



Council

For the Meeting of April 15, 2021

To: Council **Date:** April 9, 2021
From: Susanne Thompson, Deputy City Manager/Chief Financial Officer
Subject: Five Year Financial Plan Bylaw, 2021

RECOMMENDATION

That Council:

1. Amend the Five Year Financial Plan Bylaw, 2021 by replacing the bylaw that was given first reading on December 3, 2020 with the bylaw appended to the Five Year Financial Plan Bylaw, 2021 report, dated April 9, 2021.
2. That the Five Year Financial Plan Bylaw No. 20-112 as amended be read a second and third time.

EXECUTIVE SUMMARY

The purpose of this report is to outline amendments to the Five Year Financial Plan Bylaw, 2021 that received first reading on December 3, 2020 and recommend second and third readings at today's Council meeting.

During December 2020 and January 2021, the City sought input from the public on the draft financial plan. Upon completion of the public consultation and based on the feedback received, Council allocated new property tax revenue from new development and one-time initiatives through a variety of funding options. In 2020, due to the pandemic, the City successfully implemented a number of mitigation strategies to avoid a deficit. As such, there was no operating surplus to be allocated.

The below allocations are reflected in the amended Five Year Financial Plan Bylaw attached in Appendix A:

1. Ongoing allocation of new property tax revenue from new development

The 2021 Draft Financial Plan presented to Council in November 2020 included new property tax revenue to fund five new bylaw officer positions relating to sheltering, Bike to Work week grant and using \$500,000 towards ongoing operating costs as a mitigation strategy to reduce the overall tax increase.

During the January budget deliberations Council allocated new property tax revenue to include additional legal resources, grants for part time coordinators for five Neighbourhood Associations, a grant for Pro Art Alliance and the remainder transferred to the Buildings and Infrastructure Reserve.

2. One-Time Allocations

Council also allocated funding for a variety of one-time initiatives since the introduction of the Draft Financial Plan including Youth Strategy, Motor Vehicle Act Pilot Project, grants to Our Place for extended hours and storage of belongings, International Decade for People of African Descent, Create Victoria Cultural Infrastructure Grant Program, South Island Prosperity, Oil to Heat Pump Incentive Program, Governance Review, Indigenous Relations Function and Reconciliation Dialogues, Tiny Homes project, Downtown Vibrancy and Vitality Initiative.

3. Other Adjustments

In February, Council approved an increase to the Police budget for E-Comm services funded by a combination of the Police Financial Stability Reserve and a property tax increase of \$91,698 or 0.065%. On April 8, 2021 Council approved a further property tax increase of \$296,122 or 0.21% to fund the shift of policing costs to Victoria due to the phase-in of the new budget allocation formula, as well as \$25,000 from contingency for additional policing support for bylaw services staff for the month of April.

Remaining funding for operating budget projects underway, such as Victoria Housing Strategy Implementation, Downtown Core Area Plan Implementation, Official Community Plan Implementation, Community Wellness Peer Informed Task Force, Zero Waste Strategy, Accessibility Framework Training, Welcoming Cities Task Force, Neighbourhood Transportation, Climate Action initiatives and the Social Procurement initiative have been carried forward to the 2021 year in the financial plan.

4. Capital Project 2021 Adjustments

The capital budget has been updated to include carry forwards for 2020 projects in progress including the Bicycle Master Plan Implementation, Topaz Park – Southern Park Enhancements and Artificial Turf Replacement, Major and Local Street Rehabilitation, Vehicle and Heavy Equipment Replacements, Gate of Harmonious Interest, Songhees Park Expansion, Parkade Improvements, Parks Infrastructure Improvements, Public Washroom Improvements, Fire Hall #1 Replacement and Water, Sewer and Storm Water mains replacement projects.

Through the budget deliberations, Council also allocated additional funding to a variety of capital projects including complete streets, Banfield Park Swim Dock, design work for Vic West Skate Park Lighting, Pemberton Park, Feasibility Study for the Central Library, Pedestrian Master Plan, Memorial Road Stone Markers on Shelbourne Street, and Peter Pollen Park design work. In addition, Council approved deferring the Mile Zero project to 2022.

In February and March 2021, Council approved the addition of Accessible Parking Retrofits and Clover Point Park Improvements.

The majority of the above adjustments do not impact the overall tax increase. The two adjustments related to the Police budget increased the property tax increase for 2021. The overall property tax increase is 2.03%.

Respectfully submitted,

Jo-Ann O'Connor
Deputy Director of Finance

Susanne Thompson
Deputy City Manager/Chief Financial Officer

Report accepted and recommended by the City Manager

List of Attachments

Appendix A: Five Year Financial Plan Bylaw, 2021