



2023
Business Plan
CORPORATE SERVICES
Finance

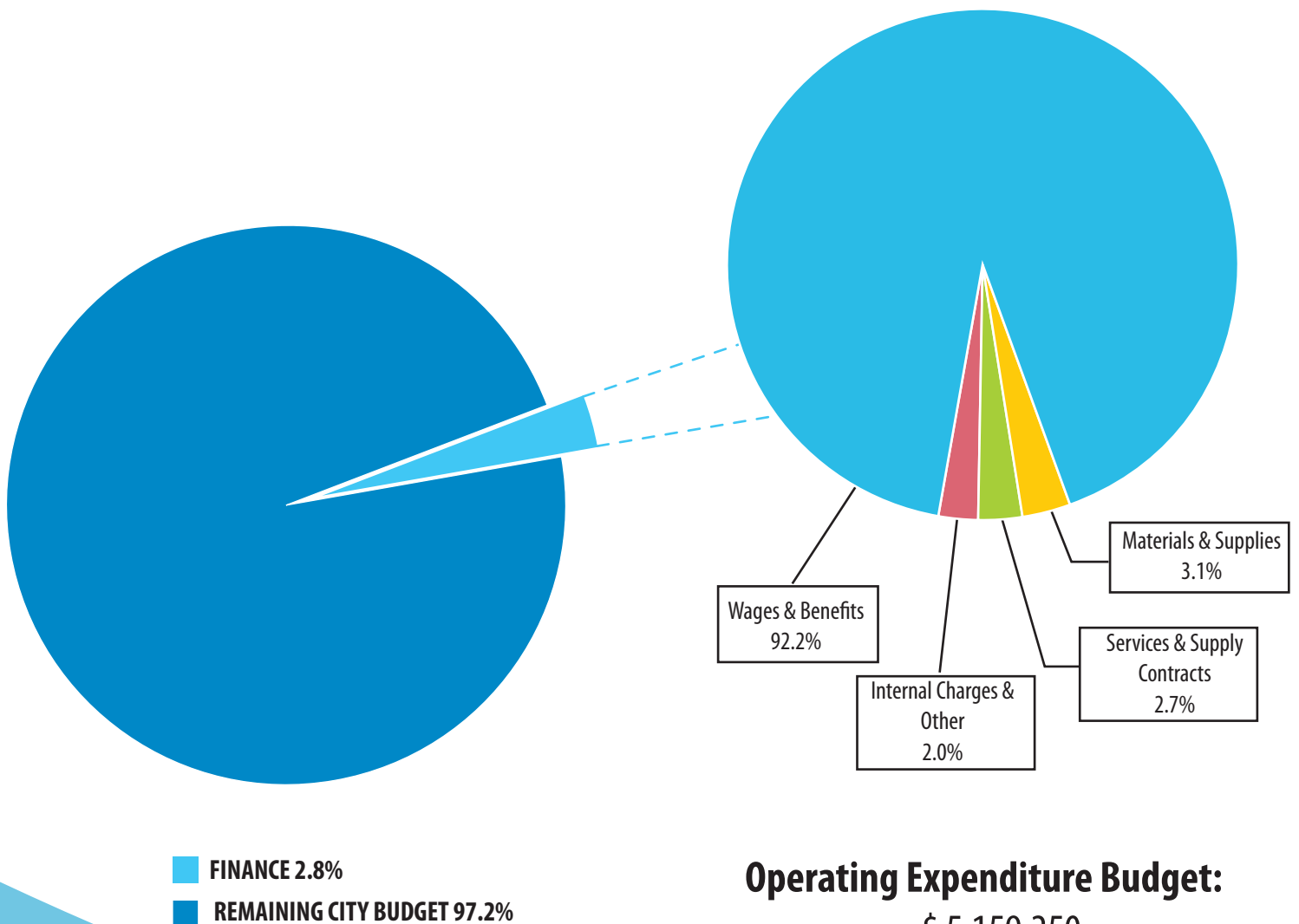
DEPARTMENT OVERVIEW

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.

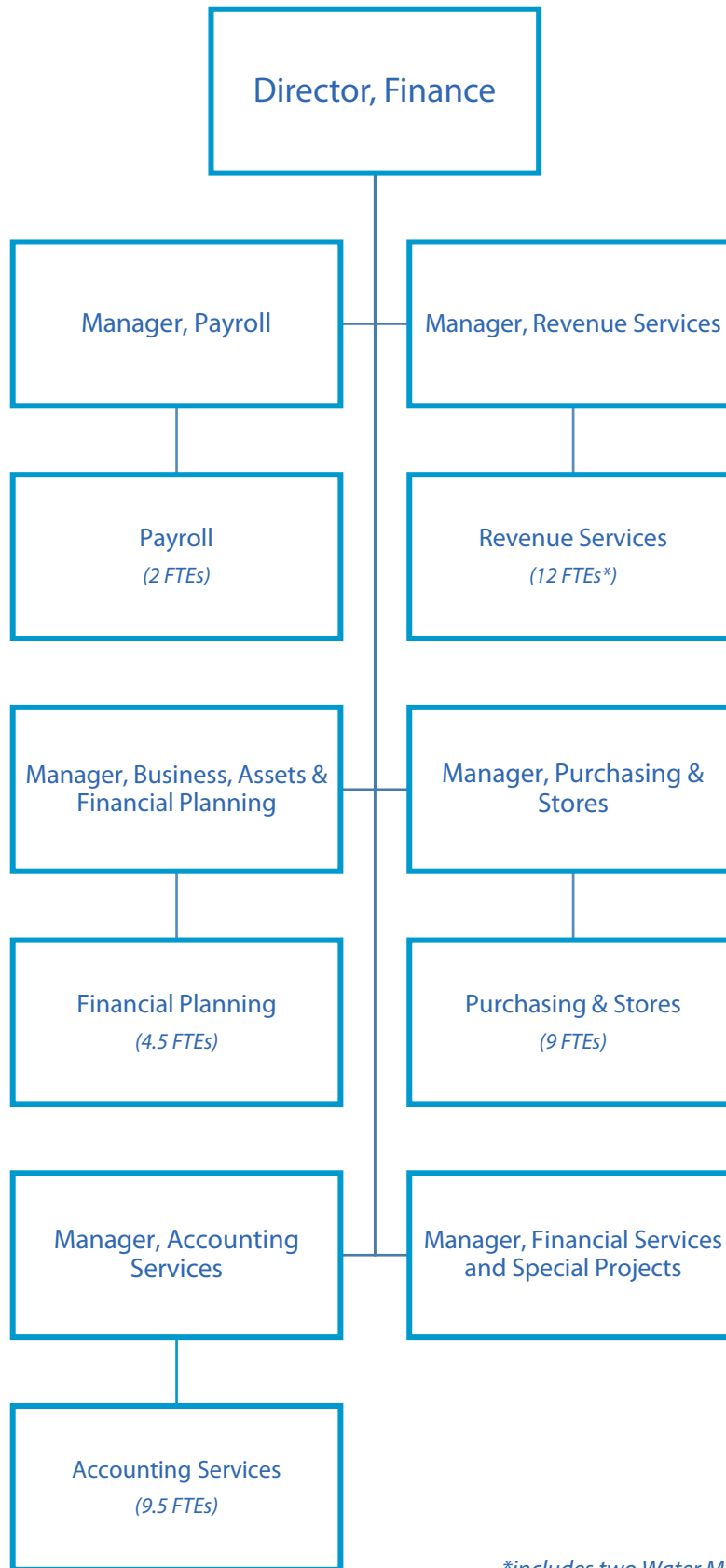
Core Services:

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

DEPARTMENT'S SHARE OF THE BUDGET



Operating Expenditure Budget:
\$ 5,159,250



**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	21,949
Assessment Base	\$21.8B	\$28.4B
Amount of Property Taxes Levied	\$199M	\$218M
Number of Tax Folios	38,863	39,319
Number of Permanent Employees	676	679
Purchase Orders Issued Over \$5,000	647	544
Purchase Orders Issued Under \$5,000	871	835
RFX Documents	247	255

2022 ACHIEVEMENTS

- Completion of the Budget Software Upgrade is in the final testing stages. The department is targeting running the new software in tandem with the current budget software between adoption of Provisional Budget and Final Budget and fully transfer to the new software for the 2024 – 2028 Financial Plan.
- Updating the process of updating the Asset Management Plan and 20 Year Investment Plan in 2021 in collaboration with all City departments and the Asset Management Steering Committee for presentation to Council for the 2023-2027 Financial Plan.
- The current version of SAP accounting software will no longer be supported after December 2027. We will need either to upgrade to the new SAP platform version, or choose another software product. A consultant, BDO, was selected to help staff create the RFP for this project. The RFP has gone to market and staff are currently evaluating the vendor proposals. A vendor will be selected by the end of the year. The implementation project could take up to eighteen (18) months to complete.
- Presentation of User Rate Review recommendations to Council during the 2023 – 2027 Financial Plan deliberations.
- Revenue Services began the process of the digitization of Cemetery Records using optical character recognition (OCR) technology so that Cemetery records can be easily searched and added to electronic Cemetery records.
- In conjunction with the Old City Quarter, established a new Old City Quarter Business Improvement Area Bylaw that extends from 2022 through 2027.
- Revenue Services designed new online webforms for residents to be able to electronically authorize and request changes to their property accounts (for example, refund and transfer requests and changes to Pre-Authorized Withdrawals or PAWS).
- Revenue Services procured water meter reading equipment that will utilize Bluetooth technology and allow for process improvements to streamline the water meter reading process and eliminate the need for heavy and expensive handheld meter reading devices.
- Continued membership and participation in the British Columbia Social Procurement Initiative (BCSPI) and the Canadian Collaboration for Sustainable Procurement (CCSP) to continue to foster awareness and build sustainable procurement capacity and knowledge to support the Sustainable Procurement Policy approved by Council in early 2021.
- Completed two opportunities under Sustainable Procurement Policy in 2021; fourteen to July 31 2022; with nine more in the queue to close out the year. Capturing lessons learned for future opportunities.
- Purchasing implemented the Contracts module in the e-procurement platform, bids&tenders. This module leverages the base e-procurement module and allows for the completion of electronic contracts with DocuSign signatures reducing the need for hard copy and wet signature contracts.
- The Purchasing & Stores staff, challenged in these unprecedented times of material and labour shortages continue to maintain contracts and consistent stock levels that assist all departments in achieving their goals.
- In 2022, the City was awarded with the GFOA's Canadian Award for Financial Reporting (CANFR) and the Popular Annual Financial Reporting (PAFR) award for its 2020 annual financial reporting. The awards are given to organizations that produce annual reports that are readily accessible, of high quality and easily understandable.
- Starting in 2023, the City will need to incorporate a new accounting standard PS3280 - Asset Retirement Obligations (ARO) into the annual financial statements. In 2022, the working group continued scope work for tangible capital assets that have a legal obligation at retirement. Scoping and measurement activities will continue into 2023.
- Statutory completion of the following;
 - 2022 – 2026 Financial Plan Bylaw
 - 2022 Property Tax Rates Bylaw
 - 2021 Annual Financial Statements
 - 2021 Annual Municipal Report
 - 2021 Statement of Financial Information Report

2022 ACHIEVEMENTS

- Submitted the following grant applications:

Amount	Organization	Purpose	Decision
\$30,000	Tire Stewardship BC's Community Grant Program	Maffeo Sutton Playground Phase 2	Awarded
\$3,280,000	Investing in Canada Infrastructure Program - British Columbia - Community, Culture and Recreation Infrastructure	Artificial Turf Field Harewood Centennial Park	Awarded
\$31,486	Fortis BC Natural Gas Vehicle Incentive Program	2 CNG garbage trucks	Awarded
\$1,000	Family Day - BCRPA	2022 Family Day	Awarded
\$26,400	150 Time Immemorial - Community and Heritage Planning Projects	Archeological Overview Assessment	Awarded
\$31,516	2022 FireSmart Community Funding & Supports - Community Wildfire Resiliency Funding	Wildfire Prevention and Education	Awarded
\$10,000	Infrastructure Planning Grant Program - winter intake 2021	Facility Asset Management Strategy	Awarded
\$15,000	Agents of Change	Setup of Agents of Change Volunteer Programs	Awarded
\$100,000	Business Events and Conferences Restart Fund	Tourism Nanaimo	Awarded
\$1,853,317	Public Safety Canada	Building Safer Communities	Awarded
\$20,000	Kal Tire Replay Fund	Maffeo Sutton Playground Phase 2	Unsuccessful
\$48,000	150 Time Immemorial - Cultural Heritage Awareness Projects	2022 Truth and Reconciliation Event (Sept 30th) and June 21 National Indigenous Persons Day	Unsuccessful
\$625,000	Strengthening Communities' Services	Nanaimo Homelessness Community Response Initiative Phase 2	Awarded
\$175,000	Green Municipal Fund - Community Efficiency Financing - FCM - Study: Evaluate an existing local home-energy upgrade financing program	Nanaimo Region Deep Energy Retrofit	Awarded
\$413,300	Canada Community Recreation Revitalization	Maffeo Sutton Playground Phase 2	Pending - 2022
\$30,000	Community Emergency Preparedness Fund 2022 - Extreme Heat Risk Mapping, Assessment, and Planning Stream	Extreme Heat Risk Mapping project	Pending - 2022
\$4,106,480	Investing in Canada Infrastructure Program - British Columbia - Clean BC Communities	Mechanical Renewal at Nanaimo Aquatic Centre	Pending- 2023
\$3,164,421	Green Infrastructure - Environmental Quality - third intake	Millstone Trunk North Sanitary Sewer project	Pending- 2023
\$495,000	Active Transportation Fund - Capital	Beban Park Trail Phase 1	Pending- 2023
\$450,000	Active Transportation Fund - Capital	Third Street: Watfield to Pine	Pending- 2023
\$1,800,000	Canada Community Building Fund in BC	Westwood Lake Phase 2	Pending- 2023







2023 CONSIDERATIONS AND OPPORTUNITIES

- Work on the ERP replacement project will continue. A software solution will be selected, a contract will be negotiated and a project timeline will be established. Staff will be seconded to the project and backfill of their positions will be determined.
- Accounting Services will continue to work towards replacing its manual accounting processes with an Invoice automation solution. This solution would permit electronic routing of invoices for approvals and a shift from manual data entry work to more analytical work. This will likely be rolled into the ERP replacement project.
- Revenue Services will continue to promote online payment for property tax billings, user rate billings and Dog Licencing through social media and other avenues to reduce in-person visits to SARC, thereby assisting to reduce green house gas emissions.
- Revenue Services continues to look for opportunities for streamlining processes including electronic batch approvals to minimize paper usage to support the City's green initiatives.
- Financial Planning will be supporting the updating of the City's DCC Bylaw that was adopted by Council in April 2018.
- Purchasing & Stores will continue on their path of continuous improvement looking to advance the department and grow the capacity both in the City and the Vendor community to meet the Sustainable Procurement Policy.
- Accounting Services will fully implement the Asset Retirement Obligations (ARO) standard in 2023, which is a requirement of the Public Sector Accounting Board (PSAB). The working group will finalize scoping and measurement activities for all tangible capital assets that have a legal obligation at retirement, and incorporate the work into the 2023 Annual Financial Statements.



2023 KEY INITIATIVES

City Plan

Initiative	Connected Goal
Advancement of Sustainable Procurement Program.	 
Utilize new water meter reading technology to enable meter readings to be transmitted via bluetooth to a cell phone.	
Update existing Pre-Authorized Withdrawal Bylaw to provide for more efficiencies in processing.	
Implementation of the User Rate Review recommendations.	
Investigate options to use Credit Cards to pay for property tax and utility bills.	

Operational

- Council approval of debt policy
- Adoption and implement of recommendations from Asset Management Plan and 20 Year Invest Plan Update
- Updating of DCC Bylaw
- Investigate change options outlined in the 2022 Review of the Purchasing and Stores Department
- Financial Policy Development
- Asset Retirement Obligation - New Accounting Standard Requirement
- Implement additional modules in procurement bids&tenders software
- ERP Implementation

City Plan: Nanaimo Reimagined Five City Goals



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A GREEN NANAIMO:
Resilient & Regenerative Ecosystems
- 
A HEALTHY NANAIMO:
Community Wellbeing & Livability
- 
A CONNECTED NANAIMO:
Equitable Access & Mobility
- 
AN EMPOWERED NANAIMO:
Reconciliation, Representation & Inclusion
- 
A PROSPEROUS NANAIMO:
Thriving & Resilient Economy

PROPOSED OPERATING BUDGET

	2022	2023	2024	2025	2026	2027
	Approved Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget
Revenues						
Financial Services	\$ 103,900	\$ 117,900	\$ 119,079	\$ 120,271	\$ 121,473	\$ 122,687
Purchasing	2,500	2,500	2,525	2,550	2,576	2,602
Annual Operating Revenues	\$ 106,400	\$ 120,400	\$ 121,604	\$ 122,821	\$ 124,049	\$ 125,289
Expenditures						
Financial Services	\$ 3,949,344	\$ 3,982,965	\$ 4,061,448	\$ 4,142,560	\$ 4,228,254	\$ 4,310,181
Purchasing	1,152,601	1,176,285	1,199,799	1,223,787	1,248,250	1,273,267
Annual Operating Expenditures	\$ 5,101,945	\$ 5,159,250	\$ 5,261,247	\$ 5,366,347	\$ 5,476,504	\$ 5,583,448
Net Annual Operating Expenditures	\$ 4,995,545	\$ 5,038,850	\$ 5,139,643	\$ 5,243,526	\$ 5,352,455	\$ 5,458,159
Staffing (FTEs) - Budgeted	42.0	42.0	42.0	42.0	42.0	42.0

	2022	2023	2024	2025	2026	2027
	Approved Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget
Expenditure Summary						
Wages & Benefits	\$ 4,666,009	\$ 4,757,065	\$ 4,852,204	\$ 4,949,254	\$ 5,048,236	\$ 5,149,201
Services & Supply Contracts	152,876	138,151	140,913	143,732	146,606	149,538
Materials & Supplies	167,940	157,792	159,826	163,019	168,829	169,606
Utilities	-	-	-	-	-	-
Internal Charges & Other	115,120	106,242	108,304	110,342	112,833	115,103
Debt Servicing	-	-	-	-	-	-
Grants & Subsidies	-	-	-	-	-	-
Annual Operating Expenditures	\$ 5,101,945	\$ 5,159,250	\$ 5,261,247	\$ 5,366,347	\$ 5,476,504	\$ 5,583,448

Proposed Changes

A business case for a temporary Cemetery Clerk position has been prepared for Council's consideration for inclusion in the 2023 – 2027 Financial Plan.