



CITY OF VANCOUVER

ADMINISTRATIVE REPORT

Date: March 13, 2007  
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Meeting Date: April 19, 2007

TO: Standing Committee on City Services and Budgets  
FROM: General Manager of Park Board  
SUBJECT: Park Board 2000 to 2002 and 2003 to 2005 Capital Plan Close Outs

**RECOMMENDATION**

- A. THAT the transfer of capital funds between Park Board capital accounts as detailed in this report be approved in order to close out the completed capital projects.
- B. THAT the funding of \$176,367 in Development Cost Levies ("DCL") for Phase I of Emery Barnes Park in Downtown South as detailed in this report be approved in order to close the project.

**COUNCIL POLICY**

Funding from the Capital Plan is allocated to specific capital projects through annual Capital Budgets.

Council has authorized Department Heads to close out capital projects whose expenditures do not exceed 15% and \$50,000 of the approved budgets. Capital projects being closed out that do not meet this criterion will be reported to Council for information and approval.

**CITY MANAGER'S COMMENTS**

The City Manager recommends the approval of recommendation A and B.

## DISCUSSION

Periodically Park Board staff review capital projects to determine accounts that can be closed out and to identify sources of funds that can be transferred to other projects to balance any variance from budget to actual. The periodic review improves monitoring of project costs and ensures funds are available for all capital projects.

Park Board capital accounts are divided into four main areas: Facility Development, Park Development, Land Acquisition, and Overhead/Debentures. Within each area, Park Board staff establish a budget for each project as per the 3-year Capital Plans and annual capital allocations approved by Park Board and Council. At present, there are three Capital Plans being monitored: 2000-2002, 2003-2005 and 2006-2008.

This report closes out 50 projects worth \$9.4 million in the 2000 - 2002 and 2003 - 2005 Capital Plans. This completes the close out of the 2000 to 2002 Capital Plan.

- Facility Development projects in the 2000-2002 Capital Plan with budgets totalling \$4,078,981 are being closed with a net surplus of \$28,622 (or 0.7%); and projects in the 2003-2005 Capital Plan with budgets totalling \$1,232,240 are being closed with a net deficit of \$12,697 (or 1.0%).
- Park Development projects in the 2000-2002 Capital Plan with budgets totalling \$2,462,388 are being closed with a net deficit of \$3,052 (or 0.1%); and projects in the 2003-2005 Capital Plan with budgets totalling \$429,000 are being closed with a net deficit of \$21,317 (or 5%).
- Land Acquisition & Planning projects with a surplus of \$49,588 for the 2000-2002 Capital Plan are being transferred to the current Capital Plan; and projects in the 2003-2005 Capital Plan with budgets totalling \$50,000 are being closed.
- Overhead & Debentures in the 2003-2005 Capital Plan with budgets totalling \$1,100,000 are being closed.

Table 1 provides an overview of the projects being closed out in 2007. The table breaks out the projects for each Capital Plan and provides the budget and the final project balance. As well, it identifies the amount of any transfers that are being made to other Capital Plans and, where a deficit has been identified, it also provides the source of funds to cover the deficit.

Of the 50 projects being closed out there are 2 projects whose final balances vary from their approved budget by more than \$50,000 and 15%. For these projects, Council approval is required and detailed descriptions follow the summary table. For the 48 projects being closed out whose final expenses are within \$50,000 and 15% of approved budgets, the General Manager of Parks and Recreation has approved the closeouts and any required transfers of \$50,000 or less.

<b>Table 1 - Close Out in 2007</b>	<b><u>Budget</u></b>	<b><u>Surplus/ (Deficit)</u></b>	<b><u>Transfers</u></b>	<b><u>(Deficit)/ Funding</u></b>
<b><u>2000 to 2002 Capital Plan</u></b>				
Facility Development	1,550,958	(3,054)		(3,054)
Renfrew Pool (see note 1) - Transfer to 2006-08 plan	2,428,023	20,343	20,343	0
Stanley Park Electrical - Transfer to 2006-08 plan	100,000	11,333	11,333	0
<i>Facility Development</i>	<i>4,078,981</i>	<i>28,622</i>	<i>31,676</i>	<i>(3,054)</i>
Park Development	665,612	(2,760)		(2,760)
Emery Barnes Park Phase I	1,450,000	(176,367)		(176,367)
Downtown South DCL Funding for Emery Barnes Park	0	0		176,367
New Brighton - Transfer to 2006-08 plan	346,776	176,075	136,247	39,828
<i>Park Development</i>	<i>2,462,388</i>	<i>(3,052)</i>	<i>136,247</i>	<i>37,068</i>
<i>Land Acquisition &amp; Planning - Transfer to 2006-08 plan</i>	<i>0</i>	<i>49,588</i>	<i>49,588</i>	<i>0</i>
<b>2000 to 2002 Capital Plan Close out in 2007</b>	<b>6,541,369</b>	<b>75,158</b>	<b>217,511</b>	<b>34,014</b>
<b><u>2003 to 2005 Capital Plan</u></b>				
Facility Development & Major Maintenance	1,232,240	(12,697)		(12,697)
Park Development	429,000	(21,317)		(21,317)
Land Acquisition & Planning	50,000	0		0
Overhead & Debentures	1,100,000	0		0
<b>2003 to 2005 Capital Plan Close out in 2007</b>	<b>2,811,240</b>	<b>(34,014)</b>	<b>0</b>	<b>(34,014)</b>
<b>Close out in 2007</b>	<b>9,352,609</b>	<b>41,144</b>	<b>217,511</b>	<b>0</b>

Note 1 - The Renfrew Pool project spans two capital plans and the net surplus is reported.

The following two items require Council approval as the final project expenses vary from budget by more than \$50,000 and 15% of the budgets:

Emery Barnes Park - Phase 1

Budget	\$1,450,000
Actual expenditures	<u>\$1,626,367</u>
Project deficit	(\$ 176,367)

The project was funded from Development Cost Levies (DCL) for the Downtown South area. This project included a water feature, pump room, seating area, play area and green space. Phase 1 required extensive site remediation work, resulting in a shortfall of \$176,367. Additional funding from the Downtown South DCL will be used to fund the shortfall.

New Brighton Park upgrade

Budget	\$ 346,776
Actual expenditures	\$ 170,701
Project surplus	\$ 176,075

The project was funded from the Park Board's 2000 to 2002 Capital Plan. The scope of the original project did not include foreshore development work, which is now being carried out using funds from the current Capital Plan. This phase of the project is now complete and \$136,247 of the \$176,075 surplus should be carried forward to the current Capital Plan. The remaining \$39,828 will be used to offset small deficits from other projects which are also being closed out in this report.

The Park Board at its regular meeting of March 12, 2007 approved recommendations from a staff report on the capital close outs and transfers as described in this report. The Board resolutions are attached in Appendix I.

**CONCLUSION**

In total, \$9,352,609 in 50 projects is being closed out in this report, resulting in a net surplus of \$41,144 or 0.4% of the budget of the closed projects. Where necessary, funding will be transferred to fund project shortfalls or to facilitate current Capital Plan work. As part of this closeout, \$217,511 is being transferred to current projects.

Transfers to more recent Capital Plans will provide consolidated up-to-date information, which will allow for easier monitoring of ongoing projects. Park Board has already approved the close outs and transfers described in this report at its meeting of March 12, 2007. City Council's approval is sought to comply with City policy.

This report completes the close out of the 2000 to 2002 Capital Plan, which has a total of 175 projects and a total budget of \$39,899,799.

For the 2003-2005 Capital Plan, 35 projects with a total budget of \$2,811,240 are being closed. 41 projects with a total budget of \$34,722,992 remain open, including the Queen Elizabeth Reservoir Rebuild, the Sunset Community Centre Redevelopment and the Killarney Pool replacement.

For the 2006 to 2008 Capital Plan, 48 projects with a total budget of \$17,229,066 remain open including the Percy Norman Pool rebuild and the new rinks at Trout Lake and Killarney.

Staff will continue to monitor the remaining projects to ensure that resources are utilized effectively and within the funds approved by the Board and Council. Regular reports will continue to be provided to the Board and Council for capital projects closeout and transfers as part of the monitoring of our Capital Plan.

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## Appendix I

At the March 12, 2007 regular Park Board meeting the Board unanimously approved recommendation A and B of the report titled Park Board 2000 to 2002 and 2003 to 2005 Capital Plan Close Outs. The recommendations are as follows:

- A. THAT the Board approve and request that Council close out and make the transfers between Park Board capital projects as outlined in this report.***
  
- B. THAT the Board approve and request that Council transfer funding of \$176,367 in Development Cost Levies (“DCL”) for Phase I of Emery Barnes Park in Downtown South as described in this report and close out this project.***