

## Corporate Asset Management 2022-2023 Business Plan and Budget

### ISSUE

City Council approval is required in order to set the Operating and Capital Business Plan and Budget for 2022 and 2023. The figures in this report are stated as 2022 and 2023 respectively, unless otherwise noted.

### RECOMMENDATION

1. That the Corporate Asset Management Business Line Operating Budget for 2022 totalling \$14,578,700 in expenditures and \$998,000 in revenues be approved, subject to adjustments under the Business Plan Options section of the agenda;
2. That the Corporate Asset Management Business Line Operating Plan for 2023 totalling \$15,094,300 in expenditures and \$998,000 in revenues be approved, subject to adjustments under the Business Plan Options section of the agenda;
3. That the 2022 Capital Budget totalling \$21,997,000 be approved, subject to adjustments under the Business Plan Options section of the agenda; and
4. That the 2023 Capital Plan totalling \$20,512,000 be approved, subject to adjustments under the Business Plan Options section of the agenda.

### BACKGROUND

The 2022/2023 Preliminary Business Plan and Budget (Preliminary Budget) was released on November 24, 2021.

### DISCUSSION/ANALYSIS

#### Corporate Asset Management Operating Budget

The Preliminary Budget includes a total of \$14,578,700 and \$15,094,300 in expenditures for the Corporate Asset Management Business Line. Decreases of \$149,600 (1.0%) and increases of \$515,600 (3.5%) are projected, mainly due to changes within the Facilities Management Service Line which includes:

- A \$1,357,300 cost reduction in COVID-19 related cleaning costs at civic facilities, due to efficiencies in planning and scheduling in 2022;
- The 2022 savings are partially offset by increased staff compensation, estimates based on collective agreements \$476,000 ; and
- utility, license, and insurance increases totally \$571,000 in 2022 and \$640,400 in 2023, amongst other facility related growth pressures, some of which are cost recovered.

This business line also includes \$998,000 in non-tax revenue in both 2022 and 2023, which is a \$425,000 increase over previous years. This is from City Accommodations for additional lease revenue due to the acquisition of a building and parking lot with external tenants, revenue increase partially offset by costs to maintain the tenants.

The projected property tax support provided to this business line is \$13,580,700 and \$14,096,300, which is a decrease of \$574,600 (4.1%) in 2022 and an increase of \$515,600 (3.8%) in 2023.

Corporate Asset Management Business Line Capital Budget

The Corporate Asset Management Business Line includes \$21,997,000 and \$20,512,000 in funded capital projects, most notably:

- \$7,950,000 and \$9,850,000 for the Civic Buildings Comprehensive Maintenance Program to ensure that civic facilities are properly maintained through preventative maintenance and facility upgrades; and
- \$8,430,000 and \$8,210,000 for vehicle and equipment replacements under the Fleet Services Service Line.

**FINANCIAL IMPLICATIONS**

The financial implications are included in this report.

**OTHER IMPLICATIONS**

There are no privacy, legal, social, or environmental implications identified.

**NEXT STEPS**

Upon approval of the Preliminary Budget, the Administration will finalize the Approved Business Plan and Budget to be released in 2022.

**REPORT APPROVAL**

Written by: Maegan Piche, Financial Analyst  
Reviewed by: Kari Smith, Director of Finance  
Approved by: Clae Hack, Chief Financial Officer