



# 2025-2029 FINANCIAL PLAN

Regular Council Meeting – November 4, 2024

Reserve Balances

Items for Council Direction

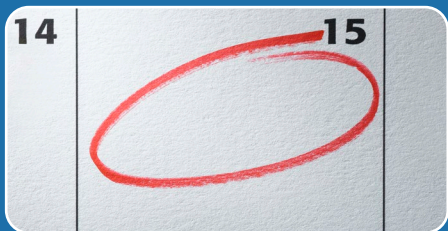
# FINANCIAL PLAN TIMELINE – “PROVISIONAL/FINAL”

## Five-year Financial Plan details and public consultation



- OCT 28 COW: Setting the stage for the 2024-2028 FP / Water/ Sewer
- OCT 30 COW: General Fund Departments/ Reserves
- NOV 4: Council Decision Items ←
- NOV 6: Community Group Funding Requests
- NOV 18: Cumulative analysis and direction from Council

## Bylaws



- DEC 2024/ JAN 2025: Financial Plan Bylaw adoption



# START NOVEMBER 4, 2024

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# Recommendations from COTW, Oct 30

The Following items were referred for future decisions:

1. Lacrosse box refurbishment and expansion
2. Mobi Mat – service level increase
3. Bus shelter – level of service, infrastructure upgrades
4. Labyrinth level of service, pending presentation
5. Sutherland stairs and ravine restoration, beach access
6. Parks storage requirements

# SP \_\_\_\_\_ Fire Hall Upgrade Alternatives & Recommendation

## 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

## Potential Funding Sources

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)

## RECOMMENDATION: Alternative#1 –Renovate

FUNDING	
<b>Approved in prior year's Fin Plan:</b>	
Canada Comm Bldg Fund (Gas Tax)	\$ 2,250,000
Growing Communities Fund	750,000
	3,000,000
<b>Other sources recommended:</b>	
Add'l Growing Communities Fund AND/OR Community Works Fund	1,500,000
Unrestricted Surplus - Developer Contributions to Fire Dept 2011-2024	650,000
Unrestricted Surplus - Dept surplus 2012-2023	1,350,000
0.5% PT contributions to General Fund Capital Reserve 2021-2025	1,200,000
<b>Total City funding</b>	<b>\$ 7,700,000</b>
RDN share - repaid through RDN service agreement annual pmts (20 yrs)	3,300,000
<b>Total estimated project cost</b>	<b>\$ 11,000,000</b>

# 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



# Council Requests

*Consideration of items from individual Council members or referred to budget discussions by Council throughout the year, or from COTWs.*



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## Cap on Council Travel Expenses

- Requested by Councillor Gaur – he will speak to the details
- Policy was revised by Council in June 2023 to clarify expectations on attendance at events



SP\_\_\_\_\_

## Pay in Lieu of Benefits for Council Members

- Requested by Councillor Martin
- UBCM has a benefit plan for elected officials, but with a deadline early in the term, which Council rejected Jan 2023
- Standard for casual employees is 8% - this equals about \$23,500 per year for Mayor and Council
- Councillor Martin will speak to the details

SP\_\_\_\_\_

## Rebates for purchase of AED's by non-profits

- Requested by Councillor Beil – she will speak to the details
- AED ~\$4000 cost

SP \_\_\_\_\_

Convert tennis side of shared racquet courts to permanent pickleball – Community Park

Requested advanced by Councillors Gaur and Grenz

Estimated cost: \$40,000

Recommended funding: Canada Community Building Fund or Parks Reserve

Outcome: 4 new permanent pickleball courts; no tennis in Community Park, Springwood Park tennis courts remain

2026 work plan item – include as part of the scope for the lacrosse box project, if approved by Council

SP\_\_\_\_\_

## Sidewalk Snow Clearing – Priority Pedestrian Walkways

- Estimated annual operating cost \$10,000 – contracted in short term
  - Longer term, new equipment, additional capacity during storm events – service level amendment and new policy would be required
- Recommended funding for 2025 and 2026: Fund from property taxes (~0.05% PT)
- Review this service level and report to Council in 2026 with a review of Transportation Plan, OCP and downtown vibrancy study outcomes (willingness to pay and community priorities)

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## New City-owned parking lot

Request to Council from PDBA Board – concern about loss of parking on lots as development occurs

*Recommended funding:*

- Off-street Parking Reserve
- Explore options for lands in close proximity to downtown core
- Pay parking option – direction from Council

Estimated cost: \$110,000

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## City Cooling Space Options at Curling Arena

- The Mayor requested this item be considered
- The Curling Club Society lease expires in 2025 – this could be included in discussions for renewal
- Ice is not in place during summer months – City has few spaces that are not fully programmed and could be used for emergency purposes at short notice
- Estimated cost of \$75,000 – staff can investigate if this could be funded by EMCR or UBCM grants – could be a 2025 work plan project if approved by Council, report back with options

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## Reserve Contributions – Maintain Current Service Levels

CURRENT INFRASTRUCTURE RENEWAL/REPLACEMENT IS REQUIRED

TO MAINTAIN CURRENT SERVICE LEVELS.

### Options for funding:

**Property taxes in year of replacement** – will likely lead to significant peaks and valleys in PT rate changes

**Reserves** – less costly in long run; compound interest supplements if funds accumulation starts sooner; question of generational equity vs proxy for use of infrastructure

**MFA Debt** – public approval required, committed to payments for term, more costly than similar # years of reserve contributions, question of generational equity

**Grants** – unpredictable; not available for all asset types, can be used to supplement other funding options

# SP \_\_\_\_\_ Reserve Contributions –Asset Management

ESTIMATED INCREASE REQUIRED IN PT FOR ASSET  
MANAGEMENT FINDINGS FOR LONG TERM ASSET  
RENEWAL/REPLACEMENT RECOMMENDATIONS:

10-year PT increases:

- \$4.1M Water Master Plan ~ 1.5% PT
- \$2.3M Sewer Master Plan ~0.7%
- \$1.1M Pavement Assessment ~0.5%

Total BEFORE other assets ~2.7%

## \$1M MFA Debt

- Debt servicing cost approx. 0.5% PT increase  
(20-30 year debt)

**Still outstanding** – Transportation and Storm Drainage Master Plans; Facilities/Parks Asset Management Plans



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## Reserve Contributions – General Fund – Fire Apparatus

Fire Department apparatus/vehicles in 2025-2029 financial plan - \$2,580,000

### Saving through reserve contributions:

**RECOMMENDATION:** 1% of PT per year levy would generate sufficient funds in 5 years

- Reserve amounts could be supplemented by DCC contributions (in updated bylaw) or grant funds available at time of replacement

### 20-year MFA Debt comparison:

- Borrow \$2.58M
- Debt servicing \$205k / yr  
~1.11% PT increase  
(20 year payment commitment)

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## Reserve Contributions – Annual Sustainable Infrastructure Replacement Investment (“funding envelope”)

### RECOMMENDATION:

#### ADJUSTMENT FOR INFLATION

Maintain comparable amount of asset replacement in each year by reflecting estimated cost escalation.

Increase amounts by 5% each year

~ 1.25% PT increase /year

E.g. 2025:

- Roads/drainage: \$3.175M to \$3.3M
- Asphalt maintenance: \$500k to \$525k
- Water: \$450k to \$472.5k
- Sewer: \$375k to \$393.7k

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## Reserve Contributions – Water Fund Asset Management

### RECOMMENDATIONS:

Review rate structure re changing base charge and tiered rates after receipt of Drinking Water Study (incorporate in 2027 Financial Plan)

FOR 2025-2029:

Increase 0.5% PT annual contribution to Capital Reserves to 1.0% to include water and sewer infrastructure

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## Reserve Contributions – Summary of PT impacts

1% Fire Apparatus

0.5% Water/Sewer infrastructure – increase 0.5% PT to 1% PT per year to Capital Reserves

1.25% Add inflation factor to annual infrastructure renewal amounts

**2.75% Total**