

Proposed Annual Budget 2024 2024-2028 Financial Plan



Be Informed! Get Engaged! Be Part of the Plan!

About the 5 Year Financial Plan

It's that time of year again – time for us to show you what we need for a corporate budget this year, and what we need to spend it on. It's also the time for you to tell us what you think. Every year by law, local governments must prepare a five-year Financial Plan in the form of a bylaw (a legally binding document) which outlines expected revenues and expenses for the next 5 years.

The Financial Plan must be adopted before May 15th of each year.

The Financial Plan contains both operating and capital expenditures, including where we intend to get the money. In most cases, about half of the money needed each year by municipal governments to provide and maintain services is raised through property taxes. The other half of property taxes collected go to other agencies. There are also several other revenue sources that we depend upon, including other government grants and transfers, sale of services, developer contributions, and earnings on investments.

The *Community Charter* requires a five-year Financial Plan to be adopted annually. The Plan identifies proposed spending, funding sources and transfers to or between funds, and establishes the District's revenue and tax policies and objectives. Council must also consult the public before the Plan is adopted.

The Annual Budget contains two types of expenditures:

- **Operating** - delivery of services (i.e., fire, cemetery, garbage and recycling, bylaw enforcement, animal control, snow removal, parks and trails) and annual operating maintenance and upkeep costs of District infrastructure.
- **Capital** - replacement and rehabilitation of existing infrastructure (i.e., roads, sidewalks, water and sewer systems and fleet).

The Budget Steps

Council and staff consider the needs of the corporation, community trends, and expectations against current corporate Strategic Priorities. This sets direction on projects, levels of service, and overall direction to staff.

Managers propose operational and capital projects for their departments during several senior management meetings. The CAO (Chief Administrative Officer) and DoF (Director of Finance) along with the managers review and prioritize the projects and the CAO provides final administrative approval.

The Committee of the Whole (COW), made up of all Council members, considers the CAO's approvals and determines what will be included in the draft financial plan. The draft five-year Financial Plan package is prepared for the COW. The COW then recommends it be given first reading by Council. The proposed Plan received first reading on **December 20, 2023** and Council directed that a consultation period occur (now) in which public input is encouraged and welcomed.

What We Propose to Do In 2024

For 2024, Council included the following operational items into the budget.

- ❖ The 2024 taxation revenue takes in the new construction and contemplates a 6.75% tax increase
- ❖ New Legislative Assistant position for 9 months
- ❖ New Deputy Director of Finance position for 8 months
- ❖ New Planner for 3 months
- ❖ Part-time Events Facilities Clerk position to be full-time
- ❖ Funding for projects within the new 2022-2024 Resort Development Strategy
- ❖ Funding to support the implementation of Short-Term Rentals regulations
- ❖ Completion of records management program
- ❖ Increased safety training
- ❖ New Building Bylaw
- ❖ Core Area Review
- ❖ Infrastructure Priority Plan update
- ❖ Stormwater Master Plan
- ❖ Hiring a consultant to review safety equipment and procedures
- ❖ Continuation of funding for facilitator coordinator between the District and Shuswap Band partnership (SKIP)
- ❖ Development Cost Charge fee review
- ❖ Budget for contract Environmental Planner
- ❖ Continuation of funding for numerous fee-for-service agreements
- ❖ Secure Water Strategy

- ❖ Water master plan
- ❖ Source water protection in Athalmer
- ❖ Water quality monitoring plan

Significant capital projects proposed for 2024 are:



Transportation

- ❖ Overpass/Laurier Street bridge repairs
- ❖ Paving Program 2024
- ❖ Ft. Point bridge design and Geotech
- ❖ Design of Friendship Bridge (Columbia River)
- ❖ 9th Avenue Sewer replacement/road reconstruction design



Storm Infrastructure

- ❖ Climate change mitigation design



Buildings and Other

- ❖ Carport addition to Public Works Shop
- ❖ Columbia Valley Centre generator
- ❖ Mobile Stage



Land Improvements

- ❖ MNAP Accessible playground (grant dependant)
- ❖ Toby Creek Dyke improvements
- ❖ Dragonfly boardwalk repairs (grant dependant)
- ❖ Tennis courts resurfacing



Furniture, Equipment, Technology

- ❖ Completion of Invermere Fire structure protection unit
- ❖ Firehall Generator
- ❖ Commercial Washer and Dryer Cabinet (to meet NFPA standard)
- ❖ Replace Plow Truck



Sanitary Sewer Infrastructure

- ❖ Rapid Infiltration Basin sand replacement
- ❖ Sewer replacement to Lift Station #1 design
- ❖ Annual Sewer Relining Program
- ❖ Complete aeration system at Wastewater Treatment Plant



Water Infrastructure

- ❖ Paddy Ryan Lakes Middle Dam Spillway

Proposed 2024-2028 Financial Plan

The actual Financial Plan bylaw being considered by Council is many, many pages. The purpose of this document is to make it a little simpler. The ‘big picture’ is on the next page and shows you where we intend to head over the next five years.

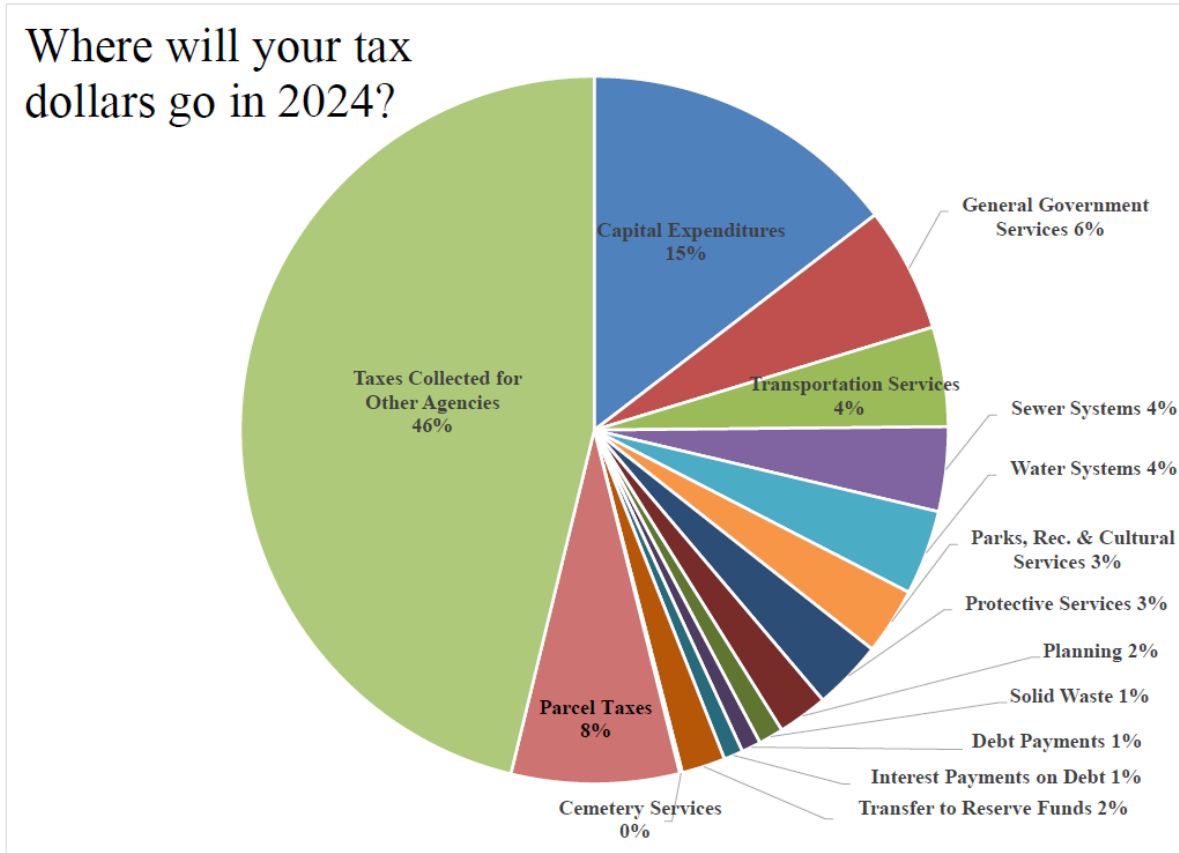


Schedule "A" to Bylaw No. 1648

	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>
REVENUES					
Revenue					
Municipal Taxation, net	\$5,358,473	\$5,624,788	\$5,904,371	\$6,197,884	\$6,506,021
Parcel Taxes	\$830,768	\$830,768	\$830,768	\$830,768	\$830,768
Regional and Other Grants	\$300,749	\$309,771	\$319,065	\$328,637	\$338,496
Sales of Service	\$1,488,620	\$1,710,879	\$1,762,205	\$1,815,071	\$1,869,523
Water and Sewer User Fees	\$2,619,320	\$2,776,479	\$2,859,773	\$2,945,566	\$3,033,933
Government Grants	\$2,069,590	\$2,944,900	\$4,078,014	\$1,192,654	\$1,207,734
Contributions, Donations and Other	\$200,000				
TOTAL REVENUES	\$12,867,520	\$14,197,585	\$15,754,196	\$13,310,580	\$13,786,475
EXPENSES					
General Government Services	\$2,456,331	\$2,471,272	\$2,560,810	\$2,607,361	\$2,678,485
Protective Services	\$1,371,838	\$1,407,620	\$1,449,111	\$1,491,846	\$1,535,863
Transportation Services	\$1,957,475	\$1,964,944	\$2,016,090	\$2,068,613	\$2,122,553
Environmental Health Services	\$487,000	\$694,660	\$715,500	\$736,965	\$759,074
Public Health & Welfare Services	\$51,900	\$53,457	\$55,061	\$56,713	\$58,414
Community Development Services	\$985,550	\$963,702	\$974,238	\$985,090	\$996,267
Parks, Rec. & Cultural Services	\$1,311,150	\$1,349,435	\$1,389,918	\$1,431,615	\$1,474,564
Sewer Systems	\$1,659,000	\$1,597,120	\$1,639,067	\$1,682,152	\$1,726,409
Water Systems	\$1,666,900	\$1,693,257	\$1,529,711	\$1,567,131	\$1,605,543
Interest Payments on Debt	\$376,881	\$372,074	\$372,074	\$372,074	\$372,074
TOTAL EXPENSES	\$12,324,025	\$12,567,540	\$12,701,578	\$12,999,560	\$13,329,246
Annual Surplus/(Deficit)	\$543,495	\$1,630,045	\$3,052,618	\$311,020	\$457,230
Add back:					
Amortization	\$2,762,250	\$2,829,195	\$2,897,830	\$2,968,199	\$3,040,348
Capital Expenditures	(\$6,273,500)	(\$4,629,500)	(\$8,482,000)	(\$632,000)	(\$532,000)
Debt Principal Payments	(\$379,655)	(\$451,228)	(\$451,228)	(\$451,228)	(\$451,228)
Proceeds from New Debt			\$1,000,000		
Transfer to Reserve Funds	(\$856,497)	(\$1,153,512)	(\$1,367,220)	(\$2,545,991)	(\$2,764,350)
Transfer from DCC's & Reserve Funds	\$4,194,810	\$1,775,000	\$2,100,000	\$350,000	\$250,000
Transfer from Surplus	\$9,097		\$1,250,000		
	(\$543,495)	(\$1,630,045)	(\$3,052,618)	(\$311,020)	(\$457,230)
Financial Plan Balance	\$0	\$0	\$0	\$0	\$0

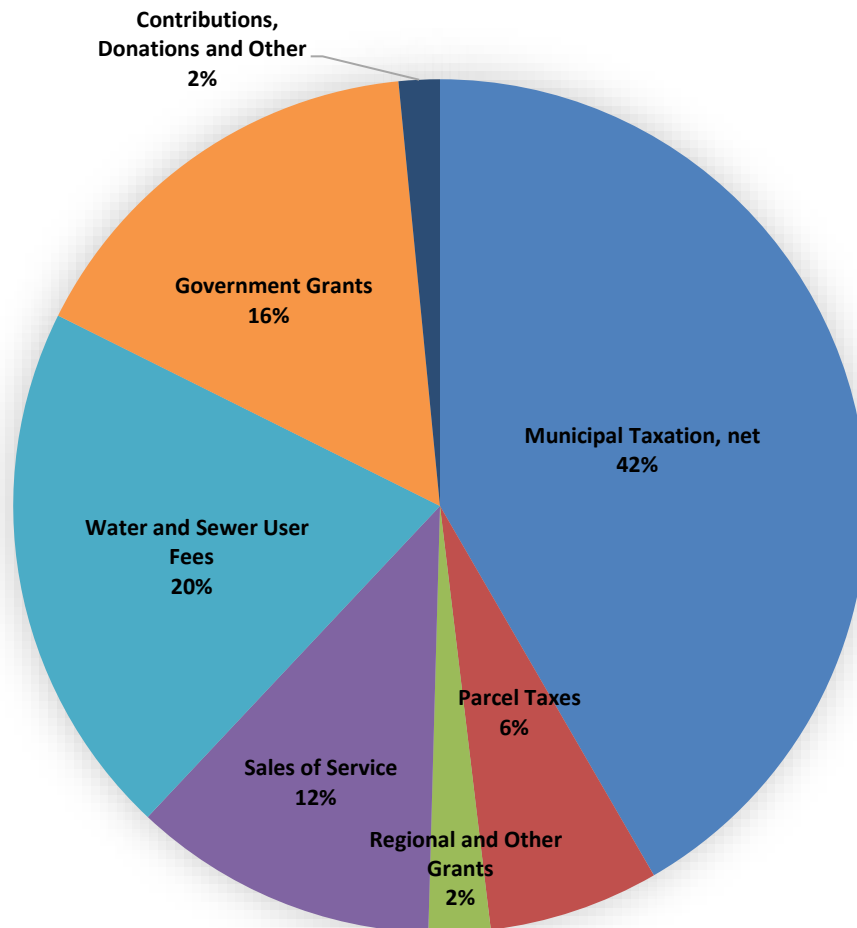
Our Operating Expenses

The variety of places we spend our revenues to deliver the number of public services is worth showcasing. Within each pie “slice” are many subcategories of expenditures used to govern our spending for every service we provide.



Our Revenue Sources

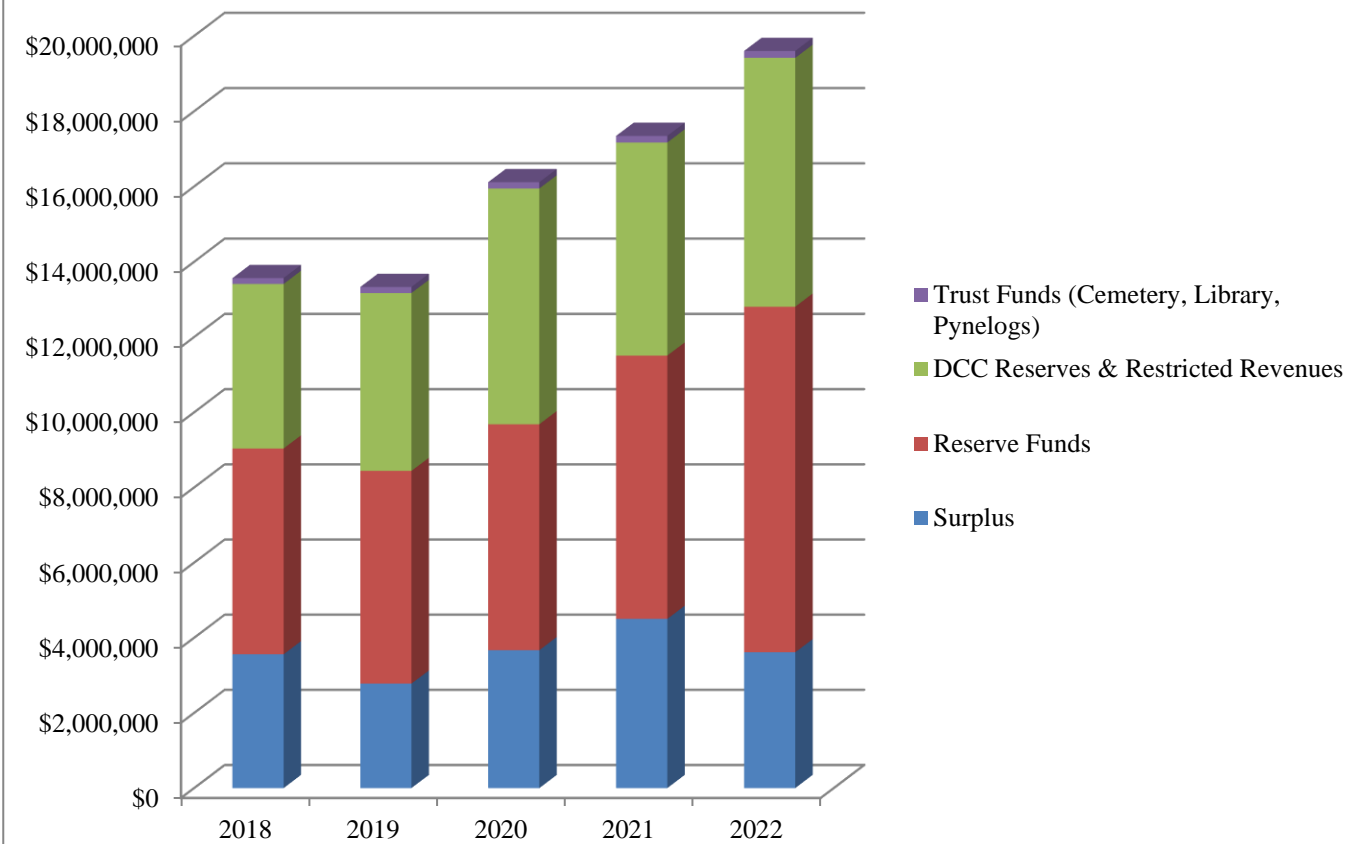
It's helpful to have a pie chart in this case to graphically show where our revenues come from. Approximately 41% of revenue in 2024 will come from municipal taxation; but as you can see, we are also anticipating 16% of revenue in the form of upper level government grants.



Our Reserves

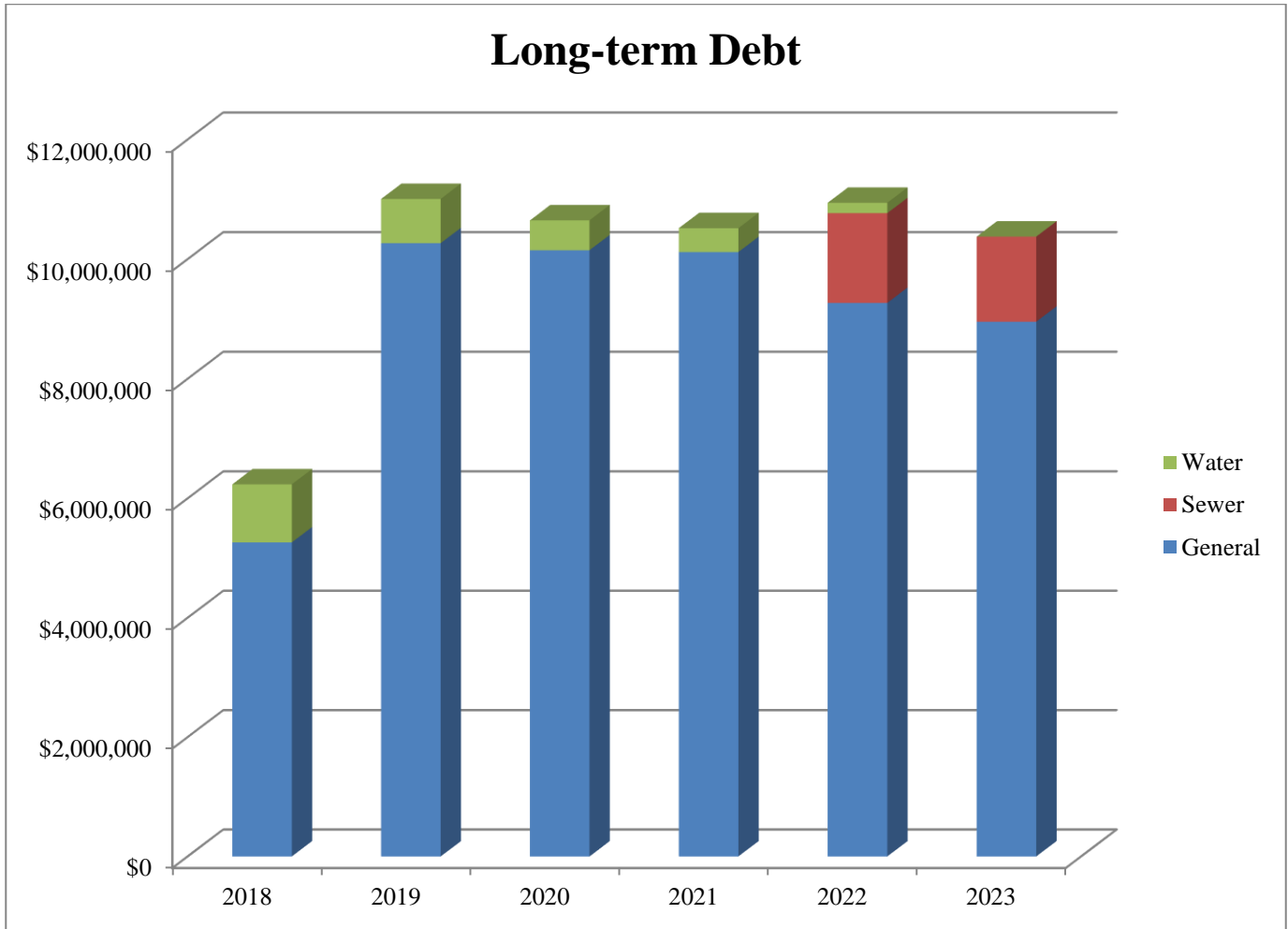
Financial reserves provide a mechanism for legally saving money to finance all or part of future infrastructure, infrastructure renewal and upgrade to services to the District, equipment and other requirements. They also provide a degree of financial stability by decreasing the reliance on indebtedness to finance capital projects and acquisitions. When economic times are uncertain, reserves can mitigate the need to raise taxes or cut services. The new reserve framework establishes a structure which will support future asset management plans in the delivery of sustainable services.

Reserve Fund Balances



Our Debt

Local governments can only engage in long-term borrowing for items and projects that are considered “capital” in nature. This means that the item will not be used up during everyday operations and that the project or asset will provide a benefit to the local government for more than one accounting period (year). Typical examples of capital items include fire trucks, buildings, water mains and roads. The general debt consists of debt taken on for both the Columbia Valley Centre and to purchase the Athalmer lands. The sewer debt in 2022 was necessary to fund a portion of Phase 2 of the 13th Avenue infrastructure upgrades. Water debt was paid off late in 2023.



What Now?

Tell us what you think! Here are the opportunities to engage with us:

Annual Budget Survey

The annual survey is available to fill online through our website www.invermere.net. Please take the time and have your opinion heard!

Coffee With Council

Please come and join Council for an informal conversation on budget on January 9, 2024. Times and locations will be published on our website!

Email: finance@invermere.net title email as “2024 Budget”

Surface Mail: District of Invermere, Box 339, Invermere, BC V0A 1K0

Facebook: start a conversation on our Facebook page <https://www.facebook.com/districtofinvermere>

****The Public Consultation Period ENDS on Wednesday, January 10, 2024, at 4:30 p.m.****

Sincerely, from all of Council