

**THE CORPORATION OF THE VILLAGE OF TELKWA
FINANCIAL PLAN FOR 2023 TO 2027, BYLAW NO. 765, 2023**

This being a bylaw of the Corporation of the
Village of Telkwa "Financial Plan for 2023 to 2027"

The Council of the Corporation of the Village of Telkwa in open meeting assembled enacts as follows:

- 1 This Bylaw may be cited for all purposes as the Village of Telkwa "Five Year Financial Plan Bylaw No. 765, 2023".
- 2 Schedules "A", "B", "C", "D", "E" and "F" attached hereto and made part of this by-law are hereby Adopted and comprise the Financial Plan for the Village of Telkwa for the period commencing January 1, 2023 and ending December 31, 2027.

READ A FIRST TIME this 14th day of March, 2023

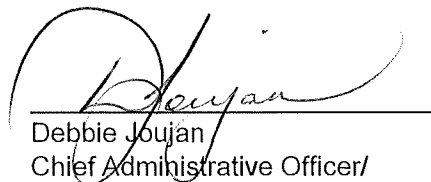
READ A SECOND TIME this 14th day of March, 2023

READ A THIRD TIME this 11th day of April, 2023

ADOPTED this 25th day of April, 2023



Leroy Dekens
Mayor



Debbie Joujan
Chief Administrative Officer/
Corporate Officer, CMC

**Village of Telkwa
Five Year Financial Plan
2023-2027
Consolidated All Funds**

Schedule A

	2023	2024	2025	2026	2027
Consolidated Revenue:					
Municipal Property Taxation	\$ 1,049,162	\$ 1,138,267	\$ 1,213,017	\$ 1,277,308	\$ 1,345,330
Parcel Taxes	\$ 11,660	\$ 11,660	\$ -	\$ -	\$ -
1% Utility Taxes & Grants in Lieu of Taxes	\$ 40,206	\$ 40,206	\$ 40,206	\$ 40,206	\$ 40,206
Fees and Charges & Revenue From Own Sources	\$ 851,343	\$ 879,097	\$ 898,134	\$ 915,350	\$ 933,013
Grant Funding & Transfers from Governments	\$ 4,326,181	\$ 2,573,545	\$ 2,847,039	\$ 835,263	\$ 836,192
Borrowing - Equipment Financing	\$ -	\$ 100,000	\$ -	\$ -	\$ -
Transfer from Capital Reserves	\$ 1,917,222	\$ 630,572	\$ 89,090	\$ 83,624	\$ 68,620
Transfer from Gas Tax Funds	\$ 593,493	\$ -	\$ -	\$ -	\$ 150,000
Transfer from General, Water and Sewer Surplus	\$ 310,443	\$ -	\$ -	\$ -	\$ -
Transfer from Equity in Capital Assets	\$ 550,000	\$ 550,000	\$ 550,000	\$ 550,000	\$ 550,000
Total	\$ 9,649,710	\$ 5,923,347	\$ 5,637,486	\$ 3,701,751	\$ 3,923,361
Consolidated Expenditures:					
General Operating Expenses & Special Projects	\$ 2,378,515	\$ 2,171,407	\$ 2,217,122	\$ 2,267,699	\$ 2,334,736
Water Operating Expenses & Special Projects	\$ 338,167	\$ 352,778	\$ 344,686	\$ 351,670	\$ 358,822
Sewer Operating Expenses & Special Projects	\$ 186,201	\$ 188,319	\$ 190,481	\$ 192,689	\$ 194,942
Capital Expenditures	\$ 4,726,474	\$ 2,318,418	\$ 2,000,000	\$ -	\$ 150,000
Annual Debt Payments	\$ 58,500	\$ 58,500	\$ 58,500	\$ 54,500	\$ 39,500
Transfer to Reserves & Surplus	\$ 1,411,853	\$ 283,925	\$ 276,697	\$ 285,193	\$ 295,361
Amortization of Capital Assets	\$ 550,000	\$ 550,000	\$ 550,000	\$ 550,000	\$ 550,000
Total	\$ 9,649,710	\$ 5,923,347	\$ 5,637,486	\$ 3,701,751	\$ 3,923,361

**Village of Telkwa
Five Year Financial Plan
2023-2027
General Fund**

Schedule B

		Five Year Plan				
		2023	2024	2025	2026	2027
General Revenue:						
Property Taxation	General Municipal	\$ 867,268	\$ 951,827	\$1,018,455	\$ 1,079,562	\$ 1,144,336
	Dike	\$ 5,350	\$ 5,350	\$ 10,350	\$ 10,350	\$ 10,350
	Transit System	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
	Fire Protection	\$ 151,544	\$ 156,090	\$ 159,212	\$ 162,396	\$ 165,644
1% Utility Tax and Grants in Lieu of Taxes		\$ 40,206	\$ 40,206	\$ 40,206	\$ 40,206	\$ 40,206
Fee and Charges and Revenue from own Sources						
	District Heating	\$ 20,500	\$ 20,500	\$ 20,500	\$ 20,500	\$ 20,500
	Cemetery	\$ 9,100	\$ 9,100	\$ 9,100	\$ 9,100	\$ 9,100
	Licenses & Rentals	\$ 27,125	\$ 27,125	\$ 27,125	\$ 27,125	\$ 27,125
	Garbage Services	\$ 73,572	\$ 77,226	\$ 81,062	\$ 82,673	\$ 84,317
	Recycle Program	\$ 21,816	\$ 22,034	\$ 22,255	\$ 22,477	\$ 22,702
	Recreation Fees and Charges	\$ 11,750	\$ 11,750	\$ 11,750	\$ 11,750	\$ 11,750
	Other Revenues from own Sources	\$ 116,936	\$ 116,936	\$ 116,936	\$ 116,936	\$ 116,936
	Transit Other	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
Grant Funding						
	Unconditional Grants and Government Transfers	\$ 582,421	\$ 582,394	\$ 587,892	\$ 587,892	\$ 587,892
	Fire Dept Grants incl Contributions from Regional District	\$ 185,685	\$ 156,751	\$ 159,247	\$ 163,214	\$ 167,300
	Emergency Services Grants	\$ 17,221	\$ 18,900	\$ 18,900	\$ 3,157	\$ -
	Economic Development/Tourism/Planning Grants	\$ 82,450	\$ 88,000	\$ 78,000	\$ 78,000	\$ 78,000
	Miscellaneous Special Projects Grants	\$ 66,282	\$ 4,082	\$ 3,000	\$ 3,000	\$ 3,000
	General Capital Projects Grants	\$ 2,515,557	\$ 673,477	\$ -	\$ -	\$ -
Transfer from Reserves and Gas Tax Deferred Revenue						
	General Special Projects and Other (Reserve funding)	\$ 207,134	\$ 62,072	\$ 30,590	\$ 29,124	\$ 29,120
	Fire Dept Special Projects and Other (Reserve funding)	\$ 74,500	\$ 83,500	\$ 58,500	\$ 54,500	\$ 39,500
	Fire Dept Capital (Reserve Funding)	\$ 213,500	\$ 120,000	\$ -	\$ -	\$ -
	General Capital Funding (Reserves)	\$ 662,285	\$ 325,000	\$ -	\$ -	\$ -
	General Capital Funding (Gas Tax Funds)	\$ 93,493	\$ -	\$ -	\$ -	\$ -
Transfer from General Surplus						
	General Special Projects and Other	\$ 62,338	\$ -	\$ -	\$ -	\$ -
	Fire Dept Special Projects/Capital Funding					
	General Capital Funding	\$ 112,748	\$ -	\$ -	\$ -	\$ -
Borrowing - Capital Project Funding						
	General Capital	\$ -	\$ 100,000	\$ -	\$ -	\$ -
	Fire Department Capital	\$ -	\$ -	\$ -	\$ -	\$ -
Collections for Other Taxing Authorities						
		\$ 941,950	\$ 941,950	\$ 941,950	\$ 941,950	\$ 941,950
TOTAL GENERAL REVENUE		\$ 7,192,732	\$4,624,270	\$3,425,029	\$ 3,473,912	\$ 3,529,727

**Village of Telkwa
Five Year Financial Plan
2023-2027
General Fund**

Schedule B

		Five Year Plan				
		2023	2024	2025	2026	2027
General Expenditures:						
Legislative		\$ 122,618	\$ 127,149	\$ 131,411	\$ 134,917	\$ 138,562
Administration		\$ 769,892	\$ 804,689	\$ 855,017	\$ 897,917	\$ 925,718
Fire Protection		\$ 274,026	\$ 230,162	\$ 232,757	\$ 237,602	\$ 241,158
Emergency Services		\$ 32,464	\$ 36,210	\$ 36,453	\$ 19,161	\$ 15,906
Economic Development/Tourism/Plannin		\$ 177,450	\$ 118,000	\$ 109,010	\$ 109,530	\$ 110,061
Bylaw Control		\$ 19,600	\$ 19,600	\$ 19,932	\$ 20,271	\$ 20,616
Building Inspection		\$ 35,500	\$ 35,500	\$ 35,500	\$ 35,500	\$ 35,500
Engineering		\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
Public Works		\$ 436,190	\$ 452,135	\$ 464,619	\$ 475,742	\$ 505,424
Dike System		\$ 13,541	\$ 13,752	\$ 18,967	\$ 19,186	\$ 19,410
District Heating		\$ 37,773	\$ 38,079	\$ 38,591	\$ 39,113	\$ 39,645
Cemetery		\$ 12,437	\$ 12,630	\$ 12,867	\$ 13,109	\$ 13,355
Garbage Collection		\$ 38,086	\$ 38,652	\$ 39,229	\$ 39,818	\$ 40,419
Recycle Program		\$ 23,216	\$ 23,361	\$ 23,508	\$ 23,658	\$ 23,811
Transit System		\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000
Recreation & Culture Miscellaneous Special Projects		\$ 151,877	\$ 157,406	\$ 161,261	\$ 164,175	\$ 167,151
Annual Debt Payments	Fire Department	\$ 58,500	\$ 58,500	\$ 58,500	\$ 54,500	\$ 39,500
Transfer to Reserves	Capital Reserves	\$ 1,275,284	\$ 116,257	\$ 121,755	\$ 121,755	\$ 121,755
	Fire Department Reserves	\$ 79,203	\$ 107,679	\$ 85,702	\$ 88,008	\$ 91,786
Capital Expenditures	General Capital	\$ 2,245,780	\$ 1,108,477	\$ -	\$ -	\$ -
	Fire Department Capital	\$ 213,500	\$ 120,000	\$ -	\$ -	\$ -
Tax Transfers to other Taxing Authorities		\$ 941,950	\$ 941,950	\$ 941,950	\$ 941,950	\$ 941,950
TOTAL GENERAL EXPENDITURES		\$ 7,192,732	\$ 4,624,270	\$ 3,425,029	\$ 3,473,912	\$ 3,529,727

Village of Telkwa
Five Year Financial Plan
2023-2027
Water Fund

Schedule C

		2023	2024	2025	2026	2027
<u>WATER REVENUES</u>						
Water Operating Revenues	User Fees	\$ 321,977	\$ 341,118	\$ 351,263	\$ 361,712	\$ 372,475
	Parcel Taxes	\$ 11,660	\$ 11,660	\$ -	\$ -	\$ -
Grant Funding of Capital Projects		\$ 513,564	\$ 1,049,941	\$ 2,000,000	\$ -	\$ -
Reserve Funding/Gas Tax Deferred Revenue Funding of Capital and Special Projects	Water Capital Reserves	\$ 12,000	\$ -	\$ -	\$ -	\$ -
	Gas Tax Funds	\$ 500,000	\$ -	\$ -	\$ -	\$ 150,000
	Northern and Capital Planning Grant Reserves	\$ 718,056	\$ 40,000	\$ -	\$ -	\$ -
Transfer from Water Surplus	for Operations	\$ 4,530	\$ -	\$ -	\$ -	\$ -
	Capital Funding	\$ 18,000	\$ -	\$ -	\$ -	\$ -
TOTAL REVENUES		\$ 2,099,787	\$ 1,442,719	\$ 2,351,263	\$ 361,712	\$ 522,475
<u>WATER EXPENDITURES</u>						
Water Operating Expenditures and Special Projects		\$ 328,167	\$ 352,778	\$ 344,686	\$ 351,670	\$ 358,822
Water Special Projects		\$ 10,000	\$ -	\$ -	\$ -	\$ -
Water Capital Projects		\$ 1,761,620	\$ 1,089,941	\$ 2,000,000	\$ -	\$ 150,000
Transfer to Reserves	Transfer of Water Parcel Tax to Reserve	\$ -				
	Transfer to Water Reserve/Surplus	\$ -	\$ -	\$ 6,577	\$ 10,042	\$ 13,653
TOTAL EXPENDITURES		\$ 2,099,787	\$ 1,442,719	\$ 2,351,263	\$ 361,712	\$ 522,475
Revenue less Expenditures and Transfers		0	0	0	0	0

Schedule E

Budgeted Capital Funding Sources 2023-2027

	Budgeted Capital Projects					Operating Surplus					Reserves					Borrowing		ROBN Cost/Share	Grants
	2023	2024	2025	2026	2027	Total 2023-2027	General Surplus	Water Surplus	Sewer Surplus	Commt Bldg Funds Defered Revenue	Northern Capital & Planning Grant Reserve	COVID-19 Resart Grant Reserve	FD Reserves	Water Capital Reserve	Sewer Capital Reserves	Equipment Financing through MFA			
Fire Department																			
Fire Engine 11 Replacement	120,000	120,000				240,000						240,000	FD Large Equip Loan Pmt. Res						
Fire Hall 2 Upgrades	12,500					12,500						12,500							
Rescue 21 Replacement	78,000					78,000						14,000						64,000	
Alpha 1 Storage	3,000.00					3,000						3,000	FD Equipment Res						
	213,500	120,000	0	0	0	333,500	0	0	0	0	0	269,500	0	0	0	0	0	64,000	
General including Works/Ops Equipment																			
Unit 7 Replacement-Backhoe	210,000					210,000				210,000									
Unit 3 Replacement	155,000					155,000				155,000									
Unit 10-Newer Used 8T Excavator		75,000				75,000				75,000						100,000			
Newer Used Plow Truck		100,000				100,000													
Garbage Truck Capital Repairs	5,433					5,433				5,433									
Buildings																			
Municipal Building Upgrades	1,312,748					1,312,748	62,748			250,000								1,000,000	
Old Firehall-Kinsmen Leased Bldg-Phase 1	120,697	310,000				430,697					30,697							400,000	
Other																			
Road Regravelling Program	50,000					50,000	50,000												
Structural Flood Mitigation	3,493					3,493				3,493									
Biomass - Pressure Analysis & Heat Exchanger	30,000					30,000			30,000										
Tekwa BBQ Grounds Accessible Playground	225,000					225,000				26,250								198,750	
Tekwa BBQ Grounds Multi-Use Pathway	62,409					62,409				15,602								46,807	
Active Transportation Pathway-Highway 16 Design	60,000					60,000				60,000								623,476	
Active Transportation Pathway-Highway 16 Construction		623,477				623,477													
Active Transportation Sidewalk Improvement-Hankin Avenue	11,000					11,000												11,000	
Riverside Swale Paving	60,000					60,000			60,000										
	2,305,779.85	1,108,477.00	0.00	0.00	0.00	3,414,257	112,748	0	90,000	802,778	30,697	0	0	0	0	100,000		2,260,033	

Schedule E

Village of Teikwa
Five Year 2023-2027 Financial Plan
Capital

Budgeted Capital Funding Sources 2023-2027

	Budgeted Capital Projects					Operating Surplus					Reserves					Borrowing		Grants	
	2023	2024	2025	2026	2027	Total 2023-2027	General Surplus	Water Surplus	Sewer Surplus	Comm Bldg Funds Deferred Revenue	Northern Capital & Planning Grant Reserve	COVID-19 Restart Grant Reserve	FD Reserves	Water Capital Reserve	Sewer Capital Reserves	Equipment Financing through MFA	RDBN Cash/Share	TVFF	ICBC Payout
Water																			
Highway 16 Watermain Construction		1,049,941				1,049,941													1,049,941
Coalmine Rd Northeast from WTP Watermain Construction	686,708					686,708				183,144									503,564
Coalmine Rd Southwest Watermain Upgrade	950,000					950,000			500,000	450,000									
Coalmine Road Emergency Watermain and Service Replacement	75,000					75,000				75,000									
WTP Expansion Feasibility Study and Pre-design	19,912					19,912				9,912									10,000
WTP Expansion			2,000,000			2,000,000													2,000,000
Walnut St Watermain Upgrades Design		40,000				40,000				40,000									
WTP Valve Rebuild	18,000					18,000		18,000											
Morris Reservoir Upgrades					150,000	150,000				150,000									
Highway 16 Flushing Mechanism	12,000					12,000													
	1,767,620	1,089,941	2,000,000	0	150,000	5,007,561	0	18,000	0	500,000	908,056	0	0	12,000	0	0	0	0	3,563,505
Sewer																			
Waste Water Treatment Plant (WWTP) and Collection System	363,000					363,000													363,000
WWTP project contingency	100,000					100,000			100,000										
Howson Ave Sewer Main	11,747					11,747				11,747									
Lift Stations Sewer Pumps	30,827					30,827			30,827										
	505,574	0	0	0	0	505,574	0	0	130,827	0	11,747	0	0	0	0	0	0	0	363,000
	4,786,474	2,318,418	2,000,000	0	150,000	9,254,892	112,748	18,000	130,827	590,000	1,720,591	30,697	269,500	12,000	0	100,000	64,000	0	6,206,538

In accordance with Section 165(3.1) of the *Community Charter*, the Village of Telkwa 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.

Funding Sources

Table 1 shows the proportion of total revenue proposed to be raised from each funding source in 2023. Grants form the greatest proportion of revenue. As a revenue source, property taxation offers a number of advantages, for example, it is simple to administer and it is fairly 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, fire protection, transit system, bylaw enforcement, dike system, and street lighting.

User fees and charges form a large portion of planned revenue as well. Many services can be measured and charged on a user-pay basis. Services where fees and charges can be easily administered include garbage, water, sewer, building permits, business licenses, and sale of services – these are charged on a user pay basis. User fees attempt to apportion the value of a service to those who use the service.

Objective

- Over the next five years, the Village of Telkwa will increase or decrease the proportion of revenue that is received from user fees and charges according to the actual cost for the service.

Policies

- The Village will review all user fee levels to ensure they are adequately meeting 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, to lessen the burden on its limited property tax base.

Table 1: Sources of Revenue

Consolidated Revenue Sources -2023 (not including transfer from Equity in Capital Assets)	%	Dollar Value
Property Taxes	11.53%	\$ 1,049,162
Fees and Charges and Revenue from own Sources	9.36%	\$ 851,343
Grants including Government Transfers	47.54%	\$ 4,326,181
Transfers from Reserves/Surplus	31.00%	\$ 2,821,158
Parcel Taxes	0.13%	\$ 11,660
Borrowing	0.00%	\$ -
1% in Lieu of Taxes and Grants in Lieu of Taxes	0.44%	\$ 40,206
Total	100%	\$ 9,099,710

Distribution of Property Tax Revenue

Table 2 outlines the distribution of property taxes among the property classes in 2022 and 2023. 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 services.

Objectives

- Over the next five years, adjust the share of property tax paid by property classes based on assessment changes.

Policies

- Supplement, where possible, revenues from user fees and charges to help to offset the burden on the entire property tax base.
- Continue to encourage economic development initiatives designed to attract more retail and commercial businesses to invest in the community. New investment from these areas will provide more revenue from the business and light industry classes and lower the residential tax rate.
- Regularly review and compare the distributions of tax burden relative to similar municipalities in British Columbia.

Table 2: Distribution of Property Tax Revenue

by Property Class - 2022		
	%	Dollar Value
Residential (1)	92.428%	\$865,619
Utilities (2)	0.926%	\$8,672
Light Industrial (5)	0.135%	\$1,260
Business and Other (6)	6.510%	\$60,971
Farm (9)	0.001%	\$8
Total	100%	\$936,529
by Property Class - 2023		
	%	Dollar Value
Residential (1)	92.428%	\$969,724
Utilities (2)	0.947%	\$9,937
Light Industrial (5)	0.135%	\$1,411
Business and Other (6)	6.489%	\$68,081
Farm (9)	0.001%	\$9
Total	100%	\$1,049,162

Distribution of Property Tax Revenue

Table 3 outlines the distribution of property taxes among the different municipal tax levies.

Table 3: Distribution of Property Tax by Type- 2023	%	Dollar Value
General Municipal Tax Revenue	82.66%	\$867,268
Fire Protection & Emergency Services	14.44%	\$151,544
Transit System	2.38%	\$25,000
Dike System	0.51%	\$5,350
Total	100%	\$1,049,162

Property Tax Rates

Table 4 compares the combined municipal tax rates for each property class for 2022 and 2023. The Residential class (1) assessment base increased by 6.88% in 2023. The tax rate will slightly increase due to tax revenue increase set at 12%.

Table 4: Combined Property Tax Rates	2022 Tax Rates	2023 Tax Rates
Residential (1)	3.97850	4.17025
Utilities (2)	28.23291	29.78614
Light Industrial (5)	15.19470	16.58214
Business and Other (6)	11.29357	11.95089
Farm (9)	0.37942	0.42531

Permissive Tax Exemptions

The Village of Telkwa 2023 Property Tax Exemption Bylaw No.755, 2022, provides a one year permissive tax exemption to qualifying non-profit entities.

Objective

- The Village of Telkwa will continue to provide permissive tax exemptions to qualifying non-profit societies.

Policies

- Review and update the permissive tax exemption policy.