

THE CORPORATION OF THE CITY OF ROSSLAND

BYLAW No. 2583

A BYLAW TO ADOPT A FINANCIAL PLAN FOR THE PERIOD OF 2015 TO 2019

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 2015 – 2019".
2. The planned revenues and expenditures for the years 2015 to 2019 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

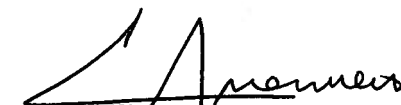
4. (1) If any section, subsection, sentence, clause or phrase of this Bylaw is for any reason held to be invalid by the decision of any court of competent jurisdiction, the invalid portion will be severed and the part that is invalid will not affect the validity of the remainder.
- (2) Bylaw No. 2568 "City of Rossland Financial Plan 2014-2018 Bylaw" and amendments thereto are hereby repealed.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 8th day of May, 2015
this 8th day of May, 2015
this 8th day of May, 2015
this 27th day of April, 2015
this 11th day of May, 2015



MAYOR



DEPUTY CORPORATE OFFICER

BYLAW # 2583 - SCHEDULE A

City of Rossland - Five Year Financial Plan (Consolidated) 2015-2019

	2015	2016	2017	2018	2019
Revenue					
Taxation					
Property Tax Levy	3,863,990	3,990,037	4,103,038	4,218,299	4,335,865
Non Market Changes	49,024	35,000	35,000	35,000	35,000
Property Tax Increase	78,260	80,501	82,761	85,066	87,417
Risk to Roll	(1,238)	(2,500)	(2,500)	(2,500)	(2,500)
Utility Taxes & Grants in Lieu	123,308	125,553	127,841	130,172	132,548
Water Parcel & Local Service Area Taxes	451,862	468,523	486,017	504,385	523,672
Sewer Parcel & Local Service Area Taxes	144,213	168,906	198,538	234,097	276,767
	4,709,419	4,866,020	5,030,694	5,204,518	5,388,768
Funding for Operations					
Water User Fees	565,748	619,468	670,037	735,019	806,489
Sewer User Fees	569,870	681,808	783,705	861,825	947,757
Other Income	78,441	89,557	104,525	120,155	136,478
Tax Penalties & Interest	61,333	74,672	76,770	78,909	81,092
	1,275,391	1,465,505	1,635,037	1,795,908	1,971,816
Grants					
Gas Tax Fund	195,912	195,912	195,912	195,912	195,912
Provincial Grants	458,850	458,889	458,928	458,967	459,007
	654,762	654,801	654,840	654,879	654,919
TOTAL REVENUE	6,639,572	6,986,326	7,320,571	7,655,305	8,015,504
Expenses (after sale of service income)					
Government Services	(1,481,053)	(1,425,588)	(1,438,603)	(1,475,032)	(1,517,913)
Community Support	(292,610)	(274,654)	(261,887)	(249,757)	(238,234)
Environmental Health	9,208	8,503	8,503	8,503	8,503
Planning, Development and Engineering	(168,734)	(126,500)	(128,400)	(130,300)	(132,200)
Protective Services	(13,349)	(69,547)	(72,005)	(74,475)	(77,055)
Public Health Services	(7,980)	0	0	0	0
Recreation & Cultural services	(546,912)	(548,475)	(556,555)	(564,927)	(573,490)
Transportation and Public Works	(1,251,668)	(1,239,155)	(1,260,398)	(1,269,939)	(1,272,890)
Regional Sewer Utility	(324,551)	(442,623)	(402,128)	(438,316)	(444,347)
Sewer Operations	(234,938)	(226,450)	(224,950)	(226,550)	(228,150)
Water Operations	(619,658)	(525,260)	(505,560)	(489,960)	(495,360)
Amortization	(1,318,300)	(1,373,282)	(1,373,300)	(1,373,300)	(1,373,300)
Interest and Finance Charges	(308,714)	(448,085)	(448,085)	(448,085)	(448,085)
General Fund Special Projects	(133,184)	(82,500)	(10,000)	(10,000)	(4,000)
	(6,692,444)	(6,773,615)	(6,673,367)	(6,742,137)	(6,796,520)
Annual Surplus (Deficit)	(52,871)	212,711	647,204	913,169	1,218,983
Accumulated Deficit - Sewer	(210,896)				
Amortization	1,318,300	1,373,282	1,373,300	1,373,300	1,373,300
Capital Expenditure	(436,581)	(7,832,760)	(943,793)	(1,448,734)	(1,519,094)
Debt Principal Payments	(247,564)	(342,350)	(357,318)	(372,949)	(389,271)
Debt Proceeds	0	4,692,612	0	0	0
Development Cost Charges	0	313,000	0	0	0
Transfer to Capital Reserves	(600,148)	(789,278)	(876,620)	(766,916)	(909,154)
Transfer from Capital Reserves	164,780	1,311,158	300,000	367,177	391,859
	0	0	0	0	0
Transfer to Operating Reserves	(66,808)	(46,807)	(66,807)	(66,807)	(164,864)
Transfer from Operating Reserves	131,789	1,032,468	0	0	0
Balanced Budget	0	(75,965)	75,966	(1,760)	1,760

BYLAW #2583**SCHEDULE "B"****Table 1 – Sources of Revenue**

Revenue Source 2015	%
Property Value Taxes	60.09%
Parcel & Local Service Area Taxes	8.98%
Utility Taxes, Grants in Lieu & Penalties & Interest	2.78%
Utility User Fees	17.10%
Other Income	1.18%
Grants	9.86%
	100.0%

Table 1 reflects the proportion of total revenue proposed to be raised from each revenue source in 2015. 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 #2583**SCHEDULE "C"****Table 2 – Proposed Distribution of Property Taxes Among Property Classes for 2015**

Property Class	%
Residential	87.28%
Utility	2.86%
Business and Other	9.34%
Managed Forest	0.03%
Recreation / Non-Profit	0.48%
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 #2583**SCHEDULE "D"**

**The Corporation of the City of Rossland
Permissive Tax Exemptions
Per Bylaw #2577 – 2015 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 26, Block 18, Plan 616 & Lot A, Plan 10762	673.940	2099 - Third Avenue	Rossland Congregation of Jehovah's Witnesses
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 8, Block, 28, Plan 579, Kootenay Land District	234.000	1960 Columbia Avenue	Sourdough Alley Holdings Co.
Lot 5, Lot 4, Block 28, Plan 579, Kootenay Land District	231.500	1938 Columbia Avenue	Sourdough Alley Holdings Co.

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.