

CITY OF MERRITT

BYLAW 2356

A BYLAW TO AMEND THE 2023-2027 FINANCIAL PLAN

WHEREAS s165 of the *Community Charter* requires a municipality to adopt a 5 Year Financial Plan;

AND WHEREAS the five-year financial plan must set out the proposed expenditures and proposed revenues for each year of the plan;

NOW THEREFORE the Municipal Council for the City of Merritt in open meeting assembled, **ENACTS AS FOLLOWS:**

Citation

1. This Bylaw shall be cited as the “**City of Merritt 2023-2027 Financial Plan Amendment Bylaw No. 2356, 2023**”.

Replacement

2. Schedule “A” of Bylaw 2351, 2023 is hereby replaced in its entirety with the attached Schedule “A” which forms part of this bylaw.
3. Schedule “B” of Bylaw 2351, 2023 is hereby replaced in its entirety with the attached Schedule “B” which forms part of this bylaw.
4. Schedule “C” of Bylaw 2351, 2023 is hereby replaced in its entirety with the attached Schedule “C” which forms part of this bylaw.

READ A FIRST TIME this 28 day of November, 2023

READ A SECOND TIME this 28 day of November, 2023

READ A THIRD TIME this 28 day of November, 2023

ADOPTED this ____ day of ____, 2023

Michael Goetz
Mayor

Linda Brick
Corporate Officer

CITY OF MERRITT
2023 to 2027 Amended Financial Plan
Schedule "A"
Bylaw No. 2356, 2023

	2023 Annual Budget	2024 Annual Budget	2025 Annual Budget	2026 Annual Budget	2027 Annual Budget
REVENUE					
Taxation - net	10,262,812	11,279,153	12,396,632	13,016,463	13,667,286
Parcel taxes	1,243,115	1,843,468	1,843,468	1,843,468	1,843,468
1% Utility tax	148,240	149,700	150,300	151,200	151,800
Grants in lieu of taxes	143,000	150,150	157,658	165,540	173,817
Government grants	20,568,204	12,912,881	1,909,639	986,581	986,581
Regional grants	340,736	357,773	375,661	394,445	414,167
Sale of Services	5,467,067	5,204,946	5,219,101	5,233,964	5,249,570
Licences, permits and fines	329,230	336,230	343,580	351,298	359,401
Penalties and interest on taxes	155,000	155,000	155,000	155,000	155,000
Return on investments	400,000	200,000	150,000	100,000	100,000
Other revenue	411,779	428,950	466,143	491,868	518,536
	39,469,183	33,018,251	23,167,182	22,889,827	23,619,626
EXPENDITURE					
Departmental Expenditure					
General Government	3,410,604	3,340,968	3,412,615	3,487,118	3,564,604
Protective Services	5,818,332	5,876,079	6,143,013	6,403,001	6,674,513
Transportation Services	3,417,450	3,479,912	3,552,273	3,627,732	3,706,431
Environmental health services	767,160	775,696	784,538	793,701	803,197
Development services	1,287,655	944,471	971,350	999,240	1,028,187
Public health and welfare services	113,635	114,889	116,183	117,519	118,900
Recreational and cultural services	3,559,346	3,653,669	3,716,272	3,780,844	3,847,458
Water Utility	2,291,499	2,347,584	2,359,569	2,371,983	2,384,844
Sewer Utility	1,459,262	1,519,777	1,547,189	1,575,671	1,605,273
Debt servicing costs	318,139	697,212	694,479	692,294	690,952
Recovery Operations	1,025,786	1,061,196	804,208	0	0
	23,468,868	23,811,453	24,101,689	23,849,103	24,424,359
Surplus (Deficit for the year)	16,000,315	9,206,798	-934,507	-959,276	-804,733
Adjust for Cash Items					
MFA debt principal payments	-399,975	-617,828	-617,828	-617,828	-617,828
Short term debt principal payments	-335,013	-299,982	-226,774	-176,485	0
Capital Expenditures	-32,893,225	-14,744,967	-1,975,500	-522,000	-522,000
Transfer from reserves	5,590,056	3,105,361	734,630	73,078	106,582
Transfer (to) reserves	-427,683	-372,081	-572,720	-749,188	-1,113,720
Transfer (to) from surplus	393,765	471,699	471,699	471,699	471,699
Proceeds from borrowing	9,591,760	771,000	641,000	0	0
Amortization	2,480,000	2,480,000	2,480,000	2,480,000	2,480,000
	-16,000,315	-9,206,798	934,507	959,276	804,733
Financial Plan Balance	0	0	0	0	0

CITY OF MERRITT
2023 to 2027 Amended Financial Plan
Schedule "B"
Bylaw No. 2356, 2023

GENERAL

GENERAL FUND CAPITAL PROJECTS	ALL YEARS	2023	2024	2025	2026	2027
TOTAL ADMINISTRATION	813,979	461,979	103,000	83,000	83,000	83,000
TOTAL PROTECTIVE SERVICES	2,036,351	459,351	836,000	741,000	-	-
TOTAL PUBLIC WORKS - GENERAL	12,904,859	9,533,646	1,785,713	928,500	328,500	328,500
TOTAL REC AND FACILITIES	1,065,620	333,470	682,650	16,500	16,500	16,500
TOTAL PLANNING AND DEVELOPMENT	449,102	45,102	404,000	-	-	-
TOTAL RECOVERY	22,296,491	11,833,887	10,462,604	-	-	-
	39,566,402	22,667,435	14,273,967	1,769,000	428,000	428,000

FUNDING SOURCES

	ALL YEARS	2023	2024	2025	2026	2027
Active Transportation & Parking	955,404	535,141	314,013	106,250	-	-
Airport	736,867	132,867	4,000	600,000	-	-
Aquatic Centre	222,695	21,695	175,500	8,500	8,500	8,500
Arena	327,523	12,473	315,050	-	-	-
Cemetery	223,459	223,459	-	-	-	-
Community Works Gas Tax	508,704	488,704	20,000	-	-	-
DCC - Roads	40,000	-	40,000	-	-	-
Equipment Acquisition & Replacement	112,891	112,891	-	-	-	-
Facilities	459,600	68,000	367,600	8,000	8,000	8,000
Fire Protection Facilities & Equipment	61,500	11,500	-	50,000	-	-
General Capital	658,428	596,428	62,000	-	-	-
Information Technology	493,980	161,980	83,000	83,000	83,000	83,000
Land Acquisition	100,000	-	100,000	-	-	-
Transportation Infrastructure	3,249,470	1,282,270	1,156,700	153,500	328,500	328,500
Total From Reserve	8,150,521	3,647,408	2,637,863	1,009,250	428,000	428,000
Proceeds from Debt	2,503,760	1,091,760	771,000	641,000	-	-
Surplus	35,087	35,087	-	-	-	-
Grant	28,877,034	17,893,180	10,865,104	118,750	-	-
	39,566,402	22,667,435	14,273,967	1,769,000	428,000	428,000

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WATER

WATER FUND CAPITAL PROJECTS	ALL YEARS	2023	2024	2025	2026	2027
TOTAL PUBLIC WORKS - WATER	6,816,194	6,248,194	352,000	72,000	72,000	72,000

FUNDING SOURCES

	ALL YEARS	2023	2024	2025	2026	2027
Water System Infrastructure	1,461,194	893,194	352,000	72,000	72,000	72,000
Total From Reserve	1,461,194	893,194	352,000	72,000	72,000	72,000
Proceeds from Debt	5,355,000	5,355,000	-	-	-	-
	6,816,194	6,248,194	352,000	72,000	72,000	72,000

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CITY OF MERRITT
2023 to 2027 Amended Financial Plan
Schedule "B" Continued
Bylaw No. 2356, 2023

SEWER

SEWER FUND CAPITAL PROJECTS	ALL YEARS	2023	2024	2025	2026	2027
TOTAL PUBLIC WORKS - SEWER	4,275,096	3,977,596	119,000	134,500	22,000	22,000

FUNDING SOURCES

	ALL YEARS	2023	2024	2025	2026	2027
Sewer System Infrastructure	1,130,096	832,596	119,000	134,500	22,000	22,000
Total From Reserve	1,130,096	832,596	119,000	134,500	22,000	22,000

Proceeds from Debt	3,145,000	3,145,000	-	-	-	-
	4,275,096	3,977,596	119,000	134,500	22,000	22,000

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GRAND TOTAL CAPITAL PROJECTS

	ALL YEARS	2023	2024	2025	2026	2027
TOTAL ALL DEPARTMENTS	50,657,692	32,893,225	14,744,967	1,975,500	522,000	522,000

FUNDING SOURCES

	ALL YEARS	2023	2024	2025	2026	2027
Active Transportation & Parking	955,404	535,141	314,013	106,250	-	-
Airport	736,867	132,867	4,000	600,000	-	-
Aquatic Centre	222,695	21,695	175,500	8,500	8,500	8,500
Arena	327,523	12,473	315,050	-	-	-
Cemetery	223,459	223,459	-	-	-	-
Community Works Gas Tax	508,704	488,704	20,000	-	-	-
DCC - Roads	40,000	-	40,000	-	-	-
Equipment Acquisition & Replacement	112,891	112,891	-	-	-	-
Facilities	459,600	68,000	367,600	8,000	8,000	8,000
Fire Protection Facilities & Equipment	61,500	11,500	-	50,000	-	-
General Capital	658,428	596,428	62,000	-	-	-
Information Technology	493,980	161,980	83,000	83,000	83,000	83,000
Sewer System Infrastructure	1,130,096	832,596	119,000	134,500	22,000	22,000
Land Acquisition	100,000	-	100,000	-	-	-
Transportation Infrastructure	3,249,470	1,282,270	1,156,700	153,500	328,500	328,500
Water System Infrastructure	1,461,194	893,194	352,000	72,000	72,000	72,000
Total From Reserve	10,741,811	5,373,198	3,108,863	1,215,750	522,000	522,000

Proceeds from Debt	11,003,760	9,591,760	771,000	641,000	-	-
Surplus	35,087	35,087	-	-	-	-
Grant	28,877,034	17,893,180	10,865,104	118,750	-	-
	50,657,692	32,893,225	14,744,967	1,975,500	522,000	522,000

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CITY OF MERRITT
2023 to 2027 Financial Revenue Policy
Schedule “C”
Bylaw No. 2356, 2023

Under the requirements of the *Community Charter* Section 165 (3.1) the Financial Plan must set out the objectives and policies of the municipality.

Property Taxes

Property taxation revenue will be determined by Council each year according to the operating and capital needs of the community, as part of the annual budget process. Taxation will be based on the service level delivery priorities of Council, in balance with preserving and enhancing the financial health and sustainability of the City.

Taxes will be allocated to the various classes of property as follows, to preserve and maintain the existing equity between assessment classes:

- a) The utility class will be taxed at the maximum combined rate per thousand dollars of assessed value permitted by legislation.
- b) All remaining assessment classes of property will receive an equal allocation of the percentage change in the annual tax levy.
- c)

Property Class	% of Tax Revenue
Residential	51.2%
Utilities	10.9%
Major Industry	7.2%
Light Industry	1.8%
Business/Other	28.7%
Rec/Non-Profit	0.0%
Farm	0.1%
Total	100.0%

The proportion of revenues to be raised from property taxation in 2023 is **25%** of total revenue.

Parcel Taxes

The City of Merritt charges parcel taxes for the collection of funds used within the water and sewer funds. Parcel taxes are also charged for local service areas.

Parcel taxes related to a local service area are collected for a specific period. Once all costs for which the parcel taxes are being collected have been paid, the parcel taxes are no longer collected.

The proportion of revenues to be raised from parcel taxes in 2022 is **3%**

Sale of Services

Service fee recovery should reflect the full costs of the program delivery unless the program is directed towards children or where Council has determined that the cost of delivery should be subsidized.

The proportion of revenues to be raised from fees and charges in 2023 is **13%**.

Other Revenues

Investment income will be based on prudent investments of taxpayer funds.

Other revenues and fees and charges should be developed and enhanced to maximize the value derived for the benefit of the residents of the City of Merritt.

Proceeds from Borrowing

The City of Merritt accesses funds by borrowing through long term (>5 years) and short-term debt. Long term debt is used for major capital projects with elector approval. Short term debt and leasing is used for purchases of equipment and vehicles.

The proportion of proceeds from borrowing in 2023 is **28%** of capital funding, because of proposed borrowing for a Local Area Service.

Development Cost Charges

The City of Merritt collects development cost charges (DCC's), per Bylaw No. 1964, 2007, "City of Merritt Development Cost Charge Bylaw". These funds are held in deferred revenue until projects identified in the bylaw are planned. At this point in time, the funding from DCC's will be identified in the Financial Plan. Currently, there is one DCC eligible project in the 2023 – 2027 Financial Plan.

Permissive Tax Exemptions

The City of Merritt recognizes the benefits accruing to the community through the efforts and activities of volunteer organizations and community groups. Permissive Tax Exemptions extend a financial benefit to such groups. The exemptions must be reviewed each year and new applications will be considered each year under a process and committee, as defined by existing City policy.