

**METRO VANCOUVER REGIONAL DISTRICT
FINANCE COMMITTEE**

MEETING

Thursday, February 15, 2024

9:00 am

28th Floor Committee room, 4515 Central Boulevard, Burnaby, British Columbia

Webstream available at <https://www.metrovancover.org>

A G E N D A¹

A. ADOPTION OF THE AGENDA

1. February 15, 2024 Meeting Agenda

That the Finance Committee adopt the agenda for its meeting scheduled for February 15, 2024 as circulated.

B. ADOPTION OF THE MINUTES

1. January 17, 2024 Meeting Minutes

That the Finance Committee adopt the minutes of its meeting held January 17, 2024 as circulated.

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C. DELEGATIONS

D. INVITED PRESENTATIONS

E. REPORTS FROM COMMITTEE OR CHIEF ADMINISTRATIVE OFFICER

1. Continuous Improvement Project Highlights and Updates

That the MVRD Board receive for information the report dated February 7, 2024, titled "Continuous Improvement Project Highlights and Updates."

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2. Manager's Report

That the Finance Committee receive for information the report dated February 6, 2024, titled "Manager's Report".

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F. INFORMATION ITEMS

G. OTHER BUSINESS

¹ Note: Recommendation is shown under each item, where applicable.

H. RESOLUTION TO CLOSE MEETING

Note: The Committee must state by resolution the basis under section 90 of the Community Charter on which the meeting is being closed. If a member wishes to add an item, the basis must be included below.

That the Finance Committee close its meeting scheduled for February 15, 2024 pursuant to section 226 (1) (a) of the *Local Government Act* and the *Community Charter* provisions as follows:

- 90 (1) A part of a council meeting may be closed to the public if the subject matter being considered relates to or is one or more of the following:
- (e) the acquisition, disposition or expropriation of land or improvements, if the council considers that disclosure could reasonably be expected to harm the interests of the municipality.

I. ADJOURNMENT OR CONCLUSION

That the Finance Committee adjourn/conclude its meeting of February 15, 2024.

Membership:

West, Brad (C) – Port Coquitlam
Klassen, Mike (VC) – Vancouver
Brodie, Malcolm – Richmond
Buchanan, Linda – North Vancouver City

Hurley, Mike – Burnaby
Kooner, Pardeep – Surrey
Kruger, Dylan – Delta
Little, Mike – North Vancouver District

MacDonald, Nicole – Pitt Meadows
McEwen, John – Anmore
Woodward, Eric – Langley Township

**METRO VANCOUVER REGIONAL DISTRICT
FINANCE COMMITTEE**

Minutes of the Regular Meeting of the Metro Vancouver Regional District (MVRD) Finance Committee held at 1:00 pm on Wednesday, January 17, 2024 in the 28th Floor Boardroom, 4515 Central Boulevard, Burnaby, British Columbia.

MEMBERS PRESENT:

Chair, Mayor Brad West*, Port Coquitlam
 Vice Chair, Councillor Mike Klassen*, Vancouver
 Mayor Malcolm Brodie*, Richmond
 Mayor Linda Buchanan*, North Vancouver City
 Mayor Mike Hurley*, Burnaby
 Councillor Pardeep Kooner*, Surrey
 Councillor Dylan Kruger*, Delta
 Mayor Mike Little*, North Vancouver District
 Mayor Nicole MacDonald*, Pitt Meadows
 Mayor John McEwen*, Anmore
 Mayor Eric Woodward*, Langley Township

MEMBERS ABSENT:

None.

STAFF PRESENT:

Harji Varn, Chief Financial Officer/General Manager, Financial Services
 Rapinder Khaira, Legislative Services Coordinator, Board and Information Services

A. ADOPTION OF THE AGENDA

1. January 17, 2024 Meeting Agenda

It was MOVED and SECONDED

That the Finance Committee adopt the agenda for its meeting scheduled for January 17, 2024 as circulated.

CARRIED

*denotes electronic meeting participation as authorized by the *Procedure Bylaw*

B. ADOPTION OF THE MINUTES

1. November 9, 2023 Meeting Minutes

It was MOVED and SECONDED

That the Finance Committee adopt the minutes of its meeting held November 9, 2023 as circulated.

CARRIED

C. DELEGATIONS

No items presented.

D. INVITED PRESENTATIONS

No items presented.

E. REPORTS FROM COMMITTEE OR CHIEF ADMINISTRATIVE OFFICER

1. 2024 Finance Committee Meeting Schedule and Work Plan

Report dated January 8, 2024, from Harji Varn, Chief Financial Officer/General Manager, Financial Services, providing the Finance Committee with the 2024 Work Plan, Terms of Reference, and the Annual Meeting Schedule.

Members were provided with a presentation, titled "Finance Committee 2024 Work Plan", providing members with an overview of the 2024 Work Plan timeline, the draft Long-term Financial Plan Framework, and the financial performance reporting and annual forecasting processes.

It was MOVED and SECONDED

That the Finance Committee:

- a) receive for information the Finance Committee Terms of Reference and the 2024 Annual Meeting Schedule, as presented in the report dated January 8, 2024, titled "2024 Finance Committee Meeting Schedule and Work Plan"; and
- b) endorse the 2024 Work Plan, as presented in the report dated January 8, 2024, titled "2024 Finance Committee Meeting Schedule and Work Plan".

CARRIED

2. Authorization to Attend 2024 Standing Committee Events

Report dated December 18, 2023, from Dorothy Shermer, Corporate Officer, seeking the Finance Committee's approval of attendance at 2024 events and conferences that were identified as part of the Board-approved budget, which will authorize remuneration for those members approved to attend.

It was MOVED and SECONDED

That the Finance Committee approve attendance at the following events within the 2024 Leadership and Engagement program budget:

- 6th Annual Conference on First Nations Housing and Infrastructure West
- Air and Waste Management Association Annual Conference
- American Planning Association National Planning Conference
- American Water Works Association Annual Conference
- BC Lung Association Air Quality and Health Workshop
- BC Recreation and Parks Association Symposium
- BIO International Convention
- Canadian Housing and Renewal Association Congress
- Canadian Institute of Planners
- Canadian Network of Asset Managers 2024 National Conference
- Economic Future Forum
- Government Finance Officers Association's 118th Annual Conference
- Housing Central Conference
- ICLEI Livable Cities Forum
- IEDC Leadership Forum
- Mpart Transit + Community (formerly Rail~Volution)
- National Recreation and Parks Association Annual Conference
- Our Collective Advantage: Indigenous Consent – 7th Annual First Nations Major Projects Coalition Conference
- Solid Waste Association of North America: Wastecon
- Special Parks District Forum
- Water Environment Federation Technical Exhibition and Conference
- Additional events approved by the Board Chair that align with the priorities of the appropriate standing committee.

CARRIED

3. Authorization to Attend 2024 International Events

Report dated January 8, 2024, from Sandra Jansen, General Manager, External Relations and Jean Lawson, Program Manager, Intergovernmental Relations, External Relations, seeking the Finance Committee's approval of attendance at 2024 international events and conferences that were identified as part of the Board - approved budget, which will authorize remuneration for those members approved to attend.

It was MOVED and SECONDED

That the Finance Committee approve attendance at the following international events within the 2024 Leadership and Engagement program budget:

- Canada in Asia Conference 2024
- Study Tours
- Additional international conferences identified by the Chair that align with the priorities of the Leadership and Engagement Program

CARRIED

4. MFA Spring 2024 Borrowing for the Township of Langley – MVRD Security Issuing Bylaw No. 1377, 2024

Report dated December 20, 2023, from Linda Sabatini, Director, Financial Operations, providing the Finance Committee with the *Metro Vancouver Regional District Security Issuing Bylaw No. 1377, 2024* for first through third reading and adoption, and to authorize a borrowing request from the Township of Langley in the amount of \$25,250,000 for the Spring 2024 Municipal Finance Authority long term debt issue.

It was MOVED and SECONDED

That the MVRD Board:

- a) give consent to the request for financing from the Township of Langley in the amount of \$25,250,000 pursuant to Sections 182(1)(b) and 182(2)(a) of the *Community Charter*;
- b) give first, second and third reading to *Metro Vancouver Regional District Security Issuing Bylaw No. 1377, 2024*; and
- c) adopt *Metro Vancouver Regional District Security Issuing Bylaw No. 1377, 2024* and forward it to the Inspector of Municipalities for Certificate of Approval.

CARRIED

5. Manager's Report

Report dated January 9, 2024, from Harji Varn, Chief Financial Officer/General Manager, Financial Services, providing the Finance Committee an update on attendance at 2023 Standing Committee events and on the Metro Vancouver website page that reports on contracts awarded by Metro Vancouver.

It was MOVED and SECONDED

That the Finance Committee receive for information the report dated January 9, 2024, titled "Manager's Report".

CARRIED

F. INFORMATION ITEMS

No items presented.

G. OTHER BUSINESS

No items presented.

H. RESOLUTION TO CLOSE MEETING

No items presented.

I. ADJOURNMENT

It was MOVED and SECONDED

That the Finance Committee adjourn its meeting of January 17, 2024.

CARRIED

(Time: 1:16 pm)

Rapinder Khaira,
Legislative Services Coordinator

Brad West,
Chair

65214651 FINAL

To: Finance Committee

From: Jerry Dobrovlny
Chief Administrative Officer

Date: February 7, 2024

Meeting Date: February 15, 2024

Subject: **Continuous Improvement Project Highlights and Updates**

RECOMMENDATION

That the MVRD Board receive for information the report dated February 7, 2024, titled “Continuous Improvement Project Highlights and Updates.”

EXECUTIVE SUMMARY

With regional Affordability and Financial Sustainability as key Board Strategic Priorities for the Metro Board, it is important that regular reporting is provided to the Finance Committee regarding the status of both qualitative and quantitative impacts that many improvements or innovative measures are having on service levels and affordability for regional rate payers. Continuous improvement (CI) is a systematic and ongoing effort to enhance products, services, or processes within an organization with the primary goal is to incrementally improve efficiency, quality, and overall performance over time and is integral within Metro Vancouver. Project tracking and reporting will help to ensure transparency, accountability, and successful project outcomes. Currently there are approximately over 100 CI initiatives underway across Metro Vancouver that will form part of ongoing reporting to the Finance Committee.

PURPOSE

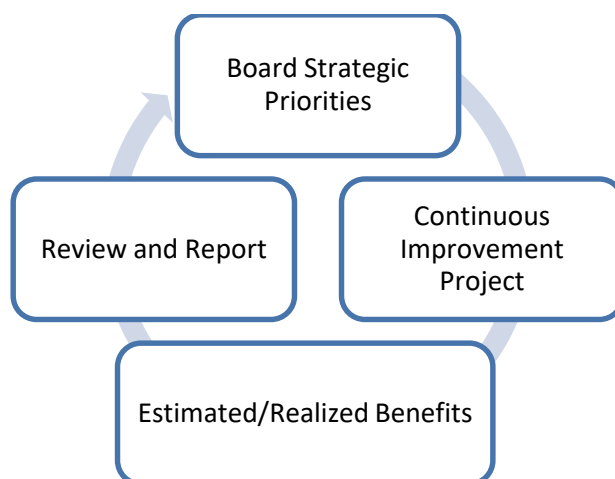
To enhance the performance reporting and to provide timely updates on continuous improvement initiatives across Metro Vancouver and how they are improving both service levels and financial sustainability and regional affordability.

BACKGROUND

In October 2023, the Metro Vancouver Boards approved the 2024-2028 Financial Plan which included departmental planned continuous improvement projects. The role of continuous improvement is the Board's efforts to address regional affordability while achieving the targets for all the Board priorities, including climate action, resilient services and infrastructure for a growing region, reconciliation, and housing.

Affordability is increased by identifying opportunities for efficiencies, cost savings and process improvements, which can lower financial impact on households and improve services. Benefits from continuous improvement initiatives often result in staff time saved, improved service levels and greenhouse gas emissions reductions, all of which will offset the continued risk that comes from inflation and continued cost escalation as Metro tackles complex growing and more resilient infrastructure renewals and replacements.

The chart below outlines Metro Vancouver’s CI framework which ensures that the project aligns with the Board Strategic Priorities, the benefits can be estimated and realized and that Metro Vancouver will report on the outcomes and the progress of the project to ensure it is on track and it still aligns with the Board Strategic Priorities.



The table below summarizes some of the CI initiatives currently underway, how they relate to the Board Strategic Priorities and the estimated and realized benefits financially, environmentally or qualitatively.

Board Strategic Priority	Continuous Improvement Program/Project	Estimated/Realized Benefits
Financial Sustainability	LIWWTP create Effluent Heat Recovery System	1,000 tonnes reduction in GHG emissions and \$150K revenue stream
	Contingency Disposal Requirements	\$5M savings through 44,000 tonnes less annual contingency quantity requirement
	Proactive formal valve exercising program	\$2M annual savings
	Installation and operation of equipment to scrub digester gas to Renewable Natural gas quality and sell this to FortisBC.	9,800 tonnes reduction in GHG emissions and \$4.9M annual savings

Board Strategic Priority	Continuous Improvement Program/Project	Estimated/Realized Benefits
Climate Action	Biorock: Innovative Building Material for Shoreline Protection, Carbon Sequestration, and Habitat Creation	GHG reduction (tonnage to be determined)
	GHG emission reduction initiatives in the building and transportation sectors	GHG reduction (tonnage to be determined)
	Reduction of gas powered vehicles and equipment and convert to battery powered	GHG reduction (tonnage to be determined) based on equipment replaced
	Waste-to-Energy carbon capture study and analysis	GHG reduction (tonnage to be determined)
Resilient Services and Infrastructure	EAM system reconfiguration to improve Corporate Asset Management	Improve asset management practices covering Liquid Waste Services, Water Services and Parks vertical and linear assets leading to reduced costs
	Lean Six Sigma process improvement for safety incidents in Water Services	Approximately 59% reduction in loss time injury (165 to 68 days) compared to 2021 when tracking commenced
	Improve lifecycle process for Digital Workflows for Engineering Drawing	\$25K per in efficiencies
Reconciliation	Improved Indigenous Relations' team capacity	10% staff admin time reduction
	Diversity Equity Inclusion strategy with emphasis on Reconciliation	Strengthen reciprocal relationships with First Nations
	Develop KPIs for Indigenous Relations training sessions	Continue building and strengthening respectful and reciprocal relationships

Board Strategic Priority	Continuous Improvement Program/Project	Estimated/Realized Benefits
Housing	Innovate and expand partnerships to develop more affordable units	Deliver more affordable housing units through innovative and cost effective partnerships (e.g. inclusionary units)
	Alternative rental housing approaches	Reduced cost of delivery through innovative technologies (e.g. off-site construction)
	Transfer of GVS&DD excess property acquired for construction of Poplar Landing CSO Storage Tank to Metro Vancouver Housing for affordable housing	Enable development of new affordable housing units

ALTERNATIVES

This is an information report. No alternatives are presented.

FINANCIAL IMPLICATIONS

Tracking and measuring the outcomes of CI projects is important for evaluating overall progress. As projects are completed, cost savings, greenhouse gas emission reductions, and any other qualitative or quantitative benefits will be reported through the year with the Financial Performance Report.

OTHER IMPLICATIONS

Beyond financial considerations, CI initiatives have additional implications for Metro Vancouver. Building a culture where the cycle of continual reflection and streamlining of internal procedures is the norm can bring additional benefits. For example, employees can come together with a shared goal to focus on constructive workplace improvements. This in turn leads to greater employee engagement, retention and collaboration.

CONCLUSION

This CI tracking and reporting plan will help to ensure the ongoing process of analyzing performance, identifying opportunities, and making incremental or breakthrough changes to processes, services and activities. In addition, by fostering a culture that seeks to continuously improve, many benefits such as increased efficiency, reduced waste, employee engagement and improved service can be achieved. All of these benefits aid regional affordability, climate action, resilience and stewardship of Metro Vancouver's assets and programs.

65203208

To: Finance Committee

From: Harji Varn, General Manager, Financial Services
Chief Financial Officer

Date: February 6, 2024

Meeting Date: February 15, 2024

Subject: **Manager's Report**

RECOMMENDATION

That the Finance Committee receive for information the report dated February 6, 2024, titled "Manager's Report".

FINANCE COMMITTEE WORK PLAN

Attachment 1 to this report sets out the Committee's Work Plan for 2024. The status of the Committee's key priorities is shown as pending, in progress, or complete together with the quarter that each is expected to be considered by the Committee.

MUNICIPAL FINANCE AUTHORITY (MFA) BORROWING & UPDATES

As at January 31, 2024, per MFA's standard procedure, MFA staff have been provided with the 2024 Debt Borrowing Forecasts based on the Board approved Budget from October. Metro Vancouver is projected to borrow \$350M in April and another \$50M in October for a total of \$400M. This borrowing has been incorporated into the 2024 - 2028 Financial Plan.

DEVELOPMENT COST CHARGES UPDATE

Stakeholder engagement for the updated liquid waste and water DCC bylaw rates as well as the creation of the new parkland acquisition DCC bylaw was substantially complete by the late fall of 2023. The Inspector of Municipalities is currently reviewing Metro Vancouver's submission and the proposed bylaws. If approved by the Inspector of Municipalities, the next step would be to bring the three propose bylaws to the Board for 4th reading and adoption.

YEAR END AUDIT UPDATE

Finance staff are currently preparing for the 2023 year-end audit. Our auditors, BDO Canada LLP, will begin their field work on March 5th. The 2023 financial statements and audit findings will be presented to the April Finance Committee for Board approval at the end of April. New in 2023 is the requirement to record liabilities related to asset-retirement obligations (ARO). Staff have been meeting with the auditors to complete the accounting requirements related to this new standard. The budget impact and funding of the ARO are incorporated in the capital budgets when projects and decommissioning work is planned. Therefore, the ARO accounting requirement will have no impact on the approved budget.

Attachments (Doc# 64565339)

1. 2024 Finance Committee Work Plan

Finance Committee 2024 Work Plan

Report Date: February 15, 2024

Priorities

1 st Quarter	Status
Review and Endorse Committee 2024 Priorities and Work Plan	Completed
Authorization to Attend Standing Committee Events	Completed
Authorization to Attend International Events	Completed
Procurement and Real Property Contracting Authority Policy Changes	Pending
Municipal Finance Authority Items/New Borrowing & Updates (<i>if applicable</i>)	Completed
Long Term Financial Plan Framework and Timeline (DRAFT)	Completed
TransLink Revised GVRF/CCBF Policy and Application Guide	Pending
Development Cost Charge Updates	In progress
Long Term Financial Plan Framework and Timeline (FINAL FOR APPROVAL)	Pending
Continuous Process Improvement Project Highlights and Updates	In progress
Financial Policy Review (<i>as required</i>)	Pending
2 nd Quarter	Status
Board Budget Workshop: 2025-2029 Financial Plan Direction	Pending
2023 Final Year End Financial Performance Results Review	Pending
2023 Audited Financial Statements	Pending
2023 External Audit Findings Report	Pending
2023 Statement of Financial Information (SOFI)	Pending
2024 Financial Performance Reporting and Annual Forecast #1	Pending
Development Cost Charge Updates	Pending
Municipal Finance Authority Items/New Borrowing & Updates (<i>if applicable</i>)	Pending
TransLink Greater Vancouver Regional Fund – Annual Report	Pending
Financial Policy Review (<i>as required</i>)	Pending
3 rd Quarter	Status
2024 Financial Performance Reporting and Annual Forecast #2	Pending
Appointment of External Auditors	Pending
Development Cost Charge Updates	Pending
Municipal Finance Authority Items/New Borrowing & Updates (<i>if applicable</i>)	Pending
Long Term Financial Plan (DRAFT)	Pending
Financial Policy Review (<i>as required</i>)	Pending
4 th Quarter	Status
2025 - 2029 Five Year Financial Plan and 2025 Budget & Annual Rates	Pending
2025 External Audit Plan	Pending
2024 Financial Performance Reporting and Annual Forecast #3	Pending
Long Term Financial Plan (FINAL FOR APPROVAL)	Pending
TransLink Federal Gas Tax/CCBF Application	Pending
Financial Policy Review (<i>as required</i>)	Pending