

To: Chief Administrative Officer **Date:** May 2, 2022
From: Kerri Onken, Deputy Treasurer/Collector
Subject: **Amendment to Financial Plan 2021 to 2025 Bylaw 5990-2020**

Recommendation(s)

This report is provided for information purposes only. The 2021 to 2025 Financial Plan Amending Bylaw 6087-2022-5990(1) is listed under the “Bylaws for Consideration” section of the agenda for consideration of three readings.

Purpose

The purpose of this report is to present to Council an amended 2021 to 2025 Financial Plan that incorporates the 2021 budget amendments that have taken place since the adoption of this bylaw on January 18, 2021. These amendments include those that have received prior approval by Council as well as additional administrative adjustments for grants and other transactions. The amending bylaw is required to ensure the City is in compliance with Section 165(2) of the *Community Charter*.

Background

The 2021 to 2025 Financial Plan Bylaw 5990-2020 was adopted on January 18, 2021. Since the bylaw was adopted, several budget amendments have been approved by Council resolution for inclusion into the Financial Plan. In accordance with Section 165(2) of the *Community Charter*, the financial plan may be formally amended by bylaw at any time. This report is provided as a follow-up step to formally include all the 2021 budget amendments previously approved by Council plus other administrative amendments such as grants and donations received and reallocations, into a Financial Plan amending bylaw.

Discussion and Analysis

The 2021 to 2025 Financial Plan Amending Bylaw 6087-2022-5990(1) covers budget amendments approved by Council for inclusion in the 2021 to 2025 Financial Plan since the bylaw was adopted on January 18, 2021. In addition to the Council approved amendments, there are administrative adjustments for grants and other transactions listed to be compliant with Section 165(2) of the *Community Charter*. These are identified separately in the tables below.

The budget amendments approved by Council are summarized in this report and have been categorized into three main groups; operating budget amendments, capital budget amendments, and contingency budget amendments. For additional information the motion number is provided.

2021 Operating Budget Amendments

The operating budget amendments, along with funding sources, are listed below in Table 1. These projects did not affect property taxes for 2021 as funding was from sources such as reserves, external grants, revenue, or third-party recovery.

TABLE 1

Motion	2021 Operating Budget Amendments Descriptions	Amount	Funding Source
RC21/042	Regional Sewer operating budget update from Abbotsford	\$ 6,661	Sewer Reserve
RC21/063	2021 Municipal by-election	180,000	Stabilization
RC21/094	Forestry Communications Plan	30,000	Forestry Reserve
RC21/141	Mission Activity Centre - Youth Centre Project	66,000	Accumulated Surplus
RC21/147	Re-budgeted and carry forward items as approved by Council for projects starting in 2020 with completion date in 2021	280,610 50,000 80,156 188,016 71,783 15,000 9,513 29,102	Accumulated Surplus Accumulated Surplus-Water Fund Grant Received Gaming Reserve Forestry Reserve Stabilization Recovery Carry Forward Reserve
	Transferred budget to I Love Mission Campaign	25,000	General Operating reallocation of unused budget
RC21/278	Transferred budget from Community Enhancement Grants	-13,922	<i>unused budget to be transferred</i>
	Transferred budget from Community Special Events	-11,078	<i>unused budget to be transferred</i>
RC21/279	Regional water carry forwards for projects completing in 2021	4,190	Water Reserve
RC21/279	Regional sewer carry forwards for projects completing in 2021	11,754	Sewer Reserve
RC21/280	Transferred budget to Donations & Grants to pay for Mission Association for Community Living Property Taxes	8,907	General Operating reallocation of unused budget
	Transferred budget from Council	-8,907	<i>unused budget to be transferred</i>
RC21/335	In-Service Road Safety Review	25,000	Grant Received
		20,000	Accumulated Surplus
RC21/369	Steelhead Community Emergency Planning Preparation Fire & Forestry Report	6,525	Forestry Reserve
RC21/446	2022 Permissive Tax Exemption Applications	14,910	Non-Market Construction Revenue
RC21/469	Traffic Calming and Safety Review	35,000	Accumulated Surplus
RC21/518	Purchase of personal protective equipment for fire investigations	3,000	Donation Received
Admin*	Silverdale Planning Consultant	100,000	Recovery
Admin*	Reforestation Liability	208,000	Forestry Reserve
Admin*	Reclassifying expense to reserve transfer	-20,518	Debt Reserve
Admin*	Increasing utility fund admin fee to offset tasks moved to general operating	44,357	Recovery (budget neutral)
Admin*	Bonus Gas Tax Payment	1,690,460	Transferred to Gas Tax Reserve
		-1,690,460	Grant Received
Admin*	Amortization and asset write-downs	1,091,293	Investments in TCA's
Admin*	Reclassifying small capital (see offsetting entry in Table 2)	3,068,576	Capital Funding Reserves
Admin*	Fraser Valley Full Scale Food Processing and Innovation Hub expenses	650,000	Grant Received
Admin*	Fire Smart Grant expenses	125,730	Grant Received
Admin*	Indigenous Guardians Program expenses	249,538	Grant Received
Admin*	Social Development COVID Response Funding expenses	79,192	Grant Received
Admin*	BC Hydro Community ReGreening Program expenses	2,500	Grant Received
Admin*	Investment Readiness Program expenses	22,500	Grant Received
Admin*	UBCM Strengthening Communities Grant expenses	686,936	Grant Received

Motion	2021 Operating Budget Amendments Descriptions <i>Con't</i>	Amount	Funding Source
Admin*	Community Foundation of Canada - Youth Centre expenses	64,251	Grant Received
Admin*	BC Hydro Kiosk wraps expenses	4,043	Grant Received
Admin*	Increase in stumpage fees funded by increase in Timber Sales revenue	1,111,714	Revenue
Admin*	Major Storm Emergency costs	318,039	Recovery from Prov Government
Admin*	AMRD operations	88,716	Additional AMRD revenue
Admin*	Landfill costs	67,029	Additional Landfill revenue
Admin*	Refuse curbside collection costs	31,100	Additional curbside collection revenue
Various	Closed council motions throughout the year	473,350	Debt Reserve
		150,961	Revenue

*Admin - these administrative adjustments are required to be compliant with Community Charter Section 165(2).

The impact of the above operating budget amendments (not including carry forwards) is:

- The General Fund Reserves decreased by \$653,350,
- The Utility Fund Reserves decreased by \$221,186,
- The General Fund Accumulated Surplus decreased by \$121,000, and
- An increase in revenue from sales and services provided plus grants received funded \$5,515,619 of budget increases.

2021 Capital Budget Amendments

The capital budget amendments, along with the funding source, are listed in Table 2 below.

TABLE 2

Motion	2021 Capital Budget Amendments Descriptions	Amount	Funding Source
RC21/036	Detention Pond 3 at Nottman Street	\$ 420,750	DCC Reserves
		4,250	General Capital Reserve
RC21/037	Council Chamber Upgrades	167,900	Grant Received
RC21/116	Secondary EOC Grant	24,158	Grant Received
RC21/141	Mission Activity Centre - Youth Centre Project	105,000	General Capital Reserve
RC21/147	Capital Plan carry forward budgets as approved for projects starting in 2020 with completion date in 2021	690,267	Land Sale Reserve
		3,360,304	Sewer Capital Reserve
		1,500,000	Park Land Reserve
		2,858,199	Arterial Road Reserve
		22,325,087	Grants Received
		569,376	Community Amenity Reserve
		2,128,063	DCC Reserves
		1,850,099	General Capital Reserve
		314,366	Forestry Reserve
		371,651	Gas Tax Fund
		639,467	Drainage Capital Reserve
		809,598	Water Capital Reserve
		1,113,865	Equipment Reserve
		899,041	Accumulated Surplus
		168,802	Refuse Reserve
		286,995	Recovery
		241,553	Gaming Reserve
		213,542	Information Services Reserve
		71,780	Cemetery Reserve
		1,660,016	Major Capital Reserve
RC21/150	Sewer Pipe River Crossing budget update	-1,313,517	Sewer Capital Reserve funding reduced
		-1,258,030	DCC Reserve funding reduced
		-11,001,260	Grant funding reduced
		17,200,000	Above funding sources replaced by Long Term Debt
RC21/279	Regional Utilities capital carry forwards approved (by Joint Shared Services Committee & Council)	2,150,883	Sewer Capital Reserve
		685,500	Water Capital Reserve
		338,951	DCC Reserves
		176,506	Grants Received
RC21/306	Keystone Bridge Replacement	200,000	Arterial Road Reserve
RC21/354	Enterprise Application System	2,000,000	Accumulated Surplus
		500,000	Grant Received
RC21/367	Falcon Lift Station	700,000	Sewer Capital Reserve
RC21/486	Trail Construction costs-Parr Avenue Neighbourhood	245,200	Community Amenity Reserve
RC21/495	7229 Mershon Street Roof Replacement	287,500	Accumulated Surplus
Admin*	Fire Smart Grant - new Siding at Fire Hall #2	14,100	Grant Received
Admin*	ICBC Traffic Safety Projects	23,000	Grant Received
Admin*	Library Capital	2,353	Recovery
Admin*	Reclassifying small capital in Financial Plan (see offsetting entry in Table 1)	-3,068,576	No change to various reserves
Various	Closed Council motions throughout the year	30,000	Debt Reserve Fund
		2,019,450	Land Sale Reserve
		20,000	Drainage Capital Reserve
		2,676,962	Grant Received

*Admin - these administrative adjustments are required to be compliant with Community Charter Section 165(2).

The impact of the above capital budget amendments (not including carry forwards) is:

- The Utility Fund Reserves increased by \$593,517,
- DCC Reserves increased by \$837,280,
- The General Fund Accumulated Surplus decreased by \$2,287,500,
- The General Capital Fund Reserves decreased by \$2,603,900,
- Grants and recovery budgets decreased by \$7,592,787, and
- The expected long-term debt funding increased by \$17,200,000.

2021 General Operating Fund Contingency Budget Amendments

Included in the general operating fund budget is the City Operating Contingency account. This account started the year with a balance of \$38,000 that is available for unexpected or emergent costs. Table 3 below, lists the 2021 approved requests funded from the City's contingency account.

Motion	2021 General Contingency Budget	Amount
	2021 Opening Balance	\$ 38,000
RC21/272	Mission Hospice Society Expansion - building permit fees	-4,500
RC21/335	In-Service Road Safety Review	-25,000
	2021 Ending Balance	\$ 8,500

Council Goals/Objectives

This report addresses the goals under Council's strategic focus areas of, Secure Finances, Assets and Infrastructure, and Organizational Excellence.

Financial Implications

There are no financial implications directly associated with this report as the budget amendments requiring an internal funding source were previously approved by Council and the financial implications were considered at that time.

Communication

No communication action is required.

Summary and Conclusion

In accordance with Section 165(2) of the *Community Charter*, the financial plan may be amended by bylaw at any time. This report is provided as a follow-up step to formally include all 2021 budget amendments previously approved by Council plus administrative amendments such as grants and donations received and reallocations of budgets among projects into a Financial Plan amending bylaw.

The 2021 to 2025 Financial Plan Bylaw 5990-2020 was adopted on January 18, 2021. Since that time there have been several 2021 operating and capital budget amendments for inclusion into the 2021 to 2025 Financial Plan.

The impact of the 2021 budget amendments (not including carry forwards) is:

- The General Fund operating and capital reserves decreased by \$3,257,250,
- The Utility Funds operating and capital reserves increased by \$372,331,
- The General Fund Accumulated Surplus decreased by \$2,408,500,
- Grants, donations and revenue budget (capital and operating) were decreased by \$2,077,168,
- DCC reserves decreased by \$837,280, and
- Capital budgeted to be funded by long-term debt increased by \$17,200,000.

Staff are asking Council to consider giving three readings to the 2021 to 2025 Financial Plan Amending Bylaw 6087-2022-5990(1) as listed under the Bylaws for Consideration Section.

Report Prepared by: Kerri Onken, Deputy Treasurer/Collector
Reviewed by: Kristi Klassen, Budget Analyst
Reviewed by: Doug Stewart, Director of Finance
Approved for Inclusion: Mike Younie, Chief Administrative Officer

Attachment(s)

Attachment A: 2021 to 2025 Financial Plan Amending Bylaw 6087-2022-5990(1)