

DATE OF MEETING MAY 2, 2022

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

SUBJECT **2022 – 2026 FINANCIAL PLAN AMENDMENT BYLAW**

OVERVIEW

Purpose of Report

To introduce “Financial Plan Amendment Bylaw 2022 No. 7337.01” for first, second and third readings.

Recommendation

1. That “Financial Plan Amendment Bylaw 2022 No. 7337.01” (To amend the 2022 – 2026 Financial Plan), pass first reading;
2. That “Financial Plan Amendment Bylaw 2022 No. 7337.01” pass second reading; and
3. That “Financial Plan Amendment Bylaw 2022 No. 7337.01” pass third reading.

BACKGROUND

Council at the 2021-DEC-20 Council Meeting adopted the Provisional 2022 – 2026 Financial Plan Bylaw “Financial Plan Bylaw 2021 No. 7337”. The Financial Plan reflected decisions made by Council during the budget review process in 2021. A Final 2022 – 2026 Financial Plan Bylaw and a Property Tax Rates Bylaw must be adopted by 2022-MAY-15 to enable the calculation and collection of 2022 property taxes.

At the 2022-APR-20, Finance and Audit Committee meeting Council received an update on the proposed Final 2022 – 2026 Financial Plan and staff sought direction from Council for any additional changes to the budget. The update highlighted changes since the provisional budget was adopted including updates to estimates and directives from Council.

Council engaged in deliberations, which resulted in the following change:

- Inclusion of recommendations from the Downtown Nanaimo Safety Action Plan to provide additional resources in an effective, timely and tiered response including:
 - The creation of 12 Community Safety Officer (CSO) positions;
 - The creation of 2 permanent 2 person Community Clean Teams;
 - The creation of a Downtown Ambassadors program;
 - The creation of a Parks Ambassadors program for summer of 2022 only;
 - The creation of a Vandalism Relief Grant program;
 - Additional downtown parkade cleaning;

- Funding for a Crime Prevention Through Environmental Design (CPTED) assessment of public spaces; and
- Funding for the creation of a Community Rule & Resources Guide.

DISCUSSION

The Final 2022 – 2026 Financial Plan includes a number of initiatives to support Council priorities and enhance service levels:

- Governance Excellence, Livability and Economic Health
 - Enhancements to Public Safety:
 - 4 new geographically targeted RCMP bike patrol members projected to arrive October 1, 2022; in addition to the 15 new RCMP members, 3 per year, being added over a five-year period (2020 – 2024).
 - 15 new police support services positions over a five-year period to adequately and better support contracted RCMP members beginning in 2022.
 - Recommendations from the Downtown Nanaimo Public Safety Action Plan including 16 new permanent positions (12 CSOs and 4 Community Clean Team members).
 - Allocation of \$480,000/year for five years to support recommendations and initiatives in the Health and Housing Action Plan.
- Economic Health
 - Funding for the new Nanaimo Prosperity Corporation to help advance the City's economic development priorities.
- Livability
 - Completion of the multi-year project to replace Fire Station #1.
 - Enhanced investment in 2022 for pedestrian amenities, budget for unallocated pedestrian amenities increased from \$300,000 to \$1 million.
 - Investment in recreation opportunities including Harewood Artificial Turf Fields, Loudon Park Improvements, Marie Davidson Bike Park Improvements and Maffeo Sutton Playground Phase 2.
 - Two new positions in Parks Operations to proactively manage parks assets.
 - Funding for two annual Snuneymuxw-led reconciliation events.
- Environmental Responsibility
 - Fixed annual contribution the Climate Action Reserve Fund to support energy and emissions management initiatives, plans and projects.
- Governance
 - Continuation of the multi-year project to implement a Corporate Asset Management System to enhance the City's ability to track and manage assets, and aid future decision-making.
 - Addition of a Supervisor of Technical Support to support the City in a proactive approach to cyber threats.

- Two new positions in Finance, a Manager, Financial Services and Special Projects and a Buyer to allow the department to effectively and efficiently meet current and future expectations and demands.
- Implementation of the Aquatics Development Plan to provide resources to create and sustain an enhanced team-based workplace environment.

FINANCIAL CONSIDERATIONS

The projected property taxes increases in the Final 2022 – 2026 Financial Plan are:

	2022	2023	2024	2025	2026
General Asset Management Reserve	1.0%	1.0%	1.0%	1.0%	1.0%
General Property Tax Increase	5.0%	4.5%	2.3%	1.9%	1.5%
Total Municipal Taxes	6.0%	5.5%	3.3%	2.9%	2.5%

The projected impact to the typical home is \$139 for municipal taxes and \$204 including user fee increases or approximately \$17/month.

Tax Paid by Average Home				
Based on 2022 Average Home of \$718,471	2021	2022	\$ Change	% Change
Property Taxes	\$2,317	\$2,456	\$139	6.0%
Municipal User Fees				
Water Fees	638	670	32	5.0%
Sewer Fees	146	152	6	4.0%
Sanitation Fees	189	216	27	14.3%
Total Municipal Taxes & User Fees	\$3,290	\$3,494	\$204	6.2%

Rounded to nearest dollar

Assumes a typical single family house with average Class 1 assessment change

OPTIONS

1. That “Financial Plan Bylaw 2022 No. 7337.01” (To amend the 2022 – 2026 Financial Plan) pass first reading;

That “Financial Plan Bylaw 2022 No. 7337.01” pass second reading; and

That “Financial Plan Bylaw 2022 No. 7337.01” pass third reading.
 - The advantages of this option: Adopting the 2022 – 2026 Financial Plan Amendment Bylaw authorizes the expenditures in the 2022 budget and calculation of the 2022 property taxes.
 - Financial Implications: Enables the calculation and collection of 2022 property taxes. Annual property taxes help fund City services and capital programs.
2. That Council table the report and request more information from Staff.

- The disadvantages of this option: Additional meeting(s) will be required to complete adoption of bylaws by 2022-MAY-15.
- Financial Implications: The Property Tax Bylaw for the calculation and collection of 2022 Property Taxes cannot be adopted until the 2022 – 2026 Financial Plan Amendment Bylaw is adopted. |

SUMMARY POINTS

- The 2022 property tax increase will be 6.0%.
- The “Financial Plan Amendment Bylaw 2022 No. 7337.01” must be adopted by 2022-MAY-15.
- This bylaw will allow Staff to calculate and collect 2022 property taxes. Annual property taxes help fund City services and capital programs.

ATTACHMENTS:

“Financial Plan Amendment Bylaw 2022 No. 7337.01”

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Concurrence by:

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