

FOR: COUNCIL MEETING
MEETING DATE: February 2, 2026
DEPARTMENT: FINANCE
SUBJECT: **2025 – 2029 FINANCIAL PLAN AMENDMENT BYLAW**

OVERVIEW

Purpose of Report

To introduce “Financial Plan Amendment Bylaw 2026 No. 7389.02” for first, second and third readings, for changes that have occurred since the bylaw was last amended on 2025-MAY-12. |

Recommendation

1. That “Financial Plan Amendment Bylaw 2026 No. 7389.02” (To amend the 2025 – 2029 Financial Plan), pass first reading;
2. That “Financial Plan Amendment Bylaw 2026 No. 7389.02” pass second reading; and
3. That “Financial Plan Amendment Bylaw 2026 No. 7389.02” 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

The following revisions have been made to the Financial Plan since its adoption. These changes either increased or decreased the overall expenditure budget or introduced new funding sources. Amounts noted do not necessarily represent the final project budget, as projects may have had original allocations or subsequent transfers.

- **DCC SD66: Thirteenth Street Drainage Study** - Expenditure budget increased \$10,000, funded by a grant from the Province of BC Local Government Infrastructure Planning Grant program funded by the Ministry of Housing and Municipal Affairs. Report to Council 2024-DEC-02.
- **Property Acquisitions** – Expenditure budget added of \$2,781,750 for various property purchases, funded by \$1,493,000 from the Property Acquisition Reserve Fund and

\$1,288,750 from the Property Sales Fund. Reports to Council 2025-FEB-24 and 2025-JUL-28.

- **CRI FireSmart Grant** – Expenditure budget increased \$83,918, funded by a grant from the Community Resiliency Investment program funded by the Ministry of Forests. Report to Finance and Audit Committee 2025-FEB-19.
- **Emergency Operations Centre: Equipment and Training** - Expenditure budgeted added of \$34,000, funded by a grant from the Community Emergency Preparedness Fund funded by the Ministry of Emergency Management and Climate Readiness. Report to Finance and Audit Committee 2025-FEB-19.
- **Loudon Park Improvement Plan** – Expenditure budget reduced by \$6,169,373 in 2026, funded by \$4,000,000 from the Special Initiatives Reserve and \$2,169,373 from the Strategic Infrastructure Reserve Fund. Council direction 2025-MAY-05.
- **Townsite Road: Raised Crosswalk** – Expenditure budget increased \$15,000, funded by a grant from Vision Zero BC administrated by Island Health.
- **ERP Project** – Expenditure budget increased \$1,000,000 in 2025 and \$900,000 in 2026, funded by \$200,000 from the General Asset Management Reserve Fund and \$800,000 from the IT Reserve Fund in 2025, and \$900,000 from the General Asset Management Reserve Fund in 2026. Report to Finance and Audit Committee 2025-MAY-21.
- **Nanaimo Aquatics Centre HVAC** – Expenditure budget increased \$6,740,951 in 2026, funded by \$1,500,000 from the Facility Development Reserve Fund and \$5,240,951 from the General Asset Management Reserve Fund. Report to Finance and Audit Committee 2025-MAY-21.
- **Accessibility Upgrades** – Expenditure budget increased \$16,575, funded by a grant from the Rick Hansen Foundation BC Grants program.
- **School Steets Initiative** – Expenditure budget added of \$12,500 funded, by a grant from the British Columbia School Streets Initiatives program through Green Communities Canada.
- **DCC/ACC Economic Impact Study** – Expenditure budget added of \$125,000, funded from the Special Initiatives Reserve. Report to the Governance and Priorities Committee 2025-JUN-23.
- **Bill Merilees Viewing Tower** – Expenditure budget increased \$10,000, funded by the Nature Trust of BC. Report to Council 2025-JUL-07.
- **Drop-In Hub** – Expenditure budget increased \$125,000, funded from the Special Initiatives Reserve. Report to Finance and Audit Committee 2025-JUL-16.
- **Extension of E&N Trail South of Columbia Street** – Expenditure budget added of \$148,000, funded by the Strategic Infrastructure Reserve Fund. Report to Finance and Audit Committee 2025-JUL-16
- **Townsite Road at St. Patrick Cresent: Raised Crosswalk** – Expenditure budget added of \$97,457, funded by developer contribution. Report to Council 2025-JUL-21.
- **Home Energy Navigator Program** – Expenditure budget of \$60,000 per year added to 2026 and 2027, funded from the Climate Action Reserve Fund. Report to Council 2025-JUL-21.
- **Burn It Smart Woodstove Exchange Program** – Expenditure budget increased \$10,000, funded by a grant from the Regional District of Nanaimo.
- **Ecological Accounting Process Partnership** – Expenditure budget increased \$10,000, funded by a grant from the Asset Management Planning program funded by the Ministry of Municipal Affairs.

- **Building Safer Communities Grant** – Expenditure budget reduced \$44,729 for grant funds unspent at 2025-MAR-31, partially offset by an increase in the contribution agreement of \$42,454 (net decrease of \$2,275).
- **South End Community Centre: Conceptual Design** – Expenditure budget of \$2,000,000 added, funded by \$1,325,000 from the Special Initiatives Reserve and \$675,000 from the Growing Communities Reserve Fund. Report to the Finance and Audit Committee 2025-SEPT-17.
- **NAC: Water Chemistry Controller** – Expenditure budget increased \$52,350, funded by a grant from BC Hydro.
- **Beban Pool: Water Chemistry Controller** – Expenditure budget increased \$26,250, funded by a grant from BC Hydro.
- **Marie Davidson Bike Park Upgrades** – Expenditure budget increased \$13,839, funded by holdback from contractor.
- **9th and Howard Cost Share** – Expenditure budget increased \$8,129, funded by recoveries.
- **Loudon Park Improvement Plan** – Expenditure budget reduced \$2,646,125, funded by \$167,308 from Prior Year Carryforwards Reserve, \$200,000 from Special Initiatives Reserve and \$2,278,817 from Community Works Reserve Fund, to transfer funds back to reserves so the project could be funded in the 2026 – 2030 Financial Plan in alignment with projected cash flow needs based on the option selected by Council. Report to the Finance and Audit Committee 2025-Nov-28.

Revisions due to budget transfers between operating and capital expenditures are summarized in Attachment A.]

COMMUNICATION AND COMMUNITY ENGAGEMENT

[This initiative does not require a statutory notification or include community engagement activities.]

ALIGNMENT WITH CITY PLAN

[The report is aligned with the following City goals:

- A Green Nanaimo: Resilient and Regenerative Ecosystems
- A Connected Nanaimo: Equitable Access and Mobility
- A Healthy Nanaimo: Community Wellbeing and Livability
- An Empowered Nanaimo: Reconciliation, Representation and Inclusion
 - [C4.4 Political Voice & Engagement]
- A Prosperous Nanaimo: Thriving and Resilient Economy

ALIGNMENT WITH COUNCIL'S STRATEGIC PRIORITIES

[The report is aligned with the following Council Strategic Framework priorities :

- Implementing City Plan Action Plans and Key City Management Plans
- Social, Health and Public Safety Challenges
- Maintaining and Growing Current Services
- Capital Projects
- Communicating with the Community

Governance and Corporate Excellence |

OPTIONS

1. That “Financial Plan Amendment Bylaw 2026 No. 7389.02” (To amend the 2025 – 2029 Financial Plan), pass first reading;

That “Financial Plan Amendment Bylaw 2026 No. 7389.02” pass second reading; and

That “Financial Plan Amendment Bylaw 2026 No. 7389.02” pass third reading.

- The advantages of this option: Amending the 2025 – 2029 Financial Plan Bylaw ensures that spending is within the legal limits.
- Financial Implications: The net effect of the changes is to increase the 2025 expenditure budget by \$3,931,368, increase the 2026 expenditure budget by \$1,531,578 and increase the 2027 expenditure budget by \$60,000 .

2. That Council table the report and request more information from Staff.

KEY MESSAGES

- The “Financial Plan Amendment Bylaw 2026 No. 7389.02” captures budget changes with additional funding sources and budget transfers between operating and capital funds identified to the end of 2025.

ATTACHMENTS

ATTACHMENT A: Budget Transfers

ATTACHMENT B: “Financial Plan Amendment Bylaw 2026 No. 7389.02” |

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