DISTRICT OF HOPE

# MINUTES OF A COMMITTEE OF THE WHOLE MEETING

Wednesday, November 5, 2025
Council Chambers, District of Hope Municipal Office
325 Wallace Street, Hope, British Columbia

**Council Members Present:** Mayor Victor Smith
Councillor Bonny Graham
Councillor Scott Medlock
Councillor Pauline Newbigging
Councillor Angela Skoglund
Councillor Heather Stewin

**Council Members Absent:** Councillor Dusty Smith

**Staff Present:** John Fortoloczky, Chief Administrative Officer
Kevin Dicken, Director of Operations/Deputy CAO (via Teams)
Donna Bellingham, Director of Corporate Services
Mike Olson, Director of Finance
Robin Beukens, Director of Community Development
Thomas Cameron, Fire Chief
Branden Morgan, Deputy Director of Corporate Services
Linda Goglin, Deputy Director of Finance
Danielle Laporte, Communications/IT

## 1. CALL TO ORDER

Mayor Smith called the meeting to order at 7:00 p.m.

## 2. APPROVAL OF AGENDA

**Moved / Seconded**

THAT the November 5, 2025 Committee of the Whole Meeting Agenda be adopted, as presented. **CARRIED.**

## 3. ADOPTION OF MINUTES

### (a) Committee of the Whole

**Moved / Seconded**

THAT the Minutes of the Committee of the Whole Meeting held October 29, 2025, be adopted, as presented. **CARRIED.**

## 4. OTHER PERTINENT BUSINESS

### (a) Review of the DRAFT 2026-2030 Financial Plan

The Director of Finance provided an overview of the agenda for the Financial Plan review and began with a brief review of the 2026-2030 Capital Budget.

- 2026-2030 Capital Budget
    - An additional $200,000 has been added to the Fire Department Capital Expenses for structural repairs to Fire Hall 1 due to issues identified during asbestos abatement

Council requested clarification regarding the Water Capital Expense for replacement of Wells #1 and #2, and whether it is for new casings or full replacements. The Director of Operations advised that the intent through the Water Master Plan is to fully decommission Well #1 and replace both Well #1 and Well #2 with a new higher capacity well in the downtown area. He added that this project has a timeline of 5-10 years and will be reviewed in 2030.

- Assumptions – overall inflation of 3% in 2025
    - Wage increases as per the Collective Agreement
    - Construction inflation of 5%

**Highlights of General Government**

- Information Technology includes the computer replacement program, which is funded by the COVID Restart Grant, with 10 units expected to be replaced in 2026
- The COVID Restart Grant has approximately $880,000 remaining with $500,000 allocated to the Richmond Hill Multi-Use Pathway Project
- Office reorganization and furniture replacement projects at District Hall are now complete
- The Victims Assistance Program is now fully staffed, and it was noted that program travel costs are difficult to estimate as it depends on the requirements of the cases being handled

**Highlights of Fire – Emergency Services**

- Emergency Services Contracts include the Hazard Report and Emergency Management Plan updates at $107,000 and an additional $65,000 in contractor fees for Emergency Management services

**Highlights of Fire – Protective Services**

- Revenue from Fire Protection Agreements is lower than previous years as the Fraser Valley Regional District did not renew the Laidlaw Fire Protection Agreement
- There is an increase in grant revenue for FireSmart and Emergency Management

- Both full-time and volunteer headcounts have increased, resulting in an increased need for training
- Annual gear inspection and repairs costs have risen due to an increase in full-time and volunteer members

**Highlights of Bylaw Enforcement**

- Wages and Benefits have increased due to the addition of the new Bylaw Coordinator position
- Animal Control costs continue to rise due to the volume and complexity of dog related calls

**Highlights of Public Works**

- Administration costs have decreased due to the reallocation of Engineering positions to a separate budget section
- The Flood Management Plan, budgeted under the Public Works Engineering – Contracts item, will be 90% funded by grant revenue
- Roads Maintenance has decreased as some labour costs have been reallocated to the Parks budget

Council inquired as to the reason for reallocating labour amounts between the Roads Maintenance and Parks budgets each year. The Director of Operations advised that while individual costs are reallocated between the budget items, the overall labour costs remain the same. He added that while it is difficult to predict where actual labour costs will take place, Staff review the previous three years of actuals to propose the budget amounts.

**Highlights of Waste Management**

- In 2025, Staff budgeted Waste Management expenditures based on the actual inflationary rate, while the actual expense has come in lower
- Landfill budget includes ongoing remediation and a reduction for work already completed

**Highlights of Community Development**

- The Community Development Department is now fully staffed
- Planning Contracts include *Subdivision Development Servicing Bylaw, Develop Cost Charges Bylaw*, and Development Application Review Process updates
- The Economic Development item is for the AdvantageHOPE contract

**Highlights of Parks**

- A portion of the Parks Administrator salary is allocated to Parks Administration
- Kawkawa Lake Park works include repairs to the floating dock

Council inquired as to what work is included in the Other Parks section as it has a large budget of $227,000. The Director of Operations advised that this section is used for smaller parks, passive green spaces, hanging baskets on Wallace Street, and other horticultural work in the Downtown Core. He added that it would be administratively difficult to separate these expenses into their own categories.

Council inquired as to whether there will be an item added to the budget for the Spray Park that has been the subject of recent community fundraising efforts. The CAO advised that the Spray Park project will need to come before Council to receive direction as it is not officially included in the Downtown Revitalization Plan or other plans.

**Highlights of Cultural**

- Library expenses are passed on to the District by the Fraser Valley Regional Library, with a 3-4% increase expected in 2026
- Station House archaeological works are being conducted and will be funded by the Station House Reserve

**Highlights of Water Operations**

- The final commercial utility billing has yet to occur, which will eliminate the current deficit for 2025
- Water Parcel Tax is ending in 2025 and will be replaced by the 753 Water Amalgamation Parcel Tax
- Debt financing for the Water Utility Amalgamation Project is now allocated under Water Capital

**Highlights of Sewer Operations**

- Small increases across the Sewer Operations budget to accommodate increased maintenance and associated labour costs

**Highlights of RCMP**

- Assumption that the RCMP staffing complement will be 14 members with no projected increase to staff in 2026
- The RCMP has proposed an increase in staff complement to 15 members in 2027
- Increased expenses related to the body worn camera implementation and associated training
- $180,000 to be transferred from prior year surplus
- RCMP expenditures are largely outside of the District’s control, with only municipal support positions remaining consistent

**Highlights of Revenue – Other**

- Grant revenue has increased to reflect grants that have been secured and an allocation based on the assumption of grants that will be received
- Investment income is expected to remain at the same level despite rates dropping due to more money being set aside
- The District has not had a tax sale in the last two years
- Payment in lieu of taxes has been increased to reflect previous years
- The majority of Other Revenue comes from grants and investment income

Council inquired as to why Other Revenue was significantly higher in 2024. The Director of Finance advised that this was due to the sale of the property at 455 Coquihalla Street which resulted in a gain of approximately $1.4 million.

Council requested clarification regarding the expenses included in the $496,700 budget for the library. The Director of Finance advised that the District pays the Fraser Valley Regional Library (FVRL), which operates the Hope branch, approximately $110,000 each quarter. Additionally, the District is responsible for maintenance expenses, a portion of materials and supplies, utilities, and rental of the library space. He added that this amount is consistent with other communities and that the FVRL Board, which includes representation from Council, adopts a budget each year that determines allocations.

**Property Tax Impact**

- Utilities Class market value adjustment decreased by 19.2%
- Staff received an updated assessment roll this week, which has been used to calculate the property tax scenarios

**Assessed Value Differences**

- Class 1 (Residential) – 1.29% Increase
- Class 5 (Industrial) – 4.93% increase
- Class 6 (Commercial) – 3.48% Increase

The Director of Finance advised that Staff have prepared four scenarios, each with two alternatives:

- Equal application of rate across all classes
- Adjust Light Industry and Commercial by 2% on an overall basis, leaving all classes the same

**Property Tax Scenarios**

The Director of Finance advised that Scenario 1, which shows the budget as presented with no adjustments, and Scenario 2, which shows the budget without the utilities rate adjustment, are included for Council's reference.

- Scenario 1: - as presented with no adjustments
    - Alternative 1 – 12.56% overall tax rate increase as follows:
        - Residential - $257 or 13.70%
        - Light Industry - $2,464 or 20.83%
        - Commercial - $787 or 14.21%
    - Alternative 2 – overall 12.07% (Residential) and 14.07% (Commercial & Industrial) overall tax rate increase as follows:
        - Residential - $248 or 13.19%
        - Light Industry – $2,655 or 22.44%
        - Commercial - $872 or 15.73%

- Scenario 2: - Impact if the utilities assessment reduction related to pipeline transmission property has not occurred:
  - Alternative 1 – 4.74% overall tax rate increase
    - Residential - $109 or 5.79%
    - Light Industry - $1,470 or 12.43%
    - Commercial - $347 or 6.27%
  - Alternative 2 – 4.24% (Residential) & 6.24% (Commercial & Industrial) overall tax rate increase
    - Residential - $99 or 5.29%
    - Light Industry – $1,661 or 14.04%
    - Commercial - $432 or 7.79%
- Scenario 3: - reduce tax assessment by $700,000, with $100,000 being reduced from RCMP tax
  - Alternative 1 – 3.89% overall tax rate increase
    - Residential - $93 or 4.93%
    - Light Industry - $1,362 or 11.51%
    - Commercial - $299 or 5.40%
  - Alternative 2 – 3.39% (Residential) and 5.39% (Commercial & Industrial) overall tax rate increase
    - Residential - $83 or 4.43%
    - Light Industry – $1,553 or 13.13%
    - Commercial - $384 or 6.93%
- Scenario 4: reduce tax assessment by $800,000, with $100,000 being reduced from RCMP tax
  - Alternative 1 – 2.65% overall tax rate increase
    - Residential - $69 or 3.68%
    - Light Industry - $1,205 or 10.18%
    - Commercial - $230 or 4.15%
  - Alternative 2 – 2.15% (Residential) and 4.15% (Commercial & Industrial) overall tax increase
    - Residential - $60 or 3.18%
    - Light Industry – $1,396 or 11.80%
    - Commercial - $314 or 5.67%

The Director of Finance advised that Council could achieve a reduced tax assessment by reducing reserve contributions and using prior year surplus. The CAO added that Council could also look at discretionary capital projects.

**Reserve Adjustments** – a total of $309,275 in adjustments

- Maintain the Infrastructure, Campground, and Cemetery Reserves at current levels
- Reduce the Fire Department, Public Works Equipment, and Gas Tax Reserves

**History of Annual Surplus/Deficits**

- 2024 – ($552,658)
- 2023 – $5,082,936
- 2022 – 2,898,909
- Unappropriated as of the 2024 year end – $12,219,143

**Discretionary Capital Projects**

- District Hall HVAC Ducting Project - $30,000
- Art Machine Roof Replacement - $30,000
- Memorial Park Washroom Upgrade - $25,000
- Fire Hall 1 Structural Repairs - $200,000

Council inquired as to whether the utility assessment changes are a temporary reduction or if they are expected to be permanent. The Director of Finance advised that there is some political pressure to reverse or delay the change and noted that Staff have prepared the budget with the assumption that the changes will stand. He added that BC Assessment has indicated that they will also be reviewing other utility values.

Council inquired as to the impact the reduction in reserve contributions will have, specifically for the Fire Department. The Fire Chief advised that the reserve funds are for apparatus replacements and facility work and added that there may be grant funding available to cover a portion of the upcoming apparatus replacement. The Director of Finance noted that Fire Reserve contributions have increased significantly in recent years, going from $150,000 in 2024 to $200,000 in 2025. The proposed reduction would not be out of line with previous years and could be increased again moving forward. On an overall basis, the Director of Finance noted that the proposed reserve adjustments would result in total contributions of $1,416,000, which is still a significant increase over the 2024 total of $1,126,000.

Council noted that while it is not sustainable to support the budget through the prior year surplus, they have an obligation to ease the burden of the utility valuation reduction on local ratepayers. Council also noted that they do not want to remove projects from the budget as costs could increase in future years and it will put the District behind schedule.

Council inquired as to what the ratio of Light Industry and Commercial tax rates would be if the 2% adjustment is made. The Director of Finance advised that the ratio would be 1.73 for Commercial and 2.36 for Light Industry when compared to the Residential rate.

The Director of Finance advised that the District has not seen updated valuation for properties that were rezoned Light Industrial in 2025, noting that it will have an impact on the use of prior year surplus in the future as those values increase. He added that any changes will be presented to Council as they are received.

Council advised that they would like to proceed with a $700,000 reduction in tax assessment with $600,000 coming from General Operations and $100,000 coming from RCMP Tax, and a 2% adjustment to Commercial and Light Industry rates. The Director of Finance noted that the $600,000 reduction from General Operations will be comprised of $309,275 in reserve adjustments and the remainder from prior year surplus.

**Moved / Seconded**

THAT Council direct Staff to prepare the 2026-2030 Financial Plan with a $600,000 reduction from General Operations and a $100,000 reduction from RCMP Tax for a total tax assessment reduction of $700,000, and a 2% adjustment to the Light Industry and Commercial classes. **CARRIED.**

## 5. QUESTION PERIOD

There were no questions from the public.

## 6. CLOSE

**Moved / Seconded**

THAT the November 5, 2025 Committee of the Whole Meeting adjourn at 9:41 p.m.

**CARRIED.**

*Certified a true and correct copy of the Minutes of the Committee of the Whole meeting held on November 5, 2025 in Council Chambers of the District of Hope, British Columbia*

Original Signed by Victor Smith
**Mayor**

Original Signed by Donna Bellingham
**Director of Corporate Services**