

# City of Rossland 5 Year Financial Plan Public Process #1

2013 to 2017

# OUTLINE OF DISCUSSION

- *1<sup>st</sup> Public Process – High Level*
- *Strategic Plan – Financial Impact*
- *Tough Decisions to Make*
- *Priority Setting*
- *Asset Management*
- *Opportunities /Challenges*
- *Budget Guidelines*
- *Direction from Council – Next Steps*

# Strategic Plan 2012 to 2014

1. *Maintain Community Character – Attract New Residents to Rossland*
2. *Increase Tourism Infrastructure & Attractions*
3. *Sustainable Development*
4. *Optimize Relationships – Regional*
5. *Invest in Infrastructure – (Asset Management – New & Old)*
6. *Star Gulch Reservoir*
7. *Manage Financial Resources*
8. *Support K to 12 Education in Rossland*

# Tough Decisions to make / Questions to ask?

- ▶ *Keep looking ahead (Plan, plan, plan)*
- ▶ *Value for dollars*
- ▶ *Align with Short & Long Term Goals*
- ▶ *Grant Availability (Scarcity)*
- ▶ *Federal Initiative toward Asset Management*
- ▶ *Use of Savings (Reserves & Surplus)*
- ▶ *Borrowing Capacity / Debt Levels*
- ▶ *Does this plan provide flexibility?*
  - *Take advantage of Opportunities*
  - *Address Challenges and Unknowns*

# Priority Setting Questions

- *How does the decision we make add value?  
(Economically, Socially, Operations, OCP,  
Visions to Actions, Infrastructure,  
FINANCIALLY)*
- *Every Municipal tax funded \$35,000 change = 1%  
tax revenue increase or decrease to Municipal  
Taxes*
- *Every Regional tax funded \$14,000 change = 1% tax  
revenue increase or decrease to Regional Taxes*
- *Have other Taxes collections as well - no direct  
Control from the City*

# Asset Management

- ▶ *Do we have an infrastructure deficit?*
- ▶ *What is it?*
- ▶ *How important is it to know?*
- ▶ *Is it always a bad thing?*
- ▶ *Does the City's increase in spending increase the infrastructure deficit?*
- ▶ *Asset Management Investment Plan & Long Term Finance Plan?*
- ▶ *Can we afford not to do this? Will the infrastructure dictate the spend? (Failures)*
- ▶ *Do we have a risk of hitting a wall? When?*
- ▶ *How about new infrastructure?*

# Opportunities / Challenges

- ▶ *Immediate – Funding Columbia / Washington*
- ▶ *Balance Strategic Plan, Levels of Service with Affordability*
- ▶ *Rising Costs – Labour, Energy*
- ▶ *Infrastructure Ageing – Capital Upgrades*
- ▶ *Grant availability*
- ▶ *New challenges & Opportunities*
  - *Broadband, Star Gulch, LWMP, Others*

# Financial Plan – Draft 2013 to 2017

## ➤ High Level Impacts Review– \$thousands (Excludes Water & Sewer Ops)

	2012 Plan	2013 Plan	12 to 13 Change	2014 Plan
Operations & Mtce – General	\$3,579	\$3,639	\$60	\$3,737
Special Projects	177	37	-140	39
Community	321	200	-121	200
Community Funded Ops	132	68	-64	69
Debt Servicing	408	1,084	676	1,387
Water & Sewer Ops	1,062	1,028	-35	1,025
<b>Total (Excludes Capital)</b>	<b>\$5,679</b>	<b>\$6,056</b>	<b>\$377</b>	<b>\$6,457</b>



# *Financial Plan – Draft 2013 to 2017*

## ➤ *Proposed Plan to address Increase in Debt Servicing for 2013 (Over & Above Cuts)*

### ➤ *Increase*

➤ <i>Taxes by</i>	<i>\$ 90,000</i>	
➤ <i>Other Operation Revenue</i>	<i>18,000</i>	
➤ <i>Capital Transfers</i>	<i>60,000</i>	
➤ <i>Other Grants – CWF</i>	<i>109,000</i>	
➤ <i>Water Fees – Increase</i>	<i>100,000</i>	<i>\$ 377,000</i>
➤ <i>Decrease in Operations &amp; Community</i>		<i>299,000</i>
➤ <i>Total</i>		<i>\$ 676,000</i>

# *Financial Plan Challenges – Draft 2012 to 2017*

<b>Community Support – \$000s</b>	<b>2012 Plan</b>	<b>2013 Plan</b>	<b>2013 Requests /Assumptions *</b>
Pool Society	\$31	\$31	\$31*
Historical Museum	38	28	30
Library	126	126	136
Tennis Society	7	7	7 *
Chamber of Commerce	41.4	–	41.4
Arts & Culture	4	4	4*
Trail Society	19	–	19*
Tourism Rossland	30	–	30
Bear Aware	2.5	2.5	2.5*
Recreation Group Assistance	20	–	20*
Misc Grants	1.8	1.8	1.8*
<b>Total</b>	<b>\$320.7</b>	<b>\$200.3</b>	<b>\$ 322.7</b>

# *Financial Plan Challenges – Draft 2012 to 2017*

<b>Community Ops Support – \$000s</b>	<b>2012 Plan</b>	<b>2013 Plan</b>	<b>2013 Requests /Assumptions*</b>
Pool Society	\$10	\$9.4	\$9.4
Senior Citizen’s Hall	1.2	1.2	1.2
Curling Rink	10.8	10.7	10.8
Lion’s Club Campground	1.3	1.3	1.3
Golden City Days	6.3	6.5	6.5
Winter Carnival	9.6	9.7	9.7
Historical Museum	17.6	17.7	17.7
Public Library	13	10	10
Tennis	1.5	1.5	1.5
Sustainability Commission	40	–	40*
Neighborhoods of Learning	15	–	15
Heritage Commission	5.4	–	6
<b>Total</b>	<b>\$131.7</b>	<b>\$68</b>	<b>\$ 129.1</b>

# Columbia / Washington (\$Millions)

	Plan	Scope Change	Forecast - Option 1 L/T	Forecast Option 2 S/T
Project Cost	\$7.6	\$5.7	\$6.0	\$6.0
FUNDING				
Debt - Long Term	5.7		4.7	
Debt - Five Year		3.3		3.6
Reserves	1.1	1.8	1.1	1.8
Prior Year Surplus	.4	.4	-	.4
Grants	.2	.2	.2	.2
Other - (surplus)	.2	0		

## Impacts of Funding Decision for Discussion Only

<b>Annual Debt Service</b>	<b>\$.4</b>	<b>\$.7</b>	<b>\$.3</b>	<b>\$.8</b>
Community Funding Cut	.18	.18	.1	.2
Other Cuts / CWF??	.14	.20 **	.1	.3
Tax change - debt	.08	.32	.1	.3

# Budget Guidelines 2013 to 2017

- ▶ *Considerations for Budget Guidelines*
  - *Debt Financing Options Col/ Wash*
  - *Service Levels – Consistent with 2012?*
    - ▶ *Zero Based Budgets*
  - *Community / Social Planning*
  - *Asset Mgmt Investment Plan*
  - *Discuss Planning questions – how do we receive input?*
  - *Timelines / Next Steps*

# Financial Plan – Next Steps

- *Report to Council For AAP on January 14th?*
- *Discuss Utility Fees*
- *Budget Guidelines – based on tonight’s feedback from Council*
  - *Levels of Service*
  - *Community Support*
  - *Asset Management Plan*
  - *Zero Based Budgets*
  - *Public Input Process & Meetings*
  - *Include Timelines for the ByLaw*

▶ *Questions, Clarifications, Concerns?*