2021-2025 Financial Plan Overview

Jerry W. Dobrovolny
COMMISSIONER/CHIEF ADMINISTRATIVE OFFICER

Dean Rear
GENERAL MANAGER, FINANCIAL SERVICES/CHIEF FINANCIAL OFFICER
Reflecting Feedback

• Observing 2020 Budget Process
  o Strengths
  o Opportunities for Improvement
Strengths

- Strong financial position
- Process includes multiple layers of scrutiny
- Board Strategic Plan and 5 Year Financial Plan
  - Provides foundation
Opportunities for Improvement

- Overall picture of the budget at the Committee level
- Earlier direction from the Board
- Greater input and transparency around decision making
- Increased understanding of evolving municipal challenges
Board Direction from June Workshop

Short-term Relief for Households
   Leverage supported tools to create a short-term action plan
   (1-3 years)

Maintain current goals and objectives
   Continue work on strategic and long-range plans

Realize New Opportunities
   Partner on projects to increase affordable housing
   Reduce GHGs
   Help drive economic recovery
Realizing New Opportunities

• Expanding affordable rental housing through strategic redevelopment and partnerships
  o 7-8 projects over 5 years (750-900 units)

• Waste-to-Energy District Energy
  o Up to 70,000 tonnes of GHG reductions per year

• Project delivery – maximizing local benefits
Asset Management Plans
- Minimize asset failure risks and impact to customers
- Optimize lifecycle value
- Meet asset performance targets

Financial Management Policy
- 15 Year Amortization Period
- Pay-as-you-go to ensure <40% debt servicing cost
Continuous Improvement

- Opportunities for continuous improvement
  - Find efficiencies
  - Improve service
- Annacis Cogen Expansion: $1.5M savings in 2020
- Identified 2021 opportunities:
  - Fraser Valley Gravel Pit Reclamation - $1.7M savings
  - Lulu Island Green Biomethane Sales Revenue - $860k in revenue
  - In-house Engineering and Design - $500k savings
  - COVID Claims Management on over 50 projects
Project Review

• Review of over 300 capital projects
  o Numerous adjustments to workplans and schedules

• Leveraging conservation efforts to defer growth-related infrastructure projects (demand side management)
Project Review

Capital Plan Deferrals

- Capital plan includes deferring key phases of the Coquitlam Water Supply project
- Unique opportunity to significantly increase water conservation efforts to achieve long-term per capita reductions
Capital Plan Requirements

Infrastructure Resilience

- Aging Infrastructure
- Climate Change Adaptation

Clayton Langley Main Valve Chamber Refurbishment

Coquitlam Interceptor: corroded section of pipe

Iona Wastewater Treatment Plant: Flood Protection
Financial Tools

- Financial tools used to provide short-term relief:
  - Changing amortization period to 30 years for the next 2 years
  - Eased pay-as-you-go funding for next 3 years
# Budget Adjustments

<table>
<thead>
<tr>
<th>Prior Projection for 2021 Budget</th>
<th>Proposed 2021 Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>$967.5 M</strong></td>
<td><strong>$939.5 M</strong></td>
</tr>
<tr>
<td>Increase for the average household in 2021 (Water: $7, Liquid Waste: $26, Solid Waste: $3, MVRD: $6)</td>
<td>Increase for the average household in 2021 (Water: $2, Liquid Waste: $8, Solid Waste: $0, MVRD: $7)</td>
</tr>
<tr>
<td><strong>$602</strong></td>
<td><strong>$577</strong></td>
</tr>
<tr>
<td>Average annual costs for all Metro Vancouver services</td>
<td>Average annual costs for all Metro Vancouver services</td>
</tr>
</tbody>
</table>
## Overall Household Impact 2021-2025

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
<th>2024</th>
<th>2025</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Water District</strong></td>
<td>$172</td>
<td>$174</td>
<td>$178</td>
<td>$182</td>
<td>$197</td>
<td>$217</td>
</tr>
<tr>
<td><strong>Liquid Waste</strong></td>
<td>$264</td>
<td>$272</td>
<td>$289</td>
<td>$310</td>
<td>$344</td>
<td>$385</td>
</tr>
<tr>
<td><strong>Solid Waste</strong></td>
<td>$61</td>
<td>$61</td>
<td>$63</td>
<td>$65</td>
<td>$67</td>
<td>$70</td>
</tr>
<tr>
<td><strong>Regional District</strong></td>
<td>$63</td>
<td>$70</td>
<td>$73</td>
<td>$77</td>
<td>$81</td>
<td>$82</td>
</tr>
<tr>
<td><strong>Total Household Impact</strong></td>
<td><strong>$560</strong></td>
<td><strong>$577</strong></td>
<td><strong>$603</strong></td>
<td><strong>$634</strong></td>
<td><strong>$689</strong></td>
<td><strong>$754</strong></td>
</tr>
<tr>
<td><strong>% Change</strong></td>
<td>3.2%</td>
<td>4.2%</td>
<td>5.2%</td>
<td>8.8%</td>
<td>9.4%</td>
<td></td>
</tr>
<tr>
<td><strong>Prior Year Forecast</strong></td>
<td>$602</td>
<td>$655</td>
<td>$708</td>
<td>$755</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Prior Year % Change</strong></td>
<td>7.4%</td>
<td>9.0%</td>
<td>8.0%</td>
<td>6.7%</td>
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</tr>
</tbody>
</table>
Long-term Impact

Long-term Household Impacts of Financial Levers

- **No Financial Levers**
- **With Financial Levers**
• 2022 Budget Cycle will continue to prioritize:
  o Continuous improvement to realize cost savings and efficiency gains, including delivery mechanisms for capital projects
  o Exploring alternatives to building new infrastructure i.e. demand side management strategies
  o Sound fiscal management
  o Understanding of municipal challenges
  o Early direction from Boards and Committees
Overview:
• 2020 Operating Budget: $894.3M
• 2021 Operating Budget: $939.5M (5.1%)
• $28M less than previously projected for 2021

Drivers:
• Increase in Operations averages 2.2% over 5 years
• Debt servicing reflective of the capital program, but favorable rates and 30 year amortization in 2021/22
• Easing Contribution to Capital in 2021/22/23 - Refocusing in 2024/25
Overview:
• Primary funding sources - water sales, sewer levy, tipping fees, rents, MVRD requisition
• Expecting relative stability for primary sources
• Continued focus on alternate sources

Drivers:
• Assumed Water DCC revenue received and applied starting in 2023
• Assumed partner funding for upcoming major capital projects, reduces pressure on levies/rates
• Assume return to the Financial Management Policy in 2024/25
Overview:
• 2020 Capital Budget: $1.41B
• 2021 Capital Budget: $1.52B
• Increase: $110.0M (7.8%)

Drivers:
• Capital project in progress carried forward
• Reviewed for deferrals and savings
• Project risks and scope provisions
Questions
2021 – 2025 FINANCIAL PLAN
METRO VANCOUVER REGIONAL DISTRICT – REGIONAL PARKS

Neal Carley,  
GENERAL MANAGER, PARKS AND ENVIRONMENT

Mike Redpath  
DIRECTOR, REGIONAL PARKS

Regional Parks Committee – October 14, 2020

Widgeon Marsh Regional Park
Regional Parks over the next 5 years

Regional Parks manages 13,632 ha of land for 23 regional parks, 5 regional greenways, 2 park reserves, and 2 ecological conservation areas through:

• Stewardship of the Regional Parks’ ecosystems and natural areas
• Safe and secure parks and facilities to connect people with nature
• Park system visitation, programs and services
• Public education, interpretation and cultural engagement
• Manage built and natural assets
• Acquire new park land to complete existing parks and create new parks
## PERFORMANCE METRICS

<table>
<thead>
<tr>
<th>Key Performance</th>
<th>Past Performance (Average)</th>
<th>Expected Performance 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Visits to Regional Parks</td>
<td>3-year average: 11,856,000</td>
<td>16,500,000</td>
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<tr>
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<tr>
<td>Participants in Regional Park programming</td>
<td>3-year average: 62,798 (Projected COVID-19 2020- 8,000)</td>
<td>10,000 participants</td>
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<tr>
<td>Area of Regional Parks Land</td>
<td>2019: 13,632 ha  2018: 13,557 ha*</td>
<td>13,650 hectares (33,730 acres)</td>
</tr>
<tr>
<td></td>
<td>2017: 14,588 ha</td>
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<td></td>
<td>*reflects changes with Regional Parks Service boundary Abbotsford)</td>
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## Initiative Outcomes

### Land Acquisition and Ecological restoration of Burns Bog, Parkland acquisitions at Widgeon Marsh in Coquitlam and Codd Wetland in Pitt Meadows.
- Sequestration of carbon, protection ecosystems and help people connect with nature. Primary contributor to achieving corporate MVRD carbon neutrality. (Value of $4.1M in carbon credits)

### Indigenous Relations for Regional Parks
- Implementation of the Belcarra Regional Park Cultural Planning and Cooperation agreement as a model of relationship building towards reconciliation for municipal indigenous relations for local and regional parks.

### Strategy and Management Plan Development (e.g. Regional Greenways Strategy, Campbell Valley Management Plan, Buildings Strategy, Programming and Interpretation Strategy)
- Developing region-wide strategic and policy documents to provide management strategies for natural area protection, resiliency and for the management of facilities for residents to connect with regional parks.
BUDGET OVERVIEW

2021 Operating Budget Breakdown - Regional Parks

2021 MV Budget, $939.5M
Regional Parks, $54.6M

- Systems Planning, Design and Development Services
- Systems Visitor and Operations Services
- Central Area Services
- East Area Services
- West Area Services
- Administration and Department Support
- Other
- Contribution to Reserves
Overview:
2020 Operating Budget: $46.9M
2021 Operating Budget: $54.6M
16.4% increase

Drivers for Change:
• Land acquisition
• New park development
• Asset management
• Increased visitation

2021 – 2025 Regional Park Financial Plan

OPERATING EXPENDITURES
Regional Parks Financial Plan
OPERATING FUNDING
Regional Park Financial Plan

Overview:
2020 Operating Budget: $46.9M
2021 Operating Budget: $54.6M
16.4% increase

Drivers for Change:
• Land acquisition
• New park development
• Grant Opportunities
• Increased visitation

2021 – 2025 Regional Park Financial Plan

- MVRD Requisitions
- User Fees
- Other External Revenues
- Transfer from SIF
- Transfer from Reserves
## OPERATING HIGHLIGHTS

<table>
<thead>
<tr>
<th>Budget Year</th>
<th>Initiative</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>2021</td>
<td>Park Capacity and Parking Lot management system</td>
<td>Trial programs to manage visitation traffic and parking capacity issues</td>
</tr>
<tr>
<td>2022</td>
<td>Regional Parks Systems Plan</td>
<td>Updating the Regional Parks plan and developing a system wide resource management plan</td>
</tr>
<tr>
<td>2023</td>
<td>Widgeon Marsh Regional Park</td>
<td>Major park development (2021-2023), commence operations and opening 2023</td>
</tr>
<tr>
<td>2024</td>
<td>Delta/South Surrey Greenway</td>
<td>Management plan implementation and operations</td>
</tr>
<tr>
<td>2025</td>
<td>Asset management plan implementation</td>
<td>Advancement of asset management plan system wide</td>
</tr>
</tbody>
</table>
Overview:
2020 Capital Budget: $19.9M
2021 Capital Budget: $23.1M
16.1% increase

Drivers for Change:
- Land acquisition
- Major park development
- Asset management
- Climate change resiliency
- Increased visitation

CAPITAL EXPENDITURES
Regional Park Capital Plan

2021 – 2025 Regional Park Capital Plan

![Capital Expenditures Chart]

- Capital Replacement and Development
- Parkland Acquisition
- Capital Maintenance
Overview:
2020 Capital Budget: $19.9M
2021 Capital Budget: $23.1M
16.1% increase

Drivers for Change:
• Grant funding
• DCC program – future
• Land Acquisition and Development Fund

2021 – 2025 Regional Park Capital Plan

<table>
<thead>
<tr>
<th>Year</th>
<th>Reserves</th>
<th>Investing in Canada Infrastructure Program</th>
</tr>
</thead>
<tbody>
<tr>
<td>2021</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2022</td>
<td></td>
<td></td>
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<tr>
<td>2023</td>
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<td>2024</td>
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<tr>
<td>2025</td>
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Widgeon Marsh Park Development

• New park development 2021-2023
• Increased park capacity
• Ecological resilience
• Collaboration with First Nations
• 2021 Budget $4.5M (total budget $15M)
2021 Priorities

1. Widgeon Marsh park development (multiyear, $4,500,000 in 2021)
2. Grouse Mountain Trail and Amenity Improvements (multiyear, $350,000 in 2021)
3. Derby Reach Washroom Building (multiyear, $290,000 in 2021)
4. Campbell Valley Management Plan Implementation – design (multiyear, $500,000 in 2021)
5. Burnaby Lake Service Yard Building ($400,000)
6. Capilano River Service Yard ($750,000)
7. IWWTP - Iona Beach Regional Park (LWS lead, integrated team)
## CAPITAL PROGRAM HIGHLIGHTS

<table>
<thead>
<tr>
<th>Budget Year</th>
<th>Capital Project</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ongoing</td>
<td>Land Acquisition</td>
<td>Implementation of the Land Acquisition Strategy</td>
</tr>
<tr>
<td>2021</td>
<td>Widgeon Marsh Regional Park Development (2021-2023)</td>
<td>Development and opening of Widgeon Marsh Regional Park (626.5 hectares or 1548 acres)</td>
</tr>
<tr>
<td>2022</td>
<td>Grouse Mountain Regional Park Improvements (2021-2024)</td>
<td>Trails, open space, ecological enhancements (Investing in Canada Infrastructure Grant)</td>
</tr>
<tr>
<td>2023</td>
<td>Delta Nature Reserve &amp; Delta South Surrey Greenway (2023-2024)</td>
<td>Major Greenway development, Delta Nature Reserve Boardwalks, ecological enhancements</td>
</tr>
<tr>
<td>2024</td>
<td>Campbell Valley Management Plan implementation</td>
<td>Perimeter trails, public amenity upgrades and passive area development</td>
</tr>
<tr>
<td>2025</td>
<td>Belcarra South Day Use Area and Admiralty Heights</td>
<td>New beach access, open space, trails and parking</td>
</tr>
<tr>
<td></td>
<td>2020</td>
<td>2021</td>
</tr>
<tr>
<td>---------------------------</td>
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</tr>
<tr>
<td>Total Expenditures ($ Millions)</td>
<td>$46.9</td>
<td>$54.6</td>
</tr>
<tr>
<td>% Change</td>
<td></td>
<td>16.4%</td>
</tr>
<tr>
<td>MVRD Requisitions ($ Millions)</td>
<td>$44.8</td>
<td>$51.9</td>
</tr>
<tr>
<td>% Change</td>
<td></td>
<td>15.7%</td>
</tr>
<tr>
<td>Total Capital Expenditures ($ Millions)</td>
<td>$19.9</td>
<td>$23.1</td>
</tr>
<tr>
<td>Household Impact ($)</td>
<td>$39</td>
<td>$45</td>
</tr>
<tr>
<td>% Change</td>
<td>13.6%</td>
<td>4.6%</td>
</tr>
<tr>
<td>Prior Cycle Household Impact Change (%)</td>
<td>11.3%</td>
<td>9.5%</td>
</tr>
</tbody>
</table>
Virtual Field Trips

Paul Halychuk
PARK INTERPRETATION LEADER (WEST)

Melissa Holloway
PARK INTERPRETATION LEADER (CENTRAL)

Regional Parks Committee, October 14, 2020
How do we take this experience to the classroom?
Virtual Field Trips

An online interpretive program, booked by teachers, or other group leaders, that engages students through live chat, video, and hands-on activities
Virtual Field Trips Objectives

- Continue connection to regional parks in the pandemic
- Provide an alternative for those unable to attend in person
- Maintain relationship with educators and parents

Belcarra Regional Park
Virtual Field Trip Topic

Salmon Rainforest

- Highly requested in-person field trip
- Relevant to the fall season
- Representative of the region
- Invokes curiosity and intrigue

Banana Slug, Burnaby Lake Regional Park
Target Audience: Grades 2 and 3
Virtual Field Trip Format

One hour booking includes:

• 15-minute technology check
• 30-minute interactive presentation with a professional park interpreter
• 15-minute question-and-answer period
• A digital pre/post activity email package
Virtual Field Trip Format

30-minute interactive presentation:

- **Video footage**
- Real time polling questions
- Hands-on experiment to follow along with in class or at home
- Live Q&A with the park interpreter
- Animation
Still from a Animated Video Showing Salmon Migration Routes
• As of October 2nd, 18 classes have requested virtual field trips
• Teachers continue to book interpreter-led field trips in regional parks
• We continue to receive fall/winter field bookings at a steady pace

Salmon fry at Capilano River Regional Park
Opportunities

• Engage students in winter
• Extend our reach to new schools
• Access new audiences: seniors’ groups, children’s hospitals
• Create more virtual field trip themes

Still of Hands-On Experiment from Video
Conclusion

- Invite students to bring families to regional parks
- Share learning and connect with nature
- Improve health and well-being