

THE CORPORATION OF THE VILLAGE OF SALMO

BYLAW #749

A BYLAW TO ADOPT A FIVE-YEAR FINANCIAL PLAN FOR THE YEARS 2023-2027

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, 2023.
- 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, 2023.

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 (2023-2027) Bylaw #749, 2023***".

READ A FIRST TIME

this 11th day of April, 2023

READ A SECOND TIME

this 9th day of May, 2023

READ A THIRD TIME

this 9th day of May, 2023

RECONSIDERED AND FINALLY ADOPTED

this 10th day of May, 2023

Originally Signed By:

Diana Lockwood

Mayor

James Heth

Chief Administrative Officer

I HEREBY CERTIFY THIS TO BE A TRUE COPY OF THE "FINANCIAL PLAN (2023-2027) BYLAW #749, 2023".

James Heth

Chief Administrative Officer

2023-2027 FIVE YEAR FINANCIAL PLAN

SCHEDULE A

REVENUES	2023	2024	2025	2026	2027
Property Taxation	472,619	487,476	502,779	517,862	528,752
Sale of services	101,772	103,299	104,848	106,421	108,017
Other revenue own sources	167,456	167,456	167,456	167,456	167,456
Investment income	25,300	22,000	20,000	18,000	18,000
Grants - unconditional	466,000	466,000	466,000	466,000	466,000
Grants - conditional	860,510	251,913	251,913	251,913	251,913
Total General	2,093,657	1,498,144	1,512,996	1,527,652	1,540,138
Water Revenue	198,418	202,203	206,065	210,003	214,020
Sewer Revenue	311,635	321,044	330,796	340,903	351,377
Total Consolidated Revenues	2,603,710	2,021,391	2,049,856	2,078,558	2,105,535

EXPENSES	2023	2024	2025	2026	2027
General Government	567,431	573,423	581,279	587,058	600,803
Protective Services	133,739	135,411	137,103	138,817	140,552
Transportation Services	366,811	371,396	376,039	380,739	385,498
Environmental health services	114,626	116,059	117,510	118,978	120,466
Public health and welfare	14,525	14,707	14,890	15,077	15,265
Recreation and cultural services	63,050	63,838	64,636	65,444	66,262
Interest and other debt charges	22,552	22,134	20,363	20,363	18,158
Total General Operations	1,282,734	1,296,967	1,311,820	1,326,476	1,347,004
Water Operations	146,676	149,609	152,601	155,653	158,766
Sewer Operations	297,768	303,723	309,797	315,993	322,313
Total Operations	1,727,177	1,750,299	1,774,218	1,798,123	1,828,084
Amortization	404,497	408,542	412,627	416,753	420,921
Surplus (deficit)	472,036	(137,450)	(136,989)	(136,318)	(143,470)
Add back:					
Amortization	404,497	408,542	412,627	416,753	420,921
Principal payments on Municipal Debt	44,973	23,823	23,823	23,823	15,780
Capital Expenditures					
General	675,099	-	-	-	-
Water	52,000	-	-	-	-
Sewer	80,672	-	-	-	-
Total Capital Expenditures	807,771	-	-	-	-
Transfer to / from Reserves					
Transfer to General Reserves	187,353	177,353	177,353	177,353	177,353
Transfer to Utility Reserves	65,610	69,915	74,462	79,259	84,318
Transfer from General Reserves	(80,672)	-	-	-	-
Transfer from Utility Reserves	(52,000)	-	-	-	-
Total Transfer to (from) Reserves	120,291	247,268	251,815	256,612	261,671
Transfers to (from) operating surplus	(96,502)				
Financial Plan Balance	-	-	-	-	-

2023-2027 FIVE YEAR FINANCIAL PLAN

SCHEDULE A

CAPITAL FUNDS

COMPONENTS

	2023	2024	2025	2026	2027
Sources of Funds					
Community Works Grant	80,672	-	-	-	-
General Operating fund	96,502	-	-	-	-
Sewer Operating fund	-	-	-	-	-
Utility Reserves	52,000	-	-	-	-
Other Reserves	-	-	-	-	-
Government Grants	578,597	-	-	-	-
Total Sources	807,771	-	-	-	-
Expenditures					
General	675,099	-	-	-	-
Water	52,000	-	-	-	-
Sewer	80,672	-	-	-	-
Total Expenditures	807,771	-	-	-	-

SCHEDULE “B” – 2023-2027 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	% Total Revenue
Property Value taxes	18%
Parcel taxes	0%
User fees and charges	19%
Sales of service	4%
Grants - unconditional	18%
Grants - Conditional	32%
Other sources	7%
Reserves	2%
Proceeds from borrowing	0%
TOTAL	100%

Table 1 shows the proportion of total revenue proposed to be raised from each funding source in 2023.

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.