

An aerial photograph of a residential neighborhood in Vancouver, British Columbia. The image shows a dense collection of houses with dark roofs and green lawns, interspersed with trees. In the background, a large body of water (the harbor) is visible, with several red cranes and industrial structures along the waterfront. The mountains of the Pacific Northwest are visible in the distance under a clear sky.

Annual Financial Report 2022

For the year ended December 31, 2022
Metro Vancouver, British Columbia

Metro Vancouver is a federation of 21 municipalities, one electoral area, and one treaty First Nation that collaboratively plans for and delivers regional-scale services. Its core services are drinking water, wastewater treatment and solid waste management. Metro Vancouver also regulates air quality, plans for urban growth, manages a regional parks system and provides affordable housing. The regional district is governed by a Board of Directors of elected officials from each local authority.

Metro Vancouver acknowledges that the region's residents live, work, and learn on the shared territories of many Indigenous peoples, including 10 local First Nations: **q̓ícəy̓** (Katzie), **q̓ʷa:ńłəń** (Kwantlen), **k̓ʷikʷəłəm** (Kwikwetlem), **máthxwi** (Matsqui), **x̓ʷməθkʷəy̓əm** (Musqueam), **q̓iqéyt** (Qayqayt), **se'mya'me** (Semiahmoo), **Sk̓w̓x̓wú7mesh** **Úxwumixw** (Squamish), **scə́waθən məsteyəx̓ʷ** (Tsawwassen), and **səlílwətaʔ** (Tseil-Waututh).

Metro Vancouver respects the diverse and distinct histories, languages, and cultures of First Nations, Métis, and Inuit, which collectively enrich our lives and the region.

Annual Financial Report 2022

For the year ended December 31, 2022

Metro Vancouver, British Columbia

Prepared by Metro Vancouver's Financial Services and External Relations departments

Metrotower III, 4515 Central Blvd, Burnaby, BC, V5H 0C6

metrovancover.org

July 2023

Front cover: Looking northeast from Burnaby

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Government Finance Officers Association

**Canadian Award
for
Financial Reporting**

Presented to

**Metro Vancouver Regional District
British Columbia**

For its Annual
Financial Report
for the Year Ended

December 31, 2021

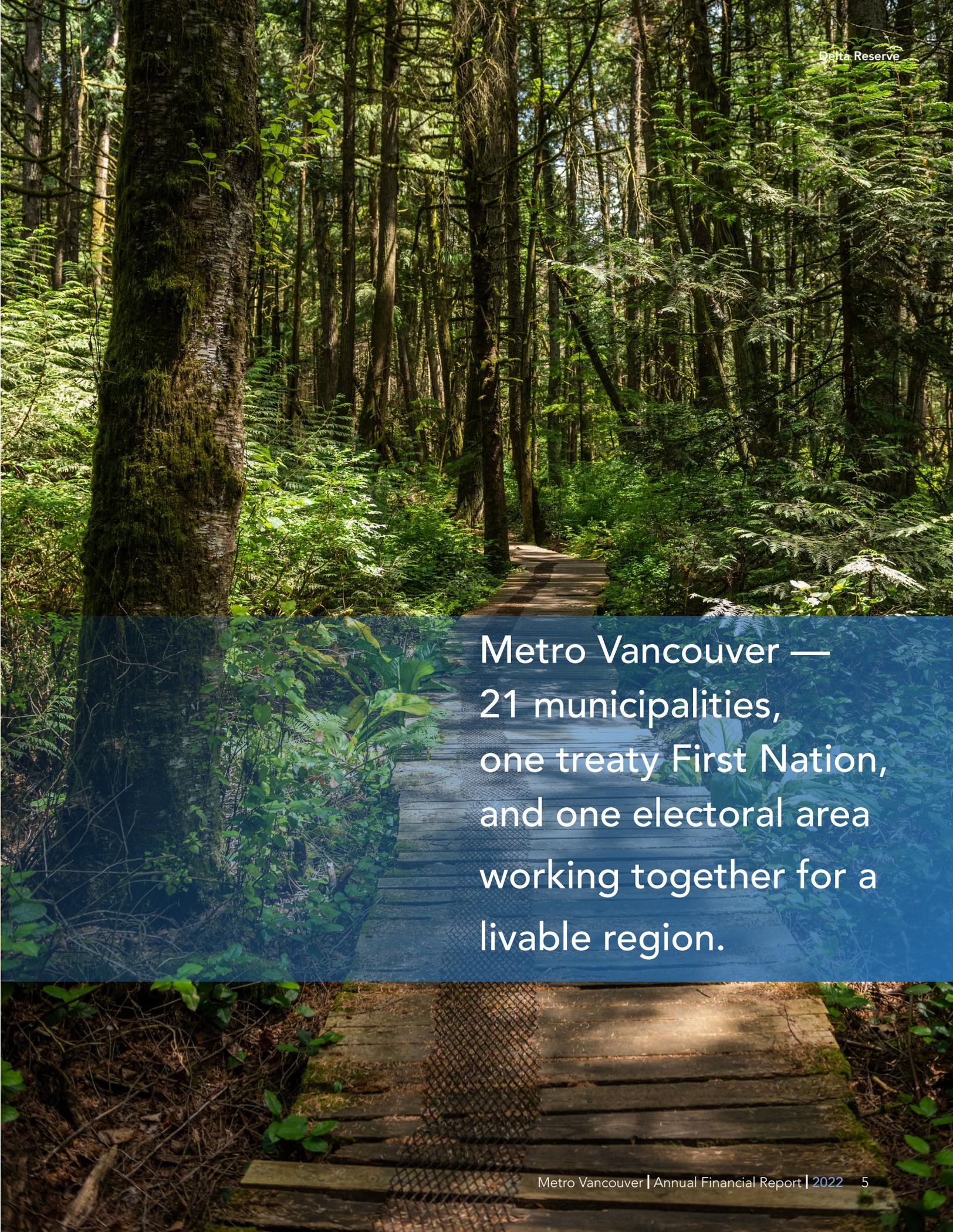
Christopher P. Morill
Executive Director/CEO

GFOA Award

Government Finance Officers Association of the United States and Canada (GFOA) awarded a Canadian Award for Financial Reporting to the Metro Vancouver Regional District for its annual financial report for the fiscal year ended December 31, 2021. The Canadian Award for Financial Reporting program was established to encourage municipal governments throughout Canada to publish high quality financial reports and to provide peer recognition and technical guidance for officials preparing these reports.

In order to be awarded a Canadian Award for Financial Reporting, a government unit must publish an easily readable and efficiently organized annual financial report, whose contents conform to program standards. Such reports should go beyond the minimum requirements of generally accepted accounting principles and demonstrate an effort to clearly communicate the municipal government's financial picture, enhance an understanding of financial reporting by municipal governments, and address user needs.

A Canadian Award for Financial Reporting is valid for a period of one year only. We believe our current report continues to conform to the Canadian Award for Financial Reporting program requirements, and we are submitting it to GFOA to determine its eligibility for another award.



Metro Vancouver —
21 municipalities,
one treaty First Nation,
and one electoral area
working together for a
livable region.

Message from the Chair



On behalf of the Metro Vancouver Board of Directors, I'm pleased to present Metro Vancouver's *2022 Annual Financial Report*.

Affordability has long been a challenge in our region, and only worsened in 2022. Housing prices remained high, interest rates soared, and inflation drove up the cost of basic needs, like groceries and fuel. That's why our Board has made fiscal responsibility and sustainability a top priority.

As evidenced in this financial report, Metro Vancouver has always been mindful of the cost of doing business and kept a close eye on the bottom line. In addition to critical infrastructure and vast tracts of natural areas, we are the stewards of precious taxpayer dollars.

Many residents and businesses are struggling to keep up, and we don't want to unnecessarily add to their burden. But at the same time, we need to prepare our region for inevitable population growth, and to boost our resilience to climate change and seismic events.

The critical infrastructure we all rely upon needs investment and renewal so that our region remains one of the best places in the world to live. From water and waste management infrastructure, to affordable housing and regional parks — we must invest significantly in our infrastructure in the coming years to ensure it can continue to meet the needs of our region. These plans are in line with our Board priorities, which include resilience, environmental sustainability, system stewardship, and planning for regional growth.

Among these important projects is the largest infrastructure project in Metro Vancouver's history — a suite of significant and necessary upgrades at the Iona Island Wastewater Treatment Plant. When complete, they will greatly enhance our ability to treat wastewater and offer better protection for marine life while improving the marine, aquatic, and terrestrial ecosystems.

We recognize that we need to deliver necessary infrastructure improvements and upgrades in a way that's affordable and equitable. We are taking a hard look at all our investments and finding cost savings, such as deferring or down-scaling, while still building to the highest standards. As a federation, we are also using our collective voice to secure federal and provincial support for these necessary projects to accommodate growth and boost resilience.

Our Board is pleased with the reputation that Metro Vancouver has earned as a fiscally responsible organization that reliably provides the critical services necessary for the residents and businesses of our region to thrive — and we will continue to look for ways to bring great value.

We are also proud to have demonstrated that fiscal responsibility in a way that has garnered us two Canadian Awards for Financial Reporting from the Government Finance Officers Association of the United States and Canada. We hope that this report will also meet the association's high standards.

A handwritten signature in black ink that reads "George V. Harvie". The signature is written in a cursive style and is underlined with a simple horizontal line.

George V. Harvie
Chair, Metro Vancouver Board of Directors

Message from the Commissioner/Chief Administrative Officer



As we emerged from the immediate impacts of the COVID-19 pandemic, Metro Vancouver's Board of Directors committed to a financial plan that maintained the regional district's goals and objectives, while using all tools available to minimize the impact on the region's ratepayers in 2022.

The budget contained provisions to address key Board priorities, including implementing the *Clean Air Plan*, accelerating investment in affordable housing, advancing regional economic prosperity, reducing leaks and improper sewer connections, and increasing long-term water source supply capacity. The budget also addressed organizational needs and enhanced support services for capital program delivery, Indigenous relations, project management, and asset management.

In 2022, Metro Vancouver provided short-term relief for households by using its reserves to minimize levy and tax requisition increases; reviewing more than 300 projects and deferring capital expenditures; managing demand on our water and liquid waste systems; reducing "pay-as-you-go" funding; and focusing on continuous improvement.

These actions allowed both our organization and region to adapt to the challenges that resulted from the pandemic, while also addressing the evolving financial impacts from major infrastructure projects, which make up just under half (45 per cent) of our operating budget.

The uncertainty and upheaval of the past few years put our commitment to resiliency to the test, requiring Metro Vancouver to continuously evaluate and adapt to the rapidly emerging challenges, with a view toward making sure the region came out stronger.

One such challenge was the prolonged hot, dry weather that caused a severe drought in the region. High water usage prompted us to extend lawn watering regulations by two weeks, and everyone in the region had to do their part to conserve this precious resource. The situation highlighted the impacts of climate change, as well as the importance of projects that fortify and expand our drinking water system.

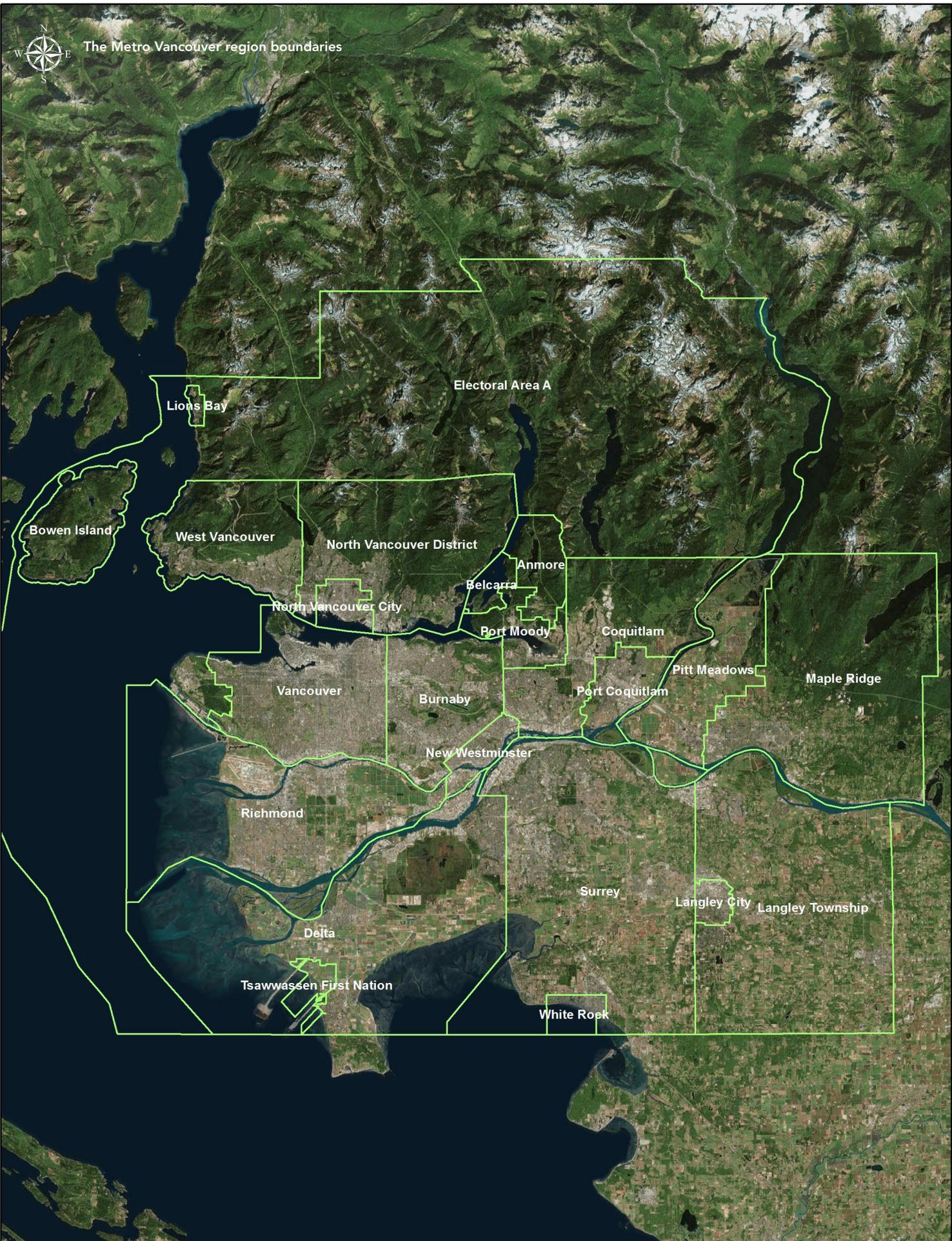
Those same dry conditions also made it easier for fires to break out, and a wildfire at Minnekhada Regional Park in Coquitlam burned for nearly a month. Thanks to the outstanding efforts of firefighting crews and staff, damage to the park was limited to 14 hectares and did not spread to residential areas.

While dealing with unforeseen challenges, work continued on important projects like the construction of new affordable apartments at Kingston Gardens in Surrey and the building of the Second Narrows Water Supply Tunnel. We completed and opened the Central Surrey Recycling and Waste Centre, a convenient place for residents to recycle and dispose of waste. The Board also adopted the new *Regional Parks Plan* as a guide for protecting natural areas and connecting people to nature, and began preliminary planning for a new proposed regional park on Bowen Island.

I am proud of how our organization has continued to serve our residents and plan for a more livable future in a fiscally responsible manner, even through difficult times.

A handwritten signature in black ink, appearing to read 'J. Dobrowolny'. The signature is fluid and stylized, with a long horizontal stroke at the beginning and a large, sweeping flourish at the end.

Jerry W. Dobrowolny, P.Eng, MBA
Commissioner/Chief Administrative Officer
Metro Vancouver



1 Introduction

Metro Vancouver Members

Metro Vancouver comprises 23 members: 21 municipalities, one treaty First Nation and one electoral area.

Village of Anmore	City of Langley	District of North Vancouver	City of Surrey
Village of Belcarra	Township of Langley	City of Pitt Meadows	Tsawwassen First Nation
Bowen Island Municipality	Village of Lions Bay	City of Port Coquitlam	City of Vancouver
City of Burnaby	City of Maple Ridge	City of Port Moody	District of West Vancouver
City of Coquitlam	City of New Westminster	City of Richmond	City of White Rock
City of Delta	City of North Vancouver		Electoral Area A

About Metro Vancouver

Metro Vancouver is a federation of 21 municipalities, one electoral area, and one treaty First Nation that collaboratively plans for and delivers regional-scale services like drinking water, wastewater treatment, and solid waste management. The regional district also regulates air quality, plans for urban growth, manages a regional parks system, provides affordable housing, and serves as a regional federation. The regional district is governed by a Board of Directors, comprising 41 elected officials appointed from local councils and one directly elected representative from Electoral Area A.

The regional district model allows members to collaborate on infrastructure, service delivery, land use planning and more, as needed by the region's communities. This way, members can pool their resources to take advantage of economies of scale and regional leverage. Metro Vancouver is BC's most populous and metropolitan regional district.

The Metro Vancouver Board oversaw a combined annual capital and operating budget of \$2.4 billion in 2022. As the regional government, Metro Vancouver operates within a highly regulated environment and one that is responsive to legislative change, as it maintains and enhances infrastructure and services to meet the needs of a growing population. The operating budget is funded by five main sources: water sales, sewer levy, solid waste tipping fees, regional district tax requisitions, and housing rents.

The *2022 Annual Financial Report* provides consolidated details of the regional district's four legal entities: Metro Vancouver Regional District (MVRD), Greater Vancouver Water District (GVWD), Greater Vancouver Sewerage & Drainage District (GVS&DD), and Metro Vancouver Housing Corporation (MVHC).

Vision

Metro Vancouver embraces collaboration and innovation in providing sustainable regional services that contribute to a livable and resilient region and a healthy natural environment for current and future generations.

Mission

This is how we deliver on our vision:

We Deliver and Maintain Core Services

Provide regional utility services related to drinking water, liquid waste, and solid waste to members, and monitor air quality from Hope to Horseshoe Bay. Provide regional services, including parks and affordable housing, directly to residents and act as the local government for Electoral Area A.

We Provide Plans for the Future

Carry out planning and regulatory responsibilities related to the three utility services as well as air quality and climate change, regional planning, regional parks, Electoral Area A, affordable housing, labour relations, regional economic prosperity, and regional emergency management.

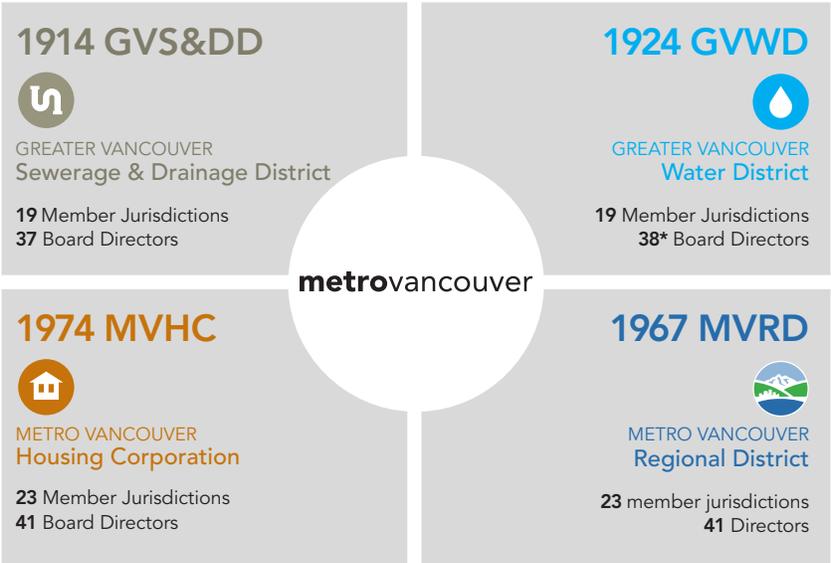
We Act as a Regional Forum

Serve as the main political forum for discussing significant community issues at the regional level, and facilitate the collaboration of members in delivering the services best provided at the regional level.

Governance

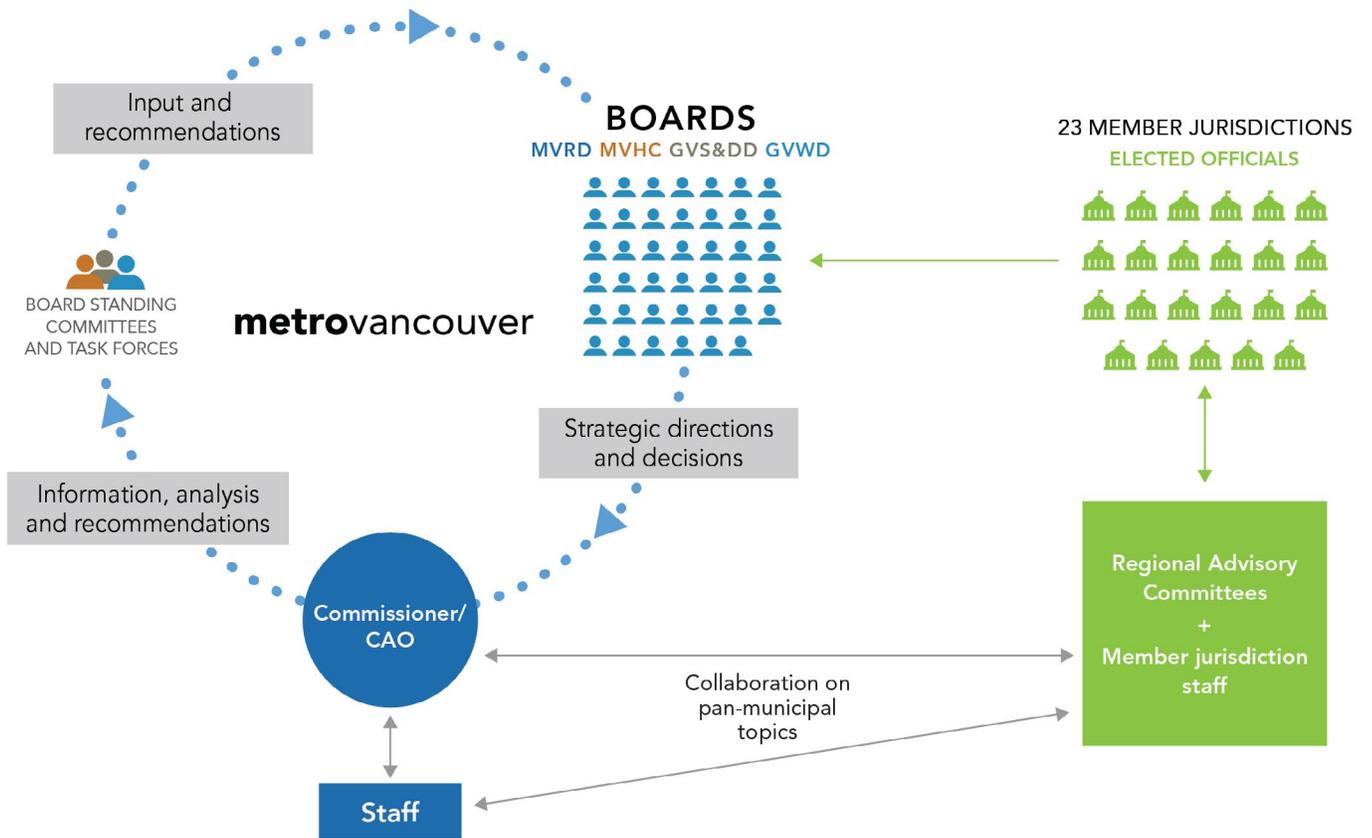
Metro Vancouver is a regional government that represents residents of the region under four separate legal entities:

- Metro Vancouver Regional District (MVRD)
- Greater Vancouver Water District (GVWD)
- Greater Vancouver Sewerage & Drainage District (GVS&DD)
- Metro Vancouver Housing Corporation (MVHC)



**Note, the GVWD Act specifies the director representing EAA is a member of the GVWD Board, but EAA is not a participant member of the service.*

Each entity is governed by a separate Board of Directors composed of elected representatives from the respective member jurisdictions who have chosen to participate in the provision of the service. As established in the Metro Vancouver Regional District’s Letters Patent, the numbers of directors and votes are determined by resident populations of member jurisdictions. This ensures that as the population grows, the Board will continue to have proportional representation on behalf of the residents of the region.



The Board of Directors is the governing body for each Metro Vancouver entity and is informed by discussions and recommendations of its standing committees. Metro Vancouver staff take Board direction on issues coming to the Board, as well as in defining and implementing plans and other initiatives. Staff prepare reports for committees that are informed by research, data, and analytical tools in addition to input from municipal staff, either directly or through advisory committees.

Metro Vancouver Board of Directors*

<i>John McEwen</i> Anmore	<i>Teri Towner</i> Coquitlam	<i>Ken Berry</i> Lions Bay	<i>Meghan Lahti</i> Port Moody	<i>Pardeep Kooner</i> Surrey	<i>Sarah Kirby-Yung</i> Vancouver
<i>Jamie Ross</i> Belcarra	<i>George V. Harvie</i> Delta	<i>Dan Ruimy</i> Maple Ridge	<i>Chak Au</i> Richmond	<i>Brenda Locke</i> Surrey	<i>Mike Klassen</i> Vancouver
<i>Andrew Leonard</i> Bowen Island	<i>Dylan Kruger</i> Delta	<i>Patrick Johnstone</i> New Westminster	<i>Malcolm Brodie</i> Richmond	<i>Rob Stutt</i> Surrey	<i>Ken Sim</i> Vancouver
<i>Pietro Calendino</i> Burnaby	<i>Jen McCutcheon</i> Electoral Area A	<i>Linda Buchanan</i> North Vancouver City	<i>Bill McNulty</i> Richmond	<i>Chief Laura Cassidy</i> Tsawwassen First Nation	<i>Lenny Zhou</i> Vancouver
<i>Sav Dhaliwal</i> Burnaby	<i>Paul Albrecht</i> Langley City	<i>Lisa Muri</i> North Vancouver District	<i>Linda Annis</i> Surrey	<i>Rebecca Bligh</i> Vancouver	<i>Mark Sager</i> West Vancouver
<i>Mike Hurley</i> Burnaby	<i>Steve Ferguson</i> Langley Township	<i>Nicole MacDonald</i> Pitt Meadows	<i>Harry Bains</i> Surrey	<i>Adriane Carr</i> Vancouver	<i>Megan Knight</i> White Rock
<i>Craig Hodge</i> Coquitlam	<i>Eric Woodward</i> Langley Township	<i>Brad West</i> Port Coquitlam	<i>Gordon Hepner</i> Surrey	<i>Lisa Dominato</i> Vancouver	

*Reflects year-end 2022

Metro Vancouver Organizational Structure*



*As at July 2023

Metro Vancouver Governance and Committee Structure

METRO VANCOUVER BOARD

STANDING COMMITTEES – Elected Officials

Mayors	Regional Planning	Housing	Financial Plan Task Force
Finance	Electoral Area	Indigenous Relations	Caucus of Committee Chairs

ADVISORY COMMITTEES – Regional Staff

RAAC Regional Administrators Advisory Committee	RFAC Regional Finance Advisory Committee	RPAC Regional Planning Advisory Committee	MTAC Municipal Technical Advisory Committee on Indigenous Relations
RAAC sub-committee	Municipal Finance Reform RFAC SUB-COMMITTEE	Social Issues Environment Housing RPAC SUB-COMMITTEES	

Community Engagement

Metro Vancouver undertakes ongoing engagement with its members, the public, other orders of government, and key stakeholders on Metro Vancouver processes, projects, and initiatives. This engagement encourages information sharing and education, strengthens relationships, and where identified, informs decision-making.

Metro Vancouver Executive Staff / Functions	Heather McNell DEPUTY CAO POLICY AND PLANNING REGIONAL PLANNING AND ELECTORAL AREA SERVICES INVEST VANCOUVER HOUSING PLANNING & DEVELOPMENT AIR QUALITY AND CLIMATE CHANGE
Jerry W. Dobrovlny COMMISSIONER CHIEF ADMINISTRATIVE OFFICER	Jessica Beverley CORPORATE SOLICITOR/GENERAL MANAGER LEGAL SERVICES & INDIGENOUS RELATIONS
Ravi Chhina DEPUTY CAO OPERATIONS HR & CORPORATE SERVICES REGIONAL PARKS HOUSING OPERATIONS REGULATION AND ENFORCEMENT	Nick Kassam GENERAL MANAGER PROCUREMENT AND REAL ESTATE SERVICES

Metro Vancouver Governance and Committee Structure continued

METRO VANCOUVER BOARD

STANDING COMMITTEES – Elected Officials

Water	Regional Parks	Liquid Waste	Council of Councils	Flood Resiliency Task Force
Climate Action	Zero Waste	Invest Vancouver	George Massey Crossing Task Force	Regional Culture

ADVISORY COMMITTEES – Regional Staff

REAC Regional Engineers Advisory Committee	RPA Regional Parks Advisory Committee	AAC* Agricultural Advisory Committee	HRAC Human Resources Advisory Committee	IVAC Invest Vancouver Advisory Committee
Solid Waste		* Membership is made up of agricultural sector representatives that report directly to the Regional Planning Committee.		
Liquid Waste				
Water				
Geo-spatial Reference				
Climate Protection				
Environmental Monitoring				
Stormwater Interagency Liaison Group				

Metro Vancouver Executive Staff / Functions

Peter Navratil GENERAL MANAGER, LIQUID WASTE SERVICES	Paul Henderson GENERAL MANAGER, SOLID WASTE SERVICES
Dean Rear GENERAL MANAGER, FINANCIAL SERVICES CHIEF FINANCIAL OFFICER	Marilyn Towill GENERAL MANAGER, WATER SERVICES
Cheryl Nelms GENERAL MANAGER, PROJECT DELIVERY	Sandra Jansen GENERAL MANAGER, EXTERNAL RELATIONS

Planning for the Future

From 2016-2022, five central themes guided the development of Metro Vancouver's long-term plans and budgets:

1 Regional Growth

The region's increasing population, projected to grow by about 35,000 per year, will require core utility services and regional services to expand and optimize to respond to new growth.

2 Environmental Sustainability

Our region is dependent on healthy, functioning ecosystems and requires actions to reduce pollutants, including greenhouse gases, to prevent waste and to conserve our natural ecosystems.

3 Financial Sustainability

Financial sustainability requires that core utility and regional services are delivered with an adherence to sound fiscal policies that balance the organization's long-term financial health while maintaining affordability for regional ratepayers.

4 System Stewardship

Critical regional infrastructure must be maintained or replaced to meet current and future service needs and be resilient to impacts from seismic events, wildfires, power failures, and natural disasters.

5 Regulatory and Legislative Environment

Core utility and regional services must anticipate, respond to, and meet changes to legislative or regulatory requirements.

The Board Strategic Plan



The *Board Strategic Plan* identifies the Board's key priorities for its four-year mandate. The *Board Strategic Plan* examines projected expenditures over a long-term planning horizon and provides strategic directions in each of Metro Vancouver's legislated areas of responsibility, along with providing guidance on near-term priorities.

With the adoption of the *Board Strategic Plan*, annual departmental work plans are prepared for Metro Vancouver's business areas that respond to the directions of the *Board Strategic Plan*. These work plans include high-level performance indicators that have been developed across the organization to evaluate trends, determine key actions for the coming year, and assist in long-term planning. The departmental work plans are then refined and incorporated into the individual work plans of the Standing Committees of the Board that provide political oversight to these activities.

The Metro Vancouver Board has endorsed regional management plans for its areas of legislated responsibility. The regional plans are implemented within the context of direction from the *Board Strategic Plan* and the organization’s long-term financial planning principles.



Regional management plans/strategies

Strategic Directions

The *Board Strategic Plan 2016-2022* provided directions for all areas of work within Metro Vancouver, with a specific focus on the following eight functional areas:

-  Regional Federation
-  Housing Services
-  Water Services
-  Regional Parks Services
-  Liquid Waste Services
-  Regional Planning
-  Solid Waste Services
-  Air Quality & Climate Change



Long-Term Financial Planning

Metro Vancouver provides critical services to the region, such as treatment and delivery of drinking water and liquid waste processing, through infrastructure that is built to last far into the future, in some cases up to 100 years or more. To ensure the long-term serviceability of its assets and funding sources, Metro Vancouver operates using a *Financial Management Policy* that sets out principles guiding decision-making with respect to long-term operating and capital expenditures. This, along with the *Board Strategic Plan*, regional management plans, and organizational policies, guides the Board’s decision making by including financial sustainability as a central theme along with regional growth, environmental sustainability, system stewardship, and the regulatory and legislative environment.

Long-term financial planning focuses on required revenues, borrowing, and other funding, along with the expenditures required (operating, capital, debt servicing, and reserve contributions) to achieve the service levels necessary to meet the needs of the residents of the region. As part of a review of its financial policies, Metro Vancouver continues to update its *Financial Management Policy*, which will include guidance and a framework regarding many factors that enhance the ability to be financially sustainable in the long term, including the usage of development cost charges, pay-as-you-go funding, financing of major projects, and the management of household impacts.

Five-Year Financial Planning

The *Five-Year Financial Plan* contains five-year budgets and forecasts for operating and capital expenditures for all Metro Vancouver functions and its centralized support departments. Budgets are presented on a program basis illustrating the resources required for services provided. Also included for information are estimated household impacts for Metro Vancouver services and a continuity schedule for reserves.

Annual Work Planning

Departmental annual work plans are key tools for communicating out timing and priority of critical activities. Taking into consideration the organizational priorities communicated by the Board, the standing committees, and the Corporate Planning Committee (CAO and department heads), the annual work plans are prepared with projects and initiatives that meet departmental management plans and the *Board Strategic Plan*. These annual work plans reflect the underlying activities resourced throughout the financial plan. Activities in the annual work plans must be reasonably achievable within the year identified. The annual work plans include performance indicators which measures the work group’s activities and the outcomes of those activities. In order to be effective, performance indicators need to connect to Metro Vancouver’s strategic objectives, be meaningful and useful both internally and externally, and be consistent with relevant benchmarks, if appropriate.

Services Delivered in 2022

 AIR QUALITY & CLIMATE CHANGE

97%
RELIABILITY OF AIR QUALITY MONITORING NETWORK (% OF ANNUAL HOURS WITH MONITORING DATA AVAILABLE FOR PRIORITY POLLUTANTS)

 CENTRALIZED SUPPORT SERVICES

40,690
Customer Interactions
VIA TELEPHONE, EMAIL AND LIVE CHAT

 HOUSING

3,400 Housing Units
RENTED TO TENANTS AT METRO VANCOUVER HOUSING SITES

 LIQUID WASTE

435,178,000,000 Litres
OF LIQUID WASTE COLLECTED & TREATED

 OTHER REGIONAL SERVICES

51 Collective Agreements
SERVICED BY REGIONAL EMPLOYERS SERVICES

 REGIONAL PLANNING

98% of Residential Growth
IN THE URBAN CONTAINMENT BOUNDARY

 REGIONAL PARKS

14,282,300 Visits
TO METRO VANCOUVER REGIONAL PARKS

 SOLID WASTE

1,002,261 Tonnes
OF SOLID WASTE DIVERTED

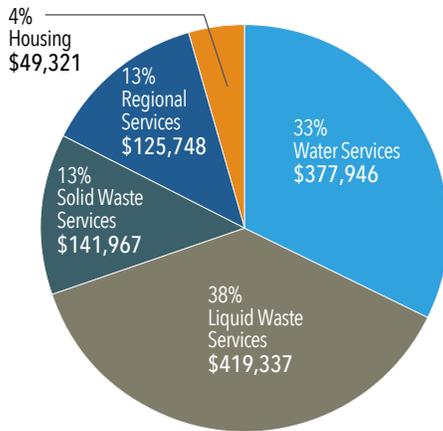
 WATER

388,600,000,000 Litres
OF DRINKING WATER TREATED & DELIVERED

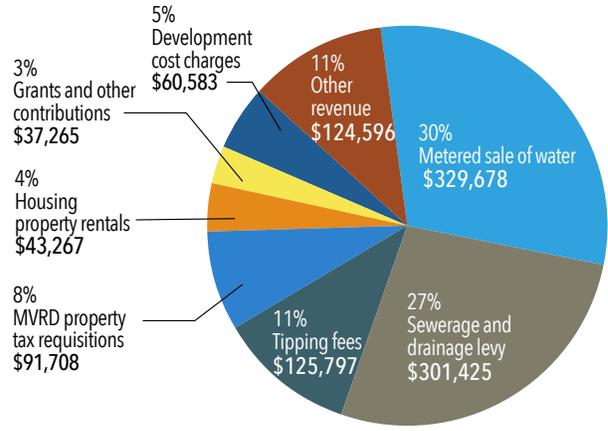
For more information visit metrovancover.org/dashboards

2022 Key Financial Information

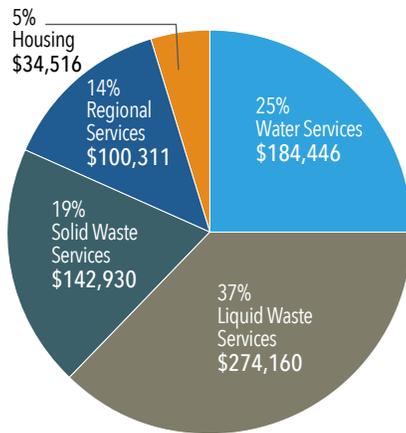
2022 Revenue
(by source, in thousands of dollars)



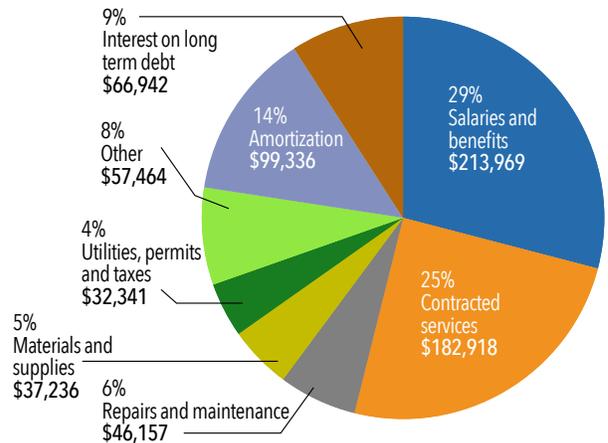
2022 Revenue
(by type, in thousands of dollars)



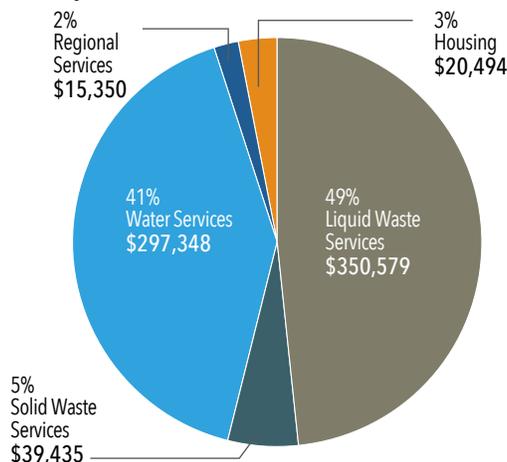
2022 Operating Expenditures
(By source, in thousands of dollars)



2022 Operating Expenditures
(By type, in thousands of dollars)



2022 Capital Expenditures
(By source, in thousands of dollars)







Regional Federation

To be an effective federation, Metro Vancouver must ensure that there is a common understanding and support among its members on stated objectives and that as an organization it is accountable, well managed, and fiscally responsible. As a federation of local governments, strong communication between Metro Vancouver and its members as well as with other stakeholders is essential.

2022 Achievements

1 ADVANCING EFFECTIVE REGIONAL GOVERNANCE

Continue to engage with members on processes and initiatives that contribute to an effective and well-functioning organization.

- ✓ Initiated a new Financial Plan Task Force to look for ways to reduce costs and improve the Five-Year Financial Plan
- ✓ Struck a Caucus of Committee Chairs to provide a venue for committee chairs to address matters of pan-committee interest

2 STRENGTHENING OUR LIVABLE REGION

Build resilience in communities to prepare for and adapt to changing conditions.

- ✓ Awarded \$300,000 in Regional Culture Project Grants to arts and culture organizations, supporting 55 projects with an average of \$5,400 each
- ✓ Released reports from Invest Vancouver looking at the benefits of foreign direct investment and the untapped economic opportunities of the water tech sector
- ✓ Activated the Emergency Operations Centre to effectively manage the response to the impact of a spring freshet on Barnston Island and a wildfire in Minnehada Regional Park in the fall
- ✓ Deployed wildfire crews to help with fire detection and suppression in other areas of the province, as part of a resource sharing agreement with the BC Wildfire Service

3 ENSURING FINANCIAL SUSTAINABILITY

Develop and implement financial plans and policies that reflect a commitment to sound financial management and long-term planning, in consideration of current and future ratepayers.

- ✓ Submitted applications for grants and received funding through a variety of provincial and federal funding intakes
- ✓ Hosted a series of meetings with provincial and federal elected officials and senior staff, and third parties such as the Canada Infrastructure Bank, in support of investments in critical infrastructure and other Metro Vancouver priorities
- ✓ Made written submissions to inform federal and provincial budgets, and attended federal and provincial pre-budget roundtable consultations



Watershed firefighting crew



4 FOSTERING COLLABORATION & ENGAGEMENT

Enhance relationships between Metro Vancouver and other orders of government, First Nations, adjacent regional districts, and key stakeholders.

- ✓ Continued to strengthen government-to-government relationships with First Nations
- ✓ Recognized the National Day for Truth and Reconciliation as a statutory holiday, providing staff with the opportunity to learn, recognize and reflect on the tragic history and ongoing intergenerational impacts experienced by Indigenous Peoples
- ✓ Continued making efforts towards reconciliation in support of the Truth and Reconciliation Commission's Calls to Action, particularly training opportunities for staff and elected officials (Call to Action #57) such as lunch and learns with invited Indigenous speakers, cultural competency and awareness training sessions, and staff presentations
- ✓ Contributed to federal and provincial engagements on policy and program development, such as providing recommendations on the future of federal infrastructure programming and the development of a permanent transit fund
- ✓ Hosted various youth leadership events to support engagement, awareness, and collaborative action for sustainability in Metro Vancouver schools
- ✓ Presented the Together We Make Our Region Strong Showcase at the Pacific National Exhibition, highlighting the projects and initiatives essential for a resilient and sustainable region and featuring local Indigenous performers



Water

Metro Vancouver provides high-quality drinking water to 2.8 million residents. The water originates from rain and snowmelt in three protected water supply areas — Capilano, Seymour, and Coquitlam — and is distributed to residents and businesses throughout the region. The regional system treats and distributes an average of one billion litres per day, rising to over 1.5 billion litres in the summertime, to member jurisdictions. Upgrades are constantly being made to the water system to maintain the quality and reliability of the drinking water supply for the region.

2022 Achievements

1 MANAGING OUR DRINKING WATER

Maintain Metro Vancouver’s world-class water system that provides clean, safe drinking water and ensure its capacity to meet future needs.

- ✓ Implemented first year of the updated *Drinking Water Conservation Plan*
- ✓ Finalized and presented to the Board the Quality Management System for Drinking Water, which facilitates ongoing reviews and improvements for all aspects of drinking water system operation
- ✓ Completed approximately 167,000 tests on drinking water samples, and facilitated the Provincial Enhanced Water Quality Assurance Accreditation certification and audit while sustaining the Canadian Association of Laboratory Accreditation
- ✓ Installed mid-lake debris booms and repaired dam safety booms on Capilano and Seymour reservoirs to help keep our water sources cleaner and safer, and promote system resiliency
- ✓ Continued work on Phase 2 of the Kennedy Newton Main project, which will help meet the growing demand for drinking water in the region

2 BUILDING RESILIENCE

Ensure the long-term resilience of the regional drinking water system to withstand natural hazards, climate change, and other significant disruptions.

- ✓ Completed the north shaft and installation of the welded steel water mains inside the Second Narrows Water Supply Tunnel
- ✓ Installed foreshore scour protection on Tilbury Main, in the South Arm of the Fraser River, to prevent erosion and damage to the pipe
- ✓ Commenced construction of the Annacis Water Supply Tunnel to increase the seismic resiliency of the drinking water transmission system
- ✓ Commenced conceptual design of the Haney Water Supply Tunnel – Pitt River Crossing in order to provide for resiliency and growth in Maple Ridge and Pitt Meadows

3 ENSURING FINANCIAL SUSTAINABILITY

Develop and implement financial plans and policies that reflect a commitment to sound financial management and long-term planning, in consideration of current and future ratepayers.

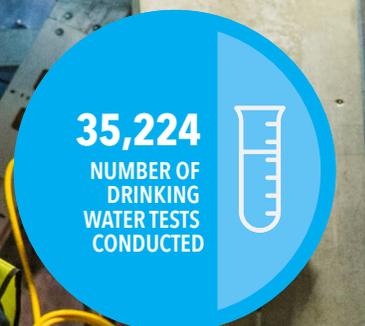
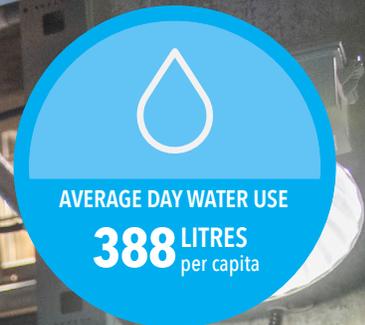
- ✓ Developed tracking tools and dashboards for energy usage to help identify potential energy savings projects at facilities that use the highest amounts of electricity

- ✓ Completed the 2021 Water Services State of the Assets Report, which provided a summary of the asset inventory, condition, replacement value, and forecasted long-term investment needs
- ✓ Advanced development cost charges for new water infrastructure being built to accommodate increased demand for water resulting from projected population growth

4 FOSTERING COLLABORATION & ENGAGEMENT

Strengthen awareness and engagement with the public, members, other orders of government, and key stakeholders on a range of initiatives that will ensure the delivery of clean, safe drinking water, now and into the future.

- ✓ Worked with *kʷikwə́x̣əm* (Kwikwetlem First Nation) to restore access for community members to conduct cultural activities in the Coquitlam Water Supply Area
- ✓ Implemented the Drinking Water Conservation Plan Summer Support Program to assist member jurisdictions with the promotion and monitoring of regional watering restrictions
- ✓ Coordinated the protection and/or relocation of GWWD water mains to minimize risks and impacts associated with 12 major external transportation, utility, fisheries, and development projects across the region
- ✓ Completed a multi-workshop engagement process and joint tabletop exercise with external North Shore partners for Water Services dam emergency response planning
- ✓ Continued engaging local government, First Nations, and stakeholders on the Coquitlam Lake Water Supply Project





Liquid Waste

Metro Vancouver is responsible for collecting and treating about one billion litres of the region's wastewater every day at its five wastewater treatment plants. That's about 340 litres per person every day that results from flushing, brushing or anything else that sends water down a drain. Metro Vancouver is also responsible for managing stormwater and urban drainage areas throughout the region.

2022 Achievements

1 MANAGING OUR LIQUID WASTE

Enhance the management of the liquid waste system with a commitment to innovative approaches to protect public and environmental health.

- ✓ Coordinated with member jurisdictions to implement the Still Creek Brunette River Drainage Area Flood Management Strategy
- ✓ Initiated in-house testing of wastewater for selected Perfluoroalkyl and Polyfluoroalkyl (PFAS) substances
- ✓ Completed the assessment of biogas recovery at Annacis Island Wastewater Treatment Plant
- ✓ Initiated a comprehensive review and update of the *Sewer Use Bylaw*, with a focus on fee structures and bylaw limits
- ✓ Initiated work to study an innovative building material for shoreline protection, carbon sequestration, and habitat creation
- ✓ Approved funding to support the establishment of a sewer heat recovery district energy system at Surrey City Centre

2 BUILDING RESILIENCE

Ensure the long-term resilience of the regional sewage and drainage system to withstand natural hazards, climate change, and other significant disruptions.

- ✓ Reviewed and updated operating strategy, operations, and maintenance practices for Cariboo Dam

- ✓ Continued ground improvements as part of the Northwest Langley Wastewater Treatment Plant Projects, which will be constructed to ensure seismic resiliency and adaptation to sea level rise from climate change, while treating wastewater to a tertiary level and serving a growing population
- ✓ Continued expansions and upgrades at the Annacis Island Wastewater Treatment Plant, to ensure that the plant can manage a higher volume of wastewater and will continue to operate in the event of a major earthquake
- ✓ Established a regional public works mutual aid agreement to allow for mutual support, aid and assistance to be provided by communities to ensure that public works are maintained in the event of an emergency or other serious incident

3 ENSURING FINANCIAL SUSTAINABILITY

Develop and implement financial plans and policies that reflect a commitment to sound financial management and long-term planning, in consideration of current and future ratepayers.

- ✓ Improved, developed and/or implemented division-wide project management improvements, targeting the following areas: cost estimating framework; risk management; schedule development and adherence; scope control; change control
- ✓ Established five-year energy targets at the facility level for all wastewater treatment facilities



435,178 ML
annual volume of liquid
waste collected and
treated



100% OF BIOSOLIDS
BENEFICIALLY USED
THROUGH LAND
APPLICATION
PROGRAMS OR
TO RECOVER
ENERGY

- ✓ Initiated the establishment of an in-house construction team capable of mid-sized civil capital construction work
- ✓ Continued to optimize the renewable natural gas system at Lulu Island Wastewater Treatment Plant to maximize the volume of RNG available for sale
- ✓ Completed the first state of the assets report, providing a summary of condition of assets and forecast of long-term investment needs
- ✓ Collaborated with the University of BC on a pilot project for a new concrete coating material that extends the life of infrastructure by reducing corrosion of concrete structures

4 FOSTERING COLLABORATION & ENGAGEMENT

Strengthen awareness and engagement with the public, members, other orders of government, and key stakeholders on a range of initiatives that will ensure that the regional liquid waste system protects public health and the environment, now and into the future.

- ✓ Collaborated with the Health Products Stewardship Association to align communications to further reduce the inappropriate disposal of post-consumer pharmaceuticals
- ✓ Launched a new regional communications initiative to educate residents about inflow and infiltration issues that contributes to sewer overflows around the region



Solid Waste

Metro Vancouver is responsible for waste reduction and recycling planning, along with the operation of a series of solid waste management facilities, including six recycling and waste centres and a Waste-to-Energy facility in Burnaby. It also includes two additional City of Vancouver-owned and operated facilities: Vancouver South Transfer Station and Vancouver Landfill. The regional solid waste system handles approximately one million tonnes of waste annually and is funded through tipping fees. Planning for less waste, improving reuse and recycling systems, and managing the remaining waste reflects the public's expectations of high environmental stewardship, as well as the desire to keep waste management affordable.

2022 Achievements

1 MANAGING OUR SOLID WASTE

Reduce waste, increase recycling, and increase recovery of materials and energy from remaining waste. Dispose of residuals in a cost-effective and environmentally sustainable manner.

- ✓ Completed construction of the United Boulevard and the Central Surrey recycling and waste centres (opened to public in March and September 2022, respectively), helping to reduce waste and make recycling accessible and affordable
- ✓ Published the 2021 Integrated Solid Waste & Resource Management Plan Biennial Report to track progress towards the goals established in the *Integrated Solid Waste and Resource Management Plan*
- ✓ Awarded an engineering services contract in the amount of up to approximately \$5 million to Kerr Wood Leidal Associates Ltd. for the Waste-to-Energy Facility District Energy System Project design and construction administration

2 ENSURING FINANCIAL SUSTAINABILITY

Develop and implement financial plans and policies that reflect a commitment to sound financial management and long-term planning, in consideration of current and future ratepayers.

- ✓ Approved the 2023-2027 Financial Plan, which reduced the previously projected tipping fee increase
- ✓ Terminated the lease agreement for the closed Coquitlam Recycling and Waste Centre to save \$800,000 annually

3 FOSTERING COLLABORATION & ENGAGEMENT

Strengthen awareness and engagement with the public, members, other orders of government, and key stakeholders on a range of initiatives that will reduce waste generated in the region.

- ✓ Formed the Solid Waste and Recycling Industry Advisory Committee and the Solid Waste Management Plan Public/Technical Advisory Committee to provide advice and input on solid waste management planning, operations, and policy issues related to solid waste and recycling services
- ✓ Provided funding for member jurisdictions to host repair café events to further develop the regional share and repair economy
- ✓ Implemented Re-Use Days at North Shore Recycling and Waste Centre with Urban Repurpose, to intercept and collect items from customers that can be reused instead of recycled or disposed, and educate customers
- ✓ Contracted with FoodMesh to develop a regional food recovery network to help rescue and redistribute surplus food, moving food up the waste hierarchy to feed people and animals
- ✓ Through an annual funding agreement, supported municipal recycling depots to provide standard recycling drop-off services with consistent reporting and access for residents and businesses across the region



SOLID WASTE ANNUAL VOLUME
1,002,261 TONNES
of solid waste flows in the
Metro Vancouver
system



483 PARTICIPANTS
at Zero Waste
Conference



Metro Vancouver Housing

One of the largest non-profit housing providers in BC, Metro Vancouver Housing operates 49 housing sites that provide 3,400 units of safe and affordable rental housing for diverse, mixed-income communities that include families, seniors, and people with disabilities. Metro Vancouver Housing offers a range of homes at below-market rates and rates based on tenants' incomes. Operations and maintenance are primarily financed through the collection of tenant rents.

2022 Achievements

1 ADVANCING AN AFFORDABLE HOUSING PLAN

Develop and implement a Metro Vancouver affordable housing plan to support affordable housing in the region.

- ✓ Implemented the *Metro Vancouver Housing 10-Year Plan* and *Metro Vancouver Housing Redevelopment Plan* to provide, preserve, and expand affordable rental housing across the region, with potential to significantly exceed the original target of 1,350 new and redeveloped units over 10 years
- ✓ Released *Metro Vancouver Housing 10-Year Plan – 2022 Progress Update* describing how Metro Vancouver Housing has adapted and continued moving forward despite dramatic global changes and associated impacts to the affordable housing sector since the adoption of the plan
- ✓ Continued development of seven active redevelopment/development projects to provide roughly 800 homes: Kingston Gardens, Salal Landing (formerly Welcher Avenue), Heather Place Building B, The Connection (formerly Eastburn Square), Malaspina Village Phase 1, The Steller (Southwynde Avenue), Heron's Nest (formerly Pitt Meadows Civic Centre)
- ✓ Advanced progress on six active rehabilitation projects to upgrade buildings and outdoor amenities, enhance energy efficiency, and reduce greenhouse gas emissions

2 ENSURING FINANCIAL SUSTAINABILITY

Develop and implement financial plans and policies that reflect a commitment to sound financial management and long-term planning, in consideration of current and future residents.

- ✓ Achieved additional funding support for development and rehabilitation projects, as well as integrated childcare facilities and in-home daycares in four new affordable housing projects
- ✓ Signed a Memorandum of Understanding with the Province of BC to deliver 2,000+ units over 10 years, with a Phase 1 contribution of \$158 million to deliver 660 units, and advanced funding discussions with the federal government to leverage Metro Vancouver Housing's equity
- ✓ Completed a third-party operational efficiency review and began implementing recommendations
- ✓ Assessed a variety of affordability models and scenarios to ensure financial sustainability for new development projects while supporting tenant affordability
- ✓ Initiated energy-saving initiatives for long-term cost reductions and greenhouse gas reductions

3 FOSTERING COLLABORATION & ENGAGEMENT

Strengthen awareness and engagement with the public, members, other orders of government, and key stakeholders on a range of initiatives regarding the role and value of Metro Vancouver Housing.

- ✓ Delivered and expanded resident programs with a focus on getting tenants more involved in their communities and offering programs that create space for joy-based healing, help alleviate poverty, and increase social capital
- ✓ Developed communication and engagement materials to advance awareness of Metro Vancouver Housing and support innovative collaborations and partnerships with public, private, and non-profit partners
- ✓ Convened and coordinated member jurisdictions and key housing stakeholders around issues of common interest, supporting the housing sector with housing policy research, advocacy, and best practices



9,400 TENANTS
housed at Metro Vancouver
Housing sites



3,400 TOTAL UNITS
rented to tenants
at Metro Vancouver
Housing sites

31%
Rent
geared-to-
income units

69%
Low-end
of
Market



Regional Parks

Metro Vancouver operates a regional parks system that contributes to a livable region by conserving natural assets and providing connections to nature. The system includes 23 regional parks, three park reserves, two ecological conservancy areas, and five greenways. Capital expenditures within the Regional Parks function are funded on a “pay-as-you-go” basis through contributions to capital reserves.

2022 Achievements

1 ADVANCING OUR MISSION TO “PROTECT & CONNECT”

Provide opportunities for residents and visitors to explore and enjoy a diversity of natural spaces, from beaches to mountains, from bogs to lakes, in the region.

- ✓ Recorded more than 14.2 million visits across the regional parks system, continuing the post-pandemic trend of high visitation rates
- ✓ Completed an update to the *Regional Parks Plan* that provides a strategic vision of a resilient network of regional parks and greenways
- ✓ Continued implementation of the *Regional Parks Land Acquisition 2050 Strategy*, securing new land for future regional park use across the region by acquiring 21.3 hectares of regional parkland — 20.9 hectares at Kanaka Creek Regional Park and 0.4 hectares at Burnaby Lake Regional Park
- ✓ Continued advancing the Public Programming Strategy that assesses/confirms the need for regionally provided nature-based public programs and events, and provision of Regional Parks programming and interpretation to better meet the current and future needs of the region’s growing diverse population
- ✓ Used environmental DNA to explore rare and sensitive habitats and species living in regional parks
- ✓ Completed and commenced implementation for the Dorman Point area of Crippen Regional Park on Bowen Island

2 ENSURING FINANCIAL SUSTAINABILITY

Develop and implement financial plans and policies that reflect a commitment to sound financial management and long-term planning, in consideration of current and future ratepayers.

- ✓ Initiated design and implementation of the Campbell Valley Regional Park enhancement project to expand greenways and park amenities, and open land to public access
- ✓ Initiated a Sustainability Innovation Fund project for real-time parking availability technology to be implemented at two regional parks in 2023 to assist visitors with parking capacity information
- ✓ Initiated construction of the Derby Reach full-service washroom facility to support park day use and overnight camping activities
- ✓ Continued visitor capacity management programs at high-traffic parks, such as pay parking programs at Lynn Headwaters, *təmtəmíxʷtən*/Belcarra and Pacific Spirit regional parks
- ✓ Advanced the Regional Parks built asset management plan and building strategy
- ✓ Aligned capital maintenance program with asset management plans, commenced development of integrated resource management plans for individual parks
- ✓ Advanced implementation of the Grouse Mountain Regional Park development project, partially funded by a \$2.6 million Investing in Canada Infrastructure Grant



- ✓ Received \$96,346 in grants for restoration work from the REEL Green fundraising initiative in collaboration with the Metro Vancouver Regional Parks Foundation and the BC film industry
- ✓ Improved safety and operational efficiency — constructed a new service yard at Crippen Regional Park and completed the design of new service yards for Capilano River and Pacific Spirit Regional Parks

3 FOSTERING COLLABORATION & PARTNERSHIPS

Strengthen awareness and engagement with the public, members, other orders of government, and key stakeholders on a range of initiatives regarding the role and value of regional parks.

- ✓ Completed 27 restoration projects in 15 regional parks, in collaboration with community groups, the Metro Vancouver Regional Parks Foundation, member municipalities, and post-secondary student programs
- ✓ Advanced the implementation of the Cultural Planning and Co-Operation Agreement for təmtə́míxʷtən/Belcarra Regional Park with the Tsleil-Waututh Nation
- ✓ Continued to implement the name change of Belcarra Regional Park to təmtə́míxʷtən/ Belcarra Regional Park, highlighting Tsleil-Waututh Nation’s historical and present-day connections to these lands and advancing reconciliation efforts
- ✓ Advanced planning and First Nations engagement for the development of Widgeon Marsh Regional Park, and secured a \$2.5-million Investing in Canada Infrastructure Grant from the federal government to fund implementation of the project
- ✓ Advanced First Nations engagement and long-term planning for Iona Beach Regional Park in coordination with work to upgrade the Iona Island Wastewater Treatment Plant
- ✓ Continued working with other local First Nations on reconciliation efforts within regional parks



Regional Planning

Metro Vancouver is home to 2.8 million people — more than half the province’s population — and undertakes long-range regional land-use planning in partnership with 21 municipalities, one electoral area, and one treaty First Nation. Metro Vancouver’s regional growth strategy is the federation’s vision for accommodating anticipated future growth with considerations for diverse and affordable housing, transit and mobility, resilient employment, protected ecological and agricultural lands, the impacts of a changing climate, and more. Metro Vancouver uses policy research and data analysis to advance the strategy’s goals.

2022 Achievements

1 ADVANCING THE REGIONAL GROWTH STRATEGY

Continue to develop and implement effective and adaptive tools and processes for achieving the goals articulated in the regional growth strategy.

- ✓ In collaboration with affected local governments finalized *Metro 2050*, the updated regional growth strategy, with stronger housing, climate, and environmental policy actions

2 ENSURING COMPLETE & LIVABLE COMMUNITIES

Support the efforts of members in developing complete, livable, and healthy communities.

- ✓ Completed Phase 3 of the Social Equity in Regional Growth Management Study that included a series of case studies demonstrating how social equity data can help support local planning efforts in the region

3 PROTECTING LANDS WITHIN THE REGION

Guide the development of policies, plans, and tools that lead to creative solutions for managing competing demands on land in the region.

- ✓ Completed the E-Commerce Study to provide a better understanding of how the rise of e-commerce is impacting industrial lands, the distribution of goods, and associated transportation networks within the region

- ✓ Worked with experts across the region to develop locally tested best practices for managing a growing list of invasive species, including producing new best management practice guides for spurge laurel, poison hemlock, and garlic mustard

- ✓ Completed Phase 1 of a Natural Hazard Data Inventory providing a summary of the available information and data related to natural hazard and climate change impacts to provide a greater understanding of risks across the region

4 FOSTERING COLLABORATION & ENGAGEMENT

Strengthen awareness and engagement with the public, members, other orders of government, and key stakeholders on a range of initiatives regarding the role and value of land use planning at the regional scale and the objectives of the regional growth strategy.

- ✓ Engaged with the public, member jurisdictions, and other stakeholders to finalize the draft *Metro 2050* document

- ✓ Enhanced internal engagement and collaboration processes that support advisory committees to foster stronger connections with member jurisdictions, the province and regional agencies



GROWTH IN CENTRES
40% OF DWELLING UNIT GROWTH
located within Urban Centres



CONTAINING SPRAWL
98% OF RESIDENTIAL GROWTH
within the Urban Containment Boundary



Air Quality & Climate Change

Metro Vancouver develops and implements plans, policies, regulations, and projects that improve air quality and reduce greenhouse gas emissions across the region. These plans and policies are supported by comprehensive monitoring of outdoor air quality and tracking of emissions in the Lower Fraser Valley airshed. Staff provide early detection of issues and ongoing surveillance of air quality through monitoring stations from Horseshoe Bay to Hope and, when necessary, Metro Vancouver issues air quality advisories for the entire region, as well as the Fraser Valley.

2022 Achievements

1 TAKING LEADERSHIP ON CLIMATE ACTION THROUGH CLIMATE 2050

Guide climate change policy and action for the Metro Vancouver region for the next 30 years with Metro Vancouver's *Climate 2050* strategy.

- ✓ Completed engagement on draft *Climate 2050* Roadmaps on Industry & Business, Energy, and Nature & Ecosystems, and prepared draft *Climate 2050 Agriculture Roadmap* for engagement
- ✓ Delivered electric vehicle outreach programs at public events and other presentations
- ✓ Initiated a partnership with the Metro Vancouver Zero Emissions Innovation Centre to establish a regional buildings retrofit accelerator program with a long-term funding model
- ✓ Initiated engagement on the development of an approach to significantly reduce greenhouse gas emissions from large buildings
- ✓ Initiated partnership with TransLink to develop regional policy options to achieve a 65 per cent reduction in light-duty vehicle emissions by 2030

2 IMPROVING AIR QUALITY

Improve air quality by mitigating threats to public health and the environment.

- ✓ Began implementing the *Clean Air Plan*, Metro Vancouver's plan to reduce greenhouse gas emissions and improve air quality in our region over the next 10 years
- ✓ Implemented a new air quality management fees bylaw that was adopted in 2021 to encourage emission reductions and recover the cost of air quality regulatory services
- ✓ Adopted a new *Open Burning Emission Regulation Bylaw* to introduce a simpler, more efficient method of managing emissions from outdoor burning of vegetative debris
- ✓ Enhanced air quality advisory outreach through close coordination with health authorities, provision of a public air quality update service, and expanded social media program, to help prepare the public for wildfire smoke and periods of degraded air quality in the region
- ✓ Implemented recommendations of a review of the air quality monitoring network, and started planning for a new air quality monitoring station at Tsawwassen First Nation



CO₂
REGIONAL GHGs
5.2 TONNES CO₂E*
 per capita for the Metro Vancouver region

GHGs
CORPORATE GHGs
0 TONNES CO₂E*
 net for the Metro Vancouver organization

RELIABILITY OF AIR QUALITY MONITORING NETWORK
97% of annual hours with monitoring data available for priority pollutants

*expected, pending confirmation

- ✓ Initiated engagement on amendments to the *Boilers and Process Heaters Emission Regulation* to reduce harmful nitrogen oxide emissions from buildings and industrial facilities
- ✓ Continued engagement on regulating emissions from cannabis production and processing
- ✓ Implemented declarations of best burning practices and a registration system for eligible wood-burning appliances as part of the *Residential Indoor Wood Burning Emission Regulation Bylaw*
- ✓ Enhanced the *Community Wood Smoke Reduction Program* by providing increased rebates to Metro Vancouver residents and First Nations community members for change out of old, smoky wood-burning appliances for cleaner heating options

regional coordination to help implement effective adaptation measures and achieve the long-term targets in reducing greenhouse gas emissions.

- ✓ Coordinated Metro Vancouver local government advocacy to the Province on important climate legislation and programs related to electric vehicles, energy policy, and buildings retrofits
- ✓ Continued working with member jurisdictions, the Province, and other partners to implement *Clean Air Plan* and *Climate 2050* projects related to emissions reductions from homes and townhomes, decarbonizing local government operations, and other areas
- ✓ Continued working with member jurisdictions, the Province, and other relevant agencies to develop and implement annual greenhouse gas emissions reporting
- ✓ Engaged with representatives of First Nations on *Climate 2050* Roadmaps and emission regulations

3 FOSTERING COLLABORATION & ENGAGEMENT

Strengthen awareness among and engagement with the public, members, other orders of government, and other stakeholders in the implementation of *Climate 2050*, and foster

Other Regional District Services

Housing Planning and Policy: Housing Planning and Policy is responsible for undertaking activities that support and increase the availability of a stable regional supply of affordable housing, with a special emphasis on low and moderate income households. This function also contributes to decisions around the development of affordable housing projects, particularly related to redevelopment of mixed-income housing complexes within the Metro Vancouver Housing portfolio and the development of vacant lands owned by local government.

General Government: The General Government service covers committee and Board meeting related administration, expenses, and travel. Additionally, the service area includes programs that provide a regional benefit such as the Love Food Hate Waste Canada behaviour change campaign, the annual Zero Waste Conference and the Regional Culture program that provides grants to non-profit organizations across the region.

9-1-1 Emergency Telephone Service: Metro Vancouver is responsible for 9-1-1 call answer services within the Metro Vancouver region and we provide this service through our business partner and service provider: E-Comm. E-Comm receives and processes about one million emergency calls each year. They collect the needed information from the caller and then they transfer the call to the appropriate municipal or provincial dispatch agency that is responsible to direct first responders to assist with the caller's emergency.

 **Regional Employers' Service:** Metro Vancouver provides information and advisory, compensation, and collective bargaining services to municipalities within the Metro Vancouver region and acts as a forum where municipalities can connect, share, and leverage information. Municipalities work together on matters of common interest,

benefiting from coordination and leadership, and can access workforce data, research, advice, advocacy, and service tailored to the strategic needs and goals of their municipalities.

Regional Emergency Management: Regional Emergency Management is conducted through the Integrated Partnership for Regional Emergency Management which was created as a partnership between Metro Vancouver and the Province through a Memorandum of Understanding and Board approval in the spring of 2009. In order to create a disaster-resilient region, the regional exercise program conducts region wide emergency exercises.

Regional GPS: The purpose of the GPS Program is to provide a high-accuracy and consistent platform for engineering and other surveys in the Metro Vancouver region, using Global Navigation Satellite Systems. The platform allows users in the field to accurately locate and/or lay out various infrastructure (such as water and sewer lines, roadways, rights-of-way location, topographic mapping, bathymetric surveys).

Sasamat Fire Protection: Sasamat Fire Protection Service is responsible for providing fire protection services to the villages of Anmore and Belcarra.



Invest Vancouver: Invest Vancouver is Metro Vancouver's economic development leadership service, with three main functions: attracting strategic investment to the region; fostering collaboration; and conducting innovative research and policy analysis. In 2022, over 70 investment leads were generated as well as 150 points of engagement representing the region.







Other Regional District Services – continued

A **Electoral Area A:** Metro Vancouver acts as the local government for Electoral Area A, and is responsible for providing certain land-use planning, building inspections, emergency planning, bylaw enforcement, and general administration services to the Electoral Area residents. The Electoral Area includes UBC and University Endowment Lands as well as Barnston Island, Howe Sound Mainland (Ocean Point, Strachan Point, and Montizambert Wynd), Indian Arm, Boulder Island and Carraholly Point, the west side of Pitt Lake, Passage Island, and Bowyer Island.

Key services include emergency planning, training and response, administering grant funds for community projects, providing local land-use planning that includes zoning and community planning, and running elections every four years.

All of these services are funded through the Metro Vancouver property tax, divided into two portions—one for Electoral Area A local government services and another for regional services — collected within Electoral Area A.

Allocated Programs

Centralized Support Program Services: The Centralized Support Program Services includes the following: Corporate Services, External Relations, Financial Services, Human Resources, Indigenous Relations, Legislative Services, and Strategic Initiatives. These departments support all business activities of the four Metro Vancouver legal entities and functions. The Centralized Support Program Services costs are allocated to the various Districts and functions according to the Board's *Corporate Allocation Policy*, to ensure efficient, equitable, consistent, and transparent resourcing.

Project Delivery: The Project Delivery program was established to deliver the highest value, consequence, and risk projects for Liquid Waste and Water Services as well as lead the creation and implementation of centres of expertise for project management, organizational quality management, and asset management across Metro Vancouver. It is funded through allocation to Liquid Waste and Water Services operating budgets.

Regional Relationships

Metro Vancouver collaborates with external partners in delivering regional services and to ensure a cohesive plan and services for the region. Key partners include member jurisdictions, the federal and provincial governments, First Nations, the Municipal Finance Authority, BC Housing, the Canada Mortgage Housing Corporation, and TransLink.

2 Financial Statements



Chief Financial Officer Letter of Transmittal



I am pleased to present the *2022 Annual Financial Report* for Metro Vancouver, which provides readers with an overview of Metro Vancouver's financial results as of December 31, 2022 and the services the organization provided during the year.

This report includes the consolidated financial statements of Metro Vancouver's four legal entities: Metro Vancouver Regional District (MVRD), Greater Vancouver Water District (GVWD), Greater Vancouver Sewerage & Drainage District (GVS&DD), and Metro Vancouver Housing Corporation (MVHC).

Last year, Metro Vancouver received, for a second time, the prestigious Canadian Award for Financial Reporting from the Government Finance Officers Association (GFOA) of the United States and Canada. The award recognized the strength of our *2021 Annual Financial Report*, and we are pleased to continue and build upon our commitment to continuous improvement in transparency and reporting.

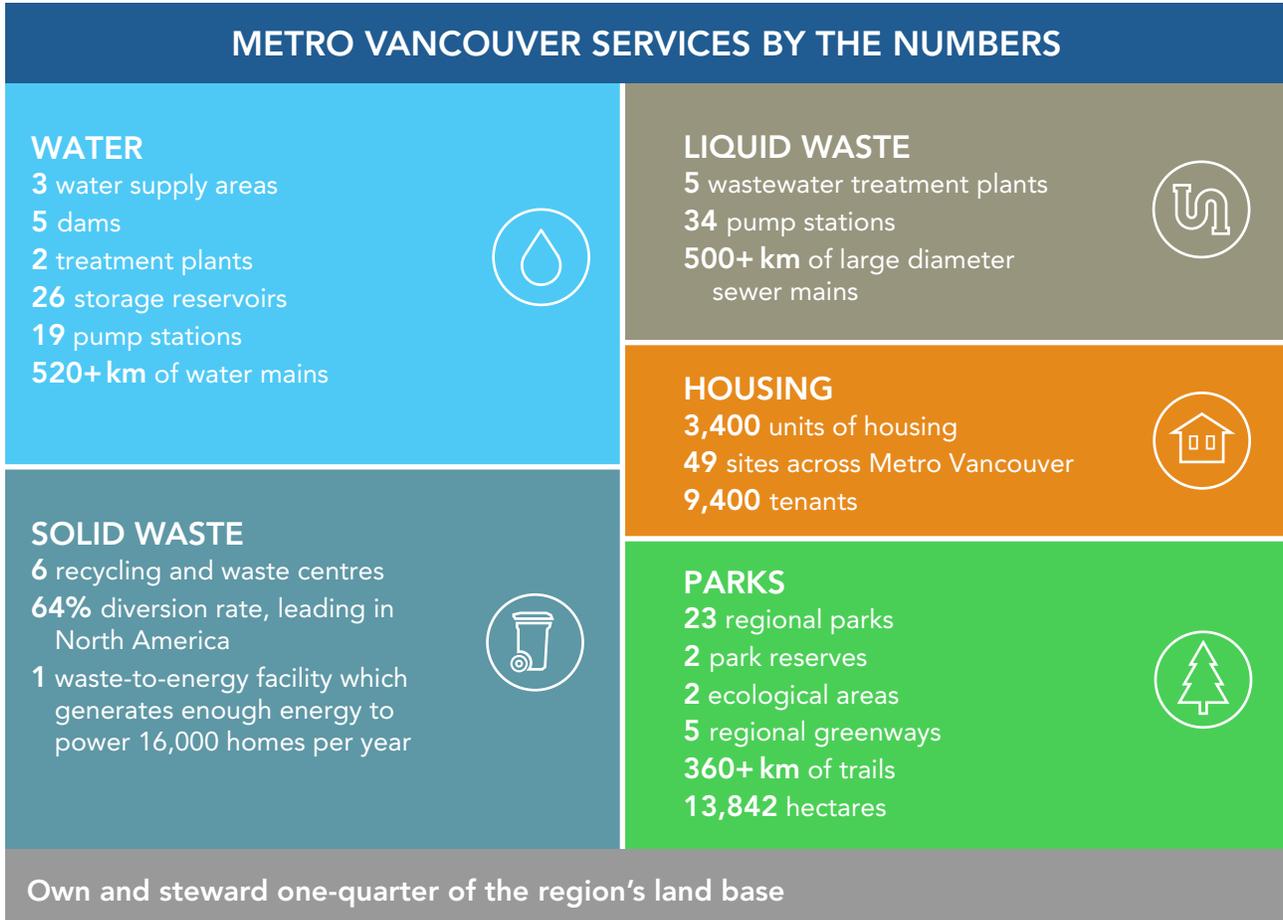
Metro Vancouver's Economic Context

Metro Vancouver and its member jurisdictions work collaboratively to plan for and provide vital utility and local government services to 2.8 million residents — more than half the population of BC — as well as the businesses and institutions of the region. Metro Vancouver's utility services operate on a vast scale and collaboration is fundamental — our regional model lets our members and ratepayers benefit from economies of scale and regional expertise.

As the gateway to the Pacific, our region is home to a dynamic economy that includes the resource sector, tourism and professional services, and emerging clusters in the creative, digital, and clean tech arenas. The region represents 61 per cent of the province's GDP and supports about 1.3 million jobs. Through Invest Vancouver, we are working to attract strategic global investment to advance shared prosperity in the region ([see Metro Vancouver Region Demographics under Other Miscellaneous Statistics on pages 127 to 135](#)).

Asset Stewardship

Metro Vancouver manages substantial assets to support the resilience, prosperity, and livability of the region.



Investments in Critical Infrastructure

Over the next five years, Metro Vancouver is planning for significant investments to build, maintain, and upgrade the critical infrastructure that will support the prosperity, resilience, and livability of the region. These projects will help to mitigate the impacts of climate change and protect the environment while at the same time reducing greenhouse gases. Highlights include:

- Three wastewater treatment plant projects are currently underway, the largest being the Iona Island Wastewater Treatment Plant, which is being upgraded to meet regulatory requirements and protect the health and wellbeing of people, wildlife, and ecosystems. The new plant will provide the opportunity to restore one of the world's most important rearing habitats for juvenile salmon and will reduce greenhouse gas emissions through energy efficiency and resource recovery, while providing reliable service that's resilient to climate change and earthquakes.
- An extensive program to upgrade the major water mains that connect our source reservoirs to the communities of the region, involving over 500 kilometres of water mains. This program includes

building new water supply tunnels under major marine crossings to significantly increase capacity and ensure continued water delivery after a major earthquake.

- Significant investment in the Waste-to-Energy Facility to replace aging infrastructure and provide for the addition of biosolid management and the alternative fuel and recyclables recovery project, which are expected to increase beneficial use of waste materials and reduce greenhouse gas emissions for the region.

Services Delivered Directly to Residents

Most services provided by Metro Vancouver are delivered to member jurisdictions, but Metro Vancouver provides two services directly to residents of the region:

- **Regional Parks System**

The regional parks system provides access to a diverse range of natural spaces while protecting sensitive ecosystems. Metro Vancouver protects and provides stewardship for more than one-quarter of the region's land base, including more than 13,000 hectares of park lands and 65,000 hectares of protected water supply areas. Research shows that spending time in nature is an effective way to reduce stress and support physical and mental wellbeing, and during the COVID-19 pandemic, our parks experienced their highest-ever visitation rates, demonstrating their essential value.

- **Affordable Housing**

Metro Vancouver is the second-largest affordable housing provider in BC, providing 3,400 homes to more than 9,400 residents. Metro Vancouver aims to create at least 1,350 new units in the next decade.

Legislative Environment

Metro Vancouver operates under four separate legal entities, and each is governed by specific legislation:

- The Metro Vancouver Regional District (MVRD)
- The Greater Vancouver Water District (GVWD)
- The Greater Vancouver Sewerage and Drainage District (GVS&DD)
- Metro Vancouver Housing Corporation (MVHC)

Metro Vancouver is governed by several legislative statutes including the *Local Government Act*, the *Community Charter*, the *Greater Vancouver Sewerage and Drainage District Act*, *An Act Incorporating the Greater Vancouver Water District*, and the *British Columbia Corporations Act*.

The requirements for financial management vary significantly within the statutes, and in some cases, are dated and provide little guidance. As a result, Metro Vancouver members rely heavily on the financial management provisions of the *Community Charter* and *Local Government Act*.

Governance and Board Financial Policies

Metro Vancouver is governed by a Board of Directors that is made up of elected officials from each local authority, and a suite of Board policies provide guidance during the annual budget and capital planning processes, influence the operations of the Financial Services Department, and help ensure financial sustainability and effective financial management.

POLICY	PURPOSE
Financial Management Policy (2018)	Establishes the principles that will guide decision making with respect to funding long-term operating and capital expenditures for Metro Vancouver’s legal entities.
Operating, Statutory, and Discretionary Reserves Policy (2018)	Outlines the principles and requirements that guide the establishment, use, and management of Metro Vancouver reserves.
Corporate Allocation Policy (2017)	Establishes the appropriate methodology in allocating costs incurred by centralized support services in delivering support services to all business activities of Metro Vancouver’s four legal entities
Corporate Investments (1999, 2020 rev.)	Provides guidelines within which investment decisions are made on behalf of all the corporate entities to ensure safety of capital, adequate liquidity, and a reasonable rate of return.
Asset Management Policies <ul style="list-style-type: none"> • Corporate Facilities and Equipment (2019) • Housing (2018) • Liquid Waste Services (2018) • Regional Parks (2019) • Solid Waste Services (2019) • Water Services (2019) 	Provide guidelines to facilitate effective asset stewardship to ensure assets are maintained in a state of good repair (including developing and implementing strategies to manage and renew each asset in accordance with clearly defined asset performance metrics and targets). Metro Vancouver continually collects data on asset condition and will continue to monitor the condition of its assets as set out in their respective asset management policies.

Additional Board policies that guide financial planning and management are listed below:

- General Liability and Property Loss Claims
- Carbon Price Policy
- Procurement and Real Property Contracting Authority
- Sustainability Innovation Fund – GVRD
- Federal Gas Tax Fund Expenditures

Financial Planning, Monitoring and Reporting

Financial Planning

At Metro Vancouver, financial planning is a year-round activity. While it culminates with the approval of the budget in the fall, the process commences formally again in December starting with the review of the capital plan, and rolls into the spring with a review of programs and development of budgets. With a culture of continuous improvement, departments evaluate alternatives to improve service delivery or find more effective and efficient ways to complete projects.

Financial Services is fully engaged throughout the year as there is ongoing assessment of costs and impacts to ratepayers related to proposed projects and programs in order to support decision making.

Financial Cost Allocation to Member Jurisdictions

The costs of Metro Vancouver services are passed on through the member municipalities and ultimately borne by the ratepayers in the region. Metro Vancouver cost allocation to member jurisdictions is briefly described in the table below.

Table 1: Cost allocations to member jurisdiction by service

METRO VANCOUVER SERVICE	COST ALLOCATION
Water Services	Member municipalities are charged monthly their actual consumption multiplied by the water rate (either peak or off-peak depending on the month)
Liquid Waste Services	Member municipalities are charged an annual liquid waste levy as per the <i>Cost Apportionment Bylaw</i> rules in effect.
Solid Waste Services	Customers are charged their actual tonnage multiplied by the applicable tipping fee as per the <i>Tipping Fee and Solid Waste Regulation Bylaw</i> in effect.
Regional District Services	Member municipalities are charged an annual tax requisition, which is allocated based on their property assessment as per BC Assessment.

Financial Monitoring and Reporting

Monitoring budgeted spending is critical to ensuring the financial health of the organization. Departments have primary responsibility for monitoring financial performance. A key component of monitoring is collecting and analyzing performance indicator data that are included in the annual work plans and published with the budget reports and online, through the Performance Monitoring Dashboard (updated in late October and early April each year). Reporting out on performance indicators allows the public and key stakeholders to evaluate Metro Vancouver's success in achieving its objectives and in delivering services to the region.

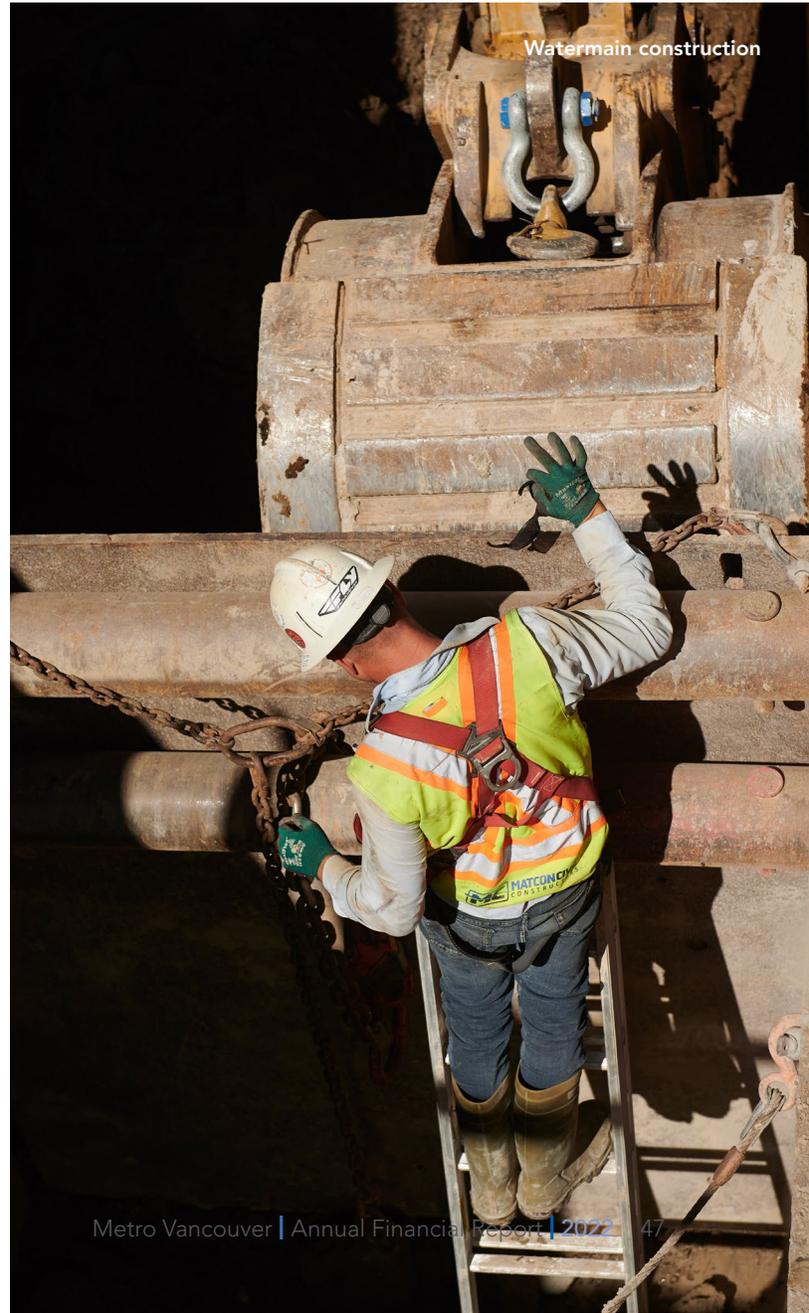
Prior to 2022, financial performance results were provided to the Performance and Audit Committee and Board three times per year, and reporting of financial results was completed at a similar level of detail as the adopted budget, and included both revenues and expenditures.

In 2022, regular financial performance results were reported to what is now known as the Finance Committee quarterly, with additional information on revenue results and trends. This change was made to align with industry standards and respond to committee requests for more frequent financial data reporting.

The Finance Committee is the standing committee of the Metro Vancouver Board that monitors Metro Vancouver's financial management. It provides advice and recommendations on financial policies, the annual budget, and long-term financial plans for Metro Vancouver's districts, and reviews periodic and annual financial results and provides oversight on the annual external audit.

Annually, audited financial statements are prepared for the Metro Vancouver districts and Metro Vancouver Housing Corporation and presented at a public meeting of the Board of Directors, as required under the *Local Government Act* sections 376 and 377 and *Community Charter* section 167.

Metro Vancouver engages an independent external auditor to express an opinion as to whether the financial statements present fairly, in all material respects, Metro Vancouver's financial position, operations, and cash flow in accordance with the Canadian Public Sector Accounting Standards (PSAS).



Financial Results

Metro Vancouver continues to maintain a healthy financial position despite the current inflationary pressures and the global economic uncertainty of the past few years.

The financial measures below, compared with industry standards, provide additional insight into Metro Vancouver's financial position and well-diversified revenue.

MEASURE	EXPLANATION	INDUSTRY AVERAGE	2022*	2021*
Current Ratio	A measure of the organization's ability to pay its current liabilities (higher is better)	2.1 to 1	2.7 to 1	3.2 to 1
Operating Reserves/Total Revenue	A measure of the organization's ability to manage unforeseen events and overall financial health (needs to be balanced and stable)	13%	14.5%	11.6%
Debt Servicing Ratio	Per cent of the organization's income that is utilized to service debt payments (lower is better)	13%	19.5%	16.6%
Interest Ratio	Per cent of the organization's income that is utilized for interest payments (lower is better)	4%	6.4%	6.0%
MVRD Property Tax and Liquid Waste Services Levies / Total Revenue	Per cent of the organization's revenue that is comprised of property tax and levies (lower is better)	34%	37.5%	36.4%

*Calculation based on audited consolidated balances

See Section 3 - Statistical Section, page 123, for five-year trend in Financial Performance Measures.

Consolidated Financial Statements

The consolidated financial statements combine the accounts of the four legal entities. They have been prepared by management in accordance with PSAS and have received an unqualified audit opinion by external auditors BDO Canada LLP Chartered Professional Accountants (*see audited Consolidated Financial Statements on pages 59 to 102*).

Under PSAS regulations, governments are required to present four statements with explanatory notes: Statement of Financial Position (Exhibit A), Statement of Operations (Exhibit B), Statement of Net Debt (Exhibit C), and Statement of Cash Flows (Exhibit D). It is important to note that there are differences between the presentation in these financial statements and the annual Metro Vancouver budget, which is prepared in accordance with enabling legislation, to determine the annual revenue requirements to meet expenditure obligations (*see Notes to Consolidated Financial Statements - Note 16 - Budget Information, page 93*).

Two key statements, the Consolidated Statement of Financial Position and the Consolidated Statement of Operations, are the foundation of the audited statements. They contain six key indicators (financial assets, financial liabilities, net debt position, non-financial assets, accumulated surplus, and annual surplus) that form the basis of the analysis below.

Consolidated Statement of Financial Position

The Consolidated Statement of Financial Position (Exhibit A) included in the audited financial statements provide key information to evaluate the government's ability to finance its ongoing activities to meet its liabilities and contractual obligations, as well as provide future services.

Maintaining a solid financial position is critical to ensuring there is continuous capacity to finance infrastructure investments and provide ongoing programs for all Metro Vancouver services. In 2022, Metro Vancouver maintained a strong balance sheet that indicated a solid financial base from which to provide core services with significant infrastructure and capital expenditures. This is important as we are in a period of macroeconomic, geopolitical, and climate uncertainty.

Consolidated Statement of Financial Position (As of December 31, 2022)

(in thousands of dollars)

	2022	2021	Change
Financial Assets	\$ 2,299,151	\$ 2,379,464	\$ (80,313)
Liabilities	(3,864,301)	(3,695,024)	(169,277)
Net Debt	(1,565,150)	(1,315,560)	(249,590)
Non-Financial Assets	7,824,748	7,197,202	627,546
Accumulated Surplus	\$ 6,259,598	\$ 5,881,642	\$ 377,956

Financial Assets

Metro Vancouver has a strong liquidity position, with financial assets 2.7 times more than current liabilities. This indicates that the financial assets are more than sufficient to offset the amount of short-term obligations.

The total financial assets balance in 2022 was lower than 2021 by \$80.3 million, mainly as a result of the following:

- Lower cash, cash equivalents, and investments in 2022 by \$248.4 million largely from the timing of debt financing for capital infrastructure projects and the use of deferred grants and reserves previously held in cash.
- Slightly higher accounts receivable of \$600,000 and from the timing of billings and collections comprising mainly tipping fees due from commercial solid waste haulers, development cost charge (DCC) income, industrial sewer charges from commercial customers, and payments due from our member municipalities for water sales.
- The net amount due from TransLink and member jurisdictions is \$166.4 million higher, where the district is reimbursed for amounts paid to the Municipal Finance Authority of British Columbia (MFA) as a result of long-term debts incurred on behalf of TransLink and member municipalities through agreements with the MFA ([see Notes to Consolidated Financial Statements - Note 3 - Due from Translink and Member Municipalities, page 74](#)).
- The debt reserve fund balance is \$1.1 million higher due to new debenture debt issued in the year. This debt reserve fund represents the amount required as security for debt service obligations (under agreement with the Municipal Finance Authority).

Liabilities

The total liabilities balance in 2022 was higher than 2021 by \$169.3 million, mainly as a result of the following:

- Lower accounts payable and accrued liabilities of \$38 million, mainly due to less trade payables and construction holdbacks due to the timing of payments, offset by higher payroll accruals for anticipated wage increases related to collective bargaining.
- Higher landfill liability of \$8.1 million due to inflation, and therefore higher anticipated closure costs.
- Slight higher employee future benefit costs of \$700,000 due to expected inflation.
- Higher deferred revenue and refundable deposits of \$2 million, largely from the reduced application of development cost charges and grant funding in 2022 caused by capital project delays.
- Overall debt increased by \$196.4 million, mainly due to the following:
 - The debt for Metro Vancouver increased by \$32.8 million due to new long-term borrowing during the year of \$200 million (\$160 million for GVS&DD and \$40 million for GVWD), and was offset by debt and sinking fund payments and interest of \$167.2 million.
 - Debt for member jurisdictions and TransLink increased by \$163.6 million, mainly due to new long-term borrowing in 2022 of \$253 million, which was offset by debt and sinking fund payments (net of sinking fund interest earned) of \$89.4 million

[See Section 3 - Statistical Section, page 105 for five-year trend in Consolidated Liabilities.](#)

Net Debt

The net debt position indicates the amount by which the organization's liabilities exceed the financial assets. The net debt position increased by \$249.6 million which may appear unfavourable, however, the vast majority (over 73 per cent) of the organization's liabilities is long-term debt that is repayable over several years. Furthermore, the organization's financial assets are more than sufficient to offset short-term obligations based on our current ratio of 2.7 to 1 (see Section 3 - Statistical Section, page 118 for five-year trend in Consolidated Statement of Change in Net Debt).

Non-Financial Assets

Non-financial assets increased by \$627.5 million in 2022 due to capital expenditures made during the year, mainly from water and liquid waste infrastructure projects (see Section 3 - Statistical Section, page 108 for five-year trend in Consolidated Non-Financial Assets) for further details).

Accumulated Surplus

The 2022 accumulated surplus of \$6.3 billion reflects the member jurisdictions' net investment in the district's consolidated entity, which comprises reserve balances of \$441 million and investment in tangible capital assets and capital funds of \$5.8 billion. This investment in capital assets is based on historical cost and does not represent the replacement value of the assets in service for Metro Vancouver (see Consolidated Financial Statements Note 13 - Accumulated Surplus, pages 85 to 88, for further details).

The accumulated surplus increased by \$378 million in 2022, which represents the annual surplus for the year (calculated as the difference between revenues and expenses).

Consolidated Statement of Operations

The Consolidated Statement of Operations (Exhibit B in the audited consolidated financial statements) provides key information about the organization's financial activities, revenues, expenses, and annual surplus.

The annual surplus of \$378 million serves as the 2022 addition to Metro Vancouver's overall accumulated surplus position or net worth of \$6.3 billion (as reported in the Consolidated Statement of Financial Position).

Consolidated Statement of Operations (As of December 31, 2022)

(in thousands of dollars)

	2022	2021	Change
Revenue	\$ 1,114,319	\$ 1,080,455	\$ 33,864
Expenses	(736,363)	(645,397)	(90,966)
Annual Surplus	\$ 377,956	\$ 435,058	\$ (57,102)

This annual surplus, as presented under PSAS, is different from the annual surplus as determined in the context of the annual budget. The primary difference is that the PSAS framework excludes contributions to and from reserves as well as capital contributions and principal payments on long-term debt. These excluded items form a significant part of the annual approved budget (see Notes to Consolidated Financial Statement - Note 16 Budget Information, page 93) that reconciles the budgeted annual surplus per Exhibit B – Statement of Operations, to the annual surplus per approved budget.

Total Revenues

Total revenue for the year increased by \$33.9 million (three per cent) mainly as a result of the following:

- Increase in:
 - Development cost charges by \$18.4 million (44 per cent) due to increases in transfers from DCC reserves to fund debt payments
 - Sewerage and drainage levy by \$13.2 million (five per cent) and MVRD property tax requisitions by \$9 million (11 per cent) due to approved budget increases
 - Tipping fees by \$13.2 million (12 per cent) due to higher construction demolition material processing
 - Metered sale of water by \$9.7 million (three per cent) due to approved increases in the rate charged for water during the months of June to September
 - Other miscellaneous accounts' net increase of \$9.3 million, mainly due to an increase in sinking fund and interest income from higher-than-expected interest rates as well as an increase in user fee recoveries and other revenue from property rentals
- Decrease in:
 - Grants and other contributions by \$38.9 million (51 per cent) mainly due to less capital spending resulting in less grant applications than anticipated

Total Expenses

Total expenses for the year increased by \$91 million (14 per cent), mainly due to overall inflationary and approved spending increases in the annual budget, including the following:

- Increase in:
 - Salaries and benefits by \$22.5 million (nine per cent)
 - Consulting, contracted, and professional services by \$36.7 million (25 per cent)
 - Amortization of tangible capital assets and prepaid land leases by \$12.7 million (15 per cent)
 - Interest on long-term debt by \$6.2 million (10 per cent)
 - Other miscellaneous accounts' increase of \$12.8 million (eight per cent)

For additional information, see:

- [Section 3 - Statistical Section for Five-Year Comparative Schedules of Consolidated Financial Information, pages 103 to 122.](#)
- [Link to Metro Vancouver Finance Committee meeting agenda item 5.2 - Audited 2022 Financial Statements and Annual Financial Results, dated April 13, 2023, page 38. https://metrovancover.org/boards/Finance/FIN_2023-APR-13_AGE.pdf](https://metrovancover.org/boards/Finance/FIN_2023-APR-13_AGE.pdf)

Financial Outlook

Challenges and Opportunities

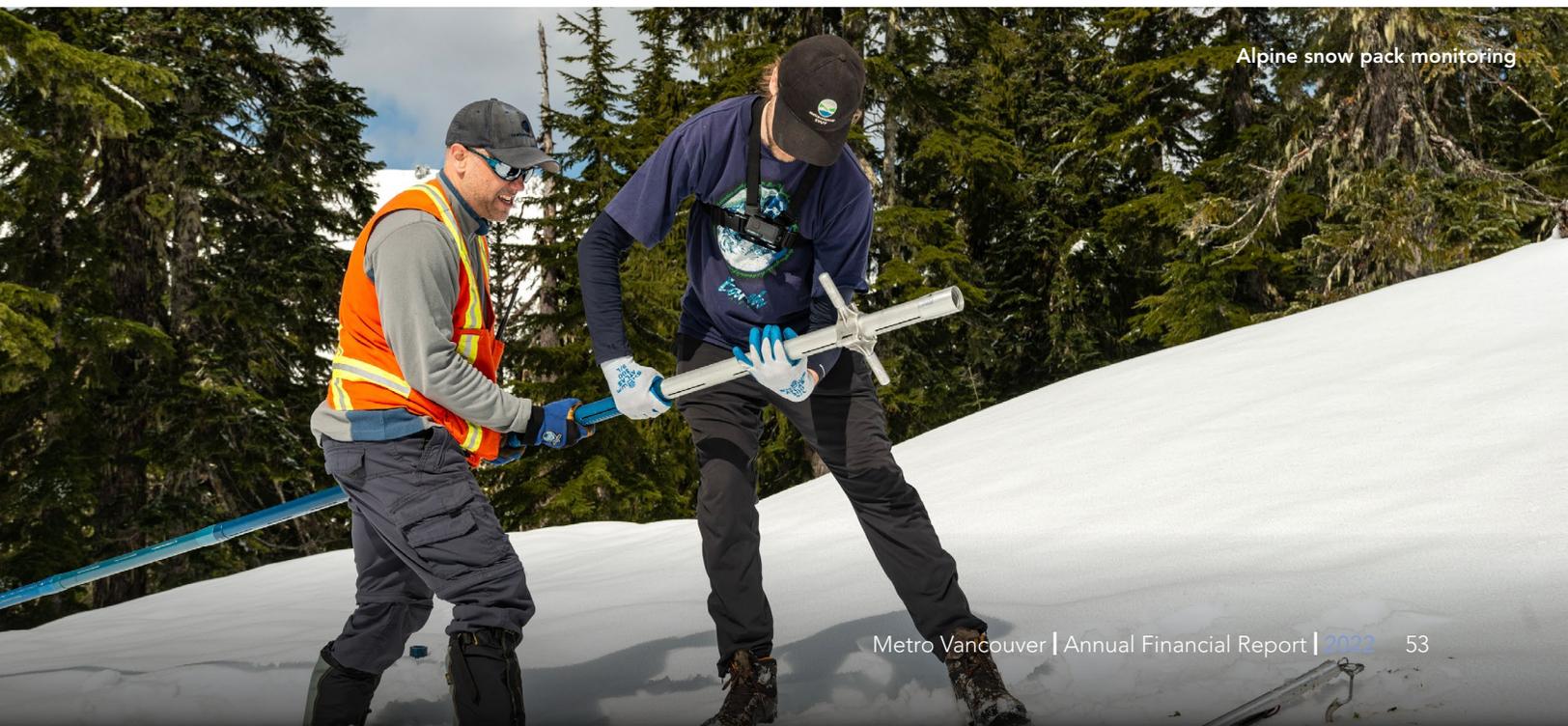
Metro Vancouver, guided by our Board and committees, continues to adjust its plans for the future so that the organization can remain financially sound, productive, and resilient. Metro Vancouver faced unprecedented challenges in recent years, including the escalating climate crisis, equity and affordability concerns, a global pandemic, a worsening housing crisis, aging infrastructure, labour shortages, and supply chain disruptions. These challenges affect the cost of Metro Vancouver services due to economic risks (e.g. inflation and population growth), financial risks (e.g. interest rates and purchasing power fluctuations), natural hazards (e.g. severe weather conditions that can potentially lead to forest fires or flooding), asset and project risks (e.g. construction cost inflation, competitive pricing, regulatory changes, talent acquisition), and cyber risks (e.g. identify theft and ransomware from sophisticated technology).

Metro Vancouver proactively monitors these and other evolving risks and opportunities, and we are confident that our strong governance, robust planning, and effective collaboration with our partners and stakeholders will enable Metro Vancouver to quickly adapt to changing circumstances.

Impacts of Inflation

Inflation started to increase in late 2021 and that rise continued through 2022 and 2023. In February 2023, the Metro Vancouver region's consumer price index (CPI) was 5.9 per cent higher than in February 2022, and Canada's CPI was 5.2 per cent higher. Canada's inflation rate has not been above five per cent since the 1990s, which illustrates the unique economic circumstances Metro Vancouver and the country as a whole are facing. The rising inflation has affected Metro Vancouver's operations, from increases in input costs related to treatment plant utility operations, to impacts on wages and benefits and collective agreements.

In response to rising inflation, central banks have been increasing interest rates to curb rising prices. Unsurprisingly, the escalating interest rates have had a major impact on Metro Vancouver's finances. We are looking to borrow money to support our substantial capital program, and a minor interest rate hike can significantly increase the costs of our capital projects and the resulting burden on households. The increasing interest rate exposure Metro Vancouver faces is an area that Financial Services will continue to monitor, and will take action on to minimize the financial impact on the region.



Alpine snow pack monitoring

The table below illustrates the current consumer price index in Canada, providing examples of the cost pressures in various areas of the economy. Of note for Metro Vancouver are the rising price of gas — which impacts the prices of nearly all goods, including construction materials — and the extra costs associated with building new homes, as Metro Vancouver Housing embarks upon an ambitious housing development program.

Table 5: Inflation and deflation in Canada

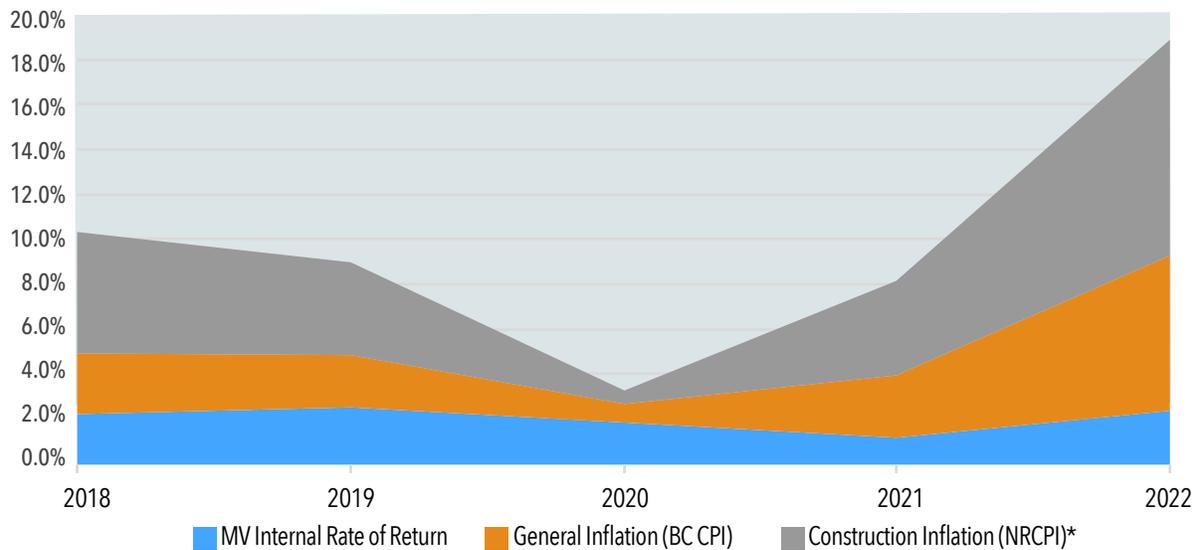
CANADA – CONSUMER PRICE INDEX (Y/Y% CHANGE: AS OF FEBRUARY 2023)			
Deflationary		Inflationary	
Passenger vehicle registration fees	-30.0%	Margarine	34.3%
Child care services	-27.5%	Dry or fresh pasta	29.1%
Purchase of digital media	-18.7%	Fuel oil and other fuels	24.3%
Child care and housekeeping services	-14.2%	Mortgage interest cost	23.9%
Home entertainment equipment, parts and services	-9.3%	Pasta products	23.1%
Multipurpose digital devices	-8.7%	Flour and flour-based mixes	22.9%
Video equipment	-8.4%	Soup	22.5%
Digital computing equipment	-6.5%	Lettuce	20.2%
Computer equipment, software, and supplies	-4.9%	Butter	19.7%
Audio equipment	-4.8%	Traveller accommodation	19.6%
Overall CPI: 5.2%			

Source: Statistics Canada

Return on Investments

As the gap between inflation and return rates widens, it is becoming more expensive to hold on to reserves earmarked for future projects, and the value of those reserves is eroding as the purchasing power of the dollar continues to fall. For investments held in bonds, inflation poses a significant risk to the real rate of return.

Inflation Versus Internal Rate of Return



Source: Financial Services Treasury Group

Our Strategy

Going forward, Metro Vancouver staff will continue to monitor emerging macroeconomic challenges and formulate strategies to mitigate the impacts of the ever changing environment to the greatest degree possible. Some notable initiatives underway are discussed below.

1. Financial Plan Task Force

In late 2022, the Board Chair created the Financial Plan Task Force to reassess the 2024-2027 household impact increases in Metro Vancouver's five-year financial plan and to provide advice and recommendations to the Board. The task force began meeting in February 2023 and concluded its work at the end of March.

At that initial meeting in mid-February, staff provided background on the 2023-2027 Financial Plan, which called for the following household impact increases: 2024 – 14.3 per cent, 2025 – 14.1 per cent, 2026 – 12.4 per cent, 2027 – 12.1 per cent.

Staff worked through numerous scenarios assessing risks, opportunities, and the deliverability of the capital program based on current market conditions, and at the next meeting outlined opportunities for cost savings. The following targets were ultimately endorsed by the task force and considered at an April Board Budget Workshop: 2024 – 12 per cent, 2025 – 11 per cent, 2026 – five per cent, 2027 – five per cent.

In addition, a key component of reaching the targets is increasing the Liquid Waste and Water DCCs to a one per cent assist factor within the 2024-2028 Financial Plan as well as implementing a DCC for Regional Parks and moving it to a one per cent assist factor.

2. Long-Term Financial Planning

Since 2017, Metro Vancouver has added five-year financial plans and multi-year capital planning into the financial planning process. These changes have been in response to Board direction to move beyond considering only annual financial impacts of Metro Vancouver's long-term projects. Because many of Metro Vancouver's projects spanning more than five years, examining the financial impacts over a longer time period is essential to providing transparency and accountability when it comes to the financial impact of Metro Vancouver services.

Metro Vancouver explored the idea of long-term financial planning in the past, and it is included as part of the *2019-2022 Board Strategic Plan*, however resources were re-deployed to deal with the myriad challenges faced during the COVID-19 pandemic.

Metro Vancouver's goal is to formally adopt a long-term financial plan in the last quarter of 2023. (see illustrated schedule below)

Metro Vancouver is continually refining and updating its robust asset management framework and management plans, which are key components of long-term financial planning. Within the suite of asset management, management plans and financial planning practices, Metro Vancouver produces:

- **Asset management policies:** Metro Vancouver has adopted six asset management policies, in which maintaining assets in a state of good repair is a key priority. Asset management policies have been created for the following areas: corporate facilities and equipment, housing, liquid waste services, regional parks, solid waste services, and water services.

- **Asset management strategies:** These must be implemented to manage and renew each asset in accordance with clearly defined asset performance metrics and targets. In order to assess the asset performance metrics and targets, Metro Vancouver is continually collecting data on asset condition and will continue to monitor the condition of its assets as set out in their respective asset management policies.
- **State of asset reports:** These reports provide an overview of the existing asset inventory, condition, replacement value, and forecasted long-term investment needs.
- **Management plans, strategic plans, and long-range plans:** These plans identify how existing assets will be prioritized for replacement, and plan for what infrastructure may be needed in the future to meet regulatory, growth, and resiliency requirements.
- **Financial plans:** Metro Vancouver currently prepares annual and five-year outlook financial plans, with work underway to develop a long-term financial plan.

Metro Vancouver continues to refine its asset management and financial planning practices in order to address system stewardship and to improve transparency when it comes to what the long-term financial impacts of that stewardship might be.



3. Board Financial Policies

Metro Vancouver works within a suite of Board-approved financial policies that guide the financial framework for the organization. These policies provide guidance during the annual budget process, the capital planning process, and the operations of the Financial Services department.

Since 2017, Metro Vancouver has made a concerted effort to formalize and establish financial policies to guide its financial planning and operations to ensure financial sustainability and effective financial management.

As part of the long-term financial planning process, Metro Vancouver is reviewing Board-level policies, specifically the *Financial Management Policy*, to ensure long-term fiscal sustainability for the organization.

Metro Vancouver continues to ensure sound fiscal policies aimed at balancing long-term financial

sustainability, while maintaining affordability for regional ratepayers. Although the current financial environment is a challenging one, we remain committed to operating from a position of financial strength and transparency to provide essential services that are key to our region's resilience, prosperity, and livability.



June 30, 2023

Dean Rear, CPA, CA

Chief Financial Officer



Consolidated Financial Statements

Metro Vancouver Districts and Metro Vancouver Housing Corporation
(Operating as Metro Vancouver)

Year ended December 31, 2022

Note: For audited financial statements of individual entities - Greater Vancouver Sewerage and Drainage District (GVS&DD), Greater Vancouver Water District (GWWD) and Metro Vancouver Housing Corporation (MVHC), please access the following link: <https://metrovancover.org/about-us/budgets-and-financial-plans>

METRO VANCOUVER REGIONAL DISTRICT

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December 31, 2022

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Consolidated Statement of Operations	B
Consolidated Statement of Change in Net Debt	C
Consolidated Statement of Cash Flows	D
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Management Responsibility for Financial Reporting

**METRO VANCOUVER DISTRICTS
AND METRO VANCOUVER HOUSING CORPORATION
(Operating as Metro Vancouver)
MANAGEMENT REPORT**

The Consolidated Financial Statements contained in this report have been prepared by management in accordance with Canadian public sector accounting standards. The integrity and objectivity of these statements are management's responsibility. Management is responsible for all the 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.

The Metro Vancouver Regional District's Board of Directors is responsible for approving the consolidated financial statements and for ensuring that management fulfills its responsibilities for financial reporting and internal control and exercises this responsibility through the Finance Committee of the Board.

The external auditors, BDO Canada LLP, conduct an independent examination, in accordance with Canadian generally accepted auditing standards, and express their opinion on the consolidated financial statements. Their examination does not relate to the other unaudited schedules attached to the financial statements and statements required by the *Financial Information Act*. The Independent Auditor's Report outlines the scope of the audit for the year ended December 31, 2022.

On behalf of the Metro Vancouver Regional District, Greater Vancouver Sewerage and Drainage District, Greater Vancouver Water District, and Metro Vancouver Housing Corporation.



Dean Rear, Chief Financial Officer

Date: April 28, 2023



Tel: 604 688 5421
Fax: 604 688 5132
vancouver@bdo.ca
www.bdo.ca

BDO Canada LLP
Unit 1100 - Royal Centre
1055 West Georgia Street
Vancouver BC V6E 3P3 Canada

Independent Auditor's Report

To the Board of Directors of the Metro Vancouver Regional District

Opinion

We have audited the consolidated financial statements of the Metro Vancouver Regional District (the "Consolidated Entity"), which comprise the consolidated Statement of Financial Position as at December 31, 2022, and the consolidated Statements of Operations, Change in Net Debt and Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Consolidated Entity as at December 31, 2022 and the results of its operations, change in net debt, and cash flows or 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 Consolidated Financial Statements section of our report. We are independent of the Consolidated Entity in accordance with the ethical requirements that are relevant to our audit of the consolidated 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.

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

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Consolidated Entity'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 Consolidated Entity or to cease operations, or has no realistic alternative but to do so.

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

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

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 Consolidated Entity'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 Consolidated Entity'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 consolidated 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 Consolidated Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

Other Matter – Supplementary Information

We draw attention to the fact that the supplementary information included in Schedule 1 does not form part of the audited consolidated financial statements. We have not audited or reviewed this supplementary information and, accordingly, we do not express any opinion, review conclusion or any other form of assurance on this supplementary information.

BDO Canada LLP

Chartered Professional Accountants

Vancouver, British Columbia

May 01, 2023

METRO VANCOUVER REGIONAL DISTRICT

Exhibit A

Consolidated Statement of Financial Position

As at December 31, 2022

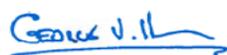
(in thousands of dollars)

	2022	2021
Financial Asset		
Cash and cash equivalents	\$ 388,043	\$ 738,303
Accounts receivable (note 2)	193,673	193,051
Due from TransLink and member municipalities (note 3)	1,260,527	1,094,140
Investments (note 4)	391,386	289,582
Debt reserve fund (note 5)	65,522	64,388
	2,299,151	2,379,464
Liabilities		
Accounts payable and accrued liabilities (note 6)	299,379	337,420
Employee future benefits (note 7)	14,602	13,907
Landfill closure and post-closure liability (note 8)	41,026	32,907
Deferred revenue and refundable deposits (note 9)	343,047	341,016
Debt reserve fund, member municipalities, and TransLink (note 5)	35,231	35,179
Debt (net of sinking funds) (note 10)		
Metro Vancouver Districts and Housing Corporation	1,884,302	1,851,489
TransLink and member municipalities	1,246,714	1,083,106
Total debt	3,131,016	2,934,595
	3,864,301	3,695,024
Net Debt	(1,565,150)	(1,315,560)
Non-Financial Assets		
Tangible capital assets (note 11)	7,796,302	7,172,479
Inventories of supplies	11,864	10,938
Prepaid land leases (note 12)	4,868	5,062
Prepaid expenses	11,714	8,723
	7,824,748	7,197,202
Accumulated Surplus (note 13)	\$ 6,259,598	\$ 5,881,642
Contractual obligations and rights (note 14)		
Contingencies (note 15)		
Budget information (note 16)		
Segmented information and expenses by object (note 17)		
Subsequent events (note 18)		

The accompanying notes are an integral part of these consolidated financial statements.



Chief Financial Officer



Board Chair

METRO VANCOUVER REGIONAL DISTRICT

Exhibit B

Consolidated Statement of Operations

Year ended December 31, 2022

(in thousands of dollars)

	2022 Budget (Note 16)	2022 Actual	2021 Actual
Revenues (note 17)			
MVRD property tax requisitions	\$ 91,708	\$ 91,708	\$ 82,714
Metered sale of water	329,366	329,678	319,989
Sewerage and drainage levy	301,425	301,425	288,226
Tipping fees	112,910	125,797	112,610
Housing property rentals	42,051	43,267	42,416
BODTSS industrial charges	12,263	12,431	12,157
Development cost charges	103,080	60,583	42,204
Grants and other contributions	126,822	37,265	76,174
User fees, recoveries, and other revenue	41,175	46,411	42,903
Sinking fund and interest income	32,110	38,682	32,840
Sinking fund income, members and TransLink	29,165	27,072	28,222
	1,222,075	1,114,319	1,080,455
Expenses (note 17)			
Liquid waste services	294,631	274,160	232,928
Solid waste services	119,856	142,930	108,040
Water operations	197,307	184,446	173,128
Housing rental operations	41,452	34,516	35,765
Regional parks	46,045	38,405	37,310
General government services	7,400	7,167	6,257
Air quality	14,826	11,101	10,082
Regional employers services	3,204	2,362	2,342
E911 emergency telephone system	5,333	5,269	4,543
Regional planning	4,756	4,140	3,101
Invest Vancouver	3,038	2,420	1,556
Housing planning and policy	1,794	1,031	1,085
Electoral areas	632	654	455
Regional global positioning system	348	169	242
Sasamat volunteer fire department	294	350	263
Regional emergency management	234	171	78
Sinking fund income attributed to members and TransLink	29,165	27,072	28,222
	770,315	736,363	645,397
Annual surplus	451,760	377,956	435,058
Accumulated surplus, beginning of year	5,881,642	5,881,642	5,446,584
Accumulated surplus, end of year (note 13)	\$ 6,333,402	\$ 6,259,598	\$ 5,881,642

The accompanying notes are an integral part of these consolidated financial statements.

METRO VANCOUVER REGIONAL DISTRICT

Exhibit C

Consolidated Statement of Change in Net Debt

Year ended December 31, 2022

(in thousands of dollars)

	2022 Budget (Note 16)	2022 Actual	2021 Actual
Annual surplus	\$ 451,760	\$ 377,956	\$ 435,058
Change in tangible capital assets			
Acquisition of tangible capital assets	(1,390,548)	(723,206)	(720,501)
Amortization of tangible capital assets	96,073	99,142	86,415
Net book value of tangible capital assets disposed	—	241	1,110
	(1,294,475)	(623,823)	(632,976)
Change in other non-financial assets			
Acquisition of prepaid expenses	—	(11,714)	(8,723)
Use of prepaid expenses	—	8,723	9,350
Amortization of prepaid land leases	194	194	195
Acquisition of inventories of supplies	—	(11,864)	(10,938)
Consumption of inventories of supplies	—	10,938	10,017
	194	(3,723)	(99)
Change in net debt	(842,521)	(249,590)	(198,017)
Net debt, beginning of year	(1,315,560)	(1,315,560)	(1,117,543)
Net debt, end of year	\$ (2,158,081)	\$ (1,565,150)	\$ (1,315,560)

The accompanying notes are an integral part of these consolidated financial statements.

METRO VANCOUVER REGIONAL DISTRICT

Exhibit D

Consolidated Statement of Cash Flows

Year ended December 31, 2022

(in thousands of dollars)

	2022	2021
Cash provided by (used in):		
Operating transactions:		
Annual surplus	\$ 377,956	\$ 435,058
Items not involving cash		
Amortization of tangible capital assets	99,142	86,415
Amortization of prepaid land leases	194	195
Sinking fund income	(54,931)	(53,932)
Debt reserve fund income	(1,455)	(1,065)
Accrued interest and unamortized premium or discount	(718)	(2,029)
Gain (loss) on disposal of tangible capital assets and asset held for sale	(1,359)	743
Employee future benefit expense	2,911	2,868
Change in landfill closure and post-closure liability	8,119	743
Change in non-cash financial assets and liabilities		
Accounts receivable	(622)	(42,424)
Due from TransLink and member municipalities	(166,387)	(93,341)
Accounts payable and accrued liabilities	(38,041)	88,148
Employee future benefits paid	(2,216)	(2,330)
Deferred revenue and refundable deposits	2,031	29,565
Debt reserve fund, member municipalities, and TransLink	52	(424)
Inventories of supplies	(926)	(921)
Prepaid expenses	(2,991)	627
Net change in cash from operating transactions	220,759	447,896
Capital transactions:		
Proceeds on sale of tangible capital assets	1,600	367
Acquisition of tangible capital assets	(723,206)	(720,501)
Net change in cash from capital transactions	(721,606)	(720,134)
Investing transactions:		
Acquisition of investments	(403,818)	(160,752)
Investment maturities	302,732	290,591
Net change in cash from investing transactions	(101,086)	129,839
Financing transactions:		
Debenture debt and mortgages issued	452,970	779,600
Debt reserve fund issuances	(4,530)	(7,796)
Debt reserve fund maturity	4,851	3,915
Sinking fund payments	(193,570)	(158,391)
maturity	(8,048)	(8,136)
Sinking fund retirement	182,352	142,080
Debenture debt maturity	(182,352)	(142,080)
Net change in cash from financing transactions	251,673	609,192
Net change in cash and cash equivalents	(350,260)	466,793
Cash and cash equivalents, beginning of year	738,303	271,510
Cash and cash equivalents, end of year	\$ 388,043	\$ 738,303

The accompanying notes are an integral part of these consolidated financial statements.

METRO VANCOUVER REGIONAL DISTRICT

Notes to Consolidated Financial Statements, page 1

Year ended December 31, 2022

(tabular amounts in thousands of dollars)

1. Significant Accounting Policies

The consolidated financial statements of the Metro Vancouver Regional District (the “District”) are prepared by management in accordance with Canadian public sector accounting standards. Significant accounting policies adopted by the District are as follows:

Government Reporting Entity

The consolidated financial statements include the assets, liabilities, revenues, and expenses of four legal entities: the Metro Vancouver Regional District (“MVRD”), the Greater Vancouver Sewerage and Drainage District (“GVS&DD”), the Greater Vancouver Water District (“GVWD”), and the Metro Vancouver Housing Corporation (“MVHC”).

The MVRD was established under the Local Government Act of British Columbia. It provides a number of specific and agreed upon services directly to the public and its member municipalities, the major one of which is the ownership and operation of a network of regional parks. Its Board of Directors comprises mayors and councilors from the member municipalities appointed for that purpose by the municipalities. The number of directors, and the number of votes each may cast, is based upon the population of the municipality. Under the legislation, all staff, even if their work is under the authority of the related legal entities, are employees of the MVRD.

The GVS&DD was established by an Act of the same name in 1956. Its two principal responsibilities are the collection, treatment, and discharge of liquid waste for the municipalities of the MVRD, and the disposal of solid waste for the municipalities of the MVRD and the public. GVS&DD owns and operates wastewater treatment plants and a related collection network connected to the municipal collection systems, and several solid waste facilities including a waste-to-energy facility. Its Board of Directors comprises the same councilors and mayors as appointed to the MVRD Board by the participating municipalities.

The GVWD was established by an Act of the same name in 1924. Its primary responsibility is the supply of potable water to its member municipalities. Its Board of Directors comprises the same councilors and mayors as appointed to the MVRD Board by the participating municipalities. GVWD owns or holds under a 999-year lease from the Province, an extensive closed watershed network as its source of supply. It owns a series of dams, reservoirs, water treatment plants and a distribution network connecting to the municipal distribution systems. GVWD also owns and is responsible for operating and maintaining office buildings that are leased to MVRD and its related entities.

The MVHC is a wholly-owned subsidiary of the MVRD. The MVHC was incorporated under the Business Corporations Act (British Columbia) to own and operate housing sites within the Lower Mainland for the purpose of providing affordable rental housing on a non-profit basis.

METRO VANCOUVER REGIONAL DISTRICT

Notes to Consolidated Financial Statements, page 2

Year ended December 31, 2022

(tabular amounts in thousands of dollars)

1. Significant Accounting Policies (continued)

Basis of Consolidation	The consolidated financial statements reflect the combined assets, liabilities, revenues, and expenses of the reporting entity. The reporting entity comprises the MVRD, the GVS&DD, the GVWD, and the MVHC. These organizations are controlled by the District. All transactions and balances between these legal entities have been eliminated on consolidation.
Basis of Accounting	The District follows the accrual method of accounting for revenue and expenses. Revenue is recognized in the year in which it is earned and measurable. Expenses are recognized as they are incurred and measurable as a result of the receipt of goods or services and/or the legal obligation to pay.
Government Transfers	<p>Government transfers, are recognized as revenue in the financial statements when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. The transfer of revenue is initially deferred and then recognized in the statement of operations as the stipulation liabilities are settled.</p> <p>When the District is deemed the transferor, the transfer expense is recognized when the recipient is authorized and has met the eligibility criteria.</p>
Deferred Revenue and Refundable Deposits	Deferred revenue represents licenses, permits, development cost charges, security deposits, restricted contributions, and other fees which have been collected, but for which the related services or obligations have yet to be performed. These amounts will be recognized as revenue in the fiscal year the services are performed or obligations and stipulations have been met.
Sinking Fund, Debt Retirement, and Interest Income	Interest income is reported as revenue in the period earned. When required, based on external restrictions, interest income earned on deferred revenue is added to and forms part of the deferred revenue balance, and is recognized into income when related stipulations are met. Any surpluses received from upon debt retirement are recorded in the year received.

METRO VANCOUVER REGIONAL DISTRICT

Notes to Consolidated Financial Statements, page 3

Year ended December 31, 2022

(tabular amounts in thousands of dollars)

1. Significant Accounting Policies (continued)

Cash Equivalents Cash equivalents include highly liquid financial instruments with a term to maturity of ninety days or less at the date of acquisition. Cash equivalents are recorded at the lower of cost plus accrued interest.

Investments Investments consist of both long and short-term instruments and are recorded at amortized cost using straight-line method.

Employee Future Benefits The District and its employees participate in the Municipal Pension Plan. The Municipal Pension Plan is a multi-employer contributory defined benefit pension plan. Payments made in the year are expensed.

Under the terms of various collective agreements and compensation policies, the District provides paid sick leave to eligible employees and in certain agreements allows unused sick days to accumulate. There are no payouts of unused sick days at termination. In addition, employees acquire certain employee benefits on termination and retirement. These include days for severance based on years of service, vacation based on years of service, Worker's Compensation top-up, and a full year's vacation entitlement in the year of retirement. The costs of these benefits are actuarially determined based on service and best estimates of retirement ages and expected future salary and wage increases. The obligation under these benefit plans is accrued based on projected benefits as the employees render services necessary to earn the future benefits. Actuarial gains and losses are amortized over the expected average remaining service period of the related employee group, commencing the year after the gain or loss arises.

Landfill Closure and Post-Closure Liability The estimated present value of landfill closure and post-closure costs is recognized as a liability. This liability is recognized based on estimated future expenses, including estimated inflation discounted to the current date and accrued based on the proportion of the total capacity of the landfill used as of the date of the statement of financial position. The change in this estimated liability during the year is recorded as an expense in operations. These estimates are reviewed and adjusted annually and any changes are recorded on a prospective basis.

METRO VANCOUVER REGIONAL DISTRICT

Notes to Consolidated Financial Statements, page 4

Year ended December 31, 2022

(tabular amounts in thousands of dollars)

1. Significant Accounting Policies (continued)

Non-Financial Assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

Tangible Capital Assets

Tangible capital assets are recorded at cost which includes amounts that are directly attributable to acquisition, construction, development, or betterment of the asset. The cost, less residual value, of the tangible capital assets, except land, is amortized over their estimated useful lives. All assets are amortized on a straight line basis as follows:

Asset	Useful Life - Years
Buildings	
Housing	25 – 35
Parks	50
Watershed	25
Corporate – Head Office	40
Infrastructure	
Sewer	
Wastewater treatment, pumping stations	50
Interceptors and trunk sewer, drainage	100
Solid Waste	25 – 30
Water	
Dams, reservoirs	150
Supply mains	100
Distribution systems, drinking water treatment	50
Parks	
Bridges, culverts, fencing	20 – 40
Trails	100
Roads, erosion protection, water and sewer systems	100
Information technology systems and networks	5 – 10
Vehicles	5 – 20
Machinery, equipment, furniture, and fixtures	5 – 20

METRO VANCOUVER REGIONAL DISTRICT

Notes to Consolidated Financial Statements, page 5

Year ended December 31, 2022

(tabular amounts in thousands of dollars)

1. Significant Accounting Policies (continued)

Non-Financial Assets (continued)

Tangible Capital Assets

a. Annual amortization

Annual amortization begins when the asset is available for use and is expensed over its useful life. Assets under construction are transferred to the appropriate asset class and are amortized from the date the asset is available for use.

b. Contributions of tangible capital assets

Contributions of tangible capital assets are recorded at their estimated fair value at the date of receipt and as contribution revenue.

c. Works of art and cultural and historic assets

Works of art and cultural and historic assets are not recorded as assets in these financial statements.

d. Interest capitalization

The Districts do not capitalize interest costs associated with the acquisition or construction of a tangible capital asset.

Inventories of Supplies

Inventories of supplies held for consumption are recorded on a first-in, first-out basis.

Prepaid Land Leases

Prepaid land leases are recorded at historical cost less accumulated amortization. Upon expiration of the lease contract, the property will revert to the lessor. Prepaid land leases are amortized on a straight-line basis over the lease term.

Revenue Recognition

Property tax revenues and sewerage and drainage revenues from member municipalities are recognized in the year they are levied. Metered sale of water, tipping fees, permits, cost sharing, and other revenues are recognized as revenue on an accrual basis according to the usage and rates approved and set by the Board. Housing property rental revenue is recognized over the rental period once the tenant commences occupancy, rent is due and collection is assured.

METRO VANCOUVER REGIONAL DISTRICT

Notes to Consolidated Financial Statements, page 6

Year ended December 31, 2022

(tabular amounts in thousands of dollars)

1. Significant Accounting Policies (continued)

Segmented Information

A segment is defined as a distinguishable activity or group of activities of a government for which it is appropriate to separately report financial information to achieve the objectives of the standard. The District has provided definitions of the District's segments as well as presented financial information in segmented format in note 17.

Liability for Contaminated Sites

A liability for remediation of a contaminated site is recognized when the site is no longer in productive use and the following criteria are satisfied: an environmental standard exists; contamination exceeds the standard; the District is either directly responsible or has accepted responsibility for remediation; it is expected that future economic benefits will be given up and a reasonable estimate of the liability can be made. Liabilities for contaminated sites is reported in accounts payable and accrued liabilities (note 6).

Use of Estimates

The preparation of these financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the period. These estimates and assumptions are based on management's best information and judgment and may differ from actual results. Adjustments, if any, will be reflected in the financial statements in the period that the change in estimate is made, as well as in the period of settlement if the amount is different.

Significant areas requiring the use of management's judgment relate to the determination of contaminated sites liabilities, the employee future benefits liability, the estimate of accruals for projects in progress, amortization rates and useful lives for tangible capital assets, the landfill closure and post-closure liability, the assessment of the impairment of tangible capital assets and work in progress, and the assessment of the outcome of contingent liabilities.

2. Accounts Receivable

	2022	2021
GVWD	\$ 68,590	\$ 48,357
GVS&DD	108,083	139,016
MVHC	2,743	624
MVRD	14,257	5,054
	\$ 193,673	\$ 193,051

METRO VANCOUVER REGIONAL DISTRICT

Notes to Consolidated Financial Statements, page 7

Year ended December 31, 2022

(tabular amounts in thousands of dollars)

3. Due from TransLink and Member Municipalities

The District is reimbursed for amounts paid to the Municipal Finance Authority of British Columbia (“MFA”) for the obligations incurred on behalf of its member municipalities and TransLink whose undertakings were financed out of the proceeds of these obligations (refer to note 10). The amount recoverable is net of sinking funds, held and invested by the MFA, and includes accrued interest as follows:

	Net Debt Recoverable	Accrued Interest	2022	2021
TransLink	\$ 234,324	\$ 5,169	\$ 239,493	\$ 286,467
Member municipalities	1,012,390	8,644	1,021,034	807,673
	\$ 1,246,714	\$ 13,813	\$ 1,260,527	\$ 1,094,140

4. Investments

	Yields	Maturity Dates	2022	2021
Bonds:				
Government	1.91% - 3.11%	April 2023 - March 2031	\$ 60,657	\$ 78,983
Corporate	1.97% - 5.86%	June 2024 - March 2028	47,583	51,172
Unamortized premium			4,646	3,927
			112,886	134,082
Term deposits	1.30% - 5.25%	January 2023 - July 2025	63,500	98,000
GICs	1.20% - 4.57%	January 2023 - April 2028	215,000	57,500
Total			\$ 391,386	\$ 289,582

Government bonds include debt securities issued by the federal and provincial governments of Canada, and the Municipal Finance Authority of British Columbia. Corporate bonds include Schedule I and II Chartered Banks of Canada.

Market value of investments as at December 31, 2022 was \$393,365,298 (2021 - \$294,798,145).

METRO VANCOUVER REGIONAL DISTRICT

Notes to Consolidated Financial Statements, page 8

Year ended December 31, 2022

(tabular amounts in thousands of dollars)

5. Debt Reserve Fund

The MFA provides financing for regional districts and member municipalities. The MFA is required to establish a Debt Reserve Fund for each debenture issue equal to one-half the average annual installment of principal and interest. The debt reserve fund is comprised of cash deposits equal to 1% of the principal amount borrowed and a non-interest bearing demand note for the remaining requirement. Cash deposits held by the MFA are payable with interest to the ultimate borrower when the final obligations under the respective loan agreements have been made.

If, at any time, the District has insufficient funds to meet payments due on its obligations to the MFA, the payments will be made from the debt reserve fund. The demand notes are callable only if there are additional requirements to be met to maintain the level of the debt reserve fund. At December 31, 2022, \$130,539,983 (2021 - \$122,534,444) in callable demand notes were outstanding and have not been recorded in the statement of financial position.

	2022	2021
Cash deposits held by MFA on behalf of:		
TransLink and member municipalities	\$ 35,231	\$ 35,179
Metro Vancouver Districts	30,291	29,209
	\$ 65,522	\$ 64,388

6. Accounts Payable and Accrued Liabilities

	2022	2021
Trade accounts	\$ 166,809	\$ 233,799
Construction holdbacks	79,654	65,181
Accrued interest on debt	27,606	23,429
Wage accruals	23,815	14,249
Contaminated sites (a)	1,495	762
	\$ 299,379	\$ 337,420

(a) In 2022, the District accrued \$1,494,860 to remediate contaminated soils at two of its properties within the GVWD. The remediation work for the properties will be completed in 2024 and 2026. The remediation work accrued in 2021 within the GVS&DD was completed.

METRO VANCOUVER REGIONAL DISTRICT

Notes to Consolidated Financial Statements, page 9

Year ended December 31, 2022

(tabular amounts in thousands of dollars)

7. Employee Future Benefits

The employee future benefits have been based on the results of an actuarial valuation done by an independent actuarial firm. A full valuation was performed as of December 31, 2022.

Information about liabilities for the District's employee benefit plans is as follows:

	2022	2021
Accrued benefit obligation:		
Balance, beginning of year	\$ 19,008	\$ 20,362
Current service cost	1,572	1,656
Interest cost	467	376
Benefits paid	(2,216)	(2,330)
Workers compensation top-up	—	(120)
Actuarial loss	(204)	(936)
Accrued benefit obligation, end of year	18,627	19,008
Unamortized actuarial loss	(4,025)	(5,101)
Accrued benefit liability, end of year	\$ 14,602	\$ 13,907

	2022	2021
Employee future benefit expense:		
Current service cost	\$ 1,572	\$ 1,656
Interest cost	467	376
Workers compensation top-up	—	(120)
Amortization of the actuarial loss	872	956
	\$ 2,911	\$ 2,868

The significant actuarial assumptions adopted in measuring the District's accrued benefit obligation are as follows:

	2022	2021
Discount rate	4.4%	2.4%
Expected future inflation rate	2.5%	2.0%
Expected average remaining service period	12 years	11 years

METRO VANCOUVER REGIONAL DISTRICT

Notes to Consolidated Financial Statements, page 10

Year ended December 31, 2022

(tabular amounts in thousands of dollars)

8. Landfill Closure and Post-Closure Liability

The District is responsible for its share of closure and post-closure costs at landfill sites as detailed below.

- a) The Vancouver landfill is located in Delta, BC. In accordance with an agreement with the City of Vancouver, the District is responsible for its proportionate share of the closure and post-closure liability based on usage. The present value of the District's estimated future liability for these expenses is recognized as the landfill site's capacity is used and is as follows:

	2022	2021
Landfill closure and post closure liability	\$ 41,026	\$ 32,907

The closure and post-closure liability and annual expense is calculated based on the ratio of actual utilization to total expected utilization of the site's capacity at the date of closure. It is based on estimates and assumptions with respect to events extending over the remaining life of the Vancouver landfill, including provisions contained in Metro Vancouver's Integrated Solid Waste and Resource Management Plan. The significant estimates and assumptions adopted in measuring the District's share of the closure and post-closure liability are as follows:

	2022	2021
Current actual utilization (in 000's tonnes)	23,196	22,521
tonnes)	28,300	28,219
Expected remaining capacity (in 000's tonnes)	5,104	5,698
Permitted capacity (in 000's tonnes)	33,039	33,039
Future costs (in \$000's)	\$ 212,638	\$ 197,189
Present value of future costs (in \$000's)	\$ 136,569	\$ 115,934
Proportionate share of liability	36.65%	35.57%
Utilization of total capacity, end of year	81.97%	79.81%
Discount rate	2.58%	2.73%
Expected post-closure period	30 years	30 years
Expected closure date	December 31, 2037	December 31, 2037

METRO VANCOUVER REGIONAL DISTRICT

Notes to Consolidated Financial Statements, page 11

Year ended December 31, 2022

(tabular amounts in thousands of dollars)

8. Landfill Closure and Post-Closure Liability (continued)

b) The Cache Creek landfill is located in the Village of Cache Creek, BC. The landfill permit obligates the Village of Cache Creek and a third party service provider to undertake closure and post-closure activities. The District, in accordance with an agreement with the Village, was required to contribute quarterly to a trust fund, held with the Province of British Columbia, to a Post Closure Maintenance and Repair Fund at rates consistent with the operational certificate for the landfill. The agreement indemnifies the Village for any post closure liabilities not covered by this fund. At December 31, 2022, the lower of amortized book value and market value of the trust was \$15,403,059 (2021 - \$16,261,510), which approximates the post-closure liability.

The Cache Creek landfill was closed December 2016. The actual utilization at closure was 10,319 thousand tonnes and the permitted capacity was 10,372 thousand tonnes. The post-closure period is expected to be 30 years. The present value of District's estimated future post-closure liability is sufficiently funded by the trust.

9. Deferred Revenue and Refundable Deposits

The deferred revenue consists of the following:

	2022	2021
MVHC externally restricted funds from BCHMC (a)		
i) Rental operations	\$ 48	\$ 47
ii) Replacement projects	3,457	3,376
	3,505	3,423
GVS&DD development cost charges (b)	273,596	258,634
Provincial grant to fund capital expenditures (c)	56,496	69,696
Facility rental security deposits	6,414	6,360
Other	3,036	2,903
Total	\$ 343,047	\$ 341,016

(a) Amounts received under the following MVHC programs have been recorded as deferred revenue:

i) Rental Operations: Under operating agreements entered into with Canada Mortgage and Housing Corporation ("CMHC") and administered by British Columbia Housing Management Commission ("BCHMC") (Homes BC, Seniors, and Investment in Housing Innovation properties), a portion of the funds received from rental operations are restricted and can only be used by MVHC according to the terms of the agreements. Restricted amounts are recorded as deferred revenue and are used when expenditures exceed revenue in the program.

METRO VANCOUVER REGIONAL DISTRICT

Notes to Consolidated Financial Statements, page 12

Year ended December 31, 2022

(tabular amounts in thousands of dollars)

9. Deferred Revenue and Refundable Deposits (continued)

- ii) Replacement Projects: Under operating agreements entered into with Canada Mortgage and Housing Corporation (“CMHC”) and administered by BCHMC (Homes BC, Seniors, and Investment in Housing Innovation properties), a portion of the funds received from rental operations are restricted for the replacement of equipment and specified building components. These funds are deferred until spent on approved items.
- (b) The *Greater Vancouver Sewerage and Drainage District Act* restricts the District to applying money raised from development cost charges to funding sewer capital projects, including the repayment of debt raised to fund such projects.
- (c) In 2017, the GVS&DD received a grant from the Province of British Columbia in the amount of \$193.0 million for costs associated with the construction of the new North Shore Wastewater Treatment Plant Facility. During 2022, \$15.39 million (2021 - \$20.49 million) was applied against the project and recognized as revenue.

Continuity of deferred revenue and refundable deposits is as follows:

	2022	2021
Balance, beginning of year	\$ 341,016	\$ 311,451
Externally restricted contributions received:		
GVS&DD development cost charges	68,941	85,105
MVHC restricted funds	1,035	1,420
Interest earned	8,275	3,628
Total contributions received	78,251	90,153
Contributions used and recognized in revenue	(77,275)	(63,781)
Net change in externally restricted contributions	976	26,372
Change in deposits and other deferred revenues	1,055	3,193
	2,031	29,565
Balance, end of year	\$ 343,047	\$ 341,016

10. Debt

- a) The District serves as the borrowing conduit between member municipalities (excluding the City of Vancouver) and the MFA. The GVS&DD and GVWD also access the MFA through the MVRD. Prior to 2007, the District also served as the borrowing conduit for the Greater Vancouver Transportation Authority, commonly referred to as “TransLink”. The District, TransLink, and the municipalities in the transportation service region are jointly and severally liable for obligations arising under a security issued by the District on behalf of TransLink.
- b) All monies borrowed are upon the District’s credit at large and, in the event of any default, would constitute an indebtedness for which its members are jointly and severally liable.

METRO VANCOUVER REGIONAL DISTRICT

Notes to Consolidated Financial Statements, page 13

Year ended December 31, 2022

(tabular amounts in thousands of dollars)

10. Debt (continued)

- c) Debt servicing requirements comprising sinking fund contributions, serial and mortgage principal repayments and interest are funded as incurred by revenue earned during the year.
- d) Sinking fund installments are invested by the MFA and earn income which, together with principal payments, are expected to be sufficient to retire the sinking fund debt at maturity. For sinking fund agreements, the MFA has established either a normal sinking fund or a capital repayment equalization fund.
- e) In addition to debt incurred directly by the District, the District has also incurred long-term debt on behalf of its member municipalities and TransLink through agreements with the MFA. Under the terms of these agreements, the District is required to provide for and pay to the MFA certain sums. Debt incurred on behalf of others is also presented as due from TransLink and member municipalities (note 3). Where the MFA has determined that sufficient resources exist to retire a debenture on its maturity date without further installments, debenture installments are suspended by the MFA. If the sums provided for are not sufficient, such deficiency shall be a liability of the District to the MFA until legally extinguished.

The District is reimbursed for amounts paid to the MFA for the obligations incurred on behalf of the member municipalities and TransLink whose undertakings were financed out of the proceeds of these obligations.

The following summarizes the debt incurred by the District as well as debt incurred on behalf of the member municipalities and TransLink.

	Mortgages and Debenture Debt		Less Sinking Funds		Debt, Net of Sinking Fund			
					2022	2021		
GVS&DD	\$	1,431,000	\$	252,856	\$	1,178,144	\$	1,094,985
GVWD		1,207,631		544,120		663,511		711,163
MVHC		42,647		—		42,647		45,341
		2,681,278		796,976		1,884,302		1,851,489
TransLink		713,606		479,282		234,324		281,223
Member municipalities		1,254,441		242,051		1,012,390		801,883
		1,968,047		721,333		1,246,714		1,083,106
	\$	4,649,325	\$	1,518,309	\$	3,131,016	\$	2,934,595

- f) Debt (net of sinking funds) reported on the statement of financial position is comprised of the following and includes varying maturities up to 2055, with interest rates ranging from 0.30% to 5.65%.

METRO VANCOUVER REGIONAL DISTRICT

Notes to Consolidated Financial Statements, page 14

Year ended December 31, 2022

(tabular amounts in thousands of dollars)

10. Debt (continued)

Issue number	Interest rate - %	Maturity date	Authorized to be issued	Debt Outstanding	
				2022	2021
Sinking Fund Agreements					
67	0.70-1.75	November 5, 2022	\$ 15,000	\$ —	\$ 15,000
77	0.65-1.75	June 1, 2022	100,100	—	84,100
78	2.25	December 3, 2022	89,252	—	1,252
79	2.25	June 3, 2023	74,025	225	225
85	2.25-5.47	December 2, 2024	69,760	22,760	22,760
86	5.44	December 2, 2024	50,000	50,000	50,000
95	4.77	October 13, 2025	10,900	2,300	2,300
96	4.61	April 2, 2026	50,000	50,000	50,000
97	1.53-4.90	April 19, 2036	175,000	153,000	153,000
99	4.99	October 19, 2026	66,300	16,300	16,300
100	4.59	October 19, 2026	200,000	180,000	180,000
102	2.25-5.09	December 1, 2027	436,395	289,395	369,395
103	2.65	April 23, 2023	40,000	40,000	40,000
104	2.90	November 20, 2028	56,281	56,281	56,281
105	2.25	June 3, 2029	68,300	68,300	68,300
106	2.25	October 13, 2039	140,600	125,000	125,000
110	1.28	April 8, 2030	60,730	60,730	60,730
112	1.28	October 6, 2035	74,775	74,775	74,775
116	1.47	April 4, 2036	152,292	152,292	152,292
118	3.39	April 11, 2042	96,000	96,000	96,000
120	0.30	June 29, 2022	2,000	—	2,000
121	3.39	October 4, 2037	74,961	72,286	72,286
124	3.15	April 8, 2043	3,000	3,000	3,000
126	3.85	September 26, 2043	155,209	155,209	155,209
127	3.30	April 7, 2034	115,415	115,415	115,415
130	3.00	October 14, 2029	50,000	50,000	50,000
131	2.20	April 8, 2035	121,500	121,500	121,500
137	2.60	April 19, 2046	149,772	149,772	149,772
139	2.10	October 5, 2031	55,000	55,000	55,000
141	2.80	April 7, 2047	152,463	152,463	152,463
142	3.15	October 4, 2047	77,983	77,983	77,983
145	3.15	April 23, 2048	122,275	122,275	122,275
146	3.20	September 19, 2048	282,500	282,500	282,500
147	2.66	April 9, 2034	62,000	62,000	62,000
149	2.24	October 9, 2049	140,095	140,095	140,095
150	1.99	April 9, 2050	168,133	168,133	168,133
151	1.28	June 1, 2050	185,987	185,987	185,987
153	2.41	April 15, 2046	129,000	129,000	129,000
154	2.41	May 28, 2036	500,000	500,000	500,000
156	2.58	September 27, 2046	150,600	150,600	150,600
157	3.36	April 8, 2037	207,500	207,500	—
158	4.09	September 23, 2052	245,470	245,470	—
Total sinking fund agreements (carried forward)			\$ 5,176,573	\$ 4,583,546	\$ 4,312,928

METRO VANCOUVER REGIONAL DISTRICT

Notes to Consolidated Financial Statements, page 15

Year ended December 31, 2022

(tabular amounts in thousands of dollars)

10. Debt (continued)

Issue number	Interest rate - %	Maturity date	Authorized to be issued	Debt Outstanding	
				2022	2021
Total sinking fund agreements (brought forward)			\$ 5,176,573	\$ 4,583,546	\$ 4,312,928
Serial Debt					
93	5.10-5.65	April 7, 2027	79,014	17,735	22,143
111	3.35	October 1, 2025	3,000	724	950
114	3.65	March 29, 2026	6,301	2,024	2,486
122	2.00	November 1, 2032	1,999	1,000	1,099
123	2.00	March 28, 2033	3,142	1,649	1,807
Total serial debt			93,456	23,132	28,485
Total debenture debt			\$ 5,270,029	\$ 4,606,678	\$ 4,341,413
MVHC Mortgages					
	1.44 - 4.87	January 2023 to December 2055		50,901	54,519
Less MVRD financed mortgages				(8,254)	(9,178)
Total MVHC mortgages				42,647	45,341
Total debt				4,649,325	4,386,754
Less sinking funds				(1,518,309)	(1,452,159)
Total debt, net of sinking funds				\$ 3,131,016	\$ 2,934,595

g) Principal payments and sinking fund installments due within the next five years and thereafter are as follows:

	Total Long-Term Debt Payments	Less Recoverable from TransLink and Member Municipalities	Net Debt Payments
2023	\$ 216,337	\$ 69,699	\$ 146,638
2024	212,000	69,838	142,162
2025	197,289	63,051	134,238
2026	187,578	59,713	127,865
2027	173,438	48,306	125,132
Thereafter	1,327,343	489,606	837,737
Total payments	2,313,985	800,213	1,513,772
Estimated sinking fund income	817,031	446,501	370,530
Total net debt	\$ 3,131,016	\$ 1,246,714	\$ 1,884,302

METRO VANCOUVER REGIONAL DISTRICT

Notes to Consolidated Financial Statements, page 16

Year ended December 31, 2022

(tabular amounts in thousands of dollars)

11. Tangible Capital Assets

Year ended December 31, 2022

	Cost			Accumulated Amortization				Net Book Value December 31, 2022	
	Balance at December 31, 2021	Additions	Disposals	Balance at December 31, 2022	Balance at December 31, 2021	Disposals	Amortization Expense		Balance at December 31, 2022
Land									
Sewer and Drainage District	\$ 162,872	\$ 23,590	\$ (104)	\$ 186,358	\$ —	\$ —	\$ —	\$ —	\$ 186,358
Water District	53,664	79,050	—	132,714	—	—	—	—	132,714
Regional District	914,517	5,152	—	919,669	—	—	—	—	919,669
Metro Vancouver Housing Corporation	52,274	—	—	52,274	—	—	—	—	52,274
	1,183,327	107,792	(104)	1,291,015	—	—	—	—	1,291,015
Infrastructure									
Sewer and Drainage District	2,168,652	300,885	—	2,469,537	708,339	—	44,809	753,148	1,716,389
Water District	2,245,795	180,999	—	2,426,794	437,619	—	36,322	473,941	1,952,853
Regional District	129,501	3,505	(1,257)	131,749	68,134	(1,257)	4,761	71,638	60,111
	4,543,948	485,389	(1,257)	5,028,080	1,214,092	(1,257)	85,892	1,298,727	3,729,353
Buildings									
Water District	216,476	—	—	216,476	24,688	—	5,463	30,151	186,325
Regional District	26,880	—	—	26,880	10,357	—	540	10,897	15,983
Metro Vancouver Housing Corporation	220,339	3,250	—	223,589	176,544	—	2,290	178,834	44,755
	463,695	3,250	—	466,945	211,589	—	8,293	219,882	247,063
Vehicles									
Regional District	30,621	2,195	(413)	32,403	24,452	(413)	2,325	26,364	6,039
	30,621	2,195	(413)	32,403	24,452	(413)	2,325	26,364	6,039
Machinery, equipment, furniture & fixtures									
Sewer and Drainage District	8,818	171	—	8,989	7,875	—	360	8,235	754
Water District	13,197	425	—	13,622	7,425	—	1,042	8,467	5,155
Regional District	21,169	773	(150)	21,792	18,428	(148)	743	19,023	2,769
Metro Vancouver Housing Corporation	6,439	619	(497)	6,561	4,743	(362)	487	4,868	1,693
	49,623	1,988	(647)	50,964	38,471	(510)	2,632	40,593	10,371
Construction in progress									
Sewer and Drainage District	1,579,940	65,368	—	1,645,308	—	—	—	—	1,645,308
Water District	796,461	36,874	—	833,335	—	—	—	—	833,335
Regional District	5,391	3,725	—	9,116	—	—	—	—	9,116
Metro Vancouver Housing Corporation	8,077	16,625	—	24,702	—	—	—	—	24,702
	2,389,869	122,592	—	2,512,461	—	—	—	—	2,512,461
	\$ 8,661,083	\$ 723,206	\$ (2,421)	\$ 9,381,868	\$ 1,488,604	\$ (2,180)	\$ 99,142	\$ 1,585,566	\$ 7,796,302
Totals 2022									
Sewer and Drainage District	\$ 3,920,282	\$ 390,014	\$ (104)	\$ 4,310,192	\$ 716,214	\$ —	\$ 45,169	\$ 761,383	\$ 3,548,809
Water District	3,325,593	297,348	—	3,622,941	469,732	—	42,827	512,559	3,110,382
Regional District	1,128,079	15,350	(1,820)	1,141,609	121,371	(1,818)	8,369	127,922	1,013,687
Metro Vancouver Housing Corporation	287,129	20,494	(497)	307,126	181,287	(362)	2,777	183,702	123,424
	\$ 8,661,083	\$ 723,206	\$ (2,421)	\$ 9,381,868	\$ 1,488,604	\$ (2,180)	\$ 99,142	\$ 1,585,566	\$ 7,796,302

Construction in progress includes \$522.6 million (2021- \$495.7 million) related to the North Shore Wastewater Treatment Plant Project (note 15).

METRO VANCOUVER REGIONAL DISTRICT

Notes to Consolidated Financial Statements, page 17

Year ended December 31, 2022

(tabular amounts in thousands of dollars)

11. Tangible Capital Assets (continued)

Year ended December 31, 2021

	Cost			Balance at December 31, 2021	Accumulated Amortization			Balance at December 31, 2021	Net Book Value December 31, 2021
	Balance at December 31, 2020	Additions	Disposals		Balance at December 31, 2020	Disposals	Amortization Expense		
Land									
Sewer and Drainage District	\$ 116,050	\$ 46,822	\$ —	\$ 162,872	\$ —	\$ —	\$ —	\$ —	\$ 162,872
Water District	44,704	8,960	—	53,664	—	—	—	—	53,664
Regional District	889,758	25,869	(1,110)	914,517	—	—	—	—	914,517
Metro Vancouver Housing Corporation	52,274	—	—	52,274	—	—	—	—	52,274
	1,102,786	81,651	(1,110)	1,183,327	—	—	—	—	1,183,327
Infrastructure									
Sewer and Drainage District	1,621,113	547,539	—	2,168,652	676,347	—	31,992	708,339	1,460,313
Water District	2,118,002	127,793	—	2,245,795	402,689	—	34,930	437,619	1,808,176
Regional District	125,581	4,734	(814)	129,501	63,766	(814)	5,182	68,134	61,367
	3,864,696	680,066	(814)	4,543,948	1,142,802	(814)	72,104	1,214,092	3,329,856
Buildings									
Water District	216,476	—	—	216,476	19,225	—	5,463	24,688	191,788
Regional District	26,880	—	—	26,880	9,817	—	540	10,357	16,523
Metro Vancouver Housing Corporation	220,575	(236)	—	220,339	174,053	—	2,491	176,544	43,795
	463,931	(236)	—	463,695	203,095	—	8,494	211,589	252,106
Vehicles									
Regional District	31,093	571	(1,043)	30,621	22,693	(1,043)	2,802	24,452	6,169
	31,093	571	(1,043)	30,621	22,693	(1,043)	2,802	24,452	6,169
Machinery, equipment, furniture & fixtures									
Sewer and Drainage District	8,799	19	—	8,818	7,390	—	485	7,875	943
Water District	13,197	—	—	13,197	6,395	—	1,030	7,425	5,772
Regional District	20,776	499	(106)	21,169	17,561	(106)	973	18,428	2,741
Metro Vancouver Housing Corporation	6,463	480	(504)	6,439	4,720	(504)	527	4,743	1,696
	49,235	998	(610)	49,623	36,066	(610)	3,015	38,471	11,152
Construction in progress									
Sewer and Drainage District	1,707,335	(127,395)	—	1,579,940	—	—	—	—	1,579,940
Water District	717,260	79,201	—	796,461	—	—	—	—	796,461
Regional District	4,938	453	—	5,391	—	—	—	—	5,391
Metro Vancouver Housing Corporation	2,885	5,192	—	8,077	—	—	—	—	8,077
	2,432,418	(42,549)	—	2,389,869	—	—	—	—	2,389,869
	\$7,944,159	\$720,501	\$ (3,577)	\$8,661,083	\$1,404,656	\$ (2,467)	\$ 86,415	\$1,488,604	\$7,172,479
Totals 2021									
Sewer and Drainage District	\$3,453,297	\$466,985	\$ —	\$3,920,282	\$ 683,737	\$ —	\$ 32,477	\$ 716,214	\$3,204,068
Water District	3,109,639	215,954	—	3,325,593	428,309	—	41,423	469,732	2,855,861
Regional District	1,099,026	32,126	(3,073)	1,128,079	113,837	(1,963)	9,497	121,371	1,006,708
Metro Vancouver Housing Corporation	282,197	5,436	(504)	287,129	178,773	(504)	3,018	181,287	105,842
	\$7,944,159	\$720,501	\$ (3,577)	\$8,661,083	\$1,404,656	\$ (2,467)	\$ 86,415	\$1,488,604	\$7,172,479

METRO VANCOUVER REGIONAL DISTRICT

Notes to Consolidated Financial Statements, page 18

Year ended December 31, 2022

(tabular amounts in thousands of dollars)

12. Prepaid Land Leases

	2022	2021
Balance, beginning of year	\$ 5,062	\$ 5,257
Amortization	(194)	(195)
Balance, end of year	\$ 4,868	\$ 5,062

The lease terms for the properties are as follows:

Asset	Lease Expiry Dates	Lease Term (Years)
Buildings		
Habitat Villa	February 2029	50
Walnut Gardens	May 2026	42
Other prepaid land leases	May 2036 to June 2062	60

13. Accumulated Surplus

Accumulated surplus consists of individual fund surplus and reserves as follows:

	2022	2021
Reserves	\$ 441,040	\$ 394,831
Capital fund balance	(93,442)	165,821
Investment in tangible capital assets	5,912,000	5,320,990
Total	\$ 6,259,598	\$ 5,881,642

Capital fund balance represents the future expected level of funding required or accumulated.

METRO VANCOUVER REGIONAL DISTRICT

Notes to Consolidated Financial Statements, page 19

Year ended December 31, 2022

(tabular amounts in thousands of dollars)

13. Accumulated Surplus (continued)

The reserves are classified as either operating, discretionary or statutory and are presented in the following schedules:

	December 31, 2021	Interest	Annual Operating Surplus (Deficit)	Transfers	Contributions from (to) Operations	Contributions to Capital	December 31, 2022
Reserve funds							
Operating reserves							
Metro Vancouver Regional District							
Air Quality	\$ 2,098	\$ 51	\$ 1,909	\$ —	\$ —	\$ —	\$ 4,058
E911 Emergency Telephone Service	391	9	74	—	—	—	474
Electoral Area Services	23	1	—	—	—	—	24
General Government	6,118	145	1,585	—	(739)	—	7,109
Housing Planning and Policy	198	5	223	—	—	—	426
Invest Vancouver	21	—	643	—	—	—	664
Regional Employer Services	463	11	333	—	—	—	807
Regional Emergency Management	199	5	61	—	—	—	265
Regional Geospatial Reference System	227	5	172	—	—	—	404
Regional Parks	3,373	64	1,807	—	(1,300)	—	3,944
Regional Planning	866	21	141	—	—	—	1,028
Sasamat Fire Protection Service	105	3	24	—	—	—	132
West Nile Virus	366	9	—	—	—	—	375
MVRD operating reserves	14,448	329	6,972	—	(2,039)	—	19,710
Greater Vancouver Water District							
Water Services	28,602	692	7,954	—	—	—	37,248
GVWD operating reserves	28,602	692	7,954	—	—	—	37,248
Greater Vancouver Sewerage and Drainage District							
Liquid Waste Services	32,955	797	14,021	—	(3,331)	—	44,442
Solid Waste Services	39,213	948	(2,343)	—	—	—	37,818
GVS&DD operating reserves	72,168	1,745	11,678	—	(3,331)	—	82,260
MVHC operating Reserves	2,578	62	10,309	—	—	—	12,949
Total operating reserves	117,796	2,828	36,913	—	(5,370)	—	152,167
Discretionary reserves							
Metro Vancouver Regional District							
Air Quality	1,363	32	—	—	(589)	—	806
Electoral Area Service	1,718	40	45	(130)	(21)	—	1,652
E911 Emergency Telephone Service	601	15	—	—	(584)	—	32
General Government	7,256	175	—	—	—	—	7,431
Invest Vancouver	1,288	31	—	—	(600)	—	719
Regional Emergency Management	338	8	—	—	—	—	346
Regional Employer Services	2,323	56	—	—	—	—	2,379
Regional Planning	2,583	62	—	—	(139)	—	2,506
Regional Parks	203	5	—	—	—	—	208
Centralized Support	24,899	604	2,267	—	(2,037)	—	25,733
MVRD discretionary reserves	42,572	1,028	2,312	(130)	(3,970)	—	41,812
Greater Vancouver Sewerage and Drainage District							
Biosolids Inventory	20,029	484	—	—	(4,704)	—	15,809
Liquid Waste General Debt Reserve Fund	2,123	51	—	—	—	—	2,174
Lions Gate Contingency	1,490	36	—	—	—	—	1,526
Drainage General	5,292	128	—	—	—	—	5,420
Solid Waste General	26,562	436	—	—	—	—	26,998
Landfill Post Closure	11,307	273	—	—	—	—	11,580
GVS&DD discretionary reserves	66,803	1,408	—	—	(4,704)	—	63,507
Metro Vancouver Housing Corporation							
MVHC Capital Development	43,769	1,059	—	—	—	(5,300)	39,528
MVHC Capital Replacement	5,000	13	—	—	(2,414)	—	2,599
MVHC discretionary reserves	48,769	1,072	—	—	(2,414)	(5,300)	42,127
Total discretionary reserves	158,144	3,508	2,312	(130)	(11,088)	(5,300)	147,446
Operating and discretionary reserves (carried forward)	\$ 275,940	\$ 6,336	\$ 39,225	\$ (130)	\$ (16,458)	\$ (5,300)	\$ 299,613

METRO VANCOUVER REGIONAL DISTRICT

Notes to Consolidated Financial Statements, page 20

Year ended December 31, 2022

(tabular amounts in thousands of dollars)

13. Accumulated Surplus (continued)

	December 31, 2021	Interest	Annual Operating Surplus (Deficit)	Transfers	Contributions from (to) Operations	Contributions to Capital	December 31, 2022
Operating and discretionary reserves							
Reserves (brought forward)	\$ 275,940	\$ 6,336	\$ 39,225	\$ (130)	\$ (16,458)	\$ (5,300)	\$ 299,613
Statutory reserves							
Metro Vancouver Regional District							
Electoral Area Community Works	563	17	—	130	38	—	748
Electoral Area Election	60	1	13	—	(60)	—	14
MVRD Sustainability Innovation Fund	12,372	300	—	—	(643)	—	12,029
Grants Reserve Fund	2,158	104	—	—	(150)	—	2,112
Housing Planning and Policy	4,252	116	—	—	1,000	—	5,368
Housing Planning and Policy Development	8,047	247	—	—	4,000	—	12,294
Regional Geospatial Reference System	1,093	26	—	—	45	—	1,164
Regional Parks Infrastructure	6,827	190	—	—	2,468	(3,239)	6,246
Parkland Acquisition	9,488	229	—	—	—	—	9,717
Parkland Acquisition and Development	11,322	454	—	—	19,570	(5,152)	26,194
Delta Airpark	162	4	—	—	(21)	—	145
Regional Parks Legacy	2,666	64	—	—	(50)	—	2,680
Sasamat Fire Protection Services	1,224	35	—	—	339	—	1,598
Corporate Self Insurance	1,188	29	—	—	350	—	1,567
Corporate Fleet	22,424	542	3,239	—	—	(2,135)	24,070
MVRD statutory reserves	83,846	2,358	3,252	130	26,886	(10,526)	105,946
Greater Vancouver Water District							
Laboratory Equipment	785	19	—	—	—	—	804
Water Services Sustainability Innovation Fund	14,310	356	—	—	(88)	—	14,578
GVWD statutory reserves	15,095	375	—	—	(88)	—	15,382
Greater Vancouver Sewerage and Drainage District							
Liquid Waste Laboratory Equipment	608	16	—	—	101	—	725
Liquid Waste Services Sustainability Innovation Fund	19,341	483	—	—	(450)	—	19,374
GVS&DD statutory reserves	19,949	499	—	—	(349)	—	20,099
Total statutory reserves	118,890	3,232	3,252	130	26,449	(10,526)	141,427
Total reserves	\$ 394,830	\$ 9,568	\$ 42,477	\$ —	\$ 9,991	\$ (15,826)	\$ 441,040

METRO VANCOUVER REGIONAL DISTRICT

Notes to Consolidated Financial Statements, page 21

Year ended December 31, 2022

(tabular amounts in thousands of dollars)

13. Accumulated Surplus (continued)

Investment in tangible capital assets is calculated as follows:

	2022	2021
Tangible capital assets	\$ 7,796,302	\$ 7,172,479
Amount financed by:		
Long-term debt, net of members, TransLink, and sinking fund	(1,884,302)	(1,851,489)
	\$ 5,912,000	\$ 5,320,990
Change in the investment in tangible capital assets		
Acquisition of tangible capital assets	\$ 723,206	\$ 720,501
Amortization of tangible capital assets	(99,142)	(86,415)
Disposal of tangible capital assets (net of book value)	(241)	(1,110)
	623,823	632,976
Less financing (net of members and TransLink debt)		
Sinking fund debt maturity	15,000	10,000
Sinking fund debt retirement	(136,608)	(105,326)
Sinking fund debt retirement income	(27,885)	(25,710)
Debenture debt issued	200,000	600,000
Debenture debt maturity	(15,000)	(10,000)
Payment of long-term debt	(2,694)	(2,920)
	32,813	466,044
Change in investment in tangible capital assets	591,010	166,932
Investment in tangible capital assets, beginning of year	5,320,990	5,154,058
Investment in tangible capital assets, end of year	\$ 5,912,000	\$ 5,320,990

METRO VANCOUVER REGIONAL DISTRICT

Notes to Consolidated Financial Statements, page 22

Year ended December 31, 2022

(tabular amounts in thousands of dollars)

14. Contractual Obligations and Rights

a) Contractual Obligations

- i) As at December 31, 2022, the District had the following commitments relating to projects in progress.

	Authorized and Outstanding Projects	Expended at December 31	Total 2022	Total 2021
GVS&DD	\$ 5,139,887	\$ (2,553,670)	\$ 2,586,217	\$ 1,757,138
GVWD	2,620,217	(1,030,341)	1,589,876	1,429,253
MVRD	45,668	(8,641)	37,027	12,846
MVHC	322,500	(24,106)	298,394	346,323
Total	\$ 8,128,272	\$ (3,616,758)	\$ 4,511,514	\$ 3,545,560

- ii) The District is committed under a number of lease and right-of-way agreements to make minimum annual payments. These agreements have varying terms, including three agreements, with annual payments to perpetuity, with adjustments annually for CPI. Estimated payments over the next ten years are as follows:

	Amount
2023	\$ 2,235
2024	2,268
2025	2,107
2026	2,123
2027	2,156
2028 - 2032	11,309
Total	\$ 22,198

b) Contractual Rights

The District is party to several property lease agreements that are anticipated to provide future revenues. These agreements are with third parties with varying terms to 2035. Amounts anticipated to be received over the future years are as follows:

	Amount
2023	\$ 6,282
2024	5,477
2025	4,400
2026	3,128
2027	1,209
Thereafter	5,474
Total	\$ 25,970

METRO VANCOUVER REGIONAL DISTRICT

Notes to Consolidated Financial Statements, page 23

Year ended December 31, 2022

(tabular amounts in thousands of dollars)

15. Contingencies

Lawsuits

As at December 31, 2022, there were various lawsuits pending against the District arising in the ordinary course of business. The District has retained legal counsel to defend against these lawsuits. Where the outcomes or amounts cannot be reasonably determined, no liability has been recorded. Management is of the opinion that losses, if any, in connection with these lawsuits can be sufficiently funded by reserve funds or covered by insurance. Any expected losses will be accrued and recorded as expenses at the time they are considered likely and amounts are reasonably determinable.

North Shore Wastewater Treatment Plant

The GVS&DD is building a new tertiary wastewater treatment plant on a former industrial site in North Vancouver to replace the primary-only Lions Gate Wastewater Treatment Plant. The deadline for completion of the project under federal regulation was December 31, 2020. In 2021, the GVS&DD served notice to terminate its contract with the vendor hired to design, build and commission the future North Shore Wastewater Treatment Plant, having determined that the vendor was in breach of contract. As of the contract termination date in 2021, the GVS&DD has paid \$309.5 million, net of GST rebates, to the vendor for work completed, which has been recorded as construction in progress (note 11). In 2022, the vendor commenced legal action by filing a claim against the GVS&DD in excess of \$250 million to which the GVS&DD filed a counter-claim against the vendor in excess of \$500 million. In 2022, the GVS&DD also drew on an irrevocable letter of credit in the amount of \$50.0 million as a result of the contract termination. As at December 31, 2022, the outcome of any legal proceedings related to the terminated contract and the potential consequences of not meeting the current deadline under the federal regulation is undeterminable.

Due to the nature of the contractual payments made to date under the terminated contract, the outstanding litigation and uncertainty surrounding the value of the new contract for completion of the project, the amount recorded as work in progress of \$522.6 million (2021 - \$495.7 million) represents management's best estimate. This amount may be subject to material change as new information becomes available.

METRO VANCOUVER REGIONAL DISTRICT

Notes to Consolidated Financial Statements, page 24

Year ended December 31, 2022

(tabular amounts in thousands of dollars)

15. Contingencies (continued)

Self-Insurance Reserve

A self-insurance reserve has been established within accumulated surplus to cover losses resulting from uninsured liability exposures of the District.

Each year a review is undertaken to determine if it would be beneficial to purchase additional liability insurance. The District transfers amounts to the reserve depending on the reserve's adequacy to cover retained liability risk.

An estimate is made for all costs of investigating and settlement of claims annually and an adjustment is made to the reserve to maintain an adequate balance to cover potential losses in excess of recorded liabilities. These estimates are changed as additional information becomes known during the course of claims settlement. Any likely losses would be expensed at the time the losses are known and the amounts are reasonably determinable.

Debt Reserve Fund

The MFA is required to establish a Debt Reserve Fund for each debenture which is comprised of cash deposits and a non-interest bearing demand note (refer to note 5). If, at any time, the District has insufficient funds to meet payments due on its obligations to MFA, the payments will be made from the debt reserve fund. The demand notes are callable only if there are additional requirements to be met to maintain the level of the debt reserve fund, and therefore have not been recorded in the statement of financial position.

BCHMC Grant Funding

In 2018 and 2019, MVHC received funding of \$6.7 million in total from BCHMC relating to the re-development of Heather Place property. The conditions of the funding agreement stipulate that the property must be continuously used for the provision of housing for eligible occupants and there is no default under the loan or operating agreement over 35 years. Should a breach in the agreement occur, the outstanding balance of the funding would need to be repaid to BCHMC (\$6.7 million as at December 31, 2022). The contingent liability is reduced by 1/25th annually, commencing in the 11th year of the agreement. Payments of interest will not be required unless there is a default and consequently interest will be payable on the balance of the principal amount outstanding at prime plus 2% per annum, compounded semi-annually and not in advance.

METRO VANCOUVER REGIONAL DISTRICT

Notes to Consolidated Financial Statements, page 25

Year ended December 31, 2022

(tabular amounts in thousands of dollars)

15. Contingencies (continued)

BCHMC Loan Funding

In 2022, MVHC entered into a demand non-revolving construction loan agreement with BC Housing Management Commission for funding for the Kingston Gardens re-development project. The maximum approved construction loan amount is \$44,642,752. Amounts drawn from the loan must be repaid no later than August 1, 2024. The BCHMC construction loan is to be repaid by a BCHMC investment of \$8,300,000 and take-out mortgage obtained through CMHC's National Housing Co-Investment Fund for \$29,411,377. Any amounts remaining of up to \$6,931,375, will be paid from MVHC's reserves.

Interest payable on the loan will be calculated based on a variable rate of not more than the Royal Bank of Canada Prime Rate plus 1.00%, compounded monthly, not in advance. As at December 31, 2022, no amounts were drawn from the demand loan.

Letters of Credit

At December 31, 2022, the GVS&DD is the named beneficiary of \$758 thousand (2021 - \$60.37 million) of irrevocable letters of credits from financial institutions related to construction projects and Solid Waste operations. These letters of credit are available under circumstances in which the service provider does not fulfil its obligation to the District and therefore the amount is not recorded as assets.

METRO VANCOUVER REGIONAL DISTRICT

Notes to Consolidated Financial Statements, page 26

Year ended December 31, 2022

(tabular amounts in thousands of dollars)

16. Budget Information

The annual budget presented in these financial statements is based upon the 2022 operating and capital budgets originally approved by the District's Board in October 2021, with additional approval in November 2022 for adjustments to the budget as a result of the 2021 fiscal year end results. The budget is based on operational and capital expenditure requirements and their associated funding. Amortization is a non-cash item that is not funded for budget purposes. Also, contributions to or from reserves and debt principal repayments are removed from the approved budget for financial statement presentation. The schedule below reconciles the approved budget to the budget figures reported in these financial statements. Capital expenditures of \$1.39 billion were included in the capital budget approved by the Board.

	2022 Budget	2021 Budget
Budgeted annual surplus per Exhibit B - Statement of	\$ 451,760	\$ 580,551
Additional transfers from reserves, approved by Board	3,634	1,575
Adjusted annual surplus, based on originally approved budget	455,394	582,126
Items not included in the operating budget		
Amortization of tangible capital assets	96,267	86,428
Contributions from deferred revenue	(110,665)	(251,932)
Sinking fund and debt retirement income	(25,566)	(23,044)
Development cost charge revenue	(42,329)	(45,000)
MVHC development grant	(17,536)	(8,500)
Reserve interest	(6,592)	(6,079)
Items included in budget but not in financial statements		
Sinking fund and debt retirement payments	(140,561)	(108,890)
Transfers to capital fund	(203,053)	(205,371)
Transfers from reserve funds	30,865	14,940
Transfer to reserve funds	(36,224)	(34,678)
Annual surplus per approved budget	—	—

METRO VANCOUVER REGIONAL DISTRICT

Notes to Consolidated Financial Statements, page 27

Year ended December 31, 2022

(tabular amounts in thousands of dollars)

17. Segmented Information and Expenses by Object

The District is a diversified municipal government organization that provides a wide range of services directly to the public and its member municipalities through its four legal entities: the MVRD, the GVS&DD, the GVWD, and the MVHC. For management reporting purposes, the District's operations and activities are organized and reported by service areas within the legal entities.

The salaries and benefits reported in the segmented information below do not include \$31.47 million (2021 - \$32.88 million) directly attributable to the construction of tangible capital assets which have been capitalized and included in tangible capital assets in the Statement of Financial Position.

The legal entities disclosed in the segmented information, along with the service areas provided are as follows:

GVS&DD

Liquid Waste Services

The Liquid Waste Management Service is responsible for the collection, treatment and discharge of liquid waste for member municipalities. It operates a number of wastewater treatment plants and a related collection network connected to the member municipalities' systems.

Solid Waste Services

The Solid Waste Management Service is responsible for the disposal of solid waste both for the member municipalities and the public. It owns and operates several solid waste facilities including a waste-to-energy facility.

GVWD

Water Operations

Water Operations is responsible for the supply of potable water to its member municipalities. It owns a series of dams, reservoirs, water treatment plants and a distribution network connected to the member municipalities' systems.

Building Operations

Building Operations is responsible for operating and maintaining office buildings owned by GVWD. These facilities are leased to MVRD and its related legal entities for its head office operations as well as to external parties.

MVHC

Metro Vancouver Housing Corporation is a wholly-owned subsidiary of MVRD, which owns and operates housing sites within the Lower Mainland for the purpose of providing affordable rental housing on a non-profit basis through various housing programs, some federally and some provincially funded. MVHC's portfolio consists of "rent-geared-to-income", partial rent assistance, and low-end-of-market units.

METRO VANCOUVER REGIONAL DISTRICT

Notes to Consolidated Financial Statements, page 28

Year ended December 31, 2022

(tabular amounts in thousands of dollars)

17. Segmented Information and Expenses by Object (continued)

MVRD

Regional Parks Regional Parks is responsible for managing, maintaining, and protecting a diverse network of Regional Parks and an expanding land base of reserves, ecological conservancy areas, and greenways, located throughout the Region.

General Government General Government includes services responsible for overall direction and monitoring and regional initiatives. This area comprises the Regional Board & Committee Remuneration, Corporate Secretary's Office, Audit, Legal and Insurance costs, Innovation, Regional Emergency Management, Regional Cultural Strategy and External Contributions and Zero Waste Collaborative Initiatives.

Air Quality Air Quality is responsible for monitoring air quality in the region, controlling industrial, commercial and some residential emissions, creating long-term plans, and conducting emission inventories.

Regional Employee Services Regional Employee Services provides collective bargaining, job evaluation, research, and other related labour relations services to those MVRD municipalities who are members of the function.

E911 Emergency Telephone Service The District contracts with E-Comm Corporation to provide 911 service for all municipalities within the region as well as the community of Whistler and the Sunshine Coast Regional District.

Regional Planning Regional Planning's core responsibilities are focused on regional growth management, utility management and air quality management. Primary activities include development and implementation of a wide range of innovative policies and plans, extensive research, modeling and technical analysis, regulation, business demand management and community education.

Invest Vancouver Invest Vancouver fosters regional and cross-sectoral collaboration on economic development issues, advises leaders on economic policy and strategy, promotes the region to a global audience, and attracts strategic investment.

Housing Planning and Policy Housing Planning and Policy contributes to processes and decisions related to the development of affordable housing projects, and in particular to the redevelopment of the MVHC portfolio of mixed-income housing complexes and the development of vacant lands owned by local government (including the MVRD).

METRO VANCOUVER REGIONAL DISTRICT

Notes to Consolidated Financial Statements, page 29

Year ended December 31, 2022

(tabular amounts in thousands of dollars)

17. Segmented Information and Expenses by Object (continued)

MVRD (continued)

Electoral Areas The District is responsible for providing general and local services to one unincorporated area (Electoral Area A) of the regional district. General services provided include a variety of tax-supported, regional services such as 911 emergency telephone, air quality, labour relations, regional parks, strategic planning, and general government.

Regional Global Positioning System The District's Global Positioning System (GPS) Real-Time Service is offered to member municipalities and to the public in partnership with the B.C. Crown Registry and Geographic Base (CRGB) Branch.

Sasamat Volunteer Fire Department The Sasamat Volunteer Fire Department provides volunteer fire department services to the Villages of Anmore and Belcarra. The cost to support this function is borne completely by the members who receive the service.

Regional Emergency Management Regional Emergency Management is an intergovernmental partnership between the Province of British Columbia and the District to coordinate regional emergency management planning activities and to engage all levels of government and private sector agencies in regional emergency planning initiatives for the Metro Vancouver region.

Corporate Programs Corporate programs provide centralized support for Metro Vancouver's four legal entities, including financial services, human resources, external relations, legislative service, indigenous relations, project delivery, self-insurance, and information technology.

Members and Translink Sinking Fund Income The District serves as the borrowing conduit between member municipalities (excluding City of Vancouver) and Translink and the MFA. (Note 10). Sinking fund income earned on debenture issues held on behalf of members and Translink is recorded as revenue earned on the sinking fund with the offsetting expenditure owing to these organizations.

METRO VANCOUVER REGIONAL DISTRICT

Notes to Consolidated Financial Statements, page 30

Year ended December 31, 2022

(tabular amounts in thousands of dollars)

17. Segmented Information and Expenses by Object (continued)

a) Total Consolidated

	Other Districts (note 17(b))	Regional District (note 17(c))	Metro Vancouver Housing Corporation	Inter-district Adjustments	Consolidated Actual 2022	Consolidated Budget 2022	Consolidated Actual 2021
Revenues							
MVRD property tax requisitions	\$ —	\$ 91,708	\$ —	\$ —	\$ 91,708	\$ 91,708	\$ 82,714
Metered sale of water	329,678	—	—	—	329,678	329,366	319,989
Sewerage and drainage levy	301,425	—	—	—	301,425	301,425	288,226
Tipping fees	125,797	—	—	—	125,797	112,910	112,610
Housing property rentals	—	—	43,267	—	43,267	42,051	42,416
BODTSS industrial charges	12,431	—	—	—	12,431	12,263	12,157
Development cost charges	60,583	—	—	—	60,583	103,080	42,204
Grants and other contributions	29,870	3,965	3,430	—	37,265	126,822	76,174
User fees, recoveries, and other revenues	46,219	12,651	1,176	(13,635)	46,411	41,175	42,903
Gain on disposal of tangible capital assets	—	—	—	—	—	—	—
Sinking fund and interest income	33,247	4,098	1,448	(111)	38,682	32,110	32,840
Sinking fund income members and TransLink	—	27,072	—	—	27,072	29,165	28,222
	939,250	139,494	49,321	(13,746)	1,114,319	1,222,075	1,080,455
Expenses							
Salaries and benefits	117,428	105,711	6,661	(15,831)	213,969	221,673	191,444
Consulting, contracted and professional services	160,078	21,905	995	(60)	182,918	192,812	146,256
Asset repairs and maintenance	21,113	10,447	14,597	—	46,157	63,390	43,061
Materials and supplies	31,610	5,421	205	—	37,236	38,139	33,732
Utilities, permits, and taxes	25,839	1,904	4,601	(3)	32,341	34,381	30,552
Other	34,195	40,885	912	(18,528)	57,464	51,016	53,049
Amortization of tangible capital assets and prepaid land leases	87,996	8,369	2,971	—	99,336	96,267	86,610
Interest on long-term debt	65,758	—	1,295	(111)	66,942	72,637	60,693
	544,017	194,642	32,237	(34,533)	736,363	770,315	645,397
Corporate costs (recovery)	67,762	(90,939)	2,390	20,787	—	—	—
	611,779	103,703	34,627	(13,746)	736,363	770,315	645,397
Annual Surplus (deficit)	\$ 327,471	\$ 35,791	\$ 14,694	\$ —	\$ 377,956	\$ 451,760	\$ 435,058

METRO VANCOUVER REGIONAL DISTRICT

Notes to Consolidated Financial Statements, page 31

Year ended December 31, 2022

(tabular amounts in thousands of dollars)

17. Segmented Information and Expenses by Object (continued)

b) Total Other Districts

	Liquid Waste Services	Solid Waste Service	Total Sewerage & Drainage District	Water Operations	Building Operations	Elimination Entry	Total Water District	Total Other Districts Actual 2022	Total Other Districts Budget 2022	Total Other Districts Actual 2021
Revenues										
Metered sale of water	\$ —	\$ —	\$ —	\$ 329,678	\$ —	\$ —	\$ 329,678	\$ 329,678	\$ 329,366	\$ 319,989
Sewerage and drainage levy	301,425	—	301,425	—	—	—	—	301,425	301,425	288,226
Tipping fees	—	125,797	125,797	—	—	—	—	125,797	112,910	112,610
BODTSS industrial charges	12,431	—	12,431	—	—	—	—	12,431	12,263	12,157
Development cost charges	60,583	—	60,583	—	—	—	—	60,583	103,080	42,204
Grants and other contributions	29,870	—	29,870	—	—	—	—	29,870	106,415	61,062
User fees, recoveries, and other revenues	6,589	14,201	20,790	10,161	21,114	(5,846)	25,429	46,219	36,657	42,158
Gain on disposal of tangible capital assets	—	—	—	—	—	—	—	—	—	—
Sinking fund and interest income	8,439	1,969	10,408	20,745	2,094	—	22,839	33,247	28,861	27,945
	419,337	141,967	561,304	360,584	23,208	(5,846)	377,946	939,250	1,030,977	906,351
Expenses										
Salaries and benefits	65,694	6,517	72,211	44,723	494	—	45,217	117,428	125,242	110,365
Consulting, contracted, and professional services	42,471	102,396	144,867	13,308	1,903	—	15,211	160,078	154,610	124,964
Asset repairs and maintenance	13,981	860	14,841	3,955	2,317	—	6,272	21,113	22,379	18,990
Materials and supplies	18,018	45	18,063	13,493	54	—	13,547	31,610	32,995	27,788
Utilities, permits, and taxes	16,829	469	17,298	7,635	906	—	8,541	25,839	27,548	24,691
Other	9,179	16,723	25,902	7,560	733	—	8,293	34,195	26,303	26,450
Amortization of tangible capital assets	36,787	8,382	45,169	37,891	4,936	—	42,827	87,996	85,030	73,900
Interest on long-term debt	32,135	2,424	34,559	26,453	4,746	—	31,199	65,758	71,224	59,548
	235,094	137,816	372,910	155,018	16,089	—	171,107	544,017	545,331	466,696
Corporate costs (recovery)	39,066	5,114	44,180	29,428	—	(5,846)	23,582	67,762	77,844	59,301
	274,160	142,930	417,090	184,446	16,089	(5,846)	194,689	611,779	623,175	525,997
Annual surplus (deficit)	\$ 145,177	\$ (963)	\$ 144,214	\$ 176,138	\$ 7,119	\$ —	\$ 183,257	\$ 327,471	\$ 407,802	\$ 380,354

METRO VANCOUVER REGIONAL DISTRICT

Notes to Consolidated Financial Statements, page 32

Year ended December 31, 2022

(tabular amounts in thousands of dollars)

17. Segmented Information and Expenses by Object (continued)

c) Total Regional District

	Regional Parks	General Government	Air Quality	Regional Employees Services	E911 Emergency Telephone Service	Regional Planning	Invest Vancouver	Housing Planning and Policy	Regional Sub-total 2022
Revenues									
MVRD property tax requisitions	\$ 57,063	\$ 6,441	\$ 7,392	\$ 2,548	\$ 4,670	\$ 3,923	\$ 2,185	\$ 6,254	\$ 90,476
Grants and other contributions	1,006	1,406	250	—	—	—	178	—	2,840
User fees, recoveries, and other revenues	2,808	720	4,464	148	86	—	—	—	8,226
Gain (loss) on disposal of tangible capital assets	—	—	—	—	—	—	—	—	—
Sinking fund and interest income	1,011	(165)	83	67	24	83	32	368	1,503
Sinking fund income, members and TransLink	—	—	—	—	—	—	—	—	—
	61,888	8,402	12,189	2,763	4,780	4,006	2,395	6,622	103,045
Expenses									
Salaries and benefits	19,759	3,382	7,071	2,262	—	3,060	1,726	811	38,071
Consulting, contracted and professional services	4,204	1,119	1,326	64	5,152	623	85	110	12,683
Asset repairs and maintenance	3,335	94	74	1	—	13	2	—	3,519
Materials and supplies	985	23	249	4	—	7	9	1	1,278
Utilities, permits, and taxes	781	3	100	8	22	1	7	—	922
Other	3,408	1,651	1,047	66	—	113	455	21	6,761
Amortization of tangible capital assets	1,829	—	249	—	2	—	—	—	2,080
	34,301	6,272	10,116	2,405	5,176	3,817	2,284	943	65,314
Corporate costs (recovery)	4,104	895	985	(43)	93	323	136	88	6,581
	38,405	7,167	11,101	2,362	5,269	4,140	2,420	1,031	71,895
Annual surplus (deficit)	\$ 23,483	\$ 1,235	\$ 1,088	\$ 401	\$ (489)	\$ (134)	\$ (25)	\$ 5,591	\$ 31,150

METRO VANCOUVER REGIONAL DISTRICT

Notes to Consolidated Financial Statements, page 33

Year ended December 31, 2022

(tabular amounts in thousands of dollars)

17. Segmented Information and Expenses by Object (continued)

c) Total Regional District (continued)

	Carried Forward	Electoral Areas	Regional Global Positioning System	Sasamat Volunteer Fire Department	Regional Emergency Management	Corporate Programs	Members and TransLink, Sinking Fund Income	Regional Districts Actual 2022	Regional Districts Budget 2022	Regional Districts Actual 2021
Revenues										
MVRD property tax requisitions	\$ 90,476	\$ 401	\$ —	\$ 658	\$ 173	\$ —	\$ —	\$ 91,708	\$ 91,708	\$ 82,714
Grants and other contributions	2,840	213	—	—	—	912	—	3,965	1,037	13,241
User fees, recoveries, and other revenues	8,226	55	386	25	26	3,933	—	12,651	17,373	9,194
Gain (loss) on disposal of tangible capital assets	—	—	—	—	—	—	—	—	—	367
Sinking fund and interest income	1,503	58	32	38	13	2,454	—	4,098	2,288	4,360
Sinking fund income, members and TransLink	—	—	—	—	—	—	27,072	27,072	29,165	28,222
	103,045	727	418	721	212	7,299	27,072	139,494	141,571	138,098
Expenses										
Salaries and benefits	38,071	379	130	46	—	67,085	—	105,711	115,868	91,331
Consulting, contracted and professional services	12,683	17	—	41	127	9,037	—	21,905	38,594	20,660
Asset repairs and maintenance	3,519	2	—	66	—	6,860	—	10,447	22,960	7,204
Materials and supplies	1,278	5	1	23	—	4,114	—	5,421	4,958	5,775
Utilities, permits, and taxes	922	3	11	20	—	948	—	1,904	2,333	1,406
Other	6,761	208	1	96	1	6,746	27,072	40,885	43,079	40,031
Amortization of tangible capital assets	2,080	—	—	30	32	6,227	—	8,369	8,334	9,497
	65,314	614	143	322	160	101,017	27,072	194,642	236,126	175,904
Corporate costs (recovery)	6,581	40	26	28	11	(97,625)	—	(90,939)	(111,344)	(81,050)
	71,895	654	169	350	171	3,392	27,072	103,703	124,782	94,854
Annual surplus (deficit)	\$ 31,150	\$ 73	\$ 249	\$ 371	\$ 41	\$ 3,907	\$ —	\$ 35,791	\$ 16,789	\$ 43,244

METRO VANCOUVER REGIONAL DISTRICT

Notes to Consolidated Financial Statements, page 34

Year ended December 31, 2022

(tabular amounts in thousands of dollars)

18. Subsequent Events

- a) On March 23, 2023, the District received \$50.78 million as part of the Province of British Columbia's Growing Community Funds Program, to be applied to infrastructure projects in 2023.
- b) On March 28, 2023, the GVS&DD entered into a three-year contribution agreement with the Province of British Columbia, where the Province will provide \$250 million, one-third of the funding, for Phase 1 Iona Wastewater Treatment Plant. The GVS&DD will receive \$75 million in April 2023 and in April 2024, and the remaining \$100 million in April 2025.
- c) On April 12, 2023, the MVHC entered into a three-year memorandum of understanding with the Province of British Columbia, through the BCHMC, to provide \$158 million in funding to the MVHC over the next three years for the construction of approximately 660 new homes at five of the MVHC sites.

19. Comparative Figures

Certain prior year figures have been reclassified to conform to the presentation of the current year.

METRO VANCOUVER REGIONAL DISTRICT

Schedule 1 (unaudited)

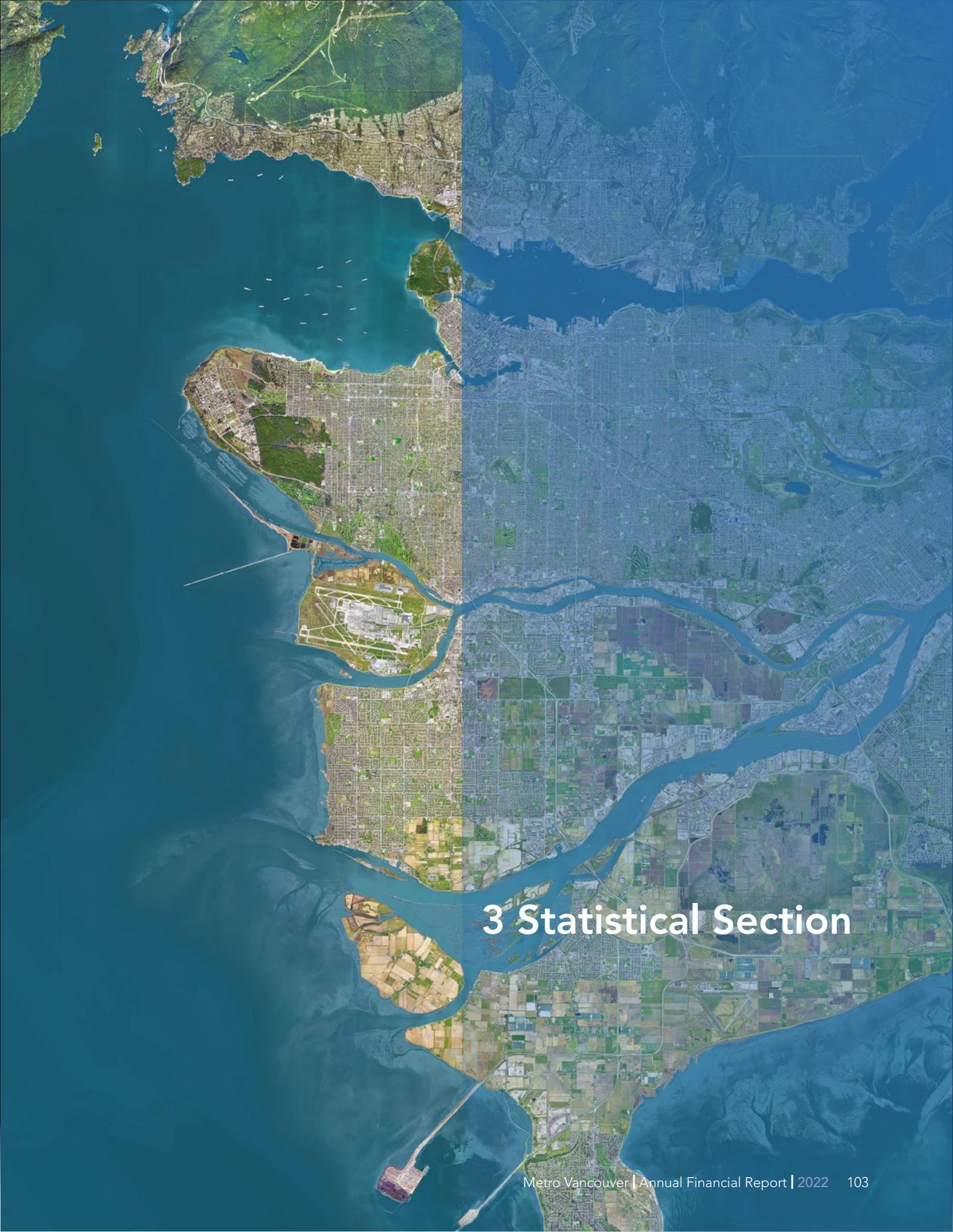
Year ended December 31, 2022

(tabular amounts in thousands of dollars)

COVID-19 Restart Grant (unaudited)

The Province of British Columbia, under the “COVID-19 Safe Restart Grant Program”, provided the District with a grant of \$1.476 million in 2021 (\$nil in 2022) for increased operating costs arising during the pandemic. The District recognized the grant into income and applied these funds to the programs impacted as follows:

	2022	2021
Balance, beginning of the year	\$ 739	\$ 588
BC Restart Grant received	—	1,476
	739	2,064
Less Eligible Costs Incurred:		
Computer and Technology costs	—	226
External Relations	—	300
Head Office Building Operations	149	271
Liquid Waste Services	—	288
Cultural Grants	140	150
Regional Parks Services	—	32
Water Services	—	58
Metro Vancouver Housing Corporation	450	—
	739	1,325
Balance, end of year	\$ —	\$ 739



3 Statistical Section

Five Year Comparative Schedules of Consolidated Financial Information

Source of information: Metro Vancouver Financial Services (unless specified)

Consolidated Statement of Financial Position (2018-2022)

(in thousands of dollars)

	2018	2019	2020	2021	2022
Financial assets	\$ 2,273,893	\$ 2,073,701	\$ 1,899,770	\$ 2,379,464	\$ 2,299,151
Liabilities	(3,005,020)	(2,945,508)	(3,017,313)	(3,695,024)	(3,864,301)
Net Debt*	(731,127)	(871,807)	(1,117,543)	(1,315,560)	(1,565,150)
Non-Financial assets**	5,117,265	5,760,578	6,564,127	7,197,202	7,824,748
Accumulated surplus	\$ 4,386,138	\$ 4,888,771	\$ 5,446,584	\$ 5,881,642	\$ 6,259,598

* See Section 3 - Statistical Section, page 118, for five-year trend in Consolidated Statement of Change in Net Debt.

** See Section 3 - Statistical Section, page 108, for five-year trend in Consolidated Non-Financial Assets.

Consolidated Financial Assets (2017-2021)

(in thousands of dollars)

	2018	2019	2020	2021	2022
Cash and cash equivalents***	\$ 198,168	\$ 96,050	\$ 271,510	\$ 738,303	\$ 388,043
Accounts receivable	111,762	155,500	150,627	193,051	193,673
Due from Translink and member municipalities	981,214	994,708	1,000,799	1,094,140	1,260,527
Investments	905,090	772,577	417,392	289,582	391,386
Assets held for sale	22,851	-	-	-	-
Debt reserve fund	54,808	54,866	59,442	64,388	65,522
Total financial assets	\$ 2,273,893	\$ 2,073,701	\$ 1,899,770	\$ 2,379,464	\$ 2,299,151

*** See Section 3 - Statistical Section, page 119, for five-year trend in Consolidated Statement of Cash Flow.

Consolidated Liabilities (2018-2022) (in thousands of dollars)

	2018	2019	2020	2021	2022
Accounts payable and accrued liabilities	\$ 189,299	\$ 261,755	\$ 249,272	\$ 337,420	\$ 299,379
Employee future benefits	13,481	13,841	13,369	13,907	14,602
Landfill closure and post-closure liability	31,709	33,039	32,164	32,907	41,026
Deferred revenue and refundable deposits*	534,591	390,045	311,451	341,016	343,047
Debt reserve fund, member municipalities and TransLink	34,609	34,082	35,603	35,179	35,231
Total liabilities (excluding debt)	\$ 803,689	\$ 732,763	\$ 641,860	\$ 760,429	\$ 733,285
Debt (net of sinking funds)					
Metro Vancouver Districts and Housing Corporation	1,230,774	1,228,901	1,385,445	1,851,489	1,884,302
Member municipalities and TransLink	970,557	983,845	990,009	1,083,106	1,246,714
Total debt (net of sinking funds)	2,201,331	2,212,746	2,375,454	2,934,595	3,131,016
Total liabilities***	\$3,005,020	\$2,945,508	\$3,017,313	\$3,695,024	\$3,864,301
*Deferred Revenue and Refundable Deposits (2018-2022)					
MVHC externally restricted funds from BCHMC	\$ 13,639	\$ 2,505	\$ 3,292	\$ 3,423	\$ 3,505
GVS&DD development cost charges**	311,594	227,551	213,143	258,634	273,596
Provincial grant to fund capital expenditures	200,368	153,675	88,525	69,696	56,496
Facility rental security deposits	2,352	2,377	3,935	6,360	6,414
Other	6,638	3,937	2,556	2,903	3,036
Total deferred revenue and refundable deposits	\$ 534,591	\$ 390,045	\$ 311,451	\$ 341,016	\$ 343,047
**GVS&DD Development Cost Charges Deferred Balance (2018-2022)					
GVS&DD DCC revenue					
Total collected	\$ 28,118	\$ 60,239	\$ 62,871	\$ 85,105	\$ 68,941
Interest income	6,534	8,107	4,374	2,590	6,604
Total GVS&DD DCC revenue	\$ 34,652	\$ 68,346	\$ 67,245	\$ 87,695	\$ 75,545
GVS&DD DCC applied					
To debt	(10,760)	(30,389)	(32,472)	–	(60,583)
To capital	-	(122,000)	(49,181)	(42,204)	-
Total GVS&DD applied	\$ (10,760)	\$ (152,389)	\$ (81,653)	\$ (42,204)	\$ (60,583)
Total GVS&DD DCC to be deferred	23,892	(84,043)	(14,408)	45,491	14,962
GVS&DD DCC deferred balance, beginning of year	287,702	311,594	227,551	213,143	258,634
GVS&DD DCC deferred balance, end of year	\$ 311,594	\$ 227,551	\$ 213,143	\$ 258,634	\$ 273,596

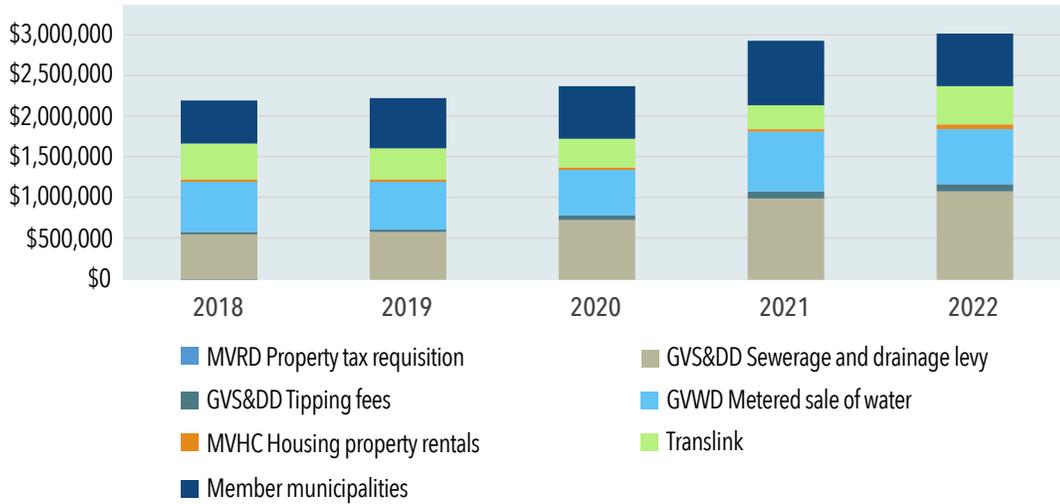
*** See page 50 under Liabilities explaining the net increase from prior year's balance.

Consolidated Long Term Debt (Gross and Net of Sinking Funds) (2018-2022)

(in thousands of dollars)

	2018	2019	2020	2021	2022
Gross long term debt					
MVRD	\$ 1,235	\$ -	\$ -	\$ -	\$ -
GVS&DD	640,000	716,000	911,000	1,271,000	1,431,000
GWWD	1,051,751	1,026,231	1,092,631	1,262,631	1,207,631
MVHC	46,319	44,112	48,261	45,341	42,647
Gross long term debt - Metro Vancouver	\$ 1,739,305	\$ 1,786,343	\$ 2,051,892	\$ 2,578,972	\$ 2,681,278
Member municipalities	666,269	757,504	840,285	1,011,448	1,254,441
Translink	920,315	867,786	865,193	796,334	713,606
Gross long term debt member municipalities and Translink	\$ 1,586,584	\$ 1,625,290	\$ 1,705,478	\$ 1,807,782	\$ 1,968,047
Gross long term debt	\$ 3,325,889	\$ 3,411,633	\$ 3,757,370	\$ 4,386,754	\$ 4,649,325
Sinking fund					
MVRD	1,172	-	-	-	-
GVS&DD	63,099	89,710	131,553	176,015	252,856
GWWD	444,260	467,732	534,894	551,468	544,120
Total sinking fund - Metro Vancouver	\$ 508,531	\$ 557,442	\$ 666,447	\$ 727,483	\$ 796,976
Member Municipality	129,856	155,963	182,245	209,565	242,051
Translink	486,171	485,482	533,224	515,111	479,282
Total sinking fund - member municipalities and Translink	\$ 616,027	\$ 641,445	\$ 715,469	\$ 724,676	\$ 721,333
Total sinking fund	\$ 1,124,558	\$ 1,198,887	\$ 1,381,916	\$ 1,452,159	\$ 1,518,309
Long term debt, net of sinking fund - Metro Vancouver					
MVRD	63	-	-	-	-
GVS&DD	576,901	626,290	779,447	1,094,985	1,178,144
GWWD	607,491	558,499	557,737	711,163	663,511
MVHC	46,319	44,112	48,261	45,341	42,647
Long term debt, net of sinking fund - Metro Vancouver	\$ 1,230,774	\$1,228,901	\$ 1,385,445	\$ 1,851,489	\$ 1,884,302
Long term debt, net of sinking fund - member municipalities and Translink					
Member Municipality	536,413	601,541	658,040	801,883	1,012,390
Translink	434,144	382,304	331,969	281,223	234,324
Long term debt, net of sinking fund - member municipalities and Translink	\$ 970,557	\$ 983,845	\$ 990,009	\$ 1,083,106	\$ 1,246,714
Overall long term debt, net of sinking fund	\$ 2,201,331	\$ 2,212,746	\$ 2,375,454	\$ 2,934,595	\$ 3,131,016

Long Term Debt (Net of Sinking Fund) and Sources of Payment (in thousands of dollars)



Debt per Capita by Year



Legal debt limit

The Municipal Liabilities Regulation limits the annual cost of servicing financial liabilities to 25% of certain sustainable revenues from the previous year. This legislation does not apply to Regional Districts. Metro Vancouver's Financial Management Policy mandates our Debt Servicing Ratio to be kept below 40%. Metro Vancouver has diligently complied within this 40% limit.*.

See Debt Service Cost to Total Revenue Ratio on Financial Performance Measures (2018-2022) on page 123.

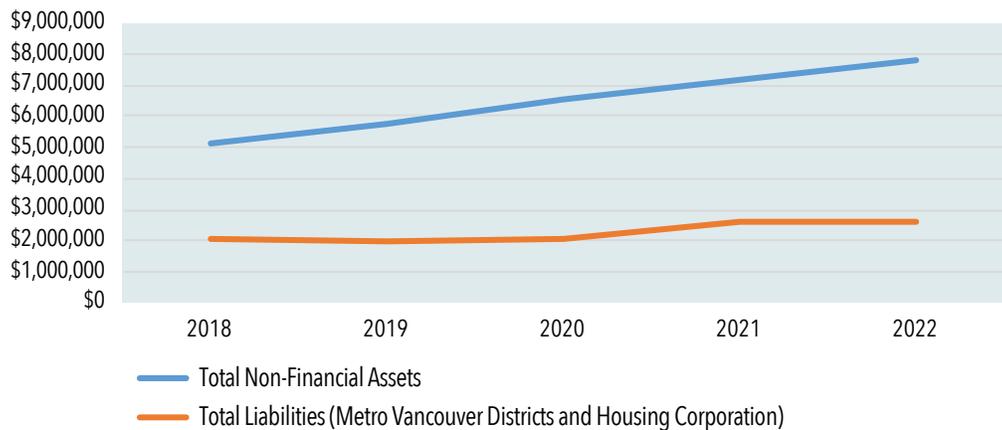
Overlapping debt

nil

Consolidated Non-Financial Assets (2018-2022) (in thousands of dollars)

	2018	2019	2020	2021	2022
Tangible capital assets	\$ 5,097,824	\$ 5,740,451	\$ 6,539,503	\$ 7,172,479	\$ 7,796,302
Inventories of supplies	7,483	7,499	10,017	10,938	11,864
Prepaid land leases	5,647	5,452	5,257	5,062	4,868
Prepaid expenses	6,311	7,176	9,350	8,723	11,714
Total non-financial assets	\$5,117,265	\$5,760,578	\$ 6,564,127	\$ 7,197,202	\$7,824,748

Non-Financial Assets vs. Total Liabilities (Metro Vancouver) (in thousands of dollars)



Consolidated Tangible Capital Assets (at Net book Value, 2018-2022)

(in thousands of dollars)

	2018	2019	2020	2021	2022
Land					
GVS&DD	\$ 89,790	\$ 89,790	\$ 116,050	\$ 162,872	\$ 186,358
GWWD	44,704	44,704	44,704	53,664	132,714
MVRD	875,021	886,258	889,758	914,517	919,669
MVHC	52,274	52,274	52,274	52,274	52,274
	\$ 1,061,789	\$ 1,073,026	\$ 1,102,786	\$ 1,183,327	\$ 1,291,015
Infrastructure					
GVS&DD	\$ 901,992	894,283	944,767	1,460,313	1,716,389
GWWD	1,764,854	1,747,168	1,715,312	1,808,176	1,952,853
MVRD	54,409	64,883	61,814	61,367	60,111
	\$ 2,721,255	\$2,706,334	\$ 2,721,893	\$ 3,329,856	\$ 3,729,353
Buildings					
GWWD	\$ 205,164	\$ 200,136	\$ 197,252	\$ 191,788	\$ 186,325
MVRD	18,149	17,603	17,063	16,523	15,983
MVHC	21,253	19,540	46,522	43,795	44,755
	\$ 244,566	\$ 237,279	\$ 260,837	\$ 252,106	\$ 247,063
Vehicles					
MVRD	\$ 10,267	9,181	8,399	6,169	6,039
	\$ 10,267	9,181	8,399	6,169	6,039
Machinery, equipment, furnitures and fixtures					
GVS&DD	\$ 1,719	\$ 1,382	\$ 1,409	\$ 943	\$ 754
GWWD	7,994	7,351	6,803	5,772	5,155
MVRD	4,373	3,590	3,212	2,741	2,769
MVHC	1,467	1,774	1,744	1,696	1,693
	\$ 15,553	\$ 14,097	\$ 13,168	\$ 11,152	\$ 10,371
Construction in progress					
GVS&DD	\$ 772,131	\$ 1,196,784	\$ 1,707,335	\$ 1,579,940	\$ 1,645,308
GWWD	247,973	474,756	717,261	796,461	833,335
MVRD	13,823	3,696	4,939	5,391	9,116
MVHC	10,467	25,298	2,885	8,077	24,702
	\$ 1,044,394	\$ 1,700,534	\$ 2,432,420	\$ 2,389,869	\$ 2,512,461
Total consolidated tangible capital assets by entity					
GVS&DD	\$ 1,765,632	\$ 2,182,239	\$ 2,769,561	\$ 3,204,068	\$ 3,548,809
GWWD	2,270,689	2,474,115	2,681,332	2,855,861	3,110,382
MVRD	976,042	985,211	985,185	1,006,708	1,013,687
MVHC	85,461	98,886	103,425	105,842	123,424
Overall Total Consolidated Tangible Capital Assets	\$ 5,097,824	\$ 5,740,451	\$ 6,539,503	\$ 7,172,479	\$ 7,796,302

Consolidated Accumulated Surplus (2018-2022) (in thousands of dollars)

	2018	2019	2020	2021	2022
Accumulated surplus consists of:					
Reserves*	\$ 289,349	\$ 273,140	\$ 325,079	\$ 394,831	\$ 441,040
Capital fund balance**	229,739	104,081	(32,553)	165,821	(93,442)
Investment in tangible capital assets***	3,867,050	4,511,550	5,154,058	5,320,990	5,912,000
Total accumulated surplus	\$ 4,386,138	\$ 4,888,771	\$ 5,446,584	\$ 5,881,642	\$ 6,259,598
*Reserves					
GVS&DD	\$ 120,834	\$ 111,483	\$ 123,887	\$ 158,923	\$ 165,866
GWWD	46,372	38,105	34,594	43,697	52,630
MVRD	97,531	96,417	119,143	140,864	167,468
MVHC	24,613	27,136	47,455	51,347	55,076
Total reserves	\$ 289,349	\$ 273,140	\$ 325,079	\$ 394,831	\$ 441,040
**Capital fund balance					
Prepaid land leases	\$ 5,841	\$ 5,841	\$ 5,257	\$ 5,257	\$ 5,257
Temporary financing from working capital	223,898	98,240	(37,810)	160,564	(98,699)
Total capital fund balance	\$ 229,739	\$ 104,081	\$ (32,553)	\$ 165,821	\$ (93,442)
***Investment in tangible capital assets					
Tangible capital assets	\$ 5,097,824	\$ 5,740,451	\$ 6,539,503	\$ 7,172,479	\$ 7,796,302
Amount financed by:					
Long term debt, net of members, Translink and sinking fund	\$ (1,230,774)	\$ (1,228,901)	(1,385,445)	(1,851,489)	(1,884,302)
Total investment in tangible capital assets	\$ 3,867,050	\$ 4,511,550	\$ 5,154,058	\$ 5,320,990	\$ 5,912,000

Consolidated Revenue (2018-2022) (in thousands of dollars)

	2018	2019	2020	2021	2022
MVRD property tax requisitions	\$ 59,174	\$ 62,901	\$ 73,528	\$ 82,714	\$ 91,708
Metered sale of water	274,631	285,316	297,781	319,989	329,678
Sewerage and drainage levy	232,135	255,811	274,237	288,226	301,425
Tipping fees	102,036	105,692	100,880	112,610	125,797
Housing property rentals	39,904	40,870	41,607	42,416	43,267
BODTSS industrial charges	11,266	11,220	11,568	12,157	12,431
Development cost charges	10,760	152,389	81,653	42,204	60,583
Grants and other contributions	1,509	68,881	184,641	76,174	37,265
User fees, recoveries and other revenue	50,454	104,768	33,425	42,903	46,411
Sinking fund and interest income	34,766	28,314	29,734	32,840	38,682
Sinking fund income, members and TransLink	27,773	27,127	28,078	28,222	27,072
Total revenue	\$ 849,992	\$ 1,149,082	\$ 1,162,441	\$ 1,080,455	\$ 1,114,319

Consolidated Expenses by Object (2018-2022) (in thousands of dollars)

	2018	2019	2020	2021	2022
Salaries and benefits	\$ 169,283	\$ 176,743	\$ 190,396	\$ 191,444	\$ 213,969
Consulting, contracted and professional services	142,755	142,320	135,201	146,256	182,918
Asset repairs and maintenance	34,576	40,979	41,105	43,061	46,157
Materials and supplies	31,338	32,393	30,996	33,732	37,236
Utilities, permits and taxes	29,171	30,401	28,070	30,552	32,341
Other	63,428	91,336	43,897	53,049	57,464
Amortization of tangible capital assets and prepaid land leases	82,054	82,392	82,624	86,610	99,336
Loss on disposal of tangible capital assets	8,055	-	-	-	-
Interest on long-term debt	51,149	49,885	52,339	60,693	66,942
Total expenses (by object)	\$ 611,809	\$ 646,449	\$ 604,628	\$ 645,397	\$ 736,363
Less: Salaries and benefits	(169,283)	(176,743)	(190,396)	(191,444)	(213,969)
Total expenses, excluding salaries and benefits	\$ 442,526	\$ 469,706	\$ 414,232	\$ 453,953	\$ 522,394

Consolidated Expenses by Function (2018-2022) (in thousands of dollars)

	2018	2019	2020	2021	2022
Liquid waste services	\$ 191,632	\$ 205,682	\$ 221,101	\$ 232,928	\$ 274,160
Solid waste services	112,977	135,377	100,198	108,040	142,930
Water operations	168,892	174,537	163,987	173,128	184,446
Housing rental operations	31,080	37,091	29,484	35,765	34,516
Regional parks	42,074	34,286	33,281	37,310	38,405
General government services	4,537	6,029	5,756	6,257	7,167
Air quality	10,288	10,534	10,207	10,082	11,101
Regional employers services	2,359	2,378	2,365	2,342	2,362
911 emergency telephone system	4,385	4,368	4,452	4,543	5,269
Regional planning	2,878	3,208	3,413	3,101	4,140
Invest Vancouver*	-	67	226	1,556	2,420
Housing planning and policy	460	582	947	1,085	1,031
Electoral areas	425	995	550	455	654
Regional global positioning system	266	415	229	242	169
Sasamat volunteer fire department	310	270	217	263	350
Regional emergency management	132	180	136	78	171
Homelessness Partnering Strategy	11,341	3,323	-	-	-
Sinking fund income attributed to members and TransLink	27,773	27,127	28,078	28,222	27,072
Total expenses (by function)	\$ 611,809	\$ 646,449	\$ 604,628	\$ 645,397	\$ 736,363

Note: This schedule has been updated to allocate previously included corporate program costs and building operations to various functions.

Consolidated Annual Surplus and Accumulated Surplus (2018-2022) (in thousands of dollars)

	2018	2019	2020	2021	2022
Annual surplus	\$ 238,183	\$ 502,633	\$ 557,813	\$ 435,058	\$ 377,956
Accumulated surplus, beginning of year	4,147,955	4,386,138	4,888,771	5,446,584	5,881,642
Accumulated surplus, end of year	\$ 4,386,138	\$ 4,888,771	\$ 5,446,584	\$ 5,881,642	\$ 6,259,598

Five-Year Annual Surplus (in thousands of dollars)



Consolidated MVRD Property Tax Requisition Revenue by Source (2018-2022)
(in thousands of dollars)

	2018	2019	2020	2021	2022
City of Burnaby	\$ 5,666	\$ 6,122	\$ 7,273	\$ 8,038	\$8,857
City of Coquitlam	2,563	2,887	3,281	3,721	4,191
City of Delta	2,149	2,350	2,924	3,450	4,079
City of Langley	416	493	621	709	815
City of Maple Ridge	1,068	1,232	1,479	1,697	2,062
City of New Westminster	1,102	1,321	1,546	1,709	1,816
City of North Vancouver	1,242	1,445	1,702	1,909	2,004
City of Pitt Meadows	269	348	439	500	574
City of Port Coquitlam	956	1,086	1,277	1,493	1,730
City of Port Moody	589	708	823	931	1,045
City of Richmond	5,434	5,946	6,919	7,720	8,544
City of Surrey	7,619	8,020	9,973	11,469	13,913
City of Vancouver	21,493	21,934	24,913	27,428	28,561
City of White Rock	410	452	537	605	683
Bowen Island Municipality	100	105	126	165	196
Township of Langley	2,201	2,481	3,094	3,639	4,350
District of North Vancouver	2,239	2,345	2,710	3,082	3,378
District of West Vancouver	2,291	2,223	2,358	2,639	2,892
Village of Anmore	270	280	299	408	490
Village of Belcarra	143	141	142	234	300
Village of Lions Bay	41	48	54	60	71
Electoral Area A	805	803	882	940	963
Tsawwassen First Nation	108	131	156	168	194
Total MVRD property tax requisition revenue	\$ 59,174	\$ 62,901	\$ 73,528	\$ 82,714	\$ 91,708

Consolidated Schedule of Sewerage and Drainage Levy by Source (2018-2022)
(in thousands of dollars)

	2018	2019	2020	2021	2022
City of Burnaby	\$ 23,997	\$ 24,788	\$ 27,534	\$ 28,744	\$ 29,838
City of Coquitlam	12,226	14,239	14,207	14,098	13,924
City of Delta	7,464	7,707	8,603	8,729	9,009
City of Langley	1,981	2,133	2,128	2,076	2,040
City of Maple Ridge	6,784	7,740	7,872	8,226	8,190
City of New Westminster	8,064	8,723	9,421	10,271	11,225
City of North Vancouver	5,776	6,185	6,772	7,513	7,972
District of North Vancouver	9,770	10,100	11,608	12,723	13,328
City of Pitt Meadows	1,386	1,556	1,629	1,650	1,653
City of Port Coquitlam	5,108	5,441	5,659	5,960	6,076
City of Port Moody	2,446	2,612	2,693	2,800	2,553
City of Richmond	21,191	22,889	26,314	27,468	28,681
City of Surrey	40,146	47,715	50,034	52,921	56,565
City of Vancouver	68,562	73,948	78,646	82,672	86,819
City of White Rock	1,543	1,645	1,849	1,830	1,813
Township of Langley	7,291	9,318	9,098	9,773	10,344
District of West Vancouver	6,406	6,769	7,673	8,379	8,744
University Endowment Lands	507	545	598	600	624
UBC (non-member)	1,487	1,758	1,899	1,793	2,027
Total Sewerage and Drainage Levy	\$ 232,135	\$ 255,811	\$ 274,237	\$ 288,226	\$ 301,425

Consolidated Schedule of Metered Sale of Water Revenue by Source (2018-2022)

(in thousands of dollars)

	2018	2019	2020	2021	2022
Members					
City of Burnaby	\$ 27,911	\$ 28,682	\$ 29,758	\$ 32,032	\$ 32,583
City of Coquitlam	13,980	14,708	15,638	17,765	17,536
City of Delta	16,693	17,964	18,800	21,095	19,882
City of Langley	2,593	2,518	2,799	3,094	3,860
City of Maple Ridge	8,262	8,434	9,172	9,969	10,154
City of New Westminster	6,098	6,236	6,484	6,739	7,223
City of North Vancouver	6,244	6,439	6,609	7,298	7,889
City of Pitt Meadows	2,617	2,665	2,454	3,275	3,887
City of Port Coquitlam	6,808	6,874	7,071	8,652	8,547
City of Port Moody	3,677	3,909	4,199	4,224	4,269
City of Richmond	24,927	25,934	25,960	27,729	28,118
City of Surrey	46,556	49,050	52,432	56,235	58,708
City of Vancouver	78,742	81,208	84,498	86,742	90,662
Township of Langley	6,307	7,086	8,725	10,146	10,385
District of North Vancouver	14,127	14,515	14,507	15,263	15,731
District of West Vancouver	3,970	3,854	3,167	3,796	4,399
Tsawwassen First Nation	214	256	301	370	430
Metered Sale of Water (Members)	\$ 269,726	\$ 280,332	\$ 292,574	\$ 314,424	\$ 324,263
Non-Members					
University Endowment Land	4,031	4,069	4,268	\$ 4,588	\$ 4,398
Point Roberts W.D. 4	801	848	901	924	957
Others*	73	67	38	53	60
Metered Sale of Water (Non-Members)	4,905	4,984	5,207	\$ 5,565	\$ 5,415
Total Metered Sale of Water	\$ 274,631	\$ 285,316	\$ 297,781	\$ 319,989	\$ 329,678

* Others include Department of Fisheries and Forests, and Provincial Institutions

Consolidated Grants and Contributions (2018-2022) (in thousands of dollars)

	2018	2019	2020	2021	2022
GVS&DD*	\$ 5,878	\$ 53,975	\$ 173,536	\$ 61,062	\$ 29,870
MVRD					
Grants and other contributions	300	312	2,431	1,199	1,693
Grants in lieu of taxes	572	1,394	918	1,006	1,266
Parks	-	-	-	11,036	1,006
Total - MVRD	\$ 872	\$ 1,706	\$ 3,349	\$ 13,241	\$ 3,965
MVHC					
CMHC mortgage assistance	827	356	52	-	-
BCHMC subsidy assistance	1,174	1,710	1,722	1,881	1,539
Restricted contributions earned (unearned)	(7,242)	11,134	(787)	(131)	-
Loan forgiveness	-	-	6,769	121	1,891
Total - MVHC	\$ (5,241)	\$ 13,200	\$ 7,756	\$ 1,871	\$ 3,430
Total grants and contributions	\$ 1,509	\$ 68,881	\$ 184,641	\$ 76,174	\$ 37,265

* Mainly federal and provincial grants for infrastructure projects.

Consolidated Statement of Change in Net Debt (2018-2022)
(in thousands of dollars)

	2018	2019	2020	2021	2022
Annual surplus	\$ 238,183	\$ 502,633	\$ 557,813	\$ 435,058	\$ 377,956
Change in tangible capital assets					
Acquisition of tangible capital assets	(422,716)	(728,285)	(881,579)	(720,501)	(723,206)
Amortization of tangible capital assets	81,859	82,197	82,429	86,415	99,142
Transfer of assets held for sale	-	-	-	-	-
Disposal of tangible capital assets	8,520	3,460	98	1,110	241
	\$ (332,337)	\$ (642,628)	\$ (799,052)	\$ (632,976)	\$ (623,823)
Change in other non-financial assets					
Acquisition of prepaid expenses	(6,311)	(6,647)	(9,350)	(8,723)	(11,714)
Use of prepaid expenses	4,857	5,783	7,176	9,350	8,723
Amortization of prepaid land leases	195	195	195	195	194
Acquisition of inventories of supplies	(7,483)	(7,499)	(10,017)	(10,938)	(11,864)
Consumption of inventories of supplies	6,734	7,483	7,499	10,017	10,938
	(2,008)	(685)	\$ (4,497)	\$ (99)	(3,723)
Change in net debt	(96,162)	(140,680)	(245,736)	(198,017)	(249,590)
Net debt, beginning of year	(634,965)	(731,127)	(871,807)	(1,117,543)	(1,315,560)
Net debt, end of year	\$ (731,127)	\$ (871,807)	\$(1,117,543)	\$(1,315,560)	\$ (1,565,150)

Consolidated Statement of Cash-Flows (2018-2022) (in thousands of dollars)

	2018	2019	2020	2021	2022
Cash provided by (used in):					
Operating transactions:					
Annual surplus	\$ 238,183	\$ 502,633	\$ 557,813	\$ 435,058	\$ 377,956
Items not involving cash					
Amortization of tangible capital assets	81,859	82,197	82,429	86,415	99,142
Amortization of prepaid land leases	195	195	195	195	194
Sinking fund income	(53,121)	(48,045)	(50,917)	(53,932)	(54,931)
Debt reserve fund income	(1,236)	(1,262)	(1,173)	(1,065)	(1,455)
Accrued interest and unamortized premium or discount	(923)	(1,645)	(1,135)	(2,029)	(718)
Loss on disposal of tangible capital assets	8,055	(60,032)	(481)	743	(1,359)
Employee future benefit expense	2,254	2,355	2,929	2,868	2,911
Change in landfill closure and post-closure liability	26	1,329	(874)	743	8,119
Change in non-cash financial assets and liabilities					
Accounts receivable	(4,602)	(43,738)	4,872	(42,424)	(622)
Due from Translink and member municipalities	70,028	(13,495)	(6,091)	(93,341)	(166,387)
Accounts payable and accrued liabilities	51,928	72,456	(12,483)	88,148	(38,041)
Employee future benefits paid	(2,198)	(1,995)	(3,401)	(2,330)	(2,216)
Deferred revenue and refundable deposits	36,142	(144,546)	(78,594)	29,565	2,031
Debt reserve fund, member municipalities and TransLink	(2,760)	(405)	1,521	(424)	52
Inventories of supplies	(749)	(16)	(2,518)	(921)	(926)
Prepaid expenses	(1,454)	(864)	(2,174)	627	(2,991)
Net change in cash from operating transactions	\$ 421,627	\$ 345,122	\$ 489,918	\$ 447,896	\$ 220,759
Capital transactions:					
Proceeds on sale of tangible capital assets	466	86,343	579	367	1,600
Acquisition of tangible capital assets*	(422,716)	(728,285)	(881,579)	(720,501)	(723,206)
Net change in cash from capital transactions	\$ (422,250)	\$ (641,942)	\$ (881,000)	\$ (720,134)	\$ (721,606)
Investing transactions:					
Acquisition of investments	(524,715)	(414,500)	(424,726)	(160,752)	(403,818)
Investment maturities	324,799	548,658	781,046	290,591	302,732
Net change in cash from investing transactions	\$ (199,916)	\$ 134,158	\$ 356,320	\$ 129,839	\$ (101,086)
Financing transactions:					
Debenture debt and mortgages issued	409,913	203,643	367,455	779,600	452,970
Debt reserve fund issuances	(4,048)	(2,021)	(3,541)	(7,796)	(4,530)
Debt reserve fund maturity	7,497	3,104	139	3,915	4,851
Sinking fund payments	(130,592)	(135,475)	(139,563)	(158,391)	(193,570)
Principal repayments on housing mortgages and serial debt maturity	(10,420)	(8,707)	(14,268)	(8,136)	(8,048)
Sinking fund retirement	-	(107,978)	7,450	142,080	182,352
Debenture debt maturity	-	107,978	(7,450)	(142,080)	(182,352)
Net change in cash from financing transactions	\$ 272,350	\$ 60,544	\$ 210,222	\$ 609,192	\$ 251,673
Net change in cash and cash equivalents	71,811	(102,118)	175,460	466,793	(350,260)
Cash and cash equivalents, beginning of year	126,357	198,168	96,050	271,510	738,303
Cash and cash equivalents, end of year	\$ 198,168	\$ 96,050	\$ 271,510	\$ 738,303	\$ 388,043

Consolidated Acquisition of Tangible Capital Assets (2018-2022) (in thousands of dollars)

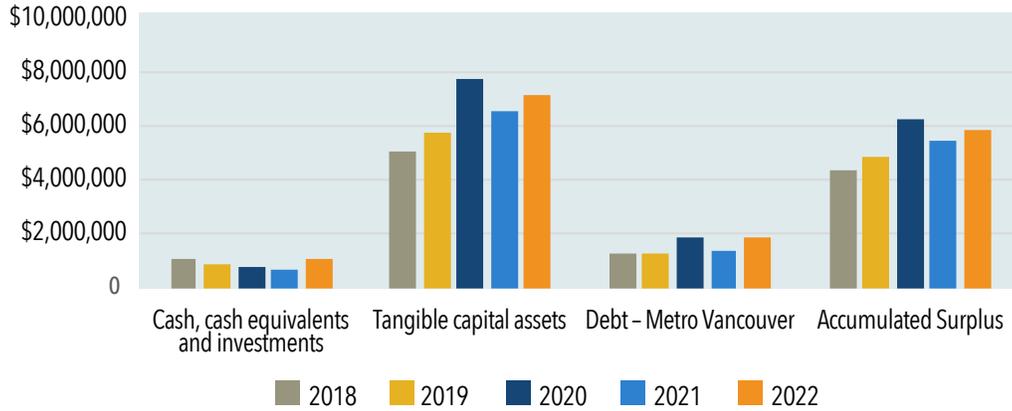
	2018	2019	2020	2021	2022
GVS&DD					
Land	\$ 10,290	\$ –	\$ 26,260	\$ 46,822	\$ 23,590
Infrastructure	15,213	24,502	80,027	547,539	300,885
Machinery, equipment, furnitures and fixtures	173	224	489	19	171
Construction in Progress	297,373	424,653	510,551	(127,395)	65,368
	\$ 323,049	\$ 449,379	\$ 617,327	\$ 466,985	\$ 390,014
GVWD					
Land	–	–	–	8,960	79,050
Infrastructure	14,577	15,663	1,712	127,793	180,999
Building	921	367	2,552	–	–
Machinery, equipment, furnitures and fixtures	355	335	468	–	425
Construction in Progress	57,093	226,783	242,505	79,201	36,874
	\$ 72,946	\$ 243,148	\$ 247,237	\$ 215,954	\$ 297,348
MVRD					
Land	6,107	11,237	3,500	25,869	5,152
Infrastructure	5,819	6,218	3,128	4,734	3,505
Building	5	–	–	–	–
Vehicles	4,162	1,926	2,103	571	2,195
Machinery, equipment, furnitures and fixtures	612	319	616	500	773
Construction in Progress	2,282	526	1,243	452	3,725
	\$ 18,987	\$ 20,226	\$ 10,590	\$ 32,126	\$ 15,350
MVHC					
Building	–	–	28,402	(236)	3,250
Machinery, equipment, furnitures and fixtures	219	701	436	480	619
Construction in Progress	7,515	14,831	(22,413)	5,192	16,625
	\$ 7,734	\$ 15,532	\$ 6,425	\$ 5,436	\$ 20,494
Total Consolidated Acquisition of Tangible Capital Assets	\$ 422,716	\$ 728,285	\$ 881,579	\$ 720,501	\$ 723, 206

Consolidated New Construction of Capital Projects (by Project Phase) (2018-2022)
(in thousands of dollars)

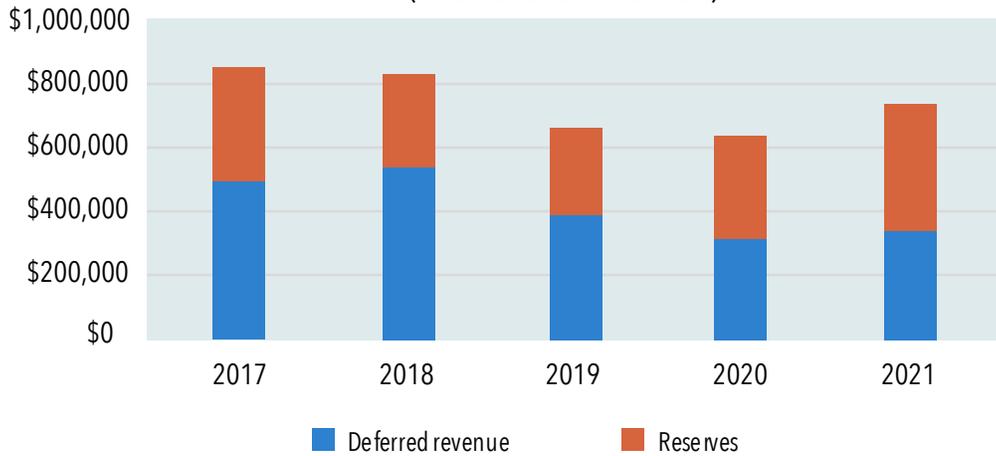
Year	Entity	Function	Number of New Projects Started	Total Estimated Project Cost
2022	GVS&DD	Liquid Waste	30	\$ 209,800
	GVS&DD	Solid Waste	3	23,750
	GWWD	Water Services	19	206,150
	MVRD	Regional Parks	3	1,900
	MVHC	Housing	4	193,700
	2022 Total			59
2021	GVS&DD	Liquid Waste	25	\$ 292,500
	GVS&DD	Solid Waste	3	10,090
	GWWD	Water Services	24	159,200
	MVRD	Regional Parks	2	5,592
	MVHC	Housing	1	37,700
	2021 Total			55
2020	GVS&DD	Liquid Waste	26	308,650
	GVS&DD	Solid Waste	5	10,810
	GWWD	Water Services	24	688,350
	MVRD	Regional Parks	3	5,450
	MVHC	Housing	4	211,800
	2020 Total			62
2019	GVS&DD	Liquid Waste	33	\$ 379,860
	GVS&DD	Solid Waste	8	20,900
	GWWD	Water Services	36	147,475
	MVRD	Regional Parks	2	913
	MVHC	Housing	1	800
	2019 Total			80
2018	GVS&DD	Liquid Waste	36	\$ 475,610
	GVS&DD	Solid Waste	5	41,700
	GWWD	Water Services	37	672,550
	MVRD	Regional Parks	4	4,575
	2018 Total			82

Miscellaneous Statistics

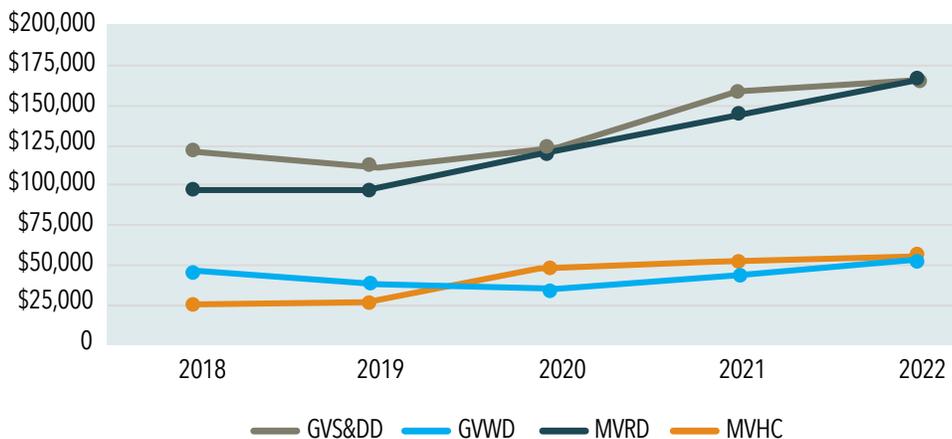
Five-Year Trend in Key Account Balances (in thousands of dollars)



Deferred Revenue and Reserves (in thousands of dollars)



Reserves by Entity (in thousands of dollars)



Financial Performance Measures (2018-2022)

(Calculations were based on audited consolidated financial statement balances)

The following financial performance measures are intended to help indicate Metro Vancouver's financial ability to continue to provide services to the region on a sustainable basis. This involves evaluating a number of factors, including the ongoing ability to ensure revenues meet expenditures, ability to meet debt obligations, and the flexibility to address unexpected contingencies. These forecast ratios can help identify potential financial problems in advance.

Performance Measure	Explanation	2018	2019	2020	2021	2022
Municipal Finance Authority Credit Rating	A measure of the organization's creditworthiness	AAA	AAA	AAA	AAA	AAA
Current Ratio (Current Assets to Current Liabilities)	A measure of the organization's ability to pay its current liabilities from its current assets. Higher is better.	5.3 to 1	3.3 to 1	2.8 to 1	3.2 to 1	2.7 to 1
Cash Ratio (Cash and Investments to Current Liabilities)	A stricter measure of the organization's ability to pay its current liabilities from its most liquid current assets. Higher is better.	4.7 to 1	2.8 to 1	2.3 to 1	2.7 to 1	2.2 to 1
Tangible Capital Assets to Debt Ratio*	A measure of the organization's financial leverage. Higher is better.	4.1 to 1	4.7 to 1	4.7 to 1	3.9 to 1	4.1 to 1
Operating Reserves to Total Revenue Ratio***	A measure of the organization's ability to manage unforeseen events and overall financial health. Higher is better.	10.3%	7.2%	9.5%	11.6%	14.5%
Debt Service Costs to Total Revenue Ratio**	Percentage of the organization's income that is utilized to service debt payments (comprising of principal and interest). Lower is better.	17.0%	12.9%	13.8%	16.6%	19.5%
Interest Costs to Total Revenue Ratio***	Percentage of the organization's income that is utilized for interest payments. Lower is better.	6.5%	4.6%	4.7%	6.0%	6.4%
MVRD Property Tax Requisition and Sewerage and Drainage Levies to Total Revenue Ratio***	Percentage of the organization's revenue that is comprised of property tax and levies. Lower is better.	37.0%	29.1%	31.5%	36.4%	37.5%
Total Tax Revenue to Total Population****	Charges per capita. Lower is better	\$251	\$262	\$273	\$291	\$299

* Long term debt, net of sinking fund – Metro Vancouver only

** Debt service costs exclude debt principal repayment of sinking fund attributed to member municipalities and Translink; Total revenue exclude sinking fund income attributed to member municipalities and Translink

*** Total revenue, excluding sinking fund income and interest income

**** Total tax revenue comprise of MVRD property tax requisitions, metered sale of water, sewerage and drainage levy, and tipping fees

Operating Performance Measures (2018-2022)

The Operating Performance Measures shown below are regularly monitored and reviewed by management

Source: <https://metrovancover.org/about-us/dashboards>

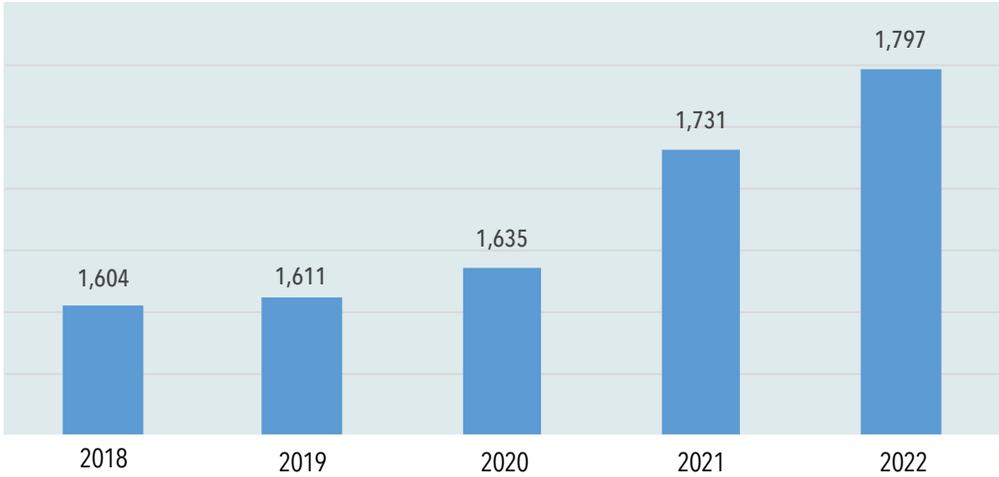
		2018	2019	2020	2021	2022
Water	Annual volume of drinking water treated & delivered (in ML)	389,800	383,400	378,700	391,700	388,600
	Average day water use per capita (in litres)	434	424	403	398	388
	Peak day water use per capita (in litres)	667	577	602	662	572
	Annual volume of water samples analyzed	41,518	39,997	38,499	38,176	35,224
	Remote monitoring and control points for system resiliency	30,349	30,687	31,382	31,746	31,995
	Number of water tests completed on samples collected from source reservoirs, water treatment plants and the GVWD and member jurisdiction water systems	160,919	160,866	161,564	178,675	166,674
		2018	2019	2020	2021	2022
Liquid Waste	Annual volume of liquid waste collected and treated (in ML)	455,545	434,466	459,118	451,732	435,178
	Biosolids beneficially used (in %)	97.9%	97.5%	99.5%	100.0%	100.0%
	Operating cost per volume processed, collected and treated (in \$/ML)	\$349	\$381	\$395	\$408	\$472
		2018	2019	2020	2021	2022
Solid Waste	Annual volume of solid waste flows in Metro Vancouver system (in tonnes)	917,613	921,025	850,748	976,230	1,002,261
	Availability of the waste-to-energy facility	90.4%	93.1%	91.6%	91.4%	90.6%
	Participants at Zero Waste Conference	501	530	501	443	483
		2018	2019	2020	2021	2022
MV Housing	Housing vacancy rate	0.44%	0.10%	0.20%	0.08%	0.10%
	Rent-Geared-to-Income Units	35.1%	33.8%	33.4%	32.2%	30.9%
	Low-End of Market	64.9%	66.3%	66.6%	67.8%	69.1%
	Metro Vancouver Housing communities with tenant associations	57.0%	59.0%	63.0%	59.0%	(Note 1)
	Metro Vancouver Housing communities number of tenant program activities	(New KPI added in year 2022)				140
	Metro Vancouver Housing GHG emissions (in gCO ₂ e/m ²)	8.2	7.9	7.7	8.5	7.7

Note 1 - This KPI was replaced by Tenant Program Activities

Operating Performance Measures (2018-2022) – continued

		2018	2019	2020	2021	2022
Regional Parks	Area of regional parkland managed by Metro Vancouver (in hectares)	13,557	13,632	13,743	13,824	13,842
	Annual volume of visits to regional parks	11,738,000	11,935,000	16,497,000	16,348,000	14,282,300
	Participants in park programming	61,178	61,876	5,629	23,670	39,389
	Volunteers hours	25,938	22,026	8,237	11,606	15,398
		2018	2019	2020	2021	2022
Regional Planning	Total hectares of land with a Metro 2040 agricultural designation	55,210	55,150	55,150	55,150	55,149
	Total hectares of land with a Metro 2040 industrial designation	10,140	10,200	10,200	10,200	10,208
	Total hectares of land with a Metro 2040 mixed employment designation	3,370	3,370	3,370	3,370	3,540
	Percentage of residential growth occurring within the Urban Containment Boundary (UCB)	98.0%	98.0%	98.0%	98.0%	98.0%
	Percentage of dwelling unit growth within Urban Centres	39.0%	40.0%	40.0%	40.0%	40.0%
		2018	2019	2020	2021	2022
Air Quality & Climate Change	Regional greenhouse gas emissions per capita (in tonnes of CO ₂ e)	5.59	5.51	5.38	5.30	5.20
	Reliability of air quality monitoring network (% of annual hours with monitoring data available for priority pollutants)	97.0%	98.0%	97.0%	97.0%	97.0%
		2018	2019	2020	2021	2022
Centralized Support Services						
	Website pages visited on metrovancover.org	4,145,216	4,361,143	4,806,026	5,102,498	5,821,546
	Video views of Metro Vancouver videos	3,970,419	4,153,800	6,388,400	6,807,929	8,023,800
	Annual number of customer interactions via telephone, email and live chat	40,342	39,420	41,909	39,902	40,690
Regional Employers Services						
	Total number of collection agreements serviced	49	50	50	51	51
Regional Global Positioning System						
	Service uptime 24x7, 365 days per year	99.7%	99.9%	99.0%	99.9%	99.9%

Total Number of Employees*



* The total number of employees includes full time regular (FTR), full time temporary (FTT), auxiliary (AUX), reduced time employee (RTE) and regular part time (RPT).

Source: Metro Vancouver Human Resources

Metro Vancouver employees on site



Other Miscellaneous Statistics

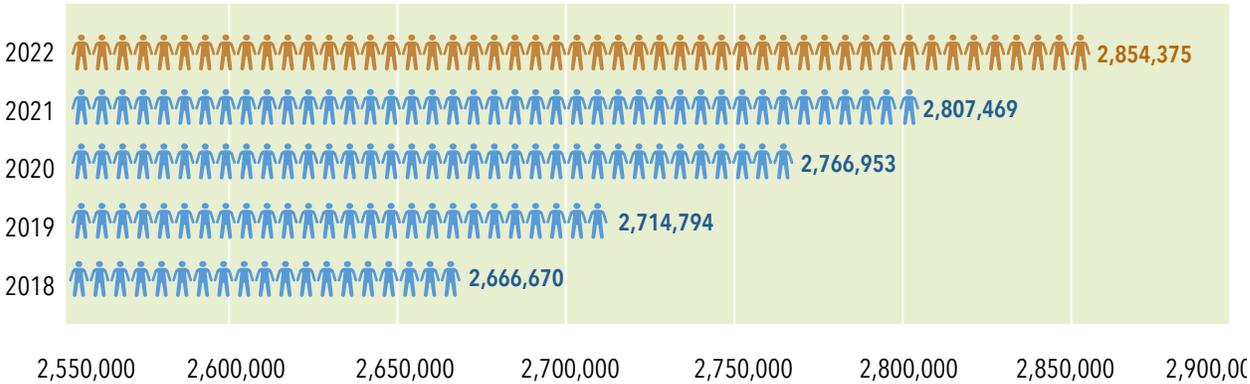
Metro Vancouver Region Demographics

DISCLAIMER: The Metro Vancouver Demographic Profile projections (Projections of population, dwelling units, and employment) between 2018 and 2022 are based on 2016 census baseline and a collaborative analysis with member jurisdictions. Projections were prepared by Metro Vancouver for Metro 2050 (an update of Metro 2040), the regional growth strategy adopted by the Metro Vancouver Regional District Board in February 2023.

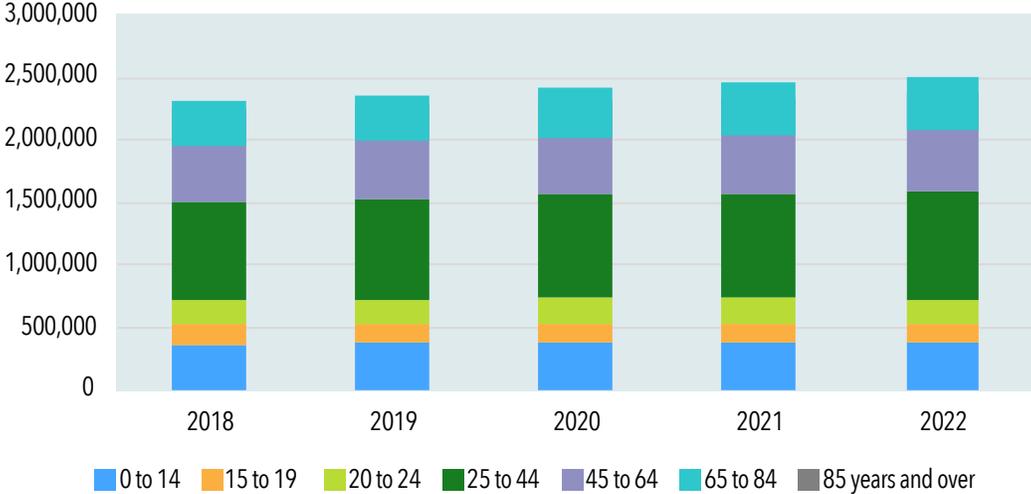
Source of Information: <https://metrovancover.org/services/regional-planning/regional-data>

Source: Statistics Canada. 2021 Census of Population.

Total Population

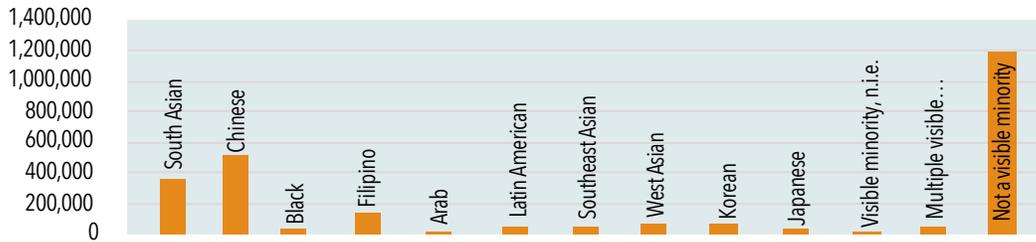


Population by Age

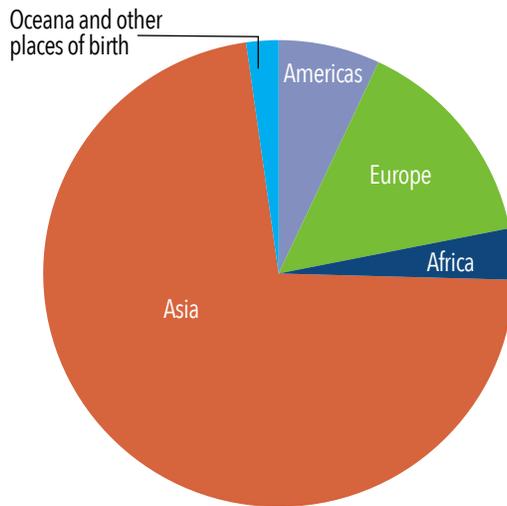


Source: Immigration, Refugees and Citizenship Canada (IRCC) - Monthly Updates of Permanent Residents– <https://open.canada.ca/data/en/dataset/f7e5498e-0ad8-4417-85c9-9b8aff9b9eda>

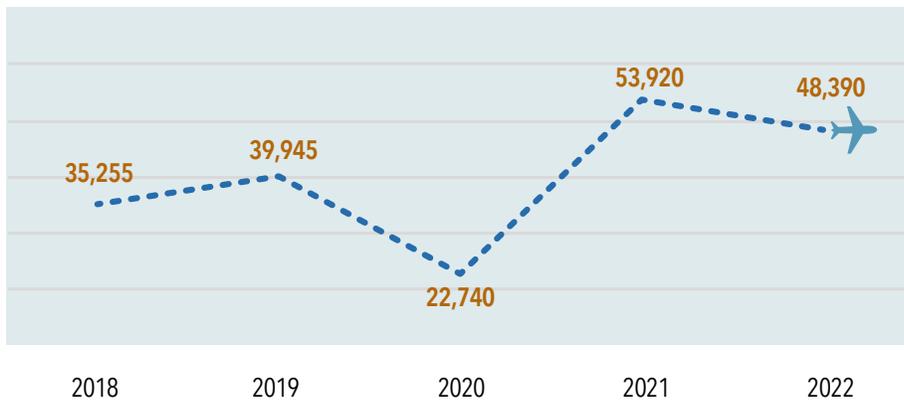
Visible Minority Population (2021 Census)



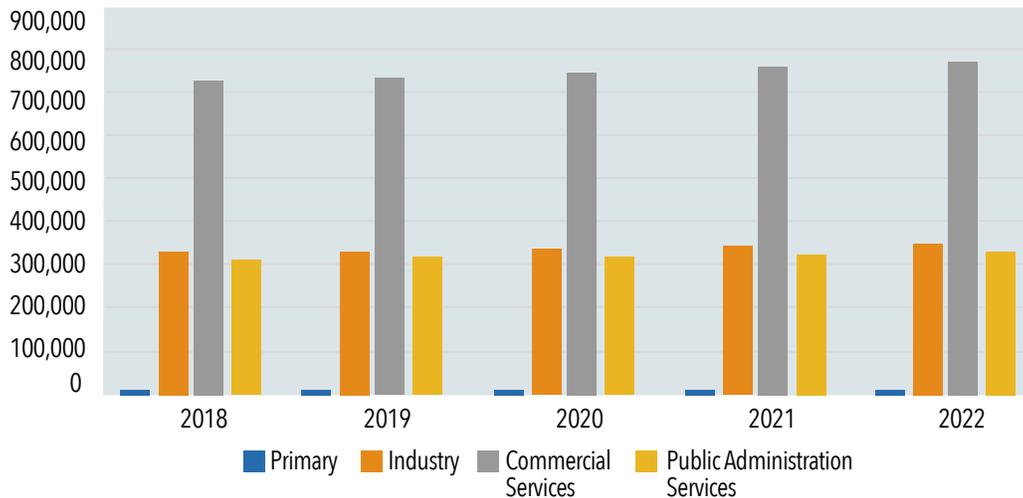
Place of Birth of Immigrants (2021 Census)



Admissions of Permanent Residents (Metro Vancouver as Intended Destination)



Employment by Category



Employment by Category Descriptions

Industry - North American Industry Classification System (NAICS) 2012

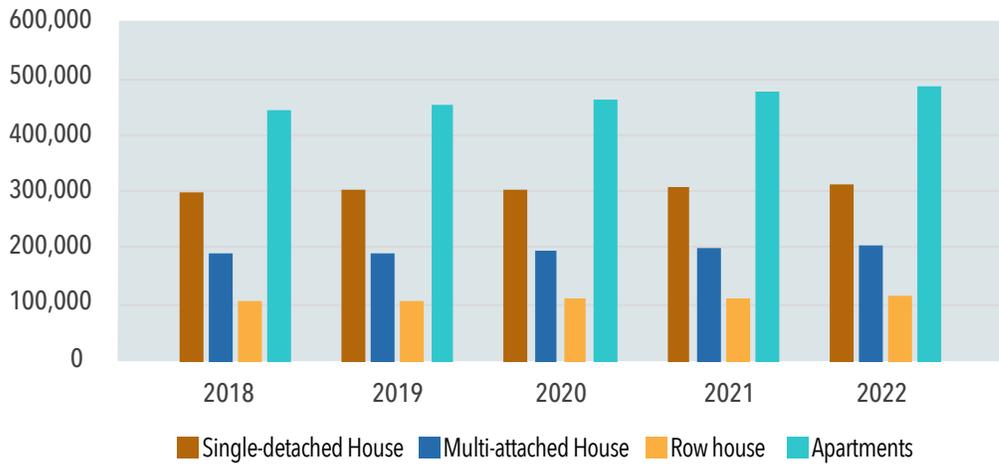
Source: www.statcan.gc.ca **2-digit code

Projection model		Census**(#20)	
(#4)	(#14)		
Primary	Primary	11	Agriculture, forestry, fishing and hunting
		21	Mining, quarrying, and oil and gas extraction
Industry	Transportation Warehousing	48-49	Transportation and warehousing
	Construction	23	Construction
	Manufacturing	31-33	Manufacturing
	Wholesale	41	Wholesale trade
Commercial Services	Retail	44-45	Retail trade
	FIRE	52	Finance and insurance
		53	Real estate and rental and leasing
	Mgmt Admin Other Services OR Business Commercial Services	55	Management of companies and enterprises
		56	Administrative and support, waste management and remediation services
		81	Other services (except public administration)
	Information and Cultural Industries	51	Information and cultural industries
		71	Arts, entertainment and recreation
Professional Technical	54	Professional, scientific and technical services	
Accommodation Food	72	Accommodation and food services	
Public Admin Services	Education	61	Educational services
	Health and Welfare	62	Health care and social assistance
	Public Admin	22	Utilities
		91	Public administration

Source: <https://www23.statcan.gc.ca/imdb/p3VD.pl?Function=getVD&TVD=118464>

**2-digit code

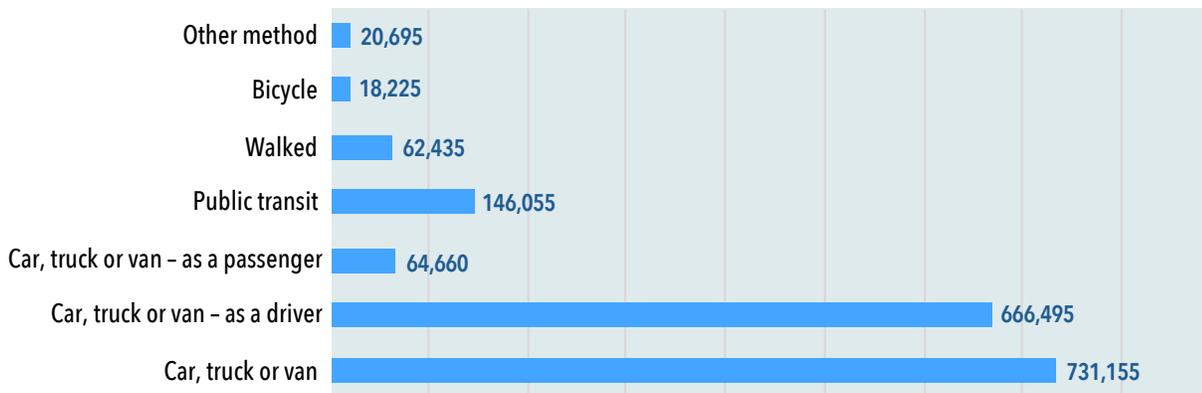
Dwelling Unit by Structural Type



Dwelling Unit by Structural Type Category

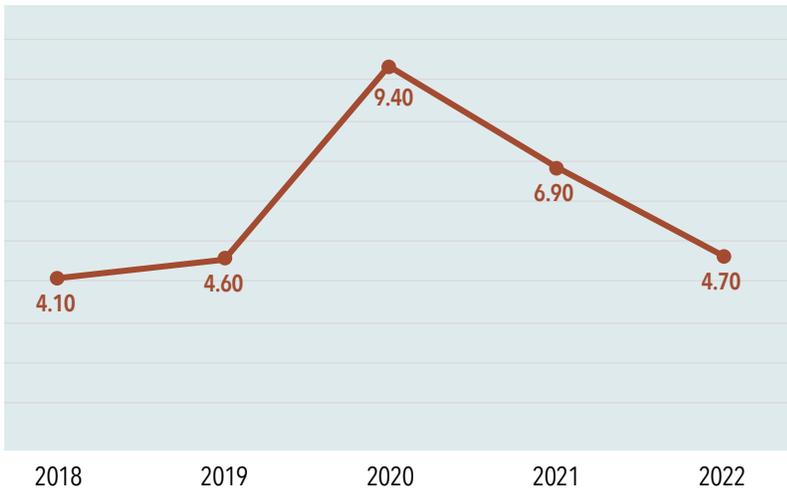
Reclassified Groups		
Ground-oriented	Single-detached house	Single-detached house
		Mobile home Other movable dwelling
		Semi-detached house
	Multi-attached house	Apartment or flat in a duplex
		Other single-attached house
		Row house
Apartment	Apartment	Apartment in a building that has five or more storeys Apartment in a building that has fewer than five storeys

Main Mode of Commuting (2021 Census)





Unemployment Rate



DATA SOURCE:

How to cite: Statistics Canada. Table 14-10-0385-01 Labour force characteristics, annual

DOI: <https://doi.org/10.25318/1410038501-eng>

Notes:

1. To ensure respondent confidentiality, estimates below a certain threshold are suppressed.
2. A census metropolitan area (CMA) is a large population center (known as core) together with adjacent fringe and rural areas that have a high degree of social and economic integration with the cores. A CMA has a population of at least 100,000.
3. Excluding the territories.
4. The unemployment rate is the number of unemployed persons expressed as a percentage of the labour force. The unemployment rate for a particular group (age, sex, marital status, etc.) is the number unemployed in that group expressed as a percentage of the labour force for that group. Estimates are percentages, rounded to the nearest tenth.

Median Total Income (Tax Filers and Dependants With Income) (By Total Income, Sex and Age) (Year 2020 – latest available information)



DATA SOURCE:

How to cite: Statistics Canada. Table 11-10-0008-01 Tax filers and dependants with income by total income, sex and age

DOI: <https://doi.org/10.25318/1110000801-eng>

Footnotes:

1. The data source for this table is the final version of the T1 Family File, created by the Centre for Income and Socio-Economic Well-being Statistics of Statistics Canada. Because they are based on a different methodology, estimates of the number of individuals and census families presented in this table differ from estimates produced by the Centre for Demography.

2. Tax filers are people who filed a tax return for the reference year and were alive at the end of the year.
3. Dependant is a member of a family who did not file a personal income tax return for the referenced year.
4. Characteristics such as age are as of December 31 of the reference year.
5. Total income is income from all sources.
6. The Census Standard Geographical Classification (SGC) is used for data dissemination of the census metropolitan areas and the census agglomerations. Please note that census agglomerations were introduced in this CANSIM table in 2008.
7. Information for children between 0 and 18 years of age are derived from a variety of sources, including the tax file, a file pertaining to Federal Child Benefits and provincial birth files.
8. As of 2020, COVID benefits are included in income estimates.
9. Median is the middle number in a group of numbers.

Assessed Property Values of Land and Improvements (2018-2022)

(in thousands of dollars) *Source: BC Assessment*

		2018	2019	2020	2021	2022
Anmore	Land	\$ 1,059,674	\$ 1,121,359	\$ 1,066,231	\$ 978,015	\$ 1,270,186
	Improvement	466,816	498,983	497,868	606,014	602,360
	Total	1,526,490	1,620,342	1,564,099	1,584,029	1,872,546
Belcarra	Land	550,337	531,415	468,520	461,056	594,310
	Improvement	115,676	122,316	123,621	125,909	131,362
	Total	666,013	653,731	592,141	586,965	725,671
Bowen Island	Land	1,799,965	1,989,042	1,875,326	2,056,904	2,580,970
	Improvement	531,782	558,931	622,407	749,035	918,620
	Total	2,331,747	2,547,973	2,497,733	2,805,939	3,499,590
Burnaby	Land	83,165,528	91,183,420	83,555,471	84,890,727	100,303,091
	Improvement	21,834,580	22,733,319	24,263,686	26,215,580	29,259,943
	Total	105,000,108	113,916,739	107,819,157	111,106,307	129,563,034
Coquitlam	Land	40,527,410	44,700,337	39,903,687	42,971,190	53,071,100
	Improvement	11,809,891	12,402,297	12,741,776	12,845,165	14,561,460
	Total	52,337,301	57,102,634	52,645,463	55,816,355	67,632,560
Delta	Land	31,328,635	33,511,015	32,503,612	34,726,675	44,699,300
	Improvement	6,853,594	6,615,739	6,758,756	7,368,141	9,405,625
	Total	38,182,229	40,126,754	39,262,368	42,094,816	54,104,925
Langley City	Land	4,993,043	5,991,791	6,001,416	6,773,329	8,454,084
	Improvement	2,009,804	2,174,125	2,323,040	1,937,421	2,582,970
	Total	7,002,847	8,165,916	8,324,456	8,710,750	11,037,054
Langley Township	Land	31,559,457	35,957,593	35,777,868	38,236,466	50,388,926
	Improvement	11,902,143	12,561,925	12,605,222	13,681,832	17,806,917
	Total	43,461,600	48,519,518	48,383,090	51,918,298	68,195,843

Assessed Property Values of Land and Improvements (2018-2022) – continued

(in thousands of dollars) *Source: BC Assessment*

		2018	2019	2020	2021	2022
Lions Bay	Land	853,955	810,660	748,200	771,677	1,038,939
	Improvement	132,294	136,204	136,166	142,154	160,535
	Total	986,249	946,864	884,366	913,831	1,199,474
Maple Ridge	Land	15,637,066	17,971,098	17,375,118	18,487,286	22,415,746
	Improvement	7,037,368	7,369,879	7,275,344	7,734,064	9,747,162
	Total	22,674,434	25,340,977	24,650,462	26,221,350	32,162,908
New Westminster	Land	15,145,823	17,082,732	15,991,943	16,713,603	19,696,437
	Improvement	6,692,496	7,268,572	7,267,396	7,254,202	7,647,284
	Total	21,838,319	24,351,304	23,259,339	23,967,805	27,343,721
North Van City	Land	18,993,006	21,289,551	19,880,529	20,763,007	24,071,191
	Improvement	5,261,325	5,168,148	5,479,605	5,732,551	6,216,986
	Total	24,254,331	26,457,699	25,360,134	26,495,558	30,288,177
North Van District	Land	39,448,349	40,132,306	36,675,053	37,776,905	46,254,128
	Improvement	7,992,564	8,083,153	8,547,576	9,818,708	10,730,452
	Total	47,440,913	48,215,459	45,222,629	47,595,613	56,984,580
Pitt Meadows	Land	3,704,542	4,210,468	4,190,610	4,570,019	5,944,769
	Improvement	1,528,481	1,582,987	1,711,904	1,613,482	1,831,195
	Total	5,233,023	5,793,455	5,902,514	6,183,501	7,775,964
Port Coquitlam	Land	13,807,000	15,328,983	14,307,045	15,585,782	19,999,464
	Improvement	4,215,851	4,372,097	4,270,087	4,326,672	4,825,469
	Total	18,022,851	19,701,080	18,577,132	19,912,454	24,824,933
Port Moody	Land	9,573,584	10,824,028	10,079,185	10,515,721	13,144,609
	Improvement	2,628,876	2,715,657	2,788,886	2,854,677	3,308,212
	Total	12,202,460	13,539,685	12,868,071	13,370,398	16,452,820

Assessed Property Values of Land and Improvements (2018-2022) – continued

(in thousands of dollars) *Source: BC Assessment*

		2018	2019	2020	2021	2022
Richmond	Land	80,048,516	86,790,999	78,557,198	80,948,056	96,052,573
	Improvement	19,775,423	20,407,886	21,165,016	21,561,966	25,282,407
	Total	99,823,939	107,198,885	99,722,214	102,510,022	121,334,981
Surrey	Land	113,364,765	124,533,788	123,289,802	128,834,059	171,542,221
	Improvement	36,665,825	38,450,782	38,424,408	41,194,865	49,243,465
	Total	150,030,590	162,984,570	161,714,210	170,028,924	220,785,686
Tsawwassen First Nation	Land	884,025	1,167,183	1,242,483	1,250,564	1,576,127
	Improvement	587,488	750,923	670,394	681,675	818,064
	Total	1,471,513	1,918,106	1,912,877	1,932,239	2,394,191
Vancouver	Land	336,451,279	345,182,794	307,766,929	314,002,651	348,742,211
	Improvement	74,875,213	76,423,145	80,618,883	83,061,552	94,682,371
	Total	411,326,492	421,605,939	388,385,812	397,064,203	443,424,582
West Vancouver	Land	44,165,316	39,653,106	32,709,688	33,985,956	41,347,408
	Improvement	9,263,839	10,073,321	10,341,769	10,533,845	11,432,287
	Total	53,429,155	49,726,427	43,051,457	44,519,801	52,779,695
White Rock	Land	7,289,697	7,464,810	6,888,770	7,186,100	8,951,308
	Improvement	1,971,935	2,045,198	2,229,799	2,438,044	2,819,067
	Total	9,261,632	9,510,008	9,118,569	9,624,144	11,770,374
Metro Vancouver Regional District	Land	\$ 894,350,973	\$ 947,428,479	\$ 870,854,686	\$ 902,485,748	1,082,139,098
	Improvement	234,153,267	242,515,584	250,863,608	262,477,555	304,014,214
	Total	\$1,128,504,240	\$1,189,944,063	\$1,121,718,294	\$1,164,963,303	\$1,386,153,312
Percentage Change	Land	12.4%	5.9%	-8.1%	3.6%	19.9%
	Improvement	4.8%	3.6%	3.4%	4.6%	15.8%
	Total	10.8%	5.4%	-5.7%	3.9%	19.0%

Glossary of Acronyms

BCHMC – British Columbia Housing and Management Commission

BODTSS - Biochemical Oxygen Demand and Total Suspended Solids

CMHC – Canada Mortgage Housing Corporation

DCC – Development Cost Charges

GDP – Gross Domestic Product]

GVS&DD – Greater Vancouver Sewerage and Drainage District

GFOA – Government Finance Officers Association

GWWD – Greater Vancouver Waster District

MFA – Municipal Finance Authority

MVHC – Metro Vancouver Housing Corporation

MVRD – Metro Vancouver Regional District

PSAS – Public Sector Accounting Standards

Others

Metro Vancouver – the operating name used to collectively refer to MVRD, GVS&DD, GWWD, and MVHC.

ML – Mega-liter

GHGs – Greenhouse gases;

gCO₂e/m² – grams Carbon Dioxide emissions per square meter;

