



Financial Plan Bylaw No. 1753, 2020

adopted April 14, 2020

A bylaw to adopt the Financial Plan for the Years 2020-2024

**CONSOLIDATED FOR
CONVENIENCE ONLY**

**Includes amendments adopted
up to **November 23, 2020****

**DISTRICT OF COLDSTREAM
BYLAW NO. 1753, 2020**

A BYLAW TO ADOPT THE FINANCIAL PLAN FOR THE YEARS 2020 - 2024

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. 1753, 2020.”

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 2020 – 2024 Financial Plan of the District of Coldstream for the period beginning January 1, 2020 and ending December 31, 2024.

READ A FIRST TIME this	9 th	day of	March	2020
READ A SECOND TIME this	9 th	day of	March	2020
READ A THIRD TIME this	9 th	day of	March	2020
ADOPTED this	14 th	day of	April	2020

Corporate Officer

Mayor

Attachments:

- Schedule A – Consolidated Statement of Operations 2020-2024 - (Replaced November 23, 2020 by
- Schedule B – Consolidated Statement of Reserves 2020-2024 - Amendment Bylaw No. 1764, 2020)
- Schedule C – Revenue and Tax Policy Disclosure 2020-2024

Schedule A**DISTRICT OF COLDSTREAM
CONSOLIDATED STATEMENT OF OPERATIONS
FIVE YEAR FINANCIAL PLAN 2020-2024**

	2020	2021	2022	2023	2024
	Budget	Budget	Budget	Budget	Budget
REVENUES					
Municipal Taxation, net	6,993,500	7,089,190	7,186,450	7,285,290	7,385,740
Utility Taxes/Grants In Lieu	180,530	183,230	185,970	188,760	191,590
Sale of Services	324,510	329,000	333,590	338,240	342,950
Revenue From Own Sources	697,140	702,740	708,390	714,100	719,850
Grants	6,675,860	958,670	958,850	982,100	982,290
Sewer User Fees	1,559,560	1,598,310	1,638,030	1,678,750	1,720,480
Development cost charges	156,000	-	-	-	-
	16,587,100	10,861,140	11,011,280	11,187,240	11,342,900
EXPENSES					
General Government Services	971,560	990,140	1,009,120	1,053,490	1,048,270
Protective Services	2,387,445	2,417,450	2,455,680	2,499,490	2,541,630
Transportation Services	3,851,010	3,831,860	3,880,460	3,930,160	3,980,410
Parks Services	1,472,680	1,482,630	1,510,190	1,531,960	1,578,120
Environmental Health Services	139,690	142,750	145,880	149,060	152,340
Development Services	384,800	393,920	403,260	412,830	422,600
Sewer Services	1,699,520	1,711,860	1,724,480	1,737,380	1,750,570
Fiscal Services	182,200	179,440	176,570	174,330	171,980
	11,088,905	11,150,050	11,305,640	11,488,700	11,645,920
SURPLUS (DEFICIT) FOR THE YEAR	5,498,195	(288,910)	(294,360)	(301,460)	(303,020)
ADJUST FOR NON-CASH ITEMS					
Amortization expense	2,308,550	2,310,450	2,312,400	2,314,400	2,316,450
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	31,060	28,990	26,840	24,610	22,280
	2,501,110	2,501,940	2,502,740	2,503,510	2,504,230
TOTAL CASH FROM OPERATIONS	7,999,305	2,213,030	2,208,380	2,202,050	2,201,210
ADJUST FOR CASH ITEMS					
Capital asset expenditures	(10,745,810)	(2,532,500)	(1,665,500)	(1,223,700)	(1,510,000)
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	(192,580)	(192,580)	(192,580)	(192,580)	(192,580)
Debt proceeds	925,000	-	-	-	-
Transfers from (to) Reserves	1,124,800	(1,017,440)	(687,420)	(749,490)	(743,200)
Transfers from (to) Surplus	1,050,785	1,691,990	500,620	128,220	410,070
	(7,999,305)	(2,213,030)	(2,208,380)	(2,202,050)	(2,201,210)
FINANCIAL PLAN BALANCE	-	-	-	-	-

**DISTRICT OF COLDSTREAM
 CONSOLIDATED STATEMENT OF OPERATIONS
 FIVE YEAR FINANCIAL PLAN 2020-2024**

Schedule B

	2020 Budget	2021 Budget	2022 Budget	2023 Budget	2024 Budget
REVENUE					
Return On Investment	83,000	84,000	84,000	84,000	84,000
Transfers From Operations	2,329,520	2,262,440	2,316,920	2,321,490	2,326,150
	<u>2,412,520</u>	<u>2,346,440</u>	<u>2,400,920</u>	<u>2,405,490</u>	<u>2,410,150</u>
EXPENDITURES					
Transfer to Capital Projects	3,454,320	1,245,000	1,629,500	1,572,000	1,582,950
Transfer to (from) Surplus	(1,041,800)	1,101,440	771,420	833,490	827,200
	<u>2,412,520</u>	<u>2,346,440</u>	<u>2,400,920</u>	<u>2,405,490</u>	<u>2,410,150</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 2020-2024

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	51.62%
Parcel Taxes	0.08%
Fees	13.58%
Other Sources	28.05%
Proceeds from Borrowing	<u>6.67%</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	91.30%
CI 2	Utilities	0.98%
CI 4	Major Industry	3.12%
CI 5	Light Industry	1.41%
CI 6	Business/Other	1.84%
CI 8	Rec/Non-profit	0.18%
CI 9	Farm	<u>1.17%</u>
		100.00%

Objective:

- * 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 2020-2024

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 class 4 rate will be calculated as a multiplier of the residential rate. The District will seek to maintain this multiplier at a rate of 10.3 to 1
- * 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 3.4 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.