

## REPORT TO THE FINANCE COMMITTEE MEETING OF WEDNESDAY, NOVEMBER 1, 2017

**SUBJECT**     Bylaw No. 4212: 2017 to 2021 Financial Plan, Amendment Bylaw No. 3, 2017

**ISSUE**

The 2017-2021 Financial Plan was adopted on March 22, 2017, and was amended on June 14, 2017, and September 13, 2017. Additional amendments to the Financial Plan are required to authorize the revised operating and capital expenditures.

**BACKGROUND**

The Capital Regional District (CRD) Board approved the 2017-2021 Financial Plan (Bylaw No. 4173) on March 22, 2017, and amended Financial Plan on June 14, 2017 (Bylaw No. 4192) and on September 13, 2017 (Bylaw No. 4203). In accordance with Section 374(2) of the *Local Government Act (LGA)*, the Financial Plan must be amended by bylaw to incorporate the proposed change in the budget before monies can be expended as part of the proposed new initiative.

As new information becomes available and pursuant with Section 374 of the *LGA*, the CRD Board may further revise the Financial Plan. Consistent with past practice, some of the service areas have recommended new capital expenditures for inclusion in the 2017-2021 Financial Plan. These changes have been vetted by their respective Commission and or Committee. These capital amendments relate to a routine review of service activities and service demands requiring reallocation or additional resources. The following amendments are proposed:

SERVICE	DESCRIPTION	BUDGET	FUNDING	NET IMPACT
<b>Pender Fire Service</b>	Fire Response Truck	Capital	Equip Replace Fund	\$75,000
<b>Saanich Peninsula Treatment Plant</b>	End of Life Replacement – Sewer Pipe Cleaning System	Capital	Equip Replace Fund	\$4,000
	End of Life Replacement – Effluent Composite Sampler			\$10,000
<b>Land, Banking and Housing (Regional Housing)</b>	Community Works Fund grant for Drake Rd Housing Salt Spring Island (SSI) - Water Planning Study	Operating	Grants	\$15,000

The proposed Financial Plan amendment Bylaw No. 4212, attached as Appendix A, includes an updated Schedule B which has been adjusted for the amended capital expenditures.

**ALTERNATIVES**Alternative 1

That the Finance Committee recommend to the Capital Regional District Board:

That Bylaw 4212, cited as “2017 to 2021 Financial Plan, Amendment Bylaw No. 3, 2017” be introduced and read a first and second time; read a third time; and adopted.

Alternative 2

That Bylaw 4212 be deferred pending further analysis by CRD staff.

**FINANCIAL IMPLICATIONS**Pender Island Fire Protection

As a result of a recent breakdown of the existing Fire Response Truck, the replacement, previously planned for 2018, is being requested ahead of schedule in 2017. The purchase will be funded by the Equipment Replacement Fund.

Saanich Peninsula Wastewater

Both the Sewer Pipe Cleaning System and the Effluent Composite Sampler have been malfunctioning and have been prioritized for replacement ahead of schedule. The purchases will be funded by the Equipment Replacement Fund.

Land, Banking and Housing

The \$15,000 grant for the Drake Road Hydrology Study was approved by the Board, July 12, 2017. The hydrology study is a part of the planning and design phase of the approach to affordable housing on Salt Spring Island (SSI) and will assess if the groundwater well is the best water source to support the proposed 80 residential units at 161 Drake Road on SSI.

**CONCLUSION**

In compliance with the *Local Government Act*, the proposed amending Bylaw No. 4212 records the changes required to the 2017 to 2021 Financial Plan Bylaw No. 4173 which the CRD Board approved in March 2017.

**RECOMMENDATION**

That the Finance Committee recommend to the Capital Regional District Board:

That Bylaw 4212, cited as “2017 to 2021 Financial Plan, Amendment Bylaw No. 3, 2017” be introduced and read a first and second time; read a third time; and adopted.

Submitted by:	Rianna Lachance, BCom, CPA, CA, Senior Manager, Financial Services
Concurrence:	Nelson Chan, MBA, CPA, CMA, Chief Financial Officer
Concurrence:	Robert Lapham, MCIP, RPP, Chief Administrative Officer

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Attachments

Appendix A: Bylaw 4212

Appendix B: Bylaw 4212 Schedules A & B, Financial Summaries