

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

DATE OF MEETING: February 13, 2006

ATTENDEES: Park Board Commissioners

Commissioner Marty Zlotnik, Committee Chair
Commissioner Ian Robertson
Commissioner Loretta Woodcock
Commissioner Heather Holden

Park Board Staff

Anita Ho	Director of Corporate Services
Lori MacKay	Director of Vancouver East District
Ron Caswell	Manager of Operations, Vancouver East District
Howard Normann	Supervisor of Golf Operations
Meg Elliott	Senior Business Analyst
Barbara Joughin	Recorder of Minutes

Delegations

Joseph King	Rogers Wireless
Bill Tracey	System Engineering Ltd.
Milt Bowling	
Rick Evans	
Bob Prosser	
Lorna Gibbs	
Dan Huzyk	

The meeting was called to order at 5:00 pm. The Agenda for the meeting was as follows:

1. Rogers Cell Tower – Fraserview Golf Course
2. 2005 Operating Budget Year End Position
3. 2006 Operating Budget

1. Rogers Cell Tower – Fraserview Golf Course:

Lori MacKay told the Committee that in 2004, Rogers Wireless submitted a proposal for the installation of a 45 meter monopole antenna tower at Fraserview Golf Course. She told the Committee that Park Board policy allows utilities on Park Board land provided it doesn't interfere with park purposes, and that although there are existing tower installations in parks, this proposal is unique because it proposes a freestanding tower. A technical review and a public consultation process were conducted. Concerns about the proposed installation include: negative impacts on the environment and aesthetics; commercialization in parks; and a perception of health risks associated with long term exposure to radio frequencies. Benefits include providing additional annual revenue for the Park Board and improved cell phone reception in the area.

Delegations:

- Joseph King told the Committee that Rogers Wireless proposed a cell tower site at Fraserview Golf Course to improve coverage in the area for their customers. He spoke about the visual impact of the proposed tower on the golf course and surrounding area, and noted that they were proposing a tapered monopole design to minimize the visual impacts. He commented that he had provided the Board with a letter from Vancouver's Chief Medical Health Officer, Dr. F.J. Blatherwick, stating the installation of cellular antennas in the community do not pose an adverse health risk.
- Bill Tracey told the Committee that he is a consultant to Rogers Wireless on the safety of radio frequency signals from the proposed antenna. He said Safety Code 6 is the proper safety standard to apply, there is evidence that there are already installations operating safely, and there are no scientific or ethical reasons why this application should not be assessed in the same way previous applications have been approached.
- Milt Bowling expressed concern about potential health risks associated with long term exposure to non-thermal radio frequencies (RF), and told the Committee that the current exposure guidelines in Safety Code 6 are based on acute, heat-based exposure, and do not apply to the effect of long term exposure to RF signals on living cells. He asked the Committee to consider the Board's potential liability for harm from long-term, low-level exposure to RF emissions.
- Rick Evans told the Committee that he is concerned about setting a precedence for business to gain a benefit from use of park land.
- Bob Prosser and Evelyn Ng are concerned about the risk of long term exposure to RF radiation from the tower, especially in a stable community with long-term residents, as well as the potential reduction of property values due to diminished aesthetics in this residential area. He said that the proposal externalizes the costs to the community with no compensation and creates an unfair burden.
- Norma Gibbs suggested that the Park Board would better serve the community by protecting public land for healthful recreational purposes than by approving installation of a questionable radiation source.
- Dan Huzyk told the Committee that public process has not been properly followed, and expressed concern about the risks of long-term accumulative exposure to cellular transmitters. He said that the installation of a cellular tower is a public health issue, and asked the Committee to protect property rights and citizens' health over corporate interests with a moratorium to allow time to prepare studies.

Discussion:

A member of the Committee asked staff if emergency services have experienced coverage problems in the area and staff responded that there were anecdotal references to dropped calls from citizens but no specific comment from EMR.

Members of the Committee commented: that it is an unfortunate situation that went too far; challenged with the aesthetics of a tower structure within parks; would set a precedent for considering future towers in parks; has a Rogers cell phone that worked in the area so doesn't see it as a service issue; not against cell phone towers in parks, but a tower in this particular location is not appropriate; not an issue about cell towers in parks; doesn't like the aesthetic at that location.

Recommendation

Commissioner Robertson moved that the cell tower proposal not move forward. The motion was seconded by Commissioner Woodcock, and all were in favour.

2. 2005 Operating Budget Year End Position

Anita Ho provided the Committee with a report on the Board's unaudited 2005 Year End financial position. The Park Board had a surplus of \$541,489 at December 31, 2005.

2005 revenues were \$18,317 above budget. There were budget shortfalls in golf (\$821,000), concessions (\$136,000), parking (\$23,200), leases (\$21,300), and Bloedel Conservatory (\$405,200). However, revenues were above budget in several other areas, including indoor pools (\$166,000), special events and films (\$131,000), outdoor pools (\$123,000), and rinks (\$122,000). 2005 expenditures were \$523,173 below budget, due primarily to savings of \$427,000 in utility and city equipment costs, which are fully funded by the City.

Staff compared 2005 actual revenues and expenses to 2004. The overall increase in 2005 revenues from 2004 was \$1,045,000, or 3.2% (the Board's 2005 inflationary increase in fees was 2.75%). Overall spending in 2005 increased by \$2.5 million, or 3.0% over 2004.

The increases are related to inflation, new capital expenditures (Added Basic), and changes in programming and services.

Discussion

- A member of the Committee asked why there was such a large savings in fuel costs and staff explained that 2005 actual fuel rates were lower than what were projected at the time the budget was prepared. In addition, staff have closely monitored how to conserve fuel, and apply sustainability and conservation practices.
- The group discussed the increase in pool revenues. Staff suggested that the increase could be a result of introducing on-line registration, and of promoting active and healthy living through marketing initiatives such as "Go Play". Pool revenues may continue to rise with the opening of two new pools at Killarney and Renfrew.
- A Commissioner asked for information on how the corporate sponsorship fund and donations are reported. Staff clarified that these funds are not included in day-to-day operating budgeting but are designated as trust funds that are held in reserve and reported separately to the Board on request.

A member of the Committee requested that staff provide information about the implications of the newly implemented ethical purchasing policy, and on the Board's concession revenues for 2003, 2004, and 2005.

3. 2006 Operating Budget

Anita Ho introduced the Committee to the Park Board's budget cycle, starting in August when the inflationary adjustment is set and base-budget changes are summarized. The net inflationary increase for 2006 is \$1,453,184 (revenues \$1,158,350, expenses \$2,611,534). The Board's Added Basic request of \$879,100 was submitted to the City Budget Office in September, and an addition late submission of \$199,500 (repairs to Fraserview Golf Course sewer) was approved in November, for a total Added Basic request of \$956,800.

In October 2005, the Board received its reduction target of \$1.8 million from the City Budget Office. On January 31, 2006, the preliminary 2006 budget report was submitted to City Council. The Park Board's 2006 net budget request is \$55,205,700. The requested increase for 2006 is \$2,410,000 (4.56%), of which \$1,453,200 is for inflation and \$956,800 is Added Basic.

Commissioners and Park Board staff attended a budget workshop on February 9, 2006. There will be a special City of Vancouver public meeting on the 2006 City operating budget on March 22, 2006, and on April 4, 2006, Council will decide the Park Board's 2006 budget and percent increase of property taxes. Staff noted that it is difficult at this time to outline responses to the final budget, but they will seek to meet any reduction with minimal impact on services.

Discussion

- The group discussed deferred maintenance and staff explained that it could be covered under Added Basic, Major Maintenance, or the Capital Budget.
- A member of the Committee asked for information about resources that are dedicated to marketing the Board's services. Staff described the internal marketing committee that is comprised of the Board's communication office, recreation managers, and programming staff from the Board's three program areas (pools, rinks, and fitness). Over the past two years, they received training in marketing, and are taking an entrepreneurial approach to new initiatives when they recognize an opportunity in their field.
- Staff informed the Committee that the City provided about \$16,000 for training and staff development in marketing in 2004 and 2005, in addition to staff time.
- A member of the Committee noted that managing revenues requires a specialized skill set and suggested that revenue results may differ between specialized marketing staff approaches and initiatives from non-marketing staff. The group discussed the costs and benefits of using front line staff who understand their market and who design programs to meet their customer's needs, and bringing in the specialized skills of dedicated marketing personnel, with the associated financial implications of creating a new position.
- A member of the Committee reminded the group that the Rink Task Force worked collaboratively for two years to set rink prices and schedules and said it would not be a benefit if the results of this process were changed by a market-oriented perspective.

- A Commissioner inquired whether revenue generation is part of the core service review that is intended to review which basic levels of service should be publicly funded. Staff noted that Terms of Reference are currently being developed for this process.

Next Steps

The Committee requested that staff explore how to improve the marketing of the Board's revenue-generating programs and report back to the Committee with a proposal on how to proceed.

Park Board Budget Public Consultation

Meg Elliott described the results of the public consultation on the 2006 budget that took place from October to December 2005. She explained that in October 2005, the Finance Committee approved that the 2006 Budget consultation be held, discussed different options for the format of the consultation, and requested that staff prepare an information package, "Dollars and Sense", for distribution via advertising in local newspapers, posters at community centres, email, and the website. Staff developed a survey and gathered 30 responses, the same number as were gathered from the 2005 Budget Open House process.

Discussion

- The group discussed the value of requesting public feedback on the Board's annual budget, given the low rate of response, and staff noted that other public sectors such as health and education experience similar low levels of involvement in public processes around budgets.
- Different approaches to the public consultation on the budget were discussed and staff informed the Committee that this year's approach provided broader delivery and the longest consultation period for the least expense.
- A Commissioner requested information about how the survey questions have changed over time, and a member of the Committee requested that the new Board be provided with copies of the "Dollars and Sense" information package.

4. Next Meeting

The meeting was adjourned at 7:25 pm. The next Finance Committee meeting is scheduled for March 27, 2006 at 7:00 pm.