



**AGENDA**  
**FINANCE AND AUDIT COMMITTEE MEETING**

November 20, 2019, 8:30 AM - 4:30 PM  
SHAW AUDITORIUM, VANCOUVER ISLAND CONFERENCE CENTRE  
80 COMMERCIAL STREET, NANAIMO, BC

Pages

1. CALL THE MEETING OF THE FINANCE AND AUDIT COMMITTEE TO ORDER:
2. INTRODUCTION OF LATE ITEMS:
3. ADOPTION OF AGENDA:
4. ADOPTION OF MINUTES:
5. PRESENTATIONS:
  - a. 2020 - 2024 Financial Plan Operating Budgets 8:30 a.m. - 8:45 a.m.  
Introduction by Jake Rudolph, Chief Administrative Officer
    1. Budget Highlights 8:45 a.m. - 9:45 a.m. 3 - 20
      1. Environmental Position Business Case 21 - 31  
To be introduced by Dale Lindsay, General Manager,  
Development Services.  
*Purpose: To provide information to the Finance and  
Audit Committee regarding the requested environmental  
position business case.*
    2. Break 9:45 a.m. - 10:00 a.m.
    3. Chief Administrator's Office 10:00 a.m. - 10:30 a.m. 32 - 43
    4. Legislative Services and Communications 10:30 a.m. - 11:00 a.m. 44 - 48
    5. Human Resources 11:00 a.m. - 11:30 a.m. 49 - 54
    6. Lunch 11:30 a.m. - 1:00 p.m.
    7. Finance 1:00 p.m. - 1:30 p.m. 55 - 59

- |     |  |         |
|-----|--|---------|
| 8.  | Information Technology 1:30 p.m. - 2:00 p.m. | 60 - 64 |
| 9.  | Break 2:00 p.m. - 2:15 p.m.                  |         |
| 10. | Emergency Management 2:15 p.m. - 2:45 p.m.   | 65 - 69 |
| 11. | Nanaimo Fire Rescue 2:45 p.m. - 3:15 p.m.    | 70 - 74 |
| 12. | Question Period 3:15 p.m. - 3:45 p.m.        |         |

6. ADJOURNMENT:



## Proposed Timeline

- Operating Budget Review - November 20 & 22
  - Presentations by Departments on their 2020 Business Plans
- Project Budget Review – November 25
  - Recap of total planned expenditures and funding sources
  - Changes from preliminary plan (presented at October 16 Finance and Audit) to draft plan
- E-Town Hall – December 2
- Final review and recommendations for 2020 – 2024 Financial Plan Bylaw – December 2 and/or December 4
  - Referred to as the Provisional Five Year Financial Plan

## Proposed Timeline

- Adoption of User Rate Bylaws – prior to December 31st
- Adoption of Provisional 2020 – 2024 Financial Plan Bylaw
- February – April 2020
  - Review and update Financial Plan for new information
- April 2020
  - Adoption of Annual 2020 – 2024 Financial Plan Bylaw
  - Adoption of 2020 Property Tax Rates Bylaw

## Draft 2020 – 2024 Financial Plan

## Projected Property Tax & User Fees Increases

	2020	2021	2022	2023	2024
General Asset Management Reserve	1.0%	1.0%	1.0%	0.0%	0.0%
General Property Tax Increase	4.2%	2.1%	2.4%	1.9%	1.7%
<b>Total Municipal Taxes</b>	<b>5.2%</b>	<b>3.1%</b>	<b>3.4%</b>	<b>1.9%</b>	<b>1.7%</b>

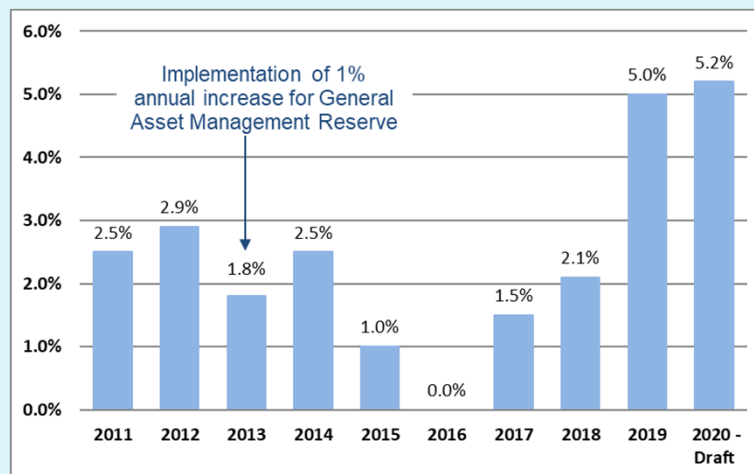
The approved annual 1% property tax increase for contribution to the General Asset Management Reserve currently ends in 2022

	2020	2021	2022	2023	2024
Sanitary Sewer User Fee Increase	4.0%	4.0%	4.0%	0.0%	0.0%
Water User Fee Increase	7.5%	5.0%	5.0%	5.0%	5.0%

2.5% annual increase for asset management for Water currently ends in 2020 and the 4% annual increase for asset management for Sewer currently ends in 2022

	2020	2021	2022	2023	2024
Sanitation User Fees	\$ 171	\$ 173	\$ 178	\$ 183	\$ 184

## Property Tax History



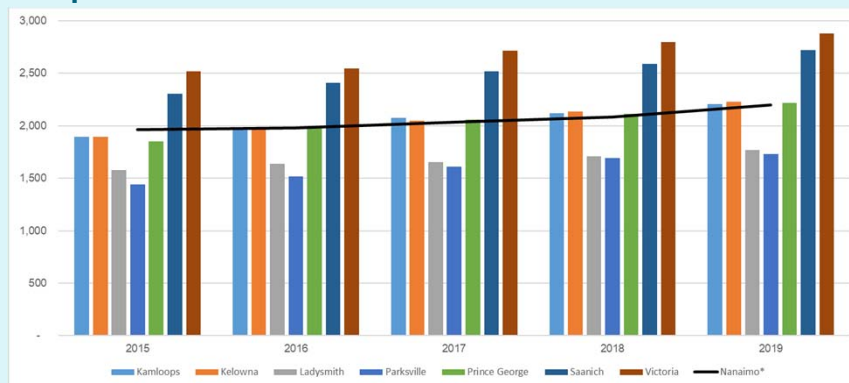
10 Year Avg (2010- 2019) – 2.1%

## Municipal Comparison - On a Representative Home

	2015	2016	2017	2018	2019
Kamloops	1,894	1,970	2,073	2,121	2,206
Kelowna	1,894	1,977	2,050	2,136	2,230
Ladysmith	1,578	1,638	1,653	1,708	1,770
<b>Nanaimo*</b>	<b>1,961</b>	<b>1,982</b>	<b>2,037</b>	<b>2,081</b>	<b>2,196</b>
Parksville	1,439	1,517	1,608	1,693	1,732
Prince George	1,853	1,979	2,059	2,116	2,218
Saanich	2,305	2,409	2,521	2,590	2,720
Victoria	2,518	2,544	2,715	2,795	2,880

\* Includes Vancouver Island Regional Library (VIRL), since 2016 the City of Nanaimo has considered VIRL as a collection for other governments  
Source - BC Stats: 704 Taxes & Charges on a Representative House

## Municipal Comparison – On a Representative Home



\* Includes Vancouver Island Regional Library (VIRL), since 2016 the City of Nanaimo has considered VIRL as a collection for other governments  
Source - BC Stats: 704 Taxes & Charges on a Representative House

# Typical Home

excludes property taxes collected for the RDN, School District, Hospital and Vancouver Island Regional Library

## Impact on a Typical Home

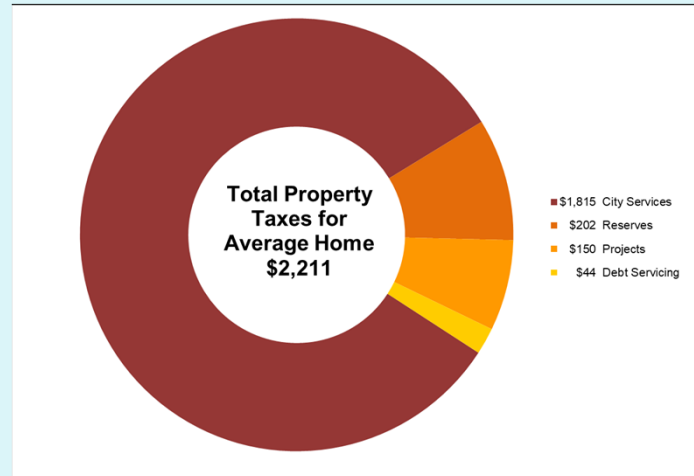
	2019	2020	\$ Change	% Change
Property Taxes	\$2,102	\$2,211	\$109	5.2%
Municipal User Fees				
Water Fees	\$552	\$594	\$42	7.5%
Sewer Fees	\$135	\$141	\$6	4.0%
Sanitation Fees	\$170	\$171	\$1	0.6%
<b>Total Municipal Taxes &amp; User Fees</b>	<b>\$2,959</b>	<b>\$3,117</b>	<b>\$158</b>	<b>5.3%</b>

Based on \$516,418 assessed value (average for Nanaimo per BC Assessment)

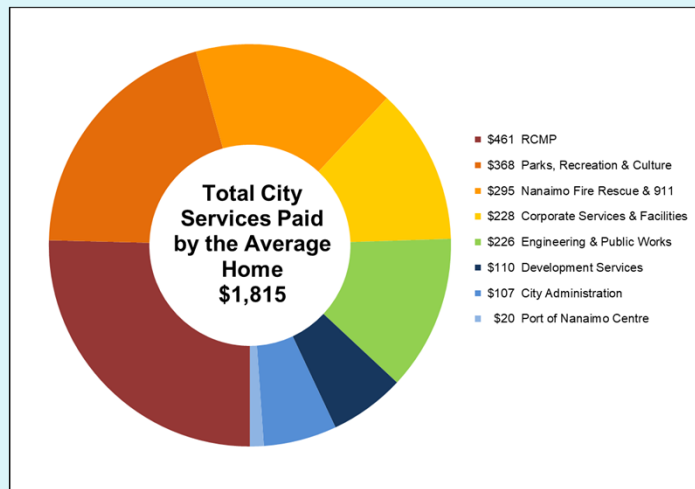
Rounded to nearest dollar

Assumes a typical single family house with average assessment change

## Total Property Taxes for Average Home



## Total City Services Paid by Average Home

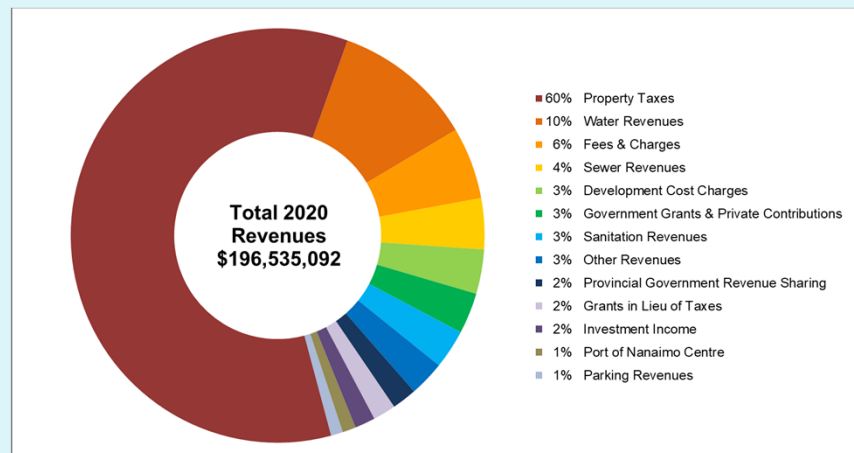




# Financial Summary

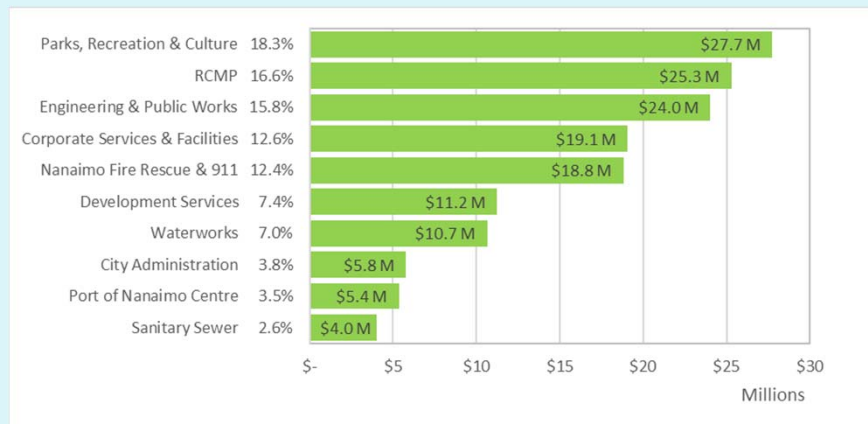
## 2020 Revenues

\$196.5 million provides funding for annual operating and maintenance, projects and contributions to infrastructure renewal reserves



## 2020 Operating Budget

\$152.0 M will be spent for annual operating and maintenance resources that deliver day-to-day City Services.



## 2020 Key Budget Drivers – General

Expenditure Increases/(Decreases)	Draft
Asset Management	\$ 1,010,000
Wages and Benefits <sup>1</sup>	2,870,000
Contracted Services - Landscaping/Tree Services	108,000
Economic Development <sup>2</sup>	466,000
Fleet Charge - Fire	100,000
Legal Fees	(90,000)
Project Expenditures	
Annual general revenue funding	643,000
RCMP Contract (budgeted at 95%)	1,709,000
Snow and Ice Control Reserve	(275,000)
Sewer and Water Internal Support	(202,000)
Strategic Infrastructure Reserve	480,000
Utilities - Water and Sewer	154,000
<b>Subtotal Expenditure Increases</b>	<b>\$ 6,973,000</b>

## 2020 Key Budget Drivers – General

<b>Revenue (Increases)/Decreases</b>	
Building Permit Revenue	(200,000)
Casino Revenue	(100,000)
Grant in Lieu	(146,000)
Provincial Fine Revenue	(70,000)
Transfer from RCMP Contract Reserve	(268,000)
Transfer from Surplus/Reserve <sup>3</sup>	500,000
<b>Subtotal Revenue Increases</b>	<b>\$ (284,000)</b>
<b>Other Changes</b>	<b>\$ 64,000</b>
<b>Net Expenditure Increases</b>	<b>\$ 6,753,000</b>
Less Increased Property Tax Revenues due to Growth - Estimate	1,200,000
<b>Net Impact</b>	<b>\$ 5,553,000</b>

Dollars are rounded to nearest \$1,000

Updated benefit rates were not received in time for inclusion in draft budget. Rate changes may increase or decrease projected property tax increase.

<sup>1</sup>Excludes new Manager, Economic Development

<sup>2</sup>Includes new Manager, Economic Development

<sup>3</sup>\$500,000 in funding from reserves from 2017 surplus allocation was used to offset EHT in 2019

## Business Cases Included in Draft Plan

Business Case	Impact to 2020 Property Taxes
<b>Corporate Services</b>	
Change in service level – 2 PFT Prisoner Guards	0.10%
Records Clerks – 2 PPT to 2 PFT Conversion	0.02%
Beban Complex Electrical Substation – Prepare for Backup Power - \$9,765 (2020), \$187,750 (2021)	0.01%
<b>Development Services</b>	
Building Inspection Vehicles (4)	0.01% Vehicle purchases to be funded from Emission Reduction Reserve
Manager of Economic Development Services	0.16%
Economic Development Function	0.28%
Urban Forestry Technician	0.11%
Watercourse Restoration and Enhancement Program – 3 Year Pgm - \$35,130 (2020), \$21,500 (2021), \$12,500 (2022)	0.03%
<b>Engineering and Public Works</b>	
Traffic Signal Technician (July 2020) – includes vehicle purchase and required equipment	0.13%
<b>Nanaimo Fire Rescue</b>	
SCBA Replacement – 2021	2021 Project - Funded from General Capital and Asset Management Reserve

## Business Cases Included in Draft Plan Con't

Business Case	Impact to 2020 Property Taxes
<b>Parks, Recreation and Culture</b>	
Allocations Clerk	0.03%
Co-op Student	0.02%
Loudon Boathouse – Design Only	0.10%

## Business Cases Not Included in Draft Plan

Business Case	Projected Impact to 2020 Property Taxes
<b>Corporate Services</b>	
Corporate Asset Management System – Implementation Phase \$777,157 (2020), \$772,255 (2021), \$638,944 (2022), \$580,809 (2023) Ongoing \$419,380 (2024)	0.73%
Service Enhancements to Dog Licensing	0.01% - If capital cost funded from IT reserve
Emergency Program Coordinator	0.10%
<b>Development Services</b>	
Animal Shelter	0.33% - on hold pending service review
Bylaw Enforcement Officers Change in Schedule	0.05% - partially funded from parking revenues
Urban Forestry Management Strategy Update	0.07%
Manager of Sustainability	Recommendation is to defer consideration until completion of updates to Community Sustainability Action Plan
<b>Engineering and Public Works</b>	
Municipal Services Inspector – includes vehicle purchase	0.10% - partially funded by sewer and water
Project Engineer	0.11% - partially funded by sewer and water
<b>Legislative Services</b>	
Deputy City Clerk/Manager, Legislative Services	0.13%

## Staff Changes Highlights

Staffing Changes	FTEs	Supporting Document
<b>Positions Eliminated</b>		
Corporate Services		
Deputy Director, Financial Services	(1.0)	Restructuring
<b>Positions Added</b>		
Corporate Services		
General Manager, Corporate Services	1.0	Restructuring
Director, IT	1.0	Restructuring
Financial Analyst	1.0	Restructuring
Buyer	1.0	Restructuring
Prison Guards	2.0	Business Case
Convert Records Clerks from PPT to PFT	0.4	Business Case
Development Services		
Manager, Subdivisions	1.0	Restructuring
Manager, Economic Development	1.0	Business Case
Urban Forestry Technician	1.0	Business Case
Parks, Recreation & Culture		
Manager, Culture & Events	1.0	Restructuring
Manager, Facility Maintenance & Custodial Services	1.0	Restructuring
Allocations Clerk	1.0	Business Case
Engineering and Public Works		
Manager, Utilities	1.0	Restructuring
Traffic Signals Technician	1.0	Business Case
Refuse Collector	1.0	Business Case - Prior Year
RCMP	3.0	Business Case - Prior Year
	<b>17.4</b>	
Excludes positions converted as part of restructuring		

**Other changes:**

New PRC Co-op Student (4 months) effective 2020

12 additional RCMP members – 2021 to 2024, Manager, Facility Assets, Assistant Accountant, Junior Financial Analyst – 2021, Refuse Collector - 2022

# Debt

## Outstanding Debt at Dec 31, 2018

	Amount	Year Borrowing Repaid
<b>External Borrowing (MFA)</b>		
Fire Station #1	\$ 3,235,354	2038
Fire Station #4	\$ 2,051,643	2027
Nanaimo Aquatic Centre	\$ 1,258,589	2020
Sanitation	\$ 5,168,465	2023
Vancouver Island Conference Centre	\$15,637,678	2027
Water Treatment Plant	\$18,768,914	2034
<b>Total External Borrowing</b>	<b>\$46,120,643</b>	
<b>Internal Borrowing</b>		
DCC SS45: Chase River Pump Station & Forcemain	\$ 175,714	2038
<b>Total Internal Borrowing</b>	<b>\$ 175,714</b>	

## 2019 New Debt

	Amount	Term
<b>External Borrowing (MFA)</b>		
Waterfront Walkway <sup>1</sup>	\$5,241,660	20 Years
Sanitation – Truck <sup>2</sup>	\$ 406,585	5 Years
<b>Total External Borrowing</b>	<b>\$5,648,245</b>	
<b>Internal Borrowing</b>		
DCC SS45: Chase River Pump Station & Forcemain	\$3,143,584	20 Years
<b>Total Internal Borrowing</b>	<b>\$3,143,584</b>	

<sup>1</sup>Borrowing will not occur as applicable sections on hold pending completion of study. Project has been re-budgeted in 2020 – 2024 Financial Plan

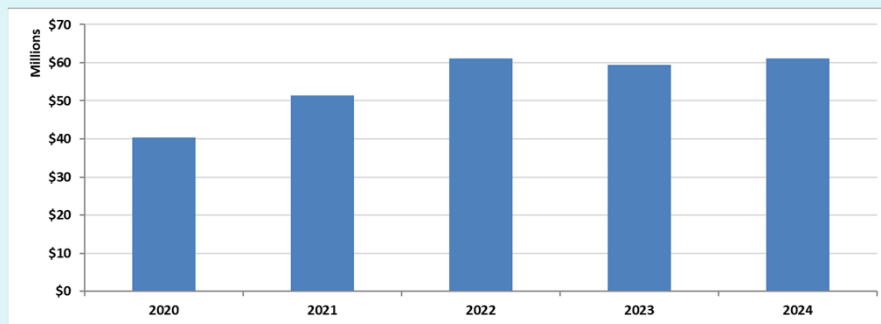
<sup>2</sup>Borrowing will be delayed to 2020 as truck is not scheduled to arrive until Spring 2020

## New Debt: 2020 – 2024 Financial Plan

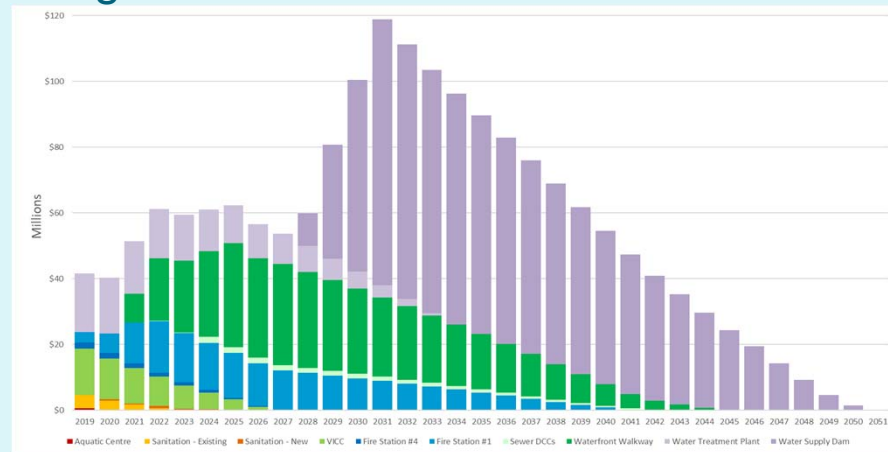
	2020	2021	2022	2023	2024	Total
<b>External Borrowing (MFA)</b>						
Fire Station #1	\$ 3,000,000	\$ 6,700,000	\$ 3,740,269			\$13,440,269
Waterfront Walkway		\$ 8,800,000	\$10,500,000	\$ 3,675,000	\$ 5,000,000	\$27,975,000
Sanitation (5 Year Term)		\$ 458,863				\$ 458,863
Sewer DCC Projects			\$ 171,500		\$ 1,724,800	\$ 1,896,300
<b>Total External Borrowing</b>	<b>\$ 3,000,000</b>	<b>\$15,958,863</b>	<b>\$14,411,769</b>	<b>\$ 3,675,000</b>	<b>\$ 6,724,800</b>	<b>\$43,770,432</b>
<b>Internal Borrowing</b>						
Sewer DCC Projects	\$ 1,165,265	\$ 2,088,600				\$ 3,253,865
<b>Total Borrowing</b>	<b>\$ 4,165,265</b>	<b>\$18,047,463</b>	<b>\$14,411,769</b>	<b>\$ 3,675,000</b>	<b>\$ 6,724,800</b>	<b>\$47,024,297</b>

Excludes short-term borrowing of \$4.5 for Port Theatre Expansion

## Projected Outstanding Debt - External

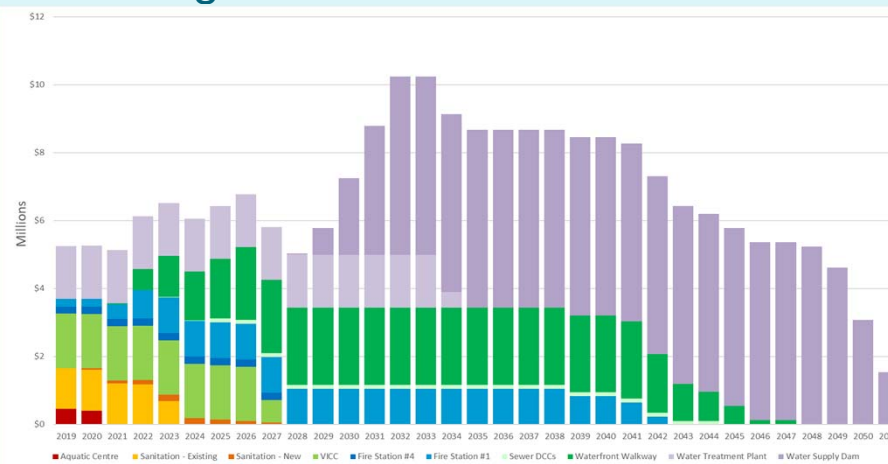


## Projected Outstanding External Debt Long-Term



Reflects current and future borrowing based on 10 year project plan  
Includes projected 2030 & 2031 borrowing for completion of water supply dam

## Projected Annual External Debt Servicing Costs





## Debt Servicing Limit

- The Liability Servicing Limit is defined as 25% of municipality's controllable and sustainable revenues for the year
- City of Nanaimo current limit at December 31, 2018 is \$43.1 M for annual principle and interest payments
- At December 31<sup>st</sup> the City was at 11.0% of current limit

## Municipal Comparison

Debt Servicing Limits					
	2014	2015	2016	2017	2018 Draft
Kamloops	39,782,700	40,479,526	42,257,694	44,590,765	45,684,834
Kelowna	59,528,563	62,523,323	65,056,358	70,309,126	79,457,574
Ladysmith	2,973,984	3,186,999	3,375,160	3,588,988	3,865,710
<b>Nanaimo</b>	<b>35,461,057</b>	<b>37,733,162</b>	<b>38,379,597</b>	<b>40,133,329</b>	<b>43,120,716</b>
Parksville	4,586,314	4,719,654	5,074,924	5,306,651	5,646,788
Prince George	38,012,435	40,204,075	41,228,230	41,257,408	43,932,208
Saanich	42,379,316	44,752,096	46,593,964	48,279,619	50,681,673
Victoria	50,940,849	52,598,039	54,727,929	57,248,034	62,060,454

Debt Servicing Cost % of limit					
	2014	2015	2016	2017	2018 Draft
Kamloops	30.9%	31.8%	29.6%	30.4%	27.3%
Kelowna	63.0%	45.1%	51.1%	46.4%	45.4%
Ladysmith	47.0%	33.4%	20.1%	59.9%	37.9%
<b>Nanaimo</b>	<b>16.1%</b>	<b>14.2%</b>	<b>15.8%</b>	<b>12.1%</b>	<b>11.0%</b>
Parksville	9.6%	9.4%	8.7%	8.1%	7.8%
Prince George	43.2%	38.1%	45.6%	45.5%	41.1%
Saanich	8.7%	7.4%	6.6%	7.6%	10.1%
Victoria	13.6%	13.9%	11.1%	9.5%	9.7%

Source - BC Stats: 602.1 – Liability Servicing Limits

# Reserves

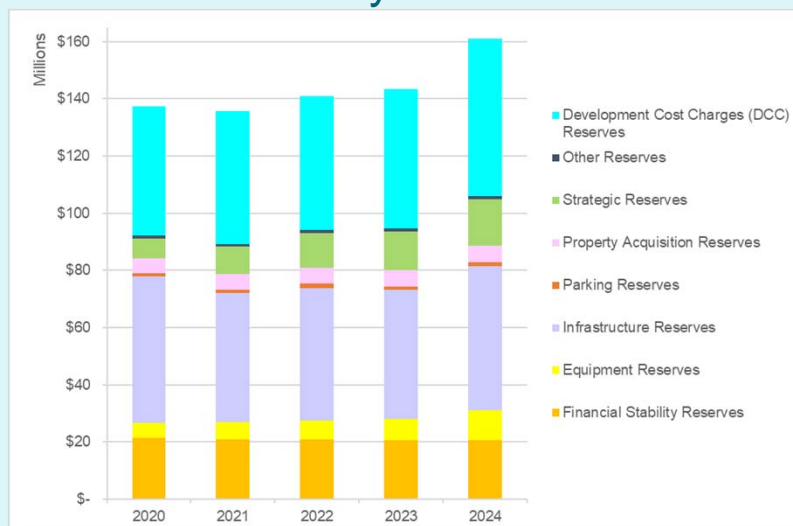
## Reserves

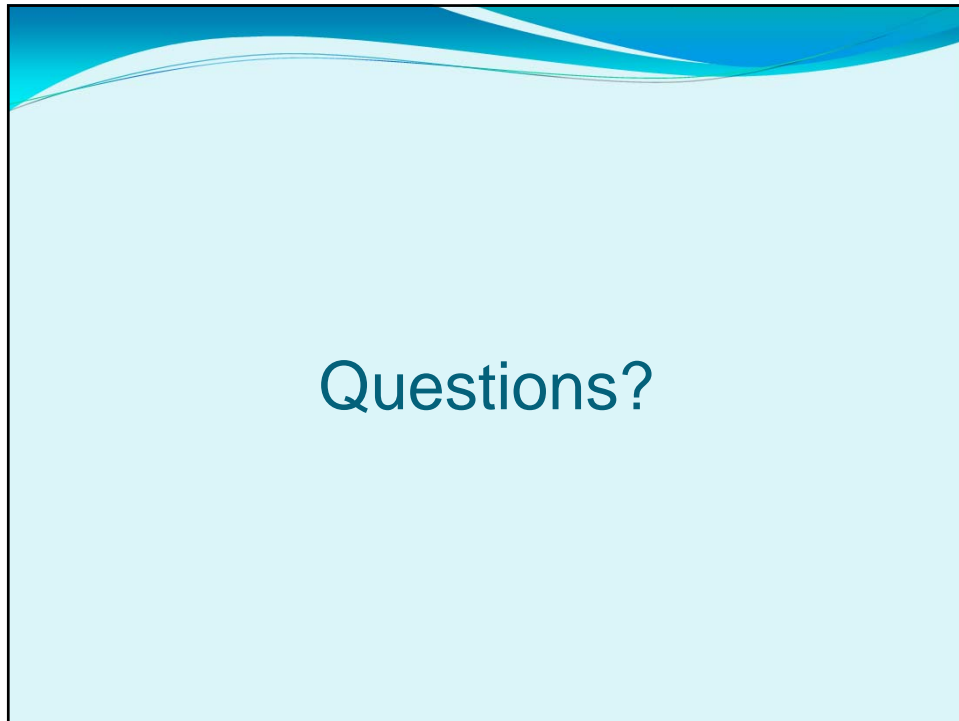
- Operating Reserves
- Statutory Reserves
  - Authorized by the Community Charter and/or City Bylaws
  - Can only be used as authorized by the Community Charter and the related Council bylaw.

## Reserves

- New Reserve Policy – January 1, 2020
- Reserve Framework
  - Financial Stability Reserves
  - Equipment Reserves
  - Infrastructure Reserves
  - Parking Reserves
  - Property Acquisition Reserves
  - Strategic Reserves
  - Other Reserves
  - DCC Reserves

## Reserves Summary





DATE OF MEETING November 20, 2019

AUTHORED BY JEREMY HOLM, DIRECTOR, DEVELOPMENT APPROVALS

SUBJECT ENVIRONMENTAL POSITION BUSINESS CASE

## **OVERVIEW**

### **Purpose of Report:**

To provide information to the Finance and Audit Committee regarding the requested environmental position business case.

## **BACKGROUND**

At its regular meeting of 2019-JUL-08, Council endorsed the following recommendation from the Finance and Audit Committee:

*"It was moved and seconded that the Finance and Audit Committee recommend that Council direct Staff to prepare a business case regarding the addition of an environmental position focused around coordination of the Environmental Sustainability Action Plan. The motion carried unanimously."*

This report and attached business case are in response to Council's motion. |

## **DISCUSSION**

The existing 2012 Community Sustainability Action Plan (CSAP) identifies strategies and actions to achieve green house gas (GHG) reductions in the community. A summary of the plan's specific strategies and actions and their current status is included within the attached business case.

At present, responsibility for the management and implementation of the plan resides with the Engineering & Environment Section within the Development Services Division. In addition to the Manager, the section has three Staff who work on climate action, mitigation, and environmental management. Although the responsibility for the CSAP lies with one section, it is important to note the implementation of the plan is supported by Staff from all divisions, and inputs on projects and initiatives are provided from across the organization.

Council's 2019-2022 Strategic Plan identifies an update of CSAP as an action item. In relation to this action item and in response to Council's climate emergency declaration, Staff have included \$75,000 for consulting services in the draft 2020 budget to complete the review and update to the CSAP.

The CSAP review and update project is intended to be completed in conjunction with coordinated strategic policy work (OCP, PRC Plan, and Active Transportation Plan).

In response to Council's 2019-JUL-08 direction regarding an environmental position, Staff developed a business case for a Manager of Sustainability (see Attachment A). This position would be responsible for overseeing the City's climate action, mitigation, and environmental protection initiatives, including implementation of the CSAP. The position has not been included in the draft 2020 budget, as Staff are of the opinion there are sufficient existing resources to oversee the consultant team that will be engaged to complete the CSAP review and update. Once the revised CSAP is completed, Staff will be better able to determine the resources necessary to implement the updated plan.

## **CONCLUSION**

Given the need to review and update the CSAP in order to be able to determine the resources necessary to implement the plan, Staff have not included the Manager of Sustainability position in the 2020 draft budget and are of the opinion that it would be appropriate to defer the consideration of this position until the 2021-2025 Financial Plan.

## **ATTACHMENTS**

ATTACHMENT A: Business Case – Manager of Sustainability

### **Submitted by:**

Jeremy Holm  
Director, Development Approvals

### **Concurrence by:**

Dale Lindsay  
General Manager, Development Services

Laura Mercer  
Director, Finance

## CITY OF NANAIMO

### BUSINESS CASE – Manager of Sustainability

#### CURRENT OVERVIEW

Earlier this year Council endorsed the following recommendation from the Finance and Audit Committee:

“It was moved and seconded that the Finance and Audit Committee recommend that Council direct Staff to prepare a business case regarding the addition of an environmental position focused around coordination of the Environmental Sustainability Action Plan. The motion carried unanimously.”

The existing 2012 Community Sustainability Action Plan (CSAP) identifies strategies and actions to achieve Green House Gas (GHG) reductions in the community. The current GHG reduction targets in the plan call for a 3% reduction below 2007 levels by 2020 and a 39% reduction below 2007 by 2050. These targets were subsequently adopted and remain as policy within the OCP.

The plan proposes to address GHG reductions through strategies and actions within the following four focus areas:

- Land Use and Transportation
- Buildings
- Alternative and District Energy, and
- Solid Waste

A summary of the Plans specific strategies and actions and their current status is included as attachment 1.

At present responsibility for the management and implementation of the plan resides with the Engineering and Environment Section within the Development Services Division. In addition to the Manager, the division has three staff who work on climate action, mitigation and environmental management. (see attachment 2).

Although the responsibility for the plan lies with one section it is important to note that the implementation crosses all Divisions in the City with significant work completed in both the Parks, Recreation and Culture and Engineering and Public works Divisions as climate change and environmental management have been driving themes within City operations and policy development for a number of years. As such the newly created Environment Committee will be supported by Staff from all Divisions and provide inputs on projects and initiatives from across the organization.

The City has numerous existing and proposed projects in the areas of climate resiliency, water management, solid waste management, environmental management, and corporate and community emissions reductions. A summary of these projects is include in attachment 3.

## **BUSINESS ISSUE**

The suggestion for additional staffing in this area is the result of the above mentioned Council motion. The need for the additional position was not identified by Staff through the course of the 2020 budget planning nor the recently completed organizational review.

In April of 2019 Council declared a Climate emergency “for the purposes of identifying and deepening our commitment to protecting our economy, our ecosystems and our community from global warming.” In addition to the declaration Council passed additional specific motions including the following:

- “- That all funds from the Regional Emissions Reduction Reserve be moved to a new reserve fund for the purposes of supporting projects, plans and initiatives that reduce the City of Nanaimo’s community wide CO2 emissions to between 50% to 58% below 2010 levels by 2030 and between 94% and 107% below 2010 levels by 2050.
- That the framework, strategies and actions and implementation of City of Nanaimo Community Sustainability Action Plan be updated to reflect the target goal, based on the information contained in the latest Intergovernmental Panel on Climate Change report limiting global warming to 1.5C.”

In response to this direction Staff have included in the draft 2020 budget funds to complete the review and update to the Community Sustainability Action Plan. The budget, if approved, will provide \$75,000 towards this review with the intent being to hire a consultant to assist with this work with oversight by the existing Environmental Planner within the Engineering and Environment Section. This project is intended to be completed in conjunction with coordinated strategic policy work (OCP, PRC Plan, and Active Transportation Plan) scheduled for 2020.

It is important to note that the GHG reduction targets endorsed by Council as part of the climate emergency declaration are significantly more aggressive than the targets in the existing CSAP/OCP. As such it is anticipated that an updated CSAP based on these revised targets will require additional or expanded strategies and actions.

## **EXPECTED OUTCOME**

If Council were to add this position Staff would propose to create a separate Sustainability Section within the Development Approvals Department. The subject position would oversee the Division as Manager of Sustainability.

The Manager would be responsible for overseeing the City’s current climate action, mitigation and environmental protection initiatives including the update and implementation of the Community Sustainability Action Plan.

## **OPTIONS**

Option #1 – Defer consideration of position until completion of updates Community Sustainability Action Plan.

Funding for an updated Community Sustainability Action Plan is included in the draft 2020 budget. It is anticipated that an updated plan will identify the strategies and actions required to meet the revised community GHG reduction targets as recently amended by Council. Staff are of the opinion that there are sufficient resources to oversee the consultant team that will be engaged to complete this work.



Once the revised plan is completed Staff will better be able to determine the resources necessary to implement the updated plan. As such Option #1 would be to defer the consideration of this position until the 2021-2025 Financial Plan.

#### Option #2 – Manager of Sustainability

Under this option the new position of Manager of Sustainability would be added to the 2020 budget and eligible to be filled upon budget approval. Under this option the Manager would be responsible for overseeing the City's current climate action, mitigation and environmental protection initiatives including the update and implementation of the Community Sustainability Action Plan.

#### Financial Analysis:

- The position would be a level 7 management position, with an annual salary of \$125,920 plus benefits for an estimated total of \$155,008.
- Additional annual costs are anticipated at \$14,450 for membership, professional development, travel, smart phone and computer charges.

#### **RECOMMENDATION**

Option #1 is recommended.

## ATTACHMENT 1

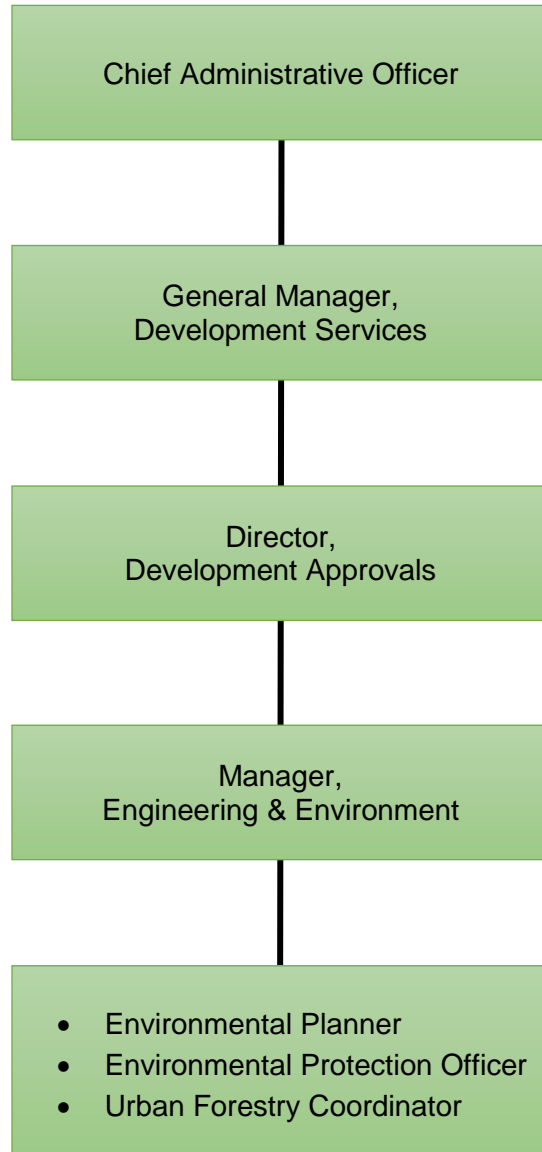
Five Year Work Plan – Community Sustainability Action Plan (2013-2017)								
#	Tasks	Type/Nature of Action	Lead	Partners	Estimated Costs		Start (Yr.)	Current Status (Sept 2019)
					Capital (one-time \$)	Operating (annual \$)		
PLAN IMPLEMENTATION								
1	Establish community coordinating team and commence education / social marketing campaign	Outreach	CoN	VIHA, VIU, Chamber of Commerce, SD 68	–	–	1	Ongoing coordination team not established. However staff have met with Island Health, VIU and SD 68 on project specific matters (Hospital Area Plan, Energy Step Code Training, etc.) Energy efficiency and alternative transportation issued covered.
2	Create Community Energy Manager Contract Position		CoN	VIHA, VIU, Chamber of Commerce, others	–	\$80,000 for 5 years with BC Hydro offering 50% funding	4	BC Hydro Corporate Energy Manager Position was created. Creating a Community Energy Manager position was considered but not followed up at the time. The BC Hydro <a href="#">program</a> is still running.
3	Conduct five year review of action plan	Outreach / review	CoN	VIHA, VIU, Chamber of Commerce, others	–	–	5	Five-year review scheduled for 2020.
LAND USE AND TRANSPORTATION –Compact, Complete Community Strategy								
4	Offer ‘Energy Efficient Development Practices’ Workshops	Outreach	RDN, CoN	Development Community	–	\$10,000 for 2 workshops	2	Currently underway since 2017. Follow-up on BC Energy Step Code Implementation Strategy working with Canadian Homebuilders Association and RDN
5	Review Development Cost Charge (DCC) structure and consider reductions	Incentive (Bylaw)	CoN	Development Community	–	unknown (incentives)	1	DCC Review completed. Rate reduction formula for meeting sustainability checklist goals was considered but not included in last round.

LAND USE AND TRANSPORTATION –Alternative and Active Transportation Strategy									
6	Complete the Transportation Master Plan	Planning	CoN	RDN, MoT	\$150,000	–		1 – 2	Completed. Implementation ongoing. Key components currently being developed include the Mobility Hub Plan (ongoing) and an update of the Pedestrian Improvement Priorities in the TMP.
7	Provide bicycle awareness and safety education (Bike to Work Week)	Outreach	CoN	Greater Nanaimo Cycling Coalition, large Employers, Cycling shops	–	\$5,000 for materials + existing staff time		1 – 5 Currently underway	Bike to Work and Bike to School ongoing programs. Safer School Travel Program completed with 4 schools in 2018. Engineering waiting for new coordinator to continue with implementation.
8	Promote walking and cycling to students	Outreach	CoN	School District; VIU	–	Existing staff time + partners time		1 – 5	Within the TMP, Central Nanaimo Cycling Network Upgrades currently being implemented: <ul style="list-style-type: none"> <li>• Boundary Road (Completed)</li> <li>• Bowen Road (Completed) <ul style="list-style-type: none"> <li>• Estevan (Complete)</li> </ul> </li> <li>• Harewood (80% Complete)</li> <li>• E&amp;N Trail (Design and Costing Study Complete)</li> </ul>
9	Encourage new developments to offer alternative transportation options	Outreach and incentive	CoN	Local developers and builders	–	Existing staff time		2	Sustainability Incentive at rezoning: <ul style="list-style-type: none"> <li>• Density bonusing offered if enough points reached for a range of onsite alternative transportation options (i.e. adjacent to bus stop, bike facilities available, EV charging in parking lot, etc.)</li> </ul>
10	Identify innovative funding opportunities to support alternative mode infrastructure and programs	Policy	CoN		Community Stakeholders	Existing staff time		3	External funding applied for and received for EV charging stations.
LAND USE AND TRANSPORTATION –Low Carbon Mobility Strategy									
11	Provide plug-ins for electric vehicles (Planning currently underway)	Infrastructure	CoN, Fraser Basin Council, Province RDN	Local Commercial property owners	Funding available for ¼ of cost (up to \$4000 per plug-in)	Existing staff time		1 – 2 Underway	In 2012, received Provincial funding under the Community Charging Infrastructure Program to install 12 Level 2 charge stations on City and private commercial properties around the City.

								In 2019, the City participated with the RDN in applying for funding from the provincial Clean BC Grant for an addition 4 level-2 charge stations to be setup on City property.
12	Provide priority parking and/or parking fee reductions for low emission vehicles	Incentive	CoN	Engineering; BIAs; Retailers	–	\$5,000 for outreach + existing staff time	2	Priority EV parking lots setup in conference centre and other City facilities, downtown bike racks placed in high profile locations.
13	Develop a Nanaimo Green Fleet Challenge	Outreach	CoN, RDN	Fraser Basin Council; Large employers	–	\$5,000 for materials/event s + existing staff time	4	City in process of joining the E3 fleet challenge (2019)
BUILDINGS – Energy Efficient Existing Building Strategy								
14	Package and promote information on existing programs that support energy efficiency improvements in residential and commercial buildings	Outreach	CoN, RDN	Local Developers, Real Estate Agents	–	\$5,000 for materials + existing staff time	1 - 2	Realtor Energy Efficiency Program (REEP) Program ran from 2014 to 2017. REEP training manual and webpage currently on VIREB website.
15	Provide training for Building Inspections staff	Outreach	CoN	City Green Solutions	–	\$7,500 for training	4	Training provided to Building Inspections staff as part of BC Building Code updates.
16	Provide rebates for home energy audits and retrofits	Incentive	BC Hydro, Fortis BC	CoN	–	Funding for audits provided by BC Hydro, Fortis BC	3	BC Hydro and Fortis energy efficiency rebate programs promoted on City website. In 2018, City setup and home energy assessment rebate program, as part of its BC Energy Step Code Implementation Strategy. Currently all rebates available on <a href="#">BetterhomesBC</a> website
BUILDINGS–Energy Efficient New Building Strategy								
17	Work with community and regional partners to promote energy efficient new development	Outreach	CoN , Canadian Homebuilders Association	RDN, ; Local developers	–	\$10,000 for outreach + existing staff time	4-5	Currently underway since 2017. Follow-up on BC Energy Step Code Implementation Strategy working with Canadian Homebuilders Association and RDN
BUILDINGS–Solid Waste Strategy								
18	Continue to conduct outreach on Zero Waste	Outreach	RDN	CoN, Community Partners	–	\$15,000 for outreach materials	1 - 5	Ongoing. Coordinated between the RDN and Public Works.

## ATTACHMENT 2

### ENGINEERING & ENVIRONMENT Environment Section Org Chart



## **ATTACHMENT 3**

### **Climate Action Initiatives**

#### **Resiliency**

- Climate Resiliency Strategy (2019/2020)
- Corporate Climate Change Plan
- Update Community Sustainability Action Plan (2020)
- Community Wildfire Protection Plan
- Emergency Response and Recovery Plan
- Hazard, Risk, and Vulnerability Analysis
- Plan Nanaimo Sea Level Rise Study
- Manual of Engineering Standards & Specifications
- Development Permit Areas (DPAs) for natural hazards, erosion control measures
- Asset Management Plan
- Complete Street Design Guidelines
- Affordable Housing Strategy & Age-Friendly City Plan (promote community resilience by supporting vulnerable populations)

#### **Water Management**

- Natural Asset Inventory/Strategy (2019 Buttertubs marsh pilot)
- Water Supply Strategic Plan
- Water Conservation Strategy
- Comprehensive Soils Bylaw (2020)

#### **Solid Waste Management**

- Waste Composition Study

#### **Environmental Management**

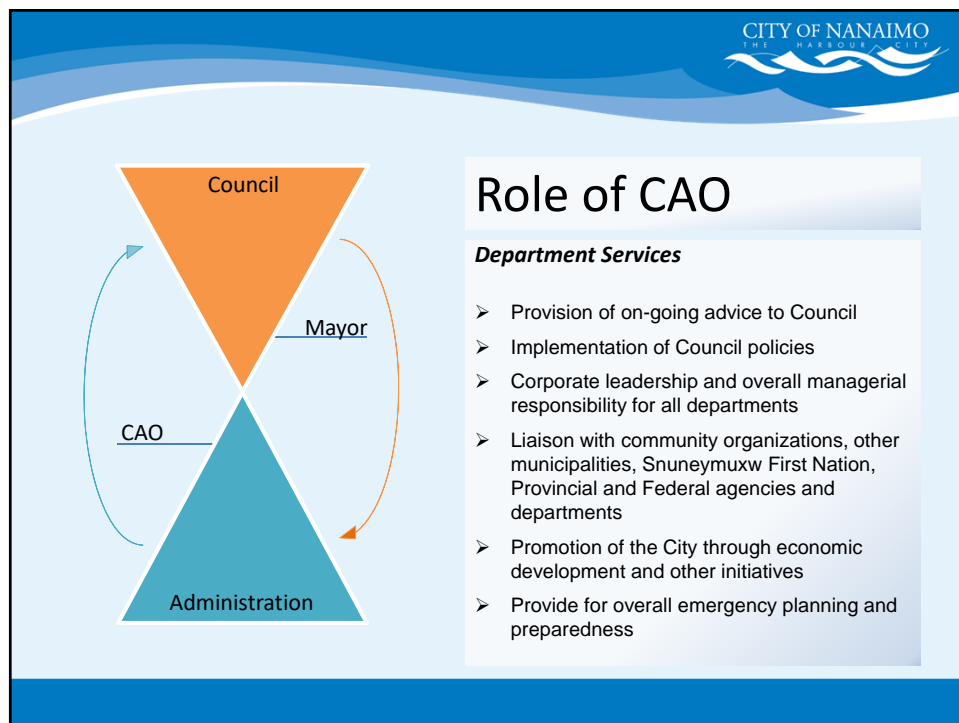
- Urban Forest Management Strategy (2020 update business case)
- Tree Management & Protection Bylaw (2020 update)
- Draft Stand Management Plan Beban Park
- Jingle Pot Marsh restoration to reintroduce the endangered Vancouver Island beggartick species (2018)
- Watercourse Restoration and Enhancement Program (2020 business case – Millstone Estuary, East Wellington Park, integrated stormwater detention feasibility study)
- Watercourse Restoration Departure Creek to enhance salmon habitat and the riparian area along the Chase River near Harewood Centennial Park (2018)
- Partners in Parks: Environmental Stewardship Program
- Buttertubs Marsh Conservation Area (partnership)
- Nanaimo Estuary Management Committee (partnership)
- Nanaimo River Watershed Roundtable (partnership)

**Corporate Emissions Reduction**

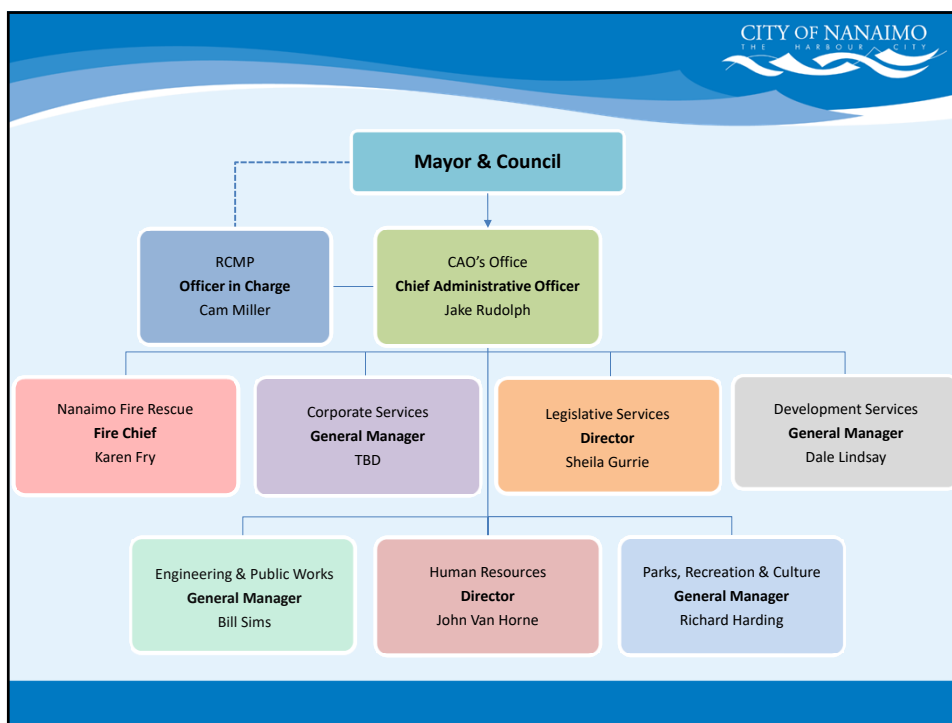
- Green Fleet Strategy (2020 proposed)
- Converting streetlights to LEDs.
- Facility upgrades (eg. replacing a boiler in Beban Park pool with two high-efficiency condensing boilers in 2018).
- Renewable energy generation (eg. generating 802 megawatt hours of energy at the Reservoir #1 facility in 2018).

**Community Emissions Reduction**

- Encouraging GHG reduction through events such as the Car Trunk Sale and Reuse Rendezvous promoted the reusing of household items.
- Encouraging alternative forms of transportation by expanding the active transportation network (2018/2019 sidewalks on Dufferin Crescent, Jingle Pot Road and Northfield Road, multi-use trails on Georgia Avenue and Cypress Street and bike lanes on Northfield Road).
- Promoting alternative modes of transportation with community events such as Bike to Work and Go by Bike weeks.
- Electric Vehicle Charging Station Funding Request
- Encouraging residents to make their homes more efficient through rebate programs to replace their old appliances, wood stove and toilets.
- Encouraging residents to help grow the City's urban forest through the increasingly popular tree voucher program.
- Encouraging low-carbon buildings through development industry education and awareness (eg. Step Code Education and Engagement and Realtor Energy Efficiency Program).
- Step Code Implementation Strategy (2019 - Building Bylaw update, Zoning Bylaw density bonusing update, Council rezoning policy).







**CITY OF NANAIMO**  
THE HARBOR CITY


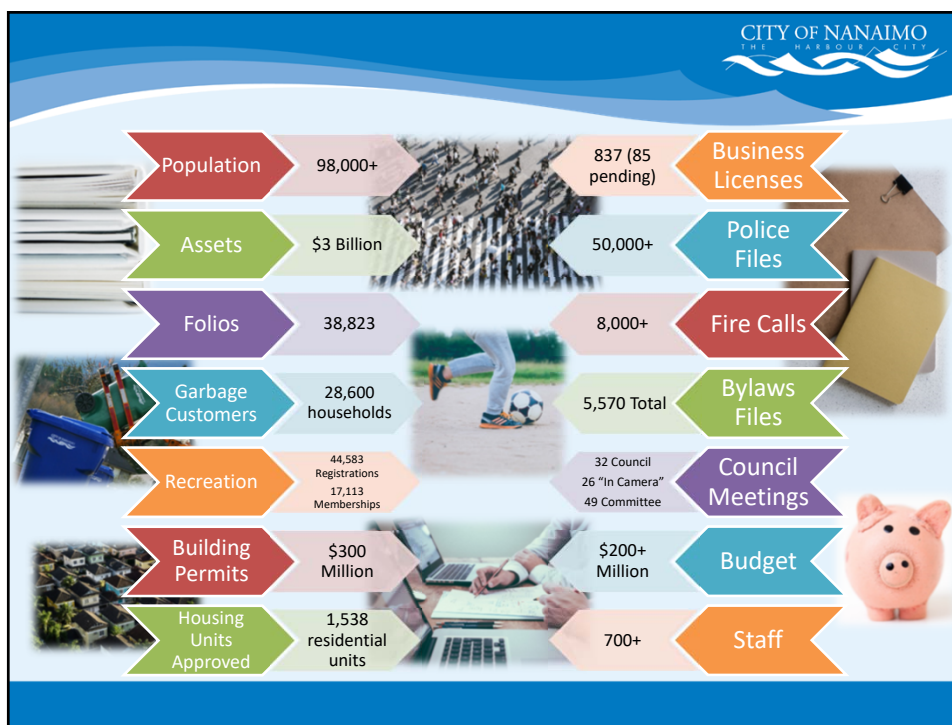
## Business Plans

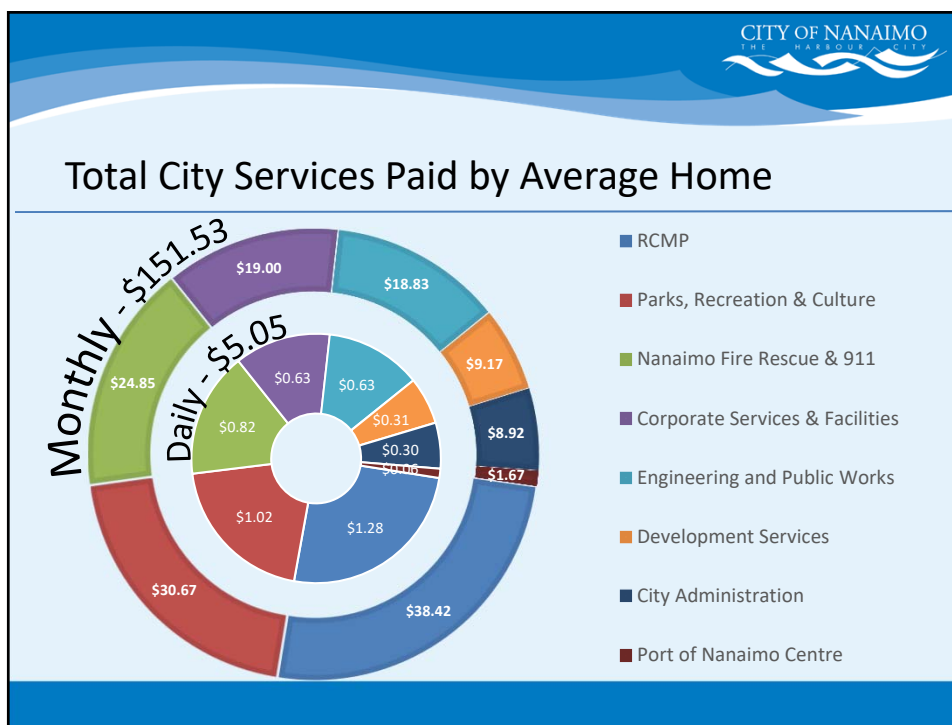
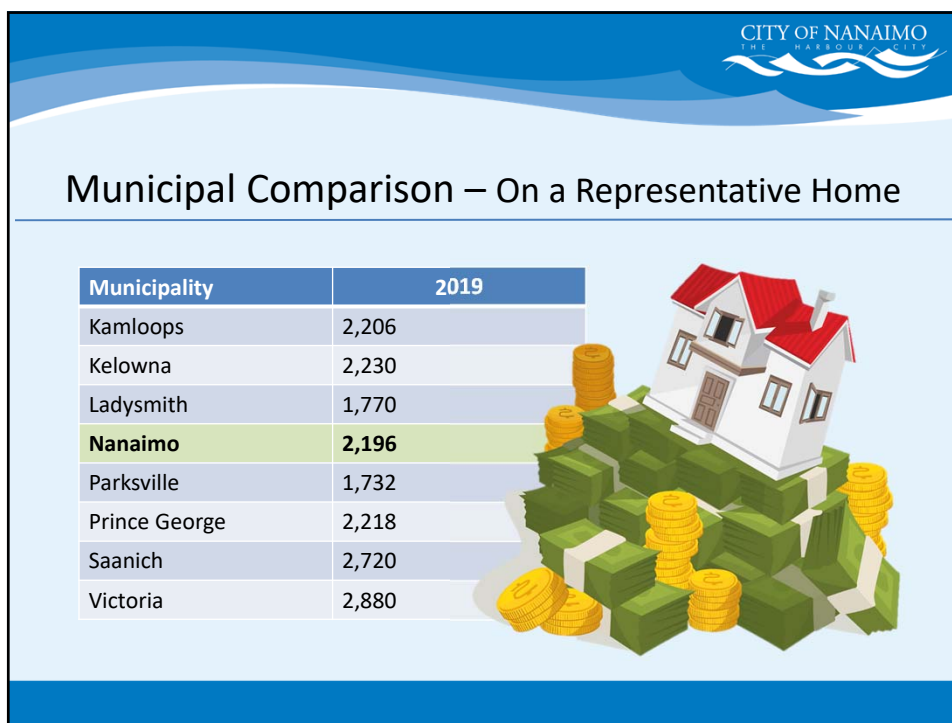
- Chief Administrator's Office
- Legislative Services and Communications
- Human Resources
- Finance
- Information Technology
- Development Services
- RCMP/Police Services
- Nanaimo Fire Rescue
- Bylaw Regulation and Security
- Engineering and Public Works
- Parks, Recreation & Culture

CITY OF NANAIMO  
THE HARBOUR CITY

## Content of Business Plans

- Overview
- Services
- 2019 Achievements
- Key Challenges of 2020
- Proposal Operating Budget



CITY OF NANAIMO  
THE HARBOUR CITY

## 2019 Achievements

Governance Excellence

Economic Health

Strategic Plan

Environmental Responsibility

Livability









CITY OF NANAIMO  
THE HARBOUR CITY

## 2020 Challenges and Opportunities

**VISION**  
*To be a community that is livable, environmentally sustainable and full of opportunity for all generations and walks of life.*








CITY OF NANAIMO  
THE HARBOUR CITY

## Future Capital Projects

- Port Theatre
- Waterfront
- RCMP
- Public Works
- Recreation Facilities
- 1 Port Drive

CITY OF NANAIMO  
THE HARBOUR CITY

## Economic Health

- Official Community Plan
- Asset Management
- Economic Function/Strategy
- Partnerships
- Fiscal Management

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THE HARBOUR CITY

## Environmental Responsibility



Solid Waste and Recycling



Urban Forestry



Transportation



Water Conservation



Environmental Bylaw Compliance



Rainwater Management



Environmental and Climate Action Policy Developments



Building and Vehicle Energy Efficiency



Ecological Restoration and Stewardship



Environment Committee

CITY OF NANAIMO  
THE HARBOUR CITY

## Livability



Community Events



Complete Streets



Social Housing



Community Safety

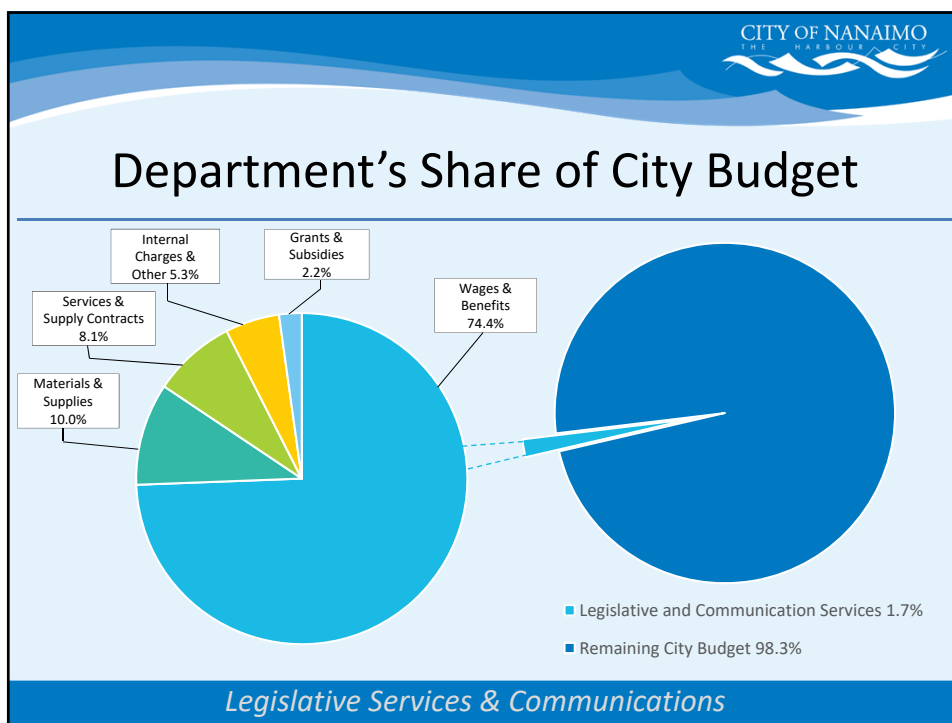


Parks and Recreation





The slide features the City of Nanaimo logo in the top right corner, which includes the text "CITY OF NANAIMO" and "THE HARBOUR CITY" above a stylized wave graphic. The main title, "Overview", is centered in a large, black, sans-serif font. Below the title is a bulleted list of five items: "Two unique business units in one", "Legislative, policy and administrative expertise", "Compliance with legislation", "Keep public informed", and "Strategic communications advice". A horizontal line is positioned above the list. The slide is framed by a blue border at the top and bottom. At the bottom of the slide, the text "Legislative Services &amp; Communications" is written in a smaller, italicized, black, sans-serif font.

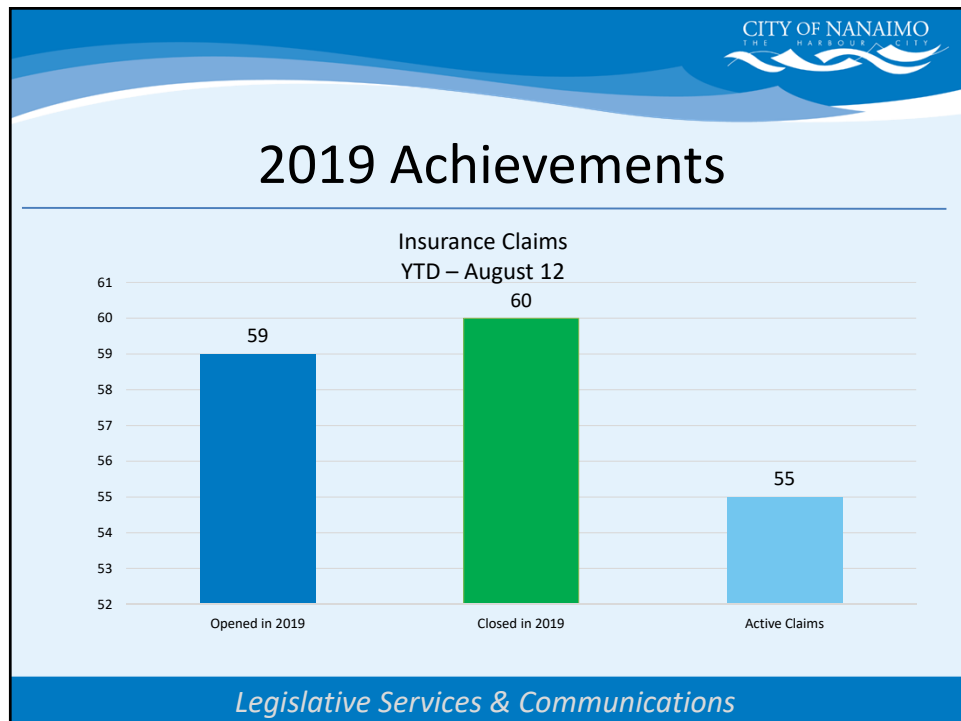


CITY OF NANAIMO  
THE HARBOUR CITY

## 2019 Achievements

- New Council orientation
- Strategic plan support
- Privacy management program
- Records management project
- FOIPPA and Privacy Management training
- Increased responsiveness to issues management
- Increased social media presence – Instagram (cityofnanaimo)
- Public engagement software – Bang the Table

*Legislative Services & Communications*



## 2020 Key Challenges

- Support for increasing number of Council & Committee meetings
- FOI & privacy management training and ongoing monitoring and control
- Electronic records management implementation and change management
- Public engagement software training and implementation

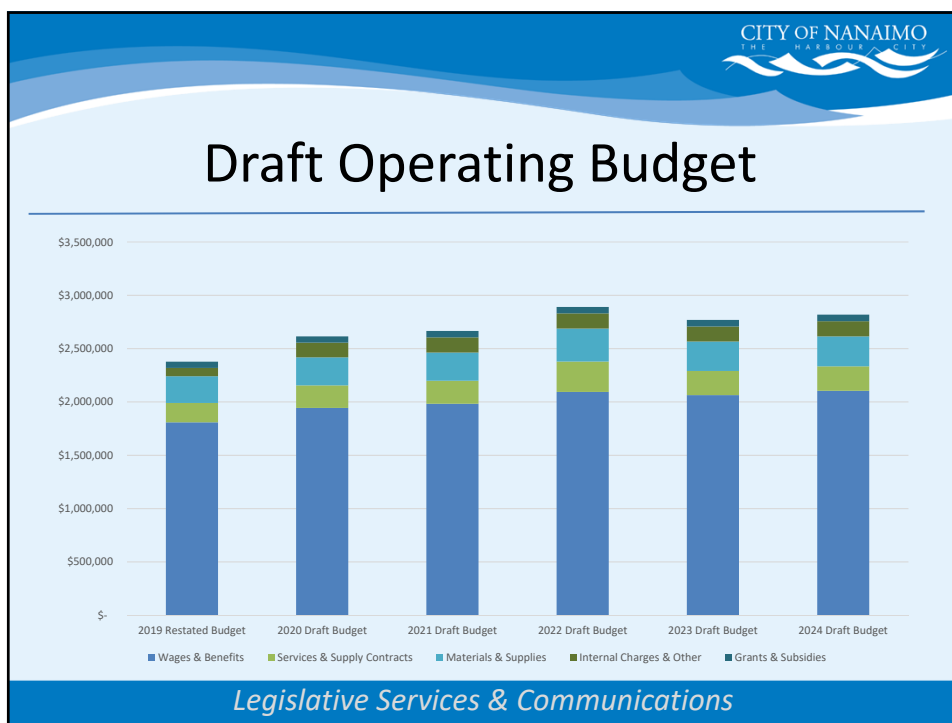


*Legislative Services & Communications*

## 2020 Key Initiatives

- Council meeting and committee meeting support
- City of Nanaimo Privacy Management Program
- Records Management pilot project Phase 4 - 6
- Critical strategic advice to senior management and Council
- Improve the annual communications plan
- Public engagement software training and implementation

*Legislative Services & Communications*



CITY OF NANAIMO  
THE HARBOR CITY

## Changes Not Included in Draft Budget

- **Business Case – Deputy City Clerk**
  - To provide appropriate coverage for City Clerk and allow the department to undertake new and support existing projects, including the Bylaw & Council policies renewal project

*Legislative Services & Communications*

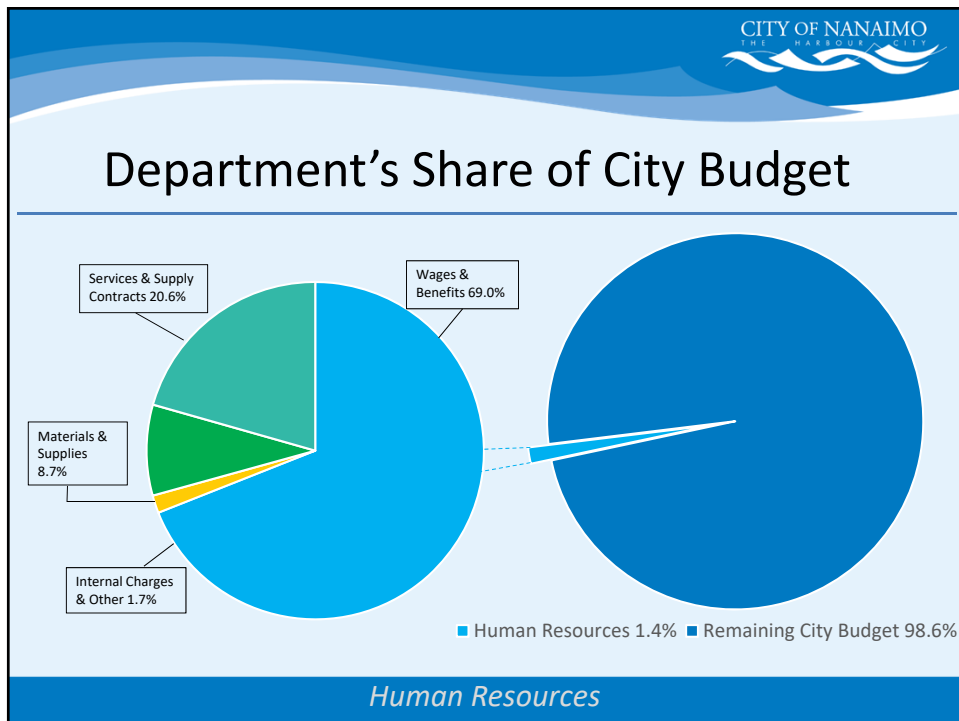



The slide features a blue header with the City of Nanaimo logo in the top right corner. The main title "Overview" is centered in a large, black, sans-serif font. Below the title is a bulleted list of four points. A horizontal line is positioned above the list. The slide has a blue footer with the text "Human Resources".

## Overview

- Provide specialized advice and responsive HR services to support the organization
- Attract talent
- Retain and develop our people
- Promote and support a safe, healthy workplace

Human Resources





## 2019 Achievements

- 4-year collective agreement with CUPE Local 401
- Review, repeal and replacement of Bylaw 7000 with Bylaw 7273
- Supported Council in developing Code of Conduct and Council's 2019-2022 Strategic Plan
- Whistleblower policy

*Human Resources*



## 2019 Achievements

- Recruitments (YTD - November 15)
  - 122 Competitions
  - 192 Positions filled
- Training & Development (YTD - November 15)
  - 54+ Courses and Workshops offered
  - 690+ Enrollments

*Human Resources*

## 2019 Achievements

- New branding for job postings
- Management Handbook
- Transition to paperless internal processes
- Onboarding process enhancement
- Mental health leadership training

*Human Resources*

## 2020 Key Challenges

- Reputation rebuilding
- Reducing lost time accidents
- Legacy litigation from former staff



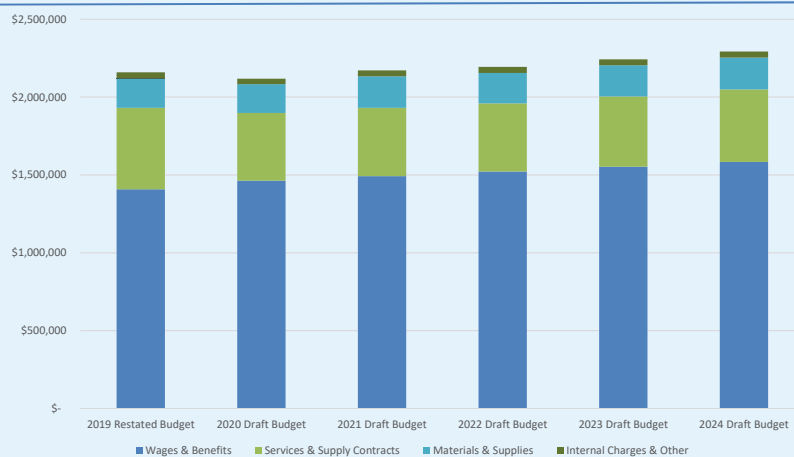
*Human Resources*

## 2020 Key Initiatives


- Collective bargaining with IAFF Local 905
- Resolve legacy employment litigation issues
- Health and safety initiatives
  - Continue proactive disability management
  - Expand mental health training
  - Certificate of Recognition (COR) Audit

*Human Resources*

## Draft Operating Budget



*Human Resources*



## Proposed Changes to Budget

- No changes proposed for 2020

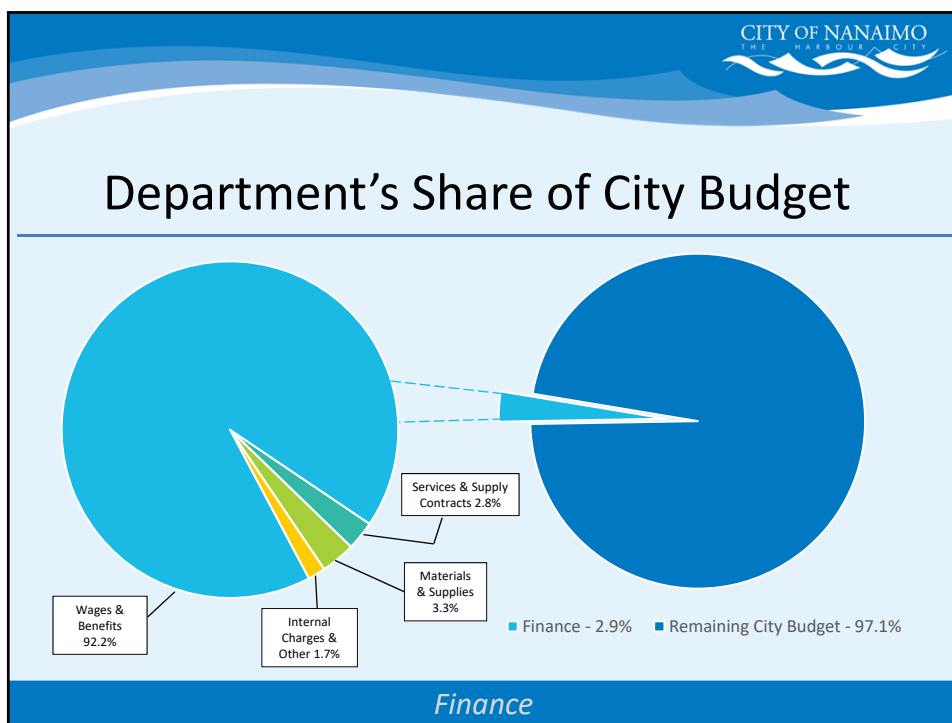
*Human Resources*

The slide is an overview of the Finance department. It has a blue header with the City of Nanaimo logo. The title 'Overview' is prominently displayed in a large, bold, black font. Below the title, there is a list of bullet points describing the Finance department's responsibilities. The background is a light blue gradient. At the bottom, there is a blue bar with the word 'Finance' in white.

## Overview

- Safeguards the City's financial assets
- Financial support to City departments
- Responsible for:
  - 5 Year Financial Plan
  - Monthly, quarterly and annual reporting
  - Accounts payables and receivables
  - Billings and collections
  - Cash collection
  - Payroll
  - Purchasing function

Finance




CITY OF NANAIMO  
THE HARBOR CITY

## 2019 Achievements

- Reserves policy
- Debt policy
- Budget transfer policy and procedures update
- Concur invoice automation solution
- Sewer and water user fee review
- Electronic Funds Transfer (EFT) fraud detection
- Completion of all statutory reporting requirements

*Finance*






## 2020 Key Challenges

- Staffing challenges
- Accounting software upgrade

*Finance*



## 2020 Key Initiatives

- Procurement Policy Review
- Procurement template legal review
- Implementation of an E-bidding solution to streamline RFx processes
- Implementation of Concur automated invoice processing
- Upgrade budgeting software

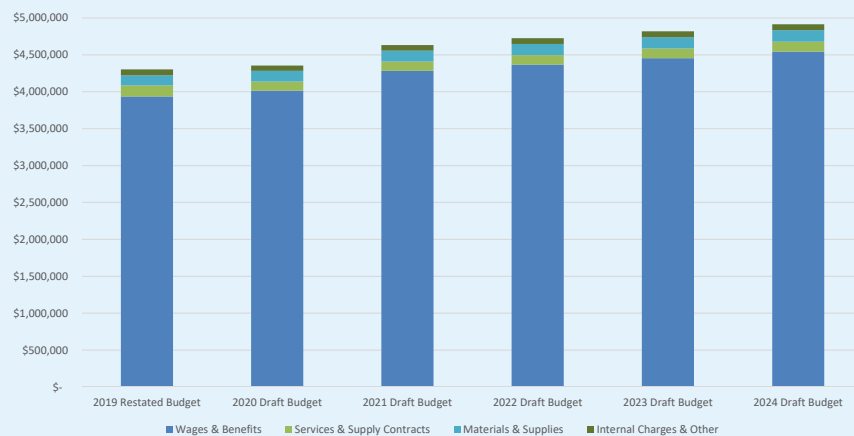
*Finance*

## 2020 Key Initiatives

- Implement changes to the budgeting and cost allocations for timecard workers
- Water and Sewer User Rate review
- Financial policy development. Linked to Strategic Plan, Core Review.
- Furtherance of the Coastal Communities Social Procurement Initiative

*Finance*

## Draft Operating Budget



*Finance*

## Proposed Changes to Budget

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- New personnel as part of July 2019 Organizational Structure:
  - Assistant Accountant – 2021
  - Junior Financial Analyst (shared) - 2021

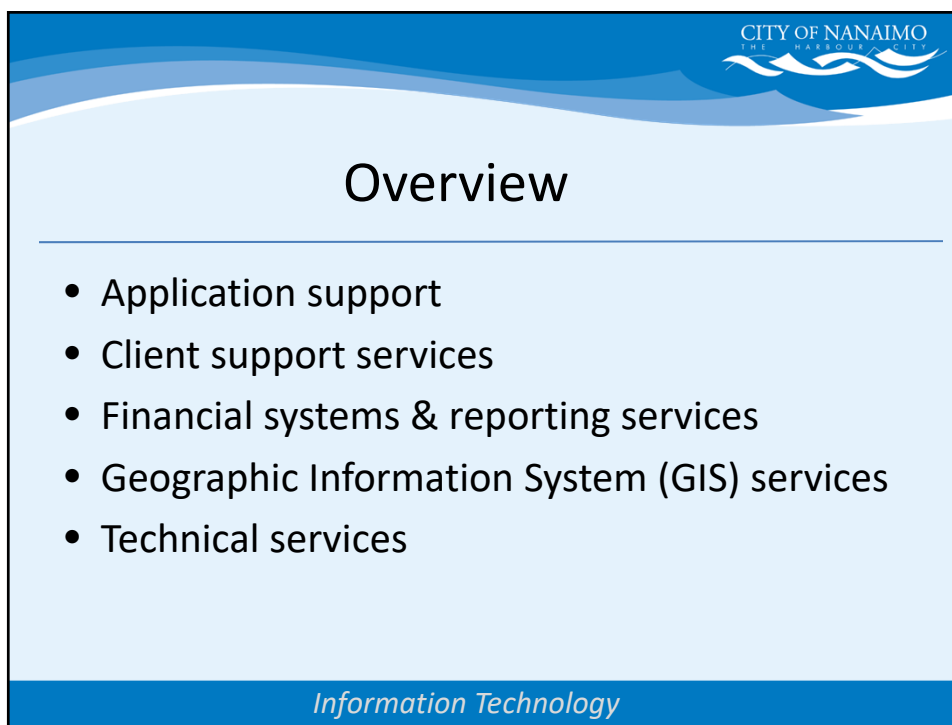
*Finance*

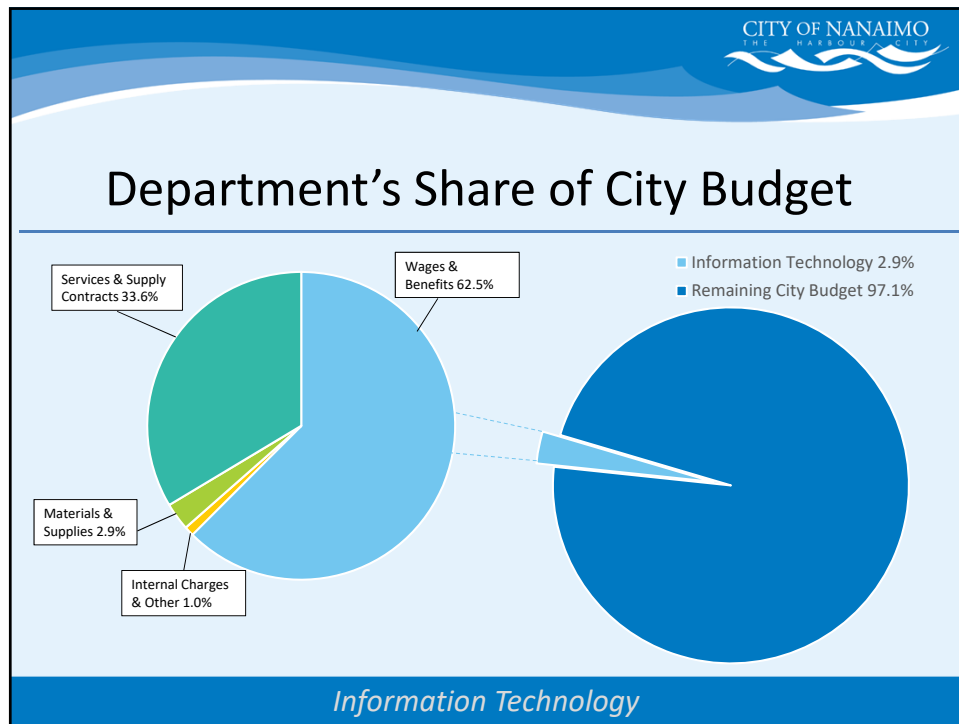
## Changes Not Included in Draft Budget

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- Business Case - Service Enhancements to Dog Licensing
  - Online options for billing, applying for and updating dog license information

*Finance*








## 2020 Key Challenges

- Security
- Innovation and enabling change
- Community and staff expectations

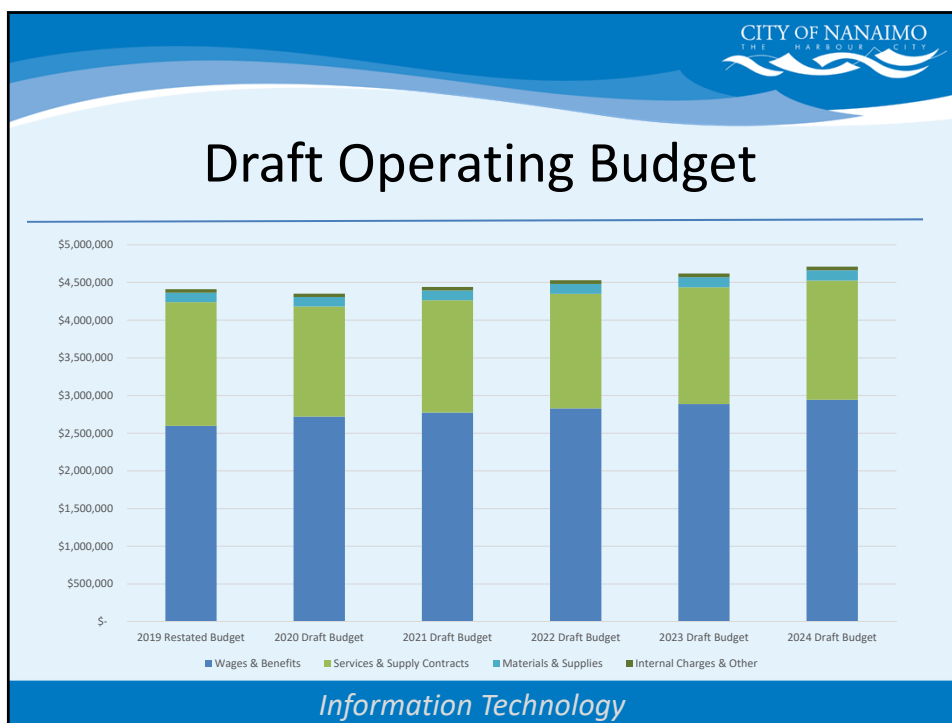
*Information Technology*



## 2020 Key Initiatives

- Content Management System (CMS) pilot
- Mapping of planning department processes
- New Citizen Mapping portal and open data repository
- File storage capacity upgrade
- CCTV support for pipe inspection software
- Business continuity implementations (dual ISP)
- Enhance anti-malware software
- IT Network Security strategy

*Information Technology*



CITY OF NANAIMO  
THE HARBOR CITY

## Proposed Changes to Budget

- New personnel as part of July 2019  
Organizational Structure:
  - Director, Information Technology

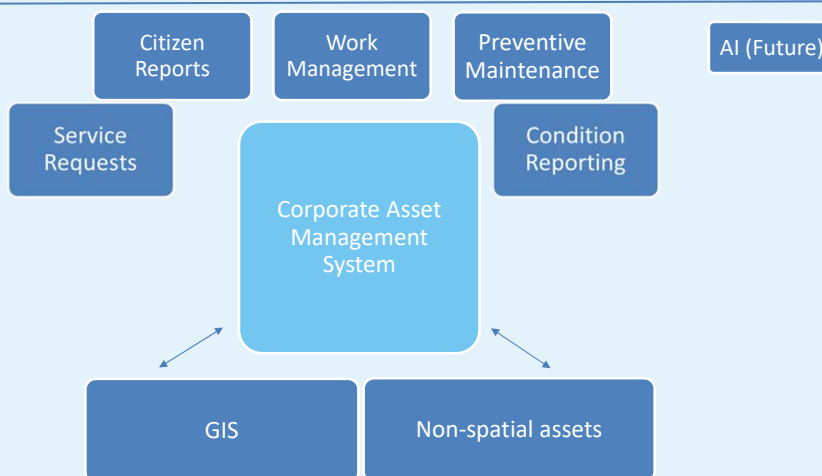
*Information Technology*

## Changes Not Included in Draft Budget

- Business Case - Corporate Asset Management System
  - An expandable computer system to enhance the City's asset management capabilities

*Information Technology*

## CAMS Diagram



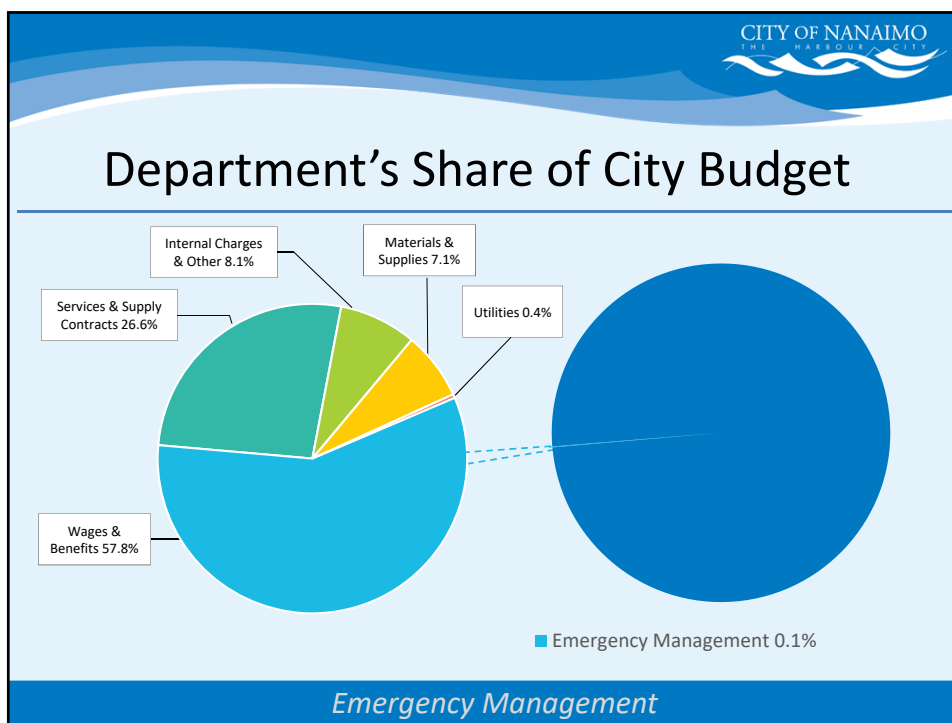




## Overview

- Emergency Management
  - Supports response & recovery from emergencies
  - Develops emergency plans
  - Trains staff
  - Provides public education
  - Manages volunteer program

*Emergency Management*



CITY OF NANAIMO  
THE HARBOR CITY

## 2019 Achievements

- 5 Community Exercises
- 2 Virtual ECC Activations
- 10 Monthly ESS Meetings & 2 Exercises
- 2 Hazard Specific Emergency Plans
- Climate Resiliency Study Participation
- Post-Incident Analysis from 2018 Windstorm
- Public Education
  - 2 Open Houses
  - 6 Public Information Sessions (reaching approx. 2,400 residents)
  - Advertising Campaigns
    - Emergency Preparedness Week
    - Great BC ShakeOut

Emergency Management

CITY OF NANAIMO  
THE HARBOUR CITY

## 2019 Achievements

Indicator	Benchmark	2018	2019 YTD (Aug 31)
ECC Activations – Virtual & Actual	2	5	1
Recovery of Funds from Emergency Events	-	0	\$159,000 (2018 Windstorm)
ESS Call Outs	-	19 (to Dec 31)	11 Assisted: 23 Adults, 5 Children, 3 Pets
ESS Volunteer Hours	500	678	344
Public Education Sessions/Events	4	8	6
ECC Training	4	4	4

*Emergency Management*


CITY OF NANAIMO  
THE HARBOUR CITY

## 2020 Key Challenges

- Training new staff
- Resource issues
- Provincial download



*Emergency Management*

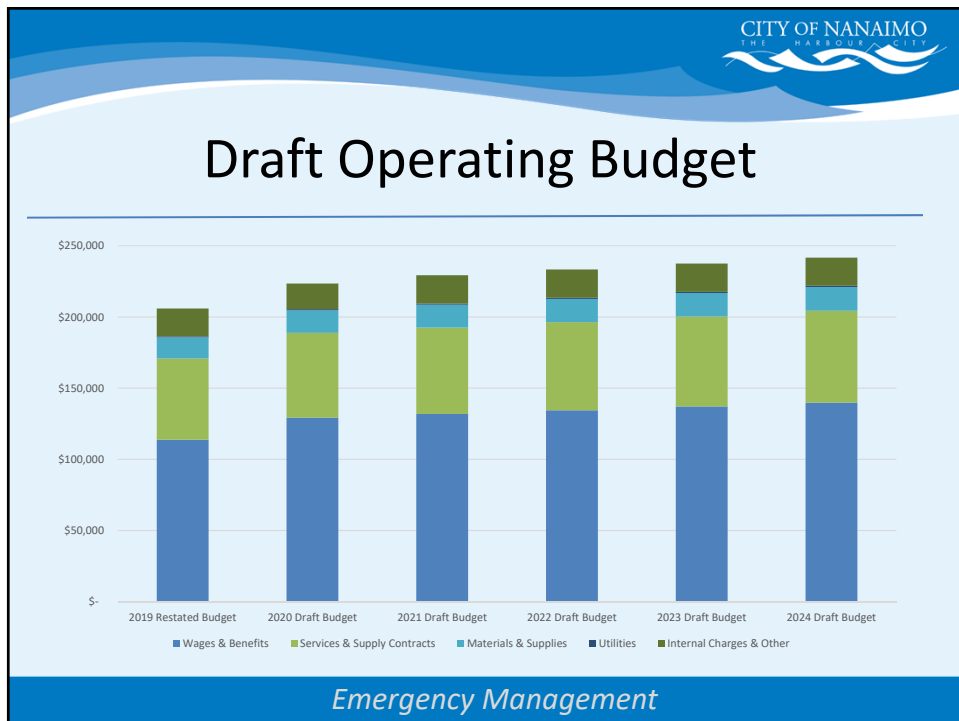



## 2020 Key Initiatives

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- ECC staff exercises (4 per year) and training
- ECC design for Fire Station #1 rebuild
- Public education and advertising
- Emergency Response and Recovery Plan update
- Hazard, Risk and Vulnerability Analysis update

*Emergency Management*






## Proposed Changes to Budget

- Business Case - Prepare Beban Complex Sub Station for Generator Purchase or Rental in Future

*Emergency Management*



## Changes Not Included in Draft Budget

- Business Case - Emergency Program Coordinator
  - Increase capacity of emergency management function

*Emergency Management*

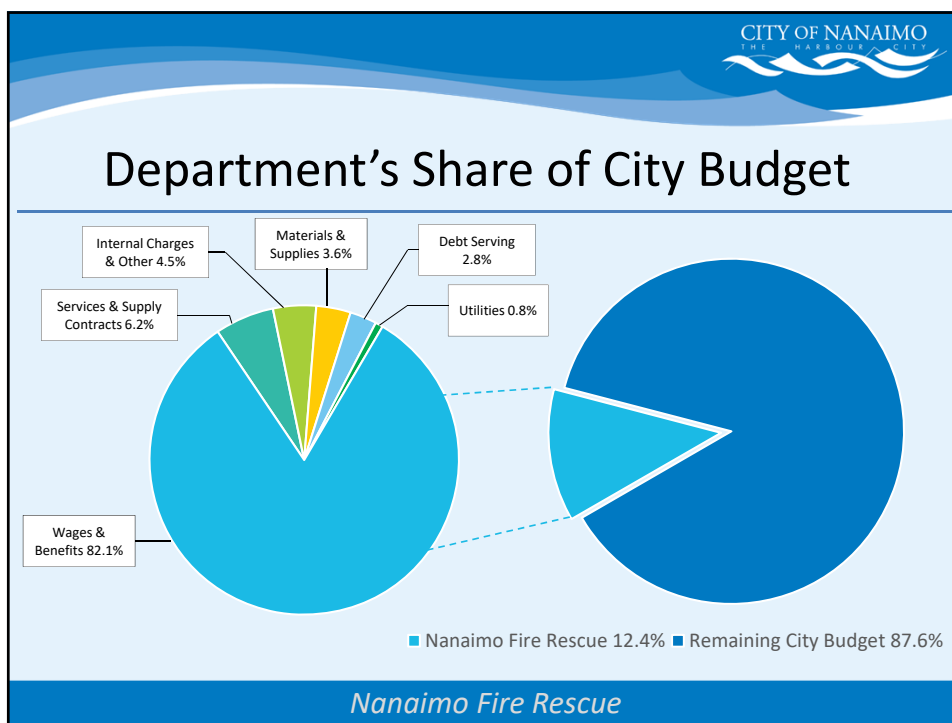


 The slide has a blue header with the City of Nanaimo logo. The title "Overview" is centered in a large, bold, black sans-serif font. Below the title is a list of services provided by Fire Rescue. To the right of the list are two photographs: one showing firefighters at a house fire and another showing a firefighter holding a rescued animal. A small photo credit is located below the second photo. The slide concludes with a blue footer bar containing the text "Nanaimo Fire Rescue".
 

- Fire Rescue
  - Fires, Medical, Rescue, Natural Disasters
  - Specialized Services: Hazardous Material, Technical Rescue
  - Community Risk Reduction – Public Education
  - 4 Stations & Protection Island
- 911 – Central Island FireComm

Photo Credits: Chris Bush  
Nanaimo News Bulletin


Nanaimo Fire Rescue



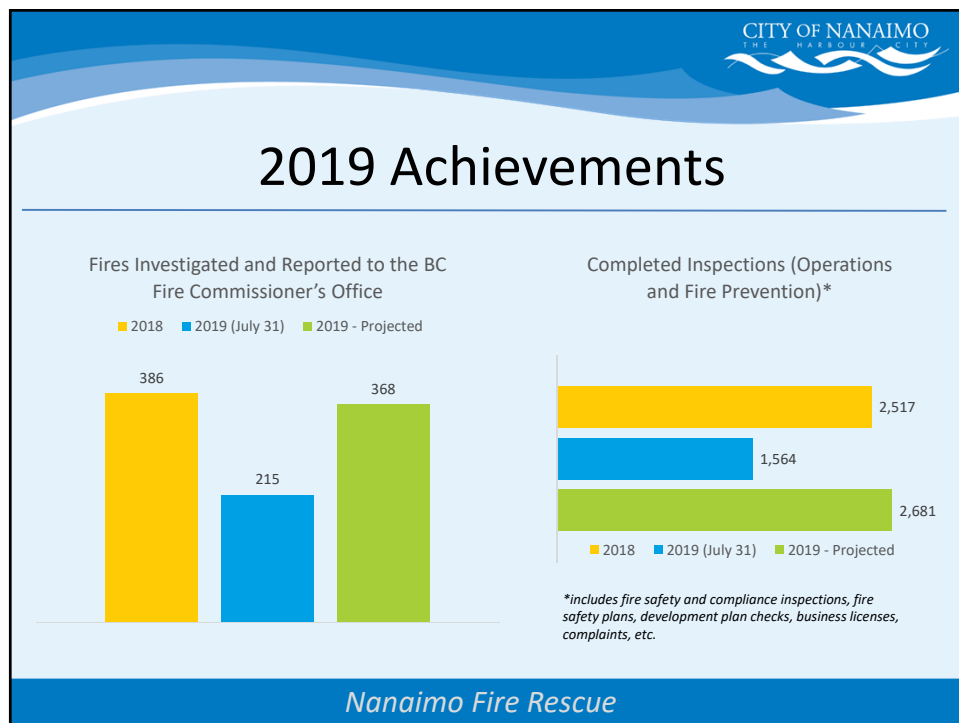
CITY OF NANAIMO  
THE HARBOUR CITY

## 2019 Achievements

- Training
- Fire Station #1
- Public Education & Outreach
  - Smoke Alarm Campaign & Installations
  - Bystander CPR
  - Camp Courage




*Nanaimo Fire Rescue*






CITY OF NANAIMO  
THE HARBOR CITY

## 2020 Key Challenges

- Mental Health training and awareness
- Fire Operations resourcing – increased overtime requirements
  - Sick time, WorkSafe
- Administrative capacity
- Resourcing for increased fire inspections, plan approval compliance
- Fire Station #1 rebuild



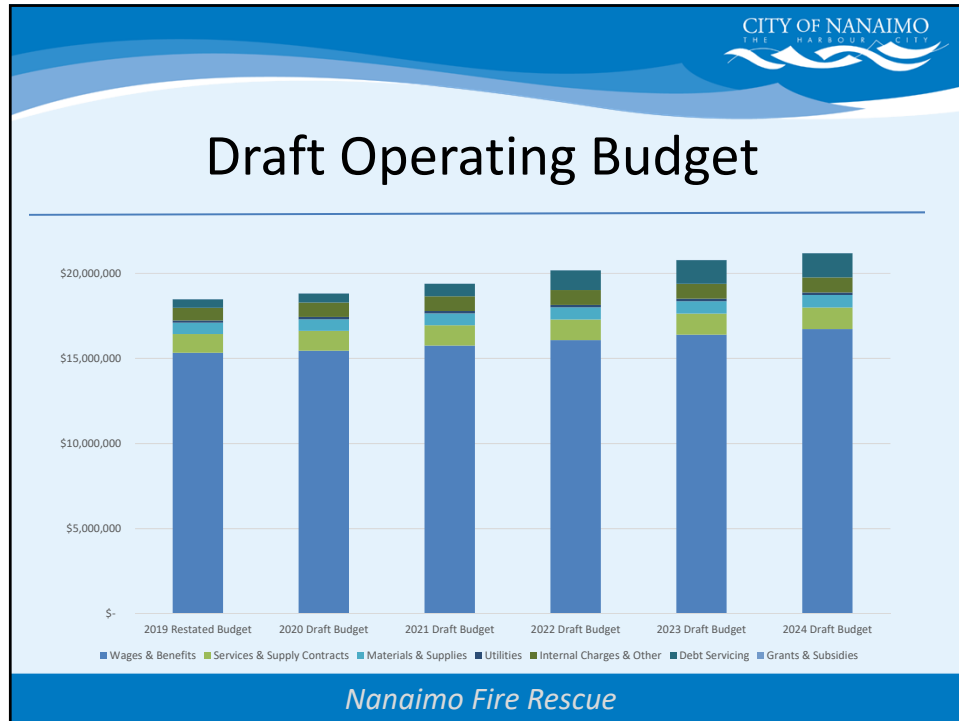
*Nanaimo Fire Rescue*

CITY OF NANAIMO  
THE HARBOR CITY

## 2020 Key Initiatives

- Fire Station #1 rebuild
- Comply with changes to BC Fire Code, BC Building Code and Fire Safety Act
- Mobile Inspections Initiative
- Expand training program – mental health, auto extraction, live fire, etc.
- Fire Department Study
- Community Outreach & Education on Fire Prevention and Community Safety

*Nanaimo Fire Rescue*



CITY OF NANAIMO  
THE HARBOUR CITY

## Proposed Changes to Budget

- SCBA Replacement (2021)  
Supported by Business Case

*Nanaimo Fire Rescue*