

**METRO VANCOUVER REGIONAL DISTRICT  
FINANCE COMMITTEE**

**MEETING**

**Thursday, July 13, 2023**

**9:00 am**

**Meeting conducted in-person pursuant to the Procedure Bylaw  
28<sup>th</sup> Floor Committee room, 4515 Central Boulevard, Burnaby, British Columbia**

**A G E N D A<sup>1</sup>**

**1. ADOPTION OF THE AGENDA**

**1.1 July 13, 2023 Regular Meeting Agenda**

That the Finance Committee adopt the agenda for its regular meeting scheduled for July 13, 2023 as circulated.

**2. ADOPTION OF THE MINUTES**

**2.1 June 15, 2023 Regular Meeting Minutes**

That the Finance Committee adopt the minutes of its regular meeting held June 15, 2023 as circulated.

*pg. 4*

**3. DELEGATIONS**

**4. INVITED PRESENTATIONS**

**4.1 Olga Kuznetsova, VP, Financial Services, TransLink, Ralf Nielsen, Director, Enterprise Sustainability, Translink and Josh Ward, Acting Manager, Capital Assets & Government Funding, Translink**

Subject: Application for Scope Change to Previously Approved Project

**4.2 Brant Felker, Manager, Canada Community-Building Fund, Union of BC Municipalities and Glen Brown, General Manager, Victoria Operations, Union of BC Municipalities**

Subject: Greater Vancouver Regional Fund Renewal Process

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<sup>1</sup> Note: Recommendation is shown under each item, where applicable.

## 5. REPORTS FROM COMMITTEE OR STAFF

- 5.1 Greater Vancouver Regional Fund – Application for Scope Change to Previously Approved Project** *pg. 7*  
That the MVRD Board approve the proposed scope change to TransLink’s January 29, 2021 Greater Vancouver Regional Fund application as set out in the report dated June 21, 2023, titled “Greater Vancouver Regional Fund – Application for Scope Change to Previously Approved Project”.
- 5.2 Greater Vancouver Regional Fund – 2022 Annual Report** *pg. 27*  
That the MVRD Board receive for information the report dated June 19, 2023, titled “Greater Vancouver Regional Fund – 2022 Annual Report.”
- 5.3 Greater Vancouver Regional Fund – Program Overview and Renewal Process** *pg. 41*  
That the MVRD Board direct staff to organize an MVRD Board workshop in September 2023 to review options for the renewal of the Greater Vancouver Regional Fund program.
- 5.4 MFA Fall 2023 Borrowing for Village of Anmore - MVRD Security Issuing Bylaw No. 1367, 2023** *pg. 60*  
That the MVRD Board:  
a) give consent to the request for financing from the Village of Anmore in the amount of \$2,500,000 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. 1367, 2023* being a bylaw to authorize the entering into an Agreement respecting financing between the Metro Vancouver Regional District and the Municipal Finance Authority of British Columbia;  
c) pass and finally adopt *Metro Vancouver Regional District Security Issuing Bylaw No. 1367, 2023* and forward it to the Inspector of Municipalities for Certificate of Approval.
- 5.5 Sasamat Fire Protection Service – Communication Upgrades** *pg. 110*  
That the MVRD Board approve the release of up to \$30,000 from the Sasamat Fire Protection Service Communications Capital Equipment Reserve Fund to be used for communication upgrades at Belcarra and Anmore Fire Halls.
- 5.6 Metro Vancouver Quarterly Financial Report – June 30, 2023** *pg. 112*  
That the Finance Committee receive for information the report dated July 4, 2023, titled “Metro Vancouver Quarterly Financial Report – June 30, 2023”.
- 5.7 Manager’s Report** *pg. 127*  
That the Finance Committee receive for information the report dated July 5, 2023, titled “Manager’s Report”.

**6. INFORMATION ITEMS**

**7. OTHER BUSINESS**

**8. BUSINESS ARISING FROM DELEGATIONS**

**9. 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 July 13, 2023 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:

(g) litigation or potential litigation affecting the municipality.”

**10. ADJOURNMENT/CONCLUSION**

That the Finance Committee adjourn/conclude its regular meeting of July 13, 2023.

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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

MacDonald, Nicole – Pitt Meadows

Marsden, Dennis – Coquitlam

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 9:00 am on Thursday, June 15, 2023 in the 28<sup>th</sup> Floor Committee Room, 4515 Central Boulevard, Burnaby British Columbia.

**MEMBERS PRESENT:**

Chair, Mayor Brad West, Port Coquitlam  
 Vice Chair, Councillor Mike Klassen, Vancouver  
 Mayor Malcolm Brodie\*, Richmond (departed at 9:31 am)  
 Mayor Linda Buchanan, North Vancouver City  
 Councillor Pardeep Kooner, Surrey  
 Councillor Dylan Kruger, Delta  
 Mayor Nicole MacDonald\*, Pitt Meadows  
 Councillor Dennis Marsden\*, Coquitlam  
 Mayor John McEwen, Anmore  
 Mayor Eric Woodward\*, Langley Township

**MEMBERS ABSENT:**

Mayor Mike Hurley, Burnaby

**OTHERS PRESENT:**

Mayor George V. Harvie, Delta

**STAFF PRESENT:**

Jerry W. Dobrovolny, Chief Administrative Officer  
 Dean Rear, Chief Financial Officer/General Manager, Financial Services  
 Rapinder Khaira, Legislative Services Coordinator, Board and Information Services

**1. ADOPTION OF THE AGENDA**

**1.1 June 15, 2023 Regular Meeting Agenda**

**It was MOVED and SECONDED**

That the Finance Committee adopt the agenda for its regular meeting scheduled for June 15, 2023 as circulated.

**CARRIED**

\*denotes electronic meeting participation as authorized by section 3.6.2 of the *Procedure Bylaw*

**2. ADOPTION OF THE MINUTES**

**2.1 May 18, 2023 Regular Meeting Minutes**

**It was MOVED and SECONDED**

That the Finance Committee adopt the minutes of its regular meeting held May 18, 2023 as circulated.

**CARRIED**

**3. DELEGATIONS**

No items presented.

**4. INVITED PRESENTATIONS**

No items presented.

**5. REPORTS FROM COMMITTEE OR STAFF**

**5.1 North Shore Wastewater Treatment Plant Program - Program Overview and Background**

Cheryl Nelms, General Manager, Project Delivery, Metro Vancouver provided a verbal update with an overview of the North Shore Wastewater Treatment Plant program, including the project history and background, termination and transition, activities since transition, and next steps.

Presentation material titled “North Shore Wastewater Treatment Plant Program” is retained with the June 15, 2023 Finance Committee agenda.

**5.2 2022 Statement of Financial Information**

Report dated June 5, 2023, from Linda Sabatini, Director, Financial Operations, seeking MVRD approval of the 2022 Statement of Financial Information.

**It was MOVED and SECONDED**

That the MVRD Board approve the Statement of Financial Information for the year ended December 31, 2022.

**CARRIED**

**5.3 Development Cost Charge Update Process**

Dean Rear, Chief Financial Officer/General Manager, Financial Services, Metro Vancouver, provided a verbal update on the Development Cost Charge (DCC) process, highlighting the direction from the Metro Vancouver Board, background research and observations, and next steps.

9:31 am Mayor Brodie departed the meeting.

Presentation material titled “Development Cost Charge Update Process” is retained with the June 15, 2023 Finance Committee agenda.

**5.4 Manager's Report**

Report dated June 7, 2023, from Dean Rear, Chief Financial Officer/General Manager, Financial Services, providing the Finance Committee with an update on the Finance Committee 2023 Work Plan.

**It was MOVED and SECONDED**

That the Finance Committee receive for information the report dated June 7, 2023, titled "Manager's Report".

**CARRIED****6. INFORMATION ITEMS**

No items presented.

**7. OTHER BUSINESS**

No items presented.

**8. BUSINESS ARISING FROM DELEGATIONS**

No items presented.

**9. RESOLUTION TO CLOSE MEETING****It was MOVED and SECONDED**

That the Finance Committee close its regular meeting scheduled for June 15, 2023 pursuant to the *Community Charter* provisions, Section 90 (1) (c) as follows:

- 90 (1) A part of the meeting may be closed to the public if the subject matter being considered relates to or is one or more of the following:
- (c) labour relations or other employee relations; and
  - (g) litigation or potential litigation affecting the municipality; and
  - (m) a matter that, under another enactment, is such that the public may be excluded from the meeting.

**CARRIED****10. ADJOURNMENT/CONCLUSION****It was MOVED and SECONDED**

That the Finance Committee adjourn its regular meeting of June 15, 2023.

**CARRIED**

(Time: 9:40 am)

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Rapinder Khaira,  
Legislative Services Coordinator

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Brad West,  
Chair

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To: Finance Committee

From: Mark Seinen, Senior Planner, Regional Planning and Housing Services

Date: June 21, 2023 Meeting Date: July 13, 2023

Subject: **Greater Vancouver Regional Fund – Application for Scope Change to Previously Approved Project**

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### RECOMMENDATION

That the MVRD Board approve the proposed scope change to TransLink’s January 29, 2021 Greater Vancouver Regional Fund application as set out in the report dated June 21, 2023, titled “Greater Vancouver Regional Fund – Application for Scope Change to Previously Approved Project”.

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### EXECUTIVE SUMMARY

TransLink submits applications annually to the Greater Vancouver Regional Fund (GVRF) to support the ongoing expansion and modernization of the region’s transit system. The applications are considered and awarded by the MVRD Board based on the consideration of a staff analysis of the criteria set out in the GVRF Application Guide. TransLink has requested that the MVRD Board consider an amendment to the previously approved GVRF application from January 2021 to add eight additional elevators at a cost of approximately \$3.8 million in funding at the following SkyTrain facilities:

- Royal Oak, Gateway, Operations & Maintenance Centre (1) (Edmonds);
- Surrey Central;
- King George (2);
- Scott Road; and
- Burrard.

If the additional funding is approved, the GVRF fund will have a remaining balance of \$8.1 million.

### PURPOSE

This report presents TransLink’s application for a scope change to a previously-approved GVRF project to the Finance Committee and MVRD Board for consideration.

### BACKGROUND

The MVRD Board has approval authority over TransLink’s requests for GVRF funding. The Union of British Columbia Municipalities holds the federal gas tax funds and transfers the funds to TransLink upon formal notification by the MVRD Board of its approval of applications per the *Federal Gas Tax Fund Expenditures Policy* (GVRF Policy) (Reference 1).

At its meeting on January 29, 2021, the MVRD Board approved eight TransLink projects for federal gas tax funding from the GVRF (Reference 2). TransLink is now requesting that the MVRD Board approve a scope amendment for one of those projects.

## **REQUEST FOR SCOPE CHANGE TO PREVIOUSLY APPROVED PROJECT**

TransLink's request is for a scope change to the BCRTC Elevating Devices – Elevators project which includes eight additional elevators at a cost of approximately \$3.8 million in GVRF funding. The proposed project would increase the previously-requested GVRF funding from \$11.2 million to \$15.0 million to construct eight new elevators at the following SkyTrain facilities:

- Royal Oak, Gateway, Operations & Maintenance Centre (1) (Edmonds);
- Surrey Central;
- King George (2);
- Scott Road; and
- Burrard.

These elevators would be in addition to the seven elevators that were part of the original approved project at the following facilities:

- 29<sup>th</sup> Avenue;
- Patterson;
- Edmonds (2);
- Columbia (2); and
- Waterfront West Coast Express.

A detailed project description is contained in Table 1 of TransLink's Application (Attachment 1).

### **Rationale for Proposed Scope Change**

As summarized in TransLink's 2022 Annual Report, this original planned elevator project has been delayed by 45 months. The delay has been a result of a requirement for new Master Service Agreement specifications for vendors prior to the issuance of a Request for Proposal. TransLink's scope change application notes that the project initiation now coincides with the next phase of planned elevator improvements slated for 2026. Specifically, it states:

*By the time the initial project was ready to continue, the next phase of the BCRTC elevator replacement program was ready for initiation. In order to achieve efficiencies, cost savings, and limit further program delays, TransLink combined the initiation of the 2021 and 2022 BCRTC Elevator replacement programs, thus increasing the scope of the project from seven to fifteen elevators along the Expo Line SkyTrain system.*

### **Remaining Available GVRF Funds**

As summarized in TransLink's 2022 Annual Report, \$11.9 million remains available in the GVRF for project funding. If the proposed scope change and additional funding is approved by the MVRD Board, the GVRF would have a remaining balance of \$8.1 million.

### **METRO VANCOUVER ANALYSIS**

A summary of analysis based on the prescribed evaluation criteria contained in the *Federal Gas Tax Fund – Greater Vancouver Regional Fund Application Guide* is presented below.

*Screening Criteria* – TransLink's scope change application is complete and generally meets the screening criteria for eligibility, consistency with regional plans and alignment with TransLink's

corporate policies. The project represents a contribution towards the state of good repair commitments set out in TransLink’s 2022 Investment Plan, although the specific elevator replacements are not all identified.

*Integrated Criteria* – The project scores mixed results on integrated criteria relating to the policies of the Regional Growth Strategy, Transportation Performance, Regional Environmental Objectives, and Economic Development. Notably, while TransLink anticipates incremental energy efficient improvements from the new elevating devices, quantifiable greenhouse gas benefits are not anticipated.

*Overall Assessment of Evaluation Criteria* – On balance, Metro Vancouver staff’s assessment of the project set out in Table 1 is “Good”. The assessment considers only the eight additional elevators associated with the requested scope-change, not the previously-approved elevators, which were originally scored as a whole along with seven other projects. TransLink’s self-assessment of the project is included in its Application (Attachment 1), while its self-assessment of the original seven elevators was included in a report presented to the MVRD Board at its meeting on January 29, 2021 (Reference 2).

**Table 1 – Evaluation of Screening Criteria**

Criterion	Description	MV Staff Assessment
<b>Screening Criteria</b>		
Eligible Project Category	Local roads and bridges, including active transportation, OR public transit.	<b>Meets criterion.</b> All public transit infrastructure, including elevating devices, is eligible.
Eligible Expenses	As set out in the 2014 Administrative Agreement.	<b>Meets criterion.</b> This is a capital project.
Plan Consistency	Projects <b>must be consistent</b> with TransLink’s Capital Plan, <i>10-Year Investment Plan</i> , the <i>Regional Growth Strategy</i> , and the <i>Regional Transportation Strategy</i> .	<b>Meets criterion.</b> While the project is generally consistent with the 2022 Investment Plan, it is not specifically slated for GVRF funding, nor is it mentioned elsewhere in the 10-Year Investment Plan.  TransLink notes that the Investment Plan generally only includes details for major projects and projects expected to receive external funding. It also notes that the proposed elevator project is specifically identified in its <a href="#">2022</a> and <a href="#">2023</a> Business Plans, and was therefore approved prior to the preparation of the Investment Plan. Since the Investment Plan focused on future projects, it did not re-assess capital projects that had already been approved.
Corporate Policies	Projects must be consistent with applicable TransLink policies such as sustainability, environmental responsibility, emissions, and infrastructure.	<b>Meets criterion.</b> While the project is generally consistent with TransLink’s corporate policies, elevating devices are not specifically mentioned in the Low Carbon Fleet Transition Plan or Climate Action Plan.

		Policies related to elevating devices are included in <i>Transport 2050</i> , TransLink’s long-range Regional Transportation Strategy (2.4.1, 4.2.3).
<b>Integrated Criteria: Regional Growth Strategy</b>		
Supports the Regional Growth Strategy	The degree to which the project assists in achieving the goals in the Regional Growth Strategy and directions set out in the Metro Vancouver Board Strategic Plan.	<b>Good.</b> The project will support mode shift, particularly within Urban Centres and transit-oriented areas.
Urban Centres and Frequent Transit Development Areas	Where applicable, the project is located in, or demonstrates tangible benefits to, the overall performance of Urban Centres and Frequent Transit Development Areas.	<b>Excellent.</b> All of the new replacement elevators are located within Urban Centres, at SkyTrain Stations, or both. Only the Royal Oak and Scott Road locations are not within Urban Centres.
<b>Integrated Criteria: Transportation Performance</b>		
Headline Targets	Demonstrates tangible beneficial effects on vehicle kilometres travelled and / or walk / cycle / transit / multiple occupancy vehicle mode share.	<b>Good.</b> Elevating devices increase accessibility, support a state of good repair, and improve customer experience – all of which support mode shift toward transit, particularly for passengers with mobility aids, bicycles, luggage, etc.
Other Transportation Outcomes	Demonstrates tangible beneficial effects on vehicle congestion, transit passenger congestion, transit ridership, transportation safety, and / or goods movement for the duration of the project.	<b>Good.</b> This project emphasizes safety, accessibility and service reliability.
Project Type	Demonstrated value of the project type.	<b>Excellent.</b> Upgrading assets at the end of their service life is an essential investment in safety and system cost-effectiveness.
<b>Integrated Criteria: Regional Environmental Objectives</b>		
Supports the <i>Climate 2050</i> Strategic Framework and <i>Clean Air Plan</i>	Contributes to the achievement of regional climate action and air quality goals, including directions set out in the Metro Vancouver Board Strategic Plan, the Regional Growth Strategy, <i>Climate 2050</i> , and the <i>Integrated Air Quality and Greenhouse Gas Management Plan</i> .	<b>Good.</b> TransLink expects incremental energy efficiency improvements from the new elevating devices. Combined with mode shift as a result of accessibility improvements, the project could make minor contributions to regional climate and air quality goals.
Quantifiable Emissions Impacts	Achieves quantifiable beneficial impacts on greenhouse gas and common air contaminant emissions relative to baseline transit vehicles, and lowers the emissions profile of the transit fleet.	<b>Poor.</b> As mentioned above, TransLink expects only incremental energy efficient improvements from the new elevating devices – not enough to have quantifiable greenhouse gas benefits.
<b>Integrated Criteria: Economic Development</b>		
Supports Regional Prosperity	Contributes to a regional transportation system that moves people and goods and aligns with regional prosperity.	<b>Good.</b> The project modernizes the transit system and could have modest benefits for small-scale, transit-based goods movement. One of the projects (OMC 1), will benefit SkyTrain operations as a whole.

## ALTERNATIVES

1. That the MVRD Board approve the proposed scope change to TransLink’s January 29, 2021 Greater Vancouver Regional Fund application as set out in the report dated June 21, 2023, titled “Greater Vancouver Regional Fund – Application for Scope Change to Previously Approved Project”.
2. That the MVRD Board refer the report dated June 21, 2023, titled “Greater Vancouver Regional Fund – Application for Scope Change to Previously Approved Project” to the Mayors’ Council on Regional Transportation for comment prior to final consideration by the MVRD Board.

## FINANCIAL IMPLICATIONS

TransLink’s application submission states that this project cannot be funded through other sources and that, in the absence of GVRF funding, TransLink would need to borrow funds to replace these elevators, which is a less feasible option given current debt limit restrictions. While TransLink further notes that it relies upon GVRF funding for certain projects and plans its budgets accordingly, this project was not specifically identified as a GVRF project in their Investment Plan.

If the MVRD Board approves Alternative 1, the Union of British Columbia Municipalities will be notified of the Board’s decision to approve the scope change of the 2021 application for an additional \$3,817,350 in GVRF funding for the eight elevators. This alternative would leave a remaining balance of \$8.1 million in GVRF funds.

If the MVRD Board approves Alternative 2, the Metro Vancouver staff report and recommendations, along with the TransLink application, would be forwarded to the Mayors’ Council on Regional Transportation for comment prior to final consideration by the MVRD Board at a future meeting.

## CONCLUSION

TransLink submits applications annually to the Greater Vancouver Regional Fund to support expanding and modernizing the region’s transit system. TransLink is requesting that the MVRD Board consider approving a scope change to the previously approved GVRF application from January 2021 to add eight new additional elevators at a cost of approximately \$3.8 million in funding. If approved, the GVRF will have a remaining balance of \$8.1 million. Staff recommend Alternative 1.

## Attachments

TransLink, *Amendments to the 2021 GVRF Application – Scope Change for BCRTC Elevating Devices*, dated July 13, 2023

## References

1. [Federal Gas Tax Fund Expenditures Policy \(GVRF Policy\)](#)
2. Finance Committee report dated January 8, 2021, titled [TransLink Application for Federal Gas Tax Funding for 2021-2023 Fleet Replacement, Elevating Devices and Charging Infrastructure](#)

To: Jerry Dobrovolny, Chief Administrative Officer, Metro Vancouver

From: Christine Dacre, Chief Financial Officer, TransLink

Date: June 26, 2023

**Subject: Amendments to the 2021 GVRF Application – Scope Change for BCRTC Elevating Devices**

## **PURPOSE**

TransLink is requesting the Metro Vancouver Regional District (Metro Vancouver) approve a scope and funding change for the BCRTC Elevating Devices project previously approved for Federal Gas Tax funds from Greater Vancouver Regional Fund (GVRF) by the MVRD Board on January 29, 2021. TransLink requests that the MVRD Board approve the expansion of the project from seven elevators to fifteen elevators, with an associated increase in funding of \$3.818 million, from \$11.217 million to \$15.035 million.

The approval of the requested application amendment will support TransLink in the procurement and installation of elevators to ensure these public facing assets remain in a state of good repair. As the new elevators have lower energy usage requirements, this project contributes to the region's objective of reducing greenhouse gas emissions. A further benefit is a reduction in maintenance intervals, which will provide customers with an improved experience.

## **PROPOSED SCOPE AND FUNDING CHANGES**

### **Reason for change:**

The activation of the original seven elevator scope of this project was delayed due to a requirement to procure and secure a new Master Service Agreement (MSA) contract for vendors. The previous MSA had expired and new specifications were required to be developed for the Request for Proposal. The new specifications and procurement process resulted in a two-year activation delay of the original project scope.

By the time the initial project was ready to continue, the next phase of the BCRTC elevator replacement program was ready for initiation. In order to achieve efficiencies, cost savings, and limit further program delays, TransLink combined the initiation of the 2021 and 2022 BCRTC Elevator replacement programs, thus increasing the scope of the project from seven to fifteen elevators along the Expo Line SkyTrain system.

## **BENEFITS**

Efficiencies in the utilization of project resources can be achieved as a result of delivering one comprehensive project as opposed to managing these two projects independently. This will benefit the project timeframe and will generate cost savings. The greater scope of the project also provides TransLink the opportunity to sequence and schedule the locations of elevator replacements to minimize the impact on customers. Examples of benefits in managing the scope as an individual project include:

- Economies of scale in the procurement of the equipment, as lower costs can be achieved with a larger order.
- If certain elevator locations begin to fail sooner, or if other construction work is occurring at a location, the sequencing of replacements can be adapted to minimize the impacts to the customer and keep the program on schedule.
- Administrative functions are reduced across steering committees, project management, and procurement.

## **RISKS**

There are certain risks that TransLink has experienced in similar active and completed projects which can have an impact on the schedule, cost and/or the scope of the projects:

- Deterioration of Canadian/foreign currency exchange rate
- Delays caused by vendors due to backlogs
- Inflation risk caused by macro level events

TransLink is aware of these risks, continuously monitors them and takes actions, when needed, to mitigate these risks.

**Table 1: Summary of Project, Total Costs, Timeline, and Gas Tax Funding Request**

<b>Project Description</b>	<b>Scope</b>	<b>Year of Service Initialization</b>	<b>Total Project Budget</b>	<b>Requested Gas Tax Funding</b>
<b>Original 2021 GVRF Application</b>				
BCRTC Elevating Devices Annual Renewal Program (ARPg)	This project will procure and install a total of seven (7) Expo Line elevators to replace elevators at the stations located at 29th Avenue, Patterson, Edmonds (2), Columbia (2) and Waterfront West Coast Express.	2023	\$11,805,000	\$11,217,810
<b>Proposed New Funding</b>				
<b>Amended 2021 GVRF Application</b>				
BCRTC Elevating Devices ARPg	This project will procure and install a total of fifteen (15) Expo Line elevators to replace elevators at the stations located at 29th Avenue, Patterson, Edmonds (2), Royal Oak, Gateway, Waterfront West Coast Express, OMC 1, Columbia (2), Surrey Central, King George (2), Scott Road and Burrard.	2026	\$18,128,000	\$15,035,160
<b>Net addition</b>	<b>8 Elevators</b>		<b>\$6,323,000</b>	<b>\$3,817,350</b>

## **ACTIVE PROJECTS**

Refer to the December 31, 2022, Annual Report for full details on the status of active projects.

## **FUNDS AVAILABLE**

After considering the increase in funding required as per above, there is \$8.1 million in funds available to TransLink. A summary of the funds and usage is provided below:

### **Greater Vancouver Regional Fund**

(as of December 31, 2022)

*In millions*

<b>Funds Available For Use</b>	<b>\$487.7</b>
Funds allocated to 2023 GVRF application (Awarded February 2023)	475.8
Adjustment for amended project funding	3.8
<b>Updated Funds Remaining</b>	<b>\$8.1</b>

The original application went through a rigorous approval process and was determined to meet the evaluation criteria used by Metro Vancouver to evaluate a regional transportation project proposed by TransLink for GVRF funding. The expanded project continues to meet the evaluation criteria as described in Appendix B.

The amendment consolidates two projects which have both been individually approved and funded through the 2022 Investment Plan. The amendment scope was not labeled for GVRF funding in the Investment Plan due to projected funding availability constraints.

The 2022 Investment Plan is focused on recovery while advancing key priorities such as:

- Holding transit service stable
- Pursuing urgent bus service expansion through service reallocations
- Advancing high-priority capital projects
- Implementing our climate commitments
- Making streets safe through active transportation and road investments

The funds utilized from the above application amendment will be used to support continued advancement of TransLink's Low Carbon Fleet Strategy, Climate Action Strategy and Plan, and the goals identified in the TransLink's Regional Transportation Strategy, Metro Vancouver's Regional Growth Strategy and Metro Vancouver's new Climate 2050 goals.

# Appendix A

## TransLink 2022 Investment Plan: Projects funded by GVRF

A7F: PROJECTS FUNDED BY GREATER VANCOUVER REGIONAL FUND (GVRF)	
<b>BUS FLEET</b>	
Program Year	Project Name
2018	2019 Community Shuttle Vehicle Replacement
2019	2020 Conventional Bus Replacement 2020 Conventional Bus Expansion 2020 HandyDART Vehicle Replacement 2020 HandyDART Vehicle Expansion 2020 Community Shuttle Vehicle Expansion
2020	2021 Conventional Bus Expansion 2021 HandyDART Vehicle Replacement 2021 HandyDART Vehicle Expansion 2021 Community Shuttle Vehicle Replacement 2021 Community Shuttle Vehicle Expansion
2021	2022 Community Shuttle Vehicle Replacement 2022 HandyDART Vehicle Replacement 2023 Conventional Bus Replacement
2022	2023 Community Shuttle Vehicle Replacement 2023 Conventional Bus Replacement 2023 HandyDART Vehicle Replacement
2023	2024 Conventional Bus Replacement 2024-2028 Conventional Bus Replacement - Trolleys
2024	2026 Conventional Bus Replacement 2025-2029 Conventional Bus Replacement - Trolleys
2027	2029 Conventional Bus Replacement
2029	2031 Conventional Bus Replacement
<b>RAIL FLEET</b>	
2011	100-400 Series MK I Refurbishment Project
2020	MKI Refurbishment (500-800 series was 30 years old in 2021)
<b>SEABUS</b>	
Program Year	Project Name
2022	Next Generation SeaBus Design
<b>BUS INFRASTRUCTURE</b>	
2021	Port Coquitlam Transit Centre - Infrastructure to Support Battery Electric Buses
2022	Marpole Transit Centre – Implementation (Phase 4)
<b>RAIL INFRASTRUCTURE</b>	
2021	Elevating Devices Asset Renewal Program - Elevators Elevating Devices Asset Renewal Program - Escalators
<b>BUS SERVICE SUPPORT VEHICLES</b>	
2021	Service Support Vehicles Replacement
2023-2027	Service Support Vehicles Replacement
2028-2031	Service Support Vehicles Replacement
<b>RAIL SERVICE SUPPORT VEHICLES</b>	
2021	Rail Service Support Vehicle Replacement
2023-2027	Rail Service Support Vehicle Replacement
2028-2031	Rail Service Support Vehicle Replacement
<b>POLICE SERVICE SUPPORT VEHICLES</b>	
2028	Transit Police Non-Revenue Vehicles Replacement
2029	Transit Police Non-Revenue Vehicles Replacement

# Appendix B

## **Evaluation Criteria**

The "Federal Gas Tax Fund Expenditures Policy" includes a list of criteria (Evaluation Criteria) that is used by Metro Vancouver to evaluate whether a regional transportation project proposed by TransLink for GVRF funding merits approval during the application process. Two types of Evaluation Criteria are identified:

- 1) Screening Criteria, which represents requirements that are mandatory for any project for which GVRF funding is requested; and
- 2) Integrated Criteria, which allows for a qualitative assessment of a proposed project based on high priority objectives that reflect the intent of the GVRF as well as of Metro Vancouver goals.

**APPLICATION FOR FUNDING FROM THE  
GREATER VANCOUVER REGIONAL FUND  
FOR FEDERAL GAS TAX FUNDS**

Project 5      BCRTC Elevating Devices Annual Renewal Program (ARPg)  
(Ref#213008)

## A. 10-YEAR INVESTMENT PLAN

Please describe how the project fits within, and provides support to, the 10-Year Investment Plan

This is a state of good repair project. The amendment consolidates two projects which have both been individually approved and funded through the 2022 Investment Plan. The amendment scope was not assigned GVRF funding in the Investment Plan due to projected funding availability constraints.

## B. PROJECT DESCRIPTION

Please complete the following for each project proposed for expenditure from the GVRF.

### 1. Executive Summary (not to exceed two pages)

#### Project Overview

The amended scope of this project will increase the procurement and installation of Expo Line elevators from seven (7) to fifteen (15). The elevators will be installed at the following stations: 29th Avenue, Patterson, Edmonds (2), Royal Oak, Gateway, Waterfront West Coast Express, OMC 1, Columbia (2), Surrey Central, King George (2), Scott Road and Burrard.

#### Tangible Benefits and Outcomes

Elevating devices are public facing assets which provide universal accessibility for customers with wheelchairs and strollers. Maintaining these in good condition is important for ensuring safe and pleasant customer experience.

There are primary energy efficiency benefits in operating these new devices (i.e., using less electrical energy per hour to operate). Further benefits are the expected reduced maintenance costs through longer service intervals, fewer trips for maintenance crews, and reduced GHG emissions from maintenance vehicle trips.

Key benefits in moving forward with the amended project scope include:

- Economies of scale in the procurement of equipment, as lower costs can be achieved with a larger order.
- If certain elevator locations begin to fail sooner, or if other construction work is occurring at a location, the sequencing of replacements can be adapted to minimize the impacts to the customer and keep the program on schedule.
- Administrative functions are reduced across steering committees, project management, and procurement.

#### Project Budget, Expenses, and GVRF Funding Request

The amended project budget is \$18,128,000 with a GVRF funding request of \$15,035,160. The original project budget was \$11,805,000 with approved funding of \$11,217,810. Expenses covered by this budget primarily include equipment procurement, installation and other miscellaneous

project costs. The funding requested in this application will be applied towards expenses considered eligible per the terms of the Administrative Agreement.

Steps taken by TransLink to identify, evaluate, and prioritize the proposed project for inclusion in the Application.

State of good repair projects are prioritized through the annual capital planning process for inclusion in the Investment Plan and GVRF Applications. Projects prioritized for GVRF funding are identified in advance in the Investment Plan or through the annual capital planning process.

## 2. Project Name

BCRTC Elevating Devices Annual Renewal Program (ARPg)

## 3. Project Need and Location

A condition assessment of 55 elevators across the Expo and Millennium Line stations (including WCE and OMC Yard) was completed in February 2018, and detailed the condition of the equipment, remaining service life and any maintenance issues. 21 elevators were identified as exceeding their useful life. 15 elevators identified below are in the most critical condition. Specific units were identified as due for replacement in the next 3 years.

The locations of the replacement elevating devices are at 29th Avenue, Patterson, Edmonds (2), Royal Oak, Gateway, Waterfront West Coast Express, OMC 1, Columbia (2), Surrey Central, King George (2), Scott Road, and Burrard.

## 4. Project Eligibility (check one):

- Local Roads and Bridges, including active transportation
- Public Transit

## 5. Project Purpose (check one):

- Expansion:** Expands the carrying capacity of people and/or goods movement.
- State of Good Repair:** Replaces or modernizes assets to keep the regional transportation system in a state of good repair.
- Operational Efficiency/Effectiveness:** Improves the efficiency or effectiveness of the regional transportation system.
- Refurbishment: Extend the useful life of assets to maximize the utility of the regional investment in the transportation system.**
- 
- Other (please specify : \_\_\_\_\_)**

## 6. Project Type (check one):

- Growth

- Upgrade
- Risk (Resilience)
- Maintenance
- Opportunity

**7. Project Staging:**

Year(s) of Acquisition or Start of Construction	Year of Completion of Construction	Year of Service Initialization	Year(s) of Renewal	Year(s) of End of Service
2023	2026	2026	N/A	2046

**8. Has the project previously received funding through GVRF? Please explain.**

Yes. Funding of \$11.217 million has been received under the approved 2021 GVRF funding application. This amendment expands the scope of the project from 7 elevators to 15 elevators along the Expo Line.

**9. Was GVRF funding previously declined for the project? Please explain.**

No. This is an amended application for GVRF funding for this project. The original application was approved.

**10. Is the project anticipated to require additional future GVRF funding? If so, please explain.**

No. TransLink is planning to complete this project within budget.

**11. Project Cost + Funding**

**11.a Budget & Expenditures**

Budget	Expenditures to Date	Forecast to Complete	Final Forecasted Cost	Variance (budget – final forecasted cost)
\$18,128,000	\$0	\$18,128,000	\$18,128,000	\$0*

*\*The 2022 Annual Report identifies a \$2.2 million positive variance for the approved scope of this project. With the scope increase proposed in this amendment, the variance would return to \$0, as the unspent funds would be allocated to the additional scope.*

## 11.b Project Funding

Prior Approved GVRF Funding	Current Year GVRF Funding Request	Other Funding – Specify source and whether confirmed/pending
\$11,217,810	\$15,035,160	N/A

## 11.c Project Budget Schedule

Item	2022	2023	2024	2025	2026	2027
GVRF-funded Project Budget		\$480,000	\$1,485,000	\$5,660,000	\$7,410,160	
Total Project Budget		\$502,930	\$1,745,152	\$7,083,127	\$8,796,791	

## 12. Project Budget Rationale

*Describe the types of proposed project expenses to be funded by the Greater Vancouver Regional Fund*

### a. Explain how the project reflects the intent of the GVRF

Due to energy efficiencies achieved by replacing older models, this project contributes to the region's objectives of cleaner air, cleaner water and reduced greenhouse gas emissions. Further, this project will result in improvements of accessibility to transit and better customer experience compared to prior models, and thus enhance ridership.

### b. In the absence of GVRF funding, can the project proceed with other funding sources? What risks do the other funding sources present to the project?

No, this project cannot be funded through other sources. TransLink relies on GVRF funding and plans its annual budgets accordingly. The other source of funding available to TransLink is the Investing in Canada Infrastructure Program (ICIP), which has been fully utilized.

In the absence of GVRF funding, TransLink would be required to borrow funds externally to fund the replacement of these assets, which is a less feasible option given current debt limit restrictions facing TransLink.

### c. Identify potential risks – corporate and regional – of this project that could result in this project not being completed or being unsuccessful. Describe possible mitigation strategies to address these risks.

Should the project not proceed, unacceptable customer impact will occur if elevators fail, eliminating station accessibility options, causing higher costs for upgrade or replacement, impacting the customer experience and reducing accessibility to the transit system.

- d. **How may the project cost vary as a result of changing external factors, such as interest rates and currency exchange rates?**

Project costs may vary due to foreign exchange rates fluctuations and vendor pricing. These uncertainties are mitigated with a sufficient contingency allowance.

- e. **How may foreseeable changes in investment, regulation, or policies from other orders of government affect the project?**

This project would not be affected by changes in investment, regulation or policies from other orders of government.

- f. **How may foreseeable changes in technology affect the project?**

There are no foreseeable changes in technology that would affect this project.

- g. **What other corporate or external factors could alter the project need, scope, budget, or timeline for project delivery?**

Project timeline may be affected by manufacturer's capacity and schedules, availability of parts and/or time for delivery from the manufacturer. Supply chain shortages may also impact the ability to manufacture the elevators. Budget may fluctuate due to parts pricing and/or foreign exchange rates.

- h. **Describe how the project lowers the emissions profile of the transit fleet, for both greenhouse gas and common air contaminant emissions and advances the fleet towards the region's greenhouse gas emissions reduction targets.**

Elevating devices contribute to the customer experience at the SkyTrain and West Coast Express stations which, in turn, contributes towards an increase in ridership.

## C. EVALUATION CRITERIA

Please describe how project achieves or works towards each criterion by identifying and reporting on relevant performance measures. Where appropriate, present quantitative information. Please do not exceed 10 pages per project.

Two types of evaluation criteria are identified: Screening Criteria, which represent requirements that are mandatory for any project for which GVRF funding is requested; and Integrated Criteria, which allow for a qualitative assessment of proposed projects based on high priority objectives that reflect the intent of the Federal Gas Tax Fund, of Metro Vancouver goals, and of the Mayors' Council Vision.

Criterion	Description	Assessment								
<b>SCREENING CRITERIA</b>										
Eligible Project Category	<input type="checkbox"/> Local roads and bridges, including active transportation <input checked="" type="checkbox"/> Public transit	Required								
Eligible Expenses	As set out in the 2014 Administrative Agreement (Schedule C)  <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: left;"><u>Eligible Item</u></td> <td style="text-align: right;"><u>Expenditure<sup>1</sup></u></td> </tr> <tr> <td>Project management &amp; consultations</td> <td style="text-align: right;">\$635,160</td> </tr> <tr> <td><u>Equipment &amp; Installation Costs</u></td> <td style="text-align: right;"><u>\$14,400,000</u></td> </tr> <tr> <td>Total</td> <td style="text-align: right;">\$15,035,160</td> </tr> </table> <sup>1</sup> Per Schedule C, Section 1.1, Part a)	<u>Eligible Item</u>	<u>Expenditure<sup>1</sup></u>	Project management & consultations	\$635,160	<u>Equipment &amp; Installation Costs</u>	<u>\$14,400,000</u>	Total	\$15,035,160	Required
<u>Eligible Item</u>	<u>Expenditure<sup>1</sup></u>									
Project management & consultations	\$635,160									
<u>Equipment &amp; Installation Costs</u>	<u>\$14,400,000</u>									
Total	\$15,035,160									
Plan Consistency	Projects must be consistent with TransLink's Capital Plan, 10-Year Investment Plan, the Regional Growth Strategy and the Regional Transportation Strategy.  <input checked="" type="checkbox"/> 10-Year Investment Plan <input checked="" type="checkbox"/> Mayors' Council Transportation and Transit Plan <input checked="" type="checkbox"/> Metro 2040: Shaping our Future <input checked="" type="checkbox"/> Regional Transportation Strategy	Required								
Corporate Policies	Projects must be consistent with applicable TransLink policies such as sustainability, environmental responsibility, emissions and infrastructure. <input checked="" type="checkbox"/> Sustainability policy <input checked="" type="checkbox"/> Environmental policy <input checked="" type="checkbox"/> Emissions policy <input type="checkbox"/> Infrastructure policy – n/a	Required								
<b>INTEGRATED CRITERIA</b>										
<b>Regional Growth Strategy</b>										
Supports the Regional Growth Strategy	<i>The degree to which the project assists in achieving the goals in the Regional Growth Strategy and directions set out in the Metro Vancouver Board Strategic Plan.</i> <input type="checkbox"/> Create a Compact Urban Area <input type="checkbox"/> Support a Sustainable Economy <input checked="" type="checkbox"/> Protect Environment and Respond to Climate Change Impacts <input checked="" type="checkbox"/> Develop Complete Communities <input checked="" type="checkbox"/> Support Sustainable Transportation Choices	Poor/Good/ Excellent								
Urban Centres and Frequent Transit	<i>Where applicable, the project is located in, or demonstrates tangible benefits to the overall performance of Urban Centres and Frequent Transit Development Areas.</i>	Poor/Good/ Excellent								

Criterion	Description	Assessment
Development Areas	<p>The project will improve elevating device performance resulting in better customer flow at SkyTrain and West Coast Express stations which are located in Urban Centres. The following Urban Centres (Regional City Centre (RCC) and Municipal Town Centre (MTC) will be impacted by this project:</p> <ul style="list-style-type: none"> <li>• Metrotown RCC</li> <li>• Edmonds MTC</li> <li>• Surrey Metro Centre RCC</li> <li>• Metro Core RCC</li> <li>• New Westminster Downtown RCC</li> </ul>	
<b>Transportation Performance</b>		
Headline Targets	<p><i>Demonstrates tangible beneficial effects on vehicle kilometres travelled and/or walk/cycle/transit/multiple occupancy vehicle mode share.</i></p> <p>The project will improve elevating device performance resulting in better customer flow at SkyTrain and West Coast Express stations.</p> <p>The new elevators are largely like-for-like replacements. Improved customer flow is a result of improved performance and lower downtime. Additionally, the new elevators offer improvements in crime prevention through environmental design with new glass doors which increases safety and thus further encourages customer usage.</p> <p>Opportunities for further accessibility improvements such as touchless controls will be explored and implemented where found to be feasible.</p>	Poor/Good/ Excellent
Other Transportation Outcomes	<p><i>Demonstrates tangible beneficial effects on vehicle congestion, transit passenger congestion, transit ridership, transportation safety, and/or goods movement for the duration of the project.</i></p> <p>The project will improve elevating device performance resulting in better customer flow at SkyTrain and West Coast Express stations.</p> <p>The new elevators are largely like-for-like replacements. Improved customer flow is a result of improved performance and lower downtime. Additionally, the new elevators offer improvements in crime prevention through environmental design with new glass doors which increases safety and thus further encourages customer usage.</p>	Poor/Good/ Excellent

Criterion	Description	Assessment
	Opportunities for further accessibility improvements such as touchless controls will be explored and implemented where found to be feasible.	
Project Type	<p><i>Demonstrated value of the project type (refer to section 6).</i></p> <p>By maintaining TransLink’s assets in good repair, elevating devices will have fewer breakdowns and service disruptions, and operating costs will not increase.</p>	Poor/Good/ Excellent
<b>Regional Environmental Objectives</b>		
Supports the Climate 2050 Strategic Framework and Integrated Air Quality and Greenhouse Gas Management Plan	<p><i>Contributes to the achievement of regional climate action and air quality goals, including directions set out in the Metro Vancouver Board Strategic Plan, the Regional Growth Strategy, Climate 2050, and the Integrated Air Quality and Greenhouse Gas Management Plan.</i></p> <p>This is a like-for-like elevating device replacement project. Incremental energy efficiency improvements are expected for the new elevating devices but will not result with a substantive impacts to regional environmental objectives.</p>	Poor/Good/ Excellent
Quantifiable Emissions Impacts	<p><i>Achieves quantifiable beneficial impacts on greenhouse gas and common air contaminant emissions relative to baseline transit vehicles and lowers the emissions profile of the transit fleet. The information requirement for this criterion is fulfilled as follows:</i></p> <ol style="list-style-type: none"> <li><i>1. For each transit vehicle project, provide a comparison of the emissions of the project versus the baseline vehicle.</i></li> <li><i>2. For the application in aggregate, provide the:</i> <ul style="list-style-type: none"> <li><i>• Annualized transit fleet emissions in the current year;</i></li> <li><i>• Plus, incremental changes in transit fleet emissions with full deployment of any proposed expansion, modernized, or refurbished vehicles.</i></li> </ul> </li> </ol> <p>This is a like-for-like elevating device replacement project. Incremental energy efficiency improvements are expected for the new elevating devices.</p>	Poor/Good/ Excellent
<b>Economic Development</b>		
Supports regional prosperity	<p><i>Contributes to a regional transportation system that moves people and goods and aligns with regional prosperity.</i></p>	Poor/Good/ Excellent

Criterion	Description	Assessment
	<p>The project will improve elevating device performance resulting in better customer flow at SkyTrain and West Coast Express stations.</p> <p>The new elevators are largely like-for-like replacements. Improved customer flow is a result of improved performance and lower downtime. Additionally, the new elevators offer improvements in crime prevention through environmental design with new glass doors which increases safety and thus further encourages customer usage.</p> <p>Opportunities for further accessibility improvements such as touchless controls will be explored and implemented where found to be feasible.</p>	

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To: Finance Committee

From: Mark Seinen, Senior Planner, Regional Planning and Housing Services

Date: June 19, 2023 Meeting Date: July 13, 2023

Subject: **Greater Vancouver Regional Fund – 2022 Annual Report**

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### **RECOMMENDATION**

That the MVRD Board receive for information the report dated June 19, 2023, titled “Greater Vancouver Regional Fund – 2022 Annual Report.”

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### **EXECUTIVE SUMMARY**

TransLink has submitted its Annual Report containing budget and schedule information on active projects funded with federal gas tax funds through the Greater Vancouver Regional Fund as of December 31, 2022. Although TransLink has historically delivered the majority of its projects on or ahead of schedule, 22 of 29 active projects are currently experiencing delays exceeding three months due to supply chain shortages, uncertainties in ridership recovery following COVID-19, and interdependencies between projects. \$11.9 million remains available for project funding.

### **PURPOSE**

This report presents TransLink’s 2022 Annual Report on active projects funded through the Greater Vancouver Regional Fund (GVRF) in accordance with the *Federal Gas Tax Fund Expenditures Policy* (GVRF Policy) (Reference 1).

### **BACKGROUND**

The GVRF Policy was adopted by the MVRD Board in 2016 and revised in 2020. It specifies that TransLink is required to report annually to the MVRD Board by the end of the second quarter on the status of projects funded through the GVRF, summarizing the previous calendar year’s projects. The reports must include updates on: variances in budgeted and actual costs, expenditures to date, project schedule, risk assessment, state of purchased assets, and alignment with the GVRF evaluation criteria.

### **2022 GVRF ANNUAL REPORT**

TransLink’s 2022 Annual Report (Attachment) provides a summary of budget and schedule information on active projects with GVRF funding to the end of 2022.

### **Active Project Schedules**

As at December 31, 2022, there were 29 active TransLink projects funded by the GVRF. The majority of these projects (22) were experiencing delays of greater than three months. Tables 5 and 6 in TransLink’s Annual Report provide details about these delayed projects, along with seven projects that have been substantially completed or that remain on schedule.

TransLink’s 2022 Annual Report cites the following three key reasons for the delays to active projects:

- Supply chain shortages affecting vehicle deliveries;
- Postponing projects to assess ridership capacity requirements following COVID-19; and
- Interdependencies between projects affecting initiation timeframes.

The following eight projects were reported as being behind schedule by more than 24 months:

- 2020 Conventional Bus – Expansion
- 2020 Community Shuttle Vehicles – Expansion
- 2021 HandyDART Vehicles – Expansion
- 2021 Community Shuttle Vehicles – Replacement
- 2021 Community Shuttle Vehicles – Expansion
- Mark I 500-800 Refurbishment
- Next Generation SeaBus Design
- BCRTC Elevating Devices – Elevators Replacement.

The longest delay (i.e. 45 months) is associated with the BCRTC Elevating Devices – Elevators Replacement project. That project is the subject of a scope change amendment, and is summarized in a separate report also on the July 13, 2023 Finance Committee agenda for consideration. If approved, the amended scope of that project would add eight elevators into the previous project’s scope at a cost of approximately \$3.8 million.

### **Active Project Costs**

The 29 active projects funded by the GVRF have budgets totalling \$1.347 billion, with \$1.271 billion, or 94 percent, awarded through the GVRF. Total expenditures to date on these projects as of December 31, 2022 were \$166.6 million, with \$131.6 million being provided by the GVRF. Once these projects are completed, the final funding variance is forecasted to be approximately \$31 million under budget. Any unspent GVRF funds at project completion are returned to the GVRF so that they may be used to support alternate future projects.

The following two projects were reported in TransLink’s 2022 Annual Report as having positive cost variances in excess of \$1 million:

- BCRTC Elevating Devices – Elevators Replacement (positive variance of \$2.2 million); and
- SkyTrain Mark I Vehicle Refurbishment (positive variance of \$1.5 million).

Since the Federal Gas Tax Fund Program began in 2005, TransLink has received \$1.97 billion in funding through the GVRF. At the end of 2022, there remained \$87.1 million in GVRF funds available for project funding.<sup>1</sup>

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<sup>1</sup> An additional \$75.2 million was approved by the MVRD Board on February 24, 2023 for 84 Conventional Renewable Natural Gas Buses, the application for which was originally presented to the Finance Committee on October 13, 2022. Following that approval, \$11.9 million remains available.

### **Risk Assessment**

TransLink's 2022 Annual Report provides an updated summary of known risks to the delivery of active projects. TransLink has identified foreign exchange rate volatility, limited labour resources, bus sub-system integration and commissioning, building permit delays, and supply chain impacts as the primary risks going forward.

### **ALTERNATIVES**

This is an information report. No alternatives are presented.

### **FINANCIAL IMPLICATIONS**

The processing of GVRF Applications and Annual Reports is part of Regional Planning staff's regular activities. There are no financial implications associated with this report.

### **CONCLUSION**

TransLink has submitted its Annual Report containing budget and schedule information on active projects funded with federal gas tax funds through the Greater Vancouver Regional Fund as of December 31, 2022. Although TransLink has historically delivered the majority of its projects on or ahead of schedule, 22 of 29 active projects are currently experiencing delays exceeding three months due to supply chain shortages, uncertainties in ridership recovery following COVID-19, and interdependencies between projects. \$11.9 million remains available in the GVRF for project funding.

### **Attachment**

TransLink, Report on Federal Gas Tax Funding received from the Greater Vancouver Regional Fund (GVRF), dated July 13, 2023

### **References**

Metro Vancouver's [Federal Gas Tax Fund Expenditures Policy](#), revised February 28, 2020

59890704

**To:** Jerry Dobrovolny, Chief Administrative Officer, Metro Vancouver

**From:** Christine Dacre, Chief Financial Officer, TransLink

**Date:** June 26, 2023

**Subject:** Report on Federal Gas Tax Funding Received from the Greater Vancouver Regional Fund (GVRF)

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**Article I. PURPOSE**

The "Federal Gas Tax Fund Expenditures Policy", approved by the Board of Directors of the Metro Vancouver Regional District (MVRD Board) on May 27, 2016 and amended February 28, 2020, requires TransLink to report to Metro Vancouver on active projects that have received funding from the Greater Vancouver Regional Fund (GVRF).

The report frequency is annual and has the following reporting objectives:

- A. Projects budget to actual cost variances;
- B. Projects expenditures to-date;
- C. Projects progress;
- D. Current projects schedule and state of purchased assets;
- E. Overall risk assessment;
- F. Alignment with Evaluation Criteria.

This report provides historical information on active projects with GVRF funding as at December 31, 2022.

**Article II. BACKGROUND**

Since the Federal Gas Tax Fund program began in 2005, TransLink has received \$1,970.3 million in funding to expand and modernise the transit network. Interest earned on funds received, which must be used for approved GVRF projects, totalled \$78.0 million at December 31, 2022. There was \$487.7 million in GVRF funds available for TransLink as at December 31, 2022 and \$11.9<sup>1</sup> million available for project funding subsequent to the 2023 GVRF applications.

**Greater Vancouver Regional Fund**

(as of December 31, 2022)

*In millions*

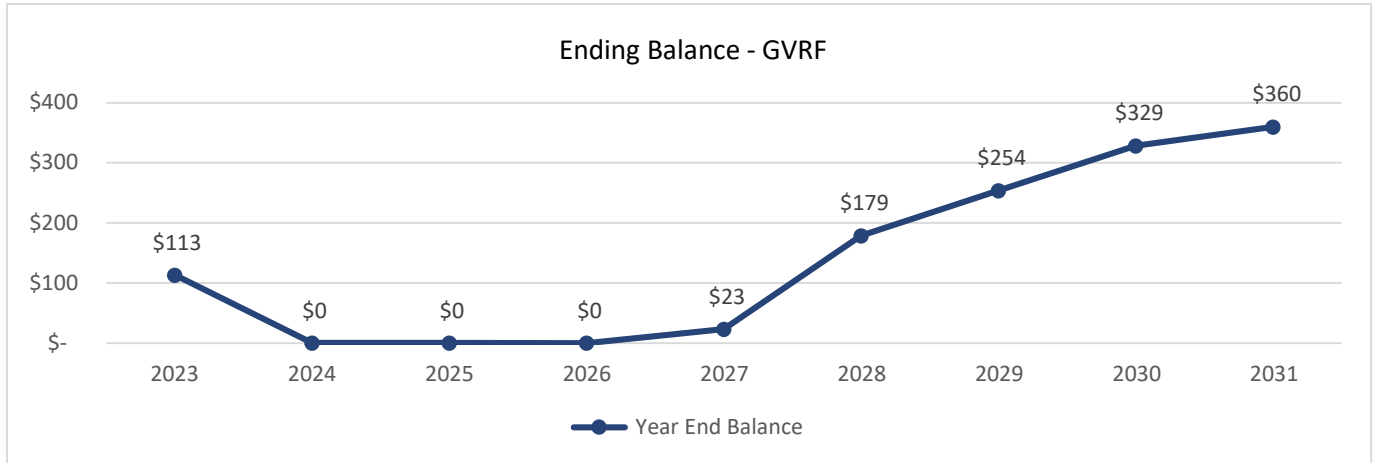
<b>Funds Available For Use</b>	<b>\$487.7</b>
Funds allocated to 2023 GVRF application (Approved October 28, 2022)	(400.6)
Funds allocated to 2023 GVRF application (Approved February 24, 2023)	(75.2)
<b>Updated Funds Remaining</b>	<b>\$11.9</b>

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<sup>1</sup> Accompanying this report is an amendment to the 2021 GVRF application to request an additional \$3.8 million from the GVRF fund. The \$11.9 represents funds available in the pool before the amendment.

## 2022 Investment Plan

The chart below shows the projected GVRF balance through 2031. During the period 2023-2031 TransLink anticipates allocations of \$1.4 billion in funding from the Government of Canada into the GVRF, with TransLink utilizing the entirety of the allocation. These projects reflect investments in the transit fleet and advancing TransLink's [Low Carbon Fleet Strategy](#)<sup>1</sup> and [Climate Action Strategy and Plan](#). While the GVRF balance at the end of 2031 is forecasted to be \$360 million, it is expected to be fully drawn down by 2034 by a large fleet replacement coming due between 2032-2034.



GVRF funding is a very important source of capital funding for TransLink and is fundamental to implement the Low Carbon Fleet Strategy, achieve the planned GHG reductions and support the Province's Clean BC mandate. In 2022 GVRF funding represented 41.0% of all senior government funding supporting TransLink's active capital program and 14.9% of the total costs of TransLink's active capital program.

### Active Projects

As of December 31, 2022, there were 29 active projects funded by the GVRF, with a total budget of \$1,347.1 million and approved GVRF funding of \$1,270.5 million. Table 1 is a summary of the total project costs and funding as at December 31, 2022.

Please note that an application amendment is being submitted for the BCRTC Elevating Devices Elevators Replacement (see attached Application Amendment Memo). The amounts listed in this section represent values prior to the amendment.

<sup>1</sup> TransLink is currently developing a new Zero-Emission Fleet Transition Plan that will supersede the Low Carbon Fleet Strategy.

**Table 1 – Summary of total project costs and GVRF funding as of December 31, 2022**

	Budget As of Dec 31, 2022	Final Forecast Cost As of Dec 31, 2022	Variance <sup>1</sup> As of Dec 31, 2022
<b>Total Project cost</b>	\$1,347.1	\$1,341.1	\$6.0
<b>Eligible GVRF Funding Approved to Date</b>	(1,270.5)	(1,239.5)	(31.0)
<b>Costs Ineligible for GVRF Funding<sup>2</sup></b>	\$76.6	\$101.6	\$(25.0)

1. Variance from total project approved budget vs. final forecast cost as of December 31, 2022.

2. Ineligible costs represent mainly expenditures incurred by TransLink that are not eligible to be claimed under GVRF such as internal labour charges, overhead, land, internal training and maintenance costs.

Table 2 provides a detailed list of active projects with GVRF funding, including budget, final forecast cost (FFC) and expenditures-to-date as of December 31, 2022. Included in the table are projects that are substantially complete, which have been implemented or are in-service, but remain active to reflect outstanding charges and holdbacks to be addressed prior to project close-out.

**Table 2 – List of active projects with GVRF funding as of December 31, 2022**

Active Projects with GVRF Funding (\$ millions)	Budget	Expenditures to Dec 31, 2022	FFC	Forecast to Budget Variance	Approved Funding	Funding used up to Dec 31, 2022	Total Forecast Funding	Funding Variance
SkyTrain Mark I Vehicle Refurbishment	28.0	26.5	26.5	1.5	24.4	14.7	14.7	9.6
Electric Battery Bus Purchases - Pilot	10.0	9.2	9.5	0.5	6.9	6.9	6.9	-
2019 Conventional Bus - Replacement	33.9	33.2	33.6	0.3	30.0	30.0	30.0	-
2020 Conventional Bus - Replacement	32.5	23.4	32.3	0.2	29.1	15.9	24.7	4.3
2020 Conventional Bus - Expansion	100.7	38.4	101.1	(0.3)	103.5	34.4	97.0	6.5
2020 HandyDART Vehicles - Replacement	6.3	5.6	5.9	0.4	6.1	5.2	5.5	0.6
2020 HandyDART Vehicles - Expansion	1.6	1.3	1.4	0.2	1.4	1.2	1.3	0.1
2020 Community Shuttle Vehicles - Expansion	2.5	-	2.5	-	2.0	-	2.0	-
2021 Conventional Bus - Expansion	43.0	0.7	43.8	(0.8)	46.2	-	43.2	3.0
2021 HandyDART Vehicles - Replacement	6.5	4.8	6.1	0.4	6.4	4.3	5.6	0.8
2021 HandyDART Vehicles - Expansion <sup>1</sup>	1.6	-	1.6	-	1.6	-	1.6	-

Active Projects with GVRF Funding (\$ millions)	Budget	Expenditures to Dec 31, 2022	FFC	Forecast to Budget Variance	Approved Funding	Funding used up to Dec 31, 2022	Total Forecast Funding	Funding Variance
2021 Community Shuttle Vehicles - Replacement	14.1	13.3	13.4	0.7	13.7	12.8	12.9	0.8
2021 Community Shuttle Vehicles - Expansion	1.1	-	1.1	-	0.9	-	0.9	-
Mark 1 500-800 Refurbishment	8.8	3.3	9.1	(0.4)	9.9	2.8	8.7	1.3
2022 Community Shuttle Vehicles - Replacement	16.9	-	16.6	0.3	15.3	-	15.3	-
2022 HandyDART Vehicles - Replacement	6.8	2.9	6.4	0.4	6.5	1.4	4.8	1.7
Next Generation SeaBus Design <sup>1</sup>	2.7	-	2.7	-	2.5	-	2.5	-
2021 CMBC Service Support Vehicles - Replacement	1.3	1.0	1.1	0.2	1.4	0.9	0.9	0.4
Port Coquitlam Transit Centre Infrastructure (LCFS)	55.4	2.0	55.4	-	27.8	0.8	27.8	-
2023 Conventional Bus (Electric) - Replacement	88.7	-	88.7	-	86.1	-	86.1	-
2021 BCRTC Service Support Vehicles - Replacement	0.4	0.1	0.4	-	0.4	-	0.3	0.1
BCRTC Elevating Devices Elevators Replacement <sup>1,2</sup>	11.8	-	9.6	2.2	11.2	-	9.6	1.6
BCRTC Elevating Devices Escalators Replacement	10.5	0.5	10.5	-	5.5	0.2	5.5	-
2023 Community Shuttle Vehicles - Replacement	6.9	-	6.9	-	6.7	-	6.7	-
2023 Conventional Bus (CNG) - Replacement	46.0	-	46.0	-	44.4	-	44.4	-
2023 HandyDART Vehicles - Replacement	8.5	0.2	8.4	0.1	6.8	-	6.8	-
Marpole Transit Centre <sup>1</sup>	308.2	-	308.2	0.0	298.1	-	298.1	-
2024 Conventional Bus (RNG) - Replacement <sup>1</sup>	78.0	-	78.0	-	75.3	-	75.3	-
Conventional Trolley Bus - Replacement <sup>1</sup>	414.6	-	414.6	-	400.6	-	400.6	-
<b>Total</b>	<b>1,347.1</b>	<b>166.6</b>	<b>1,341.1</b>	<b>6.0</b>	<b>1,270.5</b>	<b>131.6</b>	<b>1,239.5</b>	<b>31.0</b>

1. Approved in principle projects with approved GVRF funding. All other projects are active.

2. An application amendment is being submitted for this project (see attached Application Amendment Memo). The amount above represents values prior to the amendment.

### Substantially Complete Projects

Among active projects as of December 31, 2022, there are 6 substantially completed projects with a cumulative budget of \$93.9 million and GVRF Funding of \$82.5 million. All assets from substantially complete projects are currently in use in TransLink operations. Once the outstanding charges and/or holdbacks are released the projects will be closed out.

#### A. Project Budget to Actual Costs Variance

The majority of projects have favorable variances compared to budget. See Table 2 for a detailed list of active projects and variances from current forecast and approved budget. Below is a discussion of the projects with variances between budget and FFC greater than \$1.0 million as of December 31, 2022.

**SkyTrain Mark I Vehicle Refurbishment** - This project is in the final stages of completion as of December 31, 2022 with a positive variance of \$1.5 million between the budgeted cost and the FFC. The variance is primarily due to procurement costs coming in below budget.

**BCRTC Elevating Devices – Elevators Replacement** - This project has a positive variance of \$2.2 million between the budgeted cost and the FFC. This variance is due to revised elevator procurement cost estimates obtained from vendors which came in below previous budgeted amounts.

#### B. Project Expenditures to Date for Active Projects

Total active project costs were \$166.6 million as of December 31, 2022, with \$131.6 million in funding coming from the GVRF. Table 3 is a summary of the total active project costs and funding as of December 31, 2022:

**Table 3 - Greater Vancouver Regional Fund (\$ millions)**

	<b>As of December 31, 2022</b>
Total Project Costs	\$166.6
Costs Ineligible for GVRF Funding	(35.0)
Expenditure of GVRF Funding	<u>\$131.6</u>

Ineligible costs represent expenditures incurred by TransLink that are not eligible to be claimed under GVRF such as internal labour charges, overhead, land, internal training and maintenance costs.

#### C. Closed Projects

Table 4 provides a detailed breakdown of closed projects with GVRF funding, including budget, final forecast cost (FFC) and expenditures-to-date as of December 31, 2022. Funding remaining under a closed project is released and becomes available to utilize for future GVRF applications.

**Table 4 - Projects closed since the prior year report**

Closed Projects with GVRF Funding (\$ millions)	Budget	Expenditures to Dec 31, 2022	FFC	Forecast to Budget Variance	Approved Funding	Total Funding Used	Funding Variance
2014 HandyDART Vehicle Replacement	8.0	7.6	7.6	0.4	7.5	7.5	-
Surrey Transit Centre – CNG Facility Retrofit	16.3	15.8	15.8	0.5	4.0	4.0	-
2017 Conventional Bus Replacement	111.1	110.6	110.6	0.5	106.0	106.0	-
2018 Community Shuttle Replacement	4.1	3.7	3.7	0.4	3.8	3.7	0.2
2018 Community Shuttle Expansion	2.2	2.1	2.1	0.1	3.2	2.1	1.1
2019 Community Shuttle Replacement	12.6	10.9	10.9	1.7	10.8	10.0	0.8

**D. Current Project Schedule**

Table 5 provides an update on the progress of approved projects and whether they had proceeded as intended as of December 31, 2022. All projects require Specific Project Approval (SPA) during which they are reviewed by TransLink’s Capital Management Committee to ensure fiscal responsibility and overall alignment with the Regional Transportation Strategy. Projects are required to obtain SPA approval before any commitments are made to an external party.

**Table 5 – Summary of project progress for active projects with GVRF funding**

Project Schedule	Number of Projects	FFC (\$ millions)
Delays greater than 3 months	22	\$836.2
On or ahead of schedule	1	414.6
Substantially completed projects	6	90.2
	29	\$1,341.1

Table 6 shows an estimate for each project schedule based on forecast in-service dates as of December 31, 2022 and the approximate delay in months when compared to original forecast in-service dates. Schedule delays can be caused by numerous reasons, such as delay in equipment delivery from vendors or project complexity. The primary causes of delays impacting active projects in this report include supply chain shortages affecting vehicle deliveries, postponing a project in order to assess ridership capacity requirements following COVID-19 and interdependencies between projects affecting initiation timeframes. Below is a schedule summary for all active projects as of December 31, 2022.

**Table 6 – Project schedule summary**

Active Projects with GVRF Funding	Forecast In-service Date	Actual In-service Date	Delay/(Early) delivery in months (approx.)	Stage of project progress	Whether proceeded as intended	Estimated Useful Life (years)
SkyTrain Mark I Vehicle Refurbishment	April 2020	August 2020	3	Project is in the final stages of completion.	Yes, SPA approved in September 2012	15
Electric Battery Bus Purchases - Pilot	December 2018	September 2019	8	Project is in the final stages of completion.	Yes, SPA approved in September 2017	17
2019 Conventional Bus - Replacement	September 2020	September 2020	-	Project is in the final stages of completion.	Yes, SPA approved in April 2018	17
2020 Conventional Bus - Replacement	March 2021	March 2023	24	Acceptance of buses was delayed due to quality concerns and deficiency work. Buses arrived throughout 2022 with all deliveries completed as of Q2 2023.	Yes, SPA approved in May 2019	17
2020 Conventional Bus - Expansion	December 2020	May 2024	42	Acceptance of buses was delayed due to quality concerns and deficiency work. Remaining buses are expected to be delivered throughout 2023 and 2024.	Yes, SPA approved in May 2019	17
2020 HandyDART Vehicles - Replacement	May 2021	September 2022	16	Project is in the final stages of completion.	Yes, SPA approved in January 2020	7
2020 HandyDART Vehicles - Expansion	January 2021	August 2022	19	Project is in the final stages of completion.	Yes, SPA approved in January 2020	7
2020 Community Shuttle Vehicles - Expansion	January 2021	July 2024	43	Project delayed during COVID-19 pending assessment of ridership recovery. Vendor contract was executed in Q1 2023.	Yes, SPA approved in November 2019	5
2021 Conventional Bus - Expansion	November 2022	May 2024	19	Project delayed during COVID-19 pending assessment of ridership recovery. Buses are expected to be delivered by Q1 of 2024.	Yes, SPA approved in March 2020	17
2021 HandyDART Vehicles - Replacement	November 2021	March 2023	16	Project delayed due to supply chain shortages and delays at the production facilities. The majority of vehicle deliveries were received throughout 2022 with the final deliveries completed in Q1 2023.	Yes, SPA approved in October 2020	7
2021 HandyDART Vehicles - Expansion	October 2021	September 2024	36	Project delayed during COVID-19 pending assessment of ridership recovery. Project was initiated in January 2023.	Yes, SPA approved in January 2023	7

Active Projects with GVRF Funding	Forecast In-service Date	Actual In-service Date	Delay/(Early) delivery in months (approx.)	Stage of project progress	Whether proceeded as intended	Estimated Useful Life (years)
2021 Community Shuttle Vehicles - Replacement	January 2021	January 2023	25	Project is in the final stages of completion.	Yes, SPA approved in October 2020	5
2021 Community Shuttle Vehicles - Expansion	November 2021	July 2024	33	Project delayed during COVID-19 pending assessment of ridership recovery. Vendor contract was executed in Q1 2023.	Yes, SPA approved in November 2022	5
Mark 1 500-800 Refurbishment	December 2021	June 2024	30	Project delayed due to supply shortages, a cyber attack and WorkSafe BC concerns. Project is now in the implementation phase and targeting completion by Q2 2024.	Yes, SPA approved in August 2020	10
2022 Community Shuttle Vehicles - Replacement	December 2022	July 2024	19	Project delayed during COVID-19 pending assessment of ridership recovery. Vendor contract was executed in Q1 2023.	Yes, SPA approved in April 2021	5
2022 HandyDART Vehicles - Replacement	August 2022	April 2023	8	Vehicle deliveries began in August 2022 and completed as of April 2023.	Yes, SPA approved in March 2021	7
Next Generation SeaBus Design	September 2023	December 2026	40	Project delayed in order to align with the updated SeaBus procurement timeframe. Project is now expected to initiate in 2025.	SPA expected in 2025	30
2021 CMBC Service Support Vehicles - Replacement	August 2022	June 2023	9	Vehicle deliveries have occurred throughout 2022 with final vehicles deliveries expected through Q2 2023.	Yes, SPA approved in April 2021	5-15
Port Coquitlam Transit Centre Infrastructure (LCFS)	October 2023	July 2025	20	Project delayed due to a decision to deliver this project alongside a bus procurement project with a new turnkey procurement model. The RFP for the turnkey vendor was submitted in Q4 2022.	Yes, SPA approved in September 2022	30
2023 Conventional Bus (Electric) - Replacement	December 2023	December 2025	24	Project delayed due to infrastructure requirements to support Battery Electric Buses procured under this project. Vendor contract is expected to be signed in 2023 to begin the scope of work.	Yes, SPA approved in September 2022	17
2021 BCRTC Service Support Vehicles – Replacement	October 2022	December 2023	15	Vehicle delivery for a partial scope of the project has been deferred to 2023 due to supplier inventory shortfalls.	Yes, SPA approved in November 2021	5-20

Active Projects with GVRF Funding	Forecast In-service Date	Actual In-service Date	Delay/(Early) delivery in months (approx.)	Stage of project progress	Whether proceeded as intended	Estimated Useful Life (years)
BCRTC Elevating Devices Elevators Replacement	April 2023	December 2026	45	Project delayed due to lengthy process to secure a new Master Service Agreement with vendors. Project was initiated in April 2023.	Yes, SPA approved in April 2023	20
BCRTC Elevating Devices Escalators Replacement	April 2024	September 2024	5	Project delayed due to supply chain issues causing a shift in the delivery of escalators. Manufacturing of the escalators is in progress.	Yes, SPA approved in May 2021	25
2023 Community Shuttle Vehicles - Replacement	November 2023	July 2024	9	Project delayed during COVID-19 pending assessment of ridership recovery. Vendor contract was executed in Q1 2023.	Yes, SPA approved in June 2022	5
2023 Conventional Bus (CNG) - Replacement	March 2024	July 2024	4	The contract for the supply of vehicles has been awarded and vehicles are expected to be delivered by July 2024.	Yes, SPA approved in February 2022	17
2023 HandyDART Vehicles - Replacement	November 2023	March 2024	4	Vehicles to begin manufacturing during Q3 2023 with vehicle deliveries to commence in Q4 2023.	Yes, SPA approved in June 2022	7
Marpole Transit Centre	July 2025	December 2025	5	Preliminary design was completed in Dec 2022. The project will continue into detailed design through 2023 and early 2024.	Yes, SPA approved in March 2023	30
2024 Conventional Bus (RNG) - Replacement	October 2024	March 2025	5	Project initiated in March 2023.	Yes, SPA approved in March 2023	17
Conventional Trolley Bus - Replacement	November 2027	January 2028	2	Project initiated in May 2023.	Yes, SPA approved in May 2023	17

### Disposition of Assets

No GVRF funded assets were disposed of prior to the end of their useful life during 2022.

## E. Overall Risk Assessment

TransLink follows standard project management practices and provides an internal oversight structure for each capital project, including projects utilizing GVRF funding. The higher the project's risk profile (measured as a function of risk, business value, size and complexity), the greater the degree of rigour that is applied to its governance model.

Specific project risks are identified prior to project initiation and listed in the project risk register. Monthly reports on risks and issues are provided to TransLink's Project Management Office (PMO). In addition, projects with increased complexity and/or elevated risk profile also have a specific project steering committee assigned. Below is a list of known risks and actions taken for active projects receiving GVRF funding:

RISK TITLE	RISK DESCRIPTION (EVENT)	CAUSE OF RISK	ACTION TAKEN
Foreign Exchange Rate	Deterioration of the Canadian/foreign currency exchange rate may cause vehicle and equipment pricing to exceed project budget	Currency conversion volatility between the Canadian dollar and foreign currencies	Exercise contract options as quickly as possible and build contingency into project budgets
Labour Resources	As a specialized skillset is needed for certain positions, the production may be slower than planned, impacting the completion date	Challenges with labour resource availability and staff turnover	Project managers monitor output, execute project focused training if required and provide for overtime as needed
Bus Sub-system Integration and Commissioning	Installation and integration issues between new bus type and bus sub-systems (electric and double decker buses)	New interfaces, new technology (electric), added deck, taller vehicles	Work with manufacturers to identify any potential issues prior to taking delivery of buses. Allow for extra inspection time.
Building Permits	Delays in obtaining permits from various municipalities required before construction can commence	Municipalities have jurisdiction over sites where construction is required	Continuous engagement with municipalities to generate support. Hire consultants to manage process, if needed.
Supply Chain	Purchasing power and production timelines for zero-emission buses and supporting infrastructure extend project schedules	Zero-emission bus manufacturers are focusing on meeting California / USA demand driven by regulations. The Covid 19 pandemic also continued to have an effect on supply chains.	Continuous engagement with manufacturers to improve procurement timelines, and procurement strategies and long-term partnerships

### **Alignment with Evaluation Criteria**

The "Federal Gas Tax Fund Expenditures Policy" includes a list of criteria (Evaluation Criteria) that is used by Metro Vancouver to evaluate whether a regional transportation project proposed by TransLink for GVRF funding merits approval during the application process. Two types of Evaluation Criteria are identified:

- 1) Screening Criteria, which represents requirements that are mandatory for any project for which GVRF funding is requested; and
- 2) Integrated Criteria, which allows for a qualitative assessment of a proposed project based on high priority objectives that reflect the intent of the GVRF as well as of Metro Vancouver goals.

Active projects listed in this report that have received GVRF funding have gone through a rigorous approval process and have been determined to meet the evaluation criteria during the application process.

### **Article III. CONCLUSION**

TransLink has been successfully delivering projects funded via the GVRF, according to project requirements and specifications. Funding provided by GVRF is critical to TransLink's ability to deliver its capital program and meet its climate goals. TransLink will continue to ensure that all active projects funded by GVRF will meet the requirements as defined by the "Federal Gas Tax Expenditures Policy".

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To: Finance Committee

From: Mark Seinen, Senior Planner and James Stiver, Division Manager, Regional Land Use Policy, Regional Planning and Housing Services

Date: June 21, 2023 Meeting Date: July 13, 2023

Subject: **Greater Vancouver Regional Fund – Program Overview and Renewal Process**

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### **RECOMMENDATION**

That the MVRD Board direct staff to organize an MVRD Board workshop in September 2023 to review options for the renewal of the Greater Vancouver Regional Fund program.

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### **EXECUTIVE SUMMARY**

Metro Vancouver administers the Greater Vancouver Regional Fund (GVRF) program, which has delivered approximately \$1.97 billion in federal infrastructure funding to TransLink for the expansion and modernization of transit infrastructure since its inception in 2005. The 10-year federal funding agreement that enables the GVRF is set to expire in March 2024 and is expected to be replaced by a new agreement. To inform the new federal agreement and a possible associated renewed Metro Vancouver program, the MVRD Board will need to make key decisions about the pooling and strategic allocation of future federal funds in the coming months before the current agreement expires. This report provides an overview of how the GVRF program works and outlines some key considerations for a renewed program. Staff recommend that a workshop be held with the MVRD Board in September, with the objective of exploring options and receiving direction to assist in finalizing the terms of the renewed program by the end of 2023.

### **PURPOSE**

This report provides the Finance Committee and MVRD Board with an overview of the Greater Vancouver Regional Fund program and proposes a process for program renewal prior to its upcoming expiration in March 2024.

### **BACKGROUND**

The GVRF is a program that is jointly-administered by Metro Vancouver and the Union of British Columbia Municipalities (UBCM) that has historically delivered federal funding for regional transportation projects. This program was originally funded from federal gas tax funds but the program has evolved and is now funded by the Canada Community-Building Fund (CCBF)<sup>1</sup> which draws from general revenues and no longer has a connection to gas taxes. In Metro Vancouver, member jurisdictions have historically agreed to pool 95 percent of their respective CCBF funds into the GVRF with the remaining five percent allocated directly to member jurisdictions. Since the first agreement in 2005, approximately \$1.97 billion has been delivered to TransLink to expand and modernize the transit system through the GVRF and its predecessor.

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<sup>1</sup> Infrastructure Canada's web site (Reference 2) explains that, "as of June 29, 2021, the Gas Tax Fund has been renamed the Canada Community-Building Fund (CCBF). This name change better reflects the program's evolution over time and will not alter or modify the objectives or requirements of the program."

**CANADA COMMUNITY BUILDING FUND PROGRAM OVERVIEW**

The Canada Community Building Fund (CCBF), formally the federal Gas Tax Fund, is a federally funded program that provides flexible funding to support local infrastructure priorities. Municipalities can pool, bank, and borrow against this funding to make infrastructure investments in the following 19 different project categories: public transit, wastewater infrastructure, drinking water, solid waste management, community energy systems, local roads and bridges, capacity building, highways, local and regional airports, sort-line rail, short-sea shipping, disaster mitigation, broadband and connectivity, brownfield redevelopment, culture, tourism, sport, recreation, and fire halls.

**GREATER VANCOUVER REGIONAL FUND PROGRAM OVERVIEW**

The GVRF is legally defined in the *Administrative Agreement on the Federal Gas Tax Fund in British Columbia* (the Agreement), which governs how the federal funds are to be administered within BC (References 1 and 2). The term of the current 10-year Agreement is April 1, 2014 to March 31, 2024. From an accounting perspective, UBCM holds the GVRF funds in trust and transfers the approved funds to TransLink upon notification by Metro Vancouver.

In addition to the federal Eligibility Criteria for CCBF, Metro Vancouver establishes further criteria for GVRF-funded projects with the *Greater Vancouver Regional Fund Policy* (GVRF Policy) (Attachment 1). Adopted by the MVRD Board in 2016 and revised in February 2020 the current GVRF Policy limits any expenditures to only regional transportation projects, and two categories in particular:

- Local roads and bridges, including active transportation; and
- Public transit.

In addition to these project eligibility requirements, the GVRF Policy establishes a process, information requirements, and criteria for evaluating and approving expenditures from the GVRF for regional transportation projects proposed by TransLink. It also includes annual reporting requirements for TransLink's expenditures.

**Applications**

The GVRF Policy sets out the information requirements for TransLink's applications for GVRF funding. The GVRF Policy is accompanied by an Application Guide (Attachment 2) that provides a template for application reviews, including detailed criteria by which Metro Vancouver staff evaluate TransLink's proposed projects prior to reporting to the Finance Committee and MVRD Board for consideration.

Once per year, typically in the early fall, TransLink submits an application for GVRF funding. Between 2016 and 2020, these funding requests ranged from about \$120 million to \$155 million. More recently, TransLink has received larger amounts, enabled by temporary increases in CCBF funding from Infrastructure Canada to support COVID-19 relief. TransLink's fall 2021 application resulted in \$358.48 million in GVRF funding, the majority of which was allocated to the design and construction of a new electrified bus depot, Marpole Transit Centre, to advance its Low Carbon

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Fleet Strategy. TransLink's fall 2022 application funded 188 trolley buses and 84 Renewable Natural Gas buses at a total cost of \$474.84 million.

TransLink generally requests GVRF funding for transit fleet needs, for both replacement and expansion projects. SkyTrain cars, conventional buses, Community Shuttles, and HandyDART vehicles comprise the majority of GVRF-funded projects since 2016. From time to time, TransLink also uses GVRF funds for transit centres (e.g. Hamilton, Marpole, and Port Coquitlam), pilot projects (e.g. electric buses in 2017-2018), SeaBus replacement and design, and elevating devices (elevators and escalators). Funding for these projects contributes to reducing GHG emissions, improving mobility options for all residents, and reducing the burden on local/regional taxes.

### **Annual Reports**

In accordance with the GVRF Policy, TransLink is required to provide Annual Reports to the MVRD Board on projects funded through the GVRF. The Annual Reports include updates about variances in budgeted and actual costs, expenditures to date, project schedule, risk assessment, project progress, state of purchased assets, and alignment with the GVRF evaluation criteria. TransLink's latest annual report is contained in a separate report also on the July 13, 2023 Finance Committee agenda.

### **CONSIDERATIONS FOR GREATER VANCOUVER REGIONAL FUND RENEWAL**

With the Agreement expiring on March 31, 2024, TransLink's final application under the current GVRF program is expected to be received in the fall of 2023. A new Agreement will need to be established after that time for the program to continue.

UBCM plays a coordinating role in this process and has begun engaging with Infrastructure Canada about the expected timeline for a renewed CCBF. Although no formal mandate has been received from the federal government to date, UBCM and Metro Vancouver staff have been discussing the logistics of a renewed program and are anticipating a timely renewal and program continuity prior to the March 31, 2024 expiration of the Agreement. With TransLink being the major recipient of these funds historically, Metro Vancouver staff have been engaging and updating TransLink staff regarding the renewal process for the GVRF.

UBCM representatives are attending the July 13, 2023 Finance Committee meeting to initiate the engagement with Metro Vancouver and provide an overview of the program renewal process. Staff recommend that a workshop be held with the MVRD Board in September, with the objective of exploring options regarding the renewal of the GVRF program and receiving direction to assist in finalizing the terms of the renewed program by the end of 2023.

### **Key Issues for 2024 Renewal**

There are several key issues to be considered with the renewal of the GVRF program, including:

- *The allocation of funding* – The MVRD Board will need to consider the appropriate allocation of funds toward regional transportation projects, balancing TransLink's reliance on the

funding in its capital plans<sup>2</sup> with other competing needs for funding at the municipal and regional levels. This will be the most significant aspect for the Board to consider during the renewal process. The Board will have the option to support the existing funding allocation, which has been primarily dedicated to public transit investments. Alternatively, the Board will also have the option to consider reallocating a portion of this funding to other eligible local or regional infrastructure projects eligible under the CCBF.

- *Project eligibility* – In recent years, the MVRD Board has expressed some concern about the types of projects being funded through the GVRF. The updated program is an opportunity for the MVRD Board to clarify the types of projects that are to be supported with funding.
- *Updated Application Guide* – A renewed program is an opportunity to revise the associated Application Guide, which details the evaluation criteria for TransLink’s project proposals. The guide can be updated to better align with regional plans, such as *Metro 2050*, *Climate 2050*, and *Transport 2050*, and can be enhanced to incorporate other lessons that have been learned in the course of evaluating TransLink’s project proposals over the past 10 years.
- *Housekeeping* – General housekeeping and updating of language (e.g. to refer to the Canada Community-Building Fund instead of Federal Gas Tax Fund).

These key issues would be the focus of the MVRD Board workshop in September. Based on discussion, feedback and direction received at the Board workshop, options and recommendations would be brought back to the Board for consideration before the end of 2023.

## ALTERNATIVES

1. That the MVRD Board direct staff to organize an MVRD Board workshop in September 2023 to review options for the renewal of the Greater Vancouver Regional Fund program.
2. That the MVRD Board receive for information the report dated June 21, 2023, titled “Greater Vancouver Regional Fund – Program Overview and Renewal Process” and provide alternative direction regarding the Greater Vancouver Regional Fund renewal process.

## FINANCIAL IMPLICATIONS

The processing of GVRF Applications and Annual Reports is part of Regional Planning staff’s regular activities. The updated terms of a renewed GVRF program could have significant financial implications for Metro Vancouver, member jurisdictions, and TransLink, in terms of the allocation of several hundred million dollars per year in federal funding for capital projects in this region.

## CONCLUSION

Metro Vancouver administers the Greater Vancouver Regional Fund, which has delivered approximately \$1.97 billion in federal infrastructure funding to TransLink since its inception in 2005. A 10-year federal agreement that enables the GVRF is set to expire in March 2024 and is expected to be replaced by a new agreement. To inform the new federal agreement and a possible associated renewed Metro Vancouver program, the MVRD Board will need to make key decisions about the pooling and strategic allocation of future federal funds in the coming months before the current

<sup>2</sup> As described in TransLink’s Annual Report, also on the July 13, 2023 Finance Committee agenda, the regional transportation authority anticipates utilizing \$1.4 billion in GVRF funding between 2023 and 2031. The GVRF will then be a key source of funding for a large fleet replacement planned for 2032-2034.

agreement expires. To support these decisions, this report provides an overview of how the GVRF program works and outlines key considerations for the renewed program. Staff recommend that discussions regarding the next GVRF program begin in September with an MVRD Board workshop, with the objective of exploring options and receiving direction to assist in finalizing the terms of the renewed program by the end of 2023.

### **Attachments**

1. Federal Gas Tax Fund Expenditures Policy
2. Greater Vancouver Regional Fund Application Guide

### **References**

1. [Administrative Agreement on the Federal Gas Tax Fund in British Columbia](#)
2. [The Canada Community-Building Fund](#)

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**FEDERAL GAS TAX FUND EXPENDITURES**

Effective Date: May 27, 2016 (revised February 28, 2020)

Approved By: MVRD Board

**Policy No. FN-012**

**PURPOSE**

The purpose of the *Federal Gas Tax Fund Expenditures Policy* is to identify the process through which the Metro Vancouver Regional District (MVRD) Board considers and approves expenditures from the Federal Gas Tax Fund – Greater Vancouver Regional Fund (GVRF) for regional transportation projects proposed by the South Coast British Columbia Transportation Authority (TransLink).

**DEFINITIONS**

**“Eligible Regional Transportation Projects”** means the following eligible project categories described in Schedule B of the Administrative Agreement on the Federal Gas Tax Fund in British Columbia and confirmed by the MVRD Board as follows:

- Local roads and bridges, including active transportation
- Public transit;

**“Evaluation Criteria”** means the performance measures that the MVRD Board uses to assess the merit of each project submitted by TransLink for GVRF funding, as described in the Federal Gas Tax Fund – Greater Vancouver Regional Fund Application Guide;

**“Federal Gas Tax Fund”** means the predictable, long-term, stable funding provided by the federal government as part of the *New Building Canada Plan* for Canadian municipalities to help them build and revitalize local public infrastructure;

**“Greater Vancouver Regional Fund”** means the 95% of the Metro Vancouver Regional District and its member municipalities’ per-capita allocation that is pooled for eligible expenditures of regional transportation projects; and

**“Information Requirements”** means the information that must be provided by TransLink in order to allow for efficient and effective review of proposals by the MVRD Board, as described in the Federal Gas Tax Fund – Greater Vancouver Regional Fund Application Guide.

**POLICY**

As part of the *New Building Canada Plan*, the Government of Canada transfers funds to Canadian municipalities through the Federal Gas Tax Fund as a source of predictable, long-term funding for building and revitalizing public infrastructure. A renewed ten-year gas tax agreement, the Administrative Agreement on Federal Gas Tax Fund in British Columbia (2014 Agreement), came into effect in April, 2014 and extends the Federal Gas Tax Fund to 2024. It provides the framework for the delivery of federal funding to BC municipalities to help build and revitalize public infrastructure.

## BOARD POLICY

One of the three programs identified in the 2014 Agreement is the Greater Vancouver Regional Fund (GVRF). The GVRF pools 95% of MVRD member jurisdictions' per capita allocation of gas tax funds to support eligible regional transportation projects proposed and delivered by TransLink. The GVRF program aligns with the Metro Vancouver *Board Strategic Plan* by enabling the MVRD Board to play a key role in approving the use of these funds towards the advancement of the Mayors' Council Vision. Under this Policy, evaluation criteria have been established that will allow the Board to consider applications for the use of federal gas tax funds within the context of *Metro 2040: Shaping Our Future*, the *Regional Growth Strategy* to ensure integration between transportation planning and regional land use planning.

The 2014 Agreement identifies how the funds are to be delivered and provides high-level criteria to identify eligible projects and expenditures. Under the 2014 Agreement the MVRD Board must approve all eligible projects proposed by TransLink for funding. UBCM may not transfer monies to TransLink for eligible projects until it has received an approved list from the MVRD Board.

In order to support MVRD Board decisions related to approving expenditures from the GVRF, a process has been defined to clarify the procedural steps through which TransLink is to propose regional transportation projects to the MVRD Board for funding from the GVRF. Information requirements, including evaluation criteria, have also been defined to support the evaluation of regional transportation projects. Proposals from TransLink for funding from the GVRF must follow the format and procedures set out in the Federal Gas Tax Fund – Greater Vancouver Regional Fund Application Guide (the Application Guide).

### **Application Process**

The GVRF application review process will commence upon receipt of an application from TransLink staff. TransLink staff will strive to observe Metro Vancouver's committee report deadlines and ensure applications are sent with sufficient lead time for Metro Vancouver staff to review and provide staff-to-staff comments prior to finalizing the staff report to committee and Board.

The designated standing committee with responsibility for considering applications will review the submitted projects as described using the Application Guide and will make recommendations to the MVRD Board. The standing committee may request TransLink staff to make presentations as appropriate.

The MVRD Board will strive to make determinations in a timely manner. The MVRD Board will notify the Union of British Columbia Municipalities of the projects that it has approved for funding within seven business days of the decision.

### **Information Requirements**

In order for TransLink proposals to be considered by the MVRD Board, they must include all of the required information and follow the format as specified in the Application Guide.

## BOARD POLICY

Proposals must be accompanied by TransLink's approved Capital Program listing all projects and funding sources, including any projects funded or anticipating funding from the GVRF. Proposals must demonstrate the consistency of projects with the approved Investment Plan. Proposals must also include a description of each project for which funding is requested as defined within the Project Description section, and must demonstrate compliance with evaluation criteria, both as defined within the Application Guide.

### **Evaluation Criteria**

The Application Guide includes a set of evaluation criteria to allow for a detailed assessment of projects for which funding is requested. A description of how each proposed project achieves or works toward each criterion must be provided.

Two types of evaluation criteria are identified: Screening Criteria, which represent requirements that are mandatory for any project for which GVRF funding is requested; and Integrated Criteria, which allow for quantitative and qualitative assessments of proposed projects based on high priority objectives that reflect the intent of the Federal Gas Tax Fund, Metro Vancouver goals, and the Investment Plan.

### **Review of Federal Gas Tax Fund - Greater Vancouver Regional Fund Application Guide**

The Application Guide may be reviewed and revised as necessary on an ongoing basis at the discretion of the MVRD Board. Metro Vancouver will consult with UBCM and TransLink.

### **GVRF Funding**

TransLink will provide to the MVRD Board annual reports on projects that have received funding through the GVRF as of December 31<sup>st</sup>. Annual reports should be submitted no later than Q2 of the following year. At a minimum, the reports must include updates about variances in budgeted and actual costs, expenditures to date, project schedule, risk assessment, project progress, state of purchased assets, and alignment with the GVRF evaluation criteria.

TransLink need not request expenditure of all GVRF monies in any given year and may choose to apply the approved funding to a project over multiple years.

Following notification by the MVRD Board of projects approved for funding from the GVRF, UBCM will release funding for approved projects in a calendar year in one amount. The amount of funding released will be commensurate with the amount approved by the MVRD Board.

All proposals, MVRD Board decisions, and TransLink annual reports will be posted on a dedicated page on the Metro Vancouver website on an ongoing basis.

### **Ownership of Assets**

The 2014 Agreement does not address the question of ownership of regional transportation assets purchased using GVRF funds. Typically, GVRF funds are combined with other sources of funding to

## BOARD POLICY

offset the cost of a package of improvements. When determining whether asset ownership is advisable, the following factors should be considered:

- Public Sector Accounting Principles do not allow ownership of a tangible capital asset to be divided among different parties. Ownership of the asset must rest with one body.
- Should the MVRD decide to become the owner of an asset purchased through GVRF funding, the MVRD will also have responsibility for the maintenance, replacement and disposal of those assets.
- Ownership of assets, including those acquired using GVRF funding, enable TransLink to borrow for its infrastructure needs in the open market. TransLink currently uses this borrowing power to access funds to operate and maintain the regional transit system.

At its discretion, the MVRD Board shall consider the ownership of a regional transportation asset on a case by case basis with consideration given to the above factors.

### **Disposition of Assets**

The 2014 Agreement includes a provision that attaches conditions to the use of revenues generated from the sale, lease, encumbrance, or other form of disposal of gas tax-funded projects that are disposed of within five years of their completion. All such revenues must be invested by TransLink into eligible projects that have been approved by the MVRD Board.

For any assets purchased by TransLink using funds from the GVRF, TransLink will be required to report back annually on the state of the purchased asset in the annual report, including the disposition of any asset and the value of the gas tax funds returned to the GVRF based on the residual value of the disposed asset.

If and when revenues come available from assets that are disposed of by TransLink within five years of a project's completion, the use of such revenues must be approved by the MVRD Board using the same process and Application Guide as for new GVRF funds.

### **Scope Changes and Unspent Funds**

Expenditures from the GVRF for any specific project proposed by TransLink are associated solely with the project as described through the Application Guide, and approved by the MVRD Board. Should at any time, the project undergo changes or modifications, or should a project require greater funds from the GVRF than anticipated, a new project proposal must be submitted by TransLink to the MVRD using the same process as was undertaken for the original proposal.

Should any project approved by Metro Vancouver for expenditure from the GVRF result in unspent funds, these funds must be returned to the GVRF.

# Federal Gas Tax Fund - Greater Vancouver Regional Fund

## APPLICATION GUIDE

### Context

The intent of the Federal Gas Tax Fund is to assist municipalities in efforts to build and revitalize their public infrastructure in a manner that supports national objectives of productivity and economic growth, a clean environment, and strong cities and communities.

The Greater Vancouver Regional Fund (GVRF) pools 95% of the Metro Vancouver Regional District (MVRD) and its member municipalities' per capita allocation of gas tax funds to support regional transportation projects proposed and delivered by the South Coast British Columbia Transportation Authority (TransLink). The GVRF is anticipated to deliver \$652 million over its first five years to eligible projects, and a slightly larger amount over the subsequent five-year period (the fund is indexed at 2% per annum).

TransLink is the sole applicant for funding.

The intent of the GVRF is to support Eligible Projects, as defined in the "Administrative Agreement on the Federal Gas Tax Fund in British Columbia".

The MVRD Board is authorized under the "Administrative Agreement on the Federal Gas Tax Fund in British Columbia" to approve or reject proposals from TransLink for funding from the GVRF.

## Proposal Process

1. The GVRF application review process will commence upon receipt of an application from TransLink. TransLink staff will strive to observe Metro Vancouver's committee report deadlines and ensure applications are sent with sufficient lead time for Metro Vancouver staff to review and provide staff-to-staff comments prior to finalizing the staff report to committee and Board.
2. Proposals must follow the format set out in this Application Guide. The following three requirements must be met before any proposal will be reviewed. Special attention will be paid to the alignment of the proposal with requirements A, specifically TransLink's 10-Year Investment Plan. The three requirements are:
  - A. **Demonstrated consistency with TransLink's 10-Year Investment Plan and approved Capital Program listing all projects and funding sources, including any projects funded or anticipated to be funded by the Greater Vancouver Regional Fund, *must* be attached to the proposal. (See Section A that follows).**
  - B. **A description of each project as defined within the Project Description. (See Section B that follows).**
  - C. **Demonstrated alignment with the evaluation criteria, including consistency with TransLink's Regional Transportation Strategy and Low Carbon Fleet Strategy as well as with the Regional Growth Strategy. (See Section C that follows).**
3. Metro Vancouver staff will review the proposals for completeness and notify TransLink of any omissions in information requirements within 10 business days of receipt. It is recommended that TransLink submits all proposals for the current year in a single application.
4. The Metro Vancouver standing committee with responsibility for reviewing expenditures from the GVRF will review the proposals, and will make recommendations to the MVRD Board. The standing committee may request TransLink staff to make presentations as appropriate.
5. The MVRD Board will notify the Union of British Columbia Municipalities (UBCM) of the projects that it has approved for funding within seven business days of the decision.
6. TransLink need not request expenditure of all GVRF monies in any given year, and may choose to apply the approved funding to a project over multiple years.
7. TransLink will provide to the MVRD Board annual reports on projects funded through the GVRF as of December 31. Annual reports should be submitted no later than Q2 of the following year. At a minimum, the reports must include for each project: updates to variances in budget and total cost, expenditures to date, project schedule, risk assessment, project progress, state of purchased assets, and alignment with the GVRF evaluation criteria.
8. Expenditures from the GVRF for any specific project proposed by TransLink are associated solely with the project as described through this Application Guide, and approved by the MVRD Board. Should at any time the project undergo changes or modifications, or should a project require greater funds from the GVRF than anticipated, a new project proposal must be submitted by TransLink to the MVRD using the same process as was undertaken for the original proposal. Should any project approved by the MVRD Board for expenditure from the GVRF result in unspent funds, these funds must be returned to the GVRF.

9. The 2014 Agreement includes a provision that attaches conditions to the use of revenues generated from the sale, lease, encumbrance, or other form of disposal of gas tax-funded projects that are disposed of within five years of their completion. All such revenues must be invested by TransLink into eligible projects that have been approved by the MVRD Board. If and when revenues come available from assets that are disposed of by TransLink within five years of a project's completion, the use of such revenues must be approved by the MVRD Board using the same process and Application Guide as for new GVRF funds.
10. All proposals, MVRD Board decisions, and TransLink annual reports will be posted on a dedicated page on the Metro Vancouver website.
11. The GVRF Policy and Application Guide will be reviewed periodically at the discretion of the MVRD Board.
12. To encourage open communication, identify and mitigate challenges, and to continuously promote an efficient and effective process, Metro Vancouver will convene staff-to-staff meetings on an as-needed basis.

## A. TRANSLINK CAPITAL PROGRAM AND PROJECTS IDENTIFIED FOR GVRF FUNDING

Please complete the table below to identify projects for GVRF.

Project Titles	Project Budget	Project Expenditures to Date	2016 Project Expenditures	Forecast Project Cost to Complete <sup>1</sup>	Final Forecasted Cost	Completion Date	GVRF Funding Approved, or to be Requested in Future
XYZ							
XYZ							
XYZ							
XYZ							
xyz							

---

<sup>1</sup> Remaining costs to complete the project  
18072245

# A. 10-Year Investment Plan

Please describe how the project fits within, and provides support to, the 10-Year Investment Plan.

# B. PROJECT DESCRIPTION

Please complete the following for each project proposed for expenditure from the GVRF.

**1. Executive Summary**

- Project Overview
- Tangible Benefits and Outcomes
- Project Budget, Expenses, and GVRF Funding Request
- Steps taken by TransLink to identify, evaluate, and prioritize the proposed project for inclusion in the Application.

**2. Project Name**

**3. Project Need and Location**

- As appropriate, provide a map depicting the intended in-service location of the proposed project.

**4. Project Eligibility**

- Local Roads and Bridges, including active transportation
- Public Transit

**5. Project Purpose**

- Expansion:** Expands the carrying capacity of people and/or goods movement.
- State of Good Repair:** Replaces or modernizes assets to keep the regional transportation system in a state of good repair.
- Operational Efficiency/Effectiveness:** Improves the efficiency or effectiveness of the regional transportation system.
- Refurbishment:** Extend the useful life of assets to maximize the utility of the regional investment in the transportation system.
- Other (please specify:\_\_\_\_\_)**

**6. Project Type**

- Growth
- Upgrade
- Risk (Resilience)
- Maintenance
- Opportunity

**7. Project Staging**

Year(s) of Acquisition or Start of Construction	Year of Completion of Construction	Year of Service Initialization	Year(s) of Renewal	Year(s) of End of Service

**8. Has the project previously received funding through the GVRF? Please explain.**

9. Was GVRF funding previously declined for the project? Please explain.

10. Is the project anticipated to require additional future GVRF funding? If so, please explain.

11. Project Cost + Funding

11.a Budget & Expenditures

Budget	Expenditures to Date	Forecast to Complete	Final Forecasted Cost	Variance (budget – final forecasted cost)

11.b Project Funding

Prior Approved GVRF Funding	Current Year GVRF Funding Request	Other Funding – Specify source and whether confirmed/pending

11.c Project Budget Schedule

	Pre-2016	2016	2017	2018	2019	2020	2021	2022	2023	2024
GVRF-funded Project Budget										
Total Project Budget										

## **12. Project Budget Rationale**

Describe the types of proposed project expenses to be funded by the Greater Vancouver Regional Fund.

- a. Explain how the project reflects the intent of the GVRF.**
- b. In the absence of GVRF funding, can the project proceed with other funding sources? What risks do the other funding sources present to the project?**
- c. Identify the potential risks – corporate and regional – of this project that could result in this project not being completed or being unsuccessful. Describe possible mitigation strategies to address these risks.**
- d. How may the project costs vary as a result of changing external factors, such as interest rates and currency exchange rates?**
- e. How may foreseeable changes in investment, regulation, or policies from other orders of government affect the project?**
- f. How may foreseeable changes in technology affect the project?**
- g. What other corporate or external factors could alter the project need, scope, budget, or timeline for project delivery?**
- h. Describe how the project lowers the emissions profile of the transit fleet, for both greenhouse gas and common air contaminant emissions and advances the fleet towards the region’s greenhouse gas emissions reduction targets.**

## C.EVALUATION CRITERIA

Please describe how the project achieves or works towards each criterion by identifying and reporting on relevant performance measures. Where appropriate, present quantitative information. Please do not exceed 10 pages per project.

Two types of evaluation criteria are identified: Screening Criteria, which represent requirements that are mandatory for any project for which GVRF funding is requested; and Integrated Criteria, which allow for a qualitative assessment of proposed projects based on high priority objectives that reflect the intent of the Federal Gas Tax Fund, of Metro Vancouver goals, and of the Mayors' Council Vision.

Criterion	Description	Assessment
<b>SCREENING CRITERIA</b>		
Eligible Project Category	<ul style="list-style-type: none"> <li>Local roads and bridges, including active transportation</li> <li>Public transit</li> </ul>	Required
Eligible Expenses	As set out in the 2014 Administrative Agreement (Schedule C).	Required
Plan Consistency	Projects <b>must be consistent</b> with TransLink's Capital Plan, <i>10-Year Investment Plan</i> , the Regional Growth Strategy and the Regional Transportation Strategy.	Required
Corporate Policies	Projects must be consistent with applicable TransLink policies such as sustainability, environmental responsibility, emissions, and infrastructure.	Required
<b>INTEGRATED CRITERIA</b>		
<b>Regional Growth Strategy</b>		
Supports the Regional Growth Strategy	The degree to which the project assists in achieving the goals in the Regional Growth Strategy and directions set out in the Metro Vancouver Board Strategic Plan.	Poor/Good/Excellent
Urban Centres and Frequent Transit Development Areas	Where applicable, the project is located in, or demonstrates tangible benefits to, the overall performance of Urban Centres and Frequent Transit Development Areas.	Poor/Good/Excellent
<b>Transportation Performance</b>		
Headline Targets	Demonstrates tangible beneficial effects on vehicle kilometres travelled and/or walk/cycle/transit/multiple occupancy vehicle mode share.	Poor/Good/Excellent
Other Transportation Outcomes	Demonstrates tangible beneficial effects on vehicle congestion, transit passenger congestion, transit ridership, transportation safety, and/or goods movement for the duration of the project.	Poor/Good/Excellent
Project Type	Demonstrated value of the project type (refer to section 6).	Poor/Good/Excellent
<b>Regional Environmental Objectives</b>		
<i>Supports the Climate 2050 Strategic Framework and Integrated Air Quality and Greenhouse Gas Management Plan</i>	Contributes to the achievement of regional climate action and air quality goals, including directions set out in the Metro Vancouver Board Strategic Plan, the Regional Growth Strategy <i>Climate 2050</i> , and the <i>Integrated Air Quality and Greenhouse Gas Management Plan</i> .	Poor/Good/Excellent

Criterion	Description	Assessment
Quantifiable Emissions Impacts	<p>Achieves quantifiable beneficial impacts on greenhouse gas and common air contaminant emissions relative to baseline transit vehicles, and lowers the emissions profile of the transit fleet.</p> <p>The information requirement for this criterion is fulfilled as follows:</p> <ol style="list-style-type: none"> <li>1. For each transit vehicle project, provide a comparison of the emissions of the project versus the baseline vehicle<sup>2</sup></li> <li>2. For the application in aggregate, provide the: <ul style="list-style-type: none"> <li>o Annualized transit fleet emissions in the current year;</li> <li>o Plus, incremental changes in transit fleet emissions with full deployment of any proposed expansion, modernized, or refurbished vehicles.</li> </ul> </li> </ol>	Poor/Good/Excellent
<b>Economic Development</b>		
Supports Regional Prosperity	Contributes to a regional transportation system that moves people and goods and aligns with regional prosperity.	Poor/Good/Excellent

<sup>2</sup> REQUIREMENTS FOR EMISSIONS ANALYSIS

Baseline Transit Vehicle Fuel Type

For the purpose of evaluating the comparative emissions performance of the proposed project relative to the baseline in a consistent manner, the following requirements should be followed, unless otherwise stated by TransLink and including the rationale for any variations.

Vehicle Type	Baseline New Vehicle
40-foot bus	Diesel
60-foot bus	Diesel
Shuttle/Van	Gasoline
Other (specify)	Specified by TransLink

Emissions Type

The emissions of interest are CO<sub>2</sub>e, NO<sub>x</sub>, and particulate matter. Please denote the carbon content assumptions for each fuel type.

Emissions Metric

For each emissions type, grams per fully loaded passenger kilometre (seated and standing passengers).

To: Finance Committee

From: Linda Sabatini, Director Financial Operations

Date: June 29, 2023 Meeting Date: July 13, 2023

Subject: **MFA Fall 2023 Borrowing for the Village of Anmore – MVRD Security Issuing Bylaw No. 1367, 2023**

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### RECOMMENDATION

That the MVRD Board:

- a) give consent to the request for financing from the Village of Anmore in the amount of \$2,500,000 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. 1367, 2023* being a bylaw to authorize the entering into an Agreement respecting financing between the Metro Vancouver Regional District and the Municipal Finance Authority of British Columbia;
  - c) pass and finally adopt *Metro Vancouver Regional District Security Issuing Bylaw No. 1367, 2023* and forward it to the Inspector of Municipalities for Certificate of Approval.
- 

### EXECUTIVE SUMMARY

Metro Vancouver Regional District (MVRD) serves as a borrowing conduit between member municipalities and the Municipal Finance Authority of British Columbia (MFA). As set out in the *Community Charter*, MVRD must adopt a security issuing bylaw in order for a member municipality to proceed with long-term borrowing from the MFA. The Village of Anmore is requesting long-term borrowing of \$2,500,000 to finance the construction of the Anmore Community Hub. The Village of Anmore's total estimated annual debt servicing costs for existing and new proposed debt combined is approximately \$165,830 which is roughly 13.8% of their liability servicing limit of \$1,203,442. The Village of Anmore has met the regulatory requirements and has the legislative authority to undertake the planned borrowing. The proposed *Metro Vancouver District Security Issuing Bylaw No. 1367, 2023* will authorize Anmore's borrowing request.

Staff recommends consenting to the Village of Anmore's borrowing request and adopting the Security Issuing Bylaw as outlined in Alternative 1.

### PURPOSE

To seek the adoption of a Security Issuing Bylaw to authorize a borrowing request from the Village of Anmore in the amount of \$2,500,000 for the Fall 2023 MFA long term debt issue.

### BACKGROUND

Metro Vancouver Regional District serves as a borrowing conduit between member municipalities and the Municipal Finance Authority of British Columbia (MFA). As set out in the *Community Charter*, MVRD must adopt a security issuing bylaw in order for a member municipality to proceed with long-term borrowing from the MFA. Long-term borrowing through the MFA generally occurs

two times per year, in the spring and fall. Metro Vancouver received a request from the Village of Anmore to borrow \$2,500,000, for the fall MFA offering, to finance the construction of the Anmore Community Hub. This request has been approved by their respective council by way of Loan Authorization Bylaw and Security Issuing Resolution as required under provincial legislation. This report is being brought forward to the MVRD Board to seek the adoption of *Metro Vancouver Security Issuing Bylaw No. 1367, 2023* which will authorize the borrowing request from the Village of Anmore. The borrowing must be approved by the MVRD Board before the Security Issuing Bylaw can be issued and the request forwarded to the MFA for consideration.

**MUNICIPAL BORROWING REQUEST**

**Request Details**

The Village of Anmore has adopted the Loan Authorization Bylaw as outlined in Table 1 below. Their Council subsequently passed the required Security Issuing Resolution on March 21, 2023 to proceed with the 2023 Fall Borrowing for the requested amount within the authorized and outstanding balance of the bylaw. This request is within the parameters set out in the Village of Anmore’s Financial Plan Bylaw.

**Table 1**

MVRD Bylaw	Member Bylaw	Date Bylaw Passed	Purpose	Borrowing Request	Term
1367, 2023	663-2022	December 5, 2022	To contribute to funding of construction of Anmore Community Hub	\$2,500,000	25 years
Total 2023 Fall Borrowing Request				\$2,500,000	

The member’s loan authorization bylaw identified above has been reviewed by the Inspector of Municipalities and has received the necessary Certificate of Approval. This certificate is included in Attachment 2 of this report.

**Financial Analysis**

Per the Liability Servicing Limit Certificate dated June 5, 2023, the Village of Anmore had a liability servicing limit of \$1,203,442. This limit represents the maximum amount, as prescribed by the Province, that Anmore can annually pay for servicing debt. The estimated annual debt servicing cost proposed in this bylaw will be approximately \$165,829. The Village of Anmore has no other capital liabilities, contingent commitments, debt, unused borrowing or loan guarantees, so the total costs will be \$165,829 which is roughly 13.8% of their overall liability servicing limit.

All debt of the MVRD is a joint and several liability of its member municipalities.

Included, as an attachment, is the following information provided by the Village of Anmore to assist in considering this request:

- Adopted Loan Authorization Bylaw along with Certificate of Approval
- Copy of Security Issuing Resolution
- Liability Servicing Limit Certificate

- The 2023 - 2027 Financial Plan Bylaw
- 2022 Audited Consolidated Financial Statements

### ALTERNATIVES

1. That the MVRD Board:
  - a) give consent to the request for financing from the Village of Anmore in the amount of \$2,500,000 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. 1367, 2023* being a bylaw to authorize the entering into an Agreement respecting financing between the Metro Vancouver Regional District and the Municipal Finance Authority of British Columbia;
  - c) pass and finally adopt *Metro Vancouver Regional District Security Issuing Bylaw No. 1367, 2023*; and forward it to the Inspector of Municipalities for Certificate of Approval.
2. That the MVRD Board receive for information the report dated June 26, 2023, titled “MFA Fall 2023 Borrowing for the Village of Anmore – MVRD Security Issuing Bylaw No. 1367, 2023”.

### FINANCIAL IMPLICATIONS

Although all member debt is a joint and shared liability of all member municipalities, there are no direct financial implications to Metro Vancouver with the adoption of the bylaw.

If the Board approves Alternative 1, the Village of Anmore will proceed to borrow \$2,500,000 to fund the Anmore Community Hub.

If the Board approves Alternative 2, the Village of Anmore would be unable to borrow funds as required for the purpose intended and would need to look for other funding sources, potentially causing the Village undue financial challenges.

### CONCLUSION

The Village of Anmore requested to borrow \$2,500,000 to finance the construction the Anmore Community Hub. The Village has met all regulatory requirements and has the legislative authority to undertake the borrowing. The proposed *Metro Vancouver District Security Issuing Bylaw No. 1367, 2023* will authorize the Village of Anmore’s borrowing request which will be forwarded to MFA for consideration upon approval. Staff recommends consenting to the Municipality’s borrowing and adopting the Security Issuing Bylaw as outlined in Alternative 1.

### Attachments

1. *Metro Vancouver Regional District Security Issuing Bylaw No. 1367, 2023*
2. The Village of Anmore - Additional Information

**METRO VANCOUVER REGIONAL DISTRICT  
BYLAW NO. 1367, 2023**

**A Bylaw to Authorize the Entering into a Finance Agreement with the Municipal Finance Authority of British Columbia in the Amount of \$2,500,000 (Canadian)**

**WHEREAS** the Municipal Finance Authority of British Columbia (the “Authority”) may provide financing of capital requirements for Regional Districts or for their member municipalities by the issue of debentures or other evidence of indebtedness of the Authority and lending the proceeds therefrom to the Regional District on whose request the financing is undertaken;

**WHEREAS** the Village of Anmore is a member municipality of the Metro Vancouver Regional District (the “Regional District”);

**WHEREAS** the Regional District is to finance from time to time on behalf of and at the sole cost of the member municipalities, under the provisions of Section 410 of the *Local Government Act*, the works to be financed pursuant to the following loan authorization bylaw:

<b>Member Loan Authorization Bylaw Number</b>	<b>Purpose</b>	<b>Amount of Borrowing Authorized</b>	<b>Amount Already Borrowed</b>	<b>Borrowing Authority Remaining</b>	<b>Term of Issue</b>	<b>Amount of Issue</b>
663-2022	Construction of Anmore Community Hub	\$2,500,000	\$0	\$2,500,000	25 years	\$2,500,000
Total 2023 Fall Borrowing Request						\$2,500,000

**AND WHEREAS** the Regional Board, by this bylaw, hereby requests such financing shall be undertaken through the Authority:

**NOW THEREFORE** the Metro Vancouver Regional District Board of Directors enacts as follows:

1. The Regional Board hereby consents to financing the debt of the Village of Anmore in the amount of two million five hundred thousand dollars (\$2,500,000) in accordance with the following terms.
2. The Authority is hereby requested and authorized to finance from time to time the aforesaid undertakings at the sole cost and on behalf of the Village of Anmore up to, but not exceeding two million five hundred thousand dollars (\$2,500,000) in lawful money of Canada (provided that the Regional District may borrow all or part of such amount in such currency as the Trustees of the Authority shall determine but the aggregate amount in lawful money of Canada and in Canadian Dollar equivalents so borrowed shall not exceed \$2,500,000 in Canadian Dollars) at such interest and with such discounts or premiums and expenses as the Authority

may deem appropriate in consideration of the market and economic conditions pertaining.

3. Upon completion by the Authority of financing undertaken pursuant hereto, the Chair and officer assigned the responsibility of financial administration of the Regional District, on behalf of the Regional District and under its seal shall, at such time or times as the Trustees of the Authority may request, enter into and deliver to the Authority one or more agreements, which said agreement or agreements shall be substantially in the form annexed hereto as Schedule "A" and made part of this bylaw (such Agreement or Agreements as may be entered into, delivered or substituted hereinafter referred to as the "Agreement") providing for payment by the Regional District to the Authority of the amounts required to meet the obligations of the Authority with respect to its borrowings undertaken pursuant hereto, which Agreement shall rank as debenture debt of the Regional District.
4. The Agreement in the form of Schedule "A" shall be dated and payable in the principal amount or amounts of monies and in Canadian dollars or as the Authority shall determine and subject to the Local Government Act, in such currency or currencies as shall be borrowed by the Authority under Section 1 and shall set out the schedule of repayment of the principal amount together with interest on unpaid amounts as shall be determined by the Treasurer of the Authority.
5. The obligation incurred under the said Agreement shall bear interest from a date specified therein, which date shall be determined by the Treasurer of the Authority, and shall bear interest at a rate to be determined by the Treasurer of the Authority.
6. The Agreement shall be sealed with the seal of the Regional District and shall bear the signature of the Chair and the officer assigned the responsibility of financial administration of the Regional District.
7. The obligations incurred under the said Agreement as to both principal and interest shall be payable at the Head Office of the Authority in Victoria and at such time or times as shall be determined by the Treasurer of the Authority.
8. During the currency of the obligation incurred under the said Agreement to secure borrowings in respect of the "Anmore Community Hub Loan Authorization Bylaw No. 663-2022", there shall be requisitioned annually an amount sufficient to meet the annual payment of interest and the repayment of principal.
9. The Regional District shall provide and pay over to the Authority such sums as are required to discharge its obligations in accordance with the terms of the Agreement, provided, however, that if the sums provided for in the Agreement are not sufficient to meet the obligations of the Authority, any deficiency in meeting such obligations shall be a liability of the Regional District to the Authority and the Regional Board of the Regional District shall make due provision to discharge such liability.

10. The Regional District shall pay over to the Authority at such time or times as the Treasurer of the Authority so directs such sums as are required pursuant to section 15 of the *Municipal Finance Authority Act* to be paid into the Debt Reserve Fund established by the Authority in connection with the financing undertaken by the Authority on behalf of the Regional District pursuant to the Agreement.

This bylaw may be cited as “Metro Vancouver Regional District Security Issuing Bylaw No. 1367, 2023”.

Read a first, second, and third time this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

Passed and finally adopted this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

Approved by the Inspector of Municipalities this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

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George V. Harvie, Chair

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Dorothy Shermer, Corporate Officer

**Schedule A**

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**C A N A D A**

**PROVINCE OF BRITISH COLUMBIA**

**A G R E E M E N T**

**Metro Vancouver Regional District**

The Metro Vancouver Regional District (the “Regional District”) hereby promises to pay to the Municipal Finance Authority of British Columbia at its Head Office in Victoria, British Columbia, (the “Authority”) the sum of two million five hundred thousand dollars (\$2,500,000) in lawful money of Canada, together with interest calculated semi-annually in each and every year during the currency of this Agreement; and payments shall be as specified in the table appearing below hereof commencing on the day of \_\_\_\_\_, \_\_\_\_\_ provided that in the event the payments of principal and interest hereunder are insufficient to satisfy the obligations of the Authority undertaken on behalf of the Regional District, the Regional District shall pay over to the Authority further sums as are sufficient to discharge the obligations of the Regional District to the Authority.

DATED at \_\_\_\_\_, British Columbia, this day of \_\_\_\_\_, 2023.

IN TESTIMONY WHEREOF and under the authority of Bylaw No. 1367, 2023 cited as “Metro Vancouver Regional District Security Issuing Bylaw No. 1367, 2023”. This Agreement is sealed with the Corporate Seal of the Metro Vancouver Regional District and signed by the Chair and the officer assigned the responsibility of financial administration thereof.

\_\_\_\_\_  
Chair

\_\_\_\_\_  
Treasurer

Pursuant to the *Local Government Act*, I certify that this Agreement has been lawfully and validly made and issued and that its validity is not open to question on any ground whatever in any Court of the Province of British Columbia.

Dated \_\_\_\_\_, 2023  
(month, day)

\_\_\_\_\_  
Inspector of Municipalities

**Schedule B**

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*PRINCIPAL AND/OR SINKING FUND DEPOSIT AND INTEREST PAYMENTS*

<u>Date of Payment</u>	Principal and/or Sinking Fund <u>Deposit</u>	<u>Interest</u>	<u>Total</u>
_____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____



3900-20-2022

CERTIFICATION OF BYLAW

Certified to be a true and correct copy of the “Anmore Community Hub Loan Authorization Bylaw No. 663-2022” adopted by the Council of the Village of Anmore on the 6<sup>th</sup> day of December, 2022.

Dated this 30<sup>th</sup> day of June, 2023.

A handwritten signature in black ink, appearing to read "Schell", is written over a horizontal line.

Rhonda Schell  
Corporate Officer

**VILLAGE OF ANMORE**

**BYLAW NO. 663-2022**

A bylaw to authorize the borrowing towards the estimated cost of construction for the Anmore Community Hub.

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**WHEREAS** it is deemed desirable and expedient to build a new community amenity, the Anmore Community Hub, which will act as a municipal hall and a central gathering space and hub for community events and programs;

**AND WHEREAS** the estimated cost of the construction of a the Anmore Community Hub, including expenses incidental thereto is the sum of eight million five hundred thousand dollars (\$8,500,000), of which the sum of two million five hundred thousand dollars (\$2,500,000) is the amount of debt intended to be borrowed by this bylaw;

**NOW THEREFORE**, the council of the Village of Anmore, in open meeting assembled, enacts as follows:

1. This bylaw may be cited as “**Anmore Community Hub Loan Authorization Bylaw No. 663-2022**”.
2. The Council is hereby empowered and authorized to undertake and carry out or cause to be carried out design and construction of the Anmore Community Hub, and to do all things necessary in connection therewith and without limiting the generality of the foregoing:
  - a. To borrow upon the credit of the Village of Anmore a sum not exceeding two million five hundred thousand dollars (\$2,500,000).
  - b. To acquire all such real property, easements, rights-of-way, licenses, rights, or authorities, as may be requisite or desirable for or in connection with the design and construction of the Anmore Community Hub for the Village of Anmore.
3. The maximum term for which debentures may be issued to secure the debt created by this bylaw is 25 years.

READ a first time the 20<sup>th</sup> September, day of ,2022

READ a second time the 20<sup>th</sup> day of September, 2022

READ a third time the 20<sup>th</sup> day of September, 2022

RECEIVED the approval of the Inspector of Municipalities the 18<sup>th</sup> day of November, 2022

ADOPTED the 6th day of December , 2022



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MAYOR



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CORPORATE OFFICER



## *Certificate of Approval*

Under the authority of the *Local Government Act*, I certify that Bylaw No. 663-2022, cited as the “Anmore Community Hub Loan Authorization Bylaw No. 663-2022” of the Village of Anmore has been lawfully and validly made and enacted, and that its validity is not open to question on any ground in any court of British Columbia.

*Dated this*                      Sixth                      day  
*Of*                                      June                                      , 2023

.....  
*Deputy Inspector of Municipalities of British Columbia*

## CORPORATE OFFICER'S CERTIFICATE (Form CO2)

The \_\_\_\_\_ Village of Anmore \_\_\_\_\_ (the "Local Government")

The undersigned, Corporate Officer, as the person responsible for corporate administration of the Local Government under section 148 of the *Community Charter* (the *Charter*) or section 236 of the *Local Government Act*, hereby certifies as follows:

1. That Loan Authorization Bylaw No. 663-2022 (the "Loan Authorization Bylaw") was duly and properly enacted in accordance with the provisions of the local government legislation at a duly constituted meeting of the Local Government in accordance with the requirements of the Local Government's applicable procedure bylaw and at which a quorum was present and acting throughout. **Attached is an adopted copy of the Loan Authorization Bylaw.**
  
2. That the Loan Authorization Bylaw has not been amended or repealed and is in full force and effect as at the date hereof.
  
3. Approval of the electors for the Loan Authorization Bylaw is not required under section 180 of the *Charter* or section 407 of the *Local Government Act* for one of the following reasons:
  - The liability is within the approval-free liability zone determined in accordance with section 7 of the *Municipal Liabilities Regulation* (BC Reg. 254/2004) or;
  - The money is being borrowed for a purpose referred to in section 179 (1) (d) to (g) of the *Charter* [loan authorization bylaws for court, arbitration and expropriation requirements] or in the case of regional districts, paying compensation in respect of property expropriated or injured in carrying out works referred to in section 291 of the *Local Government Act* [entry on land to mitigate damage] or;
  - The money is being borrowed for works required to be carried out under an order of the Inspector of Dikes; an order under section 84 [abatement of municipal pollution], or section 85 [environmental protection orders] or section 87 [environmental emergency measures] of the *Environmental Management Act*.
  - The money is being borrowed for water treatment works in compliance with an order of a drinking water protection officer and the Inspector of Municipalities has approved the proposed liability under section 8 of the *Municipal Liabilities Regulation* (BC Reg. 254/2004) or section 4 of the *Regional District Liabilities Regulation* (BC Reg. 261/2004).

The liability is for the purpose of a regional park or regional trail and the requirements in section 3 of the *Regional District Liabilities Regulation* (BC Reg. 261/2004) have been met.

The money is being borrowed for the purpose of preparing or implementing a waste management plan under section 24 of the *Environmental Management Act*.

As per section 180 (3) of the *Community Charter*, approval of the electors has been waived by the Inspector of Municipalities.

The money is being borrowed for the purpose of responding to a State of Emergency situation, pursuant to section 13 of the *Emergency Program Act*.

4. No application has been made or action or proceeding brought to quash or to set aside the Loan Authorization Bylaw under section 623 of the *Local Government Act* or otherwise and the validity of the Loan Authorization Bylaw has not been attacked, questioned or adjudicated in any court and to the best of the knowledge of the undersigned no such action is pending or has been threatened and the undersigned knows of no objections to the validity of the Loan Authorization Bylaw.

DATED this 3rd day of March, 2023.



\_\_\_\_\_  
[signature]

Name: Karen Elrick

Title: Corporate Officer

## REGULAR COUNCIL MEETING – MINUTES

Minutes for the Regular Council Meeting scheduled for  
Tuesday, March 21, 2023, at 7:00 p.m. in **Multipurpose Room at Anmore  
Elementary School, 30 Elementary Road, Anmore, BC**



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### ELECTED OFFICIALS PRESENT

Mayor John McEwen  
Councillor Doug Richardson  
Councillor Polly Krier

### ABSENT

Councillor Kim Trowbridge  
Councillor Paul Weverink

### OTHERS PRESENT

Karen Elrick, Chief Administrative Officer  
Lena Martin, Manager of Financial Services  
Chris Boit, Manager of Development Services  
Scott Donaldson, Operations Superintendent

#### 1. Call to Order

The meeting was called to order at 7:00 p.m.

#### 2. Approval of the Agenda

It was MOVED and SECONDED:

R026/23            That the Agenda be approved as circulated.

Carried Unanimously

#### 3. Public Input

None.

#### 4. Delegations

##### (a) Countryside Strata

Ted Littlewood and Stephanie Gabriel, Countryside Strata representatives, distributed and provided a presentation which is included as Attachment 1 and forms part of the original minutes. In response to concerns raised, staff reiterated that there is no change to service for water delivery, rather the meter will now be read at the property line and billed directly to the strata, as is standard practice with strata properties. It was noted

that other strata properties within Anmore that are still currently billed separately will be moved over to this same process as necessary infrastructure updates are complete.

**5. Adoption of Minutes**

**(a) Minutes of the Regular Council Meeting held on March 7, 2023**

It was MOVED and SECONDED:

R027/23                      That the Minutes of the Regular Council Meeting held March 7, 2023 be adopted, as circulated.

Carried Unanimously

**6. Business Arising from Minutes**

**7. Consent Agenda**

It was MOVED and SECONDED:

R028/23                      That the Consent agenda be adopted.

Carried Unanimously

**(a) Lower Mainland Local Government Association – Annual Conference and AGM**

That Council authorize Councillor Polly Krier to attend the 2023 Lower Mainland Local Government Association Annual Conference and AGM May 3-5, 2023 at Harrison Hot Springs, BC at a registration cost of \$650.

**(b) Request for funds for SVFD Volunteer Appreciation Dinner**

That Council contribute on behalf of the Village of Anmore to the Sasamat Volunteer Fire Department Volunteer Appreciation Dinner the amount of \$400.

**8. Items Removed from the Consent Agenda**

**9. Legislative Reports**

**(a) Anmore Green Estates Local Area Service Loan Parcel Tax Establishment Bylaw**

It was MOVED and SECONDED:

R029/23                      That Council adopt Anmore Green Estates Local Area Service Loan Parcel Tax Establishment Bylaw 674-2023

Carried Unanimously

**(b) 2023 Anmore Water Rates and Regulations Bylaw Amendment**

It was MOVED and SECONDED:

R030/23                      That Council give first, second, and third readings to Anmore Water Rates and Regulations Amendment Bylaw No. 675-2023.

Carried Unanimously

**(c) 2023 Anmore Solid Waste Management Bylaw Amendment**

It was MOVED and SECONDED:

R031/23                      That Council give first, second, and third readings to Anmore Solid Waste Management Bylaw Amendment No. 676-2023.

Carried Unanimously

**10. Unfinished Business**

None.

**11. New Business**

None.

**12. Items from Committee of the Whole, Committees, and Commissions**

**(a) HUB Borrowing Next Steps**

Ms. Lena Martin, Manager of Financial Services, provided an overview of the staff report.

It was MOVED and SECONDED:

R032/23

That Council direct Staff to draw partial funds for the HUB Loan by Temporary Borrowing Bylaw; AND;

That Council to direct Staff to draw full funds for the HUB Loan by Long Term Borrowing.

Carried Unanimously

### 13. Mayor's Report

Mayor McEwen reported that:

- He attended a strategic planning session with Council and staff on March 13
- He attended announcement with Mayors council regarding Translink funding
- He will be going to Victoria next week as Vice Chair of Metro Vancouver for CAO meetings as well as Municipal Finance Authority
- Will be attending strategic planning session with Metro Vancouver next Friday

### 14. Councillors Reports

Councillor Polly Krier reported that:

- She was away from last meeting organizing Tri City Homeless count
- Mental Health Task Force has taken a pause but will provide more information on any further updates
- She completed Responsible Conduct for Elected Officials training
- She attended Share imagine gala which raised \$200,000
- She participated in Council photos, finance committee meeting and strategic planning sessions
- Easter Egg hunt and colouring contest will be Saturday April 8
- She will attend Heritage Woods capstone day
- She noted update from beneath the surface on the council agenda

Councillor Doug Richardson reported that:

- Further to a question at last Council meeting questioned reference to Anmore by provincial government regarding the Housing Supply Act

It was MOVED and SECONDED:

R033/23

That Council direct staff to send a letter on behalf of Anmore Council to Premier Eby and Minister Kahlon requesting clarification on specifics regarding Anmore being mentioned regarding the Housing Supply Act in their recent statements.

Carried Unanimously

**15. Chief Administrative Officer's Report**

Ms. Elrick reported that:

- Water main flushing will begin March 27 for approximately three weeks
- Additional garbage collection was added on March 31 for all three streams
- Easter Egg hunt will be held at Anmore Elementary on the field at 11 a.m. Saturday April 8. Colouring contest was sent out to residents and is available on the website and at Village Hall

**16. Information Items****(a) Committees, Commissions and Boards – Minutes**

None.

**(b) General Correspondence**

- Communication dated January 17, 2023 from BC Epilepsy Society regarding International PURPLE DAY;
- Beneath the Surface progress report

**17. Public Question Period**

Nancy Maloney, asked about Council committees. It was noted that committee activities will be evaluated once the Manager of Corporate Services position is filled.

Joerge Dyrkton, asked about funds collected by Ugly Sweater Christmas dash and it was noted that he should ask the organization as this was not a Village event. He also asked about documenting stages of Community Hub construction and it was noted that this is being done by the general contractor.

Linda Weinberg, asked about Ma Murray Lane subdivision development delegation at the last meeting and whether sewer infrastructure would be required with that type of subdivision development. It was noted that this would not be a requirement under infill.

Greg Moore, asked if Council was aware that Anmore was not specifically mentioned in the statement regarding the Housing Supply Act rather the statement was that communities from Anmore to Vancouver would need to do their part related to the housing crisis.

Earl Batemen, noted that residents at Countryside were not informed by the strata of any ongoing discussions of change regarding water meter billing.

**18. Adjournment**

It was MOVED and SECONDED:

R034/23      That the meeting be adjourned at 8:00 p.m.

Carried Unanimously

**“Karen Elrick”**

---

Karen Elrick  
Corporate Officer

**“John McEwen”**

---

John McEwen  
Mayor

# LIABILITY SERVICING LIMIT CERTIFICATE

The Village of Anmore (the "Municipality")  
 In relation to Anmore Community Hub Loan Authorization Bylaw No. 663-2022

The undersigned Financial Officer assigned responsibility for financial administration under section 149 of the Community Charter, SBC 2003, Chapter 26 (the "Charter") or Auditor appointed for the Municipality under section 169 of the Charter hereby certifies as follows:

Calculation revenue for the previous year <i>(section 4 &amp; 5, BC Reg 254/2004)</i>	<u>\$4,813,767.00</u>	a
Liability Servicing Limit (a x 25%) <i>(section 2, BC Reg 254/2004)</i>	<u>\$1,203,441.75</u>	b
Annual Servicing cost for previous year	<u>\$0.00</u>	c

Plus: New liabilities incurred, **other than current request**

Liability Type and reference	Annual servicing cost	
_____	_____	d
_____	_____	e
_____	_____	f
_____	_____	g
_____	_____	h
_____	_____	i
_____	_____	j
_____	_____	k
_____	_____	l
Total of lines d through l	<u>\$0.00</u>	m

Less: Liabilities which have matured

Liability type and reference	Annual servicing cost	
_____	_____	n
_____	_____	o
_____	_____	p
_____	_____	q
_____	_____	r
Total of lines n through r	<u>\$0.00</u>	s
Amount of new liability <i>(section 3, BC Reg 254/2004)</i>	<u>\$2,500,000.00</u>	t
Annual servicing cost of new liability <i>(section 3, BC Reg 254/2004)</i>	<u>\$165,829.00</u>	u
Total liability servicing cost including current request (lines c+m-s+u)	<u>\$165,829.00</u>	v

which is less than the annual liability servicing limit stated on line b.

OR

which exceeds the annual liability servicing limit stated on line b, and the undersigned hereby requests approval of the Inspector of Municipalities under section 174 of the Charter to exceed the limit established under the section.

In accordance with section 179(5) or section 175(1)(b) of the Charter, as applicable, the debt to be contracted under the loan authorization bylaw, or other liability for which certification is being made, referred to above will not exceed the lesser of 30 years and the reasonable life expectancy of the capital asset, activity, work or service, or the remaining term of the applicable agreement, as the case may be, for which the debt is to be contracted.

The undersigned Financial Officer or Auditor also hereby authorizes Legal Counsel of the Municipal Finance Authority of British Columbia to rely on this Certificate in giving any opinion in connection with any borrowing by the Municipal Finance Authority of British Columbia ("MFA") and the issuance of bonds, debentures, and other securities by the MFA in respect of the loan authorization bylaw, or other liability for which certification is being made, referred to above.

DATED this 05 day of June, 2023

**Lena Martin**  
Digitally signed by Lena Martin  
 DN: cn=Lena Martin, o=Village of Anmore, ou=Village of Anmore, email=lema@villageofanmore.com  
 Reason: I am approving this document with my legally binding signature  
 Location:  
 Date: 2023.06.05 12:10:46

OR

\_\_\_\_\_  
 Auditor

Lena Martin  
 (Please print full name)

\_\_\_\_\_  
 (Please print full name & company)

**VILLAGE OF ANMORE**

**BYLAW NO. 680-2023**

A bylaw to adopt the 2023 Five-Year Financial Plan

---

**WHEREAS** pursuant to section 165 of the *Community Charter*, requires that every municipality must have a five-year financial plan that is adopted annually, by bylaw, before the annual property tax bylaw is adopted;

**AND WHEREAS** the Municipal Council has caused to be prepared a Five-Year Financial Plan for the period 2023-2027 inclusive;

**NOW THEREFORE** the Council of the Village of Anmore enacts as follows:

1. This bylaw may be cited for all purposes as “Anmore Five-Year Financial Plan Bylaw No. 680-2023”.
2. Council hereby adopts the Five-Year Financial Plan for the years 2023-2027 inclusive, for each year of the plan, as set out in Schedules A and B, attached hereto and forming part of this bylaw.
3. If a portion of this bylaw is held invalid by a Court of competent jurisdiction, the invalid portion must be severed, and the remainder of this bylaw is deemed to have been adopted without the severed section, subsection, paragraph, subparagraph, clause or phrase.
4. That “Anmore Five-Year Financial Plan Bylaw No. 658-2022” is hereby repealed in its entirety.

<b>READ</b> a first time the	18th	day of April, 2023
<b>READ</b> a second time the	18th	day of April, 2023
<b>READ</b> a third time the	18th	day of April, 2023
<b>ADOPTED</b> the	2nd	day of May, 2023

**“John McEwen”**

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MAYOR

**“Karen Elrick”**

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MANAGER OF CORPORATE SERVICES

## SCHEDULE "A"

### 2023-2027 FINANCIAL PLAN STATEMENT OF OBJECTIVES AND POLICIES

1. In accordance with the *Community Charter*, the Village of Anmore is required to include in the Five-Year Financial Plan, objectives and policies regarding each of the following:

- (a) The proportion of total revenue that comes from each of the funding sources described in the *Community Charter*;
- (b) The distribution of property taxes among the property classes; and
- (c) The use of permissive tax exemptions.

2. Funding Sources

Table 1, below, shows the proportion of total revenue proposed to be raised from each fund source in 2023.

Government grants provide the largest proportion of revenue in 2023 thanks to additional funds from Growing Great Communities grant of \$1.73 Million and BC Active Transportation grant of \$500 Thousand. Other grants are sourced from the Major Road Network Fund (MRN), the Small Communities Fund, remaining Investing in Canada Infrastructure grant revenues and other miscellaneous grants.

Property value tax revenues are the largest portion of planned revenues. Property Taxation provides a stable and consistent revenue source for general services that cannot be recovered from user-pay fees. It is simple to administer and easy for residents to understand.

Fees & charges provide the next largest proportion of planned revenue and are sourced from the utility fees collected for water and garbage & organic waste collection, as well as various development and permit fees.

#### Objectives

- Over the next five years, the Village will increase the portion of revenue received from user fees and charges to reflect service levels and changes in inflation.

#### Policies

- All user-fee levels will be reviewed, on an annual basis, to ensure they are adequately meeting both the respective service delivery and capital costs.
- Revenues will be recovered from user fees and charges or grants where possible, rather than general taxation, to lessen the burden on the Village's limited property tax base.

**Table 1 – Sources of Revenue**

REVENUE SOURCE	% OF TOTAL REVENUE	DOLLAR VALUE
Taxation	33%	2,869,296
Fees and Charges	16%	1,359,477
Grants	49%	4,301,468
Interest and Other	2%	160,000
<b>TOTAL</b>	<b>100%</b>	<b>8,690,241</b>

3. Distribution of Property Tax Rates

Table 2 outlines the distribution of property taxes among the property classes. The residential property class provides the largest proportion of property tax revenue. This is appropriate as this class also forms the largest portion of the assessment base and consumes most Village services.

Objectives

- Tax rates maintain tax stability in accordance with the Village's operational and capital requirements.

Policies

- Supplement, where possible, revenues from user fees and charges to help to offset the burden on the entire property tax base.
- Regularly review and compare the Village's distributions of tax burden relative to other municipalities having similar property class composition.

**Table 2 – Distribution of Property Tax Rates**

PROPERTY CLASS	% OF TOTAL PROPERTY TAXATION
Residential (1)	99.81%
Utilities (2)	0.00001%
Business and Other (6)	0.00045%
Rec/Non Profit (8)	0.00144%
<b>TOTAL</b>	<b>100%</b>

4. Permissive Tax Exemptions

No property in the Village of Anmore is permissively exempt. Village properties do not meet the legislated criteria.

## SCHEDULE "B"

Village of Anmore						
Financial Plan						
2023 - 2027						
	2023	2024	2025	2026	2027	
<b>REVENUES</b>						
Property Tax	\$ 2,869,296	\$ 3,250,144	\$ 3,398,805	\$ 3,528,905	\$ 3,567,640	
Permits, Fees and Charges	\$ 1,359,477	\$ 1,413,201	\$ 1,458,329	\$ 1,493,529	\$ 1,517,700	
Grants	\$ 4,301,468	\$ 712,643	\$ 738,557	\$ 758,770	\$ 772,650	
Interest & Other	\$ 160,000	\$ 128,000	\$ 102,400	\$ 102,400	\$ 102,400	
<b>SUBTOTAL REVENUES</b>	<b>\$ 8,690,241</b>	<b>\$ 5,503,989</b>	<b>\$ 5,698,092</b>	<b>\$ 5,883,604</b>	<b>\$ 5,960,389</b>	
<b>EXPENSES</b>						
General Government	\$ 1,320,636	\$ 1,424,723	\$ 1,481,712	\$ 1,556,163	\$ 1,556,687	
Public Works	\$ 852,534	\$ 895,161	\$ 930,967	\$ 958,896	\$ 978,074	
Protective Services	\$ 349,129	\$ 261,585	\$ 272,049	\$ 280,210	\$ 285,815	
Planning & Development	\$ 117,900	\$ 123,795	\$ 128,746	\$ 132,609	\$ 135,261	
Water Utility	\$ 604,853	\$ 635,095	\$ 660,499	\$ 680,314	\$ 693,920	
Debt Interest	\$ 20,000	\$ 107,750	\$ 107,750	\$ 107,750	\$ 107,750	
Amortization of TCAs	\$ 1,071,135	\$ 1,241,135	\$ 1,235,864	\$ 1,235,864	\$ 1,235,864	
<b>SUBTOTAL EXPENSES</b>	<b>\$ 4,336,187</b>	<b>\$ 4,689,245</b>	<b>\$ 4,817,588</b>	<b>\$ 4,951,807</b>	<b>\$ 4,993,371</b>	
<b>SURPLUS / (DEFICIT)</b>	<b>\$ 4,354,054</b>	<b>\$ 814,744</b>	<b>\$ 880,504</b>	<b>\$ 931,797</b>	<b>\$ 967,018</b>	
<b>INTERNAL TRANSFERS</b>						
Capital	\$ 10,344,759	\$ 873,960	\$ 430,594	\$ 259,099	\$ 401,506	
Transfer to (from) Reserves	\$ (2,385,970)	\$ 1,155,120	\$ 1,665,658	\$ 1,889,546	\$ 1,783,116	
Transfer to (from) Surplus	\$ (33,600)	\$ (35,280)	\$ (36,691)	\$ (37,792)	\$ (38,548)	
Debt	\$ (2,500,000)	\$ 62,079	\$ 62,079	\$ 62,079	\$ 62,079	
Investment in TCA	\$ (1,071,135)	\$ (1,241,135)	\$ (1,241,135)	\$ (1,241,135)	\$ (1,241,135)	
<b>SUBTOTAL INTERNAL EXPENSES</b>	<b>\$ 4,354,054</b>	<b>\$ 814,744</b>	<b>\$ 880,504</b>	<b>\$ 931,797</b>	<b>\$ 967,018</b>	
<b>FINANCIAL PLAN BALANCE</b>	<b>\$ -</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	

Village of Anmore  
Financial Statements  
For the year ended December 31, 2022

Village of Anmore  
Financial Statements  
For the year ended December 31, 2022

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## Statement of Management's Responsibility

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The financial statements contained herein have been prepared by management in accordance with Canadian public sector accounting standards as prescribed by the Public Sector Accounting Board. A summary of the significant accounting policies are described in the summary of significant policies which proceed the notes to the financial statements. Management is also responsible for all statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements.

Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

Mayor and Council meet with management and the external auditors to review the financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the financial statements.

The financial statements have been audited by BDO Canada LLP, independent external auditors appointed by Council. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the Village's financial statements.



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Manager of Financial Services

May 3, 2023



Tel: 604-932-3799  
Fax: 604-932-3764  
www.bdo.ca

BDO Canada LLP  
202-1200 Alpha Lake Rd.  
Whistler, BC V8E 0H6

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## Independent Auditor's Report

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To the Mayor and Council of The Village of Anmore

### Opinion

We have audited the financial statements of the Village of Anmore (the "Village") which comprise the Statement of Financial Position as at December 31, 2022 and the Statements Operations, Changes in Net Financial Assets, and Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Village as at December 31, 2022 and its results of operations, changes in net financial assets, and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### Basis for Opinion

We conducted our audit in accordance with Canadian generally-accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of this report. We are independent of the Village in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Unaudited Information

We have not audited, reviewed, or otherwise attempted to verify the accuracy or completeness of Schedule 4 of the Village's financial statements.

### Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Village's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Village, or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Village's financial reporting process.



Tel: 604-932-3799  
Fax: 604-932-3764  
www.bdo.ca

BDO Canada LLP  
202-1200 Alpha Lake Rd.  
Whistler, BC V8E 0H6

## Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally-accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally-accepted auditing standards we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Village's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However future events or conditions may cause the Village to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

*BDO Canada LLP*

Chartered Professional Accountants

Vancouver, British Columbia

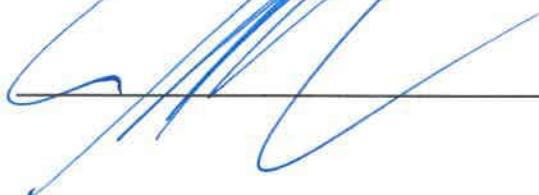
May 3, 2023

**Village of Anmore  
Statement of Financial Position**

December 31	2022	2021
<b>Financial Assets</b>		
Cash	\$ 10,397,584	\$ 9,383,025
Accounts receivable (Note 1)	2,707,678	752,985
Loan receivable (Note 2)	179,400	-
Property taxes receivable	205,779	199,276
Investments (Note 3)	6,451,088	6,397,698
	<u>19,941,529</u>	<u>16,732,984</u>
<b>Liabilities</b>		
Accounts payable and accrued liabilities (Note 4)	3,100,400	657,150
Unearned revenue (Note 5)	1,375,344	1,355,418
Development cost charges (Note 6)	1,779,013	1,702,132
Deposits (Note 7)	900,737	829,091
	<u>7,155,494</u>	<u>4,543,791</u>
<b>Net Financial Assets</b>	<u>12,786,035</u>	<u>12,189,193</u>
<b>Non-Financial Assets</b>		
Tangible capital assets (Schedule 2)	61,662,424	59,014,948
Prepaid expenses	25,529	24,528
Inventories	42,117	48,019
	<u>61,730,070</u>	<u>59,087,495</u>
<b>Accumulated surplus (Note 8)</b>	<u>\$ 74,516,105</u>	<u>\$ 71,276,688</u>



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Manager of Financial Services



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Mayor

Village of Anmore  
Statement of Operations

For year ended December 31	2022 Fiscal Plan (Note 9)	2022	2021
Revenue (Schedule 1)			
Taxation (Note 11)	\$ 2,653,025	\$ 2,669,828	\$ 2,592,650
Government transfers - unconditional (Schedule 3)	673,600	844,154	743,756
Government transfers - conditional (Schedule 3)	2,500,000	2,004,457	53,151
Community amenity contribution	-	-	1,093,500
Permits, fees and other revenues	1,348,663	1,409,069	1,302,081
Interest income	99,514	278,870	85,326
Gain on disposal of tangible capital assets	-	-	44,416
	<u>7,274,802</u>	<u>7,206,378</u>	<u>5,914,880</u>
Expenses (Schedule 1)			
General Government	1,314,402	1,216,207	1,182,953
Public Works	1,235,439	1,324,589	1,228,120
Protective Services	346,197	252,526	245,057
Planning & Development	173,943	93,165	223,899
Solid Waste & Recycling	210,970	214,482	200,660
Water System	877,360	865,992	930,745
	<u>4,158,311</u>	<u>3,966,961</u>	<u>4,011,434</u>
Annual surplus	3,116,491	3,239,417	1,903,446
Accumulated surplus, beginning of year	<u>71,276,688</u>	<u>71,276,688</u>	<u>69,373,242</u>
Accumulated surplus, end of year	<u>\$ 74,393,179</u>	<u>\$ 74,516,105</u>	<u>\$ 71,276,688</u>

Village of Anmore  
Statement of Changes in Net Financial Assets

For year ended December 31	2022 Fiscal Plan (Note 9)	2022	2021
Annual surplus	\$ 3,116,491	\$ 3,239,417	\$ 1,903,446
Acquisition of tangible capital assets	(11,159,133)	(3,718,611)	(606,290)
Amortization of tangible capital assets	920,000	1,071,135	1,077,594
Change in prepaid expenses	-	(1,001)	20,302
Change in inventories	-	5,902	14,075
Change in net financial assets for the year	(7,122,642)	596,842	2,409,127
Net financial assets, beginning of year	12,189,193	12,189,193	9,780,066
Net financial assets, end of year	\$ 5,066,551	\$ 12,786,035	\$ 12,189,193

Village of Anmore  
Statement of Cash Flows

For the year ended December 31	2022	2021
Cash provided by (used in)		
Operating activities		
Annual surplus	\$ 3,239,417	\$ 1,903,446
Items not involving cash:		
Amortization of tangible capital assets	1,071,135	1,077,594
	<u>4,310,552</u>	<u>2,981,040</u>
Changes in non-cash operating balances:		
Accounts receivable	(1,954,693)	226,685
Property taxes receivable	(6,503)	205,489
Prepaid expenses	(1,001)	20,302
Accounts payable and accrued liabilities	2,443,250	(214,441)
Unearned revenue	19,926	1,451
Deposits	71,646	(91,704)
Inventories	5,902	14,075
	<u>4,889,079</u>	<u>3,142,897</u>
Capital activities		
Acquisition of tangible capital assets	<u>(3,718,611)</u>	<u>(606,290)</u>
Investing activities		
Purchase of Investments	(53,390)	(182,526)
Loan receivable advances	(230,000)	-
Loan receivable repayments	50,600	-
	<u>(232,790)</u>	<u>(182,526)</u>
Financing transactions		
Development cost charges and interest received	<u>76,881</u>	<u>9,311</u>
Increase in cash during the year	1,014,559	2,363,392
Cash, beginning of year	<u>9,383,025</u>	<u>7,019,633</u>
Cash, end of year	<u>\$10,397,584</u>	<u>\$ 9,383,025</u>

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Village of Anmore  
Summary of Significant Accounting Policies

For the year ended December 31, 2022

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The Village of Anmore (the "Village") is a municipality in the Province of British Columbia incorporated under the Local Government Act (British Columbia) and operates under the provisions of the Community Charter. The Village provides municipal services such as public works, planning, parks and other general government services.

#### Basis of Accounting

The Village prepares its financial statements in accordance with Canadian public sector accounting standards for local governments using guidelines developed by the Public Sector Accounting Board (PSAB).

The basis of accounting followed in these financial statements is an accrual method and includes revenues in the period in which the transactions or events occurred that gave rise to the revenues and expenses in the period the goods and services are acquired and a liability is incurred.

#### Tangible Capital Assets

Tangible capital assets are recorded at cost less accumulated amortization. Cost includes all costs directly attributable to acquisition or construction of the tangible capital asset including transportation costs, installation costs, design and engineering fees, interest, legal fees, and site preparation costs. Amortization is recorded on a straight-line basis over the estimated life of the tangible capital asset commencing once the asset is put into use.

Contributed tangible capital assets are recorded at fair value at the time of the contribution.

Estimated useful lives of tangible capital assets are as follows:

Roads	5 to 50 years
Buildings	15 to 40 years
Machinery and vehicles	8 to 10 years
Equipment and furniture	5 to 10 years
Water infrastructure	15 to 50 years
Other infrastructure	10 to 50 years

#### Use of Estimates

The preparation of financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future. Significant estimates include estimating the fair market value of contributed assets and useful lives of tangible capital assets.

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Village of Anmore  
Summary of Significant Accounting Policies

For the year ended December 31, 2022

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#### Revenue Recognition

Taxes are recorded when they meet the definition of an asset, have been authorized and the taxable event has occurred. Annual levies for non-optional municipal services and general administrative services are recorded as taxes for municipal services in the year they are levied. Taxes receivable are recognized net of an allowance for anticipated uncollectible amounts.

Through the British Columbia Assessment's appeal process, taxes may be adjusted by way of supplementary roll adjustments. The effects of these adjustments on taxes are recognized at the same time they are awarded. Levies imposed on behalf of other taxing authorities are not included as taxes for municipal purposes.

Charges for water usage are recorded as services are delivered. Connection fee revenues are recognized when the connection has been established.

Building permit revenue is recognized when building inspections have been satisfactorily completed and clearance certificate issued.

Tangible capital assets received as contributions or transfers from developers are recorded at their estimated fair value at the date of receipt.

Sale of services and other revenue is recognized on an accrual basis as the services are delivered.

Government transfers, which include legislative grants, are recognized as revenue in the financial statements when the transfer is authorized and any eligibility criteria are met, except to the extent that the transfer stipulations give rise to an obligation that meets the definition of a liability. Where stipulations give rise to a liability, transfers are initially recognized as unearned revenue when transferred and subsequently as revenue in the statement of operations as the stipulation liabilities are settled.

Community amenity contributions received by the Village are included on the Statement of Operations. Revenue is recognized on the cash basis in the year the payment was received.

#### Collection of Taxes on Behalf of Other Taxation Authorities

The Village collects taxation revenue on behalf of other entities. Such levies, other revenues, expenses, assets and liabilities with respect to the operations of the entities are not reflected in these financial statements.

#### Unearned Revenue

Contributions with stipulations giving rise to a liability and revenues (building permits) pertaining to services required in future years have been deferred. These amounts will be recognized as revenue once the conditions giving rise to the liability have been settled.

#### Financial Instruments

Financial instruments consist of cash, accounts receivable, investments, loan receivable, accounts payable and deposits and are recorded at amortized cost. Unless otherwise noted, it is management's opinion that the Village is not exposed to significant interest rate, currency or credit risk arising from these financial instruments.

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Village of Anmore  
Summary of Significant Accounting Policies

For the year ended December 31, 2022

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#### Municipal Pension Plan

Employers participating in the plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the plan records liabilities and assets for the plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to the individual employers participating in the plan.

#### Segmented Information

The Village segments its operations for financial reporting purposes based upon areas of managerial responsibility. This information is provided in Note 13 and Schedule 1.

#### Contaminated Sites

A liability for remediation of a contaminated site is recognized at the financial statement date when an environmental standard exists, contamination exceeds the standard, and it is expected that future economic benefits will be given up and the liability can be reasonably estimated.

#### Loan Receivable

Loans receivable are initially recorded at cost less any amount for valuation allowance. Valuation allowances are used to reflect collectability and risk of loss and to reflect loans receivable at the lower of cost and the net recoverable value. Changes in valuation allowance are recognized in expenses in the statement of operations. When the loss is known with sufficient precision and there is no realistic prospect of recovery the loan receivable is reduced by the amount of the loss. Interest income is accrued on loans receivable as earned to the extent it is deemed collectable.

Village of Anmore  
Notes to the Financial Statements

For the year ended December 31, 2022

1.	Accounts Receivable	2022	2021
	GST receivable	\$ 74,041	\$ 57,458
	Government grants receivable	2,309,064	536,755
	Interest receivable	95,182	37,164
	Other	44,635	9,529
	Water levies	184,756	112,079
		\$ 2,707,678	\$ 752,985

2. Loan Receivable

Bylaw No. 673-2022 was established as a local area service for the purpose of securing a loan from the Village to Strata Property LMS 3080 (Anmore Green Estates), to allow for completion and operation of the David Avenue regional sewer connection project. The full cost of the project, including borrowing and administration costs, will be paid for by the owners within the local area service.

At the April 26, 2022 Regular Council meeting, Council approved the request on behalf of the owners of Anmore Green Estates requesting financing be provided by the Village in the amount of \$230,000 in order to execute the sewer connection project.

Interest on the loan receivable accrues at the Municipal Finance Authority short-term financing floating daily rate, 5.06% at December 31, 2022, plus a 2.5% administration fee and is to be recovered equally over 5 years in the form of a parcel tax. In 2022, eleven strata lot owners opted to repay their respective allotment of the loan receivable in full, totalling \$50,600.

3. Investments

The Village's investments consist of guaranteed investment certificates ("GICs") held at a Canadian chartered bank and are recorded at amortized cost. The GICs earn interest at rates ranging from 3.45% to 4.10% (2021 - 0.50% to 0.55%) with maturities ranging from August 21, 2023 to December 1, 2023.

4. Accounts Payable and Accrued Liabilities

		2022	2021
	Trade accounts payable and accrued liabilities	\$ 304,686	\$ 200,378
	Construction trade accounts payable and holdbacks	2,297,882	-
	School taxes and police services payable	484,483	439,220
	Wages and benefits	13,349	17,552
		\$ 3,100,400	\$ 657,150

Village of Anmore  
Notes to the Financial Statements

For the year ended December 31, 2022

5. Unearned Revenue

Unearned revenue represents revenues and unspent capital contributions to be recognized as revenue in operations in subsequent years when the related expenditures are incurred or services delivered. Unearned revenue is comprised as follows:

	2022	2021
Community centre developer restricted donations	\$ 595,236	\$ 595,236
Outdoor plaza grant	124,358	124,358
Other deferred government grants	19,855	19,855
Unearned building permits and other	345,348	318,645
Tax prepayments	290,547	297,324
	\$ 1,375,344	\$ 1,355,418

6. Development Cost Charges

Development cost charges (DCCs) are collected to pay for the general capital and utility expenditures required for developments. In accordance with the *Community Charter*, these funds must be deposited into a separate reserve fund. The Village records DCCs levied as deferred revenues until the related expenditures are incurred, then the DCCs are recognized as revenue.

	2022	2021
Balance, beginning of year	\$ 1,702,132	\$ 1,692,821
Receipts in the year	42,876	-
Interest earned and deferred	34,005	9,311
	\$ 1,779,013	\$ 1,702,132

7. Deposits

Deposits are collected in respect of development activities as security against potential damage to Village property. Deposits, less any draw down of damage to Village property, are refunded upon satisfactory conditions being met and approved by the Village.

	2022	2021
Balance, beginning of year	\$ 829,091	\$ 920,795
Receipts in the year	133,201	136,008
Refunds issued	(61,555)	(227,712)
	\$ 900,737	\$ 829,091

Village of Anmore  
Notes to the Financial Statements

For the year ended December 31, 2022

8. Accumulated Surplus

The Village segregates its accumulated surplus into the following categories:

	2022	2021
Unrestricted current funds	\$ 2,010,535	\$ 1,666,253
Statutory reserve funds	8,428,209	8,259,208
Non-statutory reserve funds	2,347,288	2,263,732
Invested in non-financial assets	61,730,073	59,087,495
Balance, end of year	\$74,516,105	\$ 71,276,688

Unrestricted current funds represent the amount of Accumulated Surplus remaining after deducting the other appropriated surplus balances. It is available to temporarily finance operations until planned revenues (i.e. property taxes, fees, grants etc.) are received, or for other operating or capital purposes as determined by Council, to the extent that it is available as cash.

Non-statutory and statutory reserves are accumulated surplus that has been set aside by decision of Council for a specified purpose. Statutory reserves have been established by bylaw in accordance with the Community Charter and their use is restricted by the related bylaw and legislation. In the normal course of operations, these funds will be used to finance the future services or capital works for which they have been appropriated. Details of Statutory reserve funds are shown below:

	2022	2021
Parks	\$ 425,141	\$ 422,035
Capital	7,244,052	7,124,854
Water storage	40,030	39,264
Water utility	372,282	365,161
Operating	346,704	307,894
	\$ 8,428,209	\$ 8,259,208

Details of Non-statutory reserve funds are shown below:

	2022	2021
Community Works Gas Tax Funds	\$ 195,766	\$ 127,227
Major Road Network Funds	-	56,815
Community Amenity Contributions	1,279,576	1,255,102
Climate Action Funds	59,082	-
COVID-19 Restart Grant	812,864	824,588
	\$ 2,347,288	\$ 2,263,732

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Village of Anmore  
Notes to the Financial Statements

For the year ended December 31, 2022

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8. Accumulated Surplus (continued)

Investment in non-financial assets is equal to the book value of the tangible capital assets, inventories and prepaid expenses. In the normal course of operations the tangible capital assets, inventories and prepaid expenses are not available to finance operations, but will be consumed/used to provide services, and any related debt repaid by future period revenues.

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9. Fiscal Plan

The budget figures reported in the Financial Statements represent the 2022 component of the Financial Plan Bylaw adopted by Council on May 10, 2022.

The following reconciles the approved bylaw to the amounts presented in the financial statements:

	<u>2022</u>
Annual surplus per Financial Plan bylaw	\$ 2,025,391
Plus: Capital project budgeted in expenses	<u>1,091,100</u>
Annual surplus on a PSAS basis	<u>3,116,491</u>
Acquisition of tangible capital assets	(11,159,133)
Amortization	<u>920,000</u>
Change in net financial assets	<u>\$ (7,122,642)</u>

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10. Contingent Liabilities

- (a) The Village is partially self-insured through the Municipal Insurance Association of British Columbia. Should the Association pay out claims in excess of premiums received, it is possible that the Village along with the other participants, would be required to contribute towards the deficit.
- (b) The Village is responsible as a member of Metro Vancouver for its proportion of any operating deficits or long-term debt related to functions in which it participates.
- (c) In the regular course of operations, legal claims are initiated against the Village in varying and unspecified amounts. The outcome of any potential claims cannot reasonably be determined at this time. Any ultimate settlements will be recorded in the year the claim is deemed to be likely to be paid and can be reasonably estimated.

Village of Anmore  
Notes to the Financial Statements

For the year ended December 31, 2022

11. Taxation - Net

	2022	%	2021	%
Total taxation	\$ 6,726,733	100.00	\$ 6,577,161	100.00
Collections on behalf of other governments:				
Metro Vancouver	518,169	7.70	681,545	10.36
School District - school tax	2,796,840	41.58	2,567,433	39.04
Municipal Finance Authority	378	0.01	319	-
BC Assessment Authority	67,178	1.00	66,876	1.02
TransLink	431,827	6.42	418,467	6.36
Police	242,513	3.61	249,871	3.80
	<u>4,056,905</u>	<u>60.32</u>	<u>3,984,511</u>	<u>60.58</u>
General municipal taxation	<u>\$ 2,669,828</u>		<u>\$ 2,592,650</u>	

12. Pension Plan

The Village and its employees contribute to the Municipal Pension Plan (the "Plan"), a jointly trustee pension plan. The Board of Trustees, representing plan members and employers, is responsible for administering the plan, including investment of the assets and administration of the benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits provided are based on a formula. As at December 31, 2021, plan membership has about 227,000 active members and 118,000 retired members. Active members include approximately 42,000 contributors from local government.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plan. The actuary's calculated contribution rate is based on the entry-age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plan. This rate may be adjusted for the amortization of any actuarial funding surplus and will be adjusted for the amortization of any unfunded actuarial liability.

The most recent valuation for the Municipal Pension Plan as at December 31, 2021, indicated a \$3,761 million funding surplus for basic pension benefits on a going concern basis.

The Village paid \$78,004 (2021 - \$82,406) for employer contributions while employees contributed \$72,140 (2021 - \$72,230) to the plan in fiscal 2022.

The next valuation will be as at December 31, 2024, with results available in 2025.

For the year ended December 31, 2022

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13. Segmented Information

The Village is a diversified municipal government institution that provides a wide range of services to its citizens such as roads, water and drainage infrastructure, garbage collection and parkland. The Village also contributes to the costs of police protection and transit which are under the jurisdiction of the provincial government and of TransLink, respectively. Distinguishable functional segments have been separately disclosed in the segmented information.

The nature of the Village's segments and the activities they encompass are as follows:

General Government

The general government department is the communications link between Council and the other municipal departments and the general public, providing assistance and advice to citizens with respect to Council/Committee processes, reporting procedures and decisions. This department is also responsible for the overall financial and risk management of the Village.

Public Works

Public works is responsible for the essential services of the Village:

- ensuring clean and safe water to the Village, supplied through underground pipes;
- providing and maintaining the Village's roads, sidewalks, street lights, signage and line markings, storm drainage and hydrants; and
- providing other key services including street cleaning and the coordination of residential garbage collection services.

Protective Services

Protection and inspection services are comprised of bylaw enforcement and building inspection.

- Bylaw enforcement administers, monitors and seeks compliance with the bylaws enacted by the Mayor and Council to regulate the conduct of affairs in the Village of Anmore.
- The Village of Anmore's Building Department maintains the quality of life for the Village's citizens by regulating all construction within the Village. This is achieved through the use of the Village of Anmore's Building Bylaw, the British Columbia Building Code, the British Columbia Fire Code and other related bylaws and enactments within the Village of Anmore.

For the year ended December 31, 2022

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13. Segmented Information (continued)

Planning and Development

The planning and development department provides short-term and long-term planning services.

- Long-term planning includes work within the community plan on reviewing the Village's Official Community Plan, developing new Neighbourhood Plans, and the review of relevant bylaws.
- Short-term planning includes the processing of subdivision and development applications.

Water Utility

The water utility provides the distribution of water to residents.

Solid Waste and Recycling

The solid waste and recycling department provides curbside garbage and recycling collection services to the residents of the Village.

Village of Anmore  
Schedule 1 - Combined Statement of Operations by Segment

For the year ended December 31, 2022

	General Government	Public Works	Protective Services	Planning & Development	Solid Waste & Recycling	Water System	2022 Actual	2022 Fiscal Plan	2021 Actual
Revenues									
Taxation	\$ 2,669,828	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,669,828	\$ 2,653,025	\$ 2,592,650
Government transfers-unconditional	520,793	323,361	-	-	-	-	844,154	673,600	743,756
Government transfers-conditional	-	2,004,457	-	-	-	-	2,004,457	2,500,000	53,151
Community amenity contribution	-	-	-	-	-	-	-	-	1,093,500
Permits, fees and other revenue	17,871	-	160,047	108,541	242,038	880,572	1,409,069	1,348,663	1,302,081
Interest income	278,870	-	-	-	-	-	278,870	99,514	85,326
Gain on disposal of TCAs	-	-	-	-	-	-	-	-	44,416
<b>Total revenue</b>	<b>3,487,362</b>	<b>2,327,818</b>	<b>160,047</b>	<b>108,541</b>	<b>242,038</b>	<b>880,572</b>	<b>7,206,378</b>	<b>7,274,802</b>	<b>5,914,880</b>
Expenses									
Goods & services	457,883	266,036	33,313	93,165	206,304	506,939	1,563,640	1,797,250	1,696,205
Salaries & benefits	719,192	319,144	219,213	-	8,178	80,004	1,345,731	1,441,061	1,237,634
Amortization on TCAs	39,132	739,409	-	-	-	279,049	1,057,590	920,000	1,077,595
<b>Total expenses</b>	<b>1,216,207</b>	<b>1,324,589</b>	<b>252,526</b>	<b>93,165</b>	<b>214,482</b>	<b>865,992</b>	<b>3,966,961</b>	<b>4,158,311</b>	<b>4,011,434</b>
<b>Excess (deficiency) in revenues over expenses</b>	<b>\$ 2,271,155</b>	<b>\$ 1,003,229</b>	<b>\$ (92,479)</b>	<b>\$ 15,376</b>	<b>\$ 27,556</b>	<b>\$ 14,580</b>	<b>\$ 3,239,417</b>	<b>\$ 3,116,491</b>	<b>\$ 1,903,446</b>

Village of Anmore  
Schedule 1 - Combined Statement of Operations by Segment

For the year ended December 31, 2021

	General Government	Public Works	Protective Services	Planning & Development	Solid Waste & Recycling	Water System	2021 Actual	2021 Fiscal Plan	2020 Actual
Revenues									
Taxation	\$ 2,592,650	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,592,650	\$ 2,541,664	\$ 2,516,820
Government transfers-unconditional	481,532	262,224	-	-	-	-	743,756	664,600	1,333,508
Government transfers-conditional	-	46,209	6,942	-	-	-	53,151	-	502,030
Community amenity contribution	-	1,093,500	-	-	-	-	1,093,500	-	-
Permits, fees and other revenue	17,453	-	225,756	24,266	217,249	817,357	1,302,081	1,247,090	1,197,776
Interest income	85,326	-	-	-	-	-	85,326	180,810	162,560
Gain on disposal of TCAs	-	44,416	-	-	-	-	44,416	-	-
<b>Total revenue</b>	<b>3,176,961</b>	<b>1,446,349</b>	<b>232,698</b>	<b>24,266</b>	<b>217,249</b>	<b>817,357</b>	<b>5,914,880</b>	<b>4,634,164</b>	<b>5,712,694</b>
Expenses									
Goods & services	471,899	239,656	10,996	223,899	197,143	552,612	1,696,205	1,747,210	1,442,770
Salaries & benefits	666,968	249,135	234,061	-	3,517	83,953	1,237,634	1,290,694	1,308,811
Loss on disposal of TCAs	-	-	-	-	-	-	-	-	24,871
Amortization on TCAs	44,086	739,329	-	-	-	294,180	1,077,595	920,000	1,396,555
<b>Total expenses</b>	<b>1,182,953</b>	<b>1,228,120</b>	<b>245,057</b>	<b>223,899</b>	<b>200,660</b>	<b>930,745</b>	<b>4,011,434</b>	<b>3,957,904</b>	<b>4,173,007</b>
<b>Excess (deficiency) in revenues over expenses</b>	<b>\$ 1,994,008</b>	<b>\$ 218,229</b>	<b>\$ (12,359)</b>	<b>\$ (199,633)</b>	<b>\$ 16,589</b>	<b>\$ (113,388)</b>	<b>\$ 1,903,446</b>	<b>\$ 676,260</b>	<b>\$ 1,539,687</b>

Village of Anmore  
Schedule 2 - Tangible Capital Assets

For the year ended December 31, 2022

	Land	Building	Equipment & Furniture	Other Infrastructure	Roads	Machinery & Vehicles	Infrastructure	Water	2021	2022	2021
Balance, beginning of year	\$ 37,790,548	\$ 970,498	\$ 169,867	\$ 7,982,835	\$ 14,038,218	\$ 953,747	\$ 12,003,706	\$ 73,909,419	\$ 73,509,864		
Additions	-	2,980,874	12,273	-	446,889	28,903	249,672	3,718,611	606,290		
Disposals & adjustments	-	-	-	-	-	-	-	-	(206,735)		
Cost, end of year	37,790,548	3,951,372	182,140	7,982,835	14,485,107	982,650	12,253,378	77,628,030	73,909,419		
Accumulated amortization, beginning of year	-	153,920	96,455	3,379,945	6,579,601	468,202	4,216,348	14,894,471	14,023,612		
Amortization	-	21,361	17,771	255,946	386,131	97,332	292,594	1,071,135	1,077,594		
Disposals & adjustments	-	-	-	-	-	-	-	-	(206,735)		
Accumulated amortization, end of year	-	175,281	114,226	3,635,891	6,965,732	565,534	4,508,942	15,965,606	14,894,471		
Net book value, end of year	\$ 37,790,548	\$ 3,776,091	\$ 67,914	\$ 4,346,944	\$ 7,519,375	\$ 417,116	\$ 7,744,436	\$ 61,662,424	\$ 59,014,948		

Included in buildings at December 31, 2022 is \$3,349,115 of construction in progress related to the new Community Hub (2021 - \$615,640).

Village of Anmore  
Schedule 2 - Tangible Capital Assets

For the year ended December 31, 2021

	Land	Building	Equipment & Furniture	Other Infrastructure	Roads	Machinery & Vehicles	Infrastructure	Water	2021	2020
Balance, beginning of year	\$ 37,790,548	\$ 679,479	\$ 134,027	\$ 7,906,947	\$ 14,038,218	\$ 979,759	\$ 11,980,886	\$ 73,509,864	\$ 73,509,864	\$ 72,588,926
Additions	-	291,019	35,839	75,888	-	180,723	22,821	606,290	606,290	1,775,434
Disposals & adjustments	-	-	-	-	-	(206,735)	-	(206,735)	(206,735)	(854,496)
Cost, end of year	37,790,548	970,498	169,866	7,982,835	14,038,218	953,747	12,003,707	73,909,419	73,909,419	73,509,864
Accumulated amortization, beginning of year	-	136,185	83,649	3,126,784	6,184,099	584,272	3,908,623	14,023,612	14,023,612	13,456,682
Amortization	-	17,735	12,806	253,161	395,502	90,665	307,725	1,077,594	1,077,594	1,396,555
Disposals & adjustments	-	-	-	-	-	(206,735)	-	(206,735)	(206,735)	(829,625)
Accumulated amortization, end of year	-	153,920	96,455	3,379,945	6,579,601	468,202	4,216,348	14,894,471	14,894,471	14,023,612
Net book value, end of year	\$ 37,790,548	\$ 816,578	\$ 73,411	\$ 4,602,890	\$ 7,458,617	\$ 485,545	\$ 7,787,359	\$ 59,014,948	\$ 59,014,948	\$ 59,486,252

Village of Anmore  
Schedule 3 - Government Transfers

For year ended December 31	2022 Fiscal Plan (Note 9)	2022	2021
<b>Unconditional</b>			
Community Works Fund - Gas Tax	\$ 61,600	\$ 64,793	\$ 126,532
TransLink - Major Road Network	107,000	107,000	105,000
TransLink - Operation, Maintenance and Rehabilitation	150,000	150,000	147,000
Small community grant	355,000	456,000	355,000
Other grants	-	66,361	10,224
<b>Total unconditional grants</b>	<b>673,600</b>	<b>844,154</b>	<b>743,756</b>
<b>Conditional</b>			
Canada Infrastructure Grant	2,500,000	2,004,457	-
TransLink - Major Road Network	-	-	46,209
COVID-19 Emergency Preparedness	-	-	6,942
<b>Total conditional grants</b>	<b>2,500,000</b>	<b>2,004,457</b>	<b>53,151</b>
<b>Total government grants</b>	<b>\$ 3,173,600</b>	<b>\$ 2,848,611</b>	<b>\$ 796,907</b>

Village of Anmore

Schedule 4 - Annual Report on COVID-19 Safe Restart Grant Spending (unaudited)

For the year ended December 31, 2022

	2022	2021
COVID-19 Safe Restart Grant		
Balance, beginning of year	\$ 824,589	\$ 882,000
Interest	15,548	4,511
	840,137	886,511
Total Grant Funds Available		
Less: Funds Spent	27,273	61,922
	\$ 812,864	\$ 824,589
Balance, end of year		

In November 2020, the Village received a COVID-19 Safe Restart Grant for \$882,000 from the Province of British Columbia. An annual report on the grant spending is a requirement of the Province and will be provided annually until the grant funds are fully spent. COVID-19 Safe Restart Funding is classified as an unconditional Provincial operating government transfer with revenue recognized on the Statement of Operations in the period in which the funds were received.

As at December 31, 2022, \$89,195 in grant funds were spent.

To: Finance Committee

From: Bill Duvall, Director, Corporate Safety

Date: June 20, 2023

Meeting Date: July 13, 2023

Subject: **Sasamat Fire Protection Service – Communication Upgrades**

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### **RECOMMENDATION**

That the MVRD Board approve the release of up to \$30,000 from the Sasamat Fire Protection Service Communications Capital Equipment Reserve Fund to be used for communication upgrades at Belcarra and Anmore Fire Halls.

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### **EXECUTIVE SUMMARY**

Radio communications are essential infrastructure for the Sasamat Fire Protection Service. The Belcarra Fire Hall requires a new antenna along with a non-penetrating roof mount. In addition, Ladder Truck #7 and Tender #2 require new antennas. Finally, there are ancillary items relating to communications that also require attention. Funds are not set aside in the 2023 budget to address these matters. The SVFD Board of Trustees supports the use of that reserve fund up to \$30,000 to facilitate the purchase of the new communications.

This report is being brought forward to consider the use of the Sasamat Fire Protection Service Communications Capital Equipment Reserve Fund to fund this work.

### **PURPOSE**

To seek approval to release up to \$30,000 from the Sasamat Fire Protection Service Communications Capital Equipment Reserve Fund to be used for radio communications infrastructure at the Belcarra and Anmore Fire Halls.

### **BACKGROUND**

The Sasamat Fire Protection Service is a MVRD function with a volunteer fire department that provides fire protection services to the Villages of Anmore and Belcarra. The Sasamat Volunteer Fire Department Fire Chief has received a third-party Communication System Audit (Audit). The Audit included a number of recommendations that the Sasamat Volunteer Fire Department Board of Trustees (SVFD Board of Trustees) have endorsed. The associated cost of the recommendations is anticipated to be over \$20,000 but under \$30,000. Incidentally, the Sasamat Fire Protection Service has a Communications Capital Equipment Reserve Fund and the SVFD Board of Trustees supports the use of that reserve fund up to \$30,000 to facilitate the purchase of the new communications

**ALTERNATIVES**

1. That the MVRD Board approve the release of up to \$30,000 from the Sasamat Fire Protection Service Communications Capital Equipment Reserve Fund to be used for communication upgrades at Belcarra and Anmore Fire Halls.
2. That the MVRD Board receive for information the report dated June 20, 2023, titled “Sasamat Fire Protection Service – Communication Upgrades” and provide alternate direction.

**FINANCIAL IMPLICATIONS**

If the Board approves alternative one, an amount of up to \$30,000 will be allocated from the Sasamat Fire Protection Service Communications Capital Equipment Reserve Fund to cover the cost of the communications equipment. Staff will monitor the Sasamat Fire Protection Service budget through the year to determine if there is a need to amend the financial plan.

If the Board approves alternate two, operating funds would have to be used for the used for the communications equipment, potentially delaying other operational priorities. It is not recommended that purchase of the communications equipment be budgeted in 2024 due to the need for upgrading now.

**CONCLUSION**

Radio communications are essential infrastructure for the Sasamat Fire Protection Service. Both the Belcarra and Anmore Fire Halls require new communications equipment, including some new antennas (replacement of L7 and T1), and a new non-penetrating roof mount for the Belcarra antenna, and other ancillary items.

As presented in alternative one, it is recommended that the MVRD Board approve the release of up to \$30,000 from the Sasamat Volunteer Fire Department Communications Capital Equipment Reserve to be used for the purchase of communications equipment.

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To: Finance Committee

From: Linda Sabatini, Director, Financial Operations

Date: July 4, 2023

Meeting Date: July 13, 2023

Subject: **Metro Vancouver Quarterly Financial Report – June 30, 2023**

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### **RECOMMENDATION**

That the Finance Committee receive for information the report dated July 4, 2023 titled “Metro Vancouver Quarterly Financial Report – June 30, 2023”.

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### **EXECUTIVE SUMMARY**

The June 30, 2023 quarterly financial report presented in this report is the second quarterly financial report for fiscal 2023.

The 2023 second quarter results indicates that the year-to-date operating variance to budget is currently at \$39.3 million. Overall revenues are 2% higher than budget, whereas expenditures lower than budget, at 92% of the year-to-date budget. Key factors contributing to lower than expected expenditures include staff vacancies, deferred operating projects, and seasonality of expenditures. Capital spending is 41.4% of the prorated budget; however, it is expected that projects in the construction phase will increase in activity throughout the summer and into the remainder of the year. Investment returns are averaging 4.05%. Cash flow projections and accounts receivable collections are on target and remain positive in both the likely and pessimistic scenarios.

### **PURPOSE**

To present the Committee with key financial information as of June 30, 2023, the second quarter of fiscal 2023.

### **BACKGROUND**

The Finance Committee’s Terms of Reference requires that the Committee be provided, with an update on financial performance of the Metro Vancouver Districts and Metro Vancouver Housing Corporation on a quarterly basis with detailed audited financial statements and results presented to the Board annually.

The information presented in this package is the second quarterly snapshot for fiscal 2023, representing financial information as of June 30, 2023.

### **HIGHLIGHTS**

#### **June 20, 2023 – Financial Quarter at a Glance**

The key quarterly trends for June 20, 2023 are presented on page three of Attachment 1. The results indicate that Metro Vancouver’s operating surplus to budget is \$39.3 million. Overall revenues are 2% higher than budget, whereas expenditures are lower than budget, at 92% of the

year-to-date budget. Key factors contributing to lower than expected expenditures include staff vacancies, deferred operating projects, and seasonality of expenditures.

Capital spending is lower than expected, at 41.4% of the year-to-date budget. It is expected that projects in the construction phase will increase in activity through the remainder of the year, through the summer construction season.

Investment returns are averaging 4.05%. A full second quarter treasury report will be presented to the Finance Committee in September, as information for June 2023 market trends and benchmarks will not be available until later in July.

Cash flow projections and accounts receivable collections are on track and remain positive in the likely and pessimistic scenarios.

### **ALTERNATIVES**

This report is provided for information; no alternatives are presented.

### **FINANCIAL IMPLICATIONS**

The quarterly report as of June 30, 2023, indicates that Metro Vancouver expenditures are lower than budgeted but are expected, particularly for capital, to ramp up through the remainder of the year. There are no further financial implications.

### **CONCLUSION**

This report provides information on financial performance as of June 30, 2023, the second quarter of fiscal 2023. Information presented, identifies that Metro Vancouver's operating results and capital spending are lower than anticipated, but expected to be on track through the remainder of the year.

### **Attachments**

1. Metro Vancouver Quarterly Financial Report, June 30, 2023

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## **METRO VANCOUVER QUARTERLY FINANCIAL REPORT**












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**Six Months Ended June 30, 2023**

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**At a Glance – Six Months Ended June 30, 2023**

	Trend	Commentary
<b>Operating Expenditures</b>		For the six months ended June 30, 2023, operating expenditures are at 92% of the year-to-date (YTD) expected budget or 37% of the annual budget (\$406.1M out of \$1.09B). Lower expenditures than budget are due to staff vacancies, deferred operating projects, and seasonality of operating projects.
<b>Capital Expenditures</b>		Overall, year-to-date capital expenditures as of June 30, 2023 are \$265.8M, which represents 21.3% of the annual capital cash flow of \$1.2B, and 41.4% of the prorated YTD cash flow of \$642.5M. It is anticipated to improve during the summer construction period.
<b>Solid Waste Revenue</b>		
Tonnages		Year-to-date total system tonnage is 10.1% higher than budget and 3.2% lower than the same period last year.
Tipping Fee Revenues		Year-to-date tipping fee revenues are 6.5% higher than budget due to higher system waste flows than anticipated. Compared to the same period in 2022, tipping fee revenues are 6.5% higher due to tipping fee price increases offset by lower year-to-date total system waste flows.
<b>Water Services Revenue</b>		
Consumption		Year-to-date water consumption is 2.4% higher than the budget and 6.9% higher than the same period last year due to higher temperature in May and June this year.
Water Sales		Year-to-date water sales revenue are 2.4% higher than budget and 9.5% higher than the same period last year due to higher consumption in May and June.
<b>Other Revenues</b>		Other revenues consist of liquid waste industrial charges, user fees, energy sales, permit fees, housing mortgage subsidies, and external revenues. External revenues comprise of leases, grants, and other variable service revenues that tend to fluctuate month over month. YTD other revenues are slightly lower than budget.
<b>Cash Flow Scenarios</b>		Projected annual cash balance remains positive in all modeled scenarios.
<b>Investments</b>		The latest report on investments for the first five months indicated an estimated annualized return of 4.05%.
<b>Accounts Receivables and Collections</b>		Accounts receivable is mostly current. Overall, collection remains on track. Past due items are being followed up on with customers.
<b>Awarded Procurement</b>		10 awards were approved by the Board for the six months ended June 30, 2023. This represents 50% of the 2022 total Board awards and 86% in terms of dollar value, indicating that spending trends are expected to be in line with budget.

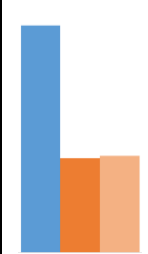
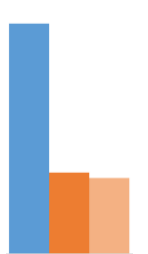
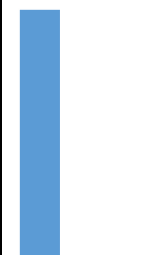
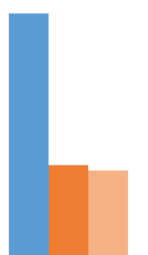


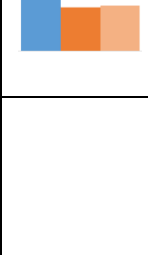
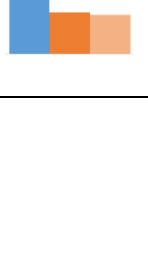


### Operating Budget Summary

<b>Metro Vancouver Districts Operating Budget Summary Six Months Ended June 30, 2023</b>					
	<u>Annual Budget</u>	<u>Year-to-date Budget</u>	<u>Year-to-date Actual</u>	<u>% Actuals to YTD Budget</u>	<u>Year-to-date Variance</u>
<b>REVENUES</b>					
Key Service Revenues					
Water Sales	\$ 338,337,102	\$ 142,147,242	\$ 145,609,756	102%	\$ 3,462,514
Liquid Waste Services Levy	324,265,595	-	-	0%	-
Solid Waste Tipping Fees	121,921,930	60,960,966	64,915,430	106%	3,954,464
Metro Vancouver Regional District Requisitions	100,621,354	-	-	0%	-
Housing Rents	43,776,981	21,888,498	22,166,511	101%	278,013
	<u>928,922,962</u>	<u>224,996,706</u>	<u>232,691,697</u>	103%	<u>7,694,991</u>
Other Revenues	<u>46,783,736</u>	<u>18,029,576</u>	<u>17,119,468</u>	95%	<u>(910,108)</u>
Reserve Transfers	<u>113,996,808</u>	<u>3,756,364</u>	<u>1,272,571</u>	34%	<u>(2,483,794)</u>
<b>TOTAL REVENUES</b>	<b><u>\$ 1,089,703,506</u></b>	<b><u>\$ 246,782,646</u></b>	<b><u>\$ 251,083,735</u></b>	102%	<b><u>\$ 4,301,089</u></b>
<b>EXPENDITURES</b>					
Greater Vancouver Water District	\$ 346,060,300	\$ 121,709,606	\$ 113,984,457	94%	\$ 7,725,149
Greater Vancouver Sewerage and Drainage District					
Liquid Waste Services	419,140,601	171,198,416	162,488,397	95%	8,710,019
Solid Waste Services	133,391,739	62,519,811	58,716,360	94%	3,803,451
Metro Vancouver Housing Corporation	60,474,373	23,943,736	18,305,235	76%	5,638,501
Metro Vancouver Regional District	<u>130,636,493</u>	<u>61,655,859</u>	<u>52,574,164</u>	85%	<u>9,081,695</u>
<b>TOTAL EXPENDITURES</b>	<b><u>\$ 1,089,703,506</u></b>	<b><u>\$ 441,027,428</u></b>	<b><u>\$ 406,068,613</u></b>	92%	<b><u>\$ 34,958,815</u></b>
<b>SURPLUS (DEFICIT)</b>	<b><u>\$ -</u></b>	<b><u>\$ (194,244,782)</u></b>	<b><u>\$ (154,984,878)</u></b>		<b><u>\$ 39,259,904</u></b>

- Overall year-to-date revenues are ahead of budget at \$4.3M due to higher than anticipated system waste flows as well as higher water consumption in May and June. Reserve transfers for funding housing capital replacement and maintenance projects were lower than anticipated due to seasonality of the projects.
- For the six months ended June 30, 2023, operating expenditures are at 92% of the YTD expected budget or 37% of the annual budget (\$406.1M out of \$1.09B). Key factors contributing to lower expenditures than budgeted include staff vacancies, deferred operating projects, and seasonality of expenditures.

### Metro Vancouver Districts Budget Utilization



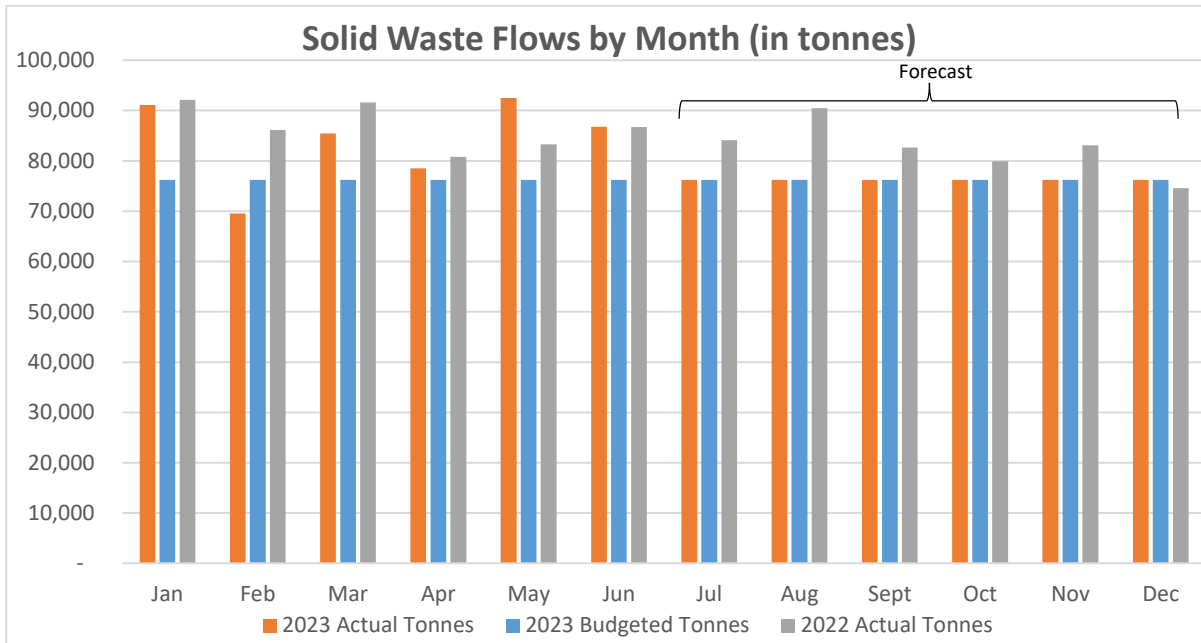
Six Months Ended June 30, 2023	Revenues	Expenditures	Commentary
Greater Vancouver Water District			<p>Water sales are higher than budget for the first six months due to higher than anticipated consumption in May and June.</p> <p>Staff vacancies, deferred operating projects, and seasonality of expenditures have put downward pressure on the actuals for the first six months.</p>
Greater Vancouver Sewerage and Drainage District Liquid Waste Services			<p>Year-to-date liquid waste revenues are on budget. Liquid Waste Service Levy is billed annually and due in August.</p> <p>Expenditures were lower than budget for the first six months due to staff vacancies, deferred operating projects, and seasonality of expenditures.</p>
Greater Vancouver Sewerage and Drainage District Solid Waste Services			<p>Year-to-date tipping fee revenues are higher than budget due to higher system waste flows. Compared to the same period in 2022, tipping fee revenues are 6.5% higher due to tipping fee price increases offset by lower year-to-date total system waste flows.</p> <p>Expenditures are below budget as a result of timing of contract costs. Landfill costs will depend on actual Vancouver Landfill costs and quantity of waste delivered to that facility.</p>
Metro Vancouver Housing Corporation			<p>Housing's rental revenues are on budget.</p> <p>Operating expenditures and related reserve funding, are trending lower largely due to seasonality of capital replacement and maintenance projects.</p>
Metro Vancouver Regional District			<p>MVRD requisitions are billed annually and due in August. Other revenues are slightly ahead of budget.</p> <p>Regional District expenditures are trending lower than budget due to deferred projects, staff vacancies caused by the timing of hiring of positions and routine vacancies from staff turnover, and seasonality of expenditures.</p>

### Capital Annual Expenditure Summary

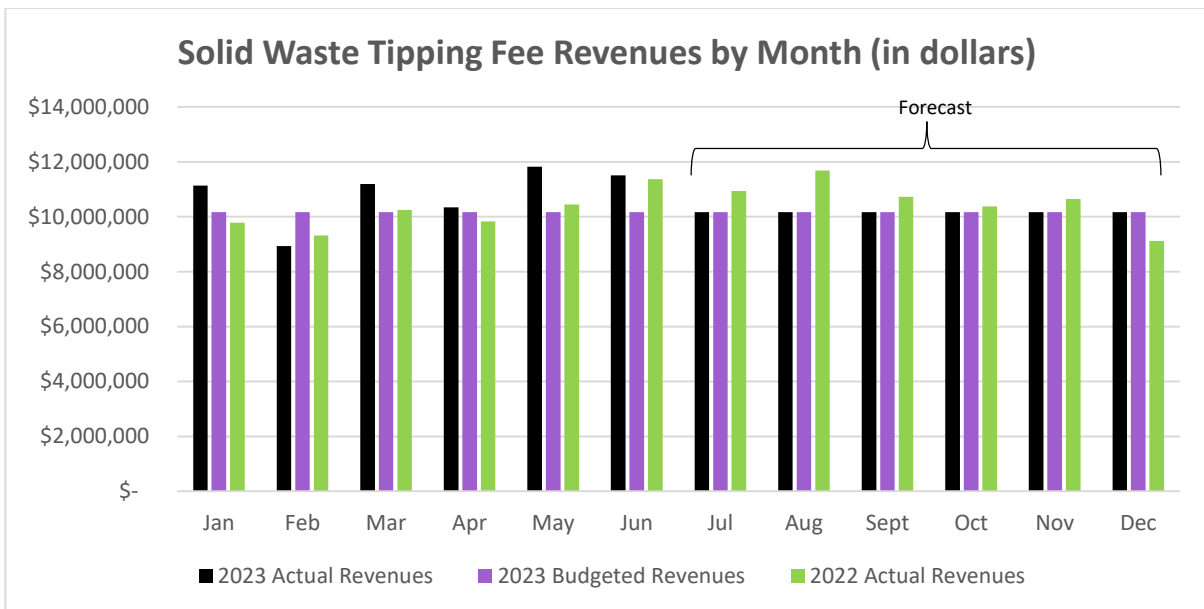
<b>Metro Vancouver</b>		2023 Capital Spending Summary				
For the six months ended June 30, 2023		Annual	Year to Date			
	2023	2023 Capital Cash	Actual	% of Prorated	% of Annual	
	Capital Cash Flow	Flow to	Expenditures	Capital Cash Flow	Capital Cash Flow	
		June 2023				
<b>Housing Services</b>						
Development Capital	62,200,000	31,100,000	8,344,559			
	<u>62,200,000</u>	<u>31,100,000</u>	<u>8,344,559</u>	26.8%	13.4%	
<b>Liquid Waste Services</b>						
Collections	203,065,000	101,534,000	40,647,960			
Treatment Plants	478,680,000	239,341,000	82,884,859			
	<u>681,745,000</u>	<u>340,875,000</u>	<u>123,532,818</u>	36.2%	18.1%	
<b>Regional Parks</b>						
Capital Development	14,780,000	7,390,000	1,868,872			
Parkland Acquisition Fund Projects	44,990,000	41,696,000	38,549,866			
	<u>59,770,000</u>	<u>49,086,000</u>	<u>40,418,737</u>	82.3%	67.6%	
<b>Solid Waste Services</b>						
Landfills	6,150,000	3,075,000	734,805			
Recycling and Waste Centres	12,100,000	6,050,000	238,022			
Waste To Energy Facilities	24,600,000	12,300,000	926,660			
	<u>42,850,000</u>	<u>21,425,000</u>	<u>1,899,487</u>	8.9%	4.4%	
<b>Water Services</b>						
Water Mains	263,870,000	131,936,000	71,310,082			
Pump Stations	45,550,000	22,775,000	5,310,858			
Reservoirs	35,300,000	17,650,000	9,074,941			
Treatment Plants	24,015,000	12,008,000	663,911			
Others	31,200,000	15,600,000	5,278,879			
	<u>399,935,000</u>	<u>199,969,000</u>	<u>91,638,671</u>	45.8%	22.9%	
<b>Total</b>	<b>1,246,500,000</b>	<b>642,455,000</b>	<b>265,834,272</b>	<b>41.4%</b>	<b>21.3%</b>	

- Overall, year-to-date capital expenditures as of June 30, 2023 are \$265.8M, which represents 21.3% of the annual capital cash flow of \$1.2B, and 41.4% of the prorated YTD cash flow of \$642.5M. It is anticipated to improve during the summer construction period.
- For Liquid Waste Services, total year-to-date capital expenditures as of June 30, 2023 are \$123.5M, which represents 18.1% of the annual capital cash flow of \$681.7M, and 36.2% of the prorated YTD cash flow of \$340.9M. Lower expenditures than expected are due to limited market capacity for projects, delays in tendering works or initiating construction, protracted property negotiations, and permitting delays.
- For Water Services, total year-to-date capital expenditures as of June 30, 2023 are \$91.6M, which represents 22.9% of the annual cash flow of \$399.9M, and 45.8% of the prorated YTD cash flow of \$200.0M. Lower expenditures than expected are due to delays in permitting, limited market capacity for projects, and construction delays.

### Solid Waste Tipping Fees and Tonnages

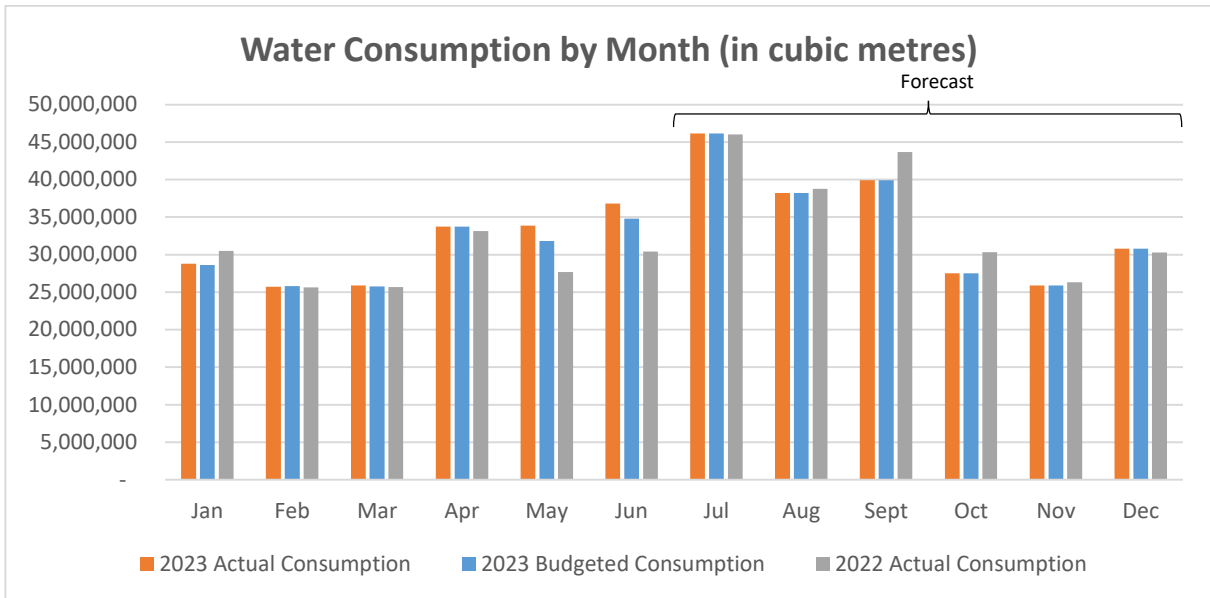


- Year-to-date Solid Waste total system flows at 503,927 tonnes are 10.1% higher than budget and 3.2 % lower than the same period last year.
- The total 2023 annual budget for tonnage is based on 915,000 tonnes.

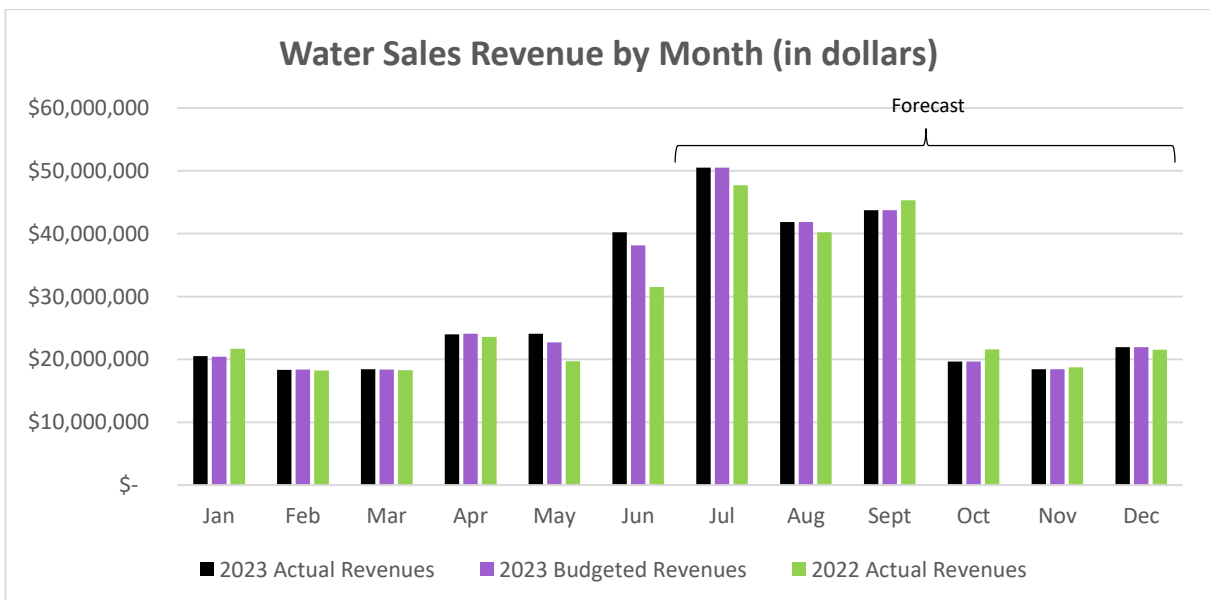


- Year-to-date Solid Waste total system revenues are \$64.9M, which is 6.5% higher than budget due to higher system waste flows. Compared to the same period in 2022, tipping fee revenues are 6.5% higher due to tipping fee price increases offset by lower year-to-date total system waste flows.
- The total 2023 annual budget for tipping fee revenues is \$121.9M.

### Water Services Water Sales and Consumption



- Year-to-date water consumption is 184.9M m<sup>3</sup>, which is 2.4% higher than the budget and 6.9% higher than the same period last year. Water consumption is higher than anticipated in May and June, as a result of higher average temperature compared to the same periods last year.
- The total 2023 annual budget water consumption budget is 389M m<sup>3</sup>.



- Year-to-date water sales revenue is \$145.6M which is 2.4% higher than budget and 9.5% higher than same period last year due to higher consumption in May and June.
- The total 2023 annual budget for water sales revenue is \$338.3M.

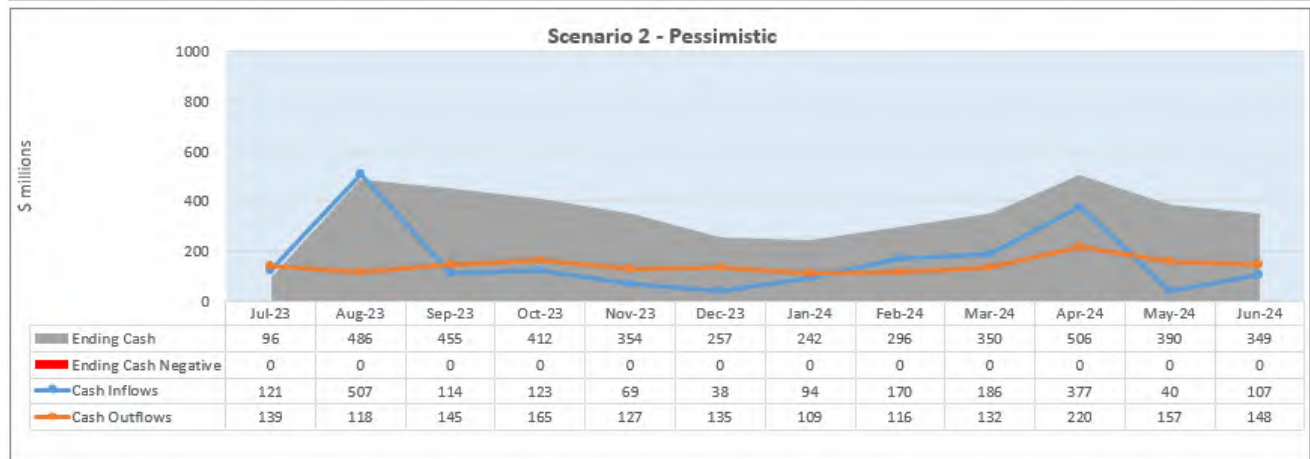
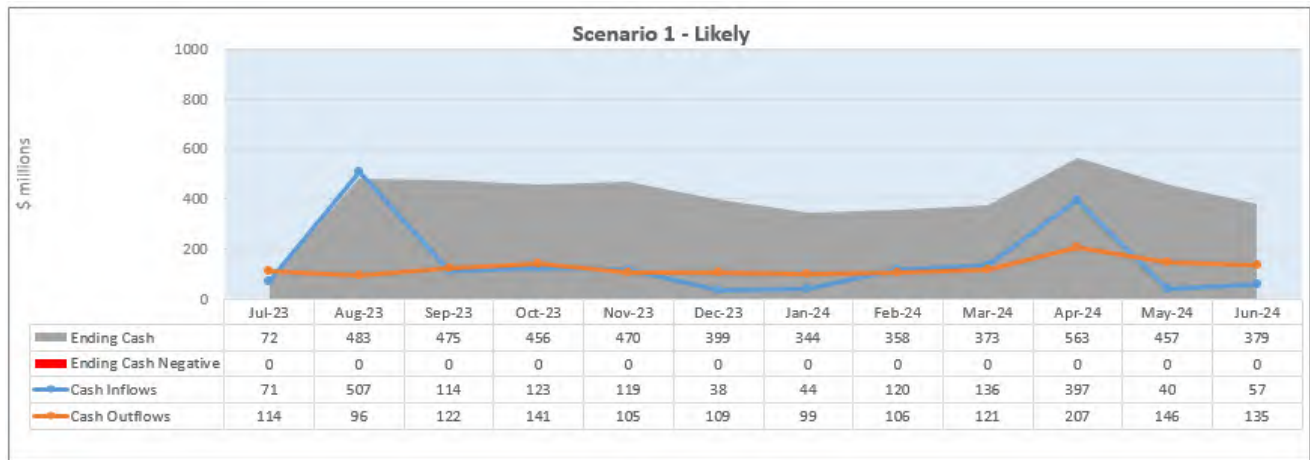
### Other Revenues

Metro Vancouver Other Revenues Six Months Ended June 30, 2023					
	Annual Budget	Year-to-date Budget	Year-to-date Actuals	% Actuals to YTD Budget	Year-to-date Variance
<b>Variable Service Revenues:</b>					
Other External Revenues	\$ 15,210,939	\$ 7,113,239	\$ 6,104,821	86%	\$ (1,008,418)
Liquid Waste Industrial Charges	12,495,626	3,123,907	2,936,698	94%	(187,209)
User Fees	7,898,030	3,321,147	3,047,303	92%	(273,844)
Energy Sales	5,900,000	2,950,002	3,406,649	115%	456,647
Non-Road Diesel Permit Fees	1,197,500	586,775	633,229	108%	46,454
Love Food Hate Waste	375,000	187,500	378,724	202%	191,224
Zero Waste Conference	240,000	120,000	745	1%	(119,255)
	<u>43,317,095</u>	<u>17,402,570</u>	<u>16,508,170</u>	<u>95%</u>	<u>(894,400)</u>
<b>Key Service Supplemental Revenues:</b>					
Housing Mortgage Subsidies	1,254,011	627,006	611,298	97%	(15,708)
Collective Bargaining Services Revenue	982,987	-	-	0%	-
Compensation Services Revenue	537,759	-	-	0%	-
Electoral Area Requisition	407,458	-	-	0%	-
Regional Global Positioning System User Fees	284,426	-	-	0%	-
	<u>3,466,641</u>	<u>627,006</u>	<u>611,298</u>	<u>97%</u>	<u>(15,708)</u>
<b>Total Other Revenues</b>	<u>\$ 46,783,736</u>	<u>\$ 18,029,576</u>	<u>\$ 17,119,468</u>	<u>95%</u>	<u>\$ (910,108)</u>

- Other revenues consist of liquid waste industrial charges, user fees, energy sales, permit fees, housing mortgage subsidies, and external revenues. External revenues comprise of leases, grants, and other variable service revenues that tend to fluctuate month over month.
- For the six months ended June 30, 2023, overall other revenues are slightly under budget. Lower than anticipated external revenues from solid waste recycling were reduced by positive variances from energy sales and the Love Food Hate Waste campaign.

### Cash Flow Scenarios

Risk Assumptions	
<b>Scenario 1: Likely</b> <ul style="list-style-type: none"> <li>• \$50 million borrowing in Fall 2023 (\$100 million total in 2023)</li> <li>• Spring 2024 Municipal Finance Authority of British Columbia (MFA) borrowing \$335 million</li> </ul>	<b>Scenario 2: Pessimistic</b> <ul style="list-style-type: none"> <li>• \$50 million short-term borrowing in July 2023 (\$100 million total in 2023)</li> <li>• MFA short-term borrowing of \$50 million in July 2023 (converted to long-term in the Fall) and \$50M per month January – March and June 2024 (\$250 million total in next 12 months \$150M converted to long-term in Spring)</li> <li>• Spring 2024 MFA borrowing \$465 million</li> </ul>



- Cash balance is expected to remain positive over the next 12 months under the likely and pessimistic scenarios. Inflow of \$424.9M in August is anticipated as a result of annual billings for Liquid Waste Services levy and MVRD requisitions due from member municipalities.
- Forecasted short-term and long-term MFA borrowing is significantly lower than expected due to delays in capital spending.

## Investments

### Investment Returns and Performance – Five Months ended May 31, 2023

Table 1 below summarizes the investment returns by investment category<sup>1</sup> for the first five months, with projected annualized amounts for 2023.

Table 1

2023 SUMMARY OF INVESTMENT RESULTS				
PERIOD	SHORT TERM*	LONG TERM	CULTURAL RESERVE	TOTAL**
January	0.38%	0.25%	0.19%	0.33%
February	0.37%	0.23%	0.22%	0.32%
March	0.42%	0.26%	0.29%	0.36%
April	0.40%	0.26%	0.31%	0.34%
May	0.42%	0.26%	0.32%	0.34%
<b>2023 Annualized Estimate</b>	<b>4.78%</b>	<b>3.02%</b>	<b>3.19%</b>	<b>4.05%</b>

\* Includes cash and high-interest savings account balances

\*\*Weighted average return of short-term, long-term and cultural reserve fund

Table 2 below summarizes the investment amounts held in the short-term, long-term, and cultural reserve portfolios and the annualized yield for each.

Table 2

PERIOD ENDING	INVESTMENT PORTFOLIO BREAKDOWN								
	SHORT TERM			LONG TERM			CULTURAL RESERVE		
	\$ AMOUNT	% OF TOTAL	EST. ANNUALIZED YIELD	\$ AMOUNT	% OF TOTAL	EST. ANNUALIZED YIELD	\$ AMOUNT	% OF TOTAL	EST. ANNUALIZED YIELD
March 31, 2022	\$112.5M	37.54%	1.04%	\$184.9M	61.72%	2.12%	\$2.2M	0.74%	2.28%
June 30, 2022	\$107.5M	25.80%	1.33%	\$307.0M	73.66%	2.38%	\$2.2M	0.54%	2.28%
September 30, 2022	\$122.5M	27.98%	1.89%	\$313.1M	71.51%	2.53%	\$2.2M	0.51%	2.29%
December 31, 2022	\$ 87.5M	22.63%	2.42%	\$297.0M	76.80%	2.64%	\$2.2M	0.58%	2.28%
March 31, 2023	\$ 67.5M	18.20%	4.68%	\$302.0M	81.20%	2.96%	\$2.2M	0.60%	2.80%
May 31, 2023	\$ 60.0M	16.00%	4.78%	\$312.6M	83.40%	3.02%	\$2.2M	0.60%	3.19%

<sup>1</sup> Investments are grouped into four categories.

1. Cash and high-interest saving accounts held by Metro Vancouver are fully liquid assets and can be accessed at any time. The majority of these deposits are in pooled high-interest savings accounts of the Municipal Finance Authority of British Columbia (MFA).
2. Short-term investments have terms of less than one year at the time of investment. These may include bankers' acceptances, Canadian bank bonds, and credit union term deposits.
3. Long-term investments have terms greater than one year at the time of investment. These investments may include Canadian, Provincial, and Canadian bank bonds; guaranteed investment certificates; credit union term deposits greater than one year; and MFA pooled funds.
4. Cultural reserve investments are long-term investments where revenues have been set aside to fund Metro Vancouver's annual contributions to cultural activities.

### Accounts Receivable and Collections

#### Accounts Receivable Aging Report

As at June 30, 2023	Amount Owing	Current	1-30 Days	31-60 Days	61-90 Days	Over 90 Days
Solid Waste	7,749,098	7,628,307	118,933	119	108	1,630
	100%	98%	2%	0%	0%	0%
Water	19,031,123	18,850,417	180,706	0	0	0
	100%	99%	1%	0%	0%	0%
Other	5,452,864	2,664,546	2,064,118	154,914	67,803	501,484
	100%	49%	38%	3%	1%	9%
Consolidated Current Year	32,233,085	29,143,270	2,363,757	155,033	67,910	503,114
	100%	90%	7%	0%	0%	2%
Consolidated Prior Year (2022)	36,684,462	35,247,893	918,329	23,439	241,949	252,853
	100%	96%	3%	0%	1%	1%
\$ Change (2023-2022)	(4,451,377)	(6,104,623)	1,445,429	131,595	(174,038)	250,261

- Solid Waste receivables are mostly current.
- Water receivables are mostly current with \$181K receivable from one member municipality in the 1-30 Days category.
- In the Other category, \$2.1M is overdue in the 1-30 Days category and \$154K is overdue in the 31-60 Days category. These receivables are mainly related to regulation invoices and receivables under service agreements. Of the \$501K receivables outstanding for more than 90 days, the majority of the receivables is related to one customer. Finance is following up with customers on outstanding receivables and working with the respective departments to assess delinquent accounts on a case-by-case basis to determine appropriate course of action, which may include the use of collections agency following a reasonable notice period.

### Awarded Procurement

- 10 awards were approved by the Board for the six months ended June 30, 2023. This represents 50% of last year's number and corresponds to 86% in terms of dollar value, indicating spending trends are expected to be in line with budget.
- While the total value will fluctuate depending on the nature of awards, the total number of awards remains fairly consistent compared to prior years except for 2020 due to global pandemic.
- Awards less than \$5 million refer to contracts in excess of \$500,000 and below \$5 million

Award Type	2023 Year-To-Date	2022	2021	2020
Board Awarded	10	20	25	16
Less than \$5 Million	41	53	51	51
Totals:	51	73	76	67

Award Type	2023 Year-To-Date	2022	2021	2020
Board Awarded	\$373,631,988	\$434,664,449	\$798,139,628	\$163,365,307
Less than \$5 Million	\$30,051,637	\$ 89,019,028	\$ 92,545,559	\$ 98,731,113
Total:	\$403,333,369	\$523,683,477	\$890,685,187	\$262,096,420

To: Finance Committee

From: Dean Rear, General Manager, Financial Services  
Chief Financial Officer

Date: July 5, 2023

Meeting Date: July 13, 2023

Subject: **Manager's Report**

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### **RECOMMENDATION**

That the Finance Committee receive for information the report dated July 5, 2023, titled "Manager's Report".

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### **Awarded Bids**

The procurement team has been working on providing increased transparency for contracts awarded by Metro Vancouver. Effective end of day on July 10<sup>th</sup> the Metro Vancouver website will include a page that reports out on the following:

- Competition number
- Competition type
- Competition Description
- Awarded date
- Vendor names (those that participated)
- Awarded amount
- Awarded (yes/no)

The link for the web page is noted below.

<https://www.metrovancover.org/bidding-opportunities/awarded-bids>

### **Finance Committee Work Plan**

Attachment 1 to this report sets out the Committee's Work Plan for 2023. 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.

### **Attachments** (Doc# 57223374)

1. 2023 Finance Committee Work Plan

# ATTACHMENT 1

## Finance Committee 2023 Work Plan

Report Date: July 13, 2023

### Priorities

<b>1<sup>st</sup> Quarter</b>	<b>Status</b>
Review and Endorse Committee 2023 Priorities and Work Plan	Complete
Review 2022 External Audit Plan	Complete
Review First 2023 Progress	Complete
Municipal Borrowing Requests for MFA Spring 2023 Issue (If Applicable)	Complete
2022 Summary: Tender / Contact Award Information	Complete
Financial Policy Review (as required)	Pending
Long Term Financial Plan	Complete
TransLink Federal Gas Tax Application	Pending
Development Cost Charge Update	Complete
<b>2<sup>nd</sup> Quarter</b>	<b>Status</b>
2022 Audited Financial Statements	Complete
2022 External Audit Findings Report	Complete
Review 2022 Final Results	Complete
Review Second 2023 Progress	Complete
GVS&DD DCC Revenue Fund Expenditure Bylaw	Complete
Procurement and Real Property Contracting Authority	Pending
2022 Statement of Financial Information	Complete
Wet Weather Pricing	Complete
Long Term Financial Plan	Pending
Board Budget Workshop Review	Complete
<b>3<sup>rd</sup> Quarter</b>	<b>Status</b>
Review 2023 Third Progress	In progress
Municipal Borrowing Requests for MFA Fall 2023 Issue (If Applicable)	In progress
Financial Policy Review (as required)	Pending
Long Term Financial Plan	Pending
TransLink Federal Gas Tax Report	In progress
<b>4<sup>th</sup> Quarter</b>	<b>Status</b>
Review 2023 Fourth Progress	Pending
Municipal Borrowing Requests for MFA Spring 2023 Issue (If Applicable)	Pending
Financial Policy Review (as required)	Pending
Annual Budget and Five Year Financial Plan	Pending
Long Term Financial Plan	Pending