

# Staff Report for Decision

DATE OF MEETING MAY 3, 2021

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SUBJECT **2021 – 2025 FINANCIAL PLAN AMENDMENT BYLAW**

## **OVERVIEW**

### **Purpose of Report**

To introduce “Financial Plan Amendment Bylaw 2021 No. 7320.01” for first, second and third readings.

### **Recommendation**

1. That “Financial Plan Amendment Bylaw 2021 No. 7320.01” (To amend the 2021 – 2025 Financial Plan), pass first reading;
2. That “Financial Plan Amendment Bylaw 2021 No. 7320.01” pass second reading; and
3. That “Financial Plan Amendment Bylaw 2021 No. 7320.01” pass third reading.

## **BACKGROUND**

Council at the 2021-JAN-18 Council Meeting adopted the Provisional 2021 – 2025 Financial Plan Bylaw “Financial Plan Bylaw 2020 No. 7320”. The Financial Plan reflected decisions made by Council during the budget review process in 2020. A Final 2021 – 2025 Financial Plan Bylaw and a Property Tax Rates Bylaw must be adopted by 2021-MAY-15 to enable the calculation and collection of 2021 property taxes.

At the 2021-APR-14, Special Finance and Audit Committee meeting Council received an update on the proposed Final 2021 – 2025 Financial Plan and staff sought direction from Council for any additional changes to the budget. The update highlighted changes since the provisional budget was adopted including updates to estimates and directives from Council.

Council engaged in deliberations, which resulted in the following changes:

- Inclusion of recommendations from the Building Permit Function Review including:
  - To support the creation of two building permit fast track streams, adding an additional Building Supervisor and Building Official;
  - Investment in technology to support improvements to the online application system including the ability for a cost recovery option for credit card fees; and
  - \$25,000 in 2021 for consulting services to assist with implementation of recommendations from the Building Permit Function Review
- Addition of a Records and Information Specialist to Legislative Services to ensure capacity to successfully implement the records management project and provide on-going support.

- Funding in 2021 for a South End Recreation Centre Feasibility Study.
- Allocation of an additional \$400,000 in 2021 to support implementation of expanded security to the entire downtown area.
- Funding in 2021 for a Public Safety Action Plan. |

## **DISCUSSION**

The Final 2021 – 2025 Financial Plan is informed by policies and plans endorsed by Council including the *2019 – 2022 Strategic Plan*, the *Official Community Plan (OCP)* and the *20 Year Investment Plan* and supports 2021 Departmental Business Plans.

The Final 2021 – 2025 Financial Plan includes a number of initiatives to support Council priorities and enhance service levels:

- Governance Excellence, Livability and Economic Health
  - Enhancements to Public Safety:
    - 15 new RCMP members, three per year over a five-year period, 2020 – 2024.
    - Additional \$400,000 in 2021 to support expanded security to the entire downtown area.
    - \$50,000 to develop a Public Safety Action Plan.
    - Two new support positions in Police Services.
    - Extension of Community Connect Pilot to June 30, 2021.
  - Extension of the Community Clean Team to December 31, 2021 to support a collaborative approach to effectively and efficiently maintaining the orderliness and cleanliness of the City's public spaces.
  - Allocation of \$480,000/year for 2021 – 2025 to support recommendations and initiatives in the Health and Housing Action Plan.
- Governance Excellence and Economic Health
  - Implementation of recommendations from Building Permit Function Review to ensure effective service delivery.
- Livability
  - Continuation of the multi-year project to replace Fire Station #1.
  - Investment of over \$14 million in the next 5 years in cycling and pedestrian amenities.
- Environmental Responsibility
  - Addition of a Manager of Sustainability to provide greater focus on climate action and energy efficiency initiatives.
  - New Annual Watercourse Restoration Grant program to support environmental stewardship volunteers.

The projected property taxes increases in the Final 2021 – 2025 Financial Plan are:

	Pandemic 2021	Recovery - New Normal 2022	2023	2024	2025
General Asset Management Reserve	1.0%	1.0%	1.0%	1.0%	1.0%
General Property Tax Increase	2.0%	2.6%	2.5%	2.2%	1.6%
<b>Total Municipal Taxes</b>	<b>3.0%</b>	<b>3.6%</b>	<b>3.5%</b>	<b>3.2%</b>	<b>2.6%</b>

The projected impact to the typical home is \$68 for municipal taxes and \$134 including user fee increases or approximately \$11/month.

	2020	2021	\$ Change	% Change
<b>Assessment - Average Home</b>	<b>\$532,355</b>	<b>\$544,227</b>	<b>\$11,872</b>	<b>2.2%</b>
Property Taxes	\$2,226	\$2,294	\$68	3.0%
Municipal User Fees				
Water Fees	594	638	44	7.5%
Sewer Fees	141	146	5	4.0%
Sanitation Fees	171	189	18	10.5%
<b>Total Municipal Taxes &amp; User Fees</b>	<b>\$3,132</b>	<b>\$3,267</b>	<b>\$135</b>	<b>4.3%</b>

Rounded to nearest dollar

Assumes a typical single family house with average assessment change

## **OPTIONS**

- That “Financial Plan Bylaw 2021 No. 7320.01” (To amend the 2021 – 2025 Financial Plan) pass first reading;  
  
That “Financial Plan Bylaw 2021 No. 7320.01” pass second reading; and,  
  
That “Financial Plan Bylaw 2021 No. 7320.01” pass third reading.
  - The advantages of this option: Adopting the 2021 – 2025 Financial Plan Amendment Bylaw authorizes the expenditures in the 2021 budget and calculation of the 2021 property taxes.
  - Financial Implications: Enables the calculation and collection of 2021 property taxes. Annual property taxes help fund City services and capital programs.
- That Council table the report and request more information from Staff.

- The disadvantages of this option: Additional meeting(s) will be required to complete adoption of bylaws by 2021-MAY-15.
- Financial Implications: The Property Tax Bylaw for the calculation and collection of 2021 Property Taxes cannot be adopted until the 2021 – 2025 Financial Plan Amendment Bylaw is adopted. |

#### **SUMMARY POINTS**

- The 2021 property tax increase will be 3.0%.
- The “Financial Plan Amendment Bylaw 2021 No. 7320.01” must be adopted by 2021-MAY-15.
- This bylaw will allow Staff to calculate and collect 2021 property taxes. Annual property taxes help fund City services and capital programs.

#### **ATTACHMENTS:**

“Financial Plan Amendment Bylaw 2021 No. 7320.01” |

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#### **Concurrence by:**

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