

**2024**  
**Business Plan**  
**CORPORATE SERVICES**  
Finance

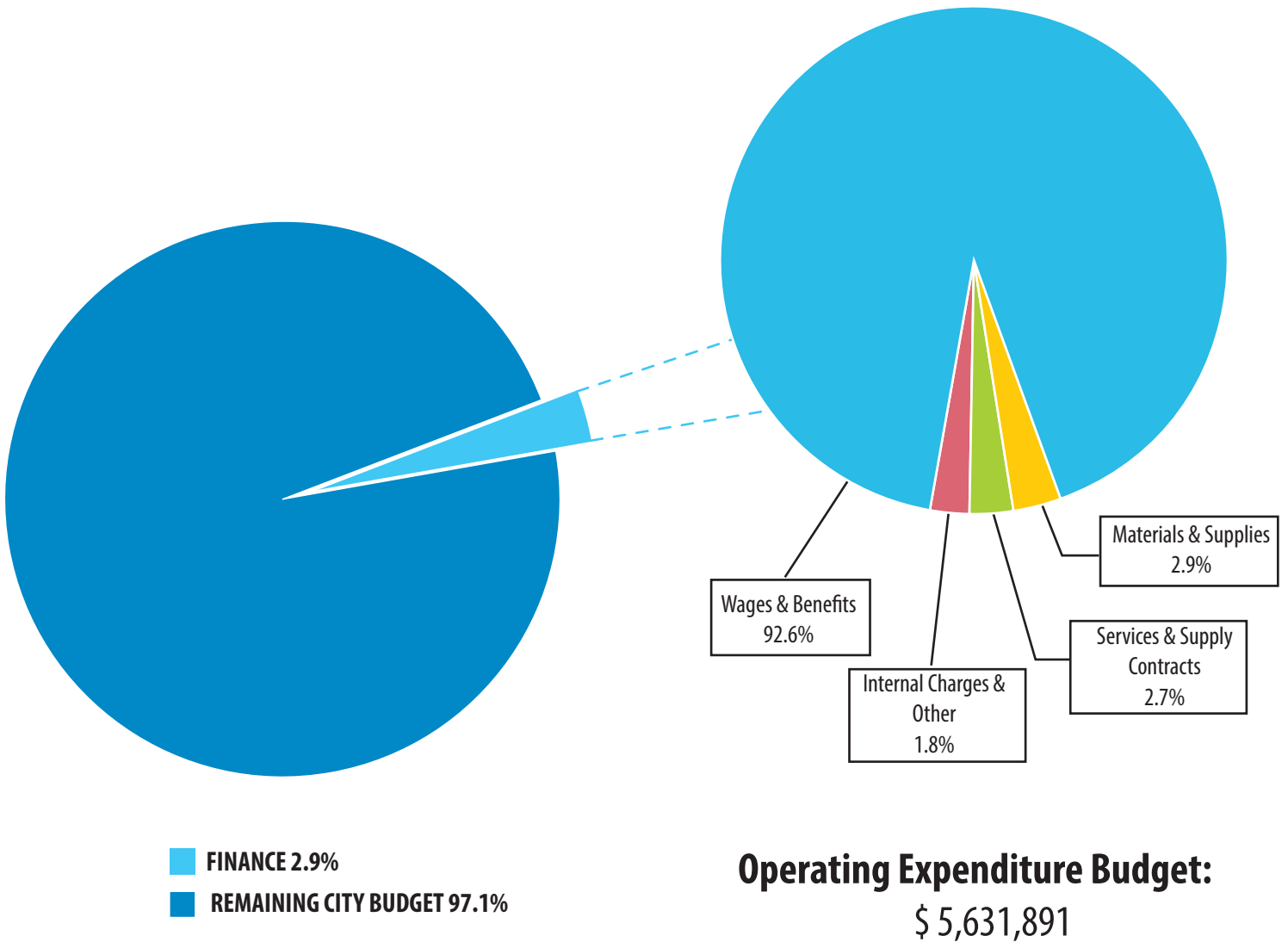
# DEPARTMENT OVERVIEW

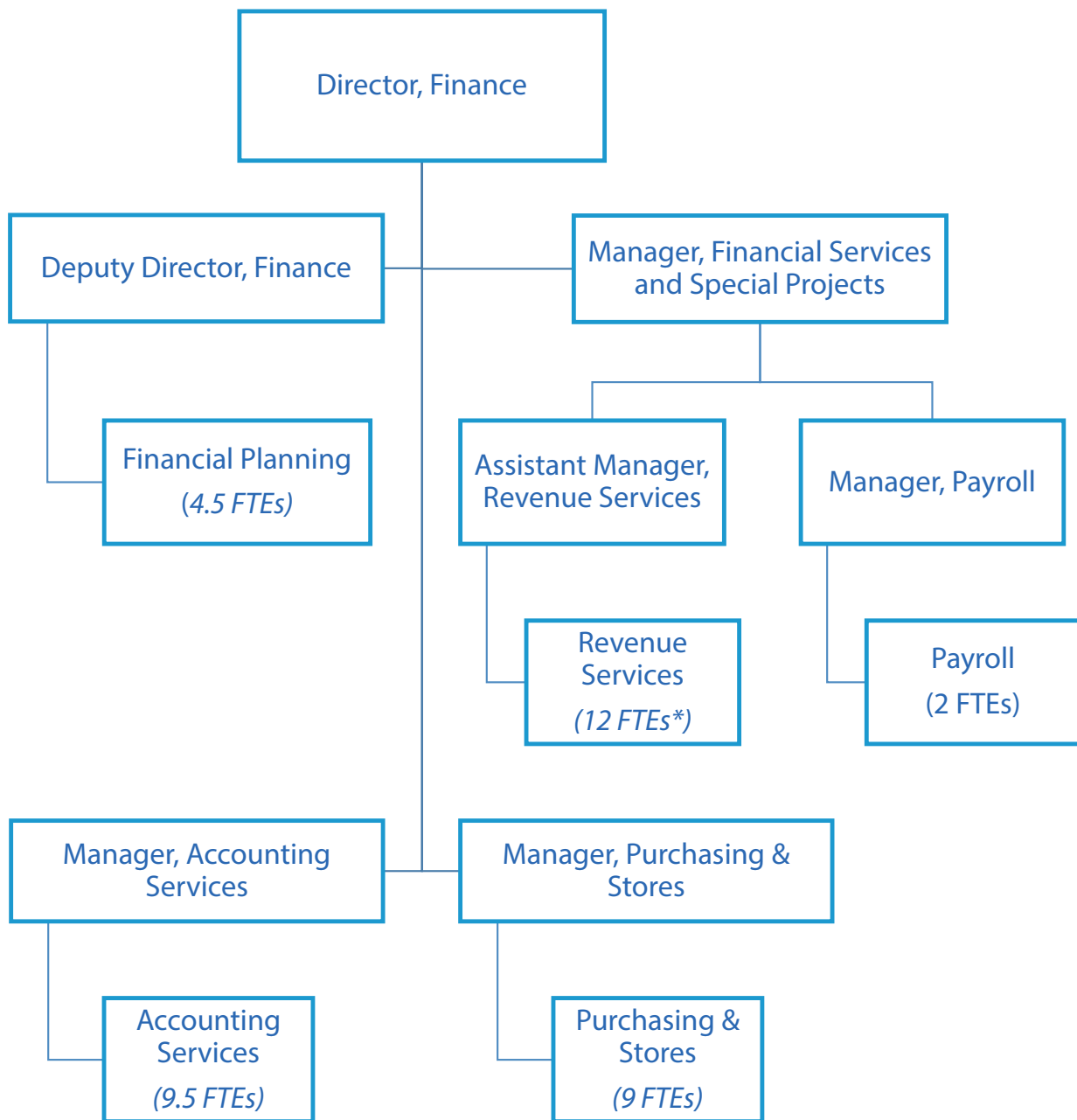
The Finance and Purchasing department safeguards the City's financial assets, and plans in order to ensure the financial stability and viability of the City. The department provides financial support and stewardship that supports City departments delivering current and future services. The department provides financial reporting and control and is responsible for the implementation of financial management policies.

### Core Services:

- Financial Planning services
- Accounting services
- Revenue services
- Payroll services
- Purchasing services

# DEPARTMENT'S SHARE OF THE BUDGET





*\*includes two Water Meter Readers funded from Water*

# LEVEL OF SERVICE

## Financial Planning Services

- Prepares 5-Year Financial Plan.
- Conducts long term financial planning and analysis.
- Applies and manages senior government grants.
- Assists with business cases
- Maintains/updates asset management models

## Accounting Services

- Reporting and Accounting functions, including accounts payable.
- Cash Management.
- Prepares annual financial statements.
- Property Insurance

## Revenue Services

- Property Tax billing & collections
- Maintains property information and property transfers
- User Rate billings and collections

- Accounts receivable
- Dog Licencing
- Maintenance of Cemetery information, coordination of interment

## Payroll

- Process bi weekly payroll
- Reporting requirements

## Purchasing

- Oversees departmental purchases to ensure compliance with Purchasing Policy
- Facilitates purchasing process.
- Maintains appropriate levels of inventory
- Reporting requirements

	2021	2022
Number of invoices processed by Accounts Payable	21,891	22,530
Assessment Base	\$21.8B	\$28.4B
Amount of Property Taxes Levied	\$199M	\$218M
Number of Tax Folios	38,862	39,319
Number of Permanent Employees	679	691
Purchase Orders Issued Over \$5,000	544	609
Purchase Orders Issued Under \$5,000	835	700
RFX Documents	255	249

# 2023 ACHIEVEMENTS

- Submitted the following grant applications:

Amount	Organization	Purpose	Decision
\$30,000	Community Emergency Preparedness Fund 2022 - Extreme Heat Risk Mapping, Assessment, and Planning Stream	Extreme Heat Risk Mapping project	Awarded
\$10,700	Vision Zero BC	Georgia Avenue Elementary School Raised Crosswalk (Georgia & Dundas)	Awarded
\$10,700	Vision Zero BC	Cinnabar Elementary School Raised Crosswalk (Extension & Richardson)	Awarded
\$15,000	BC Hydro Implementation offer	City of Nanaimo Step Code and Carbon Pollution	Awarded
\$300,000	Disaster Risk Reduction-Climate Adaptation	Hazard Risk and Vulnerability Assessment	Awarded
\$63,000	Fortis BC	NAC Boiler Replacement project	Awarded
\$1,000,000	BC Destination Development Fund	Stadium District Development	Awarded
\$500,000	BC Active Transportation Infrastructure Grants Program	Albert St & Pine Complete Streets	Awarded
\$500,000	BC Active Transportation Infrastructure Grants Program	Midtown Gateway - Multi Use Path	Awarded
\$76,555	Firesmart 2023	2023 Firesmart Initiatives	Awarded
\$82,500	BC Accessibility Grant - Rick Hansen Foundation	Nanaimo Aquatic Centre, Bowen Park Social Centre and Frank Crane Arena	Awarded
\$1,800,000	Canada Community Building Fund in BC	Westwood Lake Phase 2	Not successful
\$200,000	Green Municipal Fund (FCM) Community Buildings Retrofit - Corporate Emission Reduction Pathway Feasibility Study	Corporate Emission Reduction Pathway - Facilities Feasibility Study	Pending 2023
\$3,866,823	Investing in Canada Infrastructure Program - British Columbia - Clean BC Communities	Mechanical Renewal at Nanaimo Aquatic Centre	Pending 2023
\$12,000	Vancouver Island Health Community Wellness	Design of Outdoor Learning Center	Pending 2023
\$200,000	Complete Communities	Woodgrove Secondary Urban Center Plan project - partnering with RDN	Pending 2023
\$15,945,000	Housing Accelerator Fund	Various initiatives	Pending 2023
\$8,560,000	Disaster Mitigation and Adaptation Fund	South Fork Dam Seismic Upgrade	Pending 2023

- Completed the 20 Year Investment Plan and Asset Management Plan Update in collaboration with all City departments and the Asset Management Steering Committee. The Update was presented to Council with all recommendations being adopted.
- In 2023, the City was awarded with the GFOA's Canadian Award for Financial Reporting (CANFR) and the Popular Annual Financial Reporting (PAFR) award for its 2021 annual financial reporting. The awards are given to organizations that produce annual reports that are readily accessible, of high quality and easily understandable.
- Implemented the User Rate Review recommendations approved by Council
- Completed nine (9) opportunities under Sustainable Procurement Policy from 2022; JUL-01 to 2023-JUN-30. Capturing lessons learned for future opportunities.
- Accounting Services fully implemented the Asset Retirement Obligations (ARO) standard which is a requirement of the Public Sector Accounting Board (PSAB). The working group finalized scope and measurement activities for all tangible capital assets that have a legal obligation at retirement and will incorporate this work into the 2023 Annual Financial Statements.
- The current version of SAP accounting software will no longer be supported after December 2027. After a procurement process, the City awarded the contract to a consultant to implement a Unit4 ERP software. City staff have begun working with the consultant to assist with the design and implementation of the new ERP software. Go-live is expected to be in mid-2025.
- Financial Planning will be supporting the updating of the City's DCC Bylaw that was adopted by Council April 2018.
- New budgeting software, FP&A went live and will be run in parallel with previous budgeting software for 2024 – 2028 Financial Plan.
- Presentation of the Debt Management Policy to Council for adoption
- Revenue Services utilized new technology to enable meter readings to be transmitted via Bluetooth to cell phones thus eliminating the need for heavy and bulky equipment.
- Revenue service supported the Cemetery operations review.
- Statutory completion of the following:
  - 2023 – 2027 Financial Plan Bylaw
  - 2023 Property Tax Rates Bylaw
  - 2022 Annual Financial Statements
  - 2022 Annual Municipal Report
  - 2022 Statement of Financial Information Report

# 2024 CONSIDERATIONS AND OPPORTUNITIES

- Finance Staff will continue to review and update Financial Policies and development new policies where needed.

## 2024 KEY INITIATIVES

### Initiatives

#### Strategic Priority: Implementing City Plan



**IAP Priority Action #25** - Evaluate funding constraints to meet renewal and upgrade demands and make a determination on timing and priorities in support of a Development Cost Charges Bylaw 2017 No 7252 review.



**IAP Priority Action #27** - Investigate and pursue a stormwater utility to support viability and resilience of the City's grey and green stormwater system.



**IAP Priority Action #203:** Review and update the City of Nanaimo Development Cost Charges Bylaw 2017 No. 7252.

#### Strategic Priority: Capital Projects

The Finance department will assist with the financial aspects in the development of the:

- Waterfront Walkway
- South End Community Centre
- Nanaimo Operations Centre
- RCMP Expansion

#### Strategic Priority: Communicating with the Community

Finance Staff will continue to provide transparent, accountable and accessible financial information through the City's Annual Municipal Report and Financial Plan documents.

Purchasing will continue to offer and conduct debriefs with unsuccessful Bidders on published bid opportunities.

#### Strategic Priority: Governance and Corporate Excellence

Purchasing and Stores will continue to review processes and procedure to identify areas of improvement with the goal of improved service.

Work will continue on the implementation of the ERP replacement project with go live expected in mid-2025.

Purchasing and Stores will continue to look for advancement opportunities for the Sustainable Procurement Program.

Utilize new water meter reading technology to enable meter readings to be transmitted via bluetooth to a cell phone.

Revenue Services will complete the Permissive Tax Exemption (PTE) Review that commenced in 2023.

Revenue Services will continue to support the Cemetery Operations Review. Cemetery rates will be reviewed for consistency with other municipalities.

# PROPOSED OPERATING BUDGET

	2023	2024	2025	2026	2027	2028
	Approved Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget
<b>Revenues</b>						
Financial Services	\$ 117,900	\$ 121,500	\$ 122,715	\$ 123,943	\$ 125,182	\$ 126,433
Purchasing	2,500	1,500	1,515	1,530	1,545	1,561
<b>Annual Operating Revenues</b>	<b>\$ 120,400</b>	<b>\$ 123,000</b>	<b>\$ 124,230</b>	<b>\$ 125,473</b>	<b>\$ 126,727</b>	<b>\$ 127,994</b>
<b>Expenditures</b>						
Financial Services	\$ 4,033,837	\$ 4,374,322	\$ 4,472,731	\$ 4,567,043	\$ 4,658,263	\$ 4,736,984
Purchasing	1,175,000	1,257,569	1,293,725	1,318,360	1,344,825	1,367,424
<b>Annual Operating Expenditures</b>	<b>\$ 5,208,837</b>	<b>\$ 5,631,891</b>	<b>\$ 5,766,456</b>	<b>\$ 5,885,403</b>	<b>\$ 6,003,088</b>	<b>\$ 6,104,408</b>
<b>Net Annual Operating Expenditures</b>	<b>\$ 5,088,437</b>	<b>\$ 5,508,891</b>	<b>\$ 5,642,226</b>	<b>\$ 5,759,930</b>	<b>\$ 5,876,361</b>	<b>\$ 5,976,414</b>
Staffing (FTEs) - Budgeted	42.0	42.0	42.0	42.0	42.0	42.0

	2023	2024	2025	2026	2027	2028
	Approved Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget
<b>Expenditure Summary</b>						
Wages & Benefits	\$ 4,798,514	\$ 5,217,152	\$ 5,342,579	\$ 5,451,738	\$ 5,560,767	\$ 5,653,354
Services & Supply Contracts	138,151	152,744	154,993	157,080	160,222	163,425
Materials & Supplies	165,726	162,295	165,542	170,930	174,351	177,836
Utilities	-	-	-	-	-	-
Internal Charges & Other	106,446	99,700	103,342	105,655	107,748	109,793
Debt Servicing	-	-	-	-	-	-
Grants & Subsidies	-	-	-	-	-	-
<b>Annual Operating Expenditures</b>	<b>\$ 5,208,837</b>	<b>\$ 5,631,891</b>	<b>\$ 5,766,456</b>	<b>\$ 5,885,403</b>	<b>\$ 6,003,088</b>	<b>\$ 6,104,408</b>

2023 wages & benefits reflect 2022 wage rates as contract negotiations were completed after adoption of 2023 - 2027 Financial Plan

## Proposed Changes

A business case for a Assistant Manager, Procurement has been prepared for Council's consideration for inclusion in the 2024 – 2028 Financial Plan.