



Date: April 20, 1999

**TO: Board Members - Parks and Recreation**  
**FROM: General Manager - Parks and Recreation**  
**SUBJECT: 1999 Budget**

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## RECOMMENDATION

THAT the Board approve the 1999 Basic, Added Basic Budget, New and Non Re-curring Budget and Supplemental Budgets as per Appendix I, II, III and IV.

## BACKGROUND

The 1999 Preliminary Basic and Added Basic Budget has been completed by staff using the normal rules under the global budget methodology as outlined below.

On March 24, 1992, Council adopted the principles of a global budget for the Park Board and approved a funding base for 1992. The 1992 base took into consideration the basic operating revenues and expenditures that supported the current levels of programming and services offered by the Board. Having established this first global base budget for 1992, the intent was that in subsequent years the Park Board would receive inflationary adjustments consistent with those made available to other departments. For example, the City will continue to provide for the cost of salaries associated with established positions and will adjust the base for the cost of negotiated salary, wage and fringe benefit increases. In addition the Board is entitled to the same inflation rates on other operating costs that are generally provided in the budgeting process. The above process establishes the Basic Budget each year.

- (a) **Basic Budget** - In October, 1998 City Council, when reviewing the 1999 preliminary estimates, instructed staff to develop a plan for managing budget and tax increases. In developing the plan for 1999, Council has made reductions to funding levels in departmental budgets sufficient to hold the tax increases for City services to inflationary levels. These changes reduced funding levels in the budget by \$3.5 million. The Park Board's target share of the figure is \$367,000. At its workshop meeting on January 4, 1999 the Board approved expenditure reduction initiatives totaling \$472,016. These adjustments have been included in the 1999 Base Budget that is being recommended in this report.

In addition, under the new Global Budget arrangement, the remainder of the budget is established as follows:

- (b) **Added Basic** - These are primarily new costs associated with new parks and facilities which have been added under the capital construction program. These new operating costs are normally identified as part of the Capital Budget submission and are approved by Council along with the capital programs. Once the project is complete, these will become part of the basic budget.
- (c) **New and Non Recurring Budget** - Funding for new or replacement furniture and equipment is requested separately from the basic budget. This is due to the fact that these expenditures are "one time" costs and, therefore, should not be included in the ongoing basic budget. Under the global budget arrangement, the Park Board will receive a block of funding each year. The Board will then establish its own priorities in allocating this funding to individual NNR projects. The block funding is established after Council has reviewed the preliminary budget and determined the level of total NNR funding for all departments that can be afforded for the year. Once this total is established Parks will receive its historical proportional share.
- (d) **Supplemental Budget** - These request represent new and/or expanded programs and are increases in present service levels. The main source of funding for the supplemental request under the new Global Budget arrangements are:
- Relocations of funding from existing programs, and/or
  - Raising of new revenues.

The Board has been fully authorized by Council in both of these areas. Council has delegated unlimited authority to the Board to transfer funds within the global operating budget. Also Council has agreed that the Board will have the option of generating new revenues in order to enhance its service levels. This arrangement includes the sharing of these revenues with 1/3 to City and 2/3 to the Board. In regard to 1999 there appears to be little opportunity for the Board to fund new initiative from new revenues.

## DISCUSSION

### 1. **Basic Budget**

It is under the methodology outlined above that the 1999 Basic Budget was prepared. It represents the 1998 approved basic budget inflated to reflect 1999 dollar equivalents. It also includes the \$472,016 in budget reductions approved by the Board on January 18, 1999.

The inflation rates used are those set by the City for all departments and are at 1% for both expenditures and revenue.

Appendix I outlines the 1999 basic budget request based on the above. A more detailed breakdown of all expenses and revenues by district and program is included in Appendix I.

The increase in the 1999 Basic Budget over the 1998 approved budget (adjusted for inflation and the budget reduction program) amounts to \$56,636 (as per Appendix I attached). This increase is primarily attributable to the additional funding provided by the City to recognize salary cost increases due to position reclassifications (\$51,860) and inflationary increases (\$371,676) which are offset by budget reductions (\$367,000).

## 2. **Added Basic Budget**

As indicated previously the added basic items represent new operating costs associated with the Capital additions to the Parks system. In 1999 this amounts to \$457,330 for items described in Appendix II. These requests have been reviewed with City finance officials and are approved for addition to the basic budget.

## 3. **New and Non Recurring Budget**

The City has allocated \$1.75 million to total NNR funding for 1999. Based on the Board's historical share, the 1999 level has been established at \$700,000. Staff have reviewed this allocation in relation to the total City NNR funding and are satisfied that the Board has been treated equitably. A summary by major category of the 1999 NNR recommendation is as follows:

	<b>1999 RECOMMENDED</b>
Planning	\$3,000
Operations	150,000
Corporate Services	29,000
Income Operations -	
Queen Elizabeth District -	\$50,400
Vancouver East District -	116,100
Stanley District -	153,100
Total Income Operations:	319,600
Recreation	198,400
	<u><u><b>\$700,000</b></u></u>

Staff have reviewed the projects originally submitted and prioritized these items within the funding level proposed. Appendix III attached provides details of all 1999 NNR projects being recommended by staff.

4. **Supplemental Budget** - in the amount of \$181,900. The requests for new and/or expanded services are outlined in Appendix IV. As previously indicated, it appears that there is no funding available in 1999 to implement any of these requests.

## **JUSTIFICATION**

The Budget submission has been prepared in accordance with established City budget guidelines and total funding requested is within the City's 1999 funding target for the Park Board.

Prepared by:  
Corporate Services Division  
Board of Parks and Recreation  
City of Vancouver  
Attachments. AH/lw

**CITY OF VANCOUVER  
BOARD OF PARKS AND RECREATION  
SUMMARY OF 1999 OPERATING BUDGET**

	(1) 1998 ORIGINAL + ADDED BASIC -B.R.P. \$	(2) (note 1*) 1999 BASIC BUDGET \$	(3) INC <DEC> (2) - (1) = (3) \$      %
<b>ADMINISTRATION</b>			
Basic Budget	2,062,500	2,388,686	326,186
Added Basic	<u>                    </u>	<u>61,480</u>	<u>61,480</u>
Total Administration	<u>2,062,500</u>	<u>2,450,166</u>	<u>387,666</u> 18.8
<b>PLANNING &amp; OPERATIONS</b>			
Basic Budget	10,954,000	12,619,900	1,665,900
Added Basic	<u>                    </u>	<u>51,400</u>	<u>51,400</u>
Total Planning & Operations	<u>10,954,000</u>	<u>12,671,300</u>	<u>1,717,300</u> 15.7
<b>STANLEY DISTRICT</b>			
Basic Budget	5,597,025	6,976,800	1,379,775
Added Basic	<u>                    </u>	<u>127,600</u>	<u>127,600</u>
Total Stanley District	<u>5,597,025</u>	<u>7,104,400</u>	<u>1,507,375</u> 26.9
<b>QUEEN ELIZABETH DISTRICT</b>			
Basic Budget	9,867,108	8,658,300	(1208,808)
Added Basic	<u>                    </u>	<u>160,100</u>	<u>160,100</u>
Total Queen Elizabeth District	<u>9,867,108</u>	<u>8,818,400</u>	<u>(1,048,708)</u> (10.6)
<b>VANCOUVER EAST DISTRICT</b>			
Basic Budget	9,418,067	7,311,650	(2,106,417)
Added Budget	<u>                    </u>	<u>56,750</u>	<u>56,750</u>
Total Vancouver East District	<u>9,418,067</u>	<u>7,368,400</u>	<u>(2,049,667)</u> (21.8)
<b>TOTAL BASIC AND ADDED BASIC</b>	<u><u>37,898,700</u></u>	<u><u>38,412,666</u></u>	<u><u>513,966</u></u>
<b>SUMMARY</b>			
Basic Budget	37,898,700	37,955,336	56,636
Added Basic	<u>                    </u>	<u>457,330</u>	<u>457,330</u>
Total Operating Budget	<u><u>37,898,700</u></u>	<u><u>38,412,666</u></u>	<u><u>513,966</u></u>

\* **NOTE 1: 1999 Basic Budget has been adjusted to reflect change in organization structure and discontinuation of inter-departmental charges.**

## APPENDIX II

**BOARD OF PARKS AND RECREATION  
1999 ADDED BASIC - SUMMARY**

A. Administration	\$	
1 Telephone charges for new and upgraded computer connections in community centres, pools and ice arenas:	13,860	
2 Annualization of salary costs for Information Technology Network staff hired in later part of 1998:	38,620	
3 Point of sale/photo ID software maintenance:	<u>9,000</u>	
Total Administration	61,480	
B. Ground maintenance cost increases in major and general parks due to increases in facilities and space.		
Stanley District:	84,800	
Vancouver East District:	22,750	
Queen Elizabeth District:	96,600	
Planning & Operations:	<u>51,400</u>	
Total:	255,550	
C. Facility maintenance cost increases in community centres and recreation facilities		
Stanley District:	42,800	
Vancouver East District:	34,000	
Queen Elizabeth District:	<u>63,500</u>	
Total:	140,300	
<b>TOTAL ADDED BASIC</b>		<b><u><u>\$457,330</u></u></b>

## APPENDIX III

**BOARD OF PARKS AND RECREATION  
SUMMARY OF 1999 NNR BUDGET**

<b>Operations:</b>	Langley Tree Farm - Double walled diesel fuel tank to comply with WCB regulations	\$3,000	
	Sunset Nursery - remove contaminated soil	10,000	
	Queen Elizabeth Park/Bloedel Conservatory - install full arrest system and re-seal leaking dome glazing panels	25,000	
	City wide earthquake measures - strap down hot water tanks	24,000	
	West Point Grey - upgrade fire alarm system	40,000	
	Van Dusen Garden - improve lighting and signage for garden shop	8,000	
	Van Dusen Garden - purchase new tables for hall rentals	10,000	
	False Creek Area - install remote control irrigation system	30,000	
	<b>Total</b>		<b>150,000</b>
<b>Planning &amp; Operations</b>	1 personal computer	3,000	
	<b>Total</b>		<b>3,000</b>
<b>Recreation Facilities</b>	Fitness Equipment - Replacement plan - replace worn out or obsolete equipment	50,000	
	Kitsilano & Sunset Parks - Replace skate sharpeners	25,000	
	Replace/renovate flooring in a number of locations	40,000	
	Renfrew Community Centre - Acoustic treatment of Room 102	15,000	
	Vancouver Aquatic Centre - Family dressing room access	8,500	
	Riley Park Community Centre - add air handling unit	7,000	
	Marpole-Oakridge Community Centre - rebuild sauna	10,000	
	Champlain Heights Community Centre - convert racquet court to cardio room	5,000	
	Sunset Ice Rink - tempered glass for boards	6,700	
	Trout Lake Community Centre - hot water heater	22,000	
	Strathcona Community Centre - renovate office	3,000	
	Kitsilano Community Centre - safe replacement	6,200	
	<b>Total</b>		<b>198,400</b>

<b>Queen E. District</b>	Burrard Marina - 2 dinghy floats	6,850		
	- 1 fax/copier for office	1,150		
	Queen Elizabeth Pitch & Putt - redevelopment of interior counters & display areas	40,000		
	Street signs	2,400		
	<b>Total</b>		<b>50,400</b>	
<b>Vancouver East District</b>	Golf reservation system	43,600		
	Golf operations - ranger's cart for Fraserview	7,000		
	- security grills on east window of pro-shop	1,000		
	Golf Clubhouses - lighting poles for Langara car park	17,800		
	- patio furniture replacements at Langara	6,000		
	- charbroiler for McCleary kitchen	1,400		
	- food services equipment	4,200		
	- major glazed bulletin board for Fraserview	1,000		
	- one computer for Langara clubhouse	3,500		
	- 2 cash registers for driving range pro shop	1,600		
	- redevelop basement of Fraserview pro shop into office	10,000		
	Rupert Pitch and Putt - redevelop counter and display area	19,000		
		<b>Total</b>		<b>116,100</b>
	<b>Stanley District</b>	Painting of concession facilities	23,000	
Security alarm systems in 9 concessions		10,000		
Coffee makers at 8 locations		8,500		
Cappuccino machine for Spanish Banks East concession		6,800		
1 high capacity hot water urn for Children's Farmyard concession		2,000		
8 umbrellas for outdoor seating		13,400		
Kits Pool concession - 4 sets of plastic patio tables & chairs		1,500		
Outdoor gas heaters for 4 concessions		13,500		
Replacement of 2 fish fryers at Kitsilano Pavilion		12,500		
Replacement of 2 potato chippers at Sunset Beach & Lumberman's Arch		13,700		
Replacement of 3 microwave ovens		3,000		
Refrigeration equipment upgrade/replace at Westbank & English Bay	10,600			



	Ice machine replacement at Kits Pavilion	7,600	
	Display improvements at Third Beach	2,000	
	Miniature Train - upgrading of track	<u>25,000</u>	
	<b>Total</b>		<b>153,100</b>
<b>Corporate Services</b>	Computer projection panel	8,000	
	Vancouver Aquatic Centre - alarm system	9,500	
	Office equipment and furnishings	5,000	
	Laptop computer	<u>6,500</u>	
	<b>Total</b>		<b><u>29,000</u></b>
<b>Total NNR Budget</b>			<b><u><u>\$700,000</u></u></b>

**BOARD OF PARKS AND RECREATION  
1999 SUPPLEMENTAL REQUEST - SUMMARY**

	\$
<b>Recreation</b>	
1 Mount Pleasant Community Centre - Youth Worker	18,000
2 Renfrew Park Community Centre - Youth Worker	25,000
3 Douglas Park Community Centre - Youth Worker	25,000
4 Kerrisdale Community Centre - Youth Worker	25,000
5 West Point Grey Community Centre - Recreation Programmer	24,500
6 Dunbar Community Centre - Janitorial Help	11,000
7 Mount Pleasant Community Centre - Cashiers	8,000
8 Thunderbird Community Centre - Added Building Supervision	11,200
9 Mount Pleasant Community Centre - Janitorial Help	4,000
10 Kensington Community Centre - Increased Auxiliary Janitorial Service	16,500
11 Beaches & Outdoor Pools - Additional Lifeguard Training	7,200
12 West End Community Centre - Vacation Replacement for Maintenance Staff	<u>6,500</u>
<b>TOTAL SUPPLEMENTAL REQUESTS</b>	<u><u>\$181,900</u></u>