health benefits of regular exercise and activity, the learning to swim and life guard training although extremely beneficial and apparent, may get pushed to the side. All levels of government need to ensure funding is readily available to activities that promote and maintain healthy, inclusive and diversified lifestyles for all of its citizens, ranging from the very young to the important elders of our community.

## **In Closing**

Scotia Pool is in the business of saving lives and improving the quality of life for all residents of Colchester County and this is a responsibility that we take very seriously.

We, like all volunteer organizations, are always on the look out for new board members to expand and grow our Scotia Pool family. We welcomed two new board members in the past year and would welcome participation from Council to our board.

You will all receive a copy of this presentation including my email and phone contact information. If you require any

clarifications or additional information, please contact me and I will do my best to provide you with same.

Thank You,

Dwight Giddens

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