

COUNCIL REPORT

To: Mayor and Council

From: Finance

Date: November 21, 2023

Subject: 2023-2027 Financial Plan Amendment

RECOMMENDATION:

THAT Council receives this report for information.

BACKGROUND:

The 2023 – 2027 Financial Plan provides the expenditure authority for the District. The *Community Charter* Section 165 requires a financial plan be adopted annually, by bylaw, before the annual property tax bylaw is adopted. The *Community Charter* also allows for the financial plan to be amended, by bylaw, at any time.

Since the 2023 – 2027 Financial Plan Bylaw No. 1498, 2023 was originally drafted and adopted, other information has come available that has materially impacted the original 2023-2027 Financial Plan, such as approved grant funding, new capital projects (approved by Council after the bylaw was adopted), and revised operating and capital expenditures. The following summarizes the proposed amendments to the 2023 Capital and General Operating budgets that will affect Schedule B, C and D in the 2023-2027 Financial Plan Amendment Bylaw No. 1509, 2023:

2023 Capital Budget

The main amended changes are:

a) New Capital Project and Grants

Protective Services

- *Structural Protection Unit(SPU) #3 Equipment* – \$45,000 grant from Union of BC Municipalities (UBCM) Community Resiliency Investment Program to purchase FireSmart structure protection equipment to outfit a Structural Protection Unit Trailer.

Transportation Services

- *Street Sweeper Replacement* - \$422,740 to be allocated from the Vehicle and Equipment Replacement Reserve to replace the current unit that has passed its useful life and has become not mechanically reliable.

Recreation Services

- *Ski Hill Gazebo* – \$26,302 to be allocated from 2022 McLeod Lake Mackenzie Community Forest Dividends that have not previously been allocated. The gazebo will be placed over the fire pit area on Little Mac Ski Hill.

b) Revised Expenditure Cost and Others

- *Road Paving* – \$269,920 project increase due to inflation, value of bids received and inclusion of contingency funds. The additional funds will be allocated from the General Capital Reserve.
- *All-Terrain Vehicle* - \$2,138 purchase increase due to option features purchased and will be allocated from the Vehicle and Equipment Replacement Reserve.
- *Active Transportation Plan* - \$1,991 project increase due to addition of concept landscape plans with cost estimates for the Mackenzie Recreation Centre and the 616 area. The additional funds will be allocated from the General Capital Reserve.
- *Paving Plan* – (\$46,500) project decrease due to bids received for the project were lower than expected.
- *Signature Trail Project* - \$70,694 project increase due to Public Works employees doing landscaping work on the bike park along with additional costs. The additional funds for labor will be transferred from the Public Works Operating budget as well as project grant funding not previously allocated.

A detailed summary of the Capital Expenditure, adjustments including the respective Source of Funding revision, is reconciled in *Attachment A*.

2023 General Operating Budget

Revised Revenue and Expenses total increased by \$1,772,910 for an amended budget amount of \$16,471,560. Below is the list of changes:

Revenue:

- \$11,500 – revenue from Climate Action Reserve Fund to participate in the Food Cycler Pilot Program
- \$67,410 – revenue from prior year surplus to fund six (6) months rental for the new commercial garbage truck (July'23 – Dec'23)
- \$664,000 – additional revenue from capital reserve investment interest
- \$250,000 – revenue from McLeod Lake Mackenzie Community Forest (MLMCF) dividends that will be put into surplus for future operational and capital needs
- \$780,000 – revenue from Wildfire Deployment

TOTAL: \$1,772,910

Expenditures:

- \$24,295 – increase to Finance under General Government for wildfire deployment administration services
- \$294,105 – increase to Emergency Management budget under Protective Services for wildfire deployment expenses
- \$67,410 – increase to Garbage Collection budget under Transportation Services for monthly commercial garbage truck rental
- \$11,500 – increase to Administration budget under General Government for District expenses in the Food Cycler Pilot Program
- \$250,000 – increase to fiscal services for transfer to surplus of MLMCF dividends
- \$664,000 – increase to fiscal services for investment interest transferred to reserves
- \$461,600 – increase to fiscal services for transfer to Fire Department Vehicle and Equipment Replacement

TOTAL: \$1,772,910

A detailed summary of the Revenue and Expenses adjustments have been included as *Attachment B*.

A copy of the proposed changes to the bylaw have been included in the bylaw section of this agenda for Council's consideration.

COUNCIL PRIORITIES:

Strong Governance and Finances

- As the municipality's elected governing body, we serve all residents and businesses in the community. We engage residents and stakeholders on important issues and make our decisions through open and transparent processes. We are careful in our use of resources, mindful of the need to maintain programs and services, while also meeting the community's infrastructure needs.

RESPECTFULLY SUBMITTED:

Kerri Borne, Chief Financial Officer

Reviewed By: Corporate Services

Approved By: Chief Administrative Officer