

# Report to Council



**Date:** May 4, 2020  
**To:** Council  
**From:** City Manager  
**Subject:** 2020 Financial Plan – Final Budget  
**Department:** Financial Planning

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**Recommendation:**

THAT COUNCIL adopts the 2020-2024 Financial Plan;

AND THAT Council approves the formulation of 2020 Property Tax Rates that will raise the required funds in 2020, from General Taxation, in the amount of \$148,846,715, resulting in an average net property owner impact of 2.05 per cent;

AND THAT Bylaw No. 12011 being the 2020-2024 Five Year Financial Plan, 2020 be advanced for reading consideration;

AND THAT Bylaw No. 12012 being the Tax Structure Bylaw, 2020 be advanced for reading consideration;

AND THAT Bylaw No. 12013 being the Annual Tax Rates Bylaw, 2020 be advanced for reading consideration;

AND THAT Bylaw No. 12014 being the DCC Reserve Fund Expenditure Bylaw, 2020 be advanced for reading consideration;

AND FUTHER THAT Bylaw No. 12015 being the Sale of City Owned Land Reserve Fund Expenditure Bylaw, 2020 be advanced for reading consideration.

**Purpose:**

To present the 2020 Final Budget submissions, the 2020-2024 Financial Plan and related bylaws to Council for their consideration and approval.

**Background:**

Council approved the Provisional 2020 Financial Plan on December 12, 2019 and it was amended on March 23, 2020 to include the 2019 carry-over projects. The Final Budget document includes emergent requests that are consolidated with the first two volumes into the 2020-2024 Financial Plan. Typically, depending on the nature of the item being considered, these adjustments can cause the final tax demand to go either up or down.

The COVID-19 pandemic has created complex challenges for families, businesses and many other organizations in the community, including the City. The 2020 Financial Plan represents one financial

response to the COVID-19 situation as the City attempts to keep overall taxation as low as possible while still maintaining the services required by the community. The 2020 final adjustments result in a tax decrease of 2.1 per cent from the Provisional Budget tax requirement of 4.15 per cent. The Final Budget as presented, reflects a net municipal property tax increase of 2.05 per cent or less than half of the originally anticipated increase.

This reduction is predominantly due to Capital and Operating program reductions in response to the economic impacts related to the emergence of COVID-19, while also maintaining essential services, adhering to contract obligations, meeting previous year commitments and to accommodate growth.

A tax rate of 2.05 per cent means the owner of a single-family home with an average assessed value of \$676,100 will pay \$2,115, which is an increase of \$43 for the municipal portion of their property taxes. This tax rate level is one of the lowest proposed rates in the region.

Despite the financial challenges resulting from the COVID-19 pandemic, and in order to meet the demands of a growing population, it is our responsibility today to continue to deliver programs, services and infrastructure. We need to do this while also taking into account the complex financial challenges that many of our residents are faced with during this crisis. In order to help meet these objectives, the recommendation is to reduce the 4.15 per cent Provisional Budget increase down to a net municipal property tax increase of 2.05 per cent.

Information about the requested changes are included in the attached Final Budget - Volume 3.

**Considerations applicable to this report:**

***Legal/Statutory Authority:***

Financial Plan under Section 165 of the Community Charter requires adoption of a 5 Year Financial Plan bylaw prior to the annual property tax bylaw. Annual property tax bylaw under Section 197 of the Community Charter, Council must establish tax rates by bylaw after adoption of the financial plan but before May 15th.

**Considerations not applicable to this report:**

***Discussion:***

***Conclusion:***

***Internal Circulation:***

***Legal/Statutory Procedural Requirements:***

***Existing Policy:***

***Financial/Budgetary Considerations:***

***External Agency/Public Comments:***

***Communications Comments:***

Submitted by:

Melanie Antunes, Acting Financial Planning Manager

**Approved for inclusion:** G. Davidson, CPA, CMA Divisional Director Financial Services

**Attachment:**

- 1: 2020 Financial Plan – Final – Volume 3
- 2: 2020-2024 Five-Year Financial Plan
- 3: 2020 Financial Plan Presentation