



# 2024-2028 FINANCIAL PLAN

## Committee of the Whole Meeting – November 27, 2023

Financial Plan Process

2023 Activities YTD

2024-2028 Economic Overview / Foundation for Financial Plan Discussions

2024 Corporate Workplan

Reserves and Surplus Policy (Draft) and Recommendations

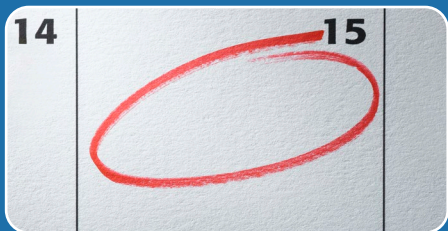
# FINANCIAL PLAN TIMELINE – “PROVISIONAL/FINAL”

## Five-year Financial Plan details and public consultation



- Nov 27 COW: Setting the stage for the 2024-2028 FP
- Dec 11 COW: Parksville Community Park and Council Financial Plan Requests Brought Forward
- Jan 2024 – TBD - Departmental Presentations – Operating and Capital
- Feb 2024 - TBD: Cumulative analysis and direction from Council

## Bylaws



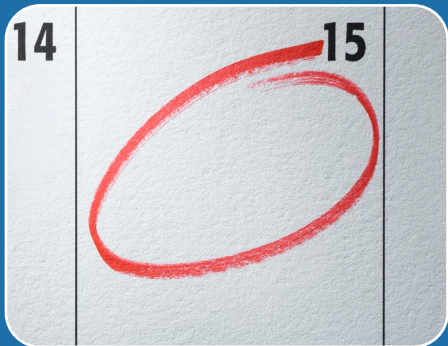
- Feb/Early March 2024 - TBD: Financial Plan Bylaw

# FINANCIAL PLAN TIMELINE - **AMENDED**



## 5 Year Financial Plan details and public consultation

- April 8 COW: New information, carry forward balances, BC Assessment revised roll for PT, water/sewer rates analysis
- Apr 15: Resolutions from April 8 COW and direction from Council re PT/water/sewer rates



## Bylaws (adoption required by May 15, 2024)

- Apr/May TBD: Amended 2024-2028 Financial Plan Bylaw
- Apr/May TBD: 2024 Water/Sewer Rates Bylaws
- Apr/May TBD: 2024 Tax Rates Bylaw



# 2023 ACTIVITIES YEAR TO DATE

Marlie Boven, Manager of Finance

# CITY OF PARKSVILLE FINANCIAL PLAN

Municipal services included in the 2024-2028 Financial Plan:

Roads and Drainage	Fire Rescue Services	RCMP	Community Planning
Building Inspection	Infrastructure maintenance and renewal	Public Works	Parks and Trails
Facilities	Bylaw Services	Business Licensing	Special Events
Garbage and Recycling	Drinking water supply and distribution	Sanitary Sewer collection	Municipal Administration

# NOT IN CITY OF PARKSVILLE FINANCIAL PLAN

- Services provided by other jurisdictions:

E.g.

- Regional District
- Vancouver Island Regional Library
- Provincial
- Federal

Some jurisdictional lines becoming “grey” ?

Education

Transit

Library

Social Planning

Social Housing

Healthcare

(including mental health and addictions)

# LEVELS OF SERVICE (SL)

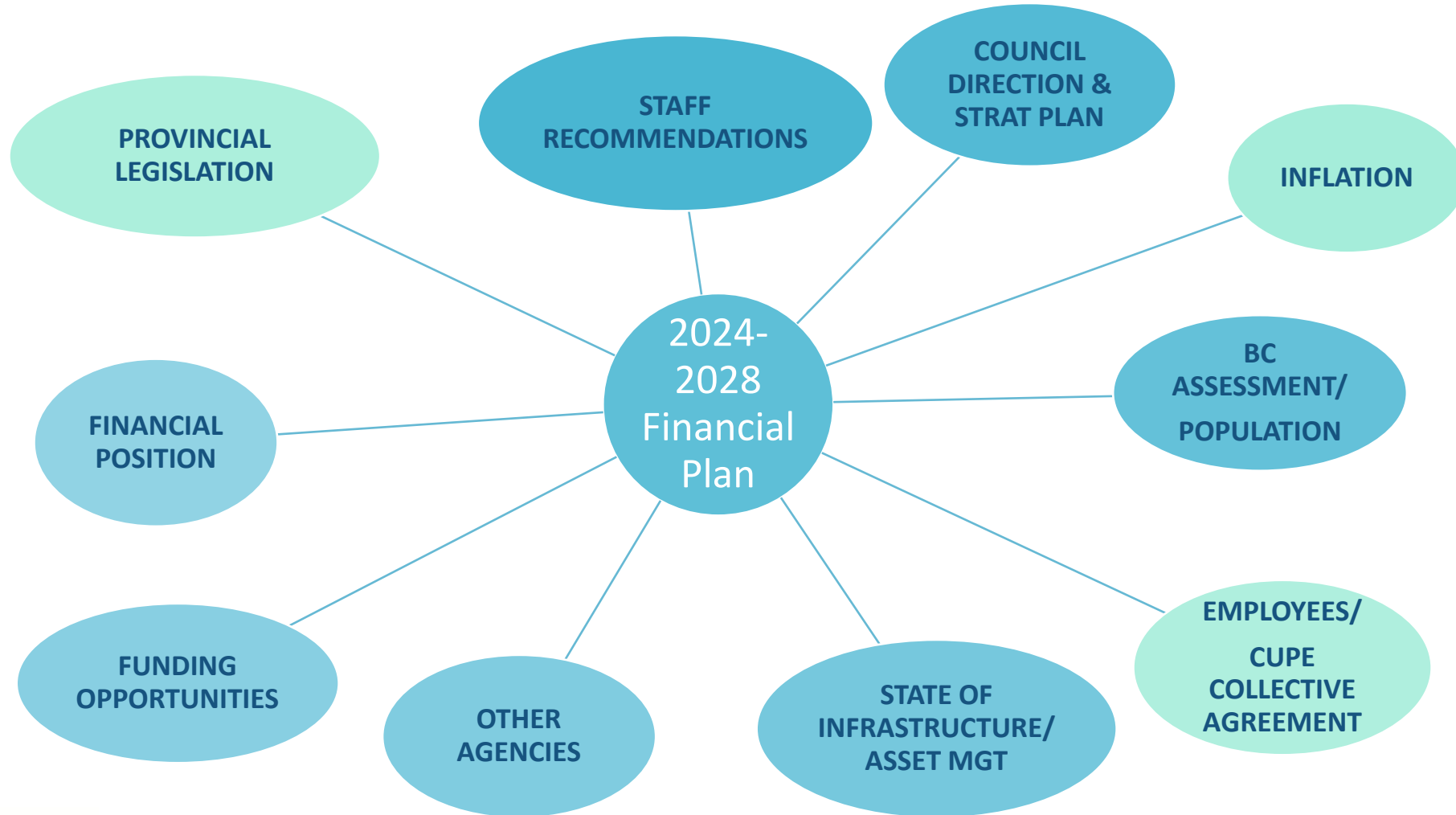
## BASE/CORE FINANCIAL PLAN

- SAME SL (as in prior year)
- Employees required to continue providing same SL
- Includes all operating and maintenance costs re: TCA (i.e. reflects lifecycle costs)
- Analysis of current costs to reflect inflation/actual/contract amounts
- First draft of Financial Plan

## NEW SPENDING PROPOSALS

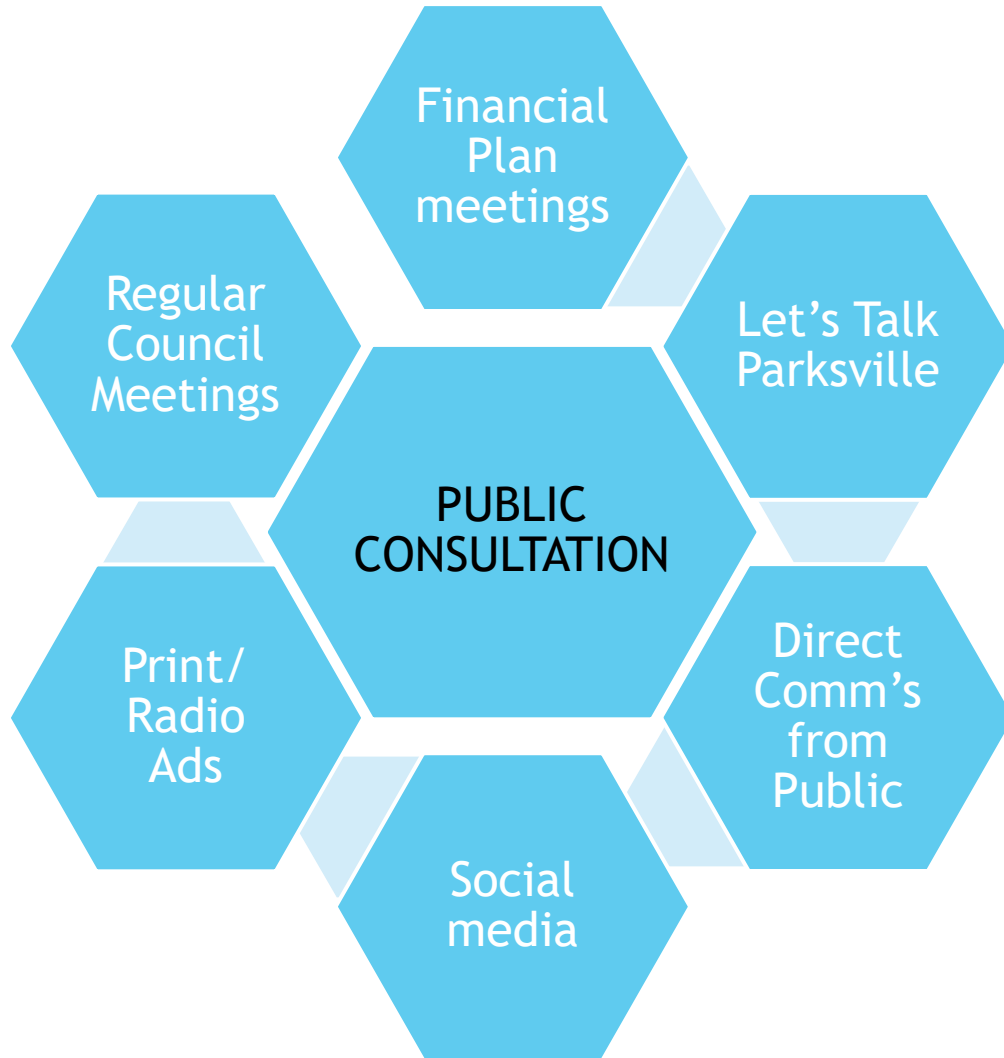
- IMPROVED SL (from prior year)
- E.g. New employees to provide enhanced SL
- E.g. Capital projects with significant upgrades or new assets to deliver improved LS
- Proposals include full lifecycle costs (Operating/ Capital/ Maintenance/ Disposal)
- Needs direction from Council for inclusion in subsequent FP drafts

# FINANCIAL PLAN INPUTS

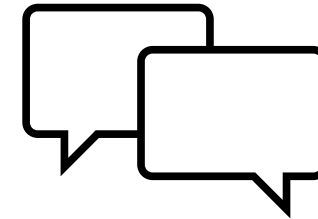




# Five-year Financial Plan



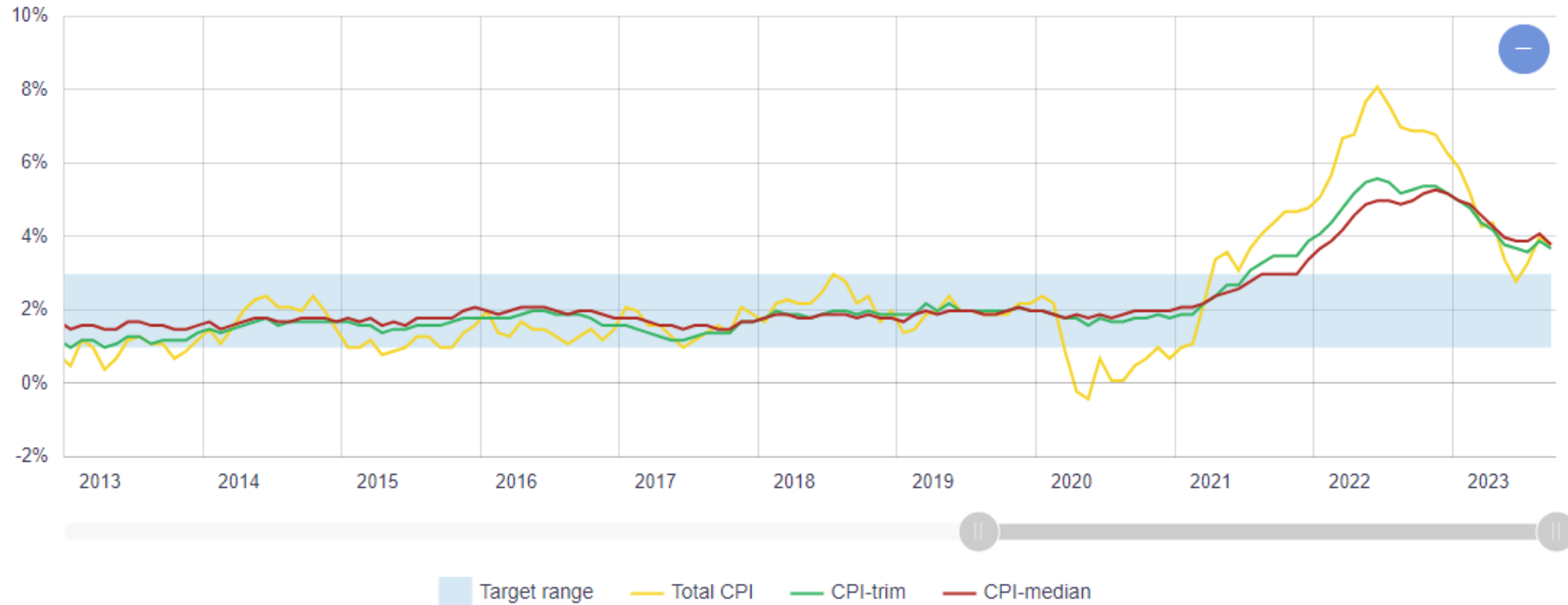
Council must consult with public before adoption of any five-year financial plan.



# INFLATION

## Key inflation indicators and the target range

Total CPI, CPI-trim, CPI-median and Target Range



Source: Bank of Canada

# INFLATION FORECAST



## Banks and economists:

- *Back to 2% range by 2025 Q4*
- *Still unpredictable*



## Considerations for 2024-2028 Financial Plan

-Assumptions in Financial Plan  
model

-Impacts to City operations /  
Financial Plan

-Impacts to taxpayers



# BC ASSESSMENT 2024 OVERVIEW

PROPERTY CLASS	# Folios	2024 NET TAXABLE VALUE TOTAL (preview roll)	2023 NET TAXABLE VALUE TOTAL (revised roll)	TOTAL \$ CHANGE	TOTAL % CHANGE	% CHANGE - MKT	% CHANGE - NON-MKT	\$ CHANGE NON-MARKET	\$ CHANGE MARKET
1 - Residential	7002	\$5,187,835,163	\$5,126,218,597	\$61,616,566	1.20%	-0.21%	1.41%	\$ 72,203,700	\$ (10,587,134)
2 - Utilities	14	1,494,300	1,479,800	14,500	0.98%	0.98%	-	-	14,500
3 - Supportive Housing	1								
5 - Light Industry	22	15,933,400	14,969,500	963,900	6.44%	6.44%	-	-	963,900
6 - Business & Other	824	542,489,454	527,165,908	\$15,323,546	2.91%	0.63%	2.28%	11,996,500	3,327,046
7 - Managed Forest Land	-								
8 - Rec/Non Profit	60	22,615,000	30,272,100	-\$7,657,100	-25.29%	-2.04%	-23.26%	(7,040,000)	(617,100)
9 - Farm	2	86,623	86,623	-	0.00%	-	-	-	-
S.644LGA/398VC	5	12,296,600	11,805,700	\$490,900	4.16%	3.51%	0.65%	77,000	413,900
<b>Total</b>	<b>7930</b>	<b>\$ 5,782,750,540</b>	<b>\$ 5,711,998,228</b>	<b>\$ 70,752,312</b>	<b>1.24%</b>	<b>-0.11%</b>	<b>1.35%</b>	<b>\$ 77,237,200</b>	<b>\$ (6,484,888)</b>

PREVIEW ROLL RUN - PRELIMINARY NUMBERS

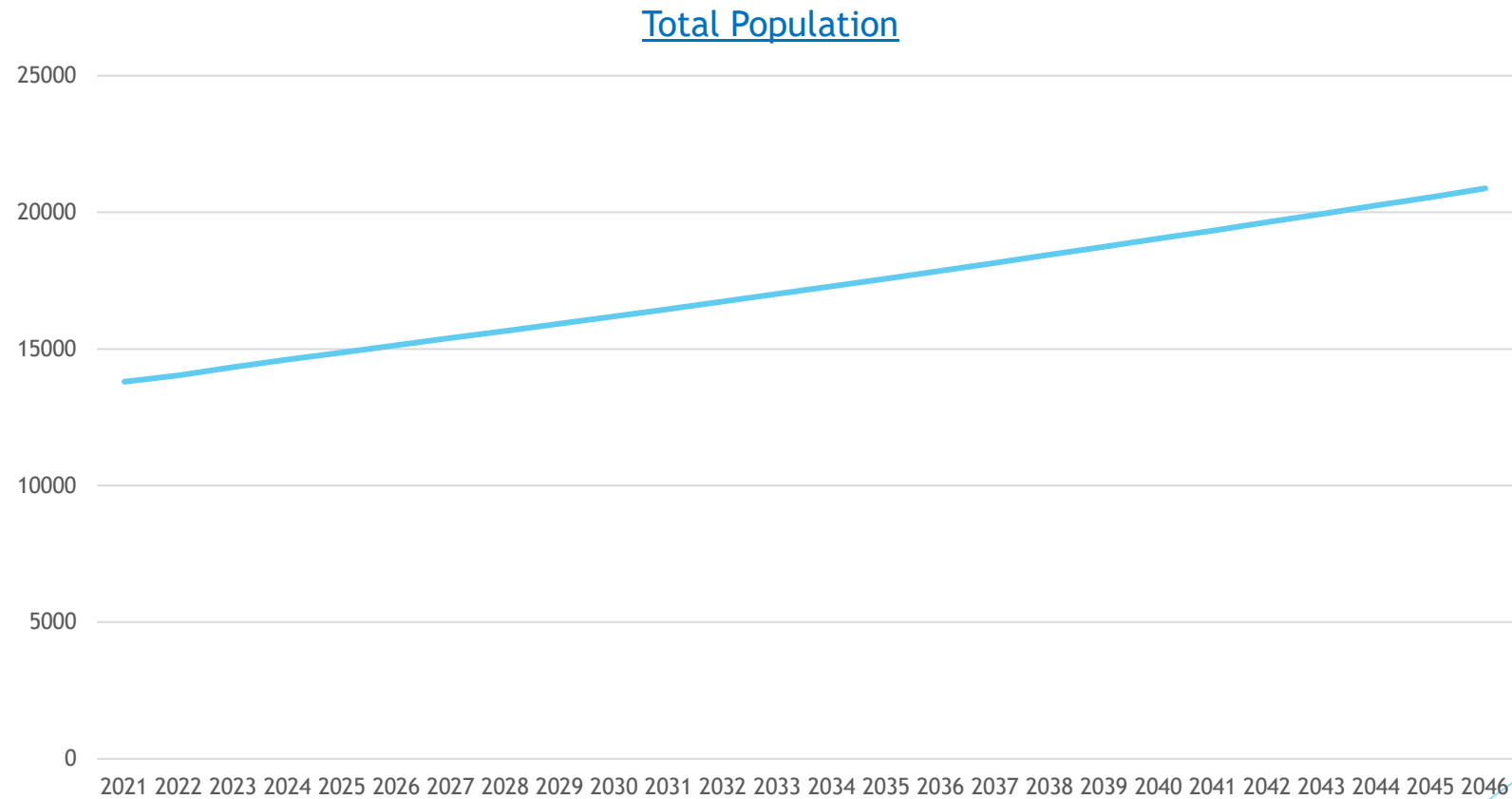
# POPULATION

<b>2021 Census</b>	<b>13,642</b>
<b>2022 Estimate</b>	<b>13,857</b>
<b>2023 Estimate</b>	<b>14,106</b>
<b>2024 Estimate</b>	<b>14,360</b>
<b>Increase</b>	<b>1.8%/year</b>

Impacts in Financial Plan:

- ✓ Planning/building inspection
- ✓ Operations
- ✓ Infrastructure
- ✓ RCMP threshold  
*(\$15k pop'n ~ 2026/7)*

# Population Prediction Averages



# EMPLOYEES

2023 City staff: 101 FTE's + 2 Term

- 23 exempt
- 2 term employees (special projects)
- 78 CUPE
- [Vacant: 8 positions]

2024 new (approved in previous FP):

- Fire Rescue Services Technician

2024-2028 Financial Plan proposals:

5 positions



## • CUPE Collective Agreement

- Expired Dec 31/22
- Assumed CA increases in FP
- Inflationary pressures

## • Recruiting/ retention challenges

- Competitive wages
- Cost of housing
- Jobs for spouses
- Entertainment/ recreation



# REVENUE ASSUMPTIONS CARRIED FORWARD

## Per 2023-2027 Financial Plan:

### Property Tax Increases

4.7% 2024 (+ 0.5% Increase Capital Reserve Contribution)

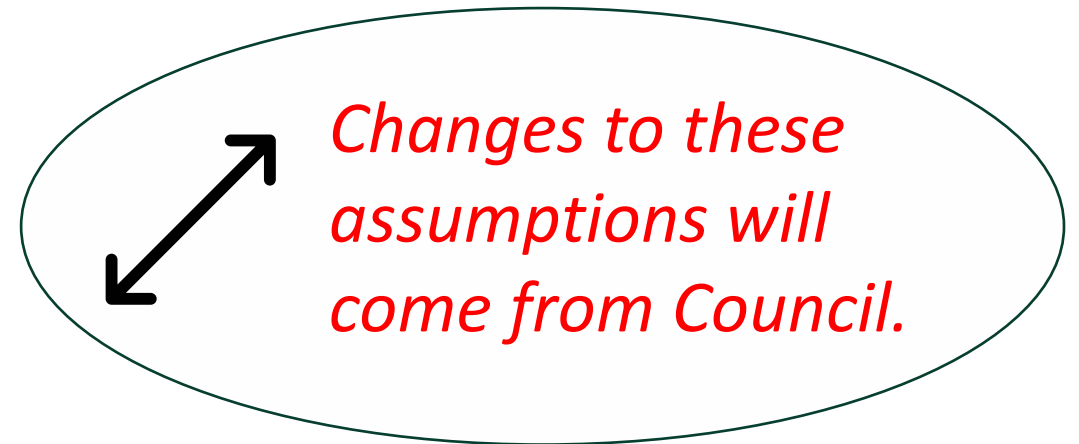
3.5% 2025 – 2027 (0% Increase to Cap Reserve Cont'n – keep at \$320k)

### Water User Fee Increases

5% 2024 – 2027

### Sanitary Sewer User Fee Increases

3% 2024 - 2027





# GAS TAX / Canada Community-Building Fund

- Agreement ends March 2024
  - Last payment in 2023
  - No notice of renewal of agreement yet
- *UBCM encouraging spending to support renewal of similar funding*



Current Financial Plan proposed allocations:

- Fire Hall addition/renovation
- Oceanside Track project
- Water infrastructure

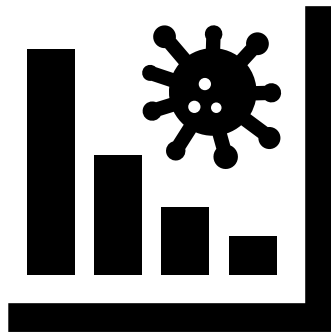
Balance at 12/31/2022	\$5,382,000
Payments expected in 2023	634,000
2023 forecasted allocations	(1,690,000)
Interest - estimate	110,000
<b>Estimated balance at 12/31/2023</b>	<b>\$4,436,000</b>
2024-27 FP allocations	(4,026,000)
Additional allocations from 2024-2028 Financial Planning process	TBD
Estimated unallocated balance	\$410,000

# COVID RESTART GRANT

\$2,861,000	Grant received
(978,700)	2020 allocations
(711,900)	2021 allocations
(470,000)	2022 allocations
<u>(334,000)</u>	2023 allocations (forecast)
<u>\$366,400</u>	Balance est. 12/31/23

## ➤ 2023 forecasted allocations:

- \$160k Staffing
- \$25k IT – meeting room upgrades
- \$24k Emerg Prep projects
- \$125k Forum A/V upgrades



## ➤ Other allocations in 2023-2027 Financial Plan:

- \$75k PCC - A/V upgrades
- \$280k Staffing

# GROWING COMMUNITIES GRANT



\$4,789,000 Grant received (Mar 2023)

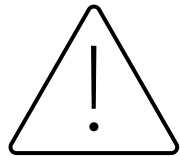
Less 2023 allocations:

( \$750,000) Drinking water master plan

( \$750,000) Fire Hall addition/reno

( \$600,000) Comm Park washroom building

\$2,689,000 Unallocated Balance



*Requirement to spend by 2028.*

## ➤ Capital infrastructure projects:

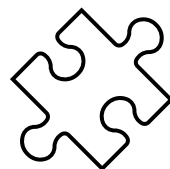
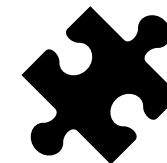
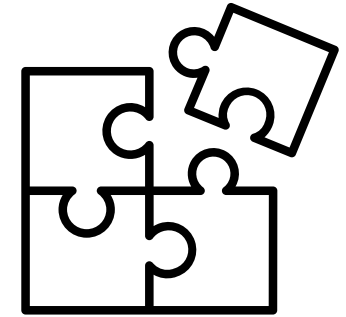
- Public drinking water supply, treatment facilities and water distribution;
- Development finance portions of infrastructure costs that support affordable/attainable housing.
- Wastewater conveyance and treatment facilities;
- Storm water management;
- Public safety/emergency management equipment and facilities not funded by senior level government;
- Local road improvements and upgrades;
- Sidewalks, curbing and lighting;
- Active transportation amenities not funded by senior level government;
- Natural hazard mitigation;
- Park additions/maintenance/upgrades including washrooms/meeting space and other amenities; and
- Recreation related amenities.

## ➤ Feasibility or design related to eligible capital projects

## ➤ Land acquisition when required for eligible project

# MORE INFORMATION TO COME

- Spending proposals for enhancements to current/core levels of service
- Council initiatives
- Additional reports at Council meetings
- BC Assessment completed roll
- Core Financial Plans for General, Water and Sewer Funds - Operating and Capital



# OTHER CONSIDERATIONS

Provincial Government Legislation – already legislated or proposed:

Housing Statutes	Protective Services/ Emergency Mgt	Other
<ul style="list-style-type: none"><li>• DCCs</li><li>• Amenities</li><li>• OCP</li><li>• Zoning bylaw</li><li>• Short term rentals</li><li>• Speculation tax</li></ul>	<ul style="list-style-type: none"><li>• Fire service standards (Fire Safety Act)</li><li>• Emergency and disaster management</li><li>• Unhoused population</li></ul>	<ul style="list-style-type: none"><li>• Accessibility</li><li>• Gender pay reporting</li><li>• Contaminated sites</li><li>• Environmental management</li></ul>

Most City departments will be impacted to varying degree  
Financial Plan: revenue and cost impacts (not known if province will provide additional funding)

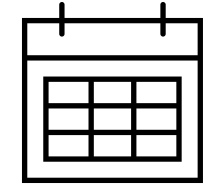
# OTHER CONSIDERATIONS (CONT'D)

- Final Collective Agreement impacts – unknown (estimate included)
- Findings and costs to implement recommendations from:
  - Asset management program (asset management plan, long-term financial plan)
  - Valuations/ condition assessments for replacement and insurance (non-linear and pavement)
  - Operations yard environmental assessment
  - Industrial Way environmental assessment
  - Infrastructure master plans (Sewer/Water/ Storm/ Transportation)
  - Parksville Community Park/Memorial Plaza CPTED review
  - Analysis of long-term financial impacts of replacement costs of new facilities

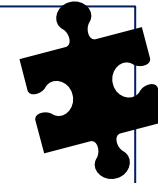


# 2024-2028 FINANCIAL PLAN

## NEXT STEPS



- December 4 Council Meeting – resolutions brought forward from Nov 27 COW Mtg
- December 11 COW Meeting – Parksville Community Park considerations, Council initiatives
- December 18 Council Meeting – resolutions brought forward from Dec 11 COW Mtg
- January/February 2024 meeting dates TBD re core Financial Plan presentation – departments' operating and capital

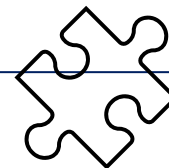


### April

- New info, c/fwds

### April/May

- Bylaws:  
Amended  
Fin Plan and  
Tax/Utility  
Rates





# QUESTIONS





# 2024-2028 CORPORATE WORKPLAN

Keeva Kehler, CAO



# RESERVES AND SURPLUS POLICY

Jedha Holmes, Director of Finance