



# Park Board 2016 Budget Workshop

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October 14, 2015





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### **Introduction & Budget Timeline**

 Building the Budget

 Park Board Service Highlights

 2016 Proposed Capital Budget

 2016 Proposed Operating Budget & Changes



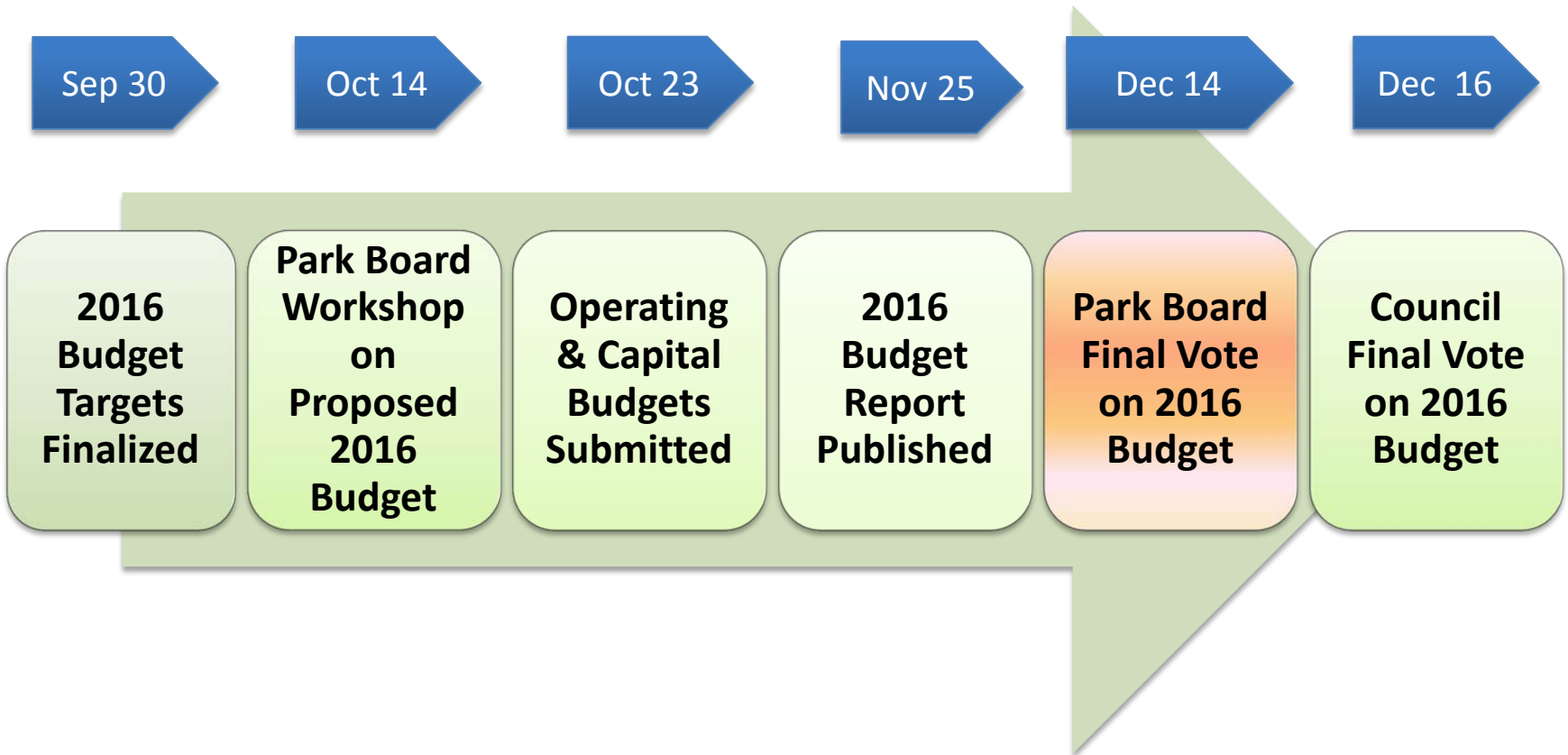
## 2016 Budget Introduction

### Defining the Budget:

- Annual budgets for Capital (major capital projects) and Operating (services) Expenditures
- 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



## 2016 Budget Timeline (key dates only)





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## Building the Budget

### 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, ActiveNet)
- The City's high level budget outlook exposes a citywide gap of between \$15 and \$20 million each year over the next 3 years







### 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, less offsets for transfers
-  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, HR, FP&A)

 **2016 Proposed Operating Budget**



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# Overview



- Park Operations
- Park Development & Planning
- Urban Forestry
- Leader in Greening
- Recreation Services
- Accessibility & Inclusivity
- Corporate & Revenue Services
- Tourism Impacts
- First Nations Engagement



# Park Operations

- New Service Standards
- Urban Forest Strategy
- Staff Development
- Green Operations Plan Implementation



# Park Development & Planning

- Hillcrest and Riley Park Renovations
- Approved master plans
- New parks



# Urban Forestry

- Approval of strategy framework
- Over 11,000 new trees planted
- Tree maintenance





# Leader in Greening

- Beaver Lake & Jericho Beach Park restorations
- New community gardens





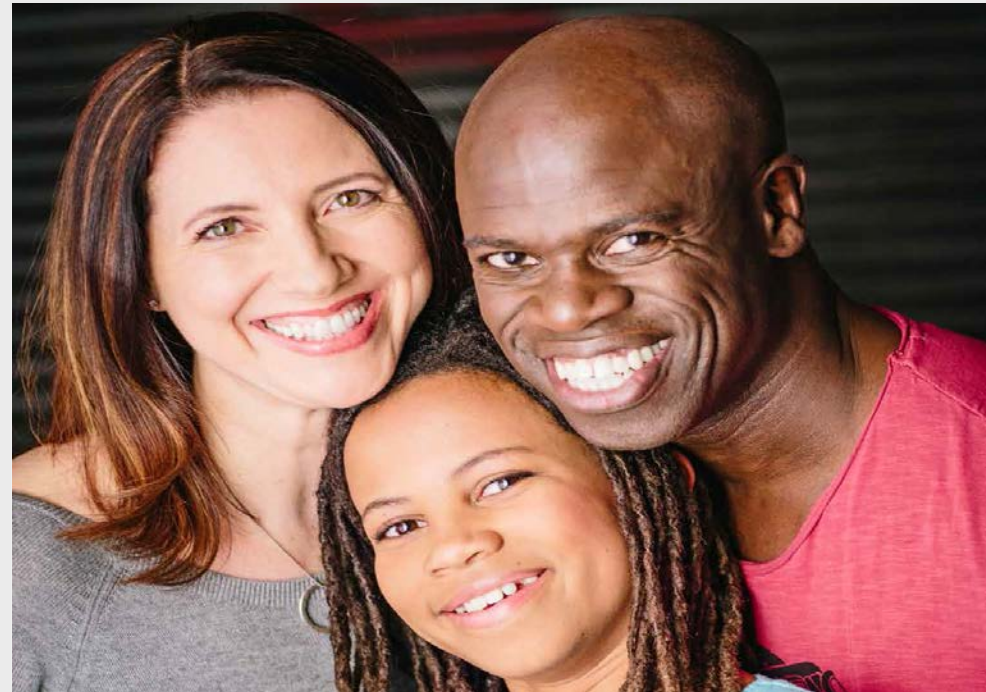
# Recreation Services

- Killarney Seniors Centre
- Aquatics Strategy Update
- Sport Field Amenity Improvements
- Creekside Paddling Centre



# Accessibility & Inclusivity

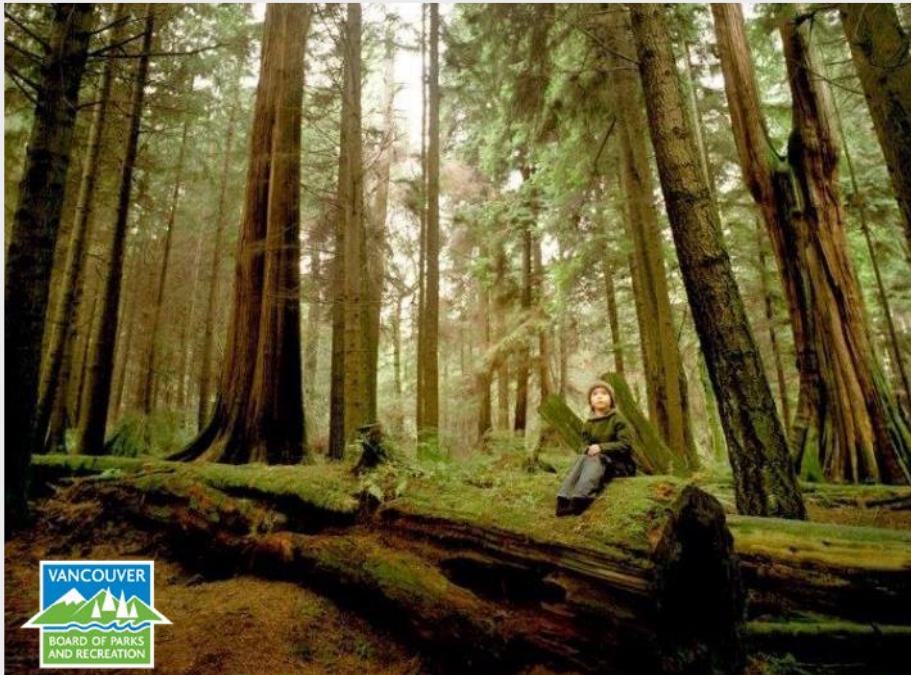
- Increased Leisure Access participation
- Trans\* & gender-variant initiatives
- Improved accessibility





# Corporate & Revenue Services

- New golf mgmnt tool
- Festival of Lights & Bright Nights success
- Strong marketing results
- Donation / Foundation





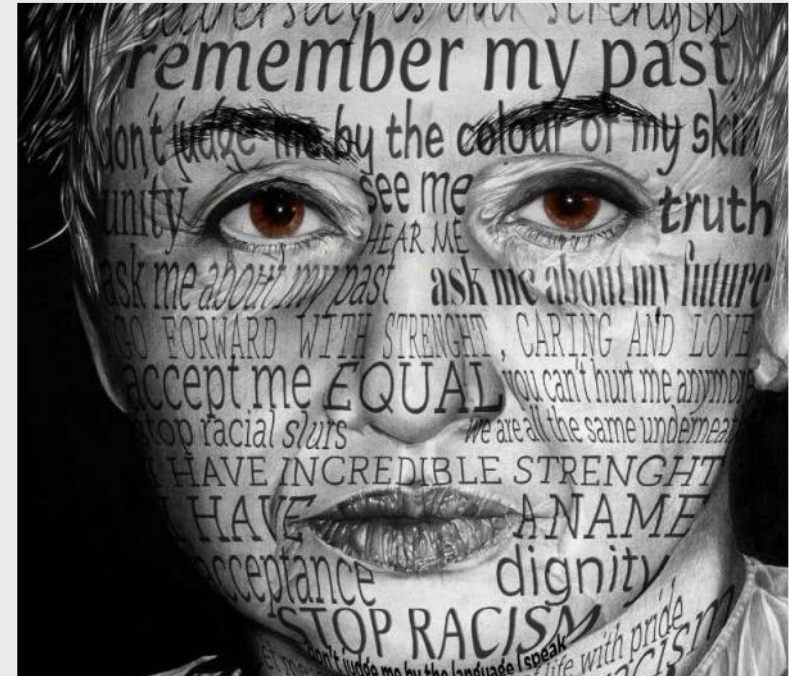
# Tourism Impacts

- Destination attractions
- Food & beverage services
- Large-scale events & sport hosting initiatives



# First Nations Engagement

- Stanley Park Master Plan
- Year of Reconciliation
- Aboriginal Art in Venues





*Our services will ensure Vancouver remains one of the most vibrant and livable cities in the world!*



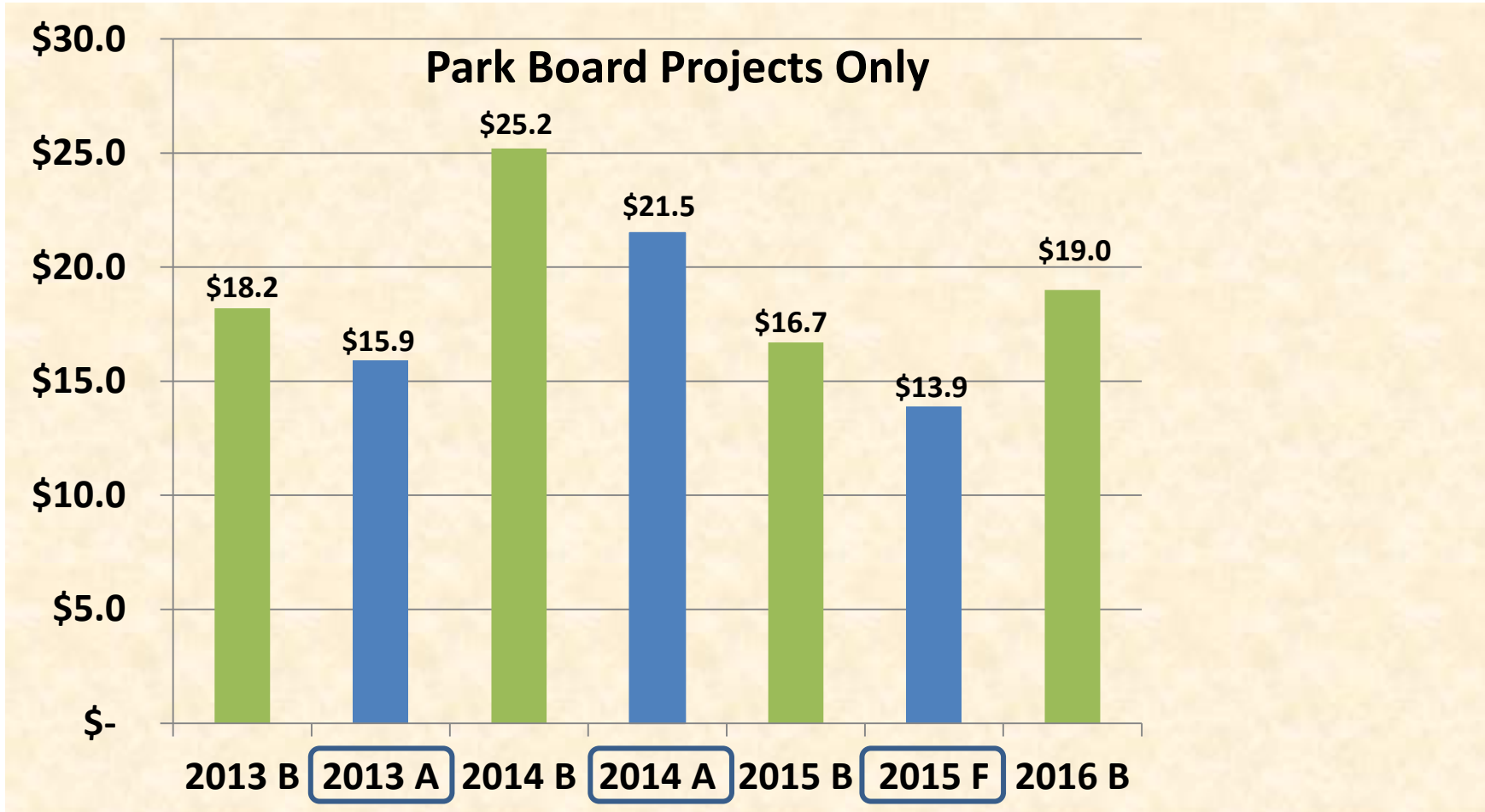


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## 2016 Capital Budget Trend





## 2016 Capital Budget Projects – Parks Projects

Project Name (\$ million)	2015 Forecast	2016 Budget	Future Years Projected
<b>PARKS AND RECREATION MANAGED PROJECTS</b>			
<b>New Parks &amp; Renewals</b>	<b>\$ 6.5 M</b>	<b>\$ 8.9 M</b>	<b>\$ 27.6 M</b>
Hillcrest and Riley Parks - Phase 2			
Andy Livingstone Park Renewal			
New park at 17th & Yukon			
Downtown South Park at Richards & Smithe			
East Fraserlands Park			
<b>Activity Features</b>	<b>\$ 1.8 M</b>	<b>\$ 5.5 M</b>	<b>\$ 12.0 M</b>
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			
<b>Urban Forestry</b>	<b>\$ 1.9 M</b>	<b>\$ 2.2 M</b>	<b>\$ 6.6 M</b>
Planting of street trees and trees on private property			
Geocoding urban forest inventory of trees			
<b>Seawall &amp; Waterfront</b>	<b>\$ 0.3 M</b>	<b>\$ 1.1 M</b>	<b>\$ 7.0 M</b>
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

Project Name (\$ million)	2015 Forecast	2016 Budget	Future Years Projected
<b>PARKS AND RECREATION MANAGED PROJECTS (continued)</b>			
<b>Infrastructure</b>	<b>\$ 0.1 M</b>	<b>\$ 0.6 M</b>	<b>\$ 2.1 M</b>
Stanley Park upgrades to pavement and drainage			
Stanley Park Lost Lagoon fountain upgrades			
<b>Entertainment &amp; Exhibition</b>	<b>\$ 0.5 M</b>	<b>\$ 0.4 M</b>	<b>\$ 9.1 M</b>
Hastings Park Greening			
Hastings Park Stream Extension			
Hastings Park Identity & Signage			
Hastings Park Heart-of-Park Renewal			
Aquatics service study including outdoor pools			
<b>Other:</b>	<b>\$ 0.1 M</b>	<b>\$ 0.3 M</b>	<b>\$ 2.0 M</b>
Fieldhouse conversions/upgrades for food, art, sport			
Community Centre upgrades			
<b>TOTAL PARK BOARD MANAGED PROJECTS</b>	<b>\$ 11.2 M</b>	<b>\$ 19.0 M</b>	<b>\$ 66.4 M</b>



## 2016 Capital Budget Projects – REFM Managed

Project Name (\$ million)	2015 Actual Expenditure	2016 Capital Budget	Future Years Projected
<b>PARK FACILITY PROJECTS MANAGED BY REFM</b>			
Recreation Facilities capital maintenance	\$2.2	\$3.0	\$12.1
Southeast Vancouver Senior Centre	0.2	2.5	4.6
Burrard Marina upgrades	0.4	1.5	1.3
Park Buildings & Fieldhouses capital maintenance	1.4	1.5	10.3
Sport Amenities improvements	1.8	1.0	0.1
Stanley Park Electrical Distribution System	1.0	1.0	0.0
Entertainment & Exhibition capital maintenance	1.1	0.8	7.1
Britannia Community Centre redevelopment	0.1	0.5	24.0
Marpole Community Centre planning/redevelopment	0.0	0.2	20.0**
Creekside Paddling Facility	3.1	0.0	0.0
<b>TOTAL REFM MANAGED PARK BOARD PROJECTS</b>	<b>\$11.3</b>	<b>\$12.0</b>	<b>\$59.5</b>

\*\*Not yet confirmed





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- **2016 Proposed Operating 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	\$0.4 M	\$0.4 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 V1 Budget Target	=	\$53.9 M	\$114.9 M	\$61.0 M
Net Change		\$1.5 M	\$1.7 M	\$0.2 M

\*Explained in detail on the next slide



## New Spending Initiatives

	<u>Proposed</u>	<u>Awarded</u>
<b>Recommended New Spending Initiatives:</b>		
Increased Washroom Cleaning	\$ 175,000	\$ 175,000
Tree Planting - Street/Parks/Private Property	378,000	150,000
Increased Tree Watering	268,000	150,000
Increased Hours for Outdoor Pools (net of revenues)	87,500	-
<b>TOTALS</b>	<b>\$ 908,500</b>	<b>\$ 475,000</b>

### Questions:

- Are these the right priorities for Parks budget spending?
- Are there alternative investments?
- What are the next investments we should make?



## Budget Trend

(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	\$114.9
Net Operating Budget	(\$55.6)	(\$55.9)	(\$57.6)	(\$60.0)	(\$60.8)	(\$61.0)
% Change		0.6%	2.9%	4.2%	1.4%	0.4%
Net Operating Budget as a % of CoV Tax Revenue	8.8%	8.7%	8.8%	9.0%	8.8%	8.6%



## 2016 Proposed Operating Budget by Division

DIVISION	Revenues	Expenses	Loan Pmts & Transfers	2016 Net Budget
<b>Parks</b>	\$4,264,682	(\$36,714,289)	(\$0)	(\$32,449,606)
<b>Recreation</b>	\$21,486,163	(\$46,484,337)	(\$123,500)	(\$25,121,674)
<b>Revenue Services</b>	\$26,971,390	(\$12,509,228)	(\$458,400)	\$14,003,762
<b>Corporate Services</b>	\$1,172,850	(\$16,176,770)	(\$2,464,774)	(\$17,468,694)
<b>PARK BOARD</b>	<b>\$53,895,085</b>	<b>(\$111,884,624)</b>	<b>(\$3,046,674)</b>	<b>(\$61,036,213)</b>



# Questions?