

DATE OF MEETING February 24, 2020

AUTHORED BY WENDY FULLA, MANAGER, BUSINESS, ASSET AND FINANCIAL PLANNING

SUBJECT 2019 – 2023 FINANCIAL PLAN AMENDMENT BYLAW

## **OVERVIEW**

### **Purpose of Report**

To introduce “Financial Plan Amendment Bylaw 2020 No. 7279.02” for first, second and third readings, for changes that have occurred since the bylaw was last amended on 2019-MAY-06.

### **Recommendation**

1. That “Financial Plan Amendment Bylaw 2020 No. 7279.02” (To amend the 2019 – 2023 Financial Plan), pass first reading;
2. That “Financial Plan Amendment Bylaw 2020 No. 7279.02” pass second reading; and
3. That “Financial Plan Amendment Bylaw 2020 No. 7279.02” pass third reading.

## **BACKGROUND**

The *Community Charter*, Section 165 (1) mandates that the City must adopt a financial plan, by bylaw annually. Further, *Community Charter*, Section 165 (2) provides that the financial plan may be amended from time to time, by bylaw. Budget bylaw amendments are required where new expenditures require additional sources of funding, or when budgets are transferred between operating and capital funds.

## **DISCUSSION**

A number of revisions to the 2019 – 2023 Financial Plan were undertaken since the adoption of the final budget on 2019-MAY-06. Details of the revisions are as follows:

- Maffeo Sutton: Rotary Centennial Garden – Expenditure budget of \$200,000 added, funded from a \$200,000 private contribution from Nanaimo Rotarians. Report to Committee of the Whole 2019-MAR-25.
- Emergency Water Supply Pump Station – Expenditure budget increased by \$755,000 from \$3,131,086 to \$3,886,086, funded from Water Reserves. Report to Council 2019-APR-01.

- Bruce Ave and Fifth Street Road Cost Share – Expenditure budget of \$152,981 added. \$64,113 funded from City Wide Roads Development Cost Charge Reserve Fund and \$88,868 funded from General Capital Reserve. Report to Council 2019-MAY-27.
- Property Acquisition: 85 Strickland Street Road Dedication – Expenditure budget of \$7,140 added, funded from Property Acquisition Reserve. An additional \$8,000 was added to the budget through a budget transfer bringing the total budget for the project to \$15,140, as per report. Report to Council 2019-APR-29.
- UBCM Community Child Care Planning Grant – Expenditure budget of \$125,000 added after City was advised in April 2019 that grant application was successful. Funded by grant from Union of BC Municipalities Funding Program for Community Child Care Planning Program. Report to Council 2019-JAN-14.
- Vancouver Island Military Museum: Fencing – Expenditure budget of \$21,565 added, funded from Piper’s Park Reserve.
- Community Action Team Grant – Expenditure budget increased from \$108,000 to \$308,000 to fund an Overdose Emergency Response Centre Conference. Funded by the Ministry of Mental Health and Addictions. Report to Council 2019-APR-08.
- Mary Ellen Drive Complete Street Project: Traffic Calming – Expenditure budget of \$5,000 added, funded from private contribution (developer community contribution). The budget was later increased an additional \$1,506 by a budget transfer as per Appendix A.
- 911 Services: Firewall Upgrade – Expenditure budget of \$30,000 added, funded from the E911 Reserve. Report to Finance and Audit Committee 2019-JUN-26.
- South Fork & Jump Creek Dams Inundation Mapping Study – Acceleration of project from 2021 to 2019/2020 and increase to budget. Expenditure budget of \$100,000 added to 2019 and \$200,000 added to 2020, funded by \$150,000 grant from the Union of BC Municipalities Funding Program for Flood Risk Assessment, Mapping and Mitigation Planning and \$150,000 from Water Reserves. Expenditure budget of \$200,000 removed from 2021, funded from Water Reserves. Report to Finance and Audit Committee 2019-JUN-26.
- Serauxmen Stadium: Outfield Lights – Expenditure budget for 2019/2020 increased from \$752,721 to \$1,096,221 with \$54,000 added to 2019 and \$289,500 added to 2020. Funded from Community Works Fund. Report to Finance and Audit Committee 2019-JUL-17.
- Sanitary Sewer Pump Station: Brookwood Upgrades – Expenditure budget increased from \$35,000 to \$285,000, funded from Sewer Reserves. Report to Finance and Audit Committee 2019-JUL-17. The budget was later increased an additional \$91,500 by a budget transfer.
- Jingle Pot at Westwood Area Complete St & Utility Project – Expenditure budget increased from \$1,439,819 to \$1,578,619, funded from a contribution from ICBC. Report to Finance and Audit Committee 2019-JUL-17. The budget was later increased an additional \$60,069 by a budget transfer.
- Mostar at Maureen Traffic Signal Timing – Expenditure budget of \$13,700 added, funded by a contribution from ICBC. An additional \$16,300 was added to the budget through a budget transfer to bring the total budget for the project to \$30,000.
- Property Acquisition: 933 Park Ave – Expenditure budget of \$1,376,500 added funded by \$825,900 from City Wide Parks Development Cost Charges Reserve Fund and \$550,600 Property Acquisition Reserve. Report to Council 2019-AUG-26. The budget was later increased an additional \$11,425 by a budget transfer.
- Frank Crane Arena: REALice – Expenditure budget increased from \$42,300 to \$53,468, funded from a grant from Fortis Gas.

- Cliff McNabb Arena: REALice – Expenditure budget increased from \$41,500 to \$54,076, funded from a grant from Fortis Gas.
- Harewood Youth Park – Expenditure budget of \$164,565 added to 2020 and removed from 2021 to accelerate Phase 2 of the project. Funded from Community Works Reserve Fund. Report to Finance and Audit Committee 2019-SEP-18.
- 911 Services: Radio Repeater Mt Hayes – Expenditure budget of \$30,000 added, funded from the E911 Reserve. Report to Finance and Audit Committee 2019-SEP-18.
- Hammond Bay Corridor & Utility Project – Total project budget increased from \$2,072,254 to \$2,328,974 through an expenditure budget increase and a budget transfer as per report. Expenditure budget increase of \$189,973 funded from City Wide Roads Development Cost Charges Reserve Fund. Remaining project budget increase of \$66,747 from a budget transfer (see Appendix A). Report to Finance and Audit Committee 2019-SEP-18.
- Downtown Priority Projects – Expenditure budgets totaling \$210,000 added to fund Public Realm Improvements identified for the downtown core, funded from the Strategic Infrastructure Reserve. Report to Finance and Audit Committee 2019-OCT-16.
- Snuneymuxw First Nation Grant – Expenditure budget of \$25,500 added funded from Strategic Infrastructure Reserve. An additional \$24,500 was added to the budget through a budget transfer as identified in report bringing the total budget to \$50,000. Report to Council 2019-NOV-18.
- Playground Equipment: Maffeo Sutton Phase 1 – Expenditure budget increased from \$592,828 to \$606,597, funded by increase in in-kind contribution from Children’s Health Foundation.
- Partners in the Park: Linley Point – Gyro Park – Expenditure budget of \$11,542 added, funded from private contributions (in-kind and cash).
- Toward Parity Grant – Expenditure budget of \$5,000 added, funded from Federation of Canadian Municipalities and Department for Women and Gender Equality Canada grant.
- Canadian Hazards Emergency Response and Preparedness Vancouver Island Partnership – Expenditure budget of \$11,000 added, funded from UBC Community-University Engagement Support funding grant. Report to Finance and Audit Committee 2020-FEB-19.
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The revisions due to budget transfers between operating and capital expenditures are summarized in Appendix A.

## **OPTIONS**

1. That “Financial Plan Amendment Bylaw 2020 No. 7279.02” (To amend the 2019 – 2023 Financial Plan) pass first reading;

That “Financial Plan Bylaw Amendment 2020 No. 7279.02” pass second reading; and

That “Financial Plan Amendment Bylaw 2020 No. 7279.02” pass third reading.

- The advantages of this option: Amending the 2019 – 2023 Financial Plan Bylaw ensures that spending is within legal limits.

- Financial Implications: The net effect of the changes is to increase the 2019 expenditures budget by \$3,950,214, the 2020 expenditures budget by \$654,065 and reduce the 2021 expenditures budget by \$364,565. Net expenditure changes are offset by corresponding funding changes.
2. That Council table the report and request more information from Staff.

### **SUMMARY POINTS**

- The “Financial Plan Amendment Bylaw 2020 No. 7279.02” captures budget changes with additional funding sources and budget transfers between operating and capital funds identified to the end of 2019.

### **ATTACHMENTS:**

- Appendix A
- “Financial Plan Amendment Bylaw 2020 No. 7279.02”

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#### **Concurrence by:**

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