

THE CORPORATION OF THE VILLAGE OF SALMO

BYLAW NO. 695

A BYLAW TO ADOPT A FIVE-YEAR FINANCIAL PLAN FOR THE YEARS 2018-2022

WHEREAS Section 165 of the *Community Charter*, requires Municipal Councils to annually prepare and adopt, by Bylaw, a five-year financial plan;

AND WHEREAS the Council of the Corporation of the Village of Salmo has reviewed, prepared and solicited public input on the attached five-year financial plan;

NOW THEREFORE the Council of The Corporation of the Village of Salmo in open meeting assembled, enacts as follows:

1. Schedule "A" attached to and forming part of this Bylaw is hereby adopted as the Financial Plan for the Village of Salmo for the five-year period starting January 1, 2018.
2. Schedule "B" attached to and forming part of this Bylaw is hereby adopted as the Revenue Policy Disclosure Requirement for the five-year period starting January 1, 2018.
3. If any section, subsection, sentence, clause or phrase of this Bylaw is for any reason held to be invalid by the decision of any court of competent jurisdiction, the invalid portion shall be severed and the part that is invalid shall not affect the validity of the remainder.
4. Bylaw No. 695 and the amendments thereto are hereby repealed.
5. This Bylaw shall come into full force and effect on the final adoption thereof.
6. This Bylaw may be cited, for all purposes, as the "**FINANCIAL PLAN (2018-2022) BYLAW NO. 695, 2018**".

READ A FIRST TIME	this 3 rd day of May, 2018
READ A SECOND TIME	this 3 rd day of May, 2018
READ A THIRD TIME	this 3 rd day of May, 2018
RECONSIDERED AND FINALLY ADOPTED	this 8 th day of May, 2018

Originally Signed By:

Stephen B. White

Mayor

Anne Williams

CAO/Corporate Officer

CERTIFIED A TRUE AND CORRECT COPY OF THE "FINANCIAL PLAN (2018-2022) BYLAW NO. 695, 2018".

Originally Signed By:

Anne Williams

CAO/Corporate Officer

**2018-2022 FIVE YEAR FINANCIAL PLAN
SCHEDULE A**

REVENUES	2018	2019	2020	2021	2022
Property Taxation	411,549	418,517	425,625	432,874	440,269
Sale of services	83,430	82,905	82,905	82,905	82,905
Other revenue own sources	148,183	124,850	124,850	124,850	124,850
Investment income	12,000	9,000	9,000	9,000	9,000
Grants - unconditional	415,000	415,000	415,000	415,000	415,000
Grants - conditional	2,087,295	106,838	106,838	106,838	106,838
Collections for Other Agencies	575,395	581,149	586,960	592,830	598,758
Total General	3,732,852	1,738,259	1,751,178	1,764,297	1,777,620
Water: User Fees	165,179	168,483	171,852	175,289	178,795
Sewer: User Fees	256,775	261,911	267,149	272,492	277,942
Total Consolidated Revenues	4,154,806	2,168,653	2,190,179	2,212,078	2,234,357

**2018-2022 FIVE YEAR FINANCIAL PLAN
SCHEDULE A**

EXPENSES	2018	2019	2020	2021	2022
General Government	459,059	398,984	405,966	413,071	424,574
Protective Services	252,325	104,116	105,938	107,792	109,678
Transportation Services	285,400	263,940	268,558	273,258	278,040
Environmental health services	95,700	97,375	99,079	100,813	102,577
Public health and welfare	11,200	10,000	10,000	10,000	10,000
Recreation and cultural services	50,850	46,652	47,469	48,299	49,145
Interest and other debt charges	59,927	50,158	48,509	46,881	45,665
Payments to Other Agencies	575,395	581,149	586,960	592,830	598,758
Total General Operations	1,789,856	1,552,374	1,572,479	1,592,944	1,618,437
Water Operations	197,508	137,738	140,149	142,601	145,097
Sewer Operations	207,166	195,791	199,218	202,704	206,251
Total Operations	2,194,530	1,885,903	1,911,846	1,938,249	1,969,785
Amortization	293,660	296,597	299,563	302,559	305,585
Surplus (deficit)	1,666,616	(13,847)	(21,230)	(28,730)	(41,013)
Add back:					
Amortization	293,660	296,597	299,563	302,559	305,585
Principal payments on Municipal Debt	140,262	147,254	147,578	122,939	122,939
Capital Expenditures					
General	339,000	25,000	-	-	-
Water	35,000	-	-	-	-
Sewer	2,029,036	-	-	-	-
Total Capital Expenditures	2,403,036	25,000	-	-	-
Proceeds from Borrowing	498,102	-	-	-	-
Transfer to / from Reserves					
Transfer to General Reserves	95,000	95,000	95,000	95,000	95,000
Transfer to Utility Reserves	5,194	32,744	33,704	35,805	39,433
Transfer from General Reserves	(127,000)	(25,000)	(25,000)	-	-
Transfer from Utility Reserves	(58,114)	(4,352)	(1,715)	-	-
Total Transfer to (from) Reserves	(84,920)	98,392	101,989	130,805	134,433
Transfers to (from) operating surplus	-	12,104	28,766	20,085	7,200
Financial Plan Balance	-	-	-	-	-

2018-2022 FIVE YEAR FINANCIAL PLAN SCHEDULE A

CAPITAL FUNDS

COMPONENTS	2018	2019	2020	2021	2022
Sources of Funds					
Community Works Grant	100,000	-	-	-	-
General Operating fund	-	25,000	-	-	-
Water Operating fund	-	-	-	-	-
Sewer Operating fund	-	-	-	-	-
Utility Reserves	36,052	-	-	-	-
Other Reserves	99,000	-	-	-	-
Allocation from Surplus	-	-	-	-	-
Borrowing	498,102	-	-	-	-
Government Grants	1,669,882	-	-	-	-
Total Sources	2,403,036	25,000	-	-	-
Expenditures					
General	339,000	25,000	-	-	-
Water	35,000	-	-	-	-
Sewer	2,029,036	-	-	-	-
Total Expenditures	2,403,036	25,000	-	-	-

SCHEDULE "B" – 2018-2022 Five Year Financial Plan

Revenue Policy:

The revenue policy will provide direction on how Council chooses to fund the expenditures of the Village, distribute property taxes among the property classes and use permissive tax exemptions.

Revenue Sources

Table 1

Revenue Source	% of Total Revenue
Property Tax	10%
User fees	10%
Sale of Services	2%
Other Revenue	4%
Unconditional Grants	10%
Conditional Grants	49%
Transfers From Own Reserves/Funds	3%
Proceeds from Borrowing	12%
Total	100%

Table 1 shows the proportion of total revenue proposed to be raised from each funding source in 2018.

Grants also provide a source of revenue to the municipality. Sales of service and Utility User Fees provide revenue for the municipality on a user-pay basis.

Policy:

Council is committed to examining economic development opportunities and investigating alternative revenue sources in order to reduce historical reliance on property taxes to fund municipal services. The operation of the water utility, the sewer utility and solid waste collection and disposal are self-funded through user fees.

Objectives:

- To maximize a user-pay cost structure wherever possible.
- To maximize the use of grant funding for infrastructure and service upgrades.

Proportion of Taxes Allocated to Classes

Policy:

It is the policy of Council to preserve and maintain the existing equity between assessment classes. The utility class will be taxed at the maximum rate permitted by legislation. The Village will strive to maintain a business to residential multiplier range not exceeding 2 to 1.

Objective:

- To maintain the current tax distribution of property tax value among the property classes.

Permissive Tax Exemptions

Council provides permissive tax exemptions to not-for-profit organizations that form a valuable part of the community. These include religious institutions and the community services society.

Policy:

Council will continue to support local not-for-profit organizations that provide benefits to the community as a whole and are eligible under the *Community Charter* through permissive tax exemptions.

Objective:

To provide permissive tax exemptions to not-for-profit organizations that benefits the overall well-being of the community.