Finance Committee
October 21, 2025
On-Table Items

Item Type	Date	Item No.	Item Name	Page Number(s)	Reason For On-Table Distribution
Presentation	October 21, 2025	4.1	2025 Financial Plan Forecast	3-16	Received after agenda publication

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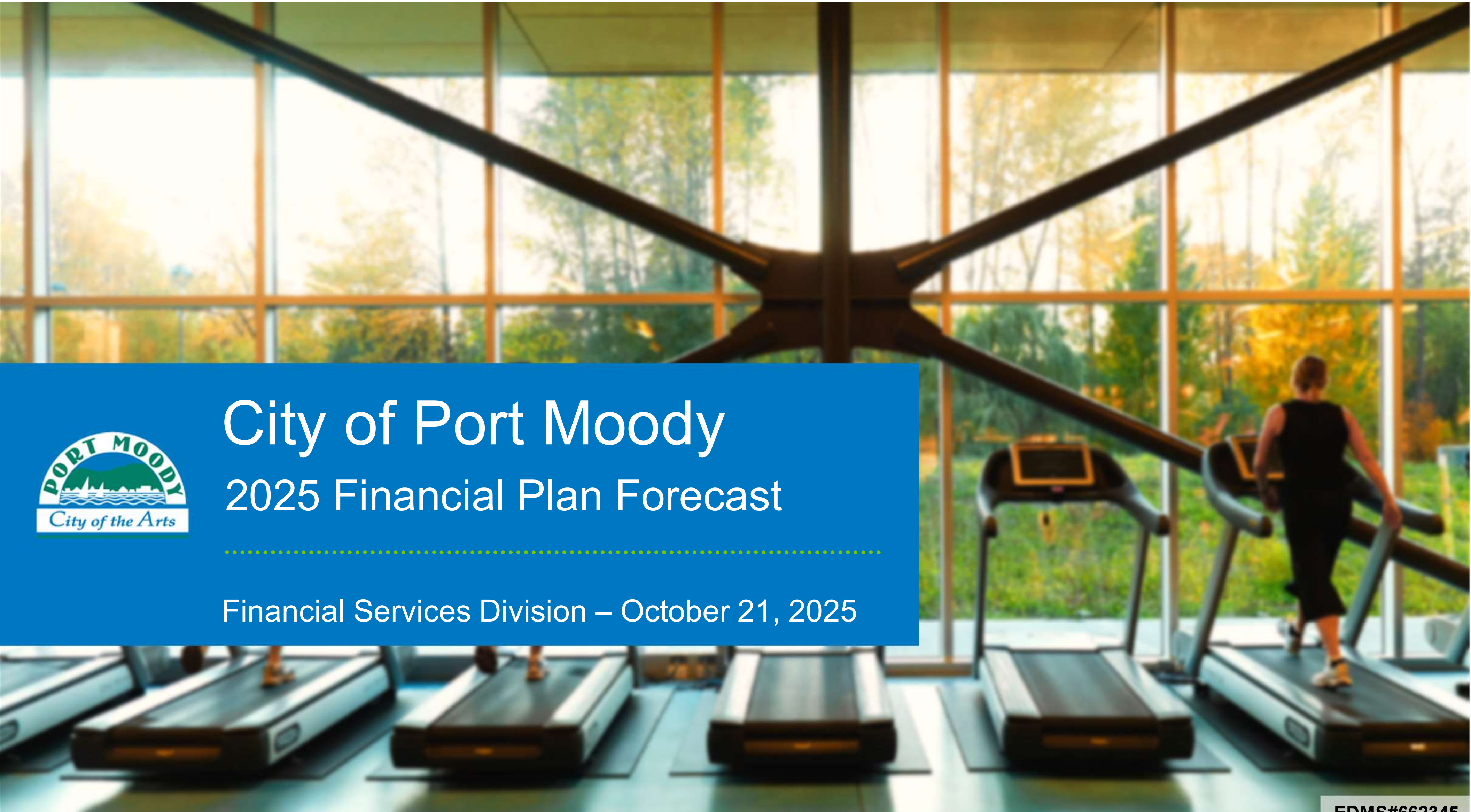


City of Port Moody

2025 Financial Plan Forecast

Financial Services Division – October 21, 2025

EDMS#662345

Agenda

1. Forecast Overview
2. General Fund Forecast
   A summary of revenues and expenditures
3. Departmental Performance
   Highlights and key drivers of variances
4. Utility Funds Forecast
   A summary of self-funded services
5. Conclusion & Next Step

Forecast Overview - *Purpose*

- Coordinated Review - facilitate a unified approach across all departments to review their financial activities, ensuring that the City is managing its overall budget effectively;
- Work Plan Adjustments - help managers identify any potential financial issues and gives them the opportunity to adjust work plans to address unexpected challenges and optimize resource allocation;
- Financial Sustainability - support Council and the Chief Financial Officer's mandate to be fiscally responsible with taxpayer funds, ensuring that funds are used effectively; and
- Communication - provide a mechanism for departments to communicate to Council any unexpected events or challenges that could have an unfavorable financial impact.

Forecast Overview - *Process*

- Departments prepare an operating budget forecast that projects revenues and expenses to the end of the year;
- The projections are estimates based on emerging issues and operational assumptions;
- Projections are compared to the approved budget;
- Finance reviews and compiles this information to project the City's operating surplus (or deficit) for the year.

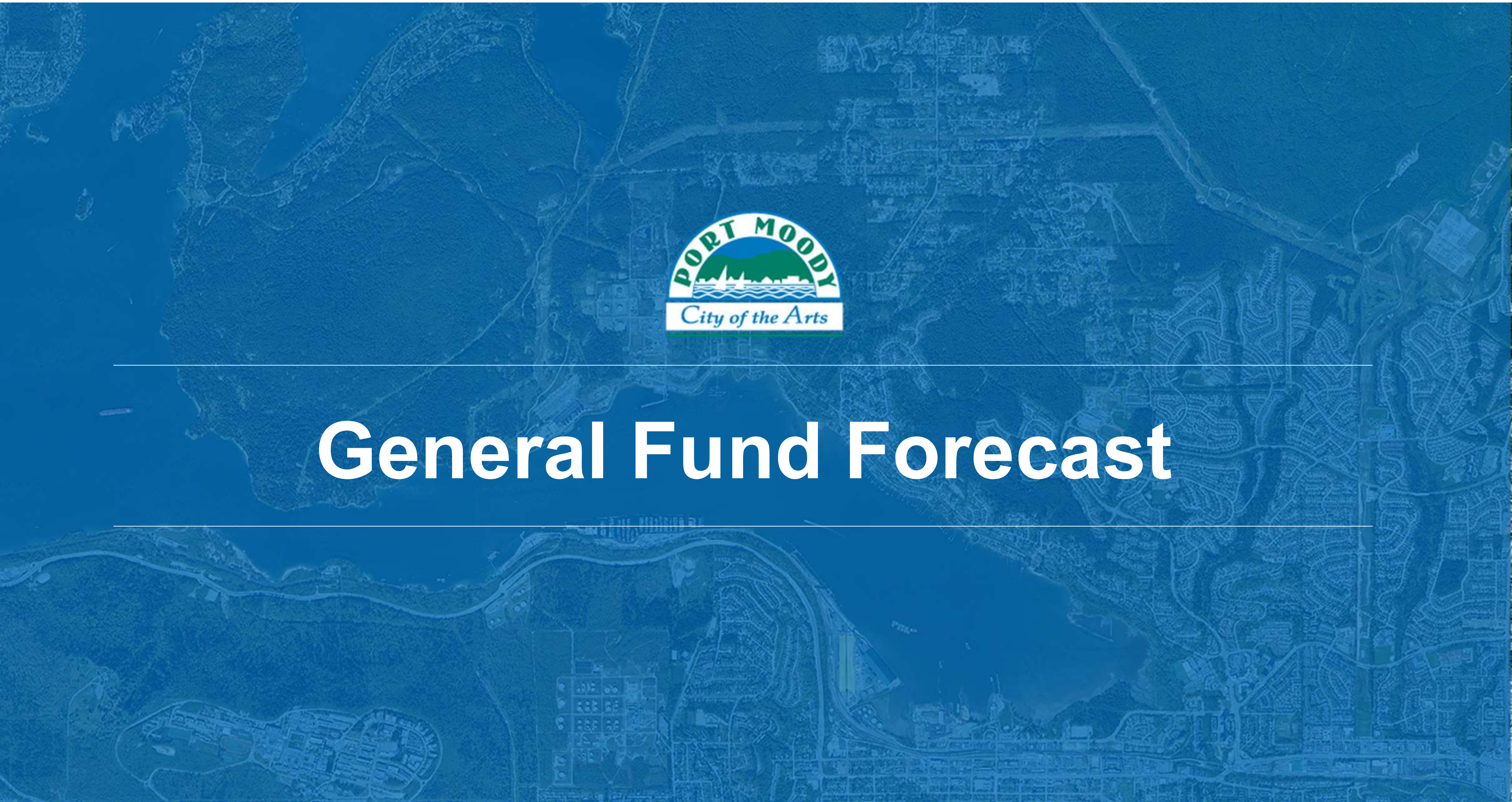
Forecast Overview - *A Positive Financial Outlook*

General Fund

Projected Surplus: **$947,000**

Utility Funds

Projected Surplus: **$900,000**



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General Fund Forecast

General Fund Forecast – *A summary of revenues and expenditures*

Description	Variance ($)
Revenues	
Recreation programs and Facility rentals	461,000
Licences and permits - Engineering and Parks	248,000
Licences and permits - Development Planning	(193,000)
Pay Parking revenues	239,000
Other revenues	360,000
Total Revenues	**1,115,000**
Transfers from/to Reserves	(584,000)
Net Revenues (after reserve transfers)	**531,000**
Expenditures	
Salaries and benefits - Police	558,000
Salaries and benefits - City	(239,000)
Other operating expenses	97,000
Total Expenditures	**416,000**
Total Projected Surplus	**$947,000**

Revenue Surplus:

- Continued community demand for City programs and facilities;
- Higher than anticipated revenues from engineering licences and tree removal permits; and
- Higher than anticipated revenues from parking and others.

Expenditure Saving:

- Staff vacancies, especially in Police, lead to the largest portion of the savings
- Savings in equipment maintenance and utilities

Revenue and Reserve Deficit:

- Development-related revenues are below budget due to a slowdown in construction activity. As a result, associated transfers to reserves are also lower than anticipated;

Expenditure Overspending:

- Strong community demand increases staffing costs in Recreation and Facilities;
- Additional labour costs required to address extensive sidewalk repairs and maintenance activities; and
- Increased costs with consulting and professional services to fill staffing gaps and legal matters

Departmental Variance Summary

Department	2025 Budget	2025 Forecast	Variance ($)	Contribution to Surplus (%)
City Administration	1,664,000	1,722,000	-58,000	-6.1%
Community Development	733,000	611,000	122,000	12.9%
Community Services	13,604,000	13,402,000	202,000	21.3%
Corporate Services	3,784,000	3,822,000	-38,000	-4.0%
Engineering & Operations	3,056,000	3,267,000	-211,000	-22.3%
Finance & Technology	4,778,000	4,738,000	40,000	4.2%
Fire Rescue	12,088,000	12,099,000	-11,000	-1.2%
Fiscal Services	-58,674,000	-58,731,000	57,000	6.0%
Library	2,440,000	2,365,000	75,000	7.9%
Police	16,527,000	15,758,000	769,000	81.2%
Variance Compared to Budget			**$947,000**	100.0%

Departmental Performance - *Highlights and key drivers of variances*

Department	Variance ($)	Explanation
Police	769,000	Significant surplus is projected mainly due to: • Member and civilian (IS position) vacancies; • Delayed replacement of radio equipment (resulting in E-comm savings); • Savings from ICARS Integrated team contract services, which was budgeted for a full year, but effective date was May 2025; and • These savings are partially offset by overtime and higher recruiting and training costs.
Engineering and Operations	(211,000)	Deficit is projected mainly due to several unforeseen expenditures, including: • Significant damage to Noons Creek; • Technical assessments related to the maintenance of expanded pedestrian areas; • Extensive sidewalk repairs prompted by liability claims; and • Costs associated with streetlight wire theft. The variance is 22% compared to total City surplus, but when compared to the department expense budget, it is 0.9%.
Community Services	202,000	Surplus is projected mainly due to: • While generating higher revenues, growing community demand also resulted in higher than budgeted labour costs; and • Vacancy savings partially offset by overtime and contracted services used to maintain service levels.

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Utility Funds Forecast

Utility Funds Forecast - *A summary of self-funded services*

Division	Variance ($)	Explanation
Solid Waste	87,000	Projected surplus represents 1.3% of total expense budget, and is primarily due to savings from: • Fuel; and • Vehicle maintenance
Sewer and Drainage	389,000	Projected surplus represents 1.6% of total expense budget, and is primarily due to: • higher-than-expected revenues from sewer utility fees; and • vacancy savings
Water	424,000	Projected surplus represents 2.7% of total expense budget, and is primarily due to: • higher-than-expected revenues from water utility fees; and • vacancy savings
Total	**$900,000**	✓

Conclusion & Next Step

Conclusion & Next Step

Conclusion:

- ✓ **Positive Financial Position:** Projecting surpluses in both General and Utility Funds
- ✓ **Key Strengths:** Strong revenues from Recreation programs, Facility rentals and Pay Parking
- ✓ **Areas to Monitor:** Development fee revenues (volatile) and rising operational costs (Increased costs with consulting and professional services to fill staffing gaps and legal matters)

Next Step:

- ✓ Staff will continue to monitor performance closely. The next financial update will be presented in May 2026 for the 2025 Audited Financial Statements.

Recommended Resolution

THAT the report dated October 21, 2025, from the Finance and Technology Department – Financial Services Division regarding 2025 Financial Plan Forecast be received for information.