

VILLAGE OF RADIUM HOT SPRINGS

BYLAW NO. 462, 2021.

Being a bylaw respecting the Financial Plan for the years 2021 - 2025.

WHEREAS Section 165 of the Community Charter provides that a municipality must adopt a Financial Plan before the annual property tax bylaw is adopted.

NOW THEREFORE the Council of the Village of Radium Hot Springs, under the Order of the Minister of Public Safety and Solicitor General, *Emergency Program Act, Ministerial order No. M083 enacts*, as follows:

1. That Schedule "A" attached hereto and made part of this bylaw is hereby declared to be the Five-Year Financial Plan of the Village of Radium Hot Springs for the year ending December 31, 2025, and;
2. That Schedule "B" attached hereto and made part of this bylaw is hereby declared to be the Financial Plan Policy Statements of the Village of Radium Hot Springs for the year ending December 31, 2021, and;
3. That the Financial Plan comes into effect on January 1, 2021, and;
4. That this bylaw may be cited as "Financial Plan Bylaw No. 462, 2021".
5. *Village of Radium Hot Springs 2019 – 2023 Financial Plan Bylaw 456, 2019* and any amendments thereto, are hereby repealed in their entirety.

READ A FIRST, SECOND AND THIRD TIME THIS 28TH DAY OF APRIL, 2021.

RECONSIDERED AND ADOPTED THIS 28TH DAY OF APRIL, 2021.

Clara Reinhardt
Mayor Clara Reinhardt

Mark Read
Clerk Mark Read

Hereby certified as a true copy of Bylaw No. 462, 2021.

Clerk

SCHEDULE 'A' TO BYLAW NO. 462, 2021

VILLAGE OF RADIUM HOT SPRINGS
FINANCIAL PLAN 2021 - 2025

<u>Financial Plan</u>	2021	2022	2023	2024	2025
Revenues					
Taxation	-2,442,510	-2,484,250	-2,546,751	-2,599,298	-2,652,648
User fees	-804,740	-805,740	-839,757	-850,511	-861,412
Government transfers	-1,683,361	-628,355	-531,620	-533,236	-534,868
Non-Government transfers	-382,420	-5,500	0	0	0
Fees, permits, licenses and fines	-93,110	-149,765	-155,995	-156,419	-156,848
Services provided to other governments	-62,135	-63,020	-63,650	-64,287	-64,930
Investment income	-66,000	-77,000	-77,000	-77,000	-77,000
Deferred Revenues					
From Water DCC Reserve	0	0	0	0	0
Miscellaneous revenues	-22,080	-20,180	-4,140	-4,140	-4,140
<i>revenues or expenses in the Statement of Operations:</i>					
-Debt principle repayment	132,525	132,525	132,525	132,525	132,525
-Transfers to Reserves	1,331,635	1,322,575	1,256,119	1,286,084	1,322,723
-Transfers from Reserves					
From Capital Reserve	-557,130	-941,400	-203,000	-159,000	-423,200
From Water Reserve	-481,549	-147,000	-112,000	-112,000	-100,000
From Sewer Reserve	-205,160	-38,500	-12,500	-112,500	-112,500
From Parking Reserve	0	0	0	0	0
From Fire Department Reserve	-20,105	0	0	0	0
From Road Reserve	-5,000	-50,000	0	0	0
From Recreation Reserve	-70,320	-10,000	0	0	0
-Transfer to Capital from Operating	0	-60,000	-80,000	0	0
-Transfer (from)/to Residual Surplus	-239,000	0	0	0	0
Financial Plan Balance	0	0	0	0	0

END OF BUDGET / FINANCIAL PLAN

<u>Capital Summary:</u>	2021	2022	2023	2024	2025
Funding sources					
Taxation	-294,740	0	0	0	0
Grants & Other Contributions	-1,120,651	-60,000	-80,000	0	0
Reserves	-1,339,264	-924,900	-245,500	-383,500	-635,700
Restricted Reserves	0	-262,000	-82,000	0	0
	-2,754,655	-1,246,900	-407,500	-383,500	-635,700
Capital expenditures	2,754,655	1,246,900	407,500	383,500	635,700

SCHEDULE "B" TO BYLAW NO. 462, 2021.

**VILLAGE OF RADIUM HOT SPRINGS
FINANCIAL PLAN POLICY STATEMENTS 2021**

The Community Charter requires that municipalities provide explicit policy and objective statements as part of the financial plan that relate specifically to the proportions of revenue proposed to come from the various funding sources, the distribution of property taxes among property classes, and the use of permissive tax exemptions.

1. It is the objective of Council to operate an efficient and self-sufficient municipality while maintaining a well-serviced, safe, and livable community. Our focus is providing for maximum efficiency with minimal taxation, while also making provision for future infrastructure and service needs.
2. With respect to the proportions of revenue proposed to come from the various funding sources the following applies:
 - (a) The assessed values for the residential and commercial tax classes saw a market change of 5.67% and -5.45% respectively. Major Industry saw a market decrease of -2.12%. There will be an additional tax increase added to the rates to raise revenue for the overall general operational costs as well as a 1% increase to be placed into new capital reserves. Additional revenues will also come from the new construction of the prior year.
 - (b) The revenue from water and sewer parcel taxes will primarily be used to finance existing capital debt, new capital projects, operations, and to maintain or build reserves for future purposes.
 - (c) The Village supports an approach based on fee for service and supports provincial regulation that ties fees to the actual cost of providing a service. For this reason, demand for services largely dictates projected fee revenues.
 - (d) Revenue from other services is largely dependent on grants and transfers from senior governments. The municipality will pursue such funding whenever the programs advance municipal goals. We will support provincial objectives, often attached as funding conditions, in any way that compliments or advances municipal policy or direction.
 - (e) The municipality will borrow when necessary, to achieve our objectives, while being cognizant of the additional costs imposed by borrowing, and of how these costs get transferred to the future users of infrastructure financed through borrowing.

Table one: proportions of total revenue (operating)

Revenue Source	% Total Revenue
Property value taxes	27.0%
Parcel taxes	15.1%
User fees and charges	16.6%
Proceeds from borrowing	0%
Other sources	37.2%
Reserves & Surplus	4.1%
TOTAL	100%

SCHEDULE "B" TO BYLAW NO. 462, 2021.

**VILLAGE OF RADIUM HOT SPRINGS
FINANCIAL PLAN POLICY STATEMENTS 2021**

3. With respect to the distribution of taxes among property classes:

Council is satisfied that the existing tax distribution equitably shares the tax burden amongst classes in relation to the services used, while considering the classes of property that have revenue producing potential. The following table represents the gross tax revenue by sector, not the relationship between tax rates.

Table two: distribution of property tax revenue

Property class	% Property Value Tax
Residential (1)	68.87%
Utilities (2)	1.10%
Major Industry (4)	12.23%
Business (6)	16.22%
Managed Forest (7)	0.01%
Rec/Non-Profit (8)	1.57%
TOTAL	100.00%

4. With respect to permissive tax exemptions:
- (a) Council will consider the merits of each tax exemption application on a case-by-case basis.