

**VILLAGE OF CHASE
BYLAW NO. 913-2022**

A Bylaw to Adopt the Village of Chase 2022 to 2026 Financial Plan

WHEREAS the Community Charter requires that municipalities must establish a Five Year financial plan that is adopted annually by bylaw;

NOW THEREFORE the Council of the Village of Chase, in the Province of British Columbia, in an open meeting assembled enacts as follows:

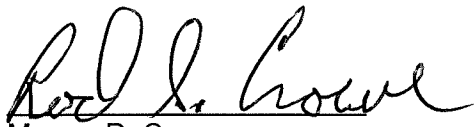
1. Schedule "A", Village of Chase 2022 to 2026 Financial Plan and Schedule "B" Statement of Objectives and Policies, attached hereto, shall form part of this Bylaw and are hereby adopted as the Five Year Financial Plan for the Village of Chase for the years 2022 to 2026 inclusive.
2. This Bylaw may be cited as "Village of Chase 2022 to 2026 Five Year Financial Plan Bylaw No. 913 -2022".

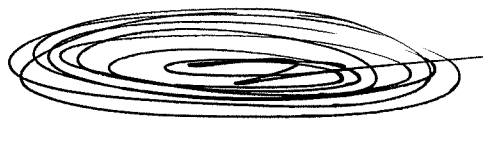
READ A FIRST TIME THIS 12th DAY OF APRIL, 2022

READ A SECOND TIME THIS 12th DAY OF APRIL, 2022

READ A THIRD TIME THIS 19th DAY OF APRIL, 2022

ADOPTED THIS 25th DAY OF APRIL, 2022


Mayor, R. Crowe


Corporate Officer, S. O'Flaherty

VILLAGE OF CHASE					
Bylaw No .913 - Schedule "A"					
2022 to 2026 Financial Plan					
	2022	2023	2024	2025	2026
Revenues					
Property Taxes	(2,155,650)	(2,168,920)	(2,192,545)	-2,205,000	-2,226,765
Payments in Lieu of Taxes	(25,525)	(25,525)	(25,550)	-25,550	-25,550
Utility Tax & Franchise Fees	(72,770)	(69,000)	(69,000)	-69,075	-69,075
Interest and Penalties on taxes	(25,500)	(24,000)	(24,000)	-24,000	-24,000
Collection of taxes for Other Governments	(1,707,155)	(1,708,155)	(1,708,655)	-1,712,655	-1,712,655
Grants General	(619,446)	(621,751)	(621,751)	-621,751	-621,751
COVID 19 Restart Grant					
Fees					
Other Revenue Own Sources	(169,655)	(179,655)	(180,655)	-180,905	-180,905
Water utility	(564,000)	(581,500)	(673,000)	-705,000	-728,100
Sewer utility	(359,750)	(417,750)	(418,750)	-418,450	-418,450
Solid Waste Management	(275,450)	(276,600)	(276,600)	-277,000	-277,000
Other Revenue-COVID 19	0	0	0	0	0
Disposal of Tangible Capital Assets	0	0	0	0	0
DCC	(50,000)	(50,000)	-10,000	-10,000	-10,000
Disposal of Lands	(130,000)	0	0	0	0
Deferred Revenue	(435,145)	0	0	0	0
Conditional Project Grants					
General	(405,744)	(700,000)	0	0	
Water utility	0	0	0	0	0
Sewer utility	0	0	0	0	0
Solid Waste Management	0	0	0	0	0
Transfers from Reserves					
General	0	(300,000)	(200,000)	0	0
Water utility	0	0	0	0	0
Sewer utility	0	0	0	0	0
Solid Waste	0	0	0	0	0
Land Reserve	0	(160,000)	0	0	0
Gas Tax Reserve	(450,000)	(400,000)	0	0	0
Transfers from Surplus					
General	(40,000)	(40,000)	(40,000)	-40,000	-40,000
Water utility	(48,024)	(48,024)	(48,024)	-48,024	-48,024
Sewer utility	(11,526)	(11,526)	(11,526)	-11,526	-11,526
Solid Waste Management	0	0	0	0	0
Transfers from Surplus for Capital					
General	(448,900)	(195,000)	(222,500)	-142,500	-12,500
Water utility	(18,000)	0	0	0	0
Sewer utility	(212,200)	(30,000)	0	0	0
Solid Waste	0	0	0	0	0
Proceeds from Borrowing	(250,000)	0	0	0	0
Total Revenues	(8,474,440)	(8,007,406)	(6,722,556)	-6,491,436	-6,406,301

Expenditures					
Payment of taxes to Other Governments	1,707,155	1,708,155	1,708,655	1,712,655	1,712,655
Grants in aid	11,500	11,500	11,500	11,500	11,500
Legislative services	93,000	91,850	93,600	94,900	97,450
Corporate services	884,100	877,450	891,100	891,100	900,775
Municipal Enforcement	35,450	35,450	36,450	36,450	36,450
Emergency Services	29,000	29,000	19,000	19,000	19,000
Fire service	245,500	254,900	258,000	258,000	258,000
Rescue service	32,100	32,100	33,000	32,000	33,100
Planning	10,500	10,500	10,500	10,500	12,000
Economic Development	51,700	52,950	53,200	54,450	54,450
Public Works Admin	481,850	489,600	495,100	499,100	503,100
Fleet	112,000	109,750	109,750	110,750	111,750
Transportation-Rds & Drain	299,700	293,600	297,600	301,160	303,100
Parks	173,300	176,150	179,250	181,750	181,750
Cemetery	21,900	21,900	22,900	22,900	22,900
Recreation Facilities	422,000	422,900	423,300	423,470	423,470
Water	635,125	638,715	636,670	641,000	642,950
Sewer	409,775	411,615	413,410	416,420	418,750
Solid Waste	275,450	276,600	276,600	277,000	277,000
Leases	0	0	0	0	0
Special Project-Reports & Assessments					
General	211,568	0	0	0	0
Water	0	0	0	0	0
Sewer	0	0	0	0	0
Capital Expenditures					
General	1,057,506	655,000	422,500	142,500	12,500
Water	418,000	400,000	0	0	0
Sewer	212,200	730,000	0	0	0
COVID 19 Project Allocations	320,715	0	0	0	
CP Rail Debt Repayment	0	0	0	0	
Interest on Debt Repayment					
Water	64,000	64,000	64,000	64,000	64,000
Sewer	21,600	21,600	21,600	21,600	21,600
Fire Truck	6,500	13,500	13,500	13,500	13,500
Debt Repayment					
Water	48,024	48,024	48,024	48,024	48,024
Sewer	11,526	11,526	11,526	11,526	11,526
Fire Truck	40,000	40,000	40,000	40,000	40,000
DCC	50,000	50,000	10,000	10,000	10,000
Transfers to Land Reserves	130,000	0	0	0	0
Transfer to Gas Tax Reserve	158,446	165,751	165,751	165,751	165,751
Transfers to Reserves					
General	0	0	0		
Solid Waste	0	0	0	0	0
Water	0	0	0	0	0
Sewer	0	0	0	0	0
Total Expenditures	8,681,190	8,144,086	6,766,486	6,511,006	6,407,051
Total Annual Cash (Surplus)/Deficit	206,750	136,680	43,930	19,570	750
Transfer to/(from)-General	0	0	0	0	0
Transfer to/(from)-Water	135,125	121,215	27,670	0	-21,150
Transfer to/(from)-Sewer	71,625	15,465	16,260	19,570	21,900
Transfer to/(from)-Solid Waste	0	0	0	0	0
Total Transfers	206,750	136,680	43,930	19,570	750
Financial Plan Balance (will be \$0)	0	0	0	0	0

**Village of Chase
Bylaw No. 913
2022 to 2026 Financial Plan
Schedule "B" – Statement of Objectives and Policies**

In accordance with Section 165(3.1) of the *Community Charter*, the Five Year Financial Plan must include objectives and policies regarding each of the following:

1. The proportion of total revenue that comes from the following funding sources described in Section 165(7) of the *Community Charter*:
 - (a) revenue from property value taxes;
 - (b) revenue from parcel taxes;
 - (c) revenue from fees;
 - (d) revenue from other sources;
 - (e) proceeds from borrowing.
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.

<u>Table 1 – 2022 Revenue Sources</u>		
<u>Revenue Source</u>	<u>Amount</u>	<u>Percentage of Total</u>
Municipal taxes	\$2,155,650	25.44%
Other Taxes	1,830,950	21.61%
Fees	1,199,200	14.15%
Grants	1,025,190	12.10%
Other Sources	784,800	9.26%
Transfers	1,228,650	14.50%
Borrowing	250,000	2.95%
<u>Total</u>	<u>\$8,474,440</u>	<u>100.00%</u>

Municipal property taxation, generally the largest revenue source, offers a stable and reliable source of revenue for services that are difficult or undesirable to fund on a user-pay basis. These include services such as maintenance of streets, sidewalks, parks, general administration, fire protection, bylaw enforcement, and snow removal.

Other taxes are taxes collected on behalf of other authorities, which are then remitted to the corresponding taxing authority. Franchise fees and payments in lieu of taxes and interest and penalties collected on outstanding property taxes are also included as other taxes.

Fees are user fees and charges which fund specific service including water, sewer and solid waste collection.

The major contributions to the Grant funding are the Small Community Grant and Community Works Fund. There are several other federal, provincial and regional sources which support Village initiatives.

For 2022, the Village of Chase has applied for a significant amount of additional grant funding for several major Capital projects, which shall only be undertaken if the grant funding applications are successful.

Other Sources include revenues collected from the use and rental of Village assets, investment interest and disposition of capital assets.

Transfers consist of revenues transferred from reserve, surplus or deferred revenue funds.

Policies and Objectives

Property Taxes: The objective is to balance the budget each year and maintain a reasonable tax burden. That the Village shall strive to implement stable, fair and representative tax rates for all property classes, while seeking funding sources and opportunities to offset tax collection requirements.

Parcel Taxes: The Village of Chase no longer collects parcel taxes within the municipality.

Fees: The Village shall strive to ensure the fees charged for water, sanitary sewer and solid waste services be on a cost recovery basis. The Village shall review and revise the user fees to ensure they are meeting the capital and operational costs of the services for which they are collected.

Other Sources: The objective is to maximize other revenue sources including, grant funding from higher levels of government, to reduce the taxation burden and provide support to Council priorities and directives.

Borrowing: The objective is to identify the borrowing needs in advance and ensure the funding option supports the objectives noted above.

DISTRIBUTION OF PROPERTY TAX RATES

Table 2 outlines the distribution of property tax rates among the property classes.

<u>Table 2 - Distribution of Municipal Property Taxes</u>		
<u>Property Classification</u>	<u>% of Total Property Taxation</u>	<u>Value</u>
Residential (1)	78.25%	\$1,686,894
Utilities (2)	1.61%	34,676
Major Industry (4)	6.35%	136,797
Business and Other (6)	13.78%	296,988
Recreation / Non-Profit (8)	0.00%	0
Farm (9)	0.01%	295
<u>Total All Sources</u>	<u>100.00%</u>	<u>2,155,650</u>

The residential property class provides the largest proportion of property tax revenue. This is appropriate as this class forms the largest proportion of the assessment base and consumes the majority of Village services.

Municipalities generally charge a higher rate of tax to business and industry based on the theory that they proportionately consume a greater portion of the Village services.

The Village of Chase currently has only one “Major Industry” class property holder, Adams Lake Lumber. The Letters Patent, by which these properties were incorporated into the Village of Chase, requires that the tax rate charges shall be the rate as set by the provincial “Taxation (Rural Area) Act Regulation”. The “Utility” class is also determined by the province under that same regulation and the Village is charging the maximum tax rate (\$40.00) allowed for this class.

Policies and Objectives

- The Village shall continue to provide amenities required for the well-being of the community in a fiscally responsible manner.
- The Village shall continue to seek opportunities to increase densification and development to increase the tax base and provide additional housing.

- The Village shall regularly review the property tax rates and revenue distribution to maintain proportional consistency within the property classes.

PERMISSIVE TAX EXEMPTIONS

The Village has adopted a Permissive Tax Exemption policy which outlines the goals and objectives and provides guidelines for the administration and approval of permissive tax exemptions.

Objectives and Policies: The Village will consider additional permissive tax exemptions as allowed under the Community Charter. Council shall review the permissive tax exemptions being granted, in keeping with the policy, to ensure fair access, consistent standards and appropriate allocations are implemented.

Goal of Council

The goal of Council is to improve the financial health of the Village of Chase, while maintaining the current service levels and protecting the health and sustainability of the community infrastructure. In keeping with the obligations under the Gas Tax Community Works Fund Agreement, the Village will continue to develop and implement asset management planning in 2022. The municipality will continue to seek funding opportunities for infrastructure assessments, evaluations and reviews to be utilized in the development of an Infrastructure Master Plan which shall outline the need and priorities necessary for the protection and sustainability of the Village's infrastructure. The Village shall continue to seek grant funding opportunities for all projects related to infrastructure sustainability, community health and safety and ongoing community development.