

THE CORPORATION OF THE
CITY OF WHITE ROCK
CORPORATE REPORT



DATE: November 3, 2025

TO: Mayor and Council

FROM: Candice Gartry, CPA, CGA, Director, Financial Services

SUBJECT: 2026-2030 Financial Plan Budget Process

RECOMMENDATIONS

THAT Council receive the November 3, 2025, corporate report from the Director of Financial Services, titled “2026-2030 Financial Plan Budget Process,” and

1. Direct staff to continue with the established process and timeline for the 2026-2030 financial plan budget, or
2. Provide staff with an alternative process and/or timeline for the 2026-2030 financial plan budget.

EXECUTIVE SUMMARY

This report outlines the City of White Rock’s established process for developing the 2026–2030 Financial Plan and annual budget. This report outlines the timeline, principles, and legislative requirements that underpin the City’s approach, emphasizing transparency, fiscal responsibility, and alignment with Council’s strategic priorities. The City’s financial plan has been recognized with the GFOA Distinguished Budget Presentation Award for the past four years, reflecting the City’s commitment to best practices in municipal budgeting and continuous improvement.

Staff seek Council’s direction on implementation of the 2026-230 financial plan budget process.

PREVIOUS COUNCIL DIRECTION

Motion # & Meeting Date	Motion Details
2025-231 July 7, 2025	THAT Council gives final reading to "White Rock Financial Plan (2025-2029) Bylaw, 2025, No. 2534, Amendment No. 1, 2025, No. 2539". CARRIED
2025-105 March 31, 2025	THAT Council give final reading to "White Rock Financial Plan (2025-2029) Bylaw, 2025, No. 2534". CARRIED

INTRODUCTION/BACKGROUND

The City of White Rock's financial planning process is a comprehensive, multi-stage approach that begins with strategic planning and incorporates public consultation, departmental work plans, and Council direction. Each year, staff develop a base financial plan designed to maintain existing service levels in accordance with Council policies and provincial regulations. Recommended changes to service levels or significant budget adjustments are presented to Council for consideration through the financial plan budget process.

At the start of each Council term, Council establishes its [Strategic Priorities](#), which identify their most important initiatives in order to advance the City's long-term vision as described in the [Official Community Plan](#). Departmental work plans and budgets are developed to support these priorities, ensuring that resource allocation is linked to Council's goals. Major capital expenditures are identified on a five-year cycle, with annual reviews and updates to ensure high needs areas are addressed and to ensure alignment with Council's strategic priorities and long-range plans. The capital budget is specifically designed to support the proactive maintenance and strategic upgrading of the City's critical infrastructure, including roads, utilities, public facilities, and parks, as resources permit.

This City-wide perspective ensures that both operating and capital budgets are balanced and consistently reflect the objectives outlined in Council's Strategic Priorities, the Official Community Plan, and other approved master plans and strategies. Staff from all departments collaborate with Financial Services to develop and submit prioritized budgets and capital project lists, which are coordinated and summarized for Council review. The Senior Leadership Team then evaluates and prioritizes these submissions, ensuring that funding requests and capital projects align with the City's long-term goals and strategic direction.

Public Engagement

Public engagement is a cornerstone of the City's financial planning process and is required under the [Community Charter](#). Each year, a budget survey is advertised on the City's website, social media platforms, and local media (*Peace Arch News*) to gather input from residents on budget priorities and concerns. The results and comments from this survey are compiled and the results were presented to Council at their regular meeting on September 15, 2025. Once the first draft of the financial plan is completed, it is posted on the City's website and made available for public comment through the Talk White Rock platform. Residents are also invited to present their comments in person at a regular Council meeting prior to Council's adoption of the financial plan. This engagement process ensures that the financial plan reflects community priorities and feedback, further strengthening transparency and accountability.

GFOA Distinguished Budget Presentation Award

The City's commitment to excellence in financial planning and transparency is reflected in its receipt of the Government Finance Officers Association (GFOA) [Distinguished Budget Presentation Award](#) for the past four consecutive years. This prestigious award is granted only to municipalities whose budgets meet rigorous, nationally (USA and Canada) recognized standards for effective presentation, serving as a policy document, financial plan, operations guide, and communications device. Each year, the City's budget is independently reviewed by external experts, ensuring it meets all fourteen mandatory criteria across four key categories. Importantly, as part of the award process, reviewers provide detailed feedback and identify areas for improvement that must be addressed in the following year's budget to remain eligible for consideration. This requirement for continuous improvement ensures that the City's budgeting practices evolve and strengthen annually. Such external recognition not only validates the City's approach but also demonstrates to residents, Council, and stakeholders that White Rock's

financial plan meets high standards, reinforcing public trust and confidence in the City's stewardship of public resources

Financial Plan Process

The City follows a systematic process to develop, consult on, and approve its five-year financial plan. Detailed work on the financial plan begins each year in June, when departments start preparing their budget submissions and updating work plans in alignment with Council's strategic priorities and long-term objectives. Throughout the summer and fall, Financial Services works closely with all departments to refine budget figures, assess capital project needs, and incorporate updated assumptions for both revenues and expenditures.

Discussions with Council typically commence in late November/early December, when staff present high-level operating budget considerations, additional budget requests, and property tax implications for the upcoming year, and seek Council's direction on service level changes and priorities. This collaborative process continues through January to ensure that Council has an opportunity to review, discuss, and influence the budget before final adoption.

Both the financial plan bylaw and the property tax bylaw must be adopted by Council before May 15 each year, as required by the *Community Charter*. Over the past several years, the City has made consistent progress in advancing the timeline for budget adoption. For example, the Financial Plan bylaw for the 2022 calendar year was adopted on May 12, 2022 (special meeting). In 2023, this was moved up to May 1, and in 2024, the timeline was further advanced with adoption occurring on March 11. Most recently, the 2025 Financial Plan Bylaw was adopted at the March 31, 2025, regular Council meeting. These improvements reflect a concerted effort by both Council and staff to streamline the budget process, enhance transparency, and ensure timely compliance with legislative requirements.

A review of neighbouring municipalities, including Port Moody, Pitt Meadows, Langley City, and Langley Township, shows that financial plan approvals in those communities have also ranged between March and May over the past three years. The City's adoption dates are well within this typical range, demonstrating our commitment to best practices and continuous improvement in financial management.

Budget Principles and Considerations

The City's financial plan is developed with a foundation of principles and considerations that guide decision-making and ensure responsible stewardship of public resources. These principles are designed to balance fiscal responsibility, long-term sustainability, and the delivery of high-quality services to residents. The budget process incorporates a variety of factors, both internal and external, to ensure that the financial plan is robust, transparent, and compliant with all legislative requirements.

Key principles and considerations include:

- **Balanced & Fiscally Responsible:** Provincial regulations prohibit municipalities from running a budgeted or actual deficit; budgets are prepared conservatively to ensure all expenditures are covered.
- **Long-Term Focus:** Capital reserves are maintained and built-up to help cover the cost of future infrastructure needs; debt is maintained at a manageable level.
- **Affordability & Cost Effectiveness:** External economic conditions, inflation, and estimated collective agreements adjustments are factored into budget assumptions.
- **Asset Management:** Maintaining infrastructure in good repair is prioritized.
- **Optimized Capital Investments:** Funding decisions are guided by assessments of asset condition and capacity.

- **Regulatory Compliance:** Adherence to provincial regulations, the Community Charter, and City policies is maintained.
- **Rates and Fees:** Rates and fees are set to cover the full costs of providing services, as well as to contribute towards future infrastructure needs, ensuring that essential operations and infrastructure are sustainably funded.

Unique Constraints for Small Municipalities

As a small municipality, White Rock faces distinct challenges and constraints that impact its financial planning and budget flexibility. Unlike larger neighbouring cities with broader tax bases and more diversified services, the City operates with a smaller budget and staff complement. Despite these limitations, residents expect the same level of service and quality as those provided by much larger municipalities. This expectation creates a unique challenge in that the City has much less ability and flexibility to reduce programs and expenses without a direct impact on service levels. Any reductions are felt more acutely, as there are fewer discretionary services to draw upon. Additionally, rates and fees must be carefully calibrated to fully cover the costs of providing services and saving for future infrastructure needs, as there is limited capacity to subsidize operations from other revenue sources.

Municipalities in British Columbia rely almost exclusively on property taxes, with limited ability to diversify revenue streams due to provincial regulations and the structure of local government. This makes it difficult to obtain additional revenue sources, further constraining budget flexibility. External cost pressures largely outside of the City's control, such as collective agreement increases, rising utility costs, and increasing levies imposed by Metro Vancouver, compound these challenges. The City's financial plan must balance high community expectations with the realities of limited resources, regulatory requirements, and the need to maintain essential services and infrastructure. These constraints underscore the importance of a disciplined, transparent, and strategic approach to budgeting.

Budget 2026 initial Considerations

As part of the development of the 2026-2030 budget and financial plan, staff have been reviewing and updating all budgets to reflect known changes in risk, priorities, and known or anticipated price adjustments. The approved 2025 – 2029 Financial Plan included a 4.41% property tax increase for 2026, which was based on estimated collective agreement adjustments, inflation, contract changes, and other relevant factors known at the time of its preparation and adoption.

Since the adoption of the 2025–2029 Financial Plan, Financial Services staff have continued to work closely with each department to refine budget figures and update assumptions. This includes maintaining a conservative approach to budgeting to comply with provincial regulations prohibiting budgeted deficits. While work and analysis are still underway, preliminary estimates indicate that updated assumptions and departmental budget adjustments, including new and/or increased budget requests, could result in an additional 2% property tax increase for 2026, subject to Council's review and approval. It is important to emphasize that this figure remains provisional and will be further refined as staff complete their analysis. Notably, approximately 1% of this preliminary increase is attributable to rising costs associated with the RCMP contract and related dispatch services. These ongoing adjustments are essential to maintaining fiscal responsibility and transparency, and to ensuring that the operating budget continues to support the City's operational needs, strategic priorities, and service commitments.

Under the currently established budget process and timeline, finalized operating budget figures and staff recommendations are scheduled to be presented to Council at its December 15, 2025,

meeting. At that time, staff would seek Council’s direction on which new or adjusted items to include in the operating budget, which will inform the initial 2026 property tax increase.

With the recent by-election resulting of two new Council members, staff are seeking Council’s guidance on whether to proceed with the established process and timeline as outlined in this report, or whether Council wishes to propose modifications to the approach or schedule. It is important to note that any significant changes or delays to the current process may impact the City’s ability to meet legislated deadlines under the *Community Charter*.

For reference, the “2025 Operating Budget and Tax Considerations” corporate report presented to Council at their December 9, 2024, meeting has been attached as Appendix A.

Current 2026 Budget and Financial Plan Timeline

June	Internal preparation of operating and capital budget worksheets.
June	Budget Survey
Summer/Fall	Financial Services and departments refine budget figures, assess capital needs, incorporate updated information and assumptions.
November 2025	Senior Leadership team review of budget submissions, discussion of budget adjustment requests.
November 2025	Fees & Charges rates and bylaw presented to Council for consideration; 1st, 2nd and 3rd readings of bylaw.
December 2025	High level operating budget and 2026 property tax considerations presented to, and discussed with, Council.
December 2025	Adoption of Fees & Charges bylaw.
December 2025 - January 2026	Utility Rates bylaws presented to Council for review and adoption.
January 2026	First draft of 2026 - 2030 financial plan document presented to Council, including 5-year capital plan.
January 2026	Draft Financial Plan made available for public comment.
February 2026	Public comments on draft 2026 - 2030 financial plan presented to Council.
February 2026	Changes to financial plan made based on discussions at earlier February Council meeting.
March 2026	Financial Plan bylaw presented to Council for 1st, 2nd and 3rd readings.
April 2026	Property tax bylaw presented to Council for 1st, 2nd and 3rd readings.
April 2026	Adoption of Financial Plan bylaw.
May 2026	Adoption of Property Tax bylaw.

LEGAL IMPLICATIONS

The *Community Charter* requires that a five-year financial plan be adopted before May 15 each year and that it must include operating and capital expenditures. The *Charter* further requires that the property tax bylaw be adopted before May 15 each year. Public consultation is mandatory prior to adoption, and all City departments are involved in the development of the financial plan. Provincial regulations prohibit municipalities from running a budgeted or actual deficit.

COMMUNICATION AND COMMUNITY ENGAGEMENT IMPLICATIONS

The *Community Charter* requires that the public must be consulted prior to the financial plan being adopted.

INTERDEPARTMENTAL INVOLVEMENT/IMPLICATIONS

All City departments are involved in the development of the financial plan.

ALIGNMENT WITH STRATEGIC PRIORITIES

Council strategic priorities are attained via departmental operating plans and their budgets.

OPTIONS / RISKS / ALTERNATIVES

Council may agree to continue with the established budget process and time for the 2026 – 2030 as outlined in this report or may direct staff on changes to the outlined process and timeline. Council may also provide direction on the 2026 property tax increase and/or changes in service level(s).

CONCLUSION

Staff recommend that Council receive the November 3, 2025, corporate report from the Director of Financial Services, titled “2026-2030 Financial Plan Budget Process,” and

1. Direct staff to continue with the established process and timeline for the 2026-2030 financial plan budget, or
2. Provide staff with an alternative process and/or timeline for the 2026-2030 financial plan budget.

Respectfully submitted,



Candice Gartry, CPA, CGA
Director, Financial Services

Comments from the Chief Administrative Officer

This report is provided to Council for consideration and direction to staff.



Guillermo Ferrero
Chief Administrative Officer