



Budget 2025

February 25, 2025

2025 Budget Session #4: Objectives and Agenda

Council's input and direction around tax rates and operational budget changes which align with Council's Strategic Plan will be paramount in this review. This translates to tax and utility rates, bylaws at the upcoming two sessions

Overview

- Pressures, reductions (additions?)
- This session will focus on Council determining budgets/discrete direction for the following four key areas:
 1. Operating Budget
 2. Reserves
 3. RCMP Reserves
 4. Capital
- Next Session
 - 5 year plan
 - Utilities rates (increases)
 - Overall tax increase

2025 Priorities: Operational Resource Allocation



Plan &
Manage
Growth



Be
Prepared



Protect Our
Environment



Cultivate
Trust



Operate with
Excellence

↓
24%

↓
***76%**

**includes Core Service*



Community Engagement: How to Get Involved



Join us for an opportunity to review Budget 2025 and share your thoughts! This is your chance to learn more about the proposed budget, ask questions, and provide feedback directly to Council and staff.

Date: Tuesday, March 4

Time: 4:30 PM – 6:00 PM

Location: Pemberton and District Community Centre - Great Hall

 Have additional questions? Contact the Village of Pemberton Finance Department at: accounting@pemberton.ca and/or budget@pemberton.ca



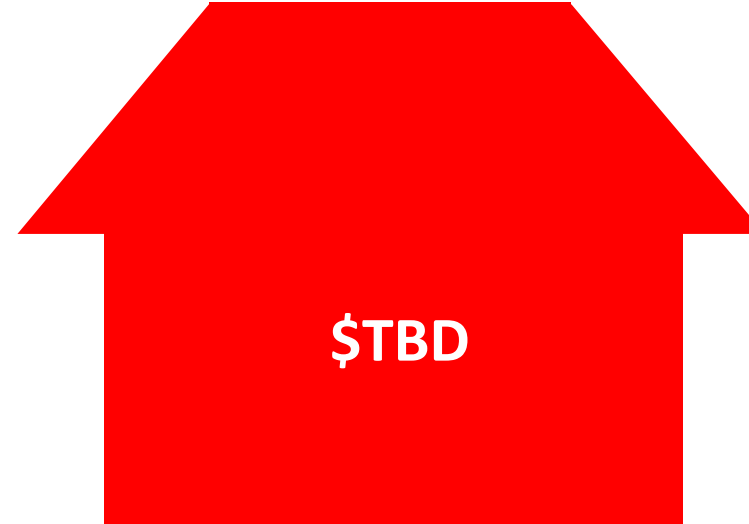
Property Tax Increase Scenarios

Residential property tax



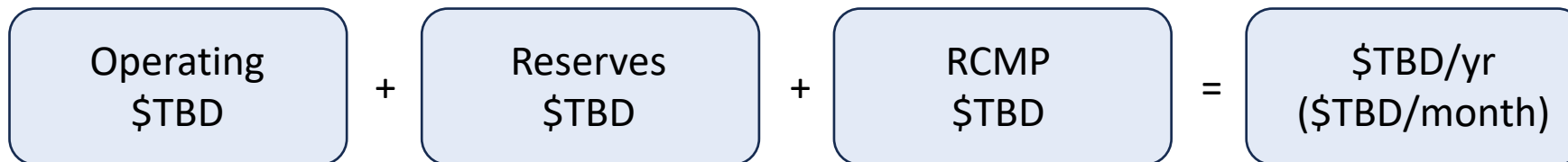
The proposed budget includes a 'baseline' operating budget tax increase of \$937,869 for the average residential property.

Commercial property tax



The proposed budget includes a 'baseline' operating budget tax increase of \$TBD for the average Class 6 commercial property with an assessed value of \$1,000,000.

Taxation increase breakdown for an average residential property per year



Taxation

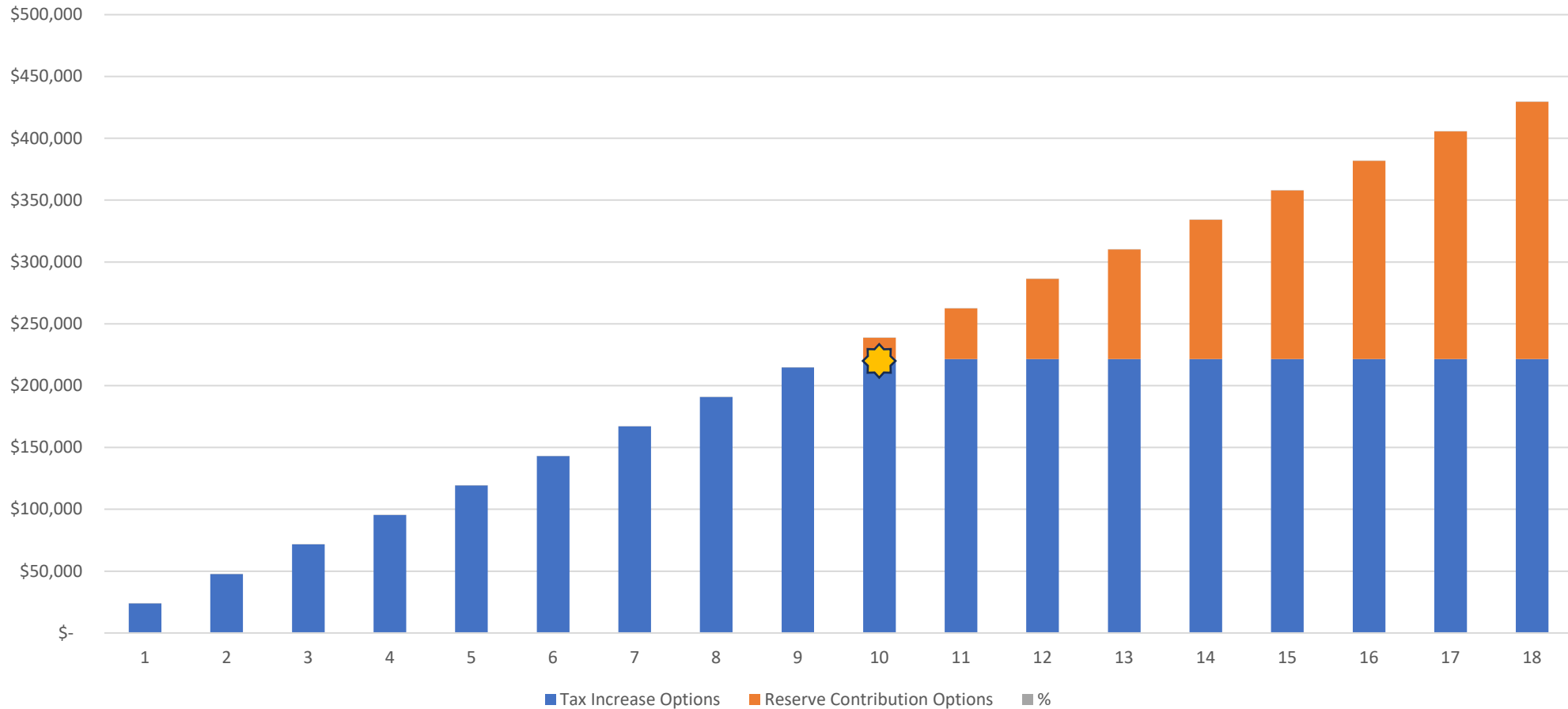
- A 1% municipal property tax increase equates to \$27,575 for the Village of Pemberton
- Average Residential Assessment 2025 \$937,869
- Average Single Family Assessment 2025 \$1,362,521

Asset Management

- Continuing to fund reserves is imperative to the Village of Pemberton's Asset Management, especially with the demands of aging infrastructure
- Our growing asset base will require increased future funding (operations, maintenance) so planning for the future today is critical
- Asset Replacement Financial Strategy recommendation from YourCity consultants to reconsider perspective of:
 - "let's keep taxes low"
 - to
 - "let's keep assets healthy (while considering affordability)"



2024 Tax Scenario- Council Approved 9.8%



2025 Pressures

- **Maintaining service levels amid inflationary pressures and rising costs**
- **Addressing aging infrastructure and ensuring long-term sustainability**
- **Mitigating development volatility by adjusting revenue assumptions and accounting for lower non-market change (NMC)**
- **Reducing reliance on one-time grant funding to sustain operations**
 - End of Covid-19 grant subsidies
- **Inflation & Provincial mandates**
- **Capital asset additions**
- **Labour**
- RCMP transition
- Recreation services transition
- Transit expansion and new contract
- Airport Maintenance

Operating Pressures- Reductions/Changes

- Revised building permits forecast: updated to reflect \$375k increase expected in Q1
- Revised airport maintenance options, schedule and grant assumptions
- Reduced IT hardware expense - below recommendations of IT provider
- Updated penalty assumptions
- Consolidation of sign project scope
- Reduction of Council benefits
- Reduction of Council travel expenses

Operating Budget: Options (Result in Tax Increases)

Add (+)	Tax Implication	Rate Impact	Alternative
Airport Crack Sealing	\$ 50,000	1.8%	Defer to 2026 or Grant Fund
Admin Office Ramp Overhaul	\$ 20,000	0.7%	Defer to 2026 or Grant Fund with Accessibility
Wildlife Safety Officer	\$ 45,000	1.6%	Consider at a later date
West Coast Environmental Law- Funding Class Action Assessment Expenses	\$ 3,000	0.1%	Decline Participation or Advocacy
Council Benefits Package	\$ 17,295	0.6%	Consider in 2026 -align with new Council term
S2S Recommended Hardware	\$ 22,000	0.8%	Defer to 2026
Council Chambers IT Retro	\$ 15,000	0.5%	Defer to 2026 or Grant Fund
Aster St Paving	\$ 100,000	3.6%	Defer to 2026 or run to failure
Bridge Engineering Inspections	\$ 18,000	0.7%	Aging Infrastructure requires inspection, could defer
Parks Picnic Tables	\$ 15,000	0.5%	Plan for future budgets

Operating Budget: Options (Result in Tax Decreases)

Remove (-)	Tax Implication	Rate Impact	Alternative
Airport Maintenance	\$ (15,399)	-0.6%	Defer to 2026
PAWS Septic Repairs	\$ (20,000)	-0.7%	Defer (assumes VOP share is 50%)
Porta-Potties	\$ (8,000)	-0.3%	Remove from multiple sites
Independent Compensation Review	\$ (15,000)	-0.5%	Internal review
Barn Painting	\$ (10,000)	-0.4%	Could defer to 2026, with increased deterioration and expense if further postponed
IT Security	\$ (50,000)	-1.8%	Risk of exposure /losing insurance vulnerability

Taxation- \$270k Increase Scenarios

Village of Pemberton Tax Rate Change Scenarios				
Residential	Area	Illustrative Assessment Example	Estimated 2025 Municipal Tax Before Tax Increase	Cost of \$270k Increase
Total Increase (\$CAD)				\$ 270,000
House	Average Single Family	\$ 1,362,521	\$ 1,727.13	\$ 160.37
House	Average Residential	\$ 937,869	\$ 1,188.84	\$ 110.39
				\$ -
Light Industry				\$ -
Business	Venture Place	\$ 1,000,000	\$ 4,309.70	\$ 400.20
Commercial				
Business	Downtown	\$ 1,000,000	\$ 2,852.00	\$ 264.84
Business	Industrial Park	\$ 845,050	\$ 2,410.08	\$ 223.80
Rec./Non-Profit				
Rec./Non-Profit	Airport	\$ 955,000	\$ 1,210.56	\$ 112.40

Reserves

General Reserve Scenarios	Scenario 1) \$78/yr	Scenario 2) \$61/yr	Scenario 3) \$54/yr
Additional Contribution	\$ 144,300	\$ 112,850	\$ 99,900
Tax Implication	5.2%	4.1%	3.6%

Sewer Reserve Scenarios	Scenario 1) \$24/yr	Scenario 2) \$20/yr	Scenario 3) \$16/yr
Additional Contribution	\$ 44,400	\$ 37,000	\$ 29,600
Sewer Rate Implication	3.6%	3.0%	2.4%

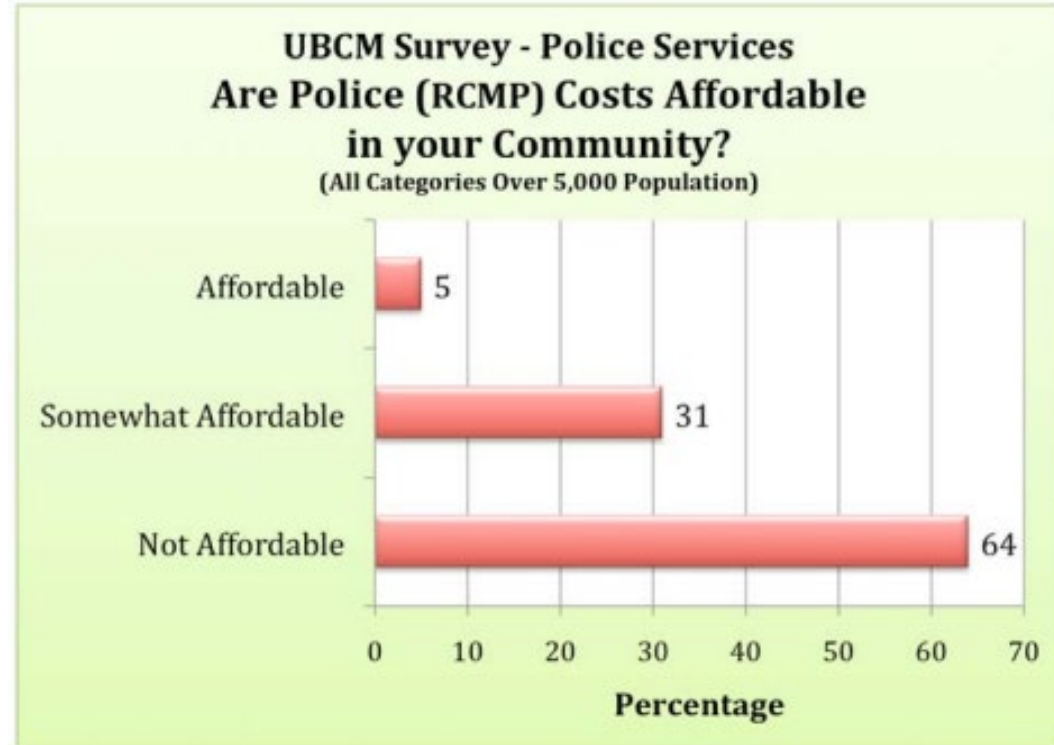
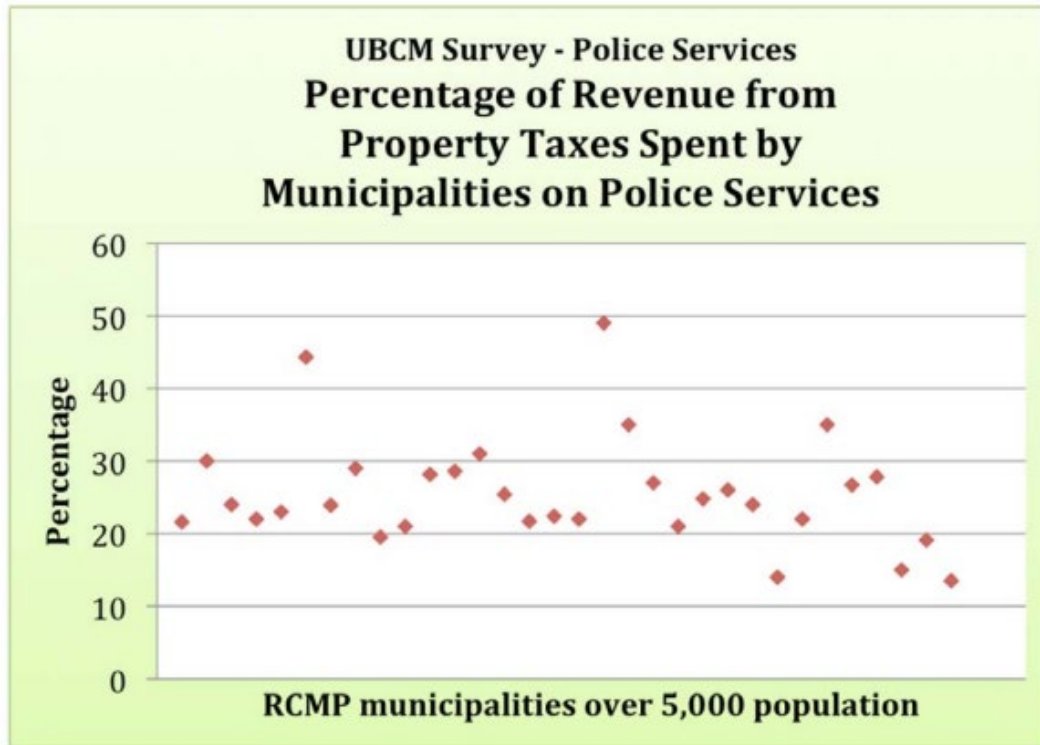
Water Reserve Scenarios	Scenario 1) \$24/yr	Scenario 2) \$20/yr	Scenario 3) \$16/yr
Additional Contribution	\$ 44,400	\$ 37,000	\$ 29,600
Water Rate Implication	3.4%	2.9%	2.3%

At the January 21, 2025 Committee of the Whole meeting, staff presented the following options:

- Targeted increases of at least an average of \$54/yr to general capital reserves, for 15 years, to maintain service levels based on 2022 evaluation of end-of-life assets (before accounting for additions).
- Targeted increases of at least an average of \$24/yr to sewer reserves, for 15 years, to maintain service levels based on 2022 evaluation of end-of-life assets (before accounting for additions).

Additional options are recommended, where the long-term shortfall still exceeds the highest of each scenario (balancing 'affordability' still reflected)

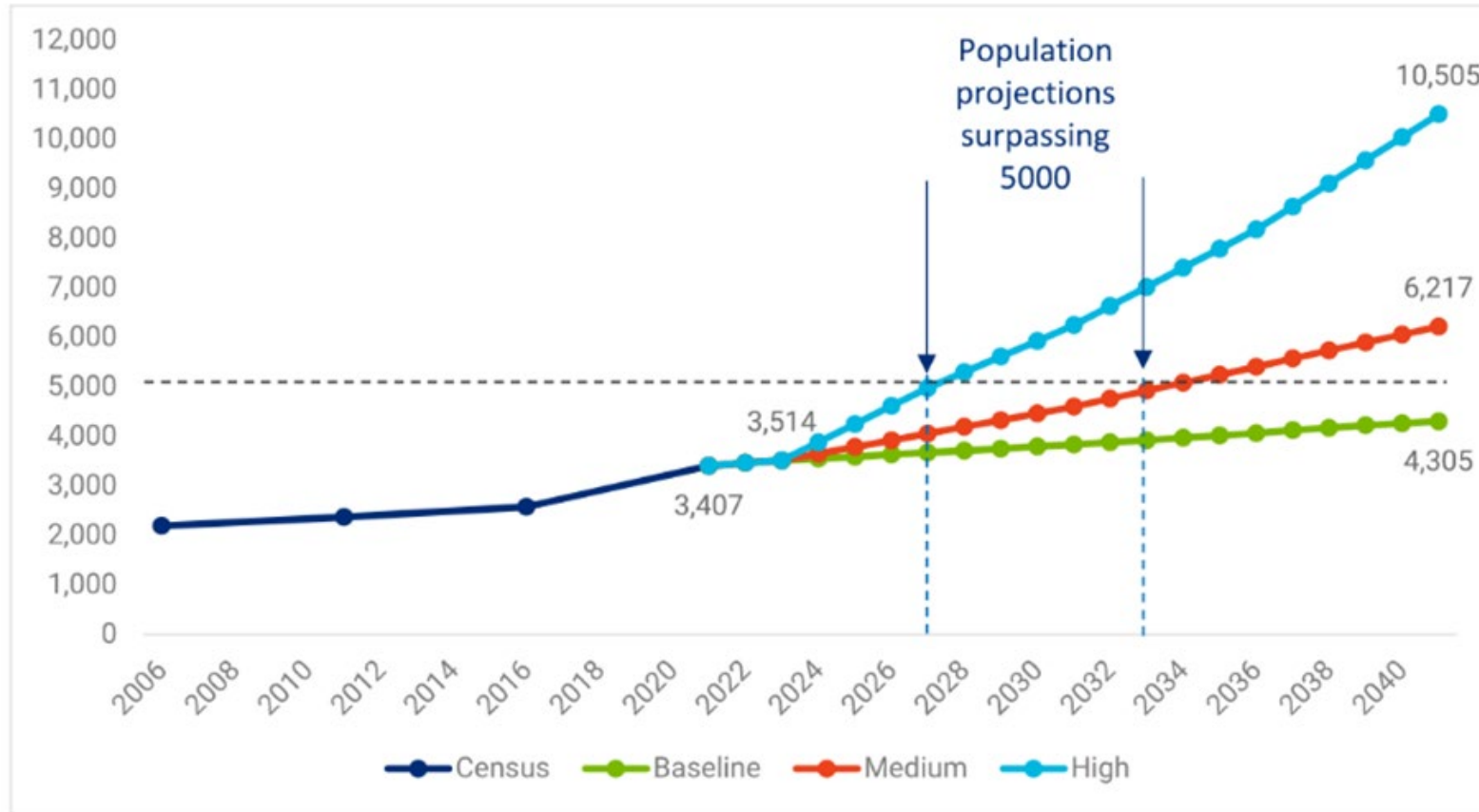
BC Percentage Property Tax Spent on RCMP



Union of British Columbia Municipalities. Police Services in BC: Policy Paper #1. 2009, p. 14, <https://www.ubcm.ca/sites/default/files/2021-07/2009%2520Policy%2520Paper%25201%2520-%2520Police%2520Services%2520in%2520BC.pdf>.

Population

Figure 37. Historical and Projected Population, Pemberton, 2006 to 2041.



RCMP Reserve Scenarios (Estimated & Preliminary)

RCMP BUDGET FOR VILLAGE OF PEMBERTON AT 5000 POPULATION				
<i>Village of Pemberton Budget Scenarios (Annual) in 2025 \$CAD</i>				
Scenario	Scenario 1) 2032, 6 Officers	Scenario 2) 2032, 5 Officers	Scenario 3) 2035, 6 Officers	Scenario 4) 2035, 5 Officers
Cost Per Officer	\$ 248,000	\$ 248,000	\$ 248,000	\$ 248,000
Number of Officers	6.0	5.0	6.0	5.0
Shared Costs (Integrated Teams)	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
Capital Costs	\$ -	\$ -	\$ -	\$ -
Revenue Share	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000
Year at 5000 population (Projected)	2032	2032	2035	2035
Total Contract Cost	\$ 1,558,000	\$ 1,310,000	\$ 1,558,000	\$ 1,310,000
Net Cost (70%)	\$ 1,090,600	\$ 917,000	\$ 1,090,600	\$ 917,000
Village of Pemberton Share	\$ 1,090,600	\$ 917,000	\$ 1,090,600	\$ 917,000
Partner Share	\$ -	\$ -	\$ -	\$ -
Years to build reserve	7	7	10	10
Annual reserve contribution target	\$ 155,800	\$ 131,000	\$ 109,060	\$ 91,700
Cost Per Taxpayer	\$ 84.22	\$ 70.81	\$ 58.95	\$ 49.57
Tax Implication	5.7%	4.8%	4.0%	3.3%



Capital

- **Water source and sewer priorities** and condition assessments are influencing urgent and imminent major infrastructure investments.
- **Provincial Housing Accelerator Fund (HAF) grants** are incorporated into funding assumptions, across both Development Services Contractors & Consultants budgets as well as the 5 year capital plan, in compliance with the signed HAF agreement.
- **Aging infrastructure and fleet replacement needs** are increasing across the organization, notably in Fire Services, requiring either capital funding or contingency planning for potential asset failures. Potential tariff implications and risk is most exposed in fire apparatus.
- **Spel'kúmtn Community Forest** funding assumptions are requested to be considered and advised by Council

5 Year Plan Capital

Impact

1

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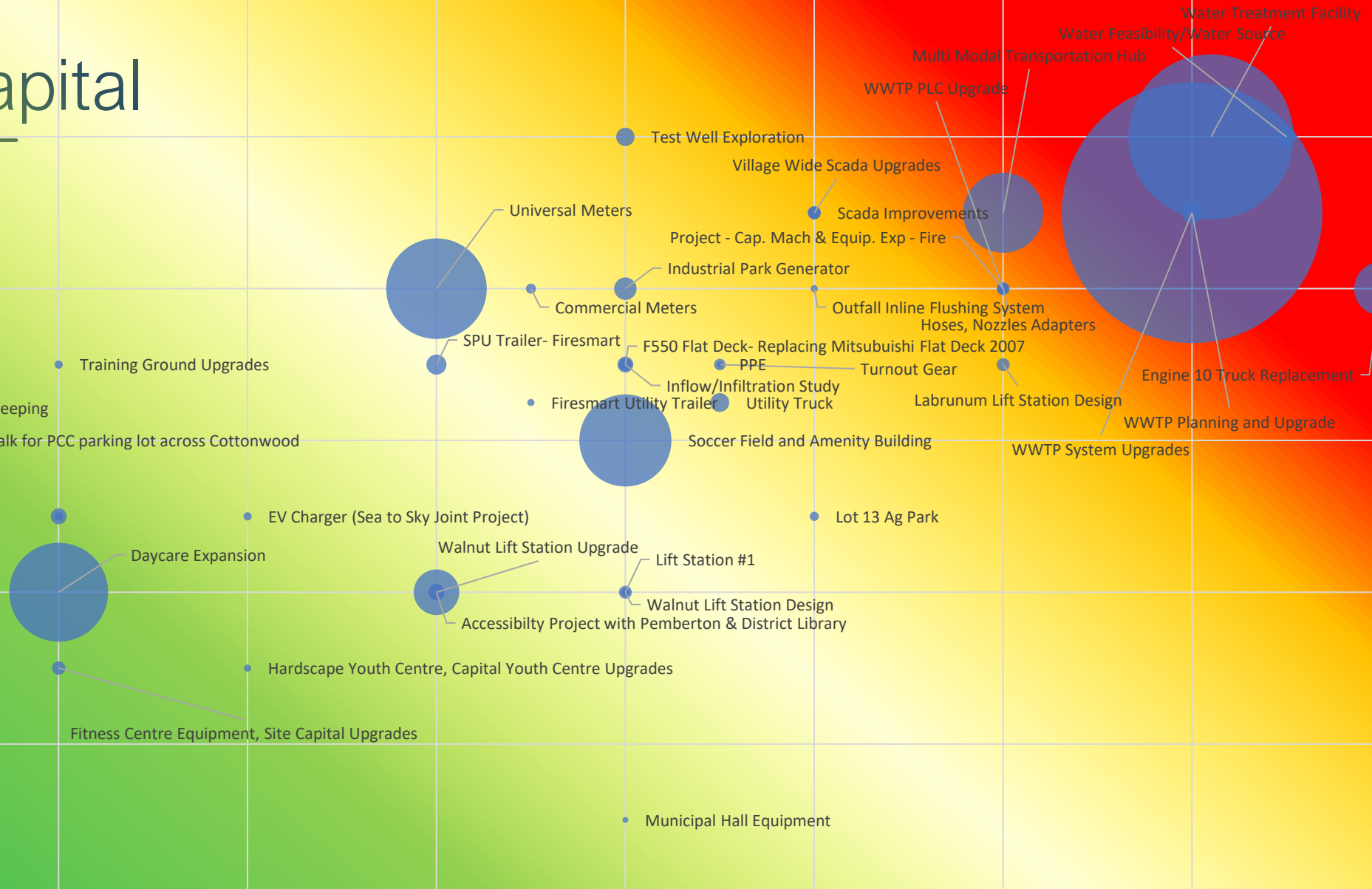
6

7

8

1

Urgency



Property Tax Increase Scenarios

Residential property tax



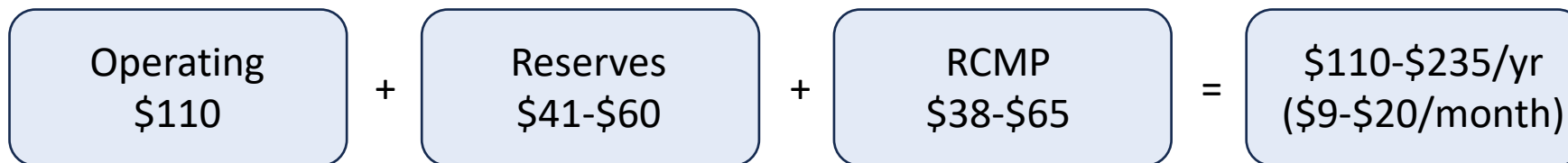
The proposed budget includes a 'baseline' operating budget tax increase of \$110 for the average residential property with an assessed value of \$937,869.

Commercial property tax



The proposed budget includes a 'baseline' operating budget tax increase of \$265 for a Class 6 commercial property with an assessed value of \$1,000,000.

Taxation increase breakdown for an average residential property per year



Next Session: March 4, 2025



Bring back tax increase



5 year plan



Utilities/rates increases



March 4 public information session: 430pm



Discussion

Reserves

Village of Pemberton					
Reserve Balances					
as at Feb 13, 2025					
PRELIMINARY AND UNAUDITED*					
Account	Fund Type	Beginning Balance 2024	(Projects)/ Contribution	Ending Balance 2024	Total 2024
	Restricted Funds				
	DCCs:				
	Village Core:				
	Roads	\$ 310,469		\$ 310,469	
	Parks	238,375		238,375	
	Water	174,577		174,577	
	Sewer	874,784		874,784	
	Total DCC's			0	\$ 1,598,204
				0	
				0	
				0	
	Parking in Lieu:				
	Ending Balance			0	
				0	0
				0	
	Unexpended Funds:				
01-4-005600-0850	Community Works Gas Tax Funds	685,335	(983)	684,352	
01-4-005100-1173	COVID-19 Restart Funds	138,490	(128,490)	10,000	
				0	694,352
				0	
	Total Restricted			0	\$ 2,292,557
				0	
	Reserves for Capital Purposes - Bylaw #595, 2007				
				0	
01-7-005100-1178	Centennial Building	7,161		7,161	
				0	7,161
01-4-005100-1177	General Reserves	172,551		172,551	
				0	172,551
01-4-005100-1176	Capital Reserves	174,044	80,000	254,044	
				0	254,044
01-4-205100-1178	Fire Department Reserves	866,817	(138,974)	727,843	
				0	727,843
03-4-405100-1177	Water General	1,981,387	196,620	2,178,007	
				0	2,178,007
05-4-455100-1177	Sewer General	821,518	279,431	1,100,949	
					1,100,949
	Total Capital				4,440,555
					\$ 6,733,111
01-4-005200-1205	Transit	186,847			
	RCMP				
01-4-605100-1177	Recreation	1,303,429			
01-4-005400-1234	Pemby Music	72,241			
01-3-001200-0100	Spelkutr	524,998			

*All balances are preliminary and unaudited and likely to change through year end close and audit

Capital Prioritization: Impact Assessment

Impact:

- Be Prepared
- Cultivate Trust
- Protect Our Environment
- Plan & Manage Growth

Urgency:

- Operational Excellence
 - Maintenance
 - Safety, Regulatory, Contractually Bound
 - Community Interest

		Urgency		
		Low	Medium	High
Impact	High			
	Medium			
	Low			

Thank You
