



# CORPORATE SERVICES

## Finance

*2021 Business Plan*

---



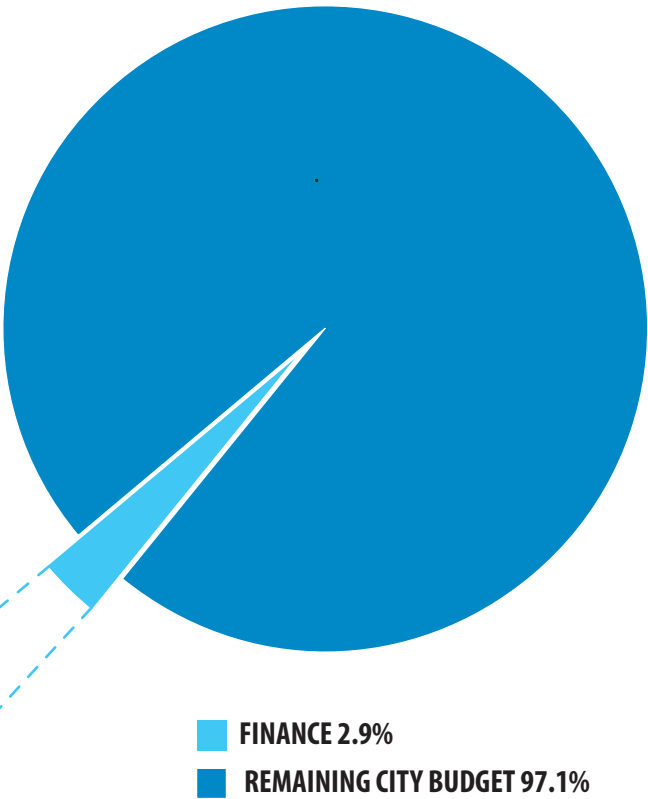
## OVERVIEW

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.

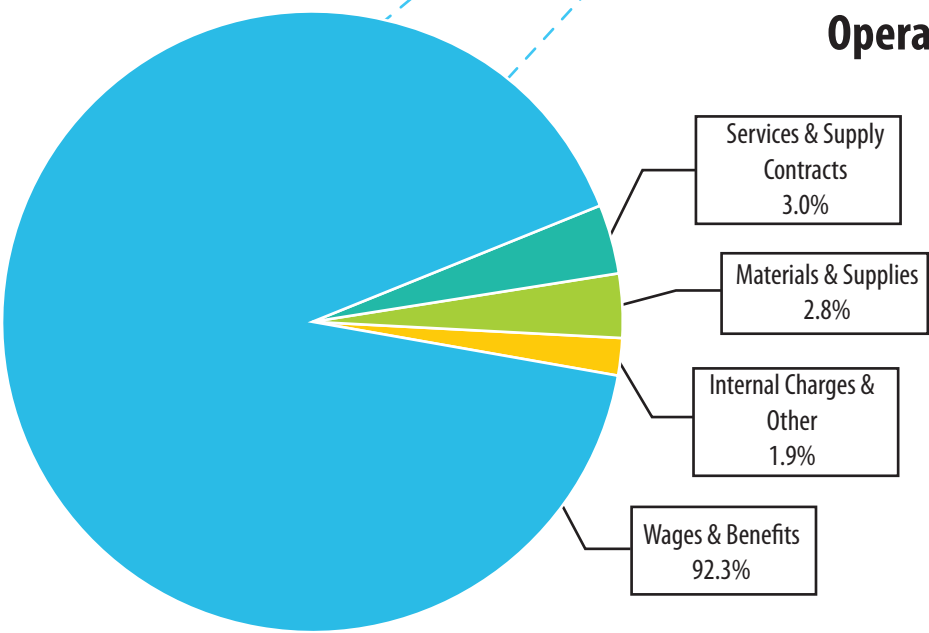
Core Services:

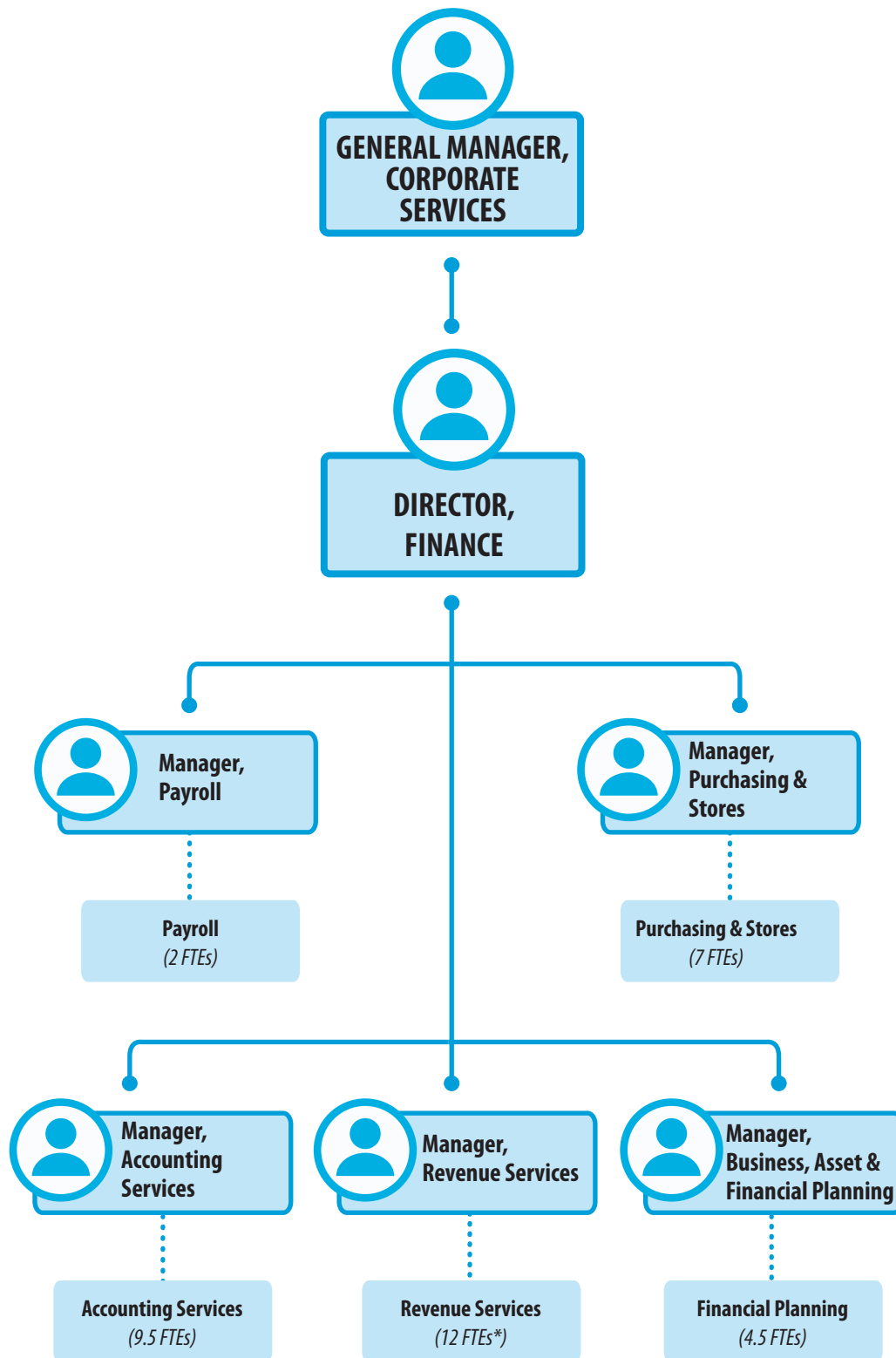
- Accounting services
- Financial Planning services
- Payroll services
- Purchasing services
- Revenue services

## DEPARTMENT'S SHARE OF CITY'S OPERATING EXPENDITURE BUDGET



**Operating Expenditure Budget:**  
\$ 4,473,670





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

# Finance

## LEVEL OF SERVICE

### Financial Planning Services

- Prepares 5-Year Financial Plan.
- Conducts long term financial planning and analysis.
- Applies and manages senior government grants.
- Business case assistance and review
- Departmental financial support, including monthly reporting and quarterly projections
- Maintains/updates asset management models

### Accounting Services

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

### Revenue Services

- Billings and collections
- Accounts receivable
- Maintains property information

### 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



## 2020 ACHIEVEMENTS

- Initiated a sewer and water user fee review in 2019 and work has continued in 2020. Draft reports will go to Council and public engagement will be undertaken in the coming months.
- Submitted the following grant applications:

Organization	Purpose	Decision
\$ 27,901 - Tire Stewardship BC	Safety surfacing at Maffeo Sutton Park	Awarded
\$55,802 - Kal's Replay Fund	Safety surfacing at Maffeo Sutton Park	Unsuccessful
\$26,753 - Kal's Replay Fund	Safety surfacing at Harewood Centennial Park	Unsuccessful
\$500,000 - BC Active Transportation Infrastructure Grant Program	Metral Drive Complete Street – Corridor & Utility Upgrades	Awarded
\$241,866- BC Active Transportation Infrastructure Grant Program	Front Street Cycle Track	Unsuccessful
\$86,000 - BC Active Transportation Infrastructure Grant Program	Caspers Way Multi-Use Path	Unsuccessful
\$10,000 - Province of BC Local Government Infrastructure Planning Grant	Water Supply Strategic Plan	Awarded
\$50,000 - FCM, Municipal Asset Management Program	Level of Service Study for Asphalt	Pending - 2020
\$3.28M - Investing in Canada Infrastructure Program – Community, Culture & Recreation Stream	Artificial Turf Field Harewood Centennial Park	Pending - 2021
\$686,840 - Investing in Canada Infrastructure Program - CleanBC Communities Fund	Beban Park Leisure Pool air handling units.	Pending - 2021
\$2 M - Community Economic Recovery Infrastructure Program	Two grant applications submitted: Rotary Bowl Track Replacement (\$1M) and Long Lake Paddling Centre (\$1M)	Pending - 2021

## 2020 ACHIEVEMENTS, cont'd

	2019	2018
Number of invoices processed by Accounts Payable	21,930	24,431
Percentage of Home Owner Grants claimed online	63.5%	60.7%
Number of Permanent Employees	669	662
Purchase orders issued over \$5,000	607	627
Purchase orders issued under \$5,000	747	744
RFX documents	186	222

- The Purchasing department undertook a Procurement Policy review. Per the current Policy, a review is required every 3 years. This is the first review since the Policy's inception in 2017. The updated Procurement Policy will be brought to Council for adoption in the near future.
- 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 City joined the Coastal Communities Social Procurement Initiative (CCSPI) and Purchasing participated in steering committee meetings and available training sessions.
- A Budget Software upgrade has been undertaken in 2020. The current budgeting software, BPC, will no longer be supported after December 2020. A software has been selected, Unit4, and the implementation is underway.
- Financial Planning created COVID-19 forecasting models to help predict impact on the City as a result of the pandemic. Finance has been an active member of the EOC team throughout the pandemic and has provided support where necessary to other departments and residents. For example:

- Accounting Services implemented an electronic signature procedure to support employees working from home.
- Revenue Services staffed a satellite payment office, set up at the Beban Park ticket office, to provide an in-person payment option to residents. This included having Ambassadors at the SARC building to respond to residents enquiries and at the Beban satellite office to direct residents as necessary.
- Purchasing has sourced and maintained PPE supplies for the City has a whole.
- Purchasing has undertaken a project to implement an e-bidding software solution. This software will assist in realizing process, record keeping, reporting and document handling efficiencies. A RFP has been issued with implementation set for 2021.
- Revenues Services implemented a new software system, Stone Orchard, to maintain the City's cemetery information.
- In collaboration with Public Works, Revenues Services implemented an online Bulk Water Hauling system.
- Statutory completion of the following;
  - 2020 - 2024 Financial Plan Bylaw
  - 2020 Property Tax Rates Bylaw
  - 2019 Annual Financial Statements
  - 2019 Annual Municipal Report
  - 2019 Statement of Financial Information Report



# Finance

## 2021 OPPORTUNITIES

- Two new positions were added in the 2020-2024 Financial plan for 2021. The Junior Financial Analyst and Assistant Accountant positions will provide the Business, Asset & Financial Planning and Accounting Services departments with the necessary capacity need to fulfil all of required tasks.
- 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.
- Implementation of new budget software is anticipated to help streamline processes and allow for additional reporting capabilities and analysis.
- Revenue Service will be promoting on-line payments through Social Media and looking at options for online Dog License renewal, as well as streamlining electronic batch approvals to minimize paper usage.
- Revenue Services will be exploring online options for refuse cart exchanges for either upsizing or downsizing cart sizes.
- The current version of SAP accounting software will no longer be supported after December 2025. We 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 will likely start in 2021. The implementation project will likely take longer than six (6) months to complete.

## KEY INITIATIVES FOR 2021

### QUARTERS

1-2

#### FINANCIAL PLANNING

- Implement new budgeting software

### QUARTERS

1-3

#### USER RATES

- Water and Sewer User Rate Review

### QUARTER

2

#### PURCHASING

- Implementation of an e-bidding solution to streamline RFx processes

### QUARTERS

2-4

#### PURCHASING

- Sustainable Procurement Policy Review – Phase 2 & 3

### ONGOING

#### POLICY

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

#### PURCHASING

- Furtherance of the Coastal Communities Social Procurement Initiative



## PROPOSED OPERATING BUDGET

	2020	2021	2022	2023	2024	2025
<b>Revenues</b>	<b>Approved Budget</b>	<b>Draft Budget</b>	<b>Draft Budget</b>	<b>Draft Budget</b>	<b>Draft Budget</b>	<b>Draft Budget</b>
Financial Services	\$ 138,700	\$ 101,900	\$ 112,615	\$ 113,740	\$ 114,878	\$ 116,027
Purchasing	3,750	3,750	3,788	3,825	3,864	3,902
<b>Annual Operating Revenues</b>	<b>\$ 142,450</b>	<b>\$ 105,650</b>	<b>\$ 116,403</b>	<b>\$ 117,565</b>	<b>\$ 118,742</b>	<b>\$ 119,929</b>
<b>Expenditures</b>						
Financial Services	\$ 3,542,086	\$ 3,554,899	\$ 3,756,948	\$ 3,832,048	\$ 3,908,643	\$ 3,990,779
Purchasing	898,063	918,771	936,705	955,425	974,524	994,263
<b>Annual Operating Expenditures</b>	<b>\$ 4,440,149</b>	<b>\$ 4,473,670</b>	<b>\$ 4,693,653</b>	<b>\$ 4,787,473</b>	<b>\$ 4,883,167</b>	<b>\$ 4,985,042</b>
<b>Net Annual Operating Expenditures</b>	<b>\$ 4,297,699</b>	<b>\$ 4,368,020</b>	<b>\$ 4,577,250</b>	<b>\$ 4,669,908</b>	<b>\$ 4,764,425</b>	<b>\$ 4,865,113</b>
Staffing (FTEs) - Budgeted	37.0	39.0	39.0	39.0	39.0	39.0

## PROPOSED OPERATING BUDGET

	2020	2021	2022	2023	2024	2025
<b>Expenditure Summary</b>	<b>Approved Budget</b>	<b>Draft Budget</b>	<b>Draft Budget</b>	<b>Draft Budget</b>	<b>Draft Budget</b>	<b>Draft Budget</b>
Wages & Benefits	\$ 4,094,227	\$ 4,127,224	\$ 4,323,400	\$ 4,409,865	\$ 4,498,063	\$ 4,588,025
Services & Supply Contracts	123,840	132,235	134,881	137,575	140,329	143,137
Materials & Supplies	144,025	127,024	146,385	149,308	152,299	158,590
Internal Charges & Other	78,057	87,187	88,987	90,725	92,476	95,290
<b>Annual Operating Expenditures</b>	<b>\$ 4,440,149</b>	<b>\$ 4,473,670</b>	<b>\$ 4,693,653</b>	<b>\$ 4,787,473</b>	<b>\$ 4,883,167</b>	<b>\$ 4,985,042</b>

## PROPOSED CHANGES

The 2021 – 2025 Draft Financial Plan includes an increase in staffing for Finance as included in the approved 2020 – 2024 Financial Plan. Proposed staffing changes are:

- Junior Financial Analyst (effective Aug 15, 2021)
- Assistant Accountant (effective Sept 1, 2021)

### Junior Financial Analyst

As part of the new organizational structure approved in July 2019 a Junior Analyst was added to be shared between Financial Planning and Accounting Services starting in 2021.

### Assistant Accountant

As part of the new organizational structure approved in July 2019 an Assistant Accountant was added to Accounting Services starting in 2021.

