

## Attachment #2

### *Quarterly Department Operating Memos*

## Table of Content

Community Services.....	Page 1
Corporate Services.....	Page 3
Energy and Climate Action	
BridgeNet.....	Page 5
Climate Action.....	Page 6
Electrical Utility Operations and Services.....	Page 7
Engineering	
General Fund.....	Page 9
Sewer Utility.....	Page 12
Solid Waste Utility.....	Page 14
Water Utility.....	Page 15
Financial Services.....	Page 16
Fire and Rescue Services.....	Page 17
General Government.....	Page 19
Human Resources and Information Technology.....	Page 20
Library.....	Page 22
Parks and Recreation.....	Page 24
Planning and Development.....	Page 27
Police.....	Page 30

## Q2 Operating Memo – Community Services

Community Services as at June 30, 2024	Q2 Budget	Q2 Actual	YTD Budget	2024	2024	2024 Annual	2024
	YTD Jun 30	YTD Jun 30	vs Forecast	Annual	Annual	Budget	Enhancement
				Budget	Forecast	vs Forecast	
<b>100 Revenue</b>							
200 Sale of Services	(34,806)	(95,801)	60,995	(71,030)	(169,212)	98,182	(10,000)
250 Grants from Other Governments	(23,030)	(45,025)	21,995	(47,000)	(64,021)	17,021	-
300 Other Revenue	(2,393,482)	(3,138,189)	744,707	(4,849,327)	(4,830,488)	(18,839)	(345,000)
350 Contribution Revenue	(4,916)	(1,123)	(3,793)	(10,030)	(5,275)	(4,755)	-
<b>Total 100 Revenue</b>	<b>(2,456,234)</b>	<b>(3,280,138)</b>	<b>823,904</b>	<b>(4,977,387)</b>	<b>(5,068,996)</b>	<b>91,609</b>	<b>(355,000)</b>
<b>200 Expenses</b>							
400 Salaries/Benefits/Training	2,548,666	2,629,697	(81,031)	5,602,154	5,724,221	(122,067)	594,237
450 Contracted Services	438,832	276,268	162,564	893,396	900,857	(7,461)	131,303
500 Supplies and Materials	243,300	147,473	95,827	495,889	504,214	(8,325)	98,550
600 Cost of Sales	695,395	710,564	(15,169)	1,418,762	1,447,014	(28,252)	23,300
650 Grants	489,222	481,920	7,302	978,450	984,189	(5,739)	-
725 Amortization	1,181,502	1,181,502	0	2,363,000	2,363,000	0	-
<b>Total 200 Expenses</b>	<b>5,596,917</b>	<b>5,427,424</b>	<b>169,493</b>	<b>11,751,651</b>	<b>11,923,495</b>	<b>(171,844)</b>	<b>847,390</b>
<b>Total Community Services</b>	<b>3,140,683</b>	<b>2,147,286</b>	<b>993,397</b>	<b>6,774,264</b>	<b>6,854,499</b>	<b>(80,235)</b>	<b>492,390</b>

### As at June 30, 2024 Budget vs Actual to Date

\$2.45M Revenue budget split is \$1.23M or 50% **Anvil Conference Centre & Administration**, \$0.86M or 35% **Economic Development**, \$0.17M or 7% **Community Partnerships**, \$0.17M or 7% **Anvil Centre Theatre & Arts Services** and \$0.02M or 1% **Museum & Heritage Services**. Q2 is indicating a \$0.82M surplus. Positive variance is primarily due to timing of Business License revenue recognition, uptick in Arts Services and Art + Technology programming registrations, with participation now exceeding pre-pandemic levels and offset by seasonality of Anvil Conference Centre Room Booking revenues.

\$5.6M Expense budget split is \$2.57M or 46% **Anvil Conference Centre & Administration**, \$0.78M or 14% **Community Partnerships**, \$0.56M or 10% **Anvil Centre Theatre & Arts Services**, \$0.45M or 8% **Museum & Heritage Services**, \$0.39M or 7% **Communications**, \$0.34M or 6% **Economic Development**, \$0.34M or 6% **Art + Technology** and \$0.17M or 3% **Public Engagement**. Q2 is indicating a \$0.17M surplus.

Positive variance is a combination of seasonality/spend timing of Contracted Services, Supplies and Materials and awarding of City Grants in Aid, which are offset by increased seasonal hiring of auxiliary staff for Arts exhibitions, Arts registered programs and Film activities.

### 2024 Service Enhancements

Description	Amount	Status
Incremental Revenue – Arts Services	\$ (10 K)	Revenue on track with budget
Incremental Revenue – Anvil Conference Centre	(345 K)	Staff are monitoring spend
Contract Facilitator for Community Advisory Assembly	80 K	Expense on track with budget
Business Growth Coordinator	48 K	Position has been filled
Aux Salary - Clerk 3	36 K	Staff are monitoring spend
Public Engagement Coordinator	46 K	Position has been filled
Communications Coordinator	82 K	Position has been filled
Corporate Rebranding	40 K	Project underway, expense on track with budget
Recreation Supervisor & Park Activators	111 K	Positions have been filled
Heritage Supervisor	54 K	Recruitment underway Q3 2024

## Q2 Operating Memo – Community Services

Core Service Agreement – Anvil Theatre Operations	14 K	Staff are monitoring spend
Director of Community Services	226K	Currently filled by Acting, Director of Community Services, recruitment planned for Q3 2024
Arts Supplies	10 K	Staff are monitoring spend
Conference Booking System	80 K	Project underway, staff are monitoring expenses
Public Engagement – Anvil Centre 10-year Review	20 K	Engagement complete. Total expenses were under budgeted amount.
<b>Total</b>	<b>\$ 492 K</b>	

### **2024 Annual Forecast Budget vs Actual**

\$4.97M Revenue budget split is \$2.53M or 50% **Anvil Conference Centre & Administration**, \$1.73M or 35% **Economic Development**, \$0.34M or 7% **Community Partnerships**, \$0.33M or 7% **Anvil Centre Theatre & Arts Services** and \$0.04M or 1% **Museum & Heritage Services**. Annual forecast anticipated to be positive due to uptick in program registrations in the areas of Art + Technology and Arts Services.

\$11.75M Expense budget split is \$5.22M or 45% **Anvil Conference Centre & Administration**, \$1.68M or 14% **Community Partnerships**, \$1.21M or 10% **Anvil Centre Theatre & Arts Services**, \$1.01M or 9% **Museum & Heritage Services**, \$0.83M or 7% **Communications**, \$0.70M or 6% **Economic Development**, \$0.64M or 5% **Art + Technology** and \$0.46M or 4% **Public Engagement**. Annual forecast is signaling a negative variance of \$0.17M primarily due to increase of auxiliary staffing in the areas of Arts Services, Museums & Heritage Services and also an increase in cost of sales (for example, food costs) for the Anvil Conference Centre.

### **Planning Ahead**

The divisions that make up the Community Services Department lead two priorities of Council's *2023-2026 Strategic Priorities Plan*: Community Belonging and Connecting, and People-Centered Economy.

Within Anvil Centre, Conference and Events Services is continuing to expand their market base, re-book events and manage cost of sales. Significant increases in the cost of food and services due to weather and environmental challenges has impacted the Conference and Events Department.

Economic Development, Community Partnerships, Communications, and Public Engagement will continue to implement respective workplans under the new departmental structure and deliver on Council's strategic priorities as resources allow, with further enhancements required to build out the new department in 2025.



## Q2 Operating Memo – Corporate Services – Administration

Corporate Services as at June 30, 2024	Q2 Budget	Q2 Actual	YTD Budget	2024	2024	2024 Annual	2024
	YTD Jun 30	YTD Jun 30	vs Forecast	Annual	Annual	Budget	Enhancement
				Budget	Forecast	vs Forecast	
<b>100 Revenue</b>							
200 Sale of Services	0	(261,845)	261,845	0	(261,845)	261,845	-
250 Grants from Other Governments	(2,498)	(6,250)	3,752	(5,000)	(6,250)	1,250	-
<b>Total 100 Revenue</b>	<b>(2,498)</b>	<b>(268,095)</b>	<b>265,597</b>	<b>(5,000)</b>	<b>(268,095)</b>	<b>263,095</b>	<b>0</b>
<b>200 Expenses</b>							
400 Salaries/Benefits/Training	1,403,758	1,334,666	69,092	2,908,832	2,836,442	72,390	86,816
450 Contracted Services	301,993	365,022	(63,029)	610,193	578,927	31,266	170,097
500 Supplies and Materials	348,000	336,511	11,489	697,149	749,330	(52,181)	30,000
<b>Total 200 Expenses</b>	<b>2,053,751</b>	<b>2,036,199</b>	<b>17,552</b>	<b>4,216,174</b>	<b>4,164,699</b>	<b>51,475</b>	<b>286,913</b>
<b>Total Corporate Services</b>	<b>2,051,253</b>	<b>1,768,104</b>	<b>283,149</b>	<b>4,211,174</b>	<b>3,896,604</b>	<b>314,570</b>	<b>286,913</b>

### As At June 30, 2024 Budget vs Actual to Date

The Corporate Services Department is tracking under budget in Q2 with a net surplus of \$283K, primarily due to a one-time \$262K recovery of expenses associated with the 2024 New Westminster School District By-Election, part of which was for expenses incurred in 2023.

Savings in salaries and benefits due to vacancies across the department and the timing of conferences and training are expected to continue, offsetting the overage in contracted services (\$63K). These overages are primarily due to the hiring of the acting Corporate Officer in the CAO office (\$45K), unbudgeted recoverable School District By-Election expenses (\$66K), and higher than anticipated administrative expenditures (\$116K). However, these costs are partially offset by savings from the consultants and studies cost and the budgeted Ethics Commissioner due to timing, as the scope of work is currently under development.

Out of approximately 15 full-time equivalent positions, the department has two full-time vacant positions in Legislative Services, which are expected to be filled in Q4.

### 2024 Service Enhancement

Description	Amount	Status
Committee Catering	\$ 10,000	Ongoing
Ethics Commissioner	\$ 100,000	Contractor has been engaged as of May 2024. Expect to spend 1/4 in 2024 due to late start and early phase of developing scope of work
Contracted Services – Escalating records management cost	\$ 19,647	Anticipate higher spending in 2024 due to increase in record volume (more records) and higher cost per record
Clerk 3 – Intergovernmental Relations	\$ 50,000	Position awarded in May
All Nation Councils and City Council Gathering	\$ 54,293	In progress – Initiated connection with Nations to engage
Funding for Truth and Reconciliation Day and National Indigenous Peoples Day	\$ 30,000	In progress – to be spent in Q3

## **Q2 Operating Memo – Corporate Services – Administration**

### **2024 Annual Budget vs Forecast**

For year-end, the Corporate Services Department is expected to be under budget with a net surplus of \$315K, primarily due to a \$262K one-time expense recovery for costs associated with the 2024 New Westminster School District By-Election, which includes expenses incurred in 2023 and from other departments. The savings in contracted services are primarily due to savings of \$75K from the Ethics Commissioner, as the contract was awarded a late start and is still in the early phase of developing the scope of work. These savings are partially offset by higher than anticipated administrative expenditures and additional staffing cost from an Acting Corporate Officer from staffing turnover. The overspending in supplies and materials is primarily due to unbudgeted recoverable expenses related to the School District By-Election.

### **Planning Ahead**

The Corporate Services Department will be looking to leverage existing salary budgets and savings to provide support in grant submission management and foster reconciliation efforts with Nations this year. Legislative Services division will also be exploring options for additional resources to provide critical oversight of the City's growing corporate records and information, as well as to assist with the implementation of a new electronic document management system in the coming years. The Intergovernmental Relations division aims to deploy resources strategically to streamline grant administration processes. The Reconciliation division will be seeking additional resource to assist with fostering relationships with indigenous communities.

## Q2 Operating Memo – BridgeNet

BridgeNet as at June 30, 2024	Q2 Budget	Q2 Actual	YTD Budget	2024	2024	2024 Annual	2024
	YTD Jun 30	YTD Jun 30	vs Forecast	Annual Budget	Annual Forecast	Budget vs Forecast	Enhancement
<b>100 Revenue</b>							
150 Utility Rates	(145,900)	(134,531)	(11,369)	(291,800)	(280,431)	(11,369)	-
300 Other Revenue	0	(17,289)	17,289	(32,831)	(32,831)	0	-
<b>Total 100 Revenue</b>	<b>(145,900)</b>	<b>(151,820)</b>	<b>5,920</b>	<b>(324,631)</b>	<b>(313,262)</b>	<b>(11,369)</b>	<b>0</b>
<b>200 Expenses</b>							
400 Salaries/Benefits/Training	101,222	89,245	11,977	210,132	191,613	18,519	-
450 Contracted Services	38,009	23,008	15,001	77,570	77,570	0	-
500 Supplies and Materials	26,272	0	26,272	52,600	27,603	24,997	-
725 Amortization	229,998	229,998	0	460,000	460,000	0	-
<b>Total 200 Expenses</b>	<b>395,501</b>	<b>342,251</b>	<b>53,250</b>	<b>800,302</b>	<b>756,786</b>	<b>43,516</b>	<b>0</b>
<b>300 Fiscal Expenses</b>							
550 Interest	98,894	100,912	(2,018)	201,824	203,842	(2,018)	-
<b>Total 300 Fiscal Expenses</b>	<b>98,894</b>	<b>100,912</b>	<b>(2,018)</b>	<b>201,824</b>	<b>203,842</b>	<b>(2,018)</b>	<b>0</b>
<b>Total BridgeNet</b>	<b>348,495</b>	<b>291,343</b>	<b>57,152</b>	<b>677,495</b>	<b>647,366</b>	<b>30,129</b>	<b>0</b>

### As At June 30, 2024 Budget vs Actual to Date

At Q2, BridgeNet is showing a favorable expense variance of \$51K (favorable variance of \$53K from operating expenses and unfavorable of \$2K from fiscal expenses) with a favorable revenue variance of \$6K which is due to timing of revenue billings. It results in a net YTD favorable variance of \$57K overall.

At Q2 2024 BridgeNet has a Budget of 1 FTE and is fully staffed.

### 2024 Service Enhancement

Not applicable

### 2024 Annual Budget vs Forecast

At this time, staff is anticipating to a favorable variance of \$30K to the annual budget target of \$677K net operating deficit.

### Planning Ahead

BridgeNet's marketing plan has improved the number of buildings and businesses signed up in 2024 which will enhance revenue improvements into 2025. Planning ahead, BridgeNet will continue to meet customer demand by efficiently connecting existing buildings and working with the city's Development and Engineering groups to connect new high density, mixed use developments.

## Q2 Operating Memo – Energy & Climate Action Department – Climate Action

Climate Action as at June 30, 2024	Q2 Budget	Q2 Actual	YTD Budget	2024	2024	2024 Annual	2024
	YTD Jun 30	YTD Jun 30	vs Forecast	Annual Budget	Annual Forecast	Budget vs Forecast	Enhancement
<b>100 Revenue</b>							
350 Contribution Revenue	0	(26,000)	26,000	0	(26,000)	26,000	-
<b>Total 100 Revenue</b>	<b>0</b>	<b>(26,000)</b>	<b>26,000</b>	<b>0</b>	<b>(26,000)</b>	<b>26,000</b>	<b>0</b>
<b>200 Expenses</b>							
400 Salaries/Benefits/Training	492,520	146,721	345,799	1,022,080	578,384	443,696	583,579
450 Contracted Services	80,302	60,748	19,554	163,834	164,458	(624)	-
500 Supplies and Materials	8,669	13,885	(5,216)	17,446	25,626	(8,180)	9,600
<b>Total 200 Expenses</b>	<b>581,491</b>	<b>221,354</b>	<b>360,137</b>	<b>1,203,360</b>	<b>768,468</b>	<b>434,892</b>	<b>593,179</b>
<b>Total Climate Action</b>	<b>581,491</b>	<b>195,354</b>	<b>386,137</b>	<b>1,203,360</b>	<b>742,468</b>	<b>460,892</b>	<b>593,179</b>

### As Of Jun 30, 2024 Budget vs Actual to Date

The Climate Action division of the Energy and Climate Action Department is currently operating below the allocated budget in Q2, resulting in a net surplus of \$386K. This surplus can be attributed primarily from salary and benefits savings from vacancies and approved service enhancement positions to be filled, and the team has successfully recruited 3 additional staff in Q2. Among the division's staffing complement of 7 FTEs, there were 3 vacant positions in Q2 that were approved service enhancement positions. Efforts are underway to recruit suitable candidates to fill the vacancies.

### 2024 Annual Budget vs Forecast

At the end of the year, it is projected that the Climate Action division of the Energy and Climate Action Department will operate below the allocated budget with a net surplus of \$461K. The surplus is primarily attributed to salary, benefits, and training expenses from the 3 vacancies described above. The salary and benefits savings are not expected to continue as hiring is well underway, and all vacancies are expected to be filled by end of year.

Contracted Services and Supplies and Materials expenses are trending to be slightly above budget as the division scales up with additional staffing resources.

### Planning Ahead

The Climate Action division is dedicated to guiding and enabling the City and the community to reach the carbon emission reduction targets set through the 2019 climate emergency declaration and captured through the City's 7 Bold Steps for climate action. The division has primarily focused on climate change mitigation, and with the increasing immediate impacts to community health and safety due to climate change related extreme weather events, in 2024 the portfolio is growing to include climate adaptation and resilience.

In addition to the 2 year staffing plan, the Climate Action Division continues to work with the Electrical Utility Division to identify operating efficiencies and resource needs. This new Department is committed to reviewing and aligning resourcing needs for 2025 to address staffing shortages, meet the increasing demands of customer service, regulatory requirements, utility management and energy and climate policy development.

Through 2024 Q3 and Q4, recruitment of 2024 service enhancements continues to be a priority for the Climate Action division, and is anticipating all team vacancies will be filled.

## Q2 Operating Memo – Energy & Climate Action Department – Electrical Utility – Operations & Services

Electrical Operations and Services as at June 30, 2024	Q2 Budget	Q2 Actual	YTD Budget	2024	2024	2024 Annual	2024
	YTD Jun 30	YTD Jun 30	vs Forecast	Annual	Annual	Budget	Enhancement
				Budget	Forecast	vs Forecast	
<b>100 Revenue</b>							
150 Utility Rates	(30,622,842)	(29,425,874)	(1,196,968)	(61,756,841)	(61,209,879)	(546,962)	-
200 Sale of Services	(4,178)	(7,696)	3,518	(96,926)	(100,444)	3,518	-
300 Other Revenue	(24,998)	(189,857)	164,859	(388,839)	(363,841)	(24,998)	(40,000)
350 Contribution Revenue	(1,029,000)	(1,396,432)	367,432	(2,100,000)	(2,100,000)	0	-
<b>Total 100 Revenue</b>	<b>(31,681,018)</b>	<b>(31,019,859)</b>	<b>(661,159)</b>	<b>(64,342,606)</b>	<b>(63,774,164)</b>	<b>(568,442)</b>	<b>(40,000)</b>
<b>200 Expenses</b>							
400 Salaries/Benefits/Training	2,320,344	2,194,034	126,310	4,820,248	4,493,940	326,308	101,727
450 Contracted Services	1,017,234	792,354	224,880	2,060,879	1,935,999	124,880	710,000
500 Supplies and Materials	328,067	450,824	(122,757)	659,570	782,328	(122,758)	40,000
600 Cost of Sales	0	122		0	122		-
725 Amortization	1,649,502	1,649,502	0	3,299,000	3,299,000	0	-
750 Utility Purchases and Levies	17,201,014	16,926,434	274,580	34,402,027	34,402,027	0	-
<b>Total 200 Expenses</b>	<b>22,516,161</b>	<b>22,013,270</b>	<b>503,013</b>	<b>45,241,724</b>	<b>44,913,416</b>	<b>328,430</b>	<b>851,727</b>
<b>300 Fiscal Expenses</b>							
550 Interest	913,833	882,776	31,057	1,765,475	1,765,513	(38)	-
<b>Total 300 Fiscal Expenses</b>	<b>913,833</b>	<b>882,776</b>	<b>31,057</b>	<b>1,765,475</b>	<b>1,765,513</b>	<b>(38)</b>	<b>0</b>
<b>Total Electrical Operations and Services</b>	<b>(8,251,024)</b>	<b>(8,123,813)</b>	<b>(127,089)</b>	<b>(17,335,407)</b>	<b>(17,095,235)</b>	<b>(240,050)</b>	<b>811,727</b>

### As At June 30, 2024 Budget vs Actual to Date

Overall, the Electrical Utility Q2 performance generally in line with the YTD budget. YTD revenue is under budget by \$661K offset by \$534K savings on operating and fiscal expenses.

YTD revenue is lower than budget by \$661K primarily due to:

- Unfavorable variance of \$1.2M in Utility Rates revenue mainly due to timing of affordability credits to be reimbursed by BC Hydro; offset by
- Favorable variance of \$165K in Other Revenue mainly due to timing of booking investment income from sinking funds for future debt repayment; and
- Favorable variance of \$367K in Contribution Revenue due to higher than expected new electrical services connections.

YTD Expenses are below Budget by \$534K mainly due to staff vacancies and timing of expenses:

- \$126K favorable variance in salaries and benefits due to staff vacancies.
- \$225K favorable variance in Contracted Services due to billing of work performed is lagging behind.
- \$275K favorable variance in Utility Purchases due to timing of Hydro billing. It is expected to catch-up to the annual budget.
- \$31K favorable variance due to timing of debt coupon payments.
- Offset by a \$123K unfavorable variance in Supplies and Materials due to inventory charges for Utility 3<sup>rd</sup> party work recorded at the beginning of year.

### 2024 Service Enhancement

The \$811K 2024 Service Enhancement includes \$461K costs related to the delivery of the Advanced Metering Infrastructure (AMI) project. These costs will be charged to the capital project which forms part of the value of the AMI infrastructure.

## **Q2 Operating Memo – Energy & Climate Action Department – Electrical Utility – Operations & Services**

### **2024 Annual Forecast Budget vs Actual**

At this time, the Electrical utility operations and services are forecasting to be lower than the annual budget by \$0.24M, primarily due to \$326K savings in staff vacancies, offset by a forecast of \$547K decrease in Utility Rates revenue due to moderate weather we experienced in the first half of the year.

### **Planning Ahead**

Planning ahead, the Electrical Utility division will be reviewing the operating and maintenance budget impact of the Queensborough Substation which was placed in service last year; reviewing the financial impacts of long-term load supply and demand needs; and planning for the financial impacts of introducing Advanced Metering. A review of vacant positions and consolidating the staffing budget will take place in the next quarter.

Electrical Services will be reviewing business units to better allocate and distribute materials from direct purchases. Process changes will be explored to help bring budgetary clarity to all the tasks in this division.

## Q2 Operating Memo – Engineering – General Fund

Engineering (General Fund) as at June 30, 2024	Q2 Budget	Q2 Actual	YTD Budget	2024	2024	2024 Annual	2024
	YTD Jun 30	YTD Jun 30	vs Forecast	Annual	Annual	Budget	Enhancement
				Budget	Forecast	vs Forecast	
<b>100 Revenue</b>							
200 Sale of Services	(2,342,280)	(2,793,663)	451,383	(4,780,157)	(5,232,465)	452,308	(273,000)
250 Grants from Other Governments	(429,153)	(460,424)	31,271	(858,303)	(889,575)	31,272	(110,643)
300 Other Revenue	(1,654,433)	(2,080,255)	425,822	(3,372,223)	(3,726,945)	354,722	(396,000)
350 Contribution Revenue	(12,872)	(19,517)	6,645	(25,758)	(19,906)	(5,852)	-
<b>Total 100 Revenue</b>	<b>(4,438,738)</b>	<b>(5,353,859)</b>	<b>915,121</b>	<b>(9,036,441)</b>	<b>(9,868,891)</b>	<b>832,450</b>	<b>(779,643)</b>
<b>200 Expenses</b>							
400 Salaries/Benefits/Training	8,232,361	8,102,205	130,156	17,522,749	17,402,114	120,635	580,924
450 Contracted Services	1,356,240	1,157,962	198,278	2,754,694	2,673,088	81,606	23,000
500 Supplies and Materials	1,994,504	2,035,743	(41,239)	4,064,873	4,373,386	(308,513)	201,250
600 Cost of Sales	0	3,414	(3,414)	0	3,414	(3,414)	-
700 Insurance and Claims	155,942	58,029	97,913	318,250	220,335	97,915	-
725 Amortization	4,965,996	4,965,996	0	9,932,000	9,932,000	0	-
<b>Total 200 Expenses</b>	<b>16,705,043</b>	<b>16,323,349</b>	<b>381,694</b>	<b>34,592,566</b>	<b>34,604,337</b>	<b>(11,771)</b>	<b>805,174</b>
<b>Total Engineering (General Fund)</b>	<b>12,266,305</b>	<b>10,969,490</b>	<b>1,296,815</b>	<b>25,556,125</b>	<b>24,735,446</b>	<b>820,679</b>	<b>25,531</b>

### As at Jun 30, 2024 Budget vs Actual to Date

The Engineering Department General Fund supports the delivery of core services to the City, including the operations and maintenance of buildings and properties, streets operations, transportation & infrastructure planning, Q to Q Ferry, asset management, engineering development services, design and construction, engineering environmental services, engineering-related permitting, customer service and administrative services.

The Department reports a net favorable variance of \$1,297K, largely due to better than expected parking revenues, delays in receiving bills from service providers, and savings as a result of ongoing staff vacancies.

As of the end of Q2, the Engineering Department has 11 FTE vacancies out of 141 budgeted FTEs (8% vacancy), which are partially being managed through contracted services, overtime and auxiliary staff. More efficient monitoring and improved practices have contributed to the increase in parking revenues. However, we anticipate an increase in expenditures for contracted services and supplies in Q3 due to delays in receiving invoices for services and supplies procured in the first half of the year.

The Operations Division continues to experience an increase in the volume and complexity of services offered, such as increased support to street cleanliness, weather related response and customer service call response. These demands are leading to increased auxiliary and contracted services spending, due in part to a significant number of vacancies that the team is working to resolve.

The Engineering department manages the largest inventory of assets in the City with asset valuations into the billions. Operating Budget challenges faced by the Engineering Department are significant in scope, scale and complexity. The Department has been facing rising costs associated with maintaining and operating an inventory of existing buildings and properties, streets and sidewalks, and other aging assets that have experienced maintenance deficits for a number of years, while also responding to the needs of a growing inventory of assets, all in a context of inflationary, labour market and supply chain challenges.

## Q2 Operating Memo – Engineering – General Fund

### 2024 Service Enhancements

Description	Amount	Status
Patullo MoTI - Grant	\$ 111,000	Actuals are trending as anticipated
Parking Meter Revenue Increase	\$ 273,000	Actuals are trending as anticipated
Development Services Revenue Increase	\$ 396,000	Actuals are trending as anticipated
ENHGF03 - Project Engineer	\$ 88,000	Completed – position filled in May 2024 – HAF Grant funded
ENHGF04 - Transportation Planner	\$ 69,000	Completed – position filled – HAF Grant funded
ENHGF05 - Public Works Inspector	\$ 61,000	Hiring not started – anticipated for September 2024
ENHGF06 - Reclass Engineering Technologist to Senior Engineering Technologist	\$ 25,000	Completed – position filled
ENHGF07 - Convert RPT Active Transportation Coordinator to RFT Planning Analyst	\$ 18,000	Completed – position filled
ENGGF08 - Engineering Technologist	\$ 68,000	Hiring not started
ENHGF16 - Reclass Engineering Records Coordinator to Engineering Records Analyst	\$ 12,000	Completed – position filled in August 2024
ENHGF19 - Senior Engineering Technologist	\$ 111,000	Completed – position filled
ENGTA01 - Park Attendant	\$ 51,000	Hiring not started
ENGTA02 – Building Maintenance Worker	\$ 67,000	Hiring in progress
ENGTA05 - Park Attendant Aux	\$ 22,000	Completed – position filled
Q to Q Ferry Subcontract Increase	\$ 23,000	Actuals are trending as anticipated
Massey Theatre Unscheduled Maintenance Increase	\$ 100,000	Actuals are trending as anticipated
Massey Theatre Gas Increase	\$ 90,000	Actuals are trending as anticipated

### 2024 Annual Forecast Budget vs Actual

The Engineering Department expects to report a net favorable variance of \$821K. This surplus is anticipated to be driven by the forecasted increase in parking and other revenues, which are predicted to offset the increasing scheduled and unscheduled maintenance expenses for facilities. Unscheduled maintenance costs continue to climb year over year as the facility portfolio ages, due to a maintenance deficit that has accumulated over a number of years. The best way to control these unexpected expenses is by improving scheduled maintenance practices. While staff are working towards establishing more robust scheduled maintenance procedures, including securing a sufficient and sustained annual budget for preventive maintenance, it is anticipated that until these improved practices are well established, we will continue to see additional costs in that area across the facilities portfolio.



## **Q2 Operating Memo – Engineering – General Fund**

### **Planning Ahead**

The Operating Budget challenges being faced by the Engineering Department are significant in terms of scope, scale and complexity, not due to net overruns, but due to ongoing vacancies and ongoing maintenance deficits particularly in the facilities portfolio. Summarized below are some of the key areas of concern for the Engineering department:

1. Operations – The division continue to be called on for response to new and emerging operational demands, these include a significant increase in the volume and complexity of street cleaning in commercial areas, weather-related operational pressures, and increased cleaning and maintenance needs for greenways, parks and open spaces. Operations have been able to maintain reliable levels of service while working to resolve a significant number of vacancies, relying in part on its auxiliary labour force and contracted services.
2. Civic Buildings & Facilities – The City has seen an increase in the number of buildings that require maintenance, and the scope and scale of unscheduled maintenance required at a number of facilities. Greater complexity and cost of maintenance, and various staffing challenges, including vacancies, labour relations issues, and long-term medical leaves are compounding the underlying challenges of a prolonged maintenance deficit. Aging infrastructure, climate-related operational pressures, and legacy budget challenges compound this. Staff are working toward improved scheduled and preventive maintenance practices, and establishing stable funding.
3. Transportation – The City is committed to delivering high quality people-centred public realm and sustainable transportation options. There are meaningful operational implications associated with maintaining greenway routes and public gathering spaces like plazas and parklets to a high standard. As we continue to add this type of infrastructure across the City, the implications on operations will increase, with the need for additional dedicated staff and specialized equipment.
4. 3 Crises of homelessness, mental health and substance use – The ongoing challenges being experienced across the City continues to present challenges to our staff, and continues to place pressure on the operating budget. The challenges are a result of the increased need for street cleaning and removal of discarded materials, including discarded belongings, remnants from encampments, human waste and drug-related waste.
5. Human Resources – as a result of ongoing effort and commitment to supporting Engineering's HR needs, we are beginning to see an improvement in vacancy rates, although Engineering continues to experience a number of vacancies in all areas.

Staff are working with HR to prioritize and find efficient and innovative means to address outstanding recruitments. In addition, third-party consultants, contractors and auxiliary staff are engaged to supplement services as needed.

## Q2 Operating Memo – Engineering – Sewer Fund

Engineering (Sewer Fund) as at June 30, 2024	Q2 Budget	Q2 Actual	YTD Budget	2024	2024	2024 Annual	2024
	YTD Jun 30	YTD Jun 30	vs Forecast	Annual	Annual	Budget	Enhancement
				Budget	Forecast	vs Forecast	
<b>100 Revenue</b>							
100 Taxation Revenue	(23,571)	(14,404)	(9,167)	0	0	0	-
150 Utility Rates	(28,273,240)	(28,541,605)	268,365	(30,100,000)	(30,359,197)	259,197	-
200 Sale of Services	(209,630)	(75,587)	(134,043)	(436,720)	(435,285)	(1,435)	(12,720)
250 Grants from Other Governments	(9,600)	0	(9,600)	(20,000)	(10,400)	(9,600)	-
300 Other Revenue	(2,476,644)	267,939	(2,744,583)	(5,212,098)	(4,944,159)	(267,939)	-
350 Contribution Revenue	0	(114,250)	114,250	0	(114,250)	114,250	-
<b>Total 100 Revenue</b>	<b>(30,992,685)</b>	<b>(28,477,907)</b>	<b>(2,514,778)</b>	<b>(35,768,818)</b>	<b>(35,863,291)</b>	<b>94,473</b>	<b>(12,720)</b>
<b>200 Expenses</b>							
400 Salaries/Benefits/Training	682,509	551,300	131,209	1,417,426	1,286,216	131,210	101,809
450 Contracted Services	422,230	680,277	(258,047)	1,188,522	1,446,568	(258,046)	-
500 Supplies and Materials	90,936	50,031	40,905	214,609	173,702	40,907	70,000
725 Amortization	1,197,000	1,197,000	0	2,394,000	2,394,000	0	-
750 Utility Purchases and Levies	0	0	0	13,953,783	13,953,783	0	-
<b>Total 200 Expenses</b>	<b>2,392,675</b>	<b>2,478,608</b>	<b>(85,933)</b>	<b>19,168,340</b>	<b>19,254,269</b>	<b>(85,929)</b>	<b>171,809</b>
<b>Total Engineering (Sewer Fund)</b>	<b>(28,600,010)</b>	<b>(25,999,299)</b>	<b>(2,600,711)</b>	<b>(16,600,478)</b>	<b>(16,609,022)</b>	<b>8,544</b>	<b>159,089</b>

### As at Jun 30, 2024, Budget vs Actual to Date

The Sewer Utility Fund reports a net unfavorable variance of \$2,601K largely due to delayed budgeted grant revenue recognition, particularly from the West End Utilities project. As per accounting standards, grant contributions are accrued based on the percentage of the project work completed. Construction works are underway starting on 16th Street. The grant contributions are expected to keep up as the team will submit claims on a semi-annual basis per the agreement with the Province.

As of the end of Q2, the team has 2 vacancies with 12 FTE budgeted (17% vacancy), which are being effectively managed through overtime and auxiliary staff, ensuring the continuity of our operations.

### 2024 Service Enhancements

Description	Amount	Status
Co-Op Student Aux	\$ 21,000	Completed – position filled
Convert Subforeperson to Assistant Manager	\$ 50,000	Conversion complete, hiring to be completed in Q3
Covert Labourer 2 to Construction Coordinator	\$ 31,000	Not started; expected to complete in Q4
Direct Purchases Increase - SCADA maintenance needs	\$ 70,000	Actuals are trending as anticipated

### 2024 Annual Forecast Budget vs Actual

The Sewer Utility Fund expects to report a net favorable variance of \$9K. Expenses are expected to align with the budget overall, significant costs were incurred in the year due to significant emergency events response, recovery, investigation and remediations. Grant contributions are expected to rise to align with budget, as the team submits claims in accordance with our agreement with the Province.

### Planning Ahead

The sewer utility completed its inaugural asset management plan in 2023. The findings from the plan indicate that the current replacement value of the sewer and drainage assets is considerably higher than previously contemplated. To cover the updated revaluation reserve requirements, the sewer utility will be incrementally increasing rates by 1% to 8.0% per annum from 7.0% per annum. This increase is

## **Q2 Operating Memo – Engineering – Sewer Fund**

necessary to ensure we can continue to provide high-quality services and maintain our infrastructure to an acceptable level of service. The City will remain diligent in anticipating and reviewing any potential rate and cost methodology changes from Metro Vancouver and their impact on the City of New Westminster. A potential change in the methodology used by Metro Vancouver can significantly impact future rates and is thus being watched closely. Significant issues will be reported to Council as they arise.

Staff are working strategically with HR to prioritize and find efficient and innovative means to address outstanding recruitments, and retain the valued employees we have, demonstrating our team's commitment to maintaining a strong workforce.

## Q2 Operating Memo – Engineering – Solid Waste Fund

Engineering (Solid Waste Fund) as at June 30, 2024	Q2 Budget	Q2 Actual	YTD Budget	2024	2024	2024 Annual	2024
	YTD Jun 30	YTD Jun 30	vs Forecast	Annual	Annual	Budget	Enhancement
				Budget	Forecast	vs Forecast	
<b>100 Revenue</b>							
150 Utility Rates	(5,263,082)	(5,531,041)	267,959	(5,677,000)	(5,944,961)	267,961	-
300 Other Revenue	(444,000)	(536,866)	92,866	(925,000)	(1,017,865)	92,865	-
<b>Total 100 Revenue</b>	<b>(5,707,082)</b>	<b>(6,067,907)</b>	<b>360,825</b>	<b>(6,602,000)</b>	<b>(6,962,826)</b>	<b>360,826</b>	<b>0</b>
<b>200 Expenses</b>							
400 Salaries/Benefits/Training	631,483	663,801	(32,318)	1,311,494	1,343,814	(32,320)	-
450 Contracted Services	176,052	141,128	34,924	419,084	384,158	34,926	-
500 Supplies and Materials	64,384	12,865	51,519	134,247	82,729	51,518	-
725 Amortization	141,498	141,498	0	283,000	283,000	0	-
750 Utility Purchases and Levies	1,325,168	1,021,714	303,454	2,661,052	2,650,579	10,473	-
<b>Total 200 Expenses</b>	<b>2,338,585</b>	<b>1,981,006</b>	<b>357,579</b>	<b>4,808,877</b>	<b>4,744,280</b>	<b>64,597</b>	<b>0</b>
<b>Total Engineering (Solid Waste Fund)</b>	<b>(3,368,497)</b>	<b>(4,086,901)</b>	<b>718,404</b>	<b>(1,793,123)</b>	<b>(2,218,546)</b>	<b>425,423</b>	<b>0</b>

### As at Jun 30, 2024, Budget vs Actual to Date

The Solid Waste Utility Fund reports a net favorable variance of \$718K largely due to improved utility rate collection and delays in receiving utility purchases bills. In 2024, there has been approximately an 8% increase in customers switching to E-bills for their utility accounts, enabling more efficient and effective revenue collection and cost reduction. The team also made significant efforts to collect overdue utility payments and correct account inaccuracies from previous years. Utility purchases and levies expenses are expected to align with budget. The favorable variance of \$303K for Utility Purchases and Leveis is attributed to delays in receiving bills from service providers rather than actual savings.

As of the end of Q2, the team has 1 vacancy with 12 FTE budgeted (8% vacancy), which are partially being managed through overtime and auxiliary staff.

### 2024 Service Enhancements

None in 2024.

### 2024 Annual Forecast Budget vs Actual

The Solid Waste Utility Fund forecasts a net favourable variance of \$425K by end of this year mainly due to the successful collection of overdue utility payments from previous years. Current favourable timing variances in Tipping Fees, and expenses are expected to catch-up and balance out to Budget by the end of the year.

### Planning Ahead

Guidance on higher than general CPI year-over-year Tipping Fee increases from Metro Vancouver is expected; escalating 3<sup>rd</sup> party recycling and organics collection costs and increased service levels create significant cost challenges to a Solid Waste Utility already with lower-than targeted Reserve balances. In the future, the Utility will need to review its long-term planning strategies, including its asset management requirements to better align the services provided. Development of a Solid Waste Master Plan is underway, with completion anticipated in 2025, which will inform much of the long-term planning required for the Utility.

## Q2 Operating Memo – Engineering – Water Fund

Engineering (Water Fund) as at June 30, 2024	Q2 Budget	Q2 Actual	YTD Budget	2024	2024	2024 Annual	2024
	YTD Jun 30	YTD Jun 30	vs Forecast	Annual	Annual	Budget	Enhancement
				Budget	Forecast	vs Forecast	
<b>100 Revenue</b>							
150 Utility Rates	(11,543,810)	(12,391,526)	847,716	(17,754,000)	(18,601,711)	847,711	(493,000)
200 Sale of Services	(49,024)	(20,194)	(28,830)	(101,970)	(73,140)	(28,830)	(2,970)
350 Contribution Revenue	22,250	0	22,250	(335,000)	(357,250)	22,250	550,000
<b>Total 100 Revenue</b>	<b>(11,570,584)</b>	<b>(12,411,720)</b>	<b>841,136</b>	<b>(18,190,970)</b>	<b>(19,032,101)</b>	<b>841,131</b>	<b>54,030</b>
<b>200 Expenses</b>							
400 Salaries/Benefits/Training	453,146	266,521	186,625	941,071	681,127	259,944	21,107
450 Contracted Services	72,441	323,207	(250,766)	419,594	670,359	(250,765)	63,000
500 Supplies and Materials	87,868	73,077	14,791	209,137	194,348	14,789	30,000
725 Amortization	613,002	613,002	0	1,226,000	1,226,000	0	-
750 Utility Purchases and Levies	3,393,220	2,930,528	462,692	8,079,094	8,079,094	0	612,498
<b>Total 200 Expenses</b>	<b>4,619,677</b>	<b>4,206,335</b>	<b>413,342</b>	<b>10,874,896</b>	<b>10,850,928</b>	<b>23,968</b>	<b>726,605</b>
<b>Total Engineering (Water Fund)</b>	<b>(6,950,907)</b>	<b>(8,205,385)</b>	<b>1,254,478</b>	<b>(7,316,074)</b>	<b>(8,181,173)</b>	<b>865,099</b>	<b>780,635</b>

### As at Jun 30, 2024, Budget vs Actual to Date

The Water Utility Fund reports a net favorable variance of \$1,254K largely due to higher than budgeted commercial water consumption. As of the end of Q2, the team has 2 vacancies out of 9 budgeted FTEs (22% vacancy rate), which are partially being managed through overtime and auxiliary staff. The underspend resulting from ongoing staff vacancies is also offset by the contracted services expenses due to the significant water main breaks experienced this year. The favorable variance of \$463K in Utility Purchases and Levies is attributed to delays in receiving water purchases bills from service providers rather than actual savings.

### 2024 Service Enhancements

Description	Amount	Status
Co-Op Student Aux	\$ 21,000	Completed – position filled
Subcontracts Expense Increase	\$ 63,000	Actuals are trending as anticipated
Direct Purchases Increase - SCADA maintenance needs	\$ 30,000	Actuals are trending as anticipated

### 2024 Annual Forecast Budget vs Actual

The Water Utility Fund is forecasting a net favorable variance of \$865K by the end of this year. However, there is uncertainty about whether commercial water consumption will continue its current trend for the remainder of the year. While expenses are expected to align with the budget overall, significant costs were incurred earlier in the year due to major water main breaks.

### Planning Ahead

The City will remain diligent in anticipating and reviewing any potential rate and cost methodology changes from Metro Vancouver and their impact on the City of New Westminster. We are closely monitoring a potential change in the methodology used by Metro Vancouver, as it can significantly impact future rates. Significant issues arising out of this will be reported to Council.

Staff are working closely with HR to prioritize and find efficient and innovative means to address outstanding recruitments. In addition, third-party consultants, contractors, and auxiliary staff are engaged to supplement services as needed.

We anticipate cost escalations to continue to be a concern due to inflationary increases for basic materials and supplies.

## Q2 Operating Memo – Finance

Financial Services as at June 30, 2024	Q2 Budget	Q2 Actual	YTD Budget	2024	2024	2024 Annual	2024
	YTD Jun 30	YTD Jun 30	vs Forecast	Annual Budget	Annual Forecast	Budget vs Forecast	Enhancement
<b>100 Revenue</b>							
200 Sale of Services	0	(11,000)	11,000	0	(11,000)	11,000	-
300 Other Revenue	0	(23,506)	23,506	0	(23,506)	23,506	-
<b>Total 100 Revenue</b>	<b>0</b>	<b>(34,506)</b>	<b>34,506</b>	<b>0</b>	<b>(34,506)</b>	<b>34,506</b>	<b>0</b>
<b>200 Expenses</b>							
400 Salaries/Benefits/Training	2,026,551	1,872,455	154,096	4,308,690	4,156,992	151,698	90,273
450 Contracted Services	94,349	145,968	(51,619)	192,542	269,424	(76,882)	35,300
500 Supplies and Materials	228,995	247,437	(18,442)	467,323	477,528	(10,205)	-
700 Insurance and Claims	2,262,492	2,277,442	(14,950)	4,617,333	4,587,530	29,803	700,000
<b>Total 200 Expenses</b>	<b>4,612,387</b>	<b>4,543,302</b>	<b>69,085</b>	<b>9,585,888</b>	<b>9,491,474</b>	<b>94,414</b>	<b>825,573</b>
<b>Total Financial Services</b>	<b>4,612,387</b>	<b>4,508,796</b>	<b>103,591</b>	<b>9,585,888</b>	<b>9,456,968</b>	<b>128,920</b>	<b>825,573</b>

### As At June 30, 2024 Budget vs Actual to Date

The Financial Services Department is currently under budget as at June 30<sup>th</sup>, with a year to date net surplus of \$103.6K. The surplus is primarily from savings in salaries and benefits expenses. The Financial Services Department employs approximately 37 full-time equivalent positions, of which two are vacant, two staff members are on a gradual return-to-work schedule and one staff member is on leave. Financial Services continues to utilize auxiliary staff to maintain service levels and support the existing staff.

### 2024 Service Enhancement

Description	Amount	Status
Financial Services Manager	\$ 90,573	Position filled in Q1
Public opinion research (polling)	\$ 35,000	In progress – Public survey and feedback to be conducted in Q3
Insurance Premium Increase	\$ 350,000	Ongoing
Insurance Premium for new TACC Facility	\$ 350,000	Ongoing – Facility is operational as of Q2 and is covered under the City's property insurance program

### 2024 Annual Forecast Budget vs Actual

For year end, the Financial Service Department is forecasted to be under budget with a net surplus of \$128.9K. Anticipated saving Salary/Benefits/Training savings resulting from vacancies are expected to continue as the department continues hiring efforts to fill vacancies. This savings is partially offset by higher than anticipated audit cost which arise from new public sector accounting standards. Annual insurance expenditures are anticipated to be on budget with the upcoming insurance policy renewal and the opening of the new tamasewtx<sup>™</sup> Aquatic and Community Centre.

### Planning Ahead

The Financial Services Department will continue hiring efforts to fill staff vacancies, with strategies to maintain level of services through utilizing auxiliary staffing to backfill vacancies as needed. The department continues to face increasing budgetary pressures in Contracted Services and Supplies and Materials, due to rising printing and postage costs, as well as additional audit costs resulting from new public sector accounting standards. Staff will continue to monitor costs while the department continues to explore cost reduction opportunities.

## Q2 Operating Memo – Fire & Rescue Services

Fire & Rescue Services as at June 30, 2024	Q2 Budget	Q2 Actual	YTD Budget	2024	2024	2024 Annual	2024
	YTD Jun 30	YTD Jun 30	vs Forecast	Annual	Annual	Budget	Enhancement
				Budget	Forecast	vs Forecast	
<b>100 Revenue</b>							
200 Sale of Services	(6,419)	(36,905)	30,486	(13,100)	(43,586)	30,486	-
250 Grants from Other Governments	(84,998)	0	(84,998)	(215,000)	(45,000)	(170,000)	(215,000)
300 Other Revenue	(19,323)	(113,167)	93,844	(39,431)	(165,750)	126,319	-
<b>Total 100 Revenue</b>	<b>(110,740)</b>	<b>(150,072)</b>	<b>39,332</b>	<b>(267,531)</b>	<b>(254,336)</b>	<b>(13,195)</b>	<b>(215,000)</b>
<b>200 Expenses</b>							
400 Salaries/Benefits/Training	8,413,063	7,353,536	1,059,527	18,127,938	17,129,667	998,271	1,039,259
450 Contracted Services	425,359	485,912	(60,553)	868,075	947,683	(79,608)	76,750
500 Supplies and Materials	229,821	167,849	61,972	469,033	412,991	56,042	198,376
725 Amortization	390,000	390,000	0	780,000	780,000	0	-
<b>Total 200 Expenses</b>	<b>9,458,243</b>	<b>8,397,297</b>	<b>1,060,946</b>	<b>20,245,046</b>	<b>19,270,341</b>	<b>974,705</b>	<b>1,314,385</b>
<b>Total Fire &amp; Rescue Services</b>	<b>9,347,503</b>	<b>8,247,225</b>	<b>1,100,278</b>	<b>19,977,515</b>	<b>19,016,005</b>	<b>961,510</b>	<b>1,099,385</b>

### As At June 30, 2024 Budget vs Actual to Date

The Fire Department is tracking under budget in Q2 with a net surplus of \$1.1M, primarily due to savings in Salaries and Benefits from vacant and new positions that are yet to be filled. All Firefighter positions were filled in July (Q3), and other positions are expected to be filled by end of this year. The estimated annual savings from Salaries and Benefits is expected to decrease to approximately \$998K by year-end.

Contracted Services has an unfavorable variance of \$60K, mainly due to the payment of recoverable expenses related to a one-time emergency call-out and warming center costs incurred in February, which were not budgeted. The favorable variance of \$62K in supplies and materials is mainly due to timing of spending for the Accelerated Heat Plan.

The annual forecast for Government grants has been reduced by \$170K to \$45K, which reflects the Next Gen 911 grant the City received in 2023. The \$45K grant revenue will be recognized in 2024 when the Next Gen 911 upgrade work is completed. The \$170K reduction is related to Accelerated Heat Plan work this year, which will be funded by the Climate Action Reserve Fund, not Government grants. This work is scheduled to be completed in Q3 with a surplus to be returned to the Climate Action Reserve Fund.

The Q2 favorable variance of \$30K in Sale of Services is largely due to a one-time emergency call-out service charge that was not budgeted. The \$93K favorable variance in Other Revenue is mainly attributed to an increase in false alarm fees in Q2; however, staff expect these fees to taper off.

### 2024 Service Enhancement

Description	Status
Emergency Management Coordinator	Expect to fill between Q4
Emergency Management Volunteer Coordinator	A staff member is currently working in this role
Assistant Fire Chief	Acting position posted. Expect to filled in Q3 - Q4
Fire Inspector	In progress - expect to fill between Q3 - Q4
Nine (9) Fire Fighters	Eight new firefighter positions have been filled. Vacancies arising from retirements or planned retirements this year will be replaced

### 2024 Annual Budget vs Forecast

For year-end, the Fire Department is expected to be under budget by \$0.9M. Salary, Benefits, and Training Q2 savings from vacancies and new positions are expected to decrease as new recruitments and training and development activities occur later in the year. Annual Contracted Services costs are currently projected to be slightly higher than budget. The favorable variance of \$56K in supplies and materials is

## **Q2 Operating Memo – Fire & Rescue Services**

mainly due to timing of spending for the Accelerated Heat Plan. This has been offset by a 0.5 Deputy Chief position to cover a partial secondment to the Crisis Response Team. The forecast for 2024 total revenue is projected to be \$13K lower than budget due to the removal of \$170K in government grants, offset by an increase in false alarm fees in other revenues.

### **Planning Ahead**

At the end of Q2 recruitment and training has been completed for a majority of the vacant firefighter positions. Several long term WorkSafe BC claims have resulted in some recovery of wages that attribute to salary surplus. With a tentative, interim agreement with the Union on ESA (Employment Standards Act) sick days, there is a risk of an increase in sick time usage as the year progresses. Fire Leadership will be analyzing this usage data throughout the remainder of 2024.



## Q2 Operating Memo – General Government

General Government as at June 30, 2024	Q2 Budget	Q2 Actual	YTD Budget	2024	2024	2024 Annual	2024
	YTD Jun 30	YTD Jun 30	vs Forecast	Annual Budget	Annual Forecast	Budget vs Forecast	Enhancement
<b>100 Revenue</b>							
100 Taxation Revenue	(112,050,047)	(112,555,861)	505,814	(114,242,044)	(114,747,855)	505,811	-
200 Sale of Services	(77,832)	(60,696)	(17,136)	(158,845)	(141,709)	(17,136)	-
250 Grants from Other Governments	(1,143,128)	(423,140)	(719,988)	(2,304,260)	(2,304,260)	0	-
300 Other Revenue	(5,093,247)	(6,189,925)	1,096,678	(13,629,436)	(16,699,743)	3,070,307	-
350 Contribution Revenue	(3,455,629)	(3,130,182)	(325,447)	(6,925,775)	(6,600,327)	(325,448)	-
<b>Total 100 Revenue</b>	<b>(121,819,883)</b>	<b>(122,359,804)</b>	<b>539,921</b>	<b>(137,260,360)</b>	<b>(140,493,894)</b>	<b>3,233,534</b>	<b>0</b>
<b>200 Expenses</b>							
400 Salaries/Benefits/Training	104,788	95,173	9,615	(1,924,891)	707,846	(2,632,737)	500,000
450 Contracted Services	209,646	114,515	95,131	427,839	409,147	18,692	-
500 Supplies and Materials	55,767	13,972	41,795	113,807	113,807	0	-
725 Amortization	274,998	274,998	0	550,000	550,000	0	-
<b>Total 200 Expenses</b>	<b>645,199</b>	<b>498,658</b>	<b>146,541</b>	<b>(833,245)</b>	<b>1,780,800</b>	<b>(2,614,045)</b>	<b>500,000</b>
<b>300 Fiscal Expenses</b>							
550 Interest	2,340,588	2,740,978	(400,390)	4,976,711	5,322,895	(346,184)	-
<b>Total 300 Fiscal Expenses</b>	<b>2,340,588</b>	<b>2,740,978</b>	<b>(400,390)</b>	<b>4,976,711</b>	<b>5,322,895</b>	<b>(346,184)</b>	<b>0</b>
<b>Total General Government</b>	<b>(118,834,096)</b>	<b>(119,120,168)</b>	<b>286,072</b>	<b>(133,116,894)</b>	<b>(133,390,199)</b>	<b>273,305</b>	<b>500,000</b>

### As At June 30, 2024 Budget vs Actual to Date

The General Government Department is tracking favourable to budget as at June 30<sup>th</sup> by \$0.3M, primarily due to favourable investment and interest income as interest rates remained higher than anticipated throughout the second quarter, and are offset by higher expenses in interest paid on prepayments.

### 2024 Service Enhancement

Description	Amount	Status
Current year portion of one-time collective agreement retention payment	\$ 500,000	Anticipated to be expensed in Q3

### 2024 Annual Forecast Budget vs Actual

For year end, the General Government Department is forecasting to be over budget by \$2.3M, mainly due a planned surplus of \$2.6M for staff vacancies budgeted across the organization, where actual savings will be recognized in the individual departments.

### Planning Ahead

The current practice of budgeting for planned vacancies will be reviewed as staff looks to be more proactive in filling vacancies and providing transitional support for planned retirements. Staff will continue to explore opportunities for higher return in interest income, as market is expecting interest rates to decline for the remaining of the year and into 2025.

## Q2 Operating Memo – Human Resources (HR) and Information Technology (IT)

HR & IT as at June 30, 2024	Q2 Budget	Q2 Actual	YTD Budget	2024	2024	2024 Annual	2024
	YTD Jun 30	YTD Jun 30	vs Forecast	Annual Budget	Annual Forecast	Budget vs Forecast	Enhancement
<b>100 Revenue</b>							
200 Sale of Services	(2,450)	0	(2,450)	(5,000)	(2,550)	(2,450)	-
<b>Total 100 Revenue</b>	<b>(2,450)</b>	<b>0</b>	<b>(2,450)</b>	<b>(5,000)</b>	<b>(2,550)</b>	<b>(2,450)</b>	<b>0</b>
<b>200 Expenses</b>							
400 Salaries/Benefits/Training	3,214,367	2,862,486	351,881	7,061,541	7,003,701	57,840	675,275
450 Contracted Services	296,148	113,327	182,821	604,377	541,239	63,138	167,500
500 Supplies and Materials	876,919	1,401,066	(524,147)	1,789,587	1,965,734	(176,147)	79,390
725 Amortization	547,500	547,500	0	1,095,000	1,095,000	0	-
<b>Total 200 Expenses</b>	<b>4,934,934</b>	<b>4,924,379</b>	<b>10,555</b>	<b>10,550,505</b>	<b>10,605,674</b>	<b>(55,169)</b>	<b>922,165</b>
<b>Total HR &amp; IT</b>	<b>4,932,484</b>	<b>4,924,379</b>	<b>8,105</b>	<b>10,545,505</b>	<b>10,603,124</b>	<b>(57,619)</b>	<b>922,165</b>

### As at June 30, 2024 Budget vs Actual to Date

The HR Department and IT Department is tracking under budget for Q2, resulting in a net surplus of \$8k. This surplus is primarily due to savings in salaries and benefits, as well as the favorable timing of contracted services expenses, which are partially offset by higher trending costs for supplies and materials.

Of the 50 full time positions in HR and IT, 2 were budgeted for hiring in Q2 and 4 more budgeted for Q3. Following some successful hires in Q2, the department now has 2 remaining vacancies – 1 in HR and 1 in IT – with 4 additional positions scheduled to be filled in Q3. The overall shortage of staff has led to significant savings, particularly in corporate staff development as certain planned training initiatives could not be fully implemented.

Recruitment is underway for these vacancies, and recruitment costs incurred by the HR division are above budget due to 8 senior-level management level staff recruitment activity required for the organization. Additionally, Employee and Family Assistance Program costs have exceeded budget expectations due to increased utilization of the service.

In the IT division, expenses for supplies and materials are higher than budgeted, primarily due to timing factors and increased licensing costs for organization-wide software, including unexpected OpenText true-up costs.

### 2024 Service Enhancement

Description	Amount	Status
HR Business Partner (Recruitment Specialty)	\$ 133,117	Completed – Position filled
HR Assistant	\$ 90,433	Completed – Position filled
Learning & Development Specialist	\$ 108,454	In progress - Working on job profile
Workplace Wellness & Ability Partner Agency	\$ 97,500	In progress - Will be hiring a TFT Workplace Wellness and Ability Management Coordinator who will liaise with the agency for WorkSafeBC claims to start, working on an RFP for the agency
Diversity, Equity, Inclusion, Anti-Racism Advisor	\$ 90,554	In progress - Working on job profile
Benefits Coordinator	\$ 61,049	In progress - Working on job profile
Network Analyst	\$ 68,097	Completed – Position filled

## Q2 Operating Memo – Human Resources (HR) and Information Technology (IT)

Description	Amount	Status
Business Systems Analyst - Payroll/HR/Finance	\$ 70,961	In progress – still hiring
Consultants and Studies	\$ 40,000	In progress – expected to be spent in Q4
HR Support	\$ 30,000	In progress - has been using a consultant to support the recruitment for the CRT team
IT Licensing Cost	\$ 66,000	In progress – Ongoing as positions are filled
HR Staff Training Cost	\$ 66,000	In progress – Ongoing as positions are filled

### **2024 Annual Forecast Budget vs Actual**

For the year-end, HR and IT is expected to exceed the budget by \$58k. While ongoing recruitment efforts mean that savings in salaries and benefits will not persist, there may be some residual savings in training costs, particularly in corporate staff development, due to the later timing of new hires. The budgetary pressures on recruitment costs, Employee and Family Assistance Program usage, and Supplies and Materials are expected to continue, contributing to the overall unfavorable variance.

### **Planning Ahead**

As we enter the second half of 2024, the HR and IT department will focus on several key areas to address the budgetary challenges and opportunities identified in the first half of the year. With two positions already filled in Q2 and four more scheduled for Q3, the department's primary focus will be on successfully recruiting for the remaining vacancies. We anticipate that the recruitment efforts will lead to increased expenses, particularly given the higher costs associated with hiring senior-level management. HR and IT will continue to evaluate and optimize internal processes and controls to improve operational efficiency and achieve cost savings wherever possible. The temporary HR and IT positions that were identified at the beginning of the year to support the organization within the existing departmental budget, remain unfilled due to challenges in recruiting for temporary roles.

The outstanding IT positions are non-management roles and thus not expected to result in increased recruitment costs. The main challenge for IT is to locate and recruit qualified candidates to fill the more complex technical specialized roles.

## Q2 Operating Memo – Library

Library as at June 30, 2024	Q2 Budget	Q2 Actual	YTD Budget	2024	2024	2024 Annual	2024
	YTD Jun 30	YTD Jun 30	vs Forecast	Annual	Annual	Budget	Enhancement
				Budget	Forecast	vs Forecast	
<b>100 Revenue</b>							
200 Sale of Services	(12,193)	(21,211)	9,018	(24,880)	(41,096)	16,216	-
250 Grants from Other Governments	(78,275)	0	(78,275)	(159,742)	(160,076)	334	-
300 Other Revenue	0	(169)	169	0	(170)	170	-
350 Contribution Revenue	(28,175)	0	(28,175)	(57,500)	(110,000)	52,500	-
<b>Total 100 Revenue</b>	<b>(118,643)</b>	<b>(21,380)</b>	<b>(97,263)</b>	<b>(242,122)</b>	<b>(311,342)</b>	<b>69,220</b>	<b>0</b>
<b>200 Expenses</b>							
400 Salaries/Benefits/Training	1,738,472	1,659,795	78,677	3,597,717	3,610,458	(12,741)	-
450 Contracted Services	57,360	38,234	19,126	117,063	173,845	(56,782)	-
500 Supplies and Materials	412,443	370,817	41,626	841,727	752,073	89,654	-
725 Amortization	339,000	339,000	0	678,000	678,000	0	-
<b>Total 200 Expenses</b>	<b>2,547,275</b>	<b>2,407,846</b>	<b>139,429</b>	<b>5,234,507</b>	<b>5,214,375</b>	<b>20,132</b>	<b>0</b>
<b>Total Library</b>	<b>2,428,632</b>	<b>2,386,466</b>	<b>42,166</b>	<b>4,992,385</b>	<b>4,903,033</b>	<b>89,352</b>	<b>0</b>

### As At June 30, 2024 Budget vs Actual

At Q2, the Library Department is showing a favorable year-to-date (YTD) expenditure variance of \$42K, primarily due to savings in salaries and benefits, as well as the timing of spending on contracted services, supplies, and materials. These expenditure variances are mainly the result of hiring delays and the timing of expenditures related to the library enhancement grant. The unfavorable revenue variance of \$97K at Q2 is mainly due to the timing of the annual provincial grant, which is received in July, and the recognition of the annual Contribution Revenue from the library enhancement grant of \$110K, which will be recorded at year end.

In 2023, the Library received a one-time \$409K Enhancement Grant from the Province, to be spent over the next three years. Library staff plan to use \$110K of the Enhancement Grant in 2024 to conduct a library needs assessment and create a space use plan for strategic areas of the library. Consequently, staff increased the annual Contribution Revenue target from the budgeted \$50K to \$110K.

The department anticipates approximately \$37K savings in budgeted salaries and benefits expenses due to vacant positions, offset by a \$50K unbudgeted cost for a temporary position starting September to assist library staff with project management of the needs assessment project. The \$50K additional spend is funded by part of the \$110K enhancement grant (under Contribution Revenue above) and therefore has no net financial impact to the City.

The annual contracted services expense is forecasted to have a minor saving of \$3K for the year, offset by a \$60K unbudgeted cost for hiring consultants to conduct needs assessments and space planning work. This \$60K additional spend is funded by part of the \$110K enhancement grant (under Contribution Revenue above) and therefore has no net financial impact to the City.

At this time, Library staff forecast a net favorable departmental operating variance of \$89K for 2024. Staff will continue to monitor operations and financial performance and adjust the annual forecast at Q2 as needed.

Two vacant full-time positions are expected to be filled in Q4. Two part-time positions also remain vacant, and these positions are expected to remain unfilled for the remainder of 2024.

### 2024 Service Enhancement

Library has no service enhancement in 2024.

## **Q2 Operating Memo – Library**

### **Planning Ahead**

Staff development and training remains a high priority, not only as part of recruitment and onboarding activities, but to better support staff as we navigate the challenges of serving our community. Declining mental health and an increase in substance abuse continues to present challenges in public areas and for staff delivering library services. Staff training continues to be a priority and greater emphasis will be placed on staff safety and emotional resiliency.

## Q2 Operating Memo – Parks and Recreation

Parks and Recreation as at June 30, 2024	Q2 Budget	Q2 Actual	YTD Budget	2024	2024	2024 Annual	2024
	YTD Jun 30	YTD Jun 30	vs Forecast	Annual	Annual	Budget	Enhancement
				Budget	Forecast	vs Forecast	
<b>100 Revenue</b>							
200 Sale of Services	(3,117,763)	(2,587,641)	(530,122)	(6,993,120)	(6,882,678)	(110,442)	(1,047,600)
250 Grants from Other Governments	(1,960)	(14,254)	12,294	(4,000)	(16,294)	12,294	-
300 Other Revenue	(33,648)	(37,404)	3,756	(93,900)	(122,550)	28,650	(78,900)
350 Contribution Revenue	(882)	0	(882)	(1,800)	(918)	(882)	-
<b>Total 100 Revenue</b>	<b>(3,154,253)</b>	<b>(2,639,299)</b>	<b>(514,954)</b>	<b>(7,092,820)</b>	<b>(7,022,440)</b>	<b>(70,380)</b>	<b>(1,126,500)</b>
<b>200 Expenses</b>							
400 Salaries/Benefits/Training	8,699,386	8,322,937	376,449	18,353,418	18,299,644	53,774	1,782,126
450 Contracted Services	230,335	222,919	7,416	507,646	577,531	(69,885)	60,516
500 Supplies and Materials	915,627	881,622	34,005	1,988,529	2,095,595	(107,066)	262,710
600 Cost of Sales	147,573	252	147,321	302,100	290,581	11,519	10,900
725 Amortization	3,410,502	3,410,502	0	6,821,000	6,821,000	0	-
<b>Total 200 Expenses</b>	<b>13,403,423</b>	<b>12,838,232</b>	<b>565,191</b>	<b>27,972,693</b>	<b>28,084,351</b>	<b>(111,658)</b>	<b>2,116,252</b>
<b>Total Parks and Recreation</b>	<b>10,249,170</b>	<b>10,198,933</b>	<b>50,237</b>	<b>20,879,873</b>	<b>21,061,911</b>	<b>(182,038)</b>	<b>989,752</b>

### As At June 30, 2024 Budget vs Actual to Date

Q2 actuals indicate a positive net position of \$0.05M. \$3.15M Revenue budget split is \$0.35M or 11% **Parks** and \$2.80M or 89% **Recreation**, with Q2 actuals indicating a \$0.51M deficit. A \$0.10M positive variance in **Parks** sale of services from facilities rentals in Queen's Park as well as uptick in registered sports programs is offset by \$0.63M negative variance in **Recreation** due to the phased opening of tāmasewtx<sup>w</sup> Aquatic and Community Centre facility during Q2 which saw only 1 month of aquatic operations and 2 months of community recreation and fitness. Furthermore, with the soft opening of TACC, facility programs were limited by the number of on-boarded aquatic staff which resulted in aquatics lessons not starting until July.

\$13.40M Expense budget split is \$4.15M or 31% **Parks** and \$9.25M or 69% **Recreation**, with Q2 actuals indicating a \$0.56M surplus primarily from 11 staff vacancies (Parks 1, Recreation 10) from a total staff compliment of 111 full time equivalent positions. Recruitment is underway for vacancies supplemented by auxiliary employee backfill. This approach is sustainable over the short term, although it does leave the department vulnerable as the pool of available staff is drawn down and labour market forces continue to make staff recruitment challenging. Positive variance in **Recreation** supplies and materials primarily due to timing of spend. Positive variance of **Recreation** cost of sales mirrors measured concession sales.

### 2024 Service Enhancements

Description	Amount	Status
Incremental Program Registration Revenue	\$ (450K)	Tracking with Budget
Incremental Rental Revenue	\$ (150K)	Tracking with Budget
Irrigation Technician	\$ 95K	Filled (Feb 2024)
tāmasewtx <sup>w</sup> Aquatic and Community Centre	\$ 902K	Grand Opening and fully operational June 1
FT Assistant Programmer	\$ 50K	Posting May 2024
Youth Services – AUX Hours	\$ 75K	Tracking with service delivery
1.6 FTE Building Service Worker	\$ 140K	1 FTE filled (Feb 2024), 0.6 posting Summer 2024
Assistant Program Coordinator - Gymnastics and Trampoline	\$25K	Filled (Feb 2024)

## Q2 Operating Memo – Parks and Recreation

Aux support worker 1:1 staff	\$ 25K	Tracking with service delivery
Assistant Program Coordinator - Park Services	\$ 87K	Posting Summer 2024, back filled with AUX staff
Arborist 1	\$ 100K	Posting Fall 2024
Labourer 2- Arboriculture/ Natural Areas	\$ 80K	Filled with AUX
Arboriculture - Operations and Maintenance	\$ 10K	Work in progress, tracking with service delivery
<b>Total</b>	<b>\$ 989K</b>	

### **2024 Annual Forecast Budget vs Actual**

\$7.09M Revenue budget split is \$0.54M or 8% **Parks** and \$6.55M or 92% **Recreation**, with the annual forecast signaling \$0.07M deficit. **Recreation** is anticipating a negative variance in drop-in revenues due to the later than anticipated grand opening of tāmasewtx<sup>w</sup> Aquatic and Community Centre (TACC) facility which happened partway through Q2 and also a decline at the Queensborough Community Centre. This is offset by **Parks** anticipating to have a positive variance due to uptick in registered sports programs and facilities rentals.

\$27.97M Expense budget split is \$8.59M or 31% **Parks** and \$19.38M or 69% **Recreation**, with the annual forecast signaling a \$0.11M deficit. Negative variance is mainly due to **Recreation** supplies and **Parks** contracted services along with positive variance in salaries through Q4.

### **Planning Ahead**

Out of the five areas of the 2023-2026 Strategic Priorities Plan, the Parks and Recreation department plays a crucial role in the area of ‘Community Belonging and Connecting’ and ‘Asset Management’, with a direct involvement in advancing goals and objectives related to reconciliation, DEIAR, as well as climate action and environment.

The Parks and Recreation Department continues work toward 2025 completion of its Parks and Recreation Plan update (referred to as ‘People, Parks and Play: Connections for All’). Round 1 of engagement is now complete and the inventory and analysis phase is now underway to help ensure parks and recreation responds to the growing needs of the community now and into the future.

tāmasewtx<sup>w</sup> Aquatic and Community Centre facility construction is complete and is open to the community. The phased introduction of programs and services will conclude at the end of August. Programs and Facility Services come September will greatly expand as staff hiring continues to progress. A robust facility rental calendar has been populated for the coming quarters.

The Parks division to continue to maintain existing/ newly planted trees (i.e. URBEI phase 1 includes 2,200 new trees in parks and open spaces) and maintain existing/ newly establish natural areas in Queen’s Park, Moody Park, Hume Park, Ryall Park and along the Stanley Street Greenway. Inventory of dead and dying trees on streets and boulevards is underway, as well as planning locations for URBEI Phase 2 to plant new street/ boulevard tree plantings in tree deficient neighbourhoods.

## **Q2 Operating Memo – Parks and Recreation**

Staff will continue to closely monitor and manage the service offerings. Staff will be putting additional measures in monitoring the services that are pivoted/customized with the change in circumstances, such as ongoing capital projects. Recruitment efforts will remain ongoing, yet strategic in order to yield operational savings where practical to do so.



## Q2 Operating Memo – Planning and Development

Planning and Development as at June 30, 2024	Q2 Budget	Q2 Actual	YTD Budget	2024	2024	2024 Annual	2024
	YTD Jun 30	YTD Jun 30	vs Forecast	Annual	Annual	Budget	Enhancement
				Budget	Forecast	vs Forecast	
<b>100 Revenue</b>							
200 Sale of Services	(8,497)	(67,826)	59,329	(16,993)	(76,323)	59,330	-
250 Grants from Other Governments	0	(332,707)	332,707	0	(332,707)	332,707	-
300 Other Revenue	(3,402,367)	(3,169,105)	(233,262)	(6,804,991)	(7,208,489)	403,498	(2,669,114)
350 Contribution Revenue	(352)	0	(352)	(700)	(348)	(352)	-
<b>Total 100 Revenue</b>	<b>(3,411,216)</b>	<b>(3,569,638)</b>	<b>158,422</b>	<b>(6,822,684)</b>	<b>(7,617,867)</b>	<b>795,183</b>	<b>(2,669,114)</b>
<b>200 Expenses</b>							
400 Salaries/Benefits/Training	3,564,931	2,963,995	600,936	8,014,418	7,464,058	550,360	1,823,772
450 Contracted Services	309,310	443,721	(134,411)	618,628	878,069	(259,441)	75,000
500 Supplies and Materials	79,287	62,142	17,145	158,595	136,452	22,143	26,450
650 Grants	64,546	78,166	(13,620)	129,100	129,100	0	110,000
<b>Total 200 Expenses</b>	<b>4,018,074</b>	<b>3,548,024</b>	<b>470,050</b>	<b>8,920,741</b>	<b>8,607,679</b>	<b>313,062</b>	<b>2,035,222</b>
<b>Total Planning and Development</b>	<b>606,858</b>	<b>(21,614)</b>	<b>628,472</b>	<b>2,098,057</b>	<b>989,812</b>	<b>1,108,245</b>	<b>(633,892)</b>

### As at Jun 30, 2024 Budget vs Actual to Date

The Planning and Development Department is tracking a net surplus of \$628K as of Q2. This surplus is largely attributable to \$601K savings in salaries and benefits due to vacancies, as well as \$333K unbudgeted grants received from other governments. These gains are partially offset by a short term decline of \$233K unfavorable variance in other revenue, which is expected to recover later in the year, and a \$134K unfavorable variance in contracted services.

The department has a number of positions vacant for which recruitment efforts are actively underway to identify and hire suitable candidates for all departmental vacancies. Many vacant positions require coordination with MetroVan for approval of the class specifications and those dialogues continue in earnest.

In Other Revenue, while there is an increase in the issuance of plumbing and planning permits, which resulted in a \$379K favorable variance, an unfavorable variance of \$612K is experienced in building permits, which is expected to recover by the end of the year due to large projects currently under review.

The majority of the \$134K negative variances in Contracted Services, was due to the \$178K charge for the rental and maintenance costs for portable toilets, which were funded by a grant that has now been exhausted. The portable toilet project is complete and no further charges are anticipated beyond some minor charges in Q3; staff continue to seek senior government funding to reimburse the related cost overages. Additionally, \$51K of the negative variances is related to legal fees the city incurs on behalf of the developers, which is directly offset by the \$59K positive variance in sales of reserves, as third-party cost recovery is received from development applicants. A favorable variance of \$125K is experienced in consultant and studies for the Planning and the Crises Response Team which is expected to be spent by the end of the year as the work is well underway.

The positive variances in supplies and materials and grants are attributed to the timing of expenditures, which are expected to be fully utilized by the end of the year.

### 2024 Service Enhancements

	Description	Amount	Status
	<b>Building &amp; Plumbing Division</b>		
1	Legislatively required reclassification of existing positions	\$ 189,120	In Progress
2	Plumbing Inspector Cross Connection Control	\$ 118,932	In Progress

## Q2 Operating Memo – Planning and Development

3	1 RFT Building Clerk 3	\$ 90,483	Completed
4	1 RPT Zoning Administrator	\$ 53,193	In Progress
<b>Planning Division</b>			
5	Development Planner 3	\$ 150,203	In Progress
6	Senior Housing Planner (P2)	\$ 75,126	Completed
7	Housing Planner (P1)	\$ 128,621	Completed
8	Affordable Housing Project Manager (P2)	\$ 2,963	Completed
9	Supervisor, Land Use Planning (P3)	\$ 79,884	Completed
10	Senior Social Planner (P2)	\$ 196,289	Completed
11	Development Paralegal (P1)	\$ 66,240	In Progress
<b>Crises Response Pilot Project</b>			
12	Crises Response Team - Manager	\$ 106,883	Completed
13	Crises Response Team - Homelessness Livability Supervisor	\$ 86,779	Completed
14	Crises Response Team - Encampment Safety Officer	\$ 76,458	Completed
15	Crises Response Team - Non Clinical Outreach worker	\$ 86,779	Completed
16	Crises Response Team - Non Clinical Outreach worker	\$ 86,779	In progress
17	Crises Response Team - Homelessness Services Coordinator	\$ 76,458	Completed
18	Policy Development & Advocacy Team - Homelessness Planning Analyst	\$ 70,470	In progress
19	Policy Development & Advocacy Team - Data Analyst	\$ 35,235	In progress
20	Policy Development & Advocacy Team – Indigenous Planning Consultant	\$ 63,750	Consultant retained
21	Crises Response Team - Contracted Services, Supplies and Materials	\$ 15,000	Ongoing - to be utilized by Q4
22	Operations Support Team - Contracted Services, Supplies and Materials	\$ 7,500	Ongoing - to be utilized by Q4
<b>Other</b>			
23	Staffing salary upgrades due to reclassifications	\$ 62,079	In Progress
24	Welcome Centre Community Navigator Position	\$ 75,000	Completed
25	Rent Bank	\$ 35,000	In Progress - to be paid out later in the year

### **2024 Annual Budget vs Forecast**

By the end of the year, the Planning and Development Department is projected to operate below the allocated budget, with a net surplus of \$1.1M. The surplus is primarily attributed to: (1) savings in salary, benefits, and training expenses resulting from new positions described above, as these require time to be filled through the first part of the year; and (2) building, plumbing, and planning permit issuance revenues (Other Revenue). Regarding the latter, the increase in the plumbing and planning permit issuances is expected to continue, and building permits are on track to meet the original budget projections.

The savings related to position vacancies are expected to be one-time, as recruitment efforts continue and training and development activities are carried out for both existing and newly hired staff members.

## Q2 Operating Memo – Planning and Development

Moving into Q3 and Q4 the salaries from the reclassifications accounted for, including retroactive pay thereby reducing some of the salary surplus by year-end.

In Contracted Services, the rental and maintenance costs for portable toilets will continue to be the primary reason for unfavorable variances. Consultant and study expenses are expected to align with the budget as staff are hired and vacancies are filled. All budgeted grants are expected to be disbursed by the end of the year.

### **Planning Ahead**

The Planning and Development Department remains dedicated to furthering Council's Strategic Priorities Plan Homes and Housing Options priority, aligning with the City's housing targets derived from the mandated Housing Needs Report and the recent provincial legislation requirements. Throughout the first half of the year, the department effectively utilized the resources allocated for 2024 to expedite these endeavors, notably through the establishment and staffing of the Planning and Development Systems Team, Housing Division and the Crises Response Team. Looking ahead into the third quarter, the department will continue to concentrate on the following key areas:

- Ensuring compliance with provincial legislation deadlines from 2024 through 2025.
- Advancing affordable housing acceleration and infill housing projects, alongside updating crucial housing policies such as family-friendly initiatives, inclusionary zoning, and tenant relocation.
- Offering support for affordable housing development applications.
- Concluding Phase 1 of the Development Application Process Review (DAPR) and transitioning to implementing recommendations from the review.
- Establishing the Planning and Development Systems team to enhance operational efficiencies, streamline processes, and ensure seamless coordination within the department, interdepartmentally and with our applicants.
- Improving data collection and reporting through digital permitting.
- Leveraging the UBCM DAPR Grant to enhance the efficiency of the DAPR initiatives, thereby strengthening the department's ability to process development applications effectively and expediently while providing top tier customer service.
- Advancing the Crises Response Pilot Project in collaboration with the Policy Development and Advocacy Team.
- Completing a comprehensive assessment of the Integrated Services Division, evaluating its structure and operational mandate.
- Facilitating the relocation of the Climate Action Division to the City's new Energy and Climate Action Department.
- Continue proactive outreach and enforcement patrols to support our unhoused community, our residents and business owners.
- Providing ongoing assistance to Ec Dev in adopting and implementing the new Business Licence Bylaw and related changes to the BON and MTI Bylaw.
- Continue coordinating interdepartmentally to advance Storm Water Management Plans for new developments.

## **Q2 Operating Memo – Police**

The New Westminster Police Department Q2 2024 Financial Report and Forecast will be available in the link below after the Police Board meeting scheduled for September 17, 2024 at 9:30 am.

<https://www.nwpolice.org/inside-new-westminster-police-department/police-board/2024-meetings-schedule-agendas/>