

## VILLAGE OF PEMBERTON

### BYLAW No. 895, 2021

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A bylaw of the Village of Pemberton respecting the Five (5) Year Financial Plan beginning with the year 2021.

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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, 2021.
2. This Bylaw may be cited for all purposes as the "Village of Pemberton 2021-2025 Five (5) Year Financial Plan Bylaw No. 895, 2021."

**READ A FIRST TIME** this 13<sup>th</sup> day of April, 2021.

**READ A SECOND TIME** this 13<sup>th</sup> day of April, 2021.

**READ A THIRD TIME** this 13<sup>th</sup> day of April, 2021.

**ADOPTED** this 13<sup>th</sup> day of April, 2021.

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Mike Richman  
Mayor

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Sheena Fraser  
Corporate Officer

<b>Village of Pemberton</b>							
<b>Consolidated 2021 - 2025</b>		<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
	<i>Budget Prior Year</i>	<i>Budget</i>	<i>Budget</i>	<i>Budget</i>	<i>Budget</i>	<i>Budget</i>	<i>Budget</i>
<b>Revenues:</b>							
Taxation	2,280,892	2,440,992	3,301,619	3,257,112	3,404,748	3,735,572	
Water and sewer user rates	1,866,090	2,034,447	2,111,680	2,199,142	2,297,378	2,401,379	
User charges	2,552,125	2,315,887	2,559,416	2,598,408	2,650,837	2,703,595	
Penalties and interest income	30,000	32,500	32,825	33,317	33,984	34,663	
<b>Government transfers:</b>							
Provincial	4,735,836	4,987,416	399,914	405,897	413,995	422,255	
Federal	2,000	2,000	2,000	2,000	2,000	2,000	
Other local governments	1,788,214	1,848,338	1,445,024	1,931,821	1,451,763	1,651,826	
Investment income	23,860	27,860	28,135	28,552	29,115	29,691	
Other revenues	742,548	695,960	169,182	571,497	674,630	5,177,825	
Collections on behalf of other governments	2,971,629	2,971,629	3,001,345	3,046,365	3,107,293	3,169,439	
	16,993,195	17,357,029	13,051,140	14,074,111	14,065,742	19,328,246	
<b>Expenditures:</b>							
General government	2,320,838	2,761,289	2,762,494	2,743,736	2,797,777	2,902,353	
<b>General Amortization</b>	763,369	736,215	736,215	736,215	736,215	736,215	
Fire protection services	694,397	701,857	717,256	737,535	737,908	1,004,027	
Development and planning services	667,633	748,153	673,229	683,193	696,677	710,430	
Public works and parks	1,163,646	1,317,678	1,274,809	1,291,229	1,400,395	1,424,772	
Recreation	1,305,213	1,293,107	1,276,401	1,311,542	1,321,724	1,350,144	
Water utility	913,902	845,319	848,620	852,145	884,252	919,108	
<b>Water Amortization</b>	160,089	165,089	165,090	165,091	165,092	165,093	
Sewer utility	873,291	1,001,142	1,001,127	1,016,955	1,039,039	1,043,074	
<b>Sewer Amortization</b>	275,339	278,339	278,340	278,341	278,342	278,343	
Airport services	65,637	70,098	71,157	72,224	73,668	75,142	
<b>Airport Amortization</b>	54,423	54,423	54,424	54,425	54,426	54,427	
Transfers to other governments	2,971,629	2,971,629	3,001,345	3,046,365	3,107,293	3,169,439	
	12,229,404	12,944,338	12,860,508	12,988,997	13,292,809	13,832,568	
<b>Annual (Surplus) / Deficit</b>	<b>(4,763,791)</b>	<b>(4,412,691)</b>	<b>(190,632)</b>	<b>(1,085,114)</b>	<b>(772,932)</b>	<b>(5,495,678)</b>	
<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	(1,253,220)	(1,234,067)	(1,234,070)	(1,234,073)	(1,234,076)	(1,234,079)	
<b>Cash items NOT included in Annual (Surplus)/Deficit</b>							
Capital expenditures	6,382,320	7,495,858	1,528,600	1,997,300	2,762,500	17,047,500	
Loan proceeds	(320,516)	(420,000)	(875,000)	(825,000)	(2,215,000)	(12,000,000)	
Long term debt payments	217,923	229,843	283,084	316,572	340,759	645,233	
Capital Equipment payments	167,410	180,538	181,783	180,502	153,132	205,258	
Transfers from Statutory Reserves	(532,540)	(532,540)	(100,000)	-	-	-	
Transfer to Statutory Reserves	987,000						
Transfers from Non-Statutory Reserves	(577,526)	(1,399,468)	(511,219)	(338,575)	(89,156)	(369,527)	
Transfers to Non-Statutory Reserves	845,207	849,908	917,454	988,387	1,054,773	1,201,293	
Transfers to/(from) Unappropriated Surplus	(1,152,267)	(757,382)	-	-	-	-	
<b>Financial Plan Balance</b>	<b>(0)</b>	<b>0</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>	<b>0</b>	
General Fund (Surplus) / Deficit	(0.00)	0.00	(0.00)	(0.00)	(0.00)	0.00	
Water Fund (Surplus) / Deficit	-	-	-	-	-	-	
Sewer Fund (Surplus) / Deficit	(0.00)	-	-	-	-	-	
Airport Fund (Surplus) / Deficit	(0.00)	0.00	-	-	(0.00)	(0.00)	

**Village of Pemberton  
5 Year Financial Plan Bylaw No. 895, 2021  
2021 Revenue Policy Disclosure**

*The development of the 2021 – 2025 Five Year Financial Plan was completed during the ongoing COVID-19 Pandemic. 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 2021 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 December 18<sup>th</sup>, 2012. 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.

Revenue Sources 2021	% Total Revenue(\$19,707,037) Including Transfers to Other Governments*	% Total Revenue(\$16,735,408) Excluding Transfers to Other Governments
Property Taxes	26.1%	12.9%
Parcel Taxes	1.6%	1.9%
User Fees & Charges	22.1%	26.0%
Grants	34.7%	40.8%
DCCs	2.7%	3.2%
Other Revenues	3.9%	4.6%
Proceeds from Borrowing	2.1%	2.5%
Transfers	6.8%	8.1%
<b>Total</b>	<b>100.0%</b>	<b>100%</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 Rates	% of Total Property Assessment Value (\$1,034,567,263)	% of Total Property Tax
Residential (Class 01)	1.5593	84.1%	69.2%
Utilities (Class 02)	8.7713	0.2%	0.7%
Utilities (Class 02) Rural	3.9400	1.4%	2.9%
Light Industry (Class 05)	5.3018	1.1%	2.9%
Business/Commercial (Class 06)	3.5085	12.9%	23.9%
Rec/Non-Profit (Class 08)	1.5593	0.3%	0.3%
Farm (Class 09)	1.5593	0.03%	0.02%
<b>Total</b>		<b>100%</b>	<b>100%</b>

\* The 2021 Class 2 (Utility) Rural Tax Rate is 3.94 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. 895, 2021**  
**2021 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	\$ 4,883
BC Conference of Mennonite Brethren	\$ 427
Pemberton Childcare Society	\$ 1,134
Pemberton Lion's Society	\$ 1,803
Stewardship Pemberton	\$ 310
Pemberton Search and Rescue	\$ 432
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Total Municipal Tax Revenue Forgone	<b><u><u>\$ 9,184</u></u></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. 895, 2021**  
**2021 Revenue Policy Disclosure**

**Note 1**

General 2021 Assumptions:

- Municipal tax revenues increased by 4% in 2021 with 1.8% to Operating and 2.2% to Capital Reserve. For a smaller condo or townhome this equals an annual increase of approximately \$25, for larger valued single family homes this equals an annual increase of approximately \$55 tax and \$55 in Assessment growth.
- Non-Market Change Report (NMC) for 2021 shows an average change in assessment value of 9.97% (*NMC 5.21%, Market 4.76%*). Some classes show higher change while others show lower change, than the average. Those properties that show growth higher than average will see an increase in taxes, and properties that show growth lower than average will see a decrease in taxes, with a 0% tax increase.
- 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 2021 will stay the same.
- User fees for sewer have a \$40,000 budget increase in 2021

General 2021 – 2025 Assumptions:

- A 10% Administration Fee will be charged to individual user requests and tasks.
- Operating costs will increase at annual rates ranging from 1% in 2022 to 2% in 2025, to allow for incremental returns following the COVID – 19 pandemic.
- Payroll and benefit related costs are projected to increase at a rate of 2% to 5% per year, reflecting anticipated settlements under the Village’s collective bargaining agreements, corresponding increases for non–union staff, escalations in benefit costs and other staffing adjustments.
- 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 1% in 2022 to 2% in 2025.

**Village of Pemberton  
5 Year Financial Plan Bylaw No. 895, 2021  
2021 Revenue Policy Disclosure**

**Note 2**

**2021 – 2025 Capital Expenditures:**

Capital Expenditures	2021	2022	2023	2024	2025
<b>Admin Department</b>					
Bylaw Truck	45,000				
White Building Paint and Roof Repair		20,000			
E-charging Station				150,000	
Municipal Hall				2,000,000	
	<b>45,000</b>	<b>20,000</b>	<b>-</b>	<b>2,150,000</b>	<b>-</b>
<b>Fire Department</b>					
Mini Repeater for further signal reach down InShuk FSR	2,500				
SCBA Tank Replacement 5 per year	7,500				
Upgraded Gas detectors (worksafe compliance)	10,000				
Truck Radio Upgrades (3 @ \$2,500)	7,500				
Commercial Bunker Gear Washers (Worksafe Compliance) 2 @ \$5,000	10,000				
Commercial Bunker Gear Dryer (Worksafe Compliance)	3,850				
New Security Fencing Training Ground	25,000				
Fire Hall Design	20,000				
Portable Radios	6,250				
SCBA Tank Replacement 5 per year		7,500			
Fire Truck		575,000			
Ladder Truck			475,000		
SCBA Tank Replacement 5 per year			7,500		
Equipment Replacement				65,000	
SCBA Tank Replacement 5 per year				7,500	
Fire Hall/ Land and Improvements					12,000,000
SCBA Tank Replacement 5 per year					7,500
	<b>92,600</b>	<b>582,500</b>	<b>482,500</b>	<b>72,500</b>	<b>12,007,500</b>
<b>Public Works and Parks</b>					
Loader	275,000				
EV Charger	49,000				
Electric Sign	6,000				
Soccer Field and Amenity Building	4,200,011				
Pebble Creek Road Repair	212,023				
Farm Rd East	306,000				
Farm Rd Trail	217,000				
Sidewalk	76,000				
Bike Skills Park	999,258				
Works Building Improvement	10,000				
Works Building Roof Repair	14,000				
One Mile Lake Swingset	50,000				
Dog Park Fencing	36,000				
Frontier Drainage		100,000			
Boardwalk Repair		150,000			
Works Building			100,000		
Works Equipment			150,000		
	<b>6,450,292</b>	<b>250,000</b>	<b>250,000</b>	<b>-</b>	<b>-</b>
<b>Water Projects</b>					
Genset	276,867				
Scada Improvements	70,000				
Water Truck	60,000				
Water Treatment Investigation and Preliminary Design	90,000				
Chlorine Analyzer Eagle Drive	10,000				
Flow Meter Replacement	15,000				
Well #3 Pump head and Motor Replacement	40,000				
Water Feasibility		100,000			
Fernwood Watermain		150,000			
AC Line Trailer Park			150,000		
Well Design			400,000		
Industrial Park Looping				500,000	
Water Well Expansion					5,000,000
	<b>561,867</b>	<b>250,000</b>	<b>550,000</b>	<b>500,000</b>	<b>5,000,000</b>
<b>Sewer Projects</b>					
Village Wide Scada Upgrades	50,000				
Outfall Inline Flushing System	10,000				
2 Variable Frequency Drives	10,000				
Industrial Park Generator	100,000				
Inflow/Infiltration Study		50,000			
Walnut Lift Station		300,000			
Frontier Drainage			100,000		
Lift Station			100,000		
	<b>170,000</b>	<b>350,000</b>	<b>200,000</b>	<b>-</b>	<b>-</b>
	<b>7,319,759</b>	<b>1,452,500</b>	<b>1,482,500</b>	<b>2,722,500</b>	<b>17,007,500</b>