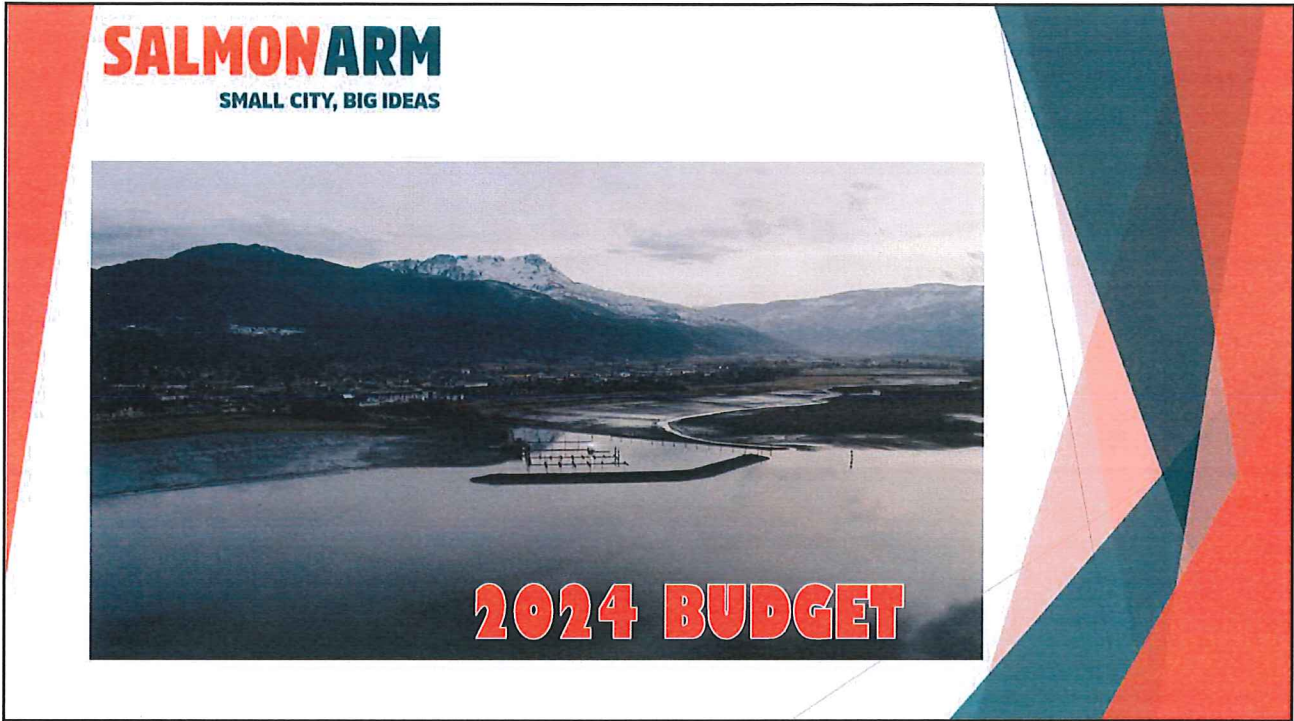


City of Salmon Arm
Special Council Meeting

Monday, December 4, 2023, 9:00 a.m.
Council Chambers of City Hall
500 – 2 Avenue NE, Salmon Arm, BC

Pages

1. CALL TO ORDER
2. ACKNOWLEDGEMENT OF TRADITIONAL TERRITORY
We acknowledge that we are gathering here on the traditional territory of the Secwepemc people, with whom we share these lands and where we live and work together.
3. DISCLOSURE OF INTEREST
4. PRESENTATIONS
 - 4.1 C. Van de Cappelle, Chief Financial Officer - 2024 Budget 2 - 7
5. INTRODUCTION OF BYLAWS
 - 5.1 2024 to 2028 Financial Plan Bylaw No. 4616 8 - 30
Motion for Consideration
THAT: the Bylaw entitled City of Salmon Arm 2024 to 2028 Financial Plan Bylaw No. 4616 be read a first and second time.
6. OTHER BUSINESS
7. IN-CAMERA SESSION
8. ADJOURNMENT



2024 BUDGET OVERVIEW

2023 Municipal Property Tax Levy	\$ 20,993,175	
City Department Operating & Capital Needs	1,699,625	8.10%
Public Budget Referral Requests	174,700	0.80%
Sub-Total: 2024 Municipal Property Tax Levy Impact	22,867,500	8.90%
Less: Estimated Revenue from New Growth	(209,932)	1.00%
2024 Municipal Property Tax Levy	\$ 22,657,568	7.90%

- The impact of the 2024 Municipal tax increase per \$100,000 of assessed value:
- Residential Increase \$21.68 per \$100,000
 - Business Increase \$76.64 per \$100,000

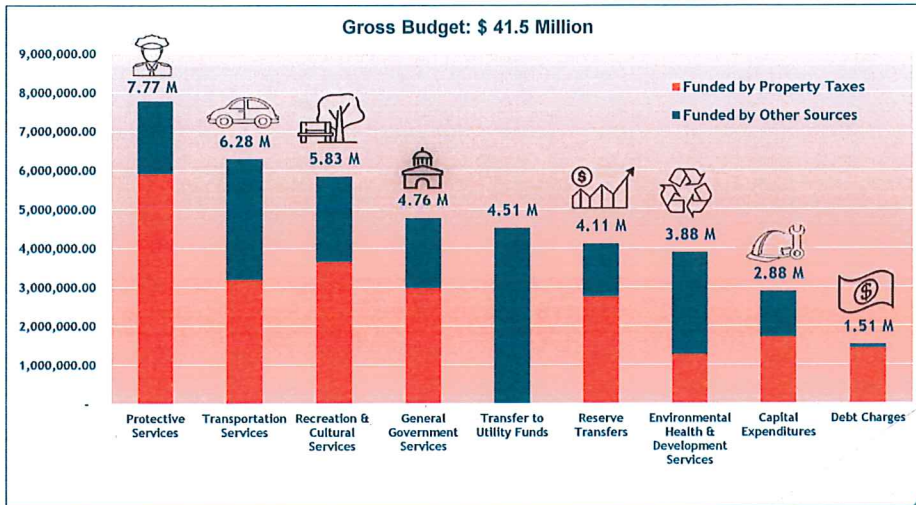
FOR AN AVERAGE RESIDENTIAL HOME

Average Taxable Assessed Value (October 2023)	\$ 660,270	Change (2023-2024) \$	Change (2023-2024) %
2024 Municipal Property Tax Levy	\$ 1,955	\$ 143	7.90%
Transportation Parcel Tax Levy	150	-	-
Water & Sewer Frontage Taxes (60 Taxable Feet)	244	-	-
Curbside Collection User Fee	101	-	-
Water User Fee (Annual)	399	92	30.00%
Sewer User Fee (Annual)	385	35	10.00%
	\$ 3,234	\$ 270	

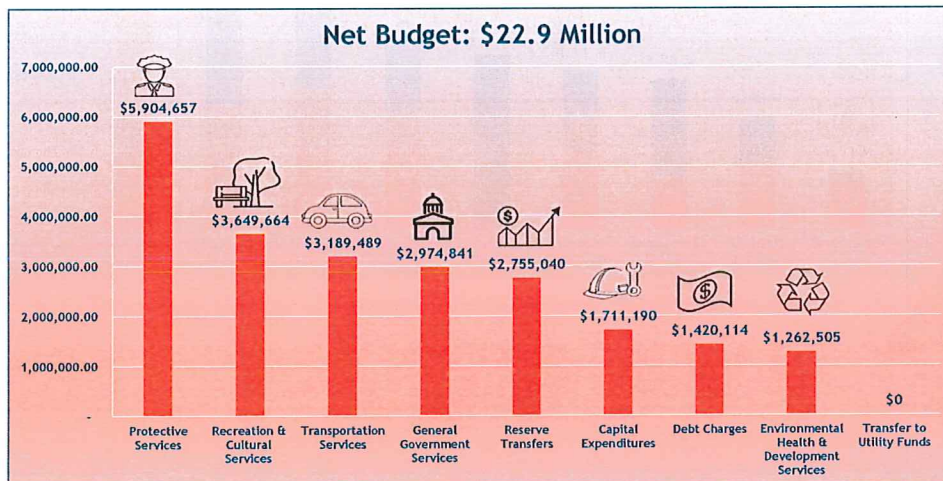
2024 RECOMMENDED GROSS OPERATING REVENUE BY SOURCE

Source	2024 Recommended Budget		2023 Budget	
General Taxes	\$ 22,888,750	55.11%	\$ 21,014,425	49.53%
Sales of Service	3,997,470	9.62%	3,757,185	8.86%
Other Revenue from Own Sources	3,851,630	9.27%	2,881,910	6.79%
Special Assessments	3,676,495	8.85%	3,717,695	8.76%
Transfers From Reserve Accounts	2,826,370	6.80%	2,444,475	5.76%
Transfers from Other Governments	1,307,435	3.15%	7,287,413	17.18%
Transfers from Reserve Fund	1,184,000	2.85%	-	-
Rentals	602,520	1.45%	343,435	0.81%
Transfers From Surplus	391,890	0.94%	231,455	0.55%
1% Utility Taxes	354,545	0.85%	343,410	0.81%
Municipal Regional District Tax	280,000	0.67%	240,000	0.57%
Grants in Lieu	173,675	0.42%	162,175	0.38%
	\$ 41,534,780	100.00%	\$ 42,423,578	100.00%

2024 RECOMMENDED GROSS OPERATING EXPENSES BY FUNCTION



WHAT IS THE 2024 PROPOSED PROPERTY TAX LEVY BEING SPENT ON?

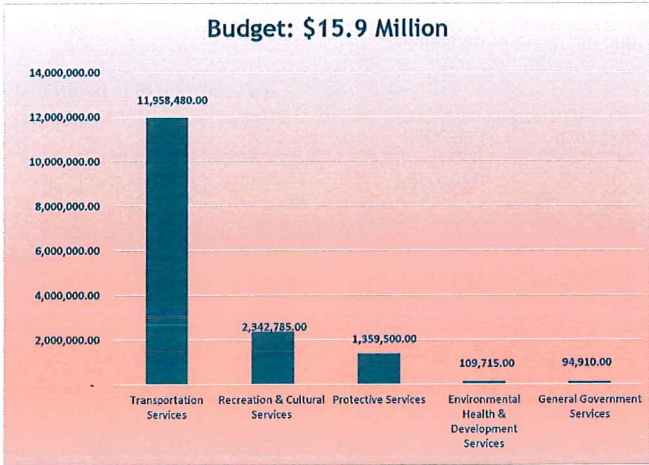


2024 RCMP POLICE FORCE BUDGET

	2024 (21 Members)	2023 (21 Members)	Change	Tax Rate Impact
RCMP (E-Division) Budget	\$ 4,771,000	\$ 4,385,000	\$ 386,000	1.84%
Less: Estimate for Vacancy	(365,000)	(140,000)	(225,000)	
	4,406,000	4,245,000	161,000	0.77%
Estimated Retroactive Pay	-	-	-	
	4,406,000	4,245,000	161,000	
RCMP Operating Reserve	(100,000)	-	(100,000)	
COVID Grant (RCMP Budget Increase)	-	(160,000)	160,000	0.29%
Net RCMP Police Force Budget	\$ 4,306,000	\$ 4,085,000	\$ 221,000	1.06%

2024 CAPITAL BUDGET BY FUNCTION

Budget: \$15.9 Million



Function	Budget
Transportation Services	11,958,480.00
Recreation & Cultural Services	2,342,785.00
Protective Services	1,359,500.00
Environmental Health & Development Services	109,715.00
General Government Services	94,910.00

Source	Funding	Percentage
Reserve Funds	\$ 5,525,030	34.82%
Reserve Accounts	4,012,810	25.29%
Grants	2,854,000	17.99%
Property Taxes	1,711,190	10.79%
Parcel Tax	1,165,800	7.35%
Developer Contributions	460,810	2.90%
DCCs	135,750	0.86%
	\$ 15,865,390	100%

2024 BUDGET CHANGE BY FUNCTION

Function	Operating	Capital	Total	Tax Rate	Budget
General Government Services	\$ 1,206,394	\$ 22,110	\$ 1,228,504	5.2%	5.9%
Protective Services	215,523	36,000	251,523	1.1%	1.2%
Transportation Services	58,245	771,880	830,125	3.5%	4.0%
Environmental Health & Development Services	(152,869)	15,000	(137,869)	(0.6%)	(0.7%)
Recreation & Cultural Services	223,694	(89,725)	133,969	0.6%	0.6%
Fiscal Services	(137,499)	-	(137,499)	(1.6%)	(0.7%)
Reserves	(294,428)	-	(294,428)	(1.3%)	(1.4%)
	\$ 1,119,060	\$ 755,265	\$ 1,874,325	7.9%	8.9%

2024 WATER & SEWER BUDGET OVERVIEW

	Water	Sewer
2023 User Fees and Charges	\$ 2,925,000	\$ 2,475,400
2023 Frontage and Parcel Taxes	1,492,695	990,000
	4,418,695	3,465,400
Department Operating Needs	218,150	(40,890)
Department Capital Needs	1,679,400	1,276,470
Transfer to Reserves	44,235	(132,715)
Increase in Other Revenue Sources	(1,107,585)	(822,015)
	\$ 5,252,895	\$ 3,746,250
2024 User Fees and Charges	\$ 3,746,200	\$ 2,742,250
2024 Frontage and Parcel Taxes	\$ 1,506,695	\$ 1,004,000

2024 WATER & SEWER CAPITAL BUDGET

Funding Source	Water		Sewer	
	Amount	Percentage	Amount	Percentage
DCCs	\$ 205,000	2.22%	\$ 10,000	0.09%
Developer Contributions	16,200	0.18%	-	-
Grants	-	-	-	-
Long Term Debt	4,226,850	45.72%	5,000,000	46.51%
Reserve Accounts	1,659,300	17.95%	1,711,010	15.92%
Reserve Funds	695,000	7.52%	1,981,000	18.43%
User Fees & Frontage Taxes	2,442,500	26.42%	2,048,770	19.06%
	\$ 9,244,850	100.00%	\$ 4,566,937	100.00%

Date: November 24, 2023
 To: His Worship Mayor Harrison and Members of Council
 From: Chelsea Van de Cappelle, Chief Financial Officer
 Subject: 2024 Budget

Motion for Consideration

THAT: Bylaw No. 4616 cited as “City of Salmon Arm 2024 to 2028 Financial Plan Bylaw No. 4616” be given first and second reading.

Background

The 2024 proposed Budget reflects a 7.90% tax increase and a 1.00% new growth factor. This year was difficult as staff budget recommendations initially came in with a 19% increase. Another several versions of review were completed by management, utilizing the project risk matrix and priority listing. Through this process, a number of these and other projects were funded from reserves and/or deferred to arrive at 7.90%. It should be noted that 19 projects were deferred in the General Budget for a total value of \$1.47M. These should still be considered priorities and will need to be included in future budgets.

Assess.	Dangerous Tree Assessment		Parks	\$	10,000.00
Major Maint.	Canoe Beach - Granular Walkway		Parks		86,500.00
Major Maint.	Lambs Hill Subd. Trail Connection - Greenway Request		Parks		22,000.00
Major Maint.	Turner Creek Trail Repairs (Okanagan - 6 Ave) - Greenway Request		Parks		4,000.00
Major Maint.	Little Mountain Sports Fieldhouse Chainlink Renewal		Parks		27,000.00
Major Maint.	Klahani Park - Baseball #1 - Infield Amendment		Parks		20,000.00
Major Maint.	Klahani Park - Baseball #2 - Infield Grass Replacement		Parks		50,000.00
Major Maint.	Dangerous Tree Removal		Parks		30,000.00
Major Maint.	Shuswap Street No-Post Stabilization		Trans		40,000.00
Major Maint.	PW Exterior Door Replacement & Alarm		Trans		14,000.00
Capital	Camera & Crawler	Drainage	Trans		75,000.00
Capital	Greenhouse (Annual Tst to Reserve)	Common	Trans		89,000.00
Capital	PW Garage & Storage Area	Common	Trans		25,000.00
Capital	PW New Block Wall Storage	Common	Trans		45,000.00
Capital	6 St and 8 Ave NE (McGuire Lk) - Construction	Active Tran	Trans		725,000.00
Capital	20 Ave NE (36 St - Lamb Subdiv) 20 Ave NE	Active Tran	Trans		125,000.00
Capital	2005 P7000 Forklift (PW) - Unit No. 58	Equip.	Trans		140,000.00
Capital	Canoe Storm Sewer	Drainage	Trans		200,000.00
Capital	Storage Yard - TCH West (CF) - Additional Funding	Common	Trans		50,000.00
					\$1,474,000.00

New growth is based on the previous year’s development to October 31st. The new growth factor is estimated new tax revenue as a result of new assessments on construction.

Historically, the City’s new growth factor has been fairly strong and has assisted in providing funding for new services and initiatives as opposed to funding existing services.

Historical Growth Rates:

Year	Rate	Year	Rate	Year	Rate
2023	0.92%	2015	1.24%	2007	3.64%
2022	1.70%	2014	2.33%	2006	2.80%
2021	1.22%	2013	2.32%	2005	3.06%
2020	2.03%	2012	1.53%	2004	2.38%
2019	2.01%	2011	1.20%	2003	1.30%
2018	2.15%	2010	0.20%	2002	4.04%
2017	1.91%	2009	2.53%		
2016	2.07%	2008	3.66%		

The 2024 Budget also includes a 30% increase in Water and 10% increase in Sewer User Fees as approved by Council. It should be noted, however, that the 2024 Budget does not reflect an increase to the Water and Sewer Frontage Taxes, Transportation Parcel Tax or the Solid Waste and Recycling levy.

Highlights

Debenture Debt

The 2024 Budget recommends borrowing for the following (provided in more detail in the respective section below):

- Zone 2 Booster Station \$4,226,850 – Water Fund

A staff report, including the Loan Authorization Bylaw, will be forthcoming to Council and will outline the public assent process that must be undertaken prior to commencing the project.

The borrowing limit established pursuant to Provincial Legislation is based on the City’s ability to pay. Municipalities are empowered to borrow to a maximum of 25% of revenues. The City’s current debt capacity ratio is approximately 32% of this prescribed limit and has the ability to borrow approximately \$74 Million in additional principal.

The City’s outstanding debt at December 31, 2022 was:

- General \$14,971,725
- Water \$ 5,137,851
- Sewer \$ 1,524,782
- \$21,634,358

Note: The above noted figures do not include proposed debts that may or may not be undertaken

Solid Waste and Recycling

The 2024 Budget reflects a user fee levy of \$101 and the estimated number of residential users is 6,880. Budget changes to note:

- An increase to Curbside Collection costs (approx. \$41,380) due to rising diesel fuel prices and inflation;

- An increase in garbage tipping fees to reflect a possible increase in CSRD tipping fees (\$10,550);
- As a whole, the Solid Waste and Recycling function is projecting a deficit in 2024 resulting in a transfer from the Sanitation and Recycling reserve of \$124,180, similar to the last 3 years. The reserve was established as a result of past surpluses within the Solid Waste and Recycling function. The intent of the reserve is to absorb further increases to expenditures associated with the collection of solid waste and recycling and service changes. The reserve also serves as a contingency plan when and if the Recycle BC program is phased out or eliminated. In addition, the reserve provides the City with flexibility to address future issues or cost implications without impacting the users. The user fee will be reviewed in 2024 with potential changes recommended for 2025.

Fire Protective Services

The Fire Services budget maintains the same level of service. Budget changes to note:

- An increase in Administration due primarily to changes in wages;
- An increase to Paid On Call (POC) Firefighting Force attributed to anticipated wage increases. The last remuneration review was completed in 2021, which established POC salary rates for 2021 - 2023. It is proposed to undertake a review early in 2024, following which a report will be presented to Council for direction. The current estimated impact is \$19,000;
- An increase to Fire Investigation and Prevention as a result of changes to wage structure;
- An increase in Water Supply and Hydrants to reflect increased inspections and flow testing as required by the Fire Underwriters Survey;
- An increase to Fire Fighting Supplies to reflect the reallocation of Fire Hose replacement costs from the capital budget and a new C.A.D. computer for a Fire Truck Unit No. 8;
- An increase to reserves for Fire Buildings and Equipment (\$10,450) to support rising replacement costs. Funded from a reallocation of debt servicing payments related to the retirement of the debt on Fire Hall No. 2;
- An allocation to undertake phased replacement of Self Contained Breathing Apparatus (SCBA), final year (funded from reserve); and
- An allocation for the replacement of the Mini Pump/Bush Truck - Unit No. 215, funded from the Fire - Emergency Apparatus Reserve.

Fire Training Centre

The Fire Training Centre is a shared function with the CSRD and Sicamous. The 2024 Budget reflects the same level of service. Budget changes to note:

- An allocation to purchase a turnout gear extractor (funded from reserve).

Building Services

The 2024 Budget reflects the same level of service. Budget changes to note:

- Building permit revenue projections are \$40,000 more than 2023, which equates to approximately \$55 million in building permit values.
- A reduction in wages and benefits to reflect the retirement and re-hire of the Manager of Planning and Building.

Police Services

Overall, the Police Services budget reflects a net increase of \$306,400. As outlined by E-Division (report to Council June 2023), the 2024/2025 Police Force budget projects an increase of \$458,100 which is largely attributed to increases associated with wages, pensions, divisional administration (i.e. core administration and special leaves), professional services (i.e. equipment and training) and fuel.

Further, the RCMP retroactive costs for 2017 - 2021 have not been included in this forecast. On March 30, 2023, the City received an invoice for retroactive pay in the amount \$718,648.85. The repayment of the retroactive costs was penalty and interest free and therefore Council elected to participate in an extended repayment schedule; with 50% of the invoice to be paid by March 31, 2024 and the remainder by March 31, 2025. These costs will be paid for from reserves with no additional financial impact.

It should be noted however that this recently settled collective agreement expired on March 31, 2023 and therefore the MYFP for 2024/2025 includes a non-contractual wage estimate of 3.5% for planning purposes. E-Division has recommended that contract partners build a contingency to mitigate the impact of future negotiated rates.

2024 Police Force Budget Change Summary:

	2024	2023	Change	Tax Rate Impact
E Division Projected Budget (Adjusted to Calendar)	\$ 4,771,000	\$ 4,385,000	\$ 386,000	1.84%
Less: Estimated Vacancy	(365,000)	(140,000)	(225,000)	
	4,406,000	4,245,000	161,000	0.77%
Plus: Estimated Retroactive Pay	-	-	-	
Budget Increase	4,406,000	4,245,000	161,000	
RCMP Operating Reserve	(100,000)	-	(100,000)	
COVID Grant (RCMP Budget Increase)	-	(160,000)	160,000	0.29%
Net Budget Impact	\$ 4,306,000	\$ 4,085,000	\$ 221,000	1.06%

Based on historical data, the detachment has never been at full complement, typically averaging 2-3 position vacancies experienced throughout the year. Consequently the budget allocation has been reduced by \$365,000.00 (as per Council past practice). When dealing with scarce dollars it is not prudent to budget for items that likely will not materialize. There is a risk with this practice; however, Council has sufficient funds within RCMP Operating Reserve to cover the shortfall in the event that the City is billed for twenty-one (21) members.

Other budget changes to note include:

- An increase to the Traffic Fine Revenue Sharing grant based on recent actuals;
- A reduction to RCMP building rental revenue (\$38,000) as a result of the new RCMP Occupancy Agreement. The reduction is primarily related to the recovery of the capital costs of construction of the RCMP detachment since 1998. With the expiry of the previous agreement, the capital costs have now been fully paid;
- An increase to Prisoner Costs attributed to Federal, Provincial and municipal prisoners as reflected by E-Divisions forecast and historical actuals. The City is only responsible for the municipal portion and receives a credit from the Province for those that are Federal/Provincial. As a result, this is a very difficult line item to project as it is based on the number of Provincial, Federal and municipal prisoners held in the local detachment and it varies from year to year.
- An allocation to support staff time to plan and organize an unclaimed property auction. There will likely be some off-setting revenues, however the amounts are not anticipated to be significant and no estimate has been included. The expenses related to the auction are proposed to be funded from the RCMP Operating Reserve;
- Major Maintenance includes replacement of carpet and flooring and interior painting at the RCMP detachment, funded from the RCMP Major Maintenance Reserve.
- An increase to reserve transfers, 1) to increase the RCMP Building Major Maintenance to reflect the age of the building and anticipated replacement and maintenance costs and 2) to increase the Vehicle Replacement allocation based on actual replacement costs.

Transportation Services

Operation and Maintenance

The increases to the Transportation Services budget are as a result of a number of factors such as:

- An increase in equipment charge out rates to address increasing replacement costs, offsets with an increase in the transfer to the Equipment Replacement Reserve Fund;
- An increase in transit revenues associated with BC Transit ridership projections.
- A reduction in Administration Revenue attributed to reduced costs associated with shared administration of the public works function;
- A small increase in Gravel Pit Operational revenue to recognize the internal rate charged for the use of inventoried gravel in various operational and maintenance functions and capital projects. The rate includes the costs to crush and components for gravel pit maintenance, engineering and gravel pit expansion and offsets Gravel Pit Operations Expenditures, with the profit transferred to the Crushed Rock Reserve;
- A net zero impact to Common Services costs attributed to an increase in wages and benefits offset by decreases in operation costs related to the expiration of the lease on Lots 8 & 9 and 881 - 30 St NE;
- An increase in Machinery and Equipment attributed to increased repair and maintenance costs and acquisition of new equipment. Net impact is zero as the increased costs are reflected in the charge out rate of the equipment and

- expensed within the equipment accounts throughout all of the City's departmental budgets;
- An increase in Sidewalk/MUP - Snow Removal and Sanding to address additional staffing need for new snow clearing responsibilities as a result of the TCH West project.
 - In 2022 and 2023, Council also approved an increase to undertake weekend sidewalk snow removal, funded from the Ice and Snow Reserve in 2022 and COVID-19 Safe Restart Grant in 2023. Weekend sidewalk snow removal deviates from the City's Snow and Ice Control Policy and therefore has not been included in the 2024 budget. Should Council wish to include an allocation, the budget would require amendment to include an additional:
 - \$20,500 in Labour to bring the budget up to \$119,000; and
 - \$ 10,000 in Equipment to bring the budget up to \$75,000.
 - An increase in Street Cleaning and Flushing as a result of new curbing and catch basins along the TCH HWY as a result of the completion of the TCH West project;
 - An increase in Snow Removal and Sanding to address increases to costs of labour and equipment.
 - A reduction in Overhead Lighting and Ornamental Overhead Lighting Hydro costs to reflect realized savings from the City's LED street light program;
 - An increase in BC Transit contract costs to reflect actual contract costs and the elimination of COVID grant funding received through BC Transit. This increase has been offset in part by an increase in transit revenues and a transfer from the City's COVID-19 Safe Restart Grant Reserve (\$45,000);
 - Assessments and studies reflect new funding for an Area 'B' Road Network Servicing Study and an Airport Industrial Lands Network Servicing Plan update. There is also an allocation for a Transportation Master Plan, funded from the Growing Communities Reserve Fund and City Centre Transportation Plan Reserve;
 - An increase in Major Maintenance for necessary repairs and replacements;
 - A reduction in debt servicing costs due to the retirement of drainage short-term debenture;
 - A reduction in transfers to reserves primarily due to the purchase of a "new" Tandem Dump/Plow to support snow operations related to the TCH West Project. The equipment purchase has been phased with an allocation to reserve in 2023. The equipment purchase has been included in the capital budget for 2024. As this is a new piece of equipment in is ineligible for funding through the Equipment Replacement Reserve Fund;
 - An increase in Capital expenditures (net of asphaltic overlays) to address priority projects more specifically itemized in the Transportation Capital Budget.

Transportation Capital Projects

The City has been able to fund many of its capital projects from the Canada Community Building Fund (Community Works) or reserves. However, the Canada Community Building funding agreement is set to expire March 31, 2024 and no additional funding will be received in 2024. The City has been fortunate to have received other significant grants including the Growing Communities Fund, Local Government Climate Action Grant and COVID 19-Safe Restart Grant, and has been able to support many projects

with these. However, as grant funding diminishes, the amount of General Revenue funding allocated to transportation capital will need to increase.

The initial projections from the Asset Management Summaries suggest that overall annual ‘replacements’ for the transportation asset classes (inclusive of active transportation, major maintenance for public works buildings, drainage, road studies, roads, curb and gutter etc.) will be six (6) to seven (7) million dollars. This does not consider any ‘improvements or new infrastructure’, but does include \$2.5 million per year in asphaltic overlays.

The Pavement Management System, which refers largely to roads and asphaltic overlays, recommends an annual allocation of \$2.5 million in 2018 dollars to improve its network rating, which is currently on the low side of a “poor” rating. The City has benefited from almost a decade of stable asphalt pricing; however, the last few years have realized extreme increases to the price of asphalt and other materials. The current projection is approximately \$3.2 million to improve the network rating. The Transportation Parcel Tax, which funds the current Asphaltic Overlays program, was increased in 2019 to \$150.00 per parcel to assist with the funding deficit. While the increase did provide additional revenues, it is still significantly below the recommended level to maintain or improve the City’s road network. As a result, Council allocated an additional \$400,000 in annual funding toward the program.

Historical funding from General Revenue (net of Transportation Parcel Tax Funding):

- 2019 - \$415,000
- 2020 - \$779,000
- 2021 - \$822,800
- 2022 - \$998,430
- 2023 - \$784,200 (Budget)
- 2024 - \$1,530,580 (Proposed Budget)

Downtown Parking

In keeping with the Long Term Debt Strategy and Capital Plan (LTDS), the budget proposes to maintain the Specified Area Tax Levy while increasing the General Revenue funding for this function. Other budgetary changes to note:

- A reduction in parking revenues primarily attributed to the expiration of the lease over Avon Parking Lot;
- An allocation for revised and new directional signage; and
- The 2024 capital budget includes the replacement of parking lot lighting to LED and the repaving of Ross Street Parking Lot.

Airport Services

The Shuswap Regional (Salmon Arm) Airport function largely reflects regular operations. Budget changes to note:

- Projected fuel sales have been based on a 5 year average and cost of sales have increased to reflect rising fuel prices;
- A reduction in runway and road maintenance to reflect reduced crack sealing work and line painting as a result of the recent repaving of the runway;

- The capital budget proposes funding for electrical servicing for future lease sites, funded from City's airport capital reserve.

Cemetery Services

The 2024 budget includes a 4% increase in Cemetery Fees, as approved by Council.

The Mt. Ida Cemetery function reflects the same level of service. There are two major maintenance projects proposed for Roadside Barrier Replacement and Dangerous Tree Mitigation and the Internal Road Upgrade project includes an additional \$15,000 allocation.

The Shuswap Memorial Cemetery reflects the same level of service with no significant budget changes to note, except for an increase to the Cemetery Development Reserve. The capital budget includes an allocation to construct two new Columbarium Niche's as the existing ones are nearing capacity.

Planning and Development

Overall, the Planning and Development budget reflects an increase of \$51,015, primarily attributed to wages and benefits. The budget also reflects a review and update of the DCC Bylaw as outlined as a short-term priority in the 2022 Corporate Strategic Plan, funded from reserves. The transfer to the OCP reserve has been increased to reflect future requirements to update the plan on a 5 year cycle. The City is also required to complete a housing needs report every 5 years. The City's last report was completed in 2020 and therefore an update will be required in 2025. The Affordable Housing Reserve could be utilized for this project.

Park Services

The increases to the Parks Services budget are as a result of a number of factors such as:

- A reduction in funding from the COVID 19 Safe Restart grant towards Parks Major Maintenance Projects;
- The Parks Vandalism budget has been enhanced to reflect recent costs and to allow for two relief staff to carry out the required work;
- Major maintenance includes \$85,760 in carry-forward projects and \$249,700 in projects funded from reserves, leaving \$203,000 funded from general revenue;
- A net reduction in transfer to reserves to reflect the reallocation of the Bikeways annual transfer to the Active Transportation Reserve and an increase to the Little Mountain Sports Fieldhouse. The debt has been retired and the debt servicing costs have been reallocated to the associated building reserves.
- The capital budget proposes additional swim buoys and an accessible beach access mat at Canoe Beach. The budget also includes the McGuire Lake Pathway Lighting partnership project with the Salmon Arm Rotary Daybreak Club. Overall general funding towards capital projects has been reduced by \$90,000.

Greenways

The Greenways Committee has recommended three new projects in the 2024 Budget.

- Appledorn Subdivision Trail Connection Construction - \$13,000, funded from reserve;
- Lambs Hill Subdivision Trail Connection - \$22,000 - Deferred
- Turner Creek Trail Repairs (Okanagan - 6 Ave) - \$4,000 - Deffered

Shaw Centre

The 2024 budget represents normal operations for both costs and revenues. To offset the overall increase, the budget includes a transfer from the Shaw Centre Operating Reserve. However, unlike the last two years, it does not include a transfer from the COVID-19 Safe Restart Grant Reserve.

The 55+ BC Games will occur in 2024 and Council has supported a cash contribution of \$60,000 and in-kind contributions of \$55,000. In-kind contributions are generally non-monetary contributions that support the project and could include unrealized revenues from the use of facilities and remuneration costs of staff time. At this stage in the planning process, \$6,000 has been estimated related to unrealized revenues. More detailed costs estimates will occur closer to the event.

The net increase to the operating budget is a result of a number of factors, changes to note include:

- An overall increase in revenues primarily attributed to:
 - Facility Rentals (\$28,000),
 - Food Services related to improved attendance at Silverbacks games and youth tournaments (net \$10,000), and
 - Special Events (\$10,000).
- Decrease in Shuswap Recreation staff wages and benefits of 4.42% (\$23,400) offset by an increase in advertising, staff training, computer technology and supplier inflationary increases (\$9,400);
- The Shaw Centre budget has been augmented to break-out the other facilities operated within it for clarity. The net revenues generated from the Little Mountain Sports Complex and Shuswap Memorial Arena offset the operating deficit of the Shaw Centre;
- Increase to Contracted Maintenance (City of Salmon Arm) staff wages and benefits due to wage increases (2%), increased staff hours and the addition of a fourth ice staff person;
- An increase to the Shaw Centre Major Maintenance Reserve allocation to account for anticipated replacement costs due to the age of the building;
- There are no Major Maintenance expenditures contained in the operating budget in 2024; and
- The capital budget includes a Walking Track Floor Scrubber, and a replacement Deep Fryer and Popcorn Machine. The budget also includes the addition of a Rubberized Walking Track and Push Carts, subject to financial contributions from the Rotary Club of Salmon Arm.

Recreation Centre

The 2024 budget represents normal operations. Similar to the Shaw Centre, the SASCU Centre does not include a transfer from the COVID-19 Safe Restart Grant Reserve. Further, \$15,000 has been estimated related to unrealized revenues related to the 55+ BC Games. More detailed costs estimates will occur closer to the event.

The net increase to the operating budget is a result of a number of factors, changes to note include:

- An overall increase in revenues primarily attributed to:
 - Pool Programs and Rentals are budgeted to decrease 1% as a result of the 55+ BC Games;
 - Field Rentals have been reduced by 7% (\$2,400) as a result of the 55+ BC Games;
- A decrease in facility utility costs (\$19,460) as hydro use was lower than anticipated and natural gas prices did not rise as expected;
- Increase to Aquatics (City of Salmon Arm) staff wages and benefits due to wage increases (2%) and additional guarding hours with the return of full-time staff (\$41,490);
- Major Maintenance expenditures contained in the operating budget include Auditorium Floor Refinishing (\$5,000), Security & Safety Equipment (\$5,000 CF) and a Website Redesign (\$7,000).
- An increase to the Major Maintenance Reserve allocation for the increasing repairs and maintenance due to the age of the facility; and
- The capital budget includes the replacement of Banquet Chairs and an Ice Bath System.

Wharf

The 2024 Budget reflects the same level of service, with an overall net increase primarily attributed to:

- Increased transfer to the Wharf Major Maintenance Reserve (\$124,000) to assist with significant future projects such as:
 - Wharf Marina Dock Replacement Phase 2 - estimated cost of \$1.4 million;
 - Wharf Marina Decking Replacement - estimated cost of \$2 million;

The Wharf Marina Decking Replacement will likely need to occur within the next 5 years and the current balance in the reserve will not be sufficient to support these projects in the required timeframe; unless the annual allocation is significantly increased.

Water and Sewer Funds

The Water and Sewer Funds reflect an increase of 30% and 10% respectively.

The impact of the water and sewer user fee increases is as follows:

Residential - Flat Rate User:

Utility Fee	2023	2024 (rounded to the nearest \$1)	Difference
Water Fund	\$ 306.60	\$ 399.00	\$ 92.40
Sewer Fund	350.30	385.00	34.70
Total	656.90	784.00	127.10
Discount (10%)	(65.70)	(78.40)	(12.70)
Net Total	\$ 591.20	\$ 705.60	\$ 114.40

The annual increase to a residential user is \$127.10 in 2024.

The initial projections from the Asset Management Summaries suggest that the average annual reinvestment for ‘replacements’ for the water and sewer asset classes (inclusive of lift/pump stations, treatment plants, reservoirs, and pipes) should be approximately \$3.7 million and \$2.3 million respectively. This does not consider any ‘improvements or new infrastructure’.

Capital Expenditures

For the most part, the Utility Funds are funding approximately \$1,000,000 in infrastructure upgrades from water/sewer revenues, roughly 10% of the annual capital infrastructure program. This reflects that user fees and frontage taxes are not ‘only’ funding maintenance and debenture payments, but are also contributing to capital infrastructure thus reducing the need to borrow funds.

Water Fund

Significant budget changes and planned projects include:

- Fire Hydrant Flow testing, as required by the Fire Underwriters Survey, has been broken out from the Hydrant Protection account. Both maintenance accounts are recovered from the Fire Department in the General Budget.
- Assessments & Studies – an allocation to undertake a water rate assessment as related to universal water metering.
- Major Maintenance includes replacements of large water meters, phased over 3 years, as they have reached the end of their useful life and the replacement of pit set meters as well. New meters will result in more accurate water usage reads.
- An increase in Capital expenditures to address priority projects are more specifically itemized in the Water Capital Budget. Of note:
 - Zone 2 Pump Station – \$5.34 Million
The Zone 2 Booster Station, located at Canoe Beach, is one of two main boosters that feeds the treated water from the Water Treatment Plant into the water system. This project was approved in prior budget cycles, however due to delays in the design process has been carried forward. The estimated cost has been updated to reflect current cost estimates. The

Zone 2 Booster Station has reached its anticipated useful life. Through the Asset Management Risk Evaluation process, the Zone 2 Booster was considered to be a “Very High” risk with immediate corrective action required.

It is proposed to fund \$4.23 million of this project through long term debt, \$1 million through Community Works (Gas Tax) and the remainder through Water DCC’s. The repayment of this debt is estimated to be \$289,295 annually and has been excluded from the 2024 budget until the design has been completed. Given the time to complete the long term borrowing process, approximately 6 months; the repayment will be factored into the 2025 budget. If applicable, any interest incurred on temporary borrowing in 2024 could be funded from the Water Future Expenditure Reserve.

Sewer Fund

Significant budget changes and planned projects include:

- Major Maintenance includes replacement of WPCC UV Bulbs and an upgrade to the WPCC Primary Tank Piping.
- An increase in the transfer to the Sewer Major Maintenance reserve, redirected from a reduction in debt servicing costs due to the retirement of a debenture;
- An increase in Capital expenditures to address priority projects are more specifically itemized in the Sewer Capital Budget. Of note:
 - WPCC - Stage IV Upgrade Design - 7.04M Million
Planning for the Stage IV Upgrade has been ongoing, with both the Site Selection Study and pilot of preferred treatment process completed. The next steps include updating the City’s financial plan, updating the Liquid Waste Management Plan, completing detailed design and construction. Current preliminary estimates indicate the Stage IV upgrade will cost upwards of \$60 million dollars.

It is proposed to fund \$5 million of this project through long term debt, \$1 million through the Growing Communities Fund and the remainder through reserves and DCC’s. The repayment of this debt is estimated to be \$342,211 annually and has been excluded from the 2024 budget until the Liquid Waste Management Plan has been updated. Given the time to complete the long term borrowing process, approximately 6 months; the repayment will be factored into the 2025 budget. If applicable, any interest incurred on temporary borrowing in 2024 could be funded from the Sewer Future Expenditure Reserve.

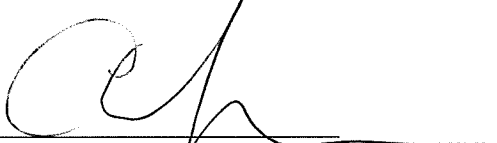
Public Budget Referrals

Please refer to the Public Budget Referral Summary to review which allocations have been included in the budget.

Other Budget Referrals

Please refer to the Other Budget Referral Summary for review and discussion.

Respectfully Submitted,



Chelsea Van de Cappelle, CPA

PUBLIC BUDGET REQUESTS

	2024 Request	2024 Budget
A. Salmon Arm Slo Pitch League Improvement/Upgrade at Canoe Ball Fields: 1. Parking Lot Netting and Improvement	\$ 440,000.00	\$ -
B. Jim and Wendy Neustaeter 1. Realign the existing lane behind 311 Beatty Ave to relocate off private property	\$ 3,800.00	\$ 5,000.00
C. Citizens of the Ridge and Foothill Road 1. Installation of Sidewalk, Curb and Gutter along 10 St SW from 1881 10 St SW to 22 Ave SW	\$ 377,000.00	\$ 50,000.00
D. Salmon Arm Citizens Patrol 1. Operational Grant	\$ 3,000.00	\$ 3,000.00
E. Tech-Crete Processors Ltd. 1. Installation of Sanitary Sewer Service along 13 Avenue SW (Industrial Park)	\$ 978,000.00	\$ -
F. Community Petition for Dog Parks 1. Fully serviced dog park in the City, minimum 3 acres in size	\$ 75,000.00	\$ -
G. BC Society for the Prevention of Cruelty to Animals 1. Operational Funding	\$ 15,000.00	\$ 12,000.00
H. Salmon Arm Horseshoe Club 1. Clubhouse Improvements - Hosting Club 55+ Games in 2024 - Interior & exterior paint, electrical & roof assessment, ground lights, window & door security, shelving	\$ 5,700.00	\$ -
I. Salmon Arm Fish and Game Club 1. Dust Control - Hosting Club 55+ Games in 2024 - Dust control measures to the road into the range facilities	\$ 2,800.00	\$ -
J. Salmon Arm Lawn Bowling Club 1. Purchase of New Club Equipment - Hosting Club 55+ Games in 2024 2 CSA to assume responsibility for equipment maintenance	\$ 29,600.00 \$ 2,400.00	\$ - \$ -
K. Jayme Franklin, Shuswap Youth Soccer Association (SYSA) 1. Blackburn Park Synthetic Fields	\$ 900,000.00	\$ -
L. Harbourfront Drive NE Residents 1. Harbourfront Tree Replacement - Removal of old trees, install and supply water service for irrigation and wood borders	\$ 72,600.00	\$ -
M. Salmon Arm Downtown Improvement Association 1. Increased operational funding to facilitate additional Bylaw Enforcement to at least 3 officers	No Estimate Avail.	\$ 104,700.00
Mc. PLAY Shuswap Physical Literacy Association - REQUEST HAS BEEN WITHDRAWN 1. Operational Funding	\$ -	\$ -
Note: Request is for annual funding over three (3) years, \$3,000/Year x3 = \$9,000		
N. Salmon Arm Minor Baseball Association (SAMBA) Safety, Usage and Maintenance Issues of the City Fields and Supporting Infrastructure	\$ 1,573,700.00	\$ -

PUBLIC BUDGET REQUESTS

	2024 Request	2024 Budget
O. Canadian Mental Health Association		
Rental Housing Development at 1141 18 Street NE		
1. Affordable Housing - DCC Subsidy - 40 Townhouse Units	\$ 145,294.82	\$ -
2. Affordable Housing - Waiving Building & Development Permit Costs	\$ 31,712.00	\$ -
P. WildsafeBC, British Columbia Conservation Foundation		
1. Participation in WildsafeBC Program	\$ 4,000.00	\$ -
	\$ 4,659,606.82	\$ 174,700.00

OTHER BUDGET REQUESTS FOR DISCUSSION

	2024 Request	2024 Budget
A. Salmon Arm Elks Recreation Society		
1. License to Use and Occupy a portion of the Elks Park to accommodate recreational programs	\$ 108,000.00	\$ 5,500.00
B. Salmon Arm 2024 55+ BC Games Society	\$ 206,000.00	\$ -
C. Rotary Club of Salmon Arm		
1. Rubberized Walking Track at Shaw Centre & 2 Push Carts	\$ 200,000.00	\$ 156,000.00
<p style="margin-left: 40px;">Note: Rotary Club of Salmon Arm is prepared to commit the amount of \$200,000 towards the project.</p>		
2. Walking Track Floor Scrubber - CSA Capital Budget Request in 2024	\$ 17,000.00	\$ 17,000.00
	\$ 531,000.00	\$ 178,500.00

CITY OF SALMON ARM

BYLAW NO. 4616

A bylaw respecting the 2024 to 2028 Financial Plan

WHEREAS in accordance with the provisions of Section 165 of the Community Charter, the Council is required, by bylaw, to adopt a financial plan for the period of at least five years;

NOW THEREFORE the Council of the City of Salmon Arm, in the Province of British Columbia, in an open meeting assembled, hereby enacts as follows:

1. "Schedule "A" attached hereto, and forming part of the bylaw is hereby declared to be the 2024 to 2028 Financial Plan of the City of Salmon Arm.

2. SEVERABILITY

If any part, section, sub-section, clause of this bylaw for any reason is held to be invalid by the decisions of a Court of competent jurisdiction, the invalid portion shall be severed and the decisions that it is invalid shall not affect the validity of the remaining portions of this bylaw.

3. ENACTMENT

Any enactment referred to herein is a reference to an enactment of British Columbia and regulations thereto as amended, revised, consolidated or replaced from time to time.

4. EFFECTIVE DATE

This bylaw shall come into full force and effect upon adoption of same.

5. CITATION

This bylaw may be cited for all purposes as "City of Salmon Arm 2024 to 2028 Financial Plan Bylaw No. 4616".

READ A FIRST TIME THIS	DAY OF	2023
READ A SECOND TIME THIS	DAY OF	2023
READ A THIRD TIME THIS	DAY OF	2023
ADOPTED BY COUNCIL THIS	DAY OF	2023

MAYOR

CORPORATE OFFICER

City of Salmon Arm

2024 - 2028 Financial Plan

	2024 Budget	2025 Budget	2026 Budget	2027 Budget	2028 Budget
Consolidated Revenues					
Property and MRDT Taxes - Net	\$23,691,225	\$24,165,050	\$ 24,648,351	\$ 25,141,318	\$ 25,644,144
Frontage & Parcel Taxes	3,682,240	3,755,885	3,831,003	3,907,623	3,985,775
Sales of Service	10,485,920	10,695,638	10,909,551	11,127,742	11,350,297
Revenue From Own Sources	4,316,420	4,402,748	4,490,803	4,580,619	4,672,231
Rentals	602,520	614,570	626,861	639,398	652,186
Federal Government Transfers	290,100	295,902	301,820	307,856	314,013
Provincial Government Transfers	805,035	821,136	837,559	854,310	871,396
Other Government Transfers	212,300	216,546	220,877	225,295	229,801
Transfer From Prior Year Surplus	573,890	585,368	597,075	609,017	621,197
Transfer From Reserve Accounts	2,885,620	2,943,332	3,002,199	3,062,243	3,123,488
Transfer From Reserve Funds	1,184,000	1,207,680	1,231,834	1,256,471	1,281,600
Total Consolidated Revenues	\$48,729,270	\$49,703,855	\$ 50,697,933	\$ 51,711,892	\$ 52,746,128

Consolidated Expenditures					
General Government Services	\$ 4,758,935	\$ 4,854,114	\$ 4,951,196	\$ 5,050,220	\$ 5,151,224
Protective Services	7,774,595	7,930,087	8,088,689	8,250,463	8,415,472
Transportation Services	6,282,505	6,408,155	6,536,318	6,667,044	6,800,385
Environmental Health Services	257,520	262,670	267,923	273,281	278,747
Environmental Development Service	3,623,190	3,695,654	3,769,567	3,844,958	3,921,857
Recreation and Cultural Services	5,834,250	5,950,935	6,069,954	6,191,353	6,315,180
Fiscal Services - Interest	1,466,770	1,496,105	1,526,027	1,556,548	1,587,679
Fiscal Services - Principal	1,101,645	1,123,678	1,146,152	1,169,075	1,192,457
Capital Expenditures	7,368,260	10,914,851	7,925,647	7,159,696	5,309,071
Transfer to Surplus	-	-	-	-	-
Transfer to Reserve Accounts	3,386,900	55,412	3,264,022	4,253,766	6,332,658
Transfer to Reserve Funds	1,271,700	1,297,134	1,323,077	1,349,539	1,376,530
Water Services	3,025,650	3,086,163	3,147,886	3,210,844	3,275,061
Sewer Services	2,577,350	2,628,897	2,681,475	2,735,105	2,789,807
Total Consolidated Expenditures	\$48,729,270	\$49,703,855	\$ 50,697,933	\$ 51,711,892	\$ 52,746,128

2024 - 2028 Financial Plan

City of Salmon Arm

2024 Budget	2025 Budget	2026 Budget	2027 Budget	2028 Budget
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Capital Projects

Finances Acquired

General Operating Fund	\$ 2,876,990	\$ 6,959,461	\$ 6,138,601	\$ 5,307,650	\$ 4,739,650
Water Operating Fund	2,442,500	2,544,390	1,172,390	808,890	540,390
Sewer Operating Fund	2,048,770	1,411,000	614,656	1,043,156	29,031
Federal Government Grants	1,188,500	3,000,000	-	-	-
Provincial Government Grants	1,665,500	3,000,000	-	-	-
Prior Year Surplus	-	-	-	-	-
Reserve Accounts	7,383,120	2,259,885	954,402	1,978,500	2,077,500
Reserve Funds	8,201,030	4,432,500	2,421,000	2,136,000	469,500
Development Cost Charges	350,750	4,903,901	363,451	472,500	412,500
Short Term Debt	-	1,450,000	-	-	-
Long Term Debt	9,226,850	64,835,000	6,170,000	7,543,000	13,364,000
Developer Contributions	477,010	-	-	-	-

Total Funding Sources

\$ 35,861,020	\$ 94,796,137	\$ 17,834,500	\$ 19,289,696	\$ 21,632,571
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Finances Applied

Transportation Infrastructure	\$ 10,073,225	\$ 19,978,254	\$ 9,627,454	\$ 5,313,650	\$ 14,418,650
Buildings	6,700,440	1,175,000	538,000	358,000	330,000
Land	-	-	-	-	-
IT Infrastructure	78,410	105,000	-	-	-
Machinery and Equipment	2,449,820	3,725,000	896,000	1,086,000	604,500
Vehicles	721,250	505,000	95,000	110,000	180,000
Parks Infrastructure	1,214,095	2,987,493	2,014,000	1,607,500	2,760,000
Utility Infrastructure	14,623,780	66,320,390	4,664,046	10,814,546	3,339,421

Total Capital Expense

\$ 35,861,020	\$ 94,796,137	\$ 17,834,500	\$ 19,289,696	\$ 21,632,571
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Departmental Summary:

2024 Budget	2025 Budget	2026 Budget	2027 Budget	2028 Budget
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General Government Services	\$ 94,910	\$ 200,000	\$ 100,000	\$ 100,000	\$ 100,000
Protective Services	1,359,500	957,000	267,000	687,000	437,000
Transportation Services	11,958,480	23,931,254	10,391,454	5,842,650	14,686,150
Environmental Health Services	109,715	255,000	210,000	60,000	60,000
Environmental Development Services	-	-	-	-	-
Recreation and Cultural Services	2,342,785	3,097,493	2,172,000	1,755,500	2,980,000
Water Services	9,244,850	2,544,390	4,079,390	1,306,390	3,340,390
Sewer Services	10,750,780	63,811,000	614,656	9,538,156	29,031

Total by Department

\$ 35,861,020	\$ 94,796,137	\$ 17,834,500	\$ 19,289,696	\$ 21,632,571
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Schedule "B" – Bylaw #4616
2024 Revenue Policy Disclosure

1. Table One (1) reflects the proportion of total revenue proposed to be raised from each funding source in 2024. Property taxes form the greatest proportion of revenue of the City. The first column details the proposed percentage of revenue including Conditional Government Transfers and the second column shows the proposed percentage of revenue excluding Conditional Government Transfers. Conditional Government Transfers are funds provided by other levels of government or government agencies to fund specific projects. The absence of this funding would result in an increase to property taxes, debt borrowing or funding from reserves or other sources (ie. developers, donations, etc.) or result in the project not being undertaken.

The City collects three (3) types of parcel tax; a water frontage tax; a sewer frontage tax and a transportation parcel tax. The water and sewer frontage tax rate is applied to each parcel of land taxable foot frontage. The frontage rate is comprised of a capital debt repayment component plus 10% of the water and sewer operation and maintenance budget for preventative maintenance of the utilities infrastructure. The City introduced a transportation parcel tax in 2003. The transportation parcel tax is collected to maintain the City's transportation network to an adequate level to minimize future reconstruction costs and ensure the network is safe from hazards and disrepair. To this end, the transportation parcel tax provides a stable and dedicated source of funding. The transportation parcel tax was specifically implemented on a "flat rate per parcel" rather than an "ad valorem tax" basis recognizing that all classes of property are afforded equal access to the City's transportation network and should contribute to its sustainability equally. This method directed tax dollars away from business and industry to residential.

The City also receives a Municipal Regional District Tax (MRDT) which is levied and collected by the Provincial Government on all daily accommodation rentals within the City. Under the direction and approval of the Accommodation Industry, the City has applied to the Provincial Government to levy a 2% MRDT which will be utilized on initiatives that will increase exposure/awareness of Salmon Arm as a tourism destination with emphasis on off-season event expansion.

The City endorses a 'user pay' philosophy in its collection of fees and charges. Such fees and charges (ie. development, building, plumbing and fire permits, recreational program and rental fees and cemetery services) are reviewed annually to ensure adequate cost recovery for the provision of services. The policy of the City is to work towards full cost recovery for services provided. The objective in reviewing fees and charges periodically is to measure the cost of providing municipal services versus the cost recovery established through user fees and charges. Development Cost Charges are based on the City's Long Term Financial Plan. Included in this percentage is the City's investment income. The City exercises a stringent cash management plan to maximize investment and interest income.

Other sources of revenue provide funding for specific functions such as the Columbia Shuswap Regional District's contribution to the Shuswap Regional Airport, Recreation Centre, Shaw Centre, Cemeteries and Fire Training Centre.

The proceeds from borrowing and developer contributions fund capital projects pursuant to the City's Long Term Financial Plan.

Schedule "B" – Bylaw #4616
 2024 Revenue Policy Disclosure

Table 1: Proportions of Total Revenue

Revenue Source	Percentage to Total Revenue Includes Conditional Government Transfers	Percentage to Total Revenue Excludes Conditional Government Transfers
Property Taxes	41.82%	45.16%
Parcel Taxes	6.50%	7.02%
User Fees, Charges and Interest Income	27.20%	29.36%
Other Sources	8.19%	0.87%
Proceeds From Borrowing	16.29%	17.59%
	100.00%	100.00%

- Table Two (2) reflects the distribution of property tax between the different property classes. The objective of the City is to set tax rates in order to maintain tax stability while maintaining equality between the property classes. The policy of the City is to develop a tax rate which maintains the proportionate relationship between the property classes. Inflationary increases in assessments are reduced to reflect only the 'real' increase attributed to new construction for each property class. This allows the property owner to be confident that, in any year, their property tax bill will only increase as much as their proportion of the increase in tax revenue required year to year.

The City reviewed the property tax multiple structure and equalized the general municipal property tax rate and associated multiple for Class 5 (Light Industry) and Class 6 (Business) by shifting general municipal property taxes between Class 5 (Light Industry) and Class 6 (Business) commencing in 2017. This property tax stability strategy is in keeping with its objective to maintain tax stability while maintaining equality between property classifications.

Assessment values fluctuate as market values change in one class or another. It is this market value change that may precipitate an amendment to the class multiple.

The Provincial Government has legislated a municipal taxation rate cap for the Class 2 (Utilities) assessments. The City of Salmon Arm Class 2 (Utilities) general municipal property tax rate adheres to this legislation.

Schedule "B" – Bylaw #4616
2024 Revenue Policy Disclosure

Table 2: Distribution of Property Taxes Between Property Classes

Property Class	2023 Tax Rate	Class Multiple	Percentage to Total Property Tax	Percentage to Total Property Assessment Value
Residential	2.7440	1.00:1	66.70%	88.44%
Utilities	22.7936	8.31:1	0.79%	0.13%
Supportive Housing	0.000	0.00:1	0.00%	0.00%
Major Industry	65.3352	23.81:1	2.71%	0.15%
Light Industry	9.7008	3.54:1	2.72%	1.02%
Business	9.7008	3.54:1	26.32%	9.87%
Managed Forest Land	7.3849	2.69:1	0.04%	0.02%
Recreational/Non Profit	2.2831	0.83:1	0.14%	0.22%
Farm	13.7992	5.03:1	0.58%	0.15%

- The City adopted a Permissive Tax Exemption Policy in 1998 which outlines the eligibility criteria to receive a permissive tax exemption. The Annual Municipal Report for 2022 contains a schedule of permissive tax exemptions granted for the year and the amount of tax revenue exempted.

Commencing in 1999, the City provided a three (3) year permissive tax exemption for each eligible organization. These include religious institutions, historical societies, some recreational facilities, service organizations and cultural institutions.

Table 3: Permissive Tax Exemptions

Organization	General Municipal Tax Exemption	Other Government Tax Exemption	Total
Churches	\$ 39,385.50	\$ 33,556.50	\$ 72,942.00
Non Profit Societies	411,176.00	256,499.00	697,675.00
Senior Centers	13,090.00	6,498.00	19,588.00
Other	-	-	-
Sports Clubs	306,647.00	158,217.00	464,864.00
Total	\$ 800,298.50	\$ 454,770.50	\$ 1,255,069.00

Schedule "B" – Bylaw #4616
2024 Revenue Policy Disclosure

- The Official Community Plan for the City of Salmon Arm identifies the revitalization of the downtown as a priority. As a result, in 2005, the City established a Downtown Revitalization Tax Exemption Program pursuant to City of Salmon Arm Revitalization Tax Exemption Bylaw No. 3471.

The Revitalization Tax Exemption Program is a tool that Council is using to encourage property investment in the downtown area (hereinafter referred to as the Revitalization Area). Council's objective is to stimulate and reinforce development initiatives in the Revitalization Area by promoting property investment within the C-2, "Town Centre Commercial Zone" and to reinforce the City's investment in infrastructure upgrades and beautification projects.

City of Salmon Arm Revitalization Tax Exemption Bylaw No. 3741 establishes property tax exemptions in respect of construction of a new improvement or alteration of an existing improvement where the alteration has a value in excess of \$75,000.00 to encourage revitalization in the Revitalization Area.

Table 4: Revitalization Tax Exemptions

Area	2018 General Municipal Tax Exemption	2019 General Municipal Tax Exemption	2020 General Municipal Tax Exemption	2021 General Municipal Tax Exemption	2022 General Municipal Tax Exemption	2023 General Municipal Tax Exemption
C-2 "Downtown Commercial Zone"	\$ 24,304.74	\$ 24,657.03	\$ 18,939.56	\$ 14,424.23	\$ 10,358.95	\$ 7,115.36

- The Official Community Plan for the City of Salmon Arm identifies the revitalization of the "Industrial Zones" as a priority. As a result, in 2014, the City established an Industrial Revitalization Tax Exemption Program pursuant to City of Salmon Arm Revitalization Tax Exemption Bylaw No. 4020.

The Revitalization Tax Exemption Program is a tool that Council is using to encourage property investment in the "Industrial Zones" (hereinafter referred to as the Revitalization Area). Council's objective is to stimulate and reinforce development initiatives in the Revitalization Area by promoting property investment within the "Industrial Zone" and to reinforce the City's investment in infrastructure upgrades and beautification projects.

City of Salmon Arm Revitalization Tax Exemption Bylaw No. 4020 establishes general municipal property tax exemptions in respect of construction of a new improvement or alteration of an existing improvement where the alteration has a value in excess of \$300,000.00 to encourage revitalization in the Revitalization Area.

This bylaw shall have an expiration date of five (5) years from the date of adoption.

Area	2018 General Municipal Tax Exemption	2019 General Municipal Tax Exemption	2020 General Municipal Tax Exemption	2021 General Municipal Tax Exemption	2022 General Municipal Tax Exemption	2023 General Municipal Tax Exemption
"Industrial Zone"	\$ 5,425.51	\$ 5,400.26	\$ 7,614.60	\$ 36,999.43	\$ 91,830.85	\$122,924.53