

2012—2016

Financial Program to Implement the Regional Parks Strategic Plan

Capital Regional District | Approved by CRD Board June 13, 2012





2012—2016 Financial Program

The 2012 to 2016 Financial Program complements the 2012 to 2021 Regional Parks Strategic Plan and provides the fiscal roadmap to implement the actions identified under the six strategic priorities in the Strategic Plan (found on Appendix A, pages 9 to 12 of this Financial Program). The primary direction for Regional Parks over the next five years will be to strengthen the management of existing regional parks and trails while opening new parks and trails as funding permits.

The Financial Program provides guiding principles, an overview of the 2012 Regional Parks’ budget, the capital budget and potential budget requests that result from implementation of the first five years of the Strategic Plan. This Financial Program addresses the CRD Board request to identify the major capital and operational initiatives that are tied to the first five years of the Strategic Plan and the estimated cost to implement them. The Financial Program will also be used to guide the preparation of the Regional Parks’ budget.

The implementation of the Strategic Plan could be affected by changing circumstances such as Board priorities, economic conditions, other CRD initiatives and emerging opportunities. These in turn could affect the implementation sequence of the proposed Strategic Plan priorities and the Financial Program. Therefore, to remain current, the Financial Program will be updated annually.

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Purpose

A complement to the 2012 to 2021 Regional Parks Strategic Plan, this 2012 to 2016 Financial Program identifies the estimated financial cost to implement the 26 actions identified under the six strategic priorities in the Regional Parks Strategic Plan.

Financial Program Guiding Principles

The primary direction for Regional Parks over the next five years as identified in the Regional Parks Strategic Plan will be to strengthen the management of existing regional parks and trails while opening new parks and trails as funding permits.

To achieve effective financial management, Regional Parks financial programming will be guided by the following principles:

- take a focused approach guided by the Regional Parks Strategic Plan, Land Acquisition Strategy and park and trail management plans;
- work within the division's' financial and human resource capacity;
- continue to examine and apply budget efficiencies and adjust resources as necessary;
- maintain land acquired for new parks or trails as a "reserve" and only open the reserve lands as financial resources permit; and
- initiate partnerships to increase revenue.

Regional Parks Strategic Plan

The 10-year Regional Parks Strategic Plan (2012 to 2021) provides the fundamental organizational direction: what Regional Parks does, what are the most important opportunities and challenges to which the organization needs to respond and what are the right priorities to move the organization forward. This plan establishes a management direction that defines the long term, "big picture" framework within which policy, fiscal, administrative and strategic decisions will be made.





The Strategic Plan identifies six priorities for the first five years (2012 to 2016):

- Strengthen the Management of Existing Parks & Trails
- Strategically Plan for and Open Existing Land-Banked Regional Parks and Trails as Resources are Approved
- Strengthen Community Involvement and Partnership
- Prepare for Future Land Acquisitions
- Promote the Health Benefits of Regional Parks & Trails
- Engage in Planning for Regional Sustainability

Within these six priorities there are a variety of actions identified for the first five years and they are presented in Appendix A. Completing the actions will be a measure of how Regional Parks is progressing toward achieving its vision, mission and management goals. The strategic priorities and actions inform the financial program, business and budget planning and provide concrete direction for annual work plans.

Implementation could be affected by changing circumstances, economic conditions, political direction, other CRD initiatives and emerging opportunities. These in turn could affect the implementation sequence of the proposed actions and the financial program. Therefore, to remain current, the Financial Program will be updated annually.

Regional Parks Budget

Operating Budget

The total 2012 Regional Parks Budget is \$9,892,130. Funding for this budget comes as \$9,074,960 in property taxes and \$817,170 in other forms of revenue such as fees and grants in lieu of taxes. In 2012, Regional Parks will derive 91.7 percent of its budget revenue from property taxes and 8.3 percent from other revenue.

Revenue

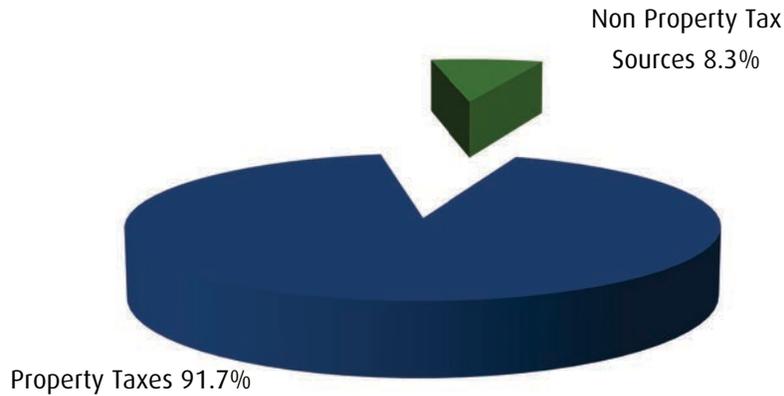


Figure 1: 2012 Budget - Sources of Revenue

Expenditures

The main expenditure areas are regional park operating services, land acquisition and debt servicing/transfer to reserves.

Regional Parks' operating services include three areas: (1) Park Operations, (2) Planning, Resource Management and Development, and (3) Visitor Services and Community Development. The cost for these services in 2012 is \$6,235,970 or 63 percent of the Regional Parks' budget.

Land acquisition fund accounts for 29 percent or \$2,841,170 of the Regional Parks' expenditure budget. It is estimated that by 2014 the fund will generate approximately \$3.5 million per year. This funding level is proposed to be maintained to 2019. With existing land acquisition financial commitments, Regional Parks will not have significant funds to acquire new land until 2016.

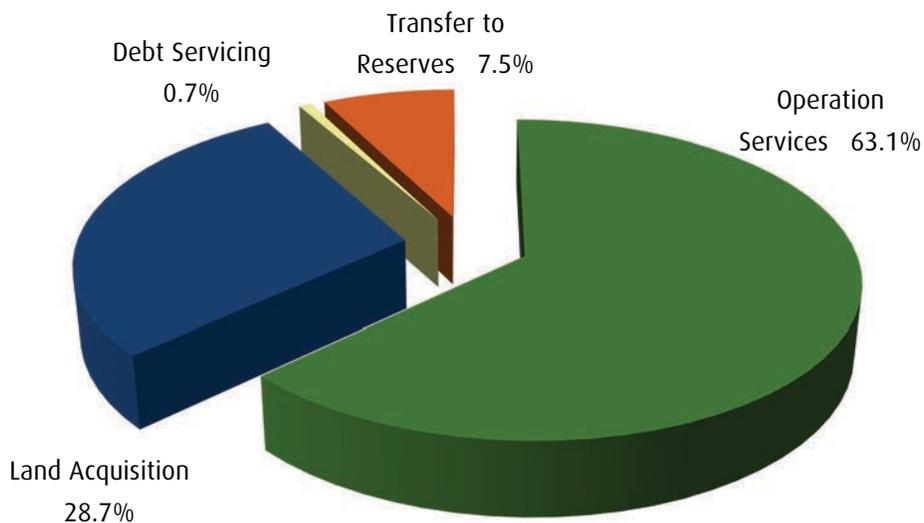


Figure 2: 2012 Budget - Expenditures



Capital Budget

The 2012 - 2016 Capital Infrastructure Plan identifies new capital projects with an estimated cost of \$21 million. This is based on upgrading existing infrastructure and providing new infrastructure to open park and trail reserves. The major infrastructure projects are the E&N Rail Trail Humpback Connector, opening part of the Sea to Sea Green Blue Belt and Sooke Hills Wilderness regional park reserves, opening the Trans Canada Trail and Matthews Point regional park reserves and upgrading existing infrastructure at Thetis Lake and Elk/Beaver Lake regional parks. The estimated operating cost to open new parks and trails is provided in Appendix A.

It is important to note that the Capital Infrastructure Plan primarily relies on obtaining grants from senior levels of government and through other third party funding and using capital reserve funds. No budget requests are proposed for capital projects. If grant money is not available, the Capital Infrastructure Plan may need to be amended by deferring projects or funding the capital projects through requisition. This in turn could affect supplementary budget requests.

Potential Budget Requests

Funding to implement the Regional Parks Strategic Plan will, from time to time, result in additional budgetary requests. Potential budget requests are identified for the next five years in Appendix A and would provide:

- operating funds to open part of the E&N Rail Trail, Sea to Sea Green Blue Belt and Sooke Hills Wilderness
- operating funds to open the Trans-Canada Trail and Jordan River and Matthews Point regional parks;
- ecological information to protect, restore and manage the natural environment; and
- information about park and trail visitors (i.e., their views, needs and expectations) so that the right services and facilities can be delivered.

The costs in Appendix A for operating new park and trail are broad estimates. These costs will be refined based on the park or trail management plan. A detailed financial plan will complement each management plan when submitted to the Board. Therefore, the identification of these potential budget items within this Financial Program is meant to be a guide rather than fixed direction for annual budgeting and is subject to Board approval.

Financial Challenges Facing Parks

Like many other park agencies, Regional Parks faces financial challenges.

- Over the past 10 years, Regional Parks has acquired 4,480 hectares of land. Some of the land is held as reserve and requires new services and facilities before it can be opened. There are also costs to manage the land while in park or trail reserve status.
- Citizens have informed Regional Parks that they expect a certain level of services, well-maintained facilities and a protected natural environment. The challenge is to meet these public expectations in a fiscally responsible manner while balancing priorities and meeting citizens' expectations.
- In 2010, the Land Acquisition Fund was extended for 10 more years. The \$2/year per average household assessment increase to the fund will result in an approximate 4 to 5.5 percent annual increase in the Regional Parks requisition until 2014. The land acquisition priority could reduce the availability of funds for other Strategic Plan initiatives.
- Visitor use of regional parks and trails continues to increase. In 2011, regional parks and trails recorded a total of 5.45 million visits which is an overall increase of 4.57 percent from 2010. This has resulted in an increase in services such as garbage pickup and bylaw enforcement and an increased attention to environmental protection.
- The development of the E&N Rail Trail provides a significant financial challenge for Regional Parks. The development is proposed in five phases and the total estimated development cost is \$36 million. Opening of the trail will also result in costs for operation and maintenance. So far the majority of development costs have been paid for from the federal gas tax funding program and other federal and provincial grants. Depending on future funding from other levels of government, the CRD may need to contribute more funds for development.
- Some major facilities in existing parks and trails need to be replaced or upgraded. In addition, new facilities, as well as new services, will be required if the Board decides to open park or trail reserves. Demand for capital funding is often greater than available funding.



- Regional Parks is facing higher operating costs as a result of increasing costs for materials, equipment and services. The Regional Parks 2012 Budget projects approximately a two percent increase in the core operating budget for each of the next five years for the current system of opened parks and trails.
- In addition to today's economic climate, there are competing capital priorities across the CRD. This creates budget pressures for all CRD services and the entire CRD budget.

Looking Forward

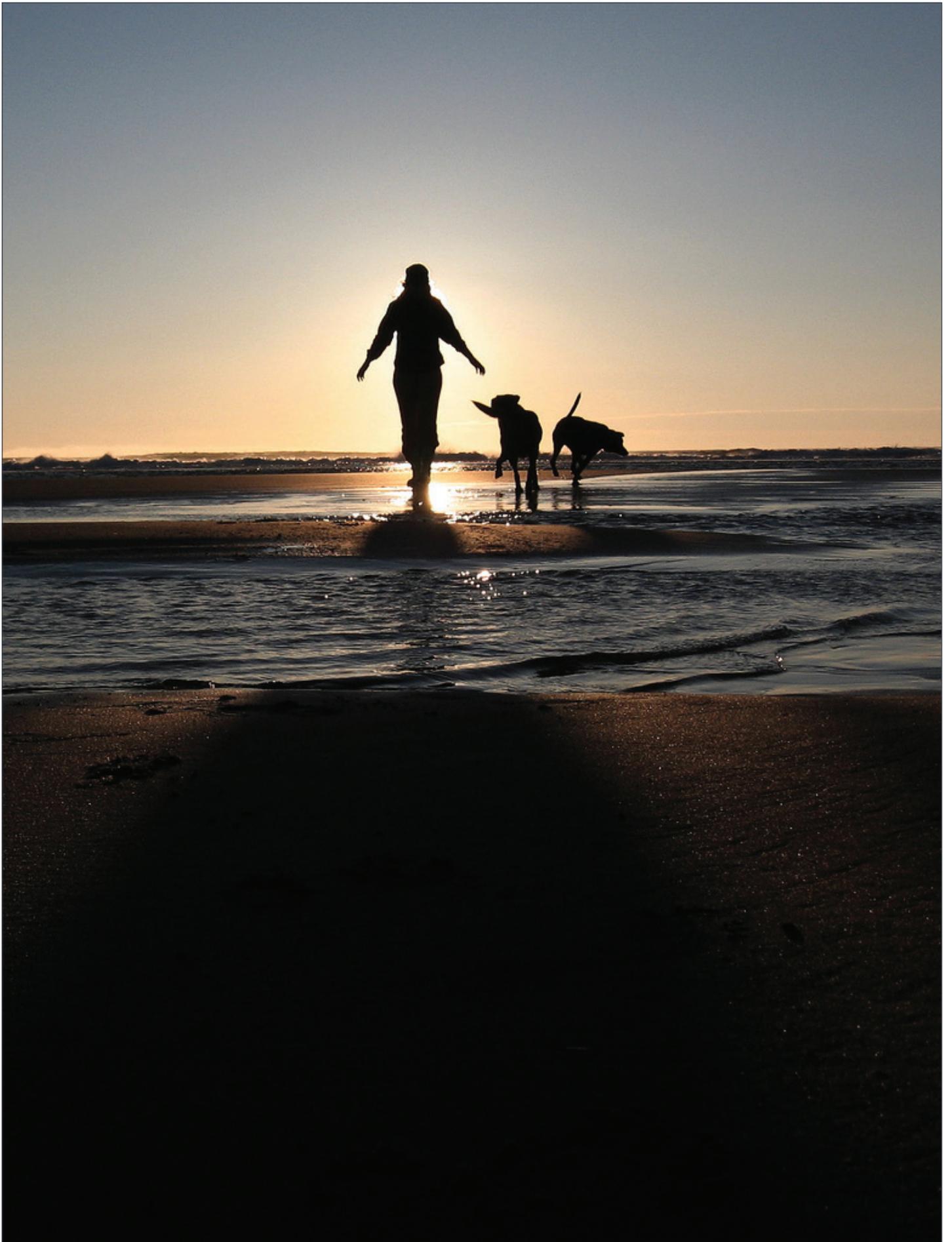
The regional parks and trails network contributes to the sustainability of the region. Through the Strategic Plan and Financial Program, Regional Parks is committed to continue the provision of services in the most efficient manner. This Financial Program has been developed to ensure that park and trail infrastructure and the natural environment are continually sustained and enhanced in a fiscally responsible way. The Financial Program will continue to evolve and will be updated on an annual basis to mirror the Strategic Plan and Board's vision. The Financial Program will also be updated annually to ensure the delivery of core services is continued in a prudent fashion.

Conclusion

The 2012 to 2016 Financial Program identifies the major capital and operational initiatives that are tied to achieving the Strategic Plan and the estimated cost to implement the initiatives. This fiscal management approach will help achieve the overall goal over the next five years of providing infrastructure and services for citizens to enjoy parks and trails while protecting the environment.

The Financial Program lays out a path to effectively move Regional Parks forward in a fiscally responsible manner while having the flexibility to respond to changing circumstances and Board priorities. These changes in turn could affect the implementation sequence of the proposed Strategic Plan actions and the Financial Program. To remain current, the Financial Program will be updated annually.





Appendix A:

Strategic Plan Priorities and Estimated Cost for Implementation (2012-2016)

Strategic Priority 1 Strengthen the Management of Existing Parks & Trails			
Strategic Actions	Estimated Cost		Year
	Continuous Supplementary	One-Time Supplementary	
Upgrade, maintain, repair or replace major facilities. (Cost identified in section 4, Capital Budget pages.)	n/a (n/a means that any associated cost will be covered in the Regional Parks' core budget).	n/a	2012 - 2016
Cultivate partnerships, explore new approaches and adopt best practices and technologies.	n/a	n/a	2012-2016
Explore opportunities for generating non-tax revenue.	n/a	\$20,000	2013
Complete or update park and trail management plans for priority parks and trails.	n/a	\$60,000	2013 and 2015 (\$30,000/year)
Complete ecological inventories and conservation plans for priority parks and address priority conservation issues.	n/a	\$100,000 (based on \$25,000/year for four years)	2013 - 2016
Collaborate on the development of a regional natural area connectivity plan.	n/a	\$25,000	2014
Complete asset, maintenance and operation plans.	n/a	\$50,000	2013
Develop an environmental education plan, and provide leadership in a review of interpretive facilities in the region.	n/a	\$25,000	2015
Develop an outdoor recreation strategy.	n/a	\$25,000	2014

Strategic Priority 2

Strategically Plan for and Open Existing Land-Banked Regional Parks and Trails as Resources are Approved

Strategic Actions	Estimated Cost		Year
	Continuous Supplementary	One-Time Supplementary	
Develop a park and trail opening strategy. (The proposed opening timetable is provided in Appendix B.)	\$320,000 (Estimated Operating Costs)	\$180,000 (Capital equipment purchase)	See Appendix B
Continue construction of the E&N Rail Trail (dependent on grant funding and included in Capital Plan).	n/a	n/a	2012 - 2016
In partnership with other public agencies, local government and private landowners, initiate planning for the regional trails system on Salt Spring Island and Southern Gulf Islands.	n/a	n/a	2014 - 2015

Strategic Priority 3

Strengthen Community Involvement & Partnership

Strategic Actions	Estimated Cost		Year
	Continuous Supplementary	One-Time Supplementary	
Engage the community by providing volunteer and educational experiences for people, including youth and families to discover, learn about, protect and restore parks and trails.	n/a	n/a	2012 - 2016
Foster and initiate partnerships and expand volunteer opportunities.	n/a	n/a	2012 - 2016
Integrate First Nations interests into planning for, and management and stewardship of, regional parks and trails.	n/a	n/a	2012 - 2016
Undertake a visitor use survey.	n/a	\$100,000 (\$50,000 per year for two years)	2013 and 2016
Undertake a survey of residents.	n/a	\$50,000	2015

Strategic Priority 4
Prepare for Future Land Acquisitions

Strategic Actions	Estimated Cost		Year
	Continuous Supplementary	One-Time Supplementary	
In partnership with other CRD departments, First Nations and the federal and provincial governments, prepare a sensitive ecosystem inventory for land west of the Sooke River.	n/a	\$125,000	2014
Prepare a land acquisition strategy and examine acquisition options to achieve the future regional parks and trails system.	n/a	n/a	2014
Prepare a boundary rationalization plan for recent land acquisitions prior to park dedication and declare land that does not have regional park or trail value as surplus and sell these lands. Proceeds from the sale of the surplus lands would be used for further land acquisitions.	n/a	n/a	2012 - 2013

Strategic Priority 5
Promote the Health Benefits of Regional Parks & Trails

Strategic Actions	Estimated Cost		Year
	Continuous Supplementary	One-Time Supplementary	
Partner with other levels of government and health agencies to promote the health benefits to the community of regional parks and trails.	n/a	n/a	2015
Undertake a study of the economic value of nature in regional parks.	n/a	\$25,000	2015
Focus programs on engaging youth and families in park activities.	n/a	n/a	2012
Provide more accessible opportunities for people of all ages and abilities to connect with nature.	n/a	n/a	2012 - 2016

Strategic Priority 6
Engage in Planning for Regional Sustainability

Strategic Actions	Estimated Cost		Year
	Continuous Supplementary	One-Time Supplementary	
Bring forward, as part of the process to prepare the Regional Sustainability Strategy, the discussion of the concept that at least half of the region's land base be managed for the conservation of nature.	n/a	n/a	2012 - 2013
Partner with CRD Regional Planning to advance Regional Parks' interests (ecological, human health, outdoor recreation and education) into planning for regional sustainability.	n/a	n/a	2012 - 2013
	Continuous Supplementary	One-Time Supplementary	
Total (2012 - 2016)	\$320,000	\$785,000	

Appendix B:

Proposed 2012 to 2016 Regional Park and Trail Opening Timetable

Regional Park or Trail	2012	2013	2014	2015	2016
E&N Rail Trail Phase 1					
Sea to Sea Green Blue Belt					
E&N Rail Trail – Phase 2 (4-Mile to Colwood Interchange – (subject to grant funding)					
Sea to Sea Green Blue Belt – Trails and Shields Lake Backcountry Facilities					
Jordan River Regional Park Reserve Facilities					
Matthews Point Regional Park Reserve Opening					
Trans Canada Trail – connection to Cowichan Valley Regional District					
E&N Rail Trail – Phase 3 (location subject to Board approval and grant funding)					

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