



**VILLAGE OF SAYWARD  
COMMITTEE OF THE WHOLE MEETING AGENDA  
JANUARY 31, 2023 - 7:00 PM  
COUNCIL CHAMBERS**

*The Village of Sayward respectfully acknowledges that the land we gather on is on the unceded traditional territory of the K'ómoks First Nation, the traditional keepers of this land.*

- 1. Call to Order**
- 2. Introduction of Late Items**
- 3. Approval of Agenda**

Recommended Resolution:

THAT the agenda for the Committee of the Whole Meeting of Council for January 31, 2023, be approved.

- 4. Petitions and Delegations - None**
- 5. Correspondence - None**
- 6. Council Reports - None**
- 7. Reports of Committees - None**
- 8. Unfinished Business - None**
- 9. Staff Reports**

**a) Strategic Planning**

Recommended Resolutions:

THAT the Committee of the Whole receive the Strategic Planning report for information and discussion; and,

THAT Council direct staff to develop a strategic planning process for Council and the senior leadership team per Option 1.

**b) Financial Plan 2023-2027**

Recommended Resolution:

THAT the Committee of the Whole receive the Financial Plan 2023-2027 report for information and discussion.

- 10. New Business - None**
- 11. Public Question Period (maximum 15 minutes)**

**Mayor:** "The purpose of the public question period is to enable citizens to ask questions of Council about issues that are important to the citizen asking the question. Speakers are asked to limit their questions to one each and, if time permits after everyone has had an opportunity to ask questions, speakers may ask a second question. Citizens will be asked to state their name and address."

**12. In-Camera - None**

**13. Adjournment**



## STAFF REPORT

**For:** Mayor and Council  
**Prepared by:** Keir Gervais, CAO  
**Subject:** Strategic Planning  
**Meeting date:** January 31, 2023

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### BACKGROUND

The *Village of Sayward 2022 Strategic Plan* is a guiding document that sets out the way ahead with stated *Priorities, Progress Measures* and *Timelines* within seven *Themes*.

With a new Council, it is important that its vision be established through the strategic planning process, to guide the Municipality. From that process, the Strategic Plan will be used to set priorities, focus resources, support operations, ensure that Council and Staff are working toward common goals, and achieving intended outcomes/results.

### DISCUSSION

Staff have identified three options with respect to strategic planning for 2023, which are summarized below:

#### Option 1 – Update the 2022 Strategic Plan

Use the existing *Village of Sayward 2022 Strategic Plan* as the foundation for an updated 2023 Village of Sayward 2023 Strategic Plan.

The CAO can lead Council and the senior leadership team through a review of the 2022 Strategic Plan, and make revisions, with the proviso that the revisions will be minor, i.e. removing and/or adding a small number of *Priorities* and *Progress Measures*. The *Timelines* for all the *Priorities* and *Progress Measures* will change, accordingly.

Financial Impact: None

Impact on Staff Work Plan: Manageable

#### Option 2 - Hire a Consultant

Staff can compile a selection of consultants and request of them proposals for strategic planning services to include:

- Research
- Consultation with Council and staff
- Engagement with residents
- Development of a 2023 Strategic Plan including *Priorities, Progress Measures* and *Timelines*
- Final presentation of the Plan to Council

#### Financial Impact:

The estimated cost is between \$6,000 and \$15,000 (not including travel, disbursements, and applicable taxes). The range in the estimated cost reflects factors including:

- Availability
- Expertise and experience: strategic planning, facilitation, local government, leadership, governance, change management, issues management, financial management, community consultation, etc.

Impact on Staff Work Plan: Manageable

#### Option 3 – Continue with 2022 Strategic Plan

Council and staff can continue working with the current 2022 Strategic Plan for 2023. Staff can work towards completing outstanding items, and a comprehensive strategic planning session can be held in the fall of 2023 with the goal of producing a new Strategic Plan for the 2024 year or through to 2027.

The estimated cost is between \$6,000 and \$15,000 (not including travel, disbursements, and applicable taxes). The range in the estimated cost reflects factors including:

- Availability
- Expertise and experience: strategic planning, facilitation, local government, leadership, governance, change management, issues management, financial management, community consultation, etc.

Impact on Staff Work Plan: Manageable

#### **SUMMARY**

If a strategic planning session of some sort is to be held, it should be held rather soon to fit into the schedule for the financial planning process.

Given the importance that the Strategic Plan reflect current Council, staff and priorities for the Village, and in consideration of timing, budget and available resources, staff recommends Option 1.

#### **STAFF RECOMMENDATIONS**

THAT the Committee of the Whole receive the 2023 Strategic Planning report for information and discussion; and,

THAT Council direct staff to develop a strategic planning process for Council and the senior leadership team per Option 1.

Respectfully submitted,

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Keir Gervais, CAO

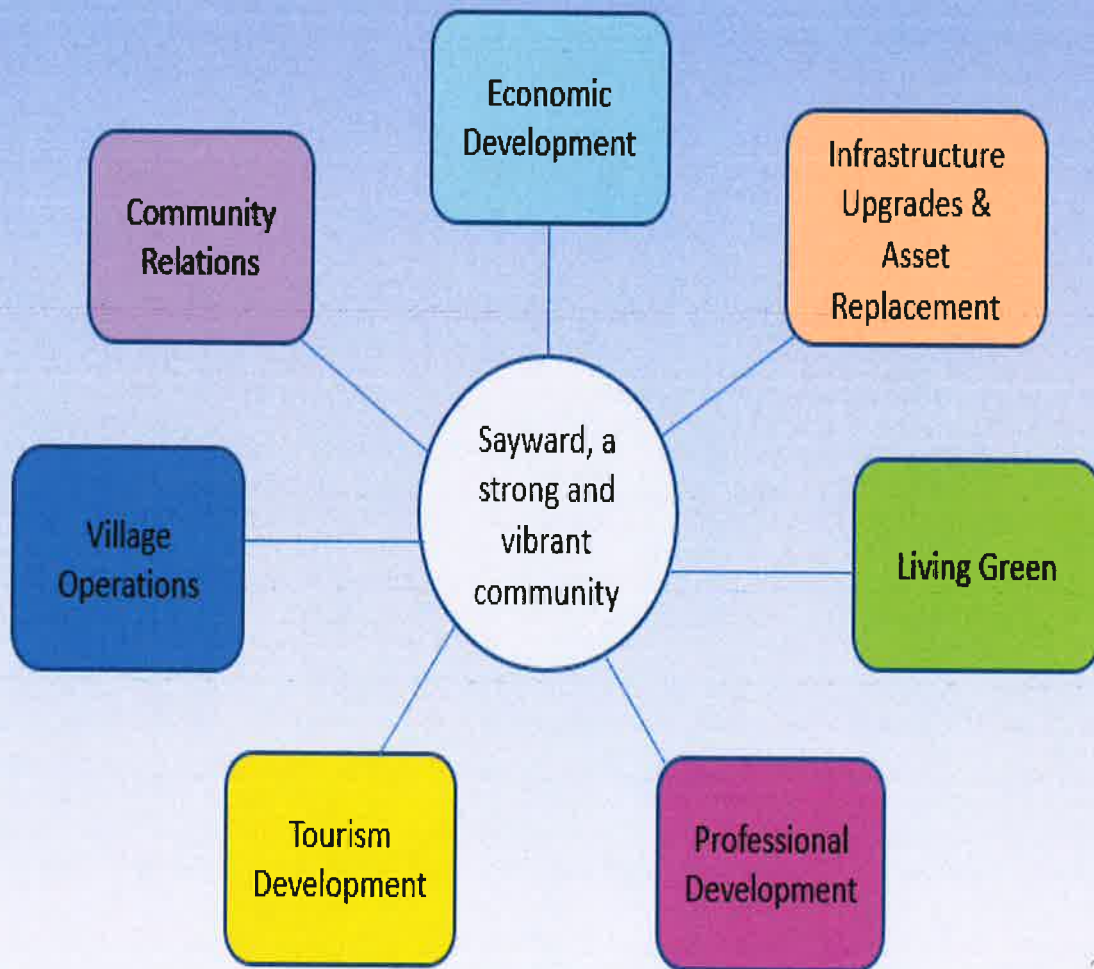
#### **Attachments:**

- Village of Sayward 2022 Strategic Plan



**Village of Sayward  
2022 Strategic Plan**

# Strategic Plan – Priorities 2022



## Community Relations

Priorities	Progress Measures	Timeline
<ul style="list-style-type: none"> <li>Show progress toward reconciliation with K'omoks First Nation and other First Nations</li> </ul>	<ul style="list-style-type: none"> <li>Acknowledge meetings occur on unceded territory; steps taken to provide for visual and physical recognition of First Nation habitation in the Sayward area</li> </ul>	January 2022
	<ul style="list-style-type: none"> <li>Interpretive signage installed at KFN totem Pole and at other key Village locations</li> </ul>	Summer 2022
<ul style="list-style-type: none"> <li>Continue to negotiate a Framework Agreement with Western Forest Products (WFP) regarding the operations at the log sort</li> </ul>	<ul style="list-style-type: none"> <li>Legal Agreement in place to clarify terms and communications around early start times of WFP and measures in place to manage dust and noise</li> </ul>	Spring 2022
	<ul style="list-style-type: none"> <li>Noise Bylaw amended to permit agreement terms</li> </ul>	
<ul style="list-style-type: none"> <li>Continue to work with SRD to clarify Shared Fire Service</li> </ul>	<ul style="list-style-type: none"> <li>New Shared Fire Services agreement with SRD or other terms, and clarification of assets</li> </ul>	Summer 2022
<ul style="list-style-type: none"> <li>Develop stronger working relationship with The Nature Trust of BC</li> </ul>	<ul style="list-style-type: none"> <li>BC Nature Trust reps invited to a Council meeting and projects and initiatives such as interpretive signage established</li> </ul>	2022
<ul style="list-style-type: none"> <li>Finalize Fireworks Bylaw</li> </ul>	<ul style="list-style-type: none"> <li>Household survey results summarized and presented to Council; Fireworks Bylaw in place</li> </ul>	2022
<ul style="list-style-type: none"> <li>Build a collaborative relationship with Sayward residents by working together with Council and staff</li> </ul>	<ul style="list-style-type: none"> <li>Collaborative leadership demonstrated</li> <li>Annual Town Hall meeting with citizens held, and issues of importance to citizens discussed</li> </ul>	2022

<ul style="list-style-type: none"> <li>Resolve deficiencies with 794 and 765 Sayward Road properties in accordance with legal advice</li> </ul>	<ul style="list-style-type: none"> <li>Building permit deficiencies and encroachment of properties resolved as per legal advice</li> </ul>	2022
<ul style="list-style-type: none"> <li>Village to submit bi-monthly update to Sayward residents for information and updates of Village initiatives and goals</li> </ul>	<ul style="list-style-type: none"> <li>Bi-monthly submissions from Village staff or Council included the Sayward News</li> </ul>	ongoing
<ul style="list-style-type: none"> <li>Work with SRD on funding for services jointly used by all valley residents - Recreation, Fire, Health, Comox Strathcona Waste Management and Comox Strathcona Regional Hospital Board</li> </ul>	<ul style="list-style-type: none"> <li>Data collected and presented to Council early 2022; new agreements in place, funding obtained from SRD for Recreation and Health Clinic</li> </ul>	2022
<ul style="list-style-type: none"> <li>Make arrangements for community cooling centre for community safety during hot summer periods</li> </ul>	<ul style="list-style-type: none"> <li>Measures for cooling centre in place</li> </ul>	2022

### Economic Development

Priorities	Progress Measures	Timeline
<ul style="list-style-type: none"> <li>Encourage and support new housing initiatives</li> </ul>	<ul style="list-style-type: none"> <li>Updated development framework including updated Zoning Bylaw and building permit calculation process; access to additional staff resources to administer new building and development applications</li> </ul>	Summer 2022
<ul style="list-style-type: none"> <li>Finalize Official Community Plan (OCP)</li> </ul>	<ul style="list-style-type: none"> <li>OCP Bylaw adopted</li> </ul>	2022
<ul style="list-style-type: none"> <li>Revise and update Zoning Bylaw</li> </ul>	<ul style="list-style-type: none"> <li>New Zoning Bylaw in place</li> </ul>	Summer 2022

<ul style="list-style-type: none"> <li>Support prospective businesses interested in locating to the Sayward area</li> </ul>	<ul style="list-style-type: none"> <li>Investment in Village of new business services, increased campground usage, more tourist traffic, and more businesses advertising in the Tourist Info Centre</li> </ul>	2022
<ul style="list-style-type: none"> <li>Work with local organizations and the Tourism Committee to promote tourism and attract business investment to the Sayward area</li> </ul>	<ul style="list-style-type: none"> <li>Businesses promoted using business licence directory and promotion incentives</li> </ul>	2022
<ul style="list-style-type: none"> <li>Support existing businesses</li> </ul>	<ul style="list-style-type: none"> <li>Progress made on the Working Waterfront Project in accordance with Part 3.4 of the OCP</li> </ul>	2022
	<ul style="list-style-type: none"> <li>Existing business continue to thrive</li> </ul>	

### Infrastructure Upgrades & Asset Replacement

Priorities	Progress Measures	Timeline
<ul style="list-style-type: none"> <li>Complete Water Master Plan</li> </ul>	<ul style="list-style-type: none"> <li>Water Master Plan completed</li> </ul>	Summer 2022
<ul style="list-style-type: none"> <li>Complete Sewage Capacity Study</li> </ul>	<ul style="list-style-type: none"> <li>Sewage Capacity Study completed</li> </ul>	Summer 2022
<ul style="list-style-type: none"> <li>Use Asset Management Plan to identify projects for the Financial Plan</li> </ul>	<ul style="list-style-type: none"> <li>Report to Council with plan for asset replacement strategy</li> </ul>	Ongoing
<ul style="list-style-type: none"> <li>Plan for full replacement of water, sewer, drainage, and road infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>Use information from Water Master Study and Sewage Capacity Study to apply for grant funding and establish 8–10-year Infrastructure Replacement Strategy</li> </ul>	2023-2032
<ul style="list-style-type: none"> <li>Continue to seek grant funding to implement the 2021 Drainage Plan</li> </ul>	<ul style="list-style-type: none"> <li>Funding obtained and 2021 Drainage Plan gradually and steadily implemented</li> </ul>	2022-2026
<ul style="list-style-type: none"> <li>Make progress toward investing in Reserve Funds in accordance with new Reserve Policy</li> </ul>	<ul style="list-style-type: none"> <li>Progress made with annual investments in Reserve Funds per policy</li> </ul>	Ongoing



<ul style="list-style-type: none"> <li>• Completion of removal of Newcastle Dam and construction of Newcastle Weir</li> </ul>	<ul style="list-style-type: none"> <li>• Newcastle Weir in place and dam removed</li> </ul>	Fall 2022
<ul style="list-style-type: none"> <li>• Identify short and long-term projects for the Kelsey Centre and include in budget discussions</li> </ul>	<ul style="list-style-type: none"> <li>• Recommended short-term safety upgrades and equipment replacement presented to Council; issues identified and upgrades completed</li> </ul>	2022
<ul style="list-style-type: none"> <li>• Continue to apply for infrastructure grants</li> </ul>	<ul style="list-style-type: none"> <li>• Grant applications submitted, approved and funds used for repairs and upgrades to Village infrastructure to improve citizen's lives</li> </ul>	2022

### Living Green

Priorities	Progress Measures	Timeline
<ul style="list-style-type: none"> <li>• Continue to pursue the goal of becoming a carbon neutral community</li> </ul>	<ul style="list-style-type: none"> <li>• Solar panels for Water Treatment Plant installed</li> <li>• Substitute fleet vehicles with hybrid or electric models at time of replacement</li> </ul>	2022
<ul style="list-style-type: none"> <li>• Install Electric Vehicle Charging station</li> </ul>	<ul style="list-style-type: none"> <li>• Electric-Vehicle Charging station installed</li> </ul>	Fall 2022
<ul style="list-style-type: none"> <li>• Establish Water Meter Bylaw for all commercial and industrial development and all new development</li> </ul>	<ul style="list-style-type: none"> <li>• Water Meter Bylaw in place and Village able to collect more information regarding water use</li> </ul>	Fall 2022
<ul style="list-style-type: none"> <li>• Continue to work with the Provincial Government and K'omoks First Nation to secure an economically viable community forest</li> </ul>	<ul style="list-style-type: none"> <li>• Community Forest secured with KFN and Provincial Government</li> </ul>	2023
<ul style="list-style-type: none"> <li>• Continue to develop the Village trail system</li> </ul>	<ul style="list-style-type: none"> <li>• Improvements and additions to existing trail system completed</li> </ul>	2023
<ul style="list-style-type: none"> <li>• Continue to expand the Community Garden and flower gardens throughout the Village</li> </ul>	<ul style="list-style-type: none"> <li>• Community Garden revitalized</li> </ul>	2022

## Professional Development

Priorities	Progress Measures	Timeline
<ul style="list-style-type: none"> <li>Ensure Village Council, staff and volunteers receive adequate emergency management training and the village has an emergency response plan in place</li> <li>Continue Village Council, staff and volunteer professional development through various municipal and professional associations ensuring the Village continues to receive good value for the resources expended</li> </ul>	<ul style="list-style-type: none"> <li>Staff and EOC representative reports to Council regarding quarterly meetings with stakeholders. Emergency response plan in place</li> <li>Training for all Council, Staff and volunteers scheduled, and training taken</li> </ul>	<p>Ongoing</p> <p>2022</p>

## Tourism Development

Priorities	Progress Measures	Timeline
<ul style="list-style-type: none"> <li>Continue the Village beautification program including upgrading signage, cleaning and painting Village buildings and structures, and enhancing the Village gardens</li> <li>Work with local organizations and the Regional District to enhance signage and way finding in Sayward</li> <li>Support and work with the Tourism Committee</li> </ul>	<ul style="list-style-type: none"> <li>Off Road Vehicle (ORV) signage installed indicating the location of the designated ORV route</li> <li>Work with the Tourism Committee to promote Trails; additional signage installed</li> <li>Meetings attended and joint initiatives completed</li> <li>Host an annual meeting with the Tourism Committee to identify initiatives to be included in the Financial Plan</li> </ul>	<p>2022</p> <p>Ongoing</p> <p>2022</p> <p>Early 2022</p>

## Village Operations

Priorities	Progress Measures	Timeline
<ul style="list-style-type: none"> <li>Review and update Village internal policies</li> </ul>	<ul style="list-style-type: none"> <li>Additional Policies and Bylaws approved by Council</li> </ul>	2022
<ul style="list-style-type: none"> <li>Create and staff Public Works on call back up position</li> </ul>	<ul style="list-style-type: none"> <li>Public Works back up hired</li> </ul>	Early 2022
<ul style="list-style-type: none"> <li>Review tax ratios</li> </ul>	<ul style="list-style-type: none"> <li>Updated tax ratio system</li> </ul>	Early 2022
<ul style="list-style-type: none"> <li>Revise building permit fees in the Fees &amp; Charges Bylaw to adopt Marshall &amp; Swift estimator for building permit fees and construction costs</li> </ul>	<ul style="list-style-type: none"> <li>Efficient and fair billing system in place for new building permits with Marshall &amp; Swift estimator in use</li> </ul>	Spring 2022
<ul style="list-style-type: none"> <li>Establish Risk Management Strategy to address possible gaps in infrastructure funding</li> </ul>	<ul style="list-style-type: none"> <li>Risk Management Strategy in place</li> </ul>	2022
<ul style="list-style-type: none"> <li>Participate in food security initiatives and support the Strathcona Food Hub</li> </ul>	<ul style="list-style-type: none"> <li>Meetings attended and initiatives completed that address homelessness, community connections, mental health, and socialization</li> </ul>	Fall 2022
<ul style="list-style-type: none"> <li>Determine the ownership and responsibility of breakwater ships and develop strategies to reduce risk</li> </ul>	<ul style="list-style-type: none"> <li>Plan in place to manage breakwater</li> </ul>	2022



## STAFF REPORT

**For:** Mayor and Council  
**Prepared by:** Lisa Clark, CFO/CO  
**Subject:** Financial Plan 2023-2027  
**Meeting date:** January 31, 2023

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### BACKGROUND

The five-year Financial Plan (FP) is developed by Council and staff through a strategic planning process and the Council approved Strategic Plan (SP). This document identifies for staff, and the public, what types and level of services are to be provided by the Village.

An important part of the financial planning process is to provide Council and the public opportunities to give input into the FP. As noted in the FP timetable schedule that Council approved on November 15 (since amended), time will be set aside at each of the next Committee of the Whole meetings, so Council and the public can participate in the financial planning process. In addition, if the public has questions or requires information regarding the FP, they are welcome to contact the CAO or CFO directly.

The FP bylaw and Tax Rate bylaw must be approved by Council before May 15 of each year as set out in the *Community Charter*. Amendments to the FP are allowed for by way of an amendment bylaw, this is usually done near the end of the fiscal year.

### DISCUSSION

The Financial Plan process/timetable is below for information purposes (some changes have been made to dates due to meetings being rescheduled).

	Item	Notes	Timeline
1	Staff reviews 2022-2026 FP and existing SP	Staff Report with timetable for 2023-2027 financial planning sessions to Council	November 15 <sup>th</sup> regular meeting - <b>DONE</b>
2	Staff work on draft FP and Capital Plan for 2023-2027 based on SP, approved outstanding items not yet completed, and input from department managers		November 2022 to January 2023
3	FP Process: A. COW Council Meeting January 31, 2023. B. COW Council Meeting February 14,	Use each meeting to discuss and refine the Operating and Capital	January 31, 2023 February 14, 2023

## FINANCIAL PLAN 2023-2027

	2023. Detailed review of FP/Capital Projects C. COW Council Meeting March 14, 2023. Final review of FP/Capital Projects D. Council Meeting April 4, 2023. First three readings of the FP Bylaw E. Council Meeting April 18, 2023. Final reading of the FP Bylaw	Plans. Provide time for Council review, public input, and questions. This timeline allows staff to research and report back to Council on identified topics as directed.  Adopt Financial Plan	March 14, 2023  April 4, 2023  April 18, 2023
4	Tax Rate Bylaw, Fees & Charges Amendment Bylaw (for water, sewer, solid waste fees)		Adopted by mid May, first 3 readings April 18, 2023, Final reading May 2, 2023.

### Strategic Plan

Council's priorities for the community are typically captured in a Strategic Plan or Strategic Priorities document (SP) and provide the Council's vision for the community to residents and community stakeholders, as well as guide the corporate work plan.

Staff have, in a separate staff report – *Strategic Planning*, provided options to Council regarding its SP. Staff will incorporate the strategic planning process chosen by Council, and ultimately the SP, into the financial planning process.

### 2022 Year in Review

The following chart is provided to Council for information purposes and outlines several projects and tasks completed in 2022. Some completed tasks and projects are a by-product of the Council approved SP and other tasks are projects approved by Council during the year. Note: the chart contains only items that had a substantial financial impact; 2022 was a busy year for staff, and many additional tasks were accomplished.

## 2022 Operating & Capital Projects

### Strategic Plan Projects

Project Name/Description	Category	Budget	Comments
Newcastle Dam project	Water	1,194,726	Completed 2022
Kelsey Centre exterior doors	Living Green	23,500	Completed 2022
SCBA, bunkergear (Fire Dept)	Infrastructure Upgrades & Asset Replacement	13,500	Completed 2022
Official Community Plan (OCP)	Economic Development	125,000	Nearing completion, first reading of bylaw set for Feb 21, 2023
Risk Management Strategy/Asset Management	Village Operations	50,000	Project started late 2022
Water Master Plan	Infrastructure Upgrades & Asset Replacement	25,000	Draft reports submitted to staff for review Jan 2023
Sewage Capacity Study	Infrastructure Upgrades & Asset Replacement	10,000	Draft reports submitted to staff for review Jan 2023

### Other Projects

Item	Category	Budget	Comments
Generators for sewer lift stations	Sewer	177,000	Completed 2022
Land purchase for drainage project	Drainage	115,000	Completed 2022
Spare pump for sewer lagoon	Sewer	8,000	Completed 2022
Share Shed refurbishment	Solid Waste	9,000	Completed 2022
Plan H project (seniors lunches and dinners)	Admin	5,000	Completed 2022
ISPARC project (new equipment for Kelsey Centre)	Kelsey Centre	3,000	Completed 2022
New security camera system	Kelsey Centre/Admin	15,000	Completed 2022
Road repairs (crack sealing)	Roads	24,500	Completed 2022
Campground gazebo upgrades	Parks	22,500	Partially completed in 2022, concrete ramp carried forward to 2023

### Carry forwards for 2023

There are a few other tasks and projects not included in the chart above that were budgeted for 2022, not completed, and are proposed to be carried forward to 2023. These are outlined in the following chart.

Item	Category	Budget	Comments
Cleaning and painting Village buildings and structures, ORV signage	Tourism Development	12,500	Kelsey Centre, Fire Hall #1, RCMP building, late Spring or Summer 2023
Transfer switches for PW building and sewer lagoon (for generator)	Public Works and Sewer	9,682	Project complete Jan 2023
Commercial grade VHF antenna install	Emergency	5,000	Estimated completion date March 2023

### **Reserve balances 2022**

Year-end preparations have begun effective the week of January 30<sup>th</sup>. Once several year-end entries have been posted over the next few weeks staff will have a better idea of estimated balances of reserves. This information will be provided at the next financial planning session. Information will also be provided on suggested transfers to reserves which has typically been done at the end of each fiscal year once surpluses are better known. However, starting in 2023 Staff recommend that reserve funding be budgeted at the beginning of the year according to policy and Council's reserve bylaw (attached). This will ensure funding for these reserve transfers (general taxation, parcel, or frontage taxes) is determined and budgeted at the beginning of the year. More information about this will be provided at future financial planning sessions.

### **2023 Projects and Grants**

The following is a list of grants the Village has applied for in recent months, projects are expected to begin in 2023 contingent on funding approvals:



Grant funder/program	Project Name	Total Project Budget	Comments
Investing in Canada Infrastructure Program	Drainage Improvements Project	1,743,000	Awaiting decision, Village contribution \$465k
Disaster Risk Reduction - Climate Adaptation	Kelsey Recreation Centre - Emergency Cooling Enhancement Project	72,000	Awaiting decision, staff asked to provide additional information by Feb 23, 2023
Strategic Priorities Fund	Water System Supply and Conservation Improvements	3,053,280	Awaiting decision
BC Destination Development Fund	Sayward Campground and First Nation Visitor Centre	1,173,000	Awaiting decision (\$900k), part of project to potentially be funded via ICET
Rural Economic Diversification and Infrastructure Program (REDIP)	Sayward Campground and First Nation Visitor Centre	1,173,000	Awaiting decision (\$900k), part of project to potentially be funded via ICET
ICET	Sayward Campground and First Nation Visitor Centre	1,173,000	20% of campground project Application due February 17, 2023
Community Emergency Preparedness Fund	Village of Sayward - Wildfire Fighting Equipment	29,910	Awaiting decision
Volunteer & Composite Fire Departments Equipment & Training			
Green and Inclusive Community Building	Kelsey Centre	1,000,000	Application due February 28, 2023, Village contribution 20%
Community Emergency Preparedness Fund Emergency Operation Centre	EOC upgrades - generator for Fire Hall #1	55,000	Village contribution \$25k towards generator

### **2023 Property Assessments**

Every year BC Assessment reviews market sales activity to set the majority of the annual assessment roll. As was the case in 2021, in 2022 a low supply of residential properties and a high demand resulted in higher than average sale prices for properties throughout the Sayward area. The preliminary assessments for 2023 show an average increase of approximately 24% for residential properties located in the Village.

An increase of this size does not mean higher taxes and if Council receives questions from taxpayers about their assessment values they can be directed to [www.bcassessment.ca](http://www.bcassessment.ca). The following graphic provided by BC Assessment may also help:





### Non-Market Change for 2023:

Preliminary non-market change (NMC) for 2023 is approximately \$612,000 or an increase of 1.20% of the total assessment roll. NMC is generally related to growth – new developments and construction and results in new tax revenue for the Village. More information about this will be provided during future financial planning sessions. The chart below summarizes the preliminary assessment changes:

Table 1: Overall Change in Assessed Value (Residential)

	Assessed Value	% Change
2022 (Cycle 9)	51,163,700	
Increase due to NMC	612,000	1.20%
Increase due to Market	11,788,100	23.04%
<b>2023 Total</b>	<b>63,563,800</b>	<b>24.24%</b>

### Tax increase analysis

Possible changes to taxes and/or user fees (water, sewer and solid waste) have yet to be determined. These will be discussed in detail at future financial planning meetings. In the meantime, the following chart outlines the effects of various percentage increases for Council's information.

Questions for Council to consider in the coming weeks while moving through the financial planning process are:

- What is the tax burden that Council is willing to bear?
- Do goals such as building reserves, increasing capacity, and maintaining service levels still resonate with this Council, and if yes, at what cost to taxpayers?

Staff will provide comparison information using data from other municipalities at future financial planning meetings.

# FINANCIAL PLAN 2023-2027

Revenue item	2022 revenue	Percentage increase								
		2.5%	3%	3.5%	5%	7%	8%	8.5%	9.5%	10.0%
Municipal taxes	380,893	390,415	392,320	394,224	399,938	407,556	411,364	413,269	417,078	418,982
Water user fees	143,757	147,351	148,070	148,788	150,945	153,820	155,258	155,976	157,414	158,133
Sewer user fees	78,733	80,701	81,095	81,489	82,670	84,244	85,032	85,425	86,213	86,606
Solid Waste user fees	39,858	40,854	41,054	41,253	41,851	42,648	43,047	43,246	43,645	43,844

Revenue item	2022 revenue	Dollar increase								
Municipal taxes	380,893	9,522	11,427	13,331	19,045	26,663	30,471	32,376	36,185	38,089
Water user fees	143,757	3,594	4,313	5,031	7,188	10,063	11,501	12,219	13,657	14,376
Sewer user fees	78,733	1,968	2,362	2,756	3,937	5,511	6,299	6,692	7,480	7,873
Solid Waste user fees	39,858	996	1,196	1,395	1,993	2,790	3,189	3,388	3,787	3,986

	2022 per household	Percentage increase								
		2.5%	3%	3.5%	5%	7%	8%	8.5%	9.5%	10.0%
Municipal taxes (average)	1,368	1,402	1,409	1,416	1,436	1,464	1,477	1,484	1,498	1,505
Water user fees	408	418	420	422	428	436	440	442	447	449
Sewer user fees	304	312	313	315	319	326	329	330	333	335
Solid Waste user fees	246	252	253	255	258	263	266	267	269	271

	2022 per household	Dollar increase (average)								
Municipal taxes (average)	1,368	34	41	48	68	96	109	116	130	137
Water user fees	408	10	12	14	20	29	33	35	39	41
Sewer user fees	304	8	9	11	15	21	24	26	29	30
Solid Waste user fees	246	6	7	9	12	17	20	21	23	25

More staff analysis is needed on capital purchases, including buildings, vehicles, and equipment in order to give Council a more complete picture of the current status, as well as the budget needed to fund future acquisitions. Staff will provide Council with an analysis at a future strategic planning meeting.

The comparatives year over year (Y/Y) on taxes and user fees (water, sewer, solid waste) will be included in a future financial planning report.

Information about changes to salaries & wages will be provided at a future financial planning meeting.

**STAFF RECOMMENDATION**

THAT the Committee of the Whole receive the Financial Plan 2023-2027 report for information and discussion.

Respectfully submitted,

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Lisa Clark, CFO/CO

***Attachments:***

- **Bylaw 476 – Reserve Fund Establishment**
- **Policy 300-07 – Reserve Fund Policy**



## VILLAGE OF SAYWARD

### BYLAW NO. 476

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#### A BYLAW TO ESTABLISH RESERVE FUNDS FOR SPECIFIC PURPOSES

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**WHEREAS** the *Community Charter* provides that the Council may, by bylaw, establish a reserve fund for a specified purpose and direct that money be placed into the reserve;

**NOW THEREFORE**, the Council of the Village of Sayward in open meeting assembled, enacts as follows:

#### 1.0 CITATION

1.1 This Bylaw may be cited for all purposes as **"Reserve Fund Establishment Bylaw No. 476, 2021."**

#### 2.0 INTERPRETATION

- 2.1 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 and any Bylaw referred to herein is a reference to an enactment of the Council of the Village of Sayward, as amended, revised, consolidated, or replaced from time to time.
- 2.2 Unless otherwise defined herein, all words or expressions used in this bylaw shall have the same meaning as defined in the *Local Government Act*, *Community Charter*, *Interpretation Act*, or any successor legislation when used in this bylaw.
- 2.3 The headings contained in this bylaw are for convenience only and are not to be construed as defining or in any way limiting the scope or the intent of the provisions of this bylaw.
- 2.4 Schedule A is attached to and forms part of this bylaw and is enforceable in the same manner as this bylaw.

#### 3.0 ESTABLISHMENT OF RESERVE FUNDS

- 3.1 The Reserve Funds listed in Column 1 of Schedule A are established for the purposes specified in Column 2 of Schedule A.
- 3.2 Monies received in the manner set out in Column 3 of Schedule A shall be placed in the Reserve Fund established in the corresponding Column 1 of Schedule A.

#### 4.0 EXPENDITURE OF RESERVE FUNDS

- 4.1 Monies in reserve funds in Column 1 of Schedule A, together with interest earned on the fund balance, must be used for the purposes specified in the corresponding Column 2 of Schedule A.
- 4.2 Expenditure of monies in a Reserve Fund listed in Schedule A may be authorized by resolution of Council or by a bylaw adopted by Council.

4.3 All monies shall be expended in accordance with any applicable legislation including, but not limited to, the *Local Government Act* and *Community Charter*.

## 5.0 DISCONTINUATION AND TRANSFER OF RESERVE FUNDS

5.1 Monies held in the reserve funds identified in Column 1 of Table 5.2 are hereby transferred to the reserve fund named and established by this bylaw, in Column 2 of Table 5.2. The reserve fund accounts identified in Column 1 of Table 5.2 will then be discontinued.

5.2 Table 5.2 – Transfer of Funds

Column 1 – Reserve Fund	Column 2 – Transfer to Reserve Fund
Recreation Commission Fundraising Reserve	Capital Reserve Fund
Recreation Centre Reserve	Capital Reserve Fund

## 6.0 REPEAL

6.1 Village of Sayward Reserve Fund Establishment Bylaw No. 346, 2005 and all its amendments are hereby repealed.

Read a first time on the 17<sup>TH</sup> day of August 2021.

Read a second time on the 17<sup>th</sup> day of August 2021.

Read a third time on the 17<sup>th</sup> day of August 2021.

Adopted on the 7<sup>th</sup> day of September 2021.

Certified a true copy of Bylaw  
No. 476 this \_\_\_\_ day of

\_\_\_\_\_, \_\_\_\_

\_\_\_\_\_  
Chief Administrative Officer  
Village of Sayward

Original signed by "M. Baker"


\_\_\_\_\_  
Mayor

Original signed by "A. MacDonald"

\_\_\_\_\_  
Corporate Officer

## Schedule A

No.	Column 1 - Reserve Fund Name	Column 2 - Reserve Fund Purpose	Column 3 - Reserve Funding
<b>REGULAR RESERVE FUNDS</b>			
1	Capital Reserve Fund	To fund general capital projects that are not specifically funded from other established reserves or user fees. Capital projects that will be funded from this reserve are budgeted within the Village's long term capital plan.	Annual allocation from general operating budget as provided for in financial plan
2	Sewer Capital Reserve Fund	To fund sewer utility capital projects required for sewer operations.	Annual allocation from sewer operating budget as provided for in financial plan
3	Water Capital Reserve Fund	To fund water utility capital projects required for water operations.	Annual allocation from water operating budget as provided for in financial plan
4	Transportation Infrastructure Reserve Fund	To fund designated road capital projects required for road operations.	Annual allocation from general operating budget as provided for in financial plan
5	Community Works Gas Tax Reserve Fund	To account for funds received and used pursuant to the Community Works Gas Tax Agreement. Projects funded by this account must be in compliance with acceptable uses as defined in the Community Works Gas Tax Agreement. The intent is to spend all funds received, per our Community Gas Tax Agreement.	Monies received pursuant to the Federal Community Works Gas Tax Agreement
6	Fire Facilities and Equipment Reserve Fund	To fund the replacement of fire vehicles and equipment according to planned replacement schedules and planned maintenance, upgrades, additions, or improvements to fire buildings.	<ul style="list-style-type: none"> <li>· Annual allocation from fire operating budget as provided for in financial plan</li> <li>· Proceeds from the sale of fire vehicles and equipment</li> </ul>
7	Climate Action Reserve Fund	To fund projects that reduce greenhouse gas emissions.	Monies received from the Climate Action Revenue Incentive grant
8	COVID-19 Reserve Fund	To fund COVID-19 related expenditures.	Monies received from the COVID-19 Safe Restart grant
9	Election Reserve Fund	To fund Election related expenditures.	Annual allocation from general operating budget as provided for in financial plan
<b>STATUTORY RESERVE FUNDS</b>			
10	Land Sale Reserve Fund	As per subsection 188(2) of the <i>Community Charter</i> funds received from the sale of land and improvements must be set aside for paying any debt remaining in relation to the property and for acquiring land, improvements, and other assets of a capital nature. The Land Sale Reserve has been established for accumulating and expending monies as per this requirement.	Proceeds from the sale of land and improvements
11	Parkland Acquisition Reserve Fund	As per subsection 188(2)(b) of the <i>Community Charter</i> funds received from the sale or disposal of parkland as well as funds received pursuant to section 510 of the <i>Local Government Act</i> (parkland funds received upon subdivision) must be set aside in a reserve and be used exclusively to purchase parkland. The Parkland Acquisition Reserve has been established for accumulating and expending monies as per this requirement.	Monies received from the sale of parkland under section 27(2)(b) of the <i>Community Charter</i> (disposal of parkland), or under section 510(1)(b) of the <i>Local Government Act</i> (provision of parkland on subdivision)

	<b>Village of Sayward</b>	
	<b>Title: Reserve Fund Policy</b>	<b>Policy # 300-07</b>
	<b>Category: Finance</b>	

## 1.0 PURPOSE

The Reserve Fund Policy provides guidance on the development, maintenance and use of financial reserve funds.

It is essential that local governments maintain adequate levels of reserve balances to mitigate current and future risks, ensure stable tax rates and demonstrate financial commitment to long range infrastructure and master plans. The following guiding principles form the basis of this policy:

- 1.1. Sufficient reserve funds are important in achieving financial health and stability for the Village.
- 1.2. Reserve goals need to be consistent with and support established long term financial plans.
- 1.3. Reserve fund management needs to conform to the statutory and legal requirements of the *Local Government Act* and the *Community Charter*, generally accepted accounting principles (GAAP) and public sector accounting board (PSAB) recommendations.

## 2.0 DEFINITIONS

“annual surplus” means the accumulated excess of revenues over expenditures for the current year.

“Village” means the Corporation of the Village of Sayward

“reserve funds” means funds that are set aside for a specified purpose by Council pursuant to subsection 188 (1) the *Community Charter*. These reserves are established via Village bylaws and are discretionary on the part of Council. The reserve funds can be operating or capital in nature.

“reserves” means all of the Village’s reserve funds and statutory reserve funds.

“statutory reserve funds” means funds set aside for specified purposes as required by and pursuant to specific legislation. These reserves are established via Village bylaws and are non-discretionary on the part of Council.

“operating surplus” means the accumulated surplus built up in the Village’s various operating funds that has not been designated for specific uses.

## 3.0 RESERVES

### 3.1. Reserve Funds

**(a) Capital Reserve Fund**

**Purpose:**

To fund general capital projects that are not specifically funded from other established reserves or user fees.

Funding Source	Minimum Level	Maximum Level
Annual allocation from general operating budget as provided for in financial plan.	25% of total cost of capital projects identified as capital funded for the next fiscal year of the 5-year capital plan.	25% of total cost of all capital projects identified as capital funded in the 5-year capital plan.

**(b) Sewer Capital Reserve Fund**

**Purpose:**

To fund sewer utility capital projects required for sewer operations.

Funding Source	Minimum Level	Maximum Level
Annual allocation from sewer operating budget as provided for in financial plan.	25% of total cost of capital projects identified as sewer capital funded for the next fiscal year of the 5-year capital plan.	25% of total cost of all capital projects identified as sewer capital funded in the 5-year capital plan.

**(c) Water Capital Reserve Fund**

**Purpose:**

To fund water utility capital projects required for water operations.

Funding Source	Minimum Level	Maximum Level
Annual allocation from water operating budget as provided for in financial plan.	25% of total cost of capital projects identified as water capital funded for the next fiscal year of the 5-year capital plan.	25% of total cost of all capital projects identified as water capital funded in the 5-year capital plan.



**(d) Transportation Infrastructure Reserve Fund**

**Purpose:**

To fund designated road capital projects required for road operations.

Funding Source	Minimum Level	Maximum Level
Annual allocation from general operating budget as provided for in financial plan.	15% of total cost of capital projects identified as roads reserve funded for the next fiscal year of the 5-year capital plan.	15% of total cost of all capital projects identified as roads reserve funded in the 5-year capital plan.

**(e) Community Works Gas Tax Reserve Fund**

**Purpose:**

To account for funds received and used pursuant to the Community Works Gas Tax Agreement. Projects funded by this account must be in compliance with acceptable uses as defined in the Community Works Gas Tax Agreement.

The intent is to spend all funds received, per our Community Works Gas Tax Agreement.

Funding Source	Minimum Level	Maximum Level
Federal Community Works Gas Tax Funds.	N/A – intend to spend all funds received.	N/A – funds from this source have specified use and cannot be reallocated to other reserves if there was a maximum value placed on this fund.

**(f) Fire Facilities and Equipment Reserve Fund**

**Purpose:**

To fund the replacement of fire vehicles and equipment according to planned replacement schedules and planned maintenance, upgrades, additions, or improvements to fire buildings.

Funding Source	Minimum Level	Maximum Level
Annual allocation from fire operating budget as provided for in financial plan.  Proceeds from the sale of fire vehicles and equipment.	15% of total cost to fund the next year of fire facilities, vehicle and equipment replacements and capital expenditures.	15% of total cost for all scheduled fire facility capital expenditure and vehicle and equipment replacements in the 5-year financial plan.

**(g) Climate Action Reserve Fund**

**Purpose:**

The Village recognizes the importance of reducing greenhouse gas (GHG) emissions through projects that reduce fossil fuel consumption. Reducing GHG emissions is part of the Village's commitment as a signatory to the BC Climate Action Charter. Signing on to the BC Climate Action Charter is a commitment to becoming carbon neutral (in operations) by 2012, measuring and reporting GHG emissions and planning complete, compact, more energy efficient communities. Local governments who have signed on to the Climate Action Charter are eligible for the Climate Action Revenue Incentive Program (CARIP) grant equal to 100 percent of the carbon tax paid as a direct expenditure in the previous year. Funds in this reserve will be used for projects that reduce greenhouse gas emissions.

Funding Source	Minimum Level	Maximum Level
Revenue from the Climate Action Revenue Incentive grant.	N/A – intend to spend all funds received	No maximum – the source of funds for this reserve cannot be reallocated if there is a maximum on this reserve fund

**(h) COVID-19 Reserve Fund**

**Purpose:**

To fund COVID-19 related expenditures.

Funding Source	Minimum Level	Maximum Level
COVID-19 Safe Restart Grant.	N/A – intend to spend all funds received	N/A – funds from this source have specified use and cannot be reallocated to other reserves if there was a maximum value placed on this fund.

**(i) Election Reserve Fund**

**Purpose:**

To fund Election related expenditures.

Funding Source	Minimum Level	Maximum Level
Annual allocation from general operating budget as provided for in financial plan.	N/A – approximately ¼ of the election costs for any given election year is to be put into the reserve annually.	Total budgeted election costs for the next municipal election x 2.

### 3.2. Statutory Reserve Funds

#### (a) Land Sale Reserve Fund

**Purpose:**

As per subsection 188(2)(e) of the *Community Charter* funds received from the sale of land and improvements must be set aside for paying any debt remaining in relation to the property and for acquiring land, improvements, and other assets of a capital nature. The Land Sale Reserve has been established for accumulating and expending monies as per this requirement.

#### (b) Parkland Acquisition Reserve Fund

**Purpose:**

As per subsection 188(2)(b) of the *Community Charter* funds received from the sale or disposal of parkland as well as funds received pursuant to section 510 of the *Local Government Act* (parkland funds received upon subdivision) must be set aside in a reserve and be used exclusively to purchase parkland. The Parkland Acquisition Reserve has been established for accumulating and expending monies as per this requirement.

### 4. UNAPPROPRIATED SURPLUSES

The Village needs to maintain Unappropriated Surplus balances in its three operating funds (the General Operating Fund, the Sewer Operating Fund and the Water Operating Fund) for working capital purposes i.e. to provide for operating expenditures before property taxes or user fees are collected. Maintaining minimum working capital levels eliminates or reduces the need to borrow externally and/or internally for operations.

The Village may also require emergency funds from time to time, from any one of its Unappropriated Surplus balances, for unforeseen costs. When this occurs, the Village needs to rely upon sufficient balances being available in the applicable unappropriated surplus area (general operating, water or sewer).

Funding Source	Minimum Level	Maximum Level
General Fund Any excess general operating fund revenues over expenditures and transfers at the end of each fiscal year.	Two months of regular general fund operating expenditures, rounded up to the nearest \$10,000.	Three months of regular general fund operating expenditures, rounded up to the nearest \$10,000.
Sewer Fund Any excess sewer operating fund revenues over expenditures and transfers at the end of each fiscal year.	Two months of regular sewer fund operating expenditures, rounded up to the nearest \$1,000.	Three months of regular sewer fund operating expenditures, rounded up to the nearest \$1,000.

<b>Water Fund</b> Any excess water operating fund revenues over expenditures and transfers at the end of each fiscal year.	Two months of regular water fund operating expenditures, rounded up to the nearest \$1,000.	Three months of regular water fund operating expenditures, rounded up to the nearest \$1,000.
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## 5. ADMINISTRATION

### 5.1. Reserve Contributions

Annual and/or periodic contributions to Reserve Funds shall be specific to each Reserve, as approved by Council through the Village's annual financial planning and budgeting process.

### 5.2. Minimum and Maximum Reserve Balances

Minimum and maximum fund balance guidelines have been set for some of the Village's Reserve Funds, Statutory Reserve Funds and Unappropriated Surpluses. The minimum balances ensure that the respective balances are not depleted to the degree that those balances are no longer able to serve their intended purpose(s). The maximum balances ensure the Village's guiding principles are achieved and the respective balances do not grow beyond their intended purpose(s) and thus create idle assets that could be otherwise utilized for other corporate priorities. A formal comparative review of actual, minimum and optimal fund balances shall be undertaken annually.

### 5.3. Internal Borrowing

Internal borrowing from specific Reserve Fund, Unappropriated Surplus and Statutory Reserve Fund balances shall be permissible as allowed for by legislation, if a clearly defined and attainable payback plan, including payment of foregone interest, is in place. Internal borrowing allows for more flexibility in terms of payback amounts and loan duration than that of external borrowing. Paybacks shall be executed according to plan.

### 5.4. Responsibilities

The Village's Chief Financial Officer shall be responsible for:

- Recommending the necessary contributions and transfers so that the Village's Reserve Funds, Statutory Reserve Funds and Unappropriated Surpluses are maintained in accordance with this policy;
- Conduct an annual review of all Reserve Fund, Statutory Reserve Fund and Unappropriated Surplus balances and reporting the results of such a review to Council; and
- Recommending revisions or amendments to this Policy, as may be required from time to time, as a result in changes in applicable statutes, accounting standards, economic conditions, etc.

### 5.5. Interest

Reserve Funds and Statutory Reserve Funds shall be paid, and allocated interest based on average annual balances and the Village's average rate of return on investments.

### 5.6. Guide and Transition

The minimum and maximum fund balance guidelines shown in this Policy serve as a guide in moving the Village towards the goals or targets it wishes to attain, in terms of individual fund balances. It is

recognized that the Village's fund balances are not at the optimal levels at the time of enacting this Policy, however the Village is transitioning towards its optimal targets.

## 6.0 REFERENCES / POLICY INTEGRATION

District of Lake Country Reserve Fund Policy:

<https://lakecountry.civicweb.net/document/63758>

## 7.0 APPROVAL HISTORY

<b>ISSUED BY:</b> CFO	<b>APPROVED BY:</b> Mayor & Council	<b>RESOLUTION NO:</b> R21/182	<b>DATE:</b> July 20, 2021
<b>REVISED BY:</b> CFO	<b>APPROVED BY:</b> Mayor & Council	<b>RESOLUTION NO:</b> R21/197	<b>DATE:</b> August 17, 2021

Signed by:

Mayor: Original signed by "M. Baker"	CAO: Original signed by "A. MacDonald"
Date: 9 September 2021	Date: 9 September 2021