

THE CORPORATION OF THE VILLAGE OF ASHCROFT

BYLAW NO. 812

Being a bylaw for the Corporation of the Village of Ashcroft to adopt the Five Year Financial Plan commencing the year 2017.

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, 2017."
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, 2017.

READ A FIRST TIME THIS 24th DAY OF April , 2017

READ A SECOND TIME THIS 24th DAY OF April , 2017

READ A THIRD TIME THIS 24th DAY OF April , 2017

RECONSIDERED AND ADOPTED THIS 8th DAY OF May , 2017

John C. (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. 812 - SCHEDULE "A"

FIVE YEAR FINANCIAL PLAN 2017 - 2021

	Year 1 2017	Year 2 2018	Year 3 2019	Year 4 2020	Year 5 2021
Revenues					
Property Taxes	1,189,505	1,219,242	1,249,723	1,280,966	1,312,991
Parcel Taxes	168,500	241,561	241,561	241,561	241,561
Fees and Charges					
Sales of Services	222,675	222,675	222,675	222,675	222,675
Other					
User Fees	597,400	673,010	758,562	855,406	892,674
Borrowing Proceeds - MFA	0	2,860,000	0	0	0
Other Revenue					
Interest	41,000	41,000	41,000	41,000	41,000
Grants/Other Gov'ts.	1,993,524	5,800,000	800,000	800,000	800,000
Other	73,250	73,250	73,250	73,250	73,250
Services to Other Gov'ts.	18,000	18,000	18,000	18,000	18,000
Transfers from Funds					
Reserve Funds	440,350	235,650	235,650	235,650	235,650
DCC	0	0	0	0	0
Accumulated Surplus	512,355	0	0	0	0
Total Revenue	5,256,559	11,384,388	3,640,421	3,768,508	3,837,801
Expenses					
Debt Interest	6,000	66,000	124,082	124,082	124,082
Debt Principal	18,550	58,550	98,529	98,529	98,529
Capital Expenditure	1,490,600	7,860,000	0	0	0
Deficiency	0	0	0	0	0
Other Municipal Purposes	0	0	0	0	0
General Municipal	2,118,197	2,000,000	2,040,000	2,080,800	2,122,416
Fire Protection	139,253	120,000	122,000	125,000	125,000
Water	363,946	365,000	390,000	450,000	455,000
Sewer	351,128	351,128	355,000	360,000	365,000
Transfer to	0	0	0	0	0
Reserve Funds	533,235	328,060	275,160	294,447	312,124
Amortization Expense	235,650	235,650	235,650	235,650	235,650
Accumulated Surplus	0	0	0	0	0
Total Expenses	5,256,559	11,384,388	3,640,421	3,768,508	3,837,801

**Village of Ashcroft
2017-2021 Financial Plan
Statement of Objectives and Policies
Schedule 'B' of Bylaw No. 812**

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 2017. 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	23%*	\$ 1,189,505
Parcel Taxes	3%	\$ 168,500
Sales of Service	16%	\$ 820,075
Grants/Transfers	56%	\$ 2,964,229
Borrowing Proceeds	0%	\$ -
Other Sources	2%	\$ 114,250
Total	100%	\$ 5,256,559

* contains 15% (\$172,537) 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%	\$ 724,793
Utilities (2)	10%	\$ 123,431
Light Industrial (5)	0%	\$ 3,153
Business and Other (6)*	27%	\$ 321,706
Recreation/Non-profit (8)	0%	\$ 617
Farmland (9)	1%	\$ 15,804
Total	100%	\$ 1,189,505

Permissive Tax Exemptions

- The Annual Municipal Report for 2016 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.