



May 10, 2024

MEMO TO : Park Board Commissioners
FROM : Natalie Froehlich, Director, Financial Planning & Analysis
SUBJECT : **Q1 2024 Financial Update – Board Briefing Memo**

Dear Commissioners,

The purpose of this memo is to provide a high-level overview of the financial results for the first quarter of 2024.

Operating Results & Forecast

Park Board ended the first quarter of the year with a positive budget surplus of \$1.4M and is forecasting to end the 2024 fiscal year on budget. The table below summarizes the March year-to-date operating results and forecast:

<i>(in millions)</i>	Mar YTD			Full Year Forecast		
	Actual	Budget	Variance	Forecast	Budget	Variance
Total Revenues	\$ 13.0	\$ 12.4	\$ 0.6	\$ 82.1	\$ 79.1	\$ 3.0
Total Expenditures & Transfers	\$ 38.2	\$ 39.0	\$ 0.8	\$ 173.5	\$ 169.2	\$ (4.2)
Net	\$ (25.2)	\$ (26.5)	\$ 1.4	\$ (91.4)	\$ (90.2)	\$ (1.2)

One-time approved expenses 1.2
\$ (0.0)

Operating Results

Park Board's year-to-date results at the end of March 2024 was favourable to budget by \$1.4M.

- Revenues higher than budget (+\$0.6M)
 - Mainly due to higher revenues from Parking, attractions, and golf. (A further breakdown of the Business Services Revenue can be found in Appendix A)
 - Partially offset by lower recreation revenues as a result of lower than budget admissions and lower than budget swim lesson revenues.
- Expenditures lower than budget (+\$0.8M)
 - Mainly due to timing of recreation building maintenance costs and reduced salaries from vacancies in recreation due to auxiliary staffing challenges, partially offset by higher spend on Park Rangers and higher direct costs related to increased revenues.

Full Year Forecast

Park Board is forecasting to have a balanced budget at the end of fiscal 2024.

- Revenues are expected to be higher than budget by \$3.0M mainly due to continued higher attractions, parking and golf revenues; partially offset by lower recreation revenues.



- Expenditures are expected to be unfavourable to budget by \$4.2M mainly due to unbudgeted cost escalations on recreation building maintenance, fleet, fuel and materials, and higher direct costs related to forecast increase revenue.
- One-time Approved Expense:
 - Park Board has been approved to spend \$1.2M of one-time expenses against the 2024 forecast budget surplus related to the Hillcrest CCA settlement and VPD charges to support encampments in Parks.

Capital Expenditures

As of March 31, 2024, Park Board spent \$5.8M or 13% of the total 2024 capital budget and is expecting to spend the full capital budget amount of \$45.3M by year end.

The table below summarizes the 2024 capital expense forecast:

<i>(in millions)</i>	March		Full Year Forecast		
	Actual	% Budget Spent	Forecast	Budget	Variance
Parks & public open spaces	\$ 5.7	13%	\$ 45.2	\$ 45.2	\$ -
Community facilities	\$ 0.1	118%	\$ 0.1	\$ 0.1	\$ -
Net	\$ 5.8	13%	\$ 45.3	\$ 45.3	\$ -

Highlights of 2024 capital delivery to date include:

- New Promontory Park at East Fraserlands (“EFL”) opened in December 2023 and final contractor payments in 2024 (\$0.9M)
- New Kinross Park (EFL) substantially complete (\$0.5M)
- Kerrisdale Track and Field renewal construction underway (\$0.3M)
- Tatlow/Volunteer Park Creek daylighting approaching completion (\$0.7M)
- 730 new Street and Park trees planted (\$0.4M)

If Commissioners have any questions about the Q1 Financial Update, please enquire through the General Manager’s office.

Regards,



Natalie Froehlich *(she/her)*
Director, Financial Planning and Analysis – Vancouver Parks and Recreation

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Copy to: PB Leadership Team
PB Communications



Appendix A Business Services March YTD Revenues

Business Services is having a very strong year thus far and is the main reason for our revenue surplus. The table below shows a breakdown of the Business Services March YTD Revenues.

<i>(in millions)</i>	March YTD		
	Actual	Budget	Variance
Golf	\$ 1.9	\$ 1.7	\$ 0.2
Van Dusen & Bloedel	\$ 1.0	\$ 0.8	\$ 0.2
Stanley Park Train	\$ 0.1	\$ -	\$ 0.1
Leases	\$ 0.9	\$ 0.8	\$ 0.1
Parking	\$ 1.7	\$ 1.4	\$ 0.3
Marinas	\$ 1.0	\$ 0.9	\$ 0.1
Concessions	\$ 0.1	\$ 0.1	\$ -
Business Development	\$ 0.5	\$ 0.7	\$ (0.2)
Net	\$ 7.2	\$ 6.4	\$ 0.8