

THE CORPORATION OF THE VILLAGE OF ASHCROFT

BYLAW NO. 860

Being a bylaw for the Corporation of the Village of Ashcroft to adopt the Five Year Financial Plan commencing the year 2023.

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. 860, 2023."
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, 2023.

READ A FIRST TIME THIS 24th DAY OF April, 2023

READ A SECOND TIME THIS 24th DAY OF April, 2023

READ A THIRD TIME THIS 24th DAY OF April, 2023

RECONSIDERED AND ADOPTED THIS 8th DAY OF May, 2023


Barbara Roden, Mayor


Daniela Dyck, Chief Administrative Officer

Certified to be a true and correct copy
of Bylaw No.860 as adopted by Council.


Daniela Dyck, Chief Administrative Officer

/ysb

THE CORPORATION OF THE VILLAGE OF ASHCROFT

BYLAW NO. 860 - SCHEDULE "A"

FIVE YEAR FINANCIAL PLAN 2023 - 2027

	Year 1 2023	Year 2 2024	Year 3 2025	Year 4 2026	Year 5 2027
Revenues					
Property Taxes	1,539,972	1,578,471	1,617,933	1,658,381	1,699,841
Parcel Taxes	166,000	166,000	166,000	166,000	166,000
Fees and Charges					
Sales of Services	326,800	326,800	326,800	326,800	326,800
Other					
User Fees	995,000	995,000	995,000	995,000	995,000
Borrowing Proceeds - MFA	0	0	0	0	0
Other Revenue					
Interest	94,000	115,000	115,000	115,000	115,000
Grants/Other Gov'ts.	3,039,942	850,000	850,000	850,000	850,000
Other	115,432	101,000	101,000	101,000	101,000
Services to Other Gov'ts.	30,000	30,000	30,000	30,000	30,000
Transfers from Funds					
Reserve Funds	0	0	0	0	0
DCC	0	0	0	0	0
Transfer from Equity	606,959	589,000	589,000	589,000	589,000
Accumulated Surplus	374,608	0	0	0	0
Total Revenue	7,288,713	4,751,271	4,790,733	4,831,181	4,872,641
Expenses					
Debt Interest	0	0	0	0	0
Debt Principal	0	0	0	0	0
Capital Expenditure	2,880,000	321,300	270,397	246,607	170,043
Deficiency	0	0	0	0	0
Other Municipal Purposes	0	0	0	0	0
General Municipal	2,311,505	2,300,000	2,357,500	2,416,438	2,476,848
Fire Protection	195,196	195,000	195,000	195,000	195,000
Water	558,859	500,000	556,800	556,800	556,800
Sewer	432,065	440,000	440,000	440,000	440,000
Transfer to	0	0	0	0	0
Reserve Funds	304,129	405,971	382,036	387,337	444,949
Amortization Expense	606,959	589,000	589,000	589,000	589,000
Accumulated Surplus	0	0	0	0	0
Total Expenses	7,288,713	4,751,271	4,790,733	4,831,181	4,872,641

**Village of Ashcroft
2023-2027 Financial Plan
Statement of Objectives and Policies
Schedule 'B' of Bylaw No. 860**

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 2023. 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 *	21%	\$ 1,539,972
Parcel Taxes	2%	\$ 166,000
Sales of Service	18%	\$ 1,321,800
Grants/Transfers	56%	\$ 4,051,509
Borrowing Proceeds	0%	\$ -
Other Sources	3%	\$ 209,432
Total	100%	\$ 7,288,713

* contains \$223,694 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)	54%	\$ 834,923
Utilities (2)	10%	\$ 156,393
Light Industrial (5)	7%	\$ 107,353
Business and Other (6)*	27%	\$ 422,898
Recreation/Non-profit (8)	0%	\$ 698
Farmland (9)	1%	\$ 17,707
Total	100%	\$ 1,539,972

Permissive Tax Exemptions

- The Annual Municipal Report for 2022 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.