

# FINANCE

## FOCUS

The Finance Department provides financial services to citizens, City departments and City Council. The department also supports the other City departments with the safeguarding and administration of the City's \$700 million of financial and non-financial assets and \$90 million of annual operating costs.

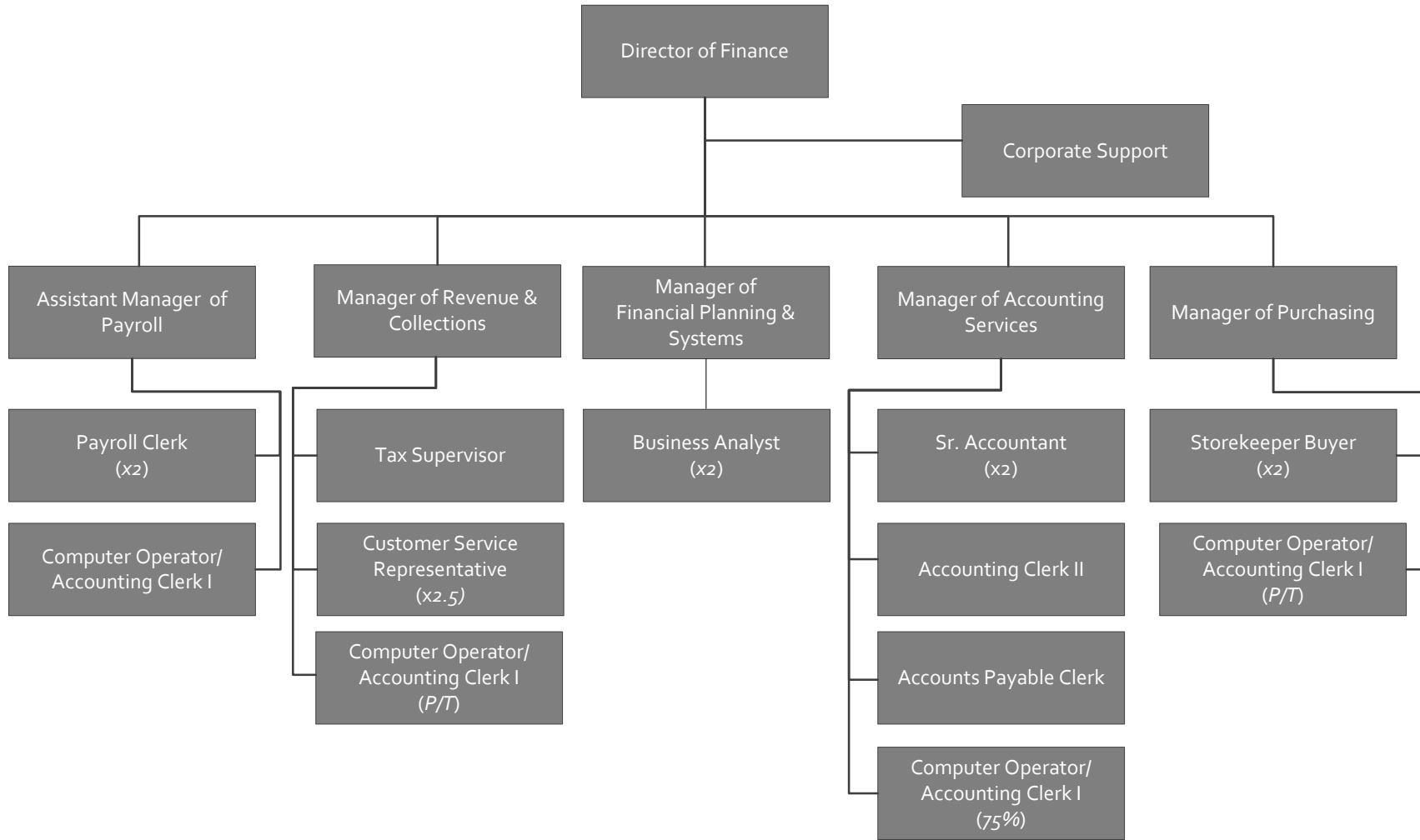
Key functions performed by the department include corporate financial planning, budgeting and reporting, financial policy development and implementation, payroll services, processing accounts payable and receivable, management of investments and banking, levying and collecting municipal taxes and utility fees, risk management, oversight of City procurement, inventory and stores. The Director of Finance holds the Executive Director position of the Port Coquitlam Community Foundation, established by Council to provide avenues for channeling the benevolence, compassion, and generosity of Port Coquitlam citizens and stakeholders for the betterment of the community.

Finance supports the Finance and Intergovernmental Committee, in addition to its subcommittees: Budget and Infrastructure, Revenue, and Continuous Improvement. The Department contributes to regional committees including the Regional Finance Advisory Committee, Lower Mainland Collectors group, Lower Mainland Investment group, Vancouver Regional Cooperative Purchasing Group, Metro Vancouver Purchasing Managers Group, BC Municipal Risk Managers.

## ENVIRONMENTAL SCAN

Factor	Implication
Increased technology and automation of processes	Time saved in clerical roles, but increased requirement for higher level, analytical roles.
Employee retention and attraction	Retirements and staff seeking other opportunities results in vacancies for periods of time, lost knowledge, decreased productivity during training, but provides opportunities to put the right people in the right job.
Aging infrastructure	We will continue to support the work of the budget and infrastructure committee to create a long range capital plan that will meet the long term needs of the community while being sustainable.
Increasing demand from taxpayers for transparency	As taxpayers continue to be cynical about government spending, it's important we ensure the public is aware of how their tax dollars are at work and the value they are getting.
Balancing the desire for new with the need to care for the existing	Puts constraints on financial resources.

# STAFFING LEVELS



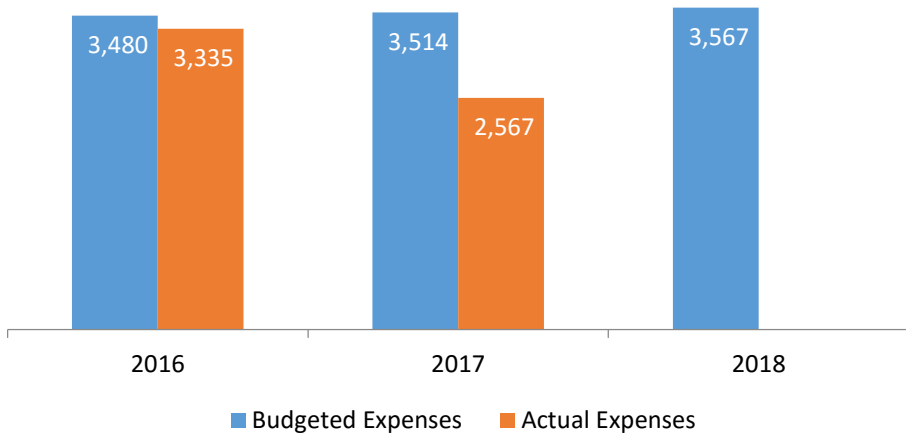
<b>Total Headcount</b> 24.75 \$ 2,275,300
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<b>Exempt</b> 6 \$ 889,900
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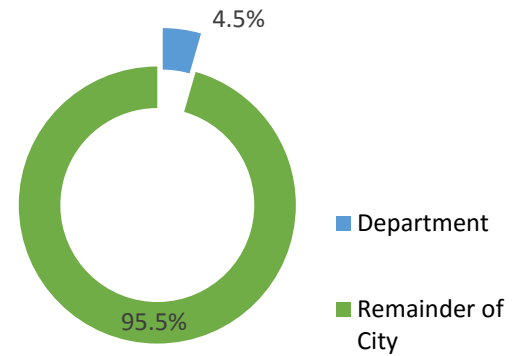
<b>Unionized</b> 18.75 \$ 1,385,400
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## Ongoing Operating Budget

Total Expenses (in Thousands)



Percent of City Expenses



	Budget 2016	Actual 2016	Budget 2017	YTD Actual 2017	Draft Budget 2018
<b>Revenues</b>					
Sale of services	-	(160,400)	(263,900)	(197,600)	(263,900)
Permits and licences	-	(3,700)	(20,000)	(28,100)	(30,000)
Investment income	-	-	-	(400)	-
Other revenue	(287,700)	(260,700)	(10,600)	(17,200)	(15,600)
<b>Total Revenues</b>	<b>\$ (287,700)</b>	<b>\$ (424,800)</b>	<b>\$ (294,500)</b>	<b>\$ (243,300)</b>	<b>\$ (309,500)</b>
<b>Expenses</b>					
Payroll expense	2,101,200	2,019,000	2,224,100	1,887,400	2,275,300
Other personnel costs	48,200	37,300	48,200	41,600	50,000
Contracted and other services	417,800	353,300	416,600	253,600	418,400
Materials and supplies	166,300	118,500	154,900	129,300	155,900
Telephone, utilities and rent	80,000	54,600	60,000	49,900	60,000
Interest and bank charges	-	12,400	10,000	10,300	12,000
Insurance and claims	666,300	740,000	599,800	195,100	595,600
<b>Total Expenses</b>	<b>\$ 3,479,800</b>	<b>\$ 3,335,100</b>	<b>\$ 3,513,600</b>	<b>\$ 2,567,200</b>	<b>\$ 3,567,200</b>
<b>Internal Charges (Recoveries)</b>					
Internal charges	(733,200)	(737,700)	(1,015,700)	(1,016,000)	(1,015,700)
Transfer From Reserve	-	-	(9,200)	-	-
<b>Total Internal Charges (Recoveries)</b>	<b>\$ (733,200)</b>	<b>\$ (737,700)</b>	<b>\$ (1,024,900)</b>	<b>\$ (1,016,000)</b>	<b>\$ (1,015,700)</b>
<b>Net Operating Budget</b>	<b>\$ 2,458,900</b>	<b>\$ 2,172,600</b>	<b>\$ 2,194,200</b>	<b>\$ 1,307,900</b>	<b>\$ 2,242,000</b>

## Significant Changes From 2016

- 2017: Re-allocation of internal Charges - At the October 17, 2016 meeting of FIG, the Committee directed staff to maintain the existing overhead amounts charged to water and sewer (inclusive of an over allocation of \$800,000). Previously this over allocation was budgeted entirely within Engineering and Public Works Administration. To provide a more accurate representation, in 2017 the \$800,000 overage has been redistributed proportionally across the overhead budgets of other areas of the City. \$278,000
- 2017: Reduction in common office and telephone and insurance \$30,000

## WORK PLAN DELIVERABLES

Category		Council Priority			
Details		The following initiatives are undertaken in support of Council’s Infrastructure			
Initiative	Major Activities	Timeframe	Interdependence		
a	Develop city-wide asset management plan	a.1	Compile all asset information from different sources into a consolidated system to facilitate planning	Q4 2017	Engineering & Public Works, Recreation,
		a.2	Draft policy guidelines for asset management plan	Q2 2018	Engineering & Public Works, Recreation,
		a.3	Draft asset management plans	Q4 2018	Engineering & Public Works, Recreation
b	Develop 10-Year Capital Plan	b.1	Develop list of new capital projects to be undertaken in the next 10 years	Q4 2018	Engineering & Public Works
		b.2	Review total associated costs and determine a funding strategy	Q4 2018	Engineering & Public Works
		b.3	Develop list of projects from asset management plans	Q4 2018	Engineering & Public Works

Category		Council Priority			
Details		The following initiatives are undertaken in support of Council’s Community Recreation Complex priority			
Initiative	Major Activities	Timeframe	Interdependence		
a	Community recreation complex	a.1	Participate in overall project delivery	2017-2021	CAO, Corporate Support, Development Services, Engineering & Public Works, Recreation
		a.2	Secure financing	2017-2018	Corporate Support
		a.3	Project reporting and analysis	2017-2021	CAO, Corporate Support, Development Services, Engineering & Public Works, Recreation
		a.4	Manage cash flow	2017-2021	

Category		Council Priority			
Details		The following initiatives are undertaken in support of Council's livable community priority			
Initiative	Major Activities	Timeframe	Interdependence		
a	Land Strategy	a.1	Participate in discussions to understand what the City wishes to achieve through the acquisition and disposition of municipally-owned lands.	Q3 2017	CAO, Corporate Support, Development Services, Engineering and Public Works
		a.2	Support the implementation of the strategy to achieve the above goals.	2018	CAO

Category		Council Priority			
Details		The following initiatives are undertaken in support of Council's livable community priority The following initiatives are undertaken to be in compliance with new legislation or to gain efficiencies in day-to-day operations in order to either reduce costs and/or provide better service			
Initiative	Major Activities	Timeframe	Interdependence		
a	System implementation & upgrades	a.1	Agresso Milestone 6 Update	Q2 2017	Corporate Support
		a.2	Agresso Inventory Scanning System	Q3 2018 – Q4 2018	Corporate Support
		a.3	Agresso Timesheets	Q3 2017 – Q4 2019	All departments
		a.4	Fleet Management System	Q2 2018	Engineering & Public Works
		a.5	Tempest software upgrade User Interface	Q4 2017	Corporate Support
		a.6	Continue to implement & upgrade Activenet	Q1 2018 – Q2 2018	Recreation
		a.7	Continue to develop & support enhanced financial functions within Agresso	Ongoing	
b	Develop corporate performance measures	b.1	Research best practice and consult with departments	Q1 2018 – Q4 2018	All departments
		b.2	Implement business processes and systems to capture and report on metrics	Q1 2018 – Q4 2018	Corporate Support
c	Purchasing CIA Implementation	c.1	Revise Purchasing Policy	Q4 2017	All departments
		c.2	Review store operations	2017	Engineering & Public Works
		c.3	Develop purchasing tools for departments (e.g. instructions/ templates)	Q4 2017	All departments
d	Staff training and development	d.1	Continue to work with staff to build capacity, improve customer service and develop a positive working culture	2017-2018	All departments
e	GFOA Awards	e.1	Meet application requirements for the 2016 and 2017 Financial Reporting Award	Q2 2017 Q2 2018	
		e.2	Meet application requirements for the 2017 and 2018 Distinguished Budget Presentation Award	Q3 2017 Q3 2018	

f	Implementation of Living Wage	f.1	Ensure compliance with new Policy	Q1-Q2 2017	Finance, Human Resources, Recreation
g	CUPE Negotiations	g.1	Conclude Collective Bargaining	2017	Employer's Bargaining Committee
h	Records Software	h.1	Finalize filing structure	Q4 2017	All departments
		h.2	Finalize records management policy and procedures	Q4 2017	All departments
		h.3	Implement new records management software in all departments	Q4 2018	All departments

Category	New				
Details	The following initiatives are additions made after business plans were initially presented in December 2016. Some initiatives were requested by Council while some are outcomes of other decisions, circumstances or opportunities.				
Initiative	Major Activities	Timeframe	Interdependence		
a	Increased financial oversight	a.1	Amended processes and increased analysis and oversight of financial transactions	Q2 2018	All departments
b	Implement CUPE CA changes	b.1	Implement Class specification review, update CA language and housekeeping	Q4 2017	Bargaining Committee, all Departments except Fire
c	Safety Culture Analysis and Injury Management Initiative	c.1	Review and assess in partnership with WorkSafe BC	Q2 2018	All departments
d	Expand front counter service	d.1	Review and report on the possibilities of expanding the services provided at the front counter of community facilities (dog licenses, property taxes, etc).	Q3 2017 – Q4 2017	Recreation
e	Employee Theft	e.1	Investigation & Resolution	Q2 2017	CAO & Human Resources

## INDICATORS & MEASURES

Indicator/Measure	2013	2014	2015	2016	2017 YTD
Current year taxes outstanding at December 31	1.70%	1.40%	1.43%	1.28%	1.36%
Number of insurance claims (lawyer assigned)	11	9	15	11	8
Number of incidents (adjuster/ examiner assigned)	45	45	25	41	59
% of folios claiming electronic Home Owner Grant	46%	48%	51%	55%	58%
Number of invoices processed	11,531	12,688	11,879	10,206	7,690
# of special cheques issued as percentage of total payments	.46%	.42%	.45%	.26%	.15%
Number of tenders, requisitions, quotations & request for proposal	45	60	38	36	34

Indicator/Measure	2013	2014	2015	2016	2017 YTD
calls processed by Purchasing					
\$ of purchasing card transactions as percentage of total purchases	2.16%	2.27%	2.2%	2.0%	1.5%