



# **A Taxpayers View To Assessing The 2025-2029 RDN Financial Plan**

November 19<sup>th</sup>, 2024

Based on 2025-2029 Financial Plan (Nov 5, 2024)

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# **Taxpayers Overall Budget Assessment**

# The RDN's 2025-2029 Plan is worse than last year with a 66.9% increase over 5 years tracking at 6.4 times inflation.

	2024-2028 Financial Plan			2025-2029 Financial Plan		
Year	Total Tax Requisition	Annual \$ Change	% Chg.	Total Tax Requisition	Annual \$ Change	% Chg.
<b>2023</b>	\$ 78,599,532					
<b>2024</b>	\$ 87,590,992	+ 8,991,460	11.4%	\$ 87,590,992		
<b>2025</b>	\$101,328,404	+13,737,412	15.7%	\$96,343,423	\$8,752,431	10.0%
<b>2026</b>	\$111,366,541	+10,038,137	9.9%	\$111,376,994	\$15,033,561	15.6%
<b>2027</b>	\$120,142,049	+ 8,875,508	8.0%	\$124,109,154	\$12,732,170	11.4%
<b>2028</b>	\$129,467,253	+ 9,325,204	7.8%	\$134,909,572	\$10,800,418	8.7%
<b>2029</b>				\$146,168,647	\$11,259,075	8.4%

## 5 YEAR TAXPAYER IMPACT

	+64.7% vs. +10.4% for inflation	+66.9% vs. +10.4% for inflation
Incremental Out-of Pocket	\$ 157,097,583	\$ 174,952,820
Inflation Driven Increase	\$ 24,218,166	\$ 26,988,621
Excess Out-Of-Pocket	\$ 132,879,417	\$ 137,964,199

NOTE: The percent change in 2025 & 2026 have flipped but total 2026 spending level unchanged? Better Optics?

**Massive Capital** spending and associated huge **new borrowing, finance charges** and the manufactured **operating surplus** contribute to a plan that is worse not better.

	Annual Comparison		5 Year Comparison	
	2023	2024	2024-2028	2025-2029
Operating (Surplus)/Deficit	8,485,010	4,212,902	(71,831,879)	(105,574,492)
Capital Expenditures	65,224,970	<b>170,146,822</b>	525,063,126	516,925,833
Transfers from Reserves	(35,733,205)	(107,571,248)	(156,668,488)	(112,531,618)
Grants / Other	(8,156,061)	(23,445,770)	(53,070,847)	(53,070,847)
New Borrowing	(14,363,734)	(30,723,803)	(298,582,264)	(334,646,508)
Net Capital Assets Funded By Operations	6,966,970	8,406,001	16,741,527	16,352,343
Total Capital Financing Charges	7,246,664	7,209,229	76,118,609	105,860,488
Net (Surplus)/Deficit for the period	22,698,644	20,056,257	21,028,257	16,352,342
Transfers to Appropriated Surplus	205,830	972,000	970,000	335,130
Transfers from Appropriated Surplus	(6,594,972)	(10,443,259)	(11,415,255)	(7,446,528)
Prior Years (Surplus)/Deficit	(16,309,502)	(10,585,002)	(10,585,002)	(9,244,344)

Note: Operating Expenses grow 20.1% vs. 17.7% the 5 year period.

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## Little Has Changed. You are still over spending within a 5 year period and significantly burdening the Taxpayers.

1. The 'Fiscal Imbalance' between the taxpayer's ability to pay and spending is getting worse.
2. The 5 Year Compound Annual Growth Rate (5yr CAGR) is accelerating
  - 4.7% in 2014-2019
  - 7.1% in 2020-2024
  - 8.7% in 2024-2029
3. Hospital Tax is Increasing at 28.2% (Compounding for 5 years)
4. So The Combined Tax Burden is growing 90.2% over the next 5 years

**WE CAN'T AFFORD THIS RATE OF CAPITAL SPENDING & TAXATION!**

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**Taxpayers**  
**Fiscal Balance & Financial Sensitivity**  
**Assessment**

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**You are creating the conditions for significant economic hardship  
& you are rapidly loosing the Public's trust.**

**1. Hospital Tax is a Total Tax Increase Multiplier.**

- RDN Tax Increase +66.9%
- Hospital Tax Increase +246.3%
- Total Tax Increase **+90.2%**

**2. Out-of-Pocket Costs Compound Over The 5 Years (It is not “just \$100”)**

	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>Total</b>
RDN & Non-Hospital \$ Tax Increase	470	960	1,743	2,481	3,213	\$8,866
Cost of Living Increase	325	544	746	938	1,114	\$3,666
Total Discretionary Income Used By Tax & Inflation	795	1,504	2,488	3,419	4,327	<b>\$12,532</b>
% Discretionary Income	4.5%	8.5%	14.1%	19.3%	<b>24.3%</b>	

Note: Assessment is based on Average Nanaimo Home Value & Average Income.

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## You Are Failing

- Collectively and individually you are failing your 'Fiduciary Responsibility' and 'Not Honouring' your commitment to 'Fiscal Balance'

### FIDUCIARY RESPONSIBILITY TO THE PUBLIC

It is a duty-of-care, accountability and responsibility ensuring elected officials act in the best interest of their constituents, prioritize the public trust, and maintain transparency.

It underscores the importance of trustworthy representation in a democratic system where officials wield significant power over public resources.

- Do not continue to disregard growing taxpayer citizen feedback because it is costing you your 'social license' to continue.

**WE EXPECT BETTER.**

**Please analyze and change your 2025-2029 financial plan with this in mind.**



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# Appendix

# Taxpayers Fiscal Balance & Financial Sensitivity Assessment

RDN 2025-2029 Financial Plan  
Marco Assessment

	2024	2025	2026	2027	2028	2029	
<b>2023 Average Home Total Tax</b>	3562						<b>Analysis conducted for average home in Nanaimo</b>
<b>Tiffany Moore (Nanaimo Bulletin)</b>							
Hospital Tax	373	478 28.2%	613 28.3%	796 28.2%	1008 28.2%	1292 28.2%	<b>246.3%</b>
RDN & All Other Tax	3189	3994 11.4%	3969 10.0%	4519 13.6%	5035 11.4%	5483 8.9%	<b>71.9%</b>
<b>Total Tax Bill</b>	<b>3562</b>	<b>4032</b> 13.2%	<b>4522</b> 12.1%	<b>5305</b> 17.3%	<b>6043</b> 13.9%	<b>6775</b> 12.1%	<b>90.2% Tax Increase Over 5 Years</b>
Annual Increase		470	490	783	738	732	
Annual Additional Out of Pocket (\$)		<b>470</b>	<b>960</b>	<b>1743</b>	<b>2481</b>	<b>3213</b>	<b>\$ 8,865.97 Total Additional Out of Pocket Over 5 Years</b>
<b>WAGE GROWING AT GDP</b>							
Avg Discretionary Income (2 people)	\$17,542	\$17,595	\$17,647	\$17,700	\$17,753	\$17,807	<b>Income (pp) #####</b>
% Consumed by Tax Increases		2.7%	5.4%	9.8%	14.0%	18.0%	BC Net Pay 38771 (Source: BC Gov.)
Forecast BC Cost of Living Increase (%)		3.7%	2.5%	2.3%	2.2%	2.0%	BC Living Exp 30000
Discr. Income Consumed by CIP Increase		<b>325</b>	<b>544</b>	<b>746</b>	<b>938</b>	<b>1,114</b>	<b>Discretionary 8771</b>
% Consumed by CPI Inc.		1.8%	3.1%	4.2%	5.3%	6.3%	<b>Cost of Living Increases</b>
Total Disc. Income Consumed by Tax & CPI		<b>795</b>	<b>1,504</b>	<b>2,488</b>	<b>3,419</b>	<b>4,327</b>	2020-2014 9.3%
% Consumed by Inc. Tax & CPI		4.5%	8.5%	14.1%	19.3%	24.3%	2015-2019 8.3%
<b>FIXED INCOME</b>							2020-2024 20.9%
Avg Discretionary Income (2 people)	17542	17542	17542	17542	17542	17542	2025-2029 13.4% Forecast
% Consumed by Increases		4.5%	8.6%	14.2%	19.5%	24.7%	
<b>INCOME GROWING at 3%</b>							
Avg Discretionary Income (2 people)	17542	18068.26	18610	19169	19744	20336	
% Consumed by Increases		4.4%	8.1%	13.0%	17.3%	21.3%	
<b>Single Fixed Income + 60% Spouse Pen.</b>							
Avg Discretionary Income (2 people)	14034	14034	14034	14034	14034	14034	
% Consumed by Increases		5.7%	10.7%	17.7%	24.4%	30.8%	
<b>Remember: Over the last 5 years these people were already hit with a 40.9% increase in RDN Tax and a 21% increase in cost of living and they are still digging out.</b>							

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