



2025-2029 AMENDED FINANCIAL PLAN

April 7, 2025, Regular Council Meeting

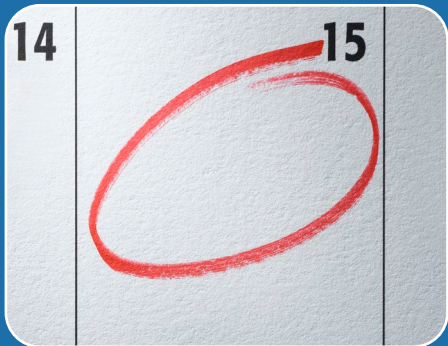
- Amended Financial Plan Process/Timelines
- BC Assessment Revised Roll
- Fire Hall Project
- Surplus and Reserve Transfers

FINANCIAL PLAN TIMELINE - **AMENDED**



5 Year Financial Plan details and public consultation

- April 7 Regular/ April 9 COW: New information, carry forward balances, BC Assessment revised roll for PT, revenue analyses
- Apr 23: Resolutions from April 9 COW and direction from Council re PT/water/sewer rates



Bylaws (adoption required before May 15, 2025)

- May 5: Amended 2025-2029 Financial Plan Bylaw
- May 5: 2025 Water/Sewer Rates Bylaws
- May 5: 2025 Tax Rates Bylaw

FINANCIAL PLAN AMENDMENTS

Types of budget amendments:

- Amounts per Council or Joint Venture Board Resolution
- New items (not known during Final/Provisional Financial Plan process)
- New/updated information about items in Final Financial Plan

Process:

- Amended Financial Plan Bylaw requires public consultation and Council approval.



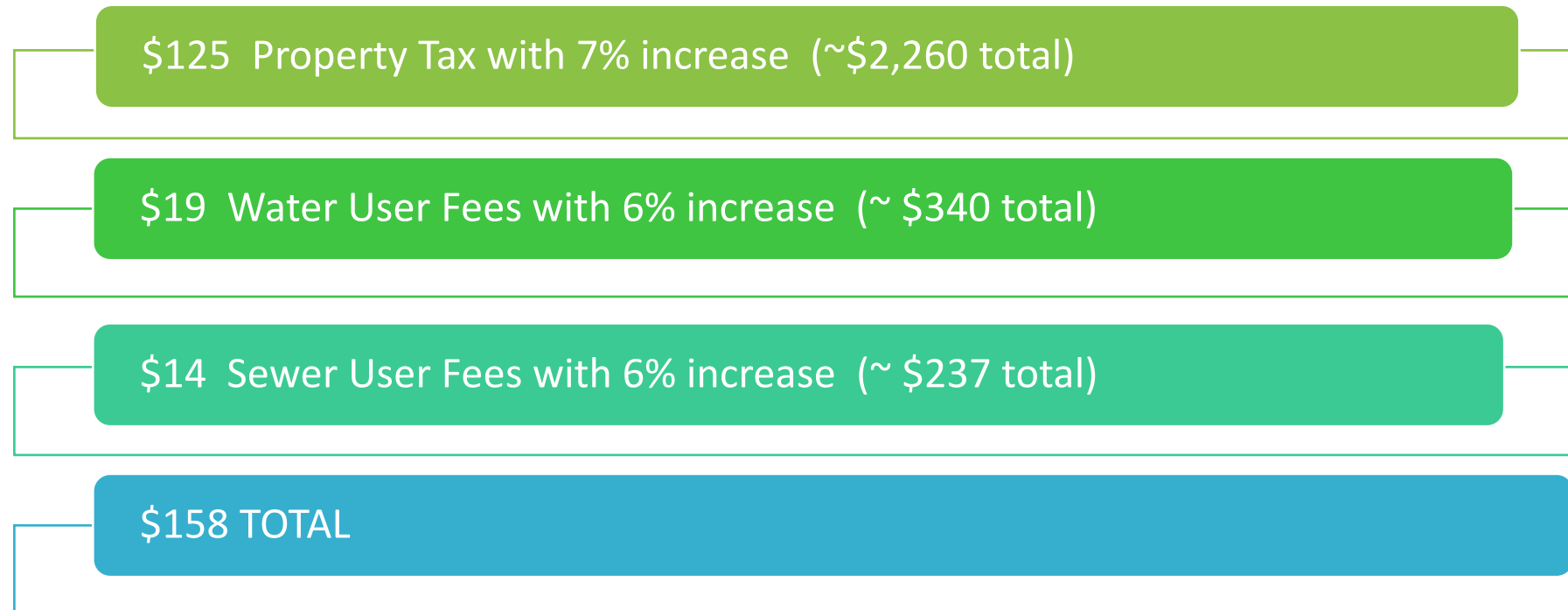
REVENUE ASSUMPTIONS CARRIED FORWARD

Approved in 2025-2029 Financial Plan:	2025	2026	2027	2028	2029
Property Tax	5.8%	4.6%	4.5%	4.0%	4.0%
Contributions to Capital Reserve for Infrastructure Renewal:					
General Fund	0.5%	0.5%	0.5%	0.5%	0.5%
Water Fund	0.3%	0.3%	0.3%	0.3%	0.3%
Sewer Fun	0.2%	0.2%	0.2%	0.2%	0.2%
	1.0%	1.0%	1.0%	1.0%	1.0%
Contribution to Protective Services Reserve	0.2%	0.2%	0.2%	0.2%	0.2%
Total Property tax increase	7.0%	5.8%	5.7%	5.2%	5.2%
Water Rates	6.0%	6.0%	6.0%	6.0%	6.0%
Sewer Rates	6.0%	6.0%	6.0%	6.0%	6.0%

Changes to these assumptions per direction from Council.

Average Single Family Residential Home (~\$795,000) – Provisional/Final Financial Plan (Adopted January 20, 2025)

Estimated increase in property taxes and utility fees for average SFD:



BC ASSESSMENT – REVISED ROLL

PROPERTY CLASS	2025 NET TAXABLE VALUE TOTAL (Revised Roll - Mar 2025)	2024 NET TAXABLE VALUE TOTAL (Revised Roll- Mar 2024)	TOTAL \$ CHANGE	TOTAL % CHANGE	% CHANGE - MKT	% CHANGE - NON-MKT	\$ CHANGE NON-MARKET	\$ CHANGE MARKET
1 - Residential	\$5,325,521,100	\$5,110,789,163	\$ 214,731,937	4.20%	2.07%	2.13%	\$ 108,850,413	\$ 105,881,524
2 - Utilities	1,566,700	1,494,300	72,400	4.85%	4.85%	-	-	72,400
3 - Supportive Housing								
5 - Light Industry	15,425,200	16,083,200	(658,000)	-4.09%	1.19%	-5.28%	(849,000)	191,000
6 - Business & Other	610,572,381	583,912,379	\$26,660,002	4.57%	2.50%	2.07%	12,088,400	14,571,602
7 - Managed Forest Land								
8 - Rec/Non Profit	28,915,900	26,565,500	\$2,350,400	8.85%	11.19%	-2.34%	(622,000)	2,972,400
9 - Farm	-	86,623	(86,623)	-	-	-	-	-
S.644LGA/398VC	11,922,400	12,042,600	-\$120,200	-1.00%	6.38%	-7.37%	(888,000)	767,800
Total	\$ 5,993,923,681	\$ 5,750,973,765	\$ 242,949,916	4.22%	2.16%	2.06%	\$ 118,579,813	\$ 124,456,726
Completed Roll Totals - used for Final FP PT calc	\$6,056,986,230	\$5,750,973,765	\$306,012,465	5.3%	3.1%	2.3%	\$129,802,200	\$176,210,265
Difference	\$ (63,062,549)	\$ -	\$ (63,062,549)				\$ (11,222,387)	\$ (51,753,539)

ECONOMIC UNCERTAINTY

US tariffs (and CDN response/counter-tariffs), restrictive travel/immigration, changing human rights/DEI policies, and worldwide financial markets -

HOW ARE WE RESPONDING?

MUNICIPALITY	COMMUNITY
Procurement – ASAP or deferrals <ul style="list-style-type: none">• buy Canadian when possible, per Council direction	Evaluating financial plan revenues and expenditures for changes that can reduce 2025 property taxes
Recommend adding contingency to Financial Plan and conservative estimates for expenditures/cash mngmt	Allocating additional temporary staff to support downtown and Community Park during tourism season
Working with municipal partners to monitor and prepare for impacts (CivicInfo, GFOABC, LGMA, Canoe)	Working with community partners (PQB Tourism, PDBA, Chamber) to identify risks and opportunities
Senior staff evaluating and developing response strategies to City's risks and opportunities	Buying local and supporting Canadian and BC businesses – growing Canada First sentiment is obvious

OTHER CONSIDERATIONS – \$ IMPACT TBD

- Findings and costs to implement recommendations from:
 - Drinking water study
 - Asset management program /funding (asset management plans, long-term financial plans)
 - Infrastructure master plans (sewer/water/ storm/ transportation)
 - Analysis of long-term financial impacts of replacement costs of new facilities

MOST OF THESE WILL HAVE SIGNIFICANT FINANCIAL IMPLICATIONS



UPDATED INFORMATION - Fire Hall Project

July 2024: Order of magnitude estimates from consultant:

- Alternative #1 - \$11M Renovate
- Alternative #2 - \$29M New Hall (same location)
- Alternative #3 – \$2M to \$10M OH&S Requirements



Oct/Nov 2024: Funding alternatives presented by staff

November 4, 2024: Council resolution:

- THAT staff investigate the costs to obtain a Class B estimate for the Fire Hall renovation project and, if the cost is within the allocated budget, proceed to obtain the estimate.

UPDATED INFORMATION - Fire Hall Project

- The most significant major project in the Financial Plan
- Some degree of investment is necessary – wide range of cost options, need Council direction
- Decision influences options for reserve funds, grants allocated to various options
- Implications for service levels currently reflected in Fire Department:
 - Future staffing levels; 2 new FRST positions in 2027
 - Operational service shift to 24 hours

UPDATED INFORMATION - Fire Hall Project

In 2025-2029 Financial Plan
(adopted Jan 20/25):

Cost

\$5,119,300

Funding:

\$219,300	Land Sale Reserve
\$2,250,000	Gas Tax (CCBF)
\$750,000	Growing Comm. Fund
\$1,900,000	Recover via Fire Services

Agreement (RDN)

(this does not reflect an upgrade option)

Potential Funding Sources For Capital Alternatives

RDN Fire Service Agreement ~30%	Long Term Debt (MFA)
Canada Community Bldg Fund	Unrestricted surplus appropriation
Growing Communities Fund	Internal borrowing
General Fund Capital Reserve	DCC's (after new DCC bylaw)

UPDATED INFORMATION – Fire Hall Project

Re November 2024 Council resolution:

- Allocated budget: \$220,000
 - Estimated cost to obtain a Class B estimate: ~\$330,000
- shortfall in budget \$110,000*

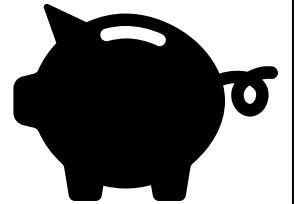
Options for Council:

1. Approve the additional funds to obtain a Class B estimate
 - could be used to apply for grant funding (e.g. Strategic Priorities Fund) and discussions with RDN service agreement
2. Provide other direction to staff

NOTE: “Status quo” is not an option – need resolution for OH&S issues identified
-operating funds, not eligible for grant funding / capital reserves
-current staffing plan and other operational expenses in FP assume fire hall changes

NEW – RESERVES & SURPLUS POLICY FUNDING

- ❑ Recommendations in Report to Council on April 7, 2025
- ❑ For each fund – General, Water, Sanitary Sewer
- ❑ Reallocation of accumulated unrestricted surplus and “legacy” capital reserves
- ❑ No financial impact in 2025-2029 Financial Plan



NEW – RESERVES & SURPLUS POLICY FUNDING

			UNRESTRICTED SURPLUS	
			GENERAL FUND	WATER FUND
RECOMMENDED BALANCE PER POLICY: 9 months regular recurring operating expenditures			\$ 15,200,000	\$ 2,800,000
Balance per 12/31/2023 Audited Financial Statements			23,584,419	7,536,731
Recommended reallocation amount:			\$ 8,384,000	\$ 4,737,000
Reallocations:	Optimal balance recommendation per Reserves and Surplus Policy No. 6.20:			
OPERATING RESERVES				
Future Expenditures	Amount will vary from year to year depending on the timing of completion of budgeted activities.			
	Human Resources (funded from staffing expenditures surplus)	To provide funding for non-recurring expenditures (e.g. collective bargaining cost, unexpected leaves due to illness or other, flexibility for one-time market increases, etc.)	(500,000)	(200,000)

NEW – RESERVES & SURPLUS POLICY FUNDING

			UNRESTRICTED SURPLUS	
			GENERAL FUND	WATER FUND
Financial Stabilization (funded from general surplus)	Provide sufficient funding for flexibility in responding to intermittent projects and/or short-term negative impacts from economic changes. 5-10% of each revenue type + cyclical/ recurring expenditure calculations			
	Non-recurring projects		(1,000,000)	(500,000)
	Property taxes/ Utility fees	5% / 10% of average annual revenue	(1,000,000)	(400,000)
	Other Revenues (permits, fees)	5% / 10% of average annual revenue	(150,000)	
	Election/ Strategic Planning	~ \$100k / 4 years	(25,000)	
	Master Plans	General ~ \$500k / 5 years and Water ~\$200k/ 5 years	(100,000)	(40,000)
	Specific accounts:			
	Insurance (1 deductible for all policies)	Two and three times the major claims deductible and liability insurance deductible.	(285,000)	(210,000)
	Legal (5 year avg = \$75k)	One and three times the five-year average annual corporate legal costs (average reviewed biannually)	(100,000)	
	Snow and Ice Removal (5 year avg = \$40k)	One and three times the five-year average annual snow/ice removal costs (average reviewed annually)	(120,000)	

NEW – RESERVES & SURPLUS POLICY FUNDING

			UNRESTRICTED SURPLUS	
			GENERAL FUND	WATER FUND
Protective Services- Fire		Amounts to be determined based on Fire Service Asset Management Plan when adopted and updated DCC/ Amenity Cost Charges (ACC) bylaw projects.		
	Developer contributions to Fire Department	Actual amounts received (2012-2023)	(645,200)	
	Wage surplus - Fire	To provide contingency funding for unexpected leaves and/or extraordinary increases in calls for members	(400,000)	
	SCBA replacement	\$350k / 15 years (approximate annual amount = \$25k)	(125,000)	
Protective Services- Policing		Amounts to be determined based on further information regarding the City's operating and capital financial obligations for policing services.		
	2023 year RCMP contract surplus		(650,000)	

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Recommended reallocation amount:			\$ 8,384,000	\$ 4,737,000
Reallocations:	Optimal balance recommendation per Reserves and Surplus Policy No. 6.20:			
CAPITAL RESERVES				
	General Fund/ Water Fund	Variable/TBD - Amount will be determined by Long- Term Financial Plan (LTFP) for Capital	(2,500,000)	(3,400,000)
	IT Equipment Replacement	Variable/TBD - Optimal amount will be the accumulation of amount to provide 100% funding at the time of replacement of assets.	(275,000)	
	PCTC	Future amounts will be determined by AMP/LTFP for PCTC building and components.	(500,000)	
Total reallocations			(8,375,200)	(4,750,000)
Balance at 12/31/2023 after reallocations			15,209,219	2,786,731

NEW – RESERVES & SURPLUS POLICY FUNDING

	GENERAL FUND			WATER FUND			SANITARY SEWER FUND		
	Legacy Capital Reserve	Capital Reserve	Asset Management Reserve	Legacy Capital Reserve	Capital Reserve	Asset Management Reserve	Legacy	Capital Reserve	Asset Management Reserve
Balance at 12/31/2024									
per unaudited financial statements at 12/31/2024	\$ 8,958,954	\$ -	\$ -	\$ 1,104,382	\$ -	\$ -	\$ 1,326,529	\$ -	\$ -
Amounts related to infrastructure projects:									
Bagshaw Street (2015)	(156,000)		156,000						
Weld Street (2017)	(95,000)		95,000						
Stanford Ave - McCarter Rd to Corfield Rd (2017)	(202,750)		202,750	(126,750)		126,750			
McKinnon Street - Hirst Rd to Harnish Rd (2019)	(963,000)		963,000	(195,000)		195,000	(146,000)		146,000
Wallis Street - Morrison to End (2019)	(153,000)		153,000	(41,000)		41,000	(38,000)		38,000
ERWS ASR	(37,300)		37,300	(37,300)		37,300			-
Moss Avenue	839,934		(839,934)	7,670		(7,670)	154,684		(154,684)
Asphalt	248,279		(248,279)						
Interest	(315,065)		315,065	(80,153)		80,153	(32,042)		32,042

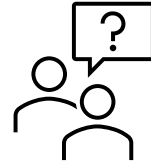
NEW – RESERVES & SURPLUS POLICY FUNDING

	GENERAL FUND			WATER FUND			SANITARY SEWER FUND		
	Legacy Capital Reserve	Capital Reserve	Asset Management Reserve	Legacy Capital Reserve	Capital Reserve	Asset Management Reserve	Legacy	Capital Reserve	Asset Management Reserve
Amounts collected for infrastructure renewal (2023-2024):				-			-		
Sustainable capital funding envelope	(7,100,000)		7,100,000	(900,000)		900,000	(750,000)		750,000
Interest	(252,853)		252,853	(39,400)		39,400	(24,911)		24,911
Transfer to future expenditures reserve:									
Records management project	(81,500)								
Remaining balance to new capital reserve	(690,699)	690,699	-	307,552	(307,552)	-	(490,260)	490,260	-
Subtotal after capital reserves reallocations	\$ -	\$ 690,699	\$ 8,186,754	\$ -	\$ (307,552)	\$ 1,411,934	\$ -	\$ 490,260	\$ 836,269
Other									
Transfer from Unrestricted Surplus at 12/31/2023 (See Appendix "A")		2,500,000			3,400,000				
Transfer from Carry Forward Reserve at 12/31/2023		58,418			-				
Balance after all reallocations	\$ -	\$ 3,249,117	\$ 8,186,754	\$ -	\$ 3,092,448	\$ 1,411,934	\$ -	\$ 490,260	\$ 836,269

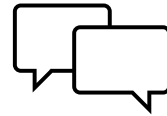
2025-2029 AMENDED FINANCIAL PLAN – NEXT STEPS

- ☐ Committee of the Whole meeting on April 9
- ☐ Recommendations to Council's Regular meeting on April 23
- ☒ Incorporate Council direction from April 23 meeting
- ☐ Draft bylaws/amendments to bylaws for Council's review at May 5 Regular Council meeting:
 - Amended 2025-2029 Final Financial Plan Bylaw
 - 2025 Property Tax Rates Bylaw
 - Amended Sewer Utility Rates Bylaw
 - Amended Water Utility Rates Bylaw





Questions from
Council



Comments from
the Public



Council
deliberation/
discussion/
direction