

To: Regional and Corporate Services Committee
From: Kelly Lownsborough, Director of Finance / CFO

Date: 2020-10-07

Subject: 2020 Financial Plan Amendments

RECOMMENDATION

THAT the Fraser Valley Regional District Board direct staff to prepare for the Board's consideration an amendment to the Fraser Valley Regional District 2020 – 2024 Financial Plan Bylaw No. 1585, 2020 to include expenditures for the Frosst Creek Basin clean-out, FVRD boardroom technology upgrades, and the Hemlock Valley Transfer Station Relocation.

STRATEGIC AREA(S) OF FOCUS

Provide Responsive & Effective Public Services

BACKGROUND

Fraser Valley Regional District 2020 – 2024 Financial Plan Bylaw No. 1585, 2020 ("Financial Plan") was adopted by the Board on February 25, 2020. As a result of circumstances arising during 2020, there are three amendments to this Plan that are required.

DISCUSSION

Following adoption of the Five-Year Financial Plan in February, circumstances arose during the year requiring updates to the Plan. Section 374 (2) of the Local Government Act states that the Financial Plan may be amended by bylaw at any time. Staff have recommended that a threshold of \$10,000 be used to guide materiality levels of items that would prompt an amendment. The following three amendments to the current Five-Year Plan are recommended:

1. Frosst Creek Basin Clean-Out (Service Area 421):

This service area provides flood protection for homes built along Frosst Creek. In August, there was an unscheduled middle sediment basin clean-out that was required, as a result of the Atmospheric River in February. The Five-Year Financial Plan assumed alternating years for gravel clean-outs and vegetation maintenance. The gravel clean-out was planned for 2021 and was budgeted at \$50,000.

Due to the urgency of the situation, the funds were brought forward to 2020 to complete the works. This report seeks direction to amend the Financial Plan to include advancing the budgeted funds from 2021 to 2020.

2. FVRD Boardroom Technology Upgrades (Regional and Electoral Area Administration)

As a result of the global pandemic, staff has undertaken technology upgrades to the boardroom to ensure that the regional district is able to effectively promote openness, transparency, accessibility and accountability by webcasting and archiving Board meetings online, allowing members of the public to write, email or call in with questions, and promoting public participation at meetings through social media channels. This has required an investment of \$20,667 and will be split evenly between Regional and Electoral Area Administration budgets. Though this was not included in the 2020 budget, there are sufficient funds available due to under-spending in the year. This report seeks direction to amend the Financial Plan to include this expenditure.

3. Hemlock Valley Transfer Station Relocation

FVRD staff have been working with the Province for a number of years to secure a Crown land tenure for a new transfer station site. The tenure was granted after the 2020 budget was prepared, and it was decided to move forward with construction this year before the winter snow. The FVRD's Source Separation Bylaw came into effect April 1, 2020, and the Hemlock Valley Transfer Station is one of the FVRD facilities that will need to be upgraded in order to support the bylaw.

Several funding sources were considered for this project, including an unsuccessful application for grant funding. Ultimately, it was determined that the construction of the new site is to be funded through Electoral Area C's Community Works Funds. The project cost is not expected to exceed \$200,000. This report seeks direction to amend the Financial Plan to include this expenditure.

COST

If directed, the amendments proposed in this report will be incorporated into the Five-Year Financial Plan by bylaw.

CONCLUSION

As a result of circumstances arising during 2020, there are three amendments to the Five-Year Financial Plan that are recommended to ensure Staff have the appropriate authority to incur these expenditures required to manage FVRD services effectively.

COMMENTS BY:

Jennifer Kinneman, Chief Administrative Officer: Reviewed and supported.