

**THE CORPORATION OF THE VILLAGE OF SLOCAN
BYLAW NO. 705**

**BEING 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 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:

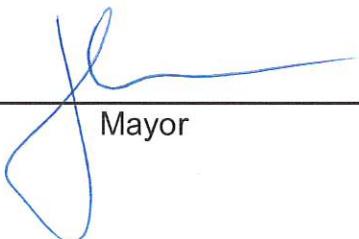
1. Schedule "A" attached to and forming part of this Bylaw is hereby adopted as the Financial Plan for the Village of Slocan for the five-year period starting January 1, 2023.
2. Schedule "B" attached to and forming part of this Bylaw is hereby adopted as the Revenue Policy Disclosure Requirement for 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 Bylaw #696 and the amendments thereto are hereby repealed.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. 705, 2023"**.

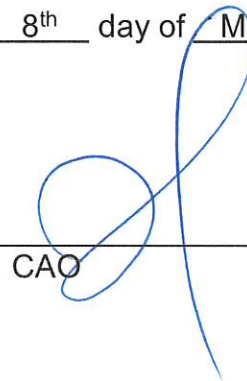
READ A FIRST TIME the 17th day of April, 2023;

READ A FIRST TIME the 17th day of April, 2023;

READ A FIRST TIME the 17th day of April, 2023;

FINALLY PASSED AND ADOPTED the 8th day of May, 2023.


Mayor


CAO

2023-2027 Five Year Financial Plan SCHEDULE 'A'

| REVENUES | 2023 | 2024 | 2025 | 2026 | 2027 |
|--|------------------|------------------|------------------|------------------|------------------|
| Property Taxation | 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 |
| Total General | 2,208,311 | 5,646,564 | 855,361 | 867,190 | 882,612 |
| Water User Fees | 133,973 | 147,370 | 162,107 | 178,318 | 196,149 |
| Total Consolidated Revenues | 2,342,283 | 5,793,933 | 1,017,468 | 1,045,508 | 1,078,762 |
| EXPENSES | 2023 | 2024 | 2025 | 2026 | 2027 |
| 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 |
| Total General Operations | 944,349 | 744,484 | 797,646 | 817,127 | 832,549 |
| Water Operations | 123,275 | 125,740 | 128,255 | 130,820 | 133,436 |
| Total Operations | 1,067,624 | 870,225 | 925,901 | 947,947 | 965,986 |
| Amortization | 105,967 | 108,086 | 185,248 | 263,953 | 269,232 |
| Surplus (deficit) | 1,168,692 | 4,815,623 | (93,681) | (166,392) | (156,456) |
| Add back: | | | | | |
| Amortization | 105,967 | 108,086 | 185,248 | 263,953 | 269,232 |
| Proceeds from Borrowing | - | 1,200,000 | - | - | - |
| Add: | | | | | |
| Transfers from Reserves | | | | | |
| Transfer from General Reserves | 207,450 | - | 25,000 | 25,000 | 25,000 |
| Transfer from Utility Reserves | 13,802 | - | 10,845 | - | - |
| | 221,252 | - | 35,845 | 25,000 | 25,000 |
| Less: | | | | | |
| Principal payments on Municipal Debt | - | - | 27,333 | 41,181 | 41,181 |
| Capital Expenditures | | | | | |
| General | 1,520,241 | - | - | - | - |
| Water | 28,000 | 6,000,000 | - | - | - |
| Total Capital Expenditures | 1,548,241 | 6,000,000 | - | - | - |
| Transfer to Reserves | | | | | |
| Transfer to General Reserves | 90,079 | 98,579 | 100,079 | 78,579 | 78,580 |
| Transfer to Utility Reserves | - | 25,130 | - | 2,801 | 18,015 |
| | 90,079 | 123,709 | 100,079 | 81,380 | 96,595 |
| Transfers to (from) operating surplus | (142,408) | - | - | - | - |
| Financial Plan Balance | - | - | - | - | - |

CAPITAL FUNDS

| COMPONENTS | 2023 | 2024 | 2025 | 2026 | 2027 |
|---------------------------|------------------|------------------|-------------|-------------|-------------|
| Sources of Funds | | | | | |
| 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 | - | - | - | - | - |
| Total Sources | 1,548,241 | 6,000,000 | - | - | - |
| Expenditures | | | | | |
| General | 1,520,241 | - | - | - | - |
| Water | 28,000 | 6,000,000 | - | - | - |
| Total Expenditures | 1,548,241 | 6,000,000 | - | - | - |

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% |
| 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 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.