



**DISTRICT OF HUDSON'S HOPE  
AGENDA - COMMITTEE OF THE WHOLE**

Council Chambers

March 11, 2024

Start time: 6:00 pm

*(Note: The Regular Council Meeting will follow the Committee of the Whole Meeting that is being held at 6:00 pm)*

**First Nations Acknowledgement**

**The District of Hudson's Hope would like to respectfully acknowledge that the land on which we gather is in the traditional unceded territory of the Treaty 8 First Nations.**

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- 1. Call to Order**
- 2. Delegations**
  - D1 Budget Orientation
- 3. Notice of New Business**
- 4. Adoption of Agenda**
- 5. Declaration of Conflict of Interest**
- 6. New Business**
- 7. Public Inquiries**
- 8. Adjournment**



HUDSON'S  
HOPE  
PLAYGROUND OF THE PEACE

Budget Orientation  
Mar 11, 2024

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**MUNICIPAL BUDGET**

This presentation is to provide a brief overview of our budget process before we get into the details of the budget in the meetings to come.

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## MUNICIPAL BUDGET

Why do we need a budget?

- Local governments must annually adopt a financial plan in accordance with the *Local Government Act* and the *Community Charter*.
- The planning period for the financial plan must include the current fiscal year and the next four fiscal years (five-year plan).

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## MUNICIPAL BUDGET

The five-year plan must include:

- Proposed expenditures (operating, capital, payment on debt), funding sources (taxes, fees, grants, new borrowing and debenture debt), and transfers to/from reserve funds and surplus.
- Gives Council a forecast of the next five years for planning & pre-approval purposes.
- Distribution of funding sources, property taxes & reserves.

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## MUNICIPAL BUDGET

### How is the Budget Guided?

The budget for the district is guided by:

- Maintaining and Replacing our [infrastructure and assets](#)
- To comply with [regulatory requirements](#), ie: Health and Safety
- To provide [municipal services](#)
- The [Council's Strategic Plan](#).

Based on the current and future projections our tax rates are reviewed, adjusted and approved.

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## MUNICIPAL BUDGET

There are 3 Main Parts of the Budget:

- Revenue
- Operations / Capital
- Reserves

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## MUNICIPAL BUDGET

### Revenue:

- Tax Revenue
- Grant Revenue
- Other Revenue
- Municipal Service Revenue

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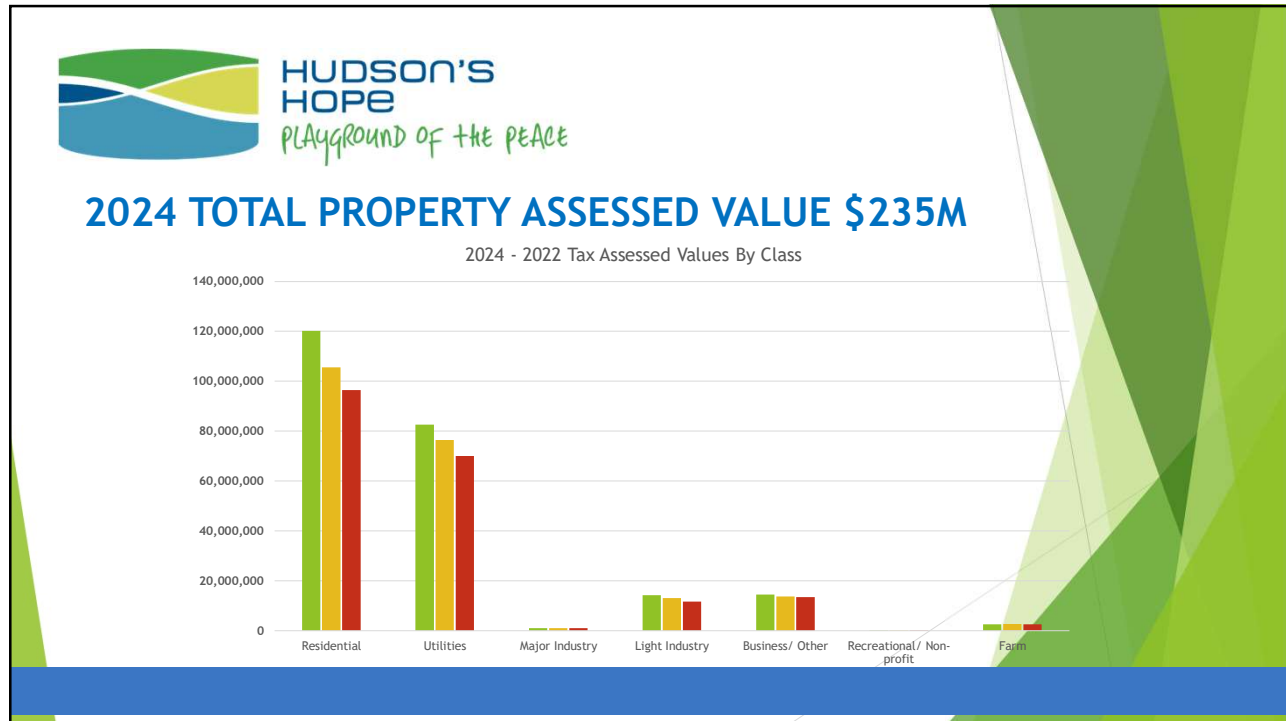


## PROPERTY TAXES

### Municipal Tax Revenues:

- Municipalities must set their tax rates for each property class, by bylaw, before May 15 of each year.
- This is where the main source of revenue comes from for the district.
- Tax rates are \$\$ / \$1000 of assessed value and these rates are determined by different property classes. (example: assessed value is \$250,000 at a tax rate of 10% taxes would be \$2,500)

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**PROPERTY TAXES**

**Municipal Tax Summary:**

- Assessed Value Increases from BC Assessment
  - Overall, the district had an increase in assessed property
    - 10% 2024
    - 8% 2023
    - 3% 2022
  - Increase to residential properties
    - 12% 2024
    - 9% 2023
    - 1% 2022

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## GRANT REVENUE

Grants come from the federal or provincial governments. Most grants require reporting on how the money is spent or require a project spending plan to disburse the funds. We apply for many grants, some are approved and others not.

There are three main categories:

- Unconditional Grants
- Operational Grants
- Capital Grants

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## GRANT REVENUE

- Unconditional Grants
  - Can be spent on operations or capital
- Operational Grants
  - Partial funding for wages/materials/contract services
- Capital Grants
  - Partial funding for major projects & in some cases, these can be combined to complete funding on a project

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## MUNICIPAL SERVICE & OTHER REVENUE

Municipal Services Fees are charged to residents & businesses in our municipality.

Service Fees Include:

- Water Fees (metered & unmetered)
- Sewer Fees (on our system)
- Garbage Fees (garbage pick up and transfer station access)

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## MUNICIPAL SERVICE & OTHER REVENUE

Other Revenue are fees and services charged at our facilities and the municipal office. These service fees include:

- Campground Fees
- Pool & Arena Fees (passes & rentals)
- Community Hall & Curling Rink rental fees
- Bulletin Ads, Dog Licenses, Business Licenses, Building Permits, Land Use, Cemetery Fees
- Bank Interest
- ICBC Commissions, Fishing & Hunting Licenses

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## MUNICIPAL BUDGET EXPENSES

There are two categories:

- Operational Expenses
  - Wages & Human Resources
  - Building Repairs and Maintenance
  - Building Operational Supplies
  - Utilities

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## MUNICIPAL BUDGET EXPENSES

Capital Expenditures

Material Improvements & Additions to Assets

- Office Equipment (computers & furniture)
- Road Infrastructure
- Facilities & Land upgrades (Pool, Playgrounds, Arena etc.)
- Mobile Equipment (Fire Apparatus, Heavy Equip., Service Vehicles, etc.)
- Water Infrastructure, Plants & Processes
- Wastewater Infrastructure, Lifts & Processes

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## MUNICIPAL BUDGET RESERVES

### Reserves:

- These are established by bylaw and are intended to provide funding for future projects
- During the general operations and planning the district will either budget to increase or deplete the reserves depending on the 5-year plan
- These reserves can be looked at like a savings account, to plan for the future, and stabilize tax rates.
- Each year these are reviewed, budgeted for, and adjusted as legislative requirements demand

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## MUNICIPAL BUDGET BORROWING

### Debt Borrowing:

- When reserves are not fully able to fund projects, the district needs to consider borrowing
- Factors include
  - Repayment Term (ie: 10, 15, 20 years)
  - Cost of borrowing including interest repayment
- Approval process
  - Takes 9-12 months for approval
  - Ministry Approval
  - Assent of Electors (vote)
  - PRRD Approval (they borrow on our behalf)

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## MUNICIPAL BUDGET

- Any Questions?