



2025 General Fund Service Enhancements Council Workshop

December 2, 2024



NEW WESTMINSTER

Agenda

1. Purpose
2. Recommendation
3. Budget Scenarios
4. Recommendation
5. Feedback and Discussion

Purpose

- To present Council with the three operating service enhancement and funding strategy scenarios, and the estimated property tax impact;
- To seek Council's direction on the Recommended Property Tax scenario to incorporate in the 2025 General Fund Operating Budget.

Recommendation

1. THAT staff be given direction on the proposed estimated property tax revenue increase for 2025;
2. THAT staff report back with a Consolidated Five-Year Financial Plan (2025 – 2029) bylaw.

Budget Scenarios

Baseline Budget

Non-Discretionary Cost Increases

Municipal Tax Increase of 5.5%

Scenario 1

Council Motion of 4.5% Property Tax Increase

Municipal Tax Increase of 4.5%

Scenario 2

Includes all service enhancement requests

Municipal Tax Increase of 7.6%

Scenario 3

Creating “the Recommended Property Tax” Option

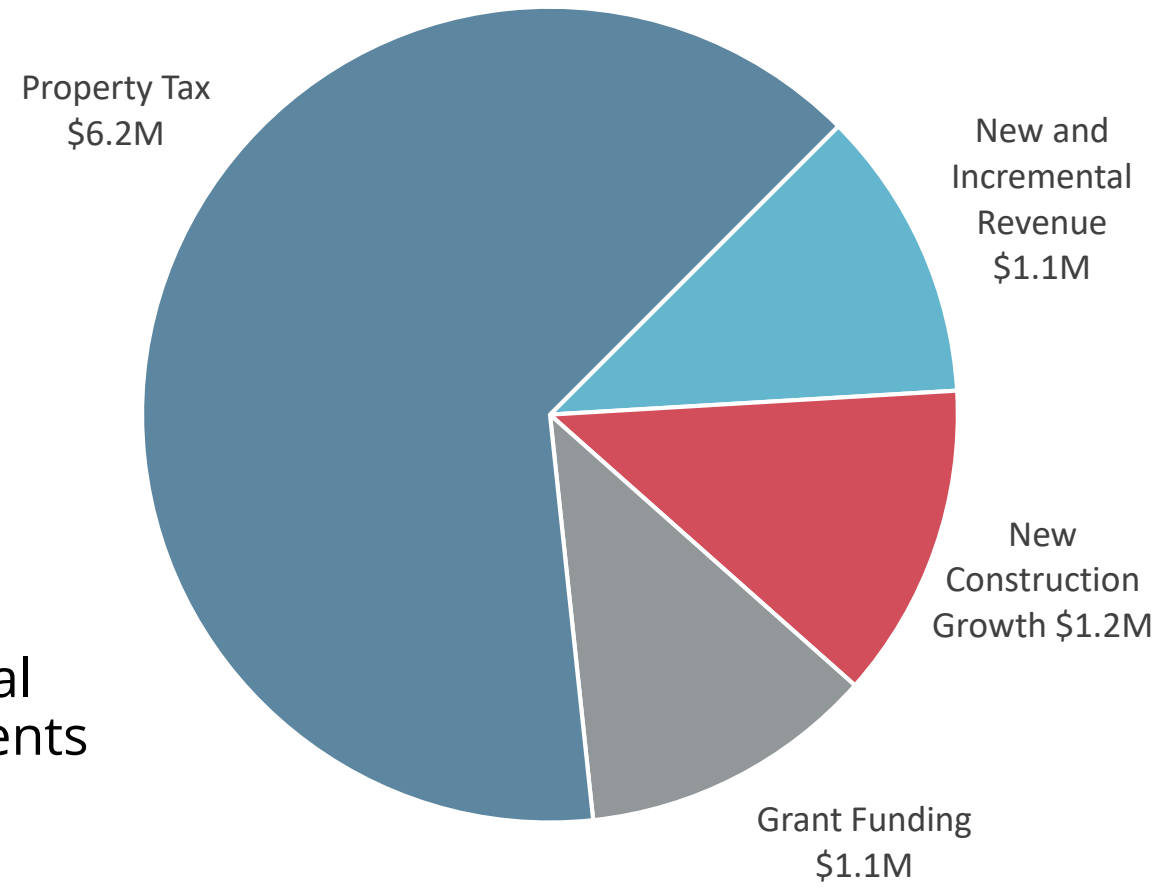
Municipal Tax Increase of 5.5% to 7.6%

Baseline Budget: 5.5% Property Tax Increase



Non-Discretionary Increases	\$9.6M
Other Funding Sources	- \$3.4M
Baseline Budget Service Enhancements Funded by Property Taxes	\$6.2M

Funding Sources - Total Service Enhancements \$9.6M



Non-Discretionary Baseline Budget

- Non-discretionary inflation increases, contractual obligations, regulatory and legislative requirements
- 2025 Property Tax Impact - **5.5% increase**

Baseline Budget

BC Assessment Property Classes	2024 Average Assessment Value	2024 Municipal Tax	Baseline Budget 5.5%	Estimated 2025 Municipal Tax
Class 1 Residential - Single Family	\$ 1,616,000	\$ 4,246	+ \$ 233	\$ 4,479
Class 1 Residential - Strata	\$ 665,000	\$ 1,747	+ \$ 96	\$ 1,843
Class 6 Business And Other	\$ 4,022,000	\$ 32,181	+ \$ 1,770	\$ 33,951

Scenario 1 : Council Motion of 4.5% Property Tax Increase

Baseline Budget

Department Reductions

Department	Budget Reduction Required
Corporate Services	\$ (43,872)
Community Services	\$ (64,841)
Engineering	\$ (318,287)
Finance	\$ (30,798)
Fire & Rescue Services	\$ (62,406)
Human Resources	\$ (20,560)
Information Technology	\$ (91,173)
Library	\$ (44,749)
Parks & Recreation	\$ (116,503)
Planning & Development	\$ (36,275)
Police Services	\$ (306,830)
Total	\$ (1,136,295)

- 1.0% lower than the Baseline Budget
- Service level reduction across all departments
- Department budgets reduced on a pro-rata share of their Contracted Services and Supplies and Materials budget
- Department service reductions are outlined in the memos in Attachment 8 of the Council Report

Scenario 1 : Council Motion of 4.5% Property Tax Increase

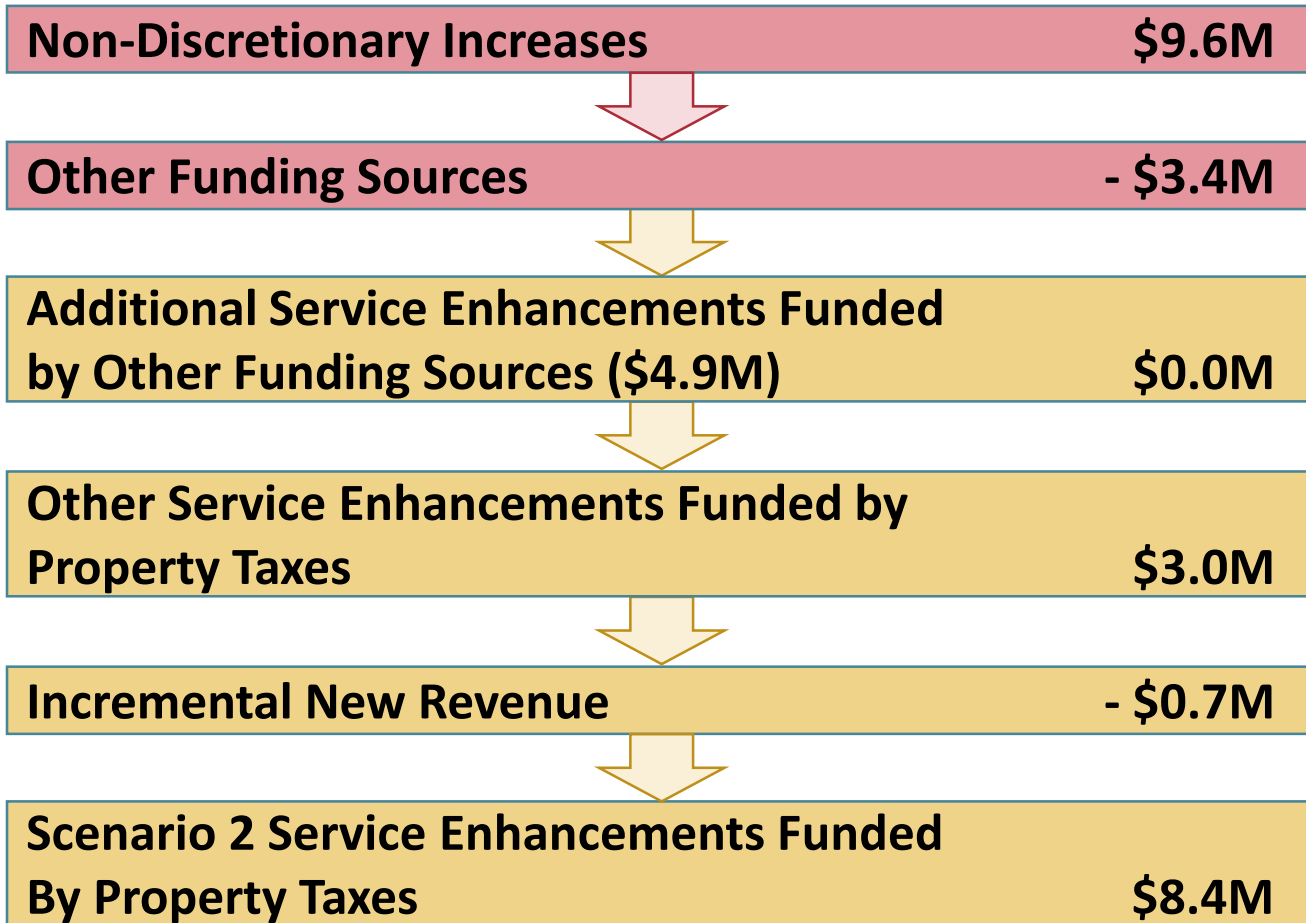
BC Assessment Property Classes	2024 Average Assessment Value	2024 Municipal Tax	Scenario 1 4.50%	Estimated 2025 Municipal Tax
Class 1 Residential - Single Family	\$ 1,616,000	\$ 4,246	+ \$ 191	\$ 4,437
Class 1 Residential - Strata	\$ 665,000	\$ 1,747	+ \$ 79	\$ 1,826
Class 6 Business And Other	\$ 4,022,000	\$ 32,181	+ \$ 1,448	\$ 33,629

Scenario 1 : Questions

1. Does Council have any questions about Scenario 1?

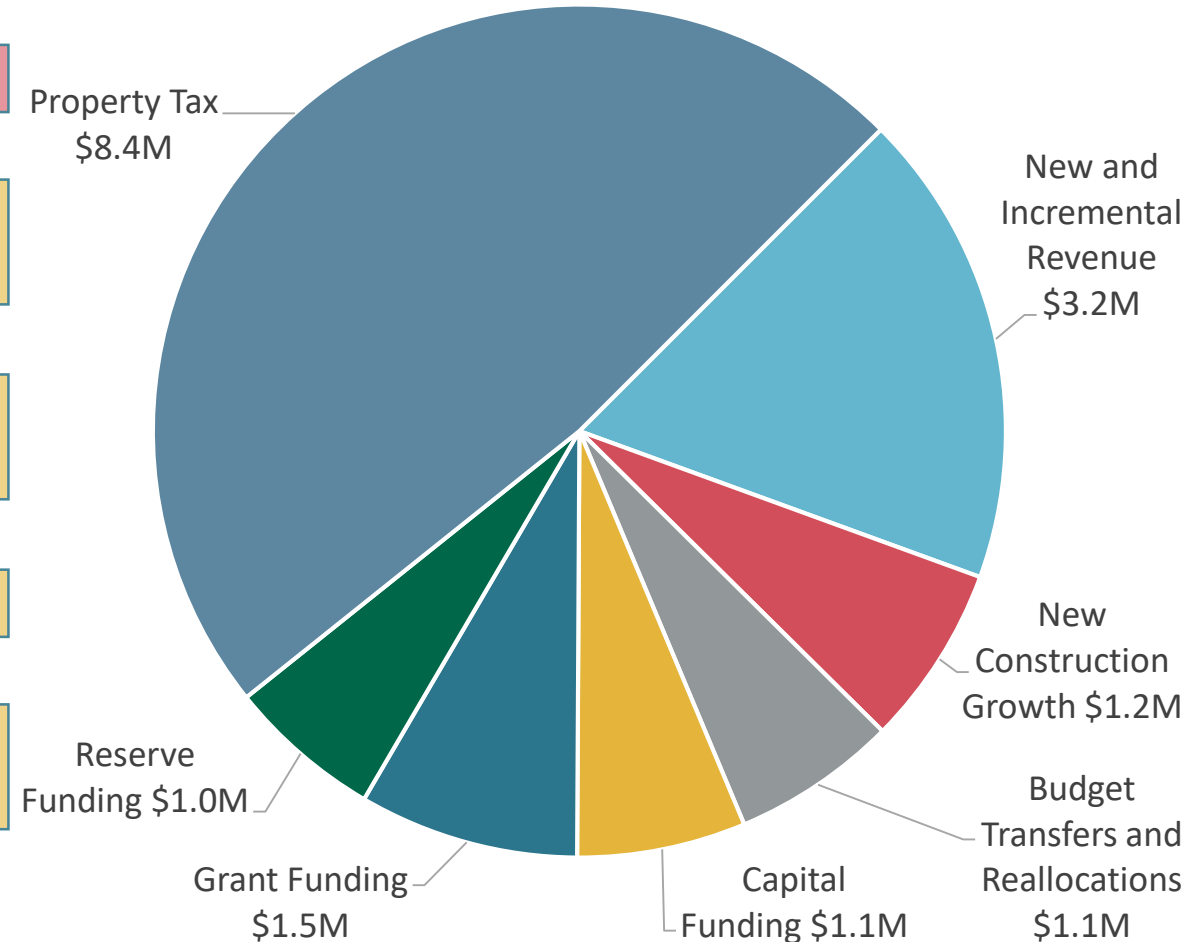
Budget Scenario 2 : All Service Enhancement Requests

Cost to implement all Council projects requested through Strategic Priorities and Motions



- 2025 Property Tax Impact - **7.6% increase**

How are the Enhancements being Funded - \$17.5M



Budget Scenario 2 : All Service Enhancements

Cost to implement all Council projects requested through Strategic Priorities and Motions

BC Assessment Property Classes	2024 Average Assessment Value	2024 Municipal Tax	Proposed 7.6% Increase	Estimated 2025 Municipal Tax
Class 1 Residential - Single Family	\$ 1,616,000	\$ 4,246	+ \$ 323	\$ 4,569
Class 1 Residential - Strata	\$ 665,000	\$ 1,747	+ \$ 133	\$ 1,880
Class 6 Business And Other	\$ 4,022,000	\$ 32,181	+ \$ 2,446	\$ 34,627

Budget Scenario 2 : Questions

1. Does Council have any questions about Scenario 2?

Budget Scenario 3 : Creating “the Recommended Property Tax” Option

Non-Discretionary Increases	\$9.6M	Baseline Budget	
Other Funding Sources	- \$3.4M	Non-Discretionary (3a)	\$6.2M



Additional Service Enhancements Funded by Other Funding Sources (\$4.9M)	\$0.0M
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<p>SMT Recommended Enhancements (3b) - \$0.2M</p>	<p>Police Board Approved (3c) \$1.0M</p>	<p>Council Supported (3d) \$0.4M</p>	<p>Prorated and Deferred to 2026 (3e) \$1.1M</p>
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Scenario 3 Service Enhancements Funded By Property Taxes	\$6.0M to \$8.4M
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Budget Scenario 3 : Creating “the Recommended Property Tax” Option



- **(3a) Non-Discretionary Baseline Budget – Inflation, contractual, regulatory costs**
 - Incremental Staffing Impact - **10.0 FTE**
 - Incremental 2025 Property Tax Impact - **5.5% increase**

Budget Scenario 3 : Creating “the Recommended Property Tax” Option

(3a)
Baseline Budget
Non-Discretionary

(3b)
SMT Recommended

(3c)
Police Board
Approved

(3d)
Council Supported

(3e)
Prorated and
Deferred to 2026

- **(3b) SMT Recommended – Prioritized enhancements delivering value for investment**
 - Addresses critical areas where resources are needed for organizational effectiveness and to mitigate risks
 - New and Incremental Revenue - **\$1.4M**
 - Enables resource reallocation in other areas, with potential to unlock an estimated **\$0.7M** in additional revenue
 - Incremental Staffing Impact - **10.0 FTE**
 - Budget Transfer and Reallocation - **\$1.0M**
 - Reallocation of existing budget resources to align with community needs and enhance organizational effectiveness
 - Incremental Staffing Impact - **9.1 FTE**

Budget Scenario 3 : Creating “the Recommended Property Tax” Option

(3a)
Baseline Budget
Non-Discretionary

(3b)
SMT Recommended

(3c)
Police Board
Approved

(3d)
Council Supported

(3e)
Prorated and
Deferred to 2026

- **(3b) SMT Recommended (Continued)**

- Funded by Capital Program - **\$0.9M**
 - Staffing resources funded by the Five-Year Capital Plan to support capital project deliveries
 - Incremental Staffing Impact - **5.3 FTE**
- Funded by Grants - **\$0.3M**
 - Staffing resources to support senior community volunteer program and development application
 - Incremental Staffing Impact - **2.0 FTE**
- Funded by Reserves - **\$0.7M**
 - One-time funding to support public initiatives, and temporary IT staff augmentation to address operational and project backlog
 - Incremental Staffing Impact – **0.5 FTE**

Budget Scenario 3 : Creating “the Recommended Property Tax” Option

(3a)
Baseline Budget
Non-Discretionary

(3b)
SMT Recommended

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Police Board
Approved

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Council Supported

(3e)
Prorated and
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- **(3b) SMT Recommended (Continued)**

- Funded by Property Tax - **\$0.5M**
 - addresses critical areas where resources are needed for organization effectiveness and risk management
 - Incremental Staffing Impact – **4.0 FTE**
 - Incremental 2025 Property Tax Impact – **0.2% reduction**

Budget Scenario 3 : Creating “the Recommended Property Tax” Option

(3a)
Baseline Budget
Non-Discretionary

(3b)
SMT Recommended

(3c)
Police Board
Approved

(3d)
Council Supported

(3e)
Prorated and
Deferred to 2026

- **(3c) Police Board Approved Discretionary Operational Enhancements**

- Discretionary operational enhancements approved at the Nov 19, 2024 Police Board Meeting
- Incremental Staffing Impact - **1.0 FTE**
- Incremental 2025 Property Tax Impact – **0.9% increase**

- *Police Act s. 27*

- Provisional budget submitted to Council by November 30th
- If Council does not approve an item or amount in the provisional budget, the Police Board must be promptly notified
- Council or Police Board may, at any time before May 15, request the Director of Police Services to determine whether an item or amount must be included in the budget

Budget Scenario 3 : Creating “the Recommended Property Tax” Option



- **(3d) Council Supported – Recommended enhancements referred by Council to Budget 2025**
 - Incremental Staffing Impact - **2.0 FTE**
 - Incremental 2025 Property Tax Impact – **0.4% increase**

Budget Scenario 3 : Creating “the Recommended Property Tax” Option

(3a)
Baseline Budget
Non-Discretionary

(3b)
SMT Recommended

(3c)
Police Board
Approved

(3d)
Council Supported

(3e)
Prorated and
Deferred to 2026

- **(3e) Prorated and Deferred to 2026 – Savings from delaying enhancements by up to one year**
 - Staggering new enhancement request start dates in the other scenario options where **0.4%** of tax increase is deferred to 2026
 - Other deferred enhancement items with a **0.6%** property tax increase impact, excluded from the SMT Recommended option, to be reconsidered in Budget 2026
- Incremental Staffing Impact - **9.0 FTE**
- The scenario will require a 1.00% increase above the 2026 Baseline Budget

Budget Scenario 3 : Creating “the Recommended Property Tax” Option

BC Assessment Property Classes	2024 Average Assessment Value	2024 Municipal Tax	Scenario 3a Baseline Budget	Scenario 3b SMT Recommended	Scenario 3c Police Board Approved	Scenario 3d Council Supported	Scenario 3e Prorated and Deferred to 2026
Class 1 Residential - Single Family	\$ 1,616,000	\$ 4,246	+ \$ 233	- \$ 7	+ \$ 39	+ \$ 14	+ \$ 42
Class 1 Residential - Strata	\$ 665,000	\$ 1,747	+ \$ 96	- \$ 3	+ \$ 16	+ \$ 6	+ \$ 17
Class 6 Business And Other	\$ 4,022,000	\$ 32,181	+ \$ 1,775	- \$ 56	+ \$ 292	+ \$ 105	+ \$ 315
Incremental Property Tax % Increase / Decrease			+ 5.5%	- 0.2%	+ 0.9%	+ 0.3%	+ 1.0%

Budget Scenario 3 : Questions

1. Does Council have any questions about Scenario 3 and each of the options?
2. Which property tax scenario, or combination of scenarios, does Council support?

Budget Scenarios : FTE Additions by Funding Source

	Scenario 1 Council Motion of 4.5% Property Tax Increase	Scenario 2 All Service Enhancements	Scenario 3a Baseline Budget Non- Discretionary	Scenario 3b SMT Recommended	Scenario 3c Police Board Approved	Scenario 3d Council Supported	Scenario 3e Prorated and Deferred to 2026
Property Tax	2.0	12.0	2.0	4.0	1.0	2.0	3.0
New and Incremental Revenue	0.0	10.0	0.0	10.0	0.0	0.0	0.0
Budget Transfer and Reallocation	0.0	10.1	0.0	9.1	0.0	0.0	1.0
Capital	0.0	6.3	0.0	5.3	0.0	0.0	1.0
Grants	8.0	11.0	8.0	2.0	0.0	0.0	1.0
Reserves	0.0	3.5	0.0	0.5	0.0	0.0	3.0
Total	10.0	52.9	10.0	30.9	1.0	2.0	9.0

Recommendation

1. THAT staff be given direction on the proposed estimated property tax revenue increase for 2025;
2. THAT staff report back with a Consolidated Five-Year Financial Plan (2025 – 2029) bylaw.

Thank You!

Feedback and Discussion from Council