

THE CORPORATION OF THE VILLAGE OF ASHCROFT

BYLAW NO. 780

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Being a bylaw for the Corporation of the Village of Ashcroft to amend the Five Year Financial Plan Commencing the Year 2012.

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

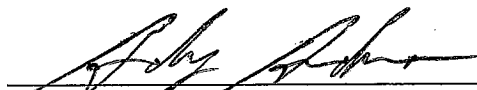
1. This bylaw may be cited for all purposes as the "Five Year Financial Plan Commencing the Year 2012 Amendment Bylaw No. 780, 2013."
2. Schedule "A" and Schedule "B" attached hereto and made part of this bylaw are hereby adopted and are the Five Year Financial Plan Amendment of the Village of Ashcroft commencing January 1<sup>st</sup>, 2012.
3. Bylaw No. 773 cited as "Five Year Financial Plan Commencing the Year 2012" is hereby repealed in its entirety.

READ A FIRST TIME THIS 8<sup>th</sup> DAY OF April, 2013

READ A SECOND TIME THIS 8<sup>th</sup> DAY OF April, 2013

READ A THIRD TIME THIS 8<sup>th</sup> DAY OF April, 2013

RECONSIDERED AND ADOPTED THIS 22<sup>nd</sup> DAY OF April, 2013

  
Morley H. (Andy) Anderson, Mayor

  
J. Michelle Allen, Chief Administrative Officer

Certified to be a true and correct copy  
of Bylaw No.780 as adopted by Council.

  
J. Michelle Allen, Chief Administrative Officer

LH/kw

**THE CORPORATION OF THE VILLAGE OF ASHCROFT  
 BYLAW NO. 780  
 SCHEDULE "A"  
 FIVE YEAR FINANCIAL PLAN 2012 - 2016**

	<i>Year 1</i>	<i>Year 2</i>	<i>Year 3</i>	<i>Year 4</i>	<i>Year 5</i>
	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
<b>Revenues</b>					
Property Taxes	992,062	1,011,903	1,214,284	1,238,570	1,263,341
Parcel Taxes	168,500	168,500	168,500	168,500	168,500
Fees and Charges					
Sales of Services	171,425	171,300	171,300	171,300	171,300
Other					
User Fees	510,000	510,000	510,000	510,000	510,000
Borrowing Proceeds - MFA					
Other Revenue					
Interest	51,700	51,500	51,500	51,500	51,500
Grants/Other Gov'ts.	952,460	845,508	845,508	682,460	682,460
Other	80,300	80,300	80,000	80,000	80,000
Services to Other Gov'ts.	9,420	9,420	9,420	9,420	9,420
Transfers from Funds					
Reserve Funds	335,284	286,734	286,734	286,734	286,734
DCC					
Accumulated Surplus	1,792,310	363,911	152,369	23,925	222,254
<b>Total Revenue</b>	<b>5,063,461</b>	<b>3,499,076</b>	<b>3,489,615</b>	<b>3,222,409</b>	<b>3,445,509</b>
<b>Expenses</b>					
Debt Interest					
Debt Principal	18,000	18,000	18,000	18,000	551
Capital Expenditure	0	0	0	0	0
Deficiency					
Other Municipal Purposes					
General Municipal	1,662,355	1,695,602	1,729,514	1,764,104	1,799,387
Fire Protection	115,026	117,327	119,673	122,067	124,508
Water	474,415	483,903	493,581	503,453	513,522
Sewer	359,357	346,542	346,542	346,542	379,385
Transfer to					
Reserve Funds	681,625	301,877	329,577	443,533	439,953
Amortization Expense	324,284	324,284	324,284	324,284	324,284
Accumulated Surplus	1,428,399	211,542	128,444	-299,574	-136,080
<b>Total Expenses</b>	<b>5,063,461</b>	<b>3,499,076</b>	<b>3,489,615</b>	<b>3,222,409</b>	<b>3,445,509</b>

**Village of Ashcroft  
2012-2016 Financial Plan  
Statement of Objectives and Policies  
Schedule 'B' of Bylaw No. 780**

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 2012. Property taxes form the greatest proportion of revenue outside of Grants and Transfers. 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**

<b>Revenue Source</b>	<b>% of Total Revenue</b>	<b>Dollar Value</b>
Property taxes	20%*	\$ 992,062
Parcel Taxes	3%	\$ 168,500
Sales of Services	13%	\$ 681,425
Grants/Transfers	61%	\$ 13,089,474
Other sources	3%	\$ 132,000
<b>Total</b>	<b>100%</b>	<b>\$ 5,063,461</b>

\* contains 5% (\$154,274) 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 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**

<b>Property Class</b>	<b>% of Total Property Taxation</b>	<b>Dollar Value</b>
Residential (1)	% 64.70	\$ 641,612
Utilities (2)	% 10.50	\$ 104,255
Light Industrial (5)	% 0.03	\$ 2,805
Business and Other (6)	% 23.10	\$ 228,781
Recreation/Non-profit (8)	% .01	\$ 544
Farmland (9)	% 1.40	\$ 14,064
<b>Total</b>	<b>100%</b>	<b>\$ 992,062</b>

### **Permissive Tax Exemptions**

- The Annual Municipal Report for 2011 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.