

From: "Mochrie, Paul" <Paul.Mochrie@vancouver.ca>
To: "Direct to Mayor and Council - DL"
Date: 3/22/2023 9:23:39 AM
Subject: Upcoming information bulletin: City Releases 2022 Statement of Financial Information (March 22, 2023)

Dear Mayor and Council,

I am writing to inform you that the City will be issuing the below information bulletin today regarding the release of the 2022 Statement of Financial Information (SOFI). New this year is a "myth busters" backgrounder to dispel common assumptions about payments to some of our vendors and suppliers. The SOFI report contains:

- Consolidated financial statements
- Schedules of debts and guarantee and indemnity agreements
- Remuneration and expenses for:
 - o Mayor and Councillors
 - o Vancouver Board of Parks and Recreation Commissioners
 - o Vancouver Police Board Members
 - o Employees (earning above \$75,000)
- Payments to suppliers of goods and services (including grants and contributions)

The link to the SOFI report will be added once it is published today. Please keep **this information bulletin** embargoed until it goes live from the City media email account at 11 am.

Should you receive questions from media about contents of the SOFI, we would appreciate if you redirect these to media@vancouver.ca for City staff to review and respond.

Best,
Paul

Paul Mochrie (he/him)
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The City of Vancouver acknowledges that it is situated on the unceded traditional territories of the xʷməθkʷəy̓əm (Musqueam), Skwxwú7mesh (Squamish), and səlilwətaʔ (Tsleil-Waututh) Nations.

City of Vancouver
Information bulletin
March 22, 2023

City releases 2022 Statement of Financial Information

In accordance with the Financial Information Act, the City of Vancouver has prepared its annual Statement of Financial Information (SOFI) report [\[to be linked when live\]](#)

The SOFI report contains:

- Consolidated financial statements
- Schedules of debts and guarantee and indemnity agreements

- Remuneration and expenses for:
 - Mayor and Councillors
 - Vancouver Board of Parks and Recreation Commissioners
 - Vancouver Police Board Members
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The consolidated financial statements have been prepared in accordance with the Canadian public sector accounting standards and audited by the independent firm KPMG LLP.

Understanding the consolidated financial statements

The consolidated financial statements in the SOFI report include all City funds such as capital, operating, property endowment fund, and entities like the PNE, Vancouver Economic Commission, and EasyPark. These funds follow public sector standards for reporting of assets, liabilities and operations.

The consolidated financial statements show an annual surplus, consistent with the year prior, as well as an accumulated surplus. The City's consolidated annual surplus reflects funds reserved for future spending obligations, such as developer contributions, senior government grants, and empty homes tax revenue to build community amenities and affordable housing, as well as funds set aside for debt repayment.

The City's accumulated surplus largely consists of the City's investments of capital assets such as land, buildings, roads and utilities infrastructure, and equipment. The remainder of the accumulated surplus is mostly in reserves that are set aside for specific purposes where commitments and statutory requirements are in place, such as [community amenity contributions](#) for future City assets and amenities.

Financial position remains healthy

Recovery continues from the economic impacts of the COVID-19 pandemic. The City's consolidated financial position improved in early 2022 as restrictions lifted, allowing the City to resume service levels and open facilities and programs to full capacity.

Although pandemic restrictions subsided in 2022, implications on built up demand, global supply chain disruptions and low employment levels created inflationary pressures and increased interest rates. These pressures resulted in cost escalations and some delay of capital projects. The City continues to exercise prudent management and financial discipline in anticipation of budgetary pressures.

The City's 2022 financial position remains healthy and is reflected in recent credit ratings updates. In February 2023, S&P Global Ratings, and in December 2022, Moody's Investors Service reaffirmed the City's credit rating of AAA and Aaa with stable outlooks, respectively.

The City of Vancouver makes all of its financial reports [\[to be linked when live\]](#) available to the public, including quarterly financial reports, City Council salaries and expenses, annual financial reports, and statements of financial information.

Background: Myth Busters

Wondering about some of the vendors and the goods and services in the report? From kombucha to pizza and yachts to golf – we're busting some myths about what's in the report.

Myth: City seems to be buying a lot of beer, pizza and gelato.
These items are not purchased for City staff, but are sold at our concessions and theatres.

Beer from local Vancouver breweries is sold at some park and beach concession stands. The City establishes agreements and negotiates pricing with the suppliers and concessions order from these vendors. Wine sold at Vancouver Civic Theatres is supplied by the Mark Anthony Group, with whom the City holds a contract.

Gelato, kombucha and coffee are also sold at our park and beach concession stands by vendors with whom we hold agreements.

Pizza Pizza is a tenant of the City of Vancouver at 103-345 Robson Street. As per Council approval, the City made a one-time payment for Tenant Allowance to Pizza Pizza; \$55k was paid in 2021 and \$108k was paid in 2022.

Myth: The City is doing a lot of shopping on Amazon.
Amazon purchases are for technology web services, in particular, web hosting services, and materials that are not supplied by our primary sources of supply under contract or when expedited timelines must be met.

Myth: The City is in the exotic meat business.
The City purchases supplies, chicken, and other meat from a local supplier; Walter's Exotic Meats for the kitchen at Carnegie Community Centre. The vendor sells other types of meats, which may be considered exotic (e.g. pheasant), but these are not part of the City's purchases.

Myth: The City is spending money on golfing and yachts.
The City owns Fraserview Golf Course and makes payments to the operator, Monaghan Golf Inc., to manage the driving range, pro shop, etc. Executive Yacht Services Ltd. provides maintenance for the VFRS Fireboat. The funds cover labour and material.

Myth: Vancouver is handing over millions of dollars to the City of Delta.
The landfill is located in Delta and the City makes payments to the City of Delta for the Landfill Utility Bill - water and sewer.

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