

DATE OF MEETING April 23, 2018

AUTHORED BY WENDY FULLA, MANAGER, BUSINESS, ASSET AND FINANCIAL PLANNING

SUBJECT **2018 – 2022 FINANCIAL PLAN AMENDMENT BYLAW**

## OVERVIEW

### **Purpose of Report**

To introduce “Financial Plan Amendment Bylaw 2017 No 7253.01” for first, second and third readings.

### **Recommendation**

1. That “Financial Plan Amendment Bylaw 2017 No. 7253.01” (To amend the 2018 – 2022 Financial Plan), pass first reading;
2. That “Financial Plan Amendment Bylaw 2017 No. 7253.01” pass second reading; and
3. That “Financial Plan Amendment Bylaw 2017 No. 7253.01” pass third reading.

## BACKGROUND

The Provisional 2018 – 2022 Financial Plan bylaw “Financial Plan Bylaw 2017 No. 7253” was approved at the 2017-DEC-18 Council Meeting and adopted on 2018-JAN-15. The Financial Plan reflected decisions made by Council during the budget review process in 2017. A final 2018 – 2022 Financial Plan bylaw and a Property Tax Rates bylaw must be adopted by 2018-MAY-15.

At the 2018-APR-04 Finance and Audit Committee meeting Council reviewed additional changes to the 2018 -2022 Financial Plan. The Finance and Audit Committee made recommendations for further changes. Staff incorporated Council’s changes and an updated 2018 – 2022 Financial Plan was presented to the Finance and Audit Committee at the 2018-APR-11 meeting.

Summarized below are the projected property tax rate changes for 2018 to 2022.

	2018	2019	2020	2021	2022
General Asset Management Reserve	1.00%	1.00%	1.00%	1.00%	1.00%
General Property Tax Increase	2.01%	2.07%	0.89%	0.77%	0.77%
<b>Annual 2018 - 2022 Financial Plan</b>	<b>3.01%</b>	<b>3.07%</b>	<b>1.89%</b>	<b>1.77%</b>	<b>1.77%</b>

The 2018 key budget drivers include changes in expenditure and revenue budgets:

- \$1.0 million expenditure increase for contribution to General Asset Management Reserve;
- \$1.9 million net expenditure increase for wages and benefits;

- \$750,000 expenditure increase for RCMP contract including three new members;
- \$800,000 reduction in general revenues for annual operating expenditures due to transition of Casino revenues from general revenue to the Strategic Infrastructure Reserve. This is year 2 of a 4 year transition;
- \$520,000 reduction in general revenue funding for projects; and
- \$1.5 million increased property tax revenues due to growth.

User fee increases are:

- 5.0% sewer user fee increase for contribution to Sewer Asset Management Reserve;
- 7.5% water user fee increase that includes 5% increase for contribution to Water Asset Management Reserve; and
- 39.8% solid waste collection user fee increase, from \$118.04 to \$165. This includes implementation of automated collection in the remainder of the City.

The “Financial Plan Amendment Bylaw 2017 No. 7253.01” must be adopted by 2018-MAY-15 to enable calculation and collection of 2018 property taxes. ]

## **OPTIONS**

1. [That “Financial Plan Amendment Bylaw 2017 No. 7253.01” (To amend the 2018 – 2022 Financial Plan), pass first reading;

That “Financial Plan Amendment Bylaw 2017 No. 7253.01” pass second reading; and

That “Financial Plan Amendment Bylaw 2017 No. 7253.01” pass third reading

- **Budget Implication:** Adopting the 2018 – 2022 Financial Plan Bylaw authorizes the expenditures in the 2018 budget and calculation of 2018 property taxes.
2. Table the report and request more information for Staff. Will require additional meetings to complete adoption of bylaws by 2018-MAY-15 deadline.
    - **Budget Implication:** Adopting the 2018 – 2022 Financial Plan Bylaw authorizes the expenditures in the 2018 budget and calculation of 2018 property taxes. ]

## **SUMMARY POINTS**

- [The 2018 property tax increase will be 3.01%
- The “Financial Plan Amendment Bylaw 2017 No. 7253.01” must be adopted by 2018-MAY-15
- This bylaw will allow Staff to calculate and collect 2018 property taxes. Annual property taxes fund City services and capital programs. ]

## **ATTACHMENTS**

- “Financial Plan Amendment Bylaw 2017 No. 7253.01” |

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**Concurrence by:**

Laura Mercer  
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