

**VILLAGE OF CHASE
BYLAW NO. 938-2024**

A Bylaw to Adopt the Village of Chase 2024 to 2028 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:

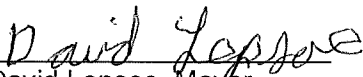
1. Schedule "A", Village of Chase 2024 to 2028 Financial Plan and Schedule "B" Statement of Objectives and Policies, attached hereto, shall form part of this Bylaw and are hereby adopted as the Five Year Financial Plan for the Village of Chase for the years 2024 to 2028 inclusive.
2. This Bylaw may be cited as "Village of Chase 2024 to 2028 Five Year Financial Plan Bylaw No. 938-2024".

READ A FIRST TIME THIS 23rd DAY OF **APRIL, 2024**

READ A SECOND TIME THIS 23rd DAY OF **APRIL, 2024**

READ A THIRD TIME THIS 23rd DAY OF **APRIL, 2024**

ADOPTED THIS 14th DAY OF **MAY, 2024**


David Lepsoe, Mayor



Sean O'Flaherty, Corporate Officer

VILLAGE OF CHASE						
Bylaw No. 938-2024 - Schedule "A"						
2023 to 2027 Financial Plan						
	2024	2025	2026	2027	2028	
Revenues						
Property Taxes	(2,501,240)	(2,564,825)	(2,850,355)	(2,890,420)	(2,943,785)	
Payments in Lieu of Taxes	(25,525)	(25,550)	(25,550)	(25,550)	(25,550)	
Utility Tax & Franchise Fees	(79,900)	(79,900)	(79,900)	(79,900)	(79,900)	
Interest and Penalties on taxes	(28,000)	(24,000)	(24,000)	(24,000)	(24,000)	
Collection of taxes for Other Governments	(2,051,805)	(2,051,805)	(2,051,805)	(2,051,805)	(2,051,805)	
Grants General	(1,051,256)	(814,751)	(614,751)	(614,751)	(614,751)	
Growing Communities Fund	-	-	-	-	-	
Fees						
Other Revenue Own Sources	(250,155)	(250,955)	(251,555)	(252,255)	(252,755)	
Water utility	(836,500)	(854,500)	(871,300)	(888,500)	(906,000)	
Sewer utility	(488,750)	(488,750)	(537,550)	(591,250)	(650,350)	
Solid Waste Management	(290,500)	(313,800)	(329,400)	(345,800)	(363,100)	
Other Revenue-COVID 19	-	-	-	-	-	
Disposal of Tangible Capital Assets	-	-	-	-	-	
DCC	(50,000)	(10,000)	(10,000)	(10,000)	(10,000)	
Disposal of Lands	(130,000)	-	-	-	-	
Deferred Revenue	-	-	-	-	-	
Conditional Project Grants						
General	(679,801)	(150,000)	-	-	-	
Water utility	-	-	-	-	-	
Sewer utility	(5,800,000)	-	-	-	-	
Solid Waste Management	-	-	-	-	-	
Transfers from Reserves						
General	(850,000)	(350,000)	(350,000)	(350,000)	(350,000)	
Water utility	-	-	-	-	-	
Sewer utility	-	-	-	-	-	
Solid Waste	-	-	-	-	-	
Land Reserve	(25,000)	-	-	-	-	
Fleet Reserve	(22,000)	-	-	-	-	
Gas Tax Reserve	(1,235,000)	(30,000)	(30,000)	-	-	
LGCap Reserve	(91,159)	-	-	-	-	
Fire Truck replacement reserve	-	(300,000)	-	-	-	
Growing Communities Fund	(815,000)	(732,000)	-	-	-	
Transfers from Surplus						
General	(46,000)	(49,000)	(51,000)	(52,000)	(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	(32,000)	(100,000)	(105,000)	(111,000)	(104,000)	
Transfers from Surplus for Capital						
General	(835,600)	(980,500)	(530,500)	(530,500)	(530,500)	
Water utility	(85,000)	(75,000)	(75,000)	(75,000)	-	
Sewer utility	(55,000)	-	-	-	-	
Proceeds from Borrowing	-	(50,000)	(350,000)	-	-	
Total Revenues	(18,414,741)	(10,354,886)	(9,197,216)	(8,952,281)	(9,018,046)	

	2024	2025	2026	2027	2028
Expenditures					
Payment of taxes to Other Governments	2,051,805	2,051,805	2,051,805	2,051,805	2,051,805
Grants in aid	11,500	11,500	11,500	11,500	11,500
Legislative services	100,900	100,950	102,950	104,150	104,350
Corporate services	1,083,865	1,086,440	1,133,070	1,136,500	1,159,100
Municipal Enforcement	35,850	36,850	36,850	36,850	36,850
Emergency & Protective Services	229,000	229,000	231,976	234,296	236,686
Fire service	291,200	294,960	298,870	301,920	305,060
Rescue service	47,800	47,800	47,800	47,800	47,800
Planning	10,500	10,500	10,500	12,000	12,000
Economic Development	92,805	99,755	100,265	102,895	103,065
Public Works Admin	519,200	529,600	539,900	548,000	556,300
Fleet	127,500	126,500	127,500	127,500	127,500
Transportation-Roads & Drainage	284,700	292,200	299,000	305,400	310,400
Parks	248,750	256,250	262,550	269,050	274,150
Cemetery	25,000	25,800	26,500	27,200	27,800
Recreation Facilities	432,550	438,350	445,450	452,550	459,650
Water	782,200	783,300	792,300	800,000	806,500
Sewer	474,538	479,450	484,550	489,850	493,950
Solid Waste	292,200	312,300	316,500	320,800	324,300
Special Project-Reports & Assessments					
General	1,995,912	151,000	1,000	1,000	1,000
Capital Expenditures					
General	1,834,600	1,861,500	829,500	449,500	449,500
Water	485,000	75,000	75,000	75,000	-
Sewer	5,855,000	-	-	-	-
COVID 19 Project Allocations	4,471	-	-	-	-
Interest on Debt Repayment					
Water	67,000	67,000	67,000	67,000	67,000
Sewer	21,600	21,600	21,600	21,600	21,600
Fire Truck	8,700	6,400	3,900	1,300	-
Solid Waste	6,000	24,000	24,000	24,000	24,000
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	46,000	49,000	51,000	52,000	52,000
Solid Waste	32,000	100,000	105,000	111,000	104,000
DCC	50,000	10,000	10,000	10,000	10,000
Transfers to Reserves					
Land Reserves	130,000	-	-	-	-
Growing Communities Fund Reserve	-	-	-	-	-
Gas Tax Reserve	165,751	165,751	165,751	165,751	165,751
Fleet Reserve	80,000	80,000	80,000	80,000	80,000
Fire Truck replacement reserve	150,000	150,000	-	-	-
LG Cap	59,082	-	-	-	-
General	250,000	350,000	350,000	350,000	350,000
Solid Waste	-	-	-	-	-
Water	-	-	-	-	-
Sewer	-	-	-	-	-
Total Expenditures	18,442,529	10,384,111	9,163,137	8,847,767	8,833,167
Total Annual Cash (Surplus)/Deficit	27,788	29,225	(34,079)	(104,514)	(184,879)
Transfer to/(from)-General	-	(1,375)	(1,779)	(2,214)	(2,779)
Transfer to/(from)-Water	12,700	(4,200)	(12,000)	(21,500)	(32,500)
Transfer to/(from)-Sewer	7,388	12,300	(31,400)	(79,800)	(134,800)
Transfer to/(from)-Solid Waste	7,700	22,500	11,100	(1,000)	(14,800)
Total Transfers	27,788	29,225	(34,079)	(104,514)	(184,879)
Financial Plan Balance (will be \$0)	(0)	-	-	0	(0)

Village of Chase
Bylaw No. 938-2024
2024 to 2028 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 2024.

<u>Table 1 – 2024 Revenue Sources</u>	
<u>Revenue Source</u>	<u>Percentage of Total</u>
Municipal taxes	13.58%
Other Taxes	11.87%
Fees	8.77%
Grants	40.90%
Other Sources	2.34%
Transfers	22.54%
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, Canada Community Building Fund, and a \$5.8 Million dollar grant to support improvements to the waste water treatment plant. There are several other federal, provincial and regional sources which support Village initiatives.

For 2023-2024, the Village of Chase has been approved for a significant amount of additional grant funding for several major Capital projects, which are in the planning process.

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)	77.22%	\$1,931,266
Utilities (2)	1.64%	41,084
Major Industry (4)	5.87%	146,918
Business and Other (6)	15.26%	381,593
Recreation / Non-Profit (8)	0.00%	0
Farm (9)	0.01%	211
Total All Sources	100.00%	\$ 2,501,072

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 2024. 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.