TOWN OF COMOX

2025-2029

Pre-Budget Presentation

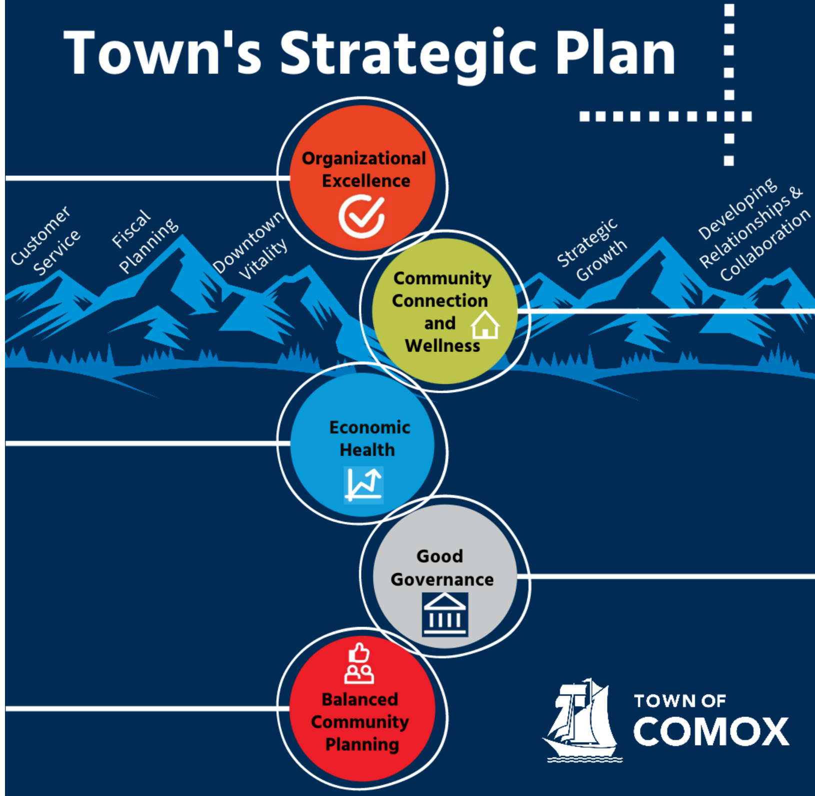
Strategic Plan

Vision Statement

The Town of Comox is committed to maintaining and enhancing the quality of life for all residents, businesses and visitors through investment in active transportation, infrastructure, parks, recreation, arts and culture. We aim to provide a vibrant, safe, sustainable environment and community with disciplined urban planning and communications.

Five Strategic Priorities:

- Organizational Excellence
- Community Connection and Wellness
- Economic Health
- Good Governance
- Balanced Community Planning



Strategic Priorities

Organizational Excellence	Community Connection and Wellness	Economic Health	Good Governance	Balanced Community Planning
We will modernize and create stability to ensure high quality service delivery over time.	We believe in fostering community connection and enhancing individual and collective wellness.	We support a strong and vibrant business community to provide stability to our local economy.	We believe that good organizational governance provides stable decision-making and management of our community.	We will ensure responsible and thoughtful growth to enhance a well-balanced community.

Budget Focus and Principles

Prepare for Growth

- **Official Community Plan Update**
  - Establishes community objectives and broad policy statements to guide Council’s decisions about land use, zoning and development
  - 20-year vision for the Town that includes the approximate location, type and density of residential, commercial, industrial and institutional development
  - Policies related to social needs, environmental protection and affordable housing

- **Parks and Trails Master Plan**

- **Development Cost Charges and Amenity Cost Charges**
  - Accumulate funds so that growth pays for growth
  - Limit dependency on property taxes as revenue source

Support our Assets

People

- Health and Safety
- Education & Training
- Supports and Resources to complete work

Capital

- Develop Facility Maintenance Standards
- Business Continuity & Disaster Recovery
- Improve Asset Management Tracking
- Infrastructure Renewal Funding

Asset Management Plan

Key Data

Replacement cost of infrastructure

$270 million

Replacement cost per household

$40,467

Annual capital infrastructure deficit

$2.5 million

Timeframe for eliminating infrastructure deficit

10 years

Estimated annual increase in Infrastructure Renewal Fund per average residential home

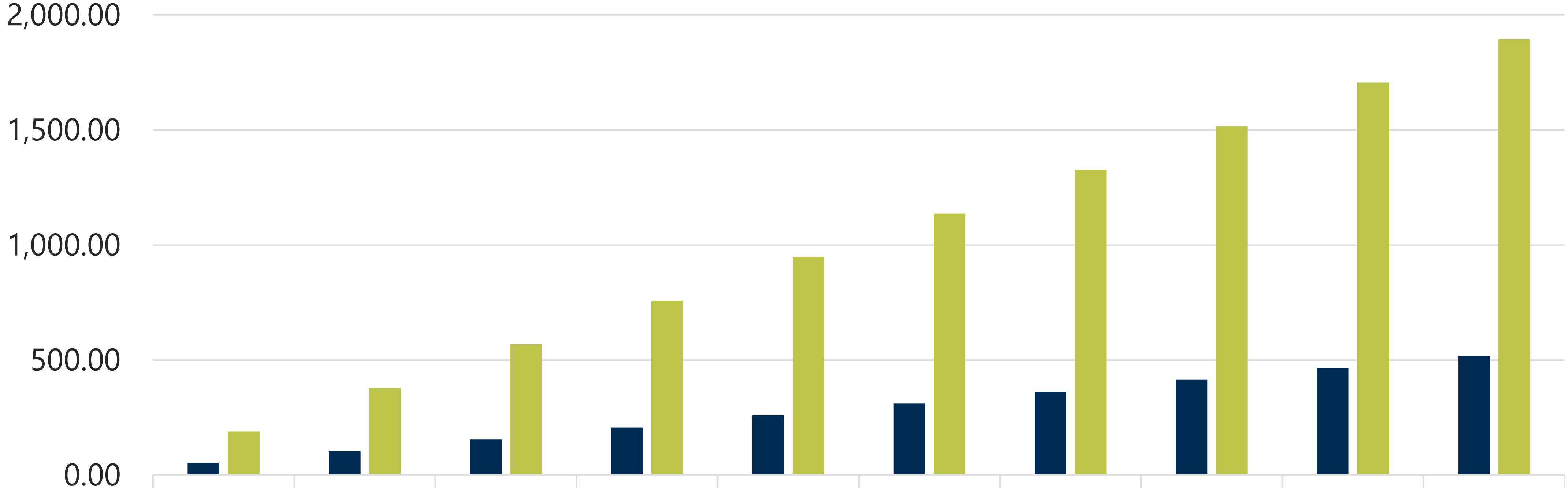
$51.79

Financial Action Plan for Infrastructure Assets

- **Asset Management Plan (AMP)**
  - Developed in 2018 and updated in 2023 and an Infrastructure Renewal Fund approved in 2024
  - AMP covers core and non-core assets
  - Approved 10-year plan to close the municipal infrastructure gap
  - Annual increase of approximately $51.79 per average residential home over 10 years when it reaches $517.90 per year
  - 2025 will be 2nd year of 10-year plan

- **AMP future updates**
  - Ongoing updates to review and refine estimates
  - Include new and improved infrastructure

Infrastructure Renewal Fund Charge for Average Residential and Business Properties



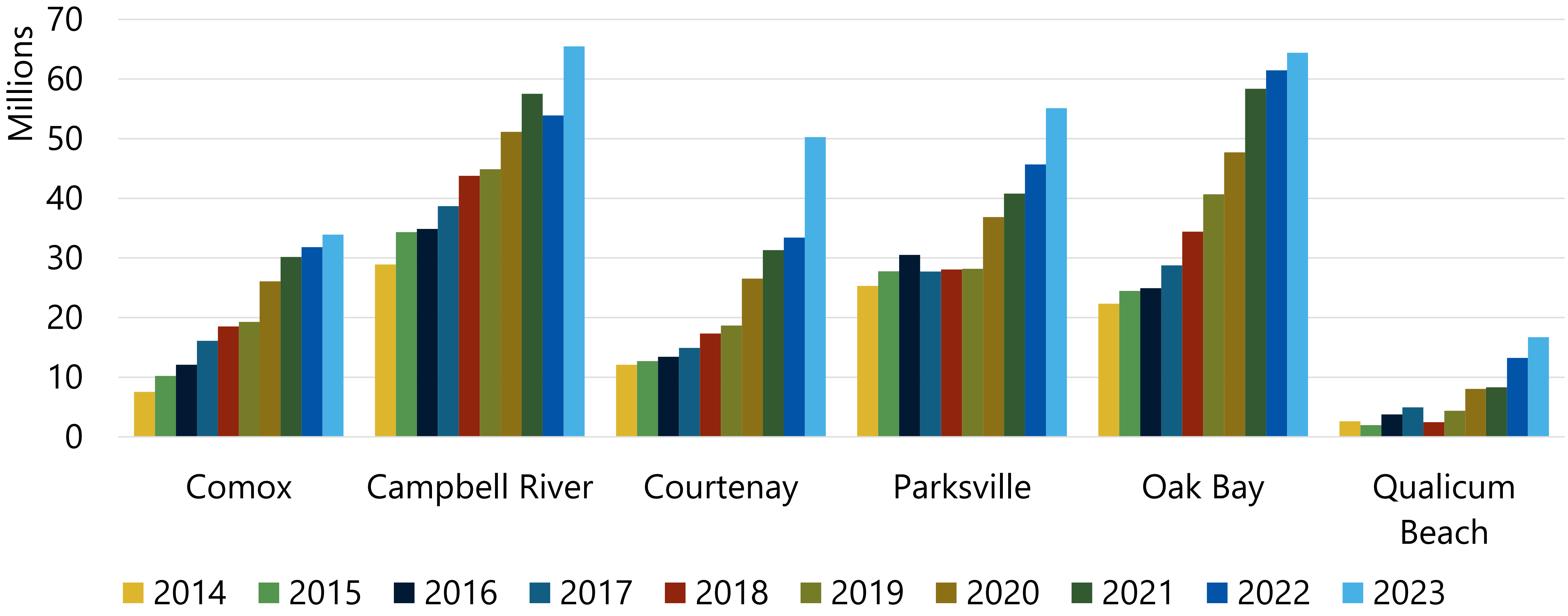
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Residential	51.79	103.58	155.37	207.16	258.95	310.74	362.53	414.32	466.11	517.90
Business	189.47	378.94	568.41	757.88	947.35	1,136.82	1,326.29	1,515.76	1,705.23	1,894.70

Continue to Build Financial Foundation

- **Build Reserves**
  - Define target reserve levels and identify approach for funding
  - Review reserves to simplify management and support efficient usage
  - Gradually set funds aside for expected purchases when possible

- **Net Financial Position**
  - Continue efforts to improve net asset position
  - Reflects an ability to pay for liabilities
  - Stronger position reduces need for debt by saving in advance
  - Shown on financial statement as Net Financial Assets or Net Financial Debt if amount is negative

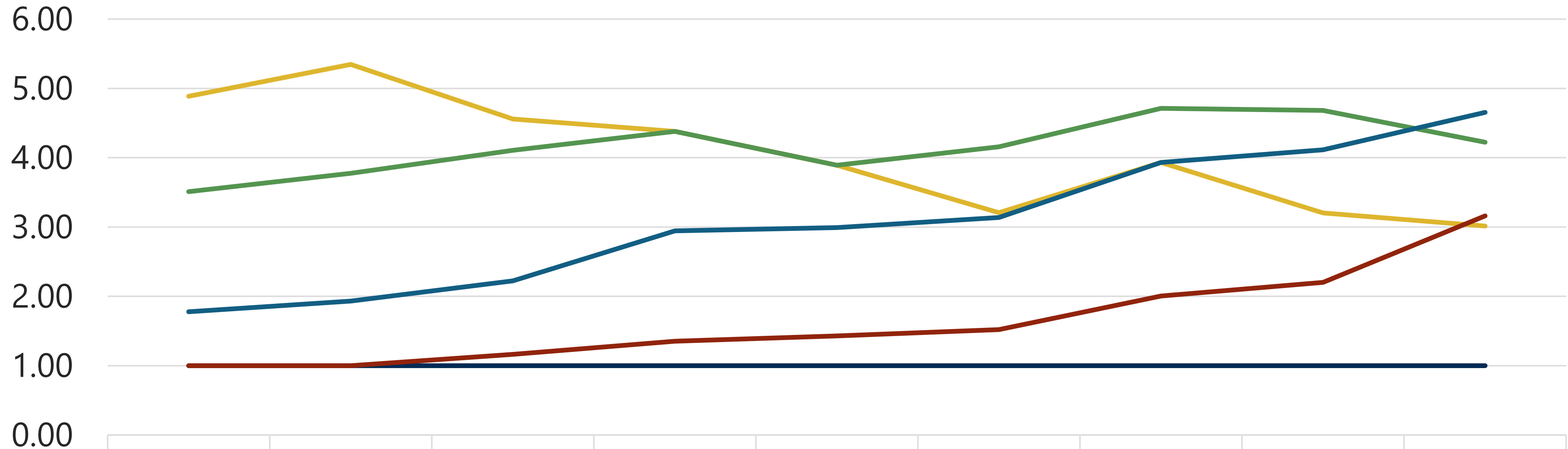
Net Financial Position Comparison



TOWN OF COMOX

2025-2029 Budget Considerations

Comox Tax Rate Multipliers



	2016	2017	2018	2019	2020	2021	2022	2023	2024
1. Residential	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000
5. Light Industry	4.88670	5.34626	4.56043	4.37991	3.89269	3.20899	3.93233	3.20254	3.01457
6. Business	3.51080	3.77393	4.10877	4.37984	3.89317	4.15860	4.71236	4.68207	4.22197
8. Recreational	1.77820	1.93275	2.22199	2.94499	2.99170	3.13950	3.93279	4.11426	4.65459
9. Farm	1.00000	1.00000	1.16190	1.35477	1.42891	1.51884	2.00638	2.20170	3.16107

Variable Property Tax Class Multipliers

- BC Assessment Authority assigns property assessed values into 9 broad property tax classes
- Municipalities determine what multiple of property taxes each class pays more than residential property tax class
- Some municipalities maintain the same multipliers for multiple years until a strategic tax policy change is made
- Some municipalities, including Comox, utilize a floating property tax class multiplier that changes annually
    - In Comox, multipliers have increased one year and then reduced in a following year and then increased again
- Council could consider a long-term tax rate multiplier strategy to shift in one direction towards a targeted multiplier over a period of years to meet their strategic goals

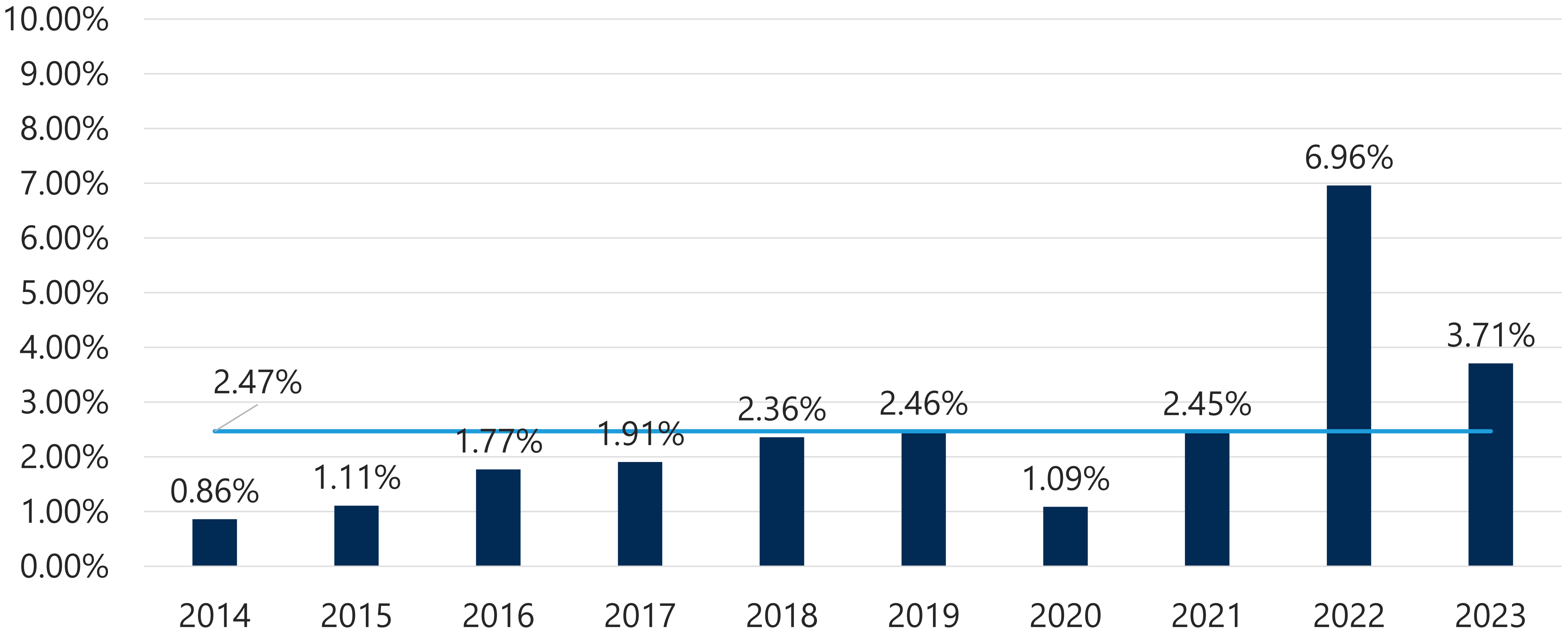
Impacts of Inflation

- **CPI** (Consumer Price Index) measures:
  - food, gasoline, shelter, clothing, transportation, health and personal care, etc.
  - 10-year average = 2.47%

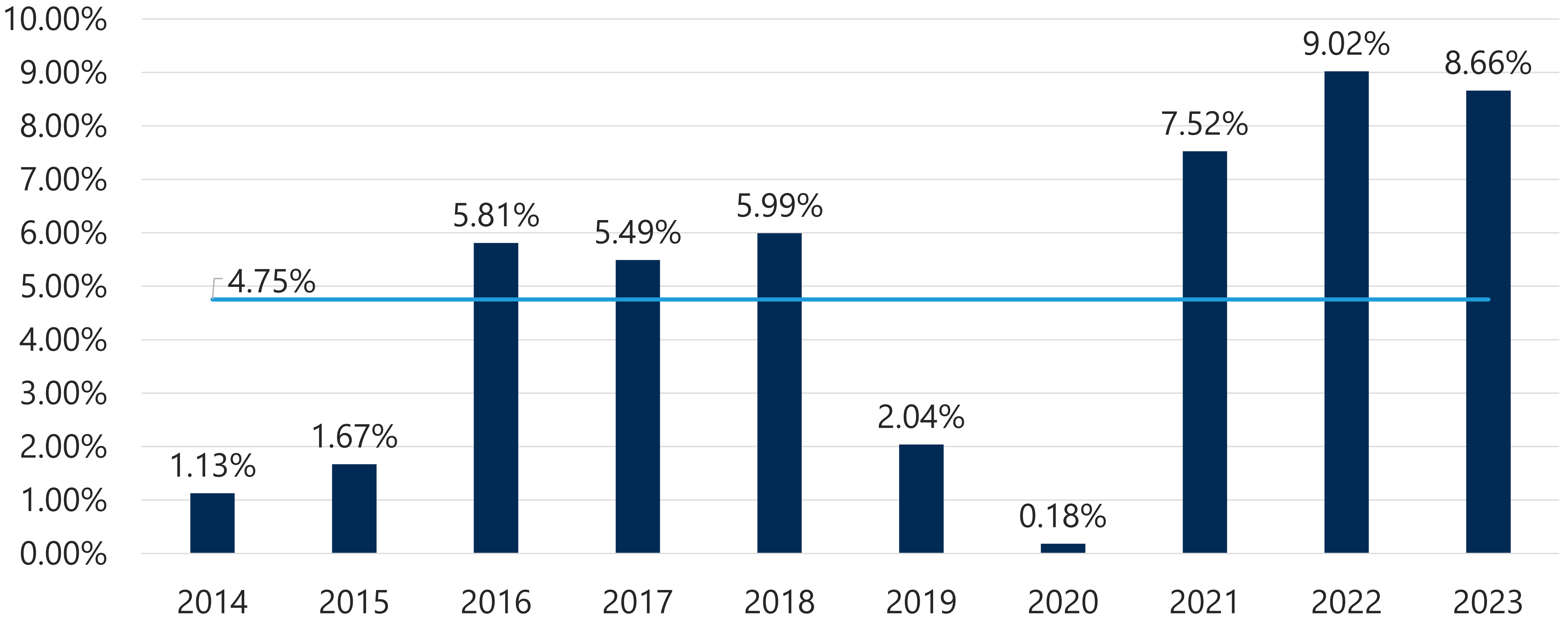
- **NRBCPI** (Non-Residential Building Construction Price Index) measures:
  - building construction labour, construction materials – lumber, concrete, steel, sub-contractors
  - 10-year average = 4.75%

- Tax increases at or below Consumer Price Index inflation are actually tax cuts

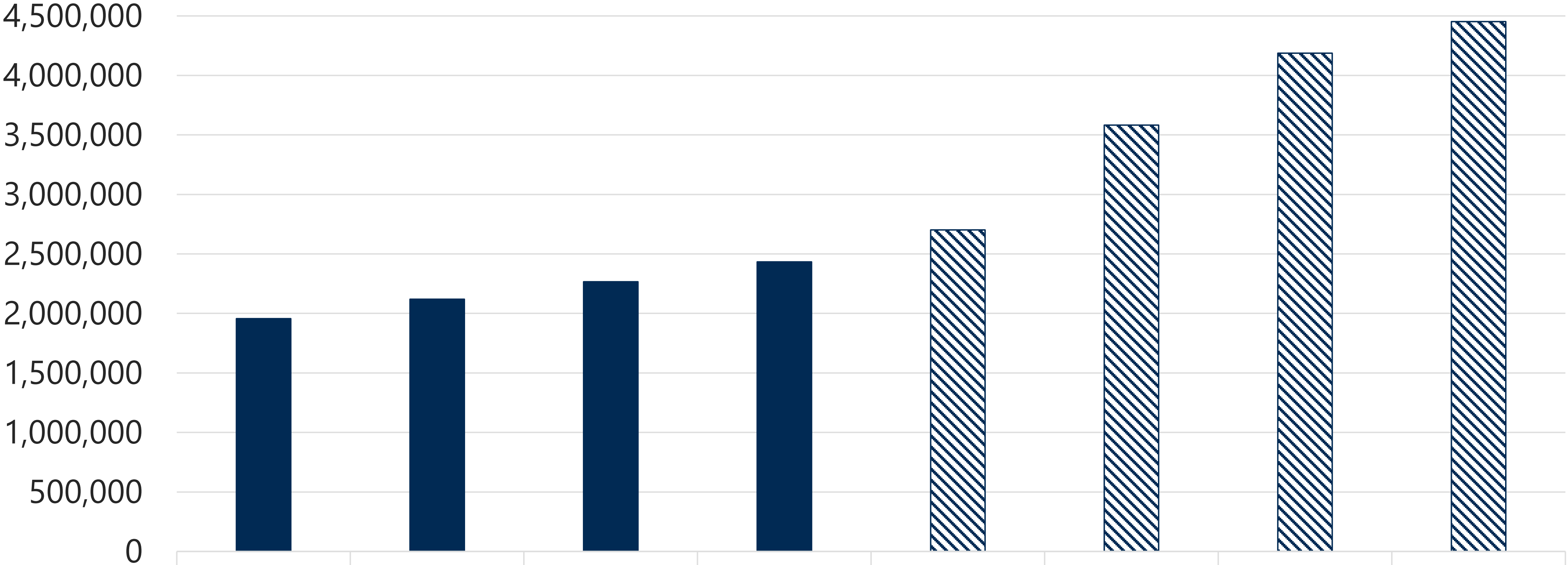
Consumer Price Index (CPI) – Vancouver Island



Non-Residential Building Construction Price Index (NRBCPI)



Increasing Policing Budget



	2022	2023	2024	2025	2026	2027	2028	2029
Budget	1,956,096	2,119,083	2,267,043	2,434,196	2,701,852	3,582,558	4,187,012	4,452,278

Changing RCMP Contract

- Increase in uniformed staff
  - Additional 1 FTE per year for 3 years
- Downloading of support staff
  - Conversion to Comox staff
- Shift from 70% to 90% of costs
  - Population 5,000 to 14,999 = 70% of cost
  - Population 15,000+ = 90% of cost (expected after 2026 census)
  - Reserve with some funds to partially mitigate for a year

Discretionary decision for Council

Mandated Increase

Year	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Uniformed FTE	11.3	11.3	11.3	11.3	11.3	11.3	12.3	13.3	14.3	14.3
% of cost	70%	70%	70%	70%	70%	70%	70%	90%	90%	90%
Comox Tax Levy Increase (est.)						1.8%	2.2%	6.9%	4.5%	1.9%

Budget Process

1. Strategic Direction and Budget Pressures
2. Staff Prepare Budget
3. Present Budget to Council
4. Council Deliberations & Directions
5. Budget Revisions
6. Council Approval
7. Tax Rate Setting
8. Tax Rate By-law

2025-2029 Budget Schedule

- **October 9 (SPM)**
  - Pre-budget Presentation
- November 13 (SPM) or November 20 (RCM)
  - Budget Presentation
- December 4 (RCM)
  - Review and recommendation for approval of Budget
- December 11 (SPM)
  - Extra budget deliberation, if required
- January ? (RCM/SPM)
  - Review and recommendation for approval of Budget
- April / May (RCM)
  - Adoption of Financial Plan Bylaw and Tax Rate Bylaw

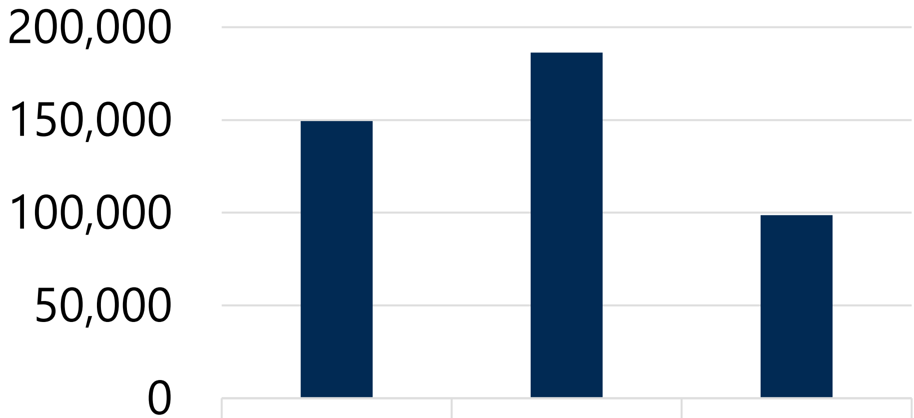
Budget Focus and Principles

- Prepare 5-year budget
  - Future years forecast to permit more predictable budgeting
- Maintain current service levels
  - Add new services or increase existing services approved by Council
- Addition of new staff positions, where required
- Use reserves, where available
- Examine areas to find efficiencies
- Effort to flatten the long-term levy increases
- 1% levy increase is $116,509 (2024)

New Assessment Growth

- 2024 new assessment growth was $98,708 or 0.89% over 2023
- New assessment growth standards
  - 2023: 50% of new assessment growth can be used for new staffing
  - 2024: Change to using prior year's assessment growth for budget
    - Allows new growth certainty with earlier budget approval
    - 2024 budget used 2024 new growth
    - 2025 budget to use 2024 new growth

$ new assessment growth revenue



	2022	2023	2024
$ new growth revenue	149,483	186,361	98,708

Water and Sewer Parcel Taxes

- Legislated requirement to provide safe drinking water
- Water quality standards require good state of repair of systems
- Water and Sewer (Wastewater) systems generally required to be self-funded
  - User fees with assistance from other targeted fees such as Water and Sewer DCCs
- 2024-2028 Budget identified a shortfall in reserves to fund water capital projects by mid-2027
- Revenue streams under review for adjustments to water and sewer rates and parcel taxes

Solid Waste and Marina Rates

- Staff conducting post-implementation review of solid waste initial fee structure to determine if adjustments required

- Marina fee increases to continue based on 2023 fee restructuring
  - Objective: more closely match local fees
  - provide funding for future repairs and improvements
  - reduces burden on taxpayers
  - 3% annual increases – berthage fees
  - 10% annual increases – temporary berthage, electricity, launching passes, launching tickets and grid rental fees

Proposed Construction Projects

- Fire Hall expansion: $5.2M (2026)
- Replace Town Hall: $15.2M (2027)
- Community Centre Fitness Studio expansion: $4.25M (2028)
- Budgeted costs noted are preliminary and will be updated as consultation, needs assessments, and drawings are developed.
- Project funding will be developed during pre-construction phase.
- Funding will be mixture of DCCs and/or ACCs (where applicable), reserves, grants and borrowing.

Budget Pressures for 2025

Item	2025 Budget Implication	2025 Impact $	2025 Impact %
1	Salaries and Benefits for existing staff (est.)	331,300	2.84%
2	Policing Costs	206,105	1.77%
3	Employee Benefits plan increase 45% (est.)	280,800	2.41%
	Totals	**818,205**	**7.02%**

TOWN OF COMOX

Thank you

Questions?