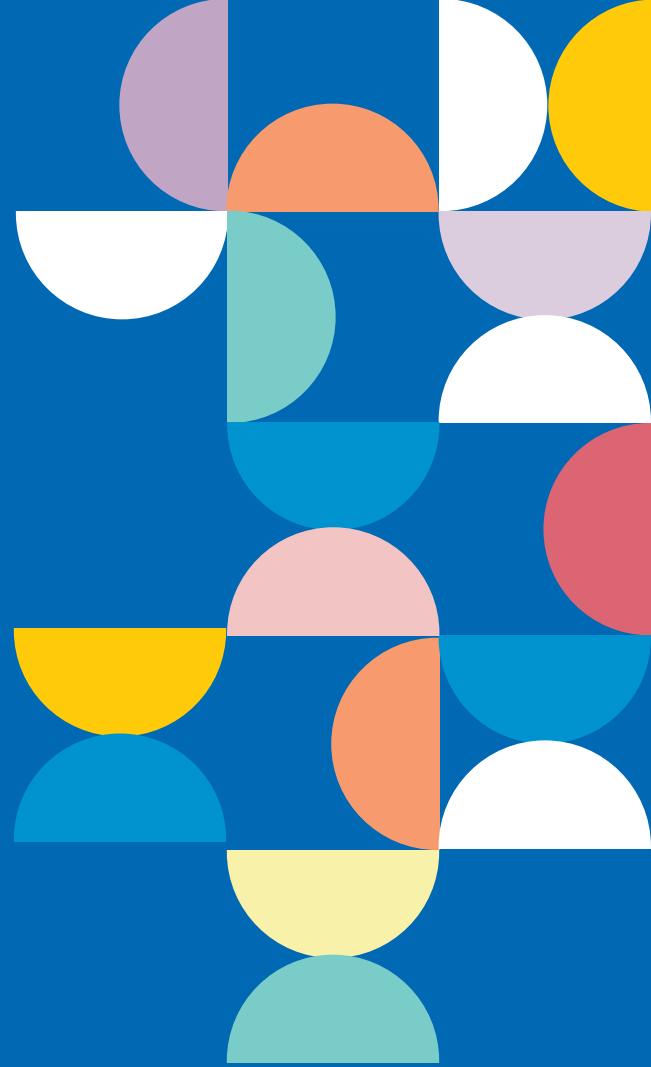




CORPORATE SERVICES
Finance
2022 Business Plan



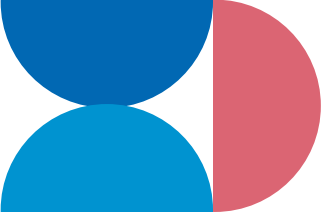
DEPARTMENT OVERVIEW

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:

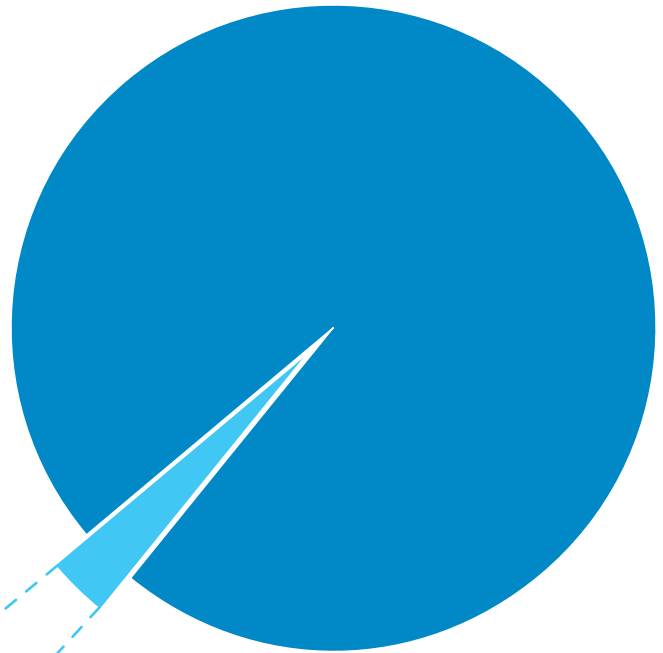
- Financial Planning services
- Accounting services
- Revenue services
- Payroll services
- Purchasing services



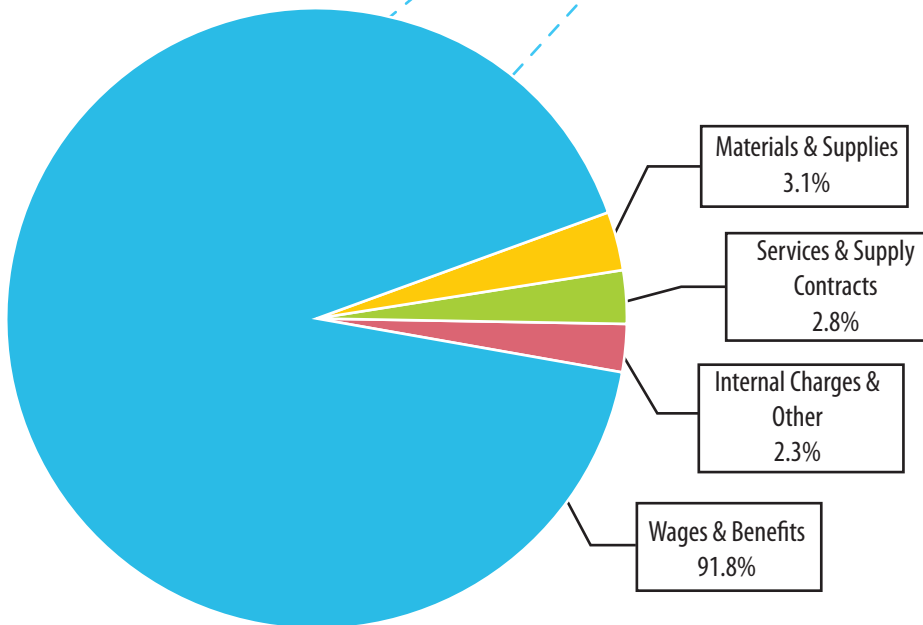


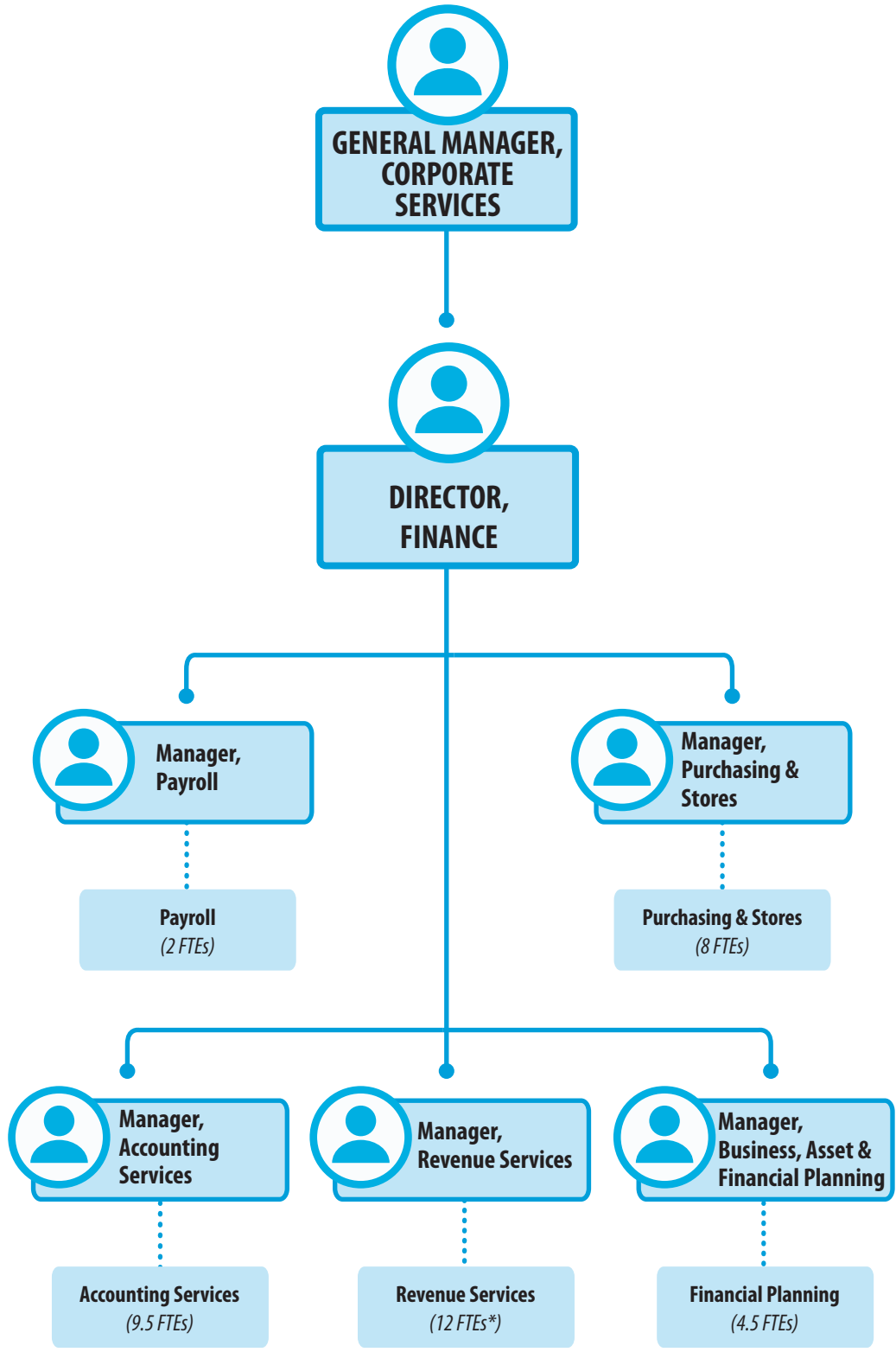
DEPARTMENT'S SHARE OF THE BUDGET

Operating Expenditure Budget:
\$ 4,874,822

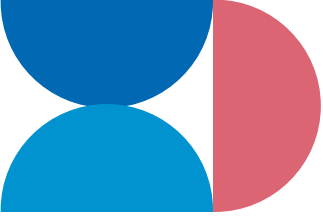


FINANCE 3.0%
REMAINING CITY BUDGET 97.0%





**includes two Water Meter Readers funded from Water*



LEVEL OF SERVICE

	2019	2020
Number of invoices processed by Accounts Payable	21,930	21,949
Percentage of Home Owner Grants Claimed online*	63.5%	72.0%
Number of Permanent Employees	669	679
Purchase Orders Issued Over \$5,000	607	544
Purchase Orders Issued Under \$5,000	747	835
RFX Documents	186	255

* Effective 2021, Home Owner Grants are collected through the Province of BC

Financial Planning Services

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

Accounting Services

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

Payroll

- Process bi weekly payroll
- Reporting requirements

Revenue Services

- User rate billings and collections
- Accounts receivable
- Maintains property information
- Property tax billing & collections
- Dog licencing
- Maintenance of cemetery information, coordination of internments.

Purchasing

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



2021 ACHIEVEMENTS

- Purchasing published, received and evaluated submissions, awarded the contract, and launched the e-bidding module of the procurement platform, bids&tenders. This software solution replaces the City's home built system for publishing open market opportunities, and automates a number of manual tasks within the evaluation process.
- A Budget Software Upgrade project was undertaken in 2020. The current budgeting software, BPC, is no longer supported as of December 2020. UNIT4 software was selected and the implementation is under way. This new software is anticipated to help streamline processes and allow for additional reporting capabilities and analysis. The department is targeting switching over to the new software after adoption of the Provisional Budget.
- Began the process of updating the Asset Management Plan and 20 Year Investment Plan in collaboration with all City departments and the Asset Management Steering Committee for presentation to Council in 2022.
- The current version of SAP accounting software will no longer be supported after December 2027. The City will need either to upgrade to the new SAP platform version, or choose another software product. Investigating options and planning the project, to ensure it is adequately budgeted for, and adequately staffed has started. A consultant, BDO, has been selected to help staff create an RFP for this project. The implementation project could take up to eighteen (18) months to complete.
- As a result of the Procurement Policy review, a Sustainable Procurement Policy development has been undertaken. This policy will help leverage procurement practices as an engine for the environmental, socio-economic, and governance objectives as described in the 2019-2022 Strategic Plan. The second phase of the project has wrapped up and is now part of our procurement process.
- Revenue Services promoting on-line payments on-line payments through Social Media and other avenues. As a result approximately 77% of all 2021 tax payments were made electronically. Included in this on-line payment focus, Dog Licences are now available to be paid on-line.
- Revenue Services and Public Works implemented an online option for refuse cart exchanges for either upsizing or downsizing cart sizes.
- Purchasing joined Canadian Collaboration for Sustainable Procurement (CCSP), formerly the Municipal Collaboration for Sustainable Procurement (MCSP) and participated in a number of activities to foster awareness and build sustainable procurement capacity and knowledge.
- Continued ongoing membership and participation in the Coastal Communities Social Procurement Initiative (CCSPI) recently changed to the British Columbia Social Procurement Initiative (BCSPI).
- The Stores staff in Purchasing maintained consistent stock levels of PPE and other materials for all Public Works staff during a time of extreme material shortages due to COVID-19, resulting in very minor gaps in service.
- In preparation of the City's document and record management initiative, Purchasing scrutinized files dating back to 1998 resulting in 862 folders being catalogued, boxed and sent to Records Management.
- Statutory completion of the following;
 - 2021 – 2025 Financial Plan Bylaw
 - 2021 Property Tax Rates Bylaw
 - 2020 Annual Financial Statements
 - 2020 Annual Municipal Report
 - 2020 Statement of Financial Information Report

2021 ACHIEVEMENTS

Submitted Grant Applications

Amount (\$)	Organization	Purpose	Decision
5,000	Kal Tire Replay Fund	Harewood Cenntenial Park Playground	Awarded
50,000	Municipal Asset Management Program (MAMP) - FCM - first intake	Level of Service Study - Asphalt	Awarded
49,380	Community Resiliency Investment - FireSmart Community Funding & Supports UBCM	FireSmart Projects	Awarded
3,095	BC Hydro ReGreening Program	Protection Island Park replanting	Awarded
2,500,000	Strengthening Communities' Services	Temporary Housing, Toilets, Downtown Security, Shower Program and Urban Cleanup	Awarded
15,000	Asset Management Planning Program - UBCM 2021 First Intake	Sanitary Lift Station Condition Assessment	Awarded
74,640	Clean BC - Better Buildings Program (BC Hydro)	Port Theatre Low Carbon Electrification Study	Awarded
30,000	Office of Crime Reduction and Gang Outreach (OCR-GO)	Nanaimo Situation Table	Awarded
1,600	Go By Bike Society	Go By Bike	Awarded
22,000	Municipal Insurance Association of BC	Repair of Lifting Paving Stones at Maffeo Sutton Park	Awarded
36,000	Municipal Insurance Association of BC	Sugarloaf Mountain Stabilization	Awarded
26,100	Trans Canada Trail	Lions Great Bridge Remediation Project	Awarded
13,600	Fortis BC Natural Gas Vehicle Incentive Program	CNG garbage truck	Awarded
50,000	2021 Housing Needs Report Program	City of Nanaimo Updated Housing Needs Assessment	Awarded
1,594,765	Investing in Canada Infrastructure Program - British Columbia - COVID-19 Provincial Infrastructure Program	Generators for Beban Park Complex and Water Treatment Plant	Unsuccessful
14,260	Tire Stewardship BC's Community Grant Program - recycled tires	Harewood Cenntenial Park Playground	Unsuccessful

2021 ACHIEVEMENTS



Submitted Grant Applications

Amount (\$)	Organization	Purpose	Decision
772,000	Adaptation, Resilience and Disaster Mitigation (ARDM) Program	Seabold Drive and Ptarmigan Way Drainage Upgrade project	Unsuccessful
250,000	Canada Healthy Communities Initiative - First Intake	Lighting of E & N Trailway	Unsuccessful
3,280,000	Investing in Canada Infrastructure Program - British Columbia - Community, Culture and Recreation Infrastructure	Artificial Turf Field Harewood Centennial Park	Pending - 2021
686,840	Investing in Canada Infrastructure Program - British Columbia - Clean BC Communities	Beban Park Leisure Pool Air Handling Units	Pending - 2021
250,000	Canada Healthy Communities Initiative - Second Intake	Maffeo Sutton Playground Phase 2	Pending - 2021
500,000	Local Government Development Approvals - UBCM 2021	Development Approvals Improvement Project	Approved
40,062	BCH Custom Incentive Program	NIC Lighting Project - Phase 1	Pending - 2021
26,950	BCH Custom Incentive Program	NIC Lighting Project - Phase 2	Pending - 2021
18,758	BC Hydro New Construction - Incentive for ECM	Fire Station #1	Pending - 2021
3,000	Clean BC CEVfor BC program	Purchase of 2 Electric Hyundai Kona	Awarded
5,000	Transport Canada Zero-Emission Vehicle Rebates	Purchase of 2 Electric Hyundai Kona	Awarded
500,000	BC Active Transportation Grants Program	Metral Complete Street Corridor Phase 2	Pending - 2021
500,000	BC Active Transportation Grants Program	Fourth and Albert Complete Street Phase 3	Pending - 2021
413,300	Canada Community Recreation Revitalization	Maffeo Sutton Phase 2	Pending - 2021

2022 CONSIDERATIONS & OPPORTUNITIES

- Work on the ERP replacement project will continue. A software will be selected 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.
- Effective for the year ended December 31, 2023, the City is required to implement the new accounting standard for Asset Retirement Obligations (ARO). A working group has been established and continued scoping and measurement activities on tangible capital assets that have a legal obligation associated with them will continue.
- 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.
- Staff are currently working at/or near capacity and with the ERP Replacement Project and the Asset Management Plan/20 Year Investment Plan Updates, there is limited ability to take on new projects or initiatives. Onboarding of a new manager in 2022, due to a retirement, will also reduce capacity in the short term.



KEY INITIATIVES FOR 2022

Q1

Water and Sewer User Rate Review (through Q3)

Q2

Financial Planning
Asset Management Plan and 20 Year Investment Plan Update

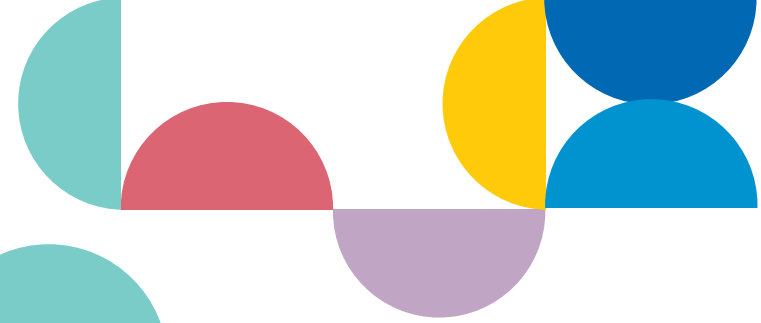
ONGOING

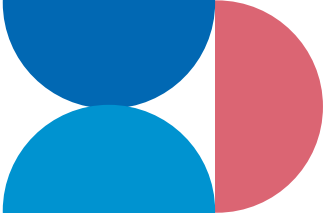
Accounting Services
Asset Retirement Obligations (ARO) scoping and measurement work on tangible capital assets will continue throughout the year.

Purchasing
Advance the Sustainable Procurement Program by:

- Active participation in the British Columbia Social Procurement Initiative (BCSPI) and the Canadian Collaboration for Sustainable Procurement (CCSP) groups
- Publish a number of High Impact Procurement Opportunities (HIPOs) to the open market which will include Vendor engagement specific to the opportunity
- Offer on-going information sessions for internal staff

Financial policy development. Linked to Strategic Plan, Core Review.





PROPOSED OPERATING BUDGET

	2021	2022	2023	2024	2025	2026
	Approved Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget
Revenues						
Financial Services	\$ 101,900	\$ 103,900	\$ 104,939	\$ 105,988	\$ 107,048	\$ 108,119
Purchasing	3,750	2,500	2,525	2,550	2,576	2,602
Annual Operating Revenues	\$ 105,650	\$ 106,400	\$ 107,464	\$ 108,538	\$ 109,624	\$ 110,721
Expenditures						
Financial Services	\$ 3,713,334	\$ 3,813,046	\$ 3,886,828	\$ 3,964,507	\$ 4,043,680	\$ 4,124,852
Purchasing	993,772	1,061,776	1,083,003	1,104,648	1,126,734	1,149,252
Annual Operating Expenditures	\$ 4,707,106	\$ 4,874,822	\$ 4,969,831	\$ 5,069,155	\$ 5,170,414	\$ 5,274,104
Net Annual Operating Expenditures	\$ 4,601,456	\$ 4,768,422	\$ 4,862,367	\$ 4,960,617	\$ 5,060,790	\$ 5,163,383
Staffing (FTEs) - Budgeted	40.0	40.0	40.0	40.0	40.0	40.0

PROPOSED OPERATING BUDGET



	2021	2022	2023	2024	2025	2026
	Approved Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget	Draft Budget
Expenditure Summary						
Wages & Benefits	\$ 4,347,244	\$ 4,475,246	\$ 4,564,751	\$ 4,656,047	\$ 4,749,168	\$ 4,844,151
Services & Supply Contracts	139,235	135,271	137,977	140,734	143,550	146,422
Materials & Supplies	132,219	151,675	152,261	155,300	158,410	161,577
Utilities	-	-	-	-	-	-
Internal Charges & Other	88,408	112,630	114,842	117,074	119,286	121,954
Debt Servicing	-	-	-	-	-	-
Grants & Subsidies	-	-	-	-	-	-
Annual Operating Expenditures	\$ 4,707,106	\$ 4,874,822	\$ 4,969,831	\$ 5,069,155	\$ 5,170,414	\$ 5,274,104