

# Staff Report to Council

Financial Services

FILE: 05-1700-01/24

**REPORT DATE:** April 10, 2024

**MEETING DATE:**

April 30, 2024

**TO:** Mayor and Council

**FROM:** Laura Barroetavena

**SUBJECT:** 2024 Financial Plan and Utility Fees Bylaws

**CHIEF ADMINISTRATIVE OFFICER REVIEW/APPROVAL:**



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**RECOMMENDATION(S):**

THAT Council:

- A. Approve updated Policy C049 – Revenue and Taxation for inclusion as an attachment in the 2024 – 2028 Financial Plan Bylaw No. 2979, 2024 as required by the *Community Charter*; AND
- B. Grant first, second, and third readings to the 2024 – 2028 Financial Plan Bylaw No. 2979, 2024; AND
- C. Grant first, second and third readings to the Drainage System Protection Amendment Bylaw No. 2978, 2024; AND
- D. Grant first, second and third readings to the Sanitary Sewer and Drainage Amendment Bylaw No. 2976, 2024; AND
- E. Grant first, second and third readings to the Solid Waste Collection and Disposal Amendment Bylaw No. 2977, 2024; AND
- F. Grant first, second and third readings to the Waterworks Amendment Bylaw No. 2975, 2024; OR
- G. Other.

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**PURPOSE**

The purpose of this report is to obtain Council's approval of the 2024 Utility Fee bylaws and the 2024 to 2028 Financial Plan Bylaw.

☐ Information Report

☒ Decision Report

☐ Direction Report

## **DISCUSSION**

### **Background:**

The 2024 to 2028 budget and business planning process consisted of budget workshops, business plan presentations, and meetings for Council budget deliberations. The process commenced in June 2023 when the budget principles and guidelines were approved and culminated with Council deliberating on and approving the provisional budgets in December 2023.

The Corporate Leadership Team undertook a rigorous budget review process that involved significant scrutiny of operational activities in all City departments. Many staff were involved in the process and significant management feedback occurred at several stages throughout budget development.

The process included assessment of budget resources needed to deliver the same services as in 2023 by utilizing a number of mechanisms including:

- Contemplating new revenue opportunities;
- Reviewing revenue streams to ensure better cost recovery;
- Rationalizing use of staff overtime;
- Extending tool and equipment life where possible;
- Incorporating recommendations from the completed Asset Management Plan Update;
- Changing the way we perform tasks to be more efficient; and
- Matching budget to historical costs.

### **Relevant Policy, Bylaw or Legislation:**

In accordance with Section 165(1) of the Community Charter, the City must adopt a five year financial plan prior to adopting the annual property tax bylaw. The annual property tax bylaw must be adopted by May 15th per the Community Charter Section 197(1).

### **Analysis:**

After taking into consideration the City's key strategic priorities regarding safety and essential services and adjusting the corresponding revenues and expenses, including reserve savings, the combined property tax and utility fee will increase by \$469 for the average single family home (SFH) with a 2023 assessed value of \$1,193,494.

### **Operating Budget**

The financial plan bylaw provides the authority for the City to expend funds in accordance with Council's budget deliberations in November and December 2023. The approved budget provides for continuing to deliver City services to the citizens of Pitt Meadows. The budget increase is mainly due to the increase in uncontrollable costs which include the Metro

Vancouver Water Purchase and Sewer Treatment Costs and Collective Bargaining costs impacting the City, the RCMP, and the Library. Council also approved additional funding for 4 flex firefighters to ensure that the City has four (4) firefighters on the first responding apparatus, 100 percent of the time, meeting WorkSafe BC regulations. Additionally an increase in the asset replacement contributions has been incorporated as per the recommendations from the recently completed 2023 Asset Management Plan (AMP) Report.

### **Utilities**

The breakdown of the single family 2024 annual utility fees supporting the budget approved by Council in December 2023 is summarized below:

<b>Service Type</b>	<b>2024</b>
Diking	\$ 20
Drainage Services	60
Sanitary Sewer Services	432
Solid Waste Services	209
Water Services	817
<b>Subtotal User Fees</b>	<b>\$ 1,538</b>
Drainage Services (mill rate)	100
<b>Total Utility Fees</b>	<b>\$ 1,638</b>

### **Capital Budget**

The 2024 capital budget is \$26.8 million. Significant projects include:

- Completion of Golden Ears Business Park DCC Road Improvements – \$8.5 million
- New RCMP Detachment – \$7 million  
includes \$5.5M from Debt and \$1.5M funded from Debt Proceeds Interest Earnings (total project cost \$21.7 million)
- Double Artificial Turf - \$200,000 related to design work (total project cost \$10.6 million)
- Covered Multi Sport Box - \$200,000 related to design work (total project cost \$8.1 million)
- Kennedy Pump Station Replacement – \$1.8 million
- Harris Park Concession and Washroom – \$960,000
- Old Dewdney Trunk Road Paving - \$970,000
- Neaves Road Paving \$378,000

- Detailed Irrigation Study \$300,000
- Server Replacement \$301,000
- Dump Trucks and Backhoe \$630,000

### **Carry Forward Projects**

During the January/February period all 2023 projects were reviewed through the yearend process. Projects that were incomplete at the end of 2023 and carried forward to 2024, including the continuation of the new RCMP detachment, have been incorporated into the 2024 Financial Plan Bylaw and amount to \$24.4 million. These projects are listed in Attachment F.

### **COUNCIL STRATEGIC PLAN ALIGNMENT**

- ☐ Principled Governance    ☐ Balanced Economic Prosperity    ☐ Infrastructure  
☐ Community Spirit & Wellbeing    ☒ Corporate Pride    ☐ Public Safety  
☐ Not Applicable

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### **WORKPLAN IMPLICATIONS**

- ☒ Already accounted for in department workplan / no adjustments required  
☐ Emergent issue / will require deferral of other priority(ies)  
☐ Other

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### **FINANCIAL IMPLICATIONS**

- ☐ None    ☐ Budget Previously Approved    ☐ Referral to Business Planning  
☒ Other

As events occur or new information becomes known staff must adjust their plans accordingly. Staff are committed to exercising financial prudence in ensuring the City's budget remains balanced while making these adjustments.

Many of these adjustments will require amendments to the financial plan bylaw. As has been the City's past practice, adjustments will be accumulated throughout the year and one amended financial plan bylaw will be presented to Council after the yearend process is completed.

Council directed staff to bring forward the 2024 Financial Plan and Utility Fee Bylaws based on the budget information referred to earlier in this report. Staff has prepared the bylaw for Council consideration which includes the following attachments:

### **2024-2028 Consolidated Financial Plan Bylaw (Attachment A)**

Includes the general, water, sewer, solid waste, and drainage and diking funds set out in the format as prescribed by section 165 of the *Community Charter*.

### **Taxation and Revenue Policy C049 (Attachment A)**

This policy addresses the requirements of section 165 of the Community Charter which requires the financial plan to establish the objectives and policies of the City for the planning period for:

- The proportion of total revenue that is proposed to come from each funding source;
- The distribution of property taxes among the property classes;
- The use of permissive tax exemptions.

### **Utility Fee Bylaws (Attachments B to E)**

The Utility fee bylaws for drainage, solid waste, sewer and water provide staff with the authority to levy utility fees on properties within the City.

### **Capital Project Carry Forwards (Attachment F)**

Capital projects carried forward from 2023 to 2024 have been incorporated into the 2024 to 2028 Financial Plan Bylaw. Funding for all projects has been provided for in the 2023 approved budget therefore, there is no impact to 2024 taxation or 2024 reserve funding levels.

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### **PUBLIC PARTICIPATION**

☒ Inform    ☐ Consult    ☐ Involve    ☐ Collaborate    ☐ Empower

Comment(s):

Business and financial plans have been available at City Hall and on the City's website. Throughout the year there have been advertisements with respect to budget meetings and presentations to encourage public attendance and provide the public with opportunities to ask questions and provide comments throughout. Advertisements and promotions of the business and budget planning process have also been provided on the City's website.

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### **KATZIE FIRST NATION CONSIDERATIONS**

Referral    ☐ Yes    ☒ No    ☐ Other

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**SIGN-OFFS****Written by:**

Korey Holtzman,  
Manager of Financial Planning and Reporting

**Reviewed by:**

Laura Barroetavena,  
Director of Financial Services

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**ATTACHMENT(S):**

- A. 2024 - 2028 Financial Plan Bylaw No. 2979, 2024
- B. 2978, 2024 Drainage System Protection Amendment Bylaw
- C. 2976, 2024 Sanitary Sewer and Drainage Bylaw Amendment
- D. 2977, 2024 Solid Waste Collection and Disposal Amendment Bylaw
- E. 2975, 2024 Waterworks Amendment Bylaw
- F. 2023 Capital Carry Forward Listing to 2024