

# DISTRICT OF STEWART

## 2017-2021 FINANCIAL PLAN BYLAW No.908 , 2017

A BYLAW TO ADOPT THE 2017-2021 FINANCIAL PLAN.

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**WHEREAS** pursuant to Section 165 of the Community Charter, being Chapter 26 of the Statutes of British Columbia, 2003, a Municipality must have a Financial Plan that is adopted annually, by Bylaw, before the Annual Property Tax Bylaw is adopted;

**NOW THEREFORE** the Council of the District of Stewart in open meeting assembled enacts as follows:

- 1.0 Schedule "A", attached hereto and forming part of this Bylaw, is hereby adopted as the Financial Plan for the 5 years ending December 31, 2021.
- 2.0 Schedule "B", attached hereto and forming part of this Bylaw, is hereby adopted as the Statement of Objectives and Policies.
- 3.0 This Bylaw may be cited as **"2017-2021 Financial Plan Bylaw No. 908, 2017"**

**READ a first time** this 10<sup>th</sup> day of April, 2017

**READ a second time** this 10<sup>th</sup> day of April, 2017

**READ a third time** this day of \_\_\_\_ day of \_\_\_\_, 2017

**ADOPTED** this \_\_\_\_ day of \_\_\_\_ 2017

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Galina Durant, Mayor

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Gord Howie, Interim CAO

**SCHEDULE "A"**

**DISTRICT OF STEWART FINANCIAL PLAN FOR THE YEARS 2017 - 2021**

<b>GENERAL</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
<b>Funding Sources</b>					
Municipal Property Taxes	\$ 1,719,215	\$ 1,755,970	\$ 1,793,591	\$ 1,832,100	\$ 1,871,519
Parcel Taxes	379,856	379,856	379,856	379,856	379,856
Grants in Lieu of Taxes	40,333	41,140	41,962	42,802	43,658
Sale of Services (Incl Water and Sewer Fees)	16,100	16,420	16,746	17,079	17,419
Operating Grants	264,000	264,000	264,000	264,000	264,000
Other Revenue	553,173	653,749	664,535	675,538	686,760
Proceeds from Borrowing	150,000	50,000			
<b>Total Revenues</b>	<b>\$ 3,122,677</b>	<b>\$ 3,161,134</b>	<b>\$ 3,160,691</b>	<b>\$ 3,211,375</b>	<b>\$ 3,263,211</b>
<b>Expenditures</b>					
Legislative	\$ 92,984	\$ 107,433	\$ 97,948	\$ 100,532	\$ 103,187
General Administration	540,448	483,439	496,015	508,942	522,229
Emergency Services	70,620	71,382	72,160	72,953	73,762
Public Works and Services	1,248,893	1,230,560	1,258,514	1,271,529	1,286,318
Economic Development & Planning	145,226	138,331	141,509	144,764	148,096
Recreation & Cultural Services	328,885	324,005	329,804	335,739	341,811
Water Services	141,422	139,458	142,615	145,846	149,153
Sewer Services	106,472	108,902	111,389	113,935	116,541
<b>Total Expenditures</b>	<b>\$ 2,674,950</b>	<b>\$ 2,603,509</b>	<b>\$ 2,649,955</b>	<b>\$ 2,694,239</b>	<b>\$ 2,741,098</b>
<b>Excess of funding over expenditures</b>	<b>\$ 447,727</b>	<b>\$ 557,625</b>	<b>\$ 510,736</b>	<b>\$ 517,135</b>	<b>\$ 522,113</b>
<b>CAPITAL</b>					
Funding - Grants	\$ 2,286,096	\$ 1,606,205	\$ -	\$ -	\$ -
Expenditures	2,918,599	2,429,959	25,000	25,000	25,000
	<b>(632,503)</b>	<b>(823,754)</b>	<b>(25,000)</b>	<b>(25,000)</b>	<b>(25,000)</b>
Transfers from Reserves	472,563	548,054	-	-	-
<b>Capital Surplus (Deficit)</b>	<b>(159,940)</b>	<b>(275,700)</b>	<b>(25,000)</b>	<b>(25,000)</b>	<b>(25,000)</b>
Transfer to Conservancy Reserve	(8,200)	(8,200)	(8,200)	(8,200)	(8,200)
Transfers to Capital Works Reserve	(275,000)	(270,000)	(475,000)	(480,000)	(485,000)
<b>NET SURPLUS</b>	<b>\$ 20,987</b>	<b>\$ 20,125</b>	<b>\$ 18,936</b>	<b>\$ 20,335</b>	<b>\$ 20,313</b>

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**SCHEDULE "A" (cont'd)**  
**DISTRICT OF STEWART FINANCIAL PLAN FOR THE YEARS 2017-2021**

<b>PERMISSIVE TAX EXEMPTIONS</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
North American Baptist Conference	466	475	485	494	504
North American Baptist Conference	2118	2161	2204	2248	2293
Roman Catholic Episcopal Corp	1554	1585	1616	1649	1682
Anglican Synod Diocese	1225	1250	1274	1300	1326

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## SCHEDULE "B"

### STATEMENT OF OBJECTIVES AND POLICIES

*In accordance with Section 165(3.1) of the Community Charter, the District of Stewart is required to include in the Five Year Financial Plan, objectives and policies regarding each of the following:*

- 1. The proportion of total revenue that comes from each of the funding sources described in Section 165(7) of the Community Charter;*
- 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 2017. Property taxes form the greatest proportion of revenue. As a revenue source, property taxation offers a number of advantages, for example, it is simple to administer and it is fairly easy for residents to understand. It 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, garbage collection and street lighting.*

*Other sources and grants is the small community grant that we received annually. User Fees & Charges is where our logging industry revenue ie. Rent, log throughput charges is located.*

#### **Objective**

*The District of Stewart will annually review the proportion of revenue that is received from other sources.*

#### **Policy**

*The District of Stewart will review all other source levels to ensure they are adequately meeting both the capital and delivery costs of the service.*

<b>REVENUE SOURCE</b>	<b>% TOTAL REVENUE</b>	<b>DOLLAR VALUE</b>
Property values taxes and grants in lieu	35%	1,759,548
Parcel taxes	7%	379,856
User fees and charges	1%	16,100
Other sources	11%	553,173
Proceeds from borrowing	3%	150,000
Grants - operating	5%	264,000
Grants - capital	38%	1,930,006
<b>TOTAL</b>	<b>100%</b>	<b>5,052,683</b>

Table 1

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## **Distribution of Property Taxes**

Table 2 outlines the distribution of property taxes among the property classes. The utilities and major industrial property classes provide the largest proportions of property tax revenue. This is due to the development of the Long Lake Hydro Project and Stewart World Port.

<b>PROPERTY CLASS</b>	<b>% OF TOTAL PROPERTY TAXATION</b>	<b>DOLLAR VALUE</b>
<i>Residential</i>	16%	287,737
<i>Utilities</i>	34%	602,832
<i>Major Industrial</i>	31%	542,117
<i>Light Industrial</i>	6%	99,443
<i>Business and Other</i>	11%	186,781
<i>Recreation/Non-Profit</i>	n/a	305
<i>Grants in Lieu</i>	2%	40,333
<b>TOTAL</b>	<b>100%</b>	<b>1,759,548</b>

TABLE 2

### **Objectives**

*Maintain the property tax levy percentages for 2017 adjusted for the impact of non-market changes to assessments (new-construction).*

### **Policies**

*Continue to maintain and encourage economic development initiatives.*

*Regularly review and compare the District of Stewart's distributions of property tax burden relative to other municipalities in British Columbia.*

## **Permissive Tax Exemptions**

*The District of Stewart passes a permissive tax exemption bylaw every five years based on the criteria of the Community Charter Section 224 which guides the administration and approval of permissive tax exemptions.*

### **Objectives**

*Continue to provide permissive tax exemptions to non-profit societies pursuant to the Community Charter, Section 224 (2)(a)(i).*