

# THE CORPORATION OF THE CITY OF NELSON REQUEST FOR COUNCIL DECISION

**DATE:** March 4, 2025 Regular  
**TOPIC:** **Five-Year Financial Plan 2025 - 2029**  
**PROPOSAL:** Five Year Financial Plan (2025-2029) Bylaw No. 3637, 2025, First three readings  
**PROPOSED BY:** Staff

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## ANALYSIS SUMMARY:

The Five-Year Financial Plan Bylaw for the period 2025-2029 is being presented for Council's consideration. The plan includes the revenues and expenditures planned for 2025-2029 that have been presented to both Council and the public. All proposed expenditures, funding sources and transfers, to or between funds, must be included in the plan. Both the operating budget and the capital budget information are attached in Schedule A of the bylaw. The Five-Year Financial Plan (2025-2029) Bylaw No. 3637, 2025 is presented for first three readings.

## BACKGROUND:

The 2025-2029 Financial Plan process included Council and Staff having a variety of internal, external and public meetings over the past six months to review current financial performance, budgetary pressures and forecasted departmental budgets.

In January of this year Council approved an increase to the Water, Wastewater, and Resource Recovery fees for 2025: a \$25 annual increase for resource recovery (from \$125 to \$150 per year); a 4% increase for water utility rates and a 3.5% increase for wastewater rates due to inflation; and an additional 3% increase for water and wastewater rates to fund upgrades to capital infrastructure.

The 2025-2029 Financial Plan includes an overall taxation increase of \$1.25M, including revenue growth from new assessments. An average home in Nelson with an assessed value of \$680,000 (up 2% from 2024) would see an increase of 8.1%, or \$165, to \$2,200 per year, allocated as follows:

City Services	Infrastructure	Police Board	Library Board	Total
\$45	\$20	\$89	\$11	\$165

## Updates

Since the 2025 preliminary draft budget was compiled in December 2024, several adjustments have been made and incorporated in the 2025-2029 Five-Year Financial Plan. These adjustments primarily account for capital projects that were incomplete as of December 31, 2024, and need to be carried forward into 2025. Additionally, adjustments have been made to reflect more accurate cost estimates for various projects and services as better information has become available. These changes are detailed in the attachment to this Request for Decision, along with the updated general operating and capital budgets for reference. Importantly, these adjustments have not resulted in any changes to the proposed tax rate.

## **LEGISLATIVE IMPACTS, PRECEDENTS, POLICIES:**

Section 165 of the *Community Charter* requires that a financial plan be adopted annually, by bylaw, before the Annual Tax Rate Bylaw is adopted. All proposed expenditures, funding sources and transfers to, or between funds, must be included in the plan. Legislation implemented in 2008 requires Council to make explicit statements about each of the following:

- The proportions of revenue proposed to come from various funding sources;
- The distribution of property taxes among property classes; and
- The use of permissive tax exemptions.

## **COSTS AND BUDGET IMPACT - REVENUE GENERATION:**

This document is the Five-Year Financial Plan and includes the estimated revenues and planned expenditures for all functions of the City.

## **COMMUNICATION:**

Open budget meetings were held from October 2024 to February 2025 as follows: Oct 11 - Water / Wastewater, Oct 25 - Nelson Hydro, Nov 8 - Resource Recovery, Dec 6 - Water / Wastewater bylaws and Police Board, Jan 10, 17, 24 and Feb 7 – General Operating. The proposed financial plan has been available to the public since February 19 through the City's website. Feedback received was presented to Council earlier in the meeting.

## **OPTIONS AND ALTERNATIVES:**

1. Proceed with 1<sup>st</sup>, 2<sup>nd</sup> and 3<sup>rd</sup> readings of the Five-Year Financial Plan Bylaw
2. Refer the matter back to staff for further review and recommendations

## **ATTACHMENTS:**

- Five Year Financial Plan (2025-2029) Bylaw No. 3637, 2025
- Schedule A & B 2025-2029 Five-Year Financial Plan
- Adjustments made from Preliminary Draft to Five Year Financial Plan
- 2025-2029 General Operating Budget
- 2025-2029 General Capital Plan

## **RECOMMENDATIONS:**

The Council passes the following resolutions:

1. That the “Five Year Financial Plan (2025-2029) Bylaw No. 3637, 2025” be introduced and read for a first and second time by title only.
2. That the “Five Year Financial Plan (2025-2029) Bylaw No. 3637, 2025” be read a third time by title only.

## **SUBMITTED BY:**



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CHIEF FINANCIAL OFFICER

**THE CORPORATION OF THE CITY OF NELSON**

**BYLAW NO. 3637**

**BEING A BYLAW TO ADOPT  
A FIVE-YEAR FINANCIAL PLAN FOR THE YEARS 2025-2029**

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WHEREAS Section 165 of the *Community Charter* requires Municipal Councils to annually prepare and adopt, by bylaw, a five-year financial plan;

AND WHEREAS the Council of the Corporation of the City of Nelson has reviewed, prepared and solicited public input on the attached five-year financial plan;

NOW THEREFORE the Council of The Corporation of the City of Nelson in open meeting assembled enacts as follows:

1. Schedule "A" attached to and forming part of this bylaw is hereby adopted as the Financial Plan for the City of Nelson for the five-year period starting January 1, 2025.
2. Schedule "B" attached to and forming part of this bylaw is hereby adopted as the Revenue Policy Disclosure Requirement for the five-year period starting January 1, 2025.
3. This bylaw may be cited as "The Corporation of the City of Nelson **Five Year Financial Plan (2025-2029) Bylaw No. 3637, 2025**".

READ A FIRST TIME the       th      day of March, 2025

READ A SECOND TIME the   th      day of March, 2025

READ A THIRD TIME the     th      day of March, 2025

FINALLY PASSED AND ADOPTED the       day of       2025.

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Mayor

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Corporate Officer

## 2025-2029 CITY OF NELSON FIVE YEAR FINANCIAL PLAN



### SCHEDULE A

Revenues	2025	2026	2027	2028	2029
Property Taxes	(14,336,402)	(15,355,398)	(16,412,052)	(17,689,902)	(18,429,942)
Sales of Services	(4,553,808)	(4,507,014)	(4,662,163)	(4,883,652)	(5,152,754)
Other Revenue From Own Sources	(5,535,748)	(5,526,506)	(5,554,458)	(5,583,062)	(5,609,062)
Investment Income	(1,503,048)	(1,193,000)	(1,050,000)	(755,200)	(764,400)
Grants - Unconditional	(836,574)	(844,988)	(851,326)	(857,791)	(864,385)
Grants - Conditional	(13,073,514)	(13,935,744)	(6,935,898)	(16,744,771)	(15,719,916)
<b>General Revenue</b>	<b>(39,839,095)</b>	<b>(41,362,649)</b>	<b>(35,465,896)</b>	<b>(46,514,378)</b>	<b>(46,540,458)</b>
Water: User Fees	(2,915,574)	(3,119,664)	(3,291,246)	(3,455,808)	(3,697,714)
Sewer User Fees	(5,451,002)	(5,805,317)	(6,095,583)	(6,369,884)	(6,624,680)
Transit User Fees	(240,559)	(240,559)	(240,559)	(240,559)	(240,559)
Nelson Hydro Sales	(24,548,138)	(25,457,146)	(26,400,583)	(27,379,781)	(28,396,123)
	<b>(33,155,273)</b>	<b>(34,622,686)</b>	<b>(36,027,971)</b>	<b>(37,446,032)</b>	<b>(38,959,076)</b>
<b>Total Revenue</b>	<b>(72,994,368)</b>	<b>(75,985,336)</b>	<b>(71,493,867)</b>	<b>(83,960,411)</b>	<b>(85,499,534)</b>
<b>Expenses</b>					
General Government	6,966,402	5,948,679	5,997,950	6,155,716	5,680,792
Protective Services	10,584,950	11,270,951	11,666,572	12,177,868	12,687,786
Transportation Services	5,038,213	5,345,148	5,201,717	5,392,537	5,406,745
Environmental Health Services	687,600	730,516	753,278	773,707	794,775
Public Health and Welfare	305,824	317,211	326,295	335,643	345,263
Recreation and Cultural Services	4,211,824	4,068,339	4,164,589	4,263,435	4,364,949
Interest and Other Debt Charges	452,470	423,210	807,410	1,110,250	1,143,832
Amortization	7,123,556	7,266,027	7,411,347	7,559,574	7,710,766
<b>General Expenses</b>	<b>35,370,840</b>	<b>35,370,081</b>	<b>36,329,159</b>	<b>37,768,730</b>	<b>38,134,909</b>
Water Operations	1,803,678	1,872,578	1,931,752	1,980,046	2,019,647
Sewer Operations	2,392,959	2,484,370	2,562,876	2,626,948	2,679,487
Transit Operations	4,382,303	4,391,134	4,493,135	4,597,601	4,724,428
Nelson Hydro Operations	15,615,105	15,850,382	16,488,549	16,971,580	17,740,863
	<b>24,194,045</b>	<b>24,598,464</b>	<b>25,476,311</b>	<b>26,176,175</b>	<b>27,164,425</b>
<b>Total Expenses</b>	<b>59,564,885</b>	<b>59,968,545</b>	<b>61,805,470</b>	<b>63,944,905</b>	<b>65,299,333</b>
<b>Annual Surplus</b>	<b>(13,429,484)</b>	<b>(16,016,791)</b>	<b>(9,688,397)</b>	<b>(20,015,505)</b>	<b>(20,200,201)</b>
Amortization	(7,123,556)	(7,266,027)	(7,411,347)	(7,559,574)	(7,710,766)
Proceeds from Borrowing	(2,560,533)	(2,500,000)	(13,200,000)	(7,000,000)	(1,000,000)
Principal Payments on Municipal Debt	507,086	383,253	490,395	726,850	1,361,262
Capital Expenditures	-	-	-	-	-
General	18,310,526	20,288,405	14,070,561	4,703,832	7,261,166
Transit	-	-	-	-	-
Water	5,350,000	765,000	7,386,840	7,799,879	1,786,013
Sewer	1,192,000	4,187,100	18,092,556	16,059,614	14,540,672
Nelson Hydro	4,129,282	5,799,000	4,764,400	4,931,800	5,012,800
	<b>19,804,805</b>	<b>21,656,731</b>	<b>24,193,405</b>	<b>19,662,401</b>	<b>21,251,147</b>
<b>Balance, before Reserve Transfers</b>	<b>6,375,322</b>	<b>5,639,940</b>	<b>14,505,008</b>	<b>(353,104)</b>	<b>1,050,947</b>
Transfer to (from) General Reserves	(7,184,338)	(4,728,282)	(882,039)	2,471,999	448,917
Transfer to (from) Utility Reserves	1,195,073	(504,134)	(13,572,969)	(2,068,895)	(1,449,864)
Transfers to (from) Surplus	(386,056)	(407,524)	(50,000)	(50,000)	(50,000)
	<b>(6,375,321)</b>	<b>(5,639,940)</b>	<b>(14,505,008)</b>	<b>353,104</b>	<b>(1,050,947)</b>
<b>Financial Plan Balance</b>	-	-	-	-	-

## 2025-2029 CITY OF NELSON FIVE YEAR FINANCIAL PLAN

### CAPITAL FUNDS

	2025	2026	2027	2028	2029
<b>Sources of Funds</b>					
Government Grants	(6,324,345)	(7,700,000)	(592,521)	(10,277,333)	(9,777,333)
Other Revenue/Donations	-	-	-	-	-
Borrowing	(2,560,533)	(2,500,000)	(13,200,000)	(7,000,000)	(1,000,000)
Surplus / Non-Satutory Reserves	-	-	-	-	-
General Reserves	(11,667,648)	(10,088,405)	(6,778,040)	(3,703,832)	(6,261,166)
Water Operating Fund	(1,184,265)	(765,000)	(886,840)	(1,299,879)	(863,961)
Sewer Operating Fund	(950,000)	(3,298,681)	(3,512,166)	(3,724,146)	(3,928,180)
Nelson Hydro Operating Fund	(2,129,282)	(5,014,926)	(4,764,400)	(4,931,800)	(5,012,800)
Utility Reserves	(4,165,735)	(1,672,493)	(14,580,390)	(2,558,135)	(1,757,211)
<b>Total Sources</b>	<b>(28,981,808)</b>	<b>(31,039,505)</b>	<b>(44,314,357)</b>	<b>(33,495,125)</b>	<b>(28,600,651)</b>
<b>Capital Expenditures</b>					
General	18,310,526	20,288,405	14,070,561	4,703,832	7,261,166
Transit	-	-	-	-	-
Water	5,350,000	765,000	7,386,840	7,799,879	1,786,013
Sewer	1,192,000	4,187,100	18,092,556	16,059,614	14,540,672
Nelson Hydro	4,129,282	5,799,000	4,764,400	4,931,800	5,012,800
<b>Total Expenditures</b>	<b>28,981,808</b>	<b>31,039,505</b>	<b>44,314,357</b>	<b>33,495,125</b>	<b>28,600,651</b>

**SCHEDULE B**

**REVENUE POLICY:**

The revenue policy will provide direction on how Council chooses to fund the expenditures of the City, distribute property taxes among the property taxes, and use permissive tax exemptions.

**Property Taxes**

The existing proportionate share has been established through years of public process and the City will strive to keep the proportions at a similar ratio to past years.

It is Council's goal to ensure that there is a fair and equitable apportionment of taxes to each property class. The apportionment to each class is calculated using the multipliers determined by Council prior to preparing the annual tax rate bylaw. The tax multipliers will be reviewed and set by Council annually.

Permissive Tax Exemptions are approved on a schedule and for the number of years that are appropriate as determined by Council. All applications for permissive tax exemptions will be considered in accordance with the Permissive Tax Exemption Policy.

**Parcel Tax**

Parcel taxes will be used whenever Council determines that they are more appropriate than property taxes.

**Fees and Charges**

The City will review fees/charges annually to ensure that they keep pace with changes in the cost of living as well as changes in the methods of levels of service delivery.

City utilities (water, sewer, garbage and electrical) will be operated on a self-funded basis through equitable user fees.

The City will consider market rates and charges levied by other public and private organizations for similar services in establishing rates, fees and charges.

The City will establish cost recovery policies for fee-supported services. The policies will consider whether the benefits received from the service are public and/or private.

The City will establish cost recovery policies for services provided for other levels of government.

The City will develop and pursue new and creative partnerships with government, community institutions (churches, schools), and community groups as well as private and non-profit organizations to reduce costs and enhance service to the community.

Fees may differentiate between a resident and a visitor when appropriate.

**Debt Financing**

Debt financing of capital improvements and equipment will be considered when the project will provide benefits to taxpayers over a long period of time (e.g. 15+years).

The City may consider borrowing when significant cost savings can be obtained by pursuing the capital project prior to raising the required funds.

The City may consider borrowing when it can be determined that future users will receive a benefit from the improvements.

The City will only consider borrowing when the total cost of the debt does not constitute an unreasonable burden to the taxpayers and when there is adequate room in the liability servicing limit to proceed with the borrowing.

**Surplus Funds**

The Community Charter does not allow municipalities to plan an operating deficit (i.e. where expenditures exceed revenues). To ensure this situation does not occur, revenue projections are conservative and authorized expenditures are closely monitored. The combination of conservative revenue projections and controlled expenditures may produce a modest annual operating surplus.

Council will review options and provide direction to staff regarding the allocation of any operating surplus. Staff will facilitate Council's review of the amount of Accumulated Surplus funds available on an annual basis

**Reserve Funds**

Reserve funds shall be set aside to:

1. Provide sources of funds for future capital expenditures;
2. Provide a source of funding for expenditures that fluctuate significantly from year to year;
3. Protect the City from uncontrollable or unexpected increases in expenditures or unforeseen reductions in revenue (eg. unexpected high snowfall);
4. Provide for working capital to ensure sufficient cash flow to meet the City's needs throughout the year.

**Alternate Revenue Sources**

The City will continue to seek other sources of revenue in order to reduce reliance on property taxes.

**Revenue Sources for 2024**

<b>Revenue Sources</b>	<b>% of Total</b>
Property Tax Values	16%
User Fees and Charges	38%
Grants	16%
Other Sources	13%
Reserves	13%
Proceeds from Borrowing	3%
<b>Total</b>	<b>100%</b>

**Summary of Changes**  
**2025 Final Budget vs 2025 Preliminary Plan**

**Capital**

Category	Item	20-Dec-24	04-Mar-25	Change
		Starting Point Budget	Draft Budget	
<b>2024 budgets carried to 2025</b>				
Facilities	City Hall - Upgrades	-	50,000	50,000 <i>Council AV system - 2024 project completed in 2025</i>
Facilities	Knox boxes	-	30,000	30,000 <i>carry forward from 2024 - project not completed</i>
Facilities	Library Officers	-	35,000	35,000 <i>carry forward from 2024 - project not completed</i>
Facilities	Civic Centre	1,713,664	2,046,620	332,956 <i>carry forward actual remaining budget from 2024</i>
Facilities	YC Kitchen	-	20,000	20,000 <i>carry forward from 2024 - project not completed</i>
Parks	Parks/Cemetery Plan	135,000	130,636	(4,364) <i>Some expenditures incurred in 2024</i>
IT	Software Projects	67,000	82,000	15,000 <i>carry forward Police e-notes project</i>
IT	Hardware	417,790	467,790	50,000 <i>Carry forward Council AV project (completed in 2025)</i>
Other	2024 Fire capital	-	65,239	65,239 <i>carry forward from 2024 - projects not completed</i>
Other	Police Dispatch		24,000	24,000 <i>carry forward from 2024 - projects not completed</i>
				<b>617,831</b>
<b>Budget increases (decreases)</b>				
Facilities	Transit / Hydro Offices	345,000	475,000	130,000 <i>Increase due to HVAC and fire code requirements (increased funding from Transit)</i>
Facilities	Fire Hall	3,600,000	5,300,000	1,700,000 <i>increased budget for Firehall design and build</i>
Facilities	Parkade	100,000	50,000	(50,000) <i>reduced budget to allocate to other projects</i>
Facilities	General vent cleaning	50,000	20,000	(30,000) <i>reduced budget to allocate to other projects</i>
Transportation	Transit Exchange	2,322,616	2,351,168	28,552 <i>adjusted to agree to BCTransit approved budget</i>
Other	Storm Sewer (Lakeside)	160,000	260,000	100,000 <i>added budget for Lakeside emergency storm sewer replacement</i>
				<b>1,878,552</b>
Total changes				<b>2,496,383</b>
<b>Total Capital</b>		<b>17,396,385</b>	<b>19,892,768</b>	<b>2,496,383</b>

**Operating**

Increase in property insurance	68,000	<i>Contingency added to 2025 budget to account for potential increase in property insurance, due to market and increase in replacement costs</i>
Transfer from Insurance Reserve	(50,000)	<i>Transfer from reserve to mitigate impact of potential increase on 2025 budget</i>

## 2025-2029 PRELIMINARY OPERATING BUDGET

Revenues	2025	2026	2027	2028	2029
Property Taxes	- 14,336,402 -	15,355,398 -	16,412,052 -	17,689,902 -	18,429,942
Transit User Fees	- 240,559 -	240,559 -	240,559 -	240,559 -	240,559
Secondment Recovery - IRSU	- 196,077 -	203,920 -	210,038 -	216,339 -	222,829
Parking Meters, Parkade	- 1,546,000 -	1,546,000 -	1,546,000 -	1,702,250 -	1,878,031
Cemetery Fees	- 64,940 -	65,023 -	65,023 -	65,023 -	65,023
Waste and Organics	- 774,600 -	949,987 -	1,085,585 -	1,114,682 -	1,176,284
Parks and Recreational	- 704,800 -	715,996 -	715,996 -	715,996 -	727,416
Other Service Fees	- 982,356 -	1,016,588 -	1,030,021 -	1,059,862 -	1,073,671
Sales of Services	- 4,509,332 -	4,738,073 -	4,893,222 -	5,114,711 -	5,383,813
Licensing fees and fines	- 1,231,277 -	1,248,177 -	1,248,177 -	1,248,177 -	1,248,177
Rentals	- 1,228,675 -	1,230,224 -	1,230,224 -	1,230,224 -	1,230,224
Other Internal Charges and Donations	- 1,772,900 -	1,736,500 -	1,741,100 -	1,745,800 -	1,745,799
Other Revenue From Own Sources	- 4,232,852 -	4,214,901 -	4,219,501 -	4,224,201 -	4,224,200
Grants - Unconditional	- 525,886 -	528,086 -	528,086 -	528,086 -	528,086
Grants - Conditional	- 5,892,936 -	5,430,871 -	5,551,003 -	5,680,862 -	5,156,006
Interest Income	- 350,000 -	300,000 -	300,000 -	300,000 -	300,000
<b>Total Revenues</b>	<b>- 29,847,409 -</b>	<b>30,567,329 -</b>	<b>31,903,863 -</b>	<b>33,537,763 -</b>	<b>34,022,047</b>
<b>Allocation from Reserves &amp; Surplus</b>					
Use of Surplus	- 201,579 -	307,524 -	- -	- -	- -
Use of COVID Recovery Funds	- 144,477 -	50,000 -	- -	- -	- -
Art in Public Places Surplus	- 10,000 -	10,000 -	10,000 -	10,000 -	10,000
10th Street Campus	- 40,000 -	40,000 -	40,000 -	40,000 -	40,000
Hydro Dividend	- 4,004,395 -	4,264,600 -	4,535,200 -	4,816,600 -	5,109,300
<b>Total Allocation from Reserves &amp; Surplus</b>	<b>- 4,400,451 -</b>	<b>4,672,124 -</b>	<b>4,585,200 -</b>	<b>4,866,600 -</b>	<b>5,159,300</b>
<b>Total Revenues and Allocations</b>	<b>- 34,247,860 -</b>	<b>35,239,453 -</b>	<b>36,489,063 -</b>	<b>38,404,363 -</b>	<b>39,181,347</b>

## 2025-2029 PRELIMINARY OPERATING BUDGET

Expenses	2025	2026	2027	2028	2029
Legislative	390,405	419,139	415,305	426,786	438,592
General Admin, Human Resources	1,854,719	1,801,335	1,808,211	1,860,138	1,919,789
Finance, Planning, Nelson Next	3,410,126	3,028,032	3,121,671	3,227,763	2,678,761
Cultural (NDAC, Visitor Centre, Arts&Cultu	324,499	329,853	327,816	334,554	332,336
Other	207,234	212,118	216,745	221,476	226,313
<b>General Government</b>	<b>6,186,982</b>	<b>5,790,478</b>	<b>5,889,748</b>	<b>6,070,716</b>	<b>5,595,792</b>
Police	6,150,013	6,376,694	6,555,684	6,766,425	6,982,339
Fire, Emergency Management	3,574,546	4,196,883	4,393,470	4,673,396	4,946,171
Bylaw	672,205	697,374	717,419	738,047	759,277
<b>Protective Services</b>	<b>10,396,763</b>	<b>11,270,951</b>	<b>11,666,572</b>	<b>12,177,868</b>	<b>12,687,786</b>
Public Works - Street Maintenance	1,151,667	1,188,738	1,219,812	1,251,726	1,284,504
Public Works - Snow Removal	862,128	887,741	909,848	932,528	955,796
Public Works - Other	2,241,537	2,271,464	2,328,830	2,388,723	2,450,237
Parking	350,481	358,838	368,921	379,292	389,961
Airport	88,400	89,368	90,307	91,267	92,248
<b>Engineering and Public Works</b>	<b>4,694,213</b>	<b>4,796,148</b>	<b>4,917,717</b>	<b>5,043,537</b>	<b>5,172,745</b>
Waste and Organics	687,600	730,516	753,278	773,707	794,775
Cemetery Services	305,824	317,211	326,295	335,643	345,263
Parks	1,608,129	1,655,511	1,695,832	1,737,233	1,779,743
Youth Centre	453,424	469,993	483,307	497,005	511,098
Campground	119,625	123,840	127,270	130,798	134,425
Farmers Market	100,403	104,079	107,028	110,062	113,183
Cultural (Capitol, Touchstones)	364,735	372,088	379,589	387,243	395,053
<b>Parks, Recreation and Cultural Services</b>	<b>2,646,316</b>	<b>2,725,510</b>	<b>2,793,027</b>	<b>2,862,341</b>	<b>2,933,502</b>
Transit	4,382,303	4,391,134	4,493,135	4,597,601	4,724,428
Library Grant Transfer	724,723	746,465	768,859	791,924	815,682
Interest and Principal on Debt	96,305	96,305	297,705	837,000	837,000
<b>Total Expenses</b>	<b>30,121,030</b>	<b>30,864,717</b>	<b>31,906,335</b>	<b>33,490,337</b>	<b>33,906,974</b>
<b>Allocation to Surplus</b>					
Airport	33,000	33,000	33,000	33,000	33,000
Bridge	40,000	40,000	40,000	40,000	40,000
Building Reserve	1,090,000	1,200,000	1,250,000	1,350,000	1,450,000
Downtown/Waterfront Reserve	135,000	135,000	135,000	135,000	135,000
911 Transfer	7,500	7,500	7,500	7,500	7,500
Resource Recovery Reserve	117,055	187,981	293,856	299,439	335,263
	<b>1,422,555</b>	<b>1,603,481</b>	<b>1,759,356</b>	<b>1,864,939</b>	<b>2,000,763</b>
<b>Allocation to Reserve</b>					
Water Licence	250,000	250,000	250,000	250,000	250,000
Capital Projects	1,291,000	1,291,000	1,291,000	1,464,125	1,637,250
Equipment Reserve	1,135,000	1,200,000	1,250,000	1,300,000	1,350,000
Affordable Housing Reserve	28,275	30,254	32,372	34,962	36,360
	<b>2,704,275</b>	<b>2,771,254</b>	<b>2,823,372</b>	<b>3,049,087</b>	<b>3,273,610</b>
<b>Total Expense and Allocations</b>	<b>34,247,860</b>	<b>35,239,453</b>	<b>36,489,063</b>	<b>38,404,363</b>	<b>39,181,347</b>
<b>Total Net Operations Deficit (Surplus)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## CITY OF NELSON - FACILITIES

Reference	Description	Borrowing	Grant	Other	Reserve	2025 Budget	2026 Budget	2027 Budget	2028 Budget	2029 Budget	
	<b>General</b>										
carry fwd prior year	General - Contingencies				100,000	100,000	100,000	100,000	100,000	100,000	
ongoing renewal	General - Knox Boxes				30,000	30,000					
CAP25-1	General - interior replacements				-	-	100,000	100,000	100,000	100,000	
ongoing renewal	General - Asset management planning				50,000	50,000	25,000	25,000	25,000	25,000	
	General - Electrical Safety Program				44,220	44,220	-	-			
	<b>General Total</b>				<b>224,220</b>	<b>224,220</b>	<b>225,000</b>	<b>225,000</b>	<b>225,000</b>	<b>225,000</b>	
carry fwd prior year	<b>City Hall</b>										
carry fwd prior year	City Hall - Elevators				770,000	770,000	-	-			
	City Hall - Upgrades				50,000	50,000					
CAP25-2	City Hall - Cooling tower replacement				100,000	100,000	-	-			
CAP25-3	City Hall - HVAC								50,000	1,000,000	
CAP25-4	City Hall - Bylaw Office				30,000	30,000					
CAP25-5	City Hall - Alarm				10,000	10,000					
	City Hall - Interior / Exterior				200,000	200,000					
	<b>City Hall Total</b>				<b>50,000</b>	<b>1,110,000</b>	<b>1,160,000</b>	<b>-</b>	<b>-</b>	<b>50,000</b>	<b>1,000,000</b>
carry fwd prior year	<b>Public Works</b>										
CAP25-6	Public Works - Expansion				35,000	35,000		500,000	1,000,000		
CAP25-7	Public Works - Women's Washroom				60,000	60,000					
carry fwd prior year	Public Works - Ventilation				-	-	100,000	100,000	100,000		
carry fwd prior year	Public Works - Hydro offices				365,000	365,000					
	Public Works - Transit offices (KLW)				110,000	110,000					
	<b>Public Works Total</b>				<b>570,000</b>	<b>570,000</b>	<b>100,000</b>	<b>600,000</b>	<b>1,100,000</b>		
carry fwd prior year	<b>Police/Library</b>										
CAP25-8	Library - New washroom for Transit				10,000	10,000					
	Library - New office (Asst Chief)				10,000	25,000	35,000				
	Police - Alarm exit					10,000	10,000				
carry fwd prior year	<b>Police/Library Total</b>				<b>10,000</b>	<b>45,000</b>	<b>55,000</b>				
CAP25-9	Civic Centre				1,426,040	620,580	2,046,620	5,000,000	-		
ongoing renewal	Fire Hall					5,300,000	5,300,000	9,300,000	6,700,000		
	Parkade					50,000	50,000	100,000	100,000	100,000	
	<b>Other</b>										
	Coke & Gas - Coke and Gas Enviro Review							50,000			
carry fwd prior year	Youth Centre - Youth Centre kitchen				20,000	20,000	-	-			
carry fwd prior year	Seniors' Centre - Roof Top Air Conditioner					-	-	25,000			
carry fwd prior year	General - Vent cleaning					20,000	20,000				
CAP25-10	NMAG Interior work					15,000	15,000	-	-		
CAP25-11	Capitol Theatre - upgrades					25,000	25,000				
CAP25-12	NMAG Air Conditioning					22,000	22,000				
	Campground - Roof replacement					20,000	20,000				
	Senior Centre - Roof replacement					-	-	150,000			
	<b>Other Total</b>				<b>20,000</b>	<b>102,000</b>	<b>122,000</b>	<b>150,000</b>	<b>75,000</b>		
	<b>Grand Total</b>				<b>1,456,040</b>	<b>50,000</b>	<b>8,021,800</b>	<b>9,527,840</b>	<b>14,875,000</b>	<b>7,700,000</b>	
										<b>1,475,000</b>	
										<b>1,325,000</b>	

## CITY OF NELSON - PARKS

Reference	Description	Borrowing	Grant	Other	Reserve	2025 Budget	2026 Budget	2027 Budget	2028 Budget	2029 Budget
	Parks General Capital									
CAP25-13	Fencing at Lakeside Park				40,000	40,000				
CAP25-14	Parks and Cemetery Master Plan				130,635	130,635				
carry fwd prior year	Parks Facility Upgrades				50,000	50,000	50,000	200,000	50,000	200,000
	<b>Parks General Capital Total</b>				<b>220,635</b>	<b>220,635</b>	<b>50,000</b>	<b>200,000</b>	<b>50,000</b>	<b>200,000</b>
	<b>Grand Total</b>				<b>220,635</b>	<b>220,635</b>	<b>50,000</b>	<b>200,000</b>	<b>50,000</b>	<b>200,000</b>

## CITY OF NELSON - TRANSPORTATION

Reference	Description	Borrowing	Grant	Other	Reserve	2025 Budget	2026 Budget	2027 Budget	2028 Budget	2029 Budget
ongoing renewal	Streets									
ongoing renewal	Street Improvements				1,000,000	1,000,000	1,000,000	1,000,000	1,500,000	1,500,000
ongoing renewal	Laneway Rehabilitation				50,000	50,000	50,000	50,000	50,000	50,000
ongoing renewal	Retaining wall repairs				50,000	50,000	50,000	50,000	50,000	50,001
	<b>Streets Total</b>				<b>1,100,000</b>	<b>1,100,000</b>	<b>1,100,000</b>	<b>1,100,000</b>	<b>1,600,000</b>	<b>1,600,001</b>
carry fwd prior year	Sidewalks									
	Lakeside Drive Multi-use Pathway				200,000	200,000	-	-		
	<b>Sidewalks Total</b>				<b>200,000</b>	<b>200,000</b>	-	-		
CAP25-15	Cycling									
	Active Transport				-	100,000	100,000	715,000	100,000	715,000
	<b>Cycling Total</b>				<b>-</b>	<b>100,000</b>	<b>100,000</b>	<b>715,000</b>	<b>100,000</b>	<b>715,000</b>
carry fwd prior year	Public Transit									
	Transit Exchange				1,790,635	560,533	2,351,168	-	-	-
	<b>Public Transit Total</b>				<b>1,790,635</b>	<b>560,533</b>	<b>2,351,168</b>	-	-	-
CAP25-16	Bridges									
CAP25-17	City Bridges - Asset Management Planning					60,000	60,000	200,000		
	Lakeside Drive Bridge - potential replacement							200,000	2,000,000	
	<b>Bridges Total</b>				<b>60,000</b>	<b>60,000</b>	<b>400,000</b>	<b>2,000,000</b>		
ongoing renewal	Downtown Improvements									
carry fwd prior year	Public Art					20,000	20,000	20,000	20,000	20,000
	Vernon Street Light Replacement					259,860	259,860			
CAP25-18	Bear Bins in Downtown Core				115,000		115,000			
ongoing renewal	Decorative Lighting					34,000	34,000	34,000	34,000	34,000
	<b>Downtown Improvements Total</b>				<b>115,000</b>	<b>313,860</b>	<b>428,860</b>	<b>54,000</b>	<b>54,000</b>	<b>54,000</b>
ongoing renewal	Other									
	Management of Capital Projects					250,000	250,000	280,000	280,000	280,000
	<b>Other Total</b>				<b>250,000</b>	<b>250,000</b>	<b>280,000</b>	<b>280,000</b>	<b>280,000</b>	<b>280,000</b>
	<b>Grand Total</b>				<b>1,905,635</b>	<b>560,533</b>	<b>2,023,860</b>	<b>4,490,028</b>	<b>2,549,000</b>	<b>3,534,000</b>
										<b>2,649,000</b>
										<b>2,034,001</b>

## CITY OF NELSON - VEHICLES & EQUIPMENT

Reference	Description	Borrowing	Grant	Other	Reserve	2025 Budget	2026 Budget	2027 Budget	2028 Budget	2029 Budget
Fire						80,000	-	-	-	2,250,000
Garage						-	87,000	-	-	-
Hydro				1,188,576	1,188,576	256,000	600,000	-	-	-
Light Delivery Vehicles				75,000	75,000	292,260	145,000	78,000	340,500	
Parks						-	-	75,000	27,000	
Police				105,200	105,200	168,000	-	-	99,000	
Sanitary				100,000	100,000					
PW						473,000	530,000	440,000	878,000	
Sanitation						600,000	600,000			
Minor equipment		10,000		53,245	63,245					
<b>Grand Total</b>		<b>10,000</b>		<b>1,522,021</b>	<b>1,532,021</b>	<b>1,869,260</b>	<b>1,962,000</b>	<b>593,000</b>	<b>3,594,500</b>	

## CITY OF NELSON - INFORMATION TECHNOLOGY

Reference	Description	Borrowing	Grant	Other	Reserve	2025 Budget	2026 Budget	2027 Budget	2028 Budget	2029 Budget
carry fwd prior year	Security projects				20,000	20,000	-	-		
ongoing renewal	Software projects				82,000	82,000	-	-		
ongoing renewal	Hardware replacement				467,790	467,790	260,375	200,000	118,750	173,500
carry fwd prior year	Next Generation 911		2,686,670			2,686,670				
ongoing renewal	Fibre Build				25,000	25,000	25,000	25,000	25,000	25,000
carry fwd prior year	GIS		30,000		30,000	60,000	60,000	60,000	60,000	60,000
carry fwd prior year	Cybersecurity		18,300	18,300	36,600	73,200	73,200	23,200		
CAP25-19	Payroll software				100,000	100,000				
<b>Grand Total</b>		<b>2,734,970</b>	<b>18,300</b>	<b>761,390</b>	<b>3,514,660</b>	<b>418,575</b>	<b>308,200</b>	<b>203,750</b>	<b>258,500</b>	

## CITY OF NELSON - OTHER GENERAL CAPITAL

Reference	Description	Borrowing	Grant	Other	Reserve	2025 Budget	2026 Budget	2027 Budget	2028 Budget	2029 Budget
CAP25-20	<b>Campground</b> Food Cache Storage Unit				8,000	8,000				
	<b>Campground Total</b>				<b>8,000</b>	<b>8,000</b>				
carry fwd prior year	<b>Fire</b> Community Protection - Wet Line							592,521		
carry fwd prior year	Fire Master Plan				73,500	73,500				
	Knox Box system				17,329	17,329				
CAP25-21	MSA Lunar F.A.S.T. thermal camera	11,160				11,160				
CAP25-22	Auto Extrication Air Lifting Bags				30,897	30,897				
CAP25-23	PFAS Free Firefighting Foam				12,000	12,000				
	Equipment (hose & equip for Engine 7, TIG)				26,992	26,992				
	Grant Funded Equipment & Training	40,201				40,201				
CAP25-24	<b>Fire Total</b>	<b>51,361</b>		<b>160,718</b>	<b>212,079</b>		-	<b>592,521</b>		
CAP25-25	<b>Police</b> Ergonomic Dispatch desks	24,000			24,000					
	Equipment - GlockOpticUpgrade				25,405	25,405				
ongoing renewal	Equipment - Mats				3,100	3,100				
ongoing renewal	<b>Police Total</b>	<b>24,000</b>		<b>28,505</b>	<b>52,505</b>					
CAP25-26	<b>Storm Sewer upgrades</b> Storm upgrades		210,000	210,000		110,000	110,000	110,000	110,000	110,000
	Catch basin Redirect		50,000	50,000		50,000	50,000	50,000	50,000	50,000
	<b>Storm Sewer upgrades Total</b>		<b>260,000</b>	<b>260,000</b>		<b>160,000</b>	<b>160,000</b>	<b>160,000</b>	<b>160,000</b>	<b>160,000</b>
CAP25-27	<b>Public Works Complex</b> Security Fencing			-	-	125,000				
	<b>Public Works Complex Total</b>			-	-	<b>125,000</b>				
	<b>Resource Recovery</b> Garbage and Recycling Modernization	75,000	75,000							
carry fwd prior year	FoodCyclers					918,770	26,040	27,082	28,165	
	<b>Resource Recovery Total</b>	<b>75,000</b>	<b>75,000</b>			<b>918,770</b>	<b>26,040</b>	<b>27,082</b>	<b>28,165</b>	
	<b>Other</b> EV Vehicle Strategy					50,000				
	<b>Other Total</b>					<b>50,000</b>				
	<b>Grand Total</b>	<b>75,361</b>	<b>532,223</b>	<b>507,584</b>	<b>1,253,770</b>	<b>778,561</b>	<b>187,082</b>	<b>188,165</b>		

## CITY OF NELSON - NEW BORROWING

Department	Project	Project Description	2025	2026	2027	2028	2029
FACILITIES	Civic Centre	Civic Centre			2,500,000		
	Fire Hall	Fire Hall - Firehall Replacement			6,700,000		
VEHICLES & EQUIPMENT	Fire	Future Replacements	-	-			1,000,000
OTHER GENERAL CAPITAL	Storm Sewer upgrades	Storm Infra Upgrade to Mitigate Climate Chg.	-				
<b>Grand Total</b>			-	<b>2,500,000</b>	<b>6,700,000</b>		<b>1,000,000</b>

Debt Repayments		Initial Debt Amount	Annual Repayment	2025	2026	2027	2028	2029
FACILITIES	Civic Arena	2,500,000	201,400		201,400	201,400	201,400	201,400
FACILITIES	Firehall Replacement	-	-		-	-	-	-
FACILITIES	Firehall Replacement	6,700,000	539,752				539,752	539,752
VEHICLES & EQUIPMENT	Fire Future Replacements	1,000,000	80,560					
OTHER GENERAL CAPITAL	Storm Infrastructure Upgrade	-	-	96,305	96,305	96,305	96,305	96,305
<i>Existing Debt</i>								
<b>Total For Operating Financial Plan</b>				<b>96,305</b>	<b>96,305</b>	<b>297,705</b>	<b>837,457</b>	<b>837,457</b>

*Debt payments begin in year 2*