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**REPORT TO GOVERNANCE AND FINANCE COMMITTEE
MEETING OF WEDNESDAY, SEPTEMBER 02, 2020**

SUBJECT **Bylaw No. 4366: 2020 to 2024 Financial Plan Bylaw, 2020, Amendment Bylaw No. 3, 2020**

ISSUE SUMMARY

The 2020 to 2024 Financial Plan was adopted on March 18, 2020, and amended April 8 and June 24, 2020. Amendments to the Plan are required to authorize revised operating and capital expenditures.

BACKGROUND

The Capital Regional District (CRD) Board approved the 2020 to 2024 Financial Plan (Bylaw No. 4349) on March 18, 2020; Amendment No. 1 on April 8, 2020, (Bylaw No. 4354) and Amendment No. 2 on June 24, 2020. 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, for certainty. As new information becomes available and pursuant with Section 374 of the LGA, the CRD Board may further revise the financial plan.

At the CRD Board meeting on August 12, 2020, the following proposed amendments were brought forward and recommended by the relevant commissions, and received CRD Board approval. The table highlights the 2020 impact of the amendments to the 5-year 2020-2024 Financial Plan.

SERVICE	DESCRIPTION	BUDGET	NET IMPACT	COMMITTEE / COMMISSION APPROVAL
Panorama Recreation	Revised operating budget for 2020 in response to the COVID-19 pandemic	Operating	\$413,562	Peninsula Recreation Commission July 21, 2020
SEAPARC	Revised operating budget for 2020 in response to the COVID-19 pandemic	Operating	\$0	Sooke and Electoral Area Parks and Recreation Commission July 28, 2020

The proposed Financial Plan amendment Bylaw No. 4366 incorporates these changes, and is attached as Appendix A, including an updated Schedule A.

ALTERNATIVES

Alternative 1

The Governance and Finance Committee recommends to the Capital Regional District Board:

1. That Bylaw No. 4366, “2020 to 2024 Financial Plan Bylaw, 2020, Amendment Bylaw No. 3, 2020” be introduced and read a first, second, and third time; and
2. That Bylaw No. 4366 be adopted.

Alternative 2

That Bylaw No. 4366 be deferred pending further analysis by CRD staff.

IMPLICATIONS

Financial Implications

Panorama Recreation

As outlined in item 20-455 of the June 12, 2020, CRD Board meeting, the 2020 operating financial plan for Panorama Recreation is amended to reduce expenses and revenues for cancellation of programs and services as a result of the COVID-19 closures. The decrease in revenue is in excess of expense reductions and is anticipated to generate a deficit of \$413,462. The deficit will be funded by reducing transfers to the capital reserve by \$411,204 and transfers to the operating reserve by \$2,358.

SEAPARC

As outlined in item 20-456 of the June 12, 2020, CRD Board meeting, the 2020 operating financial plan for SEAPARC is amended to reflect reduced revenue and costs in line with reduced services and programs driven by the COVID-19 closures and phased re-opening plan. No deficit is forecasted.

CONCLUSION

In compliance with the *Local Government Act*, the proposed amending Bylaw No. 4366 authorizes the changes required to the 2020 to 2024 Financial Plan Bylaw No. 4349, which the CRD Board approved on March 18, 2020, and amended on April 8, 2020, and June 24, 2020.

RECOMMENDATION

The Governance and Finance Committee recommends to the Capital Regional District Board:

1. That Bylaw No. 4366, “2020 to 2024 Financial Plan Bylaw, 2020, Amendment Bylaw No. 3, 2020” be introduced and read a first, second, and third time; and
2. That Bylaw No. 4366 be adopted.

Submitted by:	Rianna Lachance, BCom, CPA, CA, Senior Manager, Financial Services
Concurrence:	Nelson Chan, MBA, CPA, CMA, Chief Financial Officer
Concurrence	Don Elliott, MUP, Acting General Manager, Corporate Services & Acting Corporate Officer
Concurrence:	Ted Robbins, B. Sc., C. Tech., Acting Chief Administrative Officer

ATTACHMENT(S)

Appendix A: Bylaw No. 4366, with Schedule A