

CITY OF PORT ALBERNI

**SPECIAL COUNCIL MEETING AGENDA
2009-2013 FIVE YEAR FINANCIAL PLAN
Monday, March 2, 2009 at 7:00 pm
City Hall – Council Chambers**

A. APPROVAL OF AGENDA

- 1. Call to Order and Adoption of Agenda**

B. FIVE YEAR FINANCIAL OVERVIEW - CITY MANAGER

C. DEPARTMENTAL BUDGET PRESENTATIONS

The public will be provided an opportunity to ask questions and provide comment after each of the departmental budget presentations.

1. Parks and Recreation Department
2. Engineering and Public Works

D. REPORTS

- 1. Information Services Department**

Report as requested by Council.

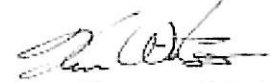
E. COUNCIL REVIEW

Council to provide direction or request further information regarding the 2009 – 2013 Five Year Financial Plan.

F. ADJOURNMENT

That the meeting adjourn at pm.

I concur, forward to next
Regular Council Meeting
for Consideration:



Ken Watson, City Manager

City of Port Alberni
Information Services Department
2009 Budget Summary

Prepared by : Warren Kalyn
Manager of Information Services

Date : February 23, 2009

Information Services Budget Summary

2009 Operational :

The Information Services 2009 Operational increase will be \$37,385.00 (8.23 %). It is interesting to note that if the two mandatory committed items (Nuisance Bylaw – Council mandated, MicroSoft licensing – mandatory to meet licensing requirements) were planned for, the Information Services 2009 Operational budget would show a reduction and be less than 0% (after annual expenditure reduction of \$29,230.00).

Committed

- Nuisance Bylaw (Municipal Ticket Interface) - \$10,339.00.
- Microsoft Licensing - \$35,396.00 (annual)

Uncommitted

- Consultant for Financial System Review - \$20,880.00

Total Expenditure - \$66,615.00

Total Savings - \$29,230.00 (annual)

2009 Capital :

The Information Services 2009 Capital expenditure will be \$67,400.00 to replace our aging wireless infrastructure (installed 1998). This project will be eligible for Federal Infrastructure or Provincial JEPP grants

Expenditure

- Total Cost - \$67,400.00

Savings

- Eliminates Public/Private partnership - \$1,200.00 (annual)
- Hardware/support costs - \$4,000.00 (annual)
- Total Savings - \$5,200.00 (annual)

2010 Operational :

The Information Services 2010 Operational increase will be \$20,880.00. This increase will provide the city with the required bandwidth to support all future upgrades to technical services. This project may be eligible for Federal or Provincial JEPP grants.

Expenditure

- Total - Install \$3,000.00 (one time), \$17,880.00 (annual) (\$1,490/month)

Savings

- Allows remote hosting of email - \$5,000.00 (annual)
- Replace current SHAW line - \$9840.00 (annual)
- Total Savings - \$14,840.00 (annual)

2010 Capital :

The Information Services 2010 Capital expenditure will be \$6800.00. This expenditure will allow for the implementation of virtual terminal technology, which will replace our currently leased solution from Moneris and Telus. An additional purposed expenditure will be for the replacement of our Integrated Financial application. The 2010 cost for a replacement application will be determined as a result of a consultant review. The 1998 cost for the purchase and implementation of our current financial system was \$242,846.68. The City of Port Alberni has since spent an additional \$375,857.14 to support this software and make it fit within our business environment. The magnitude of the after purchase amount enforces the requirement to perform a thorough analysis of our financial requirements by a qualified financial systems consultant **before** considering any purchase.

Expenditure

- Total Virtual Terminal – Install \$6800.00 (one time), \$1260.00 (annual)
- Total Financial Application – To Be Determined

Savings

- Total Virtual Terminal - \$7000.00 (annual)
- Total Financial Application – To Be Determined

2011 Operational :

(No anticipated increase beyond standard 2%)

2011 Capital :

The Information Services 2011 Capital expenditure will be \$150,000.00. This expenditure will be for the replacement of our current telephone system which will reach its end of life at the end of 2010. Telus has informed the City of Port Alberni that they will not support our phone system after December 2010.

Expenditure

- Total expenditure - \$150,000.00 (estimated)

Saving

- Total saving – No anticipated savings

Total Budget Proposal

2009 – 2011 Total Operational Increase (one time cost) : \$ 34,219.00

2009 – 2001 Total Operational Increase (annual) : \$ 54,536.00

2009 – 2011 Total Operational Savings (annual) : \$ 56,270.00

2009 – 2011 Capital Increase : \$224,200.00 + Financial App : To Be Determined

Downtown Revitalization Wireless Internet Proposal

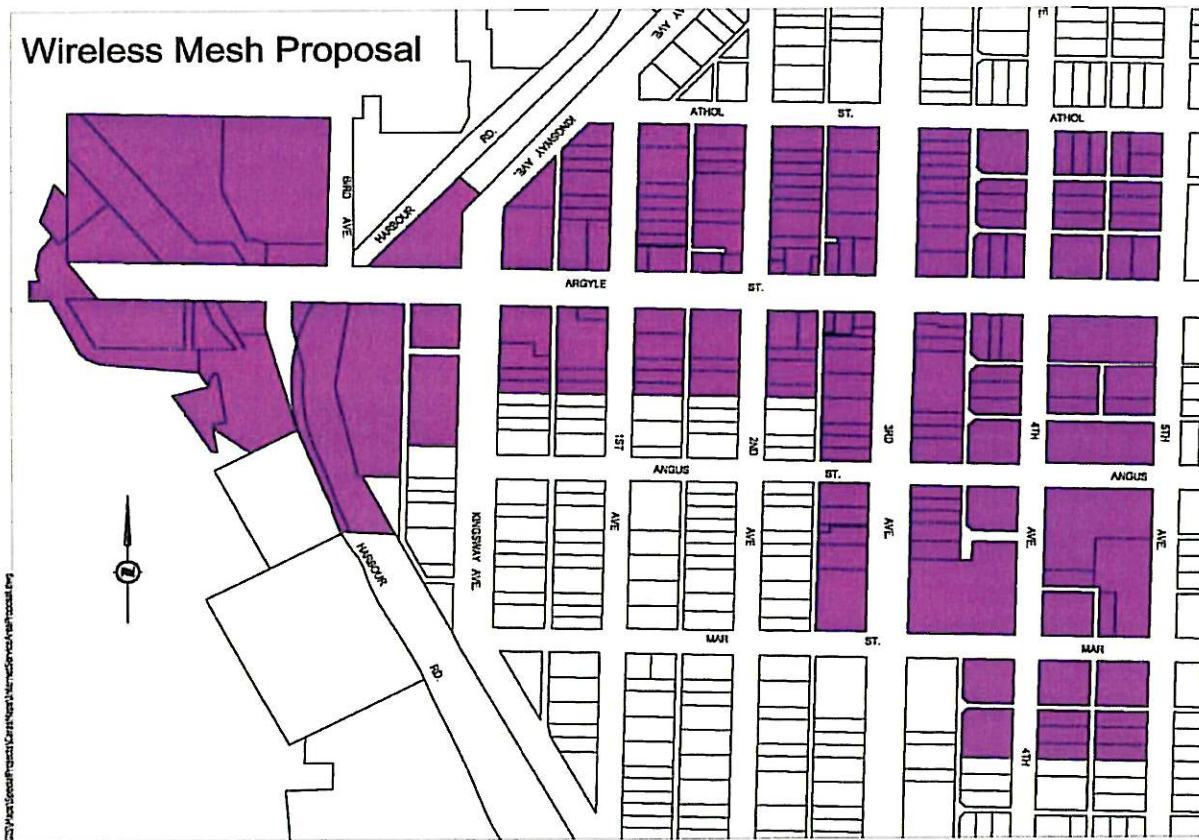
Wireless Mesh will provide internet access from the downtown core to the Harbour Quay. This proposal is optional and is available for future council consideration after the mandatory upgrade to our wireless infrastructure has been implemented.

Return On Investment (ROI)

- Public/Private partnership
- Tariff access
- Advertising – Banner or Splash pages

Investment cost - \$30,000.00

(Areas in dark show the extent of coverage for wireless internet)



	2008	2009	2010	2011	2012	2013
	Budget	Proposed	Proposed	Proposed	Proposed	Proposed
Information Services	\$ 456,268	\$ 559,045	\$ 494,000	\$ 646,945	\$ 506,883	\$ 517,019
2009						
reduce Financial System Review		\$ (20,880)				
reduce Wireless Infrastructure U/g		\$ (67,400)				
loss of annual savings		\$ 5,200	\$ 5,200	\$ 5,200	\$ 5,200	\$ 5,200
2010						
reduce Increase Bandwidth		\$ (3,000)				
reduce Increase Bandwidth annual		\$ (17,880)	\$ (17,880)	\$ (17,880)	\$ (17,880)	\$ (17,880)
loss of annual savings		\$ 14,840	\$ 14,840	\$ 14,840	\$ 14,840	\$ 14,840
reduce Virtual Terminal		\$ (6,800)				
reduce Virtual Terminal annual		\$ (1,260)	\$ (1,260)	\$ (1,260)	\$ (1,260)	\$ (1,260)
loss of annual savings		\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000
2011						
reduce Phone System	\$ 456,268	\$ 475,965	\$ 492,100	\$ 504,845	\$ 514,783	\$ 524,919
(Increase)/Decrease in costs	\$ -	\$ 83,080	\$ 1,900	\$ 142,100	\$ (7,900)	\$ (7,900)
tax levy with proposed						
improvements	\$ 17,371,606	\$ 17,640,494	\$ 18,146,887	\$ 18,343,187	\$ 18,913,108	\$ 19,599,350
% change in taxes year to year		1.55%	2.87%	1.08%	3.11%	3.63%
revised tax levy without proposed						
improvements	\$ 17,371,606	\$ 17,557,414	\$ 18,144,987	\$ 18,201,087	\$ 18,921,008	\$ 19,607,250
% change in taxes year to year		1.07%	3.35%	0.31%	3.96%	3.63%
Net tax implication		0.48%	-0.48%	0.77%	-0.85%	0.00%