



REQUEST FOR DECISION

TO: Council **MEETING DATE:** May 7, 2025

FROM: David Douglas, Director of Financial Services

SUBJECT: 2025 - 2029 Consolidated Financial Plan Bylaw No. 626, 2025

FILE NO: 3900-02

RECOMMENDATION

That the 2025 - 2029 Consolidated Financial Plan Bylaw No. 626, 2025 be considered for first, second and third time.

PURPOSE

For Council to consider three readings of the District of Sechelt 2025 - 2029 Consolidated Financial Plan Bylaw No. 626, 2025.

OPTION

1. Council provide direction to staff concerning the 2025-2029 Consolidated Financial Plan.

DISCUSSION

Background

As per the following sections of the *Community Charter* the District has compiled its 2025 - 2029 Consolidated Financial Plan and Bylaw to present to Council and the public (attached).

Financial plan

165

- (1) A municipality must have a financial plan that is adopted annually, by bylaw, before the annual property tax bylaw is adopted.
- (2) For certainty, the financial plan may be amended by bylaw at any time.
- (3) The planning period for a financial plan is 5 years, that period being the year in which the plan is specified to come into force and the following 4 years.

- (3.1) The financial plan must set out the objectives and policies of the municipality for the planning period in relation to the following:
- (a) for each of the funding sources described in subsection (7), the proportion of total revenue that is proposed to come from that funding source;
 - (b) the distribution of property value taxes among the property classes that may be subject to the taxes;
 - (b.1) the provision of development potential relief under section 198.1;
 - (c) the use of permissive tax exemptions.
- (4) The financial plan must set out the following for each year of the planning period:
- (a) the proposed expenditures by the municipality;
 - (b) the proposed funding sources;
 - (c) the proposed transfers to or between funds.
- (5) The total of the proposed expenditures and transfers to other funds for a year must not exceed the total of the proposed funding sources and transfers from other funds for the year.
- (6) The proposed expenditures must set out separate amounts for each of the following as applicable:
- (a) the amount required to pay interest and principal on municipal debt;
 - (b) the amount required for capital purposes;
 - (c) the amount required for a deficiency referred to in subsection (9);
 - (d) the amount required for other municipal purposes.
- (7) The proposed funding sources must set out separate amounts for each of the following as applicable:
- (a) revenue from property value taxes;
 - (b) revenue from parcel taxes;
 - (c) revenue from fees;
 - (d) revenue from other sources;
 - (e) proceeds from borrowing, other than borrowing under section 177 [*revenue anticipation borrowing*].
- (8) The proposed transfers to or between funds must set out separate amounts for
- (a) each reserve fund under Division 4 of this Part, and
 - (b) accumulated surplus.
- (9) If actual expenditures and transfers to other funds for a year exceed actual revenues and transfers from other funds for the year, the resulting deficiency must be included in the next year's financial plan as an expenditure in that year.

Public process for development of financial plan

166 A council must undertake a process of public consultation regarding the proposed financial plan before it is adopted

POLICY AND BYLAW IMPLICATIONS

The Five Year Consolidated Financial Plan and Tax Rate Bylaw must be adopted by Council prior to May 15th of each year.

SUSTAINABILITY PLAN IMPLICATIONS

Social Sustainability and Community Well Being

STRATEGIC PLAN IMPLICATIONS

1. Ensuring Financial Balance

FINANCIAL IMPLICATIONS

General Operating Fund

Included in the General Operating Fund is a general taxation increase for the District of Sechelt of 8.62%:

- 5.62% increase for operations; and
- 3% for capital

In total, taxation and other levies rose in 2025 to \$15,634,584, \$1,336,525 over 2024, this includes \$42,018 from new construction in 2024.

Sale of Goods and Services increased to \$2,059,000, a small increase from 2024 of \$94,730, greater than 2024 levels.

The District has applied for and has been awarded a number of Capital grants for 2023, 2024 and 2025. The grant revenue of \$10,582,248 is included in this 2025 Financial Plan to fund General Fund Capital projects.

The District has budgeted \$21,130,161 in operating expenses in 2025. This is an increase of \$2,131,564 over 2023. Several of the costs that increased were contractual in nature such as the RCMP contract, Employees Union (BCGEU) contract, debt payments, and Library agreement, while other increases like hydro, natural gas and vehicle fuel are beyond the District's control. Additionally there were several operating projects budgeted in 2024 that are being carried over to 2025.

The General Capital budget for 2025 is \$19,485,303. Planned funding sources include: reserves, debt financing, grants, user fees and Development Cost Charges. Several projects budgeted in 2024 are being carried over to 2025. New approved 2025 Capital project requests totaled \$6,476,000.

Sewer Operations

Sewer user fees for residential increased by \$26.85 per residence or 3.95% to \$706.25. Commercial user fees also increased at the same percentage as residential. In 2024 commercial sewer user fees increased to \$1,487.50 on an average business, a \$56.50 increase over 2024.

The 2025 increase in costs to the sewer network is \$532,965 rising to \$3,867,692. The main increases are for treatment of waste water and for maintenance of the Water Resource Centre. Additionally, several 2024 operating projects have been carried over to 2024.

Sewer Capital for 2025 is budgeted at \$3,519,258. Planned funding for capital includes reserves, grants, user fees and Development Cost Charges. New approved 2025 Sewer Capital projects total \$1,228,000.

Septage Operations

Budgeted Septage fees increased by \$64,498 to \$474,261 for 2025. This increase is due to a small increase of volume of use at the Dusty Road facility and includes a 6% increase to the loading rates.

The District is budgeting for an increase of \$159,084 in septage costs due to an accounting change related to the District's asset retirement obligation when the facility closed.

Septage Capital for 2025 is \$606,191 planned funding for capital is reserves. New approved 2025 Septage Capital projects total 565,000.

COMMUNICATIONS

The District has engaged the community in several consultation meetings which were hosted on Zoom. The 2025 - 2029 Consolidated Financial Plan will be available on the District's website.

Respectfully submitted,
David Douglas
Director of Financial Services

Attachments:

1 - 2025-2029 Consolidated Financial Plan - First Version