



# DISTRICT OF CLEARWATER FINANCIAL PLAN WORKSHOP #1 2026-2030

OCTOBER 21, 2025

# DRAFT FINANCIAL PLAN 2025-2029 WORKSHOP #1

## AGENDA

1. Workshop Introduction/Process
2. Financial Overview
3. Debt Information/Process
4. Initial Draft Project Plan 2026-2030
5. Next Steps



DRAFT  
FINANCIAL  
PLAN 2026-  
2030  
WORKSHOP  
#1

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This is Council's Financial Plan

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Focus on the Strategic Level

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Ask Questions

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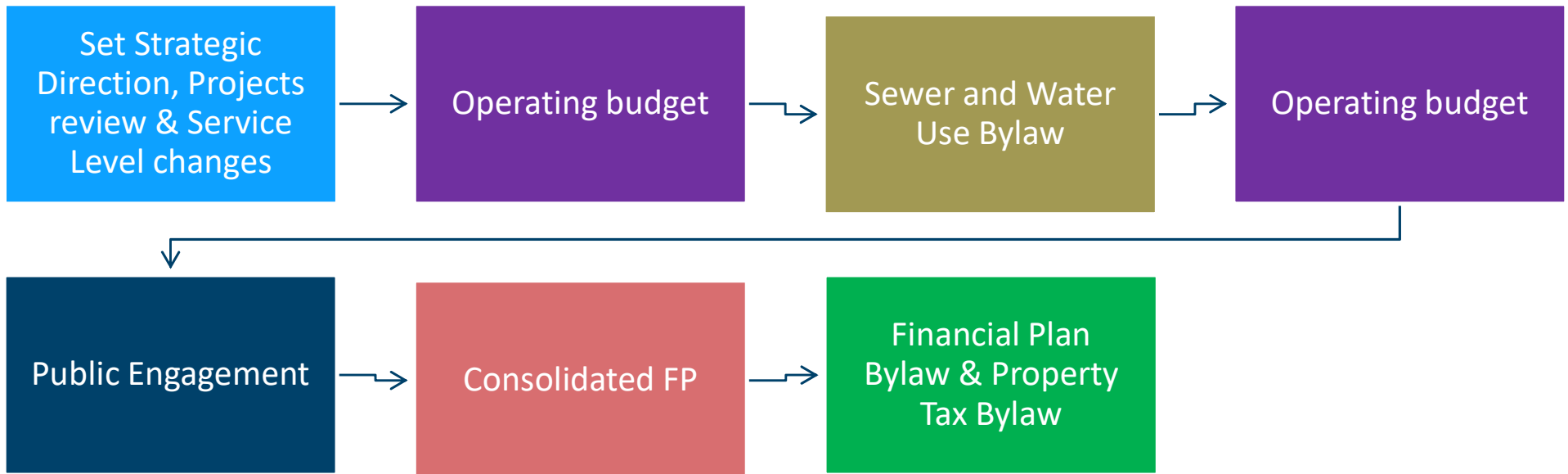
Informal Conversation

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Provide Staff Direction through  
Resolution

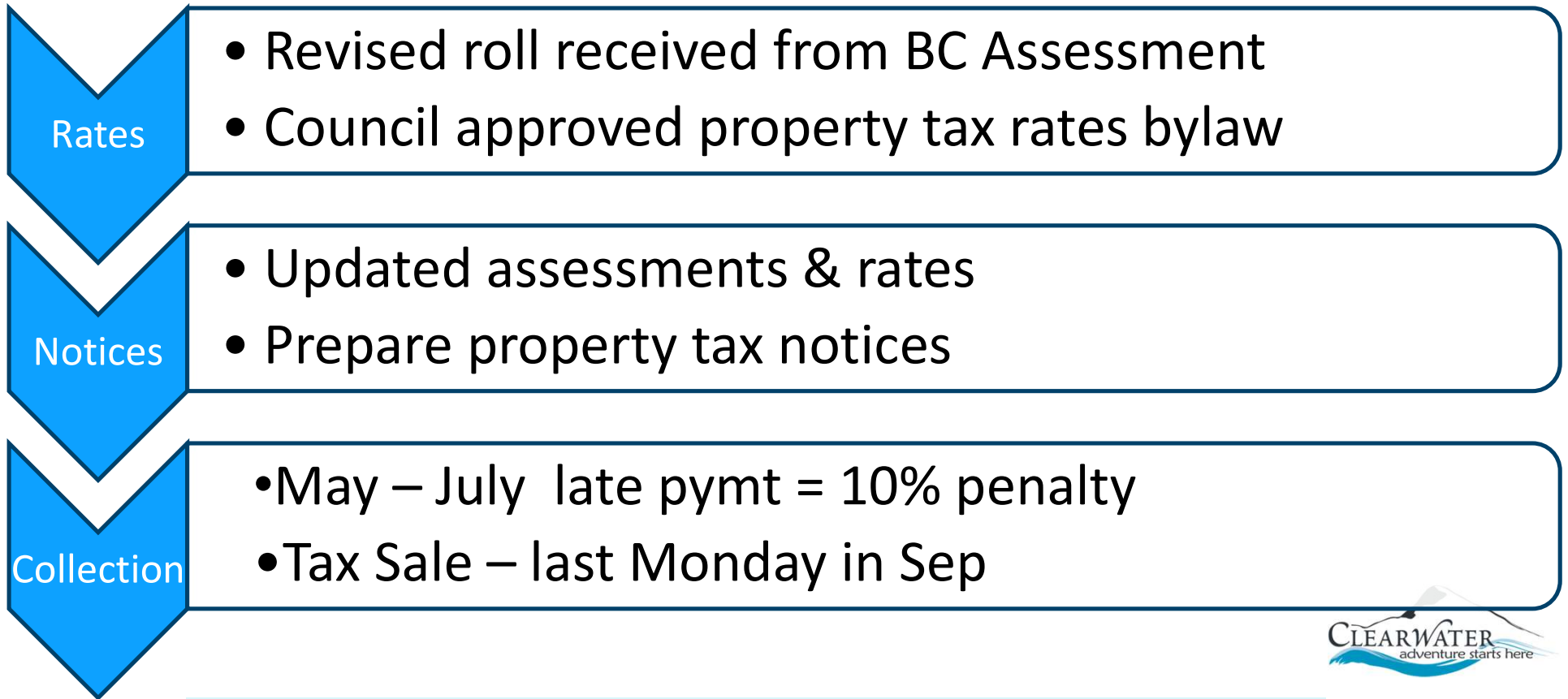
# FINANCIAL PLAN 2023-2030 WORKSHOP #1

## FINANCIAL PLANNING PROCESS / BUDGET



# FINANCIAL PLAN 2026-2030 WORKSHOP #1

## PROPERTY TAX PROCESS



[Understanding Property Assessments & Property Taxes - Bing video](#)

# FINANCIAL OVERVIEW



125,058	154,568	95,054	124,500
125,487	56,845	97,511	125,000
124,000	110,000	99,011	154,000
105,450	150,000	99,216	95,000
86,502	35,000	101,090	154,200
	83,000	101,684	110,000
	45,000	101,962	89,000
		102,747	50,000
			6,000
			1,000

FINANCIAL PLAN 2026-2030 WORKSHOP #1

FINANCIAL HEALTH MEASURES



SUSTAINABILITY



FLEXIBILITY



VULNERABILITY

# FINANCIAL PLAN 2026- 2030 WORKSHOP #1

## GENERAL PLANNING PRINCIPLES

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Property taxes and service fees should cover the full cost of delivering services to our Community

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Water & Sewer Fund revenue should cover the expenditures, debt payments and reserve deposits for future projects for those funds

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Projects to be prioritized and funded accordingly. 2025 projects should be adequately planned and secured funding.

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Ensure grant funded projects are a District priority

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Provide adequate budget for Council initiatives, workplans and projects

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Debt maybe considered for significant capital projects. Consider for 2027 and future years.

## FINANCIAL PLAN 2026-2030 WORKSHOP #1

### OPERATING – KEEPING THE LIGHTS ON

- Operating Costs - BC CPI – 2024 3.9%; YTD 2025 2.6%
- Increase in Labour, Salaries & Benefits – 4%
- Absorbing major contracts increases
- No new debt
- Limited non-market change



\$300,000 - \$350,000 Impact

Preliminary non-discretionary 2026 impacts

# FINANCIAL PLAN 2026-2030 WORKSHOP #1

## SAVINGS - RESERVES/DCC/UNRESTRICTED SURPLUS

Fund	Reserve Typew	Opening Balance 2024	Budget 2025 Transfer In	Budget 2025 Transfer Out	Budget 2025 Amendments	2025 Amended Budget Balance
<b>General</b>						
	Operating	1,894,697.22	71,000.00	410,631.57		1,555,065.65
	Capital	3,053,823.77	692,146.00	586,554.00	(70,000.00)	3,089,415.77
	Other	5,231,548.27	126,600.00	1,343,586.00		4,014,562.27
	DCC	239,846.97	-	-		239,846.97
	Unrestricted Surplus*	4,142,616.00	-	254,184.00		3,888,432.00
		14,562,532.23	889,746.00	2,594,955.57	(70,000.00)	12,787,322.66
<b>Water</b>						
	Operating	0.00	0.00	0.00		-
	Capital	366,403.17	215,854.97	202,779.00		379,479.14
	DCC	140,688.66	0.00	0.00		140,688.66
	Unrestricted Surplus*					-
		507,091.83	215,854.97	202,779.00	-	520,167.80
<b>Sewer</b>						
	Operating	131,379.56	0.00	0.00		131,379.56
	Capital	192,497.80	169,083.53	45,608.33		315,973.00
	DCC	27,920.40	0.00	0.00		27,920.40
	Unrestricted Surplust*					-
		351,797.76	169,083.53	45,608.33	-	475,272.96
	<b>TOTAL</b>	15,421,421.82	1,274,684.50	2,843,342.90	(70,000.00)	13,782,763.42



Purpose: Emergency, Projects, Statutory Requirements, Operation Stabilization



Opportunity: Build capital reserve to support asset management program;



Opportunity: Review reserve bylaw/policy to support Council strategic plan

# FINANCIAL PLAN 2026-2030 WORKSHOP #1

## PROPERTY TAXES – HISTORICAL AVERAGES

### Single Family Residential

		Assessed Values	Tax Rate per \$1,000	Taxes Raised	
Tax Rate for Average Res Single Family	2021	257,682	2.9470	759.40	
Tax Rate for Average Res Single Family	2022	352,030	3.6618	1,289.05	
Tax Rate for Average Res Single Family	2023	450,384	2.9598	1,333.05	
Tax Rate for Average Res Single Family	2024	406,509	3.1040	1,261.80	
	2025	417,373	3.3605	1,402.56	
Difference		2.67%		140.76	11.16%

### Business

Ave. Business	2021	317,060	16.0170	5,078.35	
Ave. Business	2022	488,579	14.2809	6,977.35	
Ave. Business	2023	415,844	11.5431	4,800.12	
Ave. Business	2024	450,842	12.1056	5,457.71	
Ave. Business	2025	513,346	11.7616	6,037.77	
		13.86%		580.06	10.63%

# FINANCIAL PLAN 2026-2030 WORKSHOP #1

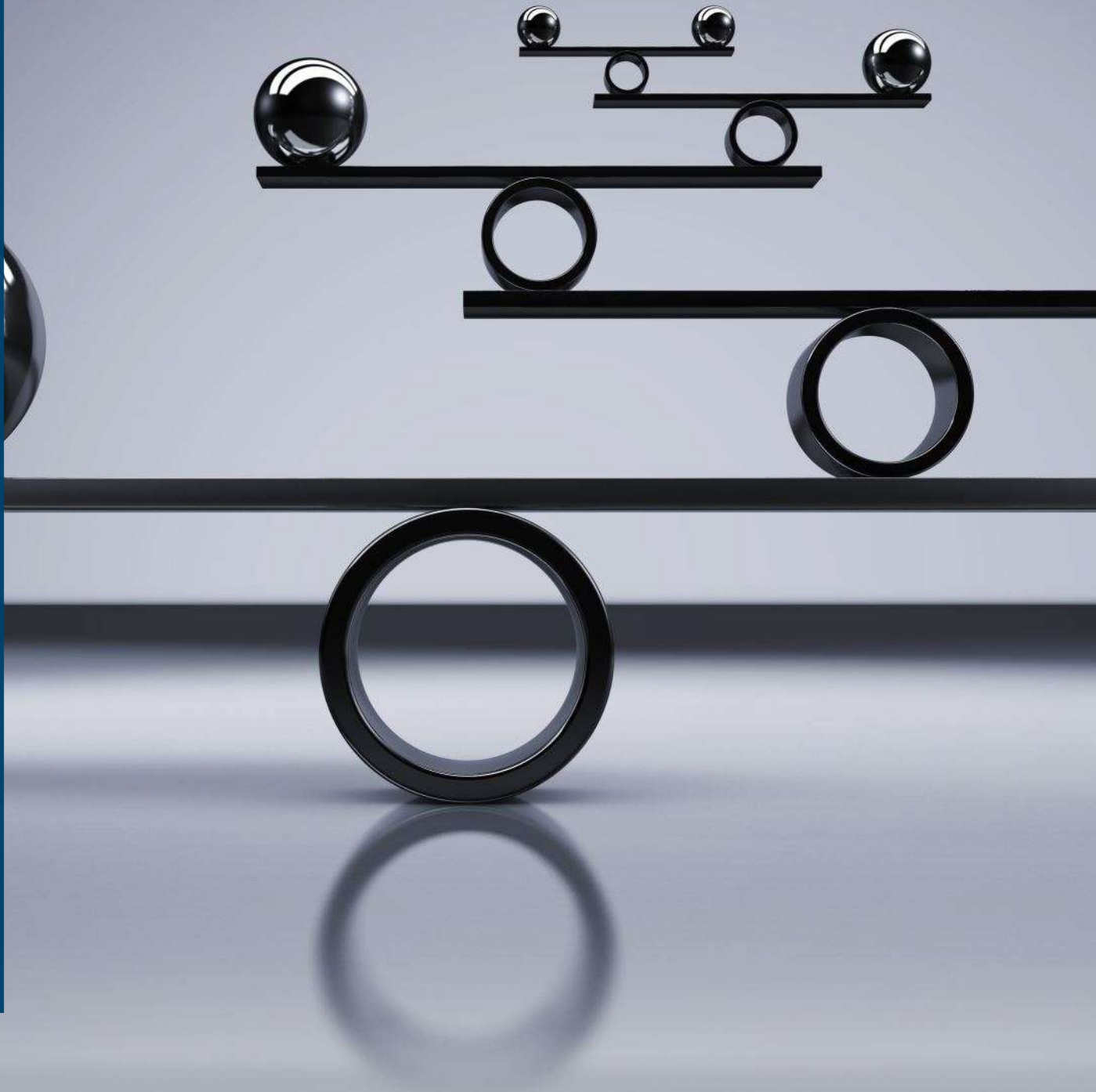
## 2025 AVG MONTHLY RESIDENTIAL PROPERTY TAX PAYS FOR (\$117):



# DEBT FINANCING

## PRINCIPLES

- FLEXIBILITY
- SUSTAINABILITY
- STRATEGIC AND CORPORATE PRIORITY
- EQUITABLE



# FINANCIAL PLAN 2026-2030 WORKSHOP #1

## DEBT FINANCING



Legislative process

Financing Infrastructure Strategies to consider :

- citizen pay upfront from reserves
- Developer pays upfront
- Current and future taxpayers pay through debt servicing
- Combination of above options



# Policy Driven Decisions

# FINANCIAL PLAN 2026-2030 WORKSHOP #1

## DEBT FINANCING – LIABILITY SERVICING LIMIT

Clearwater - 2024 (Review)

### B3 - Liability Servicing Limit

#### B3 - Liability Servicing Limit

	Current Year 2024		Previous Year 2023
Class 4 Assessed Value Adjusted for Tax Sharing	0	a1	0
Total Assessed Value Adjusted for Tax Sharing	568,436,666	a2	606,521,943
20% of Total Adjusted Assessed Value	113,687,333	a3	121,304,389
<b>Class 4 Assessment Value for LSL Calculation</b>	0	a	0
Class 4 Tax Rate Adjusted for Tax Sharing	0.00000	b1	0.00000
Provincial Average Tax Rate	29.42599	b2	29.53699
<b>Class 4 Tax Rate Value for LSL Calculation</b>	0.00000	b	0.00000
<b>Revenues</b>			
Municipal Revenues	6,911,352	c	6,689,568
Less: Actual Class 4 Revenue	0	d	0
Plus: Capped Class 4 Revenue	0	e	0
Less: Amounts Transferred to Others		f	
<b>Total Revenues</b>	6,911,352	g	6,689,568
<b>Liability Servicing Limit</b>	1,727,838	h	1,672,392
<b>Liability Servicing Cost</b>			
Actual Debt Servicing Cost	80,209	i	98,002
Estimated Cost From Off-Balance Sheet Liabilities	0	j	0
Estimated Cost on Unissued Debt	0	k	53,762
<b>Total Liability Servicing Cost</b>	80,209	l	151,764
<b>Liability Servicing Capacity Available</b>	1,647,629	m	1,520,628
<b>Approval Free Zone Servicing Capacity Available</b>	265,359	n	182,714

Capacity Available  
\$1,647,629



# FINANCIAL PLAN 2026-2030 WORKSHOP #1

## OPTIONS

	<b>Debt Financing Vehicle</b>	<b>Short-Term (&lt; 5 years) Borrowing</b>	<b>Long-Term (&gt; 5 years) Borrowing</b>	<b>Authority</b>
\$	Internal Borrowing	√	√	Section 189 CC
\$	Short-Term Capital Borrowing	√		Section 178 CC Section 405 LGA
	Revenue Anticipation Borrowing	√		Section 177 CC Section 404 LGA
\$	Temporary or Interim Borrowing	√		Section 181 CC Section 409 LGA
	Liabilities under Agreement	√	√	Section 175 CC Section 403 LGA
\$	Loan Authorization (LA) Bylaws	√	√	Section 179 CC Section 403 LGA

# FINANCIAL PLAN 2026-2030 WORKSHOP #1

## DEBT FINANCING – INTERNAL BORROWING – CC SEC 189

- Lend from one reserve to another.
- No bylaw required, however MFA recommends a loan authorization bylaw.
- Must pay it off prior to the lending reserve requires it.
- Must have a detail repayment plan
- Interest rate will be what ever the lending reserve has lost.
- MFA recommends developing the criteria, rates, terms in the Municipality Debt Policy

# FINANCIAL PLAN 2026-2030 WORKSHOP #1

## DEBT FINANCING – SHORT TERM AND TEMPORARY CAPITAL BORROWING

### Short Term Capital Borrowing (CC 178)

- LA Bylaw is required
- Required Ministry Inspector approval
- Max. 5 years (or life of asset) – no extension

### Temporary Borrowing – (CC 181)

- Temporary borrowing bylaw required
- Advance a loan authorization until project is built
- Capital purposes only
- Max. 5 years – no extensions
- Not submitted to the inspector

# FINANCIAL PLAN 2026-2030 WORKSHOP #1

## DEBT FINANCING – LOAN AUTHORIZATION (LONG-TERM BORROWING)

[file:///S:\Finance\Finance\Training  
%20materials\debt\Resources\4.0  
%20Borrowing%20Process%20Flow  
%20Chart%20-%20Muni.pdf](file:///S:\Finance\Finance\Training%20materials\debt\Resources\4.0%20Borrowing%20Process%20Flow%20Chart%20-%20Muni.pdf)

- Inspector approval required
- Over the expected life of the asset (up to 30yrs)
- Loan Authorization bylaw required
- Must use it for what the Municipality applied for
- Must have approval of the Inspector of Municipalities
- Must have public engagement
- Debt will take at least 10 mths beginning to end.
- LT Loans – MFA have two issues in the spring and fall

## Assent Voting vs. AAP: Key Attributes

Attribute	Assent Voting	AAP
<b>Administration</b>	<ul style="list-style-type: none"> <li>• Chief Election Officer (CEO)</li> <li>• Administered as a vote under election-like rules</li> </ul>	<ul style="list-style-type: none"> <li>• Corporate Officer (CAO/CO)</li> <li>• Administered as a petition-like process</li> </ul>
<b>Elector Eligibility</b>	<ul style="list-style-type: none"> <li>• Resident electors and non-resident property owners living within the area for which the vote is being held</li> </ul>	<ul style="list-style-type: none"> <li>• Resident electors and non-resident property owners living within the area for which the AAP is being held</li> </ul>
<b>Geographic Area</b>	<ul style="list-style-type: none"> <li>• Conducted: <ul style="list-style-type: none"> <li>○ On a municipal or regional district-wide basis</li> <li>○ Within an area smaller than the municipal or regional district boundary (e.g., a portion of an electoral area)</li> <li>○ Within one (or between more than one) regional district electoral area</li> <li>○ Between multiple jurisdictions</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Conducted: <ul style="list-style-type: none"> <li>○ On a municipal or regional district-wide basis</li> <li>○ Within an area smaller than the municipal or regional district boundary (e.g., a portion of an electoral area)</li> <li>○ Within one (or between more than one) regional district electoral area</li> <li>○ Between multiple jurisdictions</li> </ul> </li> </ul>
<b>Notice</b>	<ul style="list-style-type: none"> <li>• Notice must be published in the public notice posting places and either in a locally circulated newspaper once each week for two consecutive weeks (default) or by the alternative methods specified in a public notice bylaw</li> </ul>	<ul style="list-style-type: none"> <li>• Notice must be published in the public notice posting places and either in a locally circulated newspaper once each week for two consecutive weeks (default) or by the alternative methods specified in a public notice bylaw</li> </ul>
<b>Timing</b>	<ul style="list-style-type: none"> <li>• Generally, an 80-day process</li> <li>• Vote must be conducted within 80 days following the deadline established in an AAP in which 10% or more the electors signed a response form; or, 80 days after <b>Inspector of Municipalities</b> approval of the bylaw</li> </ul>	<ul style="list-style-type: none"> <li>• Can be as short as 32 days</li> <li>• AAP must allow for a minimum 30-day period in which response forms can be submitted*</li> </ul>
<b>Threshold</b>	<ul style="list-style-type: none"> <li>• Majority rules (50% + 1)</li> </ul>	<ul style="list-style-type: none"> <li>• 10% threshold</li> </ul>

# FINANCIAL PLAN WORKSHOP 2026-2030

# PROJECTS



# FINANCIAL PLAN 2026-2030 WORKSHOP #1

# PRIORITIES

1.

Description	Priority #
Direct Alignment with District's Strategic Plan	1
Critical to Maintain Level Service	1
Urgent to Health & Safety of the Community	1
Service Level Increase (non-tax funded)	2
Operating Cost Savings	2
Required to comply with Policy or Regulations	2
Good planning but not immediate/urgent need	3

2.

3.

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# FINANCIAL PLAN 2026-2030 WORKSHOP #1

## CAPITAL PROJECTS

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- Preliminary draft – projects are still being developed
  - 21 Capital Projects for 2026
    - 4 carry forward
    - 4 recurring projects
    - 7 new projects in blue
  - Large grant approved projects
    - Rip rap replacements
    - Water Meters
  - Large grant applied for projects
    - Park drive lift station
    - Clearwater Valley Supply main

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# FINANCIAL PLAN 2026-2030 WORKSHOP #1

## SPECIAL PROJECTS

- 
- 19 Special Projects for 2026
    - 5 carry forward
    - 2 recurring
    - 6 new

NEXT STEPS

