

TO: MAYOR & MEMBERS OF COUNCIL
FROM: DEPUTY CHIEF ADMINISTRATIVE OFFICER AND CHIEF FINANCIAL OFFICER
SUBJECT: 2025 - 2029 FINANCIAL PLAN HIGHLIGHTS
PURPOSE: To provide the 2025 – 2029 Financial Plan Highlights document.

RECOMMENDATION

THAT the report titled “2025 – 2029 Financial Plan Highlights” dated March 25, 2025, be received for information.

1.0 POLICY SECTION

This report is provided to align with the Community Charter Section 165 and 166 that requires a municipality to have a financial plan that is adopted annually with a public consultation process prior to final adoption.

2.0 BACKGROUND

The 2025 – 2029 Financial Plan Highlights document provides Burnaby citizens with information on the City of Burnaby’s draft 2025 – 2029 Financial Plan. This document is used as the basis for the City’s public consultation process when developing the annual financial plan. The final 2025 – 2029 Financial Plan and Financial Plan bylaw is anticipated to be presented to Council in late April with the Tax Rates bylaw presented and adopted prior to 2025 May 15.

3.0 GENERAL INFORMATION

The proposed draft 2025 Operating Plan is \$746.9 million and a high-level summary of the key revenue streams and expenditures by function is provided in the Financial Plan Highlights document. The draft 2025 Operating Plan includes a proposed 3.9% increase to property taxation. Within this increase, 1.0% is allocated to increase contributions to support core capital maintenance requirements. The remaining 2.9% is required to support the day-to-day operations of the City including non-discretionary fixed costs with offsets from revenue opportunities. The increases to fixed cost requires a tax rate increase of 6.9%, which reflects salary and benefit increases, RCMP contracts and E-Comm services increases and other inflationary impacts to existing core programs and services to the public. However, additional program revenue opportunities and new taxation growth revenue provided a reduction to the tax rate of (4.0%). In light of the current geo-political/economic environment that continue to create levels of uncertainty, the City’s focus remains in providing a low property tax increase while still delivering quality core services and programs to Burnaby residents. The proposed property tax increase of 3.9% remains one of the lowest amongst the region.

Furthermore, due to the changes in Provincial legislation, particularly around development financing, the City has had to expand on its Development Cost Charges (DCC) program and implement a new Amenity Cost Charges (ACC) program in order to fund growth related amenities and infrastructure. As part of the programs, the City is now required to fund its share of the costs. To establish a sustainable funding source and as a first step towards meeting this obligation, the City has introduced a new property tax levy of 1.9% which equates to approximately \$6.6 million per year.

The draft 2025 Operating Plan also includes a 0.0% increase to the Waterworks Utility rates and a 20.0% increase to Sanitary Sewer Fund rates. The increases from Metro Vancouver are the predominate drivers for the sewer costs to the City thus impacting the 2025 rates.

Over the past several budget cycles, the City had anticipated significant increases to come from Metro Vancouver. Therefore, through the use of reserves, the City was able to manage a 0.0% increase to Waterwork Utility rates and a 20.0% increase to Sanitary Sewer Fund rates. By doing so, the City is able to provide relief to Burnaby taxpayers with low and consistent utility rates that are significantly lower than the actual increase in cost passed along to the City from Metro Vancouver. The actual Metro Vancouver increases are 7.2% from Greater Vancouver Water District (GVWD) for water services and 49.8% from Great Vancouver Sewerage & Drainage District (GVS&DD) for sewer services.

The proposed draft 2025 Capital Plan is \$438.5 million and is comprised of many key projects that will serve the citizens of Burnaby including the construction of the Burnaby Lake Recreation Complex, Cameron Community Centre & Library, RCMP Facility Redevelopment and more. A list of key projects is included within the 2025 – 2029 Financial Plan Highlights document and the full list of projects is available on the City’s website.

4.0 COMMUNICATIONS AND COMMUNITY ENGAGEMENT

This Financial Plan Highlights document will be made available on the City’s website on March 26, 2025. The public consultation process, allowing for public comments and feedback, is until April 09. Public comments will be provided to Council for consideration. It is anticipated that subsequent final Financial Plan reports will be provided to Council in the April/May timeframe

5.0 FINANCIAL CONSIDERATIONS

Not applicable.

Respectfully submitted,

Noreen Kassam, Deputy Chief Administrative Officer and Chief Financial Officer

ATTACHMENTS

Attachment 1 – 2025 – 2029 Financial Plan Highlights

REPORT CONTRIBUTORS

This report was prepared by Wilson Kwan, Director Budgets & Reporting and reviewed by Ratan Grewal, Deputy General Manager Finance.