

**Minutes of Meeting
Finance Committee, Vancouver Park Board
2099 Beach Avenue, Vancouver**

DATE OF MEETING: July 12, 2004

ATTENDEES: Park Board Commissioners
Commissioner Anita Romaniuk, Chair
Commissioner Heather Deal
Commissioner Loretta Woodcock
Commissioner Suzanne Anton
Commissioner Lyndsay Poaps

Park Board Staff

Susan Mundick	General Manager
Anita Ho	Director of Corporate Services
Philip Josephs	Manager of Revenue Services
Barbara Joughin	Recorder of Minutes

Delegations

Karen Storie	Vancouver Trolley Company
Richard Millie	West Coast Sightseeing
Brian Veitch	Gray Line
Paul Pankrath	Horizon Coach
Dr. Leonora Angeles	Centre for Human Settlements, UBC

The meeting was called to order at 6:35 p.m. Commissioner Woodcock chaired the meeting until Commissioner Romaniuk arrived. The Agenda for the meeting was as follows:

1. Proposals in fee changes of tour bus parking and stopping
2. Review of meeting minutes of May 31, 2004
3. Sustainable and Ethical Purchasing
4. Participatory Budgeting
5. Strategic Budget Review
6. Financial Operating Statement for the period ending June 30, 2004

1. Proposal to Change Tourbus Parking / Stopping Fees:

Philip Josephs presented a brief synopsis of the proposal to change tour bus parking/stopping rates in Stanley Park. At the regular Board meeting on July 5, 2004, staff recommended that existing tour bus parking and pass rates be increased in 2005 by approximately 17%, and that a new rate equivalent to the above rate be introduced for bus companies who offer dedicated tours in Stanley Park but do not currently pay for parking. After discussing the issue, the Board referred the item back to the Finance Committee for further discussion with delegations.

Delegations:

Karen Storie identified the new fee for hop on / hop off service as a user fee rather than a parking fee, and said that it contradicts the Park Board's Transportation Policy by targeting those who provide alternative modes of transportation into Stanley Park. She described how her bus

company is adversely affected by the timing of the rate increase - because bus rates are already set for the period April 2005 to March 2006, her company must absorb an increase that cannot be passed along to their customers. Vancouver Trolley is also concerned about the lack of consultation leading to the decision to increase rates.

Richard Millie explained how parking fees have gone from 0 to \$1000 since 1997, an average increase of 8% /year for West Coast Sightseeing, and that these increases are concurrent with rising fuel costs and a very difficult period for tourism. He suggested that because one bus replaces about 50 cars, that fees for private cars be raised, but reduced for busses, and that six month summer season passes be introduced along with full year passes.

(Commissioner Romaniuk arrived at this time and chaired the meeting.)

Brian Veitch said that while he is not against an increase in user fees, it is difficult at this time, and he recommended that any increase in fees be delayed for one more year to allow Gray Line to budget for the change.

Paul Pankrath expressed concern about how an increase in the cost of a daily pass will affect Horizon Coach Lines, and that a 17% increase is a lot to absorb in one year.

Discussion:

- Delegates felt there was a lack of adequate consultation about the proposed changes before the Board was asked to approve the recommendations. Staff explained that the item became public after the Finance Committee debated the proposal and recommended that it proceed to the Board for approval. The Board report with recommendations was prepared at this time, and was distributed to the stakeholders with an invitation to attend the item at the July 5, 2004 regular Board meeting. The Board report was distributed to stakeholders prior to this Finance Committee meeting.
- Delegates expressed concern that the proposed increase exceeds the inflation rate. The Committee discussed the rationale for the increase. Staff explained that the increase asks for a greater contribution from bus companies to help offset the higher costs of maintaining roads in the park due to increased heavy vehicle traffic, and noted that rates are not raised every year.
- The Committee heard from the delegates how the timing of the implementation of the increases will affect their businesses during a time of economic difficulty in the industry. They set their prices well in advance for their markets, and their prices are already set for the 2005/06 season. An increase of 17% effective January 1, 2005 will have a significantly negative impact on their businesses. The Committee discussed different ways of phasing in a rate increase.

Action:

Staff will revise the proposal to change bus parking and stopping fees as follows:

- fees for “hop on, hop off” tour buses will be phased in over 3 years:
 - 2005 - \$50 per bus, prorated by size of bus
 - 2006 - fee becomes 50% of remainder
 - 2007 - 100% of fee
- increases in bus parking fees will be phased in over 2 years:
 - 2005 - \$50 per bus, prorated by size of bus
 - 2006 - 100% of fee
- an inflationary clause will be added to facilitate long term budget planning

2. Review of the Minutes of the May 31, 2004 Meeting

The minutes of the Finance Committee of May 31, 2004 were adopted as presented (moved by C. Poaps, seconded by C. Deal, all in favour).

3. Sustainable and Ethical Purchasing:

Anita Ho described to the Finance Committee the results of recent Park Board efforts to work with City staff to develop and implement an ethical and environmental procurement policy. On April 6, 2004 City Council passed a motion declaring its intention to implement a Sustainable and Ethical Procurement Policy for the City of Vancouver before the end of 2004. On June 22, 2004 the City approved a motion to: create a task force to prepare and present a draft policy to Council on the purchase of apparel and fair trade agricultural products; develop a work plan by December 2004 for implementing a comprehensive Sustainable and Ethical Procurement Policy that incorporates environmental and social objectives; and to purchase fair trade certified coffee at the expiration of current contracts.

Staff recommended to the Finance Committee that the Park Board work together with City staff on the development of this policy, as there are currently areas of overlap between the City of Vancouver and the Park Board in procuring supplies and services.

Recommendation:

The Finance Committee recommends that the Board approve the process to work with City Council in developing and implementing a sustainable and ethical procurement policy as approved by City Council on June 22, 2004, and that the Board request that a Park Board commissioner be appointed to the Sustainable and Ethical Procurement Policy Task Force.

4. Participatory Budgeting:

Dr. Leonora Angeles, Associate Professor with UBC's Faculty of Graduate Studies, returned to the Finance Committee to update members on the activities of the 2004 Community-University Research Alliance (CURA), a five year research project proposed by UBC's School of Community and Regional Planning to determine possibilities and conditions under which Participatory Budgeting can be a vehicle for revitalizing democracy. The goal of the project is to bring together an interdisciplinary group of researchers to:

- 1) document and analyze local participatory budgeting processes
- 2) undertake in-depth analysis of current budget processes
- 3) test and evaluate appropriate participatory budgets in local situations

City Council passed a motion that endorsed its general involvement and approved a contribution of \$20,000 toward the initiative, but has not yet identified a project. Although the Park Board is involved as part of the City of Vancouver, Dr. Angeles requested that the Park Board contribute a separate letter of support for the project for inclusion with its major funding application, and that it consider possibilities for a Park Board project.

Discussion:

- Committee members asked for clarification about the Park Board's role in the project. Dr. Angeles described how the project would benefit from the Park Board's participation,

particularly in terms of allocation of resources and the relationship between decision makers and the community. Project researchers would like to work with Park Board staff to gather information about how the Park Board budget has changed over time as well as how different modes of public input have changed. The Committee discussed alternatives for Park Board participation, either as part of the City as a whole, or independently.

- The Committee explored different options for Park Board involvement including: writing a statement of support; sharing information; participating in research; validating results and analysis. The group explored the possibility of joining at a later date when a project focus was found, and Dr. Angeles encouraged the Committee to provide a general letter of support to the funding application as a minimum contribution at this time.
- Committee members and staff expressed concerns about committing scarce Park Board staff resources to an initiative that could require significant staff involvement. Staff could be asked to be available to provide information, direction, and analysis to the project. The Committee noted the importance of having clear terms of reference for Park Board involvement in order to manage the demand on staff time.

Action:

The Finance Committee requested that staff review the project and draft a letter of support in principle from the Park Board for inclusion with the \$1,000,000 funding proposal.

5. Strategic Budget Review:

Anita Ho described an initiative by the City of Vancouver Finance Committee to explore alternate budgeting processes for Vancouver. The objectives of the project are to:

- evaluate existing budget processes
- review alternative budget processes
- recommend an appropriate process for the City of Vancouver, including an implementation strategy

The Corporate Strategic Budget Review project includes all of the areas and annual operating budgeting processes of the City, including the Global Budget of the Park Board. The project has been approved by the City's Finance Committee and was sent to Anita Ho to bring before the Park Board. The Committee thanked staff for the information about the initiative, and discussed the scope, the process and possible implications of the project.

Action:

Staff will send a letter to the City of Vancouver City Manager and Director of Finance requesting that terms of reference be set up for the Global Budget review.

6. Financial Operating Statement to June 30, 2004:

Anita Ho presented the Committee with the Operating Statement for Cycle 6, the period ending June 30, 2004. To date, 50% of the year has passed and 49% of the net budget has been expended. Revenues are currently 40% of budget, with gross expenditures currently 45% of budget. The projection to year end is for a balanced budget, and staff are not recommending any budget adjustments at this time.

Queen Elizabeth District revenues are down from last year at the same time due to the use of different cut-off dates for marina revenues, and golf revenue increases in Vancouver East District this year are not reflected in the statements due to similar timing differences. Recent pool closures at Renfrew and Killarney have resulted in reduced expenditures and revenues in Vancouver East District

Recommendation:

The Finance Committee reviewed the financial statement for Cycle 6 and recommend that the Board receive this report for information.

7. Next Meeting:

The meeting was adjourned at 9:35 pm. The next Finance Committee meeting is scheduled for September 27, 2004 at 6:30 pm. Possible agenda items include:

- 2005 Operating Budget Process
- Review of August 2004 Financial Operating Statement