

THE CORPORATION OF THE VILLAGE OF ASHCROFT

BYLAW NO. 804

Being a bylaw for the Corporation of the Village of Ashcroft to adopt the Five Year Financial Plan commencing the year 2016.

The Council of the Corporation of the Village of Ashcroft, in open meeting assembled, enacts as follows:

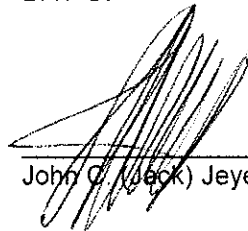
1. This bylaw may be cited for all purposes as the "Five Year Financial Plan Bylaw No. 804, 2016."
2. Schedule "A" and Schedule "B" attached hereto and made part of this bylaw are hereby adopted and are the Five Year Financial Plan of the Village of Ashcroft commencing January 1st, 2016.

READ A FIRST TIME THIS 25th DAY OF April, 2016

READ A SECOND TIME THIS 25th DAY OF April, 2016

READ A THIRD TIME THIS 25th DAY OF April, 2016

RECONSIDERED AND ADOPTED THIS 9th DAY OF May, 2016



John O. (Jack) Jeyes, Mayor



J. Michelle Allen, Chief Administrative Officer

Certified to be a true and correct copy
of Bylaw No.804 as adopted by Council.



J. Michelle Allen, Chief Administrative Officer

YSB/kw

**THE CORPORATION OF THE VILLAGE OF ASHCROFT
 BYLAW NO. 804
 SCHEDULE "A"
 FIVE YEAR FINANCIAL PLAN 2016 - 2020**

	Year 1 2016	Year 2 2017	Year 3 2018	Year 4 2019	Year 5 2020
Revenues					
Property Taxes	1,161,257	1,190,288	1,220,046	1,250,547	1,281,810
Parcel Taxes	168,500	241,561	241,561	241,561	241,561
Fees and Charges					
Sales of Services	213,925	214,300	216,001	216,001	216,001
Other					
User Fees	531,000	597,900	673,560	759,167	856,072
Borrowing Proceeds - MFA	238,846	1,981,559	579,753	0	0
Other Revenue					
Interest	46,000	45,481	46,000	46,000	46,000
Grants/Other Gov'ts.	1,523,570	4,962,288	2,158,676	999,170	999,170
Other	77,250	77,000	77,000	77,000	77,000
Services to Other Gov'ts.	10,000	9,420	9,420	9,420	9,420
Transfers from Funds					
Reserve Funds	0	0	0	0	0
DCC	285,170	285,650	285,650	285,650	285,650
Accumulated Surplus	123,280	12,957	111,156	76,404	3,440
Total Revenue	4,378,798	9,618,404	5,618,822	3,960,920	4,016,124
Expenses					
Debt Interest	5,900	123,332	123,082	122,832	122,832
Debt Principal	18,550	98,979	99,229	99,479	99,479
Capital Expenditure	846,600	5,944,677	1,739,259	0	0
Deficiency	0	0	0	0	0
Other Municipal Purposes					
General Municipal	1,893,622	1,893,623	1,929,504	1,959,945	1,991,148
Fire Protection	117,173	117,173	117,173	117,173	117,173
Water	363,946	375,466	535,466	555,466	545,466
Sewer	321,628	400,171	400,171	400,171	400,171
Transfer to	0	0	0	0	0
Reserve Funds	526,209	379,333	389,288	420,204	430,760
Amortization Expense	285,170	285,650	285,650	285,650	285,650
Accumulated Surplus	0	0	0	0	23,445
Total Expenses	4,378,798	9,618,404	5,618,822	3,960,920	4,016,124

**Village of Ashcroft
2016-2020 Financial Plan
Statement of Objectives and Policies
Schedule 'B' of Bylaw No. 804**

In accordance with Section 165(3.1) of the *Community Charter*, the Village of Ashcroft (Town) is required to include in the Five Year Financial Plan, objectives and policies regarding each of the following:

1. The proportion of total revenue that comes from each of the funding sources described in Section 165(7) of the *Community Charter*;
2. The distribution of property taxes among the property classes, and
3. The use of permissive tax exemptions.

Funding Sources

Table 1 shows the proportion of total revenue proposed to be raised from each funding source in 2016. Property taxes form the greatest proportion of revenue. As a revenue source, property taxation offers a number of advantages, for example, it is simple to administer and it is fairly easy for residents to understand. It offers a stable and reliable source of revenue for services that are difficult to fund on a user-pay basis. These include services such as general administration, fire protection, police services, bylaw enforcement and street lighting.

User fees and charges form the second largest portion of planned revenue. Many services can be measured and charged on a user basis. Services where fees and charges can be easily administered include water and sewer usage, building permits, business licenses, and sale of services – these are charged on a user pay basis. User fees attempt to apportion the value of a service to those who use the service.

Objective

- Over the next five years, the Village of Ashcroft will balance the proportion of revenue that is received from user fees and charges with the projected funds operations require.

Policies

- The Village will review all user fee levels to ensure they are adequately meeting both the capital and delivery costs of the service.
- Where possible, the Village will endeavor to supplement revenues from user fees and charges, rather than taxation, to lessen the burden on its limited property tax base.

Table 1: Sources of Revenue

Revenue Sources	% of Total Revenue	Dollar Value
Property Taxes	27%*	\$ 1,161,257
Parcel Taxes	4%	\$ 168,500
Sales of Service	17%	\$ 744,925
Grants/Transfers	38%	\$ 1,656,850
Borrowing Proceeds	5%	\$ 238,846
Other Sources	9%	\$ 408,420
Total	100%	\$ 4,378,798

* contains 15% (\$168,227) Capital Replacement Reserve funds

Distribution of Property Tax Rates

Table 2 outlines the distribution of property taxes among the property classes. The residential property class provides the largest proportion of property tax revenue. This is appropriate as

this class also forms the largest portion of the assessment base and consumes the majority of Town services.

Objectives

- Maintain the property tax rate as low as possible while still providing for future needs.

Policies

- Continue to maintain and encourage economic development initiatives designed to attract more retail and commercial businesses to invest in the community. New investment from these areas will help offset tax increases while providing more revenue for the Village.
- Align the distribution of tax rates among the property classes with the social and economic goals of the community, particularly to encourage a range of employment opportunities.
- Regularly review and compare the Village of Ashcroft’s tax burden relative to other municipalities in British Columbia.

Table 2: Distribution of Property Tax Rates

Property Class	% of Total Property Taxation	Dollar Value
Residential (1)	61%	\$ 707,116
Utilities (2)	10%	\$ 120,618
Light Industrial (5)	0%	\$ 3,076
Business and Other (6)*	27%	\$ 316,204
Recreation/Non-profit (8)	0%	\$ 602
Farmland (9)	1%	\$ 15,419
Total	100%	\$ 1,163,034

Permissive Tax Exemptions

- The Annual Municipal Report for 2015 contains a list of permissive exemptions granted for the taxation year and the amount of revenue foregone. The list demonstrates the policy of council that permissive exemptions are granted to not-for-profit institutions that form a valuable part of our community. These include religious institutions and some recreational facilities and service organizations.

Objective

- To ensure permissive tax exemptions are utilized to maximize the benefit to the municipality and citizens.

Policy

- To maintain permissive exemptions for religious institutions, recreational facilities, and service organizations.

Capital Asset Reserve

- In 2011 the Village recognized the need to accumulate funds to pay for future replacement of infrastructure. Accordingly a separate tax was established and funds collected are accounted for separately from general municipal taxes.

Objective

- To establish a reserve to fund future infrastructure replacement.

Policy

- To supplement revenues from government grants wherever possible to lessen the amount of funds utilized from the reserve fund.
- To seek out projects which will reduce the operating costs of the Village enabling them to repay funds back into the reserve over time.