



2023-2027 FINANCIAL PLAN



YOUR CITY, YOUR SAY



ABOUT THE FINANCIAL PLAN

The Financial Plan provides detailed funding requirements over the next five years and also serves as:

- A policy document that outlines the financial policies that guide the development of the plan;
- An operations guide that helps staff manage day-to-day operations by providing financial and policy information and by identifying financial and staffing resources available to provide services; and
- A communications device that gives readers a comprehensive look at the services provided by the City and related costs and revenues.

The financial summaries in this document detail the City's total budget for the fiscal year of 2023. This includes the addition of one-time expenses and decision packages endorsed by Council.

The subsequent years of 2024-2027 include a base budget that reflects the revenue and expense requirements for maintaining current service levels (including inflationary costs) as provided in 2023, as well as any known changes due to growth and/or service level changes approved by Council.

The development timeline was as follows:

- **June - October, 2022** - Capital budget submissions, development of base operating budget, identify service area priorities.
- **October, 2022 - February, 2023** – Finalize business plans and open deliberation of proposed Capital plan and operating budget.
- **March, 2023** - Public consultation on draft Financial Plan.
- **May, 2023** - Council approves Financial Plan Bylaw and Tax Rates Bylaw.

For more information about the City of Port Coquitlam's budget process and timelines, see Appendix B: Financial Plan Development and Timetable or visit portcoquitlam.ca/budget.

TABLE OF CONTENTS

City Snapshot	4
Economic Snapshot	5
Organizational Chart	6
Community Budget Priorities	7

FINANCIAL PLAN OVERVIEW

2023 Budget Message	10
2023 Budgeted Service Enhancements	13
Impact to Residential Properties	14
Summary of Cost Drivers	15
Property Tax Cost Driver Details	16
Water Levy Cost Driver Details	21
Sewer Levy Cost Driver Details	24
Solid Waste/Organics Levy Cost Driver Details	27
Fund Structure & Financial Position	29
Financial Summary	30

REVENUES

Revenues Overview	32
Taxation and Other Levies	33
Utility Charges	35
Sale of Services	36
Permits & Licences	37
Investment Income	38
Contributions	39
Penalties & Fines	40
Other Revenue	41

EXPENSES

Expenses Overview	43
Payroll	44
Contracted & Other Services	47
Materials & Supplies	48
Interest & Bank Charges	49
Telephone, Utilities & Rent	50
Insurance & Claims	51
Other Personnel Costs	52
Grants & Financial Assistance	53

FUNDING SOURCES

Funding Sources	55
Reserves	56
Accumulated Surplus	62

DEPARTMENT BUSINESS PLANS

Business Plan Overview	64
Office of the Chief Administrative Officer	65
Community Safety & Corporate Services	67
Development Services	89
Engineering & Public Works	104
Finance	132
Fire & Emergency Services	135
General Government – Common Services	138
Recreation	140
RCMP	159

CAPITAL PLAN

2023-2024 Capital Plan Overview	163
Capital Program Highlights	164
Capital Program Overview	165
Operating Impact of Capital Expenditures	167
Neighbourhood Rehabilitation	168

APPENDICES

A: Financial Management Policy	170
B: Financial Plan Development and Timetable	176

CITY SNAPSHOT



The hometown of Canadian hero Terry Fox, Port Coquitlam has earned national recognition for being a livable city and is known for its affordability, accessible location, extensive parks and trail network, family-oriented services, small-town community spirit, charming historic downtown and business-friendly approach.



Located in the heart of Metro Vancouver

Incorporated March 7, 1913

Total land area 29.17 km²



61,498 people*



23,671 private dwellings*



4,117 business licences



271 hectares of parks & trails

* Source: Statistics Canada - 2021 Census

VISION

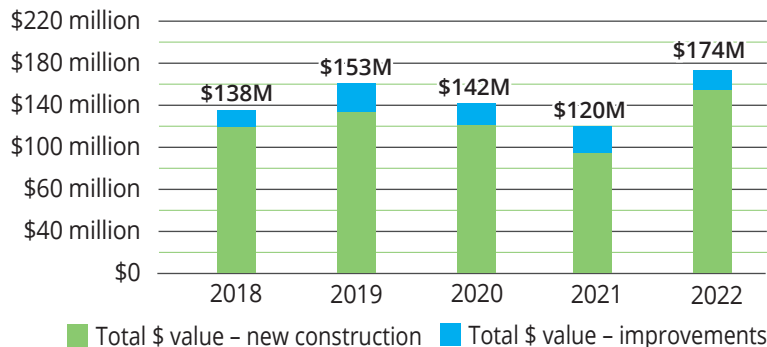
Port Coquitlam is a happy, vibrant, safe community with healthy, engaged residents and thriving businesses, supported by sustainable resources and services.

We strive to do it right by researching, planning, building and executing well-balanced solutions.

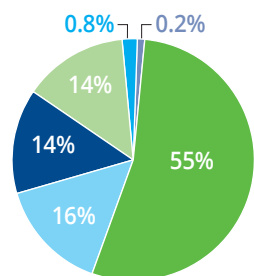
MISSION

ECONOMIC SNAPSHOT

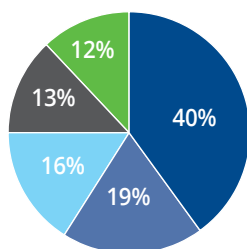
CONSTRUCTION PERMIT VALUE



NEW 2022 \$156 MILLION

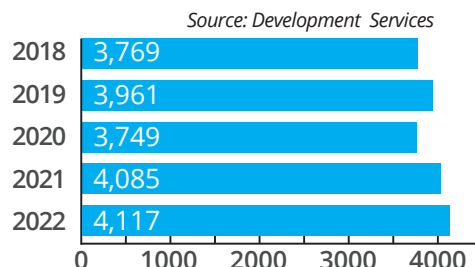


IMPROVEMENTS 2022 \$18 MILLION



BUSINESS STATISTICS

Business licences issued



Common business types (2022 licences)*

- 23.9% out-of-town contractors (985)
- 22.7% general (937)
- 20.7% home-based (854)
- 8.9% manufacturers (367)
- 8.3% professional services (345)
- 7.3% intermunicipal licence (303)
- 4.2% retail (174)
- 3.6% restaurant (152)

* Not all licence types are listed

POPULATION & DWELLINGS

		Port Coquitlam	B.C.
Population	2021	61,498	5,000,879
	2016	58,612	4,648,055
	Change	4.9%	7.6%
Private dwellings	2021	23,671	2,211,694
	2016	22,586	2,063,417
Population density per sq. km	2021	2,108.7	5.4
	2016	2,009.4	5.0
Land area (sq. km)	2021	29.16	920,686.55

Source: Statistics Canada - 2021 Census
Note: Census population estimates are lower than municipal and regional estimates.

AGE DISTRIBUTION

* Source: Statistics Canada - 2021 Census. Percentage distribution based on published totals for males and females. The census at the time did not capture those who identified as other than male or female.

Ages	Identified as Male*	Identified as Female*	PoCo %	B.C. %
All	30,310	31,185	100%	100%
0-14 yrs	4,940	4,685	16%	14%
15-24 yrs	3,665	3,355	11%	11%
25-44 yrs	8,510	8,560	28%	28%
45-64 yrs	8,780	9,355	29%	27%
65+ yrs	4,425	5,235	16%	20%

RESIDENT STATISTICS



- 93% - Canadian citizens
- 32% - Born outside of Canada
- 66% - English is mother tongue



- 2.7 - Average # persons/household
- 77% - Homes are owned
- 88% - Same address 1 year ago
- 63% - Same address 5 years ago



- 55% - Some post-secondary education (ages 15+)



- \$84,096 - Median household income
- 66% - Employed (ages 15+)

Source: Statistics Canada - 2016 Census

ORGANIZATIONAL CHART

CITIZENS OF PORT COQUITLAM
(residents, property owners, businesses)

CITY COUNCIL



OFFICE OF THE CHIEF ADMINISTRATIVE OFFICER

Rob Bremner, MSc
Chief Administrative Officer



Karen Grommada, CPA, CMA
Deputy Chief
Administrative Officer



COMMUNITY SAFETY & CORPORATE SERVICES

Dominic Long
Director

Divisions: Bylaw Services, Communications & Admin Services, Community Policing, Corporate Office, Human Resources, Information Services

DEVELOPMENT SERVICES

Bruce Irvine, BA, BSc., MSc., RPP
Director

Divisions: Building, Development Engineering, Planning



ENGINEERING & PUBLIC WORKS

Joshua Frederick, M.A.Sc., P.Eng
Director

Divisions: Administration, Capital Projects, Infrastructure Planning, Public Works (incl. streets, parks, environment, fleet, solid waste, sewer, water and drainage utilities)

FINANCE

Jeff Lovell, CPA, CA
Director

Divisions: Common Services, Finance Services (incl. purchasing, accounting, financial planning, payroll, revenue services)



FIRE & EMERGENCY SERVICES

Robert Kipps, MA
Fire Chief/City Emergency
Coordinator

Divisions: Administration, Emergency Preparedness, Fire Suppression, Training, Protective Services & Public Education

RECREATION

Glenn Mitzel, BHES
Director

Divisions: Administration, Cultural Development & Community Services, Facility Services, Recreation Services



Municipal Auditors

KPMG LLP

Bankers

Toronto Dominion Bank

RCMP

Keith Bramhill
Superintendent,
Officer-in-Charge

Contracted service



COMMUNITY BUDGET PRIORITIES

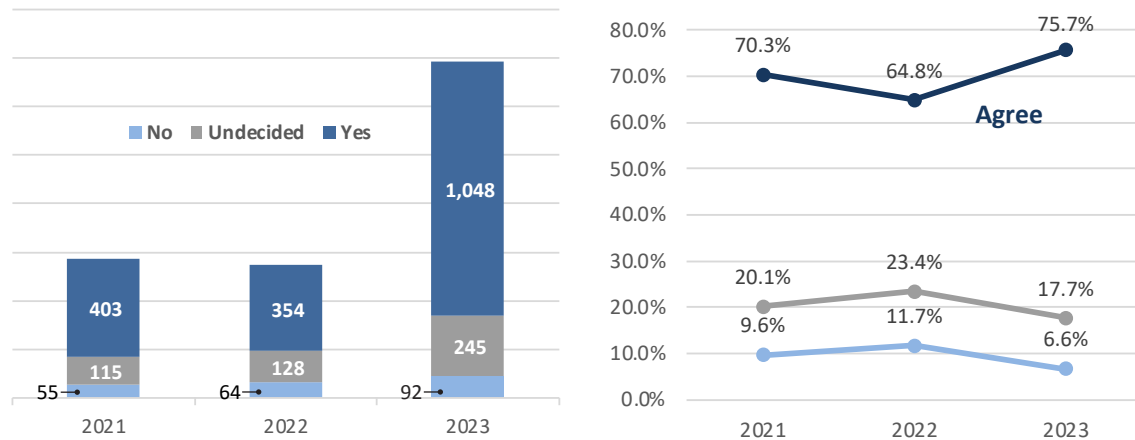
In March 2023, the City mailed the 2023 Budget at a Glance brochure and survey to every home and business and provided additional information online to encourage public feedback on the 2023 budget and current City services.

The City received a record 1,446 responses to the 2023 print and online survey, compared to the previous year's response of 554 people. These themes emerged:

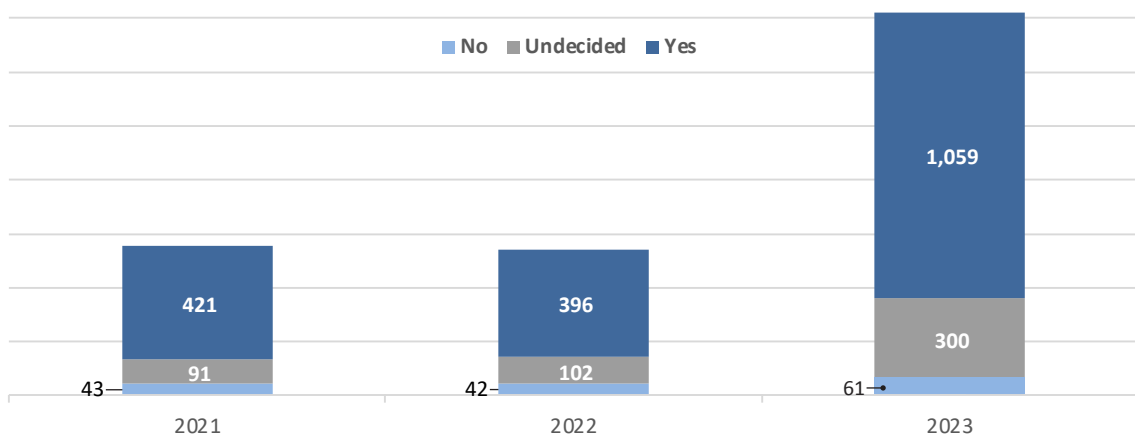
- 75% were satisfied with the budget information provided. Most completed the survey online (91%).
- 76% believe they get good value for their tax dollars, an 11% increase from 2022.
- When it came to ranking services, top marks went to parks and trails, waste collection, recreation and culture, and utilities. The most improved services were business licensing, building permits and development services.
- The top three areas residents would be most interested in enhancing with additional funds were road conditions; parks, sports fields and courts; and recreation and culture programs and events.
- When residents were asked about their overall attitude toward property taxes, 48% preferred the City's approach of keeping property taxes below the region's average, while 46% said they would agree to increases similar to other cities to meet growing needs and costs.

SELECTED RESULTS FROM BUDGET 2023 SURVEY

Question: Do you feel that you get good value for your tax dollars in Port Coquitlam?



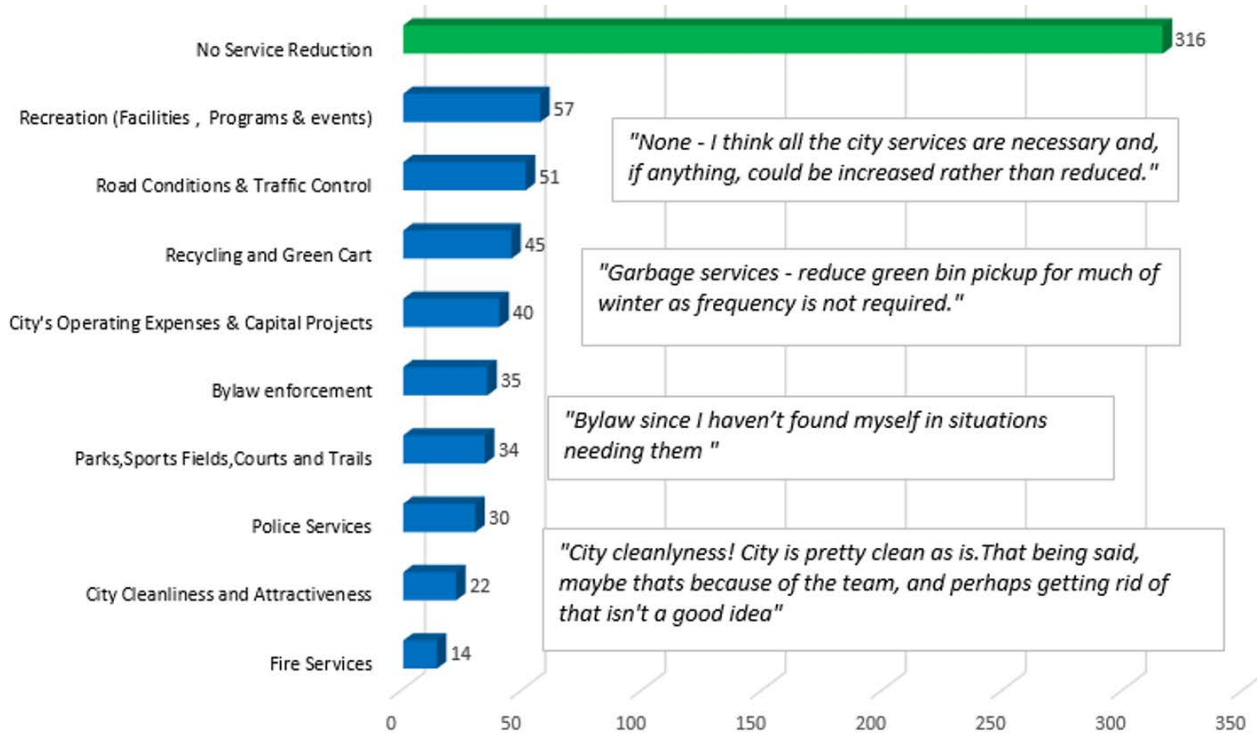
Question: Are you satisfied with the budget information you receive?



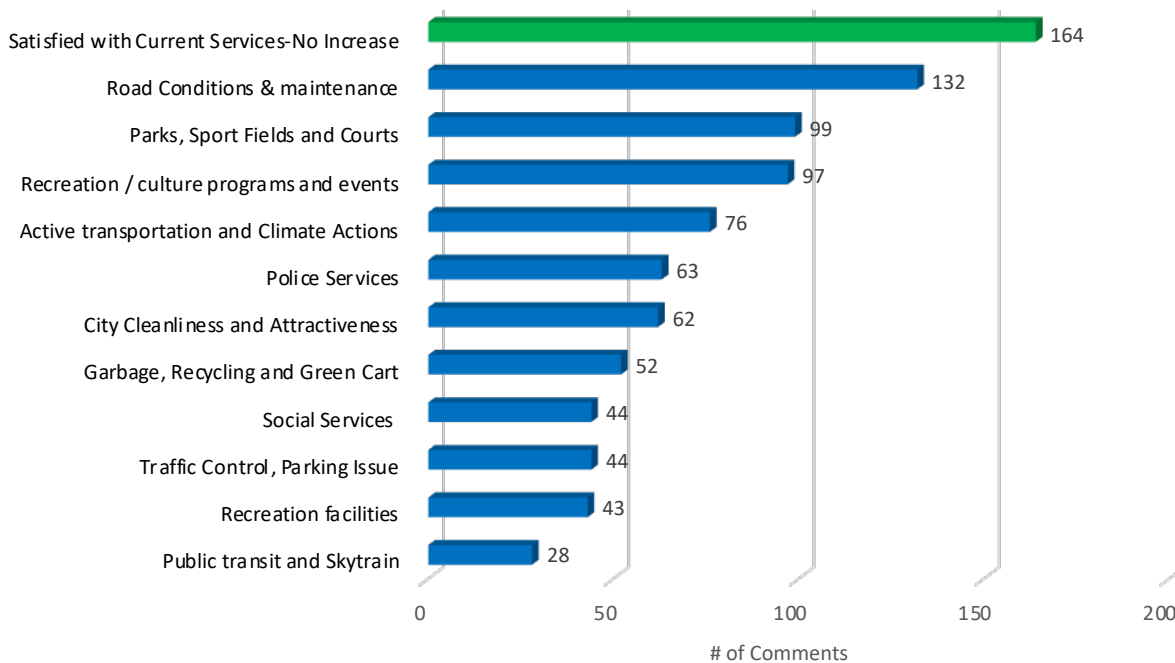
COMMUNITY BUDGET PRIORITIES

SELECTED RESULTS FROM BUDGET 2023 SURVEY

Question: What service would you trade for lower taxes? Total responses: 672



Question: What service would you pay higher taxes to improve? Total responses: 904





2023-2027 FINANCIAL PLAN FINANCIAL PLAN OVERVIEW



2023 BUDGET MESSAGE

This document contains the City of Port Coquitlam's 2023 budget, which reflects Council's desire for the City to run as efficiently as possible to both meet community needs and address the public's appetite for low municipal taxes.

Factors that influenced the development of the 2023 budget are outlined below.

STRATEGIC DIRECTION

Council Priorities



Improving Customer Service



Investing in our Infrastructure



Enhancing Community Safety

In 2019, Council set three strategic priorities to guide the City's budget and service delivery from 2020 to 2022. Based on public feedback, these three priorities were: Improving Customer Service, Investing in our Infrastructure, and Enhancing Community Safety. In addition, Council adopted an Action Plan, which clearly set out the specific actions Council wished to achieve from 2020-2022, organized around the six key focus areas described below.

These priorities and focus areas continued to guide the development of the 2023 budget as the new Council elected in fall 2022 developed new priorities for its term.

COUNCIL PRIORITIES – KEY FOCUS AREAS



Managing City Finances and Assets Responsibly

Providing long-term value for tax dollars through sound management of finances and assets.

2023 Goals:

- Develop long-term financial and capital plans in conjunction with asset management planning.



Planning for the Future

Planning for future growth and services in a way that meets community needs and supports quality of life and investment in our community.

2023 Goals:

- Develop an implementation strategy for the Housing Needs Report.
- Continue planning for the Gates Park soccer hub.



Creating a Vibrant Downtown

Creating a welcoming, pedestrian-friendly destination where people gather, celebrate, shop, work, live and access services.

2023 Goals:

- Continue strategy to ensure adequate parking for downtown.
- Continue Civic Centre redevelopment including Veterans Park, Leigh Square and Donald Pathway.
- Engage residents in downtown events.

2023 BUDGET MESSAGE

Council Priorities (cont.)



Focusing on Safety

Ensuring citizens feel safe in their homes and throughout the community.

2023 Goals:

- Obtain additional grant funding to enhance Emergency Support Services training and equipment.

Improving Transportation and Mobility

Ensuring drivers, pedestrians and cyclists have safe, effective options for getting around the City.

2023 Goals:

- Complete update of Master Transportation Plan.
- Complete additional improvements on Kingsway Avenue and Prairie Avenue for function, safety and appearance.

Enhancing our Environment

Planning for a healthy environment and a changing climate.

2023 Goals:

- Complete update of Climate Action Plan and implementation plan.
- Complete urban forestry roadmap and review.
- Complete South Port Coquitlam Integrated Watershed Plan.

Progress reporting on these priorities can be found in the City of Port Coquitlam's Annual Reports, at portcoquitlam.ca/annualreport.

ADDITIONAL FACTORS INFLUENCING THE 2023 BUDGET

Adjustments to Maintain Existing Services

The City faces cost pressures on several fronts in 2023 to maintain services at their 2022 levels, including:

- Increased staffing costs for CUPE, IAFF, and Exempt based on current projected labour contracts, and
- Inflationary cost pressures to various contracted services, software, materials and supplies.

Staff also perform ongoing reviews of the budget to identify potential areas for efficiencies or savings and align budgets with historical trends. For example, in the current year, the following budgets were increased based on historical averages and trending actuals:

- Investment revenue
- Grants in Lieu (Telus, BC Hydro, Province)
- TransLink Major Road Network (MRN) grants

2023 BUDGET MESSAGE

ADDITIONAL FACTORS INFLUENCING THE 2023 BUDGET

Adjustments for External Service-delivery Partners

The budget was also affected by increased costs for third-party service providers for the provision of police services, library services, water, and sewer disposal.

Adjustments to Fund Long Term Infrastructure Replacement

The 2023 operating budget also includes a levy of an additional 1% (\$748,800) in taxes for infrastructure replacement.

Ongoing Pandemic Impact

While direct impacts from the pandemic have waned, its effect on the global economy and supply chain continue to resonate. The resulting impact on City finances include increased costs for supplies, contracted services, insurance and utilities due to inflationary pressures.

FUTURE OUTLOOK

The City will continue to face a number of challenges in the future, including residual impacts on the economy and supply chain from the COVID-19 pandemic and the ongoing need to provide sufficient funding to maintain and replace the City's infrastructure and facilities. City funds are also required to support the delivery of multi-faceted municipal services to address community needs both now and in the years ahead. This includes activities supporting economic development and community well-being, such as improvements to civic spaces and streets in downtown Port Coquitlam.

Port Coquitlam has adopted a proactive and financially prudent strategy of saving for the future replacement of infrastructure assets – including roads, buildings and equipment – while establishing plans and practices to maximize their lifespan (e.g. preventative maintenance).

As we look to the future, the challenge ahead is to navigate ongoing global and economic uncertainties while continuing to save for future infrastructure replacement, keep taxes affordable and fund other emerging community needs. The City will continue to put in place measures to mitigate these pressures by continuing to seek efficiencies, focus on grant-seeking and maximizing savings where available.

2023 BUDGETED SERVICE ENHANCEMENTS

The following information was provided in the City's 2023 budget public outreach materials (see next page for more).

2023 OPERATING BUDGET

The budget pays for a wide variety of City services. Each year's budget is affected by a number of factors, including costs that are beyond the City's control such as labour contracts, inflation and third-party service providers.

\$125.2M
2023 DRAFT OPERATING BUDGET

Service Level Changes

Proposed 2023 service enhancements are focused on community priorities, needs and resiliency.

Almost all costs associated with new resources are to be funded with minimal taxpayer impact. Sources include:

- Development fees
- Internal savings
- Capital sources
- Use of reserves

As a result, the taxation impact from service enhancements proposed for 2023 is 0.16% for the average home value.



Two new firefighters, two new RCMP officers and increased cybersecurity



Support for housing including resources to speed up application processing



Resources for managing important capital and transportation projects



Increased customer service to meet demand at Port Coquitlam Community Centre



Preparing for climate change including flood protection and increasing the tree canopy



Continuing to set aside funds to replace civic buildings, utilities and other infrastructure

2023 CAPITAL PROJECTS

The City's annual budget also allocates funding for capital improvements. Here are some of the projects rolling out in 2023. For information on current projects, visit portcoquitlam.ca/capitalprojects.

\$35.2M
2023 CAPITAL BUDGET



Neighbourhood roads, utility upgrades and lane paving



Veterans Park and Civic Centre upgrades



Upgrades to Gates Park and other parks, fields and courts



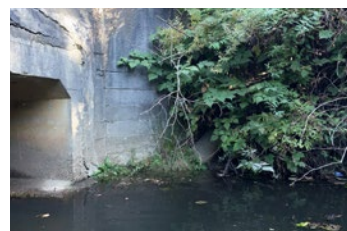
A washroom at Blakeburn Lagoons Park



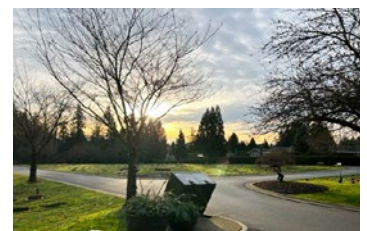
Terry Fox sculpture and exhibit at PoCo Community Centre



Sidewalks, pedestrian safety, and traffic calming



Cedar Creek culvert upgrades



Expansion of Port Coquitlam cemetery

IMPACT TO RESIDENTIAL PROPERTIES

Port Coquitlam property owners pay separate property tax and utility bills; the combined impact on residential properties is shown below. The following table outlines the impact of the approved 2023 operating budget on an average residential property (2022 assessed value was \$967,082), broken down by property tax, water, sewer, and solid waste levy.

Impact of Approved Budget to Average Home (Includes both Single-Family and Multi-Family Dwellings)

	2022	2023	\$ Change	% Change
Property Tax*	\$2,044.80	\$2,121.09	\$76.29	3.74%
Water	484.34	497.95	13.61	2.81%
Sewer	352.70	359.65	6.95	1.97%
Solid Waste	238.53	247.34	8.81	3.69%
TOTAL	\$3,120.37	\$3,226.03	\$105.66	3.39%

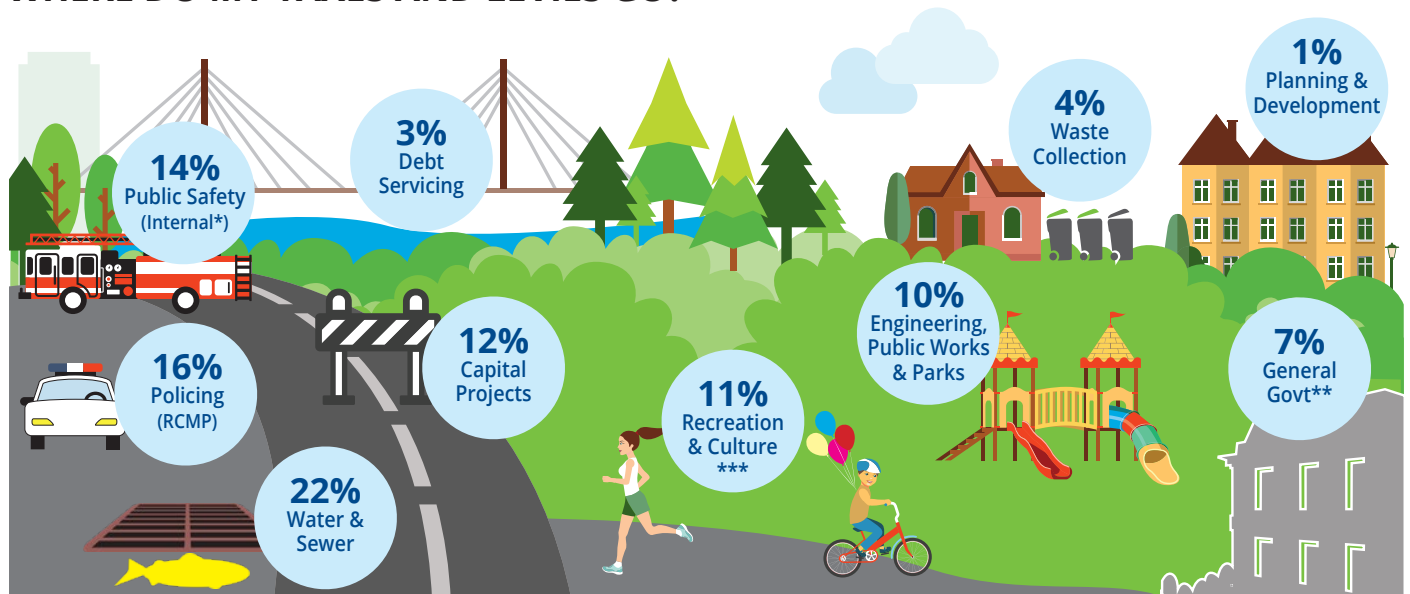
* Does not include proposed Decision Packages noted below.

Decision Packages (Property Tax)	Amount	AH \$ Impact	AH % Impact
Resource Request	\$69,500	\$1.90	0.09%
Cybersecurity Enhancement	50,000	1.37	0.07%
RCMP Resource Request**	125,900	-	0.00%
TOTAL	\$245,400	\$3.27	0.16%

** Funded from RCMP Reserve.

The following information was also provided in the City's 2023 budget public outreach materials.

WHERE DO MY TAXES AND LEVIES GO?



* Includes Fire, Bylaw Enforcement, Community Policing ** Includes Finance, HR, IT, Corporate Office, Licensing *** Includes library

SUMMARY OF COST DRIVERS

There were several factors that drove the changes to the property tax, water, sewer, and solid waste levies. These changes can be broken down into four categories:

- **Adjustments to maintain existing services:** These factors relate to increases/decreases to the budget in order to keep services at their approved levels.
- **Adjustments from external service delivery partners:** The City works with a number of third parties for the provision of major services such as policing, library, etc. In these cases, costs are often established through contract, legislation or other agreements and the City has minimal say in the cost for these services.
- **Adjustments to fund future infrastructure:** These factors relate to increases/decreases to the budget in order to fund infrastructure replacement. The most common adjustment in this area is the annual 1% increase in taxes that has been raised to fund long term infrastructure replacement.

The following tables show the net changes in property tax, water, sewer, and solid waste levy based on each cost driver category. For each category, the corresponding impact to an average residential property is also listed. Additional information detailing each driver is available in subsequent sections of this document.

COST DRIVERS	Amount	Average Home \$ Impact	Average Home % Impact
PROPERTY TAX COST DRIVERS			
Adjustments to maintain existing services	\$2,567,400	\$70.11	3.43%
Adjustments from external service delivery partners	438,100	11.96	0.59%
Adjustments to fund future infrastructure replacement	748,800	20.45	1.00%
Revenue from new development	(1,080,000)	(29.49)	-1.44%
Total base budget	\$2,674,300	\$73.03	3.57%
<i>Decision Packages</i>	119,500	3.27	0.16%
TOTAL	\$2,793,800	\$76.29	3.74%

WATER LEVY COST DRIVERS			
Adjustments to maintain existing services	\$ 58,700	\$ 2.17	0.45%
Adjustments from external service delivery partners	649,100	23.95	4.95%
Adjustments to fund future infrastructure replacement	131,200	4.84	1.00%
Revenue from new development	(470,000)	(17.35)	-3.58%
TOTAL	\$ 369,000	\$13.61	2.81%

SEWER LEVY COST DRIVERS			
Adjustments to maintain existing services	\$ 66,600	\$ 2.46	0.69%
Adjustments from external service delivery partners	296,200	10.93	3.10%
Adjustments to fund future infrastructure replacement	95,600	3.53	1.00%
Revenue from new development	(270,000)	(9.96)	-2.82%
TOTAL	\$ 188,400	\$6.95	1.97%

SOLID WASTE COST DRIVERS			
Adjustments to maintain existing services	\$ 94,300	\$6.35	2.66%
Adjustments from external service delivery partners	36,400	2.45	1.03%
TOTAL	\$ 130,700	\$8.81	3.69%

PROPERTY TAX COST DRIVER DETAILS

Budgeted taxation revenue for 2023 is increasing by \$2,793,800 or 3.74%. As with prior years, a portion of the increase is going to be offset by growth in new development, meaning the overall tax impact to an existing average residential property (2022 assessed value \$967,082) will be \$76.29.

As taxation and utility levies fund any City expenses not covered by other revenue sources, any changes to expenses or other revenue sources typically correspond to a matching change in taxes or utility levies. The main cost driver categories from the previous section are shown once again in the table below and are further broken down in the subcategories based on the impact that changes in revenues and expenses have on the City's taxation requirements.

The impact to the average residential property is also shown to better illustrate how changes to the operating budget affect the taxpayer.

Property Tax Cost Drivers	Amount	Average Home (AH) \$ Impact	Average Home (AH) % Impact
Adjustments to maintain existing services	\$2,567,400	\$70.11	3.43%
Adjustments from external service delivery partners	438,100	11.96	0.59%
Adjustments to fund future infrastructure replacement	748,800	20.45	1.00%
Revenue from new development	(1,080,000)	(29.49)	-1.44%
Decision Packages	119,500	3.26	0.16%
TOTAL	\$2,793,800	\$76.29	3.74%

ADJUSTMENTS TO MAINTAIN EXISTING SERVICES

These reflect adjustments to the budget to maintain services at their 2022 levels.

Item	Amount	AH \$ Impact	AH % Impact
Labour contracts / policies	\$2,581,000	\$70.48	3.45%
Inflationary adjustment / policies	300,000	8.19	0.40%
Other departmental adjustments	(313,600)	(8.56)	-0.42%
TOTAL	\$2,567,400	\$70.11	3.43%

Labour Contracts/Policies

Labour costs are normally driven primarily by increases to rates established through collective agreements or council policy and the employer share of benefits (Municipal Pension Plan, Work Safe BC benefits, extended health, EI/ CPP, etc.).

The following table shows the dollar impact funded by taxation for labour increases and benefit adjustments.

Item	Amount	AH \$ Impact	AH % Impact
CUPE*	\$1,109,700	\$30.30	1.48%
IAFF*	575,700	15.72	0.77%
Exempt	793,600	21.67	1.06%
Mayor and Council	31,700	0.87	0.04%
2022 Position Amendments	70,300	1.92	0.09%
TOTAL	\$2,581,000	\$70.48	3.45%

*CUPE and IAFF labour contracts are currently under negotiation.

PROPERTY TAX COST DRIVER DETAILS

Inflationary Adjustments/Policies

Inflationary adjustments are driven by relevant forecasting sources.

The following table shows the dollar impact funded by taxation for inflationary adjustments.

Category	Basis	Amount	AH \$ Impact	AH % Impact
Contracted Services	Council direction	\$ 83,500	\$2.28	0.11%
Fuel	Stats Canada CPI	126,800	3.46	0.17%
Natural Gas	Submission to BC Utilities Commission	13,800	0.38	0.02%
Electricity	Submission to BC Utilities Commission	23,100	0.63	0.03%
Insurance	Brokerage Estimate / True up to Actual	52,800	1.44	0.07%
TOTAL		\$300,000	\$8.19	0.40%

Other Departmental Adjustments

As part of the budgeting process, departments were asked to identify budget items that needed adjustment in order to maintain the same or equivalent level of service as 2022, in addition to any adjustments to align the budgets with prior year actuals or future year estimates.

Department	Item	Amount	AH \$ Impact	AH % Impact
Revenue				
General/Common Services	Increased investment revenue	\$(300,000)	(8.19)	-0.40%
General/Common Services	Increase in Grants in Lieu (Telus, BC Hydro, Province)	(174,900)	(4.78)	-0.23%
Engineering & Public Works	Increase in TransLink Major Road Network (MRN) Operating Grant funding	(52,300)	(1.43)	-0.07%
Community Safety & Corporate Services	Increase to Bylaw revenue based on history	(50,000)	(1.37)	-0.07%
Expenses				
Engineering & Public Works	Sport field maintenance (fertilizer cost increase)	80,000	2.18	0.11%
Engineering & Public Works	Annual beds	15,000	0.41	0.02%
Engineering & Public Works	Storm sewer video	20,000	0.55	0.03%
Engineering & Public Works	Fleet shop (supplies and materials inflation)	73,400	2.00	0.10%
Engineering & Public Works	Christmas decorating (addition of North Side)	40,000	1.09	0.05%
Community Safety & Corporate Services	Microsoft Office licence renewal	40,000	1.09	0.05%
Recreation	May Day and Canada Day	27,200	0.74	0.04%
Recreation	Rental properties net cost (Community Police Office)	13,900	0.38	0.02%
Recreation	Heritage Society ongoing one-time grant (Council approved Feb 2022)	35,000	0.96	0.05%
Various	Other adjustments	14,100	0.39	0.02%
Engineering & Public Works	Internal allocations to water, sewer and solid waste	(95,000)	(2.59)	-0.13%
TOTAL		\$(313,600)	\$(8.56)	-0.42%

PROPERTY TAX COST DRIVER DETAILS

ADJUSTMENTS FROM EXTERNAL SERVICE-DELIVERY PARTNERS

The City has entered into agreements with the Province of British Columbia for the provision of policing services, the Fraser Valley Regional Library for the provision of library services, and E-Comm and the City of Surrey for emergency/after-hour dispatch services. Impacts to taxation are driven by contractual increases for the provision of these services and fall outside of the direct control of the City unless a different service level is agreed to.

Item	Amount	AH \$ Impact	AH % Impact
RCMP Contract	\$339,100	\$ 9.26	0.46%
Fraser Valley Regional Library Contract	67,000	1.83	0.09%
E-Comm / City of Surrey Dispatch Contracts	32,000	0.87	0.04%
TOTAL	\$438,100	\$11.96	0.59%

RCMP

The City participates in a cost-share agreement with the City of Coquitlam for the provision of RCMP services. Costs are shared based on a formula which considers both the distribution of population and police activity within the two cities. The two components of the RCMP budget are for the police contract which is paid to the Government of Canada, and the Public Safety Building which is paid to the City of Coquitlam.

The following table shows the changes in cost for both.

Group	2022	2023	Change
RCMP Contract	\$39,945,500	\$42,780,000	2,834,500
Public Safety Building	9,709,900	10,130,600	420,700
Budgeted Cost Share Percentage	31.8%	31.0%	(0.8%)
Port Coquitlam Share of Costs	\$15,790,400	\$16,402,300	\$611,900
Non-Shared Costs (Specialized Regional Services)	1,549,600	1,576,800	27,200
Total of Shared and Non-Shared Costs	\$17,340,000	\$17,979,100	\$639,100
Funding from RCMP Operating Reserve	-	300,000	300,000
Funding from Taxation	\$17,340,000	17,679,100	\$339,100
TOTAL	\$17,340,000	\$17,979,100	\$639,100

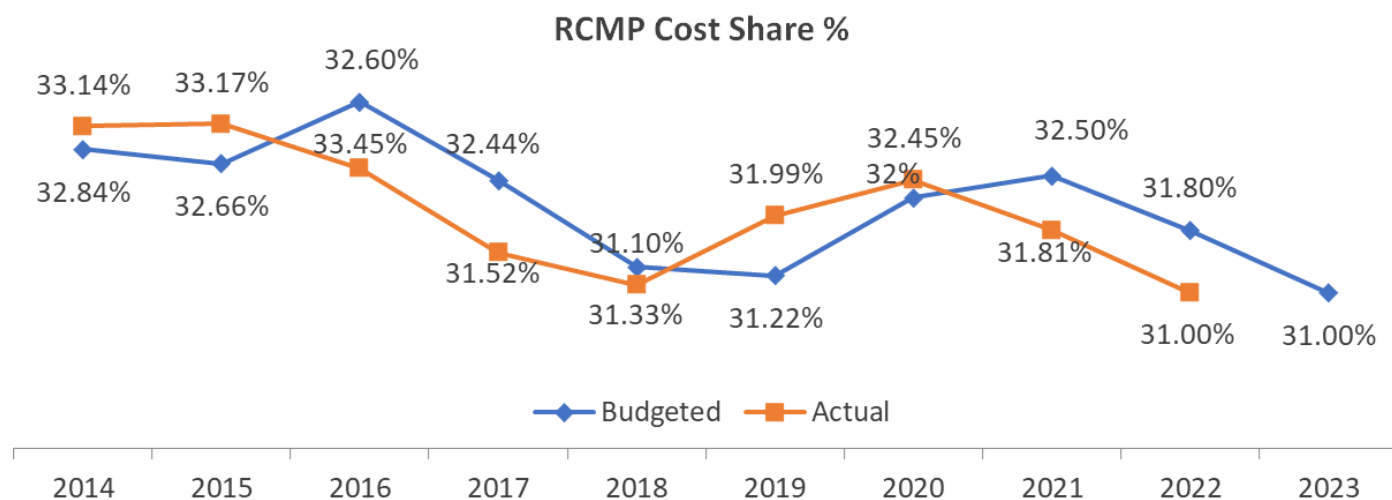
The primary cost drivers for the increases to the RCMP contract and the Public Safety Building are contractual increases in regular pay and overtime, as well as inflationary increases.

The City's portion of shared costs is budgeted to decrease from 31.8% in 2022 to 31.0% in 2023 based on the decrease in Port Coquitlam's share of police activity as noted in the 2022 second trimester statistics. Note that the sum of the cost shares for Coquitlam and Port Coquitlam do not always add up to 100% as each City budgets for the cost-share and vacancies independently. As a result, the total of the RCMP contract cannot necessarily be multiplied to obtain the PoCo share of costs.

As can be seen in the following chart, the cost share percentage can fluctuate year over year. For 2022, the actual percentage is based on the second trimester. For 2023, the 0.8% change in the cost share translates to an approximately \$200,000 impact to the City budget.

[More >](#)

PROPERTY TAX COST DRIVER DETAILS



Historically, the RCMP has been unable to fill all their budgeted positions, resulting in annual surpluses which were transferred to an operating reserve to fund future RCMP expenses. In 2022, the City forecasts a surplus in the RCMP budget adding to the available operating reserve and has therefore utilized a transfer of \$300,000 from the RCMP Reserve to help offset the budget increase proposed for 2023.

OPERATING RESERVE CONTINUITY – RCMP	Dec 31, 2022 Ending Balance	2023 Projected Contributions	2023 Operating / DP / One-time	Dec 31, 2023 Estimated Ending Balance	2024 Projected Contributions	2024 Operating / DP / One-time	Dec 31, 2024 Estimated Ending Balance
RCMP	\$1,830,554	\$600,000	(499,419)	\$1,931,135	\$600,000	\$(524,384)	\$2,006,751

Fraser Valley Regional Library

The City has a contract with the Fraser Valley Regional Library to operate the Terry Fox Library. In September 2022, the Library Board voted on the FVRL 2023 budget. The budget represents a \$67,000 increase to the City's budget.

The increase is attributable to the following:

- 2.88% maximum Member Assessment increase*
- 0.07% for Administration Centre capital maintenance
- Increase to library material purchases by 1.5% to maintain the existing level of per capita materials purchasing power (0.26% Member Assessment increase)

* The 2.88% includes a 0.20% increase to support the phase-in of fine-free status on late material returns, approved by the Board during the 2022 Budget process (this is Year 2 of a four-year phase-in).



PROPERTY TAX COST DRIVER DETAILS

ADJUSTMENT TO FUND INFRASTRUCTURE REPLACEMENT

The City has contributed into the Long-Term Infrastructure Reserve each year since 2010. Every year, an additional 1% of the prior year's budgeted taxation and utility revenue is added to the annual contribution amount. While the City has not increased contributions to long term utility reserves since 2018, it has been proposed for the 2023 Operating Budget as the City has experienced a growth in its capital programs as well as several inflationary cost pressures.

At times, a portion of the reserve balance has been drawn from these reserves to fund the City's capital program (for example \$11.9M from the general long-term reserve was used to fund construction of the Port Coquitlam Community Centre, and an additional allocation from the reserve of \$4.4M has been budgeted annually from 2017-2024 to fund various infrastructure replacement projects). With the anticipated completion of the asset management plan, a long-term capital plan will be developed to plan for the future contributions and spending of these reserves.

IMPACT ON TAXATION REVENUE FROM NEW DEVELOPMENT

Taxation revenue from new development is primarily generated from new construction completed in the prior year but can also be attributable to renovations or property usage change. Historically, tax revenue generated from growth has been used to help offset tax increases for the rest of the community in addition to the costs and additional services related to new development. BC Assessment provides the City with figures which are used to estimate revenues. BC Assessment's current estimate for the City's growth in 2022 is \$1,080,000.



WATER LEVY COST DRIVER DETAILS

The water levy for 2023 is increasing by \$369,000 or 2.81%.

As taxation and utility levies fund any City expenses not covered by other revenue sources, any changes to expenses or other revenue sources typically correspond to a matching change in taxes or utility levies. The main cost driver categories from the previous section are shown once again in the table below and are further broken down in the subcategories based on the impact that changes in revenues and expenses have on the City's taxation and levy requirements.

The impact to the average residential property is also shown to better illustrate how changes to the operating budget affect the taxpayer.

WATER LEVY COST DRIVERS	Amount	Average Home (AH) \$ Impact	Average Home (AH) % Impact
Adjustments to maintain existing services	\$ 58,700	\$ 2.17	0.45%
Adjustments from external service delivery partners	649,100	23.95	4.95%
Adjustments to fund future infrastructure replacement	131,200	4.84	1.00%
Revenue from new development	(470,000)	(17.35)	-3.58%
TOTAL	\$369,000	\$13.61	2.81%

ADJUSTMENTS TO MAINTAIN CITY SERVICES

These reflect adjustments to the budget to maintain services at their 2022 levels and total \$58,700 which translates to a 0.45% increase to the water levy. For 2023, the adjustments relate to estimates for labour increases, inflationary adjustments and other departmental adjustments. Further explanation of these items is provided in the paragraphs that follow.

Item	Amount	AH \$ Impact	AH % Impact
Labour contracts / policies	\$39,400	\$1.46	0.30%
Inflationary adjustment / policies	7,400	0.27	0.06%
Other departmental adjustments	11,900	0.44	0.09%
TOTAL	\$58,700	\$2.17	0.45%

Labour Contracts/Policies

Labour costs are normally driven primarily by rates established through collective agreements or council policy.

Other factors such as changes to the employer share of benefit costs (Municipal Pension Plan, Workers Compensation Benefits, extended health, EI/ CPP, etc.) had a minor impact on the budget for 2023 and related predominantly to adjustments to benefit averages based on historical trend of usage.

The following table shows the dollar impact funded by the water levy for labour increases and benefit adjustments.

Item	Amount	AH \$ Impact	AH % Impact
Exempt	\$10,700	\$0.40	0.08%
CUPE	23,400	0.85	0.18%
Other	5,300	0.20	0.04%
TOTAL	\$39,400	\$1.45	0.30%

WATER LEVY COST DRIVER DETAILS

Inflationary Adjustments/Policies

Inflationary adjustments are driven by relevant forecasting sources. The following table shows the dollar impact funded by water levy for inflationary adjustments.

Category	Amount	Average Home (AH) \$ Impact	Average Home (AH) % Impact
Contracted Services (4.5%)	\$6,700	\$0.25	0.05%
Electricity	700	0.02	0.01%
TOTAL	\$7,400	\$0.27	0.06%

Other Departmental Adjustments

As part of the budgeting process, departments were asked to identify budget items that needed adjustment in order to maintain the same or equivalent level of service as 2022, in addition to any adjustments to align the budgets with prior year actuals or future year estimates.

Item	Amount	AH \$ Impact	AH % Impact
Equipment internal recoveries allocated to water	\$11,900	\$0.44	0.09%

Internal charges help distribute the increased cost of operations to their appropriate areas. The adjustment of \$11,900 is to align the budget for internal fleet/equipment charges to the historical trend as internal equipment usage has been higher than budgeted for the water utility compared to the prior year.

ADJUSTMENTS TO CONTRACT AMOUNTS FOR EXTERNAL SERVICE-DELIVERY PARTNERS

The City purchases water in bulk from Metro Vancouver and pays a monthly amount based on the cubic metres delivered to the City.

In October 2022, Metro Vancouver's board approved an estimated budget of \$8.5M to water billing (8.3% rate increase year over year) resulting in an overall increase of \$649,100 to Port Coquitlam's budget.

Item	Amount	AH \$ Impact	AH % Impact
Water Levy Increase	\$649,100	\$23.95	4.95%

WATER LEVY COST DRIVER DETAILS

ADJUSTMENT TO FUND INFRASTRUCTURE REPLACEMENT

The City has contributed into the Long-Term Infrastructure Reserve each year since 2010. Every year, an additional 1% of the prior year's budgeted taxation and utility revenue is added to the annual contribution amount. While the City has not increased contributions to long term utility reserves since 2018, it has been proposed for the 2023 Operating Budget as the City has experienced a growth in its capital programs as well as several inflationary cost pressures.

At times, a portion of the reserve balance has been drawn from these reserves to fund the City's capital program (for example \$11.9M from the general long-term reserve was used to fund construction of the Port Coquitlam Community Centre, and an additional allocation from the reserve of \$892,000 has been budgeted annually from 2017-2024 to fund various infrastructure replacement projects). With the anticipated completion of the asset management plan, a long-term capital plan will be developed to plan for the future contributions and spending of these reserves.

IMPACT ON WATER LEVY REVENUE FROM NEW DEVELOPMENT

Water levy revenue from new development is primarily generated from new construction completed in the prior year but can also be attributable to renovations or property usage change. Historically, water levy revenue generated from growth has been used to help offset water levy tax increases for the rest of the community in addition to the costs and additional services related to new development.

In 2022, the City experienced higher-than-anticipated growth in Metered Revenue from the additional usage of commercial users, and has therefore factored in an anticipated growth budget (\$470,000) based on actuals received year to date.



SEWER LEVY COST DRIVER DETAILS

The sewer levy for 2023 is increasing by \$188,400 or 1.97%.

As taxation and utility levies fund any City expenses not covered by other revenue sources, any changes to expenses or other revenue sources typically correspond to a matching change in taxes or utility levies. The main cost driver categories from the previous section are shown once again in the table below and are further broken down in the subcategories based on the impact that changes in revenues and expenses have on the City's taxation and levy requirements.

The impact to the average residential property is also shown to better illustrate how changes to the operating budget affect the taxpayer.

SEWER LEVY COST DRIVERS	Amount	Average Home (AH) \$ Impact	Average Home (AH) % Impact
Adjustments to maintain existing services	\$ 66,600	\$2.46	0.69%
Adjustments from external service delivery partners	296,200	10.93	3.10%
Adjustments to fund future infrastructure replacement	95,600	3.53	1.00%
Revenue from new development	(270,000)	(9.96)	-2.82%
TOTAL	\$188,400	\$6.95	1.97%

ADJUSTMENTS TO MAINTAIN CITY SERVICES

These reflect adjustments to the budget to maintain services at their 2022 levels and total \$66,600 which translates to a 0.69% increase to the sewer levy. For 2023, the adjustments relate to estimates for labour increases, inflationary adjustments and other departmental adjustments such as internal equipment charges. Further explanation of these items is provided in the paragraphs that follow.

Item	Amount	AH \$ Impact	AH % Impact
Labour contracts / policies	\$19,900	\$0.73	0.21%
Inflationary adjustment / policies	15,600	0.58	0.16%
Other departmental adjustments	31,100	1.15	0.32%
TOTAL	\$66,600	\$2.46	0.70%

Labour Contracts/Policies

Labour costs are normally driven primarily by rates established through collective agreements or council policy.

Other factors such as changes to the employer share of benefit costs (Municipal Pension Plan, Workers Compensation Benefits, extended health, EI/CPP, etc.) had a minor impact on the budget for 2023 and related predominantly to adjustments to benefit averages based on historical trend of usage.

The following table shows the dollar impact funded by taxation for labour increases and benefit adjustments.

Item	Amount	AH \$ Impact	AH % Impact
Exempt	\$ 7,900	\$0.29	0.09%
CUPE	7,800	0.29	0.08%
Other	4,200	0.15	0.04%
TOTAL	\$19,900	\$0.73	0.21%

SEWER LEVY COST DRIVER DETAILS

Inflationary Adjustment/Policies

Inflationary adjustments are driven by relevant forecasting sources. The following table shows the dollar impact funded by the sewer levy for inflationary adjustments.

Category	Basis	% Increase	Amount	AH \$ Impact	AH % Impact
Contracted Services	Stats Canada CPI	4.50%	\$14,400	\$0.53	0.15%
Electricity	Utility Board Submission	1.76%	1,200	0.05	0.01%
TOTAL			\$15,600	\$0.58	0.16%

Other Departmental Adjustments

As part of the budgeting process, departments were asked to identify budget items that needed adjustment in order to maintain the same or equivalent level of service as 2022, in addition to any adjustments to align the budgets with prior year actuals or future year estimates.

Item	Amount	AH \$ Impact	AH % Impact
Equipment internal recoveries allocated to sewer	\$11,100	\$0.41	0.12%
Adjustment for storm sewer video inspection	20,000	0.74	0.20%
TOTAL	\$31,100	\$1.15	0.32%

The adjustment of \$11,100 is to align the budget for internal equipment charges to the historical trend as internal equipment usage has been higher than budgeted for the sewer utility compared to the prior year.

ADJUSTMENTS TO CONTRACT AMOUNTS FOR EXTERNAL SERVICE-DELIVERY PARTNERS

The City is part of the Fraser Sewerage Area of the Greater Vancouver Sewage and Drainage District (Metro Vancouver) and pays an annual fee to Metro Vancouver for processing of liquid waste. Liquid waste charges are based on historical usage and adjusted for future estimated growth.

In October 2022 Metro Vancouver's board approved a 4.9% increase in the Sewer levy (from \$6,075,600 up to \$6,371,800) resulting in a \$296,200 increase to the budget.

Item	Amount	AH \$ Impact	AH % Impact
Sewer Levy Increase	\$296,200	\$10.93	3.10%

SEWER LEVY COST DRIVER DETAILS

ADJUSTMENT TO FUND INFRASTRUCTURE REPLACEMENT

The City has contributed into the Long-Term Infrastructure Reserve each year since 2010. Every year, an additional 1% of the prior year's budgeted taxation and utility revenue is added to the annual contribution amount. While the City has not increased contributions to long term utility reserves since 2018, it has been proposed for the 2023 Operating Budget as the City has experienced a growth in its capital programs as well as several inflationary cost pressures.

At times, a portion of the reserve balance has been drawn from these reserves to fund the City's capital program (for example \$11.9M from the general long-term reserve was used to fund construction of the Port Coquitlam Community Centre, an additional allocation from the reserve of \$669,000 has been budgeted annually from 2017-2024 to fund various infrastructure replacement projects). With the anticipated completion of the asset management plan, a long-term capital plan will be developed to plan for the future contributions and spending of these reserves.

IMPACT ON SEWER LEVY REVENUE FROM NEW DEVELOPMENT

Sewer levy revenue from new development is primarily generated from new construction completed in the prior year but can also be attributable to renovations or property usage change. Historically, sewer levy revenue generated from growth has been used to help offset sewer levy tax increases for the rest of the community in addition to the costs and additional services related to new development.

In 2022, the City experienced higher-than-anticipated growth in Metered Revenue from the additional usage of commercial users, and has therefore factored in an anticipated growth budget (\$270,000) based on actuals received year to date.



SOLID WASTE/ORGANICS LEVY COST DRIVER DETAILS

The solid waste levy for 2023 is increasing by \$130,700 or 3.69%.

As taxation and utility levies fund any City expenses not covered by other revenue sources, any changes to expenses or other revenue sources typically correspond to a matching change in taxes or utility levies. The main cost driver categories from the previous section are shown once again in the table below and are further broken down in the subcategories based on the impact that changes in revenues and expenses have on the City's taxation and levy requirements.

The impact to the average residential property is also shown to better illustrate how changes to the operating budget affect the taxpayer.

SOLID WASTE/ORGANICS LEVY COST DRIVERS	Amount	Average Home (AH) \$ Impact	Average Home (AH) % Impact
Adjustments to maintain existing services	\$ 94,300	\$6.36	2.66%
Adjustments from external service delivery partners	36,400	2.45	1.03%
TOTAL	\$130,700	\$8.81	3.69%

ADJUSTMENTS TO MAINTAIN CITY SERVICES

These reflect adjustments to the budget to maintain services at their 2022 levels and total \$94,300 which translates to a 2.66% increase to the solid waste levy. For 2023, the adjustments relate to estimates for labour increases, and other departmental adjustments. Further explanation of these items is provided in the paragraphs that follow.

Item	Amount	Average Home (AH) \$ Impact	Average Home (AH) % Impact
Labour contracts / policies	\$22,300	\$1.50	0.63%
Internal equipment charges	72,000	4.86	2.03%
TOTAL	\$94,300	\$6.36	2.66%

Labour Contracts/Policies

Labour costs are normally driven primarily by rates established through collective agreements or council policy.

Other factors such as changes to the employer share of benefit costs (Municipal Pension Plan, Workers Compensation Benefits, extended health, EI/CPP, etc.) had a minor impact on the budget for 2023 and related predominantly to adjustments to benefit averages based on historical trend of usage.

The following table shows the dollar impact funded by the levy for labour increases and benefit adjustments.

Group	2023 AMOUNT
CUPE staff	\$22,300

SOLID WASTE/ORGANICS LEVY COST DRIVER DETAILS

Internal Equipment & Common Solid Waste Charges

Internal equipment charges relate to adjustments in the solid waste fund operations to align with actual use of equipment. Increased use of vehicles and equipment has resulted in an increase of \$57,900 being allocated to the solid waste utility. Common solid waste charges relate to costs that are shared between the Solid Waste Utility and Recycling services. Increased common costs has resulted in an increase of \$14,100 being allocated to the solid waste utility. These allocations are offset by a reduction to general fund operating expenses (and therefore property tax).

Item	2023 AMOUNT
Internal allocations	\$72,000

ADJUSTMENTS TO CONTRACT AMOUNTS FOR EXTERNAL SERVICE-DELIVERY PARTNERS

The two main contracts are tipping charges for disposal of solid waste (Metro Vancouver), and processing charges for disposal of organics. There is no expected cost increase for disposal of organics.

Item	Amount	AH \$ Impact	AH % Impact
Solid waste tipping fee increase (Metro Vancouver)	\$36,400	\$2.45	1.03%



FUND STRUCTURE & FINANCIAL POSITION

FUND STRUCTURE

The City's Financial Plan and Financial Statements are consolidated and include the accounts of all funds in the City. Inter-fund transactions and balances are eliminated from the financial statements but are included as internal recoveries between departments for budgeting purposes.

A fund is a fiscal entity of balanced accounts used by governments to control common financial activities.

General Fund

The General Fund is the primary operating fund used to manage a majority of the City's financial resources and obligations. Some of the services that are provided from this fund include policing; fire services; recreation programs and facilities; and solid waste.

Water Fund

The Water Utility is a user pay utility that supplies water services to the properties in the City and is funded from user fees.

Sewer Fund

This is also a user pay utility that provides sanitary sewer services to properties and is funded from user fees.

FINANCIAL POSITION (RESERVES AND SURPLUS)

The City has Reserve Funds (Statutory Reserves) that are authorized by the *Community Charter* and/or City bylaw. The purpose of setting aside reserves is to provide funding for various anticipated future expenditures to ensure sufficient funds are available when required and where possible to avoid the need to incur debt.

Statutory Reserves may only be used as authorized by the *Community Charter* and the related Council Bylaw. City reserves are further detailed on the next page.

Surplus funds are the result of past budget surpluses (i.e. where actual revenues have been in excess of actual expenditures) and may be used for any municipal capital or operating purpose as authorized by Council. Currently, the City uses its surplus to finance operations prior to tax and utility collections and, based on availability, to fund one-time operating and capital items.



FINANCIAL SUMMARY

The following table provides a summary of the City's 2023 approved operating budget. Additional details on revenues and expenses are provided in the Revenues, Expenses, and Department Business Plans sections of this document.

Revenues

Item	2022 Budget	2023 Budget	\$ Change	% Change	2022 Actuals
Taxation and other levies	\$ 76,685,400	\$ 80,734,100	\$ 4,048,700	5.28%	\$ 76,784,425
Utility charges	26,042,800	27,470,900	1,428,100	5.48%	27,662,381
Sale of services	8,141,200	8,214,100	72,900	0.90%	6,928,055
Permits and licences	3,030,500	3,060,900	30,400	1.00%	2,819,453
Investment income	2,578,300	2,878,300	300,000	11.64%	5,302,346
Contributions	2,096,100	2,204,200	108,100	5.16%	2,520,947
Penalties and fines	494,000	544,000	50,000	10.12%	898,871
Other revenue	545,700	450,600	(95,100)	-17.43%	593,001
TOTAL REVENUES	\$119,614,000	\$125,557,100	\$5,943,100	4.97%	\$123,509,479

Expenses

Item	2022 Budget	2023 Budget	\$ Change	% Change	2022 Actuals
Payroll expense	\$45,460,500	\$ 48,961,800	\$3,501,300	7.70%	\$45,983,741
Contracted and other services	44,172,500	46,116,900	1,944,400	4.40%	42,426,560
Materials and supplies	3,669,200	3,956,600	287,400	7.83%	4,578,736
Interest and bank charges	1,956,400	1,956,400	-	0.00%	2,039,502
Telephone, utilities, and rent	1,935,700	2,016,200	80,500	4.16%	1,980,941
Insurance and claims	998,900	1,051,700	52,800	5.29%	914,907
Other personnel costs	884,800	866,800	(18,000)	-2.03%	706,118
Grants and financial assistance	263,200	259,000	(4,200)	0.00%	495,006
TOTAL EXPENSES	\$99,341,200	\$105,185,400	\$5,516,500	5.88%	\$99,125,511

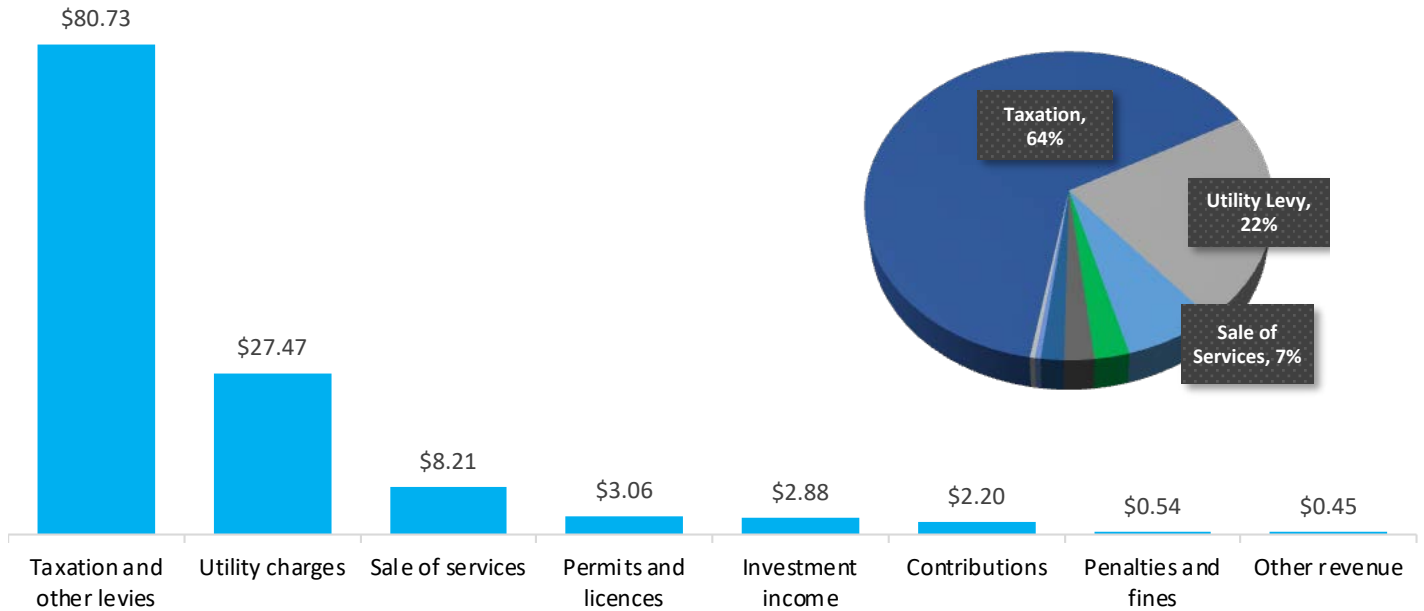


2023-2027 FINANCIAL PLAN REVENUES



REVENUES OVERVIEW

2023 Operating Budget - Revenues (In Millions)



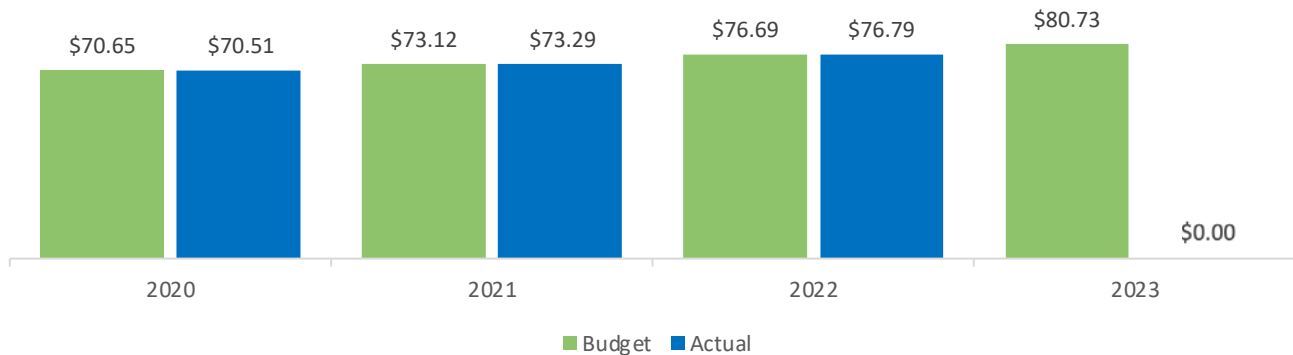
The following section of the budget document provides details on the City's operating revenue budget broken down by revenue category (excluding reserve transfers). As can be seen from the graph above, taxation & other levies account for 64% of the City's total budget operating revenues, while utility charges account for a further 22%.

REVENUES	2022 Budget	2023 Budget	Changes for 2023	% Change	2022 Actuals
Taxation and other levies	\$ 76,685,400	\$ 80,734,100	\$ 4,048,700	5.28%	\$ 76,784,425
Utility charges	26,042,800	27,470,900	1,428,100	5.48%	27,662,381
Sale of services	8,141,200	8,214,100	72,900	0.90%	6,928,055
Permits and licences	3,030,500	3,060,900	30,400	1.00%	2,819,453
Investment income	2,578,300	2,878,300	300,000	11.64%	5,201,382
Contributions	2,096,100	2,204,200	108,100	5.16%	2,520,947
Penalties and fines	494,000	544,000	50,000	10.12%	898,871
Other revenue	545,700	450,600	(95,100)	-17.43%	593,001
TOTAL REVENUES	\$119,614,000	\$125,557,100	\$5,943,100	4.97%	\$123,408,515

TAXATION AND OTHER LEVIES

Taxation and other levies represent revenues derived from properties. Apart from property taxation and payments in lieu of taxes both of which are considered general revenue, the remaining items are levied to fund specific items. Further details on each revenue line is available in the pages that follow.

Taxation & Other Levies Revenues (in Millions)



REVENUES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Property Taxation	\$74,866,400	\$78,740,200	\$3,873,800	5.17%	\$74,890,132
Payments in Lieu of Taxes	1,649,700	1,824,600	174,900	10.60%	1,724,017
Business Improvement Levy	167,500	167,500	-	0.00%	167,480
Local Improvement Levies	1,800	1,800	-	0.00%	1,796
TOTAL	\$76,685,400	\$80,734,100	\$4,048,700	5.28%	\$76,785,425

PROPERTY TAXATION

Property taxes are the City's principal source of revenue, financing most of the services provided by the City. Every property owner in the province must pay property taxes based on the assessed value of their property, unless the property is specifically exempted by provincial statute or has been granted a Council approved permissive exemption.

Statutory exemptions are listed in the *Community Charter*. These properties include, but are not limited to:

- Schools and universities
- Places of public worship
- Hospitals

Under the *Community Charter*, the City may grant permissive tax exemptions which exempt certain properties from taxation for a specified period.

TAXATION AND OTHER LEVIES

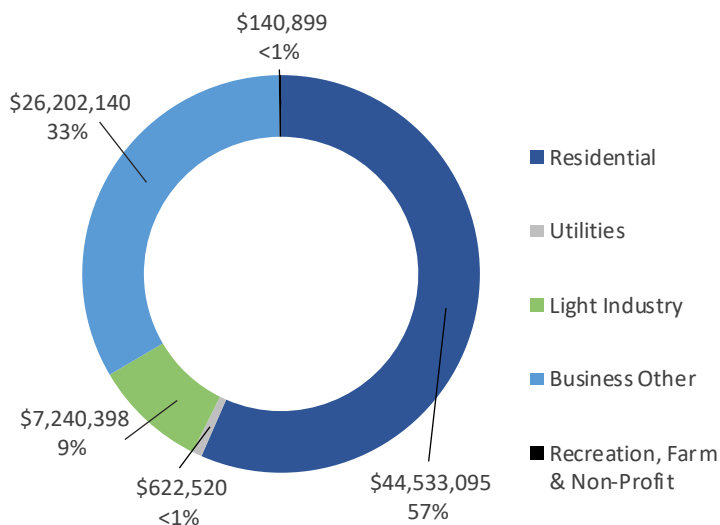
The valuation of property within the City is determined by BC Assessment Authority, a provincial Crown Corporation that classifies and assesses the value of all real property in British Columbia.

There are eight property classes:

- Residential
- Utilities
- Major Industrial
- Light Industrial
- Business Other
- Managed Forest Land
- Recreation Property, Non-profit Organizations
- Farm Land

Budgeted taxation revenue for 2023 has increased by \$3,873,800 or 5.17%. As taxation funds most of the City's expenses, any changes to those expenses typically correspond to a matching change in taxes. The increase in property taxation for 2023 can be broken down into the following drivers.

2023 Estimated Property Tax Revenue By Class



PAYMENTS IN LIEU OF TAXES

The City receives payments in lieu of property taxes from:

- Properties owned by the Federal or Provincial Governments or their agencies
- Private utilities operating within Port Coquitlam at the rate of 1% of the utility's prior year earned revenue within the City.

BUSINESS IMPROVEMENT LEVY (2021-2025)

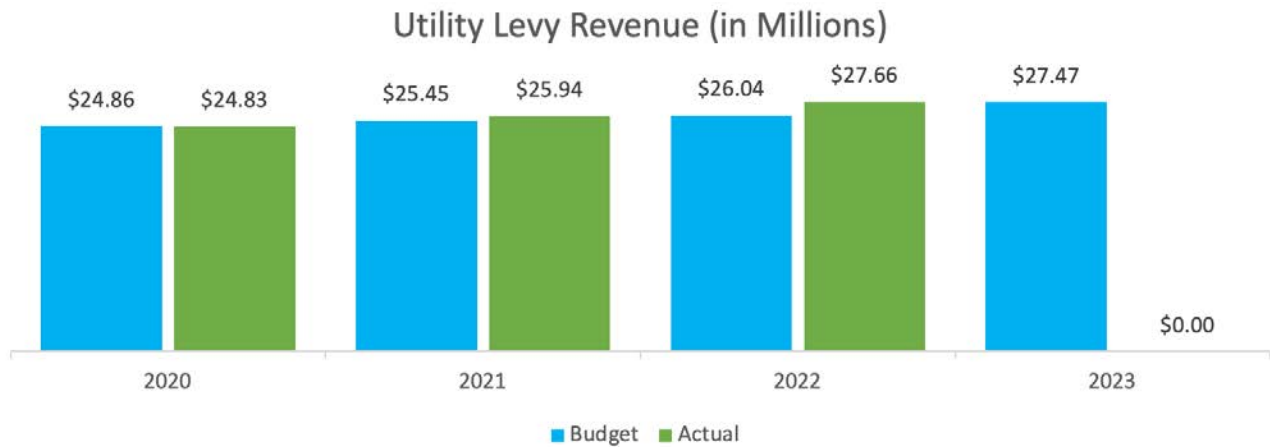
From 2021 to 2024 the City will provide \$186,089 in annual funding to the Business Improvement Association. Of this amount, \$167,480 is recovered from commercial property owners within the Downtown Business Improvement Area through the business improvement levy. The remaining \$18,609 is the City's contribution to the Business Improvement Association, funded from property taxes. In 2025 the amount recovered from commercial property owners within the Downtown Business Improvement Area will increase to \$189,811 and the City's contribution will increase to \$18,981.

LOCAL IMPROVEMENT LEVIES

Local improvement levies are a property value tax levied over a "sub-area" of a municipality (e.g. a neighbourhood within a municipality). The levies fund local improvement projects (for example, lane renewal, sidewalk reconstruction, streetscape improvements and paving of gravel lanes) that can be initiated either by the City or property owners. The full cost is amortized over a local serviceable lifetime, which varies based on the type of local improvement (usually between 5-20 years), with the payments added to property taxes. Current local improvements include two road and drainage improvements, a lane improvement, and a levy for boulevard maintenance that will be charged in perpetuity.

UTILITY CHARGES

Utility charges represent flat and variable user rates charged for the provision of water, sewer and solid waste services. The recycling portion of solid waste services is funded through a combination of taxation revenue and revenues from Recycle BC and has not been included in the amounts reported below. Revenues from Recycle BC are listed under sale of services.



REVENUES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Water Levy	\$13,247,900	\$14,086,900	\$839,000	6.33%	\$14,122,273
Sewer Levy	9,585,400	9,923,800	338,400	3.53%	10,194,817
Solid Waste / Organics Levy	3,209,500	3,460,200	250,700	7.81%	3,345,291
TOTAL	\$26,042,800	\$27,470,900	\$1,428,100	5.48%	\$27,662,381

Levy increases are primarily driven by Metro Vancouver rate increases.

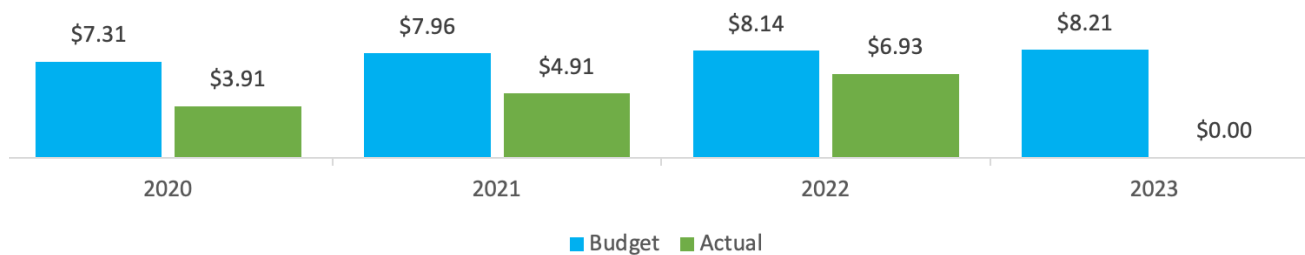
SALE OF SERVICES

Sale of services represents user fees charged for various municipal services. In accordance with the Community Charter, where the service is nondiscretionary, the fees charged must be reflective of the cost of providing the service with no expectation of generating a surplus.

Additionally, the City's Financial Management Policy states that user fees will be set to recover the full cost of services except where Council determines that a subsidy is in the interest of the public. When determining whether a subsidy is in the public interest Council considers the following factors:

- Who benefits from the service
- Whether the level of demand for a service will support full cost recovery
- What prices others are charging for a similar service
- Whether the customer can pay for the service
- Whether it is practical for the City to collect fees for the service

Sales Of Service Revenue (in Millions)



REVENUES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Recreation	\$5,333,900	\$5,373,300	\$ 39,400	0.74%	\$4,118,495
Engineering & Public Works	2,001,100	2,013,700	12,600	0.63%	1,932,376
General Government - Common Services	453,200	474,100	20,900	4.61%	397,107
Finance	176,500	176,500	-	0.00%	210,461
Development Services	124,000	124,000	-	0.00%	204,224
Fire & Emergency Services	24,500	24,500	-	0.00%	36,691
RCMP	20,400	20,400	-	0.00%	21,513
Community Safety & Corporate Services	7,600	7,600	-	0.00%	7,188
TOTAL	\$8,141,200	\$8,214,100	\$185,700	0.90%	\$6,928,055

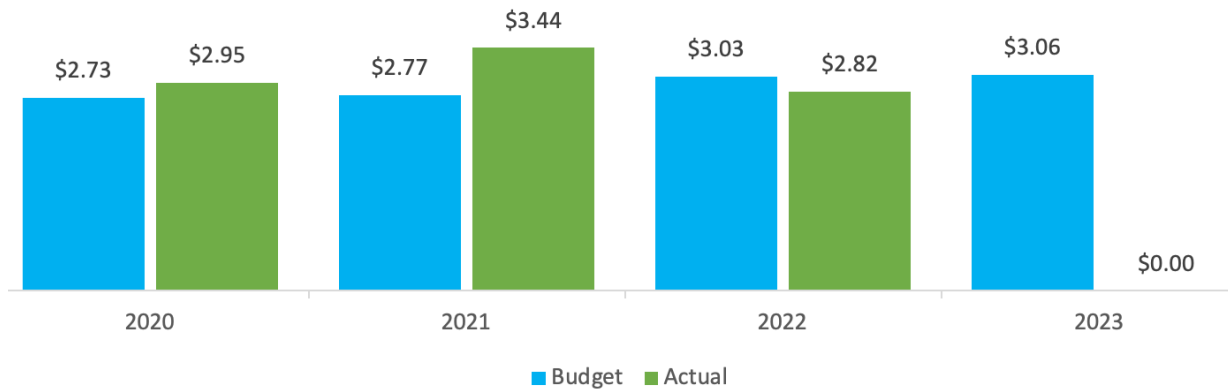
The changes are mainly attributed to additional revenues for operation of the Port Coquitlam Community Centre (PCCC) concession (offset by additional concession expenses in Materials & Supplies) and increased transit shelter revenue.

PERMITS & LICENCES

Development activities include revenue for building and development permits and can fluctuate year to year depending on the level of development that occurs in the City. The Department carries forward revenue received in the latter part of the year as it relates to work that will be done in the following year.

Business/dog licensing are amounts collected annually; this revenue remains relatively stable year over year. Other revenue encompasses all other types of permits and licenses (fireworks, cemetery, tree cutting, etc.).

Permits & Licences Revenue (in Millions)



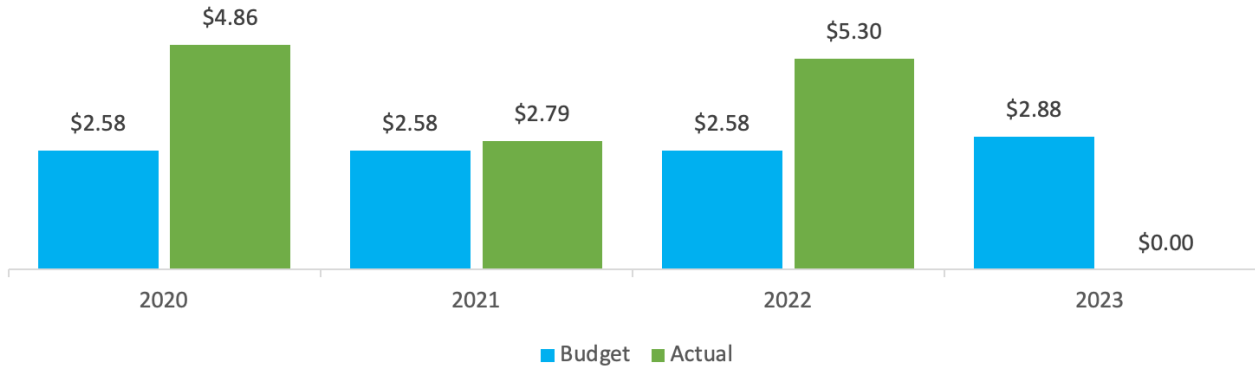
REVENUES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Development activities	\$1,775,000	\$1,775,000	\$ -	0.00%	\$1,464,093
Business licensing	935,000	935,000	-	0.00%	1,041,867
Dog licensing	206,000	206,000	-	0.00%	193,839
Other	114,500	144,900	30,400	26.55%	119,654
TOTAL	\$3,030,500	\$3,060,900	\$30,400	1.00%	\$2,819,453

The increase in other permit and license revenue is related to a one-time project funded via permit revenue.

INVESTMENT INCOME

Interest income is earned primarily from interest on investments (95%) with the remainder (5%) comprised of interest charged on late payments. For investments, the City pools its available cash from various funds and invests in financial instruments in accordance with the City's Financial Management Policy.

Investment Income (in Millions)

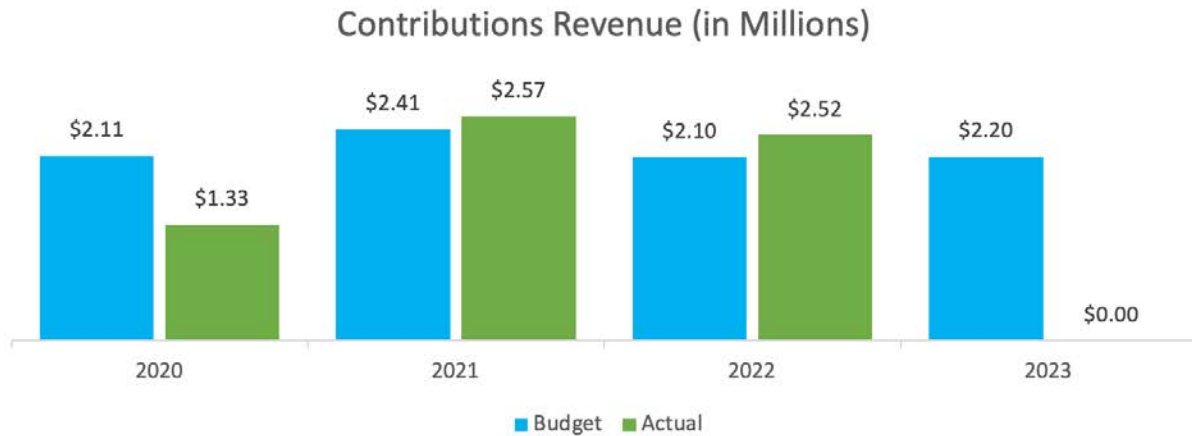


REVENUES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Return on investment	\$2,513,300	\$2,813,300	\$300,000	11.94%	\$5,212,448
Interest on late payments	65,000	65,000	-	0.00%	89,898
TOTAL	\$2,578,300	\$2,878,300	\$300,000	11.64%	\$5,302,346

Investment income is expected to increase as a result of increased interest rates.

CONTRIBUTIONS

Contribution revenue includes grants and cost sharing agreements with third parties as well as donations. Funding for grants is only included in the budget to the extent that the funding has been confirmed.



REVENUES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
TransLink Operations, Maintenance and Rehabilitation Funding	\$1,028,200	\$1,160,000	\$131,800	12.82%	\$1,169,000
Traffic Fine Revenue Sharing	640,000	640,000	-	0.00%	540,001
Federal Gas Tax	241,000	241,200	200	0.00%	241,234
Other Grants	182,400	158,500	(23,900)	-13.10%	541,862
Donations	4,500	4,500	-	0.00%	28,850
TOTAL	\$2,096,100	\$2,204,200	\$108,100	5.16%	\$2,520,947

The change is mainly attributable to an increase in Major Road Network (MRN) funding to be received from TransLink. Of the \$1,160,000 budgeted, \$610,000 is budgeted to offset the City's annual operating costs with a remaining \$550,000 being transferred to the MRN reserve for future use. In years where operating costs exceed the annual contribution the City can draw from the reserve to fund these excess costs.

The decrease in other grant revenue is related to a net decrease in one-time projects funded via grants.

PENALTIES & FINES

Penalties represent amounts charged for late payment of tax and utility bills. Fines for infractions represent amounts charged through bylaw enforcement notices, tickets and other enforcement methods.

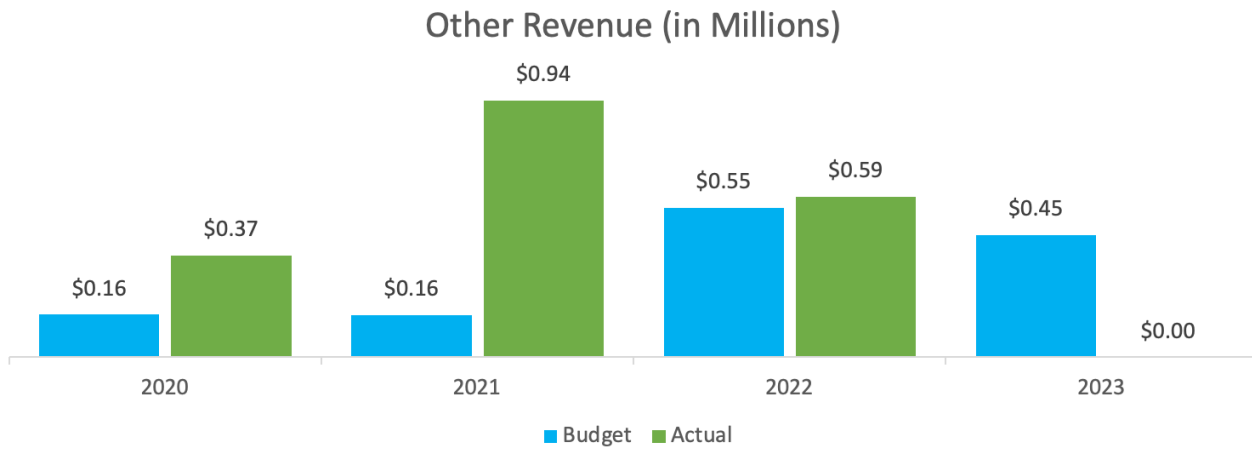


REVENUES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Tax penalties for late payments	\$320,000	\$320,000	\$ -	0.00%	\$478,966
Utility penalties for late payments	143,000	143,000	\$ -	0.00%	197,888
Fines for infractions	31,000	81,000	50,000	161.29%	222,017
TOTAL	\$494,000	\$544,000	\$50,000	10.12%	\$898,871

The budget increase in fines for infractions is based on an increase in actual fines.

OTHER REVENUE

Other revenue represents miscellaneous revenues that do not meet the definitions of any other revenue category. These include cost recoveries charged back to third parties and amounts collected for specific reserves (ex: payments received from developers in lieu of parkland or in lieu of parking). While cost recovery revenue helps to offset operating costs and reduce property taxation requirements, revenues collected for specific reserves do not have an impact on taxation.



REVENUE	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Other Revenue	\$545,700	\$450,600	\$(95,100)	-17.43%	\$593,001

The reduction is mainly related to a one-time project that was funded via a cost recovery.

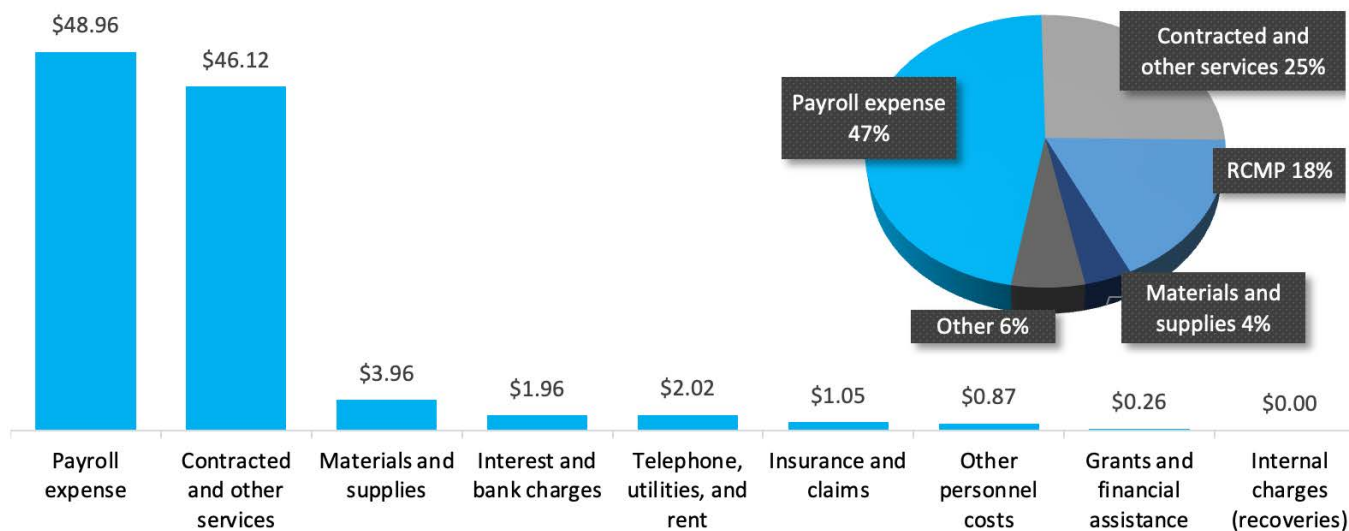


2023-2027 FINANCIAL PLAN EXPENSES



EXPENSES OVERVIEW

2023 Operating Budget - Expenses (In Millions)



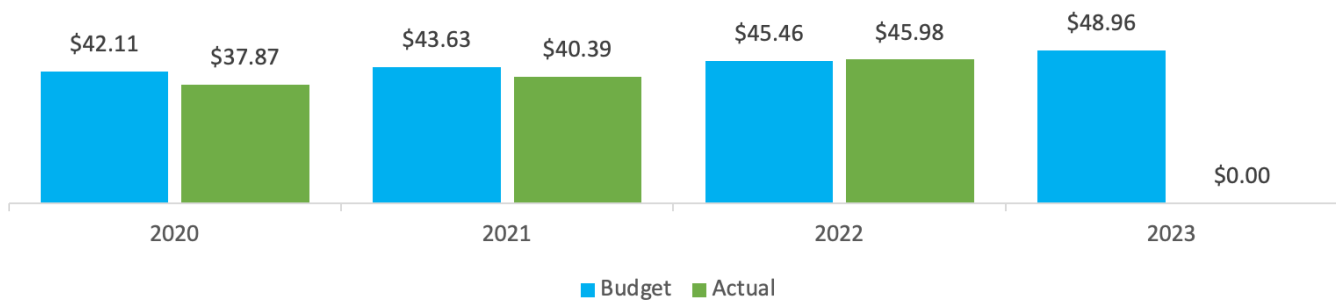
The following section of the budget document provides details on the City's operating expense budget broken down by expense category (excluding reserve transfers). As can be seen from the graph above, payroll accounts for 47% of the City's total budgeted operating expenses, contracted services accounts for a further 43%. The expense line for contracted services is mainly composed of payments for: RCMP services, Metro Vancouver bulk water fees, Metro Vancouver sewage disposal fees, FVRL Library Services, Metro Vancouver garbage tipping fees, and organics tipping fees.

EXPENSES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Payroll expense	\$45,460,500	\$48,961,800	\$3,501,300	7.70%	\$45,983,741
Contracted and other services	44,172,500	46,116,900	1,944,400	4.40%	42,426,560
Materials and supplies	3,669,200	3,956,600	287,400	7.83%	4,578,736
Interest and bank charges	1,956,400	1,956,400	-	0.00%	2,039,502
Telephone, utilities, and rent	1,935,700	2,016,200	80,500	4.16%	1,980,941
Insurance and claims	998,900	1,051,700	52,800	5.29%	914,907
Other personnel costs	884,800	866,800	(18,000)	-2.03%	706,118
Grants and financial assistance	263,200	259,000	(4,200)	0.00%	495,006
TOTAL	\$99,341,200	\$105,185,400	\$5,516,500	5.88%	\$99,125,511

PAYROLL

Payroll expenses include salaries, wages and the employer portion of benefits (Canada Pension Plan, Employment Insurance, Employer Health Tax, Municipal Pension Plan, Workers Compensation, Extended Health and Dental, Life Insurance, etc.).

Payroll Expenses (in Millions)



EXPENSES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
General Government - Common Services	\$115,600	\$1,338,000	\$1,222,400	1,057.44%	\$11,144
Community Safety & Corporate Services	4,686,600	5,024,500	337,900	7.21%	4,580,068
Finance	2,506,000	2,716,000	210,000	8.38%	2,427,151
Office of the CAO	302,700	339,700	37,000	12.22%	377,767
Development Services	3,480,100	3,576,800	96,700	2.78%	3,256,414
Fire & Emergency Services	12,810,400	13,223,800	413,400	3.23%	13,126,642
Recreation	10,646,600	11,038,300	391,700	3.68%	10,608,824
Engineering & Public Works	10,912,500	11,704,700	792,200	7.26%	11,595,731
TOTAL PAYROLL EXPENSE	\$45,460,500	\$48,961,800	\$3,501,300	7.70%	\$45,983,741

Changes for 2023 relate to estimated contractual increases for CUPE, IAFF and adjustments to benefits to reflect changes in rates for WCB, EI, CPP. Additional increases relate to an inflationary adjustment to exempt rates, and a budget adjustment for increased average step amongst IAFF members.

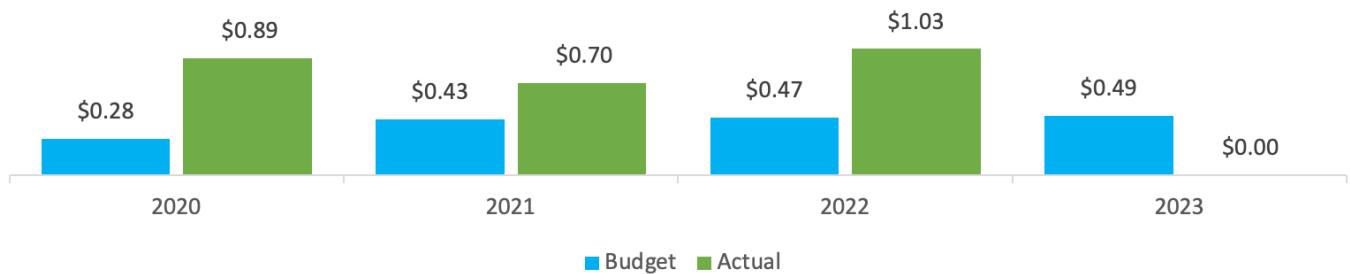
PAYROLL

Overtime Stats

The following chart and table provide budget and actuals for overtime costs by Department. In cases where overtime actuals are higher than budget, it is mainly due to reactionary work associated with after-hours issues and callouts (snow clearing, facility issues, etc.). Standby pay is not included in the amounts reported.

Increases in budgets for 2023 reflect adjustments to align overtime budgets to actual historical costs.

Overtime (Budget & Actuals) (in Millions)

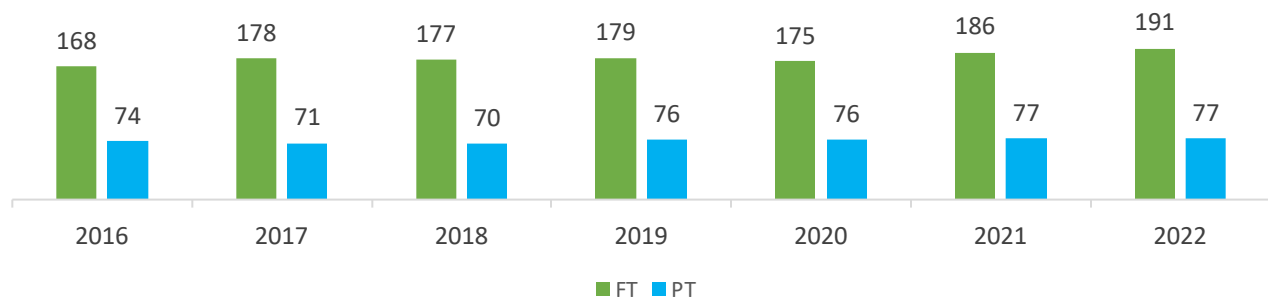


Department	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Community Safety & Corporate Services	\$ 29,100	\$ 33,200	\$ 4,100	14.09%	\$ 49,528
Development Services	5,900	5,900	-	0.00%	3,843
Engineering & Public Works	303,900	305,700	1,800	0.59%	574,250
Finance	15,000	15,000	-	0.00%	13,039
Fire & Emergency Services	96,900	96,900	-	0.00%	183,404
General Government – Common Services	-	10,400	10,400	N/A	-
Office of the CAO	-	-	-	0.00%	-
Recreation	24,000	25,000	1,000	4.17%	210,727
TOTAL OVERTIME	\$474,800	\$492,100	\$17,300	3.64%	\$1,034,791

Employee Count and Casual Hours

The following charts show historical employee counts for full-time, part-time, and casual hours.

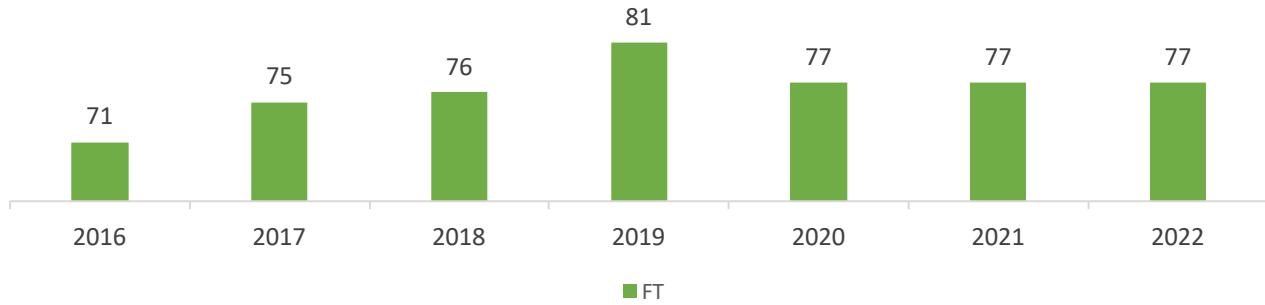
2016 - 2022 CUPE Full-Time and Part-Time Employee Count



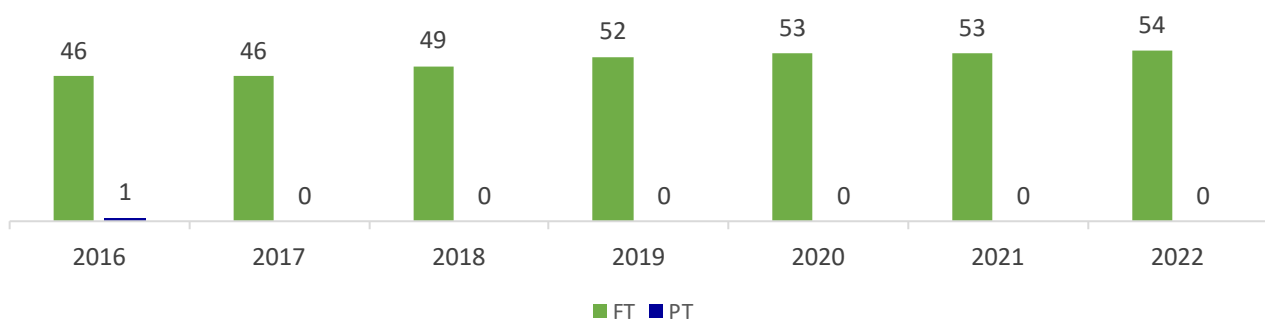
PAYROLL

Employee Count and Casual Hours

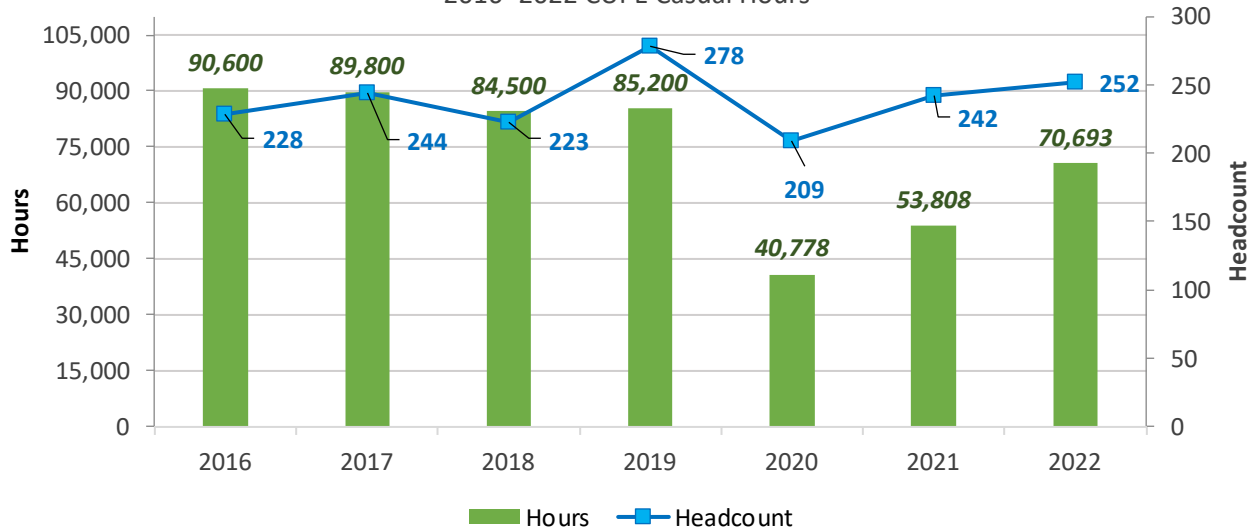
2016 - 2022 IAFF Full-Time Employee Count



2016 - 2022 Exempt Full-Time and Part-Time Employee Count



2016 -2022 CUPE Casual Hours

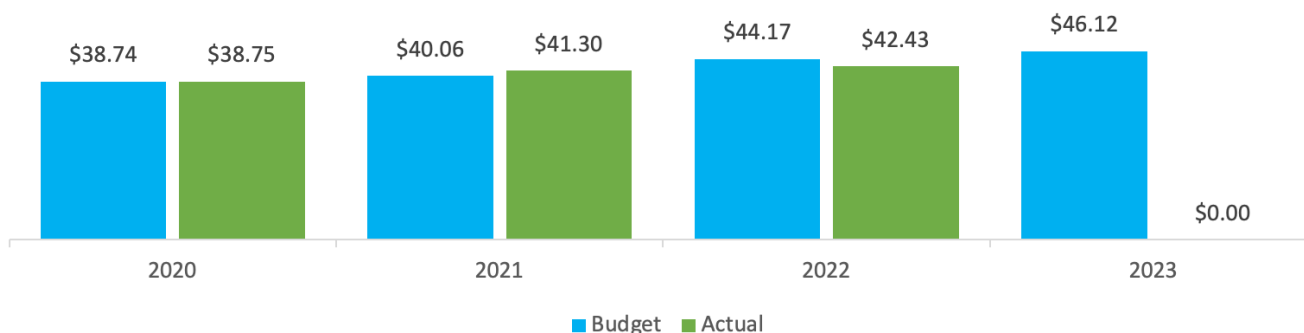


The City saw a decrease in 2020 in both casual hours and headcount in line with expectations due to the pandemic COVID-19. Casual hours have gradually increased in 2021 and 2022 as operations gradually transition back to normal levels.

CONTRACTED & OTHER SERVICES

Contracted and other services relate to costs for work performed by a third party. Items within contracted and other services include: RCMP services (\$17.3 million), Metro Vancouver bulk water (\$7.9 million), Metro Vancouver sewage disposal fees (\$5.8 million), Fraser Valley Regional Library services (\$2.2 million), Convertus organics processing fees (\$1.3 million), Metro Vancouver garbage tipping fees (\$0.9 million), legal and audit fees, consulting costs, delivery fees, and advertising fees.

Contract & Other Service Expenses (in Millions)



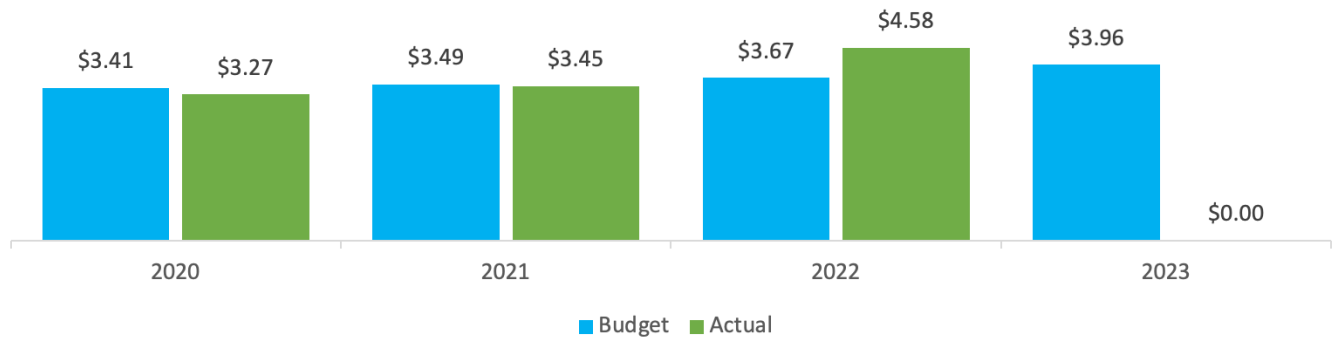
Changes for 2023 mainly relate to increases in Metro Vancouver fees for bulk water, sewage disposal and garbage disposal, increases in RCMP costs, increases in FVRL contract costs, increased software costs and increased consultant costs for downtown projects. Reduced budgets at a department level are related to one-time projects from previous years now completed.

EXPENSES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
General Government - Common Services	\$ 196,800	\$ 280,300	\$ 83,500	42.43%	\$ 98,296
Community Safety & Corporate Services	1,571,600	1,521,300	(50,300)	-3.20%	1,584,587
Finance	194,600	166,200	(28,400)	-14.59%	110,646
Office of the CAO	10,800	10,800	--	0.00%	575
Development Services	1,289,000	1,197,200	(91,800)	-7.12%	321,130
Fire & Emergency Services	608,500	505,700	(102,800)	-16.89%	497,848
RCMP	17,340,000	18,105,000	765,000	4.41%	16,784,136
Recreation	4,094,900	4,563,100	468,200	11.43%	3,867,082
Engineering & Public Works	18,866,300	19,767,300	901,000	4.78%	19,162,260
TOTAL CONTRACTED AND OTHER SERVICES	\$1,956,400	\$1,956,400	\$ -	0.00%	\$2,039,502

MATERIALS & SUPPLIES

Materials and supplies include fuel, construction materials, office supplies and stock from the City's warehouse.

Material & Supplies Expenses (in Millions)



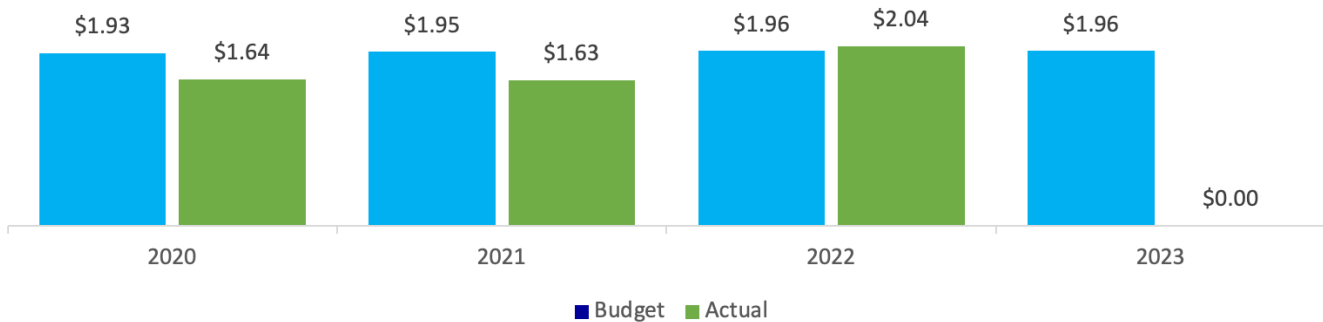
EXPENSES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
General Government - Common Services	\$ 132,900	\$ 132,900	\$ -	0.00%	\$ 106,454
Community Safety & Corporate Services	102,300	99,500	(2,800)	-2.74%	117,935
Finance	17,500	17,500	-	0.00%	9,631
Office of the CAO	300	300	-	0.00%	409
Development Services	13,300	13,300	-	0.00%	15,615
Fire & Emergency Services	170,100	170,100	-	0.00%	226,760
Recreation	882,500	923,200	40,700	4.61%	988,967
Engineering & Public Works	2,350,300	2,599,800	249,500	10.62%	3,112,965
TOTAL MATERIALS AND SUPPLIES	\$3,669,200	\$3,956,600	\$287,400	7.83%	\$4,578,736

Increases are due to additional expenses for the operation of PCCC Concession (offset by additional revenues in Sales of Services), adjustments to maintain service levels in the fleet shop, sport field maintenance and annual beds, and for general inflation for gasoline and diesel fuel.

INTEREST & BANK CHARGES

Interest and bank charges relate to bank service fees and interest on long term debt for construction of the Coast Meridian Overpass and Port Coquitlam Community Centre.

Interest & Bank Charges Expenses (in Millions)



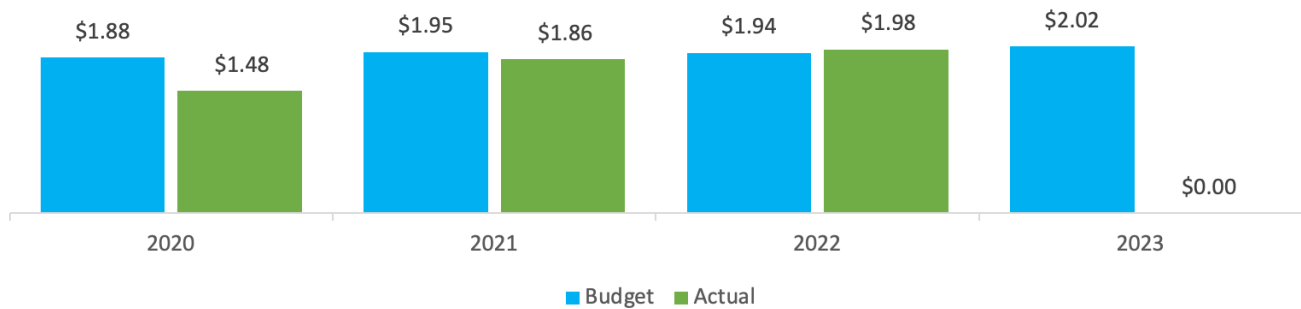
EXPENSES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
General Government - Common Services	\$1,757,300	\$1,757,300	\$-	0.00%	\$1,781,933
Community Safety & Corporate Services	6,500	6,500	-	0.00%	22,565
Finance	-	-	-	0.00%	4,979
Development Services	-	-	-	0.00%	646
Recreation	15,500	15,500	-	0.00%	17,562
Engineering & Public Works	172,800	172,800	-	0.00%	206,112
TOTAL INTEREST AND BANK CHARGES	\$1,956,400	\$1,956,400	\$-	0.00%	\$2,039,502

There was no change to the interest and bank charges expenses in 2023.

TELEPHONE, UTILITIES & RENT

Telephone, utilities and rent includes costs for telephones, internet, electricity, natural gas, and property leases.

Telephone, Utilities & Rent Expenses (in Millions)



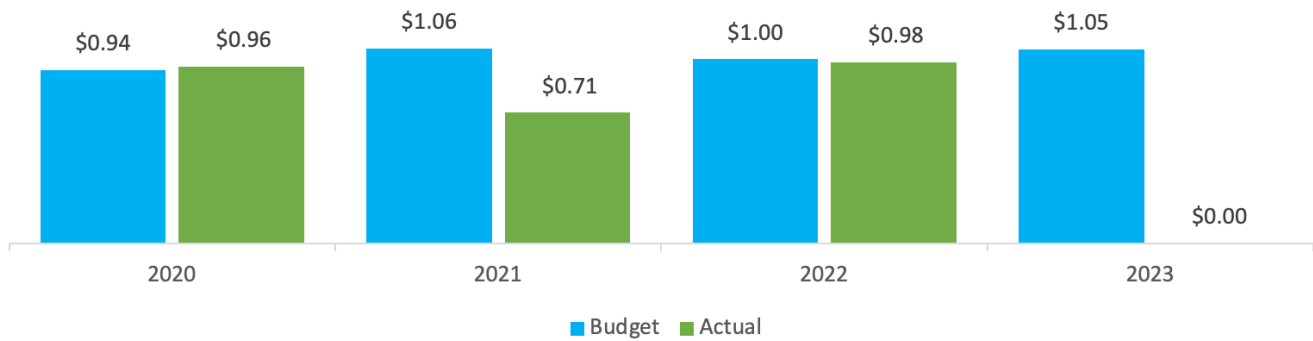
EXPENSES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
General Government - Common Services	\$ 64,800	\$ 64,800	\$ -	0.00%	\$ 33,084
Community Safety & Corporate Services	53,300	55,200	1,900	3.56%	96,837
Development Services	200	200	-	0.00%	1,613
Fire & Emergency Services	62,800	64,000	1,200	1.91%	67,877
Recreation	1,113,300	1,186,400	73,100	6.57%	1,190,044
Engineering & Public Works	641,300	645,600	4,300	0.67%	591,486
TOTAL TELEPHONE, UTILITIES AND RENT	\$1,935,700	\$2,016,200	\$80,500	4.16%	\$1,980,941

Changes for 2023 are due to inflationary increases to natural gas and electricity utilities impacting City facilities.

INSURANCE & CLAIMS

Insurance relates to the amounts paid by the City for property, vehicle, liability and other insurance. Claims relates to amounts paid by the City to settle claims that fall below the deductible limits as specified by the various insurance policies held by the City.

Insurance & Claims Expenses (in Millions)



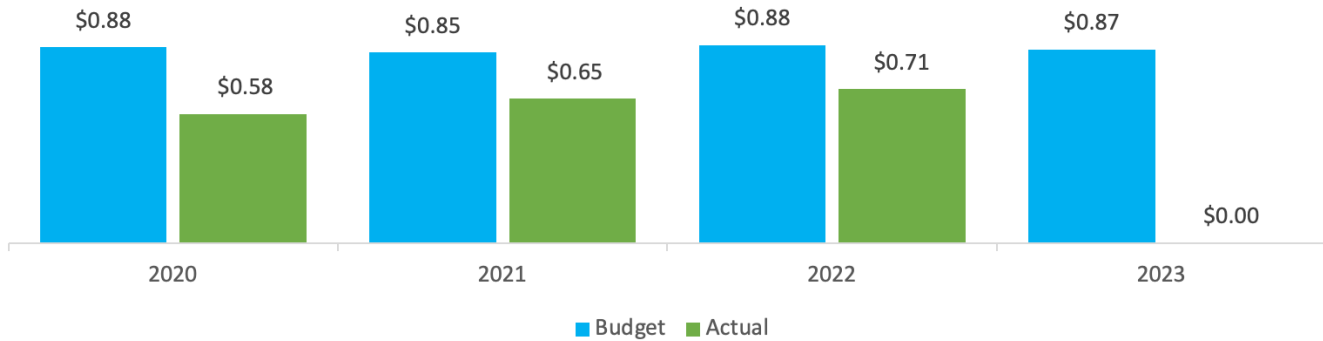
EXPENSES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
General Government - Common Services	\$785,100	\$ 827,300	\$42,200	5.38%	\$785,225
Recreation	200	200	-	0.00%	823
Engineering & Public Works	213,600	224,200	10,600	4.96%	128,859
TOTAL INSURANCE AND CLAIMS	\$998,900	\$1,051,700	\$52,800	5.29%	\$914,907

The increase for 2023 relates to liability and property insurance increases as forecasted by the City’s insurance provider, MIABC, as well as forecasted fleet insurance increases from ICBC.

OTHER PERSONNEL COSTS

Other personnel costs include employee costs for courses and conferences, membership dues, mileage and other travel reimbursements, uniforms, phone allowances, and other miscellaneous employee costs.

Other Personnel Expenses (in Millions)



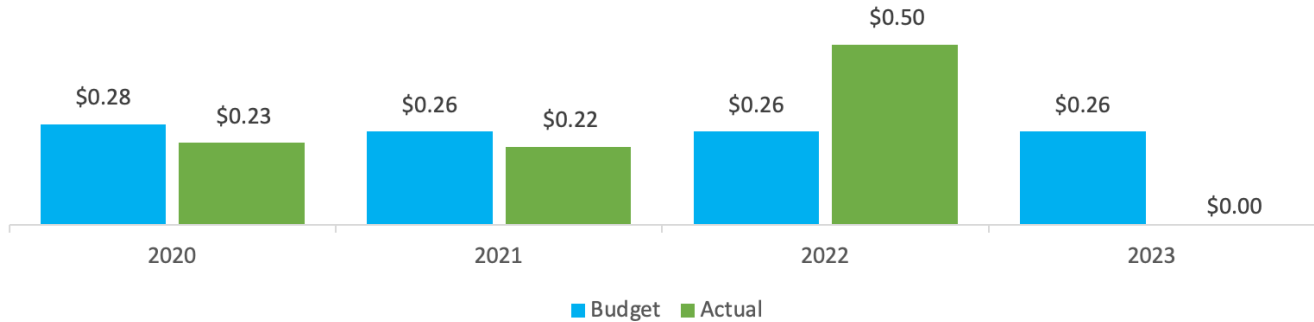
EXPENSES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
General Government - Common Services	\$ -	\$ -	\$ -	0.00%	\$ -
Community Safety & Corporate Services	358,100	337,600	(20,500)	-5.72%	264,840
Finance	49,500	49,500	-	0.00%	28,030
Office of the CAO	12,200	12,200	-	0.00%	10,889
Development Services	61,400	62,800	1,400	2.28%	37,359
Fire & Emergency Services	197,700	197,700	-	0.00%	179,382
Recreation	97,700	98,800	1,100	1.13%	58,094
Engineering & Public Works	108,200	108,200	-	0.00%	127,524
TOTAL OTHER PERSONNEL COSTS	\$884,800	\$866,800	\$(18,000)	-2.03%	\$706,118

Changes for 2023 are mainly due to adjustments to phone allowances and a City-wide membership cost that was reclassified to Contracted Services.

GRANTS & FINANCIAL ASSISTANCE

Grants and financial assistance relate to funding provided by the City to third parties that are not considered a contracted service. These include payments to the Port Coquitlam Community Foundation, Port Coquitlam Heritage Society, the Port Coquitlam Sports Alliance, funds issued through the City's Community Capital Projects Matching Grant program and Community Cultural Development Investment program as well as other recreation subsidies.

Grant & Financial Assistance Expenses (in Millions)



EXPENSES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Community Safety & Corporate Services	\$ 39,200	\$ -	\$(39,200)	-100.00%	\$ 4,200
Recreation	224,000	159,000	(65,000)	-29.02%	112,856
Finance	-	100,000	100,000	0.00%	-
Development Services	-	-	-	N/A	378,000
TOTAL GRANTS AND FINANCIAL ASSISTANCE	\$263,200	\$259,000	\$ (4,200)	-1.60%	\$495,006



2023-2027 FINANCIAL PLAN

FUNDING SOURCES



FUNDING SOURCES

Various sources are used to fund the decision packages and capital items approved in the budget. The narrative below provides a description of these funding sources, their application, and any associated restrictions.

GRANTS

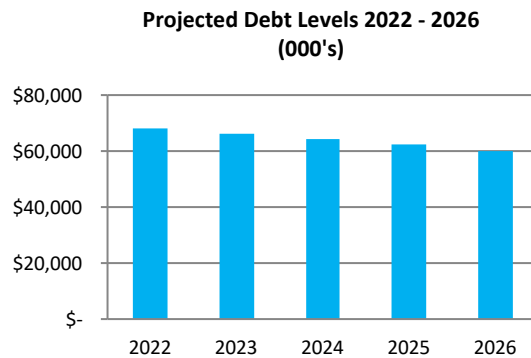
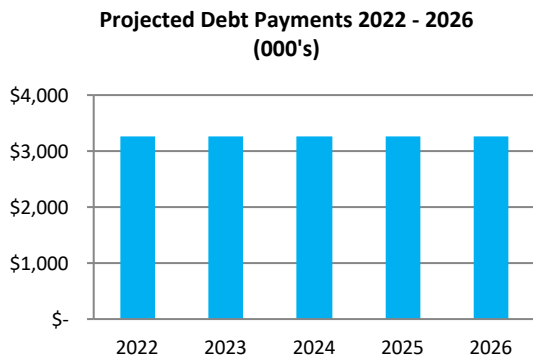
Grants are funds received from third parties to fund all or part of the cost of capital and operating projects. Where possible, the City tries to look for grants opportunities to offset costs. Grant amounts are only included in the budget if the grant is reasonably expected.

BORROWING

Under the City's Financial Management Policy, debt financing for capital expenditures will only be considered for projects whose costs exceed the annual capital funding envelope. The City's borrowing limit is governed by the Province through the *Community Charter*. The applicable regulations define the borrowing limit, based on the City's ability to repay principal and interest. The regulations state that, with the approval of the electorate, the annual debt payments can be as much as 25% of the City's ongoing revenues (2021-\$28.5 million, available limit \$25.6 million). Without elector approval the annual debt payments cannot exceed 5% of the City's ongoing revenues (2021-\$5.7 million, available limit \$2.7 million).

Currently, the City has approximately \$68.4 million of long-term debt outstanding related to borrowing for construction of the Coast Meridian Overpass (CMO) and the Port Coquitlam Community Centre (PCCC). The CMO debt will be fully repaid by 2039 and the PCCC debt will be fully repaid by 2049.

The following charts illustrate the projected debt levels and debt payments from 2022 to 2026.



RESERVES

The following tables show the projected reserve interest, contributions and withdrawals for 2022 to 2024.

	Dec 31, 2022 Ending Balance	2023 Contributions, Transfers & Interest	2023 Projects	Dec 31, 2023 Estimated Ending Balance	2024 Contributions, Transfers & Interest	2024 Projects	Dec 31, 2024 Estimated Ending Balance
Operating Reserves	\$ 3,340,618	\$ 659,900	\$ (499,419)	\$ 3,501,099	\$ 659,900	\$ (524,384)	\$ 3,636,615
Capital Reserves	21,038,651	16,978,400	(17,179,367)	20,837,684	16,978,400	(17,680,000)	20,136,084
Long Term Infrastructure Reserves	20,204,666	3,535,000	-	23,739,666	4,578,000	(1,200,000)	27,117,666
Other Reserves	9,553,527	6,014,900	(6,205,000)	9,363,427	1,294,900	(50,000)	10,608,327
Development Cost Charges	43,265,301	2,624,994	(2,533,333)	43,356,962	2,624,994	(2,062,000)	43,919,956
TOTAL	\$97,402,763	\$29,813,194	\$(26,417,119)	\$100,798,838	\$26,136,194	\$(21,516,384)	\$105,418,648

OPERATING RESERVES

The following reserves are funded from taxes and fees and are used for: significant expenditures that occur every few years (election) and rate stabilization (sewer and water rate stabilization).

Reserve	Description
Election Reserve	Provides funding for the municipal and school board elections. The City attempts to annualize the cost of the election by allocating an amount in each year to the reserve.
Water Rate Stabilization Reserve	Metro Vancouver has been forecasting an increase in rates, therefore funding is being set aside to lessen the impact on the increase when it occurs.
Sewer Rate Stabilization Reserve	Metro Vancouver has been forecasting an increase in rates, therefore funding is being set aside to lessen the impact on the increase when it occurs.
RCMP	Funded from prior year RCMP surplus to help fund future year's RCMP if the RCMP fills all approved positions.

	Dec 31, 2022 Ending Balance	2023 Contributions, Transfers & Interest	2023 Projects	Dec 31, 2023 Estimated Ending Balance	2024 Contributions, Transfers & Interest	2024 Projects	Dec 31, 2024 Estimated Ending Balance
Election	\$ 39,206	\$ 21,400	\$ -	\$ 60,606	\$ 21,400	\$ -	\$ 82,006
RCMP	1,690,553	600,000	(499,419)	1,791,134	600,000	(524,384)	1,866,750
Sewer Rate Stabilization	479,042	11,200	-	490,242	11,200	-	501,442
Water Rate Stabilization	1,131,817	27,300	-	1,159,117	27,300	-	1,186,417
TOTAL	\$3,340,618	\$659,900	\$(499,419)	\$3,501,099	\$659,900	\$(524,384)	\$3,636,615

RESERVES

CAPITAL RESERVES

The following reserves are funded from taxes, levies and land/asset sales and are used to fund the city's capital program.

Reserve	Description
General Capital Reserve	All general capital funding is now directed here and is the primary funding source for all capital projects.
Cart Replacement Reserve	Provides funds for garbage, green & recycling cart replacement.
Equipment Replacement Reserve	Provides funds for vehicle & equipment replacement. The balance is required to adequately fund fleet replacements of existing vehicles.
Land Sale Reserve	The City's land sale reserve is used to fund land purchases, land servicing and other new infrastructure. Starting in 2017 the pay back of past capital projects funded from the land sale reserve (\$1.8 million) has been repurposed to accommodate capital costs and additional operating and debt servicing costs for the community recreation complex. The result is that the land sale reserve is only being replenished from funds received from the sale of land or improvements.
Sewer Infrastructure Reserve	Provides funds for sewer infrastructure, projects, work or acquisition that is of a capital or special operating nature, including new or replacement infrastructure components, studies, major repairs and maintenance and other expenditures that are not part of regular operations.
Water Infrastructure Reserve	Provides funds for water infrastructure, projects, work or acquisition that is of a capital or special operating nature, including new or replacement infrastructure components, studies, major repairs and maintenance and other expenditures that are not part of regular operations.

Recent capital plans were very large relative to the annual contributions for these programs. This is a result of tackling many large infrastructure projects throughout the City, as well as undertaking large neighbourhood rehabilitation programs. This was only possible by re-allocating the annual Long Term Reserve contributions for immediate use.

(Cont. = Contributions in the table below.)

	Dec 31, 2022 Ending Balance	2023 Cont., Transfers & Interest	2023 Projects	Amend- ment/ Addition	Dec 31, 2023 Estimated Ending Balance	2024 Cont., Transfers & Interest	2024 Projects	Dec 31, 2024 Estimated Ending Balance
General Capital	\$ 1,663,603	\$10,445,100	\$(10,308,500)	\$(1,663,767)	\$ 136,436	\$10,445,100	\$(11,271,000)	\$ (689,464)
Cart Replacement	1,251,761	179,200	(125,000)	-	1,305,961	179,200	(250,000)	1,235,161
Equipment Replacement	2,168,657	1,356,100	(527,500)	(1,030,000)	1,967,257	1,356,100	(2,275,000)	1,048,357
Land Sale	1,751,115	302,600	-	-	2,053,715	302,600	-	2,356,315
Sewer Infrastructure	1,137,308	1,535,600	(2,247,300)	(50,000)	375,608	1,535,600	(1,535,000)	376,208
Water Infrastructure	13,066,207	3,159,800	(1,227,300)	-	14,998,707	3,159,800	(2,349,000)	15,809,507
TOTAL	\$21,038,651	\$16,978,400	\$(14,435,600)	\$(2,743,767)	\$20,837,684	\$16,978,400	\$(17,680,000)	\$20,136,084

RESERVES

LONG-TERM INFRASTRUCTURE RESERVES

The following reserves are funded from taxes and utility fees and have been built up since 2010 to replace aging infrastructure. In 2023, consistent with prior years, the annual Long-Term Reserve contributions will be transferred to the Capital Reserves in order to complete the volume of work noted in the 2023-2024 capital plan.

An Asset Management Plan is being developed, which will help to determine future funding needs or uses for this reserve.

Reserve	Description
Long Term General Infrastructure Reserve	Balance is available for future general infrastructure replacement.
Long Term Water Infrastructure Reserve	Balance is available for future water infrastructure replacement.
Long Term Sewer Infrastructure Reserve	Balance is available for future sewer infrastructure replacement.

	Dec 31, 2022 Ending Balance	2023 Contributions, Transfers & Interest	2023 Projects	Dec 31, 2023 Estimated Ending Balance	2024 Contributions, Transfers & Interest	2024 Projects	Dec 31, 2024 Estimated Ending Balance
Long Term General Infrastructure	\$12,430,902	\$2,936,200	\$ -	\$15,367,102	\$3,730,300	\$ -	\$19,097,402
Long Term Sewer Infrastructure	3,332,231	253,400	-	3,585,631	355,300	(1,200,000)	2,740,931
Long Term Water Infrastructure	4,441,533	345,400	-	4,786,933	492,400	-	5,279,333
TOTAL	\$20,204,666	\$3,535,000	\$ -	\$23,739,666	\$4,578,000	\$(1,200,000)	\$27,117,666

RESERVES

Historical Contributions to Long-Term Reserves

Year	Opening	Annual Allocation	Reallocate to General for Capital Plan	Other Transfers & PY Adj.	Interest	Estimated General Fund LTD Balance
LONG-TERM GENERAL INFRASTRUCTURE RESERVE						
2010	\$ -	\$ 442,000	\$ -	\$ -	\$ -	442,000
2011	442,000	914,000	-	-	12,721	1,368,721
2012	1,368,721	1,051,000	-	360,000	39,971	2,819,692
2013	2,819,692	1,566,000	-	0	72,954	4,458,646
2014	4,458,646	2,105,000	-	1,174,000	127,939	7,865,585
2015	7,865,585	2,651,000	-	1,260,000	197,404	11,973,989
2016	11,973,989	3,236,000	-	-	262,326	15,472,315
2017	15,472,315	3,830,700	(7,141,639)	-	268,046	12,429,422
2018	12,429,422	5,439,438	(13,042,161)	-	181,188	5,007,887
2019	5,007,887	5,091,700	(4,453,100)	(20,216)	146,166	5,772,437
2020	5,772,437	5,735,900	(5,486,592)	(576,829)	141,339	5,586,255
2021	5,586,255	6,420,900	(4,453,100)	2,753,600	89,347	10,397,002
2022	10,397,002	7,136,800	(4,453,100)	(775,500)	125,700	12,430,902
2023	12,430,902	7,907,800	(4,453,100)	(644,200)	125,700	15,367,102
2024	15,367,102	8,701,900	(4,453,100)	(644,200)	125,700	19,097,402
LONG-TERM SEWER RESERVE						
2010	\$ -	\$ 64,453	\$ -	\$ -	\$ -	\$ 64,453
2011	64,453	134,000	-	-	2,466	200,919
2012	200,919	204,000	-	-	5,837	410,756
2013	410,756	278,300	-	-	11,136	700,192
2014	700,192	353,800	-	-	18,401	1,072,393
2015	1,072,393	430,800	-	303,000	28,930	1,835,123
2016	1,835,123	509,300	-	-	40,333	2,384,756
2017	2,384,756	587,100	(587,100)	-	46,264	2,431,020
2018	2,431,020	669,000	(669,000)	-	51,052	2,482,072
2019	2,482,072	754,700	(669,000)	-	69,410	2,637,182
2020	2,637,182	754,700	(669,000)	250,300	72,514	3,045,696
2021	3,045,696	754,700	(669,000)	462,400	46,235	3,640,031
2022	3,640,031	754,700	(669,000)	(462,400)	68,900	3,332,231
2023	3,332,231	853,500	(669,000)	-	68,900	3,585,631
2024	3,585,631	955,400	(669,000)	(1,200,000)	68,900	2,740,931
LONG-TERM WATER RESERVE						
2010	\$ -	\$ 73,516	\$ -	\$ -	\$ --	\$73,516
2011	73,516	154,000	-	-	2,824	230,340
2012	230,340	244,000	-	-	6,790	481,130
2013	481,130	341,200	-	-	13,198	835,528
2014	835,528	447,900	-	-	22,227	1,305,655
2015	1,305,655	557,000	-	850,000	40,384	2,753,039
2016	2,753,039	669,500	-	-	59,595	3,482,134
2017	3,482,134	779,400	(779,400)	-	67,553	3,549,687
2018	3,549,687	779,400	(779,400)	-	74,544	3,624,231
2019	3,624,231	1,007,100	(892,400)	-	101,206	3,840,137
2020	3,840,137	1,007,100	(892,400)	-	98,217	4,053,054
2021	4,053,054	1,007,100	(892,400)	-	58,779	4,226,533
2022	4,226,533	1,007,100	(892,400)	-	100,300	4,441,533
2023	4,441,533	1,137,500	(892,400)	-	100,300	4,786,933
2024	4,786,933	1,284,500	(892,400)	-	100,300	5,279,333

RESERVES

OTHER RESERVES

The following reserves are funded from fees, developers and other governments. Use of these reserves is restricted to the purpose of the reserve.

Reserve	Description
Cemetery Expansion Reserve	Funds collected through cemetery fees for the purpose of purchase or development of land or facilities for cemetery purposes in the future.
Community Amenities Reserve	Funds from application of the bonus density policy used to fund community amenities that are of a capital or special operating nature & that are not part of regular operations.
Downtown Projects Reserve	Funds received from 3 digital signs to be allocated to downtown projects as determined by Council from time to time.
Federal Gas Tax Reserve	Funding from the Federal Gas Tax program for local infrastructure needs. Recent uses have been for the community recreation complex, the McAllister Avenue Improvement Project, and the McAllister Avenue Pedestrian Bridge.
Roads (MRN) Reserve	Funds that are not expended in any given year from TransLink's funding agreement for the MRN roads. Funds are restricted for use only on MRN Roads.
Parking Reserve	Funds received from application of the cash-in-lieu of parking regulation that may be used to provide for parking improvements in the downtown. \$1 Million of this funding will be used to help fund the community recreation complex parking.
Parkland Acquisition Reserve	Funds collected from developers in lieu of providing parkland.
Special Needs Housing Reserve	Funds from application of the bonus density policy used to contribute to housing goals & objectives as determined by Council from time to time.
Transit Shelters Reserve	Funds received from Pattison transit shelters to build future transit shelters.

(Cont. = Contributions in the table below.)

	Dec 31, 2022 Ending Balance	2023 Cont., Transfers & Interest	2023 Projects	Amend- ment/ Addition	Dec 31, 2023 Estimated Ending Balance	2024 Cont., Transfers & Interest	2024 Projects	Dec 31, 2024 Estimated Ending Balance
Cemetery Expansion	\$ 269,822	\$ -	\$ -	\$(185,000)	84,822	\$ -	\$ -	\$ 84,822
Community Amenities	289,617	4,730,600	(4,720,000)	--	300,217	10,600	-	310,817
Downtown Projects	260,919	319,600	-	-	580,519	319,600	-	900,119
Federal Gas Tax	301,664	257,100	(500,000)	500,000	558,764	257,100	-	815,864
(Road) MRN	1,396,625	513,000	(1,250,000)	-	659,625	513,000	-	1,172,625
Parking	3,728,344	70,500	-	-	3,798,844	70,500	-	3,869,344
Parkland Acquisition	2,734,028	62,800	-	-	2,796,828	62,800	-	2,859,628
Social Housing	418,553	11,300	-	-	429,853	11,300	-	441,153
Transit Shelters	98,631	50,000	(50,000)	-	98,631	50,000	(50,000)	98,631
Trees	55,323	-	-	-	55,323	-	-	55,323
TOTAL	\$9,553,527	\$6,014,900	\$(6,520,000)	\$315,000	\$9,363,427	\$1,294,900	\$(50,000)	\$10,608,327

RESERVES

DEVELOPMENT COST CHARGES

Development cost charges (DCC) are collected to assist local governments in paying the capital costs of certain services that are directly or indirectly affected by private development. DCC funds can only be spent on the specific projects set out and used to establish the DCC fees in the bylaw approved by the Provincial Government. The City is currently in the process of updating its DCC program.

	Dec 31, 2022 Ending Balance	2023 Contributions, Transfers & Interest	2023 Projects	Dec 31, 2023 Estimated Ending Balance	2024 Contributions, Transfers & Interest	2024 Projects	Dec 31, 2024 Estimated Ending Balance
DCCs Drainage	\$ 5,926,607	\$ 348,755	\$ -	\$ 6,275,362	\$ 348,755	\$ -	\$ 6,624,117
DCCs Highway	19,382,843	1,333,489	-	20,716,332	1,333,489	-	22,049,821
DCCs Parkland	6,221,582	409,440	-	6,631,022	409,440	-	7,040,462
DCCs Sewer & Sanitary	2,787,104	93,928	(2,450,000)	431,032	93,928	-	524,960
DCCs Water	6,997,112	233,017	-	7,230,129	233,017	-	7,463,146
Parks Interest	1,950,053	206,365	(83,333)	2,073,085	206,365	(2,062,000)	217,450
Total	\$43,265,301	\$2,624,994	\$(2,533,333)	\$43,356,962	\$2,624,994	\$(2,062,000)	\$43,919,956



ACCUMULATED SURPLUS

Annual surplus is defined as the revenues plus transfers in, minus expenditures and transfers out. Accumulated surplus, like its name suggests, represents the accumulation (or sum) of all previous annual surpluses. Accumulated surplus is made up of both cash and non-cash items.

Accumulated surplus arising from the general, water and sewer fund operations, do not have any restrictions and can be used to fund both capital and operating expenditures. In accordance with the City's surplus policy, accumulated surplus should be maintained at a minimum of 12% of the prior year's general property taxation revenue. Once the minimum balance is achieved, a minimum of 50% of the remaining current annual general fund surplus will be transferred to the Long-Term Replacement Infrastructure Reserve ("LTR"). While not specifically mentioned in the policy, water and sewer funds have historically been treated in the same manner.

Based on the accumulated surplus balance at the end of 2022, the accumulated surplus balances are as shown in the following table:

	Dec 31, 2022 Ending Balance	2023 Contributions, Transfers & Interest	2023 Projects	Dec 31, 2023 Estimated Ending Balance
General	\$ 1,285,869	\$ -	\$ (1,525,100)	\$ (239,231)
Sewer	1,443,215	(434,661)	-	1,008,554
Water	354,241	-	-	354,241
TOTAL	\$3,083,325	\$(434,661)	\$(1,525,100)	\$1,123,564





2023-2027 FINANCIAL PLAN

DEPARTMENT

BUSINESS PLANS



BUSINESS PLAN OVERVIEW

Business plans provide information on each City Department, the services they provide, opportunities and challenges foreseen in the upcoming year, staffing and budgets required to fund operations, and indicators/measures to track performance.

The following table provides an overview of the components within the business plan and description of what information each component conveys.

Section	Description
Focus	How this department/division contributes to the City's vision of "a happy, vibrant, safe community of healthy engaged residents and thriving businesses supported by sustainable resources and services."
Environmental Scan	Identifies the internal and external influences that impact the department/division. The Factor lists the driver and the Impact outlines the effect and the "so what".
Organizational Structure	An organization chart is provided with a summary of the headcount broken down between exempt and unionized staff and the payroll component of the personnel budget attributable to each employee group. Employees who are shared between divisions are split based on the percentage of time that they work in each area.
Ongoing Operating Budget	The Ongoing Operating Budget section includes three components: <ul style="list-style-type: none"> • Chart of operating expense budgets with actuals for comparison • Chart of Ongoing Operating Budget as a percent of total departmental operating expenses across the city. • Detailed budgets for revenues, expenses and internal allocations with actuals for comparison. Of note: The net budget line on each detailed budget spreadsheet represents the amount of the Ongoing Operating Budget funded from general taxation/utility levies.
Breakdown of Budget Changes	This section provides an explanation of what items make up the change in each budget line from 2022 to 2023.
Measures and Indicators	This section provides metrics tracked by the department/division that provide further information on trends over the past five years.

Business Plan Table of Contents

OFFICE OF THE CAO	65	ENGINEERING & PUBLIC WORKS	104	GENERAL GOVERNMENT - COMMON SERVICES	138
COMMUNITY SAFETY & CORPORATE SERVICES	67	Administration	107	RECREATION	140
Bylaw	70	Infrastructure Planning	109	Administration	143
Communications	73	Capital Projects	112	Facility Services	146
Community Policing	76	Public Works		Cultural Development & Community Services	149
Human Resources	79	Fleet Operations	115	Recreation Services	153
Information Services	82	Parks Services	117	Terry Fox Library	157
Legislative Services and Corporate Initiatives	85	Solid Waste Operations	121	RCMP	159
Mayor & Council	88	Streets Operations	124		
DEVELOPMENT SERVICES	89	Utilities	127		
Administration	92	FINANCE	132		
Building	94	FIRE & EMERGENCY SERVICES	135		
Development Engineering	98				
Planning	101				

OFFICE OF THE CAO

CITY HALL

FOCUS

The Chief Administrative Officer (CAO) works with Council to establish the City's vision, plans and priorities. The CAO oversees the implementation of the vision, plans and priorities by ensuring effective policies (including financial policies) are in place and adhered to, and by providing leadership that enables an engaged and productive municipal workforce.

ORGANIZATIONAL STRUCTURE

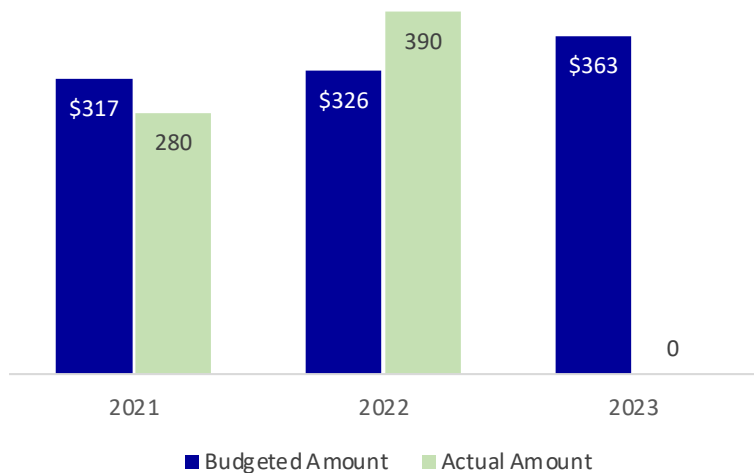


ENVIRONMENTAL SCAN

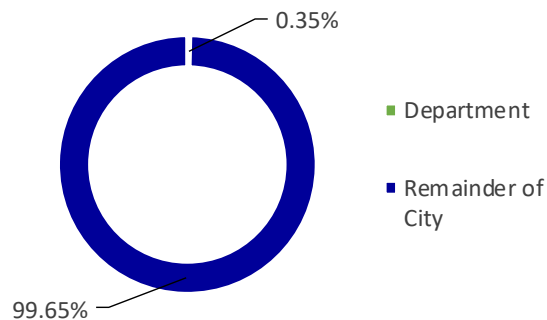
Factor	Impact
Recruitment/Retention	There continues to be staff migration out of the organization. The experience leaving the organization does leave a knowledge void that takes time to fill. This is coupled with challenges around recruiting. The local competition for talent is being felt with limited number of quality applicants for a variety of open exempt positions. This needs to be a priority for the organization to address.
Climate Resilience	Addressing the resilience of the organization as it relates to climate change needs to be considered as the City looks at its general operations as well as capital projects. Municipalities need long term planning and partnerships with other levels of government to be sure they are positioned to react and manage to risks associated with climate change. Planning and partnerships will ensure the organization is resilient and able to deal with challenges that have never had to at this level of government.
COVID-19	The effects of COVID-19 have diminished somewhat and the City continues to work back to pre-COVID-19 operational levels. The recruiting challenges remain but HR will continue to be innovative in the City's recruiting practices.
Employee Well-Being	COVID-19 has no doubt had a significant effect on the overall work force mental health as it has in the general population. The City will need to continue to strengthen its culture and show the value of all its employees. The City needs to continue to stay engaged with its employees and create a supportive environment to ensure their well-being. HR will continue to work on mental health and well-being initiatives throughout the organization.
Council Action Plan	The City has now completed its final year of the council action plan. In early 2023 staff will work with council to craft a new council action plan. The council action plan will remain a driving plan for staff and the allocation of time and resources. Staff will need to understand the resource challenges and plan accordingly, looking at the timelines to deliver the outcomes of the council action plan.
Community Safety	The downtown area remains of considerable concern for the community. The safety of all individuals is of utmost importance and the organization needs to remain diligent in meeting this challenge head on.

OPERATING BUDGET

Operating Expenses (in Thousands)



Percent of City Expenses



EXPENSES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Office of the CAO	\$326,000	\$363,000	\$37,000	11.3%	\$389,640
TOTAL	\$326,000	\$363,000	\$37,000	11.3%	\$389,640

NET REVENUE / EXPENSES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Transfer from surplus	\$(326,000)	\$(363,000)	\$(37,000)	11.3%	\$(389,640)
TOTAL	\$(326,000)	\$(363,000)	\$(37,000)	11.3%	\$(389,640)

BREAKDOWN OF BUDGET CHANGES

Line item	Adjustment Category	Nature of Adjustment	Net Impact to Revenue/Expenses
Payroll expense	Labour Base Adjustment	Exempt Review Adjustment	\$(18,500)
Payroll expense	Labour Base Adjustment	Exempt Inflationary Increase	(15,500)
Payroll expense	Labour Overhead Adjustment	Benefit Increase	(3,000)
TOTAL			\$(37,000)

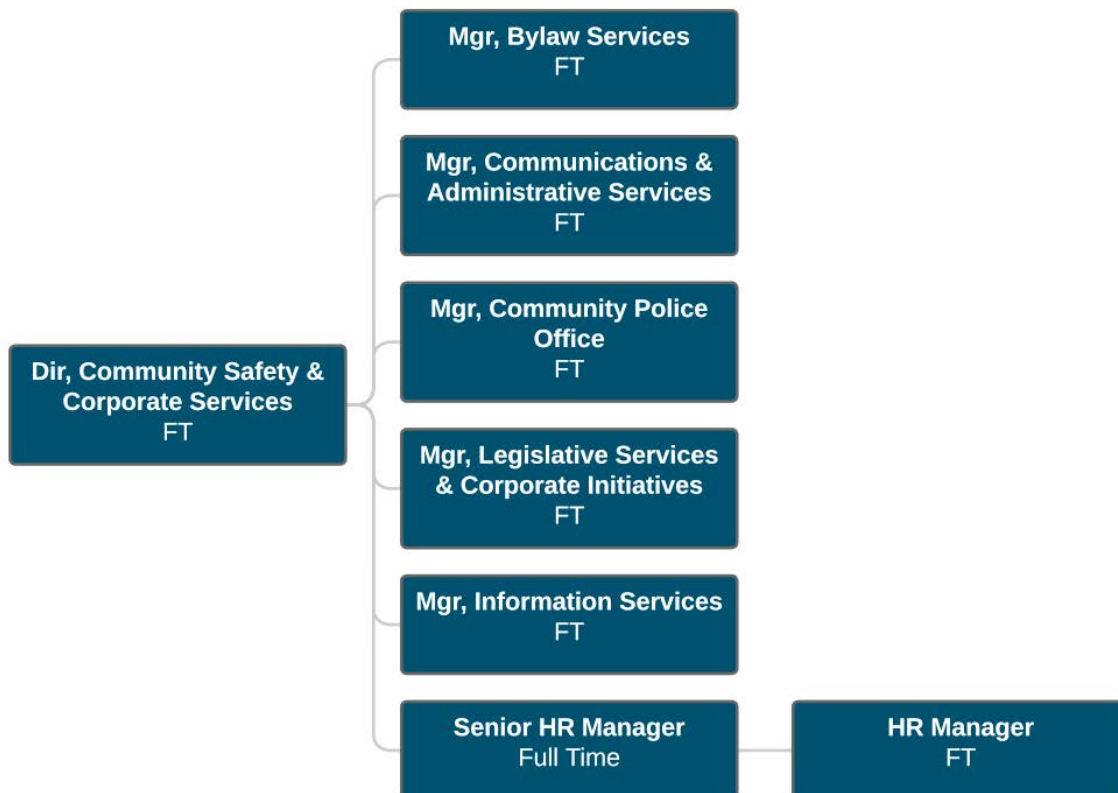
COMMUNITY SAFETY & CORPORATE SERVICES

FOCUS

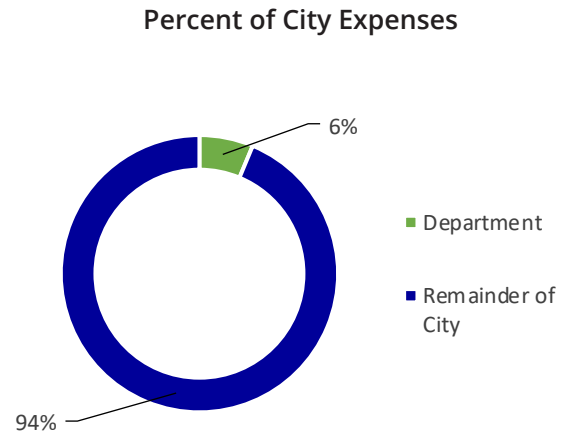
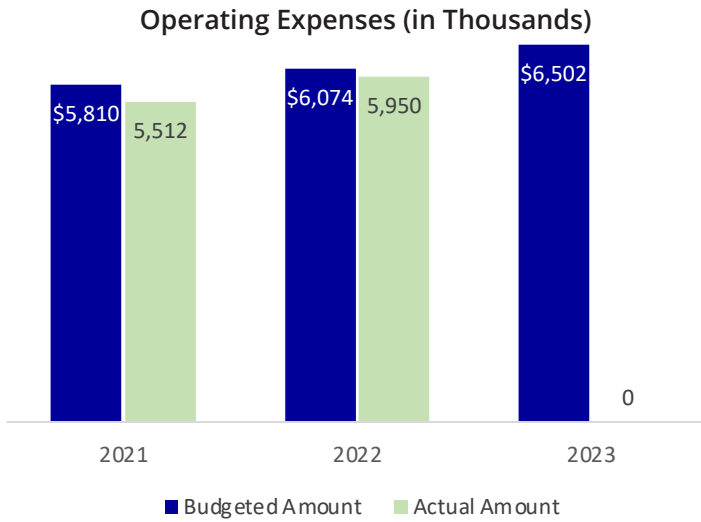
Community Safety and Corporate Services brings together services and functions that support the organization as a whole and that promote and enhance community safety. The Department encompasses the following six divisions plus the budget for Mayor and Council:

- Bylaw Services
- Community Policing
- Communications
- Legislative Services
- Information Services
- Human Resources
- Mayor and Council

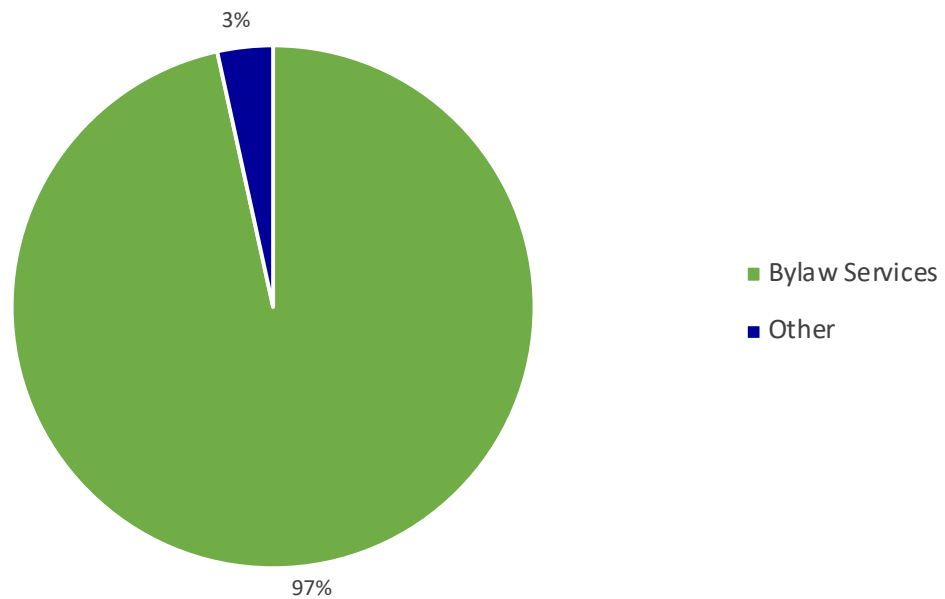
ORGANIZATIONAL STRUCTURE



OPERATING BUDGET



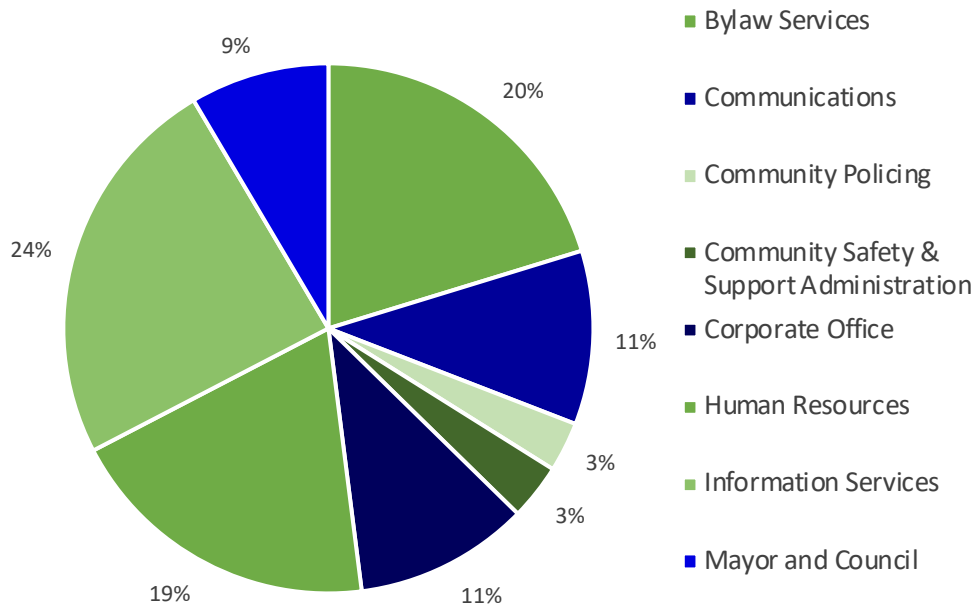
Department Revenue by Section



REVENUES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Bylaw Services	\$237,000	\$287,000	\$50,000	21.1%	\$432,300
Communications	7,600	7,600	-	0.0%	4,590
Community Policing	1,400	1,400	-	0.0%	2,850
Corporate Office	1,200	1,200	-	0.0%	5,420
TOTAL	\$247,200	\$297,200	\$50,000	20.2%	\$445,160

COMMUNITY SAFETY & CORPORATE SERVICES

Department Expenses by Section



EXPENSES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Bylaw Services	\$1,272,200	\$1,317,700	\$45,500	3.6%	\$1,200,260
Communications	620,300	689,800	69,500	11.2%	622,930
Community Policing	169,900	197,600	27,700	16.3%	176,430
Community Safety & Support Administration	201,800	221,800	20,000	9.9%	197,760
Corporate Office	693,700	693,200	(500)	-0.1%	669,050
Human Resources	1,215,300	1,260,500	45,200	3.7%	1,205,760
Information Services	1,380,000	1,568,600	188,600	13.7%	1,360,440
Mayor and Council	520,700	552,400	31,700	6.1%	517,390
TOTAL	\$6,073,900	\$6,501,600	\$427,700	7.0%	\$5,950,020

NET REVENUE / (EXPENSES)	\$(5,826,700)	\$(6,204,400)	\$(377,700)	6.5%	\$(5,504,860)
---------------------------------	----------------------	----------------------	--------------------	-------------	----------------------

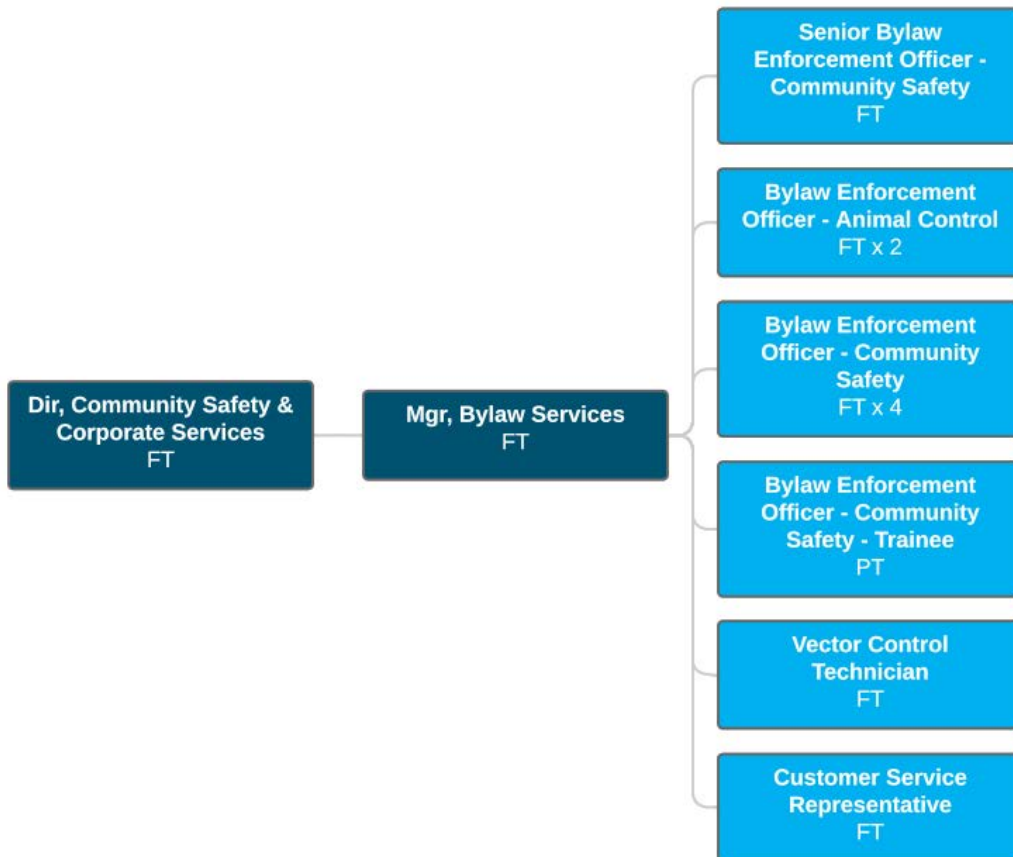
BYLAW SERVICES

FOCUS

The Bylaw Services Division maintains a safe, healthy, nuisance free community for residents and businesses by promoting public safety, education of bylaws, and conflict resolution. This is achieved through effective management of City operations in Bylaw Enforcement, Animal Control, and Vector Control. The Bylaw Division also manages the City's contract for animal shelter services and the residential Dog License Canvass.



ORGANIZATIONAL STRUCTURE

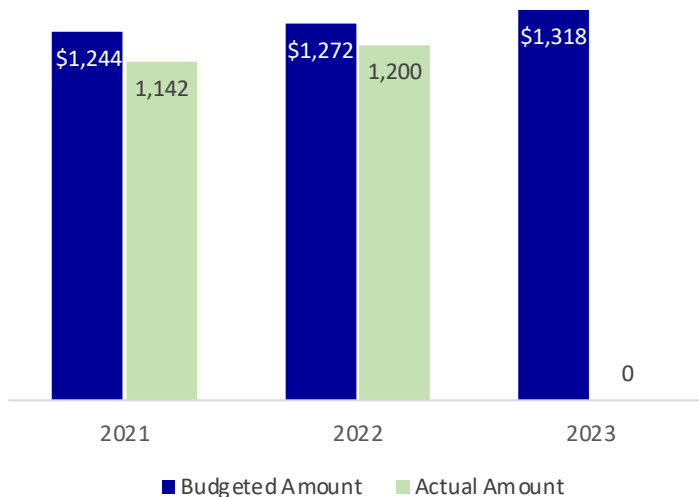


ENVIRONMENTAL SCAN

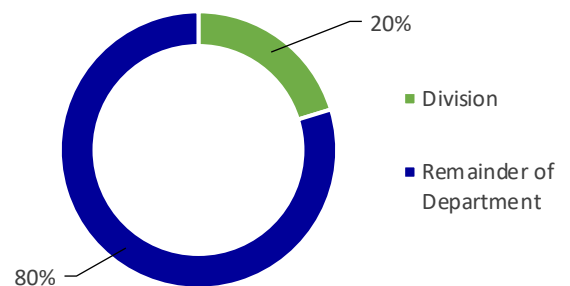
Factor	Impact
Social challenges	The Lower Mainland is amidst a housing crisis and an epidemic of drug and alcohol addiction, these factors result in a number of challenges in the community including people living rough, those impacting others enjoyment of public space due to drug induced psychosis and increased property crime. The presence of public safety teams plays a vital role in managing social challenges and reassuring residents.
Hours of service	Bylaw hours were expanded in 2020 to provide an enhanced service to the community in line with Council's focus on Community Safety. Further service enhancements have since been made to have Bylaw Officers work statutory holidays.
Property standards	Amongst all the new developments are numerous older properties that are unkempt or have fallen into disrepair. Many of these properties are owned by absent landlords or developers and are occasionally rented to problem tenants. Bylaws are proactively addressing property standards issues across the City which have been left unaddressed for many years. Vacant and abandoned properties are linked to increased rates of crime and declining property values.
Agricultural land	Bylaw Officers continue efforts to address the misuse of agriculture land which impacts long-term food security and provides essential environmental benefits. There are multiple properties in violation of numerous bylaws, and failing to respond to compliance orders. These files take up a considerable amount of time and resources and require a collaborative effort with other levels of government.
Calls for service	Calls for service continue to increase year-over-year as the City sees community growth and an increased understanding of how the City can manage public safety and social issues. Increased calls for service have resulted in increased revenue due to an increase in fines issued.

OPERATING BUDGET

Operating Expenses (in Thousands)



Percent of Department Expenses



COMMUNITY SAFETY & CORPORATE SERVICES: BYLAW

REVENUES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Other revenue	\$ -	\$ -	\$ -	N/A	\$ 15,140
Penalties and fines	31,000	81,000	50,000	161.3%	222,020
Permits and licences	206,000	206,000	-	0.0%	195,140
TOTAL	\$ 237,000	\$ 287,000	\$50,000	21.1%	\$ 432,300

EXPENSES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Contracted and other services	\$ 198,100	\$ 198,100	\$ -	0.0%	\$ 167,240
Interest and bank charges	6,500	6,500	-	0.0%	22,560
Internal charges	(82,100)	(67,400)	14,700	-17.9%	(58,710)
Materials and supplies	23,700	23,700	-	0.0%	17,630
Other personnel costs	40,600	40,600	-	0.0%	16,630
Payroll expense	1,081,300	1,112,100	30,800	2.8%	1,031,860
Telephone, utilities and rent	4,100	4,100	-	0.0%	3,060
TOTAL	\$ 1,272,200	\$ 1,317,700	\$45,500	3.6%	\$1,200,270

NET REVENUE / (EXPENSES)	\$(1,035,200)	\$(1,030,700)	\$ 4,500	-0.4%	\$ (767,960)
---------------------------------	----------------------	----------------------	-----------------	--------------	---------------------

BREAKDOWN OF BUDGET CHANGES

Line item	Adjustment Category	Nature of Adjustment	Net Impact to Revenue/Expenses
Internal charges	Adjustment to maintain service level	Adjustment for Internal Equipment allocation	\$(14,700)
Payroll expense	Ongoing Enhancement (Council Approved)	Position Upgrade	(3,600)
Payroll expense	Labour Base Adjustment	Exempt Adjustment	(3,000)
Payroll expense	Labour Base Adjustment	Exempt Inflationary Increase	(8,200)
Payroll expense	Labour Overhead Adjustment	Benefit Increase	(16,000)
Penalties and fines	Fines Revenue	Increased Revenue based on history	50,000
Internal charges	Departmental Ongoing Adjustment	Adjustment for Internal Equipment allocation	4,500
TOTAL			\$ 9,000

INDICATORS AND MEASURES

Indicator/Measure	2018	2019	2020	2021	2022 (Oct)
Dog licences issued	4,621	3,975	4,136	4,336	4,658
Calls for service	2,460	3,272	3,534	3,986	3,982
Tickets issued	1,141	1,785	2,015	2,317	2,325

COMMUNICATIONS

FOCUS

The Communications Division provides timely and proactive information to the community to increase public awareness, participation and engagement in City programs, services and initiatives. This helps the City keep in touch with citizens' priorities and deliver services that meet community needs and ensure regulations are followed. The Division works with departments to manage their communications needs and oversees strategic communications planning, media relations, crisis communications/ issues management, public relations and marketing.



ORGANIZATIONAL STRUCTURE

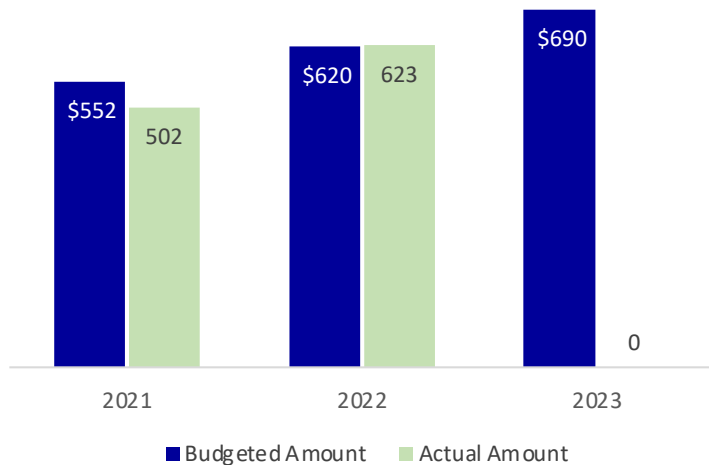


ENVIRONMENTAL SCAN

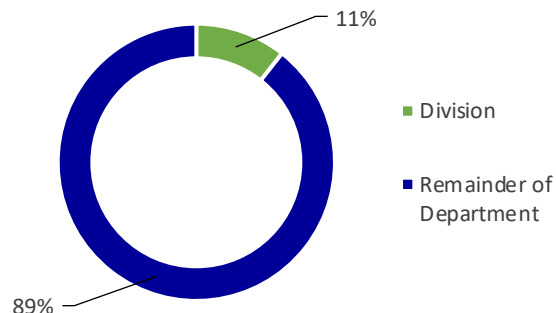
Factor	Impact
Emergency Response – Extreme Weather Communications	Staff resources are needed to keep the community informed about the impacts of recent extreme weather events which impact residents and City services.
Immediacy of information	Meeting public and media expectations for immediate information, in particular during non-business hours continues to be a challenge. Proactively identifying issues and responding to them in a timely manner reduces the likelihood of escalation.
Evolving online/social media trends	Actively pursuing new and innovative ways on social media by continuing to expand engagement with more people using these channels to stay informed, engage with each other, interact with the City and provide feedback on initiatives. Monitoring special interest/neighbourhood groups, keeping tools up to date, best practices current, keeping responses timely and relevant, is consuming more and more staff resources.
Interdepartmental communications and marketing support	The demand for communications and marketing support from all areas in the City continues to grow. There is a need to allocate resources accordingly to project work that best supports the overall communication and corporate needs. This often results in competing demands for timely information and overlapping deadlines.
Climate change	Changing weather patterns associated with climate change leads to an increased need for citizens and businesses to be kept informed and prepared for emergencies.
Online services	Due to COVID-19, more and more residents are moving towards doing business online through the City. Working with all departments to look at ways to move all forms and applications online and what the impact may or may not be.

OPERATING BUDGET

Operating Expenses (in Thousands)



Percent of Department Expenses



REVENUES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Other revenue	\$ -	\$ -	\$ -	N/A	\$ -
Sale of services	7,600	7,600	-	0.0%	4,590
TOTAL	\$ 7,600	\$ 7,600	\$ -	0.0%	\$ 4,590

EXPENSES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Contracted and other services	\$ 61,800	\$ 61,800	\$ -	0.0%	\$ 91,110
Internal charges	(62,900)	(62,900)	-	0.0%	(62,620)
Materials and supplies	35,100	35,100	-	0.0%	10,250
Other personnel costs	8,200	8,200	-	0.0%	17,590
Payroll expense	578,100	647,600	69,500	12.0%	566,600
TOTAL	\$ 620,300	\$ 689,800	\$ 69,500	11.2%	\$ 622,930

NET REVENUE / (EXPENSES)	\$(612,700)	\$(682,200)	\$(69,500)	11.3%	\$(618,340)
---------------------------------	--------------------	--------------------	-------------------	--------------	--------------------

BREAKDOWN OF BUDGET CHANGES

Line item	Adjustment Category	Nature of Adjustment	Net Impact to Revenue/Expenses
Payroll expense	Ongoing Enhancement (Council Approved)	Position Upgrade	\$(36,800)
Payroll expense	Labour Base Adjustment	Exempt Adjustment	(9,300)
Payroll expense	Labour Base Adjustment	Exempt Inflationary Increase	(15,400)
Payroll expense	Labour Overhead Adjustment	Benefit Increase	(8,000)
TOTAL			\$(69,500)

INDICATORS AND MEASURES

Indicator/Measure	2018	2019	2020	2021	2022 (Oct)
Media pickup rate	100%	100%	100%	100%	100%
# website visitors each year	800,456	586,672	640,989	592,228	494,786
Top 5 webpages visited*	Homepage Jobs Hyde Creek Waste Leisure Guide	Homepage Jobs Comm Ctrs Waste Leisure Guide	Homepage PCCC Jobs Waste Hyde Creek	Homepage PCCC Hyde Creek Recreation MyPoCo	Homepage PCCC Recreation Hyde Creek MyPoCo
Duration of time spent on website	2:17 minutes	2:13 minutes	2:13 minutes	2:02 minutes	1:59 minutes
# of social media followers (Facebook, Twitter)	18,225 (FB: 10,492 TW: 7,733)	19,729 (FB: 11,506 TW: 8,223)	22,249 (FB: 12,957 TW: 9,292)	25,753 (FB: 15,539 TW: 10,214)	26,300 (FB: 16,000 TW: 10,300)
# of Instagram followers	2,786	4,191	7,306	9,423	9,731
GFOA Award for annual reporting	Yes	Yes	Yes	Yes	Yes
# of E-update newsletter subscribers	1,871	1,892	1962	2,611	4,662
Action Requests Processed	121	199	318	153	195
Council events supported	220	109	87	46	78

* Hyde Creek = Hyde Creek Recreation Centre
 Waste = Waste Collection Schedule
 Comm Ctrs = Community Centres
 PCCC = Port Coquitlam Community Centre
 MyPoCo = MyPortCoquitlam

COMMUNITY POLICING

FOCUS

The Community Policing Division, in partnership with the RCMP, promotes public safety and strengthens crime reduction in the City of Port Coquitlam. Two Community Police Offices provide service to the public: Coast Meridian (Northside) and Mary Hill (Southside). Community Policing is committed to community engagement through support, education, communication, and collaboration on crime prevention initiatives. Residents and businesses are supported through these programs:

- Anti-Graffiti Initiatives
- Auto Crime Programs
- Business Crime Prevention
- Community Outreach and Event Educational Booths
- Community Safety Patrol Ambassadors (Bike Patrol & Foot Patrol)
- Distracted Driving Awareness Campaigns (Cell Watch)
- Information Services and Referral Program (Front Counter Office Services)
- Property Crime Prevention Through Environmental Design (CPTED) Site Assessments
- Problem Oriented Policing Support
- Public Education and Social Media Campaigns
- Residential and business external camera registry (CCTV Registry)
- Road Safety (Speed Watch & Pedestrian Safety)
- Youth Junior Mountie Police Academy



ORGANIZATIONAL STRUCTURE

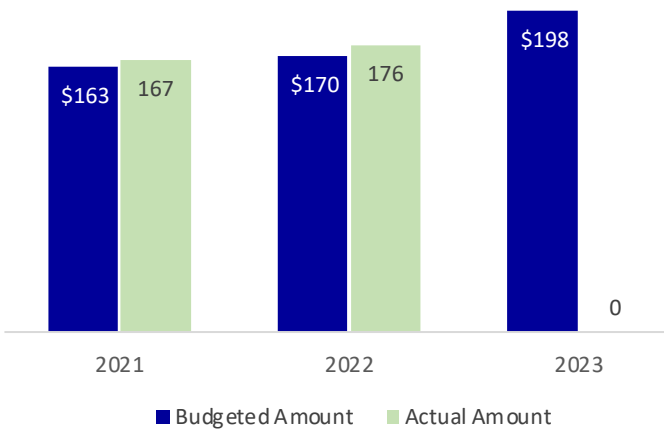


ENVIRONMENTAL SCAN

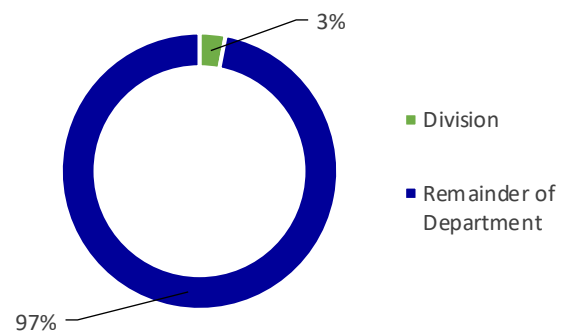
Factor	Impact
Property standards	Quality of life and the perception of crime directly affects behaviour (criminal or not) and is a top-of-mind issue for community policing staff. Stakeholders (internal staff, City-owned building, residents and business) have been considering preventative measures / recommendations / best practices regarding quality of life issues and the perception of crime.
Social challenges	The Lower Mainland is amidst a housing crisis and an epidemic of drug and alcohol addiction, these factors result in a number of challenges in the community including people living rough, those impacting others enjoyment of public space due to drug induced psychosis and increased property crime. The boots to the ground presence of community police programs (working alongside police and bylaws) continues to play a vital role in providing resources to those in need and reassuring residents as an extension of services.
Evolving online/social media trends	Dynamically creating inventive social media on community safety and crime prevention messaging should be the direction that this unit goes in order to stay connected with varying communities.
Volunteerism	Volunteerism continues to be a challenge in the community. Clearances are taking longer than ever and therefore many volunteers are losing interest or are stuck in the external programs until they get their clearance. This means both Coast and Mary Hill office hours are inconsistent and are closed several times through the month.

OPERATING BUDGET

Operating Expenses (in Thousands)



Percent of Department Expenses



COMMUNITY SAFETY & CORPORATE SERVICES: COMMUNITY POLICING

REVENUES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Contributions	\$ 1,400	\$ 1,400	\$ -	0.0%	\$ 2,850
TOTAL	\$ 1,400	\$ 1,400	\$ -	0.0%	\$ 2,850

EXPENSES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Contracted and other services	\$ 18,200	\$ 32,300	\$ 14,100	77.5%	\$ 16,810
Internal charges	-	-	-	N/A	580
Materials and supplies	8,600	9,100	500	5.8%	24,490
Other personnel costs	13,700	13,700	-	0.0%	1,920
Payroll expense	105,700	116,900	11,200	10.6%	103,230
Telephone, utilities and rent	23,700	25,600	1,900	8.0%	29,400
TOTAL	\$ 169,900	\$ 197,600	\$ 27,700	16.3%	\$ 176,430

NET REVENUE / (EXPENSES)	\$(168,500)	\$(196,200)	\$(27,700)	16.4%	\$(173,580)
---------------------------------	--------------------	--------------------	-------------------	--------------	--------------------

BREAKDOWN OF BUDGET CHANGES

Line item	Adjustment Category	Nature of Adjustment	Net Impact to Revenue/Expenses
Contracted and other services	Adjustment to maintain service level	Cleaning contractor with appropriate security clearance required by RCMP	\$ (12,800)
Materials and supplies	Adjustment to maintain service level	Fire inspection and air filters	(500)
Payroll expense	Labour Base Adjustment	Exempt Adjustment	(6,000)
Payroll expense	Labour Base Adjustment	Exempt Inflationary Increase	(4,500)
Payroll expense	Labour Overhead Adjustment	Benefit Increase	(2,000)
Telephone, utilities and rent	Adjustment to maintain service level	Increase in lease expense	(1,700)
Telephone, utilities and rent	Utilities and Fuel	Electricity 1.76%, Natural Gas 3.99%	(200)
TOTAL			\$(27,700)

INDICATORS AND MEASURES

Indicator/Measure	2018	2019	2020	2021	2022 (Oct)
Total Volunteer Hours	5,943	4,829	1909	2,357	5,485
Total Volunteers	67	71	72	61	57
Front Counter Volunteer Interactions	6,901	3,887	508	846	1,292
Bike Patrol / Foot Patrol Volunteer Hours	303	627	407	905	1,878
Events / Meetings Hosted	97	95	22	95 (mostly online)	63 (mix of in person and online)
Events / Meetings Attended	98	102	45	118 (mostly online)	55 (mix of in person and online)
Cell Watch Hours	226	317	253	345	430
Distracted Driving	101/34,335 = 0.29%	81/56,350 = 0.14%	35/29,110 = 0.12%	36/39,064 = 0.09%	133/67,374 = 0.19%

HUMAN RESOURCES

FOCUS

The Division serves both internal and external customers by providing specialized advice and assistance in all facets of people management including recruitment, labour relations, occupational health and safety, staff training and development, benefit administration, wage and salary administration and many other areas that involve existing and prospective City employees. Human Resources is responsible for championing City initiatives that build on a positive and engaging organizational culture. By having a positive culture, employees are in the best position to provide excellent support and service to the citizens and the business community.



ORGANIZATIONAL STRUCTURE

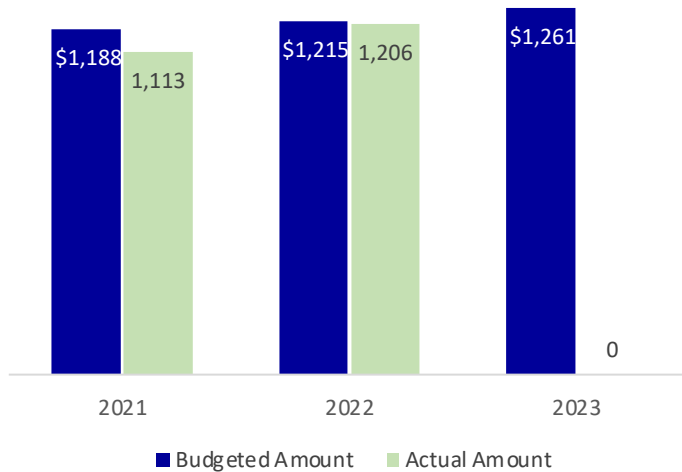


ENVIRONMENTAL SCAN

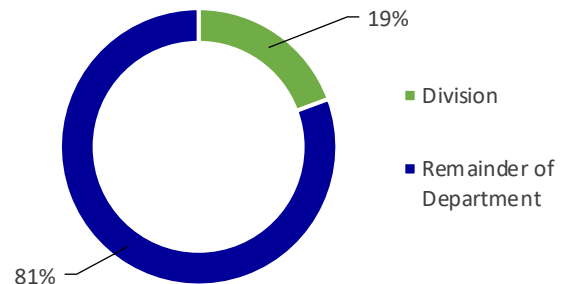
Factor	Impact
Labour market competitiveness	External factors including COVID-19 have fundamentally shifted the labour market in favour of employees seeking job opportunities. Employees are demanding greater flexibility and opportunity. Employers are required to pivot to attract and retain key positions, both unionized and excluded. Recent turnover of exempt staff and some key unionized positions is a symptom of these challenges.
Equity, diversity & inclusion	Increased awareness of and focus on social injustices in the last few years has highlighted a need to review this in the workplace as well. This requires increased awareness and understanding of role and impact that equity, diversity and inclusion has in the workplace. It necessitates a re-examination of hiring strategy to ensure diverse talent is being attracted to opportunities. Policy and program development will aid in maintaining an equitable, diverse and inclusive workplace.
Labour relations climate	CUPE and IAFF collective agreements were “rolled over” in the last rounds of bargaining. Both agreements expired December 31, 2022. It will be important for the Employer and Unions to deliberate in maintaining good will to set the stage for meaningful exchange up to and during the next rounds of bargaining.

OPERATING BUDGET

Operating Expenses (in Thousands)



Percent of Department Expenses



EXPENSES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Contracted and other services	\$ 128,200	\$ 128,200	\$ -	0.0%	\$ 211,390
Internal charges	-	-	-	N/A	20
Materials and supplies	5,000	5,000	-	0.0%	9,940
Other personnel costs	174,500	178,000	3,500	2.0%	156,980
Payroll expense	907,200	948,900	41,700	4.6%	826,110
Telephone, utilities and rent	400	400	-	0.0%	1,320
TOTAL	\$ 1,215,300	\$ 1,260,500	\$ 45,200	3.7%	\$ 1,205,760
NET REVENUE / (EXPENSES)	\$(1,215,300)	\$(1,260,500)	\$(45,200)	3.7%	\$(1,205,760)

BREAKDOWN OF BUDGET CHANGES

Line item	Adjustment Category	Nature of Adjustment	Amount
Other personnel costs	Adjustment to maintain service level	Adjustment for increased staff	\$(3,500)
Payroll expense	Labour Base Adjustment	Exempt adjustment	700
Payroll expense	Labour Base Adjustment	Exempt Inflationary Increase	(33,700)
Payroll expense	Savings on Job Conversions	Job reclassifications	5,300
Payroll expense	Labour Overhead Adjustment	Benefit increase	(14,000)
TOTAL			\$(45,200)

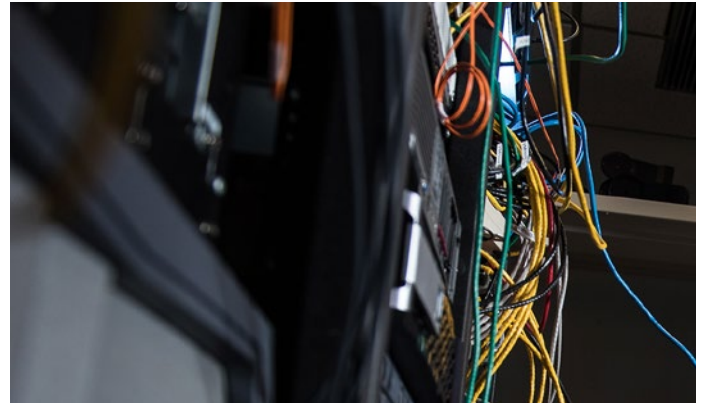
INDICATORS AND MEASURES

Indicator/Measure	2018	2019	2020	2022	2022 (Oct)
# Postings	179	168	123	211	197
# Interviews conducted	430	203	154	232	383
# External hires	90	133	50	65	146
# Internal appointments	112	72	48	117	56
# Grievances filed	32	1	8	4	7
# Grievances resolved	18	0	8	3	5
# Corrective actions	12	6	7	3	1
# Workplace Incidents Investigated	43	48	64	38	36
# WorkSafeBC time loss claims	19	16	21	15	43
Time loss workplace injury (days lost)	334	664	448	368	466
# No time loss workplace injury incidents	75	27	17	17	66
WorkSafeBC assessment per \$100 of payroll	\$1.91	\$2.08	\$2.19	\$2.96	\$3.23
Experience Rating Assessment (WorkSafeBC)	-0.3%	4.4%	7.9%	13.8%	10.5%
Average unplanned absent Days - Inside	14.8	12.6	6.8	5.5	7.4
Average unplanned absent Days - Outside	22.4	21.5	23.5	19.6	15.2
Average unplanned absent Days - Fire	14.6	6.6	9.0	9.2	17.5

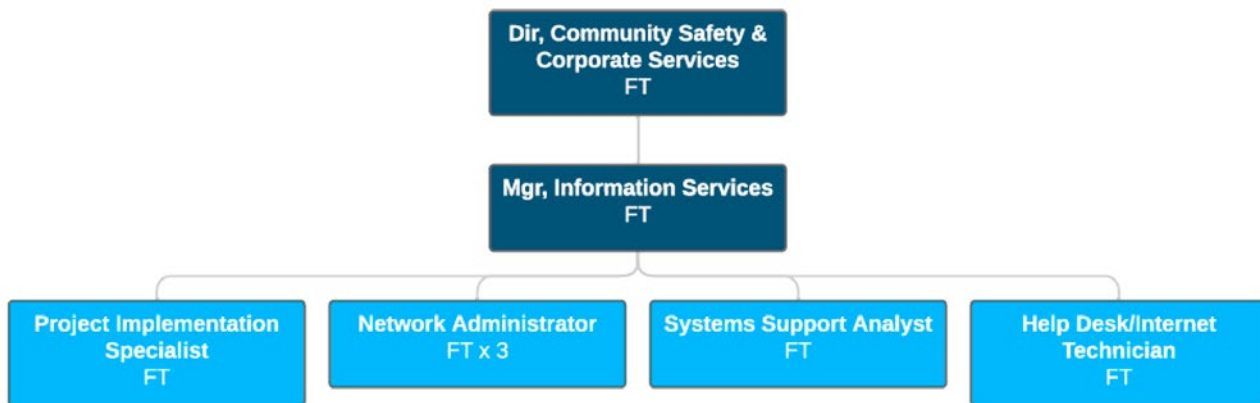
INFORMATION SERVICES

FOCUS

The Information Services Division provides the support and ongoing maintenance for the City's technology infrastructure including fibre optics, telephone systems, and all enterprise applications. The Division coordinates all activities and projects related to the City's systems, databases, websites and primary communication networks. The Division's services are focused on providing efficient and secure access to the information that internal staff need to complete their jobs as well as protecting City networks from external cyberthreats; this in turn allows the City staff to deliver consistent and exemplary services to the public.



ORGANIZATIONAL STRUCTURE

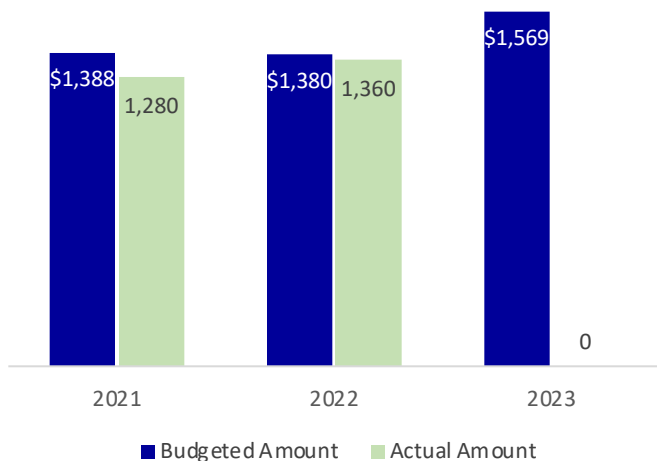


ENVIRONMENTAL SCAN

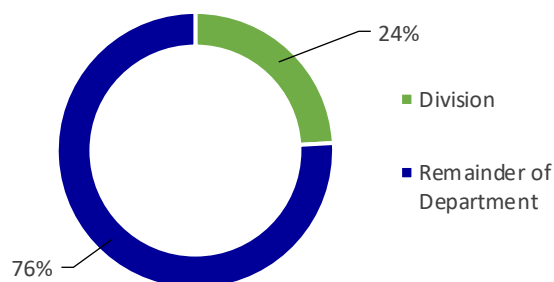
Factor	Impact
Cybersecurity	Cybersecurity is a complex and increasing threat for municipalities. Staying on top of these threats consumes the division resources as the team is continuously expanding their comprehensive defense for cyberattacks. The City's insurance provider performs an annual review of the City's cybersecurity toolset with new requirements being introduced each year resulting in a more fortified approach to the City's overall cybersecurity posture.
Cloud-based / subscription computing	Major municipal information systems providers are continuing to migrate from on-premise installed systems to cloud-based subscription services. This shift has increased operating costs, as one-time capital purchases for software are being replaced with ongoing subscription fees.
Disaster recovery & business continuity	As technology systems become more foundational in the day-to-day business operations, the need to provide better redundancy for business continuity and disaster recovery becomes increasingly more critical.
Customer service	The public use of mobile computing and smart phones is continuously expanding, which in turn increases the expectations to provide municipal services through mobile platforms, as well as expanded availability of Wi-Fi networks.

OPERATING BUDGET

Operating Expenses (in Thousands)



Percent of Department Expenses



EXPENSES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Contracted and other services	\$ 729,900	\$ 819,900	\$ 90,000	12.3%	\$ 735,650
Internal charges	(241,700)	(241,700)	-	0.0%	(241,700)
Materials and supplies	25,200	25,200	-	0.0%	31,120
Other personnel costs	22,400	31,200	8,800	39.3%	18,360
Payroll expense	820,300	910,100	89,800	10.9%	794,480
Telephone, utilities and rent	23,900	23,900	-	0.0%	22,530
TOTAL	\$1,380,000	\$1,568,600	\$188,600	13.7%	\$1,360,440
NET REVENUE / (EXPENSES)	\$(1,380,000)	\$(1,568,600)	\$(188,600)	13.7%	\$(1,360,440)

BREAKDOWN OF BUDGET CHANGES

Line item	Adjustment Category	Nature of Adjustment	Net Impact to Revenue/Expense
Contracted and other services	Ongoing Enhancement (Council Approved)	Cyber Security & Software Licensing	(\$50,000)
Contracted and other services	Adjustment to maintain service level	Microsoft Licensing	(\$40,000)
Other personnel costs	Adjustment to maintain service level	Adjustment for increased staff	(\$8,800)
Payroll expense	Ongoing Enhancement (Council Approved)	New Position – System Specialist	(\$62,500)
Payroll expense	Adjustment to maintain service level	OT Hours for System Upgrades	(\$4,100)
Payroll expense	Labour Base Adjustment	Exempt Adjustment	(\$3,000)
Payroll expense	Labour Base Adjustment	Exempt Inflationary Increase	(\$8,200)
Payroll expense	Labour Overhead Adjustment	Benefit Increase	(\$12,000)
TOTAL			\$ (\$188,600)

INDICATORS AND MEASURES

Indicator/Measure	2018	2019	2020	2021	2022 (Oct)
Internal Customers	504	651	651	651	683
Desktop Computers	272	322	322	365	327
Mobile Devices	305	296	296	309	290
System Servers	63	63	63	75	75
Wireless Access Points	n/a	n/a	n/a	81	99
Customer Support Requests	2,450	2,391	2,391	2,590	3,598
Cyber Threats Prevented	n/a	n/a	n/a	3,024	5,085

LEGISLATIVE SERVICES AND CORPORATE INITIATIVES

FOCUS

The Legislative Services and Corporate Initiatives Division is responsible for supporting all aspects of Council and Committee meetings, including creating agendas and recording minutes, updating all meeting information on the website, publishing all public notice requirements, handling all public requests to appear before Council, and supporting protocol ceremonies involving Council. It also manages the Board of Variance application process and meetings, in order to resolve zoning issues.

The responsibilities of the Division extend further into the supporting role of drafting, editing and coordinating corporate policies, bylaws and reports. In applicable years, the responsibility of administrating civic and school district elections and conducting public referenda also falls within this office.

The Division manages and preserves corporate records through a records management and retention program, and responds to all information requests and privacy administration under the *Freedom of Information and Protection of Privacy Act*.



ORGANIZATIONAL STRUCTURE

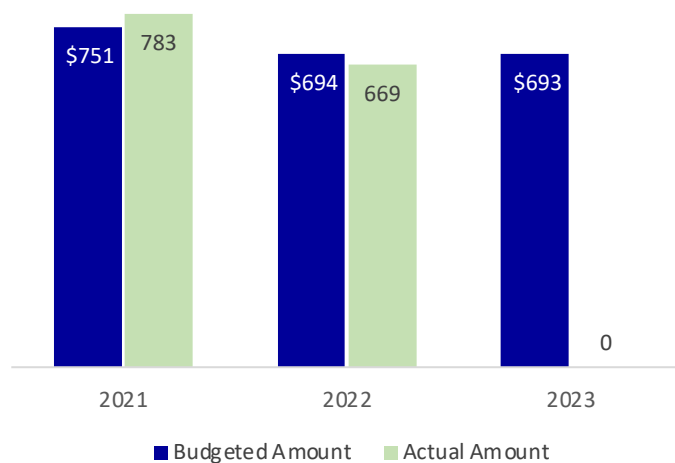


ENVIRONMENTAL SCAN

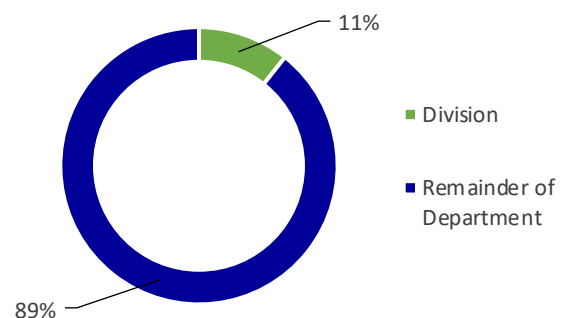
Factor	Impact
Council meeting support	Continue to implement tools through eScribe to enhance usability of agenda, minutes and video management software. Enhance the Council Chambers AV Systems to allow for hybrid meetings so that meeting participants can participate electronically if unable to attend in person.
Enhanced records management	As the City continues to grow and public expectations around transparency and access to information become more sophisticated the need for a fully functional and easy to use corporate-wide electronic records management system is essential in order to ensure legislative compliance, create business efficiencies, and provide external customers with data related to City decisions.
Enhanced privacy requirements	Continue to build a Corporate Privacy Program to meet new legislative requirements that came into effect in late 2021.
Legislative changes	The Province has and continues to introduce legislative changes that impact Council and City governance, privacy and information access, and elections.
Land Management	The City continues to acquire property as part of the Downtown Action Plan, the number of commercial tenants leasing City owned property continues to increase, resulting in more attention required for lease administration.

OPERATING BUDGET

Operating Expenses (in Thousands)



Percent of Department Expenses



REVENUES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Permits and licences	\$1,200	\$1,200	\$ -	0.0%	\$2,820
Sale of services	\$ -	\$ -	-	N/A	2,600
TOTAL	\$1,200	\$1,200	\$ -	0.0%	\$5,420

COMMUNITY SAFETY & CORPORATE SERVICES: LEGISLATIVE SERVICES AND CORPORATE INITIATIVES

EXPENSES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Contracted and other services	\$ 200,100	\$ 224,200	\$24,100	12.0%	\$ 210,350
Grants and financial assistance	35,000	-	(35,000)	-100.0%	-
Internal charges	(114,200)	(114,200)	-	0.0%	(114,200)
Materials and supplies	1,100	1,100	-	0.0%	4,150
Other personnel costs	54,000	21,200	(32,800)	-60.7%	16,420
Payroll expense	517,700	560,900	43,200	8.3%	551,340
Telephone, utilities and rent	-	-	0	N/A	1,000
TOTAL	\$ 693,700	\$ 693,200	\$ (500)	-0.1%	\$ 669,060

NET REVENUE / (EXPENSES)	\$(692,500)	\$(692,000)	\$ 500	-0.1%	\$(663,630)
---------------------------------	--------------------	--------------------	---------------	--------------	--------------------

BREAKDOWN OF BUDGET CHANGES

Line item	Adjustment Category	Nature of Adjustment	Net Impact to Revenue/Expenses
Payroll expense	Labour Increase - CUPE	Benefit Increase-7.57%	\$ (7,000)
Contracted and other services	Departmental Ongoing Adjustment (No DP)	To offset Position Reclass	8,700
Payroll expense	Labour Increase - General	Position Reclass	(8,700)
Payroll expense	Labour Base Adjustment	Position Changes	(1,300)
Payroll expense	Labour Base Adjustment	Exempt Inflationary Increase	(13,800)
Payroll expense	Labour Base Adjustment	Exempt Review Adjustment	(12,400)
Grants and financial assistance	Ongoing Reclassification	Reclassification of ongoing Financial Assistance Grant to PoCo Foundation from Corporate Office to Finance	35,000
TOTAL			\$ 500

INDICATORS AND MEASURES

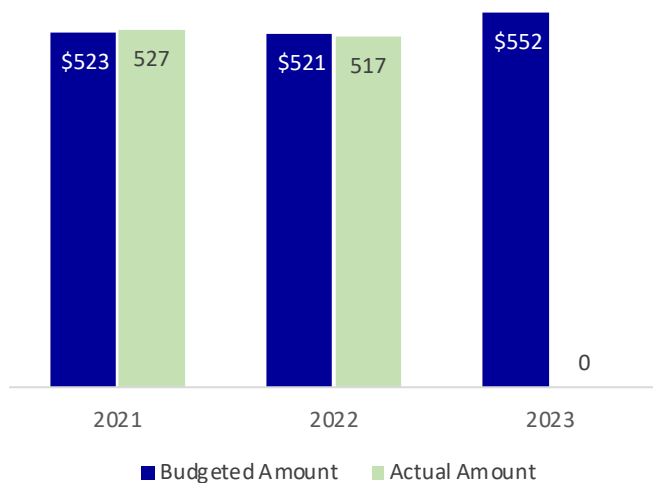
Indicator/Measure	2018	2019	2020	2021	2022 (Oct)
Electronic agendas*	86	102	96	118	86
Bylaws processed	52	54	48	51	34
Freedom of Information requests	53	57	82	69	41
Document storage (boxes)	623	594	694	510	469
Board of Variance applications	8	5	4	10	10

*Includes Regular Council, Special Council, Closed Council and Briefing. Does not include committees.

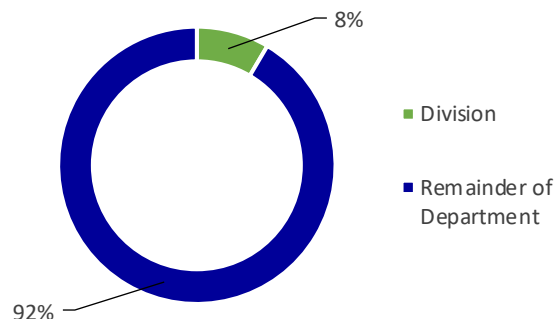
MAYOR & COUNCIL

OPERATING BUDGET

Operating Expenses (in Thousands)



Percent of Department Expenses



EXPENSES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Materials and supplies	\$ 300	\$ 300	\$ -	0.0%	\$ -
Other personnel costs	44,700	44,700	-	0.0%	29,090
Payroll expense	474,500	506,200	31,700	6.7%	485,340
Telephone, utilities and rent	1,200	1,200	-	0.0%	2,960
TOTAL	\$ 520,700	\$ 552,400	\$ 31,700	6.1%	\$ 517,390

NET REVENUE / (EXPENSES)	\$(520,700)	\$(552,400)	\$(31,700)	6.1%	\$(517,390)
---------------------------------	--------------------	--------------------	-------------------	-------------	--------------------

BREAKDOWN OF BUDGET CHANGES

Line item	Adjustment Category	Nature of Adjustment	Net Impact to Revenue/Expense
Payroll expense	Labour Base Adjustment	Council Remuneration Inflationary Increase	\$(24,700)
Payroll expense	Labour Overhead Adjustment	Benefit Increase	(7,000)
TOTAL			\$(31,700)

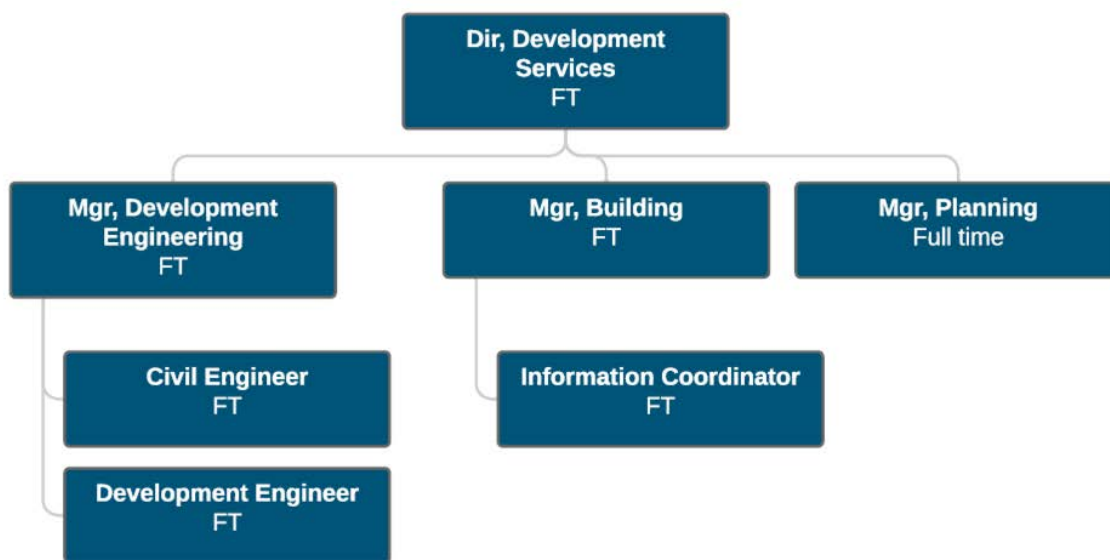
DEVELOPMENT SERVICES

FOCUS

The Development Services Department ensures orderly and safe development within the City. Its administration directs the activities of the Department in keeping with the corporate direction, strategically oversees development processes, provides advice on sustainable land use and development, and guides decisions related to the use of City-owned lands. The Director is a member of Metro Vancouver's Regional Planning Advisory Committee and Technical Advisory Committee on Aboriginal Affairs.

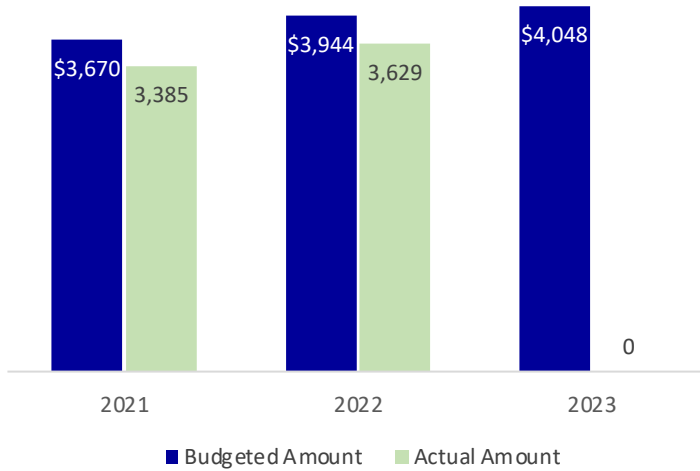
The Department has three operating divisions: Planning, Building and Development Engineering.

ORGANIZATIONAL STRUCTURE

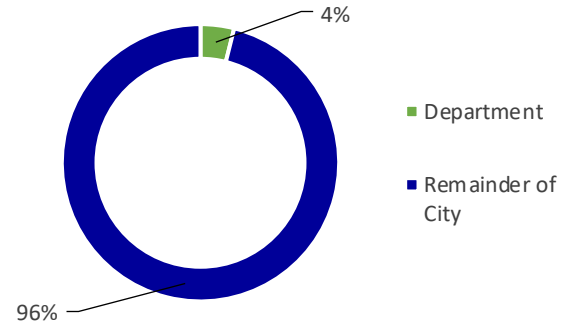


OPERATING BUDGET

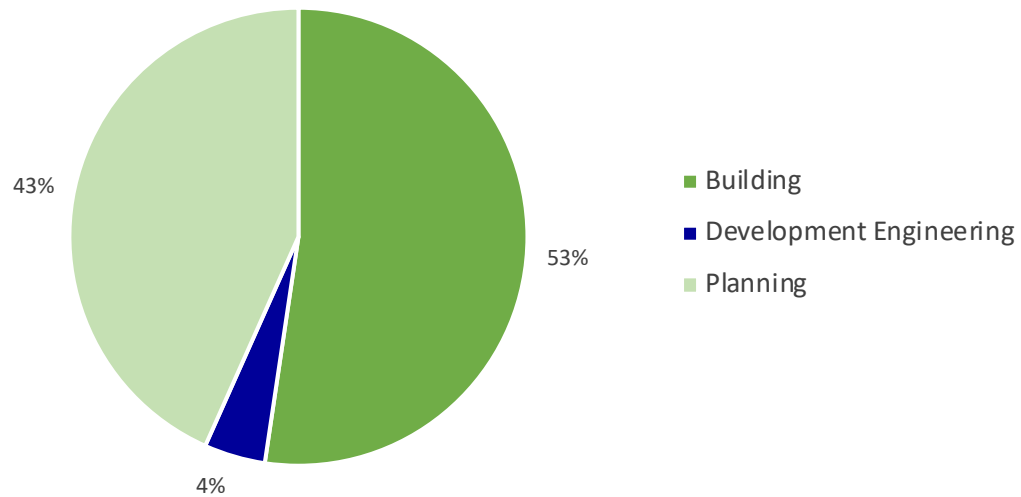
Operating Expenses (in Thousands)



Percent of City Expenses



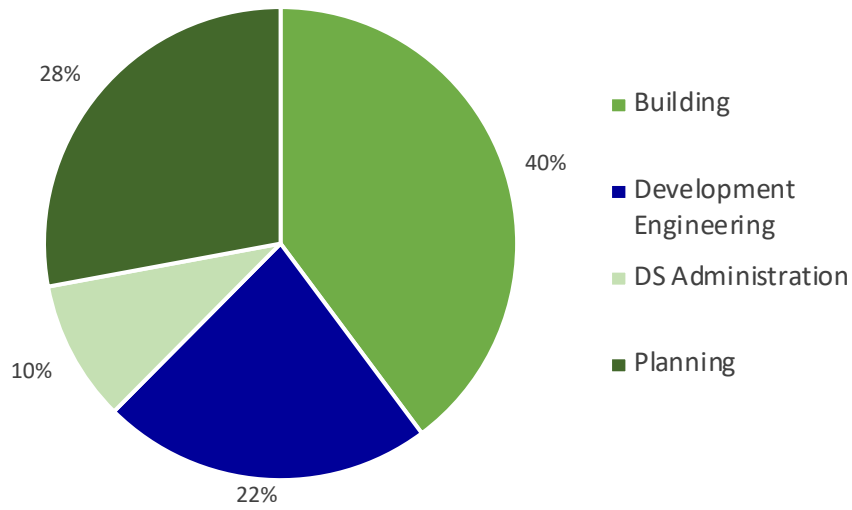
Department Revenue by Section



REVENUES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Building	\$1,574,000	\$1,574,000	\$-	0.0%	\$1,168,570
Development Engineering	130,000	130,000	-	0.0%	242,180
Planning	1,302,500	1,302,500	-	0.0%	1,492,420
TOTAL	\$3,006,500	\$3,006,500	\$-	0.0%	\$2,903,170

DEVELOPMENT SERVICES

Department Expenses by Section



EXPENSES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Building	\$ 1,490,900	\$ 1,611,400	\$ 120,500	8.1%	\$1,607,170
Development Engineering	861,300	915,800	54,500	6.3%	641,990
DS Administration	384,600	390,600	6,000	1.6%	307,280
Planning	1,206,900	1,129,800	(77,100)	-6.4%	1,072,530
TOTAL	\$ 3,943,700	\$ 4,047,600	\$ 103,900	2.6%	\$3,628,970

ALLOCATIONS (TO)/FROM RESERVES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Building	\$ (270,000)	\$ (270,000)	\$ -	0.0%	\$(270,000)
Planning	103,400	-	(103,400)	-100.0%	-
TOTAL	\$ (166,600)	\$ (270,000)	\$(103,400)	62.1%	\$(270,000)

NET REVENUE / (EXPENSES)	\$(1,103,800)	\$(1,311,100)	\$(207,300)	18.8%	\$(995,780)
---------------------------------	----------------------	----------------------	--------------------	--------------	--------------------

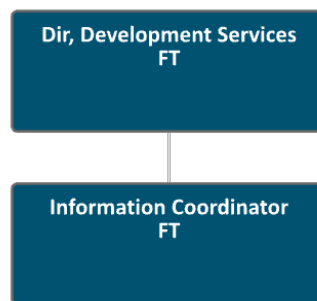
DEVELOPMENT SERVICES ADMINISTRATION

FOCUS

The Development Services Administration Division ensures the orderly and safe development of the City within the context of keeping an eye to the future. The Director of Development Services provides overall direction to the Planning, Building and Development Engineering Divisions and ensures the Department’s activities are in keeping with the corporate direction as defined by Council’s priorities. The Director strategically oversees the development and regulatory processes, provides advice and direction on attaining sustainable land use and development, and guides decisions related to City-owned properties.



ORGANIZATIONAL STRUCTURE

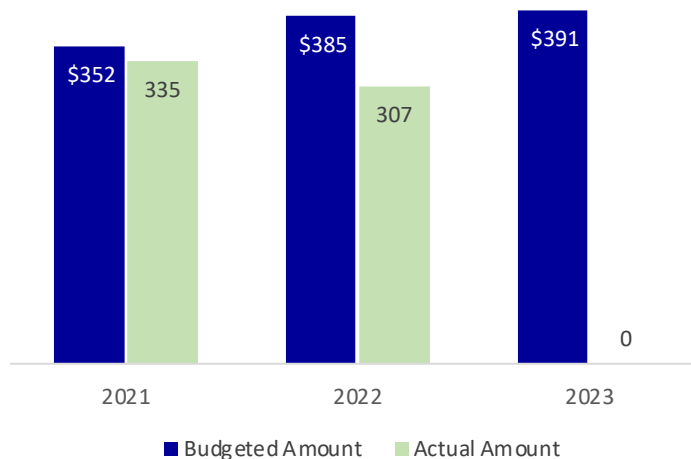


ENVIRONMENTAL SCAN

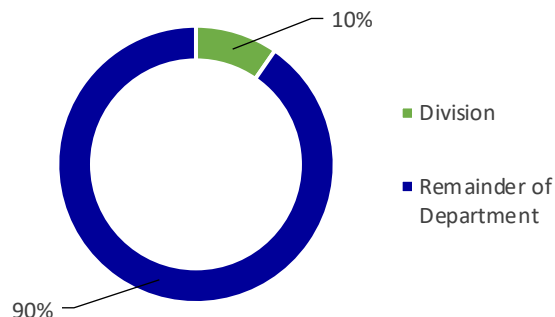
Factor	Impact
Council priorities and focus	Council has adopted an Action Plan and many of these items are connected to Development Services, including updating the Official Community Plan, downtown revitalization, property servicing and many others. Continued focus and appropriate resourcing will be important to complete the planned work.
Increasing demands for expanded municipal mandate	There is increased demand for the City to play a larger role in housing, supporting housing providers, and developing municipal policies and regulations. Providing services outside of the City’s mandate would have impacts to the City’s financial resources in the future.
Customer service	There is a growing demand for online applications and e-services resulting in more of the City’s permits being processed electronically. The enhanced technology simplifies the application process for customers as well as reduces staff time to process applications. A carbon footprint reduction is another benefit of a growing paperless application process.
Climate change	Changing weather patterns associated with climate change will have significant impacts to community infrastructure and operations. Planning to reduce emissions, as well as adapt to climate change, will be critical for long term service sustainability.
Corporate culture	Particularly with the challenges of COVID-19, maintaining and supporting an engaged workforce is essential. Implementing City-wide organizational culture initiatives to increase employee engagement will ensure a high level of customer and employee satisfaction.
Increasingly high land values	High land values impact land use and development policies and regulations and challenge the City’s ability to effectively meet the housing demands and needs of the community as well as business vitality.

OPERATING BUDGET

Operating Expenses (in Thousands)



Percent of Department Expenses



EXPENSES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Contracted and other services	\$ 13,800	\$ 13,800	\$ -	0.0%	\$ 7,460
Materials and supplies	1,700	1,700	-	0.0%	80
Other personnel costs	8,600	8,600	-	0.0%	6,980
Payroll expense	360,500	366,500	6,000	1.7%	291,550
Telephone, utilities and rent	-	-	-	N/A	1,210
TOTAL	\$ 384,600	\$ 390,600	\$ 6,000	1.6%	\$ 307,280
NET REVENUE / (EXPENSES)	\$(384,600)	\$(390,600)	\$(6,000)	1.6%	\$(307,280)

BREAKDOWN OF BUDGET CHANGES

Line item	Adjustment Category	Nature of Adjustment	Impact on Net Revenue/Expense
Payroll expense	Labour Base Adjustment	Exempt Adjustment	\$17,000
Payroll expense	Labour Base Adjustment	Exempt Inflationary Increase	(18,000)
Payroll expense	Labour Overhead Adjustment	Benefit Increase	(5,000)
TOTAL			\$(6,000)

BUILDING

FOCUS

The Building Division plays a key role in ensuring that the construction, alteration and maintenance of buildings and structures meet the development and building regulations found in City bylaws, Provincial Acts, Codes and National Standards. This work supports the City's vision by ensuring that buildings and building activities in the community are safe, healthy, sustainable and accessible.

The Division's staff work with members of the public and the business and development community to ensure both the goals of the builder/owner and the obligations of the City are met. Permits are issued after drawings and other required documents are determined to be acceptable for new construction including additions, alterations,

mezzanines, swimming pools, retaining walls and decks; demolitions; repairs and upgrades; changes in use; plumbing, installation of sprinklers and water meters; and related works.

Construction is inspected at appropriate stages or, for large projects, monitored to ensure works are in keeping with the permit. Follow-up and enforcement action assist property and business owners to understand and comply with building and licensing regulations. The Source Control Program assists property and business owners to comply with regulations protecting water supply, sewer and drainage systems.



ORGANIZATIONAL STRUCTURE

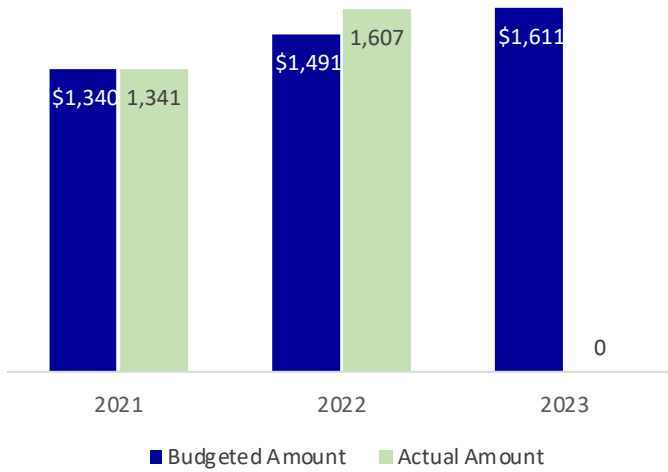


ENVIRONMENTAL SCAN

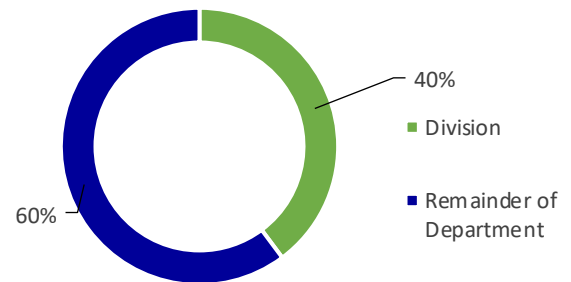
Factor	Impact
Increased demand for service	The Building Division continues to be impacted by a high level of development interest along with the complexity of permit applications.
Customer service	There is a growing demand for online applications and e-services resulting in more of the City's permits being processed electronically. The enhanced technology simplifies the application process for customers as well as reduces staff time to process applications. A carbon footprint reduction is another benefit of a growing paperless application process.
Legislative/regulatory	It is necessary for Building Officials to keep up to date on training as codes and other regulations evolve. Changes approved previously for the Energy Step Code will impact staff as the construction community adjusts to the new regulations.
COVID-19	COVID-19 has been and will continue to be an uncertainty on future development.

OPERATING BUDGET

Operating Expenses (in Thousands)



Percent of Department Expenses



REVENUES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Other revenue	\$ 5,000	\$ 5,000	\$ -	0.0%	\$ 10,810
Permits and licences	1,550,000	1,550,000	-	0.0%	1,131,440
Sale of services	19,000	19,000	-	0.0%	26,330
TOTAL	\$1,574,000	\$1,574,000	\$ -	0.0%	\$1,168,580

EXPENSES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Contracted and other services	\$ 11,900	\$ 11,900	\$ -	0.0%	\$ 4,500
Interest and bank charges	15,000	15,000	-	0.0%	16,980
Internal charges	43,600	47,400	3,800	8.7%	43,590
Materials and supplies	5,200	5,200	-	0.0%	4,400
Other personnel costs	27,700	27,700	-	0.0%	18,360
Payroll expense	1,387,300	1,504,000	116,700	8.4%	1,519,340
Telephone, utilities and rent	200	200	-	0.0%	-
TOTAL	\$1,490,900	\$1,611,400	\$120,500	8.1%	\$1,607,170

ALLOCATIONS (TO)/FROM RESERVES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Transfer to Reserve	\$(270,000)	\$(270,000)	\$ -	0.0%	\$(270,000)
TOTAL	\$(270,000)	\$(270,000)	\$ -	0.0%	\$(270,000)

NET REVENUE / (EXPENSES)	\$(186,900)	\$(307,400)	\$(120,500)	64.5%	\$(708,590)
---------------------------------	--------------------	--------------------	--------------------	--------------	--------------------

BREAKDOWN OF BUDGET CHANGES

Line item	Adjustment Category	Nature of Adjustment	Impact on Net Revenue/Expense
Internal charges	Adjustment to maintain service level	Adjustment for Internal Equipment allocation	\$ (3,800)
Payroll expense	Ongoing Enhancement (Council Approved)	New Position - Building Official III Position Upgrade from Building Official II to III	(83,600)
Payroll expense	Labour Base Adjustment	Exempt Adjustment	(3,000)
Payroll expense	Labour Base Adjustment	Exempt Inflationary Increase	(8,900)
Payroll expense	Labour Overhead Adjustment	Benefit Increase	(21,200)
TOTAL			\$(120,500)

INDICATORS AND MEASURES

Indicator/Measure	2018	2019	2020	2021	2022 (Oct)
All Permits Issued	843	644	547	642	511
Dwelling Units Constructed	485	143	401	353	212
Building Permit Review Times (weeks):					
New ICIM (large buildings)	12	12	12	12	12
New Houses	12	12	12	12	12
Alterations ICIM	12	12	12	12	8
Alterations Houses	12	12	12	12	8
Inspections (building, mechanical, business licence) within 24 hours	All	All	All	All	All
Construction Value of Issued Building Permits (Millions)	\$138M	\$145M	\$142M	\$124M	\$110M

DEVELOPMENT ENGINEERING

FOCUS

The Development Engineering Division helps build the community by functioning as the regulating and approving body for subdivision applications and development-related utility works. Management and application of various bylaws related to private land developments are also undertaken by the Division. The Division's role is to ensure that the development community provides off-site servicing required for their developments to the specifications and standards established by the City.

The customer service staff within the Division provides administrative support to both Development Engineering and Engineering and Public Works. This group serves the public and development community in the efficient processing of various engineering and development permits such as for soil deposit and removal, watering, and subdivision and site servicing requirements related to development, as well as garbage, flooding, watering and other Engineering inquiries.



ORGANIZATIONAL STRUCTURE

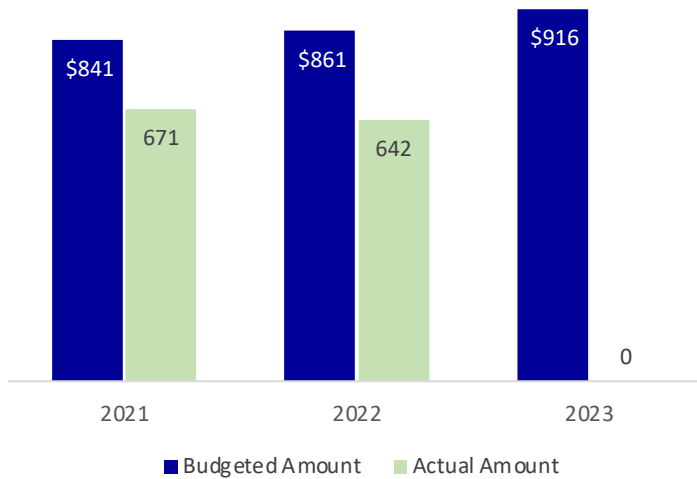


ENVIRONMENTAL SCAN

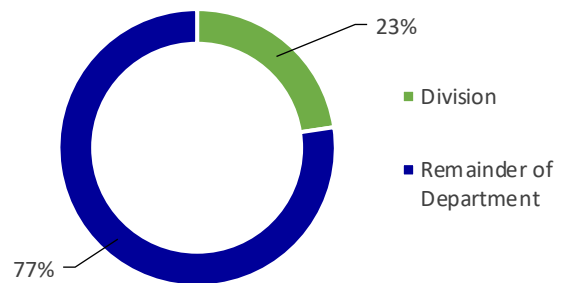
Factor	Impact
Inexperienced developers	Increasing inquiries from real estate agents, developers, homeowners as well as potential buyers, and inexperienced developers have been placing a strain on staff resources. Greater assistance is required to aid inexperienced developers to fulfill their development requirements.
Increasingly high land values	High land values impact land use and development policies and regulations and challenge the City's ability to effectively meet the housing demands and needs of the community as well as business vitality.
Legislative/regulatory	Ongoing training for Development Engineering staff is necessary to keep staff up to date with the increased complexity of servicing bylaws and standards as they evolve and change. As new policies and procedures are introduced the staff will be impacted as the development community adjusts to the new bylaws and standards.
Customer service	There is a growing demand for online applications and e-services resulting in more of the City's permits being processed electronically. The enhanced technology simplifies the application process for customers as well as reduces staff time to process applications. A carbon footprint reduction is another benefit of a growing paperless application process.

OPERATING BUDGET

Operating Expenses (in Thousands)



Percent of Department Expenses



DEVELOPMENT SERVICES: DEVELOPMENT ENGINEERING

REVENUES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Permits and licences	\$ 25,000	\$ 25,000	\$ -	0.0%	\$ 64,290
Sale of services	105,000	105,000	-	0.0%	177,890
TOTAL	\$ 130,000	\$ 130,000	\$ -	0.0%	\$ 242,180

EXPENSES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Contracted and other services	\$ 39,000	\$ 39,000	\$ -	0.0%	\$ 8,500
Internal charges	11,500	12,500	1,000	8.7%	11,490
Materials and supplies	400	400	-	0.0%	100
Other personnel costs	12,700	12,700	-	0.0%	4,300
Payroll expense	797,700	851,200	53,500	6.7%	617,210
Telephone, utilities and rent	-	-	-	N/A	400
TOTAL	\$ 861,300	\$ 915,800	\$ 54,500	6.3%	\$ 642,000

NET REVENUE / (EXPENSES)	\$(731,300)	\$(785,800)	\$(54,500)	7.5%	\$(399,810)
---------------------------------	--------------------	--------------------	-------------------	-------------	--------------------

BREAKDOWN OF BUDGET CHANGES

Line item	Adjustment Category	Nature of Adjustment	Impact on Net Revenue/Expense
Internal charges	Adjustment to maintain service level	Adjustment for Internal Equipment allocation	\$ (1,000)
Payroll expense	Labour Base Adjustment	Exempt Adjustment	(26,000)
Payroll expense	Labour Base Adjustment	Exempt Inflationary Increase	(16,500)
Payroll expense	Labour Overhead Adjustment	Benefit Increase	(11,000)
TOTAL			\$(54,500)

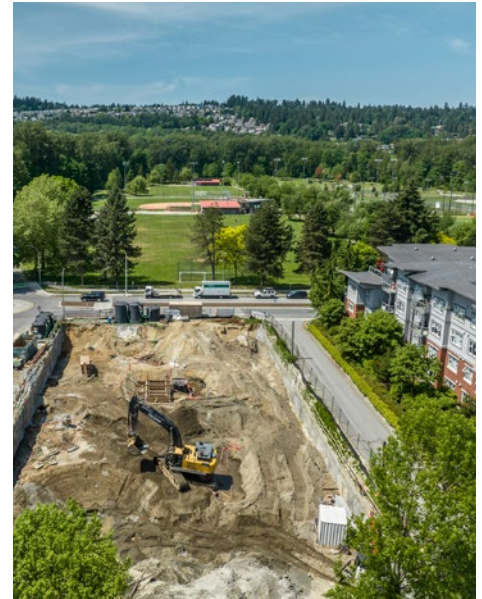
INDICATORS AND MEASURES

Indicator/Measure	2018	2019	2020	2021	2022 (Oct)
Number of Calls for Service (CFS) inquiries, complaints, requests recorded	1,311	825	916	990	770
Number of Permit Applications Reviewed	259	266	628	463	309
Percentage of Applications reviewed in less than 60 days	59%	33%	88%	73%	85%
Value of Works Processed	\$3.2M	\$3.7M	\$6.7M	\$8.6M	\$6.6M
Number of Calls for Service (CFS) Eng files (MWP, FLM, RDC, HYD, FF, FW, SPR, MIS)	1,311	825	592	527	461

PLANNING

FOCUS

The Planning Division provides information, analysis and advice to Council, other departments and agencies, and the public on matters related to the planning and development of the City. In keeping with the Corporate Strategic Plan, Official Community Plan, and Metro Vancouver’s Regional Growth Strategy, the Division is concerned with factors important to the municipal quality of life through the integration of land use, economic development, environmental protection, transportation, heritage, social planning and community facilities and services. The Division’s primary role is to direct sustainable growth and development by setting appropriate policies and regulations to guide change, implementing effective development application processes and providing excellent customer service. Division staff also provides demographic information and analysis, assist with research requests related to municipal development, coordinate inter-departmental or multi-jurisdictional projects and serve in a liaison capacity with other agencies. The Division also includes business licensing and supports the business community through outreach and activities including an annual business celebration, business fair and patio program.



ORGANIZATIONAL STRUCTURE

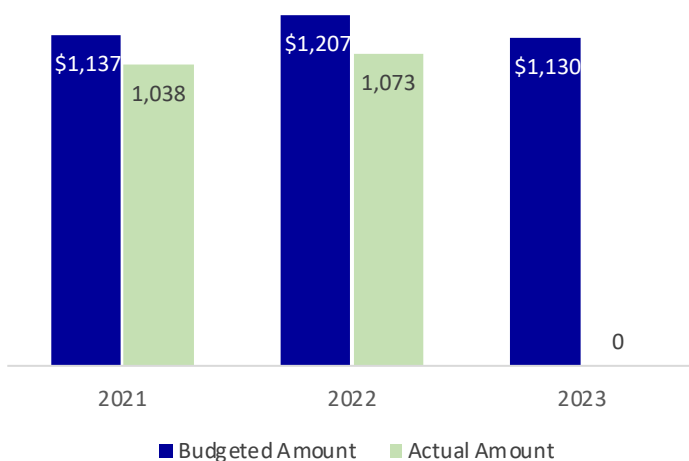


ENVIRONMENTAL SCAN

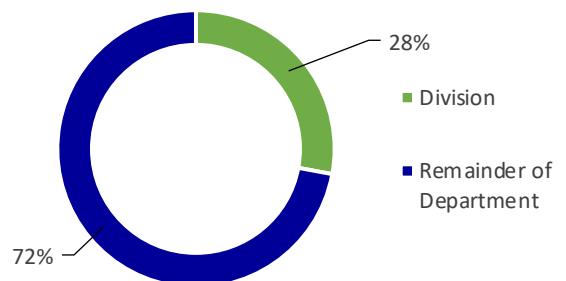
Factor	Impact
Demand and complexity of growth	The City is continuing to experience a high level of development interest, with increasingly complex proposals outside of existing policy or regulations. In addition, a great number of proposals meet the City's criteria for fast-tracked public interest applications and small development applications which require significant staff support.
Balancing complex and competing interests	The City is working to address significant social and environmental matters in its decisions and actions while balancing resident and business needs and responding to the direction and requirements of senior government agencies.
Diverse and evolving community expectations	The positions and expectations held by long-established residents, new residents, developers and businesses on land use and development issues and expectations is increasingly diverse and varied. Expectations from the community for communication, consultation and public involvement is also changing with a greater demand for immediate and detailed responses, online platforms and real time information.
Increasingly high land values	High land values and constructions costs impact land use and development policies and regulations and challenge the City's ability to effectively meet community housing needs.
Supporting business growth and vitality	Many local businesses struggle to respond to ever changing market dynamics, and are still managing the impact of the COVID-19 pandemic. The City continues to look for new and innovative ways within its jurisdiction and mandate to support their continued growth and success.

OPERATING BUDGET

Operating Expenses (in Thousands)



Percent of Department Expenses



DEVELOPMENT SERVICES: PLANNING

REVENUES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Permits and licences	\$1,135,000	\$1,135,000	\$ -	0.0%	\$1,324,940
Sale of services	-	-	-	N/A	-
Taxation and other levies	167,500	167,500	-	0.0%	167,480
TOTAL	\$1,302,500	\$1,302,500	\$ -	0.0%	\$1,492,420

EXPENSES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Contracted and other services	\$ 253,400	\$ 254,400	\$ 1,000	0.4%	\$ 224,870
Interest and bank charges	500	500	-	0.0%	580
Internal charges	-	-	-	N/A	-
Materials and supplies	6,000	6,000	-	0.0%	11,030
Other personnel costs	12,400	13,800	1,400	11.3%	7,730
Payroll expense	934,600	855,100	\$ (79,500)	-8.5%	828,320
TOTAL	\$1,206,900	\$1,129,800	\$ (77,100)	-6.4%	\$1,072,530

ALLOCATIONS (TO)/FROM RESERVES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Transfer From Surplus	\$ 103,400	\$ -	\$ (103,400)	-100.0%	\$ -
TOTAL	\$ 103,400	\$ -	\$ (103,400)	-100.0%	\$ -

NET REVENUE / (EXPENSES)	\$ 199,000	\$ 172,700	\$ (26,300)	-13.2%	\$ 419,900
---------------------------------	-------------------	-------------------	--------------------	---------------	-------------------

BREAKDOWN OF BUDGET CHANGES

Line item	Adjustment Category	Nature of Adjustment	Impact on Net Revenue/Expense
Contracted and other services	Adjustment to maintain service level	Meals on Wheels - Price per meal has increased	\$ (1,000)
Other personnel costs	Adjustment to maintain service level	Additional staff members with Phone Allowance	(1,400)
Payroll expense	Labour Base Adjustment	Exempt Adjustment	(3,000)
Payroll expense	Labour Base Adjustment	Exempt Inflationary Increase	(8,900)
Payroll expense	Labour Overhead Adjustment	Benefit Increase	(12,000)
TOTAL			\$(26,300)

INDICATORS AND MEASURES

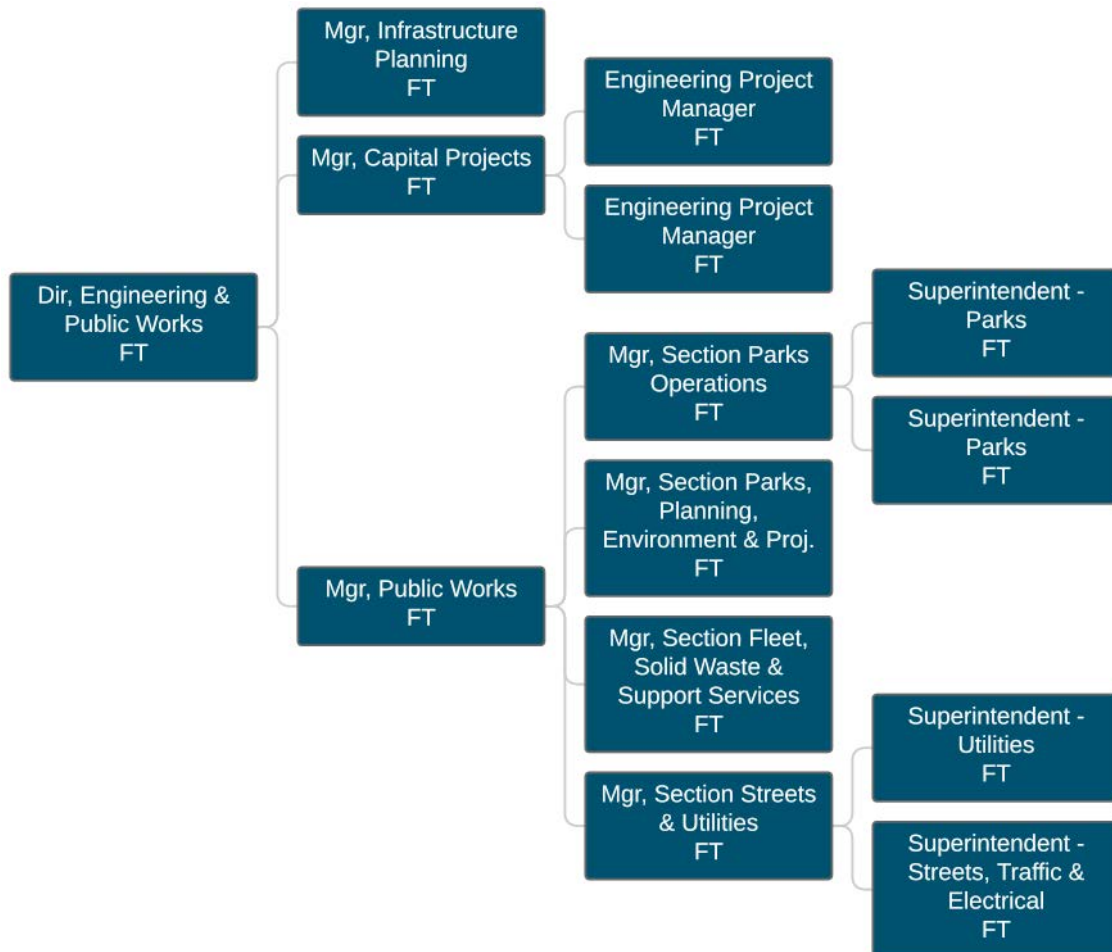
Indicator/Measure	2018	2019	2020	2021	2022 (Oct)
Applications aligned with OCP goals	90%	90%	100%	100%	90%
New applications	79	81	68	61	79
Benchmark development permit application review time	6 months	7 months	7 months	5 months	7 months
Business licences Issued	3,769	3,961	3863	4,085	4,412

ENGINEERING & PUBLIC WORKS

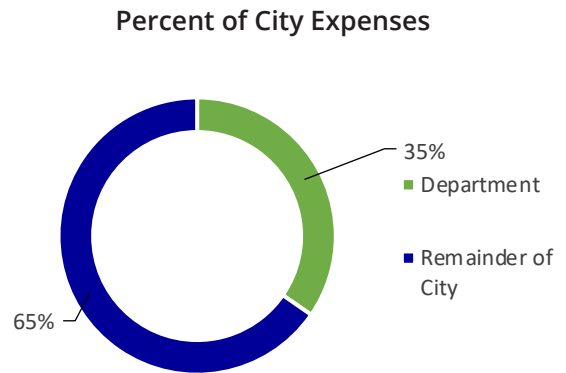
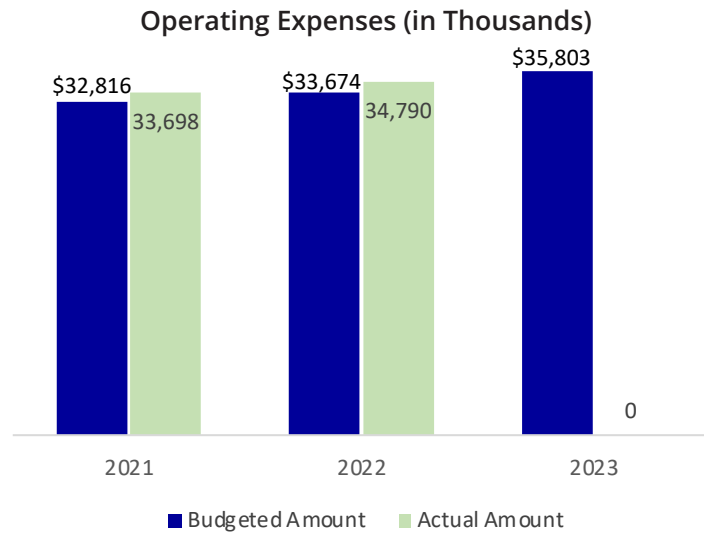
FOCUS

The Engineering & Public Works Department provides and maintains essential municipal services and infrastructure, including the transportation network, parks and trails, cemetery operations, vehicles, waste collection, and the sewer and water network.

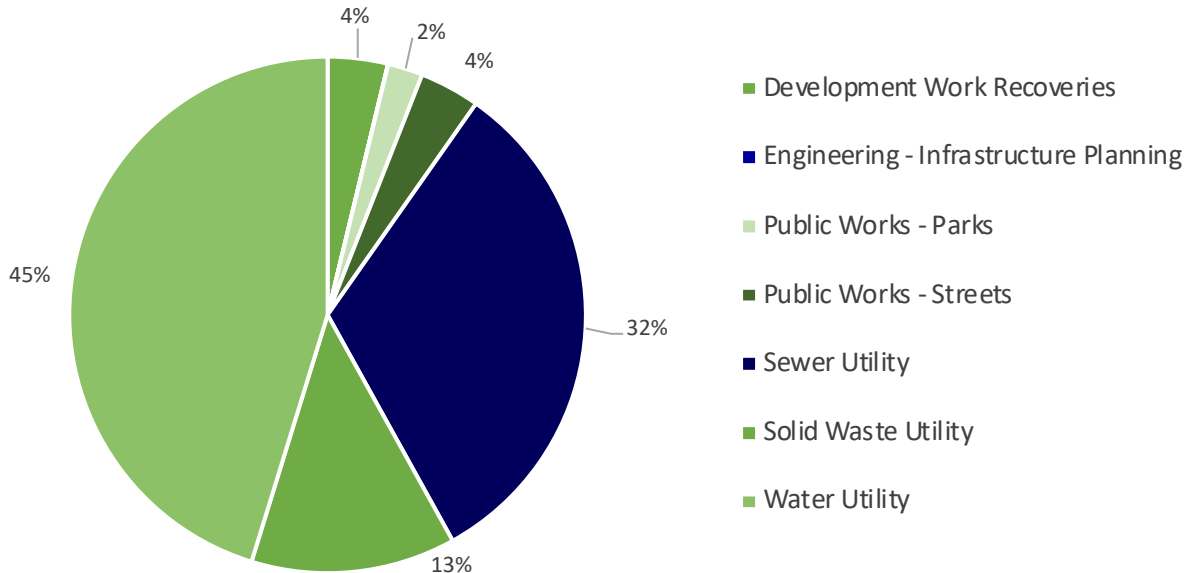
ORGANIZATIONAL STRUCTURE



OPERATING BUDGET



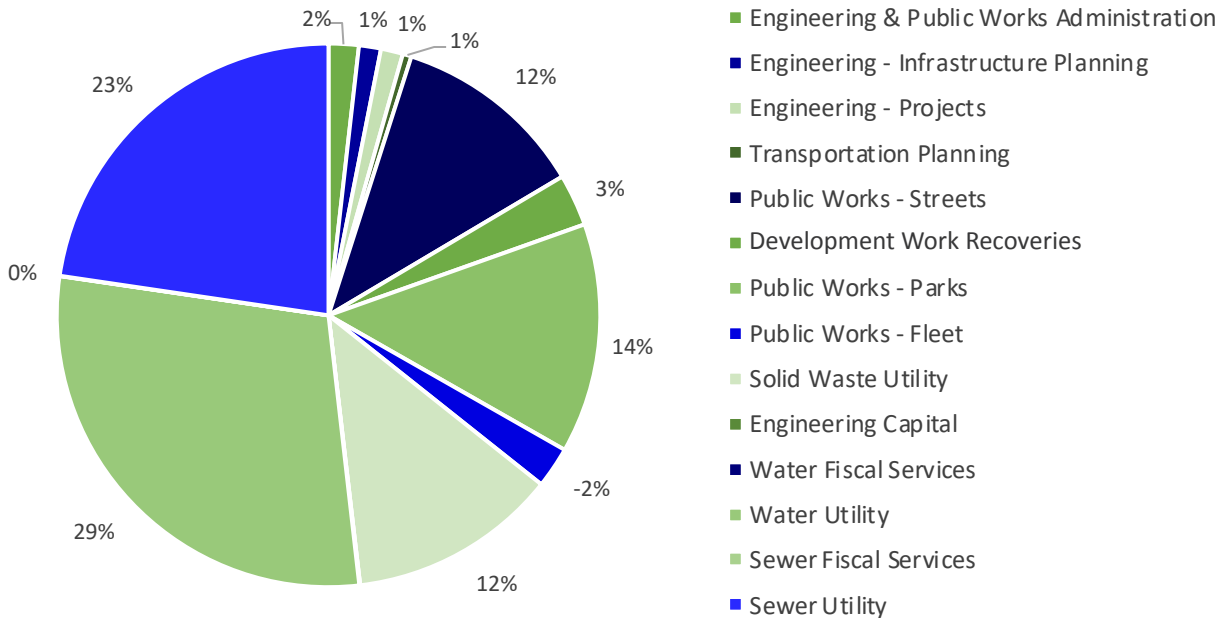
Department Revenue by Section



REVENUES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Development Work Recoveries	\$ 1,140,600	\$ 1,178,200	\$ 37,600	3.3%	\$ 923,790
Engineering - Infrastructure Planning	7,000	7,000	-	0.0%	11,420
Engineering & Public Works Administration	-	-	-	N/A	10,280
Engineering Capital	-	-	-	N/A	-
Public Works - Fleet	-	-	-	N/A	120
Public Works - Parks	686,600	686,600	-	0.0%	662,770
Public Works - Streets	1,051,500	1,183,300	131,800	12.5%	1,202,360
Sewer Utility	9,648,400	10,092,400	444,000	4.6%	10,276,510
Solid Waste Utility	3,884,800	4,015,500	130,700	3.4%	4,134,700
Water Utility	13,346,600	14,178,900	832,300	6.2%	14,257,490
TOTAL	\$29,765,500	\$31,341,900	\$1,576,400	5.3%	\$31,479,440

ENGINEERING & PUBLIC WORKS

Department Expenses by Section



EXPENSES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Development Work Recoveries	\$ 1,141,900	\$ 1,164,200	\$ 22,300	2.0%	\$ 939,100
Engineering - Infrastructure Planning	441,400	492,200	50,800	11.5%	468,160
Engineering - Projects	376,200	494,100	117,900	31.3%	270,210
Engineering & Public Works Administration	590,600	675,100	84,500	14.3%	966,160
Engineering Capital	-	-	-	N/A	10,490
Public Works - Fleet	(887,300)	(919,500)	(32,200)	3.6%	(861,480)
Public Works - Parks	4,773,400	5,148,000	374,600	7.8%	4,921,040
Public Works - Streets	4,234,700	4,343,900	109,200	2.6%	4,423,200
Sewer Fiscal Services	-	5,800	5,800	N/A	-
Sewer Utility	8,191,700	8,534,300	342,600	4.2%	7,954,280
Solid Waste Utility	4,532,000	4,689,500	157,500	3.5%	4,363,020
Transportation Planning	-	195,600	195,600	N/A	-
Water Fiscal Services	-	17,400	17,400	N/A	-
Water Utility	10,279,000	10,962,700	683,700	6.7%	11,336,090
TOTAL	\$ 33,673,600	\$35,803,300	\$2,129,700	6.3%	\$ 34,790,270

ALLOCATIONS (TO)/FROM RESERVES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Public Works - Fleet	\$ (1,245,700)	\$ (1,245,700)	\$ -	0.0%	(1,425,770)
Public Works - Streets	(470,500)	(533,000)	(62,500)	13.3%	(627,990)
Sewer Utility	(1,456,700)	(1,552,300)	(95,600)	6.6%	(1,456,700)
Solid Waste Utility	(120,000)	(120,000)	-	0.0%	(120,000)
Water Utility	(3,067,600)	(3,198,800)	(131,200)	4.3%	(3,067,600)
TOTAL	\$ (6,360,500)	\$ (6,649,800)	\$(289,300)	4.5%	\$ (6,698,060)

NET REVENUE / (EXPENSES)	\$(10,268,600)	\$(11,111,200)	\$(842,600)	8.2%	\$(10,008,860)
---------------------------------	-----------------------	-----------------------	--------------------	-------------	-----------------------

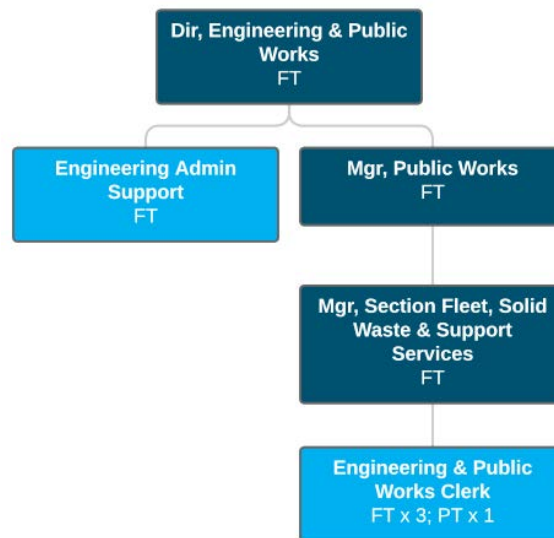
ENGINEERING & PUBLIC WORKS ADMINISTRATION

FOCUS

This area is responsible for overall management of the Department of Engineering & Public Works Department. The Infrastructure Planning, Capital Projects and Public Works divisions ensure the City's public infrastructure is planned, designed, constructed, operated and maintained to defined service levels and standards. Staff in this area also support Council and participate in regional committees to coordinate work while sharing and learning from others.



ORGANIZATIONAL STRUCTURE

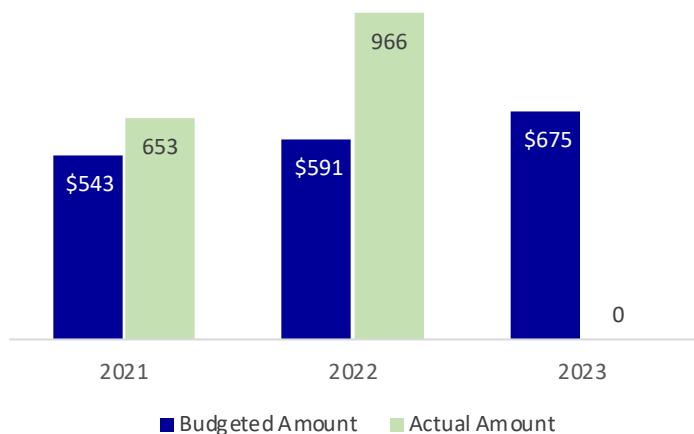


ENVIRONMENTAL SCAN

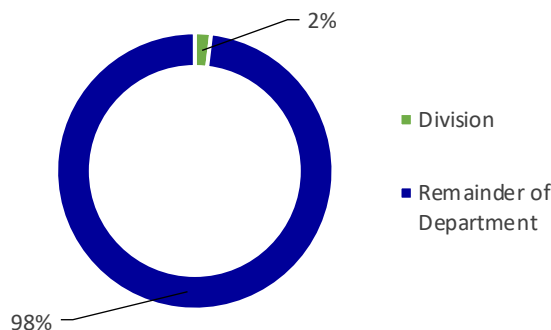
Factor	Impact
Core service delivery	There is ongoing pressure for new assets and services, but it is important for the City to focus on delivering basic core services first.
Climate challenges	Changing weather patterns associated with climate change will have impacts to municipal infrastructure and operations. Planning to reduce emissions and adapt to climate change is critical for long term service sustainability.
Customer service	Ensure the City is providing exceptional customer experience through proactively streamlining processes, while educating and raising awareness with staff.
Corporate culture	Maintaining and supporting an engaged workforce is essential to service delivery. Implementing City-wide organizational culture initiatives to support employee engagement helps to deliver a high level of customer service and employee satisfaction.
Employee retention and attraction	Due to a shortage of qualified employees, creative solutions are required to attract new employees and develop retention strategies such as increased employee engagement. The recruitment landscape is seeing the effects of an aging workforce, with labour statistics predicting that millennials will make up 75% of all workers by 2025. Skill gap and lack of qualified applicants combined with a competitive job market has made it challenging to fill key positions.

OPERATING BUDGET

Operating Expenses (in Thousands)



Percent of Department Expenses



REVENUES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Sale of services	\$ -	\$ -	\$ -	0.00%	\$ 10,280
TOTAL	\$ -	\$ -	\$ -	0.00%	\$ 10,280

EXPENSES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Contracted and other services	\$ 121,000	\$ 127,000	\$ 6,000	5.0%	\$ 138,650
Internal charges	(511,600)	(525,100)	(13,500)	2.6%	(523,940)
Materials and supplies	13,400	13,400	-	0.0%	16,710
Other personnel costs	37,000	37,000	-	0.0%	79,960
Payroll expense	930,800	1,022,800	92,000	9.9%	1,252,650
Telephone, utilities and rent	-	-	-	N/A	2,130
TOTAL	\$ 590,600	\$ 675,100	\$ 84,500	14.3%	\$ 966,160

NET REVENUE / (EXPENSES)	\$(590,600)	\$(675,100)	\$(84,500)	14.3%	\$(955,870)
---------------------------------	--------------------	--------------------	-------------------	--------------	--------------------

BREAKDOWN OF BUDGET CHANGES

Line item	Adjustment Category	Nature of Adjustment	Impact on Net Revenue/Expense
Contracted and other services	Contracted Services	Dispatch services inflation based on contract	(6,000)
Internal charges	Adjustment to maintain service level	Adjustment for Internal Equipment allocation	13,500
Payroll expense	Position Transfer	Position transfer from Infrastructure Planning to EPW Administration	(75,400)
Payroll expense	Labour Base Adjustment	Exempt Adjustment	17,500
Payroll expense	Labour Base Adjustment	Exempt Inflationary Increase	(22,100)
Payroll expense	Labour Overhead Adjustment	Benefit Increase	(12,000)
TOTAL			\$(84,500)

INFRASTRUCTURE PLANNING

FOCUS

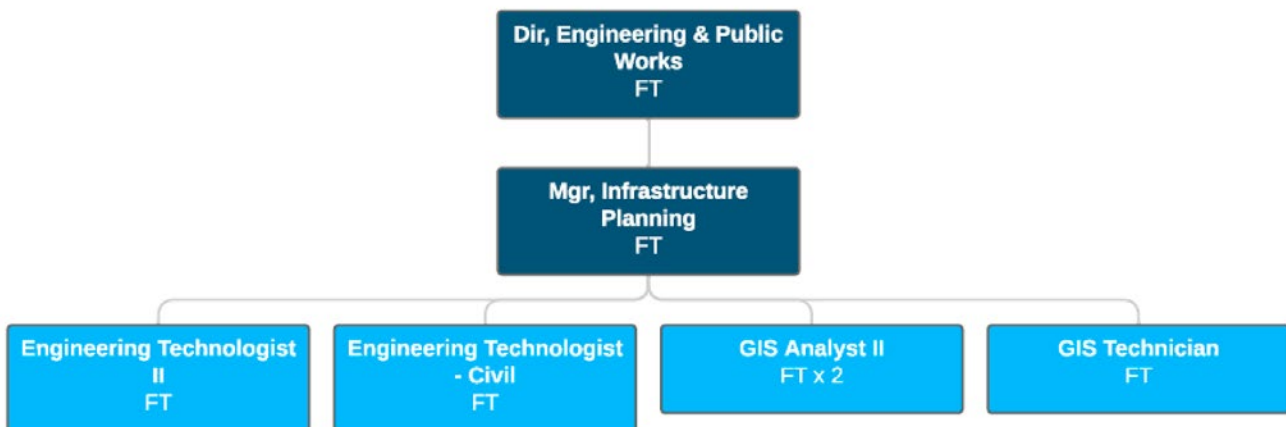
The Infrastructure Planning Division is responsible for monitoring, managing, planning and improving the City's infrastructure systems (roads, water, sewer, drainage). Staff develops long range plans for infrastructure improvements to support walking, cycling, transit, vehicle and goods movement, and the safe provision of drinking water, sanitary and drainage services. This Division is also responsible for the City's GIS and PoCoMAP systems and for providing land survey services to a variety of internal and external customers.

The Infrastructure Planning Division is responsible for developing the City's capital program and leading the asset management program. Additionally, this Division supports the Planning Division with transportation planning and collaborates frequently with the Public Works, Capital Projects, and Finance divisions on other work.

Staff in this area participates in transportation and utility regional committees and working groups. Staff also acts as the primary liaison with external agencies such as TransLink, Coast Mountain Bus Company, Ministry of Transportation and Infrastructure, ICBC, Metro Vancouver, provincial and federal governments and the RCMP. This liaison function is fundamental to securing external grants and improving services that directly benefit residents, employees, and businesses.



ORGANIZATIONAL STRUCTURE

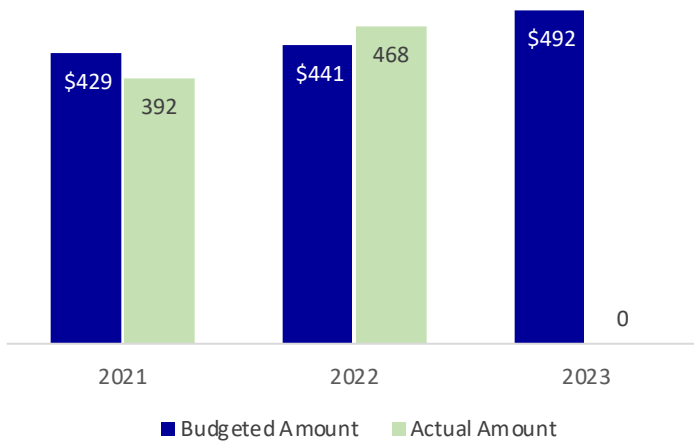


ENVIRONMENTAL SCAN

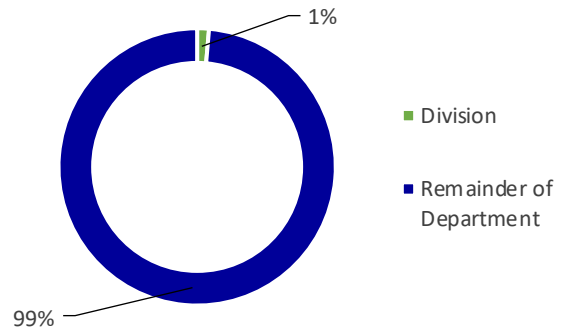
Factor	Impact
Aging infrastructure	A budget focused on rehabilitation provides funding to take care of and replace the assets the City already owns. Development and implementation of asset management plans help to prioritize and allocate funding for long term sustainability.
Basic infrastructure	Funding for new assets is allocated carefully and focused on the provision of core infrastructure such as road paving, streetlights, sidewalks and utilities to address gaps and provide a basic level of service and safety. Updates to the Development Cost Charge Bylaw will help offset the costs of growth-related infrastructure and upgrade projects.
Transportation and safety	Population growth, along with a desire to support active transportation and climate change goals, are driving the need for more active transportation infrastructure, traffic calming and road safety improvements. Such improvements help to move larger volumes of people and goods, efficiently and safely, while reducing congestion and GHG emissions.
Maturation	Since the establishment of the Infrastructure Planning Division in 2017, a large number of policies, programs and procedures have been introduced to address outstanding needs. Work has now shifted to strategic utility and transportation planning to support larger projects and long-term needs.

OPERATING BUDGET

Operating Expenses (in Thousands)



Percent of Department Expenses



REVENUES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Sale of services	\$5,000	\$5,000	\$-	0.0%	\$11,420
Other revenue	2,000	2,000	-	0.0%	-
TOTAL	\$7,000	\$7,000	\$0	0.0%	\$11,420

ENGINEERING & PUBLIC WORKS: INFRASTRUCTURE PLANNING

EXPENSES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Contracted and other services	\$ 76,100	\$ 80,000	\$ 3,900	5.1%	\$ 89,940
Internal charges	(345,700)	(345,700)	-	0.0%	(345,700)
Materials and supplies	3,300	3,300	-	0.0%	350
Other personnel costs	11,600	11,600	-	0.0%	7,170
Payroll expense	696,000	742,900	46,900	6.7%	716,340
Telephone, utilities and rent	100	100	-	0.0%	60
TOTAL	\$ 441,400	\$ 492,200	\$ 50,800	11.5%	\$ 468,160
NET REVENUE / (EXPENSES)	\$(434,400)	\$(485,200)	\$(50,800)	11.7%	\$(456,740)

BREAKDOWN OF BUDGET CHANGES

Line item	Adjustment Category	Nature of Adjustment	Impact on Net Revenue/Expense
Contracted and other services	Adjustment to maintain service level	New Asset Management software required	\$(3,900)
Payroll expense	Labour Base Adjustment	Position transfer from Infrastructure Planning to EPW Administration	75,400
Payroll expense	Labour Base Adjustment	Position to be funded from Capital	(99,400)
Payroll expense	Labour Base Adjustment	Exempt Adjustment	(3,000)
Payroll expense	Labour Base Adjustment	Exempt Inflationary Increase	(8,900)
Payroll expense	Labour Overhead Adjustment	Benefit Increase	(11,000)
TOTAL			\$(50,800)

INDICATORS AND MEASURES

Indicator/Measure	2018	2019	2020	2021	2022 (Oct)
Value of external grants/partnerships	\$ 2.3M	\$1.3M	\$4.2M	\$3.37M	\$3M
Value of civil infrastructure projects (roads, utilities)	\$ 15.8M	\$7.7M	\$12.2	\$15M	\$21.7M
Value of active transportation, traffic calming, sidewalk and pedestrian safety projects	\$ 700K	\$650K	\$1M	\$1.53M	\$2M
# of new/updated policies, plans, programs or contracts	4	8	12 in progress	3 completed. 12* in progress	12* in progress
# of public inquiries (calls for service)	186	202	242	309	190

* In progress (12): Asset Management Plans (8), Servicing Bylaw Update, DCC Bylaw Update, Master Transportation Plan, South Port Coquitlam Integrated Watershed Management Plan

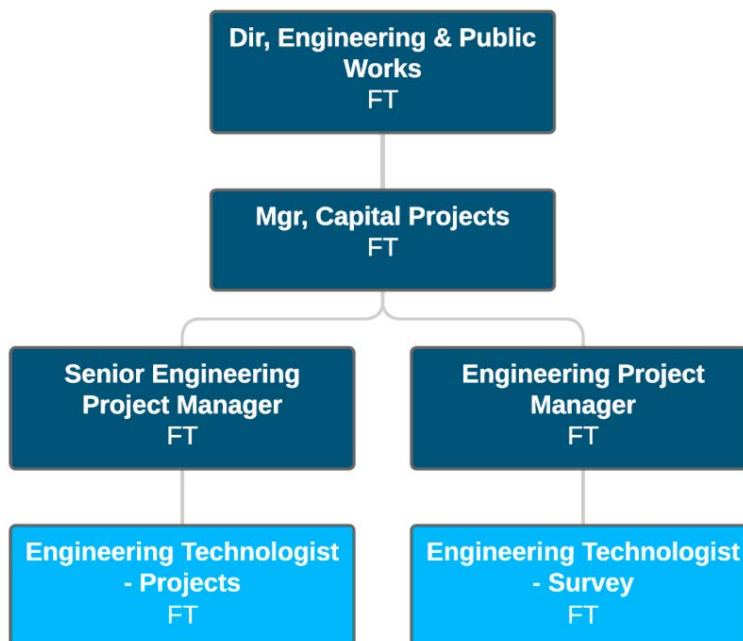
CAPITAL PROJECTS

FOCUS

The Capital Projects Division coordinates the design, construction and implementation of Capital Projects approved in the City's annual 5-year financial plan for road, water, sewer, drainage and parks infrastructure. The team also prepares construction estimates for future capital projects, maintains historical project costing information, and assists with the recording and valuation of fixed assets for road, water, sewer, drainage and parks infrastructure.



ORGANIZATIONAL STRUCTURE

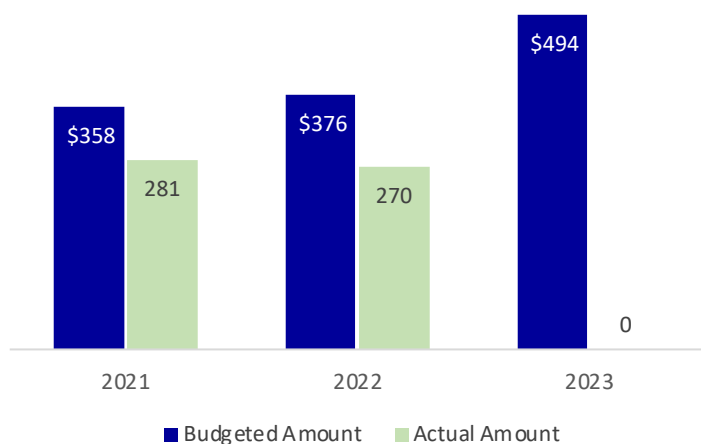


ENVIRONMENTAL SCAN

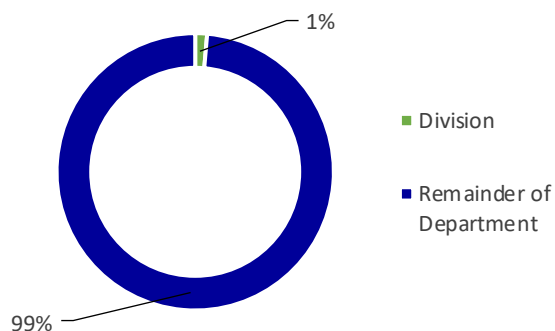
Factor	Impact
Regulatory changes	Changes to environmental regulatory processes have resulted in substantially longer wait times for receiving approvals related to work within or directly adjacent to streams. Accordingly, additional time has been allocated in project schedules for environmental permitting.
COVID-19 Impact	Applications reviewed by the Ministry of Forests, Lands, Natural Resource Operations and Rural Developments are backlogged as a result of COVID-19, which, in addition to regulatory changes, has further increased review times for approval to proceed with site investigations and construction. Lead times for material acquisition have also increased. Materials need to be ordered early on in the process to ensure availability for construction schedules. Alternatives with lesser lead time are being considered for some projects.
Public expectations	Staff strive to keep residents informed of construction work and designs underway for future construction. Additional communication efforts have been implemented resulting from COVID-19. With the increased size and interest in the capital program, staff endeavor to keep residents informed of the plans early in the design process, promoting the City's values, strategy and vision for implementation.
Experienced staff	Attracting and retaining experienced staff in a competitive market continues to be a challenge. Skill gap and lack of qualified applicants combined with a competitive job market has made it challenging to fill key positions. Vacancies increase other staff workloads and reduce team efficiency.

OPERATING BUDGET

Operating Expenses (in Thousands)



Percent of Department Expenses



EXPENSES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Contracted and other services	\$ 3,000	\$ 3,000	\$ -	0.0%	\$ 1,420
Internal charges	(288,100)	(286,300)	1,800	-0.6%	(288,080)
Materials and supplies	1,500	1,500	-	0.0%	580
Other personnel costs	9,400	9,400	-	0.0%	5,160
Payroll expense	649,700	765,800	116,100	17.9%	549,510
Telephone, utilities and rent	700	700	-	0.0%	1,620
TOTAL	\$ 376,200	\$ 494,100	\$ 117,900	31.3%	\$ 270,210
NET REVENUE / (EXPENSES)	\$(376,200)	\$(494,100)	\$(117,900)	31.3%	\$(270,210)

BREAKDOWN OF BUDGET CHANGES

Line item	Adjustment Category	Nature of Adjustment	Impact on Net Revenue/Expense
Internal charges	Adjustment to maintain service level	Adjustment for Internal Equipment allocation	\$ (1,800)
Payroll expense	Labour Base Adjustment	Position to be funded from Capital	(180,000)
Payroll expense	Ongoing Enhancement (Council Approved)	Engineering Technologist II reallocated for Manager of Transportation	113,600
Payroll expense	Labour Base Adjustment	Increased hours - Engineering Technologist	(15,500)
Payroll expense	Labour Base Adjustment	Exempt Adjustment	(9,700)
Payroll expense	Labour Base Adjustment	Exempt Inflationary Increase	(16,500)
Payroll expense	Labour Overhead Adjustment	Benefit Increase	(8,000)
TOTAL			\$(117,900)

INDICATORS AND MEASURES

Indicator/Measure	2018	2019	2020	2021	2022 (Oct)
# of Open Houses for Projects	5	3	0*	0*	0
Asphalt Rehabilitation (equivalent lane km)	19.9	10	9	10.52	3.75
Sewer Main Replacement (m)	935	1,075	709	493	30
Watermain Replacement (m)	5,861	1,075	2,550	1,762	616
Storm Replacement (m)	5,197	1,475	988	739	306
Storm Pump Station (ea)	1	0	2	0	0
Sanitary Lift Station Replacement (ea)	0	0	0	1	1
PRV Replacement (ea)	0	0	0	0	0
Water Pump Station Replacement (ea)	0	0	0	0	0
Sidewalk / Multi-Use Path installation (m)	3,225	1,105	1,690	3,058	2,644
Pedestrian Improvements (ea)	23	4	4	14	8
Traffic Calming Installations (ea)	2	2	3	55	9
Calls for Service Received**					190

* In person public information sessions were not held on account of COVID-19. Information and engagement was provided via letters and website content.

** New indicator being collected to help track operations.

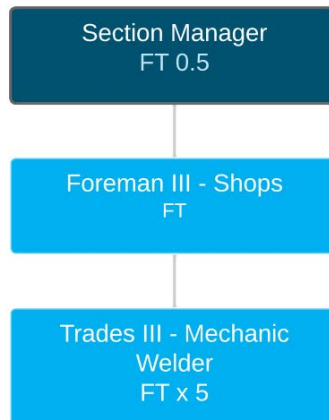
PUBLIC WORKS – FLEET OPERATIONS

FOCUS

Fleet Operations provides fleet repair and welding services for the City, operating two shifts in efforts of minimizing downtime for the fleet. As an internal service provider all charges for operating the fleet operation are incurred in this Section, and then distributed to the various Departments via monthly or hourly charge out rates to reflect the cost of operating those activities.



ORGANIZATIONAL STRUCTURE



ENVIRONMENTAL SCAN

Factor	Impact
COVID-19 Impacts	Ability to purchase vehicles and obtain parts has been delayed due to the pandemic. Semiconductor shortage has had impact to the industry which has led to significant delays on vehicle replacement.
Data driven decision making	Implementation of maintenance management software program to maximize useful life of fleet and ensure preventative maintenance regulatory requirements are met, and operational needs evaluated.
Climate change	With the development of the Climate Action Plan underway, the City will be considering new targets for greenhouse gas emissions, which will require more efficient equipment and consideration of alternative fuel vehicles.
Currency	Weak Canadian dollar against U.S. currency increases capital costs for equipment purchases.
Commodity pricing	Current instability in commodity markets may result in increased capital costs for equipment.
Aging fleet	Due to supply chain issues replacement time is taking 16-24 months which increases maintenance, lower salvage value and potential failure, increased fuel and higher CO2 emissions.
Supply Chain	Division relies heavily on goods and manufacturing materials which are transported by various methods. Supply chain issues are affecting the Division in the following ways: <ul style="list-style-type: none"> • products are not as available as they normally are • it is taking longer to get items shipped • some products are costing more
Inflation	The inflation rate is at its highest point since 1983, whether higher prices will remain constant, or if it is just transitory as a result of the economic recovery from the COVID-19 pandemic remains to be seen.

OPERATING BUDGET

REVENUES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Sale of services	\$ -	\$ -	\$ -	N/A	\$ 120
TOTAL	\$ -	\$ -	\$ -	N/A	\$ 120

EXPENSES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Contracted and other services	\$ 286,600	\$ 310,000	\$ 23,400	8.2%	\$ 162,830
Insurance and claims	213,600	224,200	10,600	5.0%	128,860
Internal charges	(2,924,100)	(3,181,400)	(257,300)	8.8%	(3,315,480)
Materials and supplies	838,200	1,015,000	176,800	21.1%	1,500,430
Other personnel costs	12,500	12,500	-	0.0%	4,170
Payroll expense	684,100	698,400	14,300	2.1%	655,580
Telephone, utilities and rent	1,800	1,800	-	0.0%	2,140
TOTAL	\$ (887,300)	\$ (919,500)	\$(32,200)	3.6%	\$ (861,470)

ALLOCATIONS (TO)/FROM RESERVES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Transfer to Reserve	\$ (1,245,700)	\$ (1,245,700)	\$ -	0.0%	\$ (1,425,770)
TOTAL	\$(1,245,700)	\$(1,245,700)	\$ -	0.0%	\$(1,425,770)

NET REVENUE / (EXPENSES)	\$ (358,400)	\$ (326,200)	\$ 32,200	-9.0%	\$ (564,170)
---------------------------------	---------------------	---------------------	------------------	--------------	---------------------

BREAKDOWN OF BUDGET CHANGES

Line item	Adjustment Category	Nature of Adjustment	Impact on Net Revenue/Expense
Contracted and other services	Adjustment to maintain service level	Inflationary cost increase based on 3-year historical actuals	\$(23,400)
Insurance and claims	Insurance	Inflationary increase	(10,600)
Internal charges	Adjustment to maintain service level	Adjustment for Internal Equipment allocation	257,300
Materials and supplies	Adjustment to maintain service level	Inflationary cost increase based on 3-year historical actuals	(50,000)
Materials and supplies	Utilities and Fuel	Fuel 25%	(126,800)
Payroll expense	Labour Base Adjustment	Exempt Adjustment	(2,000)
Payroll expense	Labour Base Adjustment	Exempt Inflationary Increase	(2,300)
Payroll expense	Labour Overhead Adjustment	Benefit Increase	(10,000)
TOTAL			\$32,200

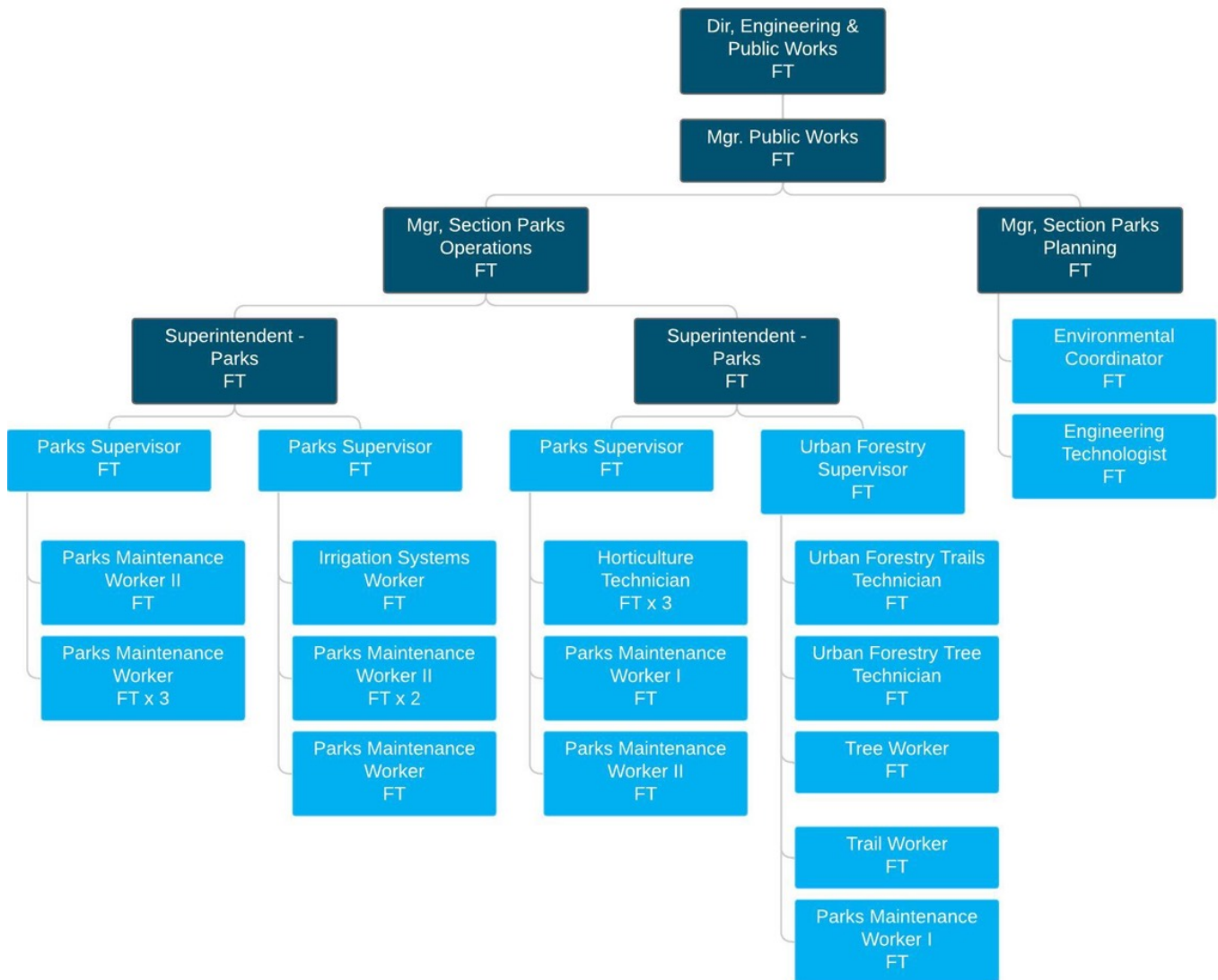
PUBLIC WORKS – PARKS SERVICES

FOCUS

The Parks Division provides and maintains parks and open space to strengthen the community, provide a cleaner environment and make the City and its neighborhoods a more attractive place to live and work. In addition, the Division provides cemetery operations, community engagement, a donation program (bench, table & tree), special events support and opportunities for learning, sport, fun and relaxation. These public spaces consist of numerous parks, trails, athletic fields, playgrounds, and ornamental and urban forestry areas.



ORGANIZATIONAL STRUCTURE



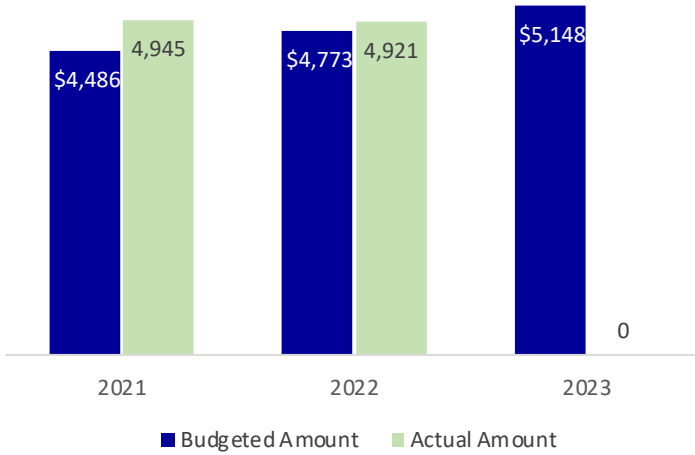
ENVIRONMENTAL SCAN

Factor	Impact
Park use	Positive initiatives to engage the community, along with impacts of COVID-19 have led to increase park/trail usage. Impact will be reviewed as transitioning out of COVID-19 restrictions. Staff has seen an increase in litter/garbage and washroom use. Staff has also seen an increase in our vulnerable population which also impacts the same measures as the community usage.
Climate change	Extreme weather events and changing climate patterns are becoming more frequent causing stresses on available resources for scheduled maintenance activities. Changing weather patterns including wind, snow and rainfall events are requiring emergency responses, sea level and flood protection strategies.
Vulnerable populations	The Section continues to face challenges with inappropriate use of parks and facilities, vandalism, graffiti, smoking, off-leash dogs, litter, and sharps.
Tree canopy	There has been an increase in tree failures primarily related to climate change. Increase in administrative work related to tree bylaw implementation has impacted staff ability to complete cyclical pruning which will result in increased future maintenance and decreased tree health.
Inflation	The inflation rate is at its highest point since 1983, whether higher prices will remain constant, or if it is just transitory as a result of the economic recovery from the COVID-19 pandemic remains to be seen.
Supply chain	Division relies heavily on goods and manufacturing materials which are transported by various methods. Supply chain issues are affecting the Division in the following ways: <ul style="list-style-type: none"> • products are not as available as they normally are • it is taking longer to get items shipped • some products are costing more
Recruitment	The recruitment landscape is seeing the effects of an aging workforce, with labor statistics predicting that millennials will make up 75% of all workers by 2025. Skill gap and lack of qualified applicants combined with a competitive job market has made it challenging to fill key positions.

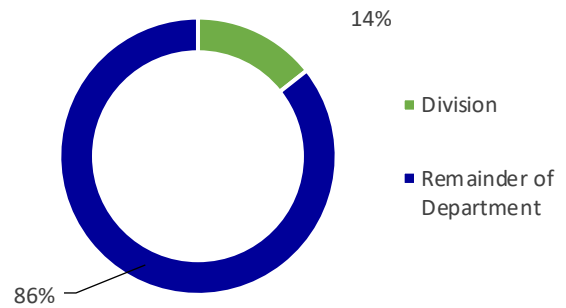


OPERATING BUDGET

Operating Expenses (in Thousands)



Percent of Department Expenses



REVENUES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Contributions	\$ -	\$ -	\$ -	N/A	\$ 31,150
Other revenue	-	-	-	N/A	11,620
Permits and licences	21,600	21,600	-	0.0%	24,000
Sale of services	665,000	665,000	-	0.0%	596,010
TOTAL	\$ 686,600	\$ 686,600	\$ -	0.0%	\$ 662,780

EXPENSES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Contracted and other services	\$ 670,000	\$ 705,100	\$ 35,100	5.2%	\$ 736,700
Interest and bank charges	4,300	4,300	-	0.0%	5,700
Internal charges	544,500	591,600	47,100	8.7%	528,320
Materials and supplies	430,400	520,400	90,000	20.9%	493,780
Other personnel costs	31,800	31,800	-	0.0%	17,430
Payroll expense	3,028,300	3,229,700	201,400	6.7%	3,069,740
Telephone, utilities and rent	64,100	65,100	1,000	1.6%	69,370
TOTAL	\$ 4,773,400	\$ 5,148,000	\$ 374,600	7.8%	\$ 4,921,040

NET REVENUE / (EXPENSES)	\$(4,086,800)	\$(4,461,400)	\$(374,600)	9.2%	\$(4,258,270)
---------------------------------	----------------------	----------------------	--------------------	-------------	----------------------

BREAKDOWN OF BUDGET CHANGES

Line item	Adjustment Category	Nature of Adjustment	Impact on Net Revenue/Expense
Contracted and other services	Adjustment to maintain service level	Christmas decorating – to support historical costs and inflationary increases	\$ (40,000)
Internal charges	Adjustment to maintain service level	Adjustment for Internal Equipment allocation	(47,100)
Materials and supplies	Adjustment to maintain service level	Increased Park Maintenance costs	(95,000)
Payroll expense	Adjustment to maintain service level	Adjustment to maintain increase park Inventory for flower beds	(13,200)
Payroll expense	Labour Base Adjustment	Exempt Adjustment	(11,900)
Payroll expense	Labour Base Adjustment	Exempt Inflationary Increase	(21,800)
Payroll expense	Labour Base Adjustment	Horticulture Technician	(100,600)
Payroll expense	Labour Overhead Adjustment	Benefit increase	(44,000)
Telephone, utilities and rent	Utilities and Fuel	Electricity 1.76%, Natural Gas 3.99%	(1,000)
TOTAL			\$(374,600)

INDICATORS AND MEASURES

Indicator/Measure	2018	2019	2020	2021	2022 (Oct)
# of Requests for Service by Area					
Bears	3	10	4	33	25
Cemetery	15	8	11	7	5
Graffiti	26	33	32	57	76
Invasive Species	35	20	29	39	36
Parks	211	195	240	408	235
Streets/Garbage & Litter	40	35	33	75	72
Trails	57	128	137	107	153
Trees	417	380	457	783	579
Total # of Requests for Service	1,037	1,035	1,199	1,780	1,366
# of Public Education Initiatives	5	17	N/A due to COVID-19	N/A due to COVID-19	9
# of Tree Permits	297	147	203	198	162
# of Special Events Supported	15	22	6	12	13

PUBLIC WORKS – SOLID WASTE OPERATIONS

FOCUS

The Solid Waste Section provides solid waste collection services for all single-family residential households and some multi-family residential and industrial, commercial and institutional units across the City. Solid Waste services include curbside garbage, recycling, organics collection and glass collection from depot locations across the City. Also included in the Solid Waste Section is the ambassadors who provide outreach and support to the community. As a result of the implementation of Continuous Improvement Assessment recommendations, Solid Waste is also responsible for public waste collection in various locations including the downtown core and bus shelters, as well as street sweeping operations.



ORGANIZATIONAL STRUCTURE

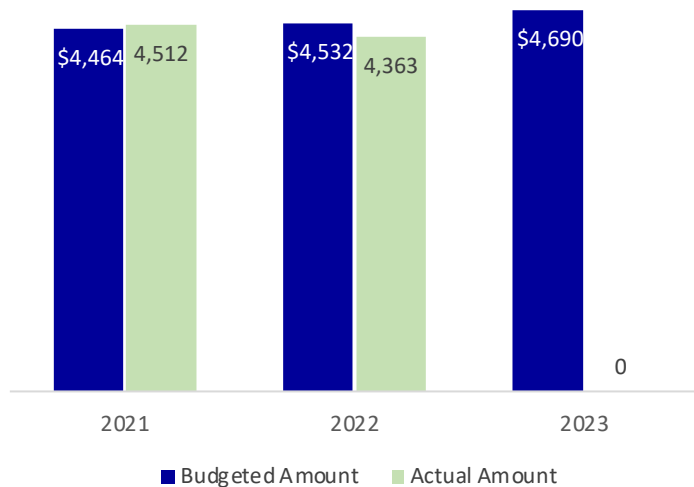


ENVIRONMENTAL SCAN

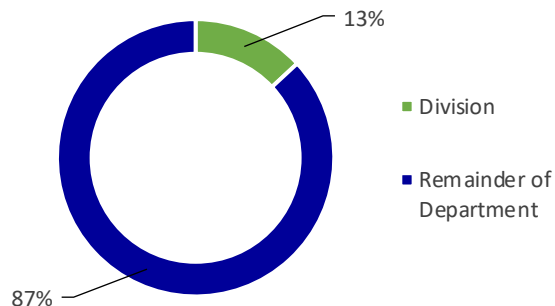
Factor	Impact
Regulatory requirements	Increased scrutiny by processors of contamination is resulting in the potential for higher costs. The expansion of the Extended Producer Responsibility (EPR) programs is resulting in increased regulation of products and stewardship. Increased outreach and education are required to achieve regional diversion goals.
Recycle BC	After years of threats of potential fines Recycle BC has moved forward with issuing service failure notices to local government contractors. The City could face service level failure credit fines annually for contamination.
Organics processor	The contract with Organics processor expires end of 2023. Due to procurement regulations the City will be required to go back out to market. The region is challenged with cost effective solutions as the regulatory policies continue to change to adapt to regional and marketplace challenges.

OPERATING BUDGET

Operating Expenses (in Thousands)



Percent of Department Expenses



REVENUES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Other revenue	\$ -	\$ -	\$ -	N/A	\$ 5,620
Sale of services	555,300	555,300	-	0.0%	681,530
Utility charges	3,329,500	3,460,200	130,700	3.9%	3,447,550
TOTAL	\$3,884,800	\$4,015,500	\$130,700	3.4%	\$4,134,700

EXPENSES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Contracted and other services	\$1,695,700	\$1,732,100	\$ 36,400	2.1%	\$1,510,230
Interest and bank charges	-	-	-	N/A	10
Internal charges	1,582,600	1,674,700	92,100	5.8%	1,599,130
Materials and supplies	18,500	20,500	2,000	10.8%	15,340
Other personnel costs	2,600	2,600	-	0.0%	480
Payroll expense	1,232,600	1,259,600	27,000	2.2%	1,234,840
Telephone, utilities and rent	-	-	-	N/A	2,990
TOTAL	\$4,532,000	\$4,689,500	\$157,500	3.5%	\$4,363,020

ALLOCATIONS (TO)/FROM RESERVES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Transfer to Reserve	(120,000)	(120,000)	\$ -	0.0%	(120,000)
TOTAL	\$ (120,000)	\$ (120,000)	\$ -	0.0%	\$(120,000)

NET REVENUE / (EXPENSES)	\$ (767,200)	\$ (794,000)	\$(26,800)	3.5%	\$(348,310)
---------------------------------	---------------------	---------------------	-------------------	-------------	--------------------

BREAKDOWN OF BUDGET CHANGES

Line item	Adjustment Category	Nature of Adjustment	Impact on Net Revenue/Expense
Contracted and other services	Contract Adjustment - Metro Vancouver Utilities	Tipping Fee Increase (estimate)	\$(36,400)
Internal charges	Adjustment to maintain service level	Adjustment for Internal Equipment allocation	(92,100)
Payroll expense	Labour Base Adjustment	Exempt Adjustment	(4,700)
Payroll expense	Labour Base Adjustment	Exempt Inflationary Increase	(5,300)
Payroll expense	Labour Overhead Adjustment	Benefit Increase	(19,000)
Utility charges	Revenue Adjustment	Increase in Levy for Garbage and Organics	130,700
TOTAL			\$(26,800)

INDICATORS AND MEASURES

Indicator/Measure	2018	2019	2020	2021	2022 (Oct)
Diversion Rate (%)	66.0%	65.5%	66.1%	65.8%	66.2%
Garbage kgs/customer	403.6	398	433.3	421.4	400.1
Green kgs/customer	533.3	528.1	616.3	591.4	564.6
Recycle kgs/customer	178.7	166.9	170	163.3	150.6
Total Solid Waste Calls for Service	2,353	2,146	4,352	3,742	4,602
Total Carts Tipped*					861,810
Total Missed Tips*					938
Route completion service success score*					99.9%
Large Item Pickup CFS*				2,306	1,629
Large Item Pickup - Items removed*				4,722	3,632
Ambassador Cart Audits*					10,347
Violation Tags Issued*					2,978
Waste Cart Lock Audits*					1,287
Violation Tags Issued*					303
Bear Awareness brochures/letters issued*					998

*New indicators are being collected to help track various operations

PUBLIC WORKS – STREETS OPERATIONS

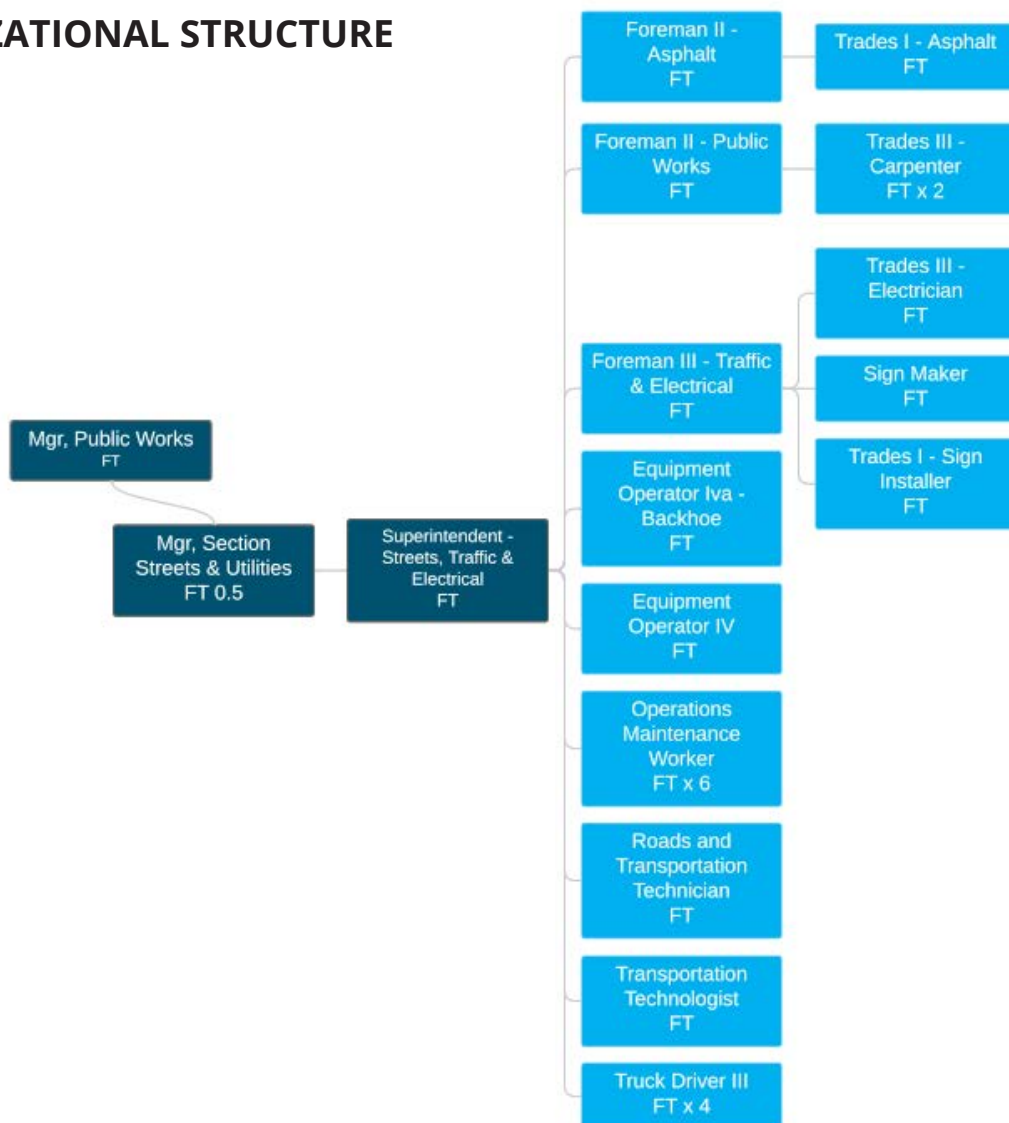
FOCUS

Streets Operations ensures the road network and transportation facilities meet the expectations of the community through planned maintenance, rehabilitation and response to emergency needs. Flood control, ditch maintenance, street light/traffic signal maintenance, electrical services, road markings, sign installation, sidewalk maintenance and asphalt rehabilitation fall under the oversight of this work area.

This Division is responsible for maintenance of the City's Major Road Network and receives funding from TransLink for certain maintenance activities, as well as capital renewal.



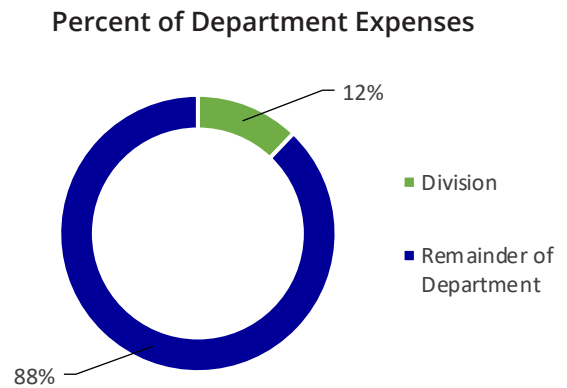
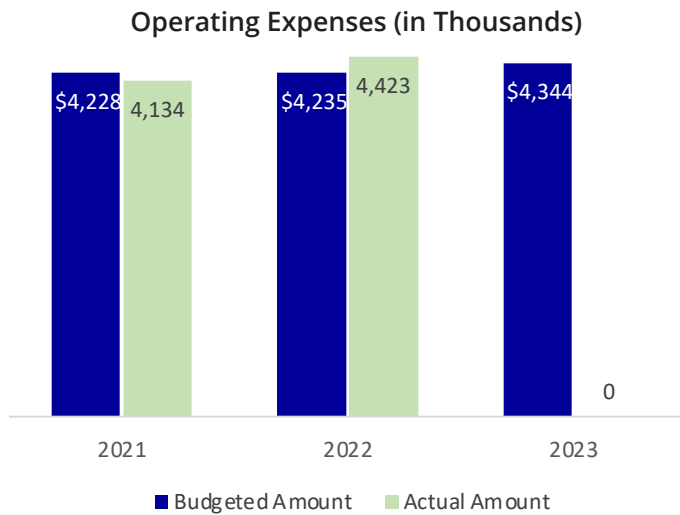
ORGANIZATIONAL STRUCTURE



ENVIRONMENTAL SCAN

Factor	Impact
Climate challenges	Extreme weather events are becoming more frequent causing stresses on available resources for planned or scheduled maintenance activities. Changing weather patterns including wind, snow and rainfall events requiring emergency response, sea level and flood protection strategies.
Aging infrastructure	The City has significantly increased funding for rehabilitation of existing infrastructure. Implementation of asset management strategy is critical for long term sustainability.
Inflation	Inflation rate is at its highest point since 1983, whether higher prices will remain constant, or if it is just transitory as a result of the economic recovery from the COVID-19 pandemic remains to be seen.
Supply chain	Division relies heavily on goods and manufacturing materials which are transported by various methods. Supply chain issues are affecting the Division in the following ways: <ul style="list-style-type: none"> • products are not as available as they normally are • it is taking longer to get items shipped • some products are costing more
Recruitment	The recruitment landscape is seeing the effects of an aging workforce, with labor statistics predicting that millennials will make up 75% of all workers by 2025. Skill gap and lack of qualified applicants combined with a competitive job market has made it challenging to fill key positions.

OPERATING BUDGET



REVENUES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Contributions	\$1,028,200	\$1,160,000	\$131,800	12.8%	\$1,169,000
Permits and licences	20,000	20,000	-	0.0%	28,350
Sale of services	3,300	3,300	-	0.0%	5,010
TOTAL	\$1,051,500	\$1,183,300	\$131,800	12.5%	\$1,202,360

EXPENSES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Contracted and other services	\$ 704,100	\$ 742,100	\$ 38,000	5.4%	\$ 829,280
Internal charges	435,500	472,900	37,400	8.6%	543,140
Materials and supplies	577,800	558,900	(18,900)	-3.3%	615,760
Other personnel costs	3,300	3,300	-	0.0%	7,300
Payroll expense	2,056,100	2,107,400	51,300	2.5%	2,018,460
Telephone, utilities and rent	457,900	459,300	1,400	0.3%	409,270
TOTAL	\$4,234,700	\$4,343,900	\$109,200	2.6%	\$4,423,210

ENGINEERING & PUBLIC WORKS: STREETS OPERATIONS

ALLOCATIONS (TO)/FROM RESERVES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Transfer to Reserve	\$ (470,500)	\$ (550,000)	\$ (79,500)	16.9%	\$ (629,490)
Transfer from Reserve	-	17,000	17,000	N/A	1,500
TOTAL	\$ (470,500)	\$ (533,000)	\$(62,500)	13.3%	\$ (627,990)

NET REVENUE / (EXPENSES)	\$(3,653,700)	\$(3,693,600)	\$(39,900)	1.1%	\$(3,848,840)
---------------------------------	----------------------	----------------------	-------------------	-------------	----------------------

BREAKDOWN OF BUDGET CHANGES

Line item	Adjustment Category	Nature of Adjustment	Impact on Net Revenue/Expense
Contracted and other services	Adjustment to maintain service level	Storm Video Inspection Contract	\$(20,000)
Contracted and other services	Utilities and Fuel	Electricity 1.76%	(800)
Contributions	Revenue Adjustment	Additional Grant Revenue (Translink MRN)	131,800
Internal charges	Adjustment to maintain service level	Adjustment for Internal Equipment allocation	(37,400)
Payroll expense	Labour Base Adjustment	Exempt Adjustment	(6,700)
Payroll expense	Labour Base Adjustment	Exempt Inflationary Increase	(7,600)
Payroll expense	Labour Overhead Adjustment	Benefit Increase	(29,000)
Telephone, utilities and rent	Utilities and Fuel	Electricity 1.76%	(7,700)
Transfer to Reserve	Reserve Adjustment	Adjustment for Parking Reserve	17,000
Transfer to Reserve	Reserve Adjustment	Additional Grant Revenue (Translink MRN)	(79,500)
TOTAL			\$(39,900)

INDICATORS AND MEASURES

Indicator/Measure	2018	2019	2020	2021	2022 (Oct)
# of Illegal Dumping Requests Completed	338	253	464	496	286
Snow/Ice:					
# of Events	7	6	6	5	4
cm of snow	49	36	45	48.3	21.2
Hours of service	1,432	2,667	2,242	3,055	1,607
Mm of Rainfall	1,514	710	1,433	1,160	747
Calls for Service:					
Street sweeping	86	59	64	99	65
Flooding/drainage	25	9	22	23	9
Illegal dumping	363	253	464	504	313
Pothole filling	164	99	176	136	192
Calls for Service:					
Crosswalks	74	28	32	12	4
Curb/sidewalk maintenance	91	134	137	124	114
Street signs	20	27	18	8	12
Traffic signs	139	117	87	82	87

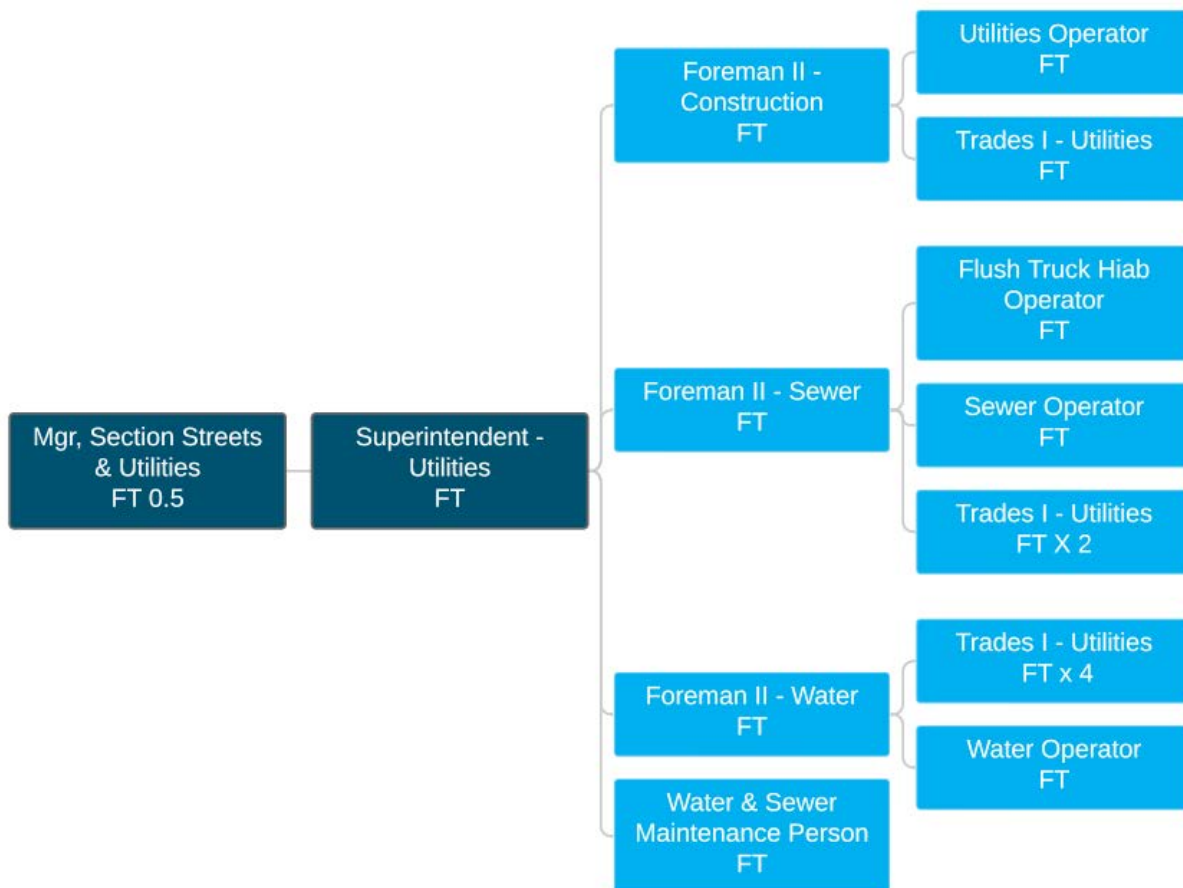
PUBLIC WORKS – UTILITIES

FOCUS

The Utilities Section is comprised of Water and Sewer Operations. The City of Port Coquitlam purchases bulk treated water from the Metro Vancouver Regional District. Annually the Utilities Section safely delivers approximately 10 million cubic meters of high-quality potable water to its 24,887 serviced customers within the City. Employees in the work area operate, maintain and construct a City-wide transmission and distribution system that delivers safe and reliable drinking water and ensures adequate flows and pressures are maintained for the City's fire protection needs. Sewer Operations provides an essential service for the collection and disposal of liquid wastewater. Employees in this work area operate, maintain and construct collection infrastructure that mitigates environmental impact as a result of blockages and overflows, and transfer of wastewater to treatment.



ORGANIZATIONAL STRUCTURE

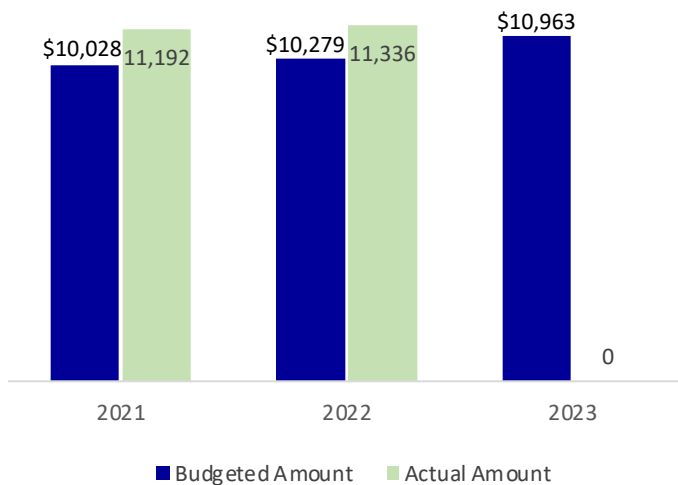


ENVIRONMENTAL SCAN

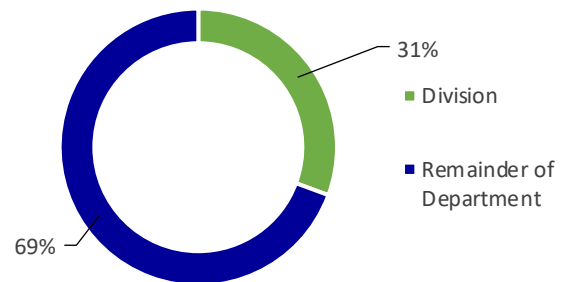
Factor	Impact
Regulatory requirements	The requirement for Utility Operators to obtain an Environmental Operator Certificate has created a shortage of qualified operators both internally and externally.
Employee retention and attraction	The recruitment landscape is seeing the effects of an aging workforce, with labor statistics predicting that millennials will make up 75% of all workers by 2025. Skill gap and lack of qualified applicants combined with a competitive job market has made it challenging to fill key positions.
Climate challenges	Changing weather patterns leading to the need for more water conservation initiatives that are mandated by Metro Vancouver.
Supply chain	Department relies heavily on goods and manufacturing materials which are transported by various methods. Supply chain issues are affecting this Section in the following ways: <ul style="list-style-type: none"> • products are not as available as they normally are • it is taking longer to get items shipped • some products are costing more

OPERATING BUDGET – WATER

Operating Expenses (in Thousands)



Percent of Department Expenses



REVENUES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Other revenue	\$ -	\$ -	\$ -	N/A	\$ 900
Penalties and fines	80,000	80,000	-	0.0%	116,190
Permits and licences	18,700	18,700	-	0.0%	18,120
Utility charges	13,247,900	14,080,200	832,300	6.3%	14,122,270
TOTAL	\$13,346,600	\$14,178,900	\$832,300	6.2%	\$14,257,480

ENGINEERING & PUBLIC WORKS: UTILITIES

EXPENSES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Contracted and other services	\$ 7,986,000	\$ 8,635,100	\$ 649,100	8.1%	\$ 8,712,340
Internal charges	1,317,200	1,329,100	11,900	0.9%	1,346,600
Materials and supplies	136,900	136,900	-	0.0%	196,320
Other personnel costs	-	-	-	N/A	3,990
Payroll expense	263,200	835,400	39,400	4.9%	1,049,550
Telephone, utilities and rent	42,900	43,600	700	1.6%	27,300
TOTAL	\$10,279,000	\$10,980,100	\$701,100	6.8%	\$11,336,100

ALLOCATIONS (TO)/FROM RESERVES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Transfer to Reserve	\$ (3,067,600)	\$ (3,198,800)	\$ (131,200)	4.3%	\$ (3,067,600)
TOTAL	\$(3,067,600)	\$(3,198,800)	\$(131,200)	4.3%	\$(3,067,600)

NET REVENUE / (EXPENSES)	\$	-	\$	-	\$	-	0.0%	\$ (146,200)
---------------------------------	-----------	----------	-----------	----------	-----------	----------	-------------	---------------------

BREAKDOWN OF BUDGET CHANGES – WATER

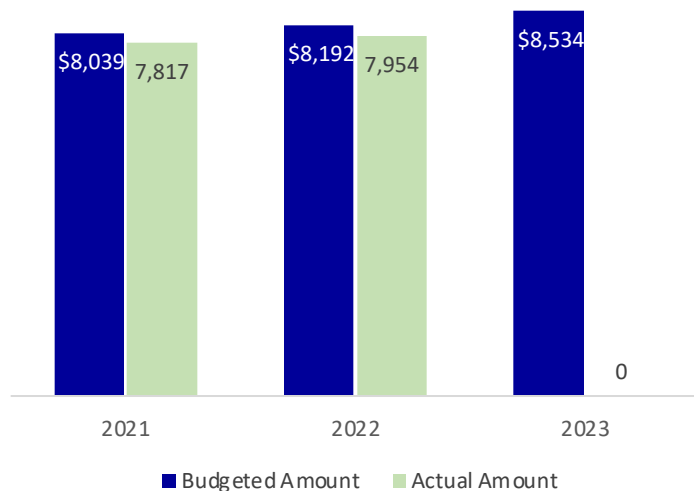
Line item	Adjustment Category	Nature of Adjustment	Impact on Net Revenue/Expense
Contracted and other services	Contract Adjustment - Metro Vancouver Utilities	Estimated increase by Metro Vancouver (8%)	\$(649,100)
Internal charges	Adjustment to maintain service level	Adjustment for Internal Equipment allocation	(11,900)
Payroll expense	Labour Base Adjustment	Exempt Adjustment	(5,300)
Payroll expense	Labour Base Adjustment	Exempt Inflationary Increase	(8,700)
Payroll expense	Labour Overhead Adjustment	Benefit Increase	(8,000)
Telephone, utilities and rent	Utilities and Fuel	Electricity increase 1.76%	(700)
Transfer to Reserve	Long Term Infrastructure Reserve Levy	Additional 1% contribution	(131,200)
Utility charges	Additional Revenues from Growth	Estimated increase based on 2022 billing of commercial users	470,000
Utility charges	Revenue Adjustment	Increase to Water Levy	344,900
TOTAL			\$ -

INDICATORS AND MEASURES – WATER

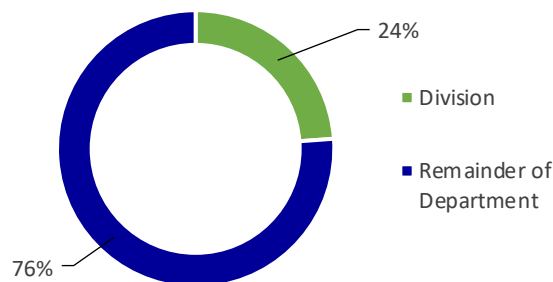
Indicator/Measure	2018	2019	2020	2021	2022 (Oct)
Water Consumption (L/Capita Per Day)	436	401	423	476	N/A
# of Watermain Breaks/100 km of Length	3.33	12	2.38	11.40	10.45
\$ of capital reinvestment	\$4.2 M	\$0.6 M	\$2.6M	\$2.0M	\$4.1M
Operating \$/100 km of Watermain Length	\$582K	\$594K	\$633K	\$647K	\$655K
Calls for Service:					
Water Quality	47	37	30	80	54
Water On/Off	85	90	103	133	153
Locate Service	54	33	56	52	44
Emergency Leak	72	110	39	61	16

OPERATING BUDGET – SEWER

Operating Expenses (in Thousands)



Percent of Department Expenses



REVENUES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Penalties and fines	\$ 63,000	\$ 63,000	\$ -	0.0%	\$ 81,700
Utility charges	9,585,400	10,029,400	444,000	4.6%	10,194,820
TOTAL	\$9,648,400	\$10,092,400	\$444,000	4.6%	\$10,276,520

EXPENSES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Contracted and other services	\$ 6,371,800	\$ 6,688,000	\$ 316,200	5.0%	\$ 6,246,010
Insurance and claims	-	-	-	N/A	-
Internal charges	1,305,900	1,317,000	11,100	0.8%	1,300,190
Materials and supplies	106,800	106,800	-	0.0%	70,320
Other personnel costs	-	-	-	N/A	1,780
Payroll expense	333,400	353,300	19,900	6.0%	260,560
Telephone, utilities and rent	73,800	75,000	1,200	1.6%	75,420
TOTAL	\$8,191,700	\$8,540,100	\$348,400	4.3%	\$7,954,280

ALLOCATIONS (TO)/FROM RESERVES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Transfer to Reserve	\$ (1,456,700)	\$ (1,552,300)	\$ (95,600)	6.6%	\$ (1,456,700)
TOTAL	\$(1,456,700)	\$(1,552,300)	\$(95,600)	6.6%	\$(1,456,700)

NET REVENUE / (EXPENSES)	\$ -	\$ -	\$ -	0.0%	\$(1,456,700)
---------------------------------	-------------	-------------	-------------	-------------	----------------------

BREAKDOWN OF BUDGET CHANGES – SEWER

Line item	Adjustment Category	Nature of Adjustment	Impact on Net Revenue/Expense
Contracted and other services	Adjustment to maintain service level	Storm Sewer Video Inspection	\$(20,000)
Contracted and other services	Contract Adjustment - Metro Vancouver Utilities	Estimated increase by Metro Vancouver (4.9%)	(296,200)
Internal charges	Adjustment to maintain service level	Adjustment for Internal Equipment allocation	(11,100)
Payroll expense	Labour Base Adjustment	Exempt Adjustment	(4,200)
Payroll expense	Labour Base Adjustment	Exempt Inflationary Increase	(5,900)
Payroll expense	Labour Overhead Adjustment	Benefit Increase	(4,000)
Telephone, utilities and rent	Utilities and Fuel	Electricity increase 1.76%	(1,200)
Transfer to Reserve	Long Term Infrastructure Reserve Levy	Additional 1% contribution	(95,600)
Utility charges	Additional Revenues From Growth	Estimated increase based on 2022 billing of commercial users	270,000
Utility charges	Revenue Adjustment	Increase to Sewer Levy	168,200
TOTAL			\$ -

INDICATORS AND MEASURES – SEWER

Indicator/Measure	2018	2019	2020	2021	2022
Calls for Service:					
Sewer Blockages	68	55	54	63	60
Plugged Catch Basins	135	99	153	201	97
Flooding/Urgent	21	44	19	43	18
Manhole Lids Missing	9	5	8	14	7

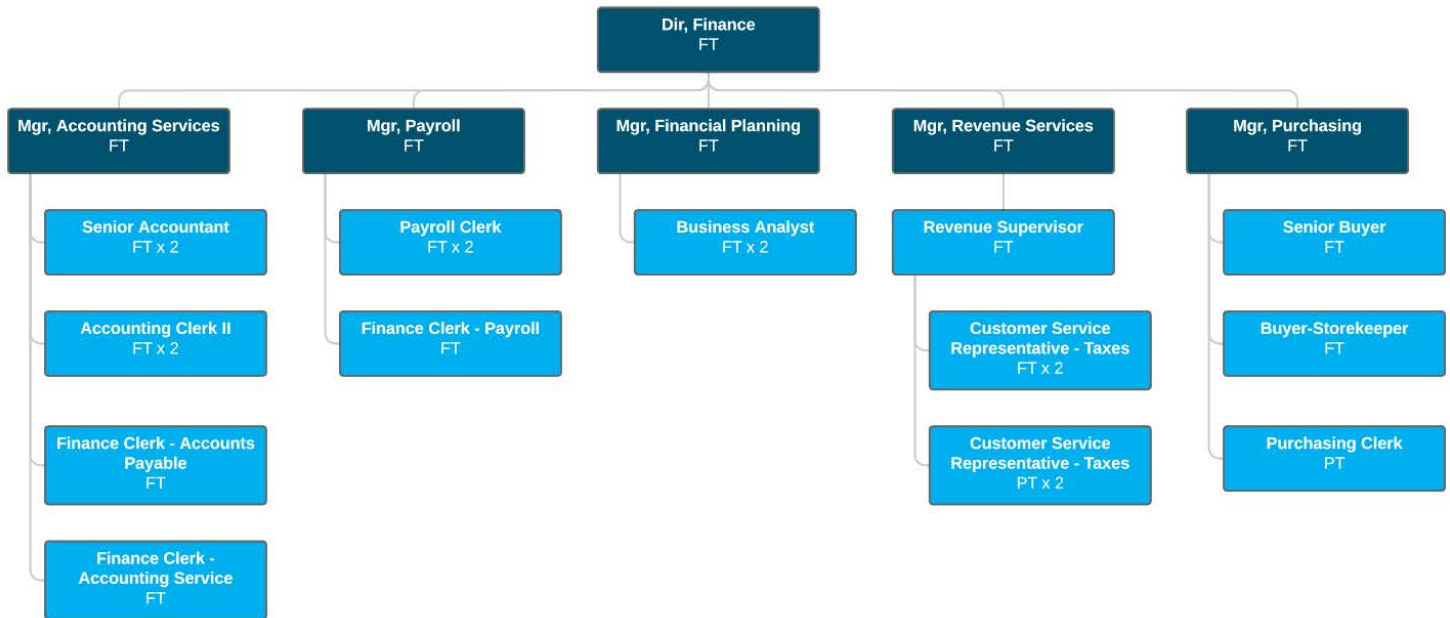
FINANCE

FOCUS

The Finance Department provides financial services to residents, City departments and City Council. The Department also supports the other City departments with the safeguarding and administration of the City's financial and non-financial assets and annual operating costs.

Key functions performed by the Department include corporate financial planning, capital planning and reporting, financial policy development and implementation, payroll services, ensuring prompt receipt and payment of City invoicing, strategic management of cash, investments and banking, levying and collecting municipal taxes and utility fees, risk management and insurance, and oversight of City procurement and inventory warehouse.

ORGANIZATIONAL STRUCTURE

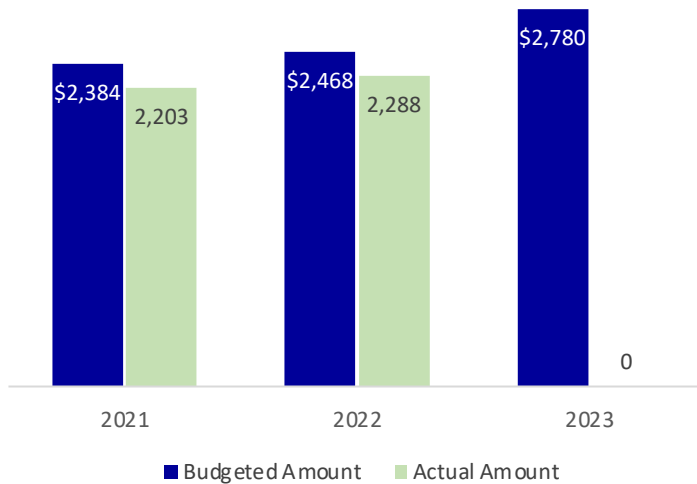


ENVIRONMENTAL SCAN

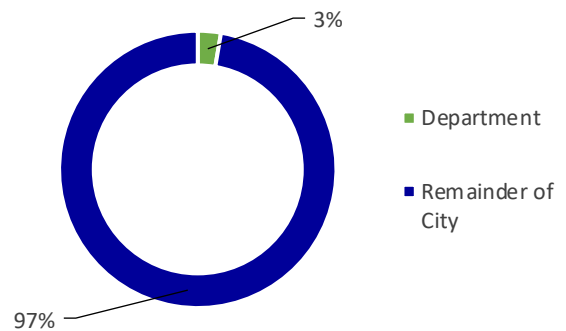
Factor	Impact
Retention and recruitment	There were a number of key finance positions that were vacated and filled in 2022. Building staff teams will continue to be a focus in 2023 with a focus on process improvement and filling experience and knowledge gaps.
Demand from taxpayers to keep low tax rates	The impacts of taxes on the City's taxpayers is of paramount concern. Staff and Council will continue to respond to resident's expectation to keep the tax rates low and keep the budgets to delivering the basics.
Customer Service	There is a growing demand for online services both to internal customers and to members of the community. The use of technology can simplify the application, payment and inquiry processes to which residents and staff rely.
Supply Chain	The current economic environment has resulted in many supply chain and inflationary issues. These primarily manifest themselves as challenges to many of the City's operating departments, where support and financial guidance becomes crucial to the success of City services.
Capital Planning and Infrastructure	The City has significantly increased funding for maintenance and rehabilitation of existing infrastructure. In addition, emerging and future growth pressures are putting pressure on existing capital funding sources resulting in needs for updating and securing development supported funding streams for growth projects. Longer term infrastructure planning is critical for organizational sustainability, emphasizing the need for 10-year capital and asset management plans.

OPERATING BUDGET

Operating Expenses (in Thousands)



Percent of City Expenses



REVENUES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Accounting Services	\$ 40,000	\$ 40,000	\$-	0.0%	\$ 72,370
Purchasing & Stores	53,000	53,000	-	0.0%	54,270
Revenue Services	164,000	164,000	-	0.0%	152,050
TOTAL	\$257,000	\$257,000	\$-	0.0%	\$278,690

FINANCE

EXPENSES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Accounting Services	\$ 611,500	\$ 739,300	\$ 127,800	20.9%	\$ 654,150
Finance Administration	261,100	257,100	(4,000)	-1.5%	232,940
Financial Planning & Systems	511,100	529,300	18,200	3.6%	326,310
Payroll Services	369,600	392,300	22,700	6.1%	377,710
Port Coquitlam Community Foundation - Financial Assistance and Grants	-	100,600	100,600	N/A	-
Purchasing & Stores	436,000	461,400	25,400	5.8%	448,260
Revenue Services	279,100	300,400	21,300	7.6%	248,910
TOTAL	\$ 2,468,400	\$ 2,780,400	\$ 312,000	12.6%	\$ 2,288,280

NET REVENUE / (EXPENSES)	\$(2,211,400)	\$(2,523,400)	\$(312,000)	14.1%	\$(2,009,590)
---------------------------------	----------------------	----------------------	--------------------	--------------	----------------------

BREAKDOWN OF BUDGET CHANGES

Line item	Adjustment Category	Nature of Adjustment	Impact on Net Revenue/Expense
Contracted and other services	Adjustment to maintain service level	Audit Fees	\$ (1,000)
Internal charges	Adjustment to maintain service level	Internal Equipment allocation	(400)
Payroll expense	Ongoing Enhancement (Council Approved)	New Position – Project Control Analyst	(75,400)
Payroll expense	Labour Base Adjustment	Exempt Review Adjustment	(47,600)
Payroll expense	Labour Base Adjustment	Exempt Inflationary Increase	(50,000)
Payroll expense	Labour Overhead Adjustment	Benefit Increase	(37,000)
Grants and financial assistance	Reclassification-Finance Administration	PoCo Community Foundation (Transferred from Recreation)	(100,600)
TOTAL			\$(312,000)

INDICATORS AND MEASURES

Indicator/Measure	2018	2019	2020	2021	2021 (Oct)
Current year taxes outstanding at December 31	1.12%	1.62%	1.44%	1.33%	1.44%
# of active liability claims	63	73	79	83	63
# of liability claims reported	37	30	43	33	27
# of active liability claims, lawyer assigned	12	11	14	12	11
# of invoices processed	9,487	7,894	8,494	6,110	10,083
Number of formal procurement solicitations posted onto BC Bid	21	22	23	24	22
Number of purchase orders	236	301	304	280	352

FIRE & EMERGENCY SERVICES



FOCUS

The mission of Port Coquitlam Fire & Emergency Services is to ensure all citizens, businesses and visitors to the City are safeguarded by efficient emergency response services, the promotion of health and wellness initiatives and disaster preparedness measures.

There are five divisions that make up the Department:

- Administration
- Protective Services & Public Education
- Fire Suppression
- Training
- Emergency Preparedness

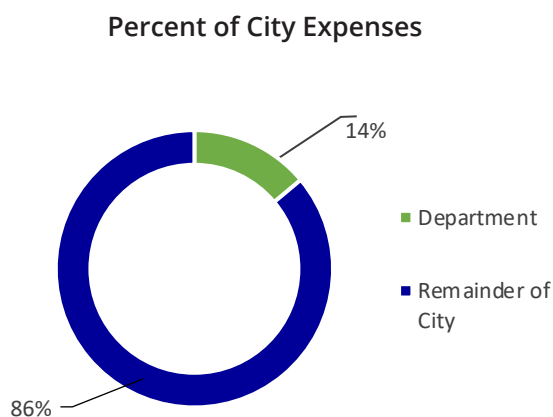
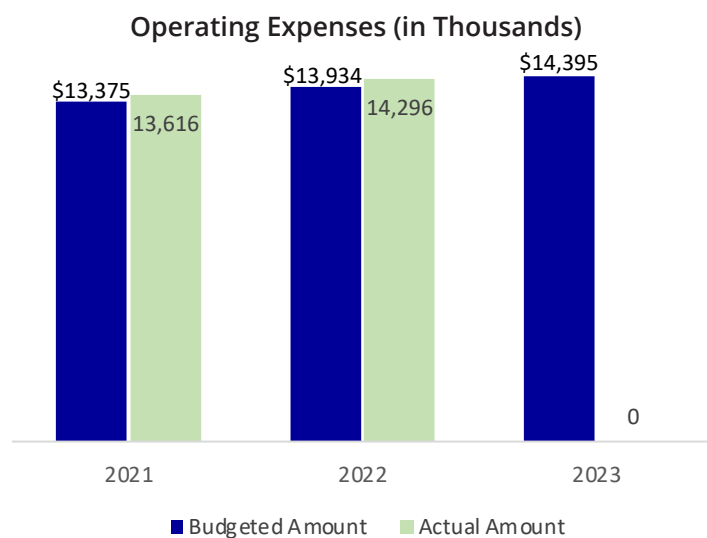
ORGANIZATIONAL STRUCTURE



ENVIRONMENTAL SCAN

Factor	Impact
Growth and development	City wide growth continues to apply pressure on fire resources. New development, including densification and new large-scale industrial manufacturing, has a direct influence on emergency service requests, commercial building inspections and prevention initiatives.
Climate change	The result of extreme weather patterns increases the risk of wildfires and flooding in the community, impacting residences, businesses, City infrastructure, local parks and forested areas.
Employee well-being	Workplace stressors, including the impact of the Opioid epidemic, COVID-19, and the increased demand for medical response continues to challenge the physical and mental well-being of fire response staff.
Aging infrastructure	As facility infrastructure ages and employee diversity increases, life cycle maintenance activities become more prevalent. This requires proportionally more planning, monitoring and strategic resource allocation. Ongoing operational maintenance workload also increases as facilities age.
Community resiliency	There are increased demands by citizens and businesses for education and training to ensure they are prepared and resilient for emergencies that impact the community.

OPERATING BUDGET



REVENUES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Fire Administration	\$ 8,000	\$ 8,000	\$ -	0.0%	\$ 12,240
Fire Operations	-	-	-	N/A	12,480
Protective Services & Public Education	16,500	16,500	-	0.0%	38,770
TOTAL	\$ 24,500	\$ 24,500	\$ -	0.0%	\$ 63,490

EXPENSES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Fire Administration	\$ 587,700	\$ 670,500	\$ 82,800	14.1%	\$ 647,750
Emergency Preparedness	66,400	66,400	-	0.0%	55,710
Fire Operations	12,383,100	12,730,200	347,100	2.8%	12,632,430
Protective Services & Public Education	897,100	928,100	31,000	3.5%	959,950
TOTAL	\$ 13,934,300	\$ 14,395,200	\$ 460,900	3.3%	\$ 14,295,840

NET REVENUE / (EXPENSES)	\$(13,909,800)	\$(14,370,700)	\$(460,900)	3.3%	\$(14,232,350)
---------------------------------	-----------------------	-----------------------	--------------------	-------------	-----------------------

BREAKDOWN OF BUDGET CHANGES

Line item	Adjustment Category	Nature of Adjustment	Net Impact to Revenue/Expenses
Contracted and other services	Contracted Services	Dispatch services inflation based on contract	\$ (26,000)
Internal charges	Departmental Ongoing Adjustment	Internal Equipment allocation	(20,300)
Payroll expense	Ongoing Enhancement (Council Approved)	New Position – 2 Firefighters (Half-Year)	(92,600)
Payroll expense	Departmental Ongoing Adjustment	Adjustment to maintain service level	(6,900)
Payroll expense	Labour Base Adjustment	Exempt Inflationary Increase	(60,600)
Payroll expense	Labour Increase - General	Labour Adjustment	(63,300)
Payroll expense	Labour Overhead Adjustment	Benefit Increase	(190,000)
Telephone, utilities and rent	Utilities and Fuel	Electricity 1.76%, Natural Gas 3.99%	(1,200)
TOTAL			\$(460,900)

INDICATORS AND MEASURES

Indicator/Measure	2018	2019	2020	2021	2022 (Oct)
# Students – Fire Prevention Week	4,843	4,860	4,800	2,720	4,860
# Residents – Hot Summer Nights	427	300	69	250	450
# Incidents	3,709	3,727	2,302	3,417	2,986
# Apparatus Responses	3,877	4,564	3,592	5,000	4,231
# Fires – Structure	66	66	56	60	47
Total Fire Call	220	208	160	240	172
# Medical Calls	1,607	1,698	1,012	1,972	1,758
# Fireworks Permits	27	24	38	27	19
% Compliance for Inspection Program	46%	39%	34%	32%	41%
Average suppression travel time (from fire station to scene in minutes/seconds)	4:16	4:21	4:33	4:36	4:34

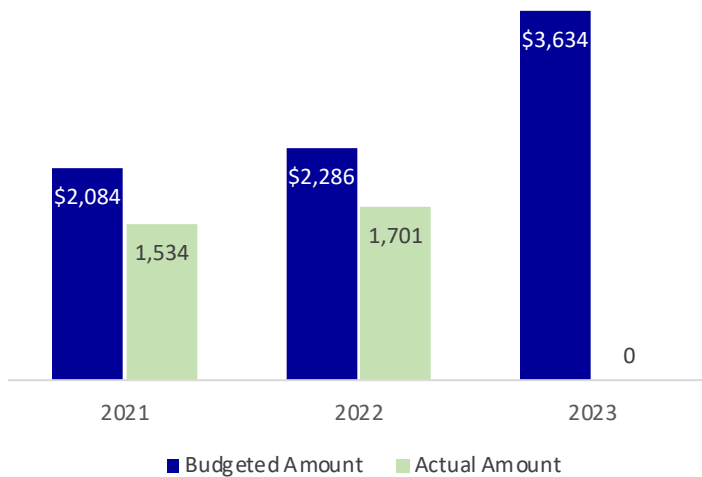
GENERAL GOVERNMENT – COMMON SERVICES

FOCUS

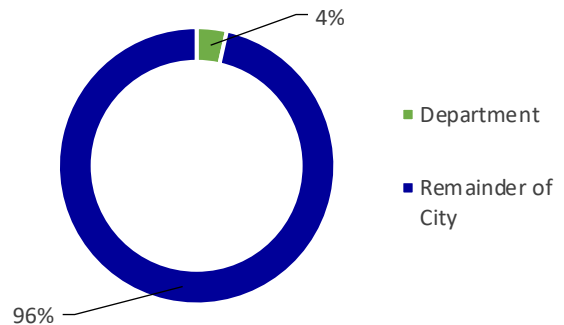
General government – Common Services does not represent any specific department but rather the budgets for items that are common across the organization such as property taxes, utility charges, bank charges, insurance, investment income, labour contracts accrual and other vacancy offsets.

OPERATING BUDGET

Operating Expenses (in Thousands)



Percent of City Expenses



REVENUES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Collections Other Jurisdictions	\$ -	\$ -	\$ -	N/A	\$ -
Government Grants	241,000	241,200	200	0.1%	486,320
Other Revenue	1,463,200	1,784,100	320,900	21.9%	2,020,610
Taxation	76,902,900	80,951,600	4,048,700	5.3%	77,172,050
Utilities	(120,000)	(120,000)	-	0.0%	(102,260)
TOTAL	\$78,487,100	\$82,856,900	\$4,369,800	5.6%	\$79,576,720

GENERAL GOVERNMENT – COMMON SERVICES

EXPENSES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Clearing	\$ -	\$ -	\$ -	N/A	\$ 10,900
Common Services	2,090,700	2,216,400	125,700	6.0%	1,654,090
Taxation	10,000	10,000	-	0.0%	36,380
Unallocated Charges	185,600	1,408,000	1,222,400	658.6%	-
TOTAL	\$ 2,286,300	\$ 3,634,400	\$1,348,100	59.0%	\$ 1,701,370

ALLOCATIONS (TO)/FROM RESERVES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Common Services	\$ 3,266,100	\$ 3,266,100	\$ -	0.0%	\$ -
General	(3,266,100)	(3,266,100)	-	0.0%	-
Government Grants	(241,000)	(241,200)	(200)	0.1%	(241,230)
Interfund Transfers	(12,148,900)	(12,897,700)	(748,800)	6.2%	(12,148,900)
Other Revenue	(357,400)	(395,400)	(38,000)	10.6%	(415,550)
Unallocated Charges	0	794,900	794,900	N/A	-
TOTAL	\$(12,747,300)	\$(12,739,400)	\$ 7,900	-0.1%	\$(12,805,680)

NET REVENUE / (EXPENSES)	\$ 63,453,500	\$ 66,483,100	\$3,029,600	4.8%	\$ 65,069,660
---------------------------------	----------------------	----------------------	--------------------	-------------	----------------------

BREAKDOWN OF BUDGET CHANGES

Line item	Adjustment Category	Nature of Adjustment	Impact on Net Revenue/Expense
Taxation and other levies	Additional Revenues from Growth	Development Growth	\$1,080,000
Taxation and other levies	Departmental Ongoing Adjustment (No DP)	GIL - Grants in Lieu Adjustment	174,900
Taxation and other levies	Revenue Balancing	Increase to tax levy	2,793,800
Investment income	Departmental Ongoing Adjustment (No DP)	Forecasted increase in interest revenue to higher interest rates	300,000
Payroll expense	Labour Increase - General	CUPE and IAFF contractual estimate	(1,222,400)
Contracted and other services	Contracted Services	Inflation	(83,500)
Insurance and claims	Insurance	Rate increases (MIABC, Liability, Property, Cyber Security)	(42,200)
Transfer to Reserve	Departmental Ongoing Adjustment (No DP)	Adjustments to Reserves based on actual revenue received	(17,100)
Transfer to Reserve	Long Term Infrastructure Reserve Levy	Additional 1% to LTR General based on 2022 tax levy	(748,800)
Transfer from Reserve	Labour Increase - General	Transfer from reserve for positions funded by capital budget	794,900
TOTAL			\$3,029,600

RECREATION

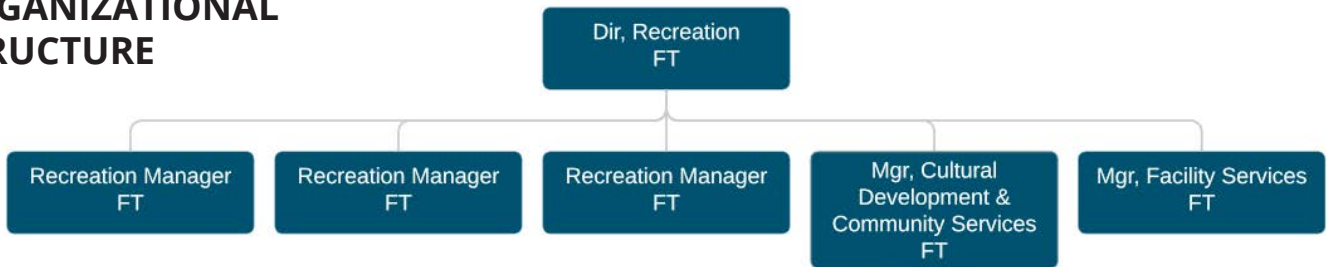
FOCUS

The Recreation Department has four divisions: Administration, Recreation, Facility Services, and Cultural Development & Community Services. The Department's key roles are the delivery of recreation, sport, arts and cultural programs, events and services, and the operation of recreation facilities. The Department also ensures all City facilities are well maintained, clean, safe, secure and operationally efficient through its preventative maintenance and energy management programs.

Being responsive to identified community needs requires a variety of approaches from direct provision of services to establishing partnerships that leverage collective expertise and resources. Through a community development and engagement approach, the Recreation Department fosters effective community partnerships and works with the community to build the capacity of citizens and community groups by facilitating sharing of information and resources.

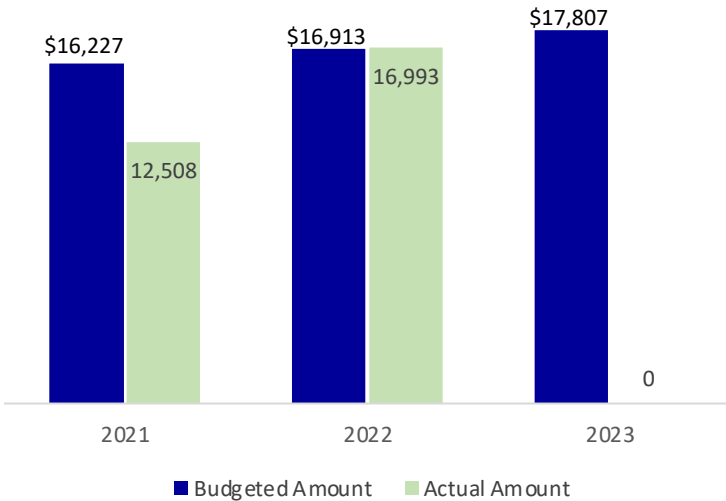


ORGANIZATIONAL STRUCTURE

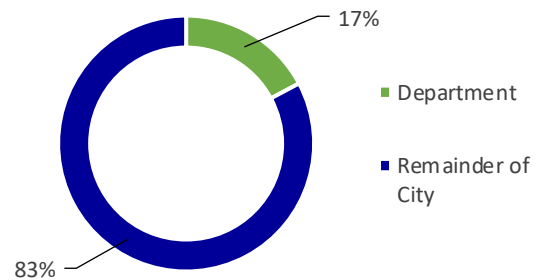


OPERATING BUDGET

Operating Expenses (in Thousands)

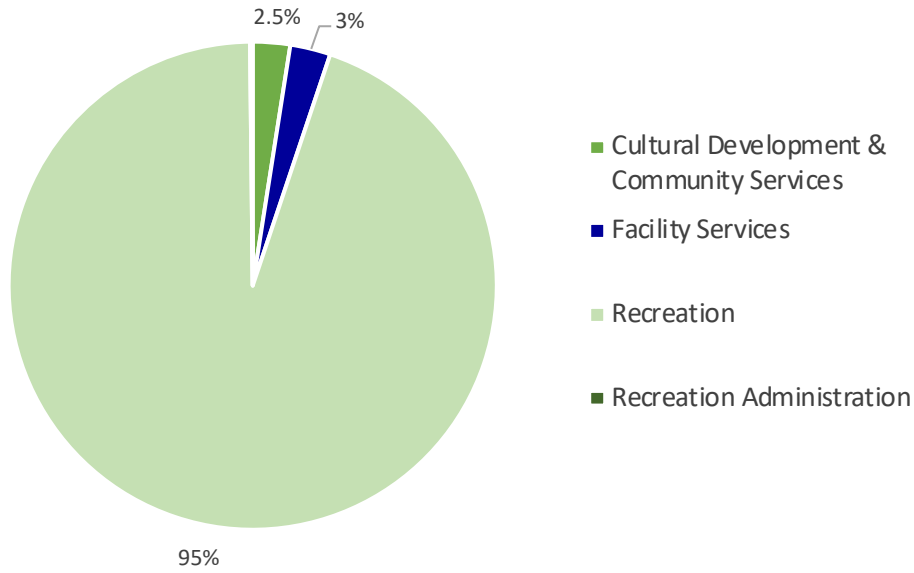


Percent of City Expenses



RECREATION

Department Revenue by Section

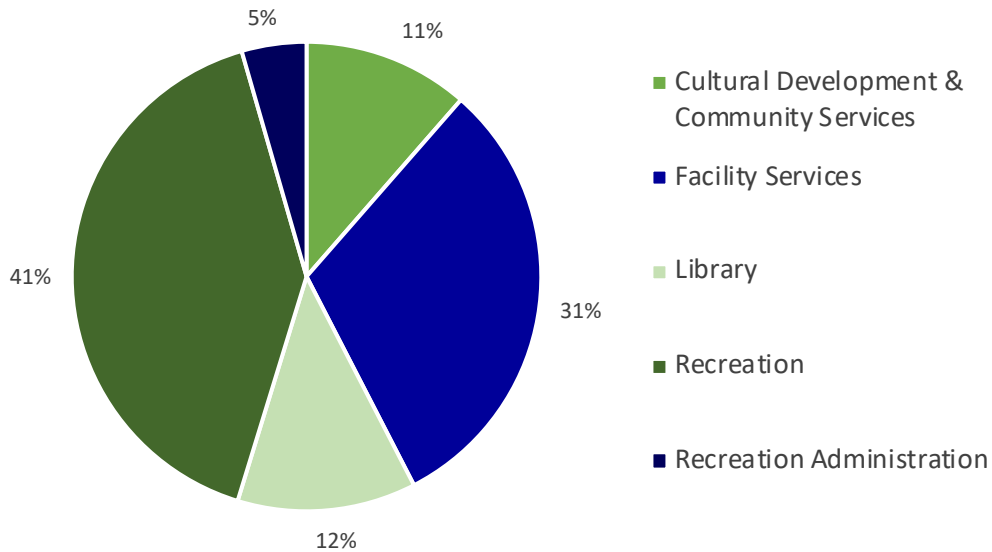


REVENUES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Cultural Development & Community Services	\$ 148,500	\$ 131,300	\$(17,200)	-11.6%	\$ 159,870
Facility Services	144,400	142,000	(2,400)	-1.7%	219,550
Recreation	4,974,200	5,026,700	52,500	1.1%	3,903,790
Recreation Administration	2,900	9,400	6,500	224.1%	12,550
TOTAL	\$5,270,000	\$5,309,400	\$39,400	0.7%	\$4,295,760



RECREATION

Department Expenses by Section



EXPENSES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Cultural Development & Community Services	\$ 1,579,500	\$ 2,035,500	\$ 456,000	28.9%	\$ 1,699,290
Facility Services	5,458,800	5,520,100	61,300	1.1%	5,893,970
Library	2,125,700	2,192,700	67,000	3.2%	2,124,420
Recreation	6,980,700	7,264,400	283,700	4.1%	6,577,090
Recreation Administration	768,000	794,000	26,000	3.4%	697,820
TOTAL	\$ 16,912,700	\$17,806,700	\$ 894,000	5.3%	\$ 16,992,590

ALLOCATIONS (TO)/FROM RESERVES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Cultural Development & Community Services	\$ 35,000	\$ 481,000	\$ 446,000	1274.3%	\$ -
Facility Services	18,900	(25,600)	(44,500)	-235.4%	(58,300)
TOTAL	\$ 53,900	\$ 455,400	\$ 401,500	744.9%	\$ (58,300)

NET REVENUE / (EXPENSES)	\$(11,588,800)	\$(12,041,900)	\$(453,100)	3.9%	\$(12,755,140)
---------------------------------	-----------------------	-----------------------	--------------------	-------------	-----------------------

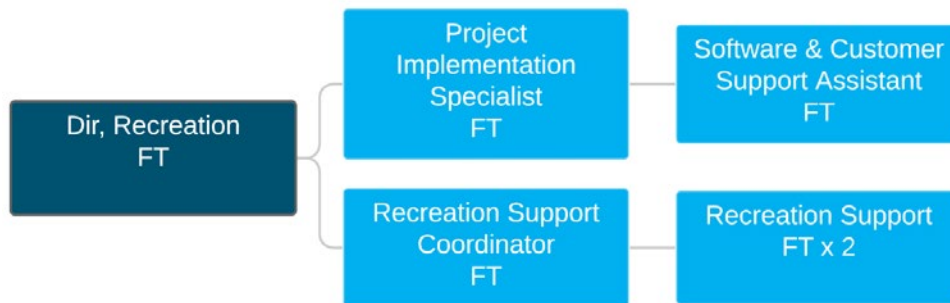
RECREATION ADMINISTRATION

FOCUS

This Division is responsible for overall management of the Department. The Administration Support staff provides analysis and support of business systems and operations, as well as direct customer service, troubleshooting and support for internal ActiveNet software users, coordination of on-demand work requests for facility maintenance, and facility booking services for community members and groups for the pools, arenas, multi-use rooms, parks and sports fields.



ORGANIZATIONAL STRUCTURE

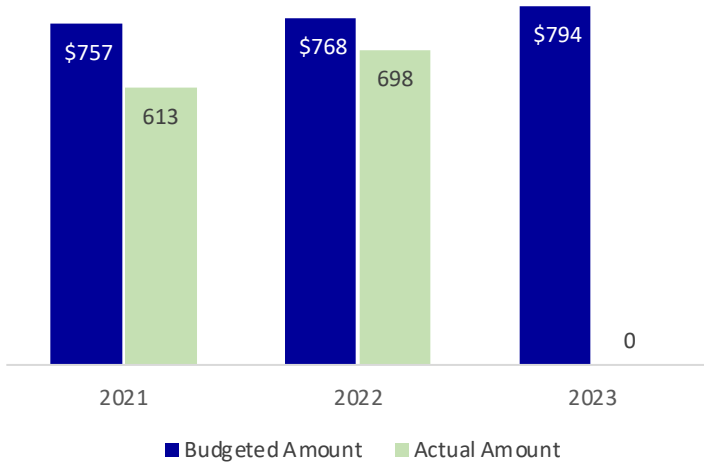


ENVIRONMENTAL SCAN

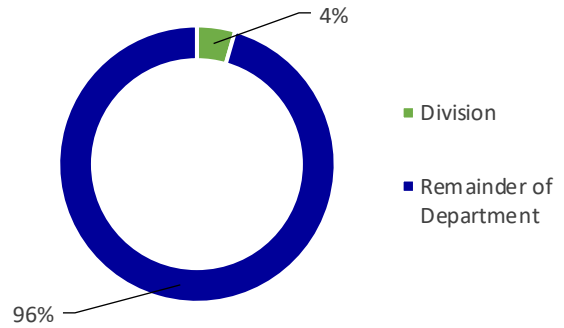
Factor	Impact
Communication and technology	Enhancing customer service, simplifying online processes and building new tools to ensure customers have easy online access to program information to manage their accounts, to book facilities and to register for programs is a priority as the demand for these services continues to grow. The City continues to focus on inclusive customer service, refining these processes and tools is an important focus.
Inclusion and accessibility	Staff continue to research, develop and implement new user-friendly online and in-person services and explore opportunities to further reduce barriers to participation through building relationships with community organizations, implementing facility accessibility features and researching best practices for equitable access to programs and services.
Supporting User Groups	The Admin Support staff team works collaboratively with a wide range of community and sport user groups to refine facility booking and allocation processes and to maintain and establish strong relationships.

OPERATING BUDGET

Operating Expenses (in Thousands)



Percent of Department Expenses



REVENUES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Other revenue	\$ -	\$ -	\$ -	N/A	\$ 450
Sale of services	2,900	9,400	6,500	224.1%	12,100
TOTAL	\$ 2,900	\$ 9,400	\$ 6,500	224.1%	\$ 12,550

EXPENSES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Contracted and other services	\$ 27,800	\$ 27,800	\$ -	0.0%	\$ 4,420
Interest and bank charges	20,300	20,300	-	0.0%	19,920
Internal charges	-	-	-	N/A	20
Materials and supplies	20,200	20,200	-	0.0%	14,130
Other personnel costs	51,800	51,800	-	0.0%	14,610
Payroll expense	647,000	673,000	26,000	4.0%	643,750
Telephone, utilities and rent	900	900	-	0.0%	960
TOTAL	\$ 768,000	\$ 794,000	\$ 26,000	3.4%	\$ 697,810

NET REVENUE / (EXPENSES)	\$(765,100)	\$(784,600)	\$(19,500)	2.5%	\$(685,270)
---------------------------------	--------------------	--------------------	-------------------	-------------	--------------------

BREAKDOWN OF BUDGET CHANGES

Line item	Adjustment Category	Nature of Adjustment	Impact on Net Revenue/Expense
Payroll expense	Labour Base Adjustment	Exempt Adjustment	\$ (6,900)
Payroll expense	Labour Base Adjustment	Exempt Inflationary Increase	(10,100)
Payroll expense	Labour Overhead Adjustment	Benefit Increase	(9,000)
Sale of services	Adjustment based on historical revenue	Offset for free rental room use no longer required	6,500
TOTAL			\$(19,500)

INDICATORS AND MEASURES

Indicator/Measure	2018	2019	2020	2021	2022 (Oct)
# Facility Booking Contracts Requested	1,365	1,231	930	1,668	1,693
# Facility Booking Contracts Issued - Staff	1,070	946	547	1,043	1,313
# Facility Booking Contracts Issued - Online*	N/A	N/A	N/A	N/A	639
# Customers/Organizations with Bookings	533	511	269	424	752

* New indicator introduced for 2022.

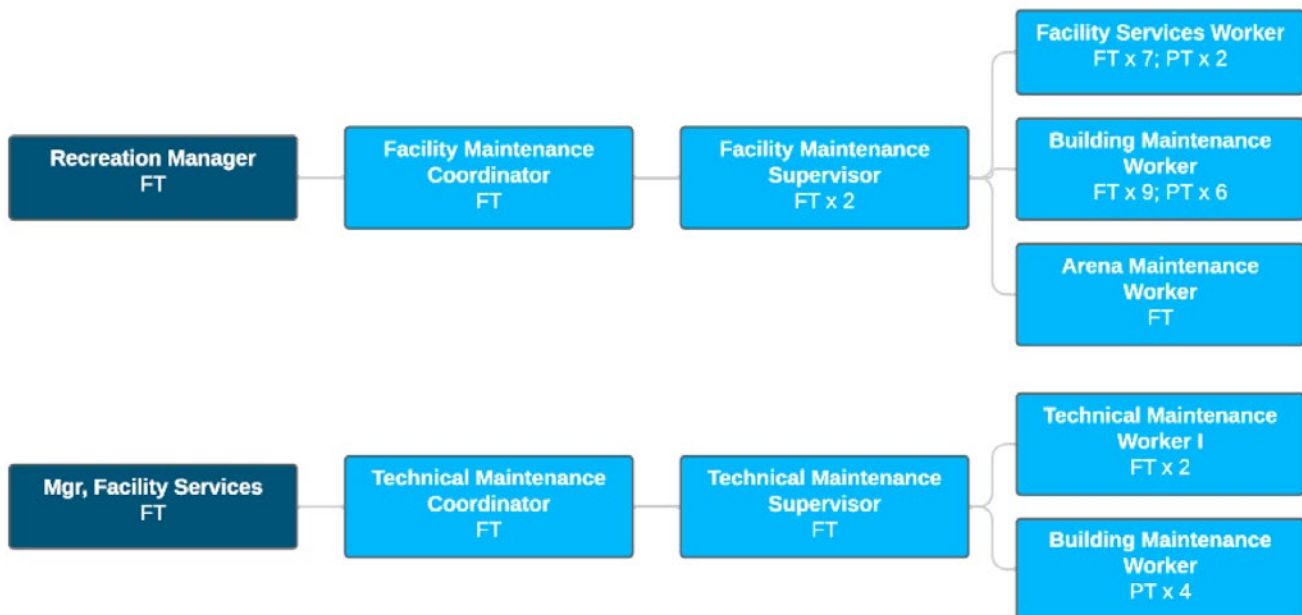
FACILITY SERVICES

FOCUS

The Facility Services Division ensures City facilities meet the needs and expectations of the public and staff. Through Life Cycle, Energy Management, and Asset Management Programs, this Division ensures a cost-effective approach to strategically planning building infrastructure renewal. It also monitors and administers the City's security program for buildings, recommending and implementing improvements as required. Project management services for facility renovations, in consultation with building users, are provided along with daily facility operation and janitorial services.



ORGANIZATIONAL STRUCTURE

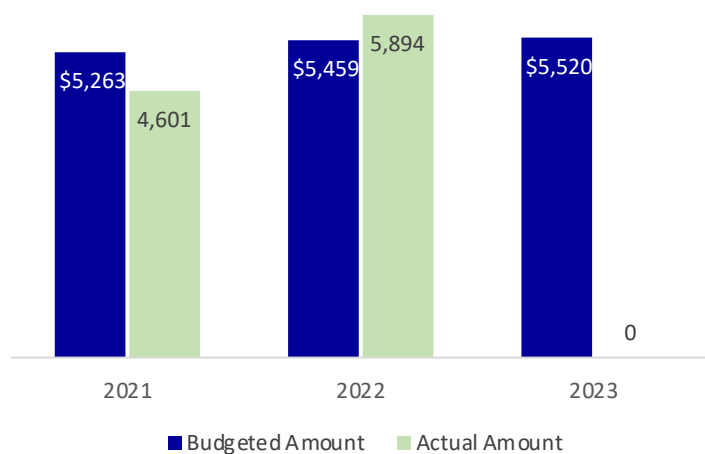


ENVIRONMENTAL SCAN

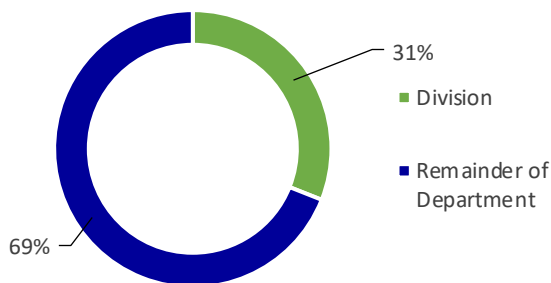
Factor	Impact
Aging infrastructure	As facility infrastructure ages, life cycle maintenance activities become more prevalent. This requires proportionally more planning, monitoring and strategic resource allocation. Ongoing operational maintenance workload also increases as facilities age.
Climate change	The upward pressure of electricity and natural gas prices and focus on curbing green-house gas emissions related to climate change are increasing the importance of the City's energy conservation and building performance initiatives.
Data driven decision-making	Key performance indicators are required to ensure efficient facility operation and maintenance. Accurate metrics are necessary to inform a more proactive, preventative approach to facility maintenance.
Operating the new Community Centre	2023 will be the last year of working with the design build contractor to address warranty and deficiency issues.
Facility accessibility	Building modifications such as adding a Braille system onto wayfinding signage continue to be researched and implemented to continue to enhance facility accessibility.

OPERATING BUDGET

Operating Expenses (in Thousands)



Percent of Department Expenses



REVENUES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Investment income	\$ -	\$ -	\$ -	N/A	620
Other revenue	-	-	-	N/A	32,450
Sale of services	144,400	142,000	(2,400)	-1.7%	172,710
Taxation and other levies	-	-	-	N/A	13,760
TOTAL	\$144,400	\$142,000	\$(2,400)	-1.7%	\$219,540

RECREATION: FACILITY SERVICES

EXPENSES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Contracted and other services	\$ 992,900	\$ 874,200	\$ (118,700)	-12.0%	\$ 1,009,330
Insurance and claims	-	-	-	N/A	820
Interest and bank charges	-	-	-	N/A	2,240
Internal charges	(58,100)	(45,600)	12,500	-21.5%	(23,240)
Materials and supplies	399,000	399,100	100	0.0%	526,630
Other personnel costs	18,100	18,300	200	1.1%	15,950
Payroll expense	3,007,100	3,101,200	94,100	3.1%	3,190,610
Telephone, utilities and rent	1,099,800	1,172,900	73,100	6.6%	1,171,640
TOTAL	\$ 5,458,800	\$ 5,520,100	\$ 61,300	1.1%	\$ 5,893,980

ALLOCATIONS (TO)/FROM RESERVES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Transfer to Reserve	\$ (73,200)	\$ (25,600)	\$ 47,600	-65.0%	\$ (58,300)
Transfer From Surplus	92,100	-	(92,100)	-100.0%	-
TOTAL	\$ 18,900	\$ (25,600)	\$(44,500)	-235.4%	\$ (58,300)

NET REVENUE / (EXPENSES)	\$(5,295,500)	\$(5,403,700)	\$(108,200)	2.0%	\$(5,732,730)
---------------------------------	----------------------	----------------------	--------------------	-------------	----------------------

BREAKDOWN OF BUDGET CHANGES

Line item	Adjustment Category	Nature of Adjustment	Impact on Net Revenue/Expense
Contracted and other services	Adjustment to maintain service level	Fire inspection and air filters	\$ (600)
Internal charges	Adjustment to maintain service level	Adjustment for Internal Equipment allocation	(12,500)
Payroll expense	Labour Base Adjustment	Exempt Adjustment	(12,500)
Payroll expense	Labour Base Adjustment	Exempt Inflationary Increase	(14,600)
Payroll expense	Labour Overhead Adjustment	Benefit Increase	(42,000)
Telephone, utilities and rent	Utilities and Fuel	Electricity 1.76%, Natural Gas 3.99%	(26,000)
TOTAL			\$ (108,200)

INDICATORS AND MEASURES

Indicator/Measure	2018	2019	2020	2021	2022 (Oct)
Facility Service Requests	659	663	278 ¹	425	436
Preventative Maintenance Work Orders	2,649	2,826	3,211 ²	3,137	2,613
# of Facility Life Cycle Operating Projects	28	26	33	25	27
Value of Facility Life Cycle Operating Projects	\$233,450	\$409,700 ³	\$270,650	\$191,750	\$257,600
# of Capital Infrastructure Projects	1	2	5	1	7
Value of Capital Infrastructure Projects	\$1,500	\$329,900	\$338,000	\$89,700	\$432,800

¹ 2020 Facility service requests decreased due to COVID-19

² 2020 Preventative maintenance work orders increased due to addition of the Port Coquitlam Community Centre.

³ 2019 Value of facility life cycle projects higher due to carryover of unfinished projects from 2018.

CULTURAL DEVELOPMENT & COMMUNITY SERVICES

FOCUS

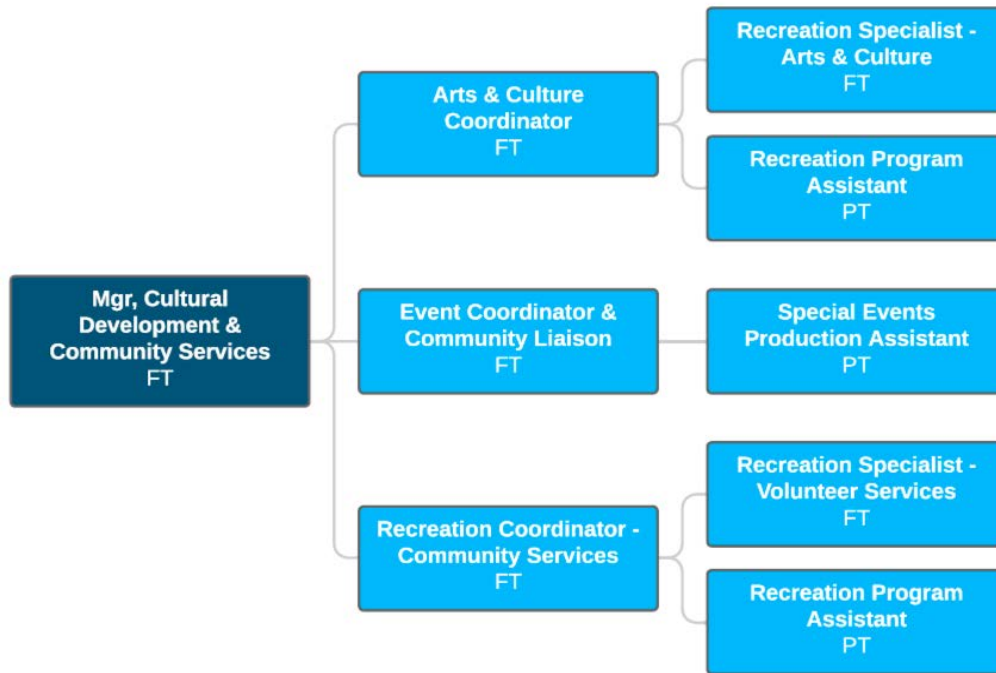
The Cultural Development and Community Services Division provides strategic direction, leadership and supervision for the following program and service areas: arts and culture, festivals, community events, City civic events, public art, volunteer services, neighbourhood development, and access and inclusion. This Division also acts as a resource and provides leadership for the Department’s marketing, advertising, and promotion initiatives.

The Division acts as a liaison and provides support to many cultural and community organizations including the Port Coquitlam Heritage and Cultural Society, the Terry Fox Library, Port Coquitlam Arts Council and the Port Coquitlam Farmers Market. This Division is also the liaison for community event task forces, the Terry Fox Theatre, the Cultural Roundtable and the newly formed Equity Diversity and Inclusion Roundtable.



The Cultural Development and Community Services Division operates the Leigh Square facilities including the Gathering Place, Michael Wright Art Gallery, Outdoor Performance Stages and Outlet.

ORGANIZATIONAL STRUCTURE

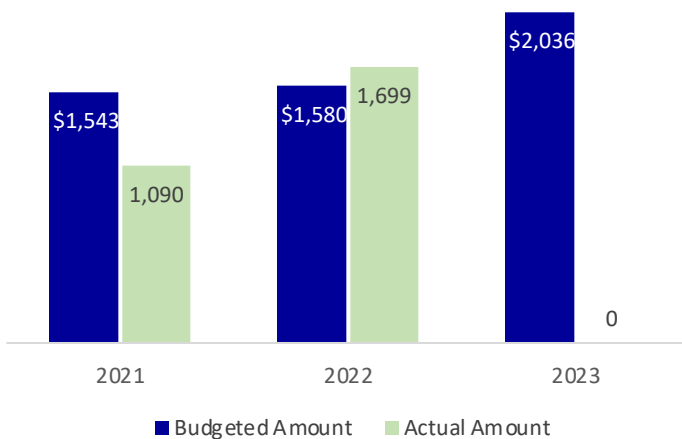


ENVIRONMENTAL SCAN

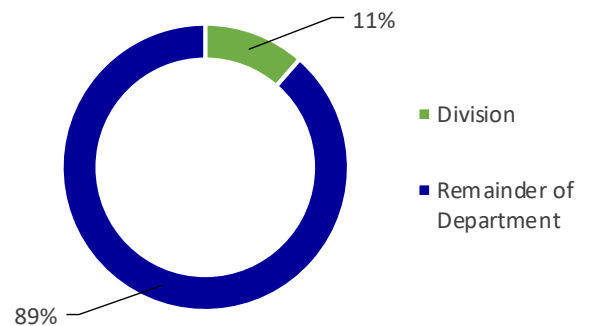
Factor	Impact
Community engagement	Residents are increasingly seeking ways to be part of their community. The recent growth of the Adopt a Street, Park or Trail (SPOT) Program is just one example of residents’ interest in playing an active role in their City. Staff are responding with a variety of opportunities for individuals and groups to be part of, contribute to and interact in their neighbourhood and community. This participation includes volunteer opportunities, roundtables, stewardship, arts engagement and community initiatives. Volunteerism also focuses on creating social connections and engagement for seniors, in addition to providing leadership and training opportunities for youth, although attracting volunteers in the community is an ongoing challenge.
Leadership in access and inclusion	The City is committed to removing barriers and developing welcoming, inclusive, equitable and safe programs, services and events. To achieve this, staff facilitate the Mayor’s Equity, Diversity and Inclusion Roundtable, lead accessibility enhancements in City facilities and at events, as well as, explore and deliver program and service opportunities to further reduce barriers to participation.
Marketing and promotion	Staff share information through the City’s website, digital leisure guide and e-letters as well as engaging through social channels to respond to community needs and interests.

OPERATING BUDGET

Operating Expenses (in Thousands)



Percent of City Expenses



RECREATION: CULTURAL DEVELOPMENT & COMMUNITY SERVICES

REVENUES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Contributions	\$ 12,700	\$ 12,700	\$ -	0.0%	\$ 69,360
Other revenue	-	-	-	N/A	1,960
Sale of services	135,800	118,600	(17,200)	-12.7%	88,550
TOTAL	\$ 148,500	\$ 131,300	\$(17,200)	-11.6%	\$ 159,870

EXPENSES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Contracted and other services	\$ 269,000	\$ 766,700	\$ 497,700	185.0%	\$ 380,530
Grants and financial assistance	224,000	159,000	(65,000)	-29.0%	112,860
Insurance and claims	200	200	-	0.0%	-
Interest and bank charges	4,700	4,700	-	0.0%	5,730
Internal charges	4,600	5,000	400	8.7%	10,720
Materials and supplies	74,200	66,600	(7,600)	-10.2%	90,080
Other personnel costs	4,900	5,200	300	6.1%	4,600
Payroll expense	997,300	1,027,500	30,200	3.0%	1,094,280
Telephone, utilities and rent	600	600	-	0.0%	500
TOTAL	\$ 1,579,500	\$ 2,035,500	\$456,000	28.9%	\$ 1,699,300

ALLOCATIONS (TO)/FROM RESERVES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Transfer from Surplus	\$ 35,000	\$ 481,000	\$446,000	1274.3%	\$ -
TOTAL	\$ 35,000	\$ 481,000	\$446,000	1274.3%	\$ -

NET REVENUE / (EXPENSES)	\$(1,396,000)	\$(1,423,200)	\$(27,200)	1.9%	\$(1,539,420)
---------------------------------	----------------------	----------------------	-------------------	-------------	----------------------

BREAKDOWN OF BUDGET CHANGES

Line item	Adjustment Category	Nature of Adjustment	Impact on Net Revenue/Expense
Contracted and other services	Departmental Ongoing Adjustment	Equipment rental costs increase based on trend and actual service level - Canada Day and May Day	\$(25,000)
Grants and financial assistance	Departmental Ongoing Adjustment	Reclassification of Grant funding to separate account	30,600
Internal charges	Adjustment to maintain service level	Adjustment for Internal Equipment allocation	(400)
Payroll expense	Labour Base Adjustment	Exempt Adjustment	(12,100)
Payroll expense	Labour Base Adjustment	Exempt Inflationary Increase	(7,100)
Payroll expense	Labour Overhead Adjustment	Benefit Increase	(11,000)
Sale of services	Adjustment based on historical revenue	Sales and Sponsorship revenue - Canada Day	(2,200)
TOTAL			\$(27,200)

INDICATORS AND MEASURES

Indicator/Measure	2018	2019	2020	2021	2022 (Oct)
Cultural Development: Art and Culture, Special Events					
Arts & Culture Programs Offered	140	123	93	114	83
Arts & Culture Program Participants	830	1,094	349	742	930
Cultural Roundtable – number of artists, organizations and businesses participating	37	29	45	56	82
CCD Investment Grants - \$ Awarded	\$69,810	\$64,888	\$38,000	15,000	PoCo Foundation will award in Q3
# CCD Investment Grants	14	12	5	6	5
# City Produced Festivals/Events	12	16	2	6	8
Estimated Attendees at City Produced Festivals and Events	65,988	78,550	11,000+	6,000	30,000 +
# of Community-led Festivals/Events Receiving City Support	13	18	1	1	13
Community Services: Volunteers Services, Neighbourhood Development, Access and Inclusion					
# Volunteers	446	469	192	222	277
# Total Volunteer Hours	9,438	12,822	3,519	4,292	6,389
% of Volunteers under 18 years of age	55%	63%	44%	44%	47%
% of Volunteers over the age 55	8%	10%	18%	9%	18%
Little Free Libraries	13	16	14	16	15
Block Parties	22	12	0	5	30
Adopt-a-Spot: streets, parks or trails adopted by volunteers	40	45	62	104	101
Community Capital Project Matching Grants - \$ Awarded	\$ 21,150	\$9,179	\$27,943	\$40,000	\$31,250
# Community Capital Project Matching Grants	3	3	5	8	4
Residents receiving recreation financial assistance	729	677	443	358	824
Individuals Supported 1:1 by Access and Inclusion Program	28	37	25	43	48

RECREATION SERVICES

FOCUS

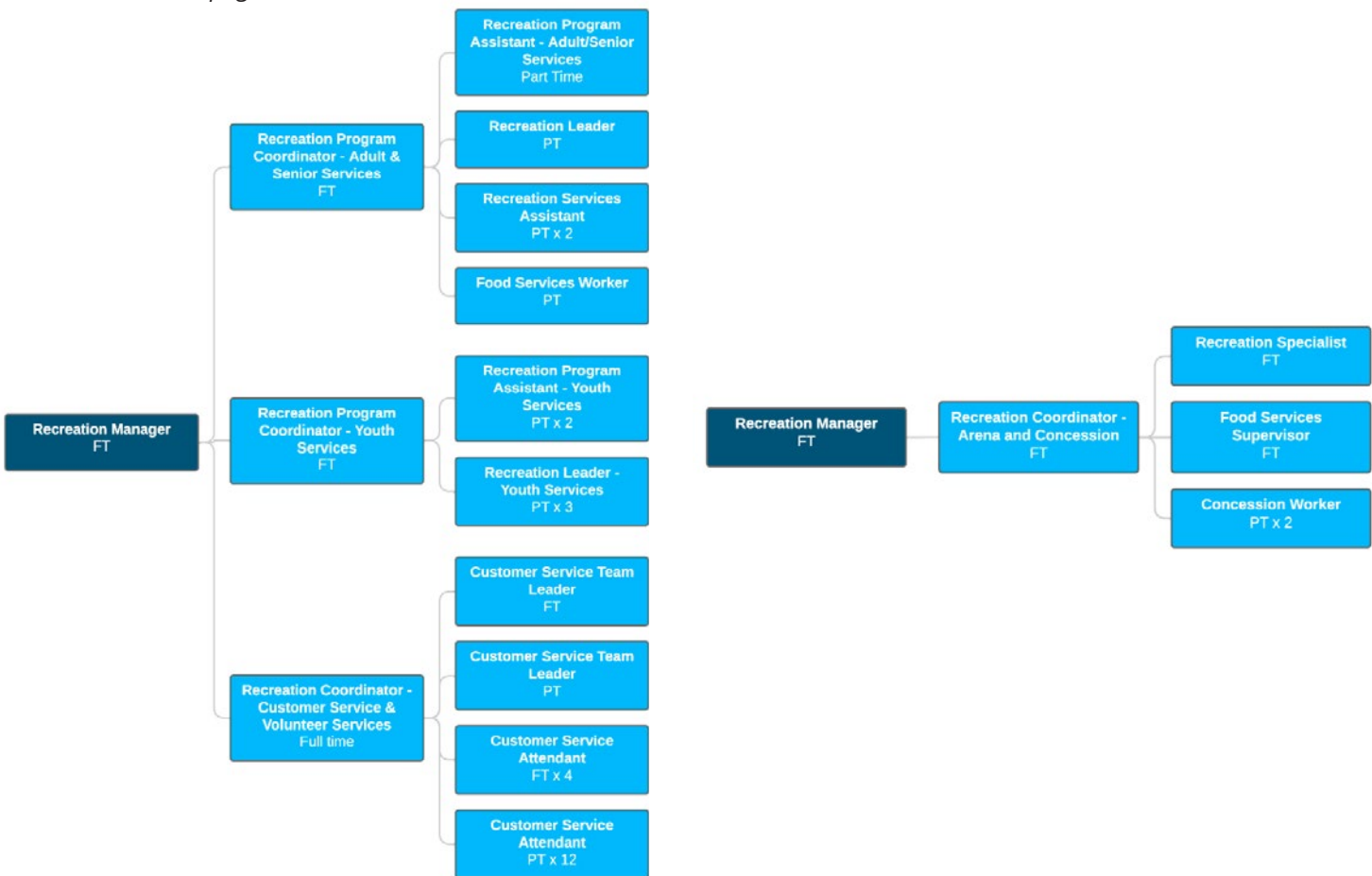
The Recreation Services Division provides a broad range of programs and services in the following areas: pre-school, children, youth, adult/senior, sport, aquatics, arenas and fitness and wellness. This Division is responsible for the day-to-day operation, maintenance and programming of public recreation facilities including Hyde Creek Recreation Centre, Port Coquitlam Community Centre, Centennial Pool, Robert Hope Pool, Routley Wading Pool, Sun Valley Wading Pool/Spray Park, Railside Youth Park and the Bike Skills Park.

In addition, this Division works in partnership with and provides support to multiple community organizations and groups including: the Wilson Centre Seniors Advisory Board, Port Coquitlam Sports Alliance Society and several non-profit organizations. The Division also collaborates with Fraser Health Authority, School District 43, Ministry of Children and Families and other social service organizations.

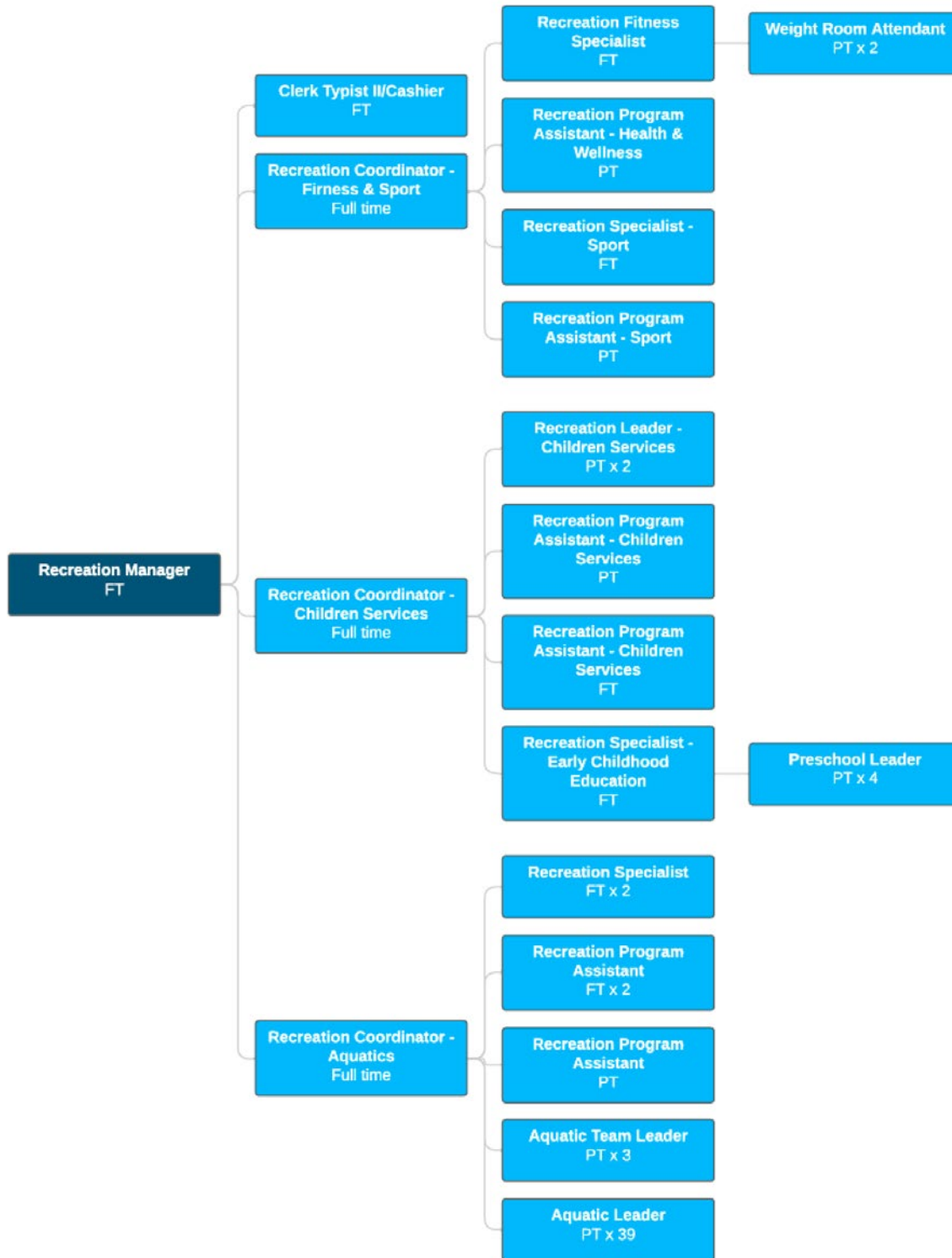


ORGANIZATIONAL STRUCTURE

Continued on next page.



RECREATION: RECREATION SERVICES

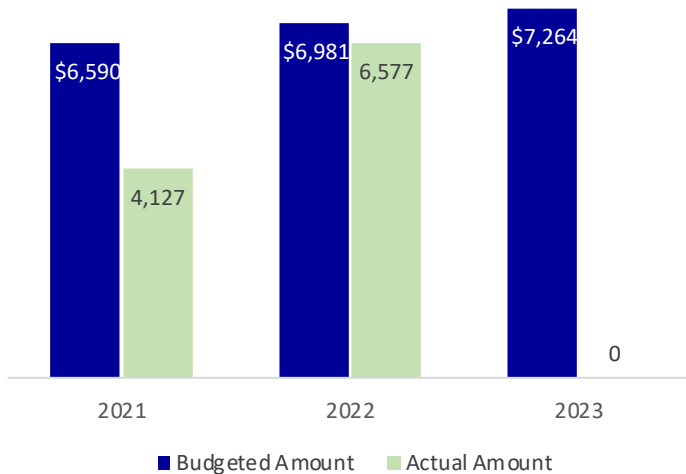


ENVIRONMENTAL SCAN

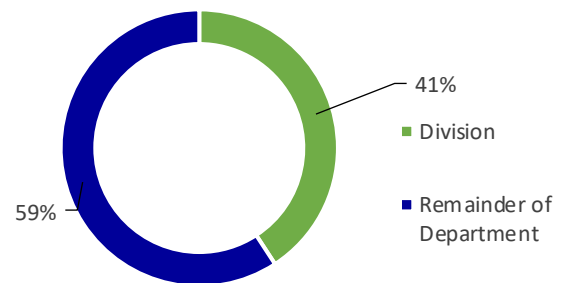
Factor	Impact
Communication and technology	In addition to enhancing customer service, staff are focused on improving data collection mechanisms and reporting processes through hardware and software integration as well as ongoing staff training.
Physical fitness and activity	In 2023, as the Recreation Department continues to rebuild programs and services, collaboration with community sport organizations, schools and other community agencies who are working to enhance physical literacy and promote activity for life, is key.
Inclusion	Inclusive recreation opportunities are a critical support for individuals and families facing barriers to participation. The Recreation Department is building new partnerships, strengthening ongoing relationships with organizations supporting inclusion, and seeking grant funding in order to better meet the needs of all people living in the community.
Retention and recruitment	Building staff teams will continue to be a focus in 2023 in order to offer programs and services at and beyond pre-COVID-19 levels. Staff are committed to providing excellent customer service and contributing to a positive work culture. Recruitment is focused on hiring new employees who share the organization’s purpose and values, and have a keen interest in a career with the City. Supervisory staff continue to focus on working collaboratively, integrating the many new employees hired in 2022 into the recreation staff team to ensure positive work experiences, and to build strong teams.

OPERATING BUDGET

Operating Expenses (in Thousands)



Percent of Department Expenses



REVENUES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Contributions	\$ 47,400	\$ 47,400	\$ -	0.0%	\$ 58,650
Sale of services	4,926,800	4,979,300	52,500	1.1%	3,845,130
TOTAL	\$4,974,200	\$5,026,700	\$52,500	1.1%	\$3,903,780

RECREATION: RECREATION SERVICES

EXPENSES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Contracted and other services	\$ 472,300	\$ 463,800	\$ (8,500)	-1.8%	\$ 332,070
Interest and bank charges	147,500	147,500	-	0.0%	178,230
Internal charges	300	300	-	0.0%	90
Materials and supplies	359,600	408,200	48,600	13.5%	350,080
Other personnel costs	22,900	23,500	600	2.6%	22,940
Payroll expense	5,966,100	6,209,100	243,000	4.1%	5,676,750
Telephone, utilities and rent	12,000	12,000	-	0.0%	16,940
TOTAL	\$ 6,980,700	\$ 7,264,400	\$ 283,700	4.1%	\$ 6,577,100
NET REVENUE / (EXPENSES)	\$(2,006,500)	\$(2,237,700)	\$(231,200)	11.5%	\$(2,673,300)

BREAKDOWN OF BUDGET CHANGES

Line item	Adjustment Category	Nature of Adjustment	Impact on Net Revenue/Expense
Payroll expense	Ongoing Enhancement (Council Approved)	New Position – Customer Service Supervisor	\$(76,000)
Payroll expense	Labour Base Adjustment	Exempt Adjustment	(24,200)
Payroll expense	Labour Base Adjustment	Exempt Inflationary Increase	(14,200)
Payroll expense	Labour Base Adjustment	Living Wage	(37,800)
Payroll expense	Labour Overhead Adjustment	Benefit Increase	(79,000)
TOTAL			\$(231,200)

INDICATORS AND MEASURES

Indicator/Measure	2018	2019	2020	2021	2022 (Oct)
\$ Payments for Fees & Services - Total	\$3,764,604	\$4,134,437	\$1,754,290	\$3,002,139	\$4,307,142
% Payments Processed – Online	28%	28%	32%	41%	30%
# Programs Offered	5,992	5,919	1,865	2,209	2,802
# Registrations in Programs	25,218	24,819	8,870	12,213	18,818
# Drop-in Participants - Total	146,090	125,508	65,075	190,354	322,340
# One City Passes Activated	7,629	7,741	3,327	6,873	9,444

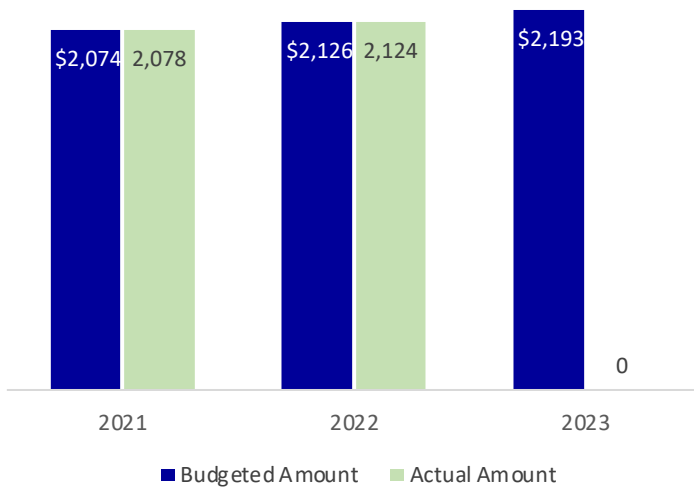
TERRY FOX LIBRARY

ENVIRONMENTAL SCAN

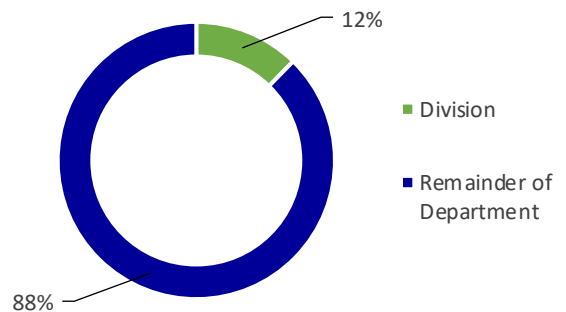
Factor	Impact
Community engagement	The Terry Fox Library inspires and engages community members through in person, online and passive programs. Throughout the pandemic the Library offered highly successful virtual programs with over 200,000 views. In May 2022, the Library resumed in-person programs that focused on early literacy, STEAM (Science, Technology, Engineering, Arts and Mathematics) as well as enhancing social connectedness through Ukulele and Book Club programs. The Library reached an all-time record of library card sign up in 2022. Physical material circulation and other indicators have almost returned to pre-pandemic levels.
Community need for welcoming spaces and resources	The library has become a welcoming and inclusive space that offers access to technology, reference materials, referral services and literacy advisors. Access to public computers allows all community members to pursue dreams, find jobs, and explore interests.

OPERATING BUDGET

Operating Expenses (in Thousands)



Percent of Department Expenses



EXPENSES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Contracted and other services	\$ 2,125,700	\$ 2,192,700	\$ 67,000	3.2%	\$ 2,124,420
TOTAL	\$ 2,125,700	\$ 2,192,700	\$ 67,000	3.2%	\$ 2,124,420
NET REVENUE / (EXPENSES)	\$(2,125,700)	\$(2,192,700)	\$(67,000)	3.2%	\$(2,124,420)

BREAKDOWN OF BUDGET CHANGES

Line item	Adjustment Category	Nature of Adjustment	Impact on Net Revenue/Expense
Contracted and other services	Contract Adjustment - Fraser Valley Regional Library	Approved increase by FVRL	(\$67,000)
TOTAL			(\$67,000)

INDICATORS AND MEASURES

Indicator/Measure	2019	2020	2021	2022	2023 (Oct)
Number of Programs (including on-line)	594	677	165	122	219
Program Attendance (including online)	22,726	22,953	3,746	5,171	10,268
Book/Material Checkouts	260,893	233,211	142,817	195,212	192,154
New Library Card Registration at Terry Fox Library	1,788	2,859	1,101	1,999	2,472

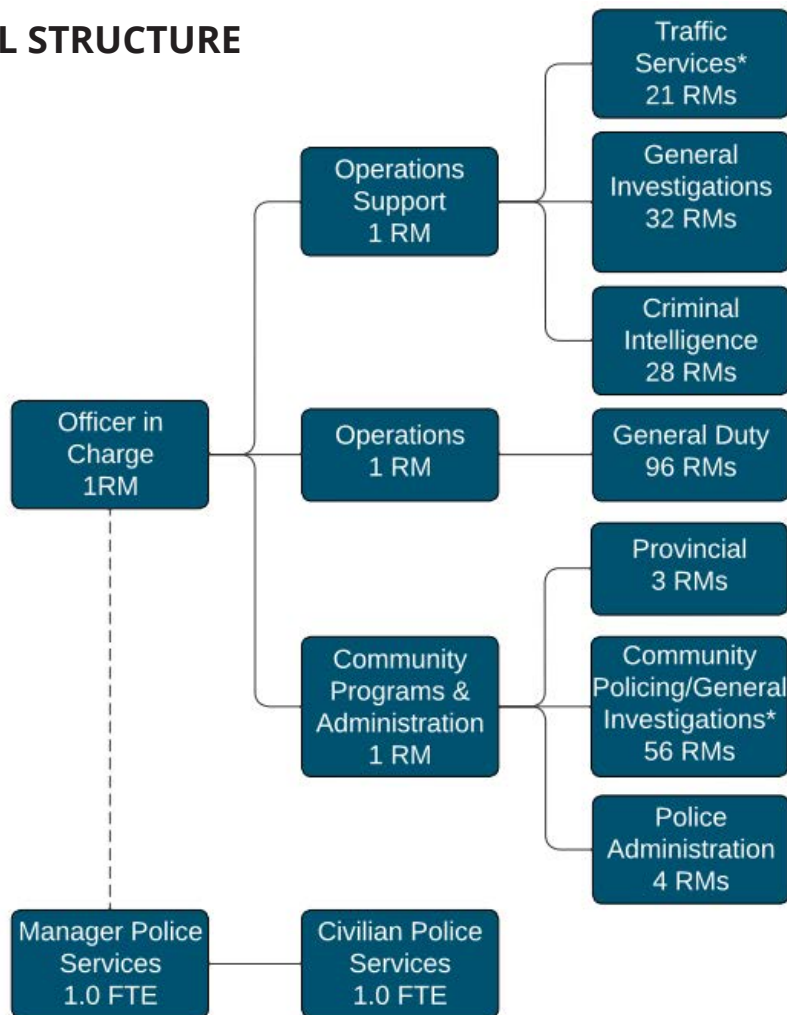
RCMP

FOCUS

The Coquitlam RCMP jurisdiction includes the communities of Anmore, Belcarra, Coquitlam and Port Coquitlam—a permanent resident population of more than 200,000 citizens augmented by the thousands who visit for work, education and recreation. From 24/7 response-to-calls and criminal investigations to proactive initiatives focused on preventing crime, engaging citizens and supporting victims and witnesses, the Coquitlam RCMP team works hard to make Port Coquitlam a happy, vibrant, safe community of engaged residents and thriving businesses.



ORGANIZATIONAL STRUCTURE

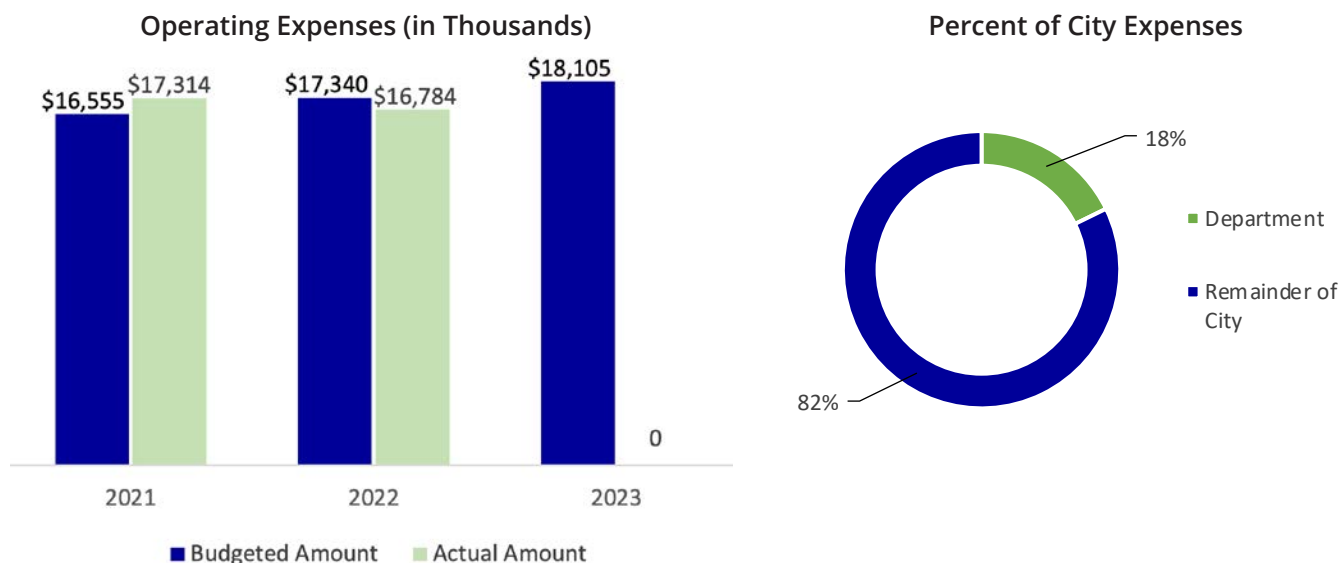


**1 member in Traffic Services and 1 member in Community Policing work exclusively for Coquitlam and are not part of shared costs with Port Coquitlam.*

ENVIRONMENTAL SCAN

Factor	Impact
Unionization of RCMP	As the first collective agreement is negotiated, there are changes expected to operations, as well as financial implications.
Surrey's change to a Municipal Police Force	Impacts related to this change are undetermined at this time but expected to have an impact on the Lower Mainland detachments.
Employee retention and attraction	There continues to be a challenge with filling vacancies at the detachment which affects the service levels.

OPERATING BUDGET



REVENUES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Police Services	\$ 660,400	\$ 660,400	\$ -	0.0%	\$ 570,310
TOTAL	\$ 660,400	\$ 660,400	\$ -	0.0%	\$ 570,310

EXPENSES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Police Services	\$ 17,340,000	\$ 18,105,000	\$ 765,000	4.4%	\$ 16,784,140
TOTAL	\$ 17,340,000	\$ 18,105,000	\$ 765,000	4.4%	\$ 16,784,140

ALLOCATIONS (TO)/FROM RESERVES	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
Police Services	\$ -	\$ 425,900	\$ 425,900	N/A	\$ (465,780)
TOTAL	\$ -	\$ 425,900	\$ 425,900	N/A	\$ (465,780)

NET REVENUE / (EXPENSES)	2022 Budget	2023 Budget	\$ Changes	% Change	2022 Actuals
	\$(16,679,600)	\$(17,018,700)	\$(339,100)	2.0%	\$(16,679,600)

BREAKDOWN OF BUDGET CHANGES

Line item	Adjustment Category	Nature of Adjustment	Impact on Net Revenue/Expense
Contracted and other services	2023 RCMP Contract	Contractual increase in Integrated Teams costs	\$ (27,200)
Contracted and other services	2023 RCMP Contract	Contractual increase in Public Safety Building costs	(52,700)
Contracted and other services	2023 RCMP Contract	Contractual increase in RCMP costs	(559,200)
Transfer from Reserve	Reserve Transfer	Funding from reserve	300,000
TOTAL			\$(339,100)

INDICATORS AND MEASURES

Indicator/Measure	2018	2019	2020	2021	2022 (Oct)
Calls for Service	9,695	10,126	9,141	9,029	8,285
Police Files	9,547	10,029	9,093	8,995	8,252
Persons Offences	489	477	436	468	520
Property Offences	1,440	1,779	1,568	1,352	1,363
MH Related Files	481	411	460	550	577
Traffic Violation Tickets	1,313	1,709	1,500	1,741	1,053



2023-2024

CAPITAL PLAN OVERVIEW



2023-2024 CAPITAL PLAN OVERVIEW

INTRODUCTION

This section of the budget document contains the approved capital plan. The development of the capital plan is guided by multiple sources including:

- Council's Action Plan
- Council requests
- Resident feedback through the budget survey and other channels
- Staff input
- City policies for Financial Management and Operating Costs of Capital.

The 2023-2024 capital plan continues investment in the renewal of the City's core infrastructure.

A focus on "Getting the Basics Right" addresses infrastructure gaps with improvements to parks, sidewalks, intersections, streetlights, lanes, pedestrian safety and traffic calming.

PLAN DEVELOPMENT

The development of the capital plan required extensive coordination with all City departments. The process to develop the plan started at the end of 2021 with approval of the 2022-2023 capital plan and one-time decision packages. Since approval of the plan, new information has become available requiring amendments to 2023. In other cases, time-sensitive needs have also arisen requiring new project additions to the 2023 portion of the plan.

Please see page 2 for the development timeline.



CAPITAL PROGRAM HIGHLIGHTS

Infrastructure is one of the City's top priorities and the 2023-2024 capital plan continues to reflect this priority.

Building on recent plans, the 2023-2024 plan has a continued focus on renewal of our core infrastructure while new expenditures align with "Getting the Basics Right" and address infrastructure gaps with improvements to parks, sidewalks, intersections, streetlights, lanes, pedestrian safety and traffic calming.

The highlights of the 2023 capital program are as follows:

- \$2.5M for the Coquitlam River Sanitary Siphon
- \$2M for Kingsway Avenue Construction
- \$710k for the Cedar Dr Culverts
- \$300k to replace the Fuel Management System
- \$185k for Cemetery Expansion

The highlights of the 2024 capital program are as follows:

- \$10.8M for road paving and utility replacements (water, sewer, drainage) including:
 - \$3.0M Kingsway Avenue – Kelly to west of McLean road widening
 - \$1.7M Greenmount Ave – Liverpool St to Sefton St
- \$3.0M in major utility facility replacements/upgrades (culverts, pump stations, valves) including:
 - \$1.5M Cedar Drive Pump Station
 - \$1.2M Dominion Sanitary Pump Station
- \$2.3M for fleet replacement
- \$435k for sidewalk and pedestrian safety improvements
- \$425k for IS Network Server Storage
- \$400k for lane paving
- \$325k for Digital Development Application System
- \$320k for Park Playground Improvements



CAPITAL PROGRAM OVERVIEW

CATEGORIES

Capital projects have been consolidated and sorted into three main categories:

- 1. NEIGHBOURHOOD INFRASTRUCTURE REHABILITATION** – This category is intended to fund the replacement or renewal of existing civil infrastructure, including roads, water, sewer, storm, and associated pump stations and culverts.
- 2. OTHER REHABILITATION** – This category is intended to fund all other capital renewal and replacement, prioritized corporately (such as facilities, parks, recreation, software etc.).
- 3. NEW** – This category is for new assets, and in the long term will include previously unfunded capital projects.

This format is intended to highlight and draw attention to what the City is doing to maintain existing assets and reduce the city's infrastructure backlog (categories 1 and 2), compared to new initiatives (category 3). Prioritization of categories 1 and 2 is consistent with the policies in the city's Official Community Plan. Where there are overlaps, projects have been sorted to the most appropriate category.

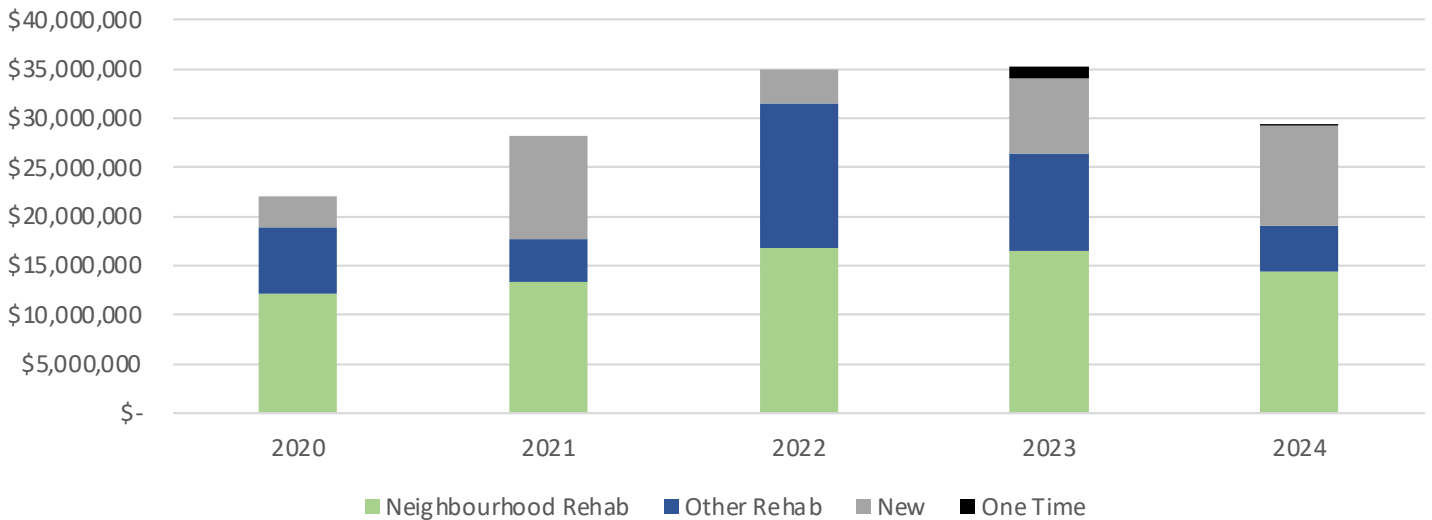
FINANCIAL SUMMARY

The following table and graph show the total capital expenditures by capital program category for the 2023-2024 capital plan with 2022 included for comparative purposes. Capital projects are funded by various means including grants, development cost charges, reserves, and accumulated surplus; the amount of funding from each source is listed in the table below.

	2022	2023	2024
Capital Program Categories			
Neighbourhood Rehabilitation	\$ 14,135,000	\$16,615,000	\$14,357,000
Other Rehabilitation	6,995,600	5,922,600	4,710,000
New	2,868,000	1,897,000	10,102,400
Amendments & Additions	10,871,100	9,664,100	-
One Time Requests	-	1,094,000	237,900
TOTAL CAPITAL EXPENDITURES	\$34,869,700	\$35,192,700	\$29,407,300
Capital Funding Sources			
Accumulated Surplus	\$ 5,985,000	\$ 987,500	\$ 1,337,900
Cost Sharing Agreements	-	60,000	-
Developer Contributions	1,105,000	795,000	1,000,000
Development Cost Charges (DCCs)	709,500	2,533,300	2,062,000
Grants (TransLink/ICBC)	1,457,500	7,359,000	6,003,000
Debt/Borrowing	-	-	-
Reserves	25,612,700	23,457,900	19,004,400
TOTAL CAPITAL FUNDING SOURCES	\$34,869,700	\$35,192,700	\$29,407,300

CAPITAL PROGRAM OVERVIEW

Capital Expenditures per Category 2020-2024



Over the last few years, the amount of funding coming out of the City’s reserves to fund the capital program has exceeded the annual contributions into the reserves. To supplement the base amount of capital funding, the City has applied the following strategies:

- Repurposing debt servicing savings on re-financing of Coast Meridian Overpass (CMO) debt:** The debt for the CMO reached its 10 year mark and was re-financed in accordance with the terms of borrowing. The initial debt was issued at a rate of 4.13%, whereas the new debt was issued at a rate of 2.25%. The difference in interest rate has resulted in a reduction of annual interest payments from \$1,032,500 to \$562,500 resulting in savings of \$470,000. These savings have been repurposed to fund capital for the 2023-2024 capital plan.
- Repurposing debt servicing savings on issuance of Port Coquitlam Community Centre (PCCC) debt:** The budget for the PCCC was approved in 2015 and included borrowing of \$52 million at an estimated rate of 3.75% which was the prevailing interest rate at the time the budget was set. The actual rate in effect at the time of borrowing (fall of 2019) was 2.24%, resulting in a reduction in the annual debt servicing payments from the initial budget of \$3,043,000 to \$2,257,000, a savings of \$786,000 which have been repurposed to fund capital in the current plan.

While these measures have allowed the City to undertake a larger volume of work, they are meant to be short term in nature. As recent capital plans have largely depleted available reserve balances, future plans will need to be scaled down in scope, or additional sources of funds will be required. The funding sources section of this document provides additional information on reserve forecasts.

OPERATING IMPACT OF CAPITAL EXPENDITURES

In past years, the estimated impact to the operating budget due to the capital program was included in the draft operating budget once the asset came online. On May 22, 2018, Council adopted a new policy which directs how operating costs resulting from capital are to be handled in the operating budget. This policy directs that staff:

- Continue to provide estimates of future operating costs as part of capital deliberations for decision-making purposes;
- Include only estimated contracted services costs in the operating budget the year the asset comes online; and
- Incorporate material, supplies, labour and/or equipment charges into the operating budget, only once the need can be demonstrated (e.g., the budget for the service level is exceeded); except as identified on a case-by-case basis through the capital budget, in which case the total estimated operating impact would be added in the year the asset comes online.

In accordance with the revised policy, the estimated operating impacts from the program are shown on the following table. However, these will not be automatically incorporated into the operating budget, except as outlined in the above policy.

PROJECT	TYPE	2023	2024
Blakeburn Washroom Building	Annual maintenance costs	\$ -	\$15,000
Council Chambers-AV Upgrades	Annual maintenance cost of \$2,100 (\$700 every four months)	-	2,100
Digital Development Application System (2023-24)	Application Fee Revenue (\$100 application fee for new applications)	(80,000)	(80,000)
Digital Development Application System (2023-24)	Annual Licence Fees	-	42,700
Irrigation Expansion (2024-26)	Per year operating savings due to reduced labour	(6,000)	(6,000)
IT Software	Annual Licence Fees	42,000	42,000
Terry Fox - Inspiring Local Champions Exhibit	Annual ongoing costs (\$65,000 in operating funding for 2022 to develop and maintain the associated rotating exhibits, annual maintenance costs of \$30,000 starting in 2023)	65,000	30,000
COST AMOUNT TO BE ADDED AS ALLOWED BY POLICY		\$21,000	\$45,800

NEIGHBOURHOOD REHABILITATION

The City is split into 'neighbourhoods' to create an efficient and cost-effective construction program. Required underground infrastructure improvements are completed in conjunction with the road rehabilitation projects for cost efficiency and construction coordination, as well as to avoid cutting up new pavement. Recommendations for replacement of underground infrastructure are based on the condition and capacity requirements. Projects approved in each year are based on budgetary limitations and analysis by the Engineering department.

The 2023 Neighborhood Rehabilitation program includes \$16.6M of capital projects. Projects proposed in each year are based on budgetary limitations and analysis by the Engineering department. The 2023 plan was prepared with a consideration of arterial, collector, local roads and paved lanes. Pavement condition data has been used to determine existing pavement condition and inform project priorities. Critical capacity and critical condition utilities have also been reviewed and prioritized.

In response to council and resident feedback, a refined approach was introduced in 2020 for the consideration of new infrastructure in the neighbourhood rehabilitation program. The addition of new infrastructure must be considered carefully, as expenditures on new assets can quickly deplete the rehabilitation budget, thus reducing the amount of that work that can be completed throughout a neighbourhood in any given year. New assets represent both an upfront capital cost and costs to maintain and replace over time. However, consideration should be given to where it makes sense to add new infrastructure with the rehabilitation program. The following approach is used for the consideration of new assets in the neighbourhood rehabilitation program.

Any infrastructure upgrades which been identified as a priority project in another approved capital program will be included in the scope (e.g. sidewalks, traffic calming, pedestrian safety, streetlights). All extruded asphalt or concrete curbs will be upgraded to concrete curb and gutter. New curbs will be added to a street if there is an existing storm sewer system in place to provide road drainage, as they can be added for an incremental cost.



Storm sewer upgrades represent substantial additional costs and will typically be evaluated independently with respect to service levels and outstanding issues. Where drainage service is currently being provided satisfactorily, storm sewer upgrades will be deferred for future consideration. Exceptions for new storm sewers will be considered for consistency within a neighbourhood, or where there are existing drainage issues such as flooding, road width constraints, safety concerns or resident complaints.



2023-2027 FINANCIAL PLAN APPENDICES



A: FINANCIAL MANAGEMENT POLICY

Purpose: To establish the framework for the overall fiscal management of the City to support the appropriate, legal and prudent use of municipal funds to the benefit of the City and its residents.

Policy:

1. DEFINITIONS

Base Budget – means those revenues and expenses necessary to maintain the same level of service as in the prior year adjusted:

- For inflationary and growth impacts;
- By deleting non-recurring, or one-time, expenses and/or revenues;
- By including the full year effects of service changes approved in the prior year, but only in place for part of that year; and
- By including the effects of service/revenue changes already approved by the Finance and Intergovernmental Committee.

Budget – A plan of financial operation comprised of estimated expenditures for a given period and the proposed means of financing the expenditures.

Financial Plan – Same meaning as Budget.

Fund – a separate accounting entity.

Surplus – Annual Operating – the amount by which revenues exceeds expenditures in a calendar year.

Surplus – Accumulated – the current balance of surplus funds retained by the City, which remain undesignated.

2. ACCOUNTING

- a. The City will follow Canadian generally accepted accounting principles as prescribed by the Public Sector Accounting Board (“PSAB”) of the Canadian Institute of Chartered Accountants.
- b. The City will have the following Funds to represent operating and capital activities:
 - General Fund
 - Water Utility Fund
 - Sewer Utility Fund

3. FINANCIAL PLAN

General

- a. The City's Financial Plan will support and be aligned with the City's Corporate Strategic Plan
- b. The Financial Plan will establish the level of services to be provided. Each Department of the City will continue to periodically examine its methods for program delivery. Changes which would improve productivity, lower costs, improve services, enhance job knowledge and employee safety and further communication with the public, will be implemented when practical.

- c. The Financial Plan must be balanced. This means that the total of the proposed expenditures and transfers to other funds must not exceed the total of the proposed funding sources (revenues plus transfers from reserves or surplus).
- d. The City will encourage public participation in the Financial Plan development or amendment process.
- e. The City will invest in employees and provide resources to maximize their productivity.
- f. The City will develop and pursue new and creative partnerships with government, community institutions (churches, schools), and community groups, as well as, private and non- profit organizations to enhance service to the community.

Calendar

The Finance Division shall present a Financial Plan Calendar to the Finance and Intergovernmental Committee for approval at the start of the Financial Plan development process.

Guidelines

The Finance and Intergovernmental Committee will, based on preliminary budget estimates, provide a guideline or parameters for development of the Financial Plan including an indication of the desired service levels, Council priorities and property tax/utility rate change that would be acceptable.

Development & Document

Department Heads are responsible for:

- Providing base budget estimates for the succeeding calendar year based on anticipated cost increase factors provided by Finance or as identified by the Department.
- Providing Financial Plan information in the required format.
- Providing information in accordance with the approved Financial Plan calendar.
- Providing Decision Packages either enhancing or reducing the current level of service. Keeping in mind that:
 - All funding requests will be made through the budget process.
 - To the extent feasible, personnel cost reductions will be achieved through attrition.

Continued on next page

3. FINANCIAL PLAN (cont.)

Development & Document (cont.)

The Finance Division is responsible for coordinating all aspects of the Financial Plan process, analyzing department budget information, preparing non-departmental revenue estimates, assembling the budget document and assisting Departments Heads in identifying budget problems and formulating solutions and alternatives.

Capital Improvement Program

- a. The Finance Division will coordinate development of a five-year plan for capital improvements and update it annually.
- b. The City will make all capital improvements in accordance with the adopted Capital Improvement Program.
- c. Repealed. See Policy 7.22 Operating Costs of Capital.
- d. The City will strive to maintain all its assets at a level adequate to protect the City's capital investment and minimize future maintenance and replacement costs.
- e. Infrastructure (capital requirements) of the City are divided into the following asset categories:
 - Roadways & Drainage
 - Water Distribution System
 - Sanitary Sewerage System
 - Civic Buildings (including Recreation Centres)
 - Equipment including computers and information systems
 - Recreation and Minor Buildings
 - Other
- f. The City has established annual allocations from general revenue (referred to as capital funding envelopes) to provide funding for capital works. Capital funding envelopes are established for all major infrastructure categories and for some sub-categories. These funding envelopes are expected to fund all of the capital requirements (new and replacement) for each area except:
 - Bridges, overpasses and underpasses
 - Parks and Recreation new facilities costing over \$500,000
 - Major renovation or new construction of Civic Buildings.

The annual capital funding envelope allocation is either spent in the year (on respective capital projects) or is transferred to a reserve to be used in a future year for the same purpose. Since capital expenditures fluctuate from year to year, the use of funding envelopes is intended to smooth, or annualize, the cost of capital expenditures.

Carry forward budgets

Funding for approved one-time operating or capital projects will be carried forward to the following years Financial Plan under the following conditions:

- The project or purchase has been started, and
- Only the net unspent amount will be automatically carried forward.

Unspent operating funds will not be carried forward without specific approval of the Chief Administrative Officer.

Monitoring

Department Heads have primary responsibility for monitoring their department's financial performance.

The Finance Division will submit a quarterly Financial Report to the Finance and Intergovernmental Committee as soon as practicable following June 30th, September 30th and December 31st providing at a minimum:

- an analysis of budgeted versus actual/projected revenues and expenditures;
- a review of capital works focusing on projects/items budgeted to cost greater than \$100,000 including an indication of whether or not the project is proceeding according to schedule.

Changes

Department Head Authority

Departments Heads may move operating budget amounts from any line item to any other line item within their departmental operating budget provided:

- That the bottom line (revenues minus expenditures) for their department is not adversely impacted, and
- Budgets are not used for items which otherwise would have been required to be submitted as a budget enhancement, and
- Budgets must remain within the same Fund, and
- Monies remaining at the completion of a special project or one-time funding project are not re-allocated, and
- Department Heads are responsible for obtaining approval from the Finance and Intergovernmental Committee if any service objectives might not be achieved as a result of budget transfers.

Department Heads may transfer capital budget amounts from any line item to any line item within their departmental capital budget providing:

- The project/item proposed is an appropriate use of the monies to be transferred
- That budgets remain within the same Fund.

Continued on next page

3. FINANCIAL PLAN (cont.)

Changes (cont.)

City Administrative Officer Authority

Approval of the City Administrative Officer is required for all inter-departmental operating or capital budget transfers.

Finance and Intergovernmental Committee Authority

Approval of the Finance and Intergovernmental Committee is required on transfers between operating and capital budgets or between Funds.

Council Approval

A bylaw amendment requiring Council approval is necessary to authorize budget changes/transfers that result in an overall increase in City operating and/or capital expenditures.

4. REVENUE

- a. The City will review fees/charges, at a minimum on a biennial basis, to ensure that they keep pace with changes in the cost-of-living, as well as, changes in the methods or levels of service delivery. See section 5 for cost recovery requirements.
- b. The City will encourage the use of alternate revenue sources instead of property taxes.
- c. General Revenues will not be dedicated for specific purposes, unless required by law or generally accepted accounting practices (GAAP).

5. COST RECOVERY

User fees will be set to recover the full cost of services except where the Finance and Intergovernmental Committee determines that a subsidy is in the general public interest. The following factors will be considered when determining whether a subsidy is in the general public interest:

- Who benefits from the service? Services that benefit individuals will generally be subject to a higher cost recovery while services that have a large public benefit will have a lower cost recovery.
- Will the level of demand for a service support full cost recovery?
- What prices are others charging for the services?
- How will the City collect fees charged for a service? In some cases it may be impractical for the City to implement fees, as they may be too costly to administer, for example charging a fee for the use of the Traboulay PoCo Trail.
- Will the fee established influence behaviour in the desired fashion?
- Is the client able to pay for the service?

Full cost includes all direct costs (labour, materials, transportation, facilities and services) and a 15% administrative surcharge.

6. CASH MANAGEMENT/INVESTMENTS

- a. The City will select its official banking institution through a formal bidding process in order to provide the City with the most comprehensive, flexible, and cost-effective banking services.
- b. The City will promptly deposit all funds received.
- c. The City's cash may be invested in any of the securities identified as eligible investments in the *Community Charter*.
- d. The City will strive to maximize the return on its investment portfolio with the primary objective of safety and liquidity.
- e. All investments, except deposits into the Municipal Finance Authority (MFA) pooled funds, shall be made through an informal bidding process. The informal bidding process involves the City contacting investment dealers and obtaining verbal quotations and placement of the investment based upon the verbal quotations received.
- f. The City will follow an aggressive, but sensitive policy, of collecting all moneys due the City to the extent that the collection efforts are cost effective.

7. DEBT FINANCING

Debt financing for capital expenditures will only be considered for expenditures larger than those covered within a department's capital funding envelope.

Debt financing for operating costs will not be considered, except for temporary short-term borrowing that may be required from time-to-time for cash flow reasons only, to finance operations prior to the annual property tax and levies being collected.

8. SURPLUS

The *Community Charter* does not allow municipalities to budget for an operating deficit (i.e. where expenditures exceed funding sources). To ensure this situation does not occur, revenue projections are conservative and authorized expenditures are closely monitored. The combination of conservative revenue projections and controlled expenditures should produce a modest annual operating surplus and will avoid incurring an operating deficit.

Use of Accumulated Surplus

Accumulated surplus is retained:

- to reduce the need to borrow temporarily early in the year before major revenues from annual property tax and utility bills are received; and
- to provide funding in an emergency (e.g. major flooding, earthquake, etc.).

Continued on next page

8. SURPLUS (cont.)

Use of Accumulated Surplus (cont.)

To ensure the Accumulated Surplus is maintained at a reasonable level, the balance in the accumulated surplus account should be approximately 10% of the annual operating budget.

Example:

Total annual expenditures	\$110,000,000
Less capital expenditures	\$59,000,000
Equals total operating budget	\$51,000,000
Guideline Maximum Accumulated Surplus	\$5,100,000

Accumulated Surplus funds may be used for:

- capital expenditures or to increase reserves
- contingencies for items that may arise but are not known at the time the annual operating budget was developed
- pay off capital debt, including internal borrowings
- stabilize City property tax and utility rate increases
- other items, as City Council deems appropriate.

Staff will facilitate Council’s review of the amount of Accumulated Surplus in the General, Water and Sewer Funds on an annual basis.

9. RESERVES

Purpose of Reserves

The purpose of setting aside reserves is to:

- Provide a source of funds for future capital expenditures.
- Provide a source of funding for areas of expenditure that fluctuate significantly from year to year (equipment replacement, special building maintenance, etc.).
- Protect the City from uncontrollable or unexpected increases in expenditures or unforeseen reductions in revenues, or a combination of the two.
- Provide for working capital to ensure sufficient cash flow to meet the City’s needs throughout the year.

Judiciously guarded reserves provide Council with an opportunity to fund unusual one-time costs and provide increased flexibility to off-set unplanned expenditures or revenue shortfalls.

The City’s reserve funds are all statutory reserves; they are authorized either by the *Community Charter* and/or by City bylaw.

Capital Reserve

In 2005, the City established a new “Capital Reserve” (Bylaw 3496) encompassing many of the former non-statutory capital reserves that were held by the City. The intention is to retain subsidiary reserves within the broad title of “Capital Reserve” for the following areas:

- Equipment Replacement with additional subsidiary accounts for:
 - Public Works
 - Parks
 - Fire
 - Information Systems
- Roads and Drainage with additional subsidiary accounts for:
 - Downtown Parking
 - GVTA Roads
- Water Utility
- Sewer Utility
- Recreation and minor civic buildings
- Environmental Capital
- Public Safety Building (Police Detachment)

Extraordinary Building Maintenance Reserve Fund

Authorized in 1991 by Bylaw # 2618. The purpose of this fund is to provide for timely maintenance of all City buildings. Funds for normal/routine building maintenance are included in the City’s operating budget. Included in the annual operating budget is the appropriation of funds to be added to the reserve with the main purpose to annualize the cost of extraordinary (non-routine) building maintenance.

It is anticipated that funds in this reserve will be completely used in 2006/07. Funding for future requirements within this area is included in the annual Recreation and Minor Civic Buildings Capital Funding Envelope.

Public Works Special Capital Expenditure Reserve Fund

Authorized in 1990 by bylaw # 2497. This reserve was established with a balance of \$2 million with the bylaw requirement being that the interest on the fund balance would be used to provide capital funding for local road works or local storm sewer works. Council established the fund as they observed that small local projects could not compete in the annual budget process against the larger arterial or collector road projects so this funding source for smaller local works was established.

Continued on next page

9. RESERVES (cont.)

Land Sales Reserve

The *Community Charter* (section 188.(2)(e)) requires that proceeds of the sale of properties be deposited into a reserve and that the funds be used for reducing debt or for a capital purpose. Annually the net proceeds (sales revenue less cost of sales) from the sale of City land are added to this reserve.

Expenditures, other than land servicing or land purchases, from this reserve are repaid to the reserve, without interest, over the life of the asset purchased. The addition of the annual repayment into the Financial Plan may be phased-in over a maximum of three years.

Major Transportation Infrastructure Reserve

Authorized in 2001 by bylaw 3298. This reserve was established to accumulate funds for projects identified in the City's Major Transportation Plan.

It is anticipated that funds in this reserve will be completely used on the Coast Meridian Overpass project.

Development Cost Charge (DCC) Reserves

Authorized by the Local Government Act and various City bylaws. The purpose of the DCC reserves is to fund the cost of expanding City infrastructure to accommodate growth. The Public Sector Accounting Board requires that these reserves be shown on financial statements as deferred revenue rather than reserve funds.

Operating Expense Reserve

In 2005, the City established a new "Operating Reserve" (Bylaw 3497) encompassing many of the former non-statutory reserves that were held by the City.

The intention is to retain subsidiary reserves within the broad title of "Operating Expense Reserve" for the following areas:

- **Tax Stabilization** – The purpose of this reserve is, at the discretion of the Finance and Intergovernmental Committee, to moderate property levy fluctuations. Subject to approval of the Finance and Intergovernmental Committee, 15% of the annual surplus will be allocated to this reserve if the reserve balance is below the targeted balance of 2.5% of tax and utility levies.
- **Self Insurance** - The intent is to use the funds to assist in covering any self-insured costs incurred above the (\$250,000) insurance deductible.

- **Snow and Ice Removal** - The purpose of this reserve is to set aside funds in moderate winters to assist with the costs of snow and ice removal in bad winter years. This is accomplished by including an amount in the annual operating budget each year for snow and ice removal. At the end of the year any monies remaining are allocated to the reserve; if additional funds are required then reserve funds are transferred to assist the operating budget with the costs.
- **Canada/May Day** - May Day and Canada Day are events run by volunteer Committees. Part of that Committee's mandate is to seek out donations to support the events. In years when the Committee successfully exceeds their budgeted fund raising needs, funds are added to the reserve to be drawn down in years when the Committee does not successfully meet their fund raising budget.
- **Arts Heritage and Culture** - The City provides funding in the annual budget to support local arts, heritage and cultural activities. At the end of the year any unspent funds are allocated to the reserve to be used for future activities in those areas.
- **Election** - There is an election every three years. The City attempts to annualize the cost of the election by allocating an amount in each year to the reserve.

Related Policies:

Sections of this policy reference Operating Costs of Capital Policy 7.22.

Responsibility:

1. FINANCE DIVISION

Finance staff will facilitate an annual review of this policy and related reserve and surplus balances with the Committee of Council.

See also Policy 10.01 Policy Maintenance and Development.

END OF POLICY

Continued on next page

FINANCIAL MANAGEMENT POLICY (CONT.)

RECORD OF AMENDMENTS:

Policy	Issue date	Reviewed	Replaced	Re-issue Date
7.01 Conditions for using debt		2005-12-08	7.16	2006-01-04
7.04.01 Budget		2005-12-08	7.16	2006-01-04
7.05.01 Capital Improvement Program		2005-12-08	7.16	2006-01-04
7.11 Cash Management/Investment		2005-12-08	7.16	2006-01-04
7.15 Surplus		2005-12-08	7.16	2006-01-04
7.22 Reserves		2005-12-08	7.16	2006-01-04
7.17 Reserves		2005-12-08	7.16	2006-01-04
7.16 Financial Management	2005-12-08	2006-03-27	7.16.01	2006-04-07
7.16.01 Financial Management	2006-04-07	2007-11	7.16.02	2007-11-30
7.16.02 Financial Management. Updated Capital Improvement Program, Section C, as per policy 7.22 and formatting.	2018-06-11	2018-05-21	7.16.02	2018-06-11



B: FINANCIAL PLAN DEVELOPMENT AND TIMETABLE

Legislative Requirements

The Community Charter of British Columbia requires that the City prepare a five-year Financial Plan. This provincial legislation requires that the City undertake a public consultation process prior to adopting or amending the Financial Plan. The Financial Plan and any necessary revisions thereto must be authorized by bylaw.

Annual City Process

The Financial Plan content and direction is guided by the City's Strategic Direction (page 10). Additional direction is provided by the development of specific business planning and budget guidelines for the current year. These guidelines identify how the base budget will be calculated, specific service area priorities and parameters for taxation and levy increases for the five-year financial cycle. Public consultation conducted at the end of the prior year budget process is used to identify issues and desires from the public relative to the upcoming financial planning cycle.

As a result of public consultation, Council may provide additional direction to staff for the preparation of the Financial Plan. Between November and December, in the year prior to the first year of the Plan, City staff complete a staff proposed Financial Plan for presentation to Council. Council subsequently considers the staff plan, amends it as required, and adopts the modified plan, by bylaw, early in the first year of the Plan. Once approved, the tax rate bylaw is prepared and is adopted by April or May in the first year of the Plan when tax assessed values for the year are finalized.

Public Consultation

The public process related to the 2023-2027 Financial Plan was conducted in March 2023. Consultation was done through several methods: :

- Business plans were made public on the City of Port Coquitlam website.
- Open deliberation sessions were held on operating and capital budgets.
- A Budget at a Glance brochure was mailed to every property in the City of Port Coquitlam, which included a budget feedback survey. The budget feedback could also be submitted online. Invitations to complete the survey were advertised through various media.

The budget feedback survey provides a forum for residents to offer their ideas on how the City can optimize service delivery, and/or generate new revenues. Suggestions or ideas that fell within the scope of what the City provides are reviewed and considered for within the Budget Process. The results of the 2023 survey were presented to Committee of Council in April 2023.

Financial Plan Timetable

June - July

- Call for capital plan submissions for management review and approval

August - September

- Roll over the prior year operating budget and create current year base operating budget based on current year budget guidelines

October - November

- Finalize department operating adjustments based on service area priorities and finalize business planning section of operating budget document

November

- Open deliberation sessions held on proposed capital plan
- Council directs staff to proceed with capital plan

December

- Open deliberation sessions held on proposed operating budget
- Council approves new rate schedules for Waterworks and Sewer Regulation Bylaws
- Council authorizes staff to issue the draft operating budget for public consultation

January

- Draft Financial Plan presented to public for comment through budget survey

April

- Results of public input presented to Committee of Council

May

- Council approves Financial Plan Bylaw (Operating and Capital)
- Council approves Tax Rates Bylaw and new rate schedule for Solid Waste Bylaw





2580 Shaughnessy Street
Port Coquitlam, British Columbia
Canada V3C 2A8

Tel: 604.927.5280
budget@portcoquitlam.ca

portcoquitlam.ca/budget