

THE CORPORATION OF THE  
**CITY OF WHITE ROCK**  
CORPORATE REPORT



**DATE:** February 12, 2024

**TO:** Mayor and Council

**FROM:** Candice Gartry, Director, Financial Services

**SUBJECT:** Updated 2024 – 2028 Consolidated Financial Plan – Draft No. 2

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**RECOMMENDATION**

THAT Council receive the February 12, 2024, corporate report from the Director of Financial Services, titled “Updated 2024 – 2028 Consolidated Financial Plan – Draft No. 2” for Council’s review, consideration, and discussion; and

1. Direct Staff to prepare the 2024 Financial Plan bylaw for the 2024 – 2028 Financial Plan for Council’s consideration at its next regular council meeting scheduled for February 26, 2024, for first, second, and third reading.
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**EXECUTIVE SUMMARY**

The second draft of the Financial Plan, attached as Appendix A, reflects all of the amendments requested by Council to-date. It maintains a proposed average property tax increase for 2024 for residential, light industry, and business of 4.82% as was put forward in the “2024 Property Tax Increase Update” corporate report, presented to Council at its January 29, 2024, regular meeting of Council.

Staff are seeking Council’s direction to prepare the 2024 Financial Plan bylaw, based on the updated second draft of the Draft Financial Plan as appended, for Council’s consideration at its next regular council meeting, scheduled for February 26, 2024, for first, second, and third reading.

**PREVIOUS COUNCIL DIRECTION**

<b>Motion # &amp; Meeting Date</b>	<b>Motion Details</b>
2024-011 January 29, 2024	THAT Council receive:  1. The On-Table corporate report dated January 29, 2024 from the Director of Financial Services titled "2024 - 2028 Financial Plan Comments" outlining the submissions / feedback to the City's Talk White Rock survey in regard to the 2024 - 2027 Financial Plan including staff responses; and

**INTRODUCTION/BACKGROUND**

	<p>2. The In Person submissions provided in regard to the 2024 - 2028 Financial Plan provided at this time.</p> <p style="text-align: right;"><b>CARRIED</b></p>
2024-010 January 29, 2024	<p>THAT Council receive the January 29, 2024, corporate report from the Director of Financial Services, titled “2024 Property Tax Increase Update” for Council’s consideration following the discussions and Council’s direction to staff at its regular meeting on January 15, 2024.</p> <p style="text-align: right;"><b>CARRIED</b></p>
2024-009 January 15, 2024	<p>THAT Council</p> <ol style="list-style-type: none"> <li>1. Receive the January 15, 2024, corporate report from the Director, Financial Services, titled “Draft 2024 – 2028 Consolidated Financial Plan”;</li> <li>2. Provide feedback to staff on the Draft 2024 – 2028 Consolidated Financial Plan;</li> <li>3. Approve the recruitment for the Financial Services managerial position to start now, prior to final approval of the 2024 – 2028 Consolidated Financial Plan; and</li> <li>4. Direct staff as to whether to fund the 2024 Warming Shelter costs from the unspent balance in the COVID-19 Restart Grant funding for 2024, thereby decreasing the proposed 2024 property tax increase.</li> </ol> <p style="text-align: right;"><b>CARRIED</b></p>
2024-008 January 15, 2024	<p>THAT Council direct staff not to hire the discussed security guard, included in the draft budget, for the City's Warming Centre.</p> <p style="text-align: right;"><b>CARRIED</b></p>
2023-444 November 27, 2023	<p>THAT Council direct staff to proceed with the operational budget as presented and amended this evening with a 5.72% tax increase.</p> <p style="text-align: right;"><b>CARRIED</b></p>
2023-443 November 27, 2023	<p>THAT Council direct staff to reduce the proposed Grant Writer position to \$50,000 (using a consultant rather than salary employee) where it will be funded from the capital budget rather than the operational budget.</p> <p style="text-align: right;"><b>CARRIED</b></p>
2023-433 November 6, 2023	<p>THAT Council:</p> <ol style="list-style-type: none"> <li>1. Direct staff to send correspondence to the City of Surrey requesting 50% of the cost to operate a daytime warming center from November 20th 2023 to March 15th 2024, with the expected share from Surrey being approximately \$180,000; and</li> <li>2. Direct staff to rent and locate the warming center trailer at Centennial Park at the parking lot at Vine Avenue and Anderson Street; and</li> </ol>

	<p>3. Direct staff to engage and direct the awarding of the provision of warming center services to Engaged Communities Canada Society;</p> <p>4. Staff to receive any donations provided from the public as deferred revenue and that funds received be allocated to the warming center; and</p> <p>5. Approve the costs to be funded from 2023 surplus for operation from November 20th to December 31st, 2023 and pre-approve funds from taxation for the 2024 5-Year 11 Financial Plan to cover operation from January 1 to March 15th, 2024, for a total cost of up to \$360,000.</p> <p style="text-align: right;"><b>CARRIED</b></p>
2023-200 May 1, 2023	<p>THAT Council give final reading to "City of White Rock Financial Plan (2023-2027) Bylaw, 2023, No. 2458".</p> <p style="text-align: right;"><b>CARRIED</b></p>
2023-158 April 17, 2023	<p>THAT Council give first, second and third reading to "City of White Rock Financial Plan (2023-2027) Bylaw, 2023, No. 2458".</p> <p style="text-align: right;"><b>CARRIED</b></p>

The purpose of this report is to introduce the second draft of the 2024 – 2028 Consolidated Financial Plan (“Draft Financial Plan”) for Council consideration and seek Council’s direction to prepare the 2024 Financial Plan Bylaw for the 2024 – 2028 Consolidated Financial Plan for Council’s consideration at its next regular council meeting, scheduled for February 26, 2024, for first, second, and third reading.

### **Community Charter**

Section 165(1) of the Community Charter states that:

*A municipality must have a financial plan that is adopted annually, by bylaw, before the annual property tax bylaw is adopted.*

Section 166 of the *Community Charter* states that:

*A council must undertake a process of public consultation regarding the proposed financial plan before it is adopted.*

Section 197(1) of the Community Charter states that:

*Each year, after adoption of the financial plan but before May 15, a council must, by bylaw, impose property value taxes for the year by establishing tax rates for*

- (a) The municipal revenue proposed to be raised for the year from property value taxes, as provided in the financial plan, and*
- (b) The amounts to be collected for the year by means of rates established by the municipality to meet its taxing obligations in relation to another local government or other public body.*

Further, Section 173(1) of the Community Charter states that:

*A municipality must not make an expenditure other than one authorized under subsection (2) or (3).*

### **Public Engagement**

A public survey on the City’s 2024 budget was made available for responses and comments from October 16, 2023, through to November 13, 2023. The results of the survey were reported to Council at its November 14, 2023, regular meeting.

The Draft Financial Plan for 2024–2028, as presented to Council during its regular meeting on January 15, 2024, was made available for public input on the City's "Talk White Rock" platform between January 11, 2024, and January 23, 2024. The results were presented to Council at its January 29, 2024, regular council meeting. The public was also offered an opportunity to comment in-person about the proposed Financial Plan at Council’s January 29, 2024, regular council meeting.

**Financial Plan**

The second draft of the Financial Plan, attached as Appendix A, reflects all of the amendments requested to-date by Council. It maintains a proposed average property tax increase for 2024 for residential, light industry, and business of 4.82% as was put forward in the “2024 Property Tax Increase Update” corporate report, presented to Council for review, consideration and discussion at its January 29, 2024, Council meeting.

For your reference, the 2024 average property tax impact tables for residential have been reproduced below:

<b>Budget Impact to Average Single-Family Household in 2024</b>				
	<b>2023</b>	<b>2024</b>	<b>Change \$\$</b>	<b>% of Increase</b>
<b>Property Taxation</b>				
Municipal Operations	\$ 2,363	\$ 2,353	\$ (10)	-0.23%
Police Service	1,007	1,089	81	1.92%
Asset Improvement	840	972	132	3.13%
<b>Total Property Taxes</b>	<b>\$ 4,211</b>	<b>\$ 4,414</b>	<b>\$ 203</b>	<b>4.82%</b>
<b>Utilities</b>				
Drainage Utility Charge	\$ 579	\$ 612	\$ 33	1.69%
Solid Waste Utility Charge	355	412	57	2.91%
Sanitary Sewer Utility Charge	278	293	15	0.77%
Water Utility Charge	744	780	36	1.84%
<b>Total Utilities</b>	<b>\$ 1,956</b>	<b>\$ 2,097</b>	<b>\$ 141</b>	<b>7.21%</b>
<b>Total Annual Cost</b>	<b>\$ 6,167</b>	<b>\$ 6,511</b>	<b>\$ 344</b>	<b>5.59%</b>

<b>Budget Impact to Average Strata Unit in 2024</b>				
	<b>2023</b>	<b>2024</b>	<b>Change \$\$</b>	<b>% of Increase</b>
<b>Property Taxation</b>				
Municipal Operations	\$ 924	\$ 921	\$ (3)	-0.18%
Police Service	395	426	31	1.91%
Asset Improvement	329	381	52	3.15%
<b>Total Property Taxes</b>	<b>\$ 1,648</b>	<b>\$ 1,728</b>	<b>\$ 79</b>	<b>4.82%</b>
<b>Utilities</b>				
Drainage Utility Charge	\$ 174	\$ 184	\$ 10	1.35%
Sanitary Sewer Utility Charge	278	293	15	2.02%
Water Utility Charge	289	320	31	4.18%
<b>Total Utilities</b>	<b>\$ 741</b>	<b>\$ 797</b>	<b>\$ 56</b>	<b>7.55%</b>
<b>Total Annual Cost</b>	<b>\$ 2,389</b>	<b>\$ 2,525</b>	<b>\$ 135</b>	<b>5.69%</b>

The average 2024 property tax increase of 4.82% for Business (Class 6) equates to a \$297 increase over the 2023 rate. For Light Industry (Class 5) a 4.82% average property tax increase equates to an average increase of \$152 for 2024.

Staff are seeking Council's direction to prepare the 2024 Financial Plan bylaw, based on the updated second draft of the Draft Financial Plan as appended, and bring it to Council's next meeting, scheduled for February 26, 2024, for first, second, and third reading.

### **FINANCIAL IMPLICATIONS**

The Financial Plan, attached as Appendix A, proposes an average 4.82% property tax increase for 2024.

### **LEGAL IMPLICATIONS**

No specific legal implications to note. Council approval required to authorize the budget, utility charges and property taxation rates. Financial Plan Bylaw, and property tax rates, must be adopted prior to May 15 in accordance with the *Community Charter*.

### **COMMUNICATION AND COMMUNITY ENGAGEMENT IMPLICATIONS**

In addition to the public engagement as described in this report that occurred to date, Financial Services staff will work with Communications staff to ensure further public communication is provided following the third reading of the 2024 Financial Plan bylaw for the 2024 – 2028 Financial Plan.

### **INTERDEPARTMENTAL INVOLVEMENT/IMPLICATIONS**

All departments have been involved in preparing the Draft 2024 – 2028 Financial Plan.

### **ALIGNMENT WITH STRATEGIC PRIORITIES**

The Financial Plan discussed in this corporate report, and attached as Appendix A, align with the following Council Priorities:

#### Community:

Objective 1 – Encourage positive community gathering by designing and implementing inviting public spaces and beautification projects.

Objective 2 – Plan for adverse weather impacts to protect community safety.

#### Organization & Governance:

Objective 1 – Increase revenue from City programs, assets, and services.

Objective 2 – Improve permit process to reduce wait times.

Objective 3 – Realize service delivery efficiencies via digital transformation and align existing processes with best practices.

Objective 4 – Sustain and nurture the established partnership between the City of White Rock and the Semiahmoo First Nation

### **OPTIONS / RISKS / ALTERNATIVES**

An alternate option for Council's consideration is to:

1. Not direct staff to draft the Financial Plan bylaw for 2024 – 2028 and bring to Council for 1<sup>st</sup>, 2<sup>nd</sup> and 3<sup>rd</sup> readings which would delay the city in meeting the legislated terms of the Community Charter, that requires a Five-Year Financial Plan to be adopted by May 15<sup>th</sup> annually.

**CONCLUSION**

It is recommended that Council direct staff to prepare the 2024 Financial Plan bylaw for the 2024 – 2028 Financial Plan for Council’s consideration at its next regular meeting scheduled for February 26, 2024, for first, second, and third reading.

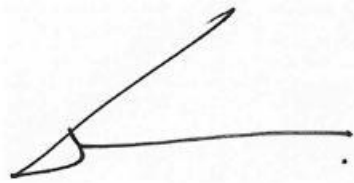
Respectfully submitted,



Candice Gartry, CPA, CGA  
Director, Financial Services

**Comments from the Chief Administrative Officer**

I concur with the recommendation of this corporate report.



Guillermo Ferrero  
Chief Administrative Officer

Appendix A: Draft 2 - 2024-2028 Consolidated Financial Plan