



## **DISTRICT OF STEWART**

### **2021-2025 Five Year Financial Plan**

The District of Stewart Council invites public comment on Five Year Financial Plan Bylaw No. 983, 2021 which covers the 2021-2025 Operating and Capital Budgets.

Council will receive comments on the Plan at the Virtual On-line Regular Meeting of March 8, 2021 at 7:00 pm.

A copy of the Bylaw and details of the capital budget follow on the next page of this notice.

Comments may be made in person or in writing.

Questions on the Financial Plan and the budget process may be directed to:

***Jennifer Larson, Chief Financial Officer***

***District of Stewart***

***Email: [finance@districtofstewart.com](mailto:finance@districtofstewart.com)***

***705 Brightwell Street, P.O. Box 460 V0T 1W0 | Ph: (250) 636-2251***

DISTRICT OF STEWART

2021-2025 FINANCIAL PLAN BYLAW No.983, 2021

A BYLAW TO ADOPT THE 2021-2025 FINANCIAL PLAN.

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, 2025.
- 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 "2021-2025 Financial Plan Bylaw No. 983, 2021"

READ A FIRST TIME THIS 22<sup>nd</sup> day of February, 2021

READ A SECOND TIME this 22<sup>nd</sup> day of February, 2021

READ A THIRD TIME this \_\_\_\_\_ day of \_\_\_\_\_, 2021

ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, 2021

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Corporate Officer

## SCHEDULE "A"

**DISTRICT OF STEWART  
FINANCIAL PLAN 2021-2025**

	2021	2022	2023	2024	2025
<b>MUNICIPAL PROPERTY TAXES</b>	\$ 1,923,210	\$ 2,258,210	\$ 2,386,310	\$ 2,788,100	\$ 2,788,100
<b>FRONTAGE TAXES</b>	366,000	366,000	366,000	366,000	366,000
<b>GRANTS IN LIEU OF TAXES</b>	114,500	114,500	114,500	114,500	114,500
<b>OPERATING GRANTS</b>	653,000	353,000	353,000	353,000	353,000
<b>LEASE REVENUE</b>	310,270	316,475	322,805	329,261	335,846
<b>LOG HANDLING</b>	150,000	150,000	150,000	150,000	150,000
<b>PORT ROYALTIES</b>	20,000	20,000	20,000	20,000	20,000
<b>OTHER REVENUE</b>	29,650	29,650	29,650	29,650	29,650
<b>TOTAL OPERATING REVENUES</b>	\$ 3,566,630	\$ 3,607,836	\$ 3,742,265	\$ 4,150,511	\$ 4,157,096
<b>LEGISLATIVE SERVICES</b>	102,305	105,299	120,383	111,559	114,831
<b>GENERAL ADMINISTRATION</b>	628,048	646,889	672,292	686,281	712,869
<b>PROTECTIVE SERVICES</b>	221,050	225,562	232,268	239,176	246,292
<b>PUBLIC WORKS AND SERVICES</b>	1,415,687	1,453,717	1,492,887	1,500,283	1,507,658
<b>RECREATIONAL EXPENSES</b>	489,331	454,636	467,825	481,409	495,402
<b>ECONOMIC DEVELOPMENT</b>	197,412	237,884	243,521	249,326	255,306
<b>WATER SERVICES</b>	116,156	119,641	123,230	126,927	130,735
<b>SEWER SERVICES</b>	138,269	142,417	146,690	151,090	155,623
<b>TOTAL OPERATING EXPENSES</b>	\$ 3,308,258	\$ 3,386,044	\$ 3,499,095	\$ 3,546,053	\$ 3,618,716
<b>OPERATING SURPLUS</b>	\$ 258,373	\$ 221,792	\$ 243,170	\$ 604,458	\$ 538,380
<b>CAPITAL &amp; GRANT PROJECTS</b>					
<b>REVENUE- conditional grants</b>	2,691,016	1,616,208	50,000	50,000	-
<b>Proceeds from borrowing</b>	-	-	-	-	-
Transfer from Reserves	1,604,471	1,296,442	825,000	650,000	575,000
<b>EXPENSES</b>	(4,341,798)	(2,912,650)	(875,000)	(700,000)	(625,000)
<b>CAPITAL SURPLUS (DEFICIT)</b>	\$ (46,311)	-\$ 0	\$ -	\$ -	-\$ 50,000
<b>NET SURPLUS</b>	\$ 212,062	\$ 221,792	\$ 243,170	\$ 604,458	\$ 488,380
Transfer (to) Conservancy Reserve	(8,500)	(8,500)	(8,500)	(8,500)	(8,500)
Transfer to Log Facility Reserve (10%)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)
Transfer to Fire truck Reserve	-	(50,000)	(50,000) #	(50,000) #	(50,000)
Transfer to Bridge Reserve	-	(50,000)	(50,000)	(50,000)	(50,000)
Transfer to Arena Reserve	-	(50,000)	(50,000)	(50,000)	(50,000)
Transfer excess from (to) Capital Reserve	\$ (188,562)	\$ (48,292)	\$ (69,670)	\$ (430,958)	\$ (314,880)
<b>Net surplus (deficit)</b>	\$ -	\$ -	\$ -	\$ -	\$ -

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**SCHEDULE "A" (cont'd)**  
**DISTRICT OF STEWART FINANCIAL PLAN FOR THE YEARS 2021-2025**

<b>PERMISSIVE TAX EXEMPTIONS</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
North American Baptist Conference	\$ 365	\$ 373	\$ 380	\$ 388	\$ 395
North American Baptist Conference	\$ 1,221	\$ 1,245	\$ 1,270	\$ 1,296	\$ 1,322
Roman Catholic Episcopal Corp of PR	\$ 1,040	\$ 1,061	\$ 1,082	\$ 1,104	\$ 1,126
Anglican Synod Diocese of Caledonia	\$ 853	\$ 870	\$ 887	\$ 905	\$ 923

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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 2021. Other than grants for capital projects, 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 include commercial leases, log and port throughput charges and miscellaneous fees.*

#### **Objective**

*The District of Stewart will budget to cover essential services from property taxes and parcel taxes. Other sources of revenue will be used to fund additional services such as economic development and capital projects.*

#### **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>% of Total Revenue</b>	<b>Dollar Value</b>
Property value taxes and grants in place of taxes	32.6%	\$ 2,037,710
Parcel taxes	5.8%	366,000
User fees and charges	0.5%	29,650
Other Sources	7.7%	480,270
Proceeds from borrowing	0.0%	-
Grants - Operating	10.4%	653,000
Grants - Capital (including deferred grants)	43.0%	2,691,016
<b>TOTAL</b>	<b>100%</b>	<b>\$ 6,257,646</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, Stewart World Port and Pretivm power line.

<b>PROPERTY CLASS</b>	<b>% of Total Property Taxation</b>	<b>Dollar Value</b>
Residential	14.9%	\$ 302,942
Utility	29.6%	603,039
Major Industrial	34.5%	703,869
Light Industrial	4.9%	98,867
Business and other	10.4%	211,132
Recreation/NPO	0.2%	3,360
Grants in lieu	5.6%	114,500
<b>TOTAL</b>	<b>100%</b>	<b>\$ 2,037,710</b>

TABLE 2

### **Objectives**

*Maintain the property tax levy percentages for 2021 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).*

## **Revitalization Tax Exemption**

*The District of Stewart passed a Long Lake Hydro Revitalization Tax Exemption bylaw in 2010 for a 10-year term based on the criteria of the Community Charter Section 226 which guides the administration and approval of revitalization tax exemptions.*

### **Objectives**

*To encourage economic revitalization within the District pursuant to the Community Charter, Section 226 (2).*