

THE CORPORATION OF THE VILLAGE OF SALMO

BYLAW #731

A BYLAW TO ADOPT A FIVE-YEAR FINANCIAL PLAN FOR THE YEARS 2021-2025

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. SCHEDULES

- 1.1. 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, 2021.
- 1.2. 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, 2021.

2. ENACTMENT

- 2.1. If any section, subsection or clause of this Bylaw is held to be invalid by the decision of any court of competent jurisdiction, the invalid portion shall be severed and shall not affect the validity of the remainder of this Bylaw.
- 2.2. This Bylaw shall come into full force and effect on the day of adoption.

3. CITATION

- 3.1. This Bylaw may be cited for all purposes as "***Financial Plan (2021-2025) Bylaw #731, 2021***".

READ A FIRST TIME	this 27 th day of April, 2021
READ A SECOND TIME	this 27 th day of April, 2021
READ A THIRD TIME	this 27 th day of April, 2021
RECONSIDERED AND FINALLY ADOPTED	this 27 th day of April, 2021

Originally Signed By:

Diana Lockwood

Mayor

Anne Williams

Chief Administrative Officer

I HEREBY CERTIFY THIS TO BE A TRUE COPY OF THE "FINANCIAL PLAN (2021-2025) BYLAW #731, 2021".

Anne Williams

Chief Administrative Officer

**2021-2025 FIVE YEAR FINANCIAL PLAN
SCHEDULE A**

REVENUES	2021	2022	2023	2024	2025
Property Taxation	440,003	445,590	453,200	460,963	468,881
Sale of services	101,732	101,732	101,732	101,732	101,732
Other revenue own sources	165,031	165,031	165,031	165,031	165,031
Investment income	11,167	12,214	13,356	14,982	15,845
Grants - unconditional	465,902	465,902	465,902	465,902	465,902
Grants - conditional	1,808,200	112,165	112,165	112,165	112,165
Collections for Other Agencies	663,453	670,088	676,789	683,557	690,393
Total General	3,655,488	1,972,722	1,988,175	2,004,332	2,019,949
Water: User Fees	179,178	182,762	186,417	190,145	193,948
Sewer: User Fees	279,194	284,778	290,473	296,283	302,209
Total Consolidated Revenues	4,113,860	2,440,262	2,465,065	2,490,760	2,516,106

**2021-2025 FIVE YEAR FINANCIAL PLAN
SCHEDULE A**

EXPENSES	2021	2022	2023	2024	2025
General Government	626,091	483,610	487,798	496,335	505,021
Protective Services	124,295	126,470	128,683	130,935	133,227
Transportation Services	351,823	281,667	286,597	291,612	296,715
Environmental health services	100,280	102,035	103,821	105,637	107,486
Public health and welfare	13,175	10,000	10,000	10,000	10,000
Recreation and cultural services	69,650	65,781	66,933	68,104	69,296
Interest and other debt charges	24,853	23,261	22,992	22,913	22,913
Payments to Other Agencies	663,453	670,088	676,789	683,557	690,393
Total General Operations	1,973,620	1,762,912	1,783,613	1,809,093	1,835,051
Water Operations	147,853	150,440	153,073	155,752	158,478
Sewer Operations	200,826	204,340	207,916	211,555	215,257
Total Operations	2,322,299	2,117,692	2,144,602	2,176,400	2,208,786
Amortization	396,527	400,492	404,497	408,542	412,627
Surplus (deficit)	1,395,034	(77,922)	(84,034)	(94,182)	(105,307)
Add back:					
Amortization	396,527	400,492	404,497	408,542	412,627
Principal payments on Municipal Debt	52,540	52,832	44,630	23,780	23,780
Capital Expenditures					
General	1,709,879	-	-	-	-
Water	67,500	-	-	-	-
Sewer	27,000	-	-	-	-
Total Capital Expenditures	1,804,379	-	-	-	-
Transfer to / from Reserves					
Transfer to General Reserves	130,350	97,000	97,000	97,000	97,000
Transfer to Utility Reserves	180,533	124,645	128,930	133,777	137,940
Transfer from General Reserves	(55,000)	-	-	-	-
Transfer from Utility Reserves	(126,607)	-	-	-	-
Total Transfer to (from) Reserves	129,276	221,645	225,930	230,777	234,940
Transfers to (from) operating surplus	(194,634)	48,093	49,903	59,803	48,600
Financial Plan Balance	-	-	-	-	-

**2021-2025 FIVE YEAR FINANCIAL PLAN
SCHEDULE A**

CAPITAL FUNDS

COMPONENTS

	2021	2022	2023	2024	2025
Sources of Funds					
Community Works Grant	173,000	-	-	-	-
General Operating fund	81,737	-	-	-	-
Water Operating fund	-	-	-	-	-
Sewer Operating fund	-	-	-	-	-
Utility Reserves	66,607	-	-	-	-
Other Reserves	50,000	-	-	-	-
Donations/other funding sources					
Borrowing	-	-	-	-	-
Government Grants	1,433,035	-	-	-	-
Total Sources	1,804,379	-	-	-	-
Expenditures					
General	1,709,879	-	-	-	-
Water	67,500	-	-	-	-
Sewer	27,000	-	-	-	-
Total Expenditures	1,804,379	-	-	-	-

**2021-2025 Five Year Financial Plan
SCHEDULE "B"**

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	12%
User fees	13%
Sale of Services	3%
Other Revenue	5%
Unconditional Grants	13%
Conditional Grants	51%
Transfers From Own Reserves/Funds	3%
Proceeds from Borrowing	0%
Total	100%

Table 1 shows the proportion of total revenue proposed to be raised from each funding source in 2021.

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.