

Date: October 9, 2009



TO: Board Members – Vancouver Park Board
FROM: General Manager – Parks and Recreation
SUBJECT: Financial Statements to September 30, 2009

RECOMMENDATION

THAT the Board receive this report for information

POLICY

There is no applicable policy.

BACKGROUND

This report discusses the Board's September 2009 financial positions for the Operating Budget, the Donation Program and the Stanley Park Restoration Project.

DISCUSSION

2009 Operating Budget

As of September 30, 2009, the Board had spent \$43,328,820 or 70.6% of its budget, with total revenues of \$32,804,763 and gross expenditures of \$76,133,583.

Details of the Board's financial position are attached as follows:

- Appendix I – Operating Statement to the end of September 30, 2009, which provides a breakdown of Revenues and Expenditures by District
- Appendix II – 2008 & 2009 September Revenues & Expenses by Program

Revenues

The Park Board total revenues to the end of September 2009 are \$32,804,763 or 83.8% of budget. For the same period in 2008, revenues were \$30,300,057 or 79.8% of budget, reflecting an increase of approximately \$1,587,000 in the first nine months of 2009.

As noted in Appendix I, revenues are up in the Stanley and Vancouver East Districts and Corporate Services, while they are down in the Queen Elizabeth District and Planning and Operations.

Appendix II provides a breakdown of gross revenue by program. Comparing 2009 revenues to 2008 September revenues, total revenues are up 8%. Income from Revenue Operations is up in all areas except leases, with the entire income operations group having 7% more revenue than at the end of September 2008. Revenues from Park Operations are down by 3% from the previous year, while Recreation revenues are up by 13% with the increases in individual recreation programs ranging from 6% to 26%.

Overall, revenues as of the end of September have increased by almost \$1.6 million over the same period in 2008. However, in 2009 revenue budget was increased by \$1.7 million for inflation and in 2008 the Board had a revenue shortfall of \$0.9 million; in order to make the revenue budget target, the Board must increase revenues by \$2.6 million over 2008 levels by year end. While approximately 80% of revenues are generated between January and September each year, the increase of \$1.6 million in the first nine months of 2009 confirms that the Board is on track to meet its revenue budget.

Gross Expenditures

As noted in Appendix I, to the end of September 2009 gross expenditures total 75.7% of budget (or \$76,133,583) while for the same period in 2008 expenditures were at 76.7% of budget (or \$74,845,451). Once inflation is factored in, this is a decrease of over \$900,000 in the first nine months. Gross expenses are down in all areas with the exception of Planning & Operations, which has undertaken repair work at Portside Park pier and the Stanley Park soil shed. These costs will be recovered before year end from insurance claims. Planning & Operations also purchased small equipment early in 2009, which makes year to date expenses high when comparing to 2008 levels.

Appendix II provides a breakdown of expenditures by the major programs. Comparing September 2009 gross expenses to the same period in 2008, expenses have increased by almost \$1.3 million. After adjusting for inflation, the 2009 gross expenditures are down 1% or almost \$1 million compared to the same period in 2008. At this point, the Board looks to be on track to meet its expenditure budget at year end.

2009 Donation Program

As of September 30, 2009, \$393,883 was raised by the Donation program. A detailed breakdown of donations and expenses is attached in Appendix III. Highlights of funds received year to date include:

Park Amenities - \$273,600 has been raised to date and designated to 44 park benches and 1 bicycle rack. 50 lapsed donors renewed their support. Expenses totaled \$78,599 bringing the balance to \$1,664,705.

Park Monuments - \$60,170 has been designated to provide for the preservation of the Harry Jerome and David Oppenheimer statues in Stanley Park, the Inukshuk at English Bay and Khenko in George Wainborn Park.

Park Conservation - Two new appeals have been developed for donors interested in adopting trees and making in memory gifts. To date, \$25,585 has been raised and \$9,197 has been disbursed bringing the balance to \$156,098.

Recreation Programming - \$15,500 has been raised for two Community Centre projects – the Red Fox Walking and Healthy Food Choices. To date, \$15,775 has been disbursed bringing the balance to \$7,285.

Special Projects - \$53,400 has been received for two new projects: a \$35,000 pledge payment has been received based on a \$400,000 commitment from 2010 Legacies Now, Ronald McDonald House Charities Canada and Rick Hansen Foundation for an accessible playground at Kitsilano Beach Park; \$10,000 has been donated by Quiksilver Canada for upgrades to the Vancouver Skate Plaza. Two additional projects have received funding: a \$200,000 commitment has been made by the David Lam Foundation for planting 100 cherry trees in David Lam Park after the 2010 games and \$200,000 has been committed by Coca-Cola Canada through 2010 Legacies Now for a youth sport court at Capozzi Park. \$31,240 has been disbursed bringing the balance to \$86,692.

Endowment Program - Three new endowments have been established with \$25,000 received to date bringing the balance to \$602,602.

Overall, \$393,883 has been receipted in the first nine months of 2009. After expenses, the balance for September 30, 2009 is \$2,443,014.

Stanley Park Restoration Project

As detailed in Appendix IV, the Stanley Park Restoration received funds totaling \$51,402 between January 1 and September 30, 2009. This included \$4,870 from individuals and corporations, \$6,720 from log sales and \$39,812 of interest earned on the Stanley Park Restoration Reserve.

In terms of expenditures, for the period between January 1 and September 30, 2009, \$1,325,637 was spent on the Restoration Project, with \$340,918 of that for public consultation and plan development to guide the Forest Management Plan.

For the nine months ending September 30, 2009 \$11,585 was spent on forestry work. In addition to the forestry work, \$164,414 has been spent on seawall repairs and escarpment stabilization, park pathways and roads. A total of \$768,044 has been spent on Prospect Point road realignment and \$40,676 on carrying out the work of the Forest Management Plan during the first nine months of 2009.

A balance of \$664,317 remains in the fund at the end of September 30, 2009. The remaining funds will be spent on finalizing the Prospect Point redevelopment, pathway and road repairs, park repairs and implementation of the Forest Management Program.

SUMMARY

Overall the Board has spent \$43,328,820 or 70.6% of its budget to the end of September 30, 2009. This is approximately \$2.5 million less than the net expenditures during the first nine months of 2008. While the Board's 2009 operating budget has been reduced by \$2 million, the decrease in net expenditures of almost \$1 million confirms that the Board is on track to meet the 2009 operating budget.

The Donation program collected \$ 393,833 in funds in the first nine months of 2009. After all program expenses were deducted there is a net increase of \$114,534, which brings the total donation balance as of September 30, 2009 to \$2,433,014. Once the loan to the Celebration Pavilion is accounted for, the balance in the account is \$1,687,884.

During the first nine months of 2009, the Stanley Park Restoration Project collected \$4,870 in donations, earned \$39,812 in interest and generated \$6,720 in revenue from log sales for a total increase in funds of \$51,402. Once expenses of \$1,325,637 are accounted for, the Project spent a total of \$1,274,235 to the end of September 30, 2009, leaving a balance of \$664,317 remaining in the fund to complete the restoration and legacy work for Stanley Park.

Prepared by:

Corporate Services
Vancouver Board of Parks and Recreation
Vancouver, BC