

DISTRICT OF STEWART

2024-2028 FINANCIAL PLAN BYLAW No.1021, 2024

A BYLAW TO ADOPT THE 2024-2028 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, 2028.
- 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 "**2024-2028 Financial Plan Bylaw No.1021, 2024**"

READ A FIRST TIME this 20th day of March, 2024

READ A SECOND TIME this 20th day of March, 2024

READ A THIRD TIME this _____ day of _____, 2024

ADOPTED this ___ day of _____, 2024

Mayor

Corporate Officer

District of Stewart 2024-2028 Financial Plan

	2024 Budget	2025 Budget	2026 Budget	2027 Budget	2028 Budget
OPERATING REVENUE					
MUNICIPAL PROPERTY TAXES	3,317,891	3,381,183	3,445,741	3,578,757	3,578,757
FRONTAGE TAXES	442,110	442,110	442,110	442,110	442,110
GRANTS IN LIEU OF TAXES	148,000	148,000	148,000	148,000	148,000
OPERATING GRANTS	348,400	348,400	348,400	348,400	348,400
LEASES & RENTAL FEES	357,000	363,900	363,900	370,938	370,938
ROYALTIES & PORT FEES	160,000	160,000	160,000	160,000	160,000
USER FEES	281,300	281,300	281,300	281,400	281,400
LICENSES/PERMITS/FINES	7,170	7,170	7,170	7,170	7,170
OTHER REVENUES	253,050	188,050	191,750	190,550	190,550
OTHER AUTHORITIES TAXATION	984,060	988,060	988,060	988,060	988,060
TOTAL OPERATING REVENUE	6,298,981	6,308,173	-6,376,431	-6,515,385	-6,515,385
OPERATING EXPENDITURES					
LEGISLATIVE	112,473	102,082	126,770	117,538	110,389
ADMINISTRATIVE	916,911	857,705	875,643	893,279	913,889
PROTECTIVE SERVICES	118,600	130,450	131,070	136,770	136,770
PUBLIC WORKS	1,567,673	1,590,149	1,634,203	1,670,216	1,715,167
FLEET	118,800	117,300	117,300	117,800	117,800
LOAN INTEREST PAYMENT	27,175	18,700	15,100	11,800	8,400
RECREATION & CULTURE	458,696	472,981	478,715	484,832	484,832
COMMUNITY & ECONOMIC DEVELOPMENT	425,697	433,763	444,471	427,221	448,821
SOLID WASTE SERVICES	92,600	94,980	97,220	102,425	104,310
WATER SERVICES	170,150	170,150	172,750	173,050	173,050
SEWER SERVICES	136,450	130,450	131,700	139,800	139,900
OPERATIONAL TRANSFER TO RESERVES PER BYLAWS	531,110	531,110	531,110	531,110	531,110
OTHER AUTHORITIES REQUISITION	988,260	992,260	992,260	992,260	992,260
AMMORTIZATION	661,277	661,564	661,564	673,899	673,899
OPERATING EXPENDITURES	6,325,872	6,303,644	6,409,876	6,472,000	6,550,597

ADJUSTMENT FOR NON CASH ITEMS- AMMORTIZATION	-661,277	-661,564	-661,564	-673,899	-673,899
TOTAL CASH FROM OPERATIONS	-634,386	-666,093	-628,119	-717,284	-638,687
CONDITIONAL FUNDS					
CONDITIONAL GRANTS FOR TSF	-126,284	-84,202	-84,202	-84,202	-84,202
CONDITIONAL CAPITAL GRANTS	-2,307,937	-513,310	-215,969	0	0
DEFERRED REVENUE	-564,976	0	0	0	0
TRANSFERS FROM RESERVES	-1,624,512	-561,690	-78,675	0	0
PROCEEDS FROM BORROWNG	0	-300,000	0	0	0
TRANSFER FROM SURPLUS	0	0			
TOTAL CONDITIONAL FUNDS	-4,623,709	-1,459,202	-378,846	-84,202	-84,202
CONDITIONAL PROJECTS					
CAPITAL PROJECTS, ASSESSMENTS AND REPORTS	4,497,425	1,375,000	294,516	-	-
CONDITIONAL GRANTS TRANSFERS TO RESERVES	126,284	84,202	84,202	84,202	84,202
DEBT REPAYMENT	165,569	173,551	177,425	159,949	69,600
TOTAL CONDITIONAL PROJECTS	4,789,278	1,632,753	556,143	244,151	153,802
SURPLUS TRANSFER TO RESERVE	468,817	492,542	450,822	557,335	569,087
TOTAL SURPLUS/DEFICIT	0	-0	-0	-0	-0

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 2024. Other than grants for capital projects, property taxes form the greatest proportion of revenue. 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 legislative and administrative services, public works services, protection services, community development, recreational and cultural services, and street lighting.

Frontage taxes and user fees are collected to fund specific services and reserves including water, sewer, solid waste services, and conservancy fund reserves.

The major contribution to the operational grant funding is the Small Community Grant. Several additional federal, provincial, and regional grant funding sources also support District initiatives.

The District of Stewart has applied for a significant amount of additional grant funding for several major Capital projects. Several grant funded capital projects are in progress and additional grant funded projects shall only be undertaken if the grant funding applications are successful.

Other Sources include revenues collected from the use and rental of District assets; investment interest, disposition of capital assets, licenses, fines and permits, log and port fees and miscellaneous fees and charges.

Transfers consist of revenues transferred to/from reserve, surplus and/or deferred funds.

Objective

The District of Stewart will budget to fund essential services, including recreational and community development, from property taxes. In addition, property taxes shall be collected to be transferred to Reserves for the preservation, expansion and upgrading municipal infrastructure. Water and Sewer Frontage Taxes and User Fees shall be transferred to Reserves, as per bylaws, to fund Capital projects. 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.

REVENUE SOURCE	% of Total Revenue	Dollar Value
Property value taxes, rebates, penalties & interest, and grants in place of taxes	34.9%	\$ 3,465,891
Frontage taxes	4.4%	442,110
User fees and charges	2.8%	281,300
Other Sources	7.8%	777,220
Transfers	16.4%	1,624,512
Grants - Operating	3.5%	348,400
Grants - Capital (including deferred grants)	30.2%	2,999,197
TOTAL	100%	\$ 9,938,630

Table 1

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. The increase of Utility class property taxation is due to expiration of *The District of Stewart Revitalization Tax Exemption Bylaw No. 848, 2010*. The bylaw provided municipal property tax exemptions to Long Lake Hydro Inc. for the term of 2014-2023, expiring December 31, 2023.

PROPERTY CLASS	% of Total Property Taxation	Dollar Value
1. Residential	13.6%	\$ 449,035
2. Utility	53.7%	1,778,685
4. Major Industry	16.5%	546,972
5. Light Industry	3.8%	127,180
6. Business	7.8%	259,729
8. Recreation	0.1%	3,010
Grants in lieu	4.5%	148,000
TOTAL	100%	\$ 3,312,611

TABLE 2

Objectives

The District shall continue to provide amenities required for the well-being of the community in a fiscally responsible manner while ensuring funding for Reserves are collected for the preservation, expansion and upgrading of the assets required to provide the community services and amenities.

Policies

The District shall continue to seek alternative revenue sources to supplement revenues from fees and charges to help offset the tax burden of the property tax base. The District shall 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.

PERMISSIVE TAX EXEMPTIONS	2024	2025	2026	2027	2028
North American Baptist Conference	\$406	\$414	\$422	\$430	\$439
North American Baptist Conference	\$2,190	\$2,234	\$2,278	\$2,324	\$2,370
Roman Catholic Episcopal Corp of PR	\$753	\$768	\$784	\$799	\$815
Anglican Synod Diocese of Caledonia	\$1,005	\$1,025	\$1,046	\$1,067	\$1,088

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 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. This Revitalization Tax Exemption bylaw expired on December 31, 2023. The District of Stewart Council Resolution #310-2023 adopted October 23, 2023 repealed the District of Stewart Revitalization Tax Exemption Bylaw No 842, 2010 and terminated the Long Lake Revitalization Tax Exemption Agreement between the District of Stewart and Regional Power Inc. effective December 31, 2023.