

**VILLAGE OF CHASE
BYLAW NO. 719 – 2009**

A Bylaw to Adopt the Village of Chase 2009 – 2013 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 2009 to 2013 Financial Plan and Schedule "B", Statement of Objectives and Policies attached hereto shall form part of this Bylaw are hereby adopted as the Five Year Financial Plan for the Village of Chase for the years 2009 to 2013 inclusive
2. This By-law may be cited as "Village of Chase 2009 to 2013 Five Year Financial Plan Bylaw No. 719 – 2009".

READ A FIRST TIME THIS **28th** DAY OF **APRIL, 2009.**

READ A SECOND TIME THIS **28th** DAY OF **APRIL, 2009.**

READ A THIRD TIME THIS **12th** DAY OF **MAY, 2009.**

RECONSIDERED AND FINALLY ADOPTED THIS **14th** DAY OF **MAY, 2009.**

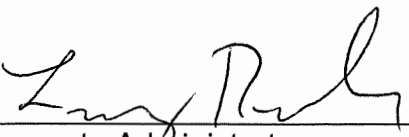


Mayor



Corporate Administrator

Certified to be a true copy of Village of Chase 2009 to 2013 Five Year Financial Plan
Bylaw No. 719 – 2009



Corporate Administrator

Bylaw 719 – 2009, Village of Chase 2009 to 2013 Financial Plan

SCHEDULE "A"
Village of Chase 2009 to 2013 Financial Plan

	2009	2010	2011	2012	2013
REVENUE					
Taxes:					
Property Taxes & Grants in Lieu of property taxes	1,221,731	1,246,166	1,283,551	1,322,057	1,361,719
Parcel Taxes	297,356	297,356	297,356	297,356	297,356
1% Utility tax	51,529	51,529	51,529	51,529	51,529
Collection of taxes for Other Governments	1,731,331	1,731,331	1,731,331	1,731,331	1,731,331
Revenue from Operations:					
Sale of Services:					
Solid Waste rates	219,144	220,494	220,494	220,494	220,494
Water Rates	195,050	197,780	197,780	197,780	197,780
Sewer Rates	204,960	206,220	206,220	206,220	206,220
Other Revenue from Own Sources:					
Licenses, Permits, Fees	160,909	130,000	130,100	130,100	130,100
Own Sources					
Return on Investments	10,000	10,000	10,000	10,000	10,000
Penalties & Interest	24,000	24,000	24,000	24,000	24,000
Provincial Government Grants	1,712,767	317,119	531,111	531,111	531,111
Total from operations	5,828,777	4,431,995	4,683,472	4,721,978	4,761,640
Transfers From Funds:					
Transfer from reserve funds general fund	31,586	24,282	10,762	12,285	13,855
Transfer from reserve funds sewer fund	65,000	90,000	30,000	30,000	30,000
Transfer from reserve funds water fund	440,000	0	0	0	0
Short Term Borrowing - up to 5 years	696,000	130,000	130,000	0	0
Long Term borrowing	425,000	0	0	0	0
Accumulated Surplus (prior year)	129,702	686,732	356,492	235,114	49,350
Total Revenue	7,616,065	5,363,009	5,210,726	4,999,377	4,854,845
EXPENDITURES:					
Debt Principle and interest	149,017	224,030	254,030	254,030	252,280
Operating Expenses:					
Legislative Services	284,105	281,605	281,605	281,605	281,605
Corporate Services	601,091	620,615	640,047	647,756	668,755
Municipal Enforcement	12,800	12,800	12,800	12,800	12,800
Protective Services	124,000	125,450	127,000	128,450	129,900
Public Works	141,154	145,422	149,786	154,250	158,817
Transportation Services	386,620	386,722	375,941	380,281	394,645
Recreation	268,098	270,919	274,125	277,418	280,801
Solid Waste	212,870	189,306	175,785	177,309	178,878
Water Utility Services	215,604	219,248	222,969	226,768	230,648
Sewer Utility Services	201,954	200,698	199,519	203,418	207,398
Transfers of taxes collected for other Governments	1,731,331	1,731,331	1,731,331	1,731,331	1,731,331
Capital expenditure general	738,520	350,520	343,563	287,500	126,500
Capital expenditure water systems	770,000	10,000	10,000	10,000	10,000
Capital expenditure sewer systems	975,000	90,000	30,000	30,000	30,000
Transfers to reserve for future expenditures	117,168	147,850	147,111	147,111	147,111
Accumulated Surplus (Deficit)current year	686,732	356,492	235,114	49,350	13,376
Total Expenditures	7,616,065	5,363,009	5,210,726	4,999,377	4,854,845

Bylaw No. 719 – 2009, Village of Chase 2009-2013 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 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 2009. Grants form the greatest proportion of revenue. Property taxation 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 general administration, fire protection, police services, bylaw enforcement, snow removal, and maintenance of streets, sidewalks and parks.

User fees and charges form the second largest portion of planned revenue. 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 will increase the proportion of revenue that is received from user fees and charges by at least 3 percent per year over the current levels until the fees and charges cover the costs incurred for the service or period of usage.

Policies

- The Village will review all user fees and revise them as required to ensure that they are adequately meeting both the capital and operating costs of the service.
- Universal water metering will be instituted to ensure that appropriate user fees are being collected for water usage.
- Sewer fees will be charged a specific percentage (to be determined) of the water fees.
- Where possible, the Village will supplement revenues from user fees and charges, rather than taxation, to lessen the burden on its limited, primarily residential, property tax base.

Table 1: Sources of Revenue

Revenue Source	% Total Revenue
Property Value Taxes	30.1%
Parcel Taxes	7.3%
User Fees and Charges	19.2%
Grants	43.4%
TOTAL	100.0%

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 forms the largest proportion of the assessment base and consumes the majority of Village services.

Objective

- In order to provide some relief to tax payers during the current economic uncertainty, the amount of taxes to be collected from all sources will only increase by approximately 1% for 2009, 2% for 2010 and then to the previously established norm of 3% annually until 2013.

Policies

- The Village will supplement its revenues from user fees and charges to keep property tax increases to a minimum.
- The Village will continue to maintain and encourage economic development initiatives designed to attract more retail and commercial businesses to invest in the community and create new jobs.
- The Village will regularly review the tax rates and revenues relative to the expenses incurred within each property class.

Table 2: Distribution of Property Tax Rates

Property Classification	% of Total Property Taxation	Dollar Value
Residential (1)	75.77%	925,655
Utilities (2)	2.11%	25,804
Major Industry (4)	7.12%	86,963
Business and Other (6)	14.88%	181,835
Recreation/Non-Profit (8)	0.06%	778
Farm (9)	0.06%	696
TOTAL	100.0%	1,221,731

PERMISSIVE TAX EXEMPTIONS

The Village has established precedent to guide decision making for permissive tax exemptions, but has no specific policy. Council considers the following criteria before granting permissive tax exemptions:

- The tax exemption must demonstrate benefit to the community and residents of the Village by enhancing the quality of life economically, socially and culturally.
- The goals, policies and principles of the organization receiving the exemption must not be inconsistent with or in conflict with those of the Village.
- The organization receiving the exemption must be a registered non-profit organization or government institution.
- Permissive tax exemptions will be considered in conjunction with:
 - (a) Other assistance being provided by the Village;
 - (b) The potential demand for Village services or infrastructure arising from the property; and
 - (c) The amount of revenue that the Village will lose if the exemption is granted.

Objective

- The Village will continue to provide permissive tax exemptions to non-profit societies, agencies and government institutions.
- The Village will consider additional permissive tax exemptions as allowed under the *Community Charter*.

Policies

- Continue to provide permissive tax exemptions to non-profit organizations and government institutions.
- Develop a tax exemption policy detailing the procedures to be used for all permissive tax exemptions.
- While developing the permissive tax exemption policy, to consider adding other exemptions as allowed under the Community Charter.