

VILLAGE OF ZEBALLOS

AGENDA for the Special Meeting of Council held on Wednesday, December 14, 2022 at 8:00 PM at 157 Maquinna Ave, Zeballos.

We would like to acknowledge we are on unceded First Nations land of Ehattesaht Chinehkint territory.

Page

1. CALL TO ORDER

2. APPROVAL OF AGENDA

Recommendation:

THAT the agenda for the December 13, 2022 Special Meeting of Council be approved as presented.

3. ADOPTION OF THE MINUTES

4. BUSINESS ARISING FROM THE MINUTES

5. DELEGATIONS & PETITIONS

6. CORRESPONDENCE

7. REPORTS

- 7.1. Appointment of Municipal Auditors for 2022-2026 3 - 5
[Staff Report - Auditor Appointment](#)

Recommendation:

THAT Council appoint Chan Nowosad Boates to provide municipal auditing services for the Village of Zeballos for 2022 through to 2026.

8. COMMITTEES

9. BYLAWS

- 9.1. Amendment Bylaw to Bylaw 539, 2022 Five Year Financial Plan 6 - 16
[Staff Report - Five Year Financial Plan Amendment Bylaw](#)
[2022-2026 Five Year Financial Plan Bylaw 539-2022](#)

Recommendation:

THAT 2022-2026 *Five Year Financial Plan Amendment Bylaw* #542-2022 be given first, second and third reading.

10. MAYOR'S LIST

11. NEW BUSINESS

- 11.1. Recommendations from the December 13, 2022 Committee of the Whole meeting

12. IN-CAMERA

13. PUBLIC QUESTION PERIOD

14. ADJOURNMENT

Village of Zeballos | Special Meeting | 14 Dec 2022

Request for Decision

STAFF REPORT



To: Mayor and Council

File No: 0540

Meeting Date: December 13, 2022

From: Pete Nelson-Smith, CAO

Subject: Municipal Auditor Appointment

PURPOSE:

For Council to appoint a municipal auditor for the 2022-2026 municipal audits.

BACKGROUND:

Under the Community Charter Section 169:

Municipal auditor

- 169** (1) A council must appoint an auditor for the municipality.
- (2) A municipal auditor must be a person who is authorized to be the auditor of a company under section 205 of the [Business Corporations Act](#).
- (3) A municipal auditor has the power and duty to conduct the examinations necessary to prepare the reports required under this Division and, for these purposes, has the same authority in relation to the municipality as the auditor of a company under the [Business Corporations Act](#).
- (4) A municipal auditor who receives information from a person whose right to disclose that information is restricted by law holds that information under the same restrictions respecting disclosure that govern the person from whom the information was obtained.

BDO has performed the Village of Zeballos Municipal Audits for the last several years. However, no recent competitive proposals have been received to compare for service delivery, price and additional support.

Audit costs to the village over the last 5 years:

2017	\$35,494.05
2018	\$44,677.50
2019	\$46,745.98
2020	\$33,122.87
2021	\$51,754.5

In October of 2022, staff released a Request for Proposals for a five-year audit term.

KEY ISSUES DEFINED:

The Request for Proposals (RFP) were assessed on 4 pieces of key criteria:

Village audit qualifications and experience	50 points
Lowest all-inclusive cost to the Village	15 points
Proposal quality and clarity	10 points
Knowledge of the Village of Zeballos	10 points

Two firms responded to our request. BDO Company and Chan Nowosad Boates. Upon review of their submissions, staff established the final assessments:

Criteria	Total Points Possible	Proponent	
		CNB	BDO
Qualifications & experience	50	50.00	50.00
Lowest all-inclusive cost to the Village	15	15.00	11.25
Proposal quality & clarity	10	10.00	10.00
Knowledge of the Village of Zeballos	10	10.00	10.00
Total	85	85.00	81.25

Although the proposals are competitive, aside from price, Chan Nowosad Boates provides some additional benefits that BDO did not include.

- ? Campbell River based
- ? In person audit
- ? Year-round support without additional costs
- ? Free tax clinics for low income individuals in the community

IMPLICATIONS:

Policy/Legislation:

Community Charter

Strategic Priority:

To ensure financial risks posed to the Village are identified and a path forward to reduce those risks is put in place.

Sustainability:

Five-year term contract.

Communication:

Advertisement to the public re: free tax clinics during the audit period.

RECOMMENDATIONS:

THAT the Village of Zeballos appoint Chan Nowosad Boates as the municipal auditors for the 2022-2026 municipal audits.

CONCLUSION:

Council, by reviewing this report, provide direction to staff on the appointment of the 2022-2026 municipal auditors.

Request for Decision

STAFF REPORT



To: Mayor and Council

File No: 3900

Meeting Date: December 13, 2022

From: Alana Janisse, Municipal Clerk

Subject: **2022-2026 Five-Year Financial Plan Bylaw Amendment**

PURPOSE:

To present to Council the details of the proposed amendments to 2022-2026 Five-Year Financial Plan Bylaw #539-2022.

BACKGROUND:

Municipalities must adopt a financial plan annually in accordance with the *Community Charter*. The planning period for the financial plan must include the current fiscal year and the next four fiscal years (five-year plan).

As the Five-Year Financial Plan must be adopted by May 15th each year, it is common for changes or opportunities to arise as the year progresses. To allow staff to act on opportunities or make significant changes to projects in the current year and be in compliance with legislation, approval from Council for any additional expenditures is required.

In addition to Council's approval of these expenditures, our Five-Year Financial Plan Bylaw must be amended to reflect these changes.

KEY ISSUES DEFINED:

In the 2022 fiscal year, three additional expenditures were approved by Council resolution, as follows:

- 162-22** **Lewis/Janisse** **CARRIED**
THAT the Village of Zeballos provide half of the funding, up to \$4,000 for the purchase of the casket lowering device with funds being drawn from unrestricted reserves, and the Five-Year Financial Plan be amended to reflect the change.

2. **163-22** **Janisse/Lewis** **CARRIED**
 THAT Council approve the purchase of turnout gear and training materials up to \$10,000 from the Fire Equipment Reserve, and the 2022-2026 Five Year Financial Plan be amended to reflect the change.
3. **164-22** **Colborne/Janisse** **CARRIED**
 THAT Council approve the expense of up to \$10,000 to rebuild Lift Station 2 with funds being drawn from the Gas Tax Reserve, and the 2022-2026 Five Year Financial Plan be amended to reflect the change.

These additional expenditures have been included in the draft *2022-2026 Five-Year Financial Plan Amendment Bylaw #542-2022* attached. All figures that have been updated are highlighted in yellow for quick reference.

IMPLICATIONS:

Financial:

This amendment to the Five-Year Financial Plan includes the cost of the additional planned expenditures and their funding sources.

Policy/Legislation:

Under section 165 of the *Community Charter*, Council must have a financial plan adopted annually by bylaw. All proposed expenditures, funding sources, and transfers to or between funds must be included in the plan.

The *Community Charter* also recognizes that a Council has the right to amend the financial plan during the fiscal year. Subsection 165(2) states, “For certainty, the financial plan may be amended by bylaw at any time.”

Strategic Priority:

Good governance - Subsection 165(2) of the *Community Charter* allows for amendments to the financial plan by bylaw, and Section 137(1)(b) directs that the power to amend or repeal must be exercised by bylaw.

Communication:

The amended 2022-2026 Five-Year Financial Plan will be posted on the Village’s website.

RECOMMENDATIONS:

THAT *2022-2026 Five Year Financial Plan Amendment Bylaw #542-2022* be given first, second and third reading.

CONCLUSION:

Council, by reviewing this report, provide direction to staff on *2022-2026 Five Year Financial Amendment Bylaw #542-2022*.

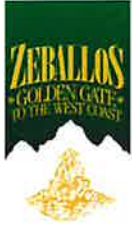
Respectfully submitted,

Alana Janisse,
Municipal Clerk

Attachments:

2022-2026 Five Year Financial Plan Bylaw #539-3033

Draft 2022-2026 Five Year Financial Plan Amendment Bylaw #542-2022



The Corporation Of The Village Of Zeballos
Five Year Financial Plan Bylaw 2022-2026
Bylaw #539-2022

WHEREAS the Local Government Act provides requirements for financial planning;

NOW THEREFORE the Council of the Village of Zeballos in open meeting assembled ENACTS AS FOLLOWS:

1. Bylaw #539-2022 may be cited as “Five Year Financial Plan Bylaw 2022 – 2026”.
2. Schedule “A” attached hereto and forming part of this bylaw sets out the authorized Schedule of Consolidated Sources of Funding and Expenses for the Five Year Period 2022 - 2026.
3. Schedule “B” attached hereto and forming part of this bylaw, sets out the Schedule of Capital Expenditure for the Five Year Period 2022 - 2026.
4. Schedule “C” attached hereto and forming part of this bylaw, sets out the Statement of Objectives and Policies for the Five Year Period 2022 - 2026.
5. Bylaw No 536-2021 is hereby rescinded.

READ a first time this 26th day of April, 2022

READ a second time this 26th day of April, 2022

READ a third time this 26th day of April, 2022

ADOPTED this 3rd day of May, 2022


Corporate Officer


Mayor (Deputy)

**CORPORATION OF THE VILLAGE OF ZEBALLOS
BYLAW #539-2022**

SCHEDULE "A"

Consolidated Sources of Funding and Expenses for the Five Year Period 2022 – 2026

SOURCES OF FUNDS	2022	2023	2024	2025	2026
Property Value Taxation	213,941	216,081	218,242	220,424	222,628
Grants in Lieu	9,560	9,656	9,752	9,850	9,948
1% Utility	4,028	4,068	4,109	4,150	4,192
Taxation Levied for Others	66,890	67,558	68,234	68,916	69,606
Sales of Services and Fees	51,425	51,939	52,459	52,983	53,513
Rental Income	50,000	50,500	51,005	51,515	52,030
Recreation Fees	8,500	8,585	8,671	8,758	8,845
Fiscal / Return on Investments	10,500	10,605	10,711	10,818	10,926
Transfers from Other Governments	1,453,550	1,468,086	1,482,766	1,497,594	1,512,570
Water/Sewer Utility Fees	41,150	41,562	41,977	42,397	42,821
Capital Funding - Grants	0	0	0	0	0
Capital Funding - Transfer from Stat. Reserve	0	0	0	0	0
Capital Funding - Transfer from Current Fund	199,200	125,000	52,000	5,000	10,000
TOTAL SOURCES OF FUNDS	2,108,744	2,053,640	1,999,926	1,972,405	1,992,129
EXPENDITURES					
Capital: Planned Spending	199,200	235,000	82,000	5,000	15,000
Contribution to Reserves	133,300	24,633	105,979	137,339	128,762
Taxes collected for others	66,890	67,558	68,234	68,916	69,606
Other Municipal Purposes:					
Legislative	35,202	35,554	35,910	36,269	36,631
Administration	1,331,381	1,344,695	1,358,142	1,371,723	1,385,441
Protective	16,800	16,968	17,138	17,309	17,482
Environmental Health	30,300	30,603	30,909	31,218	31,530
Transportation	176,891	178,660	180,446	182,251	184,073
Recreation / Culture	71,185	71,897	72,616	73,342	74,075
Water	23,678	23,915	24,154	24,396	24,640
Sewer	23,918	24,157	24,399	24,643	24,889
TOTAL EXPENDITURES	2,108,745	2,053,640	1,999,926	1,972,405	1,992,129

CORPORATION OF THE VILLAGE OF ZEBALLOS
BYLAW # 539-2022

SCHEDULE "B"

Schedule of Capital Expenditure for the Five Year Period 2022 – 2026

		<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
General Capital Expense Fund						
Admin	Buildings	3,000	0	0	0	0
Admin	Fix, Furn, Veh, Equip	1,500	0	0	0	0
Fire	Buildings	0	30,000	0	0	0
Fire	Fix, Furn, Veh, Equip	0	0	0	0	0
Fire	Other Emergency	0	0	0	0	0
Environmental	Fix, Furn, Veh, Equip	0	75,000	0	0	0
Roads	Roads and Bridges	92,700	5,000	0	0	0
Public Works	Fix, Furn, Veh, Equip	8,000	5,000	5,000	5,000	5,000
Community Hall	Buildings	60,000	0	0	0	0
Museum	Buildings	10,000	0	10,000	0	0
Parks	Buildings	9,000	45,000	0	0	10,000
Parks	Fix, Furn, Veh, Equip	5,000	15,000	32,000	0	0
Library	Buildings	0	0	0	0	0
Water Capital Fund						
Water	Water Infrastructure	0	60,000	15,000	0	0
Sewer Capital Fund						
Sewer	Sewer Infrastructure	10,000	0	20,000	0	0
		<u>199,200</u>	<u>235,000</u>	<u>82,000</u>	<u>5,000</u>	<u>15,000</u>
Source of Funds						
UNRESTRICTED		107,200	0	0	0	0
FIRE EQUIPMENT		0	30,000	0	0	0
GGG EQUIPMENT		8,000	5,000	5,000	5,000	5,000
PARKS AND LANDSCAPE		5,000	14,000	30,000	32,000	0
ENVIRONMENTAL HEALTH		14,000	0	0	0	0
GAS TAX		70,000	60,000	15,000	0	0
INFRASTRUCTURE PLANNING GRANT			0	0	0	0
CENOTAPH PROJECT			0	0	0	0
STAT- CAPITAL WORKS			0	0	0	0
STAT- ECONOMIC DEVELOPMENT			0	0	0	0
DONATIONS: Cemetery Improvement Fund			0	0	0	0
GRANT: Community Emergency Preparedness Fund			0	0	0	0
GRANT: Strategic Priorities Fund			0	0	0	0
		<u>199200</u>	<u>125000</u>	<u>52000</u>	<u>5000</u>	<u>10000</u>

**CORPORATION OF THE VILLAGE OF ZEBALLOS
BYLAW #539-2022**

SCHEDULE "C"

Statement of Objectives and Policies for the Five Year Period 2022 - 2026

Funding (Revenue) Sources

TABLE 1

The proportion of total revenue proposed to be raised from each funding source.

SOURCES OF REVENUE		% of total
Property Value Taxation	\$ 213,941	10.48
Parcel Taxes/ In Lieu	\$ 13,588	0.67
User Fees/ Rentals	\$ 91,150	4.46
Fiscal/ ROI/other	\$ 70,425	3.45
Government Grants	\$ 1,453,550	71.19
Capital Funding from Reserves	\$ 199,200	9.76
TOTAL	\$ 2,041,855	100

The Village will continue its policy of "pay as you go" with no borrowing but rather use of its reserves for replacements/updates to equipment or major repairs.

Share of Property Tax Revenue by Class

In 2022, Land and Improvement values from BC Assessment have increased by 44.94% over the previous year.

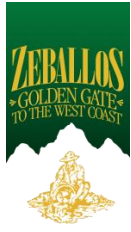
TABLE 2

Over the term of the plan, municipal property taxes are distributed across five property tax classes as shows in Table 2 below. The absence of developable property results in the assessment based solely on market conditions.

Property Class	Dollar Value Tax Levy	% of Total Tax Levy	% of Total Property Value per BCAA
Residential	135,564.98	63%	84.6
Utility	3,412.58	2%	0.61
Light Industry	56,426.28	26%	9.22
Business/Other	18,326.93	9%	5.44
Recreation/ Non Profit	210.79	0%	0.13
	213,941.56	100%	100%

Permissive Tax Exemptions

The Village has no qualifying applicants (non-profit societies) for permissive tax exemptions.



The Corporation Of The Village Of Zeballos
2022-2026 Five-Year Financial Plan Amendment Bylaw
Bylaw #542-2022

WHEREAS pursuant to Section 165 of the *Community Charter*, “Five Year Financial Plan Bylaw #539-2022” was adopted on May 3, 2022;

AND WHEREAS pursuant to Section 165 (2) of the Community Charter, the financial plan may be amended by bylaw at any time;

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

1. This Bylaw may be cited as “2022-2026 Five Year Financial Plan Amendment Bylaw 542-2022”
2. “Five Year Financial Plan Bylaw #539-2022” is hereby amended by deleting Schedules “A”, “B” and “C” in their entirety and replacing them with Schedule “A”, “B” and “C” attached to and forming part of this Bylaw.

READ a first time this ____ day of _____, 2022.

READ a second time this ____ day of _____, 2022.

READ a third time this ____ day of _____, 2022.

ADOPTED this ____ day of _____, ____.

Corporate Officer

Mayor

**CORPORATION OF THE VILLAGE OF ZEBALLOS
BYLAW #542-2022**

SCHEDULE "A"

Consolidated Sources of Funding and Expenses for the Five-Year Period 2022 – 2026

SOURCES OF FUNDS	2022	2023	2024	2025	2026
Property Value Taxation	213,941	216,081	218,242	220,424	222,628
Grants in Lieu	9,560	9,656	9,752	9,850	9,948
1% Utility	4,028	4,068	4,109	4,150	4,192
Taxation Levied for Others	66,890	67,558	68,234	68,916	69,606
Sales of Services and Fees	51,425	51,939	52,459	52,983	53,513
Rental Income	50,000	50,500	51,005	51,515	52,030
Recreation Fees	8,500	8,585	8,671	8,758	8,845
Fiscal / Return on Investments	10,500	10,605	10,711	10,818	10,926
Transfers from Other Governments	1,453,550	1,468,086	1,482,766	1,497,594	1,512,570
Water/Sewer Utility Fees	41,150	41,562	41,977	42,397	42,821
Capital Funding - Grants	0	0	0	0	0
Capital Funding - Transfer from Stat. Reserve	0	0	0	0	0
Capital Funding - Transfer from Current Fund	223,200	125,000	52,000	5,000	10,000
TOTAL SOURCES OF FUNDS	2,132,744	2,053,640	1,999,926	1,972,405	1,992,129
EXPENDITURES					
Capital: Planned Spending	223,200	235,000	82,000	5,000	15,000
Contribution to Reserves	133,300	24,633	105,979	137,339	128,762
Taxes collected for others	66,890	67,558	68,234	68,916	69,606
Other Municipal Purposes:					
Legislative	35,202	35,554	35,910	36,269	36,631
Administration	1,331,381	1,344,695	1,358,142	1,371,723	1,385,441
Protective	16,800	16,968	17,138	17,309	17,482
Environmental Health	30,300	30,603	30,909	31,218	31,530
Transportation	176,891	178,660	180,446	182,251	184,073
Recreation / Culture	71,185	71,897	72,616	73,342	74,075
Water	23,678	23,915	24,154	24,396	24,640
Sewer	23,918	24,157	24,399	24,643	24,889
TOTAL EXPENDITURES	2,132,745	2,053,640	1,999,926	1,972,405	1,992,129

CORPORATION OF THE VILLAGE OF ZEBALLOS
BYLAW # 542-2022

SCHEDULE "B"

Schedule of Capital Expenditure for the Five-Year Period 2022 – 2026

		2022	2023	2024	2025	2026
General Capital Expense Fund						
Admin	Buildings	3,000	0	0	0	0
Admin	Fix, Furn, Veh, Equip	1,500	0	0	0	0
Fire	Buildings	0	30,000	0	0	0
Fire	Fix, Furn, Veh, Equip	10,000	0	0	0	0
Fire	Other Emergency	0	0	0	0	0
Environmental	Fix, Furn, Veh, Equip	0	75,000	0	0	0
Roads	Roads and Bridges	92,700	5,000	0	0	0
Public Works	Fix, Furn, Veh, Equip	8,000	5,000	5,000	5,000	5,000
Community Hall	Buildings	60,000	0	0	0	0
Museum	Buildings	10,000	0	10,000	0	0
Parks	Buildings	9,000	45,000	0	0	10,000
Parks	Fix, Furn, Veh, Equip	9,000	15,000	32,000	0	0
Library	Buildings	0	0	0	0	0
Water Capital Fund						
Water	Water Infrastructure	0	60,000	15,000	0	0
Sewer Capital Fund						
Sewer	Sewer Infrastructure	20,000	0	20,000	0	0
TOTAL		223,200	235,000	82,000	5,000	15,000
Source of Funds						
Unrestricted		111,200	0	0	0	0
Fire Equipment		10,000	30,000	0	0	0
GGs Equipment		8,000	5,000	5,000	5,000	5,000
Parks And Landscape		5,000	14,000	30,000	32,000	0
Environmental Health		14,000	0	0	0	0
Gas Tax		80,000	60,000	15,000	0	0
Infrastructure Planning Grant		0	0	0	0	0
Cenotaph Project		0	0	0	0	0
STAT- Capital Works		0	0	0	0	0
STAT- Economic Development		0	0	0	0	0
DONATIONS: Cemetery Improvement Fund		0	0	0	0	0
GRANT: CEPF		0	0	0	0	0
GRANT: Strategic Priorities Fund		0	0	0	0	0
TOTAL		223,200	125,000	52,000	5,000	10,000

**CORPORATION OF THE VILLAGE OF ZEBALLOS
BYLAW #542-2022**

SCHEDULE "C"

Statement of Objectives and Policies for the Five-Year Period 2022 - 2026

Funding (Revenue) Sources

TABLE 1

The proportion of total revenue proposed to be raised from each funding source.

SOURCES OF REVENUE		% of total
Property Value Taxation	213,941	10.36
Parcel Taxes/ In Lieu	13,588	0.66
User Fees/ Rentals	91,150	4.41
Fiscal/ ROI/other	70,425	3.41
Government Grants	1,453,550	70.36
Capital Funding from Reserves	223,200	10.80
TOTAL	2,065,855	100%

The Village will continue its policy of “pay as you go” with no borrowing but rather use of its reserves for replacements/updates to equipment or major repairs.

Share of Property Tax Revenue by Class

In 2022, Land and Improvement values from BC Assessment have increased by 44.94% over the previous year.

TABLE 2

Over the term of the plan, municipal property taxes are distributed across five property tax classes as shows in Table 2 below. The absence of developable property results in the assessment based solely on market conditions.

Property Class	Dollar Value Tax Levy	% of Total Tax Levy	% of Total Property Value per BCAA
Residential	135,564.98	63%	84.6%
Utility	3,412.58	2%	0.61%
Light Industry	56,426.28	26%	9.22%
Business/Other	18,326.93	9%	5.44%
Recreation/ Non Profit	210.79	0%	0.13%
TOTAL	213,941.56	100%	100%

Permissive Tax Exemptions

The Village has no qualifying applicants (non-profit societies) for permissive tax exemptions.