



## Vancouver Board of Parks and Recreation

### Special Board Meeting November 17, 2009

Visit the Park Board web site at [vancouverparks.ca](http://vancouverparks.ca)

## 2010 Operating Budget Update

### Recommendation

THAT the Board approve the proposed 2010 budget initiatives as outlined in this report.

## 2010 Operating Budget

### Purpose

- Understand the context of 2010 operating budget
- Endorse budget initiatives to meet budget shortfall

## City-wide Budget Drivers

Budget Driver	\$ million	Property Tax Equivalent	Park Board Allocation
Salary increases	26.7	4.8%	2.387
New facilities operating costs	5.4	1.0%	1.819
Capital Program	5.4	1.0%	-
Council approvals of new programs	2.1	0.4%	-
Reversal of 2009 temporary budget adjustments	14.3	2.6%	1.179
Outside agency impact	4.5	0.8%	-
Revenue reductions	3.4	0.6%	-
<b>Total Projected Increases before revenues</b>	<b>\$61.7</b>	<b>11.2%</b>	
4% revenue increase	(10.9)	(2.0%)	(1.620)
<b>Preliminary Net Budget Gap</b>	<b>\$50.9</b>	<b>9.2%</b>	

## Park Board Budget Drivers

- **Salary Increase**
  - 4% = \$2.387 million for Exempt, CUPE 15 and CUPE 1004 regular full-time and part-time staff only. 0% for aux/temporary staff (\$0.4 million required not funded).
- **New Facility Operating Costs**
  - \$1.819 million for SEFC Centre and Waterfront Park, Hillcrest Centre Complex, #1 Kingsway, Killarney Rink and Trout Lake Rink
- **Fees and Charges Increase** - 4% = \$1.6 million
- **Implementation of Phase 2 of Project 311** - funded through department budget transfer of \$357,100 to Project 311
- **NRR** – suspended for 2010

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## City-wide Budget Strategy

	\$million	% Tax
Initial Budget Increase	\$61.8	11.2%
▪ Revenue Est.	\$10.9	2.0%
▪ Bridging	\$12.6	2.3%
• Continue with Hiring Freeze and curtailing of discretionary savings		
▪ How's	<u>\$10.2</u>	<u>1.8%</u>
▪ Preliminary Gap	<b>\$28.1</b>	<b>5.1%</b>

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## City-wide Budget Strategy

	\$million	% Tax
Preliminary Gap	\$28.1	5.1%
<ul style="list-style-type: none"> <li>▪ Reversal of some bridging \$ 1.4                             <ul style="list-style-type: none"> <li>• Some expenses could not be deferred in 2010</li> </ul> </li> <li>▪ Critical Priorities \$ 0.5</li> <li>▪ Additional Contingency \$ 1.3</li> <li>▪ What's (service adjust.) <u>-\$20.2</u></li> <li>▪ <b>Remaining Gap \$11.1 2.0%</b></li> </ul>		

## Park Board 2010 Bridging

Continue with Hiring Freeze and curtailing of discretionary expenditures

### 2009 Park Board Global Budget Vacancy Adjustments

Vacancy savings (including fringe benefits) <ul style="list-style-type: none"> <li>• CUPE15 (4.25 FTEs / 1.7% combined)</li> <li>• Exempt (3.0 FTEs / 1.7% combined)</li> <li>• CUPE1004 (2.5%)</li> </ul>	(\$256,100) (\$286,700) (\$636,200)	(\$1,179,000)
CUPE15 <ul style="list-style-type: none"> <li>• 0.25 Emergency Planning Coordinator</li> <li>• 1.0 Utility Maintenance Worker</li> <li>• 1.0 Maintenance Technician II</li> <li>• 1.0 Building Worker</li> <li>• 1.0 Recreation Services Coordinator</li> </ul>	(\$19,000) (\$49,900) (\$66,300) (\$47,900) (\$73,000)	(\$256,100)
Exempt <ul style="list-style-type: none"> <li>• 2.0 Superintendent</li> <li>• 1.0 Supervisor – Recreation Services</li> </ul>	(\$180,700) (\$106,000)	(\$286,700)
CUPE1004 <ul style="list-style-type: none"> <li>• Income Operations (admin, Pitch &amp; Putt, Golf)</li> <li>• Park Maintenance (destination &amp; neighbourhood parks, sanitation, street tree)</li> <li>• Facility Maintenance</li> <li>• Recreation – outdoor pools</li> </ul>	(\$62,700) (\$414,700) (\$125,300) (\$33,500)	(\$636,200)

## 2010 Budget Strategy

### How's - \$10.2 Million

- **Implementation of shared services:** finance, facilities management, information technology (\$8,000) and supply chain (\$1.8-\$2.0 million = 13-15% of supplies & contract services budget).
- **Process improvement:** an absentee management program (\$392,000), changes to time entry and pay advice processes and elimination of duplication of services in sanitation (\$650,000 city-wide).

## 2010 Budget Strategy

### What's –

**Program Prioritization - \$20.2 Million**

**Park Board allocation - \$2.792 million**

## Park Board Core Service Review (Program Prioritization)

### Criteria used :

- **Parks** – focus on high use and high demand (e.g. park deficient) areas
- **Recreation** – preserve core programs in community centres, rinks & pools to ensure access, meet high use and protect programs in vulnerable communities
- **Maintenance** – protect park and recreation facilities and structures
- **Revenue** – protect services, programs and businesses that return net revenues to reduce tax supported funding

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## 2010 Budget Initiatives - What

Description of Changes, Impact to Services & Mitigation Strategy	Budget Savings in 2010 (\$000s)	FTE impact
<b>Park Services – Street Cleaning, litter, plant material, street trees, park maintenance</b>	\$571.0	
Reduction in garbage pickup and street sweeping. May involve reducing garbage totes from some parks. Will mitigate by prioritizing the cleaning of high use parks & facilities. Communication strategy (e.g. pack it in, pack it out) to help reduce garbage in parks.	100.0	1.0 TFT/Aux. + 1.0 RFT CUPE 1004
Change in operations of Sunset Nursery. Over the past decade, the greenhouse and nursery industry has changed dramatically in the methods of plant material propagation. Changes will be made at the Sunset Nursery to improve its efficiency and effectiveness with respect to the new methods. Staff will strive to source the highest quality plants to keep our parks and gardens to the current standards.	250.0	2.0 CUPE 1004 (Combination of RFT/TFT)
Reduction in Street Tree replacement. Tree work will be prioritized. Trees which die during the year will not be replaced. The number of trees planted in 2010 will total approximately 800, a 1/3 reduction from the 2008 total of 1200.	146.0	2.5 TFT/Aux. CUPE 1004
Reduction in QE Park maintenance. Less maintenance in QE Park will be mitigated by reducing plant variety and reduced frequency of plantings.	75.0	1.0 TFT/Aux. CUPE 1004

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2010 Budget Initiatives – What (cont.)		
Description of Initiative / Mitigation Strategy	Savings in 2010 (\$000s)	FTE impact
<b>Recreation Services – prioritization an coordination of program &amp; facility hours</b>	<b>\$1,333.0</b>	
Discontinue funding under the formal Active Communities Program banner & refocus programming for youth to encourage physical activity & healthy lifestyles through other resources, including community centre activities & partnerships with schools & other agencies.	100.0	0.0
Work with the School Board & the Champlain Heights Community Association to explore other options for before & after school programs at the Champlain Heights Community School. This program is the only such program supported by the Board across its system of community centres. The Park Board currently provides some programming staff & will work with the School Board & the Association to explore other options & provide notice as early as possible for changes in service.	60.0	1.0 RFT+0.3 Aux. CUPE 15
Recreation Services: savings will be achieved through a reduction in staff positions in community centres, fitness centres, pools and rinks. The City's summer playground program will be focused on 7 inner city parks. Impact to the users will be reduced through coordinated scheduling at facilities – i.e. ensuring closures during slower use period as coordinated between neighbouring centres.	1,173.0	15.5 CUPE 15 (Combination of RFT, RPT, & Aux.)
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2010 Budget Initiatives – What (cont.)		
Description of Initiative / Mitigation Strategy	Savings in 2010 (\$000s)	FTE impact
<b>Maintenance – Reduced Maintenance, ensuring prioritizing for risk reduction &amp; life cycle impacts.</b>	<b>\$740.0</b>	
The safety of our buildings and structures for users remains the highest priority. Maintenance is being reduced 5%, resulting in approximately 1,000 fewer work orders being processed (current level is 12,800). This will be mitigated by giving priority to risk reduction and life cycle impact over more aesthetic maintenance.	700.0	1.0 TFT CUPE 15, 6.0 TFT + 4.0 RFT CUPE 1004
Reduction in clerical support in Planning	40.0	0.5 RFT CUPE 15
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### 2010 Budget Initiatives – What (cont.)

Description of Initiative / Mitigation Strategy	Savings in 2010 (\$000s)	FTE impact
<b>Revenue Services – Closure of businesses non-core to Park Board &amp; currently subsidized</b>	<b>\$73.0</b>	
Closure of Children’s Farmyard. The Farmyard attracts more than 150,000 visitors a year but its operation is subsidized to approximately \$160,000 annually. Stanley Park will continue to have the mini train attraction & the seasonal events such as Ghost Train & Bright Nights. The Park Board is committed to finding the best & most appropriate home for the animals at the Farmyard & the closure will not happen until these moves are completed. The savings for the 2010 year reflect the need for this process but will eventually total \$100,000 per year.	50.0	5.0 TFT/Aux. + 1.0 RFT CUPE 1004
Closure of Bloedel Conservatory (net budget savings). This is an ageing facility (40 years old) which will require significant capital funds for replacement soon. Reduced attendance & increased maintenance have resulted in the Conservatory being subsidized by the Board by about \$250,000 annually, despite a budgeted loss of only \$23,000. A careful process will be undertaken to examine options for the use or disposition of the birds, plants and building.	23.0	1.77 RFT + 8.0 Aux. CUPE 15, 2.0 RFT + 1.23 TFT/Aux. CUPE 1004

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### 2010 Budget Initiatives – What (cont.)

Description of Initiative / Mitigation Strategy	Savings in 2010 (\$000s)	FTE impact
<b>Other</b>	<b>\$75.0</b>	
Scale back events for volunteer and long service recognition and reduction in administrative supplies.	75.0	0.0
<b>TOTALS</b>	<b>\$2,792.0</b>	<b>28.07 CUPE 15 (RFT/TFT/Aux.)</b> <b>26.73 CUPE 1004 (RFT/TFT/Aux.)</b>

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<b>Summary of Budget Adjustments</b>		
Salary increases (4% RFT/RPT)	\$2.4M	
Operating costs – new facilities	<u>\$1.8M</u>	<u>\$4.2M</u>
Fees and Charges	(\$1.6M)	
Project 311	(\$0.4M)	
NNR	(\$0)	
Hiring Freeze	(\$1.2M)	
How's – Shared Services	(\$2.9 to \$3.1M)	
What's – Program Prioritization	(\$2.8M)	
Aux / Temp staff - 4%	<u>(\$0.4M)</u>	<u>(\$9.3 to \$9.5M)</u>

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<b>Next Steps</b>	
Nov 13	• Budget initiatives to public
Nov 17	• Board meeting to hear from public and finalize the initiatives
Dec 1	• Council meeting to review consultation results and Board/City department budget allocations
Dec 15	• Council to finalize budget allocations and property tax increases

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## 2010 Operating Budget Update

### Recommendation

THAT the Board approve the proposed 2010 budget initiatives as outlined in this report.



## Vancouver Board of Parks and Recreation

Next Regular Board Meeting  
**November 30, 2009**

2099 Beach Avenue