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Administration (604) 541-2212
E-mail clerksoffice@whiterockcity.ca

Meeting notice located
on page 65.

On-table items:
Local Government Finance Orientation
pg. 67
2019-2023 Draft Financial Plan pg. 111

THE CORPORATION OF THE
CITY OF WHITE ROCK
15322 BUENA VISTA AVENUE, WHITE ROCK, B.C. V4B 1Y6



February 22, 2019

A **FINANCE AND AUDIT COMMITTEE MEETING** will be held in the **CITY HALL COUNCIL CHAMBERS**, located at **15322 Buena Vista Avenue, White Rock, BC**, on **THURSDAY, FEBRUARY 28, 2019** at **4:00 p.m.** for the transaction of business as listed below.

T. Arthur
Director of Corporate Administration

A G E N D A

Councillor Johanson, Chairperson

1. AGENDA APPROVAL

RECOMMENDATION

THAT the Finance and Audit Committee adopt the agenda for the meeting scheduled for February 28, 2019 as circulated.

2. PREVIOUS MINUTES

a) Finance and Audit Committee Meeting – July 23, 2018

Page 4

RECOMMENDATION

THAT the Finance and Audit Committee adopt the minutes of their meeting held July 23, 2018 as circulated.

3. 2019 TO 2023 DRAFT FINANCIAL PLAN – GENERAL FUND OPERATING BUDGET

Corporate report dated February 28, 2019 from the Director of Financial Services titled “2019 to 2023 Draft Financial Plan – General Fund Operating Budget”.

Page 6

RECOMMENDATION

THAT the Finance and Audit Committee:

1. Receive for information the corporate report dated February 28, 2019, from the Director of Financial Services, titled “2019 to 2023 Draft Financial Plan – General Fund Operating Budget”;
2. Endorse the presented Draft Financial Plan figures and assumptions for the General Fund Operating Budget or provide direction on amendments to be made; and
3. Direct staff to proceed with scheduling a public meeting and placing an advertisement in the newspaper to notify the public of the opportunity for public comments and / or requesting written comments or questions, based on the information presented in this corporate report, or as amended.

4. **2019 TO 2023 DRAFT FINANCIAL PLAN – GENERAL FUND ASSET IMPROVEMENT BUDGET** **Page 17**

Corporate report dated February 28, 2019 from the Director of Financial Services titled “2019 to 2023 Draft Financial Plan – General Fund Asset Improvement Budget”.

RECOMMENDATION

THAT the Finance and Audit Committee:

1. Receive for information the corporate report dated February 28, 2019, from the Director of Financial Services, titled “2019 to 2023 Draft Financial Plan – General Fund Asset Improvement Budget”;
2. Endorse the presented Draft Financial Plan figures and assumptions for the General Fund Asset Improvement Budget or provide direction on amendments to be made; and
3. Direct staff to proceed with scheduling a public meeting and placing an advertisement in the newspaper to notify the public of the opportunity for public comments and/or requesting written comments or questions, based on the information presented in this corporate report, or as amended.

5. **2019 TO 2023 DRAFT FINANCIAL PLAN – WATER UTILITY** **Page 42**

Corporate report dated February 28, 2019 from the Director of Financial Services titled “2019 to 2023 Draft Financial Plan – Water Utility”.

RECOMMENDATION

THAT the Finance and Audit Committee:

1. Receive for information the corporate report dated February 28, 2019, from the Director of Financial Services, titled “2019 to 2023 Draft Financial Plan – Water Utility;”
2. Endorse the presented Draft Financial Plan figures and assumptions for the Water Utility or provide direction on amendments to be made; and
3. Direct staff to proceed with scheduling a public meeting and placing an advertisement in the newspaper to notify the public of the opportunity for public comments and/or requesting written comments or questions, based on the information presented in this corporate report, or as amended.

6. **2019 TO 2023 DRAFT FINANCIAL PLAN – DRAINAGE UTILITY** **Page 51**

Corporate report dated February 28, 2019 from the Director of Financial Services titled “2019 to 2023 Draft Financial Plan – Drainage Utility”.

RECOMMENDATION

THAT the Finance and Audit Committee:

1. Receive for information the corporate report dated February 28, 2019, from the Director of Financial Services, titled “2019 to 2023 Draft Financial Plan – Drainage Utility”;
2. Endorse the presented Draft Financial Plan figures and assumptions for the Drainage Utility or provide direction on amendments to be made; and

3. Direct staff to proceed with scheduling a public meeting and placing an advertisement in the newspaper to notify the public of the opportunity for public comments and/or requesting written comments or questions based on the information presented in this corporate report, or as amended.

7. **2019 TO 2023 DRAFT FINANCIAL PLAN – SANITARY SEWER UTILITY** **Page 58**
Corporate report dated February 28, 2019 from the Director of Financial Services titled “2019 to 2023 Draft Financial Plan – Sanitary Sewer Utility”.

RECOMMENDATION

THAT the Finance and Audit Committee:

1. Receive for information the corporate report dated February 28, 2019, from the Director of Financial Services, titled “2019 to 2023 Draft Financial Plan – Sanitary Sewer Utility”;
 2. Endorse the presented Draft Financial Plan figures and assumptions for the Sanitary Sewer Utility or provide direction on amendments to be made; and
 3. Direct staff to proceed with scheduling a public meeting and placing an advertisement in the newspaper to notify the public of the opportunity for public comments and/or requesting written comments or questions, based on the information presented in this corporate report, or as amended.
8. **CONCLUSION OF THE FEBRUARY 28, 2019 FINANCE AND AUDIT COMMITTEE MEETING**

PRESENT: Councillor Knight, Chairperson
Mayor Baldwin
Councillor Chesney
Councillor Lawrence
Councillor Meyer

ABSENT: Councillor Fathers
Councillor Sinclair

STAFF: D. Bottrill, Chief Administrative Officer
T. Arthur, Director of Corporate Administration
J. Gordon, Director of Engineering and Municipal Operations
S. Kurylo, Director of Financial Services
S. Lam, Deputy Corporate Officer

Press: 0
Public: 1

The meeting was called to order at 4:30 p.m.

1. AGENDA APPROVAL

2018-F/A-008

It was MOVED and SECONDED

THAT the Finance and Audit Committee adopts the agenda for the meeting scheduled for July 23, 2018 as circulated.

CARRIED

2. PREVIOUS MINUTES

a) Finance and Audit Committee Meeting – May 7, 2018

2018-F/A-009

It was MOVED and SECONDED

THAT the Finance and Audit Committee adopts the minutes of their meeting held May 7, 2018 as circulated.

CARRIED

3. JUNE 30, 2018 FINANCIAL REPORT

Corporate report dated July 23, 2018 from the Director of Financial Services titled “June 30, 2018 Financial Report”.

S. Kurylo, Director of Financial Services gave an overview of the corporate report which gives a high level review of the City’s budget.

The following discussion points were noted:

- The bulk of the City’s funds come in with the property taxes following July 1st, we fund out of the reserves or surplus until that time, this practice helps the City to not have to borrow funds for the first six months of the year

2018-F/A-010

It was MOVED and SECONDED

THAT Finance and Audit Committee receives for information the July 23, 2018 corporate report from the Director of Financial Services, titled "June 30, 2018 Financial Report".

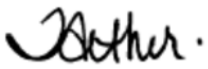
CARRIED

4.

CONCLUSION OF THE JULY 23, 2018 FINANCE AND AUDIT COMMITTEE MEETING

The Chairperson declared the meeting concluded at 4:39 p.m.

Councillor Knight, Chairperson



Tracey Arthur, Director of
Corporate Administration

THE CORPORATION OF THE
CITY OF WHITE ROCK
CORPORATE REPORT



DATE: February 28, 2019

TO: Finance and Audit Committee

FROM: Sandra Kurylo, Director of Financial Services

SUBJECT: 2019 to 2023 Draft Financial Plan – General Fund Operating Budget

RECOMMENDATIONS

THAT the Finance and Audit Committee:

1. Receive for information the corporate report dated February 28, 2019, from the Director of Financial Services, titled “2019 to 2023 Draft Financial Plan – General Fund Operating Budget”;
 2. Endorse the presented Draft Financial Plan figures and assumptions for the General Fund Operating Budget or provide direction on amendments to be made; and
 3. Direct staff to proceed with scheduling a public meeting and placing an advertisement in the newspaper to notify the public of the opportunity for public comments and / or requesting written comments or questions, based on the information presented in this corporate report, or as amended.
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INTRODUCTION

The purpose of this corporate report is to introduce and obtain the Finance and Audit Committee’s endorsement of the General Fund Operating components of the City’s 2019 to 2023 Draft Financial Plan.

PAST PRACTICE / POLICY / LEGISLATION

The *Community Charter* requires that the 2019 to 2023 Financial Plan Bylaw be adopted before the property tax rate bylaw is adopted. The property tax rate bylaw must be adopted prior to May 15, 2019. Past practice in non-election years is to complete five-year financial plans by the beginning of the budget year (first year of the Financial Plan). Past practice in election years is to complete five-year financial plans in early spring of the budget year.

ANALYSIS

Attached as Appendix A are staff’s recommendations on the General Fund Operating budget component of the 2019 to 2023 Draft Financial Plan. This portion of the City’s budget is comprised of expenditures for all day-to-day City services (except those related to sanitary sewers, storm sewers, and water), allotments of money to be applied directly to current year general fund capital/asset improvement projects, and allocations of money to general fund reserves. The funding sources for these items (revenues) are also part of the General Fund

Operating budget. In addition to projecting the expected revenues from these sources, this also requires the determination of various fees or adjustments to them.

Money coming into the General Operating Fund (also known as general revenues) is comprised of:

- property taxes;
- solid waste user fees;
- recreation and culture program and rental fees;
- parking revenues;
- building and other permit revenues;
- licence revenue;
- community amenity contributions;
- investment income;
- tax penalties and interest;
- rental revenue;
- government grants;
- other miscellaneous revenues/fees; and
- money being used from reserves to pay for “one-time” operating expenditures in the budget year (referred to as transfers from reserves).

Money going out of the General Operating Fund is comprised of:

- Departmental operating expenditures required to provide day-to-day services, such as police, fire, City facility and parks operations and maintenance, road maintenance, engineering, City vehicle operations and maintenance, solid waste services, parking operations, recreation and culture, bylaw enforcement and general government. General government includes mainly the offices/departments of the Mayor and Council, Chief Administrative Officer, Corporate Administration, Communications, Finance, Planning and Development, Information Technology, Human Resources, as well as the City’s insurance premiums and General Operating Fund contingency budget;
- Annual allocations of money directly to the budget year’s capital/asset improvement projects; and
- Annual allocations of money to general fund reserves for the purpose of paying for future year expenditures (e.g. saving money for infrastructure upgrades and replacements) or to act as provisions for unexpected costs/revenue shortfalls. Putting money into reserves is a prudent best practice required by municipalities due to the significant investment in infrastructure and other capital assets that they have. These assets need to be maintained, upgraded or replaced in line with asset management plans to keep them safe and functioning well. If money is not available in reserves to do this work when required, municipalities have to rely on borrowing and government grants. If these external funding sources are not available, work needs to be deferred. This increases the risk of infrastructure failure, safety issues, potential legal claims, and higher costs that could have been avoided if the work was done as scheduled. It is important that municipalities are financially sustainable and having money in reserves to pay for asset/infrastructure renewals when needed, is necessary.

Proposed 2019 General Fund Operating Budget

The main funding source for the General Operating Fund is property taxes. The last Financial Plan, which covers the years 2018 to 2022, was adopted by the previous Council last spring. Because it is a five-year plan, it projected annual costs and funding sources to 2022. The 2019 property tax projected at that time was 3.02%. Since then, new information and expenditures have been identified, which put further pressure on property taxes. Staff have undertaken significant review and analysis of the 2019 budget submissions to ensure they are reasonable and to identify other cost reductions and/or new revenues that could help pay for some of these new or increased expenditures. Initial budget submissions from all City departments would have required a 2019 property tax increase of more than 7%. After a review of priorities and applying budget reductions or new revenues, the 2019 to 2023 Draft Financial Plan now reflects a 2019 property tax increase of 3.58%. As well, certain “one-time” budget requests are recommended to be funded from one-time funding sources (operating reserves), and those items are listed in this corporate report. Because operating reserves are limited, not all one-time budget requests are funded in the 2019 to 2023 Draft Financial Plan. Items not currently funded are also listed in this corporate report for Council’s consideration. A 3.58% property tax increase has an impact of \$123 on an average detached single family home, and \$38 on an average strata property in the City.

Reductions are proposed for the 2019 Solid Waste User Fee and the 2019 Sanitary Sewer User Fee. Details follow in this corporate report, and in the 2019 to 2023 Draft Financial Plan – Sanitary Sewer Fund corporate report.

The draft 2019 budget provides for the following, which contribute to the proposed property tax increase:

- Employee general wage increases as stipulated in the CUPE and Firefighter collective agreements. This represents a property tax increase of about 1.5%;
- Added mandatory cost of the provincial Employer Health Tax, requiring a property tax increase of 0.5%;
- Higher level of policing services, due to the funding of two new additional police officers starting in July 2018, approved in the 2018 to 2022 Financial Plan. As these positions were added part way through last year, the impact on property taxes is spread over two years. Due to this and for other reasons, the 2019 budget for the City’s contract with the RCMP has increased by \$168,000, requiring a property tax increase of 0.8%;
- An additional civilian Police Support Clerk position added to City’s staffing compliment in the fall of 2018, approved in the 2018 to 2022 Financial Plan. As the annual cost funding of this new position is phased in over two calendar years, so is the impact on property taxes;
- Higher level of janitorial services for City facilities, equating to a property tax increase of 0.6%;
- Increase in base funding for Parks maintenance. This will allow for an increased level of service on a sustainable basis;
- Increase in casual staff hours, to provide part-time Recreation Attendant coverage in the Centre for Active Living. It is assumed that the funding source for this will be increased recreation program revenues, not property taxes;

- Additional seasonal six-month temporary full-time Parking Patrol Officer, proposed to be funded from the new residential parking permit fees;
- Additional casual staff hours (in Finance and at the White Rock Community Centre), to assist with selling residential parking permits, during the peak season. The proposed funding source is revenue from the new parking permit fees;
- Increase in legal fee budget;
- Various other inflationary and contractual cost increases related to current services;
- Provision for a possible adjustment in Mayor and Council remuneration to offset the impact of the recent change in the Income Tax Act (1/3 expense allowance no longer tax free);
- Funding to offset an expected reduction in White Rock's share of provincial traffic fine revenue;
- Funding to offset an expected loss in revenue due to reduced hours of pay parking in the hospital area (now free from midnight to 10:00 a.m.). Rather than increase property taxes further, the 2019 waterfront parking revenue target has been increased to compensate for this; and
- Operating and maintenance costs of the new Parkade. The 2019 waterfront parking revenue target has been increased to provide a funding source for this.

Various cost reductions are incorporated in the 2019 to 2023 Draft Financial Plan to assist in funding some of these items. Proposed funding sources are also provided by the following new or increased revenues:

- Property taxes from new development;
- Increase in investment income budget;
- The 2019 proposed waterfront parking revenue budget has been increased to offset the expected revenue loss due to reduced pay parking hours in the hospital parking locations, and to provide a funding source for operations and maintenance costs of the parkade. It is anticipated there will be more waterfront visitors, hence more revenue, with the added parking capacity, re-opening Memorial Park and new City special events. However the level of incremental revenue is difficult to predict and will depend somewhat on the parking rate policies established for the parkade and any other parking rate adjustments that may be recommended by the Parking Task Force. If the revenue target is not met, other funding sources will have to be identified to meet budget requirements. It is anticipated that options and potential financial impacts will be considered. If any new rates, or changes in parking rates are pursued, an amendment to the City's Fees and Charges Bylaw will need to occur before they can be instituted; and
- Inflationary increases in miscellaneous fees and charges. A Fees and Charges Bylaw amendment will be brought forward once the 2019 to 2023 Financial Plan is adopted.

Solid Waste User Fee

The funding source for solid waste removal and disposal costs is the Solid Waste User Fee. As actual costs have been lower than expected, a reduction in the fee is proposed. It is recommended that the 2019 fee be reduced to \$331, which is \$2 lower than in 2018. This requires amendment to the City's Solid Waste Bylaw, which is planned to come forward in April.

Secondary Suite Service Fee

The Secondary Suite Service Fee is a funding source for certain asset improvement/capital projects. The current rate is \$290 per suite. It is proposed to increase to \$300 in 2019. The Secondary Suite Service Fee Bylaw is planned to be amended once the 2019 to 2023 Financial Plan is adopted to reflect this change.

Impact of Large Development Projects

Municipal accounting and budgeting for building permit revenue is not the same as other types of revenues. When building permit funds are received for development projects that will take more than one year to complete, they are temporarily held in a “deferred” account, and recorded as revenue in the City’s books as the project construction proceeds and related inspections occur. This means that the amount of building permit revenue budgeted on a year-by-year basis, depends on both the amount of cash received and the timing of planned construction.

Due to major development project approvals over the last few years, the City has a significant amount of “deferred” building permit revenue that will be recognized as revenue over the next few years, as the projects proceed. The 2019 to 2023 Draft Financial Plan reflects staff’s best estimate of the timing of recognizing this revenue based on information available. This level of development and related building permit revenue is considered extraordinary and not sustainable on a long-term basis. Therefore, these funds are proposed to be used to pay for costs that are “one-time”, or directly related to work associated with this high level of development activity. This is a continuation of past practice. It is proposed that this anticipated spike in building permit revenue be the funding source for the following expenditures:

Full-Time Plans Examiner staff position	This was approved last year. It is funded to 2023 from this source in the Draft Financial Plan.
Full-Time Engineering/Public Works Inspector staff position	This was approved last year. It is funded to 2023 from this source in the Draft Financial Plan.
Corporate advertising budget increase	This was approved last year. It is funded to 2023 from this source in the Draft Financial Plan.
Temporary Full-Time Engineering Technical Assistant	Six month term position to review lot servicing applications and develop expedited process documents.
Provision for 2019 Council Contingency	\$50,000 for unanticipated one-time expenditures that Council may wish to approve during the year. This is in addition to the City’s regular General Operating Fund contingency budget.
Temporary Full-Time Human Resource Advisor (2020)	One-year term position. This was approved last year for 2020.
Temporary employee health and safety assistance (2020)	Casual or contract help with completing employee safety assessments and related procedures.

Temporary Full-Time Co-op Student to assist with implementation of Strategic Transportation Plan (2020)	Four to six month term, partially funded by a federal grant.
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Most of this “one-time” building permit revenue that is remaining is budgeted to be put into the General Fund Infrastructure Reserve. A small amount is planned to be put into an operating reserve as well, to provide a funding source for future year one-time operating budget requests. However, it should be noted that due to possible timing differences (i.e. if progress made on large development construction projects is different from staff’s current assumptions) this money might not be available in the years noted.

The 2019 to 2023 Draft Financial Plan also assumes that \$8.7M in Community Amenity Contributions (CACs) will be received in 2019. The timing of this is staff’s best estimate, based on information available at this time. Overall, \$15.2M in CACs is projected to be received over the next three (3) years, including the \$8.7M budgeted in 2019.

Other Funded “One-Time” Operating Budget Requests

As stated previously, it is appropriate to fund “one-time” operating budget requests from one time funding sources, rather than increase property taxes for these purposes. An appropriate one-time funding source is money in an operating reserve or the City’s accumulated surplus fund. The main one-time costs recommended to be funded in 2019 from reserves, and reflected as such in this Draft Financial Plan are as follows:

Mayor and Council Strategic Priority Setting Sessions	\$12,000
Economic Development Strategy (funded from Economic Development Reserve)	\$60,000
Temporary Part-Time Economic Development Officer to implement Economic Development Strategy (funded from Economic Development Reserve)	\$50,000
Solid Waste Service Review	\$75,000
Dogs on Promenade Trial Initiative – signage, dog waste bags and dispensers	\$24,000
OCP Review – Town Centre component	\$50,000
Sea Festival – ongoing funding for this event was not previously approved. At this time is it funded on a “one-time” basis for 2019 only, in the Draft Financial Plan. If Council wishes to fund it on a long term basis, a further property tax increase of 0.2% is required.	\$50,000
Temporary Full-Time CO-OP Student to assist IT with updating Geographical Information System (GIS) data	\$16,000
Assistance with development of a more formalized Asset Management Plan (funded from money put into an operating reserve for this purpose)	\$20,000
Temporary assistance with City purchasing (funded from money put into an operating reserve for this purpose). This provides a funding source if required for assistance with writing RFP’s or procurement contracts.	\$5,000
Temporary assistance with implementation of new recreation facility and program booking system	\$18,000

Employee Survey (recommended every two years)	\$11,000
Exempt Staff Compensation Review (Council Policy No. 403 requires this to be done in expiration years of the CUPE collective agreement)	\$7,000
December 20, 2018 severe storm event recovery costs (e.g. staff overtime worked, contracted debris removal etc.). The 2018 to 2022 Financial Plan is in the process of being amended to incorporate this, and the 2019 to 2023 Draft Financial Plan includes the same figures and funding source (accumulated surplus fund). A portion of these costs may be recoverable through the City’s insurance policy and/or up to 80% through the provincial Disaster Financial Assistance program, however these funding sources have not been confirmed. If additional funding from these external sources is approved, the amount funded from the City’s accumulated surplus fund will be reduced.	\$342,000

One-Time Requests Not Funded in the 2019 to 2023 Draft Financial Plan

At this time, the following requests are not funded in the Draft Financial Plan, and are presented for Council’s consideration. If Council wishes any of these to be funded, an amendment to the 2019 to 2023 Draft Financial Plan will be required.

Peace Arch Elementary Playground Equipment	\$25,000
White Rock Elementary Playground Equipment	\$5,000 to \$50,000
Peace Arch Elementary Visual Arts Class Equipment – requested assistance to purchase all or some of the following: Canon Rebel with lens, Canon EOS 5D with lens, and 24 Lexar Professional 1000x SD Cards. Cost estimate for all items is \$7,000 to \$8,000.	\$7,000 to \$8,000
Peninsula Productions – assistance for modifications to the space they are leasing from the City, to accommodate a 70 seat theatre	\$24,000 (\$8,000 each year, for three years)
Temporary full-time assistance with the administration of Council Committees, and for the Executive Assistant to the Mayor and CAO (for one year)	\$67,000
Temporary full-time assistance with City Communications (for one year)	\$68,000

Other Items Not Incorporated into the 2019 to 2023 Draft Financial Plan

- Remove Pay Parking at Centennial Park – Council previously resolved that this be considered in the 2019 to 2023 Financial Plan process. The impact on the City’s budget is an annual net revenue loss of \$110,000. If this is pursued, a replacement ongoing funding source is required. This equates to a property tax increase of 0.5%. Another option is to increase parking rates and the revenue budget at another location, but given the fact that the waterfront revenue budget already has been increased to recover operating costs of the parkade and the reduction in parking revenue from the hospital area, it is unlikely that generating another \$110,000 will be possible in the short term.
- Summer Trolley Service – The cost of this service in the past has been approximately \$75,000 per season. It was previously cost-shared with the White Rock Business Improvement Association (BIA), and the City’s portion was funded on a one-time basis

only. The BIA has advised the City it will no longer be contributing funding for this purpose. As well, it is not known if a “trolley” service will be available in the future, as the previous provider has advised he is no longer offering this service.

2019 Fraser Valley Regional Library Levy

The City is a member of the Fraser Valley Regional Library (FVRL) system. FVRL staff manage and operate the White Rock Library. The City provides the building accommodation and maintains it. The City is assessed a FVRL levy every year, for the management and operation of the Library. The 2019 White Rock levy, which has been approved by the FVRL Board and is incorporated into the 2019 to 2023 Draft Financial Plan is \$958,066. This is \$23,482 or 2.5% higher than in 2018. This is shown as a separate levy on the City’s annual property tax notices.

Projected Operating Budgets for 2020 to 2023

Several other assumptions were made in order to project the City’s General Fund Operating Budget revenues and expenditures over the four (4) years, 2020 to 2023. Examples include the following:

- For 2020 onwards, the rate of inflation is assumed to be 2% per year;
- A Purchasing Officer staff position is assumed to be added in 2020, with 65% of the salary funded by taxes, and 35% by the various utility funds and solid waste program (this was approved in the last Financial Plan for 2020);
- One (1) additional Firefighter is assumed to be hired in 2021 and one (1) in 2022 (this was approved in the last Financial Plan for the same years);
- A temporary full-time Human Resources Advisor is assumed to be added in 2020, for one year (this was approved in the last Financial Plan for 2020);
- A Temporary Full-Time CO-OP student is assumed to be hired in 2020 to assist with implementation of the Strategic Transportation Plan;
- It is assumed that short term resources will be provided in 2020 to assist with employee health and safety documentation and employee benefits administration;
- At a recent meeting of City Council, the White Rock RCMP Detachment Commander requested four (4) additional officers; one in each year from 2020 to 2023. As two additional officers were added to the detachment’s compliment last year, there are no further officers included in this 2019 to 2023 Draft Financial Plan. The annual cost of a police officer equates to a property tax increase of approximately 0.6%;
- Revenues from new development are based on information currently available on previously approved projects and related construction timing, with no other major developments assumed at this time;
- Projected waterfront parking revenues are anticipated to be sufficient to fund Parkade operating and maintenance costs. In line with current policy, contributions to the capital works reserve for future major repairs or upgrades to this facility are assumed to start in 2020, and to be funded by further incremental parking revenues; and
- The current White Rock Business Improvement Area bylaw expires on December 31, 2019. It is assumed that another White Rock Business Improvement Area bylaw, effective January 1, 2020 will be adopted, with annual inflationary increases in the levy.

Based on a proposed 3.58 % property tax increase for 2019, the following tax increases are projected in future years at this time:

- 2020 – 2.48%
- 2021 – 2.62%
- 2022 – 2.69%
- 2023 – 2.32%

Public Consultation Process

The *Community Charter* requires that there be a process of public consultation before financial plan bylaws can be adopted. The legislation does not define what this process should be. It has been the City's practice to request written comments and also to schedule a public meeting to receive comments on its Financial Plans. At this time, it is proposed that a public meeting be scheduled for March 11 and that an advertisement be placed in the newspaper requesting written comments prior to that time. It would also be helpful if Council can advise staff if there are any specific items in the 2019 to 2023 Draft Financial Plan that they would like comment on.

OPTIONS

The following options are available for the Finance and Audit Committee's consideration:

1. To endorse the General Fund Operating Budget as presented, and base the public consultation process on the documents presented.
2. To amend the Draft Financial Plan General Operating Budget and base the public consultation process on the amended assumptions and figures.

Staff recommend Option 1.

CONCLUSION

It is recommended that the Finance and Audit Committee endorse the 2019 to 2023 Draft Financial Plan figures and assumptions as presented in this corporate report for the General Fund Operating Budget and direct staff to proceed with a public meeting and placing an advertisement in the newspaper requesting comments.

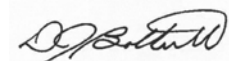
Respectfully submitted,



Sandra Kurylo
Director of Financial Services

Comments from the Chief Administrative Officer:

I concur with the recommendations of this corporate report.



Dan Bottrill
Chief Administrative Officer

City of White Rock Draft - 2019 - 2023 Financial Plan
General Fund Operating Budget

	2018 Budget	2019	2020	2021	2022	2023
Revenues:						
Municipal Property Taxes	\$ 21,401,100	\$ 22,296,400	\$ 23,429,991	\$ 24,661,122	\$ 25,758,764	\$ 26,521,044
Regional Library Levy	934,584	958,066	977,227	996,772	1,016,707	1,037,041
B/A tax Levy	347,700	357,600	340,600	347,400	354,300	361,400
Grant in Lieu of Taxes & Utility Levies	274,400	279,900	285,498	291,208	297,032	302,973
Fees & Charges						
Recreation and Culture Programs	1,537,400	1,603,400	1,640,593	1,678,684	1,717,694	1,757,649
Solid Waste User Fees	1,365,300	1,355,400	1,386,500	1,414,200	1,442,500	1,471,300
Engineering and Operations	112,600	175,000	133,620	136,292	139,018	141,799
Own/Other Sources						
Tax Penalties/Interest	200,000	230,000	231,000	231,000	232,000	232,000
Cell Tower Rentals	42,200	64,500	64,900	65,300	65,700	66,500
Property Rentals	165,000	170,800	177,100	179,300	181,500	183,700
Business Licences	573,000	587,000	592,000	597,000	602,000	607,000
Building Permits	2,900,000	3,970,000	4,538,000	2,275,000	1,575,000	1,275,000
Parking	3,294,800	3,404,700	3,537,600	3,569,600	3,601,600	3,634,600
Net Investment Income	565,000	875,000	875,000	875,000	875,000	875,000
Community Amenity Contributions	12,914,063	8,696,000	2,880,000	3,600,000	-	-
Repayment of Surplus from Water Fund	35,000	35,000	35,000	35,000	35,000	35,000
Other	2,461,200	2,616,500	2,717,246	2,770,501	2,829,580	2,879,537
Government Grants	549,000	543,900	552,800	549,700	555,800	555,800
Total Revenues	\$ 49,672,347	\$ 48,219,166	\$ 44,394,675	\$ 44,273,079	\$ 41,279,195	\$ 41,937,343
Transfers from Reserves:						
Sanitary Sewer Fund Infrastructure Reserve (for internal loans)	6,958,100	-	-	-	-	-
Community Amenity Contribution Reserve (for principal & interest payments on internal loans)	16,076	-	-	-	-	-
Community Amenity Contribution Reserve (for debt servicing costs)	51,000	-	-	-	-	-
Police Equipment Reserve	64,800	21,600	-	-	-	-
Economic Development Reserve	-	110,000	-	-	-	-
Other Projects Reserve	20,000	-	-	-	-	-
Traffic Fine Revenue Sharing Reserve	4,000	4,000	3,600	-	-	-
Parking Reserve	136,000	-	-	-	-	-
Other Operating Reserves	1,332,600	662,700	406,300	221,900	271,400	202,900
Appropriation from surplus	270,000	942,000	-	-	-	-
Total Transfers From Reserves	\$ 8,852,576	\$ 1,740,300	\$ 409,900	\$ 221,900	\$ 271,400	\$ 202,900
Total Revenues & Transfers from Reserves	\$ 58,524,923	\$ 49,959,466	\$ 44,804,575	\$ 44,494,979	\$ 41,550,595	\$ 42,140,243

Note: The 2018 budget included internal loans that were not required.

	2018 Budget	2019	2020	2021	2022	2023
Expenditures:						
Fire	4,220,000	4,274,100	4,388,342	4,621,589	4,875,816	5,031,347
Police	5,858,300	6,044,300	6,212,428	6,369,685	6,525,580	6,685,626
Parking	1,555,700	1,500,800	1,534,816	1,556,512	1,578,643	1,601,215
Permits, Licencing & Bylaw Enforcement	1,524,600	1,415,200	1,441,974	1,470,813	1,500,230	1,530,234
Parks	1,751,600	1,925,900	1,939,938	2,053,737	2,094,811	2,136,708
Garbage, Recycling & Green Waste	1,432,800	1,456,700	1,489,800	1,512,400	1,542,700	1,573,700
Transportation and Other Operations	4,266,600	4,832,500	4,506,308	4,575,020	4,641,075	4,733,808
Recreation and Culture	3,806,084	3,894,766	3,902,175	3,975,165	4,054,664	4,135,803
General Government (Note 1)	6,572,400	6,665,100	6,800,372	6,884,006	7,184,385	7,268,663
City Rental Properties	44,300	44,400	44,822	23,852	22,391	22,839
Interest on Debt	51,000	-	-	-	-	-
Total Expenditures	\$ 31,083,384	\$ 32,053,766	\$ 32,260,975	\$ 33,042,779	\$ 34,020,295	\$ 34,719,943
Transfers to Reserves:						
Capital Works Reserve	1,074,400	1,056,100	1,263,200	1,335,200	1,398,100	1,442,000
Equipment Replacement Reserve	629,900	583,100	612,300	624,600	637,100	649,800
Community Amenity Contribution Reserve	12,914,063	8,696,000	2,880,000	3,600,000	-	-
Other reserves						
Pier Preservation Reserve	42,200	64,500	64,900	65,300	65,700	66,500
Community Work Fund Reserve (Gas Tax)	115,800	115,800	121,600	121,600	127,700	127,700
Computer Replacement Reserve	95,000	100,000	100,000	105,000	105,000	110,000
Police Equipment Reserve	10,000	10,000	10,000	10,000	10,000	10,000
Roadworks Reserve	628,900	685,500	654,300	667,400	900,700	954,300
Buena Vista Rental Property Reserve	9,300	10,600	10,600	10,600	10,600	10,600
Infrastructure Reserve	849,900	2,509,800	3,532,200	1,474,200	629,200	384,200
Secondary Suite Service Fee Reserve	328,000	342,000	352,000	362,000	372,000	382,000
Council Technology Reserve	3,000	3,000	3,000	3,000	3,000	3,000
Climate Action Revenue Incentive Program Reserve	20,000	20,000	20,000	20,000	20,000	20,000
Civic Election Reserve	-	20,500	20,500	20,500	-	20,500
Memorial Park Internal Loan Reserve	1,062,500	-	-	-	-	-
Waterfront Parking Facility Internal Loan Reserve	1,080,000	-	-	-	-	-
Promenade Extension Internal Loan Reserve	674,600	-	-	-	-	-
Parkland Acquisition Internal Loan Reserve	425,000	-	-	-	-	-
Johnston Rd Gateway Feature Internal Loan Reserve	1,000,000	-	-	-	-	-
Johnston Rd North Bluff to Russell Internal Loan Reserve	1,216,000	-	-	-	-	-
Capital Contingency Internal Loan Reserve	1,500,000	-	-	-	-	-
Other Operating Reserves	1,424,200	1,253,900	208,600	208,700	208,800	108,900
Surplus Repayment from Water Fund	35,000	35,000	35,000	35,000	35,000	35,000
General Revenue Allocation to Asset Improvements	2,248,300	2,371,700	2,655,400	2,789,100	3,007,400	3,095,800
Repayments of Accumulated Surplus	23,700	23,700	-	-	-	-
Transfer to Sanitary Sewer Fund Infrastructure reserve (principal & interest payments on internal loans)	16,076	-	-	-	-	-
Principal payments on capital leases						
Total	\$ 27,441,539	\$ 17,905,700	\$ 12,543,600	\$ 11,452,200	\$ 7,530,300	\$ 7,420,300
Total Expenditures & Transfers	\$ 58,524,923	\$ 49,959,466	\$ 44,804,575	\$ 44,494,979	\$ 41,550,595	\$ 42,140,243

Notes: 1) General Government includes offices of Mayor & Council, Chief Administrative Officer, Corporate Administration, Communications, Finance, Planning & Development, Information Technology, Human Resources, & Contingency.

THE CORPORATION OF THE
CITY OF WHITE ROCK
CORPORATE REPORT



DATE: February 28, 2019

TO: Finance and Audit Committee

FROM: Sandra Kurylo, Director of Financial Services

SUBJECT: 2019 to 2023 Draft Financial Plan – General Fund Asset Improvement Budget

RECOMMENDATIONS

THAT the Finance and Audit Committee:

1. Receive for information the corporate report dated February 28, 2019, from the Director of Financial Services, titled “2019 to 2023 Draft Financial Plan – General Fund Asset Improvement Budget”;
 2. Endorse the presented Draft Financial Plan figures and assumptions for the General Fund Asset Improvement Budget or provide direction on amendments to be made; and
 3. Direct staff to proceed with scheduling a public meeting and placing an advertisement in the newspaper to notify the public of the opportunity for public comments and/or requesting written comments or questions, based on the information presented in this corporate report, or as amended.
-

INTRODUCTION

The purpose of this corporate report is to introduce and obtain the Finance and Audit Committee’s endorsement of the General Fund Asset Improvement component of the City’s Draft 2019 to 2023 Financial Plan.

PAST PRACTICE / POLICY / LEGISLATION

The *Community Charter* requires that the 2019 to 2023 Financial Plan Bylaw be adopted before the property tax rate bylaw is adopted. The property tax rate bylaw must be adopted prior to May 15, 2019. Past practice in non-election years is to complete five-year financial plans by the beginning of the budget year (first year of the Financial Plan). Past practice in election years is to complete five-year financial plans in early spring of the budget year.

ANALYSIS

Attached, as Appendices A to C, are documents detailing staff’s recommendations regarding projects and funding sources on the General Fund Asset Improvement component of the 2019 to 2023 Draft Financial Plan. Amounts budgeted in 2018, with some updates, are also shown for information. Some of these projects were not completed during 2018, and funding

required to be carried over to 2019 to complete the work, will be added to the 2019 to 2023 Financial Plan once the final 2018 figures are available. This is expected to be in mid-April.

Asset improvement projects include capital projects (e.g. infrastructure/equipment upgrades and replacements, the construction or purchase of new assets etc.), major maintenance work and certain infrastructure related studies/masterplans. This section of the 2019 to 2023 Draft Financial Plan does not include asset improvement work related to sanitary and storm sewers, and water infrastructure, as these are dealt with in the respective utility budgets.

There are several sources of funding used to pay for General Fund asset improvements. These include annual allocations of general revenue, money that has been saved in reserves, development cost charges (DCCs), contributions/donations, grants and debt.

Funding sources have been identified for all projects in the proposed plan and are summarized on the last page of the project list (Appendix A). Also attached, as Appendix B, are details on the funding sources for each project in each year of this Draft Financial Plan. Appendix C contains projected balances of the City's General Fund asset improvement reserves at the end of each year, after money is removed in the years budgeted to be spent on applicable projects. These projections are based on information available at this time. They also include projected amounts to be put into these reserves every year, and assumed interest earned where applicable. Some of the money projected to be put into reserves is based on assumptions regarding the timing/schedules of large development project construction. If the actual timing differs from the assumed timeframes, these funds may not be available in the years noted and the City's asset improvement projects they are budgeted to fund may need to be re-phased. Examples are projected receipts going into the Community Amenity Contribution Reserve and "one-time" building permit funds budgeted to be put into the Infrastructure Reserve.

Many of the proposed General Fund asset improvement projects are necessary for public safety and/or involve the upkeep and ongoing replacement of the City's current infrastructure or equipment.

2019 to 2023 Draft Financial Plan – General Fund Asset Improvement Projects

The proposed asset improvements total \$61.3M over the five (5) years, with annual amounts ranging from \$6.1M to \$20.2M. This does not include funding that will be carried over from 2018's budget to 2019, to complete certain projects started in 2018. Examples are Memorial Park, the Parkade and the pedestrian railway crossings. These carry-over budgets and funding sources will be added to the 2019 to 2023 Draft Financial Plan when final 2018 figures are available.

The project cost figures included in 2019 to 2023 Draft Financial Plan are staff's best estimates at this time. In some cases, cost estimates may be adjusted as more information becomes available about the project. Major projects and assumptions are as follows.

Roadworks and Other Strategic Transportation Plan Projects

A major undertaking in 2019 will be the updating of the City's Strategic Transportation Plan. This will update the needs and priorities with respect to future roadworks and pedestrian safety improvements in the City. Some roadworks/pedestrian safety projects that were identified in the last Financial Plan have been temporarily removed in the 2019 to 2023 Draft Financial Plan, pending the updating of this study. It is important that projects in the Financial Plan reflect current priorities. Once the Strategic Transportation Plan update is complete, some of these projects will be reinstated with the timing based on updated priorities. In the meantime, future

funding allotments for the implementation of updated Strategic Transportation Plan have been included in the Draft Financial Plan and details will be added at a later date.

Another change in this 2019 to 2023 Draft Financial Plan is the deferral of Johnston Road Reconstruction Phase 2 (Russell to Thrift), to 2021, with design work being done in 2020. This is because the related utility works cannot be undertaken until Bosa Properties completes certain portions of their infrastructure work related to the Miramar development. Phase 3 of Johnston Road Reconstruction (Thrift to Roper) is planned to occur after 2023.

Staff have been closely monitoring the slope stability of the Marine Drive Hump. Recent testing has confirmed that the risk of failure, impacting the integrity of Marine Drive, has increased. As a result, the highest priority 2019 road related project is stabilization of the slope through micro pile installation. An amount of \$1.2M has been budgeted for this project.

Pier Repair/Restoration

This work is planned to be done in two phases. Phase 1 includes immediate repairs to damage caused by the December 20, 2018 severe storm event. It incorporates the steel pile and concrete deck option in repaired areas, and a temporary telecom connection to the cell tower. In addition, there is provision in this budget for some ground improvement (if needed). The cost estimate for this work, including the amount spent in 2018, is \$4.3M. In order to authorize a budget for this on a timely basis, the 2018 to 2022 Financial Plan is in the process of being amended to incorporate this.

The 2019 portion of these costs, (\$4.28M), with the same funding sources, is included in this 2019 to 2023 Financial Plan. Some, but not all of this amount will be covered by insurance. Typically, insurance will cover the cost (subject to policy limits) of bringing the Pier back to the condition it was in before the severe windstorm event, incorporating applicable updated codes. The City's insurers are currently reviewing the cost estimates, and this needs to be completed before it can confirm which components will be covered by the policy. For budget purposes, it is assumed that \$3.1M will be funded by insurance proceeds at this time.

In order to assist in financing the remaining costs, the City has applied for an *Investing in Canada Infrastructure Program – Community, Culture and Recreation* grant (73.33% funding) and is seeking recovery costs under provincial "Disaster Financial Assistance" (80% funding). As well, further requests for provincial funding were made. At this time, it is not known if this government funding will be provided.

As a result, staff are proposing that the remaining \$1.18M be funded, for budget purposes, as follows:

- \$260,000 from the Pier Preservation Reserve;
- \$186,000 from the Infrastructure Reserve (amount that was put aside for seabed dredging); and
- \$734,000 from uncommitted community amenity contributions on-hand.

These funding sources may only be temporary and may be amended if additional external funding sources are confirmed.

Phase 2 includes restoration of the rest of the Pier, incorporating the steel piling and concrete deck option, and ground improvement (if needed). The estimated cost is \$11.6M and at this time, the work is budgeted to occur over two calendar years; 2020 and 2021. Restoration of the west wharf is not included in the budget at this time, as input from Council is required regarding

the scope and location of a marina. If desired, it could be added to the 2019 to 2023 Draft Financial Plan once this is confirmed and a cost estimate is available.

As stated above, the City has applied for an *Investing in Canada Infrastructure Program – Community, Culture and Recreation* grant (73.33% funding) for this work. This could potentially provide Phase 2 funding of up to \$8.5M. The City is also seeking recovery cost funding under the provincial “Disaster Financial Assistance Program”. As well, further requests for provincial funding are being made.

Certain community fundraising campaigns have been initiated for this purpose and the City has been approached by individuals and businesses offering to donate money for the Pier. At this time for budget purposes, the following proposed funding sources are included in the 2019 to 2023 Draft Financial Plan for Phase 2 of the Pier Restoration:

- \$2M in government grants;
- \$5M in donations/fundraising proceeds;
- \$4.4M in Community Amenity Contributions (CACs); and
- \$200,000 from the Pier Reserve.

Before contracts can be signed for this work, secure funding sources need to be in place. Assuming this is a high priority for Council, it is recommended that money be left available in the CAC reserve to provide a backup funding source in case the grant and fundraising amounts are not realized to the extent budgeted. If more grant funding or donations than budgeted are received, then the amount funded from CACs will be reduced accordingly.

East Beach Shoreline Restoration

The preliminary cost estimate (still to be refined) to complete this work is \$600,000. In order to authorize a budget for this on a timely basis, the 2018 to 2022 Financial Plan is in the process of being amended to incorporate this. This amount, with the same funding sources, has also been incorporated into the 2019 to 2023 Draft Financial Plan. If the City’s application for recovery costs under the provincial government’s “Disaster Financial Assistance” fund is approved, up to 80% of these costs may be funded from that program. Further relief may also result from the City’s additional request to the Provincial government. As this funding is not yet confirmed, for budget purposes, the recommended funding source incorporated into the 2019 to 2023 Draft Financial Plan is the City’s accumulated surplus fund. It should be noted that this will reduce the balance in the fund to slightly below the minimum level required by Council Policy No. 307. This Policy requires the minimum balance to be 10% of the City’s general fund operating budget. Allocating \$600,000 to this project will reduce the uncommitted balance to 9.4% of the general fund operating budget. If Disaster Financial Assistance funding is approved, the amount used from the City’s accumulated surplus fund will be reduced.

Extension of the Promenade to Coldicutt Ravine and Pedestrian Overhead Walkway

The conceptual designs for both of these projects are nearing completion. Once complete, the Director of Engineering and Municipal Operations will report to Council on the options, before proceeding further. By way of background, Transport Canada previously notified the City of the need to take action to mitigate pedestrian trespassing in this location. These two projects are intended to alleviate this situation. On February 19, 2019, the City received reminder notification from Transport Canada of its previous directive that action must be taken to mitigate these pedestrian trespassing issues.

Matching grant funding from the federal Rail Safety Improvement Program was approved for these projects. Funding of up to \$200,000 was approved for design of the Promenade Extension

and up to \$500,000 for the Overhead Walkway project. The City has submitted grant claims for funds spent to date. These grant agreements expire on March 31, 2019 and the City has requested extensions. In the past, requests for extensions under this grant program have been approved.

The following amounts are included in the 2019 to 2023 Draft Financial Plan for these projects:

Extension of the Promenade

- \$460,000 for design (includes \$30,000 spent in 2018); and
- \$2.5M for construction in 2020 (estimated cost could vary, will depend on design option chosen).

Budgeted funding sources are a combination of Parkland DCCs, the federal grant, and CACs.

Pedestrian Overhead Walkway

- \$400,000 for design (includes \$34,000 spent in 2018); and
- \$2M for construction in 2019.

Budgeted funding sources are a combination of Parkland DCCs, the federal grant, and CACs

A total of \$3.4M in CACs is committed for these projects.

City Hall

Despite certain improvements made to City Hall over the last several years the building is nearing the end of its useful life, does not meet seismic standards, and it does not have the capacity needed to house City staff. While urgent seismic improvements have been made, the next phase of seismic work is substantial, estimated to cost more than \$2M and likely to require a temporary closure of the facility due to the disruption. Due to a lack of capacity, the City's Bylaw Enforcement, Human Resources and Information Technology departments relocated to the City Hall Annex and there are issues with this facility as well. This was thought to be a temporary move until major upgrades occurred to City Hall, or the building was replaced. The Chief Administrative Officer will report more details on this matter to Council on March 11, including options for consideration. At this time, there are no major upgrades included in the 2019 to 2023 Draft Financial Plan for City Hall. An amount of \$50,000 is included in the 2019 draft budget for completion of a feasibility study, if required. Council may wish to direct staff that amendments be made to the 2019 to 2023 Draft Financial Plan later to address this issue.

Facilities Masterplan Update

An update of the City's Facilities Masterplan is budgeted for 2019. This will evaluate the conditions of all City facilities and provide a recommended plan of approach, with priorities, on work needing to be done over a period of years. While there are some itemized facility upgrades included in the 2019 to 2023 Draft Financial Plan for some recreation facilities, this Masterplan Update needs to be completed before further priorities can be identified. As a result, general funding allocations have been included for implementation of the Facilities Masterplan with details to follow once the Masterplan update is completed.

New Financial System (2021)

An amount of \$1.5M is included in the 2019 to 2023 Draft Financial Plan to replace the City's Financial System in 2021. The City's current financial system (Vadim) is nearing the end of its useful life. Vadim was implemented in 2002. Since that time, the City's needs have evolved and have become more complex. In addition, technology has advanced significantly. The City has outgrown Vadim, which is designed towards smaller municipalities, and does not fully

incorporate current technology that supports efficient and effective business processes. More details are included in Appendix D, which is attached to this corporate report.

Major Projects Removed From the Financial Plan

In recognition that the current Council's priorities are different from the previous Council's, the following projects have been removed from the City's Five-Year Financial Plan. Council may wish to reinstate some of them and if so 2019 to 2023 Draft Financial Plan amendments will be required.

- Shoreline Protection and Promenade - \$15M budget removed from 2020/2021/2022. Funding sources were not fully secured, but for planning purposes were a combination of DCCs, CACs, and anticipated grants.
- Two Hillside Walkway Upgrades (road ends) – two budgets of \$800,000 each removed, one from 2021 and one from 2022. Funding sources were a combination of DCCs, CACs, and the Secondary Suite Service Fee Reserve.
- Installation of Mooring Buoys - \$300,000 budget removed from 2020.

Some of the above funding sources may have to be re-examined if Council wishes to reinstate these projects. For example, the level of CACs available has been reduced by the need to re-allocate some to the Pier project. In addition, the amount of CACs projected to be received to 2023 has been reduced, due to an expected reduction of large development projects in the future.

It was planned that once the City acquired the property located at 1510 Johnston Road, a town square would be constructed. Provision has not been made for this in the 2019 to 2023 Draft Financial Plan.

Funding Sources

Many General Fund projects in this Draft Financial Plan are funded from general revenue and City reserves. Included are projections of CACs that the City is expecting to receive for approved projects. The timing of when they are actually received may differ from staff's best estimates at this time. If received later, then the phasing of related asset improvement projects may have to be adjusted.

In addition, it is recognized that an update of the City's DCC Bylaw is needed and this is budgeted for 2019. This is required so that DCCs can be used as a funding source for growth related infrastructure projects that were not identified as priorities when the DCC Bylaw was last adopted.

Attached, as Appendix C, is a summary of projected General Fund Asset Improvement Reserves, based on information and assumptions in this Draft Financial Plan.

A final amendment to the 2019 to 2023 Financial Plan Bylaw will come forward in the spring with details on incomplete 2018 capital project budgets and funding sources to be carried over to 2019.

OPTIONS

The following options are available for the Finance and Audit Committee's consideration:

1. To endorse the General Fund Asset Improvement Budget as presented, and base the public consultation process on the documents presented.
2. To amend the Draft Financial Plan General Fund Asset Improvement Budget and base the public consultation process on the amended assumptions and figures.

CONCLUSION

It is recommended that the Finance and Audit Committee endorse the presented 2019 to 2023 Draft Financial Plan figures and assumptions for the General Fund Asset Improvement Budget and direct staff to proceed with a public meeting and request for written comments.


Respectfully submitted,



Sandra Kurylo
Director of Financial Services

Comments from the Chief Administrative Officer:

I concur with the recommendations of this corporate report.



Dan Bottrill
Chief Administrative Officer

Appendix A: 2019 to 2023 Draft Financial Plan General Fund Asset Improvement Projects

Appendix B: 2019 to 2023 Draft General Fund Asset Improvement Projects with Funding Sources

Appendix C: Projected General Fund Asset Improvement Reserves

Appendix D: New Financial System Justification

City of White Rock DRAFT 2019 - 2023 Financial Plan
General Fund Asset Improvement Projects

	2018 & Approved Updates	2019		2020		2021		2022		2023		Total 2019-2023	Future Years
		FP	FP	FP	FP	FP	FP	FP	FP				
Municipal Engineering & Operations													
Pavement Condition Analysis				25,000								25,000	
Pavement Overlays	403,000	350,000	400,000	400,000	400,000	500,000	500,000					2,150,000	
Roadworks				442,000								442,000	
Marine - Finlay to Slayte													
Marine - High to Bishop	39,000												
Marine - High to Anderson				458,000								458,000	
Marine - Oxford to Anderson				369,000								369,000	
Marine - Bishop to Terry				812,000								812,000	
Marine & Nichol Intersection Improvements				81,000								81,000	
Kent - Buena Vista to Pacific				710,000								710,000	
Parker - Thrift to Pacific				296,000	846,000							1,142,000	
Parker - Pacific to Columbia	429,000												
Maple - Pacific to Columbia	105,000												
Lee - Pacific to Columbia	165,000												
Johnston - North Bluff to Russell	3,164,000												
Johnston - Russell to Thrift	100,000			60,000	2,926,000							2,986,000	
Johnston - Thrift to Roper (assumes only preliminary design money is in the budget for 2018)	50,000												????
Johnston Road Gateway Feature	23,000												
Thrift - Johnston to Vidal	500,000												
North Bluff & Oxford Intersection Improvements	105,000									53,000		53,000	
Buena Vista - 15367 Buena Vista													
Buena Vista - Best to Johnston													
Columbia - Parker to Slayte	193,000												
Columbia - Habgood to Parker	108,000												
Habgood - Pacific to Columbia	627,000												
Pacific - Maple to Parker	205,000												
Pacific - Habgood to Ewson	74,000			26,000								26,000	
Prospect - Foster to Johnston				50,000	500,000							550,000	
George - Thrift to Russell				139,000								139,000	
Best - Thrift to Russell				266,000								266,000	
Russell - Best to Fir													287,000
Russell - Finlay to Best	312,000												
Blackburn Crescent - Archibald to high				250,000								250,000	
Martin - Buena Vista to Victoria				20,000	220,000							240,000	
Saturna - Archibald to North Bluff	110,000												
Other													
Development Coordinated Works				20,000	20,000	20,000	20,000	20,000	20,000	20,000		100,000	
Roper Sidewalk Replacement - Johnston to Fir	41,000												
North Bluff Sidewalk Replacement - Centennial Oval				80,000								80,000	
Marine Drive Hump Slope Stabilization & Vegetation Replacement	250,000												
Marine Drive Hump Micro Pile Installation				1,200,000								1,200,000	
Miscellaneous Retaining Wall Improvements	40,000			10,000	75,000	75,000	100,000	100,000	100,000	100,000		360,000	

Note: For 2019 to 2023 projects, figures printed in *italics* are partially or fully funded from grants and/or contributions

	2018 & Approved Updates	2019		2020		2021		2022		2023		Total 2019-2023	Future Years
		FP		FP		FP		FP		FP			
Municipal Engineering & Operations													
Other (continued)													
Semiahmoo Retaining Wall Replacement		100,000										100,000	
Victoria Retaining Wall Repairs Foster to Vidal													150,000
DCC Bylaw Review		20,000		20,000							20,000	60,000	
Traffic Safety Review	19,000	10,000		10,000							15,000	60,000	
Street Lighting Program	45,000	45,000		45,000							55,000	240,000	
Bus Stop Accessibility	75,000	110,000										110,000	
North Bluff Gateway Signs	6,000												
Marine Drive Gateway Signs	5,000												
Marine Drive Portable Improvements	54,000												
LED Sign Board Johnston Rd/Russell		56,000										56,000	
Strategic Transportation Plan Update		200,000										200,000	
Other Strategic Transportation Plan / DCC Bylaw Projects (25% DCC's, 75% Other Sources)	547,000		500,000		1,500,000		2,000,000					4,500,000	
Miscellaneous Road/Pedestrian Improvements not in STP	125,000	50,000	50,000	50,000	75,000							300,000	
Vehicle Fleet & Equipment Replacements													
Public Works Polaris Ranger Electric Utility Vehicle Unit #103		18,000										18,000	
Public Works Ford F550 SD Mini Dump Unit #133		83,000										83,000	
Public Works Ford F350 Flatdeck Unit #136 (replacement vehicle will be a mini dump)				75,000								75,000	
Public Works Sterling Street Sweeper Unit #140				300,000								300,000	
Public Works Ford F450 Flatdeck Unit #147 (replacement vehicle will be a mini dump)				83,000								83,000	
Public Works Ford F450 Flatdeck Unit #148 (replacement vehicle will be a mini dump)				83,000								83,000	
Public Works John Deere Backhoe Unit #121					185,000							185,000	
Public Works Ford F150 Pickup Unit #150							40,000					40,000	
Public Works Equipment Sander #1				11,000								11,000	
Public Works Equipment Sander #2				11,000								11,000	
Public Works Snow Plow #1 (for unit #147)				11,000								11,000	
Public Works Snow Plow #2 (for unit #148)				11,000								11,000	
Public Works Snow Plow #4 (for unit #160)				11,000								11,000	
Public Works Equipment Snow Plow on unit #162				11,000								11,000	
New Vehicle Fleet & Equipment Replacements													
Public Works Pickup for Engineering Inspector		36,000										36,000	
Road Marking Equipment	5,000												
Public Works Equipment Snow Plow on unit #365		50,000										50,000	
Garage 5 Tonne Overhead Crane		70,000										70,000	
Garage 25 Tonne Hydraulic Press		8,000										8,000	
Garbage, Recycling & Green Waste													
Garbage Compactor Rebuild	70,000												
Green Waste Disposal Bins Concrete Pad	25,000												
Vehicle Fleet Replacements													
Garbage Sterling Haul All Unit #332												143,000	
Garbage Ford F550 Haul All Unit #333												140,000	
Garbage Ford F550 Rollins Haul All Unit #325												165,000	
Peterbilt Recycler Unit #329												258,000	
Peterbilt Recycler Unit #330												258,000	

Note: For 2019 to 2023 projects, figures printed in **italics** are partially or fully funded from grants and/or contributions

Facilities	2018 & Approved Updates	2019		2020		2021		2022		2023		Total 2019-2023	Future Years
		FP	FP	FP	FP	FP	FP	FP	FP	FP	FP		
Arena													
Building Exterior Replacement	200,000											-	
Roof Replacement		100,000										100,000	
Dehumidifier Repairs/Replacement		100,000										100,000	
Autoscrubber Replacements	20,000	12,000								25,000		37,000	
Ice Edger Replacement				10,000								10,000	
Security Card Access Integration with CAL	15,000											-	
Lighting Upgrade (50% City, 50% BC Hydro Rebate)	5,000											-	
Interior Signage Replacement	13,000											-	
Concession Appliance Replacements	4,000											-	
Zamboni Bay Floor Replacement		30,000										30,000	
Chiller Replacement		225,000										225,000	
Hot Water Tank Replacement	12,000											-	
Rubber Floor Replacement	25,000											-	
Skate Shop Counter Replacement	10,000	10,000										10,000	
Office Counter Replacement	13,000	7,000										7,000	
Deck Board Replacements	20,000											-	
Genie Lift Replacement	13,000											-	
Office Window Covering Replacement			7,000									7,000	
Hall Curtains Replacement			20,000									20,000	
Lounge Ceiling Replacement			20,000									20,000	
Relief Valves Replacement					10,000							10,000	
Centre for Active Living													
Handicap Auto Door Openers	8,000											-	
New Exterior Lighting		5,000										5,000	
Security Gate Replacement for NGO Offices		15,000										15,000	
Portable Card Reader	6,000											-	
Portable Registration Workstation	18,000											-	
Cardio Equipment Replacement	25,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000		30,000	
Audio System Replacement			10,000									10,000	
WR Community Centre													
Portable Card Reader	6,000											-	
Lobby & Rental Space Furniture	2,000											-	
Floor Replacement Halls A, B & C	55,000											-	
Security Gate Replacement		20,000										20,000	
Chair Replacements		11,000									11,000	22,000	
Council Meeting Live Stream Technology		30,000										30,000	

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Facilities	2018 & Approved Updates	2019			2020			2021			2022			2023			Total 2019-2023	Future Years
		FP	FP	FP	FP	FP	FP	FP	FP	FP	FP	FP	FP	FP	FP	FP		
Kent Street Activity Centre		350,000														350,000		
Exterior Siding Replacement																		
Driveway and Patio Replacement	50,000																	
Washroom Upgrades		100,000														100,000		
Auditorium Floor Refinishing/Replacement	6,000	30,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	83,000			
Lighting Upgrades		5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000			
Kitchen Floor Replacement		5,000													5,000			
Cedarshake Awning Replacement	10,000																	
Outdoor Signage Replacement	5,000																	
Shade Blind Replacement																		
Cupboard Replacements		10,000													10,000			
Classroom & Computer Lab Furniture Replacement	10,000																	
Lobby Furniture Replacement			5,000												5,000			
Patio Landscape Improvements	5,000																	
Retaining Wall Replacement	15,000																	
Outside Bench Replacements		5,000													5,000			
Kitchen Ramp Replacement		10,000													10,000			
Storage Room Floor Replacement			6,000												6,000			
Stage Cupboards Replacement			5,000												5,000			
Museum																		
Window Repairs	25,000																	
Exterior Painting	30,000																	
Events Kiosk Sign		10,000													10,000			
Exterior LED Lighting		32,000													32,000			
Library																		
Ceiling Tile Replacement	10,000																	
Lighting & Ceiling System Replacement																		
New Intrusion, Fire and Elevator Alarms	20,000																	
Lounge Chair Replacements	7,000																	
Children's Area Shelving & Desk Replacements	10,000		7,000												7,000			
Book Display Island Replacement	18,000																	
New Book Display Islands		16,000													16,000			
Furniture Replacements		12,000	8,000								23,000				43,000			
Computer Workstation Replacements			10,000												10,000			
Customer Service Desk Replacement									16,000						16,000			
Exterior LED Lighting		30,000													30,000			
Sprinkler System									75,000						75,000			
Electrical Room	14,000																	
Washroom Upgrade											25,000				25,000			
City Hall																		
City Hall Replacement Feasibility Study																		
Office Upgrades	100,000														50,000			
Sign Replacement	16,000																	
New Secure Mail Drop/Box and Reception Area Modification																		
Exterior LED Lighting															10,000			
Sprinkler System																33,000		
Lawn and Garden Improvements																50,000		
Lower Floor Renovation																50,000		
Seismic Upgrades																???		
																> \$2M		

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Facilities	2018 & Approved Updates	2019		2020		2021		2022		2023		Total 2019-2023	Future Years
		FP		FP		FP		FP		FP			
Operations Building & Yard													
Operations Building Locker Replacement													
Yard Fencing	171,000												25,000
Rubble Pit Rebuild	50,000												
Yard Master Plan/Space Plan		50,000										50,000	
New Parks Yard Fencing		150,000										150,000	
Other													
Facilities Masterplan Update		115,000										115,000	
Facilities Masterplan Implementation			300,000	400,000	500,000	600,000						1,800,000	
Evergreen Daycare Window Replacement		10,000										10,000	
Arts & Culture Window Upgrades & Exterior Door Replacement	20,000												
Pop Up Gallery Tenant Improvements	60,000												
Centennial Field Concession & Washroom Building Replacement						100,000						100,000	
Emergency Measures Earthquake Mitigation Projects	21,000												
Facility Alarm Systems Integration	139,000												
Facility Lighting Replacements	20,000												
Portable Ozone System	32,000												
Fall Protection Equipment	38,000	20,000	20,000	20,000	20,000	20,000						100,000	
Miscellaneous Facility Upgrades	72,000	75,000	75,000	75,000	75,000	75,000						375,000	
Parks													
Centennial Park													
Tennis Court Resurfacing	14,000												
Generations Playground	870,000												
Generations Playground Pathway & Picnic Area Upgrade		175,000										175,000	
Walkway Improvements													
North of Oval Landscaping & Retaining Wall Improvements	53,000		220,000									220,000	
Waterfront													
Shoreline Protection - Erosion Repair	93,000												
Eastbeach Shoreline Protection & Promenade Concept Plan	100,000												
Eastbeach Shoreline Restoration		600,000										600,000	
All Abilities Playground (funded from contributions)												300,000	
Marina Expansion (50% Capital Reserves, 50% Contributions)	150,000												1,000,000
Memorial Park Upgrade - (92% CAC's, 8% capital reserves)	3,674,000												
Memorial Park Public Art (100% CAC's)	117,000												
Pier Washroom & Viewing Platform (39% CAC's, 6% DCC's, 55% capital reserves)	1,878,000												
Pier Pre-servicing	267,000												
Fitness Circuit Equipment	30,000												
Railway Pedestrian Crossings													
Finlay Crossing Upgrade (funded 23.3% City, 50% Grant, 26.7% BNSF)	393,000												
Bay Crossing Upgrade (funded 19.4% City, 50% Grant, 30.6% BNSF)	674,000												
Balsam Crossing Upgrade (funded 22.7% City, 47% Grant, 30.3% BNSF)	632,000												
Cypress Crossing Upgrade (funded 24.6% City, 50% Grant, 25.4% BNSF)	218,000											604,000	
Ash Crossing Upgrade (funded 19.2% City, 50% Grant, 30.8% BNSF)	630,000												
Pier Crossing Upgrade (funded 50% City, 50% Grant)	99,000												
New Oxford Crossing - signals & lights (funded 20% City, 80% Grant)	60,000											66,000	
New Anderson Crossing - signals & lights (funded 20% City, 80% Grant)	60,000											20,000	

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Parks	2018 & Approved Updates	2019		2020		2021		2022		2023		Total 2019-2023	Future Years
		FP		FP		FP		FP		FP			
Waterfront (continued)													
Pier Repairs/Restoration													
Pier Immediate Repairs	20,000	4,280,000										4,280,000	
Pier Restoration Completion			5,000,000	6,600,000								11,600,000	
Pier Lighting	149,000												
Promenade Extension to Collicutt Ravine & Overhead Walkway													
Overhead Walkway													
Design (25% DCC's, 25% CAC's, 50% Grant)	34,000	366,000										366,000	
Construction (25% DCC's, 60% CAC's, 15% Grant)		2,000,000										2,000,000	
Promenade Extension													
Design (25% DCC's, 31% CAC's, 44% Grant)	30,000	430,000										430,000	
Construction (21% DCC's, 79% CAC's)		2,500,000										2,500,000	
Promenade Railing Repainting												100,000	
Oxford Washroom Door Replacements	5,000												
Balsam Washroom Door Replacements	10,000												
Bayview Park Upgrade	13,000												
Terry Parr Plaza Upgrade	20,000												
Surface Protection of the "White Rock"		31,000										31,000	
Hillside													
Centre & Everall St Walkway Improvements	20,000												
Centennial Trail Stairway Improvements	20,000												
Buena Vista & Martin Walkway Improvements	75,000												
Other													
Garbage Can Replacements	148,000											100,000	
Park Benches	10,000	10,000	50,000	10,000	10,000	10,000	10,000	50,000	10,000	10,000	10,000	50,000	
Central Control Irrigation System		110,000										110,000	
Special Events Stage Extensions	5,000												
Special Events Tent Replacements	5,000												
Community Public Art Projects (funded from CAC's)	28,000												
Peace Arch Hospital Auxiliary Public Art (funded from CAC's)	100,000											250,000	
Barge Park Playground Upgrade	33,000												
Bryant Park Path Upgrade	15,000												
Butterfly Garden New Path	39,000												
Tree Light Replacements	74,000												
Tree Removal and Replacement	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	200,000	
Tree Management Inventory and Program		50,000										50,000	
Parks Masterplan Implementation - projects to be determined												1,000,000	
Parks Masterplan & Acquisitions													
Parks and Recreation Masterplan	15,000												
Parkland Acquisition (DCC's 49.5%, Land Sale Reserve 42%, CAC's 8.5%)	5,000,000												
Parkland Acquisition (assumes DCC bylaw is amended) (50% DCC's, 20% CAC's, 30% sec. suite fee res.)												1,000,000	

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Vehicle Fleet & Equipment Replacements Facilities, Parks & Recreation, & Other Facilities	2018 & Approved Updates	2019		2020		2021		2022		2023		Total 2019-2023	Future Years
		FP	FP	FP	FP	FP	FP	FP	FP				
Ford Econo Line Van Unit #154.								40,000				40,000	
Parks & Recreation													
Ford 22 Passenger Van Unit #152	92,000												
Honda Civic Hybrid Unit #143	43,000												
Ford F350 4X4 Pickup Unit #162				40,000								40,000	
GMC Cargo Van Unit #163				40,000								40,000	
Chev 3500 4x4 Dump Truck Unit #160				75,000								75,000	
Jacobsen Realmaster Unit #168										40,000		40,000	
Polaris Ranger Electric Gator Unit #107								18,000				18,000	
Kubota F3990 Front Mower Unit #156								37,000				37,000	
Kubota F3990 Front Mower Unit #172								37,000				37,000	
Bylaw Enforcement													
Ford F150 Pickup Unit #105				38,000								38,000	
Other New Vehicle Fleet & Equipment Purchases													
Parks Remote Control Slope Mower Unit #185	49,000												
Parks Pickup for Manager		25,000										25,000	
Bylaw Pickup for Bylaw Officers		40,000										40,000	
Police Department													
Front Entrance Upgrades	25,000	75,000										75,000	
Security Cameras	5,000												
Soft Interview Room Soundproofing	12,000												
Washroom Upgrades	71,000												
Storage Area Renovations	1,000												
Cell Area Ventilation System	20,000												
HVAC Modification	5,000												
Interior Painting		15,000								17,000		32,000	
Fire Department													
Kitchen Update	95,000												
Men's Washroom Repairs	19,000												
Gym Floor Replacement	20,000												
Overhead Door Replacement	90,000												
Cabinet Replacements		25,000										25,000	
Flat Roof Replacement		80,000										80,000	
Living Room Floor Replacement		10,000										10,000	
Furnace Replacement		15,000										15,000	
Traffic Signal Pre-emption Power Supply	5,000												
Urban Rescue Equipment	16,000												
Turn Out Gear Replacement	75,000							35,000				35,000	
Extrication Equipment Replacement				42,000								42,000	
Large Diameter Fire Hose Replacement		25,000										25,000	
Thermal Imaging Equipment Replacement				20,000								20,000	
Self Contained Breathing Cylinder Replacement				15,000								15,000	
Vehicle Fleet & Equipment Replacements													
American La France Pumper Unit #216	343,000												
Aerial Truck Unit #238	1,370,000												
Ford Escape Hybrid Unit #132				40,000								40,000	
Command Support Chev Gruman Van Unit #235										280,000		280,000	
Vehicle Data Terminal & Computer Replacements				16,000								16,000	

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	2018 & Approved Updates	2019		2020		2021		2022		2023		Total 2019-2023	Future Years
		FP	FP	FP	FP	FP	FP	FP	FP	FP			
Information Technology													
Existing Infrastructure Support - City Wide													
PC Replacements	38,000	35,000	15,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	140,000	
Infrastructure Replacement/Upgrades	65,000	15,000	55,000	20,000	65,000	65,000	65,000	65,000	65,000	65,000	65,000	220,000	
MS Office & Windows Update	8,000	20,000										20,000	
MS Office O365 License Conversion			20,000									20,000	
Nimble CS220 SAN Replacement		35,000										35,000	
SAN Replacement				75,000								75,000	
Corporate Initiatives													
Document Management System Implementation	46,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	100,000	
Council Agenda / Corporate Report Software	37,000											-	
E-Commerce/Data Management Projects	53,000	42,000	55,000	52,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	249,000	
Open Data Portal	4,000											-	
City Website Upgrades	32,000											-	
GIS Intranet Upgrade	12,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	40,000	
City Facility CCTV System	90,000											-	
Five Corners CCTV Equipment	19,000											-	
Granicus Mobile Encoder	25,000											-	
Mass Notification Software		13,000										13,000	
Bylaw Enforcement Mobile System	25,000											-	
HR Training Registration Module		5,000										5,000	
Vadim iCity Upgrade	8,000											-	
Tempest Land Based Management System and Financial Modules	65,000											-	
Tempest Additional Modules & Functionality	89,000	66,000	20,000									86,000	
Tempest Latecomer Agreements Module	13,000											-	
Tempest Ad-hoc Modifications		15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	75,000	
Tempest Upgrade										15,000		15,000	
New Financial System				1,500,000								1,500,000	
Department Initiatives													
Fire Department													
Management System	6,000											-	
Inspection Handheld Devices	4,000											-	
Emergency Management Software	5,000											-	
Parks & Recreation												-	
CLASS Software Replacement	83,000											-	
CLASS Software Upgrade	13,000											-	
Parking													
Parking Lot Paving Overlays												-	
Marine Drive Parking Lot Rehabilitation - Oxford to Museum	20,000		75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	300,000	
Parking Permit/License Plate Recognition System	40,000			1,130,000								1,130,000	
Hospital Parking Meter Upgrades	120,000											-	
Centennial Park Parking Dispenser Upgrade		77,000										77,000	
Waterfront Parking Facility	15,000											-	
Construction & Pay Parking Equipment (6% secondary suite fee reserve, 2% parking reserve, 92% CAC's)	9,563,000											-	
Vehicle Fleet Replacements													
Ford Transit Connect Van Unit #102	33,000											-	
Chevy City Express Van Unit #144								36,000				36,000	

	2018 & Approved Updates	2019		2020		2021		2022		2023		Total 2019-2023	Future Years
		FP	FP	FP	FP	FP	FP	FP	FP	FP	FP		
Capital Contingency													
Capital Contingency funded from general revenue	67,000	300,000	400,000	500,000	600,000	600,000	700,000	700,000	700,000	700,000	700,000	2,500,000	
Capital Contingency funded from capital works reserve	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	500,000	
Capital Contingency funded from roadworks reserve	300,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	700,000	
Capital Contingency funded from infrastructure reserve	177,000	100,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	1,300,000	
Capital Contingency funded from contributions	24,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	500,000	
Total Asset Improvement Expenditures	38,663,000	15,051,000	13,858,000	20,209,000	6,059,000	6,059,000	6,113,000	6,113,000	6,113,000	6,113,000	6,113,000	61,290,000	2,078,000

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General Fund Asset Improvement Funding Sources

	2018 & Approved Updates	2019		2020		2021		2022		2023		Total 2019-2023
		FP	FP	FP	FP	FP	FP	FP	FP	FP	FP	
General Fund												
General Revenue	2,132,300	2,371,700	2,655,400	2,789,100	3,007,400	3,095,800	3,095,800	3,095,800	3,095,800	3,095,800	3,095,800	13,919,400
Accumulated Surplus	270,000	600,000	-	-	-	-	-	-	-	-	-	600,000
Parkland Development Cost Charges	2,615,700	713,500	1,020,600	10,000	-	-	10,000	-	-	10,000	-	1,754,100
Highways Development Cost Charges	587,300	63,200	199,400	689,900	446,700	514,800	514,800	514,800	514,800	514,800	514,800	1,914,000
Capital Works Reserve	2,136,000	1,589,300	607,000	596,000	745,000	892,000	892,000	892,000	892,000	892,000	892,000	4,429,300
Land Sale Reserve	2,316,500	69,600	-	-	-	-	-	-	-	-	-	69,600
Community Amenity Contribution Reserve (Statutory)	14,588,100	2,262,100	3,729,400	2,950,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	9,041,500
Community Amenity Contribution Reserve (Non Statutory)	319,000	10,600	-	-	-	-	-	-	-	-	-	10,600
Off-Street Parking Reserve	6,400	-	-	-	-	-	-	-	-	-	-	-
Equipment Replacement Reserve	1,449,800	101,000	1,042,000	762,000	353,000	80,000	80,000	80,000	80,000	80,000	80,000	2,338,000
Capital in Progress Reserve	2,943,800	152,800	-	-	-	-	-	-	-	43,200	-	196,000
Pier Reserve	20,000	260,000	-	200,000	-	-	-	-	-	-	-	460,000
Computer Replacement Reserve	98,000	90,000	85,000	125,000	52,700	95,000	95,000	95,000	95,000	95,000	95,000	447,700
Roadworks Reserve	2,424,400	576,000	100,000	2,472,700	521,200	282,200	282,200	282,200	282,200	282,200	282,200	3,952,100
Police Equipment Reserve	15,000	-	-	-	-	-	-	-	-	-	-	-
Traffic Calming Reserve	25,400	-	-	-	-	-	-	-	-	-	-	-
Parking Reserve	279,200	77,000	-	275,200	-	-	-	-	-	-	-	352,200
Community Works Fund Reserve (Gas Tax)	370,900	-	20,000	345,000	133,000	-	-	-	-	-	-	498,000
Traffic Fine Revenue Sharing Reserve	11,000	8,700	-	-	-	-	-	-	-	-	-	8,700
Secondary Suite Service Fee Reserve	699,700	487,800	449,200	728,900	300,000	150,000	150,000	150,000	150,000	150,000	150,000	2,115,900
Climate Action Revenue Incentive Program Reserve	10,000	-	-	-	-	-	-	-	-	-	-	-
Fire Rescue Equipment Reserve	83,000	-	-	-	-	-	-	-	-	-	-	-
General Infrastructure Reserve	2,121,900	1,125,100	300,000	4,315,200	300,000	750,000	750,000	750,000	750,000	750,000	750,000	6,790,300
Grants	1,440,200	1,030,600	1,000,000	1,000,000	-	-	-	-	-	-	-	3,030,600
Contributions	1,699,400	3,462,000	2,650,000	2,950,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	9,362,000
Total Asset Improvement Funding	38,663,000	15,051,000	13,858,000	20,209,000	6,059,000	6,059,000	6,113,000	6,113,000	6,113,000	6,113,000	6,113,000	61,290,000

City of White Rock General Fund - DRAFT 2019 Asset Improvement Projects

2019 Project	Funding Sources:															
	Total Amount	General Revenue	Parkland DCC's	Highways DCC's	Capital Works Reserve	Land Sale Reserve	Equipment Replace Reserve	Statutory CAC Reserve	Roadworks Reserve	Non-statutory CAC Reserve	Community Works Fund Reserve	Secondary Suite Reserve	Parking Reserve	Other Reserves	Contributions	Grants
Pavement Overlays	350,000	350,000														
Roadworks Pacific Habgood to Ewson	26,000								26,000							
Roadworks Best Thrift to Russell	286,000			53,200								212,800				
Roadworks Blackburn Cres. Archibald to High	250,000								250,000							
Development Coordinated Works	20,000	20,000														
Marine Drive Hump Micro Pile Installation	1,200,000	244,700										100,000		855,300		
Retaining Wall Improvements	10,000	10,000														
Semiahmoo Retaining Wall Replacement	100,000	65,000												35,000		
DCC Bylaw Review	20,000		10,000	10,000												
Traffic Safety Review	10,000	10,000														
Street Lighting Program	45,000	45,000														
Bus Stop Accessibility	55,000	55,000														55,000
LED Sign Board Johnston Rd/Russell	110,000							56,000								
Strategic Transportation Plan Update	200,000	200,000														
Misc. Road/Pedestrian Improvements not in STP	50,000	50,000														
Repl. PW Polaris Ranger Electric Utility Veh. Unit #103	18,000						18,000									
Replace PW Ford 550 SD Mini Dump Unit #133	83,000						83,000									
PW New Pickup for Engineering Inspector Unit #118	36,000	36,000														
PW New Snow Plow on unit #365	50,000	50,000														
Garage New 5 Tonne Overhead Crane	70,000	70,000														
Garage New 25 Tonne Hydraulic Press	8,000	8,000														
Arena Roof Replacement	100,000				100,000											
Arena Dehumidifier Repairs/Replacement	100,000				100,000											
Arena 20' Auto scrubber Replacement	12,000	12,000														
Arena Zamboni Bay Floor Replacement	30,000	30,000			30,000											
Arena Chiller Replacement	225,000	225,000			225,000											
Arena Skate Shop Counter Replacement	10,000				10,000											
Arena Office Counter Replacement	7,000				7,000											
CAL New Exterior Lighting	5,000	5,000														
CAL Security Gate Replacement for NGO Offices	15,000				15,000											
CAL Cardio Equipment Replacement	6,000	6,000														
WRCC Security Gate Replacement	20,000				20,000											
WRCC Chair Replacements	11,000				11,000											
WRCC Council Meeting Live Stream Technology	30,000	30,000														
KSAC Exterior Siding Replacement	350,000				350,000											
KSAC Washroom Upgrades	100,000	100,000			100,000											
KSAC Auditorium Floor Replacement	30,000				30,000											
KSAC Lighting Upgrades	5,000				5,000											
KSAC Kitchen Floor Replacement	5,000				5,000											
KSAC Cedar Shake Awning Replacement	5,000				5,000											
KSAC Cupboard Replacements	10,000				10,000											
KSAC Outside Bench Replacements	5,000				5,000											
KSAC Kitchen Ramp Replacement	10,000				10,000											
Museum Events Kiosk Sign	10,000	10,000														
Museum Exterior LED Lighting	32,000	32,000														
Library Children's Area Shelving & Desk Replacements	7,000				7,000											
Library Book Display Island Replacement	16,000				16,000											
Library Furniture Replacement	12,000				12,000											
Library Exterior LED Lighting	30,000	30,000														
Library Hall Replacement Feasibility Study	50,000	50,000														
City Hall New Mail Drop Box	10,000				10,000											
Operations Yard Master/Space Plan	50,000	50,000														
New Parks Yard Fencing	150,000	150,000			115,000											
Facilities Master Plan Update	115,000				10,000											
Evergreen Daycare Window Replacement	10,000															

2019		Funding Sources:														
Project	Total Amount	General Revenue	Parkland DCC's	Highways DCC's	Capital Works Reserve	Land Sale Reserve	Equipment Replace Reserve	Statutory CAC Reserve	Roadworks Reserve	Non-statutory CAC Reserve	Community Works Fund Reserve	Secondary Suite Reserve	Parking Reserve	Other Reserves	Contributions	Grants
Fall Protection Equipment	20,000	20,000														
Miscellaneous Facility Upgrades	75,000				75,000											
Generations Playground Pathway & Picnic Area Upgrade	175,000											175,000				
Eastbeach Shoreline Restoration	604,000					52,400								600,000		
Cypress Railway Pedestrian Crossing Upgrade	66,000					13,200								97,600	152,000	302,000
Oxford Crossing - signals & lights	20,000					4,000										52,800
Anderson Crossing - signals & lights	4,280,000							734,000						446,000	3,100,000	16,000
Pier Immediate Repairs	2,366,000		585,600					1,297,600								482,800
Coldcut Overhead Walkway	430,000		117,900					135,100								177,000
Promenade Extension to Coldcut Ravine	31,000	31,000														
Surface Protection of the "White Rock"	10,000															
Park Benches	110,000	110,000								10,600					10,000	
Central Control Irrigation System	50,000															
Community Public Art Projects	40,000							39,400							40,000	
Tree Removal & Replacement	50,000	50,000														
Tree Management Inventory and Program	25,000	25,000														
Parks New Pickup for Manager Unit #119	40,000	40,000														
Bylaw New Pickup for Bylaw Officers Unit #109	75,000				66,300									8,700		
RCMP Front Entrance Upgrades	15,000				15,000											
RCMP Building Interior Painting	25,000															
Fire Cabinet Replacements	80,000				25,000											
Fire Hall Flat Roof Replacement	10,000				80,000											
Fire Hall Livin Room Floor Replacement	15,000				10,000											
Fire Hall Furnace Replacement	25,000	25,000			15,000											
Fire Large Diameter Fire Hose Replacement	35,000															
IT - PC Replacements	15,000	15,000												35,000		
IT - Infrastructure Replacement/Upgrades	20,000															
IT - MS Office & Windows Update	35,000													20,000		
IT - Nimble CS220 SAN Replacement	20,000	20,000												35,000		
IT - Document Management System	42,000	42,000														
IT - Other E-Commerce/Data Mgmt. Projects	10,000	10,000														
IT - GIS Intranet Upgrades	13,000	13,000														
IT - Mass Notification Software	5,000	5,000														
IT - HR Training Registration Module	66,000	66,000														
IT - Tempest Additional Modules & Functionality	15,000	11,000											77,000	4,000		
IT - Tempest Ad-hoc Modifications	77,000															
Hospital Parking Meter Upgrades	900,000	300,000			100,000				300,000					100,000		
Capital Contingency	-															
Total 2019 General Fund	15,051,000	2,371,700	713,500	63,200	1,589,300	69,600	101,000	2,262,100	576,000	10,600	-	487,800	77,000	2,236,600	3,462,000	1,030,600

City of White Rock General Fund - DRAFT 2020 Asset Improvement Projects

2020 Project	Funding Sources:															
	Total Amount	General Revenue	Parkland DCC's	Highways DCC's	Capital Works Reserve	Land Sale Reserve	Equipment Replace Reserve	Community Amenity Contr. Res.	Roadworks Reserve	CAC Reserve	Community Works Fund Reserve	Secondary Suite Reserve	Parking Reserve	Other Reserves	Contributions	Grants
Pavement Condition Analysis	25,000	25,000														
Pavement Overlays	400,000	400,000														
Roadworks Marine Finlay to Stlaye	442,000	442,000														
Roadworks Parker Thrift to Pacific	296,000	235,100	60,900													
Roadworks Johnston Russell to Thrift	60,000	45,200	14,800													
Roadworks Prospect Foster to Johnston	50,000	44,500														
Roadworks Martin Buena Vista to Victoria	20,000	20,000									20,000					
Development Coordinated Works	80,000	80,000														
North Bluff Sidewalk Replacement - Centennial Oval	75,000	75,000														
Retaining Wall Improvements	10,000	10,000														
Traffic Safety Review	45,000	45,000														
Street Lighting Program	500,000	232,600		123,700							143,700					
Other Strategic Transportation Plan Projects	50,000	50,000														
Misc. Road/Pedestrian Improvements not in STP	143,000	143,000														
Replace Garbage Sterling Haul All Unit #332	140,000	140,000														
Replace Garbage Ford F550 Haul All Unit #333	165,000	165,000														
Replace Garbage Ford F550 Rollins Haul All Unit #325	258,000	258,000														
Replace Peterbilt Recycler Unit #329	258,000	258,000														
Replace Peterbilt Recycler Unit #330	7,000	7,000			7,000											
Arena Office Window Covering Replacement	20,000	20,000			20,000											
Arena Lounge Ceiling Replacement	20,000	20,000			20,000											
CAL Cardio Equipment Replacement	6,000	6,000														
CAL Audio System Replacement	10,000	10,000			10,000											
WRCC Chair Replacements	11,000	11,000			11,000											
KSAC Auditorium Floor Refinishing	7,000	7,000														
KSAC Lighting Upgrades	5,000	5,000			5,000											
KSAC Lobby Furniture Replacement	5,000	5,000			5,000											
KSAC Storage Room Floor Replacement	6,000	6,000			6,000											
KSAC Stage Cupboards Replacement	5,000	5,000			5,000											
Library Furniture Replacement	8,000	8,000			8,000											
Library Computer Workstation Replacements	10,000	10,000			10,000											
Library Washroom Upgrade	25,000	25,000			25,000											
Facilities Masterplan Implementation	300,000	300,000			300,000											
Fall Protection Equipment	20,000	20,000			20,000											
Miscellaneous Facility Upgrades	75,000	75,000			75,000											
North of Centennial Oval Improvements	220,000	220,000														
Pier Restoration Completion	5,000,000	5,000,000														
Promenade Extension to Coldicutt Ravine	2,500,000	525,600						1,500,000						2,500,000		1,000,000
Garbage Can Replacements	50,000	50,000						1,974,400								
Park Benches	10,000	10,000												10,000		
Community Public Art Projects	50,000	50,000						50,000								
Signage Removal & Replacement	40,000	40,000												40,000		
Parkland Acquisition	1,000,000	495,000						205,000			300,000					
Replace Parks GMC Cargo Van Unit #163	40,000	40,000														
Replace Bylaw Ford F150 Pickup Unit #105	38,000	38,000														
Fire Extinguisher Equipment Replacement	42,000	42,000														
Fire Vehicle Data Terminal & Computer Replacements	16,000	16,000														
Fire PC Replacements	15,000	15,000														
Infrastructure Replacement/Upgrades	55,000	5,000														
MS Office & Windows Update	20,000	20,000														
Document Management System	20,000	20,000														
Other E-Commerce/Data Mgmt. Projects	55,000	55,000														
Tempes Additional Modules & Functionality	20,000	20,000														
Tempes Ad-hoc Modifications	15,000	15,000														
King Lot Paving Overlays	75,000	75,000														
Capital Contingency	1,000,000	400,000			100,000					100,000						
Total 2020 General Fund	13,858,000	2,655,400	1,020,600	199,400	607,000	-	1,042,000	3,729,400	100,000	-	20,000	449,200	-	385,000	2,650,000	1,000,000

City of White Rock General Fund - DRAFT 2021 Asset Improvement Projects

2021 Project	Funding Sources:											Total Amount			
	General Revenue	Parkland DCC's	Highways DCC's	Capital Works Reserve	Land Sale Reserve	Equipment Replace Reserve	Community Amenity Contr. Res.	Roadworks Reserve	CAC Reserve	Community Works Fund Reserve	Secondary Suite Reserve		Parking Reserve	Other Reserves	Contributions
Pavement Overlays	400,000														
Roadworks Marine High to Anderson	12,800		104,300							340,900					
Roadworks Marine Oxford to Anderson	369,000		84,000						125,000	160,000					
Roadworks Marine Bishop to Terry	812,000		184,900					627,100							
Marine & Nichol Intersection Improvements	81,000							21,000							
Roadworks Parker Thrift to Pacific	846,000		44,200									540,000			
Roadworks Johnston Russell to Thrift	2,926,000		104,400						120,000			1,701,600			
Roadworks Prospect Foster to Johnston	500,000														
Roadworks George Thrift to Russell	139,000		34,400						100,000						
Roadworks Martin Buena Vista to Victoria	220,000														
Development Coordinated Works	20,000														
Retaining Wall Improvements	75,000														
DCC Bylaw Review	20,000	10,000													
Traffic Safety Review	10,000														
Street Lighting Program	45,000														
Other Strategic Transportation Plan Projects	376,300		123,700												
Misc. Road/Pedestrian Improvements not in STP	50,000														
Replace PW Ford F350 Flatdeck Unit #136	75,000						75,000								
Replace PW Ford F350 Flatdeck Unit #136	300,000						300,000								
Replace PW Sterling Street Sweeper Unit #140	83,000						83,000								
Replace PW Ford F450 Flatdeck Unit #147	83,000						83,000								
Replace PW Ford F450 Flatdeck Unit #148	83,000						83,000								
Replace PW Equipment Sander #1	11,000						11,000								
Replace PW Equipment Sander #2	11,000						11,000								
Replace PW Snow Plow #1 (for unit #147)	11,000						11,000								
Replace PW Snow Plow #2 (for unit #148)	11,000						11,000								
Replace PW Snow Plow #4 (for unit #160)	11,000						11,000								
Replace PW Equipment Snow Plow on unit #162	11,000						11,000								
Arena Ice Edger Replacement	10,000														
CAL Cardio Equipment Replacement	6,000														
KSAC Auditorium Floor Refinishing	7,000														
KSAC Lighting Upgrades	5,000														
Library Customer Service Desk Replacement	16,000														
Library Sprinkler System	75,000														
Facilities Masterplan Implementation	400,000														
Fail Protection Equipment	20,000														
Miscellaneous Facility Upgrades	75,000														
Waterfront All Abilities Playground	300,000														
Pier Restoration Completion	6,600,000														
Promenade Railing Repainting	100,000														
Park Benches	10,000														
Community Public Art Projects	50,000														
Signage Removal & Replacement	40,000														
Trucks Masterplan Implementation	200,000														
Replace Parks Ford F350 4X4 Pickup Unit #162	40,000														
Replace Parks Chev 3500 4x4 Dump Truck Unit #160	75,000														
Replace Thermal Imaging Equipment Replacement	20,000														
Replace Self Contained Breathing Cylinder Replacement	15,000														
Replace Fire Ford Escape Hybrid Unit #132	40,000														
PC Replacements	30,000														
Infrastructure Replacement/Upgrades	20,000														
SAN Replacement	75,000														
Document Management System	20,000														
Other E-Commerce/Data Mgmt. Projects	52,000														
GIS Intranet Upgrades	10,000														
Tempeset Ad-hoc Modifications	15,000														
New Financial System	1,500,000														
Marking Lot Paving Overlays	75,000														
Marine Drive Parking Lot Rehab-Oxford to Museum	1,130,000														
Capital Contingency	500,000														
Total 2021 General Fund	2,789,100	10,000	689,900	596,000	-	762,000	2,950,000	2,472,700	-	345,000	728,900	275,200	4,600	2,950,000	1,000,000

REGULAR AGENDA

City of White Rock General Fund - DRAFT 2022 Asset Improvement Projects

2022		Funding Sources:														
Project	Total Amount	General Revenue	Parkland DCC's	Highways DCC's	Capital Works Reserve	Land Sale Reserve	Equipment Replace Reserve	Community Amenity Contr. Res.	Roadworks Reserve	CAC Reserve	Community Works Fund Reserve	Secondary Suite Reserve	Parking Reserve	Other Reserves	Contributions	Grants
Pavement Overlays	500,000	500,000														
Roadworks Kent Buena Vista to Pacific	710,000	501,300		75,700							133,000					
Development Coordinated Works	20,000	20,000														
Retaining Wall Improvements	100,000	100,000														
Traffic Safety Review	15,000	15,000														
Street Lighting Program	50,000	50,000														
Other Strategic Transportation Plan Projects	1,500,000	407,800		371,000					421,200		300,000					
Misc. Road/Pedestrian Improvements not in STP	75,000	75,000														
Replace Public Works John Deere Backhoe Unit #121	185,000						185,000									
Arena Relief Valves Replacement	10,000				10,000											
CAL Cardio Equipment Replacement	6,000															
KSAC Auditorium Floor Replacement	32,000				32,000											
KSAC Lighting Upgrades	5,000				5,000											
Library Furniture Replacement	23,000				23,000											
Facilities Masterplan Implementation	500,000				500,000											
Fall Protection Equipment	20,000	20,000														
Miscellaneous Facility Upgrades	75,000				75,000											
Garbage Can Replacements	50,000	50,000														
Park Benches	10,000														10,000	
Community Public Art Projects	50,000							50,000								
Tree Removal & Replacement	40,000														40,000	
Parks Masterplan Implementation	400,000	400,000														
Replace Facilities Ford Econo Line Van Unit #154.	40,000															
Replace Parks Polaris Ranger Electric Gator Unit #107	18,000						18,000									
Replace Parks Kubota F3990 Front Mower Unit #156	37,000						37,000									
Replace Parks Kubota F3990 Front Mower Unit #172	37,000						37,000									
Fire Turn Out Gear Replacement	35,000	35,000														
IT - PC Replacements	30,000													30,000		
IT - Infrastructure Replacement/Upgrades	65,000	42,300												22,700		
IT - Document Management System	20,000	20,000														
IT - Other E-Commerce/Data Mgmt. Projects	50,000	50,000														
IT - GIS Intranet Upgrades	10,000	10,000														
IT - Tempest Ad-hoc Modifications	15,000	15,000														
IT - Tempest Upgrade	15,000	15,000														
Parking Lot Paving Overlays	75,000															
Replace Parking Chevy City Express Van Unit #144	36,000															
Capital Contingency	1,200,000	600,000			100,000		36,000		100,000					300,000	100,000	
Total 2022 General Fund	6,059,000	3,007,400	-	446,700	745,000	-	353,000	50,000	521,200	-	133,000	300,000	-	352,700	150,000	-

City of White Rock General Fund - DRAFT 2023 Asset Improvement Projects

2023		Funding Sources:														
Project	Total Amount	General Revenue	Parkland DCC's	Highways DCC's	Capital Works Reserve	Land Sale Reserve	Equipment Replace Reserve	Community Amenity Contr. Res.	Roadworks Reserve	CAC Reserve	Community Works Fund Reserve	Secondary Suite Reserve	Parking Reserve	Other Reserves	Contri - butions	Grants
Pavement Overlays	500,000	500,000												43,200		
Roadworks Buena Vista - 15367 Buena Vista	53,000	20,000		9,800												
Developing Coordinated Works	20,000	75,000												25,000		
Retaining Wall Improvements	100,000		10,000	10,000												
DCC Bylaw Review	20,000	15,000														
Traffic Safety Review	15,000	55,000														
Street Lighting Program	55,000	1,172,800		495,000												
Other Strategic Transportation Plan Projects	2,000,000	50,000							182,200					25,000		
Misc. Road/Pedestrian Improvements not in STP	75,000															
Replace Public Works Ford F150 Pickup Unit #150	40,000	25,000					40,000									
Arena 28" Auto scrubber Replacement	25,000	6,000														
CAL Cardio Equipment Replacement	6,000	7,000														
CAL Cardio Equipment Replacement	7,000															
KSAC Auditorium Floor Refinishing	7,000															
Facilities Masterplan Implementation	600,000				600,000											
Centennial Field Concession & Washroom Bldg Repl.	100,000				100,000											
Facilities Masterplan Implementation	100,000															
Fall Protection Equipment	20,000															
Miscellaneous Facility Upgrades	75,000				75,000											
Park Benches	10,000															
Community Public Art Projects	50,000							50,000								
Tree Removal & Replacement	40,000															
Parks Masterplan Implementation	400,000													400,000		
Replace Parks Jacobsen Realmaster #168	40,000						40,000									
RCMP Building Interior Painting	17,000				17,000											
Replace Fire Command Support Van Unit #235	280,000	280,000														
IT - PC Replacements	30,000															
IT - Infrastructure Replacement/Upgrades	65,000															
IT - Document Management System	20,000	20,000														
IT - Other E-Commerce/Data Mgmt. Projects	50,000	50,000														
IT - GIS Intranet Upgrades	10,000	10,000														
IT - Tempest Ad-hoc Modifications	15,000	15,000														
Parking Lot Paving Overlays	75,000	75,000														
Capital Contingency	1,300,000	700,000			100,000				100,000					300,000		100,000
Total 2023 General Fund	6,113,000	3,095,800	10,000	514,800	892,000	-	80,000	50,000	282,200	-	150,000	-	-	888,200	150,000	-

**City of White Rock Draft 2019-2023 Financial Plan
Projected General Fund Asset Improvement Reserves**

	2018	2019	2020	2021	2022	2023
DCC's (Deferred Revenue)						
Development Cost Charges - Parkland	\$ 4,279,423	\$ 5,416,408	\$ 5,472,194	\$ 6,090,705	\$ 6,298,332	\$ 6,414,198
Development Cost Charges - Highways	1,726,309	2,630,944	2,918,244	2,497,748	2,132,558	1,655,262
RESERVES CREATED BY BYLAW						
Capital Works Reserve	3,951,469	3,491,966	4,224,568	5,055,651	5,816,395	6,488,223
Land Sale Reserve	186,097	119,523	121,913	124,352	126,839	129,375
Equipment Replacement Reserve	4,060,257	4,627,063	4,284,260	4,193,437	4,480,026	5,143,695
Local Improvement Reserve	32,355	33,002	33,662	34,335	35,022	35,723
Community Amenity Contribution Reserve	2,615,465	9,166,014	8,491,440	9,317,769	9,453,624	9,592,196
OTHER RESERVES						
Community Works Fund Reserve (Gas Tax)	119,550	238,899	346,293	127,584	124,783	256,256
Pier Preservation Reserve	266,811	71,311	136,211	1,511	67,211	133,711
Capital Roadworks Reserve	1,599,202	1,708,702	2,263,002	457,702	837,202	1,509,302
Work in Progress Reserve	196,000	43,200	43,200	43,200	43,200	-
Secondary Suite Service Fee Reserve	630,297	484,497	387,297	20,397	92,397	324,397
General Infrastructure Reserve	1,875,102	2,047,102	5,275,702	2,434,702	2,763,902	2,398,102
Other Reserves	927,406	868,806	924,406	669,806	762,706	818,306
Total	\$ 22,465,743	\$ 30,947,437	\$ 34,922,392	\$ 31,068,899	\$ 33,034,197	\$ 34,898,746

New Financial System Justification

Vadim, the City's current financial system, was implemented in 2002. Since that time, the City's needs have evolved and have become more complex. Also, technology has advanced significantly. The City has outgrown Vadim, which is geared more towards smaller municipalities, and does not fully incorporate current technology that supports efficient and effective business processes. Also, when the City acquired this system, Vadim was the sole product that the vendor offered. Since then, the vendor has been acquired by larger companies, a couple of times. These companies provide a number of products, with Vadim being just one of them. There have been issues with the vendor's customer service compared to when the City first implemented Vadim. Examples of the City's evolved needs are as follows:

- New Public Sector Accounting Standards regarding accounting for Tangible Capital Assets, effective in 2009. This led to the need for a capital asset accounting module that should integrate with the City's general ledger. The Vadim fixed asset module only partially met the requirements and was not purchased. The City had to purchase a separate system (called "Citywide") for this asset tracking and bookkeeping. This is not efficient in that there are two databases containing the same data, and this data now needs to be entered twice – once in Citywide to track asset additions and amortization, and again in Vadim to record project costs and pay invoices. A seamless integration is preferred.
- Federal/Provincial requirements for municipalities to formalize and implement full asset management practices and plans. One step towards this is the need for improved integrated asset management/work order systems. Vadim currently has a module for this (which the City currently uses only for the entering of payroll information for outside workers). When Vadim was originally implemented the full maintenance management functionality was set up and used, however the users found it too cumbersome and time consuming so it was not kept up. Shortly after, Vadim advised that the module would no longer be supported from a development standpoint and if the City wanted to continue with the full functionality it would have to acquire another product which works with Vadim called Cartegraph. After examining this option the decision was made not to pursue it and to continue using this original module only for outside worker payroll entry.
- Implementation of Tempest over the last 5 years. Tempest is a Land Based Management System that integrates all functions related to City properties. It is used for City Property Taxes, Utility Billing, Cash Receipting, Planning and Development, Calls for Service, and related applications. Tempest does not integrate with Vadim. The only interface available is not efficient. It needs close monitoring as at times it does not work, and data you think has been exported to Vadim, has not been. Also, it does not function in an efficient manner – for example, a Tempest cash receipting payment cannot be reversed

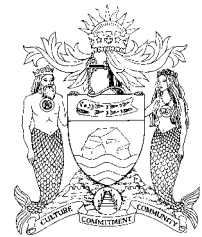
against a Vadim accounts receivable invoice if returned NSF. Also invoice overpayments create unbalanced journal entries. These require manual processes to fix, which should be automatic.

- Higher volume and more complex accounts, and transactions. The largest driver of this has been the acquisition of the water utility. The City has a greater volume of accounts, interfund accounts and reconciliations to manage. Current systems provide more efficiencies, such as the ability to drill down into details of various accounts and transactions. A recent Vadim iCity upgrade was supposed to provide this feature, along with more flexible report creation. However this does not work properly for White Rock. Vadim advised this is because the volume of the City's accounts and transactions is too large for the system to support, so this functionality cannot be used in most cases at White Rock. Staff were advised this is because the initial design of the underlying database was meant for smaller amounts of data than White Rock now has, so it is not a simple fix that the vendor can make.
- More complex budgeting and financial plans. In particular with the acquisition of the water utility, increased development, more complex financing as well as significant capital projects, the City's budgeting and financial planning have become much more complex. Currently this is done with excel spreadsheets and the data needs to be entered a 2nd time into Vadim for budget management purposes. A more streamlined, integrated approach is needed. Vadim does have the capability to import excel data but this is not available in an efficient, user friendly manner. As an alternative, Vadim does have a built in budgeting system. However it is not capable of handling narrative descriptions required for good budget development and does not have the security capability needed for decentralized budget entry/reporting purposes.
- We would like to implement electronic time reporting for City staff. However in order to do this, the maintenance management product "Worktech" would need to be acquired. This may not be the best solution for overall maintenance management purposes. Electronic time reporting should be inherent in the payroll module.
- Some modules, such as Human Resources, will be better utilized if more user friendly.



Sandra Kurylo
Director of Financial Services

THE CORPORATION OF THE
CITY OF WHITE ROCK
CORPORATE REPORT



DATE: February 28, 2019
TO: Finance and Audit Committee
FROM: Sandra Kurylo, Director of Financial Services
SUBJECT: 2019 to 2023 Draft Financial Plan – Water Utility

RECOMMENDATIONS

THAT the Finance and Audit Committee:

1. Receive for information the corporate report dated February 28, 2019, from the Director of Financial Services, titled “2019 to 2023 Draft Financial Plan – Water Utility;”
 2. Endorse the presented Draft Financial Plan figures and assumptions for the Water Utility or provide direction on amendments to be made; and
 3. Direct staff to proceed with scheduling a public meeting and placing an advertisement in the newspaper to notify the public of the opportunity for public comments and/or requesting written comments or questions, based on the information presented in this corporate report, or as amended.
-

INTRODUCTION

The purpose of this corporate report is to introduce and obtain the Finance and Audit Committee’s endorsement of the Water Utility component of the City’s 2019 to 2023 Draft Financial Plan.

PAST PRACTICE / POLICY / LEGISLATION

The *Community Charter* requires that the 2019 to 2023 Financial Plan bylaw be adopted before the property tax rate bylaw is adopted. The property tax rate bylaw must be adopted prior to May 15, 2019. Past practice in non-election years is to complete five-year financial plans by the beginning of the budget year (first year of the Financial Plan). Past practice in election years is to complete five-year financial plans in early spring of the budget year.

ANALYSIS

Attached, as Appendices A to C, are staff’s recommendations on the Water Utility component of the City’s 2019 to 2023 Draft Financial Plan. This portion of the City’s budget contains revenues, operating expenditures, asset improvement projects, reserves, and debt related to the City’s water system.

Items to note on the draft Water Utility Budget are as follows:

- The main source of revenue for the City’s water utility is the water service user fee. The 2019 water rates were set in December 2018, as they were required to be adopted

by Council prior to January 1, 2019. At that time, Council approved a water rate increase of 3%, which has an impact of \$4 per quarter (\$1 per month) on an average detached single family home and \$2 per quarter (less than \$1 per month) on an average strata property in the City; and

- Expenditures are comprised of operating and administrative costs, infrastructure upgrades, and debt servicing costs.

Water Utility Reserves

A portion of water utility revenues is allocated to reserves each year. It is prudent that the City gradually build up its Water Utility reserves to maintain the significant investment in water infrastructure. These assets need to be maintained, upgraded or replaced in line with the Water Masterplan to keep them safe and functioning properly. In addition, it would be prudent for the City to set aside funds for the future upkeep of the new water treatment plant. If funds are not set aside, the City would need to utilize reserves and also rely on debt and government grants for basic infrastructure renewal/upgrades. If these funding sources are not available, then work has to be deferred. This increases the risk of infrastructure failure (such as a water main break), health and safety issues, and higher costs that could have been avoided if the work was done sooner. It is important that the Water Utility be sustainable, and having sufficient funds in reserves to pay for asset/infrastructure renewals when needed is necessary. Water Utility reserves include the following:

- Water Infrastructure Reserve – main funding source for Water Utility capital/asset improvement projects;
- Water Treatment Plant Operating Reserve – money being saved for the cyclical replacements of certain water treatment process materials. These materials are replaced every three (3) and ten (10) years;
- Water General Operating Reserve – money being save to gradually establish sufficient funds to act as a buffer for years when annual revenues do not meet budget because of lower than expected water consumption (hence lower amounts of water service user fees received), and to provide a funding source for unexpected operational costs.

As well, money is being saved in the City’s Equipment Replacement Reserve for the cyclical replacement of water service vehicles.

Water Utility Asset Improvement Projects

A major milestone is completion of the Arsenic/Manganese Treatment Plant, which is expected to be operational within the next month.

Other capital projects planned over the five (5) years are listed in Appendix B. Many of them are high priority recommendations from the City’s 2017 Water System Master Plan. The majority of planned work involves catching up on water main upgrades. A new well at the Oxford site is planned for 2021/2022 and the budget for this project is \$1M. At this time, the budgeted funding sources are \$330,000 from the Water Infrastructure Reserve and \$670,000 (2/3) from an anticipated infrastructure government grant. This will have to be adjusted if grant funding does not become not available.

Projected Water Rates (2020 to 2023) and Other Funding Sources

Projected water rate increases required for operations, to complete necessary infrastructure upgrades, and work towards having a sustainable Water Utility are 5% in 2020, and 6% annually in 2021 to 2023. These proposed increases are included in the 2019 to 2023 Draft Financial

Plan. In addition, it is assumed that \$1M will be borrowed internally (\$500,000 in 2020, and \$500,000 in 2022) from the City’s Sanitary Sewer Infrastructure Reserve to complete certain water main upgrades within recommended timeframes. This money is projected to be paid back from the Water Utility, with interest, over a ten (10) year period.

There is no new external borrowing included for the Water Utility in the 2019 to 2023 Draft Financial Plan.

It is planned that the City’s Development Cost Charge (DCC) Bylaw will be updated in 2019.

This will enable DCCs to be used as a funding source for growth related projects that were not identified when the City’s DCC Bylaw was last adopted.

More information on the projected water utility operating budgets, capital projects and funding sources, as well as projected debt and reserve balances is included in the attached Appendices.

Water Rate Structure

The City’s water rate structure is based on the same model that Epcor had in place, except for a minor adjustment that was made related to Epcor’s Fire Protection Services. The current rate structure is partially fixed and partially variable. The fixed base fees include usage of up to certain maximum amounts of water. A further variable rate is charged for additional water that is consumed. Some users have complained that they pay too much for their water as their water consumption is well below the levels allowed in the fixed base fees. In order to better correlate the amount paid for water to the amount of water used, and subsequently to encourage water conservation, the previous Council considered adjusting the rate structure to become more consumption based, starting in 2018. However Council’s decision was not to change the water fee structure at that time. It is understood that the current Council wishes to revisit the water rate structure prior to setting 2020 water rates. Staff will report back to Council with options and impacts, later this year.

OPTIONS

The following options are available for the Finance and Audit Committee’s consideration:

1. To endorse the Draft Financial Plan Water Utility Budget as presented, and base the public consultation process on the documents presented.
2. To amend the Draft Financial Plan Water Utility Budget and base the public consultation process on the amended assumptions and figures.

CONCLUSION

It is recommended that the Finance and Audit Committee endorse the presented 2019 to 2023 Draft Financial Plan figures and assumptions for the Water Utility and direct staff to proceed with the public meeting and request for written comments.

Respectfully submitted,



Sandra Kurylo
Director of Financial Services

Comments from the Chief Administrative Officer:

I concur with the recommendations of this corporate report.

A handwritten signature in black ink, appearing to read 'D. Bottrill', is centered on the page. The signature is fluid and cursive.

Dan Bottrill
Chief Administrative Officer

Appendix A: 2019 to 2023 Draft Financial Plan Water Fund Operating Budgets
Appendix B: 2019 to 2023 Draft Water Fund Asset Improvement Projects
Appendix C: Projected Water Fund Asset Improvement Reserves and Debt

City of White Rock DRAFT 2019 - 2023 Financial Pl:
Water Fund Operating Budget

	2018 Budget	2019	2020	2021	2022	2023
Revenues:						
Water Service User Fees	\$ 4,848,500	\$ 5,012,900	\$ 5,290,900	\$ 5,661,200	\$ 6,084,600	\$ 6,476,400
Connection Fees	300,000	350,000	355,000	360,000	365,000	370,000
Other	87,861	115,400	136,800	159,000	181,900	205,500
Total Revenues	\$ 5,236,361	\$ 5,478,300	\$ 5,782,700	\$ 6,180,200	\$ 6,631,500	\$ 7,051,900
Transfers from Reserves						
Sanitary Sewer Fund Infrastructure Reserve (for internal loans)	-	-	500,000	-	500,000	-
Water Treatment Plant Operating Reserve	-	-	-	468,000	-	-
Unspent Debt Proceeds Reserve	600,000	552,200	406,000	-	-	-
Total Transfers:	\$ 600,000	\$ 552,200	\$ 906,000	\$ 468,000	\$ 500,000	\$ -
Total Revenues & Transfers from Reserves	\$ 5,836,361	\$ 6,030,500	\$ 6,688,700	\$ 6,648,200	\$ 7,131,500	\$ 7,051,900

Expenditures:						
Operating Expenditures	2,401,200	2,546,900	2,598,600	3,119,300	2,704,900	2,759,400
Administration Costs Allocated from General Fund	404,000	426,000	442,800	451,700	460,700	469,900
Interest on Internal Loans	3,400	2,900	2,500	22,100	10,700	19,300
Interest on External Debt	676,600	681,300	681,300	681,300	681,300	681,300
Total Expenditures	\$ 3,485,200	\$ 3,657,100	\$ 3,725,200	\$ 4,274,400	\$ 3,857,600	\$ 3,929,900
Transfer to Water Treatment Plant Operating Reserve	-	181,000	181,000	181,000	190,000	190,000
Transfer to General Operating Reserve	100,000	50,000	50,000	50,000	50,000	50,000
Transfer to Infrastructure Reserve	1,571,461	1,403,400	1,471,200	1,308,500	1,675,900	1,949,700
Transfer to Internal Loan Reserve	-	-	500,000	-	500,000	-
Transfer to Equipment/Vehicle Replacement Reserve	45,800	37,900	38,700	39,500	40,300	41,100
Principal Payments on Internal Loans	35,000	35,000	35,000	85,000	85,000	135,000
Principal Payments on Long Term Debt	598,900	666,100	687,600	709,800	732,700	756,200
Total Transfers & Debt Principal Payments:	\$ 2,351,161	\$ 2,373,400	\$ 2,963,500	\$ 2,373,800	\$ 3,273,900	\$ 3,122,000
Total Expenditures & Transfers to Reserves	\$ 5,836,361	\$ 6,030,500	\$ 6,688,700	\$ 6,648,200	\$ 7,131,500	\$ 7,051,900

City of White Rock DRAFT 2019 - 2023 Financial Plan
Water Fund Asset Improvement Projects

	2018 & Approved Updates	2019			2020			2021			2022			2023			Total 2019-2023	Future Years
		FP	FP	FP	FP	FP	FP	FP	FP	FP	FP	FP	FP	FP	FP			
Projects with Corresponding Roadworks																		
Johnston - North Bluff to Russell	300,000															-		
Johnston - Russell to Thrift	15,000				10,000		502,000									512,000		
Johnston - Thrift to Roper																-	???	
Other Water																		
Total Water Quality Management - Phase 1 Oxford	12,000															-		
Total Water Quality Management - Phase 2 Merklein	106,000															-		
Oxford Arsenic/Manganese Treatment Plant	13,068,000															-		
Oxford Well	16,000															-		
Water Main Upgrade - Marine Dr. Vidal to Martin	510,000															-		
Water Main Upgrade - Marine Dr. Bergstrom to Nichol	142,000															-		
Water Main Upgrade - Saturna Dr & Archibald Rd	565,000															-		
Water Main Upgrade - Magdalen Cr Marine to Sunset	24,000															-		
Water Main Upgrade - Goggs Ave. Oxford to Everall	143,000															-		
Water Main Upgrade - Surrey Emergency Connection	150,000															-		
Water Main Upgrade - Chestnut Blackburn to North Bluff					73,000											73,000		
Water Main Upgrade - Coldicut Chestnut to Lancaster					227,000											227,000		
Water Main Upgrade - Martin North Bluff to Roper					650,000											650,000		
Water Main Upgrade - Vidal St Thrift to Vine								338,000								338,000		
Water Main Upgrade - Columbia Lane Cypress to Ash										321,000						321,000		
Water Main Upgrade - Marine Dr. Johnston to Martin								403,000								403,000		
Water Main Upgrade - Johnston Rd Beachview to Royal											153,000					153,000		
Water Main Upgrade - 1400 Blk Martin																-	378,000	
Water Main Upgrade - Russell Ave - Merklein to Finlay										300,000						300,000		
Water Main Upgrade - 13800 Coldicut Ave																-	269,000	
Water Main Upgrade - 1300 Blk Martin St																-	207,000	
Water Main Upgrade - North Bluff - Oxford to Everall										230,000						230,000		
Water Main Upgrade - Prospect Ave - Everall to Oxford																-	240,000	
Water Main Upgrade - Buena Vista - Foster to Blackwood								230,000								230,000		
Water Main Upgrade - 1500 Blk Stevens								207,000								207,000		
Water Main Upgrade - 1500 Habgood																-	109,000	
Water Main Upgrade - Russell Ave - Finlay to Stevens											500,000					500,000		
Water Main Completion - Prospect Ave - Everall to Blackwood					357,000											357,000		
Water Main Tie-In - Prospect & Oxford					50,000											50,000		
Water Main Relocation - 15100 Beachview Ave.																-		
Water Main Removal - Royal Easement - Cypress to Balsam								160,000								160,000		
Water Main - Cast Iron Condition Assessment																-		
Well Upgrades	60,000				60,000			61,000			65,000					65,000		
																	316,000	

	2018 FP	2019 FP	2020 FP	2021 FP	2022 FP	2023 FP	Total 2019-2023	Future Years
Other Water (continued)								
New Oxford Well #9 (Well #3 Replacement)				500,000	500,000		1,000,000	
Oxford Well #3 Decommissioning					55,000		55,000	
Buena Vista Well #5 Decommissioning	50,000						-	
Roper Reservoir Control Upgrades	75,000						-	
Roper Reservoir Dedicated Inlet	130,000						-	
Cross Connection Control	50,000						-	
Brearily St and North Bluff Looping		155,000					155,000	
Water Meters	63,000	63,000	64,000	64,000	64,000	64,000	319,000	
Fire Hydrants	32,000	33,000	34,000	35,000	35,000	35,000	172,000	
Stevens/Buena Vista PRV Station Upgrades	7,000						-	
Everall Street PRV Station	250,000						-	
New Water Pressure Monitoring Stations	180,000						-	
Water Facility Security Installation	39,000	300,000					300,000	
Water Works Masterplan	11,000						-	
Water Aquifer Protection Plan	24,000						-	
Water Fiber Optic Network Upgrade		100,000					100,000	
Replace Ford F450 Cube Van Unit #361	59,000						-	
Replace GMC Dump Truck Unit #365	151,000						-	
Replace Ford F150 2wd Unit #363				36,000			36,000	
Replace Ford F150 Crew Cab 4X4 Unit #362					40,000		40,000	
Replace Ford F250 Crew Cab 4X4 Unit #364					42,000		42,000	
DCC Bylaw Review		10,000		10,000		10,000	30,000	
Memorial Park Upgrade	106,000						-	
Pier Pre-servicing	111,000						-	
Waterfront Parking Facility Utility Work	85,000						-	
Information Technology Infrastructure Replacement/Upgrades	5,000	12,000	14,000	16,000	16,000	16,000	74,000	
Capital Contingency								
Capital Contingency funded from infrastructure reserve	76,500	200,000	200,000	250,000	250,000	300,000	1,200,000	
Capital Contingency funded from contributions	100,000	100,000	100,000	100,000	100,000	100,000	500,000	
Total Asset Improvement Expenditures	17,157,500	1,667,000	2,206,000	2,146,000	2,288,000	1,633,000	9,940,000	

Water Fund Asset Improvement Funding Sources

	2018 & Approved Updates	2019		2020		2021		2022		2023		Total 2019-2023
		FP	FP	FP	FP	FP	FP	FP	FP			
<u>Water</u>												
Long term Debt	2,221,600	-	-	-	-	-	-	-	-	-	-	-
Unspent Debt Proceeds	580,000	-	-	-	-	-	-	-	-	-	-	-
Internal Loan Reserve	-	-	500,000	-	-	500,000	-	-	500,000	-	-	1,000,000
Water Development Cost Charges	108,300	10,000	93,000	10,000	10,000	-	-	-	-	10,000	-	123,000
Water Fund Infrastructure Reserve	3,256,200	1,557,000	1,413,000	1,666,700	1,666,700	1,272,700	1,523,000	1,523,000	1,523,000	1,523,000	-	7,432,400
Equipment Replacement Reserve	45,000	-	-	36,000	36,000	82,000	-	-	82,000	-	-	118,000
Grants	10,846,400	-	-	333,300	333,300	333,300	-	-	333,300	-	-	666,600
Contributions	100,000	100,000	200,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	600,000
Total Asset Improvement Funding	17,157,500	1,667,000	2,206,000	2,146,000	2,288,000	2,288,000	1,633,000	1,633,000	1,633,000	1,633,000	1,633,000	9,940,000

City of White Rock DRAFT 2019-2023 Financial Plan

Projected Water Fund Asset Improvement Reserves

	2018	2019	2020	2021	2022	2023
Water Development Cost Charges (Deferred Revenue)	590,729	1,009,554	1,144,125	1,263,733	1,306,665	1,322,698
Water Infrastructure Reserve	721,767	568,167	626,368	268,168	671,368	1,098,068
Unspent Debt Proceeds Reserve	580,000	-	-	-	-	-
Total Water Asset Improvement Reserves	\$ 1,892,496	\$ 1,577,721	\$ 1,770,493	\$ 1,531,901	\$ 1,978,033	\$ 2,420,766

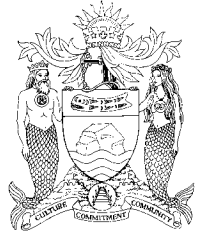
Projected Water Fund Outstanding External Long Term Debt

	2018	2019	2020	2021	2022	2023
Projected Water Outstanding Long Term Debt	23,931,321	23,265,160	22,577,537	21,867,754	21,134,811	20,378,239

Projected Water Fund Outstanding Internal Loans

	2018	2019	2020	2021	2022	2023
Projected Outstanding Internal Loan - General Fund Accumulated Surplus	245,000	210,000	175,000	140,000	105,000	70,000
Projected Outstanding Internal Loan - Sanitary Sewer Fund Infrastructure Reserve	-	-	500,000	450,000	900,000	800,000
Projected Water Fund Outstanding Internal Loans	245,000	210,000	675,000	590,000	1,005,000	870,000

THE CORPORATION OF THE
CITY OF WHITE ROCK
CORPORATE REPORT



DATE: February 28, 2019
TO: Finance and Audit Committee
FROM: Sandra Kurylo, Director of Financial Services
SUBJECT: 2019 to 2023 Draft Financial Plan – Drainage Utility

RECOMMENDATIONS

THAT the Finance and Audit Committee:

1. Receive for information the corporate report dated February 28, 2019, from the Director of Financial Services, titled “2019 to 2023 Draft Financial Plan – Drainage Utility”;
 2. Endorse the presented Draft Financial Plan figures and assumptions for the Drainage Utility or provide direction on amendments to be made; and
 3. Direct staff to proceed with scheduling a public meeting and placing an advertisement in the newspaper to notify the public of the opportunity for public comments and/or requesting written comments or questions based on the information presented in this corporate report, or as amended.
-

INTRODUCTION

The purpose of this corporate report is to introduce and obtain the Finance and Audit Committee’s endorsement of the Drainage Utility component of the City’s 2019 to 2023 Draft Financial Plan.

PAST PRACTICE / POLICY / LEGISLATION

The *Community Charter* requires that the 2019 to 2023 Financial Plan bylaw be adopted before the property tax rate bylaw is adopted. The property tax rate bylaw must be adopted prior to May 15, 2019. Past practice in non-election years is to complete five year financial plans by the beginning of the budget year (first year of the Financial Plan). Past practice in election years is to complete five year financial plans in early spring of the budget year.

ANALYSIS

Attached, as Appendices A to C, are staff’s recommendations on the Drainage Utility component of the City’s Draft 2019 to 2023 Financial Plan. This portion of the City’s budget contains revenues, operating expenditures, asset improvement projects and reserves related to the City’s storm sewer system.

Items to note on the draft Drainage Utility Budget are as follows:

- The main source of revenue is the drainage user fee;
- The bulk of expenditures relate to asset improvements/system upgrades;
- The Storm Sewer master plan recommends certain system upgrades that are needed to deal with capacity. Condition assessments as well as the renewal and replacement program are ongoing. Where applicable, phasing of the work corresponds to general fund road projects. Provision has also been made for future storm sewer work, subject to the completion of the Strategic Transportation Plan update. Once this Plan is completed more details on these projects will be available; and
- Relocation of the Habgood Pumpstation, with an estimated overall budget of \$10.9M, including amounts spent to date, is the largest planned Drainage Utility capital project. Construction is budgeted in 2020. Sufficient funds are not available to complete this project without grant funding. Including amounts spent in 2017 and 2018, there is \$4.6M in City funds committed for this project. Therefore, a minimum grant of \$6.3M is required to proceed. In August 2018, the City applied for an Investing in Canada Infrastructure Program Green Infrastructure grant for this purpose. Funding of up to 73.33% of eligible costs is available under this program. Commitments should not be made on construction, or beyond the City allocated funding, until this additional funding source is confirmed.

Drainage User Fees and Other Funding Sources

Annual drainage user fee increases of 5% from, 2019 to 2023, are projected to fund storm sewer operations, complete planned infrastructure work, and ensure funds are available in reserves for future system upgrades. Recent storm sewer work for various City east side projects and relocation of the Habgood Pumpstation have put significant pressure on this Utility's reserves and the projections included in this 2019 to 2023 Draft Financial plan work towards reinstating them to sustainable levels.

A 5% drainage fee increase in 2019 equates to an increase of \$23 for a typical single family detached home (from \$461 to 484) and \$7 for a typical strata property (from \$134 to \$141) in the City.

It is planned that the City's Development Cost Charge (DCC) Bylaw will be updated in 2019. This will enable DCCs to be used as a funding source for growth related projects that were not identified when the City's DCC Bylaw was last adopted.

OPTIONS

The following options are available for the Finance and Audit Committee's consideration:

1. To endorse the Draft Financial Plan Drainage Utility figures and assumptions presented, and base the public consultation process on the documents presented.
2. To amend the Draft Financial Plan Drainage Utility assumptions and base the public consultation process on the amended assumptions and figures.

CONCLUSION

It is recommended that the Finance and Audit Committee endorse the presented 2019 to 2023 Draft Financial Plan figures and assumptions for the Drainage Utility and direct staff to proceed with a public meeting and request for written comments.

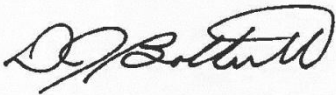
Respectfully submitted,



Sandra Kurylo
Director of Financial Services

Comments from the Chief Administrative Officer:

I concur with the recommendations of this corporate report.



Dan Bottrill
Chief Administrative Officer

Appendix A: Draft 2019 to 2023 Financial Plan Drainage Fund Operating Budget
Appendix B: Draft 2019 to 2023 Drainage Fund Asset Improvement Projects
Appendix C: Projected Drainage Fund Asset Improvement Reserves

**City of White Rock Draft 2019 - 2023 Financial Plan
Drainage Fund Operating Budget**

	2018 Budget	2019	2020	2021	2022	2023
Revenues:						
User Fees	\$ 2,410,700	\$ 2,531,200	\$ 2,657,800	\$ 2,790,700	\$ 2,930,200	\$ 3,076,700
Connection Fees	200,000	204,000	206,000	208,000	210,000	212,000
Other	-	20,000	20,000	20,000	20,000	20,000
Total Revenues	\$ 2,610,700	\$ 2,755,200	\$ 2,883,800	\$ 3,018,700	\$ 3,160,200	\$ 3,308,700

Expenditures:						
Operating Expenditures	349,100	363,000	370,200	377,500	385,000	392,700
Costs Allocated from General Fund	477,000	492,000	510,100	520,300	530,700	541,300
Total Expenditures	\$ 826,100	\$ 855,000	\$ 880,300	\$ 897,800	\$ 915,700	\$ 934,000
Transfer to Infrastructure Reserve	835,400	932,200	1,014,700	1,113,800	1,634,500	1,789,400
Revenue Allocation to Asset Improvements	949,200	968,000	988,800	1,007,100	610,000	585,300
Total Transfers:	\$ 1,784,600	\$ 1,900,200	\$ 2,003,500	\$ 2,120,900	\$ 2,244,500	\$ 2,374,700
Total Expenditures & Transfers to Reserves	\$ 2,610,700	\$ 2,755,200	\$ 2,883,800	\$ 3,018,700	\$ 3,160,200	\$ 3,308,700

City of White Rock DRAFT 2019 - 2023 Financial Plan
 Drainage Fund Asset Improvement Projects

Projects with Corresponding Roadworks	2018 & Approved Updates	2019		2020		2021		2022		2023		Total 2019-2023	Future Years
		FP	FP	FP	FP	FP	FP	FP	FP	FP	FP		
Kent - Buena Vista to Pacific								1,243,000				1,243,000	
Parker - Thrift to Pacific				300,000		1,050,000						1,350,000	
Parker - Pacific to Columbia	177,000											-	
Maple - Pacific to Columbia	32,000											-	
Lee - Pacific to Columbia	66,000											-	
Johnston - North Bluff to Russell	336,000											-	
Johnston - Russell to Thrift	15,000			13,000		645,000						658,000	
Johnston - Thrift to Roper												-	????
Buena Vista - 15367 Buena Vista										59,000		59,000	
Buena Vista - Best to Johnston	355,000											-	280,000
Columbia - Habgood to Parker	405,000											-	
Habgood - Pacific to Columbia	332,000											-	
Prospect - Foster to Johnston				10,000		260,000						270,000	
George - Thrift to Russell						138,000						138,000	
Best - Thrift to Russell								269,000				269,000	
Russell - Best to Fir												-	256,000
Russell - Finlay to Best	287,000											-	
Blackburn Crescent - Archibald to high				300,000								300,000	
Marth - Buena Vista to Victoria						20,000		150,000				170,000	
Drainage Upgrades (pending completion of Strategic Transportation Plan Update)								800,000		1,200,000		2,000,000	
Other Drainage													
Development Coordinated Works	10,000			5,000		5,000		10,000		10,000		35,000	
Memorial Park Upgrade	62,000											-	
Promenade Extension to Coldcut Ravine	75,000											-	
Marine Drive Parking Lot - Oxford to Museum												-	
Design	50,000											-	
Rehabilitation						226,000						226,000	
Waterfront Parking Facility Utility Work	10,000											-	
Condition Assessment	93,000			75,000		100,000		100,000		100,000		450,000	
Renew & Replacement Program	507,000			350,000		400,000		400,000		400,000		1,900,000	
Oxford Storm Sewer Phase I - B/Vista to Thrift						675,000						675,000	
Thrift Storm Sewer - Vidal to Martin				450,000								450,000	
Victoria Storm Sewer - Martin/Columbia to Fir												-	1,280,000
14239 Marine Drive Culvert/Storm Main	480,000											-	
Royal Storm Sewer - Johnston to Fir	52,000											-	
Royal Storm Sewer - Centre to Cypress						452,000						452,000	
Pacific Storm Sewer - Johnston to Dolphin												-	1,200,000
Dolphin Storm Sewer - Royal to Pacific												-	176,000
Roper Storm Sewer - Foster to Winter												-	100,000
Stayte Storm Sewer - Buena Vista to Roper												-	300,000
Weatherby Lane Storm Sewer - Russell to Vine	205,000											-	-

	2018 FP	2019 FP	2020 FP	2021 FP	2022 FP	2023 FP	Total 2019-2023	Future Years
Other Drainage (continued)								
Vidal Storm Sewer - Marine to Victoria							-	100,000
Habgood / Keil St Pump Station								
Marine Finlay to Stayle			520,000				520,000	
Marine Drive Storm Sewer - Habgood to Keil		20,000	130,000				150,000	
Marine Drive Foremain - Habgood to Finlay		20,000	380,000				400,000	
Habgood / Keil St Pump Station	214,000	60,000	9,275,000				9,335,000	
Coldicut Outfall & Main to Marine	85,000						-	
Pheonix Outfall to Malabar							-	85,000
Sewer Master Plan Update	47,000						-	
DCC Bylaw Review		10,000		10,000			30,000	
Capital Contingency	99,000	100,000	100,000	100,000	100,000	100,000	500,000	
Total Asset Improvement Expenditures	3,994,000	1,390,000	11,630,000	3,759,000	2,922,000	1,879,000	21,580,000	3,777,000

Drainage Fund Asset Improvement Funding Sources

	2018 & Approved Updates	2019 FP	2020 FP	2021 FP	2022 FP	2023 FP	Total 2019-2023
Drainage							
User & Connection Fees	949,200	968,000	988,800	1,007,100	610,000	585,300	4,159,200
Drainage Development Cost Charges	208,600	137,500	311,800	396,500	199,900	346,300	1,392,000
Capital In Progress Reserve	1,117,300	40,000	867,800	129,500	-	44,400	1,081,700
Habgood Keil Pump Station Reserve	45,800	-	-	-	-	-	-
Infrastructure Reserve	1,673,100	244,500	3,161,600	2,225,900	2,112,100	903,000	8,647,100
Grants	-	-	6,300,000	-	-	-	6,300,000
Total Asset Improvement Funding	3,994,000	1,390,000	11,630,000	3,759,000	2,922,000	1,879,000	21,580,000

**City of White Rock 2019-2023 Financial Plan
Projected Drainage Fund Asset Improvement Reserves**

	2018	2019	2020	2021	2022	2023
Drainage Development Cost Charges (Deferred Revenue)	1,899,810	2,495,302	2,582,820	2,415,687	2,292,130	1,988,210
Drainage Work In Progress Reserve	1,081,700	1,041,700	173,900	44,400	44,400	-
Drainage Infrastructure Reserve	4,165,654	4,853,354	2,706,454	1,594,354	1,116,754	2,003,154
Total Drainage Asset Improvement Reserves	\$ 7,147,164	\$ 8,390,356	\$ 5,463,174	\$ 4,054,441	\$ 3,453,284	\$ 3,991,364

THE CORPORATION OF THE
CITY OF WHITE ROCK
CORPORATE REPORT



DATE: February 28, 2019
TO: Finance and Audit Committee
FROM: Sandra Kurylo, Director of Financial Services
SUBJECT: 2019 to 2023 Draft Financial Plan – Sanitary Sewer Utility

RECOMMENDATIONS

THAT the Finance and Audit Committee:

1. Receive for information the corporate report dated February 28, 2019, from the Director of Financial Services, titled “2019 to 2023 Draft Financial Plan – Sanitary Sewer Utility”;
 2. Endorse the presented Draft Financial Plan figures and assumptions for the Sanitary Sewer Utility or provide direction on amendments to be made; and
 3. Direct staff to proceed with scheduling a public meeting and placing an advertisement in the newspaper to notify the public of the opportunity for public comments and/or requesting written comments or questions, based on the information presented in this corporate report, or as amended.
-

INTRODUCTION

The purpose of this corporate report is to introduce and obtain the Finance and Audit Committee’s endorsement of the Sanitary Sewer Utility component of the City’s 2019 to 2023 Draft Financial Plan.

PAST PRACTICE / POLICY / LEGISLATION

The *Community Charter* requires that the 2019 to 2023 Financial Plan Bylaw be adopted before the property tax rate bylaw is adopted. The property tax rate bylaw must be adopted prior to May 15, 2019. Past practice in non-election years is to complete five-year financial plans by the beginning of the budget year (first year of the Financial Plan). Past practice in election years is to complete five-year financial plans in early spring of the budget year.

ANALYSIS

Attached as Appendices A-C are documents containing staff’s recommendations on the Sanitary Sewer component of the City’s Draft 2019 to 2023 Financial Plan. This portion of the City’s budget contains revenues, operating budget expenditures, asset improvement projects and money put into reserves related to the City’s sanitary sewer system.

Items to note are as follows:

- The main source of revenue is the sanitary sewer user fee;
- The main operating expense is a levy paid to the Greater Vancouver Sewerage and Drainage District (GVS&DD), which is expected to be \$1,644,700 in 2019. For 2020 onwards, it is assumed to increase by an average of 11% annually, based on estimates provided by Metro Vancouver. It is projected to reach \$2.5M by 2023; and
- The Sanitary Sewer Master Plan recommends that certain system upgrades are needed to handle capacity. Condition assessments are ongoing. Projects identified as high priorities at this time are reflected in the Draft Financial Plan, and where applicable they correspond to the timing of General Fund road projects. Provision has also been made for future sewer works, subject to the completion of the Strategic Transportation Plan update. Once this Plan is completed, more details on these projects will be available.

Internal Loans

Appendix A includes transfers from and to reserves which are related to proposed internal loans to the Water Fund. This internal borrowing (\$500,000 in 2020, and \$500,000 in 2022) provides a funding source for certain water main upgrades. These loans are required to be paid back to the Sanitary Sewer Infrastructure Reserve prior to being needed for sanitary sewer purposes. Based on the projections in the 2019 to 2023 Draft Financial Plan, that is not expected within this five (5) year period. More details on the proposed use of these borrowed funds are provided in the Director of Financial Services corporate report, titled “2019 to 2023 Draft Financial Plan – Water Utility Budget.”

Sanitary Sewer User Fees

The Draft 2019 to 2023 Financial Plan proposes a \$6 or 2.2% reduction in the sanitary sewer user fees for 2019. Previous plans indicated there would be more work needed on the City’s sanitary sewers than recent Masterplans have indicated. As a result, a reduction in the fees for 2019 is recommended. The 2019 residential sanitary sewer user fee is proposed to decrease from \$266 to \$260, and the commercial sanitary sewer user fee from \$279 to \$273.

Sanitary sewer user fees are projected to increase by 2% annually in 2020 to 2023 in the 2019 to 2023 Draft Financial Plan.

Reserves

Appendix C includes projected year-end balances of Sanitary Sewer Fund reserves and development cost charges (DCCs). It is planned that the City’s Development Cost Charge (DCC) Bylaw will be updated in 2019. This will enable DCCs to be used as a funding source for growth related projects that were not identified when the City’s DCC Bylaw was last adopted.

OPTIONS

The following options are available for the Finance and Audit Committee’s consideration:

1. To endorse the Draft Financial Plan Sanitary Sewer Utility figures and assumptions presented, and base the public consultation process on the documents presented.
2. To amend the Draft Financial Plan Sanitary Sewer Utility assumptions and base the public consultation process on the amended assumptions and figures.

CONCLUSION

It is recommended that the Finance and Audit Committee endorse the presented 2019 to 2023 Draft Financial Plan figures and assumptions for the Sanitary Sewer Utility and direct staff to proceed with a public meeting and request for written comments.


Respectfully submitted,



Sandra Kurylo
Director of Financial Services

Comments from the Chief Administrative Officer:

I concur with the recommendations of this corporate report.



Dan Bottrill
Chief Administrative Officer

Appendix A: 2019 to 2023 Draft Financial Plan Sanitary Sewer Fund Operating Budgets
Appendix B: 2019 to 2023 Draft Sanitary Sewer Fund Asset Improvement Projects
Appendix C: Projected Sanitary Sewer Fund Reserves

City of White Rock Draft 2019 - 2023 Financial Plan
Sanitary Sewer Fund Operating Budget

	2018 Budget	2019	2020	2021	2022	2023
Revenues:						
User Fees	\$ 3,520,000	\$ 3,530,400	\$ 3,706,700	\$ 3,941,200	\$ 4,074,200	\$ 4,154,500
Connection Fees	200,000	204,000	206,000	208,000	210,000	212,000
Local Service Area Taxes	5,206	5,206	5,206	5,206	5,206	5,206
Other	6,656	58,034	58,034	58,775	59,554	60,371
Total Revenues	\$ 3,731,862	\$ 3,797,640	\$ 3,975,940	\$ 4,213,181	\$ 4,348,960	\$ 4,432,077
Transfers from Reserves & Funds:						
Terry Road Local Improvement Reserve	14,948	14,948	14,948	14,948	14,948	12,448
Transfer from Infrastructure Reserve (for Internal Loans)	6,958,100	-	500,000	-	500,000	-
Transfer from General Fund (principal & interest payments on internal loans)	16,076	-	-	-	-	-
Transfer from Water Fund (principal & interest payments on internal loans)	-	-	-	70,000	59,000	118,000
Total Transfers:	\$ 6,989,124	\$ 14,948	\$ 514,948	\$ 84,948	\$ 573,948	\$ 130,448
Total Revenues & Transfers from Reserves	\$ 10,720,986	\$ 3,812,588	\$ 4,490,888	\$ 4,298,129	\$ 4,922,908	\$ 4,562,525
Expenditures:						
GVS&DD Levy	1,543,373	1,644,700	1,797,700	2,027,800	2,291,400	2,490,800
Operating Expenditures	349,568	359,300	366,400	373,700	381,100	388,700
Costs Allocated from General Fund	405,000	389,000	405,100	413,200	421,500	429,900
Interest on Debt	13,363	13,363	13,363	13,363	13,363	13,363
Total Expenditures	\$ 2,311,304	\$ 2,406,363	\$ 2,582,563	\$ 2,828,063	\$ 3,107,363	\$ 3,322,763
Transfers to Reserves & Other Funds:						
Infrastructure Reserve	569,134	667,105	593,499	639,499	466,199	372,899
Transfer to General Fund (for internal loans)	6,958,100	-	-	-	-	-
Transfer to Water Fund (for internal loans)	-	-	500,000	-	500,000	-
Revenue Allocation to Asset Improvements	869,000	725,000	800,000	815,000	833,000	849,700
Principal Payments on Long Term Debt	13,448	14,120	14,826	15,567	16,346	17,163
Total Transfers:	\$ 8,409,682	\$ 1,406,225	\$ 1,908,325	\$ 1,470,066	\$ 1,815,545	\$ 1,239,762
Total Expenditures & Transfers to Reserves	\$ 10,720,986	\$ 3,812,588	\$ 4,490,888	\$ 4,298,129	\$ 4,922,908	\$ 4,562,525

Note: The 2018 budget included transfers to the General Fund for internal loans that were not required.

City of White Rock DRAFT 2019 - 2023 Financial Plan
Sanitary Sewer Fund Asset Improvement Projects

Projects with Corresponding Roadworks	2018 & Approved Updates	2019		2020		2021		2022		2023		Total 2019-2023	Future Years
		FP	FP	FP	FP	FP	FP	FP	FP	FP	FP		
Projects with Corresponding Roadworks													
Marine - Finlay to Stayte			550,000									550,000	
Marine - High to Anderson						413,000						413,000	
Marine - Oxford to Anderson						359,000						359,000	
Marine - Bishop to Terry						604,000						604,000	
Parker - Pacific to Columbia	155,000											-	
Maple - Pacific to Columbia	47,000											-	
Lee - Pacific to Columbia	52,000											-	
Johnston - North Bluff to Russell	258,000											-	
Johnston - Russell to Thrift	15,000		9,000		465,000							474,000	????
Johnston - Thrift to Roper												-	
Merklin - Thrift to Roper												-	
Blackwood - Thrift to North Bluff												-	
Buena Vista - Best to Johnston												-	330,000
Columbia - Parker to Stayte	440,000											-	
Blackburn Crescent - Archibald to high		250,000										250,000	
Martin - Buena Vista to Victoria				20,000		200,000						220,000	
Sanitary Sewer Upgrades (pending completion of Strategic Transportation Plan Update)							800,000		1,200,000			2,000,000	
Other Sanitary Sewer													
Development Coordinated Works	10,000	5,000	5,000	5,000	5,000	10,000	10,000	10,000	10,000	10,000		35,000	
Memorial Park Upgrade	62,000											-	
Pier Pre-servicing	87,000											-	
Waterfront Parking Facility Utility Work	125,000											-	
Sanitary Capacity Upgrades	321,000	350,000	400,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000		2,100,000	
Sanitary I & I Reduction Program	443,000	450,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000		2,450,000	
Sanitary CCTV Inspections	117,000	90,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000		490,000	
Sanitary Pump Station Capacity Review	75,000											-	
Sanitary Sewer Rehab Columbia - Maple to Finlay			130,000									130,000	
Sanitary Sewer Rehab Finlay - Goggs to Oxenham			285,000									285,000	
Sanitary Sewer Rehab Sunset Drive - Bready to Kerfoot												-	105,000
Sanitary Sewer Rehab Columbia - Maple to Finlay												-	140,000
Sanitary Sewer Rehab Pacific - Stayte to Stevens												-	100,000
Sanitary Sewer Rehab Stayte - 1127 Stayte to Buena vista												-	140,000
Sanitary Pump Station at Bishop												-	1,130,000
Sewer Master Plan Update	47,000											-	
DCC Bylaw Review		10,000				10,000						30,000	
Capital Contingency	147,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000		500,000	
Total Asset Improvement Expenditures	2,401,000	1,255,000	2,099,000	3,206,000	1,960,000	2,370,000	1,960,000	2,370,000	1,960,000	2,370,000	10,890,000		

Sanitary Sewer Asset Improvement Funding Sources

	2018 & Approved Updates	2019		2020		2021		2022		2023		Total 2019-2023
		FP	FP	FP	FP	FP	FP	FP	FP	FP		
Sanitary Sewer												
User & Connection Fees	869,000	725,000	800,000	815,000	833,000	849,700	4,022,700					
Sanitary Development Cost Charges	-	30,000	20,000	370,500	218,000	327,000	965,500					
Capital In Progress Reserve	274,900	-	328,000	21,000	-	-	349,000					
Infrastructure Reserve	1,257,100	500,000	951,000	1,999,500	909,000	1,193,300	5,552,800					
Total Asset Improvement Funding	2,401,000	1,255,000	2,099,000	3,206,000	1,960,000	2,370,000	10,890,000					

**City of White Rock Draft 2019-2023 Financial Plan
Projected Sanitary Sewer Fund Asset Improvement Reserves**

	2018	2019	2020	2021	2022	2023
Sanitary Development Cost Charges (Deferred Revenue)	470,287	740,685	880,781	598,800	402,927	80,716
Sanitary Work In Progress Reserve	349,000	349,000	21,000	-	-	-
Sanitary Infrastructure Reserve	10,790,441	10,957,546	10,100,045	8,740,043	7,797,242	6,976,841
Total Sanitary Sewer Asset Improvement Reserves	\$ 11,609,728 \$	12,047,231 \$	11,001,826 \$	9,338,843 \$	8,200,169 \$	7,057,557

THE CORPORATION OF THE
CITY OF WHITE ROCK
15322 BUENA VISTA AVENUE, WHITE ROCK, B.C. V4B 1Y6

MEETING NOTICE

Pursuant to the *Community Charter* a **FINANCE AND AUDIT COMMITTEE MEETING** has been called to begin at **4:00 P.M.** on **THURSDAY, FEBRUARY 28, 2019.**

DATE: February 28, 2019

MEETING TIME: 4:00 P.M.

LOCATION: WHITE ROCK CITY HALL COUNCIL CHAMBERS –
15322 BUENA VISTA AVENUE, WHITE ROCK BC

PURPOSE: A Finance and Audit Committee meeting has been called in regard to the 2019 -2023 Financial Plan.

The Director of Financial Services will review the proposed five (5) year Financial Plan with City Council.

Date: February 26, 2019



Tracey Arthur
Director of Corporate Administration

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My City by the Sea!

LOCAL GOVERNMENT FINANCE ORIENTATION

**GOVERNANCE AND LEGISLATIVE COMMITTEE
FEBRUARY 4, 2019**

PRESENTATION OUTLINE

1. Municipal Finance Legislation
2. Local Government Finance Basic Principles
3. Where the Money Comes From
4. Where the Money Goes
5. Municipal Fund Accounting
6. Municipal Property Taxes
7. Investment of Municipal Funds
8. Five-Year Financial Plans
9. Financing Capital Projects
10. Reserves
11. Debt and Borrowing
12. Annual Financial Reporting

MUNICIPAL FINANCE LEGISLATION

- The *Community Charter*:
 - Appointment of an officer assigned the responsibility of financial administration
 - Adoption of annual five year financial plans, and requirements that in order to be legal, all expenditures must be approved in the financial plan, and that a process of public consultation must be undertaken prior to adoption of financial plans
 - Appointment of a municipal auditor
 - Requirements for annual financial statements, and reporting of Council remuneration, expenses and contracts
 - Limits and processes related to borrowing and other liabilities
 - Investment of municipal funds
 - Establishment of reserve funds by bylaw
 - Setting of property tax rates, and other fees and charges
 - Property tax rates, exemptions, collection and administration

MUNICIPAL FINANCE LEGISLATION (CONTINUED)

- The *Local Government Act*:
 - Recovery of unpaid property taxes by Tax Sale
 - Annual Development Cost Charges report
- Municipal accounting and financial reporting are further governed by *Canadian Public Sector Accounting Standards as prescribed by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada*
- An annual Statement of Financial Information is also required to be submitted to the Province annually, in accordance with the *Financial Administration Act*

FURTHER MUNICIPAL FINANCE & ACCOUNTING GOVERNANCE

- Council Policies:
 - No. 307 – Accumulated Surplus Fund
 - No. 310 – Investment Policy
 - No. 317 – Municipal Property Tax Exemptions
 - No. 322 – Emergency Expenditures
- Financial Administrative and Accounting Policies
- Basic Principles & Best Practices

LOCAL GOVERNMENT FINANCE BASIC PRINCIPLES

- **Municipalities cannot incur a deficit – this is a legislated requirement**
- Municipalities have various accounting “funds” that operate like separate financial entities (more details to follow)
- All funds must “balance”
- Revenue from “user fees” must only be used to recover the cost of the services they are collected for – this is legislated
- Ongoing, annual operating costs should be funded by ongoing/sustainable revenues
- “One-time” or non-recurring costs can be funded from “one-time” or non-recurring revenues/funding sources

LOCAL GOVERNMENT FINANCE BASIC PRINCIPLES (CONT'D)

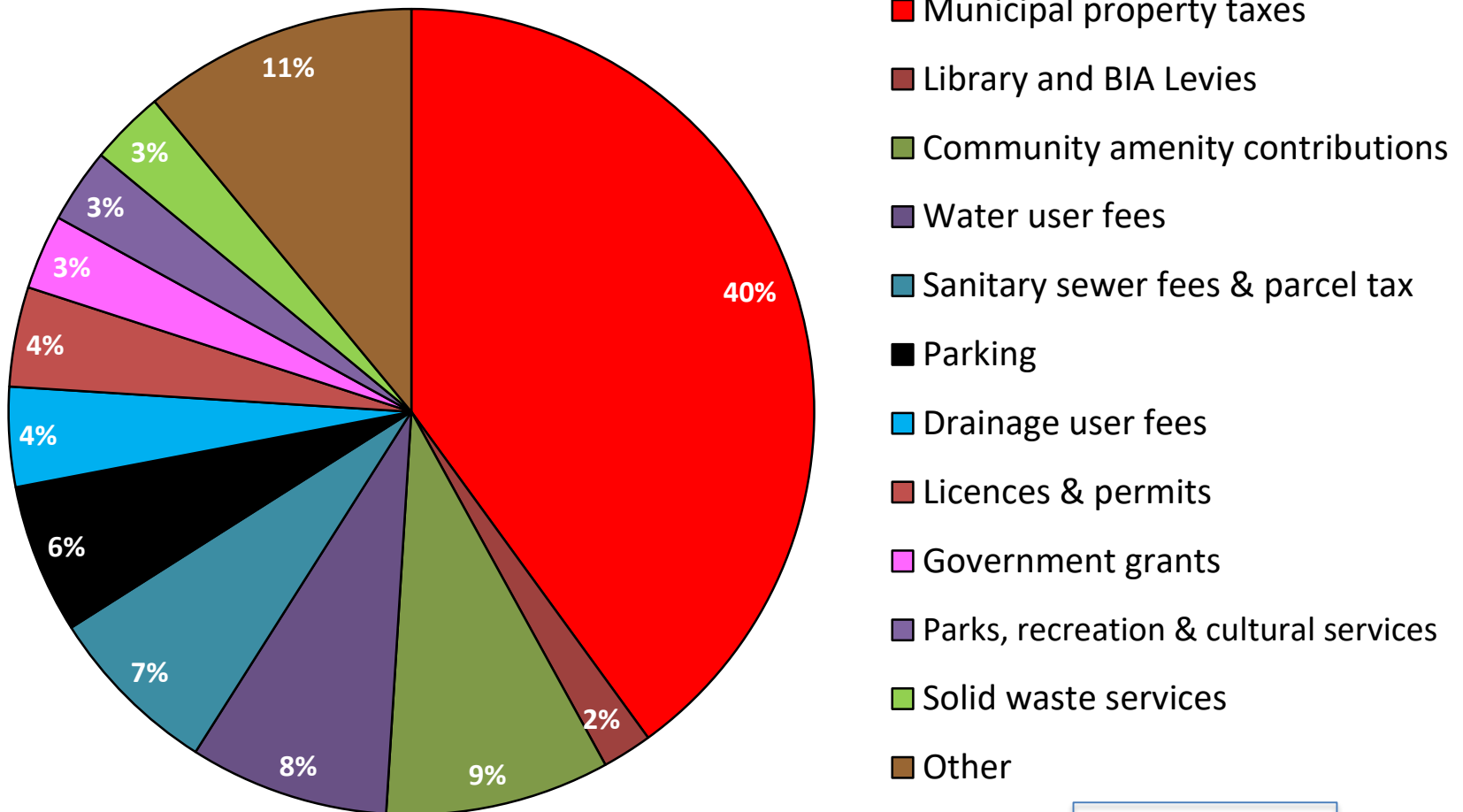
- Money is put into reserves to fund future expenditures:
 - This is required for municipalities to be sustainable
 - This is particularly important as municipalities have a significant amount of infrastructure that has and will continue to require significant investment
 - As infrastructure ages it requires upgrades and eventual replacement; if upgrades are not done on a timely basis, it will cost more as the asset ages, and the risk of failure will increase
 - Prudent asset management requires money in reserves to ensure funds are available when the work needs to be done
 - Cannot rely on borrowing and government grants, and be sustainable

WHERE THE MONEY COMES FROM

- City Property Owners
 - Property Taxes, Utility User Fees
- Users of Services & Facilities
 - Pay Parking, Recreation & Culture Programs, Rentals
- Developers
 - Development Cost Charges & Amenity Contributions
 - Building Permits & Other Development Fees
- City Businesses
 - Business and Patio Licences
 - BIA Levies (remitted to White Rock BIA)
- Grants & Contributions

2017 REVENUES

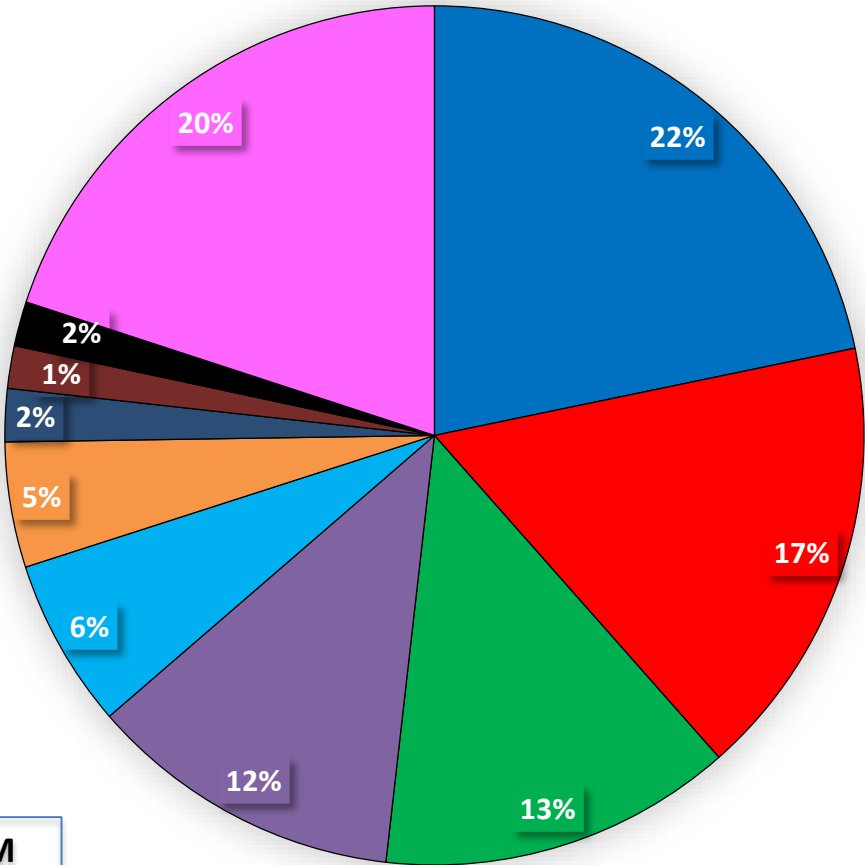
WHERE THE MONEY CAME FROM



WHERE THE MONEY GOES

- Police & Fire Services
- Infrastructure Maintenance
 - Roads, Sewers, Buildings, Water System, Parks etc.
- Other Services to Residents, Visitors and/or Businesses
 - Solid Waste Removal, Licencing, Parking, Bylaw Enforcement, Recreation & Culture Programs
- Asset Improvement Projects
 - Capital Assets/Upgrades and Major Maintenance Projects
- Administration (General Government)
 - Mayor & Council, CAO Office, Corp Admin, Communications, Finance, IT, Planning & Dev, HR
- City Reserves & Debt Payments

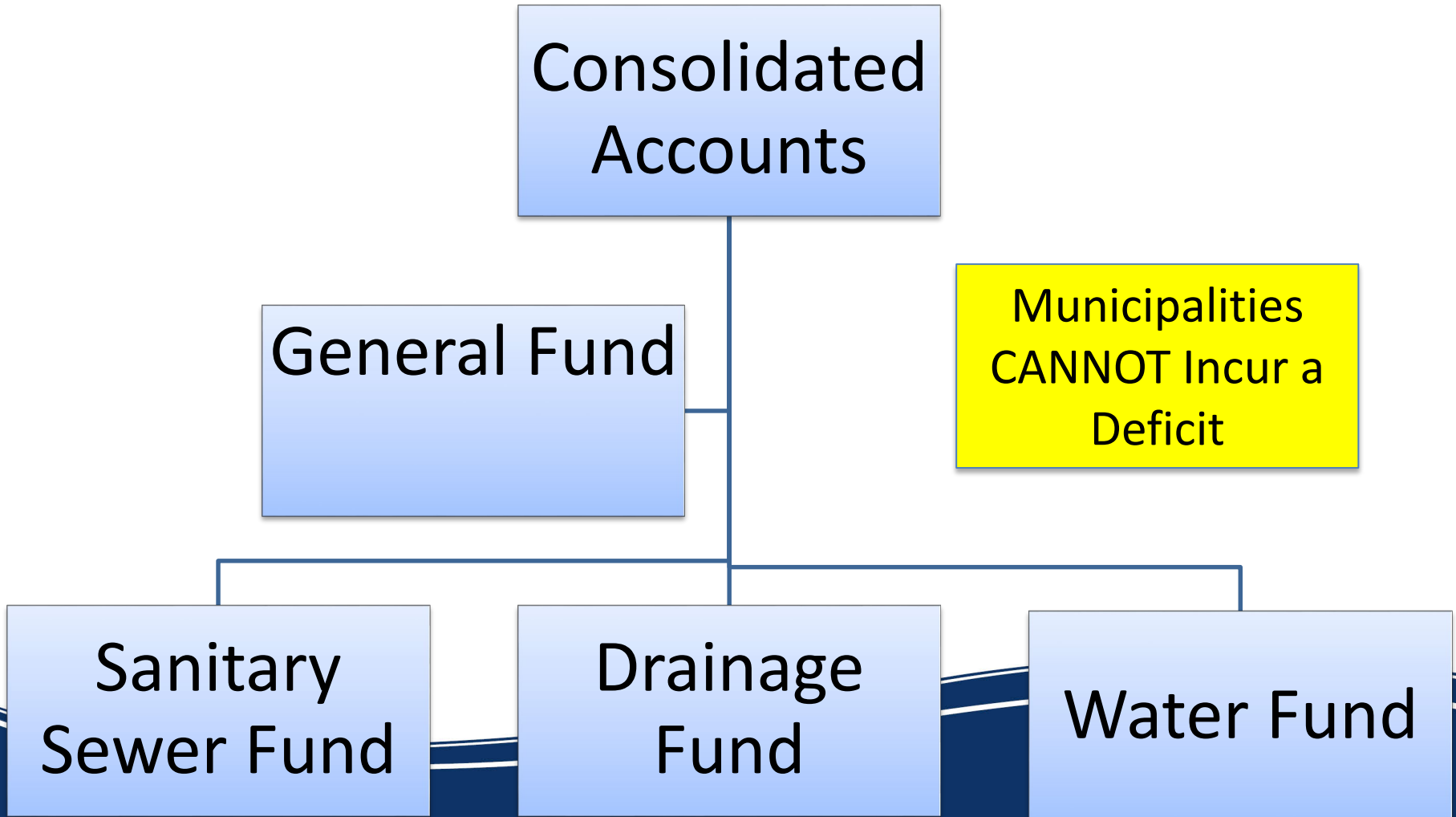
2017 EXPENSES - WHERE THE MONEY WENT (INCLUDES DEBT PAYMENTS & RESERVES)



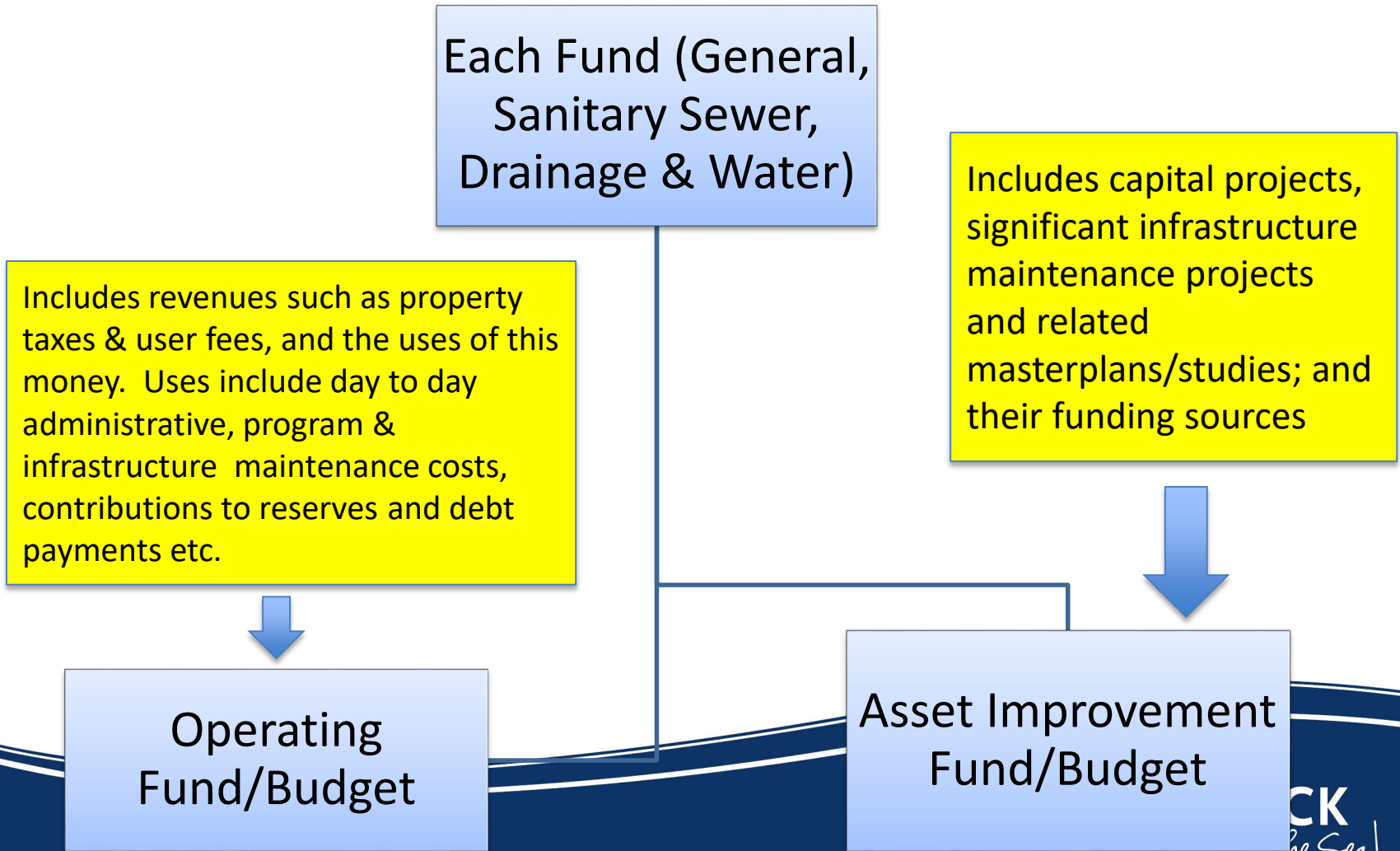
- Protection services
- Parks, recreation & cultural services
- General government
- Transportation, engineering and operations
- Water System
- Sanitary sewer system
- Drainage system
- Solid waste services
- Debt Principal & Interest Payments
- Increase in Reserves

Total \$51.4M

ACCOUNTING FUNDS



ACCOUNTING FUNDS/BUDGETS



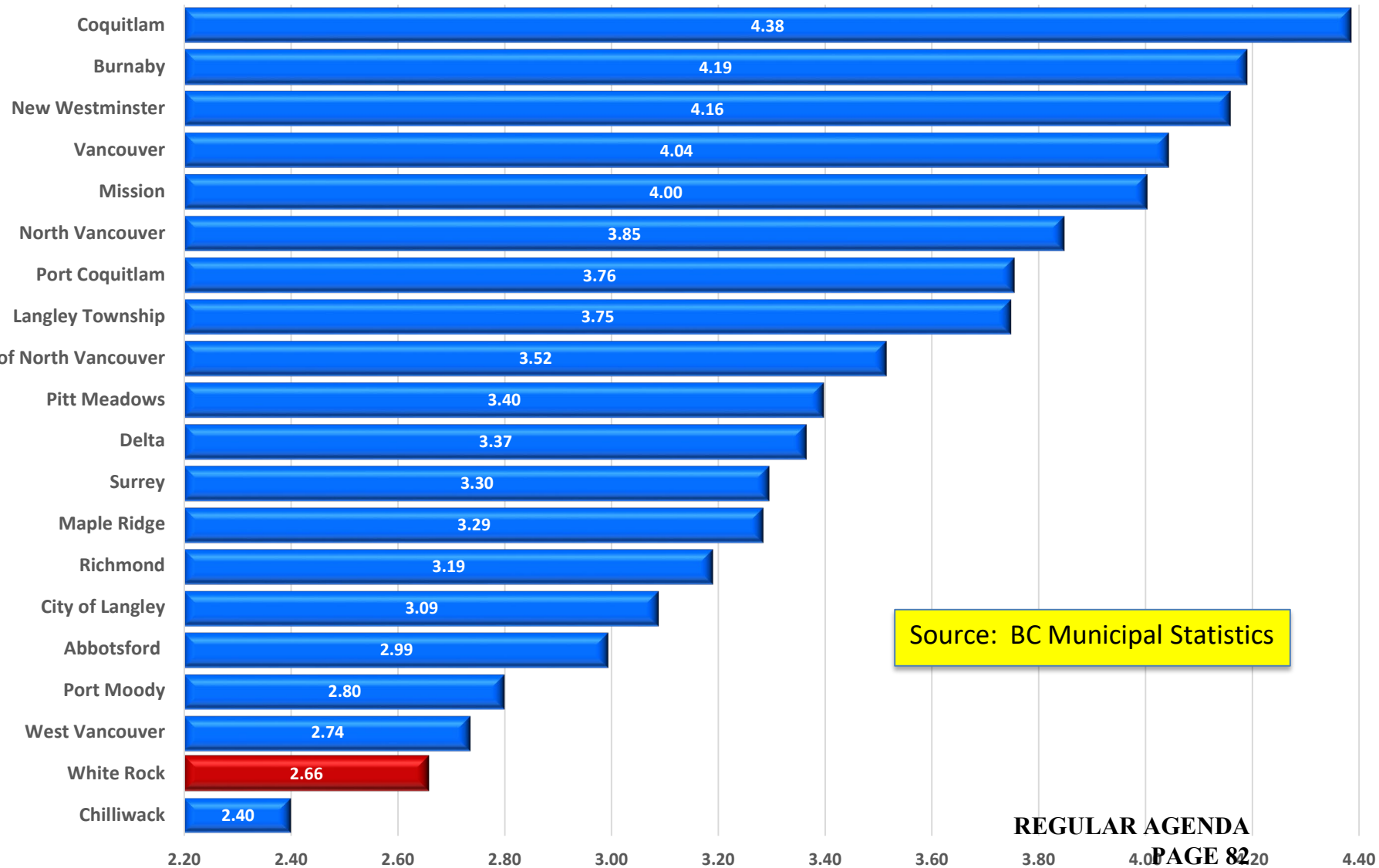
MUNICIPAL PROPERTY TAXES

- The annual Property Tax Rates Bylaw must be adopted prior to May 15 each year
- Tax rates are calculated by dividing the amount of property taxes needed to fund expenditures in the approved budget by the total assessed value of properties in the City, for each property class
- As a result, if overall property values increase, the property tax rate would be lower, so that only the amount of property taxes needed for the budget are collected
- All properties in the City are taxed, unless they are exempt by legislation or Council:
 - Section 220 of the Community Charter sets out statutory exemptions
 - Section 224 of the Community Charter sets out criteria for permissive exemptions, allowed by City Bylaw
 - Council Policy No. 317 Municipal Property Tax Exemptions sets out more detailed criteria for granting permissive tax exemptions

2018 Property Assessments & Taxes

Property Class	2018 Net Taxable Value Property Assessments (millions)	%	2018 Municipal Tax Levy (thousands)	%
1 - Residential	\$8,901.2	96.08%	\$19,298.0	90.17%
2 – Utilities	\$3.0	0.03%	\$44.5	0.21%
6 – Business & Other	\$356.2	3.85%	\$2,052.4	9.59%
8 – Recreation & Non Profit	\$3.8	0.04%	\$6.1	0.03%
TOTAL	\$9,264.2	100%	\$21,401.1	100%

2018 Business/Residential Tax Rates



INVESTMENT OF MUNICIPAL FUNDS

- Governed by statutory requirements of the Community Charter
- More detailed requirements set out in Council Policy No. 310
- Emphasis on safety or the preservation of capital (eg. low risk)
- If not immediately required, municipal funds can be invested in:
 - Securities or pooled investment funds of the Municipal Finance Authority (MFA)
 - Securities of, or guaranteed by, Canada or a province
 - Securities of a municipality, regional district or district board
 - Investments guaranteed by a chartered bank
 - Deposits in a savings institution, or non-equity or membership shares in a credit union

FIVE YEAR FINANCIAL PLANS

- Five year Financial Plans must be adopted annually
- The Financial Plan provides the legal authority to spend money; all expenditures must be included in the Financial Plan
- The Financial Plan contains projected operating expenditures, capital (asset improvement) projects, debt payments, as well as offsetting revenues/funding sources, and reserve allocations for each year
- The development of each Five Year Financial Plan is a comprehensive exercise, and a process of public consultation is required before the Financial Plan Bylaw can be adopted
- The Community Charter does not define what this process is to consist of; that is determined by Council

FIVE YEAR FINANCIAL PLANS (CONTINUED)

- Once the Five Year Financial Plan Bylaw is adopted, the property tax and utility rates are set, again by Bylaw (except for water rates, which must be set prior to the beginning of the year)
- The Community Charter requires that the annual Five Year Financial Plan Bylaw be adopted before the Property Tax Rate Bylaw is adopted
- The Property Tax Rate Bylaw must be adopted prior to May 15 annually, hence the final Financial Plan Bylaw should be adopted by mid to late April, at the latest
- In non-election years, the City works ahead of this schedule so that budgets are set at the beginning of each year, rather than in the spring

2019 TO 2023 FINANCIAL PLAN SCHEDULE

- Aug 2018 Staff began development of the draft 2019 to 2023 Financial Plan
- Feb 11 Elements to be introduced at a Finance and Audit Committee Meeting
- Feb 25 Draft to be presented to the Finance and Audit Committee
- Mar 11 Public Consultation (proposed public meeting date)
- Apr 1* May need to report to Council on additional consultation?
- Apr 15* Final amendments (eg. capital & operating budget project carry-overs, impact of final BC Assessment property values etc.) & 3 readings of bylaw
- Apr 29 Adoption of FP Bylaw & 3 readings of Tax & Utility Rate Bylaws
- May 13 Adoption of Property Tax and Utility Rate Bylaws

- *** Requires special meetings**

2018 TO 2022 FINANCIAL PLAN AMENDMENT – EMERGENCY EXPENDITURES

- The Community Charter and Council Policy permit emergency expenditures to be incurred that are not in the Financial Plan, as long as they are reported to Council, and the Financial Plan is amended as soon as practicable
- Since the 2019 to 2023 Financial Plan is not expected to be adopted until April, the 2018 to 2022 Financial Plan will have to be amended to incorporate emergency/immediate expenditures resulting from the Dec 20 storm
- This will be introduced to Council on Feb 11
- Options for the process of public consultation:
 - Ad in newspaper to provide written comments
 - Public meeting
 - Other Options?

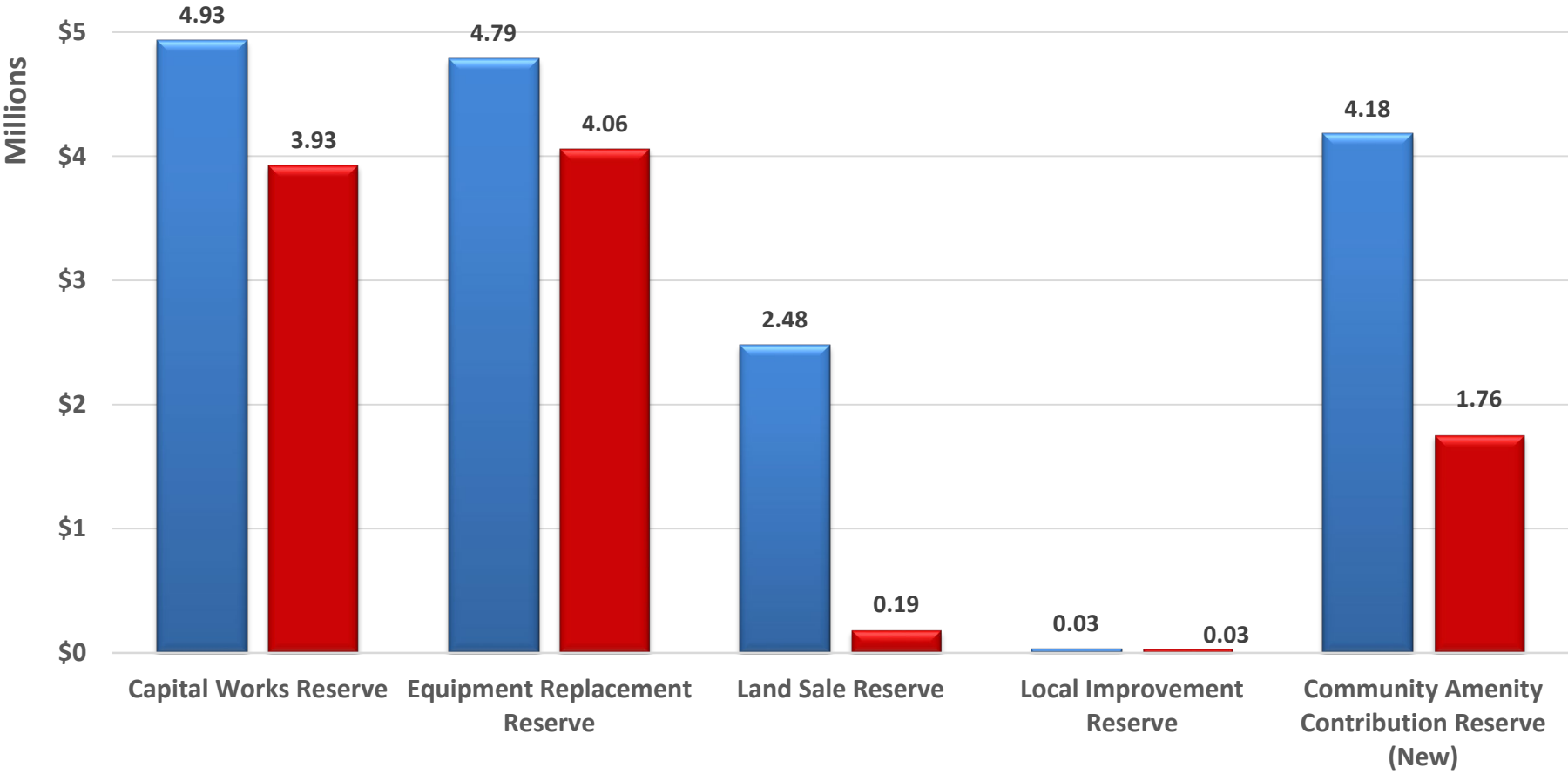
HOW DOES THE CITY PAY FOR CAPITAL (ASSET IMPROVEMENT) PROJECTS?

- Current year taxes (general revenue)
- Utility User Fees – Sanitary Sewer, Drainage & Water
- Reserves
- Development Cost Charges
- Grants & Contributions
- Short Term Capital Debt
- Long Term Debt

CITY RESERVES

- Legislation requires, or provides the authority, for some reserves to be created by bylaw
- Some reserves are not created by bylaw, but are accounts created in the City's books to save money for certain purposes
- There are operating and capital (asset improvement) reserves
- There has been recent emphasis by capital asset best practices and the Federal/Provincial governments for municipalities to ensure money is put into reserves for the long term future upgrading and replacement of capital assets. This is a critical element of best asset management practices to ensure sustainability and minimize "infrastructure gaps".

CITY RESERVES CREATED BY BYLAW



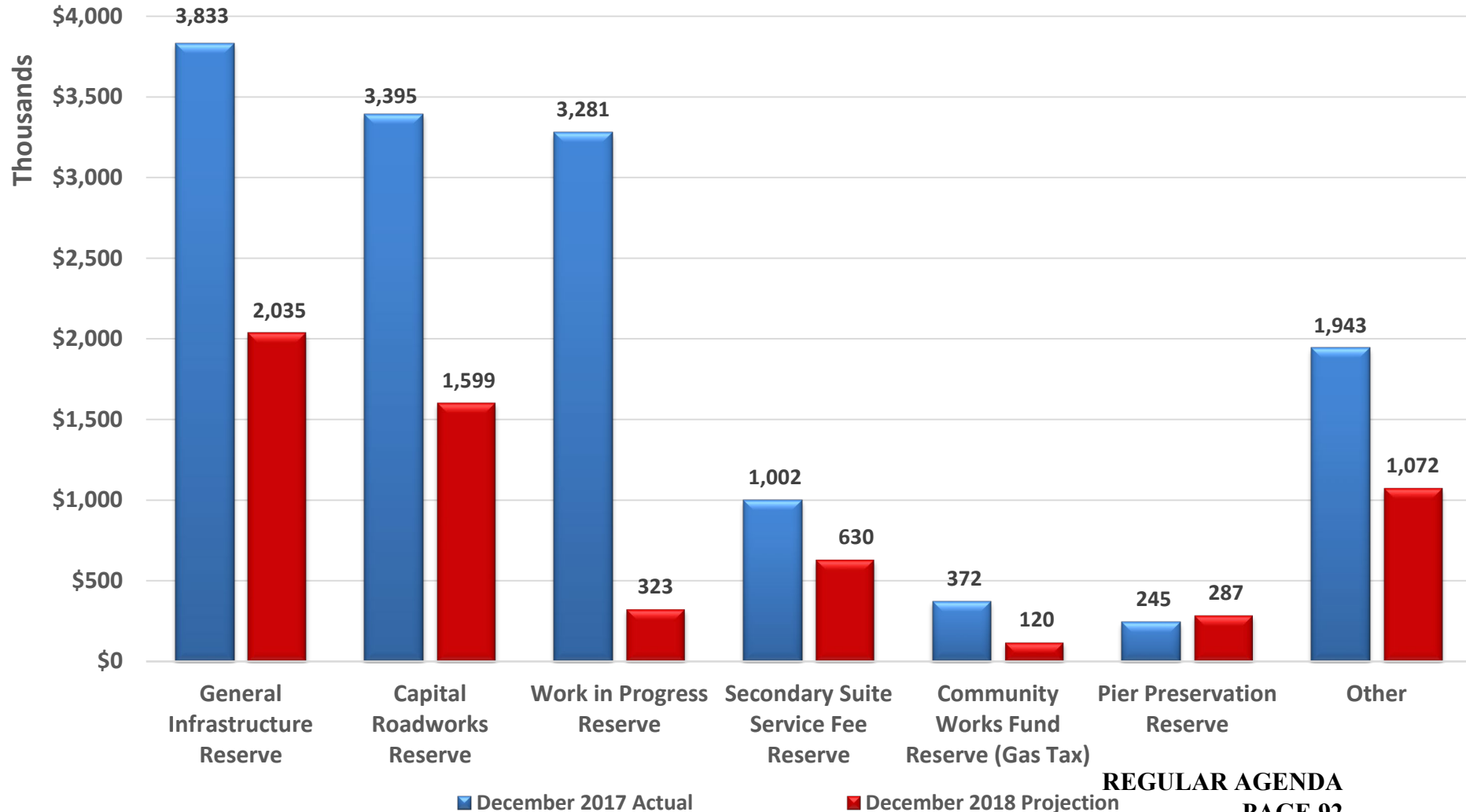
■ December 2017 Actual

■ December 2018 Projection

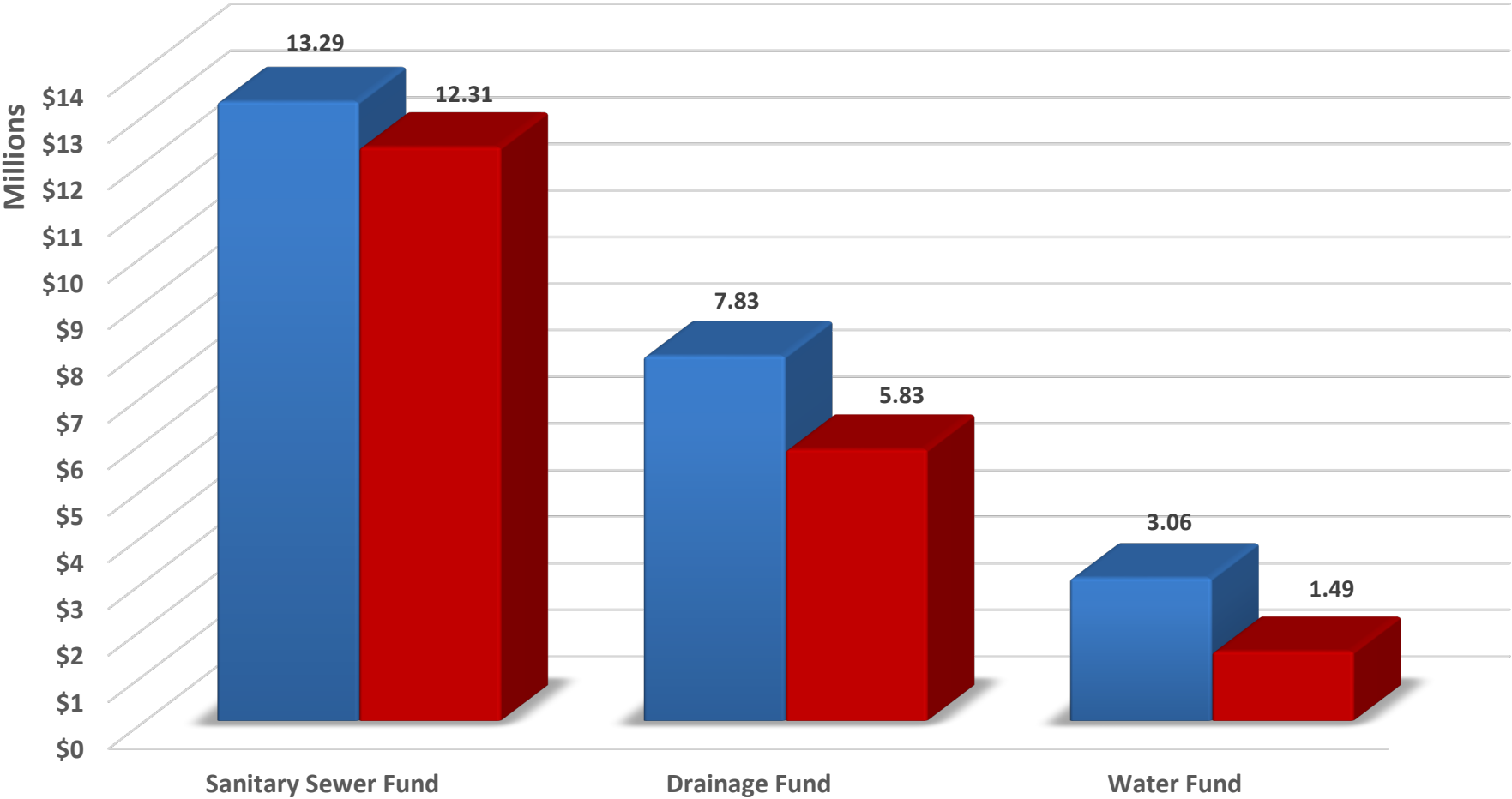
COMMUNITY AMENITY CONTRIBUTIONS

Permitted Uses	CAC Reserve Fund Bylaw No. 2190	Council Policy No. 511
Any civic use building or space within a building	✓	✓
New, or improvements to, publicly accessible open space (including land, public square & pedestrian routes)	✓	✓
On or above ground public accessible parking	✓	Waterfront only
Underground public accessible parking	✓	✓
Outdoor public art	✓	✓
Transit station, bus loop or transit shelters	✓	✓
People movement infrastructure	✓	✓
Special needs or non-market affordable housing	✓	✓
Greenhouse gas reduction measure, community energy facility	✓	
Similar things that benefit the City and the well-being of its community	✓	REGULAR AGENDA PAGE 91

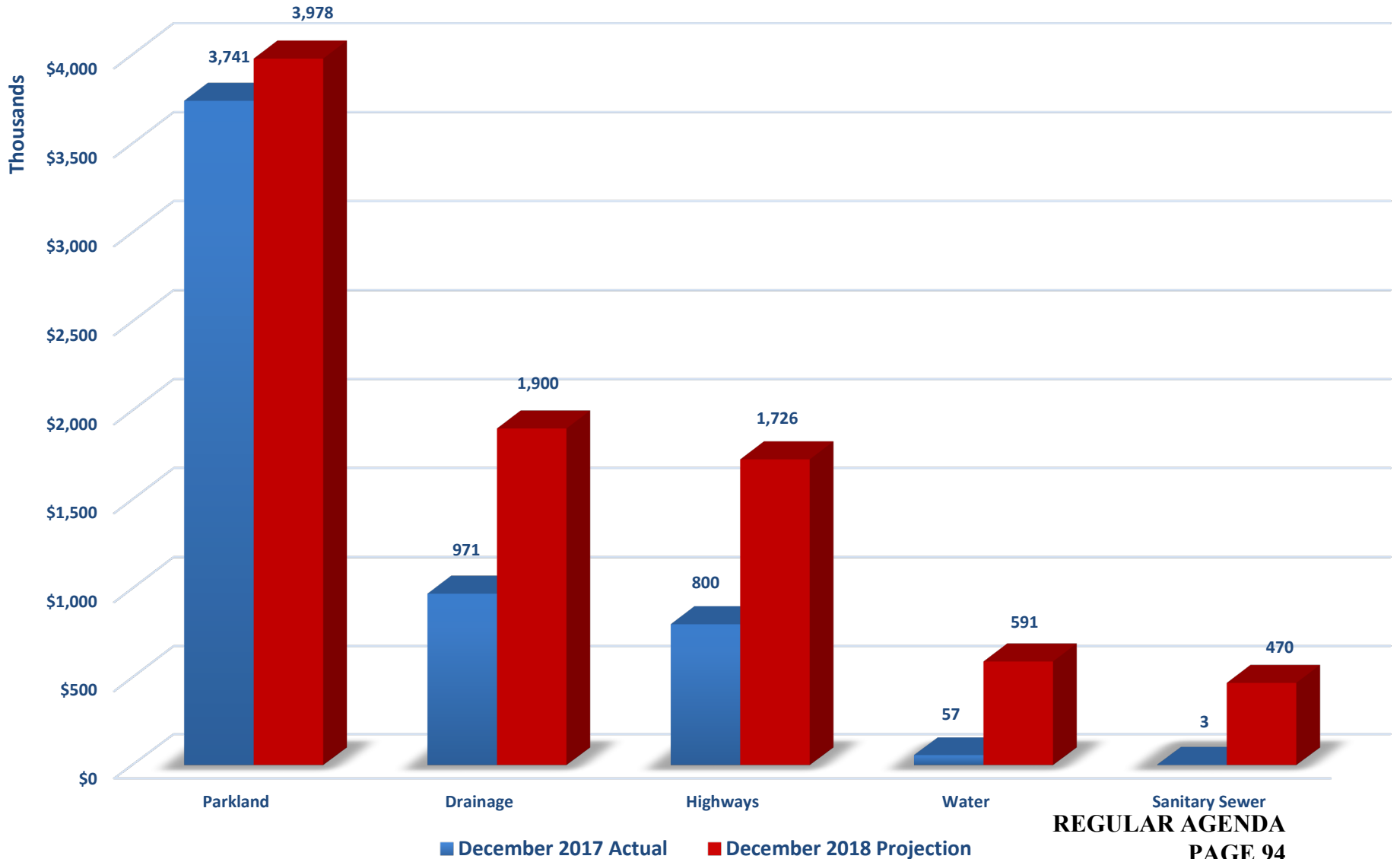
OTHER GENERAL FUND ASSET IMPROVEMENT RESERVES



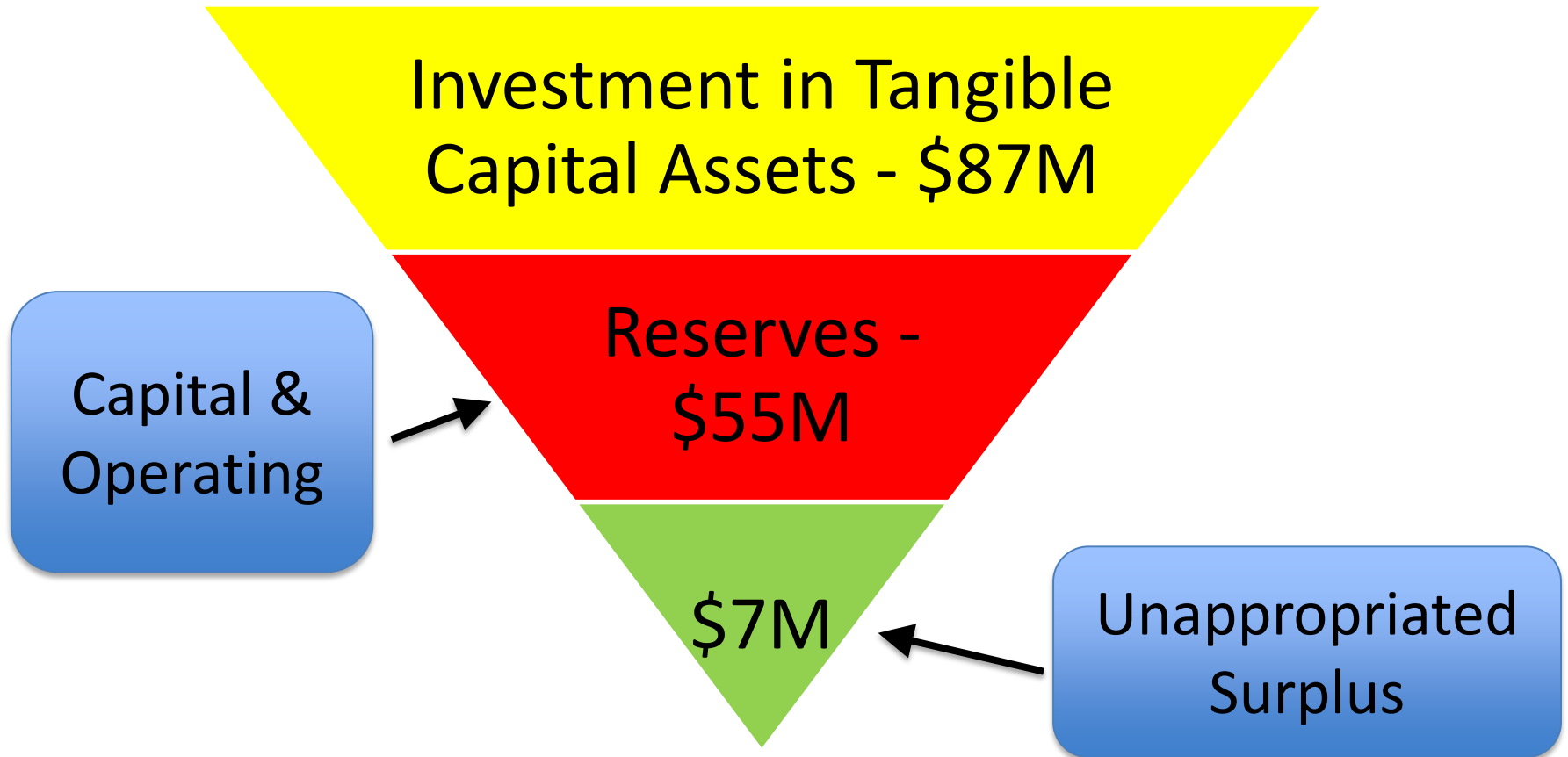
UTILITY FUND ASSET IMPROVEMENT RESERVES & OPERATING RESERVES



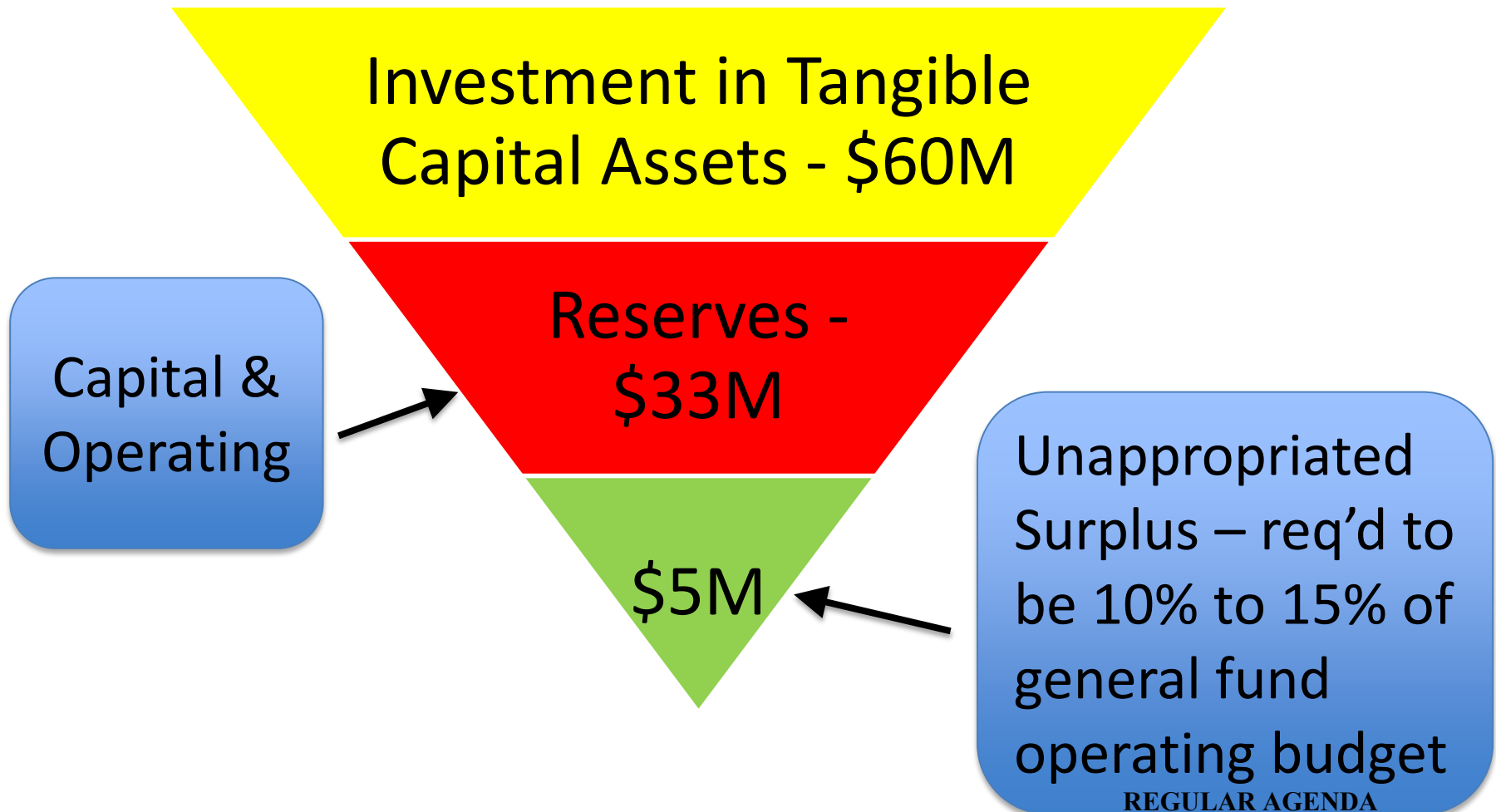
DEVELOPMENT COST CHARGES



ACCUMULATED SURPLUS (ALL FUNDS) DECEMBER 31, 2017 - \$149M



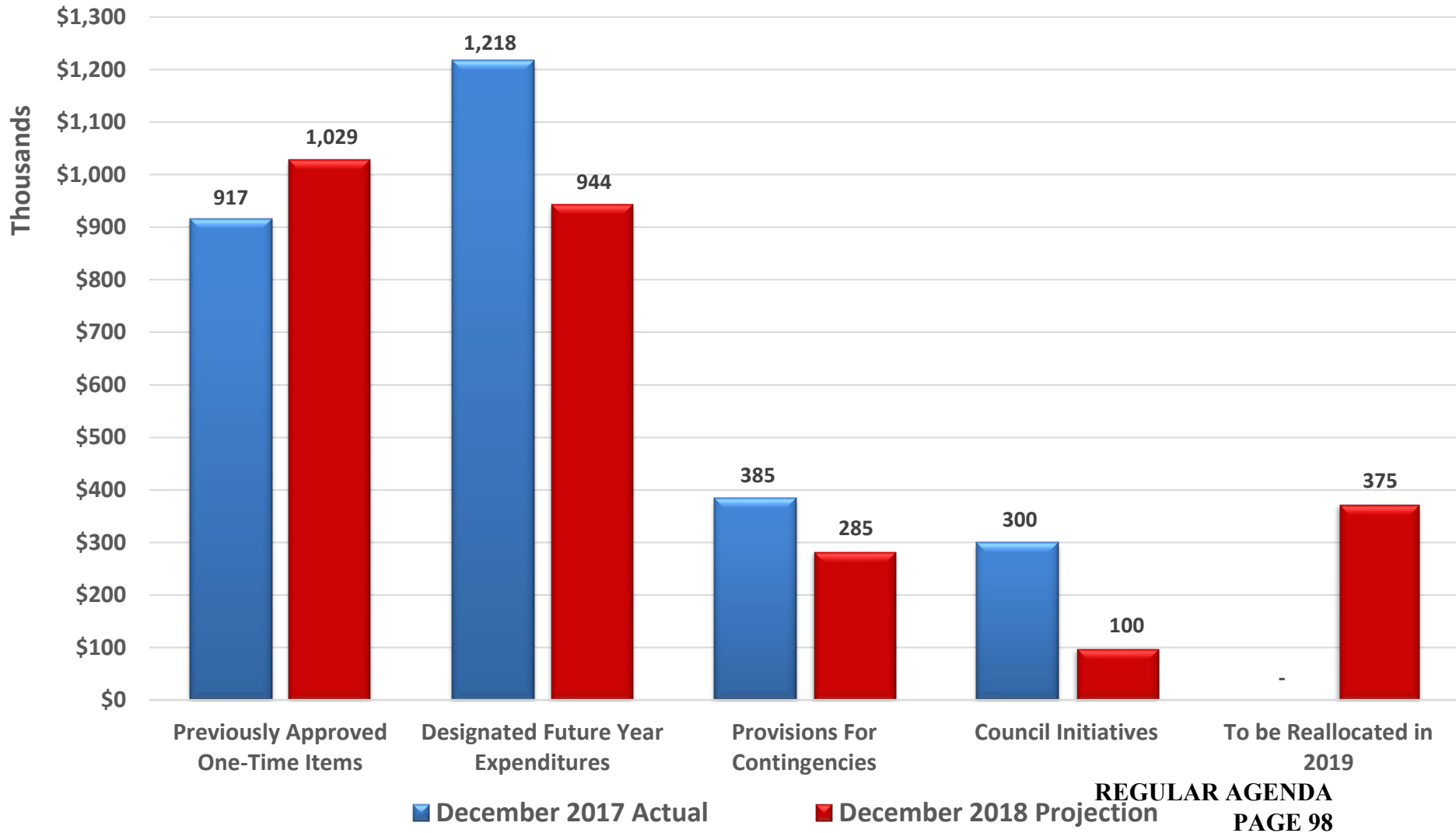
ACCUMULATED SURPLUS – GENERAL FUND DECEMBER 31, 2017 - \$98M



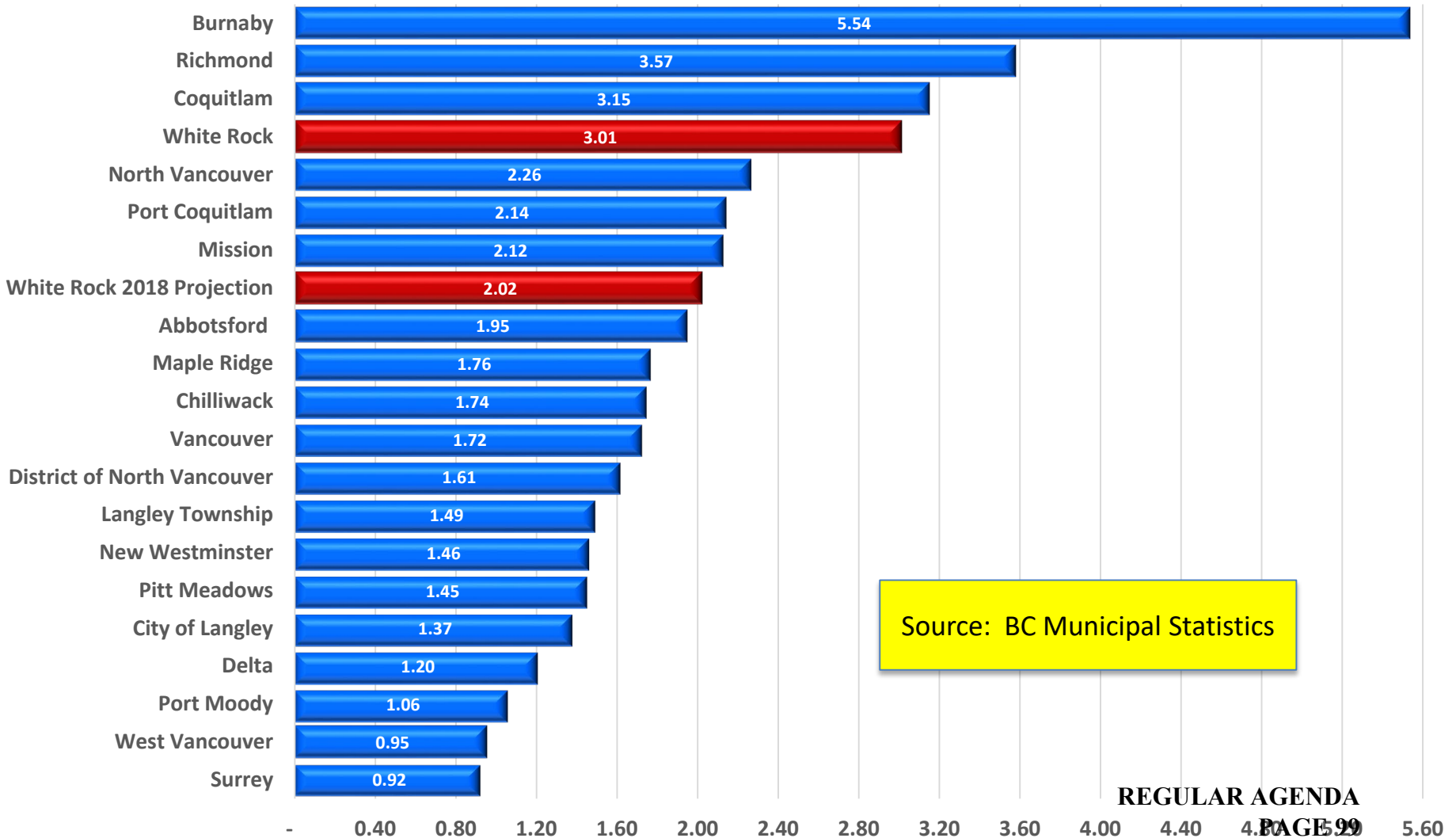
COUNCIL POLICY NO. 307 – ACCUMULATED SURPLUS FUND

- Council Policy (Finance) 307 requires that an accumulated surplus of 10% to 15% of the general fund operating budget be maintained to:
 - ensure the general fund is never in a deficit provision
 - provide interim financing until taxes are collected
 - finance internal borrowing & buffer against unexpected costs or revenue shortfalls.
- This is a basic principle, in line with best practices
- At as December 31, 2017, the uncommitted accumulated surplus represented 11% of the general fund operating budget

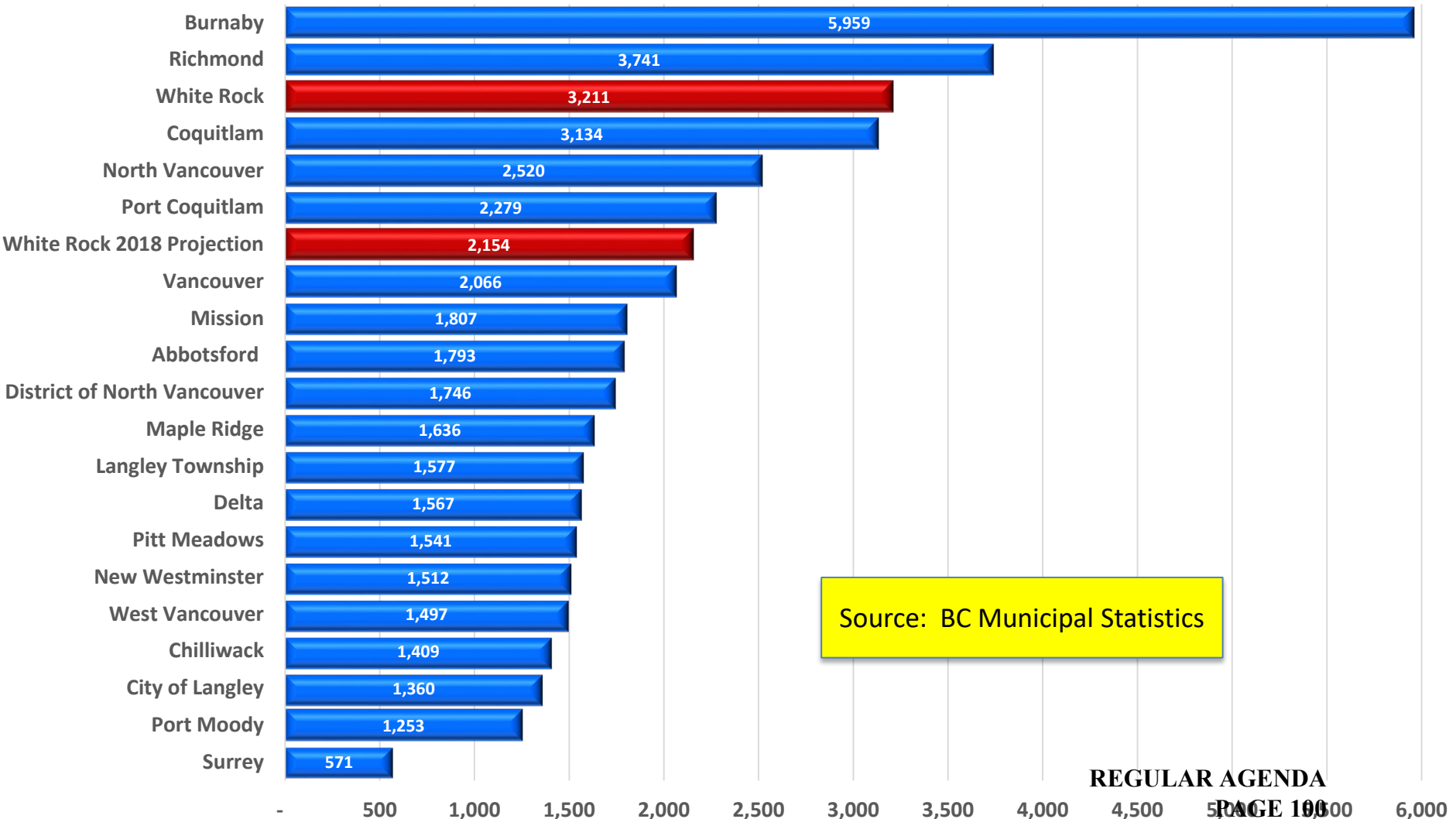
GENERAL FUND OPERATING RESERVES



RESERVES & ACCUMULATED SURPLUS PER TAX DOLLAR – DECEMBER 31, 2017



RESERVES & ACCUMULATED SURPLUS PER CAPITA – DECEMBER 31, 2017



CAPITAL BORROWING AUTHORITY & LIMITS

- Set by the Community Charter
 - Short Term Capital Debt (Section 178)
 - Long Term Debenture Debt (Section 179)
- Short term capital debt:
 - Can be borrowed for the acquisition or upgrade of any capital asset
 - Must be paid back within 5 years
 - Maximum amount is \$50 per capital or \$997,600
 - Authorized by Council adopting a bylaw; does not need public assent
 - Usually borrowed from Municipal Finance Authority (MFA)
 - The City has none outstanding

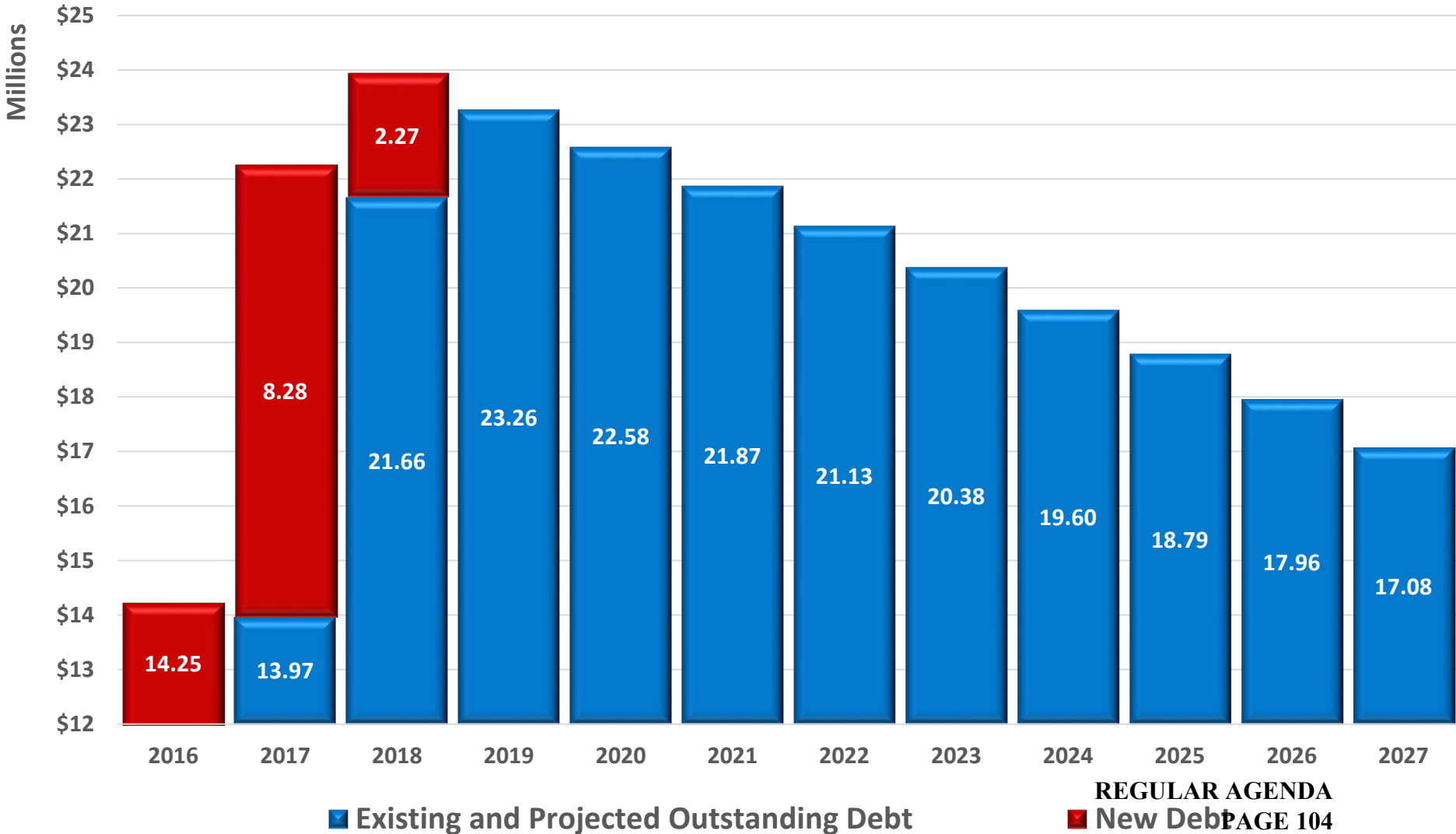
CAPITAL BORROWING AUTHORITY & LIMITS

- Long Term Debenture Debt
 - Maximum that can be borrowed is expressed as the maximum amount of annual debt servicing costs (principal and interest payments) that can be committed
 - Maximum debt servicing costs are 25% of previous year's calculated revenues; for WR that is approximately \$11M
 - Equates to borrowing \$85M for 10 yrs or \$180M for 30 yrs
 - Unless borrowing is less than the City's "assent free limit", public assent (either through a referendum or counter petition process) is required
 - Requires bylaw and Inspector's approval

CAPITAL BORROWING AUTHORITY & LIMITS

- Long Term Debenture Debt (cont'd)
 - Assent free limit is 5% of previous year's calculated revenues less debt servicing costs already committed
 - Once the \$6M Parkade Loan Authorization Bylaw that is not needed is repealed, White Rock's assent free debt servicing limit available is \$742,000
 - Equates to borrowing approximately another \$5.9M for 10 yrs, or \$12.7M for 30 years

WATER UTILITY DEBT



OTHER “SPECIAL” LONG TERM DEBT

- In 2003, the City borrowed \$225,000 on behalf of residents on Terry Road, pursuant to a Local Improvement Construction Bylaw, for the provision of a sanitary sewer service
- Annual principal and interest payments are being fully paid for by those residents
- The amount outstanding as of December 31, 2017 was \$104,000
- This debt will be fully paid off in 2023

ANNUAL FINANCIAL REPORTING

- After the end of each year, the City's Annual Financial Statements are prepared and audited
- The audit of the 2018 Financial Statements is in March/April 2019, and final reporting is in May 2019 (due to the Province by May 15)
- KPMG, the City's Auditor, meets with the Finance and Audit Committee before and after the audit
- Before being finalized, the Annual Financial Statements are presented, along with the Auditor's findings and report, to the Finance and Audit Committee for acceptance on behalf of City Council
- The Annual Financial Statements form part of the Annual Report, which must be made available to the public before June 30 each year
- Council must consider the Annual Report, and submissions and questions from the public, at a Council or other public meeting each year

ANNUAL FINANCIAL REPORTING

- In addition to the Annual Financial Statements/Annual Report, the following reports must be reported to Council, by June 30:
 - Financial Information Statement in accordance with the Financial Information Act (must also be submitted to the province)
 - Annual Report on City Council Remuneration, Expenses & Contracts in accordance with the Community Charter
 - Annual Development Cost Charges Report in accordance with the Local Government Act

QUESTIONS?



WHITE ROCK

My City by the Sea!



WHITE ROCK

My City by the Sea!

2019 TO 2023 Draft Financial Plan

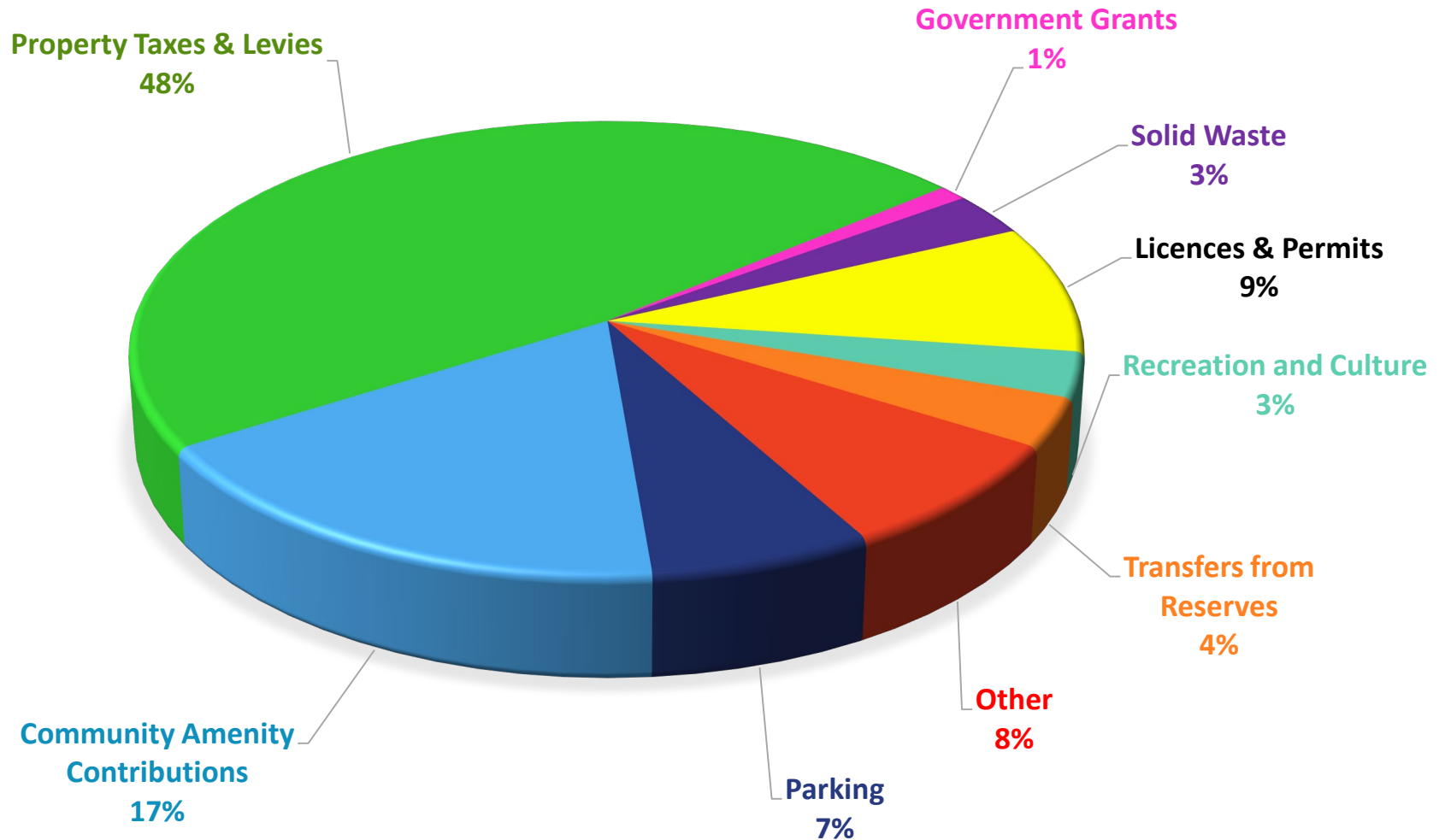
General Fund Operating Budget

February 28, 2019

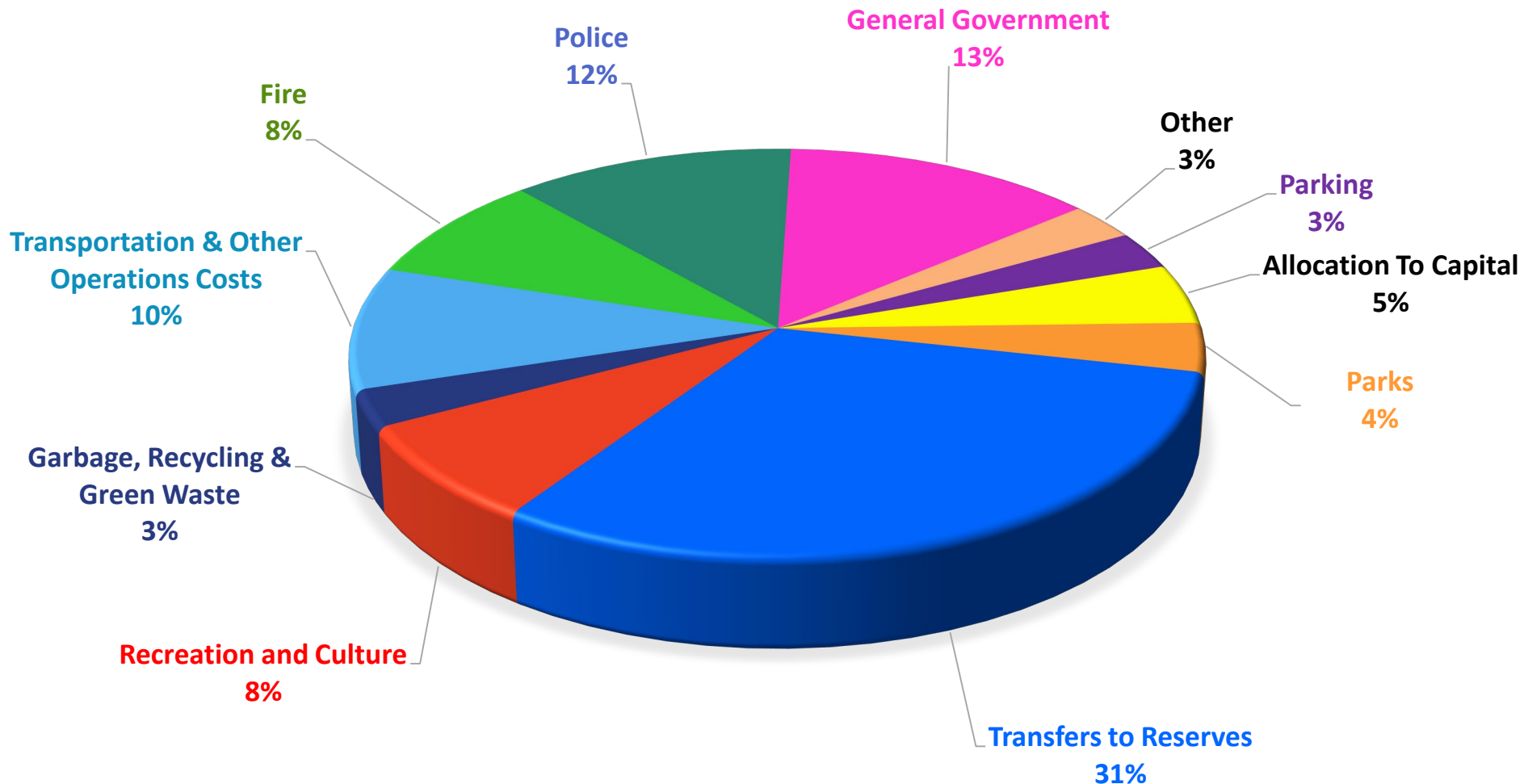
DRAFT GENERAL FUND OPERATING BUDGET

	2019	2020	2021	2022	2023
Municipal Taxes, FVRL Levy & BIA Levy	\$23.9M	\$25.0 M	\$26.3M	\$27.4M	\$28.2M
Community Amenity Contributions	\$8.7M	\$2.9M	\$3.6M		
Other Revenues	\$15.7M	\$16.5M	\$14.4M	\$13.9M	\$13.7M
Transfers from Reserves & Accumulated Surplus Fund	\$1.7M	\$0.4M	\$0.2M	\$0.3M	\$0.2M
TOTAL	\$50.0M	\$44.8M	\$44.5M	\$41.6M	\$42.1M
Dept. Expenditures	\$32.1M	\$32.2M	\$33.0M	\$34.0M	\$34.7M
GR Allocation to Asset Improvements	\$2.4M	\$2.7M	\$2.8M	\$3.0M	\$3.1M
Transfers to Reserves & Accumulated Surplus	\$15.5M	\$9.9M	\$8.7M	\$4.6M	\$4.3M
TOTAL	\$50.0M	\$44.8M	\$44.5M	\$41.6M	\$42.1M

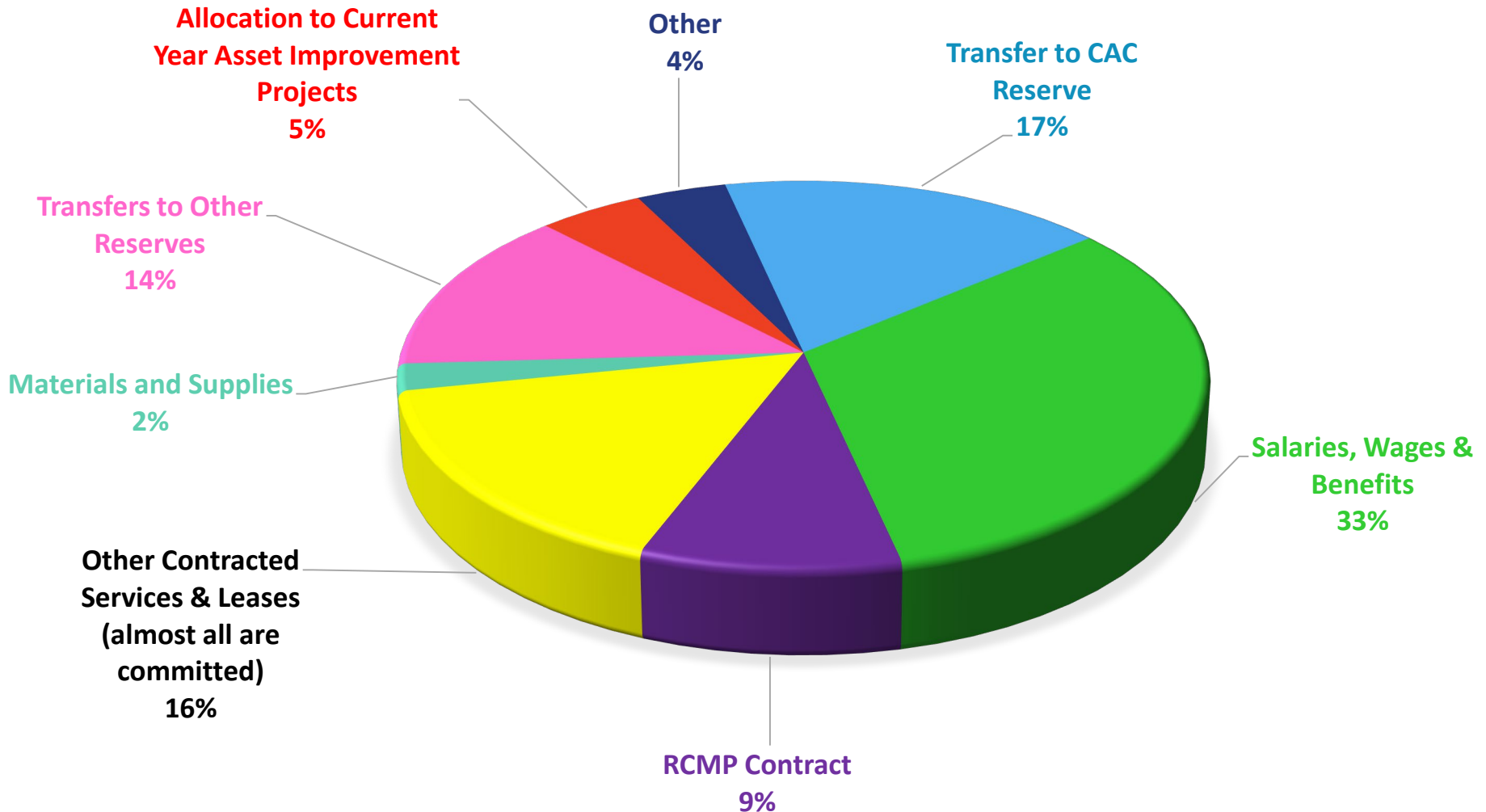
2019 Draft General Fund Operating Budget - Revenues



2019 Draft General Fund Operating Budget – Expenditures by Function



2019 General Fund Operating Budget Expenditures by Type



GENERAL FUND OPERATING BUDGET PROPERTY TAXES

- The 2018 to 2022 Financial Plan projected a 2019 property tax increase of 3.02%
- At this time, the draft 2019 budget reflects a property tax increase of 3.58%. This is higher than expected mainly due to the added cost of the provincial Employer Health Tax and a higher level of janitorial services for City facilities, including public washrooms.
- Other factors contributing to the proposed property tax increase are general wage increases as stipulated by collective agreements, annualized impacts of two Police Officers added in July 2018 and a Police Support Clerk added in October 2018, and an increase in base funding for Parks maintenance.

GENERAL FUND OPERATING BUDGET PROPERTY TAXES

- Overall property tax increase of 3.58% - equates to \$123 on an average detached single family home & \$38 on an average strata property
- It is also recommended that certain one-time costs be funded from the City operating reserves or accumulated surplus fund
- Certain one-time funding requests are not funded in this draft Plan; the Finance and Audit Committee may wish to consider if it would like the Draft Financial Plan amended to incorporate some of these items

GENERAL FUND OPERATING BUDGET OTHER PROPOSED FEE ADJUSTMENTS

- Proposed reduction of \$2 in Solid Waster User Fee; from \$333 to \$331
- Proposed increase of \$10 in Secondary Suite User Fee; from \$290 to \$300
- Proposed inflationary increases in misc Fees and Charges
- Waterfront/Parkade parking rates to be reviewed by the Parking Task Force; any rate adjustments require Fees & Charges Bylaw amendment
- Draft Financial Plan assumes annual waterfront/parkade parking revenues will be sufficient enough to offset Parkade operating costs and loss of Hospital area revenues due to reduced pay parking hours

PROJECTED BUILDING PERMIT REVENUE

- **When building permit funds are received for development projects that will take more than one year to complete, they are temporarily held in a “deferred” account, and shown as revenue as the project construction proceeds and related inspections occur**
- **This means that the amount of building permit revenue budgeted on a year-by-year basis depends on both the amount of cash received and the timing of planned construction (based on staff’s best estimate at the time the budget is prepared)**
- **If the actual timing differs from staff’s estimate, actual building permit revenues may be under or over budget from one year to the next, and this impacts the timing of when this money can be spent**

PROJECTED BUILDING PERMIT REVENUE

- The City's base building and related permit revenue budget is \$1.3M annually
- Due to major development project approvals, there is a significant amount of "deferred" building permit revenue that is budgeted and will be recognized as revenue over the next few years.
- This creates "spikes" in this Draft Financial Plan's projected building permit revenue.
- This excess building permit revenue is budgeted to be spent on items that are directly related to this high level of development activity and/or other "one-time" costs.

PROJECTED BUILDING AND RELATED PERMIT REVENUE

	2019	2020	2021	2022	2023
Projected Revenue	\$4.0M	\$4.5M	\$2.3M	\$1.6M	\$1.3M
Base Budget	<u>(\$1.3M)</u>	<u>(\$1.3M)</u>	<u>(\$1.3M)</u>	<u>(\$1.3M)</u>	<u>(\$1.3M)</u>
“Excess Spike”	\$2.7M	\$3.2M	\$1.0M	\$0.3M	\$0.0M

- **Excess building permit revenue is proposed to be allocated to:**
 - an operating reserve to fund costs related to development activity
 - an operating reserve to fund other “one-time” operating costs
 - the General Fund Infrastructure Reserve (replenish)
- Details on Pages 10 & 11 of the Agenda; some previously approved

GENERAL FUND OPERATING BUDGET

OTHER ONE-TIME COSTS

- Other one-time costs funded in the 2019 to 2023 Draft Financial Plan are listed on Pages 11 & 12 of the Agenda
- The following are related to Council’s Strategic Priorities:

Mayor & Council Strategic Priority Sessions	\$12,000
Economic Strategy (funded from ED Reserve)	\$60,000
Temporary Part-Time Economic Development Officer (funded from ED Reserve)	\$50,000
Solid Waste Review	\$75,000
OCP Review – Town Centre Component In addition, \$50,000 was previously approved for the OCP Review to be spend out of the 2018 contingency budget; unspent amounts will be carried over to the 2019 budget	\$50,000

GENERAL FUND OPERATING BUDGET – SEA FESTIVAL

- Contributions to this event, when hosted by the White Rock Events Society, and costs since the City assumed this role, have been funded on a “one-time” basis
- Amount funded on a “one-time” basis in the Draft 2019 Budget is \$50,000
- If the Finance and Audit Committee would like to fund this on an ongoing basis, a further property tax increase of 0.2% would be required

SIDEWALK/PATIO LICENCE FEES

- This item was dealt with by Council after the 2019 to 2023 Draft Financial Plan was completed
- Assuming that the February 25th amendment to the Fees and Charges Bylaw is adopted, and that the reduced Sidewalk Patio rate (\$4/sq ft) is temporary, it is recommended that the funding source for the estimated revenue reduction of \$78,000 be an operating reserve
- An adjustment for this will be made to the 2019 to 2023 Draft Financial Plan

GENERAL FUND OPERATING BUDGET

“ONE-TIME” REQUESTS NOT FUNDED

Grant to Peace Arch Elementary for Playground Equipment	\$25,000
Grant to White Rock Elementary for Playground Equipment	\$5,000 to \$50,000
Grant to Peace Arch Elementary for Visual Arts Class Equipment	\$8,000 or less
Grant to WR Players Club (Naming rights proposal - \$30,000 per year for five years)	\$150,000
Financial Assistance to Peninsula Productions for modifications to space leased from the City, to accommodate a 70 seat theatre	\$24,000 (\$8,000 per year, for three years)
Temporary Full-Time assistance with administration of Council committees and for the Executive Assistance to the Mayor and CAO (1 yr)	\$67,000
Temporary Full-Time assistance for City Communications (1 yr)	\$68,000

FREE PARKING AT CENTENNIAL PARK

- Council previously resolved that this initiative be considered
- The impact on the City's budget would be an annual net revenue loss of \$110,000
- This equates to a property tax increase of 0.5%
- Another option is to increase waterfront parking rates to generate another \$110,000 in revenues. However as the budget for waterfront revenues has already been increased to offset Parkade operating costs and the Hospital area revenue loss, it is unlikely this option would be feasible in the short term.

2019 FRASER VALLEY REGIONAL LIBRARY LEVY

- The City is assessed a levy from the FVRL District for the management and operation of White Rock Library
- It is shown as a separate line item on the City's property tax notice
- 2019 FVRL Levy will be \$958,000; up \$23,500 or 2.5% compared to 2018
- This is incorporated into the Draft Financial Plan

2020 TO 2023 PROJECTIONS

- The following new regular full-time staff positions are assumed to be added future years:
 - Purchasing Officer – 2020 (65% funded by taxes & 35% by utility fees)
 - Two Firefighters – one in 2021 and one in 2022
- Other assumptions are listed on Page 13 of the Agenda
- Projected annual property tax increases range from 2.3% to 2.7%

2019 TO 2023 DRAFT FINANCIAL PLAN PUBLIC CONSULTATION

- The *Community Charter* requires there be a process of public consultation before financial plan bylaws can be adopted
- The legislation does not define what this process should be
- It is proposed that a public meeting be scheduled for March 11, and that an advertisement be placed in the newspaper notifying the public of the opportunity for public comments and/or requesting written comments or questions on the 2019 to 2023 Draft Financial Plan

2019 TO 2023 FINANCIAL PLAN SCHEDULE

- **Aug 2018** Staff began development of the draft 2019 to 2023 Financial Plan
- **Feb 28** Draft presented to the Finance and Audit Committee
- **Mar 11** Public Consultation (proposed public meeting date)
- **Apr 15*** Final amendments (eg. capital & operating budget project carry-overs, impact of final BC Assessment property values etc.) & 3 readings of Bylaw
- **Apr 29** Adoption of FP Bylaw & 3 readings of Tax & Utility Rate Bylaws
- **May 13** Adoption of Property Tax and Utility Rate Bylaws

- * Requires special meeting

2019 TO 2023 Draft Financial Plan

**General Fund Asset Improvement Budget
(Capital Projects)**

February 28, 2019

WHAT ARE ASSET IMPROVEMENT PROJECTS?

- **Upgrades or replacements of the City's infrastructure, parks, facilities, vehicles and equipment**
- **Studies/Masterplans related to infrastructure**
- **Includes IT infrastructure related work**
- **Purchases of new capital assets, such as land**
- **Construction of new capital assets**
- **Also includes major maintenance work done on the above assets**

HOW DOES THE CITY PAY FOR GENERAL FUND ASSET IMPROVEMENT PROJECTS?

- Allocation from current year taxes (general revenue)
- Reserves
- Development Cost Charges (DCCs)
- Grants & Contributions
- Debt (no new external debt proposed for this Financial Plan)

GENERAL FUND ASSET IMPROVEMENTS

- Proposed asset improvements total \$61M over 5 years
- Annual amounts range from \$6M to \$20M
- This does not include funding that will be carried over from 2018 to 2019, to complete projects started but not finished at the end of 2018. Examples include Memorial Park, the Parkade, and the Water Treatment Plant. These will be added to the 2019 to 2023 Financial Plan in April, once the figures are available.
- Proposed projects, with proposed funding sources, are listed on Pages 24 to 38 of the Agenda

PIER REPAIR AND RESTORATION – PHASE 1

- To occur in 2019
- Includes immediate repairs, incorporating steel pilings/concrete deck, temporary telecomm. connection, and ground improvement (if needed)
- 2019 budget is \$4.28M (total is \$4.3M, including money spent in 2018)
- Assumes the following funding sources at this time:
 - \$3.1M from insurance proceeds
 - \$260,000 from Pier Preservation Reserve
 - \$186,000 from Infrastructure Reserve (amount set aside for Seabed Dredging)
 - \$734,000 from uncommitted Community Amenity Contributions (CACs) on hand
- Funding sources will be adjusted if government grant/funding is approved and/or if actual insurance proceeds differ

PIER RESTORATION – PHASE 2

- Planned for 2020 to 2021
- Includes restoration of the rest of the Pier (excluding the West Wharf), incorporating steel pilings/concrete deck and ground improvement, if needed
- 2020/21 budget is \$11.6M
- Assumes the following funding sources at this time:
 - \$2M from government grant/funding assistance
 - \$5M from donations/fundraising proceeds
 - \$4.4M from CACs
 - \$0.2M from the Pier Preservation Reserve
- Amounts funded from donations and government grants are estimates only
- If more or less are received, the amount funded from CACs will be adjusted
- It is recommended that money be left in the CAC reserve, as a back-up funding source for this project

EAST BEACH SHORELINE RESTORATION

- Budgeted in 2019, work is underway
- Includes restoration work required to repair damage from Dec 20 severe storm
- 2019 budget is \$600,000
- Up to 80% of this cost (or part of it) could be funded from the provincial Disaster Financial Assistance program, but approval has not yet been received
- In the meantime, the funding source reflected in the Draft Financial Plan is the City's Accumulated Surplus Fund
- If provincial funding assistance is received, the amount used from the Accumulated Surplus Fund will be reduced

ROADWORKS

- **Strategic Transportation Plan to be updated in 2019**
- **Will identify and update priorities for roadworks and pedestrian safety improvements**
- **Once complete, more details on planned projects will be available and some projects might be re-phased**
- **At this time:**
 - **Johnston Road Phase 2 (Russell to Thrift) is planned for 2021, after Bosa Properties completes certain utility works**
 - **Johnston Road Phase 3 (Thrift to Roper) is not planned to be done until after 2023**

MARINE DRIVE/HUMP STABILIZATION

- Recent testing of the slope stability indicates that the risk of failure has increased; impacting the integrity of Marine Drive
- \$1.2M is budgeted in 2019 to stabilize this, with the installation of micro pilings
- Funded by a combination of general revenue allocated to asset improvement projects and money in reserves

EXTENSION OF PROMENADE TO COLDICUTT RAVINE & PEDESTRIAN OVERHEAD WALKWAY

- Transport Canada ordered that the City undertake measures to mitigate pedestrian trespassing in this area; and follow up notifications have been received
- These projects (mainly Overhead Walkway) are intended to alleviate this situation
- Conceptual designs are in their final stages, and options will be presented to Council in March
- Matching grant funding from the federal *Rail Safety Improvement Program* has been approved for these projects, in the following amounts: Promenade Extension \$200,000 for design; Overhead Walkway \$500,000 for design and/or construction

EXTENSION OF PROMENADE TO COLDICUTT RAVINE & PEDESTRIAN OVERHEAD WALKWAY

- The following amounts are included in the proposed 2019/2020 budgets for these projects (these figures do not include amounts spent in 2018):
 - \$2.93M for Extension of Promenade (preliminary estimate only)
 - \$2.37M for the Overhead Walkway
- Budgeted funding sources are a combination of Parkland DCCs, the federal grants, and CACs
- The federal grant contribution agreements expire on March 31, 2019, and extensions have been requested
- A total of \$3.4M in CACs is committed for these projects

CITY HALL

- **This facility is nearing the end of its useful life, does not meet seismic standards, and does not have the capacity needed to house City Staff**
- **Urgent, seismic improvements have been done**
- **The next phase of seismic work is estimated to cost more than \$2M and will likely require temporary closure of City Hall**
- **Due to lack of capacity, the City's Bylaw Enforcement, Human Resources and IT Departments relocated to the City Hall Annex (which has issues as well)**
- **This was thought to be temporary until major upgrades occurred at City Hall, or the building was replaced**
- **More details, including options, will be provided in a report from the Chief Administrative Officer at the March 11 Council Meeting**
- **At this time, pending Council's review of the options, there are no major upgrades included in the Draft Financial Plan for City Hall**

NEW FINANCIAL SYSTEM

- An amount of \$1.5M is budgeted in 2021 to replace the City's Financial System.
- The proposed funding source is the General Fund Infrastructure Reserve
- The current system (Vadim) was implemented in 2002.
- Since then, the City's needs have evolved and technology has advanced.
- The City has outgrown Vadim, which does not incorporate technology needed to support efficient and effective business processes

OTHER ITEMS TO NOTE

- **An update of the City's Facilities Masterplan is budgeted for 2019. This will identify and update specific projects and priorities on work to be done on City Facilities**
- **An amount of \$56,000 is budgeted in 2019 to purchase and install an LED electronic notice board on Johnston Road (at Russell Ave)**
- **This is proposed to be used to advertise various events (similar to the previous banner which crossed Johnston Road)**
- **The proposed funding source is CACs**

MAJOR PROJECTS REMOVED FROM THE FINANCIAL PLAN

- **Shoreline Protection and Promenade - \$15M budget removed from 2020/2021/2022. Not all funding sources were confirmed. For budget purposes they included DCCs, CACs and anticipated grants**
- **Two Hillside Walkway Major Upgrades (Road Ends) – two budgets of \$800,000 each were removed, one from 2021 and one from 2022. Funding sources were a combination of DCCs, CACs and reserves**
- **Installation of Mooring Buoys - \$300,000 budget was removed from 2020**
- **Council may wish to re-instate some of these items at this time, or at a future date, but the funding sources will need to be reviewed**
- **The intended use of the property located at 1510 Johnston Road was a Town Square, but that is not included in the Draft Financial Plan**

COMMUNITY AMENITY CONTRIBUTIONS

- CACs in the amount of \$17.4M were received in 2017 and 2018
- The projected balance, after completion of Memorial Park, the Parkade, and the PAH Auxiliary Public Art, is \$2.6M
- A further \$15.2M is projected to be received in 2019 to 2021 (actual timing may differ, these are staff's best estimates)
- A total of \$9M is projected to be spent in this Draft Financial Plan (details to follow on the next slide)
- This leaves an uncommitted balance of approximately \$9M
- It is recommended that some CACs be left uncommitted as a backup funding source, if needed, for the Pier Restoration

2019 TO 2023 DRAFT FINANCIAL PLAN PROPOSED USES OF CACS

Year	Asset Improvement Project	Proposed CAC Funding
2019	Pier Phase 1 Immediate Repairs	\$0.73M
2019	Coldicutt Ravine Overhead Walkway	\$1.30M
2019/20	Extension of Promenade to Coldicutt Ravine	\$2.10M
2019	LED Notice Board for Johnston Road	\$0.06M
2020/21	Pier Phase 2 Restoration	\$4.40M
2021	Parkland Purchase (this is one funding source of this project's \$1M budget)	\$0.20M
2019 to 2023	Community Public Art	<u>0.24M</u>
	Total Committed	<u>\$9.03M</u>

COMMUNITY AMENITY CONTRIBUTIONS

Permitted Uses	CAC Reserve Fund Bylaw No. 2190	Council Policy No. 511
Any civic use building or space within a building	✓	✓
New, or improvements to, publicly accessible open space (including land, public square & pedestrian routes)	✓	✓
On or above ground public accessible parking	✓	Waterfront only
Underground public accessible parking	✓	✓
Outdoor public art	✓	✓
Transit station, bus loop or transit shelters	✓	✓
People movement infrastructure	✓	✓
Special needs or non-market affordable housing	✓	✓
Greenhouse gas reduction measure, community energy facility	✓	
Similar things that benefit the City and the well-being of its community	✓	REGULAR AGENDA PAGE 148

2019 TO 2023 Draft Financial Plan

Water Utility

February 28, 2019

2019 TO 2023 DRAFT FINANCIAL PLAN WATER UTILITY

- 2019 proposed operating budget is \$6M
- Main source of revenue is Water Service User Fees
- 2019 water rate increase of 3% was approved
- This has an impact of \$4 per quarter (\$1/month) on an average detached single family home and \$2 per quarter (less than \$1/month) on an average strata property
- Expenditures are comprised of operating and administrative costs, infrastructure upgrades and debt principal & interest costs

2019 TO 2023 DRAFT FINANCIAL PLAN WATER UTILITY RESERVES

- A portion of water utility revenues is allocated to reserves each year
- It is prudent that the City gradually build up these reserves to maintain this significant investment in infrastructure
- These assets need to be maintained, upgraded and replaced when needed to keep them functioning properly
- If funds are not set aside for this, the City will have to continue to rely on grants and debt to get the work done; this is not being sustainable
- If work is deferred, there is increased risk of infrastructure failure, health and safety issues, and higher costs that could have been avoided if the work was done sooner

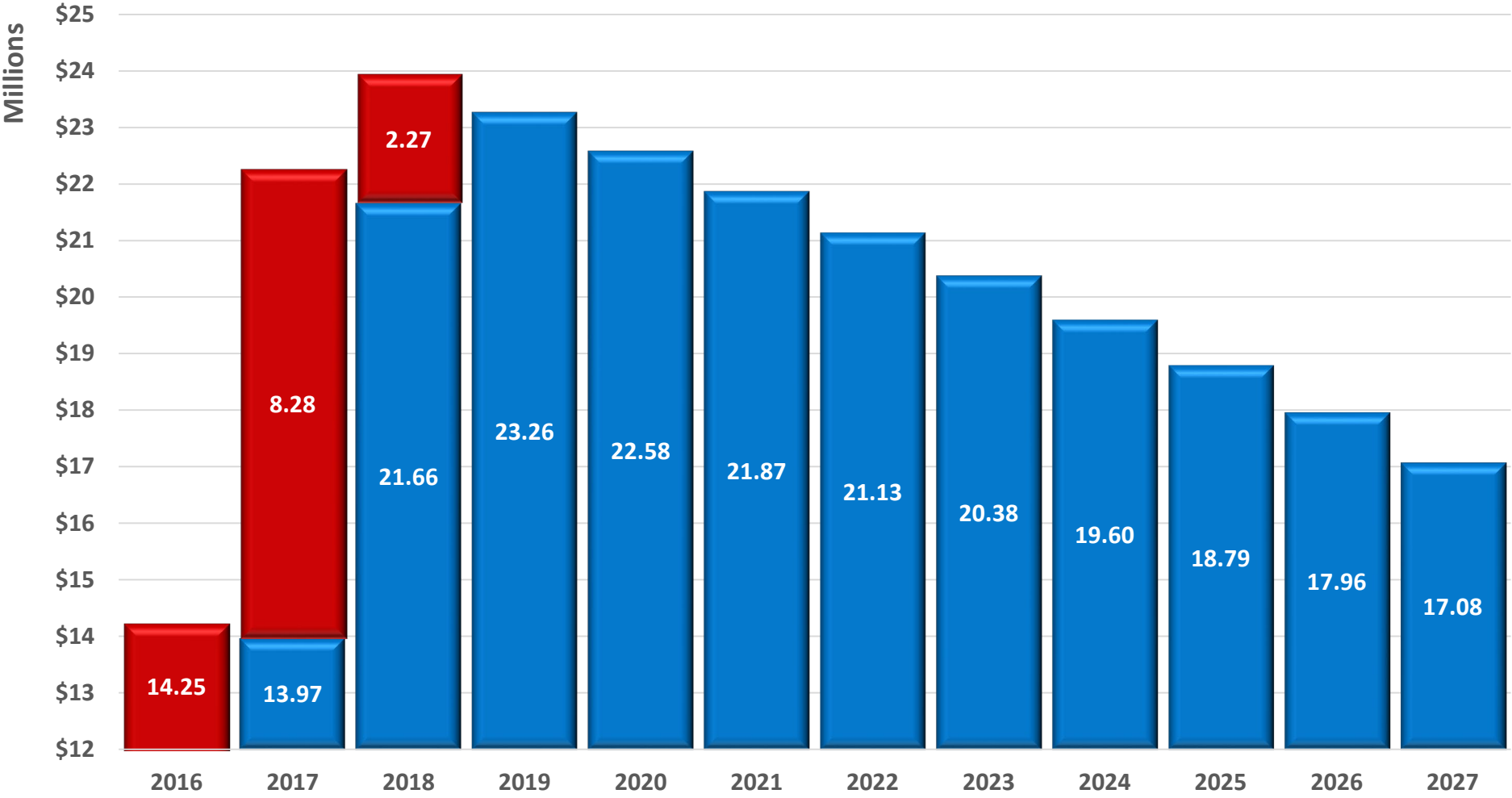
2019 TO 2023 DRAFT FINANCIAL PLAN WATER UTILITY ASSET IMPROVEMENT PROJECTS

- Upcoming completion of new Water Treatment Facility
- Other planned improvements, and funding sources, are listed on Pages 47 to 49 of the Agenda
- Consist mainly of high priority water main upgrades recommended in the Water Masterplan
- A new well is planned for the Oxford site in 2021/22. The budget is \$1M. At this time, 2/3 of this amount is budgeted to be funded from an infrastructure grant.

PROPOSED WATER UTILITY ASSET IMPROVEMENT PROJECT FINANCING

- It is projected that a total of \$1M (\$500,000 in 2020 and \$500,000 in 2022) will be borrowed internally from the Sanitary Sewer Infrastructure Reserve to complete certain water main upgrades
- This money is projected to be paid back, with interest, over ten years
- Could be paid back quicker if water utility funds become available
- No new external debt is included in the Draft Financial Plan

WATER UTILITY EXTERNAL DEBT



2020 TO 2023 PROPOSED WATER RATES

- The following future year increases in water rate revenues are projected to pay for operational costs, infrastructure upgrades, and to work towards having a sustainable Water Utility:
 - 2020 – 5%
 - 2021 – 6%
 - 2022 – 6%
 - 2023 – 6%

2019 TO 2023 Draft Financial Plan

Drainage Utility

February 28, 2019

2019 TO 2023 DRAFT FINANCIAL PLAN DRAINAGE UTILITY

- 2019 proposed operating budget is \$2.8M
- Main funding source is Drainage Utility User Fee
- Planned infrastructure upgrades, and proposed funding sources, are listed on Agenda Pages 55 & 56
- Where possible, timing corresponds to planned roadworks

2019 TO 2023 DRAFT FINANCIAL PLAN DRAINAGE UTILITY

- Largest planned project is relocation of Habgood Pumpstation - \$10.9M (includes amounts spent to date)
- Construction is budgeted in 2020
- Sufficient funds are not available to complete this project without grant funding
- Based on information available at this time, this project cannot proceed without securing grant funding in the minimum amount of \$6.3M
- The City has applied for an Investing in *Canada Infrastructure Program Green Infrastructure Grant* for this purpose. This program provides funding of up to 73.33% of eligible costs
- Projected drainage reserves are below recommended levels

PROPOSED DRAINAGE UTILITY USER FEES

- Annual drainage fee increases of 5% were previously projected
- Annual rate increases of 5% are still proposed, in order to carry out operations and planned infrastructure improvements, as well as assist in building up reserves for future asset management purposes
- Based on a 5% increase, the 2019 drainage fee would increase by:
 - \$23, from \$461 to \$484, for a typical detached single family home &
 - \$7, from \$134 to \$141, for a typical strata unit
- Annual drainage fee increases of 5% are projected for 2020 to 2023

2019 TO 2023 Draft Financial Plan

Sanitary Sewer Utility

February 28, 2019

2019 TO 2023 DRAFT FINANCIAL PLAN SANITARY SEWER UTILITY

- 2019 proposed operating budget is \$3.8M
- Main funding source is Sanitary Sewer User Fee
- The largest operating expense is a levy paid to the Greater Vancouver Sewerage and Drainage District, which is expected to be more than \$1.6M in 2019 and to increase by an average of 11% per year, to \$2.5M by 2023
- Planned infrastructure upgrades/replacements are listed, along with proposed funding sources, on Agenda Pages 62 and 63
- Where possible, timing corresponds to planned roadworks

2019 TO 2023 DRAFT FINANCIAL PLAN

SANITARY SEWER FUND - INTERNAL LOANS

- In order to provide a funding source for certain water main upgrades, \$1M (\$500,000 in 2020 and \$500,000 in 2022) is proposed to be borrowed from the Sanitary Sewer Infrastructure Reserve
- These loans are budgeted to be repaid, with interest, within 10 years
- These loans must be paid back before the funds are needed for sanitary sewer purposes
- According to the projections in this Draft Financial Plan, this money is not expected to be needed for sewer works within the next 5 years

2019 TO 2023 DRAFT FINANCIAL PLAN SANITARY SEWER UTILITY

- A 2019 sanitary sewer user fee reduction of \$6 (2.2%) is proposed
- The 2019 residential rate is proposed to decrease from \$266 to \$260, and the commercial rate \$279 to \$273
- Sanitary Sewer User Fees are proposed to increase by 2% annually from 2020 to 2023

A photograph of a long pier extending into the ocean at dusk. The pier is illuminated by a series of arched streetlights that create a rhythmic pattern of light and shadow. The sky is a deep blue, and the water reflects the lights from the pier. The foreground is dominated by a large, dark blue graphic element consisting of several overlapping, wavy, curved shapes that resemble stylized waves or a modern logo design.

WHITE ROCK

My City by the Sea!