



City of Richmond

Report to Committee

To: Finance Committee
From: Jerry Chong, CPA, CA
 Director, Finance
Re: 2016 One-Time Expenditures




Date: November 23, 2015
File: 03-0970-01/2015-Vol
 01

Staff Recommendation

That the recommended one-time expenditures in the amount of \$1.635M, as outlined in the 2016 One-Time Expenditures staff report, be approved for funding from the Rate Stabilization Account.

Jerry Chong, CPA, CA
 Director, Finance
 (604-276-4064)

Att. 3

REPORT CONCURRENCE	
CONCURRENCE OF GENERAL MANAGER 	
CONCURRENCE OF SMT	INITIALS: 
APPROVED BY SAO 	

Staff Report

Origin

One-time expenditure requests are typically non-recurring items for consideration over and above the base annual budget. Council established a Rate Stabilization Account (RSA) to provide funding for such requests without a tax impact. Each year, once the City's accounts from the prior year are finalized, any arising surplus is transferred into the RSA. The funds can be used to help balance the budget in order to minimize any tax increases or to offset any one-time expenditure requests.

Any approved one-time expenditure requests will be included in the 2016-2020 5-Year Financial Plan (5YFP). The City must adopt the 5YFP Bylaw before May 15th of each year in accordance with Subsection 165(1) of the Community Charter.

This report supports Council's 2014-2018 Term Goal #7 Strong Financial Stewardship:

- 7.1. *Relevant and effective budget processes and policies.*
- 7.2. *Well-informed and sustainable financial decision making.*
- 7.3. *Transparent financial decisions that are appropriately communicated to the public.*

Analysis

For 2016, there are 17 one-time expenditure requests totalling \$3.7M. The list includes items that were considered in the Capital process, but were not recommended in the 2016 Capital Budget due to funding constraints and other priorities. Staff conducted a thorough review and prioritized each request using established ranking criteria.

Only high priority requests are recommended. If any one-time expenditure requests are approved by Council, the respective expenditure will be included in the 5-Year Financial Plan (2016-2020). There is no tax impact from any of the proposed one-time expenditures as they will be funded from the RSA which has a balance of approximately \$10.6M. The recommended one-time expenditures total \$1.6M, which would leave a balance of \$9.0M. A further \$1.0M is pending further information; a recommendation may be brought forward at a future date.

Table 1 shows the summary of the one-time expenditure requests:

Table 1 – One-Time Expenditure Requests Summary

# of One-Time Expenditures Requested	Recommended Amount (In \$000s)	Pending Amount (In \$000s)	Not Recommended Amount (In \$000s)	Total (In \$000s)
17	\$1,635	\$992	\$1,043	\$3,670

Attachments 1, 2, and 3 provide a brief description of all one-time expenditure requests with recommendations and non-recommendations respectively provided by SMT and the CAO. Council may change any of the recommendations or may choose to address other one-time funding needs.

Financial Impact

The recommended one-time expenditure requests of \$1.6M are funded from the Rate Stabilization Account with no tax impact. These recommended amounts will be included in the 5-Year Financial Plan (2016-2020), should they be approved by Council. This leaves a balance of approximately \$9.0M in the RSA prior to the transfer of any surplus arising from 2015.

Conclusion

One-time expenditure requests were reviewed and prioritized by SMT and the CAO. The high priority requests in the amount of \$1.6M as summarized in Attachment 1 are recommended to be funded from the Rate Stabilization Account.



Melissa Shiau, CPA, CA
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MS:gjn

- Att. 1: One-Time Expenditure Requests – RECOMMENDED
- 2: One-Time Expenditure Requests – PENDING
- 3: One-Time Expenditure Requests – NOT RECOMMENDED

One-Time Expenditure Requests – RECOMMENDED (in \$000s)

Ref	Requested By	Description	Amt	SMT Rec.
1	Community Services	<p>Steveston Harbour Log Debris Removal This request is to provide funding for ongoing log debris removal and maintenance within the City of Richmond's waterfront amenities including Britannia Shipyards, London Landing/No. 2 Road Pier and Imperial Landing Pier.</p>	\$30	\$30
2	Community Services	<p>Major Event Funding for 2017 Request to add \$635,000 to the Major Events Provision fund for 2017 events to allow continued financial support for festivals as approved by Council. Events include: Children's Arts Festival (\$60K), Richmond Maritime Festival (\$200K), Richmond World Festival (\$300K), Days of Summer umbrella marketing campaign (\$60K), City Branded Assets (\$15K). Note, funding for the 2017 Ships to Shore event has been requested from the Council Initiatives funding and not by the Provision (2017 only).</p>	\$635	\$635
3	Community Services	<p>Heritage Inventory Review and Update The Heritage Inventory is a database of historical sites that is a research tool and also flags a property regarding development. The Inventory requires reviewing and updating. The April 8, 2015 Planning Committee referral asked "That staff update the Richmond Heritage Inventory 1989 and other related lists to determine: a) the remaining listed buildings and b) options to protect the remaining heritage buildings in the inventory."</p>	\$150	\$150
4	Planning and Development	<p>New Traffic & Speed Counters Replacing 14 aging, damaged and unreliable counters for conducting traffic volume / speed studies to address traffic safety issues. Existing equipment cannot be repaired, restricting the City's ability to conduct site assessment objectively. The new counters and software would allow for installation away from traffic flow, enhancing safety, minimalizing equipment damage, and production of customized reports to assist in RCMP speed enforcement.</p>	\$25	\$25
5	Community Services	<p>Child Care Needs Assessment and Strategy A new Richmond Child Care Needs Assessment and Strategy will assist future planning for child care in the City of Richmond.</p>	\$50	\$50

One-Time Expenditure Requests – RECOMMENDED (in \$000s)

Ref	Requested By	Description	Amt	SMT Rec.
6	Community Services	Recreation and Sport Strategy/ Wellness Strategy Creation of a Recreation and Sport Strategic Plan to guide the planning and delivery of wellness, sport and recreation services. Undertake in conjunction with the Strategic Plan, an update of the expired 2015 Community Wellness Strategy with Vancouver Coastal Health and School District 38. The two Strategies will complement each other and provide a framework for overall community health and well-being.	\$75	\$75
7	Community Services	Community Services Communications/Marketing Plan To identify priorities and efficient and effective use of divisional marketing tools and resources to increase awareness, engagement, registration, revenue and participation in parks, recreation and cultural programs, services and facilities. This plan will ensure that marketing & communication efforts are targeted to Richmond's diverse population, align with corporate communication goals and contribute to a vibrant, active and connected city.	\$60	\$60
8	Community Services	Richmond Museum Development Plan Referral on Feb 24, 2015 asked to explore potential partnerships for a museum. In addition, staff have been requested to examine various museum models. Phase 1 will look at different museum models. Phase 2, the Development Plan, will examine partnerships, amenity contributions & co-location opportunities as well as size, location, governance, programming, branding, design, capital & operating funding strategies. Moreover, a new Museum is listed in the Major Facilities Plan, and the Development Plan is the next stage in planning for this.	\$200	\$200
9	Community Services	Britannia Feasibility Study and Upgrades Request to advance the Britannia Shipyards National Historic Site Strategic Plan 2014-2018 including Britannia Building Committee recommendations for completion of feasibility study and upgrades to the Shipyard facilities.	\$150	\$150
10	Community Services	Sustainable Events Toolkit To deliver the implementation plan for the sustainable events toolkit including development of program materials and community engagement.	\$48	\$48

One-Time Expenditure Requests – RECOMMENDED (in \$000s)

Ref	Requested By	Description	Amt	SMT Rec.
11	Community Services	<p>City Grants System Improvements City Grant System improvements to increase the effectiveness of the existing web-based application system are needed. For example, last year Council specifically requested that the number of Richmond residents served be identified on each application; completion of the previous years' grant use report needs to be linked to the current application; and the "Review Application" function needs to reflect questions asked of the applicant, not currently available to reviewers.</p>	\$30	\$30
12	Law and Community Safety	<p>Richmond Fire Rescue Mobile Inspections Enables mobile inspections from the field producing greater efficiency in reporting and allows for real-time updates to critical fire data. This will give Fire Inspectors the opportunity to perform mobile inspections and reporting in the field without having to return to the office for information.</p>	\$62	\$62
13	Finance and Corporate Services	<p>Envelope Feeder/Inserter Replacement The current envelope feeder/inserter in the mailroom is expected be at its end of life based on maintenance records and manufacture specifications. This is an essential piece of equipment as it processes all utility billing mailing and yearly tax billing mailouts. Replacement of this equipment will be required in 2016.</p>	\$45	\$45
14	Law and Community Safety	<p>Public Safety Messaging - Electronic Reader Board Enables timely Fire community safety messaging resulting in enhanced public awareness.</p>	\$75	\$75
2016 One-Time Total - RECOMMENDED			\$1,635	\$1,635

One-Time Expenditure Requests – PENDING (in \$000s)

Ref	Requested By	Description	Amt	SMT Rec.
15	Law and Community Safety	<p>Public Safety Mobile Command Vehicle An Inter-Agency Command Vehicle is a mobile Incident Command Post for emergency response and support operations for use by Richmond Fire, RCMP, BC Ambulance Service, Public Works, Coast Guard and Emergency Programs. The vehicle operates as both a dispatch centre and a command centre to provide incident commanders with access to multiple communication systems in a fully integrated command centre. Current vehicle has mold and needs a replacement plan.</p>	\$992	Pending
2016 One-Time Total – PENDING			\$992	Pending

One-Time Expenditure Requests – NOT RECOMMENDED (in \$000s)

Ref	Requested By	Description	Amt	SMT Not Rec.
16	Community Services	Major Event Funding for Canada's 150th Request for \$1,000,000 from the Major Events Provision fund in anticipation of 2017 celebrations. Any remaining funding required for council approved activities will be requested in 2017.	\$1,000	\$1,000
17	Community Services	Partners for Beautification Development and implementation of marketing and communications strategy including new visual identity and branded volunteer supplies.	\$43	\$43
2016 One-Time Total – NOT RECOMMENDED			\$1,043	\$1,043