

CITY OF MERRITT

BYLAW 2418

A BYLAW TO ADOPT A FIVE-YEAR FINANCIAL PLAN FOR THE PERIOD 2026 - 2030

WHEREAS pursuant to section 165 of the *Community Charter*, the Council for the City of Merritt must adopt a five-year plan;

AND WHEREAS the five-year financial plan must set out the proposed expenditures and proposed revenues for each year of the plan;

NOW THEREFORE the Municipal Council for the City of Merritt in open meeting assembled, **ENACTS AS FOLLOWS:**

Citation

1. This Bylaw shall be cited as the "City of Merritt 2026 – 2030 Financial Plan Bylaw No. 2418, 2026".
2. That Schedule "A", attached hereto and forming part of this bylaw is hereby declared to be the Financial Plan of the City of Merritt for the years 2026 – 2030.
3. That Schedule "B", attached hereto and forming part of this bylaw is hereby declared to be the Capital Plan of the City of Merritt for the years 2026 – 2030.
4. That Schedule "C", attached hereto and forming part of this bylaw is hereby declared to be the 2026 – 2030 Financial Plan Revenue Policy.
5. That "City of Merritt Five-Year Financial Plan Bylaw No. 2396, 2025" is hereby repealed.

READ A FIRST TIME this 14th day of April, 2026

READ A SECOND TIME this 14th day of April, 2026

READ A THIRD TIME this 14th day of April, 2026

ADOPTED this 12th day of May, 2026


Michael Goetz
Mayor


Linda Brick
Corporate Officer

CITY OF MERRITT
2026 to 2030 Financial Plan
Schedule "A"
Bylaw No. 2418

	2026 Annual Budget	2027 Annual Budget	2028 Annual Budget	2029 Annual Budget	2030 Annual Budget
REVENUE					
Taxation - net	13,792,176	14,453,686	15,146,505	15,873,097	16,635,106
Parcel taxes	1,747,111	1,875,091	1,889,556	2,017,536	2,152,956
1% Utility tax	143,462	143,462	143,462	143,462	143,462
Grants in lieu of taxes	208,148	220,763	229,066	243,680	255,863
Government grants	36,897,199	20,697,988	10,059,721	7,222,147	1,784,097
Regional grants	262,800	265,500	268,200	268,200	268,200
Sale of Services	7,711,988	8,112,412	8,452,214	8,760,464	9,090,639
Licences, permits and fines	344,130	259,130	244,130	214,130	214,130
Penalties and interest on taxes	223,924	223,924	223,924	223,924	223,924
Return on investments	392,934	392,934	392,934	392,934	392,934
Other revenue	554,579	1,167,579	370,971	347,524	271,878
	62,278,452	47,812,469	37,420,683	35,707,098	31,433,190
EXPENDITURE					
Departmental Expenditure					
General Government	4,255,040	4,118,434	4,195,136	4,268,357	4,400,197
Protective Services	6,463,996	6,648,574	6,837,827	7,016,775	7,287,753
Transportation Services	4,855,773	5,139,674	5,381,488	5,827,608	6,200,656
Environmental health services	793,429	842,254	883,380	910,877	877,133
Development services	1,292,244	1,050,666	853,116	884,099	914,540
Public health and welfare services	108,277	114,688	116,171	119,035	117,916
Recreational and cultural services	4,036,038	4,312,728	4,531,142	4,899,346	5,268,425
Water Utility	2,631,161	2,770,418	2,775,257	2,827,545	2,796,048
Sewer Utility	1,869,717	1,925,214	2,003,740	2,120,538	2,159,725
Recovery Operations	1,428,868	1,424,708	1,184,286	1,184,056	605,906
	27,734,544	28,347,358	28,761,543	30,058,237	30,628,299
Surplus (Deficit for the year)	34,543,908	19,465,112	8,659,140	5,648,861	804,891
Adjust for Cash Items					
MFA debt principal payments	-850,441	-865,745	-746,506	-724,883	-563,077
Short term debt principal payments	-443,588	-801,098	-881,141	-910,303	-1,468,647
Capital Expenditures	-43,617,528	-22,084,517	-10,543,693	-7,185,150	-3,189,750
Transfer from reserves	4,709,739	1,677,121	516,086	438,000	569,648
Transfer (to) reserves	-3,537,613	-3,791,631	-4,077,611	-4,467,197	-4,758,578
Transfer (to) from unrestricted surplus	2,147,261	518,750	612,950	147,250	84,250
Proceeds from borrowing	3,060,763	1,430,000	1,725,000	1,740,000	2,700,000
Amortization	3,987,500	4,452,008	4,735,775	5,313,421	5,821,262
	-34,543,908	-19,465,112	-8,659,140	-5,648,861	-804,891
Financial Plan Balance	0	0	0	0	0

**CITY OF MERRITT
2026 to 2030 Capital Plan
Schedule "B"
Bylaw No. 2418**

GENERAL

GENERAL FUND CAPITAL PROJECTS

	ALL YEARS	2026	2027	2028	2029	2030
TOTAL ADMINISTRATION	506,500	186,500	80,000	80,000	80,000	80,000
TOTAL PROTECTIVE SERVICES	4,950,000	2,160,000	-	90,000	-	2,700,000
TOTAL PUBLIC WORKS - GENERAL	8,451,787	3,551,587	3,207,800	989,900	525,250	177,250
TOTAL REC AND FACILITIES	3,942,354	2,095,854	1,576,500	156,500	63,000	50,500
TOTAL PLANNING AND DEVELOPMENT	4,000,000	4,000,000	-	-	-	-
TOTAL RECOVERY	56,342,642	27,915,232	15,870,267	7,697,243	4,859,900	-
	78,193,283	39,909,173	20,734,567	9,013,643	5,528,150	3,007,750

FUNDING SOURCES

	ALL YEARS	2026	2027	2028	2029	2030
Active Transportation & Parking	1,800	1,800	-	-	-	-
Recreation/Parks	649,000	84,500	433,000	48,000	33,000	50,500
Community Works Gas Tax	2,534,854	1,664,854	740,000	100,000	30,000	-
Facilities	314,000	297,000	8,500	8,500	-	-
Fire Protection Facilities & Equipment	330,000	330,000	-	-	-	-
Information Technology	400,000	80,000	80,000	80,000	80,000	80,000
Transportation Infrastructure	590,000	145,000	100,000	100,000	145,000	100,000
Total From Reserve	4,819,654	2,603,154	1,361,500	336,500	288,000	230,500
Proceeds from Debt	7,370,763	3,060,763	995,000	375,000	240,000	2,700,000
Surplus	3,479,224	2,144,024	512,800	604,900	140,250	77,250
Grant	62,523,642	32,101,232	17,865,267	7,697,243	4,859,900	-
	78,193,283	39,909,173	20,734,567	9,013,643	5,528,150	3,007,750

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WATER

WATER FUND CAPITAL PROJECTS

	ALL YEARS	2026	2027	2028	2029	2030
TOTAL PUBLIC WORKS - WATER	3,594,990	3,032,590	125,150	155,250	128,500	153,500

FUNDING SOURCES

	ALL YEARS	2026	2027	2028	2029	2030
Transfer from Surplus	17,588	2,188	3,150	5,250	3,500	3,500
Community Works Gas Tax	805,978	805,978	-	-	-	-
Water Reserve	967,742	420,742	122,000	150,000	125,000	150,000
Total From Reserve	1,773,720	1,226,720	122,000	150,000	125,000	150,000
Grant Funding	1,803,682	1,803,682	-	-	-	-
	3,594,990	3,032,590	125,150	155,250	128,500	153,500

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**CITY OF MERRITT
2026 to 2030 Capital Plan
Schedule "B" cont.
Bylaw No. 2418**

SEWER

SEWER FUND CAPITAL PROJECTS

	ALL YEARS	2026	2027	2028	2029	2030
TOTAL PUBLIC WORKS - SEWER	4,832,366	675,766	1,224,800	1,374,800	1,528,500	28,500

FUNDING SOURCES

	ALL YEARS	2026	2027	2028	2029	2030
Transfer from Surplus	13,650	1,050	2,800	2,800	3,500	3,500
Sewer Reserve	591,311	497,311	22,000	22,000	25,000	25,000
Total From Reserve	591,311	497,311	22,000	22,000	25,000	25,000
Deposits/DCC - Sewer	942,405	177,405	765,000	-	-	-
Proceeds from Debt	3,285,000	-	435,000	1,350,000	1,500,000	-
	4,832,366	675,766	1,224,800	1,374,800	1,528,500	28,500

GRAND TOTAL CAPITAL PROJECTS

	ALL YEARS	2026	2027	2028	2029	2030
TOTAL ALL DEPARTMENTS	86,620,638	43,617,528	22,084,517	10,543,693	7,185,150	3,189,750

FUNDING SOURCES

	ALL YEARS	2026	2027	2028	2029	2030
Active Transportation & Parking	1,800	1,800	-	-	-	-
Recreation/Parks	649,000	84,500	433,000	48,000	33,000	50,500
Community Works Gas Tax	3,340,832	2,470,832	740,000	100,000	30,000	-
Facilities	314,000	297,000	8,500	8,500	-	-
Fire Protection Facilities & Equipment	330,000	330,000	-	-	-	-
Information Technology	400,000	80,000	80,000	80,000	80,000	80,000
Transportation Infrastructure	590,000	145,000	100,000	100,000	145,000	100,000
Water Reserve	967,742	420,742	122,000	150,000	125,000	150,000
Sewer Reserve	591,311	497,311	22,000	22,000	25,000	25,000
Total From Reserve	7,184,685	4,327,185	1,505,500	508,500	438,000	405,500
Proceeds from Debt	10,655,763	3,060,763	1,430,000	1,725,000	1,740,000	2,700,000
Deposits/DCC - Sewer	942,405	177,405	765,000	-	-	-
Unrestricted Surplus	3,510,461	2,147,261	518,750	612,950	147,250	84,250
Grant	64,327,324	33,904,914	17,865,267	7,697,243	4,859,900	-
	86,620,638	43,617,528	22,084,517	10,543,693	7,185,150	3,189,750

**CITY OF MERRITT
2026 to 2030 Financial Revenue Policy
Schedule "C"
Bylaw No. 2418**

Under the requirements of the *Community Charter* Section 165 (3.1) the Financial Plan must set out the objectives and policies of the municipality.

Property Taxes

Property taxation revenue will be determined by Council each year according to the operating and capital needs of the community, as part of the annual budget process. Taxation will be based on the service level delivery priorities of Council, in balance with preserving and enhancing the financial health and sustainability of the City.

Taxes will be allocated to the various classes of property as follows, to preserve and maintain the existing equity between assessment classes:

- a) The utility class will be taxed at the maximum combined rate per thousand dollars of assessed value permitted by legislation.
- b) All remaining assessment classes of property will receive an equal allocation of the percentage change in the annual tax levy on the base assessment.
- c)

Property Class	% of Tax Revenue
Residential	50.4%
Utilities	9.5%
Major Industry	7.0%
Light Industry	4.7%
Business/Other	28.2%
Rec/Non-Profit	0.0%
Farm	0.1%

Total 100.0%

The proportion of revenues to be raised from property taxation in 2026 is 22% of total revenue.

Parcel Taxes

The City of Merritt charges parcel taxes for the collection of funds used within the water and sewer funds. Parcel taxes are also charged for local service areas.

Parcel taxes related to a local service area are collected for a specific period. Once all costs for which the parcel taxes are being collected have been paid, the parcel taxes are no longer collected.

The proportion of revenues to be raised from parcel taxes in 2026 is 3%.

Sale of Services

Service fee recovery should reflect the full costs of the program delivery unless the program is directed towards children or where Council has determined that the cost of delivery should be subsidized.

The proportion of revenues to be raised from fees and charges in 2026 is 12%.

Other Revenues

Investment income will be based on prudent investments of taxpayer funds.

Other revenues and fees and charges should be developed and enhanced to maximize the value derived for the benefit of the residents of the City of Merritt.

Proceeds from Borrowing

The City of Merritt accesses funds by borrowing through long term (>5 years) and short-term debt. Long term debt is used for major capital projects with elector approval. Short term debt and leasing is used for purchases of equipment and vehicles.

The proportion of proceeds from borrowing in 2026 is 12% of capital funding.

Development Cost Charges

The City of Merritt collects development cost charges (DCC's), per Bylaw No. 1964, 2007, "City of Merritt Development Cost Charge Bylaw". These funds are held in deferred revenue until projects identified in the bylaw are planned. Currently, there is one DCC eligible project in the 2026 – 2030 Financial Plan.

Permissive Tax Exemptions

The City of Merritt recognizes the benefits accruing to the community through the efforts and activities of volunteer organizations and community groups. Permissive Tax Exemptions extend a financial benefit to such groups. New applications will be considered each year under a process and committee, as defined by existing City policy.