



# 2022 – 2026 Financial Plan Budget Meeting #2

October 27, 2021 Special Council Meeting 6:00pm

# Agenda

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Financial Plan Process

Recap – Budget Meeting #1

Council Resolutions

2022 Budget Requests

Asset Management Graph & Reserve Balances

Utilities (Operating)

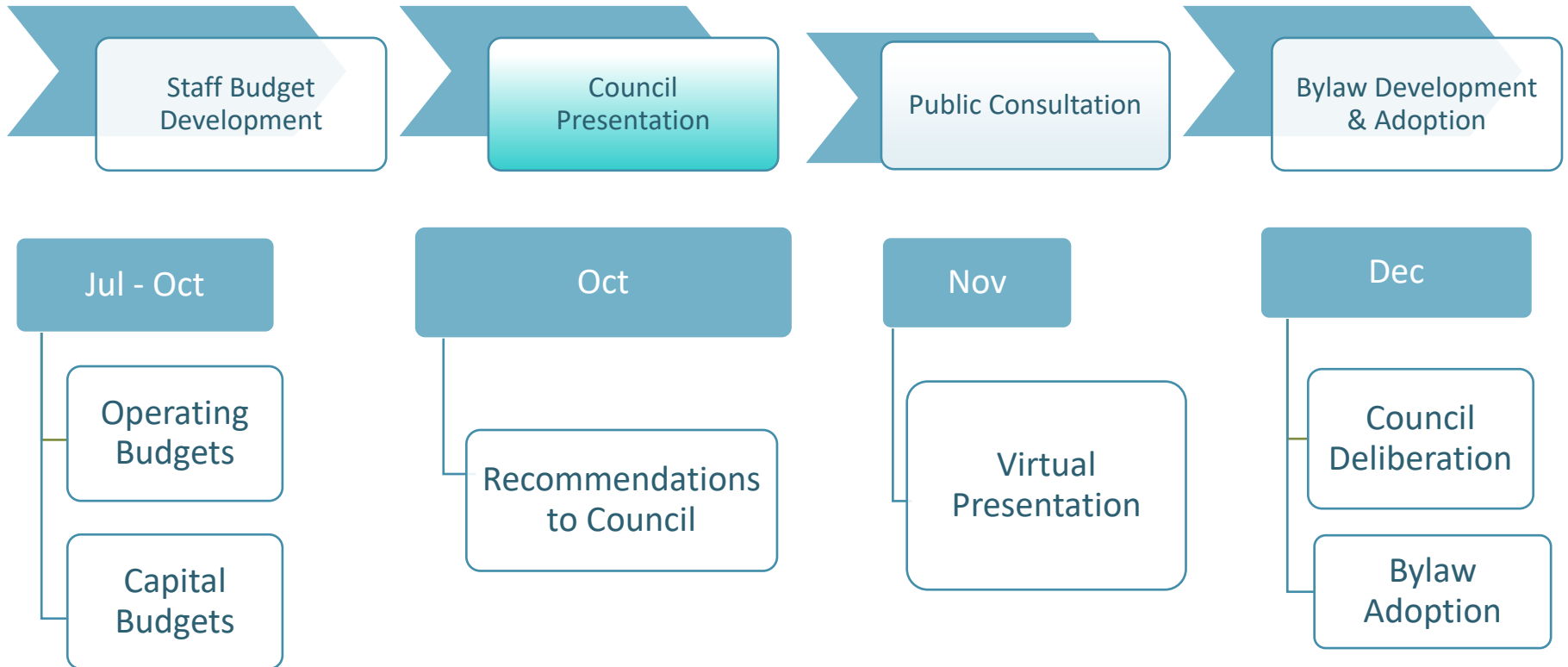
Impact on Residents

Capital Projects

Next Steps



# Financial Plan Process



# Recap

2022 Budget Pressure	2022
2021 Asset Reserve Contribution Funded from COVID Reserve	\$312,200
Operating Budget – (2 additional positions, compensation, inflation, one-time operating projects)	\$ 204,000

Impact to Average Single Family House, \$754,100*	2021	2022
Municipal Property Taxes	\$1,287	\$1,560
Dollar value increase (annual)		\$ 273
Dollar value increase (monthly)		\$ 23

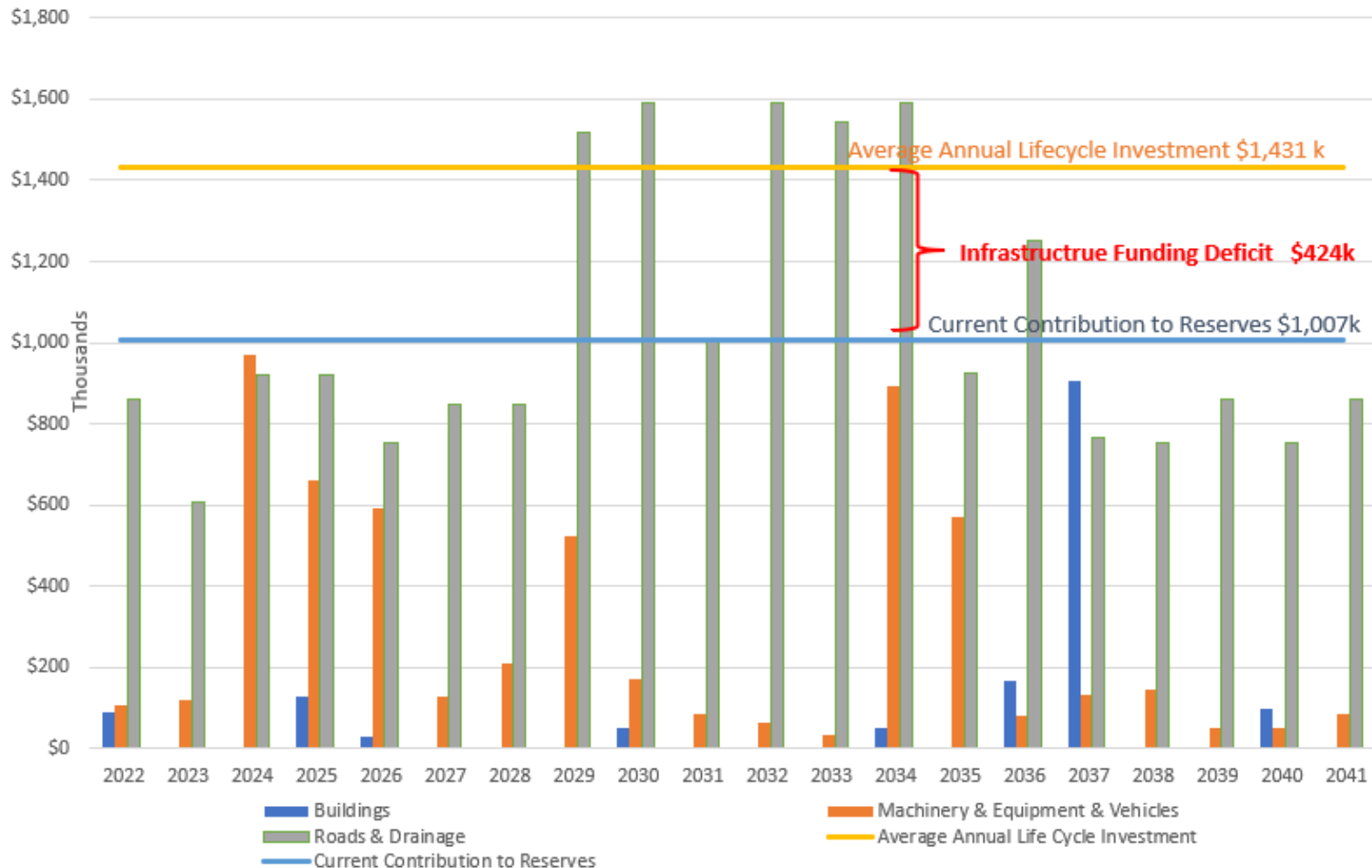
# Council Resolutions

- That the 2022-2026 Financial Plan include a necessary \$312,200 increase in property tax revenue to maintain asset reserve contributions at 2021 levels.
- That the operating budget pressures identified in the October 13 staff report be included in the 2022-2026 Financial Plan, reflecting a \$204,000 increase in property tax revenue.
- That the Asset Management Policy be revised for Council consideration to include a strategy to address the asset infrastructure funding deficit.

# 2022 Budget Requests

	<b>Total Funding</b>	<b>Non Taxation</b>	<b>Property Taxes</b>
Contribution to Reserves (maintain at 2021 level)	\$312,200		\$312,200
Planner Position	103,000		103,000
Public Works Position	86,100	86,100	
Provision for one-time projects	50,000	50,000	
Collective agreement, Exempt, Council	34,300		34,300
2021 provisions – Tax pressure deferred to 2022	27,000	4,900	22,100
Building Inspection & Bylaw Contract Services	24,000	24,000	
Protective Services (On-call minimum, Fire Chief)	22,900		22,900
Inflation	21,700		21,700
Casual Relief – (Building & Bylaws)	7,000	7,000	
<b>Total</b>	<b>\$688,200</b>	<b>\$172,000</b>	<b>516,200</b>

# Asset Management Annual Average Lifecycle Investment and Infrastructure Funding Deficit



# Asset Replacement Reserve Balances

Reserve	Current Balance	Projected 2026
Roads Infrastructure	628,900	154,200
Administrative Equipment	45,000	22,300
Fire Department Equipment	250,600	(33,400)
Public Works Vehicles	131,200	348,200
Fire Dept Vehicles	309,600	711,200
Facility Life Cycle	1,052,100	1,799,900
Parkland Capital Infrastructure	18,500	29,300



# Current Financial Plan

## Sewer User Fee

- No increase in user fees required
- Additional Revenue from newly connected properties
  - Covers anticipated increase to expenditures and contribution to reserves.
  - Quarterly base charge - \$128

## Water User Fee

- 10% increase in user fees required
  - Anticipated increase in bulk water purchases from Nanaimo
  - Quarterly base charge \$73 (2021) to \$79 (2022)

# Garbage Collection Fees

## Garbage Collection Fees

- Automated collection began October 1, 2020
- Garbage, Recycling & Food Waste
- Annual Charge \$160 (100 litre cart typical)
  - Billed Quarterly
- No increase anticipated in 2022

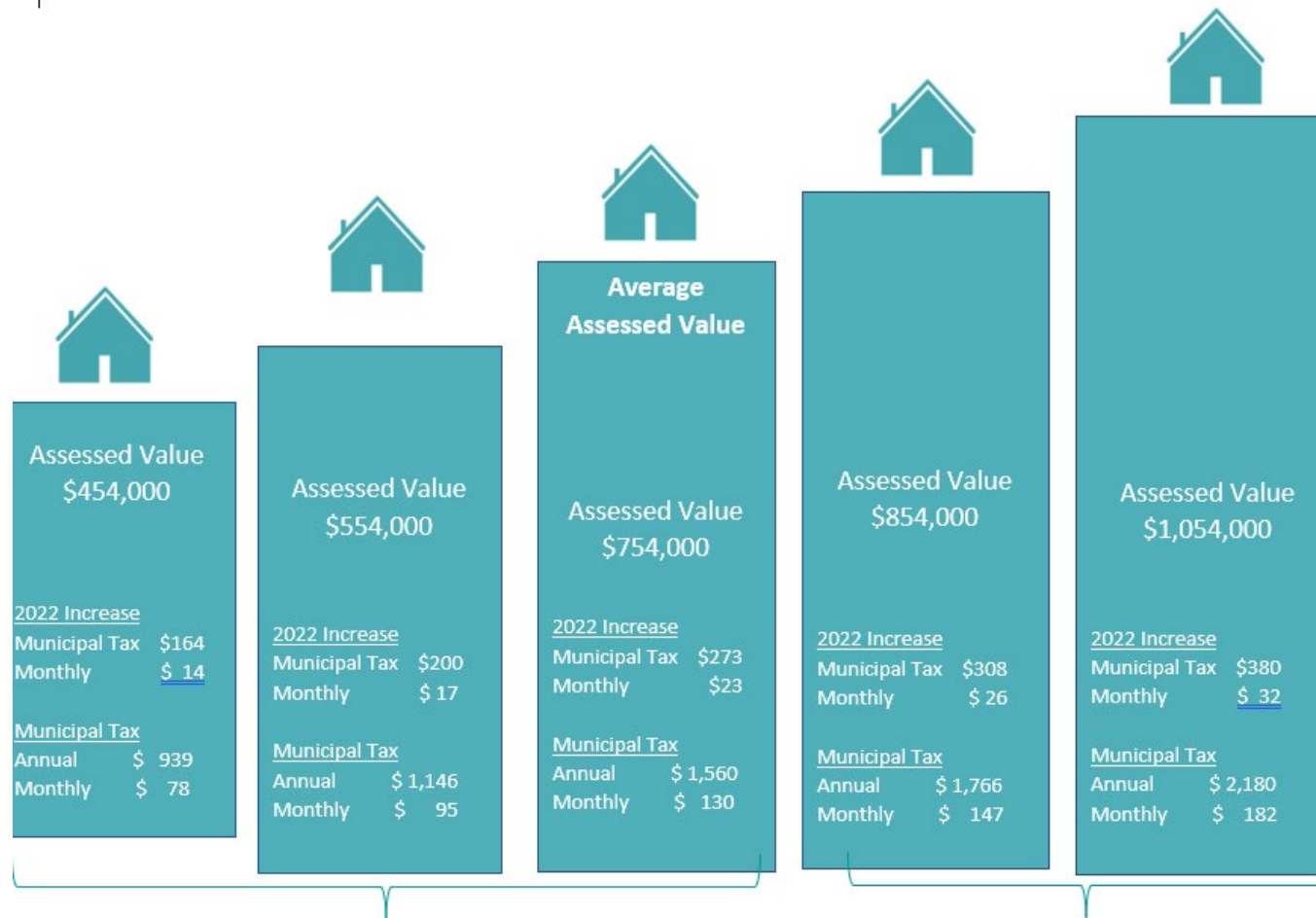
# Impact Municipal Taxes and Utilities

## Average House

Impact to Average Single Family House, \$754,100*	2021	2022	Change
Municipal Property Taxes	\$1,287	\$1,560	\$273
Water	292	316	\$24
Sewer	512	512	-
Garbage	160	160	-
Annual Cost for Services	\$2,251	\$ 2,548	\$297

\*Based on the BC Assessment “2021 Folio Count and Average Value By Jurisdiction” Report

# Impact Based on Assessed Value



1,086 Properties

565 Properties



# Capital Program – General Fund 000's

Project Category	2022	2023	2024	2025	2026
General Government	127	10	10	10	10
Protective Services	315	7,060	64	74	57
Planning & Economic Development	650	-	-	-	-
Public Works – Equipment Renewal	140	70	-	-	-
Roads & Storm Drainage	2,421	450	1,468	1,118	475
<b>General Government Total</b>	<b>\$3,653</b>	<b>7,590</b>	<b>1,542</b>	<b>1,202</b>	<b>542</b>

# Significant Capital Projects (2022)

Commercial Core Revitalization Phase II (Dickinson to Tweedhope)

Dickinson Road Upgrade

Multi Use Path – Lantzville Road

Dickinson Road Culvert Replacement

Protective Services SCBA, Bottle Replacement and Small Equipment Replacement

Replacement of Dump Truck

Information Technology & Equipment Replacements and Server Room Relocation

# Outer Years Capital Projects



Fire Hall and Public Works Facility

Aulds Road Upgrade, Asphalt Overlays Phantom, Fernmar, Lorenzen Lane

Culvert Replacements – Dickinson Road, Alger Road

Protective Services - Small Equipment Replacement

Public Works – Vehicle Replacement

Information Technology & Equipment Replacements

# Capital Program Sewer Utility - 000's

Sewer Fund	2022	2023	2024	2025	2026
Sewer/Sanitary Master Plan	-	-	100	-	-



# Capital Program Water Utility - 000's

Water Fund	2022	2023	2024	2025	2026
Winds Expansion	8,968				
Lantzville Rd (Peterson to Huddleston Rd) Watermain Replacement	702				
Clark Drive Expansion		8,325			
Harby Rd East, Joy Way, Rossiter, Watermain Replacement		525			
Millard Drive, Lynn Drive & Lancewood Watermain Replacement			590		
Huddleston Road Watermain replacement				200	
Forest Turn, Hall Rd, Saxon Cross					410
<b>5 Year Water Fund Project Plan</b>	<b>\$9,670</b>	<b>8,850</b>	<b>590</b>	<b>200</b>	<b>410</b>

# Next Steps

October 27, 2021 – 6pm	Updates and Additional Information Requested by Council	Special Council Meeting
November 8, 2021 – 6pm	OPTIONAL: Further updates and Details to Financial Plan	OPTIONAL: Special Council Meeting
November 24, 2021 – 6pm	Public Input Session 1 <sup>st</sup> 2 <sup>nd</sup> 3 <sup>rd</sup> readings of Financial Plan Bylaw	Special Council Meeting
December 1, 2021 – 7pm	Adoption of Financial Plan Bylaw (if first three readings happen on Nov 24 <sup>th</sup> )	Regular Council Meeting



# Recommendation

That the 2022-2026 Financial Plan based on information provided to Council at the October 13 and October 27 budget meetings be presented to the Public on November 24 and subsequently to Council for first 3 readings.