

**VILLAGE OF CHASE
BYLAW NO. 927-2023**

A Bylaw to Adopt the Village of Chase 2023 to 2027 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 2023 to 2027 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 2023 to 2027 inclusive.
2. This Bylaw may be cited as "Village of Chase 2023 to 2027 Five Year Financial Plan Bylaw No. 927 -2023".


READ A FIRST TIME THIS **18th DAY OF APRIL, 2023**

READ A SECOND TIME THIS **18th DAY OF APRIL, 2023**

READ A THIRD TIME THIS **2nd DAY OF MAY, 2023**

ADOPTED THIS **9th DAY OF MAY, 2023**


David Lepsoe, Mayor


Sean O'Flaherty, Corporate Officer

		VILLAGE OF CHASE					
		Bylaw No .927-2023 - Schedule "A"					
		2023 to 2027 Financial Plan					
			2023	2024	2025	2026	2027
		Revenues					
		Property Taxes	(2,258,296)	(2,292,945)	(2,311,391)	(2,356,614)	(2,360,572)
		Payments in Lieu of Taxes	(25,525)	(25,550)	(25,550)	(25,550)	(25,550)
		Utility Tax & Franchise Fees	(75,600)	(75,600)	(75,600)	(75,600)	(75,600)
		Interest and Penalties on taxes	(24,000)	(24,000)	(24,000)	(24,000)	(24,000)
		Collection of taxes for Other Governments	(1,835,805)	(1,835,805)	(1,835,805)	(1,835,805)	(1,835,805)
		Grants General	(621,751)	(621,751)	(621,751)	(621,751)	(621,751)
		Growing Communities Fund	(1,547,000)	0	0	0	0
		Fees					
		Other Revenue Own Sources	(214,855)	(175,955)	(176,505)	(176,805)	(177,105)
		Water utility	(770,500)	(847,900)	(931,400)	(1,023,300)	(1,124,300)
		Sewer utility	(359,750)	(377,750)	(415,250)	(456,750)	(502,350)
		Solid Waste Management	(290,500)	(301,800)	(386,000)	(418,800)	(242,000)
		Other Revenue-COVID 19	0	0	0	0	0
		Disposal of Tangible Capital Assets	0	0	0	0	0
		DCC	(50,000)	(10,000)	(10,000)	(10,000)	(10,000)
		Disposal of Lands	(130,000)	0	0	0	0
		Deferred Revenue	0	0	0	0	0
		Conditional Project Grants					
		General	(917,878)	0	0	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	(300,000)	(410,000)	(130,000)	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	(160,000)	0	0	0	0
		Fleet Reserve	(307,000)	0	(115,000)	0	0
		Gas Tax Reserve	(535,000)	0	0	0	0
		Transfers from Surplus					
		General	(44,000)	(46,000)	(49,000)	(51,000)	(52,000)
		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	(539,750)	(922,000)	(277,000)	(277,000)	(277,000)
		Water utility	(19,000)	0	0	0	0
		Sewer utility	(85,000)	0	0	0	0
		Proceeds from Borrowing	0	0	0	0	0
		Total Revenues	(11,170,760)	(8,026,606)	(7,443,802)	(7,412,525)	(7,387,583)

		2023	2024	2025	2026	2027
Expenditures						
	Payment of taxes to Other Governments	1,835,805	1,835,805	1,835,805	1,835,805	1,835,805
	Grants in aid	31,500	11,500	11,500	11,500	11,500
	Legislative services	97,850	99,650	101,150	105,350	103,950
	Corporate services	974,276	961,100	973,750	1,005,650	1,000,310
	Municipal Enforcement	35,450	36,450	36,450	36,450	36,450
	Emergency Services	9,000	9,000	9,000	9,000	9,000
	Fire service	265,900	269,800	270,616	271,448	272,297
	Rescue service	32,100	48,700	47,700	48,800	48,800
	Planning	10,500	10,500	10,500	12,000	12,000
	Economic Development	46,950	45,700	51,950	50,700	51,950
	Public Works Admin	493,300	497,600	502,300	507,200	512,200
	Fleet	121,000	127,500	117,500	117,500	117,500
	Transportation-Roads & Drainage	276,100	278,000	281,660	283,600	287,100
	Parks	204,150	199,250	201,850	204,450	207,150
	Cemetery	21,900	22,700	23,000	23,300	23,600
	Recreation Facilities	423,300	423,600	423,720	423,720	423,720
	Water	759,400	726,400	732,400	736,900	741,400
	Sewer	457,515	451,150	453,950	456,250	458,550
	Solid Waste	290,500	301,800	386,000	418,800	277,000
	Special Project-Reports & Assessments					
	General	155,361	625,000	0	0	0
	Capital Expenditures					
	General	1,155,333	457,000	272,000	27,000	27,000
	Water	504,000	0	0	0	0
	Sewer	785,000	0	0	0	0
	COVID 19 Project Allocations	13,934	0	0	0	0
	Interest on Debt Repayment					
	Water	47,000	47,000	47,000	47,000	47,000
	Sewer	21,600	21,600	21,600	21,600	21,600
	Fire Truck	11,000	9,000	6,400	3,900	1,300
	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	44,000	46,000	49,000	51,000	52,000
	DCC	50,000	10,000	10,000	10,000	10,000
	Transfers to Land Reserves	130,000	0	0	0	0
	Transfer to Growing Communities Fund Reserve	1,547,000				
	Transfer to Gas Tax Reserve	165,751	165,751	165,751	165,751	165,751
	Transfers to Reserves					
	General	250,000	250,000	250,000	250,000	250,000
	Solid Waste	0	0	0	0	0
	Water	0	0	0	0	0
	Sewer	0	0	0	0	0
	Total Expenditures	11,326,025	8,047,106	7,352,102	7,194,224	7,064,483
	Total Annual Cash (Surplus)/Deficit	155,265	20,500	(91,700)	(218,300)	(323,100)
	Transfer to/(from)-General	0	0	(0)	0	0
	Transfer to/(from)-Water	35,900	(74,500)	(152,000)	(239,400)	(335,900)
	Transfer to/(from)-Sewer	119,365	95,000	60,300	21,100	(22,200)
	Transfer to/(from)-Solid Waste	0	0	0	0	35,000
	Total Transfers	155,265	20,500	(91,700)	(218,300)	(323,100)
	Financial Plan Balance (will be \$0)	0	0	0	0	(0)

**Village of Chase
Bylaw No. 927-2023
2023 to 2027 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 2023.

<u>Table 1 – 2023 Revenue Sources</u>	
<u>Revenue Source</u>	<u>Percentage of Total</u>
Municipal taxes	20.22%
Other Taxes	17.55%
Fees	12.72%
Grants	27.63%
Other Sources	3.53%
Transfers	18.35%
Borrowing	0.00%
Total	100.00%

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. The Village will factor in the use of non-market growth in the assessment roll due to new construction and development to assist in new revenue to balance the overall financial plan.

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 services including water, sewer and solid waste collection.

The major contributions to the Grant funding are the Small Community Grant and Canada Community Building Fund. There are several other federal, provincial and regional sources which support Village initiatives. In 2023 the Village will receive a one-time funding of \$1,547,000 for the Growing Communities fund.

For 2023, 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. 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 does not currently collect parcel taxes within the municipality.

Fees: The Village shall strive to ensure the fees charged for water, sanitary sewer and solid waste services are 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)	78.31%	\$1,768,552
Utilities (2)	1.63%	36,766
Major Industry (4)	6.50%	146,824
Business and Other (6)	13.55%	305,907
Recreation / Non-Profit (8)	0.00%	0
Farm (9)	0.01%	247
Total All Sources	100.00%	\$ 2,258,296

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.

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.

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 Canada Community Building Fund Agreement, the Village will continue to develop and implement asset management planning in 2023. The municipality will continue to seek funding opportunities for infrastructure assessments, evaluations and reviews to be utilized in the development of the Asset Management 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.