



# VILLAGE OF SILVERTON

## AGENDA

SPECIAL MEETING OF COUNCIL TO BE HELD

March 30, 2022

MEMORIAL HALL – 203 LAKE AVE. & ONLINE

7:00 PM

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A. CALL TO ORDER

B. THE VILLAGE OF SILVERTON ACKNOWLEDGES THE INDIGENOUS PEOPLES ON WHOSE TRADITIONAL TERRITORIES WE STAND

C. ADDITION OF LATE ITEMS IF ANY

D. ADOPTION OF THE AGENDA

E. UNFINISHED BUSINESS/BUSINESS ARISING

1. 2022 Financial Plan Presentation

2022 – 2026 Five Year Financial Plan Bylaw No. 529 – 2022

**Recommendation:**

That Village of Silverton Council give Five Year Financial Plan Bylaw No. 529 – 2022 First Reading.

That Village of Silverton Council give Five Year Financial Plan Bylaw No. 529 – 2022 Second Reading.

That Village of Silverton Council give Five Year Financial Plan Bylaw No. 529 – 2022 Third Reading.

2. KL Kivi will be representing the Autonomous Sinixt to give a short presentation regarding Zincton
3. Silverton comment to MRB RE: Zincton

**F. ADJOURNMENT**

**THE CORPORATION OF THE  
VILLAGE OF SILVERTON**

**2022-2026 Proposed  
Draft Financial Plan  
March 30, 2022**

# Agenda

1. Introduction
2. Quick Facts
3. 2022 – 2026 Financial Plan Process
4. 2022 Budget overview
5. Taxation & Operating Budget
6. Comments & Questions

# Quick Facts - 2022

- All Village Operational revenue about \$1,138,000
- Total operational expenses about \$1,112,000
- Revenue over expenses pay down debt, fund capital purchases & flow into Operational and Capital reserves
- General Fund Operational expense is budgeted at \$585,000 in 2022 (excluding grant funded expenses), funded by \$175,000 in Taxation (approx. 3.5 to 1 ratio)
- A 1% increase in taxation produces about \$1,600 to cover operational expenditures

# General Operating Budget Principles

- Support delivery of municipal services
- Maintain services delivered at 2021 levels
- Reduce costs of service delivery, where possible, while minimizing service impact levels
- Generate new revenue
- Minimize tax rate increase
- Long term planning as a focus
- Continue infrastructure program
- Implement sustainability principles

# Budget Overview - 2022

## Highlights:

- New residential construction taxation revenue generation for 2022 is expected to be \$950
- Proposing a 3% average overall property tax increase
- Early in 2022 Council approved increases to the utility rates
  - 4% increase to Water or \$22
  - 7% or \$10 annual increase in garbage fees for a residence

## 2022 Capital Budget: Total amount is \$384,000

- \$303,000 in General capital
- \$55,000 in Water capital

# **Tax Revenues: Growth – Where does it come from?**

New revenue only exists when there is new assessment

Increase in “inventory” i.e. through subdivision or new construction

General increases in market value do not generate more tax dollars

Past couple of years has resulted in minimum new revenues from growth



# Effect of Assessments in 2022

Average market changes:

Residential up 16.5% from 2021



Commercial up 13.3% from 2021

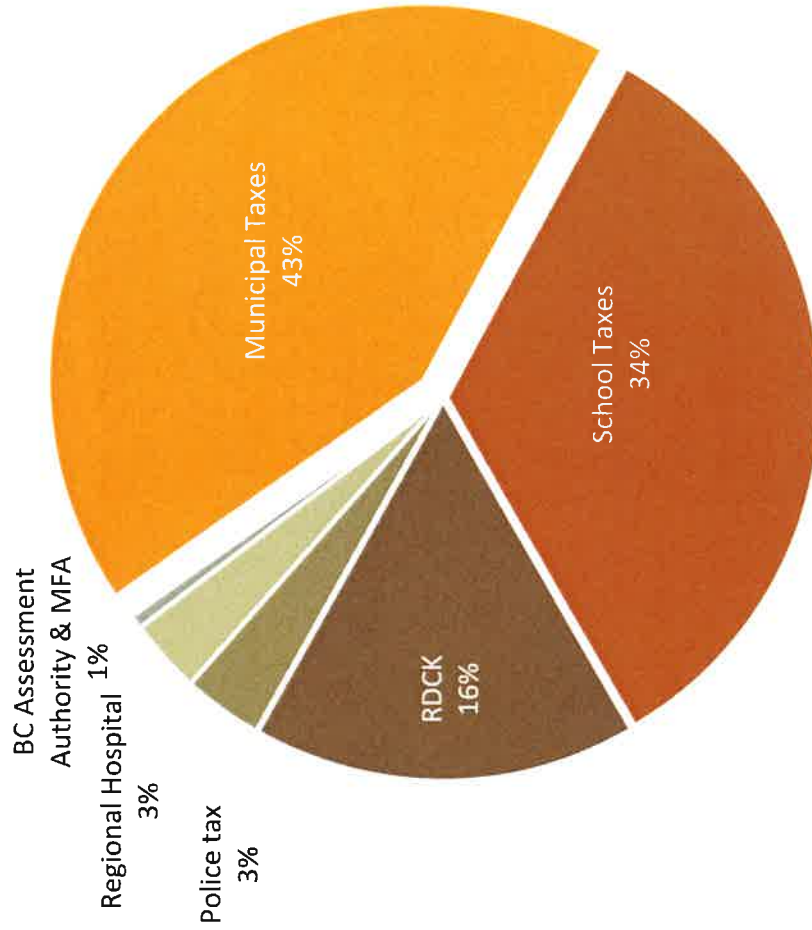
# 2022 Proposed Budget

## Effect on \$343,000 Single Family Dwelling

	2021 Actual	2022 Proposed	Net Annual Change	Net Monthly Change
Property Tax (municipal only)	863	889	\$26	\$ 2.17
Water Rates	545	567	22	1.83
Resource Recovery	145	155	10	.83
<b>Overall</b>	<b>\$1,553</b>	<b>\$1,611</b>	<b>\$58</b>	<b>\$4.83</b>

# 2022 Proposed Budget

## Effect on \$342,000 Single Family Dwelling



Tax authority	Taxes
Village	\$889
School *	701
RDCK *	345
Police *	71
Reg Hosp *	66
BCAA & MFA *	12
<b>Total</b>	<b>\$2,084</b>

\* Assumes 2% change from prior year

# Overall Capital Plan – 2022 Highlights

## General Capital asks – \$303,000

- Highway sidewalk upgrade - \$20,000
- Campground redesign- \$25,000
- Village office renos - \$60,000
- Wayfinding Project (grant funded) - \$43,000
- Campground housing (grant funded) - \$108,000

## Water Capital asks – \$55,000

- Reservoir tank agitator installation - \$15,000
- Creek crossing waterline engineering - \$40,000

Email: [cjury@nelson.ca](mailto:cjury@nelson.ca)

THE CORPORATION OF THE VILLAGE OF SILVERTON  
BYLAW NO. 529 - 2022

BEING A BYLAW TO ADOPT A FIVE-YEAR FINANCIAL PLAN FOR THE YEARS  
2022-2026

WHEREAS the *Community Charter* requires Municipal Councils to annually prepare and adopt, by Bylaw, a five-year financial plan; AND

WHEREAS the Council of the Corporation of the Village of Silverton has reviewed, prepared and solicited public input on the attached five-year financial plan;

NOW THEREFORE the Council of The Corporation of the Village of Silverton in open meeting assembled, enacts as follows:

1. Schedule "A" attached to and forming part of this Bylaw is hereby adopted as the Financial Plan for the Village of Silverton for the five-year period starting January 1, 2022.
2. Schedule "B" attached to and forming part of this Bylaw is hereby adopted as the Revenue Policy Disclosure Requirement for the five-year period starting January 1, 2022.
3. If any section, subsection, sentence, clause or phrase of this Bylaw is for any reason held to be invalid by the decision of any court of competent jurisdiction, the invalid portion shall be severed and the part that is invalid shall not affect the validity of the remainder.
5. This Bylaw shall come into full force and effect on the final adoption thereof.
6. This Bylaw may be cited, for all purposes, as the "**Financial Plan (2022-2026) Bylaw No. 529 - 2022**".

READ A FIRST TIME the 30th day of March, 2022

READ A SECOND TIME the 30th day of March, 2022

READ A THIRD TIME the 30th day of March, 2022

FINALLY PASSED AND ADOPTED the        day of        , 2022

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
CAO/Corporate Officer

**2022-2026 FIVE YEAR FINANCIAL PLAN  
SCHEDULE A**

<b>REVENUES</b>	<b>Plan 2022</b>	<b>Plan 2023</b>	<b>Plan 2024</b>	<b>Plan 2025</b>	<b>Plan 2026</b>
<b>Property Taxation</b>	\$ 175,506	\$ 180,546	\$ 185,737	\$ 191,084	\$ 196,592
Sale of services	77,270	77,270	77,270	77,270	77,270
Other revenue own sources	11,000	11,000	21,000	21,000	21,000
Investment income	1,000	1,000	1,000	1,000	1,000
Grants - unconditional	294,000	294,000	294,000	294,000	294,000
Grants - conditional	482,000	117,000	8,000	8,000	8,000
<b>Total General</b>	<b>1,040,776</b>	<b>680,816</b>	<b>587,007</b>	<b>592,354</b>	<b>597,862</b>
Water User Fees	96,893	99,776	102,745	105,803	108,954
<b>Total Consolidated Revenues</b>	<b>1,137,669</b>	<b>780,592</b>	<b>689,752</b>	<b>698,158</b>	<b>706,815</b>

**2022-2026 FIVE YEAR FINANCIAL PLAN  
SCHEDULE A**

<b>EXPENSES</b>	<b>Plan 2022</b>	<b>Plan 2023</b>	<b>Plan 2024</b>	<b>Plan 2025</b>	<b>Plan 2026</b>
General Government	279,832	264,745	268,716	272,747	276,838
Protective Services	539,824	184,946	77,086	78,242	79,415
Transportation Services	137,232	134,290	136,305	138,349	140,425
Environmental health services	31,187	31,655	32,130	32,612	33,101
Recreation and cultural services	61,700	62,626	63,565	64,518	65,486
<b>Total General Operations</b>	<b>1,049,775</b>	<b>678,262</b>	<b>577,801</b>	<b>586,468</b>	<b>595,265</b>
Water Operations	61,767	51,400	55,254	59,399	63,853
<b>Total Operating Expenses</b>	<b>1,111,542</b>	<b>729,662</b>	<b>633,055</b>	<b>645,867</b>	<b>659,118</b>
<b>Net Operating Surplus (deficit)</b>	<b>26,126</b>	<b>50,930</b>	<b>56,697</b>	<b>52,291</b>	<b>47,697</b>
<b>Add:</b>					
<b>Transfers from Surplus/Reserves</b>					
Transfer from General Reserves	179,200	15,000	794	4,114	7,403
Transfer from Water Reserves	9,874	-	-	-	-
	<b>189,074</b>	<b>15,000</b>	<b>794</b>	<b>4,114</b>	<b>7,403</b>
<b>Add:</b>					
<b>Capital Grant Funding</b>	<b>153,200</b>	<b>35,000</b>	-	-	-
<b>Less:</b>					
<b>Capital Expenditures</b>					
General	303,400	37,000	-	-	-
Water	55,000	40,000	40,000	40,000	40,000
	<b>358,400</b>	<b>77,000</b>	<b>40,000</b>	<b>40,000</b>	<b>40,000</b>
<b>Less:</b>					
<b>Transfer to Surplus/Reserves</b>					
Transfer to General Reserves	10,000	15,554	10,000	10,000	10,000
Transfer to Water Reserves	-	8,376	7,491	6,405	5,100
	<b>10,000</b>	<b>23,930</b>	<b>17,491</b>	<b>16,405</b>	<b>15,100</b>
<b>Financial Plan Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>



**2022-2026 FIVE YEAR FINANCIAL PLAN  
SCHEDULE A**

**CAPITAL FUNDS**

<b>COMPONENTS</b>	<b>Plan 2022</b>	<b>Plan 2023</b>	<b>Plan 2024</b>	<b>Plan 2025</b>	<b>Plan 2026</b>
<b>Sources of Funds</b>					
Community Works Fund	70,000				
General Operating fund	80,200				
Utility Reserves	55,000	40,000	40,000	40,000	40,000
Other Reserves	-	2,000	-	-	-
Grants / Other revenues	153,200	35,000			
<b>Total Sources</b>	<b>358,400</b>	<b>77,000</b>	<b>40,000</b>	<b>40,000</b>	<b>40,000</b>
<b>Expenditures</b>					
General	303,400	37,000	-	-	-
Water	55,000	40,000	40,000	40,000	40,000
<b>Total Expenditures</b>	<b>358,400</b>	<b>77,000</b>	<b>40,000</b>	<b>40,000</b>	<b>40,000</b>

## SCHEDULE “B” – 2022-2026 Five Year Financial Plan

### Revenue Policy:

The revenue policy will provide direction on how Council chooses to fund the expenditures of the Village, distribute property taxes among the property classes and use permissive tax exemptions.

### Revenue Sources

Table 1

Revenue Source	% of Total Revenue
Property Tax	12%
Sale of Service	5%
Other Revenue	1%
Unconditional Grants	20%
Conditional Grants	43%
User Fees	6%
Transfers From Own Reserves/Funds	13%
<b>Total</b>	<b>100%</b>

Table 1 shows the proportion of total revenue proposed to be raised from each funding source in 2022.

Grants also provide a source of revenue to the municipality. Sales of service and Utility User Fees provide revenue for the municipality on a user-pay basis.

### Policy:

Council is committed to examining economic development opportunities and investigating alternative revenue sources in order to reduce historical reliance on property taxes to fund municipal services. The operation of the water utility, and solid waste collection and disposal are self-funded through user fees.

### Objectives:

- To maximize a user-pay cost structure wherever possible.
- To maximize the use of grant funding for infrastructure and service upgrades.

## Proportion of Taxes Allocated to Classes

### Policy:

It is the policy of Council to preserve and maintain the existing equity between assessment classes.

Proportion of taxation among property classes:

Residential (1)	84%
Business (6)	14%
Utility (2)	2%
TOTAL	100%

Council's practice has been to maintain the proportionate relationship among the different classes. The intention is to maintain the Village's small-town character while at the same time encouraging and promoting new residential development.

The Village has limited ability to significantly alter the proportion of revenue from different property classes.

### Objective:

- To maintain the current tax distribution of property tax value among the property classes.

## Permissive Tax Exemptions

Council provides permissive tax exemptions to not-for-profit organizations that form a valuable part of the community. These include religious institutions and the community services society.

### Policy:

Council will continue to support local not-for-profit organizations that provide benefits to the community as a whole and are eligible under the Community Charter through permissive tax exemptions.

### Objective:

To provide permissive tax exemptions to not-for-profit organizations that benefits the overall well-being of the community.

### Wildlife Issues:

Michael Proctor's research data showed the importance of huckleberries for grizzly bears both as an early season food supply, and in the fall as essential sustenance for hibernation. However it also clearly showed that bears prefer only high quality and 'secure' berry patches – which is to say only 'select' patches that are not affected by human disturbance. His research showed that the area around the proposed Zincton resort development contains important high quality berry patches. Increased human use would render them unavailable to bears.

His winter research shows that bears, and especially bears with cubs are highly sensitive to den disturbance. Even minor disturbance - being awakened but not physically disturbed, can increase heart rate and fat burning, with detrimental effects on overall survival of sows and cubs.

Similarly, wolverines are shown to be especially active in winter, especially where marmots are present. Wolverines are extremely shy and therefore highly susceptible to human disturbance. Increased back-country skiing in this area will increase stress on the remnant population around the proposed Zincton project, and be an increased stressor for bears.

This research underscores the reality acknowledged by ecosystem science for decades: fragmentation and connectivity are essential factors leading to the demise or survival of umbrella species such as grizzly bears and wolverines. Although the bear and wolverine remnant populations are not large around the proposed resort area, they are significant in the provincial, national, and continental scale. Their survival hinges on maintaining the integrity of the wildlife corridor and habitat that straddles the proposed development and highway 31A, connecting the Whitewater and London Ridge populations with those to the north and south.

When questioned, Michael allowed that this project, as currently proposed, will sound the death knell of these species, and the end of grizzly bear occupation and viewing in the Whitewater valley.

### Socio-economic and Cultural Issues

The essence of Sanjay Nepal's presentation was that for mountain resorts to avoid being detrimental to local existing communities, they have to be integrated multi-stakeholder collaborations, that develop and maintain close ties between the old and new communities – and the older community's values.

To achieve this, there needs to be close ties between the old and the new community in planning. The older community needs to be at the table during planning and execution. Local communities need to develop the capacity for this sort of planning, allow for affordable housing, and not become over-excited by economic promises.

There are many pitfalls in such developments:

- The creation of inflated and segregated economies – “Enclaves” – self-contained towns with no linkage to local economies. This is a particular concern for Slocan and Kaslo communities as Zincton plans to become a separate municipality, catering exclusively to a wealthier-than-local clientele from “away”, including out of country.
- This inevitably results in spillover inflation in real estate prices (this is already happening with the counter-urbanization happening all over the BC interior). This displaces local long-time residents, removes rental accommodation, and exacerbates the problem of “dark windows” and a shadow population.
- The influx of amenity migrants creates a divide between long-time residents because of a clash of values, as tourism becomes the focus of development, driven by external capital and leisure preferences that are not locally grounded.
- This in turn creates demand for new products and experiences sought by the out-of-towners and second home-owners, which can lead to host/visitor conflicts.

### Economic Issues:

Although, the proposal advertises many economic benefits, there needs to be caution in taking these at face value. Although the creation of jobs is offered by the proponent as a selling point, typically, in similar resort developments, according to Jonathan Buttle, jobs are not of high quality, nor carry a good pay structure, suggesting that Zincton may not in fact provide a panacea for shortages in local employment (this also agrees with Sanjay Nepal’s presentation and research). Added to real estate price trends, this, Jonathan suggests, may be setting people up for future pain, if it is anticipated that the project will be an economic boon for the region.

An example provided was the purchase trends in Invermere and Windermere. There, 90-95% of recent sales were out of province purchases - because of resort development growth. Slocan may not be an identical situation but it is a cautionary sign as prices for houses locally have already recently skyrocketed. Currently, in New Denver, Doctors apparently can’t move here because of lack of housing, and they have high earnings.

Another potential setback for the notion of an economic boon is the reality that in such developments, profit streams generally leave the region. Local investment stems this trend but most of the development is capital intensive and will be financed with outside funding, and necessarily driven by the motive for profit – one example is ski lifts.

Climate change and cost/benefit analysis was also cited as missing from the proposal. Latest science suggests that the West Kootenays will see a 1.5C – 2.5C warming in temperature, focused in the winter months. With altitudes in the 6500-7000' range – this does not bode well for the future of a ski resort here.

All across Europe, ski resorts are struggling to re-invent themselves. Sanjay Nepal also cautioned against the potential of becoming the next “New England” where ski resorts are barely viable because of warming temperatures and disappearing snow. Many require snow-making to stay open - which creates a raft of other environmental and water issues.

Because of the project's request for tenure on private land, a cost benefit analysis should be applied. This will bring about an essential discussion about handing over public lands to a private developer, especially since the current act allows for a great deal of control over that land and access to it. Granting tenure without this kind of analysis and public input has the potential to engender a great deal of rancour, which benefits no one.

A cost/benefit analysis can bring an evaluation into the discussion. The federal government's Environmental Valuation Reference Inventory, or similar tool may be useful here. <https://evri.ca/en/content/how-use-evri>

This would be especially useful considering the creation of the resort is, according to a well-respected bear biologist, likely to spell the demise of grizzly bears in the now much loved and widely-used grizzly viewing area in the Whitewater drainage. Is everyone – public and provincial government - OK with such collateral damage?

### Conclusions:

From the beginning of this exercise, Silverton Council has retained a neutral stance on the Zinton proposal, pending consideration of its impacts on the village and local area. As previously stated, much depends on its final nature and the manner in which any development takes place. There are still many blanks in the proposal and until these are fleshed out it will be difficult to take a firm stance.

Despite claims to the contrary, this is not a green proposal. It will have a large carbon and ecological footprint, both during construction and operation. It will also be capital intensive, most of which will come from outside of the area. It will be technology intensive and it will cost a lot of money to operate sustainably. Some principles however have emerged, that would assist in success, should the process move forward.

**Integrated development is essential** – close economic and social (cultural) ties between the old and new (e.g. the community at base of ski hill) parts of the community.

**Proactive multi-stakeholder collaboration and continuous engagement with developers**

- Documentation of local needs including future perspectives
- Monitoring growth and development – including as Walter Popoff has suggested – staged development with evaluation at each stage
- Communities must develop the capacity to plan and monitor
- Affordable housing policies (based on perpetual affordability)
- The development of collaborative linkages and networking – learning from other places’ successes and failures
- Guaranteed perpetual corporate responsibility and environmental stewardship

**Plan for an uncertain futures**

- economic downturns
- snow condition reliability due to climate change
- limitations on travel because of location

The proponent claims to desire such accommodation and collaboration. The Village of Silverton will be happy to take part in this.

The Village of Silverton Council welcomes this opportunity to comment on the Zincton All Seasons Resort application R2162GHn.

While the proposed development is within Rural Areas adjacent to Silverton, it would have profound impacts on the whole region and on each of the municipalities lying within.

In order to understand the development and its potential impacts, in addition to receiving verbal reports from two Council members who visited the development site with Mr. Harley, we have studied the application; the Regional District of Central Kootenay Report and Recommendations; and conducted a separate Open House session to which our entire community was invited, and on which Mayor Ferguson has reported.

We are attaching both referenced reports along with this submission.

After due consideration of the documents we have studied, we offer the following:

Although this proposal holds potential to bring positive impacts to the region, we are particularly concerned with any decision being made by the Province with respect to land use in this area without first understanding the cumulative effect of the human impacts on this land.

Although the proposal is primarily backcountry oriented, the resort and the referenced number of skiers and guests would have servicing and infrastructure requirements, including water, septic, and access. It is unclear what servicing is proposed in the Village, we consider that further information is necessary to adequately assess whether this would have wider impact on the level of servicing available to the existing communities.

Additionally, the proposed development crosses the boundaries of Electoral Area D (North Kootenay Lake) and H (Slocan Lake North) and is therefore subject of designation within both the Area D Comprehensive Land Use Bylaw No. 2435, 2016 and Area H Official Community Plan Bylaw No. 1967, 2009.

Although generally consistent with the Area D CLU and the Area H-North OCP, the magnitude and intensity of the proposed development is beyond the Areas' vision for "small-scale" outdoor recreation, and for this reason it is considered that an OCP Amendment application would be required. This would provide for further public engagement on the desirableness of the proposal and consideration of the impacts, and would ensure that all individuals and points of view are respected in the development process.

We encourage the Province to undertake a Cumulative Effects Study to better understand those impacts prior to, or as a part of, the assessment of any application for use in this area. This assessment should consider the impacts across the whole Highway 31A corridor, and include consideration of the existing tenures, the proposed tenure, and the relationship of these to public uses and the environment.

Given the existing and competing tenures and uses - which impact on the accessibility of the lands, as well as their environmental stability - it is strongly recommended that the Province undertake a Capacity Assessment and Cumulative Effects Study for the Highway 31 Corridor prior to inviting a Master Plan for the current proposal.

The proposed tenure has the potential to further intensify use, and these assessments would identify the current public and private uses of the land, the environmental capacity of the lands, and the limitations and long term impacts of future intensification and use on the Highway 31A corridor as a whole. We request that the Ministry consider potential impact on the availability of services to the existing communities as part of the evaluation.

The findings of these assessments would inform an understanding of the current and potential capacity of the lands, and the tipping point of the valued lands and ecosystems, and would provide a clearer context for which the current proposal could be considered.



Broad areas of concern that we expect further evaluation of, and that are of particular concern include:

- Local First Nations engagement;
- Cumulative effects of all other permitted operations in this area;
- Socio-economic effects; and,
- Environmental impacts.

At this time, the Village of Silverton cannot support the proposal until remaining concerns are addressed.