

# 2024-2028 Preliminary Draft Budget Discussion

The Corporation of the Village of Salmo  
January 23, 2024

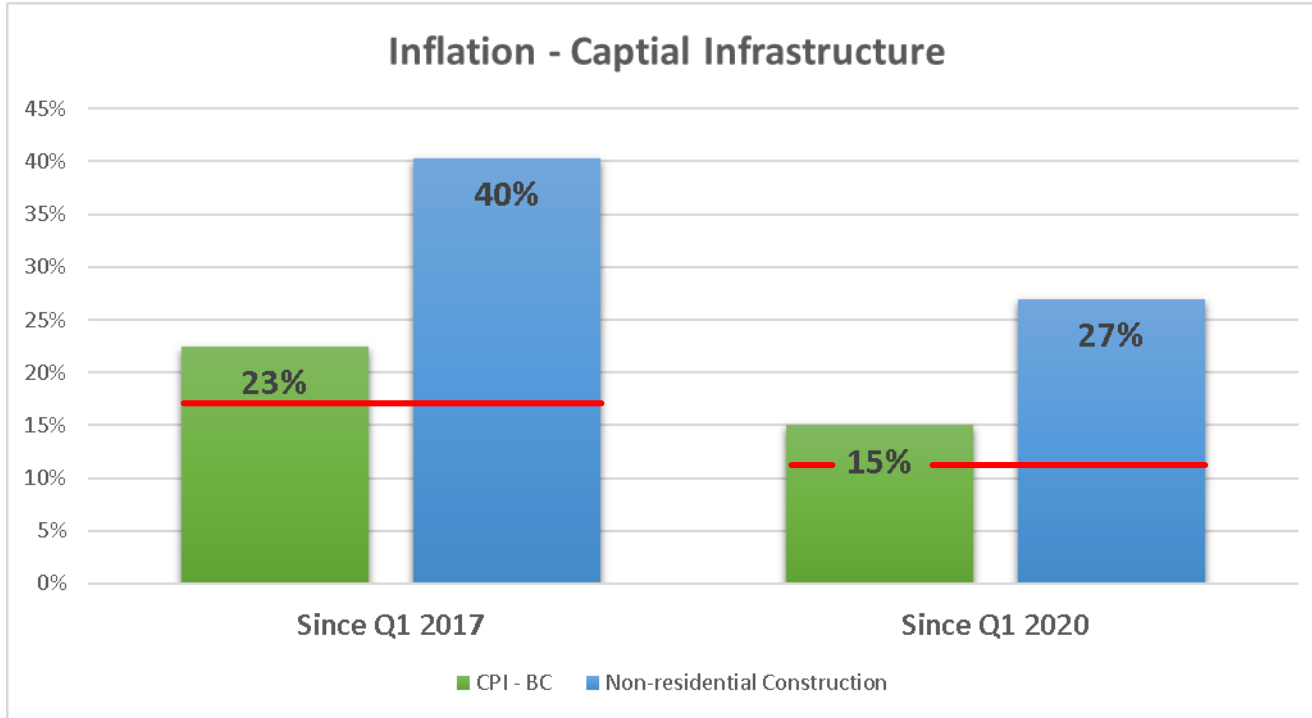


# Agenda

- ▶ Economic conditions
- ▶ Salmo's current state (Reserves & Contributions)
- ▶ Budget Principles & Grants
- ▶ Strategic Planning
- ▶ Capital & Infrastructure Investments 2024



# Economic Conditions



Source: Building Construction Price Index - Vancouver

**Example:** A \$50,000 Reserve Contribution in 2017 has the same purchasing power of only \$35,000 today.

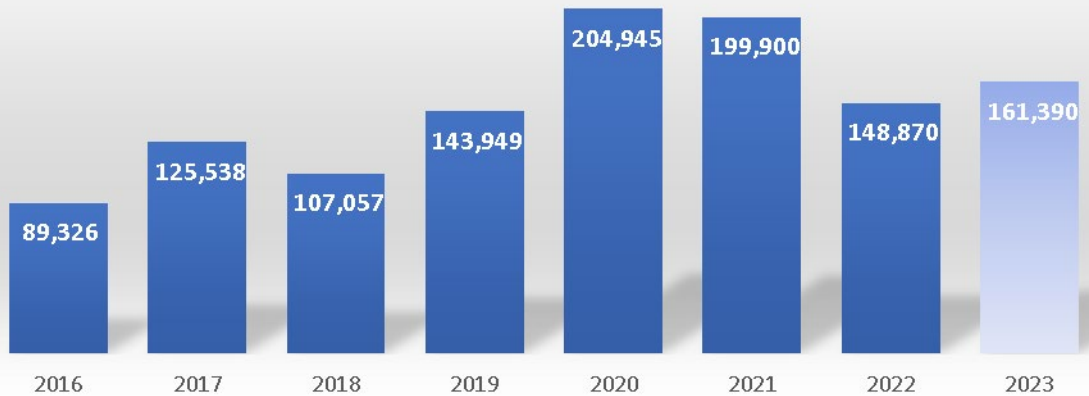
(Need to contribute more to keep up with inflation)

— Indicates Salmo's tax revenue increase % since 2017 and 2020 respectively compared to inflation

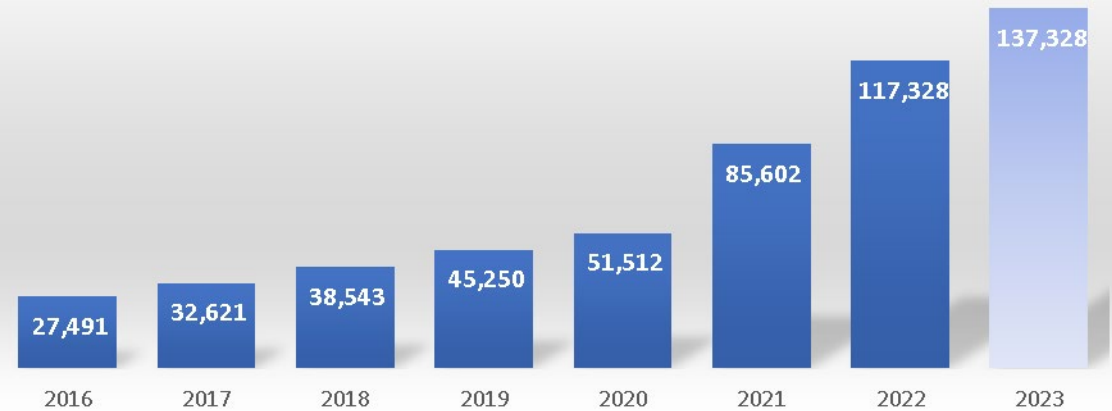


# Salmo Reserves - at a glance

## Equipment Reserve Balances by Year

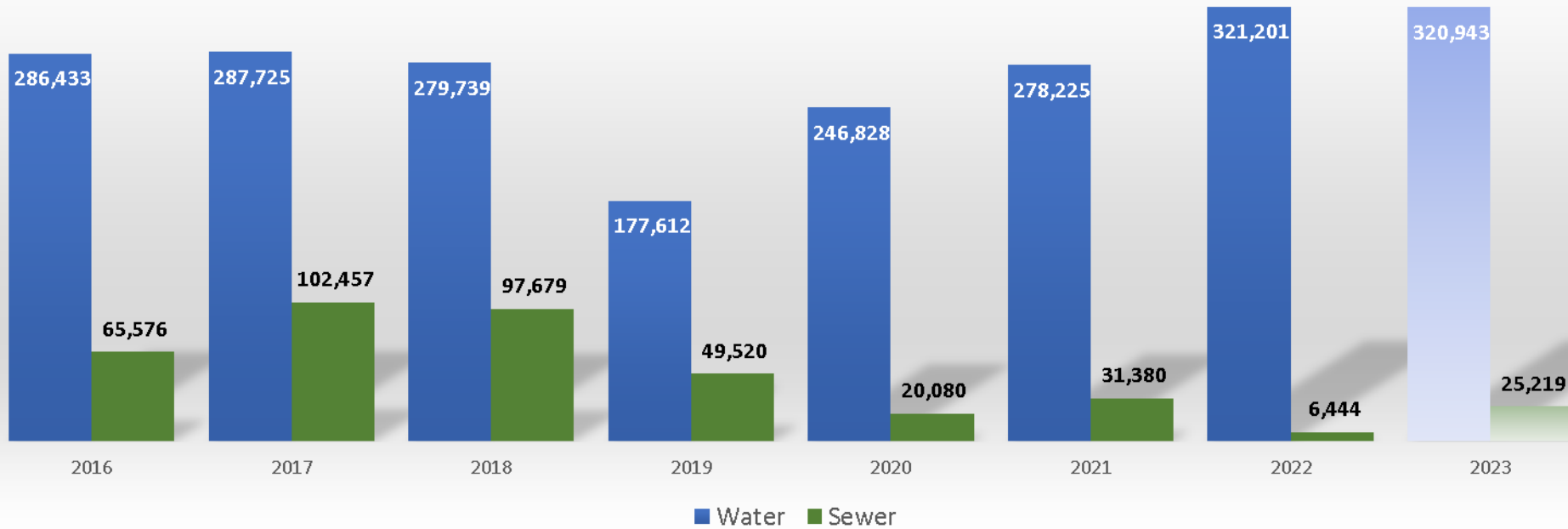


## Fire Reserve Balances by Year

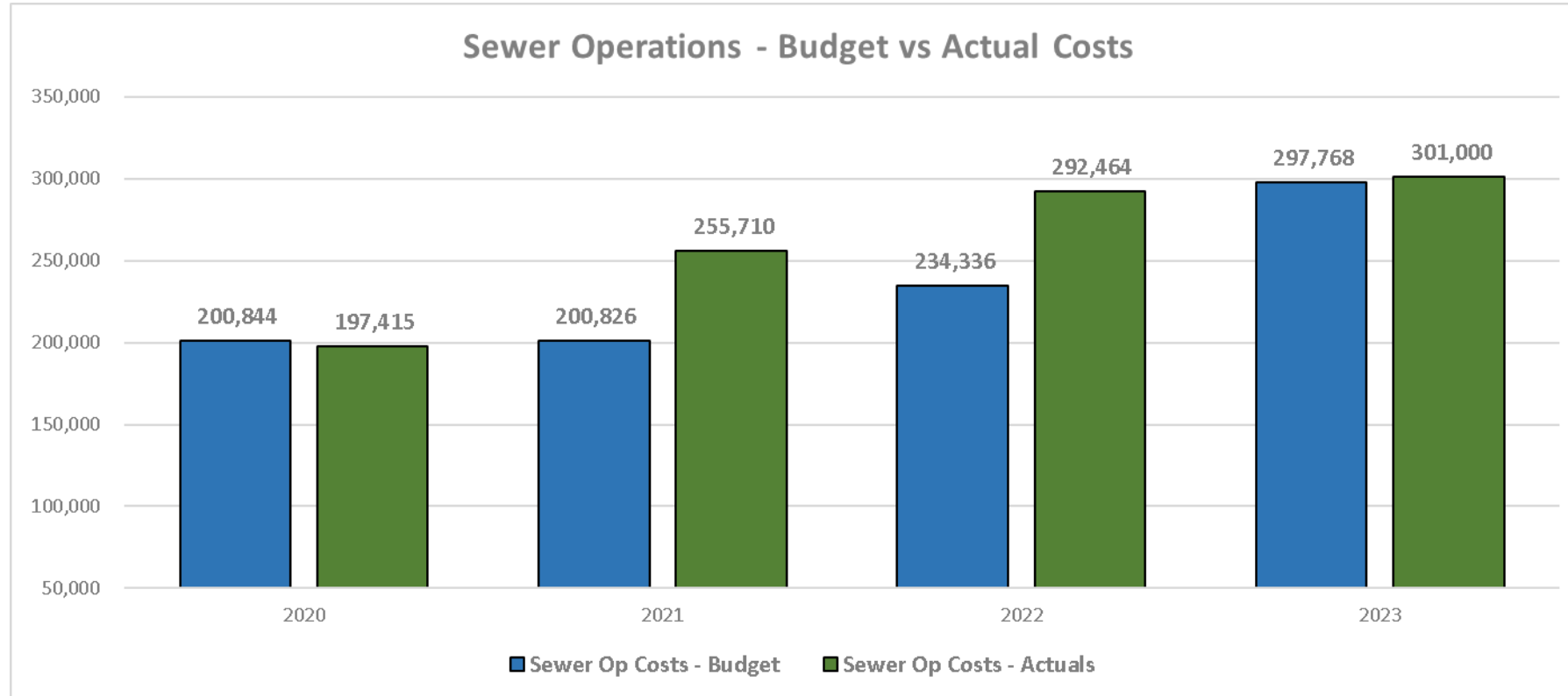


# Salmo Reserves - at a glance

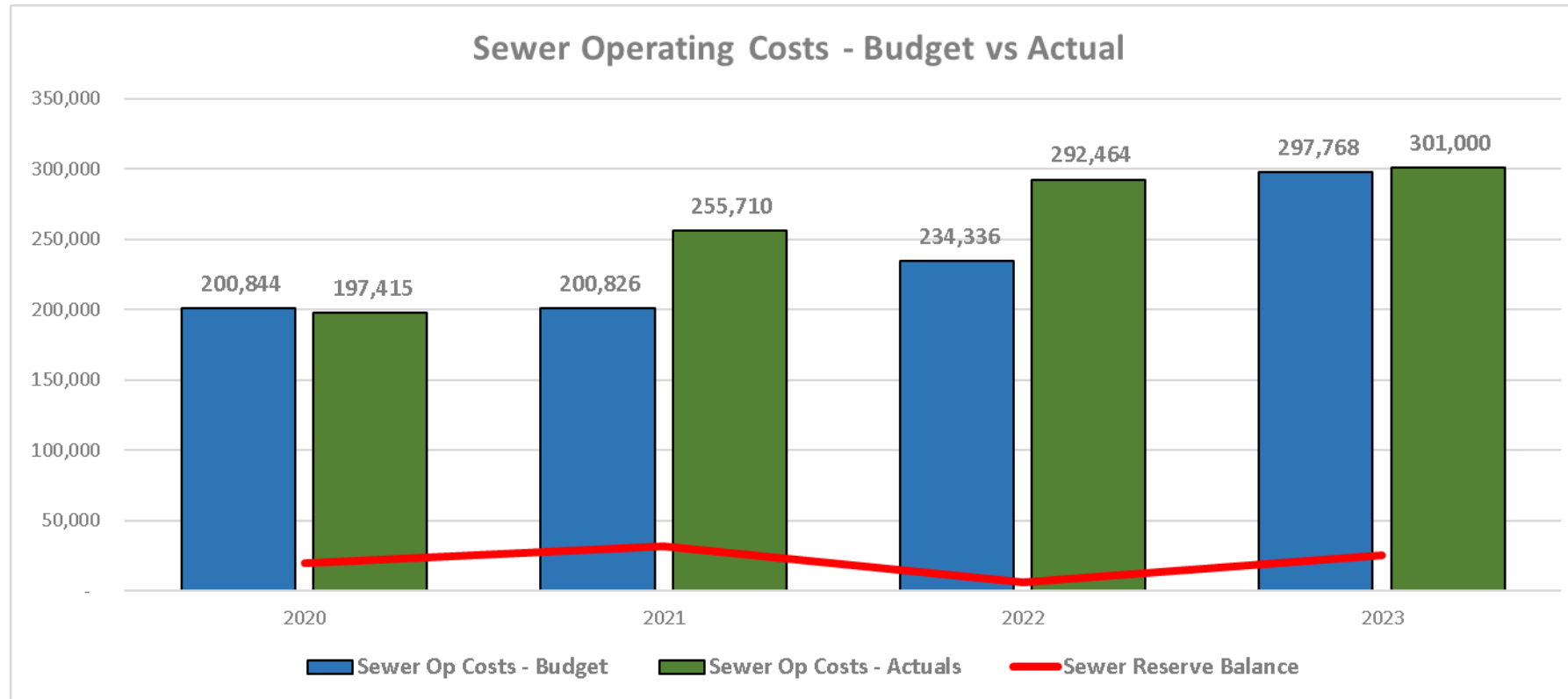
Water and Sewer Reserve Balances by Year



# Salmo Reserves - at a glance



# Salmo Reserves - at a glance



# Budget Principals - Capital

- ▶ Address, plan and prioritize short-term infrastructure investment
- ▶ Facilitate medium and long-term capital investment planning
- ▶ Move towards utility rates that fund necessary investment
- ▶ Leverage funding opportunities for capital projects
  - ▶ Salmo seek out senior government grant funding opportunities so that improvements can be completed with less financial impact to the sewer rate payers. If grant funding is not available, or the yearly gas tax funding is less than anticipated, the Village should revisit the rate structure.





# Estimated Recurring Grants and Reserve Contributions

	2023	2024	2025	2026	2027	2028	2029	2030
General	1,369,707	240,440	241,187	241,949	242,726	243,519	244,328	245,153
General -Protective Services	29,755	34,755	39,755	44,755	54,005	54,005	54,005	54,005
Water (from rates)	51,742	51,158	52,570	54,466	56,417	58,424	59,592	60,784
Sewer (from rates)	13,868	15,004	18,217	22,274	26,588	31,169	31,793	32,429

**Annual Total: 341,356**



# Grant Considerations

- ▶ LGCAP - Unbudgeted \$125,000 to be spent by March 31<sup>st</sup> 2025
  - ▶ Emission reductions, environmental initiatives
- ▶ Housing Provincial Grant - \$150,000
  - ▶ Bylaw updates
  - ▶ OCP Updates & Alignment with zoning
  - ▶ Development Cost Charges Review
- ▶ Growing Communities Fund - Unbudgeted \$735,000: recommended expenditure by mid-year of 2028
  - ▶ Flexible for infrastructure investment
  - ▶ **Use as an opportunity to bridge the gap**



# Key Takeaways

- ▶ Tax rates, Utility rates need to keep up with inflation to maintain service levels and to fund capital investment
- ▶ Salmo to leverage grant opportunities:
  - ▶ Water / Sewer
  - ▶ Asset management
  - ▶ Environmental initiatives

- ▶ Long-term planning
  - ▶ Asset management
  - ▶ Operational assessments and objectives
  - ▶ 5 year financial plans that include future capital investments
- ▶ Growing Communities Fund
  - ▶ Leverage to bridge the gap



# Draft -Council Strategic Planning Priorities 2024

- ▶ Wastewater Treatment Plant - Compliance Projects - (Internal funding)
- ▶ Asset Management Planning
  - ▶ Asset Management Framework development
  - ▶ Water Master Plan
  - ▶ Fleet Replacement Policy and Plan Schedule
  - ▶ Roads, linear, water master plan exercise
  - ▶ Utility Master Plan
  - ▶ Long Term Capital Financial Plan
  - ▶ Fire Truck Replacement and Financial Planning
  - ▶ Flood Mitigation Plan - Erie Creek Dike

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► Planning - Bill 44, 45, 46 (suspected funding shortfall from external grants)

- OCP Update
- Zoning Bylaw Update
- Housing Needs Report
- DCC Bylaw/ Amenity Cost Charges
- Contract Legal, Planning, GIS

**Additionally:**

- Park Master Plan(s)
- Concession - KP Park
- Solar Lights / Walking Path
- Charge Up (Solar Array Projects) (funded 2023)
- 9<sup>th</sup> Street Wells - Decommission Plan
- Cemetery Wall Project
- Lease Agreements / Review
- Policy and Bylaw Review and Updates

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# Capital Investments (Draft) - 2024

Capital Projects & One time Expenses	General or Utility	Estimated Costs (2024)	Possible Funding Source	Council Priority
Fence RI Basins	Sewer	90,000	General - Gas Tax	
Harmonic Upgrades	Sewer	50,000	General - Gas Tax	
Lab testing Equipment	Sewer	5,000	User Fees - Operational	
Trozzo Well - authorization Compliance	Sewer	50,000	General - Gas Tax	
Urban Systems (Consultant) - authorization Compliance	Sewer	6,100	General - Gas Tax	
Sewer Inspection and Augering	Sewer	37,000	General - Gas Tax	
Seal Manholes (multi-year)	Sewer	10,000	User Fees - Operational	
Water Reservoir Inspection	Water	3,200	User Fees - Operational	
Erie Creek Dike - Emergency Disaster Plan / Risk mitigation	General	-	Grant Funded - TDB	
Culvert Replacement - First street	General	14,000	General - Gas Tax	
Road Repair - fourth and Riverside	General	8,500	General - Gas Tax	
Park Gazebo Roof - to be completed	General	1,750	COVID Relief	
Water fountain installation	General	2,000	COVID Relief	
Erie Creek Dike - Rip Rap	General	10,000	Taxation - operational	
Glendale Generator - Propane Tank & Site Prep	Water	50,000	Water Reserve	
Hand Dryers - KP Park Washroom	General	1,000	COVID Relief	
Line Painting	General	3,000	Taxation - operational	
MIABC Initiatives (Signage, smoke detectors, emergency)	General	-	MIA funded - TBD	
Tarp Systems - Sand hauling	General	3,400	Taxation - operational	
Consession Roof Repair	General	-	TBD	
Glendale Bridge - Handrail Engineering	General	12,000	General - Gas Tax	
Road Paving - recurring annual	General	30,000	Taxation - operational	
Sidewalks - recurring annual	General	15,000	Taxation - operational	



# Questions?

