

**Minutes of Meeting of the Board of Parks and Recreation
Services & Budgets Committee Meeting
Held at the Vancouver Park Board Office on
Tuesday, October 13, 2009**

ATTENDEES: Park Board Commissioners

Loretta Woodcock, Chair
Ian Robertson

Park Board Staff

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| Anita Ho | Director of Corporate Services |
| Piet Rutgers | Director of Planning and Operations |
| Peter Kuran | Director of Stanley District |
| Thomas Soulliere | Manager of Recreation Services –Stanley District |
| Meg Elliott | Senior Business Analyst |
| Shala Hay | Recorder |

Commissioner Jasper was out of the country.
Commissioner Barnes was absent.

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

1. Approval of Minutes of September 15th, 2009
2. Capital Budget 2010
3. Vancouver Services Review / 2010 Operating Budget Process
4. 2009 Operating Budget Update –September
5. SE False Creek Community / Boating Centre –Operating Plan
6. Fees and Charges

1. Approval of Minutes

The Chair acknowledged that there was not a quorum, therefore approval of the minutes of the meeting on September 15th, 2009 would be transferred to the next Services & Budgets Committee meeting.

The Chair decided to proceed with the meeting and to receive the presentations provided by staff for information.

2. Capital Budget 2010

Staff provided a draft of the 2009-2011 Capital Plan for the Committee's input. Over the three year period, it was proposed that the budget be allocated as follows: Parks \$24.5 million, Land Acquisitions and Development \$6 million, Facilities \$61.6 million, Street Trees \$0.75 million, and Overhead & Project Management \$5.66 million. An explanation of the projects under each budget division was provided.

Staff updated the Committee on the status of the Board's project submissions under the Infrastructure Program. Feedback was received indicating interest in the Trout Lake and VanDusen Gardens projects. The Board was given the opportunity to submit additional projects and staff proposed submitting more synthetic turf projects and the Roundhouse turntable project. Staff reminded the Committee that, if successful, a third of the funding for the projects would be provided by federal government and this would free up funds for other projects.

Discussion:

A member of the Committee inquired into when the decision on the submissions for the infrastructure program would be known. Staff stated that this should be determined in about a month. Once this is known the Capital Plan would be adjusted accordingly and brought before the Board for approval.

3. Vancouver Services Review / 2010 Operating Budget Process

Staff informed the Committee that there will be a Council report at the Tuesday 20th October, 2009 Council meeting on the 2010 Operating Budget. The report will outline the results of the Vancouver Services Review (VSR) and look at a range of tax adjustment options, including no tax increase, in terms of addressing the \$61 million shortfall in the City's operating budget. Once Council makes a decision on whether taxes should be adjusted, the budget implications will be determined. The next step would be public consultation.

Staff advised the Committee that based on the Core Services exercise, most of the Park Board's services do not fall within the 80% of the City's services which are considered to be 'core'. Most of the park and recreation services fall within the 20% of the City's operating budget which are non-core as Park Board services, unlike other City Services, are not a statutory requirement such as safety or utility services.

Discussion

A Committee member inquired into whether feedback on the impact to Park Board services would be gathered during the public consultation. Staff informed the Committee that the public consultation initiated by the City would be broad based and include all City services without a focus on Park Board services. The level of impact to the Park

Board's operating budget would be affected by Council's decision on the level of tax increases. Once the portion of the budget reduction is allocated to the Park Board it would be up to the Board to determine how to achieve the allocated budget.

A Committee member asked when should the Board start looking at making presentations to Council. Staff advised that this could be done around mid-November and the public also has the opportunity to speak before Council.

Staff will report back to the Services and Budgets Committee on the outcome of Council's decision and its impact on the Board's budget, at the November 17th, 2009 meeting. The 2010 operating budget would be finalized in December as Council's deadline for completion of the City's operating budget is December 15th 2009.

4. 2009 Operating Budget Update –September

A reduction in net expenses of \$1.2 million was achieved for the period January to September 2009, in comparison to 2008. Revenue rose by \$2.5 million in comparison to 2008. Although the Board seems well on track to meet the revenue target, staff cautioned that there is still some vulnerability as 20% of the Board's revenue is generated in the last three months of the year. Significant revenue was generated by Recreation programs which increased by \$1.2 million, Concessions which increased by \$0.326 million and Parking which increased by \$0.499 million. Expenditure decreased by \$0.9 million. A combined savings of \$1.6 million was achieved through reductions in Payroll and Utilities & Equipment expenses. Supply costs increased by \$0.7 million.

Discussion

A Committee member inquired into how such a significant increase in revenue from Recreational Programs came about. Staff informed the Committee that it is as a result of the hard work by staff who have been actively marketing recreational programs and found creative ways of filling off-peak times.

Staff informed the Committee that although donations have decreased in comparison to last year a significant amount of commitments was received which will be realized in 2010. There is also a balance of about \$ 0.66 million in the Stanley Park Restoration fund.

This update would be presented to the Board at the next Board Meeting.

5. SE False Creek Community / Boating Centre –Operating Plan

Staff presented an overview of the South East False Creek Community/Boating Centre that was recently visited by the Commissioners. The main features include a full size gymnasium, multipurpose rooms, premier dance floor, bowling centre and floating dock. The dock would accommodate rowers, paddlers and dragon boat activity. The dock and

water facilities are scheduled to be available in 2011. This will be the first waterfront community centre in Vancouver that actually has access to the water. The centre would be approximately 30,000 sq ft, excluding the restaurant and childcare facilities, which combined are about 15,000 sq ft. It would be accessible via the adjacent seawall, as well as by transit, water and car. VANOC will take possession of the facility in late fall 2009 and the Board would assume full control in April 2010. The official opening is scheduled for June 2010.

Staff advised that they are looking towards having the supervisory roles shared with other existing community centres, as well as having only a core staff contingent during the first year of operation. Marketing strategies would include acceptance of the flexi-pass, cross-promotional capabilities and the use of non-traditional methods of communication such as social media. It is anticipated that during the first few years a significant amount of revenue would be generated through rentals for special events.

Discussion:

One Committee member inquired into whether staff has an idea of the expected savings that would be derived from the use of new energy technology. Staff informed the Committee that they do have estimates and could provide the Committee with those details.

The Committee inquired into whether the Board would be subsidizing the centre until it breaks even, which is projected to occur in 2017, and whether strategies were considered to speed up the break even point. Staff informed the Committee that this projection is considered to be the most realistic; however they would continue to look for ways to increase revenue. Staff further advised that a request has also been made to the City for additional funds to cover the added operating cost. This would fall under the Added Basic segment in the budget. Staff further advised that additional revenue is expected to be generated through facility rentals for special events.

6. Fees and Charges

Staff provided the Committee with a review of the proposed fees and charges schedule for 2010 based on the City's recommendation of a 4% increase in rates and market review. Comparative analysis using the rates of surrounding municipalities was conducted for recreational facilities, golf courses, pitch and putts, marinas and parking.

For recreational facilities (pools, rinks and fitness) it was found that the Park Board's flexi-pass fees were lower in comparison to other municipalities, while individual admissions are near the middle of the fees in other municipalities. Based on the recreation market analysis, staff recommended a full 4% increase in January 2010 and a 7% increase for the introduction of the HST in July 2010. For Golf Course facilities staff recommended an increase within the range of 1.8%-8.4% in January 2010 and in July 2010, when the HST is introduced, the total increase would be in the range of 8.5%-15.7%. A 4% increase in Pitch & Putt and Marina fees in January 2010 and a 7%

increase in July 2010 were also recommended, based on comparison with market fees. It was also recommended that the daily parking rates at Stanley Park be increased to \$10.00. Increased parking fees at the Aquatic Centre, Coal Harbour Community Centre and the Roundhouse were also proposed, as most of the customers of these lots are not users of the centres. The proposed increases will be more on par with the market rates. Increased parking rates at Queen Elizabeth Park during the Olympics were proposed, as well as a discontinuation of the parking rates for seniors at Queen Elizabeth and Vanier Parks in 2011. A 4% average increase in fees and charges at the Racquet Courts, Bloedel Conservatory, VanDusen Park and Stanley Park Train & Farmyard were also proposed. Outdoor Fields and Special Events fees and charges would not be increased as the rates were recently adjusted, the only impact would occur in July 2010 when the HST is introduced.

Staff also proposed that the Park Board fees and charges be quoted excluding taxes. This would give a clearer representation of the actual rates charged by the Board and promote greater transparency when the Board adjusts the rates. This would also be in line with market practice and create more marketing and promotional opportunities.

Discussion:

A Committee member inquired into whether it would be feasible to begin the Burrard Marina renewal study in the 2009-2011 Capital Plan in 2010. Once the plan is done and the work is completed, there may be potential for a higher rate adjustment due to facility upgrades. Staff stated that this would be possible.

A Committee member inquired into the proposed increased parking fees at Queen Elizabeth Park. Staff stated that the lot is not heavily used and the appeal would be to a different user group during the Olympics, as the public would be encouraged to use alternative means of transport.

The Committee concurred that the new rates should be displayed at Park Board facilities commencing from October 14th, 2009, to gather feedback from the public. The results from the public consultation would be brought before the Board to make a decision.

The meeting was adjourned at 8:40 pm.

The next Services & Budgets Committee meeting will be on Tuesday November 17th, 2009.

Anita Ho, Director,
Corporate Services

Commissioner Loretta Woodcock,
Chair