

The Village of Cumberland

Proposed 2022-2026 Financial Plan



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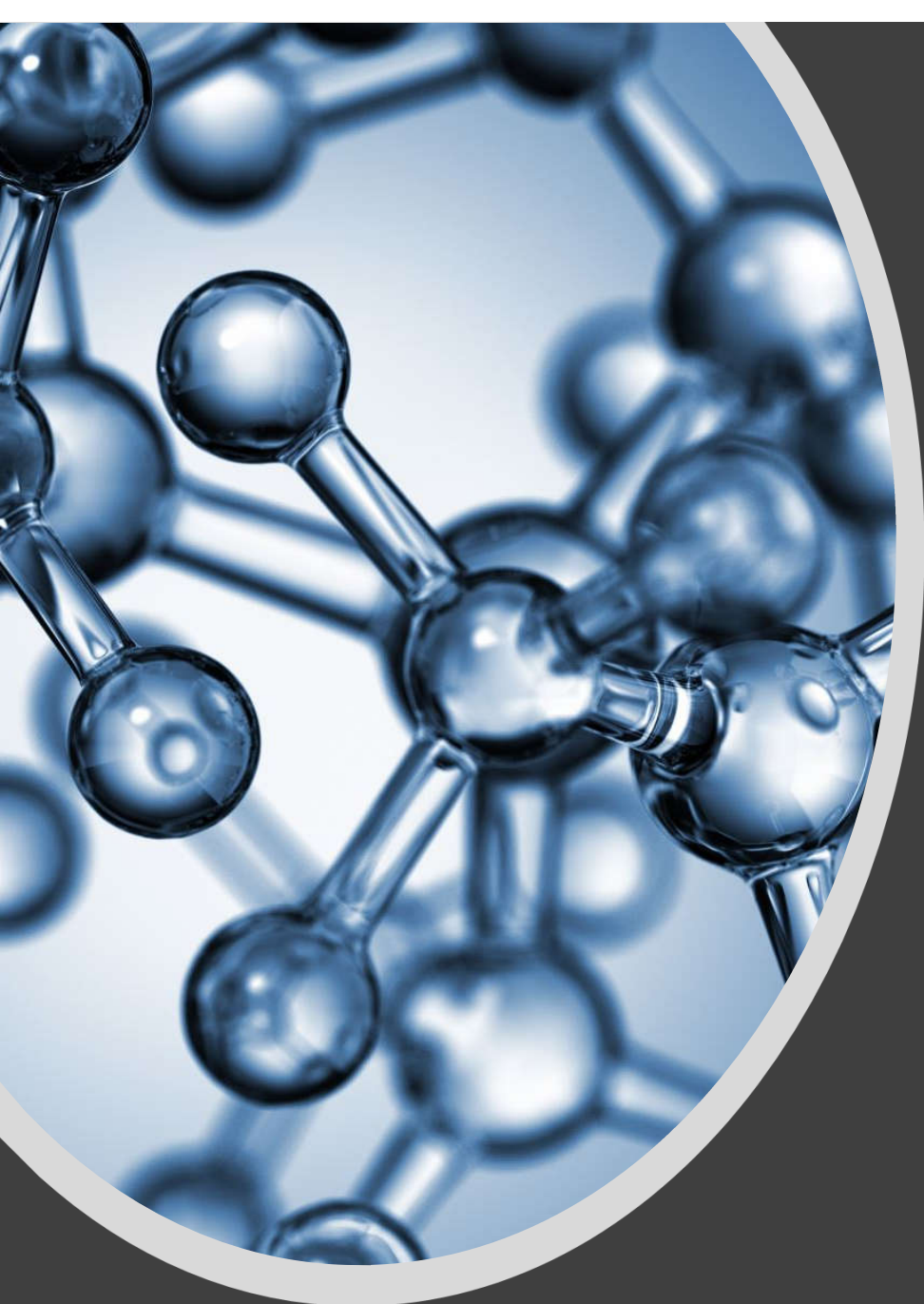




Strategic Priorities 2020-2023

The four strategic focus areas:

- **Overall Priorities**
 - Build on the organizational commitment to Indigenous reconciliation and further commit to the United Nations Declaration of Rights of Indigenous Peoples (UNDRIP).
 - Initiatives to address housing affordability and availability
 - Protection and enhancement of the natural environment including the carrying capacity of parks and trails
- **Healthy Community**
 - Child Care Space Creation project
 - Arts, Culture and Recreation Master plan
- **Quality Infrastructure Planning & Development**
 - Wastewater Treatment Plant
- **Comprehensive Community Planning**
 - Opportunities to address climate change mitigation and adaptation
- **Economic Development**
 - Bevan industrial area development



A Flexible Plan to Address Uncertain Times

COVID-19 Impacts and Recovery

Provincial Funding for COVID Restart Challenges is helping with the COVID-19 recovery process

The Village's reserve and surplus policy provides stability

The Village has developed a budget which is flexible to address possible impacts and the recovery stage of COVID-19

The impact of both the current and long term COVID-19 response and recovery for 2022 and beyond is unknown

Ongoing monitoring and reporting and any adjustments will be part of the financial plan moving forward

Municipal Services Funded by Taxes and User Fees

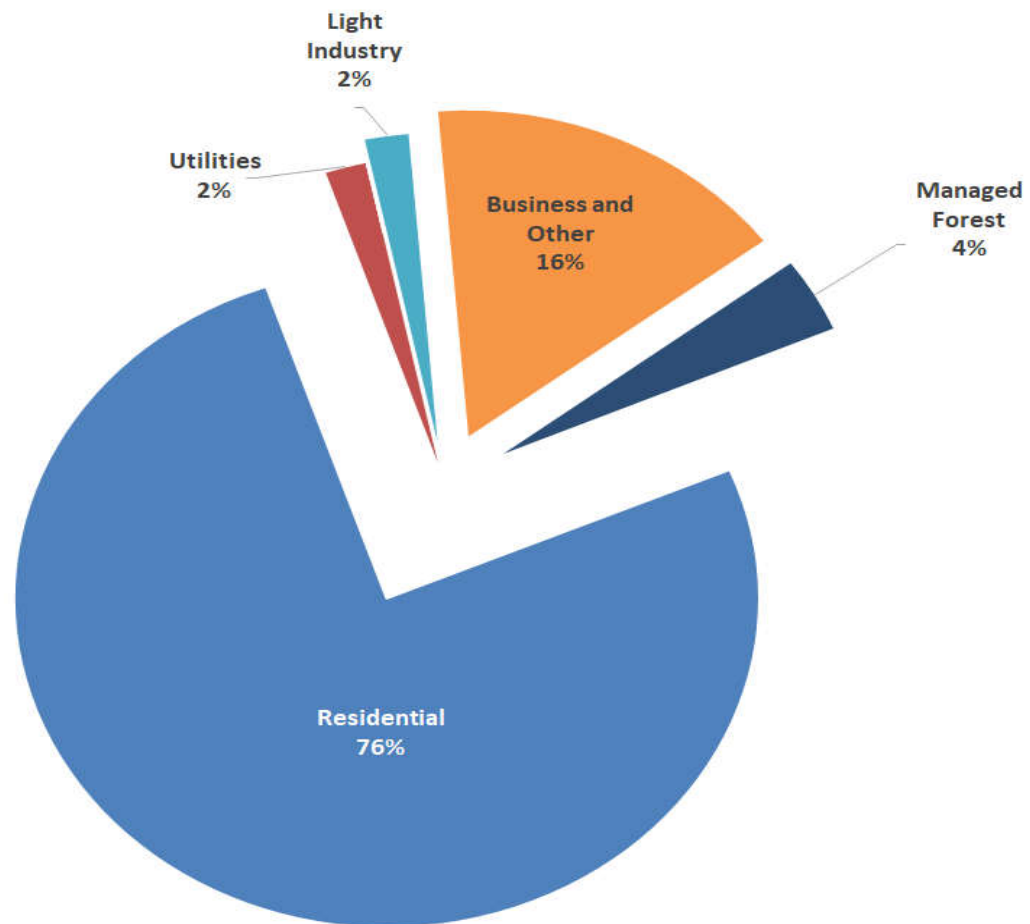
- Infrastructure & Development Services
 - Operations/utilities/facility maintenance/land use planning and development/heritage
- Corporate Services
 - Council/CAO/customers/legislative/cemetery/financial/Information technology/human resources
- Economic Development Services
- Protective Services
 - Fire/bylaw/emergency operations
- Parks, Recreation and Community & Cultural Services
 - Indoor and outdoor recreation/programs/fitness and other facility services/trails and parks/community groups and events

Proposed Property Tax Increase Municipal Purposes

	Proposed 2022	2021	Change	% Change
Property tax revenues	\$3,609,820	3,449,960	\$159,860	
Add back unrealized growth related taxes from 2021			<u>24,660</u>	
Total increase to property tax revenues from 2021 rate payers			<u>\$184,520</u>	<u>5.39%</u>

**For every 1% increase in property taxes, the Village will receive
\$34,253 in 2022**

Property Tax Distribution



Average Single Family Household

	Proposed				
	<u>2022</u>	<u>2021</u>	<u>Change</u>	<u>%</u>	
Total taxes payable	\$ 3,327	\$ 3,163	\$ 164	5%	
Home owner grant	(770)	(770)	-	0%	
	\$ 2,557	\$ 2,393	\$ 164	7%	
Frontage parcel tax (median lot size)	325	305	20	7%	
Parcel Charge per lot for water supply debt	45	45	-	0%	
	\$ 2,927	\$ 2,743	\$ 184	7%	
Average Utility Fees (Water, Sewer, Storm & Solid Waste)	912	878	34	4%	
Total Overall Change from 2021	\$ 3,839	\$ 3,621	\$ 218	6%	

Average Family Strata Home (i.e. Condos)

	Proposed				
	<u>2022</u>	<u>2021</u>	<u>Change</u>	<u>%</u>	
Total taxes payable	\$ 2,538	\$ 2,412	\$ 126	5%	
Home owner grant	(770)	(770)	-	0%	
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	\$ 1,768	\$ 1,642	\$ 126	8%	
Frontage parcel tax (median lot size)	272	255	17	7%	
Parcel Charge per lot for water supply debt	45	45	-	0%	
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	\$ 2,085	\$ 1,942	\$ 143	7%	
Average Utility Fees (Water, Sewer, Storm & Solid Waste)	831	797	34	4%	
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Total Overall Change from 2021	\$ 2,916	\$ 2,739	\$ 177	6%	

Proposed Property Tax Impact on Median Assessment - Class 6 (business other)

	Proposed <u>2022</u>	<u>2021</u>	<u>Change</u>	<u>%</u>
Total taxes payable	\$ 6,649	\$ 6,321	\$ 328	5%
Frontage parcel tax (median lot size)	272	255	17	7%
Parcel Charge per lot for water supply debt	45	45	-	0%
Average Utility Fees (Water, Sewer, Storm & Solid Waste)	\$ 6,966	\$ 6,621	\$ 345	5%
Total Overall Change from 2021	\$ 7,898	\$ 7,525	\$ 373	5%

Proposed Property Tax Increases 2022 - 2026

<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
5.39% *	6.64% *	4.76% *	6.16% *	5.45% *
\$184,520 *	\$239,815 *	\$183,215 *	\$248,565 *	\$233,475 *

* The property tax increases above do not include growth taxes.

- In past financial plans, all residential growth taxes have been contributed to a reserve that will save towards paying for policing when police taxes are estimated to increase from just over \$260,000 per year to over \$1,000,000 per year (when Cumberland population hits 5000 people-based on a recent projection from the province, staff is estimated this to be in the year 2027).

Proposed Utility User Fee and Parcel Tax Increases 2022 - 2026

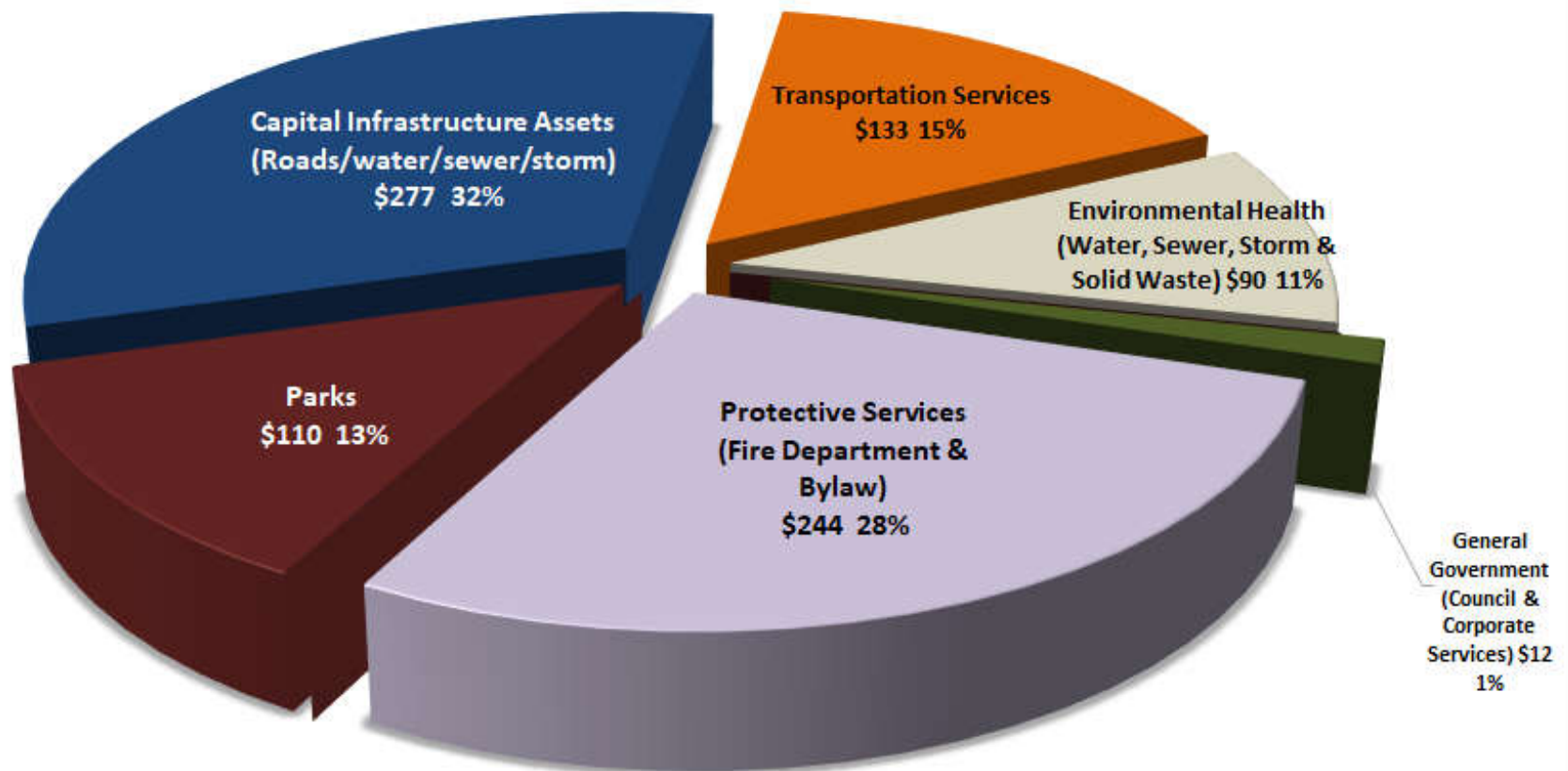
	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Solid Waste, Water, Sewer & Storm User Fee Revenue Increases *	\$107,920	\$100,370	\$96,890	\$95,420	\$107,800
Water, Sewer & Storm Frontage Tax Revenue Increases **	\$44,600	\$46,000	\$47,600	\$51,230	\$39,250
Total Increase to Utility Fees & Frontage Tax Revenue Increases	\$152,520	\$146,370	\$144,490	\$146,650	\$147,050
Total Increase to the Average Single Family Resident	4.64%	4.44%	4.26%	4.22%	3.46%
Parcel Tax Revenues for Water Supply Project Debt **	\$77,330	\$77,720	\$78,100	\$78,500	\$112,290

- User fee and frontage tax revenue increases include estimated 2% increases due to growth
- For every 1% increase in Utility fees, the Village will receive \$19,030 in 2022
- For every 1% increase in frontage taxes, the Village will receive \$5,720 in 2022

** Annual Parcel taxes for the water supply debt is \$45 per parcel. Staff estimate this will increase back to \$66 upon refinancing in 2026 when interest rates return to pre-COVID rates.

Proposed 2022 Capital Projects (000's)

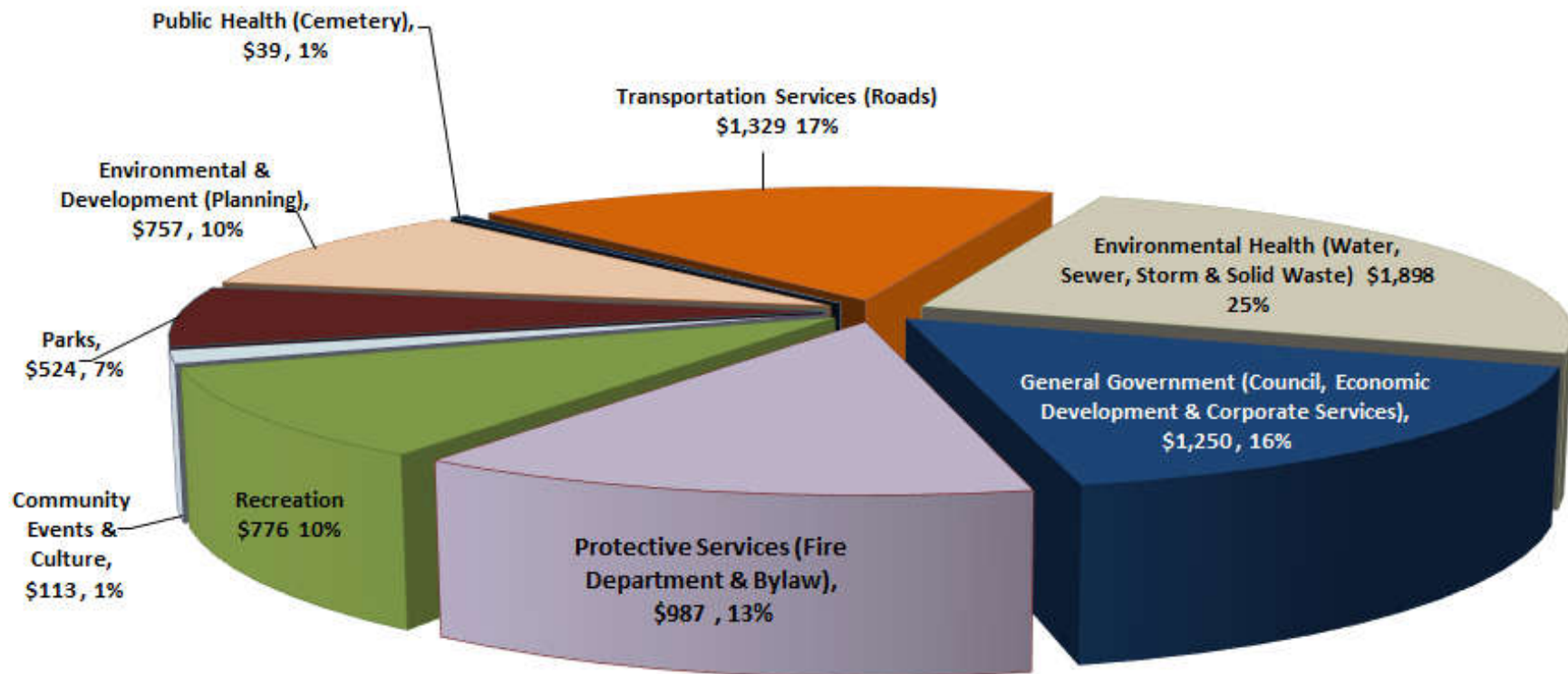
THE CORPORATION OF THE VILLAGE OF CUMBERLAND PROPOSED 2022 BUDGET CAPITAL EXPENDITURES BY SERVICE (000's)



Environmental Health (Water, Sewer, Storm & Solid Waste) are self funded through utilities fees and frontage taxes; whereas, the other services are funded through general revenues (unless grant funding applies).

Proposed 2022 Operating Projects (000's)

THE CORPORATION OF THE VILLAGE OF CUMBERLAND PROPOSED 2022 BUDGET OPERATING & DEBT EXPENDITURES BY SERVICE (000's)



Environmental Health (Water, Sewer, Storm & Solid Waste) are self funded through utilities fees and frontage taxes; whereas, the other services are funded through general revenues (unless grant funding applies).