

THE CORPORATION OF THE VILLAGE OF SALMO

BYLAW NO. 689

A BYLAW TO ADOPT A FIVE-YEAR FINANCIAL PLAN FOR THE YEARS 2017-2021

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, 2017.
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, 2017.
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 Bylaw #678 and the amendments thereto are hereby repealed.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 (2017-2021) BYLAW NO. 689, 2017".

READ A FIRST TIME

this 2<sup>nd</sup> day of May, 2017

READ A SECOND TIME

this 2<sup>nd</sup> day of May, 2017

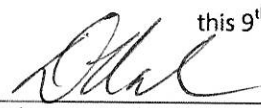
READ A THIRD TIME

this 2<sup>nd</sup> day of May, 2017

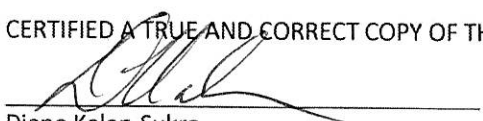
FINALLY PASSED AND ADOPTED

this 9<sup>th</sup> day of May, 2017

  
Mayor

  
CAO/Corporate Officer

CERTIFIED A TRUE AND CORRECT COPY OF THE "FINANCIAL PLAN (2017-2021) BYLAW NO. 689, 2017".

  
Diane Kalen-Sukra  
CAO/Corporate Officer

2017-2021 FIVE YEAR FINANCIAL PLAN  
SCHEDULE A

REVENUES	2017	2018	2019	2020	2021
Property Taxation	402,135	408,915	415,830	422,884	430,079
Sale of services	80,600	80,600	80,600	80,600	80,600
Other revenue own sources	125,431	125,431	125,431	125,431	125,431
Investment income	7,600	7,600	7,600	7,600	7,600
Grants - unconditional	415,000	415,000	415,000	415,000	415,000
Grants - conditional	2,097,693	94,000	94,000	94,000	94,000
Collections for Other Agencies	569,698	575,395	581,149	586,960	592,830
Total General	3,698,157	1,706,941	1,719,610	1,732,475	1,745,540
Water: User Fees	199,411	168,240	171,605	175,037	178,538
Sewer: User Fees	220,365	259,400	264,588	269,880	275,277
Total Consolidated Revenues	4,117,933	2,134,581	2,155,803	2,177,392	2,199,355

# 2017-2021 FIVE YEAR FINANCIAL PLAN

## SCHEDULE A

EXPENSES	2017	2018	2019	2020	2021
General Government	429,767	405,218	400,099	407,101	414,226
Protective Services	96,925	98,621	100,347	102,103	103,890
Transportation Services	243,900	248,168	252,511	256,930	261,426
Environmental health services	88,682	88,708	90,261	91,840	93,447
Public health and welfare	9,200	10,000	10,000	10,000	10,000
Recreation and cultural services	41,350	42,074	42,810	43,559	44,321
Interest and other debt charges	64,502	58,127	46,558	45,409	44,281
Payments to Other Agencies	569,698	575,395	581,149	586,960	592,830
<b>Total General Operations</b>	<b>1,544,024</b>	<b>1,526,311</b>	<b>1,523,735</b>	<b>1,543,902</b>	<b>1,564,421</b>
Water Operations	133,041	135,369	137,738	140,149	142,601
Sewer Operations	203,603	207,166	195,791	199,218	202,704
<b>Total Operations</b>	<b>1,880,668</b>	<b>1,868,846</b>	<b>1,857,264</b>	<b>1,883,269</b>	<b>1,909,726</b>
Amortization	290,752	293,660	296,597	299,563	302,559
<b>Surplus (deficit)</b>	<b>1,946,513</b>	<b>(27,925)</b>	<b>1,942</b>	<b>(5,440)</b>	<b>(12,930)</b>
<b>Add back:</b>					
Amortization	290,752	293,660	296,597	299,563	302,559
Principal payments on Municipal Debt	72,256	149,022	142,814	143,138	118,499
<b>Capital Expenditures</b>					
General	400,500	40,000	-	-	-
Water	186,000	-	-	-	-
Sewer	2,109,500	-	-	-	-
<b>Total Capital Expenditures</b>	<b>2,696,000</b>	<b>40,000</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Proceeds from Borrowing</b>	<b>468,725</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Transfer to / from Reserves</b>					
Transfer to General Reserves	95,000	95,000	95,000	95,000	95,000
Transfer to Utility Reserves	17,762	18,294	35,866	36,888	38,878
Transfer from General Reserves	(136,500)	(25,000)	(25,000)	(25,000)	-
Transfer from Utility Reserves	(58,550)	(22,397)	(4,633)	(1,943)	-
<b>Total Transfer to (from) Reserves</b>	<b>(82,288)</b>	<b>65,897</b>	<b>101,233</b>	<b>104,945</b>	<b>133,878</b>
<b>Transfers to (from) operating surplus</b>	<b>20,022</b>	<b>10,816</b>	<b>54,492</b>	<b>46,040</b>	<b>37,252</b>
<b>Financial Plan Balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

2017-2021 FIVE YEAR FINANCIAL PLAN  
SCHEDULE A

CAPITAL FUNDS

COMPONENTS	2017	2018	2019	2020	2021
<b>Sources of Funds</b>					
Community Works Grant	105,000	-	-	-	-
General Operating fund	63,000	40,000	-	-	-
Water Operating fund	22,870	-	-	-	-
Sewer Operating fund		-	-	-	-
Utility Reserves	58,550	-	-	-	-
Other Reserves	101,500	-	-	-	-
Allocation from Surplus	-	-	-	-	-
Borrowing	468,725	-	-	-	-
Government Grants	1,876,355	-	-	-	-
<b>Total Sources</b>	<b>2,696,000</b>	<b>40,000</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Expenditures</b>					
General	400,500	40,000	-	-	-
Water	186,000	-	-	-	-
Sewer	2,109,500	-	-	-	-
<b>Total Expenditures</b>	<b>2,696,000</b>	<b>40,000</b>	<b>-</b>	<b>-</b>	<b>-</b>

**SCHEDULE “B” – 2017-2021 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%
Parcel Tax	0%
User fees	10%
Sale of Services	2%
Other Revenue	3%
Unconditional Grants	10%
Conditional Grants	50%
Transfers From Own Reserves/Funds	3%
Proceeds from Borrowing	11%
Total	100%

Table 1 shows the proportion of total revenue proposed to be raised from each funding source in 2017.

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.