Shelburne Council enacts long-term financial plan to assist in strategic direction

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Shelburne Town Council has adopted a roadmap to prepare the municipality for the next 10 years.

During their meeting on June 2, Shelburne Town Council received a report from Carey Holmes, director of financial services and treasurer, on the 2025-2034 Long Term Financial Plan.

?By adopting this plan, you are not creating any immediate financial implications. The plan is not a budget, you're not setting a tax levy, you're not setting a tax rate; those items are still carried out through the budget process,? explained Holmes.

The long-term financial plan is a 10-year guideline adopted by Town Council, which aims to ensure financial sustainability with strategic investments in infrastructure. The living document also focuses on optimizing revenue and managing the Town's expenditures to bridge the financial gap and maintain taxpayer affordability.

The plan is based on a number of assumptions such as the annual tax levy, control over reserves, debt, asset management, service levels, staffing resources, revenue streams, and community needs and wants.

The Town of Shelburne has a number of key areas of focus in the long-term financial plan and these include: infrastructure development, financial reserves, debt management and revenue enhancement.

Under infrastructure developments, staff have recommended starting a 2 per cent special capital levy, which would amount to $220,000 for the first year and would be inflated annually.

The long-term financial plan identifies almost $18 million in unfunded projects over the next 10 years.

?Establishing that 2 per cent will certainly not cover the $18 million, but will help us to assist with supporting future capital expenditures whether or not they're known now or not,? said Holmes.

With financial reserves, the report suggests increasing the amount of funding to new reserves and increasing transfers to reserves, which would collectively total over $320,000.

According to Holmes, more than 50 per cent of the Town of Shelburne's reserves belong to water and wastewater.

The Long-Term Plan also speaks to debt management and existing debt as there are a number of projects, including the waste pollution control plant, that are competing for funding sources.

?The water and wastewater budget currently make up 88 per cent of our existing annual debt and council is aware that the amount required to be borrowed for the proposed water pollution control plant expansion exceeds the town's debt limit and is highly unaffordable,? said Holmes.

Over the next 10 years, the Town of Shelburne will also need to identify additional revenue streams to boost its financial capacity.

The report outlines a six per cent increase in the tax levy for 2026 to 2028 followed by 4 per cent annually for the remaining years in the plan.

?That may seem high, but if you look at the past couple of years, we were almost at nine per cent for 2025. The tax rate is what is determined by the assessment growth so just because the levy is higher, it doesn't mean the tax rate is going to be,? said Holmes.

Shelburne Town Council has a list of priorities for the 2022-2026 term, and one of those priorities is to have responsible financial management through a long-term financial plan.

?I think the importance of this document, even though it is a living document, is that it provides a roadmap and some strategic direction and continuity going forward, despite the fact that there may well be significant changes in the composition of council,? said Mayor Wade Mills. ?Future councils may not opt to follow it to the letter, but at least it provides a longer-term roadmap so that we're not just budgeting year-to-year.?

With a municipal election set to take place in late 2026, Coun. Walter Benotto noted the significance of candidates informing themselves on the long-term financial plan.

?As a councillor for quite a number of years, we've never had this in the past. This gives us, similar to our strategic plan, a roadmap to follow along as councillors. Whether it's myself or anyone else sitting at the table, you've got something there that you can plan with; where the town is heading, the financial burden the town has and what's required to meet those financial burdens,? said Benotto.

By adopting the 2025-2034 Long-Term Financial Plan, Shelburne Town Council has replaced the previously adopted 2022-2025 5-Year Capital Plan.