



2024-2028 FINANCIAL PLAN

Special Council Meeting - January 29, 2024

Council Direction – Financial Plan Decision Items

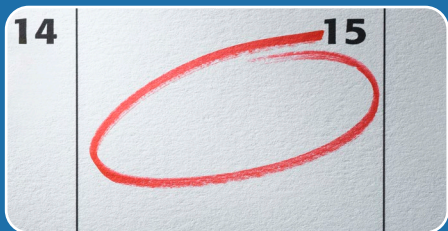
FINANCIAL PLAN TIMELINE – “PROVISIONAL/FINAL”

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 15 & 24: Departmental Presentations – Operating and Capital
- Jan 29/Feb 12: Cumulative analysis and direction from Council

Bylaws



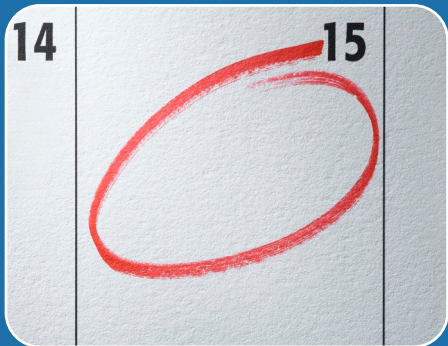
- Feb 21/ March 4: Financial Plan Bylaw readings and adoption

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 8/May 6: Amended 2024-2028 Financial Plan Bylaw
- Apr 22/ May 6: 2024 Water/Sewer Rates Bylaws
- Apr 22/May 6: 2024 Tax Rates Bylaw

FINANCIAL PLAN OVERVIEW

CORE activities include:

- Same service level as 2023 at estimated costs for 2024-2028
- Estimated contractual employee costs
- Routine maintenance of assets
- Replacement of assets considered in risk/safety context (based on recent valuations and assessments)
- Additional resources required to provide service level to larger population



Average Residential Home – Scenario#1

Core Service Financial Plans (Jan 15 and Jan 24)

\$135 Property Tax 4.7% + 1/2% increase

\$15 Water User Fees with 5% increase

\$6 Sewer User Fees with 3% increase

\$156 TOTAL

	Prop Tax	Cap Reserve
2024	4.7%	0.5%
2025	3.5%	0.0%
2026	3.5%	0.0%
2027	3.5%	0.0%
2028	3.0%	0.0%

	Water Fees	
2024	5.0%	\$20/conn'n/yr
2025	5.0%	\$20/conn'n/yr
2026	5.0%	\$20/conn'n/yr
2027	5.0%	\$20/conn'n/yr
2028	5.0%	\$20/conn'n/yr

	Sewer Fees	
2024	3.0%	0.0%
2025	3.0%	0.0%
2026	3.0%	0.0%
2027	3.0%	0.0%
2028	3.0%	0.0%

Increased Service Levels Approved in Prior Yrs – *Included in 5.2% Proposed PT Increase*

Reference	Description	Funding	2025-2028	2024	2024	5 YR TOTAL	RECOMMENDED FUNDING SOURCE - 2024-2028 TOTAL			
			Estimated Incremental Cost (Saving)	Estimated Incremental Cost/ (Saving) (Cap+Op)	Estimated % PT increase	General Fund Operating (PT)	Accumulated Surplus	Gas Tax	Capital Reserve	Other Reserves
FIRE	Benefits program for paid on call volunteer members	Property taxes	160,000	40,000	0.23%	200,000				
FIRE	1 FRST career firefighter (total 7 career members)	Property taxes	542,300	95,000	0.54%	637,300				
Policing	1 RCMP officer (total 18 members)	Property taxes	672,000	161,500	0.92%	833,500				
ADMIN	Special events coordinator	Covid Restart Grant	349,000	85,000	0.00%	349,000				85,000
	Subtotal		\$ 1,723,300	\$ 381,500	1.7%	\$ 2,019,800	\$ -	\$ -	\$ -	\$ 85,000



1.7 % Property Tax increase in 2024

FINANCIAL PLAN PROPOSALS ~ HIGHER SERVICE LEVELS

- Proposals/ business cases reviewed by senior staff for criticality re: health and safety, regulatory and risk factors

- Council direction from previous meetings
- Staff recommendations
- Council direction from Financial Plan meetings
- Strategic Plan items
- 2024 one-time costs
- Subsequent years costs – one time/ operating
- Funding alternatives



BC GROWING COMMUNITIES FUND

- \$4.789 M received in 2023 and contributed to Reserve
- One-off costs to build required capital infrastructure and amenities (not ongoing or operational activities)
- Incremental to current plans
- Should accelerate delivery of capital projects
- Place in segregated reserve that accumulates interest until spent
- Spend within 5 years

Reporting requirements:

- Annual report identifying work-related housing needs and pre-zoning requirements
- Highlight projects that align with provincial priorities (e.g. Clean BC, and Environmental, Social and Governance frameworks for capital projects)
- Public recognition of funding related to projects
- Expenditure and unspent balance reporting attached to annual financial statements

GROWING COMMUNITIES FUND



Water supply,
treatment, dist'n



Public safety/
emergency mgt
equip/ facilities



Natural hazard mitigation

Local share of
affordable housing



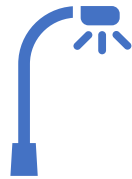
Local road
improvements



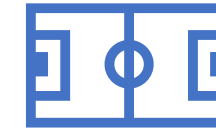
Parks add'ns, upgrades incl
washrooms, meeting
space. Other amenities



Childcare facilities

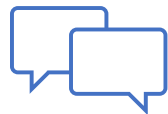


Sidewalks, curbing,
lighting



Recreation related
amenities

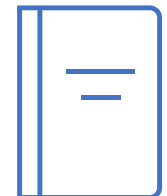
Capital projects
serving First Ntn
communities



Active
transportation
amenities



Feasibility studies related
to other categories, design
work, acquiring land for
eligible infrastructure



Wastewater
conveyance/
treatment



Improvements for
transit service

FINANCIAL PLAN – ONGOING AND NON-RECURRING

	2023 Financial Plan	2024	Change \$	Change %	Recurring	Non-recurring
Surplus (Deficit) From Operations	3,571,500	(680,550)	(4,252,050)		4,618,900	(5,299,450)
Non-operating and Non-cash Items:						
Capital Expenditures	(7,894,500)	(7,535,000)	359,500			(7,535,000)
			-			
Transfers From Reserves	9,841,200	9,940,450	99,250		-	9,940,450
Transfers to Reserves	(9,114,700)	(4,765,000)	4,349,700		(4,025,000)	(740,000)
Long Term Debt Principal Payments	(47,800)	(135,700)	(87,900)			(135,700)
Amortization	3,119,300	3,164,400	45,100			3,164,400
	(4,096,500)	669,150	4,765,650		(4,025,000)	4,694,150
Cash Surplus (Deficit)	(525,000)	(11,400)	513,600		593,900	(605,300)
Transfer from Unrestricted Surplus	525,000	11,400				
Transfer to Unrestricted Surplus						
Financial Plan Surplus (Deficit)	-	-				

Direction from Council

Recommendation: *THAT the financial plan proposal # _____ with funding to be provided from _____ be incorporated into the 2024-2028 Final Financial Plan.*

Financial Plan Decision Items – Council Requests

Reference	Description	Funding Alternatives	2025-2028	2024	2024									
			Estimated Incremental Cost (Saving)	Estimated Incremental Cost/ (Saving) (Cap+Op)	Estimated % PT increase	General Fund Operating (PT)	Accumulated Surplus	Gas Tax	Capital Reserve	Other Reserves	Growing Commun Fund	Other External Funding - TBD	Water Fund Operating	
COUNCIL	Parksville Beach Festival - increase to 2024 funding		-	2,500	0.01%	2,500								
COUNCIL	MABRI - increase to annual funding		10,000	2,500	0.01%	2,500								
COUNCIL	BC Culture Days - 2024	Property taxes	-	29,000	0.17%	29,000								
COUNCIL	Rebates - reduce tree, security camera, low flush toilet and rainbarrel rebates to 3 year rolling average amount (current total budget is \$17,500)	Property taxes and Water Utility Fees	48,400	(12,100)	-0.07%	(21,000)								(10,500)
COUNCIL	VIEAA attendance by Mayor and all Council members	Property taxes	56,000	14,000	0.08%	70,000								
COUNCIL	Snow clearing equipment for downtown/ priority sidewalks	Property taxes	50,000	125,000	0.71%	175,000								
COUNCIL	Parksville Beach Festival - relocation within Community Park	Property taxes/ CP Contingency	-	100,000	0.57%	100,000								
COUNCIL	Council Code of Conduct Review	Property taxes or Council Contingency		10,000	0.06%	10,000								
COUNCIL	Grant to PDBA for 2024 parking	Property taxes		3,000	0.02%	3,000								
COUNCIL	PDBA lighting project - capital cost (3 yr plan- start 2025) (incremental operating/staff costs TBD)	Property taxes	300,000	-	0.00%	300,000								
COUNCIL	Pioneer Neighbourhood playground (2025) - \$100k capital cost + \$10k/yr R&M cost	Growing Communities Fund or Property Taxes	150,000	-	0.00%	150,000						(100,000)		
			\$ 614,400	\$ 273,900	1.6%	\$ 821,000	\$ -	\$ -	\$ -	\$ -	\$ (100,000)	\$ -	\$ (10,500)	



❖ Consider unused Community Park contingency for Beachfest relocation.



1.6 % Property Tax increase in 2024 required



❖ Consider GCF for Pioneer Playground.

Rebates



Rebate	3 YR AVG	2023 FIN PLAN	PROPOSED	Potential Savings /YR
General Fund:				
Tree	1,332	5,000	1,300	\$ 3,700
Security Camera	1,904	2,500	2,000	\$ 500
Water Fund:				
Low Flush Toilet	1,425	5,000	1,800	\$ 3,200
Rainbarrel	259	5,000	300	\$ 4,700
	\$ 4,920	\$ 17,500	\$ 5,400	\$ 12,100



Financial Plan Decision Items - Staffing

Reference	Description	Funding Alternatives	2025-2028	2024	2024	General Fund Operating (PT)
			Estimated Incremental Cost (Saving)	Estimated Incremental Cost/ (Saving) (Cap+Op)	Estimated % PT increase	
CORP	Human Resources Staff - 1 FTE (3/4 yr in 2024)	Property taxes	528,400	93,400	0.53%	621,800
CORP	Multi-department Administrative Staff- 1 FTE (3/4 yr in 2024)	Property taxes	339,100	62,800	0.36%	401,900
CORP	Multi-department Finance staff - 1 FTE (1/2 yr in 2024)	Property taxes	658,700	73,700	0.42%	732,400
			1,526,200	229,900	1.31%	1,756,100



- ❖ Multi-department/ corporate positions – Some staffing cost will be allocated to Utility Funds



1.3 % Property Tax increase in 2024 required (2024 is part year = ~2% annualized)

Average Residential Home – after Jan 29 meeting

\$169 Property Tax - 6% + .5% increase

\$15 Water User Fees - 5% increase

\$6 Sewer User Fees - 3% increase

\$190 TOTAL

	Prop Tax	Cap Reserve
2024	6.0%	0.5%
2025	4.7%	0.0%
2026	3.5%	0.0%
2027	3.5%	0.0%
2028	3.0%	0.0%

	Water Fees	
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	Sewer Fees	
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2025	3.0%	0.0%
2026	3.0%	0.0%
2027	3.0%	0.0%
2028	3.0%	0.0%

Financial Plan Decision Items – Parks & Facilities

Reference	Description	Funding Alternatives	2025-2028	2024	2024	General Fund Operating (PT)	Accumulated Surplus
			Estimated Incremental Cost (Saving)	Estimated Incremental Cost/ (Saving) (Cap+Op)	Estimated % PT increase		
FACILITIES	Maintenance van	Property taxes	28,400	92,100	0.53%	120,500	
PARKS	Allocate remaining Community Park projects contingency funds to CP lighting, park furniture, trail connections	Carryforward funding	-	200,000	0.00%	-	(200,000)



Alternatives for Community Park contingency funds include:

- ❖ funding relocation of Beachfest
- ❖ Lighting, trail connections, furniture



Consider Accumulated Surplus to fund new maintenance van – one time expenditure = one time funding



0.5% Property Tax increase in 2024 required if PT funding used

Financial Plan Decision Items - Reserves

Reference	Council Resolution Date	Description	Funding Alternatives	2025-2028	2024	2024	RECOMMENDED FUNDING SOURCE - 2024-2028 TOTAL							
				Estimated Incremental Cost (Saving)	Estimated Incremental Cost/ (Saving) (Cap+Op)	Estimated % PT increase	General Fund Operating (PT)	Accumulated Surplus	Gas Tax	Capital Reserve	Other Reserves	Growing Communities Fund	Other External Funding - TBD	Water Fund Operating
FINANCE		Continue annual incremental 0.5% of PT contribution to Capital Reserve for Infrastructure Renewal (starting 2025)	Property taxes	865,300	-	0.00%	865,300				*			
FINANCE		Establish Protective Services Reserve and contribute +0.5% PT towards Policing and Fire Services	Property taxes	1,290,300	85,000	0.5%	1,375,300					*		
FINANCE		Reallocate surplus from RCMP contract budget to Protective Services Reserve re cost increase at 15,000 population (for prior 5 years and annually starting with 2024) (estimated cumulative amount)	Accumulated Surplus	-	-		-	(1,500,000)				1,500,000		
FINANCE		Reallocate remaining Canada Community Building Funds (Gas Tax) to water infrastructure projects (estimated amount)	Canada Community Building Fund Reserve	-	(250,000)					(250,000)				(250,000)

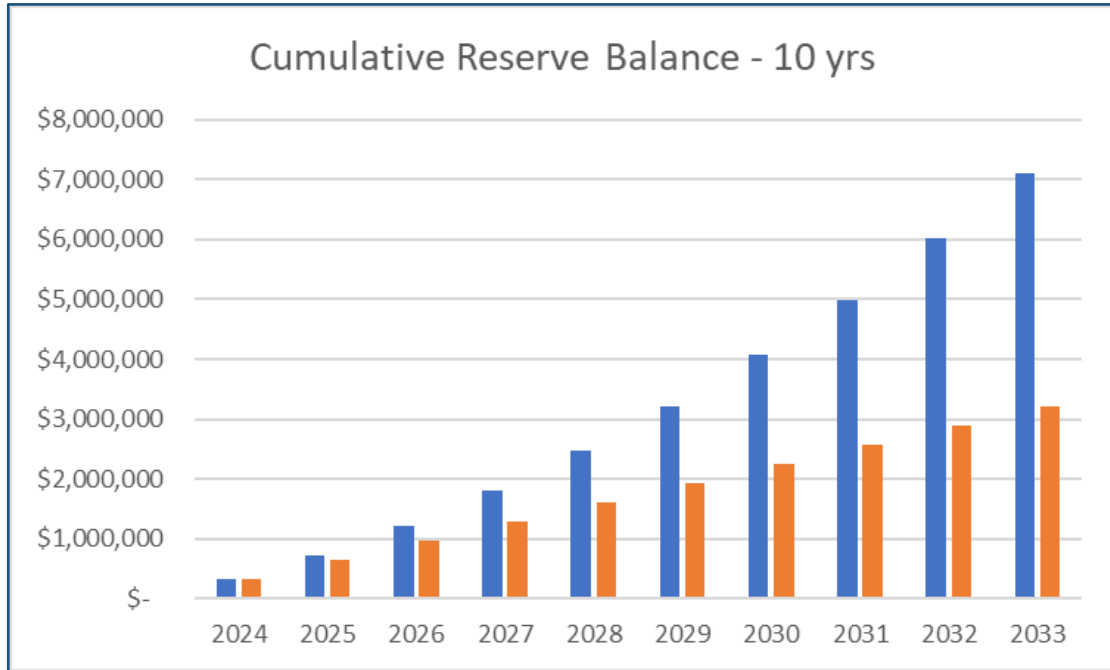
Property Tax increases required in all 5 years to fund investment in reserves:

2024 + 0.5% 2025 + 1.0% 2026 + 1.0% 2027 + 1.0% 2028% +1.0%



Provides funding capacity for upcoming investments in Protective Services staffing and facilities/equipment.

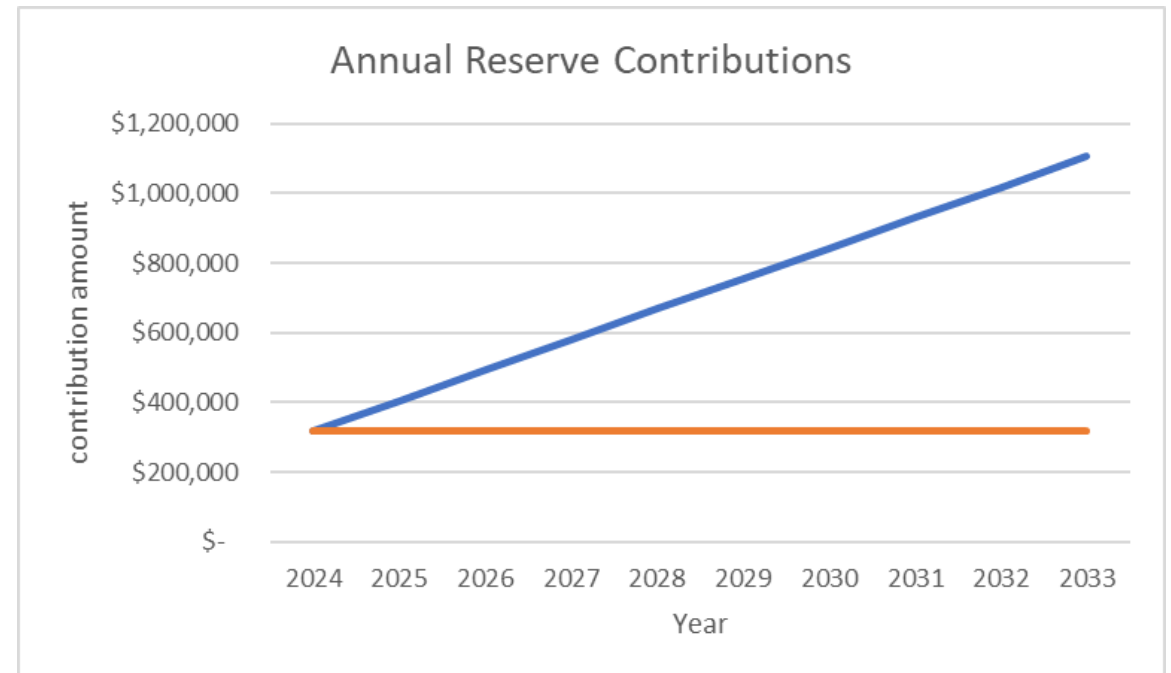
Capital Reserve Contributions / Cumulative Balance



\$320k/yr vs 0.5% PT
increment per year

10 YR PROJECTIONS

Constant contribution amount vs annual incremental



Protective Services Reserve for Future Expenditures

RCMP significant future expenditures:

- 15,000 population threshold ~ 90%+ cost share
- new detachment facility

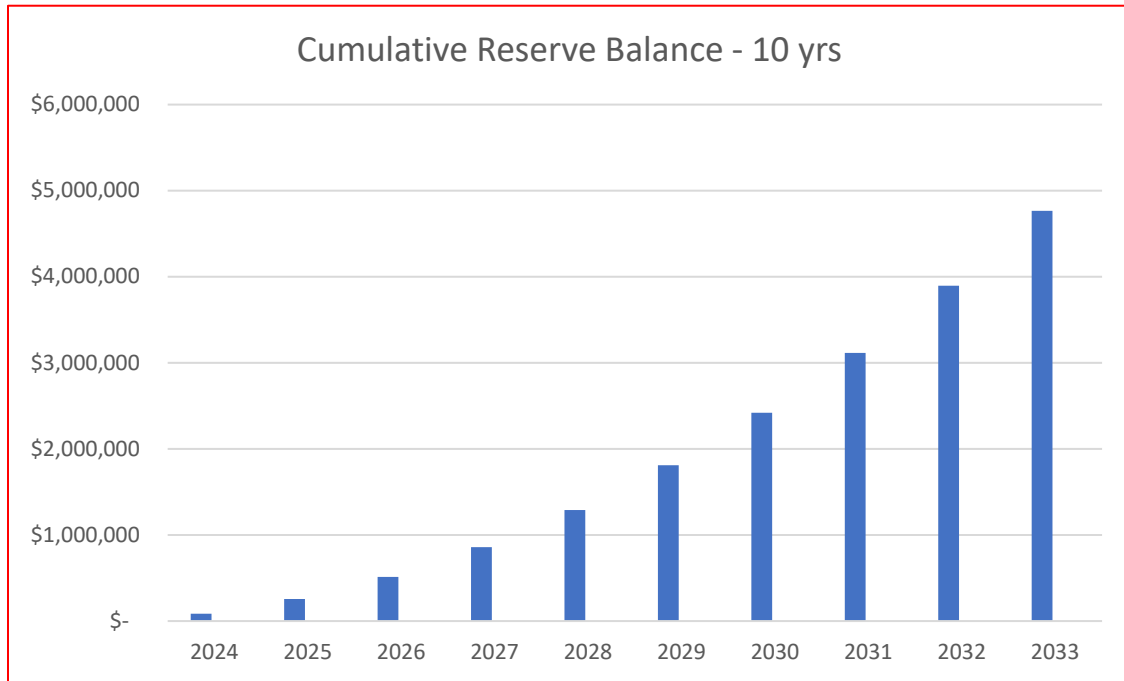
Fire Department future expenditures:

- Replacement of significant apparatus
- Additional career staff
- 2nd Fire Hall as needed with population growth

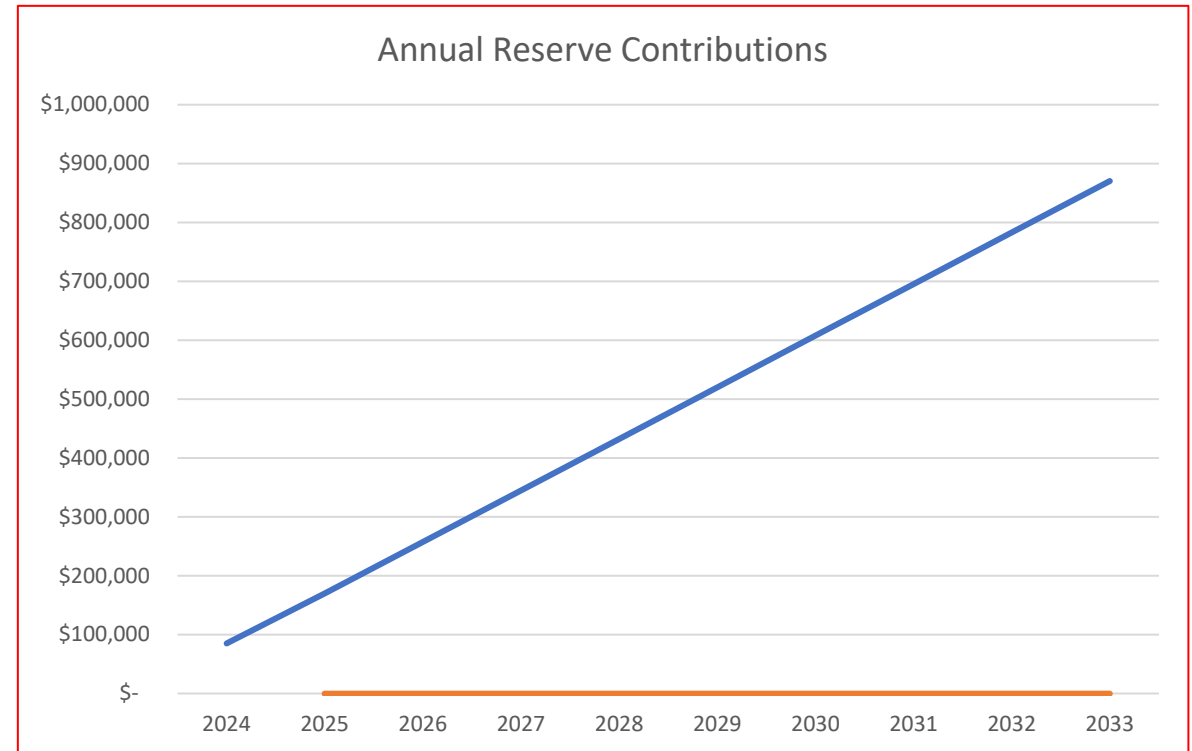
Funding options (not an exhaustive list):

- Create separate Reserve for future expenditures, with flexibility to be used on Capital or Operating expenditures, funded annually with % of property tax (e.g. 1% = ~\$175,000). Consider showing levy separately on PT notice.
- Consider PT allocation coming from non-market change (new) taxation
- Establish Reserve by reallocating amounts in unrestricted surplus for the last X years (e.g. difference between actual net expenditures and property taxes collected for related department).
- Protective services parcel tax.
- Allocation of specific amenity funds to Reserve.

Protective Services Reserve Contributions / Cumulative Balance



0.5% PT incremental reserve contribution



10 YR PROJECTIONS



RCMP Net Expenditures 2018-2022

	2018-2022 Total	2022	2021	2020	2019	2018
Financial Plan						
Expenditure	\$14,462,600	\$ 3,218,200	\$ 2,978,300	\$ 2,827,200	\$ 2,746,400	\$ 2,692,500
Traffic fine rev	(529,100)	(107,100)	(105,000)	(98,000)	(114,000)	(105,000)
Net taxation	13,933,500	3,111,100	2,873,300	2,729,200	2,632,400	2,587,500
Actual						
Expenditure	12,864,619	2,789,397	2,599,818	2,435,198	2,613,599	2,426,607
Traffic fine rev	(514,386)	(89,234)	(113,754)	(114,895)	(97,643)	(98,860)
Net taxation	12,350,233	2,700,163	2,486,064	2,320,303	2,515,956	2,327,747
Unrestricted Surplus	\$ 1,583,267	\$ 410,937	\$ 387,236	\$ 408,897	\$ 116,444	\$ 259,753

Financial Plan Decision Items – Asphalt Assessment

Reference	Description	Funding Alternatives	2025-2028	2024	2024								
			Estimated Incremental Cost (Saving)	Estimated Incremental Cost/ (Saving) (Cap+Op)	Estimated % PT increase	General Fund Operating (PT)	Accumulated Surplus	Gas Tax	Capital Reserve	Other Reserves	Growing Commun Fund	Other External Funding - TBD	
ENGINEERING	Increase pavement repair and maintenance budgets per recommendations in Pavement Assessment Report received by Council on Nov 20, 2023	PT or Growing Communities Fund (2024) and defer decision for 25-28 re new Capital funding (e.g. Gas Tax replacement)	3,560,000	890,000	0.00%	-						(890,000)	(3,560,000)

Consider committing to pavement maintenance program using Growing Communities Fund for 2024 and deferring investment/funding decision for subsequent years until the following information is received:



- ❖ Transportation Master Plan
- ❖ Roads Asset Management Plan funding requirements
- ❖ Confirmation of Canada Community-Building funding continuation
- ❖ Impacts of new Provincial housing density legislation on municipal infrastructure



0% Property Tax increase in 2024 required

Asphalt Assessment – Recommended Investments

		ANNUAL		
		Proposed	Current	Incremental investment
Cracksealing		115,000	30,000	85,000
asphalt overlays		1,100,000	500,000	600,000
Patching		335,000	130,000	205,000
Total		\$ 1,550,000	\$ 660,000	\$ 890,000

Council received assessment report on November 20, 2023

Financial Plan Decision Items – Amounts TBD

PROPOSALS FOR DIRECTION - AMOUNTS NOT KNOWN			
COUNCIL		Grants in aid amount (currently \$10,000/yr in FP)	Incremental amount TBD
COUNCIL		Accessibility report recommendations - \$20,000 carryforward funding (allocate to beach access or other?)	Incremental amount TBD
COUNCIL		Parking tickets - allocated % to PDBA for parking?	Incremental amount TBD
PLANNING		DCC/ACC/OCP-Housing Report (currently \$300,000 in FP partially funded by Prov Capacity Grant \$200k) - endorse level of detail	Incremental amount TBD
PARKS		Lacrosse - consultation/design re facility in Community Park or elsewhere in City (currently \$50,000 in carryforward funds)	Incremental amount TBD

Accessibility Plan Recommendations

Recommendations with hard costs:

7. Training on accessible customer service and best practices for serving and accommodating people with different abilities
11. Investigate installing automatic door openers for washrooms in City facilities (both sides).
15. Consult with Parksville Downtown Business Association, Tourism Association and Chamber of Commerce on the possible creation of a rebate program to promote accessibility improvements in community facilities and businesses e.g. ramps, doorway widening, automatic door openers.
22. Investigate options for access to the beach/ocean in the Parksville Community Park. *(Long term solution deferred to 2025)*



Accessibility Plan Recommendations

Recommendations that could be outsourced:

13. Review signage standards for opportunities to include non-text information and accessible colours and imagery.
14. Review the sidewalk inspection policy and operational management of tree heaves giving consideration to accessibility issues.
25. Review City standards related to sidewalk curb cuts/let downs to ensure they meet or exceed national standards.



Average Residential Home – Proposed for Bylaw

Property Tax - % increase

Water User Fees - % increase

Sewer User Fees - % increase

TOTAL

2024-2028 PROVISIONAL FINANCIAL PLAN – NEXT STEPS

- Incorporate Council direction to date and from January 29 special meeting

- Draft bylaws/amendments to bylaws Council readings/adoption in February/March
 - 2024-2028 Final Financial Plan Bylaw
 - Amendment to Sewer Utility Rates Bylaw
 - Amendment to Water Utility Rates Bylaw

- Re-visit bylaws and draft property tax rates bylaw in April/May





QUESTIONS