



Park Board 2016 Budget





Special Board Meeting

December 8, 2015





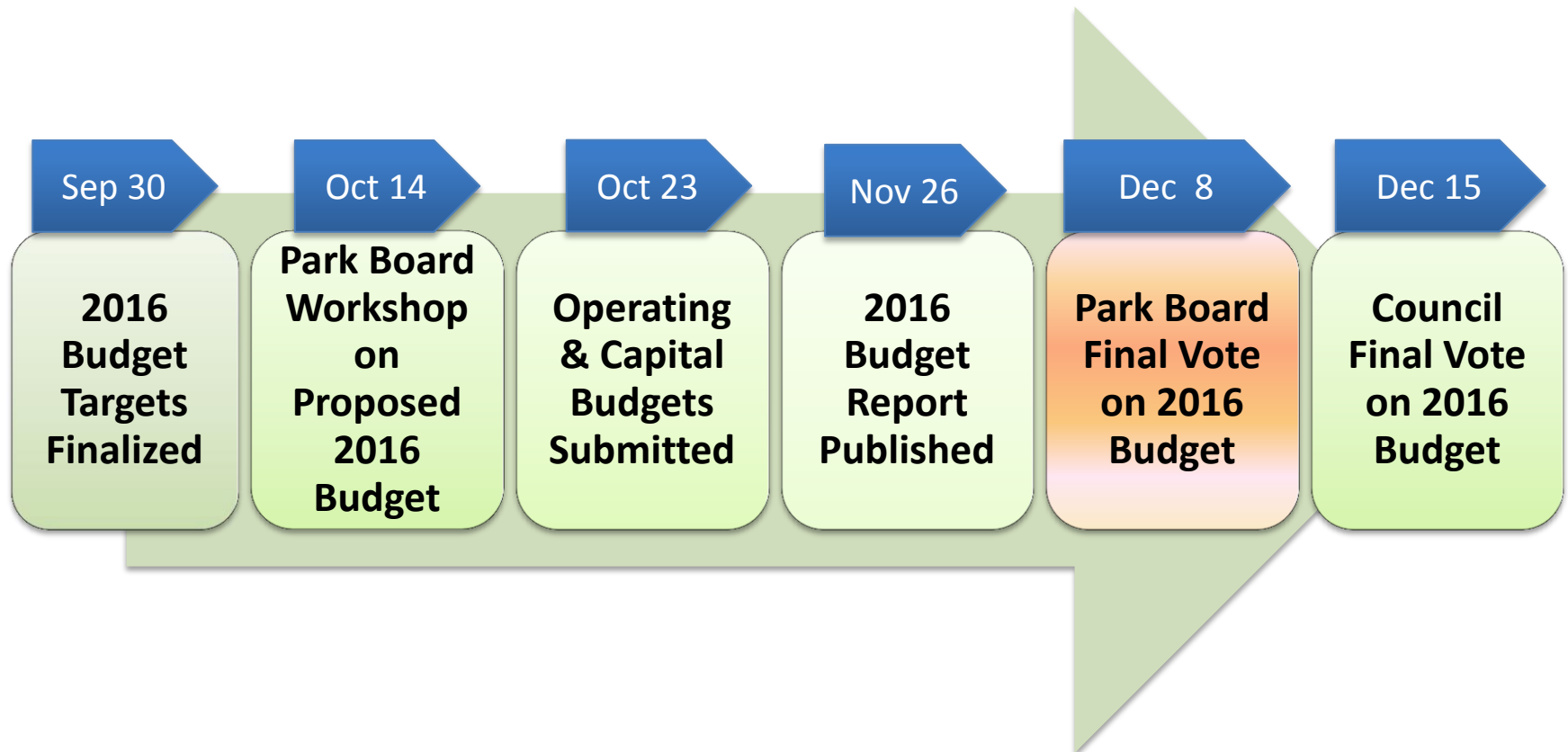
Introduction & Budget Timeline

-  Building the Budget
-  2016 Proposed Fees & Charges Changes
-  2016 Proposed Operating Budget
-  2016 Proposed Capital Budget



Defining the Budget:

- 2016 Annual budgets for:
 - Capital (major capital projects), and
 - Operating Expenditures (services)
- A results-driven approach to align spending with Park Board and Resident priorities
- Utilize Service Metrics to provide accountability for service delivery
- Intent is a responsible, balanced approach with focus on the long term





Tonight's Agenda – Building the Budget

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- **Building the Budget**
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Budget Approach

- The Annual Capital Budget for 2016 is derived from the 10-year Strategic Outlook (2014 – 2024) and 4-year Capital Plan (2015 – 2018)
- The 2016 Operating Budget begins with the 2015 approved budget as a base

Looking Ahead to 2016








- Costs are increasing greater than inflation
- **Due to the expiration of current collective bargaining agreement, no cost increases have yet been assumed for related labour and benefits**
- The Park Board has funding requirements for new and enhanced services, including operating costs of approved capital projects (new parks, new Recreation Services software system - ActiveNet)

Goals

- Continue providing valued services as efficiently as possible
- Identify new sources of revenue to fund new initiatives
- Seek productivity improvements
- Ensure alignment with Park Board priorities

Key 2016 Operating Budget Categories

2015 Approved Budget amounts are carried forward with the following adjustments:

-  Fixed Cost Increases such as inflationary wage adjustments, fringe benefit cost increases and utility rate increases/decreases
-  Revenue Increases, including price and volume increases
-  New Spending Initiatives, specific funding for new and enhanced services
-  Operating Impact of Approved Capital Projects
-  Productivity Initiatives, including cost savings proposals
-  Shared Service Allocations (REFM, 311, IT, HR, FP&A)
-  **2016 Proposed Operating Budget**



Tonight's Agenda – Fees & Charges

- Introduction & Budget Timeline
- Building the Budget
- **2016 Proposed Fees & Charges Changes**
- 2016 Proposed Operating Budget
- 2016 Proposed Capital Budget



Scope

- Fee increases for Recreation Services were recently approved by the Park Board in the fall of 2015, with most changes taking effect as of September 2015.
- This report recommends fee changes effective in 2016 for Revenue Services and Parks.

Fee Change Recommendations

- Parking - Standardize hourly rate at most Park Board locations to \$3.25/hr., resulting in \$0.50 increases to Coal Harbour and Roundhouse CC's, and \$0.25 to Burrard Marina and Vanier Park.
- Burrard Marina - Increase moorage rates by the inflationary rate of 2.4%
- VanDusen Botanical Gardens - Increase admissions rates by \$0.25, and for Festival of Lights (in 2016) by an average of 5%. Also increase public and commercial rental rates by 2%.
- Bloedel Conservatory – Increase general and group admission fees by 2%

Operating Budget Effect

- The fee increases have been factored into the 2016 proposed operating budget at the estimated value of their contribution to Park Board revenues in the amount of \$185,000.



Tonight's Agenda – Operating Budget

- Introduction & Budget Timeline
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- **2016 Proposed Operating Budget**
- 2016 Proposed Capital Budget

2016 Proposed Operating Budget & Changes

		Revenue	Expense	Net
2015 Approved Budget		\$52.4 M	\$113.2 M	\$60.8 M
Revenue Increases – Rate/Volume	+	\$1.6 M	\$0.5 M	(\$1.1 M)
Fixed Cost Increases and Adjustments	+	\$0.0 M	\$0.5 M	\$0.5 M
New Spending Initiatives	+	\$0.0 M	\$0.5 M*	\$0.5 M
Operating Impact of Approved Capital Projects	+	(\$0.1 M)	\$0.7 M*	\$0.8 M
Productivity Savings Initiatives	+	\$0.0 M	(\$0.4 M)	(\$0.4 M)
2016 Proposed Budget Target	=	\$53.9 M	\$115.0 M	\$61.1 M
Net Change		\$1.5 M	\$1.8 M	\$0.3 M

*Explained in detail on the next slides



	<u>Amount</u>
New Spending Initiatives:	
Increased Washroom Cleaning	\$ 175,000
Tree Planting - Street/Parks	150,000
Increased Tree Watering	150,000
	<hr/>
TOTALS	\$ 475,000



Operating Impact - Approved Capital Projects

	<u>Revenue</u>	<u>Expense</u>	<u>Net</u>
Approved Capital Project:			
ActiveNet recreation management software	\$ (100,000)	\$ 570,000	\$ 670,000
New parks and recreation facilities (17th & Yukon, 6th & Pine)		89,000	89,000
TOTALS	\$ (100,000)	\$ 659,000	\$ 759,000



Priorities for New Spending Initiatives

1. **Park Maintenance** – increase frequency of grass cutting in parks and medians. Install sprinkler systems and improve irrigation.
2. **Recreation Centre Maintenance** – allocate more funds to the upkeep and refurbishing of our aging recreation centres, both from a safety perspective as well as aesthetic.
3. **Washroom Cleaning** – increase standard of cleanliness and frequency of cleaning for washrooms in parks, rec centres, golf courses, etc.
4. **Enforcement of Park Bylaws** – increase the number of Park Rangers and provide additional training to upgrade more as Peace Officers to respond to bylaw infractions such as smoking in parks, littering, dogs off leash, etc. Provide all necessary equipment to ensure safety and security in parks.



(millions)	2011 Approved Budget	2012 Approved Budget	2013 Approved Budget	2014 Approved Budget	2015 Approved Budget	2016 Proposed Budget
Revenues	\$44.4	\$47.3	\$47.9	\$49.5	\$52.5	\$53.9
Expenditures & Transfers	\$100.0	\$103.2	\$105.5	\$109.5	\$113.2	\$115.0
Net Operating Budget	(\$55.6)	(\$55.9)	(\$57.6)	(\$60.0)	(\$60.8)	(\$61.1)
% Change - Expenditures		3.2%	2.2%	3.8%	3.4%	1.6%
% Change – Net Budget		0.6%	2.9%	4.2%	1.4%	0.5%



2016 Proposed Operating Budget by Division

DIVISION	Revenues	Expenses	Loan Pmts & Transfers	2016 Net Budget
Parks	\$4,264,680	(\$36,714,291)	(\$0)	(\$32,449,611)
Recreation	\$21,486,164	(\$46,607,837)	(\$0)	(\$25,121,673)
Revenue Services	\$26,971,387	(\$12,449,433)	(\$458,400)	\$14,063,554
Corporate Services	\$1,172,850	(\$16,325,599)	(\$2,462,564)	(\$17,615,313)
PARK BOARD	\$53,895,081	(\$112,097,160)	(\$2,920,964)	(\$61,123,043)

2016 Proposed Operating Budget - PARKS

BY LINE OF BUSINESS

Major Category (\$ 000's)	Revenues	Expenditures & Transfers	2016 Net Budget	2015 Net Comparison
PARKS SERVICES				
Park Operations & Major Maintenance	\$ 173	\$ 17,789	\$ (17,616)	\$ (17,589)
Equipment Services	14	6,164	(6,150)	(5,616)
Urban Forestry	172	5,072	(4,900)	(4,969)
Parks Administration		2,350	(2,350)	(2,326)
VanDusen Gardens & Bloedel Conservatory	3,906	4,679	(773)	(1,148)
Planning & Development		660	(660)	(661)
Total Parks Services	\$ 4,265	\$ 36,714	\$ (32,449)	\$ (32,309)

SERVICE DESCRIPTIONS:

Park Operations & Major Maintenance – Includes destination parks (Stanley Park, QE Park), downtown and neighbourhood parks, major maintenance and construction.

Equipment Services – Includes costs from vehicles and small equipment (fuel, repairs, insurance, leases).

Urban Forestry – Includes costs for tree maintenance (pruning, watering, etc.), Langley tree farm and Sunset Nursery.

Parks Administration – Includes costs for administration of parks and the apprenticeship program.

VanDusen Gardens & Bloedel Conservatory – includes admissions and rental revenues, Festival of Lights, and operating costs of both locations.

Planning & Development - Includes non-capital costs for parks planning activities.

2016 Proposed Operating Budget - RECREATION

BY LINE OF BUSINESS

Major Category (\$ 000's)	Revenues	Expenditures & Transfers	2016 Net Budget	2015 Net Comparison
RECREATION SERVICES				
Community Centre Services	\$ 3,743	\$ 18,920	\$ (15,177)	\$ (14,649)
Recreation Admin & Other	415	8,964	(8,549)	(9,056)
Indoor Aquatics	8,003	9,901	(1,898)	(2,329)
Arenas (Ice Rinks)	2,985	4,022	(1,037)	(1,046)
Outdoor Pools and Beaches	1,200	1,710	(510)	(594)
Special Events & Film	715	436	279	189
Sport Fields & Courts	1,144	322	822	799
Fitness Centres	3,281	2,333	948	993
Loan Payments & Transfers			0	(124)
Total Recreation Services	\$ 21,486	\$ 46,608	\$ (25,122)	\$ (25,817)

SERVICE DESCRIPTIONS:

Community Centre Services – Includes CCA cost recovery, Creekside programs, and all community centre staff and other expenditures.

Recreation Admin & Other – Includes all utilities at all recreation facilities, Leisure Access program costs, and recreation management staff and expenses.

Special Events & Film – Includes revenues from filming and permitted activities such as Runs, Walks, etc.

Sport Fields & Courts – Includes outdoor grass and artificial turf fields, as well as tennis and sport courts.

Fitness Centres – Includes activities from Park Board operated fitness centres.

2016 Proposed Operating Budget – REV SVCS

BY LINE OF BUSINESS

Major Category (\$ 000's)	Revenues	Expenditures & Transfers	2016 Net Budget	2015 Comparison
REVENUE SERVICES				
Parking	\$ 6,531	\$ 496	\$ 6,035	\$ 5,899
Leases	3,453	47	3,406	3,583
Golf	9,323	6,223	3,100	2,924
Marinas	3,238	1,755	1,483	1,419
Concessions	2,817	2,090	727	672
Attractions	1,609	1,340	269	270
Administration		499	(499)	(469)
Loan Payments & Transfers		458	(458)	(458)
Total Revenue Services	\$ 26,971	\$ 12,908	\$ 14,063	\$ 13,840

SERVICE DESCRIPTIONS:

Parking – Includes parking revenues from Park Board locations

Leases – Primarily revenues from restaurant leases at Park Board locations.

Golf – Includes golf course green fees, pitch & putt fees and clubhouse revenues.

Marinas – Includes moorage fees from Burrard Marina and Heather Marina.

Attractions - Includes Stanley Park mini-train and Celebration Pavilion.

Loan Payments & Transfers – Includes transfers to Golf Reserve Fund and payments on Tap & Barrel loan.

2016 Proposed Operating Budget – CORP SVCS

BY LINE OF BUSINESS

Major Category (\$ 000's)	Revenues	Expenditures & Transfers	2016 Net Budget	2015 Comparison
CORPORATE SERVICES				
Corporate Support		\$ 11,062	\$ (11,062)	\$ (10,078)
General Manager & Park Board		1,907	(1,907)	(1,855)
General Administration		1,490	(1,490)	(1,496)
Admin Support		1,251	(1,251)	(1,240)
Fundraising	1,173	616	557	560
Loan Payments & Transfers		2,463	(2,463)	(2,380)
Total Corporate Services	\$ 1,173	\$ 18,788	\$ (17,615)	\$ (16,489)

SERVICE DESCRIPTIONS:

Corporate Support – Includes cost allocations from the City for shared services including building maintenance, 311 support, security, IT support, human resources and finance.

General Manager & Park Board - Includes retiree pmts, office of the GM, Park Board, emerging priorities

General Administration – Includes marketing and business development, administrative building maintenance, property and liability insurance, equipment service and maintenance, and telephone.

Admin Support – Includes administrative staff labour and expenses

Fundraising – Includes the park bench dedication program and donations for parks and recreation.

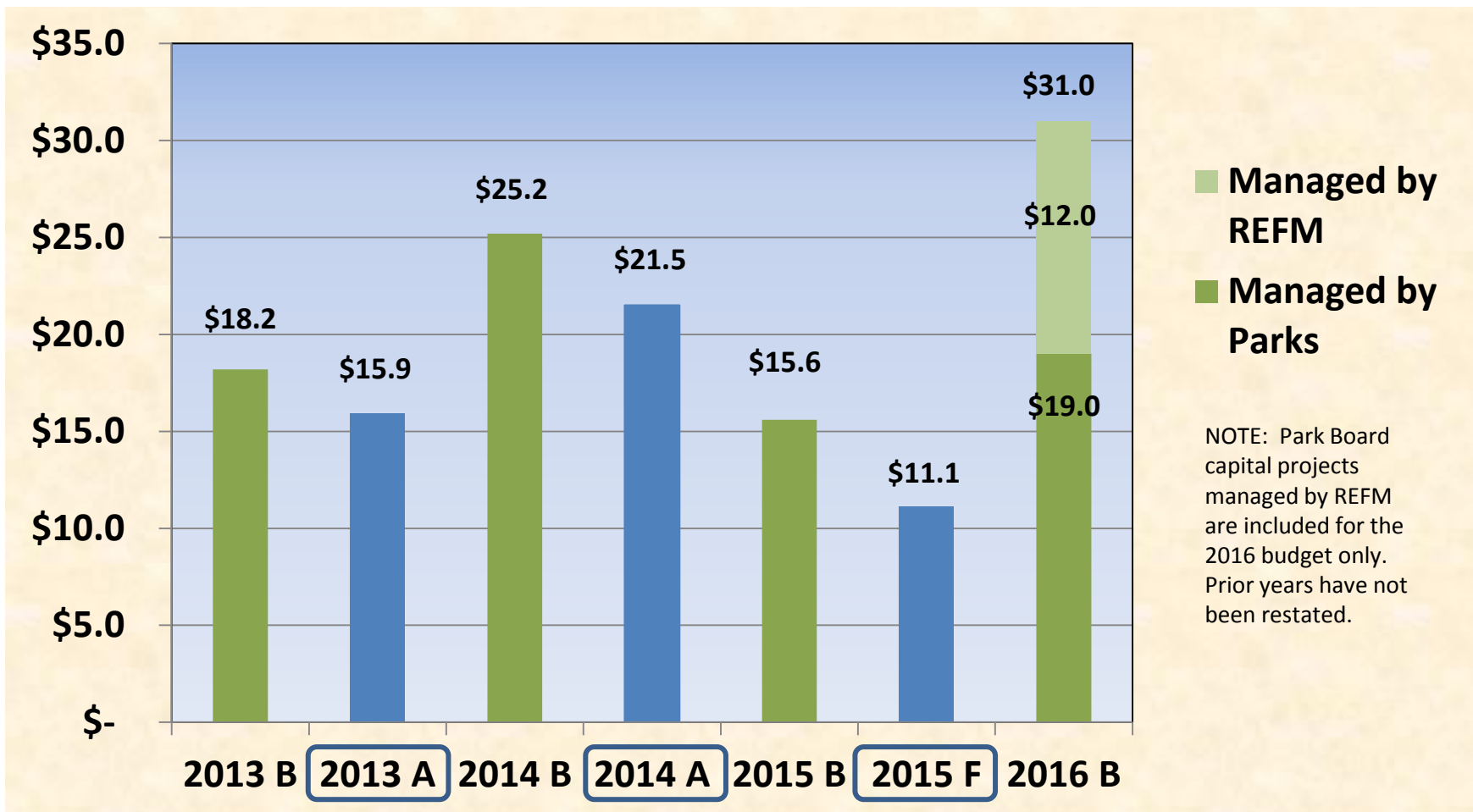
Loan Payments & Transfers – Includes payments on Greenhouse Gas Loan, Parks Olympic Legacy Loan, and transfers to donation, corporate sponsorship and insurance reserves.



Tonight's Agenda – Capital Budget

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2016 Capital Budget Trends





2016 Capital Budget – Parks Projects

Project Name (\$ million)	2015 Forecast	2016 Budget	Future Years Projected
PARKS AND RECREATION MANAGED PROJECTS			
New Parks & Renewals	\$ 6.6 M	\$ 8.8 M	\$ 25.7 M
Hillcrest and Riley Parks - Phase 2			
Andy Livingstone Park Renewal			
New park at 17th & Yukon			
Downtown South Park at Richards & Smithe			
East Fraserlands Park			
Activity Features	\$ 1.8 M	\$ 5.5 M	\$ 11.3 M
Eric Hamber & Point Grey synthetic turf replacement			
Outdoor playing fields upgrades and improvements			
Tennis & sport court decommissioning/improvements			
Outdoor recreation space under Cambie Bridge north			
Track and field training facility			
Urban Forestry	\$ 1.7 M	\$ 2.3 M	\$ 6.0 M
Planting of street trees and trees on private property			
Geocoding urban forest inventory of trees			
Seawall & Waterfront	\$ 0.3 M	\$ 1.1 M	\$ 2.1 M
Stanley Park waterfront bikeways, pathways, seawall			
Waterfront parks shoreline erosion study			
Vanier Public Docks and Ramps			
Alder Bay Float Renewal			

(Continued on next slide)



2016 Capital Budget Projects – Parks Projects

PARKS AND RECREATION MANAGED PROJECTS (continued)

Infrastructure	\$ 0.1 M	\$ 0.5 M	\$ 0.1 M
Stanley Park upgrades to pavement and drainage			
Stanley Park Lost Lagoon fountain upgrades			
Entertainment & Exhibition	\$ 0.5 M	\$ 0.5 M	\$ 2.2 M
Hastings Park Greening			
Hastings Park Stream Extension			
Hastings Park Identity & Signage			
Hastings Park Heart-of-Park Renewal			
Aquatics service study including outdoor pools			
Recreation and Civic Facilities	\$ 0.1 M	\$ 0.3 M	\$ 2.0 M
Fieldhouse conversions/upgrades for food, art, sport			
Community Centre upgrades			
TOTAL PARK BOARD MANAGED PROJECTS	\$ 11.1 M	\$ 19.0 M	\$ 49.4 M



2016 Park Board Capital Budget – REFM Managed

Project Name (\$ million)	2015 Actual Expenditure	2016 Capital Budget	Future Years Projected
PARK FACILITY PROJECTS MANAGED BY REFM			
Recreation Facilities capital maintenance	\$2.9	\$3.2	\$12.7
Southeast Vancouver Senior Centre	0.3	2.5	4.6
Burrard Marina upgrades	0.4	1.0	1.5
Park Buildings & Fieldhouses capital maintenance	1.6	1.5	5.7
Sport Amenities improvements	1.8	1.1	0.0
Stanley Park Electrical Distribution System	1.0	1.0	0.0
Entertainment & Exhibition capital maintenance	0.9	0.8	4.4
Britannia Community Centre redevelopment	0.1	0.5	2.4
Marpole Community Centre planning/redevelopment	0.0	0.2	0.0
Creekside Paddling Facility	3.0	0.2	0.0
TOTAL REFM MANAGED PARK BOARD PROJECTS	\$12.0	\$12.0	\$31.3



Park Board 2016 Budget - Recommendation

THAT, subject to City Council approval, the Vancouver Park Board approve:

- A. The 2016 Park Board Operating Budget of \$61,123,039, comprised of \$115,018,124 in expenditures and \$53,895,085 in fee and program revenues.
- B. The 2016 Park Board Capital Budget of \$19.0 million, as detailed in pages 15-16 of this report, and within pages 172–190 of the report titled “City of Vancouver’s 2016 Budget and Five-Year Financial Plan”.