



December 1, 2015 (*updated Dec 17/15*)

**TO:** Park Board Chair and Commissioners  
**FROM:** General Manager - Vancouver Board of Parks and Recreation  
**SUBJECT:** 2016 Operating and Capital Budget (*updated*)

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## RECOMMENDATION

**THAT**, subject to City Council approval, the Vancouver Park Board approve:

- A. The 2016 Park Board Operating Budget of \$61,123,039, comprised of \$115,018,124 in expenditures and \$53,895,085 in fee and program revenues.
- B. The 2016 Park Board Capital Budget of \$19.0 million, as detailed in pages 15-16 of this report, and within pages 172-190 of the report titled "City of Vancouver's 2016 Budget and Five-Year Financial Plan".

## POLICY

The Park Board's four year Capital Plan and its annual Capital and Operating Budgets require Board and Council approval. Council approves the fiscal envelope for the Park Board's Capital Plan and its annual Capital and Operating Budgets. Within this fiscal envelope, the Board approves the allocation to individual projects and programs.

## BACKGROUND

In 2012, on Council direction, the City undertook a review of the Budget process, and has continued to refine its budgeting process based on the recommendations of that review. 2016 marks the fourth year that Capital and Operating budgets have been aligned. This recognizes the financial and operational linkage between the City's and Park Board's strategies and plans with the financial resources to enable those plans.

In order to balance the budget, a number of steps were taken to improve the timely and accurate reporting of financial information. This included the rollout of the Business Intelligence (BI) reporting tool to provide consistent detailed operating information to proactively manage each business unit, and a monthly financial review with the Park Board Extended Management Team to facilitate prompt management decisions that ensure a balanced budget is maintained throughout the year.

In September 2014, Council approved the 2015-2018 Capital Plan in the amount of \$1.085 billion. Of this amount, the City's 2016 annual capital budget is \$325.2 million, of which \$19.0 million relates to Park Board specific projects, and an additional \$12.0 million that relates to Park Board projects managed by Real Estate & Facilities Management (REFM).

## KEY STEPS IN THE 2016 BUDGET PROCESS

The following figure highlights the key activities for consideration by Council and the Park Board through the annual budget process.



- The Park Board's Service Plan identifies major accomplishments in 2015, details plans for 2016, and looks ahead to the 2017-2020 period. It also includes an overview of budget information by division, outlining notable capital projects where applicable. This Service Plan informs budget allocation decisions and is a key component in balancing the five-year financial plan.
- The multi-year financial and capital planning framework is based on a set of financial sustainability guiding principles and financial health targets guiding the allocation of resources to fund service plans and the annual budget.
- The Budget Outlook provides the context and factors that will influence development of the 2016 Budget and five-year financial plan. It describes last year's budget, current Park Board priorities, and financial considerations for the annual budget and five-year financial plan.
- Public engagement plays a role in informing decisions made by the Park Board and staff on budget allocation decisions and the five-year financial plan.
- The Budget Report consolidates the proposed annual budget and five-year financial plan and is accompanied by service plans and performance metrics for the upcoming year.

## **Budget Process Changes in 2016**

With the 2016 Budget, staff have built on the best practices recommended by PricewaterhouseCoopers (PwC), and have introduced a five-year balanced financial plan to ensure Council and Park Board priorities are addressed while enabling proactive planning for business transformation opportunities and emerging risks, and reducing reliance on shorter-term, reactive responses to budgetary challenges.

## **Introduction of a Five-Year Financial Plan**

The City of Vancouver is regulated under the Vancouver Charter, a provincial statute. Other municipalities in the province are regulated under the British Columbia Community Charter. While the Vancouver Charter requires only that the City present a one-year budget, other local municipalities present five-year financial plans as required by the BC Community Charter. Over the past few years, the City has been including a three-year financial view in its annual budget document. Going forward, to better align with leading best practices, the budget presented to Council and Park Board will include a financial plan covering a five-year period. For this year, that period is from 2016-2020.

## **DEPARTMENT AND SERVICE ACCOMPLISHMENTS**

### **Parks and Recreation for All**

In the Park Board's first priority area – parks and recreation for all – the following progress was made in 2015:

- **ActiveNet** – In 2015, a new recreation registration and reservation software system, ActiveNet, was introduced. Replacing the outdated Safari system, the new system is providing significant advances in system capacity, user experience, customer relationship management, marketing, payment flexibility and data reporting. Business process improvements were introduced concurrently to improve the quality of the overall customer experience as well as resource efficiency;
- **FIFA 2015 Women's World Cup** – Vancouver was proud to be selected as a Host City for the FIFA Women's World Cup in 2015. Vancouver hosted nine matches, including the tournament final, and also served as headquarters for all national soccer delegations. The Park Board and City leveraged Vancouver's Host City status to improve access to sport for girls and women across the city, delivering various community engagement and legacy initiatives such as the new synthetic turf field surface at Hastings Park (Empire Fields);
- **Leisure Access Program** – The Park Board's Leisure Access Program (LAP) increased its fast-track referrals and continues providing access to Park Board programs for low-income residents. In 2015, wait times were significantly reduced from 21 days to fewer than 14 days. A new digital application process was developed that includes online self-referral, while an introductory five-visit pass was created giving LAP applicants instant access to free public swim and skating while their applications were in process;
- **Trans\* and Gender-Variant Inclusion (TGVI)** – A trans\* inclusive public swim was launched at Templeton Park Pool on Sunday afternoons. New signage was piloted at Templeton Pool and Hillcrest Centre, and family change areas were renamed 'Universal'. A public awareness campaign featuring the voices of trans\* individuals

received international attention. The Trans\* and Gender Variant Inclusion Steering Committee was created.

### Leader in Greening

In the second priority area – leader in greening (defined as actively demonstrating leading horticultural practices and preserving, protecting, and creating green space) – in 2015 the following strides were made:

- **Urban forest** – work continued on expanding Vancouver’s urban forest with more than 11,000 new trees on public and private lands planted, as well as work on the Urban Forest Strategy and the addition of more than 2,000 watering bags to protect newly planted trees during summer drought conditions;
- **Horticultural Excellence** – a renewed emphasis on horticulture began in 2015, with a complete citywide inventory and analysis of all turf and horticultural areas, including streets; in collaboration with Engineering Services, budget and staff resources are being aligned to expected service levels in an ongoing process;
- **Invasive Plants** – a new staff invasive plant management group is reducing knotweed, Himalayan blackberry and other invasive plants throughout the park system;
- **Clean, Green and Beautiful Parks** – The Park Board’s responsiveness to the April 2015 Marathassa oil spill demonstrated its lead role in protecting and conserving Vancouver’s sensitive beach and waterfront environments; in 2015, there was also an emphasis on improving park and washroom cleanliness by doubling cleaning crews and adding new mechanical equipment for litter and debris removal;
- **Water Conservation** – Potable water taps were turned off at Stanley Park’s Beaver Lake and Lost Lagoon, and at Trout Lake in John Hendry Park, and non-potable water sources (including wells at McCleery and Fraserview golf courses and storm-water runoff ponds at Fraserview Golf Course) were sensitively applied during summer drought conditions to protect golf turf grasses. To reduce water consumption, button controllers were added to all children’s water spray parks at the beginning of the summer;
- **Clean Water** – In June, the Park Board launched a clean water campaign that included free pump-out services for all pleasure craft at Park Board marinas to help remind boaters, dog owners, and beach-goers to keep Vancouver’s water clean for everyone’s health, safety and enjoyment;
- **Food Sustainability** – Within the Healthy Local Food Fieldhouse Residency Program, residencies were added at Norquay and Strathcona parks. In this program, organizations use field house spaces in Vancouver parks to provide public programs and develop projects with the city’s diverse communities over a three-year period to grow and share food (in keeping with the Park Board Local Food Action Plan and the City’s Vancouver Food Strategy). Also, a new community garden opened at Beaconsfield Park;
- **Heron Camera** – The heron cam gave 99,800 observers a close-up view of one of North America’s largest urban colonies of Pacific Great Blue Herons in Stanley Park, from courtship through egg-laying – until the grown chicks fledged in late summer.

## Engaging People

In the third priority area – engaging people – the following actions were taken in 2015:

- **First Nations** - for the first time in Park Board history, the Board met with Chiefs and elected officials from the Musqueam, Squamish, and Tsleil-Waututh First Nations, exchanged gifts and embarked on a new working relationship for Stanley Park;
- **Community Dialogue** - in October, the Park Board hosted a Community Dialogue event as a pilot for a series of community discussions to be held in different quadrants of the city, expanding access and engagement opportunities with the elected Board;
- **Special Events** - the Park Board focused on revitalizing and expanding events at its destination parks; 10,000 participants attended the VanDusen Gardens 40<sup>th</sup> Anniversary celebration in August, and 20,000 attended Queen Elizabeth Park's 75<sup>th</sup> Anniversary celebration in September;
- **CCA Negotiations** - discussions with local Community Centre Associations continued for an updated Joint Operating Agreement;
- **Safety Enhancements** - the Park Board worked collaboratively with stakeholders and the Province of British Columbia to protect trees and the environment while planning for the enhanced safety of pedestrians and cyclists alike on the Stanley Park Causeway;
- **Community Consultation** - staff hosted focus groups, events, and consultations related to: the new downtown park at Smithe and Richards; the Sunset Park Master Plan; the proposed location for a Love Locks sculpture; the New Brighton Park Shoreline Habitat Restoration project (in partnership with Port Metro Vancouver); and playground renewal projects at Creekside, Hastings Mill, McBride, and Nanaimo parks; more than 3,000 people, combined, participated in events and online surveys for these projects;
- **Leadership Development** - a program for recreation and parks supervisors was implemented, and a staff training committee was formed.

## Excellence in Resource Management

In the fourth priority area – excellence in resource management – the following initiatives were undertaken in 2015:

- **Outcome-Based Budgeting** - Recreation implemented a new approach to develop and monitor budgets and ensure resources are aligned to service outcomes; Parks enhanced its seasonal staff programs and aligned positions with available budgets;
- **Fitness Centre Renewal** - an investment in Dunbar and Creekside community centres occurred, and combined participation at refreshed centres increased by 5,249 visits. A capital reinvestment program for all fitness centres was also initiated;
- **Zipline pilot** - a new and successful attraction at Queen Elizabeth Park that was introduced this year as a trial project; spanning over the Quarry Garden, it attracted more than 25,000 visitors;
- **Windbreak Expansion at Kitsilano and Second Beach pools** -- significantly reduced greenhouse gas emissions, generating cost savings for the second year; greenhouse gasses were reduced by 220 metric tonnes in 2014 and 2015, or the equivalent of

removing 46 cars from city streets, and saving \$40,000 in gas consumption for the past two years;

- **Empire Fields, Plateau Sports Park and greenways at Hastings Park** -- \$10.5 million in renovations were completed in May; new sport and play features at Vancouver's second-largest park include:
  - Two new synthetic turf fields;
  - Beach volleyball and basketball courts;
  - Ping pong tables;
  - Parkour;
  - Outdoor fitness equipment;
  - Bike park with pump track and bike skills;
  - All-ages playground;
  - Walking/jogging track; and,
  - Cycling greenways connecting the park and neighbourhood.
  
- **Sport Field Amenities** – The Park Board and City, along with community sport partners, continued working on new and upgraded amenities at almost 20 sport fields citywide, including washrooms, change rooms and player shelters at synthetic turf fields; renovation of the Carnarvon Park Field House, electrical and storage upgrades, and improvements to the Hastings Community Park baseball fields were completed; Hastings Community Little League will host the 2016 Little League Canadian Championship in August 2016.
  
- **Marpole-Oakridge Community Centre** – The community centre will be renewed, the location to be determined and informed by a consultation process involving all key stakeholders to assess the best plan for the future; co-location with other community services is a City priority; a full exploration of options through the consultation process is anticipated to start by year-end 2015.
  
- **Killarney Seniors Centre** – Consultations for facility design with stakeholder groups and residents in Southeast Vancouver are ongoing.
  
- **New Neighbourhood Park and Renewed Park Amenities** – a new park will open in November in the Shannon Mews development near Granville Street and 57<sup>th</sup> Avenue; it will include a playground, walking trails, large protected trees and views of the heritage Rogers Sugar mansion (Gabriola House); renovations of the False Creek Community Centre preschool and Nanaimo Park playgrounds were completed, and a new water spray park opened at Pandora Park.

Also in 2015, the Fundraising and Development Office continued focusing on various initiatives, including online giving, commemorative gifts, legacy-giving and endowments, while a complete plan for a Vancouver Parks Foundation was introduced.

## PLANS FOR 2016

The Park Board will continue advancing projects and programs initiated in 2015 and prior years. Since all elements of the Strategic Plan cannot be implemented concurrently, each

year the Park Board selects several priority objectives. Detailed implementation plans and the allocation of appropriate resources support these objectives.

The following works, listed under Priority Strategic Plan Directions, have been identified by the Park Board's senior management team as 2016 priorities – subject to approval by the elected Park Board:

### **Parks and Recreation for All**

In this, the Park Board's first priority direction area, the following are targeted for 2016:

- **Proactive Service Planning and Delivery** – this area includes furthering Joint Operating Agreement negotiations with the Community Centre Associations (CCAs) and the VanDusen Botanical Garden Association;
- **The Parks and Recreation Services Master Plan** – this plan will kick off in 2016. Based on surveys, research and statistics, this work will see an update to parks and recreation programming and services, land use, and facility needs for the next decade, aligning with the needs of Vancouver's dense and multi-faceted urban population; in addition, planning projects for 2016 include:
  - Preliminary planning and public consultation for the Marpole-Oakridge Community Centre, including assessing prospective sites for co-location and community facility service integration potential and public dialogue around the choices;
  - Renewal plans for Britannia Community Services Centre, and Ray-Cam Co-Operative Centre;
  - A non-motorized boating strategy to determine facilities and locations for water-based recreation activities such as kayaking, dragon boating and sailing;
  - A dogs-in-parks plan to determine locations, improvements and amenities for dog off-leash areas citywide;
  - An aquatics strategy update, including a review of outdoor and natural pools to determine future pool facility needs;
  - A sport field amenity gap analysis to review and provide recommendations on improvements to sports field amenities.
- **Improving Inclusivity and Accessibility** – key initiatives include enhancing access to the Park Board's recreation network and updating its economic access policy via the Leisure Access Program (LAP); work will continue to reduce barriers for the trans\* and gender-variant community; other initiatives include:
  - Updating the Leisure Access Program to increase the number of low-income people served and increase ease of access;
  - Developing and implementing citywide standards for adapted programs offered in Park Board facilities;
  - Developing universal programs that ensure access for all, including physical literacy programs for young children and aboriginal youth programs;

- **Continuous quality improvement:**
  - Upgrading existing Park Board facilities and product offerings, including a review and update of OneCard products (e.g., Flexipass and usage pass), and continue to build on ActiveNet's successful implementation;
  - Continuing to improve business processes and establish registration best practices 2016.

### Leader in Greening

In this second priority area, the following is targeted for 2016:

- **Continuous Quality Improvement** – a top area of focus, the application of new service standards at existing facilities is the main goal; in City parks, the Parks Services Review will apply new schedules and maintenance standards for cleaner, greener, and more beautiful parks; work on a digital maintenance management system is also anticipated;
- **Sustainable Operations** – drought conditions in 2015 have necessitated a review of potable water applications in City parks, especially golf courses and destination horticultural areas that use potable water for floral displays; for Queen Elizabeth Park and VanDusen Gardens, staff will investigate non-potable well irrigation sources and storm-water recycling, and begin work on new standard specifications for soils, mulches, and xeriscaping (landscaping and gardening that reduces or eliminates the need for supplemental water from irrigation);
- **Urban Forest Strategy** – continued planting is anticipated, with more than 14,000 trees planned for 2016; implementing strategic recommendations on public engagement, best practices, and operations; replanting to recover trees lost in the 2015 storm is also planned;
- **Green Education and Advocacy work** – includes arts and environmental residency programs; community gardens will continue;
- **Beaver Lake Enhancements** -- will evolve through detailed surveys, soil tests, First Nations engagement, design work, and a phasing plan for construction.

### Engaging People

In this third priority area, the following actions are proposed for 2016:

- **Stanley Park Master Plan** - the Musqueam, Squamish, and Tsleil-Waututh First Nations working group dialogue will continue;
- **Park Board Community Dialogues** - ongoing events that will take place citywide, expanding opportunities for residents to dialogue about topical Park Board issues;
- **Partnership Arrangements** - Park Board staff will pursue effective partnerships with the Vancouver School Board and the YMCA for a new pool in central Vancouver, and will expand connectivity with other key Vancouver institutions to provide increased access to recreation programs and spaces;
- **Communication and Consultation** -- staff will build on existing communication and engagement approaches and tools, and will support events to enhance the enjoyment and vibrancy of Vancouver's public spaces and increase social connectedness; improved communication and engagement will be demonstrated in the plans and



strategy work conducted, with opportunities for all Vancouverites to provide input; collaborating with stakeholders to determine locations for significant new facilities, including the Marpole-Oakridge Community Centre, a new synthetic turf field, and a new track and field facility, will advance these projects; engagement on neighbourhood park and playground renewal projects is also anticipated;

- **Fair Recruitment and Development** -- the pursuit of employee engagement initiatives, including continuing to implement leadership development programs based on the needs and gap analysis outcome of the Park Board's Staff Training and Development Committee, is a priority; this includes a systematic approach to ActiveNet training for all new staff, and compliance-based training to meet mandatory position needs; Parks will also evolve succession planning;
- **Sport Hosting** - the Americas Masters Games 2016, the World Rugby Sevens Series 2016, and the 2016 Little League Canadian Championship at Hastings Park have been confirmed at various city parks and recreation venues;
- **Vancouver Parks Foundation** - establishment of a charitable foundation to help further strategic priorities and protect the legacy of Vancouver Parks.

### **Excellence in Resource Management**

In this fourth priority area, the following initiatives will be undertaken in 2016:

- **Business Development** -- new initiatives to increase financial sustainability, grow revenues within existing lines of business and enhance customer experience will be implemented, including working collaboratively and leveraging resources/assets of tourism partners to proactively market destination parks, gardens and attractions;
- **Corporate Sponsorship** - a policy and strategy that reflects Park Board values and supports business objectives will be developed;
- **Optimizing space** - underused spaces will be explored with a focus on innovative uses and potential revenue growth, such as the Forest Education Centre at VanDusen Gardens and underused spaces in park field houses, while new opportunities to improve customer service offerings and enhance the visitor experience will be explored;
- **Enhanced Marketing** - activities will support existing and new lines of business, leverage ActiveNet and increase attendance and participation in existing and new events, programs and attractions;
- **New Amenities** -- for the strategic goal of "well-managed infrastructure," project teams will deliver new amenities to meet current and future needs of Vancouverites; this includes improving infrastructure at the Burrard Civic Marina and completing the Stanley Park West Electrical System upgrade;
- **Golf Course Renewal and Upgrades** - will ensure a quality golf experience; design work to reinvent the aging driving range at the Fraserview Golf Course will also begin;
- **Creekside Paddling Centre** - will open as the new and fully accessible home for False Creek dragon boaters;
- **Hillcrest/Riley Park** - renovations will be completed, serving local residents and organized sport enthusiasts alike;

- **New & Renewed Facilities** -- Killarney Seniors Centre construction work is expected to begin (with completion in 2018); asset renewal programs including a fitness centre renewal program and key facility projects are also scheduled; other major park development projects are described in the Notable Capital Projects section of this document.

### Looking Ahead - 2017-2020

The Parks and Recreation Services Master Plan will determine key directions for service delivery, facility renewal, and new indoor and outdoor facility needs. In the meantime, a number of carry-forward and strategic projects have already been identified for 2017-2020 – many already noted in the 2015-2018 Capital Plan, including:

- **Healthy City Strategy** -- to further enhance participation and active living, Recreation teams will work on increasing the physical activity levels of Vancouver residents to a targeted increase of 20% by 2025;
- **Accessibility and Inclusivity** -- will improve by increasing the physical accessibility of Park Board facilities and parks (including signage, equipment, facility design and accessible pathways) to meet leading practices;
- **Leader in Greening** -- the Park Board will continue increasing tree-planting on public land and through private property planting programs, with planned numbers averaging 20,000 tree plantings per year;
- **Volunteer Management** -- effective partnerships will be formed in the area of volunteer recruitment, engagement, and coordination for parks and recreation facilities citywide through the implementation of a volunteer enterprise management system;
- **Community Partners** -- Developing operating protocols to enhance positive and consistent relationships with partners, including Community Centre Associations, are the logical next step following completion of renewed Joint Operating Agreements;
- **Aquatics** - working on indoor and outdoor pool areas is a priority, especially with the YMCA in central Vancouver;
- **Marpole-Oakridge Community Facility** - finalizing a phasing and funding strategy, followed by detailed design and construction;
- **Parks & Facilities** - continuing to plan and develop community centre renewals, engage residents on a new destination waterfront park located in Northeast False Creek and begin planning for parks along the Cambie Corridor (including Queen Elizabeth Park).

Priority outcomes of the Parks and Recreation Services Master Plan will flow into work plans. The following development projects are also anticipated for the 2017-2020 period:

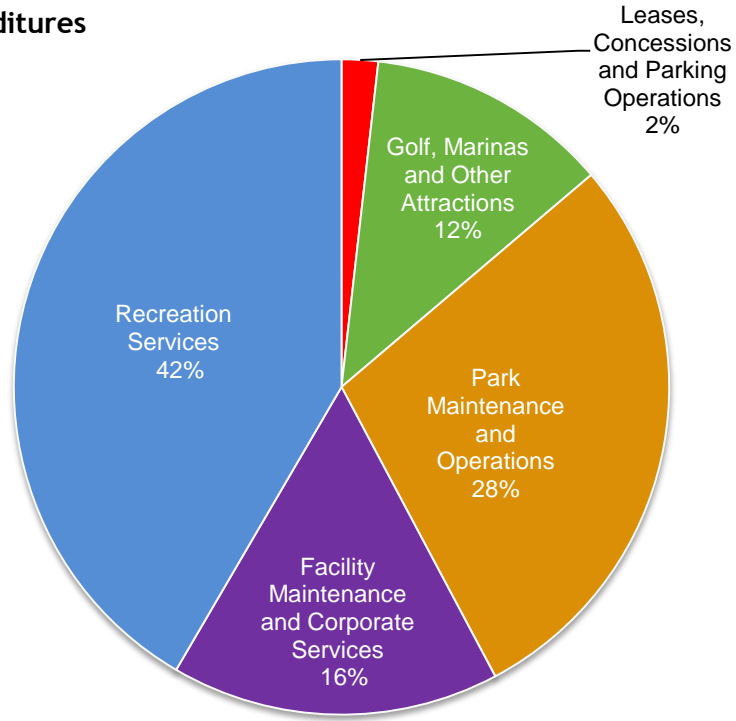
- For continuous quality improvement, a \$5 million upgrade of the Stanley Park Seawall (including a \$500,000 Infrastructure Canada grant from the federal government), as well as an assessment of shorelines and waterfront infrastructure related to sea level rise and climate change (in collaboration with the City's Engineering Services department);
- A synthetic turf allocation strategy will be introduced;

- Opening of the new downtown park at Smithe and Richards streets; beginning construction on a new waterfront park on the Fraser River in the East Fraser Lands to connect thousands of residents to green space where none previously existed; and taking steps toward realizing access to green space targets in the Greenest City Action Plan;
- Engaging residents on a new destination waterfront park in Northeast False Creek;
- Two projects in Stanley Park, including the first phase to enhance Beaver Lake and completing cycling paths to align with the Stanley Park Cycling Plan; and,
- Renewing older parks and introducing and replacing activity features in City parks (with direction from the Services Plan), including: building a new track and field facility, outdoor aquatics amenities, a new synthetic turf field, and renovating grass playfields – all priorities; renewing neighbourhood parks and playgrounds; creating a new park east of the Creekside Community Centre in the Olympic Village; and planning for changes at the Sunset Park and Sunset Service Yard.

## BUDGET DISCUSSION

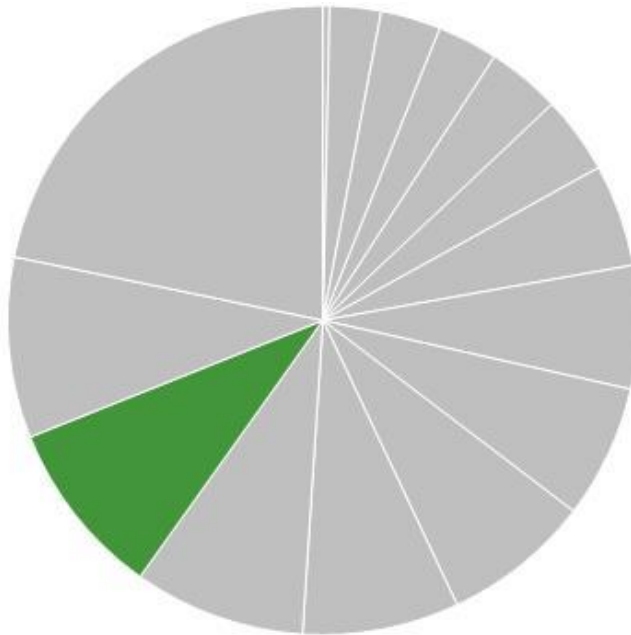
This report details the proposed 2016 Operating Budget, represented in the new functional service structure implemented in 2012. It also provides the details for the 2016 Capital Budget.

### 2016 Operating Expenditures



### 2016 Budget

Parks and Recreation makes up 9% of the 2016 Operating Budget



*NOTE: This includes only 2016 Budgeted Operating Expenditures, and does not factor in budgeted revenues.*

**Year-over-Year Budget Changes**

| Major Category (\$000)                               | 2015<br>Restated<br>Budget | 2016<br>Proposed<br>Budget | Net<br>Change<br>(\$) | Net<br>Change<br>(%) |
|--|----------------------------|----------------------------|-----------------------|----------------------|
| <b>Revenues</b>                                      |                            |                            |                       |                      |
| <b>Parks &amp; Recreation program revenue</b>        |                            |                            |                       |                      |
| <b>Recreation revenue</b>                            |                            |                            |                       |                      |
| Admissions   | 8,887                      | 9,311                      | 424                   | 4.8%                 |
| Programming  | 4,120                      | 4,361                      | 241                   | 5.9%                 |
| Recreation facility rentals                          | 3,956                      | 4,005                      | 49                    | 1.2%                 |
| Other recreation revenue                             | 598                        | 683                        | 85                    | 14.3%                |
| <b>Subtotal Recreation revenue</b>                   | <b>17,560</b>              | <b>18,359</b>              | <b>799</b>            | <b>4.6%</b>          |
| Golf revenue   | 9,148                      | 9,323                      | 175                   | 1.9%                 |
| <b>Marinas &amp; Attractions revenue</b>             |                            |                            |                       |                      |
| Marinas  | 3,174                      | 3,238                      | 63                    | 2.0%                 |
| VanDusen Gardens                                     | 2,858                      | 3,313                      | 455                   | 15.9%                |
| Stanley Park Mini Train                              | 1,520                      | 1,520                      | -                     | -                    |
| Bloedel Conservatory                                 | 580                        | 592                        | 12                    | 2.0%                 |
| Other attractions                                    | 89                         | 89                         | -                     | -                    |
| <b>Subtotal Marinas &amp; Attractions revenue</b>    | <b>8,222</b>               | <b>8,752</b>               | <b>530</b>            | <b>6.4%</b>          |
| Lease & concession revenue                           | 6,333                      | 6,210                      | (123)                 | (1.9%)               |
| Other Parks & Recreation revenue                     | 434                        | 436                        | 3                     | 0.6%                 |
| <b>Total Parks &amp; Recreation program revenue</b>  | <b>41,697</b>              | <b>43,081</b>              | <b>1,383</b>          | <b>3.3%</b>          |
| <b>Total Program revenue</b>                         | <b>41,697</b>              | <b>43,081</b>              | <b>1,383</b>          | <b>3.3%</b>          |
| <b>Parking revenue</b>                               |                            |                            |                       |                      |
| Parks parking revenue                                | 6,381                      | 6,531                      | 150                   | 2.4%                 |
| <b>Total Parking revenue</b>                         | <b>6,381</b>               | <b>6,531</b>               | <b>150</b>            | <b>2.4%</b>          |
| <b>Cost recoveries, grants &amp; donations</b>       |                            |                            |                       |                      |
| Police Services recoveries, grants & donations       | 4,372                      | 4,284                      | (89)                  | (2.0%)               |
| <b>Total Cost recoveries, grants &amp; donations</b> | <b>4,372</b>               | <b>4,284</b>               | <b>(89)</b>           | <b>(2.0%)</b>        |
| <b>Total Revenues</b>                                | <b>\$ 52,450</b>           | <b>\$ 53,895</b>           | <b>\$ 1,445</b>       | <b>2.8%</b>          |
| <b>Expenditures &amp; Transfers</b>                  |                            |                            |                       |                      |
| <b>Parks &amp; Recreation</b>                        |                            |                            |                       |                      |
| Recreation   | 46,360                     | 46,608                     | 248                   | 0.5%                 |
| Park maintenance & operations                        | 31,085                     | 31,872                     | 787                   | 2.5%                 |
| Facility maintenance & corporate services            | 7,533                      | 8,299                      | 766                   | 10.2%                |
| Marinas & Attractions                                | 6,815                      | 7,096                      | 281                   | 4.1%                 |
| Golf   | 6,222                      | 6,353                      | 131                   | 2.1%                 |
| Leases & concessions                                 | 2,000                      | 2,013                      | 13                    | 0.7%                 |
| Shared support services                              | 10,369                     | 9,856                      | (513)                 | (4.9%)               |
| Transfers to / (from) reserves & other funds         | 2,962                      | 2,921                      | (41)                  | (1.4%)               |
| <b>Total Parks &amp; Recreation</b>                  | <b>113,346</b>             | <b>115,018</b>             | <b>1,672</b>          | <b>1.5%</b>          |
| <b>Total Expenditures &amp; Transfers</b>            | <b>\$ 113,346</b>          | <b>\$ 115,018</b>          | <b>\$ 1,672</b>       | <b>1.5%</b>          |
| <b>Net Operating Budget</b>                          | <b>\$ (60,896)</b>         | <b>\$ (61,123)</b>         | <b>\$ (227)</b>       | <b>(0.4%)</b>        |

Note: Totals may not add due to rounding

### **Explanation of Changes – Revenue**

As noted in the table above, the 2016 revenue budget increase is \$1.4 million, or 2.8%, compared to the 2015 Restated Budget.

There are two key drivers for the increase in the Park Board's revenue budget: \$0.4 million from changes to fees and charges, and \$1.0 million from anticipated increases in the use of Park Board facilities and services. The increase in budgeted revenue for recreation services of \$0.8 million reflects additional programming established in 2015, as well as increased attendance and participation in existing programs and rentals. Much of this increase was realized in 2015, and expected to continue throughout 2016.

Revenue from marinas and other attractions is budgeted to increase by \$0.5 million. This projected increase is anticipated due to the popularity of the Festival of Lights at VanDusen Botanical Garden, as well as an inflationary increase in marina fees.

Parking revenue is budgeted to increase by \$0.2 million, reflecting additional usage realized in 2015 as well as a higher-than-budgeted 2015 effect of price changes driven by market reviews of local parking rates.

Leases and concession budget decreases of \$0.1 million reflect the closure of the Fish House restaurant in Stanley Park in fall 2015, and the selection of a new tenant and subsequent renovations. These decreases are offset by the 2015 annual revenue impact of volume increases from lease agreements with the Tap & Barrel at Creekside and the Cactus Club in English Bay, while golf-related increases of \$0.2 million resulted from increased use in typically low-use periods. Going forward, improved awareness of available times and price discounts generated via a new golf smartphone application launched in 2015 are anticipated to drive a budgeted increase in 'rounds played.'

### **Explanation of Changes: Expenses**

The 2016 expense budget increase is \$1.7 million, or 1.5% over 2015. Key drivers for budget changes are: funding for fixed cost increases; adjustments for costs associated with increased revenue; investments in programs; productivity increases; and increased operating costs from capital projects.

Fixed cost increases for 2016 include \$0.6 million for anticipated increases in building occupancy costs, corporate assessments, and equipment charges.

Also, in 2016 expense budgets have been increased by \$0.5 million to reflect the increased labour, supplies, commissions, bank charges and other costs directly associated with \$1.4 million in increased revenue targets.

Investments for future growth and service initiatives continue, with \$0.8 million budgeted to address the operating impact of previously approved capital projects, as well as \$0.5 million to maintain trees planted under the Urban Forest Strategy, an increase in washroom-cleaning crews, and increased tree-watering costs.

Budget increases are partially offset by ongoing productivity initiatives as the Park Board continues focusing on transforming how City parks are maintained and services provided. Examples of 2016 initiatives include gross margin improvements (a reduction in expenses

supporting revenues), productivity improvements in recreation services, golf and facility maintenance, and general workforce productivity improvements.

### Notable Capital Projects

The following table summarizes some of the noteworthy projects involving the Park Board and projects to begin in 2016. A complete list of all capital projects for 2016 is included in the Council Report appendixes.

| Project Name (\$ millions)   | Total Project Budget | Forecast 2015 Expenditure | 2016 Annual Expenditure Budget | Future Years** |
|--|----------------------|---------------------------|--------------------------------|----------------|
| Southeast Vancouver (Killarney) Seniors Centre***                              | 7.5                  | 0.3                       | 2.5                            | 4.6            |
| Britannia Community Centre Redevelopment Phase 1 - Planning***                 | 3.0                  | 0.1                       | 0.5                            | 2.4            |
| Urban Forest: Park and Street Trees*   | N/A                  | 1.5                       | 1.2                            | 4.1            |
| Sports Fields and Courts*  | N/A                  | 0.3                       | 2.5                            | 1.6            |
| New Parks (incl Major Park Renewals, New Parks, Riley/Hillcrest Park Renewal)* | N/A                  | 0.3                       | 4.7                            | 19.4           |
| Neighborhood Park Renewal*   | N/A                  | 0.1                       | 0.8                            | 3.4            |

\* Funding for programs approved on annual basis.

\*\* For Programs, reflects forecast amounts for remaining years, 2017-2018, of the 4 year capital plan.

\*\*\* Included in REFM departmental budget

- Southeast Vancouver (Killarney) Seniors Centre** – This project involves the design and construction of a new seniors’ centre, an important addition to the existing Killarney Community Centre footprint.
- Britannia Community Centre** – Renewal of the Britannia Community Centre will span 10 years. Planning work initiated in 2015 continues through 2016 as partnership agreements, including agreements with the Vancouver School Board, move forward. Current and proposed co-location of the community centre, ice rink, swimming pool, family place, library, elementary and secondary school will provide services at the heart of the Grandview-Woodland community, and provide amenities for the Downtown Eastside, Strathcona, and Hastings-Sunrise communities. The outcome of the Grandview-Woodland Community Plan will enhance direction for the new facility’s design and program, with replacement of the swimming pool having been identified as the first exciting phase of this multi-year project.
- Urban forest, park and street trees** – The Park Board continues increasing the urban forest canopy through tree-planting programs in parks, on streets and private property partnership programs. As mentioned previously, 14,000 trees will be planted in 2016. This work builds on the Greenest City 2020 Action Plan’s Access to Nature goal of planting 150,000 new trees by 2020.

- **Sport field and courts** – Projects to be initiated and/or completed in 2016 include: replacing synthetic turf surfaces at Oak Meadows (Eric Hamber Secondary School) and West Point Grey parks.
- **New parks** – Consistent with plans to provide park space for an increasing number of downtown residents, Park Board staff will finalize plans (formed with input from a Park Focus Group and residents) for a new park at Richards and Smithe Streets, as well as the opening of a new park at 17th Avenue and Yukon Street (which will fill a much-needed gap in access to green space within walking distance of the Mount Pleasant neighbourhood). Park Board staff will also initiate plans in 2016 for new parks in East Fraser Lands.

In 2016, the most significant investment in new parks involves completing the greening of Hillcrest and Riley parks – which includes transforming the grounds of the former Riley Park Community Centre, Percy Norman Pool, and the Vancouver Curling Club. It also includes: the challenger baseball diamond and a new synthetic turf youth soccer field at Hillcrest Park; parking lot improvements; an events lawn and plaza area with services for farmers' markets and local gatherings; a community garden; a natural playground for young children; pathways; integrated storm-water management; and habitat planting at Riley Park.

- **Neighbourhood park renewal** – Neighbourhood park renewal projects include designing for improvements at Sunset Park, constructing a renewed playground at Andy Livingstone Park to support the new International Village School, and accessibility improvements. Also included are funds for the planning of new park amenities at 2-3 neighbourhood parks.



### Budget Trend Table

The following table summarizes the year-to-year budget figures from 2012 to 2015 and the 2016 proposed budget.

| Major Category (\$000)                               | 2012<br>Approved<br>Budget | 2013<br>Approved<br>Budget | 2014<br>Approved<br>Budget | 2015<br>Restated<br>Budget | 2016<br>Proposed<br>Budget |
|--|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| <b>Revenues</b>                                      |                            |                            |                            |                            |                            |
| <b>Parks &amp; Recreation program revenue</b>        |                            |                            |                            |                            |                            |
| <b>Recreation revenue</b>                            |                            |                            |                            |                            |                            |
| Admissions   | 8,124                      | 8,611                      | 8,712                      | 8,887                      | 9,311                      |
| Programming  | 2,691                      | 3,621                      | 3,624                      | 4,120                      | 4,361                      |
| Recreation facility rentals                          | 2,893                      | 3,571                      | 3,573                      | 3,956                      | 4,005                      |
| Other recreation revenue                             | 540                        | 951                        | 844                        | 598                        | 683                        |
| <b>Subtotal Recreation revenue</b>                   | <b>14,248</b>              | <b>16,755</b>              | <b>16,753</b>              | <b>17,560</b>              | <b>18,359</b>              |
| Golf revenue   | 11,606                     | 8,806                      | 9,056                      | 9,148                      | 9,323                      |
| <b>Marinas &amp; Attractions revenue</b>             |                            |                            |                            |                            |                            |
| Marinas  | 2,642                      | 3,145                      | 3,145                      | 3,174                      | 3,238                      |
| VanDusen Gardens                                     | 1,612                      | 2,212                      | 2,437                      | 2,858                      | 3,313                      |
| Stanley Park Mini Train                              | 1,078                      | 1,261                      | 1,361                      | 1,520                      | 1,520                      |
| Bloedel Conservatory                                 | 802                        | 540                        | 540                        | 580                        | 592                        |
| Other attractions                                    | 78                         | 78                         | 78                         | 89                         | 89                         |
| <b>Subtotal Marinas &amp; Attractions revenue</b>    | <b>6,211</b>               | <b>7,236</b>               | <b>7,561</b>               | <b>8,222</b>               | <b>8,752</b>               |
| Lease & concession revenue                           | 5,539                      | 5,752                      | 6,025                      | 6,333                      | 6,210                      |
| Other Parks & Recreation revenue                     | 784                        | 357                        | 357                        | 434                        | 436                        |
| <b>Total Parks &amp; Recreation program revenue</b>  | <b>38,388</b>              | <b>38,905</b>              | <b>39,752</b>              | <b>41,697</b>              | <b>43,081</b>              |
| <b>Total Program revenue</b>                         | <b>38,388</b>              | <b>38,905</b>              | <b>39,752</b>              | <b>41,697</b>              | <b>43,081</b>              |
| <b>Parking revenue</b>                               |                            |                            |                            |                            |                            |
| Parks parking revenue                                | 4,624                      | 5,237                      | 5,925                      | 6,381                      | 6,531                      |
| <b>Total Parking revenue</b>                         | <b>4,624</b>               | <b>5,237</b>               | <b>5,925</b>               | <b>6,381</b>               | <b>6,531</b>               |
| <b>Cost recoveries, grants &amp; donations</b>       |                            |                            |                            |                            |                            |
| Parks & Recreation recoveries, grants & donations    | 4,264                      | 3,821                      | 3,891                      | 4,372                      | 4,284                      |
| <b>Total Cost recoveries, grants &amp; donations</b> | <b>4,264</b>               | <b>3,821</b>               | <b>3,891</b>               | <b>4,372</b>               | <b>4,284</b>               |
| <b>Total Revenues</b>                                | <b>\$ 47,276</b>           | <b>\$ 47,964</b>           | <b>\$ 49,568</b>           | <b>\$ 52,450</b>           | <b>\$ 53,895</b>           |
| <b>Expenditures &amp; Transfers</b>                  |                            |                            |                            |                            |                            |
| <b>Parks &amp; Recreation</b>                        |                            |                            |                            |                            |                            |
| Recreation   | 40,332                     | 43,142                     | 44,476                     | 46,360                     | 46,608                     |
| Park maintenance & operations                        | 22,333                     | 24,059                     | 24,269                     | 31,085                     | 31,872                     |
| Facility maintenance & corporate services            | 20,307                     | 20,625                     | 20,350                     | 7,533                      | 8,299                      |
| Marinas & Attractions                                | 6,126                      | 6,507                      | 6,730                      | 6,815                      | 7,096                      |
| Golf   | 8,084                      | 6,457                      | 6,421                      | 6,222                      | 6,353                      |
| Leases & concessions                                 | 2,834                      | 2,313                      | 2,413                      | 2,000                      | 2,013                      |
| Shared support services                              | 8                          | 8                          | 8                          | 10,369                     | 9,856                      |
| Transfers to / (from) reserves & other funds         | 3,188                      | 2,422                      | 2,903                      | 2,962                      | 2,921                      |
| <b>Total Parks &amp; Recreation</b>                  | <b>103,212</b>             | <b>105,533</b>             | <b>107,570</b>             | <b>113,346</b>             | <b>115,018</b>             |
| <b>Total Expenditures &amp; Transfers</b>            | <b>\$ 103,212</b>          | <b>\$ 105,533</b>          | <b>\$ 107,570</b>          | <b>\$ 113,346</b>          | <b>\$ 115,018</b>          |
| <b>Net Operating Budget</b>                          | <b>\$ (55,936)</b>         | <b>\$ (57,570)</b>         | <b>\$ (58,002)</b>         | <b>\$ (60,896)</b>         | <b>\$ (61,123)</b>         |
| <b>Capital Budget (\$ million)</b>                   | <b>\$ 18.2</b>             | <b>\$ 18.2</b>             | <b>\$ 25.2</b>             | <b>\$ 15.6</b>             | <b>\$ 19.0</b>             |

Note: Totals may not add due to rounding

### Employee Trend Tables

| Parks and Recreation  | 2011   | 2012   | 2013   | 2014   | 2015F  |
|---|--------|--------|--------|--------|--------|
| Regular Full Time Staff   | 632.8  | 604.8  | 584.8  | 564.8  | 551.3  |
| All Staff (including Part time, Temp and Auxiliary) Full Time Equivalent* | 1080.1 | 1035.7 | 1034.1 | 1006.5 | 1004.0 |

\*excluding overtime

Total straight-time hours includes hours worked by all regular, temporary and auxiliary employees.

Full-time equivalent (FTE) reductions are the result of attrition and the transfer of work and associated staff to support citywide shared service initiatives.

**DEPARTMENT SERVICE METRICS**

**Parks and Green Spaces**

The Urban Forest Strategy is an integral part of meeting the challenge of the Greenest City goals.

The Park Board foresees modest land inventory growth (compared to overall inventory) with strategic park land acquisitions along the waterfront and in areas with increasing density (False Creek, East Fraser Lands) with a major acquisition targeted for Marpole on the Fraser River.

In 2013, the Park Board identified canopy coverage as the metric to be used to calculate the amount of benefit provided by trees that comprise an urban forest. Canopy cover is the area of land covered by tree canopies (or leaves) as viewed from above. Canopy coverage for 2016 is estimated to be 18%, down from 22% a decade ago.

The Park Board continues beautifying parks and green spaces with ornamental plantings as well as the planting of additional trees. The forecast for 2016 is to plant approximately 1,500 street trees, 3,500 park trees, and 9,000 trees on private property, for an approximate total of 14,000 trees planted. In 2017, 17,000 total trees are planned – with the total increasing annually through 2020.

| Service                | Metric Type | COV Metric  | 2011    | 2012    | 2013    | 2014    | 2015F   |
|------------------------|-------------|---|---------|---------|---------|---------|---------|
| Parks and Green Spaces | Quantity    | Hectares of park space                              | 1304.8  | 1305.0  | 1305.6  | 1305.6  | 1306.1  |
|                        |             | New fruit trees planted                             | 42      | 250     | 798     | 2,415   | 2,000   |
|                        |             | Non-fruit trees planted                             | 3,487   | 6,136   | 6,813   | 9,545   | 10,000  |
|                        |             | Trees Maintained                                    | 19,689  | 19,934  | 34,114  | 34,200  | 34,300  |
|                        |             | # of annuals planted                                | 565,400 | 526,000 | 515,000 | 515,000 | 515,000 |
|                        | Quality     | % of canopy coverage                                | NDA     | 17%     | 18%     | 18%     | 18.1%   |
|                        |             | % of land base within 5 minutes walk to green space | 92.6%   | 92.6%   | 92.7%   | 92.7%   | 92.7%   |

There are some changes to metrics reporting for the Park Board:

- The total hectares of park space now also include areas of turf maintained. This change better reflects the complexity of the Park Board’s operational areas. Additional tree information and biodiversity factors such as the total area of forest and reforested areas are also included;
- For 2015, the metric for the percentage of the land base within a five-minute walk to green space will be reported consistently as in former years. Going forward into 2017,

this metric will be reported as the percentage of Vancouver's population within a five-minute walk to green space; this will more accurately reflect the number of people benefiting from this city liveability goal.

### **Access to Recreation Facilities**

The Park Board's OneCard, accepted at Park Board arenas, pools and participating community and fitness centres, continued to grow. OneCard signups increased from 100,000 in 2013 to more than 200,000 users as of August 30, 2015.

More than 17,500 Leisure Access Cards were issued in 2015, with 18,000 projected for 2016 – representing more than 13% of Vancouver's eligible low-income population that benefit from the Leisure Access program. Significant process improvements were made with reorganization of resources and implementation of the new recreation program registration system, making access and applications easier for patrons and resulting in continued increases in the number of passes issued.

Available hours for facility use in pools and arenas remain stable. Access to outdoor sports facilities will stabilize with the completion of two new artificial turf fields at Empire Stadium in 2015, which added an additional 1,000 hours per field. The addition of one new artificial turf field and the track and field facility before 2018 will result in increased facility use as well as permits issued.

The popularity of indoor and outdoor swimming continues, with expected stabilized participation in 2015. It is expected that skating participation will continue to grow incrementally while ice rink use by rental groups increases due to demand and improved business processes.

Implementation of ActiveNet, a new online registration portal, resulted in close to 70,000 successful registrations across 23 community centres, nine pools, and eight arenas. The new technology will enable better metric and participation reporting; it is expected that adjustments to service metrics in 2016 will be made based on the availability of new data. With the introduction of the new system, there has been a subsequent increase in online registration over in-person registration; global registration is also now available.

| Service                                      | Metric Type | COV Metric  | 2011      | 2012      | 2013      | 2014      | 2015F     |
|--|-------------|---|-----------|-----------|-----------|-----------|-----------|
| Access to Recreation Facilities              | Quantity    | # of Low Income Access Cards issued (LAC)                           | 12,378    | 12,149    | 14,077    | 16,655    | 17,500    |
|  |             | % of LAC eligible residents in Vancouver (LICO)                     | 8%        | 8%        | 8.5%      | 13.8%     | 14.0%     |
|  |             | # of swim participants / attendees                                  | 2,678,220 | 2,803,591 | 2,842,622 | 2,829,644 | 2,880,000 |
|  |             | LAC swim usage  | 412,355   | 443,256   | 433,298   | 394,875   | 402,971   |
|  |             | % of total swims by LAC holders                                     | 15%       | 17%       | 15%       | 13.95%    | 13.99%    |
|  |             | # of facility hours available for indoor pools                      | 39,720    | 39,720    | 39,720    | 39,720    | 39,720    |
|  |             | # of participants for arenas (total attendance, excluding rentals)  | 289,958   | 288,280   | 273,016   | 282,214   | 283,000   |
|  |             | LAC usage for arenas  | 9,904     | 9,057     | 8,562     | 9,000     | 9,000     |
|  |             | % of total skates by LAC holders                                    | 3%        | 3%        | 3%        | 3.19%     | 3.18%     |
|  |             | # of facility hours available for arenas (incl. dry floor)          | 48,550    | 45,180    | 47,572    | 47,000    | 47,000    |
|  |             | # of hours of outdoors sport facility usage                         | 144,888   | 138,748   | 110,798   | 113,185   | 115,000   |
|  |             | # of outdoor sport facility permits                                 | 1,395     | 1,449     | 1,475     | 1,550     | 1,600     |
|  |             | # of swims per capita - indoor pools (admissions, lessons, rentals) | 4.44      | 4.64      | 4.71      | 4.64      | 4.72      |
|  | Quality     | # of lifeguard interventions per 1000 swims                         | 7.8       | 9.0       | 11.1      | 11.0      | 11        |
|  |             | Average annual utilization rate (usage per hour for rinks)          | NDA       | 59%       | 60%       | 60%       | 62%       |
| # of lifeguard interventions at indoor pools |             | 209   | 251       | 257       | 264       | 260       |           |

### Recreation Programming

As the Park Board continues to promote the network of facilities and programming opportunities, add value to OneCard, and support system enhancements through ActiveNet, it is anticipated that the number of recreation classes at community centres, enrollments in community centre and learn-to-swim programs, and the number of swims per capita in indoor pools will all see slight increases in 2016. Significant increases will result as facility additions or renewals are made.

| Service                | Metric Type | COV Metric  | 2011   | 2012    | 2013    | 2014    | 2015F   |
|------------------------|-------------|---|--------|---------|---------|---------|---------|
| Recreation Programming | Quantity    | # of recreation classes offered across network of community centres | NDA    | 22,098  | 23,361  | 21,966  | 22,500  |
|                        |             | average # of recreation classes offered per community centre        | NDA    | 960     | 1,015   | 955     | 978     |
|                        |             | Average # of registrants per community centre class                 | NDA    | 7.84    | 8.6     | 9.5     | 9.3     |
|                        |             | Registrants in community centre programmes                          | NDA    | 173,297 | 200,922 | 209,278 | 210,000 |
|                        | Quality     | # of enrollments in learn-to-swim programs                          | 49,710 | 52,363  | 46,133  | 45,789  | 46,500  |

## SUMMARY

The purpose of this report is to present the Operating Budget final estimates of revenue and expenditures for 2016 to the Park Board for approval, and to request Board approval of the 2016 Capital Budget, which includes new Capital programs/projects and associated funding requests, and 2016 capital expenditures for continuing (carry forward) programs/projects.

The Park Board proposed Operating Budget includes total expenditures of \$115 million, an increase of \$1.8 million, or 1.6% over the 2015 approved budget. This expenditure budget increase is to be funded through a \$1.4 million increase in net fee and program revenues, and \$0.4 million funded from tax-based revenue.

The Operating Budget for 2016 is a balanced budget that takes into consideration the forecast of the 2015 annual results, as well as the costs of new programs and services and increased fixed expenses. Both Operating and Capital budgets are focused to support the strategic directions, goals, and objectives of the Board's 2015-2018 Strategic Plan that was the result of an extensive public and staff consultation.

The proposed 2016 Operating and Capital Budget has been posted on the City of Vancouver public website: <http://vancouver.ca/files/cov/vancouver-draft-2016-budget.pdf>. The section that pertains to the Park Board's budget (pages 172-190) is for Board review and approval.

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/clc