

April 16, 1998

SUBJECT: 1998-99 OPERATING BUDGET REDUCTIONS

RECOMMENDATION:

- A. THAT revenue generation proposal (a) in Appendix 2 be approved.**
- B. THAT revenue generation proposal (b) in Appendix 2 be discussed with the Kerrisdale Community Association and considered for implementation by the Board on May 11, 1998.**
- C. THAT revenue generation proposal (c) in Appendix 2 be posted at the golf course club houses and considered for implementation by the Board on May 11, 1998.**
- D. THAT efficiency improvement proposal (d) in Appendix 2 be approved.**

BACKGROUND

City Council, when reviewing the 1998 preliminary estimates, instructed staff to develop a two year plan for managing budget and tax increases. The Park Board submitted to Council a list of budget reduction proposals totaling \$1,285,916 consisting of a number of revenue generating proposals, efficiency improvement initiatives and service level reductions.

In developing the plan for 1998 staff recommended to Council that in Year 1 of the two year plan, no adjustments be made to department and board budgets that would have an impact on encumbered positions or service levels. As a result, a reduction target of \$2.8 million for 1998 was recommended and approved. The Park Board's target share of the figure will be \$149,300.

DISCUSSION

Appendix 1 shows the list of budget reduction initiatives submitted to the Board on March 30 that have no impact on encumbered positions or service levels. Staff have reviewed this list and have selected four proposals which can be implemented quickly with a minimum of stakeholder consultation. These recommended initiatives total \$156,400, \$7,400 more than the Board's target. These recommended initiatives are listed in Appendix 2.

The Board's target for 1999 will total \$1,035,900. Council has directed all departments and boards to submit a plan to achieve these reductions during

September, 1998. To achieve this target, the Board will have to consider initiatives that will have an effect on service and staffing levels. Extensive stakeholder consultation will be necessary. A report recommending a consultative process will be submitted to the Board on May 11, 1998.

Prepared by:
 General Manager' s Division
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APPENDIX 1

Budget Reductions with no Staffing or Service Impacts

Revenue generation initiatives:

Bloedel Conservatory	\$30,000
- Increase revenue through additional gift shop and mobile cart sales. Second mobile cart to be implemented.	
Maple Grove Pool	\$15,000
- Introduce a \$1.00 admission fee. This would require added staff and facility alterations. The net increase in revenue is estimated at \$15,000.	
Leisure Access	\$30,000
- Cardholders currently get free access to public sessions in rinks and pools, but pay 50% in other activities. The program costs about \$30,000 per year to operate. Introduce a 50% user fee for public sessions.	
Golf Course Fees	\$85,400
- Increase adult weekend and holiday green fees.	
1998 approved fees:	
Adult \$33	
Adult twilight \$23	
Adult sunset \$13	
Proposed weekend and holiday fees	
Adult \$36	
Adult twilight \$25	
Adult sunset \$14	

Efficiency improvement initiatives:	
Supplies & Services: 10% reduction in general parks	\$26,000
Wood Chip Disposal	\$25,000
- Wood chips would be delivered to alternate sites and composted	
Saving in dump fees	
Shrub and flower bed renovations in major parks	\$ 6,200
- On a regular basis beds are renovated for the purpose of display quality and proper horticultural practices. This proposal will extend the time between renovations.	
These proposals total \$218,600	

APPENDIX 2

Recommended Budget Reduction Initiatives for 1998

a)	Bloedel Conservatory increased mobile cart sales	\$30,000
b)	Admission charge of \$1.00 at Maple Grove Pool	\$15,000
c)	Weekend and holiday fees at golf courses	\$85,400
d)	Alternative disposal of wood chips	\$25,000
