

Date: February 18, 2009



TO: Board Members – Vancouver Park Board
FROM: General Manager – Parks and Recreation
SUBJECT: 2009 Operating Budget Update

RECOMMENDATION

THAT the Board approve the proposed 2009 budget initiatives as outlined on Appendix I.

POLICY

There is no applicable policy.

BACKGROUND

On February 3, 2009, the 2009 Interim Operating Budget Estimates Report was presented to City Council. At that meeting, Council received the report for information and postponed a decision on approval until March 24, 2009, pending public input. The report recommends approval of a budget of \$62,845,700 for the Park Board, including \$856,300 for Added Basic and one-time adjustments (a further \$33,800 is held centrally for the new Mount Pleasant Community Centre which will be allocated to the Park Board upon the facility's opening).

As part of this budget, the Park Board has agreed to a \$0.3 million share of the corporate reduction. The Park Board also agreed to develop initiatives to achieve the \$300,000 savings with minimal impact to current programs and staff.

At the same Council meeting, Council also passed a motion, directing the City Manager to "immediately take all necessary steps to produce a 2009 Operating Budget that will protect taxpayers and mitigate any compromise of key City services" and requesting that the City Manager "be asked to consider steps which may possibly include:

- review of all "projects" underway
- expedited implementation of shared services across all City departments, outside Boards (Parks and Recreation, Vancouver Public Library, Vancouver Police, Vancouver Civic Theatres) and owned/controlled entities (Parking Corporation of Vancouver, Pacific National Exhibition)
- hiring freezes
- pay freezes

- triage and limiting of all external consultant engagements
- early retirement
- review and adjust City business activities to align with the City core mandate under the *Vancouver Charter*”

As well, Council instructed the City Manager to “continue these efforts as necessary to limit future property tax increases in 2010 and 2011”.

DISCUSSION

The purpose of this report is to address the Park Board share of corporate adjustment of \$300,000. The initiatives proposed to achieve this target are listed in Appendix I. These initiatives have been reviewed and endorsed by the Board’s Services and Budgets Committee at its meeting of February 10, 2009 and reviewed by CUPE 1004 and CUPE 15 at the Labour Management Committee meetings on February 11 and 19, 2009.

With regard to the motion passed by Council, all City departments and boards (including the Park Board) are expected to “immediately take all necessary steps to produce a 2009 Operating Budget that will protect taxpayers and mitigate any compromise of key City services”.

As a first step in these restraint measures, a number of actions will come into effect immediately and will remain in place until further notice. These include:

Employment

- Extension of temporary positions/assignments requires approval of the General Manager of the Park Board.
- Regular Part-time employees will be restricted to core budget hours.
- Auxiliary hours will be monitored and restricted to those core hours necessary to maintain existing service levels. Any increase in auxiliary hours must be reviewed and approved by the General Manager of the Park Board.
- Temporary employment contracts (non-bargaining unit) require the General Manager's approval.
- Acting assignments shall be limited and will require prior approval of the General Manager of the Park Board.

It can be expected that exceptions to the hiring freeze will only be considered for those positions which are critical to health and safety, required by statute, fully cost recovered, Olympic-related, Council/Board priority, or which are otherwise essential to the mission of the City/Board.

Overtime

- All overtime must be reviewed and specifically approved by the General Manager of Park Board, or designate.

Travel and Training

- Staff are expected to exercise the utmost restraint in the accumulation of work-related expenses for Travel and Training, recognizing that training is an important component of staff development.
- All travel and external training must be approved by the General Manager of Park Board based on specific operational needs.
- Out of Province travel is restricted to trips already committed to and those trips where the presence of a City representative is absolutely required, and is subject to the General Manager's approval.

Contracts

- Effectively immediately, all new discretionary contracts for consultants and professional services require prior approval from the General Manager of Park Board.

All initiatives will be closely monitored to assess impacts. The General Manager will regularly advise the Board on the progress and impact from these initiatives.

SUMMARY

The proposed budget initiatives of \$300,000 to meet the Park Board share of the corporate adjustment have minimal impact to staff and current programs. To support the City's initiative to confine property tax increase and balance the operating budget, staff recommend the Board approve the proposed initiatives outlined in Appendix I. The other measures to restraint spending are challenging for the delivery of public services.

Prepared by:

Corporate Services
Vancouver Board of Parks and Recreation
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Appendix I

Description of Proposal	Total Budget	Savings in 2009	FTE impact (if applicable)	Impact to services
Reorganization in City-wide Emergency Social Services: work to be done by City's Risk Management Department.	\$36,000	\$18,000	0.25 FTE CUPE 15 vacant position	Nil - work reassignment to Risk Management
Playground Trailer for Clark Park – alternate lease agreement with City Engineering will result in cost-savings.		\$10,400	n/a	Nil – realignment of budgets to reflect actual expenditures over past 5 years
Reduction in Temporary staff (CUPE 1004) in neighbourhood park maintenance.	\$9.3 million	\$18,000	Seasonal hours reduction – 700 hours CUPE 1004	Reduction of horticultural maintenance in neighbourhood parks. Less frequent weeding during the growing season.
Reduction in material purchases for neighbourhood park maintenance.		\$7,200	n/a	Less frequent replacement of aggregates used in ball diamond and unpaved pathway maintenance.
Increased scrutiny/ prioritization of requests for repairs and maintenance work will decrease maintenance frequency for buildings will save \$10,000 in wages/FB & \$13,500 materials.	\$10.4 million	\$23,500	Seasonal hours reduction – 380 hours CUPE 1004	Deterioration of buildings. Requires an accelerated replacement schedule and increased capital costs.
Reduced expenditures on events and projects.		\$2,000	n/a	Nil

Description of Proposal	Total Budget	Savings in 2009	FTE impact (if applicable)	Impact to services
Recovery from capital for 2 Technologist positions, which spend a significant percentage of their time managing capital maintenance projects in areas such as roofs, road construction, floor replacement and building mechanical systems.		\$60,000	n/a	Reduced capital funds available for replacement work.
Reduce mileage.		\$2,000	n/a	Reduced attendance at meetings; increased reliance on email, faxes, phones.
Reduced vacation coverage and special project funding in Accounting, Business Analysis and Purchasing.	\$1.6 million	\$18,000	Auxiliary hours reduction – 700 hours CUPE 15	Minimal
Reduced spending on computer supplies by \$2,000, equipment and furniture (\$10,000) and consultant services (\$5,200)		\$17,200	n/a	Minimal
Reduce playground program hours in QE parks by 20 hours per season, per location	\$0.1 million	\$5,000	Auxiliary hours reduction – 200 hours CUPE 15	Minimal
Extend facility maintenance closures (2009 Lord Byng Pool roof repair scheduled for July/August – future facilities TBD)	\$0.3 million	\$25,000 (net)	Auxiliary hours reduction – 1200 hours CUPE 15	Fewer facilities available for public will increase travel to access other indoor and outdoor pools.
Reduction in supplies by \$10,000 and in tools by \$5,000 throughout QE community centres, pools and rinks	\$7.3 million	\$15,000	n/a	Minimal

Description of Proposal	Total Budget	Savings in 2009	FTE impact (if applicable)	Impact to services
Close Bloedel Conservatory 1 hour earlier between November and January	\$0.1 million	\$15,000	Auxiliary hours reduction – 600 hours CUPE 15	Reduced public access (but confined to least popular usage period).
Reduction in Street Tree materials and supplies (\$7,100) and seasonal CUPE 1004 staff (\$7,000)	\$5.1 million	\$14,100	Seasonal hours reduction – 280 hours CUPE 1004	Reduced watering of newly planted trees.
Reduction in VanDusen supplies (\$5,000) and seasonal CUPE 1004 (\$5,000)	\$1.2 million	\$10,000	Seasonal hours reduction – 200 hours CUPE 1004	Decreased summer maintenance resulting in longer grass, weedier beds.
Reduction in materials and supplies for maintenance of QE Park	\$1.0 million	\$5,000	n/a	Fewer spring bulbs planted.
Outdoor pool schedules will be revised to generate efficiencies by coordination of hours.	\$1.1 million	\$38,700 (net)	Auxiliary hours reduction – 2,400 hours	Minimal. May result in fewer hours at some facilities.
Park Board Totals	\$59.6 million	\$304,100	Seasonal and Auxiliary Est. 7,000 hours reduction CUPE 15 and CUPE 1004	