

THE CORPORATION OF THE VILLAGE OF ASHCROFT

BYLAW NO. 851

Being a bylaw for the Corporation of the Village of Ashcroft to adopt the Five Year Financial Plan commencing the year 2022.

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. 851, 2022."
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, 2022.

READ A FIRST TIME THIS 25th DAY OF April, 2022

READ A SECOND TIME THIS 25th DAY OF April, 2022

READ A THIRD TIME THIS 25th DAY OF April, 2022

RECONSIDERED AND ADOPTED THIS 9th DAY OF May, 2022


Barbara Roden, Mayor


Daniela Dyck, Chief Administrative Officer

Certified to be a true and correct copy
of Bylaw No.851 as adopted by Council.


Daniela Dyck, Chief Administrative Officer

YSB/kw

THE CORPORATION OF THE VILLAGE OF ASHCROFT

BYLAW NO. 851 - SCHEDULE "A"

FIVE YEAR FINANCIAL PLAN 2022 - 2026

	Year 1	Year 2	Year 3	Year 4	Year 5
	2022	2023	2024	2025	2026
Revenues					
Property Taxes	1,343,342	1,376,926	1,411,349	1,446,632	1,482,798
Parcel Taxes	166,000	166,000	166,000	166,000	166,000
Fees and Charges					
Sales of Services	267,380	267,380	267,380	267,380	267,380
Other					
User Fees	989,000	989,000	989,000	989,000	989,000
Borrowing Proceeds - MFA	0	0	0	0	0
Other Revenue					
Interest	44,000	45,000	45,000	45,000	45,000
Grants/Other Gov'ts.	2,129,442	850,000	3,651,939	850,000	850,000
Other	69,850	73,250	73,250	73,250	73,250
Services to Other Gov'ts.	30,000	24,000	26,000	28,000	30,000
Transfers from Funds					
Reserve Funds	0	395,141	845,200	0	0
DCC	0	0	0	0	0
Transfer form Equity	564,000	564,000	564,000	564,000	564,000
Accumulated Surplus	130,684	0	0	0	0
Total Revenue	5,733,698	4,750,696	8,039,118	4,429,262	4,467,428
Expenses					
Debt Interest	0	0	0	0	0
Debt Principal	0	0	0	0	0
Capital Expenditure	1,779,200	856,313	3,986,328	281,171	313,904
Deficiency	0	0	0	0	0
Other Municipal Purposes	0	0	0	0	0
General Municipal	1,934,144	2,113,394	2,155,662	2,155,662	2,155,662
Fire Protection	205,931	210,050	194,153	194,153	194,153
Water	517,980	461,939	461,939	461,939	461,939
Sewer	401,451	375,000	380,000	385,000	385,000
Transfer to	0	0	0	0	0
Reserve Funds	330,992	170,000	297,036	387,337	392,770
Amortization Expense	564,000	564,000	564,000	564,000	564,000
Accumulated Surplus	0	0	0	0	0
Total Expenses	5,733,698	4,750,696	8,039,118	4,429,262	4,467,428

**Village of Ashcroft
2022-2026 Financial Plan
Statement of Objectives and Policies
Schedule 'B' of Bylaw No. 851**

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 2022. 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%	\$ 1,343,342 *
Parcel Taxes	3%	\$ 166,000
Sales of Service	22%	\$ 1,256,380
Grants/Transfers	50%	\$ 2,854,126
Borrowing Proceeds	0%	\$ -
Other Sources	2%	\$ 113,850
Total	100%	\$ 5,733,698

* contains 17.65% (\$194,943) 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)	60%	\$ 806,656
Utilities (2)	11%	\$ 148,184
Light Industrial (5)	0%	\$ 3,480
Business and Other (6)*	27%	\$ 367,065
Recreation/Non-profit (8)	0%	\$ 681
Farmland (9)	1%	\$ 17,275
Total	100%	\$ 1,343,342

Permissive Tax Exemptions

- The Annual Municipal Report for 2021 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.