

THE CORPORATION OF THE CITY OF ROSSLAND

BYLAW No. 2629

A BYLAW TO ADOPT A FINANCIAL PLAN FOR THE PERIOD OF 2017 TO 2021

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

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

SHORT TITLE

1. This Bylaw may be cited, for all purposes, as the "CITY OF ROSSLAND FINANCIAL PLAN 2017 – 2021".
2. The planned revenues and expenditures for the years 2016 to 2021 will be those recorded on Schedule "A" attached to, and forming part of this Bylaw.
3. 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

4. (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 will be severed and the part that is invalid will not affect the validity of the remainder.
- (2) This Bylaw will 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 HELD ON
RECONSIDERED AND FINALLY ADOPTED

this 10TH day of April, 2017
this 24th day of April, 2017
this 24th day of April, 2017
this 4th day of May, 2017
this 8th day of May, 2017



MAYOR



CORPORATE OFFICER

BYLAW 2629 SCHEDULE "A"

City of Roseland - Five Year Financial Plan (Consolidated) 2017-2021	Tax +4.75% W/S+4.5% L+2%	Tax +4.0% W/S+4.5% L+2%	Tax +2% W/S+4.5% L+2%	Tax +4.0% W/S+4.5% L+2%	Tax +2.0% W/S+4.5% L+2%
REVENUE	2017	2018	2019	2020	2021
Taxation	4,997,953	5,144,772	5,235,807	5,421,520	5,529,950
Utility Taxes and grants in lieu	108,933	108,933	108,933	108,933	115,233
Federal gas tax grant	202,509	192,000	192,000	192,000	192,000
Provincial Grants	4,906,151	521,594	521,594	521,594	521,594
RDKB grants	6,200	6,200	6,200	6,200	6,200
Other Grants	736,340	0	0	0	0
Sale of service and other income	574,434	573,434	573,434	573,434	573,434
Interest and penalties on taxes	52,000	52,000	52,000	52,000	52,000
Water user fees	623,399	650,394	678,604	708,084	739,948
Sewer user fees	586,089	612,170	639,425	667,907	697,963
	12,794,008	7,861,497	8,007,997	8,251,672	8,428,322
EXPENDITURES					
General government	(1,430,597)	(1,394,862)	(1,410,385)	(1,426,219)	(1,430,498)
Community support	(257,121)	(268,621)	(268,077)	(268,756)	(269,562)
Environmental health	(124,000)	(124,000)	(124,000)	(124,000)	(124,372)
Planning, development, and engineering	(750,945)	(182,268)	(184,555)	(186,888)	(187,449)
Protective services	(293,673)	(209,239)	(212,905)	(216,642)	(217,292)
Public Health	(7,872)	(7,945)	(8,020)	(8,096)	(8,120)
Recreation and cultural services	(758,287)	(755,868)	(762,162)	(768,577)	(770,883)
Transportation and public works	(1,490,220)	(1,477,087)	(1,488,814)	(1,500,771)	(1,505,273)
Regional sewer utility	(370,000)	(370,000)	(370,000)	(370,000)	(371,110)
Water utility operations	(668,111)	(683,878)	(690,107)	(696,460)	(698,549)
Sewer utility operations	(296,856)	(299,199)	(301,589)	(304,025)	(304,937)
Interest and finance charges	(386,007)	(518,007)	(518,007)	(518,007)	(518,007)
Amortization	(1,348,926)	(1,348,926)	(1,348,926)	(1,348,926)	(1,348,926)
Total Expenses	(8,182,615)	(7,639,900)	(7,687,547)	(7,737,367)	(7,754,978)
Annual Surplus (Deficit)	4,611,393	221,597	320,450	514,305	673,344
Amortization	1,348,926	1,348,926	1,348,926	1,348,926	1,348,926
Capital Expenditure	(7,665,163)	(1,866,000)	(1,438,000)	(1,433,000)	(1,738,000)
Debt principle payments	(305,650)	(343,080)	(368,742)	(374,492)	(374,492)
Debt proceeds	0	0	0	0	0
Development cost charges	0	0	0	0	0
Transfer (to) capital reserves	0	0	0	(12,065)	(381,693)
Transfer from capital reserves	1,675,694	732,231	281,040	-	471,915
Transfer (to) operating reserves	0	(93,674)	(143,674)	(43,674)	0
Transfer from operating reserves	334,800	-	-	-	-
Balanced Budget	0	0	0	0	(0)

BYLAW #2629**SCHEDULE "B"****Table 1 – Sources of Revenue**

Revenue Source 2017	%
Property Value Taxes	34.43%
Parcel & Local Service Area Taxes	4.63%
Utility Taxes, Grants in Lieu & Penalties & Interest	1.26%
Utility User Fees	9.45%
Other Income	4.49%
Grants	45.73%
	100.0%

Table 1 reflects the proportion of total revenue proposed to be raised from each revenue source in 2017. Property Value Taxes normally 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. Grants also provide a source of revenue to the municipality, and in 2017, \$3,632,128 has been received from the Clean Water and Wastewater Fund for the Spokane Street Infrastructure Improvement Project. Utility User Fees provide revenue for the municipality on a user-pay basis.

Policy:

Council is committed to maintaining a consistent property tax base and strives to maximize the user-pay method of providing services wherever feasible.

Objectives:

- To maximize a user-pay cost structure wherever possible.
- To maximize the use of grant funding for infrastructure and service upgrades.

BYLAW #2629**SCHEDULE "C"****Table 2 – Proposed Distribution of Property Taxes Among Property Classes for 2017**

Property Class	%
Residential	87.83%
Utility	2.70%
Light Industry	0.11%
Business and Other	8.87%
Managed Forest	0.03%
Recreation / Non-Profit	0.46%
Farm	0.00%
	100.00%

Table 2 reflects 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.

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, and the ratio is currently set at 1.77.

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 #2629**SCHEDULE "D"**

2017 – 2018 Permissive Tax Exemption Bylaw 2621			
Legal Description	Roll #	Civic Address	Organization
Parcel A, Block 27, Plan 616A	767.450	2396 Columbia Avenue	Roman Catholic Bishop of Nelson – Sacred Heart Church
Lots 11 – 14, Block 30, Plan 616A	805.100	2393 Columbia Avenue	Seven Summits School of Learning (Class 06 portion only)
Lots 1 – 4, Block 20, Plan 616A	676.100	2110 – First Avenue	United Church of Canada – St. Andrew's United Church
Lot 15, Block 28, Plan 579	238.000	2055 – 2059 Washington Street	Rossland Health Care Auxiliary Society
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
Lot 20, Block 41, Plan 579	360.000	2054 Washington Street	Rossland Light Opera Players
Lot 1, Plan NEP73284, District Lot 535	240.000	2081 Washington Street	Royal Canadian Legion (Class 8 portion only)
Lot A, District Lot 535 Kootenay District Plan 7830	1093.000	2061 First Ave	Lower Columbia Affordable Housing Society
2017 Revitalization Tax Exemptions Bylaw #2620			
Lot 4 & 5, Plan Number NEP579, Land District 26, District Lot 535	231.500	1938 Columbia Ave	Sourdough Alley Holdings
Parcel B, (being a consolidation of Lots 8 & 9 see LB521051), Plan Number NEP579, Land District 26, District Lot 535	234.500	1960 Columbia Ave	Sourdough Alley Holdings
Lot 1 & 2, Plan Number NEP579, Land District 26, District Lot 535	363.000	2104 Columbia Ave	Allanco Development Corp
Lot 20, Block 43, Plan NEP579, Land District 26, District Lot 535	388.000		Texas Point Holdings Ltd.
Lot 1, Plan NEP79845, Land District 26, Township 28	3014.010		WCH Holdings Ltd.

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. In 2010, Council adopted a Revitalization Tax Exemption Bylaw to encourage economic activity and growth.

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.

In order to encourage economic activity and growth, Council will provide revitalization tax exemption to businesses who meet the criteria set out in the Revitalization Tax program.

Objective:

To provide permissive tax exemption to not-for-profit organizations that benefits the overall well-being of the community.

To encourage economic activity and growth by providing exemption from property value tax increases for a period of five years.