



## **THE CORPORATION OF THE CITY OF ROSSLAND**

### **AGENDA**

**PUBLIC CONSULTATION OF THE  
CITY OF ROSSLAND 2009 – 2013 FINANCIAL PLAN BYLAW #2446  
CITY HALL COUNCIL CHAMBER  
MONDAY, MAY 11, 2009  
7:00 P.M.**

**(1) CALL TO ORDER**

**(2) OVERVIEW OF BYLAW #2446, CITY OF ROSSLAND FINANCIAL PLAN 2009 - 2013  
:CHIEF FINANCIAL OFFICER, DEBRA TIMM, CGA.**

**(3) PUBLIC INPUT**

**(4) ADJOURNMENT**

THE CORPORATION OF THE CITY OF ROSSLAND

**BYLAW #2446**

A BYLAW TO ADOPT A FINANCIAL PLAN FOR THE PERIOD OF 2009 TO 2013

WHEREAS section 165 of the *Community Charter*, SBC 2003 CHAP. 26 requires that Council adopt a financial plan for a period of five years, and

WHEREAS section 166 of the *Community Charter*, SBC 2003 CHAP. 26 requires that Council undertake a process of public consultation prior to the adoption of the financial plan,

NOW THEREFORE, the Council of the City of Rossland, in open meeting assembled, hereby ENACTS AS FOLLOWS:

**SHORT TITLE**

1. This Bylaw may be cited as the **"ROSSLAND FINANCIAL PLAN 2009 - 2013 BYLAW"**.

**FINANCIAL PLAN POLICIES**

2. (1) The expenditure priorities for the financial plan period shall be, in the order listed:
  - a) The domestic water supply, treatment, and distribution system;
  - b) The sanitary sewer collection system;
  - c) The road and lane network;
  - d) Community planning;
  - e) The parks, playgrounds, and playing fields;
  - f) Recreation and public service buildings;
  - g) Storm drains and surface drainage ditches;
  - h) Community services, including but not limited to policies adopted in the Official Community Plan.
- (2) For the purpose of this section, the term "expenditure" shall include expenditures associated with the stated priorities and relating to operations, maintenance, capital (asset replacement or upgrading), planning, and administration.
3. (1) The source of funding to provide for expenditures authorized by this Bylaw shall be:
  - a) user fees for 100% of the costs relating to operations, maintenance, and administration for the water, sewer, and garbage services;
  - b) parcel taxes for 100% of the costs relating to debt servicing and capital works for the water and sewer services;
  - c) user fees aimed at recovering 20% of the cost of operating and maintaining the Miners' Union Hall;
  - d) user fees aimed at recovering 55% of the cost of operating and maintaining the arena complex;
  - e) ad valorem taxes, unconditional grants, conditional grants and reserve funding for all other expenditures.

- f) Development Cost Charges (DCC) for applicable infrastructure projects;
  - g) development specific and development related charges related to corporate and administrative services;
  - h) user fees for incidental direct services.
- (2) For the purpose of this section, the revenue source percentages indicated shall be considered target levels to be achieved over the life of the financial plan.
4. (1) All excess revenues or excess expenditures accrued in the Water Operating Fund or the Sewer Operating Fund over the course of a fiscal year shall be retained in those Funds.
5. (1) The planned revenues and expenditures for the years 2009 to 2013 shall be those recorded on Schedule "A" attached to, and forming part of this Bylaw.
6. (1) In accordance with Section 165(3.1) of the Community Charter, Schedules "B", "C" and "D" are attached to, and form a part of this Bylaw to provide the objectives and policies regarding each of the following:
- a) the proportion of total revenue that comes from each of the funding sources described in Section 165(7) of the Community Charter,
  - b) the distribution of property taxes among the property classes, and
  - c) the use of permissive tax exemptions

**ENACTMENT**

7. (1) If any section, subsection, sentence, clause or phrase of this Bylaw is for any reason held to be invalid by the decision of any court of competent jurisdiction, the invalid portion shall be severed and the part that is invalid shall not affect the validity of the remainder.
- (2) Bylaw #2397 and the amendments thereto are hereby repealed.
- (3) This Bylaw shall come into full force and effect on the final adoption thereof.

READ A FIRST TIME  
 READ A SECOND TIME  
 READ A THIRD TIME  
 PUBLIC CONSULTATION  
 RECONSIDERED AND FINALLY ADOPTED

this 27<sup>th</sup> day of April, 2009  
 this 27<sup>th</sup> day of April, 2009  
 this 27<sup>th</sup> day of April, 2009  
 this 11<sup>th</sup> day of May, 2009  
 this 11<sup>th</sup> day of May, 2009

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Mayor

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City Clerk

**BYLAW #2446****SCHEDULE "A"****CITY OF ROSSLAND  
5 YEAR FINANCIAL PLAN**

|                                   | <b>Plan<br/>2009</b> | <b>Plan<br/>2010</b> | <b>Plan<br/>2011</b> | <b>Plan<br/>2012</b> | <b>Plan<br/>2013</b> |
|-----------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| <b>Revenue</b>                    |                      |                      |                      |                      |                      |
| Property Value Taxes              | \$ 3,520,000         | \$ 3,679,000         | \$ 3,792,000         | \$ 3,868,000         | \$ 3,945,000         |
| Parcel Taxes                      | 446,000              | 652,000              | 618,000              | 646,000              | 639,000              |
| Utility Taxes                     | 47,000               | 47,000               | 48,000               | 49,000               | 49,000               |
| Grant in lieu                     | 10,000               | 10,000               | 10,000               | 11,000               | 11,000               |
| Sales of Services                 | 1,324,000            | 1,357,000            | 1,391,000            | 1,426,000            | 1,463,000            |
| Licences, Permits, Fees & Other   | 622,000              | 658,000              | 731,000              | 815,000              | 914,000              |
| Development Cost Charges          | 69,000               | -                    | 148,000              | 155,000              | 85,000               |
| Borrowing Proceeds                | -                    | 668,000              | -                    | -                    | -                    |
| Tax Penalties & Interest          | 103,000              | 105,000              | 107,000              | 107,700              | 109,000              |
| Transfer from Reserves            | 520,000              | 1,308,000            | 571,000              | 127,000              | 179,000              |
| Grants                            | 1,977,000            | 2,655,000            | 1,298,000            | 1,250,000            | 1,014,000            |
| Collections for other gov'ts      | 3,001,000            | 3,061,000            | 3,119,000            | 3,182,000            | 3,245,000            |
|                                   | -                    | -                    | -                    | -                    | -                    |
|                                   | <b>\$ 11,639,000</b> | <b>\$ 14,200,000</b> | <b>\$ 11,833,000</b> | <b>\$ 11,637,000</b> | <b>\$ 11,653,000</b> |
| <b>Expenditures</b>               |                      |                      |                      |                      |                      |
| Government Services               | \$ 1,408,000         | \$ 1,369,000         | \$ 1,408,000         | \$ 1,400,000         | \$ 1,428,000         |
| Protective Services               | 93,000               | 53,000               | 51,000               | 52,000               | 53,000               |
| General Operations                | 1,462,000            | 1,579,000            | 1,701,000            | 1,842,000            | 2,005,000            |
| Water Operations                  | 486,000              | 513,000              | 525,000              | 512,000              | 524,000              |
| Sewer Operations                  | 438,000              | 439,000              | 455,000              | 459,000              | 477,000              |
| Environmental Health Services     | 82,000               | 82,000               | 83,000               | 83,000               | 84,000               |
| Public Health and Welfare         | 17,000               | 7,000                | 7,000                | 7,000                | 7,000                |
| Planning and Development          | 741,000              | 575,000              | 590,000              | 609,000              | 616,000              |
| Recreation and Cultural Services  | 761,000              | 716,000              | 730,000              | 744,000              | 759,000              |
| Debt Servicing                    | 404,000              | 493,000              | 447,000              | 430,000              | 426,000              |
| Capital Expenditures              | 1,421,000            | 4,751,000            | 2,164,000            | 1,580,000            | 620,000              |
| Transfers to Reserves             | 1,325,000            | 562,000              | 551,000              | 735,000              | 1,406,000            |
| Collections for other governments | 3,001,000            | 3,061,000            | 3,121,000            | 3,184,000            | 3,248,000            |
|                                   | <b>\$ 11,639,000</b> | <b>\$ 14,200,000</b> | <b>\$ 11,833,000</b> | <b>\$ 11,637,000</b> | <b>\$ 11,653,000</b> |
| Surplus (Deficit)                 | -                    | -                    | -                    | -                    | -                    |

**BYLAW #2446****SCHEDULE "B"****Table 1 - Proportions of Total Revenue From Funding Sources**

| <b>Revenue Source</b>                |                      | <b>% of Total Revenue</b> |
|--------------------------------------|----------------------|---------------------------|
| Property Value Taxes                 | \$ 3,520,000         | 30%                       |
| Parcel Taxes                         | 446,000              | 4%                        |
| Sales of Service                     | 1,324,000            | 11%                       |
| Licences, Permits, Fees & Other      | 1,302,000            | 11%                       |
| Development Cost Charges / Borrowing | 69,000               | 1%                        |
| Grants                               | 1,977,000            | 17%                       |
| Collections for Other Gov'ts         | 3,001,000            | 26%                       |
|                                      |                      |                           |
|                                      | <b>\$ 11,639,000</b> | <b>100%</b>               |

Table 1 shows the proportion of total revenue proposed to be raised from each funding source in 2009. Property Value Taxes form the greatest proportion of the revenue of the municipality and provide a stable, consistent source of revenue for many municipal services that are difficult or undesirable to fund on a user-pay basis. Collections for Other Governments are amounts that the municipality collects for the Regional District of Kootenay Boundary, the School Tax, the Police Tax, the West Kootenay Boundary Regional Hospital District, the Kootenay Boundary Regional Hospital District, BC Assessment and the Municipal Finance Authority. Grants also provide a major source of revenue to the municipality. The City has been fortunate to qualify for many different grant programs. Sales of service and licences and permits provide revenue for the municipality on a user-pay basis.

**Policy:**

Council is committed to maintaining a consistent property tax base and would like to diversify the tax base from primarily residential to include more commercial and industrial taxable assessments. They are also looking at past practices and service agreements to ensure appropriate user fees are being collected for services.

**Objectives:**

- Review all service agreements and fees and charges to ensure the revenue from those sources are maximized to be fair to tax payers as well as users.
- To maximize the use of grant funding for infrastructure and service upgrades.

**BYLAW #2446****SCHEDULE "C"****Table 2 – Distribution of Property Taxes Among Property Classes**

| <b>Property Class</b>              | <b>Property Class Variable</b> |                     | <b>% of Property Value Tax</b> |
|------------------------------------|--------------------------------|---------------------|--------------------------------|
| Class 01 - Residential             | 1.00                           | \$ 3,060,287        | 86.9%                          |
| Class 02 - Utilities               | 5.63                           | 91,142              | 2.6%                           |
| Class 05 - Light Industrial        | 3.00                           | 994                 | 0.0%                           |
| Class 06 - Business / Other        | 1.71                           | 318,651             | 9.1%                           |
| Class 07 - Managed Forest          | 3.00                           | 1,375               | 0.0%                           |
| Class 08 - Recreation / Non-Profit | 3.00                           | 47,113              | 1.3%                           |
| Class 09 - Farm                    | 3.00                           | 228                 | 0.0%                           |
|                                    |                                | <b>\$ 3,519,790</b> | <b>100.0%</b>                  |

Table 2 shows the distribution of property value taxes among property classes. The City of Rossland's tax base is primarily residential and therefore the majority of the tax burden falls on the residential homeowners. The property class variable is determined as a multiple of the residential class variable.

**Policy:**

It is the policy of Council to maintain a tax rate ratio between individual property assessment classes at fixed values. The tax rate for all property classes are a multiple of the tax rate for Property Class 01 (Residential). In order to encourage business in Rossland and reduce operating costs for existing businesses, the tax rate multiple for Class 06 was reduced from 2.25 to 1.71 in 2007.

**Objective:**

To maintain the current tax rate structure and to encourage business in Rossland by providing tax relief in the form of the reduced variable tax rate.

**BYLAW #2446****SCHEDULE "D"**

**THE CORPORATION OF THE CITY OF ROSSLAND  
 PERMISSIVE TAX EXEMPTIONS  
 Per Bylaw #2424 - 2009 Permissive Tax Exemption Bylaw**

| <b>Legal Description</b>   | <b>Roll #</b> | <b>Civic Address</b>          | <b>Organization</b>                                    |
|--|---------------|-------------------------------|--|
| Parcel A, Block 27, Plan 616A  | 767.350       | 2396 Columbia Avenue          | Roman Catholic Bishop of Nelson - Sacred Hearth Church |
| Lot 15, Block 30, Plan 616A  | 805.200       | 2393 Columbia Avenue          | Roman Catholic Bishop of Nelson                        |
| Lots 11 - 14, Block 30, Plan 616A  | 805.100       | 2393 Columbia Avenue          | Roman Catholic Bishop of Nelson - Parish Hall          |
| Lots 1 - 4, Block 20, Plan 616A  | 676.100       | 2110 - 1st Avenue             | United Church of Canada - St. Andrew's United Church   |
| Lot 5, Block 20, Plan 616A   | 676.200       | 1st Avenue                    | United Church of Canada                                |
| Lot 26, Block 18, Plan 616 & Lot A, Plan 10762   | 673.940       | 2099 - 3rd Avenue             | Rossland Congregation of Jehovah's Witnesses           |
| Lots 15 - 17, Block 26, Plan 579, Kootenay Land District   | 212.000       | 1869 Columbia Avenue          | Rossland Swimming Pool Society                         |
| Lot 15, Block 28, Plan 579   | 238.000       | 2055 - 2059 Washington Street | Rossland Health Care Auxiliary Society                 |
| Lot A, Plan 2428   | 1601.000      | 2385 Washington Street        | MFA Leasing Corp. - Emcon Lot                          |
| Lot A, Plan 9862   | 675.000       | 2112 Second Avenue            | Golden City Manors Society                             |
| Lot B, Plan 9766, District Lot 535 & Lot 22, Block 28, Plan 579 District Lot 535 except Parcel A | 243.000       | 2058 Spokane Street           | Rossland Child Care Society                            |

Council provides permissive tax exemption to not-for-profit organizations that form a valuable part of the community. These include religious institutions, recreational facilities, a seniors housing society and a child care society.

**Policy:**

Council will continue to support local not-for-profit organizations that provide benefits to the community as a whole and are eligible under the Community Charter through permissive tax exemptions.

**Objective:**

Council will adopt a permissive tax exemption policy in the next year to give guidance to the permissive tax exemption process.