

# REPORT

## *Finance*

**To:** Mayor Johnstone and Members of Council in Budget Workshop  
**Date:** November 25, 2024

**From:** Shehzad Somji  
CFO/Director of Finance  
**File:** 04-0870

On Behalf of the Senior Management Team (SMT)

**Subject:** **2025 Budget – Council Workshop: Strategic Priorities Plan Implementation Strategy**

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### **RECOMMENDATIONS**

1. **THAT** the staff report titled “2025 Budget – Council Workshop: Strategic Priorities Plan Implementation Strategy” dated November 25, 2024 from the Senior Management Team, be received for information; and
  2. **THAT** the funding requests and financial implications presented in the Attachments 1 to 15 of the staff report titled “2025 Budget – Council Workshop: Strategic Priorities Plan Implementation Strategy” dated November 25, 2024 from the Senior Management Team form components of the December 2<sup>nd</sup> General Fund Five Year Capital Plan and Funding Strategy; General Fund Service Enhancements, Funding Strategy and Property Tax Rates setting.
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### **PURPOSE**

The purpose of this report is to present Council with key information and analyses to support the 2025 Budget deliberation process.

### **BUDGET 2025 TIMELINES**

The table below provides Council and the community with the dates of upcoming Budget Workshops and the anticipated timelines for Bylaw Readings:

COUNCIL MEETING	BUDGET TOPIC
November 25	<b>Budget 2025 Council Workshop</b> <ul style="list-style-type: none"> <li>• 2023 - 2026 Strategic Priorities Plan Implementation Strategy</li> <li>• Draft 2025 - 2029 Operating and Capital Utility Budgets and Utility Rates setting</li> </ul>
December 2	<b>Budget 2025 Council Workshop</b> <ul style="list-style-type: none"> <li>• Draft 2025 - 2029 General Fund Five Year Capital Plan and Funding Strategy;</li> <li>• Draft 2025 General Fund Service Enhancements, Funding Strategy and Property Tax Rates setting</li> </ul>
December 2	<b>Open Council Meeting</b> <ul style="list-style-type: none"> <li>• 2025 Utility Rate Bylaw Readings</li> </ul>
December 9	<b>Budget 2025 Council Workshop</b> <ul style="list-style-type: none"> <li>• Proposed 2025 General Fund Operating and Multi-Year Capital Budgets and 2025 – 2029 Five Year Capital Plan</li> </ul>
December 16	<b>Open Council Meeting</b> <ul style="list-style-type: none"> <li>• 2025 Utility Rate Bylaw Adoption</li> </ul>
January 2025	<b>Budget 2025</b> <ul style="list-style-type: none"> <li>• Draft 2025 - 2029 Five Year Financial Plan for Adoption</li> </ul>

**Information for the Budget 2025 Council Workshop on November 25**

City Council approved the 2023-2026 Council Strategic Priorities Plan on May 8, 2023. This Plan guides the work of City Departments during this four year term of Mayor and Council.

The 2023-2026 Council Strategic Priorities Plan is guided by the Vision that New Westminster is: ***A vibrant, compassionate, resilient city where everyone can thrive.***

City Council has adopted **Five Strategic Priorities** that guide the workplans of all City Departments; they are:

STRATEGIC PRIORITY	GOAL
Community Belonging and Connecting	A community where everyone belongs and has the opportunity to connect and contribute.
Homes and Housing Options	Clear the way for all types of homes needed by people today and tomorrow, prioritizing homes for those with the greatest need.
People-Centered Economy	A local, nimble, resilient economy that serves our local community.
Safe Movement of People	Prioritize the movement of people on foot, cycle and transit on streets that are safer for all.
Asset Management and Infrastructure	Resilient infrastructure that meets the community’s needs today and into the future.

The Five Strategic Priorities are also informed and guided by **Lenses** and **Foundations**:

Lenses were included in Council's Strategic Priorities Plan to provide principles, guidance and actions to ensure that Council and staff are thoughtfully considering and integrating:

- Reconciliation,
- Climate Action and Environment,
- DEIAR (Diversity, Equity, Inclusion, and Anti-Racism) and
- Doing so in alignment with the City's commitment to thoughtful and meaningful Public Engagement.

Foundations provide the strategies, plans, policies, procedures and actions to ensure the five Strategic Priorities are appropriately supported by improving:

- Organizational Effectiveness, Resilience and Governance

### **Alignment between Council's Strategic Priorities Plan and the 2025 Budget**

Since City Council approved the Strategic Priorities Plan, the Senior Management Team (SMT) has developed an Implementation Strategy, including workplans for each Priority and an analysis of staffing and resource needs to support progress.

Council Strategic Priorities Plan provides an opportunity to review and align the City's organizational structure to enhance efficiency, advance strategic goals, and improve service delivery. Organizational restructuring is a key part of the Implementation Strategy; ensuring City staff's efforts are better coordinated and aligned for maximum impact. With significant growth over the past decade, many City functions have expanded, necessitating updates to organizational and reporting structures to meet evolving needs and expectations effectively.

Below are examples of how the Strategic Priorities Plan workplans guide funding recommendations for the 2025 Budget.

### **The 2025 - 2029 Capital Plan:**

- The 5-Year Capital Plan reflects the City's commitment to the Climate Emergency, funding initiatives like the Seven Bold Steps, the Active Transportation Network Plan, and the eMobility Strategy.
- Many projects qualify for Senior Government funding, and the City actively pursues these opportunities.
- Key projects include completing greenways, public realm upgrades, rail crossing compliance for whistle cessation, and expanding the tree canopy and Urban Forest.
- The Plan ensures critical infrastructure like sidewalks, cycling paths, and transit-prioritized roadways are well-maintained, supporting safe and sustainable travel.
- Civic facilities, like the Massey Theatre, are being renewed for improved safety, accessibility, and functionality.

- These projects align with Strategic Priorities: Community Belonging, People-Centered Economy, Safe Movement, and Asset Management, supporting the needs of a growing population.
- Reconciliation, DEIAR, Climate Action, Organizational Effectiveness, and public input guide all capital projects.

### **The 2025 Operating Budget:**

- The largest Operating Budget component is staff salaries, reflecting our role as a service provider.
- The City delivers essential emergency response and protective services.
- Core services include maintaining public works, civic properties, transportation networks, and parks.
- We prioritize engagement with Indigenous peoples and our commitment to A Year of Truth.
- Community and recreational services are provided through libraries, community centers, recreational, and cultural facilities.
- Land use policies accelerate housing construction to meet 2030 Housing Needs Assessment goals and support childcare in line with the Family Friendly Housing Policy.
- We ensure life safety standards in development and building permits.
- Policies and services promote a robust local economy.
- Advocacy and partnerships support vulnerable populations, informed by lived experiences.
- These efforts align with Strategic Priorities: Community Belonging, Homes and Housing Options, and People-Centered Economy.
- Foundations such as Reconciliation, Public Engagement, Climate Action, DEIAR, and Organizational Effectiveness are strengthened and aligned.

### **The 2025 Utilities Budget:**

- Fund essential infrastructure projects critical to supporting our growing City.
- Expand electrical capacity by upgrading substations and the distribution network, funded by the Electrical Utility.
- Reduce GHG emissions by electrifying civic facilities, the City's fleet, and community EV charging stations, supported by the Electrical Utility.
- Maintain, replace, and expand water mains, funded by the Water Utility.
- Upgrade sanitary and storm sewers, including separating combined sewers, funded by the Sewer Utility.
- Manage waste collection, recycling, and yard/food waste through the Solid Waste Utility.
- Aligns with Strategic Priority 5 - Asset Management and Infrastructure.
- Supports Climate Action, Environmental Goals, and Organizational Resilience.

### **2023-2026 Council Strategic Priorities Plan Implementation Strategy**

Attached with this covering report are fifteen memos consisting of ten City Department memo and five themed memos. These memos are part of the 2023-2026 Council Strategic Priorities

Plan Implementation Strategy. They outline workplans, demonstrate alignments with the Strategic Plan and itemize respective resource needs.

The information from these memos is currently being consolidated and will inform part of the proposed tax rate options that the Finance Department will present to Council at the December 2<sup>nd</sup> Budget Council Workshop.

The ten City Department memos are:

1. Community Services
2. Energy and Climate
3. Engineering
4. Finance
5. Fire
6. Human Resources and Information Technology
7. Library
8. Office of the CAO
9. Parks and Recreation
10. Planning and Development

The five Themed memos are:

11. Housing
12. Financing Growth
13. Community Belonging and Connectedness and Local Economy
14. Financial Strategy
15. Organizational Effectiveness

### **INTERDEPARTMENTAL LIAISON**

All City Departments participate and contribute to the 2025 Budget process.

### **OPTIONS**

There are three options for the report:

Option 1 – THAT Council receives the information and analyses from the accompanying fifteen memos as part of the 2025 Budget deliberation process.

Option 2 - THAT the funding requests and financial implications presented in the memos form components of the December 2<sup>nd</sup> General Fund Five Year Capital Plan and Funding Strategy; General Fund Service Enhancements, Funding Strategy and Property Tax Rates setting

Option 3 – THAT Council provide staff with alternate direction.

*Options 1 and 2 are recommended.*

**ATTACHMENTS**

Attachment 1 - Ten City Departmental Memos

Attachment 2 - Five Themed Memos

**APPROVALS**

This report was prepared by:

Alex Tam, Manager Financial Services  
Indeep Johal, Manager, Financial Services  
Gary So, Senior Manager, Financial Services

This report was reviewed by:

Senior Management Team (SMT)

This report was approved by:

Shehzad Somji, CFO/Director of Finance  
Lisa Spitale, Chief Administrative Officer