



PARKS ZBR Implementation Update

PFC2018-0017
Attachment 3

January 16, 2018





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Background

In September 2014, the Priorities and Finance committee approved recommendations resulting from the Parks ZBR (PFC2014-0470):

Recommendation Topic	Description
1 Performance Management & Maintenance Standards	1) Improving accountability and productivity by implementing maintenance standards across the city; 2) developing a consistent and formal performance management system for staff; and, 3) implementing the efficiency and effectiveness performance measures developed for all major lines of service.
2 Increased Productivity	Increasing the productivity of seasonal staff through changes to existing practices.
3 Cost Savings	Expansion of third party contracting and the potential increase of naturalization in selected park spaces.
4 Levels of Service Provisions	Investigate further the planning and development process through which assets are acquired to ensure the growing asset portfolio is sustainable.
5 Playfields Utilization & Cost Recovery	Develop a playfield strategy in conjunction with Recreation and to increase the hourly rate of playfield rentals to recover 50% of the maintenance costs.
6 Other Recommendations	Six recommendations that supplement others made through the ZBR. They include improving communication and enhancing collaboration across service lines.



(Cont'd) Background

Initial estimates indicated that \$4.3 million in annual financial benefits could be achieved through a mix of productivity gains, cost savings and increased revenue generation once fully implemented. These savings targets were incorporated into the Action Plan 2015-18 as reductions. In addition to the quantifiable financial benefits, there are other equally important service efficiency gains resulting from improved staff morale, greater accountability, a higher level of customer service and environmental benefits.



Progress Update

All recommendations resulting from the Parks ZBR are on track, and full realization of financial benefits is anticipated by Q4 of 2020.

Two of six recommendations have been completed and four more are in a planning or implementation phase. By 2017, this work has yielded a recurring financial savings of approximately \$2.4 million dollars. This savings will grow to \$3.8 million in 2020 as additional savings are realized related to Increased Productivity, Playfield Utilization & Cost Recovery and Cost Savings. Of note, the expected potential savings of the Playfield Utilization & Cost Recovery recommendation has been recast.

Recommendations	Current Status	Originally Predicted	Realized Annual Savings		Anticipated Annual Savings			
			2015	2016	2017	2018	2019	2020
Performance Management and Maintenance Standards	Complete	\$0	-	-	-	-	-	-
Increased Productivity	Being implemented	\$570,000	\$180,000	\$483,000	\$483,000	\$570,000	\$570,000	\$570,000
Playfield Utilization and Cost Recovery	Implementation being planned	\$1,240,000	-	-	-	-	\$275,000	\$555,000
Level of Service Provisions	Being implemented (ongoing)	\$0	-	-	-	-	-	-
Cost Savings	Being implemented	\$2,500,000	\$577,000	\$1,031,000	\$1,888,000	\$2,715,000	\$2,715,000	\$2,715,000
Other Recommendations	Complete	\$0	-	-	-	-	-	-
Parks (Total)		\$4,310,000	\$757,000	\$1,514,000	\$2,371,000	\$3,285,000	\$3,560,000	\$3,840,000

*Note: Upon further analysis, Parks has readjusted the savings potential of the Playfield Utilization and Cost Recovery recommendation. Listed above, the originally predicted savings was to be \$1,240,000. This has been readjusted to \$555,000 realized annually in 2020 and beyond. Notwithstanding, Parks has sought additional savings in other areas to make up this difference – an additional \$470,000 of savings found is discussed in the Continuous Improvement section later in this document.

Performance Management & Maintenance Standards

ZBR recommendations in this category have been completed.

Increased Productivity Recommendations

ZBR recommendations around most of the productivity gains have been realized. The balance are under way.

Playfield Utilization & Cost Recovery Recommendations

In a 2014 PFC report (PFC2014-0470) it was noted that the expected savings related to the increase in playfield rates required further investigation that would be done through the development of a Sports Field Strategic Plan for implementation in 2017. This work was completed jointly by the Parks & Recreation business units in 2016. The ZBR recommendation moved fees to 50% of the maintenance costs. Results of analysis showed that most fees for adults are within a best practice range. Only the fee for youth was substantially below the 50th percentile. This would not generate the revenue anticipated neither would it be a citizen or politically acceptable direction.



(Cont'd) Playfield Utilization & Cost Recovery Recommendations

A joint four year implementation plan commenced in 2017 including items that will potentially increase revenue not tied to youth fees. These recommendations included:

- Reclassification of sports fields based on emerging user needs.
- Development of quality & maintenance standards aligning with revised classifications.
- Task tracking of maintenance costs.
- Collection of user data and improved booking process for optimization of fields.
- Development of a partnership strategy.

Each component of the Sports Field Strategic Plan is critical to informing a new, more tailored framework for rates and fees.

The implications of this sports field strategy to the Parks ZBR is expected to have a modest positive revenue impact in 2019 and beyond as noted in the chart above.

Level of Service Provisions Recommendations

Parks and the development industry continue to meet annually around development agreements and are taking steps to ensure that local park development has long term sustainability and to ensure the right amenities in the right locations.

Cost Savings Recommendations

ZBR recommendations in this area have been completed with the exception of the naturalization item. That work is underway and also tied to targets in the Biodiversity Strategic Plan.

Other Recommendations

All recommendations listed in the 'Other' category have been completed and were not recommendations generating financial savings.

Continuous Improvements

Parks could foresee not realizing \$1.2 million in increased revenue from playfields in 2016 and has taken steps to find additional efficiencies and effectiveness to offset the revenue shortfall originally predicted. A number of other efficiencies and process improvements completed have yielded \$470,000 in recurring savings. These included initiatives such as LED lighting, fleet reductions, IT account cleanup and the modernization of some electrical systems.

The implementation of the Parks ZBR recommendations converged with the development of a Parks in-house tool to evaluate and manage the customer level of service (CLOS) delivered in regional parks as these parks are site specific. This also aligned with ever improving asset management and data. This convergence allows Parks staff to manage the parks system thoughtfully and strategically; aligning expenditures to value received and insuring a resilience within the system to both increasing citizen use and enjoyment as well as climate events. This, combined with ongoing pilot projects at the local park level, will inform work into the next budget cycle and the final implementation of the Parks ZBR.

