

THE CORPORATION OF THE CITY OF VERNON

BYLAW NUMBER 6030

A bylaw to adopt the "Financial Plan"
for the Years 2025 – 2029

WHEREAS Section 165 of the *Community Charter* requires the Council to prepare and adopt a Financial Plan for a five-year period for the years 2025 to 2029.

NOW THEREFORE as the Council of The Corporation of the City of Vernon desires to adopt the 2025 - 2029 Financial Plan, Council, in open meeting assembled, enacts as follows:

1. This bylaw may be cited for all purposes as the "**City of Vernon 2025 - 2029 Financial Plan Bylaw 6030, 2025**".
2. That Schedule "A" attached hereto and forming part of this bylaw is hereby adopted and shall be the 2025 - 2029 Financial Plan for The Corporation of the City of Vernon.
3. That Schedule "B" attached hereto and forming part of this bylaw is hereby adopted and shall be the 2025 - 2029 Financial Plan Revenue Policy.

Public Consultation was held the 2nd day of December 2024 pursuant to Section 166 of the *Community Charter*.

READ A FIRST TIME this 13th day of January, 2025.

READ A SECOND TIME this 13th day of January, 2025.

READ A THIRD TIME this 13th day of January, 2025.

ADOPTED this 27th day of January, 2025.

_____'Victor Cumming'_____ ____'Sue Wood'_____

Mayor

Corporate Officer

**THE CORPORATION OF THE CITY OF VERNON
2025 - 2029 FINANCIAL PLAN (CONSOLIDATED)**

BYLAW 6030 - SCHEDULE A

	Budget 2025	Provisional Budget 2026	Provisional Budget 2027	Provisional Budget 2028	Provisional Budget 2029
For Year Ended December 31					
Revenue					
Taxation	\$ 64,679,228	\$ 67,329,915	\$ 70,948,100	\$ 74,765,736	\$ 77,310,026
Sanitary Sewer User Fees	12,420,636	12,784,331	12,831,073	12,881,358	12,933,143
Sale of Goods and Services	22,952,199	23,425,037	24,028,006	24,655,470	25,300,813
Fiscal Services	4,766,070	4,677,810	4,589,692	4,502,017	4,314,487
Government Transfers	10,127,504	10,288,464	10,594,351	10,783,020	11,127,411
Developer Contributions	245,714	245,714	245,714	192,235	148,215
Total Revenue	\$ 115,191,351	\$ 118,751,271	\$ 123,236,936	\$ 127,779,836	\$ 131,134,095
Expenses					
Communications, Insurance & Utilities	\$ 5,468,789	\$ 5,611,910	\$ 5,768,065	\$ 5,930,230	\$ 6,052,555
Cost of Goods Sold	654,500	667,590	680,942	694,561	708,452
Amortization	12,931,207	12,931,207	12,931,207	12,931,207	12,931,207
Supplies, Materials & Contracts	44,809,964	43,024,565	44,334,093	45,562,693	46,800,216
Salaries, Wages, & Benefits	49,515,516	50,378,688	51,070,997	52,324,627	53,591,486
Interest and Fiscal Services	2,218,821	4,034,020	5,690,947	5,618,386	5,531,703
Total Expenses	\$ 115,598,797	\$ 116,647,980	\$ 120,476,251	\$ 123,061,704	\$ 125,615,619
Net Revenues for the Year	\$ (407,446)	\$ 2,103,291	\$ 2,760,685	\$ 4,718,132	\$ 5,518,476
Principal Payments on Long Term Debt	(1,153,851)	(2,001,354)	(2,877,854)	(2,773,092)	(2,713,988)
Change in Fund Balance	(1,561,297)	101,937	(117,169)	1,945,040	2,804,488
Estimated Closing Fund Balance	\$ 723,286,907	\$ 723,388,844	\$ 723,271,675	\$ 725,216,715	\$ 728,021,203

Reconciliation to Cash Basis:					
Change in Fund Balance (see above)	\$ (1,561,297)	\$ 101,937	\$ (117,169)	\$ 1,945,040	\$ 2,804,488
Plus: Debt Proceeds	45,000,000	46,000,000	-	-	-
Plus: Amortization	12,931,207	12,931,207	12,931,207	12,931,207	12,931,207
Plus: Transfers from Reserves	34,759,859	30,222,451	31,473,735	26,386,660	27,825,700
Less: Transfers to reserves	(17,506,769)	(18,633,595)	(18,912,629)	(20,040,107)	(21,198,395)
Less: Approved infrastructure program	(28,623,000)	(24,622,000)	(25,375,144)	(21,222,800)	(22,363,000)
Less: Active Living Centre	(45,000,000)	(46,000,000)	-	-	-
Reconciled Surplus (Deficit)	\$ -	\$ -	\$ -	\$ -	\$ -

2025-2029 Financial Plan Revenue Policy

Bylaw 6030 - Schedule B

Property Value taxes

Taxation Revenue of the Corporation of the City of Vernon (the City) will be determined by Council each year according to the operating needs of the community and the infrastructure levy, as part of the annual budget process.

Taxation will be allocated to the various property classes as follows;

- The utility class will be taxed at the maximum combined rate per thousand dollars of value permitted by legislation.
- All remaining classes of property will receive an equal allocation of the percent change in the annual tax levy.
- The City will strive to maintain a business to residential multiplier range not exceeding 3.2 to 1 under optimal conditions by adjusting the allocation of the percent change in the annual tax levy if needed.

The City recognizes the benefits provided to the community through the efforts and activities of volunteer organizations and community groups. Permissive tax exemptions will be extended to such groups and must be renewed annually. New applications will be reviewed each year to ensure the applicants meet the guidelines of the City's Tax Exemption policy.

Taxation

- The proportion of revenues to be raised from taxation in 2025 is 56% of total revenue

Municipal Fees

- Service fee recovery should reflect the full costs of program delivery.
- The proportion of revenues to be raised from fees and charges in 2025 is 31.0% of total revenue.

Other Revenue

- Investment income will be based on prudent investments of taxpayer funds.
- Other revenue flows should be developed and enhanced to maximize the value derived for the benefit of the City's residents.
- The proportion of revenues to be raised from other revenue in 2025 is 13% of total revenue.

Parcel Taxes

- Specified areas will bear the net cost to finance the local improvements.
- The proportion of revenues to be raised from parcel taxes in 2025 is less than 1.0% of total revenue.

Infrastructure

- Commencing for 2013, Council committed to rebuilding the capacity of the City to fund its capital infrastructure obligations. 2023 was the final year of the 1.9% annual taxation increase to be levied cumulatively for capital infrastructure funding. Beginning in 2024, the infrastructure levy receives a nominal increase in keeping with the overall tax increase approved by Council.