



Date: February 22, 2011

TO: Board Members – Vancouver Park Board
FROM: General Manager – Parks and Recreation
SUBJECT: 2011 Budget Implementation Plan

RECOMMENDATION

THAT the Board defer up to \$130,000 of the 2011 reserve contribution for the Langara golf course drainage project to fund the \$100,000 operating budget gap and up to \$30,000 for the cost of a homeless shower program.

POLICY

There is no applicable policy

BACKGROUND

On December 16, 2010 as part of the 2011 operating budget process, the Board approved a number of service reductions totaling \$730,000, which included a \$100,000 budget gap and the implementation of a homeless shower program in three locations.

On January 17, 2011 the Board approved the 2011 Operating Budget. As part of that approval process staff recommended a temporary budget reduction for 2011 to fund the estimated \$100,000 gap, plus up to \$30,000 for a homeless shower program in three locations, with an eventual permanent funding source to be determined during 2011. The source proposed for the temporary funding was the annual reserve contribution for drainage improvements at Langara Golf Course.

DISCUSSION

The Board currently has two reserve contributions for golf within its budget: a \$550,000 annual contribution for major maintenance on all three courses and a \$684,400 budget that can be used for contributions for Langara drainage project or to reduce the golf course revenue budgets to reflect long-term market conditions. These budgets were established during the 2010 operating budget approval on January 18, 2010 as part of the retirement of the ten year golf course loan.

In 2010 the full \$684,400 budgeted was contributed to the golf reserve for the Langara drainage project. To date in 2011, \$554,400 has been contributed (the \$684,400 budgeted, less the estimated \$130,000 needed to fund the \$100,000 budget gap and the

estimated cost for the shower program to be implemented in 2011). This brings the total in the reserve for the Langara drainage project to \$1.2 million. The current plan for these funds is to undertake a slit drainage program at Langara during the fall of 2011 and this is expected to cost approximately \$1.2 million.

Deferral of the golf maintenance contribution is not an ideal long term solution but does provide funding while the Park Board undergoes an organizational review in 2011 and a permanent solution will be found for 2012. Staff are currently reviewing the inventory of available facilities that could support homeless shower programs. Once the specific program locations are determined costs for the program can be confirmed. Preliminary analysis indicates that three sites can be accommodated within the \$30,000 estimate originally discussed with the Board in January.

SUMMARY

The Board is requested to approve the deferral of up to \$130,000 of the 2011 reserve contribution for the Langara golf course drainage project to fund the \$100,000 operating budget gap and up to \$30,000 for the cost of a homeless shower program. This is only a temporary deferral. The permanent funding source will be determined as part of the larger organizational review and restructuring to take place over the next six months and be implemented as part of the 2012 operating budget approval process.

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