



The Corporation of the Village of Salmo

SPECIAL MEETING

A Special Meeting of the Council of the Village of Salmo to be held in Council Chambers at 423 Davies Avenue in Salmo, B.C. on **Monday, April 29, 2024** at **4:30 p.m.**

The public may attend in person or electronically. The electronic link will be available on our website on Monday.

Traditional Lands Acknowledgement Statement: We acknowledge and respect the indigenous peoples within whose traditional lands we are meeting today.

AGENDA:

1. Call to Order

2. Adoption of Agenda

STAFF RECOMMENDATION:

Pg.1

That the draft agenda of Special Meeting of Monday, April 29, 2024 be adopted as presented.

3. Bylaw Review & Development

(1) Financial Discussion

Pg.3

(2) Financial Plan (2024-2028) Bylaw #755, 2024

Pg.19

STAFF RECOMMENDATION:

That the "Financial Plan (2024-2028) Bylaw #755, 2024" be given first reading.

That the "Financial Plan (2024-2028) Bylaw #755, 2024" be given second & third reading.

(3) Annual Tax Rate Bylaw #756, 2024

Pg.25

STAFF RECOMMENDATION:

That the "Annual Tax Rate Bylaw #756, 2024" be given first reading.

That the "Annual Tax Rate Bylaw #756, 2024" be given second & third reading.

4. Public Question Period

5. Adjournment

Given under my hand this 26th day of April, 2024 and posted in accordance with Section 127 of the *Community Charter*.

Originally Signed By:

Diana Lockwood

Mayor

Village of Salmo 2024-2028 Draft 5-Year Financial Plan

APRIL 29, 2024

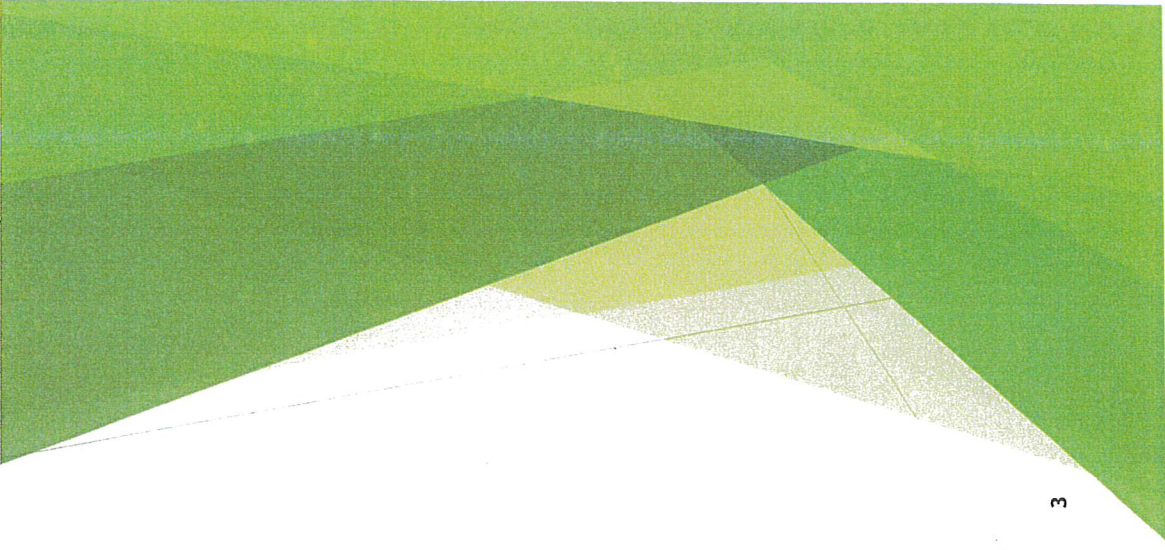
Agenda

Draft 5-year Financial Plan Presentation

- ▶ Draft tax rate impact
- ▶ 5-year financial plan
- **Utility Rates & Reserves**
 - ▶ Sewer utility
 - ▶ Water utility
- **Capital Investment and One-Off Exp.**
 - ▶ Capital investment
 - ▶ Draft reserve balances



Tax Rate Changes & Financial Plan



Draft Financial Plan Rates/Fees - Summary

Rate / Fee	2023	2024 % Change (draft)	2024 \$ Amount (draft)	Net Annual Increase	Net Monthly Increase
Property Tax (Municipal Portion)	\$683	5.1%	\$718	\$35	\$2.90
Waste Collection	\$220	5.9%	\$233	\$13	\$1.08
Water	\$337	6.8%	\$360	\$23	\$1.91
Waste Water (Sewer)	\$529	9.6%	\$580	\$51	\$4.23
				\$121	\$10

*Rates and fees based on average single family residential home

Draft 5-Year Financial Plan (2024-2028)

	2023	2024	2025	2026	2027	2028
REVENUES						
Property Taxation	472,619	502,851	516,630	532,129	545,432	561,795
Sale of services	101,772	114,259	111,808	115,163	118,042	121,583
Other revenue own sources	167,456	168,290	173,170	178,366	182,825	188,309
Investment income	25,300	35,684	34,000	30,000	30,000	30,000
Grants - unconditional	466,000	459,000	459,000	459,000	459,000	459,000
Grants - conditional	860,510	749,743	162,905	167,642	171,708	176,709
Total General	2,093,657	2,029,827	1,457,514	1,482,299	1,507,007	1,537,397
Water Revenue	198,418	204,461	220,937	229,655	238,824	246,164
Sewer Revenue	311,635	344,019	376,407	407,038	428,020	441,965
Total Consolidated Revenues	2,603,710	2,578,308	2,054,858	2,118,992	2,173,850	2,225,526
EXPENSES						
General Government	567,431	947,481	578,613	588,350	597,883	606,762
Protective Services	133,739	269,147	134,878	137,036	139,229	141,456
Transportation Services	369,811	368,054	363,783	369,604	375,517	381,526
Environmental health services	114,626	118,762	120,662	122,593	124,554	126,547
Public health and welfare	14,525	15,250	15,494	15,742	15,994	16,250
Recreation and cultural services	63,050	64,650	62,128	63,122	64,132	65,159
Interest and other debt charges	22,552	22,118	22,118	21,015	19,913	19,913
Total General Operations	1,285,734	1,795,462	1,297,677	1,317,462	1,337,222	1,357,612
Water Operations	146,676	157,176	160,319	163,526	166,796	170,132
Sewer Operations	297,768	418,239	315,424	321,732	328,167	334,730
Total Operations	1,730,177	2,370,877	1,773,420	1,802,720	1,832,185	1,862,475
Amortization	404,497	408,542	412,627	416,753	420,921	425,130
Surplus (deficit)	469,036	(201,111)	(131,189)	(100,481)	(79,256)	(62,079)
Add back:						
Amortization	404,497	408,542	412,627	416,753	420,921	425,130
Debt funded by operations	44,973	23,832	23,832	23,832	15,780	15,780
Surplus (deficit) per 5 year financial plan	828,560	183,599	257,606	292,440	325,885	347,271

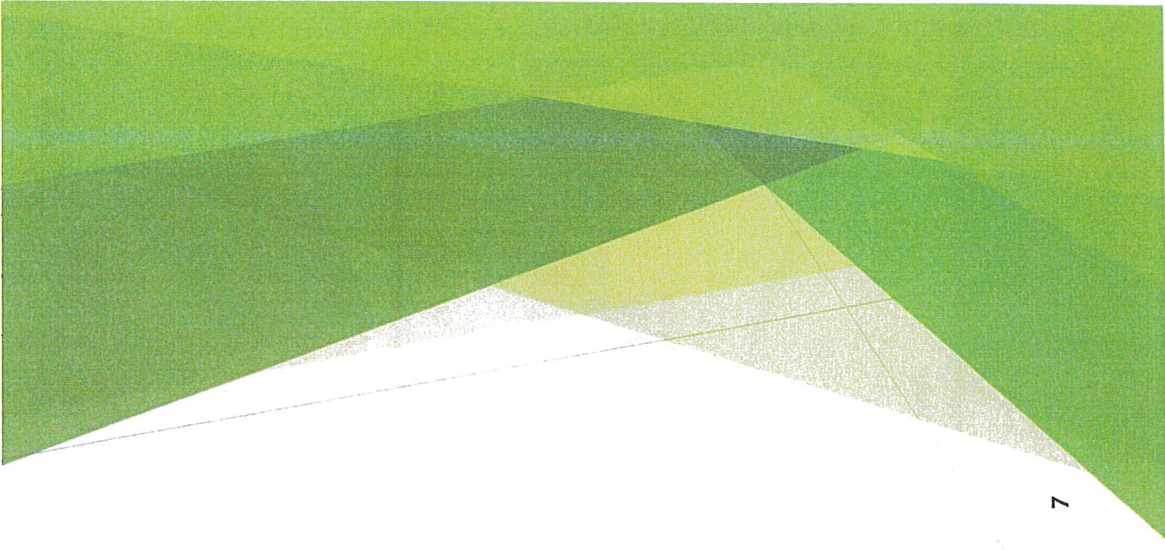
Draft 5-Year Financial Plan (2024-2028)

Continued

	2023	2024	2025	2026	2027	2028
Capital Expenditures						
General	675,099	111,650	-	-	-	-
Water	52,000	112,000	-	-	-	-
Sewer	80,672	140,000	-	-	-	-
Total Capital Expenditures	807,771	363,650	-	-	-	-
Transfer to / from Reserves						
Transfer (to) General Reserves	(187,353)	(244,250)	(136,005)	(141,005)	(154,005)	(164,005)
Transfer (to) Utility Reserves	(65,610)	(94,949)	(121,601)	(151,435)	(171,880)	(183,265)
Transfer from General Reserves	80,672	378,500	-	-	-	-
Transfer from Utility Reserves	52,000	112,000	-	-	-	-
Total Transfer (to) from Reserves	120,291	151,301	(257,606)	(292,440)	(325,885)	(347,270)
Transfers (to) from operating surplus	99,502	28,750				
Financial Plan Balance	(0)	(0)	(0)	(0)	(0)	(0)
CAPITAL FUNDS						
COMPONENTS						
Sources of Funds						
Community Works Grant	80,672	79,500	-	-	-	-
Growing Communities Fund		140,000				
General Operating fund	96,502	28,750	-	-	-	-
Water Operating fund	-	-	-	-	-	-
Sewer Operating fund	-	-	-	-	-	-
Utility Reserves	52,000	112,000	-	-	-	-
Government Grants	578,597	3,400	-	-	-	-
Total Sources	807,771	363,650	-	-	-	-
Expenditures						
General	675,099	111,650	-	-	-	-
Water	52,000	112,000	-	-	-	-
Sewer	80,672	140,000	-	-	-	-
Total Expenditures	807,771	363,650	-	-	-	-

Utilities at a Glance

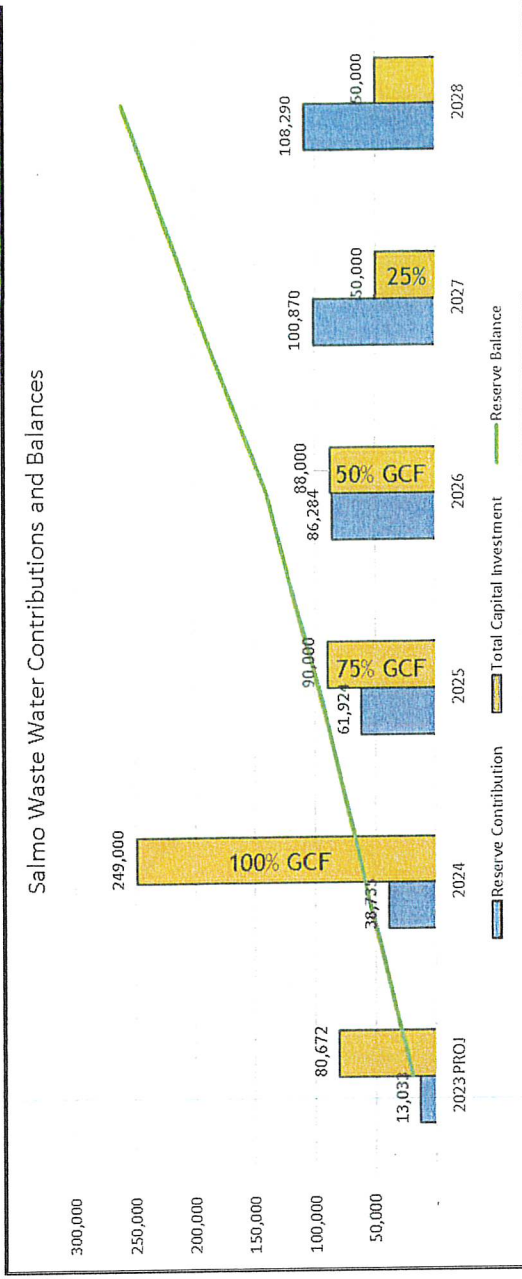
- Sewer utility
- Water utility



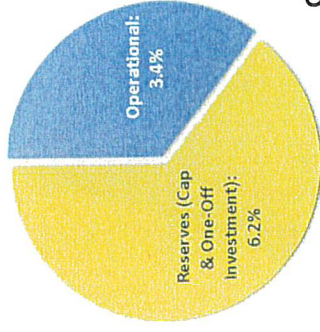
Draft Utility Budget & Reserve - Sewer

Budget Factors:

- Inflationary components
- Maintenance
- Fully staffed utility
- Increase reserve contributions
- Leverage Growing Communities fund (GCF)



Sewer User Fee Increase Breakdown

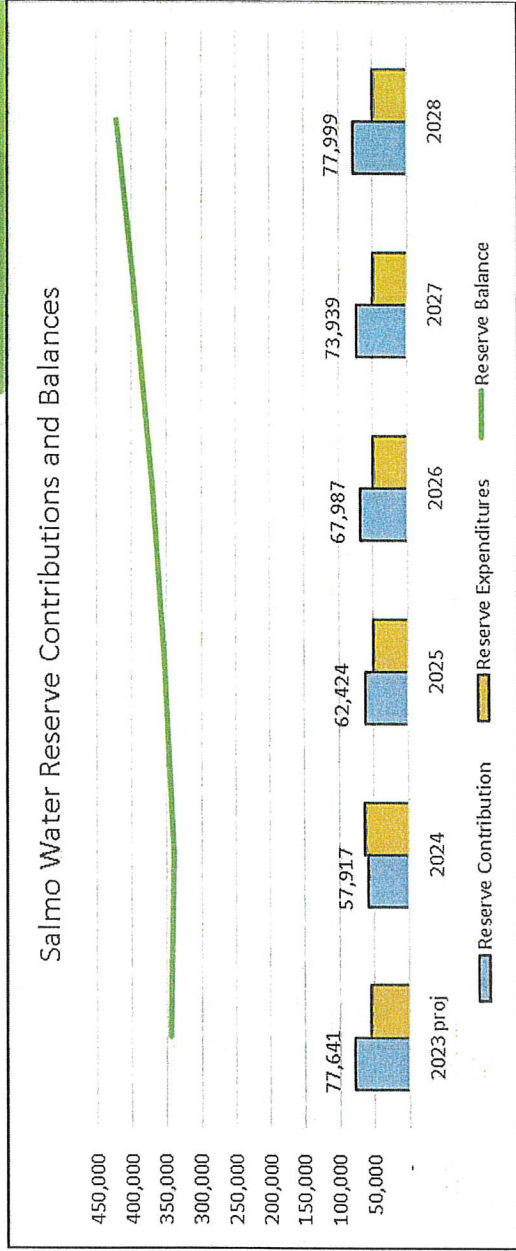


- Sewer user fees change \$51 per annum (9.6%) for residential household

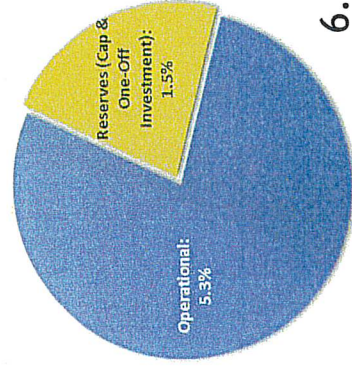
Draft Utility Budget & Reserve - Water

Budget Factors:

- Inflationary components
- Continued well testing & inspections
- Maintain stable reserve contributions



Water User Fee Increase Breakdown



- Water user fees change \$23 per annum (6.8%) for residential household

Capital Investment, One-off Expenses & Reserve Balances - Draft

Draft Capital & One-Time Expenses

Capital Investment	General or Utility	Budget (2024)	Funding Source
Fence RI Basins	Sewer	90,000	GCF
Glendale Generator - Propane Tank & Site Prep	Water	60,000	RES
Harmonic Upgrades	Sewer	50,000	GCF
Glendale Well Water Pump Replacement	Water	40,000	RES
Road Paving - recurring annual	General	30,000	CWF
Technology Upgrades	General	25,000	SUR
Sidewalks - recurring annual	General	15,000	CWF
Culvert Replacement - First street	General	14,000	CWF
Glendale Bridge - Handrail Engineering	General	12,000	CWF
Well Sine filter & Cabinet	Water	12,000	RES
Road Repair - fourth and Riverside	General	8,500	CWF
Other Capital Investment	General	7,150	Various
Total		363,650	

Legend:
 CWF - Community Works Fund
 CD - Community Development Fund
 GCF - Growing Communities Fund
 LGCAP - Local Government Climate Action Program
 SUR - Surplus
 RES - Reserve

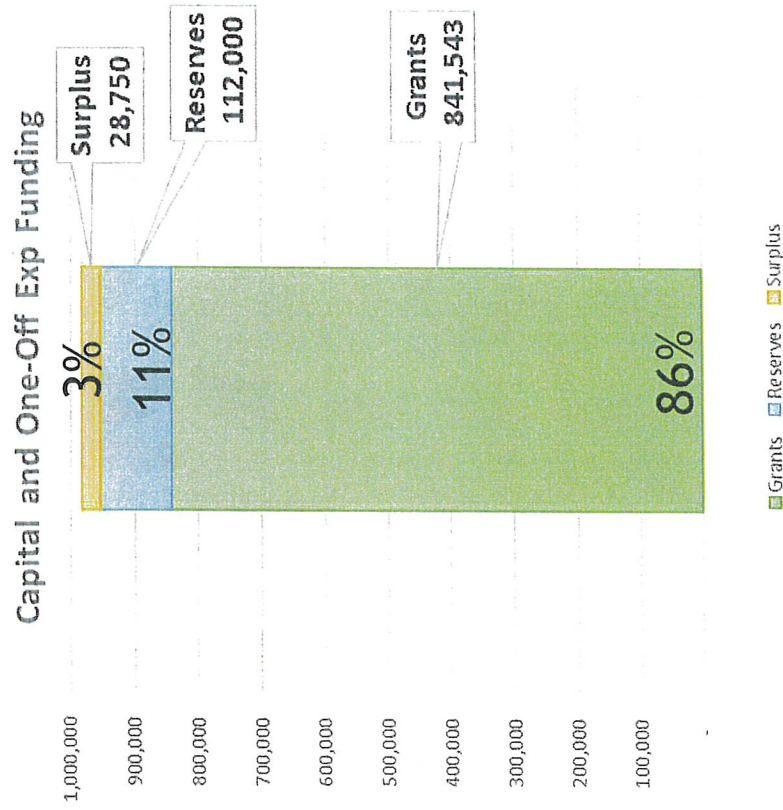
Draft Capital & One-Time Expenses

One-Off Expenditures	General or Utility	Budget (2024)	Funding Source
Bylaws, zoning, housing planning	General	156,250	GRANT
OCP initiatives	General	100,000	GRANT
Asset management plan	General	100,000	GRANT / CWF
Erie Creek - emergency disaster plan / risk mitigation	General	100,000	GRANT
Trozzo well - authorization compliance	Sewer	50,000	GCF
Sewer inspection and augering	Sewer	37,000	GCF
NG911 - readiness	General	36,393	GRANT
Safety initiatives	General	12,000	MIABC
Seal manholes (multi-year)	Sewer	10,000	GCF
Urban Systems - authorization compliance	Sewer	7,000	GCF
Drought management plan	General	5,000	LGCAP
Lab testing supplies	Sewer	5,000	GCF
Total		618,643	

Legend:

- CWF - Community Works Fund
- CD - Community Development Fund
- GCF - Growing Communities Fund
- LGCAP - Local Government Climate Action Program
- SUR - Surplus
- RES - Reserve

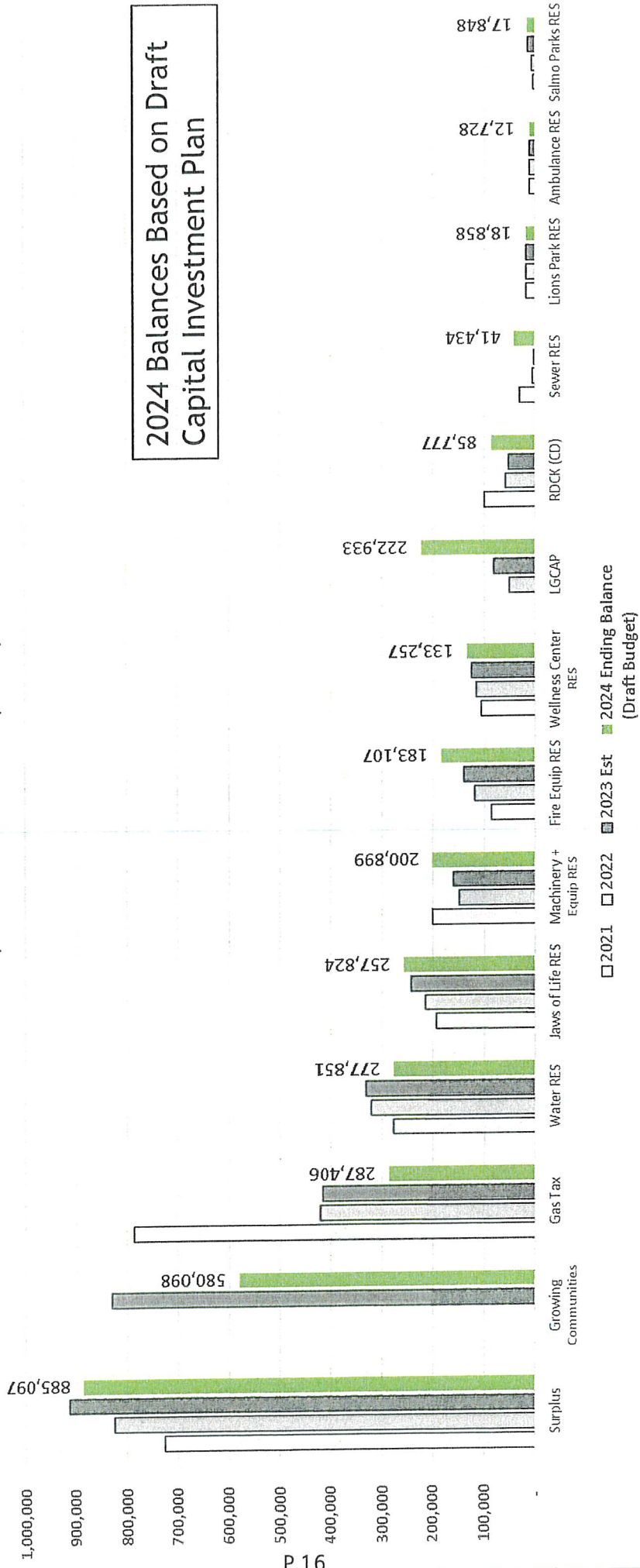
Draft Capital & One-Time Expenses - Funding



Grants includes GCF and CWF Surplus includes COVID Recovery Funding

Draft Budget - All Reserve Balances

Fund / Reserve Balances (Draft) - Salmo



2023 balances are unaudited

Village of Salmo 2024 Draft 5 Year Financial Plan

Questions?

THE CORPORATION OF THE VILLAGE OF SALMO

BYLAW #755

A BYLAW TO ADOPT A FIVE-YEAR FINANCIAL PLAN FOR THE YEARS 2024-2028

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, 2024.
- 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, 2024.

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 (2024-2028) Bylaw #755, 2024*".

READ A FIRST TIME	this __ day of ____, 2024
READ A SECOND TIME	this __ day of ____, 2024
READ A THIRD TIME	this __ day of ____, 2024
RECONSIDERED AND FINALLY ADOPTED	this __ day of ____, 2024

Mayor

Chief Administrative Officer

I HEREBY CERTIFY THIS TO BE A TRUE COPY OF THE "FINANCIAL PLAN (2024-2028) BYLAW #755, 2024".

Chief Administrative Officer

**2024-2028 FIVE YEAR FINANCIAL PLAN
SCHEDULE A**

REVENUES	2024	2025	2026	2027	2028
Property Taxation	502,851	516,630	532,129	545,432	561,795
Sale of services	114,259	111,808	115,163	118,042	121,583
Other revenue own sources	168,290	173,170	178,366	182,825	188,309
Investment income	35,684	34,000	30,000	30,000	30,000
Grants - unconditional	459,000	459,000	459,000	459,000	459,000
Grants - conditional	749,743	162,905	167,642	171,708	176,709
Total General	2,029,827	1,457,514	1,482,299	1,507,007	1,537,397
Water Revenue	204,461	220,937	229,655	238,824	246,164
Sewer Revenue	344,019	376,407	407,038	428,020	441,965
Total Consolidated Revenues	2,578,308	2,054,858	2,118,992	2,173,850	2,225,526
EXPENSES	2024	2025	2026	2027	2028
General Government	947,481	578,613	588,350	597,883	606,762
Protective Services	269,147	134,878	137,036	139,229	141,456
Transportation Services	358,054	363,783	369,604	375,517	381,526
Environmental health services	118,762	120,662	122,593	124,554	126,547
Public health and welfare	15,250	15,494	15,742	15,994	16,250
Recreation and cultural services	64,650	62,128	63,122	64,132	65,159
Interest and other debt charges	22,118	22,118	21,015	19,913	19,913
Total General Operations	1,795,462	1,297,677	1,317,462	1,337,222	1,357,612
Water Operations	157,176	160,319	163,526	166,796	170,132
Sewer Operations	418,239	315,424	321,732	328,167	334,730
Total Operations	2,370,877	1,773,420	1,802,720	1,832,185	1,862,475
Amortization	408,542	412,627	416,753	420,921	425,130
Surplus (deficit)	(201,111)	(131,189)	(100,481)	(79,256)	(62,079)
Add back:					
Amortization	408,542	412,627	416,753	420,921	425,130
Debt funded by operations	23,832	23,832	23,832	15,780	15,780
Surplus (deficit) per 5 year financial plan	183,599	257,606	292,440	325,885	347,271

**2024-2028 FIVE YEAR FINANCIAL PLAN
SCHEDULE A**

Capital Expenditures

General	111,650	-	-	-	-
Water	112,000	-	-	-	-
Sewer	140,000	-	-	-	-
Total Capital Expenditures	363,650	-	-	-	-

Transfer to / from Reserves

Transfer (to) General Reserves	(244,250)	(136,005)	(141,005)	(154,005)	(164,005)
Transfer (to) Utility Reserves	(94,949)	(121,601)	(151,435)	(171,880)	(183,265)
Transfer from General Reserves	378,500	-	-	-	-
Transfer from Utility Reserves	112,000	-	-	-	-
Total Transfer (to) from Reserves	151,301	(257,606)	(292,440)	(325,885)	(347,270)

Transfers (to) from operating surplus

28,750

Financial Plan Balance

(0)	(0)	(0)	(0)	(0)
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**2024-2028 FIVE YEAR FINANCIAL PLAN
SCHEDULE A**

CAPITAL FUNDS

COMPONENTS

	2024	2025	2026	2027	2028
Sources of Funds					
Community Works Grant	79,500	-	-	-	-
Growing Communities Fund	140,000				
General Operating fund	28,750	-	-	-	-
Water Operating fund	-	-	-	-	-
Sewer Operating fund	-	-	-	-	-
Utility Reserves	112,000	-	-	-	-
Government Grants	3,400	-	-	-	-
Total Sources	363,650	-	-	-	-
Expenditures					
General	111,650	-	-	-	-
Water	112,000	-	-	-	-
Sewer	140,000	-	-	-	-
Total Expenditures	363,650	-	-	-	-

SCHEDULE "B" – 2024-2028 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	19%
Parcel taxes	0%
User fees and charges	20%
Sales of service	4%
Grants - unconditional	17%
Grants - Conditional	28%
Other sources	8%
Reserves	4%
Proceeds from borrowing	0%
TOTAL	100%

Table 1 shows the proportion of total revenue proposed to be raised from each funding source in 2024.

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.

THE CORPORATION OF THE VILLAGE OF SALMO

BYLAW #756

A BYLAW TO LEVY TAXES FOR MUNICIPAL, HOSPITAL AND REGIONAL DISTRICT PURPOSES FOR THE YEAR 2024

WHEREAS Section 197 of the *Community Charter* requires Municipal Councils, on or before May 15 of each year, to adopt a bylaw to impose property value taxes by establishing tax rates, for the municipal revenue proposed to be raised for the year from property taxes as provided in the financial plan and for amounts to be collected for the year by means of rates established by the municipality to meet its obligations to other local governments or public bodies;

NOW THEREFORE the Council of the Village of Salmo, in open meeting assembled, ENACTS AS FOLLOWS:

1. TAX RATES

1.1. The following property value tax rates are hereby imposed and levied for the year 2024:

- a) For all lawful **GENERAL** purposes of the municipality on the value of land and improvements taxable for general municipal purposes rates appearing in column "A" of the Schedule attached to and forming part of this bylaw.
- b) For **HOSPITAL** purposes on the value of land and improvements taxable for West Kootenay Boundary Regional Hospital District purposes, rates in column "B" of the Schedule attached to and forming part of this bylaw.
- c) For the purposes of the **REGIONAL DISTRICT OF CENTRAL KOOTENAY** on the value of land and improvements taxable for regional hospital district purposes, rates appearing in column "C" of the Schedule attached to and forming part of this bylaw.

1.2. The Collector shall add ten percent (10%) penalty to all current taxes or rates remaining unpaid after July 2, 2024, and interest to unpaid arrears and delinquent property taxes as outlined in Sections 245 and 246 of the *Community Charter*.

1.3. The minimum amount of taxation upon a parcel of real property shall be one (\$1.00) dollar.

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 "*Annual Tax Rate Bylaw #756, 2024*".

READ A FIRST TIME	this ____ day of ____, 2024
READ A SECOND TIME	this ____ day of ____, 2024
READ A THIRD TIME	this ____ day of ____, 2024
RECONSIDERED AND FINALLY ADOPTED	this ____ day of ____, 2024

Mayor

Chief Administrative Officer

I HEREBY CERTIFY THIS TO BE A TRUE COPY OF THE "ANNUAL TAX RATE BYLAW #756, 2024".

Chief Administrative Officer

THE CORPORATION OF THE VILLAGE OF SALMO

BYLAW #756

SCHEDULE

2024 TAX RATES

(Dollars of tax per \$1,000 of taxable assessed value)

Property Class	General Municipal	West.Koot Boundary Regional Hospital	Regional District Central Kootenay
1. Residential	1.9488	0.1578	1.5419
2. Utility	40.0000	0.5523	5.3967
5. Light industry	4.7461	0.5365	5.2425
6. Business/Other	4.7461	0.3875	3.7784
8. Recreational/non- profit	3.2077	0.1578	1.5419

