

THE CORPORATION OF THE CITY OF VERNON

BYLAW NUMBER 6065

A bylaw respecting the 2026-2030 Financial Plan

WHEREAS in accordance with Section 165 of the *Community Charter* the Council is required, by bylaw, to adopt a financial plan for a period of at least five years;

NOW THEREFORE the Council of The Corporation of the City of Vernon in open meeting assembled, enacts as follows:

1. That Schedule "A" attached hereto and forming part of this bylaw is hereby declared to be the 2026 - 2030 Financial Plan of The Corporation of the City of Vernon.
2. That Schedule "B" attached hereto and forming part of this bylaw is hereby declared to be the 2026 - 2030 Financial Plan Revenue Policy.
3. This bylaw may be cited for all purposes as the "**City of Vernon 2026 - 2030 Financial Plan Bylaw 6065, 2026**".

READ A FIRST TIME this 26th day of January, 2026.

READ A SECOND TIME this 26th day of January, 2026.

READ A THIRD TIME this 26th day of January, 2026.

ADOPTED this 9th day of February, 2026.

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

Mayor

Corporate Officer

**THE CORPORATION OF THE CITY OF VERNON
2026 - 2030 FINANCIAL PLAN (CONSOLIDATED)**

BYLAW 6065 - SCHEDULE A

	Budget 2026	Provisional Budget 2027	Provisional Budget 2028	Provisional Budget 2029	Provisional Budget 2030
For Year Ended December 31					
Revenue					
Taxation	\$ 71,383,774	\$ 76,795,956	\$ 81,997,341	\$ 85,370,626	\$ 87,859,517
Sanitary Sewer User Fees	\$ 12,746,904	\$ 12,782,519	\$ 12,821,142	\$ 12,860,713	\$ 12,872,178
Sale of Goods and Services	\$ 24,092,590	\$ 24,641,469	\$ 24,849,917	\$ 25,444,048	\$ 25,885,531
Fiscal Services	\$ 3,165,270	\$ 3,127,100	\$ 3,089,341	\$ 2,951,692	\$ 2,814,354
Government Transfers	\$ 10,731,387	\$ 10,915,189	\$ 11,096,516	\$ 11,357,948	\$ 11,546,536
Developer Contributions	\$ 245,714	\$ 245,714	\$ 192,235	\$ 148,215	\$ 148,215
Total Revenue	\$ 122,365,639	\$ 128,507,947	\$ 134,046,492	\$ 138,133,242	\$ 141,126,331
Expenses					
Communications, Insurance & Utilities	\$ 5,880,065	\$ 5,710,643	\$ 5,829,892	\$ 6,016,203	\$ 6,209,500
Cost of Goods Sold	\$ 658,100	\$ 671,262	\$ 684,687	\$ 698,381	\$ 712,349
Amortization	\$ 12,931,207	\$ 12,931,207	\$ 12,931,207	\$ 12,931,207	\$ 12,931,207
Supplies, Materials & Contracts	\$ 46,075,699	\$ 46,806,478	\$ 47,613,403	\$ 48,462,185	\$ 49,665,031
Salaries, Wages, & Benefits	\$ 52,378,862	\$ 53,243,403	\$ 54,576,352	\$ 55,673,303	\$ 56,751,747
Interest and Fiscal Services	\$ 3,588,688	\$ 4,800,888	\$ 4,751,863	\$ 4,670,736	\$ 4,618,775
Total Expenses	\$ 121,512,621	\$ 124,163,881	\$ 126,387,404	\$ 128,452,015	\$ 130,888,609
Net Revenues for the Year	\$ 853,018	\$ 4,344,066	\$ 7,659,088	\$ 9,681,227	\$ 10,237,722
Principal Payments on Long Term Debt	(2,018,412)	(2,873,367)	(2,768,605)	(2,709,501)	(2,709,501)
Change in Fund Balance	(1,165,394)	1,470,699	4,890,483	6,971,726	7,528,221
Estimated Closing Fund Balance	\$ 737,569,309	\$ 739,040,008	\$ 743,930,491	\$ 750,902,217	\$ 758,430,438

Reconciliation to Cash Basis:					
Change in Fund Balance (see above)	\$ (1,165,394)	\$ 1,470,699	\$ 4,890,483	\$ 6,971,726	\$ 7,528,221
Plus: Debt Proceeds	44,500,000	-	-	-	-
Plus: Amortization	12,931,207	12,931,207	12,931,207	12,931,207	12,931,207
Plus: Transfers from Reserves	41,809,066	27,760,420	24,779,588	22,889,384	21,193,680
Less: Transfers to reserves	(17,689,479)	(18,053,300)	(19,682,954)	(18,462,267)	(18,699,108)
Less: Approved infrastructure program and non-infrastructure projects	(35,885,400)	(24,109,026)	(22,918,324)	(24,330,050)	(22,954,000)
Less: Active Living Centre Project	(44,500,000)	-	-	-	-
Reconciled Surplus (Deficit)	\$ -	\$ -	\$ -	\$ -	\$ -

2026-2030 Financial Plan Revenue Policy

Bylaw 6065 - 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 2026 is 58% 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 2026 is 30.0% 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 2026 is 12% 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 2026 is less than 1.0% of total revenue.

Infrastructure

- From 2013-2023, Council committed to rebuilding the capacity to fund capital infrastructure obligations with a 1.9% annual taxation increase levied cumulatively for 10 years. In 2024 and 2025, the Infrastructure Fund received a nominal increase in keeping with the overall tax increase approved by Council. An annual increase was not applied to the Infrastructure Fund in 2026 and will be re-considered in 2027 as part of the annual budget process.