

THE CORPORATION OF THE CITY OF ROSSLAND

BYLAW No. 2694

A BYLAW TO ADOPT A FINANCIAL PLAN FOR THE PERIOD OF 2019 TO 2023

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 2019 – 2023**”.
2. The planned revenues and expenditures for the years 2019 to 2023 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
PUBLIC CONSULTATION HELD ON
READ A SECOND TIME
READ A THIRD TIME
RECONSIDERED AND FINALLY ADOPTED

this 1ST day of April, 2019
this 8th day of April, 2019
this 15th day of April, 2019
this 15th day of April, 2019
this 6th day of May, 2019

MAYOR

CORPORATE OFFICER

BYLAW 2694 2019 SCHEDULE "A"

City of Rossland - Five Year Financial Plan
(Consolidated) 2019-2023

	Tax +3%	Tax +2.5%	Tax +2.5%	Tax +2.5%	Tax +2.5%
	2019	2020	2021	2022	2023
REVENUE					
Taxation	4,751,413	4,867,283	4,986,050	5,107,785	5,232,565
Parcel and Local Area Taxes	587,314	587,314	586,970	586,970	559,942
Utility Taxes and grants in lieu	120,917	122,126	122,126	122,126	122,126
Federal gas tax grant	212,250	212,250	212,250	212,250	212,250
Provincial Grants	787,795	594,252	594,252	594,252	594,252
RDKB grants	11,000	11,000	11,500	8,500	8,500
Other Grants	380,518	75,000	65,000	65,000	65,000
Sale of service and other income	630,416	581,974	597,110	586,929	585,964
Interest & penalties on taxes	52,000	52,000	52,000	52,000	52,000
Water user fees	665,170	681,290	706,840	733,753	762,120
Sewer user fees	616,840	623,351	630,060	636,971	644,094
	<u>8,815,633</u>	<u>8,407,840</u>	<u>8,564,158</u>	<u>8,706,536</u>	<u>8,838,813</u>
<i>Transfers from funds</i>					
General Capital	190,000				
Land Reserve	20,000				
Gas Tax Reserve	377,621	230,000	230,000	230,000	230,000
Climate Action Reserve	25,000	10,000	10,000		
Election Reserve				10,000	
Accumulated Surplus	2,376,813				
	<u>2,989,434</u>	<u>240,000</u>	<u>240,000</u>	<u>240,000</u>	<u>230,000</u>
Total Revenue	<u><u>11,805,067</u></u>	<u><u>8,647,840</u></u>	<u><u>8,804,158</u></u>	<u><u>8,946,536</u></u>	<u><u>9,068,813</u></u>

BYLAW 2694 Schedule A

	2019	2020	2021	2022	2023
EXPENDITURES					
General government	1,522,056	1,489,746	1,529,960	1,547,714	1,568,873
Community support	256,992	252,000	252,000	251,500	251,500
Environmental health	189,000	189,000	189,000	189,000	189,800
Planning, development, and engineering	372,508	323,344	325,201	278,550	264,231
Protective services	277,274	263,714	266,858	260,065	263,797
Public Health	17,000	11,000	11,500	8,500	8,581
Recreation & cultural services	1,161,033	1,141,076	1,130,997	1,143,353	1,156,601
Transportation & public works	1,498,821	1,499,195	1,511,958	1,524,278	1,549,355
Water utility operations	734,719	738,234	735,396	742,701	750,692
Sewer utility operations	835,134	669,375	671,981	674,638	677,628
Interest & finance charges	389,029	389,029	389,029	389,029	375,034
Amortization	1,658,035	1,658,035	1,658,035	1,658,035	1,623,059
	<u>8,911,601</u>	<u>8,623,748</u>	<u>8,671,915</u>	<u>8,667,363</u>	<u>8,679,151</u>
<i>Add back: Amortization</i>	<i>(1,658,035)</i>	<i>(1,658,035)</i>	<i>(1,658,035)</i>	<i>(1,658,035)</i>	<i>(1,623,059)</i>
Capital Expenditure	2,181,701	540,000	540,000	730,000	730,000
Debt principle paymts	259,141	259,141	259,141	259,141	246,108
Debt proceeds	0	0	0	0	0
Development cost charges	0	0	0	0	0
	<u>782,807</u>	<u>(858,894)</u>	<u>(858,894)</u>	<u>(668,894)</u>	<u>(646,951)</u>
<i>Transfer to Funds</i>					
Land Reserve	60,450	30,000	30,000	30,000	30,000
General Capital Project Reserve	403,000	505,000	480,000	490,000	490,000
Climate Action Reserve	32,000	10,880	23,674	23,674	23,674
Community Works Gas Tax Reserve	212,250	212,250	212,250	212,250	212,250
Election Reserve	2,500	2,500	2,500		2,500
Fleet Equipment Reserve	57,000				
Major Capital Reserve	1,125,319				
Regional Sewer Utility Reserve	218,140	45,000	45,000	45,000	45,000
Accumulated Surplus		77,356	197,713	147,143	233,189
	<u>2,110,659</u>	<u>882,986</u>	<u>991,137</u>	<u>948,067</u>	<u>1,036,613</u>
Total Expense	<u><u>11,805,067</u></u>	<u><u>8,647,840</u></u>	<u><u>8,804,158</u></u>	<u><u>8,946,536</u></u>	<u><u>9,068,813</u></u>

BYLAW #2694

SCHEDULE “B”

Table 1 – Sources of Revenue

Revenue Source 2019	%
Property Value Taxes	53.90%
Parcel & Local Service Area Taxes	6.66%
Utility Taxes, Grants in Lieu & Penalties & Interest	1.37%
Utility User Fees	14.55%
Other Income	7.74%
Grants	15.79%
	100.00%

Table 1 reflects the proportion of total revenue proposed to be raised from each revenue source in 2019. 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 at 16% for 2019. 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 #2694

SCHEDULE “C”

Table 2 – Proposed Distribution of Property Taxes Among Property Classes for 2019

Property Class	Property Description	%
1	Residential	88.93%
2	Utility	2.55%
3	Supportive Housing	0.00%
4	Major Industry	0.00%
5	Light Industry	0.10%
6	Business and Other	8.01%
7	Managed Forest	0.03%
8	Recreation / Non-Profit	0.38%
9	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. As at this time, there are no assessments for Class 3 (Supportive Housing) or Class 4 (Major Industry).

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 1.78.

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 #2694**SCHEDULE "D"****2019 – 2021 Permissive Tax Exemption Bylaw 2681**

Charter	Roll No	Permissive Tax Exemption Applicant	% Exemption	Term
General Statutory Exemptions pursuant to Community Charter Sections 220(1)(h) – A building set aside for public worship:				
Sch-A-220-1-h-public worship	676.100	Saint Andrews United Church, of Communities in Faith Pastoral Charge (CIFPC), of the United Church of Canada	100%	2019-2021
Sch-A-220-1-h-public worship	767.450	Sacred Heart Church, Roman Catholic Bishop of Nelson	100%	2019-2021

Exemptions pursuant to Community Charter Section 224(2)(f) – An area of land surrounding the exempt building in relation to property that is exempt under Schedule A:				
Sch-B-224-2-h-land	676.100	Saint Andrews United Church, of Communities in Faith Pastoral Charge (CIFPC), of the United Church of Canada	100%	2019-2021
Sch-B-224-2-h-land	767.450	Sacred Heart Church, Roman Catholic Bishop of Nelson	100%	2019-2021

Exemptions pursuant to Community Section 224(2)(a) – Property owned or held by a charitable, philanthropic or other not for profit corporation:				
Sch-C-224-2-a-NPO	238.000	Rossland Healthcare Auxiliary Society	100%	2019
Sch-C-224-2-a-NPO	240.000	Royal Canadian Legion Branch 14	100%	2019
Sch-C-224-2-a-NPO	243.000	Rossland Child Care Society	100%	2019
Sch-C-224-2-a-NPO	360.000	Rossland Light Opera Players Society	100%	2019
Sch-C-224-2-a-NPO	675.000	Golden City Manor Society	100%	2019-2021
Sch-C-224-2-a-NPO	1093.000	Lower Columbia Affordable Housing Society	75%	2019-2021

Exemptions pursuant to Community Charter Section 224(2)(iv) – Property used in the interest of a public authority, local authority or any other corporation or organization if the property are used by the corporation or organization for a purpose in relation to which an exemption under Division 6 of the Community Charter would apply if the property were owned by the corporation or organization:				
Sch-D-224-2-e-iv	624.100	Rossland Seniors Association Branch 45	100%	2019-2021
Sch-D-224-2-e-iv	676.100	Visions for Small Schools Society DBA Seven Summits Centre for Learning	100%	2019-2021
Sch-D-224-2-e-iv	1538.700	Scouts Canada & Scout Properties (BC Yukon)	100%	2019-2021
Sch-D-224-2-e-iv	1661.100	Rossland & District Search & Rescue	100%	2019-2021
Sch-D-224-2-e-iv	1729.000	Rossland Historical Museum & Archives Association	100%	2019-2021

BYLAW #2694**SCHEDULE "D"****2017 Revitalization Tax Exemptions Bylaw #2620**

Roll No	Property	Property Address	PID	Legal	Term
00363.000	Allanco Development Corp	2104 Columbia Ave	010-873-929 010-873-945	Lot 1 & 2, Plan Number NEP579, Land District 26, District Lot 535	2017 – 2021
00388.000	Texas Point Holdings Ltd	2105 Columbia Avenue	011-471-093	Lot 20, Block 43, Plan Number NEP579, Land District 26, District Lot 535	2016 - 2020
03014.010	WCH Holdings Ltd	Red Mountain Road	026-522-128	Lot 1, Plan Number NEP79845, Land District 26, Township 28	2016 – 2020

2018 Revitalization Tax Exemptions Bylaw #2682

Roll No	Property	Property Address	PID	Legal	% of Assessment	Term
00217.000	Barrie Industries Ltd	1807 Columbia Ave	029-207-932	Lot 1 District Lot 535 Kootenay District Plan EPP34760	100%	2019
					80%	2020
					60%	2021
					40%	2022
					20%	2023
00345.000	9923098 Canada Ltd Inc No A0106353	2024 Columbia	010-702-504	Lot 3 Block 41 District Lot 535 Kootenay District Plan 579	100%	2019
					80%	2020
					60%	2021
					40%	2022
					20%	2023
01661.100	Davies Sales and Service Ltd	941 Black Bear	009-003-568	Lot A Sections 33 and 34 Township 9A Kootenay District Plan 16267, Except part included in Plan NEP20593	100%	2019
					80%	2020
					60%	2021
					40%	2022
					20%	2023
03014.050	Red Mountain Hostel (CBT) Holdings Ltd	4255 Red Mountain Road	026-522-161	Lot 5 Township 28 Kootenay District Plan NEP79845	100%	2019
					80%	2020
					60%	2021
					40%	2022
					20%	2023

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.