





Regional District of Nanaimo (RDN) Excessive Taxation

Based on 2024-2028
Amended Financial Plan (March 26, 2024)

June 17th, 2024













The RDN's Planned 2024 Tax Requisition Increase is Excessive

		Property Tax Requisition (\$)			
		2023	2024	\$ Change	% Change
Total RDN	(Dec 12 Budget)	\$78,599,533	\$89,176,700	\$10,577,167	 13.5%
	(March 26 Budget)		\$87,590,992	\$8,991,459	 11.4%
Area E	(Dec 12 Budget)	\$ 3,635,480	\$ 4,320,056	\$ 684,576	 18.8%
	(March 26 Budget)		\$ 4,234,008	\$ 598,528	 16.4%

RDN increase is **5.7 times** the expected rate of inflation for 2024 of 2.0%

Note: The increase is 12.9% when corrected for Ravensong Capital Reserve Credit of \$1,166,543

The 2024 Tax Requisition Increase is across all RDN services.

	Dec 12 th 2024 Budget		March 26 th 2024 Budget	
	\$ Change	% Change	\$ Change	% Change
Corporate Services	\$2,182,729	 30.5%	\$686,047	 9.6%
Devel. & Emerg. Services	\$2,136,173	 17.7%	\$2,097,916	 17.4%
Regional Community Utilities	\$2,821,239	 10.3%	\$2,831,933	 10.4%
Recreation & Park Services	\$ 772,486	 4.7%	\$ 682,950	 4.1%
Corrected for Ravensong Res.	\$1,939,029	 11.9%	\$1,849,493	 11.4%
Transportation Services	\$2,664,540	 16.9%	\$2,692,598	 17.0%
	\$10,577,167		\$ 8,991,459	

42.4% of the 2024 RDN tax increase is within Existing Service Levels

	Within Existing Service Levels		New Service Levels	
Administration	+803,588	(511,669)	+526,724	+526,724
Electoral Area Planning	+151,048	+151,048	+87,076	+87,076
Regional Growth Strategy	+ 99,655	+ 99,655	+80,000	+80,000
Electoral Area Building Policy Advice			+87,076	+87,076
Community Grants			+128,300	+142,300
Feasibility Studies			+75,365	+75,368
Emergency Services	+332,573	+259,795		
Parksville Pool Feasibility			+170,000	
Ravensong	-1,166,543	-1,166,543		
Northern Community Rec.	+387,996	+387,996		
Regional Parks	+671,719	+671,719	+61,765	+61,765
Community Parks	+525,184	+433,084	+61,842	+61,842
Waste Water/Solid Waste	+1,076,911	\$1,019,820	+790,347	+790,347
Transit	+2,385,733	+2,385,733	+273,429	+48,399
Animal Cont/Haz. Prop./Noise Cont.			+68,420	+68,420
Other / Other Jurisdictions	+45,314	+84,065	+442,088	+758,381
TOTAL	\$5,313,172	\$3,814,703	\$2,410,3	\$3,063,320
	42.4% of 2024 Increase		34.1% of 2024 Increase	

+\$1,330,312 increase reduced to \$15,055

+\$722,523 Increase in planning

+\$1,616,406 Increase in Parks & Rec.


26.1% of the 2024 Tax Increase is in these three areas

The RDN's Plans To Increase Taxes 64.7% Over The Next 5 Years, 6.22 Times the Rate of Inflation.

2024-2028 Amended Financial Plan (March 26, 2024)

Year	Total Tax Requisition	Annual \$ Change	Annual % Change
2023	\$ 78,599,532		
2024	\$ 87,590,992	+ 8,991,460	11.4%
2025	\$101,328,404	+13,737,412	15.7%
2026	\$111,366,541	+10,038,137	9.9%
2027	\$120,142,049	+ 8,875,508	8.0%
2028	\$129,467,253	+ 9,325,204	7.8%

2023-2028
Cumulative
Increase

 +\$157,097,583 vs
\$24,218,166 at
expected inflation

 **+64.7% increase over 5 Years**

Your taxes will double over 7 years vs. 35 years

6.22 Times the
Compounded
Expected Inflation
Rate over 5 years of
10.4%

Massive Capital Spending is planned over the next 5 years, burning past **surpluses** and driving significant **new borrowing**.

	2023	2024-2028	
Operating (Surplus)/Deficit	8,485,010	(71,831,879)	← False Surplus
Capital Expenditures	65,224,970	525,063,126	← HALF A BILLION Twice the rate of the last 5 years.
Transfers from Reserves	(35,733,205)	(156,668,488)	
Grants / Other	(8,156,061)	(53,070,847)	
New Borrowing	(14,363,734)	(298,582,264)	← Significant New Borrowing
Net Capital Assets Funded By Operations	6,966,970	16,741,527	
Total Capital Financing Charges	7,246,664	76,118,609	← Annual Financing Charges Increase 3.23 Times From 2023 to 2028
Net (Surplus)/Deficit for the period	22,698,644	21,028,257	
Transfers to Appropriated Surplus	205,830	970,000	
Transfers from Appropriated Surplus	(6,594,972)	(11,415,255)	
Prior Years (Surplus)/Deficit	(16,309,502)	(10,585,002)	← Past Surplus Spent

Note: Operating Expenses grow 17.7% over next 5 years.

Given the number and significant size of the capital projects, they must be spread over more years to reduce planned tax increases.

	2024-2028 Capital Budget	Major Items
Corporate Services	40,168,781	Admin. Building \$34,830,000
Development & Emergency Services	27,477,294	5 New/Seismic Upgraded/Rebuild Fire Halls \$17.0 mm
Regional & Community Utilities	289,183,316	WW -Departure Bay Pumping Station \$38.5 mm WW-Departure Bay Forcemain Twinning \$45.3 mm WW – Waste Water plant expansion \$104.6 mm WW – Waste Water Outfall Replacement \$9.3mm WW-Nanoose Forcemain Replacement \$7.2mm Water-Nanoose Bulk Water \$4.3mm Water-Rivers Edge Supply Upgrade \$3.4mm Water-Nanoose Asbestos Cement Watermain Rplc. \$2.9mm Water- Whiskey Creek AC Pipe Replacement \$2.2mm Solid Waste Projects \$14.9mm
Recreation & Parks	113,887,510	Land Purchases \$52.9 mm (LD-2703 \$11.6, PR-0053 \$41.3) Ravensong Expansion \$31.5 million. Community Parks Capital Exp. \$5.4 million
Transportation	54,346,222	New Transit Operations & Ops Facility \$50.9 million

How Did We Get Here?

1 The Planning & Budgeting Process is Flawed

- Budgets process seem to be driven by broad strategic statements then staff create the department budgets without appropriate financial guardrails/spending limits.
 - Protect Vital lands & Ecosystems
 - Manage Impacts of Climate Change
 - Planning & Managing for Growth
 - Water Security
 - Provincial and Federal Advocacy

2 Limited or No Pressure Testing of the Speed, Timing, Cost or Approach to Major Projects & Project Investments

3 No Overall Spending Limit or Clear Financial Planning Targets to Drive Planning



So, all projects end up in the financial plan and spending ends up out of control.

How Did We Get Here?

4 Economically Insensitive RDN Board Members who lack true awareness of the economic capacity of the tax payers.

- Older taxpayers on fixed income and younger tax payers make up the base.

	RDN	French Creek	Qualicum	Nanaimo	Nanoose	Parksville
Median Income	39,200	40,000	40,400	40,000	44,800	37,200
After Tax	36,000	36,800	37,200	36,800	40,400	34,400
Average Income	49,240	58,400	51,900	48,880	50,400	44,880
After Tax	42,520	48,400	43,720	42,440	39,600	39,600

- Higher Food Costs 2021-2024 Food Cost Increase 23.8% or +\$3133.14 to \$16,297 per hhld.
- Higher Rent or Mortgage Costs (Avg. 2br Apartment is \$2000/mo. with 2024 rent increases capped at 3.5%) let alone availability.
- Wage growth is not keeping up with the cost of living and in a flat economy (0.3% GDP Growth 2024) that isn't going to change.



So the tax base cannot fund a 64.7% RDN Tax Increase over the next 5 years.

What Do We Want?

A Significantly Improved Planning & Budget Development, Review and Approval Process

- 1 Greater awareness, understanding and empathy for the true capacity of the tax paying citizens.
- 2 Total Tax Increases Capped to Inflation / Borrowing Cap
- 3 Total spending cap related targets, by department, driving the planning process each year.
- 4 Improved Governance:
 - Board Audit & Finance Committee making sure spending items are essential vs nice to have and that the timing and pacing are tied to overall financial capacity.
 - CFO reporting to CAO
 - CAO responsible for planning process and budget integrity along with the implementation and management of the total spending cap (Fiscal Responsibility)

What Do We Want?

Recut 2024-2028 Budgets NOW.

- 1** Reduce the rate of capital spending and spread it over time beyond 2028 and cut Parks & Rec Land Purchases & Ravensong Expansion
- 2** Dramatically reduce planned Corporate Services Operating Costs and remove the 2027-28 major capital spend for a new Administration Building.

PATH A – DIRECT RDN ENGAGEMENT

Presentation to RDN Board (Completed)

- Share Presentation
- Confirm their current planning process, financial accountability structure and confirm our assumptions.
- Test the validity & process of a cap and improved planning processes with clear accountability.

CAO/CFO Meeting (CAO Refused Meeting)

- Request a meeting with the CAO/CFO
- Share our presentation
- Understand the current planning process and overall financial management
- Build an understanding of the requirements & challenges to implementing our recommendations.

PATH B – PUBLIC ENGAGEMENT

- Share Presentation directly & electronically
- Educate and expand the public's voice and impact.

PATH C – LEGISLATIVE & POLICY AVENUES

- In Development
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What Do We Want?

- 1 Join the NNRA & ensure we have your e-mail.
- 2 Share with your friends & neighbors within Nanoose & beyond.
 - Our presentation can be accessed on www.nnra.ca
- 3 Give the RDN your input and demand fiscal balance and dramatically reduced capital spending.
 - Participate in the RDN's On-line Survey at getinvolved.rdn.ca/rdb-budget-talks
- 4 Write directly to the RDN Board Members and CAO
 - Their contact information is on the RDN site under Board.
- 6 Show up In-person on-mass at two key RDN meetings.
 - July 5th – Public Invited to share their thoughts on priorities for 2025-2026
 - November 5th - Aggregated Financial Plan 2025-2029
 - December 10th -Financial Plan Adoption
- 7 Next Election – October 17th 2026