

Attachment #2

Quarterly Department Operating Memos

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Q1 Operating Memo – Community Services

Community Services as at March 31, 2025	Q1 Budget	Q1 Actual	YTD Budget	2025	2025	2025 Annual	2025
	YTD Mar 31	YTD Mar 31	vs Forecast	Annual	Annual	Budget	Enhancement
				Budget	Forecast	vs Forecast	
100 Revenue							
200 Sale of Services	(43,449)	(67,393)	23,944	(181,030)	(204,772)	23,742	(110,000)
250 Grants from Other Governments	(7,200)	(23,000)	15,800	(47,000)	(47,000)	-	-
300 Other Revenue	(1,912,710)	(2,323,721)	411,011	(5,059,327)	(5,072,740)	13,413	(210,000)
350 Contribution Revenue	(2,409)	(157)	(2,252)	(10,030)	(9,430)	(600)	-
Total 100 Revenue	(1,965,768)	(2,414,271)	448,503	(5,297,387)	(5,333,942)	36,555	(320,000)
200 Expenses							
400 Salaries/Benefits/Training	1,742,183	1,410,119	332,064	6,674,079	6,407,608	266,471	635,113
450 Contracted Services	234,039	107,205	126,834	965,843	974,161	(8,318)	195,000
500 Supplies and Materials	101,790	45,935	55,855	423,058	412,296	10,762	5,000
600 Cost of Sales	284,544	385,431	(100,887)	1,398,762	1,529,591	(130,829)	-
650 Grants	496,800	614,823	(118,023)	978,450	978,450	-	-
725 Amortization	453,360	472,251	(18,891)	1,889,000	1,889,000	-	-
Total 200 Expenses	3,312,716	3,035,764	276,952	12,329,192	12,191,106	138,086	835,113
Total Community Services	1,346,948	621,493	725,455	7,031,805	6,857,164	174,641	515,113

As at March 31, 2025 Budget vs Actual to Date

\$1.96M Revenue budget split is \$1.29M or 65% **Economic Development**, \$0.47M or 24% **Anvil Conference Centre** \$0.12M or 6% **Anvil Centre Theatre and Arts Services**, \$0.06M or 3% **Community Partnerships**, \$0.01M or 1% **Art + Technology**, and \$0.01M or 1% **Museum & Heritage Services**. Q1 is indicating a \$0.45M surplus. Positive variance is primarily due timing of revenue recognition of business licenses and uptick to Arts programming registrations and rentals.

\$3.33M Expense budget split is \$0.73M or 22% **Anvil Conference Centre**, \$0.52M or 15% **Anvil Centre Administration**, \$0.71M or 21% **Community Partnerships**, \$0.33M or 10% **Anvil Centre Theatre & Arts Services**, \$0.32M or 10% **Museum & Heritage Services**, \$0.24M or 7% **Economic Development**, \$0.20M or 6% **Communications**, \$0.17M or 5% **Art + Technology** and \$0.12M or 4% **Public Engagement**.

Q1 is indicating a of \$0.30M surplus. Positive variance is a combination of position vacancies along with seasonality/spend timing of Contracted Services, Supplies & Materials and offset by Cost of Sales and awarding of City Grants in Aid. Recruitment is underway for vacancies as supplemented by auxiliary employee backfill. The Anvil Centre amortization expense, included under **Anvil Centre Administration** is a non-cash accounting item related to depreciation of capital tangible assets. While it impacts the reported net income, it does not reflect the department's actual cash flow or business operational performance.

2025 Service Enhancements

Description (Operating Funded)	Amount	Status
Incremental Program Registration Revenue – Arts Services	\$ (65K)	Staff are monitoring
Incremental Program Registration Revenue – Art + Technology	\$ (45K)	Staff are monitoring
Incremental Revenue – Business Licenses	\$ (20K)	Staff are monitoring
Incremental Revenue – Filming	\$ (190K)	Staff are monitoring
Subscriptions and licensing	\$ 15K	Staff are monitoring

Q1 Operating Memo – Community Services

Grants Coordinator	\$ 96K	Position filled April 2025
Manager, Economic Development	\$ 174K	Recruitment in progress
Manager, Community Partnerships	\$ 162K	Position filled March 2025
Licensing Clerk 3	\$ 53K	Recruitment anticipated Summer 2025
Auxiliary Support	\$ 74K	Staff are monitoring
FIFA 2026 World Cup Coordinator	\$ 62K	Recruitment in progress
Community Advisory Assembly	\$ 50K	New committee term to start in September 2025
Consulting Services – Major Projects	\$ 150K	Staff are monitoring
Total	\$ 515K	

2025 Annual Forecast Budget vs Actual

\$5.30M Revenue budget split is \$2.53M or 48% **Anvil Conference Centre**, \$1.75M or 33% **Economic Development**, \$0.53M or 10% **Community Partnerships**, \$0.39M or 7% **Anvil Centre Theatre & Arts Services**, \$0.04M or 1% **Art + Technology**, and \$0.04M or 1% **Museum & Heritage Services**. Annual forecast anticipated to track on budget.

\$12.43M Expense budget split is \$3.16M or 26% **Anvil Conference Centre**, \$2.14M or 17% **Anvil Centre Administration**, \$1.82M or 15% **Community Partnerships**, \$1.24M or 10% **Anvil Centre Theatre & Arts Services**, \$1.23M or 10% **Museum & Heritage Services**, \$0.88M or 7% **Economic Development**, \$0.76M or 6% **Communications** \$0.67M or 5% **Art + Technology** and \$0.48M or 4% **Public Engagement**. Annual forecast is signaling a positive variance of \$0.16M primarily due to part year position vacancies in Salaries/Benefits & Training offset by cost of sales for the **Anvil Conference Centre**.

Planning Ahead

The divisions that make up the Community Services Department contribute towards Council's *2023-2026 Strategic Priorities Plan*, in particular Community Belonging and Connecting and People-Centered Economy.

Across the Department, division budgets are tracking as forecast for 2025. As well, vacancies are being filled as projected. Staff continue to monitor revenue projections, spending, and capital projects, and will continue to seek efficiencies while delivering quality services to the community.

Q1 Operating Memo – Corporate Services – Administration

Corporate Services as at March 31, 2025	Q1 Budget	Q1 Actual	YTD Budget	2025	2025	2025 Annual	2025
	YTD Mar 31	YTD Mar 31	vs Forecast	Annual Budget	Annual Forecast	Budget vs Forecast	Enhancement
100 Revenue							
200 Sale of Services	-	-	-	-	-	-	-
250 Grants from Other Governments	-	-	-	-	-	-	-
Total 100 Revenue	-	-	-	-	-	-	-
200 Expenses							
400 Salaries/Benefits/Training	800,279	651,221	149,058	3,224,271	3,098,849	125,422	195,718
450 Contracted Services	236,486	213,335	23,151	8,616,483	8,987,072	(370,589)	-
500 Supplies and Materials	121,156	28,011	93,145	487,011	88,225	398,786	1,100
650 Grants	-	17	(17)	-	17	(17)	-
Total 200 Expenses	1,157,921	892,584	265,337	12,327,765	12,174,163	153,602	196,818
Total Corporate Services	1,157,921	892,584	265,337	12,327,765	12,174,163	153,602	196,818

As at March 31, 2025 Budget vs Actual to Date

The Corporate Services Department is under budget in Q1, with a net surplus of \$116K. This is primarily due to \$149K in savings from unfilled positions and delayed conference and training expenses, which are expected to normalize later in the year.

Spending on Contracted Services and Supplies & Materials should be considered together due to the Building Safer Communities Fund (BSCF) project. This project, managed by the Intergovernmental Relations Division, involves subcontracting work to community partners. As a result, actual expenditures appeared under Contracted Services, while the YTD budget of \$103K was allocated to Supplies & Materials, leading to an \$87K overage. However, since the BSCF project is funded by a grant from Public Safety Canada (reported under Grants from Senior Government), there is no net financial impact to the City.

Within the Legislative Services Division, a key variance relates to the \$100K annual budget for the Ethics Commissioner, originally allocated under Contracted Services. This function has since transitioned to the Human Resources Department, resulting in savings for Legislative Services. These savings are partially offset by increased records management fees—due to higher records volumes and rising costs—and lower-than-expected legal expenses, primarily due to timing.

The Legislative Services Division is currently fully staffed, with the exception of two enhancement positions, which are anticipated to be filled in Q4.

2025 Service Enhancements

Description (Operating Funded)	Amount	Status
Manager of Records and Information	\$ 116K	In progress – expected to be filled in Q4
Elections Coordinator – for the 2026 general local election for the office of the mayor, councillors, and school trustees	\$ 81K	In progress – expected to be filled in Q4 and prorated between 2025 to 2026
Total	\$ 197K	

2025 Annual Budget vs Forecast

By year-end, Corporate Services is projected to end under budget, with a net surplus of \$154K. However, after reallocating \$100K in contracted services for the Ethics Commissioner to Human Resources, the adjusted surplus is expected to be \$54K. This revised figure reflects \$125K in savings from salaries and

Q1 Operating Memo – Corporate Services – Administration

benefits due to partial-year vacancies, offset by a \$71K overage in Contracted Services and Supplies & Materials—primarily driven by increased records management fees resulting from higher volumes and rising costs.

The Building Safer Communities Fund (BSCF) project is expected to fully utilize its \$412K budget for the current year. Funded by senior government, the program runs through March 31, 2026, and has no net financial impact on the City's budget.

Planning Ahead

With the 2024 enhancements on deck to be utilized, the Manager, Records and Information, and Elections Coordinator will be hired and allow the Department to proceed through Q4 and the next year with sufficient resources to begin preparation for the 2026 General Local Elections and ongoing records stewardship. The Corporate Services Department is looking to maintain operational efficiency and efficacy through continued financial moderation and accurate forecasting.

The Corporate Services Department will be on budget with some overspend on conferences for Intergovernmental Relations and normalization of spending through Q2-Q4.

Q1 Operating Memo – BridgeNet

BridgeNet as at March 31, 2025	Q1 Budget	Q1 Actual	YTD Budget	2025	2025	2025 Annual	2025
	YTD Mar 31	YTD Mar 31	vs Forecast	Annual Budget	Annual Forecast	Budget vs Forecast	Enhancement
100 Revenue							
150 Utility Rates	(105,786)	(34,767)	(71,019)	(391,800)	(391,800)	-	-
300 Other Revenue	-	-	-	(32,831)	(32,831)	-	-
Total 100 Revenue	(105,786)	(34,767)	(71,019)	(424,631)	(424,631)	-	-
200 Expenses							
400 Salaries/Benefits/Training	55,980	45,807	10,173	216,583	207,149	9,434	-
450 Contracted Services	20,943	18,152	2,791	77,570	77,570	-	-
500 Supplies and Materials	13,121	-	13,121	52,600	52,601	(1)	-
725 Amortization	120,720	125,751	(5,031)	503,000	503,000	-	-
Total 200 Expenses	210,764	189,710	21,054	849,753	840,320	9,433	-
300 Fiscal Expenses							
550 Interest	48,438	25,955	22,483	201,824	201,824	-	-
Total 300 Fiscal Expenses	48,438	25,955	22,483	201,824	201,824	-	-
Total BridgeNet	153,416	180,898	(27,482)	626,946	617,513	9,433	-

As at March 31, 2025 Budget vs Actual to Date

BridgeNet is unfavorable to budget in Q1 by \$27K due to delays in pricing setup and billing to start the year offset by expenditure delays.

2025 Service Enhancements

Not applicable.

2025 Annual Budget vs Forecast

Revenue timing delays due to pricing setup and billing will be resolved in Q2. It is anticipated that revenue will meet Budgeted expectations by the end of the year.

Similarly, it is expected that expenditure spending will catch-up to Budgeted levels and BridgeNet Utility will achieve its annual Budget.

Planning Ahead

BridgeNet's marketing plan has improved the number of buildings and businesses signed up in 2024 which is resulting in revenue improvements into 2025. Continued efforts to increase the number of buildings and businesses signed up in 2025 will enable the BridgeNet Utility to achieve its 2025 Budget. 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.

Q1 Operating Memo – Energy & Climate Action

Energy & Climate Action as at March 31, 2025	Q1 Budget	Q1 Actual	YTD Budget	2025	2025	2025 Annual	2025
	YTD Mar 31	YTD Mar 31	vs Forecast	Annual Budget	Annual Forecast	Budget vs Forecast	Enhancement
100 Revenue							
150 Utility Rates	(16,799,666)	(17,719,615)	919,949	(63,727,506)	(63,768,638)	41,132	-
200 Sale of Services	(1,008)	(107,057)	106,049	(54,061)	(110,855)	56,794	-
300 Other Revenue	-	-	-	(269,603)	(269,603)	-	-
350 Contribution Revenue	(864,000)	(653,761)	(210,239)	(3,650,000)	(3,650,000)	-	-
Total 100 Revenue	(17,664,674)	(18,480,433)	815,759	(67,701,170)	(67,799,096)	97,926	-
200 Expenses							
400 Salaries/Benefits/Training	1,384,993	1,055,827	329,166	5,376,439	4,700,242	676,197	130,250
450 Contracted Services	539,490	238,925	300,565	3,183,960	3,197,982	(14,022)	-
500 Supplies and Materials	133,524	66,791	66,733	531,492	561,797	(30,305)	-
600 Cost of Sales	-	570	(570)	-	569	(569)	-
725 Amortization	938,880	978,000	(39,120)	3,912,000	3,912,000	-	-
750 Utility Purchases and Levies	9,532,070	9,853,611	(321,541)	36,155,309	36,155,309	-	-
Total 200 Expenses	12,528,957	12,193,724	335,233	49,159,200	48,527,899	631,301	130,250
300 Fiscal Expenses							
550 Interest	882,738	542,374	340,364	1,765,476	1,765,504	(28)	-
Total 300 Fiscal Expenses	882,738	542,374	340,364	1,765,476	1,765,504	(28)	-
Total Energy & Climate Action	(4,252,979)	(5,744,335)	1,491,356	(16,776,494)	(17,505,693)	729,199	130,250

As at March 31, 2025 Budget vs Actual to Date

Energy and Climate Action is favorable to budget in Q1 by \$1.5M due to colder January temperatures, higher residential demand (\$0.9M), staff vacancies and service enhancement positions to be filled (\$0.3M), and timing impacts on spending in areas such as Contracted Services (\$0.6M) where spending is delayed. The department currently has 4.5 vacant FTEs and 1 service enhancement FTE vacant. In addition, the department has 1 service enhancement positions to fill. This position is expected to be hired in August. Favorable performance in Utility Rates and Salaries and Benefits is offset by \$0.3M higher spending in Electrical Purchases due to higher consumption.

2025 Service Enhancements

Description (Operating Funded)	Amount	Status
Climate Action Coordinator (Education and Awareness)	\$ 130K	Expect to be hired August 2025
Total	\$ 130K	

2025 Annual Budget vs Forecast

The department is projecting to over-achieve budget by \$0.7M due to projected surplus in salary and benefits from staff vacancies.

The department expect to fill 2 of the vacant positions in July, 1 position in August and another 1 position in September. There are 1.5 FTEs under review and/or experiencing delays. The 0.5 FTE is a cost shared position with Engineering.

It is expected that weather trends will return to longer term averages by the end of that year and that Utility Rate revenue and Electrical Purchases will achieve budgeted expectations. In addition, there is expected to be catch-up to annual budgeted levels by the end of year in areas such as Contracted Services where there was a positive timing impact in Q1.

Q1 Operating Memo – Energy & Climate Action

Planning Ahead

The Climate Action division is launching the development of a Climate Change Adaptation and Resilience plan, ongoing delivery of Energy Save New West and advancing the vulnerable buildings assessment project, which aims to identify climate hazard vulnerable rental buildings.

Planning ahead, the Electrical Utility division will be continuing work on the 10 year distribution plan, with the goal of having the plan finalized this year. The plan will help define upcoming capital projects, prepare for the addition of new capital assets, and anticipate the financial impacts of long-term load supply and demand needs. Work also continues on an Electric Utility Asset Management plan. The Electrical Utility is progressing through the AMI project deployment and is planning for the financial impacts of operating the AMI assets.

Q1 Operating Memo – Electrical Services

Electrical Services as at March 31, 2025	Q1 Budget	Q1 Actual	YTD Budget	2025	2025	2025 Annual	2025
	YTD Mar 31	YTD Mar 31	vs Forecast	Annual	Annual	Budget	Enhancement
				Budget	Forecast	vs Forecast	
100 Revenue							
200 Sale of Services	(847)	(4,106)	3,259	(44,440)	(47,699)	3,259	-
Total 100 Revenue	(847)	(4,106)	3,259	(44,440)	(47,699)	3,259	-
200 Expenses							
400 Salaries/Benefits/Training	232,995	240,053	(7,058)	899,794	900,249	(455)	-
450 Contracted Services	23,486	3,526	19,960	97,863	97,863	-	-
500 Supplies and Materials	35,974	72,563	(36,589)	149,889	149,889	-	-
Total 200 Expenses	292,455	316,142	(23,687)	1,147,546	1,148,001	(455)	-
Total Electrical Services	291,608	312,036	(20,428)	1,103,106	1,100,302	2,804	-

As at March 31, 2025 Budget vs Actual to Date

Electrical Services is tracking to the Budget in Q1 and is on Plan. Higher than planned spending in Supplies and Materials are offset by spend timing in Contracted Services.

2025 Service Enhancement

Not applicable.

2025 Annual Budget vs Forecast

At this time, the Electrical Services department is projecting meet Budgeted expectation although unfavorable trending in Supplies and Materials will be closely monitored and re-projected if appropriate. In addition, there is expected to be catch-up to annual budgeted levels in Contracted Services, where there was a positive timing impact in Q1.

Planning Ahead

Electrical Services will be monitoring Supplies and Material spending and review whether a service enhancement is required to align Budget with demand for Electrical Services.

Q1 Operating Memo – Engineering – General Fund

Engineering (General Fund) as at March 31, 2025	Q1 Budget	Q1 Actual	YTD Budget	2025	2025	2025 Annual	2025
	YTD Mar 31	YTD Mar 31	vs Forecast	Annual Budget	Annual Forecast	Budget vs Forecast	Enhancement
100 Revenue							
200 Sale of Services	(1,402,843)	(1,604,138)	201,295	(5,845,157)	(6,044,450)	199,293	(1,065,000)
250 Grants from Other Governments	(218,367)	(434,757)	216,390	(873,477)	(1,089,868)	216,391	-
300 Other Revenue	(875,724)	(969,207)	93,483	(3,637,223)	(3,822,328)	185,105	(265,000)
350 Contribution Revenue	(6,433)	(16,070)	9,637	(25,758)	(35,396)	9,638	-
Total 100 Revenue	(2,503,367)	(3,024,172)	520,805	(10,381,615)	(10,992,042)	610,427	(1,330,000)
200 Expenses							
400 Salaries/Benefits/Training	5,031,238	4,354,363	676,875	19,518,120	18,815,767	702,353	574,225
450 Contracted Services	811,794	515,979	295,815	3,337,334	2,799,087	538,247	500,000
500 Supplies and Materials	1,013,862	1,418,591	(404,729)	4,212,575	4,864,632	(652,057)	14,167
600 Cost of Sales	-	-	-	-	-	-	-
700 Insurance and Claims	76,379	93,806	(17,427)	318,250	335,679	(17,429)	-
725 Amortization	2,381,280	2,480,499	(99,219)	9,922,000	10,021,219	(99,219)	-
Total 200 Expenses	9,314,553	8,863,238	451,315	37,308,279	36,836,384	471,895	1,088,392
Total Engineering (General Fund)	6,811,186	5,839,066	972,120	26,926,664	25,844,342	1,082,322	(241,608)

As at March 31, 2025 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 \$972K, resulting from better-than-budgeted revenues of \$521K and lower-than-budgeted expenses of \$451K. Revenue was higher than expected due to the timing of receipt of the Q4 2024 Major Road Network grant from TransLink (\$200K), stronger parking revenues and fines (\$193K), and more than anticipated billable third-party service work (\$160K). On the expense side, the primary driver of savings was ongoing staff vacancies (\$677K), though this was partially offset by increased auxiliary staffing costs. Lower than anticipated spending was also observed in contracted services due to delays in receiving invoices. These favorable variances were partially offset by a \$404K overspend in Supplies and Materials, mainly related to facilities unscheduled maintenance repair at Massey Theatre and at Pier Park due to vandalism, and higher diesel and gas costs.

2025 Service Enhancements

Description (Operating Funded)	Amount	Status
Increased Q to Q Ferry Fare Revenue	\$ (75K)	Actuals are trending as anticipated
Increased Meter Revenue – Parking	\$ (400K)	Actuals are trending as anticipated
Increased Fine Revenue – Parking	\$ (275K)	Actuals are trending as anticipated
Increased Meter Revenue –Anvil Parkade	\$ (125K)	Actuals are trending as anticipated
Increased Fine Revenue – Anvil Parkade	\$ (60K)	Actuals are trending as anticipated
Increased Meter Revenue – Front Street Parkade	\$ (75K)	Actuals are trending as anticipated

Q1 Operating Memo – Engineering – General Fund

Increased Fine Revenue – Front Street Parkade	\$ (40K)	Actuals are trending as anticipated
Increased Parking Violations Revenue	\$ (20K)	Actuals are trending as anticipated
Increased Parkade Revenue – Impark	\$ (20K)	Actuals are trending as anticipated
Increased Parking Permit Revenue	\$ (90K)	\$20K lower than anticipated
Increased Plot Sales	\$ (50K)	Actuals are trending as anticipated
Increased Rental Income	\$ (100K)	Actuals are trending as anticipated
ENGGF04 – 1.0 RFT Q to Q Ferry staff	\$ 163K	Classification of new position in progress
ENHGF05 – 1.0 RFT Sweeper Operator	\$ 107K	Hiring not started
ENHGF06 – Reclass Clerk 3 to Towing Coordinator	\$ 33K	Reclass in progress
ENHGF07 – Reclass Superintendent to Section Manager	\$ 37K	Completed – position filled
ENHGF08 – Reclass Clerk 3 to Parking Coordinator	\$ 33K	Reclass in progress
ENGGF09 – 1.0 RFT Engineering Bylaw Officer	\$ 130K	Hiring not started
ENGGF10 – 1.0 RFT Labourer 2	\$ 95K	Hiring not started
ENGGF11 – 1.0 RFT Labourer 2	\$ 95K	Hiring not started
ENGGF12 – 1.0 RFT Labourer 2	\$ 95K	Completed – position filled
Internal Budget Transfers/Reallocation – Convert Auxiliary budget to fund 3.0 RFT Labourer 2	\$ (200K)	Budget transferred
Increased Q to Q Ferry Contracted Services	\$ 500K	\$199K lower than anticipated – budget enhancement was in anticipation of new operating contract (at unknown cost) beginning in August 2025, so costs are still trending below anticipated
Total	\$ (242K)	

Description (Capital Funded)	Amount	Status
ENGGF01 – 1.0 TFT Acting Environmental Coordinator	\$ 60K	Incumbent acting in role since January 1 st 2025.
ENGGF02 – 0.3 TFT Manager of Design & Construction	\$ 70K	Hiring in progress. This position should be filled during summer 2025.
ENGGF13 – 1.0 TFT Project Coordinator	\$ 108K	Hiring in progress
ENGGF14 – 1.0 TFT Project Coordinator	\$ 108K	Hiring in progress
Total	\$ 346K	

Q1 Operating Memo – Engineering – General Fund

2025 Annual Budget vs Forecast

The Engineering Department expects to report a net favorable variance of \$1,082K, primarily driven by forecasted salary savings and higher-than-anticipated revenues from third-party services, parking, and other sources. These gains are expected to offset rising costs associated with scheduled and unscheduled maintenance of 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. Staff are working to address this.

Planning Ahead

The Operating Budget challenges being faced by the Engineering Department are significant in terms of scope, scale and complexity, 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 continues to be called on for response to new and emerging operational demands, these include ongoing high 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 & Properties – The scope and scale of unscheduled maintenance required at a number of facilities continues to be a challenge, although staff have developed a better understanding of the overall facility condition and are better informed to prioritize work since completion of the FAMP. Greater complexity and cost of maintenance, and various staffing challenges, including vacancies, continue to present challenges. As outlined in the FAMP, staff are making improvements to scheduled and preventive maintenance practices, and seeking stable funding. Of note, facilities such as the Massey Theatre continue to experience maintenance and repair costs while the facility remains operational as the major renovation work proceeds. Some parks facilities, including Westminster Pier Park, have incurred significant repair costs as a result of vandalism of the washrooms.
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. Looking ahead, it is anticipated that continued street use monitoring and liaison with various interest holders will be required to support a compassionate and balanced response to the three crises.
4. 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 vacancy rate of approximately 11% overall.

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.

Q1 Operating Memo – Engineering – Sewer Fund

Engineering (Sewer Fund) as at March 31, 2025	Q1 Budget	Q1 Actual	YTD Budget	2025	2025	2025 Annual	2025
	YTD Mar 31	YTD Mar 31	vs Forecast	Annual	Annual	Budget	Enhancement
				Budget	Forecast	vs Forecast	
100 Revenue							
100 Taxation Revenue	-	-	-	-	-	-	-
150 Utility Rates	(30,758,920)	(31,587,542)	828,622	(33,424,000)	(34,509,338)	1,085,338	-
200 Sale of Services	(94,461)	(33,689)	(60,772)	(449,822)	(689,050)	239,228	-
250 Grants from Other Governments	-	-	-	-	-	-	-
300 Other Revenue	(4,200)	-	(4,200)	(20,000)	(20,000)	-	-
350 Contribution Revenue	(968,355)	-	(968,355)	(4,611,207)	(4,611,207)	-	-
Total 100 Revenue	(31,825,936)	(31,621,231)	(204,705)	(38,505,029)	(39,829,595)	1,324,566	-
200 Expenses							
400 Salaries/Benefits/Training	404,949	273,644	131,305	1,565,273	1,433,972	131,301	94,813
450 Contracted Services	146,786	279,844	(133,058)	1,512,070	1,679,561	(167,491)	-
500 Supplies and Materials	31,110	27,241	3,869	214,609	151,046	63,563	-
725 Amortization	638,640	665,250	(26,610)	2,661,000	2,687,610	(26,610)	-
750 Utility Purchases and Levies	-	-	-	19,328,209	19,328,209	-	-
Total 200 Expenses	1,221,485	1,245,979	(24,494)	25,281,161	25,280,398	763	94,813
Total Engineering (Sewer Fund)	(30,604,451)	(30,375,252)	(229,199)	(13,223,868)	(14,549,197)	1,325,329	94,813

As at March 31, 2025, Budget vs Actual to Date

The Sewer Utility Fund reports a net unfavorable variance of \$229K largely due to the timing of grant revenue recognition for capital projects, particularly the West End Utilities project. Grant contributions are expected to increase, as the project is in active construction and the team is currently preparing progress claim submissions. This unfavourable variance is partially offset by higher-than-anticipated utility rate revenues, driven by growth in apartment units and greater-than-budgeted commercial water consumption. Additionally, the \$133K unfavourable variance in contracted services is attributable to billable third-party work. As of the end of Q1, the team has 1.3 vacancies with 13 FTE budgeted (10% vacancy), which are being effectively managed through overtime and auxiliary staff, ensuring the continuity of our operations.

2025 Service Enhancements

Description (Operating Funded)	Amount	Status
Labourer 2	\$ 95K	Recruitment scheduled for Q3
Total	\$ 95K	

Description (Capital Funded)	Amount	Status
0.3 TFT Manager, Design & Construction	\$ 53K	In recruitment
Total	\$ 53K	

2025 Annual Budget vs Forecast

The Sewer Utility Fund anticipates a net favourable variance of \$1,325K, primarily driven by higher-than-expected utility rate revenues and third-party work. Grant contributions are also expected to increase and align with budget as claims are submitted in accordance with the agreement with the Province. Overall expenses are projected to remain in line with the approved budget.

Planning Ahead

Staff continue to monitor and adjust the sewer utility reserve requirements to align with the updated asset management plan asset replacement valuations. This increase is necessary to ensure we can continue to provide high-quality services and maintain our infrastructure to an acceptable level of service.

Q1 Operating Memo – Engineering – Sewer Fund

Staff will remain diligent in monitoring 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 as the City would likely have to bear those costs. Significant issues will be reported to Council as they arise.

Q1 Operating Memo – Engineering – Solid Waste Fund

Engineering (Solid Waste Fund) as at March 31, 2025	Q1 Budget	Q1 Actual	YTD Budget	2025	2025	2025 Annual	2025
	YTD Mar 31	YTD Mar 31	vs Forecast	Annual	Annual	Budget	Enhancement
				Budget	Forecast	vs Forecast	
100 Revenue							
150 Utility Rates	(6,290,983)	(6,360,515)	69,532	(6,741,000)	(6,690,533)	(50,467)	-
300 Other Revenue	(194,250)	(329,994)	135,744	(925,000)	(1,180,741)	255,741	-
Total 100 Revenue	(6,485,233)	(6,690,509)	205,276	(7,666,000)	(7,871,274)	205,274	-
200 Expenses							
400 Salaries/Benefits/Training	376,497	308,640	67,857	1,453,985	1,386,128	67,857	94,792
450 Contracted Services	58,684	168,960	(110,276)	569,084	691,009	(121,925)	-
500 Supplies and Materials	29,796	136,080	(106,284)	134,247	147,921	(13,674)	-
725 Amortization	94,800	98,751	(3,951)	395,000	398,951	(3,951)	-
750 Utility Purchases and Levies	585,312	472,624	112,688	2,731,786	2,731,786	-	-
Total 200 Expenses	1,145,089	1,185,055	(39,966)	5,284,102	5,355,795	(71,693)	94,792
Total Engineering (Solid Waste Fund)	(5,340,144)	(5,505,454)	165,310	(2,381,898)	(2,515,479)	133,581	94,792

As at March 31, 2025, Budget vs Actual to Date

The Solid Waste Utility Fund reports a net favorable variance of \$165K largely due to higher-than-budgeted revenue from Multi-Material Recycling Program (MMBC) recycling rebates. A favourable variance of \$113K in Utility Purchases and Levies is the result of delays in receiving invoices from service providers, rather than actual cost savings. An unfavourable variance of \$110K in Contracted Services is due to the rental of three trucks, and this variance is expected to increase as the rentals are part of a pilot to inform an analysis of fleet options for the future replacement of collection vehicles. An additional unfavourable variance of \$106K in Supplies and Materials is due to the misallocation of a capital purchase, which will be resolved in Q2. As of the end of Q1, the team has 3 vacancies with 13 FTE budgeted (23% vacancy), which are partially being managed through overtime and auxiliary staff.

2025 Service Enhancements

Description (Operating Funded)	Amount	Status
Labourer 2	\$ 95K	Recruitment planned for Q3
Total	\$ 95K	

2025 Annual Budget vs Forecast

The Solid Waste Utility Fund is forecasting a net favourable variance of \$134K by year-end, primarily due to higher-than-budgeted other revenue from MMBC recycling rebates. Current favourable timing variances in tipping fees and expenses are expected to align with the budget as the year progresses. The current unfavourable variance in Contracted Services is anticipated to increase, as the ongoing truck rentals are part of a pilot project evaluating the future of collection vehicles.

Planning Ahead

Continuation of higher than general CPI year-over-year Tipping Fee increases from Metro Vancouver is expected; escalating 3rd party recycling and organics collection costs, increased service level credits and increasing asset costs create significant cost challenges to a Solid Waste Utility already with lower-than-targeted Reserve balances. Long-term planning strategies for the utility, including its asset management requirements to better align the services provided, are under review through development of a Solid Waste Master Plan, with completion anticipated in 2025.

Q1 Operating Memo – Engineering – Water Fund

Engineering (Water Fund) as at March 31, 2025	Q1 Budget	Q1 Actual	YTD Budget	2025	2025	2025 Annual	2025
	YTD Mar 31	YTD Mar 31	vs Forecast	Annual	Annual	Budget	Enhancement
				Budget	Forecast	vs Forecast	
100 Revenue							
150 Utility Rates	(10,391,630)	(10,726,274)	334,644	(18,231,000)	(18,298,135)	67,135	-
200 Sale of Services	(22,298)	(65,341)	43,043	(105,029)	(148,072)	43,043	-
350 Contribution Revenue	-	-	-	(574,988)	(574,988)	-	-
Total 100 Revenue	(10,413,928)	(10,791,615)	377,687	(18,911,017)	(19,021,195)	110,178	-
200 Expenses							
400 Salaries/Benefits/Training	255,766	151,964	103,802	989,104	885,301	103,803	12,219
450 Contracted Services	24,148	58,490	(34,342)	601,214	635,555	(34,341)	-
500 Supplies and Materials	29,325	37,519	(8,194)	209,137	217,331	(8,194)	-
725 Amortization	299,280	311,751	(12,471)	1,247,000	1,259,471	(12,471)	-
750 Utility Purchases and Levies	1,431,067	1,462,809	(31,742)	9,265,062	9,296,804	(31,742)	-
Total 200 Expenses	2,039,586	2,022,533	17,053	12,311,517	12,294,462	17,055	12,219
Total Engineering (Water Fund)	(8,374,342)	(8,769,082)	394,740	(6,599,500)	(6,726,733)	127,233	12,219

As at March 31, 2025, Budget vs Actual to Date

The Water Utility Fund reports a net favorable variance of \$395K, primarily driven by higher-than-budgeted utility rate revenues, particularly from commercial water consumption. We anticipate this higher-than-budgeted commercial consumption to level out to budgeted levels by year-end. A \$43K favorable variance in sale of services is attributed to third-party recovery revenue, which aligns with a corresponding increase in contracted services expenses. As of the end of Q1, the team has 2 vacancies out of 9 budgeted FTEs (22% vacancy rate), which are partially being managed through contracted service and are leading to delays in construction and maintenance efforts.

2025 Service Enhancements

Description (Operating Funded)	Amount	Status
Reclassification - Labourer 2 to Meter Maintenance Attendant	\$ 12K	Recruitment scheduled for Q3
Total	\$ 12K	

Description (Capital Funded)	Amount	Status
0.3 TFT Manager, Design & Construction	\$ 53K	In recruitment
Total	\$ 53K	

2025 Annual Budget vs Forecast

The Water Utility Fund is forecasting a net favorable variance of \$127K 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. Expenses are expected to align with the budget overall.

Planning Ahead

Staff will continue to monitor and review any potential rate and cost methodology changes from Metro Vancouver and their impact on the City of New Westminster. We are closely monitoring the effects of the change in the “growth pays-for growth” methodology used by Metro Vancouver with respect to their water DCC’s. Any revisions in this policy may significantly impact future rates as the City would likely have to bear those costs. Significant issues arising out of this will be reported to Council.

Q1 Operating Memo – Engineering – Water Fund

Staff are working closely with HR to prioritize and find efficient and innovative means to address outstanding recruitments that are leading to increased spending of contracted services and delays in construction and maintenance efforts.

Q1 Operating Memo – Finance & IT

Finance & IT as at March 31, 2025	Q1 Budget	Q1 Actual	YTD Budget	2025	2025	2025 Annual	2025
	YTD Mar 31	YTD Mar 31	vs Forecast	Annual	Annual	Budget	Enhancement
				Budget	Forecast	vs Forecast	
100 Revenue							
200 Sale of Services	-	-	-	-	-	-	-
300 Other Revenue	-	-	-	-	-	-	-
Total 100 Revenue	-	-	-	-	-	-	-
200 Expenses							
400 Salaries/Benefits/Training	2,294,798	1,815,319	479,479	9,034,757	8,570,314	464,443	683,775
450 Contracted Services	225,547	60,919	164,628	939,736	774,795	164,941	570,433
500 Supplies and Materials	621,786	848,795	(227,009)	2,590,805	2,640,868	(50,063)	298,300
700 Insurance and Claims	1,108,158	1,149,993	(41,835)	4,617,333	4,766,747	(149,414)	-
725 Amortization	319,920	333,249	(13,329)	1,333,000	1,346,329	(13,329)	-
Total 200 Expenses	4,570,209	4,208,275	361,934	18,515,631	18,099,053	416,578	1,552,508
Total Finance & IT	4,570,209	4,208,275	361,934	18,515,631	18,099,053	416,578	1,552,508

As at March 31, 2025 Budget vs Actual to Date

The Finance and IT Departments are currently under budget as at March 31st, with a year to date net surplus of \$362K. The surplus is primarily from savings in salaries and benefits expenses and contracted services. The Finance department employs approximately 39 full-time equivalent positions, of which three are existing vacancies and another three are newly approved Service Enhancement vacancies to be filled in 2025. The IT department employs approximately 26 full-time equivalent positions, of which three vacancies to be filled in 2025. The departments continue to utilize auxiliary staff to maintain service levels and support the existing staff. Supplies and Materials are over-budget mainly due to timing from annual computer software licensing cost and higher postage cost resulting from higher postage rates in 2025.

2025 Service Enhancements

Description (Operating Funded)	Amount	Status
Public Opinion Budget Survey	\$ 70K	Ongoing and monitoring.
Provincial Downloading Report	\$ 25K	Ongoing and monitoring.
JDE Review	\$ 50K	Ongoing and monitoring.
Auditing Cost Increase	\$ 15K	Annual cost increases and it is ongoing.
Finance Coordinator - Accounts Payable/Accounts Receivable	\$ 92K	Currently in progress. Expect to be hired in Q2.
Financial Services Manager	\$ 174K	Position filled in April.
Tax Sale Legislation - Auxiliary Support	\$ 38K	Ongoing and monitoring.
Tax Sale Legislation - Supplies and Materials	\$ 15K	Ongoing and monitoring.
Finance Coordinator - Property Tax and Utilities Coordinator	\$ 92K	Currently in progress. Expect to be hired in Q2.
Nominal Computer System Maintenance increases	\$ 281K	Annual cost increase and ongoing
Network Administrator	\$ 69K	Hiring process to commence near end of Q2 in preparation for Q3 hiring.
Network Analyst	\$ 94K	Hiring process to commence just prior to Q4-2025

Q1 Operating Memo – Finance & IT

Aux to RFT	\$ 139K	Position to be posted for Q3. Expect to be filled Q3.
Temp staff augmentation	\$ 400K	Ongoing and monitoring.
Total	\$ 1.6M	

Description (Capital Funded)	Amount	Status
Assistant Purchasing Manager	\$ 169K	Hiring process to commence in 2025.
Total	\$ 169K	

2025 Annual Budget vs Forecast

For year end, the Finance Department is forecasted to be under budget with a net surplus of \$417K. Anticipated Salary/Benefits/Training savings from vacancies at Q1 are expected to reduce as the department continues hiring efforts to fill vacancies. These savings are offset by increased liability insurance cost as the City will be renewing the annual insurance policy, and additional damage claim expenditures are anticipated from unforeseen infrastructure-related emergencies. The City is also experiencing higher than anticipated postage expense due to higher postage rate.

Planning Ahead

The Finance 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, postage, computer system and network maintenance costs, as well as additional insurance costs resulting from annual renewal. Staff will continue to monitor costs while the department continues to explore cost reduction opportunities.

Q1 Operating Memo – Fire & Rescue Services

Fire & Rescue Services as at March 31, 2025	Q1 Budget	Q1 Actual	YTD Budget	2025	2025	2025 Annual	2025
	YTD Mar 31	YTD Mar 31	vs Forecast	Annual	Annual	Budget	Enhancement
				Budget	Forecast	vs Forecast	
100 Revenue							
200 Sale of Services	-	-	-	(13,100)	(31,000)	17,900	-
250 Grants from Other Governments	-	-	-	(170,000)	(26,370)	(143,630)	-
300 Other Revenue	(9,466)	(44,438)	34,972	(39,431)	(74,402)	34,971	-
Total 100 Revenue	(9,466)	(44,438)	34,972	(222,531)	(131,772)	(90,759)	-
200 Expenses							
400 Salaries/Benefits/Training	5,309,328	4,273,824	1,035,504	20,975,931	19,894,884	1,081,047	10,000
450 Contracted Services	256,040	249,275	6,765	1,028,376	1,057,133	(28,757)	134,000
500 Supplies and Materials	101,684	149,476	(47,792)	422,670	409,541	13,129	111,550
725 Amortization	156,240	162,750	(6,510)	651,000	651,000	-	-
Total 200 Expenses	5,823,292	4,835,325	987,967	23,077,977	22,012,558	1,065,419	255,550
Total Fire & Rescue Services	5,813,826	4,790,887	1,022,939	22,855,446	21,880,786	974,660	255,550

As at March 31, 2025 Budget vs Actual to Date

Fire Department is tracking under budget in Q1 with a net surplus of \$1.0M, primarily from savings in Salaries and Benefits from vacancies and delays in filling new positions. Seven firefighter positions were successfully filled by mid-March. However, management remains cautious about retention and will continue to monitor the salary budget closely. Annual savings in Salaries and Benefits are expected to remain stable through year-end.

Contracted Services and Supplies and Materials has an unfavorable variance of \$41K, largely due to unbudgeted costs related to warming centre operations and watermain emergencies. These expenses are recoverable, as reflected in the Sale of Services.

Additionally, Other Revenue shows a favorable variance of \$34K, mainly attributed to an increase in false alarm fee collections during Q1. Staff anticipate this revenue will decline in the coming months.

2025 Service Enhancements

Description (Operating Funded)	Amount	Status
First Aid Supplies — due to increase in call volume and hence consumables	\$ 24K	Reflected in the EMR purchases; In progress – expected to be
Cancer Screening program for firefighters	\$ 98K	Completed and spent in Q2
18% Estimated cost escalation for E-Comm 911 service	\$ 134K	Inflationary increases are reflected in the quarterly payments
Total	\$ 256K	

2025 Annual Budget vs Forecast

For year-end, Fire is expected to be under budget by \$1.0M. Q1 savings in Salaries and Benefits are expected carry over to the year-end. Annual Contracted Services and Supplies and Materials costs are currently projected to be slightly higher than budget due to recoverable costs. In addition, expenses related to Emergency Management's Crisis Response Team—funded through the Indigenous Emergency Response (IER) grant—may increase this variance. The City received \$48K from the IER grant in 2024, with an additional \$48K expected in 2025. These revenues are recorded under the City's grant program. Total revenue for 2025 is projected to fall \$91K below budget, mainly due to the removal of \$170K in grant funding related to Accelerated Heat Plan work, which was completed in 2024.

Q1 Operating Memo – Fire & Rescue Services

Planning Ahead

Newly recruited staff are now integrating with Fire Suppression crews and will continue developing their skills. Two vacancies in the Exempt Chief ranks are expected to be filled by the end of Q3. Recruitment for current Fire Suppression vacancies will be initiated in Q3, allowing for a safe transition and integration of new staff. Fire management will continue to monitor usage of ESA sick days and their potential budgetary impact, as this is the first year of implementation of a letter of agreement with the Firefighters Union.

Q1 Operating Memo – General Government

General Government as at March 31, 2025	Q1 Budget	Q1 Actual	YTD Budget	2025	2025	2025 Annual	2025
	YTD Mar 31	YTD Mar 31	vs Forecast	Annual	Annual	Budget	Enhancement
				Budget	Forecast	vs Forecast	
100 Revenue							
100 Taxation Revenue	122,779	204,060	(81,281)	(122,945,728)	(122,945,728)	-	-
200 Sale of Services	(38,120)	(32,022)	(6,098)	(158,845)	(152,747)	(6,098)	-
250 Grants from Other Governments	(719,282)	(286,003)	(433,279)	(3,975,640)	(3,974,393)	(1,247)	-
300 Other Revenue	(3,514,264)	(4,133,186)	618,922	(14,642,790)	(15,857,968)	1,215,178	(2,422,612)
350 Contribution Revenue	(2,461,800)	(1,605,335)	(856,465)	(26,357,324)	(26,291,163)	(66,161)	-
Total 100 Revenue	(6,610,687)	(5,852,486)	(758,201)	(168,080,327)	(169,221,999)	1,141,672	(2,422,612)
200 Expenses							
400 Salaries/Benefits/Training	76,516	131,587	(55,071)	(2,346,058)	(2,275,930)	(70,128)	-
450 Contracted Services	140,189	108,766	31,423	578,358	383,034	195,324	-
500 Supplies and Materials	35,854	5,018	30,836	148,120	43,030	105,090	-
725 Amortization	209,040	217,749	(8,709)	871,000	871,000	-	-
Total 200 Expenses	461,599	463,120	(1,521)	(748,580)	(978,866)	230,286	-
300 Fiscal Expenses							
550 Interest	1,149,674	2,144,293	(994,619)	4,781,988	5,248,163	(466,175)	-
Total 300 Fiscal Expenses	1,149,674	2,144,293	(994,619)	4,781,988	5,248,163	(466,175)	-
Total General Government	(4,999,414)	(3,245,073)	(1,754,341)	(164,046,919)	(164,952,702)	905,783	(2,422,612)

As at March 31, 2025 Budget vs Actual to Date

The General Government Department is tracking unfavorable to budget as at March 31st by \$1.4M. This is primarily due to timing of government grants receipts (\$0.7M), timing of debt interest payments (\$0.9M), which are partially offset by favorable to budget other revenues (\$0.6M) from higher than anticipated bank and investment interests.

2025 Service Enhancements

Description (Operating Funded)	Amount	Status
Incremental Tax Penalty Revenue	\$ 223K	Ongoing and monitoring
Incremental Investment and Bank Interest Revenue	\$ 2.2M	Ongoing and monitoring
Total	\$ 2.4M	

2025 Annual Budget vs Forecast

For year end, the General Government Department is forecasting to be favorable to budget by \$0.9M, mainly due to \$1.2M in higher than anticipated interest revenue attributed to the 2025 fiscal year. Taxation revenue will be recognized when the City's property taxes are levied in May. The due date for payment of property taxes is July 2, 2025.

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. Additional resources are being directed towards enhancing treasury management strategies, enabling staff to sustain and maximize investment revenue amid ongoing geopolitical uncertainties through the remainder of the year and into 2026.

Q1 Operating Memo – Human Resources (HR)

HR as at March 31, 2025	Q1 Budget	Q1 Actual	YTD Budget	2025	2025	2025 Annual	2025
	YTD Mar 31	YTD Mar 31	vs Forecast	Annual	Annual	Budget	Enhancement
				Budget	Forecast	vs Forecast	
100 Revenue							
200 Sale of Services	(1,200)	-	(1,200)	(5,000)	(5,000)	-	-
Total 100 Revenue	(1,200)	-	(1,200)	(5,000)	(5,000)	-	-
200 Expenses							
400 Salaries/Benefits/Training	1,066,693	884,824	181,869	4,396,360	4,042,147	354,213	346,910
450 Contracted Services	76,321	123,397	(47,076)	317,930	317,930	-	5,516
500 Supplies and Materials	12,189	5,483	6,706	50,589	51,108	(519)	-
Total 200 Expenses	1,155,203	1,013,704	141,499	4,764,879	4,411,185	353,694	352,426
Total HR	1,154,003	1,013,704	140,299	4,759,879	4,406,185	353,694	352,426

As at March 31, 2025 Budget vs Actual to Date

As of the end of Q1, the Human Resources Department is reporting a favourable variance of \$140K relative to budget. This variance is primarily due to temporary salary and benefit savings resulting from position vacancies, including three service enhancement positions approved for 2025.

Currently, the department has five vacant full-time equivalent (FTE) positions. One of these positions has recently been filled, with another expected to be filled by July, and the remaining three anticipated to be filled by August.

It is important to note that the salary and benefit savings in Q1 were partially offset by higher-than-anticipated expenditures in contracted services and consulting and recruitment.

2025 Service Enhancements

Description (Operating Funded)	Amount	Status
Coordinator, Health, Safety and Workplace Wellness	\$ 109K	In progress, anticipate August hire
Payroll Specialist	\$ 83K	Filled with an internal which vacated a TFT position
HR Business Partner	\$ 160K	In progress, anticipate August hire
Total	\$ 352K	

2025 Annual Budget vs Forecast

At this time, the department is projecting to be slightly favourable to budget due to vacancies. Contracted services and consulting and recruitment-related spending trends will be reassessed following Q2, and the budget will be re-forecasted if current trends persist.

Planning Ahead

Recruitment remains the department's top priority, including positions approved in the 2025 budget, existing vacancies, and senior-level roles. As a result, increased recruitment-related expenses are expected to continue in the coming quarters due to the engagement of executive search firms to assist with senior-level recruitment.

Additionally, consulting expenses are higher than anticipated due to several factors, including support for policy change management, HR strategic planning, labour relations and investigatory work, three crises response efforts and assistance to maintain service levels during periods of staffing vacancies.

Q1 Operating Memo – Human Resources (HR)

At the same time, the HR department is actively reviewing and refining internal processes to improve operational efficiency and identify opportunities for cost savings where possible.

Q1 Operating Memo – Library

Library as at March 31, 2025	Q1 Budget	Q1 Actual	YTD Budget	2025	2025	2025 Annual	2025
	YTD Mar 31	YTD Mar 31	vs Forecast	Annual	Annual	Budget	Enhancement
				Budget	Forecast	vs Forecast	
100 Revenue							
200 Sale of Services	(5,974)	(10,834)	4,860	(24,880)	(40,801)	15,921	-
250 Grants from Other Governments	-	-	-	(159,742)	(159,742)	-	-
300 Other Revenue	-	(514)	514	-	(514)	514	-
350 Contribution Revenue	(1,800)	(32,838)	31,038	(7,500)	(230,000)	222,500	-
Total 100 Revenue	(7,774)	(44,186)	36,412	(192,122)	(431,057)	238,935	-
200 Expenses							
400 Salaries/Benefits/Training	1,003,878	854,306	149,572	3,888,206	3,818,919	69,287	-
450 Contracted Services	28,866	17,020	11,846	120,282	234,423	(114,141)	-
500 Supplies and Materials	199,529	293,198	(93,669)	831,322	835,218	(3,896)	-
725 Amortization	161,760	168,501	(6,741)	674,000	674,000	-	-
Total 200 Expenses	1,394,033	1,333,025	61,008	5,513,810	5,562,560	(48,750)	-
Total Library	1,386,259	1,288,839	97,420	5,321,688	5,131,503	190,185	-

At March 31, 2025 Budget vs Actual to Date

At Q1, the Library Department is showing a favorable year-to-date (YTD) expenditure variance of \$61K, primarily due to savings in salaries and benefits, as well as the timing of spending on contracted services, offset by higher than expected costs in supplies and materials. These expenditure variances are mainly the result of unfilled vacancies and annual database subscriptions paid in advance. Additionally, the department shows a favorable revenue variance of \$36K at Q1. This reflects a portion of the library's 2023 enhancement grant.

The total one-time Library Enhancement Grant from the Province of \$435K is being used to cover the cost of library space optimization at the main branch to respond to increasing demand on library spaces, and for a Facility Master Plan to position the library to better respond to growing community need for expanded library services throughout the city. The library anticipates expending an additional \$230k from this grant by year end, with the remaining funds expended in Q1 of 2026. The annual Contribution Revenue target will be increased from the originally budget to \$230K to reflect the library's needs.

2025 Service Enhancements

Library has no service enhancement in 2025.

2025 Annual Budget vs Forecast

By year-end, the department anticipates net savings of approximately \$190K, largely driven by salary and benefits savings from unfilled positions, and the remaining from as yet unspent grant funds discussed above.

By the end of Q1, two of the four vacant full-time positions were filled, with the remaining two expected to be filled in Q3 or Q4. In the interim, these roles have been temporarily backfilled by auxiliary staff. Additionally, one part-time position remains vacant, with recruitment scheduled to begin in Q3.

Planning Ahead

Staff recruitment and onboarding will continue to drive staff resources with anticipated staff retirements in Q2 and Q3. Recent tariffs and the trade dispute will delay plans to bring moderate library services to TACC. But current tariffs are not affecting the equipment and supplies needed for the Anvil Centre Project. Thus planning for expanded library services at Anvil continues into Q2 with collection services anticipated for Q3.

Q1 Operating Memo – Library

Staffing levels are approaching normal levels and should be stable by the end of the year. Staff training and development remains a high priority with library-specific safety training scheduled in Q4. Library staff have begun planning for a review of public spaces and services on the second floor. The goal is to optimize the existing footprint to better respond to the changing and dynamic needs of library users. This includes access to technology and digital literacy assistance and library services that support these needs.

Q1 Operating Memo – Parks and Recreation

Parks and Recreation as at March 31, 2025	Q1 Budget	Q1 Actual	YTD Budget	2025	2025	2025 Annual	2025
	YTD Mar 31	YTD Mar 31	vs Forecast	Annual Budget	Annual Forecast	Budget vs Forecast	Enhancement
100 Revenue							
200 Sale of Services	(1,752,321)	(2,262,968)	510,647	(7,843,908)	(8,331,753)	487,845	(355,788)
250 Grants from Other Governments	(48,960)	(3,649)	(45,311)	(204,000)	(158,689)	(45,311)	(200,000)
300 Other Revenue	(79,575)	(8,057)	(71,518)	(318,900)	(247,382)	(71,518)	(225,000)
350 Contribution Revenue	(432)	-	(432)	(1,800)	(1,368)	(432)	-
Total 100 Revenue	(1,881,288)	(2,274,674)	393,386	(8,368,608)	(8,739,192)	370,584	(780,788)
200 Expenses							
400 Salaries/Benefits/Training	5,384,105	5,151,807	232,298	20,846,229	20,687,776	158,453	639,396
450 Contracted Services	127,050	166,907	(39,857)	522,372	527,187	(4,815)	-
500 Supplies and Materials	526,027	491,145	34,882	2,138,813	2,153,586	(14,773)	71,270
600 Cost of Sales	75,525	-	75,525	302,100	296,353	5,747	-
725 Amortization	1,668,960	1,738,500	(69,540)	6,954,000	6,954,000	-	-
Total 200 Expenses	7,781,667	7,548,359	233,308	30,763,514	30,618,902	144,612	710,666
Total Parks and Recreation	5,900,379	5,273,685	626,694	22,394,906	21,879,710	515,196	(70,122)

As at March 31, 2025 Budget vs Actual to Date

\$1.9M Revenue budget split is \$0.14M or 7% **Parks** and \$1.75M or 93% **Recreation**, with Q1 actuals indicating a \$0.39M surplus driven by higher-than-anticipated drop-in, membership, and rental revenues.

\$7.78M Expense budget split is \$2.40M or 31% **Parks** and \$5.39M or 69% **Recreation**, with Q1 actuals indicating a \$0.23M surplus primarily due to savings in vacancies. Recruitment is underway for vacancies supplemented auxiliary employee backfill. The surplus in Cost of Sales does not represent actual savings; it is due to a timing difference in recording year-end purchase costs. The deficit in Contracted Services is seasonal, resulting from winter-related services in **Recreation**.

2025 Service Enhancements

Description (Operating Funded)	Amount	Status
PKRE03 - Incremental Grant Revenue (Growing Canada's Community Canopies Funding)	\$ (200K)	Grant funding award announcement still pending
PKRE11 - Incremental Program Registration and Rental Revenue	\$ (126K)	Trending as anticipated
PKRE16 - Incremental Program Registration Revenue	\$ (85K)	Trending as anticipated
Incremental TACC Drop-in Revenue	\$ (45K)	Trending as anticipated
Incremental TACC Membership Revenue	\$ (100K)	Trending as anticipated
Internal Budget Transfers/Reallocation	\$ (447K)	
PKRE7/8/9 - Incremental Other Revenue (United Way Funding)	\$ (225K)	\$245K Grant funding awarded in Q2 2025
PKRE17 - AUX Irrigation Technician	\$ 36K	Position filled in Q2
PKRE18 - AUX Horticulture Assistant	\$ 119K	Position filled in Q2
PKRE6 - AUX Building Service Workers	\$ 126K	Utilization of auxiliary staff on target as anticipated
PKRE22 - 1.0 RFT Assis. Program Coordinator – Fitness & Wellness	\$ 85K	Position Filled

Q1 Operating Memo – Parks and Recreation

Description (Operating Funded)	Amount	Status
PKRE08 - 1.0 RFT Plumber – Trade 2	\$ 121K	Job specification development in progress
PKRE02 - 1.0 RFT Rec. Facility Clerk	\$ 75K	Position Filled
PKRE05 - 0.7 RPT Rec. Facility Clerk	\$ 52K	Position Filled
PKRE07 - 1.0 RFT Shift Lead	\$ 90K	Posting scheduled for early fall 2025
PKRE19 - 0.2 RFT Rec. Leader Attendant	\$ 16K	Conversion to full time complete
PKRE20 - 0.6 RPT Cashier Attendant	\$ 38K	Position Filled
PKRE21 - 1.0 RFT Facility Rec. Clerk	\$ 69K	Re-post scheduled for Q2 2025
PKRE11 - 1.0 RFT Program Coordinator - Seniors Community Connector	\$ 102K	Position Filled
PKRE12 - AUX Food Service Workers	\$ 50K	Utilization of auxiliary staff on target as anticipated
PKRE13 - AUX Rec. Leader Attendant	\$ 75K	Position Filled
PKRE14 - 1.0 TFT Landscape Development Specialist	\$ 104K	Grant funding award announcement still pending
Total	\$ (70K)	

Description (Capital Funded)	Amount	Status
PKRE01 - RFT Labourer 2- Arboriculture/ Natural Areas	\$ 89K	Position Filled
PKRE15 - TFT Manager Parks Operations	\$ 184K	Recruitment in progress
PKRE16 - AUX Water Truck Driver	\$ 43K	Grant funding award announcement still pending
Total	\$ 316K	

2025 Annual Budget vs Forecast

\$8.37M Revenue budget split is \$0.54M or 6% **Parks** and \$7.83M or 94% **Recreation**, with the annual forecast signaling \$0.37M surplus. Considering seasonality, Recreation is anticipating an uptick in program registrations along with stable drop-in and membership revenues. **Parks** rentals are anticipated to track budget.

\$30.77M Expense budget split is \$9.48M or 31% **Parks** and \$21.28M or 69% **Recreation**, with the annual forecast signaling a \$0.14M surplus largely from part-year staff vacancies.

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.

Q1 Operating Memo – Parks and Recreation

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 2 of engagement is now complete and the development of 10 year Implementation Plan is underway to help ensure parks and recreation responds to the growing needs of the community now and into the future.

təmәsewtx^w Aquatic and Community Centre operations will reach the one year anniversary in early Q2 2025 and programs and services are currently being expanded to full potential as recruitment and training of newly funded programming and operations positions is completed.

The Parks division to continue to maintain existing/ newly planted trees (i.e. Urban Reforestation and Biodiversity Enhancement Initiative (URBEI) phase 1 is now complete, which includes 2,300 new trees in parks and open spaces) and newly established natural areas. 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.

Q1 Operating Memo – Planning and Development

Planning and Development as at March 31, 2025	Q1 Budget	Q1 Actual	YTD Budget	2025	2025	2025 Annual	2025
	YTD Mar 31	YTD Mar 31	vs Forecast	Annual	Annual	Budget	Enhancement
				Budget	Forecast	vs Forecast	
100 Revenue							
200 Sale of Services	(4,249)	(29,370)	25,121	(16,993)	(42,114)	25,121	-
250 Grants from Other Governments	-	(19,040)	19,040	-	(19,040)	19,040	-
300 Other Revenue	(1,065,082)	(3,011,841)	1,946,759	(4,260,827)	(4,262,409)	1,582	-
350 Contribution Revenue	(178)	-	(178)	(700)	(522)	(178)	-
Total 100 Revenue	(1,069,509)	(3,060,251)	1,990,742	(4,278,520)	(4,324,085)	45,565	-
200 Expenses							
400 Salaries/Benefits/Training	2,574,683	1,930,337	644,346	10,010,071	9,199,795	810,276	1,084,275
450 Contracted Services	165,914	393,140	(227,226)	663,713	799,869	(136,156)	-
500 Supplies and Materials	40,905	29,581	11,324	163,647	151,291	12,356	16,000
650 Grants	32,269	86,563	(54,294)	129,100	129,100	-	-
Total 200 Expenses	2,813,771	2,439,621	374,150	10,966,531	10,280,055	686,476	1,100,275
Total Planning and Development	1,744,262	(620,630)	2,364,892	6,688,011	5,955,970	732,041	1,100,275

As at March 31, 2025 Budget vs Actual to Date

The Planning and Development Department is tracking a net surplus of \$2.4M as of Q1, primarily driven by a \$2.0M favourable variance in building permit revenue and \$628K in salary and benefit savings. These gains are partially offset by a \$227K unfavourable variance in contracted services and the timing of disbursements for \$54K in grants. The increase in building permit revenue is expected to be temporary and seasonal, attributed to a few major permit issuances early in the year. Staff does not anticipate this revenue to exceed the annual budget by year end.

The department is actively advancing securing staff for vacant positions. Of the 73.5 regular full-time positions, 12.5 positions are vacant. 11 positions, including 8 2025 new positions, are actively being filled, and 1 is currently under a classification review. Recruitment efforts are currently underway to fill these vacancies and help ease workload pressures. High demand across the region for qualified staff is impacting retention and recruitment.

Within contracted services, legal fees incurred in Q1 (\$161k) exceeded the full year budget of \$129k by 25% largely due to the implementation of: 1) the new provincial housing legislation, which includes the ongoing release of new Bills and Orders impacting municipal development permissions and approvals, and requiring significant updates to all related City regulations, policies and practices, partially offset by a provincial grant of \$500K; and 2) emergent changes to bylaws related to apartment cooling and construction noise. In addition, \$118k in capital-related costs was incorrectly processed through the operating budget under subcontracts and will be reclassified in Q2. The unfavourable variance in grants is due to the timing of disbursements, as the largest annual grant was paid earlier in the year, which is expected to balance out as the year progresses.

2025 Service Enhancements

	Description (Operating Funded)	Amount	Status
	Building & Plumbing Division		
1	Building Housing Analyst (Planning Analyst)	\$ 120K	In Progress
2	Affordable Housing Building Project Lead (Planner 2)	\$ 153K	Hired
	Planning Division		
3	Land Use Planner 1 (Planner 1)	\$ 137K	In Progress

Q1 Operating Memo – Planning and Development

4	Social Planning and Homelessness Prevention Supervisor (Planner 3)	\$ 168K	In Progress
5	Supervisor, Housing Planning (Planner 3)	\$ 168K	In Progress
6	Housing Planning Analyst (Planning Analyst)	\$ 117K	In Progress
7	Development Planner 1 (Planner 1)	\$ 137K	In Progress
	Other		
8	Records Management Clerk (Records Management Coordinator)	\$ 100K	In Progress
Total		\$ 1.1M	

2025 Annual Budget vs Forecast

By year end, the Planning and Development Department is projected to have a net surplus of \$617K. Overall, revenues are anticipated to align with budget. While recruitment efforts will continue throughout the year, some salary savings are expected as vacancies remain unfilled during the hiring process. Legal expenses are forecasted to remain elevated, contributing to the unfavourable variance in contracted services. Grant payments are expected to align with budget by the end of the year.

Given that it is still early in the year, and some items will fluctuate over the year, most forecasts remain consistent with budget expectations, except for legal expenses as previously noted. As a result, the year-end projections are largely in line with the Q1 results and commentary.

The wait and see approach from the development community has resulted in a significant decrease in new rezoning applications, for high density projects in particular. This trend is expected to continue for the remainder of the year. Staff will continue to monitor this situation.

Planning Ahead

The Planning and Development Department remains dedicated to furthering Council's Strategic Priorities Plan Homes and Housing Options, aligning with the City's housing targets derived from the mandated Housing Needs Report and the recent provincial legislation requirements. The department continues to focus on providing housing opportunities across the continuum of housing, streamlining reviews, organizational effectiveness, customer service excellence and regulatory compliance. Looking ahead into the second quarter, the department will continue to concentrate on the following key areas:

- Continuing to advance the Crises Response Pilot Project to advance proactive, resilient, and strategic organizational approaches to the 3 crises of homelessness, mental health and substance abuse that can be used long-term.
- Supporting development of a comprehensive Financing Growth Strategy.
- Advancing technical work on the 22nd Street Vision.
- Continuing to advance the housing initiatives outlined in the Housing Accelerator Fund, including the affordable housing acceleration initiative, and townhouse and infill housing programs.
- Continuing to crucial housing policies such as inclusionary zoning and tenant relocation.
- Continuing to implementing the recent provincial legislative changes, including updating the Official Community Plan.

Q1 Operating Memo – Planning and Development

- Responding to the Provincial Housing Target Order.
- Continuing to establish interim rates for the DCC and ACC bylaws and finalizing the rate calculations based on a list of infrastructure and amenity projects.
- Implementing the Development Application Process Review (DAPR) recommendations to streamline the approval process and moving us closer to achieving a fully digital land use and building development permitting process.
- Utilizing the UBCM DAPR Grant to enhance the efficiency of the streamlining initiatives, thereby strengthening the department's ability to process development applications effectively and expediently while providing top-tier customer service.
- Advancing the work plan of the department-wide Systems Team to enhance operational efficiencies, streamline processes, and ensure seamless coordination within the department, interdepartmentally, and with our applicants.
- Improving data collection through digital permitting to enhance data accuracy and accessibility and ensure Target orders for HAF and HTOs are obtained in a timely fashion.
- Continue training to support the increased Energy and Carbon Step Code requirements in 2025.
- Continuing to coordinate interdepartmentally to advance Storm Water Management Plans for new developments.
- Advancing the work plan of the Social Planning team which aims to address complex social issues and support vulnerable populations effectively.
- Finalizing the comprehensive assessment of the Integrated Services Division, evaluating its structure and operational mandate.
- Proactive outreach to support the unhoused community.
- Ongoing support for tenants through the Tenant Support Coordinator and administration of the Standards and Maintenance (Rental Units) Bylaw.
- Worked hand in hand with Economic Development department to adopt and implement the new Business License Bylaw and related changes to the BON and ECMTI Bylaw.

Q1 Operating Memo – Police

The New Westminster Police Department Q1 2025 Financial Report and Forecast are available in the link below, under the Police Board meeting scheduled for May 20, 2025 at 9:30 am.

<https://www.nwpolice.org/inside-new-westminster-police-department/police-board/2025-meetings-schedule-agendas/>