

VILLAGE OF LYTTON

2025 Core Budget

Community Engagement Session

February 26, 2025



AGENDA

1. **Welcome remarks**
2. **Budget timeline**
3. **Budget 101**
4. **2025 core budget**
 - **Revenue**
 - **Expenses**
5. **Five-Year Financial Plan**
6. **Property taxes 101**
7. **Questions and answers**
8. **Next steps**



2025 BUDGET TIMELINE



Date	Milestone
February 11	Budget direction from Council
February 26	Community engagement session
February 26 to March 12	Public feedback period
March 25	Draft Five-Year Financial Plan
April 8	2025-2029 Five-Year Financial Plan Bylaw – first, second, and third readings
April 22	Adopt 2025-2029 Five-Year Financial plan; 2025 Tax Rates Bylaw – first second, and third readings
May 13	Adopt 2025 Tax Rates Bylaw

BUDGET 101



How is the budget developed?

- Budget is developed by staff, based on discussions with Council on priorities for the upcoming year
- Presented to the community members for comments and input
- Council approves draft budget, incorporating input received
- Budget typically includes special projects and capital expenditures

BUDGET 101

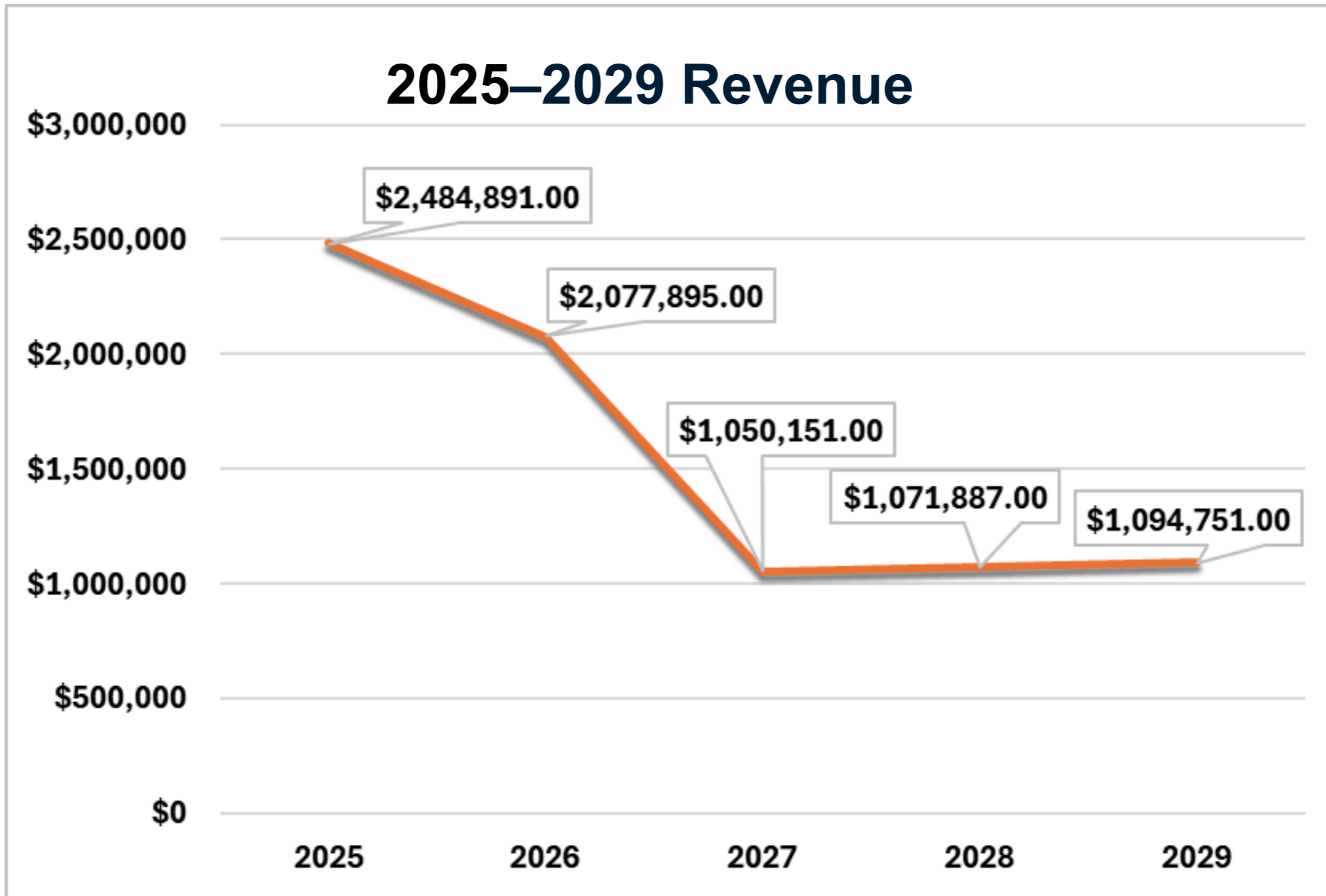


How is the budget developed?

- Municipalities **cannot run a deficit**, so all expenditures must be covered by:
 - current year funding sources or
 - transfer from a reserve
- **Reserves** can be established for:
 - a specific reason (future capital replacement) or
 - general purposes, such as a general operating reserve

2025 CORE BUDGET

Revenue



2025 CORE BUDGET



Revenue

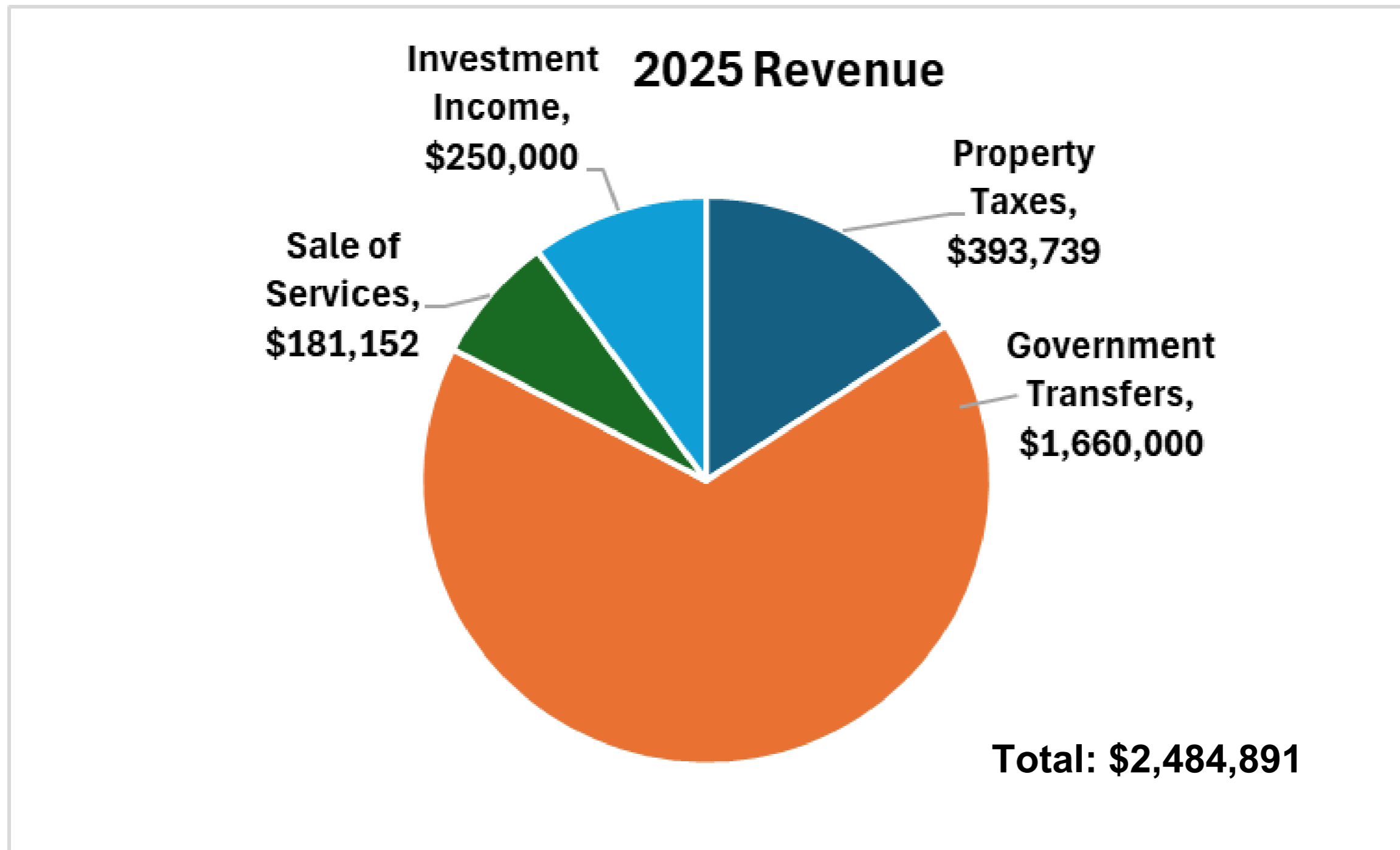
- Prior to the fire, Lytton operated with a \$1.4 million budget.
- Core revenue for the Village will be \$2.485 million in 2025.
- Core revenue will return closer to historical levels in 2027–2029.



2025 CORE BUDGET



Revenue sources



2025 CORE BUDGET



Government grants & transfers

- From the second \$2.1 million recovery grant:
 - \$1.025 million is budgeted in 2025 and 2026.
- Small Communities Grant is budgeted at \$408,000 in the future.
- Grant received for Official Community Plan in 2024 for \$152,000 was deferred and will be in 2025 budget, along with Special Project.
- Other grants typically have associated expenditures.

2025 CORE BUDGET



Property tax revenue

\$393,739 in revenue from property taxes

- Revenue is budgeted to increase 6%.
- The preliminary tax roll shows an increase of 29% in the taxable value of property (\$33.4 million in 2025 compared to \$25.9 million in 2024).
- Tax rate will be adjusted to generate 6% increase in total revenue, **not** a 6% increase in rate on top of 29% property value increase.

2025 CORE BUDGET

Water & wastewater

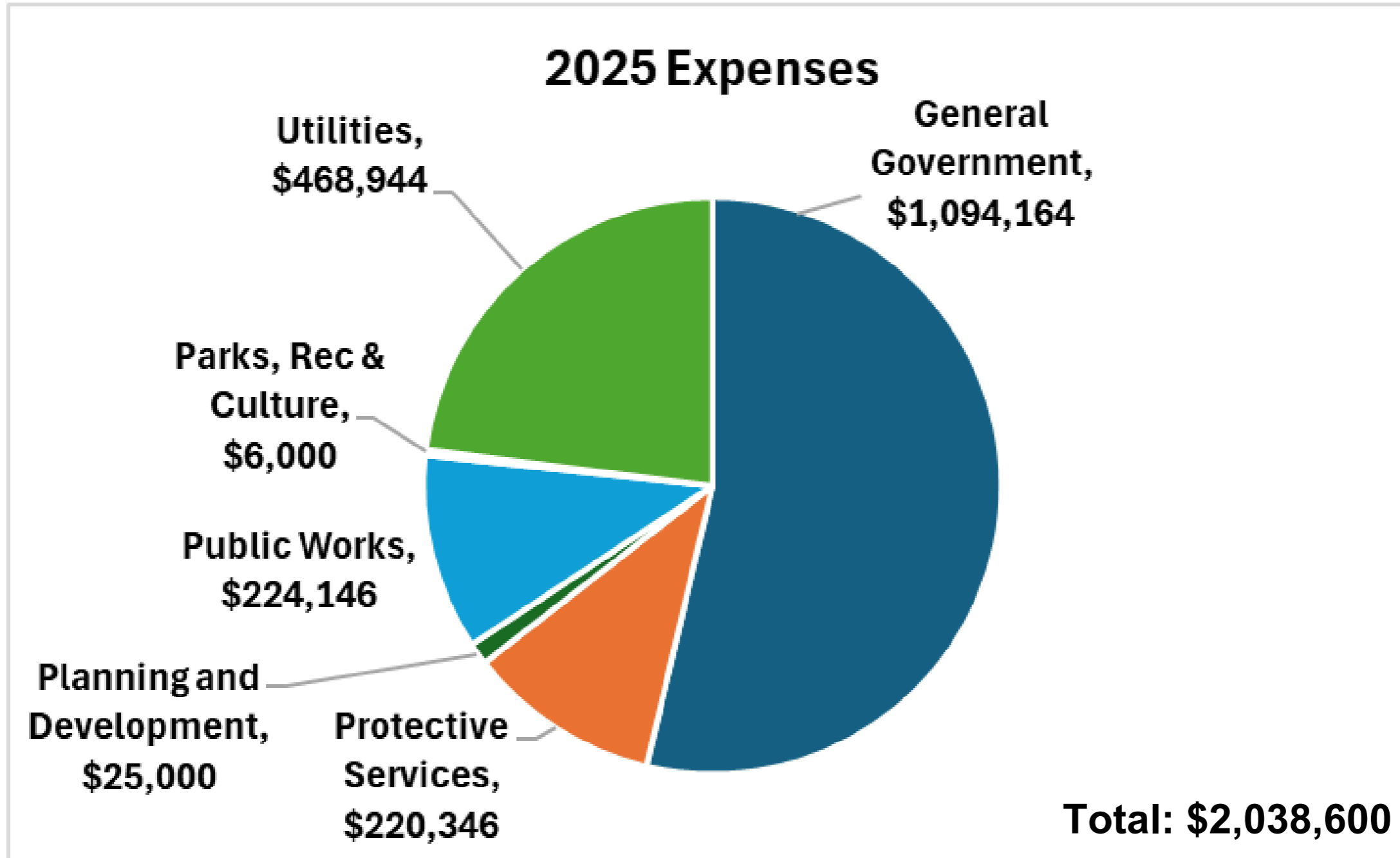
- Revenues from water and wastewater are budgeted at \$101,664 with additional increases beyond.
- Dependent on the pace of rebuilding.



2025 CORE BUDGET



Expenses

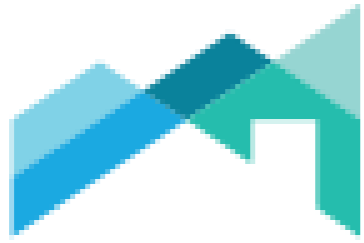


FIVE-YEAR FINANCIAL PLAN



- Community Charter requires Council to adopt a 5-Year Financial Plan balancing to zero each year.
- Future years' revenue and expenses are increased to reflect inflation.
- In 2027, 2028 and 2029 the operating deficit will need to be funded by:
 - Growth in property taxes and / or utility charges, or
 - Transfers from reserves.

PROPERTY TAXES 101



BC ASSESSMENT

- BC Assessment provides Preliminary Tax Roll with preliminary values (prior to appeals).
 - The final tax role will be received in late March.
- Values in Lytton are up 29% overall.
- If Council approves a budget with a 6% increase in property tax revenue, then the tax rate will be set based on the final assessed values.

PROPERTY TAXES 101

Example

- Residential Property Tax Revenue in 2024 was \$53,189.
- With a 6% increase in 2025, this would be \$56,380.
- Preliminary Residential Assessment Value is \$21,439,200.
- Tax rate = $\$56,380 / (\$21,439,200 / 1000) = \$2.6298$
(versus 3.5261 in 2024)



PROPERTY TAXES 101



Taxes for other government agencies

- In addition to Village of Lytton property taxes, the Village collects tax on behalf of others, including:
 - Thompson-Nicola Regional District
 - Thompson Regional Hospital District
 - Police
 - School
 - Municipal Finance Authority
 - BC Assessment Authority

YOUR TURN

Questions or comments?

1. Raise your hand or
2. Type your questions or comments in the chat box



NEXT STEPS

Budget questions & feedback

- The budget input period is from February 26 to March 12.
- After this, staff will incorporate feedback in a draft budget for Council's review.
- Email comments or questions to Chief Financial Officer Diane Mombourquette at: cfo@lytton.ca.



THANK YOU

