

THE CORPORATION OF THE VILLAGE OF ASHCROFT

BYLAW NO. 768

Being a bylaw for the Corporation of the Village of Ashcroft to adopt the Five Year Financial Plan commencing the year 2010.

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. 768, 2010."
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, 2010.

READ A FIRST TIME THIS 26th DAY OF April , 2010.

READ A SECOND TIME THIS 26th DAY OF April , 2010.

READ A THIRD TIME THIS 26th DAY OF April , 2010.

RECONSIDERED AND ADOPTED THIS 10th DAY OF May , 2010.

Morley H. (Andy) Anderson, Mayor

J. Michelle Allen, Chief Administrative Officer

Certified to be a true and correct copy
of Bylaw No. 768 as adopted by Council.

J. Michelle Allen, Chief Administrative Officer

NA/kw

THE CORPORATION OF THE VILLAGE OF ASHCROFT
BYLAW NO. 768 - SCHEDULE "A"
FIVE YEAR FINANCIAL PLAN

	Year 1	Year 2	Year 3	Year 4	Year 5
	2010	2011	2012	2013	2014
Revenues					
Property Taxes	814,272	830,557	847,169	864,112	881,394
Parcel Taxes	168,500	167,900	167,900	170,000	170,000
Fees and Charges					
Sales of Services	162,350	166,000	171,000	176,000	181,000
Other					
User Fees	510,000	520,000	520,000	530,000	530,000
Borrowing Proceeds - MFA					
Other Revenue					
Interest	71,700	37,500	40,500	43,000	43,000
Grants/Other Gov'ts.	1,133,857	504,100	504,100	504,100	504,100
Other	16,550	84,000	89,000	92,000	92,000
Services to Other Gov'ts.	9,420	9,420	9,420	9,420	9,420
Transfers from Funds					
Reserve Funds	288,000	0	0	0	0
DCC	0				
Accumulated Surplus	1,188,036	998,002	948,360	887,110	819,798
Total Revenue	4,362,685	3,317,479	3,297,448	3,275,742	3,230,712
Expenses					
Debt Interest					
Debt Principal					
Capital Expenditure	0	0	0	0	0
Deficiency					
Other Municipal Purposes					
General Municipal	1,349,215	1,376,199	1,403,723	1,431,798	1,460,434
Fire Protection	101,124	103,146	105,209	107,314	109,460
Water	369,975	377,375	384,922	392,620	404,399
Sewer	340,297	378,300	380,300	389,200	389,200
Transfer to					
Reserve Funds	84,500	81,900	80,100	74,850	79,850
Amortization Expense	373,500	373,500	373,500	373,500	373,500
Accumulated Surplus	814,791	803,945	781,923	754,019	710,258
Total Expenses	3,433,402	3,494,365	3,509,678	3,523,300	3,527,101
EXCESS (SHORTFALL)					
REVENUES OVER EXPENSES	929,283	(176,885)	(212,229)	(247,559)	(296,388)
Capital Asset Purchases	(1,071,000)				
ANNUAL SURPLUS (DEFICIT)	\$ (141,717)	\$ (176,885)	\$ (212,229)	\$ (247,559)	\$ (296,388)
CASH FLOW					
Revenue over Expenses	929,283	(176,885)	(212,229)	(247,559)	(296,388)
Add Non Cash Expenses - Amortization	373,500	373,500	373,500	373,500	373,500
Less Acquisition of Capital Assets	(1,071,000)	0	0	0	0
INCREASE IN CASH	\$ 231,783	\$ 196,615	\$ 161,271	\$ 125,941	\$ 77,112

**Village of Ashcroft
2010-2014 Financial Plan
Statement of Objectives and Policies
Schedule 'B' of Bylaw No. 768**

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 2010. 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 operations funds required.

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 Source	% of Total Revenue	Dollar Value
Property taxes	18%	\$814,272
Parcel Taxes	4%	\$168,500
Sales of Services	15%	\$672,350
Grants/Transfers	60%	\$2,609,893
Other sources	3%	\$97,670
Total	100%	\$4,362,685

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 for business and other (Class 6) at the current rate.

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)	66.5%	\$510,074
Utilities (2)	11.2%	\$82,878
Light Industrial (5)	.3%	\$5,709
Business and Other (6)	20.4%	\$156,953
Recreation/Non-profit (8)	.1%	\$450
Farmland (9)	1.5%	\$11,528
Total	100%	\$767,592

Permissive Tax Exemptions

- The Annual Municipal Report for 2009 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.