

Date: February 7, 2008



TO: Board Members – Vancouver Park Board
FROM: General Manager – Parks and Recreation
SUBJECT: 2007 Work Stoppage Financial Analysis

RECOMMENDATION

THAT the Board receive for information the 2007 Work Stoppage Financial Analysis.

POLICY

There is no applicable policy. However, on July 24, 2007 Council approved that “any tax savings incurred in this labour dispute be used to reduce property taxes for City taxpayers in 2008”.

BACKGROUND

For approximately 12 weeks between mid-July and mid-October 2007 CUPE 15 and CUPE 1004 withdrew services, resulting in the closure of many Park Board facilities and the reduction of services normally provided by the Board.

With the exception of leased restaurant properties, concessions and access to public parks, virtually all services provided by the Board were suspended. This included the closure of all community centres, fitness centres, rinks, indoor and outdoor pools, golf courses and pitch & putts, Bloedel Conservatory, VanDusen Botanical Garden, and the Miniature Train and Farmyard in Stanley Park. Marinas remained open, but did not accept new clients. Previously booked events at facilities such as West Point Grey Community Centre, VanDusen Botanical Garden and the Celebration Pavilion in Queen Elizabeth Park also went ahead, but no new events were booked.

DISCUSSION

On October 18, 2007 City Council requested “staff to report back with a complete analysis of city spending on operations and services during the strike”. The city-wide analysis has been completed and the Council Report is attached as Appendix I.

This report provides further details on how the Park Board’s operating budget was impacted by the work stoppage.

Total payroll savings attributable to the work stoppage were \$13,975,000. However, \$7.6 million in revenues were also lost due to the closures (\$4.8 million from income operations such as golf, pitch & putts and concessions, \$2.1 million from recreation and \$0.7 million from Park revenues).

As well as the cost-savings and revenue losses in the Park Board accounts, additional Park Board work stoppage costs were incurred and captured in centralized City accounts. These costs include overtime for exempt staff who worked during the work stoppage, costs for the collective agreement settlement (such as the signing bonus and 1 week vacation for unionized staff) and other additional costs such as increased security. The total of these other Park Board work stoppage costs is \$2,929,000.

In summary,

Payroll Savings	\$13,975,000
Less:	
Revenue losses	7,600,000
Exempt overtime, collective agreement settlement costs and increased security costs	2,929,000
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Net Park Board work stoppage savings	\$3,446,000

Therefore the Park Board's net savings attributable to the work stoppage are \$6,375,000 in the Park Board accounts, less costs of \$2,929,000 in the City's accounts for a net savings of \$3,446,000. This saving has been included as part of the City's total savings of \$11.8 million.

SUMMARY

As noted in the attached report to Council, the City's total work stoppage savings were \$11.8 million, with the Board contributing \$3.4 million of that total. Incorporating the result of public consultation, the impact of budget requests and inflationary increases and the assessment of the work stoppage savings, Council will determine the 2008 Operating Budget on April 1, 2008.

Prepared by:

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