

THE CORPORATION OF THE VILLAGE OF ASHCROFT

BYLAW NO. 794

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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 2015.


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

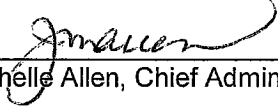
1. This bylaw may be cited for all purposes as the "Five Year Financial Plan Bylaw No. 794, 2015."
2. Schedule "A" and Schedule "B" attached hereto and made part of this bylaw are hereby adopted and are the Five Year Financial Plan of the Village of Ashcroft commencing January 1<sup>st</sup>, 2015.

READ A FIRST TIME THIS	27 <sup>th</sup>	DAY OF	April	, 2015
READ A SECOND TIME THIS	27 <sup>th</sup>	DAY OF	April	, 2015
READ A THIRD TIME THIS	27 <sup>th</sup>	DAY OF	April	, 2015
RECONSIDERED AND ADOPTED THIS	11 <sup>th</sup>	DAY OF	May	, 2015

  
\_\_\_\_\_  
John C. (Jack) Jeyes, Mayor

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

Certified to be a true and correct copy  
of Bylaw No.794 as adopted by Council.

  
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J. Michelle Allen, Chief Administrative Officer

YSB/kw

THE CORPORATION OF THE VILLAGE OF ASHCROFT

BYLAW NO. 794 - SCHEDULE "A"

FIVE YEAR FINANCIAL PLAN 2015 - 2019

	<i>Year 1</i> 2015	<i>Year 2</i> 2016	<i>Year 3</i> 2017	<i>Year 4</i> 2018	<i>Year 5</i> 2019
<b>Revenues</b>					
Property Taxes	1,084,232	1,122,180	1,161,456	1,202,107	1,244,181
Parcel Taxes	168,500	168,500	168,500	168,500	168,500
<b>Fees and Charges</b>					
Sales of Services	201,925	208,842	216,001	216,001	216,001
Other					
User Fees	505,000	568,700	648,962	750,092	750,092
<b>Borrowing Proceeds - MFA</b>					
<b>Other Revenue</b>					
Interest	46,000	46,000	46,000	46,000	46,000
Grants/Other Gov'ts.	883,239	783,239	833,239	833,239	833,239
Other	64,600	74,600	74,600	74,600	74,600
Services to Other Gov'ts.	9,420	9,420	9,420	9,420	9,420
<b>Transfers from Funds</b>					
Reserve Funds	96,675	270,325	50,000	0	0
DCC	291,785	290,650	290,650	290,650	290,650
Accumulated Surplus	474,880	167,172	267,172	288,761	301,002
<b>Total Revenue</b>	<b>3,826,256</b>	<b>3,709,628</b>	<b>3,766,000</b>	<b>3,879,370</b>	<b>3,933,685</b>
<b>Expenses</b>					
<b>Debt Interest</b>					
Debt Principal	18,000	550	0	0	0
Capital Expenditure	0	0	0	0	0
Deficiency	0	0	0	0	0
<b>Other Municipal Purposes</b>					
General Municipal	1,844,930	1,744,931	1,700,000	1,700,000	1,700,000
Fire Protection	111,743	112,860	112,860	112,860	112,860
Water	360,466	364,071	364,071	364,071	364,071
Sewer	396,209	400,171	400,171	400,171	400,171
Transfer to	0	0	0	0	0
Reserve Funds	803,603	698,045	778,307	879,437	925,471
Amortization Expense	291,305	289,000	289,000	289,000	289,000
Accumulated Surplus	0	100,000	121,590	133,831	142,113
<b>Total Expenses</b>	<b>3,826,256</b>	<b>3,709,628</b>	<b>3,766,000</b>	<b>3,879,370</b>	<b>3,933,685</b>

**Village of Ashcroft  
2015-2019 Financial Plan  
Statement of Objectives and Policies  
Schedule 'B' of Bylaw No. 794**

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 2015. 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 Sources</b>	<b>% of Total Revenue</b>	<b>Dollar Value</b>
Property Taxes	28%*	\$ 1,084,232
Parcel Taxes	4%	\$ 168,500
Sales of Service	18%	\$ 706,925
Grants/Transfers	38%	\$ 1,464,214
Other Sources	11%	\$ 402,385
<b>Total</b>	<b>100%</b>	<b>\$ 3,826,256</b>

\* contains 15% (\$161,861) 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**

<b>Property Class</b>	<b>% of Total Property Taxation</b>	<b>Dollar Value</b>
Residential (1)	64%	\$ 693,286
Utilities (2)	11%	\$ 119,033
Light Industrial (5)	0%	\$ 3,034
Business and Other (6)*	23%	\$ 253,082
Recreation/Non-profit (8)	0%	\$ 588
Farmland (9)	1%	\$ 15,209
<b>Total</b>	<b>100%</b>	<b>\$ 1,084,232</b>

### **Permissive Tax Exemptions**

- The Annual Municipal Report for 2013 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.