


Date: February 5, 2023
 File No: 1720-20-2023
 To: Mayor & Council
 From: Tim Pley, CAO
 Subject: "Five Year Financial Plan 2023 – 2027, Bylaw No. 5075" | Introduce & Consider 1st Reading

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RECOMMENDATION[S]

THAT the "City of Port Alberni 2023 – 2027 Financial Plan Bylaw No. 5075, 2023" be now introduced and read a first time.

PURPOSE

That Council considering giving first reading of the "City of Port Alberni 2023 – 2027 Financial Plan Bylaw No. 5075, 2023" and thereby formally introducing the bylaw.

BACKGROUND

The *Community Charter* requires that a municipality must have a financial plan that is adopted annually. The *Community Charter* goes further to state that the planning period for a financial plan is 5 years, that period being the year in which the plan is specified to come into force and the following 4 years. In addition to the Financial Plan needing to set out objectives and policies of the municipality, the process must also include a process of public consultation/engagement prior to its adoption.

In advance of Council being asked to consider 1st reading of the proposed bylaw, the City's Director of Finance, at a Committee of the Whole meeting held Monday, February 6, 2023 provided members of the Committee with a high-level overview of the City's draft five-year plan.

ALTERNATIVES/OPTIONS

- 1) That the "City of Port Alberni 2023 – 2027 Financial Plan Bylaw No. 5075, be now introduced and read a first time.
- 2) Provide alternate direction.

ANALYSIS

The proposed "City of Port Alberni 2023 – 2027 Financial Plan Bylaw No. 5075, 2023" focuses on continuing the current levels of service and continued implementation of the 2019-2023 *Corporate Strategic Plan* priorities. The proposed Financial Plan includes an 8.0% increase in general taxation in 2023 over the previous year. Current Council will establish a new strategic vision and priorities which will be reflected in the 2024 – 2028

Financial Plan. Council will have opportunities to review and amend the Financial Plan prior to final adoption, which is required to be completed by May 15, 2023. Updated annually, the City’s five-year Financial Plan includes budgeted revenues and expenditures to deliver day-to-day services to the community, implement strategic initiatives, invest in infrastructure, and enable long-term funding strategies for future infrastructure requirements. In large part this Financial Plan was approved previously within the 2022-2026 Financial Plan with changes based on utilization and cost increases for the current levels of service.

Achievements from the *2019-2023 Strategic Plan* include:

- The purchase of five parcels of land including the Somass Lands, addressing several strategic goals including increasing public access to the waterfront, and remediating brownfield properties;
- Supporting the ACRD in organic and other waste diversion in the curbside waste collection program through the introduction of a three-stream waste collection program;
- Opening of the Public Safety Building;
- Initiate the Tree Planting Program, included in the Financial Plan each year;
- Providing the conditions to support development and enabling creation of suitable and inclusive housing where possible for the community;
- Introduction of the Municipal and Regional District Tax program to support local tourism;
- Creating new pathways in the community – Connect the Quays Pathway, with \$2.5 million in funding support from senior governments.

Tax rates for 2023 will be set by separate bylaw and presented to Council in April 2023, subsequent to final adoption of the “*City of Port Alberni 2023 – 2027 Financial Plan Bylaw No. 5075, 2023*” and receipt of BC Assessment's Revised Roll.

The *Community Charter* requires reporting on objectives and statements of policy on certain revenues and taxes in each municipality's Five-Year Financial Plan such as:

- proportion of total revenue sourced from property value taxes, parcel taxes, fees and charges, proceeds from borrowing, and other;
- allocation of property taxes by class of property [i.e. residential, commercial, industrial]; and
- permissive tax exemptions.

In BC, all municipalities must consider the proposed tax rates for each property class in conjunction with the objectives and policies presented in the Financial Plan. The intent of the disclosure of a municipality's objectives and policies is to promote accountability and transparency to the public.

Council is asked to consider giving first reading to the City’s “*City of Port Alberni 2023 – 2027 Financial Plan Bylaw No. 5075, 2023*” to formally introduce the bylaw and permit the opportunity for review, provision of alternative direction, and amendments within legislative deadlines.

IMPLICATIONS

The final impact of the annual “Five-Year Financial Plan” will not be confirmed until April 2023. The province requires adoption of the ‘Financial Plan’ and associated bylaws before May 15th of each year.

COMMUNICATIONS

The following schedule was Included in the presentation materials at the Committee of the Whole held February 6, 2023:

Date	Meeting	Purpose
February 6, 2023	CoW	Director of Finance to provide an overview and summarize the City’s proposed Five-Year Financial Plan
February 13, 2023	RCM	Council to consider First Reading “City of Port Alberni 2023 – 2027 Financial Plan Bylaw No. 5075, 2023”
February 21, 2023	CoW	Opportunity for an informal exchange between Council, staff and members of the public.
February 27, 2023	RCM	Staff to formally respond to comments and/or questions from previous CoWs and RCMs.
March 6, 2023	CoW	E-Town Hall Expanding on public engagement – providing an electronic platform
March 13, 2023	RCM	Council to consider Second Reading “City of Port Alberni 2023 – 2027 Financial Plan Bylaw No. 5075, 2023”
March 27, 2023	RCM	Address any follow up Council to consider Third Reading “City of Port Alberni 2023 – 2027 Financial Plan Bylaw No. 5075, 2023”
April 11, 2023	RCM	Address any follow up Council to consider Final Adoption “City of Port Alberni 2023 – 2027 Financial Plan Bylaw No. 5075, 2023”

Council has the ability to schedule additional CoW meetings should they be required. The City will continue to communicate regarding opportunities for public engagement including details as to how citizens may participate at the E-Town Hall scheduled to be held March 6th.

BYLAWS/PLANS/POLICIES

“City of Port Alberni 2023 – 2027 Financial Plan Bylaw No. 5075, 2023”

SUMMARY

- The 2023–2027 draft Financial Plan identifies a proposed tax increase of 8.0% in the 2023 year;
- Council will review the assessed values and tax shares to consider allocation for each property classification at a future date;
- The Plan will be reviewed and confirmed by Council throughout the financial planning process and a tentative schedule is outlined above, that is subject to change if required;
- Council can balance the need to fund improvements in the community and continue current levels of service, while understanding the need to balance the impact of taxation to all taxpayers in the community;
- Adoption must occur prior to May 15, 2023.

ATTACHMENTS/REFERENCE MATERIALS

- *Draft “City of Port Alberni 2023 – 2027 Financial Plan Bylaw No. 5075, 2023”*
- *Draft Financial Plan 2023-2027 dated February 13, 2023*