



SUBJECT 2024-2025 University Neighbourhoods Association (UNA) Operating Budget

SUBMITTED TO Finance Committee

MEETING DATE March 13, 2024

SESSION CLASSIFICATION Recommended session criteria from Board Meetings Policy:
OPEN

REQUEST APPROVAL REQUESTED

IT IS HEREBY RESOLVED that the Finance Committee, in accordance with authority delegated by the Board of Governors, approves as circulated the 2024-2025 University Neighbourhoods Association Operating Budget.

LEAD EXECUTIVE Robin Ciceri, Vice-President External Relations

SUPPORTED BY Frank Laezza, Vice-President Finance & Operations
Michael White, Associate Vice-President Campus and Community Planning
Chris Fay, Director, Strategic Policy, Campus and Community Planning

PRIOR SUBMISSIONS

The subject matter of this submission is received annually by the Finance Committee, most recently on: [March 22, 2023](#) (OPEN SESSION) – University Neighbourhoods Association (UNA) 2023-2024 Operating Budget

EXECUTIVE SUMMARY

This report seeks Finance Committee approval of the University Neighbourhoods Association’s (UNA) 2024-2025 operating budget, approved by the UNA Board on February 20, 2024. Under the 2020 UBC-UNA Neighbours’ Agreement, UBC must approve the budget on an annual basis to ensure the budgeted expenditures do not contravene the purposes for which the Neighbourhood Levy is collected.

The UNA’s 2024-2025 budget is balanced with \$8.1M in expenditures. After previous challenging financial years due to rising costs and the provincial transfer of fire services costs, the UNA’s financial projections over the next five years continue to strengthen based on growing Neighbourhood Levy revenue generated from campus neighbourhood leaseholders.

2024-2025 UNA Operating Budget

Under the UBC-UNA Neighbours’ Agreement, the UNA is responsible for operating and maintaining services and facilities for residents on UBC’s behalf. UNA funding comes primarily from the Neighbourhood Levy, which is similar to a municipal property tax. Residents also pay a Rural Tax to the Province and regional taxes for services like TransLink and schools. All of these costs added together are the same amount as a property owner in the City of Vancouver would be charged on a property with the same assessed value. This “pegged” rate was a provincial requirement for campus leases when UBC began residential development. As a result, the UNA and UBC do not control the amount of annual Neighbourhood Levy revenue.

With the projected increase in Neighbourhood Levy revenue and the incremental increase in planned expenditures, the UNA is forecasted to balance its 2024-2025 budget. Based on financial projections, the Neighbourhood Levy is projected to increase by 12% from 2023-2024 due to continued growth in neighbourhood assessed value. The UNA’s remaining revenue comes from recreation, programming, parking, and external grants, and is expected to increase with inflation in coming years.

Reflecting this growing revenue, UNA expenses are projected to increase by \$820K (11%) from 2023-2024. This increase is primarily due to staffing to provide recreational programming for a growing population, and the UNA's municipal service operations, including landscaping, road maintenance and playground repair. The budget also includes \$190K for minor capital expenditures including necessary upgrades to the Wesbrook Community Centre and minor equipment purchases (presented for information in Appendix One). These expenditures will be funded through the UNA's internal capital reserve, created in 2022 as a measure of prudent asset management consistent with the Neighbours' Agreement and lease obligations.

The UNA developed the 2024-2025 budget through a UNA-led public engagement process that started in November 2023 and included UBC participation. Reflecting the growing community, the UNA received increased community interest in this budget process, including Board delegations and resident petitions regarding UNA spending priorities.

Projected Future Financial Outlook (2025-2028)

UBC and the UNA use a five-year financial model to assess the UNA's future financial outlook based on neighbourhood development, future assessments, and forecasted property tax rates. For 2025-2028, with projected growth from Campus Vision 2050—subject to the Minister of Municipal Affairs' adoption of UBC's amended Land Use Plan—the UNA is forecasted to post growing surpluses from a growing Neighbourhood Levy (8% annually) and operational revenue (3%). Expenditures are projected to increase with the buildout of the Wesbrook neighbourhood and increased recreational offerings, keeping pace with the needs of a growing community. Based on the model, the UNA is expected to be fully funded over the next five years through annual revenue.

Neighbours' Agreement Update

UBC has been working with the UNA to update the Neighbours' Agreement to reflect current practices and clarify the roles of each organization in neighbourhood service delivery and governance. This involves specific updates to the body of the agreement along with several Schedule updates including: service standards for municipal services; an updated fee formula for the UNA's annual contribution to UBC for athletics facilities and cultural facilities access; and, finalizing an annual contribution for UBC-UNA Reserve funds that balances long-term asset replacement costs with the UNA's financial reality.

In late 2023, the UNA and UBC successfully finalized the Athletics and Community Access Fee schedules (Schedules F and F1). In the 2024/25 budget, the athletics fee represents 8% of the Neighbours Levy, or \$812K, while the community access fee is \$40K. Updates to the Schedules relating to service standards for municipal services progressed over the last year and are currently being finalized, including an approach to the funding structure for landscaping services. The updated Neighbours' Agreement is expected to be presented to the UNA and UBC Boards later in 2024 for approval.

APPENDICES

1. 2024-2025 University Neighbourhoods Association Operating Budget

University Neighbourhoods Association (UNA)
Operating Budget 2024-25 (Summary)

University Neighbourhoods Association (UNA)	2022-23 ACTUALS	2023-24 APPROVED BUDGET	2024-25 DRAFT BUDGET
REVENUE			
Payments from UBC			
Neighbours Levy	4,110,109	4,946,636	5,627,244
Total Payment From UBC	4,110,109	4,946,636	5,627,244
Recreation & Culture			
Wesbrook Community Centre	216,536	383,000	327,000
Old Barn Community Centre	109,013	140,000	125,425
Programming	807,199	698,500	886,770
Playing Fields & Park Rentals	101,440	105,000	109,700
Total Recreation & Culture	1,234,188	1,326,500	1,448,895
Other Revenue			
Parking	150,459	111,900	144,525
Miscellaneous	47,509	32,840	50,933
Common Area Maintenance Support (UBCPT)	-	733,256	690,000
Total Other Revenue	197,967	877,996	885,458
Grants & Other Funding			
External Grants & Miscellaneous	160,880	165,000	150,250
Total Grants & Other Funding	160,880	165,000	150,250
TOTAL REVENUE	5,703,144	7,316,132	8,111,846

University Neighbourhoods Association (UNA)	2022-23 ACTUALS	2023-24 APPROVED BUDGET	2024-25 DRAFT BUDGET
EXPENDITURES			
Engineering & Operations Services			
Parking & Bylaw Enforcement	114,923	161,856	165,886
General Maintenance	103,027	132,520	71,066
Common Area Maintenance			
Landscaping	418,977	1,249,736	1,461,259
Road, Gutter and Sidewalk Maintenance	65,843	53,550	56,228
Streetlights	38,832	53,000	42,500
UBCPT Management Fees	80,000	-	-
Electricity	73,067	80,000	84,000
Other Common Area Maintenance Costs	47,186	52,500	55,125
Total Engineering & Operations Services	941,856	1,783,161	1,936,064
Recreation & Culture Services			
Wesbrook Community Centre	554,383	529,650	568,035
Old Barn Community Centre	213,811	219,602	252,515
Recreation Salaries & Benefits	974,790	1,292,487	1,490,386
Programming	765,099	708,500	843,313
Fields	16,312	18,000	20,000
Community Access (VPL)	64,600	120,000	100,000
Community Support	59,286	76,500	105,550
Total Recreation & Culture Services	2,648,282	2,964,739	3,379,799
General Operation Services			
Administration Salaries & Benefits	1,216,661	1,540,274	1,674,898
Sustainability	33,391	32,029	62,338
General Operating Services	520,041	662,889	680,798
Professional Fees	165,462	155,660	159,200
Communications	102,176	106,000	119,300
Public Engagement	65,238	71,380	99,450
Total General Operation Services	2,102,969	2,568,232	2,795,983
TOTAL EXPENDITURES	5,693,106	7,316,132	8,111,846
SURPLUS OR (DEFICIT)	10,038	0	0

University Neighbourhoods Association (UNA)
Capital Budget 2024-25 (Summary)

University Neighbourhoods Association (UNA)	2023-24	2024-25
	APPROVED BUDGET	DRAFT BUDGET
Leasehold Improvements	32,000	15,000
Furniture, Fixtures & Equipment	64,500	63,000
Computer Software & Hardware	8,200	56,500
Website	-	17,500
Multi Media Equipment	60,000	-
Recreational & Fitness Equipment	43,000	25,000
Parks & Roadway Enhancement	-	13,200
TOTAL CAPITAL PROJECTS COSTS	207,700	190,200
TRANSFERS FROM RESERVES, UNRESTRICTED NET ASSETS & OTHERS		
Transfer from Unrestricted Net Assets	-	-
Transfer from UNA Capital Reserve	207,700	190,200
BALANCE	\$ -	\$ -