

CITY OF PITT MEADOWS
2025 – 2029 FINANCIAL PLAN
BYLAW NO. 3024, 2025

Attachment A

A Bylaw to adopt the 2025 to 2029 Financial Plan

WHEREAS in accordance with Section 165 of the Community Charter, the Council of the City of Pitt Meadows is required, by bylaw, to adopt a Financial Plan for the municipality before the annual property tax bylaw is adopted;

NOW THEREFORE the Council of the City of Pitt Meadows enacts as follows:

Citation/Title

1. This Bylaw may be cited as the "2025 – 2029 Financial Plan Bylaw No. 3024, 2025".

Schedules

2. The following Schedules are attached to, and form part of, this Bylaw:
 - (a) Schedule "A", is adopted as the 2025 - 2029 Financial Plan of the City of Pitt Meadows for the period beginning January 1, 2025 and ending December 31, 2029.
 - (b) Schedule "B", specifies the transfers to, and expenditures from, the City Reserve Funds for the period beginning January 1, 2025 and ending December 31, 2029.
 - (c) Schedule "C", is the Revenue and Taxation Policy for the City of Pitt Meadows.

READ a FIRST, SECOND and THIRD time on [DATE].

ADOPTED ON [DATE].

Nicole MacDonald
Mayor

Kate Barchard
Corporate Officer

SCHEDULE "A"

2025 - 2029 Financial Plan

<u>REVENUES</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>
Municipal Property and Other Taxes	\$ 35,388,900	\$ 37,692,800	\$ 40,096,200	\$ 42,503,900	\$ 45,000,400
Utility Charges	16,713,100	17,879,500	19,101,500	20,001,400	21,284,400
Sale of Services	2,821,800	2,914,100	2,989,300	3,062,000	3,138,700
Licenses, Permits, Penalties, Fines	2,111,000	2,255,700	2,139,100	2,156,000	2,173,400
Investment Income	1,127,500	839,200	825,300	923,700	1,090,400
Other Revenue	679,800	712,100	716,000	728,900	742,400
Government Transfers	9,633,200	2,723,600	1,433,800	827,200	1,376,500
Contributions	14,318,800	5,435,700	284,300	454,800	1,199,000
Total Revenues	82,794,100	70,452,700	67,585,500	70,657,900	76,005,200
<u>EXPENSES</u>					
Operating Expenditures	46,119,800	48,697,400	50,576,600	52,783,500	55,285,800
Debt Interest	1,032,300	1,001,400	998,300	995,100	991,900
Amortization	6,488,000	6,681,200	6,881,900	7,088,900	7,290,500
Total Operating Expenses	53,640,100	56,380,000	58,456,800	60,867,500	63,568,200
Net Revenues (Expenditure)	29,154,000	14,072,700	9,128,700	9,790,400	12,437,000
<u>ALLOCATIONS</u>					
Net Transfers from/(to) Reserves	36,846,600	3,200,900	(4,433,300)	(7,266,700)	(2,496,900)
Capital Expenditures	(71,620,100)	(23,254,300)	(10,857,800)	(8,873,400)	(16,471,000)
Unfunded Amortization	6,488,000	6,681,200	6,881,900	7,088,900	7,290,500
External Debt Principle Repayment	(868,500)	(700,500)	(719,500)	(739,200)	(759,600)
Total Allocations	(29,154,000)	(14,072,700)	(9,128,700)	(9,790,400)	(12,437,000)
BUDGET BALANCE	\$ -	\$ -	\$ -	\$ -	\$ -

SCHEDULE "B"

<u>Transfers from Reserves:</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>
Arena Capital Reserve Fund	\$ 979,700	\$ 150,000	\$ 150,000	\$ 250,000	\$ 250,000
Carbon Neutrality Reserve Fund	164,800	129,300	141,500	152,600	-
Community Amenity Fund	6,099,700	7,137,000	1,669,400	1,800	-
Diking Capital Reserve Fund	225,500	92,200	102,100	111,900	124,800
Drainage Capital Reserve Fund	5,836,800	2,096,700	1,797,800	1,067,900	349,600
Equipment Replacement Reserve Fund	3,195,600	1,191,900	1,217,400	1,310,200	4,048,400
Facilities & Fixtures Lifecycle Reserve Fund	18,030,600	1,779,200	2,517,700	5,587,700	1,114,700
Future Capital Reserve Fund	51,400	-	12,500	12,500	12,500
Growing Communities Reserve Fund	5,252,800	-	-	-	-
Minor Capital Reserve Fund	15,400	16,100	16,900	17,700	918,500
Operating Reserve Fund	2,124,000	1,206,700	663,100	544,300	476,700
Parkland Reserve Fund	-	-	-	-	-
Sanitary Sewer Capital Reserve Fund	2,069,000	3,050,200	88,200	774,000	1,095,600
South Bonson Amenities Reserve Fund	37,900	34,800	31,600	28,500	25,400
Transportation Infrastructure Reserve Fund	6,390,200	2,115,600	6,507,300	2,880,500	7,503,900
Waterworks Capital Reserve Fund	3,180,400	2,471,400	1,190,000	2,618,900	1,786,900
Total Transfers from Reserves	53,653,800	21,471,100	16,105,500	15,358,500	17,707,000
<u>Transfers to Reserves:</u>					
Arena Capital Reserve Fund	(407,700)	(407,000)	(420,900)	(435,500)	(448,700)
Carbon Neutrality Reserve Fund	(11,200)	(9,200)	(156,100)	(156,300)	(156,400)
Community Amenity Fund	(2,346,800)	(5,129,700)	(2,664,400)	-	(100)
Diking Capital Reserve Fund	(177,600)	(179,300)	(180,900)	(182,300)	(183,600)
Drainage Capital Reserve Fund	(2,908,100)	(2,099,900)	(1,801,100)	(1,971,900)	(2,159,000)
Equipment Replacement Reserve Fund	(1,840,000)	(1,498,000)	(1,440,500)	(1,729,500)	(3,492,100)
Facilities & Fixtures Lifecycle Reserve Fund	(2,114,900)	(1,516,500)	(3,568,500)	(7,685,700)	(5,630,800)
Future Capital Reserve Fund	(1,300)	(800)	(800)	(600)	(400)
Growing Communities Reserve Fund	-	-	-	-	-
Minor Capital Reserve Fund	(69,100)	(70,100)	(71,000)	(71,900)	(73,000)
Operating Reserve Fund	(135,800)	(135,500)	(133,000)	(132,500)	(132,300)
Parkland Reserve Fund	(5,100)	(5,100)	(5,100)	(5,100)	(5,100)
Sanitary Sewer Capital Reserve Fund	(750,300)	(804,000)	(3,738,100)	(1,600,400)	(1,054,100)
South Bonson Amenities Reserve Fund	(14,000)	(13,500)	(13,200)	(12,800)	(12,500)
Transportation Infrastructure Reserve Fund	(4,409,800)	(4,231,600)	(4,627,700)	(6,549,300)	(5,018,300)
Waterworks Capital Reserve Fund	(1,615,500)	(2,170,000)	(1,717,500)	(2,091,400)	(1,837,500)
Total Transfers to Reserves	(16,807,200)	(18,270,200)	(20,538,800)	(22,625,200)	(20,203,900)
Total Transfers from (to) Reserves	\$ 36,846,600	\$ 3,200,900	\$ (4,433,300)	\$ (7,266,700)	\$ (2,496,900)

SCHEDULE "C"

Revenue and Taxation Policy

Policy Statement

1. To comply with the disclosure requirements as set out in section 165 (3.1) of the Community Charter.

Policy

2. Total Revenue

Charter Requirement: Set out the objectives and policies regarding the proportion of total revenue proposed to come from each funding source.

The proportion of funding sources included in the financial plan is as follows:

	2025	2026	2027	2028	2029
Municipal Property and Other Taxes	42.8%	53.5%	59.3%	60.2%	59.2%
Utility Charges	20.2%	25.4%	28.3%	28.3%	28.0%
Sale of Services	3.4%	4.1%	4.4%	4.3%	4.1%
Licenses, Permits, Penalties, Fines	2.5%	3.2%	3.2%	3.1%	2.9%
Investment Income	1.4%	1.2%	1.2%	1.3%	1.4%
Other Revenue	0.8%	1.0%	1.1%	1.0%	1.0%
Government Transfers	11.6%	3.9%	2.1%	1.2%	1.8%
Contributions	17.3%	7.7%	0.4%	0.6%	1.6%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

3. Property Tax is the City's largest source of revenue and provides funding for the "public type" services provided by the City which cannot be or are undesirable to be funded on a user pay basis such as parks and leisure services, public safety, transportation and general government. Its proportion of total revenue will vary from year to year depending on the capital program and the use of reserves, borrowing or grants for the capital program.
4. **Policy:** The City is committed to, where feasible and for appropriate municipal services, shifting the payment of the services from property taxes to user fees. To this end, the City will review user fees and charges annually and compare to the costs to provide the services and comparative costs from other municipalities.

The City will also regularly review Development Cost Charge rates to ensure that developers who profit from development in the municipality pay an appropriate share of the cost of the municipal infrastructure required to service new developments.

5. **Objective:** That “private type” services provided by the City are charged and paid for on a full cost recovery basis.

6. Taxation Revenue

Charter Requirement: Set out the objectives and policies regarding the distribution of property taxes among the property classes.

The distribution of general property tax revenue across different property taxes is as follows:

	Class	Assessment %	Revenue %
Residential	1	75.71%	52.89%
Utilities	2	0.13%	1.07%
Major Industry	4	0.20%	0.61%
Light Industry	5	5.02%	10.60%
Business & Other	6	18.18%	31.42%
Recreation / Non-Profit	8	0.57%	0.99%
Farm	9	0.19%	2.42%
Total		100.00%	100.00%

The City remains heavily reliant on residential property taxation at 52.89% of total general property tax revenue. For 2025, approximately 47.11% is budgeted to come from non-residential assessment classes which make up only 24.29% of the total assessed value for the City.

7. **Policy:** The City is committed to increasing the overall proportion of revenue from non-residential classes through growth and development while working to ensure that the amount of property taxes paid by business and industry does not harm the ability for existing businesses to operate effectively in the community and is not a deterrent for business considering locating in the community.

The City will regularly review growth in the respective classes of the tax base and compare the City’s tax ratio between residential property owners and business owners relative to other municipalities in Metro Vancouver.

8. **Objective:** That the City has a broad assessment base in which each class share an equitable portion of the general property tax burden.

9. Permissive Exemptions

Charter Requirement: Set out the objectives and policies regarding the use of permissive tax exemptions.

10. **Policy:** The City of Pitt Meadows uses Policy C061 – Permissive Tax Exemptions, which has been approved by Council. The purpose of the policy is as follows:

“A permissive tax exemption is a means for Council to support organizations within the community which further Council’s objectives of enhancing quality of life (economic, social, cultural) and delivering services economically. This policy guides identification of organizations meeting Council’s objectives.”

This policy demonstrates that Council will consider providing permissive exemptions to not-for-profit institutions that form a valuable part of our community. These include religious institutions, historical societies, some recreational facilities, service organizations and cultural institutions.

11. **Objective:** Council will periodically examine its permissive tax exemption policy to determine if changes are necessary.