

Date: April 4, 1996

SUBJECT: PARK BOARD 1996 CAPITAL BUDGET

RECOMMENDATION

THAT the Board approve the 1996 Capital Budget in the amount of \$6,583,000 and as outlined in Schedule A subject to final approval by Council.

BACKGROUND

In November, 1993, the voters approved a \$22,160,000 borrowing authority, which was part of the funding for the Board's \$25,980,000 1994 - 1996 Capital Plan. The remaining \$3,820,000 was to be provided by City Council out of revenue capital. Subsequent to this approval, Council instituted the Budget Management Program with a targeted operating budget reduction of \$15 million for 1994 to 1996. The budget reductions that were proposed by staff included a reduction of \$5.1 million in the revenue capital portion of the total city's three year capital plan. The Park Board's share of this reduction amounted to \$500,000. Council approved this reduction on April 19, 1994, as part of the overall Budget Management Program approval. The Board subsequently approved that this reduction be allocated against the \$980,000 inflation allowance which was included in the 3 year budget. This avoided the need to adjust the individual project totals, while still leaving \$480,000 inflation allowance for 1995 and 1996 projects. The adjusted three year plan is as follows:

	ORIGINAL 1994 - 1996	BUDGET MGT PROG. CUTS	REVISED
	\$	\$	\$
Total Land, Park & Facilities	24,600,00 0		24,600,00 0
Debenture Charges	400,000		400,000
Inflation Allowance	980,000	<500,000>	480,000
TOTAL	25,980,00 0	<500,000>	25,480.00 0

DISCUSSION

Although the overall 3 year plan has been fully approved, a separate approval is required each year for the projects which are to be commenced in that particular year. The revised 3 year capital budget broken down by fund and showing the portion approved for 1994 and 1995 and the portion recommended for 1996 is as follows:

	Revised Budget 1994 - 1996	1994 Approved	1995 Approved	1996 Proposed
Land Acquisition	\$3,882,00	\$1,600,00	\$2,193,00	
Park Development	11,799,00	5,965,00	1,774,00	3,831,00

Facility	3,725,0	*3,350,00	2,642,200	
Development	9,799,00			
Debenture Costs	160,000	130,000	110,000	
	\$25,480,	\$11,450,	\$7,447,	6,583,000

\* Includes \$1,198,000 for projects which were approved by council on March 12, 1996, in advance of the 1996 Capital Budget.

The Capital Budget is funded both from debenture borrowing and revenue capital. As indicated previously the capital from the revenue portion of the original Capital budget submission is to be reduced by \$500,000. After this reduction the revised sources of funding are as follows:

	1994 - 1996	1994	1995	1996
Total Capital Allocation	\$25,480,00	\$11,450,00	\$7,447,00	\$6,583,00
Funds From Revenue	3,320,000	NIL	1,661,0	1,659,00
Funds From Debentures	22,160,00	11,450,00	5,786,00	4,924,00

Attached are the following details.

1. Schedule A: Summary of the 1996 Proposed Capital Projects
2. Schedule B: The Revised Three Year Budget

Prepared by:  
Finance Division  
Board of Parks and Recreation  
City of Vancouver  
DH/lw  
Attachments.  
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