

FINANCE COMMITTEE MEETING – AGENDA

Agenda for the Finance Committee Meeting scheduled for Thursday, November 4, 2021
at 5:00 p.m. at Council Chamber, Village Hall 2697 Sunnyside Road,
Anmore, BC

1. CALL TO ORDER

2. APPROVAL OF THE AGENDA

Recommendation: That the Agenda be approved as circulated.

3. MINUTES

(a) Minutes of the Meeting held on February 1, 2021

Recommendation: That the Minutes of the Finance Committee meeting held on
February 1, 2021 be adopted, as circulated.

4. BUSINESS ARISING FROM THE MINUTES

5. UNFINISHED BUSINESS

6. NEW BUSINESS

(a) 3rd Quarter 2021 Financial Review

Report dated November 1, 2021 from Lena Martin, Manager of Financial Services,
attached.

7. ADJOURNMENT

FINANCE COMMITTEE MEETING – MINUTES

Minutes for the Finance Committee Meeting scheduled for Monday, February 1, 2021
at 5:00 p.m. by electronic means via Zoom pursuant to Minister of Public
Safety and Solicitor General of the Province of British Columbia – Emergency
Program Act, updated Ministerial Order No. M192.

COMMITTEE MEMBERS PRESENT

Mayor John McEwen, Chair
Councillor Polly Krier
Councillor Tim Laidler
Councillor Kim Trowbridge
Councillor Paul Weverink*
Nick Cheng
Mark Roberts

ABSENT

OTHERS PRESENT

Juli Halliwell, CAO
Lance Fortier, Operations Superintendent
Chris Boit, ISL Engineering

1. CALL TO ORDER

Mayor McEwen called the meeting to order at 5:05 pm

2. APPROVAL OF THE AGENDA

It was MOVED and SECONDED:

That the Agenda be approved as circulated.

Carried Unanimously

3. PUBLIC INPUT

None.

4. MINUTES

(a) Minutes of the Meeting held on October 19, 2020

It was MOVED and SECONDED:

That the Minutes of the Finance Committee meeting held on October 19, 2020
be adopted, as circulated.

Carried Unanimously

5. BUSINESS ARISING FROM THE MINUTES

None.

6. UNFINISHED BUSINESS

None.

7. NEW BUSINESS**(a) Request for funding – Tree Removal**

Ms. Halliwell, CAO, reviewed the report dated January 28, 2021 titled Request for Funding – Tree Removal. Discussion points included:

- Sixty-seven (67) trees have been identified as being required to be removed to allow for the construction of the Anmore Community Hub, including some trees along Sunnyside Road that would be hazardous to the new building if they fell
- Replanting will take place both on the Anmore Community Hub site as well as other Village property
- Three quotes were solicited and the lowest quote includes the sale and reuse of larger trees

It was MOVED and SECONDED:

That Finance Committee recommend approval of \$30,000 to fund a project for the removal of the trees identified in the July 28, 2020 arborist report by Van Der Zalm + Associates;

And that Finance Committee recommend award of the tree removal contract to Treeko Contracting Ltd. for a total price of \$27,195.00, excluding GST;

And that required funding be allocated from the Capital Reserve.

Carried Unanimously

(b) Five Year (2021-2025) Financial Plan

Ms. Halliwell, CAO, provided an overview of the draft 2021-2025 5-Year Financial plan, as attached to the agenda. Discussion points included:

- Service levels remain the same as the 2020 budget, no increases and no reductions due to COVID-19 in order to avoid larger increases in 2022

- Revenue changes include a reduction in investment income by approximately \$25,000 due to maturing term deposits that will see much lower interest rates when re-invested
- Salary adjustments include an increase to bylaw enforcement to \$6,000 for anticipated increased Buntzen Lake traffic/parking issues
- Proposed is a \$6,400 increase to insurance premium, \$2,000 of which would provide additional coverage for cyber insurance to cover ransomware attacks, which have been on the rise
- Currently, the Community Enhancement Fund, which was introduced as part of the 2020 budget, is planned to be increased by \$27,900 to an annual contribution total of \$50,000
- The Capital Asset Levy increase was reduced from 2.5% to 2% for a 2021 increase of \$22,500
- Finance Committee agreed to reduce the contribution to the Community Enhancement Fund by \$20,000 in 2021, which would result in a 2.95% property tax increase

It was MOVED and SECONDED:

That Finance Committee refer the 2021-2025 5-Year draft operating budget to Council, with changes as discussed at the February 1, 2021 Finance Committee meeting, to reduce the property tax impact to 2.95%.

Carried Unanimously

Ms. Halliwell referred the first portion of the 2021-2025 capital plan to Mr. Fortier and Mr. Boit for review. A document detailing the \$920,000 Capital Works Program project for 2021 was shared on screen and is included as an Attachment 1 and forms part of the original minutes. Projects include:

- Birch Wynde Pipe Replacement (\$59,500)
- Relocation of water meters to property line (\$106,500)
- PRV Station Upgrade Thomson (\$685,000)
- Installation of permanent speed bumps on Birch Wynde (\$10,500)
- Crystal Creek Drainage Improvements (\$58,500)

Additional projects were reviewed:

- Used backhoe (\$80,000)
- Flat-deck Trailer (\$6,000)
- Resurfacing Tennis Courts (\$20,000)
- Works Yard Upgrades (\$6,000)
- Dump Site Rehabilitation (\$25,000)
- Trail Upgrades (\$25,000)

- Walkway Improvements (\$15,000)
- Website Upgrade & Online Payments (\$80,000)
- Office 365 (\$7,500)
- Replacement Laptops (\$4,000)
- MAIS Payroll Module (\$5,000)
- Public Works Tablets (\$8,000)
- Anmore South Planning Studies (\$75,000)
- Financial Sustainability Plan Update (\$30,000)
- Parks Master Plan Update (\$30,000)
- Annual Water Meter Replacement (\$5,000)
- Portable Auto Flusher (\$7,500)
- Pressure Monitoring System (\$20,000)
- Chlorination Board (\$15,000)
- Projects will be funded by the COVID Resilience program (\$882,000) provided by the Provincial & Federal Government in late 2020 wherever possible.
- There was general agreement to remove the Parks Master Plan Update from the capital budget and a request was made to have a workshop with Council to discuss all plans and whether or not they need to be updated
- There was also a desire to receive information about electronic devices for members of Council in order to allow for effective participation in virtual meetings and for security purposes (i.e. email, file access)

*Councillor Weverink's connection to the virtual meeting ended at 6:04 p.m., he returned to the meeting at 6:15 p.m.

It was MOVED and SECONDED:

That Finance Committee refer the 2021-2025 5-Year draft capital budget, with changes as discussed at the February 1, 2021 Finance Committee meeting, to Council for consideration.

Carried Unanimously

8. **ADJOURNMENT**

It was MOVED and SECONDED:

THAT the meeting be adjourned at 6:59 p.m.

Carried Unanimously

Karen Elrick
Corporate Officer

John McEwen
Chair



VILLAGE OF ANMORE

REPORT TO FINANCE COMMITTEE

Date: November 1, 2021

File No. 1830-20

Submitted by: Lena Martin

Subject: 3rd Quarter 2021 Financial Review

Purpose / Introduction

To provide a review of 2021 revenue and expenses up to September 30, 2021 and provide explanations for material variances.

Recommended Option

The Finance Committee recommends That Council receive the 3rd Quarter Financial Review report for information;

And The Finance Committee recommends That Council increase the Communications budget to \$55,000, funded by reallocating 2021 operational surplus;

And The Finance Committee recommends That Council increase the Capital IT budget to \$98,000 for additional computer towers, funded from the COVID-19 Recovery Grant.

Background

The approved Five-Year Financial Plan set out the Village's planned sources and uses of funds for a five (5) year period. This bylaw provides the over-all authorization for expenditures to be made with Village funds.

The Bylaw is laid out in format that is comparable to the annual audited financial statements detailing revenues and expenses, totaling to a budgeted annual surplus, which is the budgeted change to occur in the Village's financial position (referred to as Accumulated Surplus) in the coming year. The change in financial position occurs in three (3) areas that represent the net assets (assets less liabilities) of the Village at a point in time:

- Unappropriated Surplus
- Reserves, and
- Investment in Tangible Capital Assets

Report/Recommendation to Council

3rd Quarter 2021 Financial Review

November 1, 2021

Unappropriated Surplus – A source of cash that can be used for any legal purpose.

Reserves – A source of cash that must be used in accordance with the establishing legislation and bylaw (statutory reserves only), and any Village policies.

Investment in Tangible Capital Assets – Are not a source cash, in the normal course of operations (unless they are sold), but are available to be used and consumed to provide services.¹ The focus of this report will be on Operational Surplus/Deficit by Fund and a review of outstanding investments in Tangible Capital Assets.

Discussion

By September 30th, the budget is expected to be at 75% of revenues and 75% expenditures, the following variances are noted by department. Fiscal 2021 services are budgeted as \$6,385,264 in revenues and \$6,385,264 in expenses.

This budget, broken down by Fund, is as follows:

	Actual	Budget	%
General Fund Taxes and Other Revenues	\$ (4,397,281.68)	\$ (4,404,664.00)	100%
General Fund Operating/ Capital Expenses	\$ 2,906,840.96	\$ 12,113,435.00	24%
General Fund Capital Grants and Transfers	\$ (1,012,740.00)	\$ (9,124,591.00)	11%
General Fund Transfers to Reserves	\$ 1,927,435.95	\$ 1,415,820.00	136%
(Surplus)/ Deficit	\$ (575,744.77)	\$ -	
Water Fund Revenues	\$ (417,391.03)	\$ (1,980,600.00)	21%
Water Fund Expenses	\$ 869,668.94	\$ 1,980,600.00	44%
(Surplus)/ Deficit	\$ 452,277.91	\$ -	

While there are many differences in the various budgeted revenues and expenses, the primary reasons for the noted variances are:

General Fund Taxes and Other Revenue Variables

- Taxes Collected Annually
- Additional Community Works Grant received
- Investment Interest posted in Q4
- Disposal of Tangible Capital Assets
- Increase in Building Permits
- TransLink Grant received in Q4

¹ NG Consulting

Report/Recommendation to Council

3rd Quarter 2021 Financial Review

November 1, 2021

General Fund Operating/ Capital Expenses

- Decrease in Conventions/ Travel
- Anmore Civic Building Work in Progress
- Decrease in Social Events
- Increase in Advertising, Postage and Courier
- Increase in Finance Audit (2020)
- IT Licensing expensed in Q4
- Capital purchase postponed – Website upgrade
- Capital purchase postponed – Electric Signboards
- Capital purchase postponed - Flat Deck Trailer
- Capital project ongoing – Birch Wynde pipe replacement and speedbumps
- Capital project ongoing – Crystal Creek drainage Improvements
- Capital project ongoing – Trail Improvements
- Capital project ongoing – Sunnyside culvert replacement

General Fund Capital Grants and Transfers

- Capital Projects ongoing, transfers posted as projects complete
- Community Amenity Contribution transferred to reserves
- Disposal of Tangible Capital Asset, gain/loss recognized at year end

Water Fund Revenue

- Revenues received in Q4, 83% received at October 1
- Capital Reserves transferred as projects complete

Water Fund Expenses

- Ongoing Capital Projects; Pressure Monitoring System, Water meters to property lines, Pressure Reducing Valve Replacement

At this time there is a surplus of (\$575,745) in the General Fund and a deficit of \$452,277 in the Water Fund, both can be contributed to cash flows, and the budget is forecasted to balance at year end.

Report/Recommendation to Council

3rd Quarter 2021 Financial Review

November 1, 2021

Five-Year Financial Plan Bylaw Amendment

Resolutions from Council for the current year budget have been received and the Five-Year Financial Plan Bylaw may be amended if the changes are material. The following resolutions will be added to the current year budget.

- R091/21 That Council approves additional funds of \$2,400 in order to purchase the preferred flat deck trailer; and That the additional funds be allocated from the Capital Reserve
- The Village has received a FireSmart grant along with Cities of Coquitlam, Port Coquitlam, and Village of Belcarra for \$500,000 for completion of FireSmart activities, administered by the City of Coquitlam
- R118/21 That Council approves one-time funding of up to \$120,000 for the Anmore Community Hub Project Manager position for the term of the project to be funded from the Capital Reserve
- R119/21 That Council approves the purchase of a 2008 Freightliner dump truck from Harbour International for a total price of \$42,800, inclusive of applicable taxes; And that funding for the purchase of the dump truck be allocated from the Capital Reserve.

Additionally, staff have requested a budget increase to \$55,000 for the continuation of the communications consultant for 2021, by reallocating surpluses within the approved budget.

	<u>September 30</u>	<u>Budget</u>
SServices-Communications Consultant	\$ 44,811.85	\$ 35,500.00

Finance/ IT

A review of IT infrastructure revealed outdated systems not previously identified that require upgrade for ongoing service and security. Two quotes have been received to replace 3 desktop computers (Cashier desk and Public Works Yard), currently running unsupported Windows 7. Staff request an increase to the Capital IT budget of \$6,000, to be funded from Covid-19 Recovery Grant. Current budget surplus is allocated to the Website Improvement Project.

	<u>September 30</u>	<u>Budget</u>
GFCAP-Information Technology	\$ 19,199.95	\$ 92,000.00

Report/Recommendation to Council

3rd Quarter 2021 Financial Review

November 1, 2021

Other housekeeping items have been identified in the Five-Year Financial Plan Bylaw that are immaterial and can be adjusted with an amended bylaw such as: duplicate budget for Trail Upgrades, allocated from grants and from park reserves, and walkway upgrades transferred from General Surplus rather than Capital Reserve. These balance sheet transfers do not affect the overall budget.

Other Options

The Finance Committee recommends That Council receive the 3rd Quarter Financial Review report for information;

And The Finance Committee recommends That Council increase the Communications budget to \$55,000, funded by reallocating 2021 operational surplus;

And The Finance Committee recommends That Council increase the Capital IT budget to \$98,000 for additional computer towers, funded from the COVID-19 Recovery Grant.

[Recommended]

Financial Implications

Financial Implications as noted above.

Council Strategic Plan Objectives

To provide high-level communications and continue measures to ensure long-term fiscal responsibility.

Attachments

None.

Report/Recommendation to Council

3rd Quarter 2021 Financial Review

November 1, 2021

Prepared by:

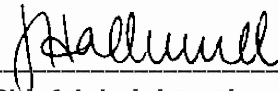


Lena Martin

Manager of Financial Services

Reviewed for Form and Content / Approved for Submission to Council:

Chief Administrative Officer's Comment/Concurrence



Chief Administrative Officer