



BYLAW

Agenda Item Number: 6.2.2

Meeting Date: 5/9/2023

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TO: Mayor and Council

FROM: Finance

BYLAW: Bylaw No. 2393, 2023 - Corporation of the District of Peachland Financial Plan Bylaw

RECOMMENDATION:

THAT Council adopt Bylaw No. 2393, 2023 Corporation of the District of Peachland Financial Plan Bylaw.

PURPOSE

An annual 5-year financial plan is required by legislation.

COUNCIL AUTHORITY/PREVIOUS DECISIONS

The Community Charter requires that Council adopt the financial plan prior to adoption of the Annual Tax Rates Bylaw which must be approved by May 15th.

Council gave first, second and third reading to the Bylaw at the May 1, 2023 Special Council Meeting.

CHIEF ADMINISTRATIVE OFFICERS COMMENTS

Approved for Council's consideration.

REPORT

BACKGROUND

Prior to adoption of the Annual Tax Rate Bylaw, which is due May 15, Council must adopt the Financial Plan.

DISCUSSION

The 2023 Financial Plan presents a 5.12% tax impact as a result of:

- A budget review that focused on completing existing projects and a review of proposed expenditures reflecting historical costs while considering current elevated levels of inflation,
- Additional revenue generated by new construction assessment,
- The use of Reserves and prior years' surplus to reduce the tax impact,

- Funding from the Provincial COVID 19 – Safe Restart Grant, Federal Gas Tax program, Community Works Reserve for eligible projects.

Council, through the budget deliberation process, approved a 5.12% increase in General Municipal Property Taxes for the Average Single-Family Dwelling.

Although Council approved the introduction of Capital Asset Renewal parcel taxation in 2016, the District continues to experience funding shortfalls in reserve contributions required to replace existing infrastructure throughout the District. There have been no changes to the Parcel taxes instituted for Capital Asset Renewal.

The 2023 policing budget in the amount of \$892,681 is a decrease from the 2022 budget of 951,251, as the 2022 budget included a \$122,000 one-time payment for retro pay for the past five years as the RCMP members are now under a collective agreement. The increase for 2023 is 7.65% or \$21.88 for the averaged Peachland household and is due to forced growth in the City of Kelowna support services contract as well as the RCMP police services contract.

The transit budget increased \$5,749 overall due to increase operating costs. This represents an increase of \$1.99 or 2.76 % for the average household.

Collection of taxes for other tax authorities increased by 11.39% or \$158.28 for the average household. The largest component being an increase in School Taxes at \$107.05.

Some of the major General Fund capital projects identified in the 2023 Financial Plan include:

- \$415,000 for a plow truck, sander attachment and snowmobile
- \$150,000 for Fire Hall Replacement Pre-Construction drawings.
- \$550,000 for Road Remediation program
- \$300,000 for SCBA replacement for the Fire Department
- \$920,000 for acquisition of property for the new Protective Services Building
- \$249,300 for Dock repairs and replacements, HVAC unit for the Community Centre and a portable stage for community events.

Major Water Fund capital includes:

- \$2,500,000 for Residuals Treatment Upgrade for the Water Treatment Plant
- \$400,000 for water meter replacements
- \$299,000 for Water Supply analysis and upgrades

IMPLICATIONS/RELATED ISSUES/RISK

The 2023 Financial Plan must be approved prior to the 2023 Tax Rate Bylaw which is to be submitted to the Ministry by May 15, 2023.

STRATEGIC DIRECTION

The 2023 Financial Plan follows Council's direction to continue to build a community that provides services and amenities for the whole of Peachland.

CONCLUSION

Council is asked to adopt the 2023 Financial Plan Bylaw.

SUPPORTING DOCUMENTATION

2023 Financial Plan Bylaw Number 2393, 2023 which includes:

- Schedule A – Revenues and Expenditures for the next 5 years
- Schedule B – 2023 Objectives and Policies, Revenue Sources, Permissive Tax Exemptions,
- Schedule 3 – Capital Expenditures – 20-year plan

REVIEWED & APPROVED BY Joe Creron, CAO