

## ***AGENDA***

### **Special Council Meeting**

**Monday, January 7, 2019  
9:00 a.m.**

**Council Chamber of City Hall  
500 – 2 Avenue NE**



Carl Bannister, Chief Administrative Officer

Page #	Item #	Description
	1.	CALL TO ORDER
	2.	DECLARATION OF INTEREST
	3.	PRESENTATIONS
	4.	INTRODUCTION OF BYLAWS
1 - 6	1.	City of Salmon Arm Council Members Remuneration and Expense Amendment Bylaw No. 4295 (Remuneration) - First, Second and Third Readings
7 - 10	2.	City of Salmon Arm Council Members Remuneration and Expense Amendment Bylaw No. 4296 (Technology Allowance) - First, Second and Third Readings
11 - 30	3.	City of Salmon Arm 2019 to 2023 Financial Plan Bylaw No. 4298 - First, Second and Third Readings
	5.	OTHER BUSINESS
	6.	IN-CAMERA SESSION
31 - 32	7.	ADJOURNMENT

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Item 4.1

## CITY OF SALMON ARM

Date: January 7, 2019

Moved: Councillor Eliason

Seconded: Councillor Cannon

THAT: the bylaw entitled City of Salmon Arm Council Members Remuneration and Expense Amendment Bylaw No. 4295 be read a first, second and third time.

[Remuneration]

### Vote Record

- ☐ Carried Unanimously
  - ☐ Carried
  - ☐ Defeated
  - ☐ Defeated Unanimously
- Opposed:

- ☐ Harrison
- ☐ Cannon
- ☐ Eliason
- ☐ Flynn
- ☐ Lavery
- ☐ Lindgren
- ☐ Wallace Richmond

# CITY OF SALMON ARM

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Date: December 3, 2018  
 To: Mayor Harrison and Members of Council  
 From: The Chief Financial Officer  
 Subject: Bylaw No. 4295 - Council Members Remuneration and Expense Bylaw Amendment

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Motion for Consideration:

THAT: Bylaw No. 4295 cited as "City of Salmon Arm Council Members Remuneration and Expense Bylaw Amendment No. 4295" be given 3 readings.

Background:

As directed by Council at their Regular Council Meeting of November 26, 2018, the Council Members Remuneration and Expense Bylaw No. 3834 has been amended to reflect an increase to annual remuneration and an increase to the technology allowance.

Under the current federal tax legislation, up to one-third of the remuneration paid to elected officials is tax-free; however this tax-free allowance is being eliminated by the Federal Government effective January 1, 2019. It was requested that staff address the elimination of the one-third non-accountable expense allowance and provide a recommended increase to overall Council remuneration so that the net take home pay would remain approximately the same.

To summarize, Section 1 (1, 2 and 3) wording has been amended to reflect the elimination of the one-third non-accountable allowance and remuneration has been increased as follows:

	<i>Current</i>	<i>Amended</i>
<i>Mayor</i>	\$ 56,734.20	\$ 64,393.00
<i>Deputy Mayor</i>	\$ 23,506.80	\$ 26,210.00
<i>Councillor</i>	\$ 22,873.21	\$ 25,504.00

Section 1 (4) will remain unchanged, resulting in an increase on January 1, 2019 to the above noted annual remuneration figures equal to the amount of the BC Consumer Price Index for the prior year (2018).

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To summarize the change to Section 5 (d), the wording has been amended from:

*Each Council Member, when requested, shall be provided with a lump sum payment of \$1,000.00 for the purchase of a medium of their preference to view the Council agenda during each term of office.*

to:

*Each Council Member, when requested, shall be provided with a lump sum technology allowance of \$2,500.00 for the purchase of a computer of their preference during each term of office.*

The annual financial impact of the increased remuneration will be approximately \$28,000.00 starting in 2019 (not including the CPI increase). The impact of the increased technology allowance would be an additional \$10,500.00 in 2019 if each Council Member utilizes the provision.

Respectfully Submitted,

  
Chelsea Van de Cappelle, CPA

## CITY OF SALMON ARM

### BYLAW NO. 4295

#### A bylaw to provide for an amendment to the remuneration and expenses for members of Council

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WHEREAS it is deemed expedient to amend the bylaw to provide for remuneration and expenses for members of Council;

NOW THEREFORE the Council of the City of Salmon Arm, in open meeting assembled, enacts as follows:

1. "City of Salmon Arm Council Members Remuneration and Expense Bylaw No. 3834" is hereby amended as follows:

#### **Section 1. Remuneration**

1. There shall be paid to the Mayor, effective January 1, 2019, an annual remuneration of \$64,393.00, which shall be paid on a monthly basis.
2. There shall be paid to the Deputy Mayor, effective January 1, 2019, an annual remuneration of \$26,210.00, which shall be paid on a monthly basis.
3. There shall be paid to each Councillor effective January 1, 2019, an annual remuneration of \$25,504.00, which shall be paid on a monthly basis.

2. SEVERABILITY

If any part, section, sub-section, clause, or sub-clause of this bylaw for any reason is held to be invalid by the decision of a Court of competent jurisdiction, the invalid portion shall be severed and the decision 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 on January 1, 2019.

5. CITATION

This bylaw may be cited for all purposes as "City of Salmon Arm Council  
Members Remuneration and Expense Amendment Bylaw No. 4295".

READ A FIRST TIME THIS DAY OF 2019

READ A SECOND TIME THIS DAY OF 2019

READ A THIRD TIME THIS DAY OF 2019

ADOPTED BY COUNCIL THIS DAY OF 2019

\_\_\_\_\_  
MAYOR

\_\_\_\_\_  
CORPORATE OFFICER

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Item 4.2

## CITY OF SALMON ARM

Date: January 7, 2019

Moved: Councillor Lavery

Seconded: Councillor Flynn

THAT: the bylaw entitled City of Salmon Arm Council Members Remuneration and Expense Amendment Bylaw No. 4296 be read a first, second and third time.

[Technology Allowance]

### Vote Record

- ☐ Carried Unanimously
- ☐ Carried
- ☐ Defeated
- ☐ Defeated Unanimously

Opposed:

- ☐ Harrison
- ☐ Cannon
- ☐ Eliason
- ☐ Flynn
- ☐ Lavery
- ☐ Lindgren
- ☐ Wallace Richmond

## CITY OF SALMON ARM

### BYLAW NO. 4296

#### **A bylaw to provide for an amendment to the remuneration and expenses for members of Council**

WHEREAS it is deemed expedient to amend the bylaw to provide for remuneration and expenses for members of Council;

NOW THEREFORE the Council of the City of Salmon Arm, in open meeting assembled, enacts as follows:

1. "City of Salmon Arm Council Members Remuneration and Expense Bylaw No. 3834" is hereby amended as follows:

#### **Section 5. Other**

- d) Each Council Member, when requested, shall be provided with a lump sum technology allowance of up to \$2,500.00 during each term of office.

2. SEVERABILITY

If any part, section, sub-section, clause, or sub-clause of this bylaw for any reason is held to be invalid by the decision of a Court of competent jurisdiction, the invalid portion shall be severed and the decision 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 on January 1, 2019.

5. CITATION

This bylaw may be cited for all purposes as “City of Salmon Arm Council  
Members Remuneration and Expense Amendment Bylaw No. 4296”.

READ A FIRST TIME THIS	DAY OF	2019
READ A SECOND TIME THIS	DAY OF	2019
READ A THIRD TIME THIS	DAY OF	2019
ADOPTED BY COUNCIL THIS	DAY OF	2019

\_\_\_\_\_  
MAYOR

\_\_\_\_\_  
CORPORATE OFFICER

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Item 4.3

## CITY OF SALMON ARM

Date: January 7, 2019

Moved: Councillor

Seconded: Councillor

THAT: the bylaw entitled City of Salmon Arm 2019 to 2023 Financial Plan Bylaw No. 4298 be read a first, second and third time.

### Vote Record

- ☐ Carried Unanimously
- ☐ Carried
- ☐ Defeated
- ☐ Defeated Unanimously

Opposed:

- ☐ Harrison
- ☐ Cannon
- ☐ Eliason
- ☐ Flynn
- ☐ Lavery
- ☐ Lindgren
- ☐ Wallace Richmond

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Date: December 18, 2018  
 To: Mayor Harrison and Members of Council  
 From: The Chief Financial Officer  
 Subject: 2019 Budget

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**Recommendation**

THAT: Bylaw No. 4298 cited as "City of Salmon Arm 2019 to 2023 Financial Plan Bylaw No. 4298" be given 3 readings.

**Background**

The 2019 Budget reflects a 4.88% tax increase and a 2% new growth factor. Summarized below is the tax impact for each multiple of \$100,000.00 of assessed value:

- Residential - \$19.70
- Business - \$55.61

The 2019 Budget also includes a 1.5% increase in Water and Sewer User Fees as approved by Council in November 2018. It should be noted, however, that the 2019 Budget does not reflect an increase to the Water and Sewer Frontage Taxes or the Solid Waste and Recycling levy. The Transportation Parcel Tax remains unchanged; however is being reviewed and a report will be brought forward to Council early in 2019 with recommendations on an increase. This will have no effect on the proposed tax increase.

The following sections outline some of the more significant issues affecting the budget.

**Wages and Benefits**

The 2019 Budget contains changes relative to exempt staff salaries; CUPE and IAFF wages and benefits. As this issue has staffing and collective bargaining implications - staff will review this component "In-Camera" with Council, if necessary.

**Employer Health Tax (EHT)**

The Province of BC's Budget and Fiscal Plan includes a commitment to eliminate the Medical Services Plan (MSP) premiums by January 1, 2020 and replace it with the implementation on an EHT in January 2019. This results in a cross over wherein the City will be required to pay MSP premiums on behalf of employees as well as the new EHT.

The EHT is an annual payroll tax based on employment income and taxable benefits (i.e. salary, vacation, taxable allowances, employer paid group life insurance premiums) of all employees including part-time, relief, elected officials and volunteer firefighters. For employers with payroll greater than \$1.5 million, which includes the City of Salmon Arm, the tax will be 1.95% of total payroll. The impact of this change is estimated to be \$157,500.00 in 2019.

### Council Expenses

Council expenditures are projected to increase due to the proposed increase in remuneration, as a result of the elimination of the 1/3 non-accountable allowance, increased costs for the UBCM convention, the LGLA Elected Officials Seminar and provision for six (6) electronic agenda reading devices.

### Solid Waste and Recycling

The 2019 Budget reflects a user fee levy of \$101.00 (no change from 2018) and the estimated number of residential users is 6,459. As Council is aware the City has been working in partnership with Recycle BC (formerly Multi-Materials British Columbia) regarding the collection of residential packaging and printed paper. The City entered into a new Statement of Work (SOW) effective November 30, 2018 as approved by Council wherein the City has committed to the elimination of single-use plastic bags for recycling collection by 2020. As a result of this change, the financial incentives offered by Recycle BC overall have increased. In accordance with the SOW, the financial incentives received must be used to off-set the costs of the recycling program. Therefore it is estimated that the Solid Waste and Recycling Levy will be reduced from \$101.00 to \$98.35 in 2020 pending any other function costs, similar to the reductions in 2015 (\$22.20) and 2016 (\$11.30). In addition, the City will provide one (1) recycling bin to users for a total estimated cost of \$161,475.00 funded from reserve.

Further changes to the Solid Waste and Recycling program include the introduction of Food Waste collection July 1, 2019, coinciding with the expiry of the current curbside collection contract. In preparation for this, a report will be brought forward to Council in the spring of 2019 that will include amendments to the following bylaws:

- Fee For Service Bylaw (with respect to the user fee for 2020, bag tags, food waste opt-in service, replacement food waste and recycling bins); and
- Collection and Disposal of Solid Waste and Recycling Bylaw (with respect to the addition of food waste collection and changes to solid waste and recycling);

With the introduction of food waste collection, the City will be providing one (1) food waste bin and one (1) kitchen catcher to users at a total estimated cost of \$226,065.00 funded from reserve. Further, it is proposed to introduce an optional additional food waste collection service for those residential properties that include a suite or have larger families. The intent is to discourage garbage contamination should a household produce excess food waste. User costs in year one (1) would include a pro-rated service fee, administration fee and the purchase of a food waste bin. The subsequent annual cost would reflect service costs.

The curbside Organic Yard Waste Collection Program has previously been incorporated into the Solid Waste and Recycling Fee and has been built into the new curbside collection contract effective July 1, 2019. As a result, the annual allocation has been reduced to reflect a partial year of \$10,000.

Additional costs in 2019 are the result of increasing contract costs of the current curbside collection contractor which is mitigated by a reduced cost of the new contract effective July 2019, tipping fees associated with food waste disposal (\$58,000), student help for

user education (\$8,400), advertising and promotion (\$11,300). It should be noted that in 2019 there is a one-time transfer from reserve of \$65,900.00 to offset the total additional costs of the program.

#### Police Services

Overall, the Police Services budget reflects an increase of \$227,765.00. As outlined by E Division (report to Council June 2018), the Police Force budget projects an increase of \$133,243.00 which is largely attributed to increases in wages (reflecting ongoing contract negotiations), training, fuel and divisional administration costs related to Health Services and Special Leave. Based on historical data, the detachment has never been at full complement and consequently the budget allocation has been reduced by \$95,000.00 (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 in the Special Investigations Reserve (Balance \$110,000.00) to cover the shortfall in the event that the City is billed for nineteen (19) members. To mitigate the tax increase a transfer from the Police Operating Reserve of \$50,000.00 has been included in the 2019 Budget, a reduction from 2018 of \$25,000.00.

Other changes to the Police Services Budget include:

- Grant Revenue - \$10,000.00 - Increase in Traffic Revenue Sharing Grant. This is based on the previous year's traffic fines and related police protection expenditures; and
- Detachment Building - (\$61,000.00) - Attributed to reduced Major Maintenance (\$29,000.00) and Capital (\$32,000.00) due to overall funding shortfalls.

It should be noted that the capital budget reflects that two (2) vehicles are scheduled for replacement in 2019 funded from reserve. As Council is aware, the transfer to this reserve was reduced a number of years ago and it is proposed to increase it by \$25,000.00 in 2019.

#### Transportation Services

##### Operation and Maintenance

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

- Roads and Streets - \$172,550.00 - Attributed to sidewalk maintenance (\$8,000.00), street cleaning and flushing (\$10,500.00), snow removal (\$154,000.00) - additional information provided below;
- Bridges and Crossings - \$70,000.00 - Attributed to CP Rail grade crossing rehabilitation requirements;
- Street Lighting - \$30,000.00 - Attributed to increasing hydro costs;
- Transit Services - \$10,000.00 - Attributed to increasing BC Transit operational costs;
- Assessments and Studies - \$70,000.00 - Largely attributed to the Lakeshore Road Rehabilitation Assessment (\$60,000.00);
- Short-Term Financing - \$171,000.00 - Attributed to principal and interest repayment on short-term capital financing approved by Council in 2018 for three (3) priority storm water projects;



- Reserves - \$27,545.00 (net) - Attributed to increased allocation to the Drainage reserve (\$72,000.00) as per the LTFF. Note this is mitigated by the elimination of an allocation for the Hudson Revitalization project (\$44,455.00); and
- Capital - (\$119,500.00) - Reduction in capital due to funding shortfalls - please refer to pages 5 and 6 of this report.

#### Ice and Snow Removal/Sanding

The 2019 Budget reflects a net increase of \$154,000.00 in ice and snow removal/sanding. As Council is aware the City has been struggling with Ice and Snow Removal costs for the last several years. A number of years ago the City undertook new practices and procedures regarding the utilization of liquid magnesium chloride and salt to improve winter road conditions and implementation of crew shift scheduling for better winter snow clearing coverage.

While the new practices and procedures have been effective, the unanticipated high levels of snowfall and escalating costs associated with maintaining this level of service may not be sustainable. In 2018 a transfer from reserve of \$245,000.00 was utilized to supplement the approved Budget resulting in a Final 2018 Budget of \$1,136,950.00.

#### Historical Data:

Year	Costs	Year	Costs
2019	\$1,026,000.00 (Budget)	2007	\$650,459.00
2018	\$1,004,401.00 (YTD)	2006	\$578,743.00
2017	\$907,058.00	2005	\$352,498.00
2016	\$753,024.00	2004	\$485,751.00
2015	\$758,241.00	2003	\$448,499.00
2014	\$873,501.00	2002	\$373,985.00
2013	\$826,622.00	2001	\$405,182.00
2012	\$765,866.00	2000	\$434,194.00
2011	\$696,694.00	1999	\$334,536.00
2010	\$394,809.00	1998	\$287,794.00
2009	\$693,083.00	1997	\$282,566.00
2008	\$744,762.00	1996	\$409,713.00

Despite the City's practice and strong resolve to have reserves/contingencies in place for these types of unpredictable expenditures, the City just hasn't been able to keep up. The balance in the Ice and Snow Removal Reserve is approximately \$87,000.00.

#### TCH Corridor Study

In 2012, the City partnered with the Insurance Corporation of British Columbia (ICBC) and the Ministry of Transportation and Infrastructure (MoTI) to undertake the Trans-Canada Highway (TCH) Corridor Safety Study (Corridor Safety Study). This comprehensive Corridor Safety Study was completed by ISL Engineering Ltd. in January 2013. The Corridor Safety Study resulted in a number of recommendations including roadway improvements and mitigation measures which would help to improve safety (both vehicular and pedestrian) along the TCH corridor and its intersecting streets. In 2014, several minor improvements were approved and installed; however recent accidents along the Downtown's TCH corridor have again created an

increased awareness of the safety issues on the TCH. As such, City Council engaged various community groups and held a public open house to obtain feedback on the proposed phased improvements. As a result, Council approved the proposed corridor safety improvements subject to execution of a cost sharing agreement with ICBC and MoTI and appropriate funding in the 2018 Budget. The City's portion (\$88,000.00) is proposed to be funded from the Community Works Fund. This project has been carried forward and included in the 2019 Budget pending Council direction. A staff report will come forward on this matter early in 2019. It is recommended that a Town Centre Traffic Study be undertaken to better understand the impacts of these changes and other proposed improvements in the area (i.e. Ross Street Underpass, 4 Street NE Parkade, etc.). This Study (\$50,000.00) has not been included in the 2019 Budget in an effort to minimize the tax increase.

#### Transportation Capital Projects

As Council is aware, staff consistently struggle with reducing this budget allocation. The rationale provided for increases to the budget are sound and prudent. It is strongly recommended that this budget be increased to better reflect the needs of the community. This said the 2019 Budget allocation reflects a decrease of approximately \$119,500.00. In particular three (3) projects were removed – a culvert design for 60 Street NW (\$35,000.00), sidewalk, curb and gutter on Alexander Street (\$25,000.00) and the construction of an inventory storage structure at the public works yard (\$20,000.00). These projects were deferred in an effort to minimize the tax increase however will still be required in the future.

The Transportation Budget has two (2) separate and distinct funding sources for transportation capital projects – Municipal Tax (i.e. General Revenue) and the Transportation Parcel Tax – both of which will be addressed herein.

Municipal Tax (i.e. General Revenue) funds all transportation capital projects (i.e. sidewalks, curb and gutter, public works buildings, drainage, road studies, new machinery and equipment, roads, etc.), except asphaltic overlays, which is considered a major maintenance type expenditure and funded from the Transportation Parcel Tax

The issue of General Revenue funding for transportation capital projects has been brought to the attention of Council for the last several years and it cannot be stressed enough. The amount of General Revenue funding being allocated to transportation and, in particular, transportation capital must be increased. The allocation is too low and it is simply not sustainable. A large portion of projects that the City has undertaken in recent years were funded from the Community Works Fund (e.g. Gas Tax), which is fully subscribed under the LTFP or reserves which have a limited life and are utilized quickly.

Based on past budget requests and actual expenditures it was recommended that transportation projects funded from General Revenue should be approximately one (1) million dollars (inclusive of sidewalks, curb and gutter, major maintenance for public works buildings, drainage, road studies, new machinery and equipment, roads).

Historical funding from General Revenue:

- 2016 – \$419,000.00
- 2017 – \$813,135.00
- 2018 – \$518,500.00 (Budget)
- 2019 – \$428,000.00 (Proposed Budget)

It is recommended that the funding for transportation capital be increased incrementally overtime.

Transportation Parcel Tax

The City implemented a Transportation Parcel Tax in 2003 (\$60.00 per parcel) and increased same in 2009 (\$120.00 per parcel). The objective of the Transportation Parcel Tax is to provide an annual consistent level of funding for the recommendations in the Pavement Management Study (Study) undertaken in 2000; and updated in 2008 with a minor review completed in 2011. This provided the City with a Pavement Rehabilitation 2012 - 2017 list. The Study recommended that the City fund its roadway network by \$2.5 million (currently the budget allocation is \$957,000.00) annually to maintain the City's current road rating of 78% (which deteriorated from a rating of 90% in 2000). This recommendation was based on the principle that the overall long term life cycle cost of the existing road network is minimized by rehabilitating pavements before reconstruction and/or extensive deep patching is required. This is achieved by setting a budget level that minimizes the length of the network that is in very poor condition and minimizes the cost of maintaining the roadway network's asset value.

It should be noted that an update to the Pavement Management Plan was approved in 2018 at a cost of \$50,000.00. The update is currently underway with completion estimated to be April/May 2019. Staff are optimistic that the current Study will be completed in time to support the current review of the Transportation Parcel Tax, however recommendations may be brought forward prior to the Study's completion.

Downtown Parking

The Downtown Parking Commission Meeting Minutes of October 9, 2018 recommended that a reserve transfer of \$100,000.00 be included in the 2019 Budget for the purchase of new downtown parking metering technology and that the technology be implemented in the spring of 2020. The modernized equipment offers convenience by allowing users to pay with credit/debit and smart phone apps. In addition the equipment can streamline the monitoring, administration and enforcement of parking control, however the costs to purchase these meters is significant. Unfortunately this year in particular presented a number of challenges with increasing uncontrollable costs and as a result the 2019 Budget does not reflect a transfer for this project. A motion of Council will be required to include one.

Airport Services

The Shuswap Regional (Salmon Arm) Airport function largely reflects regular operations. As per the CSRD Establishment Bylaw, their contributions towards the Airport are exclusive of capital. As such, the proposed gas shack replacement (\$20,000.00) and the weather station replacement (\$30,000.00) are to be born by the City.

The 2019 Capital Budget also reflects the estimated construction costs of Taxiway Charlie. As per the report to Council in August 2018, the City was notified that its application under the BC Air Access Program for 2017/2018 had been approved for 50% funding to a maximum of \$520,000.00 under the 2018/2019 year. The receipt of this grant was unexpected and as a result was not included in the 2018 Budget. The City will be required to borrow the funds for construction and will require a positive result from the Alternative Approval Process (AAP). The design of this project is underway, estimating to be complete in early 2019. The Class 'A' estimate will solidify funding requirements which is necessary to proceed with the AAP process.

Council recently approved the submission of a grant application under the BC Investing in Canada Infrastructure Program – Rural and Northern Communities for the Airport Runway Paving project. The rehabilitation is estimated to cost \$1.5 million and the grant is for funding of 90% (\$1,350,000.00). Pending support of the Airport Commission and CSRD, the Taxiway Runway Reserve could be utilized for the remaining \$150,000.00 needed (Reserve Balance \$305,000.00). As a result, the 2019 Budget does not reflect this project at this time.

#### Park Services

The Parks function reflects a net increase of \$51,840.00 which has been mitigated by the reduction of both Capital (\$109,300.00) and Major Maintenance (\$34,650.00) projects in an effort to minimize the tax increase.

#### Fleet – Public Works, Engineering and Building Inspectors

The vehicle fleet for the Engineering and Building Departments consists of two (2) compact sedans, a repurposed Public Works Jeep and one (1) hybrid SUV purchased in 2018. The sedans and hybrid SUV are used primarily by the Building Officials with occasional usage by engineering and planning staff. The Jeep is used almost exclusively by the Bylaw Enforcement Officer. At present the Public Works Parks Supervisor utilizes a Jeep. The status of these vehicles is as follows:

- 2008 Jeep Compass                      144,300 Kms
- 2007 Chevrolet Cobalt                170,200 Kms
- 2006 Chevrolet Cobalt                136,800 Kms

Based on the usage and associated mileages, the City has gotten good value for money. The vehicles are past their scheduled replacement dates and coupled with expired warranties and the associated cost of both annual maintenance and likelihood of major repair it is time to review options for replacement. It is recommended that one (1) Cobalt be replaced and the Jeep be added to the fleet to be used by the Capital Works Supervisor.

Neither of the Cobalt's perform well in the snow and can be a challenging to operate over the winter months. Many development sites are also not suited for the compact cars with their low clearance and wearing suspensions. City employees often resort to using their own vehicles during challenging road conditions or sites.

*Excerpt from 2018 Budget Report*

Addressing the fuel efficiency of the City fleet is an opportunity to demonstrate the City's commitment to reducing GHG emissions, reducing municipal expenditures related to fuel consumption, and moving towards carbon neutrality. Hybrid and Electric Vehicle (EV) technology is progressing and is becoming increasingly viable considering cost, servicing and reliability. Although the low operational costs of the EVs are attractive and should be considered for the City fleet in the future for certain functions, staff has some concerns with the utility, repair and maintenance with these vehicles. A Hybrid SUV however is a practical option at this time.

*Fuel Efficiency Ratings:*

Vehicle	Fuel Type	EPA Fuel Economy	Est. Annual Fuel Cost
Chevrolet Cobalt	Gas	24 mpg	\$1,550.00
Toyota Rav 4	Hybrid	32 mpg	\$1,150.00
Toyota Prius	Hybrid	52 mpg	\$ 700.00
Chevrolet Volt (EV)	Plug-in Hybrid	106 mpge/42 mpg	\$ 650.00
Nissan Leaf (EV)	Electric	112 mpge	\$ 600.00

The proposed budget includes the purchase of two (2) hybrids, funded by way of reserves (\$35,000.00) and contributions from the Climate Action Reserve (\$60,000.00) to account for the 'green' component. Management have reviewed how these two (2) vehicles will be best situated to meet the overall needs of the City taking into consideration uses, replacement schedules, etc.

Upon approval to purchase the two (2) hybrids, it is envisioned that vehicles will be reallocated as follows:

- One (1) of the proposed Hybrid SUVs will replace one of the Cobalts and be utilized by Building Inspectors;
- The other Cobalt will be retained for Building, Planning and Engineering staff;\*
- One (1) of the proposed Hybrid SUVs will replace the Parks Public Works Jeep which will be repurposed for use by the Capital Works Supervisor who currently does not have a mode of transportation.

\*Staff will review the status of the remaining Cobalt in 2020 and determine if it is prudent and efficient to replace this vehicle with an EV.

Protective Services

The Fire Services Budget reflects an increase in operating costs attributed to several pieces of new equipment added to the fleet throughout the prior year (\$14,200.00) and wage increases with respect to the Fire Fighting Force (\$13,000.00).

It should be noted that the Budget includes a transfer to the Fire Apparatus Reserve of \$185,000.00. While the City expects to receive \$72,800.00 from the Fire Commissioner's Office in 2018, the reserve is still significantly underfunded.

### Recreation Centre

The Recreation Centre function reflects a nominal net increase. This is largely the result of increased revenues attributed to a 5% rate increase (\$29,000.00). The new revenue has mitigated the impact of reduced program revenues (\$10,000.00), Aquatics Manager (SRS) position (\$28,000.00) and facility costs and wages (\$18,000.00). The pool assessment from the prior year of \$90,000.00 was mitigated by a transfer from an operating reserve (\$35,000.00) and a reduction in both capital expenditures (\$31,800.00) and reserves (\$25,000.00). As the pool assessment is now complete, the 2019 Budget proposes an increase to the Operating Reserve of \$15,000.00 and capital of \$35,700.00.

In 2018 the overall increase in wages (both the new Aquatics Manager position and CUPE increases) were mitigated by an approval by Council in 2017 to allocate an additional \$25,000.00 to the aquatics budget to address supervisory issues. This was funded by the Recreation Centre's surplus (Operating Reserve). The additional \$28,000.00 noted above is to recognize the full cost of this position for 2019.

Following the completion of the proposed budget, the Shuswap Recreation Society has recommended that the equivalent of part-time hours be converted to a full-time Lifeguard position in 2019. This recommendation comes as a result of ongoing issues regarding insufficient aquafit skills, risk associated with unsupervised underage employees during peak periods and inadequate supervisory coverage on evening shifts. A further concern is that this is a high demand program and staff can only provide a limited number of classes before they are at risk of injury (e.g. over exertion/repetitive strain, etc.).

Furthermore, with the addition of a third full-time Lifeguard, there is potential to increase operating hours. The cost associated with this conversion is approximately \$31,000.00. As this has not been included in the 2019 Budget a motion of Council is required.

### Shaw Centre

The Shaw Centre function reflects a decrease of approximately \$85,000.00 and is largely attributed to increased revenues attributed to a 5% rate increase (\$22,000.00), ice rental revenue (\$36,000.00), special events (\$17,000.00) and the net Shuswap Memorial Arena contribution (\$35,000.00) which is off-set by a reduction in concession sales (\$16,000.00), increased net facility costs (\$16,000.00) and administrative wages (\$25,000.00).

In addition, in 2019 the debenture debt for the Shaw Centre will mature resulting in a one-time savings in financing costs of \$73,500.00. A portion of these savings were re-directed towards both the Drainage Reserve (\$22,000.00) and General Parking Reserve (\$21,000.00) as per the LTFP and the remaining was used towards Capital expenditures.

### Long Term Financial Plan

Council has been apprised that many of the initiatives contained in the Long Term Financial Plan (LTFP) adopted by Council on March 26, 2018, have been implemented into the Financial Plan including the early payout of debenture debts, undertaking new debenture debts, redirecting reserves towards new projects, completing major capital works, etc.

Pursuant to the LTFFP, the Community Works Fund (aka Gas Tax Funds) is fully subscribed in 2019 for the Ross Street Underpass.

#### Specific Referrals

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

#### Water and Sewer Funds

As noted above both the Water and Sewer Funds reflect an increase of 1.5% to address increasing costs pertaining to labour, equipment and materials; maintain reserves and adequate annual capital upgrades. The City has been a very good steward regarding user fee increases and as a result they have been infrequent. For the most part increases have been absorbed as a result of development and reducing reserve allocations. The water rates were last increased in 2018 by 3.5% and prior to this in 2015 by 2%. The sewer rates were last increased in 2016 by 2.6%.

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

	2018	2019	Difference
Sewer	\$304.00	\$308.55	\$4.55
Water	\$271.15	\$275.20	\$4.05
	\$575.15	\$583.75	\$8.60
Discount	(\$ 57.51)	(\$ 58.38)	(\$0.87)
Net	\$517.64	\$525.37	\$7.73

The annual increase to a residential user is \$7.73 in 2019.

The increase in user fees will result in new water and sewer revenue of approximately \$36,500.00 and \$32,000.00 respectively.

#### Water Fund

##### Future Water Capital Expenditures

Over the past several years, staff have been reviewing the ages and condition of the City's water mains in conjunction with an Asset Management Plan. Portions of the City's water system are nearing or have surpassed their expected lifespan which may require some large expenditures in renewal/replacement projects in the future. The estimates below are based on \$350.00 per metre pro-rated from a detailed cost estimate of the Trans Canada Highway East project.

Date Range	Pre 1950	1951 – 1955	1956 – 1960	1961 – 1965	1966 – 1970
Kilometers	6.4	3.0	6.6	8.0	30.0
Est. \$ Million	\$2.2	\$1.0	\$2.3	\$2.8	\$10.5

The City's Water Master Plan was completed in 2010. Some significant future projects of note are listed below:

- Trans Canada Highway East (from 20 Ave NE to 50 St NE), installed in 1949, 3.8 kilometers in length and replacement cost is estimated at \$1.5 million dollars – A reserve has been established with an allocation of \$25,000.00 in 2019;
- Highway 97B from Countryside Mobile Park to 20 Ave SE, installed between 1948 and 1962 is 1.9 kilometers in length and replacement cost is estimated at \$1.5 million dollars;
- Foothills Road from 10 Ave SE and 10 St SW, installed in 1955 and 1.3 kilometers in length and replacement cost is estimated at \$445,000.00;
- Zone 5 Booster Station relocation and reconstruction, estimated construction cost at \$5 million dollars;
- Zone 3 Reservoir Reconstruction, estimated construction cost at \$800,000.00; and
- Zone 2 Booster Station upgrade, an aging component of the Water Distribution System, no estimated cost at this time.

Further to the projects noted above, reserves have been established in 2019 for the Canoe Beach Foreshore Water Main replacement (\$25,000.00) estimated to cost \$330,000.00 and for a back-up generator for the Water Treatment Plant (\$25,000.00) estimated to cost \$220,000.00.

#### Sewer Fund

##### Future Sewer Capital Expenditures

The City completed its Sanitary Sewer Master Plan in 2016, as part of this process a risk evaluation was completed on the City's 125 km of sanitary sewer mains. Findings estimate that 1,200 metres of clay tile pipe will have exceeded its useful life in 2034. In addition, promoted by growth, the City may need to address system capacity constraints resulting in capital upgrades to gravity mains, pump stations and forcemains, etc. As a result, \$161,600.00 has been transferred to the Sewer Major Maintenance Reserve Fund in 2019.

Some significant future projects of note are listed below:

- Water Pollution Control Centre - Stage IV Upgrade, estimated construction cost at \$37 million; and
- Foreshore Main - Stage 2 (of 4), estimated construction cost at \$3.7 million.

Respectfully Submitted,



Chelsea Van de Cappelle, CPA



# CITY OF SALMON ARM

## BYLAW NO. 4298

### **A bylaw respecting the 2019 to 2023 Financial Plan**

WHEREAS in accordance with the provisions of Section 165 of the Community Charter, the Council is required, by bylaw, to adopted 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 2019 to 2023 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 2019 to 2023 Financial Plan Bylaw No. 4298".

READ A FIRST TIME THIS	DAY OF	2019
READ A SECOND TIME THIS	DAY OF	2019
READ A THIRD TIME THIS	DAY OF	2019
ADOPTED BY COUNCIL THIS	DAY OF	2019

\_\_\_\_\_  
MAYOR

\_\_\_\_\_  
CORPORATE OFFICER

## Schedule "A" - Bylaw #4298

## City of Salmon Arm

## 2019 - 2023 Financial Plan

	2019 Budget	2020 Budget	2021 Budget	2022 Budget	2023 Budget
<b>Consolidated Revenues</b>					
Property and MRDT Taxes - Net	\$ 19,211,055	\$ 19,595,276	\$ 19,987,182	\$ 20,386,926	\$ 20,794,665
Frontage & Parcel Taxes	3,367,800	3,435,156	3,503,859	3,573,936	3,645,415
Sales of Service	8,069,130	8,230,513	8,395,123	8,563,025	8,734,286
Revenue From Own Sources	3,291,050	3,356,871	3,424,008	3,492,488	3,562,338
Rentals	779,545	795,136	811,039	827,260	843,805
Federal Government Transfers	-	-	-	-	-
Provincial Government Transfers	373,100	380,562	388,173	395,936	403,855
Other Government Transfers	226,333	230,860	235,477	240,187	244,991
Transfer From Prior Year Surplus	579,400	590,988	602,808	614,864	627,161
Transfer From Reserve Accounts	900,095	918,097	936,459	955,188	974,292
Transfer From Reserve Funds	-	-	-	-	-
<b>Total Consolidated Revenues</b>	<b>\$36,797,508</b>	<b>\$37,533,459</b>	<b>\$ 38,284,128</b>	<b>\$ 39,049,810</b>	<b>\$ 39,830,808</b>
<b>Consolidated Expenditures</b>					
General Government Services	3,536,050	3,606,771	3,678,906	3,752,484	3,827,534
Protective Services	6,190,645	6,314,458	6,440,747	6,569,562	6,700,953
Transportation Services	5,431,330	5,539,957	5,650,756	5,763,771	5,879,046
Environmental Health Services	69,872	71,269	72,694	74,148	75,631
Environmental Development Service	3,163,645	3,226,918	3,291,456	3,357,285	3,424,431
Recreation and Cultural Services	4,569,385	4,660,773	4,753,988	4,849,068	4,946,049
Fiscal Services - Interest	1,346,843	1,373,780	1,401,256	1,429,281	1,457,867
Fiscal Services - Principal	1,316,705	1,343,039	1,369,900	1,397,298	1,425,244
Capital Expenditures	2,564,400	2,684,154	3,021,834	2,943,280	2,332,092
Transfer to Surplus	-	-	-	-	-
Transfer to Reserve Accounts	2,923,878	2,913,890	2,688,172	2,880,926	3,608,600
Transfer to Reserve Funds	1,141,855	1,164,692	1,187,986	1,211,746	1,235,981
Water Services	2,443,500	2,492,370	2,542,217	2,593,061	2,644,922
Sewer Services	2,099,400	2,141,388	2,184,216	2,227,900	2,272,458
<b>Total Consolidated Expenditures</b>	<b>\$36,797,508</b>	<b>\$37,533,459</b>	<b>\$ 38,284,128</b>	<b>\$ 39,049,810</b>	<b>\$ 39,830,808</b>

## Schedule "A" - Bylaw #4298

## City of Salmon Arm

## 2019 - 2023 Financial Plan

## Capital Projects

## Finances Acquired

	2019 Budget	2020 Budget	2021 Budget	2022 Budget	2023 Budget
General Operating Fund	\$ 1,709,400	\$ 1,896,834	\$ 1,953,280	\$ 1,305,092	\$ 1,959,371
Water Operating Fund	547,500	450,000	490,000	500,000	500,000
Sewer Operating Fund	307,500	675,000	500,000	527,000	575,000
Federal Government Grants	2,901,500	-	-	-	-
Provincial Government Grants	2,996,500	-	-	-	-
Prior Year Surplus	56,000	-	510,000	-	-
Reserve Accounts	5,448,510	530,000	690,000	15,000	340,000
Reserve Funds	2,537,000	323,500	2,808,750	710,000	550,000
Development Cost Charges	334,000	2,125,000	2,307,500	3,335,000	3,445,000
Short Term Debt	55,000	-	-	-	-
Long Term Debt	5,820,000	-	-	-	-
Developer Contributions	1,177,000	40,000	40,000	44,000	40,000

## Total Funding Sources

\$ 23,889,910	\$ 6,040,334	\$ 9,299,530	\$ 6,436,092	\$ 7,409,371
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## Finances Applied

Transportation Infrastructure	\$ 17,380,195	\$ 3,979,500	\$ 4,222,000	\$ 3,622,000	\$ 3,619,500
Buildings	698,470	117,000	197,000	144,000	458,500
Land	720,000	-	-	-	300,000
IT Infrastructure	482,000	125,000	721,500	55,000	65,000
Machinery and Equipment	1,744,400	383,834	1,192,780	513,092	443,871
Vehicles	300,000	90,000	35,000	-	-
Parks Infrastructure	795,245	260,000	966,250	260,000	262,500
Utility Infrastructure	1,769,600	1,085,000	1,965,000	1,842,000	2,260,000

## Total Capital Expense

\$ 23,889,910	\$ 6,040,334	\$ 9,299,530	\$ 6,436,092	\$ 7,409,371
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## Departmental Summary:

	2019 Budget	2020 Budget	2021 Budget	2022 Budget	2023 Budget
General Government Services	\$ 875,970	\$ 108,500	\$ 193,500	\$ 122,500	\$ 138,500
Protective Services	509,000	145,000	805,000	140,000	55,000
Transportation Services	19,278,195	4,276,000	4,523,500	3,918,500	4,233,500
Environmental Health Services	73,660	12,500	2,500	2,500	327,500
Environmental Development Services	-	-	-	-	-
Recreation and Cultural Services	944,485	333,334	1,235,030	335,592	319,871
Water Services	1,003,100	490,000	2,040,000	1,390,000	1,760,000
Sewer Services	1,205,500	675,000	500,000	527,000	575,000
<b>Total by Department</b>	<b>\$ 23,889,910</b>	<b>\$ 6,040,334</b>	<b>\$ 9,299,530</b>	<b>\$ 6,436,092</b>	<b>\$ 7,409,371</b>

20/12/2018

2019-2023 FP Bylaw (Cap)

Schedule "B" – Bylaw #4298  
2019 Revenue Policy Disclosure

1. Table One (1) reflects the proportion of total revenue proposed to be raised from each funding source in 2019. 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 anticipates receiving a Municipal Regional District Tax (MRDT) which will be 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, Sunwave Centre, Cemetery 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 #4298  
2019 Revenue Policy Disclosure

Table 1: Proportions of Total Revenue

<b>Revenue Source</b>	<b>Percentage to Total Revenue Includes Conditional Government Transfers</b>	<b>Percentage to Total Revenue Excludes Conditional Government Transfers</b>
Property Taxes	39.80%	46.90%
Parcel Taxes	6.98%	8.22%
User Fees, Charges and Interest Income	25.15%	29.63%
Other Sources	15.90%	0.91%
Proceeds From Borrowing	12.17%	14.34%
	100.00%	100.00%

2. 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 from Class 5 (Light Industry) to 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 #4298  
2019 Revenue Policy Disclosure

Table 2: Distribution of Property Taxes Between Property Classes

Property Class	2018 Tax Rate	Class Multiple	Percentage to Total Property Tax	Percentage to Total Property Assessment Value
Residential	4.0360	1.00:1	65.40%	85.28%
Utilities	26.3875	6.54:1	0.84%	0.17%
Supportive Housing	0.000	0:1	0.00%	0.00%
Major Industry	70.6999	17.52:1	3.02%	0.22%
Light Industry	11.3951	2.82:1	2.20%	1.01%
Business	11.3951	2.82:1	27.80%	12.84%
Managed Forest Land	8.7758	2.17:1	0.00%	0.00%
Recreational/Non Profit	2.9873	0.74:1	0.12%	0.22%
Farm	12.3901	3.07:1	0.62%	0.26%

3. 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 2013 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	\$ 45,996.50	\$ 37,726.50	\$ 83,723.00
Non Profit Societies	409,140.00	243,030.00	652,170.00
Senior Centers	19,019.00	9,965.00	28,984.00
Other	15,104.00	11,523.00	26,627.00
Sports Clubs	271,559.00	146,616.00	418,175.00
<b>Total</b>	<b>\$ 760,818.50</b>	<b>\$ 448,860.50</b>	<b>\$ 1,209,679.00</b>

Schedule "B" – Bylaw #4298  
2019 Revenue Policy Disclosure

4. 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	2013 General Municipal Tax Exemption	2014 General Municipal Tax Exemption	2015 General Municipal Tax Exemption	2016 General Municipal Tax Exemption	2017 General Municipal Tax Exemption	2018 General Municipal Tax Exemption
C-2 "Downtown Commercial Zone"	\$ 46,974.30	\$ 47,032.50	\$ 45,846.66	\$ 34,828.47	\$ 29,851.20	\$ 24,304.74

5. 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.

Schedule "B" – Bylaw #4298  
2019 Revenue Policy Disclosure

Table 5: Revitalization Tax Exemptions

<b>Area</b>	<b>2014 General Municipal Tax Exemption</b>	<b>2015 General Municipal Tax Exemption</b>	<b>2016 General Municipal Tax Exemption</b>	<b>2017 General Municipal Tax Exemption</b>	<b>2018 General Municipal Tax Exemption</b>
"Industrial Zone"	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 5,425.51



Item 7.

## CITY OF SALMON ARM

Date: January 7, 2019

Moved: Councillor Eliason

Seconded: Councillor Wallace Richmond

THAT: the Special Council Meeting of January 7, 2019, be adjourned.

### **Vote Record**

- ☐ Carried Unanimously
- ☐ Carried
- ☐ Defeated
- ☐ Defeated Unanimously

Opposed:

- ☐ Harrison
- ☐ Cannon
- ☐ Eliason
- ☐ Flynn
- ☐ Lavery
- ☐ Lindgren
- ☐ Wallace Richmond

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