

**DISTRICT OF COLDSTREAM
BYLAW NO. 1717, 2018**

A BYLAW TO ADOPT THE FINANCIAL PLAN FOR THE YEARS 2018 - 2022

WHEREAS in accordance with the *Community Charter*, the Council is required, by bylaw, to adopt a Financial Plan for the municipality before the fifteenth day of May in each year;

NOW THEREFORE the Council of the District of Coldstream ENACTS AS FOLLOWS:

TITLE

- 1 This Bylaw may be cited as “DISTRICT OF COLDSTREAM FINANCIAL PLAN BYLAW NO. 1717, 2018.”

INTERPRETATION

- 2 Unless otherwise provided in this Bylaw, words and phrases used herein have the same meanings as in the *Community Charter*, *Local Government Act* and the *Interpretation Act* as the context and circumstances may require.
- 3 A reference to an Act in this Bylaw refers to a statute of British Columbia, and a reference to any statute, regulation, bylaw or other enactment refers to that enactment as it may be amended or replaced from time to time.
- 4 Words in the singular include the plural, and words in the plural include the singular.
- 5 Headings are for convenience only and must not be construed as defining or limiting the scope or intent of the provisions.

SEVERABILITY

- 6 If any part of this Bylaw is held to be invalid by a court of competent jurisdiction, the invalid part is severed and the remainder of the Bylaw continues to be valid.

ATTACHMENTS

- 7 Schedules A, B and C attached hereto and forming part of this Bylaw is the 2018 – 2022 Financial Plan of the District of Coldstream for the period beginning January 1, 2018 and ending December 31, 2022.

READ A FIRST TIME this	26	day of	February	2018
READ A SECOND TIME this	26	day of	February	2018
READ A THIRD TIME this	26	day of	February	2018
A PUBLIC OPEN HOUSE was held this	14	day of	March	2018
ADOPTED this	26	day of	March	2018

Corporate Officer

Mayor

Attachments:

- Schedule A – Consolidated Statement of Operations 2018-2022
 - Schedule B – Consolidated Statement of Reserves 2018-2022
 - Schedule C – Revenue and Tax Policy Disclosure 2018-2022
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Schedule A**DISTRICT OF COLDSTREAM
CONSOLIDATED STATEMENT OF OPERATIONS FIVE YEAR
FINANCIAL PLAN 2018-2022**

	2018 Budget	2019 Budget	2020 Budget	2021 Budget	2022 Budget
REVENUES					
Municipal Taxation, net	6,371,087	6,454,703	6,539,748	6,626,244	6,714,209
Utility Taxes/Grants In Lieu	157,410	159,771	162,168	164,600	167,069
Sale of Services	279,199	260,969	261,522	262,083	262,652
Revenue From Own Sources	653,250	657,863	662,521	667,225	671,974
Grants	1,523,950	925,975	926,154	926,338	926,527
Sewer User Fees	1,516,991	1,554,678	1,593,307	1,632,902	1,673,487
	10,501,887	10,013,959	10,145,421	10,279,392	10,415,918
EXPENSES					
General Government Services	919,434	915,873	932,738	949,953	967,524
Protective Services	2,284,924	2,322,566	2,365,695	2,411,050	2,452,031
Transportation Services	3,636,624	3,636,624	3,636,624	3,636,624	3,636,624
Parks Services	1,320,021	1,336,298	1,362,015	1,366,153	1,412,680
Environmental Health Services	111,606	113,111	115,767	118,487	121,272
Development Services	383,423	392,453	401,784	411,346	421,143
Sewer Services	1,694,664	1,718,545	1,731,522	1,733,368	1,746,743
Fiscal Services	278,870	281,309	277,603	273,817	269,949
	10,629,567	10,716,780	10,823,749	10,900,797	11,027,965
SURPLUS (DEFICIT) FOR THE YEAR	(127,680)	(702,821)	(678,328)	(621,405)	(612,047)
ADJUST FOR NON-CASH ITEMS					
Amortization expense	2,248,410	2,250,218	2,252,072	2,253,973	2,255,920
Inventory expense	8,500	8,500	8,500	8,500	8,500
Prepaid expense	153,000	154,000	155,000	156,000	157,000
Interest accrual	36,939	34,961	33,049	31,062	28,994
	2,446,849	2,447,679	2,448,622	2,449,534	2,450,415
TOTAL CASH FROM OPERATIONS	2,319,169	1,744,858	1,770,293	1,828,130	1,838,368
ADJUST FOR CASH ITEMS					
Capital asset expenditures	(4,934,950)	(1,330,000)	(1,979,500)	(2,122,000)	(1,620,950)
Inventory expenditures	(8,500)	(8,500)	(8,500)	(8,500)	(8,500)
Prepaid expenditures	(153,000)	(154,000)	(155,000)	(156,000)	(157,000)
Debt principle repayment	(192,582)	(242,582)	(242,582)	(242,582)	(192,582)
Debt proceeds	300,000	-	-	-	-
Transfers from (to) Reserves	885,265	(725,500)	(346,640)	(409,908)	(454,856)
Transfers from (to) Surplus	1,784,597	715,725	961,929	1,110,860	595,520
	(2,319,170)	(1,744,857)	(1,770,293)	(1,828,130)	(1,838,368)
FINANCIAL PLAN BALANCE	0	0	0	0	(0)

**DISTRICT OF COLDSTREAM
 CONSOLIDATED STATEMENT OF RESERVES
 FIVE YEAR FINANCIAL PLAN 2018-2022**

Schedule B

	2018 Budget	2019 Budget	2020 Budget	2021 Budget	2022 Budget
REVENUE					
Return On Investment	45,000	46,000	46,000	46,000	46,000
Transfers From Operations	1,950,535	1,970,500	1,976,140	1,981,908	2,037,806
	<u>1,995,535</u>	<u>2,016,500</u>	<u>2,022,140</u>	<u>2,027,908</u>	<u>2,083,806</u>
EXPENDITURES					
Transfer to Capital Projects	2,835,800	1,245,000	1,629,500	1,572,000	1,582,950
Transfer to (from) Surplus	(840,265)	771,500	392,640	455,908	500,856
	<u>1,995,535</u>	<u>2,016,500</u>	<u>2,022,140</u>	<u>2,027,908</u>	<u>2,083,806</u>
SURPLUS	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Schedule C

**DISTRICT OF COLDSTREAM
REVENUE AND TAX POLICY DISCLOSURE
FIVE YEAR FINANCIAL PLAN 2018-2022**

The District has determined the funding priority for revenues to be applied firstly to operations, secondly to infrastructure and thirdly to growth and opportunities. This priority is important based on the need to provide essential services and socially beneficial services to the community at a reasonable standard on an annual basis; the need to ensure assets supporting the services provided are adequately funded for replacement; and the need for a progressive approach to the District's future.

FUNDING SOURCES

In accordance with Section 165(7) of the Community Charter, the proposed funding sources for inclusion in the financial plan include property value taxes, parcel taxes, fees, other sources and proceeds from borrowing. The proration of these revenue sources for the District are comprised of the following:

Property Value Taxes	62.05%
Parcel Taxes	0.11%
Fees	17.10%
Other Sources	20.73%
Proceeds from Borrowing	<u>0.00%</u>
	100.00%

Objective:

- * Over the next five years, the District will seek to increase the proportion of revenue that is received from user fees and charges

Policies:

- * The District will review all user fee levels to ensure they are adequately meeting the costs of delivering the services provided.
- * Where possible, the District will endeavor to supplement revenues from user fees and charges, rather than taxation.
- * Aggressively seek available grants for projects to mitigate the potential impact on property taxation rates.

DISTRIBUTION OF PROPERTY TAXES

The Distribution of the property tax revenue across the different property classes is as follows:

CI 1	Residential	91.22%
CI 2	Utilities	0.95%
CI 4	Major Industry	3.26%
CI 5	Light Industry	1.20%
CI 6	Business/Other	1.74%
CI 8	Rec/Non-profit	0.19%
CI 9	Farm	<u>1.44%</u>
		100.00%

Objective:

- * Over the next several years, reduce the share of property tax paid by Major Industry (class 4)
- * In the longer term, ensure that the light industry and major industry rates are aligned with those of other competitive municipalities.
- * The share of property tax paid by Farm (class 9) will be reviewed regularly by Council

Schedule C

DISTRICT OF COLDSTREAM REVENUE AND TAX POLICY DISCLOSURE FIVE YEAR FINANCIAL PLAN 2018-2022

Policies:

- * Where possible, supplement revenues from user fees and charges to help off set the tax burden of the property tax base.
- * The class 2 rate will be set at the maximum rate as permitted under current legislation
- * The District will seek to reduce the class 4 tax rate by 2.5% per year.
- * The class 5 rate will be calculated as a multiplier of the residential rate. The District will seek to maintain this multiplier at a rate of 2.95 to 1
- * The class 6 rate will be calculated as a multiplier of the residential rate. The District will seek to maintain this multiplier at a rate of 2.4 to 1
- * The class 8 rate will be calculated as a multiplier of the residential rate. The District will seek to maintain this multiplier at a rate of 1.0 to 1
- * The class 9 rate will be calculated as a multiplier of the residential rate. The District will seek to maintain this multiplier at a rate of 3.8 to 1

PERMISSIVE TAX EXEMPTIONS

The Annual Municipal Report contains a list of permissive exemptions granted for the taxation year and the amount of tax revenue foregone. This list demonstrates the policy of council that permissive exemptions are granted to not-for-profit institutions that form a valuable part of our community. These include religious institutions, social service organizations, community service organizations, cultural/educational organizations and recreational organizations.

Objective:

- * The District will continue to provide permissive tax exemptions to Not For Profit organizations
- * Over the next couple of years, the District will seek to expand its offering of permissive tax exemptions to include a tax revitalization program. The tax revitalization program will target development within the District based on the pre-defined neighborhood plans that have been developed.

Policies:

- * Develop a revitalization tax exemption program which details the kinds of activities the program will target and the location of the targeted activities.
- * Integrate the revitalization tax exemption program into the District's existing initiatives as a means of attracting retail and commercial businesses to further invest in the community.