

THE CORPORATION OF THE CITY OF ROSSLAND

BYLAW No. 2613

A BYLAW TO ADOPT A FINANCIAL PLAN FOR THE PERIOD OF 2016 TO 2020

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 2016 – 2020".
2. The planned revenues and expenditures for the years 2016 to 2020 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- (2) Bylaw No. 2583 "City of Rossland Financial Plan 2015-2019 Bylaw" and amendments thereto are hereby repealed.
- (3) 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 25th day of April, 2016
this 5th day of May, 2016
this 5th day of May, 2016
this 13th day of April, 2016
this 9th day of May, 2016


MAYOR


CORPORATE OFFICER

BYLAW # 2613 - Schedule A

City of Rossland - Five Year Financial Plan (Consolidated) 2016-2020

Revenue	2016	2017	2018	2019	2020
Taxation	4,754,488	5,003,879	5,265,013	5,460,652	5,751,455
Utility taxes and grants-in-lieu	116,390	122,906	128,201	133,751	139,570
Federal gas tax grant	192,000	192,865	202,508	202,508	212,250
Provincial grants	2,682,000	400,000	400,000	400,000	400,000
Regional district kootenay boundary grants	3,800	3,800	3,800	3,800	3,800
Other grants	25,000	25,000	25,000	25,000	25,000
Sale of services and other income	599,583	499,179	502,253	505,411	508,658
Interest and penalties on taxes	52,000	52,000	52,000	52,000	52,000
Gain (loss) on sale of tangible capital assets	-	-	-	-	-
Contributed assets and developer contributions	-	-	-	-	-
Water user fees	568,540	594,040	612,135	639,589	668,275
Sewer user fees	548,562	573,099	592,463	619,259	647,260
Total Revenue	9,542,363	7,466,767	7,783,373	8,041,970	8,408,268
Expenditures					
General government	(1,253,787)	(1,256,189)	(1,230,071)	(1,255,784)	(1,264,863)
Community support	(304,905)	(305,205)	(305,505)	(305,805)	(306,105)
Environmental health	(121,600)	(115,949)	(115,949)	(115,949)	(115,949)
Planning, development and engineering	(151,335)	(153,400)	(155,500)	(157,600)	(159,800)
Protective services	(205,510)	(221,188)	(224,353)	(227,619)	(230,885)
Public health services	(4,000)	(5,000)	(5,000)	(5,000)	(5,000)
Recreation and cultural services	(777,122)	(789,270)	(822,453)	(835,861)	(849,571)
Transportation and public works	(1,428,908)	(1,446,280)	(1,468,390)	(1,491,220)	(1,514,057)
Regional sewer utility	(296,407)	(302,335)	(308,382)	(314,549)	(320,840)
Sewer utility operations	(291,070)	(289,650)	(291,350)	(293,050)	(294,750)
Water utility operations	(621,485)	(642,160)	(638,060)	(644,260)	(650,460)
Amortization	(1,324,640)	(1,448,757)	(1,490,742)	(1,519,527)	(1,525,977)
Interest and finance charges	(308,714)	(513,508)	(582,783)	(630,278)	(640,920)
Reduce expenses	-	250,000	150,000	100,000	-
Total expenses	(7,089,483)	(7,238,892)	(7,488,538)	(7,696,503)	(7,879,177)
Annual Surplus (Deficit)	2,452,880	227,875	294,835	345,468	529,091
Amortization	1,324,640	1,448,757	1,490,742	1,519,527	1,525,977
Capital Expenditure	(7,530,500)	(3,548,000)	(2,930,000)	(1,842,000)	(5,471,000)
Debt Principles Payments	(195,000)	(305,650)	(343,080)	(368,742)	(374,492)
Debt Proceeds	4,000,000	2,000,000	2,000,000	0	4,000,000
Development Cost Charges	313,000	0	0	0	0
Transfer to Capital Reserves	(712,000)	(592,000)	(592,000)	(592,000)	(592,000)
Transfer from Capital Reserves	346,980	769,018	79,503	937,747	382,424
Transfer to Operating Reserves	0	0	0	0	0
Transfer from Operating Reserves	0	0	0	0	0
Balanced Budget	-	0	0	0	0

BYLAW #2613**SCHEDULE "B"****Table 1 – Sources of Revenue**

Revenue Source 2016	%
Property Value Taxes	57.24%
Parcel & Local Service Area Taxes	8.82%
Utility Taxes, Grants in Lieu & Penalties & Interest	3.04%
Utility User Fees	15.71%
Other Income	5.91%
Grants	9.28%
	100.0%

Table 1 reflects the proportion of total revenue proposed to be raised from each revenue source in 2016. 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. Grants also provide a source of revenue to the municipality. 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 #2613**SCHEDULE "C"****Table 2 – Proposed Distribution of Property Taxes Among Property Classes for 2016**

Property Class	%
Residential	87.98%
Utility	2.77%
Business and Other	8.76%
Managed Forest	0.02%
Recreation / Non-Profit	0.47%
Farm	0.00%

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.

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 #2613**SCHEDULE "D"**

The Corporation of the City of Rossland Permissive Tax Exemptions Per Bylaw #2599 – 2016 Permissive Tax Exemption Bylaw			
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)
Revitalization Tax Exemptions per Bylaw #2488			
Lot 1, Block 41, Plan 579	343.000	2004 Columbia Avenue	Quince Tree Enterprises Inc.
Lot 1, Plan NEP79845, Land District 26, Township 28	3014.010		WCH Holdings Ltd.
Lot 20, Block 43, Plan NEP579, Land District 26, District Lot 535	388.000		Texas Point 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.