



REQUEST FOR DECISION

MEETING DATE: December 2, 2024

TITLE: 2025 - 2027 Corporate Plan and 2025 Operating and Capital Budget

DIVISION: City Manager's Office

SUMMARY:

On November 4 - 6, 2024, the Recommended 2025 - 2027 Corporate Plan was presented to the Governance and Priorities Committee. The 2025 - 2027 Corporate Plan (the "Plan") includes input from the Governance and Priorities Committee and is being presented to Council for approval. The Plan includes the operating and capital budget which reflects the proposed investments in the community to create a strong foundation of long-term sustainability and to deliver on Council's Strategic Plan.

PROPOSED MOTION:

THAT Council approve the 2025 - 2027 Corporate Plan and adoption of the 2025 Budget.

THAT Council approve the 2025 Operating Budget, containing \$125,779,000 in total revenues, including a general municipal tax requirement of \$58,444,000 and non-tax revenue of \$67,335,000, with total expenditures consisting of expenses of \$113,647,000 and a net transfer to reserves of \$12,132,000, as shown in Attachment 2.

THAT Council approve the 2025 Capital Budget, containing \$22,594,000 in capital revenues, \$33,080,000 in expenditures, and a net transfer from reserves of \$10,486,000, as shown in Attachment 2.

THAT Council approve the Capital projects spanning more than one year in duration, as per the attached 2025 Multi-Year Project Summary, as shown in Attachment 4.

BACKGROUND / ANALYSIS:

In the 2025 - 2027 Corporate Plan, operational requirements are presented over three years, and the Capital Plan requirements are presented over the next 10 years. Council is required (as per the *Municipal Government Act*) to approve an annual operating and capital budget for 2025, while the remaining years are provided for planning purposes. Administration is also seeking Council approval of total capital project budgets for multi-year projects, where construction is more than one year in duration. Multi-year projects may have contractual obligations that span more than one fiscal year and as such, require Council approval for the project as a whole.

On November 4 - 6, 2024, the Recommended 2025 - 2027 Corporate Plan was presented to the Government and Priorities Committee. The Plan was updated to include the following Governance and Priorities Committee resolutions. By approving the Plan, the resolutions will in effect be approved by Council.

1. THAT Committee recommend to Council that the “Weekday Service Reliability Enhancements” Business Case be funded as per the following: One additional bus, 10 vehicle-hours. Net cost: \$223,000 (\$205,000, if implemented in February)
2. THAT Committee recommend to Council that a one-time Housing Supports program be funded for \$50,000.
3. THAT Committee recommend to Council that the Service Expansion of Snow Removal in the Public Walkways (Operating and Capital) Business Case be added to the 2025 - 2027 Corporate Plan.
4. THAT Committee recommend to Council that the “Community Grant Program / Public Budget Submissions” Business Case be amended, as per the following:

<u>Association</u>	<u>Additional Funds</u>
Spruce Grove-Stony Plain Filipino Canadian Association (Fully fund at \$7,300 rather than \$5,000)	\$2,300
The Welcome Project	\$2,000
Rotary Club of Spruce Grove (Fully fund at \$40,000 rather than \$15,000)	\$25,000
<u>NeighbourLink Parkland</u>	<u>\$10,000</u>
Total proposed amendment to Public Budget Submissions	\$39,300

and that they be funded through: Unallocated Public Budget Submission budget of \$8,646, and the remaining be funded by the 2024 Council Contingency.

5. THAT Committee requests Administration to absorb the above impacts and keep the property tax increase at 3.9% in 2025.
6. THAT Committee requests Administration to explore the feasibility of adding an indoor or outdoor pool in the 10 Year Capital Plan, along with funding options to be brought back to Council prior to Corporate Plan approval.
7. THAT the 2025 - 2027 Corporate Plan be recommended to Council for approval with the amendments proposed by Committee.

To meet the Committee's request to absorb the impacts of adding above mentioned items, Administration employed a few strategies to achieve the results. A review of the revenue forecasts yielded an opportunity to increase revenue budget for permitting. Upon further review and consultation, it was determined that a reasonable timeline for RCMP additional member to come online would be April 1, 2025 which resulted in reduced costs and finally, further savings were found by opting to delay hiring some of the newly added positions.

Attachment 1 is the 2025 - 2027 Corporate Plan.

Attachment 2 outlines the 2025 Operating and Capital Budget.

Attachment 3 outlines the detail capital budget project listing that supports the capital budget as shown in attachment 2.

Attachment 4 provides a listing of capital projects spanning more than one year in duration.

Attachment 5 is the presentation for Council.

OPTIONS / ALTERNATIVES:

Council may make further amendments to the 2025 - 2027 Corporate Plan.

CONSULTATION / ENGAGEMENT:

The 2025 - 2027 Corporate Plan was created based on the understanding of community needs, Council's 2022 - 2025 Strategic Plan, Administration's analysis, and Committee's assessment.

IMPLEMENTATION / COMMUNICATION:

The Corporate Plan, once approved by Council, is effective January 1, 2025. The approved Corporate Plan will be published on the City website and shared with the community through a variety of communication tactics. An adjustment to the final 2025 budget is approved at a

Council meeting in early spring 2025, after confirmation of actual assessment growth by the City Assessor, and is used to set the final 2025 property tax rates.

IMPACTS:

The 2025 - 2027 Corporate Plan demonstrates strong stewardship of the City's financial management in support of providing services and programs to residents, businesses, and the surrounding area, the details of which are provided in the Budget 2025 section of the 2025 - 2027 Corporate Plan which is attached. The Corporate Plan also reflects the required investments in the community to deliver on Council's Strategic Plan, as well as the required investments in the municipality to create a strong foundation of long-term sustainability.

FINANCIAL IMPLICATIONS:

Based on the Committee's request, the net tax impact is \$303,000.

The additional Committee recommendations were offset through:

- \$150,000 increase in permitting revenue;
- \$60,000 savings for RCMP hiring April 1st versus January 1st;
- \$93,000 savings through a delayed hiring strategy.

With the Committee recommendations the Corporate Plan includes a municipal tax funded requirement that equates to a 3.9 per cent municipal tax increase in 2025. This includes a 2.9 per cent general tax increase, along with a 1.0 per cent tax dedicated to fund asset lifecycle costs. Based on an average single family detached home with an assessed value of \$408,824, this would equate to a monthly increase of \$8.82 in 2025. Tax increases will vary for each property based on the property's assessment.

Excluded from the tax increase above is the Education and Meridian Housing Foundation tax requisitions, which will be determined in early spring 2025.

The interim operating budget tax requirement is set at \$58,444,000 for 2025. This will be finalized once the 2025 budget is finalized in early spring 2025.