



## THE CORPORATION OF THE VILLAGE OF FRUITVALE BYLAW 941, 2022

A Bylaw Establishing a Financial Plan Program  
to be Undertaken During the Years 2022 to 2026

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 2022 to 2026 inclusive, attached hereto and forming part of this Bylaw, is hereby adopted and will come into force and effect as of January 1, 2022;
2. THAT Schedule "B", being part of the Five-Year Financial Plan for the Years 2022 to 2026 inclusive, attached hereto and forming part of this Bylaw, is hereby adopted and will come into force and effect as of January 1, 2022;
3. THAT Bylaw No. 928 entitled "Village of Fruitvale Five-Year Financial Plan Bylaw No. 928, 2021", is hereby repealed; and
4. THAT this Bylaw may be cited for all purposes as "Village of Fruitvale Five-Year Financial Plan 2022-2026 Bylaw 941, 2022".

READ a first time this 25<sup>th</sup> day of April, 2022.

READ a second time this 25<sup>th</sup> day of April, 2022.

READ a third time this 25<sup>th</sup> day of April, 2022.

RECONSIDERED, FINALLY PASSED AND ADOPTED this 9<sup>th</sup> day of May, 2022.

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Chief Administrative Officer

CERTIFIED a true copy of Bylaw 941, 2022, entitled "Village of Fruitvale Five Year Financial Plan 2022-2026 Bylaw 941, 2022".

DATED this 10<sup>th</sup> day of May, 2022.

\_\_\_\_\_  
Chief Administrative Officer

**SCHEDULE "A" to  
FIVE YEAR FINANCIAL PLAN BYLAW 941, 2022**

|  | 2022             | 2023             | 2024             | 2025             | 2026             |
|--|------------------|------------------|------------------|------------------|------------------|
|  | Budget           | Budget           | Budget           | Budget           | Budget           |
| <b>Revenues</b>                            |                  |                  |                  |                  |                  |
| Property Taxes                             | 1,054,943        | 1,086,591        | 1,119,189        | 1,152,765        | 1,187,348        |
| Grants in Lieu of Taxes                    | 32,429           | 33,402           | 34,404           | 35,436           | 36,499           |
| Franchise Fees                             | 17,047           | 17,558           | 18,085           | 18,628           | 19,187           |
| Collections for Other Agencies             | 1,937,775        | 1,995,908        | 2,055,785        | 2,117,459        | 2,180,983        |
| Grants from Prov & Local Gov't             | 704,116          | 985,239          | 746,997          | 769,407          | 792,489          |
| Sales of Goods and Services                | 21,675           | 22,325           | 22,995           | 23,685           | 24,395           |
| User Fees                                  | 138,066          | 142,208          | 146,474          | 150,868          | 155,394          |
| Internal Transfers                         | 73,949           | 76,167           | 78,452           | 80,806           | 83,230           |
| Cost Recoveries, Permits, Donations        | 36,130           | 37,214           | 38,330           | 39,480           | 40,665           |
| Reserve Transfers                          | 43,260           |                  | 100,000          | 100,000          | 100,000          |
|  |                  |                  |                  |                  |                  |
| Waste Water Parcel Tax                     | 304,400          | 342,550          | 380,700          | 380,700          | 380,700          |
| Waste Water User Fees                      | 409,221          | 441,959          | 455,217          | 468,874          | 482,940          |
| Waste Water Grants from Prov & Local Gov't | 230,000          | 105,000          |                  |                  |                  |
| Waste Water Reserve Transfers              | 92,500           |                  |                  |                  |                  |
|  |                  |                  |                  |                  |                  |
| Water Grants from Prov & Local Gov't       | 658,552          | 770,687          | 563,773          | 570,476          | 584,590          |
|  |                  |                  |                  |                  |                  |
| <b>Total Revenues</b>                      | <b>5,754,063</b> | <b>6,056,809</b> | <b>5,760,402</b> | <b>5,908,583</b> | <b>6,068,420</b> |
| <b>Expenditures</b>                        |                  |                  |                  |                  |                  |
| General                                    | 1,937,775        | 1,995,908        | 2,055,785        | 2,117,459        | 2,180,983        |
| Council                                    | 78,390           | 80,742           | 83,164           | 85,659           | 88,229           |
| Finance and Corporate Services             | 677,278          | 697,854          | 719,048          | 740,877          | 763,362          |
| Facilities                                 | 27,741           | 28,573           | 29,430           | 30,313           | 31,223           |
| Protective Services                        | 31,021           | 31,952           | 32,910           | 33,897           | 34,914           |
| Public Works                               | 403,732          | 415,844          | 428,319          | 441,169          | 454,404          |
| Storm Drains                               | 35,433           | 36,496           | 37,591           | 38,719           | 39,880           |
| Solid Waste                                | 87,699           | 90,330           | 93,040           | 95,831           | 98,706           |
| Cemetery                                   | 63,463           | 65,367           | 67,328           | 69,348           | 71,428           |
| Community Services                         | 194,511          | 200,346          | 206,357          | 212,547          | 218,924          |
| Planning & Development                     | 55,618           | 57,287           | 59,005           | 60,775           | 62,599           |
| Parks & Recreation                         | 146,790          | 151,194          | 155,730          | 160,401          | 165,213          |
| Interest on Long-Term Debt                 | 70,000           | 70,000           | 70,000           | 70,000           | 70,000           |
| Long-Term Debt Repayment                   | 55,548           | 55,548           | 55,548           | 55,548           | 55,548           |
| Transfer to Reserves                       | 203,418          | 203,418          | 203,418          | 203,418          | 203,418          |
| Capital                                    | 9,320            | 260,000          | 100,000          | 100,000          | 100,000          |
| Waste Water                                | 515,444          | 397,713          | 419,256          | 441,445          | 464,299          |
| Waste Water Transfer to Reserves           | 272,294          | 342,550          | 380,700          | 380,700          | 380,700          |
| Waste Water Capital                        | 230,000          | 105,000          |                  |                  |                  |
| Water                                      | 430,587          | 443,470          | 456,774          | 470,477          | 484,591          |
| Water Capital                              | 228,000          | 327,218          | 107,000          | 100,000          | 100,000          |
| <b>Total Expenditures</b>                  | <b>5,754,062</b> | <b>6,056,809</b> | <b>5,760,403</b> | <b>5,908,584</b> | <b>6,068,421</b> |
|  |                  |                  |                  |                  |                  |
| <b>Net Revenue/(Expenditure)</b>           | <b>1</b>         | <b>0</b>         | <b>0</b>         | <b>-1</b>        | <b>-1</b>        |

## SCHEDULE "B" FIVE YEAR FINANCIAL PLAN BYLAW 941, 2022

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 2022. Residential 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 52.87% 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                      | 52.87%             | 3,042,194        |
| Parcel Taxes                        | 5.29%              | 304,400          |
| User Fees and charges               | 9.51%              | 547,287          |
| Transfer from Reserves              | 2.36%              | 135,760          |
| Other sources                       | 1.00%              | 57,805           |
| Accumulated surplus and Own Sources | 1.29%              | 73,949           |
| Proceeds from Long-Term Borrowing   | 0.00%              |                  |
| Government grants                   | 27.68%             | 1,592,668        |
| <b>Total</b>                        | <b>100.00%</b>     | <b>5,754,063</b> |

## **Objective**

Ensure utilities are self-sustaining. Utilities include solid waste collection and disposal (garbage) and wastewater collection and treatment (sewer). Currently solid waste is self-sustaining through user fees funding both capital and operating costs. Wastewater 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**

| <b>PROPERTY CLASS</b>         | <b>% of Taxation</b> | <b>Dollar Value</b> |
|-------------------------------|----------------------|---------------------|
| CLASS 1 Residential           | 90.98%               | 959,809             |
| CLASS 2 Utilities             | 0.59%                | 6,211               |
| CLASS 3 Supportive Housing    |                      |                     |
| CLASS 4 Major Industry        |                      |                     |
| CLASS 5 Light Industry        | 0.10%                | 1,095               |
| CLASS 6 Business & Other      | 8.33%                | 87,839              |
| CLASS 7 Managed Forest Land   |                      |                     |
| CLASS 8 Recreation/Non-profit |                      |                     |
| CLASS 9 Farm                  |                      |                     |
| <b>TOTAL</b>                  | <b>100.00%</b>       | <b>1,054,954</b>    |

## Objective

The residential assessment base is 90.98% of all Village assessments. Businesses, while 8.33% 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. Funding 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, 2015                             | Beaver Valley Manor Society        | 521.00032.050 | Land - 1      | 220,000             |                           | 2.97690             | 654.92                     |                            |                     |
|                                       |                                    |               | Buildings - 1 | 1,629,000           | 1,849,000                 | 2.97690             | \$ 4,849.37                | \$ 850.00                  | \$ 6,354.27         |
| 913, 2015                             | Scout Properties                   | 521.00267.000 | Land - 8      | 206,000             |                           | 2.97690             | 613.24                     |                            |                     |
|                                       |                                    |               | Buildings - 6 | 26,600              | 232,600                   | 7.14460             | \$ 190.05                  | \$ 850.00                  | \$ 1,653.29         |
| 913, 2015                             | Scout Properties                   | 521.00268.000 | Land - 8      | 251,000             |                           | 2.97690             | 747.20                     |                            |                     |
|                                       |                                    |               | Buildings - 6 | 135,000             | 386,000                   | 7.14460             | \$ 964.52                  | \$ 850.00                  | \$ 2,561.72         |
| 913, 2015                             | Beaver Valley Curling Club         | 521.00288.000 | Land - 8      | 74,300              |                           | 2.97690             | \$ 221.18                  |                            |                     |
|                                       |                                    |               | Land - 6      | 74,300              |                           | 7.14460             | \$ 530.84                  |                            |                     |
|                                       |                                    |               | Buildings - 6 | 936,000             | 1,084,600                 | 7.14460             | \$ 6,687.35                | \$ 850.00                  | \$ 8,289.35         |
| 912, 2015                             | St. Rita's Catholic Church (hall)  | 521.00055.010 | Land - 8      | 80,600              |                           | 2.97690             | 239.94                     |                            |                     |
|                                       |                                    |               | Buildings - 8 | 306,300             | 386,900                   | 2.97690             | \$ 911.82                  | \$ 850.00                  | \$ 2,001.72         |
| 912, 2015                             | Beaver Valley Christian Fellowship | 521.00337.000 | Land - 8      | 81,900              |                           | 2.97690             | 243.81                     |                            |                     |
|                                       |                                    |               | Buildings - 8 | 180,000             | 261,900                   | 2.97690             | \$ 535.84                  | \$ 850.00                  | \$ 1,629.65         |
| 913, 2015                             | South Columbia Search &            | 521.00371.100 | Land - 6      | 69,800              |                           | 7.14460             | 498.69                     |                            |                     |
|                                       |                                    |               | Buildings - 6 | 180,000             | 249,800                   | 7.14460             | \$ 1,286.03                | \$ 850.00                  | \$ 2,634.72         |
| <b>Grand Total</b>                    |                                    |               |               |                     |                           |                     | <b>\$ 19,174.81</b>        | <b>\$ 5,950.00</b>         | <b>\$ 25,124.81</b> |

***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.