

**Minutes of Meeting of the Board of Parks and Recreation
Services & Budgets Committee Meeting
Held at the Vancouver Park Board Office on
Tuesday, March 10, 2009**

ATTENDEES: **Park Board Commissioners**
Loretta Woodcock, Chair
Constance Barnes, Vice Chair
Aaron Jasper
Ian Robertson

Park Board Staff

Anita Ho	Director, Corporate Services
Liane McKenna	Director, Vancouver East District
Lori MacKay	Director, Queen Elizabeth District
Piet Rutgers	Director, Planning & Operations
Peter Kuran	Director, Stanley District
Meg Elliott	Senior Business Analyst
Octavio Silva	Manager, Business Development
Ron Caswell	Manager, Golf & Park Operations
Howard Normann	Supervisor, Golf Operations
Linda Brindley	Recorder

Guests

Allan Burnett, The Chapel at Stanley Park Enterprises Inc.
Fraser Mulholland, President, Vancouver Golf Tour

The meeting was called to order at 6:30 pm, with the following Agenda:

1. Approval of Minutes – February 10, 2009
2. Motion – Celebration Pavilion
3. Vancouver Golf Tournament
4. 2008 Year End Budget Position
5. Update on Budget Directives

1. Approval of Minutes

The minutes of the meeting of the Services & Budgets Committee held on Tuesday, February 10, 2009 were adopted as circulated.

2. Motion

The following motion was referred to the Services & Budgets Committee at the Park Board meeting of March 2, 2009:

The following motion was put forward by Commissioner Jasper:

I move to rescind granting The Chapel at Stanley Park Enterprises Inc. approval to manage and operate the Celebration Pavilion at Queen Elizabeth Park for a 5 year term with an option to renew for up to an additional 5 years.

I move that staff report back by May 4, 2009 on how the Park Board can enhance marketing, rentals, accessibility and revenues of the Celebration Pavilion under the continued operation and control of the Park Board.

The Chair tabled the motion for discussion. Commissioner Jasper stated that in the time since the motion had been deferred, he has met with Park Board staff, who had met with the owners of The Chapel at Stanley Park, and he is pleased to report to the Committee that they have been able to reach an accommodation regarding his concerns and is confident that his concerns have been addressed. Changes have been made to the contract, and as a result, he will be withdrawing the motion.

The Committee questioned how Commissioner Jasper's concerns had been addressed. Staff replied that two alterations have been made to the agreement specifically, Section 6.6 was revised to require the operator to provide facility only rentals services 7 days per week, subject to terms and conditions of the operator. A new provision (Section 6.7) has also been added that enables customers to build increased flexibility into their packages.

Allan Burnett, of The Chapel at Stanley Park, stated that the intent of their proposal has always been to do something that will be beneficial for the citizens of the City of Vancouver. He is looking forward to a long term relationship with the Park Board.

Discussion:

Commissioner Robertson stated he is pleased that Commissioner Jasper has had his concerns addressed, but is concerned about the extra time and energy spent by staff and the proponents. He believes this type of interference sends the wrong message to businesses that want to do business with the Park Board.

Commissioner Jasper stated that the item was an important one and they definitely want to look at each initiative on a case by case basis to ensure that it provides the best working relationship. He regrets any added stress that was caused to The Chapel at Stanley Park, and that was not the intent. He feels it was a good thing to do the due diligence and is happy it has resulted in a positive outcome.

3. Vancouver Golf Tournament

Staff reported that the Vancouver Golf Tour (VGT) is a series of tournaments played at Lower Mainland golf courses and was developed for local professional and amateur golfers. VGT is in its third year and provides golfers an opportunity for a high level of competition. This is the first time the three Park Board golf courses will be participating by holding tournaments. There are many benefits for the Park Board including media coverage and promotional opportunities.

Fraser Mulholland, of the Vancouver Golf Tour, stated that it is quite challenging for golfers to achieve professional status in Canada. The winning pro golfer at the end of the year will receive their entrance fees paid to the PGA School. The tournament in September will be the largest tournament of the year and has the opportunity for a charitable component to raise funds for an appropriate cause such as the Inner City Youth Golf Program.

Discussion:

The Committee questioned the number of women who would be participating in the tournament and how the field will be reduced for the third day of play. Fraser responded that there are openings for 220 competitors in total and that 60% of the field in each flight will proceed the final day.

The Committee supported the staff proposal.

4. 2008 Year End Budget Position

Staff presented an update of the 2008 Financial Statements (Appendix I). The total 2008 Year End Operating Budget indicates a surplus of \$200,000 with a shortfall in revenue of \$900,000 and a saving of expenses of \$1.1 M. Because of the Global Budget arrangement, some adjustments had to be made to the budget to return any surplus or deficit in utilities, City equipment or fringe benefits to the City. The net surplus from all of these adjustments was \$700,000; resulting in a final Park Board year end position of \$.5 M deficit.

Staff presented the 2008 Donation Program statement which has a net 2008 closing balance of \$1.5 M. The Donation Program includes 3 major initiatives: park amenities,

special projects and endowments. The 2008 Stanley Park Restoration Program statement was also presented and has a net 2008 closing budget of \$1.9 M. Those funds will be used for the final project work at Prospect Point, the Legacy Project, and for road and pathway repairs. Final Board report will be presented to the Board in April.

Discussion:

The Committee questioned the origin of the fringe benefits surplus and the amount of subsidy to operate the Mount Pleasant Pool. Staff advised that the fringe benefits surplus came from the difference between the actuals and the estimates of E.I., CPP, dental and medical. The subsidy required to operate Mount Pleasant Pool is approximately \$70,000 annually.

The Committee asked how the reserve funds are invested. Staff replied that the funds are being put into GICs with an interest of 2% to 3% for one to two year terms.

The Committee thanked staff for the report.

5. Update on Budget Directives

Staff presented the Budget Restraints initiatives (Appendix II) necessary to address the City's potential revenue shortfall that will be reported to Council on March 24. With regard to the hiring freeze, staff has worked very closely with the City to confirm the number of vacant CUPE 15 and exempt positions that will remain vacant from 47 to 8. Staff also spoke about options being considered to meet the CUPE 1004 reduction target of \$636,200. Staff discussed proposals to provide cost savings of \$200,000 from the Park Board. While the City had requested savings in travel and training and contracts, staff noted that per 2008 year end analysis, the Board was overspent on supplies and it would be very difficult to achieve savings targets of this type. Other proposals discussed previously had included closure of the farmyard but the Committee had expressed concerns about staff impact and the ability to generate savings quickly. The most viable option for consideration appeared to be the proposal to not renew the Stanley Park Shuttle, which would save approximately \$200,000. This option was recommended by staff due to the ability to implement it immediately and because of the minimal impact to staff and residents. The free shuttle runs from mid June to mid September and has about 135,000 riders, mainly tourists, over the season.

Staff explained that the amount for New and Non-Recurring (NNR) expenses has been reduced for a number of years and for 2009 the amount will be \$20,850.

Discussion:

The Committee expressed concern about impact to service and questioned the impacts of the budget reductions and asked for an explanation of the NNR expenses. Staff responded that not as many seasonal employees will be hired or the seasonal employees may work a

shorter season. Staff explained NNR as a one time small project such as the installation of carpet in a room at a community centre.

The Committee inquired if there is a balance in the Commissioner's fund. Staff replied that there is approximately \$2000 left in the fund but that any balance will be applied against the \$.5 M deficit.

The Committee endorsed the staff recommendations and the recommendations will be presented at the upcoming Labour/Management meeting.

The meeting adjourned at 8:20 p.m.

Anita Ho, Director,
Corporate Services

Loretta Woodcock, Chair