

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

**DATE OF MEETING:** June 19, 2006

**ATTENDEES: Park Board Commissioners**

Commissioner Marty Zlotnik, Committee Chair  
Commissioner Ian Robertson  
Commissioner Loretta Woodcock  
Commissioner Allan De Genova  
Commissioner Heather Holden  
Commissioner Korina Houghton

**Park Board Staff**

Susan Mundick	General Manager
Anita Ho	Director, Corporate Services
Lori MacKay	Director, Vancouver East District
Terry Walton	Manager of Recreation Services, Stanley District
Philip Josephs	Manager of Revenue Services
Doug Taylor	Recreation Service Co-ordinator, Sports Facilities
Barbara Joughin	Committee Secretary

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

1. Approval of May 29, 2006 Meeting Minutes
2. JCC Maccabi Games – Update
3. 2006 Budget Initiatives – Update
4. Indemnity Agreement – Update
5. Prospect Point Lease Renewal
6. 2006 Fees and Charges

**1. Approval of May 29, 2006 Meeting Minutes:**

The minutes of the May 29, 2006 meeting were approved as presented.

**2. JCC Maccabi Games – Update**

Commissioner Zlotnik declared a conflict with this item and excused himself from this part of the meeting. Commissioner Robertson took the Chair.

Brenda Karp gave a presentation on the JCC Maccabi Games that will be hosted by the Jewish Community Centre of Greater Vancouver from August 13-16, 2006. She told the Committee that 1400 13-17 year old athletes from around the world will join 300 local athletes to compete in twelve different team and individual sports. The sporting event includes “Days of Community Spirit” that require each participating athlete to provide a half day of service to the community. Some athletes will serve at nursing homes, some with a recycling project, and 120 athletes a day will pull ivy in Stanley Park for five days.

The event involves 300 volunteers and about 100 staff, and has a budget of \$2.3 million. The biggest challenge has been to find the venues to host the different sporting events, which will be held in 18 different venues in Richmond and Vancouver. Another challenge has been to find host families with beds for the youth.

#### Discussion

The Committee asked where the different venues are located and the delegation explained that Richmond will host swimming, track and field, in-line skating, soccer, bowling, and golf while baseball, basketball, tennis, and all the celebrations will take place in Vancouver. A Commissioner asked for more details about host families.

Ms. Karp provided a handout of the scope and history of games and thanked the Board for its support.

Commissioner Zlotnik returned to the Chair at this time.

### **3. 2006 Budget Initiatives – Update**

At the May 29, 2006 regular Board meeting, staff were requested to report back to the Finance Committee on the impacts of the reduction of hours for support staff at community centres in all three Park Board Districts.

Anita Ho reported to the Committee that reducing auxiliary staff hours of work by rescheduling fulltime staff will achieve efficiencies of \$113,000 this year. She outlined the budget reductions for each community centre, identified the reduction in hours for each auxiliary position, and reported that the impact on service is minimal.

#### Discussion

A member of the Committee inquired about the average weekly reduction and staff replied it represents a difference in auxiliary staff hours of 4-8 hours per week.

### **4. Indemnity Agreement – Update**

Anita Ho provided an update on the Indemnity Agreement (the Agreement) between Community Centre Associations (CCAs), the Park Board, and the City of Vancouver. She presented information on the terms of the Agreement and its conditions of coverage, and described the processes and timeline of the development of the Agreement.

The Agreement states that each program must be approved in writing by the General Manager of the Board and must comply with the guidelines of the Board. The coverage is at no cost to the CCAs and may be extended to eligible affiliated organizations. Pending on the definition of recreation programs, exceptions to coverage under the Indemnity Agreement may include licensed daycare, health clinical services, education programs for certification purposes, and third party rental.

Prior to the signing of the Agreement in 2000, Risk Management Guidelines were put in place to define coverage of approved programming by CCAs or affiliated organizations. The Agreement itself is still subject to the Risk Management Guidelines, which were updated in 2005 and shared with the CCAs and staff. A committee was formed with representation from CCAs and Park Board staff to clarify insurance coverage, and recently, the Association Presidents Group has expressed concern about the gaps in coverage under the Agreement.

Staff told the Committee that they are currently engaged in a process to:

- clarify with the City what is not covered by the Agreement
- find a way to ensure written evidence is in place
- work with CCA to find solutions

### Delegations

1. Elizabeth Snow told the Committee that many CCAs are concerned about the scope of coverage under the Indemnity Agreement and how communications about the issue have occurred. She spoke about the importance of respect and proper communication in the relationship between the CCAs and the Park Board. She noted that the role of the Vancouver School Board with regard to educational programs delivered at community centres needs to be formalized.
2. Rick Archambault expressed concern about the nature of communications from senior staff and said there has been a lack of consistency in what has been communicated resulting in uncertainty and anxiety about what is covered by the Agreement. He is concerned that changing the definition of recreation has placed some programs at risk. He requested that the Board ensure that policy is not changed at the staff level and that six months formal notification of any changes be provided.
3. Gayle Uthoff told the Finance Committee that CCAs were encouraged to offer well-being and community programs that are not recreational and commented that community centres are not just recreation centres. She said that as joint partners, the Park Board and the CCAs need to work together to cover the gaps, and she noted that taking out extra insurance is not an option for some CCAs.

Susan Mundick told the Committee that the City of Vancouver has jurisdiction over the indemnification coverage program that they provide for CCA programs, but while the Board may not change the Agreement, there are mechanisms in place for staff to request changes to the policy on behalf of the Board.

### Discussion

- The group discussed the perception of miscommunication on the issue and staff noted that a major objective of the Insurance Committee was to confirm and clarify coverage and ensure that it is in writing.
- A Commissioner asked for clarification on the definition of recreation under the Agreement and staff said that the definition has not changed but this condition has not been consistently enforced. Park Board staff worked carefully with Risk Management to make the definition as broad as possible and cover a wide range of programs.
- A delegation told the Committee that there is a perception that CCAs are expected to provide only recreation services. Staff noted that it was made very clear during the Joint Operating

Agreement process that community centre programs and services are much more than recreational. A member of the Committee assured the delegation that there has been no discussion at the Board level about limiting community centre activities to recreation.

- A member of the Committee expressed concern about the possibility of losing programs and staff replied that the preliminary review indicates that of the 17,000 programs delivered at all the community centres, over 90% are covered under recreation. Staff are currently listing the programs that are not covered by the Agreement in order to confirm with each CCA what is outstanding and to establish a process to cover the gaps, of which the most significant and complicated is childcare.
- A member of the Committee asked if childcare services are provided by Park Board staff and staff replied that it is delivered by CCA staff.
- The group discussed different suggestions for coverage for the CCAs that are without insurance for their childcare programs, including blanket coverage as a group, at CCA cost from the City, or through neighbourhood associations.
- A Commissioner asked what might be done for groups that can't afford insurance and staff reminded the Board that the Indemnity Agreement was put in place to provide \$5 million free coverage for recreation services.

#### Next Steps

By the end of June, staff will complete the review of programs offered by CCAs and communicate under the General Manger's signature which programs are and are not covered. Staff will follow up with the Director of Risk Management on how to proceed to cover the gaps in coverage. For future reference, Recreation Indemnification Seasonal Coverage forms will be distributed 6-8 weeks before program registration occurs to define in writing the coverage status of each community centre recreation program.

The Committee thanked the delegations for coming forward with their concerns.

#### **5. Prospect Point Lease Agreement**

Philip Josephs described the history of the Prospect Point Café in terms of the capital improvements that have been made by the leaseholder since 1984. He told the Committee that the Board generally grants restaurants five year lease renewal options with five year rent reviews. In November 2004, the Board granted the current operator one year to develop a business plan for a proposed renewal of the Prospect Point signal station. However, the leaseholder has now decided to renovate the existing café and not proceed with renewing the signal station, and is requesting a rent review to November 30, 2009 as well as an additional five year renewal option. In the past year, they have spent about \$366,000 in capital improvements, and an additional \$182,000 on furniture and equipment. A thorough site inspection was recently conducted by Park Board staff who report that the structure needs \$75,000 in maintenance and improvements to be carried out by the end of 2007.

Rents are calculated at 6% for gross revenues from restaurants and 10% from concessions and gifts. Based on sales at Prospect Point of 54% from the restaurant, 24% from the concession, and 22% from the gift shop, staff propose to keep the rent at Prospect Point at 8% of gross sales.

#### Discussion

- A member of the Committee asked if the percentage calculated on food sales includes liquor sales and staff replied that all rents now include alcohol.
- The group discussed how rents are determined when there is a mix of sales revenues at different locations. A member of the Committee asked if the rent at Prospect Point could be separated into two separate elements of 6% for restaurant sales and 10% for concession and gift sales in order to be consistent with rents charged in other locations. Staff noted that an effort is made to balance capital investment against what is charged for rent when lease agreements are developed.

#### Summary

The Finance Committee received the update on the Prospect Point Lease Agreement for information, and requested that staff review the formula for calculating rent for locations that have a combination of different revenues.

### **6. 2006 Fees and Charges**

Anita Ho reported that the federal government announced a 1% reduction in the GST effective July 1, 2006. She told the Committee that the Park Board's 2006 Fees and Charges were set when the GST was at 7%, and proposed that the 2006 Fees and Charges be reduced by 1% to reflect the changed GST rate and pass the savings along to the public.

Fees and Charges that will not be reduced include:

- fees that do not have a GST component, such as recreation lesson packages to children
- parking rates at meters that do not provide change

#### Recommendation

The Finance Committee recommended that the Board approve the proposed revision to the 2006 Fees and Charges schedule to reflect the 1% reduction in GST effective July 1, 2006.

### **7. Next Meeting**

The meeting was adjourned at 9:05 pm. The next Finance Committee meeting is scheduled for July 24, 2006.