

VILLAGE OF GOLD RIVER

Bylaw No. 722, 2020

A bylaw of the Village of Gold River respecting  
the Financial Plan for the year 2020

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 2020.
2. This bylaw may be cited for all purposes as the "Village of Gold River Financial Plan Bylaw No. 722, 2020".

READ A FIRST TIME THE	20 <sup>th</sup>	DAY OF	April, 2020.
READ A SECOND TIME THE	20 <sup>th</sup>	DAY OF	April, 2020.
READ A THIRD TIME THE	4 <sup>TH</sup>	DAY OF	May, 2020.
ADOPTED THE	4 <sup>TH</sup>	DAY OF	May, 2020.

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B. Unger

Mayor

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B. McRae

Corporate Administrator

**Village of Gold River**  
**5-Year Operating Statement 2020 - 2024**  
**Schedule "A"**

<b><u>Operating Revenue:</u></b>	<b><u>2020</u></b>	<b><u>2021</u></b>	<b><u>2022</u></b>	<b><u>2023</u></b>	<b><u>2024</u></b>
Taxes	1,016,600	1,135,900	1,302,640	1,532,543	1,833,832
General Operating Grants	673,900	490,000	492,000	494,000	496,000
Sale of Service - Recreation	74,000	112,000	113,900	117,400	120,900
Sale of Service - Wharf	256,300	255,800	257,000	257,700	258,400
Sale of Service - Other	544,900	550,000	572,600	582,000	592,000
Licences, Permits & Fines	59,500	10,000	11,000	11,000	11,500
Penalties & Interest on Taxes	9,300	8,000	8,000	8,000	8,000
General Investment Interest	100,000	100,000	100,000	100,000	100,000
Other Revenue	30,000	32,000	32,500	33,000	33,500
Sewer Revenue (inclcds. Interest & Grants)	343,800	354,100	364,700	375,600	386,800
Water Revenue (inclcds. Interest & Grants)	222,500	229,200	236,000	243,000	250,300
<b>Total Operating Revenue</b>	<b>3,330,800</b>	<b>3,277,000</b>	<b>3,490,340</b>	<b>3,754,243</b>	<b>4,091,232</b>
<b><u>Operating Expenditures:</u></b>					
Legislative Services	88,400	95,000	95,900	97,000	97,200
General Government	875,600	870,000	880,000	890,000	900,000
Fire Department Services	126,000	127,000	128,000	129,000	130,000
Building Inspection/Bylaw Enforcement	14,700	15,000	15,300	15,600	15,900
Emergency Services	19,100	5,000	5,000	5,000	5,000
PW-General, Cem,Trans, Lighting, Drains	259,900	265,000	270,300	275,700	281,200
PW-Mechanical Services	127,300	129,800	131,000	134,000	136,000
Environmental, Depot, Solid Waste	310,200	310,000	311,000	315,000	318,000
Anne Fiddick Aquatic & Sports Center	499,300	580,300	583,400	585,000	586,200
Gerry Morgan Memorial Center	284,100	270,000	272,000	274,000	275,000
Parks, Boulevards & Greenspaces	134,600	135,000	135,800	136,900	137,500
Library Services	46,600	47,000	47,300	47,800	48,000
Municipal Campground	4,500	4,500	4,600	4,600	4,700
Ec. Dev. & Planning	172,900	75,000	76,000	77,200	78,100
JCC Operations	34,600	35,200	35,900	37,000	38,000
Tourist Info Center	10,000	25,000	25,800	26,600	27,000
Wharf Operations	31,400	32,000	32,600	34,000	34,800
Fiscal Services	7,000	7,200	7,300	7,500	7,700
Operating Contingency	20,000	20,000	20,000	20,000	20,000
Sewer Operations	482,900	354,100	364,700	375,600	386,800
Water Operations	312,700	250,000	257,500	265,225	273,182
<b>Total Departmental Expenditures</b>	<b>3,861,800</b>	<b>3,652,100</b>	<b>3,699,400</b>	<b>3,752,725</b>	<b>3,800,282</b>
<b>Surplus/(Deficit) Before Amortization</b>	<b>-531,000</b>	<b>-375,100</b>	<b>-209,060</b>	<b>1,518</b>	<b>290,950</b>
Amortization Expense-General	-388,600	-388,600	-388,600	-388,600	-388,600
Amortization Expense-Sewer	-60,700	-60,700	-60,700	-60,700	-60,700
Amortization Expense-Water	-31,500	-31,500	-31,500	-31,500	-31,500
<b>Operating Surplus/(Deficit)</b>	<b>-1,011,800</b>	<b>-855,900</b>	<b>-689,860</b>	<b>-479,282</b>	<b>-189,850</b>
Adjust for Non-Cash Items (Amortization)	480,800	480,800	480,800	480,800	480,800
<b>Appropriation (from)/ to Surplus</b>	<b>-531,000</b>	<b>-375,100</b>	<b>-209,060</b>	<b>1,518</b>	<b>290,950</b>

**Village of Gold River**  
**5-year Capital Plan 2020 -2024**  
**Schedule "B"**

<b>General Capital Fund</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
Municipal Dock Reserve	0	0	150,000		
Federal Gas Tax Funds	0	0	0	0	0
Transport Canada Funds	140,000	0	0		
General Capital Reserve	<u>55,000</u>	<u>540,000</u>	<u>358,000</u>	<u>600,000</u>	<u>165,000</u>
<b>Total General Capital Funding</b>	<b>195,000</b>	<b>540,000</b>	<b>508,000</b>	<b>600,000</b>	<b>165,000</b>
<b>General Capital Projects</b>					
<b>Machinery and Equipment :</b>					
PSB - Phone System	15,000	0	0	0	0
Fire Dept. - Unit#203 replace (2021) Air Compressor (2022)	0	520,000	20,000	0	0
Public Works -Vehicle replacement (see schedule)	0	0	255,000	355,000	145,000
Depot - Garbage Bin 2-20yrd.(2020) /Garbage Bins 12 - 2 yd. (2023)	20,000	0	0	25,000	0
Arena -Dehumidifier(to be reviewed)	0	0	35,000	0	0
Aquatic - Drytron replacement	0	0	0	200,000	0
Parks - Mower (2022)	<u>0</u>	<u>0</u>	<u>28,000</u>	<u>0</u>	<u>0</u>
<b>Total Machinery</b>	<b>35,000</b>	<b>520,000</b>	<b>338,000</b>	<b>580,000</b>	<b>145,000</b>
<b>Engineering Structures:</b>					
Roadways, Sidewalks, Curbing ( <i>Operational/reviewing Asset Management</i> )		0		0	0
Wharf and Dock (warehouse/dredge)	<u>140,000</u>	<u>0</u>	<u>150,000</u>	<u>0</u>	<u>0</u>
<b>Total Engineering</b>	<b>140,000</b>	<b>0</b>	<b>150,000</b>	<b>0</b>	<b>0</b>
<b>General Contingency Fund</b>	<b><u>20,000</u></b>	<b><u>20,000</u></b>	<b><u>20,000</u></b>	<b><u>20,000</u></b>	<b><u>20,000</u></b>
<b>Total General Capital</b>	<b>195,000</b>	<b>540,000</b>	<b>508,000</b>	<b>600,000</b>	<b>165,000</b>
<b>Sewer Capital Fund</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
Government Grant	427,400	0	0	0	0
Gas Tax Funds	0	50,000	0	50,000	0
Contribution from Operating Surplus	0	0	0	0	0
Contribution - Reserves	<u>107,600</u>	<u>160,000</u>	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>
<b>Total Sewer Capital Funding</b>	<b>535,000</b>	<b>210,000</b>	<b>20,000</b>	<b>70,000</b>	<b>20,000</b>
<b>Sewer Capital Projects</b>					
Bio-Solids - Phase 1	515,000	140,000	0	0	0
Bridge Sewer line -major repair	0	0	0	0	0
Scada System	0	50,000	0	0	0
Replace headworks/screener STP	0	0	0	50,000	0
<b>Sewer Contingency Fund</b>	<b><u>20,000</u></b>	<b><u>20,000</u></b>	<b><u>20,000</u></b>	<b><u>20,000</u></b>	<b><u>20,000</u></b>
<b>Total Sewer Capital</b>	<b>535,000</b>	<b>210,000</b>	<b>20,000</b>	<b>70,000</b>	<b>20,000</b>
<b>Water Capital Fund</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
Government Grant	0	0	0	0	0
Gas Tax Funds	0	50,000	100,000	70,000	70,000
Contribution from Reserves	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>
<b>Total Water Capital Funding</b>	<b>25,000</b>	<b>75,000</b>	<b>125,000</b>	<b>95,000</b>	<b>95,000</b>
<b>Water Capital Projects</b>					
Bridge Water line replacement	0	0	0	0	0
Scada System	0	50,000	0	0	0
Water Line, Muchalat to Industrial	0	0	100,000	0	0
Well #3 pump replacement	0	0	0	70,000	0
Well #1 pump replacement	0	0	0	0	70,000
<b>Water Contingency</b>	<b><u>25,000</u></b>	<b><u>25,000</u></b>	<b><u>25,000</u></b>	<b><u>25,000</u></b>	<b><u>25,000</u></b>
<b>Total Water Capital</b>	<b>25,000</b>	<b>75,000</b>	<b>125,000</b>	<b>95,000</b>	<b>95,000</b>
<b>Total Capital Projects</b>	<b><u>755,000</u></b>	<b><u>825,000</u></b>	<b><u>653,000</u></b>	<b><u>765,000</u></b>	<b><u>280,000</u></b>

**Village of Gold River  
Use of Reserve Funds 2020-2024  
Schedule "C"**

<b>General Capital</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
<b>40-4-495-4962</b>	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>
OPENING BALANCE	1,319,707	1,289,122	772,970	429,270	-170,730
Transfers In:	0	0	0	0	0
Transfers Out:	55,000	540,000	358,000	600,000	165,000
Interest On Investments at 1.85%	24,415	23,849	14,300		
<b>CLOSING BALANCE</b>	<b>1,289,122</b>	<b>772,970</b>	<b>429,270</b>	<b>-170,730</b>	<b>-335,730</b>
<b>Sewer Capital</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
<b>40-4-495-4963</b>	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>
OPENING BALANCE	612,849	516,587	366,144	352,917	339,446
Transfers In:	0	0	0	0	0
Transfers Out:	107,600	160,000	20,000	20,000	20,000
Interest On Investments at 1.85%	11,338	9,557	6,774	6,529	6,280
<b>CLOSING BALANCE</b>	<b>516,587</b>	<b>366,144</b>	<b>352,917</b>	<b>339,446</b>	<b>325,726</b>
<b>Water Capital</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
<b>40-4-495-4964</b>	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>
OPENING BALANCE	762,775	751,886	740,796	729,501	717,997
Transfers In:	0	0	0	0	0
Transfers Out:	25,000	25,000	25,000	25,000	25,000
Interest On Investments at 1.85%	14,111	13,910	13,705	13,496	13,283
<b>CLOSING BALANCE</b>	<b>751,886</b>	<b>740,796</b>	<b>729,501</b>	<b>717,997</b>	<b>706,280</b>
<b>Municipal Dock Reserve</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
<b>40-4-495-4965</b>	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>
OPENING BALANCE	1,130,453	1,151,366	1,172,667	1,044,361	1,063,682
Transfers In:	0	0	0	0	0
Transfers Out:	0	0	150,000	0	0
Interest On Investments at 1.85%	20,913	21,300	21,694	19,321	19,678
<b>CLOSING BALANCE</b>	<b>1,151,366</b>	<b>1,172,667</b>	<b>1,044,361</b>	<b>1,063,682</b>	<b>1,083,360</b>
<b>Fish Processing Plant Reserve</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
<b>40-4-495-4966</b>	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>
OPENING BALANCE	123,145	125,423	127,744	130,107	132,514
Transfers In:	0	0	0	0	0
Transfers Out:	0	0	0	0	0
Interest On Investments at 1.85%	2,278	2,320	2,363	2,407	2,452
<b>CLOSING BALANCE</b>	<b>125,423</b>	<b>127,744</b>	<b>130,107</b>	<b>132,514</b>	<b>134,965</b>
<b>Total Reserve Funds &amp; Accounts</b>	<b>3,834,384</b>	<b>3,180,320</b>	<b>2,686,156</b>	<b>2,082,909</b>	<b>1,914,601</b>

**Village of Gold River  
2020-2024  
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 2020. Property value taxes and utility fees 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, Sales of Service and Grants, which can fluctuate and negatively or positively affect the Village financial situation. The system of property taxation and utility fees 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 Roads, Fire Protection, Bylaw Enforcement, the Library, Administration, 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 solid waste 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. Currently in Gold River for residential properties the fees are a flat rate rather than a measured or metered fee.

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 many other small communities. Over 50% of Village revenues come from these non-property tax and utility fees which introduces a risk to our annual revenue forecast. 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 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 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 program 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  
2020-2024  
Financial Plan Statement  
Schedule "D"**

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

Revenue Source	% of Revenue	Value
Property Value Taxes	25.58%	\$980,000
Utility Fees	20.19%	\$773,700
Grants	30.50%	\$1,168,500
Investment Income	5.05%	\$193,600
Sales of Service	15.14%	\$580,000
Other Sources	3.53%	\$135,400
<b>Total</b>	<b>100.00%</b>	<b>\$3,831,200</b>

**(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 lost tax base, 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 in order to provide a suitable level of community services on an affordable basis to residential and non-residential property classes.

**Village of Gold River  
2020-2024  
Financial Plan Statement  
Schedule "D"**

**Table (2) 2020 Distribution of property taxes among the property classes**

<b>Property Class</b>	<b>% of Property Value Tax</b>	<b>2020 Dollar Value</b>
(1) Residential	58.72%	\$575,431
(2) Utilities	0.48%	\$4,709
(5) Light Industry	18.87%	\$184,909
(6) Business	21.92%	\$214,841
(8) Rec/Non-profit	0.01%	\$109
<b>Total</b>	<b>100%</b>	<b>\$980,000</b>

**(3) The use of permissive tax exemptions:**

The Annual Municipal Report for 2019 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.