



# 2024 – 2028 BUDGET



# DRAFT 5-YR OPERATIONS SUMMARY

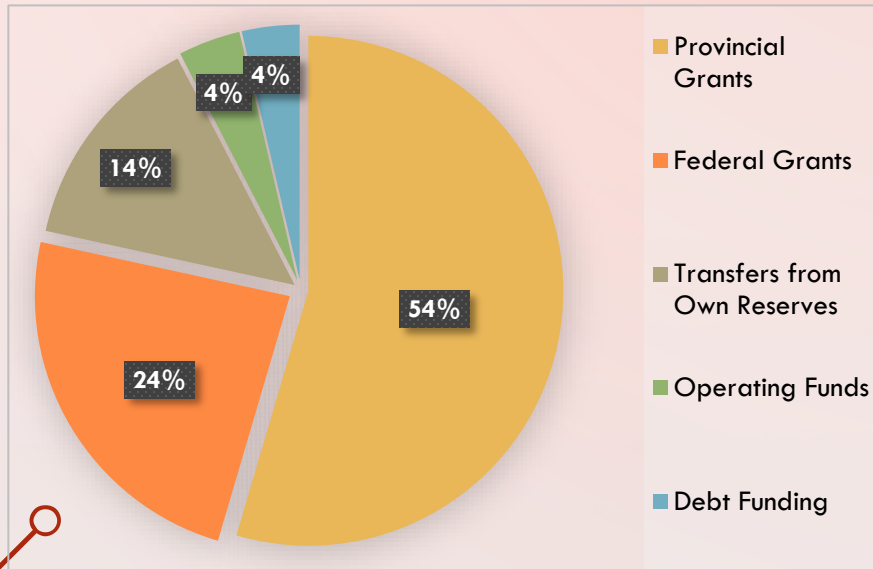
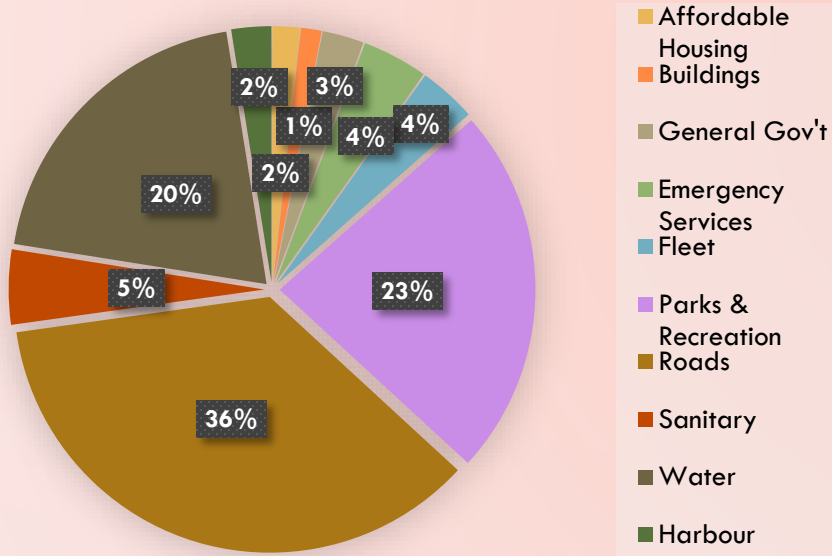
## OPERATIONAL REVENUE

	2024	2025	2026	2027	2028
Operational Property Taxes	-\$4,479,953	-\$4,519,100	-\$4,699,141	-\$4,820,405	-\$4,839,759
Payments In Lieu of Taxes	-\$96,851	-\$96,851	-\$96,851	-\$96,851	-\$96,851
Business Licences	-\$210,060	-\$214,262	-\$218,547	-\$222,918	-\$227,376
Permits	-\$151,046	-\$154,067	-\$157,148	-\$160,291	-\$163,497
Protective Service Agreements	-\$63,045	-\$63,625	-\$64,217	-\$64,820	-\$65,436
Recreation Fees	-\$577,649	-\$595,967	-\$605,472	-\$615,166	-\$625,055
Annual Grants	-\$352,000	-\$352,000	-\$352,000	-\$352,000	-\$352,000
Cemetery	-\$4,000	-\$4,080	-\$4,162	-\$4,245	-\$4,330
Parking Program	-\$200,000	-\$204,000	-\$208,080	-\$212,242	-\$216,486
Interest	-\$116,040	-\$118,361	-\$120,728	-\$123,143	-\$125,605
Other Fees & Cost Recovery	-\$58,344	-\$59,111	-\$59,893	-\$60,691	-\$61,505
Misc. Conditional Grants	-\$80,031	-\$80,031	\$0	\$0	\$0
Transfers from Reserves	-\$75,000	-\$75,000	\$0	\$0	\$0
<b>TOTAL</b>	<b>-\$6,464,019</b>	<b>-\$6,536,454</b>	<b>-\$6,586,238</b>	<b>-\$6,732,771</b>	<b>-\$6,777,900</b>

## OPERATIONAL EXPENDITURES

Administration Expenses	\$1,883,557	\$1,902,581	\$1,891,284	\$1,946,590	\$1,977,379
Building Inspection Expense	\$138,856	\$141,633	\$144,466	\$147,355	\$150,302
Bylaw Expense	\$137,338	\$140,085	\$142,886	\$145,744	\$148,659
Fiscal Services (Debt)	\$235,258	\$219,671	\$193,688	\$196,110	\$119,869
Parks Expenses	\$801,388	\$817,416	\$833,764	\$850,439	\$867,448
Planning Expenses	\$572,812	\$583,468	\$594,337	\$605,424	\$616,732
Protective Services Expenses	\$508,921	\$526,152	\$536,465	\$546,985	\$557,714
Public works Expenses	\$988,777	\$996,832	\$1,016,769	\$1,037,104	\$1,057,846
Recreation Expenses	\$1,197,113	\$1,208,616	\$1,232,578	\$1,257,019	\$1,281,950
<b>Total Expenditures</b>	<b>\$6,464,019</b>	<b>\$6,536,454</b>	<b>\$6,586,238</b>	<b>\$6,732,771</b>	<b>\$6,777,900</b>

# CAPITAL SUMMARY



Capital Funding	2024	2025	2026	2027	2028
Provincial Grants	5,233,656	425,000		550,000	450,000
Federal Grants	2,288,872	4,339,040	3,839,040	425,000	
Transfers from Own Reserves	1,372,558	2,485,950	1,404,950	300,000	3,080,000
Operating Funds	378,504		175,000	2,500,000	
Debt Funding	350,000	2,180,000	2,062,143	9,432,143	5,732,143
Capital Property Tax	1,000,000	500,000	500,000	500,000	500,000
<b>Total Revenue</b>	<b>10,623,590</b>	<b>9,929,990</b>	<b>7,981,133</b>	<b>13,707,143</b>	<b>9,762,143</b>

Capital Expenditures	2024	2025	2026	2027	2028
Affordable Housing	167,000	650,000			
Buildings	155,085		175,000	6,700,000	
General Gov't	252,947	250,000			
Emergency Services	397,464	900,000	600,000		
Fleet	350,000	30,000			80,000
Parks & Recreation	2,242,296	245,000	184,000	60,000	3,530,000
Roads	3,448,327			690,000	
Sanitary	453,550	2,210,000	1,972,143	3,257,143	5,652,143
Water	1,914,919	4,544,990	4,549,990	2,500,000	
Transfer to Capital Program	1,000,000	500,000	500,000	500,000	500,000
Harbour	242,002	600,000			
<b>Total Expenses</b>	<b>10,623,590</b>	<b>9,929,990</b>	<b>7,981,133</b>	<b>13,707,143</b>	<b>9,762,143</b>

# TOTAL 5-YEAR FINANCIAL PLAN

## REVENUE

	2024	2025	2026	2027	2028
Total Operations Revenue	<b>-\$6,464,019</b>	<b>-\$6,536,454</b>	<b>-\$6,586,238</b>	<b>-\$6,732,771</b>	<b>-\$6,777,900</b>
Total Capital Revenue	<b><u>-10,623,590</u></b>	<b><u>-9,929,990</u></b>	<b><u>-7,981,133</u></b>	<b><u>-13,707,143</u></b>	<b><u>-\$9,762,143</u></b>
Total Budgeted Revenues	<b>\$17,087,609</b>	<b>\$16,466,444</b>	<b>\$14,567,371</b>	<b>\$20,439,914</b>	<b>\$16,540,043</b>
Total Operations Expense	<b>\$6,464,019</b>	<b>\$6,536,454</b>	<b>\$6,586,238</b>	<b>\$6,732,771</b>	<b>\$6,777,900</b>
Total Capital Expense	<b><u>10,623,590</u></b>	<b><u>9,929,990</u></b>	<b><u>7,981,133</u></b>	<b><u>13,707,143</u></b>	<b><u>9,762,143</u></b>
Total Budgeted Expenses	<b>\$17,087,609</b>	<b>\$16,466,444</b>	<b>\$14,567,371</b>	<b>\$20,439,914</b>	<b>\$16,540,043</b>

## EXPENSE

# WATER & SANITARY UPGRADES

A significant portion of our water and sanitary systems are 70 years old or greater and at the end of their anticipated useful life. Significant levels of investment are needed to replace aged infrastructure and refurbish pumps, motors, lift stations, treatment systems and in ground water and sanitary lines to ensure we are providing safe and reliable water and effectively managing our community's wastewater.

Key projects for 2024 include a **\$13.5M Water Treatment System** to remove manganese and iron and replacing the \$1.3M damaged water line that connects Ucluelet to Hitacu and Mercantile Creek.

Starting in 2025, Ucluelet will be undertaking significant investments in our water and sanitary systems including the essential repairs, maintenance and upgrades to our water systems, lift stations, sanitary and water lines, and treatment systems.



## WATER CAPITAL SUMMARY

	2024	2025	2026	2027	2028
Provincial Grants	1,300,000	45,000			
Federal Grants	381,600	3,329,040	3,329,040		
Reserves	218,400	1,170,950	1,220,950		
Operating Funds	14,919			2,500,000	
<b>Total Revenue</b>	<b>1,914,919</b>	<b>4,544,990</b>	<b>4,549,990</b>	<b>2,500,000</b>	
Water Capital Projects	1,914,919	4,544,990	4,549,990	2,500,000	
<b>Total Expenditures</b>	<b>1,914,919</b>	<b>4,544,990</b>	<b>4,549,990</b>	<b>2,500,000</b>	<b>0</b>

## SANITARY CAPITAL SUMMARY

	2024	2025	2026	2027	2028
Provincial Grants	57,550				
Federal Grants	240,000	960,000	510,000	425,000	
Reserves	156,000				
Debt		1,250,000	1,462,143	2,832,143	565,2143
<b>Total</b>	<b>453,550</b>	<b>2,210,000</b>	<b>1,972,143</b>	<b>3,257,143</b>	<b>565,2143</b>
Sanitary Capital Projects	453,550	2,210,000	1,972,143	3,257,143	5,652,143
<b>Total Expenditures</b>	<b>453,550</b>	<b>2,210,000</b>	<b>1,972,143</b>	<b>3,257,143</b>	<b>5,652,143</b>

# DEBT FUNDED PROJECTS

DEBT FUNDED PROJECTS CAN BE DEFERRED, ALTHOUGH THEY ARE ALL HIGH PRIORITIES THAT NEED TO BE FUNDED. STAFF WILL CONTINUE TO WORK ON GRANT OFFSET OPTIONS AS THEY BECOME AVAILABLE.

INCREASES TO CAPITAL REQUISITIONS STARTING IN 2024 WILL HELP REDUCE, BUT NOT ELIMINATE THE NEED TO BORROW IN THE FUTURE.

PROJECT AMOUNTS DO NOT INCLUDE INTEREST INCURRED THROUGH BORROWING WHICH WILL REQUIRE INCREASED TAX REQUISITIONS TO COVER THE PRINCIPAL AND INTEREST PAYMENTS.

Project	2024	2025	2026	2027	2028
Excavator Replacement	250,000				
3/4 Tone Replacement	100,000				
Dump Truck		100,000			
ATV Replacement		30,000			
Engine 2 Replacement		800,000			
Hemlock Lift Station		1,250,000			
Mini Pumper			600,000		
Gravity Main Replacement			357,143		
Peninsula Rd at Seaplane Base Rd			50,000		
Upgrading of 100 mm and 150 mm Dia. Mains			620,000		
Emergency Power Generator			180,000		
Sludge Removal			275,000		
Fire Hall Replacement				6,600,000	
Gravity Sewer Main Replacement (other areas)				357,143	
Peninsula Rd, 1860 Pen Rd to 1816 Pen Rd				175,000	
Upgrading of 100 mm and 150 mm Dia. Mains				620,000	
Electrical/Controls Kiosk Replacement				420,000	
Emergency Power Generator				160,000	
Force main Discharge Grit Removal Chamber				1,100,000	
Bay St Area Sewer Main Replacement					2,500,000
Gravity Sewer Main Replacement (other areas)					357,143
Hemlock St, Lyche Rd to Existing Lift Station					220,000
Bay St, Peninsula Rd to 1800 Bay St					75,000
Upgrading of 100 mm and 150 mm Dia. Mains					620,000
Electrical/Controls Kiosk Replacement					420,000
Emergency Power Generator					160,000
Routing Options					200,000
Septage Receiving Station					1,100,000
<b>TOTAL</b>	<b>350,000</b>	<b>2,180,000</b>	<b>2,082,143</b>	<b>9,432,143</b>	<b>5,652,143</b>

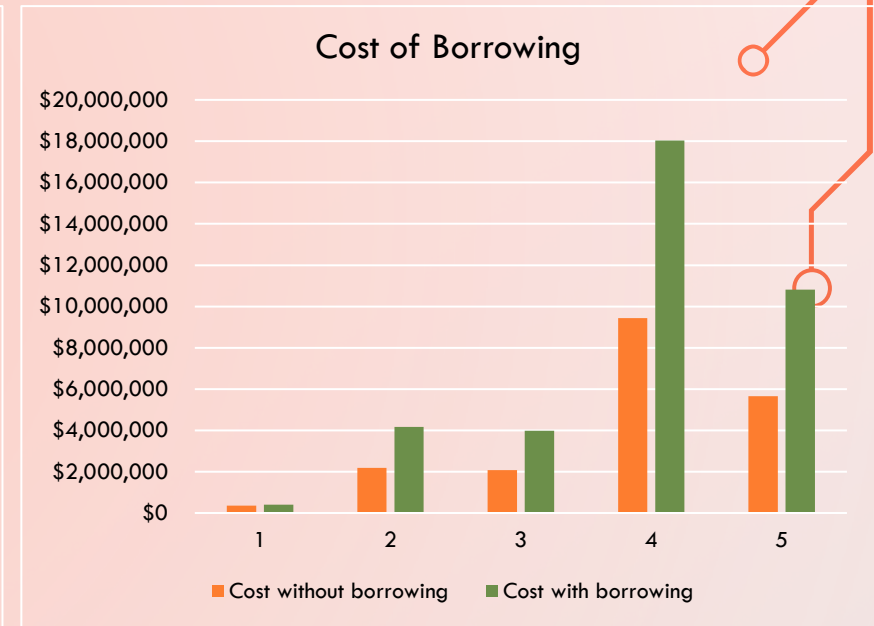
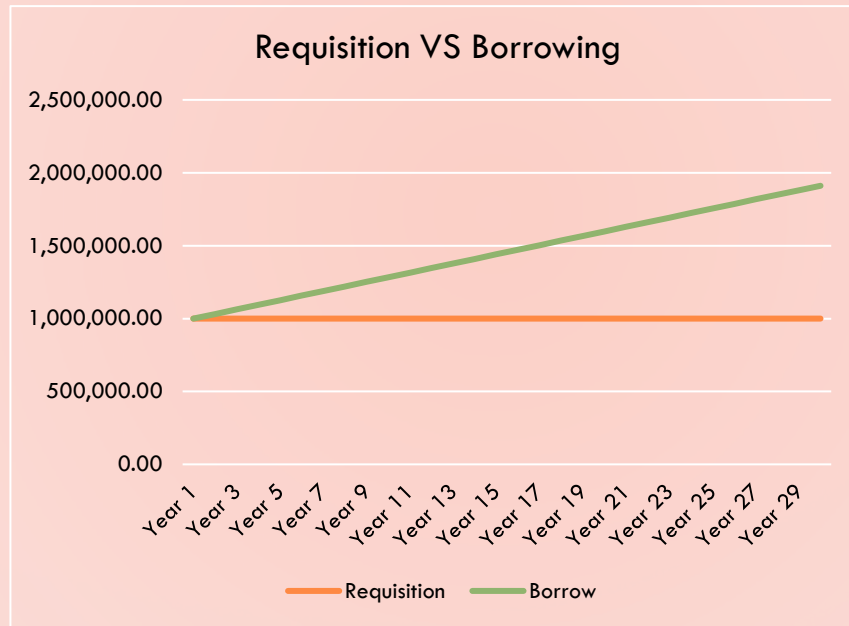
# COST OF BORROWING

As per the Municipal Finance Authority of BC, the current 30-year lending rate is set at 4.50%.

At this time, for every million dollars borrowed, taxpayers will be responsible for repaying \$1,912,268 over the loan's 30-year life.

Interest payments over the 30-yr borrowing period would result in an approximate **90% increase in project costs.**

By continuing to increase our annual capital contribution further reductions in the need to borrow will be realized.



## Future Borrowing

	Year Received	Capital Required	Amount Borrowed	Interest Rate	Total before requisition	Total after requisition	Amount Saved over Loan Term
5-year loan	2024	\$350,000	0	3.90%	\$395,245	\$350,000	\$45,245
30-year loan	2025	\$2,180,000	\$530,000	4.50%	\$4,168,740	\$2,663,502	\$1,505,238
30-year loan	2026	\$2,082,143	\$1,082,143	4.50%	\$3,981,600	\$3,069,332	\$912,268
30-year loan	2027	\$9,432,143	\$8,432,143	4.50%	\$18,036,780	\$17,124,512	\$912,268
30-year loan	2028	\$5,652,143	\$4,652,143	4.50%	\$10,808,410	\$9,896,142	\$912,268
<b>Totals</b>		<b>\$19,696,429</b>	<b>\$14,696,429</b>		<b>\$37,390,775</b>	<b>\$33,103,488</b>	<b>\$4,287,287</b>

# 2024-2028 PROPOSED PROPERTY TAX RATE BASED ON REQUISITION AMOUNT

## Schedule A

Year	Capital Requisition	Residential Rate Increase	Business Rate Increase
2024	\$1,000,000	14.98%	11.22%
2025	\$500,000	6.13%	3.73%
2026	\$500,000	5.59%	3.40%
2027	\$500,000	5.15%	3.13%
2028	\$500,000	4.77%	2.90%
	<b>\$3,000,000 annually</b>		

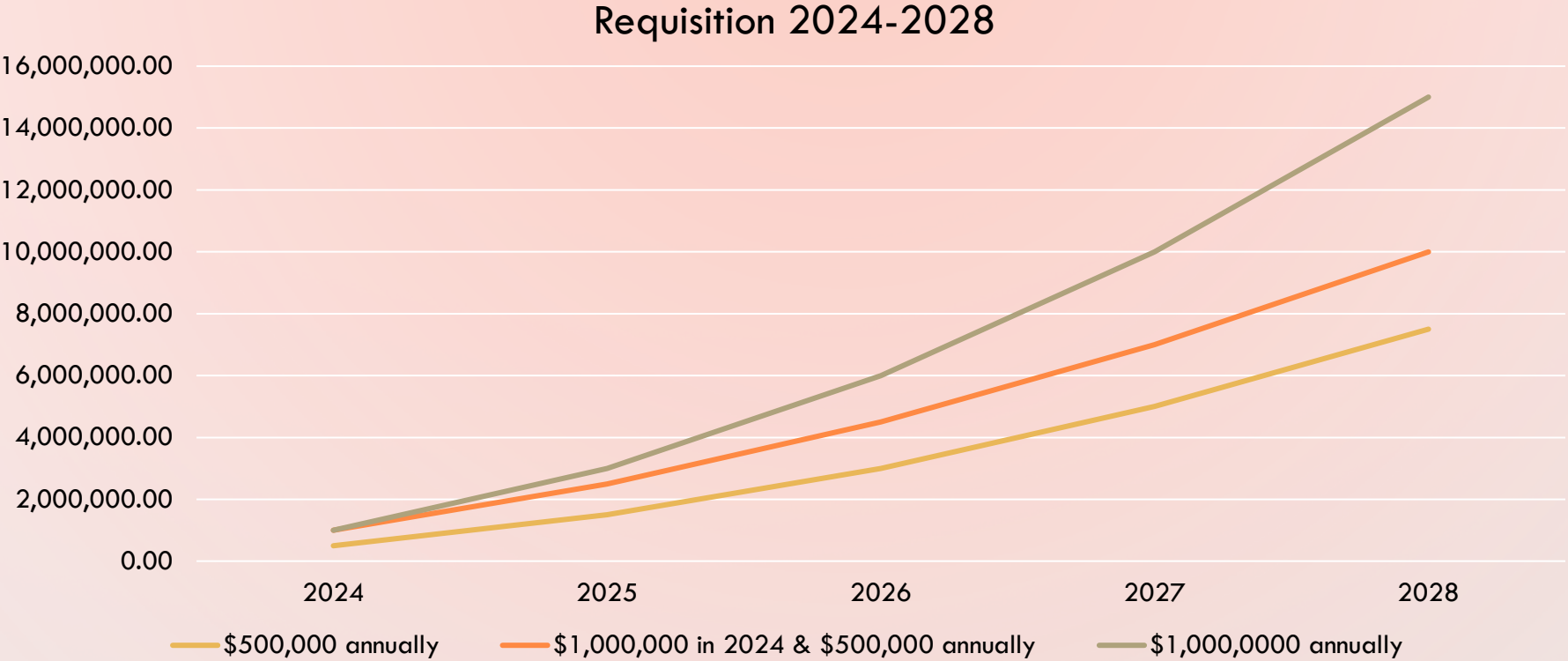
## Schedule B

Year	Capital Requisition	Residential Rate Increase	Business Rate Increase
2024	\$1,000,000	14.98%	11.22%
2025	\$1,000,000	10.29%	6.26%
2026	\$1,000,000	8.83%	5.37%
2027	\$1,000,000	7.73%	4.70%
2028	\$1,000,000	6.88%	4.18%
	<b>\$5,000,000 annually</b>		

Rate increases for 2025-2028 are based on the current property values and using a 2.5% increase in the annual operating budget.



# 2024-2028 REQUISITION AMOUNTS



# 2024 CAPITAL REQUISITION AFFECT ON TAXES

\$750,000

Property Class	Tax Rate	% Change
Residential	2.87213	12.78%
Utilities	27.06983	0.28%
Light Industrial	15.20861	0.04%
Business/ Other	10.82793	9.99%
Recreational/ Non-Profit	11.18723	0.39%

\$1,000,000

Property Class	Tax Rate	% Change
Residential	3.00942	14.98%
Utilities	28.36382	0.29%
Light Industrial	15.93560	0.05%
Business/ Other	11.34553	11.22%
Recreational/ Non-Profit	11.72200	0.44%

# 2024 POTENTIAL RESIDENTIAL PROPERTY TAX IMPACTS BASED ON REQUISITION AMOUNT

\$750,000

Single Family Home

\$1,000,000

Assessed Value 2023	Assessed Value 2024	% Change	Municipal Tax 2023	Municipal Tax 2024	\$ Change
\$973,000	\$842,000	-13.46%	\$2,190	\$2,418	\$229
\$885,000	\$819,000	-7.46%	\$1,991	\$2,352	\$361
\$878,000	\$878,000	0.00%	\$1,976	\$2,522	\$546
\$825,000	\$879,000	6.55%	\$1,856	\$2,525	\$668
\$892,000	\$1,032,000	15.70%	\$2,007	\$2,964	\$957
\$836,000	\$1,164,000	39.23%	\$1,881	\$3,343	\$1,462

Assessed Value 2023	Assessed Value 2024	% Change	Municipal Tax 2023	Municipal Tax 2024	\$ Change	Affected Households
\$973,000	\$842,000	-13.46%	\$2,190	\$2,534	\$344	70%
\$885,000	\$819,000	-7.46%	\$1,991	\$2,465	\$473	
\$878,000	\$878,000	0.00%	\$1,976	\$2,642	\$667	26%
\$825,000	\$879,000	6.55%	\$1,856	\$2,645	\$789	
\$892,000	\$1,032,000	15.70%	\$2,007	\$3,106	\$1,098	1%
\$836,000	\$1,164,000	39.23%	\$1,881	\$3,503	\$1,622	3%

\$750,000

Other Types of Homes

\$1,000,000

	Assessed Value 2023	Assessed Value 2024	% Change	Municipal Tax 2023	Municipal Tax 2024	\$ Change
Manufactured Home	\$65,700	\$117,000	78.08%	\$148	\$336	\$188
Manufactured Home	\$260,000	\$251,000	-3.46%	\$585	\$721	\$136
Duplex Home	\$398,000	\$468,000	17.59%	\$896	\$1,344	\$449
Land	\$443,000	\$874,000	97.29%	\$997	\$2,510	\$1,513

	Assessed Value 2023	Assessed Value 2024	% Change	Municipal Tax 2023	Municipal Tax 2024	\$ Change
Manufactured Home	\$65,700	\$117,000	78.08%	\$148	\$355	\$204
Manufactured Home	\$260,000	\$251,000	-3.46%	\$585	\$762	\$170
Duplex Home	\$398,000	\$468,000	17.59%	\$896	\$1,420	\$513
Land	\$443,000	\$874,000	97.29%	\$997	\$2,652	\$1,633

# 2024 POTENTIAL BUSINESS PROPERTY TAX IMPACTS

\$750,000

## Business Property

\$1,000,000

Assessed Value 2023	Assessed Value 2024	% Change	Municipal Tax 2023	Municipal Tax 2024	\$ Change
\$866,000	\$805,000	-7.04%	\$7,633	\$8,716	\$1,083
\$897,000	\$897,000	0.00%	\$7,907	\$9,713	\$1,806
\$876,000	\$960,000	9.59%	\$7,722	\$10,395	\$2,673
\$819,900	\$960,900	17.20%	\$7,227	\$10,405	\$3,178
\$829,400	\$1,228,000	48.06%	\$7,311	\$13,297	\$5,986
\$986,000	\$2,326,000	135.90%	\$8,691	\$25,186	\$16,495

Assessed Value 2023	Assessed Value 2024	% Change	Municipal Tax 2023	Municipal Tax 2024	\$ Change
\$866,000	\$805,000	-7.04%	\$7,633	\$9,133	\$1,500
\$897,000	\$897,000	0.00%	\$7,907	\$10,177	\$2,270
\$876,000	\$960,000	9.59%	\$7,722	\$10,892	\$3,170
\$819,900	\$960,900	17.20%	\$7,227	\$10,902	\$3,675
\$829,400	\$1,228,000	48.06%	\$7,311	\$13,932	\$6,622
\$986,000	\$2,326,000	135.90%	\$8,691	\$26,390	\$17,699

\$750,000

## Split Class & Business Property

\$1,000,000

	Assessed Value 2023	Assessed Value 2024	% Change	Municipal Tax 2023	Municipal Tax 2024	\$ Change
Restaurant	\$416,000	\$427,900	2.86%	\$3,667	\$4,633	\$966
General Business	\$540,000	\$756,000	40.00%	\$4,760	\$8,186	\$3,426
Bed and Breakfast	\$1,138,000	\$999,000	-12.21%	\$10,031	\$10,817	\$786
Single Family with Short Term Rental	\$224,000	\$215,100	-3.97%	\$504	\$618	\$114
	\$629,000	\$765,000	21.62%	\$5,544	\$8,283	\$2,739
Single Family with Short Term Rental	\$778,100	\$762,000	-2.07%	\$1,751	\$2,189	\$438
	\$2,126,000	\$2,026,000	-4.70%	\$18,740	\$21,937	\$3,198
Single Family with Short Term Rental	\$169,500	\$143,600	-15.28%	\$381	\$412	\$31
	\$164,300	\$176,200	7.24%	\$1,448	\$1,908	\$460

	Assessed Value 2023	Assessed Value 2024	% Change	Municipal Tax 2023	Municipal Tax 2024	\$ Change
Restaurant	\$416,000	\$427,900	2.86%	\$3,667	\$4,855	\$1,188
General Business	\$540,000	\$756,000	40.00%	\$4,760	\$8,577	\$3,817
Bed and Breakfast	\$1,138,000	\$999,000	-12.21%	\$10,031	\$11,334	\$1,303
Single Family with Short Term Rental	\$224,000	\$215,100	-3.97%	\$504	\$647	\$143
	\$629,000	\$765,000	21.62%	\$5,544	\$8,679	\$3,135
Single Family with Short Term Rental	\$778,100	\$762,000	-2.07%	\$1,751	\$2,293	\$542
	\$2,126,000	\$2,026,000	-4.70%	\$18,740	\$22,986	\$4,246
Single Family with Short Term Rental	\$169,500	\$143,600	-15.28%	\$381	\$432	\$51
	\$164,300	\$176,200	7.24%	\$1,448	\$1,999	\$551

# BUDGET FEEDBACK

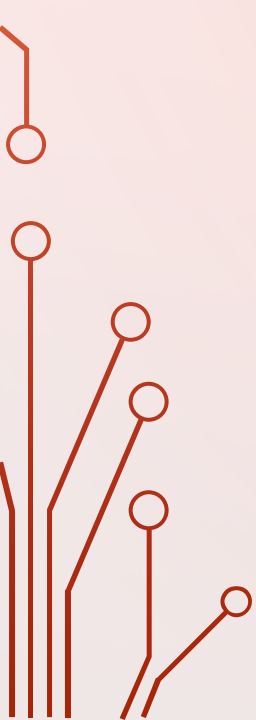
Throughout the budget process, we received feedback from the community and four items were brought forward via written correspondence.

- Facility upgrades including skatepark funding and tennis/pickleball courts.
- Increased spending on the maintenance and repair of Parks and Recreation infrastructure such as bridges, paths and buildings.
- Increased spending on our aging infrastructure including roads, sidewalks and crosswalks.
- Focusing on community water supply and storage.

At the Budget Open House, a common theme present in staff's conversations with community members was that although residents would rather their taxes not go up, there is a concern regarding the District's aging infrastructure and an understanding that requisitions will be needed to fund the upgrades.



# PROPOSED MOTIONS

1. THAT Council authorize staff to execute the 2024 budget expenditures as presented at the April 16, 2024 council meeting including a \$1,000,000 capital requisition.
  2. THAT Council direct staff to prepare the 2024-2028 Five-Year Financial Plan bylaw including a \$1,000,000 requisition in 2024 and \$500,000 annually for years 2025 through 2028 dedicated for the Districts capital program.
  3. THAT Council direct staff to prepare the 2024 Tax Rates bylaw based on the budget outlined at the April 16, 2024 council meeting including a \$1,000,000 requisition dedicated for the Districts capital program.
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