

## VILLAGE OF PEMBERTON

### BYLAW No. 926, 2022

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A bylaw of the Village of Pemberton respecting the Five (5) Year Financial Plan beginning with the year 2022.

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The Council of the Village of Pemberton, in open meeting assembled, enacts as follows:

1. Schedule "A" attached hereto and made part of this Bylaw is hereby adopted and is the Village of Pemberton Five Year Financial Plan established with the year ended December 31, 2022.
2. This Bylaw may be cited for all purposes as the "Village of Pemberton 2022-2026 Five (5) Year Financial Plan Bylaw No. 926, 2022."

**READ A FIRST TIME** this 17<sup>th</sup> day of May, 2022.

**READ A SECOND TIME** this 17<sup>th</sup> day of May, 2022.

**READ A THIRD TIME** this 17<sup>th</sup> day of May, 2022.

**ADOPTED** this 19<sup>th</sup> day of May, 2022.

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Mike Richman  
Mayor

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Sheena Fraser  
Corporate Officer

<b>Village of Pemberton</b>									
<b>Five Year Financial Plan 2022-2026</b>									
<b>Consolidated as at May 17, 2022</b>									
			2021	2022	2023	2024	2025	2026	
			Budget	Budget	Budget	Budget	Budget	Budget	Budget
<b>Revenues:</b>									
	Taxation		2,440,992	2,538,877	2,615,043	2,693,495	2,747,365	2,802,312	
	Water and sewer user rates		2,034,447	2,109,544	2,172,830	2,238,015	2,282,775	2,328,430	
	User charges		2,315,888	2,913,066	3,000,458	3,090,472	3,152,281	3,215,327	
	Penalties and interest income		32,500	32,500	33,475	34,479	35,169	35,872	
	Government transfers:								
	Provincial		4,992,836	5,510,982	249,206	6,410,000	250,000	1,500,000	
	Federal		2,000	119,331				500,000	
	Other local governments		1,852,551	1,729,388	1,781,270	1,834,708	1,871,402	1,908,830	
	Investment income		27,860	27,860	28,696	29,557	30,148	30,751	
	Other revenues		695,960	418,749	431,312	444,251	453,136	462,199	
	Collections for other governments		2,971,629	3,582,772	3,690,255	3,800,963	3,876,982	3,954,522	
			17,366,663	18,983,069	14,002,545	20,575,939	14,699,258	16,738,243	
				15,400,297					
<b>Expenditures:</b>									
	General government		2,761,289	3,203,458	3,299,562	3,398,549	3,466,520	3,535,850	
	Fire protection services		721,857	896,856	923,761	951,474	970,504	989,914	
	Development and planning services		748,153	815,722	840,193	865,399	882,707	900,361	
	Public works and parks		1,317,678	1,337,626	1,377,755	1,419,087	1,447,469	1,476,418	
	Recreation		1,293,108	1,181,982	1,217,442	1,253,965	1,279,044	1,304,625	
	Water utility		935,319	1,036,670	1,067,770	1,099,803	1,121,799	1,144,235	
	Sewer utility		1,005,600	1,002,418	1,032,491	1,063,465	1,084,735	1,106,429	
	Airport services		70,097	76,521	78,817	81,181	82,805	84,461	
	Transfers to other governments		2,971,629	3,582,772	3,690,255	3,800,963	3,876,982	3,954,522	
	Amortization Expense		1,234,066	1,234,067	1,302,260	1,626,668	1,730,691	1,978,344	
			13,058,796	14,368,092	14,830,305	15,560,555	15,943,255	16,475,160	
	<b>Annual Surplus/(Deficit)</b>		4,307,867	4,614,977	(827,761)	5,015,384	(1,243,997)	263,083	
<b>ADJUSTMENTS REQUIRED TO BALANCE FINANCIAL PLAN TO CONFORM WITH LEGISLATIVE REQUIREMENTS</b>									
<b>Non-cash items included in Annual (Surplus)/Deficit</b>									
	Amortization on tangible capital assets		(1,234,066)	(1,234,067)	(1,302,260)	(1,626,668)	(1,730,691)	(1,978,344)	
<b>Cash items NOT included in Annual (Surplus)/Deficit</b>									
	Capital expenditures		7,385,856	7,268,709	1,363,859	9,732,236	3,120,681	14,859,194	
	Loan Proceeds		(420,000)	(345,000)	(565,000)	(2,190,000)	(2,023,904)	(12,036,220)	
	Long term debt payments		229,843	229,848	283,084	316,572	340,759	645,233	
	Capital lease payments		180,538	210,466	211,038	211,038	211,038	211,038	
	Transfer to Statutory Reserves		-	-	359,631	373,949	373,948	373,946	
	Transfers from Statutory Reserves		(532,540)	(539,540)	(400,000)	(500,000)	(679,045)	(604,625)	
	Transfers to Non-Statutory Reserves		642,948	1,110,949	192,500	192,500	192,500	192,503	
	Transfers from Non-Statutory Reserves		(1,394,048)	(1,203,552)	(911,750)	(852,115)	(701,912)	(1,055,751)	
	Transfers to Unappropriated Surplus		206,960	39,198	565,000				
	Transfers from Unappropriated Surplus		(757,624)	(922,029)	(623,862)	(642,128)	(347,371)	(343,891)	
	<b>Financial Plan Balance</b>		(0)	0	(0)	0	(0)	(0)	

**Village of Pemberton  
5 Year Financial Plan Bylaw No. 926, 2022  
2022 Revenue Policy Disclosure**

*The Village of Pemberton and its government partners monitor and continue to assess the impact of COVID-19 on our community and local government operations and finances. This Plan includes cost measures and recovery grants that assist with the financial pressures the community faces, and in support of economic recovery, as well as a focus on core service delivery. The Village will continue to work with our Federal and Provincial partners to support a coordinated response to COVID-19.*

1. The table below shows the proportion of proposed 2022 revenue raised from each funding source. One column shows the proposed revenue including Transfer to Other Governments and the other excluding the Transfers to Other Governments. Transfers to Other Governments are funds requisitioned by other government or government agencies for specifically defined projects.

The Village has a bylaw to charge specific administrative fees for various tasks, such as tax certificates, titles searches, rentals as well as other tasks including a 10% administrative fee. This bylaw was last updated July 27, 2021. By billing these fees to individual users, this allows a more realistic tax levy as the tax payers are not subjected to funding these miscellaneous expenses.

The Village of Pemberton will continue to seek other sources of revenue to reduce the reliance on property taxes.

Parcel Taxes are taxes levied for the purpose of paying the debt on the Municipality's Water and Sewer Infrastructure. The rates are reviewed annually to determine if they meet the required debt payment schedule for the upcoming fiscal year. Parcel Taxes are reviewed annually and updated in accordance with the *Community Charter* Sec. 204.

<b>Revenue Sources 2022</b>	<b>% Total Revenue (\$17,488,389) Including Transfer to Other</b>	<b>% Total Revenue (\$21,071,161) Including Transfer to Other</b>
Property Taxes	12.92%	27.73%
Parcel Taxes	1.78%	1.48%
User Fees & Charges	28.72%	23.84%
Grants	42.08%	34.93%
DCCs	3.09%	2.56%
Other Revenues	2.55%	2.12%
Proceeds from Borrowing	1.97%	1.64%
Transfers	6.88%	5.71%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>

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2. a) The Provincial Class Multiples are established by the Provincial Government by *British Columbia Regulations 426/2003* and *439/2003*. These rates are used to calculate the tax rates for other government bodies (Collections for Other Governments) with the exception of the Squamish-Lillooet Regional District (SLRD). Both the Village and the SLRD's tax rates are established by the multiples set by Council. Following is a comparison of the two multiples with the variance identified in bold:

	Village Multiples	Provincial Multiples
Class 1 – Residential	1.00	1.00
<b>Class 2 – Utilities</b>	<b>5.63</b>	<b>3.50</b>
Class 5 – Light Industry	3.40	3.40
<b>Class 6 – Commercial</b>	<b>2.25</b>	<b>2.45</b>
Class 7 – Non-Profit	1.00	1.00
Class 8 – Farm	1.00	1.00

- b) In addition, the Ministry also sets a ceiling for the maximum allowable rate for Class 2 (Utilities). Following is the regulation:

*BC Regulation 329/96* defines a rate ceiling for class 02 property for 2000 and subsequent years. The regulation states:

- “2. In setting the tax or levy rate for class 2 property for general municipal purposes, a municipality must not exceed the greater of
- a) \$40 for each \$1,000 of assessed value, and
  - b) 2.5 times the rate applicable to class 6 property for general municipal purposes in the municipality for the same taxation year.”

- c) Furthermore, those properties that were included in the 2011 Boundary Extension (Order in Council No. 165) under Class 2 (\*Utility), the tax rate is set each year as per Sections 5 and 6 of the Taxation (Rural Area) Act Regulation, BC Reg. 387/82.

The following table outlines the distribution of taxes between the property tax classes.

Property Class	Municipal Tax Rate	% of Total Property Assessment Value (\$1,291,123,132)	% of Total Property Tax
Residential (Class 01)	1.3282	85.30%	71.08%
Utilities (Class 02)	7.4712	0.13%	0.61%
Utilities (Class 02) Rural	3.77	1.12%	2.66%
Light Industry (Class 05)	4.5159	0.82%	2.31%
Business/Commercial (Class 06)	2.9885	12.30%	23.07%
Rec/Non-Profit (Class 08)	1.3282	0.30%	0.25%
Farm (Class 09)	1.3282	0.03%	0.02%
<b>Total</b>		<b>100.00%</b>	<b>100.00%</b>

The 2022 Class 2 (Utility) Rural Tax Rate is 3.77 per each \$1,000 of actual value of property. This rate is set each year as per Sections 5 and 6 of the Taxation (Rural Area) Act Regulation, BC Reg. 387/82 as per Order in Council No. 165 (2011) Village Boundary Extension.

**Village of Pemberton  
5 Year Financial Plan Bylaw No. 926, 2022  
2022 Revenue Policy Disclosure**

3. Following is a list of permissive exemptions granted for the taxation year and the amount of municipal tax revenue forgone:

Municipal Land and Buildings	\$	4,648
BC Conference of Mennonite Brethren	\$	375
Pemberton Childcare Society	\$	972
Pemberton Lion's Society	\$	2,141
Stewardship Pemberton	\$	270
Pemberton Search and Rescue	\$	490
Royal Canadian Legion	\$	186
<b>Total Municipal Revenue Forgone</b>	<b>\$</b>	<b>9,081</b>

In 2013, Council updated the Permissive Tax Exemption Policy to clarify the criteria, establish timelines for submission and to include an application form which will provide clear guidelines and deliverables for both Staff and the Applicant. Following is the updated Policy and Purpose:

**Permissive Tax Exemption Policy:**

The Village of Pemberton recognizes the significant value of organizations and groups in our community who provide worthwhile programs and services to our residents

The purpose of this Policy is to ensure that the organizations applying for a permissive tax exemption meet the criteria and that the application process is consistent and meets the goals, policies and general operating principles of the Village. The sources of Municipal revenue are limited and a request for an exemption must be considered in concert with other needs of the Village. Council will determine the amount of revenue to be foregone by permissive tax exemptions for non-profit organizations. Council at its sole discretion may grant varying percentages of tax exemptions up to 100% of the tax exemption.

Exemptions are not given to services that are otherwise provided on a private or for profit bases. This would provide an unfair competitive advantage and is not permitted as per Section 25 of the *Community Charter*.

Requests for permissive tax exemptions for organizations whose facilities are outside the boundaries of the Village of Pemberton will not be considered.

Further information, including the complete Policy and Application can be found on the following link on Village website:

[http://www.pemberton.ca/media/177127/Permissive\\_Tax\\_Exempt\\_Policy-Jun2013.pdf](http://www.pemberton.ca/media/177127/Permissive_Tax_Exempt_Policy-Jun2013.pdf)

**Village of Pemberton**  
**5 Year Financial Plan Bylaw No. 926, 2022**  
**2022 Revenue Policy Disclosure**

**Note 1**

General 2022 Assumptions:

- Municipal tax revenues increased by 5% in 2022 with 3% to Capital and 2% to Operating Reserve.
- Non-Market Change Report (NMC) for 2022 shows an \$42,526 average change in assessment value of 24.82% (NMC 2.87%, Market 21.96%). Some classes show higher change while others show lower change, than the average.
- Frontage tax is calculated on \$3.53 per meter for water and \$5.79 per meter for sewer. Frontage tax is amended based on the retiring or securing of debt.
- The Industrial Park Parcel Taxes equal the debt based on the overall costs of the project to install the water infrastructure to the Industrial Park in 2007. Only those properties that did not choose to commute (pay upfront) their cost are levied.
- User fees for water rates in 2022 will show no increases compared with 2021.
- User fees for sewer have a \$40,000 budget increase in 2022

General 2022 – 2026 Assumptions:

- A 10% Administration Fee will be charged to individual user requests and tasks.
- Operating costs are increased to reflected ongoing pressures from inflation. Rates are increased by 3.9% in 2022, and assumed to increase 3% in 2023, 2024, 2% in years subsequent through 2026. This represents higher than average, and also highlight a gradual return to normal operation while transitioning out of impacts experienced as a result of the COVID – 19 pandemic, including but not limited to supply chain issues and labor challenges.
- Payroll and benefit related costs are projected to increase at a rate of 3.9% (non-union) and 2% (union) in 2022. Union wages increase by 2.5% and 2.75% in 2023 and 2024, and non-unionized wages are forecast to increase by 3% annually from 2023 through 2024, and 2% annually in 2025 and 2026, in line with operating cost assumptions.
- General debt collections, frontage and/or parcel taxes, will equal the general debenture interest and principle payments. This tax is paid by all property owners within the Village of Pemberton who have the ability to connect to the Village's Infrastructure.
- Transfers to external agencies are forecasted to increase at a rate of 2% per year through 2026.
- Detailed plans for costing of Community Climate Action plan objectives will be introduced and reflected in the 2023-2027 Five Year Financial Plan.

**Village of Pemberton  
5 Year Financial Plan Bylaw No. 926, 2022  
2022 Revenue Policy Disclosure**

**Note 2**

**2022 – 2026 Capital Expenditures:**

Capital Expenditures	Department	Capital Five Year Financial Plan 2022-2026				
		2022	2023	2024	2025	2026
<b><u>Admin Department</u></b>						
Bylaw Truck	Admin	45,000				
E-charging Station	Admin			150,000		
Municipal Hall	Admin					2,000,000
Website Upgrades	Admin		30,000			
	<b>Admin</b>	<b>45,000</b>	<b>30,000</b>	<b>150,000</b>	<b>-</b>	<b>2,000,000</b>
<b><u>Fire Department</u></b>						
Project - Cap. Mach & Equip. Exp - Fire	Fire		50,000	50,000	50,000	50,000
SCBA Tank Replacement 5 per year	Fire	7,500				
Mini Repeater for further signal reach down InShuk FSR	Fire	2,500				
New Security Fencing Training Ground	Fire	25,000				
Structure Fire Bunker Gear	Fire	19,500				
Hoses, Nozzles Adapters	Fire		20,000	10,000	5,000	5,000
Sprinkler Protection Unit Trailer and Truck	Fire	324,513				
Engine 10 Truck Replacement	Fire		565,000			
Ladder 1 Replacement	Fire				1,375,000	
Engine 11 Truck Replacement	Fire				565,000	
Rescue 1 Replacement	Fire					475,000
Firehall Replacement	Fire					12,000,000
	<b>Fire</b>	<b>379,013</b>	<b>635,000</b>	<b>60,000</b>	<b>1,995,000</b>	<b>12,530,000</b>
<b><u>Development</u></b>						
		-	-	-	-	-
	<b>Development</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b><u>Public Works and Parks</u></b>						
Loader		-				
Mini Excavator		-				
EV Charger		399,000	150,000	150,000	150,000	150,000
Electric Sign		8,000				
Western Star Truck Replacement		300,000				
Soccer Field and Amenity Building		3,025,611				
Bike Skills Park		1,142,014				
McKenzie Road Repair		198,023				
Pemberton Farm Road East Upgrade		306,000				
Sidewalk		76,000				
Park and Ride		200,000				
Works Building Improvement		-				
Works Building Roof Repair		12,000				
Friendship Trail (Pemberton Farm Road East)		414,000				
One Mile Lake Swingset		-				
Dog Park Fencing		-				
One Mile Lake Culvert		-				
Floating Dock at One Mile		7,000				
Snow Blower attachment for Loader	PW/Parks		30,000			
Boardwalk Replacement	PW/Parks			1,000,000		
Snow Clearing Truck	PW/Parks				200,000	
	<b>PW/Parks</b>	<b>6,087,648</b>	<b>180,000</b>	<b>1,150,000</b>	<b>350,000</b>	<b>150,000</b>

**Village of Pemberton  
5 Year Financial Plan Bylaw No. 926, 2022  
2022 Revenue Policy Disclosure**

<b>Capital Expenditures Continued</b>	<b>Department</b>	<b>Capital Five Year Financial Plan 2022-2026</b>				
		<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>
<b>Recreation Projects</b>						
Fitness Centre Equipment	Recreation	40,000	40,800	41,616	42,448	43,297
Basketball Court	Recreation	74,548				
Accessibility Project with Pemberton & District Library	Recreation	20,000				
Hardscape Landscaping at Youth Centre	Recreation	11,000				
HVAC at Youth Centre	Recreation	20,000				
Soccer Net at Den Duyf Park	Recreation	13,500				
Capital General - PCC	Recreation	-	76,039	77,560	79,111	80,693
Capital Building Plan - PCC	Recreation	-	20,400	20,808	21,224.16	21,649
Capital Building Plan - Youth Centre	Recreation		31,620	32,252	32,897	33,555
	<b>Recreation</b>	<b>179,048</b>	<b>168,859</b>	<b>172,236</b>	<b>175,681</b>	<b>179,194</b>
<b>Water Projects</b>						
Scada Improvements	Water	<b>70,000</b>				
Fernwood Watermain & PRV Replacement	Water	<b>200,000</b>				
Leak Detection Device	Water	<b>18,000</b>				
Hatch Alarm	Water	<b>10,000</b>				
Chlorine Pump Replacement	Water	<b>10,000</b>				
Reservoir mixer motor	Water	<b>10,000</b>				
Zone meters (additional)	Water		20,000			
Test Well/Infiltration Gallery	Water		30,000			
Water Treatment Facility	Water			8,100,000		
Water Feasibility/Water Source	Water				100,000	
Industrial Park Looping	Water				500,000	
	<b>Water</b>	<b>318,000</b>	<b>50,000</b>	<b>8,100,000</b>	<b>600,000</b>	<b>-</b>
<b>Sewer Projects</b>						
Village Wide Scada Upgrades	Sewer	<b>50,000</b>				
Outfall Inline Flushing System	Sewer	<b>10,000</b>				
2 Variable Frequency Drives	Sewer	<b>10,000</b>				
Industrial Park Generator	Sewer	<b>100,000</b>				
Inflow/Infiltration Study	Sewer	<b>50,000</b>				
Walnut Lift Station Design	Sewer	<b>40,000</b>				
Walnut Lift Station Upgrade	Sewer		300,000			
Lift Station #1	Sewer			100,000		
	<b>Sewer</b>	<b>260,000</b>	<b>300,000</b>	<b>100,000</b>	<b>-</b>	<b>-</b>
<b>Total Capital Expenditures</b>		<b>7,268,709</b>	<b>1,363,859</b>	<b>9,732,236</b>	<b>3,120,681</b>	<b>14,859,194</b>