

**VILLAGE OF CHASE**

Bylaw No. 767-2011  
Being and Amendment to the 2011 to 2015 Financial Plan

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**WHEREAS** the Community Charter requires that municipalities establish a five year financial plan that is adopted annually, by bylaw;

**AND WHEREAS** the Council of the Village of Chase desires to amend its 2011 to 2015 Financial Plan;

**NOW THEREFORE** the Council of the Village of Chase, enacts as follows:

1. Schedule "A" to Bylaw 765-2011, Village of Chase 2011 to 2015 Financial Plan Bylaw is hereby deleted in its entirety and replaced with a new Schedule "A" which forms part of this bylaw.
2. Schedule "B" to Bylaw No. 765-2011, Village of Chase 2011 to 2015 Financial Plan Bylaw is hereby deleted in its entirety and replaced with a new Schedule "B" which forms part of this bylaw.
3. This Bylaw may be cited as "Village of Chase 2011 to 2015 Financial Plan Bylaw No. 765-2011, Amendment Bylaw No. 767-2011".


READ A FIRST TIME THIS 25<sup>th</sup> DAY OF OCTOBER, 2011.

READ A SECOND TIME THIS 25<sup>th</sup> DAY OF OCTOBER, 2011.

READ A THIRD TIME THIS 25<sup>th</sup> DAY OF OCTOBER, 2011.

ADOPTED THIS 8<sup>th</sup> DAY OF NOVEMBER, 2011.

  
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Mayor

  
\_\_\_\_\_  
Corporate Officer

Certified to be a true copy of "Village of Chase 2011 to 2015 Financial Plan Amendment Bylaw No. 767 - 2011".

  
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Corporate Officer

**VILLAGE OF CHASE**  
**Bylaw No. 767-2011**  
**2011 to 2015 Financial Plan**  
**Schedule "A"**

	2011	2012	2013	2014	2015
<b>Revenues</b>					
Property Taxes	1,326,881	1,366,687	1,407,688	1,449,919	1,493,416
Payments In Lieu of Property Taxes	65,620	65,620	65,620	65,620	65,620
Parcel Taxes					
Sewer Parcel Tax	218,808	218,808	218,808	218,808	218,808
Water Parcel Tax	78,694	78,694	78,694	78,694	78,694
Collection of taxes for Other Governments	1,753,503	1,837,594	1,837,594	1,837,594	1,837,594
Utilities (Solid Waste, Water & Sewer)	613,000	613,000	613,000	613,000	613,000
Licenses, Permits, and Fees	140,900	141,400	141,900	142,400	142,900
Development Cost Charges	35,904	524,807	1,166,123	35,904	147,949
Transfers from Reserves	678,927	180,282	180,282	33,126	33,126
Proceeds from Borrowing	984,000	748,800	0	0	0
Other Revenues					
Grants	1,326,006	3,742,060	808,978	417,060	417,060
Interest Earned	36,471	36,471	36,471	36,471	36,471
Accumulated Surplus prior year	469,953	1,240,975	475,318	438,662	491,779
<b>Total Revenues</b>	<b>7,728,667</b>	<b>10,795,198</b>	<b>7,030,476</b>	<b>5,367,258</b>	<b>5,576,417</b>
<b>Expenses</b>					
Debt Repayment	116,238	162,572	150,572	150,572	150,572
Leases	165,752	164,981	164,981	148,721	60,553
Legislative Services	311,045	299,045	304,045	299,045	304,045
Corporate Services	712,371	737,906	719,280	726,012	728,238
Municipal Enforcement	15,200	15,200	15,700	15,200	15,200
Fire Department	170,224	171,059	174,439	177,837	181,280
Public Works	126,516	128,585	130,699	132,857	135,061
Transportation	290,781	292,844	304,958	297,124	299,343
Parks & Recreation	252,907	254,911	256,958	259,046	261,178
Solid Waste	137,353	140,000	139,468	140,558	143,269
Water	230,682	203,036	205,445	207,911	210,435
Sewer	178,543	180,647	182,799	185,003	187,258
Capital Expenditures					
General	573,457	183,000	1,244,000	125,000	449,000
Water	1,244,120	4,995,500	595,877	8,000	8,000
Sewer	162,000	513,000	50,000	50,000	50,000
Transfers to Reserves					
General	47,000	40,000	115,000	115,000	150,000
Payment of taxes to Other Governments	1,753,503	1,837,594	1,837,594	1,837,594	1,837,594
<b>Total Expenses</b>	<b>6,487,692</b>	<b>10,319,880</b>	<b>6,591,813</b>	<b>4,875,478</b>	<b>5,171,024</b>
<b>Surplus/(Deficit)</b>	<b>1,240,975</b>	<b>475,318</b>	<b>438,662</b>	<b>491,779</b>	<b>405,392</b>

**Village of Chase**  
**Bylaw No. 767-2011**  
**2011 to 2015 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 2011.

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 the Village's share in the cost of the new Water Treatment Plant. 1.75 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 until the fees and charges cover the costs incurred for the service or period of usage.

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2011 to 2015 Financial Plan  
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**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.
- A new billing process for metered water usage will be developed in 2012, "sample" bills with the new fees will be included with the normal billings for 2013 and metered billing will be implemented in 2014.
- 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	1,326,807	24
Parcel Taxes	297,502	5
Fees	789,804	14
Other Sources	2,107,024	38
Borrowing	984,000	18
<b>Total</b>	<b>5,505,137</b>	<b>100</b>

**DISTRIBUTION OF PROPERTY TAX RATES**

Table 2 outlines the distribution of property tax rates 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.

Our only "Major Industry" class, Adams Lake Lumber, is exempted from any Village of Chase property tax rate increases, as the Letters Patent by which their property was incorporated into the Village of Chase requires that the tax rate to be used is set by the provincial "Taxation (Rural Area) Act Regulation". The "Utility" class is also determined by the province under that same regulation and we are already using the maximum tax rate allowed and therefore cannot change.

**Objective**

- The amount of taxes to be collected from the "Residential", "Business and Other", "Recreation/Non-Profit" and "Farm" classes will increase by about 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.

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<b>Property Classification</b>	<b>% of Total Property Taxation</b>	<b>Value</b>
Residential (1)	73.66%	977,397
Utilities (2)	2.11%	27,978
Major Industry (4)	9.50%	126,061
Business and Other (6)	14.61%	193,884
Recreation / Non-Profit (8)	0.06%	823
Farm (9)	0.06%	736
<b>Total All Sources</b>	<b>100.00%</b>	<b>1,326,881</b>

**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*.