

Date: June 7, 2007



**TO: Board Members – Vancouver Park Board**  
**FROM: General Manager – Parks and Recreation**  
**SUBJECT: Financial Reports as of April 30, 2007**

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## RECOMMENDATION

*THAT the Board receive this report for information.*

## BACKGROUND

Periodic financial statements are submitted to ensure that the Board is kept fully informed of the current expenditures and revenues in relation to the approved budget appropriation.

## DISCUSSION

Financial reports for three accounts are provided for the Board's information: the 2007 Operating Statement, a statement on the Stanley Park Restoration Project, and a statement on Donations. Staff have reviewed these statements with the Finance Committee, which recommended that they be forwarded to the Board for information. The results of the reviews are summarized below:

### Operating Statement

As of April 30, 2007, the Park Board has spent \$19,527,933 of a total budget of \$55,516,886 or 35.2% of budget. By comparison, at the end of April 2006 and April 2005 net expenditures were 35.2% and 34.0% of budget respectively (see Appendix I for further details).

### Revenues

Gross revenues are \$8,502,712 or 23.1% of budget. This is in line with the April 2006 level of 23.2% and above the April 2005 level of 22.5%. It is expected that revenues will be low at this time of year since the majority of revenues are collected over the summer.

Revenue from income-oriented operations is down \$93,000 from the same period last year which translates to a decrease of 1.3%. All income operations except marinas have lower revenues than last year. The biggest declines over last year are in golf (\$164,000), restaurant leases (\$40,000), pitch & putts (\$36,000), and concessions (\$27,000), all of which were due to poor sales during wet weather.

Golf revenues continue to experience a general downward trend. Strategies to mitigate the revenue shortfall are in effect. Staff will continue monitoring the situation, and report to the Board any changes.

Revenues from recreation are up a total of \$446,000 (at 38.0% for 2007 compared to 35.2% in 2006). Revenue from indoor pools, fitness centres, and rinks have improved compared to last year.

Revenues from operations in parks are up \$77,000 from 2006 at 17.4% of budget, compared to 17.8% of budget for the same period last year.

Overall, revenues are comparable to last year. It is difficult to accurately predict the year end revenue position as it is dependant on activities and weather in the summer months. Steps are being taken to address issues and contain related costs in areas of concern.

#### Expenditures

Gross expenditures are currently \$28,030,645, which is at 30.4%. This is slightly lower than the April 2006 level of 30.6% and higher than the April 2005 level of 29.6%. For the Park Board as a whole, expenditures are at or below last year's percentage spent levels for the same period. Expenditures on payroll are up by 0.6%, with the increase spread throughout the Board's operations.

Expenditures on income-oriented programs are at 27.9% and are in line with last year's expenses. Spending has increased compared to last year for golf (due to utilities and loan payments), pitch & putts, and marinas (due to changes in agreements). Parking and concessions expenses are down (reflecting lower sales revenues).

Expenditures on recreation programs are comparable to last year's levels, with increases in payroll and supplies costs. Increases in costs for indoor pools, rinks and specialty recreation programs have been almost completely offset by savings in community and fitness centres.

Spending on park maintenance is down slightly from last year. Payroll costs are up marginally (0.3%), but have been more than offset by reductions in city equipment, supplies and utilities.

Overall, net operating expenditures are in line with last year's experience, with no significant difference on either the revenue or expenditure side. It is difficult to accurately predict the year end expense position as it is dependant on activities and weather in the summer months. Staff will continue to report back to the Board as the year progresses.

Stanley Park Restoration Project

As noted in Appendix II, the Stanley Park Restoration Project has a budget of \$9,000,000. To the end of April 30, 2007, \$474,599 has been spent, with the majority of the costs for road and trail cleaning and resurfacing (\$246,000) and consultant advice and planning (\$144,000).

Donations of \$2 million each have been received from the provincial government and the City of Vancouver, and public donations totaling \$2,871,983 have also been received. The full \$6,871,983 in donations received to date has been transferred to the Stanley Park Restoration Reserve, to earn interest for the project while the planning and clearing work continue. It is anticipated that the federal government \$2 million pledge will be forthcoming soon.

The Board will continue to receive updates on this project throughout the process.

Donations

In addition to the generous donations for the Stanley Park Restoration Project, the Board continues to receive donations for other purposes. Between January 1 and April 30, 2007 donations totaling \$173,121 were received by the Park Board. Of this, \$99,080 was for the Park Amenity program and the remaining \$74,041 was designated for specific purposes or as endowments (as detailed in Appendix III).

Over the same period, expenses related to the donation program were also incurred. Expenses for park amenity installations and maintenance totaled \$55,538, expenses for endowment and designated funds totaled \$4,420, and other expenses to support the donation program totaled \$49,880 for the period.

**SUMMARY**

Financial reports for the above-noted three accounts are provided for the Board's information. Updated reports will be made available throughout the year to ensure that the Board is informed of spending on its various programs.

Prepared by:

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