

VILLAGE OF CHASE

Bylaw No. 745-2010
2010 to 2014 Financial Plan

WHEREAS the Community Charter requires that municipalities 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, enacts as follows:

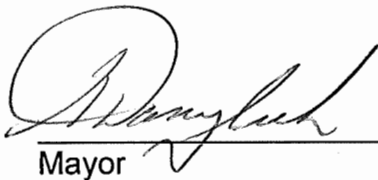
1. Schedule "A", Village of Chase 2010 to 2014 Financial Plan, attached hereto, shall form part of this Bylaw.
2. Schedule "B", Statement of Objectives and Policies, attached hereto, shall form part of this Bylaw.
3. This By-law may be cited as "Village of Chase 2010 to 2014 Financial Plan Bylaw No. 745 - 2010".

READ A FIRST TIME THIS 27th DAY OF APRIL, 2010.


READ A SECOND TIME THIS 11th DAY OF MAY, 2010.

READ A THIRD TIME THIS 11th DAY OF MAY, 2010.

RECONSIDERED AND ADOPTED this 13th day of MAY, 2010.




Mayor



Corporate Officer

Certified to be a true copy of "Village of Chase 2010 to 2014 Financial Plan Bylaw No. 745 - 2010".



Corporate Officer

VILLAGE OF CHASE Bylaw No. 745-2010 2010 to 2014 Financial Plan Schedule "A"					
	2010	2011	2012	2013	2014
REVENUE					
Taxes:					
Property Taxes & Grants in Lieu of property taxes	1,286,129	1,324,518	1,364,059	1,404,785	1,446,734
Parcel Taxes	297,502	297,502	297,502	297,502	297,502
1% Utility tax	48,320	48,320	48,320	48,320	48,320
Collection of taxes for Other Governments	1,738,025	1,719,322	1,831,542	1,831,542	1,831,542
Revenue from Operations:					
Sale of Service:					
Solid Waste rates	218,250	218,250	218,250	218,250	218,250
Water Rates	194,500	194,500	194,500	194,500	194,500
Sewer Rates	202,000	202,000	202,000	202,000	202,000
Other Revenue from Own Sources:					
Licenses, Permits, Fees	144,600	144,600	144,600	144,600	144,600
Return on Investments	5,000	5,000	5,000	5,000	5,000
Penalties & Interest	28,348	28,348	28,348	28,348	28,348
Provincial Government Grants	3,099,484	2,329,031	802,540	417,060	417,060
Revenues from operations	7,262,159	6,511,391	5,136,661	4,791,908	4,833,856
Transfers From Funds:					
Transfer from reserve funds general fund	344,813	54,813	54,813	54,813	50,152
Transfer from reserve funds sewer fund	125,800	83,126	83,126	83,126	83,126
Transfer from reserve funds water fund	300,000	110,000	110,000	0	0
Development Cost Charges	0	0	0	0	0
Short Term Borrowing - up to 5 years	310,000	0	0	0	0
Long Term borrowing	1,000,000	0	0	0	0
Accumulated Surplus (prior year)	928,736	1,075,206	266,993	84,822	122,573
Total Revenue	10,271,508	7,834,536	5,651,592	5,014,668	5,089,708
EXPENDITURES:					
Debt Principle and interest	427,403	285,559	285,559	278,646	255,182
Operating Expenses:					
Legislative Services	287,140	287,140	284,640	287,140	284,641
Corporate Services	740,830	689,170	684,849	695,142	720,552
Municipal Enforcement	16,500	15,000	15,000	15,000	15,000
Protective Services	141,781	142,042	143,062	144,112	145,194
Public Works	138,343	146,887	149,501	152,170	154,897
Transportation Services	318,949	317,565	320,104	332,704	325,366
Recreation	285,698	263,384	265,538	267,738	269,984
Solid Waste	187,992	182,184	183,336	184,510	185,708
Water Utility Services	199,871	206,277	208,751	211,284	213,878
Sewer Utility Services	184,741	191,290	193,670	196,105	198,596
Transfers of taxes collected for other Governments	1,738,025	1,719,322	1,831,542	1,831,542	1,831,542
Capital expenditure general	360,217	204,065	265,000	138,000	135,000
Capital expenditure water systems	4,106,810	2,867,658	586,219	8,000	8,000
Capital expenditure sewer systems	62,000	50,000	50,000	50,000	50,000
Transfers to reserve for future expenditures	0	0	100,000	100,000	100,000
Development Cost Charges	0	0	0	0	0
Total Expenditures	9,196,302	7,567,542	5,566,771	4,892,095	4,893,543
Total Revenues	10,271,508	7,834,536	5,651,592	5,014,668	5,089,708
Total Expenditures	9,196,302	7,567,542	5,566,771	4,892,095	4,893,543
Surplus / (Deficit)	1,075,206	266,993	84,822	122,573	196,164

Village of Chase
Bylaw No. 745–2010
2010 to 2014 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 2010.

Grants, included in the “Other Sources” line in Table 1, form the greatest proportion of revenue. The Village of Chase was very fortunate to receive over 4.5 million dollars from the Canada – British Columbia Building Canada Fund which will pay for two-thirds of the new Water Treatment Plant.

Property taxation, the second 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 general administration, fire protection, police services, bylaw enforcement, snow removal, and maintenance of streets, sidewalks and parks.

Borrowing forms the third largest portion of planned revenue. Borrowing will be necessary to fund a little less than half of the Village’s one-third share in the cost of the new Water Treatment Plant. One million dollars will be borrowed, to be paid back over the next 25 years. With a life expectancy of forty to fifty years for the water treatment plant, funding in this manner is justifiable. Other borrowing will be for five year leases for equipment.

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 (to be determined) 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.

Revenue Source	Amount	Percentage of Total
Property Taxes	1,286,129	15
Parcel Taxes	297,502	3
Fees	759,350	9
Other Sources	4,880,501	57
Borrowing	1,310,000	15
Total	8,533,482	100

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

- The amount of taxes to be collected from all sources will increase by approximately 3% per year.

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.

Property Classification	% of Total Property Taxation	Value
Residential (1)	73.66%	942,590.90
Utilities (2)	2.11%	26,982.00
Major Industry (4)	9.50%	121,572.10
Business and Other (6)	14.61%	186,980.00
Recreation / Non-Profit (8)	0.06%	794.00
Farm (9)	0.06%	710.00
Total All Sources	100.00%	1,279,629.00

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/or 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*.