

DISTRICT OF STEWART

2014-2018 FINANCIAL PLAN BYLAW No. 877, 2014

A BYLAW TO ADOPT THE 2014-2018 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, 2018.
- 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 **"2014-2018 Financial Plan Bylaw No. 877,2014."**

READ a first time this 12th day of May , 2014.

READ a second time this 12th day of May, 2014.

READ a third time this 12th day of May, 2014.

ADOPTED this 13th day of May, 2014.



Chad McKay, Deputy Mayor



Maureen Tarrant, Interim CAO

SCHEDULE "A"

DISTRICT OF STEWART FINANCIAL PLAN FOR THE YEARS 2014–2018

	2014	2015	2016	2017	2018
REVENUES					
Residential Class 1	\$ 237,835	\$ 242,592	\$ 247,444	\$ 252,392	\$ 257,440
Utilities Class 2	\$ 821,037	\$ 837,458	\$ 854,207	\$ 871,291	\$ 888,717
Major Industry, Class 4	\$ 71,055	\$ 72,476	\$ 73,926	\$ 75,404	\$ 76,912
Light Industry, Class 5	\$ 99,651	\$ 101,644	\$ 103,677	\$ 105,750	\$ 107,865
Business, Class 6	\$ 151,640	\$ 154,673	\$ 157,766	\$ 160,922	\$ 164,140
Recreation/Non-Profit, Class 8	\$ 215	\$ 219	\$ 224	\$ 228	\$ 233
Grants in Lieu	\$ 30,083	\$ 30,685	\$ 31,298	\$ 31,924	\$ 32,563
Sale of Services (Includes Water and Sewer Fees)	\$ 964,770	\$ 989,535	\$ 1,009,326	\$ 1,029,512	\$ 1,050,103
Grants ('14-'18 capital net of grants)	\$ 899,891	\$ 368,281	\$ 374,247	\$ 380,332	\$ 386,538
Other Revenue	\$ 163,820	\$ 25,602	\$ 26,114	\$ 26,636	\$ 27,169
TOTAL REVENUE	3,439,997	2,823,164	2,878,228	2,934,392	2,991,680
EXPENSES					
General Municipal	\$ 2,048,736	\$ 2,053,718	\$ 1,999,690	\$ 2,030,265	\$ 2,085,506
Revitalization Tax Exemption	\$ 424,893	\$ 430,258	\$ 434,743	\$ 439,195	\$ 443,608
Amortization of Tangible Capital Assets	\$ 344,950	\$ 344,950	\$ 344,950	\$ 344,950	\$ 344,950
Interest on debt	\$ 8,128	\$ 8,128	\$ 8,128	\$ 8,128	\$ 8,128
TOTAL EXPENSES	2,826,707	2,837,054	2,787,511	2,822,538	2,882,192
SURPLUS	613,290	-13,890	90,717	111,854	109,488
ADJUST FOR NON-CASH ITEMS					
Amortization	-344,950	-344,950	-344,950	-344,950	-344,950
ADJUST FOR CASH ITEMS NON-PSAB					
TCA expenditures ('15-'18 net of grants)	\$ 850,073	\$ 86,250	\$ 70,000	\$ 70,000	\$ 70,000
Debt Principle Payment	\$ 34,852	\$ 48,429	\$ 47,959	\$ 46,550	\$ 16,900
Debt Proceeds	\$ (80,000)	\$ -	\$ -	\$ -	\$ -
Transfer to (from) Reserves	\$ -	\$ -	\$ -	\$ -	\$ -
Transfer to (from) Operating Surplus	\$ 153,315	\$ 196,381	\$ 317,708	\$ 340,255	\$ 367,538
	613,290	-13,890	90,717	111,854	109,488
FINANCIAL PLAN BALANCE	0	0	0	0	0
CUMULATIVE OPERATING SURPLUS	-690,869	-494,488	-176,780	163,474	531,013

SCHEDULE "A" (cont'd)
DISTRICT OF STEWART FINANCIAL PLAN FOR THE YEARS 2014- 2018

PERMISSIVE TAX EXEMPTIONS	2014	2015	2016	2017	2018
North American Baptist Conference	257	262	267	273	278
North American Baptist Conference	1126	1149	1171	1195	1219
Roman Catholic Episcopal Corp	237	242	247	252	257
Anglican Synod Diocese	305	311	317	324	330

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 2014. 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, and street lighting.

Other sources and grants form the second largest portion of planned revenue. We receive the small community grant annually which contributes to the grant portion. Other sources is our logging industry revenue ie. Rent, log throughput charges.

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.

REVENUE SOURCE	%TOTAL REVENUE	DOLLAR VALUE
Taxation & Grants in Lieu	38%	986,623
User Fees & Charges	18%	458,200
Other Sources	20%	531,669
Grants	21%	558,840
Borrowing	3%	80,000
Reserves & Surplus		
TOTAL	100%	2,615,332

Table 1

Distribution of Property Taxes

Table 2 outlines the distribution of property taxes among the property classes. The residential and utility property classes provide the largest proportions of property tax revenue. This is due to Long Lake Hydro Project coming on line.

PROPERTY CLASS	% OF TOTAL PROPERTY TAXATION	DOLLAR VALUE
Residential	17%	237,835
Utilities	58%	821,037
Major Industrial	5%	71,055
Light Industrial	7%	99,651
Business and Other	11%	151,640
Recreation/Non-Profit	n/a	215
Grants in Lieu	2%	30,083
TOTAL	100%	1,411,516

TABLE2

Objectives

Maintain the property tax levy percentages for 2014 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 annually 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).