



THE CORPORATION OF THE VILLAGE OF FRUITVALE BYLAW 928, 2021

A Bylaw Establishing a Financial Plan Program
to be Undertaken During the Years 2021 to 2025

WHEREAS under the requirements of the Community Charter Act, Part 6, Division 1, Section 165, a municipality must adopt by bylaw a Five Year Financial Plan;

NOW THEREFORE the Council of the Corporation of the Village of Fruitvale, in open meeting assembled, enacts as follows:

1. THAT Schedule "A", being part of the Five-Year Financial Plan for the Years 2021 to 2025 inclusive, attached hereto and forming part of this Bylaw, is hereby adopted and will come into force and effect as of January 1, 2021;
2. THAT Schedule "B", being part of the Five-Year Financial Plan for the Years 2021 to 2025 inclusive, attached hereto and forming part of this Bylaw, is hereby adopted and will come into force and effect as of January 1, 2021;
3. THAT Bylaw No. 907 entitled "Village of Fruitvale Five-Year Financial Plan Bylaw No. 919, 2020", is hereby repealed; and
4. THAT this Bylaw may be cited for all purposes as "Village of Fruitvale Five-Year Financial Plan 2021-2025 Bylaw 928, 2021".

READ a first time this 26th day of April, 2021.

READ a second time this 26th day of April, 2021.

READ a third time this 26th day of April, 2021.

RECONSIDERED, FINALLY PASSED AND ADOPTED this XXth day of May, 2021.

Mayor

Chief Administrative Officer

CERTIFIED a true copy of Bylaw 928, 2021, entitled "Village of Fruitvale Five Year Financial Plan 2021-2025 Bylaw 928, 2021".

DATED this XXth day of May, 2021.

Chief Administrative Officer

**SCHEDULE "A" to
FIVE YEAR FINANCIAL PLAN BYLAW 928, 2021**

	2021	2022	2023	2024	2025
	Budget	Budget	Budget	Budget	Budget
Revenues					
Property Taxes	907,909	926,067	944,589	963,480	982,750
Grants in Lieu of Taxes	32,347	32,994	33,654	34,327	35,013
Franchise Fees	17,047	17,388	17,736	18,090	18,452
Collections for Other Agencies	1,878,219	1,915,783	1,954,099	1,993,181	2,033,045
Grants from Prov & Local Gov't	740,205	755,009	770,109	785,511	801,222
Sales of Goods and Services	22,100	22,542	22,993	23,453	23,922
User Fees	130,069	132,670	135,324	138,030	140,791
Internal Transfers	75,674	77,187	78,731	80,306	81,912
Cost Recoveries, Permits, Donations	42,930	43,789	44,664	45,558	46,469
Reserve Transfers	541,600	400,000	100,000	100,000	100,000
Waste Water Parcel Tax	266,700	304,850	343,000	343,000	343,000
Waste Water User Fees	372,963	402,800	435,024	469,826	479,222
Waste Water Grants from Prov & Local Gov't					
Waste Water Capital Borrowing					
Waste Water Reserve Transfers	70,000	100,000	100,000	100,000	100,000
Water Grants from Prov & Local Gov't	545,552	556,463	567,592	578,944	590,523
Total Revenues	5,643,315	5,687,543	5,547,515	5,673,707	5,776,321
Expenditures					
General	1,881,144	1,918,767	1,957,142	1,996,285	2,036,211
Council	66,342	67,669	69,022	70,403	71,811
Finance and Corporate Services	626,527	639,058	651,839	664,875	678,173
Facilities	29,935	30,534	31,144	31,767	32,403
Recreation & Culture	142,441	145,290	148,196	151,160	154,183
Protective Services	77,552	79,103	80,685	82,299	83,945
Public Works	400,588	408,600	416,772	425,107	433,609
Storm Drains	35,027	35,728	36,442	37,171	37,914
Solid Waste	83,075	84,737	86,431	88,160	89,923
Cemetery	39,554	40,345	41,152	41,975	42,815
Community Services	139,088	141,870	144,707	147,601	150,553
Planning & Development	4,187	4,271	4,356	4,443	4,532
Parks & Recreation	78,581	80,153	81,756	83,391	85,059
Interest on Long-Term Debt	70,000	70,000	70,000	70,000	70,000
Long-Term Debt Repayment	52,548	52,548	52,548	52,548	52,548
Transfer to Reserves	138,080	138,080	138,080	138,080	138,080
Capital	551,600	400,000	100,000	100,000	100,000
Waste Water	414,512	422,802	431,258	439,883	448,681
Waste Water Transfer to Reserves	206,948	271,525	338,386	369,606	375,347
Waste Water Capital	60,000	100,000	100,000	100,000	100,000
Water	430,586	439,163	447,946	456,905	466,043
Water Capital	115,000	117,300	119,646	122,039	124,480
Total Expenditures	5,643,315	5,687,540	5,547,508	5,673,698	5,776,309
Net Revenue/(Expenditure)	0	4	7	9	12

SCHEDULE "B" FIVE YEAR FINANCIAL PLAN BYLAW 928, 2021

In accordance with Section 165(3.1) of the *Community Charter*, the Village of Fruitvale (Village) is required to include in the Five-Year Financial Plan, objectives and policies regarding each of the following:

1. The proportion of total revenue that comes from each of the funding sources described in Section 165(7) of the *Community Charter*;
2. The distribution of property taxes among the property classes, and
3. The use of permissive tax exemptions.

1. Funding Sources

Table 1 shows the proportion of total revenue proposed to be raised for general municipal purposes from each funding source in 2021. Property taxes form the greatest proportion of revenue while government grants provide a large portion of funding to ensure capital projects and many operational services are provided.

Representing 50% of overall revenue, property taxation offers a number of advantages, for example, it is simple to administer and it is relatively easy for residents to understand. It offers a stable and reliable source of revenue for services that are difficult or undesirable to fund on a user pay basis. These include services such as general administration, planning services, fire protection, police services, bylaw enforcement, building inspection, roads and streets maintenance and street lighting.

User fees and charges form another significant portion of discretionary revenue. Many services can be measured and charged on a user pay basis. Services where fees and charges may be easily administered include sewer usage, building permits, business licenses, and sale of specific services and therefore, are charged on a user pay basis. User fees attempt to allocate the value of a service to those who use the service.

Table 1: Sources of Revenue

Revenue Sources	% of Total Revenue	Dollar Value
Property Taxes	50.25%	2,835,522
Parcel Taxes	4.73%	266,700
User Fees and charges	8.91%	503,032
Transfer from Reserves	10.84%	611,600
Other sources	1.15%	65,030
Accumulated surplus and Own Sources	1.34%	75,674
Proceeds from Long-Term Borrowing	0.00%	-
Government grants	22.78%	1,285,757
Total	100.00%	5,643,315

Objective

Ensure utilities are self-sustaining. Utilities include solid waste collection and disposal (garbage) and waste water collection and treatment (sewer). Currently solid waste is self-sustaining through user fees funding both capital and operating costs. Waste water operational services are funded through user fees and supplemented by transferring a portion of parcel tax collections to operational costs. The objective is to slowly move the funding model to fully cover operational costs from user fees with parcel tax collections solely designated to the high costs of current and future capital improvements and replacements.

Plan for the long-term sustainability of the Village. A fitness gym user fee will ensure maintenance, repair and replacement of the current gym facility and equipment is funded by those using the facility and equipment. The fees ensure sustainability of the fitness gym and meeting user needs without a tax burden to all Village residents and taxpayers.

Ensure strategic use of our resources by proactively applying for public sector funding, pursuing sponsorships and seeking efficiencies. The Village of Fruitvale is applying for public sector funding and seeking partnerships whenever possible to more efficiently provide and use our resources to supplement investment into aging assets.

Policies

The Village will review user fee and parcel tax levels annually to ensure they adequately meet both the capital and delivery costs of the service.

Where possible, the Village will endeavor to supplement revenues from user fees and charges rather than taxation in order to lessen the burden on the residential property tax base.

2. Distribution of Property Tax Rates

Table 2 outlines the distribution of municipal property taxes among the property classes. The residential property class provides the largest proportion of property tax revenue. This is appropriate as this class also forms the largest portion of the assessment base and consumes the majority of Village services.

Table 2: Distribution of Municipal Property Taxes

PROPERTY CLASS	% of Taxation	Dollar Value
CLASS 1 Residential	89.92%	816,347
CLASS 2 Utilities	0.77%	7,002
CLASS 3 Supportive Housing		
CLASS 4 Major Industry		
CLASS 5 Light Industry	0.10%	950
CLASS 6 Business & Other	9.21%	83,610
CLASS 7 Managed Forest Land		
CLASS 8 Recreation/Non-profit		
CLASS 9 Farm		
TOTAL	100.00%	907,909

Objective

The residential assessment base is 95% of all Village assessments. Businesses, while 4.09% of the total assessment base, receive a slightly elevated level of service. The objective is to correspond the proportionate percentage of tax collections to the level of service relative to the use of services.

Policies

Create financial sustainability of the Village by increasing awareness of Asset Management. Fund services appropriately to include a capital cost charge which represents the use of assets today while also ensuring proper maintenance, operation and replacement of assets. Relate the use of services to the use of assets which provide those services and proportionately allocate the costs to those using the services.

3. Permissive Tax Exemptions

The Village has an existing permissive tax exemption policy which guides the administration and approval of permissive tax exemptions. Eligibility criteria for permissive tax exemptions that are outlined in the policy include the following:

- The tax exemption must demonstrate benefit to the community and residents of the Village by enhancing the quality of life, economically, socially or culturally within the community.
- The goals, policies and principles of the organization receiving the exemption must not be inconsistent or in conflict with those of the Village.
- The organization receiving the exemption must be a registered non-profit society, as the support of the municipality will not be used for commercial or private gain.
- Permissive tax exemptions will be considered in conjunction with:
 - other assistance being provided by the Village;
 - the potential demands for Village services or infrastructure arising from the property; and
 - the amount of revenue that the Village will forego if the exemption is granted.

Table 3: Use of Permissive Tax Exemptions

SCHEDULE OF PERMISSIVE TAX EXEMPTIONS									
Bylaw	Name	Roll #	Class	2021 Assessed Value	2021 Total Assessed Value	2021 Municipal Rate	2021 Village General Taxes	Water & Sewer Parcel Taxes	2021 Totals
913, 2019	Beaver Valley Manor Society	521.00032.050	Land - 1	183,000	1,316,000	3.42850	627.42	\$ 800.00	\$ 5,311.00
			Buildings - 1	1,133,000		3.42850	\$ 3,884.49		
913, 2019	Scout Properties	521.00267.000	Land - 8	164,000	191,500	3.42850	562.27	\$ 800.00	\$ 1,588.50
			Buildings - 6	27,500		8.22840	\$ 226.23		
913, 2019	Scout Properties	521.00268.000	Land - 8	200,000	343,000	3.42850	685.70	\$ 800.00	\$ 2,662.30
			Buildings - 6	143,000		8.22840	\$ 1,176.66		
913, 2019	Beaver Valley Curling Club	521.00288.000	Land - 8	60,000	1,128,000	3.42850	205.71	\$ 800.00	\$ 9,793.60
			Land - 6	60,000		8.22840	\$ 493.70		
			Buildings - 6	1,008,000		8.22840	\$ 8,294.23		
912, 2019	St. Rita's Catholic Church (hall)	521.00055.012	Land - 8	64,100	398,200	3.42850	219.77	\$ 800.00	\$ 2,165.20
			Buildings - 8	334,100		3.42850	\$ 1,145.46		
912, 2019	Beaver Valley Christian Fellowship South	521.00337.000	Land - 8	65,000	258,000	3.42850	222.85	\$ 800.00	\$ 1,684.50
			Buildings - 8	193,000		3.42850	\$ 661.70		
913, 2019	Columbia Search &	521.00371.10	Land - 6	56,400	251,400	8.22840	464.03	\$ 800.00	\$ 2,868.60
			Buildings - 6	195,000		8.22840	\$ 1,604.54		
Grand Total							\$ 20,474.86	\$ 5,600.00	\$ 26,074.86

Objective

The Village will continue to provide permissive tax exemptions to non-profit societies who provide a benefit to the community.

Policies

Review the tax exemption policy annually to assess activities that will be targeted in compliance with the Official Community Plan guidelines.