

AGENDA
SPECIAL OPEN COMMITTEE OF THE WHOLE MEETING
BOARD ROOM, SERVICE AND RESOURCE CENTRE,
411 DUNSMUIR STREET, NANAIMO, BC
WEDNESDAY, 2014-JAN-15, AT 8:30 A.M.

1. **CALL THE SPECIAL OPEN COMMITTEE OF THE WHOLE MEETING TO ORDER:**
2. **ADOPTION OF AGENDA:**
3. **PRESENTATIONS:**
 - (a) Mr. Tom Hickey, General Manager, Community Services, to provide a presentation regarding the 2014-2018 Financial Plan for Engineering and Public Works. Council discussion regarding the Financial Plan to follow the presentation.
4. **QUESTION PERIOD:** *(Agenda Items Only)*
5. **ADJOURNMENT:**

ACTING MAYOR: COUNCILLOR BESTWICK
2013-DEC-02 – 2014-JAN-19



**COUNCIL BUDGET REVIEW PILOT
ENGINEERING AND PUBLIC WORKS
SUMMARY
January 15, 2014**

Engineering and Public Works - Annual Operating and Expenditures Summary
2014 - 2018 Financial Plan Review

Annual Operating and Maintenance Budget

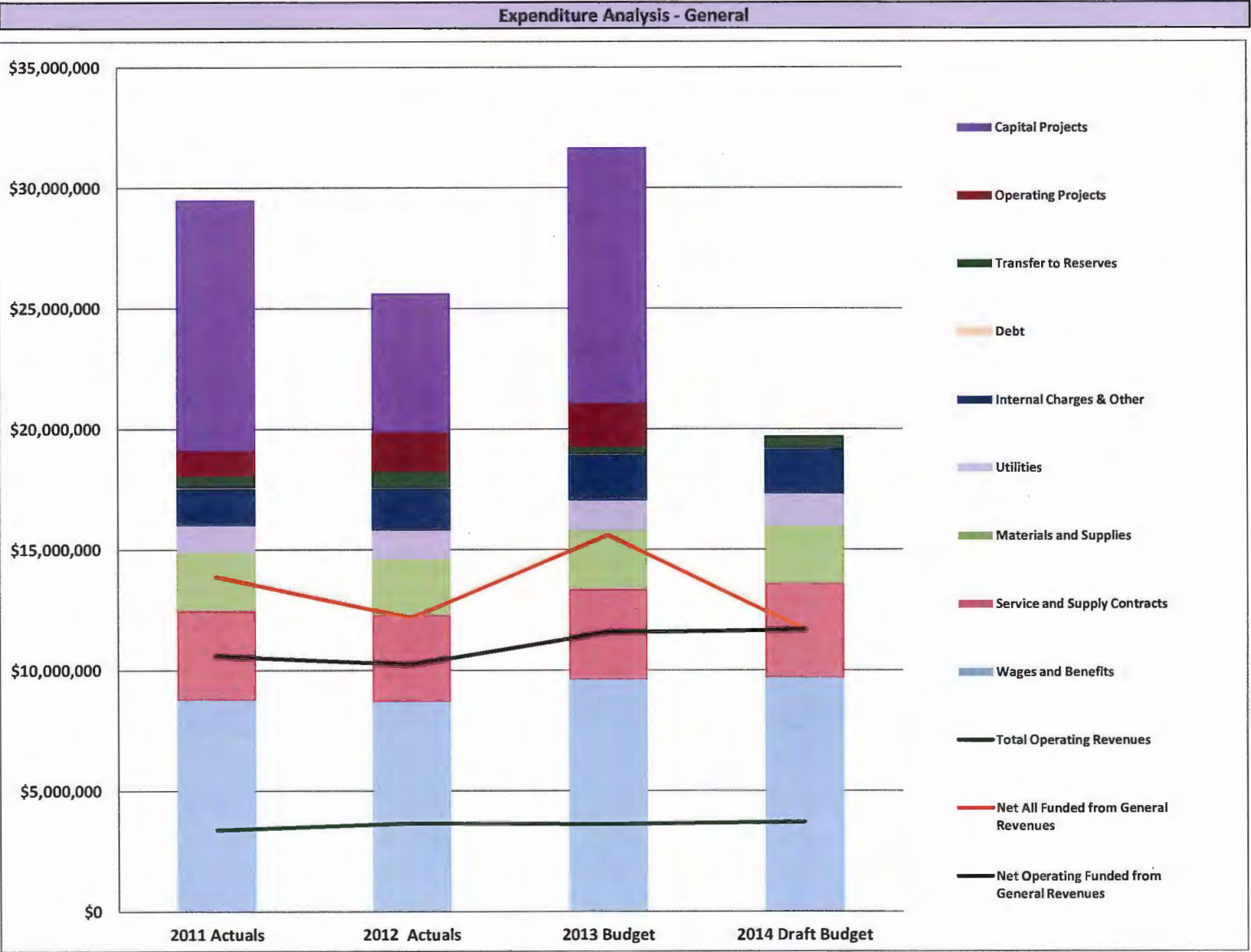
The Engineering and Public Works department includes the following operational areas: Engineering Services, Transportation, Sanitation, Fleet, Drainage, Cemeteries and Administration.

General					
			2013 - 2017 Financial Plan		
Description	2011 Actuals	2012 Actuals	2013 Budget	2014 Budget	2014 Draft Budget
Cemetery Services	45,405	37,510	34,775	35,123	37,775
City Property Rentals	61,401	31,533	45,000	45,450	35,000
Connection and Service Fees	61,340	67,640	53,000	53,530	53,000
Garbage Tags	89,468	97,985	95,000	95,950	95,000
Garbage User Fees	2,830,826	3,129,191	3,280,189	3,372,345	2,927,100
Grants - Provincial Government	1,038	880	750	758	-
Interest Income	12,741	11,759	10,000	10,100	10,000
Other Revenue	66,162	56,553	51,800	52,318	43,300
Permits	14,812	15,654	19,000	19,190	19,000
Plot Sales	14,345	6,710	10,500	10,605	10,500
PPP Recoveries	-	-	-	-	465,300
Private Contributions	39,438	(1,644)	-	-	-
Recoveries	132,492	191,784	6,505	6,585	4,515
Total Operating Revenues	3,369,468	3,645,555	3,606,519	3,701,953	3,700,490
Wages and Benefits	8,760,987	8,694,379	9,602,675	9,795,311	9,678,099
Services and Supply Contracts	3,707,912	3,588,473	3,757,700	3,832,854	3,908,987
Utilities	1,134,780	1,230,369	1,267,500	1,292,850	1,354,996
Materials & Supplies	2,387,003	2,287,769	2,394,490	2,441,798	2,356,355
Internal Charges & Other	1,529,805	1,735,684	1,888,350	1,923,444	1,859,834
Total Operating and Maintenance Expenditures	17,520,488	17,536,674	18,910,716	19,286,257	19,158,271
Net Excluding Interprogram Credits/Transfer to Reserves/Debt	14,151,020	13,891,119	15,304,197	15,584,303	15,457,781
Interprogram Credits	(4,076,818)	(4,330,595)	(4,084,338)	(4,165,817)	(4,355,001)
Debt	44,434	20,109	20,107	20,104	20,104
Transfer to Cemetary Care Reserve	10,340	6,348	7,500	7,500	7,500
Transfer to Equipment Depreciation Reserve	453,839	640,809	306,015	312,126	522,517
	(3,568,205)	(3,663,329)	(3,750,716)	(3,826,087)	(3,804,880)
Net Operating Funded from General Revenues	10,582,815	10,227,789	11,553,481	11,758,216	11,652,901
Transfers from Reserves	7,945,590	5,008,343	7,840,880	2,940,407	-
Other Project Funding	238,370	485,265	543,524	480,000	-
Total Project Funding	8,183,960	5,493,608	8,384,404	3,420,407	-
Capital	10,416,448	5,779,065	10,622,402	5,842,811	-
Operating	1,044,051	1,642,899	1,795,989	903,950	-
Total Project Expenditures	11,460,499	7,421,964	12,418,391	6,746,761	-
Net - Funded from General Revenues	13,859,355	12,156,145	15,587,468	15,084,570	11,652,901
% Funded from General Revenues	55%	57%	57%	68%	76%
Cost per Capita	\$ 159.37	\$ 138.90	\$ 175.61	\$ 167.57	\$ 129.45
Budgeted FTEs			114.0		

Transfer to Equipment Depreciation Reserve:
The net credit from Fleet Operations are transferred to the reserve to fund future fleet and small equipment replacement.

Interprogram Credits:
24% of the net cost of Support Services , Construction Services and Engineering and 100% of Water Supply Administration is charged out to the Sewer and Water departments.
City departments pay a monthly or hourly rate for use of fleet vehicles and small equipment maintained by Fleet Operations. This charges covers the annual operating and maintenance costs, including insurance, of the equipment and allow for a contribution to the reserve to fund the future replacement.

Notes:
CUPE contract expires December 31 2013
2013 - 2017 Financial Plan includes inflationary increases for years 2 to 5 (2% increase for wages and benefits)
2014 Draft Budget does not include an increase for wages and benefits, a contingency is used for wages increases



Water					
Description	2013 - 2017 Financial Plan				
	2011 Actuals	2012 Actuals	2013 Budget	2014 Budget	2014 Draft Budget
City Property Rentals	18,900	18,900	18,900	18,900	18,900
User Fees	11,165,546	11,798,813	13,246,482	14,239,969	13,982,752
Connection and Service Fees	87,330	133,860	123,000	123,030	103,000
Other Revenue	26,598	10,037	500	500	58,833
Total Operating Revenues	11,298,374	11,961,610	13,388,882	14,382,399	14,163,485
Wages and Benefits	1,770,681	1,831,059	1,874,962	1,911,437	2,263,909
Services and Supply Contracts	427,764	452,398	467,620	476,732	482,630
Utilities	112,428	118,275	109,300	111,486	117,700
Materials & Supplies	372,882	434,848	494,650	496,398	495,550
Contingency	-	-	100,000	100,000	100,000
RDN Initiatives	-	-	139,260	174,875	174,075
Internal Charges & Other	2,469,577	2,598,815	2,689,653	2,773,609	2,816,243
Total Operating and Maintenance Expenditures	5,153,332	5,435,395	5,875,445	6,044,538	6,450,107
Net Revenues before Transfer to Reserves, Debt and Projects	6,145,042	6,526,215	7,513,437	8,337,861	7,713,378
Debt	540,695	97,292	148,001	1,166,868	1,159,744
Transfer to Asset Management Reserve	-	-	302,506	634,884	-
Transfer to Reserve	4,290,536	4,470,772	1,987,867	3,065,109	-
	4,831,231	4,568,064	2,438,374	4,866,861	1,159,744
Net Revenues before Projects	1,313,811	1,958,151	5,075,063	3,471,000	6,553,634
Transfers from Reserves	4,219,335	6,630,405	7,570,083	23,819,350	-
User Fees	1,269,660	1,911,919	5,075,063	3,471,000	-
Borrowing	-	-	13,312,350	9,187,650	-
Other Project Funding	1,550,054	9,706,864	12,754,116	421,000	-
Total Project Funding	7,039,049	18,249,188	38,711,612	36,899,000	-
Capital	6,689,929	17,543,753	37,728,172	36,639,000	-
Operating	349,120	705,435	983,440	260,000	-
Total Project Expenditures	7,039,049	18,249,188	38,711,612	36,899,000	-
Net Budgeted FTEs	44,151	46,232	(0)	0	6,553,634
			19.9		

Sewer					
Description	2013 - 2017 Financial Plan				
	2011 Actuals	2012 Actuals	2013 Budget	2014 Budget	2014 Draft Budget
Recoveries	-	-	1,000	1,020	1,000
User Fees	4,670,536	4,883,810	5,113,500	5,420,310	5,422,867
Connection and Service Fees	48,680	123,120	85,000	85,850	85,000
Total Operating Revenues	4,719,216	5,006,930	5,199,500	5,507,180	5,508,867
Wages and Benefits	798,031	897,848	846,847	863,784	857,340
Services and Supply Contracts	277,267	355,592	314,600	320,892	305,186
Utilities	24,523	26,147	28,660	29,233	28,600
Materials & Supplies	195,670	208,729	198,995	202,975	201,195
Contingency	-	-	60,000	60,000	60,000
Internal Charges & Other	1,636,795	1,681,608	1,740,139	1,783,441	1,803,751
Total Operating and Maintenance Expenditures	2,932,285	3,169,925	3,189,241	3,260,325	3,256,072
Net Revenues before Transfer to Reserves and Projects	1,786,931	1,837,005	2,010,259	2,246,855	2,252,795
Transfer to Asset Management Reserve	-	-	233,273	480,542	-
Transfer to Reserve	1,032,010	1,208,724	176,486	65,813	-
	1,032,010	1,208,724	409,759	546,355	-
Net before Projects	754,921	628,281	1,600,500	1,700,500	-
Transfers from Reserves	966,189	1,747,729	4,568,151	2,241,000	-
User Fees	695,307	556,678	1,600,500	1,700,500	-
Borrowing	-	-	-	-	-
Other Project Funding	361,338	511,324	-	-	-
Total Project Funding	2,022,833	2,815,730	6,168,651	3,941,500	-
Capital	1,465,252	2,288,440	4,777,962	3,479,000	-
Operating	557,581	527,290	1,390,689	462,500	-
Total Project Expenditures	2,022,833	2,815,730	6,168,651	3,941,500	-
Net - Sewer	59,615	71,604	0	0	2,252,795
Budgeted FTEs			8.1		