

Request for Decision



To: Committee of the Whole
From: Chief Financial Officer
Date: March 11, 2019
Subject: Five Year Financial Plan Bylaw No. 2055
Recommendation: **THAT the Committee of the Whole recommends to Council to give first three readings of the 2019-2023 Five Year Financial Plan Bylaw No. 2055 at the March 25, 2019 Regular Meeting.**

Background

Sections 165 and 166 of the Community Charter require a municipality to adopt a five-year financial plan annually, before the annual property tax bylaw is adopted, and to include public consultation as part of the financial planning process. The Financial Plan Bylaw introduced here will need to be adopted on April 8, 2019 in order to meet the regulatory deadline of May 15, 2019 for the adoption of the annual tax rates bylaw.

Four public budget workshops were conducted on January 28th and February 4th, 11th, and 19th, with presentations by staff on the capital and operating budgets for 2019. A draft 2019-2023 financial plan was presented at the February 19th workshop for review and discussion.

The financial plan bylaw presented here includes the following changes from the draft financial plan presented at the February 19th workshop:

- an increase of \$14,539 in parks, recreation and cultural services for the fee for service increases requested by the Boundary Museum, Gallery2 and Search and Rescue.
- a reduction of \$50,000 in zoning and planning expenses for the airport master plan.
- a reduction of \$4,380 in franchise revenue for 2019, which was previously estimated, but is now a known amount.
- inclusion of the Disaster Mitigation and Adaptation Fund grant in each year of the financial plan. These amounts have been included as grant revenues and capital expenditures.
- revisions to amortization expense for 2019-2023. As amortization is a non-cash expense, there is no impact on the total cash from operations amount as a result of this change.
- allocation of the \$300,000 contribution from operations toward the sustainable infrastructure investment plan as a reduction in expenses for the various departments.

As discussed at the budget workshops, this financial plan includes no increase in property tax revenues from 2018 actuals.

The proposed bylaw will be presented for first three readings at the March 25th Regular Meeting of Council.

Benefits or Impacts

General

Adoption of a five-year financial plan is an annual requirement of the Community Charter. The 2019-2023 Financial Plan sets out the proposed funding sources, expenditures, and transfers to and from reserve funds for the current and additional four fiscal years.

The Financial Plan has been developed by applying the objectives and policies of Asset Management Financial Policy 808 towards achieving a goal of financial sustainability.

Strategic Impact



Fiscal Responsibility

Preparation of an annual budget and financial plan allows the City to ensure that adequate provision is made to meet its short and long-term operational and capital financial needs.

Policy/Legislation

Community Charter Section 165

Attachments

Draft Five Year Financial Plan Bylaw No. 2055

Recommendation

THAT the Committee of the Whole recommends to Council to give first three readings of the 2019-2023 Five Year Financial Plan Bylaw No. 2055 at the March 25, 2019 Regular Meeting.

Options

1. THAT the Committee of the Whole accepts the recommendation
2. THAT the Committee of the Whole does not accept the recommendation.
3. THAT the the Committee of the Whole refers the matter back to staff for further information.