

**REPORT TO THE FINANCE COMMITTEE  
MEETING OF WEDNESDAY, NOVEMBER 06, 2024**

**SUBJECT**      **Bylaw No. 4645: 2024 to 2028 Financial Plan Bylaw, 2024, Amendment No. 5, 2024**

**ISSUE SUMMARY**

The 2024 to 2028 Financial Plan was adopted on March 13, 2024, then amended on May 8, July 10, September 11 and October 9, 2024. Amendments are required to authorize revised operating and capital expenditures.

**BACKGROUND**

The Capital Regional District (CRD) Board approved the 2024 to 2028 Financial Plan (Bylaw No. 4603, "2024 to 2028 Financial Plan Bylaw, 2024") on March 13, 2024, and amendment Bylaw Nos. 4614, 4619, 4626, 4644 on May 8, July 10, September 11 and October 9, 2024, respectively.

Amendments are required in accordance with Section 374(2) of the *Local Government Act* (LGA), which states that the financial plan may be amended at any time by bylaw to incorporate changes in budget. As new information becomes available, and pursuant with Section 374 of the LGA, the CRD Board may further revise the financial plan.

The impact of the proposed amendments to the 2024 budget of the five-year 2024 to 2028 Financial Plan is highlighted in the following table.

Service	Description	Budget	Funding	Net Impact	Committee / Commission Approval
Environmental Resource Management	Hartland Landfill Heavy Equipment Operations	Operating	Reserve Fund	\$1,000,000	Staff Directed
Salt Spring Island Park Land and Recreation Programs	Land Acquisition	Capital	Reserve Fund	\$50,000	Salt Spring Island Local Community Commission 15-August-2024 (in Closed)
Royal Theatre	Emergency Capital Repairs	Capital	Reserve Fund	\$114,000	Staff Directed

The proposed Financial Plan amendment Bylaw No. 4645 incorporates these changes, and is attached as Appendix A, inclusive of an updated Schedule A and Schedule B.

## **ALTERNATIVES**

### *Alternative 1*

The Finance Committee recommends to the Capital Regional District Board:

1. That Bylaw No. 4645, “2024 to 2028 Financial Plan Bylaw, 2024, Amendment Bylaw No. 5, 2024”, be introduced and read a first, second and third time; and
2. That Bylaw No. 4645 be adopted.

### *Alternative 2*

That Bylaw No. 4645 be deferred pending further analysis by Capital Regional District staff.

## **IMPLICATIONS**

### *Financial Implications*

#### Environmental Resource Management

Staff have identified that the Hartland Landfill equipment operating budget requires up to an additional \$1,000,000 in 2024 for extra equipment resources to maximize airspace in Cell 3, prepare Cell 4 for landfilling in Q4 and to account for negotiated higher equipment rates.

Landfilling construction has been machine intensive in 2024 to maximize the space left in Cell 3 and allow time to complete Cell 4 construction. Shredding of construction and demolition waste improved waste density in the cell by as much as 20% but was very machine intensive, resulting in additional excavator and rock truck hours. There has also been a recent increase in the amount of side-slope works, bench roads, temporary ramps and international waste trench requirements. This results in an additional \$1,000,000 for the landfill equipment operating budget, which will be funded from the operating reserve fund.

#### Salt Spring Island Park Land and Recreation Programs

On August 15, 2024, the Salt Spring Island Local Community Commission approved the addition of \$50,000 to the 2024 capital plan, for costs associated with land acquisition. This is to be funded by the Salt Spring Island Parks and Recreation Park Land Acquisition fund.

#### Royal Theatre

Emergency capital repairs were required at the Royal Theatre due to an electrical system failure in July 2024.

The circuit breaker was replaced, and BC Hydro required the Theatre be removed from the grid to bypass the faulty main breaker which required generators to power the building. The electrical panel board was upgraded to be compliant with current code standards. The repairs were completed in October with an overall project cost of \$164,000. \$50,000 was budgeted for building repairs leaving \$114,000 to be funded from the capital reserve fund.

**CONCLUSION**

In compliance with the *LGA*, the proposed amending Bylaw No. 4645 authorizes changes required to Bylaw No. 4603, “2024 to 2028 Financial Plan Bylaw, 2024”, which the CRD Board approved on March 13, 2024 and subsequently amended on May 8, July 10, September 11 and October 9, 2024.

**RECOMMENDATION**

The Finance Committee recommends to the Capital Regional District Board:

1. That Bylaw No. 4645, “2024 to 2028 Financial Plan Bylaw, 2024, Amendment Bylaw No. 5, 2024”, be introduced and read a first, second and third time; and
2. That Bylaw No. 4645 be adopted.

Submitted by:	Varinia Somosan, CPA, CGA, Sr. Mgr., Financial Services / Deputy CFO
Concurrence:	Nelson Chan, MBA, FCPA, FCMA, Chief Financial Officer, GM Finance & IT
Concurrence:	Russ Smith, Acting General Manager, Parks, Recreation & Environmental Services
Concurrence:	Kristen Morley, J.D., General Manager, Corporate Services & Corporate Officer
Concurrence:	Ted Robbins, B. Sc., C. Tech., Chief Administrative Officer

**ATTACHMENT**

Appendix A: Bylaw No. 4645: “2024 to 2028 Financial Plan Bylaw, 2024, Amendment Bylaw No. 5, 2024”, with Schedule A and Schedule B