

THE CORPORATION OF THE VILLAGE OF ASHCROFT

BYLAW NO. 781

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Being a bylaw for the Corporation of the Village of Ashcroft to adopt the Five Year Financial Plan commencing the year 2013.

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

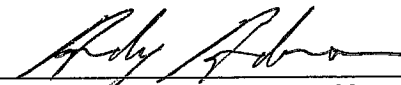
1. This bylaw may be cited for all purposes as the "Five Year Financial Plan Bylaw No. 781, 2013."
2. Schedule "A" and Schedule "B" attached hereto and made part of this bylaw are hereby adopted and are the Five Year Financial Plan of the Village of Ashcroft commencing January 1<sup>st</sup>, 2013.

READ A FIRST TIME THIS 22<sup>nd</sup> DAY OF April , 2013

READ A SECOND TIME THIS 22<sup>nd</sup> DAY OF April , 2013

READ A THIRD TIME THIS 22<sup>nd</sup> DAY OF April , 2013

RECONSIDERED AND ADOPTED THIS 13<sup>th</sup> DAY OF May , 2013

  
\_\_\_\_\_  
Morley H. (Andy) Anderson, Mayor

  
\_\_\_\_\_  
J. Michelle Allen, Chief Administrative Officer

Certified to be a true and correct copy  
of Bylaw No.781 as adopted by Council.

  
\_\_\_\_\_  
J. Michelle Allen, Chief Administrative Officer

LH/kw

THE CORPORATION OF THE VILLAGE OF ASHCROFT

BYLAW NO. 781 - SCHEDULE 'A'

FIVE YEAR FINANCIAL PLAN 2013 - 2017

	Year 1	Year 2	Year 3	Year 4	Year 5
	2013	2014	2015	2016	2017
<b>Revenues</b>					
Property Taxes	1,021,325	1,225,590	1,250,102	1,275,104	1,300,606
Parcel Taxes	168,500	168,500	168,500	168,500	168,500
Fees and Charges					
Sales of Services	159,475	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.	1,178,519	845,508	682,460	682,460	682,460
Other	82,650	80,000	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	545,110	286,734	286,734	286,734	286,734
DCC	324,284				
Accumulated Surplus	363,911	277,205	318,729	342,110	336,430
<b>Total Revenue</b>	<b>4,414,894</b>	<b>3,625,757</b>	<b>3,528,745</b>	<b>3,577,128</b>	<b>3,596,950</b>
<b>Expenses</b>					
Debt Interest					
Debt Principal	18,000	18,000	18,000	551	551
Capital Expenditure	530,498	0	0	0	0
Deficiency	0	0	0	0	0
Other Municipal Purposes	0	0	0	0	0
General Municipal	1,835,305	1,872,011	1,909,452	1,947,641	1,986,594
Fire Protection	103,909	105,987	108,107	110,269	112,474
Water	654,188	667,272	680,617	694,230	708,114
Sewer	379,892	350,148	350,148	379,385	379,385
Transfer to	0	0	0	0	0
Reserve Funds	482,574	329,577	443,533	439,953	439,953
Amortization Expense	323,820	324,284	324,284	324,284	324,284
Accumulated Surplus	86,707	-41,524	-305,397	-319,185	-354,404
<b>Total Expenses</b>	<b>4,414,894</b>	<b>3,625,757</b>	<b>3,528,745</b>	<b>3,577,128</b>	<b>3,596,950</b>

**Village of Ashcroft  
2013-2017 Financial Plan  
Statement of Objectives and Policies  
Schedule 'B' of Bylaw No. 781**

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 2013. 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**

<b>Revenue Source</b>	<b>% of Total Revenue</b>	<b>Dollar Value</b>
Property taxes	23%*	\$ 1,021,325
Parcel Taxes	4%	\$ 168,500
Sales of Services	15%	\$ 669,475
Grants/Transfers	47%	\$ 2,096,960
Other sources	10%	\$ 458,634
<b>Total</b>	<b>100%</b>	<b>\$ 4,414,894</b>

\* contains 15% (\$156,931) 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	\$ 656,600
Utilities (2)	% 10	\$ 106,862
Light Industrial (5)	%.00	\$ 2,876
Business and Other (6)	% 24	\$ 240,014
Recreation/Non-profit (8)	% 00	\$ 557
Farmland (9)	% 01	\$ 14,416
<b>Total</b>	<b>100%</b>	<b>\$ 1,021,325</b>

### **Permissive Tax Exemptions**

- The Annual Municipal Report for 2012 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.