

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

DATE OF MEETING: September 26, 2005

ATTENDEES: Park Board Commissioners

Commissioner Anita Romaniuk, Committee Chair

Commissioner Heather Deal

Commissioner Loretta Woodcock

Park Board Staff

Anita Ho

Director of Corporate Services

Meg Elliott

Senior Business Analyst

Barbara Joughin

Recorder

The meeting was called to order at 7:10 pm. The Agenda for the meeting was as follows:

1. Review of meeting minutes of July 14, 2005
2. Review of August 2005 Operating Statement
3. 2006 Operating Budget
4. 2006 Fees and Charges

1. Review of meeting minutes of July 18, 2005:

The minutes of the Finance Committee of July 18, 2005 were adopted as presented.

2. Review of August 2005 Operating Statement

Anita Ho reported the operating statements of the Park Board as at August 30, 2005 (66.6% of the year), and reviewed revenues, expenditures and details of concern by district and department.

In the first eight months of 2005 the Park Board spent \$35,573,790 of a total budget of \$53,443,216. Gross revenues are \$23,112,304 (69.6% of budget), and gross expenditures are \$58,686,095 (67.7% of budget). Overall, net expenditures are \$35,573,790, and at 66.6% are on budget for the year.

Poor weather conditions in the early summer contributed to lower than projected revenues for golf, parking and leases, and it is anticipated that by year end, the Board will experience a revenue shortfall in the range of \$100,000 to \$200,000. Overall, expenditures are higher than projected in most areas and activities with the exception of parking, administration, major parks, community centres and rinks, which are below 2004 expenditures. Staff will continue with cost saving measures that do not affect service levels in order to balance the predicted shortfall in revenues by year-end.

Staff told the Committee that the City is facing a double digit increase in the cost of winter heating fuel. Council has asked the Board for an eight month budget review, which will be provided after it has been reported to the Board on October 17, 2005.

Discussion

- A member of the Committee asked if revenues for all pitch and putt courses have increased and staff said that while all are up, the increase at the Queen Elizabeth course exceeds \$10,000.
- If the Bloedel Conservatory project completion in Queen Elizabeth Park is delayed, lost revenues will be incorporated into the 2006 Added Basic request to the City.
- The Committee reviewed the NNR Budget summary and had questions on several items.

Recommendation:

The Finance Committee reviewed the financial operating statement as at August 31, 2005 and recommended that the information be reported to the Board at the October 17, 2005 meeting.

3. 2006 Operating Budget

Anita Ho provided the Committee with an outline of the Operating Budget process and overall timeline for 2006, and reviewed the Budget Open Houses that were held in the past two years. The advantages and disadvantages of previous approaches to public consultation on the budget were summarized, and staff asked the Committee for advice on the planning and delivery of the Park Board Budget public consultation process for this fall.

Staff recommended that the Board consider a different approach to the budget public consultation process this year that would provide a longer and more open process that takes advantage of the Park Board website. Information packages could be prepared and placed online and in community centres and feedback gathered, and the savings could be directed toward additional advertising.

Discussion:

- A member of the Committee expressed concern about losing the momentum that has been gained in the past two years and the group discussed different barriers to public participation.
- The group explored the idea of distributing information about proposed Park Board initiatives and the budget, and the comparative cost of holding public meetings and distributing information packages. Information could be made available through all Park Board facilities and other public buildings such as libraries as well as via the Park Board website and direct mail to stakeholders.
- A member of the Committee suggested that a Finance Committee meeting could be expanded into a public meeting to present information that has been collected and collated for public comment and feedback

Conclusion

Staff will prepare information packages and an invitational cover letter for distribution via community centres and other public venues and a directed mailout to stakeholders. Information that is gathered will be collated and presented at a Finance Committee public meeting, and public feedback requested.

4. 2006 Fees and Charges

According to the Vancouver Charter, the Park Board must submit a balanced annual budget. This may be achieved by adjusting fees and charges, managing expenditures or reducing programs. Anita Ho introduced a discussion about the 2006 Fees and Charges by describing the 2006 Budget Target Calculation, which includes the inflationary adjustments for expenses (received by the Park Board from the City), and revenues and recovery adjustments (received by the City from the Park Board). The inflationary adjustment given to the Park Board for the 2006 base operating budget is \$2,765,350 (3.2%) and the amount that the Park Board is required to raise through revenue recovery (increased fees and charges) is \$1,004,620 (2.75%).

Anita Ho presented the Committee with the 2006 fees and charges that have been prepared and recommended by staff as part of the Board's global budget arrangement with the City. She told the Committee that staff carefully considered impacts to users and the market as well as comparative fees and charges of other cities in the development of the recommendations.

Meg Elliott described revenues by area and noted where increases are proposed. There is a projected shortfall in golf revenues for 2006 of \$240,000–490,000 and staff propose a small increase in weekday rates at all three golf courses in order to maintain market share and maximize revenues. Driving range fees are recommended to increase to fair market value. A member of the Committee requested information about the number of annual pitch and putt passes that are sold to seniors. The only changes in parking fees for 2006 include an increase at Vanier Park for annual parking passes and the implementation of the next phase of increases for bus parking that were approved in 2005. To get pool admission rates more in line with current market rates, three changes are proposed for pools:

1. increase general admission rate by 5.5%
2. keep flexipasses at 2003 rate
3. introduce a tiered rate structure with the opening of Killarney Pool

Discussion

- A member of the Committee expressed concern that an increase in the admission rates for pools would be a barrier for low income users and staff clarified that the increase was for single-use admissions only. The cost of flexipasses and strips will remain the same and their use will be promoted because regular users who buy these will pay a lower fee per use than if they purchased a general admission.
- Staff informed the Committee that they are developing a marketing plan for the Board's services and programs to advocate active healthy living, including posters in bus shelters and public buildings and advertising in the Courier newspaper.
- The group discussed the need to find other sources of money and staff reported that in a ten-month trial position, the fundraising and development coordinator raised \$600,000. However, because these funds are not available as general revenue, there is a need to do more donor cultivation for contributions that can be used in support of the whole organization.

Summary:

The Finance Committee reviewed the proposed 2006 Fees and Charges and recommended that they be sent to the Board on October 17, 2005 for consideration and approval.

5. Next Meeting:

The meeting was adjourned at 9:25 pm. The next Finance Committee meeting is tentatively scheduled for November 7, 2005, time to be announced. Possible agenda items include:

- Operating Statement October 2005
- Frasersview Cell Tower