

VILLAGE OF GOLD RIVER

Bylaw No. 710, 2018

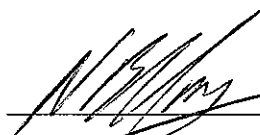
**A bylaw of the Village of Gold River respecting
the Financial Plan for the year 2018**

WHEREAS Section 165 of the *Community Charter*, 2003, S.B.C. Chapter 26 provides that the Council must have a financial plan adopted annually, by bylaw, before May 15 and that the planning period for a financial plan shall be 5 years, being the year in which it is specified to come into force and the following 4 years;

NOW THEREFORE the Council of the Village of Gold River, in open meeting assembled, enacts as follows:

1. Schedules "A", "B", "C" and "D" attached hereto and made part of this bylaw, are hereby declared to be the Financial Plan of the Village of Gold River commencing in the year 2018.
2. This bylaw may be cited for all purposes as the "Village of Gold River Financial Plan Bylaw No. 710, 2018".

READ A FIRST TIME THE	16 TH	DAY OF	APRIL	2018
READ A SECOND TIME THE	16 TH	DAY OF	APRIL	2018
READ A THIRD TIME THE	7 TH	DAY OF	MAY	2018
ADOPTED THE	10 TH	DAY OF	MAY	2018



B. Unger Mayor



L. Plourde Corporate Administrator

Village of Gold River
5-Year Operating Statement 2018 - 2022
Schedule "A"

<u>Operating Revenue:</u>	2018	2019	2020	2021	2022
Taxes	922,800	945,900	969,500	993,800	1,018,600
General Operating Grants	478,900	445,000	455,000	465,000	475,000
Sale of Service - Recreation	102,700	108,000	110,000	114,000	117,000
Sale of Service - Wharf	347,000	83,200	323,500	84,300	325,000
Sale of Service - Other	515,000	525,300	535,800	546,500	527,400
Licences, Permits & Fines	9,500	9,500	9,500	9,500	9,500
Penalties & Interest on Taxes	5,000	6,000	6,000	6,000	6,000
General Investment Interest	80,000	75,000	70,000	65,000	60,000
Other Revenue	30,000	31,000	32,000	33,000	34,000
Contribution - External Sources	16,000	0	0	0	0
Sewer Revenue (inclds. Interest & Grants)	335,100	277,400	288,200	299,500	376,200
Water Revenue (inclds. Interest & Grants)	173,700	179,900	186,700	193,800	201,200
Total Operating Revenue	3,015,700	2,686,200	2,986,200	2,810,400	3,149,900
<u>Operating Expenditures:</u>					
Legislative Services	87,700	84,700	86,400	88,100	89,900
General Government	569,800	546,800	557,700	568,900	580,300
Fire Department Services	106,500	104,000	106,000	108,000	110,000
Building Inspection/Bylaw Enforcement	12,700	15,000	16,000	17,000	18,000
Emergency Services	32,200	3,700	3,800	3,900	3,900
PW-General, Cem, Trans, Lighting, Drains	224,600	228,000	230,000	232,000	234,000
PW-Mechanical Services	112,600	114,800	116,800	119,000	121,000
Environmental, Depot, Solid Waste	271,300	274,000	277,000	280,000	283,000
Anne Fiddick Aquatic & Sports Center	527,100	532,000	542,000	552,000	562,000
Gerry Morgan Memorial Center	333,400	314,500	320,000	326,000	332,000
Parks, Boulevards & Greenspaces	121,900	118,600	120,600	122,800	125,000
Library Services	45,400	48,000	49,000	50,000	51,000
Municipal Campground	3,500	3,500	3,600	3,800	4,000
Ec. Dev. & Planning	86,500	25,000	25,000	25,000	25,000
JCC Operations	34,600	35,900	36,400	36,900	37,400
Tourist Info Center	22,000	23,000	24,100	25,500	26,000
Wharf Operations	55,000	40,000	42,000	44,000	46,000
Fiscal Services	15,000	4,500	4,500	4,500	4,500
Operating Contingency	20,000	25,000	25,000	25,000	25,000
Sewer Operations	441,000	276,700	291,700	297,500	368,400
Water Operations	364,600	253,000	258,000	263,100	268,400
Total Departmental Expenditures	3,487,400	3,070,700	3,135,600	3,193,000	3,314,800
Surplus/(Deficit) Before Amortization	-471,700	-384,500	-149,400	-382,600	-164,900
Amortization Expense-General	-389,800	-404,300	-404,300	-404,300	-404,300
Amortization Expense-Sewer	-60,100	-60,100	-60,100	-60,100	-60,100
Amortization Expense-Water	-29,900	-26,200	-26,200	-26,200	-26,200
Operating Surplus/(Deficit)	-951,500	-875,100	-640,000	-873,200	-655,500
Contributions to Reserve Fund	-69,400	-16,600	-64,700	-16,800	-65,000
Contributions to Capital (Sewer) Fund	-105,000	0	0	0	0
Contributions to Reserve Account	-9,000	-9,000	-9,000	-9,000	-9,000
Transfer from Reserve Accounts (Ec Dev)	14,500	15,000	15,000	15,000	15,000
Net Contributions to/from Reserve	-168,900	-10,600	-58,700	-10,800	-59,000
Adjust for Non-Cash Items (Amortization)	479,800	490,600	490,600	490,600	490,600
Appropriation from Surplus	-640,600	-395,100	-208,100	-393,400	-223,900

Village of Gold River
5-year Capital Plan 2018 -2022
Schedule "B"

<u>General Capital Fund</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Municipal Dock Reserve	0	0	0	0	150,000
Transport Canada Funds	0	140,000	0	0	0
General Capital Reserve	<u>165,000</u>	<u>100,000</u>	<u>296,000</u>	<u>165,000</u>	<u>265,000</u>
Total General Capital Funding	165,000	240,000	296,000	165,000	415,000
General Capital Projects					
Machinery and Equipment :					
PSB - Phone System	0	15,000	0	0	0
PSB -Photocopier/Heat system	0	15,000	30,000	0	0
Fire Dept. - Rescue Equipment/Air Compressor	50,000	0	0	20,000	0
Public Works - Pick-up w/dump (2019) Box Backhoe (2020) - Kubota (2022)	0	45,000	100,000	0	40,000
Depot - Garbage Bin (2020)/Garbage Bins 12 - 2 yd. (2021)	0	0	6,000	20,000	0
Arena -Surge Protection('18)-Dehumidifier('19)	25,000	0	35,000	0	0
Aquatic - Drytron replacement	0	0	0	0	200,000
Parks - Nimpkish Park Amenities (Dog Fence/Pavillion)	<u>65,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Machinery	140,000	75,000	171,000	40,000	240,000
Engineering Structures:					
Roadways, Sidewalks, Curbing (<i>reviewing Asset Management</i>)	0	0	100,000	100,000	0
Wharf and Dock (dredge/warehouse)	<u>0</u>	<u>140,000</u>	<u>0</u>	<u>0</u>	<u>150,000</u>
Total Engineering	0	140,000	100,000	100,000	150,000
General Contingency Fund	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>
Total General Capital	165,000	240,000	296,000	165,000	415,000
Sewer Capital Fund					
	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Government Grant	495,000	0	0	0	0
Federal Grant - Gas Tax Funds	0	185,000	125,000	75,000	125,000
Contribution for Operating Surplus	105,000	0	0	0	0
Contribution - Reserves	<u>625,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Sewer Capital Funding	1,225,000	185,000	125,000	75,000	125,000
Sewer Capital Projects					
STP Plant Retro-fit	0	0	0	0	100,000
Bio-Solids	1,200,000	0	0	0	0
UV Plant (Gas Tax funds)	0	60,000	0	0	0
Bridge Sewer line replacement	0	100,000	0	0	0
Scada System	0	0	100,000	0	0
Replace headworks/screener STP	0	0	0	50,000	0
Sewer Contingency Fund	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>
Total Sewer Capital	1,225,000	185,000	125,000	75,000	125,000
Water Capital Fund					
	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Federal Grant - Gas Tax Funds	0	400,000	0	0	0
Contribution from Reserves	<u>25,000</u>	<u>25,000</u>	<u>125,000</u>	<u>25,000</u>	<u>120,000</u>
Total Water Capital Funding	25,000	425,000	125,000	25,000	120,000
Water Capital Projects					
Bridge Water line replacement	0	400,000	0	0	0
Install Water Meter at Trailer Park	0	0	0	0	0
Water Line, Muchalat to Industrial	0	0	100,000	0	0
Water Chlorination inline UV water disinfection Unit ???	0	0	0	0	0
Well #3 pump replacement	0	0	0	0	70,000
Water Contingency	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	<u>50,000</u>
Total Water Capital	25,000	425,000	125,000	25,000	120,000
Total Capital Projects	1,415,000	850,000	546,000	265,000	660,000

**Village of Gold River
Use of Reserve Funds 2018-2022
Schedule "C"**

General Capital	2018	2019	2020	2021	2022
40-4-495-4962	Actual	Budget	Budget	Budget	Budget
OPENING BALANCE	1,424,198	1,280,561	1,199,770	921,766	770,593
Transfers In:	0	0	0	0	0
Transfers Out:	165,000	100,000	296,000	165,000	265,000
Interest On Investments	21,363	19,208	17,997	13,826	11,559
	1.50%				
CLOSING BALANCE	1,280,561	1,199,770	921,766	770,593	517,152
Sewer Capital	2018	2019	2020	2021	2022
40-4-495-4963	Actual	Budget	Budget	Budget	Budget
OPENING BALANCE	616,922	1,175	1,193	1,193	1,193
Transfers In:	0	0	0	0	0
Transfers Out:	625,000	0	0	0	0
Interest On Investments	9,254	18			
CLOSING BALANCE	1,175	1,193	1,193	1,193	1,193
Water Capital	2018	2019	2020	2021	2022
40-4-495-4964	Actual	Budget	Budget	Budget	Budget
OPENING BALANCE	727,597	713,511	699,214	584,702	568,473
Transfers In:	0	0	0	0	0
Transfers Out:	25,000	25,000	125,000	25,000	120,000
Interest On Investments	10,914	10,703	10,488	8,771	8,527
CLOSING BALANCE	713,511	699,214	584,702	568,473	457,000
Municipal Dock Reserve	2018	2019	2020	2021	2022
40-4-495-4965	Actual	Budget	Budget	Budget	Budget
OPENING BALANCE	986,190	1,070,383	1,103,039	1,184,285	1,218,849
Transfers In:	69,400	16,600	64,700	16,800	65,000
Transfers Out:	0	0	0	0	150,000
Interest On Investments	14,793	16,056	16,546	17,764	18,283
CLOSING BALANCE	1,070,383	1,103,039	1,184,285	1,218,849	1,152,132
Fish Processing Plant Reserve	2018	2019	2020	2021	2022
40-4-495-4966	Actual	Budget	Budget	Budget	Budget
OPENING BALANCE	117,466	119,228	121,016	122,831	124,674
Transfers In:	0	0	0	0	0
Transfers Out:	0	0	0	0	0
Interest On Investments	1,762	1,788	1,815	1,842	1,870
CLOSING BALANCE	119,228	121,016	122,831	124,674	126,544
Total Reserve Funds & Accounts	3,184,859	3,124,231	2,814,777	2,683,781	2,254,020
opening Balance	3,872,373	3,184,859	3,124,231	2,814,777	2,683,781
trsf in	69,400	16,600	64,700	16,800	65,000
trfs out	815,000	125,000	421,000	190,000	535,000
Interest	58,086	47,773	46,846	42,204	40,239
closing	3,184,859	3,124,231	2,814,777	2,683,781	2,254,020

**Village of Gold River
2018-2022
Financial Plan Statement
Schedule "D"**

(1) Revenue proposed to come from each funding source:

Table (1) shows the proportion of total revenue proposed to be raised from each funding source in 2017. Property value taxes normally form the greatest portion of the revenues for most municipalities but in Gold River we receive significant revenue from other sources such as Interest, User Fees and Grants, which can fluctuate and negatively or positively affect the Village financial situation. The system of property taxation is relatively easy to administer and understand. Property taxes provide a stable and consistent source of revenue for many services that are difficult or undesirable to fund on a user pay basis. These include services such as Fire Protection, Bylaw Enforcement, the Library, Roads, etc. For these reasons, property value taxation will continue to be a significant source of municipal revenue.

User fees and charges form a significant portion of planned revenue. Many municipal services such as water, sewer and garbage services can be measured and charged for on a user pay basis. This basis attempts to fairly apportion the value of a municipal service to those who make use of it.

Other sources include a variety of revenues such as grants, investment income, sales of service etc. In Gold River these provide a higher than normal proportion of our revenues compared to property taxes. These sources are very beneficial but often these revenues fluctuate with economic conditions, are less predictable, less stable and uncertain. The fluctuation of these revenues is often beyond the control of Village Council (i.e. interest rates) yet can have significant impact on the Village Budget and Services and expose our budget to a revenue risk should these revenues not materialize. Infrastructure Grants are tied to expenditures programs and communities require sufficient available funding to ensure they can meet their proportionate share of the infrastructure project. Approval of Grant Funding can significantly affect the proportionate distribution of Revenue Sources in any given year resulting in large percentage fluctuations from year to year in Revenue Sources.

Policy:

Council reviews the source of revenues for the Village annually during the Five-Year Plan planning process. Through this process Council considers the tax burden, user fees, and other sources of funding in proportion to the planned services and expenditure programme for the Village. Council determines the appropriateness of the level of services and expenditures in relation to the available funding sources and the impact or the burden of costs for these services and expenditures between property taxes, user fees and other sources of funding and considers if changes to the allocation of funding sources should be implemented.

Objective:

To review the appropriateness of total revenue proposed to come from each funding source for the planned services and expenditures and to ensure the sustainability of the funding sources to continue to provide the services in the future.

**Village of Gold River
2018-2022
Financial Plan Statement
Schedule "D"**

Table (1) Proportions of total revenue (including Capital Grants):

Revenue Source	% of Revenue	Value
Property Value Taxes	24.79%	\$888,300
Utility Fees	19.34%	\$693,000
Grants	29.33%	\$1,050,900
Investment Income	4.29%	\$153,600
Sales of Service	19.45%	\$696,900
Other Sources	2.80%	\$100,500
Total	100.00%	\$3,583,200

(2) The Distribution of Property Taxes among the property classes:

Table (2) provided below, outlines the distribution of property tax revenue among the property classes. The practice of Council has been to set tax rates in order to maintain tax stability. This is accomplished by maintaining the proportionate relationship between the property classes, while taking into account for new construction values, deletions from the tax roll and changes in property classes that are considered to be significant and affect the proportionate relationship. Council reviews the proportionate relationships between classes caused by various factors and attempts to ensure a reasonable and fair allocation of taxes between classes to provide for the services identified within the Five-Year Financial Plan. This practice allows the various taxpayers in the municipality to be confident that in any year, depending on proportionate assessment changes within property tax assessment class, their property tax bill will increase proportionately to the increase in tax revenue required year over year, taking into effect greater or lesser assessment increases of their property to the assessment class average.

Policy:

The tax policy of Council in setting the distribution of property taxes over time may take into consideration factors such as significant new, or loss of investment in the community, philosophy of taxing apportionment, economic factors or initiatives to maintain, promote or encourage specific sectors with respect to investment in the community. As part of the establishment of the annual tax rates Council reviews the distribution of taxes between tax classes and the appropriateness of the allocation.

Objective:

To provide a fair and reasonable tax allocation policy between tax classes to provide a suitable level of community services on an affordable basis to residential and non-residential property classes.

**Village of Gold River
2018-2022
Financial Plan Statement
Schedule "D"**

Table (2) 2018 Distribution of property taxes among the property classes

Property Class	% of Property Value Tax	2018 Dollar Value
(1) Residential	58.77%	\$522,085
(2) Utilities	0.48%	\$4,267
(5) Light Industry	18.79%	\$166,935
(6) Business	21.94%	\$194,922
(8) Rec/Non-profit	0.01%	\$100
Total	100%	\$888,310

(3) The use of permissive tax exemptions:

The Annual Municipal Report for 2017 contains a list of permissive exemptions granted for the taxation year and the amount of tax foregone. This list demonstrates the policy of Council that permissive exemptions are granted to not-for-profit institutions that form a valuable part of our community. These include religious institutions, historical societies, some recreational facilities, service and cultural organizations.

Policy:

Council will continue to support local not for profit organizations through permissive tax exemptions that provide beneficial services to the community. Where appropriate Council may consider utilizing its expanded power under the Community Charter to provide permissive exemptions as allowed for in the Community Charter to property owners who contribute to our community in beneficial ways. These may include investments made in greenhouse gas reduction technology or alternative energy, the provision of affordable housing, or revitalization of buildings or areas of the municipality.

Objective:

Council will examine its permissive tax exemption policy to determine if it should be expanded in the future to include new opportunities as allowed for under the Community Charter.