



**The Corporation of the  
Village of Slocan  
Memo**

MTG DATE: APR 17/23 (SP)  
ITEM: BYLAWS  
FILE: FINANCIAL PLAN  
2023

**DATE:** April 17, 2023  
**TO:** Mayor and Village Council  
**FROM:** M. Gordon, CAO  
**SUBJECT:** 5-Year Financial Plan Bylaw (2023-2027)

**ANALYSIS SUMMARY:**

Attached for Council's consideration is the 5-Year Financial Plan Bylaw prepared by the Village's Financial Officer, in consultation with Village staff and Council. The Financial Plan sets out the objectives and policies of the Village in relation to the revenue sources, the distribution of property value taxes among the property classes and the use of permissive tax exemptions. The financial plan sets out proposed expenditures, proposed funding sources and proposed transfers to or between funds.

**BENEFITS OR DISADVANTAGES AND NEGATIVE IMPACTS:**

Council must adopt a 5-Year Financial Plan annually prior to the adoption of the Property Tax Bylaw.

**LEGISLATIVE IMPACTS, PRECEDENTS, POLICIES:**

This bylaw meets all the requirements of the *Community Charter*; and must be adopted and submitted to the Province on or before the May 15<sup>th</sup> deadline.

**COSTS AND BUDGET IMPACT - REVENUE GENERATION:**

The only cost associated with this item is staff time to prepare the bylaw and reports.

**RECOMMENDATION:**

That the "Village of Slocan Financial Plan (2023 – 2027) Bylaw, No. \_\_\_\_\_, 2023" be read a first, second and third time by title only.

\_\_\_\_\_  
Michelle Gordon  
Chief Administrative Officer

**THE CORPORATION OF THE VILLAGE OF SLOCAN  
BYLAW NO. \_\_\_\_**

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

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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 Slocan 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 Slocan 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 Slocan for the five-year period starting January 1, 2023.
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.
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 #696 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 (2023-2027) Bylaw No. \_\_\_\_, 2023**".

READ A FIRST TIME the \_\_\_\_ day of \_\_\_\_, 2023;

READ A FIRST TIME the \_\_\_\_ day of \_\_\_\_, 2023;

READ A FIRST TIME the \_\_\_\_ day of \_\_\_\_, 2023;

FINALLY PASSED AND ADOPTED the \_\_\_\_ day of \_\_\_\_, 2023.

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\_\_\_\_\_  
Mayor

\_\_\_\_\_  
CAO

## 2023-2027 Five Year Financial Plan SCHEDULE 'A'

REVENUES	2023	2024	2025	2026	2027
<b>Property Taxation</b>	219,563	226,151	232,935	242,253	251,943
Sale of services	133,377	137,274	141,287	146,799	152,530
Other revenue own sources	156,560	20,060	20,060	20,060	20,060
Investment income	20,000	20,000	18,000	15,000	15,000
Grants - unconditional	363,000	363,000	363,000	363,000	363,000
Grants - conditional	1,315,810	4,880,079	80,079	80,079	80,079
<b>Total General</b>	<b>2,208,311</b>	<b>5,646,564</b>	<b>855,361</b>	<b>867,190</b>	<b>882,612</b>
Water User Fees	133,973	147,370	162,107	178,318	196,149
<b>Total Consolidated Revenues</b>	<b>2,342,283</b>	<b>5,793,933</b>	<b>1,017,468</b>	<b>1,045,508</b>	<b>1,078,762</b>
<b>EXPENSES</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>
General Government	335,997	328,635	335,176	342,264	349,617
Protective Services	4,500	4,590	4,682	4,775	4,871
Transportation Services	381,925	217,624	221,977	226,416	230,945
Environmental health services	29,250	29,835	30,432	31,040	31,661
Public health and welfare	10,660	10,873	11,091	11,312	11,539
Recreation and cultural services	142,017	124,927	127,425	129,974	132,573
Interest and other debt charges	40,000	28,000	66,864	71,344	71,344
<b>Total General Operations</b>	<b>944,349</b>	<b>744,484</b>	<b>797,646</b>	<b>817,127</b>	<b>832,549</b>
Water Operations	123,275	125,740	128,255	130,820	133,436
<b>Total Operations</b>	<b>1,067,624</b>	<b>870,225</b>	<b>925,901</b>	<b>947,947</b>	<b>965,986</b>
Amortization	105,967	108,086	185,248	263,953	269,232
<b>Surplus (deficit)</b>	<b>1,168,692</b>	<b>4,815,623</b>	<b>(93,681)</b>	<b>(166,392)</b>	<b>(156,456)</b>
<b>Add back:</b>					
Amortization	105,967	108,086	185,248	263,953	269,232
<b>Proceeds from Borrowing</b>	-	1,200,000	-	-	-
<b>Add:</b>					
<b>Transfers from Reserves</b>					
Transfer from General Reserves	207,450	-	25,000	25,000	25,000
Transfer from Utility Reserves	13,802	-	10,845	-	-
	<b>221,252</b>	<b>-</b>	<b>35,845</b>	<b>25,000</b>	<b>25,000</b>
<b>Less:</b>					
<b>Principal payments on Municipal Debt</b>	-	-	27,333	41,181	41,181
<b>Capital Expenditures</b>					
General	1,520,241	-	-	-	-
Water	28,000	6,000,000	-	-	-
<b>Total Capital Expenditures</b>	<b>1,548,241</b>	<b>6,000,000</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Transfer to Reserves</b>					
Transfer to General Reserves	90,079	98,579	100,079	78,579	78,580
Transfer to Utility Reserves	-	25,130	-	2,801	18,015
	<b>90,079</b>	<b>123,709</b>	<b>100,079</b>	<b>81,380</b>	<b>96,595</b>
<b>Transfers to (from) operating surplus</b>	<b>(142,408)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Financial Plan Balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**CAPITAL FUNDS**

<b>COMPONENTS</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>
<b>Sources of Funds</b>					
Community Works Fund	62,450	-	-	-	-
General Operating Fund	83,940	-	-	-	-
Equipment Reserve	145,000	-	-	-	-
Government Grants	1,228,851	4,800,000	-	-	-
Utility Reserves	28,000	-	-	-	-
Borrowing	-	1,200,000	-	-	-
Other revenues	-	-	-	-	-
<b>Total Sources</b>	<b>1,548,241</b>	<b>6,000,000</b>	-	-	-
<b>Expenditures</b>					
General	1,520,241	-	-	-	-
Water	28,000	6,000,000	-	-	-
<b>Total Expenditures</b>	<b>1,548,241</b>	<b>6,000,000</b>	-	-	-

## 2023-2027 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 taxes and use permissive tax exemptions.

### Revenue Sources

Table 1

Revenue Source	% of Total Revenue
Property Value Tax	10%
User fees	6%
Sale of Services	4%
Other Revenue	2%
Unconditional Grants	17%
Conditional Grants	42%
Transfers From Own Reserves/Funds	19%
Borrowing	0%
<b>Total</b>	<b>100%</b>

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 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**

With the loss of the Springer Creek Forest Products Ltd. the Village of Slokan's tax base is now primarily residential and therefore the majority of the tax burden falls on the residential homeowners.

Policy:

It is the policy of Council to shift the tax burden from Property Class 04 (Major Industrial) to Class 01 (Residential) to help absorb the revenue loss from the closure of Springer Creek Forest Products – Class 04 (Major Industrial).

Objective:

- As a result of the reduction in the assessment rate for Property Class 04 (Major Industry); Property Class 01 (Residential) should be the first to absorb any such shifts.
- Where possible, revenues from user fees and charges should be used to help offset the burden on the entire property tax base as a result loss of assessment values of Property Class 04 (Major Industrial).

**Permissive Tax Exemptions**

Council provides permissive tax exemption 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 exemption to not-for-profit organizations that benefits the overall well-being of the community.