



**RESORT MUNICIPALITY OF WHISTLER**

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## STAFF REPORT TO COUNCIL

**PRESENTED:** May 28, 2024 **REPORT:** 24-058  
**FROM:** Finance **FILE:** 3900-20-2439  
**SUBJECT:** FIVE-YEAR FINANCIAL PLAN 2024-2028 AMENDMENT BYLAW (FIRE STAFFING, RMI AND MISCELLANEOUS) 2439, 2024

### RECOMMENDATION FROM THE CHIEF ADMINISTRATIVE OFFICER

**That** the recommendation of the General Manager of Corporate Services & Public Safety be endorsed.

### RECOMMENDATION(S)

**That** Council consider giving first, second and third readings to “Five-Year Financial Plan 2024- 2028 Amendment Bylaw (Fire Staffing, RMI and Miscellaneous) No. 2439, 2024”.

### PURPOSE OF REPORT

This report seeks consideration of the first three readings of the “Five-Year Financial Plan 2024-2028 Amendment Bylaw (Fire Staffing, RMI and Miscellaneous) No. 2439, 2024” (Amendment Bylaw), a bylaw to amend the “Five-Year Financial Plan 2024-2028 Bylaw No. 2424, 2024” (Financial Plan) for the purposes discussed below.

Information Report  Administrative Report (Decision or Direction)

### DISCUSSION

#### **Background**

The purpose of this Amendment Bylaw is to update the Resort Municipality of Whistler’s (RMOW) Financial Plan to include:

- Operations costs for the additional Fire Staffing approved by Council on January 23, 2024;
- Adjustments to the planned spending on Resort Municipality Initiative (RMI) projects to reflect amounts required to fulfill Resort Development Strategy (RDS) obligations, and to introduce one new project;
- Increase the planned 2024 project spending for two additional projects; and,
- Update the budgeted transfers to the CCAEH Reserve to reflect the terms of the recently signed Transfer Amendment Agreement.

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**Analysis**

**Fire Staffing**

On January 23, 2024, Council supported the following recommendations:

**That** Council direct staff to initiate seven day a week daytime staffing at the Spring Creek Fire Hall #3 as soon as is practicable; and

**That** Council direct staff to include the associated increases in Whistler Fire Rescue Services operating costs into the next amendment of “Five-Year Financial Plan 2024- 2028 Bylaw No. 2424, 2024”, to be considered by Council later this year.

The proposed changes to the Financial Plan for 2024 include adding the Fire Staffing expenses for the year 2024 and decreasing the amount of contribution to the General Operating Reserve (GOR) by an offsetting amount. The GOR funds projects like community wildfire mitigation and records modernization. It is also responsible for providing funding to the operating business in times of emergency. After these adjustments, there will be \$1.9 million in planned 2024 contributions to the GOR, and similar amounts for 2025 - 2027. Annual GOR contributions and annual GOR spending for the past five years has averaged \$2.5 million and \$2.6 million respectively.

The risk of not fully funding the GOR has been deemed acceptable and should only prove truly challenging if an emergency takes hold in the community when the reserve balance is insufficient to provide revenue replacement support. The GOR was most recently used in this manner during the 2020 response to the COVID pandemic, but a similar use could be associated with a future wildfire or other emergency event that significantly impairs forecasted municipal non-tax revenues.

It's important to note that this approach (using the GOR to fund the increase in Fire Staffing) applies in 2024 only. Beyond 2024, increased fire staffing costs will be covered through property taxes. At full rollout, in 2028, these costs are expected to amount to \$2.5 million per year. For the years 2024 through 2027, as these costs are being layered in, the average annual added cost across those year is \$1.6 million. These added costs were identified in the report from January 2023:

<b>FIRE STAFFING EXPENDITURES</b>				<i>Annual inflation rate: 4%</i>	
Costs related to staff added in year:	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>
2024	550,260	572,270	595,161	618,968	643,726
2025		520,940	541,778	563,449	585,987
2026			1,135,427	1,180,844	1,228,078
2027				66,200	68,848
<b>Total Added Expense (relative to 2023)</b>	<b>550,260</b>	<b>1,093,210</b>	<b>2,272,366</b>	<b>2,429,460</b>	<b>2,526,639</b>

After considering that reduced GOR contributions will fund the first year of expanded fire operations, the following table outlines the incremental or added amounts for years 2025 – 2028 that will need to be funded with property tax:

<i>Fire Staffing expenditures offset with:</i>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>
Reduced GOR contribution	550,260				
Increased Tax Revenues		1,093,210	1,179,155	157,095	97,178

The previous Financial Plan contemplated that several significant one-time expense step-ups might be coming in the next five years. Three of the most significant are: Fire staffing, Transit costs, and changes to RCMP cost share. An allocation to capture the operating costs associated with these probable

expenditure additions was included within the Payroll & Services line item included of Schedule A. Because of this, these amounts do not at this time need to be increased. What needs to be understood is that each time one of these types of expenditures moves from “probable” to “certain”, the certainty around the associated future tax requisition also increases.

Another change is necessary at well. The General Capital Reserve (GCR) is proposed to help balance the budget for the years 2025 and 2026 of the Plan. Although taxes are planned to increase steadily over next five years, the costs for specific items (i.e., fire staffing) don’t increase uniformly on a year-by-year basis. As such, adjustments to the GCR contribution are needed to match expenses with revenues in those years when the planned tax increase appears to be insufficient.

	2025	2026	2027	2028
Increase in property tax	3,710,322	3,978,207	4,265,433	4,573,398
Required to sustain operations	2,853,461	2,972,165	3,095,807	3,224,593
Remainder available for new initiatives	856,860	1,006,042	1,169,626	1,348,805
New tax-supported Fire expenditures	1,093,210	1,179,155	157,095	97,178
Reduction in GCR contribution	(236,350)	(173,114)	-	-
Remainder available after Fire Expenditures	-	-	1,012,531	1,251,626

**Resort Municipality Initiative (RMI) projects**

Several changes to planned RMI spending are proposed. These reflect adjustments to the RDS that have been made in cooperation with the Province. Total project spending for 2024 & 2025 increases by \$331,713 and total operating spending increases by \$1,368,975. These expenditures are entirely supported by Hotel Tax revenues.

Small adjustments to planned spending for several RMI projects are being proposed. These are necessary in order to ensure that each project receives the full allocation of planned spending identified in the three-year Resort Development Strategy (RDS). These small differences result from actual spending at the end of 2023 being slightly different from amounts that were expected at the time the previous Financial Plan was created. In addition, some project work that was previously expected to land in 2024 is proposed to move into 2025. Finally, one new project is being added to the plan: Lakeside Park Climate Adaptation and Resilience. The nature of this work is:

*To mitigate the impacts of climate change and invest in climate adaption by ensuring tourism supporting activities can be as resilient as possible. Shade-giving trees prone to failure from increasing frequency of heavy wet snow events will be replaced with a more durable species, and prolonged wet lawn conditions triggered by significant storm events and high lake water conditions will be addressed.*

Changes to 2024 and 2025 planned spending for RMI projects appears in the table below:

Project #	Project Name	5YFP 2424		5YFP 2439	
		2024	2024	2024	2025
A074	Interpretive Panels	62,284		40,371	
C012	Conference Centre Reinvestment	150,000		150,000	
P033	Whistler Olympic Plaza Skating Amenity	20,000		42,625	
P081	Recreational Trail Maps	27,191		41,683	
P101	Parks Accessibility Program	4,000		11,493	
P115	Alpha Lakes Project	174,877		173,470	
X116	Meadow Park Rejuvenation Phase 1b	3,252,417		750,000	2,517,684
X117	Valley Trail Access & Safety Improvements	392,833		365,507	
X121	Recreational Trailhead Improvements	13,192		15,000	
X130	Park Washroom Rejuvenation	239,000		239,000	80,059
X140	CECAP Trail Hardening	-		20,000	21,930
X145	Rainbow Park Rejuvenation	866,061		965,064	
X152	Village Stroll Tree Strategy	95,440		105,999	
X179	Recreation Trail Bridge Replacement	-		89,123	
		5,297,295		3,009,335	2,619,673
				(2,287,960)	2,619,673
		<i>Total Change in planned spending by year</i>			

Further, in 2023, an additional amount of RMI funding was granted to the RMOW by the Province on the basis of strong tourism performance in 2022. The added amount was \$1,302,522. This amount has been reallocated to support spending on tourist-facing operations, primarily in the Village and at local parks. Another \$66,453 that was previously allocated to Project work is also being redirected towards operations.

Delivery of these services was already planned for 2024, the change is that the funding is now coming from RMI rather than tax revenue. This change wasn't expected at the time of the Financial Plan adoption.

**Legislative Services/Committees of Council Review and Code of Conduct (C08004)**

This project continues work begun in 2023 to undertake a full review and update of the RMOW's Committee of Council framework, as well as to fund an update of the Council Code of Conduct. This project (C08004) was approved for \$30,000 in spending in the original Five-Year Financial Plan. Note that the primary costs for delivering this project are associated with contracted part time staffing hours. Additional budget in the amount of \$30,000 is now being sought as both portions of this project have increased in scope and duration. Current spending on this project already exceeded the currently available in-year budget, and it is expected that a total budget of \$60,000 is required to complete these projects by the end of 2024.

**Cultural Initiatives/Learning & Education Videos (A08806)**

This project sets out to create and produce videos to support education and awareness around important community values. Videos in 2024 will be produced to support outcomes of our accessibility plan, as well as a video highlighting Lost Lake to support smart tourism, climate change, and engagement messages. This project (A08806) was not included in the 2024 Financial Plan as it was expected to land in 2023. Circumstances prevented this from happening and the work has proceeded in 2024, with full costs in-year expected to total \$50,000. This project is funded from the MRDT reserve.

**Crossing Affordable Employee Housing (CCAEH) Reserve transfer**

A new CCAEH Reserve Funds Agreement was signed with the Whistler 2020 Development Corp (WDC) in May. In addition, the 2023 WDC Financial Statements were recently finalized, detailing a \$4Mm increase in the distribution payable to the CCAEH reserve during 2023. With these updates, the

amount of funding expected to be received by WDC for the credit of the CCAEH Reserve in both 2024 and 2025 change. Under the previous agreement, \$13.5 million was expected to be paid from WDC to the CCAEH reserve in 2024 and \$0 in the years following. Under the new agreement, these amounts will be \$3.8 million in 2024 and \$17.0 million in 2025. These changes are reflected on Schedule B.

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## **POLICY CONSIDERATIONS**

### **Relevant Council Authority/Previous Decisions**

Preliminary direction on Fire Service staffing was considered on [December 19, 2023](#) at the Budget Guidelines meeting ([Administrative Report No. 23-127](#)).

The Financial Plan was adopted on [January 23, 2024](#).

The decision to increase Fire Staffing: [January, 23, 2024](#) - [Administrative Report No. 24-011](#).

### **2023-2026 Strategic Plan**

The 2023-2026 Strategic Plan outlines the high-level direction of the RMOW to help shape community progress during this term of Council. The Strategic Plan contains four priority areas with various associated initiatives that support them. This section identifies how this report links to the Strategic Plan.

#### **Strategic Priorities**

Housing

*Expedite the delivery of and longer-term planning for employee housing*

Climate Action

*Mobilize municipal resources toward the implementation of the Big Moves Climate Action Plan*

Community Engagement

*Strive to connect locals to each other and to the RMOW*

Smart Tourism

*Preserve and protect Whistler's unique culture, natural assets and infrastructure*

Not Applicable

*Aligns with core municipal work that falls outside the strategic priorities but improves, maintains, updates and/or protects existing and essential community infrastructure or programs*

### **Community Vision and Official Community Plan**

The Official Community Plan (OCP) is the RMOW's most important guiding document that sets the community vision and long-term community direction. This section identifies how this report applies to the OCP.

Chapter 6 of the OCP addresses Economic Viability and includes the statement: "The municipality is committed to being fiscally responsible and at the same time must continue to invest in infrastructure, amenities and services, which are integral to the authentic Whistler Mountain experience."

The above proposed changes to the Financial Plan aim to deliver three specific investments in a fiscally responsible fashion and consider changing circumstances. Amendments to the Financial Plan are a key mechanism by which the RMOW ensures that the community remains current on the state of financial affairs, in a transparent fashion.

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## BUDGET CONSIDERATIONS

The Financial Plan sets the budget for the next five years and is prepared annually. It can be revised at any time by bylaw and is being revised to reflect proposed changes.

The proposed change affects Financial Plan Schedule B (Project Summary) by decreasing 2024 project spending by \$2.2 million and increasing 2025 spending by \$2.6 million. Associated transfers from the RMI reserve decrease \$2.3 million in 2024 and increase by \$2.7 million in 2025. Transfers from the General Operating Reserve in 2024 increase by \$30,000 and from the MRDT reserve increase by \$50,000.

The proposed changes affect the Financial Plan Schedule A (Operating Summary) by increasing the contribution to the GOR in 2024 and reducing the contribution to the GCR in 2025 and 2026. The amount of RMI revenue increases by \$130,252 or the 10 per cent of the performance amount that will be received in 2024. Transfers to the RMI Reserve decrease by \$1.2 million, reflective of the amounts that will support 2024 operating expenditures rather than project work.

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## LÍŁWAT NATION & SQUAMISH NATION CONSIDERATIONS

The RMOW is committed to working with the LÍŁwat People, known in their language as *L'il'wat7úl* and the Squamish People, known in their language as the *Skwxwú7mesh Úxwumixw* to: create an enduring relationship; establish collaborative processes for Crown land planning; achieve mutual objectives; and enable participation in Whistler's resort economy.

There are no specific considerations to include in this report.

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## COMMUNITY ENGAGEMENT

Level of community engagement commitment for this project:

Inform     Consult     Involve     Collaborate     Empower

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## REFERENCES

"Five-Year Financial Plan 2024- 2028 Amendment Bylaw (Fire Staffing, RMI and Miscellaneous) No. 2439, 2024" (included in Council Package)

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## SUMMARY

This proposed change to the Financial Plan aims to align the plan with current circumstances.

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## SIGN-OFFS

### Written by:

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Chief Financial Officer

### Reviewed by:

Ted Battiston,  
General Manager, Corporate Services & Public  
Safety

Virginia Cullen,  
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